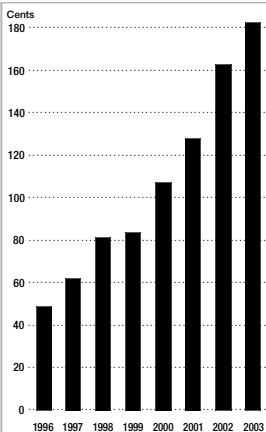


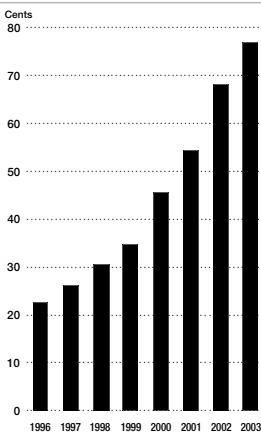
# REVIEWED GROUP RESULTS AND DIVIDEND DECLARATION FOR THE YEAR ENDED 30 SEPTEMBER 2003



## HEADLINE EARNINGS PER SHARE IMPROVE BY 13%



## DIVIDENDS PER SHARE INCREASE BY 13%



The results of the Group for the year ended 30 September 2003 are set out herein.

The accounting policies used in preparing this report are consistent with those used in the annual financial statements which have been prepared in accordance with South African Statements of Generally Accepted Accounting Practice on a basis consistent with the previous year, except as disclosed in note 2.

The financial information has been reviewed by our auditors, Deloitte & Touche, whose unqualified review opinion is available for inspection at the registered office of the company.

### OCEANA GROUP LIMITED

**REGISTERED OFFICE:** 16th Floor Metlife Centre, 7 Coen Steytler Avenue, Cape Town 8001

**TRANSFER SECRETARIES:** Computershare Limited, 70 Marshall Street, Johannesburg 2001  
(P.O. Box 61051, Marshalltown 2107)

**SPONSOR:** Standard Corporate and Merchant Bank (a division of The Standard Bank of South Africa Limited)

**JSE SHARE CODE:** OCE • **ISIN NUMBER:** ZAE000025284 • **NSX SHARE CODE:** OCG

**DIRECTORS:** D M J Ncube\* (Chairman), R A Williams\* (Vice Chairman), A B Marshall (Chief Executive Officer), D F Behrens\*, M A Brey\*, B P Connellan\*, N Dennis\*, R G Nicol, S Pather\*, R V Smither\*  
(\*non executive)

**COMPANY SECRETARY:** J D Cole

## GROUP INCOME STATEMENT

	Notes	Reviewed 2003 R'000	Audited 2002 R'000	Change %
<b>Revenue</b>		<b>2,582,626</b>	2,690,433	(4)
<b>Operating profit before abnormal items</b>		<b>267,072</b>	248,015	8
Abnormal items	1	<b>(180)</b>	14,484	
Operating profit		<b>266,892</b>	262,499	
Dividends received		<b>9,646</b>	48	
Net interest received		<b>20,941</b>	27,081	
<b>Profit before taxation</b>		<b>297,479</b>	289,628	3
Taxation		<b>101,393</b>	98,786	3
<b>Profit after taxation</b>		<b>196,086</b>	190,842	
Attributable to outside shareholders in subsidiaries		<b>5,580</b>	7,423	
<b>Attributable to own shareholders</b>		<b>190,506</b>	183,419	4
Number of shares in issue (000's)		<b>108,475</b>	107,742	
Weighted average number of shares on which earnings per share and headline earnings per share are based (000's)		<b>108,100</b>	106,743	
Adjusted weighted average number of shares on which diluted earnings per share and diluted headline earnings per share are based (000's)		<b>111,267</b>	110,141	
<b>Earnings per share (cents)</b>				
Basic		<b>176.2</b>	171.8	3
Diluted		<b>171.2</b>	166.5	3
<b>Headline earnings per share (cents)</b>				
Basic		<b>182.4</b>	162.0	13
Diluted		<b>177.2</b>	157.0	13
Dividends per share (cents)		<b>76.5</b>	68.0	13

### DETERMINATION OF HEADLINE EARNINGS

Attributable to own shareholders	<b>190,506</b>	183,419	
Adjusted for:			
Amortisation of goodwill	<b>0</b>	2,797	
Impairment loss on property, plant and equipment	<b>6,885</b>	1,821	
Impairment loss on fishing rights	<b>2,243</b>	0	
Loss/(profit) on change of interest in joint ventures	<b>197</b>	(1,065)	
Profit on disposal of property, plant and equipment	<b>(2,687)</b>	(14,078)	
<b>Headline earnings for the year</b>	<b>197,144</b>	172,894	14

## DIVIDEND DECLARATION

Notice is hereby given that a final dividend No. 120 of 59.0 cents per share, in respect of the year ended 30 September 2003, was declared on Thursday 6 November 2003. Relevant dates are as follows:

Last day to trade cum dividend – Friday 2 January 2004  
Commence trading ex dividend – Monday 5 January 2004  
Record date – Friday 9 January 2004  
Dividend payable – Monday 12 January 2004

Share certificates may not be dematerialised or re-materialised between Monday 5 January 2004 and Friday 9 January 2004, both dates inclusive.

