TIGER BRANDS LIMITED

Tiger Brands Limited
(Registration number 1944/017881/06)
(Incorporated in the Republic of South Africa)
Share code: TBS   ISIN: ZAE000071080
("Tiger Brands" or the "Company")

Group results and dividend declaration for the six months ended 31 March 2009

Turnover from continuing operations +24%
Operating income before abnormal items from continuing operations +29%
Headline earnings per share from continuing operations +8%
Domestic foods
Operating income before abnormal items +30%
Consumer healthcare
Operating income before abnormal items +3%
Exports and International
Operating income before abnormal items +70%
Fishing including Sea Harvest
Operating income before abnormal items +48%

Introduction

These abridged results have been prepared in accordance with International Financial Reporting Standards, IAS 34 – Interim Financial Reporting – and the Listing Requirements of the JSE Limited.

The unbundling and separate listing of the Company's Healthcare interests in August 2008, coupled with the planned disposal of the Company's interest in Sea Harvest this year, has given rise for the need to distinguish between earnings from continuing operations, which exclude the Healthcare and Sea Harvest results, and total Group earnings which include the Healthcare results for the comparative period ended 31 March 2008, as well as the results of Sea Harvest in both the comparative and current reporting periods.

In terms of International Financial Reporting Standards – IFRS 5, the prior period results of the Healthcare operations for the six months ended 31 March 2008 and 11 months ended 29 August 2008, have been reflected as a discontinued operation in the Group income statement. In addition, the current period and prior period discontinued operations also include the profit attributable to the Company's interest in Sea Harvest.

Earnings from continuing operations

Tiger Brands achieved headline earnings per share (HEPS) from continuing operations of 607,1 cents for the six months ended 31 March 2009, representing an 8% increase on that achieved in the six months ended 31 March 2008. Earnings per share (EPS) from continuing operations increased by 24% to 610,7 cents per share. The higher percentage improvement in EPS compared to HEPS is primarily due to the inclusion in March 2008 of an abnormal charge of R112,3 million, which related to the impairment of the carrying value of the goodwill associated with the Beverages business. Costs of R32,6 million were also incurred in the current period relating to the unsuccessful attempt by Tiger Brands to acquire the entire issued share capital of AVI Limited. Excluding these costs, HEPS and EPS from continuing operations would have increased by 12% and 28% respectively.

Total Group earnings

Total Group headline earnings per share decreased by 17% to 627,3 cents compared to the same period last year, whilst total Group earnings per share decreased by 9% to 631,2 cents. Total Group headline earnings of R984,0 million and Group profit attributable to ordinary shareholders of R990,1 million for the six months ended 31 March 2009, are not directly comparable with the 2008 results as the prior year includes the results of the unbundled Healthcare interests.

The costs in respect of the approach to AVI Limited referred to above, adversely affected the rate of decline in total Group HEPS and total Group EPS by approximately 2,7% and 3,0% respectively.

Overview of results

With reference to the introductory section, the commentary below relates only to the Company's FMCG businesses, being its continuing operations.

The trading environment for the period under review was characterised by significant raw material cost increases, high interest rates and a weakening Rand exchange rate. As a result of these and other factors, consumers have altered their buying patterns which have had a negative impact on volumes in many categories in which the Company operates.

Notwithstanding the above, turnover from continuing operations for the six months ended 31 March 2009 increased by 24% compared with the same period last year. The turnover increase was particularly pronounced in the Grains division, reflecting the substantial increases in raw material commodity costs which had been partially absorbed in the comparative period.

The total operating margin from continuing operations of 14,4% (2008: 13,8%) reflected a recovery from the previous period in which certain raw material cost increases were partially absorbed by the Group. The Milling and Baking, Groceries, Snacks & Treats, Beverages, Exports and Fishing businesses all contributed to the operating margin improvement while Other Grains, Value Added Meat Products, Out of Home and Consumer Healthcare continued to experience pressure on margins. Overall the Group delivered a pleasing growth in operating income of 29% (2008: 15%) allowing it to adequately cover the increased cost of funding the higher working capital requirements.

Abnormal items reflected a net charge of R50,6 million compared to a net charge of R111,0 million in 2008. The prior year primarily comprised the goodwill impairment of R112,3 million relating to the Company's Beverages business. The current year composition of abnormal items largely reflects the cost of R32,6 million associated with the unsuccessful attempt to acquire AVI Limited, as well as a provision for closure costs relating to the loss-making pre-prepared meals business known as Hot Favourites.

Net financing costs from continuing operations of R163,9 million (2008: R35,4 million) rose sharply over the prior period, reflecting the increased level of gearing of the FMCG business as a consequence of the unbundling of Adcock Ingram on 29 August 2008, as well as the impact of the high working capital demands over the six-month period.

Group net debt from continuing operations, excluding both Sea Harvest and Oceana, rose from R1 601 million at 30 September 2008 to R2 104 million at 31 March 2009. Net interest cover from continuing operations remains at a sound level of 9,9 times.

