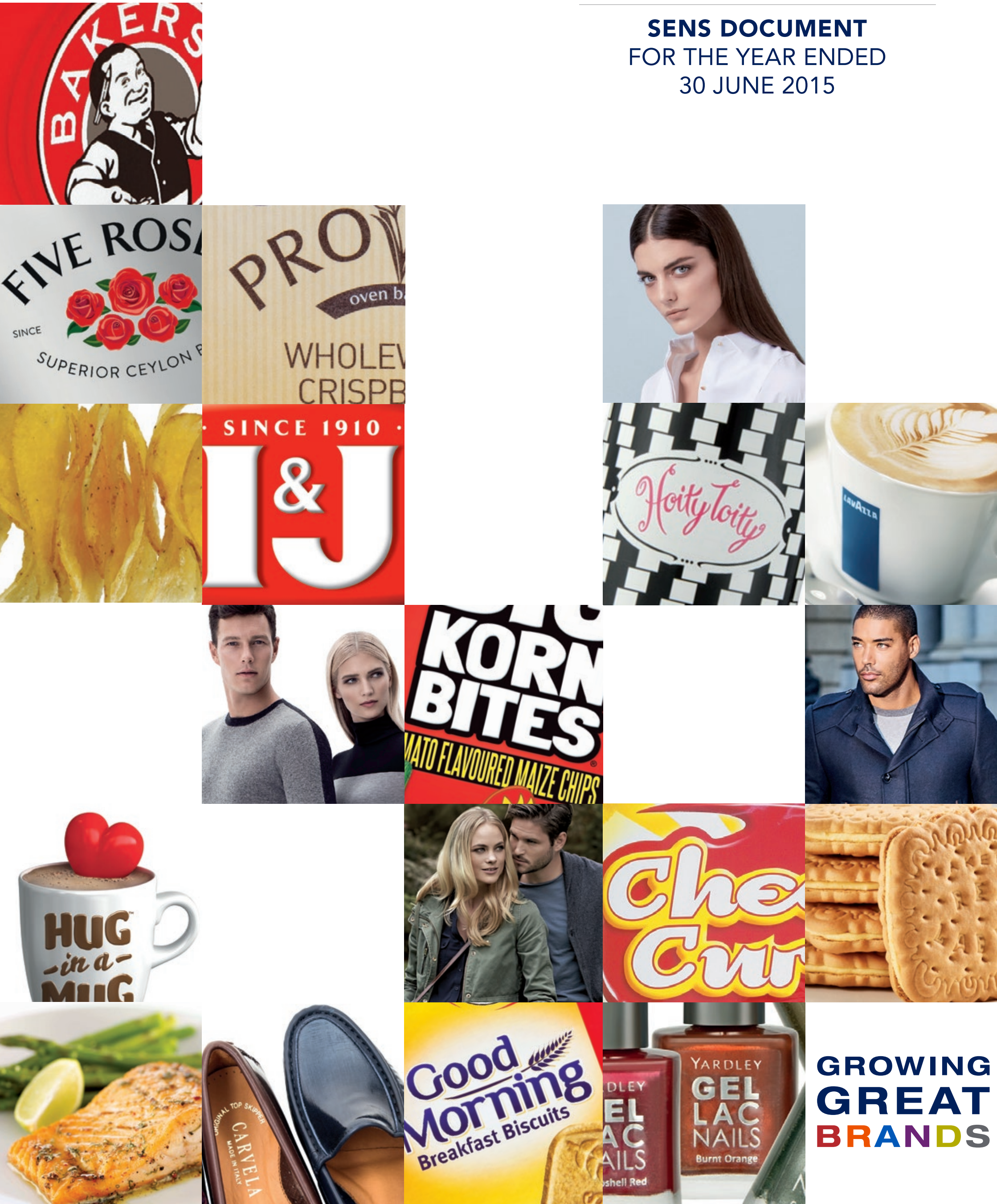
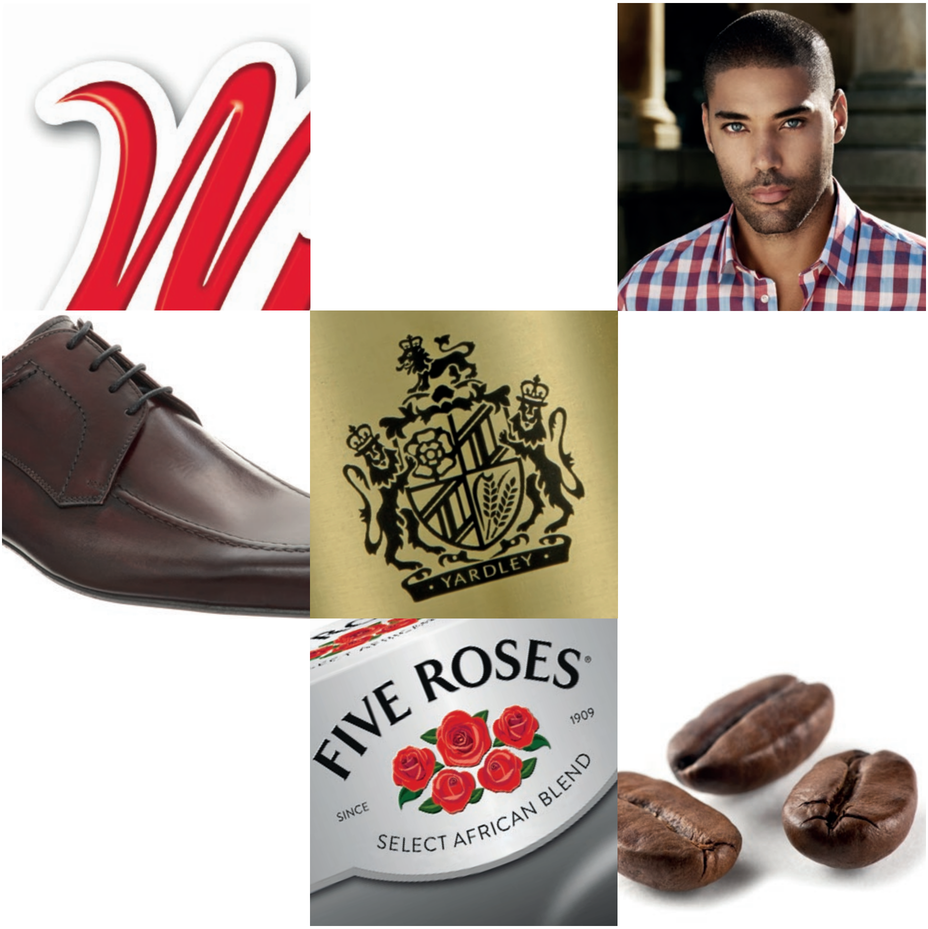
AVI

