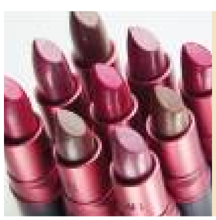
AUDITED RESULTS

for the year ended 30 June 2005

AVI is a branded consumer products group

We provide enjoyment to people through the supply of branded, added-value products



AVI

PRESENTATION TO ANALYSTS

STRATEGIC FOCUS

- Long-stated strategic focus achieved
  - Sale of Vector Logistics, profit R306m
  - Purchase of Consol minorities on favourable terms
  - Subsequent unbundling and successful listing of Consol
- Position in fresh-to-market brands strengthened
  - Denny acquired 1 August 04 – R140m
  - Sir Juice acquired 1 August 04 – R19m
- Footprint in semi-durable brands widened
  - Spitz acquired 2 July 05 – R258m (60%)

AVI is a branded consumer products group with a leading portfolio of consumer brands

GROUP STRUCTURE

AVI

- Food Brands
  - Groceries
    - NBL
  - Frozen
    - I&J
  - Fresh-to-Market
    - DENNY®
    - the real beverage co.
- Semi-Durable Brands
  - Cosmetics
    - indigo cosmetics
  - Footwear
    - SPITZ

FINANCIAL SUMMARY

- Presentation based on continuing operations
- Turnover ⇧ 9%
- Operating margin 9.8% (2004: 9.3%)
- HEPS ⇧ 26%
- Working capital to sales – 13.8% (2004: 13.6%)
- Cash generated by operations ⇧ 27%
- FCF per share 113.5c (2004: 107.6c)
- ROCE 15.3% (2004: 14.2%)





KEY FEATURES

- Strong operating performance from domestic businesses
- International operations
  - Adverse impact of Alpesca
  - Cost of Lenthéric Australasia launch
- Innovation target met – 18% of sales
- Disposal of I&J's pelagic fishing operations
- Dividend cover reduced to 2x
- I&J BEE transaction restructured
- Conversion to IFRS
- AVI management succession finalised

FINANCIALS

AVI

PRESENTATION TO ANALYSTS

INCOME STATEMENT

	FY05 Rm	FY04 Rm	%Δ
Turnover	4 790	4 385	9
EBITDA	617	539	15
Operating profit	469	406	16
Net financing cost	(9)	(11)	18
Effective taxation rate - %	27.1	32.5	-
HEPS - cents	108.2	85.9	26
DHEPS - cents	106.9	84.9	26



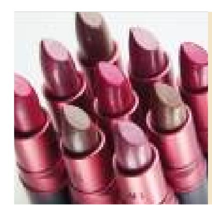


RESTATEMENT OF FY04

	Previously Reported FY04 Rm	BEE Accounting Rm	IFRS Impact Rm	Restated FY04
Operating profit	407	-	(1)	406
Joint ventures	4	-	-	4
Net finance income	(13)	(19)	21	(11)
Capital items	(21)	-	14	(7)
Taxation	(115)	-	(15)	(130)
Minorities	(6)	8	-	2
Profit after tax	256	(11)	19	263







DISCLOSURE COMMENTS

- Discontinued operations
  - Consol, Vector, pelagic
- Accounting for I&J BEE transaction
  - FY04 impact R11m
    - Investment income vs minority share of earnings
  - IFRS 2 cost
    - BBP – R18m (IFRS1 exemption)
    - Staff – R3m (spread over 5 years)
- Straight-line operating leases
  - R16m impact on balance sheet – 1 July 03
  - No material effect on current year income statement
- Share based payments
  - Limited impact – R1m (2004: R2m)
  - Cost of subsidiary phantom schemes R25m (2004: R26m)





