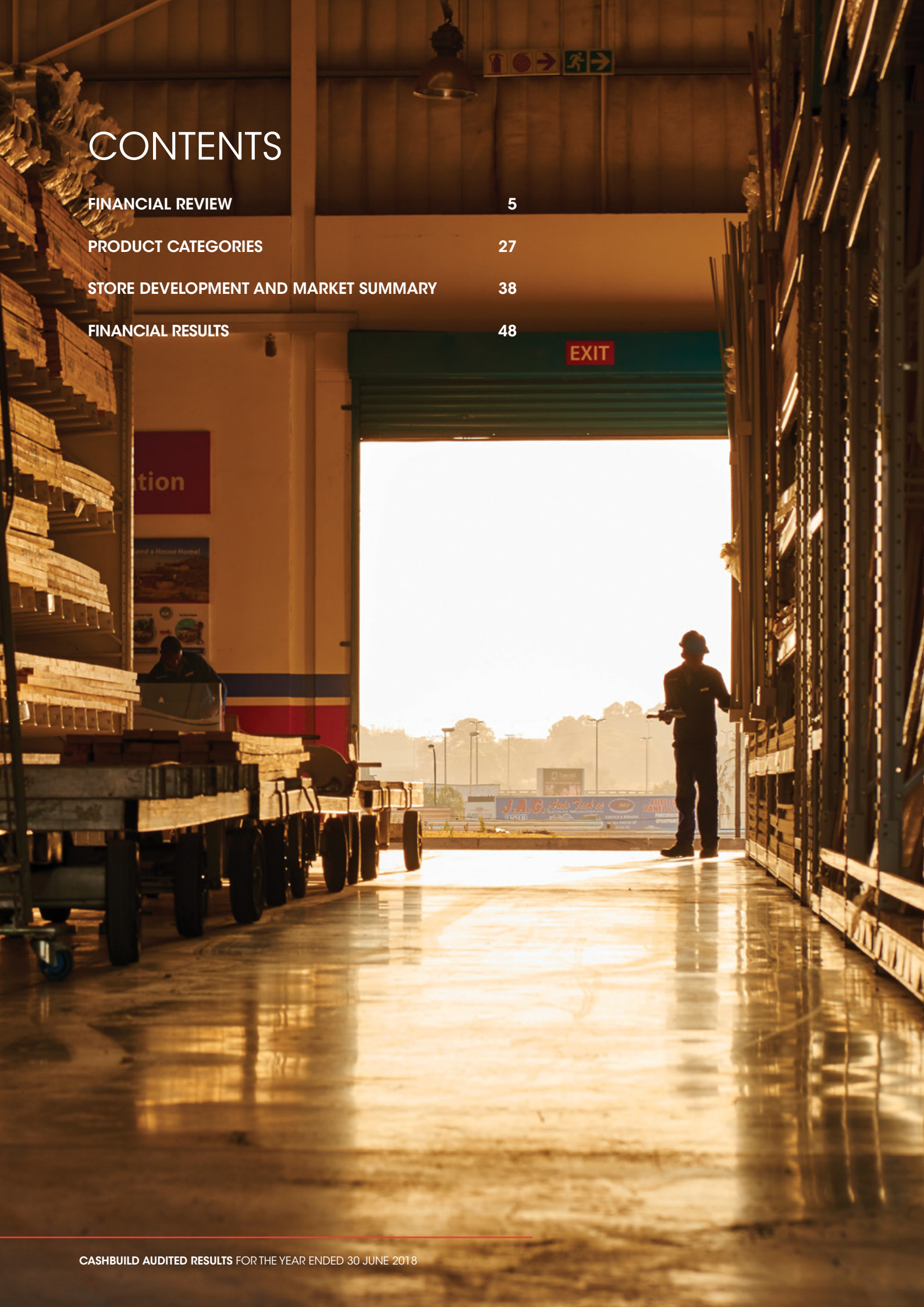


Cashbuild

AUDITED RESULTS
AND DIVIDEND DECLARATION
JUNE 2018

CONTENTS

FINANCIAL REVIEW	5
PRODUCT CATEGORIES	27
STORE DEVELOPMENT AND MARKET SUMMARY	38
FINANCIAL RESULTS	48





AUDITED FINAL RESULTS AND
DIVIDEND DECLARATION
June 2018

NOTES

DISCLAIMER

This presentation differs from the presentation available on the website and in the hand-out given to presentation participants as a result of industry sensitive information contained therein. The financial information pertaining to Cashbuild Limited's (Cashbuild's) results are exactly as published on SENS in terms of the JSE Limited's Listings Requirements.

This presentation may contain certain "forward-looking statements" regarding beliefs or expectations of Cashbuild, its directors and other members of its senior management about Cashbuild's financial condition, results of operations, cash flow, strategy and business and the transactions described in this presentation. Forward-looking statements include statements concerning plans, objectives, goals, strategies, future events or performance, and underlying assumptions and other statements, which are other than statements of historical facts. The words "believe", "expect", "anticipate", "intend", "estimate", "forecast", "project", "will", "may", "should" and similar expressions identify forward-looking statements but are not the exclusive means of identifying such statements. Such forward-looking statements are not guarantees of future performance. Rather, they are based on current views and assumptions and involve known and unknown risks, uncertainties and other factors, many of which are outside the control of Cashbuild and are difficult to predict, that may cause the actual results, performance, achievements or developments of Cashbuild or the industry in which it operates to differ materially from any future results, performance, achievements or developments expressed by or implied from the forward-looking statements. Each member of Cashbuild expressly disclaims any obligation or undertaking to provide or disseminate any updates or revisions to any forward-looking statements contained in this announcement.

NOTES

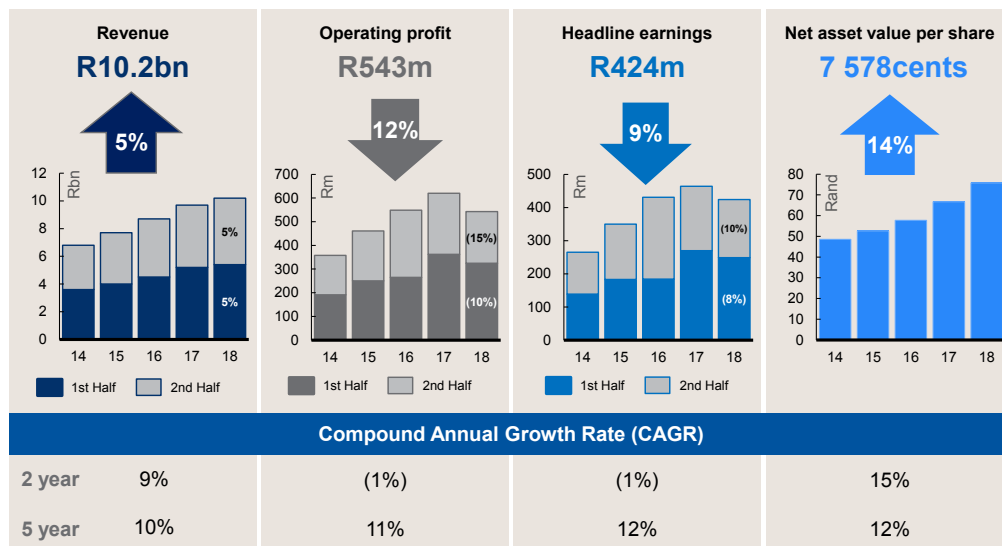


NATURE OF BUSINESS

- Mass retailer of building materials, home improvement and related products
- Offers a focused range of quality products at competitive prices
- Selling predominantly for cash
- Largest retail chain of building materials in southern Africa
- 318 outlets and expanding (251 Cashbuild, 60 P&L Hardware and 7 Cashbuild DIY outlets)

NOTES

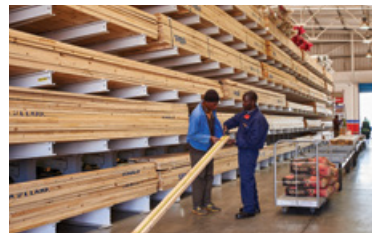
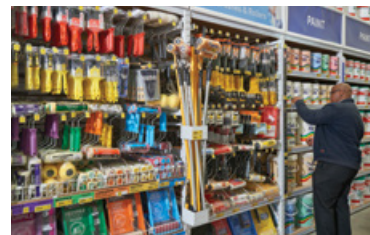
FINANCIAL HIGHLIGHTS



NOTES



FINANCIAL REVIEW



INCOME STATEMENT STATUTORY YEAR-ON-YEAR

R'000	Audited Jun 2018 (52 Weeks)	Audited Jun 2017 (52 Weeks)	% change
Revenue	10 207 603	9 729 640	5
Gross profit	2 568 584	2 480 929	4
Gross profit %	25.2	25.5	
Operating expenses	2 025 258	1 860 932	9
Operating expenses %	19.8	19.1	
Operating profit	543 326	619 997	(12)
Operating profit %	5.3	6.4	
Net financing income	50 985	37 029	38
Profit for the year	425 248	469 486	(9)
Earnings per share (cents)	1 852.1	2 047.7	(10)
Dividend per share (cents)	842	930	(9)
Weighted number of shares ('000)	22 710	22 708	-

Cashbuild 6

NOTES

INCOME STATEMENT HIGHLIGHTS HALF YEAR COMPARISON

R'000	2nd Half			1st Half		
	2018	2017	% change	2018	2017	% change
Revenue	4 802 619	4 558 733	5	5 404 984	5 170 907	5
Gross profit	1 209 350	1 169 734	3	1 359 234	1 311 195	4
Gross profit %	25.2	25.7		25.1	25.4	
Operating expenses	990 924	911 742	9	1 034 334	949 190	9
Operating expenses %	20.6	20.0		19.1	18.4	
Operating profit	218 426	257 992	(15)	324 900	362 005	(10)
Operating profit %	4.5	5.7		6.0	7.0	