SENS DOCUMENT
FOR THE YEAR ENDED
30 JUNE 2015



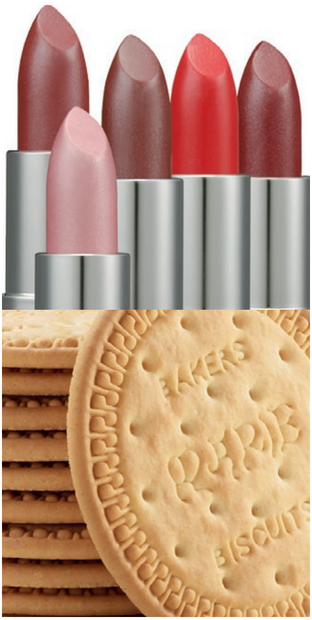
GROWING
GREAT
BRANDS



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



GROWING
GREAT
BRANDS

KEY FEATURES

- Strong brands underpin a sound performance in a challenging environment
- Revenue up 9,5% to R11,24 billion
- Operating profit up 11,9% to R1,92 billion
- Cash from operations up 13,9% to R2,40 billion
- Capital expenditure of R849 million on efficiency, capacity and retail initiatives
- Return on capital employed of 28,3%
- Headline earnings per share up 9,4% to 420 cents
- Final dividend of 200 cents per share, total normal dividend up 10,7% to 332 cents per share
- Special dividend of 200 cents per share paid in April

GROUP OVERVIEW

AVI's results for the 12 months ended 30 June 2015 reflect a sound overall performance in a period of increasing pressure on consumer spending and rising input costs, stemming largely from the weaker Rand.

