



**FLOUR MILLS OF NIGERIA PLC**

**CONDENSED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL STATEMENTS**

**31ST DECEMBER, 2017**

FLOUR MILLS OF NIGERIA PLC

UNAUDITED FINANCIAL RESULTS FOR NINE MONTHS ENDED 31 DECEMBER 2017

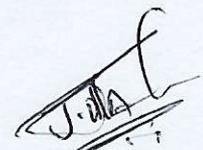
The Directors of Flour Mills of Nigeria Plc (FMN) are pleased to announce the unaudited financial results of the Group and the Company for the nine months ended 31st December 2017 as follows:

	Group		Company	
	Nine months ended		Nine months ended	
	31/12/2017 N'000	31/12/2016 N'000	31/12/2017 N'000	31/12/2016 N'000
Revenue	427,508,743	389,943,738	303,708,804	278,353,341
Cost of sales	(371,472,640)	(336,448,281)	(262,629,637)	(242,091,880)
Gross profits	56,036,103	53,495,457	41,079,167	36,261,461
Selling and distribution expenses	(4,037,299)	(4,241,010)	(3,592,172)	(4,022,707)
Administrative expenses	(13,311,432)	(10,234,345)	(10,102,258)	(7,141,399)
Net operating gains /(losses)	5,507,489	(11,756,030)	(686,317)	(4,306,943)
<b>Operating profit</b>	<b>44,194,861</b>	<b>27,264,073</b>	<b>26,698,420</b>	<b>20,790,412</b>
Investment income	465,220	726,293	9,828,159	1,431,266
Finance costs	(25,157,621)	(17,696,510)	(18,329,621)	(12,201,430)
<b>Profit before tax</b>	<b>19,502,460</b>	<b>10,293,856</b>	<b>18,196,958</b>	<b>10,020,248</b>
Tax expense	(6,255,305)	(2,892,871)	(5,067,476)	(2,805,670)
Profit for the period	13,247,155	7,400,986	13,129,482	7,214,579
Gain / (loss) on 'available for sale' investment	25,500	(8,500)	25,500	(8,500)
<b>Total comprehensive income</b>	<b>13,272,655</b>	<b>7,392,486</b>	<b>13,154,982</b>	<b>7,206,079</b>
Profit attributable to:				
Owners of the Company	11,962,285	6,563,878	13,129,482	7,214,579
Non-controlling interests	1,284,870	837,108	-	-
	<b>13,247,155</b>	<b>7,400,986</b>	<b>13,129,482</b>	<b>7,214,579</b>
Total comprehensive income attributable to:				
Owners of the Company	11,987,785	6,555,378	13,154,982	7,206,079
Non-controlling interests	1,284,870	837,108	-	-
	<b>13,272,655</b>	<b>7,392,486</b>	<b>13,154,982</b>	<b>7,206,079</b>
Earnings per share - Basic (kobo)	456	250	500	275
Earnings per share - Diluted (kobo)	456	250	500	275

**Explanatory Notes:**

Our business succeeded in posting strong performance in spite of the current business challenges especially due to Apapa traffic congestion. Management is optimistic that with continued effort to increase sales and marketing activities geared at boosting our top line we should be able to sustain the good performance for the remaining period.

BY ORDER OF THE BOARD



Joseph Odion A. Umolu  
Company Secretary / Director, Legal Services  
FRC/2013/NBA/0000003687  
30th January, 2018

Contents	Page
CONSOLIDATED AND SEPARATE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	1
CONSOLIDATED AND SEPARATE STATEMENT OF FINANCIAL POSITION	2
CONSOLIDATED AND SEPARATE STATEMENT OF CHANGES IN EQUITY	3
CONSOLIDATED AND SEPARATE STATEMENT OF CASH FLOWS	4
NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS	5 to 16

FLOUR MILLS OF NIGERIA PLC

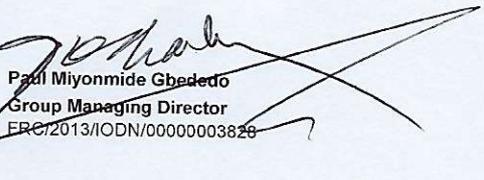
CONSOLIDATED AND SEPARATE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE NINE MONTHS ENDED 31 DECEMBER 2017

