AUDITED PRELIMINARY RESULTS

FOR THE YEAR ENDED 30 JUNE 2014

EQSTRA HOLDINGS LIMITED

EQSTRA HOLDINGS LIMITED 1998/011672/06 SHARE CODE:EQS ISIN:ZAE000117123

REVENUE INCREASED **9.8%** to R9 978 million

CASH GENERATED BY OPERATIONS BEFORE CHANGES IN WORKING CAPITAL INCREASED **3.4%** to R2 965 million

REVENUE-GENERATING ASSETS INCREASED **4.8%** to R10 034 million

OPERATING PROFIT DECREASED **9.6%** to R938 million

HEADLINE EARNINGS PER SHARE DECREASED **26.3%** to 76.7 cents

INTEREST-BEARING BORROWINGS INCREASED **5.0%** to R7 976 million

INTRODUCTION

Eqstra Holdings Limited ("the group" or "Eqstra") increased revenue for the year, although a number of material events (refer below) resulted in a 26.3% decrease in headline earnings per share.

During the financial year the Fleet Management and Logistics and Industrial Equipment divisions demonstrated the resilience of their respective business models by recording an increase in revenue and profitability, despite the past year being characterised by tough economic conditions.

The Contract Mining and Plant Rental's revenue improved, but performance was disappointing mainly as a result of three weeks of industry industrial action during August and September 2013, abnormally high rain fall during February and March 2014, closure costs and general slowdown in mining and infrastructure activity in South Africa.

The on-going investments we have made in revenue-generating assets in Fleet Management and Logistics and Industrial Equipment divisions continued to translate into higher annuity income and operating cash flow.

The group's profit after taxation was further negatively impacted by the impairment of Eqstra's R63 million investment in Protech Khuthele Holdings Limited (Protech) following their voluntary liquidation order.

- **Revenue** increased by 9.8% to R9 978 million (2013: R9 089 million), due to benefits arising from investment in revenue-generating assets, increased used vehicle remarketing and increased sales activity in the United Kingdom (UK).
- **Profit before taxation** decreased 44.7% to R269 million (2013: R486 million) on a weak performance from Contract Mining and Plant Rental and the Protech impairment. This resulted in the profit before taxation margin decreasing to 2.7% (2013: 5.3%).
- **Revenue-generating assets** (leasing assets and finance lease receivables), which is the foundation of the group's business model, increased by R456 million or 4.8% to R10 034 million (2013: R9 578 million), with an increase recorded in Industrial Equipment and Fleet Management and Logistics. The leasing asset fleet of Contract Mining and Plant Rental decreased as expansionary capital expenditure is curtailed until the financial performance of the division reaches desired targets. The group will continue to target growth in revenue-generating assets, which results in the generation of long-term annuity income. Included in the increase in revenue-generating assets is a foreign exchange component of R197 million (2013: R310 million).
- **Net finance costs** increased by 11.0% to R603 million (2013: R543 million) as average debt levels increased during the year in line with leasing asset growth and investment in working capital.
- **Net asset value per share** increased by 4.5% to 826.8 cents per share (2013: 791.4 cents per share).
- **Headline earnings per share** (HEPS) decreased by 26.3% to 76.7 cents per share, mainly as a result of a disappointing operating performance from Contract Mining and Plant Rental. The Protech impairment resulted in earnings per share (EPS) decreasing further by 39.4% to 60.6 cents per share (2013: 100.0).