Cashbuild 7

NOTES

REVENUE BREAKDOWN

R'000	FY 2018	FY 2017	Total	% change					
				Cashbuild stores			P&L Hardware stores		
				Total	New	Existing*	Total	New	Existing*
Quarter 1	2 575 455	2 447 381	5	5	4	1	10	9	1
Quarter 2	2 829 529	2 723 526	4	2	3	(1)	22	16	6
1st Half	5 404 984	5 170 907	5	3	3	-	16	12	4
Quarter 3	2 386 761	2 230 311	7	5	3	2	22	15	7
Quarter 4	2 415 858	2 328 422	4	2	3	(1)	19	12	7
Total	10 207 603	9 729 640	5	3	3	-	18	13	5

1st 6 weeks trading since period end up 1%

* All stores in existence prior to 1 July 2016

Cashbuild 8

NOTES

SALES R'MILLION

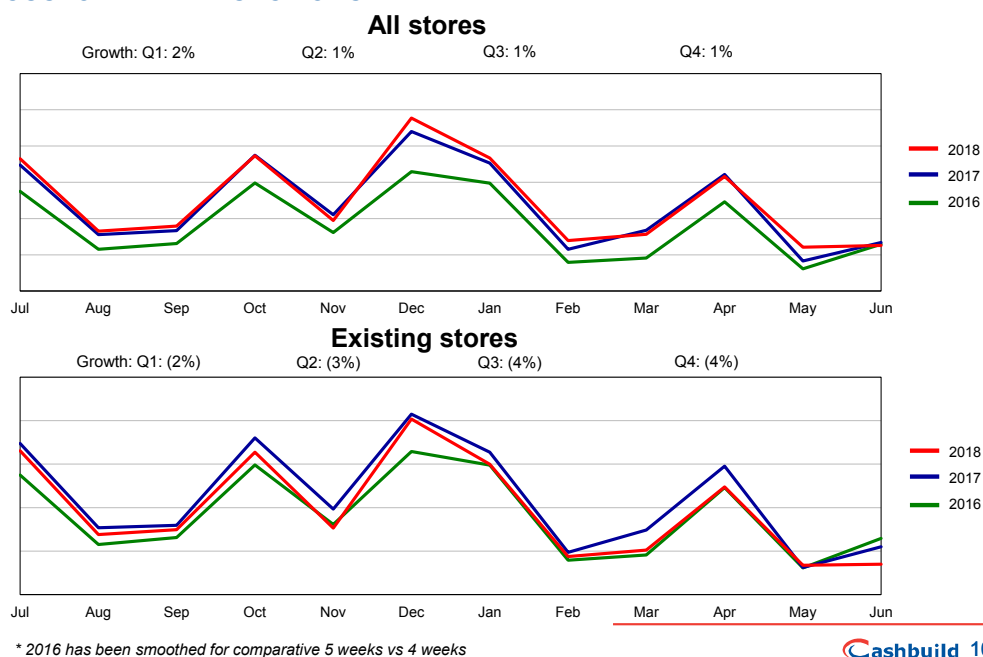


* 2016 has been smoothed for comparative 5 weeks vs 4 weeks

Cashbuild 9

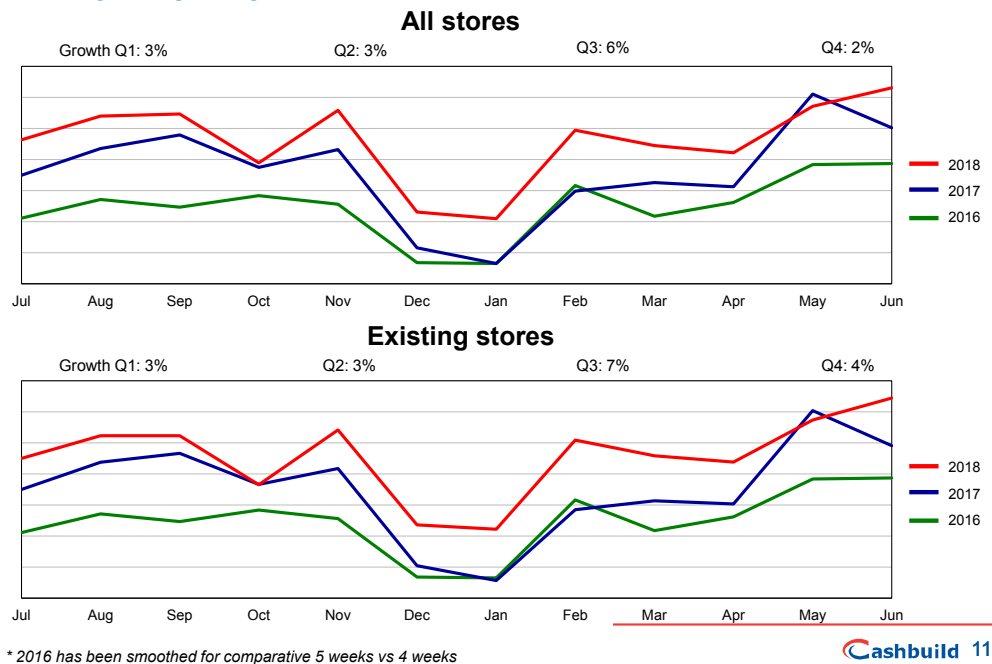
NOTES

CUSTOMER TRANSACTIONS



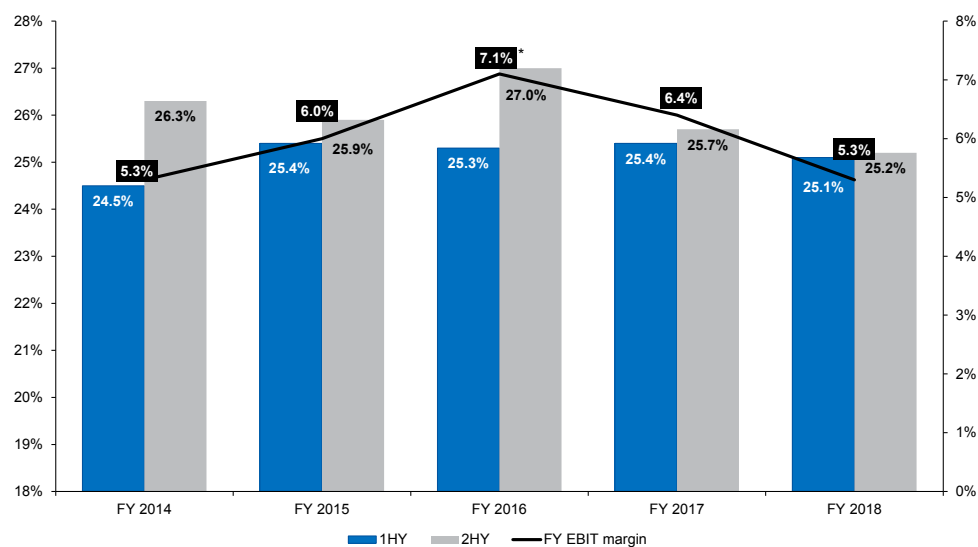
NOTES

AVERAGE BASKET SIZE



NOTES

GROSS PROFIT AND EBIT MARGIN



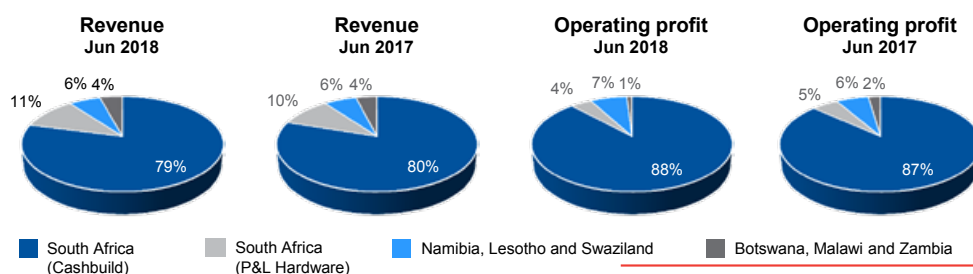
* Excludes BEE transaction

Cashbuild 12

NOTES

SEGMENTAL DISCLOSURE

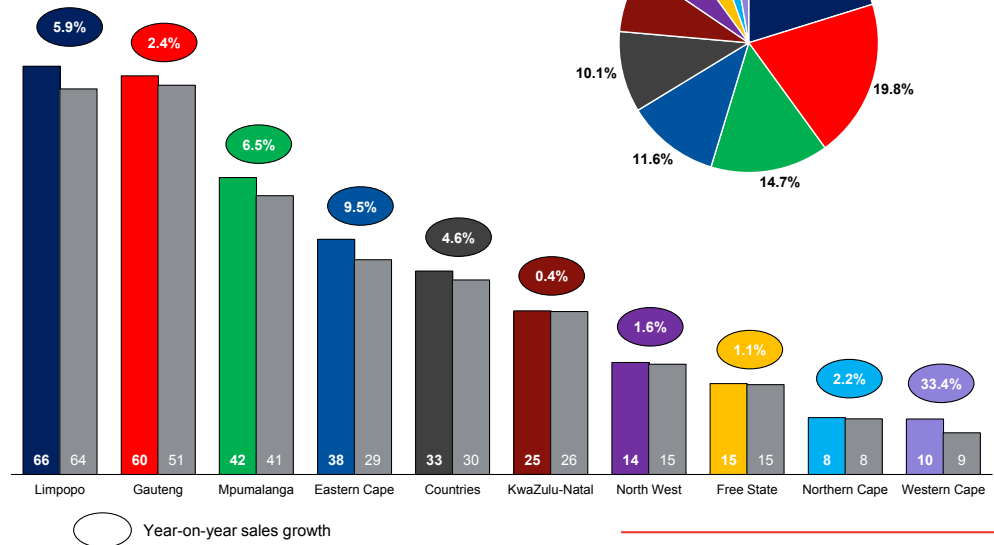
Rm	Cashbuild South Africa			P&L Hardware South Africa			Cashbuild Namibia, Lesotho and Swaziland			Cashbuild Botswana, Malawi and Zambia			Total Group		
	Jun 2018	Jun 2017	%	Jun 2018	Jun 2017	%	Jun 2018	Jun 2017	%	Jun 2018	Jun 2017	%	Jun 2018	Jun 2017	%
Revenue	8 044	7 788	3	1 136	960	18	607	596	2	421	386	9	10 208	9 730	5
Gross profit	2 098	2 061	2	219	175	25	147	143	3	105	102	3	2 569	2 481	4
GP %	26.1	26.5		19.3	18.2		24.2	24.0		24.9	26.4		25.2	25.5	
Operating profit	479	537	(11)	21	32	(34)	36	38	(5)	7	13	(46)	543	620	(12)
OP %	6.0	6.9		1.8	3.3		5.9	6.4		1.7	3.4		5.3	6.4	
Capital investment	119	106	12	82	13	>100	24	43	(44)	19	31	(39)	244	193	26



