

Beer sales boosted for SABMiller

SABMiller said on Tuesday (22 January) that lager volumes for the third quarter were 2% higher than those of the previous year while soft drinks volumes had risen by 3%.



Releasing its interim management statement for the quarter ended December, SABMiller said group revenue grew by 8% in the third quarter and group revenue per hectolitre was up by 5%, on a constant currency basis, reflecting selective price increases and helped by improved brand mix in most regions.

On a reported basis, including the effect of acquisitions and disposals, total volumes were up 6% and group revenue was up 17% compared with the third quarter of the prior year.

"Overall, financial performance for the quarter was in line with our expectations," the brewer said.

In Latin America the third quarter saw improved growth, with lager volumes up 6%.

Europe's lager volumes were up 1% with some beer markets affected by the continued lack of consumer confidence.

MillerCoors domestic sales to retailers (STRs) declined 1.1% in the quarter on a trading-day-adjusted basis. Premium light brand volumes were down to low single digits levels, but the growth in Coors Light was offset by a mid single digit decline in Miller Lite.

In Africa lager volumes grew by 4% after double digit volume growth in the prior year. Most markets continued to grow.

Lager volumes in Asia Pacific (which excludes Australia volumes altogether), declined by 1% largely as a result of subdued volumes in China where sales dropped by 3%, probably because of an exceptionally cold and wet winter across the country.

In South Africa, lager volumes grew by 3% despite a challenging economic and trading environment. In the face of strong competition, the mainstream brand portfolio grew in aggregate with Castle Lager performing particularly well.

Castle Lite, the group's premium offering, continued its strong performance with more than 20% growth.

Targeted brand investments as well as improved retail execution and customer service continued to have a positive impact.

Soft drinks volumes declined by 3% following a price increase on some packs in November last year and partially offset by the growth in non-carbonated drinks, SABMiller said.

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