Reviewed Condensed Consolidated Annual Results

for the year ended 31 August 2013

- Revenue ↑ 20% to R502,7 million
- Adjusted EBITDA ↑ 25% to R29,6 million
- Adjusted headline earnings of 5,0 cents per share
- Improving working capital position
- Strong cash position and improved group liquidity
- Turnaround in Wood segment

AUSTRO GROUP LIMITED (Incorporated in the Republic of South Africa) (Registration number 2001/029771/06) JSE share code: ASO ISIN: ZAE000090882 ("Austro" or "the company" or "the group")

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	% change	Reviewed for the twelve months ended 31 August 2013 R'000	Restated for the twelve months ended 31 August 2012 R'000	Restated for the twelve months ended 31 August 2011 R'000
Revenue	20%	**502 709**	417 531	384 967
Cost of sales		**(348 401)**	(290 911)	(256 856)
Gross profit	22%	**154 308**	126 620	128 111
Other operating income		**1 759**	4 525	1 877
Net operating expenses	1%	**(151 486)**	(153 592)	(133 479)
Onerous lease effect		**2 457**	(8 647)	-
Inventory write-off		**(13 231)**	-	-
Obsolete inventory provision		**(5 421)**	(22 949)	(6 477)
Operating expenses excluding onerous lease effect and inventory write-offs	(11%)	**(135 291)**	(121 996)	(127 002)
Profit/(loss) from operations before impairment of goodwill		**4 581**	(22 447)	(3 491)
Impairment of goodwill		**-**	(134 197)	-
Profit/(loss) from operations before interest and taxation		**4 581**	(156 644)	(3 491)
Net interest received		**142**	1 950	2 862
Interest received		**1 865**	6 015	6 804
Interest paid		**(1 723)**	(4 065)	(3 942)
Profit/(loss) before taxation		**4 723**	(154 694)	(629)
Taxation income/(expense)		**2 972**	(4 702)	6 550
Total comprehensive income/(loss) for the year		**7 695**	**(159 396)**	**5 921**
Attributable to:				
Owners of Austro		**7 904**	(159 395)	5 921
Non-controlling interest		**(209)**	(1)	-
Total comprehensive income/(loss) for the year		**7 695**	**(159 396)**	**5 921**
Numbers of shares in issue		**395 292 923**	395 292 923	395 693 678
Weighted average number of shares		**395 292 923**	395 294 018	419 758 013
Earnings/(loss) per share and diluted earnings/(loss) per share (cents)		**2,0**	(40,3)	1,4
Headline earnings/(loss) per share and diluted headline earnings/(loss) per share (cents)[1]		**1,8**	(6,5)	1,6
Adjusted headline earnings per share (cents)[1]		**5,0**	1,5	3,2
EBITDA (R'000)[2]		**13 389**	(7 942)	5 650
Adjusted EBITDA (R'000)[2]		**29 584**	23 654	12 127
Dividend per share (cents)		**-**	-	2,0
Capital distribution declared out of share premium (cents)		**-**	-	2,0

	% change	Reviewed for the twelve months ended 31 August 2013 R'000	Restated for the twelve months ended 31 August 2012 R'000	Restated for the twelve months ended 31 August 2011 R'000
1. Headline earnings reconciliation				
Attributable income/(loss) for the year		**7 904**	(159 395)	5 921
Net (profit)/loss on disposal of plant and equipment		**(952)**	(693)	239
Impairment of goodwill		**-**	134 197	-
Tax effect of adjustments		**267**	97	(33)
Headline earnings/(loss)		**7 219**	**(25 794)**	**6 127**
Onerous lease effect		**(2 457)**	8 647	-
Inventory write-off		**13 231**	-	-
Obsolete inventory provision		**5 421**	22 949	6 477
Tax effect of adjustments		**(3 705)**	-	-
Adjusted headline earnings		**19 709**	**5 802**	**12 604**
2. EBITDA reconciliation				
Profit/(loss) from operations before impairment of goodwill		**4 581**	(22 447)	(3 491)
Depreciation		**8 808**	14 505	9 141
EBITDA		**13 389**	**(7 942)**	**5 650**
Onerous lease effect		**(2 457)**	8 647	-
Inventory write-off		**13 231**	-	-
Obsolete inventory provision		**5 421**	22 949	6 477
Adjusted EBITDA	25%	**29 584**	**23 654**	**12 127**
Adjusted EBITDA %		**5.9%**	5.7%	3.2%