Revenue increased by 9,5%, from R10,27 billion to R11,24 billion, with the Group realising higher selling prices in all categories following significant accumulated cost pressure as a result of the weakening of the Rand over the last few years. In addition, volume growth was achieved in many of our categories and I&J's export revenue benefited from the Rand weakness. Gross profit rose by 11,2% to R4,92 billion with the consolidated gross profit margin improving from 43,1% to 43,8%. Operating profit increased by 11,9% from R1,71 billion to R1,92 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 16,7% to 17,0%.

Entyce delivered a strong result for the year, 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 Biscuits and further improvements in profit margin. I&J benefited materially from the weaker Rand, supported by good processing efficiency, however, profit growth for the year was constrained by lower fishing catch rates in the second semester, which resulted in higher hake catch costs and constrained sales volumes. 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 11,2%, from R1,20 billion to R1,34 billion 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 9,4% from 383,6 cents to 419,7 cents with a 1,6% 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 1,3% higher than those 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 13,9% to R2,40 billion. Working capital rose R301,7 million, reflecting volume growth, strong trading at the end of the period and higher stock values from rising input costs. Capital expenditure of R848,9 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 R1,63 billion and taxation of R487,5 million. Net debt at the end of June 2015 was R1,20 billion compared to R349,0 million at the end of June 2014.

DIVIDEND

A final dividend of 200 cents per share has been declared, bringing the total normal dividend for the year to 332 cents per share, an increase of 10,7% on last year.

In line with AVI's ongoing commitment to return excess cash to shareholders, a special dividend of 200 cents per share was paid in April 2015, in addition to the normal dividend.

SEGMENTAL REVIEW

Year ended 30 June

	Segmental revenue			Segmental operating profit		
	2015 Rm	2014 Rm	% change	**2015 Rm**	2014 Rm	% change
Food & Beverage brands	**8 407,0**	7 598,4	10,6	**1 327,0**	1 161,5	14,2
Entyce Beverages	**3 041,2**	2 717,4	11,9	**545,2**	442,4	23,2
Snackworks	**3 405,3**	3 057,9	11,4	**533,4**	474,5	12,4
I&J	**1 960,5**	1 823,1	7,5	**248,4**	244,6	1,6
Fashion brands	**2 829,2**	2 659,3	6,4	**602,2**	560,1	7,5
Personal Care*	**1 033,0**	1 043,8	(1,0)	**198,0**	172,0	15,1
Footwear & Apparel	**1 796,2**	1 615,5	11,2	**404,2**	388,1	4,1
Corporate	**7,5**	9,7		**(12,3)**	(9,1)	
Group	**11 243,7**	10 267,4	9,5	**1 916,9**	1 712,5	11,9

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

Entyce Beverages

Revenue increased 11,9% to R3,04 billion while operating profit increased 23,2% to R545,2 million with the operating profit margin at 17,9% compared to 16,3% in the prior year.

Tea revenue increased 9,7% due to price increases necessary to offset rising rooibos tea input costs and the impact of the weaker Rand on other raw material costs. Coffee revenue was 7,6% up with price increases to ameliorate the impact of the weaker Rand on raw coffee bean prices. Creamer revenue benefited from higher selling prices and sales volumes, rising by 23,8%.

The 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 R3,41 billion was 11,4% higher than last year while operating profit rose 12,4%, from R474,5 million to R533,4 million. The operating profit margin increased from 15,5% to 15,7%.

Biscuits revenue grew 13,3% with higher selling prices and a 2,4% increase in sales volumes. Snacks revenue increased 5,2% with higher pricing in the category offset by a 2,1% decrease in sales volumes.

Gross profit margin improved due to higher selling prices and higher sales volumes. Increased marketing spend in the biscuit category to support new product innovation, resulted in a slight improvement in operating margins.

I&J

Revenue increased by 7,5% from R1,82 billion to R1,96 billion while operating profit increased from R244,6 million to R248,4 million. The operating profit margin decreased from 13,4% to 12,7%.

Revenue growth largely reflects the benefit of the weaker Rand on export sales and increases in selling prices, offset by lower sales volumes in the second half of the year. Fishing catch rates in the second half of the year were inconsistent and on average lower than in the first half and the prior year, particularly on the freezer vessels. This resulted in a material increase in the cost of catching fish, and also resulted in lower sales volumes for the financial year. As I&J's hake quota is allocated for calendar years, there is still an opportunity to catch, process and sell the uncaught portion of the 2015 quota allocation in the period from July to December 2015.