Cashbuild 13

NOTES

SALES BY PROVINCE



Cashbuild 14

NOTES

EXISTING BUSINESS RESULTS

R'000	FY 2018	FY 2017	% change
Revenue	9 517 607	9 483 275	-
Gross profit	2 403 958	2 418 684	(1)
Gross profit %	25.3	25.5	
Operating expenses	1 848 826	1 799 013	3
Operating expenses %	19.4	19.0	
Operating profit	555 132	619 671	(10)
Operating profit %	5.8	6.5	

"Existing business" refers to stores that have comparative trading results for an entire prior financial period

Cashbuild 15

NOTES

OPERATING EXPENSES

R'000	FY 2018	FY 2017	% change
Existing business (235 Cashbuild and 41 P&L stores)	1 848 826	1 799 013	3
- 1 st Half	955 699	928 400	3
- 2 nd Half	893 127	870 613	3
New business (23 Cashbuild and 19 P&L stores)	169 266	61 919	
- 1 st Half	78 635	20 790	
- 2 nd Half	97 797	41 129	
Total	2 025 258	1 860 932	9
- 1 st Half	1 034 334	949 190	9
- 2 nd Half	990 924	911 742	9

Cashbuild 16

NOTES

OPERATING EXPENSES – PEOPLE COST

R'million	FY 2018	FY 2017	% change
Existing business (235 Cashbuild and 41 P&L stores)	799.2	767.6	4
- 1 st Half	407.3	388.4	5
- 2 nd Half	391.9	379.2	3
New business (23 Cashbuild and 19 P&L stores)	61.1	22.3	
- 1 st Half	26.9	8.8	
- 2 nd Half	34.2	13.5	
Total	860.3	789.9	9
- 1 st Half	434.2	397.2	9
- 2 nd Half	426.1	391.8	9
% of sales	8.4	8.1	
FTE headcount	6 316	6 365	(1)

- Increase for Cashbuild and P&L Hardware staff of 7.5% and 6.5%, respectively
- Increase of 6.0% for FY2019
- Continued focus on efficiencies
- Benchmarks to ensure customer service standards are adhered to

Cashbuild 17

NOTES

OPERATING EXPENSES – DELIVERY EXPENSES

R'million	FY 2018	FY 2017	% change
Existing business (235 Cashbuild and 41 P&L stores)	107.5	111.5	(4)
- 1 st Half	54.8	55.1	(1)
- 2 nd Half	52.7	56.4	(7)
New business (23 Cashbuild and 19 P&L stores)	8.2	3.1	
- 1 st Half	4.0	1.0	
- 2 nd Half	4.2	2.1	
Total	115.7	114.6	1
- 1 st Half	58.8	56.1	5
- 2 nd Half	56.9	58.5	(3)
% of sales	1.1	1.2	

- Delivery expenses remain below benchmark level
- Volatile fuel prices could impact

Cashbuild 18

NOTES

OPERATING EXPENSES – MARKETING

R'million	FY 2018	FY 2017	% change
Existing business (235 Cashbuild and 41 P&L stores)	142.5	140.0	2
- 1 st Half	79.2	84.1	(6)
- 2 nd Half	63.3	55.9	13
New business (23 Cashbuild and 19 P&L stores)	18.6	7.7	
- 1 st Half	10.6	4.1	
- 2 nd Half	8.0	3.6	
Total	161.1	147.7	9
- 1 st Half	89.8	88.2	2
- 2 nd Half	71.3	59.5	20
% of sales	1.6	1.5	

- Continued focused micro advertising
- New store launch
- Acquired stores rebranding and marketing impact

Cashbuild 19

NOTES

OPERATING EXPENSES – PROPERTY

R'million	FY 2018	FY 2017	% change
Existing business (235 Cashbuild and 41 P&L stores)	394.7	366.4	8
- 1 st Half	195.5	183.4	7
- 2 nd Half	199.2	183.0	9
New business (23 Cashbuild and 19 P&L stores)	44.3	12.1	
- 1 st Half	18.3	3.7	
- 2 nd Half	26.0	8.4	
Total	439.0	378.5	16
- 1 st Half	213.8	187.1	14
- 2 nd Half	225.2	191.4	18
% of sales	4.3	3.9	

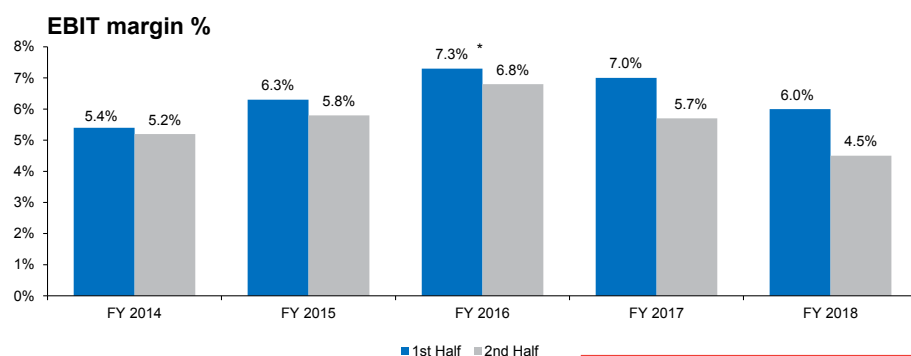
- Increase in rates and taxes from municipalities
- New build rentals still high expectations
- Several reductions in rental renewals obtained

Cashbuild 20

NOTES

OPERATING PROFIT (EBIT)

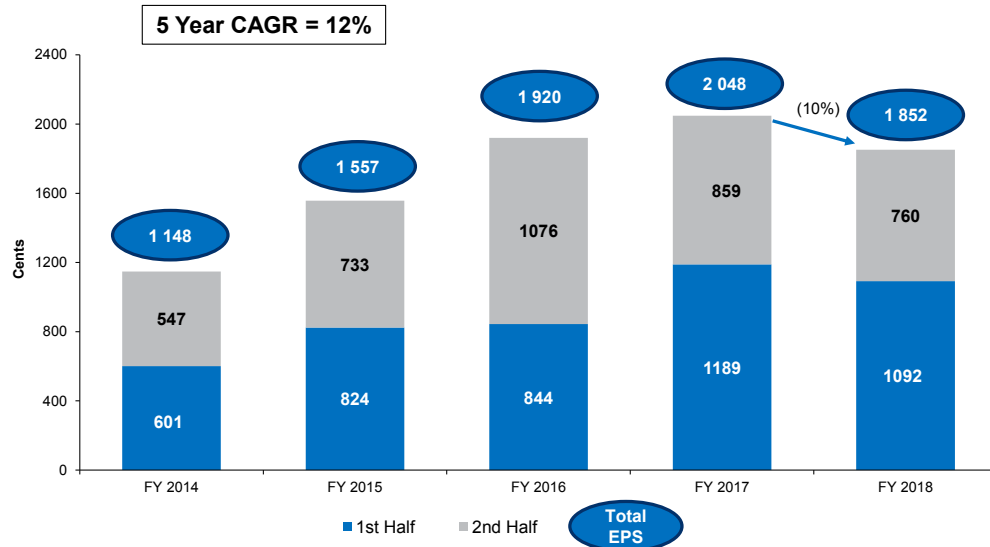
R'000	FY 2018	FY 2017	% change
1 st Half	324 900	362 005	(10)
2 nd Half	218 426	257 992	(15)
Total	543 326	619 997	(12)



Cashbuild 21

NOTES

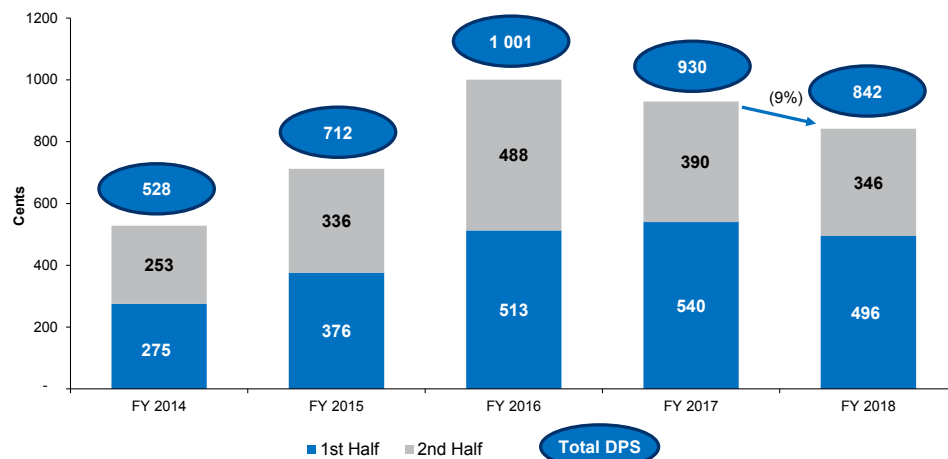
EARNINGS PER SHARE (EPS) STATUTORY YEAR-ON-YEAR



Cashbuild 22

NOTES

DIVIDEND PER SHARE (DPS)



- Dividend cover remains 2.0 times
- Cashbuild Empowerment Trust – R242 million to date

Cashbuild 23

NOTES

STATUTORY STATEMENT OF FINANCIAL POSITION

R'000	Audited Jun 2018	Audited Jun 2017	% change
Assets			
Property, plant and equipment	1 100 132	978 615	12
Intangible assets	433 467	397 015	9
Assets held for sale	4 510	4 345	4
Inventories	1 512 823	1 289 491	17
Trade and other receivables	118 489	122 462	(3)
Cash resources	952 929	801 420	19
Shareholders' equity and liabilities			
Shareholders' equity	1 921 484	1 682 976	14
Interest-bearing debt	1 051	2 243	(53)
Trade and other liabilities	2 070 688	1 768 942	17
Net asset value per share (cents)	7 578	6 642	14

