

Raubex Group Limited  
(Incorporated in the Republic of South Africa)  
Registration number 2006/023666/06  
Share Code: RBX  
ISIN Code: ZAE000093183  
("Raubex" or the "Group")

## UNAUDITED INTERIM RESULTS FOR THE SIX MONTHS ENDED 31 AUGUST 2013

### HIGHLIGHTS

- Revenues up 14,6% to R3,22 billion (H1 2013: R2,81 billion)
- Operating profit down 5,6% to R274,5 million (H1 2013: R290,8 million)
- HEPS up 0,6% to 96,3 cents per share (H1 2013: 95,7 cents per share)
- Cash flow from operations down 19,4% to R357,6 million (H1 2013: R443,8 million)
- Capex spend of R241,9 million ( H1 2013: R280,9 million)
- Order book of R6,2 billion (H1 2013: R5,0 billion)
- Interim dividend of 30 cents per share declared

Rudolf Fourie, CEO of Raubex Group, said: ***"The first half of the year was marked by strong performances from our materials handling operations and Raubex Infra, the new division focused on renewable energy, housing, telecommunications, rail and pipeline construction projects.***

***"Although road construction margins have stabilised and the volume of work out to tender is sufficient to maintain the order book, there is little sign of any immediate improvement in our sector. In this environment, the second half of the year will see us focus on bedding down the Tosas acquisition and driving our international order book.***

***"We have maintained a healthy balance sheet and a strong cash position during the period and we will continue to explore acquisition opportunities that strengthen our vertically integrated model."***

### COMMENTARY

#### FINANCIAL OVERVIEW

Revenue increased 14,6% to R3,22 billion whilst operating profit decreased 5,6% to R274,5 million from the corresponding prior period as an improved performance from the mining and commercial quarry operations was offset by continued challenging conditions being experienced in the road construction industry.

Profit before tax decreased 4,2% to R271,6 million.

The effective tax rate decreased to 29,6% from 31,6% in the corresponding prior period.

Earnings per share decreased 1,1% to 97,7 cents with headline earnings per share increasing 0,6% to 96,3 cents.

Group operating margin decreased to 8,5% ( H1 2013: 10,3%).

Cash generated from operations decreased 19,4% from R443,8 million to R357,6 million before finance charges and taxation. The decrease is largely attributable to the payment of R58,8 million to the Competition Commission in terms of the Settlement Agreement reached that was provided for at year-end as well as increased working capital requirements of the Tosas acquisition.

Trade and other receivables decreased by 5,2% to R1,03 billion.

Inventories increased 86,5% to R376,5 million as a result of an increase in bitumen stock, the strategic crushing of aggregate stock piles for construction contracts in progress and the acquisition of Tosas.

Capital expenditure on fixed assets to the value of R241,9 million was incurred during the period.

Net cash outflow for the six months ended 31 August 2013 was R48,9 million which includes an outflow of R120 million for the acquisition of Tosas. Total cash and cash equivalents at the end of the period were R786,7 million.

## **OPERATIONAL REVIEW**

### **Roadmac**

Roadmac is a specialist in the manufacturing and laying of asphalt, chip and spray, surface dressing, enrichments and slurry seals.

The division's performance for the period continued to be impacted by strong competition in the light rehabilitation market. The volume of new work out for tender has remained steady and the division has increased its order book with work recently awarded by SANRAL and N3 Toll Concession . Pressure on tender margins in the light rehabilitation market has eased slightly but conditions are expected to remain challenging in the period ahead. Asphalt manufacturing margins have also improved slightly due to the recovery of bitumen storage costs.

Revenue for the division decreased 13,5% to R1,22 billion (H1 2013: R1,41 billion) and operating profit decreased 15,4% to R95,2 million (H1 2013: R112,6 million) as a result of the division's focus on ensuring the quality of the order book.

The divisional operating margins decreased marginally to 7,8% (H1 2013: 8,0%).

The division incurred capital expenditure of R40,3 million during the period (H1 2013: R55 million).

### **Raubex Construction**

Raubex Construction is the road and civil infrastructure construction division focused on the key areas of new road construction and heavy road rehabilitation.

This division has continued to feel the effect of persistent pricing pressures in the road construction and heavy rehabilitation market. The lower margin order book is now being realised and there is little sign of any margin improvement in the short term. The volume of work coming out for tender has remained steady and the division has maintained a satisfactory order book while retaining capacity to tender on contracts that may yield slightly better margins. Conditions are expected to remain challenging for this division in the period ahead.

