

CONDENSED STATEMENTS OF FINANCIAL POSITION - SEPTEMBER 30 2014

	THE GROUP		THE COMPANY	
	Unaudited 30 Sep 14 Restated Rs'000	Audited 30 Jun 14 Restated Rs'000	Unaudited 30 Sep 14 Rs'000	Audited 30 Jun 14 Restated Rs'000
ASSETS EMPLOYED				
Non-current assets				
Property, plant and equipment	17,701,309	17,702,994	12,956,897	12,941,005
Land-projects	5,853	5,853	-	-
Investment properties	1,722,672	1,722,668	1,845,607	1,845,607
Intangible assets	23,725	23,725	33,400	33,400
Investment in subsidiary companies	-	-	8,155,669	8,155,669
Investment in associated & joint ventures companies	59,042	62,087	71,911	71,911
Investment in available-for-sale financial assets	117,927	117,106	87,588	87,283
Bearer biological assets	606,342	596,871	382,954	379,237
Deferred expenditure and other non current receivables	1,158,611	1,140,064	830,623	807,644
	21,395,481	21,371,368	24,364,649	24,321,756
Current assets	4,765,277	4,543,839	1,643,383	1,553,617
Non current assets held for sale	1,010,208	1,014,154	960,200	960,200
Total assets	27,170,966	26,929,361	26,968,232	26,835,573
EQUITY AND LIABILITIES				
Capital and reserves				
Share capital	8,991,595	8,991,595	8,991,595	8,991,595
Revaluation and other reserves	5,572,177	5,548,349	12,306,359	12,306,054
Retained earnings	2,386,455	2,268,016	1,835,109	1,891,682
Shareholders' interests	16,950,227	16,807,960	23,133,063	23,189,331
Loans	55,951	55,951	-	-
Non-controlling interests	2,498,047	2,321,673	-	-
	19,504,225	19,185,584	23,133,063	23,189,331
Non-current liabilities				
Borrowings	2,486,013	2,338,233	1,244,937	1,240,819
Deferred tax liabilities	929,485	896,452	-	-
Deferred income	63,513	59,373	-	-
Retirement benefit obligations	780,734	765,400	548,599	542,259
	4,259,745	4,059,458	1,793,536	1,783,078
Current liabilities	3,406,996	3,684,319	2,041,633	1,863,164
Total equity and liabilities	27,170,966	26,929,361	26,968,232	26,835,573

CONDENSED STATEMENTS OF PROFIT OR LOSS FOR THE QUARTER ENDED SEPTEMBER 30 2014

	THE GROUP		THE COMPANY	
	Unaudited Quarter ended 30 Sep 14 Rs 000	Unaudited Quarter ended 30 Sep 13 Rs 000	Unaudited Quarter ended 30 Sep 14 Rs 000	Unaudited Quarter ended 30 Sep 13 Rs 000
TURNOVER	1,705,964	2,067,091	351,076	668,949
Profit before finance costs	461,814	917,073	(23,981)	283,420
Finance costs	(76,682)	(69,978)	(42,709)	(45,036)
Share of results of joint ventures & associates	(17,840)	8,383	-	-
Profit before tax	367,292	855,478	(66,690)	238,384
Taxation	(87,888)	(97,740)	10,117	3,173
Profit for the period	279,404	757,738	(56,573)	241,557
Attributable to:				
Owners of the parent	119,575	497,958	(56,573)	241,557
Non-Controlling interests	159,829	259,780	-	-
	279,404	757,738	(56,573)	241,557
DATA PER SHARE				
EARNINGS PER SHARE - Rs	0.38	1.56	(0.18)	0.76
NET ASSETS PER SHARE - Rs	53.22	52.77	72.63	72.81
NUMBER OF SHARES USED IN CALCULATION 000	318,492	318,492	318,492	318,492