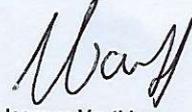
	Note	Group				Company			
		3 months ended	9 months ended						
		31/12/2017 N'000	31/12/2017 N'000	31/12/2016 N'000	31/12/2016 N'000	31/12/2017 N'000	31/12/2017 N'000	31/12/2016 N'000	31/12/2016 N'000
Revenue	5	129,065,696	427,508,743	134,639,080	389,943,738	86,935,635	303,708,804	92,283,557	278,353,341
Cost of sales	6	(108,542,739)	(371,472,640)	(117,567,275)	(336,448,281)	(72,891,365)	(262,629,637)	(81,055,993)	(242,091,880)
<b>Gross profit</b>		<b>20,522,957</b>	<b>56,036,103</b>	<b>17,071,805</b>	<b>53,495,457</b>	<b>14,044,270</b>	<b>41,079,167</b>	<b>11,227,564</b>	<b>36,261,461</b>
Selling and distribution expenses	7	(1,271,049)	(4,037,299)	(1,362,101)	(4,241,010)	(1,187,396)	(3,592,172)	(1,296,515)	(4,022,707)
Administrative expenses	8	(4,959,543)	(13,311,432)	(3,969,862)	(10,234,345)	(4,234,959)	(10,102,258)	(2,835,600)	(7,141,399)
Net operating gains and losses	9	431,163	5,507,489	(3,673,501)	(11,756,030)	738,703	(686,317)	(600,572)	(4,306,943)
<b>Operating profit</b>		<b>14,723,528</b>	<b>44,194,861</b>	<b>8,066,342</b>	<b>27,264,073</b>	<b>9,360,618</b>	<b>26,698,420</b>	<b>6,494,877</b>	<b>20,790,412</b>
Investment income		191,933	465,220	197,978	726,293	3,546,097	9,828,159	764,753	1,431,266
Finance costs		(8,890,461)	(25,157,621)	(6,770,916)	(17,696,510)	(6,774,669)	(18,329,621)	(5,240,590)	(12,201,430)
<b>Profit before tax</b>		<b>6,025,000</b>	<b>19,502,460</b>	<b>1,493,404</b>	<b>10,293,856</b>	<b>6,132,046</b>	<b>18,196,958</b>	<b>2,019,040</b>	<b>10,020,248</b>
Income tax expense	10	(2,133,562)	(6,255,305)	(560,904)	(2,892,871)	(1,677,471)	(5,067,476)	(565,331)	(2,805,670)
<b>Profit for the period</b>		<b>3,891,418</b>	<b>13,247,155</b>	<b>932,500</b>	<b>7,400,986</b>	<b>4,454,575</b>	<b>13,129,482</b>	<b>1,453,709</b>	<b>7,214,578</b>
Gain / (Loss) on 'available for sale' investment		3,400	25,500	(4,760)	(8,500)	3,400	25,500	(4,760)	(8,500)
<b>Total comprehensive income</b>		<b>3,894,818</b>	<b>13,272,655</b>	<b>927,740</b>	<b>7,392,486</b>	<b>4,457,975</b>	<b>13,154,982</b>	<b>1,448,949</b>	<b>7,206,078</b>
Profit attributable to:									
Owners of the Company		3,652,621	11,962,285	710,972	6,563,878	4,454,575	13,129,482	1,453,709	7,214,578
Non-controlling interests		238,797	1,284,870	221,528	837,108	-	-	-	-
		<b>3,891,418</b>	<b>13,247,155</b>	<b>932,500</b>	<b>7,400,986</b>	<b>4,454,575</b>	<b>13,129,482</b>	<b>1,453,709</b>	<b>7,214,578</b>
Total comprehensive income attributable to:									
Owners of the Company		3,656,021	11,987,785	706,212	6,555,378	4,457,975	13,154,982	1,448,949	7,206,078
Non-controlling interests		238,797	1,284,870	221,528	837,108	-	-	-	-
		<b>3,894,818</b>	<b>13,272,655</b>	<b>927,740</b>	<b>7,392,486</b>	<b>4,457,975</b>	<b>13,154,982</b>	<b>1,448,949</b>	<b>7,206,078</b>
Earnings per share - Basic (kobo)	11	139	456	27	250	170	500	55	275
Earnings per share - Diluted (kobo)		139	456	27	250	170	500	55	275

CONDENSED CONSOLIDATED AND SEPARATE STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER, 2017

	Note	Group		Company	
		31/12/2017 N'000	31/03/2017 N'000	31/12/2017 N'000	31/03/2017 N'000
<b>Assets</b>					
<b>Non-current assets</b>					
Property, plant and equipment	13	214,648,479	216,866,184	81,729,313	85,393,986
Biological assets	14	48,792	29,131	-	-
Intangible assets	15	157,629	208,370	148,381	191,508
Investment properties	16	1,851,249	1,929,196	46,962	48,137
Goodwill	12	4,148,022	4,148,022	1,876,816	1,876,816
Investment in subsidiaries	17	-	-	5,549,517	3,866,517
Available for sale investments	18	49,640	24,140	49,640	24,140
Deferred tax assets		1,839,200	1,846,674	-	-
Long term loans receivable	19	1,085,291	989,022	70,378,543	25,053,053
Prepayments	22	1,600,619	1,679,252	1,600,619	1,604,444
<b>Total non-current assets</b>		<b>225,428,921</b>	<b>227,719,991</b>	<b>161,379,791</b>	<b>118,058,601</b>
<b>Current assets</b>					
Inventories	20	103,640,070	117,296,162	62,933,319	63,597,671
Biological assets	14	1,015,962	558,480	-	-
Trade and other receivables	21	25,326,347	21,403,132	64,178,953	80,823,655
Derivative assets		-	755,516	-	387,814
Prepayment & deposit for import	22	37,218,718	69,851,473	30,999,671	52,235,925
Cash and cash equivalents	23	30,994,045	45,018,503	17,230,161	28,829,491
<b>Total current assets</b>		<b>198,195,142</b>	<b>254,883,266</b>	<b>175,342,104</b>	<b>225,874,556</b>
<b>Total assets</b>		<b>423,624,063</b>	<b>482,603,257</b>	<b>336,721,895</b>	<b>343,933,157</b>
<b>Equity and liabilities</b>					
<b>Capital and reserves</b>					
Share capital		1,312,126	1,312,126	1,312,126	1,312,126
Share premium		36,812,540	36,812,540	36,812,540	36,812,540
Fair value reserves		(85,816)	(111,316)	(85,816)	(111,316)
Retained earnings		69,788,717	60,450,685	80,607,578	70,102,349
Equity attributable to owners of the Company		107,827,567	98,464,035	118,646,428	108,115,699
Non-controlling interest		3,900,709	4,080,309	-	-
<b>Total Equity</b>		<b>111,728,276</b>	<b>102,544,344</b>	<b>118,646,428</b>	<b>108,115,699</b>
<b>Liabilities</b>					
<b>Non-current liabilities</b>					
Borrowings	25	62,369,274	50,879,043	18,377,388	7,363,893
Retirement benefit obligation		3,908,022	3,676,418	3,255,244	3,084,875
Long service award		1,751,800	1,568,859	1,551,822	1,403,388
Deferred taxation		9,195,332	7,819,480	7,286,129	5,904,270
Deferred income		10,417,908	8,618,213	636,415	648,432
<b>Total non-current liabilities</b>		<b>87,642,336</b>	<b>72,562,013</b>	<b>31,106,998</b>	<b>18,404,858</b>
<b>Current liabilities</b>					
Bank Overdraft	23	34,328,057	49,023,812	28,635,449	34,349,436
Derivative liabilities		13,799	3,492,739	-	2,969,054
Trade and other payables	24	66,420,443	94,567,170	53,811,573	55,801,512
Borrowings	25	104,086,067	141,702,267	89,502,855	111,429,573
Current tax payable		5,860,006	2,136,490	5,010,940	550,633
Deffered income		1,037,100	2,089,158	175,820	221,658
Dividend payable		2,048,672	2,032,098	2,048,672	2,032,098
Customer deposits		10,459,307	12,453,166	7,783,160	10,058,636
<b>Total current liabilities</b>		<b>224,253,451</b>	<b>307,496,900</b>	<b>186,968,469</b>	<b>217,412,600</b>
<b>Total liabilities</b>		<b>311,895,787</b>	<b>380,058,913</b>	<b>218,075,467</b>	<b>235,817,458</b>
<b>Total equity and liabilities</b>		<b>423,624,063</b>	<b>482,603,257</b>	<b>336,721,895</b>	<b>343,933,157</b>

