

Turnover up 7% to R2,7 billion

PARTQUIP

/ Antipetter

ELVEY

Miro

SPECIALISED

PENTAG®N

1 telecoms

THE REAL PROPERTY OF

DEUTZ DIESELPOWER:

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<sup>r</sup>Hs

amora

Ernest Lowe 🔍 🖂

POWERMITE

Keymek

ENGINEERING CONSUMABLES

Operating profit up 9% to R269 million

CONSUMER-RELATED PRODUCTS

⇒ Comparable earnings per share up 10% to 483 cents ⇒ Interim dividend up 6% to 180 cents per share

and accessories

fasteners

Distributor of Makita power

tools, Mercury marine engines,

equipment, including intruder

related consumables

detection, access control, CCTV,

VoIP and video products and the

provision of strong after-sales service and technical support

Distributor of automotive clutch

kits and ignition leads, rotary oil and hydraulic seals

Distributor of professional mobile

radio communication equipment and radio systems integrator

Distributor of maintenance free batteries and provider of custom designed energy solutions

Distributor of integrated security and life safety solutions, including CCTV, access control, fire

detection public address and

perimeter detection products

management software and

telephone management

Distributor of bearings,

chains, seals, electric motors transmission and allied products

Distributor of Deutz diese

and the provision of service

process control products

Distributor of specialised

Keymak PVC hose

and accessories

support

engines and Deutz spare parts

Distributor of conveyor belting,

industrial hose, fluid sealing and

thermoplastic pipes, fittings and

Distributor of electric cabling,

solid, round, square, hexagonal and hollow bar steel

Manufacturer of hydraulic and

pneumatic equipment

plugs, sockets, electric feeder systems and crane materials

Supplier of voice and data solutions,

specialising in PBX, communication

Distributor of stand-by and

solar batteries

survey instrumentation, rivets and

# udaco Industries is a South African group specialising in the importation and distribution of high guality branded automotive after-market, industrial and electrical consumable products mainly in the southern African region. Hudaco businesses serve markets that fall into two primary • The automotive aftermarket, power tool, security and communication equipment businesses Distributor of automotive spares

Net cash generated from operations R247 million

The mechanical and electrical power transmission, diesel engine, hydraulics and pneumatics, steel, thermoplastic fittings and bearings businesses supply engineering consumables mainly to mining and manufacturing customers.

Basic and headline earnings per share up 2% to 483 cents

Adding value by offering instant availability, advice and training etc. is an integral part of Hudaco's business model

### Results Distributor of electronic security

The group has delivered pleasing first half results under extremely difficult trading conditions The group has delivered pleasing first half results under extremely difficult trading conditions in an economy that is under enormous pressure, with stagnant markets, ratings downgrades, the country falling into recession and the Rand being the most volatile currency in the world this year. We fortunately carried a healthy order book into the new year and this, together with improvement in certain sectors of the economy, gave us a strong start to the year. April, however, was a particularly poor month for us with the limited number of trading days and the announcement of the ratings downgrades, so we gave up a lot of the gains we had worked so hard to achieve. In May, trading was better and we matched our strong 2016 result. fire detection, electric fencing and specialised products, as well as

Distributor of wireless networking, Group sales at R2,7 billion for the half year are up 6,5% on 2016 and include R259 million from acquisitions made after December 2015. Operating profit increased 9,4% to R269 million, which gave us an operating margin of 10%, very respectable for the first six months, which include the baltdown of the first six months. holiday periods.

> Comparable earnings per share increased 10% to 483 cents while basic and headline earnings per share are up 2% to 483 cents. In 2016 basic and headline earnings were boosted by a downward adjustment to the fair value of the vendor liability, which was not the case this year, hence the lower increase. The interim dividend has been increased to 180 cents per share. Our dividend policy, to be covered between 2,5 and 2,0 times by comparable earnings annually, remains unchanged.

The financial position is in good shape. Bank borrowings normally peak at the half year as we stock up for what is usually a busier second half. Notwithstanding this, and the fact that we paid dividends of R116 million and R90 million for acquisitions, net borrowings increased only R68 million in the half year to R973 million. Operations generated net cash of R247 million for the six months. Borrowings are still well within our self-imposed conservative guidelines and our available banking facilities and, unless we make further acquisitions, our usual strong second half cash generation should reduce debt by war and cash generation should reduce debt by year end.

### Consumer-related products segment

Trading conditions are getting tougher as consumer confidence and disposable income come under pressure. This segment's contribution to group sales has benefitted from acquisition activity over the past few years and in this half it accounted for 50% of group sales and 62% of operating profit. There are now ten businesses in this segment and they diversify our opportunities and market segment mix. The automotive after-market is our biggest market sector and continues to perform well. Power tool sales were up thanks to letters of authority finally being approved for our new Makita MT series. Miro had a good six months and has integrated well into Hudaco. Our security and communications businesses have had a difficult start to the year.

Segment sales increased 8,5% to R1 343 million, of which R229 million was from acquisitions. Operating profit increased 10% to R177 million at an operating margin of 13%.

