

KEY PERFORMANCE INDICATORS

Turnover **+16%**
Operating Profit **+26%**

INCOME STATEMENT

R'000	Note	Unaudited 6 months ended 31/12/02	% change	Unaudited 6 months ended 31/12/01	Audited 12 months ended 30/6/02
Turnover		83 244	16	71 838	138 024
Profit from operations		25 097	26	19 854	37 727
Net interest received		1 813		867	2 707
Exceptional items	1	(3 614)		4 271	6 648
Profit before taxation		23 296	-7	24 992	47 082
Taxation		(6 975)		(5 964)	(10 271)
Earnings attributable to ordinary shareholders		16 321	-14	19 028	36 811
RECONCILIATION OF HEADLINE EARNINGS					
Earnings attributable to ordinary shareholders		16 321		19 028	36 811
Headline earnings adjustments:					
– Profit on sale of company stores		(883)		–	–
– Loans written off		–		–	1 679
Headline earnings		15 438	-19	19 028	38 490
Statistics					
Shares in issue (000's)	2	94 616		95 059	94 884
Weighted average number of shares in issue (000's)		94 836		92 206	93 822
Earnings per share (cents)		17.21	-17	20.64	39.23
Headline earnings per share (cents)		16.28	-21	20.64	41.02
Cashflow earnings per share (cents)		28.30	47	19.26	36.73
Fully diluted headline earnings per share (cents)		16.28	-21	20.64	41.02
Distribution per share (cents)		11.00		10.00	20.50
Note 1: Exceptional items comprise:					
Foreign exchange (loss)/gain		(4 497)		8 845	8 327
Provision against doubtful debts		–		(4 574)	–
Loans written off		–		–	(1 679)
Profit on sale of company stores		883		–	–
		<u>(3 614)</u>		<u>4 271</u>	<u>6 648</u>
Note 2: Shares in issue less shares repurchased by a wholly owned subsidiary company.					

STATEMENT OF CHANGES IN EQUITY

R'000	Share capital	Share premium	Shares repurchased by subsidiary	Accumulated deficit	Total
Balance at July 1, 2002	1	239 793	(6 400)	(109 527)	123 867
Profit for the period				16 321	16 321
Distributions		(10 251)			(10 251)
Shares repurchased			(556)		(556)
Balance at December 31, 2002	1	229 542	(6 956)	(93 206)	129 381

BALANCE SHEET

R'000	Unaudited 31/12/02	Unaudited 31/12/01	Audited 30/6/02
NON-CURRENT ASSETS	80 047	88 490	89 123
Property, plant and equipment	7 113	7 675	7 253
Loans	24 592	27 493	30 721
Deferred tax	48 342	53 322	51 149
CURRENT ASSETS	77 965	54 879	64 394
Inventory	6 788	6 134	4 234
Trade and other receivables	31 944	26 435	26 480
Cash resources	39 233	22 310	33 680
TOTAL ASSETS	158 012	143 369	153 517
EQUITY AND LIABILITIES			
CAPITAL AND RESERVES			
Ordinary share capital	1	1	1
Share premium	222 586	242 221	233 393
Accumulated deficit	(93 206)	(126 153)	(109 527)
CURRENT LIABILITIES	28 631	27 300	29 650
Trade and other payables	16 620	22 264	18 555
Loans	1 963	1 089	–
Shareholders for distribution	257	555	501
Bank overdraft	6 046	1 728	9 148
Taxation	3 745	1 664	1 446
TOTAL EQUITY AND LIABILITIES	158 012	143 369	153 517

CASH FLOW STATEMENT

R'000	Unaudited 6 months ended 31/12/02	Unaudited 6 months ended 31/12/01	Audited 12 months ended 30/6/02
Cash generated from operations	26 895	20 582	37 792
Net interest received	1 813	867	2 707
Taxation paid	(1 869)	(3 686)	(6 038)
Distributions paid	(10 495)	(7 891)	(17 708)
Working capital changes	(9 953)	2 237	6 735
Cash flow from operating activities	6 391	12 109	23 488
Cash flow from investing activities	2 264	(8 171)	(10 773)
Cash flow from financing activities	–	(165)	(4 992)
Net movement in cash and cash equivalents	8 655	3 773	7 723
Net cash and cash equivalents at beginning of period	24 532	16 809	16 809
Net cash and cash equivalents at end of period	33 187	20 582	24 532

BASIS OF PREPARATION OF FINANCIAL STATEMENTS

These unaudited results have been prepared in accordance with South African Statements of Generally Accepted Accounting Practice and the accounting policies used in the preparation of these results are consistent with the year ended 30 June 2002.

COMPARATIVE FIGURES

Comparative figures have been restated to accord with changes in accounting policies during the previous financial year and current year classifications.

FINANCIAL AND OPERATING REVIEW

The period under review has again seen the Group produce a solid set of results in respect of its core business. Turnover advanced by 16%, whilst operating profit was a healthy 26% ahead of the previous year, reflecting the operating leverage advantages achieved. Net interest income more than doubled and the Group's cash reserves grew to R33.2 million (2001: R20.6 million). Despite the fact that the strengthening of the rand impacted negatively on headline earnings, the Group's strong cash flow has enabled us to increase the distribution to shareholders to 11 cents per share.

During the past six months we have opened five new Spur outlets in prime locations, which include Durban's Sun Coast Casino, Plettenberg Bay and Gordon's Bay. In addition, nineteen stores were revamped to Spur's latest specifications. Our first United Kingdom franchised outlet, in Basingstoke, South London, has been well received, and a further franchised outlet should open this year. The planned opening of three Spur Steak Ranches on the African continent in 2003 will strengthen the brand in this region.

The group's pizza/pasta division, Panarottis, is starting to benefit from the revamp process undertaken during the past few years, with an improved contribution to Group turnover and profits. We are also pleased to report that our second Australian Panarottis outlet is scheduled to open in Mingara, New South Wales, during the course of this month.

The group has continued to invest in staff and franchisee training across the board and maximising productivity and communications by the introduction of strategic IT packages. Marketing remains a core focus and the Group has maintained a strong media presence through television and radio advertising. A follow-up brand/promotional campaign is planned to build on the success of the Howzit campaign.

PROSPECTS

It is anticipated that the Group will sustain the current strong growth patterns for the remainder of the financial year. The downward trend in inflation as well as the stabilising of key food prices will stand us in good stead to deliver a solid performance over the next six months.

CAPITAL DISTRIBUTION

Notice is hereby given that, subject to JSE and shareholders approval, the Board has declared a capital distribution in lieu of dividends, of 11 cents per share. The last date to trade in the shares for purpose of entitlement to the distribution is Wednesday, 16 April 2003. The shares will commence trading ex-distribution on Thursday, 17 April 2003 and the record date is Friday, 25 April 2003. The distribution will be paid on Tuesday, 29 April 2003. Share certificates may not be dematerialised or rematerialised between Thursday, 17 April 2003 and Friday, 25 April 2003, both days inclusive. A circular will be posted to shareholders on or about 20 March 2003 and a general meeting of shareholders is to be held on or about 7 April 2003.

The above dates are subject to amendment and any amendment will be published in the press and on SENS.

For and on behalf of the Board
A.J. Ambor (Executive Chairman)
P.G. van Tonder (Managing Director)

Cape Town
3 March 2003

Transfer Secretaries
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