The financial statements were approved by the board of directors and authorised for issue on 30th January, 2018. They were signed on its behalf by:

  
Paul Miyonmide Gbededo  
Group Managing Director  
FR072013/ODN/00000003826

  
Jacques Vauthier  
Chief Finance Officer

FLOUR MILLS OF NIGERIA PLC

CONSOLIDATED AND SEPARATE STATEMENT OF CHANGES IN EQUITY  
FOR THE NINE MONTHS ENDED 31 DECEMBER 2017

Group

	Share Capital	Share premium	Fair value reserve	Retained Earnings	Equity attributable to owner of the company	Non controlling interest	Total Equity
	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Balance at 1 April 2016	1,312,126	36,812,540	(89,760)	54,900,934	92,935,840	2,829,934	95,765,774
Profit for the period				6,563,878	6,563,878	837,108	7,400,986
Other comprehensive income							
Dividend declared			(8,500)		(8,500)		(8,500)
Balance at 31 December 2016	1,312,126	36,812,540	(98,260)	58,840,559	96,866,965	3,667,042	100,534,007

Group

	Share Capital	Share premium	Fair value reserve	Retained Earnings	Equity attributable to owner of the company	Non controlling interest	Total Equity
	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Balance at 1 April 2017	1,312,126	36,812,540	(111,316)	60,450,685	98,464,035	4,080,309	102,544,344
Profit for the period				11,962,285	11,962,285	1,284,870	13,247,155
Other comprehensive income							
Acquisition of additional 5% shares from 'Non Controlling Interest' (NCI)			25,500		25,500		25,500
Dividend declared						(1,464,470)	(1,464,470)
Balance at 31 December 2017	1,312,126	36,812,540	(85,816)	69,788,717	107,827,567	3,900,709	111,728,276

Company

	Share Capital	Share premium	Fair value reserve	Retained Earnings	Total Equity
	N'000	N'000	N'000	N'000	N'000
Balance at 1 April 2016	1,312,126	36,812,540	(89,760)	62,209,233	100,244,139
Profit for the period					
Other comprehensive income					
Dividend declared				(2,624,253)	(2,624,253)
Balance at 31 December 2016	1,312,126	36,812,540	(98,260)	66,799,558	104,825,964

Company

	Share Capital	Share premium	Fair value reserve	Retained Earnings	Total Equity
	N'000	N'000	N'000	N'000	N'000
Balance at 1 April 2017	1,312,126	36,812,540	(111,316)	70,102,349	108,115,699
Profit for the period					
Other comprehensive income				13,129,482	13,129,482
Dividend declared			25,500		25,500
Balance at 31 December 2017	1,312,126	36,812,540	(85,816)	80,607,578	118,646,428

