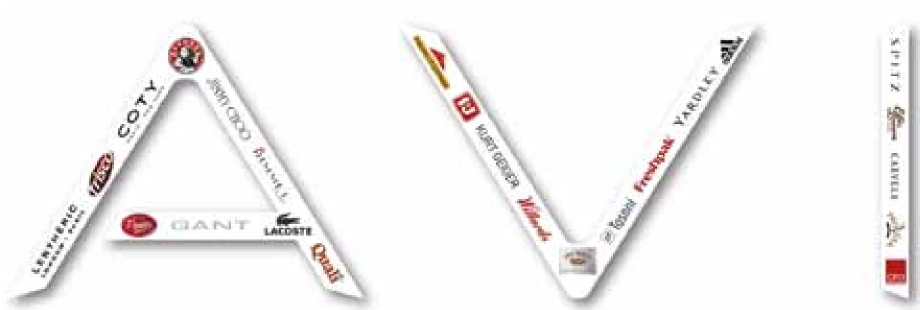
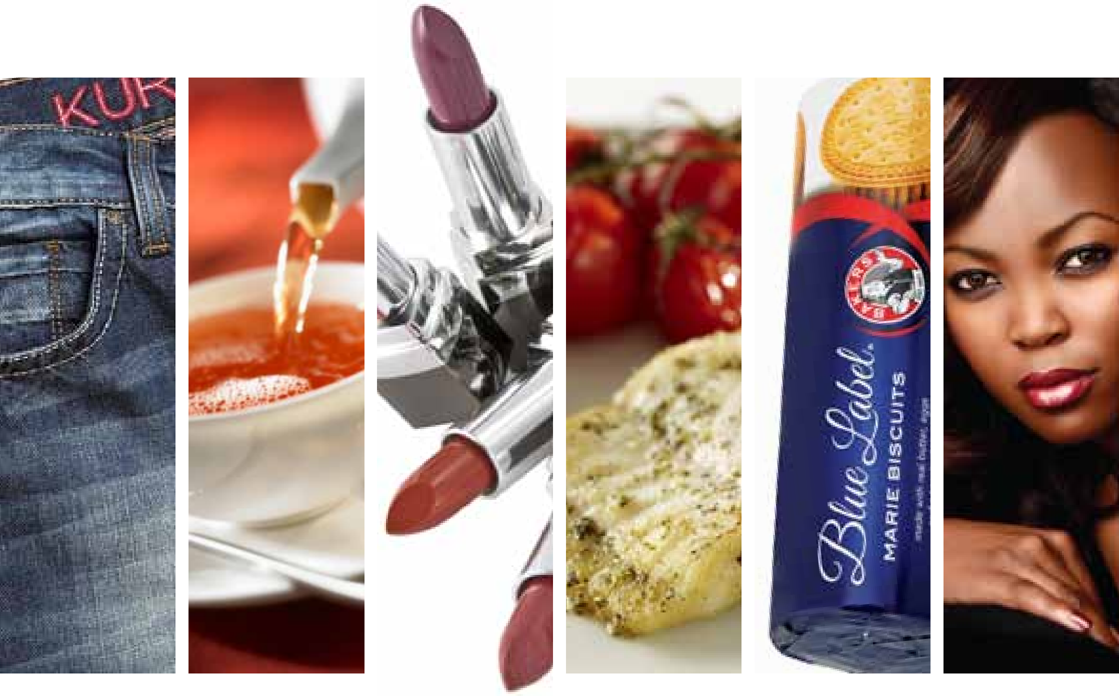