TAXATION

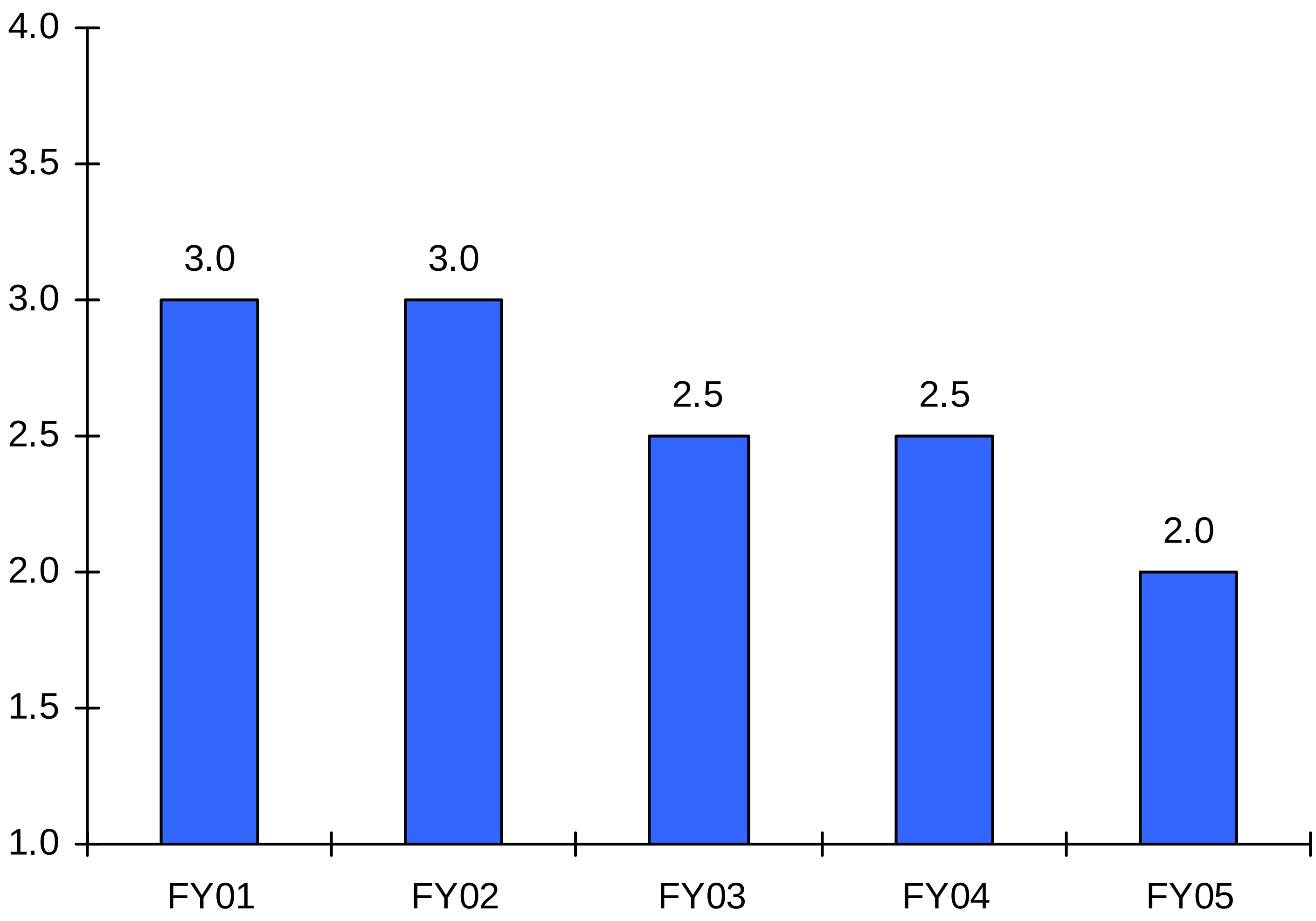
Taxation

- Decrease in effective tax rate – 27.1% (2004: 32.5%)
  - Change in official tax rate
  - Reduction in STC charge
  - Prior year overprovision
- Status of contingent liability
  - 2003 assessment received
  - Total assessment R208m
    - Tax R49m
    - Interest and penalties R159m





