CONDENSED CONSOLIDATED UNAUDITED INTERIM FINANCIAL RESULTS AND CASH DIVIDEND DECLARATION FOR THE HALF-YEAR ENDED 30 JUNE 2017

RESILIENT OVERALL PERFORMANCE IN A DIFFICULT ENVIRONMENT

PROFIT FROM OPERATIONS +19%

HEPS +32% TO 386c

GOOD CASH GENERATION CONTINUED

SAFETY PERFORMANCE: TRIR OF 0,43

INTERIM ORDINARY CASH DIVIDEND OF 138cps DECLARED

STRATEGIC INVESTMENT IN RENEWABLE CHEMISTRY

AECI®

good chemistry

INCOME STATEMENT

R millions	Note	% change	2017 First half unaudited	2016 First half unaudited	2016 Year audited
REVENUE	2	(7)	**8 478**	9 068	18 596
Net operating costs			**(7 801)**	(8 497)	(17 261)
PROFIT FROM OPERATIONS		19	**677**	571	1 335
Share of profit of equity-accounted investees, net of tax			**20**	28	28
PROFIT FROM OPERATIONS AND EQUITY-ACCOUNTED INVESTEES		16	**697**	599	1 363
Net finance costs			**(85)**	(128)	(215)
Interest expense			**(98)**	(154)	(270)
Interest received			**13**	26	55
PROFIT BEFORE TAX			**612**	471	1 148
Tax expense			**(188)**	(146)	(336)
PROFIT FOR THE PERIOD			**424**	325	812
Profit for the period attributable to:					
— Ordinary shareholders			**407**	309	777
— Preference shareholders			**1**	2	3
— Non-controlling interest			**16**	14	32
			424	325	812
HEADLINE EARNINGS ARE DERIVED FROM:					
Profit attributable to ordinary shareholders			**407**	309	777
Impairment of goodwill			**—**	—	28
(Reversal)/recognition of impairment of property, plant and equipment			**—**	(5)	54
Loss on disposal of equity-accounted investee			**1**	—	—
(Surplus)/loss on disposal of property, plant and equipment			**(1)**	(5)	9
Foreign exchange losses on net investments in foreign operations			**—**	14	17
Tax effects of the above items			**—**	(3)	(21)
HEADLINE EARNINGS			**407**	310	864
PER ORDINARY SHARE (CENTS):					
Headline earnings		32	**386**	293	818
Diluted headline earnings			**377**	290	800
Basic earnings		32	**386**	292	735
Diluted basic earnings			**377**	289	720
Ordinary dividends declared		2	**138**	135	300
Ordinary dividends paid			**300**	260	395

STATEMENT OF COMPREHENSIVE INCOME

R millions	2017 First half unaudited	2016 First half unaudited	2016 Year audited
PROFIT FOR THE PERIOD	**424**	325	812
OTHER COMPREHENSIVE INCOME NET OF TAX			
Items that may be reclassified subsequently to profit or loss:			
— Foreign currency translation differences	**(76)**	(172)	(376)
— Effective portion of cash flow hedges	**1**	—	(3)
Items that may not be reclassified subsequently to profit or loss:			
— Remeasurement of defined-benefit obligations	**(6)**	—	—
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**343**	153	433
Total comprehensive income attributable to:			
— Ordinary shareholders	**329**	141	405
— Preference shareholders	**1**	2	3
— Non-controlling interest	**13**	10	25
	343	153	433

STATEMENT OF CHANGES IN EQUITY

R millions	2017 First half unaudited	2016 First half unaudited	2016 Year audited
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**343**	153	433
Dividends paid	**(342)**	(286)	(435)
Change in ownership percentage	**11**	—	—
Share-based payment reserve	**(14)**	7	45
Shares repurchased	—	(39)	(39)
Equity at the beginning of the period	**9 046**	9 042	9 042
EQUITY AT THE END OF THE PERIOD	**9 044**	8 877	9 046
Made up as follows:			
Ordinary share capital	**110**	110	110
Reserves	**1 197**	1 445	1 280
Foreign currency translation reserve	**1 016**	1 288	1 086
Other reserves	—	—	(1)
Share-based payment reserve	**181**	157	195
Retained earnings	**7 591**	7 203	7 523
Non-controlling interest	**140**	113	127
Preference share capital	**6**	6	6
	9 044	8 877	9 046

