Tiger Brands

Adding value to life

Group results and capital distribution

for the year ended 30 September 2009

CONTENTS

CONTINUING OPERATIONS:

Turnover up

8% to **R20,4 billion**

Operating income up

24% to **R3,1 billion**

Group approves

R561 million

investment in new wheat mill

Headline earnings per share

from continuing operations

up **20%**

Total dividend and capital

distribution for the year

704 cents per share

Divisional highlights

Domestic Food

- Most categories achieved pleasing performances
- Rice category declined as consumers switched into more affordable carbohydrate categories benefiting the Milling business
- Beverages reflects a sound recovery

Operating income

09	R2 408,3 million
08	R1 740,6 million
07	R1 601,5 million

Home & Personal Care (HPC)

- Baby and Personal Care categories show modest growth
- Homecare performance improves after a disappointing pest season in the first half

Operating income

09	R485,0 million
08	R450,0 million
07	R382,7 million

Exports and International

- Deciduous fruit exports were adversely impacted by a strong rand exchange rate in the second half
- Central and East African acquisitions successfully bedded down during 2009
- Exports into African markets continue to perform well

Operating income

09	R214,0 million
08	R219,8 million
07	R104,2 million

Fishing

- Oceana delivers 18% headline earnings growth
- Sea Harvest treated as a discontinued operation for eight months prior to disposal

Operating income*

09	R135,3* million
08	R249,6 million
07	R198,0 million

**Sea Harvest was disposed of on 28 May 2009.*
With effect from 1 April 2009 Oceana was reclassified from a joint venture to an associate.

Commentary

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 condensed financial information has been reviewed by Ernst & Young Inc., whose unqualified review opinion is available for inspection at the Company's registered office. It is anticipated that an unqualified audit opinion will be issued once the detailed financial statements have been finalised.

The unbundling and separate listing of the Company's Healthcare interests on 29 August 2008, and the disposal of the Company's interest in Sea Harvest on 28 May 2009, have given rise for the need to distinguish between earnings from continuing operations, which exclude both the Healthcare and Sea Harvest results, and total Group earnings. Total Group earnings include the Healthcare results for the eleven months ended 29 August 2008 in the comparative period as well as the results of Sea Harvest for the eight months ended 28 May 2009 in the current period and for the full twelve months of the comparative period.

EARNINGS FROM CONTINUING OPERATIONS

Tiger Brands achieved headline earnings per share (HEPS) from **continuing operations** of 1 382,1 cents for the twelve months ended 30 September 2009, representing a 20% increase on that achieved in the prior year.

Earnings per share (EPS) from **continuing operations** increased by 45% to 1 556,8 cents per share.

The higher percentage improvement in EPS compared to HEPS is primarily due to the inclusion in 2009, of an abnormal amount of R201,1 million (relating to the capital profit of R234,3 million arising from the disposal of the Group's residual shareholding in Adcock Ingram Holdings Limited, net of taxation of R33,2 million) as well as the inclusion of a capital profit of R62,1 million from the disposal of the Group's 73,16% interest in Sea Harvest. Furthermore, the comparative period included a charge of R112,3 million relating to the impairment of the carrying value of the goodwill associated with the Beverages business. These three items were excluded for the purposes of determining HEPS in the respective reporting periods.

TOTAL GROUP EARNINGS

Total Group headline earnings for the year amounted to R2 209,8 million (2008: R2 406,5 million). On a per share basis, total Group headline earnings decreased by 8% to 1 407,4 cents compared to the prior year, whilst total Group earnings per share increased by 10% to 1 583,0 cents. For the reasons outlined in the introductory statement above, total Group headline earnings per share and total Group earnings per share for the current year are not directly comparable with the previous year.

OVERVIEW OF RESULTS

As the Company no longer has joint control of Oceana, it has ceased to proportionately consolidate its results with effect from the end of March 2009. Accordingly, although Oceana's results are included for the full year, the first six months to 31 March 2009 are shown on a proportional consolidation basis, whereas the results for the second six months to 30 September 2009 have been equity accounted as an associate company. This change in the basis of accounting for Oceana makes meaningful comparison of the Group's results difficult and hence, to assist shareholders in comparing the performance of the Company with the previous year, comparative information in the commentary below excludes Oceana's results (which have been commented on separately under the Group's **Fishing** interests). Also see Note 11 of the accompanying results for further information in this regard. The commentary below therefore relates only to the Group's **FMCG** businesses.

Turnover from continuing operations (excluding Oceana) amounted to R19,7 billion, reflecting an increase of 12% on the previous year. This rate of growth is lower than the 24% increase recorded at the half year. Turnover showed a marginal increase of 1% in the second six months. This reflects the impact of the significant price deflation in food commodities and a weaker trading environment. The full year improvement in turnover has benefited from the inclusion of the turnover of the African businesses, Haco Industries (Kenya) and Chococam (Cameroon), in which the Company acquired a 51,0% and 74,7% stake on 1 June 2008 and 1 August 2008 respectively.