SENS DOCUMENT

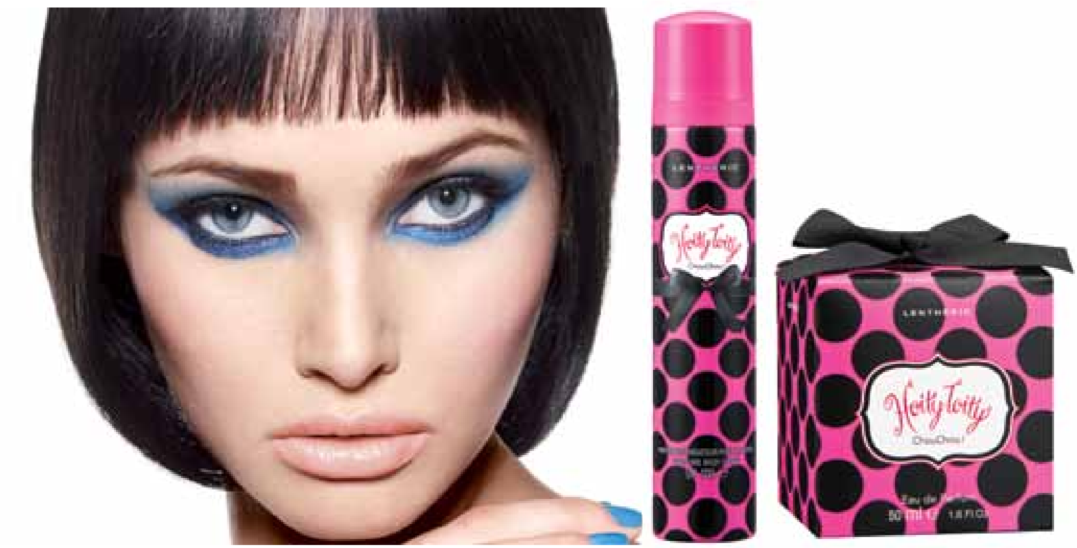
for the year ended 30 June 2011

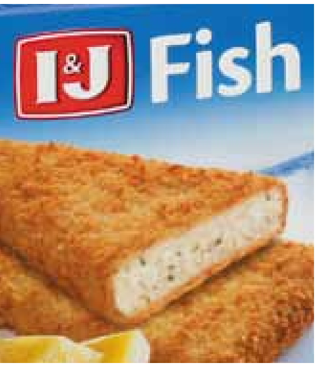
AVI

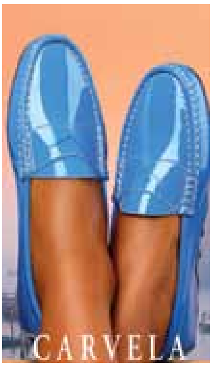
GROWING GREAT BRANDS

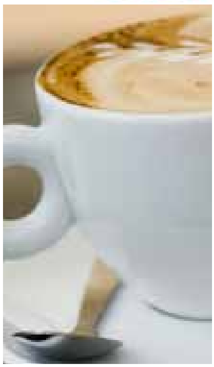
AVI

GROWING GREAT BRANDS





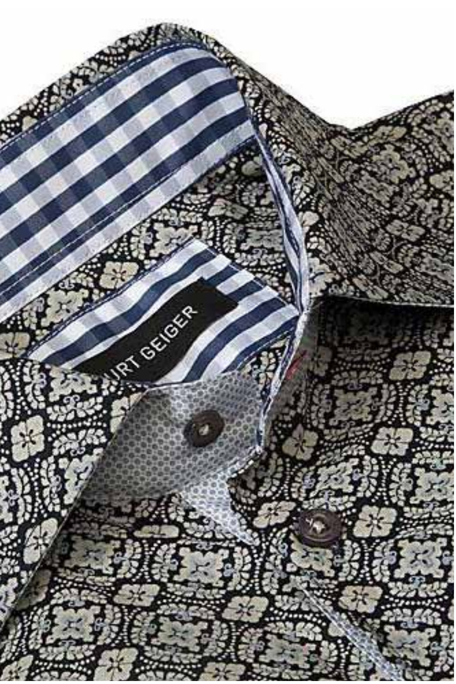




AVI LIMITED

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



KEY FEATURES

Operating profit from continuing operations up by 25% to R1,1 billion

Headline earnings per share from continuing operations up 31% to 248 cents

Significant fashion brands profit growth from increased volumes and improved gross margins

Strong food and beverage brands profit growth in competitive environment

Alpesca disposal completed

Cash generated from operations up 24% to R1,4 billion

Capital expenditure to support growth R413 million

R496 million returned to shareholders via special payment and share buy-back

Final dividend of 75 cents per share; total normal dividend up 25% to 125 cents per share

GROUP OVERVIEW

AVI has enjoyed strong consumer demand in the fashion brand businesses during the 2011 financial year. Both Spitz and Indigo achieved strong volume growth and strengthened their respective market positions. In the Food and Beverage portfolio most of our brands performed well in a competitive environment where consumer spending was relatively constrained. The tea category had a strong second half, gaining volumes and market share for the year and the coffee category continued to grow steadily despite a price increase in the second half and the creamer category benefited from strong demand. Biscuit volumes declined due to selling price increases and product rationalisation during the year, compounded by rising local and imported competition. I&J's sales volumes were in line with last year with higher quota volumes offset by a reduction in purchased raw material.

The net result of these price and volume movements was a 5,7% growth in revenue from continuing operations, from R7,27 billion to R7,69 billion. Operating profit increased by 25,4%, from R895,1 million to R1,12 billion due to the higher gross profit margins and volume leverage. Headline earnings rose by 32,3%, from R567,6 million to R750,8 million due to the higher operating profit and lower net finance costs. Headline earnings per share from continuing operations increased 31,1% to 248,2 cents.

Cash generated by operations remained strong, increasing to R1,01 billion after interest and taxation payments, which is 29,4% higher than last year. Net debt reduced from R310,1 million at the end of June 2010 to R246,2 million at the end of June 2011, after making a special payment to shareholders of R226,6 million, share buy-backs settled of R169,2 million and capital expenditure of R412,7 million. The Board has approved a final dividend of 75 cents per share, bringing the dividend for the year to 125 cents, 25% higher than last year.

FINANCIAL REVIEW – CONTINUING OPERATIONS

(excluding Alpesca and Denny)

Revenue from continuing operations rose by 5,7% from R7,27 billion to R7,69 billion. This increase is largely attributable to higher sales volumes, particularly in the footwear, personal care, creamer and coffee categories, as well as higher selling prices in the biscuit category. Commodity prices, including the benefit of the stronger rand, were in aggregate lower than last year, which offset increases in packaging and overhead costs. These factors resulted in a material improvement in the consolidated gross profit margin from 41,8% to 44,9% with the gross profit increasing by 13,6% to R3,45 billion. All business units generated an improved gross margin with the exception of I&J which was adversely impacted by the strong rand. This improvement reflects lower raw material costs, lower import exchange rates, higher realised selling prices and improved manufacturing performance at some of the factories. Operating profit improved by 25,4%, from R895,1 million to R1 122,9 million due to the material leverage from higher sales volumes, improved gross profit margins and tight control on general overheads. The consolidated operating profit margin increased from 12,3% to 14,6%.

Lower interest rates and lower debt levels resulted in a decrease in net finance charges from R85,6 million to R39,8 million. AVI's share of earnings from joint ventures decreased from R40,0 million to R36,1 million due to lower operating profit from I&J's Australian joint venture with Simplot, largely as a result of a tough retail environment in Australia.

Headline earnings increased by 32,3% from R567,6 million to R750,8 million and headline earnings per share increased by 31,1% to 248,2 cents per share.

The capital loss of R21,2 million includes a R12,4 million loss on the disposal of Sir Juice (Pty) Limited with effect from November 2010, of which R2,9 million is attributable to minorities. Other net capital losses of R8,8 million arise from impairments and disposals of assets in the normal course of business.

