



## Products PLC

Zambeef Products PLC  
("Zambeef" or the "Group")

Results for the year ended 30 September 2011

*"Strong performance aided by the growth of the Zambian economy"*

Zambeef is pleased to announce its results for the year ended 30 September 2011. Zambeef Group is one of the largest integrated agri-businesses in Zambia, involved in the primary production, processing, distribution and retailing of beef, chickens, pork, milk, eggs, dairy products, fish, flour, bread, edible oils and stock feed, throughout Zambia and the surrounding region, as well as Nigeria and Ghana. The Group is also one of the largest cereal row cropping operations in Zambia, with approximately 8,000 Ha of irrigated land and approximately 9,000 Ha of dry land, available for planting each year.

The Group had approximately 4,750 employees as at year end.

In June of this year, the Group raised approximately ZMK262,608 mn by way of both a rights issue of new ordinary shares to existing investors via the Lusaka Stock Exchange ("LuSE") (the "Rights Issue"), at ZMK2,975 per share and a placing of new ordinary shares to institutional investors on admission to AIM (the "Placing") at 38.06p per share.

### Financial Highlights

Year Ended 30 September 2011	2011 ZMK Bn	2010 ZMK Bn	per cent. Change
Revenue	983.1	770.5	28
Operating Profit	70.2	<del>14.8</del> 33.8	108
Profit Before taxation	50.4	15.5	225
Earnings Per Share	ZMK242.60	ZMK124.69	95
Interim dividend per share paid during the year	ZMK15	-	
Proposed dividend per share (to be approved by shareholders at AGM)	ZMK21.40	ZMK49.88	

### Operational Highlights

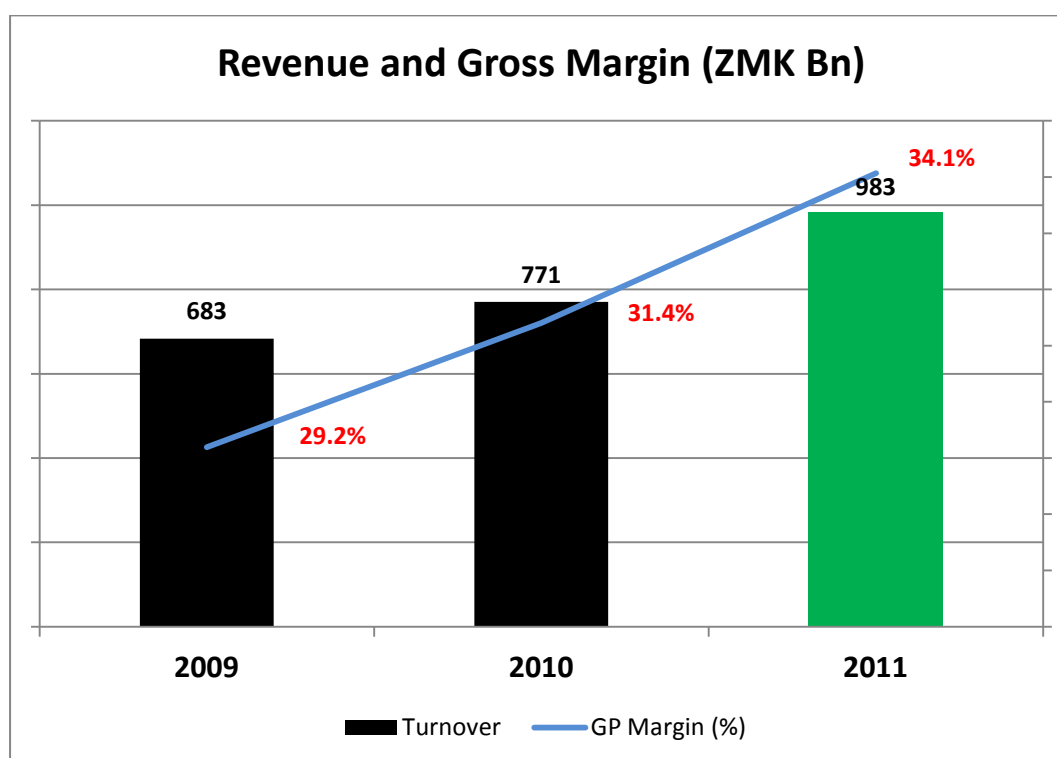
- Growth in revenue of 28 per cent. across the business
- Gross margins improved from 31.4 per cent. (2010) to 34.1 per cent. (2011)
- Group profit for the year up 125 per cent. to ZMK44.5 bn
- Acquisition of Mpongwe farms for USD46 mn consisting of 46,876 Ha (of which 2,994 Ha is irrigated and 7,667 Ha is rainfed land), which increases capacity to produce

