



Dangote Flour Mills Plc

Unaudited Consolidated and Separate Financial Statements
for the six months ended 30 June, 2017

Dangote Flour Mills Plc

Corporate Information

| | |
|---|---|
| Legal form | Dangote Flour Mills Plc was incorporated in Nigeria on 1 January 2006. The Company is listed on the Floor of the Nigerian Stock Exchange (NSE) with the symbol "DANGFLOUR". The Group's parent company is Dangote Industries Limited (DIL). |
| Country of incorporation and domicile | Nigeria |
| Nature of business and principal activities | Milling of wheat and production of wheat products. Dangote Pasta Limited and Dangote Noodles Limited are subsidiaries of Dangote Flour Mills Plc (DFM). DFM produces bread flour, confectionary flour, semolina and wheat meal. |
| Registered office | Terminal 'E' Greenview Development Building Apapa Wharf, Lagos |
| Transfer office | EDC Registrars Limited 154, Ikorodu Road, Onipanu, Shomolu, Lagos, Nigeria |
| Secretary | Aisha Ladi Isa (Mrs.) |
| Auditors | Akintola Williams Deloitte Civic Tower, Plot GA1, Ozumba Mbadiwe Avenue, Victoria Island, Lagos |
| Bankers | Access Bank Diamond Bank Plc Ecobank Nigeria Plc First Bank of Nigeria Limited First City Monument Bank Plc Guaranty Trust Bank Plc Skye Bank Plc Stanbic IBTC Bank Plc Sterling Bank Plc United Bank for Africa Plc Zenith Bank Plc |
| Directors | Executive directors Mr. Thabo Mabe Ms. Halima Dangote Alh. Ahmed Shehu Yakasai Non-executive directors Mr. Olakunle Alake Mr. Arnold Ekpe Mr. Asue Ighodalo Mrs. Yabawa Lawan Wabi mni Mr. Peter Matlare Resigned 20 April 2017 |

Contents

| | Page |
|--|------|
| Statement of Director's responsibilities | 3 |
| Consolidated and separate statement of profit or loss and other comprehensive income | 4 |
| Consolidated and separate statement of financial position | 6 |
| Consolidated and separate statement of changes in equity | 7 |
| Consolidated and separate statement of cash flows | 9 |
| Notes to the consolidated and separate interim financial statements | 10 |
| Five year financial summary | 34 |

Dangote Flour Mills Plc

Statement of Director's responsibilities for the preparation and approval of the consolidated and separate financial statements for the period ended 30 June, 2017

The Directors of Dangote Flour Mills Plc are responsible for the preparation of the unaudited consolidated and separate financial statements that presents fairly the financial position of the Group as at 30 June, 2017 and the results of its operations, cash flows and changes in equity for the period ended, in compliance with International Financial Reporting Standards, and in the manner required by the Companies and Allied Matters Act of Nigeria, Cap C20 LFN 2004 and the Financial Reporting Council of Nigeria Act, 2011.

The unaudited consolidated and separate financial statements are prepared in accordance with International Financial Reporting Standards and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgments and estimates.

In preparing the unaudited consolidated and separate financial statements, the Directors are responsible for:

- Properly selecting and applying accounting policies;
- Presenting information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- Providing additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the company's financial position and financial performance;
- Making an assessment of the Group's ability to continue as a going concern;

The Directors are responsible for:

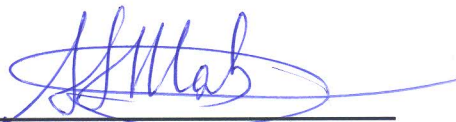
- Designing, implementing and maintaining an effective and sound system of internal controls throughout the Group;
- Maintaining adequate accounting records that are sufficient to disclose and explain the financial position of the Group and its transactions and results accurately in accordance with International Financial Reporting Standards;
- Maintaining statutory accounting records in compliance with legislation in force in Nigeria and in accordance with International Financial Reporting Standards;
- Taking such steps as are reasonably available to them to safeguard the assets of the Group; and
- Preventing and detecting fraud and other irregularities by implementing a sound system of internal controls.

Going concern

The Directors have made an assessment of the Group's ability to continue as a going concern and have no reason to believe the Group will not remain a going concern in the year ahead.

The unaudited consolidated and separate financial statements for the period ended 30 June, 2017, set out on pages 4 to 35, which have been prepared on the going concern basis, were approved by management on 25 July, 2017 and were signed on their behalf by:

Signed on behalf of the Management of the Group by:



Mr. Thabo Mabe
Group Chief Executive Officer
FRC/2013/IODN/00000001741



Ms. Halima Dangote
Executive Director
FRC/2017/IODN/00000016365

Dangote Flour Mills Plc

Consolidated and separate statement of profit or loss and other comprehensive income for the six months ended 30 June, 2017

| | Note(s) | Group | | | | | | Company | | | | | |
|---|---------|------------------|-------|-------------------|------------------|------------------|-------|------------------|-------------------|------------------|-------|------------------|-------|
| | | 3 Months to | | 6 Months to | | 3 Months to | | 6 Months to | | 3 Months to | | 6 Months to | |
| | | 30-Jun-17 | N'000 | 30-Jun-17 | N'000 | 31-Mar-16 | N'000 | 30-Jun-17 | N'000 | 31-Mar-16 | N'000 | 31-Mar-16 | N'000 |
| Revenue | 3 | 35,810,068 | | 64,855,975 | 15,776,591 | 26,448,709 | | 30,546,508 | 56,275,028 | 12,668,259 | | 21,019,764 | |
| Cost of sales | 4 | (27,418,180) | | (49,576,146) | (12,355,492) | (21,761,437) | | (22,971,572) | (42,105,259) | (9,755,623) | | (17,022,446) | |
| Gross profit | | 8,391,888 | | 15,279,829 | 3,421,099 | 4,687,272 | | 7,574,936 | 14,169,769 | 2,912,636 | | 3,997,318 | |
| Other income | 5 | 2,199,091 | | 2,552,471 | 14,016 | 23,041 | | 2,182,281 | 2,513,573 | 6,614 | | 8,803 | |
| Distribution and administrative expenses | 6 | (5,013,743) | | (7,828,500) | (1,432,814) | (3,709,501) | | (4,280,750) | (6,290,523) | (978,479) | | (2,286,044) | |
| Operating profit before foreign exchange gain | | 5,577,236 | | 10,003,800 | 2,002,301 | 1,000,812 | | 5,476,467 | 10,392,819 | 1,940,771 | | 1,720,077 | |
| Foreign exchange gain | | - | | - | 526,740 | 1,489,138 | | - | - | 526,740 | | 1,489,138 | |
| Operating profit | | 5,577,236 | | 10,003,800 | 2,529,041 | 2,489,950 | | 5,476,467 | 10,392,819 | 2,467,511 | | 3,209,215 | |
| Finance costs | 8 | (1,139,658) | | (1,855,370) | (715,994) | (1,652,477) | | (1,135,012) | (1,843,228) | (708,561) | | (1,639,379) | |
| Interest income | 7 | 377,013 | | 647,641 | 56,633 | 56,942 | | 368,305 | 638,579 | 55,494 | | 55,494 | |
| Profit before tax | | 4,814,591 | | 8,796,071 | 1,869,680 | 894,415 | | 4,709,760 | 9,188,170 | 1,814,444 | | 1,625,330 | |
| Taxation | 9 | (1,658,781) | | (3,044,610) | 52,009 | 126,516 | | (1,592,274) | (3,035,666) | (6,153) | | 36,079 | |
| Profit after tax | | 3,155,810 | | 5,751,461 | 1,921,689 | 1,020,931 | | 3,117,486 | 6,152,504 | 1,808,291 | | 1,661,409 | |
| Other comprehensive income | | - | | - | - | - | | - | - | - | | - | |
| Total comprehensive income for the period | | 3,155,810 | | 5,751,461 | 1,921,689 | 1,020,931 | | 3,117,486 | 6,152,504 | 1,808,291 | | 1,661,409 | |
| Profit/(loss) attributable to: | | | | | | | | | | | | | |
| Owners of the parent | | 3,168,372 | | 5,791,787 | 1,912,382 | 1,046,375 | | 3,117,486 | 6,152,504 | 1,808,291 | | 1,661,409 | |
| Non controlling interests | | (12,562) | | (40,326) | 9,307 | (25,444) | | - | - | - | | - | |
| Total comprehensive income/(loss) attributable to: | | 3,155,810 | | 5,751,461 | 1,921,689 | 1,020,931 | | 3,117,486 | 6,152,504 | 1,808,291 | | 1,661,409 | |
| Owners of the parent | | 3,168,372 | | 5,791,787 | 1,912,382 | 1,046,375 | | 3,117,486 | 6,152,504 | 1,808,291 | | 1,661,409 | |
| Non controlling interests | | (12,562) | | (40,326) | 9,307 | (25,444) | | - | - | - | | - | |
| Total comprehensive income/(loss) attributable to: | | 3,155,810 | | 5,751,461 | 1,921,689 | 1,020,931 | | 3,117,486 | 6,152,504 | 1,808,291 | | 1,661,409 | |

Dangote Flour Mills Plc

Consolidated and separate statement of profit or loss and other comprehensive income for the six months ended 30 June, 2017

| | Notes | Group | | | | Company | | | |
|---|-------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | | 3 Months to | 6 Months to | 3 Months to | 6 Months to | 3 Months to | 6 Months to | 3 Months to | 6 Months to |
| | | 30-Jun-17 | 30-Jun-17 | 31-Mar-16 | 31-Mar-16 | 30-Jun-17 | 30-Jun-17 | 31-Mar-16 | 31-Mar-16 |
| | | N'000 | N'000 | N'000 | N'000 | N'000 | N'000 | N'000 | N'000 |
| Profit/(loss) attributable to: | | | | | | | | | |
| Owners of the parent | | 3,168,372 | 5,791,787 | 1,912,382 | 1,046,375 | 3,117,486 | 6,152,504 | 1,808,291 | 1,661,409 |
| Non controlling interest | | (12,562) | (40,326) | 9,307 | (25,444) | - | - | - | - |
| | | 3,155,810 | 5,751,461 | 1,921,689 | 1,020,931 | 3,117,486 | 6,152,504 | 1,808,291 | 1,661,409 |
| Earnings per share | | | | | | | | | |
| Earnings per share | | | | | | | | | |
| Basic and diluted earnings per share (kobo) | 10 | 63.37 k | 115.84 k | 38.25 k | 20.93 k | 62.35 k | 123.05 k | 36.17 k | 33.23 k |

