

Sharing Common Ground



Agenda



Mauritian economic environment



Review of operations



Financial statements



Outlook



Mauritian economic environment

Sluggish growth of the economy in 2013 - only 3.2%

Jobless growth - high unemployment

Pre-electoral mood

Continued depressed demand from Europe

2017: abolition of sugar and isoglucose production quotas

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Cane



Didier Antoinette
Welder Superior Grade, Terra Milling Ltd



The welder's mask

Welder is your profession, mask is your protection! With this welder mask, Didier is protected from sparks and ultraviolet light, allowing him to safely link, fix and knit the pipes to make this two centuries-old mill shine again for another harvest season.



Cane

	2013 MUR 'M		2012 MUR 'M	
Turnover	1,263.6	30.9%	1,349.1	32.2%
PAT	63.5	13.4%	242.7	37.1%

- 800K tonnes cane milled by TML - 6.7% decrease over 2012
- Poor yields: 72.2 t.c/ha (2012: 76.5)
- Sugar accruing to group: 49K tonnes (\pm same as last year)
- Lower sugar price: MUR 16,500 (revised down to MUR 16,000) v/s MUR 17,573 in 2012
- Specialty sugars: 72.8K tonnes v/s 85.4K tonnes in 2012
- More competition, lower premiums
- Sucrivoire contributed MUR 99 M (incl. mngt fees) to the cluster's results (2012: MUR 112 M)

Power



Aruna Ramanah
Electrical Preparator, Terragen Ltd



The electrical multimeter

An essential instrument in an electrician's toolbox!
"I use it everyday to measure the voltage, current, resistance, to diagnose circuits, test a battery and much more." This is how Aruna describes this instrument, which allows her to measure multiple functions in one unit, as indicated by the 'multimeter' name.



Power

	2013 MUR 'M		2012 MUR 'M	
Turnover	1,102.1	27.0%	1,180.6	28.2%
PAT	132.4	28.0%	185.0	28.3%

Record electricity off-take for 2013: 393.7 GWh (2012: 356.7 GWh)

2013 is first full year at Post Debt tariff

Average tariff for 2013: MUR 2.66/kWh, the lowest by far save for hydro power

Triple certification from AFNOR (quality, environment, occupational safety & health)

Experiments conducted on alternative biomass sources

Brands



Gaëtan François
Factory Operator, Grays Inc. Ltd



The washed bottle

Gaëtan's responsibility is to ensure the colossal bottle washer works efficiently, with its capacity of 7,000 glass bottles per hour. Deluxe, Seven Seas, New Grove, he has seen many new and recycled bottles during his 40 years' career at Grays. He jokes: "It is the fourth bottle washer I work with, and it makes me realise that I am growing old too!"



Brands

	2013 MUR 'M		2012 MUR 'M	
Turnover	1,492.5	36.6%	1,422.6	34.0%
PAT	108.9	23.0%	118.5	18.2%

- Overall performance on par with 2012
- Repetitive duty increases over the last 4 years more than doubled prices to consumers
- Shift towards low value brands as disposable income continues to erode
- Associates contributed MUR 29.6 M to the cluster's results, New Goodwill MUR 26.3 M, East Indies MUR 1.1 M & Topterra MUR 2.2 M

Property Management & Construction
Leisure
Finance
Investments



Sabrina Mootoosawmy
Administrative Secretary, Sagiterra Ltd



The land surveyor's pole

This blue, red and white wood pole is a valuable tool for land and property developments as it can determine alignment, direction, distance or limit, especially when surveying and levelling the sites. This apparently simple tool makes us the land experts.



Other Activities

	2013 MUR 'M		2012 MUR 'M	
Turnover	219.8	5.4%	233.2	5.6%
PAT	167.8	35.5%	107.7	16.5%

- Terrarock's turnover decreased by 3% to MUR 153 M, while profit after tax decreased by MUR 3.7 M to MUR 21.2 M
- Sagiterra earned fee and commission income of MUR 13.8 M but recorded a loss of MUR 7.7 M (2012: MUR 26.5 M and profits of MUR 2.7 M respectively)
- Associates contributed MUR 128.3 M to the cluster's results, (2012 MUR 34.2 M). Mainly due to RG turnaround MUR 59 M, Swan MUR 23 M, Orange MUR 20M, AMOL MUR (10) M
- Rehm Grinaker: capital injection of MUR 21 M
Group's share of RG & RGP: MUR 13 M (2012: share of loss: MUR 46.1 M)
- Land disposals: MUR 98.8 M were received and translated into a profit of MUR 25.9 M (2012: MUR 39.9 M and MUR 22.8 M respectively)