FLOUR MILLS OF NIGERIA PLC

CONSOLIDATED AND SEPARATE STATEMENT OF CASHFLOWS  
FOR THE NINE MONTHS ENDED 31 DECEMBER 2017

	Group		Company	
	31/12/2017 N'000	31/12/2016 N'000	31/12/2017 N'000	31/12/2016 N'000
<b>Cash flows from operating activities</b>				
Profit before tax	19,502,460	10,293,856	18,196,958	10,020,248
Depreciation and amortization	12,007,732	10,339,840	6,308,678	5,737,293
Finance costs	25,157,621	17,696,510	18,329,621	12,201,430
Interest income	(465,220)	(726,293)	(9,828,159)	(1,431,266)
Loss/(profit) on disposal of fixed assets	77,152	(31,989)	73,349	(34,713)
<b>Profit before changes in working capital</b>	<b>56,279,745</b>	<b>37,571,924</b>	<b>33,080,447</b>	<b>26,492,992</b>
<b>Changes in Working Capital</b>				
(Increase)/ Decrease in Inventory	13,656,092	(51,606,145)	664,352	(24,936,697)
(Increase)/ Decrease in Net trade receivables	(1,992,406)	949,718	138,363	181,713
(Increase)/ Decrease in Other receivables	(1,930,809)	2,222,765	16,506,339	(24,297,487)
(Increase)/ Decrease in Biological assets	(477,143)	59,156		
(Increase)/ Decrease in Prepayments and deposit for imports	32,711,388	(48,921,889)	21,240,079	(28,233,521)
(Increase)/ Decrease in Derivative assets	755,516		387,814	
Increase/ (Decrease) in Deferred tax assets	7,474	(96,736)		
Increase/ (Decrease) in Other long term assets		74,621		74,621
Increase/ (Decrease) in Trade creditors	(26,554,695)	39,390,675	(4,175,355)	19,736,409
Increase/ (Decrease) in Other payable	(1,592,032)	16,226,534	2,185,416	15,089,469
Increase/ (Decrease) in Dividend payable	16,574		16,574	
Increase/ (Decrease) in Retirement benefit obligations	231,604	305,168	170,369	241,009
Increase/ (Decrease) in Long service award	182,941	149,771	148,434	140,170
Increase/ (Decrease) in Customers' deposit	(1,993,859)	(288,575)	(2,275,476)	(1,891,704)
Increase/ (Decrease) in Tax Payable	3,723,516		4,460,307	
Increase/ (Decrease) in Deferred taxation	1,375,852	(113,850)	1,381,859	(213,495)
Increase/ (Decrease) in Derivative Liabilities	(3,478,940)		(2,969,054)	
Increase/ (Decrease) in Deferred revenue	747,637	(296,367)	(57,855)	(101,600)
<b>Net changes in working capital</b>	<b>15,388,710</b>	<b>(41,945,153)</b>	<b>37,822,166</b>	<b>(44,211,113)</b>
<b>Cash Flow from operating activities</b>	<b>71,668,455</b>	<b>(4,373,229)</b>	<b>70,902,613</b>	<b>(17,718,121)</b>
Tax paid	(6,255,305)	(1,668,206)	(5,067,476)	(1,027,650)
<b>Net Cash Flow from operating activities</b>	<b>65,413,150</b>	<b>(6,041,434)</b>	<b>65,835,137</b>	<b>(18,745,770)</b>
<b>Investing activities</b>				
Acquisition of property, plant and equipment	(9,867,179)	(12,047,068)	(2,717,354)	(2,974,941)
Proceeds from sale of property, plant and equipment		163,265		43,046
Acquisition of intangible assets	50,741	(11,411)	43,127	(11,411)
Acquisition of investment property	77,947		1,175	
Additions to investments in subsidiary			(1,683,000)	(218,531)
Long term loans receivable	(96,269)		(45,325,490)	(11,114,929)
Interest received	465,220	726,293	9,828,159	1,431,266
<b>Net Cash flow from investing activities</b>	<b>(9,369,540)</b>	<b>(11,168,921)</b>	<b>(39,853,383)</b>	<b>(12,845,501)</b>
<b>Financing activities</b>				
Additional Investment	(1,464,470)			
Term loans	(26,125,969)	41,916,294	(10,913,223)	40,953,092
Dividend paid	(2,624,253)	(2,159,551)	(2,624,253)	(2,159,551)
Interest paid	(25,157,621)	(17,696,510)	(18,329,621)	(12,201,430)
<b>Cash flow from Financing activities</b>	<b>(55,372,313)</b>	<b>22,060,234</b>	<b>(31,867,097)</b>	<b>26,592,111</b>
<b>Net Cash Flow</b>	<b>671,297</b>	<b>4,849,879</b>	<b>(5,885,343)</b>	<b>(4,999,160)</b>
<b>Cash and cash equivalents at beginning of Period/year</b>	<b>(4,005,309)</b>	<b>16,800,057</b>	<b>(5,519,945)</b>	<b>15,013,752</b>
<b>Cash and cash equivalents at end of the period</b>	<b>(3,334,012)</b>	<b>21,649,936</b>	<b>(11,405,288)</b>	<b>10,014,593</b>
<b>Closing</b>				
Bank deposits balances and cash	30,994,045	64,522,524	17,230,161	51,018,517
Bank overdrafts	(34,328,057)	(42,872,589)	(28,635,449)	(41,003,925)
	<b>(3,334,012)</b>	<b>21,649,936</b>	<b>(11,405,288)</b>	<b>10,014,592</b>
<b>Opening</b>				
Bank deposits balances and cash	45,018,503	33,213,043	28,829,491	21,671,179
Bank overdrafts	(49,023,812)	(16,412,986)	(34,349,436)	(6,657,427)
	<b>(4,005,309)</b>	<b>16,800,057</b>	<b>(5,519,945)</b>	<b>15,013,752</b>

## **FLOUR MILLS OF NIGERIA PLC**

### **NOTES TO THE CONSOLIDATED AND SEPARATE INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 31 DECEMBER 2017**

#### **1 Description of business**

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

The Group's business is primarily divided into 3 business value chains which are;

##### **Food business value chain**

Food business value chain involves flour milling, production of pasta, noodles and refined sugar.

