RCL FOODS LIMITED
UNAUDITED GROUP INTERIM RESULTS AND CASH DIVIDEND DECLARATION

for the six months ended 31 December 2014

and

ANNEXURE TO THE INTERIM RESULTS *(PRO FORMA)*

for the six months ended 31 December 2014

RCL FOODS™

ABRIDGED CONSOLIDATED UNAUDITED RESULTS

for the six months ended 31 December 2014

Financial highlights

	vs comparative	
	Actual	***Pro forma***
Revenue	Up 38.8%	Up 3.7%
Headline EBITDA	Up 73.7%	Up 34.5%
Headline earnings per share from continuing operations	Up 1 358.3%	Up 49.6%

Key features

- **Restructuring into ONE company is a key enabler for value creation**
- **Rainbow's HEBITDA improves as new business model takes effect**
- **TSB results included for the first time in the interim period**
- **Material adverse impact of industrial action at Foodcorp and Vector**
- **Positive impact of debt restructuring on headline earnings and cash flows**

Basis of preparation

The summarised consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), the information required by IAS 34 (Interim Financial Reporting), IFRIC interpretations, SAICA financial reporting guides and in compliance with the Companies Act of South Africa and the Listings Requirements of the JSE Limited, under the supervision of the Chief Financial Officer, Robert Field CA(SA). The accounting policies comply with IFRS and are consistent with those applied in the previous year except for the adoption of the amendments to IAS 19 (Employee Benefits), IAS 32 (Financial Instruments: Presentation), IAS 36 (Impairment of Assets), IAS 39 (Financial Instruments: Recognition and Measurement), Annual Improvements 2012 and Annual Improvements 2013, which became effective 1 July 2014. The adoption of these amendments has no effect on the results, nor has it required any restatement of results.

Following a reassessment of Vector's distribution contracts, R288.5 million of inventory relating to Customer Secondary Distribution (CSD) contracts has been reclassified to other receivables as at 31 December 2013 as the risks and rewards are not considered to have passed to Vector. There is no earnings impact relating to this change.

The initial accounting for the Foodcorp business combination was based on provisional values as the transaction occurred on 1 May 2013, resulting in insufficient time to calculate the fair value of all assets and liabilities. The fair values (mainly intangibles, goodwill and deferred tax) were reassessed at 30 June 2014, and based on additional evidence necessitated a restatement of the 31 December 2013 reported fair values. There is no earnings impact relating to this reassessment.

Following a reassessment of Foodcorp's trade agreements with its customers, it was concluded that certain allowances granted to customers that were previously recorded as an expense should be recorded as a reduction of revenue. As a result, the revenue total for year ended 30 June 2014 and the six months ended 31 December 2013 have been restated. The restatement has no impact on operating profit or the statement of financial position.

The effect of the above reassessments on the statement of comprehensive income and statement of financial position for the year ended 30 June 2014 and six months ended 31 December 2013 is as follows:

	R'000 30 June 2014	R'000 31 Dec 2013
Impact on statement of comprehensive income		
Decrease in revenue	(219 123)	(113 263)
Impact on statement of financial position		
Decrease in intangible assets		(77 654)
Increase in goodwill		117 189
Decrease in inventory		(288 515)
Increase in trade and other receivables		288 515
Decrease in deferred income tax liabilities		(123 761)
Increase in trade and other payables		163 296

RCL Foods corporate activity

Pro forma results

As reported in the 2014 year end results announcement, RCL Foods entered into a number of corporate transactions in the previous financial year, inter alia, the following:

- Acquired the remaining 35.82% minority interest in Foodcorp in two transactions from Foodcorp management (July 2013) and Capitau (September 2013);
- Acquired 100% of the issued ordinary shares in TSB effective January 2014;
- Redeemed Foodcorp's Euro denominated debt in November 2013 (10%) and April 2014 (remaining 90%) through cash and new rand-based debt;
- Restructured the existing BEE notional vendor financed shareholding and implemented a new BEE transaction; and
- Raised R790.2 million in a *pro-rata* minority share offer in February 2014.

Due to the material impact of these corporate transactions on the results for the six month period to 31 December 2013, RCL Foods has concurrently published *pro forma* results for the comparative period on SENS on 18 February 2015 that aims to provide shareholders with a better understanding of the underlying operational performance of the Group. The *pro forma* results, which are supported by a reporting accountants report, assume that all corporate activity was effectively concluded on 30 June 2013 which allows:

- 100% of Foodcorp's results to be included;
- Six months of TSB's results to be included;
- A normalised funding cost line by assuming rand based debt which removes the impact of foreign currency losses and the bond redemption;
- The inclusion of the recurring IFRS 2 charge relating to the new BEE scheme and exclusion of the charge relating to the old scheme;
- New shares to be in issue for the full six months; and
- Transaction costs associated with the corporate activity to be excluded.

Shareholders are advised to review the published results in conjunction with the *pro forma* results in order to obtain a better understanding of the underlying performance. It is the intention of the Board to publish the *pro forma* results as an additional comparative in the 2015 financial year.

By normalising the impact of the corporate transactions, the Group's profit attributable to equity holders of the company for the six months ended 31 December 2013 improves from a published profit of R13.1 million (earnings per share from continuing operations 4.8 cents) to a *pro forma* profit of R384.6 million with an earnings per share of 46.7 cents from continuing operations.

Operational restructure

Historically, the Group was structured around the statutory companies of Foodcorp, Rainbow, TSB and Vector. In line with the Group's strategy of operating with a "one company" mindset, the Board resolved to restructure the Group into the logical business clusters of "Consumer" (which includes Rainbow and Foodcorp's Grocery, Beverage, Pie and Speciality divisions) and "Sugar & Milling" (which includes TSB, Rainbow's Feed division Epol and Foodcorp's Milling and Baking divisions). Vector will continue to operate as a stand-alone business, ultimately responsible for all of the Group operations' route to market.

Whilst the operational restructure was effective 1 January 2015, the management accounting systems required to enable this reporting will only be implemented for the 2016 financial year and therefore RCL Foods will continue to report its segmental information on the historical basis for the 2015 financial year.

Replacement of bridging loan subsequent to reporting period

In November 2014, RCL Foods commenced a process to replace the R4.5 billion bridging loan facility from Rand Merchant Bank with a more appropriate debt structure. This process was completed in January 2015 with cash flow expected by the end of February 2015.

RCL Foods financial review

The commentary below uses the previously reported statutory information as the comparative.

