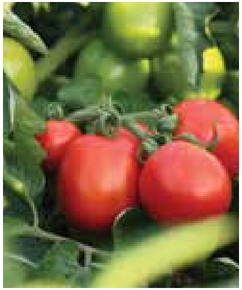
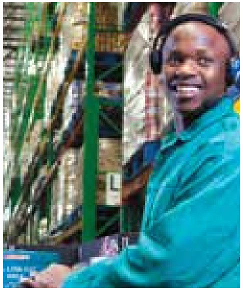
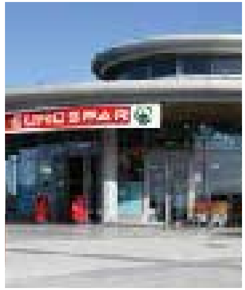






THE SPAR GROUP LIMITED RESULTS PRESENTATION

FOR THE YEAR ENDED 30 SEPTEMBER 2014

AGENDA

NOTES

INTRODUCTION: **SPAR GROUP** **PERFORMANCE SUMMARY** **SALIENT FEATURES**	Graham O'Connor, CEO
BUSINESS ENVIRONMENT	
SPAR VALUES AND CULTURE	
STRATEGIC FOCUS AREAS	
FINANCIAL OVERVIEW	Mark Godfrey, CFO
OPERATIONAL REVIEW	Graham O'Connor, CEO
LOOKING FORWARD	
PROSPECTS	
QUESTIONS	

INTRODUCTION

Graham O’Connor

CEO

NOTES

SPAR GROUP: FACTS AND FIGURES

SPAR International: By December 2014, with launch of 3 stores in Indonesia, SPAR will be in 40 countries

- Over 12 200 stores >€32bn p.a. turnover
- South Africa is the second biggest SPAR country by turnover
- Ireland is fifth biggest SPAR country by turnover

Southern Africa: Balanced portfolio of 1 866 stores across eight brands* with R78.6bn retail turnover

- Groceries + fresh produce, liquor, pharmaceuticals and building material
- Offering spans consumer sectors from high to low LSMs
- Seven (+ satellites) distribution centres: 237 000m³ warehousing space (including Imports)
- Handle 70% of SPAR's turnover + 30% directly from third party suppliers
- 210.8m cases dispatched in F2014

* Includes 9 stores owned by SPAR Group

NOTES

SPAR GROUP: FACTS AND FIGURES (continued)

Ireland/South West England: BWG services >1 100 stores across 4 brands, ~€1.2bn (ZAR16.8bn) retail turnover

- Wholesale and distribution of groceries + fresh produce, liquor to retail/catering sectors
- Well established in convenience market
- 22 300m² stocking 4 600 ambient SKUs and 884 alcohol SKUs in Ireland*
- 10.4m cases dispatched in the financial year in Ireland

Support to independent retailers

- Relationships, marketing and branding, product development, systems support, property management, retail operations and training
- Financial: Trade credit and access to funding

* Kilcarbery facility only, excludes Appleby Westward

PERFORMANCE SUMMARY

NOTES

Solid trading results, notwithstanding challenging trading environment

- Excellent team performance

SPAR stores delivered a strong performance through organic growth focus

- Underpinned by strong demand for house brands and store upgrades

TOPS at SPAR extended market leadership

- Compelling product offering and conveniently located retail format

Build it: A difficult year despite implementing further restructuring initiatives

Distribution and logistics

- 210.8 million cases distributed from seven distribution centres (+ satellites) in South Africa
- Efficiency initiatives in logistics environment mitigated impact of fuel costs

Acquisition of BWG Group in Ireland

- International foothold at attractive entry point

NOTES

SALIENT FEATURES

R million	2014	2013	Change (%)
Turnover	54 483.0	47 387.3	+15.0
Gross profit	4 497.9	3 820.7	+17.7
Gross profit (%)	*8.3*	*8.1*	
Profit before tax	1 844.2	1 658.1	+11.2
Profit after tax	1 345.0	1 187.3	+13.3
Headline earnings per share (cents)	781.8	694.8	+12.5
Dividend per share (cents)	540	485	+11.3
Return on equity (%)	43.4	39.6	+9.6

NOTES

BUSINESS ENVIRONMENT: MARKET REMAINS TIGHT

Tough trading environment

- Muted South African economy
- Pressure on consumer spending
  - › Unrelenting unemployment, distressed household debt and higher interest rates
- Impact of widespread industrial action
- Food inflation relatively low at 5.7%

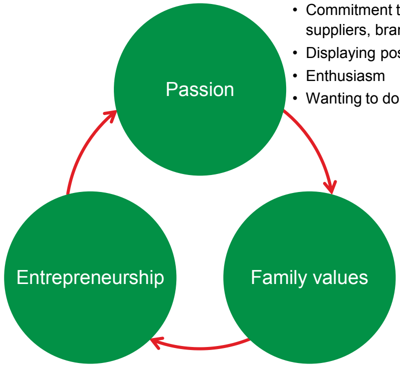
Increasingly competitive retail environment across all segments of SPAR's business

- Search for growth among competitors: Aggressive chase for retail sites
- SPAR protecting some existing sites from competition



NOTES

SPAR VALUES AND CULTURE:
ETHICAL AND MORAL COMPASS/DECISION-MAKING FOUNDATION



Passion

- Commitment to consumers, retailers, suppliers, brand, etc.
- Displaying positive energy and attitude
- Enthusiasm
- Wanting to do what you currently do

Entrepreneurship

- Creativity and innovation
- Problem solving + accountability
- Visionary leadership and taking calculated risks
- Long-term focus vs short-term gain

Family values

- A sense of belonging to SPAR family ~ our people and our retailers
- Recognise every person's contribution
- Personalising work/business relationships
- Working together for greater good of SPAR

