

FLOUR MILLS OF NIGERIA PLC

UNAUDITED FINANCIAL RESULTS FOR SIX MONTHS ENDED 30 SEPTEMBER 2016

The Directors of Flour Mills of Nigeria Plc (FMN) are pleased to announce the unaudited financial results of the Group and the Company for six months ended 30th September 2016 as follows:

	Group			Company		
	Three months ended	Six months ended		Three months ended	Six months ended	
	30/09/2016	30/09/2016	30/09/2015	30/09/2016	30/09/2016	30/09/2015
	N'000	N'000	N'000	N'000	N'000	N'000
Revenue	136,097,897	255,304,658	177,583,206	95,772,127	186,069,784	131,699,101
Cost of Sales	(114,952,574)	(218,881,006)	(159,353,628)	(81,508,362)	(161,035,887)	(119,835,328)
Gross profit	21,145,323	36,423,652	18,229,578	14,263,765	25,033,897	11,863,773
Selling and distribution expenses	(1,760,482)	(3,068,742)	(2,717,325)	(1,688,554)	(2,915,825)	(2,430,204)
Administrative expenses	(3,401,193)	(6,074,650)	(5,062,935)	(2,198,980)	(4,116,165)	(3,981,656)
Net operating gains and losses	(7,759,576)	(8,082,529)	1,776,572	(3,339,206)	(3,706,371)	416,980
Operating profit	8,224,072	19,197,731	12,225,890	7,037,025	14,295,536	5,868,893
Investment income	289,556	528,315	485,930	507,512	666,513	877,884
Finance costs	(5,586,042)	(10,925,594)	(12,334,381)	(3,693,258)	(6,960,840)	(6,676,671)
Gain on disposal of investment in associate	-	-	23,732,452	-	-	-
Profit before tax	2,927,586	8,800,452	24,109,910	3,851,278	8,001,209	70,106
Tax expense	(873,429)	(2,331,967)	(90,589)	(1,161,356)	(2,240,339)	(14,021)
Profit after tax	2,054,157	6,468,485	24,019,321	2,689,923	5,760,870	56,085
Gain / (Loss) on AFS	(8,840)	(3,740)	-	(8,840)	(3,740)	-
Total comprehensive income	2,045,317	6,464,745	24,019,321	2,681,083	6,757,130	56,085
Profit attributable to:						
Owners of the Company	1,672,680	5,852,905	23,606,716	2,681,083	5,760,870	56,085
Non-controlling interests	381,477	615,580	412,605	-	-	-
	2,054,157	6,468,485	24,019,321	2,681,083	5,760,870	56,085
Total comprehensive income/(loss) attributable to:						
Owners of the Company	1,663,840	5,849,165	23,606,716	2,681,083	5,757,130	56,085
Non-controlling interests	381,477	615,580	412,605	-	-	-
	2,045,317	6,464,745	24,019,321	2,681,083	5,757,130	56,085
Earnings per share - Basic (kobo)	64	223	900	102	220	2
Earnings per share - Diluted (kobo)	64	223	900	102	220	2

Explanatory Notes:

Good performance despite continuous economic challenges. Increase in revenue for the Group by 44% as a result of both volume growth across most of our businesses as well as better price management, cost cutting and production efficiency needed in order to cushion the increased cost of our materials resulting from foreign exchange revaluation. Included in net operating gains and losses is an amount of N9.2 billion which represents the exchange rate difference between the time of acquiring materials and payment date.

BY ORDER OF THE BOARD

Company Secretary

27th October, 2016

Joseph Umolu
FR/2013/NBA/00000003687



FLOUR MILLS OF NIGERIA PLC

CONDENSED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL STATEMENTS

30TH SEPTEMBER, 2016

FLOUR MILLS OF NIGERIA PLC

CONDENSED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL STATEMENTS 30TH SEPTEMBER, 2016

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FLOUR MILLS OF NIGERIA PLC
CONDENSED CONSOLIDATED AND SEPARATE STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2016

