

TERRA MAURICIA LTD

Terra Mauricia Ltd is a public limited company incorporated and domiciled in Mauritius and listed on the Official List of The Stock Exchange of Mauritius Ltd since January 1, 2012. The company, which was incorporated on 15 September 2011, is the holding company of Terragri Ltd (formerly Harel Frères Limited) since January 1, 2012, following a Scheme of Arrangement with Terragri Ltd. Terra Mauricia Ltd hence presents Group's results for the year ended December 31, 2012. For comparative purposes, the results of Terragri Ltd for the year ended December 31, 2011, have been included as proforma financial statements.

GROUP ABRIDGED AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

GROUP ABRIDGED AUDITED STATEMENTS OF FINANCIAL POSITION

	THE GROUP	THE GROUP
	2012	2011
	MUR'M	MUR'M
ASSETS		
Non-current assets	17,099.1	12,337.1
Current assets	2,195.1	2,149.5
Non-current asset classified as held for sale	22.9	7.2
Total assets	19,317.1	14,493.8
EQUITY AND LIABILITIES		
Capital and reserves		
Owners' interest	16,473.2	11,976.0
Non-controlling interests	961.5	914.0
Total equity	17,434.7	12,890.0
Non-current liabilities	543.3	542.1
Current liabilities	1,338.8	1,061.5
Liabilities directly associated with non-current assets classified as held for sale	0.3	0.2
Total equity and liabilities	19,317.1	14,493.8

GROUP ABRIDGED AUDITED INCOME STATEMENTS

	THE GROUP	THE GROUP
	2012	2011
	MUR'M	MUR'M
Turnover	4,185.5	4,222.7
Profit before finance costs	642.6	790.5
Finance costs	(47.5)	(73.7)
Share of results of associates	141.5	160.0
Profit before taxation	736.6	876.8
Taxation	(82.9)	(116.2)
Profit for the year	653.7	760.6

Profit attributable to:

	THE GROUP	THE GROUP
	2012	2011
	MUR'M	MUR'M
Owners of the parent	500.7	582.7
Non-controlling interests	153.0	177.9
	653.7	760.6

DATA PER SHARE

EARNINGS PER SHARE - MUR	2.20	2.56
NET ASSETS PER SHARE - MUR	72.40	52.6
NUMBER OF ORDINARY SHARES AT YEAR END	227,545,624	227,545,624

GROUP ABRIDGED AUDITED STATEMENTS OF COMPREHENSIVE INCOME

	THE GROUP	THE GROUP
	2012	2011
	MUR'M	MUR'M
Profit for the year	653.7	760.6
Other comprehensive income for the year	4,184.8	140.9
Total comprehensive income for the year net of tax	4,838.5	901.5

Total comprehensive income attributable to:

	THE GROUP	THE GROUP
	2012	2011
	MUR'M	MUR'M
Owners of the parent	4,676.4	698.9
Non-controlling interests	162.1	202.6
	4,838.5	901.5

AUDITORS' REPORT

We have audited the financial statements of Terra Mauricia Ltd for the year ended December 31, 2012, from which the abridged financial statements were extracted, in accordance with International Standards on Auditing

Our opinion on these financial statements, which will be submitted for consideration and approval at the forthcoming Annual Meeting of shareholders, is unqualified.

In our opinion, the abridged financial statements are consistent, in all material respects, with the financial statements from which they were derived.

BDO

Chartered Accountants

These abridged audited financial statements are issued pursuant to Listing Rule 12.14 and Securities Act 2005. The Board of Directors of Terra Mauricia Ltd accepts full responsibility for the accuracy of the information contained in these financial statements.

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 addressed to the Company Secretary, Terra Services Ltd, 18, Edith Cavell Street, Port-Louis.

Copies of the abridged audited financial statements are available, free of charge, upon request addressed to the Company Secretary, Terra Services Ltd, 18, Edith Cavell Street, Port-Louis.

By order of the Board of Directors

Terra Services Ltd
Secretary

March 27, 2013

GROUP ABRIDGED AUDITED STATEMENTS OF CHANGES IN EQUITY

THE GROUP	Attributable to owners of the parent					Non-controlling interests	Total Equity
	Stated Capital	Revaluation		Retained Earnings	Total		
		Shares	Reserves				
MUR'M	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M	
Shares issued through 'scheme of arrangement	11,976.0	-	-	-	11,976.0	-	11,976.0
Consolidation adjustment (note 1)	-	-	-	-	-	914.0	914.0
Total comprehensive income for the year	-	4,175.7	500.7	4,676.4	4,676.4	162.1	4,838.5
Release of deferred tax on excess depreciation over historical cost depreciation	-	-	2.8	2.8	2.8	-	2.8
Release on disposal of land	-	(3.1)	3.1	-	-	-	-
Non-controlling interest arising on acquisition of new subsidiary companies	-	-	-	-	-	6.2	6.2
Dividends	-	-	(182.0)	(182.0)	(182.0)	(120.8)	(302.8)
Balance as at December 31, 2012	11,976.0	4,175.4	321.8	16,473.2	16,473.2	961.5	17,434.7

