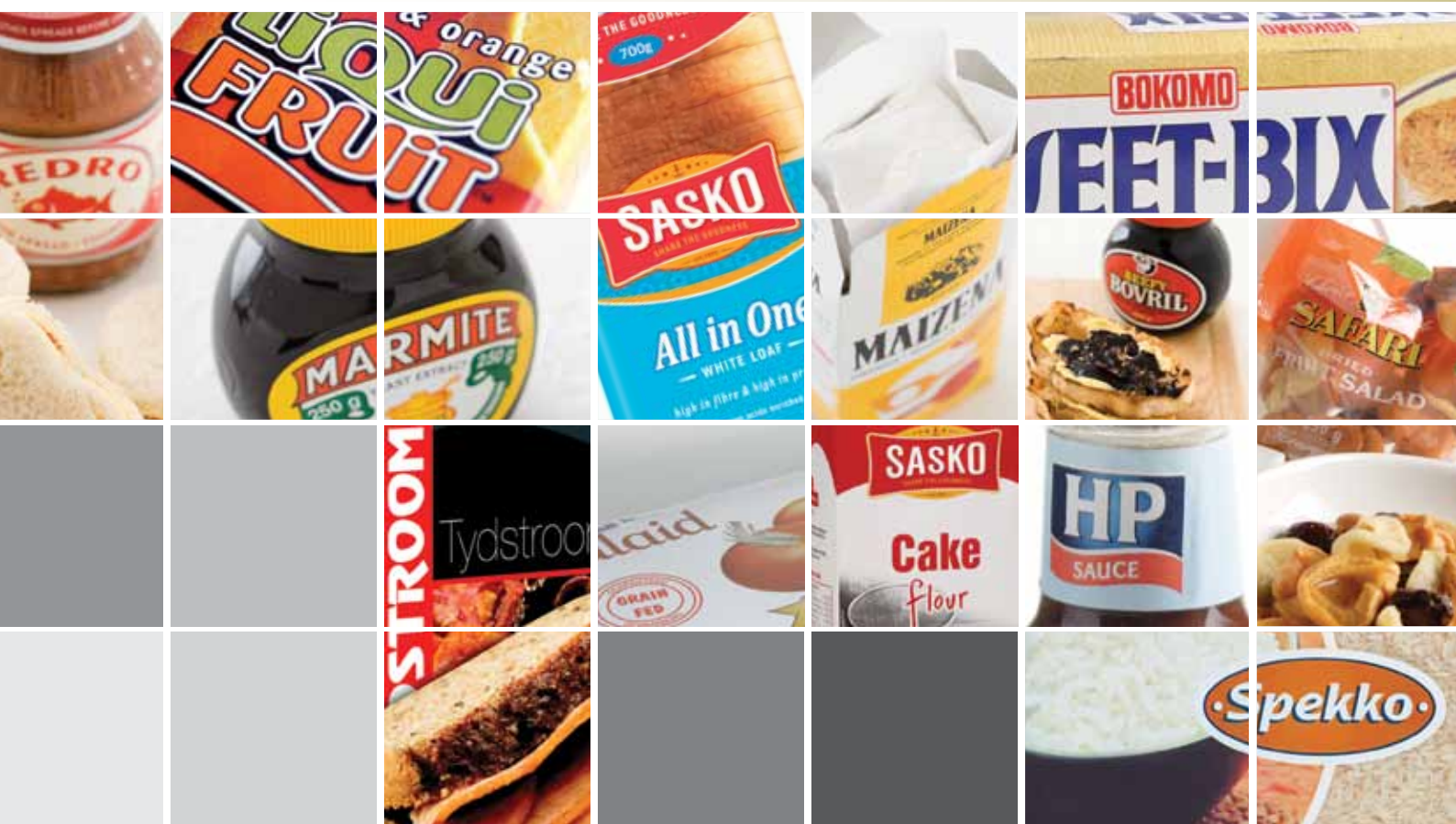



PIONEERFOODS
 SINCE 1920

ANNUAL REPORT 2009





vision

To be a leading food and beverage company through globally trusted brands

values

- | Accountability and commitment
- | Development and recognition of people
- | Adaptability
- | Consumer/customer focus
- | Integrity
- | Passion

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GROUP OVERVIEW

financial highlights 2009

REVENUE	R16.3 billion	+9%
OPERATING PROFIT before items of a capital nature	R1 160 million	+34%
HEADLINE EARNINGS per ordinary share	355 cents	+22%
TOTAL DIVIDEND per ordinary share	125 cents	+30%

White Star super maize meal celebrating 10 years of success.

Since the launch in March 1999, *White Star* super maize meal has achieved consistent growth to become one of the biggest super maize meal brands in South Africa. *White Star's* superior quality is underpinned by a character that is young, modern and vibrant – “The Clever Choice” super maize meal brand for millions of consumers daily.