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Reviewed for the twelve months ended 31 August 2013 R'000	Restated for the twelve months ended 31 August 2012 R'000	Restated for the twelve months ended 31 August 2011 R'000
Stated capital	**295 497**	295 497	295 701
Balance at beginning of year	**295 497**	295 701	322 107
Share premium reduction due to share buy back	**-**	(204)	(18 492)
Share premium reduction due to capital distribution declared out of share premium	**-**	-	(7 914)
Accumulated profits	**69 399**	61 495	220 890
Balance at beginning of year	**61 495**	220 890	223 597
Attributable income/(loss) for the year	**7 904**	(159 395)	5 921
Dividends declared and paid	**-**	-	(8 628)
Non-controlling interest	**(210)**	(1)	-
Total capital and reserves	**364 686**	**356 991**	**516 591**

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Reviewed as at 31 August 2013 R'000	Restated as at 31 August 2012 R'000	Restated as at 31 August 2011 R'000
ASSETS			
Non-current assets	**158 173**	149 404	277 161
Plant and equipment	**40 987**	39 165	38 018
Goodwill	**95 544**	95 544	229 742
Loans receivable	**-**	-	482
Deferred taxation	**21 642**	14 695	8 919
Current assets	**304 489**	339 195	303 626
Inventories	**170 298**	196 995	179 284
Trade and other receivables	**88 662**	103 249	73 890
Taxation receivable	**5 191**	4 536	1 464
Cash and cash equivalents	**40 338**	34 415	48 988
Total assets	**462 662**	**488 599**	**580 787**
EQUITY AND LIABILITIES			
Capital and reserves	**364 896**	356 992	516 591
Stated capital	**295 497**	295 497	-
Share capital	**-**	-	4
Share premium	**-**	-	295 697
Accumulated profits	**69 399**	61 495	220 890
Non-controlling interest	**(210)**	(1)	-
Total capital and reserves	**364 686**	**356 991**	**516 591**
Non-current liabilities	**8 022**	17 554	-
Interest-bearing liabilities	**3 984**	5 263	-
Deferred tax liability	**4 038**	-	-
Provision for onerous lease	**-**	12 291	-
Current liabilities	**89 954**	114 054	64 196
Trade and other payables	**87 440**	110 557	60 662
Current portion of interest-bearing liabilities	**2 512**	2 523	-
Current portion of interest-free liabilities	**-**	-	3 426
Current portion of provision for onerous lease	**-**	967	-
Taxation payable	**2**	7	108
Total equity and liabilities	**462 662**	**488 599**	**580 787**
Net asset value per share (cents)	**92,3**	90,3	130,6
Net tangible asset value per share (cents)	**68,1**	66,1	72,5
Average net operating assets (R'000)	**431 113**	489 099	562 348
Average net tangible operating assets (R'000)	**335 569**	393 555	332 606
Average net operating asset turnover	**1,2x**	0,9x	0,7x
Average net tangible operating asset turnover	**1,5x**	1,1x	1,2x
Adjusted operating profit margin	**4,1%**	2,2%	0,8%
Pre-tax return on average net operating assets	**4,8%**	1,9%	1,1%
Pre-tax return on average net tangible operating assets	**6,2%**	2,3%	0,9%

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOW

	Reviewed for the twelve months ended 31 August 2013 R'000	Restated for the twelve months ended 31 August 2012 R'000	Restated for the twelve months ended 31 August 2011 R'000
Profit/(loss) before taxation	**4 723**	(154 694)	(629)
Non-cash items and other adjustments	**4 456**	167 313	(7 621)
	9 179	12 619	(8 250)
Decrease in working capital	**18 167**	2 825	88 109
Cash generated by operations	**27 346**	15 444	79 859
Interest received	**1 865**	6 015	6 804
Interest paid	**(1 723)**	(4 065)	(3 942)
Dividends paid	**-**	-	(8 628)
Taxation paid	**(597)**	(13 651)	(8 113)
Cash inflow from operating activities	**26 891**	**3 743**	**65 980**
Additions to plant and equipment	**(10 728)**	(7 366)	(5 140)
Proceeds on disposal of plant and equipment	**1 050**	2 523	1 340
Acquisition of business combination	**-**	(10 026)	-
Decrease/(increase) in loans receivable	**-**	482	(482)
Cash outflow from investing activities	**(9 678)**	**(14 387)**	**(4 282)**
Movement in share capital and share premium	**-**	(204)	(26 406)
Repayment of interest-bearing liabilities	**(1 290)**	(3 725)	(3 426)
Settlement of onerous lease	**(10 000)**	-	-
Cash outflow from financing activities	**(11 290)**	**(3 929)**	**(29 832)**
Net increase/(decrease) in cash and cash equivalents	**5 923**	(14 573)	31 866
Cash and cash equivalents at beginning of year	**34 415**	48 988	17 122
Cash and cash equivalents at end of year	**40 338**	**34 415**	**48 988**