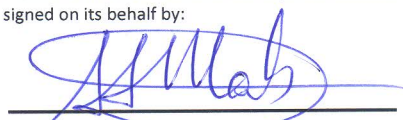
Dangote Flour Mills Plc

Consolidated and separate statement of financial position

as at 30 June, 2017

| | | Group | | | | Company | |
|---|---------|-----------------------------------|-----------------------------------|------------------------------------|-----------------------------------|-----------------------------------|------------------------------------|
| | Note(s) | 6 Months to 30-Jun-17 N'000 | 6 Months to 31-Mar-16 N'000 | 15 Months to 31-Dec-16 N'000 | 6 Months to 30-Jun-17 N'000 | 6 Months to 31-Mar-16 N'000 | 15 Months to 31-Dec-16 N'000 |
| Assets | | | | | | | |
| Non-Current Assets | | | | | | | |
| Property, plant and equipment | 11 | 31,292,785 | 22,750,743 | 25,103,593 | 22,976,218 | 13,578,639 | 16,337,767 |
| Investments in subsidiaries | 12 | - | - | - | 2,507,637 | 2,507,637 | 2,507,637 |
| Deferred tax | 13.2 | 3,839,498 | 5,089,764 | 4,159,474 | 3,321,741 | 2,762,744 | 3,657,517 |
| | | 35,132,283 | 27,840,507 | 29,263,067 | 28,805,596 | 18,849,020 | 22,502,921 |
| Current Assets | | | | | | | |
| Inventories | 14 | 14,645,029 | 6,967,908 | 10,784,629 | 12,229,678 | 5,200,922 | 8,623,532 |
| Amount owed by group companies | 12.2 | - | - | - | 11,891,594 | 11,433,782 | 13,919,545 |
| Trade and other receivables | 15 | 8,947,213 | 5,139,590 | 9,480,169 | 5,160,801 | 3,479,903 | 5,648,724 |
| Short term loans receivable | 23.1 | 5,864,272 | 6,130,818 | 5,787,872 | 2,785,356 | 3,015,726 | 2,997,143 |
| Other financial asset | 25 | 15,869,043 | - | 9,329,792 | 15,869,043 | - | 9,329,792 |
| Cash and bank balances | 16 | 31,777,561 | 15,495,779 | 14,328,310 | 30,290,021 | 14,560,440 | 13,583,631 |
| | | 77,103,118 | 33,734,095 | 49,710,772 | 78,226,493 | 37,690,773 | 54,102,367 |
| Non-current assets held for sale | 27 | 6,143 | - | 6,143 | - | - | - |
| Total Assets | | 112,241,544 | 61,574,602 | 78,979,982 | 107,032,089 | 56,539,793 | 76,605,288 |
| Equity and Liabilities | | | | | | | |
| Equity | | | | | | | |
| Share capital | 17 | 2,500,000 | 2,500,000 | 2,500,000 | 2,500,000 | 2,500,000 | 2,500,000 |
| Share premuim | | 11,527,612 | 11,527,612 | 11,527,612 | 11,527,612 | 11,527,612 | 11,527,612 |
| Capital reserves | 18 | 21,412,878 | 20,563,151 | 23,276,829 | 21,412,878 | 20,563,151 | 23,276,829 |
| Accumulated loss | | (6,651,776) | (22,005,743) | (12,443,563) | (2,357,660) | (18,959,112) | (8,510,164) |
| Equity Attributable to Equity Holders of Parent | | 28,788,714 | 12,585,020 | 24,860,878 | 33,082,830 | 15,631,651 | 28,794,277 |
| Non-controlling interest | 12.1 | (714,898) | (660,748) | (674,572) | - | - | - |
| | | 28,073,816 | 11,924,272 | 24,186,306 | 33,082,830 | 15,631,651 | 28,794,277 |
| Liabilities | | | | | | | |
| Non-Current Liabilities | | | | | | | |
| Borrowings | 19 | 358,756 | 511,813 | 5,860,194 | 358,756 | 511,813 | 5,860,194 |
| Deferred tax | 13.3 | 3,771,381 | 1,486,994 | 1,526,319 | 3,771,381 | 1,486,994 | 1,526,319 |
| | | 4,130,137 | 1,998,807 | 7,386,513 | 4,130,137 | 1,998,807 | 7,386,513 |
| Current Liabilities | | | | | | | |
| Trade and other payables | 20 | 20,945,647 | 16,037,580 | 16,240,882 | 12,920,744 | 9,535,615 | 11,552,383 |
| Borrowings | 19 | 58,325,835 | 31,231,845 | 30,377,313 | 56,237,562 | 29,035,160 | 28,163,769 |
| Current tax payable | 21 | 766,109 | 382,098 | 788,968 | 660,816 | 338,560 | 708,346 |
| | | 80,037,591 | 47,651,523 | 47,407,163 | 69,819,122 | 38,909,335 | 40,424,498 |
| Total Liabilities | | 84,167,728 | 49,650,330 | 54,793,676 | 73,949,259 | 40,908,142 | 47,811,011 |
| Total Equity and Liabilities | | 112,241,544 | 61,574,602 | 78,979,982 | 107,032,089 | 56,539,793 | 76,605,288 |

The unaudited consolidated and separate financial statements and the notes on pages 4 to 35, were approved by the directors on the 25 July, 2017 and were signed on its behalf by:



Mr. Thabo Mabe
Group Chief Executive Officer
FRC/2013/IODN/00000001741



Ms. Halima Dangote
Executive Director
FRC/2017/IODN/00000016365



Mr. Babatunde Oduwaye
Ag. Group CFO
FRC/2014/ICAN/00000005598

Dangote Flour Mills Plc

Consolidated and separate statement of changes in equity

for the six months ended 30 June, 2017

| | Share capital | | Share premium | Total share capital | | Capital reserves | Accumulated loss | Total attributable to equity holders of the group | | Non-controlling interest | Total equity | |
|--|------------------|----------|-------------------|---------------------|----------|--------------------|---------------------|---|-------|--------------------------|--------------------|-------|
| | N'000 | N'000 | | N'000 | N'000 | | | N'000 | N'000 | | N'000 | N'000 |
| Group | | | | | | | | | | | | |
| Balance at 1 October, 2015 | 2,500,000 | | 11,527,612 | 14,027,612 | | 6,588,637 | (23,052,118) | (2,435,869) | | (635,304) | (3,071,173) | |
| Profit/(loss) for the six months | - | - | - | - | - | - | - | 1,046,375 | - | (25,444) | 1,020,931 | - |
| Other comprehensive income | - | - | - | - | - | - | - | - | - | - | - | - |
| Total comprehensive income for the six months | - | - | - | - | - | - | 1,046,375 | 1,046,375 | | (25,444) | 1,020,931 | |
| Loan waiver from former parent company | - | - | - | - | - | 13,974,514 | - | 13,974,514 | - | - | 13,974,514 | - |
| Total contributions by and distributions to owners of company recognised directly in equity | - | - | - | - | - | 13,974,514 | - | 13,974,514 | | - | 13,974,514 | |
| Balance at 31 March, 2016 | 2,500,000 | | 11,527,612 | 14,027,612 | | 20,563,151 | (22,005,743) | 12,585,020 | | (660,748) | 11,924,272 | |
| Profit/(loss) for the period | - | - | - | - | - | - | 9,562,180 | 9,562,180 | - | (13,824) | 9,548,356 | - |
| Other comprehensive income | - | - | - | - | - | - | - | - | - | - | - | - |
| Total comprehensive income for the period | - | - | - | - | - | - | 9,562,180 | 9,562,180 | | (13,824) | 9,548,356 | |
| Fair valuation of parent company loan | - | - | - | - | - | 2,713,678 | - | 2,713,678 | - | - | 2,713,678 | - |
| Total contributions by and distributions to owners of company recognised directly in equity | - | - | - | - | - | 2,713,678 | - | 2,713,678 | | - | 2,713,678 | |
| Balance at 31 December, 2016 | 2,500,000 | | 11,527,612 | 14,027,612 | | 23,276,829 | (12,443,563) | 24,860,878 | | (674,572) | 24,186,306 | |
| Profit/(loss) for the six months | - | - | - | - | - | - | 5,791,787 | 5,791,787 | - | (40,326) | 5,751,461 | - |
| Other comprehensive income | - | - | - | - | - | - | - | - | - | - | - | - |
| Total comprehensive income for the six months | - | - | - | - | - | - | 5,791,787 | 5,791,787 | | (40,326) | 5,751,461 | |
| Reversal of fair valuation of parent company loan | - | - | - | - | - | (1,863,951) | - | (1,863,951) | - | - | (1,863,951) | - |
| Total contributions by and distributions to owners of company recognised directly in equity | - | - | - | - | - | (1,863,951) | - | (1,863,951) | | - | (1,863,951) | |
| Balance at 30 June, 2017 | 2,500,000 | | 11,527,612 | 14,027,612 | | 21,412,878 | (6,651,776) | 28,788,714 | | (714,898) | 28,073,816 | |

Dangote Flour Mills Plc

Consolidated and separate statement of changes in equity

for the six months ended 30 June, 2017

| Company | Share capital | | Share premium | | Total share capital | | Capital reserves | | Accumulated loss | | Total attributable to owners of the parent | | Non-controlling interest | | Total equity | |
|--|---------------|--|---------------|--|---------------------|--|------------------|--|------------------|--|--|--|--------------------------|--|--------------|--|
| | N'000 | | N'000 | | N'000 | | N'000 | | N'000 | | N'000 | | N'000 | | N'000 | |
| Company | | | | | | | | | | | | | | | | |
| Balance at 1 October, 2016 | 2,500,000 | | 11,527,612 | | 14,027,612 | | 6,588,637 | | (20,620,520) | | (4,271) | | - | | (4,271) | |
| Profit for the six months | - | | - | | - | | - | | 1,661,409 | | 1,661,409 | | - | | 1,661,409 | |
| Other comprehensive income | - | | - | | - | | - | | - | | - | | - | | - | |
| Total comprehensive income for the six months | - | | - | | - | | - | | 1,661,409 | | 1,661,409 | | - | | 1,661,409 | |
| Loan waiver from former parent company | - | | - | | - | | 13,974,514 | | - | | 13,974,514 | | - | | 13,974,514 | |
| Total contributions by and distributions to owners of company recognised directly in equity | - | | - | | - | | 13,974,514 | | - | | 13,974,514 | | - | | 13,974,514 | |
| Balance at 31 March, 2016 | 2,500,000 | | 11,527,612 | | 14,027,612 | | 20,563,151 | | (18,959,112) | | 15,631,651 | | - | | 15,631,651 | |
| Profit for the period | - | | - | | - | | - | | 10,448,946 | | 10,448,946 | | - | | 10,448,946 | |
| Other comprehensive income | - | | - | | - | | - | | - | | - | | - | | - | |
| Total comprehensive income for the period | - | | - | | - | | - | | 10,448,946 | | 10,448,946 | | - | | 10,448,946 | |
| Fair valuation of parent company loan | - | | - | | - | | 2,713,678 | | - | | 2,713,678 | | - | | 2,713,678 | |
| Total contributions by and distributions to owners of company recognised directly in equity | - | | - | | - | | 2,713,678 | | - | | 2,713,678 | | - | | 2,713,678 | |
| Balance at 31 December, 2016 | 2,500,000 | | 11,527,612 | | 14,027,612 | | 23,276,829 | | (8,510,164) | | 28,794,277 | | - | | 28,794,277 | |
| Profit for the six months | - | | - | | - | | - | | 6,152,504 | | 6,152,504 | | - | | 6,152,504 | |
| Other comprehensive income | - | | - | | - | | - | | - | | - | | - | | - | |
| Total comprehensive income for the six months | - | | - | | - | | - | | 6,152,504 | | 6,152,504 | | - | | 6,152,504 | |
| Reversal of fair valuation of parent company loan | - | | - | | - | | (1,863,951) | | - | | (1,863,951) | | - | | (1,863,951) | |
| Total contributions by and distributions to owners of company recognised directly in equity | - | | - | | - | | (1,863,951) | | - | | (1,863,951) | | - | | (1,863,951) | |
| Balance at 30 June, 2017 | 2,500,000 | | 11,527,612 | | 14,027,612 | | 21,412,878 | | (2,357,660) | | 33,082,830 | | - | | 33,082,830 | |
| Note(s) | 17 | | 17 | | 17 | | | | | | | | | | | |

The accounting policies on page 10 and the notes on pages 11 to 31 form an integral part of the unaudited consolidated and separate financial statements.

Dangote Flour Mills Plc

Consolidated and separate statement of cash flows for the six months ended 30 June, 2017

| | | Group | | | Company | | |
|--|---------|-----------------------------------|-----------------------------------|------------------------------------|-----------------------------------|-----------------------------------|------------------------------------|
| | | 6 Months to 30-Jun-17 N'000 | 6 Months to 31-Mar-16 N'000 | 15 Months to 31-Dec-16 N'000 | 6 Months to 30-Jun-17 N'000 | 6 Months to 31-Mar-16 N'000 | 15 Months to 31-Dec-16 N'000 |
| | Note(s) | | | | | | |
| Cash flows from operating activities | | | | | | | |
| Cash generated from operations | 22 | 13,404,248 | 8,144,974 | 8,791,873 | 12,622,942 | 7,244,903 | 7,910,152 |
| Finance income | | 647,641 | 56,942 | 670,662 | 638,579 | 55,494 | 667,219 |
| Finance costs | | (1,855,370) | (1,248,188) | (3,647,053) | (1,843,228) | (1,235,090) | (3,615,414) |
| Tax (paid)/received | 21 | (502,357) | (11,748) | (11,536) | (502,357) | - | 213 |
| Net cash generated from operating activities | | 11,694,162 | 6,941,980 | 5,803,946 | 10,915,936 | 6,065,307 | 4,962,170 |
| Cash flows from investing activities | | | | | | | |
| Purchase of property, plant and equipment | 11 | (7,682,966) | (708,225) | (4,026,479) | (7,646,605) | (500,663) | (3,662,643) |
| Proceeds from sale of property, plant and equipment | | 996 | 3,672 | 4,313 | - | 3,673 | 3,803 |
| Net cash used in investing activities | | (7,681,970) | (704,553) | (4,022,166) | (7,646,605) | (496,990) | (3,658,840) |
| Cash flows from financing activities | | | | | | | |
| Repayment of borrowings | | (10,083,333) | (3,182,631) | (4,380,447) | (10,083,333) | (3,182,631) | (4,380,447) |
| Opening of letters of credit | | 31,140,318 | 13,409,836 | 49,528,810 | 31,140,318 | 13,409,836 | 49,528,810 |
| Repayment of letters of credit | | (7,619,926) | (12,758,536) | (42,280,398) | (7,619,926) | (12,758,536) | (42,280,398) |
| Working capital facilities | | - | 427,733 | (1,683,385) | - | 427,733 | (1,683,385) |
| Proceeds from Dangote Industries Limited | | - | 10,000,000 | 10,000,000 | - | 10,000,000 | 10,000,000 |
| Net cash generated from financing activities | | 13,437,059 | 7,896,402 | 11,184,580 | 13,437,059 | 7,896,402 | 11,184,580 |
| Net increase in cash and cash equivalents | | 17,449,251 | 14,133,829 | 12,966,360 | 16,706,390 | 13,464,719 | 12,487,910 |
| Cash and cash equivalents at the beginning of the year | | 14,328,310 | 1,361,950 | 1,361,950 | 13,583,631 | 1,095,721 | 1,095,721 |
| Total cash and cash equivalents at the end of the year | 16 | 31,777,561 | 15,495,779 | 14,328,310 | 30,290,021 | 14,560,440 | 13,583,631 |

The accounting policies on page 10 and the notes on pages 11 to 31 form an integral part of the unaudited consolidated and separate financial statements.

