AUDITED SUMMARY CONSOLIDATED RESULTS AND DIVIDEND DECLARATION

30 September 2015



A leading Southern African integrated poultry producer

Astral Foods Limited • Incorporated in the Republic of South Africa Registration number 1978/003194/06 • Share code: ARL • ISIN: ZAE000029757



SUMMARY CONSOLIDATED STATEMENT OF FINANCIAL POSITION

SUMMARY CONSOLIDATED STATEMENT OF FINANCIAL POSITION			
	Audited 12 months ended 30 Sept 2015 R'000	Audited 12 months ended 30 Sept 2014 R'000	
ASSETS Non-current assets	2 233 413	2 241 407	
Property, plant and equipment Intangible assets Goodwill Investment in associates Investments Deferred tax asset	2 233 413 2 054 677 14 389 136 135 25 468 2 744	2 24 1 407 2 059 143 18 601 136 135 2 2 180 3 453 1 895	
Current assets	2 580 391	2 133 628	
Inventories Biological assets Trade and other receivables Current tax asset Cash and cash equivalents	702 340 667 540 882 310 9 052 319 149	452 594 644 590 893 024 12 889 130 531	
Total assets	4 813 804	4 375 035	
EQUITY Capital and reserves attributable to equity holders of the parent company Issued capital Treasury shares Reserves	2 360 866 72 357 (204 435) 2 492 944	1 929 672 67 875 (204 435) 2 066 232	
Non-controlling interests	10 714	15 168	
Total equity	2 371 580	1 944 840	
LIABILITIES Non-current liabilities Borrowings (note 7) Deferred tax liabilities	616 396 34 501 420 192	730 818 156 000 438 035	
Employment benefit obligations	161 703	136 783	
Current liabilities Trade and other liabilities Current tax liabilities Borrowings (note 7) Shareholders for dividend	1 825 828 1 480 309 2 290 341 482 1 747	1 699 377 1 527 007 22 409 148 287 1 674	
Total liabilities	2 442 224	2 430 195	
Total equity and liabilities	4 813 804	4 375 035	

SUMMARY CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Audited 12 months ended 30 Sept 2015 R'000	Audited 12 months ended 30 Sept 2014 R'000	Change %
Revenue	11 265 962	9 602 376	17
Profit before interest and tax (note 5) Finance income Finance costs Share of profit from associate	1 100 484 12 810 (22 988) 3 288	492 939 651 (25 929) 2 240	123
Profit before income tax Tax expense	1 093 594 (313 655)	469 901 (128 835)	133
Profit for the year Other comprehensive income Remeasurement of post-employment benefit obligations (net of deferred tax) Change in the value of available-for-sale financial assets Foreign currency loss on investment loans to foreign subsidiaries Foreian currency translation adjustments	779 939 791 (709) (2 905) (34 398)	341 066 4 281 1 367 (859) 1 113	129
Total comprehensive income for the year	742 718	346 968	114
Profit attributable to: Equity holders of the holding company Non-controlling interests	778 126 1 813 779 939	337 518 3 548 341 066	131 (49) 129
Comprehensive income attributable to: Equity holders of the holding company Non-controlling interests	741 612 1 106	343 128 3 840	116 (71)
	742 718	346 968	114
Earnings per share (cents) - basic - diluted	2 013 2 009	884 884	128 127

SUMMARY CONSOLIDATED SE	CMENITAL ANALVER	•	
SUMMARY CONSOLIDATED SE		Audited	
	12 months	12 months	
	ended	ended	
	30 Sept 2015	30 Sept 2014	Change
	R′000	R'000	%
Revenue			
Poultry	8 739 488	6 966 716	25
Feed	6 235 955	5 506 079	13
Other Africa	493 508	499 278	(1)
Inter-group	(4 202 989)	(3 369 697)	
Feed to poultry	(3 996 814)	(3 201 796)	
Other	(206 175)	(167 901)	
	11 265 962	9 602 376	17
Operating profit			
Poultry	661 002	104 400	533
Feed	422 885	353 728	20
Other Africa	16 597	34 811	(52)
	1 100 484	492 939	123
Capital expenditure			
Poultry	147 293	286 329	(49)
Feed	36 745	98 732	(63)
Other Africa	5 140	19 020	(73)
Corporate office	191	135	
	189 369	404 216	(53)
Depreciation, amortisation and impairment			
Poultry	113 823	105 211	8
Feed	28 980	17 847	62
Other Africa	10 288	11 080	(7)
Corporate office	232	354	
	153 323	134 492	14
Total assets			
Poultry	3 376 553	3 137 235	8
Feed	1 683 422	1 533 958	10
Other Africa	211 539	253 104	(16)
Corporate office	342 212	150 309	128
Set-off of intra-group balances	(799 922)	(699 571)	
	4 813 804	4 375 035	10
Total liabilities			
Poultry	1 882 581	1 630 061	15
Feed	821 385	1 048 002	(22)
Other Africa	96 880	94 917	2
Corporate office	441 300	356 786	24
Set-off of intra-group balances	(799 922)	(699 571)	24
	2 442 224	2 430 195	_
	2 442 224	2 430 190	