##### **Agro-Allied business value chain**

Agro-Allied business value chain involves livestock husbandry, production of livestock feeds, sale of fertilizer, edible oil, farming and other agro-allied activities.

##### **Logistic and support business value chain**

Logistic and support business value chain involves the manufacturing and sales of laminated woven polypropylene sacks and flexible packaging materials, operation of terminals A and B at Apapa Port, customs clearing, forwarding agents, shipping agents and logistics, haulage and real estate.

#### **2 Reporting entity**

The condensed consolidated and separate interim financial report of the Company as at and for the Nine months ended 31st December 2017 comprises the Company alone (referred to as the 'Company') and the Company and its subsidiaries (together referred to as the 'Group').

#### **3 Basis of preparation**

##### **(a) Statement of compliance**

This condensed consolidated and separate interim financial report has been prepared in accordance with IAS 34 Interim Financial Reporting. Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the last consolidated financial statements as at and for the year ended 31 March 2017.

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

##### **(b) Judgements and estimates**

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

In preparing this condensed consolidated and separate interim financial report, significant judgements made by Management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 March 2017.

#### **4 Significant accounting policies**

The accounting policies applied by the Group in this condensed consolidated and separate interim financial report are the same as those applied by the Group in its consolidated statements as at and for the year ended 31 March 2017.

NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL STATEMENTS  
FOR THE NINE MONTHS ENDED 31 DECEMBER 2017

5 Operating segments

Information about reportable segments

For the Nine months ended 31st December 2017.

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

Group

	Segment revenue		Profit before tax	
	Nine months ended		Nine months ended	
	31/12/2017	31/12/2016	31/12/2017	31/12/2016
	N'000	N'000	N'000	N'000
Food	335,501,589	290,734,681	27,349,475	12,267,690
Agro Allied	75,871,930	83,554,287		2,305,294
Packaging	15,109,553	14,744,676	(11,391,281)	1,195,096
Port operations & Logistics	956,636	789,080	655,441	362,133
Real estate & Others	69,035	121,014	(103,026)	(5,844,857)
<b>Total</b>	<b>427,508,743</b>	<b>389,943,738</b>	<b>19,502,460</b>	<b>10,285,356</b>

Company

	Segment revenue		Profit before tax	
	Nine months ended		Nine months ended	
	31/12/2017	31/12/2016	31/12/2017	31/12/2016
	N'000	N'000	N'000	N'000
Food	271,954,694	241,472,418	14,193,543	5,148,680
Agro Allied	13,339,290	20,695,592	1,529,455	3,461,874
Packaging	17,349,404	15,216,986	3,435,365	1,628,868
Logistics	1,065,416	968,345	(961,405)	(217,174)
<b>Total</b>	<b>303,708,804</b>	<b>278,353,341</b>	<b>18,196,958</b>	<b>10,022,248</b>

Segment revenue reported above represents revenue generated from external customers.

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

6 Cost of sales

	Group		Company	
	Nine months ended		Nine months ended	
	31/12/2017	31/12/2016	31/12/2017	31/12/2016
	N'000	N'000	N'000	N'000
Material costs	330,996,167	298,862,446	238,684,497	219,127,627
Direct staff costs	9,946,427	8,536,553	6,903,481	6,396,528
Depreciation	11,072,241	8,944,252	5,509,487	4,523,069
Power cost	10,314,550	12,161,059	6,420,283	7,638,988
Rent and rates	480,030	3,540,142	1,098,388	1,264,610
Repairs and maintenance	5,386,945	3,204,006	3,217,290	2,333,205
Insurance	214,854	155,551	102,071	95,966
Other expenses	3,061,426	1,044,271	694,140	711,887
<b>Total</b>	<b>371,472,640</b>	<b>336,448,281</b>	<b>262,629,637</b>	<b>242,091,880</b>

FLOUR MILLS OF NIGERIA PLC

NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL STATEMENTS  
FOR THE NINE MONTHS ENDED 31 DECEMBER 2017

7 Selling and distribution

	Group		Company	
	Nine months ended		Nine months ended	
	31/12/2017	31/12/2016	31/12/2017	31/12/2016
	N'000	N'000	N'000	N'000
Salaries and related staff costs	1,366,294	1,186,498	1,235,609	1,097,523
Selling expenses	2,454,622	2,314,472	2,164,212	2,194,341
Advertisement	216,383	740,040	192,351	730,843
	<u>4,037,299</u>	<u>4,241,010</u>	<u>3,592,172</u>	<u>4,022,707</u>

8 Administrative expense

	Group		Company	
	Nine months ended		Nine months ended	
	31/12/2017	31/12/2016	31/12/2017	31/12/2016
	N'000	N'000	N'000	N'000
Audit fee	228,906	245,023	133,678	166,931
Bad debts	265	3,760		
Bank Charges	977,494	1,085,123	688,483	889,010
Computer related expenses	545,851	523,884	419,087	458,520
Depreciation	935,491	1,395,591	799,191	1,214,027
Insurance	181,771	91,348	87,325	23,892
Legal and professional fees	575,174	463,862	404,122	314,312
Local and overseas travel	817,255	315,132	647,178	222,580
Medical, canteen and welfare expenses	628,676	382,099	570,240	344,523
Motor vehicle expenses	167,685	38,424	143,411	29,738
General administrative expenses	1,911,343	1,096,450	1,700,857	267,955
Power costs	473,283	409,566	189,461	272,344
Printing and stationery	59,592	267,569	34,961	205,950
Rent and rates	127,384	69,966	217,998	97,382
Repairs and maintenance	595,659	468,206	301,551	216,412
Salaries and allied costs	3,529,829	2,697,569	2,522,192	1,985,817
Subscriptions and donations	825,699	77,513	767,613	64,579
Third party services	730,075	603,260	474,910	367,426
	<u>13,311,432</u>	<u>10,234,345</u>	<u>10,102,258</u>	<u>7,141,399</u>

