

AVI LIMITED

Registration number: 1944/017201/06

JSE and A2X share code: AVI

ISIN: ZAE000049433

("AVI" or "the Group" or "the Company")

RESULTS FOR THE YEAR ENDED 30 JUNE 2019, AND FINAL DIVIDEND

Note: AVI has adopted the following new accounting standards with effect from 1 July 2018:

- IFRS 15 - Revenue from contracts with customers;
- IFRS 16 - Leases;
- IFRS 9 - Financial instruments.

While the impact at a headline earnings level is negligible for AVI, IFRS 15 and 16 have a material impact on many of the items reported in the financial statements, rendering direct comparison to last year's results meaningless for these lines. Refer to note 10 of the summarised consolidated financial statements for additional information on the impact of the adoption of the new accounting standards.

Additional tables and schedules have been included in this report to assist in comparing the results to those for last year on a like-for-like basis. The comparisons to prior year results made on a like-for-like basis in the commentary are before taking reclassifications in terms of the new revenue and lease accounting standards into account. Similarly, this commentary would equally apply to the unadjusted financial information after taking into account the effects of the reclassifications.

The illustrative F19 information presented on a like-for-like basis is the responsibility of the directors of AVI, and does not constitute financial information fairly presented in accordance with International Financial Reporting Standards.

Key statistics and features

	IFRS	Like-for-like
	% change	% change
Revenue	(2,1)	1,2
Gross profit	(8,9)	(0,3)
Gross profit margin	(6,9)	(1,5)
Operating profit	(1,2)	(3,0)
Operating profit margin	1,0	(4,2)
Headline earnings	(4,4)	(4,7)
Headline earnings per share	(4,9)	(5,2)
Earnings per share	(4,8)	(5,1)
Cash generated by operations	5,9	(1,8)

- Improved second semester;
- Like-for-like revenue growth of 1,2%:
  - Pressure on sales volumes in constrained consumer environment;
  - Balanced value versus volume across key categories;
- Gross profit margins protected despite the difficult environment;
- Selling and administrative costs up 1,7% on like-for-like basis, including:
  - Restructuring costs at Green Cross - R27 million;
  - Unrealised loss from mark-to-market of I&J's fuel hedges - R29 million;
- Operating profit down 3,0% on like-for-like basis;
- Cash generated by operations of R2,64 billion down 1,8% like-for-like;
- Investment to sustain and grow our businesses of R472,6 million;
- Negligible impact of new accounting standards on headline earnings;
- Headline earnings per share down 4,9% to 516,6 cents;

- Dividend cover maintained, final dividend of 250 cents per share.

This short-form announcement is the responsibility of the directors and is only a summary of the information in the full announcement. Any investment decision should be based on the full announcement.

The full announcement can be found

- On the JSE's website at <https://senspdf.jse.co.za/documents/2019/jse/isse/AVI/AVIF19.pdf>
- On the Company's website at <https://www.avi.co.za/investor/results-and-presentations/current-year>

Copies of the full announcement may also be requested at the Company's registered office and offices of our sponsor, at no charge, during office hours.

Report of the independent auditors

The summarised consolidated financial statements for the year ended 30 June 2019 have been audited by Ernst & Young Inc., who expressed an unmodified opinion thereon. The auditor also expressed an unmodified opinion on the annual consolidated financial statements from which the summarised consolidated financial statements were derived.

Final dividend

Notice is hereby given that a gross final ordinary dividend No 93 of 250 cents per share for the year ended 30 June 2019 has been declared payable to shareholders of ordinary shares. The dividend has been declared out of income reserves and will be subject to dividend withholding tax at a rate of 20%. Consequently a net final dividend of 200 cents per share will be distributed to those shareholders who are not exempt from paying dividend tax. In terms of dividend tax legislation, the dividend tax amount due will be withheld and paid over to the South African Revenue Services by a nominee company, stockbroker or Central Securities Depository Participant ("CSDP") (collectively "regulated intermediary") on behalf of shareholders. However, all shareholders should declare their status to their regulated intermediary, as they may qualify for a reduced dividend tax rate or exemption. AVI's issued share capital at the declaration date is 335 430 838 ordinary shares. AVI's tax reference number is 9500/046/71/0. The salient dates relating to the payment of the dividend are as follows:

Last day to trade cum dividend on the JSE	Tuesday, 8 October 2019
First trading day ex dividend on the JSE	Wednesday, 9 October 2019
Record date	Friday, 11 October 2019
Payment date	Monday, 14 October 2019

In accordance with the requirements of Strate Limited, no share certificates may be dematerialised or rematerialised between Wednesday, 9 October 2019, and Friday, 11 October 2019, both days inclusive.

Dividends in respect of certificated shareholders will be transferred electronically to shareholders' bank accounts on payment date. In the absence of specific mandates, dividend cheques will be posted to shareholders. Shareholders who hold dematerialised shares will have their accounts at their CSDP or broker credited on Monday, 14 October 2019.

By order of the Board

Gavin Tipper	Simon Crutchley
Chairman	CEO
9 September 2019	

Sponsor

The Standard Bank of South Africa Limited