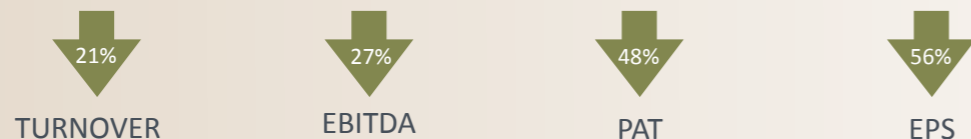


“Alteo Group reports a drop in results on the back of a lower sugar cane availability in Kenya and a lower sucrose and price in Mauritius while Tanzanian sugar operations achieve a strong performance”

GROUP HIGHLIGHTS FOR THE QUARTER



GROUP CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Unaudited 3 months to 30 Sep 17 Rs 000	Unaudited 3 months to 30 Sep 16 Rs 000
TURNOVER	2,087,157	2,643,612
Earnings Before Interests, Taxation, Depreciation & Amortisation (EBITDA)	723,554	993,568
Depreciation & Amortisation	(186,953)	(189,851)
Earnings Before Interests & Taxation (EBIT)	536,601	803,717
Finance costs	(118,059)	(121,347)
Share of results of joint ventures & associates	(7,742)	(8,125)
Non-recurring items	-	47,225
Profit before taxation	410,800	721,470
Taxation	(120,170)	(158,622)
Profit for the period	290,630	562,848
Other comprehensive income for the period	(63,269)	9,775
Total comprehensive income for the period	227,361	572,623
Profit attributable to:		
Owners of the parent	131,188	297,524
Non-Controlling interests	159,442	265,324
	290,630	562,848
Total comprehensive income attributable to:		
Owners of the parent	98,209	305,087
Non-Controlling interests	129,152	267,536
	227,361	572,623
Earnings per share	Rs 0.41	Rs 0.93
Dividend per share	Rs 0.00	Rs 0.00

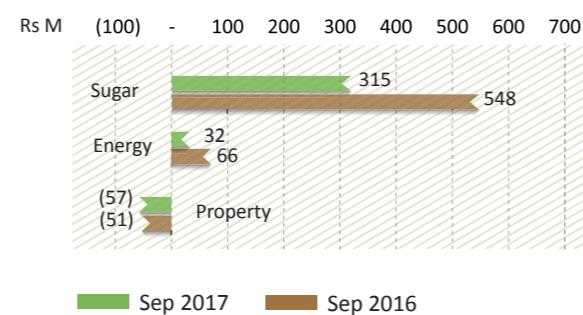
GROUP CONDENSED STATEMENT OF FINANCIAL POSITION

	Unaudited 30 Sep 17 Rs 000	Audited 30 Jun 17 Rs 000
ASSETS EMPLOYED		
Non-current assets		
Property, plant and equipment	19,618,929	19,676,982
Land-projects	2,924	2,924
Investment properties	1,689,969	1,689,969
Intangible assets	1,177,841	1,194,834
Investment in joint ventures & associates companies	4,901	17,733
Investment in available-for-sale financial assets	83,230	80,552
Deferred expenditure and other non current receivables	1,117,997	1,124,179
	23,695,791	23,787,173
Current assets	5,653,728	5,419,310
Non current assets held for sale	284,583	285,334
TOTAL ASSETS	29,634,102	29,491,817
EQUITY AND LIABILITIES		
Shareholders' interests	17,068,567	16,970,845
Non-controlling interests	2,612,117	2,482,865
Non-current liabilities	5,544,502	5,584,320
Current liabilities	4,408,916	4,453,787
TOTAL EQUITY AND LIABILITIES	29,634,102	29,491,817
Net asset value per share	Rs 53.59	Rs 53.28
Number of shares in issue	No 318,492,120	No 318,492,120

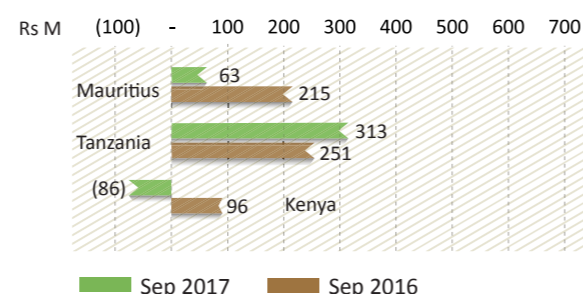
GROUP SEGMENTAL INFORMATION

	Unaudited 3 months to 30 Sep 17 Rs 000	Unaudited 3 months to 30 Sep 16 Rs 000
Turnover by cluster		
Sugar	1,817,422	2,212,209
Energy	266,953	299,219
Property	40,953	157,630
Consolidation adjustments	(38,171)	(25,446)
Total turnover	2,087,157	2,643,612
Turnover by country		
Mauritius	1,148,769	1,365,477
Tanzania	707,845	619,820
Kenya	268,714	683,761
Consolidation adjustments	(38,171)	(25,446)
Total turnover	2,087,157	2,643,612
Results by cluster		
Sugar	315,375	548,039
Energy	31,766	66,077
Property	(56,510)	(51,268)
Profit for the period	290,630	562,848
Results by country		
Mauritius	62,798	215,021
Tanzania	313,402	251,416
Kenya	(85,570)	96,411
Profit for the period	290,630	562,848