9 Net operating gains and losses

	Group		Company	
	Nine months ended		Nine months ended	
	31/12/2017	31/12/2016	31/12/2017	31/12/2016
	N'000	N'000	N'000	N'000
Management fee	317,552	3,295	276,166	1,140
Rent received	208,437	341,119	143,350	305,482
Insurance claims	111,422	200,224	51,531	197,805
Income on government grant	501,410	436,010	57,856	82,397
Sundry income	1,176,168	147,157	15,892	(194,078)
Profit/(Loss) on disposal of fixed assets	77,152	31,989	73,349	34,713
Foreign exchange gain/(loss)	2,800,395	(13,261,836)	(1,350,347)	(4,734,401)
Bad debt recovered	45,886		45,886	-
Fair value gain on biological assets	269,067		-	-
Wheat handling charges		346,011		
	<u>5,507,489</u>	<u>(11,756,030)</u>	<u>(686,317)</u>	<u>(4,306,943)</u>

FLOUR MILLS OF NIGERIA PLC

NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL STATEMENTS  
FOR THE NINE MONTHS ENDED 31 DECEMBER 2017

10 Tax	Group Nine months ended		Company Nine months ended	
	31/12/2017 N'000	31/12/2016 N'000	31/12/2017 N'000	31/12/2016 N'000
<b>Corporation tax:</b>				
Income tax	5,847,909	2,676,403	4,731,208	2,605,265
Tertiary education tax	432,713	205,877	363,939	200,405
Capital Gains tax	-	-		
	<hr/>	<hr/>	<hr/>	<hr/>
Deferred tax	6,280,622	2,882,280	5,095,147	2,805,670
	(25,317)	10,591	(27,671)	
	<hr/>	<hr/>	<hr/>	<hr/>
	<b>6,255,305</b>	<b>2,892,871</b>	<b>5,067,476</b>	<b>2,805,670</b>

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

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

Effective rate	Group Nine months ended		Company Nine months ended	
	31/12/2017	31/12/2016	31/12/2017	31/12/2016
	32%	28%	28%	28%

11 Earnings Per share	Group		Company	
	31/12/2017	31/12/2016	31/12/2017	31/12/2016
Profit for the period attributable to equity holders	11,962,285	6,563,878	13,129,482	7,214,578
Number of ordinary shares in issue	2,624,253	2,624,253	2,624,253	2,624,253
Basic earning per share(kobo)	<hr/>	<hr/>	<hr/>	<hr/>
	456	250	500	275

12 Goodwill	Group		Company	
	31/12/2017 N'000	31/03/2017 N'000	31/12/2017 N'000	31/03/2017 N'000
Goodwill	4,148,022	4,148,022	1,876,816	1,876,816
	<hr/>	<hr/>	<hr/>	<hr/>
	4,148,022	4,148,022	1,876,816	1,876,816

FLOUR MILLS OF NIGERIA PLC

NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL STATEMENTS  
FOR THE NINE MONTHS ENDED 31 DECEMBER 2017

Group

13 Property plant and equipment

	Land & Building N '000	Plant and Machinery N '000	Furniture & Equipment N '000	Motor Vehicle N '000	Bearer Plant N '000	Beth Rehabilitation N '000	Capital Work In Progress N '000	Total N '000
<b>Cost</b>								
Opening balance as at 1 April 2017								
Additions	74,904,133	208,375,741	6,477,693	10,301,754	914,260	763,547	16,834,775	318,571,903
Transfer	163,883	3,155,172	303,964	646,952	19,320		8,194,211	12,483,502
Reclassification	358,071	6,919,250	20,400	18,312	385,911		(9,003,309)	(1,301,365)
Disposal		(46,626)					(393,257)	(439,883)
		(356,656)	(17,413)	(438,047)			(1,037,370)	(1,849,486)
31st December 2017	<u>75,426,087</u>	<u>218,046,881</u>	<u>6,784,644</u>	<u>10,528,971</u>	<u>1,319,491</u>	<u>763,547</u>	<u>14,595,050</u>	<u>327,464,671</u>
<b>Depreciation</b>								
Accumulated depreciation as at 1 April 2017	8,900,829	78,650,071	4,690,142	8,076,586	97,482	188,594	1,102,015	101,705,719
Charge for the period	1,480,203	8,801,375	637,736	754,116	87,063	30,495		11,790,988
Transfer		31,976						31,976
Disposal		(310,151)	(16,435)	(385,905)				(712,491)
31st December 2017	<u>10,381,032</u>	<u>87,173,271</u>	<u>5,311,443</u>	<u>8,444,797</u>	<u>184,545</u>	<u>219,089</u>	<u>1,102,015</u>	<u>112,816,192</u>
<b>Carrying Amount</b>								
31st December 2017	<u>65,045,055</u>	<u>130,873,610</u>	<u>1,473,201</u>	<u>2,084,174</u>	<u>1,134,946</u>	<u>544,458</u>	<u>13,493,035</u>	<u>214,648,479</u>
At 31 March 2017	<u>66,003,304</u>	<u>129,725,670</u>	<u>1,787,551</u>	<u>2,225,168</u>	<u>816,778</u>	<u>574,953</u>	<u>15,732,760</u>	<u>216,866,184</u>