SPAR values reviewed in 2014

- Inclusive process involving a broad spectrum of management and employees

Three values defined

- Behaviours identified + ways to measure how these values are lived out

To be integrated into performance management

- Purpose is to create value over the long term

NOTES

STRATEGIC FOCUS AREAS

1 WORLD CLASS REPLENISHMENT

Ongoing supply chain optimisation

- Ensuring we run a lean organisation
- Collaborating closely with retailers and suppliers

2 COMPETITIVE PRICING

Positive perception to attract new customers

- Group buying reviews, commodity trading and our revised promotions strategy
- Peer group price surveys

3 COMPREHENSIVE RANGE

Best in Fresh

Outperform in highly competitive fresh food/groceries industry

- Key focus on Fresh departments: Produce, HMR, bakery and butchery with store ratio >30%
- Increasing product range and housebrand sales
- Keeping abreast of market trends in range offerings
- Remaining competitive

4 WORLD CLASS BRAND

Attracting independent retailers

- Drawing customers to our stores
- Growing brand awareness
- Fostering positive brand sentiment by strengthening community leadership, sponsorships, advertising and social media

STRATEGIC FOCUS AREAS (continued)

NOTES

5 BEST RETAILERS

SPAR is only as strong as our retailers

- Provide expert retail leadership and support through our service, incentives and training programmes

6 STAKEHOLDER RETURNS

SPAR's people are at the foundation of its success

- Emphasis on efficiencies e.g. lean organisational practices
- Refining our future financial model
- Ensuring effective systems and motivated, competent people

7 NEW BUSINESS GROWTH

Emphasis on diversification

- Growing our organisation through organic, real growth opportunities
- Bedding down Irish acquisition
- Evaluating other opportunities in Africa and elsewhere

8 SUSTAINABLE SYSTEMS

Living the SPAR values

- Encouraging socially and environmentally sustainable business practices
- Safeguarding the long-term viability of our organisation

NOTES

FINANCIAL OVERVIEW

Mark Godfrey

CFO

FINANCIAL OVERVIEW: TURNOVER

R million	2014	2013	Change (%)
SPAR/TOPS	46 225.5	42 324.1	+9.2
Build it	5 509.2	5 063.2	+8.8
Total South Africa	**51 734.7**	**47 387.3**	**+9.2**
Liquor sales (SPAR/TOPS)	4 043.9	3 575.8	+13.1
Ireland	2 748.3	-	-
Total Group	**54 483.0**	**47 387.3**	**+15.0**

- Strong performance from TOPS
- SPAR outperforming the market on a like-for-like basis, despite heightened competition in food retail
- Building materials affected by labour unrest, lower access to credit, strike action and price inflation in cement in second half

NOTES

FINANCIAL OVERVIEW: GROSS MARGINS

NOTES

	Turnover (Rm)	2014 (GP%)	2013 (GP%)
Normal business	50 723.0	7.9	7.7
Retail division	773.7	15.9	15.3
Imports – Build it	238.0	20.6	20.5
Total South Africa	**51 734.7**	**8.2**	**8.1**
Ireland	2 748.3	10.2	-
Total Group	**54 483.0**	**8.3**	**8.1**

Stronger ex-warehouse sales:

• Warehouse	- Dry	46.6%	vs	46.6%
	- Perishables	15.5%	vs	15.0%
		62.1%	vs	61.6%
• Dropshipment		37.9%	vs	38.4%

FINANCIAL OVERVIEW: INFLATION PER SEGMENT

	2014	6 months to March 2014	2013
SPAR business	5.7%[1]	4.7%	5.8%
Liquor	5.8%	5.7%	6.1%
Build it	c. 3.0%[2]	4.5%	c. 4.9%

1. SPAR's budgeted expectations for 2015:
   - › SA food 6.0%
   - › Building materials 3.5%
   - › Ireland 0.5%
2. Building material inflation tracking at c. 4.5% for first half but drop in price of cement estimated full year closer to 3.0%

NOTES

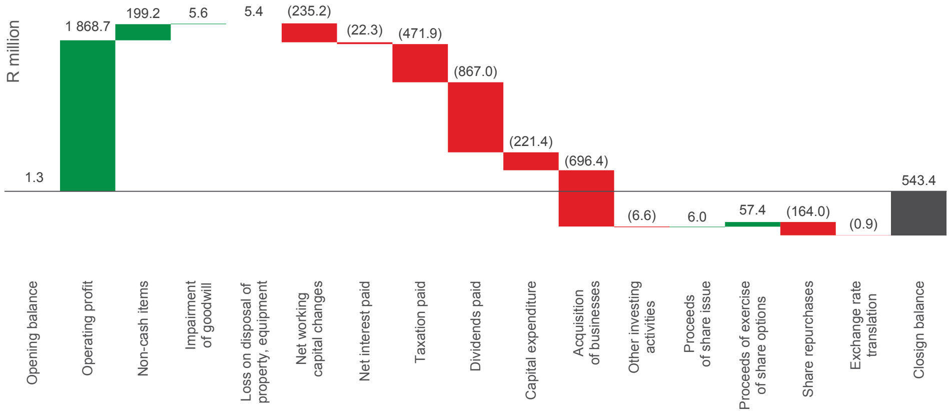
FINANCIAL OVERVIEW: EXPENSES

NOTES

	Expenses (Rm)	Increase (%)
SPAR business	2 611.3	+13.2
Retail division	131.7	(-17.1)
Build it division	143.9	+37.3
Total South Africa	**2 886.9**	**+12.3**
Ireland	263.3	-
Total Group	**3 150.2**	**+22.6**

- SPAR IT costs increase due to implementation of SAP
- Increase in marketing expenditure: Offset by similar increase in marketing revenue
- Impairment cost for trade receivables

FINANCIAL OVERVIEW: CASHFLOW



- Operating profit up 13.5%: Turnover growth + BWG acquisition
- Net working capital changes and timing of payments
- Lower capex: DC expansions put on hold in 2014 to be implemented in 2015
- Acquisition of controlling interest of 80% of BWG business

FINANCIAL OVERVIEW: CASH FLOW (continued)

