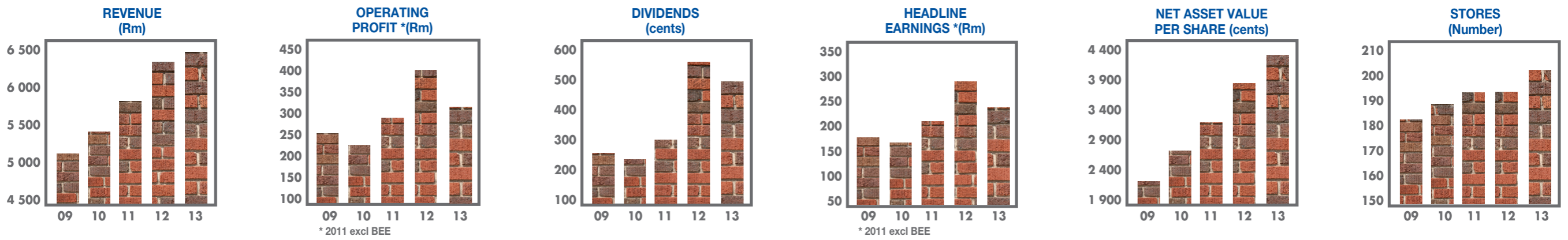


# AUDITED ANNUAL RESULTS AND DIVIDEND DECLARATION - JUNE 2013

- Revenue ↑ 1% (↑3%)\*
  - Operating profit ↓ 19% (↓12%)\*
  - Headline earnings ↓ 17% (↓9%)\*
  - Net asset value per share ↑ 13% (↑16%)\*
- \* When comparing current 52 weeks with prior 52 weeks



## SUMMARY CONSOLIDATED GROUP INCOME STATEMENT - AUDITED

R'000	Year ended 30 June 2013 (52 weeks)	Year ended 30 June 2012 (53 weeks)	% change
Revenue	6 376 945	6 310 052	1
Cost of sales	(4 921 664)	(4 837 024)	2
Gross profit	1 455 281	1 473 028	(1)
Selling and marketing expenses	(966 965)	(894 960)	8
Administrative expenses	(163 700)	(177 745)	(8)
Other operating expenses	(4 154)	(4 491)	(8)
Other income	2 078	4 643	(55)
Operating profit	322 540	400 475	(19)
Finance cost	(1 225)	(706)	74
Finance income	30 718	33 561	(8)
Profit before income tax	352 033	433 330	(19)
Income tax expense	(103 482)	(140 297)	(26)
Profit for the year	248 551	293 033	(15)
Attributable to:			
Owners of the company	245 490	286 832	(14)
Non-controlling interests	3 061	6 201	(51)
Earnings per share (cents)	1 063.2	1 261.3	(16)
Diluted earnings per share (cents)	1 038.3	1 257.5	(17)

## SUMMARY CONSOLIDATED GROUP STATEMENT OF COMPREHENSIVE INCOME - AUDITED

R'000	Year ended 30 June 2013 (52 weeks)	Year ended 30 June 2012 (53 weeks)
Profit for the year	248 551	293 033
Other comprehensive income:		
Foreign currency translation adjustments	4 240	(2 753)
Other comprehensive income for the year, net of tax	4 240	(2 753)
Total comprehensive income for the year	252 791	290 280
Total comprehensive income attributable to:		
Owners of the company	249 996	286 392
Non-controlling interests	2 795	3 888
	252 791	290 280

## ADDITIONAL INFORMATION - AUDITED

R'000	Year ended 30 June 2013	Year ended 30 June 2012
Net asset value per share (cents)	4 379	3 877
Ordinary shares ('000):		
- In issue	25 190	25 190
- Weighted-average	23 091	22 742
- Diluted weighted-average	23 643	22 809
Capital expenditure	198 042	110 909
Depreciation of property, plant and equipment	75 008	62 921
Amortisation of intangible assets	6 773	1 876
Capital commitments	164 995	197 281
Property operating lease commitments	953 363	930 855
Contingent liabilities	6 307	14 337