Cashbuild 24

NOTES

INVENTORY ANALYSIS

Stock holding – all stores (% growth)	Cashbuild	P&L Hardware	Group
Stores stocked since June 2017 (10 Cashbuild and 15 P&L Hardware stores)	9	27	12
Existing stores	7	(4)	5
Total	16	23	17

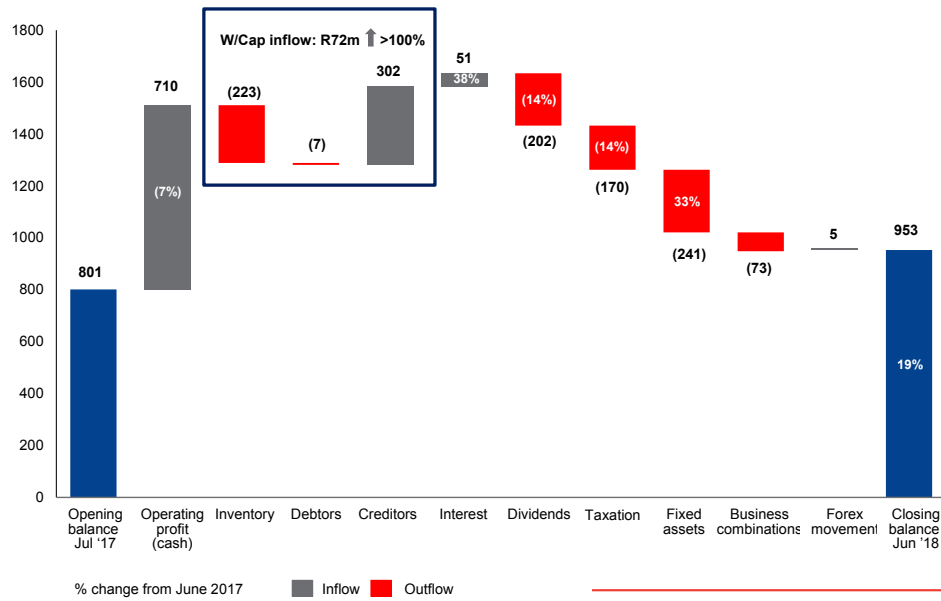
- Purchase inflation at 2%
- SOQ formula changes implemented
- Continued focus on SOQ and slow moving stock

Working capital days at period end	Jun 2018	Dec 2017	Jun 2017
Inventory	88	79	85
Creditors	71	67	72

Cashbuild 25

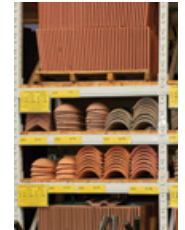
NOTES

STATUTORY CASH FLOW R'MILLION

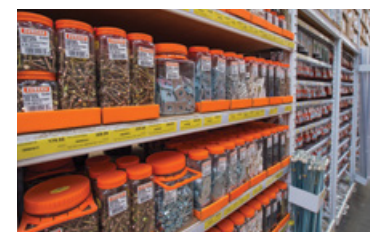
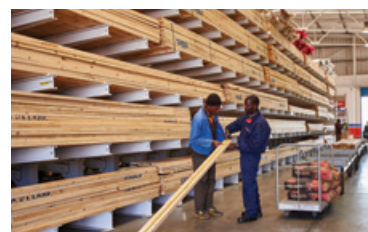
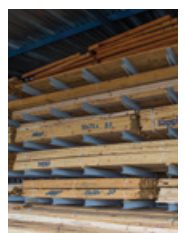
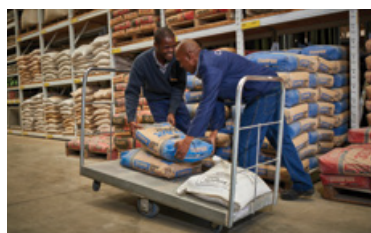
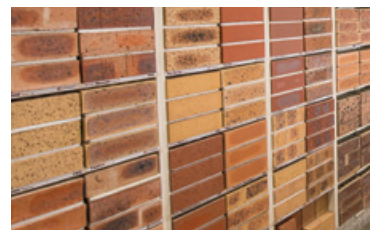
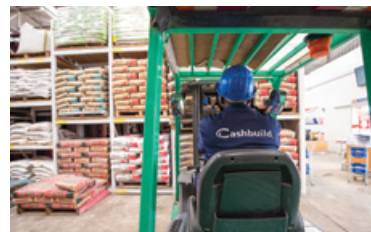


