Interim Announcement

Release date: 21 November 2013

CONTINUING TO DRIVE REVENUE AND EARNINGS GROWTH

SABMiller plc, one of the world's leading brewers with operations and distribution agreements across six continents, reports its interim (unaudited) results for the six months to 30 September 2013.

Highlights

- Continued growth in our developing markets, driven by increased capacity, consumer reach and investment in brand portfolios
- Lager volume growth of 1% on an organic basis, with good growth in Africa partially offset by declines in Europe and North America
- Organic, constant currency group net producer revenue (NPR) growth of 4%, with group NPR per hectolitre (hl) up 2% driven by pricing and premiumisation initiatives
- The depreciation of key currencies against the US dollar has adversely impacted reported performance, with organic, constant currency EBITA growth of 7%
- Reported EBITA margin[1] increase of 60 bps to 23.7%, with an improvement of 80 basis points (bps) on an organic, constant currency basis

[1] Expressed as a percentage of group NPR.

	6 months to Sept 2013 US$m	6 months to Sept 2012[2] US$m	% change	12 months to March 2013[2] US$m
Group revenue[a]	**17,559**	17,476	-	34,487
Revenue[b]	**11,103**	11,370	(2)	23,213
Group net producer revenue[c]	**13,793**	13,669	1	26,932
EBITA[d]	**3,268**	3,153	4	6,379
Adjusted profit before tax[e]	**2,869**	2,743	5	5,597
Profit before tax[f]	**2,429**	2,263	7	4,679
Profit attributable to owners of the parent	**1,714**	1,579	9	3,250
Adjusted earnings[g]	**1,920**	1,864	3	3,772
Adjusted earnings per share				
- US cents	**120.4**	117.3	3	237.2
- UK pence	**77.7**	74.2	5	150.2
- SA cents	**1,170.9**	961.3	22	2,018.9
Basic earnings per share (US cents)	**107.4**	99.4	8	204.3
Interim dividend per share (US cents)	**25.0**	24.0	4	
Free cash flow	**894**	1,684	(47)	3,230

[2] As restated. Further details of the restatement are provided in the financial review and in note 12.

a Group revenue includes the group's share of associates' and joint ventures' revenue of US$6,456 million (2012: US$6,106 million).
b Revenue excludes the group's share of associates' and joint ventures' revenue.
c Group net producer revenue (NPR) comprises group revenue less excise and similar taxes, including the group's share of associates' and joint ventures' excise and similar taxes.
d Note 2 provides a reconciliation of operating profit to EBITA which is defined as operating profit before exceptional items and amortisation of intangible assets (excluding computer software) and includes the group's share of associates' and joint ventures' operating profit, on a similar basis. EBITA is used throughout this interim announcement.
e Adjusted profit before tax comprises EBITA less adjusted net finance costs of US$345 million (2012: US$387 million, restated) and the group's share of associates' and joint ventures' net finance costs of US$54 million (2012: US$23 million).
f Profit before tax includes exceptional charges of US$52 million (2012: US$127 million). Exceptional items are explained in note 3.
g A reconciliation of adjusted earnings to the statutory measure of profit attributable to owners of the parent is provided in note 5.

Alan Clark, Chief Executive of SABMiller, said:

"We have continued to deliver on the potential of our businesses in both developed and developing markets, with revenue and margin improvements amid mixed trading conditions. We have improved the reach of our mainstream brands across most regions, and through initiatives such as the launch of Redd's Apple Ale in the USA, the momentum behind Castle Lite across Africa, and the increasing appeal of Peroni Nastro Azzurro from Europe to Australia, we are strengthening our premium propositions across the group and evolving our high-end brand portfolios to appeal to an ever wider range of consumers and drinking occasions."

Group net producer revenue	Reported Sept 2012 US$m	Net acquisitions and disposals US$m	Currency translation US$m	Organic growth US$m	**Reported Sept 2013 US$m**	Organic, constant currency growth %	Reported growth %
Latin America	2,740	(18)	(105)	137	**2,754**	5	1
Europe	2,454	217	31	(18)	**2,684**	(1)	9
North America	2,518	-	-	(4)	**2,514**	-	-
Africa	1,523	2	(31)	163	**1,657**	11	9
Asia Pacific	2,202	(19)	(71)	47	**2,159**	2	(2)
South Africa:	2,232	8	(377)	162	**2,025**	7	(9)
- Beverages	2,031	6	(343)	145	**1,839**	7	(9)
- Hotels and Gaming	201	2	(34)	17	**186**	8	(8)
Total	13,669	190	(553)	487	**13,793**	4	1

Group volumes	Reported Sept 2012 hl m	Net acquisitions and disposals hl m	Organic growth hl m	**Reported Sept 2013 hl m**	Organic growth %	Reported growth %
Lager	132	-	1	**133**	1	1
Soft drinks	27	5	1	**33**	5	23
Other alcoholic beverages	4	-	-	**4**	(1)	1
Total	163	5	2	**170**	2	4

EBITA	Restated Sept 2012 US$m	Net acquisitions and disposals US$m	Currency translation US$m	Organic growth US$m	**Reported Sept 2013 US$m**	Organic, constant currency growth %	Reported growth %
Latin America	920	(5)	(36)	93	**972**	10	6
Europe	516	32	7	(43)	**512**	(8)	(1)
North America	464	-	-	14	**478**	3	3
Africa	355	-	(5)	58	**408**	16	15
Asia Pacific	506	(1)	(25)	60	**540**	12	7
South Africa:	486	1	(81)	37	**443**	8	(9)
- Beverages	421	1	(70)	34	**386**	8	(8)
- Hotels and Gaming	65	-	(11)	3	**57**	4	(12)
Corporate	(94)	-	1	8	**(85)**		
Total	3,153	27	(139)	227	**3,268**	7	4
EBITA margin[1] (%)	23.1				**23.7**		

[1] Expressed as a percentage of group NPR.

Business review

The group delivered NPR and earnings growth in the first half of the year despite trading challenges in a number of territories. Group NPR and volume growth remained strong in Africa, with the benefit of increased capacity and operational capability, while performance was robust in South Africa despite economic headwinds associated with the depreciation of the South African rand. Performance in Latin America was impacted by an excise increase in Peru and national strikes and social unrest in Colombia, but favourable pricing and a good performance from some premium brands continued to drive group NPR growth. Double digit NPR growth in China along with good progress in Australia on brand restoration and the establishment of premium growth platforms resulted in group NPR growth for the Asia Pacific region. Conditions in North America and Europe remained challenging. EBITA and EBITA margin growth was delivered through higher group NPR and a focus on operational efficiencies.

Group NPR growth of 4% on an organic, constant currency basis for the first half of the year was driven equally by an increase in total beverage volumes and higher group NPR per hl. Lager volume growth of 1% on an organic basis reflected strong growth in Africa and South Africa, partially offset by declines in Europe and North America, although growth in sales of higher margin products helped to drive an improved EBITA margin in North America. Soft drinks volumes increased by 23% in the period, benefiting from the full consolidation of Coca-Cola Icecek in our associate Anadolu Efes in the period, while on an organic basis soft drinks volumes grew by 5% reflecting growth in both Africa and Latin America. The growth in group NPR per hl was driven by the benefits of pricing and improved brand mix.

EBITA grew by 4% on a reported basis as adverse foreign currency movements had a significant negative impact on the translation of financial results in South Africa, Latin America and Australia. On an organic, constant currency basis EBITA grew by 7% as a result of higher NPR and cost efficiencies across most divisions, resulting in an 80 bps increase in our organic, constant currency EBITA margin. Procurement savings helped limit growth in input costs, resulting in a low single digit increase in raw material input costs (on a constant currency, per hl basis) at the lower end of expectations. Increased production efficiencies also benefited the cost of goods sold. Fixed cost reductions were achieved through a continued focus on increased productivity. Investment in marketing increased in some developing markets to support category development and the expansion of our brand portfolios. Reported EBITA margin increased by 60 bps, reflecting currency impacts and the inclusion of Coca-Cola Icecek in Anadolu Efes' results.

Adjusted earnings grew by 3% compared with the prior period, significantly impacted by the depreciation of key currencies against the US dollar, principally the South African rand, Australian dollar, Colombian peso and Peruvian Nuevo sol. Net finance costs were lower than in the prior period as the group benefited from lower interest rates and the refinancing of higher cost debt in the current and prior period.

Underlying free cash flow for the period was at the same level as the prior year. Due to the phasing of anticipated payments to the Australian Tax Office, free cash flow for the current half year was lower by US$790 million. Adjusted EBITDA was adversely impacted by the depreciation of key currencies against the US dollar in the period but still grew by 1%. Working capital registered a cash outflow in the period of US$67 million, with working capital cash inflows in most divisions offset by a cash outflow in Asia Pacific and a reduction in provisions. Capital expenditure at US$670 million was in line with the prior period, with continued investment in brewing capacity and capability, most notably in Africa and Latin America. Net interest paid was lower than in the prior period in line with the reduction in the net finance charge.

The group's gearing ratio as at 30 September 2013 was 59.2%. Net debt increased by US$41 million, ending the period at US$15,641 million. An interim dividend of 25.0 US cents per share will be paid to shareholders on 13 December 2013.

- In **Latin America**, EBITA grew by 6% (10% on an organic, constant currency basis), adversely impacted by the depreciation of the Colombian peso and Peruvian sol against the US dollar. Group NPR on an organic, constant currency basis grew by 5%, with a 4% increase in group NPR per hectolitre driven by selective price increases and some favourable brand mix, with the Miller brand family continuing to perform well in the premium segment across the region. Lager volumes, which were up 1% compared with the prior period, were adversely impact by national strikes and social unrest in Colombia and an excise increase in Peru in the period. Effective development and extension of our brand portfolios, however, continued to drive an increased share of total alcohol consumption across the region. Growth in soft drinks was driven by pack innovations in Peru and Ecuador. A positive 170 bps improvement in reported EBITA margin was achieved through a combination of NPR growth, cost reductions and the phasing of marketing spend.

- In **Europe**, EBITA declined by 1%, including the benefit of the full consolidation of Coca-Cola Icecek in the Anadolu Efes' results (an 8% decline on an organic, constant currency basis). Group NPR grew by 9%, driven by the addition of Coca-Cola Icecek soft drinks volumes, while organic, constant currency group NPR declined by 1%. The group NPR decline on an organic, constant currency basis reflected volume led declines in Poland and the Czech Republic, partially offset by volume led growth in Romania, the UK and Slovakia. Reported EBITA margin declined by 190 bps due to the impact of adverse channel and brand mix in Poland.

- In **North America**, EBITA increased by 3% as a result of increased profitability in MillerCoors. Group NPR was level with the prior period, as a decline in lager volumes was offset by higher group NPR per hl due to pricing and favourable brand mix. The growth in sales of higher margin products also helped drive a 60 bps improvement in EBITA margin, along with lower fixed costs.

- In **Africa**, EBITA grew by 15% (16% on an organic, constant currency basis) as a result of the increase in volumes, with good growth in Tanzania, Zambia, Nigeria and Ghana. The group NPR growth of 9% (11% on an organic, constant currency basis) was driven by good lager volume growth across our portfolios, as mainstream brands performed well while Castle Lite continued to expand in the premium segment. Focus on production efficiencies and increased local sourcing of commodities helped contain variable cost increases and deliver reported EBITA margin growth of 130 bps despite increased investment in capacity and sales and distribution reach.

- In **Asia Pacific**, EBITA grew 7% (12% on an organic, constant currency basis) and EBITA margin by 200 bps driven by profit growth in both Australia and China. Reported group NPR for the region declined by 2%, due to adverse currency translation impacts (organic, constant currency group NPR grew by 2%). In Australia, pricing and a focus on premium growth platforms drove a 2% growth in continuing domestic NPR on a constant currency basis. Continuing domestic lager volumes were down 1%, reflecting the absence of an Easter peak period and subdued consumer confidence, but core brands in the portfolio performed well. The integration programme continued to progress ahead of schedule in synergy delivery and capability build. In China, organic, constant currency NPR grew by 14% with the benefit of higher volumes and favourable product mix, as sales of premium Snow brand variants increased, and beneficial geographic mix reflecting increased sales in higher value provinces. EBITA in China benefited from increased focus on efficiencies and fixed cost containment along with higher group NPR.

- **South Africa: Beverages** was adversely impacted by the significant depreciation of the South African rand against the US dollar in the period, resulting in reported EBITA and group NPR decreases of 8% and 9% respectively. On an organic, constant currency basis EBITA grew by 8% driven by the increase in organic, constant currency group NPR of 7%. Lager volumes grew by 3% despite the challenging consumer environment, with both Castle Lite and Castle Milk Stout performing well in the premium segment and helping to deliver, along with pricing, a 5% increase in group NPR per hl. Soft drinks volume growth of 1% was driven by the two litre PET pack in the sparkling portfolio, while water brands and the Play brand performed well in still drinks. EBITA margins were under pressure due to the deteriorating exchange rate and the higher cost of diesel but the impact was contained and more than offset through continued focus on increased productivity, resulting in reported EBITA margin growth of 30 bps.