### Engineering consumables segment

Engineering consumables segment There are 21 businesses which make up this segment. Although trading conditions were extremely tough in most of the markets we serve, there were some improvements. This tough environment continues to create aggressive pricing pressure. There were improved performances from businesses supplying hydraulics, bearings, belting and electrical products. The other businesses in this sector struggled but even though they were down on the prior year, they produced acceptable returns on sales. The segment did very well to increase sales by 5% to R1 330 million, of which acquisitions contributed R30 million. Operating profit increased 9% to R107 million at an operating margin of 8%. operating margin of 8%.

Prospects South Africa is still an extremely difficult place to do business and, in all likelihood, it will become south Africa is suit an extremely diffuence is lower now than it has been since the global economic crisis of 2008. We are concerned about the effect of the revised mining charter in that it has the potential to make the mining industry, together with much of its supply chain, "uninvestable", resulting in a further significant loss of jobs. The group's strategy over the past few years of reducing its exposure to the mining industry has proven to have been appropriate. Unless busines confidence improves, we believe that trading conditions in the second half of 2017 will also be challenging. Unless business

Most of the businesses in the engineering consumables segment will struggle to get organic growth but they generally have a high market share and remain our "cash cows". We continue to manage the relationship between their sales, gross margins and expenses very closely. The cash they generate is used to fund acquisitions. The sectors in which they operate remain important for the group and their fortunes still have a significant impact on Hudaco's trading results.

There has been an important strategic shift in Hudaco's exposure into more resilient and/ or growth markets over the past few years, so we believe the consumer-related segment will continue to perform relatively well even though we are seeing the pressure on the consumer as the country slides into recession. The acquisition of Mirio in May 2016 is an example of this highly successful initiative and emphasis will continue to be placed on growing this segment. Distributor of filtration solutions, customised exhaust systems, kits

Hudaco's business model, which is principally the sale of replacement parts with a high value added component; and its financial characteristics – high margin and strong cash flows with a limited requirement for investment in fixed assets, makes Hudaco resilient. It has delivered commendable results in tough times before and we expect that it will do so again now

#### Lawsuit against Bravura and certain associates Distributor of engineering steels,

The legal case against Bravura and certain of its associates for up to R490 million is still continuing slowly. Hudaco has brought the action to recover, *inter alia*, secret profits made on the financing arrangements around the Hudaco BEE transaction that ran from August 2007 to February 2013. Directorate

# As reported on SENS, Mark Thompson was appointed to the board as a non-executive director with effect from 20 June 2017 and Stuart Morris will retire on 30 June 2017.

Declaration of interim dividend no 61 Interim dividend number 61 of 180 cents per share is declared payable on Monday, 14 August 2017 to ordinary shareholders recorded in the register at the close of business on Friday, 11 August 2017.

R million	31 May 2017	31 May 2016	30 Nov* 2016
ASSETS			
Non-current assets	1 726	1 611	1 611
Property, plant and equipment	260	262	256
Investment in joint venture	8	5	7
Goodwill	1 344	1 240	1 243
Intangible assets	69	75	68
Deferred taxation	45	29	37
Current assets	2 537	2 562	2 619
Inventories	1 552	1 612	1 508
Trade and other receivables	902	858	1 046
Taxation	19	38	18
Bank deposits and balances	64	54	47
TOTAL ASSETS	4 263	4 173	4 2 3 0
EQUITY AND LIABILITIES			
Equity	2 186	1 941	2 130
Equity holders of the parent	2 120	1 890	2 065
Non-controlling interest	66	51	65
Non-current liabilities	1 003	1 119	869
Amounts due to bankers	775	900	710
Amounts due to vendors of businesses acquired	209	197	148
Deferred taxation	19	22	11
Current liabilities	1 074	1 113	1 231
Trade and other payables	719	760	898
Bank overdraft	262	307	242
Amounts due to vendors of businesses acquired	60	34	76
Taxation	33	12	15
TOTAL EQUITY AND LIABILITIES	4 263	4 173	4 2 3 0

### **GROUP STATEMENT OF COMPREHENSIVE INCOME**

R million	Six months ended 31 May 2017	% change	Six months ended 31 May 2016	Year* ended 30 Nov 2016
Turnover	2 671	6,5	2 507	5 534
- Ongoing operations	2 412	(2,3)	2 469	5 252
<ul> <li>Operations acquired after</li> <li>December 2015</li> </ul>	259		38	282
Cost of sales	1 684		1 605	3 536
Gross profit	987		902	1 998
Operating expenses	718		656	1 359
Operating profit	269	9,4	246	639
– Ongoing operations	240	(0,8)	242	598
<ul> <li>Operations acquired after December 2015</li> </ul>	29		4	41
Adjustment to fair value of amounts due to vendors of businesses acquired			12	19
Profit before interest	269	4,3	258	658
Finance costs	52		48	100
Profit before taxation	217	3,4	210	558
Taxation	62		57	148
Profit after taxation	155	1,3	153	410
Income from joint venture	2		1	3
Profit for the period	157	1,7	154	413
Other comprehensive income	3		(1)	(8)
Movement on fair value of cash flow hedges	3		(3)	(8)
Exchange gain on translation of foreign operations			2	
Total comprehensive income for the period	160	4,9	153	405
Profit attributable to:				
<ul> <li>Equity holders of the parent</li> </ul>	153	2,3	149	388
<ul> <li>Non-controlling shareholders</li> </ul>	4		5	25
	157	1,7	154	413
Total comprehensive income attributable to:				
<ul> <li>Equity holders of the parent</li> </ul>	155	5,1	148	381
<ul> <li>Non-controlling shareholders</li> </ul>	5		5	24
	160	4,9	153	405
Earnings per share (cents)				
– Basic	483	2,3	472	1 226
– Headline	483	2,3	472	1 222
– Comparable	483	9,8	440	1 171
Diluted earnings per share (cents)				
– Basic	473	0,4	471	1 222
– Headline	473	0,4	471	1 219