RCL Foods' revenue for the six months ended December 2014 increased by 38.8% to R12.0 billion, largely due to the inclusion of six months of TSB's results and improved performance by Rainbow. RCL Foods' headline EBITDA increased by 73.7% from R688.3 million to R1 195.5 million with the associated margin increasing from 7.9% to 9.9%.

The table below depicts headline EBITDA from both a statutory perspective and adjusted for unrealised gains and losses on financial instruments used in Rainbow's feed raw material procurement strategy. Reporting (in terms of IAS 39) the financial effects of certain financial instruments used in the feed procurement strategy introduces volatility to the Group's financial results. For the period under review, the pre-taxation impact on the Group's results of these unrealised positions is a positive impact of R110.7 million (2013: positive R34.1 million), being largely related to the increase in the maize price and the deterioration in the Rand/USD exchange rate.

	6 months 31 Dec 2014	6 months 31 Dec 2013	Var
Headline EBITDA (Rm)			
Statutory	1 195.5	688.3	73.7%
Pre-IAS 39	1 084.8	654.2	65.8%
Headline EBITDA margin (%)			
Statutory	9.9	7.9	2.0
Pre-IAS 39	9.0	7.5	1.5

Foodcorp's EBITDA for the period was R344.3 million (a margin of 9.1%), a decrease of 8.5% from the previous period due largely to extended industrial action in the Speciality division and difficult trading conditions within the Milling division. Rainbow recorded a R463.2 million statutory EBITDA for the period (a margin of 10.0%), up 142.1% from the previous period due largely to the implementation of its new business model as well as improved industry factors. TSB delivered an EBITDA of R290.7 million at a margin of 9.0%. Vector's results for the period were negatively impacted by industrial action costs resulting in EBITDA decreasing by 11.0% to R110.5 million (a margin of 11.2%).

Headline earnings from continuing operations of R601.6 million increased significantly over the comparative period largely due to the improved performance of Rainbow, the inclusion of TSB and the replacement of the Euro bonds with a rand based debt package which eliminated the unfavourable mark to market impact.

Impact of TSB acquisition on the statement of financial position

The acquisition of TSB has had a significant impact on the Group's statement of financial position compared to the comparative period.

Capital expenditure

Capital expenditure for the six month period was R345.5 million (2013: R184.0 million). Major capital expenditure related to the solvent extraction plant in the Grocery division at Foodcorp, the Molatek expansion project and on going feasibility spend in Massingir at TSB. An amount of R147.1 million (2013: R150.0 million) has been contracted and committed, but not spent, whilst a further R153.3 million (2013: R98.8 million) has been approved, but not contracted. TSB accounts for R52.9 million and R43.9 million of these values respectively.

Cash flow and working capital

Cash generated by operations declined to R616.7 million (a decrease of 28.1%). The decrease is mainly attributable to an outflow of working capital resulting from the higher inventory levels that TSB maintains to cover their off crop period from January to March.

RCL Foods disinvested from its unit trusts held with Nedgroup Investments, which due to its maturity profile is classified as money market and not as cash and cash equivalents for IFRS purposes despite having 48-hour liquidity, to realign its cash resources. The cash inflow from investing activities is largely due to the reduction in investment in the money market of R424.0 million offset by capital expenditure and an additional investment of R45.8 million in Zamhatch Limited.

The reduction in cash outflows from financing activities is due to the inclusion in the prior period of the Foodcorp minority buyout and the 10% redemption of the Euro bonds.

Return on equity which is calculated on a rolling 12 month basis, increased to a positive 3.8% (2013: negative 0.3%). The low return is a function of Rainbow's poor performance in the six month period January to June 2014, the redemption of the Euro bonds in April 2014 and the additional equity arising from the *pro-rata* minority rights issue in February 2014.

Foodcorp review of operations

Foodcorp had a disappointing trading performance for the six months ended 31 December 2014, albeit in tough trading conditions.

Revenue from continuing operations for the six months ended 31 December 2014 was R3 786.5 million, a decrease of 2.0% over the comparable period. The decrease in revenue was impacted by a seven week strike at the Speciality division (R70.3 million) as well as a poor trading performance from the Milling division. The Grocery division performed well despite a very competitive environment, with Nola and Yum Yum achieving pleasing margins as a result of efficiencies arising from the newly commissioned Polyethylene Terephthalate (PET) plant. The management changes and focus on the Baking division has pleasingly translated into an improved performance with the full benefit expected in the second six months of the financial year.

EBITDA from continuing operations for the six months ended 31 December 2014 was below expectations at R344.3 million (2013: R376.1 million), translating into a margin of 9.1% (2013: 9.7%).

Disposal of the Fishing division

The Competition Commission had initially approved the proposed acquisition by Oceana Limited of the fishing interests of Foodcorp, subject to certain divestiture conditions. One of these conditions was not acceptable to the parties. Accordingly, the parties filed a Request for Consideration with the Competition Tribunal to challenge the condition in question. The Competition Tribunal upheld the initial Competition Commission finding. The merging parties referred the matter for Appeal, and the Competition Appeal Court (CAC) approved the transaction subject to a condition that the Glenryck trademark not form part of the transaction. Both parties have agreed to accept the condition imposed by the CAC. The last conditions precedent were finalised on 2 February 2015 and the sale will be reflected in the second six months of the 2015 financial year. The revised purchase price for the Fishing division was R395.0 million (previously R445.0 million) and the proposed sale of the Glenryck brand, to a third party is well advanced.

Rainbow review of operations

After an extended period of significant pressure in the poultry industry, Rainbow delivered an improved result for the six months ending 31 December 2014. In addition to a better supply/demand balance in the local market, Rainbow's new business model is delivering more profitable and consistent results, including an improved operational performance.

New business model progress

The successful introduction of measures in the second half of the previous financial year to align bird volume and profitable demand has exceeded initial expectations, resulting in a significant improvement in production mix and a reduced reliance on pure commodity lines including Individually Quick Frozen (IQF).

Rainbow posted a pre-IAS39 EBITDA of R352.5 million (2013: R157.2 million) and R463.2 million statutory EBITDA (2013: R191.3 million) for the period. Retail realisations grew primarily as a result of the conscious decision to reduce overall volumes (9% decrease over the comparable period). It also enabled the elimination of loss making lines. Rainbow has however delivered strong growth across the Quick Service Restaurant (QSR) customer base, generating a significantly better mix in the process.

Despite the lower volumes, cost containment across the agricultural and processing operations resulted in production costs (excluding feed) being similar to the comparable period. Despite the record crops both internationally and locally, commodity prices over the period were volatile and remained high relative to long-term historic levels. The rand weakened by 10.6% over the corresponding period and continues to negatively affect feed cost. The total feed cost (R/ton) increased by 7% year-on-year, partly due to the exchange rate impacted soyameal cost but also as a result of a change in diet density to drive improved bird performance and lower overall feed consumption. The higher diet specification is in line with the new business model guidelines.

