Preliminary Announcement

19 May 2011

SABMiller delivers an excellent financial performance

SABMiller plc, one of the world's leading brewers with operations and distribution agreements across six continents, reports its preliminary (unaudited) results for the twelve months to 31 March 2011.

Operational Highlights

- Lager volumes of 218 million hectolitres (hl), 2% ahead of the prior year on an organic basis with particularly good growth in Africa, South Africa and Asia
- Reported group revenue up 7%, with organic, constant currency group revenue growth of 5%
- EBITA margin increases by 120 basis points (bps) to 17.8%
- Reported EBITA up 15%, with organic, constant currency EBITA growth of 12%:
  - Latin America EBITA[1] growth of 11% due to pricing, lower raw material costs and fixed cost productivity
  - Europe EBITA[1] grows by 4% benefiting from lower costs, despite reduced volumes
  - Disciplined revenue management, synergies and cost savings increase North America EBITA by 20%
  - Strong volume growth, firm pricing and capacity expansion drive Africa's EBITA[1] growth of 20%
  - Asia EBITA[1] increases by 33% with robust volume growth in China and India
  - South Africa: Beverages EBITA[1] growth of 11% due to volume growth and pricing
- Adjusted earnings grow by 20%, with adjusted EPS up 19% to 191.5 US cents per share
- Further improvement in free cash flow[2], up 23% to US$2,488 million
- Full year dividends per share up 19% to 81.0 US cents

1 EBITA growth is shown on an organic, constant currency basis.
2 As defined in the financial definitions section. See also note 10b.

Financial highlights	**2011 US$m**	2010 US$m	% change
Group revenue[a]	**28,311**	26,350	7
Revenue[b] (excludes associates' and joint ventures' revenue)	**19,408**	18,020	8
EBITA[c]	**5,044**	4,381	15
Adjusted profit before tax[d]	**4,491**	3,803	18
Profit before tax[e]	**3,626**	2,929	24
Adjusted earnings[f]	**3,018**	2,509	20
Adjusted earnings per share			
- US cents	**191.5**	161.1	19
- UK pence	**123.4**	100.6	23
- SA cents	**1,369.6**	1,253.8	9
Basic earnings per share (US cents)	**152.8**	122.6	25
Dividends per share (US cents)	**81.0**	68.0	19
Free cash flow	**2,488**	2,028	23

a Group revenue includes the attributable share of associates' and joint ventures' revenue of US$8,903 million (2010: US$8,330 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 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$518 million (2010: US$538 million) and share of associates' and joint ventures' net finance costs of US$35 million (2010: US$40 million).
e Profit before tax includes exceptional charges of US$467 million (2010: US$507 million). Exceptional items are explained in note 3.
f A reconciliation of adjusted earnings to the statutory measure of profit attributable to equity shareholders is provided in note 6.

Meyer Kahn, Chairman of SABMiller, said:

"SABMiller's financial performance for the year was very strong, benefiting from our sustained focus on our strategic priorities right across the business. Brand equities and sales execution drove profitable volume growth, and while we maintained focus on cost management, we continued to increase investment behind our local and international brand portfolios."

Segmental EBITA performance	**2011 EBITA US$m**	Reported growth %	Organic, constant currency growth %
Latin America	**1,620**	17	11
Europe	**887**	2	4
North America	**741**	20	20
Africa	**647**	15	20
Asia	**92**	31	33
South Africa: Beverages	**1,067**	21	11
South Africa: Hotels and Gaming	**137**	12	3
Corporate	**(147)**	-	-
Group	**5,044**	15	12

Business review

The group delivered very strong financial results. Trading conditions across the group were mixed with improvements in most of our emerging markets, although constraints on consumer demand impacted performance in Europe and North America. Total beverage volumes of 270 million hl were 3% ahead of the prior year on an organic basis, with lager volumes up 2%, soft drinks volumes up 3% and other alcoholic beverages up 22%. Volume growth was also accompanied by share gains in a number of markets. Group revenue grew by 7% (5% on an organic, constant currency basis), driven by the higher volumes, selective price increases in the current and prior year, as well as favourable brand mix, all reflecting the strength of our brands.

EBITA grew by 15% on a reported basis (12% on an organic, constant currency basis) driven by EBITA growth from all divisions and assisted by the strength of key operating currencies against the US dollar compared to the prior year. EBITA margin was 120 bps higher, benefiting from both the growth in revenue and a marginal reduction in raw material costs (on a constant currency, per hl basis), although both brewing and soft drinks raw material costs saw moderate increases in the second half of the year. We continued to invest in order to support and further develop our brands as trading conditions improved in a number of key markets during the year. In real terms fixed costs (on a constant currency basis, per hl basis) were level with the prior year, with increased expenditure behind sales and in support of expansion in Africa being offset by cost productivity.

Adjusted earnings were 20% higher as a result of the increase in EBITA and lower finance costs, with an effective tax rate of 28.2%. Adjusted earnings per share were up 19% to 191.5 US cents.

The group generated US$2,488 million of free cash flow, an increase over the prior year of US$460 million. Cash inflows from working capital of US$66 million continued the positive trend of the previous year, albeit at a lower rate. Capital expenditure was US$1,315 million, US$213 million lower than the prior year, following the completion of a number of key capacity expansion projects. Cash flows from associates and joint ventures were favourable primarily due to higher profits in the MillerCoors joint venture and lower funding requirements than in the prior year.

Net debt decreased by US$1,307 million to US$7,091 million, primarily as a result of the robust cash inflows. The group's gearing ratio fell to 31.2% from 40.8% in the prior year. The Board has recommended a final dividend of 61.5 US cents per share which will be paid to shareholders on 12 August 2011. This brings the total dividend for the year to 81 US cents, an increase of 13 US cents (19%) over the prior year.

- **Latin America** delivered EBITA growth of 17% (11% on an organic, constant currency basis) despite lager volumes being level with the prior year on an organic basis. EBITA growth resulted from selective price increases, mainly in the second half of the prior year, lower raw material costs and an ongoing focus on the reduction of fixed costs. We continued to increase the appeal of the beer category, focusing on new consumer segments and consumption occasions and further developing our brand portfolios, while also improving our routes to market and sales reach. In Colombia full year lager volumes declined by 6% as a result of increased consumer prices in response to the emergency VAT increase levied specifically on the beer category in February 2010 as well as exceptional widespread flooding. Peru's full year lager volume growth of 10% was boosted by the country's continued strong economic recovery and our ongoing brand development initiatives.

- In **Europe**, EBITA increased by 2% (4% on a constant currency basis), despite lager volumes falling by 3% for the year amid difficult economic and industry conditions, including competitor discounting. The first half of the year was particularly challenging as a result of significant excise increases in Russia and the Czech Republic as well as extensive flooding and the mourning period following the death of the president in Poland. The second half of the year saw improving volume trends across most markets, albeit compared to a relatively weak prior year base. While lower volumes and downtrading impacted profitability, lower raw material costs and cost efficiencies more than offset this, driving the increase in EBITA.

- In **North America**, EBITA grew by 20% for the year, with MillerCoors' EBITA up 20%. MillerCoors' sales to wholesalers (STWs) and sales to retailers (STRs) were down 3% as the US beer market remained challenging, with high unemployment among key beer consumer groups. However, trends improved through the year in the key premium light segment, and the Tenth and Blake crafts and imports division continued its double digit volume growth. EBITA benefited from revenue growth due to price increases and favourable sales mix, complemented by the ongoing realisation of synergies and other cost savings. During the year, incremental synergies and cost savings of US$275 million were achieved, generating total annualised synergies and cost savings of US$684 million. MillerCoors remains on track to deliver US$750 million in total annualised synergies and other cost savings by the end of the calendar year 2012.

- **Africa** lager volumes grew by 13% on an organic basis, and by 9% excluding Zimbabwe[1]. Uganda, Zambia, Mozambique and Angola all delivered robust lager volume growth as a result of capacity expansion, improved routes to market, brand development initiatives and good economic growth. Tanzania also saw good lager volume growth despite the prior year including other licensed brands which have now been withdrawn. Soft drinks volumes grew by 8% on an organic basis (4% excluding Zimbabwe). EBITA grew by 15% (20% on an organic, constant currency basis). Growth came from higher volumes and price increases, partially offset by the impact on commodity costs of weaker local currencies relative to the US dollar, as well as increased sales and marketing investment and increased fixed costs from recent capacity expansions.

- In **Asia,** lager volumes grew 10% on an organic basis, driven mainly by volume growth in China (also up 10%), with EBITA up 31% (33% on an organic, constant currency basis). In China, our associate CR Snow continued to expand ahead of the market and gain share, with marketing investment increasing and premium variants of the Snow brand seeing good growth. Lager volumes in India also grew by 10% despite continuing regulatory constraints in Andhra Pradesh.

[1] We have included our share of Delta, our associate in Zimbabwe, within our results effective 1 April 2010 following the effective 'dollarisation' of the economy in 2009, the end of hyperinflation and the stabilisation of the local economy.

- In **South Africa,** lager volumes grew by 2% despite the absence of a peak Easter trading period in the financial year, also assisted by a cautious improvement in consumer confidence and improved volumes around the time of the 2010 FIFA World Cup. Our increased brand and market facing investment continued to strengthen our core brand portfolio and helped to stabilise our market share in the second half of the year. Soft drinks volumes grew by 3% reflecting the early success of the soft drinks' growth strategy. EBITA grew by 21% (11% on a constant currency basis) assisted by the strengthening of the rand during the year. Revenue increased due to volume growth and price benefits, with raw material input costs slightly favourable as lower brewing costs were largely offset by an increase in soft drinks raw material costs. Marketing and fixed costs both increased primarily due to investments in sales force and marketing capability.

- Progress continues across all aspects of the **business capability programme**. Net operating benefits in the year exceeded US$60 million, somewhat ahead of expectations, with the strongest contributions from our global procurement programme and the implementation of a regional manufacturing organisation in Europe. Working capital benefits realised since the start of the programme continued to exceed our original objective of US$350 million by the end of 2012 and by the end of the year were over US$450 million on an accumulated basis. Working capital has been helped by the implementation of customer management systems, supply chain programmes and improved management of payables. Costs were broadly in line with the expectations communicated at mid year, with exceptional charges of US$296 million taken in the year. These primarily relate to the design, build and implementation of major systems platforms. The major milestones during the year have been the implementation of sales and distribution systems in Peru and Colombia and a new back office platform in South Africa.

Outlook
While consumer demand is likely to continue growing in most developing markets, there are uncertainties in the outlook for inflation and the pace of recovery in Europe and North America. Pricing will be considered selectively, country by country, taking account of an expected moderate increase in our raw material input costs, the competitive context and our intention to achieve growth through affordability in some markets. In line with our established strategic priorities, we plan to drive growth by further strengthening and extending our brand portfolios and channel management capabilities while maintaining our focus on cost control and productivity.

Enquiries:

	SABMiller plc	Tel: +44 20 7659 0100
Sue Clark	Director of Corporate Affairs	Tel: +44 20 7659 0184
Gary Leibowitz	Senior Vice President, Investor Relations	Tel: +44 20 7659 0119
Nigel Fairbrass	Head of Media Relations	Mob: +44 77 9989 4265

A live audiocast of the management presentation to the investment community will begin at 9.30am (BST) on 19 May 2011. Access details for this audiocast, video interviews with management and copies of this announcement and the slide presentation are available on the SABMiller plc website at www.sabmiller.com.

Images: Our media image library has a large selection of images for use in print and digital media. Visit www.sabmiller.com/imagelibrary

Broadcast footage: Our broadcast footage library has stock footage for media organisations to view and download for use in TV programmes or news websites. Visit www.sabmiller.com/broadcastfootage

Copies of the press release and detailed Preliminary Announcement are available from the Company Secretary at the Registered Office, or from 2 Jan Smuts Avenue, Johannesburg, South Africa.