Operating income for the year (excluding Oceana) rose by 28% to R3 054,9 million. The group operating margin from continuing operations improved from 13,5% last year to 15,5%, benefiting from a recovery in selling prices of certain raw material cost increases which were partially absorbed by the Group in the prior year, as well as a normalised **Beverages** performance after this category was adversely impacted in the prior year by cool and wet summer conditions. The **Milling & Baking, Groceries, Snacks & Treats** and **Value Added Meat Products** businesses produced exceptional operating performances while **Other Grains, Home & Personal Care (HPC)** and **Out of Home** recorded single digit operating income growth. Within **Exports & International,** the sustained strength of the rand negatively impacted the performance of the **Deciduous Fruit** business, but pleasing results were achieved by **Haco, Chococam** and the **Tiger Brands Export** division.

Abnormal items (excluding Oceana) reflect a net abnormal profit of R342,4 million in 2009. The current year composition of abnormal items primarily includes a capital profit of R234,3 million relating to the sale of the Group's residual shareholding in Adcock Ingram Holdings Limited; a capital profit of R62,1 million relating to the disposal of the Group's 73,16% interest in Sea Harvest; the release to income of an amount of R81,4 million relating to the Sea Harvest put option provision which is no longer required; and the costs of R29,8 million incurred in the current year relating to the unsuccessful attempt by Tiger Brands to acquire the entire issued share capital of AVI Limited.

Net financing costs from continuing operations (excluding Oceana) of R256,5 million (2008: R87,7 million) rose sharply over the prior year, reflecting the increased level of gearing of the FMCG business as a consequence of the unbundling of Adcock Ingram, as well as the impact of higher working capital demands, particularly during the first six months of the year.

Group net debt from continuing operations has reduced to R377,4 million at 30 September 2009 from a peak of R2 104,4 million at 31 March 2009. Net borrowing levels in the second half benefited from the gross proceeds of R578,1 million received on 28 May 2009 for the disposal of Sea Harvest, as well as the net proceeds of R465,6 million relating to the sale of the shares in Adcock Ingram Holdings Limited received on 30 September 2009. Net interest cover for the year of 12,4 times remains at a sound level and is likely to improve in the year ahead given the lower levels of debt and the more favourable interest rate environment.

Income from associates reflects a significant increase compared to the prior year. This is due to the inclusion for the first time of the Company's share of the after tax earnings of Oceana (for the second half as noted above), as well as the inclusion of a capital profit of R16,6 million arising on the part disposal of a subsidiary by Chilean-based **Empresas Carozzi.** A stronger trading performance by Empresas Carozzi also contributed to the improvement.

The average tax rate, before abnormal items, increased to 32,4% (2008: 30,7%). 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 lower share of income attributable to minorities is largely due to the declining profitability in the Group's **Deciduous Fruit** business, partially offset by a full twelve month contribution by the two partly owned African subsidiaries, Haco and Chococam, which were acquired during the second half of 2008.

REVIEW OF OPERATIONS

FMCG

Strong performances were experienced in most **FMCG** categories, however, underlying consumer demand weakened marginally in the second half of the financial year compared to the first six months. An encouraging trend of a reduction in the rate of inflation in the second half of the year extended across most categories.

DOMESTIC FOOD increased turnover and operating income by 10% and 38% respectively.

Within the **Grains** segment, the higher growth in operating income relative to turnover was primarily as a result of falling soft commodity prices which benefited the **Milling & Baking** business in particular. The prior year results were also adversely affected by the substantial increases in raw material commodity costs which were not fully recovered in selling prices. The Board has recently approved a significant capital investment to replace and increase the capacity of the wheat mill in Hennenman at a total cost of approximately R561 million over the next three years. **Ace** instant porridge continues to be a very successful innovation in which the Group continues to invest, both in the form of marketing and additional production capacity. Notwithstanding the difficult trading environment, the **Albany** brand recovered both volumes and market share in the second half. The capital project to increase the capacity of the Pietermaritzburg bakery involving leading edge technology, at a total cost of approximately R200 million, is scheduled for commissioning in July 2010. **Tastic** and **Aunt Caroline** rice volumes were negatively impacted by some consumers switching from rice to maize products, primarily as a result of the impact of high raw material rice prices.

Demand for **Jungle** oats was particularly strong with the oats category continuing to reap the benefits of the previously reported major upgrade to its manufacturing facility in Maitland. The **Sorghum** beverages business continued to disappoint with both volumes and margins remaining under pressure.

The **Groceries** business recorded a 27% improvement in operating income off a 19% increase in turnover. Strong volume growth was achieved by **Fatti's & Moni's** with the new state-of-the-art pasta manufacturing facility operational for the full twelve month period compared to six months in the prior year. The **KOO, All Gold** and **Black Cat** brands grew sales volumes, albeit at a much slower rate than in the prior year, as consumer demand remained sluggish particularly during the second half. The well known **Crosse & Blackwell** mayonnaise brand, acquired from Nestlé on 1 October 2009, will be integrated into the Groceries business in the year ahead.

Snacks & Treats recorded a pleasing growth of 14% in operating income off an increase in turnover of 9%. This performance was achieved despite pressure on consumer discretionary spending, which was particularly evident in the chocolate category.

The performance of the **Beverages** business reflected a marked improvement on the prior year with operating income of R89,5 million being R78,4 million ahead of last year. The prior year result had been negatively impacted by unfavourable weather conditions.

HOME & PERSONAL CARE (HPC) grew operating income by 8% compared to an increase in turnover of 7%.