Maximising retail added value and QSR volumes remain a key focus area for the business with further innovation, strategic partnering and an increased investment in marketing spend expected to further step-change the mix in the medium to long-term.

Industry Issues

The industry remains exposed to two critical issues, namely:

- Imports and dumping of leg quarters; and
- Injection cap proposed by government

Despite the increased general import tariff (not affecting the European Union) and the introduction of interim anti-dumping duties on certain European countries, imports barely slowed in the last three months of the calendar year. The discovery of Avian Influenza (AI) in Germany, the Netherlands and United Kingdom has extended the restrictions, effectively banning imports from affected countries for the immediate future.

The interim anti-dumping duties against the affected European countries expired on 1 January 2015 as the International Trade and Administration Commission of South Africa (ITAC) have not yet completed their investigation. The medium term risk is that this analysis is not completed before the AI ban is lifted or the duties are not ratified, allowing an increase in the level of dumped imports.

Rainbow remains very supportive of the principle of an injection cap and welcomes the aim of the new legislation to ensure a level playing field and the protection of consumers' best interests. Towards the middle of the prior financial year, the Department of Agriculture Forestry and Fisheries (DAFF) announced proposed regulations to cap injection at 15% from March 2015, however with the change in personnel at DAFF, further investigation and time is required by them to assess the appropriate level of and monitoring process for the injection cap.

Impairment assessment

Rainbow is encouraged by its performance over the past six months and the continued development of the new business model. The risk of over supply through inadequate protection of the local industry from dumping remains a key hurdle to the continued recovery. This risk will remain until government makes a final decision on long-term tariffs and anti-dumping measures. As a result, the RCL Foods Board of directors continue to assess the need for an impairment of assets but are comfortable that such is not required at this point.

TSB review of operations

TSB's EBITDA for the period was R290.7 million, a margin of 9.0%. In April 2014 an updated sugar tariff based on the new dollar based reference price of $566/ton was announced (previously $358/ton). A significant decrease in sugar imports has been evident post implementation of the increased tariff which has contributed to increased sales volumes in the domestic market.

During the six months under review TSB produced 450 000 tons of raw sugar compared to 409 000 in the comparative period. This increase was due to more favourable milling conditions and improved cane supply.

Molatek sales (TSB's feed operation) increased to 171 000 tons compared to 140 000 tons in the comparative period. The volume increase was enabled by the expansion project which was commissioned during the 2014 financial year.

Greenfields Massingir project

Massingir is TSB's proposed greenfields expansion in Mozambique. The feasibility studies are substantially completed. A decision whether to advance the project to financial closure will be taken before the end of the 2015 financial year. R77.4 million of setup costs relating to the Massingir project are currently recorded in work-in-progress, with a further R21.9 million committed.

Vector review of operations

Vector's revenue growth of 14.6% for the six months was pleasing. New revenue was derived from the introduction of the second sales and merchandising structure (created to support Foodcorp's and TSB's operations) and a new customer Sea Harvest. Volumes in the Foodservice industry grew and Burger King increased its store footprint during the period, contributing to Vector's revenue growth. EBITDA however decreased by 11.0% to R110.5 million (2013: R124.2 million) largely due to the industrial action at the Midrand facility. This resulted in costs of R20.2 million being incurred in an effort to maintain service levels for its customers and principals along with security initiatives for non-striking staff and business premises.

Higher wage rate settlements, coupled with the establishment of the second sales and merchandising structure employing over a thousand new staff, contributed to a significant increase in the cost base. High electricity and fuel costs continue to affect the distribution sector although the benefits of recent fuel price reductions should become more apparent during the second half of the year.

Regrettably McCain, one of the larger principals in the Vector network, elected to move just over half of its volume out of the network during the period. Vector is currently preparing the network for the take-on of new business which, on an annualised basis, is anticipated to offset the impact of the exit of McCain.

ABRIDGED CONSOLIDATED UNAUDITED RESULTS
for the six months ended 31 December 2014 CONTINUED

Equity accounted investments

Royal Swaziland Sugar Corporation ("RSSC")

TSB has a 27% shareholding in RSSC, with equity accounted earnings of R104.7 million being reported for the period. RSSC's results were negatively impacted upon by the downward pressure on sugar prices in the European Union (EU), offset by improved volumes of sugar and rand based prices as a result of the weakening Lilangeni/Rand exchange rate. The lower EU prices are expected to continue in the short to medium term.

Senn Foods Logistics

As previously reported, 49% of Senn Foods Logistics was acquired effective 1 May 2014. Due to differing year-end periods, Vector Logistics has equity accounted five months of Senn Foods Logistics' results in this period. Senn Foods Logistics performed in line with expectations during the period.

Zambian operations

RCL Foods has a 49% shareholding in Zam Chick Limited ("Zam Chick") in Zambia under joint management control with Zambeef Products PLC. Due to differing year-end periods, RCL Foods accounts for Zam Chick's results three months in arrears. Demand for chicken was high in the first six months of the financial year (April to September 2014) with revenue increasing by 16% over the comparable period. Zam Chick managed to dramatically reduce the volume contribution of whole birds during this period from 68% in 2013 to 44% in 2014, thus de-commoditising the mix which drives favourable pricing and higher margins.

Zamhatch Limited, the hatchery and feed milling joint venture operation has progressed well and will place its first parent stock during March 2015.

Information technology

During this reporting period RCL Foods has continued to optimise the Enterprise Resource Planning (ERP) systems within the Group. Significant focus has been placed on leveraging the SAP system to drive procurement benefits. Extended focus has also been placed on the optimisation of the outbound supply chain through the Vector SAP system solutions. A number of key Foodcorp ERP enhancement projects were completed. Opportunities for future integration and synergies have been identified within the expanded Group system landscape. The implementation of global best practice processes and shared services will enable the delivery of further business benefits into the future.

Cash dividend declaration

The directors have resolved to declare an interim gross cash dividend (number 80) of 15.0 cents per share for the six months ended 31 December 2014 (2013: nil).

The dividend has been declared from income reserves. Dividend tax will amount to 2.25 cents per share and consequently shareholders, who are not exempt from dividends tax, will receive a net dividend amount of 12.75 cents per share. The issued share capital as at 18 February 2015 is 929 739 986 ordinary shares. The company's income tax reference number is 9950019712.