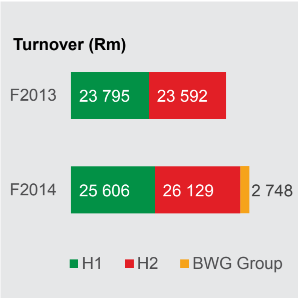
NOTES

Rm	2014	2013
Cash flow from trading	2 077.6	1 848.3
Working capital changes	(235.2)	(1 032.7)
- Decrease/(increase) in inventory	(179.9)	41.9
- (Increase) in trade receivables	(768.0)	(514.9)
- (Decrease)/increase in trade payables	712.7	(559.4)
Cash generated from operations	1 842.4	815.6
Interest	(22.3)	9.2
Taxation	(471.9)	(486.0)
Dividends	(867.0)	(782.0)
Capex spend	(221.4)	(298.6)
Acquisition of business	(696.4)	(24.3)
Loans/share activity	(100.6)	(101.0)
Net cash outflow	**(544.7)***	**(840.3)**

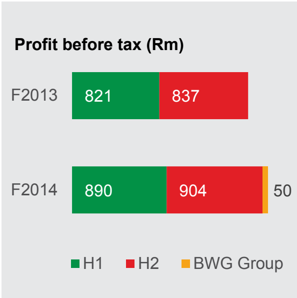
* Includes negative foreign currency translation adjustment of (R0.9m)

NOTES

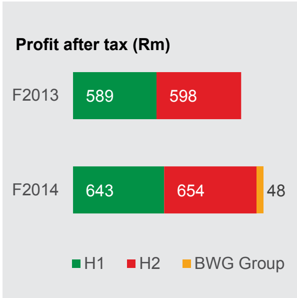
FINANCIAL OVERVIEW: COMPARATIVE TRADING: UNPACKING H1 VS H2 + BWG GROUP IMPACT



Growth:
- First half: +7.6%
- Second half: +10.8%
- Incl BWG +22.4%



Growth:
- First half: +8.3%
- Second half: +8.1%
- Incl BWG +13.9%



Growth:
- First half: +9.1%
- Second half: +9.3%
- Incl BWG +17.4%

FINANCIAL OVERVIEW: IMPACT OF BWG GROUP: KEY METRICS

NOTES

R million	SPAR Southern Africa	Ireland (2 months)	Group
Income statement			
Revenue	52 220.4	2 795.5	55 015.9
Gross profit	4 216.3	281.6	4 497.9
Gross margin	*8.1%*	*10.1%*	*8.3%*
Operating expenses	(2 886.9)	(263.3)	(3 150.2)
Profit before tax	1 794.2	50.0	1 844.2
Profit after tax	1 296.9	48.1	1 345.0
Earnings per share (cents)	*750.4*	*27.8*	*778.2*
Headline earnings per share (cents)	*753.2*	*28.6*	*781.8*

FINANCIAL OVERVIEW: IMPACT OF BWG GROUP: KEY METRICS

R million	SPAR Southern Africa	Ireland (2 months)	Group
Balance sheet			
Property, plant and equipment	1 790.6	1 087.6	2 878.2
Goodwill	392.2	2 153.0	2 545.2
Current assets	8 359.5	2 894.2	11 253.7
Current liabilities	7 824.7	3 143.4	10 968.1
Long-term liabilities	782.3	2 169.2	2 951.5
Net asset value per share (cents)	*1 726.3*	*24.8*	*1 751.1*

NOTES

NOTES

OPERATIONAL REVIEW

Graham O'Connor

OPERATIONAL REVIEW: RETAIL PERFORMANCE: TURNOVER

NOTES

	Total growth	Like for like
SPAR	+7.8%	+7.8%
TOPS	+13.8%	+12.6%
Build it	+9.5%	+7.7%

- Further uptake of SPAR private label brands by cash strapped consumers: Up 14%
- TOPS continuing to do well: Up 13.8%
- Build it operating in challenging market: 21.5% increase in housebrand imports
- Retail division: Nine stores owned and managed by the group

OPERATIONAL PERFORMANCE: SPAR

Wholesale turnover growth exceeded retail turnover growth

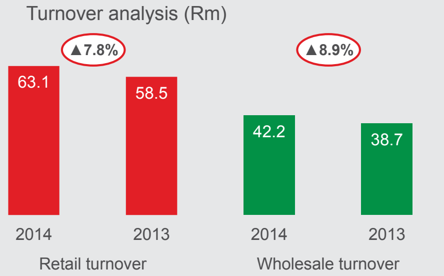
- Recognition of value added by SPAR merchandising, distribution and logistics
- 14% growth from SPAR house brands to R5.8bn

Same store turnover up 7.8%

- Existing stores outperformed market
- Food inflation: 5.7%

SPAR maintained organic growth focus

- New store openings: 19 bringing total SPAR stores to 875
- 185 substantial store revamps: Positive impact on turnover



NOTES

OPERATIONAL PERFORMANCE: TOPS

TOPS extending market leadership through offering and convenient locations

- 13.8% increase in retail turnover

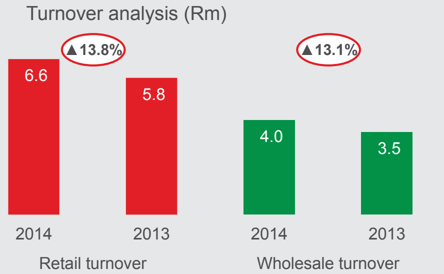
Same store retail growth of 12.6%

Wholesale turnover up 13.1%

51 new stores opened: Total of 622 stores at year end

Number one retail liquor brand in South Africa

- Numerous “best liquor store” awards
- Exclusive housebrand awards



OPERATIONAL PERFORMANCE: BUILD IT

Difficult year despite further restructuring

- Labour unrest; reduction in unsecured lending and increased pressure on retailers
- 9.5% retail turnover growth

