AUDITED RESULTS

FOR THE YEAR ENDED 30 JUNE 2013

JASCO ELECTRONICS HOLDINGS LIMITED
Registration number: 1987/003293/06
JSE share code: JSC
ISIN: ZAE000003794
("Jasco" or "the company" or "the group")

INTRODUCTION

Jasco is at the end of year two of its three-year restructuring programme. The group has made good progress, with the current year's focus being on corrective action. This resulted in decisive action in the underperforming areas of the business, which impacted the results for the year to 30 June 2013.

The corrective action taken resulted in the strategic exit from certain manufacturing businesses:

- Lighting Structures was sold to LeBlanc International in December 2012
- Telecommunications Structures was sold to LeBlanc International in July 2013
- M-TEC is currently "held-for-sale". A cautionary announcement was issued on 28 August 2013 on talks with the Korean shareholder, Taihan Electric Wire Company Limited (Taihan)

The impact of these actions is outlined in the Financial Overview.

During the year, the core operational businesses performed well. Group revenue increased by 16% and core profit before interest and taxation (excluding headline earnings adjusting once-offs, restructuring costs (R14,4 million) and businesses exited (net operating loss of R1,8 million)) above expectations.

The major milestones achieved during the first two years of the restructuring programme include:

- The consolidation of five business units
- The removal of several management positions and one management level
- The de-registration or sale of 13 legal entities
- Creating a single Jasco brand from numerous disjointed brands
- Growing the order intake from R800 million in 2011 to R1,2 billion in 2013
- Surpassing the R1 billion revenue threshold in 2013
- Expanding our national and regional footprint to better service major customers
- Expanding into 11 new product and market segments
- Reducing customer dependency, with no customer being more than 8% of group revenue (2011: 10%)

FINANCIAL OVERVIEW

Statement of comprehensive income

The group's revenue increased by 16% to R1,15 billion (2012: R990 million), achieving the group's key strategic objective of attaining critical mass. Although the group's core profit before interest and taxation (excluding once-off impacts, restructuring costs and businesses exited) increased above expectations, group operating profit before interest and taxation including these once-off impacts decreased significantly from a profit of R31,2 million in 2012 to a loss of R93,5 million.

The headline earnings adjusting once-off impacts amount to R114 million (pre-tax) and are made up as follows:

- The sale of the group's head office property: R8,7 million profit (pre-tax)
- Impairments and loss on sale of assets amounting to R123 million:

M-TEC	R72,5 million	Fair value impairment
Lighting Structures	R4,8 million R12,0 million	Loss on exit Impairment of loan
Telecommunication Structures	R24,2 million R9,7 million	Impairment of goodwill Loss on exit

The net finance cost paid of R19,3 million increased from R14,3 million last year. This was higher than expected due to higher working capital outflows on strong revenue growth. The finance income earned from long-term receivables reduced sharply from R3,9 million last year to R0,1 million in 2013 on early termination of the group's rental agreement by one of its customers. The other main contributor to finance costs was the preference dividend paid to the group's BBBEE partner, AfroCentric, of R6,8 million. This reduced from R7,2 million last year due to lower interest rates.

The equity accounted loss of R1,6 million from M-TEC (2012: R10,1 million profit) was disappointing on a sharp reduction in volumes from its major customer. Jasco suspended equity accounting its 51% share in M-TEC during the second half of its financial year following the decision by the board to exit this business.

The taxation credit of R7,0 million (2012: R7,0 million expense) is due to the utilisation of historic assessed losses on the systematic restructure of the group and the reversal of an over-accrual of deferred tax on the disposal of the head office property. The effective tax rate of 6,1% reduced from 25,9% in 2012. This was due to the once-off impacts during the year and is notwithstanding the non-deductible preference dividend (disclosed as interest paid in terms of IFRS). The group believes its tax rate is likely to remain below 28% over the next two to three years.