CONDENSED SEGMENTAL ANALYSIS

	Power			Wood			Head Office			Consolidation			Total		
	Reviewed 31 August 2013 R'000	Restated 31 August 2012 R'000	Restated 31 August 2011 R'000	Reviewed 31 August 2013 R'000	Restated 31 August 2012 R'000	Restated 31 August 2011 R'000	Reviewed 31 August 2013 R'000	Restated 31 August 2012 R'000	Restated 31 August 2011 R'000	Reviewed 31 August 2013 R'000	Restated 31 August 2012 R'000	Restated 31 August 2011 R'000	Reviewed 31 August 2013 R'000	Restated 31 August 2012 R'000	Restated 31 August 2011 R'000
Revenue	**344 263**	262 817	258 566	**171 586**	160 443	136 198	**9 698**	6 185	1 375	**(22 838)**	(11 914)	(11 172)	**502 709**	417 531	384 967
Gross profit	**98 894**	86 046	86 248	**55 414**	40 574	41 863	**9 698**	6 185	1 375	**(9 698)**	(6 185)	(1 375)	**154 308**	126 620	128 111
Gross profit %	**29%**	33%	33%	**32%**	25%	31%	**100%**	100%	100%	**-**	-	-	**31%**	30%	33%
Profit/(loss) from operations before impairment of goodwill	**6 228**	11 722	6 695	**9 541**	(34 888)	(11 536)	**(11 188)**	719	1 350	**-**	-	-	**4 581**	(22 447)	(3 491)
EBITDA [3]	**16 554**	24 509	11 498	**15 695**	(27 048)	(3 192)	**(11 124)**	780	1 375	**(7 736)**	(6 183)	(4 031)	**13 389**	(7 942)	5 650
Adjusted EBITDA [3]	**35 206**	37 630	17 975	**3 238**	(8 573)	(3 192)	**(1 124)**	780	1 375	**(7 736)**	(6 183)	(4 031)	**29 584**	23 654	12 127
Capital expenditure	**9 476**	4 012	3 906	**1 243**	3 342	1 051	**8**	12	183	**-**	-	-	**10 728**	7 366	5 140
Depreciation	**4 088**	9 698	5 361	**4 655**	4 744	3 755	**65**	63	25	**-**	-	-	**8 808**	14 505	9 141
Taxation expense/(income)	**2 432**	4 746	856	**(2 100)**	(2 215)	(4 049)	**(3 304)**	2 171	(3 357)	**-**	-	-	**(2 972)**	4 702	(6 550)
Total assets	**286 866**	297 534	338 974	**138 915**	140 506	115 765	**365 882**	351 081	383 059	**(329 001)**	(300 522)	(257 011)	**462 662**	488 599	580 787
Intercompany	**(30 032)**	(13 487)	(53 960)	**(32 154)**	(33 507)	(33 877)	**(104 105)**	(94 801)	(116 657)	**166 291**	141 795	204 494	**-**	-	-
	256 834	284 047	285 014	**106 761**	106 999	81 888	**261 777**	256 280	266 402				**462 662**	488 599	580 787
Total liabilities	**62 031**	78 796	107 926	**169 876**	181 613	110 153	**36 659**	13 310	50 611	**(170 590)**	(142 111)	(204 494)	**97 976**	131 608	64 196
Intercompany	**(9 284)**	(13 317)	(73 860)	**(124 448)**	(116 188)	(85 046)	**(32 549)**	(12 290)	(45 588)	**166 281**	141 795	204 494	**-**	-	-
	52 747	65 479	34 066	**45 428**	65 425	25 107	**4 110**	1 020	5 023				**97 976**	131 608	64 196
Net operating assets [4]	**178 543**	195 974	185 396	**57 098**	49 879	46 719	**3 698**	1 255	8 690				**239 339**	247 108	240 805
Number of employees	**200**	180	151	**150**	175	124	**5**	2	3				**355**	357	278

[3] All EBITDA figures exclude intercompany management fees
[4] Excludes goodwill which is all attributable to the Power segment

COMMENTARY

Austro is an industrial supplies group that provides quality branded – in some segments locally manufactured – industrial equipment, related components and support services to a wide range of economic sectors in South Africa and sub-Saharan Africa. Clients range from heavy industrial, mining and construction groups to wholesalers, retailers, technology and telecommunications companies, banks and manufacturers.