Processing activity was sound, although also impacted by inconsistent catch volumes. Movements in foreign exchange rates resulted in currency losses this year compared to gains in the prior year.

The higher fishing costs, lower sales volumes and foreign exchange losses offset most of the gain from the weaker Rand, resulting in a small growth in operating profit for the year.

Fashion brands (Personal Care, Footwear and Apparel)

Revenue rose by 6,4% to R2,83 billion while operating profit increased 7,5% to R602,2 million. The operating profit margin increased from 21,1% to 21,3%.

In the Personal Care category, Indigo's revenue from owned brands grew by 10,6% due to volume growth and price increases, although total revenue declined from November 2013 following the commencement of new trading terms with Coty. Selling and administrative expenses were well controlled and operating profit grew 15,1% from R172,0 million to R198,0 million. The operating profit margin increased from 16,5% to 19,2%, partly because of the revised Coty trading terms which resulted in lower revenue but achieved the same level of operating profit.

The Footwear and Apparel category increased revenue by 11,2% to R1,80 billion while operating profit increased by 4,1% from R388,1 million to R404,2 million. The operating profit margin decreased from 24,0% to 22,5%.

In the Spitz business revenue grew 13,1% 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, while price increases resulted in gross profit margins in line with last year, having normalised from the very high levels achieved when the Rand was relatively stable for a protracted period. Operating profit increased from R322,6 million to R355,7 million and the operating profit margin declined slightly from 25,9% to 25,2%.

In Green Cross revenue growth was inhibited by poor wholesale demand and the refurbishment of 13 of the retail stores during the year, growing just 2,9% to R336,0 million. Apart from the lost sales from refurbishments, retail stores performed well with consumers reacting favourably to the new store design. Gross profit margin in the second semester was higher than in the same period in the prior year, but for the full year was slightly down 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 R58,8 million to R45,0 million.

OUTLOOK

We expect the current constrained consumer demand environment to persist with the risk that category growth rates are likely to be muted, and in some cases declining volumes are a possibility. The weaker Rand will put additional pressure on input costs and selling prices will need to be adjusted to preserve gross margins, with the risk that the higher prices may further dampen demand.

Any significant further weakening of the Rand will be difficult to offset through price increases with the risk that gross profit margins may decline in the short term. I&J will introduce two additional vessels into its fishing fleet in the next few months, which will increase its catching capacity and the proportion of higher-margin products. However, if the lower catch rates experienced in the last few months persist for the remainder of the year, they will have a material impact on cost efficiency and sales volumes, and will also limit I&J's ability to benefit from the weaker Rand on its exports. Entyce and Snackworks have well established capabilities to defend market share and profit margins, and will 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 largely 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.

We have invested approximately R45 million over the last few years to install back-up power capabilities at most of our manufacturing sites and retail doors, with further mitigation in progress. Consequently the irregular power supply during the year 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. Changes to labour legislation have not had a material impact on results for the year ended 30 June 2015 as they became effective late in the year, but will be more material in the next year, putting further pressure on costs and profit margins. We continue to invest in improvements in manufacturing capability and procurement activity to ameliorate these pressures.

The level of net debt increased materially during the year to June 2015, and is likely to remain at this higher level during the forthcoming year. Together with upward pressure on inflation and interest rates, this will result in a significant increase in finance costs in the next financial year.

The Board is confident that AVI is well positioned to weather the 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
7 September 2015

Simon Crutchley
CEO

PRELIMINARY SUMMARISED GROUP BALANCE SHEET

	Audited at 30 June 2015 Rm	2014 Rm
Assets		
Non-current assets		
Property, plant and equipment	**2 839,0**	2 317,1
Intangible assets and goodwill	**1 146,6**	1 146,6
Investments	**357,4**	406,8
Deferred taxation	**30,8**	41,8
	4 373,8	3 912,3
Current assets		
Inventories and biological assets	**1 572,5**	1 382,7
Trade and other receivables including derivatives	**1 625,2**	1 509,1
Cash and cash equivalents	**462,5**	298,5
	3 660,2	3 190,3
Total assets	**8 034,0**	7 102,6
Equity and liabilities		
Capital and reserves		
Total equity	**3 940,5**	4 216,2
Non-current liabilities		
Operating lease straight-line liabilities	**12,0**	16,2
Employee benefits	**383,6**	348,5
Deferred taxation	**290,7**	269,8
	686,3	634,5
Current liabilities		
Current borrowings	**1 665,1**	647,5
Trade and other payables including derivatives	**1 731,3**	1 599,8
Current tax liability	**10,8**	4,6
	3 407,2	2 251,9
Total equity and liabilities	**8 034,0**	7 102,6