DIVIDEND COVER HEADLINE EARNINGS



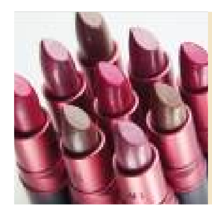
CASH FLOW DRIVERS

AVI

	FY05 Rm	FY04 Rm
Cash generated by operating activities	679	537
Capital expenditure	208	173
- Maintenance	116	76
- Expansion	92	97
Depreciation	148	133
Investment expenditure	194	98
Net cash	241	21





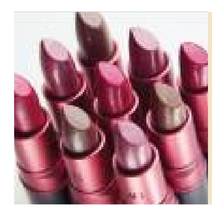


INVESTMENT PLAN FY06

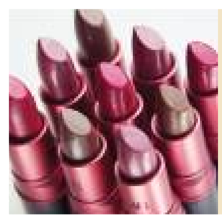
	Rm
Capital expenditure	
Food brands	264
- Groceries	149
- Frozen food	68
- Fresh-to-market	47
Branded semi-durables	30
	294
Committed investments	279
Total	573



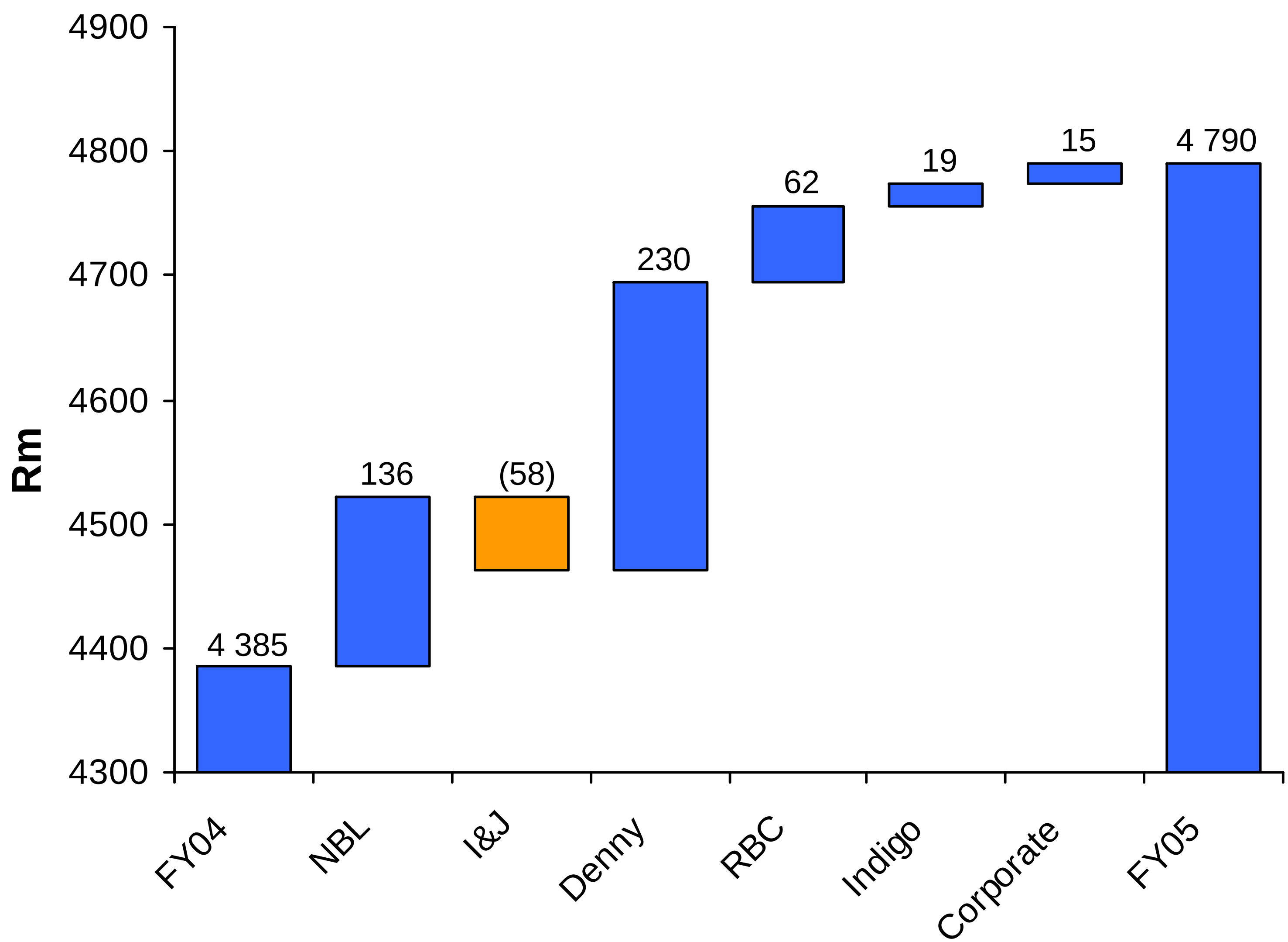


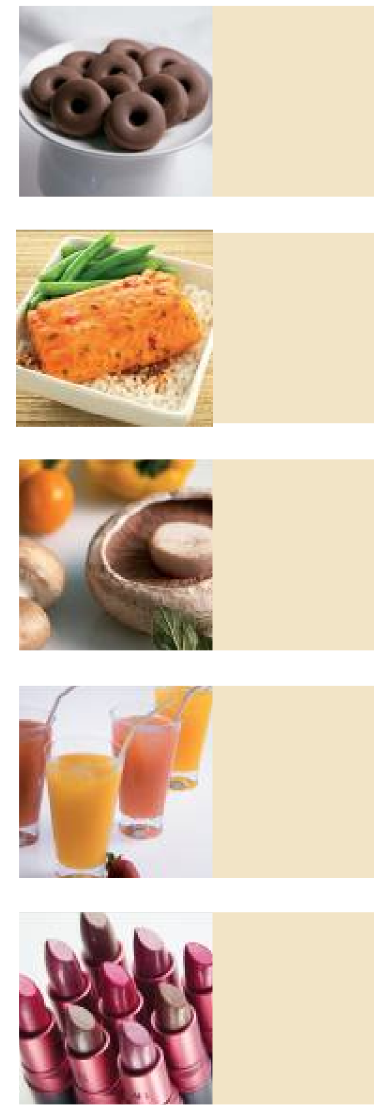


SEGMENTAL OVERVIEW

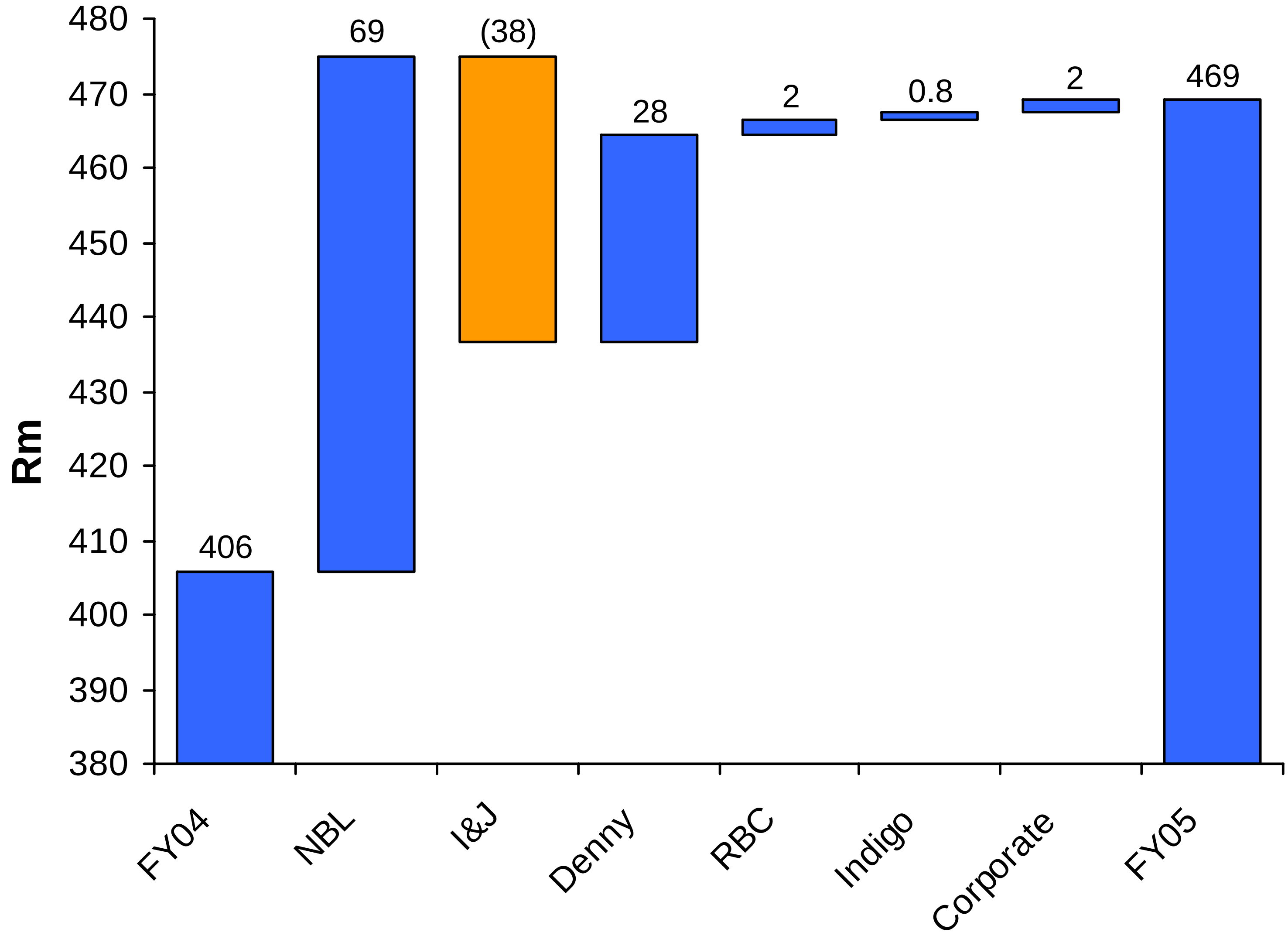


CONTRIBUTION TO TURNOVER GROWTH





CONTRIBUTION TO OPERATING PROFIT GROWTH







FOOD BRANDS

	FY05 Rm	FY04 Rm	%∆
Turnover	4 356	4 034	8
Operating profit	401	339	19
Operating profit - %	9.2	8.4	-
Capex	193	148	-
Working capital to sales - %	12.3	12.3	-





FOOD BRANDS

	FY05 Rm	FY04 Rm	%Δ
Turnover	2 482	2 346	6
Operating profit	301	232	30
Operating profit - %	12.1	9.9	-
Capex	86	75	-
Working capital to sales - %	9.0	10.5	-

FOOD BRANDS

- Volume growth
  - Domestic ⇧ 7%
  - International ⇧ 16%
- Improved performance – all categories
  - Convenience food – operating profit ⇧ 33%
  - Willards – small operating profit (2004: loss R24m)
  - Ciro – operating profit ⇧ 15%
- Deflation in most categories
- Raw and wrap costs positively affected by Rand and commodity prices
- Effective cost management