Other Activities

Leisure

Sugarworld Ltd:

Turnover increased by 6% to MUR 57 M while profit after tax dropped by 39% to MUR 2.9 M

Finance

Banyan Tree Bank & AceTer Global:

New investments, no contribution in 2013

Swan Group:

Improved profitability by MUR 67 M to MUR 254 M

Contribution to Terra's profits: MUR 77 M

Investments

Harel Mallac & Co Ltd:

Effective holding 26%. No Board representation, results not equity accounted. Loss for 2013: MUR 42.7 M

United Investments Ltd:

29% stake acquired in Dec 2013, no contribution in 2013
Investments in financial services, hospitality, agricultural related fields

Alcohol & Molasses Export Ltd:

41.9% interest; group's share of PAT: MUR 16 M (2012: MUR 26 M)

Orange Madagascar:

5% effective interest; share of PAT: MUR 23 M (2012: MUR 3 M)

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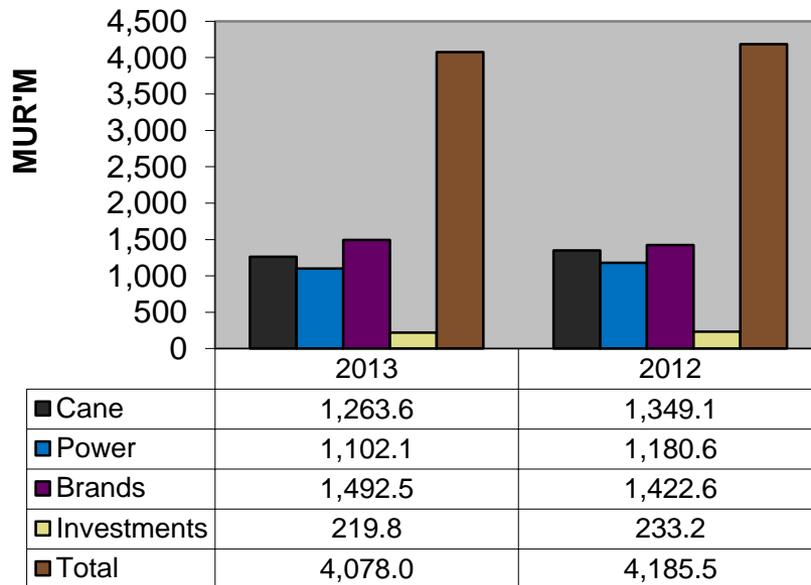


Key figures 1/3

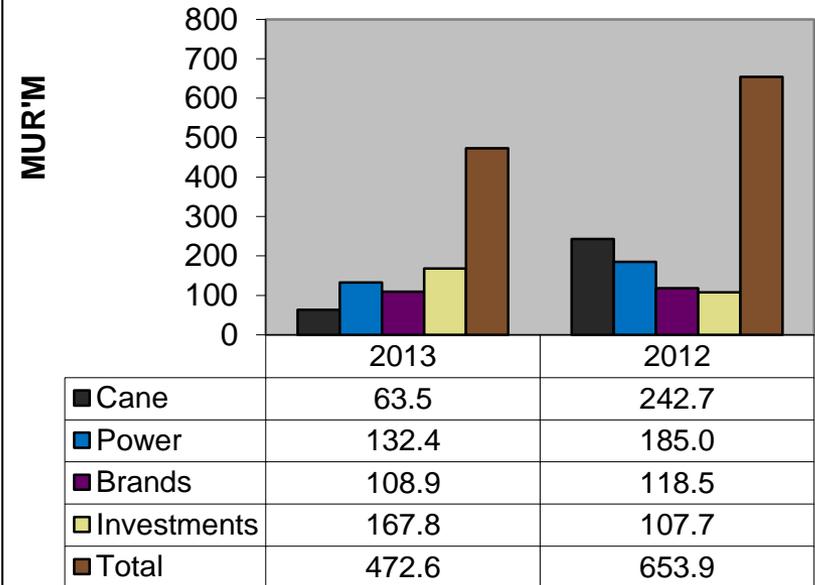
	2013	2012
Balance Sheet		
Shareholders' interest	16,463.8	16,473.2
Cash & cash equivalent	259.3	159.3
Net current assets	169.8	856.3
Total borrowings	1,400.1	640.5
Income Statement		
Turnover	4,078.0	4,185.5
Profit before finance costs	313.1	642.6
Finance costs	(25.0)	(47.5)
Share of associated results	232.3	141.5
Taxation	(47.8)	(82.9)
Profit after tax	472.6	653.7
Attributable to equity holders	365.1	500.7
Dividends	182.0	182.0

