AIM: WYN
29 June 2016

WYNNSTAY GROUP PLC
(“Wynnstay” or “the Group”)

Half Year Results
For the six months to 30 April 2016

Key Points

- Robust results in line with management expectations
  - balanced business model continued to help offset impact of poor trading environment; low prices for farmers’ products now in second year

- Revenue of £193.24m (2015: £200.56m) – commodity price deflation reduced revenue by c. £20m

- Pre-tax profit of £4.08m (2015: £4.82m)

- Earnings per share of 17.22p (2015: 20.26p)

- Net debt at 30 April 2016 reduced to £3.90m (2015: £8.09m)

- Net assets at 30 April 2016 increased to £85.06m (2015: £80.28m)

- Interim dividend of 4.00p (2015: 3.70p) – an increase of 8.1%
  - in line with progressive dividend policy
  - reflects Board’s view of cyclical nature of sector downturn

- Agricultural Division – revenue of £135.18m, operating profit of £1.82m
  - affected by lower demand for dairy-related feed products
  - arable products in H1 higher year-on-year after a relatively slow start

- Specialist Retail Division – revenue of £57.97m, operating profit of £2.41m
  - affected by wider sector conditions although trading at Wynnstay Stores was generally encouraging
  - Agricentre integration underway – expected to make a positive contribution to Group in 2017. H1 revenue contribution of £5.97m

- Shorter term challenges remain but the Group is positioned to achieve its targets for the full year

Ken Greetham, Chief Executive of Wynnstay, commented:

“We are pleased to deliver robust results, in line with management expectations, despite a particularly challenging backdrop of poor output prices for farmers, which has affected the entire industry. These robust results have been underpinned by the Group’s broad spread of activities across both the arable and feed sectors.

Along with our strong balance sheet, the breadth of Wynnstay’s model leaves us well-positioned to take advantage of opportunities for growth and we continue to invest in the infrastructure of the business.

While the macroeconomics of the market suggest a return to more acceptable pricing, which will bring renewed vigour to the sector, the recovery in output prices for farmers is difficult to predict. Notwithstanding this and the emerging implications of the EU referendum result, we believe that Wynnstay remains positioned to achieve its targets for the financial year and continue to view long term prospects positively."

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CHAIRMAN'S STATEMENT

INTRODUCTION

The Group has delivered robust results in the first half with pre-tax profit of £4.08m (2015: £4.82m) on revenues of £193.24m (2015: £200.56m). While lower than last year, results are in line with management expectations, and reflect deflation and subdued activity as depressed prices for farmers' products continued to squeeze industry spend. This climate of poor output prices for farmers, which relates to an imbalance in world markets, is now in its second year and remains an issue for the whole industry. Against this unusually challenging backdrop, the Group's broad business base, with its spread of activities across both the arable and feed sectors, continues to demonstrate the advantages of our model.

Pressure on farm income is particularly evident in the dairy sector with feed volumes down year-on-year, reflecting the wider national trend. After a relatively slow start, sales of arable products gained momentum, with strong sales of seed and increased direct-to-farm fertiliser volumes. Grain trading volumes increased reflecting the good harvest last year but grain prices remained low.

Trading at Wynnstay Stores, which is principally geared towards farmers, was also affected by these adverse trading conditions but we are pleased with the overall performance. The integration of Agricentre, the farm supplies operation based in Calne, Wiltshire, which we acquired at the end of October 2015 is progressing. Rebranded 'Wynnstay Agricentre', the eight stores, which were loss-making at acquisition, are expected to make a positive contribution to the Group in 2017.

Looking ahead, we continue with our investment plans across the Group and believe that Wynnstay is well positioned within the agricultural supply sector. While the macroeconomics of the market suggest a return to more acceptable pricing, which will bring renewed vigour to the sector, the recovery in output prices for farmers is difficult to predict.