RECONCILIATION OF WEIGHTED AVERAGE NUMBER OF SHARES

Millions	2017 First half unaudited	2016 First half unaudited	2016 Year audited
WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES AT THE BEGINNING OF THE PERIOD	**131,9**	132,4	132,4
Weighted average number of unlisted ordinary shares held by consolidated EST	**(10,1)**	(10,1)	(10,1)
Weighted average number of contingently returnable ordinary shares held by CEDT	**(4,4)**	(4,4)	(4,4)
Weighted average number of shares held by consolidated subsidiary	**(11,9)**	(11,9)	(11,9)
Weighted average number of shares repurchased during the period	—	(0,2)	(0,3)
WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES FOR BASIC EARNINGS PER SHARE	**105,5**	105,8	105,7
Dilutive adjustment for potential ordinary shares	**2,6**	1,2	2,3
WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES FOR DILUTED EARNINGS PER SHARE	**108,1**	107,0	108,0

STATEMENT OF FINANCIAL POSITION

R millions	Note	2017 At 30 Jun unaudited	2016 At 30 Jun unaudited	2016 At 31 Dec audited
ASSETS				
NON-CURRENT ASSETS		**7 368**	7 918	7 538
Property, plant and equipment		**3 925**	4 168	3 990
Investment property		**139**	139	140
Intangible assets		**200**	243	211
Goodwill		**1 534**	1 593	1 541
Pension fund employer surplus accounts		**497**	730	583
Investments in associates		**188**	232	194
Investments in joint ventures		**296**	298	327
Other investments		**29**	28	25
Deferred tax		**560**	487	527
CURRENT ASSETS		**7 754**	7 587	8 282
Inventories		**3 057**	3 173	3 174
Accounts receivable		**3 362**	3 279	3 342
Other investments		**153**	69	190
Loans to joint ventures		**—**	40	—
Assets classified as held for sale	3	**—**	—	60
Tax receivable		**117**	85	51
Cash		**1 065**	941	1 465
TOTAL ASSETS		**15 122**	15 505	15 820
EQUITY AND LIABILITIES				
EQUITY		**9 044**	8 877	9 046
Ordinary share capital and reserves		**8 898**	8 758	8 913
Non-controlling interest		**140**	113	127
Preference share capital		**6**	6	6
NON-CURRENT LIABILITIES		**2 390**	2 819	2 324
Deferred tax		**287**	355	254
Non-current borrowings		**1 601**	1 763	1 600
Contingent consideration		**60**	74	58
Non-current provisions and employee benefits		**442**	627	412
CURRENT LIABILITIES		**3 688**	3 809	4 450
Accounts payable		**3 096**	3 074	4 148
Current borrowings		**471**	699	162
Loans from joint ventures		**67**	34	75
Tax payable		**54**	2	65
TOTAL EQUITY AND LIABILITIES		**15 122**	15 505	15 820

