

# Clover earnings up between 82% and 92%

Clover Industries said that it expects headline earnings per share (HEPS) for the six months ended December to be between 82% and 92% higher than year-earlier period, when it reported HEPS of 40.7c.



Clover's promotional drive in the past year has seen its earnings rise dramatically. Image: Clover.

Earnings per share are expected to be between 80% and 90% higher than the 46.4c achieved in the corresponding period last year.

Clover attributed the rise to the non-recurring marketing investments in new product launches made during the first half of 2013; the two price increases last year; reduced promotional activities following the selling price increases; the positive contribution of project Cielo Blu; various cost saving initiatives and exchange rate profits made by certain African subsidiaries from the weakening rand.

Clover cautioned shareholders that it did not expect this level of earnings improvement to continue into the second half of the financial year because of strong overall inflationary cost pressures specifically relating to raw milk, packaging and fuel costs; and the negative impact of the high inflationary environment on consumers.

Clover expects to release its interim results in March