- The **business capability programme** progressed in line with expectations, with cumulative net operating benefits of US$225 million in the six months driven by global procurement initiatives. The exceptional costs of the programme were US$79 million during the half year (2012: US$70 million).

Outlook

Trading conditions are expected to remain broadly unchanged, with growth continuing to be driven by our developing markets. The depreciation of key currencies against the US dollar will adversely impact reported results in the current financial year. Development of our brand and pack portfolios will continue, as we seek opportunities to reach new consumers and enhance the beer category. Price increases will be taken selectively and focus will remain on premiumisation. Raw material unit input costs are expected to rise in low to mid single digits in constant currency terms. Investment in production capacity and capability will continue to drive growth along with strong commercial execution of existing and new consumer offerings.

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A live audio webcast of a presentation by Chief Executive, Alan Clark, and Chief Financial Officer, Jamie Wilson to the investment community will begin at 9.30am (GMT) on 21 November 2013. To register for the webcast, download the slide presentation, view management video interviews and download photography and b-roll, visit our online Results Centre at www.sabmiller.com/resultscentre.

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

Copies of the press release and detailed Interim Announcement are available from the Company Secretary at the Registered Office or from our website at www.sabmiller.com.

Operational review

Latin America

Financial summary	Restated Sept 2012	Net acquisitions and disposals	Currency translation	Organic growth	**Reported Sept 2013**	Organic, constant currency growth %	Reported growth %
Group revenue (including share of associates) (US$m)	3,687	(18)	(144)	216	**3,741**	6	1
Group NPR (including share of associates) (US$m)	2,740	(18)	(105)	137	**2,754**	5	1
EBITA[1] (US$m)	920	(5)	(36)	93	**972**	10	6
EBITA margin (%)	33.6				**35.3**		
Sales volumes (hl 000)							
Lager	20,463	-		205	**20,668**	1	1
Soft drinks	8,879	(142)		227	**8,964**	3	1

[1] In 2013 before exceptional credits of US$47 million, being the profit on disposal of the Panama milk and juice business (2012: before exceptional charges of US$45 million, being business capability programme costs).

In Latin America, group NPR grew by 5% on an organic, constant currency basis driven by selective pricing and mix benefits from our premium brands. On a reported basis, group NPR grew by 1%, impacted by the depreciation of key currencies against the US dollar and the disposal of our milk and juice business in Panama. Alcohol market share gains were seen across all our businesses in Latin America through the appeal of our strong portfolio of brands, further entrenchment of our direct sales service model and focus on trade execution, while continuing to see high growth in the premium segment driven by our Miller range of products. Lager volumes were up by 1%, impacted by national strikes and social unrest in Colombia and an excise increase in Peru, against the backdrop of relatively softer economic conditions across the region. Latin America delivered strong reported EBITA margin growth of 170 bps in the first half of the year with price increases aided by cost reductions, mainly in raw material and fixed costs, and the phasing of marketing spend.

Despite a difficult trading environment, Colombia saw volume growth of 1% with a gain in our share of the alcohol market of 80 bps. Our easy to drink upper mainstream brand, Águila Light, continued to perform strongly in the period, growing by double digits, while bulk packs were further entrenched across our portfolio resonating with our consumers as an affordable offering. In our mainstream brands softer trading of Águila was largely offset by Poker, with trading conditions impacted by restrictions to retailer closing times, the implementation of dry laws in response to increased security concerns, road closures and reduced access to key cities across the country. In the premium segment, Redd’s volume decline was partly offset by growth of our local premium brand Club Colombia, cycling high comparatives, while Miller Genuine Draft (MGD) saw double digit growth with increased reach and appeal to consumers. In the non-alcoholic malt category intense competition resulted in a volume decline of 4%, although our value share remained stable.

In Peru, lager volumes declined by 1% following price increases to partially alleviate the excise tax increase implemented in May. Although our mainstream brand Cristal declined 6%, this was more than offset by growth of 16% in our upper mainstream brand, Pilsen Callao, which continued to develop its appeal to consumers. The successful development of new and more frequent consumption occasions such as home and midweek consumption with new packaging formats, together with our improved trade coverage and enhanced retail execution, underpinned share of alcohol gains. In the premium segment, performance was more subdued following a shift in consumption patterns to durable goods and services. The soft drinks category saw volume growth of 4% driven by pack innovation and improved reach.

In Ecuador, Pilsener Light continued to grow strongly, driving lager volume growth of 2% and contributing positively to mix, reflecting growing positive consumer sentiment towards easy-to-drink beers as well as improved coverage. The successful implementation of our route to market model, coupled with retail and local event activation, enabled us to grow sales volume despite economic headwinds and measures to restrict the sale of alcohol. Our malt category saw robust double digit growth on the back of the launch of the Pony Malta mini pack and the success of PET packaging.

In Panama, our lager volume grew by 2%, and our share of total alcohol grew by 200bps. Miller Lite volumes almost doubled, continuing to boost mix as consumers traded-up from the mainstream segment, and aiding strong group NPR growth. Our non-alcoholic malt brand recorded 11% volume growth reflecting consumer acceptance of its differentiating attributes, while other soft drinks volumes declined due to discounting by competitors and the disposal of our milk and juice business. The disposal was in line with our strategy to restructure and simplify our business in Panama, with the transaction being completed in May 2013.

In Honduras, lager volumes were in line with the prior year, while our share of alcohol improved by 180 bps. In the mainstream segment, our Salva Vida brand grew by 4% benefitting from the larger affordable pack, while in the premium segment Miller Lite saw double digit volume growth. Although there has been some improvement in conditions, the country remains dogged by security concerns and economic uncertainty, affecting consumer patterns with a continuing shift to off-channel consumption. In the soft drink category, volumes were in line with prior year, despite significant price competition.

El Salvador delivered domestic lager volume growth of 6% with bulk packs across our brand portfolio continuing to grow strongly as we reached an expanded consumer base. Our revenue mix was assisted by trading up from economy to mainstream and upper mainstream segments. In the premium lager segment our local premium brand, Suprema, grew by double digits, aided by the launch of a new variant, while Miller Lite gained traction through wider distribution. Soft drinks volumes grew 8% with a good performance in malt beverages and juices.

Europe

Financial summary	Restated Sept 2012	Net acquisitions and disposals	Currency translation	Organic growth	**Reported Sept 2013**	Organic, constant currency growth %	Reported growth %
Group revenue (including share of associates) (US$m)	3,293	217	31	(9)	**3,532**	-	7
Group NPR (including share of associates) (US$m)	2,454	217	31	(18)	**2,684**	(1)	9
EBITA[1] (US$m)	516	32	7	(43)	**512**	(8)	(1)
EBITA margin (%)	21.0				**19.1**		
Sales volumes (hl 000)							
Lager	27,118	-		(1,155)	**25,963**	(4)	(4)
Soft drinks	3,661	4,817		506	**8,984**	14	145

[1] In 2013 before exceptional charges of US$4 million being business capability programme costs (2012: US$35 million being business capability programme costs).

In Europe, group NPR improved by 9% (down 1% on organic constant currency basis) with our share of Anadolu Efes' results benefiting from the full consolidation of Coca-Cola Icecek's results. Lager volumes in Europe were down 4% compared with the prior year. The second quarter improved compared with a challenging first quarter impacted by poor weather. Continued economic uncertainty and weak consumer sentiment persisted across the region along with intensified competition. Organic, constant currency group NPR per hl improved by 1% driven by annualised price increases taken in the second half of the prior year.

Reported EBITA was down 1% including the benefit of Anadolu Efes' soft drinks results with the full consolidation of Coca-Cola Icecek. Organic, constant currency EBITA was down 8% compared with the prior year with margin decline of 190 bps driven by competitive intensity along with channel and brand mix, most notably in Poland.

In Poland, lager volumes were down 10% cycling a strong prior year comparative associated with the Euro 2012 football tournament, along with unfavourable weather conditions in the first quarter of this financial year. Market performance has been subdued as the consumer environment continued to be challenging and competitive activities intensified. Our business was also impacted by stock build in the trade at the end of the prior financial year ahead of price increases in March 2013 and our global template deployment. Tyskie and Lech volumes were down following successful advertising campaigns in the prior year. Zubr performed well within the mainstream category, driven by effective promotional activities. EBITA declined as a result of the volume performance together with increased investment in promotions and adverse channel mix.

In the Czech Republic, volumes were down 7% with improvements in the second quarter performance compared with the first quarter. The on-premise channel showed some recovery in the second quarter following severe flooding at the start of the year which resulted in outlet closure and affected distribution across the market. This especially impacted the performance of our mainstream core brand Gambrinus 10. Economy brand Klasik has been stifled by delisting in one of the major off-premise retailers. Seasonal innovation launches this year were severely impacted by the weather conditions during the early summer although the premium segment was boosted by the successful launch of unpasteurised Gambrinus and Kozel 11. Volume performance resulted in an EBITA decline.

In Romania, volumes grew by 6% led by the continued success of economy brand Ciucas in PET. Local premium brand Ursus also grew, assisted by the launch of Ursus Cooler, and mainstream brand Timisoreana maintained its volumes in a competitive segment. Despite volume growth and constant currency NPR per hl improvement of 4%, profitability was impacted by higher input costs combined with marketing spend to support product launches focused in the first half.

In Western European markets, our focus on selected territories and segments yielded solid performance. Domestic lager volumes in Italy were level, despite continuing negative consumer sentiment, with a particularly strong performance in the on-premise channel in our southern strongholds, and with mainstream brand Peroni benefiting from the expansion of draught volumes. In the United Kingdom, Peroni Nastro Azzurro's performance led domestic volume growth of 5% with a strong second quarter offsetting a weather-related first quarter decline. Domestic lager volumes in the Netherlands were up 3% in a highly competitive environment assisted by Grolsch premium extensions and innovations.

Volumes grew by 5% in Slovakia boosted by the launch of Birell and Saris radlers. In Hungary, volumes were in line with the prior year, despite the impact of severe weather and floods on performance in the first quarter, boosted by the successful introduction of Dreher summer variants.

On an organic basis, Anadolu Efes' total volumes grew driven by soft drinks performance with lager volumes continuing to decline predominantly in Turkey and Russia. In Turkey an excise driven price increase in July and ongoing competitive pressures held back volumes. In Russia while volumes in the second quarter benefited from the resumed shipments to some key accounts disrupted in the prior year due to integration, performance across the beer market continued to be impacted by the tightened regulatory environment. On a reported basis Anadolu Efes' soft drinks volumes benefited from the full consolidation of the Coca-Cola Icecek results.

North America

Financial summary	Restated Sept 2012	Net acquisitions and disposals	Currency translation	Organic growth	**Reported Sept 2013**	Organic, constant currency growth %	Reported growth %
Group revenue (including share of joint ventures) (US$m)	2,901	-	-	(16)	**2,885**	(1)	(1)
Group NPR (including share of joint ventures) (US$m)	2,518	-	-	(4)	**2,514**	-	-
EBITA (US$m)	464	-	-	14	**478**	3	3
EBITA margin (%)	18.4				**19.0**		
Sales volumes (hl 000)							
Lager – excluding contract brewing	22,237	-		(748)	**21,489**	(3)	(3)
MillerCoors' volumes							
Lager – excluding contract brewing	21,539	-		(755)	**20,784**	(4)	(4)
Sales to retailers (STRs)	21,336	n/a		n/a	**20,819**	n/a	(2)
Contract brewing	2,538	n/a		n/a	**2,489**	n/a	(2)

The North America segment includes the group's 58% share in MillerCoors and 100% of Miller Brewing International and various North American holding companies. Total North America EBITA increased by 3%, as growth in MillerCoors was assisted by Miller Brewing International's improved profitability.

MillerCoors

In the six months to 30 September 2013, MillerCoors' group NPR was in line with the prior year. On a trading day adjusted basis, US domestic sales to retailers (STRs) were down 3% (down 2% on an unadjusted basis). Domestic sales to wholesalers (STWs) were down by 4%, following lower distributor inventory levels than in the comparative period. EBITA increased by 2% on the restated base, as strong pricing along with favourable brand mix and reduced fixed costs more than offset lower volumes and higher marketing spend.

Premium light volumes were down mid single digits, with Coors Light down low single digits and Miller Lite down high single digits. The above premium portfolio grew double digits, driven by the launch of Third Shift Amber Ale, Redd's Apple Ale and Redd's Strawberry Ale, and the continued strength of Tenth and Blake. The Tenth and Blake division delivered high single digit volume growth, driven primarily by the nationwide distribution of the Leinenkugel's franchise, including the strong success of Leinenkugel's Shandy variants, and Blue Moon. The economy segment declined mid single digits driven by Keystone Light and Miller High Life, as high unemployment continued to adversely impact this segment's consumers. The premium regular segment was down mid single digits with a double digit decline in MGD, partly offset by high single digit growth in Coors Banquet, which was fuelled by the introduction of a new 12oz. bottle. All STR volume rates presented in this paragraph are on a trading day adjusted basis.