FLOUR MILLS OF NIGERIA PLC

NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL STATEMENTS  
FOR THE NINE MONTHS ENDED 31 DECEMBER 2017

Company

13 Property plant and equipment

	Land & building N '000	Plant & Machinery N '000	Furniture & equipment N '000	Motor vehicles N '000	Capital work in progress N '000	Total N '000
<b>Cost</b>						
Opening balance as at 1 April 2017	30,812,381	101,040,869	4,253,976	7,907,582	11,296,989	155,311,797
Additions		377,708	125,032	453,031	3,732,835	4,688,606
Transfers	341,370	5,454,055	14,100	17,637	(6,220,419)	(393,257)
Disposals		(2,057,334)	(6,807)	(382,416)		(2,446,557)
31 December 2017	31,153,751	104,815,298	4,386,301	7,995,834	8,809,405	157,160,589
<b>Depreciation</b>						
Accumulated depreciation as at 1 April 2017	4,935,287	55,093,223	3,477,117	6,162,184	250,000	69,917,811
Charge	740,917	4,573,464	297,645	564,300		6,176,326
Transfer						-
Disposals		(306,014)	(6,797)	(350,050)		(662,861)
31 December 2017	5,676,204	59,360,673	3,767,965	6,376,434	250,000	75,431,276
<b>Carrying Amount</b>						
31 December 2017	25,477,547	45,454,625	618,336	1,619,400	8,559,405	81,729,313
31 March 2017	25,877,094	45,947,646	776,859	1,745,398	11,046,989	85,393,986

FLOUR MILLS OF NIGERIA PLC

NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL STATEMENTS  
FOR THE NINE MONTHS ENDED 31 DECEMBER 2017

14 Group

Biological assets

	Livestock N'000	Oil palm N'000	Cassava N'000	Sugar N'000	Total N'000
Balance at 31 March, 2017	52,775	6,179	205,168	323,489	587,611
Addition	2,200		303,532		305,732
Harvested during the year	(18,969)	(74,561)			(93,530)
Fair value gain/ (loss)	(4,126)	74,561	70,745	123,761	264,941
Balance at 31 December, 2017	<u>31,880</u>	<u>6,179</u>	<u>579,445</u>	<u>447,250</u>	<u>1,064,754</u>

Analysed into:

Current assets

Non-current assets

	Dec-17 N'000	Mar-17 N'000
	1,015,962	558,480
	48,792	29,131
	<u>1,064,754</u>	<u>587,611</u>

FLOUR MILLS OF NIGERIA PLC

NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL STATEMENTS  
FOR THE NINE MONTHS ENDED 31 DECEMBER 2017

15 Group

<b>Intangible assets</b>	<b>Software N'000</b>
<b>Cost</b>	
At 1 April 2017	1,268,456
Additions	13,219
Disposals	
<b>At 31st December 2017</b>	<b><u>1,281,675</u></b>
<b>Amortisation</b>	
At 1 April 2017	1,060,086
Charge for the year	63,960
On disposals	
<b>At 31st December 2017</b>	<b><u>1,124,046</u></b>
<b>Net book value</b>	
At 31st December 2017	<u>157,629</u>
At 31 March 2017	<u>208,370</u>
<b>Company</b>	
	<b>software N'000</b>
<b>Cost</b>	
At 1 April 2017	650,774
Additions	13,219
On disposals	
<b>At 31st December 2017</b>	<b><u>663,993</u></b>
<b>Amortisation</b>	
At 1 April 2017	459,266
Charge for the year	56,346
Adjustments	
<b>At 31st December 2017</b>	<b><u>515,612</u></b>
<b>Carrying Amount</b>	
At 31st December 2017	<u>148,381</u>
At 31 March 2017	<u>191,508</u>

FLOUR MILLS OF NIGERIA PLC

NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL STATEMENTS  
FOR THE NINE MONTHS ENDED 31 DECEMBER 2017

16 Investment Property

<b>Group</b>		<b>N'000</b>
<b>Cost</b>		
At 1 April 2017		2,174,592
Additions		
Disposals		
<b>At 31st December 2017</b>		<u><u>2,174,592</u></u>
<b>Amortisation</b>		
At 1 April 2017		245,396
Charge for the year		77,947
On disposals		
<b>At 31st December 2017</b>		<u><u>323,343</u></u>
<b>Carrying mount</b>		
At 31st December 2017		<u><u>1,851,249</u></u>
At 31 March 2017		<u><u>1,929,196</u></u>

<b>Company</b>		<b>N'000</b>
<b>Cost</b>		
At 1 April 2017		73,285
Additions		
On disposals		
<b>At 31st December 2017</b>		<u><u>73,285</u></u>
<b>Amortisation</b>		
At 1 April 2017		25,148
Charge for the year		1,175
Adjustments		
<b>At 31st December 2017</b>		<u><u>26,323</u></u>
<b>Carrying Amount</b>		
At 31st December 2017		<u><u>46,962</u></u>
At 31 March 2017		<u><u>48,137</u></u>