Segmental analysis

SEGMENTAL ANALYSIS REVENUE MUR M



SEGMENTAL ANALYSIS PROFIT AFTER TAX MUR M



Key figures 2/3

Cash Flow	2013	2012
	MUR 'M	MUR 'M
Cash flow from operating activities	518.7	667.0
Cash flow used in investing activities	(888.1)	(521.4)
Cash flow from / (used in) financing activities	577.9	(464.5)
Increase / (Decrease) in cash and cash equivalents	208.5	(318.9)

Key financial data 3/3

	2013	2012
	MUR 'M	MUR 'M
EBITDA	659.6	946.6
Free cash flow	117.9	376.4
Capex	395.9	331.2
Investments	613.9	247.9
Net Debt	1,140.8	481.2

- EBITDA - exclude any gain or loss on standing crop
- excluding non cash / non recurring items
- Free cash flow - Net cash from operating activities less capex & replantation costs
- Net debt - Total borrowings less cash

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Outlook



Outlook

Prospects

- Real estate

Beau Plan
Master Plan



Outlook

Prospects

- Sugar projects - Africa
- Other opportunities (local & Africa)



Outlook

- **Prospects**
- Energy

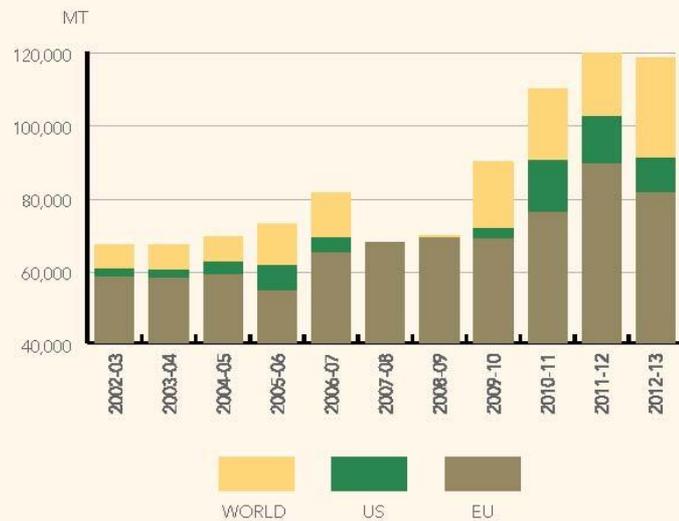


Outlook

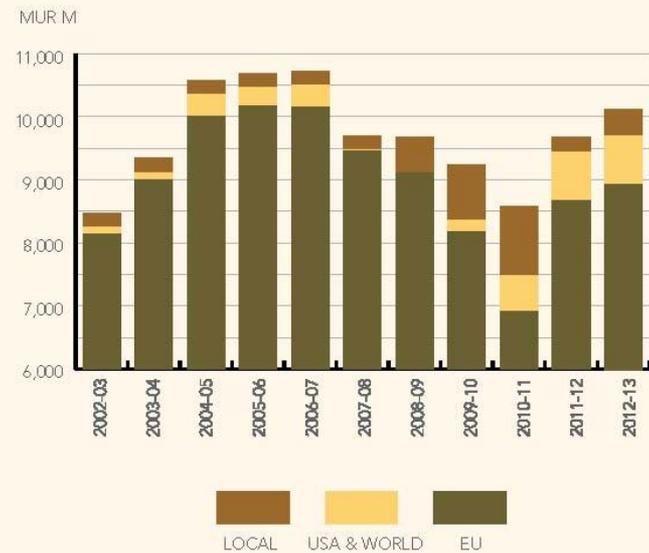
Challenges

- Sugar

Export of Special Sugars



Sugar Proceeds



Thank you



terra