Earnings from associates for the half year reflect the improved contribution from Chilean-based Empresas Carozzi. The improved contribution primarily comprises a capital profit of R16,8 million

arising on the part sale of a subsidiary and the benefits of a stronger Chilean Peso.
The average tax rate, before abnormal items, increased to 32,6% (2008: 28,3%). This was primarily due to a reduced STC charge in 2008 as a result of a portion of the 2007 final dividend being distributed as a payment of capital out of share premium in January 2008.
The increased share of income attributable to minorities is due to the improved levels of profitability in the Deciduous Fruit business as well as the minorities' share of current year income attributable to the two African acquisitions, Haco and Chococam, which were concluded during the second half of 2008.
Review of operations
Strong performances compared to the first six months of the prior year were experienced in most FMCG categories despite underlying consumer demand having weakened. The prior year trend of increasing cost push inflation, which accelerated in the second half of 2008 across all categories, continued into the current reporting period.
DOMESTIC FOOD increased turnover and operating income by 23% and 30% respectively.
The Grains segment recorded a strong improvement in operating income of 35%. Maize benefited from consumers downtrading out of the rice category into more affordable staple products, resulting in an increase in demand for the Ace brand. Golden Cloud flour and Albany bread volumes declined relative to the prior period. These brands had recorded significant volume growth in the prior period as the Group's flour prices had lagged the extraordinary high increases in wheat costs in the first half of 2008. The Board recently approved a capital project to increase the capacity of the Pietermaritzburg bakery at a total cost of approximately R200 million. The new bakery, which incorporates state-of-the-art technology, is expected to be commissioned in July 2010.
The price-sensitivity of lower LSM (Living Standards Measurement) consumers to increases in sorghum prices continues to place pressure on the King Korn brand. Other Grains reflected good growth in operating income mainly due to the contribution from the Breakfast category comprising the Jungle Oats and Ace Instant brands. As mentioned above, demand for rice declined due to consumers switching to other carbohydrates as a result of extraordinary selling price increases resulting from high global rice prices and a depreciating Rand.
The Groceries business achieved a 31% growth in operating income off a 25% increase in turnover. Strong volume growth was recorded by the KOO and Fatti's & Moni's brands while the All Gold and Black Cat brands reflected more modest volume growth. Supply of All Gold tomato sauce was adversely affected by the delayed commissioning of a new tomato sauce plant.
Snacks & Treats achieved a growth of 10% in operating income off a modest turnover increase of 8%. Turnover was impacted by a decline in chocolate sales in what is a discretionary consumer spend category. The performance of the Beverages category reflected a marked improvement off a low base. Operating income increased by R43,9 million to R66,4 million due to better supply chain efficiencies, the discontinuation of unprofitable product lines and improved summer weather conditions relative to the prior year.
Trading conditions have remained difficult in the Value Added Meat Products category where volumes have declined as consumers trade down to more affordable meat offerings. Reduced consumer spending in the Out of Home market negatively impacted this business,

particularly in the loss-making prepared meals segment which the Company has planned to exit.

The performance of Consumer Healthcare was disappointing with operating income reflecting an increase of only 3% on a 10% growth in turnover. Despite having to absorb certain cost increases in raw materials, Personal Care achieved a 13% improvement in operating income. This was achieved on a turnover increase of 18% in a category where pressure on consumer discretionary spend is particularly noticeable. Babycare and particularly Homecare results were disappointing. Growth in Baby Nutrition slowed as the category began to feel the impact of the tighter economic conditions, while growth in the Elizabeth Anne's brand was offset by increased costs in the Baby Medicinal product range. Homecare performance was negatively impacted by a poor pest season resulting in a decline in operating income of 11% off a 4% increase in turnover.

EXPORTS AND INTERNATIONAL achieved a significant improvement on the prior year, with operating income increasing by R64,4 million to R155,9 million. Langeberg & Ashton Foods (67% held), the Group's Deciduous Fruit business, benefited from a weaker Rand, while the Tiger Brands International division's enhanced distribution capability contributed to increased sales, particularly in Zambia, Zimbabwe and Malawi. Also contributing to the improved performance were the Company's two recent acquisitions, Haco Industries (Kenya) Limited (51% held), a leading branded personal care and consumer products company, and Chocolaterie Confiserie Camerounaise (Chococam)
(74,7% held), a branded confectionery business based in the Cameroon. The two companies performed in line with expectations for the period to 31 March 2009. These two acquisitions provide strategic in-country presence in the East and Central African regions from which Tiger Brands will continue to expand its horizons in efforts to grow a branded business on the rest of the African continent.

Fishing

The Company's fishing interests comprise Sea Harvest (74% held) and Oceana Group Limited (45% held).

Despite lower catches in Sea Harvest, sales realisations and profitability improved on the prior period driven by better product mix, a weaker Rand exchange rate and lower fuel costs. Proportionately consolidated Oceana, which is separately listed on the JSE Limited, reported a 59% increase in headline earnings per share for the six months ended 31 March 2009. Oceana's results were separately published on 7 May 2009.

Other corporate activities

Disposal of Sea Harvest

On 29 October 2008, Tiger Brands shareholders were advised that a consortium led by Brimstone Investment Corporation Limited, which includes key members of Sea Harvest management, submitted an offer to purchase the entire shareholding of Sea Harvest held by Tiger Brands. The offer was accepted by Tiger Brands and is subject to certain conditions precedent, including the approval by Brimstone shareholders, as set out in the announcement made by Tiger Brands on 13 May 2009. The purchase consideration for the transaction is R541 million, to be settled in cash, which amount will escalate at a pre-determined rate from 1 October 2008 until payment is made upon fulfilment of all outstanding conditions precedent. PriceWaterhouseCoopers has confirmed that the terms and conditions in respect of the proposed transaction are fair as far as the ordinary shareholders of Tiger Brands are concerned. Unconditional

approval for the proposed transaction was given by the Competition Tribunal on 25 March 2009.
It is anticipated that the remaining conditions precedent will be met by close of business on 1 June 2009.