473

7.7

439

1 168

R million	months ended 31 May 2017	months ended 31 May 2016	Year* ended 30 Nov 2016
Cash generated from trading	317	287	708
(Increase) decrease in working capital	(70)	(29)	41
Cash generated from operations	247	258	749
Fair value adjustment of cash flow hedges	3	(3)	(8)
Taxation paid	(52)	(83)	(174)
Net cash from operating activities	198	172	567
Net investment in new operations	(90)	(135)	(165)
Net investment in property, plant and equipment	(18)	(16)	(30)
Net cash from investing activities	(108)	(151)	(195)
Increase (decrease) in non-current amounts due to bankers	65	100	(90)
Finance costs paid	(42)	(44)	(87)
Dividends paid	(116)	(115)	(173)
Net cash from financing activities	(93)	(59)	(350)
(Increase) decrease in net bank overdraft	(3)	(38)	22
Foreign exchange translation gain		1	(1)
Net bank overdraft at beginning of the period	(195)	(216)	(216)
Net bank overdraft at end of the period	(198)	(253)	(195)

Six

Six

### **GROUP STATEMENT OF CHANGES IN EQUITY**

R million	Share capital and premium	Non- distribut- able reserves	Retained income	Equity holders of the parent	Non- control- ling interest	Equity
Balance at 1 December 2016 Comprehensive income for	55	64	1 965	2 084	65	2 149
the period Movement in equity			155	155	5	160
compensation reserve Dividends		12	(112)	12 (112)	(4)	12 (116)
Balance at 31 May 2017 Less: Shares held by subsidiary	55	76	2 008	2 139	66	2 205
company			(19)	(19)		(19)
Net balance at 31 May 2017	55	76	1 989	2 120	66	2 186
Balance at 1 December 2015 Comprehensive income for	55	75	1 733	1 863	51	1 914
the period Movement in equity compensation			148	148	5	153
reserve Dividends		8	(110)	8 (110)	(5)	8 (115)
Balance at 31 May 2016 Less: Shares held by subsidiary	55	83	1 771	1 909	51	1 960
company			(19)	(19)		(19)
Net balance at 31 May 2016	55	83	1 752	1 890	51	1 941
Balance at 1 December 2015 Comprehensive income for	55	75	1 733	1 863	51	1 914
the year Movement in equity		(7)	388	381	24	405
compensation reserve Dividends		(4)	7 (163)	3 (163)	(10)	3 (173)
Balance at 30 November 2016 Less: Shares held by subsidiary	55	64	1 965	2 084	65	2 149
company			(19)	(19)		(19)
Net balance at 30 November 2016 <sup>3</sup>	* 55	64	1 946	2 065	65	2 130

### SUPPLEMENTARY INFORMATION

The consolidated financial statements have been prepared in accordance with IAS 34: Interim Financial Reporting, International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, financial pronouncements as issued by the Financial Reporting Standards Council, the requirements of the South African Companies Act and the JSE Listings Requirements. The same accounting policies, presentation and measurement principles have been followed in the preparation of the interim report for the period ended 31 May 2017 as were applied in the preparation of the group's annual financial statements for the year ended 30 November 2016. These results have been compiled under the supervision of the financial director, CV Amolis, CA (SA). The directors of Hudaco take full responsibility for the preparation of the interim report and ensuring that the financial information has been correctly extracted from the underlying financial statements. This interim report has not been audited or reviewed by Hudaco's auditors

	31 May 2017	31 May 2016	30 Nov* 2016
Average net operating assets (NOA) (Rm)	3 344	3 032	3 141
Operating profit margin (%)	10,1	9,8	11,6
Average NOA turn (times)	1,6	1,7	1,8
Return on average NOA (%)	16,1	16,2	20,4
Average net tangible operating assets (NTOA) (Rm)	1 975	1 900	1 910
PBITA margin (%)	10,6	10,3	12,0
Average NTOA turn (times)	2,7	2,6	2,9
Return on average NTOA (%)	28,6	27,1	34,7
Net asset value per share (cents)	6 699	5 972	6 525
Return on average equity (%)	14,6	16,1	20,5

taking into account the following charges (Rm)

of drivetrain components

Manufacturer and repairer of draulic cylinders and repairer

The timetable for the payment of the dividend is as follows:

challenging.