Operational review

Latin America

Financial summary	**2011**	2010	%
Group revenue (including share of associates) (US$m)	**6,335**	5,905	7
EBITA[1] (US$m)	**1,620**	1,386	17
EBITA margin (%)	**25.6**	23.5	
Sales volumes (hl 000)			
- Lager	**38,266**	38,075	1
- Lager (organic)	**38,022**	38,075	-
- Soft drinks	**15,809**	15,895	(1)

[1] In 2011 before exceptional charges of US$106 million being business capability programme costs (2010: US$156 million being business capability programme costs of US$97 million, restructuring and integration costs of US$14 million and impairments of US$45 million).

Our Latin American business ended the year with EBITA growth of 17% (11% on an organic constant currency basis). Lager volumes were level with the prior year on an organic basis, following growth of 1% in the fourth quarter. Volume performance was driven by the improving economic conditions across the region as well as our commercial efforts to overcome trade restrictions and the impact on consumer prices of higher product taxes imposed in a number of countries. Financial performance was driven by revenue growth from selective price increases, lower raw material input costs and the continued focus on fixed cost productivity. Marketing investment increased moderately and most of our operations have continued to achieve beer and total alcohol market share gains. EBITA margin reflected a 210 bps increase to 25.6%.

In **Colombia** lager volumes declined by 6% principally due to the emergency VAT increase levied on the beer category in February 2010, however volumes returned to growth after cycling the increase. Lager volumes were also impacted by exceptional rainfall with widespread flooding in a number of regions impacting consumer demand and our product distribution, as well as a number of 'dry days' around elections. Our share of the total alcohol market declined from 66% to 62% as the aguardiente sector benefited from the impact of the VAT increase for beer. Strategies to develop further our beer brand portfolio and to improve affordability of beer are in place, and more favourable market share trends emerged in the last quarter. We have enhanced our brand mix by growing our upper mainstream segment, with Aguila Light up by over 50% and the successful introduction of Poker Ligera, a functional light beer, and Club Colombia Roja, a local premium brand, while seeding Miller Genuine Draft as a premium brand in high end outlets in a number of major cities. Redd's, which has been attracting a wider female following, grew by 6%. We continued to enhance the availability of cold beer and have placed a further 19,000 fridges in the market. Our soft drinks brand, Pony Malta, benefited from expansion of availability and the launch of a new small pack size, the Pony Mini. Fixed costs benefited from the restructuring projects undertaken in the prior year, including the closure of the Bogota brewery, as well as our ongoing cost productivity initiatives.

Our **Peru** operations performed strongly on the back of robust GDP growth of 8.8% and our ongoing brand portfolio upgrade, with lager volume growth of 10%. We have continued to grow beer market share by volume to 92% (prior year 90%) and achieved a higher value share. Our brand portfolio was enhanced through the repositioning of Pilsen Callao, which grew by 18%, as an upper mainstream brand at a higher price point. Miller Genuine Draft was launched, while our local premium brand Cusqueña gained further outlet penetration as a new seasonal variant was launched selling at a higher price point. Pilsen Trujillo continued to provide an effective defence against competitor economy brands and took volume from the informal alcohol segment. Our strategy of profitable revenue growth included selective price increases during the year, as well as improved brand and pack mix. Further capital investments were made to meet capacity requirements, given the high level of growth, while production grid efficiency was enhanced with the closure of the Trujillo plant and the transfer of this capacity to the Motupe and Ate plants.

Ecuador achieved lager volume growth of 1% with improved product availability and increased sales coverage helping to offset government restrictions on alcohol sales, particularly a ban on Sunday alcohol trading introduced in June 2010. We have expanded our presence in consumption occasions such as festivals and events which now represent approximately 6% of volume mix, up from less than 2% a year ago. Premium brands performed well, led by our local premium brand Club, with volumes up 5%. The segment now reflects 10% of our mix (up 100 bps) and included the launch of Miller Genuine Draft in key cities. The new 225ml Pilsener offering launched in January 2010 saw strong performance and helped enhance sales mix. Direct order taking was increased by another 10% to 63% of total volumes while distributor consolidation continued, improving productivity. These actions helped lift our share of the alcohol market which ended at 46%, up from 44% in the prior year. A court ruling relating to a labour dispute pre-dating SABMiller's investment in Ecuador affected trading for two weeks in December 2010. The dispute is ongoing and not yet resolved and we are contesting the claims.

Our operations in **Honduras** delivered strong share gains in both lager and soft drinks while strengthening margins, despite a challenging social environment with increased violence and the highest rainfall in the last 30 years. Lager volumes ended the year up 1%, with double digit growth in the last quarter. Growth was assisted by efforts to make beer more accessible to low income consumers with entry packs in the traditional trade and price optimisation initiatives in the modern trade. Our alcohol market share improved from 49% to a historical high of 50%. Soft drinks saw a significant positive trend in the second half of the year, with our share of sparkling soft drinks increasing to 58%, up from 56% in the prior year. However volumes remained below the prior year due to price increases taken to recover an excise tax increase. Two new categories of soft drinks were also introduced with the launch of the Jugos Del Valle juice brand and Nestea.

In **Panama** total volumes increased by 2%, with lager volumes level with the prior year amid an increasingly competitive environment where our beer market share declined marginally. Mix improvements were encouraging, boosted in the last quarter by the introduction of Miller Lite in the premium segment. Our portfolio of soft drinks grew by 3%, supported by a solid performance of Malta Vigor and increases in outlet coverage.

In **El Salvador** domestic lager volumes were in line with the prior year while soft drinks declined by 5%. Volumes suffered from challenging economic conditions, an increase in social unrest, poor weather and two increases in beer taxes. Soft drinks volumes were also impacted by our strategy to cut back on non-core brands, and our share of sparkling soft drinks fell from 55% to 54%.

In November 2010, we entered **Argentina** with the acquisition of Cervecería Argentina S.A. Isenbeck (CASA Isenbeck), a brewery near Buenos Aires, which has Isenbeck and Warsteiner as its principal brands. This acquisition provides an interesting low cost entry point into the country as well as a platform for supply into neighbouring countries.

Europe

Financial summary	**2011**	2010	%
Group revenue (including share of associates) (US$m)	**5,394**	5,577	(3)
EBITA[1] (US$m)	**887**	872	2
EBITA margin (%)	**16.4**	15.6	
Sales volumes (hl 000)			
- Lager	**44,193**	45,513	(3)

[1] In 2011 before exceptional charges of US$261 million being impairments of US$98 million, integration and restructuring costs of US$52 million and business capability programme costs of US$111 million (2010: US$202 million being US$64 million of integration and restructuring costs and US$138 million of business capability programme costs).

In **Europe** lager volumes declined 3% as the beer market continued to reflect generally difficult economic conditions for consumers across the region. Widespread price weakness and competitor discounting are persistent features. The first half was particularly challenging, following excise increases in the final quarter of the prior year which were passed onto consumers through substantial price increases. The second half saw improved trends in nearly all markets in the region.

Reported revenue per hectolitre was level with the prior year, however on a constant currency basis it grew by 3%. This largely reflected prior year excise-related price increases, with selective inflationary price increases and mix benefits offset by discounting. Profitability was negatively impacted by volume declines in the first half of the year and ongoing downtrading. However cost efficiencies driven in part by our regional manufacturing project which is focused on consistent world class manufacturing and reduced commodity costs resulted in EBITA growth of 2% (4% on a constant currency basis) and EBITA margin expansion of 80 bps. Marketing expenditure was ahead of the prior year on a constant currency basis and included 2010 FIFA World Cup activations. Reported results were impacted by the weakening of central and eastern European currencies against the US dollar compared to the prior year, although this predominantly occurred in the first half of the year.

In **Poland** lager volumes were down 4% as the beer market continued to suffer with a particularly challenging first half affected by widespread flooding and alcohol sales restrictions during a nine day national mourning period following the death of the president. Macro economic conditions and consequently consumer confidence improved through the year, however the beer market has been affected by a recent shift in consumer spending patterns towards durable white goods with lower growth in the food and beverage sectors. Competitor activity focused on price reductions and discounting has led to downtrading and growth in the economy segment. In this context we have driven defensive growth of the economy brand Wojak which has doubled volumes during the year. Other major brands, including Tyskie, have lost share in this environment however Lech has held its position well in a declining premium segment. Zubr performed particularly well in the fourth quarter responding to strong promotional support which improved the second half volume trend. Despite downtrading in the market, revenue per hectolitre was broadly in line with the prior year in constant currency terms, although reported EBITA declined reflecting the reduced volumes.

In the **Czech Republic** lager volumes declined by 6% as the market continued to be impacted by weakness in the on-premise channel, downtrading and the effect of the January 2010 excise increase. Consumer confidence has been severely impacted by high unemployment, low real wage growth and higher taxation resulting in a double digit volume decline in the on-premise channel. Our premium brands outperformed the market. Despite its on-premise channel bias Pilsner Urquell performed well, helped by strong brand equity and expanded tank beer distribution. Our premium variant Kozel 11 also continued to grow with increased distribution in the on-premise channel. Our mainstream brand, Gambrinus, continues to be under pressure partly due to its significant exposure to the on-premise channel, however encouraging results have been seen in the second half following significant brand investment. The off-premise channel has declined at a lower rate than the on-premise driven by an expanding convenience sub-segment and we have gained share in this channel by successfully refocusing our can and convenience offerings at mainstream and economy price points. As a result of these activities, volume trends have improved and in the fourth quarter volumes rose 2%. Revenue per hectolitre fell by 2% (up 1% at constant currency), and reported EBITA declined mainly due to reduced volumes.

Volumes in **Russia** grew 1%, despite a slow start to the year after the significant January 2010 excise increase, then assisted by an exceptionally warm summer and an improving trend in the second half of the year as the economy showed signs of recovery and consumer sentiment strengthened. In a market characterised by significant downtrading we have held share. In the premium segment our local brand Zolotaya Bochka has been affected by competitor price reductions to which we have responded with a continued focus on value, supported by brand investment. Kozel enjoyed another strong year growing in a declining segment, and the decline in Miller Genuine Draft slowed due to a revitalised 'It's Miller time' marketing campaign. We have driven economy segment growth led by Tri Bogatyrya, particularly as a result of a new 3 litre PET pack. Growth in our regional portfolio, including Simbirskoe in the Ulyanovsk region and the Vladpivo brands, has offset volume declines in the Moscow area. Reported revenue per hectolitre growth reflects prior year excise related price increases. Despite downtrading, focus on production efficiencies and fixed cost productivity resulted in an improvement in EBITA. In **Ukraine** volumes grew 21% benefiting from economic improvement along with the success of the Sarmat variant Zhigulivskoe and a 1.25 litre PET pack, while recently introduced premium brands have also boosted growth.

In **Romania** lager volumes declined by 8% in an economy which has been slow to recover. Consumer confidence has been severely impacted by government austerity measures including a 5% increase in VAT in July 2010 and a decline in real wages. Until these measures were implemented, the mainstream category had held its own, capturing downtrading from the premium segment. Since July 2010 the economy segment has seen accelerated downtrading from the mainstream segment and our mainstream brand Timisoreana declined despite performing well within its segment. Our economy brands Ciucas and Azuga gained share in the growing economy segment. Ciucas growth followed a brand relaunch in the second half with a new pack offering supported by effective trade and consumer communication. In this market context, we announced the closure of the Cluj brewery in November and are also in the process of restructuring our commercial operations.

In **Italy** economic conditions remain depressed resulting in a continued decline in the beer market particularly in the on-premise channel. Birra Peroni domestic volumes declined 4% with our value strategy resulting in constant currency revenue per hectolitre growth of 4% benefiting from improved channel mix and strong pricing. Effective revenue management along with focused marketing investment behind core brands and fixed cost productivity resulted in a strong improvement in EBITA. In line with our strategy to improve value in this market we are in discussions to dispose of our in-house distribution operation in Italy which has resulted in a charge for impairment and associated costs.