Austro currently comprises two key business segments:

- Power segment ("Power") incorporates:
  - Private Power Sales: The manufacture, supply, installation and maintenance of diesel generators and related components such as industrial engines, marine engines, alternators, switchgear and components.
  - Temporary Power: Rental of temporary power in the form of diesel generators.
- Wood segment ("Wood") encompasses the distribution of professional woodworking equipment, tooling and edging.

It is management's intention to introduce new industrial supply platforms into Austro which we believe will deliver appropriate returns on capital and have good growth prospects throughout sub-Saharan Africa. We intend developing these new and existing platforms over time, through a combination of organic and acquisitive growth.

Results

Performance for the financial year ended 31 August 2013 ("the year") reflected improved trading across the group. Revenue increased 20% to R502,7 million (2012: R417,5 million) while group wide gross margins remained stable. Margin pressure was experienced in the Private Power Sales segment but was recovered in Wood. Operating expenses, excluding the onerous lease effect and inventory write-offs, increased 11%. Although higher than inflation, this is below the growth rate achieved in gross profit and was driven primarily by the employment of executives and staff at group level and the appointment of JFN Management Proprietary Limited ("JFN Management") to provide strategic and business support services to Austro and supplement the internal executive capacity of the group.

An extensive review of property, plant and equipment and working capital was carried out during the year with a particular focus on existence and valuation of these items to ensure that an accurate base is established to improve the management of these assets. This resulted in the adjustments as outlined in the numbers above and as discussed in more detail below.

Earnings before interest, taxation, depreciation and amortisation ("EBITDA") of R13,4 million (2012 Restated: R7,9 million loss) improved substantially. The company has elected to show adjusted EBITDA which provides a more meaningful reflection of sustainable trading. Adjusted EBITDA increased 25% to R29,6 million (2012 Restated: R23,7 million) at an adjusted EBITDA margin to revenue of 5,9% (2012 Restated: 5,7%). The adjustments to EBITDA arise from:

- the net effect of settling the onerous lease at Wood, being a net gain of R2,5 million;
- an inventory write-off in Power of R13,2 million. An investigation is underway to determine the exact cause of this loss, following which management intends implementing controls to prevent any recurrence;
- a provision of R5,4 million in Power for obsolete and slow moving inventory.

The group has shown a marked improvement in its working capital position, even after eliminating the aforementioned working capital adjustments. Net working capital declined by 10% from a restated R189,7 million to R171,5 million despite a 20% growth in revenue. Inventories are gradually being reduced to more acceptable levels and debtor collections are being more closely monitored. Suppliers are paid within credit terms.

The group ended the year in a strong cash and liquidity position. Cash balances at year-end amounted to R40,3 million (2012: R34,4 million) notwithstanding the settlement of an onerous lease obligation at Wood (see Operational review below). External borrowings remain low at R6,5 million (2012: R7,8 million) resulting in a net cash position of R33,8 million (2012: R26,6 million). During the year a R45 million trading facility was secured, providing the group with more scope to manage exchange control fluctuations and credit terms with foreign suppliers.

The benefit of improved working capital management reflected in cash flows. Cash generated by operations was up 77% to R27,3 million (2012: R15,4 million).

During the year Austro invested R10,7 million (2012: R7,4 million excluding the aquisition of business combination) in capital expenditure, equating to 2,1% of revenue.

The group's effective tax rate is distorted by the partial recognition of deferred tax assets not previously recognised, arising from assessed losses primarily in Wood and at group level, to be utilised in the future. With the benefits of the restructuring in Wood beginning to reflect in its profitability, these assessed losses now have a greater probability of being utilised.

Headline earnings of R7,2 million (2012 Restated: R25,8 million loss) is significantly up on 2012. This translates into headline earnings per share ("HEPS") of 1,8 cents (2012 Restated: 6,5 cents loss). Adjusted headline earnings of R19,7 million (2012 Restated: R5,8 million) represents an improvement of 3,5 cents per share to 5,0 cents per share.

