

# Hope for hefty dividends as TBL net profit rises by 15pc

Net profit rose to Sh73.88 billion during the first half of 2019, from the Sh64.5 billion posted during a similar period last year

By Alex Malanga  
@ChiefMalanga

amalanga@tz.nationmedia.com

**Dar es Salaam.** Tanzania Breweries Limited (TBL) shareholders must be rubbing their hands with glee in anticipation of improved dividends in the near future as the company's profit-after-tax rose by 15 per cent during the first half of 2019.

TBL reported yesterday that the increase was possible despite a three per cent fall in revenues caused by a scale-down in Darbrew operations, the manufacturer of *Chibuku*.

Net profit jumped to Sh73.88 billion during the first half of 2019, from the Sh64.5 billion posted during a similar period last year. "Operating profit increased as a result of increased productivity in our breweries, lower brewing packaging raw material prices, efficient in our logistics and lower overhead costs," the company said in a statement yesterday.

The operating margin was 24 per cent, which was an increase of 5.9 per cent from previous year, according to the statement.



"Our beer volumes returned to growth this first half of 2019 with good performance in our mainstream brand and affordable brands segments," reads the statement in part.

In July, TBL declared a dividend of Sh350 per share.

The statement further stated that the company continued to drive the strategy of more affordable brands and packs to enable more consumers to switch out of the informal sector. Some Sh26.03 billion was invested in the capital expendi-

A section of the TBL plant in Dar es Salaam. PHOTO | FILE

ture during the six months period compared to Sh30.67 billion in the previous year. TBL was committed to exporting its products to capture the East African market trading arrangements, according to the company's statement.