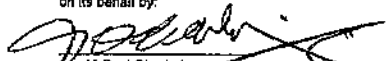
	Note	Group			Company		
		3 months ended 30-09-16 N'000	6 months ended 30/09/2016 N'000	6 months ended 30/09/2015 N'000	3 months ended 30-09-16 N'000	6 months ended 30/09/2016 N'000	6 months ended 30/09/2015 N'000
Revenue	5a	138,897,897	255,304,658	177,583,206	85,772,127	186,089,784	131,699,101
Cost of sales	5b	(114,952,574)	(218,881,006)	(159,353,628)	(81,508,382)	(161,035,887)	(119,835,328)
Gross profit		21,145,323	36,423,652	18,229,578	14,263,765	25,033,897	11,863,773
Selling and distribution expenses	5c	(1,760,482)	(3,068,742)	(2,717,325)	(1,688,554)	(2,915,825)	(2,430,204)
Administrative expenses	5d	(3,401,193)	(6,074,650)	(5,062,935)	(2,188,980)	(4,118,165)	(3,981,656)
Net operating gains and losses	5e	(7,759,576)	(8,082,529)	1,776,572	(3,339,206)	(3,706,371)	416,980
Operating profit		8,224,072	19,197,731	12,226,890	7,037,025	14,295,536	5,868,893
Investment income		289,556	528,315	485,930	507,512	688,513	877,884
Finance costs		(5,586,042)	(10,825,594)	(12,334,361)	(3,693,258)	(6,960,840)	(6,676,671)
Gain on disposal of investment in associate		-	-	23,732,452	-	-	-
Profit before tax		2,927,686	8,800,452	24,109,910	3,851,278	8,001,209	70,106
Income tax credit / (expense)	6	(873,429)	(2,331,967)	(80,589)	(1,161,356)	(2,240,339)	(14,021)
Profit after tax		2,054,157	6,468,485	24,019,321	2,689,923	5,760,870	56,085
Remeasurements on net defined benefit liability							
Gain / (Loss) on AFS		(8,840)	(3,740)	-	(8,840)	(3,740)	-
Total comprehensive income		2,045,317	6,464,745	24,019,321	2,681,083	5,757,130	56,085
Profit attributable to:							
Owners of the Company		1,672,680	5,852,905	23,606,716	2,681,083	5,760,870	56,085
Non-controlling interests		381,477	615,580	412,605	-	-	-
		2,054,157	6,468,485	24,019,321	2,681,083	5,760,870	56,085
Total comprehensive income attributable to:							
Owners of the Company		1,663,840	5,849,165	23,606,716	2,681,083	5,757,130	56,085
Non-controlling interests		381,477	615,580	412,605	-	-	-
		2,045,317	6,464,745	24,019,321	2,681,083	5,757,130	56,085
Earnings per share - Basic (kobo)	7	64	223	900	102	220	2
Earnings per share - Diluted (kobo)		64	223	900	102	220	2

FLOUR MILLS OF NIGERIA PLC

CONDENSED CONSOLIDATED AND SEPARATE STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER, 2016

	Note	Group		Company	
		30/09/2016 N'000	31/03/2016 N'000	30/09/2016 N'000	31/03/2016 N'000
Non-current assets					
Property, plant and equipment	8b, 8d	214,509,879	213,581,751	84,215,835	85,732,371
Biological assets	8c	359,106	352,020	-	-
Intangible assets	8a, 8f	696,609	735,330	76,738	86,435
Investment properties	8d	48,919	49,704	48,919	49,704
Goodwill	8e	4,148,022	4,148,022	1,876,816	1,876,816
Investment in subsidiaries	9	-	-	3,699,485	3,696,965
Trade Investments/Other financial assets	9	41,955	45,696	41,955	45,696
Deferred tax assets		159,388	66,022	-	-
Long term loans receivable	10	-	-	6,739,316	2,551,592
Prepayments		1,844,618	1,703,939	1,644,618	1,703,939
Total non-current assets		221,608,496	220,682,484	98,343,683	95,683,538
Current assets					
Inventories	11	90,657,013	58,699,768	59,123,300	37,257,683
Biological assets	8c	137,873	182,813	-	-
Trade receivables	12	11,629,285	12,734,933	7,161,519	6,083,145
Other receivables	12	7,135,817	6,231,235	77,285,668	60,421,094
Prepayment & deposit for import	12	25,206,501	13,625,250	17,377,469	12,179,968
Cash and cash equivalents	13	49,785,371	33,213,043	25,523,268	21,671,179
Total current assets		178,561,860	124,685,842	188,471,224	137,613,069
Total assets		400,160,356	345,348,326	284,814,907	233,296,607
Equity					
Share capital		1,312,126	1,312,126	1,312,126	1,312,126
Share premium account		36,812,540	36,812,540	36,812,540	36,812,540
Fair value reserves		(93,500)	(89,760)	(93,500)	(89,760)
Retained earnings		58,129,586	54,900,934	65,345,850	62,209,233
Equity attributable to owners of the Company		96,160,752	92,935,840	103,377,016	100,244,139
Non-controlling interest		3,445,514	2,829,934	-	-
		99,606,266	95,765,774	103,377,016	100,244,139
Liabilities					
Borrowings		61,559,415	48,009,715	5,697,128	8,209,155
Deferred revenue		12,058,346	7,063,966	876,389	900,749
Deferred taxation		5,867,813	5,768,040	4,553,105	4,553,105
Retirement benefit obligation		4,323,266	4,077,811	3,659,019	3,454,172
Long service award		1,744,947	1,593,619	1,566,173	1,426,602
Total non-current liabilities		86,553,787	66,543,351	16,351,812	18,543,783
Current liabilities					
Bank Overdraft		26,882,454	16,412,986	25,467,458	6,657,427
Borrowings		70,513,506	100,830,460	58,893,828	67,045,775
Deferred revenue		1,064,466	1,076,024	236,075	258,687
Trade payables		51,964,047	38,494,348	44,188,803	22,355,911
Other payables	14	45,928,109	11,922,566	22,065,962	6,690,160
Current tax liabilities		2,568,030	1,336,015	1,654,448	439,157
Dividend payable		3,575,335	1,936,869	3,575,335	1,936,869
Customer deposits		12,474,366	11,029,933	9,004,069	9,126,709
Total current liabilities		216,000,303	183,039,201	165,086,078	114,508,685
Total liabilities		302,554,090	249,582,552	181,437,890	133,052,468
Total equity and liabilities		400,160,356	345,348,326	284,814,907	233,296,607