DIVISIONAL REVIEW

Industrial Equipment	**30 June 2014 Rm**	30 June 2013 Rm	% change
Revenue	**3 037**	2 708	12.1%
Operating profit	**311**	258	20.5%
Net finance costs	**(153)**	(109)	40.4%
Profit before taxation	**153**	145	5.5%
PBT margin	**5.0%**	5.4%	(7.4%)
Revenue-generating assets	**2 286**	1 949	17.3%

In Industrial Equipment we were able to take proactive action against a slowing South African forklift market and scale back orders placed with the factory. Our ability to maintain a solid performance during this year was supported by the strategy to reduce our dependence on SA forklift sales to below 50%. The UK business delivered a commendable performance achieving a 19% ROE in pound sterling although inventories increased as a result of higher demand. The division re-signed the Toyota and BT distribution agreements for SA for a further three years and are celebrating a 30-year partnership. The Heavy Equipment business benefitted from a solid performance from Konecranes and an improvement in the Terex Trucks business unit.

Fleet Management and Logistics	**30 June 2014 Rm**	30 June 2013 Rm	% change
Revenue	**2 796**	2 362	18.4%
Operating profit	**366**	311	17.7%
Net finance costs	**(184)**	(156)	17.9%
Profit before taxation	**182**	157	15.9%
PBT margin	**6.5%**	6.6%	(1.5%)
Revenue-generating assets	**3 399**	3 181	6.9%

The Fleet Management and Logistics division returned to normalised earnings after the closure of underperforming operations in 2013. In addition, we consolidated our product lines and have become increasingly selective about our customer base. We anticipate further efficiencies as a result of the implementation of our ERP system, now estimated for 2015. Until the implementation of the system, we will continue to carry excess overheads.

During the year we achieved a 33% unit increase in value-added products (GPS, managed maintenance, warranties) and developed a successful supply chain partnership with a leading dealership group.

Contract Mining and Plant Rental	**30 June 2014 Rm**	30 June 2013 Rm	% change
Revenue	**4 515**	4 223	6.9%
Operating profit	**239**	473	(49.5%)
Net finance costs	**(263)**	(273)	(3.7%)
(Loss) profit before taxation	**(24)**	192	–
PBT margin	**(0.5)**	4.5%	–
Revenue-generating assets	**4 383**	4 517	(3.0%)

The division delivered a disappointing performance as it was materially affected by the unforeseen events as mentioned above. The combined impact of these events is estimated to be R225 million.

In addition, Rio Tinto suspended operations at the Benga mine operations during December to March resulting in the loss of 59 production days for which fixed costs were compensated for. The operations at the site have normalised and are at full production.

The underperforming Wolwekrans and Nkomati Nickel contracts ended at the end of January 2014 and June 2014 respectively. Contracts under negotiations as at 31 December 2014 were successfully extended and additional volumes secured on some contracts. The division also secured new contracts (Aganang, Karowe and Rockwell) towards the end of the financial year that has added diversification of commodity and geographic area.

The division improved its lost time frequency rate to 0.21 (2013: 0.25).

LONG-TERM DEBT FUNDING

Eqstra's debt maturity profile continues its long-term bias, which matches the long-term nature of associated capital equipment investments.

Total interest-bearing borrowings increased by 5.0% to R7 976 million (2013: R7 597 million). This is in line with the increase in revenue-generating assets linked to long-term contracts and increased investment in working capital.

During the first half of the year the group raised R465 million through a five-year amortising bond and an additional R100 million was raised through a three-year nominal bond. Both bonds were issued at 200 basis points above the three-month Jibar rate through private placements. The proceeds of the bonds were used to finance growth in revenue-generating assets and to repay bank term debt. We consider an amortising bond an ideal funding instrument as it reduces refinancing risk and matches the cash flows derived from the revenue-generating assets.

The current portion of interest-bearing borrowings increased to R3 064 million (2013: R2 056 million) as the expensive R270 million EQS01 bond and a GBP43 million term facility for the UK operations now falls due within 12 months. The UK debt was refinanced after year-end with a GBP53 million three-year facility. In addition Eqstra continues to manage the duration, currency and interest rate of its debt in accordance with underlying revenue-generating assets.