Solid same store growth of 7.7%

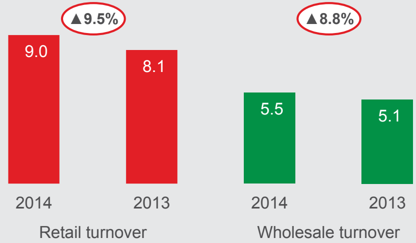
Wholesale turnover up 8.8%

Build it house brand import sales up 21.5%

294 stores at year-end

- 18 new stores opened and 22 closures

Turnover analysis (Rm)



NOTES

OPERATIONAL PERFORMANCE: BWG GROUP

Excellent contribution from first 2 months

- Turnover of R2 748.3m and operating profit of R65.5m

Positive timing of transaction

- Irish economic recovery now confirmed
- 2014 GDP growth: 5.0% expected, increasing to 5.3% in 2015

NOTES

OPERATIONAL PERFORMANCE: BWG GROUP

Positive experience since concluding the deal:

- **Executive management**:
  - Three promoters (20% shareholders) are top class individuals
  - Excellent working relationship developing with SPAR
- **Senior management**:
  - Strong support for acquisition from senior BWG management
  - Will continue to be run as a stand alone business: Quarterly board meetings attended by SPAR
  - SPAR experts in their field to support Irish business from South Africa
- **Marketing**:
  - Successfully used Irish advertising material for SPAR brands in South Africa
  - Purchasing and SPAR brands marketing executives have already met: Sharing information
- **Logistics**:
  - Perishable facility, currently third party operated, to be brought in-house in Q1 2015
- **Retail operations**:
  - Several successful store visits and finalising growth strategy

NOTES

OPERATIONAL PERFORMANCE: DISTRIBUTION (SOUTH AFRICA)

OPERATIONAL PERFORMANCE: DISTRIBUTION (SOUTH AFRICA)

Volumes handled up 3.6%: 210.8 million cases dispatched

Plans to embark on major extensions put on hold in 2014

- Work has commenced on Kwa-Zulu Natal perishable facility (completion: September 2015)
- Construction on South Rand slow moving storage facility to start early 2015 (completion: October 2015)
- New distribution centre planned in Lanseria: Acquisition of land in progress (completion: 2019)

Capex budget for South Africa: R540 million

- Property: R365m
- Vehicles/equipment: R83m
- Computers: R82m
- Other: R10m

NOTES

NOTES

LOOKING FORWARD

Graham O’Connor

NOTES

LOOKING FORWARD: GROUP PRIORITIES

- Top priority is to drive SPAR's organic growth
  - Continue SPAR store upgrades: 180 planned in 2015
  - Drive Fresh food offering: Fresh produce, HMR, Butchery and Bakery
  - Support retailer profitability
- Bed down BWG Group transaction
- Finalise way forward with Zimbabwe and Zambia (by early 2015)
- Progress negotiations in other African countries
- Focus on Build it offering
- Continue TOPS roll out
- Position SPAR as professional employer of choice
- Entrench our values: Passion, Entrepreneurship and Family

LOOKING FORWARD: NEW BUSINESS SOUTH AFRICA: PROJECTED STORE OPENINGS IN F2015

NOTES

New stores	2014	Projected 2015
SPAR	875	35
TOPS	622	45
Build it	294	28
Other brands	75	24
Total South Africa	**1 866**	**130**
Ireland/South West England	1 138	30
Group total	**3 004**	**160**

NOTES

PROSPECTS

- Highly competitive retail sector with continued pressure on consumer spending
- Focus on aggressively driving new business opportunities, organic growth, stringent cost control and securing operating and supply chain efficiencies
- Irish operations expected to trade more profitably
  - › Full revenue impact of BWG business in 2015
- Strong trading performance anticipated in 2015



QUESTIONS

NOTES

NOTES

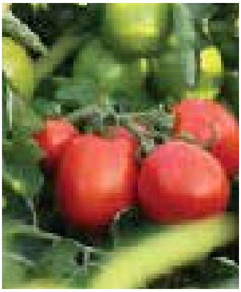
DISCLAIMER

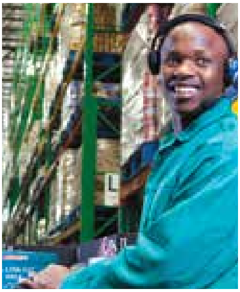
This presentation contains forward-looking statements about the company's operations and financial conditions.

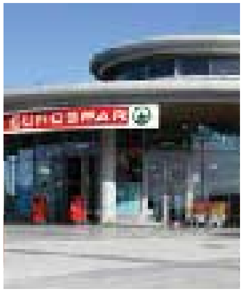
They are based on SPAR Group Limited's best estimates and information at the time of writing. They are nonetheless subject to significant uncertainties and contingencies many of which are beyond the control of the company. Unanticipated events will occur and actual future events may differ materially from current expectations due to new business opportunities, changes in priorities by the company or its joint ventures as well as other factors. Any of these factors may materially affect the company's future business activities and its ongoing financial results.