## SUMMARY CONSOLIDATED GROUP SEGMENTAL ANALYSIS - AUDITED

R'000	South Africa		Other members of common monetary area*		Botswana and Malawi		Group	
	Year ended 30 June 2013	Year ended 30 June 2012	Year ended 30 June 2013	Year ended 30 June 2012	Year ended 30 June 2013	Year ended 30 June 2012	Year ended 30 June 2013	Year ended 30 June 2012
<b>Income statement</b>								
Revenue	5 583 424	5 505 910	505 499	523 871	288 022	280 271	6 376 945	6 310 052
Operating profit	277 733	343 452	31 610	32 844	13 197	24 179	322 540	400 475
<b>Statement of financial position</b>								
Segment assets	1 626 670	1 519 637	299 468	279 636	142 862	126 795	2 069 000	1 926 068
Segment liabilities	786 355	768 834	121 066	124 740	45 143	44 412	952 564	937 986
<b>Other segment items</b>								
Depreciation	67 159	56 356	4 688	3 847	3 161	2 718	75 008	62 921
Amortisation	6 773	1 869	-	-	-	7	6 773	1 876
Capital expenditure	179 506	98 466	13 259	5 144	5 277	7 299	198 042	110 909

\* Includes Namibia, Swaziland and Lesotho

## SUMMARY CONSOLIDATED GROUP STATEMENT OF CHANGES IN EQUITY - AUDITED

R'000	Attributable to owners of the company							Non-controlling interests	Total equity
	Share capital	Treasury share capital	Share premium	Treasury share premium	Share payments reserve	Cum. translation adjustment	Retained earnings		
Balance at 1 July 2011	252	(23)	65 823	(33 692)	4 969	(14 402)	760 328	54 863	838 118
Total comprehensive income for the year	-	-	-	-	-	(440)	286 832	3 888	290 280
Dividend paid	-	-	-	-	-	(98 817)	(569)	(99 386)	(99 386)
Buy-out of minority in subsidiary	-	-	-	-	-	(15 437)	(46 774)	(62 211)	(62 211)
Shares sold by The Cashbuild Share Incentive Trust	-	3	-	5 360	-	-	8 269	-	13 632
Recognition of share based payments	-	-	-	-	7 649	-	-	-	7 649
Closing balance at 30 June 2012	252	(20)	65 823	(28 332)	12 618	(14 842)	941 175	11 408	988 082
Total comprehensive income for the year	-	-	-	-	-	4 506	245 490	2 795	252 791
Dividend paid	-	-	-	-	-	(131 762)	(1 180)	(132 942)	(132 942)
Increase in shareholding of subsidiary	-	-	-	-	-	(497)	437	(60)	(60)
Shares sold by The Cashbuild Share Incentive Trust	-	1	-	766	-	-	1 075	-	1 842
Shares purchased by The Cashbuild Operations Management Member Trust	-	(1)	-	(2 545)	-	-	-	-	(2 546)
Recognition of share based payments	-	-	-	-	9 269	-	-	-	9 269
Closing balance at 30 June 2013	252	(20)	65 823	(30 111)	21 887	(10 336)	1 055 481	13 460	1 116 436

## SUMMARY CONSOLIDATED GROUP STATEMENT OF FINANCIAL POSITION - AUDITED

R'000	30 June 2013	30 June 2012
<b>ASSETS</b>	<b>692 725</b>	<b>583 333</b>
Non-current assets		
Property, plant and equipment	618 597	517 006
Intangible assets	50 333	41 687
Rent prepayments	20 557	13 483
Deferred income tax assets	3 238	11 157
Current assets	1 376 275	1 342 735
Assets held for sale	15 645	18 225
Inventories	986 709	744 606
Trade and other receivables	115 196	91 958
Financial assets at fair value	125 628	-
Cash and cash equivalents	123 818	487 946
Current income tax assets	9 279	-
Total assets	2 069 000	1 926 068
<b>EQUITY AND LIABILITIES</b>		
Shareholders' equity	1 116 436	988 082
Share capital and reserves	1 102 976	976 674
Non-controlling interests	13 460	11 408
Non-current liabilities	96 099	89 241
Deferred operating lease liability	92 016	85 122
Deferred profit	1 595	1 647
Borrowings	2 488	2 472
Current liabilities	856 465	848 745
Trade and other liabilities	853 929	837 661
Current income tax liabilities	-	8 768
Employee benefits	2 536	2 316
Total equity and liabilities	2 069 000	1 926 068