Oceana

As a result of the Company amending an agreement with Brimstone Investment Corporation Limited, the Company will cease to proportionately consolidate Oceana with effect from the end of March 2009. Accordingly, although Oceana's results for the six months ended 31 March 2009 have still been proportionately consolidated in the Group's income statement, the share of Oceana's individual assets and liabilities has been derecognised in the Group balance sheet as at 31 March 2009 and has been accounted for as an investment in an associate.

Empowerment

At the end of 2008, shareholders were advised of the commitment by the Company to increase its empowerment shareholding by a further 10%. Good progress has been made in this regard and it is anticipated that the proposed transaction will, subject to shareholder approval, be implemented prior to the end of the current financial year that ends on 30 September 2009.
Shareholders will in due course be provided with the full details of the transaction and its implications.

Board of directors

The Company is pleased to announce the appointment of the Chief Financial Officer, Mr Michael Fleming, as an executive director of the Company.

Interim dividend

The directors have declared an interim dividend of 245 cents per share, which is in line with the 2008 interim dividend. The directors have decided to maintain the interim dividend at last year's level notwithstanding the fact that the 2008 dividend was based on the Group's earnings including the unbundled Adcock Ingram.
The interim dividend for 2009 also takes cognisance of the Company's previously stated intention to correct, over time, the historical imbalance between the interim and final dividend relative to headline earnings per share.
Following the unbundling of Adcock Ingram and consistent with past practice, it is intended that the Company will continue to maintain an annual dividend cover ratio of 2 times.

Outlook

Although interest rates are expected to decline further, Tiger Brands is likely to continue to experience difficult trading conditions for the remainder of the year, caused by ongoing pressure on consumer spending. In addition, the recent strengthening of the Rand will have an adverse impact on the Group's export earnings. Notwithstanding these factors, headline earnings per share is expected to show modest growth in real terms for the full year. This forecast financial information has not been reviewed and reported on by the Company's auditors.

For and on behalf of the Board

Lex van Vught	Peter Matlare	
Chairman	Chief Executive Officer	18 May 2009

Declaration of Ordinary Dividend No 129

Notice is hereby given that an interim dividend of 245 cents per ordinary share has been declared in respect of the half-year ended 31 March 2009.

In compliance with the requirements of Strate, the electronic settlement and custody system used by the JSE Limited, the company has determined the following salient dates for the payment of the dividend:

Last day to trade cum-dividend	Friday, 26 June 2009
Shares commence trading ex-dividend	Monday, 29 June 2009
Record date	Friday, 3 July 2009
Payment of dividend	Monday, 6 July 2009

Shareholders will not be permitted to dematerialise/rematerialise their shares between Monday, 29 June 2009 and Friday, 3 July 2009, both days inclusive.

By order of the Board

I W M Isdale — Sandton
Secretary — 18 May 2009

Directors

Non-executive directors: L C van Vught (Chairman), B L Sibiya (Deputy Chairman), S L Botha, R M W Dunne (British), U P T Johnson, K D K Mokhele, A C Parker, P M Roux

Executive directors: P B Matlare (Chief Executive Officer), N G Brimacombe, M Fleming, B N Njobe, C F H Vaux

Company secretary: I W M Isdale

Registered office: 3010 William Nicol Drive, Bryanston, Sandton, 2021

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Share registrars: Computershare Investor Services (Pty) Limited
70 Marshall Street, Johannesburg, 2001
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Telephone: (011) 370 5000

Income statements

	Notes	Unaudited Six months ended 31 March 2009 Rm	Change %	2008 Rm	Audited Year ended 30 Sept 2008 Rm
Continuing operations					
Revenue	1	11 276,3	24	9 073,2	19 169,7
Turnover	1	11 154,0	24	8 984,9	18 954,0
Operating income before abnormal items	2	1 601,8	29	1 238,9	2 522,6
Abnormal items	3	(50,6)	54	(111,0)	4,3
Operating income after abnormal items		1 551,2	38	1 127,9	2 526,9
Interest paid		(273,3)	136	(115,9)	(289,7)
Interest received		109,4	36	80,5	206,6
Dividend income		12,9	65	7,8	9,1
Income from associates	4	57,8	61	35,9	72,0
Profit before taxation		1 458,0	28	1 136,2	2 524,9