Dangote Flour Mills Plc

Notes to the consolidated and separate financial statements for the six months ended 30 June, 2017

1 General information

1.1 Company information

Dangote Flour Mills Plc (the Company) is a public limited company incorporated in Nigeria. Its parent company effective February, 2016 with a 75.7% (2015: 10.0%) shareholding is Dangote Industries Limited (DIL). The address of its registered office is Union Marble House, 1, Alfred Rewane Road, Falomo, Ikoyi, Lagos.

The name change from Tiger Branded Consumer Goods Plc to Dangote Flour Mills Plc was approved at the 10th annual general meeting by the Shareholders of the Group through a special resolution on 7th April 2016 as a result of the change in parent company.

1.2 Nature of operations

The principal activities of Dangote Flour Mills Plc and its subsidiaries ("the Group") are the milling of wheat and production of wheat products. Dangote Pasta Limited and Dangote Noodles Limited are subsidiaries of Dangote Flour Mills Plc. Dangote Flour Mills Plc produces bread flour, confectionery flour, semolina and wheat meal.

1.3 Accounting period

The reporting period covered by the unaudited consolidated and separate financial statements is 1 January, 2017 to 30 June, 2017, while the comparative period is 1 October, 2015 to 31 March, 2016. This is following a change in "The Group's" financial year from 30 September to 31 December after a change in the Company ownership.

1.4 Going concern

The unaudited consolidated and separate financial statements have been prepared on a going concern basis which assumes realization of assets and discharge of liabilities in the normal course of business in the foreseeable future.

Total group assets exceeded total group liabilities as at 30 June, 2017 by N28.1billion (2016: N11.9billion). Group current liabilities exceeded current assets as at 30 June, 2017 by N 2.9billion (2016 by N3.9billion), not including a loan of Nil (2016 N10.0 billion) advanced by the parent company. The Group recognised a profit for the 6 months ended 30 June, 2017 of N5.8billion (2016: N1.0billion) which has resulted in accumulated loss of N 6.7billion at 30 June, 2017 (2016: N22.0billion)

1.5 Statement of compliance with IFRS

The unaudited consolidated and separate financial statements have been prepared in accordance with the International Financial Reporting Standards.

2 Significant of accounting policies

Dangote Flour Mills Plc has consistently applied the same accounting policies and methods of computation in its six months unaudited consolidated and separate financial statements as in its 2016 annual financial statement. None of the new standards, interpretations and amendments, effective for the first time from 1st January 2017, have had a material effect on the financial statement.

Basis of preparation

These six months unaudited consolidated and separate financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting. They do not include all disclosures that would otherwise be required in a complete set of financial statements and should be read in conjunction with the 2016 annual report.

Dangote Flour Mills Plc

Notes to the consolidated and separate financial statements for the six months ended 30 June, 2017

| | Group | | | | Company | | | |
|--|--------------------|--------------------|--------------------|--------------------|-------------------|--------------------|--------------------|--------------------|
| | 3 Months to | 6 Months to | 3 Months to | 6 Months to | 3 Months to | 6 Months to | 3 Months to | 6 Months to |
| | 30-Jun-17 N'000 | 30-Jun-17 N'000 | 31-Mar-16 N'000 | 31-Mar-16 N'000 | 30-Jun-17 N | 30-Jun-17 N'000 | 31-Mar-16 N'000 | 31-Mar-16 N'000 |
| 3. Revenue | | | | | | | | |
| Flour | 30,546,508 | 56,001,148 | 11,938,524 | 20,290,029 | 30,546,508 | 56,275,028 | 12,668,259 | 21,019,764 |
| Spaghetti, macaroni and other pasta products | 5,220,596 | 7,982,205 | 2,149,683 | 3,649,554 | - | - | - | - |
| Noodles | 42,964 | 872,622 | 1,688,384 | 2,509,126 | - | - | - | - |
| | 35,810,068 | 64,855,975 | 15,776,591 | 26,448,709 | 30,546,508 | 56,275,028 | 12,668,259 | 21,019,764 |
| 4. Cost of sales | | | | | | | | |
| Sale of goods | | | | | | | | |
| Work in progress and raw materials at the beginning of the year | 9,060,211 | 7,915,043 | 7,694,137 | 3,388,473 | 6,898,591 | 6,679,488 | 6,738,148 | 2,776,697 |
| Work in progress and raw materials at the end of the year | (12,155,299) | (12,155,299) | (5,062,284) | (5,062,284) | (10,927,909) | (10,927,909) | (4,258,559) | (4,258,559) |
| | (3,095,088) | (4,240,256) | 2,631,853 | (1,673,811) | (4,029,318) | (4,248,421) | 2,479,589 | (1,481,862) |
| Engineering spares and other stocks at the beginning of the year | 2,837,038 | 2,869,584 | 1,552,277 | 2,570,336 | 1,888,577 | 1,944,044 | 665,381 | 1,406,931 |
| Purchases | 27,667,759 | 49,148,136 | 8,687,881 | 20,067,798 | 24,650,948 | 42,390,547 | 6,666,868 | 16,345,344 |
| | 27,409,709 | 47,777,464 | 12,872,011 | 20,964,323 | 22,510,207 | 40,086,170 | 9,811,838 | 16,270,413 |
| Engineering spares and other stocks at the end of the year | (2,489,728) | (2,489,728) | (1,928,554) | (1,928,554) | (1,301,768) | (1,301,768) | (942,362) | (942,362) |
| Cost of materials consumed | 24,919,981 | 45,287,736 | 10,943,457 | 19,035,769 | 21,208,439 | 38,784,402 | 8,869,476 | 15,328,051 |
| Direct labour cost | 354,453 | 794,960 | 252,656 | 523,950 | 349,961 | 650,316 | 162,828 | 331,925 |
| Direct overhead cost | 860,436 | 1,847,771 | 650,902 | 1,029,390 | 837,626 | 1,581,737 | 378,212 | 673,739 |
| Other overheads | 736,142 | 496,274 | 214,544 | 423,389 | 233,343 | 348,856 | 77,320 | 154,170 |
| Depreciation | 547,168 | 1,149,405 | 293,933 | 748,939 | 342,203 | 739,948 | 267,787 | 534,561 |
| Conversion costs | 2,498,199 | 4,288,410 | 1,412,035 | 2,725,668 | 1,763,133 | 3,320,857 | 886,147 | 1,694,395 |
| Cost of goods produced | 27,418,180 | 49,576,146 | 12,355,492 | 21,761,437 | 22,971,572 | 42,105,259 | 9,755,623 | 17,022,446 |

Dangote Flour Mills Plc

Notes to the consolidated and separate financial statements
for the six months ended 30 June, 2017

| | Group | | | | | | Company | | | | | |
|---|------------------|------------------|------------------|------------------|------------------|------------------|----------------|------------------|-------------|-----------|-------------|-----------|
| | 3 Months to | | 6 Months to | | 3 Months to | | 6 Months to | | 3 Months to | | 6 Months to | |
| | 30-Jun-17 | 31-Mar-16 | 30-Jun-17 | 31-Mar-16 | 30-Jun-17 | 31-Mar-16 | 30-Jun-17 | 31-Mar-16 | 30-Jun-17 | 31-Mar-16 | 30-Jun-17 | 31-Mar-16 |
| | N'000 | N'000 | N'000 | N'000 | N | N | N'000 | N'000 | N'000 | N'000 | N'000 | N'000 |
| 5. Other income | | | | | | | | | | | | |
| Profit on sale of assets | - | - | - | 1,669 | - | - | 1,669 | - | - | - | 3,672 | 3,672 |
| Exchange gain | 458,945 | - | 521,925 | - | - | 458,945 | - | - | 521,925 | - | - | - |
| Haulage recovery | 1,722,616 | - | 1,990,918 | - | - | 1,722,616 | - | - | 1,990,918 | - | - | - |
| Sundry income | 17,530 | 12,347 | 39,628 | 12,347 | 720 | 720 | 21,372 | 21,372 | 730 | 2,942 | 2,942 | 5,131 |
| | 2,199,091 | 14,016 | 2,552,471 | 23,041 | 2,182,281 | 2,513,573 | 6,614 | 8,803 | | | | |
| 6. Distribution and administrative expenses | | | | | | | | | | | | |
| The following items are included within distribution and administrative expenses: | | | | | | | | | | | | |
| Administration and management fees | 54,883 | 257,135 | - | - | 54,883 | 257,135 | - | - | 54,883 | 257,135 | - | - |
| Auditors remuneration | 25,587 | 50,428 | 21,209 | 19,153 | 19,153 | 32,507 | 48,019 | 10,563 | 19,153 | 32,507 | 10,563 | 26,726 |
| Legal and professional fees | 33,261 | 59,637 | 21,576 | 96,529 | 29,604 | 49,527 | 96,529 | 8,650 | 29,604 | 49,527 | 8,650 | 36,771 |
| Allowance and other impairments | 60,000 | 60,000 | 20,000 | 52,489 | 60,000 | 60,000 | 52,489 | 20,000 | 60,000 | 60,000 | 20,000 | 52,489 |
| Depreciation | 167,246 | 337,944 | 72,517 | 118,490 | 132,093 | 268,125 | 118,490 | 30,245 | 132,093 | 268,125 | 30,245 | 72,832 |
| Employee costs | 724,964 | 1,488,382 | 382,741 | 691,220 | 530,489 | 1,019,181 | 691,220 | 193,253 | 530,489 | 1,019,181 | 193,253 | 375,537 |
| Other expenses | 257,569 | 409,227 | 222,259 | 428,324 | 236,548 | 357,206 | 428,324 | 223,117 | 236,548 | 357,206 | 223,117 | 428,324 |
| Distribution expenses | 2,519,634 | 3,178,843 | 530,354 | 1,135,193 | 2,445,090 | 3,053,009 | 1,135,193 | 332,541 | 2,445,090 | 3,053,009 | 332,541 | 718,171 |
| Selling and marketing expenses | 521,087 | 656,504 | (146,313) | 558,798 | 404,553 | 434,232 | 558,798 | (39,165) | 404,553 | 434,232 | (39,165) | 255,632 |
| General expenses | 647,949 | 1,328,837 | 305,696 | 571,901 | 368,337 | 759,601 | 571,901 | 194,350 | 368,337 | 759,601 | 194,350 | 311,024 |
| Exchange loss | - | 4,925 | - | 8,538 | - | - | 8,538 | - | - | - | 4,925 | 8,538 |
| Loss on sale of assets | 1,563 | 1,563 | (2,150) | - | - | - | - | - | - | - | - | - |
| | 5,013,743 | 7,828,500 | 1,432,814 | 3,709,501 | 4,280,750 | 6,290,523 | 978,479 | 2,286,044 | | | | |

Dangote Flour Mills Plc

Notes to the consolidated and separate financial statements
for the six months ended 30 June, 2017

| | Group | | | | Company | | | |
|--------------------------------------|--------------------|--------------------|--------------------|--------------------|------------------|--------------------|--------------------|--------------------|
| | 3 Months to | 6 Months to | 3 Months to | 6 Months to | 3 Months to | 6 Months to | 3 Months to | 6 Months to |
| | 30-Jun-17 N'000 | 30-Jun-17 N'000 | 31-Mar-16 N'000 | 31-Mar-16 N'000 | 30-Jun-17 N | 30-Jun-17 N'000 | 31-Mar-16 N'000 | 31-Mar-16 N'000 |
| 7. Finance income | | | | | | | | |
| Interest income on bank deposits | 377,013 | 647,641 | 56,633 | 56,942 | 368,305 | 638,579 | 55,494 | 55,494 |
| 8. Finance costs | | | | | | | | |
| Long term borrowings | 95,704 | 95,704 | 270,416 | 503,192 | 95,704 | 95,704 | 270,416 | 503,192 |
| Bank and other short term borrowings | 69,129 | 557,074 | 276,985 | 800,489 | 64,483 | 544,932 | 269,552 | 787,391 |
| Interest on letter of credit | 974,825 | 1,202,592 | 168,593 | 348,796 | 974,825 | 1,202,592 | 168,593 | 348,796 |
| | 1,139,658 | 1,855,370 | 715,994 | 1,652,477 | 1,135,012 | 1,843,228 | 708,561 | 1,639,379 |