The salient dates of the declaration and payment of the interim dividend are as follows:

Last date to trade ordinary shares cum dividend	Friday, 10 April 2015
Ordinary shares trade ex dividend	Monday, 13 April 2015
Record date	Friday, 17 April 2015
Payment date	Monday, 20 April 2015

Share certificates may not be dematerialised or rematerialised between Monday, 13 April 2015 and Friday, 17 April 2015 (both dates inclusive).

Prospects

The operational improvements that RCL Foods has implemented across the different businesses over the past year should continue to contribute positively to the earnings performance in an environment where economic conditions remain challenging. The second half of the financial year is a seasonally lower profit period, especially as relates to Rainbow which enjoys its peak trading in December, and TSB which has the three month *off crop* from January to March.

The weak state of the South African economy and the devaluation of the rand means a sustainable improvement in consumer spending is unlikely in the near future. The lower oil price will temper inflationary pressure and contribute to lower fuel and oil derivative input costs.

The poultry industry's application for long-term anti-dumping duty protection and the timing of government's regulation of injection remain as uncertainties.

TSB's use of irrigation has meant that its production is largely unaffected by the drought that is affecting the balance of the sugar industry. TSB has sufficient irrigation resources for the forthcoming sugar season.

The trading outlook for Vector is largely positive with continued CSD and new customer growth anticipated.

The Group continues to explore opportunities in strategic growth markets in the food sector in South Africa and sub-Saharan Africa in line with its long-term aspirations.

For and on behalf of the Board

JJ Durand
Non-executive Chairman

M Dally
Chief Executive Officer

18 February 2015
Durban

CORPORATE INFORMATION

RCL Foods Limited
("RCL Foods" or "Group")

Directors: JJ Durand (Non-executive Chairman), M Dally (CEO)*, HJ Carse, RH Field*, PR Louw, NP Mageza, DTV Msibi, MM Nhlanhla, RV Smither, GM Steyn, GC Zondi.

** Executive Directors*

Company secretary: JMJ Maher

Registration number: 1966/004972/06

JSE share code: RCL

ISIN: ZAE000179438

Registered office: RCL Foods Limited, Six The Boulevard, Westway Office Park, Westville, 3629

Transfer secretaries: Computershare Investor Services Proprietary Limited, 70 Marshall Street, Johannesburg 2001

Auditors and reporting accountants: PricewaterhouseCoopers Inc.

Sponsor: RAND MERCHANT BANK (a division of FirstRand Bank Limited)

Bankers: ABSA Bank Limited

Website: www.rclfoods.com

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	31 Dec 2014 R'000	Restated 31 Dec 2013 R'000	30 June 2014 R'000
ASSETS			
Non-current assets			
Property, plant and equipment	**5 184 483**	3 629 671	5 132 889
Intangible assets	**2 689 977**	2 742 699	2 740 218
Biological assets	**424 519**		498 803
Investment in joint ventures	**407 560**	131 446	347 819
Investment in associate	**443 248**		356 013
Deferred income tax asset	**8 911**	4 327	8 678
Long-term loans	**1 555**		1 555
Goodwill	**3 035 823**	3 022 493	3 035 823
	12 196 076	9 530 636	12 121 798
Current assets			
Inventories	**2 787 326**	1 308 500	2 157 236
Biological assets	**528 100**	496 026	538 881
Trade and other receivables	**3 372 346**	2 711 925	3 041 277
Derivative financial instruments	**6 025**	622 721	2 841
Cash and cash equivalents	**1 395 950**	2 207 738	1 047 710
Investment in money market fund	**22 000**	150 000	446 000
Tax receivable	**850**	31 710	13 907
Assets of disposal group classified as held for sale	**446 754**	434 243	541 110
	8 559 351	7 962 863	7 788 962
Total assets	**20 755 427**	17 493 499	19 910 760
EQUITY			
Capital and reserves	**9 900 308**	6 580 026	9 436 286
LIABILITIES			
Non-current liabilities			
Deferred income	**2 854**		5 153
Interest-bearing liabilities	**339 076**	5 561 682	367 556
Deferred income tax liabilities	**1 438 363**	1 269 267	1 362 670
Retirement benefit obligations	**233 399**	173 929	225 776
Trade and other payables	**8 827**	24 398	35 260
	2 022 519	7 029 276	1 996 415
Current liabilities			
Trade and other payables	**3 889 361**	3 506 638	3 604 363
Deferred income	**4 978**		3 059
Interest-bearing liabilities	**4 632 512**	251 778	4 627 716
Derivative financial instruments	**18 557**		10 389
Current income tax liabilities	**51 189**	148	25 388
Bank overdraft	**64 975**		20 993
Liabilities of disposal group classified as held for sale	**171 028**	125 633	186 151
	8 832 600	3 884 197	8 478 059
Total liabilities	**10 855 119**	10 913 473	10 474 474
Total equity and liabilities	**20 755 427**	17 493 499	19 910 760

CONSOLIDATED INCOME STATEMENT

Continuing operations	Six months 31 Dec 2014 R'000	Restated Six months 31 Dec 2013 R'000	*Pro forma* Six months 31 Dec 2013 R'000	Restated Year ended 30 June 2014 R'000
Revenue	**12 029 301**	8 669 470	11 595 235	19 500 842
Operating profit before depreciation, amortisation and impairment (EBITDA)	**1 206 059**	688 277	889 051	1 122 220
Depreciation, amortisation and impairment	**(339 945)**	(245 228)	(313 043)	(588 177)
Operating profit	**866 114**	443 049	576 008	534 043
Finance costs	**(202 018)**	(437 830)	(219 642)	(1 043 458)
Finance income	**30 586**	29 884	43 146	148 283
Share of profits of joint ventures	**18 432**	2 491	6 844	16 854
Share of profit/(loss) of associate	**104 723**		102 080	(6 520)
Profit/(loss) before tax	**817 837**	37 594	508 436	(350 798)
Income tax expense	**(223 791)**	(17 600)	(130 914)	44 061
Profit/(loss) after tax from continuing operations	**594 046**	19 994	377 522	(306 737)
Profit/(loss) for the period from discontinued operation	**6 862**	(14 301)	(14 301)	29 755
Profit/(loss) for the period	**600 908**	5 693	363 221	(276 982)
Attributable to:				
Equity holders of the company	**612 758**	13 096	384 642	(289 039)
Non-controlling interests	**(11 850)**	(7 403)	(21 421)	12 057
HEADLINE EARNINGS				
Continuing operations				
Profit/(loss) for the period attributable to equity holders of the company	**606 140**	27 308	398 854	(318 794)
(Profit)/loss on disposal of property, plant and equipment	**(7 624)**	42	178	(9 192)
Impairment loss/(reversal)	**3 101**			(4 639)
Headline earnings from continuing operations	**601 617**	27 350	399 032	(332 625)
Discontinued operation				
Profit/(loss) for the period attributable to equity holders of the company	**6 618**	(14 212)	(14 212)	29 755
Headline earnings from discontinued operation	**6 618**	(14 212)	(14 212)	29 755