Domestic lager volumes in the **Netherlands** declined by 2%, in line with the beer market, and we maintained share predominantly driven by off-premise performance. We launched Pilsner Urquell and Peroni Nastro Azzurro in the premium segment. We have recently announced further restructuring in both brewery and commercial operations.

In the **United Kingdom** lager volumes grew 23% in a premium segment which expanded only marginally. Peroni Nastro Azzurro continued its strong performance growing volume 21% with significant expansion of draught sales. Premium portfolio volumes were strong across the board and particularly healthy in Miller Genuine Draft, Pilsner Urquell and Tyskie.

In **Hungary** and **Slovakia** difficult economic conditions continued resulting in depressed beer markets but with improving trends in the second half. In Hungary volumes declined 5%, however our market share improved reflecting in-trade execution focused on capturing uptrading into the premium segment alongside the more significant down-trading into economy brands. Volumes declined in Slovakia by 7% but the focus on premium occasions successfully drove growth in Pilsner Urquell and on-premise share growth. While trading was challenging in the **Canaries**, the recent gradual return of tourists resulted in level volume performance and we have started rationalising our distribution route to market.

North America

Financial summary	**2011**	2010	%
Group revenue (including share of joint ventures) (US$m)	**5,223**	5,228	-
EBITA[1] (US$m)	**741**	619	20
EBITA margin (%)	**14.2**	11.8	
Sales volumes (hl 000)			
- Lager – excluding contract brewing	**42,336**	43,472	(3)
MillerCoors' volumes			
- Lager – excluding contract brewing	**40,949**	42,100	(3)
- Sales to retailers (STRs)	**40,757**	41,865	(3)
- Contract brewing	**4,458**	4,558	(2)

[1] In 2011 before exceptional charges of US$5 million being the group's share of MillerCoors' integration and restructuring costs (2010: US$18 million being the group's share of MillerCoors' integration and restructuring costs of US$14 million and the group's share of the unwind of the fair value inventory adjustment of US$4 million).

The North America segment includes the group's 58% share in MillerCoors and 100% of Miller Brewing International. In a market which remained challenging through the year, robust revenue management and strong cost management, including MillerCoors' continued delivery of committed synergies and cost savings, drove total North America EBITA up 20%.

MillerCoors

For the year ended 31 March 2011 MillerCoors' US domestic volume STRs were down 3%, as the US beer market remained under pressure from high levels of unemployment amid a slow economic recovery. Domestic STWs also fell by 3%, in line with the STRs. Revenue growth was driven by pricing and favourable brand mix from uptrading and product innovation. These factors more than offset the impact on EBITA of the decline in volumes.

Premium light brand volumes were down low single digits, with growth in Coors Light and an improving performance for Miller Lite. MillerCoors' Tenth and Blake craft and import brand portfolio saw continued double digit growth driven by Blue Moon and Leinenkugel's (including their associated seasonal craft brand extensions) as well as Peroni Nastro Azzurro. The below premium segment declined in mid single digits, with both Keystone and Miller High Life volumes down as consumers began to trade up to other categories.

MillerCoors' revenue per hectolitre grew by 2% as a result of disciplined revenue management with selected price increases, including the narrowing of the price gaps between the below premium and premium brands, which resulted in consumers trading up and mix improving.

Cost of goods sold per hectolitre were marginally higher despite the ongoing benefit of synergies and cost savings, due to higher freight and carrier rates and the increased product costs of more premium brands.

Marketing, general and administrative costs decreased mainly due to synergy realisation and as a result of other cost savings initiatives.

In the full year MillerCoors delivered an incremental US$202 million of synergy savings. Synergies were driven mainly by marketing and media savings, brewing and packaging material cost reductions, and lower distribution costs. Other cost savings of US$73 million came mainly from a number of other supply chain initiatives.

Total annualised synergies and other cost savings of US$684 million have been realised since the inception of the joint venture on 1 July 2008. This consists of synergies of US$528 million and other cost savings of US$156 million. MillerCoors achieved the original three year US$500 million synergy target six months earlier than expected, and remains on track to achieve US$750 million in total annualised synergies and other cost savings by the end of the calendar year 2012.

Africa

Financial summary	**2011**	2010	%
Group revenue (including share of associates) (US$m)	**3,254**	2,716	20
EBITA[1] (US$m)	**647**	565	15
EBITA margin (%)	**19.9**	20.8	
Sales volumes (hl 000)			
- Lager	**15,288**	13,476	13
- Lager (organic)	**15,223**	13,476	13
- Soft drinks	**12,373**	10,442	18
- Soft drinks (organic)	**11,314**	10,442	8
- Other alcoholic beverages	**5,080**	3,922	30

[1] In 2011 before net exceptional charges of US$4 million being business capability programme costs (2010: US$3 million).

Africa delivered a strong full year performance with lager volume growth of 13% including Zimbabwe[1], and 9% excluding Zimbabwe, on an organic basis. This performance is largely attributable to greater focus on route to market activities, the improved and differentiated brand portfolios as well as the continued economic growth across the region. Regional premium brands maintained robust growth, with Castle Lager up by 20%, excluding the incremental Zimbabwe volumes. Local premium volumes continued to grow very strongly, while in the affordable segment we expanded our geographic footprint and our Eagle brand performed well. Soft drinks volumes grew 8% organically (4% excluding Zimbabwe) and 18% on a reported basis as we cycled the acquisitions of the prior year. The category is performing well with solid growth in Uganda, Ghana, Nigeria, Zambia and particularly Zimbabwe. Super Maheu continues to grow with expansion into new markets. Traditional beer pilot plants were established in a number of new territories and have performed to expectation, with full production to follow. Local farming initiatives are gaining momentum with Zambia now self-sufficient in barley. Our investments in capacity in the last two years are building impetus and creating profitable growth opportunities in new geographies.

Despite increased investment in sales and marketing EBITA grew by 15% (20% on an organic, constant currency basis), driven by volume growth and price increases. The start up operations in Ethiopia, Southern Sudan and Nigeria performed to expectation. EBITA margin for the full year declined by 90 bps to 19.9%, impacted by weaker local currencies relative to the US dollar which affected raw material input costs and the increased cost base due to the expansion projects commissioned in the prior year. However EBITA margin improved in the second half, gaining 30 bps over the same period in the prior year.

In **Uganda** lager volumes grew by 20% supported by improved distribution, retail execution and a strong brand portfolio that was able to leverage the prior year capacity expansion. Eagle continues to record exceptional growth in the affordable segment while Nile Gold, and Castle Lite, which was launched earlier this year, are progressing well in the premium segment.

[1] We have included our share of Delta, our associate in Zimbabwe, within our results effective 1 April 2010 following the effective 'dollarisation' of the economy in 2009, the end of hyperinflation and the stabilisation of the local economy.

Lager volumes in **Tanzania** grew by 5% for the full year, having been level at the half year. Prior year volumes included licensed brand production for East African Breweries Limited (EABL) – if the impact of these volumes are excluded, our own lager brands grew 19% in the year, with the total beverage portfolio up 23%. This growth is directly attributable to increased brand and market focus, with Castle Lager, Castle Lite and Ndovu Special Malt outperforming in the premium sector and Kilimanjaro and Safari lager performing well in the mainstream sector following recent brand renovation programmes. The far south region grew strongly following the commissioning of the Mbeya brewery which has also saved distribution costs.

Lager volume growth of 7% was achieved in **Mozambique** as a result of improved availability of product and focused sales and distribution in the north enabled by the opening of the Nampula brewery at the end of the prior year. The main contributors were Laurentina Preta, a local premium brand, with growth of 46% and Manica, a mainstream brand, with volume growth of 21%. Although volumes of the 2M brand declined for the year, they grew in the final quarter with a revitalised marketing campaign and the launch of a new bottle.

In **Zambia** lager volume growth for the year was 28% driven by more effective distribution, better availability of product following the brewery upgrade at Ndola and the continued consumer price benefit of the excise reduction in March 2010. Castle Lager and Mosi have both shown strong growth in the year. Traditional beer grew by 11% as a result of improved distribution channels and availability.

In **Angola** soft drinks ended the year in line with the prior year despite a slowdown in the economy resulting in lower disposable income and consumer demand. Lager volumes grew 26% following the successful commissioning of the new brewery in Luanda.

Delta Corporation, our associate in **Zimbabwe**[1], is slowly returning to normality with lager volumes approaching their previous highs. During the year capital investments to improve the standard of the breweries in Zimbabwe were undertaken, including a new lager packaging line in Bulawayo which was commissioned in the latter part of the year.

Castel delivered lager volume growth of 4% with good growth in Nigeria, the Democratic Republic of the Congo, Benin and Chad. Soft drinks volumes grew by 8% year on year.

[1] We have included our share of Delta, our associate in Zimbabwe, within our results effective 1 April 2010 following the effective 'dollarisation' of the economy in 2009, the end of hyperinflation and the stabilisation of the local economy.

Asia

Financial summary	**2011**	2010	%
Group revenue (including share of associates and joint ventures) (US$m)	**2,026**	1,741	16
EBITA (US$m)	**92**	71	31
EBITA margin (%)	**4.6**	4.1	
Sales volumes (hl 000)			
- Lager	**51,270**	46,279	11
- Lager (organic)	**50,848**	46,279	10

In **Asia** lager volumes grew 10% on an organic basis, with strong growth in China, supported by India and Vietnam. EBITA increased 31% (33% on an organic, constant currency basis), with all of the region's operations showing improvement and particularly pleasing growth in India and China. EBITA margin increased by 50 bps.

In **China** lager volumes grew by 11% (10% on an organic basis), in a market which grew at an estimated 6%. The north-east and central regions contributed the majority of the increase in volume as they continued to grow strongly, but results in the south-east were also good.

Revenue per hectolitre increased by 4% both on a reported and an organic, constant currency basis. CR Snow continued to grow its presence in the premium segment through brand extensions including Snow Draft and Brave the World, while in more recent months CR Snow has increased its average selling prices in order to cover higher costs. In addition, EBITA has been adversely affected by changes to consumption tax legislation for foreign invested enterprises in China with effect from 1 December 2010.

CR Snow further increased its sales and marketing activities to grow market share, with good increases in share achieved in Jiangsu, Shanghai, Shanxi, Zhejiang, Inner Mongolia, Heilongjiang, Liaoning, and Guizhou. Aggressive competition in the lower segments of the market led to share loss in Sichuan and Tianjin, although in Sichuan this has been stemmed in more recent months.

CR Snow continues to expand its footprint with capacity of six million hectolitres added in the year. This included the acquisition of three breweries in Heilongjiang, Jiangsu and Henan and two newly built breweries in Shandong and Shanxi. In addition, a number of projects were initiated during the year to further increase capacity.

India delivered volume growth of 10% and a substantial improvement in EBITA. In all of the key states – Karnataka, Andhra Pradesh, Pondicherry, Uttar Pradesh, Haryana, Maharashtra and Madhya Pradesh – we increased volumes, although in Andhra Pradesh these were constrained from July 2010 with regulatory issues limiting our market share in the state. Increased revenue per hectolitre, favourable mix and cost control, including the introduction of embossed proprietary bottles in key states, further enhanced results.

Volumes in **Vietnam** increased over the prior year although both domestic and export performance has been more subdued in the latter part of the year. Volume performance in our joint venture in **Australia** was soft with increased competition in the premium segment, and the market suffered from particularly poor weather and the impacts of flooding in the second half of the year. The commissioning of a new brewery in June 2010 has enabled improved availability of draught offerings in the on-premise channel. EBITA improved as a result of favourable mix, some pricing benefits and lower costs from local production.