GROUP OVERVIEW (continued)

at a glance

Pioneer Foods operates in the food and beverages business sectors. Our core business is the production, distribution, marketing and selling of a diverse range of food, beverages and related products for both human and animal consumption. Pioneer Foods is a significant player in these industries in Southern Africa.

Pioneer Foods produces affordable products of a consistently high quality and have a commitment to food safety and nutritional ethics. The Group's research and development infrastructure ensures and supports constant product innovation.

An extensive distribution network covers the entire country and key regions of the various Africa businesses. The Group employs more than 11 000 permanent employees.

business strategy

Organic growth in revenue

- Capacity expansion
- Brand support
- Focused sales and merchandising structure

New category and geographic expansion

- Evaluating opportunities to enter new categories
- Africa is a focus in the medium term

Margin improvement

- Continued alignment of sales prices with input costs
- Driving efficiencies through process optimisation
- Input cost management
- Strengthening brand positioning

Transformation

- Committed to the principles of transformation across the Group



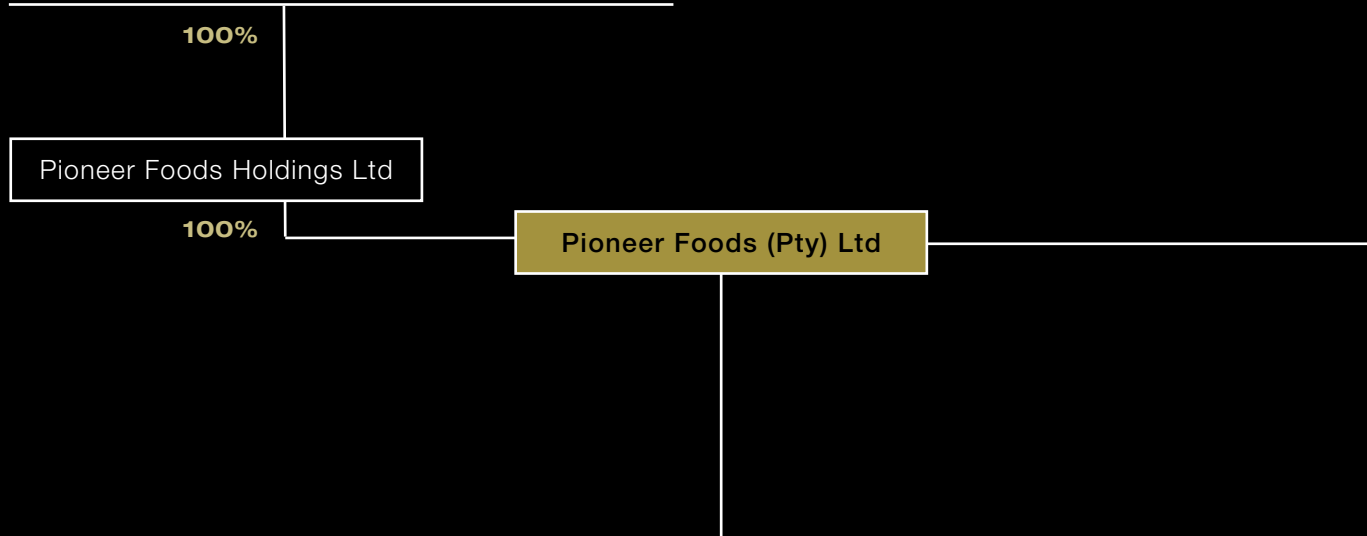
salient features

FINANCIAL RESULTS (R MILLION)	2009	2008	% CHANGE
Revenue	16 284	14 884	+9
Operating profit, before items of a capital nature	1 160	865	+34
Headline earnings	621	468	+33
Cash profit from operating activities	1 510	1 142	+32
Net cash from operations	1 888	490	+285
Capital and reserves	4 628	4 257	+9
PERFORMANCE PER SHARE (CENTS)			
Headline earnings	355	292	+22
Dividend	125	96	+30
Net asset value	2 623	2 438	+8
Price at year-end	3 350	2 477	+35
CORE RATIOS (%)			
Operating profit margin	7.1	5.8	
Return on average net assets	20	15	
Return on average shareholders' funds	14	12	
Debt to equity	14	34	

