

GROWING GREAT BRANDS

AVI

SENS DOCUMENT
UNAUDITED INTERIM RESULTS
FOR THE SIX MONTHS ENDED 31 DECEMBER 2014

GROWING GREAT BRANDS



AVI LIMITED

ISIN: ZAE000049433 Share Code: AVI
Registration Number: 1944/017201/06
("AVI" or "the Group" or "the Company")

For more information please visit our website:
www.avi.co.za

AVI



KEY FEATURES

Strong brand portfolio underpinned a sound performance in a challenging trading environment

Revenue up 11% to R6,00 billion

Operating profit up 13% to R1,15 billion

Cash from operations up 16% to R1,31 billion

Return on capital employed of 27,7%

Headline earnings per share up 10% to 253 cents

Interim dividend up 10% to 132 cents per share

Special dividend of 200 cents per share

GROUP OVERVIEW

AVI's results for the six months ended 31 December 2014 reflect strong overall performance in a period of increasing pressure on consumer spending and rising input costs stemming largely from the weaker Rand.

Revenue increased by 11,1%, from R5,40 billion to R6,00 billion with the group realising higher selling prices in all categories following significant accumulated cost pressure as a result of the weaker Rand. In addition, volume growth was achieved in many of our categories and I&J's export revenue benefitted from the Rand weakness. Gross profit rose by 11,6% to R2,67 billion with the consolidated gross profit margin improving from 44,3% to 44,5%. Operating profit increased by 12,9%, from R1,02 billion to R1,15 billion with the growth in gross profit supported by good containment of selling and administrative expenses across the group. The operating profit margin increased from 18,9% to 19,2%.

Entyce delivered a strong result for the semester, recovering some of the profit margin given up in the tough trading conditions experienced over the last few years and achieving good volume growth in Creamer. Snackworks continued to perform well with volume growth in both Biscuits and Snacks and a small improvement in profit margin. I&J benefitted materially from the weaker Rand as well as sound fishing and processing efficiencies, however, profit growth for the semester was constrained by unrealised losses on fuel hedges following the significant decline in oil prices. At Indigo, owned brands performed well in a competitive environment and the Coty profit contribution was preserved in the new relationship. Margins in the Footwear and Apparel businesses have stabilised and profit grew as a result of a strong performance from Spitz, with growth in both footwear and clothing volumes.

Headline earnings rose by 12,0%, from R718,2 million to R804,8 million with the growth in operating profit tempered by lower earnings from I&J's joint venture with Simplot in Australia. Headline earnings per share increased 9,7% from 230,6 cents to 252,9 cents with a 2,2% increase in the weighted average number of shares in issue due to the vesting of employee share options, including the AVI Black Staff Empowerment Scheme.

Attributable earnings, including capital items, were 4,3% lower than the first semester last year, which included a capital payment of R150,0 million from Coty to Indigo on revision of the trading relationship between them.

Cash generated by operations before working capital changes increased 15,7% to R1,31 billion. Working capital rose R355,5 million, reflecting strong trading at the end of the period as well as the higher stock value from rising input costs. Capital expenditure of R225,8 million incorporated capacity and efficiency projects in the manufacturing operations and new and refurbished stores in the retail businesses. Other material cash outflows during the period were dividends of R574,3 million and taxation of R253,0 million. Net debt at the end of December 2014 was R456,4 million compared to R539,9 million at the end of December 2013.

DIVIDEND

A normal interim dividend of 132 cents per share has been declared, an increase of 10,0% on last year's interim dividend.

In addition, in line with AVI's ongoing commitment to return excess cash to shareholders, the Board has approved a special dividend of 200 cents per share.