Personal Care achieved a modest improvement in operating income in a category where pressure on consumer discretionary spending is particularly noticeable. In **Baby care,** both the Nutrition and Well-Being categories recorded acceptable results, with the **Purity** and **Elizabeth Anne's** brands feeling the impact of the slowing economy as consumers came to grips with the tighter economic realities. The **Homecare** category was negatively affected by a poor pest season in the first six months, which impacted the performance of the **Doom** brand in particular. However, the category ended the year with a 6% increase in operating income, primarily due to an improved performance by the **Jeyes** portfolio.

EXPORTS & INTERNATIONAL

Tiger Brands International, comprising the Tiger Brands Export division, the Deciduous Fruit business Langeberg & Ashton Foods (67% held), Haco Industries (Kenya) and Chococam (Cameroon), reflected a combined decrease in operating income of 3% for the year. This reduction in profitability was attributable to a significant decline in the contribution from the **Deciduous Fruit** business as a result of softer global demand arising from the global financial crisis and a stronger rand exchange rate. The **Tiger Brands Export** division produced an excellent result. This was assisted by its enhanced distribution capabilities and heightened in-country sales focus, particularly in Zambia, Angola, Mozambique and Zimbabwe.

With regard to **Haco** and **Chococam**, 2009 has been a year of bedding down the two African acquisitions concluded during 2008. Haco has performed well during the year under review and, in addition, made a good contribution to the distribution of Tiger Brands' products in the East African region. The overall performance of Chococam was satisfactory despite the business being challenged with significant cost increases in certain major raw materials and an underperformance in its key export market of Gabon.

FISHING

The Company's interest in Sea Harvest was sold to a consortium led by Brimstone Investment Corporation Limited, for R578,1 million on 28 May 2009. The results of Sea Harvest up to the date of sale have been reflected as a discontinued operation in the Group income statement in terms of International Financial Reporting Standards – IFRS 5.

The Company's remaining fishing interest is its investment in **Oceana Group Limited** (45% held). Oceana is separately listed on the JSE Limited and reported a 18% increase in headline earnings per share for the year ended 30 September 2009. Oceana's results were separately published on 12 November 2009.

The Group's share of Oceana's turnover and operating income for the six months to 31 March 2009, which have been proportionately consolidated, amounted to R730,6 million and R78,5 million respectively. The equity accounted earnings of Oceana for the second six months to 30 September 2009 amounted to R76,5 million.

OTHER CORPORATE ACTIVITIES

ACQUISITION OF CROSSE & BLACKWELL

On 1 October 2009, the Company acquired the Crosse & Blackwell business from Nestlé. This encompassed the full range of mayonnaise brands, inventories, the manufacturing facility located in Bellville, Cape Town and the factory staff. The acquisition is in line with Tiger Brands' strategy of expanding into adjacent categories with well established brands such as Crosse & Blackwell.

TIGER BRANDS PHASE II BLACK ECONOMIC EMPOWERMENT TRANSACTION

As announced on SENS on 12 October 2009, the Company listed a further 16 322 520 new shares on the JSE Limited on 20 October 2009 in terms of its Phase II BEE transaction. The transaction was approved by shareholders at a general meeting of the Company held on 12 October 2009. In terms of the Phase II BEE transaction, 9,09% of Tiger Brands' enlarged issued share capital has been allocated as follows:

- Brimstone Investment Corporation Limited (1,01%)
- The Tiger Brands Black Managers Trust No II (1,58%)
- The Tiger Brands General Staff Share Trust (0,44%)
- The Thusani Trust (1,01%)
- The Tiger Brands Foundation (5,05%)

CAPITAL REDUCTION OUT OF SHARE PREMIUM IN LIEU OF FINAL DIVIDEND

At the general meeting of shareholders of the Company held on 12 October 2009, the board of directors was given the general authority to make payments to shareholders out of the Company's share premium account. Pursuant to this authority, the directors have decided to declare a capital distribution (in lieu of the final dividend) out of share premium of 459 cents per share, for the year ended 30 September 2009. This, together with the interim dividend of 245 cents per share, will therefore amount, in aggregate, to a total payment to shareholders of 704 cents per share (2008: 786 cents per share, comprising the interim and final dividend). The total payment of 704 cents per share represents a decrease of 10% on the total dividend of 786 cents per share declared in respect of the previous year, primarily as a result of the unbundling of Adcock Ingram. The Tiger Brands final dividend in respect of 2008 of 541 cents per share took into account the earnings of Adcock Ingram up to the date of the unbundling on 29 August 2008.

Shareholders are referred to the more detailed announcement relating to the capital reduction that has been issued today.

The Company's stated policy of paying an annual dividend/distribution, based on a headline earnings cover of 2 times, remains in place.

OUTLOOK

Tiger Brands expects trading conditions to remain difficult, particularly during the first half of the new financial year as consumer spending remains under pressure despite falling food inflation and a stronger rand exchange rate. Headline earnings per share is, however, expected to show satisfactory growth in real terms for the financial year ending 30 September 2010.

The above outlook has neither been reviewed nor reported on by the Company's auditors.

ANNUAL REPORT

The annual report will be posted to certificated shareholders and those shareholders with dematerialised shares who have requested a copy of the annual report through their CSDP's, during December 2009.