NOTES

SPAR







THE SPAR GROUP LIMITED
ANNUAL RESULTS
FOR THE YEAR ENDED 30 SEPTEMBER 2014

TABLE OF CONTENTS

SUMMARISED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Rmillion		% Change	Audited Year ended September 2014	Restated* Audited Year ended September 2013
REVENUE		15.1	**55 015.9**	47 795.8
Turnover		15.0	**54 483.0**	47 387.3
Cost of sales			**(49 985.1)**	(43 566.6)
Gross profit			**4 497.9**	3 820.7
Other income			**532.9**	408.5
Operating expenses		22.6	**(3 150.2)**	(2 570.3)
Trading profit			**1 880.6**	1 658.9
BBBEE transactions			**(13.2)**	(13.3)
Operating profit		13.5	**1 867.4**	1 645.6
Interest received			**34.2**	34.0
Interest paid			**(37.9)**	(24.8)
Finance costs			**(6.7)**	
Share of equity accounted associate (loss)/profit			**(12.8)**	3.3
Profit before taxation		11.2	**1 844.2**	1 658.1
Taxation			**(499.2)**	(470.8)
Profit for the year attributable to ordinary shareholders		13.3	**1 345.0**	1 187.3
Other comprehensive income				
Items that will not be reclassified subsequently to profit or loss:				
Actuarial loss on retirement funds			**(21.4)**	
Actuarial (loss)/gain on post-retirement medical aid			**(8.1)**	11.8
Items that may be reclassified subsequently to profit or loss:				
Exchange differences from translation of foreign operations			**16.1**	0.6
Total comprehensive income		11.0	**1 331.6**	1 199.7
EARNINGS PER SHARE				
Earnings per share	(cents)	13.0	**778.2**	688.8
Diluted earnings per share	(cents)	13.1	**727.0**	643.0
SALIENT STATISTICS				
Headline earnings per share	(cents)	12.5	**781.8**	694.8
Diluted headline earnings per share	(cents)	12.6	**730.4**	648.6
Dividend per share	(cents)	11.3	**540.0**	485.0
Net asset value per share	(cents)	(4.9)	**1 751.1**	1 842.2
Operating profit margin	(%)		**3.4**	3.5
Return on equity	(%)		**43.4**	39.6
HEADLINE EARNINGS RECONCILIATION				
Profit for the year attributable to ordinary shareholders			**1 345.0**	1 187.3
Adjusted for:				
Loss/(profit) on disposal of property, plant and equipment			**4.3**	(0.1)
– Gross			**5.4**	(0.2)
– Tax effect			**(1.1)**	0.1
Impairment of goodwill			**5.6**	7.5
Loss on disposal of investments				3.0
Profit on disposal of associate interests			**(1.5)**	
Profit on disposal of businesses			**(2.1)**	
Headline earnings		12.8	**1 351.3**	1 197.7

* *Restated for the effect of IAS 19, refer to note 2*

SUMMARISED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Rmillion	Notes	**Audited Year ended September 2014**	Restated* Audited Year ended September 2013	Restated* Audited Year ended September 2012
ASSETS				
Non-current assets		**5 677.4**	2 381.7	2 226.7
Property, plant and equipment		**2 878.2**	1 749.1	1 588.0
Goodwill		**2 545.2**	387.6	391.0
Operating lease receivables		**84.8**	98.1	112.7
Investment in associates		**45.9**	52.6	40.0
Other investments		**2.9**	1.9	20.9
Loans		**75.0**	64.4	59.0
Deferred taxation asset		**45.4**	28.0	15.1
Current assets		**11 253.7**	7 404.8	7 672.8
Inventories		**2 202.7**	1 374.0	1 415.6
Trade and other receivables		**8 515.1**	5 841.3	5 341.1
Prepayments		**32.9**	32.7	35.8
Operating lease receivables		**56.2**	39.1	34.3
Loans		**10.6**	5.5	4.4
Bank balances – SPAR		**323.6**		752.4
Bank balances – Guilds		**112.6**	112.2	89.2
Non-current assets classified as held for sale		**15.0**		
Total assets		**16 946.1**	9 786.5	9 899.5
EQUITY AND LIABILITIES				
Capital and reserves		**3 026.5**	3 175.6	2 826.9
Stated capital		**67.6**	61.6	54.5
Treasury shares		**(48.2)**	(42.8)	(6.9)
Currency translation reserve		**16.6**	0.5	(0.1)
Share based payment reserve		**387.7**	355.1	323.1
Equity reserve		**(545.7)**		
Retained earnings		**3 148.5**	2 801.2	2 456.3
Non-current liabilities		**2 951.5**	227.5	251.2
Deferred taxation liability		**2.0**	1.5	3.9
Post-retirement medical aid provision		**129.1**	110.9	118.3
Retirement benefit fund		**286.1**		
Financial liability	4.1	**548.9**		
Long-term borrowings		**1 866.3**		
Operating lease payables		**119.1**	115.1	129.0
Current liabilities		**10 968.1**	6 383.4	6 821.4
Trade and other payables		**9 697.9**	6 204.6	6 772.6
Current portion of long-term borrowings		**85.1**		
Operating lease payables		**62.1**	41.9	35.4
Provisions		**95.8**	14.7	6.7
Taxation payable		**47.6**	11.3	6.7
Bank overdrafts		**979.6**	110.9	
Total equity and liabilities		**16 946.1**	9 786.5	9 899.5

* *Restated for the effect of IAS 19, refer to note 2*

SUMMARISED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Rmillion	Stated capital	Treasury shares	Currency trans-lation reserve	Share based payment reserve	Retained earnings	Equity reserve	Attri-butable to ordinary share-holders
Capital and reserves at 30 September 2012	**54.5**	**(6.9)**	**(0.1)**	**323.1**	**2 467.0**		**2 837.6**
Effect of adoption of IAS 19					(10.7)		(10.7)
Restated capital and reserves at 30 September 2012*	**54.5**	**(6.9)**	**(0.1)**	**323.1**	**2 456.3**	**–**	**2 826.9**
Total comprehensive income for the year			0.6		1 187.3		1 187.9
Issue of shares	7.1	(7.1)					–
Actuarial gain on post–retirement medical aid					11.8		11.8
Recognition of share based payments				19.6			19.6
Take-up of share options		116.6		(72.2)			44.4
Transfer arising from take-up of share options				72.2	(72.2)		–
Share repurchases		(145.4)					(145.4)
Dividends declared					(782.0)		(782.0)
Recognition of BBBEE transaction				12.4			12.4
Restated capital and reserves at 30 September 2013*	**61.6**	**(42.8)**	**0.5**	**355.1**	**2 801.2**	**–**	**3 175.6**
Total comprehensive income for the year			**16.1**		**1 345.0**		**1 361.1**
Issue of shares	**6.0**	**(6.0)**					**–**
Actuarial loss on post-retirement medical aid					**(8.1)**		**(8.1)**
Actuarial loss on retirement funds					**(21.4)**		**(21.4)**
Recognition of share based payments				**20.2**			**20.2**
Take-up of share options		**164.6**		**(101.2)**			**63.4**
Transfer arising from take-up of share options				**101.2**	**(101.2)**		**–**
Share repurchases		**(164.0)**					**(164.0)**
Dividends declared					**(867.0)**		**(867.0)**
Recognition of BBBEE transaction				**12.4**			**12.4**
Purchase obligation of non-controlling interest						**(545.7)**	**(545.7)**
Capital and reserves at 30 September 2014	**67.6**	**(48.2)**	**16.6**	**387.7**	**3 148.5**	**(545.7)**	**3 026.5**