The result of last week's EU referendum vote is not expected to bring immediate change to our sector and given the importance of UK agriculture and the wider rural economy, and factors such as the environment and tourism, the industry anticipates ongoing support from government. Notwithstanding the uncertainty, as a result of the EU referendum and low farmgate prices, we believe that Wynnstay remains positioned to achieve its targets for the financial year and continue to view long term prospects positively.

FINANCIAL RESULTS

Revenue for the six months to 30 April 2016 was £193.24m (2015: £200.56m). This 3.6% reduction reflects continuing commodity price deflation, which reduced revenue by an estimated £20m, as well as lower volumes of manufactured feed products. The Agriculture Division contributed £135.18m (2015: £147.33m) to Group revenues and our Specialist Retail Division contributed revenue of £57.97m (2015: £53.18m), including £5.97m from the Agricentre acquisition, which represented a full six months contribution (2015: nil).

Operating profit decreased to £4.18m (2015: £4.95m), after intangible amortisation and share-based payment charges of £0.07m (2015: £0.18m). Operating profit in the Agricultural Division was £1.82m (2015: £2.23m), with lower demand for dairy related feed products the primary factor affecting this result. Operating profit at our Specialist Retail Division decreased to £2.41m (2015: £2.85m) and was also affected by the adverse impact on farm incomes, as well as the initial higher costs relating to the Agricentre acquisition and the new Just for Pets stores. Other activities incurred a lower year-on-year operating loss of £0.05m (2015: £0.13m), primarily as a result of lower share based remuneration charges. As in prior years, the contribution from our Joint Ventures will be consolidated into the full year results.

Net finance costs reduced to £0.10m (2015: £0.13m) reflecting lower average net debt through the period, with commodity price deflation benefiting working capital. Net debt at 30 April 2016 reduced by 52% year-on-year to £3.90m (2015: £8.09m), following lower working capital utilisation in the first half, which is historically the Group's peak cash requirement period.

Profit before tax decreased to £4.08m (2015: £4.82m) and earnings per share were 17.22p (2015: 20.26p).

Net assets at 30 April 2016 were 6% higher at £85.06m (2015: £80.28m). This represents approximately £4.38 per share (2015: £4.20 per share), based on the weighted average number of shares in issue during the period of 19.39m (2015: 19.13m).

DIVIDEND

The Board is pleased to declare an increased interim dividend of 4.00p per share (2015: 3.70p), a rise of 8.1% year-on-year. The dividend is in line with our progressive dividend policy and reflects both the Board's view of the cyclical nature of the current downturn and its confidence in Wynnstay's long term prospects. It will be paid on 31 October 2016 to shareholders on the register at the close of business on 30 September 2016. As in previous years, a Scrip Dividend alternative will also be available, with the last day for election for this scheme being 14 October 2016.

REVIEW OF OPERATIONS

AGRICULTURE

Output prices for farmers remain below the realistic cost of production. This is particularly evident in the dairy sector and has resulted in a UK wide reduction in demand for feed products. Grain prices also remain low, however the 2015 yields were good, and have led to increased trading volumes for the season. The combination of subdued market sentiment and a delayed spring tempered demand for arable inputs in the first quarter. However demand gained momentum in the second quarter and the resultant spot trade was very encouraging. Consequently, first half sales for arable inputs were ahead of the comparable period last year although the shift in buying patterns added to distribution costs.

Feed Products

The challenges faced by customers supplying the dairy market resulted in a reduction in demand for compound and blended feeds, although this was partly offset by an increase for sheep feeds. Reflecting the national trend, overall feed volumes were lower than the comparable period in 2015, which was strong, but outperformed the 2014 season. Pressure on margins during the period was partly offset by efficiency gains and a reduction in third party manufacture. The Group continues to invest in its feed mills and plans are underway for a state-of-the-art packaging facility which will support distribution to our expanding network of retail stores.

Glasson Grain

Sales of fertiliser gained momentum in the second quarter and the volume of both traded raw materials for feed and of specialist products has been buoyant. However, as expected, overall margin pressure has reduced the contribution from the Glasson business compared to last year's strong performance.

