

# HOLDSPORT LIMITED

## Unaudited Interim Condensed Consolidated Results for the half-year ended 31 August 2014

Sales up 7.3%

EBITDA up 8.4%

Core headline earnings per share up  
6.7% to 174.0 cents per shareInterim gross dividend up 13.3%  
to 85.0 cents per share

### CONDENSED SUMMARISED FINANCIAL RESULTS

	6 months ended 31 August 2014 Unaudited R'000	6 months ended 31 August 2013 Unaudited R'000	Year ended 28 February 2014 Audited R'000
Sales	677 074	630 985	1 417 584
Operating profit	98 826	94 059	250 009
Profit after tax	68 792	64 384	173 710
Gross profit %	48.2%	48.3%	48.2%
Net working capital*	281 438	277 299	269 375
Net debt#	89 830	153 569	72 423
Property, plant and equipment	152 410	130 301	150 265

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

# Net debt = Loans + Bank overdraft - Cash balances

### DIVIDEND PER SHARE

	6 months ended 31 August 2014 Unaudited	6 months ended 31 August 2013 Unaudited	Year ended 28 February 2014 Audited
<b>Dividend declared per share (cents)</b>			
- Interim	85.0	75.0	75.0
- Final	-	-	145.0
<b>Total dividend</b>	<b>85.0</b>	<b>75.0</b>	<b>220.0</b>
<b>Dividend cover (by core headline earnings)</b>	<b>2.0</b>	<b>2.2</b>	<b>1.9</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.

### DISPOSAL OF DISTRIBUTION CENTRE

Holdsport concluded an agreement on 1 September 2014 to dispose of its 50% share of its distribution centre in Philippi to Redefine Properties Limited (Redefine) for gross proceeds of R42.5 million. Post the disposal Redefine will own 100% of the distribution centre and Holdsport will continue to use the distribution facility under the existing lease terms, which remain unchanged.

The disposal proceeds will be received upon registration of transfer to Redefine, which is anticipated in the last quarter of this financial year. It is the directors' intention to declare the gross proceeds of the sale as a special dividend. This special dividend will be approximately 99.0 cents per share, based on the number of shares currently in issue.

### INTERIM DIVIDEND ANNOUNCEMENT

The directors declared an interim gross dividend of 85.0 cents per share (2013: 75.0 cents) 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, 15 December 2014 to ordinary shareholders recorded in the books of the company at the close of business on Friday, 12 December 2014. The last day to trade ("cum" the dividend) in order to participate in the dividend will be Friday, 5 December 2014. The Holdsport Limited ordinary shares will commence trading "ex" the dividend from the

### EARNINGS PER SHARE AND NET ASSET VALUE PER SHARE

	6 months ended 31 August 2014 Unaudited	6 months ended 31 August 2013 Unaudited	Year ended 28 February 2014 Audited
<b>Earnings per ordinary share (cents)</b>			
- Basic	159.4	149.2	402.6
- Headline	159.2	148.4	401.5
- Core headline	174.0	163.1	423.3
- Core headline before foreign exchange effect	175.4	161.2	424.0
Ordinary shares in issue ('000)	43 150	43 150	43 150
Net asset value per ordinary share (cents)	2 083.7	1 897.5	2 087.9
Net tangible asset value per ordinary share (cents)	796.0	588.3	789.6

### Core headline earnings

The group uses core headline earnings as a consistent measure of performance for management purposes. Core headline earnings exclude exceptional once-off costs and 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, P Matlakala, K Moloko

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

commencement of business on Monday, 8 December 2014 and the record date, as indicated, will be Friday, 12 December 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 Friday, 3 October 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

SA MULLER  
Chairman

Cape Town  
3 October 2014

KG HODGSON  
CEO