South Africa: Beverages

Financial summary	**2011**	2010	%
Group revenue (including share of associates) (US$m)	**5,598**	4,777	17
EBITA[1] (US$m)	**1,067**	885	21
EBITA margin (%)	**19.1**	18.5	
Sales volumes (hl 000)			
- Lager	**26,306**	25,761	2
- Soft drinks	**17,574**	17,044	3
- Other alcoholic beverages	**1,467**	1,404	5

[1] In 2011 before net exceptional charges of US$188 million being business capability programme costs of US$39 million and charges incurred in relation to the Broad-Based Black Economic Empowerment scheme of US$149 million (2010: US$53 million being business capability programme costs of US$42 million and costs associated with the establishment of the Broad-Based Black Economic Empowerment transaction of US$11 million).

The South African economy strengthened during the year with both GDP and retail sales returning to growth after a decline in the previous year. However, the recovery in consumer demand has been tentative as consumers were impacted by higher food and energy prices.

Lager volumes returned to growth, at 2% - a strong performance given that the year under review had no Easter. Our beer business intensified investment behind our core brands and further enhanced sales execution with retailers. The increase in market-facing investment was principally funded through cost reduction. Product and packaging innovation built on the momentum created by intensive through the line marketing campaigns. Retail execution reach and intensity at the point of sale were significantly improved through our focus on key classes of trade. Encouragingly, our market share stabilised over the second half of the year.

Castle Lite, South Africa's largest premium beer, accelerated its growth, supported by the communication of its 'Extra cold' characteristics and selective placement in the trade of specialised refrigeration equipment. Mainstream brands in total returned to growth. Castle Lager benefited further from its association with sport and continued to build on the gains it made during the 2010 FIFA World Cup. Hansa Pilsener continued to grow steadily from its large base while Carling Black Label, South Africa's best-selling beer, declined more slowly.

Soft drinks volumes grew by 3% driven by the emphasis on immediate consumption packs, a greater sophistication in channel specific trade execution and enhanced customer service, while cost competitiveness was also strengthened. Sparkling soft drinks growth of 2% included growth in returnable glass bottles and immediate consumption packs in particular. Good growth in Powerade, coupled with the successful launch of Glaceau during the year, drove growth of 15% in alternative beverages.

Group revenue grew by 17%, (8% on a constant currency basis), assisted by the strong volume growth and price benefits in both the beer and soft drinks businesses. Group revenue per hectolitre grew by 14%, (5% on a constant currency basis). Year on year beer raw material costs declined in constant currency per hectolitre terms, benefiting from lower brewing input costs and favourable forward exchange contracts. Soft drinks raw material cost increases were marginally ahead of inflation.

EBITA grew by 21% (11% on a constant currency basis), benefiting from the strengthening of the rand over the year relative to the US dollar. Full year EBITA margin of 19.1% reflected a 60 bps improvement on the prior year.

Appletiser delivered solid revenue growth and a strong EBITA performance. Our associate **Distell** increased volumes and revenue, with cider and ready-to-drink growth partially offset by a decline in wines and spirits, predominantly in the domestic market. Although EBITA grew, margins were adversely impacted by the negative sales mix and adverse transactional exchange rate impacts.

The offer of shares in the company's Broad-Based Black Economic Empowerment transaction attracted over 33,000 applications and was 29% oversubscribed when it closed in June 2010. A total of 46.2 million new shares in The South African Breweries Limited (SAB), representing 8.45% of SAB's enlarged issued share capital, have been issued. During the year we distributed an interim dividend to the participating employee and retailer shareholders of US$3 million, and subsequent to year end the final dividend has been declared, covering the second half of the year and our peak trading period, which will result in a further US$6 million being distributed.

South Africa: Hotels and Gaming

Financial summary	**2011**	2010	%
Group revenue (share of associates) (US$m)	**481**	406	18
EBITA[1] (US$m)	**137**	122	12
EBITA margin (%)	**28.5**	30.0	
Revenue per available room (Revpar) – US$	**73.74**	65.33	13

[1] In 2011 before exceptional charges of US$26 million being the group's share of the loss on the merger transaction (2010: US$nil).

In February 2011, the Tsogo Sun Group merged with Gold Reef Resorts Ltd (GRR), a Johannesburg Stock Exchange listed company, through an all share merger. The transaction was effected through the acquisition by GRR of the group's entire 49% shareholding in Tsogo Sun Holdings (Pty) Ltd in exchange for a 39.68% shareholding in the listed enlarged entity.

Despite the improvement in the wider South African economy, the Tsogo Sun Group continued to be impacted by softer consumer demand in both the gaming market and the hospitality industry. Results were however assisted by the 2010 FIFA World Cup held in June and July. Our share of Tsogo Sun Group's reported revenue grew by 18% over the prior year, with organic constant currency growth of 8%. Revenue per available room (revpar) was up 13% (4% on a constant currency basis).

The gaming industry in South Africa grew in low to mid single digits. The biggest gaming province, Gauteng, grew by 2% versus a prior year decline of 3%, and the KwaZulu-Natal region grew by 5%. The Tsogo Sun Group improved market share in Gauteng and held share in KwaZulu-Natal.

The South African hotel industry remained under pressure throughout the year, except during the FIFA 2010 World Cup period, particularly in the key corporate and government segments. Hotel occupancies peaked at 72% for the month in June 2010 and averaged 58% for the year, ending relatively unchanged against last year. Group-wide occupancies ended the year at 59%.

EBITA grew by 12% (3% on a constant currency basis) with EBITA margin declining due to high utility price increases together with other inflationary cost increases outstripping revenue growth.

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 2010 as amended for the changes set out in note 1, which have had no material impact on group results. The consolidated balance sheet as at 31 March 2010 has been restated for further adjustments relating to the initial accounting for business combinations, details of which are provided in note 12. The Annual Report and Accounts for the year ended 31 March 2010 is 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.

In relation to the merger of the Tsogo Sun Group with Gold Reef Resorts Ltd (GRR) no adjustments have been made in the calculation of organic results as the group's share of the enlarged group is deemed to be comparable with the group's share of the Tsogo Sun Group in the comparative period.

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 exceptionals allows the level and underlying trend of cash generation to be understood.

Business combinations and similar transactions
On 24 November 2010 the group acquired a 100% interest in Cervecería Argentina S.A. Isenbeck (CASA Isenbeck) for cash. The acquisition provides a low cost entry point into the country as well as a platform for supply into neighbouring countries.

On 30 November 2010 the group completed the cash acquisition of an 80% effective interest in Crown Foods Limited, a mineral water and juice business, in Kenya. This business combination has been made in partnership with Castel, with the effective interest stated after taking account of Castel's interest, and aligns with the group's full beverage portfolio strategy in Africa.

On 24 February 2011, the Tsogo Sun Group merged with GRR, a Johannesburg Stock Exchange listed company, through an all share merger. The transaction was effected through the acquisition by GRR of the group's entire 49% shareholding in Tsogo Sun Holdings (Pty) Ltd (Tsogo Sun) in exchange for a 39.68% shareholding in the listed enlarged entity.

Recommencement of reporting of Zimbabwe operations

Following the effective 'dollarisation' of the Zimbabwean economy in 2009, the end of hyperinflation and the stabilisation of the Zimbabwean economy, the group has included its share of the volumes and the results of its Zimbabwean associate, Delta Corporation Limited, with effect from 1 April 2010.

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$467 million before finance costs and tax were reported during the year (2010: US$490 million), including net exceptional charges of US$31 million (2010: US$18 million) related to the group's share of joint ventures' and associates' exceptional charges. The net exceptional charge included US$296 million (2010: US$325 million) related to business capability programme costs in Latin America, Europe, Africa, South Africa Beverages and Corporate. US$98 million (2010: US$45 million) related to impairment charges following the classification of the in-house distribution business in Italy as held for sale and the closure of the Cluj brewery in Romania. A charge of US$149 million (2010: US$11 million) has been recognised in respect of the Broad-Based Black Economic Empowerment scheme in South Africa; this includes the one-off IFRS 2 'Share-based Payment Transactions' charge in respect of the retailer element of the transaction and the ongoing IFRS 2 charge in respect of the employee element, together with the costs of the transaction. A profit of US$159 million related to the partial disposal of the group's shareholding in Tsogo Sun as part of the Tsogo Sun/GRR merger. A charge of US$52 million (2010: US$78 million) related to restructuring costs in Europe.

The group's share of joint ventures' and associates' exceptional items included a charge of US$5 million (2010: US$14 million) related to the group's share of MillerCoors' integration and restructuring costs and US$26 million related to the group's share of the loss on the merger transaction in Hotels and Gaming.

In addition to the amounts noted above, the net exceptional charge in 2010 included US$13 million related to transaction costs in Corporate; the group's share of joint ventures' and associates' exceptional items included a charge of US$4 million related to the group's share of the unwinding of fair value adjustments on inventory in MillerCoors; and in addition, within net finance costs, there was an exceptional charge in the year of US$17 million related to the business capability programme.

Finance costs

Net finance costs were US$525 million, a 7% decrease on the prior year's US$563 million, mainly as a result of the reduction in net debt. Finance costs in the current year include a net loss of US$7 million (2010: US$8 million) from the mark to market adjustments of various derivatives on capital items for which hedge accounting cannot be applied. Finance costs in the prior year also included an exceptional charge of US$17 million resulting from a change in valuation methodology of financial instruments as part of the business capability programme. The mark to market adjustments, and in the prior year the charge resulting from the change in valuation, have been excluded from the determination of adjusted finance costs and adjusted earnings per share. Adjusted net finance costs were US$518 million, down 4%.

Interest cover, as defined in the financial definitions section, has increased to 10.8 times from 9.3 times in the prior year.

Profit before tax

Adjusted profit before tax of US$4,491 million increased by 18% over the prior year, primarily as a result of stronger pricing, cost efficiencies and lower finance costs.

Profit before tax was US$3,626 million, up 24% on the prior year, including the impact of the exceptional and other adjusting finance items noted above. The principal differences between the reported and adjusted profit before tax relate to exceptional items, with net exceptional charges of US$467 million in the year compared to US$507 million in the prior year.

Taxation

The effective rate of tax for the year before amortisation of intangible assets (other than software) and exceptional items is 28.2% compared to a rate of 28.5% in the prior year. This reduction in the rate results from a combination of factors including a more beneficial geographic mix of earnings, changes in tax legislation within our Europe division countries, and the resolution of various uncertain tax positions.

Earnings per share

The group presents adjusted basic earnings per share, which excludes the impact of amortisation of intangible assets (excluding 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 191.5 US cents were up 19% on the prior year, benefiting from improved profit before tax. An analysis of earnings per share is shown in note 6. On a statutory basis, basic earnings per share were higher by 25% at 152.8 US cents (2010: 122.6 US cents).

Cash flow and capital expenditure

Net cash generated from operations before working capital movements (EBITDA) of US$4,502 million increased by 13% compared with the prior year (2010: US$3,974 million). This increase was primarily due to improved pricing and cost efficiencies. Dividends received from the MillerCoors joint venture (reported within cash flows from investing activities) amounted to US$822 million (2010: US$707 million).

Adjusted EBITDA of US$5,617 million (comprising EBITDA before cash flows from exceptional items of US$293 million plus dividends received from MillerCoors of US$822 million) increased by 12% compared with the prior year (2010: US$5,020 million), reflecting principally the higher EBITDA.

Net cash generated from operating activities of US$3,043 million was down US$234 million primarily reflecting lower working capital inflows and higher tax paid. The level of cash inflows from working capital reduced compared with the prior year which included significant one-off working capital benefits from the business capability programme.

As expected, capital expenditure for the year of US$1,189 million reduced compared to the prior year (2010: US$1,436 million). The group has continued to invest in its operations, selectively maintaining investment to support future growth including the brewery and soft drinks plant in Angola, capacity extensions in Peru and Uganda, on fridges across Latin America and in South Africa, and on containers. Capital expenditure including the purchase of intangible assets was US$1,315 million (2010: US$1,528 million).