The financial statements were approved by the board of directors and authorised for issue on October 27th, 2016. They were signed on its behalf by:


Mr Paul Gbededo
Group Managing Director
FRN/2014/000000003828


Jacques Paulmier
Chief Finance Officer

FLOUR MILLS OF NIGERIA PLC

CONDENSED CONSOLIDATED AND SEPARATE STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2016

GROUP

	Share Capital	Share premium	Capital reserve	Retained Earnings	Equity attributable to owner of the company	Non controlling interest	Total Equity
	N'000	N'000	N'000	N'000		N'000	N'000
Balance at 1 April 2015	1,312,127	36,812,540	281,201	45,946,617	84,352,485	3,057,911	87,410,396
Total comprehensive income for the period				23,606,718		412,805	24,019,321
Dividend payment				(5,538,868)			(5,538,868)
Balance at 30 September 2015	1,312,127	36,812,540	281,201	64,014,465	84,352,485	3,470,516	105,890,849

GROUP

	Share Capital	Share premium	Fair value reserve	Retained Earnings	Equity attributable to owner of the company	Non controlling interest	Total Equity
	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Balance at 1 April 2016	1,312,126	36,812,540	(89,760)	64,900,934	82,935,840	2,829,934	95,765,774
Total comprehensive income for the period				5,852,905		615,580	6,468,485
Fair value gain on AFS			(3,740)				(3,740)
Dividend declared				(2,624,253)			(2,624,253)
Balance at 30 September 2016	1,312,126	36,812,540	(93,500)	58,129,586	92,935,840	3,445,514	99,606,266

COMPANY

	Equity attributable to equity holders of the Company				Total Equity
	Share Capital	Share premium	Fair value reserve	Retained Earnings	
	N'000	N'000	N'000	N'000	
Balance at 1 April 2015	1,312,126	36,812,540	-	58,527,003	96,651,669
Total comprehensive income for the period	-	-	-	56,085	56,085
Dividend declared	-	-	-	(5,510,932)	(5,510,932)
Balance at 30 September 2015	1,312,126	36,812,540	-	53,072,156	91,196,822

COMPANY

	Equity attributable to equity holders of the Company				Total Equity
	Share Capital	Share premium	Fair value reserve	Retained Earnings	
	N'000	N'000	N'000	N'000	
Balance at 1 April 2016	1,312,126	36,812,540	(89,760)	62,209,233	100,244,139
Total comprehensive income for the period				5,760,870	5,760,870
Fair value gain on AFS			(3,740)		(3,740)
Dividend declared				(2,624,253)	(2,624,253)
Balance at 30 September 2016	1,312,126	36,812,540	(93,500)	65,345,850	103,377,016