Salient features of the annual report will be available on the Company's website (www.tigerbrands.com) shortly after the annual report is posted.

For and on behalf of the Board

Lex van Vught
Chairman

Peter Matlare
Chief Executive Officer

23 November 2009

TIGER BRANDS LIMITED

(Registration number 1944/017881/06) (Incorporated in the Republic of South Africa)

Share code: TBS **ISIN:** ZAE000071080

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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Income statement

Year ended 30 September

	Notes	2009 Reviewed Rm	Change %	2008 Audited Rm
Continuing operations				
Revenue	1	**20 642,5**	8	19 169,7
Turnover	1	**20 430,4**	8	18 954,0
Operating income before abnormal items	2	**3 133,4**	24	2 522,6
Abnormal items	3	**343,9**		4,3
Operating income after abnormal items		**3 477,3**	38	2 526,9
Interest paid		**(436,3)**	51	(289,7)
Interest received		**181,6**	(12)	206,6
Dividend income		**30,5**	235	9,1
Income from associates	4	**203,6**	183	72,0
Profit before taxation		**3 456,7**	37	2 524,9
Taxation		**(977,7)**	24	(791,6)
Profit for the year from continuing operations		**2 479,0**	43	1 733,3
Discontinued operations	5			
Profit after tax for the year – Sea Harvest		**55,0**	(46)	101,0
Profit after tax for the year – Healthcare business		**—**		510,6
PROFIT FOR THE YEAR		**2 534,0**	8	2 344,9
Attributable to:				
Ordinary shareholders		**2 485,5**	9	2 273,7
Minorities		**48,5**	(32)	71,2
		2 534,0	8	2 344,9
Headline earnings per ordinary share (cents)		**1 407,4**	(8)	1 524,1
Diluted headline earnings per ordinary share (cents)		**1 398,4**	(8)	1 517,0
Basic earnings per ordinary share (cents)		**1 583,0**	10	1 440,0
Diluted basic earnings per ordinary share (cents)		**1 572,9**	10	1 433,3
Dividends and distributions per ordinary share (cents)		**704,0**	(10)	786,0
Interim dividend declared		**245,0**		245,0
Final dividend declared		**—**		541,0
Capital distribution declared 23 November 2009		**459,0**		—
Headline earnings per ordinary share (cents) for continuing operations		**1 382,1**	20	1 149,5
Diluted headline earnings per ordinary share (cents) for continuing operations		**1 373,3**	20	1 144,1
Basic earnings per ordinary share (cents) for continuing operations		**1 556,8**	45	1 074,1
Diluted basic earnings per ordinary share (cents) for continuing operations		**1 546,9**	45	1 069,0
Headline earnings per ordinary share (cents) for discontinued operations		**25,3**	(93)	374,6
Diluted headline earnings per ordinary share (cents) for discontinued operations		**25,1**	(93)	372,9
Basic earnings per ordinary share (cents) for discontinued operations		**26,2**	(93)	365,9
Diluted basic earnings per ordinary share (cents) for discontinued operations		**26,0**	(93)	364,3

Balance sheet

As at 30 September

	2009 Reviewed Rm	2008 Audited Rm
ASSETS		
Non-current assets	**5 439,8**	5 651,0
Property, plant and equipment	**2 202,7**	2 369,2
Goodwill and other intangibles	**1 669,1**	1 713,9
Investments	**1 509,8**	1 478,7
Deferred taxation asset	**58,2**	89,2
Current assets	**6 247,5**	7 025,9
Inventories	**3 059,9**	3 364,7
Trade and other receivables	**2 681,4**	3 102,5
Cash and cash equivalents	**506,2**	558,7
TOTAL ASSETS	**11 687,3**	12 676,9
EQUITY AND LIABILITIES		
Capital and reserves	**6 983,7**	5 760,7
Ordinary share capital and share premium	**70,8**	41,8
Non-distributable reserves	**788,7**	713,6
Accumulated profits	**7 309,8**	6 203,5
Tiger Brands Limited shares held by subsidiary	**(817,7)**	(817,7)
Tiger Brands Limited shares held by empowerment entities	**(502,2)**	(502,2)
Share-based payment reserve	**134,3**	121,7
Minority interest	**301,0**	458,3
TOTAL EQUITY	**7 284,7**	6 219,0
Non-current liabilities	**965,3**	1 141,9
Deferred taxation liability	**156,1**	316,5
Provision for post-retirement medical aid	**326,4**	327,9
Long-term borrowings	**482,8**	497,5
Current liabilities	**3 437,3**	5 316,0
Trade and other payables	**2 684,1**	3 546,3
Provisions	**300,1**	299,8
Provision for Sea Harvest put option	**—**	81,4
Taxation	**52,3**	54,6
Short-term borrowings	**400,8**	1 333,9
TOTAL EQUITY AND LIABILITIES	**11 687,3**	12 676,9