Arable Products

After a relatively slow start, demand for arable products was buoyant in the spring and the resultant spot market was very active. Strong cereal and herbage seed sales helped drive total arable product volumes and sales above last year's level – although the late spring delayed demand for agrochemicals.

Direct-to-farm fertiliser sales were also very strong in the second quarter, resulting in higher volumes in the first half year-on-year. The large grain harvest from the 2015 season contributed to an increase in the volume of cereals marketed through our GrainLink and Woodheads businesses. There is still a reasonable volume of grain on farms which, along with the anticipated 2016 harvest, creates opportunity for trading into the next financial year.

SPECIALIST RETAIL

Wynnstay Stores
The network of Wynnstay Stores has grown significantly over recent years and now totals 51 outlets. These outlets provide strong links with our customer base and act as a platform for the continued development of the agricultural business. The integration of the recently acquired Agricentre business is underway and the stores have now been rebranded as 'Wynnstay Agricentre'. The acquisition takes Wynnstay Stores into a major new geographic region, which encompasses the South and West Country, and part of our integration initiative will be to increase the range of products available throughout Wynnstay Agricentre's trading area.

Overall sales increased by 10.7%, reflecting the Agricentre acquisition, however there was a small reduction in like-for-like sales. This mainly reflected a reduced level of spending in the livestock sector, including a reduction in collected fertiliser and some hardware products.

Just for Pets
During the period, the number of outlets in the business increased to 23 stores, with a new store opened at Nottingham, following two new stores at Cambourne and Reading in the second half of the last financial year. Like-for-like sales from Just for Pets reduced slightly in the period and its operating profit contribution was affected by costs associated with the newer stores. In May, we established a new concept store at a rural destination centre, which has taken store numbers to 24. Branded 'Bessie and Boo', this new outlet is a pet boutique store catering for the leisure shopper. Early signs are encouraging and we are considering opportunities to replicate the model. We also plan to open further new stores which follow our traditional format in the second half of the financial year.

JOINT VENTURES AND ASSOCIATES

As usual, the results from the Group's joint ventures and associate companies will be consolidated into the Group's full year results and are not included in this interim report.

BOARD CHANGES

In April 2016, Steve Ellwood, formally joined the Board of Wynnstay as a Non-executive Director. We are delighted to welcome him and believe that Wynnstay will benefit from his extensive commercial and banking experience in the Agricultural and Agri-food sector.

OUTLOOK

The agricultural environment remains difficult for our farmer customers and there are only limited signs of improvement in near term trading conditions. Nonetheless, we continue to take a positive view of prospects for UK agriculture, which are expected to benefit from long term macroeconomic drivers. The outcome of the recent referendum on the UK's membership of the European Union now brings to the fore the question of the ongoing level of economic support for agriculture and rural communities. While this brings uncertainty, the industry expects some degree of financial support to continue given the sector's strategic importance. As the exit agreement and new trade deals are negotiated, the UK will remain an efficient producer of agricultural products to the domestic and world markets. The breadth of the Wynnstay model will stand the Group in good stead and bring further opportunities as the industry evolves. There is no doubt however that the requirement for further efficiency within all parts of the agricultural industry will be an important aspect for all businesses.

We continue to invest in the infrastructure of the business to support Wynnstay's long term prospects and, with its broad business base and strong balance sheet, the Group remains well placed to take advantage of opportunities for continued growth.