Cashbuild 26

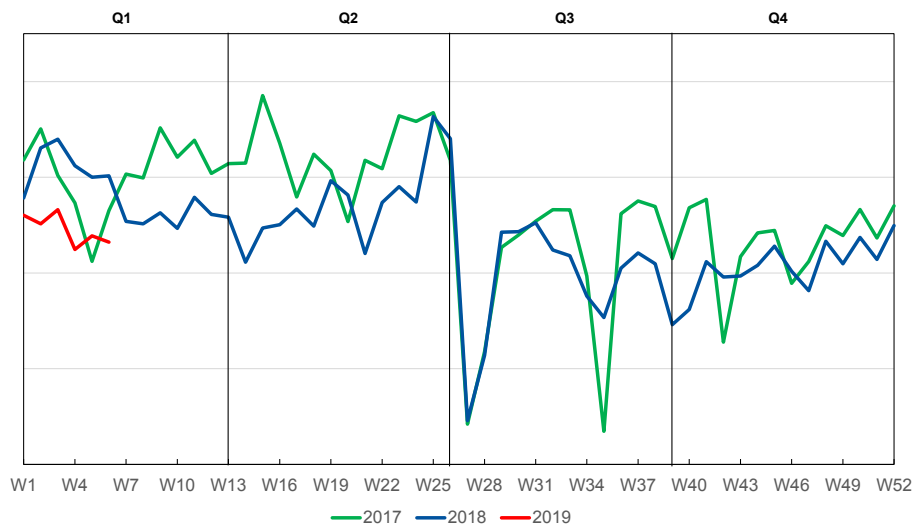
NOTES



PRODUCT CATEGORIES



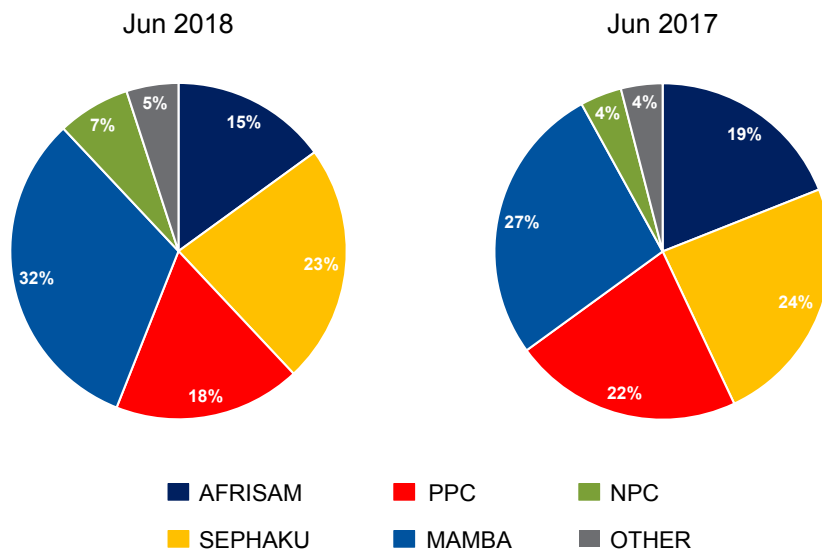
CEMENT SALES POCKETS



Cashbuild 28

NOTES

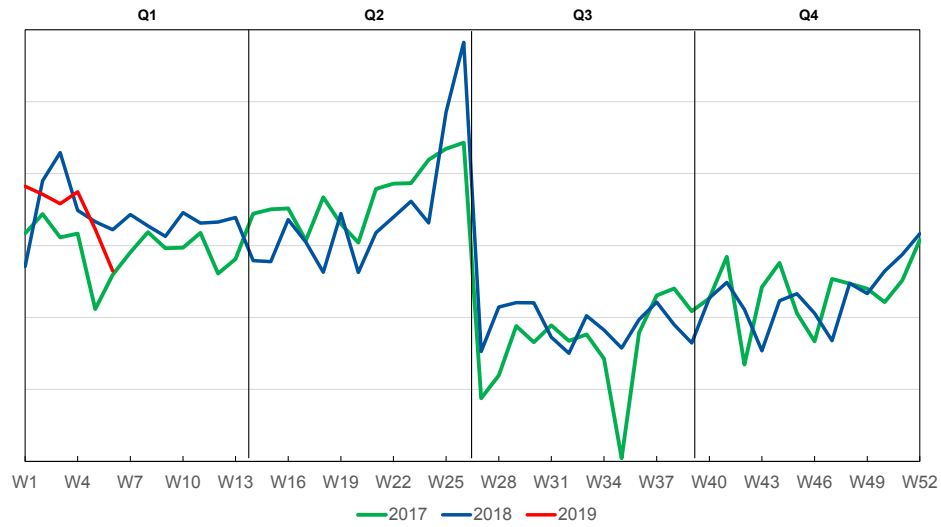
CEMENT UNIT SALES PER SUPPLIER



Cashbuild 29

NOTES

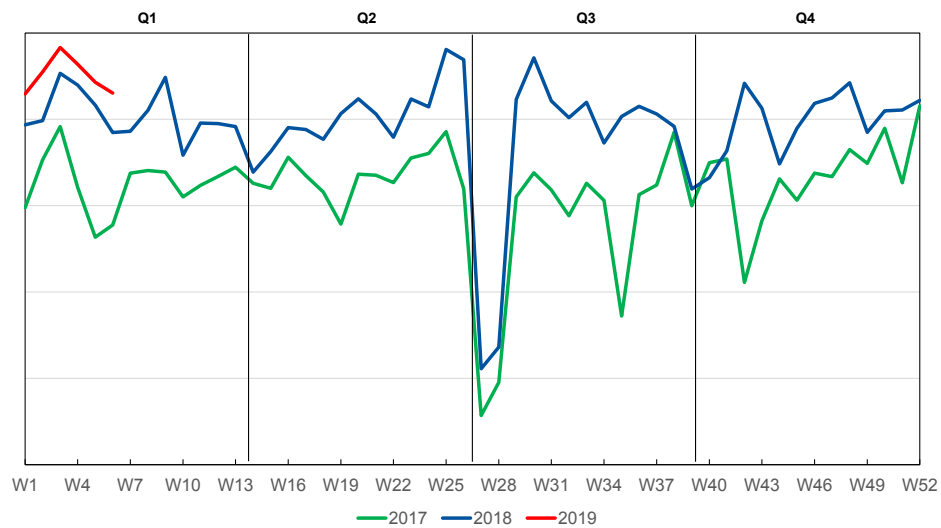
TOTAL TIMBER SALES R'MILLION



Cashbuild 30

NOTES

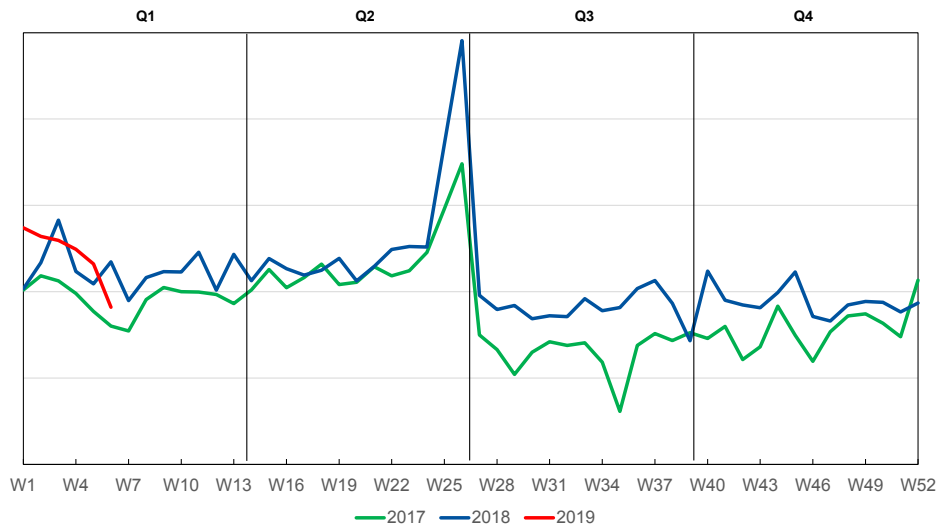
TOTAL BRICK SALES R'MILLION



Cashbuild 31

NOTES

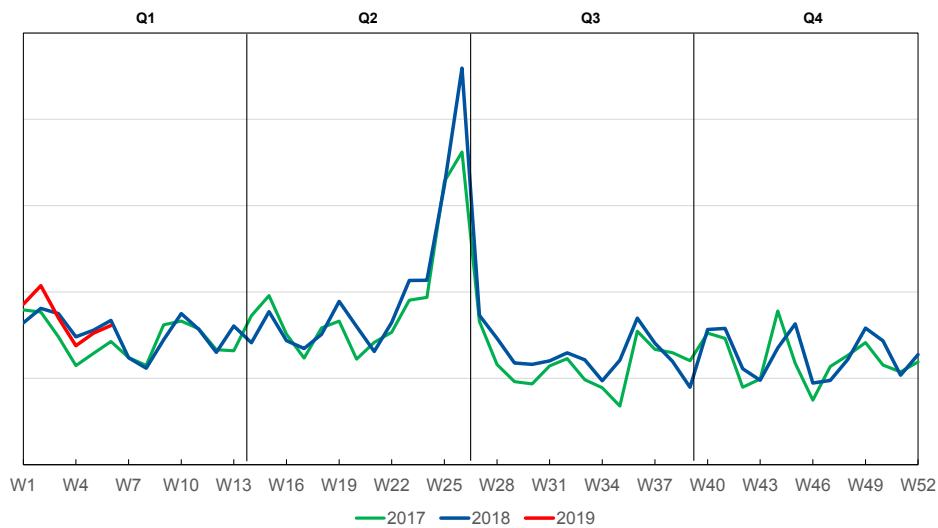
TOTAL ROOF COVERING SALES R'MILLION



Cashbuild 32

NOTES

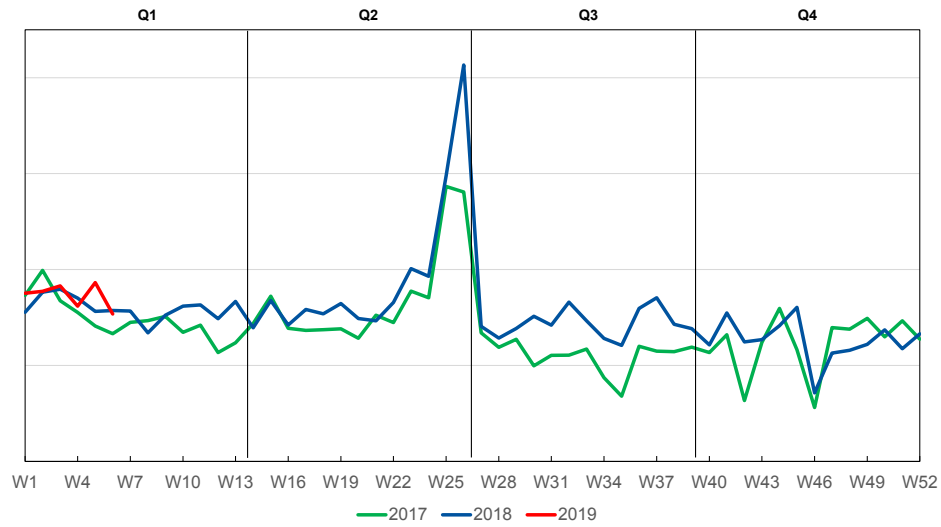
TOTAL OPENING SALES R'MILLION



Cashbuild 33

NOTES

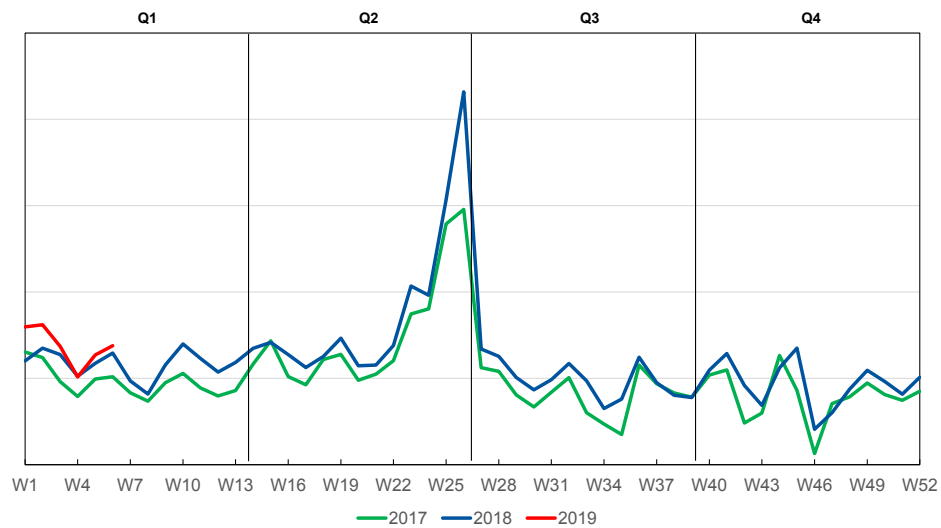
TOTAL PLUMBING SALES R'MILLION



Cashbuild 34

NOTES

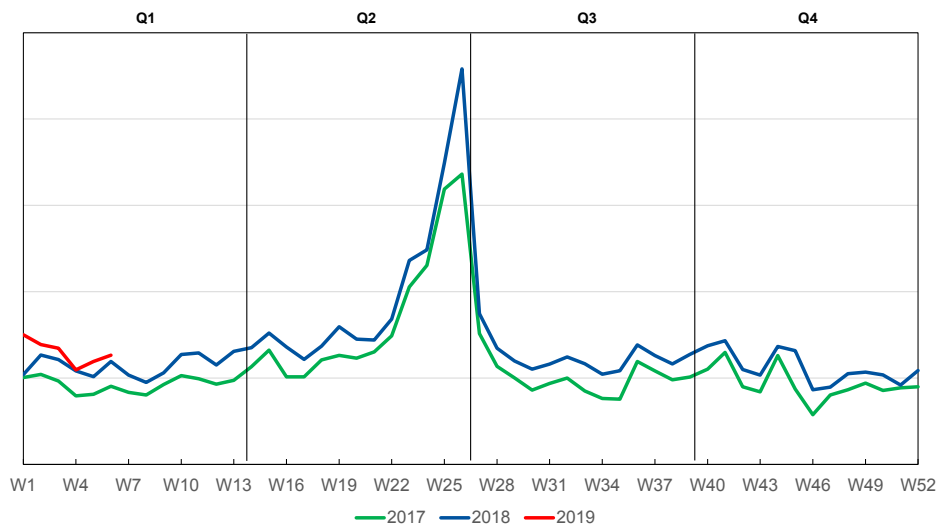
TOTAL HARDWARE SALES R'MILLION



Cashbuild 35

NOTES

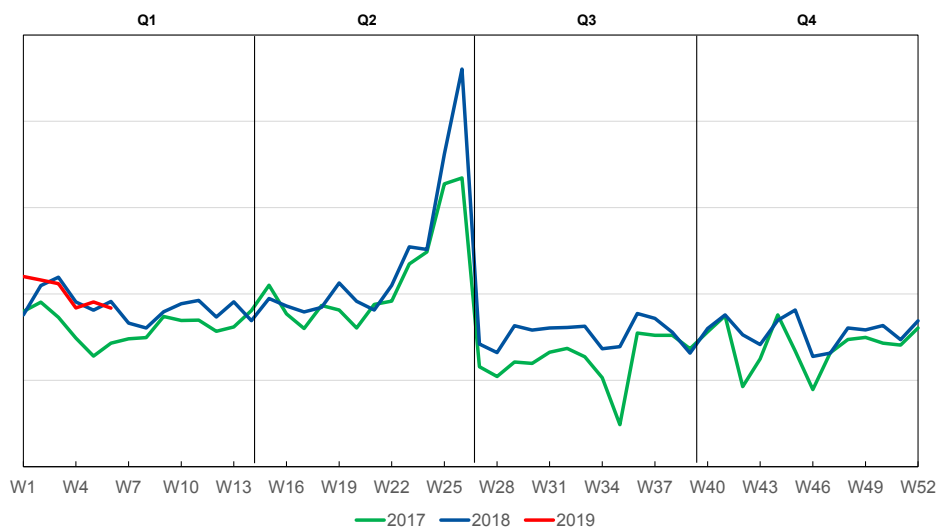
TOTAL DECORATIVE SALES R'MILLION



Cashbuild 36

NOTES

GROUP SALES PER WEEK R'MILLION



Cashbuild 37

NOTES



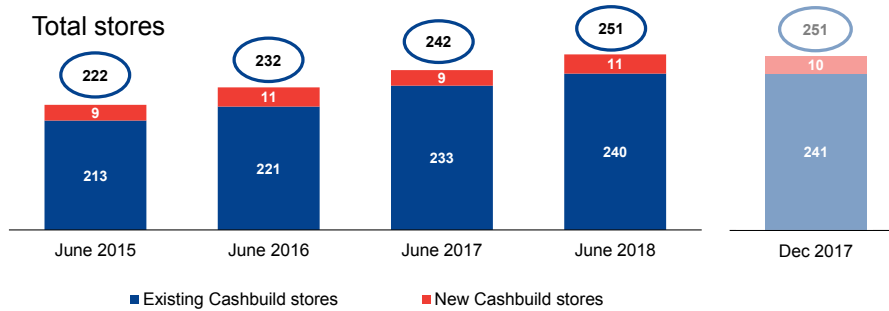
STORE DEVELOPMENT AND MARKET SUMMARY



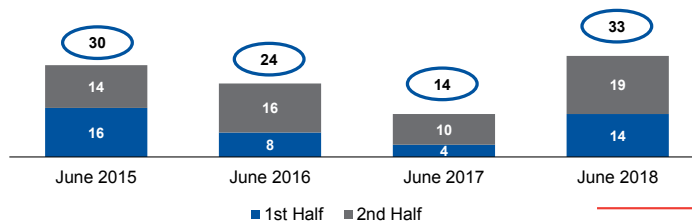
CASHBUILD STORE DEVELOPMENT



Total stores



Refits and relocations



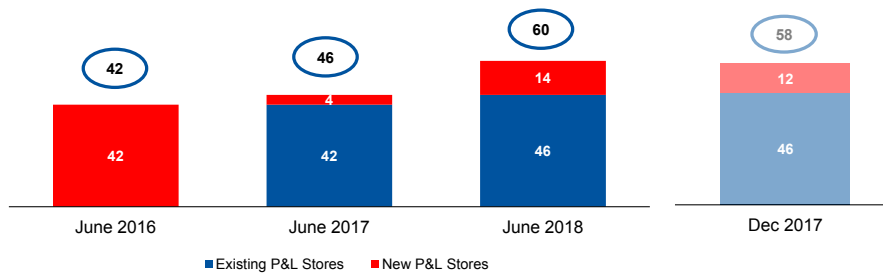
Cashbuild 39

NOTES

P&L HARDWARE STORE DEVELOPMENT



Total stores



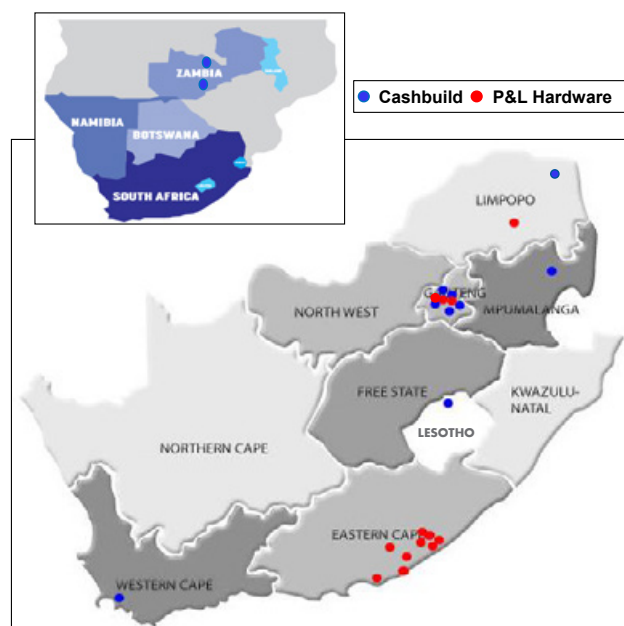
GROUP SUMMARY

- **25 New Stores** : 11 Cashbuild and 14 P&L Hardware (8 acquired & 6 opened)
- **6 Relocations** : Tzaneen, Kokstad, Thulamahashe, Steelpoort, Ondangwa & Karenpark
- **27 Refurbishments**
- **2 Closures** : Port Shepstone & Brits
- **318 Stores** : 251 Cashbuild, 60 P&L Hardware & 7 DIY

Cashbuild 40

NOTES

NEW STORES FY2018



Gauteng

Alexandra
Diepsloot
Dobsonville
Kwa Thema
Roodekop
Limpopo
Mutale

Western Cape

Delft

Lesotho

Butha Buthe

Mpumalanga

Casteel

Zambia

Kabwe

Ndola



Gauteng

Alexandra
Braamfisherville
Senaoane
Meadow Point
Limpopo
Apel

Eastern Cape

Butterworth*
Hunters Retreat*
Peddie*
Queenstown
Mthatha (5)
• Sprigg*
• Vulindlela*
• York*
• Chatham*
• Oxland*

* Acquired stores

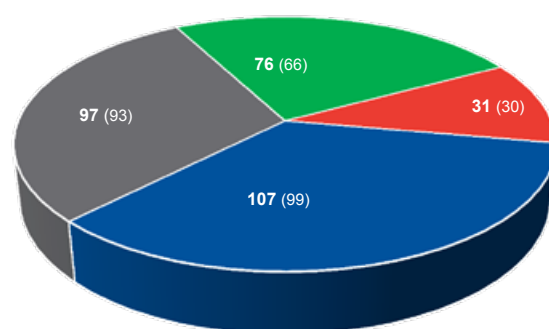
Cashbuild 41