Taxation		(470,3)	38	(341,4)	(791,6)
Profit for the period from continuing operations		987,7	24	794,8	1 733,3
Discontinued operations	5				
Profit after tax for the period – Sea Harvest		43,1		43,1	101,0
Profit after tax for the period – Healthcare business		—	(100)	281,7	510,6
PROFIT FOR THE PERIOD		1 030,8	(8)	1 119,6	2 344,9
Attributable to:					
Ordinary shareholders		990,1	(9)	1 090,7	2 273,7
Minorities		40,7	41	28,9	71,2
		1 030,8	(8)	1 119,6	2 344,9
Headline earnings per ordinary share (cents)		627,3	(17)	756,6	1 524,1
Diluted headline earnings per ordinary share (cents)		624,5	(16)	739,5	1 517,0
Basic earnings per ordinary share (cents)		631,2	(9)	690,8	1 440,0
Diluted basic earnings per ordinary share (cents)		628,4	(7)	675,2	1 433,3
Dividends per ordinary share (cents)		245,0		245,0	786,0
Interim dividend declared		245,0		245,0	245,0
Final dividend declared		—		—	541,0
Headline earnings per ordinary share (cents) for continuing operations		607,1	8	562,7	1 149,5
Diluted headline earnings per ordinary share (cents) for continuing operations		604,5	10	550,0	1 144,1
Basic earnings per ordinary share (cents) for continuing operations		610,7	24	494,2	1 074,1
Diluted basic earnings per ordinary share (cents) for continuing operations		608,0	26	483,0	1 069,0
Headline earnings per ordinary share (cents) for discontinued operations		20,1	(90)	193,9	374,7
Diluted headline earnings per ordinary share (cents) for discontinued operations		20,1	(89)	189,5	372,9
Basic earnings per ordinary share (cents) for discontinued operations		20,5	(90)	196,7	366,0
Diluted basic					

earnings per ordinary share (cents) for discontinued operations	20,4	(89)	192,2	364,2

Balance sheets

	Unaudited as at 31 March 2009 Rm	2008 Rm	Audited as at 30 Sept 2008 Rm
ASSETS			
Non-current assets	5 482,0	4 551,7	5 651,0
Property, plant and equipment	2 045,4	2 023,0	2 369,2
Goodwill and other intangibles	1 652,5	1 655,5	1 713,9
Investments	1 710,8	757,3	1 478,7
Deferred taxation asset	73,3	115,9	89,2
Current assets	6 420,1	6 426,2	7 025,9
Inventories	3 455,9	2 906,7	3 364,7
Trade and other receivables	2 755,1	3 104,3	3 102,5
Taxation receivable	70,2	—	—
Cash and cash equivalents	138,9	415,2	558,7
Assets classified as held for sale	898,6	1 879,3	—
TOTAL ASSETS	12 800,7	12 857,2	12 676,9
EQUITY AND LIABILITIES			
Capital and reserves	5 924,9	6 225,6	5 760,7
Ordinary share capital and share premium	51,7	41,8	41,8
Non-distributable reserves	784,4	597,5	713,6
Accumulated profits	6 286,0	6 860,2	6 203,5
Tiger Brands Limited shares held by subsidiary	(817,7)	(799,0)	(817,7)
Tiger Brands Limited shares held by empowerment trusts	(502,2)	(632,4)	(502,2)
Share based payment reserve	122,7	157,5	121,7
Minority interest	457,9	224,8	458,3
TOTAL EQUITY	6 382,8	6 450,4	6 219,0
Non-current liabilities	1 068,7	778,2	1 141,9
Deferred taxation liability	227,3	227,6	316,5
Provision for post-retirement medical aid	316,8	331,4	327,9
Long-term borrowings	524,6	219,2	497,5
Current liabilities	5 115,7	4 399,9	5 316,0
Trade and other payables	2 856,4	3 198,3	3 546,3
Provisions	459,2	371,7	299,8
Provision for Sea Harvest put option	81,4	81,4	81,4
Taxation	—	198,5	54,6
Short-term borrowings	1 718,7	550,0	1 333,9
Liabilities classified as held	233,5	1 228,7	—

for sale

TOTAL EQUITY AND LIABILITIES	12 800,7	12 857,2	12 676,9

Note: The assets and liabilities relating to Sea Harvest are classified in the Group balance sheet as at 31 March 2009 under assets and liabilities held for sale, whereas the assets and liabilities relating to the unbundled Healthcare operations are likewise classified in the Group balance sheet as at 31 March 2008.

Segmental analysis

	Unaudited Six months ended 31 March				
	2009 Rm	%	2008 Rm	%	Change %
Turnover					
FMCG – CONTINUING OPERATIONS	11 154,0	96	8 984,9	82	24
Domestic Food	8 480,5	73	6 917,6	63	23
Grains	4 681,8	40	3 587,1	33	31
Milling and baking	3 158,3	27	2 681,7	25	18
Other Grains	1 523,5	13	905,4	8	68
Groceries	1 419,1	13	1 135,0	11	25
Snacks and Treats	877,2	8	814,9	7	8
Beverages	623,1	5	576,3	5	8
Value Added Meat Products	740,6	6	659,0	6	12
Out of Home	138,7	1	145,3	1	(5)
Consumer Healthcare	1 030,9	9	934,8	9	10
Personal	344,8	3	292,0	3	18
Babycare	286,3	2	257,0	2	11
Homecare	399,8	4	385,8	4	4
Exports and International	969,2	9	618,9	6	57
Fishing	736,5	6	580,9	5	27
OTHER INTERGROUP SALES – FMCG	(63,1)	(1)	(67,3)	(1)	(6)
DISCONTINUED OPERATIONS	465,8	4	1 969,6	18	(76)
Sea Harvest	465,8	4	427,5	4	9
Healthcare	—	—	1 544,1	14	(100)
OTHER INTERGROUP SALES – Healthcare	—	—	(2,0)	—	(100)
TOTAL TURNOVER	11 619,8	100	10 954,5	100	6

