



UNAUDITED CONDENSED CONSOLIDATED RESULTS AND CASH DIVIDEND DECLARATION

for the six months ended 31 December 2012

Revenue **↑ 40.4%**
 Diluted HEPS **↑ 35.3%**
 Dividend per share **↑ 37.5%**



PREPARED UNDER THE SUPERVISION OF THE CHIEF FINANCIAL OFFICER, RONEL VAN DIJK CA(SA)

TRADING PERFORMANCE

Spur Corporation increased revenue by 40.4% to R331.6 million in the six months ended December 2012. An aggressive promotions strategy, increasing customer loyalty and robust Christmas trading resulted in the group growing its market share in the highly competitive family sit-down restaurant market. Revenue growth also benefited from the inclusion of the DoRego's takeaway chain acquired with effect from 1 March 2012.

Total restaurant sales across the group increased by 17.5% for the six month period, with sales in South Africa growing by 16.5%.

Sales in Spur Steak Ranch outlets increased by 16.5%, with turnover from existing restaurants up 13.7%. Growth was driven by the continued success of Spur's breakfast and weekday promotions, and increased demand for the brand's quality, good value offering. The Spur Family Card continues to foster loyalty in the brand and membership increased to over 1.4 million, accounting for 29% of Spur's turnover in the period.

Panarottis Pizza Pasta lifted restaurant sales by 30.6% as the brand benefited from ongoing weekday promotions, new and refurbished outlets and the introduction of a new menu. Management has continued to focus on quality and service standards. Turnover from existing outlets increased by 19.7%.

Sales in John Dory's Fish Grill Sushis restaurants grew by 11.9% and by 9.7% in existing outlets.

The integration of the DoRego's franchise takeaway chain continues to gain momentum. Nine new outlets have been opened and management aims to attract franchisees to expand the chain beyond its current presence in Gauteng, Free State and Eastern Cape. The DoRego's brand image has been enhanced, new menus developed and support provided to franchisees to ensure consistent standards and controls. No comparative sales performance is reported for DoRego's as the business was only acquired in March 2012.

Sales in the international operations were 26.4% higher in Rand terms. Spur bucked the trend in the depressed UK restaurant economy and posted a pleasing growth in turnover. Africa continues to deliver stable growth while trading conditions have remained static in Australia.

International expansion has continued to focus on Africa and the group has strengthened its management team to support growth on the continent. A second Spur restaurant was opened in Kenya and a Panarottis Express outlet opened in Mauritius. The group has a growing presence in Mauritius with nine restaurants. The Spur outlet in Staines in England was converted to a company-owned restaurant in October 2012.

Twenty three new stores were opened across the four brands in South Africa during the period.

The restaurant footprint at 31 December 2012 is as follows:

Franchise brand	South Africa	International	Total
Spur Steak Ranches	259	36	295
Panarottis Pizza Pasta	58	12	70
John Dory's Fish Grill Sushis	28	-	28
DoRego's	77	1	78
Total	422	49	471

FINANCIAL PERFORMANCE

Franchise revenue in Spur increased by 16.7% to R92.1 million, Panarottis by 31.6% to R8.3 million and John Dory's by 6.5% to R5.8 million. Franchise revenue in DoRego's totalled R4.9 million.

Manufacturing and distribution revenue rose by 85.7% to R113.1 million, lifted by the first-time inclusion of the revenue from the DoRego's distribution centre which totalled R39.2 million, and higher product volumes in the group's sauce manufacturing facility and outsourced distribution network owing to higher local restaurant sales.

International revenue, comprising franchise revenue and company-owned restaurant turnover, reflects the improving trading performance in Africa and the United Kingdom, and increased by 26.7% to R91.1 million.

Profit before income tax for the six month period increased by 25.8% to R11.3 million. This includes a gain of R6.4 million (2011: R1.1 million) which is the net impact of a charge of R8.6 million (2011: R1.2 million) in respect of the group's incentive scheme and a credit of R15.0 million (2011: R2.3 million) in respect of the related hedging instrument.