Cash generated by operations increased 23,7% to R1,39 billion. Working capital was well controlled, with the balance at the end of June 2011 slightly lower than a year ago. Capital expenditure increased to R412,7 million with an increase in major projects to improve capacity, technology and efficiency. Other material cash outflows during the period were capital repayments of R395,8 million, dividends of R335,6 million and taxation of R330,1 million. Net debt at the end of June 2011 was R246,2 million compared to R310,1 million at the end of June 2010.

SEGMENTAL REVIEW – CONTINUING OPERATIONS

Year ended 30 June

	Segmental revenue			Segmental operating profit		
	2011 Rm	Restated 2010 Rm	% change	**2011 Rm**	Restated 2010 Rm	% change
Food and beverage brands	**5 837,8**	5 680,6	2,8	**763,3**	649,5	17,5
Entyce	**2 308,8**	2 217,9	4,1	**410,9**	342,4	20,0
Snackworks	**2 159,7**	2 080,9	3,8	**261,8**	232,8	12,5
Chilled and frozen convenience brands	**1 369,3**	1 381,8	(0,9)	**90,6**	74,3	21,9
Fashion brands	**1 842,6**	1 583,7	16,3	**368,8**	255,4	44,4
Personal care	**890,3**	802,8	10,9	**132,7**	104,7	26,7
Footwear and apparel	**952,3**	780,9	21,9	**236,1**	150,7	56,7
Corporate	**5,9**	6,7		**(9,2)**	(9,8)	
Group	**7 686,3**	7 271,0	5,7	**1 122,9**	895,1	25,4

Entyce

Revenue increased 4,1% to R2,31 billion and operating profit increased by 20,0% from R342,4 million to R410,9 million with the operating profit margin at 17,8% compared to 15,4% in the prior year.

Growth in revenue came primarily from higher creamer, coffee and tea sales volumes. Both creamer and coffee benefited from competitor supply problems in the first semester and creamer in particular continued to achieve strong growth in the second half, while coffee continued with a steady volume performance, despite price increases in April 2011 to offset rising coffee bean prices. For the full year, creamer volumes increased by 19,9%, while coffee volumes were up 7,6%.

Tea had a much stronger second half with the advantage of stable black tea prices and the strong rand facilitating more aggressive price points. Together with effective promotional activity this resulted in 3,0% volume growth for the year. Gross profit margins benefited from lower input costs of key commodities as well as the stronger rand, mostly in the first half of the year. Selling and administration costs were well controlled and consequently the majority of the impact of lower input costs and operating leverage from higher volumes flowed through to operating profit.

The retail juice business performed well in its second year after being restructured, recording an operating profit of R8,4 million compared to R5,4 million last year.

The out-of-home operations, made up of Ciro and Sir Juice, are included in the Entyce numbers reflected above. The out-of-home trading environment was constrained by lower demand and high coffee bean prices, resulting in Ciro's operating profit declining from R21,1 million to R15,6 million. Sir Juice was sold to the minority shareholders with effect from November 2010. The operating profit for the four months to October 2010 was R2,1 million compared to R7,1 million in the 12 months to June 2010.

Snackworks

Revenue of R2,16 billion was 3,8% higher than last year, while operating profit rose by 12,5%, from R232,8 million to R261,8 million. The operating profit margin increased from 11,2% to 12,1%.

The increase in revenue is largely attributable to higher biscuits selling prices, partially offset by lower sales volumes attributable to selling price increases and product rationalisation during the year, compounded by rising import competition. The improvement in operating profit is largely due to a materially higher gross profit margin in biscuits resulting from lower commodity costs and higher biscuit selling prices. The Isando biscuit factory made good progress in improving product yields, but this was partially offset by a poor second half performance at the Westmead factory. A number of key capital projects were commissioned during the second semester which will enhance our competiveness in the coming years.

The Snacks business faced ongoing and aggressive price competition in the potato category during the second semester and thus, despite a good performance from the corn brand portfolio, the full year's profit was down on the prior year.

Chilled and frozen convenience brands

(I&J excluding Alpesca)

Revenue decreased by 0,9% to R1,37 billion, while operating profit rose by 21,9%, from R74,3 million to R90,6 million. The operating profit margin increased from 5,4% to 6,6%.

The stronger rand caused a material decline in export revenue which was largely offset by an improved sales mix and slightly higher prices in some export markets. Export markets remain under pressure with reduced demand from customers and increased supply from other fish resources. Domestic market prices were constrained by competitor activity. In addition, sales volumes were in line with last year, despite the 10% quota increase, as higher caught volumes were offset by lower volumes of purchased raw material.

However, I&J continues to perform well operationally and catch rates for the year were high which, together with good factory performance and the benefit of cost-saving initiatives, yielded an improvement in operating profit.

Fashion brands (personal care, footwear and apparel)

Revenue rose by 16,3% to R1,84 billion and operating profit increased by 44,4%, from R255,4 million to R368,8 million with the operating profit margin increasing from 16,1% to 20,0%.

In the personal care category, Indigo's revenue grew by 10,9% to R890,3 million, while operating profit increased 26,7% to R132,7 million. The operating profit margin for the period improved from 13,0% to 14,9%. Revenue growth is largely attributable to higher sales volumes with the core Yardley, Lentheric and Coty brands all performing well. Further growth in body spray market shares was complemented by good performance in fragrances and colour cosmetics. Profit margin benefited from lower input costs due to the stronger rand as well as higher volumes.