In April 2014 S&P downgraded the long-term credit rating of Eqstra by one notch to zaBBB+ based on their view that the group is exposed to the cyclical mining sector, which is exposed to commodity volatility and labour unrest. The group complied with all bank debt covenants and achieved an interest cover (EBITDA) ratio of 5.0 times (2013: 5.3 times) and a capital adequacy ratio of 24.9% (2013: 24.6%).

The board is satisfied that the group has sufficient facilities in place to meet anticipated liquidity requirements.

DIVIDEND

Despite the group's published dividend policy, the board decided not to declare a dividend in order to position the group for future growth in Fleet Management and Logistics and Industrial Equipment. The group will return to its stated dividend policy in the near term.

The board considered the solvency and liquidity of the company and is satisfied that the company will remain solvent and liquid.

ACKNOWLEDGEMENT

The board welcomes Mr LL von Zeuner who was appointed independent non-executive director on 22 November 2013.

Mr E Clarke, CEO of the Contract Mining and Plant Rental division and executive director, resigned effective 1 October 2014. Mr WS Hill will take over executive responsibility of this division whilst recruiting for a suitable candidate. The board thanks Mr Clarke for his contribution and wishes him well in his future endeavours.

PROSPECTS

Industrial Equipment anticipates the SA forklift market to remain challenging with the UK market expected to increase marginally. We aim to further balance our product portfolio and grow into sub-Sahara Africa and the UK, with a much stronger basket of products in place. A healthy order book for long-term leasing and cash sales is in place to support annuity revenue growth.

Fleet Management and Logistics earnings from leasing activities are set to remain defensive and higher interest rates will have a positive impact on earnings. We aim to drive organic leasing growth by acquiring new contracts from increased activity in government and parastatal outsourced tenders and growth in the African market. Our investment in a state of the art ERP system comes on line next year and will unlock business efficiencies in support of reaching our ROE target.

Contract Mining and Plant Rental anticipates global commodity prices to remain under pressure. The repositioning of the division, in particular our exit from underperforming contracts and the initiative underway to refocus our plant rental business, into longer term leasing, will enhance our ability to perform profitably through the commodity cycle. We will continue to participate in Southern African tender activity, but redeploying surplus equipment could however be challenging. The recent changes in ownership of two mining projects may have potential upside for the division. The two-year SAFCEC wage agreement is in place until August 2015.

By order of the board

NP Mageza
Chairperson

WS Hill
Chief executive officer

1 September 2014

SUMMARISED GROUP STATEMENT OF FINANCIAL POSITION

as at

	30 June 2014 Rm	30 June 2013 Rm
ASSETS		
Non-current assets	**10 822**	10 345
Intangible assets	**167**	91
Property, plant and equipment	**519**	538
Leasing assets	**9 991**	9 491
Deferred tax assets	**67**	35
Finance lease receivables	**12**	33
Other investments, loans and derivatives(2)	**66**	157
Current assets	**3 054**	2 956
Trade and other receivables and derivatives	**1 752**	1 628
Finance lease receivables	**31**	54
Other investments and loans	**42**	–
Inventories	**1 117**	945
Taxation in advance	**19**	29
Cash and cash equivalents	**93**	300
Total assets	**13 876**	13 301
EQUITY AND LIABILITIES		
Stated capital	**1 839**	1 816
Other reserves	**272**	218
Retained income	**1 314**	1 222
Equity attributable to owners of the parent	**3 425**	3 256
Non-controlling interests	**26**	19
Total equity	**3 451**	3 275
Non-current liabilities	**5 665**	6 302
Interest-bearing borrowings	**4 912**	5 541
Deferred tax liabilities	**753**	761
Current liabilities	**4 760**	3 724
Current portion of interest-bearing borrowings(3)	**3 064**	2 056
Trade and other payables and derivatives	**1 667**	1 656
Current tax liabilities	**29**	12
Total equity and liabilities	**13 876**	13 301