Operational review

Power

The Private Power Sales segment continued to enjoy an increase in volumes as a result of buoyant markets in the areas in which it specialises, namely construction projects and data infrastructure. Market share gains were also achieved.

Revenue increased 31% to R307,4 million (2012: R234,3 million) and gross profit grew 13% to R76,6 million (2012 Restated: R68,1 million). Margins of 25% were down year-on-year as a result of increasing pricing pressure from tenders and certain production inefficiencies which are in the process of being rectified. Operating profit totalled R0,9 million, impacted by inventory write-offs. Adjusted EBITDA decreased 19% to R21,8 million (2012 Restated: R26,9 million), representing a margin relative to revenue of 7%.

The Temporary Power segment is a business that is growing rapidly, primarily due to long-term contracts secured during the year. It performed exceptionally well. Revenue was up 32% to R30,5 million (2012: R23,1 million) and gross profit increased 29% to R21,8 million (2012: R16,9 million), representing a margin of 71,6%. Given the demand for rental equipment, the group intends expanding its fleet in the year ahead, utilising its in-house manufacturing capabilities. Adjusted EBITDA increased 24% to R13,4 million (2012 Restated: R10,8 million), representing a margin relative to revenue of 44%.

Wood

Wood achieved a significant turnaround during the year. New management was put in place with Christian Neuberger appointed as Chief Executive Officer. A restructuring programme was implemented to align the cost base with revenue. The division significantly reduced the restated prior year operating loss (before impairment of goodwill) of R34,9 million to post a much smaller adjusted operating loss of R2,9 million (adjusted to exclude the onerous lease gain) on revenue of R171,6 million (2012: R160,4 million). Gross profit margins recovered impressively to 32% from 25%.

Changes to directorate and management

During the year Paul Mansour and Jarrod Friedman were appointed as Chief Executive Officer and Financial Director respectively, effective 15 April 2013. The group entered into a management services agreement with JFN Management, headed by Steven Joffe, and through which the services of Christian Neuberger are contracted as Chief Executive Officer of Wood.

Charles Jacobs, the previous Chief Executive Officer of Wood, was dismissed with effect from 11 December 2012. Jonathan Freed resigned as an executive director (and Justin Freed resigned as his alternate) and was appointed as a non-executive director with effect from 30 April 2013. Subsequently Jonathan Freed resigned as a non-executive director effective 27 August 2013.

Update on litigation and distributorship

As previously disclosed, Austro and its subsidiary New Way Power Proprietary Limited ("New Way") have instituted legal action to interdict and restrain each of Jonathan Freed and Justin Freed from breaching restraint of trade undertakings and common law and other legal duties owed to the group ("the Freed litigation"). We expect the matter to be heard before the calendar year-end.

On 4 September 2013 John Deere S.A.S ("John Deere") gave New Way six months' written notice of termination of a distributorship agreement in terms of which New Way had been appointed as a distributor of John Deere industrial engines and OEM engine spare parts. The group remains in discussions with John Deere regarding the conclusion of a new distributorship agreement. The conclusion of these discussions and the determination by John Deere as to who will be appointed as the new distributor will be finalised only once there is more clarity on the status of the Freed litigation, as detailed above.

Importantly, John Deere has indicated that termination of the distributorship agreement will not affect the procurement by New Way of engines directly from John Deere as a component utilised in the manufacture of New Way's OEM generator sets. Furthermore, Power's other key suppliers, namely Mitsubishi and Doosan continue to support the OEM and distributor businesses.

These reviewed condensed consolidated annual financial results have been prepared on the assumption that the group will be successful in the Freed litigation and the successful conclusion of discussions with John Deere regarding the continuation of the group's distributorship, such that no impairment of goodwill is required. In the event that the Freed litigation and/or the John Deere distributorship are not favourably resolved for the group, an impairment of goodwill may be required.

Prospects and risks

Financial year-to-date trading has been encouraging. However, prospects for the year ahead remain uncertain given possible social disturbances in the lead up to the 2014 elections, the ability of Eskom to continue to meet demand for power, a slowdown in consumer spend and the knock-on effect this may have on construction activity and the effects of global monetary policy. Input costs, through Rand exchange rates, and the sectors that the group serves are closely linked to global monetary conditions and the performance of the global economy.

We maintain a neutral outlook for the upcoming year. Within Private Power Sales the sales order book remains strong and we plan to pursue organic growth opportunities while Temporary Power will invest in its fleet to meet growing demand for rentals. The restructuring undertaken during the 2013 financial year in Wood is expected to continue yielding benefits in the year ahead.

