

### Summarised financial results

	Year ended 28 February 2014 R'000	Year ended 28 February 2013 R'000
Sales	1 417 584	1 374 531
Operating profit	250 009	243 290
Profit after tax	173 710	168 516
Gross profit %	48.2%	47.8%
Net working capital*	269 375	243 315
Net debt#	72 423	87 998
Property, plant and equipment	150 265	98 282

\* Net working capital = Inventories + Trade and other receivables - Trade and other payables

# Net debt = Loans + Bank overdraft - Cash balances

### Dividend per share

	Year ended 28 February 2014	Year ended 28 February 2013
<b>Dividend declared per share (cents)</b>		
– Interim	75.0	70.0
– Final	145.0	130.0
<b>Total dividend</b>	<b>220.0</b>	<b>200.0</b>
<b>Dividend cover (by core headline earnings)</b>	<b>1.9</b>	<b>2.1</b>

### GROUP OVERVIEW

The Holdsport Limited group comprises the retail divisions Sportsmans Warehouse and Outdoor Warehouse and Performance Brands, a wholesale business that includes the First Ascent and Capestorm brands.

In a challenging environment total sales increased by 3.1% to R1 417.5 million and retail sales increased by 3.3% to R1 365.1 million. Like-for-like retail sales grew by 1.1% while the retail divisions experienced price inflation of approximately 4.9% for the year. The time weighted trading area increased by 5.6% relative to the prior year.

- The **Sportsmans Warehouse division** now trades out of 35 stores. The division opened a new store in Sea Point and closed a store in Amanzimtoti. Total sales increased by 4.3% (like-for-like sales increased by 2.9%).
- The **Outdoor Warehouse division** comprises 20 stores after opening a new store in Rondebosch. Total sales increased by 0.2% (like-for-like sales decreased by 3.9%).
- **Performance Brands'** external sales were 1.4% lower than last year but sales to the group's retail divisions increased by 26.9%.

Operating profit increased by 2.8% to R250.0 million. Core headline earnings amounted to 423.3 cents per share, a 1.9% increase on the previous year.

### CASH FLOW

The group's cash generated from operations increased by 14.6% from last year.

During the year the group incurred R42.1 million on maintaining and expanding its retail operations and R40.2 million to complete construction of its new retail and wholesale distribution centres in Cape Town.

Holdsport repaid loans of R124.3 million to Standard Bank during the year and replaced them with a R130 million loan from the FirstRand Group, repayable by 31 August 2016. The group's net debt amounted to R72.4 million at the end of the current year compared to R87.9 million in the prior year.

### PROSPECTS

We expect trading conditions to remain challenging in 2014. The group signed lease agreements for a further two new stores to be opened in the next financial year and are evaluating other opportunities.

### Earnings per share and net asset value per share

	Year ended 28 February 2014	Year ended 28 February 2013
<b>Earnings per ordinary share (cents)</b>		
– Basic	402.6	390.5
– Headline	401.5	389.9
– Core headline	423.3	415.7
– Core headline before foreign exchange effect	424.0	418.7
Ordinary shares in issue ('000)	43 150.2	43 150.2
Net asset value per ordinary share (cents)	2 087.9	1 884.3
Net tangible asset value per ordinary share (cents)	789.6	564.2

The group uses core headline earnings as a consistent measure of performance for management purposes. Core headline earnings exclude exceptional once-off costs, the amortisation of trademarks and the lease straight-lining expense.

#### Holdsport Limited

("Holdsport" or "the company" or "the group")

Registration number: 2006/022562/06

Share code: HSP | ISIN: ZAE000157046

Registered office: The Mill House, 1 Canterbury Street, Cape Town 8001

Executive directors: KG Hodgson, B Moritz, JP Loubser

Non-executive directors: SA Muller (Chairman), B Hopkins, C Sonn, M Vilakazi

Company secretary: AE van Zyl

Transfer secretaries: Computershare Investor Services (Proprietary) Limited,

Ground Floor, 70 Marshall Street, Johannesburg 2001

Sponsor: UBS South Africa (Proprietary) Limited

### FINAL DIVIDEND ANNOUNCEMENT

The directors declared a final gross dividend of 145.0 cents per share in line with the dividend policy of the group to have dividends covered approximately twice by the core headline earnings for the year.

The dividend is payable on Monday, 9 June 2014 to ordinary shareholders recorded in the books of the company at the close of business on Friday, 6 June 2014. The last day to trade ("cum" the dividend) in order to participate in the dividend will be Friday, 30 May 2014. The Holdsport Limited ordinary shares will commence trading "ex" the dividend from the commencement of business on Monday, 2 June 2014 and the record date, as indicated, will be Friday, 6 June 2014.

### FULL ANNOUNCEMENT

Shareholders are advised that this short-form announcement represents a summary of the information contained in the full announcement, published on SENS on Tuesday, 6 May 2014.

Any investment decision by investors and/or shareholders should be based on consideration of the full announcement, which is available for viewing on SENS or on the company's website at [www.holdsport.co.za](http://www.holdsport.co.za). The full announcement is also available for inspection, at no charge, at the registered office of Holdsport (The Mill House, 1 Canterbury Street, Cape Town 8001) and at the offices of its sponsor, UBS South Africa (64 Wierda Road East, Wierda Valley, Sandton 2196), during normal office hours. Investors and/or shareholders may request copies of the full announcement from the Company Secretary.

The contents of this short-form announcement are the responsibility of the directors of Holdsport.

Signed on behalf of the board

**S MULLER**  
Chairman

**K HODGSON**  
CEO

Cape Town  
6 May 2014