NOTES

1. Nature of business

Astral is a leading South African integrated poultry producer. Key activities consist of manufacturing of animal feeds, broiler genetics, production and sale of day-old chicks and hatching eggs, integrated breeder and broiler production operations, abattoirs and sale and distribution of various key poultry brands

2. Basis of preparation

The summary consolidated financial statements are prepared in accordance with the requirements of the JSE Limited Listings Requirements for preliminary reports, and the requirements of the Companies Act 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.

The financial statements have been prepared by the chief financial officer, DD Ferreira CA(SA), and were approved by the board on 11 November 2015

Accounting policies 3. The accounting policies applied in these summary consolidated financial statements comply with IFRS and are consistent with those applied in the preparation of the group's annual financial statements for the year ended 30 September 2014.

4. Independent audit by the auditors

These summary consolidated financial statements for the year ended 30 September 2015 have been audited by PricewaterhouseCoopers Inc., who expressed an unmodified opinion thereon. The auditor also expressed an unmodified opinion on the annual financial statements from which these summary consolidated financial statements were derived.

A copy of the auditor's report on the summary consolidated financial statements and of the auditor's report on the annual consolidated financial statements are available for inspection at the company's registered office, together with the financial statements identified in the respective auditor's reports.

The auditor's report does not necessarily report on all of the information contained in this announcement/financial results Shareholders are therefore advised that in order to obtain a full understanding of the nature of the auditor's engagement they should obtain a copy of the auditor's report together with the accompanying financial information from the issuer's

FINANCIAL OVERVIEW

The increase in headline earnings from R329,7 million for the previous year, to R779,6 million for the 2015 financial year, is mainly attributable to a material improvement in poultry's profits which was well supported by increased profits from the feed segment.

Revenue increased by 17,3% to R11 266 million, mainly driven by a 25,4% increase in poultry revenue. The group's operating profit increased by 123,2% to a record R1 100,5 million. The Poultry division's reported operating profit of R661,0 million, compared to the profit of R104,4 million for the previous year, is the main driver for the improvement in the group's operating profit. Profitability of the Feed division at R422,9 million represents an increase of 19,6% on the previous year's operating profit. The Africa division's operating profit at R16,6 million is down on the previous year's R34,8 million, impacted by the weakening in the functional currencies of those other African countries, resulting in difficult trading conditions.

Net finance cost at B10.2 million was lower than the previous year's B25.3 million. Cash flow for the year has been positive, allowing for an accelerated payment on the long-term loan incurred to finance the construction of the new Standerton feedmill.

Profit before tax at R1 093,6 million is 132,7% higher than the previous year's R469,9 million.

The cash generated from operating activities at R995,5 million represents a 41,4% increase on the previous year's R704,1 million, inspite of an outflow of R440,6 million for the increased level of working capital. Stock levels for both poultry products and feed stock were abnormally high at yearend compared to the previous reporting period. The payment terms of certain raw material creditors were also brought forward with one day to 30 September, in order to better align the cash outflow for payment of these trade payables with the cash inflow from trade receivables received on or before year-end reporting date. Capital expenditure at R202,8 million reflects normal ongoing expenditure, compared to the previous year which includes expenditure on specific major capital projects. The net movement in cash and cash equivalents was an inflow of R7,1 million for the year. The net debt equity ratio, including the funding of the new feed mill, at 2,4% is down from 8,9% as at 30 September 2014.

The board has declared a final dividend of 575 cents per share. The distribution is supported by the low debt to equity level and the underlying liquidity capabilities of the group.

OPERATIONAL OVERVIEW

Poultry division

Revenue for the division was up by 25,4% to R8 739 million (2014: R6 967 million) supported by higher broiler volumes which increased by 12,8%. This increase was primarily due to the contribution to sales as a result of the Quantum broiler volumes (550 000 birds per week) now incorporated into Astral's Western Cape broiler operation. Improved farm production efficiencies and increased bird placements, against cutbacks in the comparable reporting period, added further volumes during the period under review.

The average selling price of poultry increased by 11,9% for the period under review, tracking food price inflation over the past year and reflects an element of recovery in poultry selling prices that was eroded in prior years. Improved production costs as a result of feed prices decreasing by 2,5% over the comparable period, coupled with the abovementioned volume increase, resulted in the operating profit for the division increasing to R661 million (2014: R104 million). The operating profit margin improved to a more normalised 7,6% for the period under review (2014: 1,5%).

