PRESS RELEASE: Senwes Interim Results - 2016/17 Financial year

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Senwes interim results outperformed drought cycle
Senwes, one of the largest agricultural businesses in South Africa, today released its interim financial results for the six month period ended 31 October 2016. Despite the drought, good results which outperformed the cycle were achieved. The company delivered a profit after tax of R91 million compared to the profit after tax of R103 million of the corresponding period of the previous year.

Dividend declaration
The board of directors decided to postpone the consideration of an interim dividend to March 2017, when there will be more certainty regarding the potential of the current season.

Key Financial Indicators
- Normalised headline earnings per share is 53,9 cents (57,4 cents last year).
- EBITDA increased to R262 million (+9.6%)
- EBIT is R240 million (+10.6%)
- Return on opening equity of 4.8%
- An increase in net asset value of 46 cents per share.

Prospects
A good to normal rainfall season is still being predicted for the next six months and should this materialise, good to above normal plantings are foreseen. However, it will only have a positive impact on the 2018 financial year and the group will still have to live through the next six months with low activities and a high risk environment.
Expected increases in fuel prices, the effect of the stronger dollar after the USA election, our own unstable political arena and the possible continued declining trend of commodity prices for the new season could place producers under further pressure. Senwes will be prudent in respect of the rolling out of its strategy and, as soon as a good season is confirmed, it will again embark on its strategic deployment process.

End.

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