Jim McCarthy
Chairman

WYNNSTAY GROUP PLC
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the six months ended 30 April 2016

	Note	**Unaudited six months ended 30 April 2016 *£'000***	Unaudited six months ended 30 April 2015 *£'000*	Audited year ended 31 October 2015 *£'000*
Revenue		**193,237**	200,556	377,382
Cost of sales		**(164,781)**	(172,410)	(321,874)
Gross profit		**28,456**	28,146	55,508
Manufacturing, distribution and selling costs		**(21,131)**	(20,344)	(42,265)
Administrative expenses		**(3,268)**	(2,855)	(4,666)
Other operating income	11	**187**	185	476
Group operating profit before intangible amortisation share-based payment costs and exceptional item		**4,244**	5,132	9,053
Intangible amortisation and share-based payment costs		**(69)**	(183)	(344)
Exceptional item		**-**	-	(319)
Group operating profit		**4,175**	4,949	8,390
Interest income		**18**	21	50
Interest expense		**(118)**	(148)	(290)
Share of profits/(losses) in associates and joint ventures	2	**-**	-	245
Share of tax incurred in associates and joint ventures		**-**	-	(58)
Profit before taxation		**4,075**	4,822	8,337
Taxation	5	**(735)**	(947)	(1,667)
Profit for the period		**3,340**	3,875	6,670
Earnings per 25p share before exceptional	6	**17.22p**	20.26p	36.32p
Diluted earnings per 25p share before exceptional	6	**17.14p**	20.02p	35.91p
Earnings per 25p share	6	**17.22p**	20.26p	34.66p
Diluted earnings per 25p share	6	**17.14p**	20.02p	34.27p

WYNNSTAY GROUP PLC
CONDENSED CONSOLIDATED BALANCE SHEET
As at 30 April 2016

	Note	**Unaudited as at 30 April 2016 £'000**	Unaudited as at 30 April 2015 £'000	Audited as at 31 October 2015 £'000
Assets				
Non-current assets				
Goodwill		**18,142**	17,521	18,155
Investment property		**2,372**	-	2,372
Property, plant and equipment		**19,312**	18,490	19,424
Investments		**3,580**	3,643	3,680
Intangibles		**117**	83	124
		43,523	39,737	43,755
Current assets				
Inventories		**34,016**	30,929	31,694
Trade and other receivables		**57,457**	64,054	48,607
Held for sale assets	7	**-**	2,372	-
Financial assets - loans to joint ventures		**2,802**	2,802	2,802
Cash and cash equivalents	12	**2,762**	91	9,750
		97,037	100,248	92,853
Total assets		**140,560**	139,985	136,608
Liabilities				
Current liabilities				
Financial liabilities - borrowings		**(2,948)**	(6,646)	(3,643)
Trade and other payables		**(47,519)**	(50,134)	(44,739)
Current tax liabilities		**(1,107)**	(1,047)	(861)
		(51,574)	(57,827)	(49,243)
Net current assets		**45,463**	42,421	43,610
Non-current liabilities				
Financial liabilities - borrowings		**(3,711)**	(1,537)	(3,972)
Trade and other payables		**-**	(50)	(246)
Deferred tax liabilities		**(220)**	(292)	(292)
		(3,931)	(1,879)	(4,510)
Total liabilities		**(55,505)**	(59,706)	(53,753)
Net assets		**85,055**	80,279	82,855
Equity				
Ordinary shares	8	**4,862**	4,835	4,848
Share premium		**28,679**	28,251	28,439
Other reserves		**2,932**	2,593	2,890
Retained earnings		**48,582**	44,600	46,678
Total equity		**85,055**	80,279	82,855

WYNNSTAY GROUP PLC
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
For the six months ended 30 April 2016