Revenue for the division increased 22,6% to R772,4 million (H1 2013: R629,9 million), while operating profit decreased 45,3% to R37,8 million (H1 2013: R69,2 million) due to a combination of the difficult market conditions, on-going margin pressure and the positive effect that the settlement of the Free State Provincial contracts had on the prior period result.

The divisional margins decreased to 4,9% (H1 2013: 11,0%).

The division incurred capital expenditure of R32,9 million during the period (H1 2013: R26,1 million).

### **Raumix**

Raumix is the materials division of the Group with its core focus spread over three areas including contract crushing, production of aggregates for the commercial market and materials handling for the mining industry.

Conditions in the contract crushing market continue to be challenging with performance in this sector correlated to the competitive construction environment and the resulting margin pressure on the supply chain.

Commercial quarry operations reported strong results for the period driven by increased volumes from the residential and light commercial building market, low cost housing and infrastructure developments.

The mining and material handling operations of the division reported improved results for the period. These operations continue to be exposed to the risk of industrial action and commodity cycles where activities are primarily focused on the diamond and gold mining industries.

Revenue for the division increased 7,9% to R829,7 million (H1 2013: R769,2 million) with operating profit increasing by 17,8% to R128,5 million (H1 2013: R109,1 million).

The divisional margins increased to 15,5% (H1 2013: 14,2%).

The division incurred capital expenditure of R150,5 million during the period (H1 2013: R158 million).

### **Raubex Infrastructure**

Raubex Infrastructure is a new division that was established during the prior year in line with the group's strategy to attain a more balanced portfolio of work in the construction sector and increase the group's exposure to more diversified revenue streams. The division specialises in disciplines outside of the road construction sector, including energy (with a specific focus on renewable energy), rail, telecommunications, pipeline construction and housing infrastructure.

The division reported satisfactory results for the period, in line with management expectations. The order book increased to R882,3 million and consists of a mix of renewable energy, housing, telecommunications, rail and pipeline construction projects.

Revenue for the division was R316,1 million ( H1 2013: nil) with an operating profit of R19,2 million (H1 2013: nil).

The divisional operating profit margin was 6,1%.

The division incurred capital expenditure of R18,2 million during the period.

### **Tosas**

Prior to the acquisition, Tosas was undergoing a lengthy divestiture process which resulted in lower sales volumes when compared to historical levels. Management is confident that the lost market share will be recovered over the medium term and that in the short term synergies from the acquisition, including efficient supply of bitumen to contract sites, will be realised in the typically higher volume summer months ahead. Tosas is expected to claw back the loss reported to date in the second half and return to profitability during the 2015 financial year.

Tosas contributed external revenues of R82,8 million with an operating loss of R6,2 million. Total revenue including inter group supply amounted to R118,4 million.

### **International**

The performance of the Group's international operations remained stable during the period with a three year maintenance contract for the reseal of roads in Namibia in progress in addition to the on-going diamond mining material handling contracts in the country.

The contribution from Zambia decreased during the period but the Group is awaiting the award of two Link 8000 projects for the upgrading of the Mpika-Nabwalya-Mfuwe Road for ZMW 540 million (approx. R983 million) and the upgrading of the Safwa to Chinsali road for ZMW 265 million (approx. R481 million). During the period, the new infrastructure division successfully completed a fibre optic cable installation in the Democratic Republic of Congo.

International revenue increased 11,7% to R250,4 million (H1 2013: R224,2 million). Operating profit increased by 14,8% to R49,3 million (H1 2013: R43,0 million) with operating profit margins increasing to 19,7% (H1 2013: 19,2%).

## **PROSPECTS**

Trading conditions in the South African road construction industry are expected to remain challenging in the short term and although tender margins have stabilised and the volume of work out to tender is steady and sufficient to maintain the order book, there is little sign of any immediate improvement. Industry wide industrial action which affected some of the Group's operations is expected to weigh on the second half results and any meaningful improvement in the sector remains dependent on the timely roll out of government's infrastructure development plan, the successful implementation of e-tolling and the continuing handover of strategic and primary road networks and related maintenance budgets from Provincial governments to SANRAL.

Internationally prospects are more promising, supported by the anticipated awarding of the Link 8000 projects in Zambia which, if successfully concluded, will support the performance of the Raubex Construction division in the coming year. These projects have not been included in the current Group order book.