Net debt*	**1 202,6**	349,0
Return on capital employed (%)**	**28,3**	27,6

* *Comprises current borrowings less cash and cash equivalents.*

** *Operating profit before capital items and after taxation, as a percentage of average capital employed.*

PRELIMINARY SUMMARISED GROUP STATEMENT OF COMPREHENSIVE INCOME

	Audited year ended 30 June		
	2015 Rm	2014 Rm	% change
Revenue	**11 243,7**	10 267,4	9,5
Cost of sales	**6 320,3**	5 839,6	8,2
Gross profit	**4 923,4**	4 427,8	11,2
Selling and administrative expenses	**3 006,5**	2 715,3	10,7
Operating profit before capital items	**1 916,9**	1 712,5	11,9
Income from investments	**7,1**	7,6	(6,6)
Finance costs	**(65,3)**	(56,0)	16,6
Share of equity-accounted earnings of joint ventures	**9,5**	28,5	(66,7)
Capital items	**(8,7)**	138,0	(106,3)
Profit before taxation	**1 859,5**	1 830,6	1,6
Taxation	**527,2**	514,9	2,4
Profit for the year	**1 332,3**	1 315,7	1,3
Profit attributable to:			
Owners of AVI	**1 332,3**	1 315,7	1,3
	1 332,3	1 315,7	1,3
Other comprehensive income, net of tax	**(37,3)**	17,5	(313,1)
Items that are or may be subsequently reclassified to profit or loss			
Foreign currency translation differences	**(26,8)**	41,3	
Cash flow hedging reserve	**(0,4)**	(31,3)	
Taxation on items that are or may be subsequently reclassified to profit or loss	**0,1**	8,8	
Items that will never be reclassified to profit or loss			
Actuarial loss recognised	**(14,2)**	(1,8)	
Taxation on items that will never be reclassified to profit or loss	**4,0**	0,5	
Total comprehensive income for the year	**1 295,0**	1 333,2	(2,9)
Total comprehensive income attributable to:			
Owners of AVI	**1 295,0**	1 333,2	(2,9)
	1 295,0	1 333,2	(2,9)
Depreciation and amortisation of property, plant and equipment, fishing rights and trademarks included in operating profit	**311,0**	286,1	8,7
Earnings per share			
Basic earnings per share (cents)#	**417,7**	419,3	(0,4)
Diluted earnings per share (cents)##	**410,9**	409,3	0,4
Headline earnings per share (cents)#	**419,7**	383,6	9,4
Diluted headline earnings per share (cents)##	**412,9**	374,5	10,3

Basic earnings and headline earnings per share are calculated on a weighted average of 318 939 594 (30 June 2014: 313 804 047) ordinary shares in issue.

Diluted earnings and headline earnings per share are calculated on a weighted average of 324 200 493 (30 June 2014: 321 421 910) ordinary shares in issue.

PRELIMINARY SUMMARISED GROUP STATEMENT OF CASH FLOWS

	Audited year ended 30 June 2015 Rm	2014 Rm	% change
Operating activities			
Cash generated by operations before working capital changes	**2 395,3**	2 102,8	13,9
Increase in working capital	**(301,7)**	(101,1)	198,4
Cash generated by operations	**2 093,6**	2 001,7	4,6
Interest paid	**(65,3)**	(56,0)	16,6
Taxation paid	**(487,5)**	(465,1)	4,8
Net cash available from operating activities	**1 540,8**	1 480,6	4,1
Investing activities			
Interest received	**7,1**	7,6	(6,6)
Property, plant and equipment acquired	**(848,9)**	(531,9)	59,6
Additions to intangible assets	**(3,3)**	(4,0)	(17,5)
Proceeds from disposals of property, plant and equipment	**10,3**	13,8	(25,4)
Payment from Coty on revision of commercial relationship	**–**	150,0	(100,0)
Movement in joint ventures and other investments	**28,2**	27,1	4,1
Net cash used in investing activities	**(806,6)**	(337,4)	139,1
Financing activities			
Proceeds from shareholder funding	**44,8**	93,9	(52,3)
Short-term funding raised/(repaid)	**1 017,7**	(246,1)	(513,5)
Special dividend paid	**(638,8)**	–	
Ordinary dividends paid	**(995,9)**	(910,2)	9,4
Net cash used in financing activities	**(572,2)**	(1 062,4)	(46,1)
Increase in cash and cash equivalents	**162,0**	80,8	100,5
Cash and cash equivalents at beginning of year	**298,5**	212,4	40,5
	460,5	293,2	57,1
Translation of cash equivalents of foreign subsidiaries	**2,0**	5,3	(62,3)
Cash and cash equivalents at end of year	**462,5**	298,5	54,9