Abridged cash flow statement

Year ended 30 September

	2009 Reviewed Pro forma Continuing Rm	2009 Reviewed Group Rm	2008 Audited Group Rm
Cash operating profit	**3 472,5**	**3 566,1**	4 008,3
Working capital changes	**(470,7)**	**(424,7)**	(914,1)
Cash generated from operations	**3 001,8**	**3 141,4**	3 094,2
Net financing costs	**(254,7)**	**(247,1)**	(196,4)
Dividends received	**79,2**	**86,7**	55,2
Taxation paid	**(1 007,6)**	**(1 033,2)**	(1 059,1)
Dividends received from discontinued operation – Sea Harvest	**21,9**	**—**	—
Payment of Competition Commission administrative penalties	**—**	**—**	(152,3)
Cash available from operations	**1 840,6**	**1 947,8**	1 741,6
Dividends and capital distributions paid	**(1 258,9)**	**(1 267,8)**	(1 121,2)
Net cash inflow from operating activities	**581,7**	**680,0**	620,4
Net cash inflow/(outflow) from investing activities	**172,3**	**132,5**	(2 240,9)
Net cash inflow from financing activities	**100,3**	**100,1**	458,7
Net cash inflow from discontinued operation	**290,2**	**—**	—
Net increase/(decrease) in cash and cash equivalents	**1 144,5**	**912,6**	(1 161,8)
Cash and cash equivalents at the beginning of the year	**(957,3)**	**(725,4)**	436,4
Cash and cash equivalents at the end of the year	**187,2***	**187,2**	(725,4)

**Includes a decrease of R950,0 million on short-term borrowings regarded as cash and cash equivalents.*

Statement of changes in equity

	Share capital and premium Rm	Non-distributable reserves Rm
Balance at 30 September 2007	536,9	526,5
Net profit for the year		
Fair value adjustments recognised in equity		164,4
Foreign currency translation reserve movement		(18,7)
	536,9	672,2
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)	
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
Other reserve movements		
Dividends on ordinary shares		
Total dividends		
Less: Dividends on treasury and empowerment shares		
Arising on changes in and acquisition of subsidiaries and joint ventures		
Balance at 30 September 2008	41,8	713,6
Net profit for the year		
Fair value adjustments recognised in equity		(43,1)
Foreign currency translation reserve movement		(36,4)
	41,8	634,1
Issue of share capital and premium	29,0	
Adjustment due to finalisation of African acquisitions		
Transfers between reserves		157,4
Other reserve movements		
Re-classification from joint venture to associate		
Dividends on ordinary shares		
Total dividends		
Less: Dividends on treasury and empowerment shares		
Adjustment due to sale of Sea Harvest		(2,8)
Balance at 30 September 2009	**70,8**	**788,7**

	Accumulated profits Rm	Shares held by subsidiaries and empowerment trusts Rm	Share-based payment reserve Rm	Total attributable to ordinary shareholders Rm	Minorities Rm	Total Rm
	6 074,8	(1 473,1)	119,9	5 785,0	213,6	5 998,6
	2 273,7			2 273,7	71,2	2 344,9
				164,4		164,4
				(18,7)		(18,7)
	8 348,5	(1 473,1)	119,9	8 204,4	284,8	8 489,2
				46,2		46,2
		42,0		(457,8)		(457,8)
	(1 450,5)		(33,3)	(1 525,3)	(25,8)	(1 551,1)
				—	138,0	138,0
		370,8		370,8		370,8
		(259,6)		(259,6)		(259,6)
	(41,4)			—		-
			35,1	35,1		35,1
	(636,3)			(636,3)	(23,5)	(659,8)
	(694,5)			(694,5)	(23,5)	(718,0)
	58,2			58,2	—	58,2
	(16,8)			(16,8)	84,8	68,0
	6 203,5	(1 319,9)	121,7	5 760,7	458,3	6 219,0
	2 485,5			2 485,5	48,5	2 534,0
				(43,1)		(43,1)
				(36,4)		(36,4)
	8 689,0	(1 319,9)	121,7	8 166,7	506,8	8 673,5
				29,0		29,0
				—	(2,5)	(2,5)
	(157,4)			—		—
	14,8		28,2	43,0		43,0
	2,3		(12,8)	(10,5)	(13,7)	(24,2)
	(1 244,8)			(1 244,8)	(14,1)	(1 258,9)
	(1 362,7)			(1 362,7)	(23,7)	(1 386,4)
	117,9			117,9	9,6	127,5
	5,9		(2,8)	0,3	(175,5)	175,2
	7 309,8	**(1 319,9)**	**134,3**	**6 983,7**	**301,0**	**7 284,7**

Other Group salient features

	Reviewed Year ended 30 Sept 2009 Continuing operations	Reviewed Year ended 30 Sept 2009 Group	Audited Year ended 30 Sept 2008 Group
Net worth per ordinary share (cents)	**4 439**	**4 439**	3 673
Net debt to equity (%)	**5,2**	**5,2**	20,5
Interest cover – net (times)	**12,4**	**12,8**	30,5
Current ratio (:1)	**1,8**	**1,8**	1,3
Capital expenditure (R million)	**561,1**	**603,9**	641,8
– replacement	**320,7**	**363,5**	298,8
– expansion	**240,4**	**240,4**	343,0
Capital commitments (R million)	**1 006,1**	**1 006,1**	435,3
– contracted	**336,8**	**336,8**	168,5
– approved	**669,3**	**669,3**	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	**54,6**	**54,6**	31,3
Inventories carried at net realisable value	**89,6**	**89,6**	68,9
Carrying and fair value of investments (R million)	**1 509,8**	**1 509,8**	1 478,7
Listed	**303,2**	**303,2**	738,0
Unlisted	**160,3**	**160,3**	268,1
Associates (carrying value)	**1 046,3**	**1 046,3**	472,6