main       Trading or dividend commences       Trading or dividend commences       Trading or dividend commences         main       Distributor of controllers, mm reduces on the speed of standard AC motors       Share certificities may not be dematerialised or rematerialised between Tuesday, 8 August 2017       Profite adapter adapte	ACTIVE N ANIMALINA I DESIGNATION	Manufacturer of ferrous and	Last day to trade cum dividend		Monday, 7 August 2017	- Comparable
Distributor of controllers, monitors and regulators of the speed of standard AC motors     Description     Distributor of hydraulic pumps and motors     Distributor of comparable and allational information is disclosed and allational information is disclosed and alloten pumps and motors     Distributor of comparable and allational information is disclosed and alloten pumps and motors     Distributor of comparable and alloten pumps and motors     Distributor of control allot alloten pumps and motors     Distributor of control allotenp	electric and an interaction of the	non-ferrous castings				Calculation of headline earning
Distributor of controllers, montors and regulators of the speed of standard AC motors     Pyment date     Monday, 14 August 2017     Adjusted for:       Adjusted for:     Share cartificates may not be dematerialled or rematerialled between Tready, 8 August 2017     Adjusted for:     Porton disposal of plant and equimaterialled or rematerialled between Tready, 8 August 2017     Adjusted for:     Porton disposal of plant and equimaterialled or rematerialled between Tready, 8 August 2017     Headine administration in the Using Regularment of the SE Limited regarding the Dividends Tax the following administration and remains disclosed:     Headine administration in the Using Regularment of the SE Limited regarding the Dividends Tax the following administration and remains disclosed:     Headine administration in the Using Regularment of the SE Limited regarding the Dividends Tax the following administration and remains disclosed:     Headine administration in the Using Regularment of the SS 153 S1			5		,, 5	Profit attributable to equity
Distributor of hydraulic pumps       and Friday, 11 August 2017, both days inclusive. The certificated register will be closed for this       register will be closed for this         Distributor of hydraulic pumps       manufacture of conveyor drift       The dividend main is disclosed. The Lasting Requirements of the LSE lumited regarding the Dividends Tax the following.       Caliadation of comparable earnings.         Adjusted for       manufacture of conveyor drift       The dividend main is 144 certis gare share for shareholders liable to pay the lasting Requirements of the LSE limited regarding the Dividends Tax the following.       Adjusted for Comparable earnings.         Adjusted for       The dividend main is 34 Ties 23 the share in size (which includes 2 507 822 treasure).       Adjusted for the size of the LSE limited regarding the Dividends Tax the following.       Adjusted for Comparable earnings.         Adjusted for       The dividend main is 20 the Size of the LSE treasure.       The dividend main is 20 the Size of the LSE treasure.       Adjusted for the LSE tr		monitors and regulators of the			, · · · · · · · · · · · · · · · · · · ·	
Section     Distributor of phydraulic pumps     Instruct of the disting Baquiarments of the JSL Limited regarding the Dividends Tax the following     Calculation of comparable earnings       Manufacturer of conveyor drive     Manufacturer of conveyor drive     The dividend famous is 144 cents is 20% (Converted from income test reserves);     The dividend famous is 144 cents is 20% (Converted from income test reserves);     The dividend famous is 144 cents is 20% (Converted from income test reserves);     The dividend famous is 144 cents is 20% (Converted from income test reserves);     The dividend famous is 144 cents is 20% (Converted from income test reserves);     The dividend famous is 144 cents is 20% (Converted from income test reserves);     The dividend famous is 144 cents is 20% (Converted from income test reserves);     The dividend famous is 144 cents is 20% (Converted from income test reserves);     The dividend famous is 144 cents were for the the dividend famous is 144 cents were for the the dividend famous is 144 cents were for the dividend famous is 1440 cents were for the divident were sect were for the dividend famous is 1440 cent		speed of standard AC motors	and Friday, 11 August 2017, both d	terialised or rematerialised betw ays inclusive. The certificated reg	een Tuesday, 8 August 2017 gister will be closed for this	
and motors     additional information is dickosed:     Headline earnings       Adjusted form     The dividend withholding tax rate is 20%;     Headline earnings       Adjusted form     File dividend withholding tax rate is 20%;     Headline earnings       Distributor of electrical cable     Secessories     The dividend withholding tax rate is 20%;     Adjusted form       Distributor of electrical cable     Secessories     The dividend withholding tax rate is 20%;     Adjusted form       Distributor of electrical cable     Secessories     Results presentation     Hudaso Industries Limited's income tax reference number is 9400/159/71/2.     Adjusted form       Window will host presentations on the finance insults in Johannesburg and Cape Town on Fidag, 30 June 2017.     The side will sole of the presentation, will be available on the company's website from Fidag, 30 June 2017.     The dividend withholding tax reference number is 9400/159/71/2.       Comparable earnings     Adjusted form income reserves;     The dividend withholding tax reference number is 9400/159/71/2.       Comparable earnings     Adjusted form income reserves;     The dividend withholding tax reference number is 9400/159/71/2.       Comparable earnings     Adjusted form income reserves;     The dividend withholding tax reference number is 9400/159/71/2.       Comparable earnings     Adjusted form income reserves;     The dividend withholding tax reference number is 9400/159/71/2.       Comparable earnings     Adjusted form income reserves; <t< td=""><th>-fact</th><td></td><td>period.</td><td></td><td></td><td>Headline earnings</td></t<>	-fact		period.			Headline earnings
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Adjusted for:       Adjusted for:<		and motors				Headline earnings
Manufacturer of conveyor drive pulses, forgings and rollings       The net local dividend amount is 14 acts per share for shareholders is uptited for the Dividend's fax, thuses in issue (which includes 2 507 828 treasury is dividend amount is 14 acts per share for shareholders is uptited in the Dividend's fax, thuses in issue (which includes 2 507 828 treasury is dividend amount is 14 acts per share for shareholders is uptited in the Dividend's fax, thuses in issue (which includes 2 507 828 treasury is dividend amount is 14 acts per share for shareholders is uptited in the Dividend's fax, thuses industries limited is income tax reference number is 9400/159/71/2.       Adjustment to fair value of amounts due to vendors of businesses acquired         Windend amounts is 14 acts and same blar winders with your all is 55 5007.       Manufacturer and assemblar of typical is gear purps       Manufacturer and assemblar of typical is gear purps       Manufacturer and assemblar of typical is deal to hair, modulu habiting and namurfacturer of plastic and conveyor components       Manufacturer and assemblar of typical is deal to hair, modulu habiting and conveyor components       Manufacturer and assemblar of typical is deal to hair, modulu habiting and conveyor components       Manufacturer and istributor of the persentation on the internet: www.hudaco.co.za       Manufacturer and istributor of the persentation number: the rest of secoil the face with and the persentation number: the rest of secoil the face with and the present well caps and the typical is deal of and the persent is the persent the persent well caps and the typical is deal of the persent the present is the typical is deal of the persent is the typical is deal of the persent is the persent is the typical is deal of typical is deal to the typical is deal of typical is deal to the typical is deal of typical is deal to the	THE REPORT					Adjusted for:
Distributor of electrical cable accessories       P: Hudacio Industries Limited's income tax reference number is 9400/159/71/2.       Comparable earning.         Distributor of electrical cable accessories       Manufacturer and assembler of hydraulic gaer pumps       Nanufacturer and assembler of heat reament solutions       Nanufacturer and istributor of special steels and analybe on the internet: www.hudaco.co.za       CR Dunford       Nanufacturer and distributor of gaered motors, helical gearboxes, frequercy inverters and electric motors and lighting systems       Nanufacturer and distributor of gaered motors, helical gearboxes, frequercy inverters and electric motors and lighting system sets and angle pressed wide (asp and the note)       Nanufacturer and distributor of presumps       Registred office Park Emeral Boleward, Greenstone Hill Comparable       Nanufacturer of and caps on the Republic of Social set in social sections       Nanufacture of and aspecter of and caps on the Republic of Social sections       Nanufacture of and aspecter of and caps on the Republic of Social fare ode caps on the Republic on presset wess	Report		<ul> <li>The net local dividend amount is Dividends Tax and 180 cents per</li> <li>Hudaco Industries Limited has 3</li> </ul>	s 144 cents per share for shareho r share for shareholders exempt	from the Dividends Tax;	amounts due to vendors of
Distribution       Distribution       Comparable earnings         Comparable earnings       C	and the second second			ma tay reference number is 040	0/150/71/2	Non-controlling interest
Hudso will host presentations on the financial results in Johannesburg and Cape Town on Friday, Janice Yon at 011 657 5007.     Dividends and paper 1017.     Dividends and paper 1018.     Dividends and paper 1018.       Image: Computer Signame And Sign				sine tax reference number is 940	0/139//1/2.	Comparable earnings
Sume 2017 and Monday. 3 July 2017, respectively. Anyone wishing To attend should contact mydraulic gear pumps    Per share (cents) Amount clum)       Sume 2017 and Monday. 3 July 2017, respectively. Anyone wishing To attend should contact mydraulic gear pumps    Per share (cents)       Sume 2017 and Monday. 3 July 2017, respectively. Anyone wishing To attend should contact mad manufacturer of plastic and amufacturer of plastic engineering parts     Sume 2017.       Sume 2017 and Monday. 3 July 2017, respectively. Anyone wishing To attend should contact and manufacturer of plastic engineering parts     Sume 2017.       Sume 2017 and Monday. 3 July 2017.     GR Dunford Independent non-executive chairman Subtributor of special steels and supplier of heat treatment solutions     Medbank Corporate and Investment Banking Sponsor     GR Dunford Chef executive    Per share (cents)       Manufacturer and distributor of systems     Manufacturer and distributor of systems     Manufacturer and distributor of special ateels and single pressed weld caps and the pressed weld caps and the pressing and flanging of small concial sections     Manufacturer of end caps on pressed weld caps and the pressing and flanging of small pressed weld caps and the pressing and flanging of small concial sections     Manufacturer of share screetaries     Tel 427 11 657 5000. Email: Info@hudaco.co.za     Manufacturer of SG Norris* Non-executive     -Ongoing operations - Operations acquired after Decem SG Norris* Non-executive       Orgoing operations interest and lighting systems     Distributor of pneumatic and properatoris the Republic concial	a territori de la companya de la companya	accessories		the financial results in Johannesh	ourg and Cape Town on Friday	Dividends
Mail database       Mail database<	- Construction		30 June 2017 and Monday, 3 July 2			– Per share (cents)
Fiday, 30 June 2017.       - Total (000)         With View of plastic and staines modular beiting and conveyor components and isplicit of heat treatment solutions       - Total (000)         Import Components conveyor components conveyor components and lighting systems       Manufacturer of plastic and stainbur of mining connectors, frequency inverters and lighting systems       Manufacturer of end caps on pressure vessels and single pressed well caps and the pressing and flaging of small conci 24000003273       Manufacturer of end caps on pressing and flaging of small conci 24000003273       Tasfer secretaries Computershare Investors Services Projecters Visited Point Services Projecters Visited Point Since Point Projecters Visited Point Since Point Projecters Visited Point Since Point Projecters Visited Point P	BPM		Janine Yon at 011 657 5007.			– Amount (Rm)
Distributor of plastic and stainless and convey components and manufacturer of plastic engineering parts     For and on behalf of the board     R Vice Independent non-executive chairman     GR Dunford Chief executive     I - 1041 (000)       Image: Converting parts     Distributor of special steels and supplier of heat treatment solutions     Distributor of geared motors, inverters and electric motors     Nanufacturer of end caps on pressed weld caps and the pressed subtor of pneumatic and process components     Transfer secretaries Computershare Investor Services Proprietary Itimited PO Box 61051 Marshaltown, 2107     Distributor of pneumatic and process components     Distributor of pneumatic and process components     <	- HOUNT	hydraulic gear pumps		presentation, will be available on	the company's website from	Shares in issue (000)
Steel lat chains, modular beiting and conveyor components and manufacturer of plastic engineering parts       T Vice Independent non-executive chairman       GR Dunford Chief executive Chief executive       Weighted average shares in issue - Total (000)         Image: Steel lat chains, modular beiting and conveyor components and manufacturer of plastic engineering parts       T Vice Independent non-executive chairman       GR Dunford Chief executive       Weighted average shares in issue - Total (000)         Image: Steel lat chains, modular beiting and conveyor components and manufacturer of plastic systems       Medbank Corporate and Investment Banking Sponor       These results are available on the internet: www.hudaco.co.za       Total (000)       Bistributor of geared motors, helical gearboxes, frequeny inverters and electric motors       Medbank Corporate and investment Banking Sponor       These results are available on the internet: www.hudaco.co.za       Distributor of geared motors, helical gearboxes, frequeny inverters and electric motors       Manufacture of end caps on pressure vesels and single pressed weld caps and the pressed w			<i>y</i> .			– Total (000)
Manufacturer of plastic engineering parts       Distributor of special steels and supplier of heat treatment solutions       Medbank Corporate and Investment Banking Sponsor       Distributor of special steels and supplier of heat treatment solutions       Medbank Corporate and Investment Banking Sponsor       Distributor of special steels and supplier of heat treatment solutions       Medbank Corporate and Investment Banking Sponsor       Distributor of special steels and supplier of heat treatment solutions       Medbank Corporate and Investment Banking Sponsor       Distributor of geared motors, inverters and electric motors       Medbank Corporate and Investment Banking Sponsor       Registered office Ist Floor, Building 9 Greenstone Hill Office Park Emeral Boulevard, Greenstone Hill Office Park Namadindi* * Non-executive       Remillion Registration number: Boulevard, Greenstone All Operations acquired after Decemere Booperations acquired after Decemere Nonstone * Non			For and on behalf of the board			– Held by subsidiary (000)
Independent of executive chaining     Protection       Independent of executive chaining     29 June 2017       Independent of executive chaining     50 June 2017       Independent of executive     50 Ju	BREWTECH					Weighted average shares in issu