SEGMENTAL REVIEW

Six months ended 31 December

	Segmental revenue			Segmental operating profit		
	2014 Rm	2013 Rm	% change	2014 Rm	2013 Rm	% change
Food & Beverage Brands	4 376,1	3 854,6	13,5	749,7	631,1	18,8
Entyce Beverages	1 568,9	1 416,1	10,8	312,1	258,9	20,5
Snackworks	1 825,1	1 614,0	13,1	339,5	297,9	14,0
I&J	982,1	824,5	19,1	98,1	74,3	32,0
Fashion Brands	1 622,1	1 540,6	5,3	411,3	393,2	4,6
Personal Care*	541,4	574,4	(5,7)	102,6	97,2	5,6
Footwear & Apparel	1 080,7	966,2	11,9	308,7	296,0	4,3
Corporate	4,0	5,1		(8,7)	(3,6)	
Group	6 002,2	5 400,3	11,1	1 152,3	1 020,7	12,9

* Decrease in revenue due to revision of commercial relationship with Coty effective 31 October 2013.

Entyce Beverages

Revenue increased 10,8% to R1,57 billion while operating profit increased by 20,5% to R312,1 million with the operating profit margin at 19,9% compared to 18,3% in the prior period.

Tea revenue increased 9,0% due to price increases necessary to offset rising black tea and rooibos tea input costs. Coffee revenue was 5,5% up with price increases to ameliorate the impact of the weaker Rand on raw material costs partially offset by lower sales volumes. Creamer revenue benefitted from higher selling prices and sales volumes, rising by 23,9%.

Gross profit margin improved with higher selling prices recovering some of the accumulated margin pressure from rising input costs. Selling and administrative cost increases were well contained, and Tea, Coffee and Creamer all grew their operating profit and operating profit margin.

Snackworks

Revenue of R1,83 billion was 13,1% higher than last year while operating profit rose by 14,0%, from R297,9 million to R339,5 million. The operating profit margin increased from 18,5% to 18,6%.

Biscuits revenue grew 14,2% with higher selling prices and a 3,5% increase in sales volumes. Snacks revenue increased 9,4% with higher pricing in the category supported by volume growth of 1,2%.

Gross profit margin improved due to higher selling prices and higher sales volumes. This was partially offset by increased marketing spend to support new product innovation, mostly in biscuits, resulting in a slight improvement in operating profit margin.

GROUP OVERVIEW *continued*

I&J

Revenue increased by 19,1% from R824,5 million to R982,1 million while operating profit increased from R74,3 million to R98,1 million. The operating profit margin increased from 9,0% to 10,0%.

Revenue growth largely reflects the benefit of the weaker Rand on export sales, supported by increases in selling prices and a 7,5% increase in sales volumes. Fishing and processing performances were sound and gross profit margin improved. However, unrealised losses on fuel hedges and foreign currency balances resulted in a significant increase in selling and administrative expenses that tempered I&J's result for the period. I&J hedges its fuel price and foreign currency exposure on a consistent basis, and the significant decline in oil prices and weakening of the Euro towards the end of the first semester resulted in the recognition of unrealised losses, compared to unrealised gains in the first half of last year.

Fashion Brands (Personal Care, Footwear and Apparel)

Revenue rose by 5,3% to R1,62 billion while operating profit increased 4,6% to R411,3 million. The operating profit margin decreased slightly from 25,5% to 25,4%.

In the Personal Care category, Indigo's revenue from owned brands grew by 8,7% due to volume growth and price increases, although total revenue declined following the commencement of new trading terms with Coty with effect from November 2013. Operating profit grew 5,5% to R102,6 million and the operating profit margin increased from 16,9% to 19,0%, partly because of the revised Coty trading terms which result in lower revenue. Gross profit margin was preserved by well managed selling and administrative expenses.

The Footwear and Apparel category increased revenue by 11,9% to R1,08 billion while operating profit increased by 4,3% from R296,0 million to R308,7 million. The operating profit margin decreased from 30,6% to 28,6%.