CONDENSED CONSOLIDATED AND SEPARATE STATEMENT OF CASHFLOWS
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2016

	Group		Company	
	30/09/2016 N'000	30/09/2015 N'000	30/09/2016 N'000	30/09/2015 N'000
Cash flows from operating activities				
Profit before tax	8,800,452	24,109,910	8,001,209	70,106
Depreciation and amortization	6,587,599	6,764,414	3,523,848	3,068,702
Net Interest Charged	10,925,594	12,334,361	6,960,840	6,676,671
Interest received	(528,315)	(485,930)	(666,513)	(677,884)
Gain on sale of investment	-	(23,732,452)	-	-
Loss/(profit) on disposal of fixed assets	(24,060)	18,035	(26,730)	(2,697)
Profit before changes in working capital	25,761,270	19,008,338	17,792,654	8,934,898
Changes in Working Capital				
(Increase)/ Decrease in Inventory	(31,958,245)	(2,447,545)	(21,865,617)	(110,974)
(Increase)/ Decrease in Net trade receivables	1,105,648	1,840,107	(1,078,374)	436,938
(Increase)/ Decrease in Other receivables	(904,582)	1,530,037	(16,864,574)	18,607,579
(Increase)/ Decrease in Biological assets (current)	44,740	(1,914)	-	-
(Increase)/ Decrease in Prepayments and deposit for imports	(11,521,930)	(999,338)	(5,138,180)	(1,037,349)
(Increase)/ Decrease in Intercompany receivables	-	926,643	-	1,219,522
Increase/ (Decrease) in Deferred tax assets	(93,366)	-	-	-
(Increase)/ Decrease in Biological assets (non-current)	(7,086)	-	-	-
Increase/ (Decrease) in Trade creditors	13,499,699	(11,457,535)	21,832,892	(8,117,370)
Increase/ (Decrease) in Other payable	34,005,543	8,229,746	15,375,812	11,894,463
Increase/ (Decrease) in Amount due to Group companies	-	(22,290)	-	-
Increase/ (Decrease) in Retirement benefit obligations	245,455	(300,732)	204,847	(143,558)
Increase/ (Decrease) in Long service award	151,128	(159,029)	139,571	(170,519)
Increase/ (Decrease) in Customers' deposit	1,444,433	-	(122,640)	-
Increase/ (Decrease) in Sundry provisions	-	12,268	-	20,196
Increase/ (Decrease) in Deferred taxation	99,773	(108,712)	(0)	1
Increase/ (Decrease) in Deferred revenue	4,952,812	(1,754,701)	(44,972)	(37,643)
Net changes in working capital	11,064,022	(6,712,995)	(7,561,235)	22,561,286
Cash Flow from operating activities	36,825,292	12,295,343	10,231,420	31,496,184
Tax paid	(1,099,952)	(855,800)	(1,025,048)	(98,028)
Net Cash Flow from operating activities	35,725,340	11,439,543	9,206,372	31,398,156
Investing activities				
Purchase of assets	(7,545,286)	(10,594,182)	(1,999,815)	(2,084,697)
Proceed on disposal of assets	78,193	21,886	34,782	9,950
Purchase of intangible assets	(5,067)	(21,961)	(5,067)	(593)
Proceed from sale of investment	-	27,246,488	-	-
Other investments	-	(180,828)	-	-
investments in subsidiaries	-	0	(62,500)	(5,000)
Long term loans receivable	-	3,904,188	(4,187,724)	3,881,902
Interest received	528,315	485,930	666,513	877,884
Net Cash flow from investing activities	(6,943,845)	20,861,521	(5,553,812)	2,879,456
Financing activities				
Term loans	(16,767,255)	815,196	(10,863,876)	4,773,747
Repayment of bond	-	(10,017,631)	-	(10,017,631)
Dividend paid	(985,787)	(5,543,576)	(985,787)	(5,515,640)
Interest paid	(10,925,594)	(12,334,361)	(6,960,840)	(6,676,671)
Cash flow from Financing activities	(28,678,636)	(27,080,372)	(18,610,503)	(17,436,195)
Net Cash Flow	102,860	5,220,692	(14,957,942)	16,641,417
Cash and cash equivalents at beginning of Period/year	16,800,057	(28,569,232)	15,013,752	(22,795,345)
Cash and cash equivalents at end of the period	16,902,917	(23,348,540)	55,810	(6,153,928)
Closing				
Bank deposits balances and cash	43,785,371	16,069,423	25,523,268	9,007,528
Bank overdrafts	(26,882,454)	(39,417,963)	(25,467,458)	(15,161,455)
	16,902,917	(23,348,540)	55,810	(6,153,927)
Opening				
Bank deposits balances and cash	33,213,043	31,131,719	21,671,179	18,230,274
Bank overdrafts	(16,412,986)	(59,700,951)	(6,657,427)	(41,025,619)
	16,800,057	(28,569,232)	15,013,752	(22,795,345)

FLOUR MILLS OF NIGERIA PLC

NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2016

1 Description of business

Flour Mills of Nigeria Plc was incorporated as a private limited Company on 29th September 1960 and was converted to a public liability Company in November 1978.

The Group is primarily engaged in flour milling; pasta production; importation, blending, distribution and sale of fertiliser; manufacturing and marketing of laminated, woven polypropylene sacks and flexible packaging materials; operation of terminals A and B at the Apapa Port; sale of bulk and bagged cement; customs clearing and forwarding agents and shipping agents; livestock feeds and management of third party mills.

2 Reporting entity

The condensed consolidated and separate interim financial report of the Company as at and for the Six months ended 30th September 2016 comprises the Company alone (referred to as the 'Company') and the Company and its subsidiaries (together referred to as the 'Group') and the Group's interests in associates.

3 Basis of preparation

(a) Statement of compliance

This condensed consolidated and separate interim financial report has been prepared in accordance with IAS 34 Interim Financial Reporting. Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the last consolidated financial statements as at and for the year ended 31 March 2016.

This condensed consolidated and separate interim financial report does not include all of the information required for full annual financial statements prepared in accordance with International Financial Reporting Standard.

(b) Judgements and estimates

Preparing the interim financial report requires Management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this condensed consolidated and separate interim financial report, significant judgements made by Management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 March 2016.