Outcome       Distributor of special steels and supplier of heat treatment solutions       Addank Corporate and Investment Banking Sonsor       Distributor of special steels and supplier of heat treatment solutions       Addank Corporate and Investment Banking Sonsor       Distributor of special steels and supplier of heat treatment solutions       Addank Corporate and Investment Banking Sonsor       Distributor of special steels and supplier of heat treatment solutions       Addank Corporate and Investment Banking Sonsor       Distributor of special steels and supplier of heat treatment solutions       Addank Corporate and Investment Banking Sonsor       Distributor of special steels and supplier of heat treatment solutions       Addank Corporate and Investment Banking Sonsor       Distributor of special steels and supplier of heat treatment solutions       Addank Corporate and Investment Banking Sonsor       Distributor of special steels and supplier of heat treatment solutions       Addank Corporate and Investment Banking Sonsor       Distributor of special steels and supplier of heat treatment solutions       Addank Corporate and Investment Banking Sonsor       Distributor of special steels and supplier of heat treatment solutions       Addank Corporate and Investment Banking Sonsor       Distributor of special steels and supplier of heat treatment solutions       Addank Corporate and Investment Banking Sonsor       Distributor of special steels and supplier of heat treatment solutions       Addank Corporate and Investment Banking Sonsor       Distributor of special steels and supplier of heat treatment solutions       Addank Corporate and Investment Banking Sonsor       Distributor of special steels and supplier of heat treatment solutio	OENGINEERING	and manufacturer of plastic	independent non-executive chairm	an Chief executive		– Total (000)
Sponsor       Sponsor       SedMENT INFORMATION         Image: Sponsor       Manufacturer and distributor of geared motors, stems       Manufacturer and distributor of geared motors, helical gearboxes, frequency inverters and electric motors       Manufacturer of end caps on pressure vessels and single pressed weld caps and the pressing and flanging of small conical sections       Manufacturer of end caps on pressure vessels and single pressed weld caps and the pressing and flanging of small conical sections       Manufacturer of enumatic and process components       Manufacturer of enumatic and proces       Manufacturer of enumatic and pro	-	engineering parts	29 June 2017			– Diluted (000)
Solutions       These results are available on the internet: www.hudaco.co.za         Discretion       Manufacturer and distributor of mining connectors and lighting systems       These results are available on the internet: www.hudaco.co.za       Discretions       Registered office       Rt Floor, Building 9       Rt Vice (Chair(Chai	807			nent Banking		SEGMENT INFORMATION
Manufacturer and distributor of mining connectors and lighting systems       These results are available on the internet: www.hudaco.co.za       Distributor of and connectors and lighting systems       These results are available on the internet: www.hudaco.co.za       Distributor of and connectors and lighting systems       These results are available on the internet: www.hudaco.co.za       Distributor of and connectors and lighting systems       These results are available on the internet: www.hudaco.co.za       Distributor of and connectors and lighting systems       These results are available on the internet: www.hudaco.co.za       Distributor of geared motors, hellical gearboxes, frequency inverters and electric motors       Manufacturer of end caps on pressure vessels and single pressed weld caps and the pressing and flanging of small concla sections       Manufacturer of end caps on pressed weld caps and the pressing and flanging of small concla sections       Tansfer secretaries Computershare Investor Services Proprietary Limited PO Box 61051 Marshalltown, 2107       Total operating segments Head office, shared services and electric sponsor Nedbank Corporate and       Total operating segments Head office, shared services and electric total group	、ク					
Image: Steps: Steps: Steps: Step: S			These results are available on the ir	nternet: www.hudaco.co.za		
BALLIER     Distributor of geared motors, hellical gearboxes, frequency inverters and electric motors     Hudado industries Limited Incorporated in the Republic of South Africa     Kegistered office (South Africa)     Directors     R million       Manufacturer of end caps on pressure vessels and single pressed weld caps and the pressing and flagging of small conical sections     Manufacturer of end caps on pressing and the pressing and the proprietary Limited     Tal secretaries Computershare Investor Services Proprietary Limited     Total operations acquired after Decements Nanalltown, 2107     Total operating segments Head office, shared services and eli Total group	PROOFmanne	mining connectors and lighting	COMPANY INFORMATION			
Distributor of geared motors, inverters and electric motors       Interported motors, inverters and electric motors       Interporters, inverters and electric motors		systems	Hudaco Industries Limited	Registered office		
inverters and electric motors       Registration number: 1985/004617/06       Emerald Boulevard, Greenstone Hill, Edenvale       CV Amoils (Financial director) SI Connelly*       - Ongoing operations - Operations acquired after Decements         inverters and electric motors       Manufacturer of end caps on pressure vessels and single pressed weld caps and the pressing and flanging of small conical sections       Tel +27 11 657 5000 ISIN code: ZAE000003273       Tel +27 11 657 5000 Email: info@hudaco.co.za       Distributor of pneumatic and process components       - Ongoing operations - Operations acquired after Decements         Distributor of pneumatic and process components       Distributor of pneumatic and process components       Distributor of pneumatic and process components       PO Box 61051 Marshalltown, 2107       Rog Stration number: Total operations acquired after Decements       Total operating segments Head office, shared services and ele Total group						
Manufacturer of end caps on pressure vessels and single pressed weld caps and the pressing and flanging of small conical sections       Manufacturer of end caps on pressure vessels and single pressed weld caps and the pressing and flanging of small conical sections       Greenstone Hill, Edenvale Tel +27 11 657 5000       N Mandindi* SG Morris* DN Mandin	BAUER					Consumer-related products
Manufacturer of end caps on pressure vessels and single pressed weld caps and the pressed weld taps and		inverters and electric motors				- Ongoing operations
Disched End     Dissibility beside vesters and shight pressed weld caps and the pressing and flanging of small conical sections     ISIN code: ZAE000003273     Email: info@hudaco.co.za     SG Morris* Distributor of pneumatic and process components     Engineering consumables       Distributor of pneumatic and process components     Distributor of pneumatic and process components     Distributor of pneumatic and process components     ISIN code: ZAE000003273     Email: info@hudaco.co.za     SG Morris* Distributor of pneumatic and process components     - Ongoing operations - Operations acquired after Decem       Vestor     Distributor of pneumatic and process components     Distributor of pneumatic and process components     PO Box 61051 Marshalltown, 2107     R van Zyl     Total operating segments Head office, shared services and eli Total group				Tel +27 11 657 5000		- Operations acquired after Decem
pressing and flanging of small conical sections     Transfer secretaries     MR Thompson*     - Ongoing operations       Distributor of pneumatic and process components     - Ongoing operations - Operations acquired after Decem	The Dichard End					Engineering consumables
Distributor of pneumatic and process components     Transfer secretaries     * Non-executive     - Operations acquired after Decem       Window Proprietary Limited     PO Box 61051     R van Zyl     Total operating segments       Marshalltown, 2107     Nedbank Corporate and     Total group	611141×	pressing and flanging of small		Email: Info@nudaco.co.za		- Ongoing operations
Distributor of pneumatic and process components     Proprietary Limited     R van Zyl       Marshalltown, 2107     Sponsor       Nedbank Corporate and		conical sections			* Non-executive	
Distributor of pneumatic and process components     Distributor of pneumatic and process components     PO Box 61051 Marshalltown, 2107     R van Zyl     Total operating segments Head office, shared services and eli Total group					Group secretary	
process components Process compo	REDNITEI	Distributor of pneumatic and				
Nedbank Corporate and					Sponsor	
Investment Banking * Audited						
					Investment Banking	* Audited