STATEMENT OF CASH FLOWS

R millions	2017 First half unaudited	2016 First half unaudited	2016 Year audited
CASH GENERATED BY OPERATIONS	1 102	1 122	2 328
Dividends received	55	45	46
Interest paid	(95)	(150)	(238)
Interest received	13	26	55
Tax paid	(269)	(421)	(636)
Changes in working capital	(822)	(275)	488
Cash outflows relating to defined-benefit costs	(12)	(13)	(27)
Cash outflows relating to non-current provisions and employee benefits	(40)	(26)	(76)
Settlement of performance shares	(43)	(23)	(22)
CASH (UTILISED IN)/AVAILABLE FROM OPERATING ACTIVITIES	(111)	285	1 918
Dividends paid	(342)	(286)	(435)
CASH FLOWS FROM OPERATING ACTIVITIES	(453)	(1)	1 483
CASH FLOWS FROM INVESTING ACTIVITIES	(223)	(270)	(452)
Acquisition of investments	(3)	(10)	(5)
Loans with joint ventures and associates (repaid)/raised	(8)	(41)	41
Proceeds from sale of business	30	—	—
Proceeds on disposal of property, plant and equipment, investment property and intangible assets	19	17	14
Additions of property, plant and equipment, investment property and intangible assets	(261)	(236)	(502)
NET CASH (UTILISED)/GENERATED BEFORE FINANCING ACTIVITIES	(676)	(271)	1 031
CASH FLOWS FROM FINANCING ACTIVITIES	323	(857)	(1 549)
Share repurchase	—	(39)	(39)
Proceeds from disposal of partial interest in a subsidiary	11	—	—
Borrowings raised	462	1 098	1 110
Borrowings repaid	(150)	(1 916)	(2 620)
NET DECREASE IN CASH	(353)	(1 128)	(518)
Cash at the beginning of the period	1 465	2 114	2 114
Translation loss on cash	(47)	(45)	(131)
CASH AT THE END OF THE PERIOD	1 065	941	1 465

INDUSTRY SEGMENT ANALYSIS

FIRST HALF UNAUDITED

R millions	2017	2016	2017	2016	2017	2016
	EXTERNAL REVENUE		INTER-SEGMENT REVENUE		TOTAL SEGMENT REVENUE	
Explosives	**3 655**	4 105	**19**	49	**3 674**	4 154
Specialty Chemicals	**4 682**	4 807	**227**	176	**4 909**	4 983
Property	**141**	156	**47**	39	**188**	195
Group services and inter-segment	**—**	—	**(293)**	(264)	**(293)**	(264)
	8 478	9 068	**—**	—	**8 478**	9 068
	PROFIT FROM OPERATIONS		DEPRECIATION AND AMORTISATION		IMPAIRMENT REVERSAL	
Explosives	**262**	220	**165**	185	**—**	(5)
Specialty Chemicals	**518**	573	**129**	131	**—**	—
Property	**43**	44	**4**	4	**—**	—
Group services and inter-segment	**(146)**	(266)	**4**	6	**—**	—
	677	571	**302**	326	**—**	(5)
	OPERATING ASSETS		OPERATING LIABILITIES		CAPITAL EXPENDITURE	
Explosives	**4 445**	4 779	**1 203**	1 165	**149**	147
Specialty Chemicals	**7 284**	7 337	**1 764**	1 783	**81**	67
Property	**321**	281	**63**	53	**10**	3
Group services and inter-segment	**167**	198	**66**	73	**21**	19
	12 217	12 595	**3 096**	3 074	**261**	236

Operating assets comprise property, plant and equipment, investment property, intangible assets, goodwill, inventories, accounts receivable and assets classified as held for sale. Operating liabilities comprise accounts payable.

OTHER SALIENT FEATURES

R millions	2017 First half unaudited	2016 First half unaudited	2016 Year audited
Capital expenditure	**261**	236	502
— expansion	**90**	77	183
— replacement	**171**	159	319
Capital commitments	**393**	277	233
— contracted for	**113**	71	62
— not contracted for	**280**	206	171
Future rentals on property, plant and equipment leased	**403**	271	443
— payable within one year	**105**	84	123
— payable thereafter	**298**	187	320
Net borrowings[1]	**1 007**	1 521	297
Depreciation and amortisation	**302**	326	626
Gearing (%)[2]	**11**	17	3
Current assets to current liabilities	**2,1**	2,0	1,9
Net asset value per ordinary share (cents)	**8 093**	7 966	8 107
ZAR/US$ closing exchange rate (rand)	**13,05**	14,72	13,73
ZAR/US$ average exchange rate (rand)	**12,90**	15,43	14,72