Comparable profit before income tax, excluding the incentive scheme credit, the contribution of the DoRego's business, as well as foreign exchange gains/losses and other one-off items in the current and comparable periods, grew by 17.2%.

The tax rate for the period has reduced to 30.3% (2011: 33.7%) following the termination of Secondary Tax on Companies.

The group increased headline earnings by 33.1% to R77.4 million, with diluted headline earnings per share growing by 35.3% to 89.9 cents per share. This performance is in line with the earnings guidance provided in the group's trading statement issued on SENS on 19 February 2013.

An interim cash dividend of 55.0 cents per share has been declared, an increase of 37.5% on the previous period.

PROSPECTS

The group is actively pursuing new marketing promotions across its brand portfolio to maintain the current sales momentum and to grow market share. The Spur Family Card will be used to drive loyalty by increasing average spend per customer and the frequency of visits and to attract additional foot traffic.

The group plans to open eleven new Spur restaurants as well as one Panarottis and two DoRego's outlets in South Africa in the next six months. Expansion in the international operations will include second Spur restaurants in Tanzania, Nigeria and Swaziland, as well as a DoRego's outlet in Namibia.

CASH DIVIDEND

Shareholders are advised that the board of directors of the company has, on Wednesday, 6 March 2013, resolved to declare an interim gross cash dividend for the six month period to 31 December 2012 of R53.7 million, which equates to 55.0 cents per share for each of the 97 632 833 shares in issue, subject to the applicable tax levied in terms of the Income Tax Act (Act No. 58 of 1962 amended) ("dividend tax").

The dividend has been declared from income reserves. The company has available Secondary Tax on Companies ("STC") credits in the amount of R1 484 019 which equates to 1.52 cents per share. Consequently, of the dividend declared, 1.52 cents per share will not be subject to dividend tax and 53.48 cents per share may be subject to dividend tax at a rate of 15%. The net dividend, after applying the STC credits, is 46.97 cents per share for shareholders liable to pay dividend tax. The company's income tax reference number is 995919033.

In accordance with the provisions of State, the electronic settlement and custody system used by the JSE Limited, the relevant dates for the dividend are as follows:

Event	Date
Last day to trade (cum dividend)	Wednesday, 27 March 2013
Shares commence trading (ex dividend)	Thursday, 28 March 2013
Record date	Friday, 5 April 2013
Payment date	Monday, 8 April 2013

Those shareholders of the company who are recorded in the company's register as at the record date will be entitled to the dividend. Share certificates may not be dematerialised or rematerialised between Thursday, 28 March 2013 and Friday, 5 April 2013, both days inclusive.

For and on behalf of the Board
 A Ambor (Executive Chairman)
 P van Tonder (Chief Executive Officer)

Cape Town
 6 March 2013

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

R'000	Unaudited six months ended 31 Dec 2012	Unaudited six months ended 31 Dec 2011	% change	Audited year ended 30 June 2012
Revenue	331 636	236 206	40.4	503 444
Operating profit before finance income	108 521	85 130	27.5	168 936
Net finance income	2 782	3 319		6 164
Profit before income tax	111 303	88 449	25.8	175 100
Income tax expense	(33 770)	(29 846)		(60 718)
Profit for the period	77 533	58 603	32.3	114 382
Other comprehensive income/(losses):	4 627	4 355		3 679
Foreign currency translation differences for foreign operations	6 358	(467)		(3 603)
Foreign exchange (loss)/gain on net investments in foreign operations	(2 308)	6 472		9 774
Tax on foreign exchange (loss)/gain on net investments in foreign operations	577	(1 650)		(2 492)
Total comprehensive income for the period	82 160	62 958	30.5	118 061
Profit attributable to:				
Owners of the company	77 438	58 199	33.1	113 884
Non-controlling interest	95	404		498
Profit for the period	77 533	58 603	32.3	114 382
Total comprehensive income attributable to:				
Owners of the company	82 330	63 077	30.5	118 208
Non-controlling interest	(170)	(119)		(147)
Total comprehensive income for the period	82 160	62 958	30.5	118 061
Per share (cents)				
Basic earnings	89.93	66.73	34.8	130.71
Diluted earnings	89.93	66.49	35.2	130.34