4 Significant accounting policies

The accounting policies applied by the Group in this condensed consolidated and separate interim financial report are the same as those applied by the Group in its consolidated statements as at and for the year ended 31 March 2016.

FLOUR MILLS OF NIGERIA PLC

NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE INTERIM
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2016

5a Operating segments

Information about reportable segments

For the six months ended 30th September 2016.

The following is an analysis of the Group's revenue and results from continuing operations by reportable segment.

Group

	Segment revenue		Profit before tax	
	Six months ended		Six months ended	
	30/09/2016	30/09/2015	30/09/2016	30/09/2015
	N'000	N'000	N'000	N'000
Food	196,919,740	130,055,175	6,301,451	(1,445,410)
Agro Allied	52,263,098	38,946,323	2,249,237	1,782,754
Packaging	5,514,314	8,138,853	871,616	223,038
Port operations & Logistics	543,779	348,802	2,149,109	125,869
Real estate & Others	63,727	96,251	(2,570,961)	23,423,659
Total	255,304,658	177,583,204	8,800,452	24,109,910

Company

	Segment revenue		Profit before tax	
	Six months ended		Six months ended	
	30/09/2016	30/09/2015	30/09/2016	30/09/2015
	N'000	N'000	N'000	N'000
Food	161,331,515	111,421,876	3,868,819	(2,081,634)
Agro Allied	17,426,710	11,326,894	3,365,085	1,906,457
Packaging	6,836,714	8,950,331	808,319	245,282
Port operations & Logistics	674,845	-	(41,014)	-
Real Estate	-	-	-	-
Total	188,069,784	131,699,101	8,001,209	70,105

Segment revenue reported above represents revenue generated from external customers.

The accounting policies of the reportable segments are the same as the Group's accounting policies. Segment profit represents the profit earned by each segment without allocation of share of profits of associates, IFRS adjustment and income tax expense. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

5b) Cost of sales

	Group		Company	
	Six months ended		Six months ended	
	30/09/2016	30/09/2015	30/09/2016	30/09/2015
	N'000	N'000	N'000	N'000
Material costs	194,428,787	137,686,898	146,042,540	107,378,738
Direct staff costs	5,599,091	5,698,517	4,235,767	3,725,797
Depreciation	5,886,177	5,434,864	2,944,618	2,290,923
Petrol, gas & oil	7,823,971	4,840,080	4,914,254	3,326,190
Rent & rates	2,362,698	1,819,661	900,928	777,642
Repairs and maintenance	2,225,688	1,730,354	1,676,722	1,266,532
Other expenses	462,631	2,047,864	264,300	1,022,961
Insurance	91,984	95,590	54,758	45,605
Total	218,881,006	159,353,628	161,035,887	119,835,328

FLOUR MILLS OF NIGERIA PLC

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5c Selling and distribution

	Group		Company	
	Six months ended		Six months ended	
	30/09/2016	30/09/2015	30/09/2016	30/09/2015
	N'000	N'000	N'000	N'000
Salaries and related staff costs	773,358	780,875	695,582	722,535
Selling expenses	1,539,632	1,215,127	1,470,673	1,144,392
Advertisement	623,102	615,546	616,920	457,500
Depreciation	132,649	105,777	132,649	105,777
	<u>3,068,742</u>	<u>2,717,325</u>	<u>2,915,825</u>	<u>2,430,204</u>

5d Administrative expense

	Group		Company	
	Six months ended		Six months ended	
	30/09/2016	30/09/2015	30/09/2016	30/09/2015
	N'000	N'000	N'000	N'000
Audit fee	169,749	147,122	115,678	94,804
Bad debts (provisions release)/provision	4,500	7,803	4,500	7,803
Bank Charges	515,508	308,032	444,410	227,441
Canteen expenses	75,188	118,902	75,152	114,906
Communication expenses	156,485	133,326	127,622	95,613
Computer related expenses	280,910	184,551	240,379	145,457
Depreciation	936,339	1,201,600	814,145	702,153
Donations	8,842	13,878	8,270	13,008
Executive emoluments	178,731	46,006	34,889	21,904
Industrial training fund levy	25,333	16,934	14,475	9,079
Insurance	65,794	71,693	23,803	35,932
Legal and professional fees	297,353	347,710	194,857	272,850
Local and overseas travel	171,637	127,187	109,442	88,161
Medical expenses	161,234	138,746	132,295	129,387
Motor vehicle expenses	24,552	19,780	18,900	5,644
General administrative expenses	468,582	99,784	75,671	20,913
Power costs	255,334	60,134	176,310	38,160
Recruitment expenses	1,316	6,138	1,316	6,138
Rent and rates	62,919	102,020	64,888	412,578
Repairs and maintenance	201,820	73,305	44,562	53,822
Restructuring cost	17,330	2,277	13,776	-
Salaries and allied costs	1,687,196	1,542,690	1,242,549	1,314,851
Social events	-	15,792	-	14,734
Subscriptions	19,244	25,626	13,957	17,624
Third party services	276,571	242,228	122,711	132,886
Uniforms and safety gear	12,183	9,672	1,807	5,808
	<u>6,074,650</u>	<u>5,062,935</u>	<u>4,116,164</u>	<u>3,981,656</u>

