

REVIEWED CONSOLIDATED INTERIM FINANCIAL RESULTS

FOR THE SIX MONTHS ENDED 31 AUGUST 2006

AFGRI LIMITED

(Incorporated in the Republic of South Africa) (Registration number 1995/004030/06)
ISIN number ZAE000040549 Share code AFR ("AFGRI" or "the Company")

This announcement is available on Sens and AFGRI's website at www.afgri.co.za



GROUP BALANCE SHEET

(All amounts in R millions)	Note	Six months ended	Six months ended	Year ended	
		31 August (reviewed) Actual	31 August (reviewed) Actual Restated 2005	28 February (audited) Actual Restated 2006	28 February (audited) Actual Restated 2005
ASSETS					
Non-current assets		1 596	1 293	1 256	1 096
Property, plant and equipment	2	984	766	710	683
Intangible assets	2	179	115	105	78
Investments in associates		8	7	9	20
Available-for-sale financial assets		4	63	3	96
Financial receivables		277	220	249	100
Deferred income tax assets		144	122	160	119
Current assets		4 885	5 185	4 800	5 304
Inventories		1 079	1 393	1 038	1 081
Trade and other receivables		978	578	681	932
Trade receivables financed by Land Bank	6/7	2 118	2 475	2 323	2 488
Derivative financial instruments		14	5	61	68
Current income tax assets		109	123	120	121
Cash and cash equivalents and cash collateral deposits		587	611	577	614
Cash collateral deposits		333	368	382	343
Cash and cash equivalents		254	243	195	271
Non-current assets classified as held-for-sale				87	
Total assets		6 481	6 478	6 143	6 400
EQUITY		1 198	1 118	1 174	1 044
Capital and reserves attributable to the equity holders					
Share capital		–	–	–	–
Treasury shares		(155)	(155)	(155)	(155)
Incentive trust shares		(114)	(83)	(122)	(59)
Share premium		–	30	73	–
Fair value and other reserves		29	(3)	8	(42)
Retained earnings		1 438	1 329	1 370	1 300
Minority interest		554	523	531	514
Total equity		1 752	1 641	1 705	1 558
LIABILITIES		323	216	233	131
Non-current liabilities					
Borrowings		128	118	115	14
Deferred income tax liabilities		181	73	100	94
Provisions for other liabilities and charges		14	25	18	23
Current liabilities		4 407	4 621	4 202	4 711
Trade and other payables		1 667	1 660	1 459	1 741
Derivative financial instruments		23	8	10	24
Current income tax liabilities		19	–	12	8
Short-term borrowings and bank overdrafts		524	573	493	425
Land Bank borrowings to finance trade receivables	6/7	1 773	2 380	2 228	2 513
Liabilities directly associated with non-current assets classified as held-for-sale				3	
Total liabilities		4 729	4 837	4 438	4 842
Total equity and liabilities		6 481	6 478	6 143	6 400
Net asset value per share attributable to equity holders (cents)		351	342	344	319

GROUP INCOME STATEMENT

(All amounts in R millions)	Note	Six months ended	Six months ended	Year ended	
		31 August (reviewed) Actual	31 August (reviewed) Actual Restated 2005	28 February (audited) Actual Restated 2006	28 February (audited) Actual Restated 2005
Continuing operations					
Sales of goods and services		2 572	2 282	5 093	5 127
Interest on trade receivables financed by Land Bank	3	125	115	231	189
Interest earned on other trade receivables		17	34	58	42
Total sales		2 714	2 431	5 382	5 358
Cost of sales		(2 003)	(1 799)	(3 982)	(3 938)
Gross profit		711	632	1 400	1 333
Other operating income		52	40	89	54
Other operating expenses		(448)	(420)	(989)	(1 004)
Operating profit		315	252	500	383
Share of losses of associates		(1)	(2)	(1)	2
Finance costs	3	(150)	(139)	(275)	(254)
Profit before income tax		164	111	224	131
Income tax expense		(15)	(16)	(22)	(83)
Profit for the period from continuing operations		149	95	202	49
Discontinued operations:					
Loss for the period from discontinued operations	4	(49)	(15)	(30)	113
Profit for the period		100	80	172	162
Profit for the period attributable to:					
Equity holders of the Company		68	59	129	149
Minority interest		32	21	43	13
Profit for the period		100	80	172	162
Weighted average number of shares in issue (m)		341,2	329,7	330,6	331,1
Earnings per share from continuing operations (cents)		31,5	21,2	45,0	12,2
Earnings per share from discontinued operations (cents)		(11,2)	(3,1)	(6,0)	32,9
Earnings per share from all operations (cents)		20,3	18,1	39,0	45,1
Headline earnings per share from continuing operations (cents)		20,4	17,2	41,0	22,5
Headline earnings per share from discontinued operations (cents)		(1,4)	(2,0)	(3,8)	24,4
Headline earnings per share from all operations (cents)	5	19,0	15,2	37,2	46,9

