UNAUDITED INTERIM RESULTS

for the six months ended 31 March 2015



A leading Southern African integrated poultry producer Astral Foods Limited Incorporated in the Republic of South Africa Registration no 1978/003194/06

Share code ARL

REVENUE INCREASE

OPERATING PROFIT INCREASE

EARNINGS PER SHARE INCREASE

HEADLINE EARNINGS PER SHARE INCREASE **INTERIM DIVIDEND 575 CENTS** PER SHARE

ISIN ZAE000029757

CONDENSED GROUP STATEMENT OF FINANCIAL POSITION

	Unaudited 6 months ended 31 March 2015 R'000	Unaudited 6 months ended 31 March 2014 R'000	Audited 12 months ended 30 Sept 2014 R'000
ASSETS Non-current assets	2 203 142	2 060 066	2 241 407
Property, plant and equipment Intangible assets Goodwill Investment in associates Investments and loans Deferred tax asset	2 022 920 16 188 136 135 24 447 3 452	1 874 812 21 434 136 135 22 337 5 348	2 059 143 18 601 136 135 22 180 3 453 1 895
Current assets	2 683 953	2 036 719	2 133 628
Inventories Biological assets Trade and other receivables Current tax asset Cash and cash equivalents	419 277 594 857 991 363 - 678 456	523 969 616 480 853 014 2 480 40 776	452 594 644 590 893 024 12 889 130 531
Total assets	4 887 095	4 096 785	4 375 035
Equity Capital and reserves attributable to equity holders of the parent company Issued capital Treasury shares Reserves	2 210 636 72 159 (204 435) 2 342 912	1 733 999 2 044 (204 435) 1 936 390	1 929 672 67 875 (204 435) 2 066 232
Non-controlling interest	15 516 2 226 152	14 949 1 748 948	15 168
Total equity Liabilities Non-current liabilities	692 607	700 778	730 818
Borrowings (note 6) Deferred tax liability Employment benefit obligations	134 740 417 152 140 715	180 464 423 515 96 799	156 000 438 035 136 783
Current liabilities	1 968 336	1 647 059	1 699 377
Trade and other liabilities Current tax liabilities Borrowings (note 6) Shareholders for dividend	1 622 142 41 286 303 247 1 661	1 566 748 - 78 570 1 741	1 527 007 22 409 148 287 1 674
Total liabilities	2 660 943	2 347 837	2 430 195
Total equity and liabilities	4 887 095	4 096 785	4 375 035

CONDENSED GROUP STATEMENT OF COMPREHENSIVE INCOME

Unaudited

Revenue Operating profit (note 4)	6 months ended 31 March 2015 R'000 5 754 605	6 months ended 31 March 2014 R'000 4 699 938	% change 22 158	12 months ended 30 Sept 2014 R'000 9 602 376
Finance income Finance costs Share of profit from associate	2 852 (12 944) 2 267	71 (11 891) 2 397		651 (25 929) 2 240
Profit before income tax Tax expense	542 336 (154 351)	203 527 (58 230)	166	469 901 (128 835)
Profit for the period 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 Foreign currency translation	387 985	145 297	167	341 066 4 281 1 367 (859)
adjustments	(18 118)	(6 052)		1 113
Total comprehensive income for the period	369 867	139 245	166	346 968
Profit attributable to: Equity holders of the holding company Non-controlling interests	386 353 1 632 387 985	143 214 2 083 145 297	170 167	337 518 3 548 341 066
Comprehensive income attributable to: Equity holders of the holding company Non-controlling interests	369 199 668 369 867	137 259 1 986 139 245	169	343 128 3 840 346 968
Earnings per share (cents) - basic - diluted	999 997	376 376	166 165	884 884

	WS	
Unaudited 6 months ended 31 March 2015 R'000	Unaudited 6 months ended 31 March 2014 R'000	Audited 12 months ended 30 Sept 2014 R'000
628 520 79 846	287 474 57 984	671 225 32 897
708 366 (142 210)	345 458 (52 128)	704 122 (100 232)
566 156 (46 527)	293 330 (148 186)	603 890 (382 645)
(49 820) 2 852 441	(149 513) 71 1 256	(394 982) 651 3 262 8 424
(125 919)	(55 032)	(110 822)
(23 382) 4 284 (13 697) (93 124)	49 077 (18 667) (85 442)	24 099 65 831 (37 495) (163 257)
393 710 (2 867)	90 112 4 131	110 423 (4) (78 028)
	6 months ended 31 March 2015 R'000 628 520 79 846 708 366 (142 210) 566 156 (46 527) (49 820) 2 852 441 (125 919) (23 382) 4 284 (13 697) (93 124)	6 months ended 31 March 31 March 31 March 31 March 2015 R'000 R'000 628 520 287 474 79 846 57 984 57 984 652 162 162 162 162 162 162 162 162 162 16