Free cash flow improved by 23% to US$2,488 million, reflecting lower capital expenditure, lower investments in associates and joint ventures, increased EBITDA, higher dividends from MillerCoors and a reduction in dividends paid to non-controlling interests following the acquisition of the non-controlling interests in our Polish business in May 2009. Free cash flow is detailed in note 10b, and defined in the financial definitions section.

Borrowings and net debt

Gross debt at 31 March 2011, 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$8,162 million from US$9,177 million at 31 March 2010, primarily as a result of cash generation during the year. Net debt, comprising gross debt net of cash and cash equivalents decreased to US$7,091 million from US$8,398 million at 31 March 2010. An analysis of net debt is provided in note 10c.

The group's gearing (presented as a ratio of net debt/equity) has decreased to 31.2% from 40.8% at 31 March 2010. The weighted average interest rate for the gross debt portfolio at 31 March 2011 was 5.9% (2010: 5.7%).

On 10 September 2010 a consent solicitation relating to SABMiller plc's US$300 million 6.625% Guaranteed Notes due August 2033 was successfully completed. As a result, MillerCoors was released from its guarantee of payment of principal and interest on the Notes and certain financial thresholds were amended to align with the terms of recently issued SABMiller plc notes.

In October 2010 the US$515 million 364 day facility expired and was not renewed.

Borrowings and net debt continued

On 29 March 2011, the group's Colombian subsidiary, Bavaria S.A. established a COP2,500,000 million bond and commercial paper programme, to be used primarily to refinance Bavaria S.A.'s existing COP1,910,320 million bonds by means of an exchange offer under which bondholders would be offered new securities in exchange for the existing bonds. The exchange offer was accepted by bondholders representing approximately 93% of the aggregate face amount of the existing bonds and, on 31 March 2011, Bavaria S.A. issued new securities with an aggregate face amount of COP1,881,191 million. The new securities have been registered for trading in the secondary market of the Colombian Stock Exchange and admitted to the official list of the Cayman Islands Stock Exchange.

Subsequent to the financial year end, on 7 April 2011 the group entered into a five year US$2,500 million committed syndicated facility, with the option of two one-year extensions. This facility replaced the existing US$2,000 million and US$600 million committed syndicated facilities, which were both voluntarily cancelled.

At 31 March 2011, the group had undrawn committed borrowing facilities of US$3,164 million (2010: US$3,579 million).

Total equity

Total equity increased from US$20,593 million (restated – see note 12) at 31 March 2010 to US$22,759 million at 31 March 2011. The increase was primarily due to currency translation movements on foreign currency investments and profit for the year, partly offset by dividend payments.

Goodwill and intangible assets

Goodwill increased to US$11,952 million (2010: US$11,579 million) due to foreign exchange movements and goodwill arising on acquisitions in the year. Intangible assets increased in the year to US$4,361 million (2010: US$4,354 million) as a result of foreign exchange movements and additions, primarily related to the business capability programme, partially offset by amortisation. The prior year comparative for goodwill has been restated to reflect adjustments to provisional fair values of business combinations, further details of which are provided in note 12.

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 strengthening against the US dollar.

	Year ended 31 March		Appreciation/ (depreciation)
	2011	2010	%
Average rate			
South African rand (ZAR)	**7.15**	7.78	8
Colombian peso (COP)	**1,881**	2,031	7
Euro (€)	**0.76**	0.71	7
Czech koruna (CZK)	**19.04**	18.45	(3)
Peruvian nuevo sol (PEN)	**2.81**	2.92	4
Polish zloty (PLN)	**3.01**	2.99	(1)
Closing rate			
South African rand (ZAR)	**6.77**	7.30	7
Colombian peso (COP)	**1,879**	1,929	3
Euro (€)	**0.71**	0.74	(5)
Czech koruna (CZK)	**17.27**	18.87	8
Peruvian nuevo sol (PEN)	**2.80**	2.84	1
Polish zloty (PLN)	**2.84**	2.86	1

Dividend
The board has proposed a final dividend of 61.5 US cents per share for the year. Shareholders will be asked to approve this recommendation at the annual general meeting, which will be held on Thursday 21 July 2011. If approved, the dividend will be payable on Friday 12 August 2011 to shareholders registered on the London and Johannesburg registers on Friday 5 August 2011. The ex-dividend trading dates will be Wednesday 3 August 2011 on the London Stock Exchange (LSE) and Monday 1 August 2011 on the JSE Limited (JSE). 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 rate of exchange applicable on Wednesday 20 July 2011 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 21 July 2011.

From the commencement of trading on Thursday 21 July 2011 until the close of business on Friday 5 August 2011, no transfers between the London and Johannesburg registers will be permitted, and from Monday 1 August 2011 until Friday 5 August 2011, no shares may be dematerialised or rematerialised, both days inclusive.

Annual report and accounts
The group's unaudited consolidated financial statements and certain significant explanatory notes follow. The annual report will be mailed to shareholders in late June 2011 and the annual general meeting of the company will be held at the Intercontinental Park Lane Hotel in London at 11:00 on Thursday 21 July 2011.

	Notes	**2011 Unaudited US$m**	2010 Audited US$m
Revenue	2	**19,408**	18,020
Net operating expenses		**(16,281)**	(15,401)
Operating profit	2	**3,127**	2,619
Operating profit before exceptional items		**3,563**	3,091
Exceptional items	3	**(436)**	(472)
Net finance costs	4	**(525)**	(563)
Interest payable and similar charges		**(883)**	(879)
Interest receivable and similar income		**358**	316
Share of post-tax results of associates and joint ventures	2	**1,024**	873
Profit before taxation		**3,626**	2,929
Taxation	5	**(1,069)**	(848)
Profit for the year		**2,557**	2,081
Profit attributable to non-controlling interests		**149**	171
Profit attributable to equity shareholders		**2,408**	1,910
		2,557	2,081
Basic earnings per share (US cents)	6	**152.8**	122.6
Diluted earnings per share (US cents)	6	**151.8**	122.1

All operations are continuing.

The notes on pages 26 to 37 form an integral part of these consolidated financial statements.

	Notes	2011 Unaudited US$m	2010 Audited US$m
Profit for the year		**2,557**	2,081
Other comprehensive income:			
Currency translation differences on foreign currency net investments		**644**	2,431
Actuarial losses on defined benefit plans		**(28)**	(15)
Available for sale investments:		**-**	2
- Fair value gains arising during the year		**-**	4
- Fair value gains transferred to profit or loss		**-**	(2)
Net investment hedges:			
- Fair value losses arising during the year		**(137)**	(310)
Cash flow hedges:		**39**	(59)
- Fair value gains/(losses) arising during the year		**16**	(48)
- Fair value losses/(gains) transferred to inventory		**2**	(17)
- Fair value gains transferred to property, plant and equipment		**-**	(1)
- Fair value losses transferred to profit or loss		**21**	7
Tax on items included in other comprehensive income	5	**22**	(36)
Share of associates' and joint ventures' (losses)/gains included in other comprehensive income	9	**(50)**	136
Other comprehensive income for the year, net of tax		**490**	2,149
Total comprehensive income for the year		**3,047**	4,230
Attributable to:			
Equity shareholders		**2,904**	4,075
Non-controlling interests		**143**	155
Total comprehensive income for the year		**3,047**	4,230

The notes on pages 26 to 37 form an integral part of these consolidated financial statements.

	Notes	2011 Unaudited US$m	2010[1] Unaudited US$m
Assets			
Non-current assets			
Goodwill	8	**11,952**	11,579
Intangible assets	8	**4,361**	4,354
Property, plant and equipment		**9,330**	8,915
Investments in joint ventures	9	**5,813**	5,822
Investments in associates	9	**2,719**	2,213
Available for sale investments		**35**	31
Derivative financial instruments		**330**	409
Trade and other receivables		**140**	117
Deferred tax assets		**184**	164
		34,864	33,604
Current assets			
Inventories		**1,256**	1,295
Trade and other receivables		**1,687**	1,665
Current tax assets		**152**	135
Derivative financial instruments		**16**	20
Available for sale investments		**-**	1
Cash and cash equivalents	10c	**1,067**	779
		4,178	3,895
Assets of disposal group classified as held for sale		**66**	-
		4,244	3,895
Total assets		**39,108**	37,499
Liabilities			
Current liabilities			
Derivative financial instruments		**(50)**	(174)
Borrowings	10c	**(1,345)**	(1,605)
Trade and other payables		**(3,484)**	(3,228)
Current tax liabilities		**(658)**	(616)
Provisions		**(410)**	(355)
		(5,947)	(5,978)
Liabilities of disposal group classified as held for sale		**(66)**	-
		(6,013)	(5,978)
Non-current liabilities			
Derivative financial instruments		**(85)**	(147)
Borrowings	10c	**(7,115)**	(7,809)
Trade and other payables		**(98)**	(145)
Deferred tax liabilities		**(2,578)**	(2,374)
Provisions		**(460)**	(453)
		(10,336)	(10,928)
Total liabilities		**(16,349)**	(16,906)
Net assets		**22,759**	20,593
Equity			
Share capital		**166**	165
Share premium		**6,384**	6,312
Merger relief reserve		**4,586**	4,586
Other reserves		**1,881**	1,322
Retained earnings		**8,991**	7,525
Total shareholders' equity		**22,008**	19,910
Non-controlling interests		**751**	683
Total equity		**22,759**	20,593

[1] As restated (see note 12).

The notes on pages 26 to 37 form an integral part of these consolidated financial statements.

	Notes	2011 Unaudited US$m	2010 Audited US$m
Cash flows from operating activities			
Cash generated from operations	10a	**4,568**	4,537
Interest received		**293**	317
Interest paid		**(933)**	(957)
Tax paid		**(885)**	(620)
Net cash generated from operating activities	10b	**3,043**	3,277
Cash flows from investing activities			
Purchase of property, plant and equipment		**(1,189)**	(1,436)
Proceeds from sale of property, plant and equipment		**73**	37
Purchase of intangible assets		**(126)**	(92)
Purchase of available for sale investments		**(3)**	(6)
Proceeds from disposal of available for sale investments		**-**	14
Acquisition of businesses (net of cash acquired)		**(60)**	(78)
Investments in joint ventures		**(186)**	(353)
Investments in associates		**(5)**	(76)
Repayment of investments by associates		**68**	3
Dividends received from joint ventures	9	**822**	707
Dividends received from associates		**88**	106
Dividends received from other investments		**1**	2
Net cash used in investing activities		**(517)**	(1,172)
Cash flows from financing activities			
Proceeds from the issue of shares		**73**	114
Proceeds from the issue of shares in subsidiaries to non-controlling interests		**34**	-
Purchase of own shares for share trusts		**-**	(8)
Purchase of shares from non-controlling interests		**(12)**	(5)
Proceeds from borrowings		**1,608**	5,110
Repayment of borrowings		**(2,767)**	(5,714)
Capital element of finance lease payments		**(5)**	(4)
Net cash payments on net investment hedges		**(43)**	(137)
Dividends paid to shareholders of the parent		**(1,113)**	(924)
Dividends paid to non-controlling interests		**(102)**	(160)
Net cash used in financing activities		**(2,327)**	(1,728)
Net cash inflow from operating, investing and financing activities		**199**	377
Effects of exchange rate changes		**25**	90
Net increase in cash and cash equivalents		**224**	467
Cash and cash equivalents at 1 April	10c	**589**	122
Cash and cash equivalents at 31 March	10c	**813**	589

The notes on pages 26 to 37 form an integral part of these 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 2009 (audited)	159	6,198	3,395	(872)	6,496	15,376	741	16,117
Total comprehensive income	-	-	-	2,194	1,881	4,075	155	4,230
Profit for the year	-	-	-	-	1,910	1,910	171	2,081
Other comprehensive income	-	-	-	2,194	(29)	2,165	(16)	2,149
Dividends paid	-	-	-	-	(924)	(924)	(162)	(1,086)
Issue of SABMiller plc ordinary shares	6	114	1,191	-	-	1,311	-	1,311
Payment for purchase of own shares for share trusts	-	-	-	-	(8)	(8)	-	(8)
Arising on business combinations	-	-	-	-	-	-	21	21
Buyout of non-controlling interests	-	-	-	-	-	-	(72)	(72)
Credit entry relating to share-based payments	-	-	-	-	80	80	-	80
At 31 March 2010[1] (unaudited)	165	6,312	4,586	1,322	7,525	19,910	683	20,593
Total comprehensive income	-	-	-	559	2,345	2,904	143	3,047
Profit for the year	-	-	-	-	2,408	2,408	149	2,557
Other comprehensive income	-	-	-	559	(63)	496	(6)	490
Dividends paid	-	-	-	-	(1,115)	(1,115)	(106)	(1,221)
Issue of SABMiller plc ordinary shares	1	72	-	-	-	73	-	73
Proceeds from the issue of shares in subsidiaries to non-controlling interests	-	-	-	-	-	-	34	34
Buyout of non-controlling interests	-	-	-	-	(10)	(10)	(3)	(13)
Credit entry relating to share-based payments	-	-	-	-	246	246	-	246
At 31 March 2011 (unaudited)	166	6,384	4,586	1,881	8,991	22,008	751	22,759

[1] As restated (see note 12).