5e Net operating gains and losses

	Group		Company	
	Six months ended		Six months ended	
	30/09/2016	30/09/2015	30/09/2016	30/09/2015
	N'000	N'000	N'000	N'000
Management fee	-	1,200	-	1,200
Rent received	102,480	577,755	61,850	531,640
Insurance claims	193,228	127,010	192,685	116,481
Income on government grant	323,134	226,255	55,863	37,642
Sundry income	328,305	1,192,457	68,239	78,940
Profit/(Loss) on disposal of fixed assets	24,060	(18,035)	26,730	2,697
Exchange loss	(9,261,646)	(330,070)	(4,111,738)	(351,621)
Wheat handling charges	207,909	-	-	-
	<u>(8,082,529)</u>	<u>1,776,572</u>	<u>(3,706,371)</u>	<u>416,980</u>

NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE INTERIM
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6 Tax	Group			Company		
	01/07/2016 - 30/09/2016 N'000	01/04/2016 - 30/09/2016 N'000	01/04/2015 - 30/09/2015 N'000	01/07/2016 - 30/09/2016 N'000	01/04/2016 - 30/09/2016 N'000	01/04/2015 - 30/09/2015 N'000
Corporation tax:						
Income tax	811,655	2,163,472	83,040	1,084,330	2,080,314	12,210
Tertiary education tax	54,714	161,435	7,549	77,025	160,024	1,811
Capital Gains tax	-	-	-	-	-	-
Under-provision in prior years	-	-	-	-	-	-
	866,369	2,324,907	90,589	1,161,356	2,240,339	14,021
Deferred tax	7,061	7,061	-	-	-	-
	873,429	2,331,967	90,589	1,161,356	2,240,339	14,021

The charge for taxation in these interim financial statements is based on the provisions of Companies Income Tax Act, CAP C21, LFN as amended to date

Interim period income tax is accrued based on the following estimated average annual effective income tax rate:

Effective rate	Group			Company		
	01/04/2016 - 30/09/2016	01/04/2015 - 30/09/2015	01/04/2015 - 31/03/2016	01/04/2016 - 30/09/2016	01/04/2015 - 30/09/2015	01/04/2015 - 31/03/2016
	30%	26%	0%	30%	28%	20%

7 Earnings Per share	Group			Company		
	Profit for the year attributable to equity holders	1,690,981	5,852,905	23,606,716	2,684,822	5,760,870
Number of ordinary shares in issue	2,624,253	2,624,253	2,624,253	2,624,253	2,624,253	2,624,253
Basic earning per share(kobo)	64	223	900	102	220	2

8a. Goodwill	Group		Company	
	30/09/2016 N'000	31/03/2016 N'000	30/09/2016 N'000	31/03/2016 N'000
Goodwill	4,148,022	4,148,022	1,876,816	1,876,816
	4,148,022	4,148,022	1,876,816	1,876,816

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GROUP	8b PROPERTY PLANT AND EQUIPMENT									
	Leasehold Land & Building N'000	Plant and Machinery N'000	Furniture & Equipment N'000	Motor Vehicle N'000	Beaver Plant N'000	Capital Work In Progress N'000	Total N'000	Investment Properties N'000		
Cost or valuation										
1 April 2016	55,876,739	182,385,528	6,018,768	10,664,334	534,139	46,652,783	302,132,291			72,285
Additions	320,802	1,432,375	175,824	228,031	9,880	5,626,279	7,793,191			
Transfer	800	(114,817)	(146,413)	3,845		(13,261)	(269,846)			
Disposal	(2,659)	(67,824)	(4,327)	(77,051)		(152)	(152,023)			
30th September 2016	56,195,672	183,535,252	6,048,852	10,819,159	544,019	52,655,649	309,503,613			72,285
Depreciation										
1 April 2016 Depreciation	6,728,673	66,701,085	3,717,544	7,437,643	30,378	1,376,552	84,615,823			23,581
1 April 2016 impairment		2,578,855					3,985,417			
Change for the period	574,408	4,910,341	518,539	536,226	3,648		6,543,162			786
Transfer		(21,941)					(21,941)			
Disposal		(38,463)	(3,832)	(55,732)			(98,027)			
30th September 2016	7,303,081	74,129,887	4,232,251	7,918,137	34,026	1,376,552	94,993,734			24,367
NBV	48,892,591	109,505,375	1,816,601	2,901,022	509,993	50,889,297	214,509,879			48,918
30th September 2015	49,148,066	113,105,578	2,301,224	3,226,691	503,761	45,276,431	213,561,751			49,704
1 April 2016										
BIOLOGICAL ASSETS										
Bc	Livestock N'000	Oil palm N'000	Cassava N'000	Sugar N'000	Total					
Balance at 31 March, 2016	62,152	9,882	172,731	299,868	534,633					
Addition	7,085				7,086					
Harvested during the year			(44,740)		(44,740)					
Fair value gain/(loss)										
Balance at 30 September, 2016	69,238	9,882	127,991	289,868	496,979					
Current assets			Sep-16 N'000	Mar-16 N'000						
Non-current assets			137,873	182,613						
			359,108	352,020						
			496,979	534,633						