FOOD BRANDS

- Willards turnaround achieved
  - Quality enhanced, range rationalisation
  - Reduction in operating costs
  - Lower discounting
- Innovation
  - 15% of sales
  - Marketing spend ⇧ 12%
- Affordability drive – plant automation and pack sizes
- Opportunistic importing
- Good progress in regional diversification
  - International operating profit ⇧ 29%
  - Focus on more affordable product lines

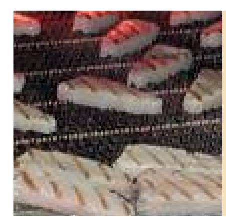
FOOD BRANDS

	FY05 Rm	FY04 Rm	%Δ
Turnover	1 379	1 437	(4)
Operating profit	84	122	(31)
Operating profit - %	6.1	8.5	-
Capex	85	61	-
Working capital to sales - %	20	16	-



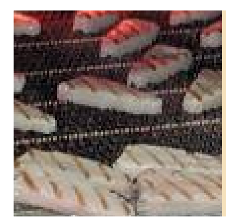

FOOD BRANDS

- RSA operations
  - Operating profit ⇧ 30%
  - Process and product innovation, impact of small fish
  - Cost management a key focus
  - Growth in high-value abalone sales
  - Strong growth in beef and poultry brands
- Alpesca
  - Loss R25m (2004: profit R20m)
  - Hake
    - Industry-wide strike action
      - Dec/Jan – 57 days, US$2m
      - April/May – 37 days, US$2m
    - Catch rates excellent in 2H05
  - Shrimp
    - Poor catch rates – closure of fishery
    - Provincial dispute



FOOD BRANDS

- FFI
  - Operating profit ⇧ 7%
  - I&J volume decline due to poor catch rates and strikes
  - Growth in high-value 3rd party sales
- Simplot
  - Improved sales – recovery of lost market share
  - Operating profit, constrained by poor performance from processing factory
- Pelagic operations
  - Classified as discontinued
  - Loss of R12m, fleet disposal in progress

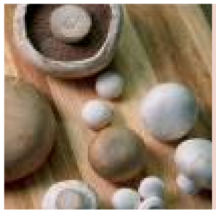


FOOD BRANDS DENNY®

AVI

	FY05* Rm
Turnover	230
Operating profit	28
Operating profit - %	12.1
Capex	12
Working capital to sales - %	17

* For the eleven months from 1 August 2004




FOOD BRANDS

- Fresh volumes ⇧ 5%
  - Denny remains market leader > 50% market share
  - Gauteng region fresh sales constrained by production problems in peak season
  - Increased imports from China impact on processed product realisations
- Brand review
  - Consumer survey validates brand strength
  - Market plans developed for FY06

FOOD BRANDS

	FY05 Rm	FY04 Rm	%Δ
Turnover	217	155	40
Operating profit	0	(2)	-
Operating profit - %	0	(1.5)	-
Capex	11	14	-
Working capital to sales - %	6	2	-




FOOD BRANDS

- Sir Juice acquisition strengthened position in short-life juice, out-of-home channel
- Like-for-like turnover ⇧ 18%, volumes flat – mix impact
- Break-even for year
  - Ongoing integration programme
  - Senior management changes
  - Difficulty in commissioning new filling line – service levels now in line

BRANDED SEMI-DURABLES

indigo cosmetics

AVI

	FY05 Rm	FY04 Rm	%Δ
Turnover	466	447	4
Operating profit	47	46	2
Operating profit - %	10.1	10.3	-
Capex	15	25	-
Working capital to sales - %	28	26	-

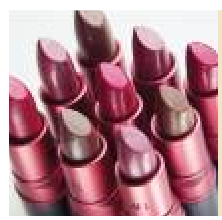
BRANDED SEMI-DURABLES

indigo cosmetics

AVI

- Domestic business – strong performance
  - Profit growth of 40%
  - Volume growth of 4%
    - Strong toiletry demand
    - Bridge fragrance category performing well, impacted by pharmacy decline and stock rebalancing
  - Reduced input costs – currency
  - Innovation contributed 33% to sales
- Impact of Lenthéric Australasia
  - R15m marketing investment
  - Sales slower than anticipated