Through its subsidiary B&E International, the Group continues to explore mining related opportunities in Africa and a new crushing, agglomeration and stacking contract was recently secured for the Tschudi Copper Mine project in Namibia.

The prospects for the Group's new Infrastructure division are encouraging with satisfactory progress made to date, in line with management expectations. The division has increased its order book and continues to secure work in the renewable energy, telecommunications, mining infrastructure and affordable housing sectors.

The Group's secured order book has increased to R6,2 billion (H1 2013: R5,0 billion).

The Group has maintained its healthy balance sheet and a strong cash position during the period and continues to look for acquisition opportunities that will strengthen its vertically integrated model.

## **DIVIDEND DECLARATION**

The directors have declared a gross interim cash dividend from income reserves of 30 cents per share on 11 November 2013 for the six month period ended 31 August 2013 . The salient dates for the payment of the dividend are as follows:

Last day to trade cum dividend	Friday, 29 November 2013
Commence trading ex dividend	Monday, 2 December 2013
Record date	Friday, 6 December 2013
Payment date	Monday, 9 December 2013

No share certificates may be dematerialised or rematerialised between Monday, 2 December 2013 and Friday, 6 December 2013, both dates inclusive.

In terms of Dividends Tax (“DT”), the following additional information is disclosed:

- The local DT rate is 15%.
- The company has no STC credits to utilise as part of this declaration.
- The number of ordinary shares in issue at the date of this declaration is 185 900 184.
- The dividend to utilise for determining the DT due is 30 cents per share.
- The DT amounts to 4.50 cents per share.
- The net local dividend amount is 25.50 cents per share for shareholders liable to pay the DT.
- Raubex Group Limited’s income tax reference number is 9370/905/151.

In terms of the DT legislation, the DT amount due will be withheld and paid over to the South African Revenue Services by a nominee-company, stockbroker or Central Securities Depository Participant ( collectively “Regulated Intermediary”) on behalf of shareholders. All shareholders should declare their status to their Regulated Intermediary, as they may qualify for a reduced DT rate or exemption.

<b>GROUP INCOME STATEMENT</b>	<b>Unaudited 6 months 31 August 2013 R'000</b>	<b>Unaudited 6 months 31 August 2012 R'000</b>	<b>Audited 12 months 28 February 2013 R'000</b>
Revenue	3 221 366	2 810 013	5 635 519
Cost of sales	(2 792 483)	(2 394 391)	(4 843 407)
<b>Gross profit</b>	<b>428 883</b>	<b>415 622</b>	<b>792 112</b>
Other income	6 119	3 167	15 223
Other gains	8 442	9 357	21 840
Administrative expenses	(168 919)	(137 313)	(345 370)
<b>Operating profit</b>	<b>274 525</b>	<b>290 833</b>	<b>483 805</b>
Finance income	16 754	14 342	33 518
Finance costs	(19 643)	(21 518)	(40 184)
<b>Profit before income tax</b>	<b>271 636</b>	<b>283 657</b>	<b>477 139</b>
Income tax expense	(80 339)	(89 733)	(158 571)
<b>Profit for the period</b>	<b>191 297</b>	<b>193 924</b>	<b>318 568</b>

**Profit for the period attributable to:**

Owners of the parent	181 582	182 331	301 249
Non-controlling interest	9 715	11 593	17 319
Basic earnings per share (cents)	97.7	98.8	163.2
Diluted earnings per share (cents)	96.2	98.0	160.3

<b>GROUP STATEMENT OF COMPREHENSIVE INCOME</b>	<b>Unaudited 6 months 31 August 2013 R'000</b>	<b>Unaudited 6 months 31 August 2012 R'000</b>	<b>Audited 12 months 28 February 2013 R'000</b>
<b>Profit for the period</b>	<b>191 297</b>	<b>193 924</b>	<b>318 568</b>
<b>Other comprehensive income for the period, net of tax</b>			
Currency translation differences	4 804	4 494	3 815
Actuarial gain on post employment benefit obligations	1 238	-	-
<b>Total comprehensive income for the period</b>	<b>197 339</b>	<b>198 418</b>	<b>322 383</b>
<b>Comprehensive income for the period attributable to:</b>			
Owners of the parent	187 624	186 825	305 064
Non-controlling interest	9 715	11 593	17 319
<b>Total comprehensive income for the period</b>	<b>197 339</b>	<b>198 418</b>	<b>322 383</b>