Headline earnings of R0,5 million decreased by 98% (2012: R23,7 million) and headline earnings per share (HEPS) was 98% down to 0,3 cents per share (2012:16,8 cents per share). As a consequence of the once-off impacts described earlier, the earnings per share (EPS) was a loss of 77,9 cents per share (2012: 15,6 cents profit per share). The weighted average number of shares in issue was slightly up from 140,9 million shares to 141,3 million and did not have any impact on EPS and HEPS.

Statement of financial position

The most noteworthy change in the statement of financial position as at 30 June 2013 relates to a change in classification of the R100 million preference shares from a current liability to a long-term liability. These shares were allotted to AfroCentric by Jasco Cables Investments (Pty) Ltd or "Jasco Cables" on 23 May 2008 and were indirectly secured by the group's investment in M-TEC. The change in classification follows an agreement by both parties prior to the 2013 year-end to extend the redemption date to 31 December 2014.

As reported last year, Jasco is a 51% shareholder in M-TEC, but does not have control of the business in terms of the original shareholders' agreement. Due to the continuing underperformance of the business and the tough trading conditions in this sector over the last 12 months, the Jasco board has decided to exit this investment. Accordingly, the investment is now "held-for-sale" and equity accounting was suspended in the second half.

During the first half of the financial year, the group disposed of its 50.5% investment in Lighting Structures, resulting in a loss on exit of R4,8 million. Subsequent to this disposal, and as a consequence of subordinating the former shareholders' loan, the full amount of R12,0 million of this receivable was impaired based on the group's concern regarding the recoverability thereof.

Jasco's 50.5% investment in Telecommunications Structures has also been classified as an asset "held-for-sale". Re-measurement of this investment resulted in full impairment of historically recognised goodwill of R24,2 million, as well as a loss on exit of R9,8 million at year-end on the sale of the business as a going concern.

Another noteworthy item in the statement of financial position is the disposal of the group's Gauteng head office property during the year. This will allow Jasco to reduce its level of gearing by repaying both long-term and short-term debt with the proceeds of R60 million. The proceeds from the sale were received in July 2013.

Jasco has committed to a 12-year lease at an annual rental of R6,5 million, escalating at 6% per annum. The commencement date of the lease is 1 July 2013 and will be accounted for in terms of IFRS in the next financial year. The property will remain as Jasco's headquarters and its main base of operations in Gauteng, with further rationalisation of existing leased properties planned for January 2014. The combination of a number of businesses at head office reduced leased properties in Gauteng from seven to two and achieved a combined rental saving of approximately R6 million per annum.

Non-current assets and liabilities

Capital expenditure was R21,5 million (2012: R16,5 million). The majority of the capital spend was required to expand production capacity in Electrical Manufacturers in the Energy Solutions vertical. Excluding the Gauteng property disposal, the remaining asset disposals during the year were not material.

Intangibles (including goodwill) of R94,1 million decreased from R131,3 million last year as a result of the goodwill impairment of R24,2 million on the exit of the Telecommunications Structures business and a reduction in the capitalisation of research and development costs. All goodwill components were tested for impairment at 30 June 2012 in accordance with accounting policies and no other impairment charges were considered necessary.

The investment in associate of R116,0 million (2012: R189,8 million) relates to the 51% investment in M-TEC and is now classified as "held-for-sale". Accordingly, the carrying value was written down by R72,5 million. The cumulative historic impairment charges of R53,5 million plus the fair value impairment take the total write down on M-TEC to R126,0 million. Management regrets these impairments and remains committed to ensuring sustained earnings creation in the continued operations.

The net deferred tax asset of R20,7 million (2012: R9,4 million) increased due to the utilisation of previously unrecognised tax losses, the reversal of the deferred tax liability relating to the Gauteng head office property, as well as the recognition of temporary differences relating to bonus provisions and the new finance lease receivable. The conservative approach adopted in the past in the recognition of deferred taxation assets arising from assessed income tax losses remains unchanged.