Unaudited	Unaudited	Audited
Consorthe		Audited
6 months	6 months	12 months
ended	ended	ended
31 March	31 March	30 Sept
2015	2014	2014
R'000	R'000	R'000
1 944 840	1 694 820	1 694 820
369 867	139 245	346 968
(92 804)	(84 494)	(160 615)
(320)	(990)	(2 617)
4 284		65 831
285	367	453
2 226 152	1 748 948	1 944 840
	31 March 2015 R'000 1 944 840 369 867 (92 804) (320) 4 284 285	ended 31 March 2015 2014 R'000 R'000 1 944 840 369 867 139 245 (92 804) (320) 4 284 285 367

CONDENSED GROUP SEGMENTAL ANALYSIS

	Unaudited 6 months ended 31 March 2015 R'000	Unaudited 6 months ended 31 March 2014 R'000	% change	Audited 12 months ended 30 Sept 2014 R'000
Revenue Poultry Feed Other Africa Inter-group	4 502 695 2 960 583 256 251 (1 964 924)	3 316 919 2 550 501 248 263 (1 415 745)	36 16 3	6 966 716 5 506 079 499 278 (3 369 697)
	5 754 605	4 699 938	22	9 602 376
Operating profit Poultry Feed Other Africa	350 903 185 726 13 531 550 160	44 944 157 059 10 947 212 950	681 18 24 158	104 400 353 728 34 811 492 939

ADDITIONAL INFORMATION

Unaudited 6 months ended 31 March 2015	Unaudited 6 months ended 31 March 2014	% change	Audited 12 months ended 30 Sept 2014
386 999	146 841	164	329 740
1 001	386	159	864
999	386	159	864
575	200	188	440
38 670 408	38 060 308		38 634 108
38 663 233	38 060 308		38 171 021
38 751 439	38 064 308		38 176 737
240 469	(218 258)		(173 756)
_	12,5		8,9
57,17	45,56		49,95
	6 months ended 31 March 2015 386 999 1 001 999 575 38 670 408 38 663 233 38 751 439 240 469	6 months ended 31 March 2015 2014 386 999 146 841 1001 386 999 386 575 200 38 670 408 38 060 308 38 663 233 38 064 308 240 469 (218 258) 12,5	6 months ended 31 March 2015 2014 % change 386 999 146 841 164 1001 386 159 999 386 159 575 200 188 38 663 233 38 060 308 38 751 439 38 064 308 240 469 (218 258) 12,5

NOTES

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

The condensed interim financial statements for the six months ended 31 March 2015 have been prepared in accordance with International Reporting Standards ("IFRS"), IAS 34 – Interim Financial Reporting, the Listings Requirements of the JSE Limited and the South African Companies Act (2008). These condensed interim financial statements have been prepared under the supervision of the financial director, DD Ferreira CA(SA).

These financial statements have not been reviewed or audited by the Group's auditors Accounting policies

The accounting policies applied in this interim financial statements comply with IFRS and is consistent with those applied in the preparation of the Group's annual financial statements for the year ended 30 September 2014.

		Unaudited 6 months ended 31 March 2015 R'000	Unaudited 6 months ended 31 March 2014 R'000	Audited 12 months ended 30 Sept 2014 R'000
4.	Operating profit			
	The following items have been accounted for in the operating profit: Amortisation of intangible assets Depreciation on property, plant and equipment	2 579 70 467	4 531 60 677	9 848 124 797
	(Loss)/profit on sale of property, plant and equipment Foreign exchange profits/(losses) Impairment/(Reversal) of property,	(895) 6 202	(787) 445	5 225 1 109
	plant and equipment Directors remuneration Biological assets – fair value gain Assets scrapped Insurance recoveries		2 251	(153) 30 555 2 725 8 585 15 977
5.	Reconciliation to headline earnings			
	Net profit attributable to shareholders Loss/(profit) on sale of property,	386 353	143 214	337 518
	plant and equipment (net of tax)	646	566	(3 981)
	Loss on assets scrapped (net of tax) (Reversal of impairment)/impairment charge on		1 440	6 157
	property, plant and equipment (net of tax) Insurance recovery on damaged assets		1 621	(110)
	(net of tax) Adjustment to prior tax provision on sale of investment			(6 441)
	Headline earnings for the period	386 999	146 841	329 740
6.	Borrowings Non-current			
	Secured loans Unsecured loans	10 176 172 589	26 517 207 956	16 945 189 202
	Less: Portion payable within 12 months included in			
_	current liabilities	(48 025)	(54 009)	(50 147)
_		134 740	180 464	156 000
	Current Bank overdrafts Portion of non-current secured loans payable within	255 222	24 561	98 140
_	12 months	48 025	54 009	50 147
		303 247	78 570	148 287
7.	Cash and cash equivalents per cash flow statement			
	Bank overdrafts (included in current borrowings) Cash at bank and in hand	(255 222) 678 456	(24 561) 40 776	(98 140) 130 531
	Cash and cash equivalents per cash flow statement	423 234	16 215	32 391
8.	Capital commitments Capital expenditure approved not contracted Capital expenditure contracted not recognised in	51 180	133 898	12 956
	financial statements	31 435	135 686	43 521

FINANCIAL OVERVIEW

The increase in headline earnings from R147 million for the previous year's first six months, to R387 million for the first six months of the 2015 financial year, is mainly attributable to normalised profit margins achieved by the poultry division and from increased broiler sales volumes.