<b>CALCULATION OF DILUTED EARNINGS PER SHARE</b>	<b>Unaudited 6 months 31 August 2013 R'000</b>	<b>Unaudited 6 months 31 August 2012 R'000</b>	<b>Audited 12 months 28 February 2013 R'000</b>
Profit attributable to owners of the parent entity	<b>181 582</b>	182 331	301 249
Weighted average number of ordinary shares in issue	<b>185 900</b>	184 536	184 536
<i>Adjustments for:</i>			
Shares deemed issued for no consideration (share options)	<b>2 809</b>	1 560	3 401
Weighted average number of ordinary shares for diluted earnings per share	<b>188 709</b>	186 096	187 937
Diluted earnings per share (cents)	<b>96.2</b>	98.0	160.3

<b>CALCULATION OF HEADLINE EARNINGS PER SHARE</b>	<b>Unaudited 6 months 31 August 2013 R'000</b>	<b>Unaudited 6 months 31 August 2012 R'000</b>	<b>Audited 12 months 28 February 2013 R'000</b>
Profit attributable to owners of the parent entity	<b>181 582</b>	182 331	301 249
<i>Adjustments for:</i>			
Profit on sale of fixed assets	<b>(3 166)</b>	(8 066)	(11 767)
Excess from fair value of assets acquired over purchase price	<b>(368)</b>	-	-
Total tax effects of adjustments	<b>886</b>	2 258	3 295
Basic headline earnings	<b>178 934</b>	176 523	292 777
Weighted average number of shares	<b>185 900</b>	184 536	184 536
Headline earnings per share (cents)	<b>96.3</b>	95.7	158.7
Diluted headline earnings per share (cents)	<b>94.8</b>	94.9	155.8

GROUP STATEMENT OF FINANCIAL POSITION	Unaudited 6 months 31 August 2013 R'000	Unaudited 6 months 31 August 2012 R'000	Audited 12 months 28 February 2013 R'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	1 755 560	1 535 344	1 561 232
Intangible assets	763 811	766 209	763 951
Deferred income tax assets	35 837	16 449	23 936
Trade and other receivables	-	26	-
<b>Total non-current assets</b>	<b>2 555 208</b>	<b>2 318 028</b>	<b>2 349 119</b>
<b>Current assets</b>			
Inventories	376 484	201 821	245 546
Construction contracts in progress and retentions	320 354	308 118	307 381
Trade and other receivables	1 032 867	1 089 329	1 089 032
Current income tax receivable	29 408	12 416	31 218
Cash and cash equivalents	786 741	749 061	835 685
<b>Total current assets</b>	<b>2 545 854</b>	<b>2 360 745</b>	<b>2 508 862</b>
<b>Total assets</b>	<b>5 101 062</b>	<b>4 678 773</b>	<b>4 857 981</b>
<b>EQUITY</b>			
Share capital	1 859	1 845	1 845
Share premium	2 203 380	2 179 613	2 179 613
Other reserves	(1 118 153)	(1 125 464)	(1 112 515)
Retained earnings	1 966 400	1 788 098	1 850 616
<b>Equity attributable to owners of the parent</b>	<b>3 053 486</b>	<b>2 844 092</b>	<b>2 919 559</b>
Non-controlling interest	40 224	34 500	39 031
<b>Total equity</b>	<b>3 093 710</b>	<b>2 878 592</b>	<b>2 958 590</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Borrowings	410 465	349 990	349 303
Provisions for liabilities and charges	31 689	24 579	26 152
Deferred income tax liabilities	263 542	235 345	245 623
<b>Total non-current liabilities</b>	<b>705 696</b>	<b>609 914</b>	<b>621 078</b>
<b>Current liabilities</b>			
Trade and other payables	1 020 580	913 191	978 350
Borrowings	255 657	235 548	233 201
Current income tax liabilities	25 419	41 528	7 937
Provisions for liabilities and charges	-	-	58 825
<b>Total current liabilities</b>	<b>1 301 656</b>	<b>1 190 267</b>	<b>1 278 313</b>
<b>Total liabilities</b>	<b>2 007 352</b>	<b>1 800 181</b>	<b>1 899 391</b>
<b>Total equity and liabilities</b>	<b>5 101 062</b>	<b>4 678 773</b>	<b>4 857 981</b>