	Note	**Share capital** *£'000*	**Share premium** *£'000*	**Other reserves** *£'000*	**Retained earnings** *£'000*	**Total equity** *£'000*
Balance at 1 November 2014		4,777	27,633	2,796	42,025	77,231
Profit for the period		-	-	-	3,875	3,875
Total comprehensive income for the period		-	-	-	3,875	3,875
Transactions with owners of the company, recognised directly in equity						
Shares issued during the period		58	618	-	-	676
Own shares acquired by ESOP trust		-	-	(380)	-	(380)
Dividends		-	-		(1,300)	(1,300)
Equity settled share-based payments transactions		-	-	177	-	177
Total contributions by and distributions to owners of the Group		58	618	(203)	(1,300)	(827)
At 30 April 2015		4,835	28,251	2,593	44,600	80,279
Profit for the period		-	-	-	2,795	2,795
Total comprehensive income for the period		-	-	-	2,795	2,795
Transactions with owners of the company, recognised directly in equity						
Shares issued during the period		13	188	-	-	201
Own shares disposed of by ESOP trust		-	-	140	-	140
Dividends		-	-	-	(717)	(717)
Equity settled share-based payments transactions		-	-	157	-	157
Total contributions by and distributions to owners of the Group		13	188	297	(717)	(219)
At 31 October 2015		4,848	28,439	2,890	46,678	82,855
Profit for the period					3,340	3,340
Total comprehensive income for the period					**3,340**	**3,340**
Transactions with owners of the company, recognised directly in equity						
Shares issued during the period	8	14	240	-	-	254
Own shares acquired by ESOP trust		-	-	(20)	-	(20)
Dividends	9	-	-		(1,436)	(1,436)
Equity settled share-based payments	14	-	-	62	-	62
Total contributions by and distributions to owners of the Group		**14**	**240**	**42**	**(1,436)**	**(1,140)**
At 30 April 2016		**4,862**	**28,679**	**2,932**	**48,582**	**85,055**

WYNNSTAY GROUP PLC
CONDENSED CONSOLIDATED CASH FLOW STATEMENT
For the six months ended 30 April 2016

	Note	**Unaudited six months ended 30 April 2016 *£'000***	Unaudited six months ended 30 April 2015 *£'000*	Audited year ended 31 October 2015 *£'000*
Cash flow from operating activities				
Cash (used in) / generated from operations	13	**(3,033)**	(7,378)	8,609
Interest received		**18**	21	50
Interest paid		**(118)**	(148)	(290)
Tax paid		**(561)**	(613)	(1,519)
Net cash flows from operating activities		**(3,694)**	(8,118)	6,850
Cash flows from investing activities				
Acquisitions in period		**-**	(387)	(3,287)
Proceeds on sale of property, plant and equipment		**121**	180	313
Purchase of property, plant and equipment	13	**(603)**	(707)	(1,836)
Proceeds on sale of investments		**100**	-	150
Own shares acquired by ESOP Trust		**-**	(380)	(380)
Own shares disposed of by ESOP trust		**(20)**	-	140
Net cash used by investing activities		**(402)**	(1,294)	(4,900)
Cash flows from financing activities				
Net proceeds from the issue of ordinary share capital		**254**	676	877
Net proceeds from drawdown of new loans		**-**	-	3,500
Finance lease principal repayments		**(320)**	(482)	(985)
Repayments of borrowings		**(1,400)**	(986)	(1,967)
Dividends paid to shareholders		**(1,436)**	(1,300)	(2,017)
Net cash generated from financing activities		**(2,902)**	(2,092)	(592)
Net (decrease)/increase in cash and cash equivalents		**(6,998)**	(11,504)	1,358
Cash and cash equivalents at beginning of period		**9,747**	8,389	8,389
Cash and cash equivalents at end of period	12	**2,749**	(3,115)	9,747

WYNNSTAY GROUP PLC
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

1. Basis of preparation

The Interim Report was approved by the Board of Directors on 28 June 2016.

The condensed financial statements for the six months to the 30 April 2016 have been prepared in accordance with International Accounting Standard (IAS) 34 Interim Financial Reporting except as disclosed in note 2.

The financial information for the Group for the year ended 31 October 2015 set out above is an extract from the published financial statements for that year which have been delivered to the Registrar of Companies. The auditors' report on those financial statements was not qualified and did not contain statements under section 498(2) or 498(3) of the Companies Act 2006. The information contained in this document does not constitute statutory accounts within the meaning of section 434 of the Companies Act 2006.

The financial information for the six months ended 30 April 2016 and for the six months ended 30 April 2015 is unaudited.

The condensed consolidated interim financial statements should be read in conjunction with the annual consolidated financial statements for year ended 31 October 2015, which have been prepared in accordance with IFRS as adopted by the EU.