* *Restated for the effect of IAS 19, refer to note 2*

SUMMARISED CONSOLIDATED STATEMENT OF CASH FLOW

Rmillion	Notes	Audited Year ended September 2014	Restated* Audited Year ended September 2013
CASH FLOWS FROM OPERATING ACTIVITIES		**481.2**	(443.2)
Operating profit before:		**1 867.4**	1 645.6
Non-cash items		**199.2**	195.4
Impairment of goodwill		**5.6**	7.5
Loss/(profit) on disposal of property, plant and equipment		**5.4**	(0.2)
Net working capital changes		**(235.2)**	(1 032.7)
– (Increase)/decrease in inventories		**(179.9)**	41.6
– Increase in trade and other receivables		**(768.0)**	(514.9)
– Increase/(decrease) in trade payables and provisions		**712.7**	(559.4)
Cash generated from operations		**1 842.4**	815.6
Interest received		**30.9**	34.0
Interest paid		**(53.2)**	(24.8)
Taxation paid		**(471.9)**	(486.0)
Dividends paid		**(867.0)**	(782.0)
CASH FLOWS FROM INVESTING ACTIVITIES		**(924.4)**	(296.1)
Investment to expand operations		**(106.1)**	(220.1)
Investment to maintain operations		**(115.3)**	(78.5)
– Replacement of property, plant and equipment		**(120.8)**	(83.3)
– Proceeds on disposal of property, plant and equipment		**5.5**	4.8
Acquisition of businesses	4	**(696.4)**	(24.3)
Proceeds from disposal of businesses		**12.3**	17.0
Net movement in loans and investments		**(18.9)**	9.8
CASH FLOWS FROM FINANCING ACTIVITIES		**(100.6)**	(101.0)
Proceeds from issue of shares		**6.0**	7.1
Proceeds from exercise of share options		**57.4**	37.3
Share repurchases		**(164.0)**	(145.4)
Net movement in cash and cash equivalents		**(543.8)**	(840.3)
Net balances at beginning of year		**1.3**	841.6
Exchange rate translation		**(0.9)**	
Net (overdraft)/balance at end of year		**(543.4)**	1.3

* *Restated for the effect of IAS 19, refer to note 2*

NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL RESULTS

1. BASIS OF PRESENTATION AND COMPLIANCE WITH IFRS

The summarised financial information has been prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards (IFRS), the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Reporting Pronouncements as issued by Financial Reporting Standards Council and the information as required by IAS 34 Interim Financial Reporting, the JSE Limited Listings Requirements and the requirements of the Companies Act of South Africa. The report has been prepared using accounting policies that comply with IFRS which are consistent with those applied in the consolidated financial statements for the year ended 30 September 2013, with the exception of the adoption of IAS19 (revised) Employee Benefits.

In compliance with the disclosure requirements of the Companies Act, No 71 of 2008, the consolidated financial statements have been prepared under the supervision of Mr MW Godfrey CA(SA) on behalf of The Spar Group Limited.

2. CHANGE IN ACCOUNTING POLICY

In the current year, the group has applied IAS 19 Employee Benefits (as revised in 2011). IAS 19 (revised) impacted the measurement of the various components representing movements in the post-retirement medical aid obligation and associated disclosures.

The impact of the application of IAS 19 (revised) on the group's financial results is as follows:

Rmillion	Post-retirement medical aid provision	Deferred taxation asset	Equity
Balance as reported at 30 September 2012	(103.4)	10.9	2 837.6
Effect of adoption of IAS19 (revised)	(14.9)	4.2	(10.7)
Restated balance as at 30 September 2012	(118.3)	15.1	2 826.9
Balance as restated at 30 September 2013	(108.0)	27.2	3 177.7
Effect of adoption of IAS19 (revised)			
– Prior year adjustment	(14.9)	4.2	(10.7)
– Restatement	(4.4)	1.2	(3.2)
Effect on other comprehensive income	16.4	(4.6)	11.8
Restated balance as at 30 September 2013	(110.9)	28.0	3 175.6

3. SEGMENTAL REPORTING

Segment accounting policies are consistent with those adopted for the preparation of the group financial statements.

The principal segments of the group have been identified on a primary basis by geographical segment which is representative of the internal reporting used for management purposes as well as the source and nature of business risks and returns. The geographical segments of the group have been identified as Southern Africa and Ireland. All segment revenue and expenses are directly attributable to the segments. Segment assets include all operating assets used by a segment. Segment liabilities include all operating liabilities. These assets and liabilities are all directly attributable to the segments. All intra-segment transactions are eliminated on consolidation.

Segment analysis:

Rmillion	Southern Africa	Ireland	Consolidated Total
Total revenue	52 220.4	2 795.5	55 015.9
Operating profit	1 801.9	65.5	1 867.4
Total assets	11 590.6	5 355.5	16 946.1
Total liabilities	8 607.0	5 312.6	13 919.6

NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL RESULTS (CONTINUED)

4. BUSINESS COMBINATIONS

4.1 The SPAR Group Limited acquired a controlling shareholding of 80% in the BWG Group effective from 1 August 2014. The investment was made in TIL JV Limited, the new holding company for the BWG Group, via the acquisition of both ordinary and preference shares for a total consideration of R798.6 million. The full acquisition price was funded by way of bridge finance, which was settled before 30 September 2014. The SPAR Group Limited has agreed to acquire the remaining 20% shareholding from the minorities at specified future dates and in accordance with a determined valuation model. An election was made not to recognise a non-controlling interest, but to fair value the financial liability at R548.9 million based on management's expectation of future profit performance. The group has recognised 100% of the attributable profit.

