



DANGOTE INDUSTRIES LIMITED DIVESTS MAJORITY STAKE IN DANGOTE FLOUR MILLS PLC TO TIGER BRANDS LIMITED

Dangote Industries Limited ("DIL" or "the Group") is pleased to announce the execution of a Share Sale and Purchase Agreement ("SSPA") with Tiger Brands Limited ("Tiger Brands") in respect of the sale of 3,167,716,667 ordinary shares out of the Group's 3,667,716,667 ordinary shares of 50 kobo each in Dangote Flour Mills Plc ("DFM" or "the Company") representing 63.35% of the total issued ordinary share capital of DFM ("the Transaction"). The execution of the SSPA followed the receipt of approvals from the Board and Shareholders of DIL as well as requisite regulatory approvals from the Securities & Exchange Commission, Nigeria and The Nigerian Stock Exchange.

The executed SSPA, which articulates the terms under which the Sale was consummated with Tiger Brands, provides that DIL will retain a strategic interest of 10.00% of the total issued ordinary share capital of DFM for a minimum period of five years after implementation of the Transaction during which the Group will have the right to appoint two directors to the Board of DFM, with Alhaji Aliko Dangote continuing as Chairman of the Company.

This divestment is in furtherance of DIL's on-going optimisation/diversification objective and relates specifically to its going forward strategies for DFM (its subsidiary company in the Food Products segment of the Nigerian Consumer Goods sector), involving a strategic partnership arrangement that transcends the operations and control of the Company focused on maximising the business case and plan for DFM, and consequently delivering long term value for shareholders of the Company.

About Dangote Industries Limited

Dangote Industries Limited is a leading diversified business conglomerate established in May 1981 and headquartered in Lagos, Nigeria, with business activities spanning Cement (Manufacturing); Sugar (Manufacturing & Refining); Salt (Refining); Flour & Semolina (Milling); Pasta (Manufacturing); Noodles (Manufacturing); Poly Products (Manufacturing); Logistics (Port Management and Haulage); Real Estate.

About Tiger Brands Limited

Tiger Brands Limited is a branded Fast-moving Consumer packaged Goods Company based in Sandton, South Africa and operating primarily in South Africa and selected emerging markets. Tiger Brands has significant presence in over 28 countries on the African continent with business offerings spanning Grains (comprising milling & baking, sorghum beverages and rice); Consumer brands (comprising groceries, HPCB (Home, personal, and baby care), VAMP ("Value added meat products"), snacks, treats and beverages).

Tiger Brands group, in 2011 achieved a total turnover of ZAR20.4 Billion (N394.8 Billion), posting an average annual growth in revenue of 2.2% over the last 3 years. The Tiger Brands group's total assets stood at ZAR16.2 Billion (N313.5 Billion) as at 30 September, 2011.

This acquisition is in line with Tiger Brands' strategy to expand and consolidate its African footprint thereby providing it with a solid platform to scale up and supplement its existing investments in Nigeria. Tiger Brands is confident that the acquisition of DFM will be instrumental to achieving its medium to long term growth strategy as it will give the group a substantial presence in the in the Food Products segment of the Nigerian Consumer Goods sector, expand its product offering and deliver immediate and long term value for all stakeholders.

About Dangote Flour Mills Plc

Dangote Flour Mills Plc is a subsidiary of Dangote Industries Limited involved primarily in the business of flour milling, processing and marketing of branded flour. The Company also offers downstream value-added products through its three subsidiary companies; Dangote Pasta Limited, Dangote Noodles Limited and Dangote Agrosacks.

DFM, incorporated as a public limited liability company in 2006 following the strategic decision of DIL to unbundle its various operations and quoted on the Nigerian Stock Exchange on 04 February, 2008 has grown to become one of the industry leaders in the Food Products segment of the Nigerian Consumer Goods sector.

25 September 2012

Financial/Lead Advisers to DIL
Vetiva Capital Management Limited

Legal Advisers to DIL
Banwo&Ighodalo

Stockbrokers to the Transaction
Vetiva Securities Limited