The improved average selling price includes a contribution from product mix with an increase in the fresh participation of 2% driven largely by the increase in these volumes in the Western Cape through the take-on of the Quantum volumes.

Notwithstanding the permanent EU anti-dumping duties imposed on Germany, Netherlands and the United Kingdom, poultry imports remained high during the period, with a record level of total poultry product imports equating to approximately 8,6 million birds per week for the month of July 2015. Imports from the EU have switched to other countries in that region, and notwithstanding the weak South African currency, the high level of imports is clear proof that classic dumping is still taking place.

Feed division

Revenue for the division increased by 13,3% to R6 236 million (2014: R5 506 million) as a result of higher sales volumes which increased by 12,4% year-on-year due to the contribution of volumes previously supplied by Afgri Kinross now manufactured in the new Standerton feed mill.

The Standerton feed mill produced on average 24 000 tons of poultry feed per month for the period under review (capacity utilisation of 60%), and together with operational efficiencies derived from the new plant contributed positively to the feed division.

The operating profit improved to R423 million (2014: R354 million) with an operating profit margin at 6,8% (2014: 6,4%). Rand per ton margins improved year-on-year, supported by the successful recovery of inflationary costs and margin improvement through cost benefits attributable to the new Standerton feed mill

Other Africa division

Revenue for the division decreased marginally by 1,2% to R494 million (2014: R499 million) impacted by lower feed and day-old chick volumes sold in Mozambique over the comparable period.

SUMMARY CONSOLIDATED STATEMENT OF CASH FLOWS			
	Audited 12 months ended 30 Sept 2015 R'000	Audited 12 months ended 30 Sept 2014 R'000	
Cash operating profit	1 436 184	671 225	
Changes in working capital	(440 638)	32 897	
Cash generated from operating activities	995 546	704 122	
Income tax paid	(344 325)	(100 232)	
Cash flows from operating activities	651 221	603 890	
Cash used in investing activities	(185 821)	(382 645)	
Capital expenditure	(202 819)	(394 982)	
Finance income	12 810	651	
Repayment of Ioan	-	3 262	
Proceeds on disposal of property, plant and equipment	4 188	8 424	
Cash flows from financing activities	(458 321)	(110 822)	
Net (decrease)/increase in borrowings	(119 889)	24 099	
Proceeds from shares issued	4 482	65 831	
Interest paid	(22 268)	(37 495)	
Dividends paid	(320 646)	(163 257)	
Net movement in cash and cash equivalents	7 079	110 423	
Effects of exchange rate changes	(12 885)	(4)	
Cash and cash equivalent balances at beginning of year	32 391	(78 028)	

32 391 Cash and cash equivalent balances at end of year (note 8) 26 585

SUMMARY CONSOLIDATED STATEMENT OF CHANGES IN EQUITY Audited 12 month 12 months ended 30 Sept 201 30 Sept 2014 R'000 R'000 Balance beginning of yea 1 944 840 1 694 820 Total comprehensive income for the period 742 718 346 968 Dividends to the company's shareholders (315 159) (160 615) ayments to non-controlling interest holders (5 560) (2 617) 4 482 Proceeds on shares issued 65 831 259 453 Option value of share options granted Balance at end of period 2 371 580 944 840

ADDITIONAL INFORMATION

	Audited 12 months ended 30 Sept 2015	Audited 12 months ended 30 Sept 2014	Change %
Headline earnings (R'000) – (note 6)	779 649	329 740	136
Headline earnings per share (cents)			
– basic	2 016	864	133
– diluted	2 013	864	133
Dividends per share (cents) – declared out of earnings			
for the year			
 Final dividend for the year 	575	240	140
 Total dividend for the year 	1 150	440	161
Number of ordinary shares			
 Issued net of treasury shares 	38 672 708	38 634 108	
- Weighted-average	38 663 740	38 171 021	
 Diluted weighted average 	38 734 021	38 176 737	
Net debt (borrowings less cash and cash equivalents) (R'000)	56 834	173 756	
Net debt to equity percentage	2,4	8,9	
Net asset value per share (Rand)	61,05	49,95	