In the Spitz business revenue grew 13,2% as a result of higher selling prices as well as increased footwear and clothing sales volumes. Core brands performed strongly notwithstanding the constrained consumer environment, with record sales in December, while price increases taken in the last financial year stabilised gross profit margin. Gross profit margin was slightly down on last year, having normalised from the very high levels achieved when the Rand was relatively stable for a protracted period. Operating profit increased from R258,9 million to R282,7 million and the operating profit margin declined from 33,1% to 31,9%.

In Green Cross revenue growth was inhibited by poor wholesale demand and the refurbishment of six of the retail stores during the semester, growing just 5,0% to R171,4 million. Apart from the lost sales from refurbishments, retail stores performed well with consumers reacting favourably to the new store design. Gross profit margin declined, partly because of the weaker Rand, and also due to the cost of high stock levels resulting from changes in product ranging and low wholesale demand. Overall revenue growth was insufficient to recover the additional fixed costs and operating profit decreased from R34,3 million to R23,6 million.

OUTLOOK

We expect the current constrained consumer demand environment to persist. The weaker Rand will put additional pressure on input costs and selling prices will need to be adjusted during the second half of the year, with due cognisance of the impact that this could have on demand.

We have installed full back-up power capabilities at many of our manufacturing sites, with further mitigation in progress in both our manufacturing and retail activities. Consequently the irregular power supply in the first semester did not have a material impact on our results, however, prolonged and severe load shedding or major power outages could result in significantly higher operating costs and lost sales.

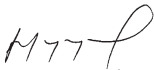
I&J has secured the majority of its foreign currency exchange rates for the second half and will benefit from lower fuel prices. Provided catch rates are maintained at sound levels, this business should have a strong second half.

Entyce and Snackworks have well established capabilities to defend market share and profit margins and will be seeking to protect gross profit margin and grow sales volumes where there is opportunity. Indigo is maintaining its strong aerosol and colour cosmetics positions and is performing well in export markets. Spitz, Kurt Geiger and Green Cross retail stores will benefit from refurbishments and measured space growth, and the decline in the Green Cross wholesale business has been stemmed. Our international business is achieving good revenue growth and continues to focus on growing profitable, branded market positions supported by our South African manufacturing capability.

Notwithstanding expectations of a difficult trading environment we remain confident that our unique brand portfolio can continue to deliver growth in key categories. This will be supported by ongoing improvements in manufacturing capability and procurement activity.

Accordingly the board is confident that AVI is well positioned to weather a difficult trading environment while continuing to pursue growth opportunities from the current brand portfolio and remaining vigilant for brand acquisition opportunities, both domestically and regionally.

The above outlook statements have not been reviewed or reported on by AVI's auditors.



Gavin Tipper
Chairman



Simon Crutchley
CEO

9 March 2015

CONDENSED GROUP BALANCE SHEET

	Unaudited at 31 December		Audited at 30 June
	2014 Rm	2013 Rm	2014 Rm
Assets			
Non-current assets			
Property, plant and equipment	2 386,0	2 142,6	2 317,1
Intangible assets and goodwill	1 144,9	1 144,2	1 146,6
Investments	385,9	380,4	406,8
Deferred taxation	24,3	38,9	41,8
	3 941,1	3 706,1	3 912,3
Current assets			
Inventories and biological assets	1 463,5	1 308,2	1 382,7
Trade and other receivables including derivatives	1 819,7	1 666,6	1 509,1
Cash and cash equivalents	323,7	358,3	298,5
Other assets classified as held-for-sale*	–	5,9	–
	3 606,9	3 339,0	3 190,3
Total assets	7 548,0	7 045,1	7 102,6
Equity and liabilities			
Capital and reserves			
Total equity	4 474,7	4 018,3	4 216,2
Non-current liabilities			
Operating lease straight-line liabilities	15,2	17,3	16,2
Employee benefits	358,5	354,1	348,5
Deferred taxation	292,6	267,0	269,8
	666,3	638,4	634,5
Current liabilities			
Current borrowings	764,9	880,9	647,5
Trade and other payables including derivatives	1 580,3	1 422,7	1 599,8
Corporate taxation	61,8	84,6	4,6
Other liabilities classified as held-for-sale	–	0,2	–
	2 407,0	2 388,4	2 251,9
Total equity and liabilities	7 548,0	7 045,1	7 102,6
Net debt**	456,4	539,9	365,2

* Other assets held-for-sale comprise equipment and property held for disposal.