Dividend

In line with group policy to reinvest for growth, no dividend has been declared for the year.

Prior period adjustment

During the current year audit several prior period errors were identified which have been adjusted in the prior period financial statements. The details and financial implications of these errors are outlined below.

- Private Power Sales
  - Overcapitalisation of overheads allocated to inventory: The ratio applied to allocate indirect overheads to inventory was found to be incorrect and has resulted in an over-allocation of indirect overheads to inventory in the prior year. The correction has resulted in an increase in cost of sales in the prior year and a decrease in inventory of R1,5 million. The tax effect of this adjustment is an increase in the deferred tax asset and a decrease in the deferred tax income statement charge of R0,4 million.
  - Consignment stock adjustment: Inventory delivered to third parties as consignment stock was incorrectly recognised as revenue in prior financial periods. The adjustment to correct this error resulted in an increase in inventory of R1,4 million, a decrease in trade receivables of R2,1 million and a decrease in accumulated profit of R0,7 million. The tax effect of this adjustment was an increase in the deferred tax asset and a decrease in the deferred tax income statement charge of R0,2 million.
- Temporary Power

  Accumulated depreciation adjustment: Calculation errors were identified in the fixed asset register. The adjustment to correct this error resulted in an increase in accumulated depreciation and a decrease in accumulated profit of R3,9 million.

  The effect of these prior year adjustments is a decrease in the reported 2012 earnings per share ("EPS") from a loss of 39,0 cents to a loss of 40,3 cents and a decrease in HEPS from a loss of 5,3 cents to a loss of 6,5 cents.

Subsequent events

Subsequent to year-end, Ricophase Proprietary Limited and parties acting or deemed to be acting in concert with Ricophase ("Ricophase") made an unconditional mandatory offer to acquire all the ordinary shares in the company, not already held by Ricophase, for a purchase consideration of 55,2 cents per Austro ordinary share (being the highest price at which Ricophase acquired Austro shares within the six month period before the offer was made). The mandatory offer was triggered by Ricophase acquiring 109 million shares in Austro. Ricophase, together with David Brouze (who is also a 50% indirect shareholder in Ricophase), hold 36,8% of Austro shares. Shareholders are referred to the circular posted on 5 November 2013 for more details on the mandatory offer.

The acquisition by Ricophase of the Austro shares aligns the interests of the executive directors and JFN Management, both charged with the responsibility of delivering on Austro's strategy, with Austro shareholders.

The senior executive team as well as Steven Joffe and David Brouze have, through their investment in Ricophase, invested a material amount of personal capital to acquire a significant equity investment in Austro. They are therefore appropriately incentivised to drive the growth of Austro for the benefit of all shareholders. Further detail is contained in the circular referred to above.

Basis of presentation

The accounting policies and method of measurement and recognition applied in the preparation of the reviewed condensed consolidated annual financial results are consistent with those applied in the audited annual financial statements for the previous year ended 31 August 2012.

The reviewed condensed consolidated annual financial results have been prepared in accordance with International Financial Reporting Standards ("IFRS") and are presented in terms of the disclosure requirements set out in International Accounting Standards ("IAS") 34, as well the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council, the JSE Limited Listings Requirements and the requirements of the Companies Act, 2008. Financial Director, Jarrod Friedman CA(SA), was responsible for the preparation of the condensed consolidated annual financial results. These condensed consolidated annual financial results have been reviewed by the company's auditors, Grant Thornton (Jhb) Inc, and their unqualified review opinion is available for inspection at the group's registered address. Any reference to future financial performance included in this announcement has not been reviewed or reported on by the group's external auditors.

For and on behalf of the board

PD Mansour
Chief Executive Officer

JS Friedman
Financial Director

21 November 2013

Non-executive directors: AJ Phillips* (Chairman), DS Brouze, GS Nzalo*, U Schäckermann* (German) *Independent
Executive directors: PD Mansour (Chief Executive Officer), JS Friedman (Financial Director)
Registered and business address: 1125 Leader Avenue, Stormill Ext 4, Roodepoort, 1724
Business postal address: PO Box 1914, Florida, 1710
Company secretary: Probity Business Services Proprietary Limited
Transfer secretaries: Computershare Investor Services Proprietary Limited
Sponsor: Java Capital Trustees and Sponsors Proprietary Limited