Other non-current financial assets of R52,5 million increased from R14,6 million last year and relate to the non-current portion of the group's finance lease receivable from the group's contract with a new regional customer. Jasco, through its subsidiary, New Telco SA, entered into a five-year Interconnect Services agreement with the customer. New Telco SA supplies the exclusive use of dedicated points of presence in London, Frankfurt, Cape Town and Johannesburg. New Telco SA also provides a 24/7 operations and maintenance service across these four global locations. This contract will increase the annuity revenue income of the group.

The long-term interest-bearing loans of R163,0 million (2012: R24,1 million) increased substantially due to a change in classification of the preference shares and a finance lease of R67,4 million entered into with a strategic vendor to fund the finance lease receivable.

The mortgage loan of R27,7 million (2012: R30,0 million), classified as "non-current liability held for sale", was settled on 8 July 2013. The only other long-term liabilities that remain are the loans from minority shareholders of R2,7 million (2012: R19,6 million) and assets financed in terms of instalment sale and/or finance lease agreements of R7,6 million (2012: R6,0 million).

Current assets and liabilities

Inventories on hand were R114,5 million (2012: R94,6 million), which was in line with the higher revenue volumes. The most notable increase in inventory levels occurred in Jasco Electrical Manufacturers due to production expansion.

Trade receivables were R243,6 million (2012: R196,3 million) and include debtor provisions of R3,0 million (2012: R6,2 million). These provisions are considered adequate to cover specific risk trade receivables identified and any impairment required in terms of IAS39. The increase was due to the higher revenue in June 2013 and the long overdue rental invoices on early termination of the contract by the customer. The age profile of the debtors' book is generally healthy, outside of a problem in the Jasco Security business unit where the invoiced rental amounts of R15,9 million are long outstanding. Other receivables and pre-payments were up sharply to R131,9 million (2012: R47,8 million) due to the proceeds on the disposal of the Midrand property (R60 million) only being received on 5 July 2013, as well as prepaid service level agreements relating to the interconnect services agreement (R14,2 million).

Current non-interest-bearing liabilities of R322,6 million (2012: R251,8 million) increased on higher volumes. This includes trade and other payables (accruals) of R248,2 million (2012: R190,2 million), provisions of R48,7 million (2012: R36,6 million) and deferred maintenance revenue of R24,8 million (2012: R20,2 million). Although net foreign currency contracts are not material, foreign currency risk is carefully managed through a hedging programme that utilises a blend of the available instruments.

Current interest-bearing liabilities, excluding bank overdrafts, of R48,2 million (2012: R103,2 million) reduced on the reclassification of the R100 million preference shares into long-term (as discussed earlier in the review).

The terms from Jasco's key trade suppliers are the subject of focus and additional support was obtained during the period to fund organic growth requirements. This will continue to be an area of focus in F2014 as procurement is a key area in Jasco's focus to reduce costs across the group.

The bank overdraft of R56,0 million increased from R31,8 million in 2012. This was mainly due to operating cash outflows, the payment of R21,5 million (2012: R16,5 million) for investment in capital expenditure and R6,8 million (2012: R13,1 million) for capitalised research and development. Refer to the Statement of Cash Flows.

The board has not declared a dividend for the 2013 financial year on the reported earnings losses.

Statement of cash flows

The statement of cash flows reflects an inflow in cash generated from operations before working capital changes of R47,7 million compared to R55,4 million in 2012. Working capital changes reflect an outflow of R114,1 million (2012: R31,0 million outflow). This outflow includes the raising of finance for the long-term lease receivable of R65,3 million and the payment of the related creditors for the supply of hardware. These creditor payments were funded through a vendor-financed loan (refer to Financing Activities).

The net interest payment amounted to R19,3 million (including the preference dividend), while income tax payments reduced substantially. Ordinary dividends paid of R4,2 million were higher than the R3,5 million paid in the previous year. These dividends related to the 2012 and 2011 financial years respectively. Total cash outflows from operating activities of R90,8 million were therefore disappointing compared to the R2,1 million outflow in 2012.