MillerCoors' group NPR per hl grew by 3% as a result of firm pricing and favourable brand mix resulting from the introduction of new higher margin brands such as Redd's Apple Ale, growth in the Tenth and Blake division and declines in the economy segment. Cost of goods sold per hl increased by low single digits, driven by the increased cost of brewing materials, and the higher cost of innovations, partly offset by continuing cost savings initiatives.

Marketing spend increased following investment behind the launch of new brands and the expansion of existing brands in the above premium segment. General and administrative costs decreased primarily as a result of lower employee benefit costs and lower information system costs.

Africa

Financial summary	Reported Sept 2012	Net acquisitions and disposals	Currency translation	Organic growth	**Reported Sept 2013**	Organic, constant currency growth %	Reported growth %
Group revenue (including share of associates) (US$m)	1,792	2	(42)	203	**1,955**	11	9
Group NPR (including share of associates) (US$m)	1,523	2	(31)	163	**1,657**	11	9
EBITA (US$m)	355	-	(5)	58	**408**	16	15
EBITA margin (%)	23.3				**24.6**		
Sales volumes (hl 000)							
Lager	8,709	-		785	**9,494**	9	9
Soft drinks	6,201	-		526	**6,727**	8	8
Other alcoholic beverages	2,969	100		(105)	**2,964**	(4)	-

Group NPR grew by 9% (11% on an organic, constant currency basis), driven by higher volumes and the impact of pricing. Lager volumes grew by 9%, with particularly strong growth in Tanzania, Nigeria, Zambia and Ghana, partially offset by declines in Uganda and South Sudan due to softer economic conditions in these countries. Lager volume growth was delivered across our portfolio as the Castle Lite brand continued to post double digit volume growth in the premium segment, while core local brands also performed well, including Kilimanjaro in Tanzania, 2M in Mozambique, Mosi in Zambia, and Club in Ghana. Investment in our brewing and packaging capacity continued, with the commencement of expansions in Ghana and Nigeria following the recently completed expansions in Uganda and Zambia. Consumer reach in the period expanded, supported by enhanced sales capability and increased fridge penetration. Soft drinks volumes grew strongly at 8%, underpinned by growth in the non-alcoholic malt category in Nigeria and sparkling soft drinks in Zambia, and in our associates, Delta in Zimbabwe and Castel. Other alcoholic beverages declined by 4% on an organic basis primarily due to the zoning legislation in Botswana hampering traditional beer volumes. Traditional beer is now available in 11 of our markets while Chibuku Super, a PET offering which has a longer shelf life, has continued to perform well with particularly good performances in Zimbabwe and Zambia.

Total volume growth of 7% resulted in reported EBITA growth of 15% (16% on an organic, constant currency basis). This was achieved through a combination of the robust volume performance, group NPR per hl growth assisted by pricing and positive category mix into lager, as well as a continuing focus on cost management. Management's focus on production efficiencies together with increased local sourcing of commodities assisted in containing variable cost growth. As a result, reported EBITA margin improved by a further 130 bps despite capacity expansion-related cost pressures.

Lager volumes in Tanzania returned to growth, up 6%, after the prior year decline resulting from a significant excise increase and consumer pricing pressures. Castle Lite grew by double digits supported by a solid performance of Kilimanjaro in the mainstream segment.

Despite a softening economic climate in Mozambique, lager volumes grew by 4% with second quarter growth of 6%, supported by growth of Castle Lite, which now accounts for 5% of our lager portfolio, and of 2M. Impala, our cassava-based affordable offering, continued to grow by double digits as we expand our reach into the south of the country.

Strong lager volume growth was delivered in Nigeria following the commissioning of a new brewery in the prior year, supported strongly by our brands Hero and Trophy which continue to appeal to consumers in their respective regions. Grand Malt is performing particularly well in the non-alcoholic malt beverages segment with double digit growth.

Improved availability drove Zambia lager volume growth of 13% assisted by our key brands Castle Lager, Mosi, and Castle Lite in the premium segment. Soft drinks posted strong volume growth of 18%. The traditional beer category declined year on year underpinned by pricing as well as production disruptions. However Chibuku Super continued its growth with strong consumer demand.

Club lager outperformed the market and helped drive lager volume growth of 16% in Ghana. Draught formats of our brands as well as our recently launched cassava-based beer performed well. Soft drinks volumes grew by 8% driven by growth in water as a result of improved availability following capacity upgrades.

Despite lower consumer demand in a weaker economy resulting in total volumes declining by 5% in Uganda, we have gained share in a beer market that has declined. In Zimbabwe, our associate Delta's lager volumes declined by 10% due to the current economic climate and the impact of excise-related pricing in the prior year. This was offset by strong growth of 9% in traditional beer supported by a good performance by Chibuku Super.

Our associate Castel delivered overall lager volume growth of 8%, and with most territories in growth. Strong growth was experienced in Angola, Gabon, Chad, Mali, Burkina Faso and the Democratic Republic of Congo. In Angola, the business recorded good growth in volumes and synergy delivery from the January 2012 combination. Castel group NPR growth was lower than the volume growth due to country mix and lower inflationary led pricing. In Cameroon and Ethiopia, growth in total volumes was delivered despite competitive pressures.

Asia Pacific

Financial summary	Restated Sept 2012	Net acquisitions and disposals	Currency translation	Organic growth	**Reported Sept 2013**	Organic, constant currency growth %	Reported growth %
Group revenue (including share of associates) (US$m)	3,040	(32)	(114)	40	**2,934**	1	(3)
Group NPR (including share of associates) (US$m)	2,202	(19)	(71)	47	**2,159**	2	(2)
EBITA[1] (US$m)	506	(1)	(25)	60	**540**	12	7
EBITA margin (%)	23.0				**25.0**		
Sales volumes (hl 000)							
Lager	41,473	(107)		1,837	**43,203**	4	4

[1] In 2013 before exceptional charges of US$13 million, being integration and restructuring costs (2012: charges of US$47 million, being integration and restructuring costs).

In Asia Pacific, group NPR grew by 2% on an organic, constant currency basis, reflecting underlying growth in all key countries, with lager volume growth of 4% on an organic basis. Reported group NPR declined by 2% following the depreciation of currencies against the US dollar, the loss of discontinued brands in Australia, and the sale of Foster's interest in Foster's Group Pacific Limited, its Fijian beverage business, to Coca-Cola Amatil Ltd on 7 September 2012. Although overall group NPR per hl on an organic, constant currency basis declined, reflecting adverse country mix as China grew more quickly than the rest of the region, underlying group NPR per hl improved in all the region's major operations. On an organic, constant currency basis, EBITA grew by 12% and reported EBITA margin increased by 200 bps reflecting good improvements in both Australia and China.

In Australia, continuing[2] domestic lager volumes for the half year were down 1% reflecting the absence of an Easter period and subdued consumer confidence. Our strategy to restore the core portfolio has resulted in the strong volume performance of Victoria Bitter, which delivered its fourth consecutive quarter of growth post relaunch, and of both Crown Lager and Carlton Dry, partially offset by the decline of Carlton Draught. Focus on premium growth platforms has delivered double digit volume growth in international premium brands, most notably Peroni Nastro Azzurro, and growth in craft brands such as Fat Yak. The launch of new cider variants to capture growth of this premium margin segment saw cider volume growth.

Despite a good performance from much of the portfolio, our lager share performance was slightly worse than the market due to high levels of competitor discounting in the on-premise channel, reflected in the decline of Carlton Draught. Total domestic volumes, including discontinued brands, were down by 7%.

Continuing[2] domestic group NPR on a constant currency basis grew by 2% despite the lower volumes, driven by price increases, strong execution of premium growth platforms and the implementation of our promotional and customer investment architecture strategies. The integration programme is ahead of schedule in terms of both synergy delivery and capability build and remains on track to deliver ahead of stated targets. EBITA grew, both including and excluding discontinued brands, with EBITA margin improving substantially.

In India, group NPR on a constant currency basis grew by 1% with favourable pricing more than offsetting the impact of lower volumes. Lager volumes declined by 2%, impacted by a decline in the Indian beer market reflecting an unusually intense and prolonged monsoon and adverse regulatory changes in a number of states, although trends in the second quarter improved. Our business achieved above market performance in most of our focus states except Karnataka, where our competitor has added capacity. On a constant currency basis, EBITA was lower than the prior year and EBITA margin declined, reflecting inflationary and input cost increases which were in excess of the industry inhibited NPR growth.

In China, group NPR grew by 14% on a constant currency basis reflecting volume growth of 6% and favourable mix in a subdued industry. Our associate, CR Snow, further expanded its national market share with particularly pleasing results coming from the premium segment, where CR Snow's efforts achieved positive results. CR Snow's market share grew across the majority of provinces with notable increases achieved in Liaoning, Anhui, Zhejiang, Jiangsu and Guizhou.

Group NPR per hl increased by 7% driven by a combination of favourable product mix, reflecting the premium segment improvements led by Snow Draft and Snow Brave the World, and beneficial geographic mix. CR Snow continued to invest in market-facing activity, including sustained national television exposure for the first time, yet EBITA margin increased driven by contained fixed costs, more benign input cost trends and efficiency initiatives with a double digit increase in EBITA as a result.

On 17 September 2013, CR Snow completed the acquisition of the brewery business of Kingway Brewery Holdings Limited and the results of this business will be included in the results of CR Snow for the second half of the financial year.

[2]Continuing information basis adjusts for the impact of discontinued licensed brands in all comparative information.

South Africa: Beverages

Financial summary	Restated Sept 2012	Net acquisitions and disposals	Currency translation	Organic growth	**Reported Sept 2013**	Organic, constant currency growth %	Reported growth %
Group revenue (including share of associates) (US$m)	2,530	6	(428)	189	**2,297**	7	(9)
Group NPR (including share of associates) (US$m)	2,031	6	(343)	145	**1,839**	7	(9)
EBITA[1] (US$m)	421	1	(70)	34	**386**	8	(8)
EBITA margin (%)	20.7				**21.0**		
Sales volumes (hl 000)							
Lager	12,446	-		354	**12,800**	3	3
Soft drinks	7,810	-		103	**7,913**	1	1
Other alcoholic beverages	708	1		52	**761**	8	8

[1] In 2013 before exceptional charges of US$7 million, being charges incurred in relation to the Broad-Based Black Economic Empowerment scheme (2012: US$12 million, being charges incurred in relation to the Broad-Based Black Economic Empowerment scheme of US$10 million and business capability programme costs of US$2 million).

In South Africa, the continued execution of our market and customer focused strategy delivered solid growth despite a deteriorating consumer environment. The depreciation of the South Africa rand against the US dollar resulted in the reported group NPR decline of 9%. On an organic, constant currency basis, group NPR grew by 7% driven by growth of 5% in group NPR per hl which benefited from improved brand mix. The beer business was once again impacted by disproportionately higher excise taxes while our soft drinks business' profitability was impacted by the very low single digit price increase.

Lager volumes were up 3% for the first half of the year. In the face of strong competition, our portfolio performed above the market, driven by targeted brand campaigns and pack innovation, combined with continued enhanced market-facing sales execution. Castle Lite and Castle Lager continued to perform well, supported by growth in Carling Black Label and Castle Milk Stout, partially offset by a decline in Hansa Pilsener volumes.

Soft drinks volumes grew by 1%, with the inclusion of Appletiser, while our main Coca-Cola soft drinks bottling business' volume grew by 2% cycling the strong performance in the prior period, and benefiting from the continued channel penetration strategy through the use of market logistics partners. Volume growth was driven by the continued success of the two litre PET packs in key classes of trade. Packs designated for immediate consumption also grew strongly, supported by the targeted placement of fridges as part of the comprehensive in-market execution strategy. Growth in the still drinks portfolio was well above average, with strong contributions from the water brands and the Play brand.

Driven by increased sales, our associate Distell reported mid single digit EBITA growth on an organic, constant basis (after adjusting for the excise settlement included in last year's results).

The business continued its focus on productivity while increasing investment in market facing activities in all the beverage businesses. Reported EBITA decreased by 8% (compared with growth of 8% on an organic, constant currency basis) and EBITA margin improved by 30 bps.

South Africa: Hotels and Gaming

Financial summary	Restated Sept 2012	Net acquisitions and disposals	Currency translation	Organic growth	**Reported Sept 2013**	Organic, constant currency growth %	Reported growth %
Group revenue (share of associates) (US$m)	233	2	(39)	19	**215**	8	(8)
Group NPR (including share of associates) (US$m)	201	2	(34)	17	**186**	8	(8)
EBITA (US$m)	65	-	(11)	3	**57**	4	(12)
EBITA margin (%)	32.4				**30.8**		
Revenue per available room (Revpar) – US$	66.0	n/a	n/a	n/a	**60.7**	n/a	(8)

SABMiller is a 39.6% shareholder in the Tsogo Sun Group which is listed on the Johannesburg Stock Exchange.

Our share of Tsogo Sun's reported net producer revenue was US$186 million, a decrease of 8% over the prior period (up 8% on an organic, constant currency basis). The organic, constant currency growth was delivered despite softer economic conditions in the period.