1 Current and non-current borrowings less cash.

2 Borrowings less cash, as a percentage of equity.

NOTES

(1) Basis of preparation and accounting policies

The condensed consolidated unaudited interim financial results are prepared in accordance with International Financial Reporting Standards, IAS 34 Interim Financial Reporting, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by the Financial Reporting Standards Council, and the requirements of the Companies Act of South Africa. The accounting policies applied in the preparation of these condensed consolidated unaudited interim financial results are in terms of International Financial Reporting Standards and are consistent with those applied in the previous consolidated annual financial statements.

The preparation of these condensed consolidated unaudited interim financial results for the half-year ended 30 June 2017 was supervised by the Financial Director, Mr KM Kathan CA(SA) AMP (Harvard). The condensed consolidated financial results have not been audited or reviewed by the Company's auditor, KPMG Inc.

(2) Revenue includes foreign and export revenue of R2 893 million (2016: R3 351 million).

(3) The disposal of Olive Pride, a business that was part of the Specialty Chemicals segment and which was classified as held for sale at 31 December 2016, was completed on 1 April 2017. The assets disposed of were transferred initially to a separate legal entity, Clover Pride Proprietary Limited ("Clover Pride"), that was wholly-owned by the Group. Subsequent to the transfer of the assets, the Group's shareholding in Clover Pride was reduced through the sale of a 51% stake to Clover S.A. Proprietary Limited for a total consideration of R30 million.

The Group's remaining 49% stake in Clover Pride is treated as an equity-accounted investee in terms of IAS 28 Investments in Associates and Joint Ventures, and it is part of the Specialty Chemicals segment.

The sale agreement provided for continued trading by the business throughout the disposal process, resulting in movements in its held-for-sale asset values between the previous reporting date and the date of disposal.

The carrying amount of total assets sold was:

R millions	2016	**2017**	**2017**
	At 31 Dec	**Move-ments**	**At 1 Apr**
Goodwill	27	**1**	**28**
Property, plant and equipment	1	**—**	**1**
Intangible assets	21	**—**	**21**
Inventory	11	**(3)**	**8**
Total assets disposed of	60	**(2)**	**58**
Exchanged for:			
— trade loan with associate			**4**
— investment in associate			**24**
Proceeds on disposal			**30**
Surplus/(shortfall) on disposal			**—**

(4) Provisions and contingent liabilities

The investigation process undertaken by the Competition Commission of South Africa ("the Commission") in 2014, into collusion by Akulu Marchon ("Akulu") and a competitor, has been concluded. Both parties concluded separate settlement agreements with the Commission. Akulu will pay a penalty of R13 905 600 on or about 14 August 2017 and a provision was raised in respect of this amount. Akulu has also agreed to and implemented behavioural remedies which will be applied across the Group.

The Group is involved in various legal proceedings and is in consultation with its legal counsel, assessing the outcome of these proceedings, on an ongoing basis. As proceedings progress, the Group's management makes provision in respect of legal proceedings where appropriate. Litigations, current or pending, are not likely to have a material adverse effect on the Group.

(5) The Group entered into various sale and purchase transactions with related parties in the Group in the ordinary course of business on terms that are no more and no less favourable than transactions with unrelated external parties. The nature of these transactions were consistent with those previously reported. All transactions and balances with these related parties have been eliminated appropriately in the consolidated results.

(6) The Group measures forward exchange contracts at fair value using inputs as described in level 2 of the fair value hierarchy. The fair values for forward exchange contracts are based on quotes from brokers. Similar contracts are traded in an active market and the quotes reflect the actual transactions on similar instruments. The carrying values of all other financial assets and liabilities approximate their fair values based on the nature or maturity period of the financial instrument. There were no transfers between levels 1, 2 or 3 of the fair value hierarchy during the half-year ended 30 June 2017.