<b>GROUP STATEMENT OF CASH FLOWS</b>	<b>Unaudited 6 months 31 August 2013 R'000</b>	<b>Unaudited 6 months 31 August 2012 R'000</b>	<b>Audited 12 months 28 February 2013 R'000</b>
<b>Cash flows from operating activities</b>			
Cash generated from operations	357 590	443 781	859 007
Finance income	16 754	14 342	33 518
Finance costs	(19 643)	(21 518)	(40 184)
Dividend received	-	1 037	1 037
Income tax paid	(55 445)	(65 861)	(173 269)
<b>Net cash generated from operating activities</b>	<b>299 256</b>	<b>371 781</b>	<b>680 109</b>
<b>Cash flows from investing activities</b>			
Purchases of property, plant and equipment	(241 910)	(280 928)	(460 939)
Proceeds from sale of property, plant and equipment	33 499	26 866	49 908
Acquisition of subsidiaries	(120 925)	(15 110)	(14 597)
<b>Net cash used in investing activities</b>	<b>(329 336)</b>	<b>(269 172)</b>	<b>(425 628)</b>
<b>Cash flows from financing activities</b>			
Proceeds from borrowings	242 918	241 690	388 607
Repayment of borrowings	(194 423)	(154 295)	(311 100)
Proceeds from shares issued	14	-	-
Dividends paid to owners of the parent	(65 065)	(64 588)	(119 948)
Dividends paid to non-controlling interests	(2 308)	(1 274)	(1 274)
<b>Net cash used in financing activities</b>	<b>(18 864)</b>	<b>21 533</b>	<b>(43 715)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(48 944)</b>	<b>124 142</b>	<b>210 766</b>
Cash and cash equivalents at the beginning of the year	835 685	624 919	624 919
<b>Cash and cash equivalents at the end of the period</b>	<b>786 741</b>	<b>749 061</b>	<b>835 685</b>

<b>GROUP STATEMENT OF CHANGES IN EQUITY</b>	Share capital R'000	Share premium R'000	Other reserves R'000	Retained earnings R'000	Total attributable to owners of the parent company R'000	Non-controlling interest R'000	Total equity R'000
<b>Balance at 1 March 2012</b>	1 845	2 179 613	(1 142 401)	1 670 355	2 709 412	19 468	2 728 880
Share option reserve	-	-	12 443	-	12 443	-	12 443
Non-controlling interest arising on business combination	-	-	-	-	-	4 713	4 713
Total comprehensive income for the period	-	-	4 494	182 331	186 825	11 593	198 418
Dividends paid	-	-	-	(64 588)	(64 588)	(1 274)	(65 862)
<b>Balance at 31 August 2012</b>	1 845	2 179 613	(1 125 464)	1 788 098	2 844 092	34 500	2 878 592
Share option reserve	-	-	13 628	-	13 628	-	13 628
Non-controlling interest arising on business combination	-	-	-	-	-	(1 111)	(1 111)
Acquisition of non-controlling interest	-	-	-	(1 040)	(1 040)	(84)	(1 124)
Total comprehensive income for the period	-	-	(679)	118 918	118 239	5 726	123 965
Dividends paid	-	-	-	(55 360)	(55 360)	-	(55 360)
<b>Balance at 28 February 2013</b>	1 845	2 179 613	(1 112 515)	1 850 616	2 919 559	39 031	2 958 590
Proceeds from shares issued	14	23 767	-	-	23 781	-	23 781
Share option reserve	-	-	(10 442)	-	(10 442)	-	(10 442)
Acquisition of non-controlling interest	-	-	-	(1 971)	(1 971)	(6 214)	(8 185)
Total comprehensive income for the period	-	-	4 804	182 820	187 624	9 715	197 339
Dividends paid	-	-	-	(65 065)	(65 065)	(2 308)	(67 373)
<b>Balance at 31 August 2013</b>	1 859	2 203 380	(1 118 153)	1 966 400	3 053 486	40 224	3 093 710

<b>GROUP SEGMENTAL ANALYSIS</b>	Aggregate and crusher R'000	Road surfacing and rehabilitation R'000	Road construction and earthworks R'000	Infra-structure R'000	Tosas R'000	Consolidated R'000
<b>Reportable segments</b>						
<b>31 August 2013</b>						
Segment revenue	829 719	1 220 262	772 435	316 100	82 850	3 221 366
Segment result (operating profit)	128 490	95 212	37 843	19 160	(6 180)	274 525
<b>31 August 2012</b>						
Segment revenue	769 217	1 410 901	629 895	-	-	2 810 013
Segment result (operating profit)	109 076	112 569	69 188	-	-	290 833
<b>28 February 2013</b>						
Segment revenue	1 501 732	2 753 772	1 217 189	162 826	-	5 635 519
Segment result (operating profit)	218 935	199 545	61 656	3 669	-	483 805