	Unaudited Six months ended 31 March				
	2009 Rm	%	2008 Rm	%	Change %
Operating income before abnormal items					
FMCG – CONTINUING OPERATIONS	1 601,8	97	1 238,9	70	29
Domestic Food	1 131,0	69	867,6	49	30
Grains	600,9	37	444,9	25	35
Milling and baking	439,9	27	305,6	17	44

Other Grains	161,0	10	139,3	8	16
Groceries	250,3	15	191,7	11	31
Snacks and Treats	141,7	9	128,8	8	10
Beverages	66,4	4	22,5	1	195
Value Added Meat Products	55,7	3	61,5	3	(9)
Out of Home	16,0	1	18,2	1	(12)
Consumer Healthcare	259,9	16	252,6	14	3
Personal	104,5	6	92,7	5	13
Babycare	79,2	5	74,6	4	6
Homecare	76,2	5	85,3	5	(11)
Exports and International	155,9	9	91,5	5	70
Fishing	79,2	4	45,8	3	73
Other	(24,2)	(1)	(18,6)	(1)	(30)
DISCONTINUED OPERATIONS	47,1	3	541,6	30	(91)
Sea Harvest	47,1	3	39,4	2	20
Healthcare	—	—	502,2	28	(100)
TOTAL OPERATING INCOME BEFORE ABNORMAL ITEMS	1 648,9	100	1 780,5	100	(7)

Segmental analysis continued

	Audited Year ended 30 Sept 2008 Rm	%
Turnover		
FMCG – CONTINUING OPERATIONS	18 954,0	83
Domestic Food	14 446,8	63
Grains	7 959,7	35
Milling and baking	5 948,9	26
Other Grains	2 010,8	9
Groceries	2 223,0	10
Snacks and Treats	1 605,6	7
Beverages	1 015,6	4
Value Added Meat Products	1 340,5	6
Out of Home	302,4	1
Consumer Healthcare	1 765,8	8
Personal	630,5	3
Babycare	517,0	2
Homecare	618,3	3
Exports and International	1 519,3	7
Fishing	1 364,3	6
OTHER INTERGROUP SALES – FMCG	(142,2)	(1)
DISCONTINUED OPERATIONS	3 861,3	17
Sea Harvest	934,4	4
Healthcare	2 926,9	13
OTHER INTERGROUP SALES – Healthcare	—	—
TOTAL TURNOVER	22 815,3	100

	Audited Year ended 30 Sept 2008 Rm	%

Operating income before abnormal items

FMCG – CONTINUING OPERATIONS	2 522,6	71
Domestic Food	1 740,6	50
Grains	1 004,6	29
Milling and baking	764,9	22
Other Grains	239,7	7
Groceries	372,6	11
Snacks and Treats	246,8	7
Beverages	11,1	–
Value Added Meat Products	70,0	2
Out of Home	35,5	1
Consumer Healthcare	450,0	12
Personal	185,2	5
Babycare	150,6	4
Homecare	114,2	3
Exports and International	219,8	6
Fishing	144,3	4
Other	(32,1)	(1)
DISCONTINUED OPERATIONS	1 004,8	29
Sea Harvest	105,3	3
Healthcare	899,5	26
TOTAL OPERATING INCOME BEFORE ABNORMAL ITEMS	3 527,4	100

Other Group salient features

	Unaudited Six months ended 31 March 2009 Group	2008 Group	Audited Year ended 30 Sept 2008 Group
Net worth per ordinary share (cents)	3 773	3 942	3 673
Net debt to equity (%)	33,0	5,5	20,5
Interest cover – net (times)	9,9	35,2	30,5
Current ratio (:1)	1,3	1,5	1,3
Capital expenditure (R million)	252,4	306,9	641,8
– replacement	129,6	128,1	298,8
– expansion	122,8	178,8	343,0
Capital commitments (R million)	497,3	691,8	435,3
– contracted	139,3	330,7	168,5
– approved	358,1	361,1	266,8
Capital commitments will be funded from normal operating cash flows and the utilisation of existing borrowing facilities.			
Contingent liabilities (R million)			
Guarantees and contingent liabilities	31,3	41,0	31,3
Inventories carried at net realisable value	95,3	40,5	68,9
Carrying and fair value of	1 710,8	757,3	1 478,7

investments (R million)			
Listed	604,3	23,9	738,0
Unlisted	146,7	266,0	268,1
Associates (carrying value)	959,8	467,4	472,6