By order of the board

J D Cole *Secretary*

06 November 2003

## GROUP BALANCE SHEET

	Reviewed 2003 R'000	Audited 2002 R'000
<b>Assets</b>		
Non current assets	<b>395,003</b>	324,943
Property, plant and equipment	<b>280,189</b>	199,055
Fishing rights	<b>20,706</b>	29,183
Deferred taxation	<b>20,115</b>	20,676
Investments and loans	<b>73,993</b>	76,029
Current assets	<b>889,443</b>	841,670
Inventories	<b>193,091</b>	161,017
Accounts receivable	<b>452,752</b>	387,334
Cash and cash equivalents	<b>243,600</b>	293,319
Total assets	<b>1,284,446</b>	1,166,613
<b>Equity and liabilities</b>		
Capital and reserves	<b>769,206</b>	667,941
Share capital and premium	<b>33,410</b>	30,599
Non-distributable reserves	<b>22,497</b>	40,044
Distributable reserves	<b>713,299</b>	597,298
Interest of outside shareholders	<b>14,211</b>	11,868
Non-current liabilities		
Deferred taxation	<b>12,921</b>	12,010
Current liabilities	<b>488,108</b>	474,794
Bank overdraft	<b>39,088</b>	43,471
Accounts payable and provisions	<b>449,020</b>	431,323
Total equity and liabilities	<b>1,284,446</b>	1,166,613
Net asset value per ordinary share (rand)	<b>7.09</b>	6.20
Total liabilities excluding deferred taxation: Total shareholders' funds (%)	<b>62</b>	70

## STATEMENT OF CHANGES IN EQUITY

	Share Capital & Premium R'000	Non Distributable Reserves R'000	Distributable Reserves R'000	Total R'000
Balance at 30 September 2001	23,712	21,041	474,506	519,259
Shares issued	6,887	0	0	6,887
Movement on foreign currency translation reserve	0	18,973	0	18,973
Transfer to capital redemption reserve fund	0	30	(30)	0
Net profit for the year	0	0	183,419	183,419
Dividends	0	0	(60,597)	(60,597)
Balance at 30 September 2002	30,599	40,044	597,298	667,941
Shares issued	2,811	0	0	2,811
Movement on foreign currency translation reserve	0	(17,547)	0	(17,547)
Net profit for the year	0	0	190,506	190,506
Dividends	0	0	(74,505)	(74,505)
Balance at 30 September 2003	33,410	22,497	713,299	769,206

## GROUP CASH FLOW STATEMENT

	Reviewed 2003 R'000	Audited 2002 R'000
<b>Cash flows from operating activities</b>		
Operating profit	267,072	248,015
Adjustment for non cash items	56,092	48,475
<b>Cash operating profit before working capital changes</b>	<b>323,164</b>	296,490
Working capital changes	(85,193)	2,958
<b>Cash generated from operations</b>	<b>237,971</b>	299,448
Interest and dividends received	37,568	31,514
Interest paid	(6,981)	(4,385)
Taxation paid	(100,270)	(77,567)
Dividends paid	(78,673)	(64,798)
<b>Net cash flow from operating activities</b>	<b>89,615</b>	184,212
<b>Cash outflow from investing activities</b>	<b>(130,918)</b>	(33,833)
<b>Net cash / (outflow) inflow before financing activities</b>	<b>(41,303)</b>	150,379
<b>Net cash flows from financing activities</b>	<b>2,811</b>	6,887
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>(38,492)</b>	157,266
<b>Reduction in cash resulting from disposal of joint ventures</b>	<b>(2)</b>	(6)
<b>Cash and cash equivalents at the beginning of the year</b>	<b>249,848</b>	90,549
<b>Effect of exchange rate changes</b>	<b>(6,842)</b>	2,039
<b>Cash and cash equivalents at the end of the year</b>	<b>204,512</b>	249,848

## SEGMENT REPORT

	Reviewed 2003 R'000	Audited 2002 R'000
<b>Revenue</b>		
Inshore Fishing	1,262,497	1,089,504
Midwater and Deepsea Fishing	1,190,706	1,487,708
Commercial Cold Storage and Logistics	129,423	113,221
Total	<b>2,582,626</b>	2,690,433
<b>Operating profit before abnormal items</b>		
Inshore Fishing	145,359	142,044
Midwater and Deepsea Fishing	80,070	72,699
Commercial Cold Storage and Logistics	41,643	33,272
Total	<b>267,072</b>	248,015
<b>Total assets</b>		
Inshore Fishing	519,063	398,978
Midwater and Deepsea Fishing	295,074	244,721
Commercial Cold Storage and Logistics	132,601	132,890
Financing	317,593	369,348
	<b>1,264,331</b>	1,145,937
Deferred taxation	20,115	20,676
Total	<b>1,284,446</b>	1,166,613
<b>Total liabilities</b>		
Inshore Fishing	293,682	254,155
Midwater and Deepsea Fishing	71,820	91,593
Commercial Cold Storage and Logistics	83,518	85,575
Financing	39,088	43,471
	<b>488,108</b>	474,794
Deferred taxation	12,921	12,010
Total	<b>501,029</b>	486,804