The notes on pages 26 to 37 form an integral part of these consolidated financial statements.

1. Basis of preparation

The preliminary announcement for the year ended 31 March 2011 has been prepared in accordance with the International Accounting Standards and International Financial Reporting Standards (collectively IFRS) and International Financial Reporting Interpretation Committee (IFRIC) interpretations 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 2011 will be delivered to the Registrar of Companies in due course. The board of directors approved this financial information on 18 May 2011. The annual financial statements for the year ended 31 March 2010, approved by the board of directors on 3 June 2010, 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 (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 accounting policies adopted are consistent with those of the previous financial year except that the group has adopted the following standards which became mandatory for the first time in the financial year ended 31 March 2011.

- IFRS 3 (revised), 'Business Combinations' requires all acquisition-related costs to be expensed and adjustments to contingent consideration classified as debt to be recognised in profit or loss rather than as an adjustment to goodwill. It allows the choice on an acquisition by acquisition basis of measuring the non-controlling interest in the acquiree either at fair value or at the non-controlling interest's share of the acquiree's net assets. The group has applied the revised standard prospectively from 1 April 2010 for combinations completed after that date with no material impact in the year ended 31 March 2011.

- IAS 27 (revised), 'Consolidated and Separate Financial Statements' requires the effects of all transactions with non-controlling interests to be recorded in equity if there is no change in control. These transactions no longer result in the recognition of goodwill or gains and losses. When control is lost, any remaining interest in the entity is re-measured to fair value, and a gain or loss is recognised in profit or loss. The group has applied the revised standard prospectively from 1 April 2010 with no material impact in the year ended 31 March 2011. The revision to IAS 27 contained consequential amendments to IAS 28, 'Investments in Associates', and IAS 31, 'Interests in Joint Ventures'.

The following standards, interpretations and amendments have been adopted by the group since 1 April 2010 with no significant impact on its consolidated results or financial position:

- IFRS 1 (revised), 'First-time Adoption' and Amendment to IFRS 1 for Additional Exemptions.
- IFRIC 15, 'Agreements for the Construction of Real Estate'.
- IFRIC 16, 'Hedges of a Net Investment in a Foreign Operation'.
- IFRIC 17, 'Distribution of Non-cash Assets to Owners'.
- IFRIC 18, 'Transfers of Assets from Customers'.
- Amendment to IFRS 2, 'Group Cash-settled Share-based Payment Transactions'.
- Amendment to IAS 32, 'Financial Instruments: Presentation' – Classification of Rights Issues.
- Amendment to IAS 39, 'Financial Instruments: Recognition and Measurement' – Eligible Hedged Items.
- Annual improvements to IFRSs (2009).

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 2011 or later periods, but which have not been early adopted by the group:

- IFRIC 19, 'Extinguishing Financial Liabilities with Equity Instruments', is effective from 1 July 2010.
- Amendment to IFRS 1, 'Limited Exemption from Comparative IFRS 7 Disclosures for First-time Adopters', is effective from 1 July 2010.
- Amendment to IAS 24, 'Related Party Disclosures', is effective from 1 January 2011.
- Amendment to IFRIC 14, 'Pre-payments of a Minimum Funding Requirement', is effective from 1 January 2011.
- Annual improvements to IFRSs (2010), is primarily effective from 1 January 2011.
- Amendment to IFRS 1, 'Hyperinflation and Fixed Dates', is effective from 1 July 2011[1].
- Amendment to IFRS 7, 'Financial Instrument Disclosures: Transfers of Financial Assets', is effective from 1 July 2011[1].
- Amendment to IAS 12 'Deferred Tax: Recovery of Underlying Assets', is effective from 1 January 2012[1].
- IFRS 9, 'Financial Instruments', is effective from 1 January 2013[1].

[1] Not yet endorsed by the EU.

The adoption of these standards, interpretations and amendments is not expected to have a material effect on the consolidated results of operations or financial position of the group.

2. Segmental 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.

Income statement

	Group revenue 2011 Unaudited US$m	**EBITA 2011 Unaudited US$m**	Group revenue 2010 Audited US$m	EBITA 2010 Audited US$m
Latin America	**6,335**	**1,620**	5,905	1,386
Europe	**5,394**	**887**	5,577	872
North America	**5,223**	**741**	5,228	619
Africa	**3,254**	**647**	2,716	565
Asia	**2,026**	**92**	1,741	71
South Africa:	**6,079**	**1,204**	5,183	1,007
- Beverages	**5,598**	**1,067**	4,777	885
- Hotels and Gaming	**481**	**137**	406	122
Corporate	**-**	**(147)**	-	(139)
Group	**28,311**	**5,044**	26,350	4,381
Amortisation of intangible assets (excluding software) – group and share of associates' and joint ventures'		**(209)**		(199)
Exceptional items – group and share of associates' and joint ventures'		**(467)**		(507)
Net finance costs – group and share of associates' and joint ventures' (excluding exceptional items)		**(560)**		(586)
Share of associates' and joint ventures' taxation		**(139)**		(118)
Share of associates' and joint ventures' non-controlling interests		**(43)**		(42)
Profit before tax		**3,626**		2,929

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 2011 Unaudited US$m	**Share of associates' and joint ventures' revenue 2011 Unaudited US$m**	**Group revenue 2011 Unaudited US$m**	Revenue 2010 Audited US$m	Share of associates' and joint ventures' revenue 2010 Audited US$m	Group revenue 2010 Audited US$m
Latin America	**6,324**	**11**	**6,335**	5,894	11	5,905
Europe	**5,379**	**15**	**5,394**	5,558	19	5,577
North America	**117**	**5,106**	**5,223**	107	5,121	5,228
Africa	**2,059**	**1,195**	**3,254**	1,774	942	2,716
Asia	**564**	**1,462**	**2,026**	473	1,268	1,741
South Africa:	**4,965**	**1,114**	**6,079**	4,214	969	5,183
- Beverages	**4,965**	**633**	**5,598**	4,214	563	4,777
- Hotels and Gaming	**-**	**481**	**481**	-	406	406
Group	**19,408**	**8,903**	**28,311**	18,020	8,330	26,350

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

	Operating profit 2011 Unaudited US$m	**Exceptional items 2011 Unaudited US$m**	**Operating profit before exceptional items 2011 Unaudited US$m**	Operating profit 2010 Audited US$m	Exceptional items 2010 Audited US$m	Operating profit before exceptional items 2010 Audited US$m
Latin America	**1,391**	**106**	**1,497**	1,114	156	1,270
Europe	**596**	**261**	**857**	638	202	840
North America	**16**	**-**	**16**	12	-	12
Africa	**361**	**4**	**365**	313	3	316
Asia	**(22)**	**-**	**(22)**	(34)	-	(34)
South Africa: Beverages	**809**	**188**	**997**	773	53	826
Corporate	**(24)**	**(123)**	**(147)**	(197)	58	(139)
Group	**3,127**	**436**	**3,563**	2,619	472	3,091

2. Segmental information continued

EBITA (segment result)
This comprises operating profit before exceptional items, amortisation of intangible assets (excluding 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 2011 Unaudited US$m	**Share of associates' and joint ventures' operating profit before exceptional items 2011 Unaudited US$m**	**Amortisation of intangible assets (excluding software) – group and share of associates' and joint ventures' 2011 Unaudited US$m**	**EBITA 2011 Unaudited US$m**	Operating profit before exceptional items 2010 Audited US$m	Share of associates' and joint ventures' operating profit before exceptional items 2010 Audited US$m	Amortisation of intangible assets (excluding software) - group and share of associates' and joint ventures' 2010 Audited US$m	EBITA 2010 Audited US$m
Latin America	**1,497**	**-**	**123**	**1,620**	1,270	-	116	1,386
Europe	**857**	**2**	**28**	**887**	840	3	29	872
North America	**16**	**679**	**46**	**741**	12	562	45	619
Africa	**365**	**277**	**5**	**647**	316	248	1	565
Asia	**(22)**	**108**	**6**	**92**	(34)	98	7	71
South Africa:	**997**	**206**	**1**	**1,204**	826	180	1	1,007
- Beverages	**997**	**70**	**-**	**1,067**	826	59	-	885
- Hotels and Gaming	**-**	**136**	**1**	**137**	-	121	1	122
Corporate	**(147)**	**-**	**-**	**(147)**	(139)	-	-	(139)
Group	**3,563**	**1,272**	**209**	**5,044**	3,091	1,091	199	4,381

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:

	2011 Unaudited US$m	2010 Audited US$m
Share of associates' and joint ventures' operating profit (before exceptional items)	**1,272**	1,091
Share of associates' and joint ventures' exceptional items	**(31)**	(18)
Share of associates' and joint ventures' net finance costs	**(35)**	(40)
Share of associates' and joint ventures' taxation	**(139)**	(118)
Share of associates' and joint ventures' non-controlling interests	**(43)**	(42)
Share of post-tax results of associates and joint ventures	**1,024**	873

Excise duties of US$4,263 million (2010: US$3,825 million) have been incurred during the year as follows: Latin America US$1,639 million (2010: US$1,517 million); Europe US$1,160 million (2010: US$1,075 million); North America US$2 million (2010: US$2 million); Africa US$324 million (2010: US$282 million); Asia US$219 million (2010: US$181 million) and South Africa US$919 million (2010: US$768 million). The group's share of MillerCoors' excise duties incurred during the year was US$719 million (2010: US$737 million).

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 for the group can be found in note 10a.