** Comprises operating lease straight-line liabilities and current borrowings, less cash and cash equivalents.

CONDENSED GROUP STATEMENT OF COMPREHENSIVE INCOME

	Unaudited six months ended 31 December			Audited year ended 30 June
	2014 Rm	2013 Rm	% change	2014 Rm
Revenue	6 002,2	5 400,3	11	10 267,4
Cost of sales	3 331,2	3 006,1	11	5 839,6
Gross profit	2 671,0	2 394,2	12	4 427,8
Selling and administrative expenses	1 518,7	1 373,5	11	2 715,3
Operating profit before capital items	1 152,3	1 020,7	13	1 712,5
Income from investments	2,9	2,8	4	7,6
Finance costs	(32,6)	(33,5)	(3)	(56,0)
Share of equity-accounted earnings of joint ventures	5,8	11,7	(50)	28,5
Capital items	(1,9)	149,2	(101)	138,0
Profit before taxation	1 126,5	1 150,9	(2)	1 830,6
Taxation	323,1	311,2	4	514,9
Profit for the period	803,4	839,7	(4)	1 315,7
Profit attributable to:				
Owners of AVI	803,4	839,7	(4)	1 315,7
Other comprehensive income, net of tax	(4,9)	6,4	(177)	17,5
Items that are or may be subsequently reclassified to profit or loss				
Foreign currency translation differences	(19,1)	21,3	(190)	41,3
Cash flow hedging reserve	20,6	(20,1)	(202)	(31,3)
Taxation on items that are or may be subsequently reclassified to profit or loss	(5,8)	5,6		8,8
Items that will never be reclassified to profit or loss				
Actuarial loss recognised	(0,8)	(0,6)		(1,8)
Taxation on items that will never be reclassified to profit or loss	0,2	0,2	0	0,5
Total comprehensive income for the period	798,5	846,1	(6)	1 333,2
Total comprehensive income attributable to:				
Owners of AVI	798,5	846,1	(6)	1 333,2
Depreciation and amortisation of property, plant and equipment, fishing rights and trademarks included in operating profit	151,2	138,8	9	286,1
Earnings per share				
Basic earnings per share (cents) [#]	252,5	269,6	(6)	419,3
Diluted basic earnings per share (cents) ^{##}	247,5	261,6	(5)	409,3
Headline earnings per share (cents) [#]	252,9	230,6	10	383,6
Diluted headline earnings per share (cents) ^{##}	247,9	223,8	11	374,5

[#] Basic earnings and headline earnings per share are calculated on a weighted average of 318 170 151 (31 December 2013: 311 458 224 and 30 June 2014: 313 804 047) ordinary shares in issue.

^{##} Diluted basic earnings and headline earnings per share are calculated on a weighted average of 324 580 376 (31 December 2013: 320 932 285 and 30 June 2014: 321 421 910) ordinary shares in issue.