FLOUR MILLS OF NIGERIA PLC

NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL STATEMENTS  
FOR THE NINE MONTHS ENDED 31 DECEMBER 2017

17 Investments in Subsidiaries

	Group		Company	
	31/12/2017 N'000	31/03/2017 N'000	31/12/2017 N'000	31/03/2017 N'000
<b>Unquoted</b>				
Apapa Bulk Terminal Limited	-	-	50,000	50,000
Golden Shipping Company Nigeria Limited	-	-	26,000	26,000
Golden Sugar Company Limited	-	-	10,000	10,000
Kaboji Farms Limited	-	-	30,000	30,000
Premier Feed Mills Company Limited	-	-	12,750	12,750
Nigerian Eagles Flour Mills Limited	-	-	510,000	510,000
Golden Penny Rice Limited	-	-	10,000	10,000
Crestview Towers Limited	-	-	10,000	10,000
Olympic Towers Limited	-	-	10,000	10,000
ROM Oil Mills Limited	-	-	3,598,728	1,915,728
Thai Farm International Limited	-	-	878,598	878,598
Agri Palm Limited	-	-	10,000	10,000
Agric Estate Limited	-	-	10,000	10,000
Agro Allied Farms Sunti Limited	-	-	10,000	10,000
Agro Allied Syrups Limited	-	-	10,000	10,000
Best Chickens Limited	-	-	10,000	10,000
Golden Agri Input Limited	-	-	50,000	50,000
			<b>5,246,076</b>	<b>3,563,076</b>
<b>Quoted</b>				
Northern Nigeria Flour Mills Plc	-	-	303,441	303,441
			<b>303,441</b>	<b>303,441</b>
<b>Total</b>	<b>-</b>	<b>-</b>	<b>5,549,517</b>	<b>3,866,517</b>

18 Available for sale investments

<b>Unquoted</b>				
Maiduguri Flour Mills Limited	5,956	5,956	5,956	5,956
Nextport Tradings Limited	2,000	2,000	2,000	2,000
	<b>7,956</b>	<b>7,956</b>	<b>7,956</b>	<b>7,956</b>
<b>Quoted</b>				
Transnational Corporation Plc	127,500	127,500	127,500	127,500
Fair value gain (loss)	(85,816)	(111,316)	(85,816)	(111,316)
	<b>41,684</b>	<b>16,184</b>	<b>41,684</b>	<b>16,184</b>
	<b>49,640</b>	<b>24,140</b>	<b>49,640</b>	<b>24,140</b>

19 Long-term loans receivable

Thai Farm International			1,367,014	433,303
Agri Palm Limited			1,127,584	556,851
Golden Penny Rice Limited			-	1,966,692
ROM Oil Mills Limited			20,379,517	10,450,576
Sunti Golden Sugar Estate			11,937,914	5,013,489
Northern Nigerian Flour Mills Plc			2,607,335	2,418,106
Golden Agri Inputs			7,012,646	2,183,509
Premier Feeds Mills Limited			8,922,183	2,030,527
Golden Sugar Company			8,467,576	
Agri Estate Limited			194,748	
Agro Allied Farm Sunti			815,150	
Agro Allied Syrup Limited			1,092,941	
Best Chickens Limited			449,032	
Olympic Tower Limited			2,260,510	
Kaboji Farms Limited			3,744,393	
Port Harcourt Flour Mills Limited	1,085,291	975,578		
Receivable from ABCML		13,444		
	<b>1,085,291</b>	<b>989,022</b>	<b>70,378,543</b>	<b>25,053,053</b>



FLOUR MILLS OF NIGERIA PLC

NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL STATEMENTS  
FOR THE NINE MONTHS ENDED 31 DECEMBER 2017

	Group		Company	
	31/12/2017 N'000	31/03/2017 N'000	31/12/2017 N'000	31/03/2017 N'000
<b>24 Trade and other payables</b>				
Trade payables	56,180,713	82,735,408	44,589,916	48,765,271
<b>Other Payables</b>				
Value added tax payables	1,794,223	2,383,843	271,878	1,132,602
Due to related parties			1,801,947	2,087,414
Withholding tax payables	290,988	297,789	239,756	245,287
Accruals	6,125,077	6,707,617	5,955,331	2,226,319
Sundry creditors	2,029,442	2,442,513	952,745	1,344,619
	<u>10,239,730</u>	<u>11,831,762</u>	<u>9,221,657</u>	<u>7,036,241</u>
	<u>66,420,443</u>	<u>94,567,170</u>	<u>53,811,573</u>	<u>55,801,512</u>
<b>25 Borrowings</b>				
<b>Unsecured borrowing at amortised cost</b>				
Bank of Industry (BOI) 7% -10%	31,546,508	36,641,687	304,992	4,716,646
CBN Commercial Agriculture Credit Scheme (CACCS) 9%	7,676,111	11,869,917	-	-
Real Sector Support Facility (RSSF) 9%	14,148,000	2,877,551	-	-
Commercial Paper Programme (Public) 19% - 23.75%	36,398,801	-	36,398,801	-
Other term loans 13% - 25%	71,105,390	131,545,710	53,396,850	107,391,128
Intra group loan 13% - 25%	-	-	17,010,241	5,039,247
	<u>160,874,810</u>	<u>182,934,865</u>	<u>107,110,885</u>	<u>117,147,021</u>
<b>Secured Borrowing at amortised cost</b>				
Other bank loans 12.5% - 16.5%	5,580,531	9,646,445	769,358	1,646,445
	<u>166,455,341</u>	<u>192,581,310</u>	<u>107,880,243</u>	<u>118,793,466</u>
<b>Analysed into</b>				
Current	104,086,067	141,702,267	89,502,855	111,429,573
Non-current	62,369,274	50,879,043	18,377,388	7,363,893
	<u>166,455,341</u>	<u>192,581,310</u>	<u>107,880,243</u>	<u>118,793,466</u>