

INNODIS LTD GROUP

CONDENSED UNAUDITED FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2014

CONDENSED STATEMENTS OF PROFIT OR LOSS

	CONSOLIDATED Half Year Ended 31 Dec 14 Unaudited Rs'000	CONSOLIDATED Half Year Ended 31 Dec 13 Unaudited Rs'000	CONSOLIDATED Year Ended 30 Jun 14 Audited Rs'000	SEPARATE Half Year Ended 31 Dec 14 Unaudited Rs'000	SEPARATE Half Year Ended 31 Dec 13 Unaudited Rs'000	SEPARATE Year Ended 30 Jun 14 Audited Rs'000
Revenue	2,283,094	2,275,835	4,193,470	1,523,755	1,490,247	2,847,293
Profit from operating activities	140,441	152,893	209,744	111,197	120,733	194,726
Net finance expense	(18,935)	(27,987)	(48,054)	(25,507)	(23,527)	(33,889)
Share of profit of equity accounted investees	5	170	2,294	-	-	-
Share of tax of equity accounted investees	-	(26)	-	-	-	-
Profit before income tax	108,851	125,050	163,984	85,690	97,206	160,837
Income tax expense	(22,520)	(24,779)	(28,422)	(14,567)	(16,526)	(12,743)
Profit for the period/year	86,331	100,271	135,562	71,123	80,680	148,094
Profit attributable to: Owners of the company	76,435	91,072	113,942	71,123	80,680	148,094
Non-controlling interests	9,896	9,199	21,620	-	-	-
	86,331	100,271	135,563	71,123	80,680	148,094
Number of shares	36,730,266	36,730,266	36,730,266			
Earnings per share (Rs)	2.08	2.48	3.10			

	CONSOLIDATED Quarter Ended 31 Dec 14 Unaudited Rs'000	CONSOLIDATED Quarter Ended 31 Dec 13 Unaudited Rs'000	SEPARATE Quarter Ended 31 Dec 14 Unaudited Rs'000	SEPARATE Quarter Ended 31 Dec 13 Unaudited Rs'000
	1,220,518	1,233,486	822,314	811,649
	84,665	81,882	71,528	72,722
	(18,933)	(17,012)	(15,271)	(16,397)
	5	85	-	-
	-	(13)	-	-
	65,737	64,942	56,257	56,325
	(13,367)	(14,239)	(9,564)	(9,576)
	52,370	50,703	46,693	46,749

CONDENSED STATEMENTS OF COMPREHENSIVE INCOME

	CONSOLIDATED Half Year Ended 31 Dec 14 Unaudited Rs'000	CONSOLIDATED Half Year Ended 31 Dec 13 Unaudited Rs'000	CONSOLIDATED Year Ended 30 Jun 14 Audited Rs'000	SEPARATE Half Year Ended 31 Dec 14 Unaudited Rs'000	SEPARATE Half Year Ended 31 Dec 13 Unaudited Rs'000	SEPARATE Year Ended 30 Jun 14 Audited Rs'000
Profit for the period/year	86,331	100,271	135,562	71,123	80,680	148,094
Other comprehensive income						
Items that will never be classified to profit or loss	-	-	-	-	-	-
Revaluation of property, plant and equipment	(1,238)	(918)	924	(730)	(410)	728
Deferred tax arising on revaluation reserve	-	-	(513)	-	-	(755)
Prior year adjustments following revisions (IAS 19)	(1,238)	(918)	411	(730)	(410)	(27)
Items that are or may be reclassified to profit or loss						
Foreign currency translation difference	12,711	745	4,392	-	-	-
Other comprehensive income for the period/year	11,473	(173)	4,803	(730)	(410)	(27)
Total comprehensive income for the period/year	97,804	100,098	140,365	70,393	80,270	148,067
Total comprehensive income for the period/year:						
Owners of the company	81,312	90,775	118,889	70,393	80,270	148,067
Non-controlling interests	16,492	9,323	21,476	-	-	-
	97,804	100,098	140,365	70,393	80,270	148,067

CONDENSED STATEMENTS OF CASH FLOWS

	CONSOLIDATED Half Year Ended 31 Dec 14 Unaudited Rs'000	CONSOLIDATED Half Year Ended 31 Dec 13 Unaudited Rs'000	CONSOLIDATED Year Ended 30 Jun 14 Audited Rs'000	SEPARATE Half Year Ended 31 Dec 14 Unaudited Rs'000	SEPARATE Half Year Ended 31 Dec 13 Unaudited Rs'000	SEPARATE Year Ended 30 Jun 14 Audited Rs'000
Net cash (used in)/from operating activities	(71,326)	25,450	(40,439)	(19,095)	(12,334)	(29,119)
Net cash (used in)/from investing activities	(60,535)	2,192	(173,567)	(9,604)	18,549	(71,501)
Net cash from financing activities	132,918	27,629	100,949	85,921	85,003	43,716
Net increase/(decrease) in cash and cash equivalents	1,057	55,271	(113,057)	57,222	91,218	(56,904)
Effects of exchange rate movements on cash and cash equivalents	(252)	(252)	-	-	-	-
Cash and cash equivalents at beginning of period/year	(361,775)	(248,718)	(248,718)	(388,704)	(331,801)	(331,800)
Cash and cash equivalents at end of period/year	(360,970)	(193,699)	(361,775)	(331,482)	(240,583)	(388,704)