Calculation of headline earnings					– Depre	eciation			
Profit attributable to equity holders of the parent	153	2,3	149	388	, – Amor	tisation			
Adjusted for:	155	2,5	149	200		l expenditure	e (Rm)		
Profit on disposal of plant and					– Incuri	ed during the	period		
equipment				(1			' yet contracted	for	
Headline earnings	153	2,3	149	387	Comm	itments	,		
Calculation of comparable earnings					– Opera	ating lease cor	nmitments on	nronerties (F	(m)
Headline earnings	153	2,3	149	387		5		properties (i	,
Adjusted for:						lue disclosure			at fair
Adjustment to fair value of amounts due to vendors of businesses acquired			(12)	(19	in activ	e markets for s	e contracts are imilar liabilities	, which mear	ns it is
Non-controlling interest			2	2		ition of busir ecember 2016	the group acc	wired 100%	of th
Comparable earnings	153	9,8	139	370			s of Commerci		
Dividends							or a considera	tion based or	n futu
– Per share (cents)	180		170	525	maximi	um of R190 mi	llion.		
– Amount (Rm)	57		54	166			of R8 million,		
Shares in issue (000)	31 646		31 646	31 646			bles of R8 milli odwill of R101		
– Total (000)	34 154		34 154	34 154			alues as provi		
– Held by subsidiary (000)	(2 508)		(2 508)	(2 508	()		, 		
Weighted average shares in issue							s been made a nd tax of R3 m		
– Total (000)	31 646		31 646	31 646			it after interes		
– Diluted (000)	32 287		31 708	31 732	R158 m	illion, respecti	vely.		
SEGMENT INFORMATION		Turno	over	1		Operating	a profit		
	Six		Six		Six	operating	Six		
R million	months ended 31 May 2017	% change	months ended 31 May 2016	Year* ended 30 Nov 2016	months ended 31 May 2017	% change	months ended 31 May 2016	Year* ended 30 Nov 2016	r :
Consumer-related products	1 343	8,5	1 238	2 802	177	10,0	160	405	
	1 114	(7,2)	1 200	2 553	154	(1,5)	156	372	
<ul> <li>Ongoing operations</li> <li>Operations acquired after December 2015</li> </ul>	229		38	249	23		4	33	
Engineering consumables	1 330	4,6	1 271	2 739	107	9,3	98	255	
– Ongoing operations	1 300	2,3	1 271	2 706	101	2,9	98	247	
– Operations acquired after December 2015	30			33	6			8	
	2 673	6,5	2 509	5 541	284	9,7	258	660	