# NOTES

Reviewed 2003 R'000	Audited 2002 R'000
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## 1. Abnormal items

Net profit on disposal of property, plant and equipment	17	13,419
(Loss) / profit on change of interest in joint ventures	(197)	1,065
Abnormal profit before taxation	(180)	14,484
Taxation	0	1,143
<b>Abnormal profit attributable to own shareholders</b>	<b>(180)</b>	<b>13,341</b>

## 2. Change in accounting policy

With effect from 1 October 2002 the group adopted AC133 relating to the recognition and measurement of financial instruments. Prior year results have not been restated due to the immaterial amounts involved and there has been no material effect on the results for the current year as a result of this change in policy.

## 3. Dividends

Dividend declared after reporting date	64,000	55,554
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## 4. Supplementary Information

Cost of sales	1,752,280	1,985,983
Depreciation	44,558	39,829
Amortisation of goodwill and other intangibles	2,247	5,203
Impairment loss on plant and equipment	7,860	2,802
Impairment loss on fishing rights	2,243	0
Operating lease charges	11,780	9,397
Foreign exchange loss / (profit)	11,473	(1,158)
Capital expenditure including fishing rights	136,313	51,347
Expansion	94,000	7,852
Replacement	42,313	43,495
Capital commitments	130,279	166,540
Contracted	10,295	35,905
Approved	119,984	130,635
Contingent liabilities	1,489	1,908

# COMMENTS

## FINANCIAL RESULTS

Headline earnings increased by 14% over those of the previous year and by 13% on a per share basis. Group turnover was lower by 4%. However the overall operating margin improved from 9.2% to 10.3% resulting in operating profit before abnormal items increasing by 8%.

A final dividend of 59.0 cents per share has been declared, which together with the interim dividend of 17.5 cents, brings the total dividend for the year to 76.5 cents per share. The total dividend represents an increase of 13% over the previous year.

## REVIEW OF OPERATIONS

Sales volumes of canned fish on the domestic market, mostly under the Lucky Star brand, increased by 21% as a result of the improved supply from South African and Namibian canneries. The pilchard biomass in SA waters is considered to be healthy and the Total Allowable Catch (TAC) in 2003 was finalised at 285 000 tons (2002: 258 000 tons). A fifth steel pelagic vessel costing R17.2 million was added to the fleet at the commencement of the fishing season and production volumes through Oceana's cannery at St Helena Bay increased by 18%. A pilchard TAC of 20 000 tons (2002: nil) was allocated in Namibia of which Etosha Fishing processed 13 387 tons.

The contribution from fish meal was lower than the previous year due to reduced production volumes, higher input costs and lower selling prices.

Export realisations from lobster were lower due to both weaker selling prices in US dollars and the stronger rand exchange rate. Volumes and prices of live lobster exports were negatively affected during the period from March to July following the outbreak of SARS in the Far East which in turn resulted in reduced frozen lobster prices in Japan. Overall results from the group's lobster operations were well below those of the previous year.

Horse mackerel fishing in both Namibia and South Africa was good and market conditions were favourable during most of the year although prices were lower in the second half. Trading volumes of midwater pelagic fish from the north Atlantic region were lower than the abnormally high level of the previous year. Overall midwater pelagic turnover declined but margins improved. The newly acquired midwater trawler, Desert Diamond, was commissioned in August to operate in South African waters on own and contracted horse mackerel quotas. The cost of the vessel was R70.9 million. The midwater pelagic operation again made a good contribution to group profits.

Hake fishing results in South Africa were substantially lower than the previous year and were negatively affected by lower catch rates and the stronger rand exchange rate. In Namibia, hake fishing conditions continued to be poor and the business sustained a loss.

Squid catches were higher than last year and export markets were firm, resulting in a good contribution from this Eastern Cape based operation. Tuna and abalone recorded poor results.

Cold storage occupancy levels on average were ahead of last year, due mainly to increased import activity, and profits improved. The ships agency operation showed improved results and although bunker volumes increased, profitability was affected by the strong rand exchange rate.

Operational cash flow remained strong although cash balances reduced mainly as a result of high capital expenditure and increased working capital requirements. Canned fish inventory levels improved from the low levels of the previous year and trade debtors were higher at year end due to higher turnover in the last two months.

## PROSPECTS

The pelagic fishing season continues until the end of December and good landings are anticipated during this period and for the 2004 season. The Namibian pilchard resource appears to be recovering and a more substantial TAC is possible next year. Depending on fishing conditions, canned fish production and sales volumes are expected to increase next year.

Export earnings will be adversely affected by the strong rand exchange rate. However, volume increases and efficiency improvements are achievable in most areas of operation which, subject to favourable fishing conditions, should compensate for the currency effect.

Overall, the group expects to achieve an increase in headline earnings per share for the year ahead.

On behalf of the board.

**DMJ Ncube**  
*Chairman*

**AB Marshall**  
*Chief Executive Officer*