

KAP INDUSTRIAL HOLDINGS LIMITED

UNAUDITED RESULTS for the six months ended 31 December 2013

SALIENT FEATURES

HEADLINE EARNINGS PER SHARE FROM CONTINUING OPERATIONS UP BY 16.0% TO 16 cents
(1H13: 13.8 cents)

CASH GENERATED BEFORE WORKING CAPITAL OF R1 070 million

NET INTEREST BEARING DEBT REDUCED BY R428 million since 1H13

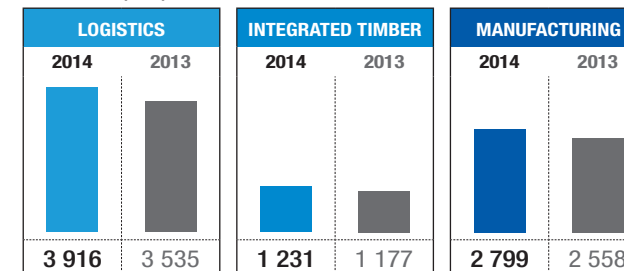
FINANCIAL OVERVIEW

	31 Dec 2013 Unaudited	31 Dec 2012 Unaudited	% change	30 Jun 2013 Audited
Revenue* (Rm)	7 832	7 208	9%	14 320
Operating profit before capital items* (Rm)	710	650	9%	1 324
Cash flow generated from operations (Rm)	1 070	989	8%	2 021
Headline earnings (cents per share)	16.1	14.4	12%	29.1
Basic earnings (cents per share)	15.1	15.8	(4%)	28.9
Headline earnings* (cents per share)	16.0	13.8	16%	28.5
Basic earnings* (cents per share)	15.1	15.2	(1%)	29.2
Dividend declared (cents per share)	–	–	–	8
Net asset value (cents per share)	271	248	9%	263
Segmental revenue (Rm)				
Logistics	3 916	3 535	11%	7 042
Integrated Timber	1 231	1 177	5%	2 392
Manufacturing	2 799	2 558	9%	5 036
Inter-segment revenue elimination	(114)	(62)	–	(150)
TOTAL	7 832	7 208	9%	14 320
Segmental operating profit (Rm)				
Logistics	392	354	11%	686
Integrated Timber	172	154	12%	347
Manufacturing	146	142	3%	291
TOTAL	710	650	9%	1 324

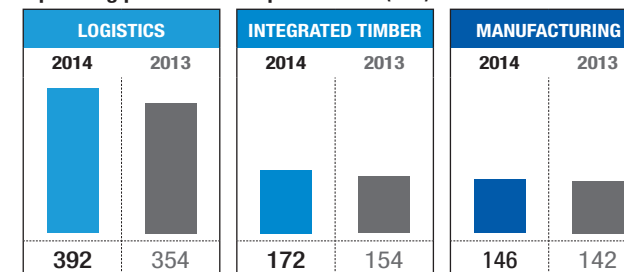
* from continuing operations

SEGMENTAL ANALYSIS

Revenue* (Rm)



Operating profit before capital items* (Rm)



ABOUT THIS SHORT FORM ANNOUNCEMENT

This short form announcement ("this announcement") is the responsibility of the directors. It should be noted that this announcement is only a summary of the information in the detailed announcement and therefore does not contain full or complete details.

Any investment decisions by investors and/or shareholders should be based on the information in the detailed announcement.

The detailed announcement has been published on SENS and the group's website on <http://www.kap.co.za>, and is available for inspection at the registered office of the company and the offices of the sponsor, free of charge to investors and/or shareholders, during office hours (09:00 - 17:00) from Mondays to Fridays.

Copies of the detailed announcement may be requested by emailing info@kap.co.za or by telephoning Jan Radnay, on 011 445 3000.

By order of the Board
Steinhoff Africa Secretarial Services
Proprietary Ltd
17 February 2014

The detailed announcement is available on
www.kap.co.za

KAP IS AN INDUSTRIAL BUSINESS FOCUSED ON GROWTH IN EMERGING AFRICAN MARKETS.

We deliver services and manufacture products to a wide customer base through four main operating divisions.[#]

A specialist logistics division that designs, implements and manages supply chain and logistics services.

- Fleet in excess of **3 000 vehicles**
- Over **400 000 m²** of warehousing under management
- More than **220 million km** travelled annually
- **160 depots**
- **9 500 employees** in **10 African countries**



A passenger transport division providing personnel, tourist and commuter transport services.

- **1.2 million** intercity passengers transported annually
- **10 million** commuter passengers transported annually
- **1 207 vehicles** comprising semi-luxury commuter buses, articulated buses, luxury coaches and minibuses
- More than **90 million km** travelled annually
- **23 depots** and **15 passenger terminals** throughout South Africa, Zimbabwe and Mozambique
- **3 700 employees**



An integrated timber division incorporating timber plantations, sawmills, poles and panel related production facilities.

- **91 000 ha** of forestry land in KwaZulu-Natal, North Eastern Cape, and Southern Cape
- **7 manufacturing facilities**
- **635 000 m³** of panel products produced annually
- **24 000 000 m²** of panel products upgraded annually
- **105 000 tons** of resin produced annually
- **2 100 000 trees** planted annually in accordance with sustainable forestry practices
- **1 900 employees**



An industrial manufacturing division that produces a number of key industrial products such as polyethylene terephthalate (PET) resin, vehicle components, footwear, and furniture and bedding-related products.

- Hosaf produces **130 000 tons** of PET annually
- Feltex produces and supplies components for cars manufactured in South Africa (approximately **530 000 units**) annually
- Vitafoam produces **14 800 tons** of foam annually
- BCM produces bed springs for **3 000 mattresses** daily
- More than **30 well-known household brands** comprise the division's product offering
- **4 900 employees**



[#] For financial reporting purposes, the Supply Chain Solutions and Passenger segments have been combined into one logistics division

KAP INDUSTRIAL HOLDINGS LIMITED ("KAP" or "the company" or "the group")

Non-executive directors: J de V du Toit (Chairman), M J Jooste, A B la Grange, J B Magwaza, I N Mkhari, S H Müller, S H Nomvete, P K Quarmby, D M van der Merwe, C J H van Niekerk | **Executive directors:** K J Grové (CEO), J P Haveman (CFO) | **Registration number:** 1978/000181/06 | **Share code:** KAP | **ISIN:** ZAE000171963 | **Registered address:** 28 6th Street, Wynberg, Sandton, 2090 | **Postal address:** PO Box 18, Stellenbosch, 7599 | **Telephone:** 021 808 0900 Facsimile: 021 808 0901

Transfer secretaries: Computershare Investor Services Proprietary Limited, 70 Marshall Street, Johannesburg, 2001 | **Company secretary:** Steinhoff Africa Secretarial Services Proprietary Limited | **Auditors:** Deloitte & Touche | **Sponsor:** PSG Capital Proprietary Limited