SUMMARISED GROUP INCOME STATEMENT

for the years ended

	30 June 2014 Rm	30 June 2013 Rm
Continuing operations		
Revenue	**9 978**	9 089
Profit from operations before depreciation, amortisation and recoupments	**3 004**	2 870
Depreciation and amortisation	**(2 067)**	(1 836)
Recoupments	**1**	4
Operating profit	**938**	1 038
Foreign exchange gains	**(1)**	7
Net impairment of leasing assets	**(2)**	(16)
Impairment of investment	**(63)**	–
Profit before net finance costs	**872**	1 029
Net finance costs	**(603)**	(543)
Finance costs including fair value gains(5)	**(628)**	(582)
Finance income	**25**	39
Profit before taxation	**269**	486
Income tax expense	**(18)**	(78)
Profit for the year from continuing operations	**251**	408
Discontinued operations		
Loss from discontinued operations, including profit on sale of discontinued operations	**–**	(18)
Profit for the year	**251**	390
Attributable to:		
Owners of the parent	**240**	385
– Profit for the year from continuing operations	**240**	403
– Loss for the year from discontinued operations	**–**	(18)
Non-controlling interests	**11**	5
Profit for the year	**251**	390
	Cents	Cents
Earnings per share(7)		
Earnings per share from continuing operations		
– Basic and diluted earnings per share (cents)	**60.6**	100.0
Loss per share from discontinued operations		
– Basic and diluted loss per share (cents)	**–**	(4.5)

SUMMARISED GROUP STATEMENT OF COMPREHENSIVE INCOME

for the years ended

	30 June 2014 Rm	30 June 2013 Rm
Profit for the year	**251**	390
Total other comprehensive income for the year, net of taxation	**68**	125
Exchange differences on translation of foreign subsidiaries	**60**	87
Net fair value gain on cash flow hedges and other fair value reserves	**8**	38
Total comprehensive income for the year, net of taxation	**319**	515
Attributable to:		
Owners of the parent	**308**	510
– Profit for the year from continuing operations	**308**	528
– Loss for the year from discontinued operations	**–**	(18)
Non-controlling interests	**11**	5
	319	515

SUMMARISED GROUP STATEMENT OF CHANGES IN EQUITY

for the years ended

	Stated capital Rm	Other reserves Rm	Retained income Rm	Non-controlling interests Rm	Total Rm
Balance at 1 July 2012	**1 929**	**106**	**931**	**14**	**2 980**
Total comprehensive income for the year	–	125	385	5	515
Profit for the year	–	–	385	5	390
Other comprehensive income for the year, net of taxation	–	125	–	–	125
Net share-based payment expense	–	16	–	–	16
Devaluation of Lereko call option	–	(5)	–	–	(5)
Dividends paid	–	–	(115)	–	(115)
Repurchase of ordinary shares	(113)	–	–	–	(113)
Realisation of currency translation reserve	–	(21)	21	–	–
Deferred taxation effect on items recorded directly in equity	–	(3)	–	–	(3)
Balance at 30 June 2013	**1 816**	**218**	**1 222**	**19**	**3 275**
Total comprehensive income for the year	–	68	240	11	319
Profit for the year	–	–	240	11	251
Other comprehensive income for the year, net of taxation	–	68	–	–	68
Net share-based payment reversal	–	(2)	–	–	(2)
Vesting of share incentive scheme	–	(19)	(2)	–	(21)
Revaluation of Lereko call option	–	3	–	–	3
Dividends paid	–	–	(146)	(4)	(150)
Disposal of treasury shares	23	–	–	–	23
Deferred taxation effect on items recorded directly in equity	–	4	–	–	4
Balance at 30 June 2014	**1 839**	**272**	**1 314**	**26**	**3 451**