Segmental analysis

Year ended 30 September

	2009 Reviewed Rm	%	2008 Audited Rm	%	Change %
Turnover					
FMCG – CONTINUING OPERATIONS	**19 699,8**	**94**	17 589,7	77	12
Domestic Food	**15 922,3**	**76**	14 446,8	63	10
Grains	**8 793,4**	**42**	7 959,7	35	10
Milling and Baking	**6 266,8**	**30**	5 948,9	26	5
Other Grains	**2 526,6**	**12**	2 010,8	9	26
Groceries	**2 651,6**	**13**	2 223,0	10	19
Snacks and Treats	**1 746,9**	**8**	1 605,6	7	9
Beverages	**1 056,3**	**5**	1 015,6	4	4
Value Added Meat Products	**1 413,2**	**7**	1 340,5	6	5
Out of Home	**260,9**	**1**	302,4	1	(14)
HPC	**1 883,7**	**9**	1 765,8	8	7
Personal	**681,2**	**3**	630,5	3	8
Babycare	**560,8**	**3**	517,0	2	8
Homecare	**641,7**	**3**	618,3	3	4
Exports and International	**2 030,6**	**10**	1 519,3	7	34
OTHER INTERGROUP SALES – FMCG	**(136,8)**	**(1)**	(142,2)	(1)	(4)
Fishing – Oceana*	**730,6**	**3**	1 364,3	6	(46)
TOTAL CONTINUING OPERATIONS	**20 430,4**		18 954,0		8
DISCONTINUED OPERATIONS	**605,5**	**3**	3 861,3	17	(84)
Sea Harvest	**605,5**	**3**	934,4	4	(35)
Healthcare	**—**	**—**	2 926,9	13	(100)
TOTAL TURNOVER	**21 035,9**	**100**	22 815,3	100	(8)

**With effect from 1 April 2009 Oceana was reclassified from a joint venture to an associate.*

Segmental analysis continued

Year ended 30 September

	2009 Reviewed Rm	%	2008 Audited Rm	%	Change %
Operating income before abnormal items					
FMCG – CONTINUING OPERATIONS	**3 054,9**	**96**	2 378,3	67	28
Domestic Food	**2 408,3**	**76**	1 740,6	50	38
Grains	**1 414,1**	**44**	1 004,6	29	41
Milling and Baking	**1 157,7**	**36**	764,9	22	51
Other Grains	**256,4**	**8**	239,7	7	7
Groceries	**471,7**	**15**	372,6	11	27
Snacks and Treats	**282,4**	**9**	246,8	7	14
Beverages	**89,5**	**3**	11,1	—	706
Value Added Meat Products	**113,1**	**4**	70,0	2	62
Out of Home	**37,5**	**1**	35,5	1	6
HPC	**485,0**	**15**	450,0	12	8
Personal	**197,9**	**6**	185,2	5	7
Babycare	**166,0**	**5**	150,6	4	10
Homecare	**121,1**	**4**	114,2	3	6
Exports and International	**214,0**	**7**	219,8	6	(3)
Other	**(52,4)**	**(2)**	(32,1)	(1)	(63)
Fishing – Oceana*	**78,5**	**2**	144,3	4	(46)
TOTAL CONTINUING OPERATIONS	**3 133,4**		2 522,6		24
DISCONTINUED OPERATIONS	**56,8**	**2**	1 004,8	29	(94)
Sea Harvest	**56,8**	**2**	105,3	3	(46)
Healthcare	**—**	**—**	899,5	26	(100)
TOTAL OPERATING INCOME BEFORE ABNORMAL ITEMS	**3 190,2**	**100**	3 527,4	100	(10)

**With effect from 1 April 2009 Oceana was reclassified from a joint venture to an associate.*

Notes

Year ended 30 September		**2009 Reviewed Rm**	2008 Audited Rm
1.	**Revenue – continuing operations**		
	Turnover	**20 430,4**	18 954,0
	Interest received	**181,6**	206,6
	Dividend income	**30,5**	9,1
		20 642,5	19 169,7
2.	**Operating income – continuing operations**		
	Operating income before abnormal items is reflected after charging:		
	Cost of sales	**13 282,5**	12 574,6
	Sales and distribution expenses	**2 506,0**	2 471,7
	Marketing expenses	**529,8**	472,7
	Other operating expenses	**978,7**	912,4
	Depreciation (included in cost of sales and other operating expenses)	**261,9**	245,5
3.	**Abnormal items – continuing operations**		
	Loss on sale of property, plant and equipment, including impairment charges on intangibles	**(11,7)**	(129,5)
	Net profit on sale of interest in subsidiaries and joint ventures	**62,7**	10,6
	Loss on sale of investments	**(4,3)**	—
	Profit on sale of investments, including reversal of impairment	**234,3**	3,8
	Costs relating to the unsuccessful attempt to acquire AVI Limited	**(29,8)**	—
	Empowerment transaction costs	**(12,0)**	—
	Release of provision for Sea Harvest put option	**81,4**	—
	Release of provision for Healthcare unbundling costs	**1,1**	2,1
	Recognition of pension fund surpluses	**27,5**	127,0
	Other	**(5,3)**	(9,7)
	Abnormal profit before taxation	**343,9**	4,3
	Taxation	**(36,7)**	(39,7)
		307,2	(35,4)
	Minorities	**—**	—
	Abnormal profit attributable to shareholders in Tiger Brands Limited	**307,2**	(35,4)
4.	**Income from associates – continuing operations**		
	Normal trading	**187,0**	72,0
	Abnormal item – profit on partial sale of interest in subsidiary	**16,6**	—
		203,6	72,0