PRELIMINARY SUMMARISED GROUP STATEMENTS 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 2015							
Balance at 1 July 2014	29,5	(448,1)	347,5	4 287,3	4 216,2	–	4 216,2
Profit for the year				1 332,3	1 332,3	–	1 332,3
Other comprehensive income							
Foreign currency translation differences			(26,8)		(26,8)		(26,8)
Actuarial losses recognised, net of tax			(10,2)		(10,2)		(10,2)
Cash flow hedging reserve, net of tax			(0,3)		(0,3)		(0,3)
Total other comprehensive income	–	–	(37,3)	–	(37,3)	–	(37,3)
Total comprehensive income for the year	–	–	(37,3)	1 332,3	1 295,0	–	1 295,0
Transactions with owners, recorded directly in equity							
Share-based payments			12,3		12,3		12,3
Group share scheme recharge			8,0		8,0		8,0
Dividends paid				(1 634,7)	(1 634,7)		(1 634,7)
Issue of ordinary shares to AVI Share Trusts	49,7	(49,7)			–		–
Own ordinary shares sold by AVI Share Trusts		44,1		(0,4)	43,7		43,7
Total contributions by and distributions to owners	49,7	(5,6)	20,3	(1 635,1)	(1 570,7)	–	(1 570,7)
Balance at 30 June 2015	**79,2**	**(453,7)**	**330,5**	**3 984,5**	**3 940,5**	**–**	**3 940,5**
Year ended 30 June 2014							
Balance at 1 July 2013	29,5	(538,2)	309,0	3 877,3	3 677,6	–	3 677,6
Profit for the year				1 315,7	1 315,7	–	1 315,7
Other comprehensive income							
Foreign currency translation differences			41,3		41,3		41,3
Actuarial gains recognised, net of tax			(1,3)		(1,3)		(1,3)
Cash flow hedging reserve, net of tax			(22,5)		(22,5)		(22,5)
Total other comprehensive income	–	–	17,5	–	17,5	–	17,5
Total comprehensive income for the year	–	–	17,5	1 315,7	1 333,2	–	1 333,2
Transactions with owners, recorded directly in equity							
Share-based payments			13,0		13,0		13,0
Group share scheme recharge			8,0		8,0		8,0
Dividends paid				(910,2)	(910,2)		(910,2)
Own ordinary shares sold by AVI Share Trusts		90,1		4,5	94,6		94,6
Total contributions by and distributions to owners	–	90,1	21,0	(905,7)	(794,6)	–	(794,6)
Balance at 30 June 2014	**29,5**	**(448,1)**	**347,5**	**4 287,3**	**4 216,2**	**–**	**4 216,2**

SUPPLEMENTARY NOTES TO THE PRELIMINARY SUMMARISED GROUP FINANCIAL STATEMENTS

For the year ended 30 June 2015

AVI Limited ("AVI" or "the Company") is a South African registered company. The preliminary summarised Group financial statements of the Company 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 preliminary summarised Group financial statements have been prepared in accordance with the requirements of the JSE Limited Listings Requirements for preliminary reports, and the requirements of the Companies Act of South Africa applicable to summary financial statements. The Listings Requirements require preliminary reports to be prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards ("IFRS") and the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by the Financial Reporting Standards Council and to also, as a minimum, contain the information required by IAS 34 – *Interim Financial Reporting*.

2. Basis of preparation

The preliminary summarised 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 results are consistent with those presented in the financial statements for the year ended 30 June 2015 and have been applied consistently to the years presented in these preliminary summarised Group financial statements by all Group entities.