		Audited 12 months ended 30 Sept 2015 R'000	Audited 12 months ended 30 Sept 2014 R'000
5.	Operating profit The following items have been accounted for in the operating profit: Directors' remuneration Biological assets – fair value gain Amortisation of intangible assets Depreciation on property, plant and equipment Profit on sale of property, plant and equipment Assets scrapped Foreign exchange (losses)/profits Reversal of impairment charge on property, plant and equipment Insurance recoveries	53 102 9 049 5 353 147 803 1 593 4 046 (10 327) - 2 991	30 555 2 725 9 848 124 797 5 225 8 585 1 109 153 15 977
6.	Reconciliation to headline earnings Net profit attributable to shareholders Profit on sale of property, plant and equipment (net of tax) Loss on assets scrapped (net of tax) Insurance recovery on damaged assets (net of tax) Reversal of impairment charge on property, plant and equipment (net of tax) Adjustment to prior year tax provision on sale of investment	778 126 (1 399) 2 922 – –	337 518 (3 981) 6 157 (6 441) (110) (3 403)
	Headline earnings for the period	779 649	329 740
7.	Borrowings Non-current Secured loans Unsecured loan Less: Portion payable within 12 months included in current liabilities	3 642 79 777 (48 918) 34 501	16 945 189 202 (50 147) 156 000
	Current Bank overdrafts Portion of non-current secured loans payable within 12 months	292 564 48 918 341 482	98 140 50 147
8.	Cash and cash equivalents per cash flow statement Bank overdrafts (included in current borrowings) Cash at bank and in hand	(292 564) 319 149	(98 140) 130 531
9.	Cash and cash equivalents per cash flow statement Capital commitments Capital expenditure approved not contracted Capital expenditure contracted not recognised in financial statements	26 585 43 497 23 415	32 391 12 956 43 521
10.	Related party transactions – with associate Sales Purchases Receivables Trade payables	7 543 227 846 3 521 23 218	7 874 206 357 6 395 25 508

Operating profit decreased to R17 million (2014: R35 million). For the period under review the profitability at both the Zambian and Mozambican feed operations was severely impacted by currency exchange movements increasing raw material input costs, and exposing the Zambian feed business to foreign exchange rate losses on USD-based creditor payments.

PROSPECTS

The slowing level of growth in the economy, higher unemployment levels and higher inflation rates, will continue to hamper an increase in the per capita consumption of poultry.

The strong El Niño effect and its impact on planting conditions will negatively impact crop yields leading to higher feed prices in the new reporting period.

There is a strong likelihood that brining regulations will be introduced in the foreseeable future, which could result in lower volumes for the industry, and higher selling prices for the consumer. These regulations if promulgated at the proposed levels by the Department of Agriculture, Forestry and Fisheries (DAFF), as well as the technical format of the regulations, will likely be challenged by the industry.

The annual quota for 65 000 tons of US poultry, free of anti-dumping duties negotiated around the renewal of the African Growth and Opportunity Act (AGOA) is likely to negatively impact local producers as high levels of poultry imports continue unabated.

Further consolidation in the industry could follow as a result of the above as the resilience of the poultry industry will be tested to the limit. Astral's best cost integrated strategy has strengthened over the past year on the back of selective investments which have contributed to higher poultry volumes, improved efficiencies and feeding costs into the future.

DECLARATION OF ORDINARY DIVIDEND No. 29

The board has approved a final dividend of 575 cents per ordinary share (gross) in respect of the year ended 30 September 2015

The dividend will be subject to Dividends Tax that was introduced with effect from 1 April 2012. In accordance with paragraphs 11.17(a)(i) to (x) and 11.17(c) of the JSE Listings Requirements the following information is disclosed:

- The dividend has been declared out of income reserves;
- The local Dividend Tax is 15% (fifteen per centum);
- The gross local dividend is 575 cents per ordinary share for shareholders exempt from the Dividend Tax;
- The net local dividend is 488,75 cents per ordinary share for shareholders liable to pay Dividend Tax;
- Astral Foods Limited has currently 42 761 285 ordinary shares in issue (which includes 4 088 577 treasury shares held by a subsidiary); and
- Astral Foods Limited's income tax reference number is 9125190711.

Shareholders are advised of the following dates in respect of the	interim dividend:	
---	-------------------	--

- Friday, 15 January 2016 Last date to trade *cum*-dividend
- Monday, 18 January 2016 Shares commence trading *ex*-dividend Friday, 22 January 2016
- Record date
- Payment of dividend

Share certificates may not be dematerialised or rematerialised between Monday, 18 January 2016 and Friday, 22 January 2016, both days inclusive.

On behalf of the board

T Eloff	
Chairman	

CE Schutte Chief Executive Officer

Pretoria 16 November 2015



Registered office 92 Koranna Avenue, Doringkloof, Centurion, 0157, South Africa, Postnet Suite 278, Private Bag X1028, Doringkloof, 0140, Telephone: +27 (0)12 667 5468 • Directors Dr T Eloff (Chairman), *CE Schutte (Chief Executive Officer), *GD Arnold, *T Delport, *DD Ferreira (Chief Financial Officer), IS Fourie, *Dr OM Lukhele, M Macdonald, TP Mature and Market Devices of Heldin Executive dimension contraction of the second o

www.astralfoods.com

Monday, 25 January 2016