## SUMMARY CONSOLIDATED GROUP CASH FLOW STATEMENT - AUDITED

R'000	Year ended 30 June 2013	Year ended 30 June 2012
<b>Cash flows from operating activities</b>	<b>156 378</b>	<b>151 553</b>
Cash generated from operations	(1 225)	(706)
Interest paid	(113 610)	(168 561)
Taxation paid	(179 743)	(97 577)
Net cash generated from/(used in) operating activities	41 543	(17 714)
<b>Cash flows from investing activities</b>	<b>(125 628)</b>	<b>(62 211)</b>
Net investment in assets	(133 690)	(148 150)
Increase in financial assets	(366 800)	(229 880)
Interest received	16	(185)
Net cash used in investing activities	(2 546)	-
Shares purchased by The Cashbuild Operations Management Trust	1 842	13 632
Shares sold by The Cashbuild Share Incentive Trust	(131 762)	(98 817)
Dividends paid	(1 180)	(569)
- own equity	(60)	(62 211)
- non-controlling interests	(133 690)	(148 150)
Increase in shareholding of subsidiary	(366 800)	(229 880)
Net cash used in financing activities	2 672	(2 734)
Effect of exchange rate movements on cash and cash equivalents	487 946	720 560
Cash and cash equivalents at beginning of year	123 818	487 946

## NOTES TO THE SUMMARY CONSOLIDATED GROUP ANNUAL FINANCIAL INFORMATION

- Basis of preparation.** The summary consolidated financial information ("financial information") announcement is based on the audited financial statements of the group for the year ended 30 June 2013 which have been prepared in accordance with International Financial Reporting Standards ("IFRS"), the Listings Requirements of the JSE and the Companies Act of South Africa (2008) and consistently applied to the prior year. The annual financial statements were prepared under the supervision of the financial director, Mr AE Prowse CA (SA) and approved by the board on 16 September 2013.
- Independent audit by the auditor.** These summary consolidated results have been audited by our auditor PricewaterhouseCoopers Inc., who has performed the audit in accordance with the International Standards on Auditing. A copy of the unqualified audit report is available for inspection at the registered office of the company.
- Reporting period.** The group adopts the retail accounting calendar, which comprises the reporting period ending on the last Sunday of the month (2013: 30 June (52 weeks); 2012: Saturday 30 June (53 weeks)).
- Earnings per share.** Earnings per share is calculated by dividing the earnings attributable to owners of the company for the year by the weighted average number of 23 090 567 ordinary shares in issue during the year (June 2012: 22 742 446 shares).
- Headline earnings per ordinary share.** The calculations of headline earnings and diluted headline earnings per ordinary share are based on headline earnings of R237.4 million (June 2012: R285.6 million) and a weighted average of 23 090 567 (June 2012: 22 742 446) and fully diluted of 23 643 228 (June 2012: 22 809 260) ordinary shares in issue. Reconciliation between net profit attributable to the equity holders of the company and headline earnings:

R'000	Jun-13	Jun-12	% change
Net profit attributable to owners of the company	245 490	286 832	(14)
Profit on sale of assets after taxation	(8 046)	(1 264)	-
Headline earnings	237 444	285 568	(17)
Headline earnings per share (cents)	1 028.3	1 255.7	(18)
Diluted headline earnings per share (cents)	1 004.3	1 252.0	(20)

- Unaudited pro-forma information illustrating the impact of the 53rd week on the annual results for the year ended June 2012 compared to June 2013.** Although Cashbuild has reported financial results for the year (52 weeks) to 30 June 2013, it is appropriate and good practice to illustrate pro-forma information of the comparative 52 week prior period for the user of these financial statements. The unaudited pro-forma information presented below has been prepared for illustrative purposes only, to indicate how such information compares to the unaudited pro-forma results of the group for the prior 52 week ended 23rd June 2012. The directors of the company are responsible for the compilation, contents and preparation of the unaudited pro-forma financial information.

R'000	AUDITED Actual 2013 (52 weeks)	% change	UNAUDITED Actual 2012 (52 weeks)	53rd week	AUDITED Actual 2012 (53 weeks)
Revenue	6 376 945	3	6 178 907	131 145	6 310 052
Operating profit	322 540	(12)	366 710	33 765	400 475
Net profit attributable to owners of the company	245 490	(7)	262 723	24 109	286 832
Headline earnings	237 444	(9)	261 459	24 109	285 568
Earnings per share (cents)	1 063.2	(8)	1 155.2	1 261.3	1 261.3
Headline earnings per share (cents)	1 028.3	(11)	1 149.7	1 255.7	1 255.7
Net asset value per share (cents)	4 379	16	3 782	3 877	3 877