Dangote Flour Mills Plc

Notes to the consolidated and separate financial statements for the six months ended 30 June, 2017

| | Group | | | | | | Company | | | | | |
|--|------------------|-------|------------------|-------|------------------|-------|------------------|-------|------------------|-------|------------------|-------|
| | 3 Months to | | 6 Months to | | 3 Months to | | 6 Months to | | 3 Months to | | 6 Months to | |
| | 30-Jun-17 | N'000 | 30-Jun-17 | N'000 | 31-Mar-16 | N'000 | 31-Mar-16 | N'000 | 30-Jun-17 | N'000 | 31-Mar-16 | N'000 |
| 9. Taxation | | | | | | | | | | | | |
| Major components of the tax (income)/expense | | | | | | | | | | | | |
| Current | | | | | | | | | | | | |
| Nigeria current taxation | 184,471 | | 259,540 | | 171,753 | | 209,321 | | 185,801 | | 177,840 | |
| Education tax | 119,688 | | 219,958 | | - | | - | | 103,621 | | - | |
| | 304,159 | | 479,498 | | 171,753 | | 209,321 | | 289,422 | | 177,840 | |
| | | | | | | | | | 454,828 | | 197,464 | |
| Deferred | | | | | | | | | | | | |
| Originating and reversing temporary differences | 1,354,622 | | 2,565,112 | | (223,762) | | (335,837) | | 1,302,852 | | (171,587) | |
| | 1,658,781 | | 3,044,610 | | (52,009) | | (126,516) | | 1,592,274 | | 6,153 | |
| Total taxation | | | | | | | | | | | | |
| | | | | | | | | | 3,035,666 | | (36,079) | |
| Reconciliation of income tax expense to accounting profit/(loss): | | | | | | | | | | | | |
| Profit before tax from continuing operations | 4,814,591 | | 8,796,071 | | 1,869,680 | | 894,415 | | 4,709,760 | | 1,814,444 | |
| Tax at the applicable tax rate of 30% (2016: 30%) | 1,444,377 | | 2,638,821 | | 560,904 | | 268,325 | | 1,412,928 | | 544,333 | |
| Non-deductible expenses | 2,396 | | 6,522 | | 586,219 | | 586,219 | | 446 | | 583,045 | |
| Non-taxable income | - | | - | | (814,592) | | (814,592) | | - | | (787,518) | |
| Tax losses and tax offsets not recognised as deferred tax assets | 43,151 | | 121,052 | | 133,328 | | 133,328 | | - | | (202,823) | |
| Effect of untutilized capital allowances | (7,749) | | (10,266) | | (37,218) | | - | | 962 | | (21,660) | |
| Effect of minimum tax provisions and eduction tax | 102,290 | | 212,497 | | 171,753 | | 209,321 | | 103,621 | | 177,840 | |
| Prior year adjustment | 75,984 | | 75,984 | | - | | - | | 74,317 | | - | |
| Other items | (1,668) | | - | | (652,403) | | (509,117) | | - | | (287,064) | |
| Income tax expense/(credit) recognised in profit or loss | 1,658,781 | | 3,044,610 | | (52,009) | | (126,516) | | 1,592,274 | | 6,153 | |
| | | | | | | | | | 3,035,666 | | (36,079) | |

Dangote Flour Mills Plc

Notes to the consolidated and separate financial statements for the six months ended 30 June, 2017

| | | Group | | | | Company | | | |
|--|--|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| | | 3 Months to 30-Jun-17 N'000 | 6 Months to 30-Jun-17 N'000 | 3 Months to 31-Mar-16 N'000 | 6 Months to 31-Mar-16 N'000 | 3 Months to 30-Jun-17 N | 6 Months to 30-Jun-17 N'000 | 3 Months to 31-Mar-16 N'000 | 6 Months to 31-Mar-16 N'000 |
| 10. Earnings per share | | | | | | | | | |
| 10.1 Earnings per share | | | | | | | | | |
| Basic profit per share is determined by dividing profit or loss attributable to the ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the six months. | | | | | | | | | |
| Basic earnings per share | | | | | | | | | |
| From continuing operations (kobo per share) | | 63.37 | 115.84 | 38.25 | 20.93 | 62.35 | 123.05 | 36.17 | 33.23 |
| Total comprehensive profit for the six months attributable to ordinary shareholders | | | | | | | | | |
| Continuing operations | | 3,168,372 | 5,791,787 | 1,912,382 | 1,046,375 | 3,117,486 | 6,152,504 | 1,808,291 | 1,661,409 |
| Weighted average number of ordinary shares (million) | | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 |

No ordinary share transactions or potential transactions occurred after the reporting date that would have changed the number of ordinary shares or potential ordinary shares outstanding at the end of the period if those transactions had occurred before the reporting date.

Dangote Flour Mills Plc

Notes to the consolidated and separate financial statements for the six months ended 30 June, 2017

11. Property, plant and equipment

Group

| | Leasehold land and buildings N'000 | Plant, vehicles and equipment N'000 | Computer and office equipment N'000 | Assets under construction N'000 | Total N'000 |
|--|--|--|--|---------------------------------------|-------------------|
| Cost | | | | | |
| At 1 October, 2015 | 6,980,203 | 31,234,280 | 924,704 | 1,017,797 | 40,156,984 |
| Additions | 10,832 | 2,437,602 | 55,229 | 1,522,816 | 4,026,479 |
| Disposals | - | (49,464) | - | - | (49,464) |
| Transfers | 24,981 | 2,004,207 | - | (2,029,188) | - |
| Adjustments | - | 208,016 | (126,925) | (169,292) | (88,201) |
| Impairment | 386,882 | 2,706,388 | 19,924 | 22,381 | 3,135,575 |
| Transfer to held for sale | - | (516,718) | - | - | (516,718) |
| Balance at 31 December, 2016 | 7,402,898 | 38,024,311 | 872,932 | 364,514 | 46,664,655 |
| Additions | 2,400 | 2,528,751 | 21,269 | 5,130,546 | 7,682,966 |
| Disposals | - | (32,018) | - | - | (32,018) |
| Balance at 30 June, 2017 | 7,405,298 | 40,521,044 | 894,201 | 5,495,060 | 54,315,603 |
| Accumulated depreciation and impairment | | | | | |
| At 1 October, 2015 | 958,842 | 15,563,550 | 607,519 | - | 17,129,911 |
| Depreciation | 176,070 | 2,728,192 | 84,912 | - | 2,989,174 |
| Disposals | - | (47,833) | - | - | (47,833) |
| Adjustments | 2,906 | 26,308 | (113,744) | - | (84,530) |
| Impairment reversal | 91,984 | 1,973,235 | 19,696 | - | 2,084,915 |
| Transfer to held for sale | - | (510,575) | - | - | (510,575) |
| Balance at 31 December, 2016 | 1,229,802 | 19,732,877 | 598,383 | - | 21,561,062 |
| Depreciation | 70,206 | 1,348,303 | 72,705 | - | 1,491,214 |
| Disposals | - | (29,458) | - | - | (29,458) |
| Balance at 30 June, 2017 | 1,300,008 | 21,051,722 | 671,088 | - | 23,022,818 |
| Carrying amount | | | | | |
| Balance at 31 December, 2016 | 6,173,096 | 18,291,434 | 274,549 | 364,514 | 25,103,593 |
| Balance at 30 June, 2017 | 6,105,290 | 19,469,322 | 223,113 | 5,495,060 | 31,292,785 |

Dangote Flour Mills Plc

Notes to the consolidated and separate financial statements for the six months ended 30 June, 2017

11. Property, plant and equipment (continued)

Company

| | Leasehold land and buildings N'000 | Plant, vehicles and equipment N'000 | Computer and office equipment N'000 | Assets under construction N'000 | Total N'000 |
|--|--|--|--|---------------------------------------|-------------------|
| Cost | | | | | |
| At 1 October, 2015 | 5,316,942 | 17,976,911 | 598,512 | 622,627 | 24,514,992 |
| Additions | 5,897 | 2,119,487 | 34,571 | 1,502,688 | 3,662,643 |
| Disposal | - | (31,599) | - | - | (31,599) |
| Transfer | 24,981 | 1,793,157 | - | (1,818,138) | - |
| Intercompany transfers | - | 441,023 | - | - | 441,023 |
| Impairment reversal | 386,882 | 2,706,388 | 19,924 | 22,381 | 3,135,575 |
| Balance at 31 December, 2016 | 5,734,702 | 25,005,367 | 653,007 | 329,558 | 31,722,634 |
| Additions | 2,400 | 2,465,321 | 14,220 | 5,164,664 | 7,646,605 |
| Balance at 30 June, 2017 | 5,737,102 | 27,470,688 | 667,227 | 5,494,222 | 39,369,239 |
| Accumulated depreciation and impairment | | | | | |
| At 1 October, 2015 | 643,790 | 9,805,421 | 373,793 | - | 10,823,004 |
| Depreciation | 142,746 | 1,852,192 | 72,586 | - | 2,067,524 |
| Disposals | - | (31,599) | - | - | (31,599) |
| intercompany transfers | - | 441,023 | - | - | 441,023 |
| Impairment | 91,984 | 1,973,235 | 19,696 | - | 2,084,915 |
| Balance at 31 December, 2016 | 878,520 | 14,040,272 | 466,075 | - | 15,384,867 |
| Depreciation | 57,363 | 903,219 | 47,572 | - | 1,008,154 |
| Balance at 30 June, 2017 | 935,883 | 14,943,491 | 513,647 | - | 16,393,021 |
| Carrying amount | | | | | |
| Balance at 31 December, 2016 | 4,856,182 | 10,965,095 | 186,932 | 329,558 | 16,337,767 |
| Balance at 30 June, 2017 | 4,801,219 | 12,527,197 | 153,580 | 5,494,222 | 22,976,218 |

Dangote Flour Mills Plc

Notes to the consolidated and separate financial statements for the six months ended 30 June, 2017

12. Investment in subsidiaries

Company

| Name of company | Place of incorporation and operation | % holding and voting power 30 June 2017 | % holding and voting power 31 March 2016 | % holding and voting power 31 Dec 2016 | Carrying amount 30 June 2017 | Carrying amount 31 March 2016 | Carrying amount 31 Dec 2016 |
|---|--------------------------------------|--|---|---|---------------------------------|----------------------------------|--------------------------------|
| | | | | | N'000 | N'000 | N'000 |
| Dangote Noodles Limited | Nigeria | 90.00 % | 90.00 % | 90.00 % | 90,000 | 90,000 | 90,000 |
| Dangote Pasta Limited | Nigeria | 99.00 % | 99.00 % | 99.00 % | 2,507,637 | 2,507,637 | 2,507,637 |
| Total investment | | | | | 2,597,637 | 2,597,637 | 2,597,637 |
| Impairment of investment in Dangote Noodles Limited | | - % | - % | - % | (90,000) | (90,000) | (90,000) |
| | | | | | 2,507,637 | 2,507,637 | 2,507,637 |

In 2007, the Company acquired a controlling interest in Dangote Pasta Limited and in 2008 acquired a controlling interest in Dangote Noodles Limited.

In 2015, the investments were assessed for impairment by evaluating net asset values of the subsidiary companies using cost and income valuation techniques. The fair value measurement took into account the ability of the Group to generate economic benefits from the entities by using their plants and assets in their highest and best use.

The principal activity of the subsidiaries are as follows:

Dangote Pasta Limited - Manufacture and sale of pasta products.

Dangote Noodles Limited - Manufacture and sale of noodles products.

12.1 Details of non-wholly owned subsidiaries with non-controlling interests

| Subsidiaries | | Country of incorporation | % Ownership interest held by non-controlling interest | | | Loss allocated to non-controlling interests ('N'000) | | | Accumulated non-controlling interests ('N'000) | | |
|-----------------|---------|--------------------------|---|---------------|-------------|--|---------------|-------------|--|---------------|-------------|
| | | | 30 June 2017 | 31 March 2016 | 31 Dec 2016 | 30 June 2017 | 31 March 2016 | 31 Dec 2016 | 30 June 2017 | 31 March 2016 | 31 Dec 2016 |
| Dangote Limited | Pasta | Nigeria | 1 % | 1 % | 1 % | 25 | (4,289) | 2,450 | (62,046) | (53,356) | (62,070) |
| Dangote Limited | Noodles | Nigeria | 10 % | 10 % | 10 % | (40,351) | (21,155) | (41,718) | (652,852) | (607,392) | (612,502) |
| | | | | | - | (40,326) | (25,444) | (39,268) | (714,898) | (660,748) | (674,572) |

Dangote Flour Mills Plc

Notes to the consolidated and separate financial statements for the six months ended 30 June, 2017

| | Group | | | Company | | |
|---|-----------------------------------|-----------------------------------|------------------------------------|-----------------------------------|-----------------------------------|------------------------------------|
| | 6 Months to 30-Jun-17 N'000 | 6 Months to 31-Mar-16 N'000 | 15 Months to 31-Dec-16 N'000 | 6 Months to 30-Jun-17 N'000 | 6 Months to 31-Mar-16 N'000 | 15 Months to 31-Dec-16 N'000 |
| 12.2. Amounts owed by/(to) group companies | | | | | | |
| Loans receivable from subsidiaries - Held directly | | | | | | |
| Dangote Pasta Limited | | | | | | |
| Amount due by subsidiary | | | | 12,177,698 | 16,710,301 | 19,376,650 |
| Impairment | | | | - | (5,342,246) | (5,342,246) |
| | | | | 12,177,698 | 11,368,055 | 14,034,404 |
| Dangote Noodles Limited | | | | | | |
| Amount due by subsidiary | | | | (286,104) | 2,625,345 | 2,444,759 |
| Impairment | | | | - | (2,559,618) | (2,559,618) |
| | | | | (286,104) | 65,727 | (114,859) |
| Carrying amount | | | | 11,891,594 | 11,433,782 | 13,919,545 |

13. Deferred tax

The deferred tax assets and the deferred tax liability relate to income tax in the same jurisdiction, and the law allows net settlement. Therefore, they have been offset in the statement of financial position as follows:

| | | | | | | |
|---|---------------|------------------|------------------|------------------|------------------|------------------|
| Deferred tax liability | (3,771,381) | (1,486,994) | (1,526,319) | (3,771,381) | (1,486,994) | (1,526,319) |
| Deferred tax asset | 3,839,498 | 5,089,764 | 4,159,474 | 3,321,741 | 2,762,744 | 3,657,517 |
| Total net deferred tax asset (liability) | 68,117 | 3,602,770 | 2,633,155 | (449,640) | 1,275,750 | 2,131,198 |

Assessed losses available for offset against future taxable income have been recognised as it is probable that there will be future taxable income against which the assessed loss may be utilised, based on best estimate cashflows.