GROUP OVERVIEW (continued)

organisational structure

Pioneer Food Group Ltd



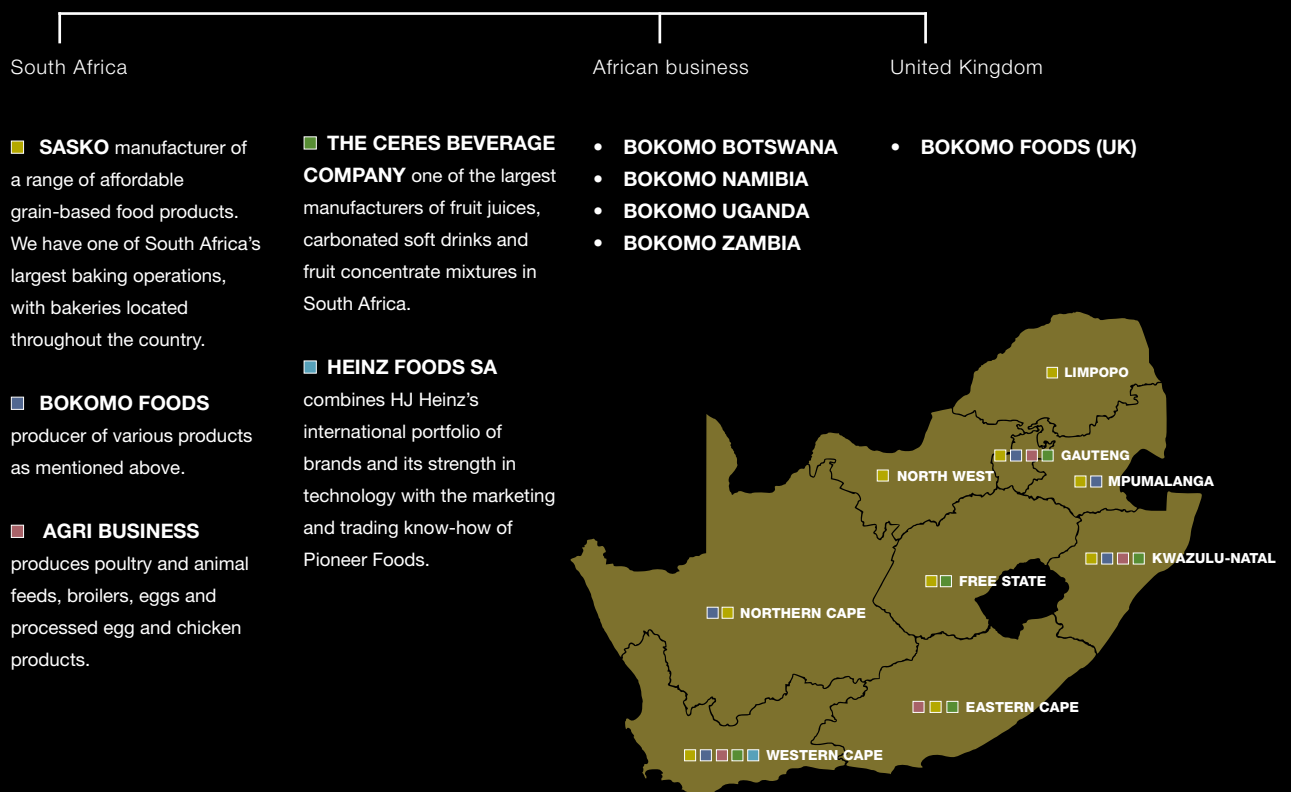
The business has interests in a number of joint ventures with international partners

HEINZ FOODS SA (PTY) LTD (49.9%)
Tomato sauces Tomato ketchup Frozen foods Condiments Seafood products Instant meals Noodles Soups Tinned food
BOKOMO FOODS (UK) LTD (100%)
Breakfast cereals
BOWMAN INGREDIENTS SA (PTY) LTD (50%)
Crumbs & batters
AFRICA BUSINESS
Bokomo Zambia Ltd (100%) Day-old-broilers Day-old-pullets Eggs
Bokomo Uganda (Pty) Ltd (100%) Day-old-broilers Day-old-pullets
Bokomo Namibia (Pty) Ltd (50%) Eggs Maize meal Wheaten flour Distribution of related Group products
Bokomo Botswana (Pty) Ltd (50%) Eggs Maize meal Wheaten flour Distribution of related Group products



The business operates through four divisions that manufacture food and beverage products in South Africa

areas of operation



GROUP OVERVIEW (continued)

who we are

The Group was formed in 1997 by a merger between Bokomo and Sasko, two established businesses that had been competing in the South African agricultural and food markets since the early 1900s.

Since their inception in the 1920s and 1930s respectively, both Bokomo and Sasko built leadership positions in their markets – each converting from a co-operative to a company during 1996 – prior to the merger to form Pioneer Foods.

what we do

Our core business is the production and distribution of food and beverages for human and animal consumption in Southern Africa.

We operate one of the largest milling and baking businesses, with our *Sasko* brand being one of the most recognisable brands throughout South Africa.

We are a leader in the breakfast cereal market in Southern Africa, with brands such as *Weet-Bix* and *ProNutro* being two of the top selling breakfast cereals, and we are a leader in the local dried fruit products market with our *Safari* brand.

We are a major player in the Southern African beverage industry with recognisable brands such as *Liqui-Fruit*, *Ceres* and *Pepsi*.