RECONCILIATION OF HEADLINE EARNINGS

R'000	Unaudited six months ended 31 Dec 2012	Unaudited six months ended 31 Dec 2011	% change	Audited year ended 30 June 2012
Profit attributable to ordinary shareholders	77 438	58 199	33.1	113 884
Headline earnings adjustments:				
Impairment of goodwill	-	-		1 564
Bargain purchase gain	(17)	-		(3 694)
(Profit)/loss on disposal of property, plant and equipment (net of tax)	(17)	(21)		41
Headline earnings	77 421	58 178	33.1	111 795

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

R'000	Unaudited at 31 Dec 2012	Unaudited at 31 Dec 2011	Audited at 30 June 2012
ASSETS			
Non-current assets	433 063	373 187	417 552
Property, plant and equipment	74 273	72 286	73 492
Intangible assets and goodwill	321 346	282 765	320 986
Investments and loans	8 904	5 881	8 818
Deferred tax	7 580	10 336	7 776
Leasing rights	1 774	1 919	1 826
Derivative financial assets	19 286	-	4 654
Current assets	234 662	226 997	186 462
Inventories	10 237	9 933	10 304
Tax receivable	6 479	5 201	5 488
Trade and other receivables	92 671	79 742	71 866
Cash and cash equivalents	125 275	132 121	98 804
TOTAL ASSETS	667 725	600 184	604 014
EQUITY			
Total equity	461 807	442 414	425 606
Ordinary share capital	1	1	1
Share premium	6	6	6
Shares repurchased by subsidiaries	(65 929)	(38 941)	(60 510)
Foreign currency translation reserve	4 946	608	54
Retained earnings	527 713	479 926	490 815
Total equity attributable to equity holders of the parent	466 737	441 600	430 366
Non-controlling interest	(4 930)	814	(4 760)
LIABILITIES			
Non-current liabilities	90 355	71 991	80 578
Long-term loans payable	429	503	446
Employee benefits	13 110	1 766	4 520
Derivative financial liability	-	350	-
Operating lease liability	6 051	7 699	6 564
Deferred tax	70 765	61 673	69 048
Current liabilities	115 563	85 779	97 830
Bank overdrafts	1 839	7 093	1 854
Tax payable	7 716	7 143	6 052
Trade and other payables	105 604	70 791	89 004
Shareholders for dividend	404	752	920
TOTAL EQUITY AND LIABILITIES	667 725	600 184	604 014

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

R'000	Unaudited six months ended 31 Dec 2012	Unaudited six months ended 31 Dec 2011	Audited year ended 30 June 2012
Operating profit before working capital changes	110 625	89 363	171 060
Working capital changes	(1 945)	(20 192)	6 378
Cash generated from operations	108 680	69 171	177 438
Net interest received	2 782	3 319	6 164
Tax paid	(29 730)	(28 172)	(58 578)
Distributions paid	(41 056)	(28 640)	(65 108)
Net cash flow from operating activities	40 676	15 678	59 916
Cash flow from investing activities	(11 601)	(1 738)	(72 122)
Cash flow from financing activities	(2 438)	(2 709)	(4 652)
Net movement in cash and cash equivalents	26 637	11 231	(16 858)
Effect of foreign exchange fluctuations	(151)	87	98
Net cash and cash equivalents at beginning of period	96 950	113 710	113 710
Net cash and cash equivalents at end of period	123 436	125 028	96 950