NOTES TO THE QUARTERLY UNAUDITED FINANCIAL STATEMENTS
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COMPANY

84 PROPERTY PLANT AND EQUIPMENT		Leasehold Properties N '000	Plant & Mach N '000	Furniture & Equip N '000	Motor Vehicles N '000	Capital WIP N '000	Total N '000	Investment Properties N '000
Cost or valuation								
1 April 2016		30,465,189	96,727,188	4,097,430	8,384,946	9,969,852	149,644,605	73,285
Additions		189,190	674,509	139,817	143,392	852,907	1,999,815	
Transfers				152	3,845	(3,997)		
Disposals			(2,070)	(3,318)	(77,051)		(82,439)	
30th September 2016		30,654,379	97,399,627	4,234,081	8,465,192	10,818,762	151,561,981	73,285
Depreciation								
1 April 2016		3,970,353	48,489,161	2,998,506	5,755,364	524,337	61,213,384	23,581
1 April 2016 Impairment Charge		142,710	2,174,513	289,706	410,223		2,698,850	
Disposals			(592)	(3,165)	(70,630)		3,598,298	786
30th September 2016		4,113,083	53,328,741	3,285,047	6,094,957	524,337	67,346,145	24,367
NBV								
30th September 2016		26,541,316	44,070,886	949,034	2,360,175	10,294,425	84,215,836	48,918
1 April 2016		26,494,836	46,063,514	1,096,924	2,629,582	9,969,862	85,732,371	49,704

8e Intangible assets	Group		
	Software N'000	Berth Rehabilitation N'000	Total N'000
Cost			
At 1 April 2016	515,136	763,547	1,278,683
Additions	5,067		5,067
Disposals	(196)		(196)
At 30th September 2016	520,007	763,547	1,283,554
Amortisation			
At 1 April 2016	395,827	147,526	543,353
Charge for the year	22,686	20,965	43,651
On disposals	(59)		(59)
At 30th September 2016	418,454	168,491	586,945
Net book value			
At 30th September 2016	101,553	595,056	696,609
At 31 March 2016	119,309	616,021	735,330
	Company		
8f	software N'000	Other Intangible N'000	Total N'000
Cost			
At 1 April 2016	406,403		406,403
Additions	5,067		5,067
On disposals			
At 30th September 2016	411,470	-	411,470
Amortisation			
At 1 April 2016	319,968		319,968
Charge for the year	14,764		14,764
Adjustments			
At 30th September 2016	334,732	-	334,732
Net book value			
At 30th September 2016	76,738	-	76,738
At 31 March 2016	86,435	-	86,435

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9a. INVESTMENT IN SUBSIDIARIES

	Group		Company	
	30/09/2016 N'000	31/03/2016 N'000	30/09/2016 N'000	31/03/2016 N'000
Unquoted				
Apapa Bulk Terminal Limited	-	-	50,000	50,000
Golden Shipping Company Nigeria Limited	-	-	10,000	10,000
Golden Sugar Company Limited	-	-	10,000	10,000
Southern Star Shipping Company (Nigeria) Limited	-	-	-	10,000
Kaboji Farms Limited	-	-	30,000	30,000
Premier Feed Mills Company Limited	-	-	12,750	12,750
Nigerian Eagles Flour Mills Limited	-	-	510,000	510,000
Golden Penny Rice Limited	-	-	10,000	10,000
Crestview Towers Limited	-	-	10,000	10,000
Olympic Towers Limited	-	-	10,000	10,000
ROM Oil Mills Limited	-	-	1,915,728	1,915,728
Thai Farm International Limited	-	-	722,566	660,066
Agri Palm Limited	-	-	10,000	10,000
Agric Estate Limited	-	-	10,000	10,000
Agro Allied Farms Sunti Limited	-	-	10,000	10,000
Agro Allied Syrups Limited	-	-	10,000	10,000
Sunti Golden Sugar Estates Limited	-	-	5,000	5,000
Best Chickens Limited	-	-	10,000	10,000
Golden Agri Input Limited	-	-	50,000	50,000
Provision for investment in unquoted company				
Southern Star Shipping Company (Nigeria) Limited	-	-	-	(10,000)
			3,396,044	3,333,544

Investment in Southern Star Shipping Company (Nigeria) Limited has been derecognized upon completion of its voluntary winding up process.