	EBITDA 2011 Unaudited US$m	**Cash exceptional items 2011 Unaudited US$m**	**Dividends received from MillerCoors 2011 Unaudited US$m**	**Adjusted EBITDA 2011 Unaudited US$m**	EBITDA 2010 Audited US$m	Cash exceptional items 2010 Audited US$m	Dividends received from MillerCoors 2010 Audited US$m	Adjusted EBITDA 2010 Unaudited US$m
Latin America	**1,853**	**103**	**-**	**1,956**	1,618	92	-	1,710
Europe	**1,021**	**125**	**-**	**1,146**	1,059	144	-	1,203
North America	**27**	**-**	**822**	**849**	15	-	707	722
Africa	**517**	**4**	**-**	**521**	409	3	-	412
Asia	**17**	**-**	**-**	**17**	(3)	-	-	(3)
South Africa: Beverages	**1,143**	**42**	**-**	**1,185**	942	42	-	984
Corporate	**(76)**	**19**	**-**	**(57)**	(66)	58	-	(8)
Group	**4,502**	**293**	**822**	**5,617**	3,974	339	707	5,020

2. Segmental information continued

Capital expenditure	Capital expenditure excluding investment activity[1] 2011 Unaudited US$m	Investment activity[2] 2011 Unaudited US$m	Total 2011 Unaudited US$m	Capital expenditure excluding investment activity[1] 2010 Audited US$m	Investment activity[2] 2010 Audited US$m	Total 2010 Audited US$m
Latin America	**438**	**55**	**493**	357	(13)	344
Europe	**265**	**(2)**	**263**	346	8	354
North America	**-**	**171**	**171**	-	317	317
Africa	**211**	**24**	**235**	524	84	608
Asia	**54**	**15**	**69**	48	36	84
South Africa:	**275**	**(68)**	**207**	210	63	273
- Beverages	**275**	**-**	**275**	210	-	210
- Hotels and Gaming	**-**	**(68)**	**(68)**	-	63	63
Corporate	**72**	**3**	**75**	43	6	49
Group	**1,315**	**198**	**1,513**	1,528	501	2,029

[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

	2011 Unaudited US$m	2010 Audited US$m
Exceptional items included in operating profit:		
Business capability programme costs	**(296)**	(325)
Broad-Based Black Economic Empowerment scheme costs	**(149)**	(11)
Profit on partial disposal of investment in associate	**159**	-
Impairments	**(98)**	(45)
Integration and restructuring costs	**(52)**	(78)
Transaction costs	**-**	(13)
Net exceptional losses included within operating profit	**(436)**	(472)
Exceptional items included in net finance costs:		
Business capability programme costs	**-**	(17)
Net exceptional losses included within net finance costs	**-**	(17)
Share of associates' and joint ventures' exceptional items:		
Loss on transaction in associate	**(26)**	-
Integration and restructuring costs	**(5)**	(14)
Unwinding of fair value adjustments on inventory	**-**	(4)
Share of associates' and joint ventures' exceptional losses	**(31)**	(18)
Net taxation credits relating to subsidiaries' and the group's share of associates' and joint ventures' exceptional items	**2**	64

Exceptional items included in operating profit
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$296 million have been incurred in the year (2010: US$325 million).

Broad-Based Black Economic Empowerment scheme costs
US$149 million (2010: US$11 million) of costs have been incurred in relation to the Broad-Based Black Economic Empowerment (BBBEE) scheme in South Africa. These were IFRS 2 share-based payment charges in relation to the retailer and employee components of the scheme and the costs associated with the scheme.

Profit on partial disposal of investment in associate
In February 2011, a profit of US$159 million arose on the partial disposal of the group's shareholding in Tsogo Sun Holdings (Pty) Ltd (Tsogo Sun) as part of the Tsogo Sun/Gold Reef Resorts Ltd (GRR) merger (see note 9 for further details).

Impairments
During 2011, impairment charges of US$98 million were incurred in Europe including charges following the classification of the in-house distribution business in Italy as held for sale and the closure of the Cluj brewery in Romania.

In 2010, an impairment charge of US$45 million was recorded in Latin America in relation to property, plant and equipment following the announcement of the closure of production facilities at the Bogota brewery in Colombia.

3. Exceptional items continued

Integration and restructuring costs
During 2011, US$52 million of restructuring costs were incurred in Europe including the closure of the Cluj brewery and associated restructuring in Romania; retrenchments in the Netherlands; restructuring of distribution in the Canary Islands; and costs associated with the intended disposal of the in-house distribution business in Italy.

In 2010, in Europe US$64 million of integration and restructuring costs were incurred in Romania, Poland, Slovakia, Italy, the Netherlands and the Canary Islands; and US$14 million of restructuring costs were incurred in Colombia in Latin America.

Transaction costs
In 2010, costs of US$13 million were incurred in relation to transaction services and were treated as exceptional in the Corporate division.

Exceptional items included in net finance costs
Business capability programme costs
In 2010, a charge of US$17 million was incurred to reflect differences on the fair valuation of financial instruments as a result of the business capability programme and resultant changes in treasury systems used and their differing valuation methodologies.

Share of associates' and joint ventures' exceptional items
Loss on transaction in associate
During 2011, the group's share of the impairment loss on Tsogo Sun's existing holding in GRR as a result of the merger transaction between these two businesses and costs associated with the transaction was US$26 million.

Integration and restructuring costs
During 2011, the group's share of MillerCoors' integration and restructuring costs was US$5 million, primarily related to severance costs (2010: US$14 million primarily related to relocation and severance costs).

Unwinding of fair value adjustments on inventory
In 2010, the group's share of MillerCoors' charge to operating profit in the year relating to the unwind of the fair value adjustment to inventory was US$4 million.

Taxation credits
Net taxation credits of US$2 million (2010: US$64 million) arose in relation to exceptional items during the year and include US$2 million (2010: US$7 million) in relation to MillerCoors although the tax credit is recognised in Miller Brewing Company (see note 5).

4. Net finance costs

	2011 Unaudited US$m	2010 Audited US$m
a. Interest payable and similar charges		
Interest payable on bank loans and overdrafts	**123**	162
Interest payable on derivatives	**163**	216
Interest payable on corporate bonds	**408**	389
Interest element of finance leases payments	**1**	1
Net exchange gains on financing activities	**(14)**	(51)
Net exchange losses on dividends[1]	**9**	-
Fair value losses on financial instruments:		
- Fair value losses on dividend-related derivatives[1]	**-**	9
- Fair value losses on standalone derivative financial instruments	**153**	104
- Ineffectiveness of net investment hedges[1]	**4**	8
Change in valuation methodology of financial instruments[1]	**-**	17
Other finance charges	**36**	24
Total interest payable and similar charges	**883**	879
b. Interest receivable and similar income		
Interest receivable	**48**	60
Interest receivable on derivatives	**212**	217
Fair value gains on financial instruments:		
- Fair value gains on standalone derivative financial instruments	**92**	28
- Fair value gains on dividend-related derivatives[1]	**6**	-
Net exchange gains on dividends[1]	**-**	9
Other finance income	**-**	2
Total interest receivable and similar income	**358**	316
Net finance costs	**525**	563

[1] These items have been excluded from the determination of adjusted earnings per share. Adjusted net finance costs are therefore US$518 million (2010: US$538 million).

5. Taxation

	2011 Unaudited US$m	2010 Audited US$m
Current taxation	**808**	725
- Charge for the year (UK corporation tax: US$11 million (2010: US$6 million))	**817**	755
- Adjustments in respect of prior years	**(9)**	(30)
Withholding taxes and other remittance taxes	**101**	77
Total current taxation	**909**	802
Deferred taxation	**160**	46
- Charge for the year (UK corporation tax: US$nil (2010: US$nil))	**183**	71
- Adjustments in respect of prior years	**(16)**	(14)
- Rate change	**(7)**	(11)
Taxation expense	**1,069**	848
Tax (credit)/charge relating to components of other comprehensive income is as follows:		
Deferred tax credit on actuarial gains and losses	**(36)**	(10)
Deferred tax charge on financial instruments	**14**	46
	(22)	36
Effective tax rate (%)	**28.2**	28.5

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.

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

	2011 Unaudited US cents	2010 Audited US cents
Basic earnings per share	**152.8**	122.6
Diluted earnings per share	**151.8**	122.1
Headline earnings per share	**150.8**	127.3
Adjusted basic earnings per share	**191.5**	161.1
Adjusted diluted earnings per share	**190.3**	160.4

The weighted average number of shares was:

	2011 Unaudited Millions of shares	2010 Audited Millions of shares
Ordinary shares	**1,656**	1,641
Treasury shares	**(72)**	(77)
EBT ordinary shares	**(8)**	(6)
Basic shares	**1,576**	1,558
Dilutive ordinary shares	**10**	6
Diluted shares	**1,586**	1,564

The calculation of diluted earnings per share excludes 9,045,847 (2010: 6,920,802) 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, 12,842,609 (2010: 10,485,166) share awards that were non-dilutive for the year because the performance conditions attached to the share awards have not been met and 732,869 shares in relation to the employee component of the BBBEE scheme that were non-dilutive in the year. These share awards 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 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 has been 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 has been calculated in accordance with the South African Circular 3/2009 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:

	2011 Unaudited US$m	2010 Audited US$m
Profit for the year attributable to equity holders of the parent	**2,408**	1,910
Headline adjustments		
Impairment of business held for sale	**53**	-
Impairment of intangible assets	**14**	-
Impairment of property, plant and equipment	**31**	45
(Profit)/loss on disposal of property, plant and equipment	**(5)**	39
Profit on partial disposal of investment in associate	**(159)**	-
Profit on disposal of available for sale investments	**-**	(2)
Tax effects of the above items	**14**	(17)
Non-controlling interests' share of the above items	**1**	9
Share of joint ventures' and associates' other adjustments, net of tax and non-controlling interests	**20**	-
Headline earnings	**2,377**	1,984
Business capability programme costs	**296**	342
Broad-Based Black Economic Empowerment scheme costs	**149**	11
Integration and restructuring costs	**52**	41
Transaction costs	**-**	13
Net loss on fair value movements on capital items[1]	**7**	8
Amortisation of intangible assets (excluding capitalised software)	**158**	150
Tax effects of the above items	**(71)**	(101)
Non-controlling interests' share of the above items	**(10)**	(6)
Share of joint ventures' and associates' other adjustments, net of tax and non-controlling interests	**60**	67
Adjusted earnings	**3,018**	2,509

[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

Dividends paid were as follows:

Equity	**2011 Unaudited US$m**	2010 Audited US$m
2010 Final dividend paid: 51.0 US cents (2009: 42.0 US cents) per ordinary share	**806**	654
2011 Interim dividend paid: 19.5 US cents (2010: 17.0 US cents) per ordinary share	**309**	270
	1,115	924

In addition, the directors are proposing a final dividend of 61.5 US cents per share in respect of the financial year ended 31 March 2011, which will absorb an estimated US$971 million of shareholders' funds. If approved by shareholders, the dividend will be paid on 12 August 2011 to shareholders registered on the London and Johannesburg registers on 5 August 2011.

8. Goodwill and intangible assets

	Goodwill Unaudited US$m	Intangible assets Unaudited US$m
Net book amount		
At 1 April 2009	8,716	3,742
Exchange adjustments	1,671	657
Arising on increase in share of subsidiary undertakings	1,125	-
Additions – separately acquired	-	93
Acquisitions - through business combinations	67	33
Amortisation	-	(203)
Transfers from property, plant and equipment	-	32
At 31 March 2010[1]	11,579	4,354
Exchange adjustments	332	101
Additions – separately acquired	-	126
Acquisitions - through business combinations	41	7
Amortisation	-	(220)
Disposals	-	(1)
Impairment	-	(14)
Transfers from property, plant and equipment	-	8
At 31 March 2011	**11,952**	**4,361**

[1] As restated (see note 12).

Goodwill
2011
Provisional goodwill arose on the acquisition through business combinations in the year of Cervecería Argentina S.A. Isenbeck (CASA Isenbeck) in Argentina and Crown Foods Limited in Kenya (see note 11). The fair value exercises in respect of these business combinations have yet to be completed.

2010
Additional goodwill arose on the acquisition through business combinations of Ambo Mineral Water Share Company in Ethiopia, Rwenzori Bottling Company Ltd in Uganda, the maheu business in Zambia and Bere Azuga in Romania, together with goodwill which arose on the increase in the group's share of subsidiary undertakings primarily related to the buyout of non-controlling interests in Poland. The fair value exercises in respect of these business combinations are now complete.