The gaming industry in the major provinces of South Africa experienced varying levels of growth over the prior period with the largest province in terms of gaming win, Gauteng, reporting 4% growth and the KwaZulu-Natal province growing by 3%. The majority of the Tsogo Sun casinos in these provinces outperformed the market and grew their market shares through a combination of improved trading, gaming win and food and beverage revenue.

The South African hotel industry recorded above inflation revenue per available room growth during the six months ended September 2013, largely driven by growth in the average room rate and volumes from corporate, government, groups and convention market segments. There was still constrained demand with occupancies not exceeding 59% for the period.

Reported EBITA for the half year decreased by 12% with growth of 4% on an organic, constant currency basis, driven by higher gaming and hotel revenues.

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 2013 except for the new standards, interpretations and amendments adopted by the group since 1 April 2013 as detailed in note 1 of the condensed consolidated financial information. As part of the regular review of accounting practices and policies, fair value gains and losses on financial instruments, and exchange gains and losses on financing items have now been presented on a net basis within net finance costs.

The adoption of these new standards, interpretations and amendments has resulted in profit after tax for the six months ended 30 September 2012 being reduced by US$11 million, primarily due to the adoption of the amendment to IAS 19 'Employee benefits'. The consolidated balance sheet and cash flow were unaffected. Comparative information has been restated as detailed in note 12 of the condensed consolidated financial information. Additional disclosures have also been included in the financial information as a result of adopting these new standards and amendments.

The consolidated balance sheet as at 30 September 2012 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 2013 are available on the company's website: www.sabmiller.com.

New and revised reporting metrics
The non-GAAP metrics used to assess the group's performance have been revised in the current year to reflect the changes in the way in which the performance of the group's operations is evaluated and resources allocated by the group's chief operating decision maker, defined as the executive directors. In order to show more clearly the group's underlying revenue performance, excluding the impact of excise duties and other similar taxes charged to the group by tax authorities, the group has presented an additional new metric, group net producer revenue (NPR), which is defined as group revenue less excise duties and other similar taxes including the group's share of associates' and joint ventures' excise duties and other similar taxes. Following the introduction of the group NPR metric, the group has calculated EBITA margin using group NPR as the denominator rather than group revenue. This demonstrates the underlying margin progression without the distortions of changes in excise duties and other similar taxes charged to the group.

The definition of EBITDA has also been amended. Historically the group used a cash flow-based EBITDA metric, with a number of non-cash adjustments in addition to depreciation and amortisation. However, with an increasing number of non-cash items, this measure has become more complicated. Consequently, in an effort to simplify the calculation of the metric and to aid comparability with other beverage companies, the group has presented an income statement-based EBITDA metric instead, which only adjusts for depreciation and amortisation. EBITDA comprises EBITA plus depreciation and amortisation of computer software, including the group's share of associates' and joint ventures' depreciation and amortisation of computer software.

Additionally the group has amended its net debt definition to include the fair value of derivative financial instruments designated as net investment hedges as these hedges are considered to be inextricably linked to the underlying borrowings because they are used to mitigate the foreign exchange risk arising from the group's foreign currency borrowings. This enables a more appropriate presentation of the currency profile of the group's borrowings. Further details are included in note 10c of the consolidated financial information.

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

SABMiller uses group NPR 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 and group NPR. 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, group NPR and EBITA disclosures.

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

Adjusted EBITDA
The group uses an adjusted EBITDA measure which provides a useful indication of the cash generated to service the group's debt. This measure has been revised in light of the group's new EBITDA definition. Adjusted EBITDA comprises operating profit before exceptional items, depreciation and amortisation (i.e., subsidiary EBITDA) together with the group's share of operating profit from the MillerCoors joint venture on a similar basis. Given the significance of the MillerCoors business and the access to its cash generation, the inclusion of MillerCoors' EBITDA provides a useful measure of the group's overall cash generation.

Disposals
In May 2013 the group completed the disposal of its non-core milk and juice business in Panama.

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 information.

Net exceptional charges of US$52 million before finance costs and tax were reported during the period (2012: US$127 million). The net exceptional charge included:

- US$79 million (2012: US$70 million) charge related to business capability programme costs in Europe and Corporate;
- US$47 million gain, after associated costs, (2012: US$nil million) on the disposal of the milk and juice business in Panama in Latin America;
- US$13 million (2012: US$47 million) charge related to integration and restructuring costs incurred in Asia Pacific following the Foster's and the Pacific Beverages acquisitions; and
- US$7 million (2012: US$10 million) charge in respect of the Broad-Based Black Economic Empowerment scheme in South Africa.

Finance costs
Net finance costs were US$345 million, an 8% decrease on the prior period's US$375 million (restated), mainly as a result of debt repayments and refinancing decisions undertaken in 2013. Finance costs in 2012 included a net gain of US$12 million from the mark to market adjustments of various derivatives on capital items for which hedge accounting cannot be applied. The mark to market gain was excluded from the determination of adjusted net finance costs and adjusted earnings per share. Adjusted net finance costs for the half year were also US$345 million, down 11%.

Interest cover, as defined in the financial definitions section, has increased to 9.3 times from 8.2 times (restated) in the prior period.

Profit before tax

Adjusted profit before tax of US$2,869 million increased by 5% over the restated comparable period in the prior year, primarily as a result of positive brand mix, favourable pricing and higher volumes leading to increased group NPR, together with operational efficiencies and lower finance costs, despite the adverse impact of foreign exchange rate movements.

Profit before tax was US$2,429 million, up 7%, including the impact of the exceptional and other adjusting finance items noted above. The principal differences between reported and adjusted profit before tax relate to the amortisation of intangible assets (excluding computer software), the group's share of associates' and joint ventures' tax and non-controlling interests, and exceptional items. Amortisation amounted to US$223 million in the half year (2012: US$229 million); the group's share of associates' and joint ventures' tax and non-controlling interests was US$165 million (2012: US$136 million) with the increase primarily resulting from the full consolidation of Coca-Cola Icecek into Anadolu Efes' results, and net exceptional charges were US$52 million (2012: US$127 million) as detailed above.

Taxation

The effective rate of tax for the half year before amortisation of intangible assets (excluding computer software) and exceptional items was 26.8% compared with a rate of 27.5% in the prior year period. The reduction in the rate primarily results from the resolution of various uncertain tax positions during the period.

Earnings per share

The group presents adjusted basic earnings per share, which excludes the impact of amortisation of intangible assets (excluding computer software), certain non-recurring items and post-tax exceptional items, in order to present an additional measure of performance for the periods shown in the consolidated interim financial information. Adjusted basic earnings per share of 120.4 US cents were up 3% on the (restated) comparable period in the prior year, as a result of higher profits and lower net finance costs, despite a marginal increase in the tax charge and the adverse impact of foreign exchange rate movements. An analysis of earnings per share is shown in note 5. On a statutory basis, basic earnings per share were 8% higher at 107.4 US cents (2012: 99.4 US cents, restated) for the reasons given above, together with lower net exceptional costs than in the comparable prior year period.

Adjusted EBITDA

Adjusted EBITDA of US$3,202 million (comprising operating profit before exceptional items, depreciation and amortisation, and the group's share of MillerCoors' operating profit on a similar basis) increased by 1% compared with the same period in the prior year (2012: US$3,160 million).

Cash flow and capital expenditure

Net cash generated from operations before working capital movements of US$2,663 million was in line with the prior year period (2012: US$2,657 million), as higher operating profit, despite the adverse impact of foreign exchange movements, in the half year included more non-cash gains than in the prior period.

Net cash generated from operating activities of US$1,184 million decreased by US$691 million on the same period in the prior year, primarily reflecting the anticipated tax payment to the Australian Tax Office in the half year and the receipt of a non-recurring tax refund in Australia in the prior half year, partly offset by lower working capital cash outflows and net interest paid.

Capital expenditure on property, plant and equipment for the six months of US$639 million has increased compared with the same period in the prior year (2012: US$599 million), with continued investment in brewing capacity and capability, principally in Africa and Latin America. Capital expenditure including the purchase of intangible assets was US$670 million (2012: US$655 million).

Free cash flow reduced by 47% to US$894 million, reflecting the phasing of the Australian tax receipts and payments, together with the increased investment in associates in the half year to fund, in part, our Chinese associate's acquisition of the Kingway brewery business. Free cash flow is detailed in note 10b, and defined in the financial definitions section.

Borrowings and net debt

Gross debt at 30 September 2013, comprising borrowings together with the fair value of financing derivative financial assets and liabilities, decreased to US$16,927 million from US$17,771 million (restated and reduced by US$101 million as a result of the change in net debt definition) at 31 March 2013, primarily as a result of the repayment of the US$1,100 million bond in August 2013 partly offset by an increase in borrowings elsewhere in the group. Net debt, comprising gross debt net of cash and cash equivalents, increased to US$15,641 million from US$15,600 million (restated) at 31 March 2013, as cash was utilised to pay the final dividend as well as funding investments in group operations. An analysis of net debt is provided in note 10c.

The group's gearing (presented as a ratio of net debt/equity) has increased to 59.2% from 56.8% (restated) at 31 March 2013. The weighted average interest rate for the gross debt portfolio at 30 September 2013 was 4.0% (31 March 2013: 4.1%).

Total equity

Total equity decreased from US$27,460 million at 31 March 2013 to US$26,422 million at 30 September 2013. The decrease was primarily a result of dividend payments and the currency translation movements on foreign currency investments, partly offset by profit for the period.

Goodwill and intangible assets

Goodwill decreased to US$18,704 million (31 March 2013: US$19,862 million) wholly as a result of foreign exchange movements in the period. Intangible assets decreased in the period to US$8,749 million (31 March 2013: US$9,635 million) primarily owing to foreign exchange movements and amortisation. The 30 September 2012 comparatives for goodwill have 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 interim financial information are detailed in the table below, with most of the major currencies in which the group operates weakening against the US dollar.

Six months ended	Average rate		Appreciation/ (depreciation)	Closing rate		Appreciation/ (depreciation)
30 September	**2013**	2012	%	**2013**	2012	%
Australian dollar (AUD)	**1.05**	0.98	(7)	**1.07**	0.96	(10)
South African rand (ZAR)	**9.73**	8.20	(16)	**10.03**	8.31	(17)
Colombian peso (COP)	**1,886**	1,792	(5)	**1,915**	1,801	(6)
Euro (€)	**0.76**	0.79	4	**0.74**	0.78	5
Czech koruna (CZK)	**19.64**	19.88	1	**19.05**	19.32	1
Peruvian nuevo sol (PEN)	**2.73**	2.64	(3)	**2.79**	2.60	(7)
Polish zloty (PLN)	**3.21**	3.32	3	**3.12**	3.20	3
Turkish lira (TRY)	**1.90**	1.81	(5)	**2.02**	1.80	(11)

Risks and uncertainties

The principal risks and uncertainties for the first six months and the remaining six months of the financial year remain as described on pages 16 and 17 of the 2013 Annual Report. The risks are summarised as follows:

- The risk that, in light of the on-going consolidation of the brewing and beverages industry, the group's ability to grow and increase profitability is limited. This may be the result of failing to participate in value-adding transactions; overpaying for an acquisition; failing to implement integration plans successfully; or failing to identify and develop new approaches to market and category entry.

- The risk that the group's market positions come under pressure and profitable growth opportunities may not be realised. This may be a result of the group failing to ensure the development of strong and relevant brands which resonate with consumers, shoppers and customers.

- The risk that the group's long-term profitable growth potential may be jeopardised due to a failure to identify, develop and retain an appropriate pipeline of talented management.

Risks and uncertainties continued

- The risk that regulation places increasing restrictions on pricing (including tax), availability and marketing of beer and drives changes in consumption behaviour. In affected countries the group's ability to grow profitably and contribute to local communities could be adversely affected.

- The risk that following the Foster's acquisition, the group fails to deliver its specific, communicated financial and value creation targets through its integration plans; this may limit the group's future growth and profitability, as well as impacting its reputation for commercial capability and for making value-creating acquisitions.

- The risk that the group fails to execute and derive benefits from the business capability projects, resulting in increased project costs, business disruption and reduced competitive advantage in the medium term.

Dividend

The board has declared a cash interim dividend of 25.0 US cents per share, an increase of 4%. The dividend will be payable on Friday 13 December 2013 to shareholders registered on the London and Johannesburg registers on Friday 6 December 2013. The ex-dividend trading dates will be Wednesday 4 December 2013 on the London Stock Exchange (LSE) and Monday 2 December 2013 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 6.

The rates of exchange applicable for US dollar conversion into South African rand and sterling were determined on Wednesday 20 November 2013. The rate of exchange determined for converting to South African rand was US$:ZAR10.094432 resulting in an equivalent interim dividend of 252.36080 SA cents per share. The rate of exchange determined for converting to sterling was GBP:US$1.614850 resulting in an equivalent interim dividend of 15.4813 UK pence per share.