As mentioned earlier, investing activities saw a cash outflow of R42,2 million (2012: R22,7 million), funded by an inflow from financing activities of R108,6 million (2012: R9,9 million). This inflow includes the vendor-financed loan of R67,4 million and a bridging facility of R32,2 million against the Gauteng head office property disposal, which was settled on 8 July 2013.

Accordingly, Jasco's net overdraft increased to R56,0 million from R31,8 million at the beginning of the year. This remains within the group's facility limits. Management is focusing on reducing stock levels, improving terms of supply from major trade partners and reducing trade receivables older than 90 days.

OPERATIONAL REVIEW

ICT SOLUTIONS

ICT – Carrier

Revenue increased by 10% to R498,8 million (2012: R454,4 million), mainly due to improved market share and despite a 28% reduction in sales at Telecommunications Structures. The operating profit increased by 31% to R56,5 million (2012: R43,2 million) at an improved operating margin of 11,3% (2012: 9,5%). In line with the group's restructure, senior management overhead costs in this business was moved to head office. Excluding these costs, Carrier Solutions and Carrier RF saw a significant increase in profit. This was somewhat offset by a significant decrease in Broadcast Solutions, which was placed on the watch list in the second half of the year. The Broadcast Solutions cost base was restructured in the last quarter, which resulted in a break-even result for the year on inclusion of once-off retrenchment costs. The M-TEC Telecommunications division is not included following the decision to exit this investment.

ICT – Networks

Revenue increased by 406% to R114,6 million (2012: R22,7 million), mainly due to the sales to the new regional customer in Co-Location Solutions (NewTelco). This contributed R65 million on a five-year finance lease, which secures future annuity income. Converged Solutions' revenue increased by 74% on the full-year inclusion of Arc Telecoms and good growth in the voice and data annuity volumes. The operating loss decreased by 63% to R3,4 million (2012: R9,4 million loss) in line with the volume increase. The total annuity revenue grew strongly from R22,9 million to R45,8 million in 2013 and is expected to continue growing off this base. This, combined with cost reductions, should result in the business achieving break-even in F2014.

ICT – Enterprise

Revenue for the year increased by 8% to R219,0 million (2012: R203,3 million) from new blue-chip customers despite the continued slow corporate spend on technology upgrades. The operating profit decreased by 36% to R13,8 million (2012: R21,5 million) and the operating margin was down from 10,6% to 6,3% on a change in product mix due to fluctuating demands and strategic blue-chip customer wins at initially lower margins. The 2012 results also created a high base due to two significant, once-off equipment installations. Higher-margin service business will follow from 2015.

INDUSTRY SOLUTIONS

The Industry Solutions vertical experienced an improvement in revenue. The increase was driven by Fire Solutions and a first full year of Power Solutions. Although the slow recovery from the corporate customer base continued, the environment remained fiercely competitive. Revenue increased by 14% to R148,7 million (2012: R130,1 million), whilst operating profit decreased by 13% to R5,8 million (2012: R6,6 million) on the lower profit contribution from the group's long-term rental receivable that was terminated early. Although the margin declined from 5,1% to 3,9%, when excluding the impact of the finance lease, the operating margin improved from 1,6% to 3,9%.

Cost control remains a key area of focus and the Security Solutions business will be relocated to Midrand in the next financial year. The main imperative for this vertical is to grow revenue and further diversify the profile of the group's customer base over the next two years.

ENERGY SOLUTIONS

During the year, this division included the Electrical Manufacturers and Lighting Structures business units on a consolidated basis. The Lighting Structures business was sold in December 2012 and its contribution was therefore only for five months. The M-TEC Electrical division is not included as it is an investment "held-for-sale".

Revenue of R184,3 million declined by 8% (2012: R199,8 million) and operating profit declined by 26% from R15,9 million to R11,8 million on the disposal of Lighting Structures.

Electrical Manufacturers grew revenue by 15% to R154,0 million (2012: R133,7 million) on strong volume growth at lower margins from the business' major customer. The operating profit of R14,7 million increased by 3% from R14,2 million on lower gross margins.