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

R'000	Ordinary share capital & share premium (net of treasury shares)	Other reserves	Retained earnings and non-controlling interest	Total
Balance at 1 July 2011	(38 934)	(4 270)	451 440	408 236
Total comprehensive income for the year	-	4 324	113 737	118 061
Profit for the year	-	-	114 382	114 382
Other comprehensive income	-	4 324	(645)	3 679
Transactions with owners, recorded directly in equity				
Contributions by and distributions to owners				
Distributions to equity holders	-	-	(65 416)	(65 416)
Impact of incentive scheme (including tax)	(5 799)	-	-	(5 799)
Own shares acquired	(15 770)	-	-	(15 770)
Changes in ownership interests in subsidiaries that do not result in a loss of control				
Acquisition of non-controlling interest in subsidiary	-	-	(13 706)	(13 706)
	-	-	(13 706)	(13 706)
Total transactions with owners	(21 569)	-	(79 122)	(100 691)
Balance at 30 June 2012	(60 503)	54	486 055	425 606
Total comprehensive income for the period	-	4 892	77 268	82 160
Profit for the period	-	-	77 533	77 533
Other comprehensive income	-	4 892	(265)	4 627
Transactions with owners, recorded directly in equity				
Contributions by and distributions to owners				
Distributions to equity holders	(5 419)	-	(40 540)	(45 959)
Own shares acquired	(5 419)	-	-	(5 419)
Total transactions with owners	(5 419)	-	(40 540)	(45 959)
Balance at 31 December 2012	(65 922)	4 946	522 783	461 807

CONDENSED CONSOLIDATED OPERATING SEGMENT REPORT

R'000	Unaudited six months ended 31 Dec 2012	Unaudited six months ended 31 Dec 2011	Audited year ended 30 June 2012
Revenues			
Manufacturing and Distribution (refer footnote a)	113 088	60 886	142 821
Franchise - Spur	92 114	78 916	155 433
Franchise - Panarottis	8 382	6 370	12 952
Franchise - John Dory's	5 847	5 490	11 092
Franchise - DoRego's	4 912	-	2 498
Other South Africa	16 070	12 538	34 395
Total South Africa segments	240 413	164 200	359 191
Unallocated - South Africa	98	60	205
Total South Africa	240 511	164 260	359 396
United Kingdom	55 521	40 608	81 631
Australia	29 479	27 057	53 140
Other International	6 125	4 281	9 277
Total International segments	91 125	71 946	144 048
TOTAL EXTERNAL REVENUES	331 636	236 206	503 444
Profit/(loss) before income tax			
Manufacturing and distribution (refer footnote a)	33 043	28 419	55 662
Franchise - Spur	82 492	69 927	136 447
Franchise - Panarottis	5 291	3 778	7 866
Franchise - John Dory's	3 474	2 832	5 818
Franchise - DoRego's	2 353	-	928
Other South Africa	274	401	1 427
Total South Africa segments	126 927	105 357	208 148
Unallocated - South Africa (refer footnote b)	(15 045)	(20 607)	(36 445)
Total South Africa	111 882	84 750	171 703
United Kingdom	993	43	694
Australia (refer footnote c)	79	1 060	(682)
Other International	3 652	3 036	5 305
Total International segments	4 724	4 139	5 317
Unallocated - International (refer footnote d)	(5 303)	(440)	(1 920)
Total International	(579)	3 699	3 397
TOTAL PROFIT BEFORE INCOME TAX	111 303	88 449	175 100

FOOTNOTES:

- Includes revenue of R39.2 million (R23.485 million for the year ended 30 June 2012) and profit before tax of R1.435 million (R0.948 million for the year ended 30 June 2012) in respect of the DoRego's distribution centre for the current year (refer note 4).
- Includes a charge in respect of cash-settled share-based payments of R8.590 million (2011: R1.211 million; year ended 30 June 2012: R3.965 million) and a fair value gain in respect of a related hedge of R15.027 million (2011: R2.277