GROUP STATEMENT OF CASH FLOWS

for the years ended

	30 June 2014 Rm	30 June 2013 Rm
Cash flows from operating activities		
Cash generated from operations before working capital movements	**2 965**	2 867
Working capital movements	**457**	292
Cash generated from operations	**3 422**	3 159
Interest received	**25**	39
Interest paid	**(628)**	(593)
Taxation paid	**(27)**	(60)
Net cash flows from operating activities	**2 792**	2 545
Cash flows from investing activities		
Acquisition of businesses	**(16)**	(28)
Gross capital expenditure	**(3 137)**	(2 893)
Proceeds on disposal of assets	**7**	58
Decrease in finance lease receivables	**44**	42
Increase in other investments and loans	**(15)**	–
Net cash flows from investing activities	**(3 117)**	(2 821)
Cash flows from financing activities		
Repurchase of ordinary shares	**–**	(113)
Decrease in derivative	**64**	–
Dividends paid	**(150)**	(115)
Net increase in interest-bearing borrowings	**199**	184
Net cash flows from financing activities	**113**	(44)
Net decrease in cash and cash equivalents	**(212)**	(320)
Effect of exchange rate translation on cash and cash equivalents	**5**	10
Cash and cash equivalents at beginning of year	**300**	610
Cash and cash equivalents at end of year	**93**	300

SUMMARISED STATEMENT OF CASH FLOWS FROM DISCONTINUED OPERATIONS

for the years ended

	30 June 2014 Rm	30 June 2 013 Rm
Net cash flows from operating activities	**–**	111
Net cash flows from financing activities	**–**	(111)
Cash and cash equivalents at end of year	**–**	–

SUMMARISED GROUP DISCONTINUED OPERATION INCOME STATEMENT

for the years ended

	30 June 2014 Rm	30 June 2013 Rm
Revenue	**–**	65
Operating loss	**–**	(3)
Foreign exchange gains	**–**	6
Profit before net finance costs	**–**	3
Net finance costs	**–**	(8)
Loss before taxation	**–**	(5)
Income tax expense	**–**	(13)
Loss for the year	**–**	(18)

** The above discontinuing operations form part of the former Construction and Mining Equipment division.*

The profit from discontinued operations, including profit on sale of discontinued operations comprises:

	30 June 2014 Rm	30 June 2013 Rm
Loss from discontinued operations (refer above)	**–**	(18)
Profit on disposal of discontinued operation, net of taxation	**–**	–
	–	(18)