(7) The condensed consolidated unaudited interim financial results do not include all of the disclosures required for full financial statements and should be read in conjunction with the consolidated financial statements for the year ended 31 December 2016.

COMMENTARY

FINANCIAL PERFORMANCE

AECI delivered a resilient overall performance in an environment that was extremely difficult, particularly in South Africa. Activity in the local manufacturing sector slowed further and the strength of the rand exchange rate against major currencies offset moderate increases in commodity chemical prices. This had a negative impact on the Group's overall revenue. In the agricultural sector, more normalised weather patterns in Southern Africa's summer rainfall regions enabled a recovery. In the Western Cape, however, the effects of the persistent drought remain of grave concern. Conditions in the local and international mining sector improved, with some commodity price increases providing the stimulus for higher mining output year-on-year.

HEPS grew by 32% to 386 cents (2016: 293 cents) and profit from operations increased by 19% to R677 million (2016: R571 million). Revenue declined by 7% to R8 478 million (2016: R9 068 million). 34% of total revenue was generated outside of South Africa.

	June 2017		June 2016		% change	
	Profit from operations (Rm)	HEPS (cps)	Profit from operations (Rm)	HEPS (cps)	Profit from operations	HEPS
Reported	**677**	**386**	571	293	19	32
PRMA settlement cost	**11**	**7**	136	93		
Underlying performance	**688**	**393**	707	386	(3)	2

In the prior corresponding period results were negatively affected by the settlement cost of AECI's post-retirement medical aid liability. The effects of these adjustments are summarised in the table above.

The Board has declared an interim cash dividend of 138 cents per ordinary share, 2% higher than the 135 cents declared for the six months ended 30 June 2016.

SAFETY

The aspiration remains zero harm to employees and contractors. The 12-month rolling Total Recordable Injury Rate ("TRIR") was 0,43, an encouraging improvement on the 0,45 at the end of 2016. The TRIR measures the number of incidents per 200 000 hours worked.

SEGMENTAL PERFORMANCE

EXPLOSIVES

AEL Mining Services ("AEL") achieved an excellent improvement of 19% in profit from operations, which increased to R262 million (2016: R220 million). This was in spite of lower ammonia prices and a stronger ZAR/US$ exchange rate year-on-year, which affected revenue and the trading margin. The segment's revenue was 11,6% lower at R3 674 million (2016: R4 154 million). Of this, 60% was generated in hard currency outside of South Africa. The trading margin was 7,1% (2016: 5,3%), reflecting the benefits of good cost control and a beneficial product and customer mix. Overall explosives volumes were flat.

In South Africa, explosives volumes were 1% higher thanks to market share gains in the iron ore and uranium mining sectors as well as improved activity in coal mining. Volumes of initiating systems were 3% higher owing to opportunistic sales by AEL after a competitor declared force majeure.

Volumes in the rest of Africa were down 2,4%, mainly as a consequence of business having been lost in Egypt at the end of 2016. Less buoyant gold mining activity in West Africa, owing to the effects of heavy rainfall and lower mining production efficiencies, also had an impact. Volumes remained robust in Central Africa and, in Southern Africa, there was a pleasing performance from the business in Botswana. AEL was awarded five new contracts in East and West Africa. The deployment of assets to service these has commenced.

Overall volumes in Asia Pacific declined by 1,5%, primarily because of extreme weather events in Australia early in the year. Both the Indonesian and the Australian businesses remained profitable. One new contract was secured in Indonesia and one in Australia. Both contracts will commence towards the end of the year.

Capital expenditure in the segment was well controlled at R149 million. R118 million of this related to replacement capital expenditure, mainly for the planned statutory shutdown of No. 11 Nitric Acid Plant that is underway. The balance of the expenditure was mostly in support of new business gained.

SPECIALTY CHEMICALS

Revenue declined by 1,5% to R4 909 million (2016: R4 983 million). Profit from operations was R518 million (2016: R573 million) and the trading margin was 10,5% (2016: 11,5%). Overall volumes declined by 2,4%.