Revenue in the footwear and apparel category increased by 21,9%, and operating profit increased by 56,7% from R150,7 million to R236,1 million. The operating profit margin increased from 19,3% to 24,8%. The improvement is largely attributable to strong sales volume growth and higher gross profit margins in Spitz resulting from an improved sales mix and the stronger rand. Footwear sales volumes in Spitz increased by 22,3% with the core Carvela, Lacoste, Kurt Geiger and Tosoni brands all performing well. The expansion of the mono branded Kurt Geiger men's clothing stores has progressed well, with 12 new stores opened during the year, bringing the total to 15 stores out of the total of 25 stores planned by the end of the 2012 financial year.

DISCONTINUED OPERATIONS (ALPESCA AND DENNY)

Year ended 30 June

	Segmental revenue			Segmental operating profit		
	2011 Rm	Restated 2010 Rm	% change	**2011 Rm**	Restated 2010 Rm	% change
Alpesca	**298,4**	329,4	(9,4)	**(37,5)**	(50,6)	(25,9)
Denny	**385,2**	359,9	7,0	**50,0**	45,9	8,9
	683,6	689,3	(0,8)	**12,5**	(4,7)	(366,0)

Alpesca

I&J sold its shares in Alpesca to an Argentinean consortium during May 2011 for a consideration of USD10 million plus transfer of loan guarantees of USD4 million. Consequently the Group results for the year ended 30 June 2011 include a capital loss on disposal of R40,8 million after tax. An impairment of R76,5 million was recognised in the prior year.

AVI's consolidated results include Alpesca's losses for the 10 months to the end of April 2011. The operating loss of R37,5 million is lower than the prior year loss of R50,6 million due to an improved performance from the shrimp operation in the first half.

Denny

In July 2011, AVI entered into an agreement to sell Denny with effect from 1 July 2011 for a consideration of R263,5 million, subject to the fulfilment of certain conditions precedent including the unconditional approval of the South African Competition Authorities which was received on 31 August 2011. This transaction will be recorded in the 2012 financial year, however, in compliance with accounting standards, Denny has been disclosed as a discontinued operation in the current financial year and the comparative numbers for the year ended 30 June 2010 have been restated accordingly.

Revenue rose by 7,0% to R385,2 million and operating profit increased by 8,9%, from R45,9 million to R50,0 million with the operating profit margin increasing from 12,8% to 13,0%. Denny has performed well in the fresh mushroom category with improved production facilitating more aggressive trading and promotion which led to higher sales volumes despite increased supply from other growers. However, the value-add business, comprising soups, sauces and canned mushrooms, has been impacted by the sustained supply of cheap canned mushroom imports which partially offset the improvement in the fresh mushroom business.

DIVIDENDS

A final dividend of 75 cents per share has been declared bringing the total normal dividend for the year to 125 cents. This dividend is slightly above AVI's normal dividend policy of a two times cover on diluted headline earnings per share from continuing operations as the AVI Board resolved to include the Denny results in the dividend calculation notwithstanding that Denny was classified as a discontinued operation at the end of the year.

In addition to normal dividends paid during the year of R335,6 million, a further R496,5 million was returned to shareholders. A special payment out of share premium of 75 cents per share, amounting to R226,6 million, was paid in November 2010 and a total of R269,9 million was used to buy 9,0 million shares in the open market, of which R100,7 million still had to be settled at year-end.

OUTLOOK

Recent local and international data indicates that economic growth in South Africa over the next few years is likely to be slower than expected. In line with this, consumer demand is likely to remain restrained in the year ahead and AVI will need to earn future profit growth by competing effectively in the marketplace and continuing to reduce our cost of doing business. There is a strong portfolio of initiatives planned for the next financial year, covering local and regional market opportunities, factory improvement and on-going development of shared and support services.

In addition, the Group has a material level of forward exchange cover in place to protect the cost of imports and commodity costs have started to soften, both of which will allow more leeway to manage the balance between price, volume and profitability with the flexibility that constrained trading environments require. I&J has the advantage of increased quota and will benefit materially if the rand weakens against the euro.

The Board is confident, despite prevailing market conditions, that AVI will continue to deliver profit growth from the current brand portfolio while remaining vigilant for brand acquisition opportunities both regionally and domestically.

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

Angus Band
Chairman

Simon Crutchley
CEO

5 September 2011

PRELIMINARY SUMMARISED GROUP BALANCE SHEET

	Audited at 30 June 2011 Rm	Audited at 30 June 2010 Rm
Assets		
Non-current assets		
Property, plant and equipment	**1 459,5**	1 340,4
Intangible assets and goodwill	**759,4**	923,4
Investments	**310,0**	304,1
Deferred taxation	**66,1**	60,0
	2 595,0	2 627,9
Current assets		
Inventories and biological assets	**943,1**	918,4
Trade and other receivables including derivatives	**1 116,9**	1 189,5
Cash and cash equivalents	**380,1**	589,3
Assets of discontinued operations classified as held-for-sale*	**344,3**	288,8
Other assets classified as held-for-sale**	**3,8**	4,4
	2 788,2	2 990,4
Total assets	**5 383,2**	5 618,3
Equity and liabilities		
Capital and reserves		
Attributable to equity holders of AVI	**2 918,9**	2 954,1
Non-controlling interests	**(19,8)**	(19,8)
Total equity	**2 899,1**	2 934,3
Non-current liabilities		
Financial liabilities, borrowings and operating lease straight-line liabilities	**55,8**	65,1
Employee benefits	**286,7**	292,8
Deferred taxation	**76,2**	113,6
	418,7	471,5
Current liabilities		
Current borrowings	**583,0**	848,1
Trade and other payables including derivatives	**1 279,1**	1 183,4
Share buy-back liability	**100,7**	–
Corporate taxation	**16,6**	17,3
Liabilities of discontinued operations classified as held-for-sale*	**86,0**	163,7
	2 065,4	2 212,5
Total equity and liabilities	**5 383,2**	5 618,3