	Six months 31 Dec 2014 Cents	Six months 31 Dec 2013 Cents	*Pro forma* Six months 31 Dec 2013 Cents	Year ended 30 June 2014 Cents
Earnings per share from continuing and discontinued operation attributable to equity holders of the company				
Continuing operations				
Basic earnings per share	**70.6**	4.8	46.7	(45.7)
Basic earnings per share – diluted	**70.4**	4.7	46.6	(45.7)
Headline earnings per share	**70.0**	4.8	46.8	(47.7)
Headline earnings per share – diluted	**69.8**	4.7	46.6	(47.7)
Discontinued operation				
Basic earnings per share	**0.8**	(2.5)	(1.7)	4.3
Basic earnings per share – diluted	**0.8**	(2.5)	(1.7)	4.3
Headline earnings per share	**0.8**	(2.5)	(1.7)	4.3
Headline earnings per share – diluted	**0.8**	(2.5)	(1.7)	4.3

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Six months 31 Dec 2014 R'000	Six months 31 Dec 2013 R'000	*Pro forma* Six months 31 Dec 2013 R'000	Year ended 30 June 2014 R'000
Profit/(loss) for the period	**600 908**	5 693	363 221	(276 982)
Other comprehensive income				
Items that will not be reclassified to profit and loss				
Remeasurement of retirement medical obligations-net of tax				15 451
Items that may be reclassified subsequently to profit and loss				
Cash flow hedges	**3 505**	2 565		(1 874)
Currency translation differences	**(2 059)**	6		3 295
Other comprehensive income for the period net of tax	**1 446**	2 571		16 872
Total comprehensive income for the period	**602 354**	8 264	363 221	(260 110)
Total comprehensive income for the period attributable to:				
Equity holders of the company	**614 204**	15 667	384 642	(272 167)
Non-controlling interests	**(11 850)**	(7 403)	(21 421)	12 057
	602 354	8 264	363 221	(260 110)

CONSOLIDATED CASH FLOW INFORMATION

	Six months 31 Dec 2014 R'000	Six months 31 Dec 2013 R'000	Year ended 30 June 2014 R'000
Operating profit	**866 114**	443 049	534 043
Non-cash items	**445 634**	247 560	566 739
Operating profit before working capital requirements	**1 311 748**	690 609	1 100 782
Working capital requirements	**(695 004)**	166 889	73 221
Cash generated by operations	**616 744**	857 498	1 174 003
Net finance cost	**(164 427)**	(201 824)	(530 549)
Net cashflows from operating activities - discontinued operation	**98 069**	42 634	43 918
Tax paid	**(105 134)**	(30 398)	(48 921)
Cash available from operating activities	**445 252**	667 910	638 451
Dividend received	**21 948**		27 673
Dividend paid	**(172 576)**		
Cash inflows/(outflows) from investing activities - continuing operations	**47 899**	253 367	(487 506)
Cash outflows from investing activities - discontinued operation	**(11 288)**	(6 449)	(6 556)
Cash outflows from financing activities - continuing operations	**(26 295)**	(1 021 824)	(1 455 017)
Cash (outflows)/inflows from financing activities - discontinued operation	**(682)**	1 543	(3 519)
Net movement in cash and cash equivalents	**304 258**	(105 453)	(1 286 474)
Cash and cash equivalents at the beginning of the period	**1 026 717**	2 313 191	2 313 191
Cash and cash equivalents at the end of the period	**1 330 975**	2 207 738	1 026 717

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

R'000	Stated capital	Other reserves	Common control reserve	Share-based payments	Retained earnings	Controlling interest total	Non-controlling interest	Total
Balance at 1 July 2013	5 079 194	1 041		185 188	1 468 691	6 734 114	311 306	7 045 420
Total comprehensive income for the period		2 571			13 096	15 667	(7 403)	8 264
Acquisition of minority interest in subsidiary							(493 085)	(493 085)
BEE share-based payments charge				1 693		1 693		1 693
Transfer to retained earnings					(189 182)	(189 182)	189 182	
Employee share option scheme:								
Proceeds from shares issued	5 033					5 033		5 033
Value of employee services				12 701		12 701		12 701
Balance at 31 December 2013	5 084 227	3 612		199 582	1 292 605	6 580 026		6 580 026
Total comprehensive income for the period		(1 150)			(286 684)	(287 834)	19 460	(268 374)
Acquisition of minority interest in subsidiary							(184)	(184)
Acquisition of entity under common control	4 000 000		(1 919 832)			2 080 168	42 421	2 122 589
BEE share-based payments charge				110 793		110 793		110 793
Pro rata issue of shares	790 184					790 184		790 184
Employee share option scheme:								
Proceeds from shares issued	81 289					81 289		81 289
Value of employee services				19 963		19 963		19 963
Balance at 30 June 2014	9 955 700	2 462	(1 919 832)	330 338	1 005 921	9 374 589	61 697	9 436 286
Total comprehensive income for the period		1 446			612 758	614 204	(11 850)	602 354
Ordinary dividend paid					(171 763)	(171 763)	(813)	(172 576)
BEE share-based payments charge				8 800		8 800		8 800
Employee share option scheme:								
Proceeds from shares issued	2 635					2 635		2 635
Value of employee services				22 809		22 809		22 809
Balance at 31 December 2014	**9 958 335**	**3 908**	**(1 919 832)**	**361 947**	**1 446 916**	**9 851 274**	**49 034**	**9 900 308**

SUPPLEMENTARY INFORMATION

		Six months 31 Dec 2014 R'000	Six months 31 Dec 2013 R'000	Year ended 30 June 2014 R'000
Capital expenditure contracted and committed		**147 063**	150 054	172 985
Capital expenditure approved but not contracted		**153 306**	98 826	200 158
Contingencies		**75 000**	23 792	75 000
STATISTICS				
Statutory ordinary shares in issue (includes BEE shares)	(000's)	**929 740**	625 799	929 569
Ordinary shares in issue for accounting purposes	(000's)	**858 981**	574 622	858 810
Weighted average ordinary shares in issue	(000's)	**858 854**	574 404	697 988
Diluted weighted average ordinary shares in issue	(000's)	**861 345**	576 799	697 988
Net asset value per share	(cents)	**1 152.6**	1 145.1	1 098.8
Ordinary dividends per share:				
Interim dividend declared	(cents)	**15.0**		
Final dividend paid	(cents)			20.0