Note 1: The consolidation adjustment represents the closing balance of the Non Controlling Interest of Terragri Ltd at December 31, 2011

THE GROUP PROFORMA

THE GROUP PROFORMA	Attributable to owners of the parent					Non-controlling interests	Total Equity
	Stated Capital	Revaluation		Retained Earnings	Total		
		Shares	Reserves				
MUR'M	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M	
Balance as at January 1, 2011	3,523.5	(0.6)	5,564.2	2,367.9	11,455.0	840.7	12,295.7
Total comprehensive income for the year	-	-	116.2	582.7	698.9	202.6	901.5
Amalgamation adjustment	-	0.6	-	4.5	5.1	-	5.1
Release of deferred tax on excess depreciation over historical cost depreciation	-	-	2.9	-	2.9	-	2.9
Release on disposal of land	-	-	(1.5)	1.5	-	-	-
Movements on reserves	-	-	(3.9)	-	(3.9)	0.8	(3.1)
Dividends	-	-	(182.0)	(182.0)	(182.0)	(130.1)	(312.1)
Balance as at December 31, 2011	3,523.5	-	5,677.9	2,774.6	11,976.0	914.0	12,890.0

GROUP ABRIDGED AUDITED CASH FLOW STATEMENTS

	THE GROUP	THE GROUP
	2012	2011
	MUR'M	MUR'M
Net cash from operating activities	667.0	431.8
Net cash used in investing activities	(521.4)	(148.6)
Net cash used in financing activities	(464.5)	(360.8)
Decrease in cash and cash equivalents	(318.9)	(77.6)
Movements in cash and cash equivalents	(318.9)	(77.6)
At January, 1	-	131.5
Consolidation adjustment	53.9	-
Acquisition of new subsidiaries	7.0	-
Decrease	(318.9)	(77.6)
At December, 31	(258.0)	53.9

NOTES

1. The abridged audited financial statements for the year ended December 31, 2012 are audited and have been prepared in line with International Financial Reporting Standards, except for the adoption of the relevant amendments to published Standards, Standards and Interpretations issued, now effective.

2. SEGMENT INFORMATION

Terra Mauricia Ltd segments are strategic business units that offer different products and services.

	SUGAR	ENERGY	COMMERCIAL & ALCOHOL PRODUCTION	OTHERS	TOTAL
	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M
THE GROUP 2012					
External sales	1,349.1	1,180.6	1,422.6	233.2	4,185.5
Segment profit	195.6	245.0	122.1	79.9	642.6
Profit after tax	242.5	185.0	118.5	107.7	653.7
THE GROUP PROFORMA 2011					
External sales	1,243.8	1,462.8	1,349.0	167.1	4,222.7
Segment profit	249.6	366.8	106.5	67.6	790.5
Profit after tax	261.3	252.5	113.1	133.7	760.6

3. BRIEF REVIEW OF THE ACTIVITIES AND RESULTS

GROUP RESULTS

The new holding company, Terra Mauricia Ltd, became operational on January 01, 2012.

During the year, the group commissioned a Revaluation Report from a professional valuer for Terragri's land and buildings which gave rise to a revaluation surplus of MUR 4,482 M.

Group Net Asset Value per share thus increased from MUR 52.60 to MUR 72.40

While group turnover dropped marginally in 2012, group profit after tax suffered a 14% drop to MUR 653.7 M, mainly on the back of reduced profitability for both our sugar and energy segments. Earnings per share dropped from MUR 2.56 in 2012 to MUR 2.20 for the current year

Segmental results are briefly explained below.

SUGAR

The increase in sugar revenue is mainly attributable to improved sugar prices. Profit after tax was down MUR 19 M on last year mainly on account of a 10% drop in group cane production. This was however mitigated at factory level by an additional cane supply from the Mon Loisir factory area which was mostly converted into special sugars and improved mill results. Sucrivoire, our Ivorian associate, also had an improved performance and contributed some MUR 87.2 M to this segment's results.

ENERGY

Lower off take on the part of CEB, the reduced tariffs applicable to the Post Debt period and increased maintenance costs of a non recurrent nature eroded profitability for 2012 to MUR 185.M.

COMMERCIAL AND ALCOHOL PRODUCTION

Performance was at par with last year except for bulk alcohol exports, which recorded increased volumes and contributed to a 5% increase in segmental profits.

OTHERS

During the year, the group increased its stake in Sugarworld Ltd from 30.7% to 95.94%, the results of which are now consolidated explaining this segment's turnover increase.

However, the segment's profit after tax was negatively affected by losses incurred by an associate involved in the construction industry

PROSPECTS

As of date, one can be cautiously optimistic about the 2013 results.

Good climatic conditions have prevailed so far, auguring a good crop. CEB's off take is improving, probably due to above average summer temperatures and to the exceptionally attractive tariffs it enjoys from Terragen. Trade conditions for our commercial activities have not deteriorated noticeably. Profits should accrue on a *morcellement* currently in progress.

The above suggests improved results on 2012, barring unforeseen events, adverse currency movements or drop in sugar prices

The group continues to look for and investigate investment opportunities both locally and overseas.