9. Investments in joint ventures and associates

	Investments in joint ventures US$m	Investments in associates US$m
At 1 April 2009 (audited)	5,495	1,787
Exchange adjustments	11	90
Net increase in investments	353	73
Share of results retained	536	337
Share of gains recognised in other comprehensive income	134	2
Dividends receivable	(707)	(109)
Transfer from other assets	-	33
At 31 March 2010 (audited)	5,822	2,213
Exchange adjustments	12	136
Net increase in investments	186	100
Share of results retained	667	357
Share of (losses)/gains recognised in other comprehensive income	(52)	2
Dividends receivable	(822)	(89)
At 31 March 2011 (unaudited)	**5,813**	**2,719**

Following the effective 'dollarisation' of the Zimbabwean economy in 2009, the end of hyperinflation and the stabilisation of the Zimbabwean economy, the group has included its share of the volumes and the results of its Zimbabwean associate, Delta Corporation Limited, with effect from 1 April 2010.

The net increase in investments in associates in the current year includes the impact of the following:

On 4 November 2010, Tsogo Sun Gaming (Pty) Ltd, a wholly owned subsidiary of the group's associate, Tsogo Sun, repaid the R490 million (US$68 million) preference shares issued to SABSA Holdings (Pty) Ltd, a wholly owned subsidiary of the group.

On 24 February 2011, the Tsogo Sun Group merged with GRR, a Johannesburg Stock Exchange listed business, through an all share merger. The transaction was effected through the acquisition by GRR of the group's entire 49% shareholding in Tsogo Sun in exchange for a 39.68% shareholding in the listed enlarged entity and resulted in a profit of US$159 million on the partial disposal of the group's shareholding in Tsogo Sun and a loss of US$26 million being the group's share of the associate's loss on the merger transaction.

10a. Reconciliation of profit for the year to net cash generated from operations

	2011 Unaudited US$m	2010 Audited US$m
Profit for the year	**2,557**	2,081
Taxation	**1,069**	848
Share of post-tax results of associates and joint ventures	**(1,024)**	(873)
Interest receivable and similar income	**(358)**	(316)
Interest payable and similar charges	**883**	879
Operating profit	**3,127**	2,619
Depreciation:		
- Property, plant and equipment	**665**	655
- Containers	**239**	226
Container breakages, shrinkages and write-offs	**24**	40
Profit on partial disposal of investment in associate	**(159)**	-
(Profit)/loss on disposal of property, plant and equipment	**(5)**	39
Profit on disposal of available for sale investments	**-**	(2)
Amortisation of advances to customers	**28**	28
Amortisation of intangible assets	**220**	203
Impairment of intangible assets	**14**	-
Impairment of property, plant and equipment	**31**	45
Impairment of working capital balances	**82**	34
Unrealised net loss from fair value hedges	**1**	1
Dividends received from other investments	**(1)**	(2)
Charge with respect to share options	**99**	80
Charge with respect to Broad-Based Black Economic Empowerment scheme	**147**	-
Other non-cash movements	**(10)**	8
Net cash generated from operations before working capital movements (EBITDA)	**4,502**	3,974
Decrease in inventories	**26**	78
(Increase)/decrease in receivables	**(147)**	48
Increase in payables	**161**	416
Increase in provisions	**18**	22
Increase/(decrease) in post-retirement provisions	**8**	(1)
Net cash generated from operations	**4,568**	4,537

Profit for the year and cash generated from operations before working capital movements includes cash flows relating to exceptional items of US$293 million (2010: US$339 million), comprising US$283 million (2010: US$301 million) in respect of business capability programme costs, US$8 million (2010: US$15 million) in respect of integration and restructuring costs, US$2 million (2010: US$11 million) in respect of BBBEE scheme costs, and US$nil (2010: US$12 million) in respect of transaction costs.

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

	2011 Unaudited US$m	2010 Unaudited US$m
EBITDA	**4,502**	3,974
Cash exceptional items	**293**	339
Dividends received from MillerCoors	**822**	707
Adjusted EBITDA	**5,617**	**5,020**

10b. Reconciliation of net cash from operating activities to free cash flow

	2011 Unaudited US$m	2010 Unaudited US$m
Net cash generated from operating activities	**3,043**	3,277
Purchase of property, plant and equipment	**(1,189)**	(1,436)
Proceeds from sale of property, plant and equipment	**73**	37
Purchase of intangible assets	**(126)**	(92)
Investments in joint ventures	**(186)**	(353)
Investments in associates	**(4)**	(63)
Repayment of investments by associates	**68**	3
Dividends received from joint ventures	**822**	707
Dividends received from associates	**88**	106
Dividends received from other investments	**1**	2
Dividends paid to non-controlling interests	**(102)**	(160)
Free cash flow	**2,488**	2,028

10c. Analysis of net debt

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

	2011 Unaudited US$m	2010 Audited US$m
Cash and cash equivalents (balance sheet)	**1,067**	779
Cash and cash equivalents of disposal group classified as held for sale	**4**	-
	1,071	779
Overdrafts	**(258)**	(190)
Cash and cash equivalents (cash flow)	**813**	589

Net debt is analysed as follows:

	2011 Unaudited US$m	2010 Audited US$m
Borrowings	**(8,193)**	(9,212)
Borrowings-related derivative financial instruments	**298**	237
Overdrafts	**(258)**	(190)
Finance leases	**(9)**	(12)
Gross debt	**(8,162)**	(9,177)
Cash and cash equivalents (excluding overdrafts)	**1,071**	779
Net debt	**(7,091)**	(8,398)

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 2010	779	(190)	(9,212)	237	(12)	(9,177)	(8,398)
Exchange adjustments	8	17	(174)	(3)	-	(160)	(152)
Cash flow	283	(72)	1,159	84	5	1,176	1,459
Acquisitions	1	(13)	-	-	(1)	(14)	(13)
Other movements	-	-	34	(20)	(1)	13	13
At 31 March 2011	**1,071**	**(258)**	**(8,193)**	**298**	**(9)**	**(8,162)**	**(7,091)**

10c. Analysis of net debt continued

The group has sufficient headroom to enable it to conform to covenants on its existing borrowings. The group has sufficient undrawn financing facilities to service its operating activities and ongoing capital investment. The group had the following undrawn committed borrowing facilities available at 31 March 2011 in respect of which all conditions precedent had been met at that date:

	2011 Unaudited US$m	2010 Audited US$m
Amounts expiring:		
Within one year	**967**	441
Between one and two years	**2,118**	1,025
Between two and five years	**79**	2,112
In five years or more	**-**	1
	3,164	3,579

In April 2011, the group entered into a five year US$2,500 million committed syndicated facility, with the option of two one-year extensions. This facility replaced the existing US$2,000 million and US$600 million committed syndicated facilities, which were both voluntarily cancelled and which are shown in the table above as expiring between one and two years and within one year, respectively.

The group's net debt is denominated in the following currencies:

	US dollars US$m	**SA rand US$m**	**Euro US$m**	**Colombian peso US$m**	**Other currencies US$m**	**Total US$m**
Total cash and cash equivalents	**609**	**30**	**111**	**96**	**225**	**1,071**
Total gross borrowings	**(4,334)**	**(290)**	**(1,482)**	**(1,202)**	**(854)**	**(8,162)**
	(3,725)	**(260)**	**(1,371)**	**(1,106)**	**(629)**	**(7,091)**
Cross currency swaps	**1,089**	**(413)**	**(116)**	**-**	**(560)**	**-**
At 31 March 2011 (unaudited)	**(2,636)**	**(673)**	**(1,487)**	**(1,106)**	**(1,189)**	**(7,091)**
Total cash and cash equivalents	352	134	49	48	196	779
Total gross borrowings	(5,094)	(526)	(1,403)	(1,253)	(901)	(9,177)
	(4,742)	(392)	(1,354)	(1,205)	(705)	(8,398)
Cross currency swaps	2,124	(384)	(569)	(557)	(614)	-
At 31 March 2010 (audited)	(2,618)	(776)	(1,923)	(1,762)	(1,319)	(8,398)

11. Business combinations

Acquisitions

The following business combinations took effect during the year:

On 24 November 2010 the group acquired a 100% interest in CASA Isenbeck, the third largest brewer in Argentina, for a cash consideration of US$38 million.

On 30 November 2010 the group acquired an 80% effective interest in Crown Foods Limited, a mineral water and juice business in Kenya, for a cash consideration of US$7 million.

Goodwill arising on the above business combinations of US$41 million represents, amongst other things, tangible and intangible assets yet to be recognised separately from goodwill as the fair value exercises are still in progress, and the assembled workforce.

12. Balance sheet restatements

The initial accounting under IFRS 3, 'Business Combinations', for the maheu and Rwenzori acquisitions had not been completed as at 31 March 2010. During the year ended 31 March 2011, adjustments to provisional fair values in respect of these acquisitions were made which resulted in goodwill decreasing by US$5 million to US$11,579 million, trade and other payables increasing by US$1 million to US$3,228 million and total equity decreasing by US$6 million to US$20,593 million. As a result comparative information for the year ended 31 March 2010 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 impact on the prior year income statement has been reviewed and no adjustments to the income statement are required as a result of the adjustments to provisional fair values.

13. Share capital

During the year ended 31 March 2011 4,290,162 ordinary shares (2010: 9,382,883 ordinary shares) were allotted and issued in accordance with the group's share purchase, option and award schemes.

In May 2009 60 million ordinary shares were issued as consideration for the purchase of the 28.1% non-controlling interest in the Polish business.

14. Post balance sheet events

In April 2011, the group entered into a five year US$2,500 million committed syndicated facility, with the option of two one-year extensions. This facility replaced the existing US$2,000 million and US$600 million committed syndicated facilities, which were both voluntarily cancelled.

Adjusted earnings
Adjusted earnings are calculated by adjusting headline earnings (as defined below) for the amortisation of intangible assets (excluding 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 joint ventures' and associates' adjustments for similar items. The tax and non-controlling interests in respect of these items are also adjusted.

Adjusted EBITDA
This comprises EBITDA 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 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 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 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.

The definition of free cash flow has been refined to exclude the purchase of shares from non-controlling interests and net investments in associates and joint ventures which result in a change in the group's effective ownership percentage, as these are deemed to be discretionary expenditure. Comparatives have been restated accordingly.

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 equity holders of the parent for items in accordance with the South African Circular 3/2009 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 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. 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.

SABMiller plc
Incorporated in England and Wales (Registration No. 3528416)

General Counsel and Group Company Secretary
John Davidson

Registered office
SABMiller House
Church Street West
Woking
Surrey, England
GU21 6HS
Facsimile +44 1483 264103
Telephone +44 1483 264000

Head office
One Stanhope Gate
London, England
W1K 1AF
Facsimile +44 20 7659 0111
Telephone +44 20 7659 0100

Internet address
http://www.sabmiller.com

Investor relations
Telephone +44 20 7659 0100
Email: investor.relations@sabmiller.com

Sustainable development
Telephone +44 1483 264134
Email: sustainable.development@sabmiller.com

Independent auditors
PricewaterhouseCoopers LLP
1 Embankment Place
London, England
WC2N 6RH
Facsimile +44 20 7822 4652
Telephone +44 20 7583 5000

Registrar (United Kingdom)
Capita Registrars
The Registry
34 Beckenham Road
Beckenham
Kent, England
BR3 4TU
Facsimile +44 20 8658 2342
Telephone +44 20 8639 3399 (outside UK)
Telephone 0871 664 0300 (from UK calls cost 10p per minute plus network extras, lines are open 8.30am-5.30pm Mon-Fri)
Email: ssd@capitaregistrars.com
www.capitaregistrars.com

Registrar (South Africa)
Computershare Investor Services (Pty) Limited
70 Marshall Street, Johannesburg
PO Box 61051
Marshalltown 2107
South Africa
Facsimile +27 11 688 5248
Telephone +27 11 370 5000

United States ADR Depositary
BNY Mellon
Shareholder Services
PO Box 358516
Pittsburgh PA 15252-8516
United States of America
Telephone +1 888 269 2377
Telephone +1 888 BNY ADRS (toll free within the USA)
Telephone: +1 201 680 6825 (outside USA)
Email: shrrelations@bnymellon.com
www.adrbnymellon.com