- The accounting policies adopted in the latest audited annual financial statements, which have been prepared in accordance with IFRS, have been used in preparing the unaudited pro-forma information.
  - The "53rd week" column for the comparative year, represents the actual sales of product for the 53rd week and directly related costs, net of taxation for the one week period (24 - 30 June). Cost of sales and directly related variable operating expenses are calculated based on the actual percentages achieved during the prior financial year. The cost of sales of the 53rd week also includes an additional month's settlement discount relating to the trade suppliers' payment at the prior year-end.
  - The "Actual 2012 (52 weeks)" column in the opinion of the directors, fairly reflects the results of the 52 week period ended 23rd June 2012.
- 7. Declaration of dividend.** The board has declared a final dividend (No. 41), of 191 cents (June 2012: 273 cents) per ordinary share out of income reserves to all shareholders of Cashbuild Limited. The dividend per share is calculated based on 25 189 811 (2012: 25 189 811) shares in issue at date of dividend declaration. Net local dividend amount is 162.35 cents per share for shareholders liable to pay Dividends Tax and 191 cents per share for shareholders exempt from paying Dividends Tax. The total dividend for the year amounts to 487 cents (2012: 569 cents). Local dividend tax is 15% and there are no STC credits available for use. Cashbuild Limited's tax reference number is 9575168712.
- Date dividend declared: Monday, 16 September 2013  
 Last day to trade "CUM" the dividend: Friday, 4 October 2013  
 Date commencement trading "EX" the dividend: Monday, 7 October 2013  
 Record date: Friday, 11 October 2013  
 Date of payment: Monday, 14 October 2013  
 Share certificates may not be dematerialised or rematerialised between Monday, 7 October 2013 and Friday, 11 October 2013, both dates inclusive.
- On behalf of the board  
 DONALD MASSON  
 Chairman  
 Johannesburg
- WERNER DE JAGER  
 Chief Executive  
 16 September 2013

## COMMENTARY

**NATURE OF BUSINESS**  
 Cashbuild is southern Africa's largest retailer of quality building materials and associated products, selling direct to a cash-paying customer-base through our constantly expanding chain of stores (200 at the end of this financial year). Cashbuild carries an in-depth quality product range tailored to the specific needs of the communities we serve. Our customers are typically home-builders and improvers, contractors, farmers, traders, large construction companies and government-related infrastructure developers, as well as all other customers requiring quality building materials at lowest prices. Cashbuild has built its credibility and reputation by consistently offering its customers quality building materials at the lowest prices and through a purchasing and inventory policy that ensures customers' requirements are always met.

**FINANCIAL HIGHLIGHTS**  
 The commentary below relates to statutory results. For a 52 week vs 52 week comparison, refer to the pro-forma information in Note 6 above.

Revenue for the year increased by 1% whilst gross profit decreased by 1%. Operating profit decreased by 19% largely due to operating expenses increasing by 6%. Basic earnings per share decreased by 16% and headline earnings per share decreased by 18%. Net asset value per share has shown a 13% increase, from 3 877 cents (June 2012) to 4 379 cents. Cash, cash equivalents and financial assets have decreased by 49% to R249 million as a result of increased capital expenditure and stockholding.

Stores in existence since the beginning of July 2011 (pre-existing stores - 187 stores) decreased by 1% in revenue and the 13 new stores contributed 2%. This increase for the year has been achieved in tough trading conditions with selling price inflation of 2%. As anticipated, gross margin percentage has decreased to more normalised levels of 22.8%.

Operational expenses for the year remained well controlled with existing stores accounting for 3% of the increase and new stores 3%. The total increase for the year amounted to 6%. The main contributor to the increase on existing stores was systems related, due to the roll-out of the new IT system that was completed during the year.

The effective tax rate for the year of 29% is 3% lower than that of the previous year, mainly due to the change from STC to a dividend withholding tax.

Cashbuild's statement of financial position remains solid. Stock levels have increased by 33%, with overall stockholding at 83 days (June 2012: 63 days). Trade receivables remain well under control.

During the financial year, Cashbuild opened nine new stores, 20 stores were refurbished and six stores were relocated. Cashbuild will continue its store expansion, relocation and refurbishment strategy in a controlled manner, applying the same rigorous process as in the past.

**PROSPECTS**  
 Despite tough trading conditions, management is positive about the top line trading prospects for the next quarter. The first eight trading weeks since year-end have reported an increase in revenue of 10% on that of the comparable eight weeks, whilst the gross margin remained under pressure. This general forecast has not been reviewed nor audited by the company's auditor.

Directors: D Masson (Chairman), WF de Jager (Chief executive), IS Fourie\*, HH Hickey\*, AGW Knock\*, Dr DSS Lushaba\*, AE Prowse, NV Simamane\*, SA Throsson, A van Onselen. (\*non-executive)

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 Auditor: PricewaterhouseCoopers Inc. • Sponsor: Nedbank Capital  
 Cashbuild Limited (Registration number: 1986/001503/06) • (Incorporated in the Republic of South Africa)  
 JSE code: CSB • ISIN: ZAE00028320