PROSPECTS



PRESENTATION TO ANALYSTS

FOOD BRANDS

National Brands

- Affordability remains a key strategy
- Innovation pipeline strong in all categories
- Willards brand revitalisation
- Plant automation programme
- Regional diversification continues

Denny

- Production problems rectified
- New marketing opportunities identified

RBC

- Revision of brand positioning and innovation
- National distribution of Quali Juice
- Service levels addressed





FOOD BRANDS

I&J recovery plan update

- RSA operations
  - Long-term rights positive for industry
  - Ongoing focus on cost reduction
    - Processing efficiencies
    - Fleet optimisation
    - Shared services initiative
  - Value enhancement
    - Innovation in processing of small fish – contribution opportunity R6 000 per ton
    - Freezer filleting capacity increased 20%





FOOD BRANDS





I&J recovery plan update

- Alpesca
  - Hake
    - – TAC ⇧ 5% – 390 000 tons (2004: 370 000)
    - – Additional license for 3 000 tons, US$2m
      - – Transfer two surplus vessels from I&J
      - – Total quota 34 000 tons
    - – Industrial action settled, short-term cost impact
    - – Catch rates improved
    - – Innovation to improve realisations
  - Shrimp
    - – No material improvement in catch rates
    - – Provincial dispute likely to be resolved
    - – Vessels redeployed to hake in short-term

I&J recovery plan update

- Abalone
  - Investment to double capacity at Danger Point
  - Remaining 50% of Chilean farm acquired
- International
  - Growth in high-value, 3rd party agency business
- Simplot
  - Major factory restructuring
    - Head count reduction of 157 – 54% of total workforce
    - Retrenchment cost AU$5m
    - Automation of factory – capex of AU$10m
  - Improved financial performance in 2007





BRANDED SEMI-DURABLES

indigo cosmetics

AVI

- Innovation remains key
- Bridge fragrances expected to continue strong performance
- Toiletries – growth in middle market consumers
- Lower cost of investment for Lenthéric in Australasia
  - New Zealand performing well
  - Australia – medium-term opportunity

BRANDED SEMI-DURABLES

SPITZ

AVI

Rationale for acquisition

- AVI core strategy – grow portfolio of leading consumer brands
  - Differentiated brands for middle/upper income consumers
  - Target higher rates of growth
  - Access to brand-conscious, emerging middle-market consumers




BRANDED SEMI-DURABLES

Spitz – business overview

- Opportunity to acquire direct ownership of premium international footwear brands
  - 60% of sales, owned brands – Kurt Geiger, Carvela
  - Master distributor for Lacoste footwear in South Africa
  - Licensee for a range of other international footwear brands
- 80% of sales to black consumers
- 25 stores – target 35 stores by 2008
- SA footwear market – R7bn – Spitz market share 4%

BRANDED SEMI-DURABLES

SPITZ

AVI

Financial details

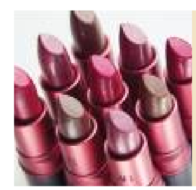
- Financial performance FY05
  - Turnover – R258m
  - Operating profit margin – 30%
  - NOPAT – R55m
- Purchase price – R258m (60%)
  - Multiple of 7.8x NOPAT
  - Estimate that similar multiple will apply to acquisition of remaining 40%, formula-driven
- Accounting standard requires 100% consolidation




SUMMARY








- Focus achieved as a branded consumer products group
  - SA consumer increasingly brand focused
  - Brands will be key differentiator and source of growth
- Key strategic objective remains
  - Build a portfolio of leading consumer brands
- Domestic consumer market remains buoyant
- Investment in brands to continue
  - Innovation
  - Marketing spend
- Real increase in earnings expected in FY06

THANK YOU

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