The Directors have prepared the condensed consolidated interim financial statements on a going concern basis, having satisfied themselves from a review of internal budgets and forecasts and current banking facilities that the Group has adequate resources to continue in operational existence for the foreseeable future.

2. Consolidation of share of results in joint ventures and associates

As the Group has a policy of using audited accounts for the consolidation of its share of the results of joint venture and associate activities, no such consolidation has occurred during the six months to 30 April 2016. Although this is not in accordance with IFRS the impact on the financial statements is not material. Relevant results will be accounted for during the second half of the financial year.

3. Significant accounting policies

The condensed financial statements have been prepared on an historical cost basis or fair value basis as appropriate.

The same accounting policies, presentation and methods of computation are followed in these condensed financial statements as were applied in the preparation of the Group's financial statements for the year ended 31 October 2015. A copy of these financial statements is available from the Company's Registered Office at Eagle House, Llansantffraid, Powys SY22 6AQ.

The following adopted IFRS have been issued but have not been applied by the Group in these financial statements.

Their adoption is not expected to have a material effect on the financial statements.

New or amendments to existing standards	**EC Effective for accounting periods commencing on or after**
Accounting for Acquisitions of Interest in Joint Ventures - amendment to IFRS 11	1 January 2016
Clarification of Acceptable Methods of Depreciation and Amortisation - Amendments to IAS 16 and IAS 38	1 January 2016
Agriculture: Bearer Plants - Amendments to IAS 16 and IAS 41	1 January 2016
Equity Methods in Separate Financial Statement - Amendment to IAS 27	1 January 2016
Annual Improvements to IFRSs - 2012 - 2014 Cycle	1 January 2016

Disclosure initiative - Amendments to IAS 1	1 January 2016
Disclosure initiative - Amendments to IAS 7	1 January 2017
Recognition of Deferred Tax assets for Unrealised Losses (Amendments to IAS 12)	1 January 2017
IFRS 15 Revenue from Contracts with Customers	1 January 2018
IFRS 9 Financial Instruments	1 January 2018
IFRS 16 Leases	1 January 2019

The accounting policies applied by the Group in these condensed consolidated interim statements are substantially the same as those applied by the Group in its consolidated financial statements for the 12 months ending 31 October 2015. There have been a number of minor changes to standards which became applicable for the year ended 31 October 2016, none of which have been assessed as having a significant impact on the Group.

4. Exceptional item

The Exceptional item included last year related to expenses associated with the acquisition and re-organisation of the business and certain trading assets of the Agricentre Farm Supplies.

5. Taxation

The tax charge for the six months ended 30 April 2016 and 30 April 2015 is based on an apportionment of the estimated tax charge for the full year.

The effective tax rate is 18.03% which is lower than the standard rate of 20% (2015: 20%). Taxable profit differs from the profit as reported in the Group Statement of Comprehensive Income because it excludes items of income and expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. Reductions in the UK corporation tax rate to 20% effective from 1 April 2015 were substantively enacted on 2 July 2013. Further reductions to 19% (effective 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015. This will reduce the Groups future current tax charge accordingly. The deferred tax liability has been calculated based on a rate of 18% substantively enacted at the balance sheet date.

6. Earnings per share

Earnings per share have been calculated based on the profit attributable to ordinary shareholders of £3,339,926 (six months ended 30 April 2015: profit of £3,875,277) and the weighted average number of shares in issue of 19,392,684 (2015: 19,128,725). Diluted earnings per share are based on the aggregate weighted average number of shares and all potential shares adjusted for their proposed issue price, of 19,489,260 (2015: 19,356,042).

7. Held for sale assets

The assets previously categorised as “Held for sale ” representing a re-developed property in Pwllheli, North Wales were classified in October 2015 as an Investment Property, as no realistic offer had been received. However the Group continues to actively market the property.