– Depreciation	23	21	44
– Amortisation	13	12	24
Capital expenditure (Rm)			
<ul> <li>Incurred during the period</li> </ul>	20	19	36
<ul> <li>Authorised but not yet contracted for</li> </ul>	52	32	60
Commitments			
<ul> <li>Operating lease commitments on properties (Rm)</li> </ul>	217	224	210
Eair value disclosure			

ir value. The fair value is indirectly derived from prices is classified as a level 2 fair value measurement

the business of SS Telecoms, on 1 January 2017 May 2017 100% of the business of The Dished uture profits and which are subject to a combined

million, trade and other receivables of R9 million, nillion, taxation of R7 million, intangible assets cognised at dates of acquisition. These values ned under IFRS 3.

of the year, additional turnover of R12 million and e been included in the group results and group would have been R2 683 million and

	Turnover					Operating profit				Average net operating assets			
- t million	Six months ended 31 May 2017	% change	Six months ended 31 May 2016	Year* ended 30 Nov 2016	Six months ended 31 May 2017	% change	Six months ended 31 May 2016	Year* ended 30 Nov 2016	Six months ended 31 May 2017	% change	Six months ended 31 May 2016	Year* ended 30 Nov 2016	
Consumer-related products	1 343	8,5	1 238	2 802	177	10,0	160	405	1 510	18,9	1 270	1 337	
Ongoing operations	1 114	(7,2)	1 200	2 553	154	(1,5)	156	372	1 154	(5,3)	1 219	1 185	
Operations acquired after December 2015	229		38	249	23		4	33	356		51	152	
ngineering consumables	1 330	4,6	1 271	2 739	107	9,3	98	255	1 709	(2,8)	1 759	1 732	
Ongoing operations	1 300	2,3	1 271	2 706	101	2,9	98	247	1 649	(6,3)	1 759	1 711	
Operations acquired after December 2015	30			33	6			8	60			21	
otal operating segments	2 673	6,5	2 509	5 541	284	9,7	258	660	3 219	6,3	3 029	3 069	
lead office, shared services and eliminations	(2)		(2)	(7)	(15)		(12)	(21)	125		3	72	
otal group	2 671	6,5	2 507	5 534	269	9,4	246	639	3 344	10,3	3 032	3 141	
Audited													

"Value-added distribution – our core competency"

– Comparable

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