Lighting Structures' revenue of R30,3 million compares to R66,1 million in 2012 and the operating loss was R2,9 million compared to a profit of R1,1 million.

PROSPECTS

Divisional prospects

In line with the group's strategy in the final year of the three-year restructuring programme and following the divestment of a number of businesses, with effect from F2014, the group will be structured into two rather than three verticals.

The ICT vertical contains the telecommunications and information technology businesses of Carrier Solutions, Enterprise Solutions and Network Solutions.

The previously separate verticals of Industry Solutions and Energy Solutions have been combined to create the Energy & Industry vertical. This contains Security Solutions, Power Solutions and Electrical Manufacturers.

In the ICT Carrier business, the group expects short-term market growth due to LTE (4G) network rollout and broadband and wireless connectivity demands, as well as increasing bandwidth in the Southern African Development Community (SADC). In Networks and Enterprise, the demand in SADC continues to increase. In South Africa, increasing demand is seen for cloud solutions, although pressure on corporate spend is expected to remain.

Against these conditions, Jasco expects continued market share gains with new technology developments, particularly in building coverage solutions. Growth in annuity revenue in both Networks and Enterprise will continue, although at a slower rate off the higher base set in 2013. The ICT vertical's new offerings will start to deliver benefits in the coming year. These include building coverage solutions, IT solutions, ICT consulting services and cloud solutions.

In the Energy & Industry vertical, demand for power across Southern Africa is expected to remain high. The introduction of carbon tax will drive green investment, with renewable energy to drive medium-term growth. Industrial energy optimisation is also gaining traction.

Against this, the investment in the white goods manufacturing facility in Electrical Manufacturers is largely complete. The Energy & Industry vertical is well placed through a number of new offerings, which include off-grid solutions for industrial applications and energy optimisation solutions. A number of independent power producer "balance of plant" offers have been submitted.

Group prospects

The group's main focus areas in the last year of its restructuring programme include:

- Improving its funding position and reducing the interest burden by exiting M-TEC and settling the preference shares. The board is considering various capital raising options which may include a rights issue ranging between R30 million to R60 million planned for the first half of F2014. An announcement will be made by Jasco once there is further certainty on this matter
- Exiting low-value-added manufacturing in a systematic way and finalising the sale of M-TEC and other non-core manufacturing departments
- Improving the group's earnings by consolidating procurement and improving working capital, as well as completing the restructure programme

During the year, the decisive action on non-performing areas has positioned the new core business base for growth. In the first half of F2014, further restructuring costs will impact results, with the second half to show an improvement. The full benefits of the three-year restructuring programme will be seen from F2015.

Shareholders are advised that any forward-looking information or statements contained in this announcement have not been reviewed or reported on by Jasco's independent auditors.

SUBSEQUENT EVENT

Telecom Structures was sold after year-end.

The R60 million proceeds from the disposal of the head office property were received in July 2013 and utilised to reduce related long-term and short-term debt.

CHANGES TO THE BOARD

There were no changes to the board.

NOTIFICATION OF POSTING OF INTEGRATED ANNUAL REPORT AND NOTICE OF AGM

The Integrated Annual Report incorporating the notice to convene the Annual General Meeting will be posted to shareholders on or about 30 September 2013, an announcement in this regard will be published on the Stock Exchange News Service of the JSE Limited.

For and on behalf of the board

Dr ATM Mokgokong *(Non-executive chairperson)*

AMF da Silva *(Chief executive officer)*

WA Prinsloo *(Chief financial officer)*

17 September 2013

Audit opinion on audited annual financial statements

The annual financial statements have been audited by the group's independent auditors, Ernst & Young Inc. A copy of their unmodified report is available for inspection at Jasco's registered office.