Notes continued

	2009 Reviewed Rm	2008 Audited Rm
5. Discontinued operations		
5.1 Sea Harvest		
On 28 May 2009 the Group disposed of Sea Harvest. The results of Sea Harvest for the eight months to 28 May 2009 (2008: 12 months to 30 September 2008), which are included in the Group results, are presented below:		
Turnover	**605,5**	934,4
Operating income before abnormal items	**56,8**	105,3
Abnormal items	**2,1**	8,9
Interest paid	**(0,5)**	(1,0)
Interest received	**8,2**	11,5
Dividends received	**7,5**	10,3
Profit before tax from a discontinued operation	**74,1**	135,0
Taxation	**(19,1)**	(34,0)
Profit for the year from a discontinued operation	**55,0**	101,0
Attributable to minorities	**13,9**	25,6
The net cash flows generated/(incurred) by the Sea Harvest business are as follows:		
Operating activities	**98,3**	47,1
Investing activities	**(39,6)**	(43,0)
Financing activities	**(0,2)**	(0,7)
Net cash inflow	**58,5**	3,4
The major classes of assets and liabilities of Sea Harvest were not classified as held for sale as at 30 September 2008 as the decision taken to discontinue the operation was made during the current financial year.		
Assets		
Property, plant and equipment	**—**	288,0
Goodwill and other intangibles	**—**	17,7
Investments	**—**	22,0
Deferred taxation asset	**—**	0,6
Cash and cash equivalents	**—**	231,9
Inventory	**—**	151,3
Trade and other receivables	**—**	200,3
Assets classified as held for sale	**—**	911,8
Liabilities		
Interest-bearing liabilities (long- and short-term borrowings)	**—**	4,7
Deferred tax liability	**—**	57,8
Provision for post-retirement medical aid	**—**	19,2
Trade and other payables	**—**	171,9
Taxation	**—**	10,0
Liabilities directly associated with assets classified as held for sale	**—**	263,6
Net assets directly associated with disposal group	**—**	648,2

	2009 Reviewed Rm	2008 Audited Rm
5. Discontinued operations *(continued)*		
5.2 Healthcare interests		
On 25 August 2008 the unbundling of Adcock Ingram Holdings Ltd was completed.		
The results of Adcock Ingram Holdings Ltd for the 11 months to 24 August 2008, which were included in the 2008 Group results, are presented below:		
Turnover	—	2 926,9
Operating income before abnormal items	—	899,5
Abnormal items	—	(71,4)
Interest paid	—	(171,5)
Interest received	—	47,7
Dividends received	—	5,2
Profit before tax from a discontinued operation	—	709,5
Taxation	—	(198,9)
Profit for the year from a discontinued operation	—	510,6
The net cash flows generated/(incurred) by the Healthcare business are as follows:		
Operating activities	—	342,2
Investing activities	—	(1 429,5)
Financing activities	—	1 312,9
Net cash inflow	—	225,6

6. Business combinations

2009

6.1 Crosse & Blackwell

On 1 October 2009 Tiger Brands acquired the Crosse & Blackwell mayonnaise business from Nestlé. The sale included both the mayonnaise production plant and staff in Bellville, Cape Town, as well as inventory and intangible assets. The purchase consideration to be accounted for from 1 October 2009 comprises the following:

	Rm
Trademarks	250,0
Land and buildings	50,0
Plant and equipment	37,2
Inventories	74,5
Fair value of assets acquired	411,7
Goodwill	62,8
Purchase consideration	474,5

Apart from plant & equipment and inventories, where the carrying value approximated fair value, the carrying values of the remaining assets at the date of acquisition, being trademarks and land and buildings, are not disclosed as these values were not made available to the company during the sale transaction.

Since the effective date of the transaction was subsequent to 30 September 2009, the acquisition has not contributed any revenue or operating income to the 2009 group results.

Goodwill represents the difference between the purchase consideration and the fair value of the net assets acquired as there are no further separately identifiable intangible assets.

6. **Business combinations** *(continued)*

2008

6.2 African acquisitions

On 1 June 2008 the Group acquired 51,0% of Haco Industries (Kenya) Limited ("Haco") and on 1 August 2008 the Group acquired 74,7% of Chocolaterie Confiserie Camerounaise Sa ("Chococam"), collectively referred to as the "African acquisitions".

The functional currency of Haco is the Kenyan Shilling, whilst Chococam is the Cameroon Franc.