SEGMENTAL INFORMATION - SUMMARISED GROUP STATEMENT OF FINANCIAL POSITION

as at

	Group		Industrial Equipment		Fleet Management and Logistics		Contract Mining and Plant Rental		Corporate Office and Eliminations	
	30 June 2014 Rm	30 June 2013 Rm	**30 June 2014 Rm**	30 June 2013 Rm	**30 June 2014 Rm**	30 June 2013 Rm	**30 June 2014 Rm**	30 June 2013 Rm	**30 June 2014 Rm**	30 June 2013 Rm
BUSINESS SEGMENTATION										
ASSETS										
Intangible assets	**167**	91	**6**	–	**119**	58	**39**	30	**3**	3
Property, plant and equipment	**519**	538	**183**	164	**94**	94	**157**	164	**85**	116
Leasing assets	**9 991**	9 491	**2 286**	1 949	**3 356**	3 094	**4 383**	4 517	**(34)**	(69)
Finance lease receivables	**43**	87	**–**	–	**43**	87	**–**	–	**–**	–
Other investments and loans	**108**	104	**–**	–	**12**	–	**50**	1	**46**	103
Inventories	**1 117**	945	**917**	772	**55**	71	**145**	102	**–**	–
Trade and other receivables and derivatives	**1 752**	1 681	**501**	460	**389**	246	**820**	875	**42**	100
Operating assets	**13 697**	12 937	**3 893**	3 345	**4 068**	3 650	**5 594**	5 689	**142**	253
Deferred tax assets	**67**	35								
Taxation in advance	**19**	29								
Cash and cash equivalents	**93**	300								
Total assets	**13 876**	13 301								
LIABILITIES										
Trade and other payables and derivatives	**1 667**	1 656	**527**	535	**490**	400	**592**	622	**58**	99
Interest-bearing borrowings	**7 976**	7 597	**2 426**	1 948	**2 463**	2 186	**3 300**	3 312	**(213)**	151
Operating liabilities	**9 643**	9 253	**2 953**	2 483	**2 953**	2 586	**3 892**	3 934	**(155)**	250
Deferred tax liabilities	**753**	761								
Current tax liabilities	**29**	12								
Total liabilities	**10 425**	10 026								
GEOGRAPHIC SEGMENTATION										
Operating assets	**13 697**	12 937	**3 893**	3 345	**4 068**	3 650	**5 594**	5 689	**142**	253
– South Africa	**10 586**	10 287	**2 784**	2 550	**3 687**	3 419	**3 973**	4 065	**142**	253
– Rest of world	**3 111**	2 650	**1 109**	795	**381**	231	**1 621**	1 624	**–**	–
Trade and other payables and derivatives	**1 667**	1 656	**527**	535	**490**	400	**592**	622	**58**	99
– South Africa	**1 327**	1 425	**409**	460	**424**	364	**436**	502	**58**	99
– Rest of world	**340**	231	**118**	75	**66**	36	**156**	120	**–**	–
Interest-bearing borrowings	**7 976**	7 597	**2 426**	1 948	**2 463**	2 186	**3 300**	3 312	**(213)**	151
– South Africa	**6 280**	6 017	**1 670**	1 391	**2 192**	2 034	**2 631**	2 441	**(213)**	151
– Rest of world	**1 696**	1 580	**756**	557	**271**	152	**669**	871	**–**	–
Net capital expenditure	**3 130**	2 835	**856**	850	**1 517**	1 279	**752**	702	**5**	4
– South Africa	**2 717**	2 472	**630**	699	**1 358**	1 221	**724**	548	**5**	4
– Rest of world	**413**	363	**226**	151	**159**	58	**28**	154	**–**	–