Abridged cash flow statements

	Unaudited Six months ended 31 March			Audited Year ended 30 Sept
	2009	2009	2008	2008
	Pro forma Continuing operations Rm	Group Rm	Group Rm	Group Rm
Cash operating profit	1 767,3	1 842,0	2 026,0	4 008,3
Working capital changes	(541,0)	(512,7)	(553,4)	(914,1)
Cash generated from operations	1 226,3	1 329,3	1 472,6	3 094,2
Net financing costs	(163,9)	(158,3)	(78,6)	(196,4)
Dividends received	12,9	18,1	15,5	55,2
Taxation paid	(574,0)	(599,6)	(489,8)	(1 059,1)
Dividends received from discontinued operation – Sea Harvest	22,9	–	–	–
Payment of Competition Commission fine	–	–	–	(152,3)
Cash available from operations	524,2	589,5	919,7	1 741,6
Dividends and capital distributions paid	(869,3)	(877,2)	(724,1)	(1 121,2)
Net cash (outflow)/inflow from operating activities	(345,1)	(287,7)	195,6	620,4
Net cash outflow from investing activities	(308,7)	(343,3)	(422,1)	(2 240,9)
Net cash inflow from financing activities	79,8	79,3	51,2	458,7
Net decrease in cash and cash equivalents	(573,9)*	(551,7)	(175,3)	(1 161,8)
Cash and cash equivalents at the beginning of the period	(957,2)	(725,4)	721,7	436,4
Cash and cash equivalents at the end of the period	(1 531,1)	(1 277,1)	546,4	(725,4)

*Includes an increase of R385,9 million on short-term borrowings regarded as cash and cash equivalents.

Statements of changes in equity

	Share capital and premium Rm	Non-Distributable reserves Rm	Accumulated profits Rm
Balance at 30 September 2007	536,9	526,5	6 074,8
Net profit for the period			2 273,7
Fair value adjustments recognised in equity		164,4	
Foreign currency translation reserve movement		(18,7)	
	536,9	672,2	8 348,5
Issue of share capital and premium	46,2		
Capital distribution out of share premium	(499,8)		
Distribution in specie in respect of unbundling of Adcock Ingram Holdings Limited	(41,5)		(1 450,5)
Minority interest arising from unbundling of Adcock Ingram Holdings Limited			
Movement in treasury shares as a result of unbundling of Adcock Ingram Holdings Limited			
Share buyback			
Transfers between reserves		41,4	(41,4)
Other reserve movements			
Dividends on ordinary shares			(636,3)
Total dividends			(694,5)
Less: Dividends on treasury and empowerment shares			58,2
Arising on changes in and acquisition of subsidiaries and joint ventures			(16,8)
Balance at 30 September 2008	41,8	713,6	6 203,5
Net profit for the period			990,1
Fair value adjustments recognised in equity		(12,3)	
Foreign currency translation reserve movement		25,3	
	41,8	726,6	7 193,6
Issue of share capital and premium	9,9		
Transfer between reserves		57,8	(57,8)
Other reserve movements			
Reclassification from joint venture to associate			
Dividends on ordinary shares			(849,8)
Total dividends			(937,6)

Less: Dividends on treasury and empowerment shares			87,8
Balance at 31 March 2009	51,7	784,4	6 286,0

Statements of changes in equity continued

	Shares held by subsidiary and empowerment trusts Rm	Share based payment reserve Rm	Total Attributable to ordinary shareholders Rm
Balance at 30 September 2007	(1 473,1)	119,9	5 785,0
Net profit for the period			2 273,7
Fair value adjustments recognised in equity			164,4
Foreign currency translation reserve movement			(18,7)
	(1 473,1)	119,9	8 204,4
Issue of share capital and premium			46,2
Capital distribution out of share premium	42,0		(457,8)
Distribution in specie in respect of unbundling of Adcock Ingram Holdings Limited		(33,3)	(1 525,3)
Minority interest arising from unbundling of Adcock Ingram Holdings Limited			—
Movement in treasury shares as a result of unbundling of Adcock Ingram Holdings Limited	370,8		370,8
Share buyback	(259,6)		(259,6)
Transfers between reserves			—
Other reserve movements		35,1	35,1
Dividends on ordinary shares			(636,3)
Total dividends			(694,5)
Less: Dividends on treasury and empowerment shares			58,2
Arising on changes in and acquisition of subsidiaries and joint ventures			(16,8)
Balance at 30 September 2008	(1 319,9)	121,7	5 760,7
Net profit for the period			990,1
Fair value adjustments recognised in equity			(12,3)
Foreign currency translation reserve movement			25,3
	(1 319,9)	121,7	6 763,8
Issue of share capital and premium			9,9

Transfer between reserves			—
Other reserve movements		13,1	13,1
Reclassification from joint venture to associate		(12,1)	(12,1)
Dividends on ordinary shares			(849,8)
Total dividends			(937,6)
Less: Dividends on treasury and empowerment shares			87,8
Balance at 31 March 2009	(1 319,9)	122,7	5 924,9

Statements of changes in equity continued

	Minorities Rm	Total Rm
Balance at 30 September 2007	213,6	5 998,6
Net profit for the period	71,2	2 344,9
Fair value adjustments recognised in equity		164,4
Foreign currency translation reserve movement		(18,7)
	284,8	8 489,2
Issue of share capital and premium		46,2
Capital distribution out of share premium		(457,8)
Distribution in specie in respect of unbundling of Adcock Ingram Holdings Limited	(25,8)	(1 551,1)
Minority interest arising from unbundling of Adcock Ingram Holdings Limited	138,0	138,0
Movement in treasury shares as a result of unbundling of Adcock Ingram Holdings Limited		370,8
Share buyback		(259,6)
Transfers between reserves		—
Other reserve movements		35,1
Dividends on ordinary shares	(23,5)	(659,8)
Total dividends	(23,5)	(718,0)
Less: Dividends on treasury and empowerment shares		58,2
Arising on changes in and acquisition of subsidiaries and joint ventures	84,8	68,0
Balance at 30 September 2008	458,3	6 219,0
Net profit for the period	40,7	1 030,8
Fair value adjustments recognised in equity		(12,3)
Foreign currency translation reserve movement		25,3
	499,0	7 262,8
Issue of share capital and premium		9,9
Transfer between reserves		—
Other reserve movements		13,1
Reclassification from joint venture to associate	(13,7)	(25,8)
Dividends on ordinary shares	(27,4)	(877,2)