Basis of preparation of summarised consolidated audited financial statements

The summarised consolidated audited financial statements have been prepared in accordance with the International Financial Reporting Standard (IFRS), the AC500 standards as issued by the Accounting Practices Board and the presentation and disclosure requirements of IAS 34 (Interim Financial Reporting), the Listings Requirements of the JSE Limited and the Companies Act (2008) of South Africa. The accounting policies and methods of computation used in the preparation of this report are consistent with those of the previous year. These summarised consolidated financial statements and the financial overview information, which were derived from the underlying audited consolidated financial statements for the year ended 30 June 2013, have not been audited. The directors take full responsibility for the preparation of the summarised report and the financial overview information which was derived from the underlying audited financial statements. The auditors, Ernst and Young Inc, have audited the annual financial statements for the year ended 30 June 2013 from which this summarised report has been derived and on which an unmodified opinion was expressed.

SUMMARISED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

Audited (R'000)	2013	2012	% change
Revenue	1 151 035	989 992	16,3
Turnover	1 146 034	983 693	16,5
Interest received	5 001	6 299	(20,6)
Operating (loss)/profit before interest and taxation	(93 486)	31 213	(399,5)
Interest received	5 001	6 299	(20,6)
Interest paid	(24 331)	(20 581)	18,2
Equity accounted (loss)/income from associates	(1 586)	10 080	(115,7)
(Loss)/profit before taxation	(114 402)	27 011	(523,5)
Taxation	6 974	(7 009)	(199,5)
(Loss)/profit for the year	(107 428)	20 002	(637,1)
Other comprehensive income	2	872	
Total comprehensive (loss)/ income for the year	(107 426)	20 874	(614,6)
(Loss)/profit attributable to:			
– minority shareholders	2 632	(1 933)	(236,2)
– equity holders of the parent	(110 060)	21 935	(601,8)
(Loss)/profit for the year	(107 428)	20 002	(637,1)
Total comprehensive (loss)/ income attributable to:			
– minority shareholders	2 632	(1 933)	(236,2)
– equity holders of the parent	(110 058)	22 807	(582,6)
Total comprehensive (loss)/ income for the year	(107 426)	20 874	(614,6)
Reconciliation of headline earnings			
Net earnings attributable to equity holders of the parent	(110 060)	21 935	(601,8)
Headline earnings adjustments	110 525	1 802	6033,5
– fair value adjustment of associate	–	382	
– loss on disposal of LBJ	4 758	–	
– loss on available for sale financial asset	12 089	–	
– loss on re-measurement of associate held for sale	72 498	–	
– negative asset written-off	(289)	–	
– impairment of goodwill	24 178	–	
– loss on re-measurement of disposal group held for sale	9 769	–	
– after tax (profit)/loss on disposal of fixed assets	(12 478)	1 420	
Headline earnings	465	23 737	(98,0)
Number of shares in issue ('000)	146 399	146 399	
Treasury shares ('000)	5 127	5 481	
Weighted average number of shares on which earnings per share is calculated ('000)	141 272	140 918	
Weighted average number of shares on which diluted earnings per share is calculated ('000)	141 272	140 918	
Ratio analysis			
Attributable earnings	(110 061)	21 935	(601,8)
Earnings per share (cents)	(77,9)	15,6	(600,5)
Diluted earnings per share (cents)	(77,9)	15,6	(600,5)
Headline earnings per share (cents)	0,3	16,8	(98,1)
Diluted headline earnings per share (cents)	0,3	16,8	(98,1)
EBITDA	45 318	64 063	(29,3)
Net asset value per share (cents)	159,7	241,2	(33,8)
Net tangible asset value per share (cents)	93,1	148,0	(37,1)
Dividend per share – final (cents)	3,0	2,5	20,0
Debt: Equity (%)	100,4	43,5	130,8
Interest cover (times)	(0,8)	3,0	(126,7)
EBITDA interest cover (times)	2,3	4,5	(47,7)