CONDENSED GROUP STATEMENT OF CASH FLOWS

	Unaudited six months ended 31 December			Audited year ended 30 June
	2014 Rm	2013 Rm	% change	2014 Rm
Operating activities				
Cash generated by operations before working capital changes	1 309,6	1 132,0	16	2 102,8
Increase in working capital	(355,3)	(190,3)	87	(101,1)
Cash generated by operations	954,3	941,7	1	2 001,7
Interest paid	(32,6)	(33,5)	(3)	(56,0)
Taxation paid	(253,0)	(220,4)	15	(465,1)
Net cash available from operating activities	668,7	687,8	(3)	1 480,6
Investing activities				
Interest received	2,9	2,8	4	7,6
Property, plant and equipment acquired	(225,8)	(199,9)	13	(531,9)
Additions to intangible assets	-	-		(4,0)
Proceeds from disposals of property, plant and equipment	5,8	8,1	(28)	13,8
Payment from Coty on revision of commercial relationship	-	150,0		150,0
Movement in joint ventures and other investments	1,6	12,7	(87)	27,1
Net cash used in investing activities	(215,5)	(26,3)	719	(337,4)
Financing activities				
Proceeds from shareholder funding	26,9	21,2	27	93,9
Short-term funding raised/(repaid)	117,4	(12,6)		(246,1)
Dividends paid	(574,3)	(531,0)	8	(910,2)
Net cash used in financing activities	(430,0)	(522,4)	(18)	(1 062,4)
Increase in cash and cash equivalents	23,2	139,1	(83)	80,8
Cash and cash equivalents at beginning of period	298,5	212,4	41	212,4
	321,7	351,5		293,2
Translation of cash equivalents of foreign subsidiaries at beginning of period	2,0	6,8	(71)	5,3
Cash and cash equivalents at end of period	323,7	358,3		298,5

CONDENSED GROUP STATEMENT OF CHANGES IN EQUITY

	Share capital and premium Rm	Treasury shares Rm	Reserves Rm	Retained earnings Rm	Total equity Rm
Six months ended 31 December 2014					
Balance at 1 July 2014	29,5	(448,1)	347,5	4 287,3	4 216,2
Profit for the period				803,4	803,4
Other comprehensive income					
Foreign currency translation differences			(19,1)		(19,1)
Actuarial losses recognised, net of tax			(0,6)		(0,6)
Cash flow hedging reserve, net of tax			14,8		14,8
Total other comprehensive income			(4,9)		(4,9)
Total comprehensive income for the period			(4,9)	803,4	798,5
Transactions with owners, recorded directly in equity					
Share-based payments			6,2		6,2
Deferred taxation on Group share scheme recharge			2,9		2,9
Dividends paid				(574,3)	(574,3)
Issue of ordinary shares to AVI Share Trusts	10,5	(10,5)			
Own ordinary shares sold by AVI Share Trusts		23,7		1,5	25,2
Total contributions by and distributions to owners	10,5	13,2	9,1	(572,8)	(540,0)
Balance at 31 December 2014	40,0	(434,9)	351,7	4 517,9	4 474,7
Six months ended 31 December 2013					
Balance at 1 July 2013	29,5	(538,2)	309,0	3 877,3	3 677,6
Profit for the period				839,7	839,7
Other comprehensive income					
Foreign currency translation differences			21,3		21,3
Actuarial losses recognised, net of tax			(0,4)		(0,4)
Cash flow hedging reserve, net of tax			(14,5)		(14,5)
Total other comprehensive income			6,4		6,4
Total comprehensive income for the period			6,4	839,7	846,1
Transactions with owners, recorded directly in equity					
Share-based payments			7,6		7,6
Deferred taxation on Group share scheme recharge			(2,7)		(2,7)
Dividends paid				(531,0)	(531,0)
Own ordinary shares sold by AVI Share Trusts		17,6		3,1	20,7
Total contributions by and distributions to owners		17,6	4,9	(527,9)	(505,4)
Balance at 31 December 2013	29,5	(520,6)	320,3	4 189,1	4 018,3
Year ended 30 June 2014					
Balance at 1 July 2013	29,5	(538,2)	309,0	3 877,3	3 677,6
Profit for the year				1 315,7	1 315,7
Other comprehensive income					
Foreign currency translation differences			41,3		41,3
Actuarial losses recognised, net of tax			(1,3)		(1,3)
Cash flow hedging reserve, net of tax			(22,5)		(22,5)
Total other comprehensive income			17,5		17,5
Total comprehensive income for the period			17,5	1 315,7	1 333,2
Transactions with owners, recorded directly in equity					
Share-based payments			13,0		13,0
Deferred taxation on Group share scheme recharge			8,0		8,0
Dividends paid				(910,2)	(910,2)
Own ordinary shares sold by AVI Share Trusts		90,1		4,5	94,6
Total contributions by and distributions to owners		90,1	21,0	(905,7)	(794,6)
Balance at 30 June 2014	29,5	(448,1)	347,5	4 287,3	4 216,2