Revenue increased by 22,4% to R5 755 million, mostly contributed by the increased poultry

The group's operating profit increased by 158,4% to R550 million. The poultry division's contribution of R351 million, is a significant increase on its previous year's reported operating profit of R45 million. Profitability of the feed division, which now includes contributions from the recently commissioned Standerton feedmill, is at R186 million, 18,3% higher than the profit for the comparative period. The Africa division's profit is at R14 million, 23,6% better than the previous year, however the contribution towards the group's profit remain relatively

The net finance cost at R10 million is lower than the previous year, as result of the cash

Cash inflow from operating activities at R566 million is well up on the previous year's inflow of R293 million. Capital expenditure of R50 million reflects expenditure on normal replacement items. The net movement in cash and cash equivalents, including the payment of the 2014 final dividend, was an inflow of R394 million. The group reported a net cash surplus of R240 million which includes the long-term funding of the new feed mill, compared to the net debt position of R174 million as at 30 September 2014.

The Board has declared an interim dividend of 575 cents per share. The distribution is supported by available surplus funds and the underlying liquidity capabilities of the group.

OPERATIONAL OVERVIEW

Poultry division

Revenue for the division was up by 35,7% to R4 503 million (2014: R3 317 million) supported by higher broiler volumes which improved by 19,9% and is primarily due to the contribution to sales as a result of the Tydstroom broiler volumes now incorporated into Astral's Western Cape broiler operation. An additional volume benefit was also realised from both on-farm production efficiencies and increased bird placements against cutbacks in the comparable

The average selling price of poultry increased by 12,8% for the period under review and together with improved production costs as a result feed prices decreasing by 2,3% versus the comparable period, and the abovementioned volume increase resulted in the operating profit for the division increasing to R351 million (2014: R45 million).

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 fresh volumes in the Western Cape through the take on of the Tydstroom volumes.

Notwithstanding the provisional and permanent EU anti-dumping duties poultry imports remained high during the period, with an average level of total poultry product imports equating to approximately 6,2 million birds per week for the six months ending March 2015.

Revenue for the division increased by 16,1% to R2 961 million (2014: R2 550 million) as a result of higher sales volumes which increased by 17.2% over the comparable period due to the contribution of volumes previously supplied by Afgri Kinross now manufactured in the new Standerton feed mill.

Operating profit improved to R186 million (2014: R157 million) with an operating profit margin at 6,3%. Rand per ton margins were maintained on the comparable period in the prior year, supported by the successful recovery of inflationary costs.

Other Africa division

Revenue for the division increased by 3,2% to R256 million (2014: R248 million) as a result of higher day old chick sales over the comparable period with the completion of the expansion projects in Zambia and Mozambique.

The operating profit increased to R14 million (2014: R11 million). For the period under review the profitability at both the Zambian and Mozambican feed operations was negatively impacted by currency exchange movements increasing raw material input costs.

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

If a quota on US poultry imports is agreed to on the back of the AGOA renewal this is likely to negatively impact local producers due to additional volumes of poultry products in the local market.

The South African maize crop currently being harvested is estimated to be the lowest maize crop since 2007, which will negatively impact livestock production costs due to higher feed prices in the second half of the current reporting period and to the onset of the new maize crop in 2016.

The increasing maize prices will be partly offset by more favourable soya prices as these two raw materials contribute the majority of the ingredients in a typical poultry feed ration. Global stock levels of both maize and soya remain healthy and could support the option of grain imports into Astral's coastal feed mills.

Astral's best cost integrated strategy again proved to be robust and has further strengthened on the back of selective investments contributing to higher poultry volumes, improved efficiencies and feeding costs into the future.

DECLARATION OF ORDINARY DIVIDEND No 28

The Board has approved an interim dividend of 575 cents per ordinary share (gross) in respect of the six months ended 31 March 2015.

The dividend will be subject to Dividend 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 42 758 985 ordinary shares in issue (which includes 4 088 577 treasury shares held by a subsidiary), and Astral Foods Limited's income tax; and
- Reference number is 9125190711.

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

- Last date to trade cum-dividend Friday, 5 June 2015 - Shares commence trading ex-dividend - Record date Friday, 12 June 2015

- Payment of dividend Monday, 15 June 2015 Share certificates may not be dematerialised or rematerialised between Monday, 8 June 2015 and Friday, 12 June 2015, both days inclusive.

On behalf of the board DrT Eloff

CF Schutte Chief Executive Officer

Pretoria 18 May 2015

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Company secretary MA Eloff

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16 215



32 391