Quoted				
Northern Nigeria Flour Mills Plc	-	-	303,441	303,441
	-	-	303,441	303,441
Total	-	-	3,699,485	3,636,985

9b. AVAILABLE FOR SALE INVESTMENTS

Unquoted				
Maiduguri Flour Mills Limited	5,956	5,956	5,956	5,956
Nextport Tradings Limited	2,000	2,000	2,000	2,000
	7,956	7,956	7,956	7,956
Quoted				
Transnational Corporation Plc	127,500	127,500	127,500	127,500
Fair value gain (loss)	(93,501)	(89,760)	(93,501)	(89,760)
	33,999	37,740	33,999	37,740
	41,955	45,696	41,955	45,696

10 LONG TERM LOANS RECEIVABLE

Long-term loans receivable				
Thai Farm International			380,381	361,501
Agri Palm Limited			524,701	1,157,496
Golden Penny Rice Limited			1,780,641	964,629
ROM Oil Mills Limited			0	47,966
Sunti Golden Sugar Estate			4,053,593	0
			6,739,316	2,551,592

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	Group		Company	
	30/09/2016 N'000	31/03/2016 N'000	30/09/2016 N'000	31/03/2016 N'000
11 INVENTORIES				
Raw materials	66,623,455	37,209,730	44,328,513	23,063,622
Work in Progress	2,601,558	1,309,493	2,101,072	1,106,061
Finished goods	7,332,736	4,795,026	3,881,960	2,400,643
Consumables stores and maintenance Spares	14,695,916	15,915,723	9,296,302	11,106,456
Allowance for obsolete stock	(596,653)	(531,204)	(484,548)	(419,099)
	<u>90,657,013</u>	<u>58,698,768</u>	<u>59,123,300</u>	<u>37,157,683</u>
12 TRADE AND OTHER RECEIVABLES				
12a. TRADE RECEIVABLES				
Trade Debtors	13,395,512	14,292,489	8,599,054	7,560,078
Provision for bad debts	(1,676,227)	(1,557,556)	(1,437,535)	(1,476,933)
	<u>11,629,285</u>	<u>12,734,933</u>	<u>7,161,519</u>	<u>6,083,145</u>
12b. OTHER RECEIVABLES				
Staff debtors	520,846	331,818	419,180	250,909
Amount due from related parties	1,707,333	-	76,649,570	58,691,414
Sundry debtors	4,907,638	5,899,417	216,918	1,478,771
	<u>7,135,817</u>	<u>6,231,235</u>	<u>77,285,668</u>	<u>60,421,094</u>
12c. PREPAYMENTS				
Non-current				
Prepaid rent on operating premises	1,644,618	1,703,939	1,644,618	1,703,939
Current				
Advance to contractors and suppliers	5,593,791	1,175,675	5,646,243	747,868
Prepaid expenses	5,252,333	3,352,099	1,991,282	2,334,624
Deposit for Letter of Credit	14,360,378	9,097,476	9,739,944	9,097,476
	<u>25,206,501</u>	<u>13,625,250</u>	<u>17,377,469</u>	<u>12,179,968</u>

13 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash at bank and in hand, including treasury bills and short term deposits with a maturity date of six months or less from the date of acquisition.

The group and parent company use overdraft facilities, which are repayable on demand as an integral part of their cash management policy. Therefore cash and cash equivalents in the cash flow statements are cash and deposits less overdraft.

	Group		Company	
	30/09/2016 N'000	31/03/2016 N'000	30/09/2016 N'000	31/03/2016 N'000
Cash on hand	1,420,220	284,569	1,228,097	270,514
Bank balance	42,365,151	32,928,474	24,295,171	21,400,655
Cash and bank balances	43,785,371	33,213,043	25,523,268	21,671,179
Bank overdrafts	(26,892,454)	(16,412,926)	(25,467,458)	(6,657,427)
	<u>16,902,917</u>	<u>16,800,057</u>	<u>55,810</u>	<u>15,013,752</u>

14 TRADE AND OTHER PAYABLES

Trade payables	51,994,047	39,494,348	44,188,803	22,855,911
Other Payables				
Sundry creditors	25,139,296	2,267,356	1,455,931	986,201
VAT payables	3,178,557	2,629,543	1,651,721	1,381,900
WHT payables	469,260	512,984	173,481	135,984
Due to related parties	-	-	5,659,443	2,093,814
Accruals	17,140,997	6,512,683	13,125,387	2,092,251
	<u>45,928,109</u>	<u>11,922,566</u>	<u>22,065,962</u>	<u>6,690,150</u>
	<u>97,922,156</u>	<u>50,416,914</u>	<u>66,254,766</u>	<u>29,046,061</u>