SEGMENTAL INFORMATION - SUMMARISED GROUP INCOME STATEMENTS

for the years ended

	Group		Industrial Equipment		Fleet Management and Logistics		Contract Mining and Plant Rental		Corporate Office and Eliminations	
	30 June 2014 Rm	30 June 2013 Rm	**30 June 2014 Rm**	30 June 2013 Rm	**30 June 2014 Rm**	30 June 2013 Rm	**30 June 2014 Rm**	30 June 2013 Rm	**30 June 2014 Rm**	30 June 2013 Rm
BUSINESS SEGMENTATION										
Revenue										
– Sales of goods	**2 275**	2 088	**1 538**	1 533	**654**	443	**83**	112	**–**	–
– Rendering of services, leasing income and other	**7 703**	7 001	**1 249**	1 111	**2 022**	1 779	**4 432**	4 111	**–**	–
	9 978	9 089	**2 787**	2 644	**2 676**	2 222	**4 515**	4 223	**–**	–
Inter-segment revenue	**–**	–	**250**	64	**120**	140	**–**	–	**(370)**	(204)
	9 978	9 089	**3 037**	2 708	**2 796**	2 362	**4 515**	4 223	**(370)**	(204)
Net operating expenses	**(6 974)**	(6 219)	**(2 252)**	(2 068)	**(1 691)**	(1 385)	**(3 403)**	(2 956)	**372**	190
Depreciation and amortisation	**(2 067)**	(1 836)	**(474)**	(382)	**(739)**	(673)	**(873)**	(794)	**19**	13
Recoupments	**1**	4	**–**	–	**–**	7	**–**	–	**1**	(3)
Operating profit (loss)	**938**	1 038	**311**	258	**366**	311	**239**	473	**22**	(4)
Foreign exchange (losses) gains	**(1)**	7	**(5)**	(4)	**–**	–	**2**	10	**2**	1
Net (impairment) reversal of leasing assets	**(2)**	(16)	**–**	–	**–**	2	**(2)**	(18)	**–**	–
Impairment of investment	**(63)**	–	**–**	–	**–**	–	**–**	–	**(63)**	–
Profit (loss) before net finance costs	**872**	1 029	**306**	254	**366**	313	**239**	465	**(39)**	(3)
Net finance costs	**(603)**	(543)	**(153)**	(109)	**(184)**	(156)	**(263)**	(273)	**(3)**	(5)
Finance costs including fair value gains	**(628)**	(582)	**(155)**	(112)	**(208)**	(193)	**(265)**	(273)	**–**	(4)
Finance income	**25**	39	**2**	3	**24**	37	**2**	–	**(3)**	(1)
Profit (loss) before taxation	**269**	486	**153**	145	**182**	157	**(24)**	192	**(42)**	(8)
Income tax (expense) income	**(18)**	(78)	**(20)**	(20)	**(51)**	(35)	**58**	(24)	**(5)**	1
Profit (loss) for the year	**251**	408	**133**	125	**131**	122	**34**	168	**(47)**	(7)
GEOGRAPHIC SEGMENTATION										
Revenue	**9 978**	9 089	**3 037**	2 708	**2 796**	2 362	**4 515**	4 223	**(370)**	(204)
– South Africa	**7 999**	7 537	**2 280**	2 209	**2 599**	2 168	**3 490**	3 364	**(370)**	(204)
– Rest of world	**1 979**	1 552	**757**	499	**197**	194	**1 025**	859	**–**	–
Operating profit (loss)	**938**	1 038	**311**	258	**366**	311	**239**	473	**22**	(4)
– South Africa	**589**	827	**256**	235	**333**	284	**(22)**	312	**22**	(4)
– Rest of world	**349**	211	**55**	23	**33**	27	**261**	161	**–**	–
Net finance costs	**603**	543	**153**	109	**184**	156	**263**	273	**3**	5
– South Africa	**520**	468	**134**	96	**172**	146	**211**	221	**3**	5
– Rest of world	**83**	75	**19**	13	**12**	10	**52**	52	**–**	–

NOTES

(1) Basis of preparation

These summarised preliminary group financial statements have been prepared in accordance with the framework concepts, measurement and recognition requirements of International Financial Reporting Standards (IFRS), the SAICA Financial Reporting Guides, as issued by the Accounting Practices Committee and the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council and contains information required by IAS 34: Interim Financial Reporting, the JSE Limited Listings Requirements and the South African Companies Act. The accounting policies and their application are consistent, in all material respects, with those detailed in Eqstra's 2013 annual report, except for the adoption on 1 July 2013 of those new, revised and amended standards and interpretations in Eqstra's 2014 annual report.

The adoption of the new and amended statements of generally accepted accounting practice, interpretations of statements of generally accepted accounting practice, and improvements project amendments did not have a material impact on the group.

	30 June 2014 Rm	30 June 2013 Rm
(2) Other investments, loans and derivatives		
– Listed, at market value	**1**	64
– Unlisted, at fair value or directors' valuation	**16**	40
– Other loans	**49**	–
– Derivative financial asset	**–**	53
	66	157

The 32.59% investment in Protech Khethele Holdings Limited is fully impaired as at 30 June 2014 (2013 Investment value: R63 million).

(3) Current portion of interest-bearing borrowings

The current portion of interest-bearing borrowings includes R823 million (2013: R900 million) commercial paper that is supported by a R1 000 million standby liquidity facility that has an 13-month rolling notice period. It also includes R754 million UK debt that was extended for three years after year-end.

	30 June 2014 Rm	30 June 2013 Rm
(4) Capital commitments and contingencies	**2 835**	2 086
– Contracted	**530**	501
– Authorised by directors but not contracted	**2 305**	1 585
Contingent liabilities	**–**	–
Guarantees	**18**	55

The capital commitments are substantially for the acquisition and replacement of leasing assets. Expenditure will be financed out of cash generated from operations, proceeds on disposals and existing banking facilities.

