

**SHORT-FORM ANNOUNCEMENT:
REVIEWED PROVISIONAL CONDENSED
CONSOLIDATED FINANCIAL RESULTS**
FOR THE YEAR ENDED 31 DECEMBER 2013

SUMMARY OF RESULTS

	31 December 2013 R'000	31 December 2012 R'000	% movement
Revenue	902 528	1 471 972	(38,7)
Gross profit	191 240	190 933	0,2
Profit from operations	40 665	26 230	55,0
	cents*	cents	
Net asset value per share	447,14	459,66	(2,7)
Net tangible asset value per share	47,84	60,35	(20,7)
(Loss)/earnings and diluted (loss)/earnings per ordinary share	7,48	(60,80)	112,3
Headline (loss)/earnings and diluted headline (loss)/earnings per ordinary share	7,07	(4,63)	252,9
Dividends per ordinary share	–	–	–

COMMENTARY

Overview

Andulela's results for the year ended 31 December 2013 reflect a headline profit of R6,2 million compared to a headline loss of R4,0 million for the year ended 31 December 2012. Kilken produced excellent results for the year, but the strike and downtime at the tailings supplier significantly affected the results of the second six-month period, while PRSM's loss reduced from R16,0 million (before the impairment of plant and equipment) for the year ended 31 December 2012 to R3,7 million for the current year. The weakening of the Rand against the US Dollar had a negative effect on the cash flow hedge over the last year, resulting in a further provision of market-to-market loss of R21,0 million over the remaining lifetime of the cash flow hedge being recognised against other comprehensive income for the year.

Working capital management throughout the Group contributed to improved cash flow with cash flow from operations increasing from an outflow of R15,8 million in 2012 to an inflow of R18,7 million in 2013. Debt levels however remain high at R310,9 million compared to R285,3 million for 2012, with PRSM the main borrower, with debt of R281,1 million in 2013 (2012: R265,0 million).

Andulela redeemed a further R20,7 million of its preference share obligations during the period under review, with a balance of R33,4 million outstanding as at 31 December 2013.

This short-form announcement is the responsibility of the directors and is a summary of the information contained in the full announcement. The full announcement was released on SENS on 31 March 2014, and can be found on the company's website at www.andulelaholdings.com. Copies of the full announcement may also be requested from the company's registered office and from the offices of the sponsor, Java Capital, at no charge, during office hours. Any investment decision should be based on the full announcement published on SENS and on the company's website. Andulela has not declared interim or final dividends.

For and on behalf of the board

Mohamed J Husain
Independent non-executive chairman

Ashruf Kaka
Chief executive officer

Sandton
31 March 2014

Directors: MJ Husain* (*Chairman*); A Kaka (*CEO*); JHP Engelbrecht (*CFO*); PC de Jager*; GR Rosenthal*; PE du Preez*; CWN Molope*
*Independent non-executive *Non-executive

Registered Office: 108 4th Street, Parkmore, Sandton 2196

Company Secretary: H Kazi

Auditors: BDO South Africa Incorporated, Building C, Riverwalk Office Park, 41 Matroosberg Road, Ashlea Gardens, Pretoria

Transfer Secretaries: Link Market Services Proprietary Limited, 13th Floor, Rennie House, 19 Ameshoff Street, Braamfontein

Sponsor: Java Capital, 2 Arnold Road, Rosebank, Sandton