



**Novus Holdings Limited**  
(Incorporated in the Republic of South Africa)  
JSE share code: NVS  
ISIN: ZAE000202149  
("Novus Holdings" or "the Group")



Revenue  
increased by 0.4%

**R2 083 million**



Operating profit  
increased by 12.3%

**R352 million**



Headline earnings per share  
increased by 16.2%

**75.7 cents**

## SUMMARISED REVIEWED RESULTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2015

### Performance overview

	Six months ended 30 September		Change %	Year ended 31 March
	2015 Reviewed R'000	2014 Reviewed R'000		2015 Audited R'000
Revenue	2 082 757	2 075 282	0.4%	4 261 484
Operating profit	352 178	313 646	12.3%	561 498
Headline earnings	241 810	195 315	23.8%	385 181
Earnings per share – cents	75.65	65.26	15.9%	110.92
Headline earnings per share – cents	75.67	65.11	16.2%	127.57

Novus Holdings has delivered a solid set of interim results since listing on the JSE in March 2015. At the beginning of the financial year, the business landscape was still characterised by a relatively stable exchange rate and macroeconomic factors, allowing for appropriate pricing positions and the accumulation of efficiency benefits, which positively impacted the gross margin. However, since then trading conditions have entered a vastly different cycle of lower economic growth forecasts with exchange and interest rate fluctuations.

Revenue remained flat for the period at R2,08 billion compared to the first half of the previous year. Revenue is generated through a diversified offering to a loyal and long-standing customer base that relies on Novus Holdings' reliable and high-quality printing, manufacturing and distribution capabilities. These customer relationships include contractual commitments for the provision of printing services to major book, magazine and newspaper publishers, retailers and Government.

Gross profit margin improved due to concerted, worldwide raw material procurement programmes, a beneficial productivity and efficiency programme and a structured forward exchange programme.

Operating profit increased to R352,2 million in line with the improvement in gross profit margin. Operating expenses increased beyond inflationary amounts due to the inclusion of the tissue business for a full six-month period, as well as the equity-settled share-based compensation charge from the new share incentive scheme.

### Segment performance

	Print R'000	Other R'000
Revenue	1 955 671	127 086
– Gross revenue	1 966 647	127 086
– Inter-segmental eliminations	(10 976)	–
Gross profit	626 081	28 319
Operating profit	350 788	1 390

The Print segment – encompassing heatset, coldset and digital printing – experienced a marginal decline in revenue to R1,97 billion (2014: R2,0 billion), while the Other segment – encompassing Paarl Labels and Correll Tissue – showed strong growth: revenue increased by 63,9% to R127,1 million (2014: R77,5 million). This can be ascribed to the inclusion of the Correll Tissue revenue (revenue was included for six months to September 2015, but only four months to September 2014) and the effect of successfully attracting and landing new label clients.

Performance for retail products has remained consistent, while magazine volumes are lower due to pressure on circulation and pagination. Daily, paid for newspaper volumes remain under pressure.

### Outlook

Due to the seasonal nature of the Printing and Other Segments revenue, operating profits in the second half of the year will not necessarily be in line with the first six months. It is anticipated that the second half of the year will be subject to significantly more challenging market conditions and it is likely that the gains achieved in the first six months may be partially relinquished in the latter part of the year.

Ongoing priorities include the attraction of higher skill levels in the core and diversified business units to ensure the value-oriented implementation of the strategy. The completion of the investment projects will continue receiving dedicated attention, with demand activation for labels as a priority. The business will continue exploring acquisitive or joint venture opportunities in diversified and related businesses.

### Reviewed financial results

This short-form announcement is the responsibility of the board of directors of Novus Holdings. It contains only a summary of the information contained in the full announcement made on the Stock Exchange News Service (SENS) on Thursday, 5 November 2015. Please refer to the full announcement for additional information. The full announcement is available for viewing online at [www.novus.holdings](http://www.novus.holdings). It may also be requested and obtained in person, at no charge, at the registered office of the Group and the offices of the sponsor during office hours. Any investment decisions should be based on consideration of the full announcement.

The information in this press announcement was extracted from the reviewed information, but the announcement itself is not reviewed.

On behalf of the board

**LP Retief**  
Chairman

**STM van der Walt**  
Chief executive officer

Cape Town  
6 November 2015

**Directors** Independent non-executive Directors Uys Meyer (Lead independent Director), Sandile Zungu, Bernard Olivier, Fred Robertson, Jan Potgieter, Gugulethu Dingaun  
**Non-executive Directors** Lambert Retief (Chairman of the Board), Esmaré Weideman, Manie Mayman **Executive Directors** Stephen van der Walt (CEO), Edward van Niekerk (CFO), Keith Vroon (COO)\* **Company Secretary** Bradley Meyers **Investment Bank and Sponsor** Investec Bank Limited, 2nd Floor, 100 Grayston Drive, Sandown, Sandton 2196 (PO Box 785700, Sandton 2146) **Transfer Secretary** Link Market Services South Africa Proprietary Limited, 13th Floor, Rennie House, 19 Ameshoff Street, Braamfontein 2001 (PO Box 4844, Johannesburg 2000) **Registered office of Novus** 10 Freedom Way, Milnerton, Cape Town 7441 (PO Box 37014, Chempet 7442) **Independent Reporting Accountants and Auditors** PricewaterhouseCoopers Incorporated, PricewaterhouseCoopers Building, Zomerlust Estate, Berg River Boulevard, Paarl 7646 (PO Box 215, Paarl 7620)

\* Alternate executive Director