RESULTS BY CLUSTER



RESULTS BY COUNTRY



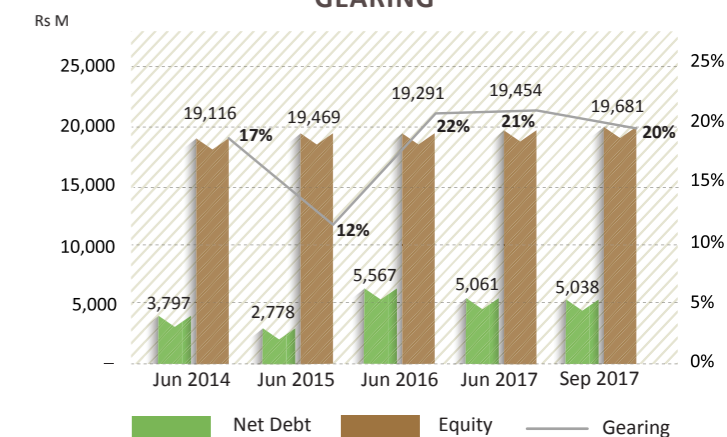
GROUP CONDENSED STATEMENT OF CASH FLOWS

	Unaudited 30 Sep 17 Rs 000	Unaudited 30 Sep 16 Rs 000
Net cash flow from operating activities	328,711	600,247
Net cash flow (used in) investing activities	(184,685)	(242,487)
Net cash flow (used in) financing activities	(249,928)	(380,655)
Net (decrease) in cash and cash equivalents	(105,902)	(22,895)
Cash and cash equivalents at July 1,	(680,097)	(737,378)
Cash and cash equivalents at September 30	(785,999)	(760,273)

GROUP CONDENSED STATEMENT OF CHANGES IN EQUITY

	Attributable to owners of parent Rs'000	Non Controlling interests Rs 000	Total Equity Rs 000
At 1 July 2017	16,970,845	2,482,865	19,453,710
Total comprehensive income for the year	98,209	129,152	227,361
Movement in reserves	(487)	100	(387)
At 30 September 2017	17,068,567	2,612,117	19,680,684
At 1 July 2016	16,924,572	2,366,528	19,291,100
Total comprehensive income for the year	305,087	267,536	572,623
Movement in reserves	1,147	(1,441)	(294)
At 30 September 2016	17,230,806	2,632,623	19,863,429

GEARING



COMMENTS

GROUP RESULTS FOR THE FINANCIAL QUARTER

OVERALL

- Group turnover and EBITDA dropped by 21% and 27% respectively driven by a lower sugar cane availability in Kenya and a delay in the harvest in Mauritius compounded by a lower sucrose and price level. However, TPC Limited achieved commendable results over the quarter.
- The lower gains realised on the disposal of land further affected PAT when compared to last year.

SUGAR

PERFORMANCE DRIVEN DOWN BY LOWER SUGAR CANE AVAILABILITY IN KENYA

The sugar cluster performance was adversely affected by a lower sugar cane availability in Kenya compared to the previous period which benefited from a backlog of over-mature sugar cane. In Mauritius, results were also down on the account of a delay in the harvest programme due to adverse climatic conditions, a lower sucrose level and a lower price despite support for the export sector announced by Government. On the other hand, the Tanzanian operations achieved stronger results driven by a higher sales volume and average price.

ENERGY

LOWER PROFITABILITY DUE TO MAINTENANCE STOP

The energy cluster posted a lower turnover and profit after tax mainly due to a planned maintenance stop at Consolidated Energy Co Ltd which resulted into a lesser offtake and higher maintenance costs compared to the previous period.

PROPERTY

STABLE RESULTS AS LOW PROPERTY TURNOVER WAS OFFSET BY A BETTER PERFORMANCE BY THE RESORT AND GOLF

The quarter was characterised by a low property turnover recognition given the early stage of completion of works relating to the northern parcels of Anahita. However, the cluster results were influenced by the better performance achieved by Anahita Golf & Spa Resort, driven by higher occupancy.

OUTLOOK

- The sugar cluster performance is expected to continue to be affected by the conditions mentioned above concerning Kenya and Mauritius while the Tanzanian operations should benefit from a good crop despite not achieving last year's record production.
- The energy cluster should benefit from an increased contribution from Alteo Energy Ltd, following the contractual tariff indexation as from January 2018.
- The property cluster should continue to benefit from the improved performance of Anahita Golf & Spa Resort following its refurbishment while the recognition of the first sales of the Anahita northern parcels is expected for the last quarter of the financial year.

GROUP RESTRUCTURING

As per its Communiqué dated 4 October 2017, the Board of Alteo Limited intends to present a group restructuring project to the shareholders involving a Scheme of Arrangement. The project will involve the separation of Alteo's agricultural and land holding activities from its investment and capital allocation activities with the aim to create a more efficient Group structure, and is subject to the approval of Alteo's shareholders and to the sanction of the Court. An Information Memorandum containing the details of the project will soon be circulated to the shareholders.

By Order of the Board

Kate Li Kwong Wing
Company Secretary

November 10, 2017

Notes:

The condensed financial statements for the quarter ended September 30, 2017 are unaudited, and have been prepared using the same accounting policies as the audited statements for the year ended June 30, 2017. Copies of the above condensed unaudited financial statements and statement of direct and indirect interests of Officers of the Company as required under Rule 8(2)(m) of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007, are available to the public, free of charge, at the registered address of the Company at Vivéa Business Park, Saint Pierre. The above condensed unaudited financial statements are issued pursuant to Listing Rule 12.20 and the Securities Act 2005. The Board of Directors of Alteo Limited accepts full responsibility for the accuracy of the information contained in these condensed financial statements.