13.1 Reconciliation of deferred tax asset / (liability)

| | | | | | | |
|---|---------------|------------------|------------------|------------------|------------------|------------------|
| Balance at beginning of year: | | | | | | |
| Deferred tax asset | 4,159,474 | 4,753,851 | 4,753,851 | 3,657,517 | 2,529,199 | 2,529,199 |
| Deferred tax liability | (1,526,319) | (1,486,995) | (1,486,995) | (1,526,319) | (1,486,995) | (1,486,995) |
| | 2,633,155 | 3,266,856 | 3,266,856 | 2,131,198 | 1,042,204 | 1,042,204 |
| Temporary differences: deferred tax asset | 30,278 | 335,914 | - | - | 233,546 | - |
| Temporary differences: deferred tax asset/(liability) | (2,595,316) | - | (633,701) | (2,580,838) | - | 1,088,994 |
| | 68,117 | 3,602,770 | 2,633,155 | (449,640) | 1,275,750 | 2,131,198 |

Dangote Flour Mills Plc

Notes to the consolidated and separate financial statements

for the six months ended 30 June, 2017

| | Group | | | Company | | |
|--|-----------------------------------|-----------------------------------|------------------------------------|-----------------------------------|-----------------------------------|------------------------------------|
| | 6 Months to 30-Jun-17 N'000 | 6 Months to 31-Mar-16 N'000 | 15 Months to 31-Dec-16 N'000 | 6 Months to 30-Jun-17 N'000 | 6 Months to 31-Mar-16 N'000 | 15 Months to 31-Dec-16 N'000 |

13. Deferred tax (continued)

13.2 Recognition of deferred tax asset

Analysis of deferred tax asset balances:

| | | | | | | |
|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Property, plant and equipment | 1,580,766 | 1,835,817 | 1,551,754 | - | 171,167 | - |
| Gratuity | 207,428 | 49,512 | 49,512 | 175,044 | - | - |
| Allowance for bad debt | 2,051,304 | 838,366 | 2,558,208 | 3,146,697 | 563,347 | 3,657,517 |
| Losses | - | 2,366,069 | - | - | 2,028,230 | - |
| | 3,839,498 | 5,089,764 | 4,159,474 | 3,321,741 | 2,762,744 | 3,657,517 |

13.3 Analysis of deferred tax liabilities

| | | | | | | |
|-------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|
| Property, plant and equipment | 3,771,381 | 1,486,994 | 1,526,319 | 3,771,381 | 1,486,994 | 1,526,319 |
|-------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|

13.4 Analysis of movement in deferred tax balances

Group

| | Property, plant and equipment N'000 | Gratuity N'000 | Other provisions N'000 | Losses N'000 | Total N'000 |
|---------------------------------|--|-------------------|------------------------------|-----------------|----------------|
| At 1 October, 2015 | 70,621 | 209,240 | 823,824 | 2,163,171 | 3,266,856 |
| Profit and loss | (45,186) | - | 1,574,656 | (2,163,171) | (633,701) |
| Year ended 31 December, 2016 | 25,435 | 209,240 | 2,398,480 | - | 2,633,155 |
| Profit and loss | (2,216,050) | (1,812) | (347,176) | - | (2,565,038) |
| Held for sale | - | - | - | - | - |
| Year ended 30 June, 2017 | (2,190,615) | 207,428 | 2,051,304 | - | 68,117 |

Company

| | Property, plant and equipment N'000 | Gratuity N'000 | Other provisions N'000 | Losses N'000 | Total N'000 |
|---------------------------------|--|-------------------|------------------------------|-----------------|------------------|
| At 1 October, 2015 | (1,486,995) | 178,122 | 525,670 | 1,825,407 | 1,042,204 |
| Profit and loss | (39,324) | - | 2,953,725 | (1,825,407) | 1,088,994 |
| Held for sale | - | - | - | - | - |
| Year ended 31 December, 2016 | (1,526,319) | 178,122 | 3,479,395 | - | 2,131,198 |
| Profit and loss | (2,245,062) | (3,078) | (332,698) | - | (2,580,838) |
| Held for sale | - | - | - | - | - |
| Year ended 30 June, 2017 | (3,771,381) | 175,044 | 3,146,697 | - | (449,640) |

Dangote Flour Mills Plc

Notes to the consolidated and separate financial statements for the six months ended 30 June, 2017

| | Group | | | Company | | |
|---------------------------------------|-----------------------------------|-----------------------------------|------------------------------------|-----------------------------------|-----------------------------------|------------------------------------|
| | 6 Months to 30-Jun-17 N'000 | 6 Months to 31-Mar-16 N'000 | 15 Months to 31-Dec-16 N'000 | 6 Months to 30-Jun-17 N'000 | 6 Months to 31-Mar-16 N'000 | 15 Months to 31-Dec-16 N'000 |
| 14. Inventories | | | | | | |
| Raw materials | 11,626,690 | 4,829,055 | 7,753,343 | 10,677,484 | 4,025,331 | 6,650,245 |
| Finished goods | 528,609 | 418,010 | 229,402 | 250,425 | 233,229 | 29,243 |
| Engineering spares and other stock | 2,516,820 | 1,743,773 | 2,846,773 | 1,301,769 | 942,362 | 1,944,044 |
| Total inventories | 14,672,119 | 6,990,838 | 10,829,518 | 12,229,678 | 5,200,922 | 8,623,532 |
| Inventories write-downs (slow-moving) | (27,090) | (22,930) | (44,889) | - | - | - |
| | 14,645,029 | 6,967,908 | 10,784,629 | 12,229,678 | 5,200,922 | 8,623,532 |

Inventory is carried at the lower of cost and net realisable value.

Group - Inventory recognised as an expenses during the period totalled N45.3 billion (2016: N19.0 billion) - See Note 4.

Company - Inventory recognised as an expense during the period totalled N38.8 billion (2016: N15.3 billion) - See Note 4.

15. Trade and other receivables

| | | | | | | |
|--|-------------------|-------------------|-------------------|-------------------|------------------|-------------------|
| Trade receivables | 11,049,745 | 9,446,435 | 12,486,726 | 8,999,758 | 7,920,649 | 10,112,046 |
| Staff debtors | 120,998 | 70,800 | 116,660 | 105,164 | 53,189 | 97,171 |
| Prepayments | 811,412 | 601,244 | 191,321 | 621,721 | 458,512 | 167,841 |
| Supplier advance | 3,902,637 | 1,667,574 | 2,036,699 | 1,834,042 | 1,238,514 | 1,654,381 |
| VAT receivable | 244,118 | 119,991 | 117,908 | 17,676 | - | - |
| Other receivables | 319,902 | 654,190 | 1,972,454 | 87,808 | 179,407 | 62,653 |
| Total trade and other receivables | 16,448,812 | 12,560,234 | 16,921,768 | 11,666,169 | 9,850,271 | 12,094,092 |
| Impairment allowance: Trade receivables | (6,862,193) | (6,781,238) | (6,802,193) | (5,865,962) | (5,730,962) | (5,805,962) |
| Impairment allowance: Other receivables | (639,406) | (639,406) | (639,406) | (639,406) | (639,406) | (639,406) |
| Net trade and other receivables | 8,947,213 | 5,139,590 | 9,480,169 | 5,160,801 | 3,479,903 | 5,648,724 |

The average credit period granted to customers is 30 days. Trade receivables which generally have 30-60 day terms, are non-interest bearing and are recognised and carried at original invoice amount less an allowance for any uncollectible amounts.

Before accepting a new customer the Group and the Company initially trades with the customer on a cash basis to assess the customer's ability and also determine the customer's transaction volumes. This enables a reasonable credit limit to be set. Once these are determined, the customer is then allowed to apply for a credit facility from the company through a rigorous process with several levels of approval.

Supplier advances represent various advances made for the purchase of materials and spare parts which were not received at the end of the period.

Dangote Flour Mills Plc

Notes to the consolidated and separate financial statements for the six months ended 30 June, 2017

| | Group | | | Company | | |
|--|-----------------------------------|-----------------------------------|------------------------------------|-----------------------------------|-----------------------------------|------------------------------------|
| | 6 Months to 30-Jun-17 N'000 | 6 Months to 31-Mar-16 N'000 | 15 Months to 31-Dec-16 N'000 | 6 Months to 30-Jun-17 N'000 | 6 Months to 31-Mar-16 N'000 | 15 Months to 31-Dec-16 N'000 |

16. Cash and bank balances

Cash and bank balances consist of:

| | | | | | | |
|------------------------|------------|------------|------------|------------|------------|------------|
| Cash and bank balances | 31,777,561 | 15,495,779 | 14,328,310 | 30,290,021 | 14,560,440 | 13,583,631 |
|------------------------|------------|------------|------------|------------|------------|------------|

17. Share capital

Authorised

| | | | | | | |
|---|-----------|-----------|-----------|-----------|-----------|-----------|
| 6,000,000,000 ordinary shares of 50k each | 3,000,000 | 3,000,000 | 3,000,000 | 3,000,000 | 3,000,000 | 3,000,000 |
|---|-----------|-----------|-----------|-----------|-----------|-----------|

Issued

| | | | | | | |
|--|-----------|-----------|-----------|-----------|-----------|-----------|
| 5,000,000,000 ordinary share of 50k each | 2,500,000 | 2,500,000 | 2,500,000 | 2,500,000 | 2,500,000 | 2,500,000 |
|--|-----------|-----------|-----------|-----------|-----------|-----------|

18. Capital reserve

In February 2016, Dangote Industries Limited took over the shareholding of Tiger Brands Limited in Dangote Flour Mills Plc. The share purchase agreement (SPA) provided among others that the loans owed to Tiger Brands Limited and Stanbic IBTC will be extinguished by way of debt forgiveness and a N10.0 billion injected into the business in the form of a convertible (at lender's option) shareholders' loan.

The result of the exercise is the N13.9 billion loan waiver from former parent company.

The N10.0 billion loan was injected at 10% interest rate (with a 12 months moratorium period and 4 years repayment plan as set out in the agreement) hence the need to fair value the loan at market rate. This gave rise to the N2.7 billion treated as contribution to equity in 2016 - N850 million recognised as part of finance cost and the balance of N1.85 billion used to reduce the value of DIL loan.