* *Discontinued operations in 2010 comprise the Argentinian hake and shrimp operations conducted by Alpesca, a wholly owned subsidiary of I&J, that was sold in May 2011. In 2011, discontinued operations comprise the fresh, canned and value-added mushroom business conducted by Denny, which was disposed of with effect from 1 July 2011, subject to the fulfilment of certain conditions precedent including the unconditional approval of the South African Competition Authorities in terms of the Competition Act, No 89 of 1998, as amended, which was received on 31 August 2011.*

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

PRELIMINARY SUMMARISED GROUP STATEMENT OF COMPREHENSIVE INCOME

	Audited year ended 30 June 2011 Rm	Restated audited year ended 30 June 2010 Rm	% change
Continuing operations			
Revenue	**7 686,3**	7 271,0	5,7
Cost of sales	**4 234,1**	4 232,2	–
Gross profit	**3 452,2**	3 038,8	13,6
Selling and administrative expenses	**2 329,3**	2 143,7	8,7
Operating profit before capital items	**1 122,9**	895,1	25,4
Income from investments	**12,9**	11,1	16,2
Finance costs	**(52,7)**	(96,7)	(45,5)
Share of equity-accounted earnings of joint ventures	**36,1**	40,0	(9,8)
Capital items	**(21,2)**	(8,3)	155,4
Profit before taxation	**1 098,0**	841,2	30,5
Taxation	**363,0**	275,9	31,6
Profit from continuing operations	**735,0**	565,3	30,0
Discontinued operations*			
Revenue	**683,6**	689,3	(0,8)
Operating profit/(loss) before capital items	**12,5**	(4,7)	(366,0)
Income from investments	**4,3**	5,1	(15,7)
Finance costs	**(10,6)**	(16,2)	(34,6)
Capital items	**(54,0)**	(76,5)	(29,4)
Loss before taxation	**(47,8)**	(92,3)	(48,2)
Taxation	**(10,6)**	1,3	(915,4)
Loss from discontinued operations	**(37,2)**	(93,6)	(60,3)
Profit for the year	**697,8**	471,7	47,9
Profit attributable to:			
Owners of AVI	**697,8**	468,2	49,0
Non-controlling interests	**–**	3,5	(100,0)
	697,8	471,7	47,9
Other comprehensive income/(expense), net of tax	**25,1**	8,4	198,8
Foreign currency translation differences	**15,9**	(31,0)	(151,3)
Cash flow hedging reserve	**12,8**	54,9	(76,7)
Income tax on other comprehensive income/(expense)	**(3,6)**	(15,5)	(76,8)
Total comprehensive income for the year	**722,9**	480,1	50,6
Total comprehensive income attributable to:			
Owners of AVI	**722,9**	476,6	51,7
Non-controlling interests	**–**	3,5	(100,0)
	722,9	480,1	50,6
Basic earnings per share from continuing operations (cents)#	**242,9**	187,5	29,6
Diluted basic earnings per share from continuing operations (cents)##	**234,8**	180,9	29,8
Basic earnings per share (cents)#	**230,6**	156,3	47,5
Diluted basic earnings per share (cents)##	**222,8**	150,8	47,7
Depreciation and amortisation of property, plant and equipment, fishing rights and trademarks included in operating profit from continuing operations	**195,6**	179,7	8,8

* *Discontinued operations comprise the Argentinian hake and shrimp operations conducted by Alpesca, a wholly owned subsidiary of I&J, that was sold in May 2011, as well as the fresh, canned and value-added mushroom business conducted by Denny, which was disposed of with effect from 1 July 2011, subject to the fulfilment of certain conditions precedent including the unconditional approval of the South African Competition Authorities in terms of the Competition Act, No 89 of 1998, as amended, which was received on 31 August 2011.*

Headline earnings per share from continuing operations (cents)#	**248,2**	189,4	31,1
Diluted headline earnings per share from continuing operations (cents)##	**239,7**	182,9	31,1

Basic earnings and headline earnings per share is calculated on a weighted average of 302 547 792 (30 June 2010: 299 493 387) ordinary shares in issue.

Diluted basic earnings and headline earnings per share is calculated on a weighted average of 313 191 990 (30 June 2010: 310 453 132) ordinary shares in issue.

PRELIMINARY SUMMARISED GROUP STATEMENT OF CASH FLOWS

	Audited year ended 30 June 2011 Rm	Restated audited year ended 30 June 2010 Rm	% change
Continuing operations			
Operating activities			
Cash generated by operations before working capital changes	**1 372,1**	1 105,5	24,1
Increase in working capital	**21,5**	21,3	0,9
Cash generated by operations	**1 393,6**	1 126,8	23,7
Interest paid	**(50,9)**	(93,9)	(45,8)
Taxation paid	**(330,1)**	(250,3)	31,9
Net cash available from operating activities	**1 012,6**	782,6	29,4
Investing activities			
Interest received	**15,0**	13,7	9,5
Property, plant and equipment acquired	**(412,7)**	(329,8)	25,1
Proceeds from disposals of property, plant and equipment and businesses	**19,3**	9,7	99,0
Movement in joint ventures and other investments	**53,8**	18,8	186,2
Net cash used in investing activities	**(324,6)**	(287,6)	12,9
Financing activities			
Net increase in shareholder funding	**38,4**	47,0	(18,3)
Long-term borrowings repaid	**–**	(1,3)	(100,0)
Short-term funding repaid	**(218,3)**	(145,6)	49,9
Own ordinary shares purchased by the Company	**(169,2)**	–	
Capital repayment	**(226,6)**	–	
Dividends paid	**(335,6)**	(272,4)	23,2
Net cash used in financing activities	**(911,3)**	(372,3)	144,8
Discontinued operations*			
Cash flows from operating activities	**21,6**	30,3	(28,7)
Cash flows from investing activities	**8,7**	2,3	278,3
Cash flows from financing activities	**(73,8)**	(61,7)	19,6
Proceeds on disposal of discontinued operation	**69,6**	–	
Cash flows from discontinued operations	**26,1**	(29,1)	(189,7)
(Decrease)/increase in cash and cash equivalents	**(197,2)**	93,6	(310,7)
Cash and cash equivalents at beginning of year	**598,0**	529,7	12,9
	400,8	623,3	(35,7)
Translation of cash equivalents of foreign subsidiaries at beginning of year	**3,3**	(25,3)	(113,0)
Cash and cash equivalents at end of year	**404,1**	598,0	(32,4)
Attributable to:			
Continuing operations***	**380,1**	589,3	(35,5)
Discontinued operations**	**24,0**	8,7	175,9