SEGMENTAL ANALYSIS

	Six months 31 Dec 2014 R'000	Restated Six months 31 Dec 2013 R'000	Pro forma Six months 31 Dec 2013 R'000	Restated Year ended 30 June 2014 R'000
Revenue	**12 029 301**	8 669 470	11 595 235	19 500 842
Foodcorp	**3 786 479**	3 862 876	3 862 876	7 548 878
Rainbow	**4 629 440**	4 413 617	4 413 617	8 732 933
TSB	**3 219 496**		2 939 318	2 482 052
Vector	**986 664**	861 356	861 356	1 699 903
Sales between segments:				
Foodcorp to Rainbow	**(44 497)**	(19 210)	(19 210)	(61 981)
Rainbow to Foodcorp	**(36 321)**	(16 139)	(16 139)	(51 736)
TSB to Foodcorp	**(26 468)**		(13 553)	(13 552)
TSB to Rainbow	**(2 357)**			
Vector to Foodcorp	**(49 855)**	(10 081)	(10 081)	(21 495)
Vector to Rainbow	**(425 895)**	(422 949)	(422 949)	(814 160)
Vector to TSB	**(7 385)**			
Operating profit before depreciation, amortisation and impairment	**1 206 059**	688 277	889 051	1 122 220
Foodcorp	**344 331**	376 128	373 472	720 960
Rainbow	**463 245**	191 308	189 705	203 650
TSB	**290 687**		203 910	147 483
Vector	**110 538**	124 171	123 429	199 132
Unallocated group costs	**(2 742)**	(3 330)	(1 465)	(149 005)
Depreciation, amortisation and impairment	**(339 945)**	(245 228)	(313 043)	(588 177)
Operating profit/(loss):				
Foodcorp	**206 267**	249 437	246 781	455 172
Rainbow	**355 565**	97 705	96 102	622
TSB	**222 375**		136 095	79 541
Vector	**85 310**	99 237	98 495	149 119
Unallocated group costs	**(3 403)**	(3 330)	(1 465)	(150 411)
Operating profit	**866 114**	443 049	576 008	534 043
Finance costs	**(202 018)**	(437 830)	(219 642)	(1 043 458)
Finance income	**30 586**	29 884	43 146	148 283
Share of profits of joint ventures:				
TSB	**10 151**		4 353	9 327
Vector	**3 890**			
Zambian operations	**4 391**	2 491	2 491	7 527
Share of profits of joint ventures	**18 432**	2 491	6 844	16 854
Share of profit/(loss) of associate:				
TSB	**104 723**		102 080	(6 520)
Share of profit/(loss) of associate:	**104 723**		102 080	(6 520)
Profit/(loss)before tax	**817 837**	37 594	508 436	(350 798)

ANNEXURE TO THE INTERIM RESULTS ANNOUNCEMENT
for the six months ended 31 December 2014

Introduction

During the financial year ended 30 June 2014 RCL Foods concluded significant corporate transactions (collectively "the Transactions"), certain of which had a material impact on the published results for the financial year and the interim period ended 31 December 2013 which are listed below:

- Acquired 100% of the issued ordinary shares in TSB Sugar RSA Proprietary Limited and TSB Sugar International Proprietary Limited (collectively referred to as "TSB") from TSB Holdings ("TSB Transaction");
- Restructured the existing BEE notional vendor financed shareholding ("the old BEE scheme") and implemented a new BEE Transaction ("the new BEE scheme") (collectively the "BEE Transaction");
- Raised R790.2 million in a *pro-rata* minority share offer ("*pro-rata* share issue");
- Redeemed Foodcorp's Euro-denominated Senior Secured Notes ("SSNs") in November 2013 (10%) and April 2014 (remaining 90%) through cash and new rand-based debt ("the Bridging Loan") (collectively the "Foodcorp financing activities"); and
- Acquired the remaining 35.82% minority interest in New Foodcorp Holdings Proprietary Limited ("Foodcorp") in two transactions from Foodcorp management (1 July 2013) ("the Foodcorp management buyout") and Capitau Investment Advisers Proprietary Limited ("Capitau") (6 September 2013) for a total consideration of R520.7 million collectively ("Foodcorp minority buyout").

RCL Foods has consequently published the *pro forma* financial information for the 6 months ended 31 December 2013 below that aims to provide shareholders with a better understanding of the underlying financial performance of the Group through the inclusion of a half year impact of the Transactions and the elimination of related once-off charges. The *pro forma* financial information is the responsibility of the directors and has been prepared for illustrative purposes only and due to its nature may not fairly present the Group's income statement. The *pro forma* financial information refers only to past events and does not contain any forward looking projections. PricewaterhouseCoopers Inc. have reported on the *pro forma* financial information. Their report is available for inspection at the registered office of RCL Foods.

The *pro forma* financial information, assuming an effective date of the Transactions being 30 June 2013, effectively presents the following:

TSB Transaction:

- Inclusion of the TSB results for the period 1 July 2013 to 31 December 2013.

BEE Transaction:

- Exclusion of the BEE expenses for the period 1 July 2013 to 31 December 2013 relating to the old BEE scheme; and
- Inclusion of the recurring IFRS 2 charge relating to the new BEE scheme for the period 1 July 2013 to 31 December 2013.

Transaction costs:

- Exclusion of all transaction costs associated with the Transactions for the period 1 July 2013 to 31 December 2013.

Pro-rata share issue:

- Inclusion of the finance income for the six months ended 31 December 2013 in respect of the cash received from the new shares issued.

Foodcorp financing activities:

- Exclusion of the effects of Foodcorp's Euro denominated debt for the period 1 July 2013 to 31 December 2013 which removes the impact of interest on the Euro denominated debt, foreign currency losses and the 10% bond redemption gain; and
- Inclusion of finance expense related to the replacement rand based debt for the period 1 July 2013 to 31 December 2013.

Foodcorp minority buyout:

- Exclusion of finance income earned on the cash utilised to settle the acquisition of shares from Capitau;
- Exclusion of the finance costs and the gain on the settlement of the preference shares; and
- Reversal of the loss attributable to minorities in Foodcorp.

The impact of the investments in Senn Foods Logistics (Pty) Limited and Zamhatch Ltd have not been taken into account as the impact is considered to be immaterial.