SENS DOCUMENT for the six months ended 31 December 2014

SUPPLEMENTARY NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the six months ended 31 December 2014

AVI Limited ("AVI" or the "Company") is a South African registered company. These condensed consolidated interim financial statements comprise the Company and its subsidiaries (together referred to as the "Group") and the Group's interest in joint ventures.

1. Statement of compliance

The condensed consolidated interim financial statements have been prepared in accordance with the recognition and measurement criteria of International Financial Reporting Standards, the presentation and disclosure requirements of IAS 34 *Interim Financial Reporting*, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council, the Listings Requirements of the JSE Limited (the "JSE") and the Companies Act of South Africa. These condensed consolidated interim financial statements have not been reviewed or audited by the Group's auditors.

2. Basis of preparation

The condensed consolidated interim financial statements are prepared in millions of South African Rands ("Rm") on the historical cost basis, except for derivative financial instruments, biological assets and liabilities for cash-settled share-based payment arrangements, which are measured at fair value, and non-current assets and disposal groups held-for-sale which are stated at the lower of carrying amount and fair value less costs to sell.

The accounting policies used in the preparation of these interim financial statements are in terms of International Financial Reporting Standards and are consistent with those applied in preparing the annual financial statements for the year ended 30 June 2014.

The Group adopted all new, revised or amended accounting pronouncements, which were effective and applicable to the Group from 1 July 2014, none of which had any material impact on the Group's financial results for the period.

3. Segmental results

	Unaudited six months ended 31 December			Audited year ended 30 June
	2014 Rm	2013 Rm	% change	2014 Rm
Segmental revenue				
Food & Beverage Brands	4 376,1	3 854,6	14	7 598,4
Entyce Beverages	1 568,9	1 416,1	11	2 717,4
Snackworks	1 825,1	1 614,0	13	3 057,9
I&J	982,1	824,5	19	1 823,1
Fashion Brands	1 622,1	1 540,6	5	2 659,3
Personal Care*	541,4	574,4	(6)	1 043,8
Footwear & Apparel	1 080,7	966,2	12	1 615,5
Corporate and consolidation	4,0	5,1		9,7
Group	6 002,2	5 400,3	11	10 267,4
Segmental operating profit before capital items				
Food & Beverage Brands	749,7	631,1	19	1 161,5
Entyce Beverages	312,1	258,9	21	442,4
Snackworks	339,5	297,9	14	474,5
I&J	98,1	74,3	32	244,6
Fashion Brands	411,3	393,2	5	560,1
Personal Care	102,6	97,2	6	172,0
Footwear & Apparel	308,7	296,0	4	388,1
Corporate and consolidation	(8,7)	(3,6)		(9,1)
Group	1 152,3	1 020,7	13	1 712,5

*Decrease due to revision of commercial relationship with Coty effective 31 October 2013 - see note 4.