NOTES

STORES BY LOCATION

Number of stores **June 2018** (June 2017)

Excluding DIY stores









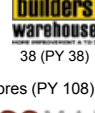









Location (% of total)	Town	Rural	Town- ship	Metro
2018 Stores	34%	31%	25%	10%
2018 Sales	35%	30%	25%	10%
2017 Stores	35%	32%	23%	10%
2017 Sales	34%	30%	25%	11%

Cashbuild 42

NOTES







COMPETITOR LANDSCAPE – CORPORATE

 <p>• Approximately 379 stores (PY 350) • Most direct competitor in terms of offering and location</p> 	 <p>94 (PY 95)</p>  <p>42 (PY 41)</p> <p>• Approximately 136 stores (PY 136)</p> 	 <p>47 (PY 44)</p>  <p>11 (PY 11)</p>  <p>14 (PY 15)</p>  <p>38 (PY 38)</p> <p>• Approximately 110 stores (PY 108)</p> 
 <p>• Approximately 75 stores (PY 64) • Launched by Italtile in 2008</p> 	 <p>• Approximately 31 stores (PY 31)</p> 	 <p>• Part of Groupe Adeo - Europe's largest DIY retailer and 3rd worldwide • First store – Greenstone (Q3 '18) • 4 more stores planned</p> 

Cashbuild 43

NOTES

COMPETITOR LANDSCAPE – INDEPENDENTS

 <p>• 8 stores – Gauteng only (PY 7)</p>	 <p>140 (PY 140)</p>  <p>160 (PY 160)</p> <p>• Approximately 300 stores (PY 300)</p>
 <p>• Approximately 280 stores (PY 260)</p>	 <p>• Approximately 58 stores (PY 75)</p>
 <p>• Approximately 400 members representing 651 stores • Various strong independent stores part of this buying group</p>	

Cashbuild 44

NOTES

INDEPENDENT CEMENT BLENDERS

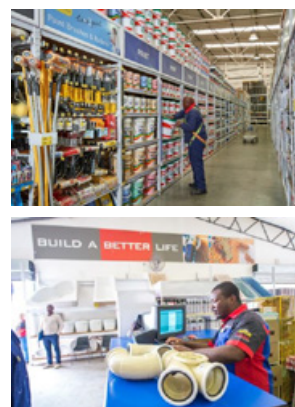


Cashbuild 45

NOTES

SUMMARY

- Continued consumer pressure - low growth environment
- Political changes - no significant impact
- Competitive market
- Civil unrest - 121 lost store trading days
- Current trading environment - not expected to change until 2019 National Elections
- Cement - industry in turmoil



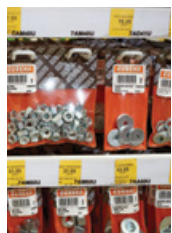
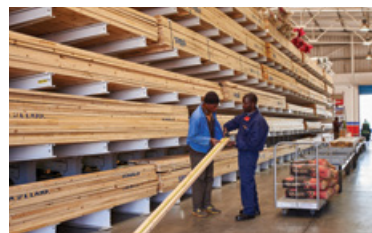
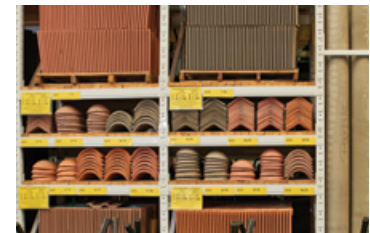
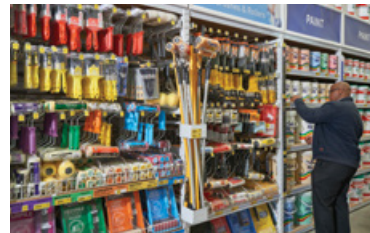
Cashbuild Group remains one of southern Africa's largest retailers of quality building materials, associated products & services and continues to expand its footprint across both the Cashbuild and P&L Hardware brands