* *Discontinued operations comprise the Argentinian hake and shrimp operations conducted by Alpesca, a wholly owned subsidiary of I&J, that was sold in May 2011, as well as the fresh, canned and value-added mushroom business conducted by Denny, which was disposed of with effect from 1 July 2011, subject to the fulfilment of certain conditions precedent including the unconditional approval of the South African Competition Authorities in terms of the Competition Act, No 89 of 1998, as amended, which was received on 31 August 2011.*

** *Cash flows between continuing and discontinued operations are eliminated on consolidation. These amounted to R41,9 million net cash flow from discontinued operations to continuing operations in 2011. In the previous year the net cash flow from continuing operations to discontinued operations was R13,8 million.*

*** *Cash and cash equivalents of R589,3 million in 2010 include R31,1 million in respect of Denny which has been reflected as part of the discontinued operation in the 2010 statements of comprehensive income and cash flows.*

PRELIMINARY SUMMARISED GROUP STATEMENT OF CHANGES IN EQUITY

	Share capital and premium Rm	Treasury shares Rm	Reserves Rm	Retained earnings Rm	Total Rm	Non-controlling interests Rm	Total equity Rm
Year ended 30 June 2011							
Balance at 1 July 2010	183,9	(682,0)	70,5	3 381,7	**2 954,1**	(19,8)	**2 934,3**
Profit for the year				697,8	**697,8**	–	**697,8**
Other comprehensive income							
Foreign currency translation differences			15,9		**15,9**		**15,9**
Cash flow hedging reserve			9,2		**9,2**		**9,2**
Total other comprehensive income	–	–	25,1	–	**25,1**	–	**25,1**
Total comprehensive income for the year	–	–	25,1	697,8	**722,9**	–	**722,9**
Transactions with owners, recorded directly in equity							
Share-based payments			25,7		**25,7**		**25,7**
Deferred taxation on Group share scheme recharge			9,9		**9,9**		**9,9**
Dividends paid				(335,6)	**(335,6)**		**(335,6)**
Capital repayment	(261,8)	35,2			**(226,6)**		**(226,6)**
Issue of ordinary shares to AVI Share Trusts	107,8	(107,8)			**–**		**–**
Own ordinary shares purchased by Company	(0,4)			(269,5)	**(269,9)**		**(269,9)**
Own ordinary shares sold by AVI Share Trusts		46,8		(8,4)	**38,4**		**38,4**
Total contributions by and distributions to owners	(154,4)	(25,8)	35,6	(613,5)	**(758,1)**	–	**(758,1)**
Total transactions with owners	(154,4)	(25,8)	35,6	(613,5)	**(758,1)**	–	**(758,1)**
Balance at 30 June 2011	**29,5**	**(707,8)**	**131,2**	**3 466,0**	**2 918,9**	**(19,8)**	**2 899,1**
Year ended 30 June 2010							
Balance at 1 July 2009	171,0	(710,5)	35,1	3 180,3	**2 675,9**	(23,3)	**2 652,6**
Profit for the year				468,2	**468,2**	3,5	**471,7**
Other comprehensive income							
Foreign currency translation differences			(31,0)		**(31,0)**		**(31,0)**
Cash flow hedging reserve			39,4		**39,4**		**39,4**
Total other comprehensive income	–	–	8,4	–	**8,4**	–	**8,4**
Total comprehensive income for the year	–	–	8,4	468,2	**476,6**	3,5	**480,1**
Transactions with owners, recorded directly in equity							
Share-based payments			27,0		**27,0**		**27,0**
Dividends paid				(272,4)	**(272,4)**		**(272,4)**
Issue of ordinary shares to AVI Share Trusts	12,9	(12,9)			**–**		**–**
Own ordinary shares sold by AVI Share Trusts		41,4		5,6	**47,0**		**47,0**
Total contributions by and distributions to owners	12,9	28,5	27,0	(266,8)	**(198,4)**	–	**(198,4)**
Total transactions with owners	12,9	28,5	27,0	(266,8)	**(198,4)**	–	**(198,4)**
Balance at 30 June 2010	**183,9**	**(682,0)**	**70,5**	**3 381,7**	**2 954,1**	**(19,8)**	**2 934,3**

SUPPLEMENTARY NOTES TO THE PRELIMINARY SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2011

AVI Limited ("AVI" or the "Company") is a South African registered company. The preliminary summarised consolidated financial statements of the Company comprise the Company and its subsidiaries (together referred to as the "Group") and the Group's interest in jointly controlled entities.