SUPPLEMENTARY NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS continued

4. Determination of headline earnings

	Unaudited six months ended 31 December			Audited year ended 30 June
	2014 Rm	2013 Rm	% change	2014 Rm
Profit for the year attributable to owners of AVI	803,0	839,7	(4)	1 315,7
Total capital items after taxation	(1,4)	121,4		111,9
Net loss on disposal of investments and property, plant and equipment	(1,9)	(0,8)		(5,1)
Payment from Coty on revision of commercial relationship*	–	150,0		150,0
Impairment of assets	–	–		(6,9)
Taxation attributable to capital items	0,5	(27,8)		(26,1)
Headline earnings	804,8	718,3	12	1 203,8
Headline earnings per ordinary share (cents)	252,9	230,6	10	383,6
Diluted headline earnings per ordinary share (cents)	247,9	223,8	11	374,5

	Number of shares	Number of shares	% change	Number of shares
Weighted average number of ordinary shares	318 170 151	311 458 224	2	313 804 047
Weighted average diluted number of ordinary shares	324 580 376	320 932 285	1	321 421 910

4. Determination of headline earnings continued

*Payment from Coty on revision of commercial relationship

Effective 31 October 2013, AVI Limited and Coty Inc. agreed to a revision of their existing commercial relationship whereby AVI ceased to be the exclusive licensee of Coty in South Africa and was appointed as the exclusive manufacturer, importer, distributor and marketer of Coty's value brand portfolio in South Africa and 13 other African countries. As compensation for the revision, Coty made a once-off pre-tax payment to Indigo of R150,0 million in November 2013.

Following the revision Indigo no longer reports revenue and profit associated with the sale of Coty branded product but instead recognises revenue and profit in relation to the services provided to Coty by Indigo. The impact on the individual lines disclosed in AVI's consolidated statement of comprehensive income for the periods ended 31 December 2014, 30 June 2014 and 31 December 2013 is not significant and is not expected to be significant going forward.

The impact on Group prior year results is as follows:

	Rm
Payment from Coty on revision of commercial relationships	150,0
Less: Capital gains taxation	(28,0)
Net capital profit	122,0

5. Commitments

	Unaudited six months ended 31 December		Audited year ended 30 June
	2014 Rm	2013 Rm	2014 Rm
Capital expenditure commitments for property, plant and equipment	598,4	187,3	562,1
Contracted for	485,8	170,1	436,9
Authorised but not contracted for	112,6	17,2	125,2

It is anticipated that this expenditure will be financed by cash resources, cash generated from activities and existing borrowing facilities. Other contractual commitments have been entered into in the normal course of business.

6. Post-reporting date events

No significant events that meet the requirements of IAS 10 have occurred since the reporting date.

SUPPLEMENTARY NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS continued

7. Dividend declaration

Notice is hereby given that a gross interim ordinary dividend No 82 of 132 cents per share for the six months ended 31 December 2014 and gross special dividend No 83 of 200 cents per share have been declared payable to shareholders of ordinary shares. Both dividends have been declared out of income reserves and will be subject to dividend withholding tax at a rate of 15%. The Company has no secondary tax credits available and consequently a net interim dividend of 112,2 cents per share and a net special dividend of 170 cents per share will be distributed to those shareholders who are not exempt from paying dividend tax. In terms of dividend tax legislation, the dividend tax amount due will be withheld and paid over to the South African Revenue Service by a nominee company, stockbroker or Central Securities Depository Participant ("CSDP") (collectively "Regulated Intermediary") on behalf of shareholders. However, all shareholders should declare their status to their Regulated Intermediary, as they may qualify for a reduced dividend tax rate or exemption. AVI's issued share capital at the declaration date is 346 113 309 ordinary shares. AVI's tax reference number is 9500/046/71/0. The salient dates relating to the payment of the dividend are as follows:

Last day to trade cum dividend on the JSE	Thursday, 26 March 2015
First trading day ex dividend on the JSE	Friday, 27 March 2015
Record date	Thursday, 2 April 2015
Payment date	Tuesday, 7 April 2015

In accordance with the requirements of Strate Limited, no share certificates may be dematerialised or rematerialised between Friday, 27 March 2015 and Thursday, 2 April 2015, both days inclusive.

Dividends in respect of certificated shareholders will be transferred electronically to shareholders' bank accounts on payment date. In the absence of specific mandates, dividend cheques will be posted to shareholders. Shareholders who hold dematerialised shares will have their accounts at their CSDP or broker credited on Tuesday, 7 April 2015.