Shareholders registered on the Johannesburg register are advised that dividend withholding tax will be withheld from the gross final dividend amount of 252.36080 SA cents per share at a rate of 15%, unless a shareholder qualifies for an exemption. Shareholders registered on the Johannesburg register who do not qualify for an exemption will therefore receive a net dividend of 214.50668 SA cents per share.

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

From the commencement of trading on Thursday 21 November 2013 until the close of business on Friday 6 December 2013, no transfers between the London and Johannesburg registers will be permitted, and from Monday 2 December 2013 until Friday 6 December 2013, no shares may be dematerialised or rematerialised, both days inclusive.

Directors' responsibility for financial reporting

This statement, which should be read in conjunction with the independent review report of the auditors set out below, is made to enable shareholders to distinguish the respective responsibilities of the directors and the auditors in relation to the condensed consolidated interim financial information, set out on pages 24 to 43, which the directors confirm has been prepared on a going concern basis. The directors consider that the group has used appropriate accounting policies, consistently applied and supported by reasonable and appropriate judgements and estimates.

A copy of the interim report of the group is placed on the company's website. The directors are responsible for the maintenance and integrity of the statutory and audited information on the company's website. Information published on the internet is accessible in many countries with different legal requirements. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

The directors confirm that this condensed set of financial statements has been prepared in accordance with IAS 34 as adopted by the European Union, and the interim management report herein includes a fair review of the information required by DTR 4.2.7 and DTR 4.2.8 of the Disclosure and Transparency Rules of the United Kingdom's Financial Conduct Authority.

At the date of this statement, the directors of SABMiller plc are those listed in the SABMiller plc Annual Report at 31 March 2013 with the exception of Cyril Ramaphosa, who retired from the board on 25 July 2013, and Guy Elliott, who was appointed to the board with effect from 1 July 2013. A list of current directors is maintained on the SABMiller plc website: www.sabmiller.com.

On behalf of the board

Alan Clark
Chief executive

Jamie Wilson
Chief financial officer

20 November 2013

Introduction
We have been engaged by the company to review the condensed set of financial statements in the interim report for the six months ended 30 September 2013, which comprises the consolidated income statement, consolidated statement of comprehensive income, consolidated balance sheet, consolidated cash flow statement, consolidated statement of changes in equity and related notes. We have read the other information contained in the interim report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

Directors' responsibilities
The interim report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the interim report in accordance with the Disclosure and Transparency Rules of the United Kingdom's Financial Conduct Authority.

As disclosed in note 1, the annual financial statements of the group are prepared in accordance with IFRSs as adopted by the European Union. The condensed set of financial statements included in this interim report has been prepared in accordance with International Accounting Standard 34, 'Interim Financial Reporting', as adopted by the European Union.

Our responsibility
Our responsibility is to express to the company a conclusion on the condensed set of financial statements in the interim report based on our review. This report, including the conclusion, has been prepared for and only for the company for the purpose of the Disclosure and Transparency Rules of the Financial Conduct Authority and for no other purpose. We do not, in producing this report, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Scope of review
We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion
Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the interim report for the six months ended 30 September 2013 is not prepared, in all material respects, in accordance with International Accounting Standard 34 as adopted by the European Union and the Disclosure and Transparency Rules of the United Kingdom's Financial Conduct Authority.

PricewaterhouseCoopers LLP
Chartered Accountants
London

20 November 2013

SABMiller plc
CONSOLIDATED INCOME STATEMENT
for the period ended 30 September

	Notes	**Six months ended 30/9/13 Unaudited US$m**	Six months ended 30/9/12[1] Unaudited US$m	Year ended 31/3/13[1] Unaudited US$m
Revenue	2	**11,103**	11,370	23,213
Net operating expenses		**(9,132)**	(9,513)	(19,021)
Operating profit	2	**1,971**	1,857	4,192
Operating profit before exceptional items		**2,023**	1,984	4,392
Exceptional items	3	**(52)**	(127)	(200)
Net finance costs		**(345)**	(375)	(726)
Finance costs		**(578)**	(599)	(1,186)
Finance income		**233**	224	460
Share of post-tax results of associates and joint ventures	2	**803**	781	1,213
Profit before taxation		**2,429**	2,263	4,679
Taxation	4	**(598)**	(593)	(1,192)
Profit for the period		**1,831**	1,670	3,487
Profit attributable to non-controlling interests		**117**	91	237
Profit attributable to owners of the parent	5	**1,714**	1,579	3,250
		1,831	1,670	3,487
Basic earnings per share (US cents)	5	**107.4**	99.4	204.3
Diluted earnings per share (US cents)	5	**106.0**	98.4	202.0

[1] As restated (see note 12).

The notes on pages 29 to 43 are an integral part of this condensed interim financial information.

SABMiller plc
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
for the period ended 30 September

	Notes	**Six months ended 30/9/13 Unaudited US$m**	Six months ended 30/9/12[1] Unaudited US$m	Year ended 31/3/13[1] Unaudited US$m
Profit for the period		**1,831**	1,670	3,487
Other comprehensive loss:				
Items that will not be reclassified to profit or loss				
Net remeasurements of defined benefit plans		**-**	1	(19)
Tax on items that will not be reclassified	4	**(1)**	(7)	19
Share of associates' and joint ventures' other comprehensive income/(loss)		**10**	20	(26)
Total items that will not be reclassified to profit or loss		**9**	14	(26)
Items that may be reclassified subsequently to profit or loss				
Currency translation differences on foreign currency net investments:				
- Decrease in foreign currency translation reserve during the period		**(1,850)**	(318)	(700)
Available for sale investments:				
- Fair value losses arising during the period		**-**	-	(1)
Net investment hedges:				
- Fair value gains arising during the period		**108**	15	63
Cash flow hedges:		**50**	(13)	(5)
- Fair value gains/(losses) arising during the period		**47**	(15)	(8)
- Fair value (gains)/losses transferred to inventory		**(1)**	3	8
- Fair value losses/(gains) transferred to profit or loss		**4**	(1)	(5)
Tax on items that may be reclassified subsequently to profit or loss	4	**-**	(1)	6
Share of associates' and joint ventures' other comprehensive income/(loss):		**46**	-	(13)
- Share of associates' and joint ventures' other comprehensive income/(loss) during the period		**55**	-	(13)
- Share of associates' and joint ventures' recycling of available for sale reserve on disposal		**(9)**	-	-
Total items that may be reclassified subsequently to profit or loss		**(1,646)**	(317)	(650)
Other comprehensive loss for the period, net of tax		**(1,637)**	(303)	(676)
Total comprehensive income for the period		**194**	1,367	2,811
Attributable to:				
Non-controlling interests		**110**	93	233
Owners of the parent		**84**	1,274	2,578
Total comprehensive income for the period		**194**	1,367	2,811

[1] As restated (see note 12).

The notes on pages 29 to 43 are an integral part of this condensed interim financial information.

SABMiller plc
CONSOLIDATED BALANCE SHEET
at 30 September

	Notes	**30/9/13 Unaudited US$m**	30/9/12[1] Unaudited US$m	31/3/13 Audited US$m
Assets				
Non-current assets				
Goodwill		**18,704**	20,062	19,862
Intangible assets	7	**8,749**	9,790	9,635
Property, plant and equipment	8	**8,973**	9,087	9,059
Investments in joint ventures		**5,526**	5,528	5,547
Investments in associates		**5,686**	5,277	5,416
Available for sale investments		**22**	28	22
Derivative financial instruments		**813**	865	732
Trade and other receivables		**125**	137	144
Deferred tax assets		**54**	94	71
Loan participation deposit		**100**	100	100
		48,752	50,968	50,588
Current assets				
Inventories		**1,260**	1,296	1,175
Trade and other receivables		**2,056**	2,155	2,067
Current tax assets		**220**	221	159
Derivative financial instruments		**77**	40	111
Available for sale investments		**-**	1	-
Cash and cash equivalents	10c	**1,286**	780	2,171
		4,899	4,493	5,683
Assets of disposal group classified as held for sale		**-**	-	23
		4,899	4,493	5,706
Total assets		**53,651**	55,461	56,294
Liabilities				
Current liabilities				
Derivative financial instruments		**(50)**	(50)	(34)
Borrowings	10c	**(1,503)**	(2,122)	(2,469)
Trade and other payables		**(3,957)**	(4,068)	(4,004)
Current tax liabilities		**(1,041)**	(1,363)	(1,460)
Provisions		**(479)**	(618)	(558)
		(7,030)	(8,221)	(8,525)
Liabilities of disposal group classified as held for sale		**-**	-	(1)
		(7,030)	(8,221)	(8,526)
Non-current liabilities				
Derivative financial instruments		**(57)**	(89)	(52)
Borrowings	10c	**(16,196)**	(16,499)	(16,079)
Trade and other payables		**(130)**	(76)	(132)
Deferred tax liabilities		**(3,316)**	(3,681)	(3,507)
Provisions		**(500)**	(558)	(538)
		(20,199)	(20,903)	(20,308)
Total liabilities		**(27,229)**	(29,124)	(28,834)
Net assets		**26,422**	26,337	27,460
Equity				
Share capital		**167**	166	167
Share premium		**6,610**	6,526	6,581
Merger relief reserve		**4,321**	4,586	4,586
Other reserves		**(310)**	1,657	1,328
Retained earnings		**14,534**	12,373	13,710
Total shareholders' equity		**25,322**	25,308	26,372
Non-controlling interests		**1,100**	1,029	1,088
Total equity		**26,422**	26,337	27,460

[1] As restated (see note 12).

The notes on pages 29 to 43 are an integral part of this condensed interim financial information.

SABMiller plc
CONSOLIDATED CASH FLOW STATEMENT
for the period ended 30 September

	Notes	**Six months ended 30/9/13 Unaudited US$m**	Six months ended 30/9/12 Unaudited US$m	Year ended 31/3/13 Audited US$m
Cash flows from operating activities				
Cash generated from operations	10a	**2,596**	2,438	5,554
Interest received		**227**	243	468
Interest paid		**(592)**	(645)	(1,238)
Tax paid		**(1,047)**	(161)	(683)
Net cash generated from operating activities	10b	**1,184**	1,875	4,101
Cash flows from investing activities				
Purchase of property, plant and equipment		**(639)**	(599)	(1,335)
Proceeds from sale of property, plant and equipment		**49**	16	30
Purchase of intangible assets		**(31)**	(56)	(144)
Proceeds from sale of intangible assets		**-**	4	4
Proceeds from disposal of available for sale investments		**-**	-	5
Proceeds from disposal of associates		**-**	-	21
Proceeds from disposal of businesses (net of cash disposed)		**88**	57	57
Acquisition of businesses (net of cash acquired)		**-**	-	(6)
Investments in joint ventures		**(23)**	(67)	(272)
Investments in associates		**(196)**	-	(23)
Dividends received from joint ventures		**494**	517	886
Dividends received from associates		**157**	54	113
Dividends received from other investments		**1**	1	1
Net cash used in investing activities		**(100)**	(73)	(663)
Cash flows from financing activities				
Proceeds from the issue of shares		**41**	46	102
Proceeds from the issue of shares in subsidiaries to non-controlling interests		**1**	36	36
Purchase of own shares for share trusts		**(53)**	(53)	(53)
Purchase of shares from non-controlling interests		**(5)**	-	-
Proceeds from borrowings		**1,877**	656	2,318
Repayment of borrowings		**(2,493)**	(1,453)	(2,878)
Proceeds from associate in relation to loan participation deposit		**-**	-	100
Capital element of finance lease payments		**(5)**	(3)	(6)
Net cash receipts/(payments) on derivative financial instruments		**107**	20	(5)
Dividends paid to shareholders of the parent		**(1,236)**	(1,125)	(1,517)
Dividends paid to non-controlling interests		**(102)**	(61)	(131)
Net cash used in financing activities		**(1,868)**	(1,937)	(2,034)
Net cash (outflow)/inflow from operating, investing and financing activities		**(784)**	(135)	1,404
Effects of exchange rate changes		**(39)**	(22)	(51)
Net (decrease)/increase in cash and cash equivalents		**(823)**	(157)	1,353
Cash and cash equivalents at 1 April	10c	**1,959**	606	606
Cash and cash equivalents at end of period	10c	**1,136**	449	1,959

The notes on pages 29 to 43 are an integral part of this condensed interim financial information.