The elimination of corporate transaction costs (R17.9 million), the BEE expenses relating to the old BEE scheme (R1.7 million) and the NCI relating to the Foodcorp minority buyout (R7.4 million) is contrary to IFRS as this effectively removes the amounts from the *pro forma* information. However, in terms of the JSE guidance letters of March 2010 – *Presentation of pro forma financial information* and August 2012 – *Presentation of constant currency information* the non-application of IFRS in the context of *pro formas* on a voluntary basis to accompany results is not prohibited.

PRO FORMA CONSOLIDATED INCOME STATEMENT

		TSB Transaction		BEE Transaction	
R'000	Published unaudited restated 6 months ended 31 Dec 2013[2]	TSB Sugar Holdings Proprietary Limited ("TSB Sugar") audited 6 months ended 31 Dec 2013[3]	Elimination of inter-group sales 6 months[4]	BEE current year charge[5]	ESOP charge[6]
Continuing operations					
Revenue	**8 669 470**	**2 939 318**	**(13 553)**		
Operating profit before depreciation, amortisation and impairment (EBITDA)	**688 277**	**205 955**		**1 693**	**(8 800)**
Depreciation, amortisation and impairment	**(245 228)**	**(67 815)**			
Operating profit	**443 049**	**138 140**		**1 693**	**(8 800)**
Finance costs	**(437 830)**	**(31 330)**			
Finance income	**29 884**	**2 730**			
Share of profits of joint ventures	**2 491**	**4 353**			
Share of profit of associate		**102 080**			
Profit before tax	**37 594**	**215 973**		**1 693**	**(8 800)**
Income tax expense	**(17 600)**	**(44 963)**			
Profit after tax from continuing operations	**19 994**	**171 010**		**1 693**	**(8 800)**
Loss for the period from discontinued operation	**(14 301)**				
Profit for the period	**5 693**	**171 010**		**1 693**	**(8 800)**
Attributable to:					
Equity holders of the company	**13 096**	**192 431**		**1 693**	**(8 800)**
Non-controlling interests	**(7 403)**	**(21 421)**			
HEADLINE EARNINGS					
Continuing operations					
Profit for the period attributable to equity holders of the company	**27 308**	**192 431**		**1 693**	**(8 800)**
Loss on disposal of property, plant and equipment	**42**	**136**			
Headline earnings from continuing operations	**27 350**	**192 567**		**1 693**	**(8 800)**
Discontinued operation					
Loss for the period attributable to equity holders of the company	**(14 212)**				
Headline loss from discontinued operation	**(14 212)**				
Earnings per share from continuing and discontinued operations attributable to equity holders of the company (cents)					
Basic earnings per share					
From continuing operations	**4.8**				
From discontinued operation	**(2.5)**				
From profit for the period attributable to equity holders of the company	**2.3**				
Diluted earnings per share[17]					
From continuing operations	**4.7**				
From discontinued operation	**(2.5)**				
From profit for the period attributable to equity holders of the company	**2.2**				
Ordinary shares in issue ('000)					
Weighted average ordinary shares in issue	**574 404**				
Diluted weighted average ordinary shares in issue	**576 799**				

Transaction costs	*Pro-rata* share issue	Foodcorp financing activities			Foodcorp minority buyout			
Transaction costs[7]	Interest earned on cash[8]	Reversal of Senior Secured Notes ('SSNs')[9]	Reversal of interest earned on cash – SSNs[10]	Additional interest on bridging loan[11]	Interest earned on cash– Foodcorp buyout[12]	Impact of Capitau preference shares[13]	Foodcorp non-controlling Interest (NCI)[14]	*Pro forma*
								11 595 235
17 866						**(15 940)**		**889 051**
								(313 043)
17 866						**(15 940)**		**576 008**
		403 321		**(154 420)**		**617**		**(219 642)**
	20 514		**(8 754)**		**(1 228)**			**43 146**
								6 844
								102 080
17 866	**20 514**	**403 321**	**(8 754)**	**(154 420)**	**(1 228)**	**(15 323)**		**508 436**
	(5 744)	**(112 930)**	**2 451**	**43 238**	**344**	**4 290**		**(130 914)**
17 866	**14 770**	**290 391**	**(6 303)**	**(111 182)**	**(884)**	**(11 033)**		**377 522**
								(14 301)
17 866	**14 770**	**290 391**	**(6 303)**	**(111 182)**	**(884)**	**(11 033)**		**363 221**
17 866	**14 770**	**290 391**	**(6 303)**	**(111 182)**	**(884)**	**(11 033)**	**(7 403)**	**384 642**
							7 403	**(21 421)**
17 866	**14 770**	**290 391**	**(6 303)**	**(111 182)**	**(884)**	**(11 033)**	**(7 403)**	**398 854**
								178
17 866	**14 770**	**290 391**	**(6 303)**	**(111 182)**	**(884)**	**(11 033)**	**(7 403)**	**399 032**
								(14 212)
								(14 212)
								46.7
								(1.7)
								45.0
								46.6
								(1.7)
								44.9
								853 241
								855 636

PRO FORMA CONSOLIDATED INCOME STATEMENT CONTINUED

R'000	Published unaudited restated 6 months ended 31 Dec 2013[2]	TSB Transaction: TSB Sugar Holdings Proprietary Limited ("TSB Sugar") audited 6 months ended 31 Dec 2013[3]	TSB Transaction: Elimination of inter-group sales 6 months[4]	BEE Transaction: BEE current year charge[5]	BEE Transaction: ESOP charge[6]
***Pro forma* financial effects on segmental analysis**					
Revenue	8 669 470	2 939 318	(13 553)		
Foodcorp	3 862 876				
Rainbow	4 413 617				
TSB		2 939 318			
Vector	861 356				
Sales between segments:					
Foodcorp to Rainbow	(19 210)				
Rainbow to Foodcorp	(16 139)				
TSB to Foodcorp			(13 553)		
Vector to Foodcorp	(10 081)				
Vector to Rainbow	(422 949)				
Operating profit/(loss) before depreciation, amortisation and impairment (EBITDA)	688 277	205 955		1 693	(8 800)
Foodcorp	376 128				(2 656)
Rainbow	191 308			1 328	(2 931)
TSB		205 955			(2 045)
Vector	124 171			365	(1 107)
Unallocated group costs	(3 330)				(61)
Depreciation, amortisation and impairment	(245 228)	(67 815)			
Operating profit/(loss)	443 049	138 140		1 693	(8 800)
Foodcorp	249 437				(2 656)
Rainbow	97 705			1 328	(2 931)
TSB		138 140			(2 045)
Vector	99 237			365	(1 107)
Unallocated group costs	(3 330)				(61)
Finance costs	(437 830)	(31 330)			
Finance income	29 884	2 730			
Share of profits of joint ventures	2 491	4 353			
TSB		4 353			
Zambian operations	2 491				
Share of profit of associate		102 080			
TSB		102 080			
Profit before tax	37 594	215 973		1 693	(8 800)