8. Share capital

During the current period a total of 57,920 (2015: 232,277) shares were issued with an aggregate nominal value of £14,480 (2015: £58,069) fully paid up for equivalent cash of £254,738 (2015: £676,301). Included in these issues were 52,120 (2015: 53,470) shares allotted to shareholders exercising their rights to receive dividends under the Company's scrip dividend scheme and 5,800 shares (2015: 178,807) allotted to relevant holders exercising options in the Company. No other shares (2015: nil) were allocated during the period. As at 30 April 2016 a total of 19,448,884 shares are in issue (2015: 19,340,696).

9. Dividends

During the period ended 30 April 2016 an amount of £1,435,831 (2015: £1,300,240) was charged to reserves in respect of equity dividends paid. An interim dividend of 4.00p per share (2015: 3.70p) will be paid on 31 October 2016 to shareholders on the register on 30 September 2016. New elections to receive scrip dividends should be made in writing to the Company's Registrars before 14 October 2016.

10. Segmental reporting

IFRS 8 requires operating segments to be identified on the basis of internal financial information about the components of the Group that are regularly reviewed by the chief operating decision maker ("CODM") to allocate resources to the segments and to access their performance.

The chief operating decision maker has been identified as the Board of Directors ('the Board'). The Board reviews the Group's internal reporting in order to assess performance and allocate resources. The Board has determined that the operating segments, based on these reports are Agricultural, Specialist Retail and Other.

The Board considers the business from a product/service perspective. In the Board's opinion, all of the Group's operations are carried out in the same geographical segments, namely the United Kingdom.

Agriculture - Manufacturing and supply of animal feeds, fertiliser, seeds and associated agricultural products.

Specialist Retail - Supplies of a wide range of specialist products to farmers, smallholders and pet owners.

Other - Miscellaneous operations not classified as agriculture or specialist retail.

The Board assesses the performance of the operating segments based on a measure of operating profit. Finance income and costs are not included in the segmental result that is assessed by the Board.

Other information provided to the Board is measured in a manner consistent with that in the financial statements. Inter-segmental transactions are entered into under the normal commercial terms and conditions that would be available to unrelated third parties.

The Board has assessed the movement in net assets within each operating segment and notes that there has been no material differences compared to the previous year.

The segment results for the period ended 30 April 2016 are as follows:

	Agriculture	Specialist Retail	Other	Total
	£'000s	*£'000s*	*£'000s*	*£'000s*
Unaudited for the six months ended 30 April 2016:				
Revenue	**135,179**	**57,972**	**86**	**193,237**
Segment results	**1,817**	**2,405**	**(47)**	**4,175**
Share of result of associates & joint ventures	**-**	**-**	**-**	**-**
	1,817	**2,405**	**(47)**	**4,175**
Interest income				**18**
Interest expense				**(118)**
Profit before tax				**4,075**
Taxation				**(735)**
Profit for the period attributable to shareholders				**3,340**
Unaudited for the six months ended 30 April 2015 :				
Revenue	147,334	53,176	46	200,556
Segment results	2,225	2,850	(126)	4,949
Share of result of associates & joint ventures	-	-	-	-
	2,225	2,850	(126)	4,949
Interest income				21
Interest expense				(148)
Profit before tax				4,822
Taxation				(947)
Profit for the period attributable to shareholders				3,875
Audited for the year ended 31 October 2015 :				
Revenue	270,047	107,193	142	377,382
Segment results	3,953	5,006	(250)	8,709
Share of result of associates & joint ventures	181	76	(12)	245
	4,134	5,082	(262)	8,954
Exceptional item				(319)
Interest income				50
Interest expense				(290)
Profit before tax				8,395
Income taxes (includes tax of associates & joint ventures				(1,725)
Profit for the year attributable to shareholders				6,670

11. Other operating income

	Unaudited as at 30 April 2016	Unaudited as at 30 April 2015	Audited as at 31 October 2015
	£'000s	*£'000s*	*£'000s*
Rental income	**187**	185	393
Other operating income	**-**	-	83
Other operating income	**187**	185	476