1. Statement of compliance

The summarised consolidated annual financial statements have been prepared in accordance with the recognition and measurement criteria of International Financial Reporting Standards ("IFRS"), the presentation as well as the disclosure requirements of IAS 34 – *Interim Financial Reporting*, the AC 500 Standards as issued by the Accounting Practices Board, the Listing Requirements of the JSE Limited (the "JSE") and the requirements of the Companies Act of South Africa, 2008 (as amended).

2. Basis of preparation

The summarised annual financial statements are prepared in millions of South African rands ("Rm") on the historical cost basis, except for derivative financial instruments and biological assets which are measured at fair value.

The accounting policies are consistent with those presented in the annual financial statements for the year ended 30 June 2011 and have been applied consistently to the years presented in these summarised consolidated financial statements by all Group entities.

3. Determination of headline earnings

	Audited year ended 30 June 2011 Rm	Restated audited year ended 30 June 2010 Rm	% change
Profit for the year attributable to owners of AVI	**697,8**	468,2	49,0
Total capital items after taxation	**(56,8)**	(81,6)	
Net loss on disposal of investments, properties, vessels and plant and equipment	**(1,0)**	(0,6)	
Net loss on disposal of assets of disposal groups held-for-sale	**(0,2)**	(1,1)	
Net loss on disposal of Sir Juice	**(12,4)**	–	
Net loss on disposal of Alpesca	**(53,9)**	–	
Impairment of vessels and plant and equipment, investments, intangible assets and assets classified as held-for-sale	**(7,7)**	(6,6)	
Impairment of disposal groups held-for-sale	**–**	(76,5)	
Capital items attributable to non-controlling interests	**3,2**	–	
Taxation attributable to capital items	**15,2**	3,2	
Headline earnings	**754,6**	549,8	37,2
Attributable to:			
Continuing operations	**750,8**	567,6	32,3
Discontinued operations	**3,8**	(17,8)	
	754,6	549,8	37,2

3. Determination of headline earnings continued

	Audited year ended 30 June 2011 Rm	Restated audited year ended 30 June 2010 Rm	% change
Headline earnings/(loss) per ordinary share (cents)	**249,4**	183,6	35,8
Continuing operations (cents)	**248,2**	189,4	31,1
Discontinued operations (cents)	**1,2**	(5,8)	
Diluted headline earnings/(loss) per ordinary share (cents)	**240,9**	177,1	36,0
Continuing operations (cents)	**239,7**	182,9	31,1
Discontinued operations (cents)	**1,2**	(5,8)	

4. Segmental results

Continuing operations

	Audited year ended 30 June 2011 Rm	Restated audited year ended 30 June 2010 Rm	% change
Segmental revenue			
Food and beverage brands	**5 837,8**	5 680,6	2,8
Entyce	**2 308,8**	2 217,9	4,1
Snackworks	**2 159,7**	2 080,9	3,8
Chilled and frozen convenience brands	**1 369,3**	1 381,8	(0,9)
Fashion brands	**1 842,6**	1 583,7	16,3
Personal care	**890,3**	802,8	10,9
Footwear and apparel	**952,3**	780,9	21,9
Corporate	**5,9**	6,7	
Group	**7 686,3**	7 271,0	5,7
Segmental operating profit before capital items			
Food and beverage brands	**763,3**	649,5	17,5
Entyce	**410,9**	342,4	20,0
Snackworks	**261,8**	232,8	12,5
Chilled and frozen convenience brands	**90,6**	74,3	21,9
Fashion brands	**368,8**	255,4	44,4
Personal care	**132,7**	104,7	26,7
Footwear and apparel	**236,1**	150,7	56,7
Corporate	**(9,2)**	(9,8)	
Group	**1 122,9**	895,1	25,4

4. Segmental results continued

	Audited year ended 30 June 2011 Rm	Restated audited year ended 30 June 2010 Rm	% change
Discontinued operations			
Segmental revenue			
Alpesca	**298,4**	329,4	(9,4)
Denny	**385,2**	359,9	7,0
	683,6	689,3	(0,8)
Segmental operating profit before capital items			
Alpesca	**(37,5)**	(50,6)	(25,9)
Denny	**50,0**	45,9	8,9
	12,5	(4,7)	(366,0)

The fresh, canned and value-added mushroom business conducted by Denny has been sold with effect from 1 July 2011 subject to the fulfilment of certain conditions precedent including the unconditional approval of the South African Competition Authorities in terms of the Competition Act, No 89 of 1998, as amended, which was received on 31 August 2011. Denny has therefore been disclosed as a discontinued operation in AVI's results for the year ended 30 June 2011 and comparatives for the year ended 30 June 2010 in the statements of comprehensive income and cash flows have been restated accordingly.

5. Investment activity

Effective 10 November 2010, the Group and the management of Sir Juice entered into a sale of business agreement whereby the Group's entire interest in Sir Juice was disposed for a consideration of R12,7 million. The value of the net assets disposed at the effective date amounted to R25,0 million and consequently a capital loss of R12,3 million was incurred, before attributing the non-controlling interests share of R2,9 million.

In addition to the above, I&J sold its shares in Alpesca to an Argentinean consortium during May 2011 for a consideration of USD10 million (R69,6 million) plus transfer of loan guarantees of USD4 million. Consequently the Group results for the year ended 30 June 2011 include an after-tax capital loss of R40,8 million in respect of the disposal.

6. Commitments

	Audited year ended 30 June 2011 Rm	Restated audited year ended 30 June 2010 Rm
Capital expenditure commitments for property, plant and equipment*	**372,8**	246,7
Contracted for	**182,6**	92,8
Authorised but not contracted for	**190,2**	153,9

* *Not included in capital commitments in respect of property, plant and equipment are commitments of R1,6 million (2010: R1,1 million) relating to Denny which have been contracted for at 30 June 2011.*

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.