	Local R'000	International R'000	Consolidated R'000
<b>Geographical information</b>			
<b>31 August 2013</b>			
Segment revenue	2 970 998	250 368	3 221 366
Segment result (operating profit)	225 203	49 322	274 525
<b>31 August 2012</b>			
Segment revenue	2 585 834	224 179	2 810 013
Segment result (operating profit)	247 875	42 958	290 833
<b>28 February 2013</b>			
Segment revenue	5 173 823	461 696	5 635 519
Segment result (operating profit)	399 591	84 214	483 805

<b>EMPLOYEE BENEFIT EXPENSE</b>	<b>Unaudited 6 months 31 August 2013 R'000</b>	<b>Unaudited 6 months 31 August 2012 R'000</b>	<b>Audited 12 months 28 February 2013 R'000</b>
Employee benefit expense in the income statement consists of:			
Salaries, wages and contributions	<b>736 900</b>	567 004	1 157 263
Share options granted to employees	<b>13 325</b>	12 443	26 071
Total employee benefit expense	<b>750 225</b>	579 447	1 183 334

<b>CAPITAL EXPENDITURE AND DEPRECIATION</b>	<b>Unaudited 6 months 31 August 2013 R'000</b>	Unaudited 6 months 31 August 2012 R'000	Audited 12 months 28 February 2013 R'000
Capital expenditure for the period	<b>241 910</b>	280 928	460 939
Depreciation for the period	<b>135 242</b>	123 773	251 114
Amortisation of intangible assets for the period	<b>140</b>	1 387	1 677

## NOTES

### Basis of preparation:

These condensed consolidated interim financial statements have been prepared under the supervision of the Financial Director, JF Gibson CA (SA), in accordance with International Financial Reporting Standards ("IFRS"), IAS34 "Interim Financial Reporting", the South African Companies Act 71 of 2008 and the JSE Listings Requirements. The principal accounting policies used in the preparation of the unaudited results for the period ended 31 August 2013 are consistent with those applied for the year ended 28 February 2013 and for the unaudited results for the six months ended 31 August 2012 in terms of IFRS.

### Business combinations

On 26 April 2013 the group acquired 100% of the share capital of Tosas Holdings (Pty) Ltd from Sasol Oil (Pty) Ltd for a purchase price of R120 million cash. Tosas is a manufacturer and distributor of value added bituminous products used primarily for road construction activities and their operations include several bitumen processing and storage facilities in the inland region of South Africa as well as in Namibia and Botswana. The acquisition represents a strong strategic fit for Raubex as an integrated road construction and rehabilitation company operating across southern Africa. The company contributed revenues of R82,8 million and net loss of R5,3 million for the period from 26 April 2013 to 31 August 2013. If the acquisition had occurred on 1 March 2013, contributions to group revenue would have been R153,7 million and net loss of R6,7 million.

Details of the net assets acquired, purchase consideration and goodwill are as follows:

<b>The purchase consideration:</b>	<b>R'000</b>
Cash	120 000
Fair value of net assets acquired	<u>120 368</u>
Excess from fair value of assets acquired over purchase price	<u>(368)</u>
<b>Fair value of net assets acquired</b>	
Property, plant and equipment	117 527
Deferred tax asset	15 101
Inventory	58 914
Trade and other receivables	51 379
Cash and cash equivalents	7 260
Deferred tax liability	(18 101)
Borrowings	(35 122)
Provisions	(7 010)
Trade and other payables	<u>(69 580)</u>
<b>Total net assets acquired</b>	<u>120 368</u>

## Events after the reporting period

There were no material events after the reporting period to report up to the date of preparation of these group financial statements.

On behalf of the Board:

J E Raubenheimer  
Chairman

R J Fourie  
Chief Executive Officer

JF Gibson  
Financial Director

11 November 2013

Directors:

J E Raubenheimer#, R J Fourie, JF Gibson, F Kenney#, L A Maxwell\*, B H Kent\*, N F Msiza\*

# Non-executive \* Independent non-executive

Company secretary:

Mrs H E Ernst

Registered office:

Building No 1  
The Highgrove Office Park  
50, Tegel Avenue  
Centurion  
South Africa

Transfer secretaries:

Computershare Investor Services (Pty) Ltd  
70 Marshall Street  
Johannesburg  
2001  
South Africa

Auditors:

PricewaterhouseCoopers Inc.

Sponsor:

Investec Bank Limited

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