

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

TRADING UPDATE AND STATEMENT FOR THE SIX MONTHS ENDED 31 DECEMBER 2014

The following update is based on the latest available trading information for the six months ended 31 December 2014.

Segmental revenue for the six months ended 31 December 2014

	2014 Rm	2013 Rm	Change %
Entyce beverages	1,569	1,416	10.8
Snackworks	1,825	1,614	13.1
I&J	982	824	19.2
Personal care	541	574	(5.7)
Footwear and apparel	1,081	967	11.8
Corporate	4	5	
GROUP	6,002	5,400	11.1

Overall sales performance was sound in a tough trading environment with the group realising higher selling prices in all categories following significant accumulated cost pressure from the weaker Rand. Volume growth was achieved in many of our categories and I&J's export revenue benefitted from the Rand weakness. Indigo's revenue from owned brands increased by 8% however total revenue declined following the revision of trading terms with Coty.

Entyce and Snackworks both performed well in the constrained environment and Spitz enjoyed continued strong demand for its core brands and achieved record sales in December. I&J's profit growth for the period was tempered by unrealised losses on fuel hedges following the significant decline in oil prices. The consolidated gross profit margin and operating profit margin both improved in comparison to the same period in the prior year.

Other factors impacting on the consolidated results for the first semester, compared to the same period in the prior year, were:

- The first semester of the prior financial year included a net after tax capital gain of R122,0 million in respect of a payment of R150,0 million from Coty to Indigo Brands Proprietary Limited following the revision of their commercial relationship.
- The weighted average number of shares in issue during the period was 2,2% higher than in the same period last year due to the issue of new shares in terms of the Group's various share incentive schemes, including the black staff empowerment share scheme.

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

- Consolidated headline earnings per share for the six months ended 31 December 2014 are expected to increase by between 8% and 11% over the comparable period in the prior year. In cents per share this will be an increase from last year's 230,6 cents to a range between 249 and 256 cents per share;
- Consolidated earnings per share for the six months ended 31 December 2014, including capital gains and losses, are expected to decrease by between 5% and 8% over the comparable period in the prior year. In cents per share this will be a decrease from last year's 269,6 cents to a range between 248 and 256 cents per share;

It is expected that AVI will release its results for the six months ended 31 December 2014 on or about 9 March 2015.

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

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23 January 2015

Sponsor

Enquiries

The Standard Bank of South Africa Limited

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