Total dividends	(27,4)	(965,0)
Less: Dividends on treasury and empowerment shares	–	87,8
Balance at 31 March 2009	457,9	6 382,8

Notes

		Unaudited Six months ended 31 March 2009 Rm	2008 Rm	Audited Year ended 30 Sept 2008 Rm
1.	Revenue – continuing operations			
	Turnover	11 154,0	8 984,9	18 954,0
	Interest received	109,4	80,5	206,6
	Dividend income	12,9	7,8	9,1
		11 276,3	9 073,2	19 169,7
2.	Operating income – continuing operations			
	Operating income before abnormal items is reflected after charging:			
	Cost of sales	7 459,1	5 946,6	12 574,6
	Sales and distribution expenses	1 323,0	1 184,1	2 471,7
	Marketing expenses	263,3	221,4	472,7
	Other operating expenses	506,8	393,9	912,4
	Depreciation (included in cost of sales and other operating expenses)	131,2	113,4	245,5
3.	Abnormal items – continuing operations			
	Loss on sale of property, plant and equipment, including impairment charges on intangibles	(10,2)	(107,9)	(129,5)
	Net (loss)/profit on sale of interest in subsidiaries and joint ventures	(0,5)	–	10,6
	(Impairment)/reversal of investments, including (loss)/profit on sale	(4,3)	–	3,8
	Costs relating to the unsuccessful attempt to acquire AVI Limited	(32,6)	–	–
	Release of provision for Healthcare unbundling costs	0,8	–	2,1
	Recognition/(utilisation) of pension fund surpluses	5,7	(3,0)	127,0
	Other	(9,5)	(0,1)	(9,7)
	Abnormal (loss)/profit	(50,6)	(111,0)	4,3

	before taxation			
	Taxation	2,0	0,6	(39,7)
		(48,6)	(110,4)	(35,4)
	Minorities	–	–	–
	Abnormal loss attributable to shareholders in Tiger Brands Limited	(48,6)	(110,4)	(35,4)
4.	Income from associates – continuing operations			
	Normal trading	41,0	35,9	72,0
	Abnormal item – profit on partial sale of interest in subsidiary	16,8	–	–
		57,8	35,9	72,0

5\. Discontinued operations

5.1 Sea Harvest

On 29 October 2008, Tiger Brands shareholders were advised that a consortium led by Brimstone Investment Corporation Limited, which included key members of Sea Harvest management, submitted an offer to purchase the entire shareholding of Sea Harvest held by Tiger Brands, being 78 753 841 ordinary shares, representing 73,16% of the total number of Sea Harvest ordinary shares in issue. The offer has been accepted by Tiger Brands and is subject to certain conditions precedent as outlined in the joint announcement by Tiger Brands and Brimstone. The purchase consideration for the transaction is R541 million, to be settled in cash, which will escalate at a predetermined rate from 1 October 2008 until payment is made upon fulfilment of all conditions precedent. It is anticipated that all conditions precedent will be fulfilled by 1 June 2009.

	Unaudited Six months ended 31 March		Audited Year ended 30 Sept
	2009	2008	2008
	Rm	Rm	Rm
Turnover	465,8	427,5	934,4
Operating income before abnormal items	47,1	39,4	105,3
Abnormal items	1,0	8,0	8,9
Interest paid	(0,4)	(0,4)	(1,0)
Interest received	6,0	5,4	11,5
Dividend received	5,2	4,9	10,3
Profit before tax from a discontinued operation	58,9	57,3	135,0
Taxation	(15,8)	(14,2)	(34,0)
Profit for the period from a discontinued operation	43,1	43,1	101,0

The major classes of assets and liabilities of Sea Harvest classified as held for sale as at 31 March 2009 are as follows:

	Unaudited as at 31 March 2009 Rm	2008 Rm	Audited as at 30 Sept 2008 Rm
Assets			
Property, plant and equipment	298,0	277,4	288,0
Goodwill and other intangibles	16,7	18,6	17,7
Investments	26,1	22,6	22,0
Deferred taxation asset	–	1,1	0,6
Cash and cash equivalents	254,0	188,3	231,9
Inventories	118,1	159,6	151,3
Trade and other receivables	185,7	180,2	200,3
Assets classified as held for sale	898,6	847,8	911,8
Liabilities			
Interest-bearing liabilities (long- and short-term borrowings)	4,9	5,1	4,7
Deferred taxation liability	57,2	59,3	57,8
Provision for post-retirement medical aid	19,4	19,5	19,2
Trade and other payables	151,7	143,4	171,9
Taxation	0,3	10,6	10,0
Liabilities directly associated with assets classified as held for sale	233,5	237,9	263,6
Net assets directly associated with disposal group	665,1	609,9	648,2

Major classes of assets and liabilities reflected above as at 31 March 2008 and 30 September 2008 are shown for comparative purposes and are not classified in the respective Group balance sheets as assets and liabilities held for sale.