The Group has adopted the following new accounting standards, including any consequential amendments to other standards, with a date of initial application of 1 July 2014, in the preparation of these results:

- Amendments to IAS 32 – *Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities*
- Annual improvements to IFRSs: 2010 – 2012 and 2011 – 2013 (various standards)

The adoption of the above accounting standards had no impact on the Group's results. The remaining standards, amendments and interpretations, which became effective in the year ended 30 June 2015 were assessed for applicability to the Group and management concluded that they were not applicable to the business of the Group and consequently will have no impact.

3. Determination of headline earnings

	Audited year ended 30 June		
	2015 Rm	2014 Rm	% change
Profit for the year attributable to owners of AVI	**1 332,3**	1 315,7	1,3
Total capital items after taxation	**(6,4)**	111,9	
Net loss on disposal of property, plant and equipment	**(8,5)**	(5,1)	
Payment from Coty on revision of commercial relationship*	**–**	150,0	
Impairment of assets	**(0,2)**	(6,9)	
Taxation attributable to capital items	**2,3**	(26,1)	
Headline earnings	**1 338,7**	1 203,8	11,2
Headline earnings per ordinary share (cents)	**419,7**	383,6	9,4
Diluted headline earnings per ordinary share (cents)	**412,9**	374,5	10,3

	Number of shares	Number of shares	% change
Weighted average number of ordinary shares	**318 939 594**	313 804 047	1,6
Weighted average diluted number of ordinary shares	**324 200 493**	321 421 910	0,9

*Payment from Coty on revision of commercial relationship

Effective 31 October 2013, AVI Limited and Coty Inc. agreed to a revision of their 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 branded 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 30 June 2015 and 30 June 2014 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 relationship	150.0
Less: Capital gains taxation	(28.0)
Net capital profit	122.0

SUPPLEMENTARY NOTES TO THE PRELIMINARY SUMMARISED GROUP FINANCIAL STATEMENTS continued

4. Segmental results

	Audited year ended 30 June		
	2015 Rm	2014 Rm	% change
Segmental revenue			
Food & Beverage brands	**8 407,0**	7 598,4	10,6
Entyce Beverages	**3 041,2**	2 717,4	11,9
Snackworks	**3 405,3**	3 057,9	11,4
I&J	**1 960,5**	1 823,1	7,5
Fashion brands	**2 829,2**	2 659,3	6,4
Personal Care*	**1 033,0**	1 043,8	(1,0)
Footwear & Apparel	**1 796,2**	1 615,5	11,2
Corporate and consolidation	**7,5**	9,7	
Group	**11 243,7**	10 267,4	9,5
Segmental operating profit before capital items			
Food & Beverage brands	**1 327,0**	1 161,5	14,2
Entyce Beverages	**545,2**	442,4	23,2
Snackworks	**533,4**	474,5	12,4
I&J	**248,4**	244,6	1,6
Fashion brands	**602,2**	560,1	7,5
Personal Care	**198,0**	172,0	15,1
Footwear & Apparel	**404,2**	388,1	4,1
Corporate and consolidation	**(12,3)**	(9,1)	
Group	**1 916,9**	1 712,5	11,9

** Decrease due to revision of commercial relationship with Coty effective 31 October 2013 – see note 3.*

5. Commitments

	Audited year ended 30 June	
	2015 Rm	2014 Rm
Capital expenditure commitments for property, plant and equipment	**640,0**	562,1
Contracted for	**377,6**	436,9
Authorised but not contracted for	**262,4**	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. Fair value classification and measurement

The Group measures derivative foreign exchange contracts, fuel oil swaps and biological assets at fair value.

The fair value of foreign exchange contracts and fuel oil swaps is determined based on inputs as described in Level 2 of the fair value hierarchy being quotes from financial institutions. Similar contracts are traded in an active market and the quotes reflect the actual transactions on similar instruments. The carrying values of all other financial assets or liabilities approximate their fair values based on the nature or maturity period of the financial instrument.

Biological assets comprise abalone which is farmed by I&J. These assets are disclosed as Level 3 financial instruments with their fair value determined using a combination of the market comparison and cost technique as prescribed by IAS 41.

There were no transfers between Levels 1, 2 or 3 of the fair value hierarchy during the year ended 30 June 2015.

7. Post-balance sheet events

No events that meet the requirements of IAS 10 have occurred since the balance sheet date.

