



Namibia Breweries Limited

PO Box 206, Iscor Street, Northern Industria, Windhoek, Namibia · Tel: +264 61 320 4999
Fax: +264 61 263 327 · E-mail: nambrew@olfitra.com.na · www.nambrew.com

Media Release

REF 09/0318

Friday, 9 March 2018

NBL financial results for the six months ended 31 December 2017

PERFORMANCE HIGHLIGHTS

- Revenue N\$ 1.4 billion, down by 3.0%
- Operating profit N\$ 345 million, up by 5.8%
- Profit after tax N\$ 240 million, up by 150.2%
- Earnings per share 116.3 cents, up by 150.2%
- Headline earnings per share 123.0 cents, up by 8.5%
- Interim dividend per ordinary share 46 cents, up by 9.5%

Business performance

Namibia Breweries Limited (NBL) – a subsidiary of the Ohlthaver & List (O&L) Group - maintained its strong market position despite a strained local economy, challenges in export markets and declining consumer spend. For the half year ended 31 December 2017, the Namibian, South African and export volumes decreased by 1.8%, 22.9% and 1.8% respectively. This resulted in the overall beer volumes and revenue decreasing by 7.7% and 3.0%. Operating profit was 5.8% higher than the comparative period due to a decrease in operating expenses resulting from improved efficiencies. The NBL Board declared an interim dividend of 46c on 1 March 2018, which represents an increase of 9.5% from the previous period.

NBL Managing Director (MD), Wessie van der Westhuizen: “Our half-year performance demonstrates NBL’s resilience and ability to adapt to changes within our operating environment. It is also the direct result of our employees taking ownership of challenges and creating opportunities to bring our purpose to life. Without this, NBL would have delivered a very different result.”



The tradition of quality.



Namibia Breweries Limited

PO Box 206, Iscor Street, Northern Industria, Windhoek, Namibia · Tel: +264 61 320 4999
Fax: +264 61 263 327 · E-mail: nambrew@olfitra.com.na · www.nambrew.com

Media Release

Brands

Despite the decline in beer volumes, NBL still enjoys a majority market share in Namibia. NBL's own craft brand, *Camelthorn*, was renovated and relaunched in July 2017 thereby accessing the growing craft beer segment in both South Africa and Namibia. Innovation in this category is specifically aimed at growing the craft beer segment, and responding to consumers' ever-changing needs.

NBL also launched the Strongbow cider brand in Namibia, thereby entering the cider market and further diversifying its product portfolio.

Successfully collaborated with Heineken Africa in the development, trial and production of *Amstel Radler*, a new product for the South African Market.

Financial performance

NBL Finance Director, Graeme Mouton: "Despite a challenging trading environment, and an overall decrease in beer volumes of 7.7%, NBL managed to increase its operating margin to 23%. Profit attributable to shareholders of N\$240 million was delivered for the six months ended 31 December 2017 – an increase of 150.2% on the prior year. This increase is mainly attributable to exceptional performance of Heineken South Africa for this period."

Outlook

Van der Westhuizen concluded: "With the changing operating environment, it is continually becoming important to diversify our business, product and brand portfolio in an effort to remain competitive, while at the same time remaining focused on our core business. Specific focus will be to drive operational efficiencies in order to maintain sustainable growth and retain healthy margins in the local market. NBL will also continue to further explore investment opportunities in promising markets and believes that our investment in South Africa will increase our overall profit derived from that market."



The tradition of quality.



Namibia Breweries Limited

PO Box 206, Iscor Street, Northern Industria, Windhoek, Namibia · Tel: +264 61 320 4999
Fax: +264 61 263 327 · E-mail: nambrew@olfitra.com.na · www.nambrew.com

Media Release

About Namibia Breweries

Namibia Breweries Limited employs 805 employees. The company is listed on the Namibian Stock Exchange (NSX). The Ohlthaver & List (O&L) Group is the largest investor in NBL. The company's brand portfolio includes leading brands such as *Windhoek Lager*, *Windhoek Draught*, *Windhoek Light*, *Tafel Lager*, *Tafel Lite*, *King Lager*, *Vigo*, *Code* and *Aquasplash*, amongst others.

Issued by:

Roux-Ché Locke

Group Manager: Corporate Communications

O&L Group Corporate Relations

P.O Box 16, Alexander Forbes House

C/o Independence Avenue & Fidel Castro Street Windhoek, Namibia

Tel: +264 (0)61 207 5111 / Fax: +264 (0)61 255 599

Mail: Roux-Che.Locke@ol.na



The tradition of quality.



Namibia Breweries Limited

PO Box 206, Iscor Street, Northern Industria, Windhoek, Namibia · Tel: +264 61 320 4999
Fax: +264 61 263 327 · E-mail: nambrew@olfitra.com.na · www.nambrew.com

Media Release

Managing Director of Namibia Breweries Limited (NBL) – a subsidiary of the Ohlthaver & List (O&L) Group – Wessie van der Westhuizen (right) and NBL Finance Director, Graeme Mouton at the announcement of the NBL financial results for the six months ended 31 December 2017.



The tradition of quality.