In addition to the further slowdown in South Africa's manufacturing sector and the effects of a stronger local currency, the segment's results were also impacted by:

- lower exports of mining chemicals by Senmin due to delayed orders from a key customer. These orders will be dispatched in the second half of the year;
- the closure by Huntsman Tioxide of its manufacturing operations at Umbogintwini, in November 2016. This company was a major user of Chemical Initiatives' sulphuric acid. Although a portion of the lost volumes was placed in the market, the impact on the business was nonetheless significant;
- lower sales of agrochemicals in the Western Cape by Nulandis, because of drought conditions.

ImproChem, AECI's water treatment business, delivered a solid performance thanks to higher demand after a normalised rainfall season in South Africa's inland provinces as well as strong sales to the public water sector in several African countries.

There were good results from Experse, which supplies emulsifiers to the explosives manufacturing industry and specialty coatings to the fertilizer industry. Export growth in both divisions was particularly pleasing.

At Lake Foods, there was a promising improvement in performance owing to the strict focus on cost control and better efficiencies.

Capital expenditure was R81 million. Of this, R49 million was for expansion - including a portion of the projected total R90 million investment in the 4 000 tonnes a year capacity expansion at Senmin's xanthates plant. Xanthates are used in the extraction of gold, platinum and copper. The project is expected to come on line in the second half of 2018.

Acquisition opportunities for the segment continue to be pursued and a number of processes in this regard are underway.

PROPERTY

Revenue was R188 million (2016: R195 million) and profit from operations was R43 million, slightly lower than 2016's R44 million. Key in this regard were the effects of the Huntsman Tioxide closure on the services business at Umbogintwini. Good occupancy rates at this site and at Modderfontein were maintained.

CASH UTILISATION

Cash available from operating activities reflected an outflow of R111 million. Historically, the Group's first-half working capital performance is weaker than that in the second half-year. In the current period this trend was exacerbated by a lower level of buying by Group businesses, resulting in lower trade payables at the end of the reporting period. Furthermore, customers delayed their remittances at the end of June. This increased the trade accounts receivable amount. The management of accounts receivable remained challenging as large customers continued to seek extended payment terms. The net working capital to revenue ratio increased to 18,5% (2016: 17,9%).

The management of fixed capital expenditure remained disciplined, with the Group again targeting spend at least in line with the depreciation and amortisation charge. Total capital expenditure was R261 million (2016: R236 million). Of this amount, R91 million was invested in expansion projects.

Cash interest cover was at 14,6 times (2016: 8,4 times), with the improvement due mainly to lower levels of debt in the period. Accordingly, the net interest cost decreased to R85 million (2016: R128 million).

FUTURE SEGMENTAL REPORTING

In 2014, AECI revised its strategy and developed five key growth pillars, namely Mining, Water, Agriculture, Food, and a Chemicals Cluster. These pillars have since been the focus of AECI's integrated reporting. Progress has been made in managing Group businesses in terms of these pillars and, as indicated in the announcement of the Company's financial results for 2016 on 28 February, the process of altering internal reporting to reflect this is underway. Management reporting is being structured by pillar and the same restructuring will apply to reporting of the financial statements for the full 2017 financial year.

COMPETITION COMMISSION

In December 2014, the Competition Commission of South Africa ("the Commission") initiated an investigation relating to collusion between Akulu Marchon and a competitor. AECI cooperated fully with the Commission throughout the investigation, which has been concluded. In terms of the settlement reached with the Commission, the Group will pay a penalty of R13,9 million, in August, in full and final settlement of the matter. Furthermore, awareness of the importance of good governance and business practices is being reinforced Group-wide.

STRATEGIC INVESTMENT

In 2016, the Group initiated projects aimed at identifying potential new products and markets that could contribute to the acceleration of its growth. In line with this, a strategic investment of US$5 million (R65 million) was made in Origin Materials ("Origin") after the reporting date. Origin is a privately-owned company in the US with new technology in renewable chemicals.