In 2017, interest rate increased to 15% and there was an early repayment hence write back of fair valuation (N1.86 billion) is required.

| | | | | | | |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Balance at the beginning of the period | 23,276,829 | 6,588,637 | 6,588,637 | 23,276,829 | 6,588,637 | 6,588,637 |
| Loan waiver from former parent company | - | 13,974,514 | 13,974,514 | - | 13,974,514 | 13,974,514 |
| Fair valuation of parent company loan | - | - | 2,713,678 | - | - | 2,713,678 |
| Reversal of fair valuation of parent company loan | (1,863,951) | - | - | (1,863,951) | - | - |
| | 21,412,878 | 20,563,151 | 23,276,829 | 21,412,878 | 20,563,151 | 23,276,829 |

Dangote Flour Mills Plc

Notes to the consolidated and separate financial statements

for the six months ended 30 June, 2017

| | Group | | | Company | | |
|---|-----------------------------------|-----------------------------------|------------------------------------|-----------------------------------|-----------------------------------|------------------------------------|
| | 6 Months to 30-Jun-17 N'000 | 6 Months to 31-Mar-16 N'000 | 15 Months to 31-Dec-16 N'000 | 6 Months to 30-Jun-17 N'000 | 6 Months to 31-Mar-16 N'000 | 15 Months to 31-Dec-16 N'000 |
| 19. Borrowings | | | | | | |
| Held at amortised cost | | | | | | |
| Term borrowings | 58,684,591 | 31,743,658 | 36,237,507 | 56,596,318 | 29,546,973 | 34,023,963 |
| Non-current liabilities | | | | | | |
| At amortised cost | 358,756 | 511,813 | 5,860,194 | 358,756 | 511,813 | 5,860,194 |
| Current liabilities | | | | | | |
| At amortised cost | 58,325,835 | 31,231,845 | 30,377,313 | 56,237,562 | 29,035,160 | 28,163,769 |
| | 58,684,591 | 31,743,658 | 36,237,507 | 56,596,318 | 29,546,973 | 34,023,963 |
| 19.1 Term borrowings | | | | | | |
| Balance at the beginning of the year | 6,026,861 | 4,989,203 | 4,989,203 | 6,026,861 | 4,989,203 | 4,989,203 |
| Additions to loan | - | - | 5,418,105 | - | - | 5,418,105 |
| Repayment | (5,501,438) | (2,465,698) | (4,380,447) | (5,501,438) | (2,465,698) | (4,380,447) |
| | 525,423 | 2,523,505 | 6,026,861 | 525,423 | 2,523,505 | 6,026,861 |
| Long term portion | 358,756 | 511,813 | 5,860,194 | 358,756 | 511,813 | 5,860,194 |
| Short term portion | 166,667 | 2,011,692 | 166,667 | 166,667 | 2,011,692 | 166,667 |
| 19.2 Short term borrowings (Current) | | | | | | |
| Unsecured loans - Note 19.3 | 364,945 | 321,165 | 352,885 | - | - | - |
| Amount due to related parties - Note 23.1 | 14,089,647 | 15,507,734 | 9,673,577 | 12,366,319 | 13,632,214 | 7,812,918 |
| Letters of credit for wheat purchases | 43,704,576 | 11,280,136 | 20,184,184 | 43,704,576 | 11,280,136 | 20,184,184 |
| Short term portion of long term loans | 166,667 | 2,011,692 | 166,667 | 166,667 | 2,011,692 | 166,667 |
| Working capital facility | - | 2,111,118 | - | - | 2,111,118 | - |
| | 58,325,835 | 31,231,845 | 30,377,313 | 56,237,562 | 29,035,160 | 28,163,769 |
| 19.3 Unsecured loan | | | | | | |

A subsidiary of the Company, Dangote Noodles Limited previously obtained a loan of N250 million from Dangote Industries Limited at a fixed interest rate of 8% per annum. There is no fixed period of payment and the amount is payable on demand.

Dangote Flour Mills Plc

Notes to the consolidated and separate financial statements

for the six months ended 30 June, 2017

| | Group | | | Company | | |
|-------------------------------------|-----------------------------------|-----------------------------------|------------------------------------|-----------------------------------|-----------------------------------|------------------------------------|
| | 6 Months to 30-Jun-17 N'000 | 6 Months to 31-Mar-16 N'000 | 15 Months to 31-Dec-16 N'000 | 6 Months to 30-Jun-17 N'000 | 6 Months to 31-Mar-16 N'000 | 15 Months to 31-Dec-16 N'000 |
| 20. Trade and other payables | | | | | | |
| Trade payables | 1,653,549 | 707,280 | 1,563,337 | 522,222 | 84,650 | 224,563 |
| Customers' deposits | 6,836,031 | 6,433,807 | 4,352,528 | 4,153,016 | 3,229,976 | 3,622,634 |
| VAT payable | 888,532 | 471,510 | 470,361 | 613,689 | 471,510 | 470,361 |
| Unclaimed dividend | 601,753 | 601,753 | 601,753 | 601,753 | 601,753 | 601,753 |
| Accrued expenses | 8,405,556 | 5,355,119 | 6,413,975 | 5,214,111 | 3,094,476 | 4,168,755 |
| Withholding Tax | 257,051 | 253,590 | 230,896 | 184,011 | 158,510 | 161,199 |
| Other payables | 1,554,770 | 1,548,691 | 1,856,292 | 1,016,935 | 1,336,308 | 1,669,835 |
| Pension payable | 56,981 | 25,132 | 54,273 | 31,529 | 9,132 | 39,542 |
| Retirement benefits payable | 691,424 | 640,698 | 697,467 | 583,478 | 549,300 | 593,741 |
| | 20,945,647 | 16,037,580 | 16,240,882 | 12,920,744 | 9,535,615 | 11,552,383 |

20.1 Retirement benefit payable

| | | | | | | |
|------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Opening balance | 697,467 | 696,609 | 696,609 | 593,741 | 596,879 | 596,879 |
| Interest accrued | 38,636 | 61,751 | 128,170 | 33,549 | 57,085 | 116,480 |
| Benefits paid by the company | (44,679) | (117,662) | (127,312) | (43,812) | (104,664) | (119,618) |
| | 691,424 | 640,698 | 697,467 | 583,478 | 549,300 | 593,741 |

The average credit period on purchases is 30 days. No interest is charged on the trade payables from the date of the invoice. The Group has financial risk management policies in place to ensure that all payables are paid within pre-agreed credit terms.

The outstanding balance for retirement benefit of N691 million (2016: N641 million) accrued interest at 10%.

21. Current tax payable

| | | | | | | |
|--------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Balance at the beginning of the year | 788,968 | 184,526 | 184,526 | 708,346 | 141,096 | 141,096 |
| Provisions for the year | 479,498 | 209,320 | 615,978 | 454,827 | 197,464 | 567,037 |
| Payments during the year | (502,357) | (11,748) | (11,536) | (502,357) | - | 213 |
| | 766,109 | 382,098 | 788,968 | 660,816 | 338,560 | 708,346 |

Dangote Flour Mills Plc

Notes to the consolidated and separate financial statements

for the six months ended 30 June, 2017

| | Group | | | Company | | |
|--|-----------------------------------|-----------------------------------|------------------------------------|-----------------------------------|-----------------------------------|------------------------------------|
| | 6 Months to 30-Jun-17 N'000 | 6 Months to 31-Mar-16 N'000 | 15 Months to 31-Dec-16 N'000 | 6 Months to 30-Jun-17 N'000 | 6 Months to 31-Mar-16 N'000 | 15 Months to 31-Dec-16 N'000 |
| 22. Cash generated from operations | | | | | | |
| Profit before taxation | 8,796,071 | 894,415 | 11,818,966 | 9,188,170 | 1,625,330 | 11,588,399 |
| Adjustments for: | | | | | | |
| Depreciation | 1,491,214 | 982,555 | 2,989,174 | 1,008,154 | 617,680 | 2,067,524 |
| Loss (profit) on sale of assets | 1,563 | (1,669) | (2,682) | - | (3,672) | (3,803) |
| Finance income | (647,641) | (56,942) | (670,662) | (638,579) | (55,494) | (667,219) |
| Finance costs | 1,855,370 | 1,652,477 | 4,887,626 | 1,843,228 | 1,639,379 | 4,855,987 |
| Foreign exchange (gain)/losses | - | (1,489,138) | 3,940,279 | - | (1,489,138) | 3,940,279 |
| Impairment reversals | - | - | (1,050,659) | - | - | (1,050,659) |
| Allowance for trade and other receivables | 5,955 | 52,489 | 73,444 | 60,000 | 52,489 | 127,489 |
| Stanbic loan forgiveness by parent company | - | - | (716,933) | - | - | (716,933) |
| Monthly management fees from Tiger | - | 34,181 | 34,181 | - | 34,181 | 34,181 |
| Changes in working capital: | | | | | | |
| Inventories | (3,860,400) | (1,229,038) | (5,045,759) | (3,606,146) | (1,017,293) | (4,439,903) |
| Trade and other receivables | 527,002 | (89,682) | (4,451,216) | 427,922 | (301,969) | (2,545,790) |
| Amount due by group companies | - | - | - | 2,027,951 | 1,648,764 | (836,999) |
| Short term loans receivables | (76,400) | 1,284,135 | 1,627,081 | 211,787 | 1,262,709 | 1,281,292 |
| Other financial asset | (6,539,251) | - | (9,329,792) | (6,539,251) | - | (9,329,792) |
| Trade and other payables | 11,850,765 | 6,111,191 | 4,688,825 | 8,639,706 | 3,231,937 | 3,606,099 |
| Total working capital | 1,901,716 | 6,076,606 | (12,510,861) | 1,161,969 | 4,824,148 | (12,265,093) |
| | 13,404,248 | 8,144,974 | 8,791,873 | 12,622,942 | 7,244,903 | 7,910,152 |

Significant Non-Cash transactions

22.1 Finance costs paid which are included in Operating Cash flow section of the Cash Flow Statement exclude Nil (2016: N305 million) interest accrued on the Tiger borrowings and N98.4 million interest accrued on DIL loan.

Dangote Flour Mills Plc

Notes to the consolidated and separate financial statements

for the six months ended 30 June, 2017

| | Group | | | Company | | |
|---|-----------------------------------|-----------------------------------|------------------------------------|-----------------------------------|-----------------------------------|------------------------------------|
| | 6 Months to 30-Jun-17 N'000 | 6 Months to 31-Mar-16 N'000 | 15 Months to 31-Dec-16 N'000 | 6 Months to 30-Jun-17 N'000 | 6 Months to 31-Mar-16 N'000 | 15 Months to 31-Dec-16 N'000 |
| 23. Related parties | | | | | | |
| 23.1 Related party balances | | | | | | |
| Short term loans receivable | | | | | | |
| Dangote Industries Limited | 5,657,749 | 5,823,554 | 5,882,777 | 2,897,052 | 2,892,127 | 3,122,404 |
| Dangote Cement Plc | 113,361 | 96,797 | 27,045 | - | - | - |
| Dangote Textiles Nigeria Limited | 51,000 | 51,000 | 51,000 | 51,000 | 51,000 | 51,000 |
| Dangote Foundation | 204,859 | 46,095 | - | - | - | - |
| Dangote Freight Limited | - | 13,758 | - | - | - | - |
| Dangote Fisheries Nigeria Limited | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 |
| Greenview Development Building | - | - | 3,311 | - | - | - |
| DIL Strategic Service | 119,720 | 132,966 | 105,951 | 119,720 | 105,951 | 105,951 |
| Dangote Agrosacks Limited | - | 4,498 | - | - | 4,498 | - |
| Others | - | 13,361 | - | - | 13,361 | - |
| Impairment allowance | (283,917) | (52,711) | (283,712) | (283,917) | (52,711) | (283,712) |
| | 5,864,272 | 6,130,818 | 5,787,872 | 2,785,355 | 3,015,726 | 2,997,143 |
| Amount due to related parties | | | | | | |
| Dangote Industries Limited | 7,171,392 | 1,474,104 | 1,458,540 | 5,726,128 | 13,296 | 13,296 |
| Dangote Cement Plc | 2,025,299 | 477,358 | 1,584,543 | 1,891,245 | 331,999 | 1,447,148 |
| National Salt Company of Nigeria Plc | 13,865 | 15,705 | 29,372 | - | - | - |
| Dangote Sugar Refinery Plc | 930,608 | 270,339 | 874,688 | 862,655 | 193,869 | 806,735 |
| Dangote Nigeria Limited | 68,061 | 68,061 | 68,061 | 68,061 | 68,061 | 68,061 |
| Dangote Transport Nigeria Limited | 1,779,603 | 1,779,602 | 1,779,602 | 1,779,603 | 1,779,602 | 1,779,602 |
| Greenview Development Nigeria Limited | 1,541,664 | 815,517 | 709,982 | 1,541,664 | 815,517 | 709,982 |
| Dancom Technologies Limited | 65,466 | 457,021 | 204,683 | 3,330 | 288,720 | 204,683 |
| Dangote Agrosacks Limited | 81,843 | - | 203,372 | 81,787 | - | 22,677 |
| Bluestar Shipping Company | 394,524 | 25,269 | 25,269 | 394,524 | 25,269 | 25,269 |
| Dangote Port Operations | 17,322 | 17,520 | 17,520 | 17,322 | 17,520 | 17,520 |
| Dangote Industries Limited - Short term portion of SPA | - | 10,098,361 | 2,717,945 | - | 10,098,361 | 2,717,945 |
| DIL Strategic Service | - | 8,877 | - | - | - | - |
| | 14,089,647 | 15,507,734 | 9,673,577 | 12,366,319 | 13,632,214 | 7,812,918 |

Notes to the consolidated and separate financial statements for the six months ended 30 June, 2017

23. Related parties (continued)

23.2 Related party transactions

- Dangote Industries Limited (DIL) is the Group's parent company. It provides strategic management services.
- Dangote Cement Plc is a related company under common control of Dangote Industries Limited.
- Dangote Textiles Nigeria Limited is a related company under common control of Dangote Industries Limited. No transactions were concluded during the period under review.
- Dangote Foundation is a related company under common control of Dangote Industries Limited and buys pasta and noodles products from the Company's subsidiaries.
- Dangote Transport Nigeria Limited and Dangote Freight Limited are related parties under common control of Dangote Industries Limited and provides haulage services to the Company and the Group.
- Greenview Development Nigeria Limited is a related party under common control of Dangote Industries Limited and provides leased property during the period under review.
- National Salt Company of Nigeria Plc is a related company under common control of Dangote Industries Limited.
- Dangote Sugar Refinery Plc is a related company under common control of Dangote Industries Limited and provides power and LPFO (Low Pour Fuel Oil) to some of the Company's mills.
- Dangote Nigeria Ltd is a related party under common control of Dangote Industries Limited.
- Dancom Technologies Limited is a related party under common control of Dangote Industries Limited. They provide the Group with information technology services.
- Dangote Agrosacks Limited is a related party under common control of Dangote Industries Limited and sells packaging materials to Tiger Branded Consumer Goods Group.
- Bluestar Shipping Company is a related party under common control of Dangote Industries Limited and provide shipping agency services to Tiger Branded Consumer Goods Group.
- Dangote Port Operations is a related company under common control of Dangote Industries Limited and they manage terminals used by the Group for its operations.
- Tiger Brands was the Group's former parent company before the share purchase agreement was effected in February 2016. The amount owed in 2015 was interest bearing at 11.75%.
- Deli Foods Limited used to be a related party through common control by Tiger Brands Limited and buys flour (raw material) from Tiger Branded Consumer Goods Plc.
- UAC Foods used to be a related party through common control by Tiger Brands Limited and buys flour (raw material) from Tiger Branded Consumer Goods Plc.