CONDENSED STATEMENTS OF FINANCIAL POSITION

	CONSOLIDATED Half Year Ended 31 Dec 14 Unaudited Rs'000	CONSOLIDATED Half Year Ended 31 Dec 13 Unaudited Rs'000	CONSOLIDATED Year Ended 30 Jun 14 Audited Rs'000	SEPARATE Half Year Ended 31 Dec 14 Unaudited Rs'000	SEPARATE Half Year Ended 31 Dec 13 Unaudited Rs'000	SEPARATE Year Ended 30 Jun 14 Audited Rs'000
ASSETS						
Property, plant and equipment	1,730,759	1,676,886	1,745,952	861,699	859,462	869,001
Investment property	-	3,090	2,149	-	-	-
Biological assets	49,197	39,546	42,891	42,508	39,546	42,891
Intangible assets	6,463	5,669	6,600	-	-	-
Investments	7,566	5,716	8,075	279,551	279,594	279,551
Other non-current assets	14,201	16,727	13,995	188,507	143,380	158,116
	2,296,222	1,850,764	2,042,067	1,667,398	1,394,770	1,562,359
Current assets						
	2,296,222	1,850,764	2,042,067	1,667,398	1,394,770	1,562,359
Total assets	4,104,408	3,598,398	3,861,729	3,039,663	2,716,752	2,911,918
EQUITY AND LIABILITIES						
Shareholders' equity						
Owners' interest	1,798,419	1,870,686	1,748,328	1,574,733	1,576,049	1,535,561
Non-controlling interest	178,836	185,299	169,694	-	-	-
Total shareholders' equity	1,977,255	2,055,985	1,918,022	1,574,733	1,576,049	1,535,561
Non-current liabilities	462,483	175,597	338,612	357,483	122,430	232,926
Current liabilities	1,664,670	1,366,816	1,605,095	1,107,447	1,018,273	1,143,431
Total equity and liabilities	4,104,408	3,598,398	3,861,729	3,039,663	2,716,752	2,911,918

CONDENSED STATEMENTS OF CHANGES IN EQUITY

	Share capital Rs'000	Share premium Rs'000	Revaluation reserve Rs'000	Foreign exchange translation deficit Rs'000	Retained earnings Rs'000	Total Rs'000	Non Controlling Interest Rs'000	Total Shareholders' Equity Rs'000
CONSOLIDATED								
At 01 Jul 2013	367,303	5,308	527,897	(5,265)	837,409	1,732,652	175,033	1,907,685
Total comprehensive income for the year	-	-	-	-	113,942	113,942	21,620	135,562
Total other comprehensive income for the year	-	-	924	4,536	(513)	4,947	(144)	4,803
Wind up of subsidiary	-	-	-	-	(35,262)	(35,262)	-	(35,262)
Dividend	-	-	-	-	(67,951)	(67,951)	(26,815)	(94,766)
Revaluation reserve released	-	-	(6,779)	-	6,779	-	-	-
At 30 Jun 2014	367,303	5,308	522,042	(729)	854,404	1,748,328	169,694	1,918,022
Total comprehensive income for the period	-	-	(1,238)	6,115	76,435	81,312	16,492	97,804
Dividend	-	-	-	-	(31,221)	(31,221)	(7,350)	(38,571)
Revaluation reserve realised	-	-	(3,244)	-	3,244	-	-	-
At 31 Dec 2014	367,303	5,308	517,560	5,386	902,862	1,798,419	178,836	1,977,255
SEPARATE								
At 01 Jul 2013	367,303	5,308	340,774	-	742,060	1,455,445	-	1,455,445
Total comprehensive income for the year	-	-	-	-	148,067	148,067	-	148,067
Revaluation reserve realised	-	-	(5,472)	-	5,472	-	-	-
Dividend	-	-	-	-	(67,951)	(67,951)	-	(67,951)
Total other comprehensive income for the year	-	-	728	-	(728)	-	-	-
At 30 Jun 2014	367,303	5,308	336,030	-	826,920	1,535,561	-	1,535,561
Total comprehensive income for the period	-	-	-	-	70,393	70,393	-	70,393
Revaluation reserve realised	-	-	(2,736)	-	2,736	-	-	-
Dividend	-	-	-	-	(31,221)	(31,221)	-	(31,221)
At 31 Dec 2014	367,303	5,308	333,294	-	868,828	1,574,733	-	1,574,733

COMMENTS

For the half year to 31 December 2014, Group turnover was almost unchanged at Rs2.283 billion against Rs2.275 billion for the corresponding period in 2013. Earnings per share stood at Rs2.08 (2013: Rs2.48).

We had a good run in the second quarter ended 31 December 2014, with both Group and company profitability being fairly stable, in spite of the stretches of bad weather and the uncertain trading climate preceding the General Election. For the said quarter, Group profit after tax improved by 3.3% to Rs52.4 million against Rs50.7 million for corresponding period in 2013.

As expected, the performance of our poultry operation in Mozambique has improved as a result of better costs control and a more customer-oriented approach, coupled with an increase in prices of chicken in December 2014. Going forward, our increased focus on sales and marketing combined with our recent investments in new equipment should result in a further improvement in our performance.

Locally, the company has mitigated the effects of the appreciation of the USD on our prices of imported raw materials, through a more efficient management of our costs of production in both our poultry and dairy segments. We are also pleased to report that our dry and frozen packing sections are now HACCP certified, while our poultry operation has been awarded in December 2014 the ISO 14001 certification for its environmental management system.

By order of the Board

Box Office Ltd
 Corporate Secretary
 13th Feb 2015

Copies of this report are available free of charge at the registered office of the Company. The statement of direct and indirect interests of insiders pursuant to rule 8 (2)(m) of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007 is available free of charge, at the registered office of Innodis Ltd.

This report is pursuant to Listing Rule 12.20 and Securities Act 2005. The Board of Directors of Innodis Ltd accepts full responsibility for the accuracy of the information contained in this communiqué.