The investment positions AECI to take advantage of the global shift towards renewable products and to benefit from opportunities in the renewable and bio-based chemicals industries. Scale-up of Origin's technology to a pioneer production plant is scheduled for completion at the end of 2018.

OUTLOOK

The Group's pillar strategy will be leveraged to expand its geographic footprint and market reach through organic growth and acquisitions.

Global mining is gaining momentum and this is positive for the Explosives segment, which has an extensive footprint and a broad spectrum of customers in this sector. Furthermore, market share gains and new contracts secured are expected to benefit performance.

In South Africa, no significant acceleration of growth in the manufacturing sector is anticipated. Growth in the agrochemicals business will depend on rainfall patterns. AECI's mining chemicals business has a good pipeline of export orders, however, and there are also opportunities for growth in the water treatment sector.

These factors, together with sustained focus on managing working capital and capital expenditure, as well as cost containment, should support an improved performance in the second half of the year.

Any forecast information included in this announcement has not been reviewed and reported on by the Company's external auditors.

Khotso Mokhele
Chairman

Mark Dytor
Chief Executive

Woodmead, Sandton
26 July 2017

Directors: KDK Mokhele (Chairman), GW Dempster, MA Dytor (Chief Executive), Z Fuphe, G Gomwe*, KM Kathan (Executive), RM Kgosana, LL Mda, AJ Morgan, R Ramashia.

**Zimbabwean*

Group Company Secretary: EN Rapoo

NOTICE TO SHAREHOLDERS

DECLARATION OF INTERIM ORDINARY CASH DIVIDEND NO. 167

NOTICE IS HEREBY GIVEN that on Tuesday, 25 July 2017, the Directors of AECI declared a gross interim cash dividend of 138 cents per share, in respect of the six month period ended 30 June 2017. The dividend is payable on Monday, 4 September 2017 to holders of ordinary shares recorded in the register of the Company at the close of business on the record date, being Friday, 1 September 2017.

The last day to trade "cum" dividend will be Tuesday, 29 August 2017 and shares will commence trading "ex" dividend as from the commencement of business on Wednesday, 30 August 2017.

A South African dividend withholding tax of 20% will be applicable to all shareholders who are not either exempt or entitled to a reduction of the withholding tax rate in terms of a relevant Double Taxation Agreement, resulting in a net dividend of 110,40000 cents per share to those shareholders who are not eligible for exemption or reduction. Application forms for exemption or reduction may be obtained from the Transfer Secretaries and must be returned to them on or before Tuesday, 29 August 2017.

The issued share capital at the declaration date is 121 829 083 listed ordinary shares, 10 117 951 unlisted redeemable convertible B ordinary shares and 3 000 000 listed cumulative preference shares. The dividend has been declared from the income reserves of the Company.

Any change of address or dividend instruction must be received on or before Tuesday, 29 August 2017.

Share certificates may not be dematerialised or rematerialised from Wednesday, 30 August 2017 to Friday, 1 September 2017, both days inclusive.

By order of the Board

EN Rapoo
Group Company Secretary

Woodmead, Sandton
26 July 2017

TRANSFER SECRETARIES

COMPUTERSHARE INVESTOR SERVICES (PTY) LTD

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Rosebank
2196

COMPUTERSHARE INVESTOR SERVICES PLC

PO Box 82
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England

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First floor, AECI Place
24 The Woodlands
Woodlands Drive
Woodmead
Sandton

SPONSOR

Rand Merchant Bank (A division of FirstRand Bank Limited)
1 Merchant Place, cnr Fredman Drive and Rivonia Road,
Sandton, 2196

AECI LIMITED

(Incorporated in the Republic of South Africa)
(Registration number 1924/002590/06)
Tax reference number 9000008608
("AECI" or "the Company" or "the Group")
Share code: AFE
ISIN: ZAE000000220