The net cash flows generated/(incurred) by the Sea Harvest business are as follows:

	Unaudited Six months ended 31 March 2009 Rm	2008 Rm	Audited Year ended 30 Sept 2008 Rm
Operating activities	57,3	(33,4)	47,1
Investing activities	(34,6)	(6,3)	(43,0)
Financing activities	(0,7)	(0,4)	(0,7)
Net cash inflow/(outflow) for the period	22,0	(40,1)	3,4

5.2 Healthcare interests

On 25 August 2008 the unbundling of Adcock Ingram Holdings

Limited was completed.
The results of Adcock Ingram Holdings Limited for the six months ended 31 March 2008 (September 2008: 11 months to 24 August 2008), which were included in the 2008 Group results, are presented below:

	Unaudited Six months ended 31 March 2009 Rm	Unaudited Six months ended 31 March 2008 Rm	Audited Year ended 30 Sept 2008 Rm
Turnover	–	1 544,1	2 926,9
Operating income before abnormal items	–	502,2	899,5
Abnormal items	–	(53,5)	(71,4)
Interest paid	–	(119,3)	(171,5)
Interest received	–	71,2	47,7
Dividend received	–	2,7	5,2
Profit before tax from a discontinued operation	–	403,3	709,5
Taxation	–	(121,6)	(198,9)
Profit for the period from a discontinued operation	–	281,7	510,6

The major classes of assets and liabilities of Adcock Ingram Holdings Limited classified as held for sale as at 31 March 2008 were as follows:

	Unaudited as at 31 March 2009 Rm	Unaudited as at 31 March 2008 Rm	Audited as at 30 Sept 2008 Rm
Assets			
Property, plant and equipment	–	331,0	–
Goodwill and other intangibles	–	223,5	–
Investments	–	30,3	–
Deferred taxation asset	–	9,6	–
Cash and cash equivalents	–	131,3	–
Inventories	–	423,8	–
Trade and other receivables	–	729,8	–
Assets classified as held for sale	–	1 879,3	–
Liabilities			
Interest-bearing liabilities (long- and short-term borrowings)	–	726,4	–
Deferred taxation liability	–	24,3	–
Provision for post-retirement medical aid	–	13,3	–
Trade and other payables	–	464,7	–
Liabilities directly	–	1 228,7	–

associated with assets classified as held for sale			
Net assets directly associated with disposal group	–	650,6	–

6. Changes in accounting policies

The accounting policies adopted and methods of computation are consistent with those of the previous financial year.

7. Property, plant and equipment

The additions for the period amounted to R252,4 million (2008: R306,9 million) and the net book value of disposals totalled R2,2 million (2008: R6,1 million).

8. Impairment of intangibles

Included in abnormal items from continuing operations is an amount of R4,0 million relating to the impairment of goodwill and trademarks in respect of the Out Of Home business. The impairment is attributable to the expected reduction in the future profit stream of the business.

Included in the March 2008 and September 2008 abnormal items from continuing operations, was the impairment of goodwill relating to the Bromor Foods acquisition in August 2006. The impairment amounted to R112,3 million and was largely attributable to the expected reduction in the future profit stream, as well as an increase in the discount rate applied to the future cash flows of the business.

	Unaudited Six months ended 31 March 2009 Rm	2008 Rm	Audited Year ended 30 Sept 2008 Rm
9. Shares			
Number of ordinary shares in issue (000's)	173 243	172 423	173 043
Includes 10 326 758 shares held as treasury stock (March 2008: 8 589 328) and 5 896 140 shares owned by staff empowerment entities (March 2008: 5 896 183)			
Weighted average number of ordinary shares (net of treasury and empowerment shares) on which headline earnings and basic earnings per share are based (000's)	156 863	157 882	157 893
Weighted average diluted number of ordinary shares (net of treasury and empowerment shares) on which diluted headline earnings and basic earnings per share are based (000's)	157 554	161 528	158 637
10. Reconciliation between profit for the period and headline earnings			

	Profit attributable to ordinary shareholders	990,1	1 090,7	2 273,7
	Adjusted for:			
	Net profit on sale of interest in subsidiaries and joint ventures	—	—	(8,7)
	Loss on sale of property, plant and equipment, including impairment charges on intangibles	7,4	103,8	141,7
	Loss on sale of investments	4,3	—	—
	Associates	(16,8)	—	1,4
	Profit on sale of property, plant and equipment	—	—	(1,3)
	Profit on partial sale of interest in subsidiary	(16,8)	—	—
	Impairment of property, plant and equipment	—	—	2,7
	Other	(1,0)	—	(1,6)
	Headline earnings for the period	984,0	1 194,5	2 406,5
11.	Reconciliation between profit for the period and headline earnings – discontinued operations			
	Profit attributable to ordinary shareholders	32,2	310,5	577,8
	Adjusted for:			
	Profit on sale of property, plant and equipment, including impairment charges on intangibles	(0,6)	(4,3)	17,2
	Net profit on sale of interest in subsidiaries	—	—	(3,5)
	Headline earnings for the period	31,6	306,2	591,5