12. Cash and cash equivalents and bank overdrafts

	Unaudited as at 30 April 2016	Unaudited as at 30 April 2015	Audited as at 31 October 2015
	£'000s	*£'000s*	*£'000s*
Cash and cash equivalents per balance sheet	**2,762**	91	9,750
Bank overdrafts	**(13)**	(3,206)	(3)
Cash and cash equivalents per cash flow statement	**2,749**	(3,115)	9,747

13. Cash generated (used in)/generated from operations

	Unaudited six months ended 30 April 2016 *£'000s*	Unaudited six months ended 30 April 2015 *£'000s*	Audited year ended 31 October 2015 *£'000s*
Profit for the period	**3,340**	3,875	6,670
Adjustments for:			
Taxation	**735**	947	1,667
Depreciation of tangible fixed assets	**1,431**	1,298	2,665
Amortisation of intangibles	**7**	6	10
(Profit) on disposal of property, plant and equipment	**(83)**	(146)	(260)
Interest income	**(18)**	(21)	(50)
Interest income	**118**	148	290
Share of results of joint ventures and associates	**-**	-	(187)
Share based payment expenses	**62**	177	334
Changes in working capital (excluding effects of acquisitions and disposals of subsidiaries)			
(Increase)/ decrease in inventories	**(2,322)**	(1,055)	287
(Increase)/ decrease in trade and other receivables	**(8,850)**	(15,305)	143
Increase/ (decrease) in payables	**2,547**	2,698	(2,960)
Cash (used in)/ generated from operations	**(3,033)**	(7,378)	(8,609)

During the six months to 30 April 2016, the Group purchased property, plant and equipment of £1,357,000 (2015: £1,516,000) of which £754,000 (2015: £809,000) relates to assets acquired under finance leases.

14. Other reserves

Included in Other reserves are share-based payments: the Group issues equity-settled share-based payments to certain employees. Equity-settled share-based payments are measured at fair value at the date of the grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of shares that will eventually vest.

The Group operates a number of share option and Save As You Earn schemes and fair value is measured by use of a recognised valuation model. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

At the 30 April 2016, the ESOP Trust, which is consolidated within the Group’s financial statements held 51,899 Ordinary Shares in the Group. The resulting impact of this consolidation has been a reduction in the other reserves figure, as shown in the condensed consolidated statement of changes in equity, of £263,000 and a £1,000 cash balance.

15. Group financial commitments

As at 30 April 2016, the Group's contingent liabilities in respect of bank guarantees for one of its joint ventures amount to £125,000 (2011: £125,000).

16. Capital commitments

As at 30 April 2016 the Group had capital commitments as follows:

	Unaudited as at 30 April 2016	Unaudited as at 30 April 2015	Audited as at 31 October 2015
	£'000s	*£'000s*	*£'000s*
Contracts placed for future capital expenditure not provided in the financial statements	**2,005**	262	377

17. Related parties

Transactions between the Company and its subsidiaries, which are related parties have been eliminated on consolidation and are not disclosed in this note. Transactions between the Group and its joint ventures and associates are described below:

	Transaction value			**Balance outstanding**		
	Unaudited six months ended 30 April 2016	Unaudited six months ended 30 April 2015	Audited year ended 31 October 2015	**Unaudited as at 30 April 2016**	Unaudited as at 30 April 2015	Audited as at 31 October 2015
	£'000s	*£'000s*	*£'000s*	*£'000s*	*£'000s*	*£'000s*
Sales of goods to Joint ventures and associates	**6,480**	14,928	19,615	**3,670**	7,563	4,186
Purchases of goods from Joint ventures and associates	**3,677**	6,052	8,031	**2,758**	1,676	424
Interest receivable from Joint ventures and associates		-	60		-	-
Loans with joint ventures	**-**	-	-	**2,802**	2,802	2,802

Sales of goods to related parties were made at the Group's usual list prices, less average discounts. Purchases were made at market price discounted to reflect the quantity of goods purchased and the relationship between parties.