7. Post-balance sheet events

Subsequent to the year-end, AVI entered into an agreement in terms of which it sold 100% of the issued share capital of and AVI's shareholder claims against Denny to Blue Falcon 134 Trading (Pty) Limited ("Blue Falcon") for a consideration of R263,5 million. Blue Falcon's shareholders include RMB Ventures Six (Pty) Limited, an indirect subsidiary of FirstRand Limited, which holds a 49,9% interest therein, and Denny's executive management team.

Denny is the leading producer of fresh, canned and value-added mushroom products in South Africa, with a market share exceeding 50%. While Denny is a sound business with the leading national brand in the fresh and canned mushroom categories, the importance of branding in the "fresh to market" produce segment in general and in the fresh mushroom segment in particular has declined over the past several years and this category is no longer strategically aligned to AVI's growth ambitions.

The effective date of the transaction is 1 July 2011. The transaction is subject to the fulfilment of certain conditions precedent including the unconditional approval of the South African Competition Authorities in terms of the Competition Act, No 89 of 1998, as amended, which was received on 31 August 2011. Denny has been disclosed as a discontinued operation in AVI's results for the year ended 30 June 2011 and comparatives for the year ended 30 June 2010 have been restated accordingly.

Other than the above there have been no significant events outside the ordinary course of business since the reporting date.

SUPPLEMENTARY NOTES TO THE PRELIMINARY SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS continued

8. Dividend declaration

Notice is hereby given that a final ordinary dividend No 74 of 75 cents per share for the year ended 30 June 2011 has been declared payable to shareholders of ordinary shares. The salient dates relating to the payment of the dividend are as follows:

Last day to trade cum dividend on the JSE	Friday, 23 September 2011
First trading day ex dividend on the JSE	Monday, 26 September 2011
Record date	Friday, 30 September 2011
Payment date	Monday, 3 October 2011

In accordance with the requirements of Strate Limited, no share certificates may be dematerialised or rematerialised between Monday, 26 September 2011 and Friday, 30 September 2011, 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 Central Securities Depository Participant ("CSDP") or broker credited on Monday, 3 October 2011.

9. Reports of the independent auditors

The unmodified audit reports of KPMG Inc., the independent auditors, on the annual financial statements and the summarised financial statements contained herein for the year ended 30 June 2011, dated 2 September 2011, are available for inspection at the registered office of the company.

10. Preparer of financial statements

These summarised financial statements have been prepared under the supervision of Owen Cressey CA (SA).

11. Annual report

The annual report for the year ended 30 June 2011 will be posted to shareholders on or about Tuesday, 27 September 2011. The financial statements will include the notice of the annual general meeting of shareholders to be convened on Tuesday, 1 November 2011.

ADMINISTRATION AND PRINCIPAL SUBSIDIARIES

Administration

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

Company secretary
Sureya Naidoo (appointed 1 May 2011)

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
Standard Bank

Commercial bankers
Standard Bank
FirstRand Bank

Transfer secretaries
Computershare Investor Services
2004 (Pty) 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 and beverage brands
National Brands Limited
Reg no: 1948/029389/06
(incorporating Entyce Beverages, Snackworks and Ciro Beverage Solutions)

30 Sloane Street, Bryanston 2021

PO Box 5159, Rivonia 2128

Telefax: +27 (0)11 707 7799

Managing directors
Donnee MacDougall (Entyce Beverages)
Telephone: +27 (0)11 707 7100

Simon Crutchley (Snackworks – acting)
Telephone: +27 (0)11 707 7200

Roger Coppin (Ciro Beverage Solutions)
Telephone: +27 (0)11 807 3915

The Real Juice Co Holdings (Pty) Limited
Reg no: 2001/001413/07

2 Harries Road, Illovo 2196

PO Box 1897, Saxonwold 2132

Managing director
Donnee MacDougall
Telephone: +27 (0)11 707 7100
Telefax: +27 (0)11 707 7808

Chilled and frozen convenience brands
Irvin & Johnson Holding Company (Pty) Limited
Reg no: 2004/013127/07

1 Davidson Street, Woodstock
Cape Town 8001

PO Box 1628, Cape Town 8000

Managing director
Ronald Fasol
Telephone: +27 (0)21 402 9200
Telefax: +27 (0)21 402 9282

Fashion brands
Indigo Brands (Pty) Limited
Reg no: 2003/009934/07

16-20 Evans Avenue, Epping 1 7460

PO Box 3460, Cape Town 8000

Managing director
Susan O'Keeffe
Telephone: +27 (0)21 507 8500
Telefax: +27 (0)21 507 8501

A&D Spitz (Pty) Limited
Reg no: 1999/025520/07

29 Eaton Avenue, Bryanston 2021

PO Box 782916, Sandton 2145

Managing director
Robert Lunt
Telephone: +27 (0)11 707 7300
Telefax: +27 (0)11 707 7763

DIRECTORS

Executive

Simon Crutchley
(Chief executive officer)

Owen Cressey
(Chief financial officer)

Robert Katzen (resigned 4 March 2011)
(Business development director)

Independent non-executive

Angus Band[2]
(Chairman)

Humphrey Buthelezi[1] *(resigned 3 December 2010)*

James Hersov

Kim Macilwaine[4]

Adriaan Nühn[3]

Gavin Tipper[1, 2]

Mike Bosman[1]

Andisiwe Kawa[2]

Abe Thebyane *(appointed 3 December 2010)*

Neo Dongwana[1] *(appointed 15 March 2011)*

Barry Smith *(appointed 15 March 2011)*

[1] *Member of the Audit and Risk Committee*
[2] *Member of the Remuneration, Nomination and Appointments Committee*
[3] *Dutch*
[4] *British*

BASTION GRAPHICS

www.avi.co.za