Dangote Flour Mills Plc

Notes to the consolidated and separate financial statements for the six months ended 30 June, 2017

| | Group | | | Company | | |
|---|-----------------------------------|-----------------------------------|------------------------------------|-----------------------------------|-----------------------------------|------------------------------------|
| | 6 Months to 30-Jun-17 N'000 | 6 Months to 31-Mar-16 N'000 | 15 Months to 31-Dec-16 N'000 | 6 Months to 30-Jun-17 N'000 | 6 Months to 31-Mar-16 N'000 | 15 Months to 31-Dec-16 N'000 |
| 24. Financial assets by category | | | | | | |
| Loans and receivables | | | | | | |
| Amount due by group companies - Note 12.2 | - | - | - | 11,891,594 | 11,433,782 | 13,919,545 |
| Short term loans receivable - Note 23.1 | 5,864,272 | 6,130,818 | 5,787,872 | 2,785,356 | 3,015,726 | 2,997,143 |
| Trade and other receivables - Note 15 | 8,947,213 | 5,139,590 | 9,480,169 | 5,160,801 | 3,479,903 | 5,648,724 |
| Other financial asset - Note 25 | 15,869,043 | - | 9,329,792 | 15,869,043 | - | 9,329,792 |
| Cash and cash equivalents - Note 16 | 31,777,561 | 15,495,779 | 14,328,310 | 30,290,021 | 14,560,440 | 13,583,631 |
| | 62,458,089 | 26,766,187 | 38,926,143 | 65,996,815 | 32,489,851 | 45,478,835 |

25. Other financial asset

The other financial asset is in respect of the deposit for foreign currency forward contracts. The balance represents amounts transferred to the Central Bank of Nigeria (CBN) as deposits for foreign currency to be delivered by CBN at specific future dates and applied in liquidating obligations to foreign suppliers/banks in respect of letters of credit.

26. Financial liabilities by category

| | | | | | | |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Financial liabilities at amortised cost | | | | | | |
| Borrowings - Note 19 | 58,684,591 | 31,743,658 | 36,237,507 | 56,596,318 | 29,546,973 | 34,023,963 |
| Trade and other payables - Note 20 | 20,945,647 | 16,037,580 | 16,240,882 | 12,920,744 | 9,535,615 | 11,552,383 |
| | 79,630,238 | 47,781,238 | 52,478,389 | 69,517,062 | 39,082,588 | 45,576,346 |

27. Non-current assets held for sale

Management decided in October 2016 to sell the plant and machinery in Dangote Noodles Limited, and commenced the process to identify and approach a private buyer. Management is committed to a sale within 12 months through negotiation which is already at an advanced stage with the final fee yet to be agreed. Production is currently continuing, pending conclusion of the sale agreement, which will determine inter alia the date of sale of the assets, and hence the date by which production will be required to cease.

The decision by the management led to the reclassification of the lower of the net book value and net realisable value of the asset as held for sale. There is no expectation that the realisable value will be less than the book value of the machinery and therefore no gain or loss on sale has been recognised in the financial statements.

The value of the plant and machinery held for sale as at 31st December, 2016 are set out below:

Net assets of Dangote Noodles Limited classified as held for sale

| | | | | | | |
|---|-------|---|-------|---|---|---|
| Non-current assets held for sale | | | | | | |
| Property, plant and equipment | 6,143 | - | 6,143 | - | - | - |

Dangote Flour Mills Plc

Notes to the consolidated and separate financial statements for the six months ended 30 June, 2017

28. Segment information

Information reported to the Chief Operating Decision Maker for the purpose of resource allocation and assessment of segment performance focuses on types of goods delivered.

All segments operate in same geographical area and are on an arm's length basis in relation to inter-segment pricing.

The factors used to identify the Group's reportable segments include the basis of organisation and the format of regular reporting to management as a basis for decision making. Management has chosen to organise the Group around differences in products and separate entities within the Group. None of the segments have been aggregated.

These reportable segments as well as the products and services from which each of them derives revenue are set out below:

| Reportable Segment | Products and services |
|--------------------|--|
| Flour | Milling and sale of bread, confectionary flour and whole wheat |
| Pasta | Manufactures and sells spaghetti and macaroni |
| Noodles | Manufactures and sells noodles |

Dangote Flour Mills Plc

Notes to the consolidated and separate financial statements for the six months ended 30 June, 2017

28. Segment information (continued)

28.1 Segment revenue and results

Transactions within the Group take place at arms length.

Period ended 30 June, 2017 (N'000)

| | Flour | Pasta | Noodles | Inter-group | Total |
|--|-------------------|------------------|------------------|-------------|-------------------|
| Revenue | 56,275,028 | 7,982,205 | 872,622 | (273,880) | 64,855,975 |
| Cost of sales | (42,105,259) | (6,764,344) | (980,423) | 273,880 | (49,576,146) |
| Gross profit/(loss) | 14,169,769 | 1,217,861 | (107,801) | - | 15,279,829 |
| Distribution and administrative expenses | (6,290,523) | (1,243,841) | (294,136) | - | (7,828,500) |
| Other income | 2,513,573 | 35,396 | 3,502 | - | 2,552,471 |
| Operating profit/(loss) | 10,392,819 | 9,416 | (398,435) | - | 10,003,800 |
| Net finance costs | (1,204,648) | 1,991 | (5,072) | - | (1,207,729) |
| Profit/(loss) before taxation | 9,188,171 | 11,407 | (403,507) | - | 8,796,071 |
| Taxation | (3,035,666) | (8,944) | - | - | (3,044,610) |
| Profit/(loss) after taxation | 6,152,505 | 2,463 | (403,507) | - | 5,751,461 |
| Profit/(loss) for the period | 6,152,505 | 2,463 | (403,507) | - | 5,751,461 |

Period ended 31 March, 2016 (N'000)

| | Flour | Pasta | Noodles | Inter-group | Total |
|--|------------------|------------------|------------------|-------------|------------------|
| Revenue | 21,019,764 | 3,649,554 | 2,509,126 | (729,735) | 26,448,709 |
| Cost of sales | (17,022,446) | (3,342,859) | (2,125,867) | 729,735 | (21,761,437) |
| Gross profit | 3,997,318 | 306,695 | 383,259 | - | 4,687,272 |
| Distribution and administrative expenses | (2,286,044) | (843,006) | (580,451) | - | (3,709,501) |
| Other income | 8,803 | 10,184 | 4,054 | - | 23,041 |
| Operating profit/(loss) | 1,720,077 | (526,127) | (193,138) | - | 1,000,812 |
| Non-recurring items | 1,489,138 | - | - | - | 1,489,138 |
| Net finance costs | (1,583,885) | 1,429 | (13,079) | - | (1,595,535) |
| Profit/(loss) before taxation | 1,625,330 | (524,698) | (206,217) | - | 894,415 |
| Taxation | 36,079 | 95,774 | (5,337) | - | 126,516 |
| Profit/(loss) after taxation | 1,661,409 | (428,924) | (211,554) | - | 1,020,931 |
| Profit/(loss) for the period | 1,661,409 | (428,924) | (211,554) | - | 1,020,931 |

Dangote Flour Mills Plc

Notes to the consolidated and separate financial statements for the six months ended 30 June, 2017

28. Segment information (continued)

28.2 Segment assets and liabilities

The table below provides information on segment assets and liabilities as well as a reconciliation to total assets and liabilities as per the consolidated and separate statement of financial position

| (N'000) | Flour | Pasta | Noodles | Inter-group | Total |
|------------------------------------|-------------|------------|-----------|--------------|-------------|
| Period ended 30 June, 2017 | | | | | |
| Total assets | 107,032,089 | 21,658,694 | 1,982,703 | (18,431,942) | 112,241,544 |
| Total liabilities | 73,949,259 | 18,747,154 | 6,006,175 | (14,534,860) | 84,167,728 |
| Period ended 31 March, 2016 | | | | | |
| Total assets | 56,539,793 | 19,075,322 | 2,302,287 | (16,342,800) | 61,574,602 |
| Total liabilities | 40,908,142 | 22,184,839 | 8,273,781 | (21,716,432) | 49,650,330 |

28.3 Other segment information

| (N'000) | Flour | Pasta | Noodles | Total |
|------------------------------------|-----------|---------|---------|-----------|
| Period ended 30 June, 2017 | | | | |
| Depreciation | 1,008,154 | 448,345 | 34,715 | 1,491,214 |
| Additions to non-current assets | 7,646,605 | 36,361 | - | 7,682,966 |
| Period ended 31 March, 2016 | | | | |
| Depreciation | 617,680 | 328,841 | 36,034 | 982,555 |
| Additions to non-current assets | 500,663 | 196,073 | 11,489 | 708,225 |

28.4 Revenue from major products and services

The following is the analysis of revenue from continuing operations from major products and services:

| Products (N'000) | Flour | Pasta | Noodles | Inter-group | Total |
|-----------------------------|------------|-----------|-----------|-------------|------------|
| Period ended 30 June, 2017 | 56,275,028 | 7,982,205 | 872,622 | (273,880) | 64,855,975 |
| Period ended 31 March, 2016 | 21,019,764 | 3,649,554 | 2,509,126 | (729,735) | 26,448,709 |

Dangote Flour Mills Plc

Consolidated value added statement for the six months ended 30 June, 2017

| | 30-Jun-17 N'000 | 30-Jun-17 % | 31-Mar-16 N'000 | 31-Mar-16 % | 31-Dec-16 N'000 | 31-Dec-16 % |
|---|--------------------|----------------|--------------------|----------------|--------------------|----------------|
| Group | | | | | | |
| VALUE ADDED | | | | | | |
| Turnover: Local | 64,855,975 | | 26,448,709 | | 105,765,324 | |
| Interest received | 647,641 | | 56,942 | | 670,662 | |
| Other income | 2,552,471 | | 23,041 | | 1,382,450 | |
| | 68,056,087 | | 26,528,692 | | 107,818,436 | |
| Bought - in materials and services | - | | - | | - | |
| - Local | (18,766,021) | | (7,622,186) | | (29,858,689) | |
| - Foreign | (34,851,182) | | (14,155,488) | | (55,451,850) | |
| Total Value Added | 14,438,884 | 100 | 4,751,018 | 100 | 22,507,897 | 100 |
| VALUE DISTRIBUTED | | | | | | |
| To Pay Employees | | | | | | |
| Salaries, wages, medical and other benefits | 2,296,230 | | 1,221,571 | | 3,862,790 | |
| | 2,296,230 | 16 | 1,221,571 | 26 | 3,862,790 | 17 |
| To Pay Providers of Capital | | | | | | |
| Finance costs | 1,855,370 | | 1,652,477 | | 4,887,626 | |
| | 1,855,370 | 13 | 1,652,477 | 35 | 4,887,626 | 22 |
| To Pay Government | | | | | | |
| Income tax | 259,540 | | 209,321 | | 332,939 | |
| Education tax | 219,958 | | - | | 283,039 | |
| | 479,498 | 3 | 209,321 | 4 | 615,978 | 3 |
| To be retained in the business for expansion and future wealth creation: | | | | | | |
| Depreciation | 1,491,214 | | 982,555 | | 2,989,174 | |
| Impairment on property, plant and equipment | - | | - | | (1,050,659) | |
| Deferred tax | 2,565,111 | | (335,837) | | 633,701 | |
| Non-controlling interest | (40,326) | | (25,444) | | (39,268) | |
| Retained earnings | 5,791,787 | | 1,046,375 | | 10,608,555 | |
| | 9,807,786 | 68 | 1,667,649 | 35 | 13,141,503 | 58 |
| Total Value Distributed | 14,438,884 | 100 | 4,751,018 | 100 | 22,507,897 | 100 |

Value added represents the additional wealth which the Group has been able to create by its own and employees efforts.