Cashbuild 46

NOTES

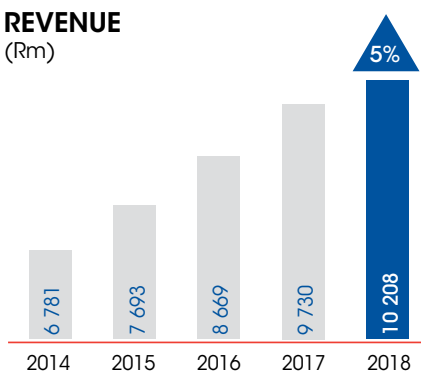


FINANCIAL RESULTS

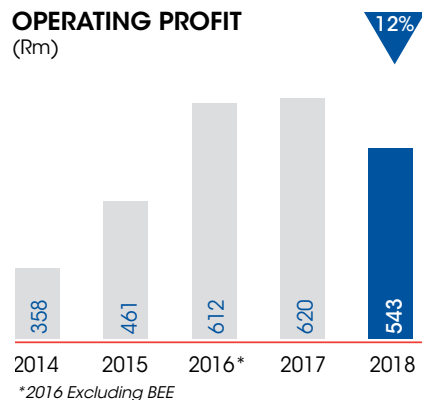


FINANCIAL HIGHLIGHTS

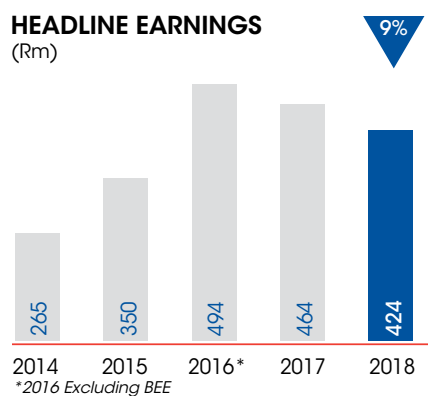
REVENUE (Rm)



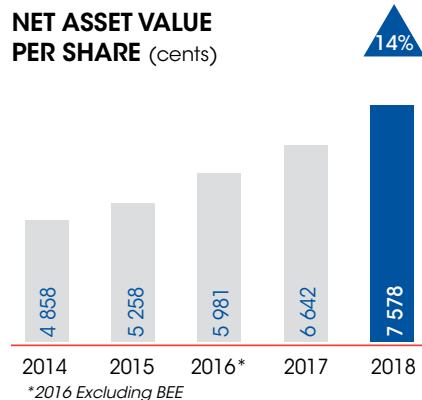
OPERATING PROFIT (Rm)



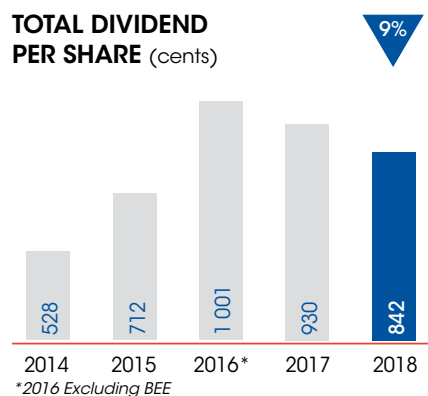
HEADLINE EARNINGS (Rm)



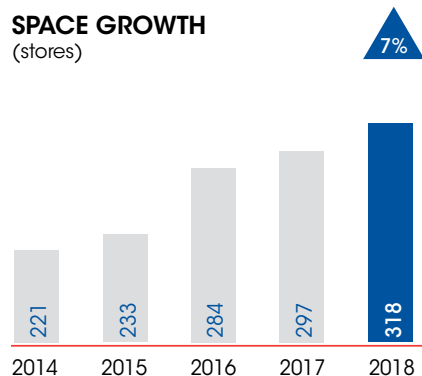
NET ASSET VALUE PER SHARE (cents)



TOTAL DIVIDEND PER SHARE (cents)



SPACE GROWTH (stores)



SUMMARY CONSOLIDATED INCOME STATEMENT – AUDITED

R'000	Year ended 30 June 2018 (52 weeks)	Year ended 30 June 2017 (52 weeks)	% change
Revenue	10 207 603	9 729 640	5
Cost of sales	(7 639 019)	(7 248 711)	5
Gross profit	2 568 584	2 480 929	4
Selling and marketing expenses	(1 778 355)	(1 595 510)	11
Administrative expenses	(267 566)	(278 953)	(4)
Other operating expenses	(10 263)	(2 172)	>100
Other income	30 926	15 703	>100
Operating profit	543 326	619 997	(12)
Finance cost	(3 143)	(3 785)	(17)
Finance income	54 128	40 814	33
Profit before income tax	594 311	657 026	(10)
Income tax expense	(169 063)	(187 540)	(10)
Profit for the year	425 248	469 486	(9)
Attributable to:			
– Owners of the company	420 609	464 991	(10)
– Non-controlling interests	4 639	4 495	3
	425 248	469 486	(9)
Earnings per share (cents)	1 852.0	2 047.7	(10)
Diluted earnings per share (cents)	1 851.3	2 046.7	(10)

SUMMARY CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME – AUDITED

R'000	Year ended 30 June 2018 (52 weeks)	Year ended 30 June 2017 (52 weeks)
Profit for the year	425 248	469 486
Other comprehensive income reclassifiable to profit or loss:		
Total movement in foreign currency translation reserve (FCTR)	6 317	(20 833)
Attributable to:		
– Owners of the company	5 395	(18 974)
– Non-controlling interests	922	(1 859)
Total comprehensive income for the year	431 565	448 653
Total comprehensive income attributable to:		
– Owners of the company	426 004	446 017
– Non-controlling interests	5 561	2 636
	431 565	448 653

ADDITIONAL INFORMATION – AUDITED

R'000	Year ended 30 June 2018	Year ended 30 June 2017
Net asset value per share (cents)	7 578	6 642
Net asset value per share (excluding treasury shares)	8 338	7 309
Ordinary shares ('000s):		
– In issue	24 990	24 990
– Weighted-average	22 711	22 708
– Diluted weighted-average	22 720	22 719
Capital investment	243 999	193 271
Depreciation of property, plant and equipment	130 356	122 425
Amortisation of intangible assets	7 631	11 870
Capital commitments	231 083	303 380
Property operating lease commitments	1 780 204	1 656 394
Contingent liabilities	16 022	38 908

SUMMARY CONSOLIDATED STATEMENT OF FINANCIAL POSITION – AUDITED

R'000	30 June 2018	30 June 2017
ASSETS		
Non-current assets	1 663 396	1 481 122
Property, plant and equipment	1 100 132	978 615
Intangible assets	433 467	397 015
Rent prepayments	85 707	80 328
Deferred income tax assets	44 090	25 164
Current assets	2 609 111	2 232 120
Assets held for sale	4 510	4 345
Inventories	1 512 823	1 289 491
Trade and other receivables	118 489	122 462
Prepayments	20 360	14 402
Cash and deposits	952 929	801 420
Total assets	4 272 507	3 713 242
EQUITY AND LIABILITIES		
Shareholders' equity	1 921 484	1 682 976
Share capital and reserves	1 893 759	1 659 768
Non-controlling interests	27 725	23 208
Non-current liabilities	205 225	198 469
Finance lease obligation	115	1 052
Deferred operating lease liability	162 930	137 051
Deferred income tax liability	42 180	37 480
Contingent consideration	-	22 886
Current liabilities	2 145 798	1 831 797
Trade and other liabilities	2 070 688	1 768 942
Finance lease obligation	936	1 191
Current income tax liabilities	74 174	61 664
Total equity and liabilities	4 272 507	3 713 242

SUMMARY CONSOLIDATED STATEMENT OF CASH FLOWS – AUDITED

	Year ended 30 June 2018	Year ended 30 June 2017
Cash flows from operating activities		
Cash generated from operations	781 720	651 625
Interest paid	(3 143)	(3 785)
Taxation paid	(169 775)	(197 336)
Net cash generated from operating activities	608 802	450 504
Cash flows from investing activities		
Net investment in assets	(241 231)	(181 472)
Business combinations	(72 573)	(5 740)
Interest received	54 128	40 814
Net cash used in investing activities	(259 676)	(146 398)
Cash flows from financing activities		
Shares purchased by Cashbuild Trusts or subsidiary companies for share incentive schemes	(605)	(2 561)
Shares sold by Cashbuild Trusts	1 610	2 526
Finance lease payments	(1 192)	(1 110)
Dividends paid:		
– Own equity	(201 210)	(234 023)
– Non-controlling interests	(1 044)	(1 376)
Net cash used in financing activities	(202 441)	(236 544)
Net increase in cash and cash equivalents	146 685	67 562
Cash and cash equivalents at beginning of year	801 420	749 239
Effect of exchange rate movements on cash and cash equivalents	4 824	(15 381)
Cash and cash equivalents at end of year	952 929	801 420

SUMMARY CONSOLIDATED STATEMENT OF CHANGES IN EQUITY – AUDITED

R'000

Balance at 1 July 2015

Total comprehensive income for the year
Buy-back of shares for empowerment transaction
Shares purchased by The Cashbuild Share Incentive Trust and Cashbuild (South Africa) Proprietary Limited
Shares sold by The Cashbuild Share Incentive Trust
Dividends paid
Recognition of share-based payments

Balance at 30 June 2016

Total comprehensive income for the year
Shares purchased by The Cashbuild Operations Management Member Trust
Shares sold by The Cashbuild Share Incentive Trust
Dividends paid
Recognition of share-based payments

Balance at 30 June 2017

Total comprehensive income for the year
Shares purchased by The Cashbuild Operations Management Member Trust
Shares sold by The Cashbuild Operations Management Member Trust
Dividends paid
Recognition of share-based payments