SABMiller plc
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the period ended 30 September

	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 2012 (audited)	166	6,480	4,586	1,978	11,863	25,073	959	26,032
Total comprehensive income	-	-	-	(321)	1,595	1,274	93	1,367
Profit for the period	-	-	-	-	1,579	1,579	91	1,670
Other comprehensive (loss)/income	-	-	-	(321)	16	(305)	2	(303)
Dividends paid	-	-	-	-	(1,125)	(1,125)	(46)	(1,171)
Issue of SABMiller plc ordinary shares	-	46	-	-	-	46	-	46
Proceeds from the issue of shares in subsidiaries to non-controlling interests	-	-	-	-	-	-	36	36
Non-controlling interests disposed of via business disposal	-	-	-	-	-	-	(13)	(13)
Payment for purchase of own shares for share trusts	-	-	-	-	(53)	(53)	-	(53)
Credit entry relating to share-based payments	-	-	-	-	93	93	-	93
At 30 September 2012[1] (unaudited)	166	6,526	4,586	1,657	12,373	25,308	1,029	26,337
At 1 April 2012 (audited)	166	6,480	4,586	1,978	11,863	25,073	959	26,032
Total comprehensive income	-	-	-	(650)	3,228	2,578	233	2,811
Profit for the year	-	-	-	-	3,250	3,250	237	3,487
Other comprehensive loss	-	-	-	(650)	(22)	(672)	(4)	(676)
Dividends paid	-	-	-	-	(1,517)	(1,517)	(128)	(1,645)
Issue of SABMiller plc ordinary shares	1	101	-	-	-	102	-	102
Proceeds from the issue of shares in subsidiaries to non-controlling interests	-	-	-	-	-	-	36	36
Non-controlling interests disposed of via business disposal	-	-	-	-	-	-	(13)	(13)
Arising on business combinations	-	-	-	-	-	-	1	1
Payment for purchase of own shares for share trusts	-	-	-	-	(53)	(53)	-	(53)
Credit entry relating to share-based payments	-	-	-	-	189	189	-	189
At 31 March 2013[1] (unaudited)	167	6,581	4,586	1,328	13,710	26,372	1,088	27,460
At 1 April 2013[1] (unaudited)	167	6,581	4,586	1,328	13,710	26,372	1,088	27,460
Total comprehensive income	-	-	-	(1,638)	1,722	84	110	194
Profit for the period	-	-	-	-	1,714	1,714	117	1,831
Other comprehensive (loss)/income	-	-	-	(1,638)	8	(1,630)	(7)	(1,637)
Dividends paid	-	-	-	-	(1,236)	(1,236)	(99)	(1,335)
Issue of SABMiller plc ordinary shares	-	29	-	-	12	41	-	41
Proceeds from the issue of shares in subsidiaries to non-controlling interests	-	-	-	-	-	-	1	1
Payment for purchase of own shares for share trusts	-	-	-	-	(53)	(53)	-	(53)
Buyout of non-controlling interests	-	-	-	-	(5)	(5)	-	(5)
Utilisation of merger relief reserve	-	-	(265)	-	265	-	-	-
Credit entry relating to share-based payments	-	-	-	-	119	119	-	119
At 30 September 2013 (unaudited)	**167**	**6,610**	**4,321**	**(310)**	**14,534**	**25,322**	**1,100**	**26,422**

[1] As restated (see note 12).

Merger relief reserve

At 1 April 2013 the merger relief reserve comprised US$3,395 million in respect of the excess of value attributed to the shares issued as consideration for Miller Brewing Company over the nominal value of those shares and US$1,191 million relating to the merger relief arising on the issue of SABMiller plc ordinary shares for the buyout of non-controlling interests in the group's Polish business. In the six months ended 30 September 2013, the group transferred US$265 million of the reserve relating to the Polish business to retained earnings upon realisation of qualifying consideration.

The notes on pages 29 to 43 are an integral part of this condensed interim financial information.

1. Basis of preparation

The condensed consolidated interim financial information (the 'financial information') comprises the unaudited results of SABMiller plc for the six months ended 30 September 2013 and 30 September 2012, together with the unaudited results for the year ended 31 March 2013. The unaudited balance sheet for the six months ended 30 September 2012 has been restated for adjustments relating to initial accounting for business combinations. The results for the six months ended 30 September 2012, and the year ended 31 March 2013 have been restated as a result of the changes in accounting policies detailed below. Further details of these adjustments are provided in note 12. The financial information in this report is not audited and does not constitute statutory accounts within the meaning of s434 of the Companies Act 2006. The board of directors approved this financial information on 20 November 2013. The annual financial statements for the year ended 31 March 2013, approved by the board of directors on 5 June 2013, 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.

The unaudited financial information in this interim report has been prepared in accordance with the Disclosure and Transparency Rules of the Financial Conduct Authority, and with IAS 34 'Interim Financial Reporting' as adopted by the European Union (EU). The interim financial information should be read in conjunction with the annual financial statements for the year ended 31 March 2013, which have been prepared in accordance with International Financial Reporting Standards as adopted by the EU.

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

Accounting policies
The financial information is 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 financial information has been prepared on a going concern basis. The accounting policies adopted are consistent with those of the annual financial statements for the year ended 31 March 2013, which were published in June 2013, as described in those financial statements, except for the following standards, interpretations and amendments that have been adopted by the group since 1 April 2013:

- Amendment to IAS 19, 'Employee benefits'. The adoption of this revised standard retrospectively from 1 April 2013 has resulted in the interest charge on retirement benefit liabilities and the expected return on plan assets being replaced by a net interest charge on net defined benefit liabilities. This net charge is included within operating costs. Further details of these adjustments are provided in note 12.

- Amendment to IAS 1, 'Financial statement presentation'. The adoption of this amendment has resulted in changes to the presentation of certain items within other comprehensive income in the consolidated statement of comprehensive income.

- IFRS 13, 'Fair value measurement'. This new standard provides a single source of fair value measurement and disclosure requirements. It does not require restatement of historical information. The additional disclosures required as a result of this standard are included in note 9 of the financial information.

As part of the regular review of accounting practices and policies, fair value gains and losses on financial instruments, and exchange gains and losses on financing items have now been presented on a net basis within net finance costs. There has been no impact on net finance costs, profit for the period, or the financial position of the group. The group believes this change in presentation provides more relevant information and aids comparability with its peers in the industry. Comparatives have been restated for consistency. Further details of these adjustments are provided in note 12.

2. Segmental information

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

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

Income statement

	Six months ended 30/9/13		Six months ended 30/9/12		Year ended 31/3/13	
	Group NPR Unaudited US$m	**EBITA Unaudited US$m**	Group NPR Unaudited US$m	EBITA[1] Unaudited US$m	Group NPR Unaudited US$m	EBITA[1] Unaudited US$m
Latin America	**2,754**	**972**	2,740	920	5,802	2,112
Europe	**2,684**	**512**	2,454	516	4,300	784
North America	**2,514**	**478**	2,518	464	4,656	740
Africa	**1,657**	**408**	1,523	355	3,290	838
Asia Pacific	**2,159**	**540**	2,202	506	4,005	854
South Africa:	**2,025**	**443**	2,232	486	4,879	1,253
- Beverages	**1,839**	**386**	2,031	421	4,475	1,119
- Hotels and Gaming	**186**	**57**	201	65	404	134
Corporate	**-**	**(85)**	-	(94)	-	(202)
	13,793	**3,268**	13,669	3,153	26,932	6,379
Amortisation of intangible assets (excluding computer software) – group and share of associates' and joint ventures'		**(223)**		(229)		(483)
Exceptional items in operating profit – group and share of associates' and joint ventures'		**(52)**		(127)		(205)
Net finance costs – group and share of associates' and joint ventures' (excluding exceptional items)		**(399)**		(398)		(770)
Share of associates' and joint ventures' taxation		**(103)**		(99)		(164)
Share of associates' and joint ventures' non-controlling interests		**(62)**		(37)		(78)
Profit before taxation		**2,429**		2,263		4,679

[1] As restated (see note 12).

2. Segmental information (continued)

Group revenue and group NPR (including the group's share of 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.

Six months ended 30 September	**Revenue 2013 Unaudited US$m**	**Share of associates' and joint ventures' revenue 2013 Unaudited US$m**	**Group revenue 2013 Unaudited US$m**	**Excise duties and other similar taxes 2013 Unaudited US$m**	**Share of associates' and joint ventures' excise duties and other similar taxes 2013 Unaudited US$m**	**Group NPR 2013 Unaudited US$m**
Latin America	**3,741**	**-**	**3,741**	**(987)**	**-**	**2,754**
Europe	**2,487**	**1,045**	**3,532**	**(572)**	**(276)**	**2,684**
North America	**75**	**2,810**	**2,885**	**(3)**	**(368)**	**2,514**
Africa	**1,149**	**806**	**1,955**	**(210)**	**(88)**	**1,657**
Asia Pacific	**1,617**	**1,317**	**2,934**	**(606)**	**(169)**	**2,159**
South Africa:	**2,034**	**478**	**2,512**	**(416)**	**(71)**	**2,025**
- Beverages	**2,034**	**263**	**2,297**	**(416)**	**(42)**	**1,839**
- Hotels and Gaming	**-**	**215**	**215**	**-**	**(29)**	**186**
	11,103	**6,456**	**17,559**	**(2,794)**	**(972)**	**13,793**

Six months ended 30 September	2012 Unaudited US$m	2012 Unaudited US$m	2012 Unaudited US$m	2012 Unaudited US$m	2012 Unaudited US$m	2012 Unaudited US$m
Latin America	3,687	-	3,687	(947)	-	2,740
Europe	2,468	825	3,293	(573)	(266)	2,454
North America	74	2,827	2,901	(2)	(381)	2,518
Africa	1,069	723	1,792	(201)	(68)	1,523
Asia Pacific	1,821	1,219	3,040	(685)	(153)	2,202
South Africa:	2,251	512	2,763	(443)	(88)	2,232
- Beverages	2,251	279	2,530	(443)	(56)	2,031
- Hotels and Gaming	-	233	233	-	(32)	201
	11,370	6,106	17,476	(2,851)	(956)	13,669

Year ended 31 March	2013 Audited US$m	2013 Audited US$m	2013 Audited US$m	2013 Unaudited US$m	2013 Unaudited US$m	2013 Unaudited US$m
Latin America	7,821	-	7,821	(2,019)	-	5,802
Europe	4,292	1,475	5,767	(995)	(472)	4,300
North America	141	5,214	5,355	(4)	(695)	4,656
Africa	2,267	1,586	3,853	(420)	(143)	3,290
Asia Pacific	3,797	1,888	5,685	(1,440)	(240)	4,005
South Africa:	4,895	1,111	6,006	(950)	(177)	4,879
- Beverages	4,895	645	5,540	(950)	(115)	4,475
- Hotels and Gaming	-	466	466	-	(62)	404
	23,213	11,274	34,487	(5,828)	(1,727)	26,932

2. Segmental information (continued)

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

Six months ended 30 September 2013	Operating profit Unaudited US$m	Exceptional items Unaudited US$m	Operating profit before exceptional items Unaudited US$m	Share of associates' and joint ventures' operating profit before exceptional items Unaudited US$m	Amortisation of intangible assets (excluding computer software) Unaudited US$m	Share of associates' and joint ventures' amortisation of intangible assets (excluding computer software) Unaudited US$m	EBITA Unaudited US$m
Latin America	**957**	**(47)**	**910**	**-**	**62**	**-**	**972**
Europe	**379**	**4**	**383**	**104**	**9**	**16**	**512**
North America	**7**	**-**	**7**	**451**	**-**	**20**	**478**
Africa	**216**	**-**	**216**	**189**	**3**	**-**	**408**
Asia Pacific	**215**	**13**	**228**	**201**	**111**	**-**	**540**
South Africa:	**357**	**7**	**364**	**77**	**-**	**2**	**443**
- Beverages	**357**	**7**	**364**	**22**	**-**	**-**	**386**
- Hotels and Gaming	**-**	**-**	**-**	**55**	**-**	**2**	**57**
Corporate	**(160)**	**75**	**(85)**	**-**	**-**	**-**	**(85)**
	1,971	**52**	**2,023**	**1,022**	**185**	**38**	**3,268**

Six months ended 30 September 2012	Unaudited[1] US$m	Unaudited US$m	Unaudited[1] US$m	Unaudited[1] US$m	Unaudited US$m	Unaudited US$m	Unaudited[1] US$m
Latin America	810	45	855	-	65	-	920
Europe	385	35	420	85	9	2	516
North America	4	-	4	439	-	21	464
Africa	171	-	171	180	4	-	355
Asia Pacific	175	47	222	163	121	-	506
South Africa:	394	12	406	73	-	7	486
- Beverages	394	12	406	15	-	-	421
- Hotels and Gaming	-	-	-	58	-	7	65
Corporate	(82)	(12)	(94)	-	-	-	(94)
	1,857	127	1,984	940	199	30	3,153

Year ended 31 March 2013	Unaudited[1] US$m	Audited US$m	Unaudited[1] US$m	Unaudited[1] US$m	Unaudited US$m	Unaudited US$m	Unaudited[1] US$m
Latin America	1,920	63	1,983	-	129	-	2,112
Europe	588	64	652	76	21	35	784
North America	7	-	7	690	-	43	740
Africa	518	(79)	439	392	7	-	838
Asia Pacific	357	104	461	156	237	-	854
South Africa:	1,030	22	1,052	190	-	11	1,253
- Beverages	1,030	22	1,052	67	-	-	1,119
- Hotels and Gaming	-	-	-	123	-	11	134
Corporate	(228)	26	(202)	-	-	-	(202)
	4,192	200	4,392	1,504	394	89	6,379

[1] As restated (see note 12).

2. Segmental information (continued)

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.