4.2 During the course of the financial year the SPAR Group Limited acquired the assets of three retail stores. These acquisitions were funded from available cash resources.

Assets acquired and liabilities assumed

The Spar Group Limited has measured its acquirees' identifiable assets and liabilities at their acquisition date fair value. The consolidated provisional fair values are presented below:

Rmillion	TIL JV Limited	Retail stores	Total
Assets	3 903.6	25.2	3 928.8
Property, plant and equipment	1 063.6	19.8	1 083.4
Deferred taxation asset	3.8		3.8
Non-current assets classified as held for sale	15.1		15.1
Inventories	639.1	5.3	644.4
Trade and other receivables	1 885.1		1 885.1
Taxation receivable	0.9		0.9
Cash and cash equivalents	296.0	0.1	296.1
Liabilities	(5 258.0)	–	(5 258.0)
Retirement benefit fund	(266.5)		(266.5)
Long-term borrowings	(1 962.6)		(1 962.6)
Operating lease payables	(24.4)		(24.4)
Trade and other payables	(2 767.6)		(2 767.6)
Provisions	(78.2)		(78.2)
Bank overdrafts	(158.7)		(158.7)
Total identifiable net assets at fair value	(1 354.4)	25.2	(1 329.2)
Goodwill arising from acquisition	2 153.0	10.0	2 163.0
Purchase consideration transferred	798.6	35.2	833.8
Cash and cash equivalents acquired	137.3	0.1	137.4
Net cash outflow on acquisition	661.3	35.1	696.4

Goodwill arising on acquisition of R2 163.0 million represents the value paid in excess of the provisional fair value of net assets.

The fair values presented are subject to further review for 12 months following the acquisition date as prescribed by International Financial Reporting Standards.

Rmillion	TIL JV Limited	Retail stores	Total
Contribution to results for the year			
Revenue	2 795.5	100.3	2 895.8
Trading profit before acquisition costs	65.5	3.6	69.1

Had all the acquisitions been consolidated from 1 October 2013, they would have contributed additional revenue of R13 900.4 million, and an operating profit of R180.4 million. The group's total revenue would have increased to R 68 916.3 million, and the group's operating profit would have increased to R2 047.8 million.

5. **EVENTS AFTER THE REPORTING DATE**

No material events have occurred subsequent to 30 September 2014 which may have an impact on the group's reported financial position at this date.

REVIEW OF TRADING RESULTS

Tough trading conditions, echoing the muted economic climate in South Africa persisted during the year, with further pressure on consumer spending. This was exacerbated in those regions that were affected by disruptive strike action through reduced disposable income. Despite market cost pressures and a weakening rand, measured internal inflation remained relatively low at 5.7%.

At the same time, the retail environment has continued to be extremely competitive across all segments of SPAR's business.

Notwithstanding the challenging market conditions, SPAR delivered strong trading results for the year ended 30 September 2014.

In August 2014, SPAR acquired a controlling interest in the BWG Group, a leading food retail and wholesale distribution company and, SPAR brand owner with operations in Ireland and South West England, servicing more than 1 100 stores. This is an attractive deal which SPAR believes will deliver significant shareholder value going forward as the Irish economy continues to recover and the BWG Group ("BWG") implements its five-year growth plans. The consolidation of two months' results of BWG made a meaningful financial contribution in the year under review.

FINANCIAL OVERVIEW

Summary segmental analysis

Rmillion	SPAR (Southern Africa)	BWG Group (Ireland)	SPAR Group Limited
Turnover	51 734.7	2 748.3	54 483.0
Gross profit	4 216.3	281.6	4 497.9
Operating profit	1 801.9	65.5	1 867.4

The group delivered a 15.0% improvement in turnover to R54.5 billion (2013: R47.4 billion). This included turnover contributed by BWG of R2.7 billion. Excluding BWG, the group reported turnover growth of 9.2% to R51.7 billion. SPAR's profit after tax increased to R1.3 billion (2013: R1.2 billion), an increase of 13.3%. SPAR in South Africa showed profit after tax growth of 9.2%, while the BWG Group accounted for the remainder of the increase.

SPAR's reported gross margin rose to 8.3% (2013: 8.1%), largely attributed to an increased level of perishable product passing through its distribution centres, The BWG business, which trades at higher gross margins, also contributed towards this increase. Operating expenses increased 22.6% to R3.2 billion (2013: R2.6 billion) but this was significantly impacted by the BWG consolidation, which, if excluded, would reflect a more appropriate increase in SPAR expenditure of 12.3%. Higher marketing costs and additional information technology expenditure continued to influence the expense growth and were partly offset by efficiency savings made in the group through ongoing logistics initiatives.

REVIEW OF TRADING RESULTS (CONTINUED)

Profit before tax increased 11.2% to R1.8 billion (2013: R1.7 billion), or an increase of 8.2% on a like-for-like basis (excluding BWG).

The group's headline earnings grew 12.8% to R1.4 billion (2013: R1.2 billion) with headline earnings per share showing a 12.5% increase to 781.8 cents (2013: 694.8 cents). The board approved a final dividend declaration of 345 cents per share (2013: 306 cents), amounting to a total dividend for the year of 540 cents per share (2013: 485 cents), 11.3% higher than in the prior year.

The group's cash generated from operations remains strong and was supported by SPAR's internal focus to enhance working capital levels. Cash used by the group for investment activities during the year exceeded R1.0 billion. This included capital expenditure of R226.9 million for operational requirements, R35.2 million for the acquisition of three local retail stores and the R798.6 million purchase consideration for the BWG Group.