GROUP CASH FLOW STATEMENT

(All amounts in R millions)	Note	Six months ended	Six months ended	Year ended	
		31 August (reviewed) Actual	31 August (reviewed) Actual Restated 2005	28 February (audited) Actual Restated 2006	28 February (audited) Actual Restated 2005
Operating activities					
Net profit before tax		79	–	54	160
Changes in working capital		107	(205)	(171)	–
Other non-cash flow items		(12)	–	30	56
Tax paid		(10)	(29)	(26)	–
Net cash generated from/(utilised in) operating activities		164	(150)	(150)	19
Net cash utilised in investing activities		(1)	(33)	(33)	(217)
Net cash utilised in financing activities		(110)	(36)	(36)	29
Net increase/(decrease) in cash and cash equivalents		53	(219)	(156)	(169)
Cash and cash equivalents at beginning of year		(323)	(154)	(154)	(154)
Cash and cash equivalents at end of period		(270)	(373)	(310)	(323)
Cash collateral deposits		333	368	382	382
Cash and cash equivalents and cash collateral deposits		63	(5)	(28)	59

GROUP STATEMENT OF CHANGES IN EQUITY

(All amounts in R millions)	Share capital	Share premium	Fair value and other reserves	Retained earnings	Treasury shares	Incentive trust shares	Minority interest	Total
Balance 31 August 2005 (audited)	–	–	(43)	1 299	(155)	(59)	514	1 556
IFRS impact:								
– Adoption of the historical cost method and fair value valuation method for assets	–	–	(1)	12	–	–	–	11
– Share-based payments	–	–	2	(2)	–	–	–	–
– Operating leases	–	–	(1)	(8)	–	–	–	(1)
– Business combinations	–	–	–	(8)	–	–	–	(8)
Adjusted balance								
28 February 2005 (audited)	–	–	(42)	1 300	(155)	(59)	514	1 558
Net profit	–	–	–	59	–	–	–	80
Currency translation differences	–	–	–	39	–	–	–	39
Issue of shares to share incentive trust	–	–	–	–	–	(30)	–	–
Dividends paid	–	–	–	(30)	–	–	–	(30)
Disposal of incentive shares	–	–	–	–	–	6	–	6
Minority movement	–	–	–	–	–	–	(12)	(12)
Balance 31 August 2005 (reviewed)	–	–	–	1 329	(155)	(83)	523	1 641
Net profit	–	–	–	70	–	–	–	92
Minority movement	–	–	–	–	–	–	(14)	(14)
Currency translation differences	–	–	–	4	–	–	–	4
Fair valuing of cash flow hedges	–	–	–	1	–	–	–	1
Share-based payments	–	–	–	6	–	–	–	6
Dividends paid	–	–	–	(29)	–	–	–	(29)
Disposal of incentive shares	–	–	–	–	–	–	4	4
Issue of shares to share incentive trust	–	–	–	–	–	(43)	–	–
Balance 28 February 2006 (audited)	–	–	–	1 370	(155)	(122)	531	1 705
Net profit	–	–	–	68	–	–	–	100
Minority movement	–	–	–	–	–	–	(9)	(9)
Currency translation differences	–	–	–	17	–	–	–	17
Fair valuing of cash flow hedges	–	–	–	1	–	–	–	1
Dividends paid	–	–	–	(73)	–	–	–	(73)
Share-based payments	–	–	–	3	–	–	–	3
Disposal of incentive shares	–	–	–	–	–	–	8	8
Balance 31 August 2006 (reviewed)	–	–	–	1 438	(155)	(114)	554	1 752
Retained earnings comprises:								
– Distributable reserves				1 250				1 250
– Self insurance reserve				188				188

BUSINESS SEGMENT RESULTS

31 August 2006 (All amounts in R millions)	Sales	Headline operating profit before interest and dividends		Net interest and dividends		Headline operating profit after interest and dividends		Assets	Liabilities
		28 February (audited) Actual Restated 2006	28 February (audited) Actual Restated 2005	28 February (audited) Actual Restated 2006	28 February (audited) Actual Restated 2005	28 February (audited) Actual Restated 2006	28 February (audited) Actual Restated 2005		
AFGRI Services	1 889	75	(18)	57	4 605	3 436			
Producer Services									
Primary Inputs	299	(15)	(4)	(19)	284	150			
Retail	1 187	2	(5)	(3)	939	503			
Financial Services	279	30	(8)	22	3 051	2 733			
Logistics Services	124	58	(1)	57	331	50			
AFGRI Products	822	59	(6)	53	983	482			
Foods	182	12	(1)	11	251	80			
Protein	640	47	(5)	42	732	402			
Other	3	–	–	–	467	594			
Continuing operations	2 714	134	(24)	110	6 055	4 512			
Discontinued operations	61	(6)	(3)	(9)	426	217			
Consolidated	2 775	128	(27)	101	6 489	4 729			
					Capital expenditure	Depreciation	Amortisation		
AFGRI Services					40	19	4		
Producer Services									
Primary Inputs					7	–	1		
Retail					25	13	2		
Financial Services					8	1	1		
Logistics Services					–	5	–		
AFGRI Products					16	9	2		
Foods					3	2	–		
Protein					13	7	2		
Other					1	2	2		
Continuing operations					57	30	8		
Discontinued operations					3	1	–		
Consolidated					60	31	8		

31 August 2005 (All amounts in R millions)	Sales	Headline operating profit before interest and dividends		Net interest and dividends		Headline operating profit after interest and dividends		Assets	Liabilities
		28 February (audited) Actual Restated 2006	28 February (audited) Actual Restated 2005	28 February (audited) Actual Restated 2006	28 February (audited) Actual Restated 2005	28 February (audited) Actual Restated 2006	28 February (audited) Actual Restated 2005		
AFGRI Services	1 672	72	(20)	52	4 721	3 461			
Producer Services									
Primary Inputs	289	(27)	(4)	(31)	291				