	Six months ended 30/9/13 Unaudited US$m	Six months ended 30/9/12[1] Unaudited US$m	Year ended 31/3/13[1] Unaudited US$m
Share of associates' and joint ventures' operating profit (before exceptional items)	**1,022**	940	1,504
Share of associates' and joint ventures' exceptional items in operating profit	**-**	-	(5)
Share of associates' and joint ventures' net finance costs	**(54)**	(23)	(44)
Share of associates' and joint ventures' taxation	**(103)**	(99)	(164)
Share of associates' and joint ventures' non-controlling interests	**(62)**	(37)	(78)
Share of post-tax results of associates and joint ventures	**803**	781	1,213

[1] As restated (see note 12).

Beer volumes increase during the summer months leading to higher revenues being recognised in the first half of the year in the Europe and North America segments. Due to the spread of the business between Northern and Southern hemispheres, the results for the group as a whole are not highly seasonal in nature.

EBITDA
EBITA is reconciled to EBITDA as follows.

Six months ended 30 September	**EBITA 2013 Unaudited US$m**	**Depreciation 2013 Unaudited US$m**	**Share of associates' and joint ventures' depreciation 2013 Unaudited US$m**	**EBITDA 2013 Unaudited US$m**	EBITA 2012[1] Unaudited US$m	Depreciation 2012 Unaudited US$m	Share of associates' and joint ventures' depreciation 2012 Unaudited US$m	EBITDA 2012[1] Unaudited US$m
Latin America	**972**	**166**	**-**	**1,138**	920	167	-	1,087
Europe	**512**	**109**	**44**	**665**	516	102	31	649
North America	**478**	**-**	**61**	**539**	464	-	64	528
Africa	**408**	**57**	**58**	**523**	355	50	51	456
Asia Pacific	**540**	**36**	**62**	**638**	506	36	56	598
South Africa:	**443**	**81**	**17**	**541**	486	86	20	592
- Beverages	**386**	**81**	**4**	**471**	421	86	4	511
- Hotels and Gaming	**57**	**-**	**13**	**70**	65	-	16	81
Corporate	**(85)**	**13**	**-**	**(72)**	(94)	12	-	(82)
	3,268	**462**	**242**	**3,972**	3,153	453	222	3,828

Year ended 31 March	2013[1] Unaudited US$m	2013 Unaudited US$m	2013 Unaudited US$m	2013[1] Unaudited US$m
Latin America	2,112	337	-	2,449
Europe	784	205	70	1,059
North America	740	-	126	866
Africa	838	98	103	1,039
Asia Pacific	854	79	108	1,041
South Africa:	1,253	172	36	1,461
- Beverages	1,119	172	8	1,299
- Hotels and Gaming	134	-	28	162
Corporate	(202)	28	-	(174)
	6,379	919	443	7,741

[1] As restated (see note 12).

2. Segmental information (continued)

Adjusted EBITDA
Adjusted EBITDA is comprised of the following.

	Six months ended 30/9/13 Unaudited US$m	Six months ended 30/9/12[1] Unaudited US$m	Year ended 31/3/13[1] Unaudited US$m
Subsidiaries' EBITDA	**2,670**	2,636	5,705
- Operating profit before exceptional items	**2,023**	1,984	4,392
- Depreciation (including amortisation of computer software)	**462**	453	919
- Amortisation (excluding computer software)	**185**	199	394
Group's share of MillerCoors' EBITDA	**532**	524	859
- Operating profit before exceptional items	**451**	439	690
- Depreciation (including amortisation of computer software)	**61**	64	126
- Amortisation (excluding computer software)	**20**	21	43
Adjusted EBITDA	**3,202**	3,160	6,564

[1] As restated (see note 12).

3. Exceptional items

	Six months ended 30/9/13 Unaudited US$m	Six months ended 30/9/12 Unaudited US$m	Year Ended 31/3/13 Audited US$m
Exceptional items included in operating profit:			
Net profit on disposal of businesses	**47**	-	79
Business capability programme costs	**(79)**	(70)	(141)
Integration and restructuring costs	**(13)**	(47)	(91)
Broad-Based Black Economic Empowerment scheme charges	**(7)**	(10)	(17)
Impairments	**-**	-	(30)
Net exceptional losses included within operating profit	**(52)**	(127)	(200)
Share of associates' and joint ventures' exceptional items:			
Impairments	**-**	-	(5)
Share of associates' and joint ventures' exceptional losses	**-**	-	(5)
Non-controlling interests' share of associates' and joint ventures' exceptional losses	**-**	-	2
Group's share of associates' and joint ventures' exceptional losses	**-**	-	(3)
Net taxation credits relating to subsidiaries' and the group's share of associates' and joint ventures' exceptional items	**5**	2	20

Exceptional items included in operating profit

Net profit on disposal of businesses
In 2013 a net profit of US$47 million, after associated costs, was realised on the disposal of the milk and juice business in Panama, in Latin America.

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$79 million have been incurred in the period (2012: US$70 million).

Broad-Based Black Economic Empowerment scheme charges
US$7 million (2012: US$10 million) of charges have been incurred in relation to the Broad-Based Black Economic Empowerment (BBBEE) scheme in South Africa. This represents the on-going IFRS 2 share-based payment charge in respect of the employee element of the scheme.

Integration and restructuring gain
In 2013 US$13 million (2012: US$47 million) of integration and restructuring costs were incurred in Asia Pacific following the Foster's and the Pacific Beverages acquisitions.

Net taxation credits relating to subsidiaries' and the group's share of associates' and joint ventures' exceptional items
Net taxation credits of US$5 million (2012: US$2 million) arose in relation to exceptional items during the period.

4. Taxation

	Six months ended 30/9/13 Unaudited US$m	Six months ended 30/9/12[1] Unaudited US$m	Year ended 31/3/13[1] Unaudited US$m
Current taxation	**519**	575	1,118
- Charge for the period	**520**	573	1,131
- Adjustments in respect of prior periods	**(1)**	2	(13)
Withholding taxes and other remittance taxes	**77**	95	170
Total current taxation	**596**	670	1,288
Deferred taxation	**2**	(77)	(96)
- Charge/(credit) for the period	**1**	(77)	(37)
- Adjustments in respect of prior periods	**1**	-	5
- Rate change	**-**	-	(64)
Taxation expense	**598**	593	1,192
Tax charge/(credit) relating to components of other comprehensive income is as follows:			
Deferred tax charge/(credit) on remeasurements of defined benefit plans	**1**	7	(19)
Deferred tax charge/(credit) on financial instruments	**-**	1	(6)
	1	8	(25)
Effective tax rate (%)	**26.8**	27.5	27.0
UK taxation included in the above			
Current taxation	**-**	-	-
Withholding taxes and other remittance taxes	**53**	74	133
Total current taxation	**53**	74	133
Deferred taxation	**-**	-	24
UK taxation expense	**53**	74	157

[1] As restated (see note 12).

See the financial definitions section for the definition of the effective tax rate. This calculation is on a basis consistent with that used in prior periods and is also consistent with other group operating metrics. Tax on amortisation of intangible assets (excluding computer software) was US$63 million (2012: US$60 million).

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

5. Earnings per share

	Six months ended 30/9/13 Unaudited US cents	Six months ended 30/9/12[1] Unaudited US cents	Year ended 31/3/13[1] Unaudited US cents
Basic earnings per share	**107.4**	99.4	204.3
Diluted earnings per share	**106.0**	98.4	202.0
Headline earnings per share	**104.6**	100.8	203.0
Adjusted basic earnings per share	**120.4**	117.3	237.2
Adjusted diluted earnings per share	**118.8**	116.1	234.5

[1] As restated (see note 12).

5. Earnings per share (continued)

The weighted average number of shares was:

	Six months ended 30/9/13 Unaudited Millions of shares	Six months ended 30/9/12 Unaudited Millions of shares	Year ended 31/3/13 Audited Millions of shares
Ordinary shares	**1,670**	1,665	1,667
Treasury shares	**(67)**	(72)	(72)
EBT ordinary shares	**(8)**	(5)	(5)
Basic shares	**1,595**	1,588	1,590
Dilutive ordinary shares	**22**	17	19
Diluted shares	**1,617**	1,605	1,609

The calculation of diluted earnings per share excludes 7,105,465 (2012: 9,369,595) share options that were non-dilutive for the period because the exercise price of the option exceeded the fair value of the shares during the period, and 21,939,292 (2012: 22,335,737) share awards that were non-dilutive for the period because the performance conditions attached to the share awards have not been met. These share incentives could potentially dilute earnings per share in the future.

Adjusted and headline earnings
The group presents an adjusted earnings per share figure which excludes the impact of amortisation of intangible assets (excluding computer software), certain non-recurring items and post-tax exceptional items in order to present an additional measure of performance for the periods shown in the consolidated interim financial information. Adjusted earnings per share has been based on adjusted earnings for each financial period 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 2/2013 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.

	Six months ended 30/9/13 Unaudited US$m	Six months ended 30/9/12[1] Unaudited US$m	Year ended 31/3/13[1] Unaudited US$m
Profit for the period attributable to owners of the parent	**1,714**	1,579	3,250
Headline adjustments			
Impairment of goodwill	**-**	-	11
Impairment of property, plant and equipment	**-**	20	39
Loss on disposal of property, plant and equipment	**-**	2	13
Net profit on disposal of businesses	**(47)**	-	(79)
Gain on dilution of investment in associate	**-**	-	(4)
Tax effects of these items	**-**	(8)	(14)
Non-controlling interests' share of the above items	**1**	-	(3)
Share of associates' and joint ventures' headline adjustments, net of tax and non-controlling interests	**-**	9	15
Headline earnings	**1,668**	1,602	3,228
Business capability programme costs	**79**	70	141
Broad-Based Black Economic Empowerment scheme charges	**7**	10	17
Integration and restructuring costs	**13**	27	71
Net gain on fair value movements on capital items[2]	**-**	(12)	(12)
Amortisation of intangible assets (excluding computer software)	**185**	199	394
Tax effects of the above items	**(64)**	(55)	(137)
Non-controlling interests' share of the above items	**(2)**	(4)	(8)
Share of associates' and joint ventures' other adjustments, net of tax and non-controlling interests	**34**	27	78
Adjusted earnings	**1,920**	1,864	3,772

[1] As restated (see note 12).
[2] This does not include all fair value movements but includes those in relation to capital items for which hedge accounting cannot be applied.

6. Dividends

Dividends paid were as follows.

	Six months ended 30/9/13 Unaudited US cents	Six months ended 30/9/12 Unaudited US cents	Year ended 31/3/13 Audited US cents
Prior year final dividend paid per ordinary share	**77.0**	69.5	69.5
Current year interim dividend paid per ordinary share	**-**	-	24.0

The interim dividend declared of 25.0 US cents per ordinary share is payable on 13 December 2013 to ordinary shareholders on the register as at 6 December 2013 and will absorb an estimated US$399 million of shareholders' funds.

7. Intangible assets

	Six months ended 30/9/13 Unaudited US$m	Six months ended 30/9/12 Unaudited US$m	Year ended 31/3/13 Audited US$m
Net book amount at beginning of period	**9,635**	9,958	9,958
Exchange adjustments	**(697)**	5	(17)
Additions - separately acquired	**27**	56	149
Acquisitions - through business combinations	**-**	-	2
Amortisation	**(216)**	(224)	(450)
Disposals	**-**	(5)	(5)
Transfers to disposal group classified as held for sale	**-**	-	(2)
Net book amount at end of period	**8,749**	9,790	9,635

8. Property, plant and equipment

	Six months ended 30/9/13 Unaudited US$m	Six months ended 30/9/12 Unaudited US$m	Year ended 31/3/13 Audited US$m
Net book amount at beginning of period	**9,059**	9,162	9,162
Exchange adjustments	**(236)**	(197)	(435)
Additions	**628**	603	1,365
Acquisitions - through business combinations	**-**	-	2
Disposals	**(19)**	(23)	(80)
Impairment	**-**	(20)	(39)
Depreciation	**(432)**	(429)	(867)
Transfers to disposal group classified as held for sale	**-**	-	(5)
Other movements	**(27)**	(9)	(44)
Net book amount at end of period	**8,973**	9,087	9,059

9. Financial risk factors

In the normal course of business, the group is exposed to the following financial risks:

- Market risk
- Credit risk
- Liquidity risk

A full description of the group's exposure to the above risks and the group's policies and processes that are in place to manage the risks arising, aided by quantitative disclosures, is included in note 22 of the 2013 annual report. There has been no significant change in the nature of the financial risks to which the group is exposed, or the group's policies and processes to manage these risks, since 1 April 2013.

Fair value estimation
The following table presents the group's financial assets and liabilities that are measured at fair value.