This statement shows the allocation of that wealth among employees, government, capital providers and that retained in the business for expansion and future creation of more wealth.

This report is not prepared under IFRS. Instead, it has been prepared in compliance with the Nigerian Companies and Allied Matters Act of Nigeria, Cap C20 LFN 2004.

Dangote Flour Mills Plc

Consolidated value added statement for the six months ended 30 June, 2017

| | 30-Jun-17 N'000 | 30-Jun-17 % | 31-Mar-16 N'000 | 31-Mar-16 % | 31-Dec-16 N'000 | 31-Dec-16 % |
|---|--------------------|----------------|--------------------|----------------|--------------------|----------------|
| Company | | | | | | |
| VALUE ADDED | | | | | | |
| Turnover: Local | 56,275,028 | | 21,019,764 | | 83,671,078 | |
| Interest received | 638,579 | | 55,494 | | 667,219 | |
| Other income | 2,513,573 | | 8,803 | | 1,299,514 | |
| | 59,427,180 | | 21,084,061 | | 85,637,811 | |
| Bought - in materials and services | - | | - | | - | |
| - Local | (16,001,329) | | (5,779,691) | | (23,008,899) | |
| - Foreign | (29,716,755) | | (10,733,712) | | (42,730,724) | |
| Total Value Added | 13,709,096 | 100 | 4,570,658 | 100 | 19,898,188 | 100 |
| VALUE DISTRIBUTED | | | | | | |
| To Pay Employees | | | | | | |
| Salaries, wages, medical and other benefits | 1,669,626 | | 688,269 | | 2,436,937 | |
| | 1,669,626 | 12 | 688,269 | 15 | 2,436,937 | 12 |
| To Pay Providers of Capital | | | | | | |
| Finance costs | 1,843,228 | | 1,639,379 | | 4,855,987 | |
| | 1,843,228 | 13 | 1,639,379 | 36 | 4,855,987 | 24 |
| To Pay Government | | | | | | |
| Income tax | 250,936 | | 197,464 | | 304,363 | |
| Education tax | 203,892 | | - | | 262,674 | |
| | 454,828 | 3 | 197,464 | 4 | 567,037 | 3 |
| To be retained in the business for expansion and future wealth creation: | | | | | | |
| Depreciation | 1,008,072 | | 617,680 | | 2,067,524 | |
| Impairment on property, plant and equipment | - | | - | | (1,050,659) | |
| Deferred tax | 2,580,838 | | (233,543) | | (1,088,994) | |
| Retained earnings | 6,152,504 | | 1,661,409 | | 12,110,356 | |
| | 9,741,414 | 71 | 2,045,546 | 45 | 12,038,227 | 60 |
| Total Value Distributed | 13,709,096 | 100 | 4,570,658 | 100 | 19,898,188 | 100 |

Value added represents the additional wealth which the Company has been able to create by its own and employees efforts.

This statement shows the allocation of that wealth among employees, government, capital providers and that retained in the business for expansion and future creation of more wealth.

This report is not prepared under IFRS. Instead, it has been prepared in compliance with the Nigerian Companies and Allied Matters Act of Nigeria, Cap C20 LFN 2004.

Dangote Flour Mills Plc

Five year financial summary for the six months ended 30 June, 2017

| | 6 Months 30-Jun-17 N'000 | 15 Months 31-Dec-16 N'000 | 12 Months 30-Sep-15 N'000 | 12 Months 30-Sep-14 N'000 | 9 Months 30-Sep-13 N'000 |
|--|--------------------------------|---------------------------------|---------------------------------|---------------------------------|--------------------------------|
| Group | | | | | |
| NET ASSETS | | | | | |
| Property, plant and equipment | 31,292,785 | 25,103,593 | 23,027,073 | 26,342,645 | 30,002,456 |
| Assets of disposal groups held for sale | 6,143 | 6,143 | - | - | 17,813,661 |
| Net current (liabilities) assets | (2,928,330) | 2,303,609 | (28,365,194) | (15,147,449) | (10,902,689) |
| Deferred tax assets/(liabilities) | 28,370,598 | 27,413,345 | (5,338,121) | 11,195,196 | 36,913,428 |
| Provision for liabilities and charges | 68,117 | 2,633,155 | 3,266,856 | 3,457,384 | 443,277 |
| Liabilities classified as held for sale | - | - | - | - | (9,603,878) |
| Long term liabilities | - | - | - | - | (9,646,302) |
| Total net assets | 28,073,816 | 24,186,306 | (3,071,173) | 9,608,132 | 18,106,525 |
| CAPITAL AND RESERVES | | | | | |
| Share capital | 2,500,000 | 2,500,000 | 2,500,000 | 2,500,000 | 2,500,000 |
| Share premium | 11,527,612 | 11,527,612 | 11,527,612 | 11,527,612 | 11,527,612 |
| Capital reserve | 21,412,878 | 23,276,829 | 6,588,637 | 6,588,637 | 6,588,637 |
| Retained earnings | (6,651,776) | (12,443,563) | (23,052,118) | (10,524,972) | (4,305,067) |
| Non-controlling interest | (714,898) | (674,572) | (635,304) | (483,145) | 1,795,343 |
| Total equity | 28,073,816 | 24,186,306 | (3,071,173) | 9,608,132 | 18,106,525 |
| REVENUE AND PROFIT | | | | | |
| Revenue | 64,855,975 | 105,765,324 | 48,026,674 | 41,268,721 | 29,960,419 |
| Profit/(loss) before taxation | 8,856,071 | 11,818,966 | (12,466,208) | (9,285,013) | (8,342,294) |
| Taxation | (3,044,610) | (1,249,679) | (213,097) | 3,006,708 | 1,577,990 |
| Discontinued operations | - | - | - | 168,797 | (452,697) |
| Non-controlling interest | 40,326 | 39,268 | 152,159 | (110,397) | (715,995) |
| Retained income/(loss) for the period | 5,851,787 | 10,608,555 | (12,527,146) | (6,219,905) | (7,932,996) |
| Per share data (kobo per share) | | | | | |
| Earnings/(loss) per share | 117 | 212 | (251) | (124) | (159) |
| Net assets per share | 561 | 484 | (61) | 192 | 362 |

Dangote Flour Mills Plc

Five year financial summary for the six months ended 30 June, 2017

| | 6 Months 30-Jun-17 N'000 | 15 Months 31-Dec-16 N'000 | 12 Months 30-Sep-15 N'000 | 12 Months 30-Sep-14 N'000 | 9 Months 30-Sep-13 N'000 |
|--|--------------------------------|---------------------------------|---------------------------------|---------------------------------|--------------------------------|
| Group | | | | | |
| NET ASSETS | | | | | |
| Property, plant and equipment | 31,292,785 | 25,103,593 | 23,027,073 | 26,342,645 | 30,002,456 |
| Assets of disposal groups held for sale | 6,143 | 6,143 | - | - | 17,813,661 |
| Net current (liabilities) assets | (2,928,330) | 2,303,609 | (28,365,194) | (15,147,449) | (10,902,689) |
| | 28,370,598 | 27,413,345 | (5,338,121) | 11,195,196 | 36,913,428 |
| Deferred tax assets/(liabilities) | 68,117 | 2,633,155 | 3,266,856 | 3,457,384 | 443,277 |
| Provision for liabilities and charges | - | - | - | - | - |
| Liabilities classified as held for sale | - | - | - | - | (9,603,878) |
| Long term liabilities | (358,756) | (5,860,194) | (999,908) | (5,044,448) | (9,646,302) |
| Total net assets | 28,073,816 | 24,186,306 | (3,071,173) | 9,608,132 | 18,106,525 |
| CAPITAL AND RESERVES | | | | | |
| Share capital | 2,500,000 | 2,500,000 | 2,500,000 | 2,500,000 | 2,500,000 |
| Share premium | 11,527,612 | 11,527,612 | 11,527,612 | 11,527,612 | 11,527,612 |
| Capital reserve | 21,412,878 | 23,276,829 | 6,588,637 | 6,588,637 | 6,588,637 |
| Retained earnings | (6,651,776) | (12,443,563) | (23,052,118) | (10,524,972) | (4,305,067) |
| Non-controlling interest | (714,898) | (674,572) | (635,304) | (483,145) | 1,795,343 |
| Total equity | 28,073,816 | 24,186,306 | (3,071,173) | 9,608,132 | 18,106,525 |
| REVENUE AND PROFIT | | | | | |
| Revenue | 64,855,975 | 105,765,324 | 48,026,674 | 41,268,721 | 29,960,419 |
| Profit/(loss) before taxation | 8,856,071 | 11,818,966 | (12,466,208) | (9,285,013) | (8,342,294) |
| Taxation | (3,044,610) | (1,249,679) | (213,097) | 3,006,708 | 1,577,990 |
| Discontinued operations | - | - | - | 168,797 | (452,697) |
| Non-controlling interest | 40,326 | 39,268 | 152,159 | (110,397) | (715,995) |
| Retained income/(loss) for the period | 5,851,787 | 10,608,555 | (12,527,146) | (6,219,905) | (7,932,996) |
| Per share data (kobo per share) | | | | | |
| Earnings/(loss) per share | 117 | 212 | (251) | (124) | (159) |
| Net assets per share | 561 | 484 | (61) | 192 | 362 |

Dangote Flour Mills Plc

Five year financial summary for the six months ended 30 June, 2017

| | 6 Months 30-Jun-17 N'000 | 15 Months 31-Dec-16 N'000 | 12 Months 30-Sep-15 N'000 | 12 Months 30-Sep-14 N'000 | 9 Months 30-Sep-13 N'000 |
|--|--------------------------------|---------------------------------|---------------------------------|---------------------------------|--------------------------------|
| Company | | | | | |
| NET ASSETS | | | | | |
| Property, plant and equipment | 22,976,218 | 16,337,767 | 13,691,988 | 15,353,413 | 17,351,051 |
| Investments in subsidiaries | 2,507,637 | 2,507,637 | 2,507,637 | 2,597,637 | 2,597,637 |
| Assets of disposal groups held for sale | - | - | - | - | 4,956,000 |
| Net current (liabilities) assets | 8,407,371 | 13,677,869 | (16,246,192) | (163,661) | 3,539,667 |
| | 33,891,226 | 32,523,273 | (46,567) | 17,787,389 | 28,444,355 |
| Deferred tax assets/(liabilities) | (449,640) | 2,131,198 | 1,042,204 | 1,331,582 | (564,228) |
| Provision for liabilities and charges | - | - | - | - | - |
| Long term liabilities | (358,756) | (5,860,194) | (999,908) | (5,044,448) | (9,646,302) |
| Total net assets | 33,082,830 | 28,794,277 | (4,271) | 14,074,523 | 18,233,825 |
| CAPITAL AND RESERVES | | | | | |
| Share capital | 2,500,000 | 2,500,000 | 2,500,000 | 2,500,000 | 2,500,000 |
| Share premium | 11,527,612 | 11,527,612 | 11,527,612 | 11,527,612 | 11,527,612 |
| Capital reserve | 21,412,878 | 23,276,829 | 6,588,637 | 6,588,637 | 6,588,637 |
| Retained earnings | (2,357,660) | (8,510,164) | (20,620,520) | (6,541,726) | (2,382,424) |
| Total equity | 33,082,830 | 28,794,277 | (4,271) | 14,074,523 | 18,233,825 |
| REVENUE AND PROFIT | | | | | |
| Revenue | 56,275,028 | 83,671,078 | 36,094,021 | 31,704,340 | 23,079,590 |
| Profit/(loss) before taxation | 9,248,170 | 11,588,399 | (13,789,416) | (6,055,112) | (5,647,490) |
| Taxation | (3,035,666) | 521,957 | (289,378) | 1,895,810 | 1,166,842 |
| Retained income/(loss) for the period | 6,212,504 | 12,110,356 | (14,078,794) | (4,159,302) | (4,480,648) |
| Per share data (kobo per share) | | | | | |
| Earnings/(loss) per share | 124 | 242 | (282) | (83) | (90) |
| Net assets per share | 662 | 395 | - | 281 | 365 |

Note

Earnings profit/(loss) per share are based on profit/(loss) after tax and the number of issued and fully paid ordinary shares at the end of each financial six months.

Net assets per share is based on net assets and the number of issued and fully paid ordinary shares at the end of each financial six months.

This report is not prepared under IFRS. Instead, it has been prepared in compliance with the Nigerian Companies and Allied Matters Act of Nigeria, Cap C20 LFN 2004.