SUMMARISED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

Audited (R'000)	2013	2012
ASSETS		
Non-current assets	227 073	414 926
Plant and equipment	56 200	57 108
Intangibles	94 143	131 273
Investment in associates	–	189 795
Deferred tax asset	24 246	22 119
Other financial assets	52 484	14 631
Non-current asset held for sale	139 611	50 284
Current assets	510 521	350 044
Inventories	114 522	94 642
Trade and other receivables	377 291	244 709
Taxation prepaid	1 118	5 195
Other financial assets	10 510	–
Cash and cash equivalents	7 080	5 498
Total assets	877 204	815 254
EQUITY AND LIABILITIES		
Share capital and reserves	238 068	354 432
Non-current liabilities	168 167	38 534
Interest-bearing liabilities	163 030	24 125
Deferred maintenance revenue	1 578	1 719
Deferred tax liability	3 559	12 690
Non-current liability held for sale	36 175	29 976
Current liabilities	434 795	392 312
Interest-bearing liabilities	48 209	103 184
Bank overdraft	60 602	37 328
Non-interest-bearing liabilities	297 797	227 175
Deferred maintenance revenue	24 821	20 247
Taxation liability	3 366	4 378
Total equity and liabilities	877 204	815 254

SUMMARISED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

Audited (R'000)	2013	2012
Attributable to equity holders of the parent		
Opening balance	339 842	323 363
Treasury shares – Share Incentive Trust	192	47
Transactions between shareholders	–	(3 188)
Share based payment reserve	(83)	336
Total comprehensive income	(110 056)	22 807
– (Loss)/profit for the year	(110 058)	21 935
– Other comprehensive income	2	872
Dividends paid	(4 239)	(3 523)
Closing balance	225 656	339 842
Minority interests		
Opening balance	14 590	19 835
Subsidiaries disposed during the year	(4 810)	–
Transactions between shareholders	–	(3 312)
Total comprehensive income	2 632	(1 933)
– Profit/(loss) for the year	2 632	(1 933)
– Other comprehensive income	–	–
Dividends paid to non-controlling shareholders	–	–
Closing balance	12 412	14 590
Total equity	238 068	354 432

SUMMARISED CONSOLIDATED STATEMENTS OF CASH FLOWS

Audited (R'000)	2013	2012
Cash generated from operations before working capital changes	47 717	55 441
Working capital changes	(114 083)	(30 961)
Cash generated from operations	(66 366)	24 480
Net financing costs	(19 330)	(14 282)
Net taxation paid	(895)	(8 790)
Dividends paid	(4 239)	(3 523)
Cash flow from operating activities	(90 830)	(2 115)
Cash flow from investing activities	(42 213)	(22 715)
Cash flow from financing activities	108 645	9 934
Decrease in cash resources	(24 398)	(14 896)

SUMMARISED CONSOLIDATED SEGMENTAL REPORTS

Audited (R'000)	2013 Revenue	2013 Operating profit/ (loss)	2012 Revenue	2012 Operating profit/ (loss)
ICT – Carrier	498 811	56 468	454 411	43 218
ICT – Networks	114 570	(3 442)	22 659	(9 404)
ICT – Enterprise	218 988	13 824	203 273	21 465
Industry Solutions	148 742	5 760	130 065	6 607
Energy Solutions	184 258	11 802	199 738	15 865
Sub-total operating divisions	1 165 369	84 412	1 010 146	77 751
Other	9 817	(61 267)	6 691	(35 979)
Adjustments	(24 151)	(116 631)	(26 846)	(10 559)
Total	1 151 035	(93 486)	989 992	31 213

Directors and Secretary

Dr ATM Mokgokong *(Chairperson)*
MJ Madungandaba *(Deputy chairperson)*
JC Farrant*, Sir JA Sherry, M Malebye*, H Moolla* *(Non-executives)*
AMF da Silva *(CEO)*, WA Prinsloo *(CFO)* *(Executives)*
S Lutchan *(Company secretary)*
**Independent*

Registered office

Jasco Park
C/O 2nd Road and Alexandra Avenue
Midrand, 1685

Transfer secretaries

Link Market Services SA (Pty) Ltd
13th Floor Rennie House, 19 Ameshoff Street
Braamfontein, 2001

Sponsor

Grindrod Bank Limited
3rd Floor, Grindrod Towers, 8A Protea Place, Sandton