CONDENSED STATEMENTS OF COMPREHENSIVE INCOME FOR THE QUARTER ENDED SEPTEMBER 30 2014

	THE GROUP		THE COMPANY	
	Unaudited Quarter ended 30 Sep 14 Rs 000	Unaudited Quarter ended 30 Sep 13 Rs 000	Unaudited Quarter ended 30 Sep 14 Rs 000	Unaudited Quarter ended 30 Sep 13 Rs 000
Profit for the period	279,404	757,738	(56,573)	241,557
Other comprehensive income:				
Change in fair value of investments	816	4,933	305	982
Currency translation difference	25,989	428	-	-
Movement in reserves of associates and joint ventures	13,675	-	-	-
Other comprehensive income for the period	40,480	5,631	305	982
Total comprehensive income for the period	319,884	763,099	(56,268)	242,539
Total comprehensive income attributable to:				
Owners of the parent	143,410	502,515	(56,268)	242,539
Non-Controlling interests	176,474	260,584	-	-
	319,884	763,099	(56,268)	242,539

SEGMENTAL INFORMATION FOR THE QUARTER ENDED SEPTEMBER 30 2014

	THE GROUP	
	Unaudited Quarter ended 30 Sep 14 Rs 000	Unaudited Quarter ended 30 Sep 13 Rs 000
Segment revenue		
Sugar cane growing and sugar milling	1,177,182	1,630,598
Power generation	294,037	266,942
Refinery	93,754	96,621
Property development	119,688	41,829
Others	89,625	103,553
Inter entities	(68,322)	(72,452)
Total revenue	1,705,964	2,067,091
Geographical revenue		
Mauritius	1,121,810	1,580,460
Tanzania	584,154	486,631
Total revenue	1,705,964	2,067,091
Segment results		
Sugar cane growing and sugar milling	176,844	608,389
Power generation	64,771	128,640
Refinery	60,239	61,191
Property development	(23,149)	(26,838)
Inter entities	4,701	(28,512)
Others	13,839	6,485
	297,245	749,355
Share of results of associates	2,728	30,765
Share of results of joint ventures	(20,569)	(22,382)
Profit after tax	279,404	757,738
Geographical results		
Mauritius	90,193	560,209
Tanzania	189,211	197,529
Profit after tax	279,404	757,738

CONDENSED STATEMENTS OF CASH FLOWS FOR THE QUARTER ENDED SEPTEMBER 30 2014

	THE GROUP		THE COMPANY	
	Unaudited 30 Sep 14 Rs 000	Unaudited 30 Sep 13 Rs 000	Unaudited 30 Sep 14 Rs 000	Unaudited 30 Sep 13 Rs 000
Net cash flow from operating activities	249,907	471,233	(38,175)	153,427
Net cash flow (used in)/ from investing activities	(152,130)	(191,815)	(68,919)	(88,072)
Net cash flow (used in) financing activities	(13,772)	(227,511)	(19,857)	(200,052)
Net increase/(decrease) in cash and cash equivalents	84,005	51,907	(126,951)	(134,697)
Cash and cash equivalents at July 1, 2014	(741,590)	(143,952)	(531,755)	54,780
Cash and cash equivalents at Sep 30, 2014	(657,585)	(92,045)	(658,706)	(79,917)

STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER ENDED SEPTEMBER 30 2014

THE GROUP	Attributable to owners of the parent						
	Share Capital	Revaluation and other Reserves	Retained Earnings	Total	Other Loans	Non-Controlling Interests	Total equity
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Balance at July 1, 2014	8,991,595	5,548,349	2,268,016	16,807,960	55,951	2,321,673	19,185,574
Total comprehensive income for the year	-	23,835	119,575	143,410	-	176,474	319,884
Movement in reserves	-	-	(1,020)	(1,020)	-	-	(1,020)
Consolidation adjustments	-	(7)	(116)	(123)	-	(100)	(223)
Balance at Sep 30, 2014	8,991,595	5,572,177	2,386,455	16,950,227	55,951	2,498,047	19,504,225
Balance at July 1, 2013	8,991,595	4,579,042	2,541,162	16,111,799	55,951	2,322,890	18,490,640
Effect of adopting IAS19(revised)	-	(243,682)	11,570	(232,112)	-	(36,052)	(268,164)
As restated	8,991,595	4,335,360	2,552,732	15,879,678	55,951	2,286,838	18,222,476
Total comprehensive income for the year	-	4,557	497,958	502,515	-	260,584	763,099
Movement in reserves	-	18,717	-	18,717	-	-	18,717
Dividends	-	-	-	-	-	(24,236)	(24,236)
Balance at Sep 30, 2013	8,991,595	4,358,634	3,050,690	16,400,919	55,951	2,523,186	18,980,056

STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER ENDED SEPTEMBER 30, 2014

THE COMPANY	Share Capital	Revaluation and other Reserves	Retained Earnings	Total
	Rs'000	Rs'000	Rs'000	Rs'000
	Balance at July 1, 2014	8,991,595	12,306,054	1,891,682
Total comprehensive income for the year	-	305	(56,573)	(56,268)
Balance at Sep 30, 2014	8,991,595	12,306,359	1,835,109	23,133,063
Balance at July 1, 2013	8,991,595	11,435,919	2,083,623	22,511,137
Prior year adjustment	-	(203,509)	9,192	(194,317)
As restated	8,991,595	11,232,410	2,092,815	22,316,820
Total comprehensive income for the year	-	982	241,556	242,538
Balance at Sep 30, 2013	8,991,595	11,233,392	2,334,371	22,559,358

Financial Results

Group

Group Turnover for the first three months to September 2014 stood at Rs 1,705M (2013: Rs 2,067M). This reduction is largely attributable to the following factors relating to our Mauritian operations: (i) the 2014 crop sugar price forecast of Rs 14,500 per ton (including the one off payment of Rs 2,000 per ton receivable from the Sugar Insurance Fund) compared to the 2013 crop sugar price forecast, at same time last year, of Rs 17,000 per ton. (ii) the temporary delay in the 2014 harvest compared to that of crop 2013 due to teething problems resulting from the commissioning of new equipment at the factory with the result that only 23,000 tons of sugar were booked in the present quarter as accruing to the cane growing operations, compared to 38,000 tons in 2013.

On the positive side, the Tanzanian operations achieved a 20% increase in turnover compared to 2013 as a result of higher sales volume despite lower prices.

Moreover, the property cluster recorded a notable increase in turnover reflecting the recent dynamism observed in the sale of villas at Anahita.

Group Profit after Tax was also directly affected by the same factors and stood at Rs 279M for the quarter compared to Rs 758M in 2013. Furthermore, the power generation quarterly results were adversely affected by the much lower profitability on coal burning at Consolidated Energy Ltd compared to bagasse burning in 2013. As to the property cluster, the slightly improved results for the quarter are not comparable to last year's, the profit recognition criteria on the sale of villas in this quarter being different to that of serviced plots in the same quarter last year.

Prospects

Sugar

In Mauritius, based on the now confirmed good 2014 cane harvest and despite the price reduction, the second quarter is expected to yield better results compared to 2013, in line with the harvest timing difference. At the level of both agricultural and industrial operations, the second quarter should see an important increase in sugar accruing compared to 2013.

The threatened industrial action by the Trade Unions, should it materialise, will however have a detrimental effect on the results.

In Tanzania, very good crop prospects are also confirmed and sugar sales volume and prices are expected to be stable and globally in line with budgets.

Energy

The operations of Alteo Energy Ltd will, in the second and third quarters, benefit from the additional bagasse available following the higher cane throughput and better efficiency at Alteo Milling and should also post improved results compared to 2013.

Property

The gain in sales momentum registered since the beginning of the year is expected to translate into better results in the coming quarters when profits on the sale of serviced plots are booked upon handing over and villas reach completion stage.

Anahita Hotel Limited

Regulatory approvals with regards to the disposal of Alteo's 50% stake have been received. The transaction is still subject to certain conditions and is expected to be completed by December 2, 2014.

Regional Developments

Swaziland

The project's viability is still being assessed. Given the present challenging export market conditions, no investment decision is expected soon.

Kenya

The due diligence exercise is reaching completion and the closing of the transaction is expected before year end.

By Order of the Board

Navitas Corporate Services Ltd
Company Secretary
November 13, 2014

Copies of the above condensed unaudited financial statements are available to the public, free of charge, at the registered office address of the Company, Vivea Business Park St Pierre.

The statement of direct and indirect interests of officers of the Company required under Rule 8(2) (m) of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007 is available, free of charge, upon request to the Company Secretary at Navitas Corporate Services Ltd, Navitas House, Robinson Road, Floréal.

The above condensed unaudited financial statements are issued pursuant to listing Rule 12.20 and Section 88 of the Securities Act 2005.

The Board of Directors of Alteo Limited accepts full responsibility for the accuracy of the information contained in these condensed unaudited financial statements.