8. Preparation of financial statements

These condensed consolidated interim financial statements have been prepared under the supervision of Owen Cressey CA(SA), the AVI Group Chief Financial Officer.

ADMINISTRATION AND PRINCIPAL SUBSIDIARIES

ADMINISTRATION

Company registration
AVI Limited ("AVI")
Reg no: 1944/017201/06
Share code: AVI
ISIN: ZAE000049433

Company Secretary

Sureya Naidoo

Business address and registered office

2 Harries Road
Illovo
Johannesburg 2196
South Africa

Postal address

PO Box 1897
Saxonwold 2132
South Africa

Telephone: +27 (0)11 502 1300
Telefax: +27 (0)11 502 1301
E-mail: info@avi.co.za
Website: www.avi.co.za

Auditors

KPMG Inc.

Sponsor

The Standard Bank of
South Africa Limited

Commercial bankers

Standard Bank
FirstRand Bank

Transfer secretaries

Computershare Investor
Services Proprietary Limited
Business address
70 Marshall Street
Marshalltown
Johannesburg 2001
South Africa

Postal address

PO Box 61051
Marshalltown 2107
South Africa
Telephone: +27 (0)11 370 5000
Telefax: +27 (0)11 370 5271

PRINCIPAL SUBSIDIARIES

Food & Beverage Brands

National Brands Limited
Reg no: 1948/029389/06
(incorporating Entyce Beverages
& Snackworks)

30 Sloane Street
Bryanston 2021

PO Box 5159
Rivonia 2128

Managing Directors

Sarah-Anne Orphanides
(Entyce beverages)
Telephone: +27 (0)11 707 7100
Telefax: +27 (0)11 707 7799

Gaynor Poretti (Snackworks)
Telephone: +27 (0)11 707 7200
Telefax: +27 (0)11 707 7799

I&J

Irvin & Johnson Holding
Company Proprietary Limited
Reg no: 2004/013127/07

1 Davidson Street
Woodstock
Cape Town 7925

PO Box 1628
Cape Town 8000

Managing Director

Jonty Jankovich
Telephone: +27 (0)21 440 7800
Telefax: +27 (0)21 440 7270

Fashion Brands

Personal Care
Indigo Brands Proprietary Limited
Reg no: 2003/009934/07

16 – 20 Evans Avenue
Epping 1 7460

PO Box 3460
Cape Town 8000

Managing Director

Robert Lunt
Telephone: +27 (0)21 507 8500
Telefax: +27 (0)21 507 8501

Footwear & Apparel

A&D Spitz Proprietary Limited
Reg no: 1999/025520/07

29 Eaton Avenue
Bryanston 2021

PO Box 782916
Sandton 2145

Acting Managing Director

Simon Crutchley
Telephone: +27 (0)11 707 7300
Telefax: +27 (0)11 707 7763

Green Cross Manufacturers
Proprietary Limited
Reg no: 1994/08549/07

26 – 30 Benbow Avenue
Epping Industria 7460

PO Box 396
Epping Industria 7475

Managing Director

Greg Smith
Telephone: +27 (0)21 507 9700
Telefax: +27 (0)21 507 9707

DIRECTORS

Executive

Simon Crutchley
(Chief Executive Officer)

Owen Cressey
(Chief Financial Officer)

Michael Koursaris
(Business Development Director)

Independent non-executive

Gavin Tipper¹
(Chairman)

James Hersov²

Adriaan Nühn^{1,4}

Mike Bosman²

Andisiwe Kawa¹

Abe Thebyane¹

Neo Dongwana^{2,3}

Barry Smith³ (Resigned 30 October 2014)

Richard Inskip

¹ Member of the Remuneration, Nomination and Appointments Committee

² Member of the Audit and Risk Committee

³ Member of the Social and Ethics Committee

⁴ Dutch