Balance at 30 June 2018

SUMMARY CONSOLIDATED SEGMENTAL ANALYSIS – AUDITED

R'000	South Africa			
	Group		Cashbuild business	
	Year ended 30 June 2018	Year ended 30 June 2017	Year ended 30 June 2018	Year ended 30 June 2017
Income statement				
Revenue	10 207 603	9 729 640	8 043 743	7 787 042
Operating profit	543 326	619 997	478 813	535 787
Statement of financial position				
Segment assets	4 272 507	3 713 242	2 764 523	2 407 381
Segment liabilities	2 351 023	2 030 266	1 392 935	1 509 869
Other segment items				
Depreciation	130 356	122 425	107 108	107 428
Amortisation	7 631	11 870	7 377	11 622
Capital investment	243 999	193 271	119 772	106 024

* Includes Namibia, Swaziland and Lesotho

Attributable to owners of the company

Share capital	Treasury share capital	Share premium	Treasury share premium	Share-based payments reserve	FCTR	Retained earnings	Non-controlling interests	Total equity
252	(25)	65 823	(192 382)	45 091	(4 289)	1 410 081	20 483	1 345 034
-	-	-	-	-	14 934	437 442	2 524	454 900
(2)	2	(61 888)	61 888	-	-	-	-	-
-	(7)	-	(244 534)	-	-	-	-	(244 541)
-	7	-	95 709	-	-	-	-	95 716
-	-	-	-	-	-	(192 519)	(1 059)	(193 578)
-	-	-	-	7 894	-	-	-	7 894
250	(23)	3 935	(279 319)	52 985	10 645	1 655 004	21 948	1 465 425
-	-	-	-	-	(18 974)	464 991	2 636	448 653
-	-	(2 561)	-	-	-	-	-	(2 561)
-	-	2 526	-	-	-	-	-	2 526
-	-	-	-	-	-	(234 023)	(1 376)	(235 399)
-	-	-	-	4 332	-	-	-	4 332
250	(23)	3 900	(279 319)	57 317	(8 329)	1 885 972	23 208	1 682 976
-	-	-	-	-	5 395	420 609	5 561	431 565
-	-	(605)	-	-	-	-	-	(605)
-	-	1 610	-	-	-	-	-	1 610
-	-	-	-	-	-	(201 210)	(1 044)	(202 254)
-	-	-	-	8 192	-	-	-	8 192
250	(23)	4 905	(279 319)	65 509	(2 934)	2 105 371	27 725	1 921 484

South Africa

P&L Hardware business		Other members of common monetary area*		Botswana, Malawi and Zambia	
Year ended 30 June 2018	Year ended 30 June 2017	Year ended 30 June 2018	Year ended 30 June 2017	Year ended 30 June 2018	Year ended 30 June 2017
1 136 436 21 458	960 454 32 378	606 644 36 269	595 995 38 378	420 780 6 786	386 149 13 454
715 887 631 880	540 125 249 770	527 675 171 816	496 554 173 217	264 422 154 392	269 182 97 410
8 388 -	2 823 -	7 496 103	6 038 93	7 364 151	6 136 155
81 638	13 437	23 954	42 548	18 635	31 262

NOTES TO THE SUMMARY CONSOLIDATED FINANCIAL INFORMATION

- 1. Basis of preparation.** The summary consolidated annual financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS"), the presentation and disclosure requirements of IAS 34 – Interim Financial Reporting as required by the JSE Limited Listings Requirements, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, Financial Pronouncements as issued by the Financial Reporting Standards Council and the requirements of the Companies Act of South Africa applicable to summary annual financial statements. The accounting policies applied in the preparation of the consolidated annual financial statements from which these summary consolidated annual financial statements were derived are in terms of International Financial Reporting Standards and are consistent with those accounting policies applied in the preparation of the previous consolidated annual financial statements. The annual financial statements have been prepared under the supervision of the Finance Director, Mr AE Prowse CA(SA), and approved by the board on 27 August 2018.
- 2. Independent audit by the auditor.** These summary consolidated annual financial statements for the year ended 30 June 2018 have been audited by PricewaterhouseCoopers Inc., who expressed an unmodified opinion thereon. The auditor also expressed an unmodified opinion on the consolidated annual financial statements from which these summary consolidated annual financial statements were derived. A copy of their unqualified audit report is available for inspection at the registered office of the company.
- 3. Reporting period.** The group adopts the retail accounting calendar, which comprises the reporting period ending on the last Sunday of the month (2018: 24 June (52 weeks); 2017: 25 June (52 weeks)).
- 4. Declaration of dividend.** The board has declared a final dividend (No. 51), of 346 cents (June 2017: 390 cents) per ordinary share out of income reserves to all shareholders of Cashbuild Limited. The dividend per share is calculated based on 24 989 811 (June 2017: 24 989 811) shares in issue at date of dividend declaration. Net local dividend amount is 276.8 cents per share for shareholders liable to pay Dividends Tax and 346 cents per share for shareholders exempt from paying Dividends Tax. The total dividend for the year amounts to 842 cents (June 2017: 930 cents) a 9% decrease on the prior year. Local Dividends Tax is 20%.

Cashbuild Limited's tax reference number is 9575168712.

Date dividend declared:

Monday, 27 August 2018

Last day to trade "CUM" the dividend:

Tuesday, 18 September 2018

Date to commence trading "EX" the dividend:

Wednesday, 19 September 2018

Record date:

Friday, 21 September 2018

Date of payment:

Tuesday, 25 September 2018

Share certificates may not be dematerialised or rematerialised between Wednesday, 19 September 2018 and Friday, 21 September 2018, both dates inclusive.

- 5. 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 22 710 768 ordinary shares in issue at year end (June 2017: 22 708 147 shares).
- 6. Headline earnings per ordinary share.** The calculations of headline earnings and diluted headline earnings per ordinary share are based on headline earnings of R424.1 million (June 2017: R464.4 million) and a weighted average of 22 710 768 (June 2017: 22 708 147) shares and fully diluted of 22 719 842 (June 2017: 22 719 432) ordinary shares in issue.

Reconciliation between net profit attributable to the equity holders of the company and headline earnings:

R'000	June 2018	June 2017	% change
Net profit attributable to the owners of the company	420 609	464 991	(10)
Profit on sale of assets after taxation	3 456	(558)	
Headline earnings	424 065	464 433	(9)
Headline earnings per share (cents)	1 867.2	2 045.2	(9)
Diluted headline earnings per share (cents)	1 866.5	2 044.2	(9)

7. **Acquisition of business.** In August 2017 the Group acquired the business of Build it Hunters Retreat and in September 2017 acquired Buffalo Building Supplies for a combined consideration of R72.6 million with the intention that the businesses trade as P&L Hardware stores. These acquisitions are in line with Cashbuild's strategy for growing the P&L Hardware brand. Property, plant and equipment of R18.3 million, trademarks of R2.2 million, inventories of R17.2 million, trade and other receivables of R0.5 million, trade and other payables of R1.6 million, deferred tax of R1.0 million and goodwill of R37.0 million has been recognised at date of acquisition. These values approximate the fair values as determined under IFRS 3. The acquired businesses contributed revenue of R64.2 million and a net loss of R4.6 million to the Group for the year. Had a full 52 weeks trading result been included in these Group annual financial statements, the total revenue contributed would have been R75.8 million and the net loss would have been R2.4 million excluding non-recurring costs incurred during the take-on and business integration phase.

On behalf of the board

Stefan Fourie

Chairman

Johannesburg

27 August 2018

Werner de Jager

Chief Executive

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 (318 at the end of this financial year which includes the seven DIY stores and 60 P&L Hardware stores). 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, as well as all other customers requiring quality building materials at the best value.

Cashbuild has built its credibility and reputation by consistently offering its customers quality building materials at the best value and through a purchasing and inventory policy that ensures customers' requirements are always met.

International Financial Reporting Standards

The Group is reporting its annual audited results in accordance with International Financial Reporting Standards ("IFRS").

Financial highlights

Revenue for the year increased by 5%. Revenue for stores in existence prior to July 2016 (pre-existing stores – 276 stores) remained at similar levels while our 42 new stores provided the 5% increase. Gross profit increased by 4% with gross profit percentage decreasing from 25.5% to 25.2%. This was achieved in tough trading conditions with selling price inflation of 2%.

Operating expenses, including new stores, remained well controlled and increased by only 9% (existing stores 3% and new stores 6%). Notwithstanding this, the increase in revenue did not compensate for the increased expenses, resulting in operating profit decreasing by 12%. Basic earnings per share decreased by 10% with headline earnings per share also decreasing by 9% from the prior year. The effective tax rate of 28.4% for the period is similar to that of the previous period.

Cash and cash equivalents increased by 19% to R953 million. Stock levels, including new stores, have increased by 17% with overall stockholding at 88 days (2017: 85 days) at year end. Net asset value per share has increased by 14%, from 6 642 cents (June 2017) to 7 578 cents.

During the year, Cashbuild opened 25 new stores (11 Cashbuild stores, six P&L Hardware stores and acquired eight stores which were converted to P&L Hardware stores), refurbished 27 stores and relocated six Cashbuild stores. Cashbuild will continue its store expansion, relocation and refurbishment strategy in a controlled manner, applying the same rigorous process as in the past.

Prospects

Group revenue for the six weeks after year end has increased by 1% on the comparable six week period. Management believe trading conditions will remain extremely challenging. This information has neither been reviewed nor audited by the company's auditor.

CORPORATE INFORMATION

Directors:

IS Fourie* (Chairman), WF de Jager (Chief Executive), A Hattingh, HH Hickey*, AGW Knock (British)*, Dr DSS Lushaba*, GM Tapon Njamo*, AE Prowse, NV Simamane*, SA Thoresson, WP van Aswegen (*Non-Executive)

Company Secretary:

Corporate Governance Leaders CC

Registered Office:

101 Northern Parkway, Ormonde, Johannesburg, 2091, PO Box 90115, Bertsham, 2013

Transfer Secretaries:

Computershare Investor Services Proprietary Limited, Rosebank Towers, 15 Biermann Avenue, Rosebank, Johannesburg, 2196

Auditor:

PricewaterhouseCoopers Inc.

Sponsor:

Nedbank CIB

Investor Relations:

Keyter Rech Investor Solutions CC
(Incorporated in the Republic of South Africa)

Cashbuild Limited

(Registration number: 1986/001503/06)
(Incorporated in the Republic of South Africa)

JSE code: CSB **ISIN:** ZAE000028320