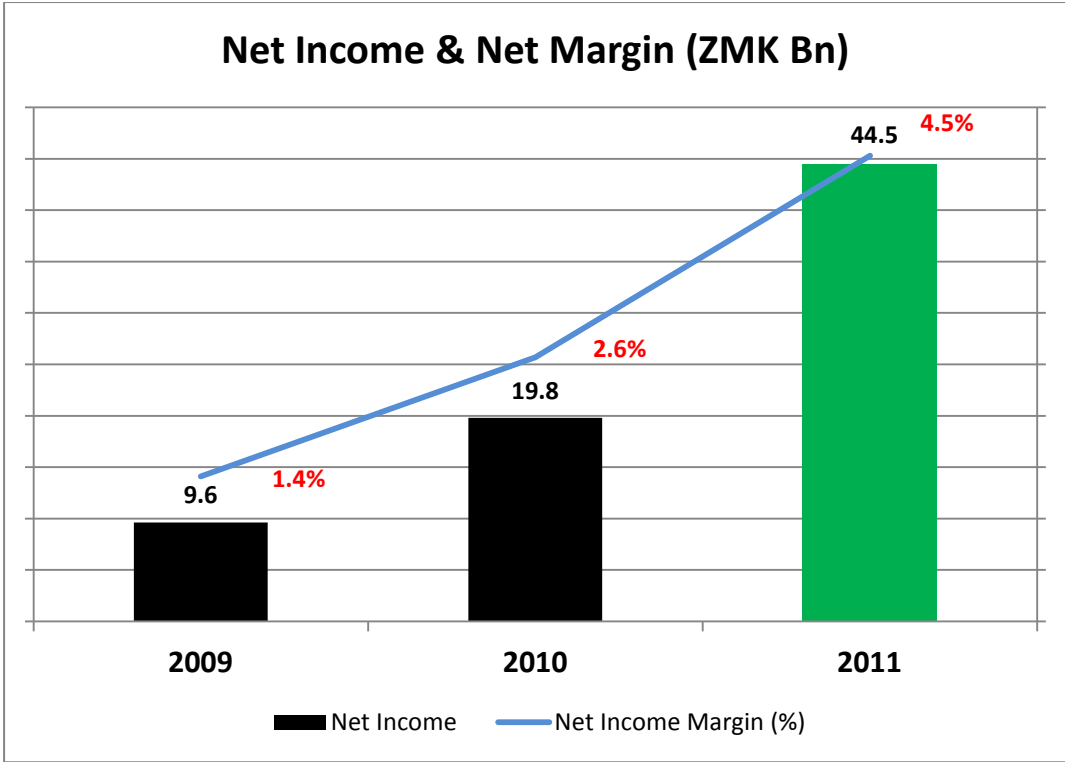
soya beans in a soya bean deficient region for throughput to the growing and high margin edible oils division, Zamanita Ltd.

- Dramatic turnaround in performance of Zamanita Ltd. edible oils division, with gross profit increasing 73 per cent. to ZMK62.3 bn
- Expansion and upgrade of Zambian retail network; seven new retail outlets opened, eight existing retail outlets refurbished and first two wholesale stores established
- Continued expansion in West Africa in partnership with Shoprite with gross profits of West African operations increasing by 54 per cent. to ZMK11.5 bn
  - Further development of our leased land in Nigeria to supply Shoprite's increasing footprint in the area
  - Currently 4 Zambeef own stores in Nigeria
  - Currently 3 outlets in Shoprite stores in Nigeria; 2 in Ghana
- Commencement of stock feed exports to Zimbabwe which, during the year, totalled over 3,000 MT

Commenting on the results, Chairman Dr. Jacob Mwanza, said:

*"We are delighted to report a strong performance of our business, aided by continued growth of the Zambian economy, a higher level of disposable income among our customers, stability of the Zambian Kwacha and single digit inflation. We have a strong infrastructure in place and we believe that, combined with our vertically integrated business model, this will enable us to realise our objective of becoming the leading food provider in both Zambia and the surrounding region."*





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Further information can be found on [www.zambeefplc.com](http://www.zambeefplc.com)