8. Dividend declaration and dividends

Dividend declaration

Notice is hereby given that a gross final dividend No 84 of 200 cents per share for the year ended 30 June 2015 has been declared payable to shareholders of ordinary shares. The dividend has been declared out of income reserves and will be subject to Dividend Withholding Tax at a rate of 15%. Consequently a net final 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 Services 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 346 700 741 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	Friday, 9 October 2015
First trading day ex dividend on the JSE	Monday, 12 October 2015
Record date	Friday, 16 October 2015
Payment date	Monday, 19 October 2015

In accordance with the requirements of Strate Limited, no share certificates may be dematerialised or rematerialised between Monday, 12 October 2015, and Friday, 16 October 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 Monday, 19 October 2015.

8. Dividend declaration and dividends continued

	Year ended 30 June		
	2015 Rm	2014 Rm	% change
Dividends paid and declared			
Interim dividend (cents)	**132**	120	10,0
Final dividend (cents)	**200**	180	11,1
Total normal dividend (cents)	**332**	300	10,7
Special dividend (cents)	**200**	–	
Total dividend (cents)	**532**	300	77,3
Dividend cover ratio*			
Interim dividend cover ratio	**1,88**	1,87	
Total dividend cover ratio	**1,25**	1,25	
Dividend yield**			
Closing share price (cents)	**8 155**	6 125	
Normal dividend yield (%)	**4,1**	4,9	
Total dividend yield (%)	**6,5**	4,9	

* *Diluted headline earnings per share divided by the ordinary dividends declared to shareholders of the Company in respect of the results for the period.*

** *Dividends declared to shareholders of the Company in respect of the results for the period divided by the closing share price at 30 June.*

9. Reports of the independent auditors

The unmodified audit reports of KPMG Inc., the independent auditors, on the annual financial statements and the preliminary summarised financial statements contained herein for the year ended 30 June 2015, dated 4 September 2015, are available for inspection at the registered office of the Company. The auditors' report does not necessarily report on all of the information contained in this announcement. Shareholders are therefore advised that in order to obtain a full understanding of the nature of the auditors' engagement, they should obtain a copy of the auditors' report together with the accompanying financial information from the issuer's registered office.

10. Preparer of financial statements

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

11. Annual report

The annual report for the year ended 30 June 2015 will be posted to shareholders on or about Tuesday, 6 October 2015. The financial statements will include the notice of the annual general meeting of shareholders to be convened on Thursday, 5 November 2015.

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 and 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 Tipper[1]
(Chairman)

James Hersov[2]

Adriaan Nühn[1, 4]

Mike Bosman[2]

Andisiwe Kawa[1]

Abe Thebyane[1]

Neo Dongwana[2, 3]

Barry Smith[3] (Resigned 30 October 2014)

Richard Inskip[3]

[1] Member of the Remuneration, Nomination and Appointments Committee

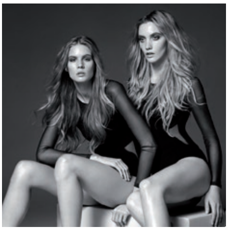
[2] Member of the Audit and Risk Committee

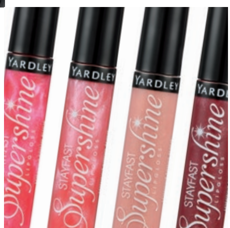
[3] Member of the Social and Ethics Committee

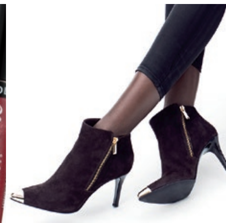
[4] Dutch

BASTION GRAPHICS

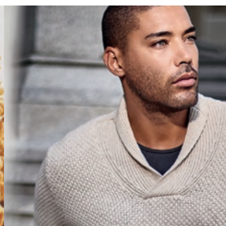
WWW.AVI.CO.ZA

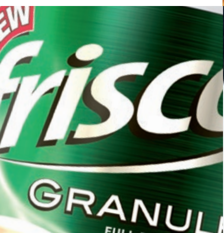


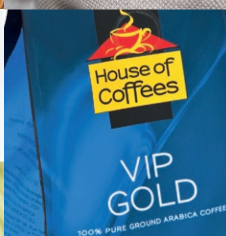

YARDLEY
STAYFAST
Supershine




BAKERS
BISCUITS






House of Coffees
VIP GOLD