



AVI Limited
 (Registration number 1944/017201/06)
 Share code: AVI
 ISIN: ZAE000049433
 ("AVI" or "the Group")

TRADING UPDATE AND STATEMENT FOR YEAR ENDING 30 JUNE 2009

The following update covers performance for the Group's continuing operations.

Segmental revenue for continuing operations for the eleven months ended 31 May 2009

Revenue	2009 Rm	2008 Rm	Change %
Entyce Beverages	1,496	1,393	7.4
Snackworks	1,854	1,535	20.8
Chilled and frozen convenience brands*	1,701	1,551	9.7
Out of home	410	366	12.0
Fashion brands – personal care	673	577	16.6
Fashion brands – footwear and apparel	629	591	6.4
Corporate	10	15	
Group	6,773	6,028	12.4

* = excludes Alpesca

Group revenue for the eleven months to May 2009 was 12.4% higher than in the comparable period of the prior year.

Growth in demand for the Group's food and beverage brands has slowed progressively through the year as consumers' disposable income has come under increasing pressure, resulting in current demand at levels similar to a year ago in most categories. The personal care category has continued to perform strongly with our brands well positioned to gain support from consumers in tougher times. Demand for AVI's premium footwear brands was adversely impacted by reduced consumer spending and like-for-like revenue, excluding stores not open for a full year, was 9% lower than the same period in the previous year.

Although the consolidated gross profit margin has stabilised in the second half of the year, it is still slightly below the level achieved in the second half of the previous year. Some softening in commodity prices has been offset by selective selling price adjustments to support volumes. Notwithstanding the lower gross profit margin, consolidated operating profit margin has been held at a similar level to last year.

As noted in the interim results, the Group's planned increase in gearing during the prior year, combined with higher average interest rates, has resulted in a material increase in net finance charges compared to the same period in the prior year.

As a consequence of AVI's share buy-back program, the weighted average number of shares in issue for the year is expected to be approximately 2.7% lower than for the year ended 30 June 2008.

The following statement is made in accordance with Section 3.4 (b) of the Listings Requirements of the JSE Limited:

- Consolidated headline earnings per share for the continuing operations of the Group for the year ending 30 June 2009 are expected to increase by between 5% and 10% over the headline earnings per share for the year ended 30 June 2008;
- Consolidated earnings per share for the continuing operations of the Group for the year ending 30 June 2009, including net capital gains on the disposal of assets, are expected to reflect an improvement of between 5% and 10% over the earnings per share for the year ended 30 June 2008.

Discontinued operations

Efforts to disinvest from the Argentinean hake and shrimp operations conducted by Alpesca s.a. ("Alpesca"), a wholly owned subsidiary of Irvin and Johnson Holding Company (Proprietary) Limited ("I & J") have been frustrated by reduced access to funding for prospective purchasers caused by the global liquidity crisis. The Board remains committed to disinvesting from this asset and believes that improving global liquidity will assist in achieving a disposal during the next year. Alpesca's hake operation has continued to perform soundly in the context of a difficult operating environment however the shrimp operation has performed poorly due to low catch rates and soft selling prices in the second half of the year. The carrying value of the shrimp operating assets of approximately USD10 million is likely to be partially impaired in the current financial year, with the final impairment amount to be established in August 2009 based on information that is relevant to the position at year end.

It is expected that AVI will release its audited results for the year ending 30 June 2009 on 7 September 2009.

The information above has not been reviewed and reported on by the Group's auditors.

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29 June 2009

Sponsor: Standard Bank

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