At 30 September	Level 1 2013 Unaudited US$m	Level 2 2013 Unaudited US$m	Level 3 2013 Unaudited US$m	Total 2013 Unaudited US$m	Level 1 2012 Unaudited US$m	Level 2 2012 Unaudited US$m	Level 3 2012 Unaudited US$m	Total 2012 Unaudited US$m
Assets								
Derivative financial instruments	**-**	**890**	**-**	**890**	-	905	-	905
Available for sale investments	**-**	**10**	**12**	**22**	-	17	12	29
Total assets	**-**	**900**	**12**	**912**	-	922	12	934
Liabilities								
Derivative financial instruments	**-**	**(107)**	**-**	**(107)**	-	(139)	-	(139)
Total liabilities	**-**	**(107)**	**-**	**(107)**	-	(139)	-	(139)

At 31 March	2013 Audited US$m	2013 Audited US$m	2013 Audited US$m	2013 Audited US$m
Assets				
Derivative financial instruments	-	843	-	843
Available for sale investments	-	10	12	22
Total assets	-	853	12	865
Liabilities				
Derivative financial instruments	-	(86)	-	(86)
Total liabilities	-	(86)	-	(86)

The levels of the fair value hierarchy and its application to the group's financial assets and liabilities are described in full in note 22 of the 2013 annual report. The methods and techniques employed in determining fair values are consistent with those used at 31 March 2013 and are summarised below. There were no transfers between Level 1, 2, or 3 in the six months to 30 September 2013.

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). The fair values of financial instruments that are not traded in an active market (for example, over the counter derivatives or infrequently traded listed investments) are determined by using valuation techniques.

Level 3: Inputs for the asset or liability that are not based on observable market data.

The fair value of non-current borrowings at 30 September 2013 is US$16,505 million (31 March 2013: US$16,811 million). The fair values are based on a combination of market quoted prices and cash flows discounted using prevailing interest rates. The fair values of all other financial assets and liabilities are equivalent to their carrying values.

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

	Six months ended 30/9/13 Unaudited US$m	Six months ended 30/9/12[1] Unaudited US$m	Year ended 31/3/13[1] Unaudited US$m
Profit for the period	**1,831**	1,670	3,487
Taxation	**598**	593	1,192
Share of post-tax results of associates and joint ventures	**(803)**	(781)	(1,213)
Net finance costs	**345**	375	726
Operating profit	**1,971**	1,857	4,192
Depreciation:			
- Property, plant and equipment	**314**	317	641
- Containers	**118**	112	226
Container breakages, shrinkages and write-offs	**14**	13	38
Net profit on disposal of businesses	**(47)**	-	(79)
Gain on dilution of investment in associate	**-**	-	(4)
(Profit)/loss on disposal of property, plant and equipment	**(20)**	2	13
Amortisation of intangible assets	**216**	224	450
Impairment of goodwill	**-**	-	11
Impairment of property, plant and equipment	**-**	20	39
Impairment of working capital balances	**6**	1	31
Amortisation of advances to customers	**20**	24	45
Unrealised net gain from fair value hedges	**(10)**	(1)	-
Dividends received from other investments	**(1)**	(1)	(1)
Charge with respect to share options	**95**	86	184
Charge with respect to Broad-Based Black Economic Empowerment scheme	**7**	10	17
Other non-cash movements	**(20)**	(7)	(45)
Net cash generated from operations before working capital movements	**2,663**	2,657	5,758
Net outflow in working capital	**(67)**	(219)	(204)
Net cash generated from operations	**2,596**	2,438	5,554

[1] As restated (see note 12).

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

	Six months ended 30/9/13 Unaudited US$m	Six months ended 30/9/12 Unaudited US$m	Year ended 31/3/13 Audited US$m
Net cash generated from operating activities	**1,184**	1,875	4,101
Purchase of property, plant and equipment	**(639)**	(599)	(1,335)
Proceeds from sale of property, plant and equipment	**49**	16	30
Purchase of intangible assets	**(31)**	(56)	(144)
Proceeds from sale of intangible assets	**-**	4	4
Investments in joint ventures	**(23)**	(67)	(272)
Investments in associates	**(196)**	-	(23)
Dividends received from joint ventures	**494**	517	886
Dividends received from associates	**157**	54	113
Dividends received from other investments	**1**	1	1
Dividends paid to non-controlling interests	**(102)**	(61)	(131)
Free cash flow	**894**	1,684	3,230

10c. Analysis of net debt

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

	As at 30/9/13 Unaudited US$m	As at 30/9/12 Unaudited US$m	As at 31/3/13 Audited US$m
Cash and cash equivalents (balance sheet)	**1,286**	780	2,171
Overdrafts	**(150)**	(331)	(212)
Cash and cash equivalents (cash flow statement)	**1,136**	449	1,959

The group has amended its net debt definition to include derivative financial instruments designated as net investment hedges as these hedges are considered to be inextricably linked to the underlying borrowings because they are used to mitigate the foreign currency exchange risk arising from the group's foreign currency borrowings. The change in this definition has resulted in a reduction in net debt of US$50 million at 30 September 2012 and US$101 million at 31 March 2013.

Net debt is analysed as follows.

	As at 30/9/13 Unaudited US$m	As at 30/9/12[1] Unaudited US$m	As at 31/3/13[1] Unaudited US$m
Borrowings	**(17,507)**	(18,273)	(18,301)
Financing derivative financial instruments	**772**	779	777
Overdrafts	**(150)**	(331)	(212)
Finance leases	**(42)**	(17)	(35)
Gross debt	**(16,927)**	(17,842)	(17,771)
Cash and cash equivalents (excluding overdrafts)	**1,286**	780	2,171
Net debt	**(15,641)**	(17,062)	(15,600)

[1] As restated for the change in the definition of net debt.

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 2013[1]	2,171	(212)	(18,301)	777	(35)	(17,771)	(15,600)
Exchange adjustments	(66)	27	29	(23)	3	36	(30)
Cash flow	(819)	35	616	(86)	5	570	(249)
Other movements	-	-	149	104	(15)	238	238
At 30 September 2013	**1,286**	**(150)**	**(17,507)**	**772**	**(42)**	**(16,927)**	**(15,641)**

[1] As restated for the change in the definition of net debt.

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

	As at 30/9/13 Unaudited US$m	As at 30/9/12 Unaudited US$m	As at 31/3/13 Audited US$m
Amounts expiring:			
Within one year	**176**	340	281
Between one and two years	**16**	9	17
Between two and five years	**2,522**	3,028	554
In five years or more	**-**	-	2,500
	2,714	3,377	3,352

11. Commitments, contingencies and guarantees

Except as stated below there have been no material changes to commitments, contingencies or guarantees as disclosed in the annual financial statements for the year ended 31 March 2013.

Commitments
Contracts placed for future expenditure not provided in the financial information amount to US$3,414 million at 30 September 2013 (31 March 2013: US$2,632 million). The increase in contracts placed for future expenditure primarily relates to an increase in minimum purchase commitments for raw materials and packaging materials.

Contracts placed for future capital expenditure for property, plant and equipment not provided in the financial information amount to US$330 million at 30 September 2013 (31 March 2013: US$239 million).

12. Restatements

The initial accounting under IFRS 3, 'Business Combinations', for the Foster's Group Ltd (Foster's), the Pacific Beverages Pty Ltd (Pacific Beverages) and the International Breweries plc acquisitions had not been completed as at 30 September 2012. During the six months ended 31 March 2013, adjustments to provisional fair values in respect of these acquisitions were made. As a result comparative information for the six months ended 30 September 2012 has been presented in this interim financial information as if the adjustments to provisional fair values had been made from the respective transaction dates. The adjustments are detailed in the following tables. There have been no material adjustments to the income statement for the period ended 30 September 2012 required as a result of the adjustments to provisional fair values. The fair value exercises in respect of these acquisitions have now been completed.

The amendment to IAS 19, 'Employee benefits', was adopted retrospectively from 1 April 2013. The group has restated the consolidated financial statements accordingly. The quantitative impact of adopting these standards on the prior period consolidated financial statements is detailed in the table below.

As part of the regular review of accounting practices and policies, fair value gains and losses on financial instruments, and exchange gains and losses on financing items have now been presented on a net basis within net finance costs. Comparatives have been restated for consistency. The quantitative impact of this change in presentation is detailed in the table below.

	Six months ended 30/9/12 Unaudited US$m	IAS 19 adjustments six months ended 30/9/12 Unaudited US$m	Finance costs reclassification six months ended 30/9/12 Unaudited US$m	**Six months ended 30/09/12 As restated Unaudited US$m**	Year ended 31/3/13 Audited US$m	IAS 19 adjustments year ended 31/3/13 Unaudited US$m	Finance costs reclassification year ended 31/3/13 Unaudited US$m	**Year ended 31/3/13 As restated Unaudited US$m**
Consolidated income statement:								
Operating profit	1,862	(5)	-	**1,857**	4,203	(11)	-	**4,192**
Net finance costs	(379)	4	-	**(375)**	(735)	9	-	**(726)**
Finance costs	(723)	4	120	**(599)**	(1,417)	9	222	**(1,186)**
Finance income	344	-	(120)	**224**	682	-	(222)	**460**
Share of post-tax results of associates and joint ventures	796	(15)	-	**781**	1,244	(31)	-	**1,213**
Profit before taxation	2,279	(16)	-	**2,263**	4,712	(33)	-	**4,679**
Taxation	(598)	5	-	**(593)**	(1,201)	9	-	**(1,192)**
Profit for the period	1,681	(11)	-	**1,670**	3,511	(24)	-	**3,487**

	Six months ended 30/9/12 Unaudited US$m	IAS 19 adjustments six months ended 30/9/12 Unaudited US$m	**Six months ended 30/09/12 As restated Unaudited US$m**	Year ended 31/3/13 Audited US$m	IAS 19 adjustments year ended 31/3/13 Unaudited US$m	**Year ended 31/3/13 As restated Unaudited US$m**
Profit for the period	1,681	(11)	**1,670**	3,511	(24)	**3,487**
Net remeasurements of defined benefit plans	-	1	**1**	(21)	2	**(19)**
Tax on items that will not be reclassified	(2)	(5)	**(7)**	28	(9)	**19**
Share of associates' and joint ventures' other comprehensive income/(loss)	5	15	**20**	(57)	31	**(26)**
Total items that will not be reclassified subsequently to profit or loss	3	11	**14**	(50)	24	**(26)**
Total items that may be subsequently reclassified to profit or loss	(317)	-	**(317)**	(650)	-	**(650)**
Other comprehensive loss for the period, net of tax	(314)	11	**(303)**	(700)	24	**(676)**
Total comprehensive income for the period	1,367	-	**1,367**	2,811	-	**2,811**

	At 30/9/12 Unaudited US$m	Adjustments to provisional fair values Unaudited US$m	**At 30/9/12 Unaudited US$m**
Consolidated balance sheet:			
Goodwill	20,188	(126)	**20,062**
Other non-current assets	30,906	-	**30,906**
	51,094	(126)	**50,968**
Current tax assets	202	19	**221**
Other current assets net of assets of disposal group held for sale	4,272	-	**4,272**
	4,474	19	**4,493**
Total assets	55,568	(107)	**55,461**
Trade and other payables	(4,071)	3	**(4,068)**
Current tax liabilities	(1,362)	(1)	**(1,363)**
Provisions	(671)	53	**(618)**
Other current liabilities	(2,172)	-	**(2,172)**
	(8,276)	55	**(8,221)**
Provisions	(575)	17	**(558)**
Deferred tax liabilities	(3,716)	35	**(3,681)**
Other non-current liabilities net of assets of disposal group held for sale	(16,664)	-	**(16,664)**
	(20,955)	52	**(20,903)**
Total liabilities	(29,231)	107	**(29,124)**
Net assets	26,337	-	**26,337**
Retained earnings	12,373	-	**12,373**
Other shareholders' equity	12,935	-	**12,935**
Non-controlling interests	1,029	-	**1,029**
Total equity	26,337	-	**26,337**

13. Related party transactions

There have been no material changes to the nature or relative quantum of related party transactions as described in the 2013 Annual Report.

The following changes were made to key management during the period.

Cyril Ramaphosa retired from the board on 25 July 2013, and Guy Elliott was appointed to the board with effect from 1 July 2013.

Consequently as at 30 September 2013 there were 26 key management (31 March 2013: 26).

14. Post balance sheet events

There are no material post balance sheet events.

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

Adjusted EBITDA
This comprises operating profit before exceptional items, depreciation and amortisation, and includes the group's share of MillerCoors' operating profit on a similar basis.

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 six months ended 30 September at the exchange rates for the comparable period in the prior year.

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

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

EBITDA
This comprises EBITA (as defined above) plus depreciation and amortisation of computer software including the group's share of associates' and joint ventures' depreciation and amortisation of computer software.

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

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

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

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

Group net producer revenue (NPR)
This comprises group revenue less excise duties and other similar taxes, together with the group's share of excise duties and other similar taxes from associates and joint ventures.

Headline earnings
Headline earnings are calculated by adjusting profit for the financial period attributable to owners of the parent for items in accordance with the South African Circular 2/2013 entitled 'Headline Earnings'. Such items include exceptional 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 a similar basis.

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

Net debt
This comprises gross debt (including borrowings, financing 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 net producer revenue and EBITA disclosures.

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

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

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