***Pro forma* financial effects on weighted average ordinary shares in issue**	Number of shares
Published unaudited six months ended 31 December 2013	574 404
Impact of TSB Transaction[15]	230 947
Impact of pro rata share issue[15]	47 890
Pro forma weighted average number of shares in issue	853 241
Share option dilution impact[16]	2 395
Pro forma diluted weighted average number of shares in issue	855 636

Notes

Transaction Costs	*Pro-rata* share issue	Foodcorp financing activities			Foodcorp minority buyout			
Transaction costs[7]	Interest earned on cash[8]	Reversal of Senior Secured Notes ('SSNs')[9]	Reversal of interest earned on cash – SSNs[10]	Additional interest on bridging loan[11]	Interest earned on cash– Foodcorp buyout[12]	Impact of Capitau preference shares[13]	Foodcorp non-controlling Interest (NCI)[14]	*Pro forma*
								11 595 235
								3 862 876
								4 413 617
								2 939 318
								861 356
								(19 210)
								(16 139)
								(13 553)
								(10 081)
								(422 949)
17 866						**(15 940)**		**889 051**
								373 472
								189 705
								203 910
								123 429
17 866						**(15 940)**		**(1 465)**
								(313 043)
17 866						**(15 940)**		**576 008**
								246 781
								96 102
								136 095
								98 495
17 866						**(15 940)**		**(1 465)**
		403 321		**(154 420)**		**617**		**(219 642)**
	20 514		**(8 754)**		**(1 228)**			**43 146**
								6 844
								4 353
								2 491
								102 080
								102 080
17 866	**20 514**	**403 321**	**(8 754)**	**(154 420)**	**(1 228)**	**(15 323)**		**508 436**

NOTES TO THE *PRO FORMA* CONSOLIDATED INCOME STATEMENT

1. The *pro forma* consolidated income statement was prepared on the assumption that the Transactions were effective 30 June 2013.
2. The consolidated income statement of RCL Foods Limited for the six months ended 31 December 2013, was extracted from its published interim unaudited financial results for the six months ended 31 December 2014.

TSB Transaction

The effective date of the TSB Transaction was 1 January 2014. The *pro forma* financial effects seek to demonstrate the impact of consolidating TSB's results for the six-month period ended 31 December 2013. The consolidation of TSB will be recurring.

3. The consolidated income statement of TSB Sugar was extracted from its audited financial information for the period 1 July 2013 to 31 December 2013.
4. Inter-company sales between Foodcorp and TSB for the period 1 July 2013 to 31 December 2013 have been reversed.

BEE Transaction

The effective date of the new BEE Transaction and the cancellation of the old BEE scheme was 17 January 2014. The Group's income statement for the six months ended 31 December 2013 includes the effect of the charges relating to the employee portion of the old BEE scheme. The effects below seek to demonstrate the impact of excluding the expenses related to the old BEE scheme and including a six-month effect of the recurring charge relating to the new BEE scheme.

5. All BEE expenses (relating to the old BEE scheme) included in the Group results for the six months ended 31 December 2013 have been reversed.
6. The recurring employee portion expense, relating to the new BEE scheme, for the six-month period has been included. The valuation assumptions are consistent with those used in the RCL Foods Limited audited financial statements for the year ended 30 June 2014.

Transaction costs

The transaction costs related to the Transactions are once-off and the *pro forma* financial effect seeks to demonstrate the impact of excluding the non-recurring expense.

7. Transaction costs relating to the Transactions have been reversed.

***Pro-rata* share issue**

The cash inflow from the *pro-rata* share issue occurred on 10 February 2014. The interest earned on the cash is expected to be recurring. The effects below seek to demonstrate the impact of receiving the cash on 30 June 2013.

8. Interest earned on the cash received from the *pro-rata* share issue for the period 1 July 2013 to 31 December 2013, at an average rate of 5.15% has been included.

Foodcorp financing activities

The Foodcorp Euro-denominated debt was settled during the 2014 financial year by utilising funds obtained from a rand-denominated bridging loan and existing financial resources. The Euro-denominated debt was settled in November 2013 (10%) and April 2014 (remaining 90%). The bridging loan was obtained in April 2014. The *pro forma* financial effects seek to demonstrate the impact of replacing the SSNs with the bridging loan for the half year. The expenses related to the SSNs are considered once-off and the expense related to the bridging loan is considered recurring until such time that the bridging loan is repaid.

9. All finance costs (including foreign exchange gains and the profit on the extinguishment of debt) currently included in the Group results for the six months ended 31 December 2013 relating to the SSNs have been reversed.
10. The interest relating to cash utilised in settling the SSNs for the period from 1 July 2013 to the date of redemption of the SSNs settled in November has been calculated at a rate of 5.15% and deducted from finance income.
11. Interest relating to the bridging loan has been calculated at a rate of JIBAR plus a margin of 1.65% for the period 1 July 2013 to 31 December 2013 and added to finance costs.

Foodcorp minority buyout

The Foodcorp management buyout was effective 1 July 2013 and consequently the impact of the transaction is fully recognised in the consolidated results for the period. The transaction with Capitau and the settlement of the related preference shares were effective 6 September 2013. From this date, RCL Foods held a 100% interest in Foodcorp and no preference share debt. The *pro forma* financial effects demonstrate the impact of reversing the non-recurring expense as well as demonstrating the impact of assuming that the cash outflow related to the Foodcorp minority buyout occurred on 30 June 2013.

12. Interest on the cash utilised to settle the transaction with Capitau and the settlement of the preference shares for the period from 1 July 2013 to 6 September 2013 has been calculated at a rate of 5.15% and deducted from finance income.
13. The preference share finance costs have been added back and the profit on the settlement of the preference shares has been deducted.
14. The full non-controlling interest ("NCI") charge for Foodcorp relating to the period 1 July 2013 to 6 September 2013 has been reversed.

Weighted average ordinary shares and diluted weighted average ordinary shares

15. The shares issued in respect of the TSB Transaction occurred on 17 January 2014. The shares issued for the *pro-rata* share issue occurred on 10 February 2014. The effects demonstrate the impact of the assumption that the shares were issued for the full period.
16. The dilutive impact of the share options issued in terms of the new BEE scheme amounts to 2 395 000 and is taken into account in determining the diluted EPS.

Diluted earnings per share

17. Diluted earnings per share has been updated for the impact of the Transactions.