	30 June 2014 Rm	30 June 2013 Rm
(5) Finance costs including fair value gains		
Net interest expense	**627**	585
Fair value gains on borrowings and interest swaps (unrealised)	**1**	(3)
	628	582

	30 June 2014 Cents	30 June 2013 Cents
(6) Net asset value per share attributable to owners of the parent	**826.8**	791.4
(7) Headline earnings per share		
Headline earnings per share - continuing operations(8)		
– Basic and diluted earnings per share (cents)	**76.7**	104.0
Headline earnings per share - discontinued operations(8)		
– Basic and diluted loss per share (cents)	**–**	(4.5)
Reconciliation of continuing earnings per share		
Basic and diluted earnings per share	**60.6**	100.0
Profit on sale of property, plant and equipment and leasing equipment	**(0.3)**	(1.0)
Impairment of investment	**15.9**	–
Net impairment of leasing assets	**0.5**	4.7
Taxation effect	**–**	0.3
Headline earnings per share	**76.7**	104.0
	Million	Million
(8) Weighted average number of shares in issue for the year		
Number of ordinary shares		
– in issue	**411.4**	394.2
– opening shares net of treasury shares	**394.2**	411.4
– disposal of treasury shares	**2.1**	–
– repurchase of ordinary shares	**–**	(8.5)
Weighted average number of ordinary shares in issue during the year	**396.3**	402.9
– dilutionary effect	**–**	–
Diluted weighted average number of ordinary shares	**396.3**	402.9

(9) The auditors, Deloitte & Touche, have issued their unmodified opinion on the group's annual financial statements for the year ended 30 June 2014. The audit was conducted in accordance with International Standards on Auditing. A copy of the auditors report together with a copy of the audited group financial statements are available for inspection at the company's registered office. These summarised preliminary group financial statements have been derived from the group's annual financial statements and are consistent in all material respects with the group's annual financial statements. These summarised preliminary group financial statements have been audited by the company's auditors who have issued an unmodified opinion and the audit report on these summarised group financial statements is available for inspection at the company's registered office.

The auditors' report does not necessarily report on all of the information contained in this announcement. Shareholders are therefore advised that, in order to obtain a full understanding of the nature of the auditor's engagement, they should obtain a copy of the auditor's report, together with the accompanying financial information from the companies' registered office. Any reference to future financial information included in this announcement has not been reviewed or reported on by the auditors.

NAME AND REGISTRATION NUMBER

EQSTRA HOLDINGS LIMITED

1998/011672/06

JSE codes: EQS; EQS01; EQS02; EQS04; EQS05; EQS06; EQS07; EQ508A; EQ509

ISIN: ZAE000117123

REGISTERED OFFICE AND BUSINESS ADDRESS

61 Maple Street, Pomona, Kempton Park, 1619

PO Box 1050, Bedfordview, 2008

NON-EXECUTIVE DIRECTORS

NP Mageza(Chairperson), MJ Croucamp*, S Dakile-Hlongwane, VJ Mokoena*, SD Mthembi-Mahanyele*, AJ Phillips*, TDA Ross*, GG Gelink*, LL von Zeuner*#*

*(*Independent), (#Appointed 22 November 2013)*

EXECUTIVE DIRECTORS

E Clarke, WS Hill (CEO), JL Serfontein (CFO)[1] CA(SA)

([1]Preparer of financial results)

COMPANY SECRETARY

L Möller

TRANSFER SECRETARIES

Computershare Investor Services Proprietary Limited

70 Marshall Street, Johannesburg, 2001

PO Box 61051, Marshalltown, 2107

SPONSOR

Rand Merchant Bank

(a division of FirstRand Bank Limited)

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