The fair value of the identifiable assets and liabilities of the African acquisitions were:

	Restated recognised on acquisition Rm	Previously recognised on acquisition Rm	Carrying value at date of acquisition Rm
Property, plant and equipment	147,3	145,6	145,6
Trademarks	53,3	54,1	0,8
Deferred taxation asset	1,5	1,5	1,5
Deposits, cash and cash equivalents	12,1	12,1	12,1
Debtors	111,0	111,0	111,0
Inventories	116,3	126,5	126,5
Fair value of assets acquired	441,5	450,8	397,5
Creditors and provisions	98,4	94,8	94,8
Long-term and short-term borrowings	76,6	76,6	76,6
Provision for post-retirement medical aid	4,8	4,8	4,8
Taxation payable	2,3	2,3	2,3
Deferred taxation liability	14,3	14,3	14,3
Fair value of liabilities acquired	196,4	192,8	192,8
Fair value of net assets acquired	245,1	258,0	204,7
Minority interest	(79,5)	(82,0)	
Goodwill arising on acquisition	32,6	17,9	
Purchase consideration	198,2	193,9	

During the course of 2009, certain adjustments were made to the amounts recognised on acquisition, as permitted by IFRS 3 – *Business Combinations.*

The effect of the adjustments resulted in a reclassification between trademarks and property, plant and equipment, as well as a restatement of property, inventories and creditors and a corresponding adjustment to goodwill.

In addition, the deferred purchase price was finalised resulting in a final adjustment to goodwill and the purchase consideration.

The total cost of the acquisition was R198,2 million (2008: R193,9 million) and was funded out of external resources.

Cash outflow on acquisition:

Net cash acquired on acquisition	(12,1)	(12,1)
Cash paid	198,2	184,2
Net cash outflow	186,1	172,1

From the date of acquisition to September 2008, the African acquisitions contributed R126,6 million to revenue from continuing operations and R7,6 million to group operating income.

Should the African acquisitions have been included from 1 October 2007 to 30 September 2008, their contributions are estimated to have been R536,2 million to revenue and R21,4 million to profit after tax before accounting for acquisition financing costs. The Group's share of the R21,4 million profit after tax before accounting for acquisition financing costs was R15,4 million.

The significant factors that contributed to the recognition of goodwill included, but were not limited to, the establishment of a presence within the Central and East African markets, with local management and distribution capabilities to drive the Group's product sales into the various channels and customers that exist within those markets.

7. Property, plant and equipment

The additions for the year amounted to R561,1 million (2008: R641,8 million) and the net book value of disposals totalled R4,0 million (2008: R5,4 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 pre-prepared meals division 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 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.

Year ended 30 September

	2009 Reviewed	2008 Audited
9. Shares		
Number of ordinary shares in issue (000's)	**173 560**	173 043
Includes 10 326 758 (2008:10 326 758) shares held as treasury stock and 5 896 140 (2008: 5 896 140) shares owned by staff empowerment entities		
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)	**157 012**	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)	**158 022**	158 637
10. Reconciliation between profit for the year and headline earnings	**Rm**	Rm
Profit attributable to ordinary shareholders	**2 485,5**	2 273,7
Adjusted for:		
Net profit on sale of interest in subsidiaries and joint ventures	**(62,7)**	(8,7)
Loss on sale of property, plant and equipment, including impairment charges on intangibles	**3,5**	141,7
Profit on sale of investments	**(201,1)**	—
Loss on sale of investments	**4,3**	—
Associates	**(16,6)**	1,4
Profit on sale of property, plant and equipment	**—**	(1,3)
Profit on partial sale of interest in subsidiary	**(16,6)**	—
Impairment of property, plant and equipment	**—**	2,7
Other	**(3,1)**	(1,6)
Headline earnings for the year	**2 209,8**	2 406,5
Reconciliation between profit for the year and headline earnings – discontinued operations		
Profit attributable to ordinary shareholders	**41,1**	577,8
Adjusted for:		
Profit on sale of property, plant and equipment, including impairment charges on intangibles	**(1,4)**	17,2
Net profit on sale of interest in subsidiaries	**—**	(3,5)
Headline earnings for the year	**39,7**	591,5

Notes continued

	2009 Reviewed Rm	2008 Audited Rm
11. Oceana		
On 1 April 2009 the Group ceased proportional consolidation of Oceana and commenced equity accounting. The results of Oceana for the six months to 31 March 2009 (2008: 12 months to 30 September 2008), which are included in the Group results, are presented below:		
Turnover	**730,6**	1,364,3
Operating income before abnormal items	**78,5**	144,3
Abnormal items	**1,5**	5,3
Interest paid	**(3,7)**	(3,0)
Interest received	**5,5**	7,6
Dividends received	**5,2**	8,7
Profit before tax	**87,0**	162,9
Taxation	**(28,4)**	(47,3)
Profit for the year	**58,6**	115,6

12. Changes in accounting policies

The accounting policies adopted and methods of computation are consistent with those of the previous financial year except for the adoption of the following new and amended IFRS and IFRIC interpretations during the year:

– IFRIC 12 Service Concession Arrangements

– IFRIC 13 Customer Loyalty Programmes

– IFRIC 16 Hedges of a Net Investment in a Foreign Operation

– IAS 39 Amended Financial Instruments: Recognition and Measurement – Reclassification of financial assets

– IFRS 7 Amended Financial Instruments: Disclosures – Reclassification of financial assets

The application of these standards and interpretations did not have a significant impact on the Group's reported results and cash flows for the year ended 30 September 2009 and the financial position at 30 September 2009.

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