The material balance sheet impacts relating to the consolidation of BWG Group's balance sheet after its acquisition by SPAR are as follows at 30 September 2014:

Rmillion	SPAR (Southern Africa)	BWG Group (Ireland)	SPAR Group Limited
Property, plant and equipment	1 790.6	1 087.6	2 878.2
Goodwill	392.2	2 153.0	2 545.2
Current assets	8 359.5	2 894.2	11 253.7
Current liabilities	7 824.7	3 143.4	10 968.1
Long-term liabilities	782.3	2 169.2	2 951.5

OPERATIONAL OVERVIEW

SPAR Southern Africa

While **SPAR** stores' reported retail turnover growth of 7.8% to R63.1 billion (2013: R58.5 billion), wholesale turnover increased 8.9% to R42.2 billion (2013: R38.7 billion), providing evidence that independent retailers recognise the value added by SPAR's merchandising, distribution and logistics capabilities. Furthermore, existing stores continue to outperform the market, with turnover growth of 7.8%. Growth was again supported by high acceptance levels of SPAR's house brands, which offer value to cash-strapped customers, with sales for this source increasing 14% to R5.8 billion. Net retail trading space increased 1.7% (2013: 2.2%) as 19 new stores were opened, taking the total store numbers to 875 at year-end. However, the group benefited from its ongoing initiatives to improve the quality of its existing store base with substantial revamps completed by retailers in 185 stores (2013: 155 stores) during the year in line with SPAR's organic growth focus, which had a positive impact on turnover growth.

The offering and conveniently located retail format of **TOPS** at SPAR continues to entrench its position as the number one retail liquor brand and reported retail sales growth of 13.8% to R6.6 billion (2013: R5.8 billion). Same store growth was an impressive 12.6%, while wholesale turnover grew 13.1% to R4.0 billion. A total of 51 new stores were opened (against a target of 35) during the year, taking to 622 the total TOPS stores at year-end.

Combined food and liquor retail sales, which allows for a better industry comparison, increased by 8.3% and 8.2% on a like-for-like store basis.

Build it experienced a difficult year despite implementing restructuring initiatives. Labour unrest, a reduction in unsecured lending, the metal workers strike and imported cement, among other factors increased pressure on retailers. While rand weakness did partly negate the benefits of low-priced cement imports, increased import volumes have continued to influence the coastal retail markets. Against this backdrop, Build it achieved

REVIEW OF TRADING RESULTS (CONTINUED)

retail turnover growth of 9.5% (2013: 12%) to R9.1 billion (2013: R8.3 billion) with solid growth of 7.8% from existing stores. The wholesale turnover increased 8.8%, to total R5.5 billion (2013: R5.1 billion). It was encouraging to note that Build it's house brand imports continued to gain support in the market, with total sales of R238 million, a 21.5% increase from the prior year. Although 18 new stores were opened, the tight trading environment led to the closure of 22 stores, with a total of 294 stores at year-end.

The turnover reported by the corporate retail division amounted to R773.7 million. This reflects a decline of 7.5% on the prior year due to the sale of the Philippi SUPERSPAR and the closure of Stoneacres SUPERSPAR. The trading challenges of the locations in which SPAR's retail division operates remain unchanged, however, the group remains steadfast that its decision to defend these sites is appropriate and believes that these stores offer a unique opportunity to remain close to the challenges and experiences our retailers face. The net profitability position of this business continues to be positive for the group.

SPAR's seven distribution centres despatched a total of 210.8 million cases (2013: 203.5 million cases), representing a 3.6% year-on-year growth in volumes handled. In order to sustain growth, SPAR has reviewed its distribution capacity and is planning to embark on two major extensions that were put on hold in 2014. Work has already commenced at the KwaZulu-Natal perishable facility and SPAR expects to start construction of a slow moving storage facility at the South Rand distribution centre early in the new year. Both projects will be completed within the financial year. With regard to the new distribution centre planned in the Lanseria area, work continues towards finalising the acquisition of land. The budgeted capital expenditure in 2015 in South Africa is expected to be R540 million, including R170 million for Lanseria.

SPAR Ireland

The results of BWG have consolidated for two months and this has had a notable impact on the group's results. Turnover for the period was R2.7 billion, and contributed operating profit of R65.5 million. While the net profit return in this business is lower than the South African group, this is expected to increase through the implementation of various initiatives. The revenue impact of the BWG business will be even greater in 2015 when including a full year's trading performance.

PROSPECTS

As competition in the retail sector intensifies, SPAR will continue to focus on aggressively driving new business opportunities, organic growth, stringent cost control and securing operating and supply chain efficiencies. Meanwhile, pressure on consumer spending is likely to persist against a backdrop of muted economic growth, currency weakness, inflationary pressures and rising interest rates.

The group expects to see an improvement in the profitability of the Irish operations in the short term, which should have a positive impact on the group's bottom line by 2016.

SPAR remains confident that the resilience of our people, our retailers and our business model will allow us to produce a strong trading performance in 2015.

Mike Hankinson
Chairman

Graham O'Connor
Chief Executive

AUDIT OPINION

The auditors, Deloitte & Touche, have issued their opinion on the group's consolidated financial statements for the year ended 30 September 2014. The audit was conducted in accordance with International Standards on Auditing. They have issued an unmodified opinion. A copy of the auditor's report together with a copy of the audited consolidated financial statements is available for inspection at the company's registered office. These summarised financial statements have been derived from the group's consolidated financial statements and are consistent in all material respects with the group's consolidated financial statements. These summarised consolidated financial statements have been audited by the company's auditors who have issued an unmodified opinion. The auditor's report does not necessarily report on all of the information contained in this announcement. Any reference to future financial information included in this announcement has not been reviewed or reported on by the auditors. Shareholders are advised that in order to obtain a full understanding of the nature of the auditor's engagement they should obtain a copy of that report together with the accompanying summarised financial information from the company's registered office.

DECLARATION OF ORDINARY DIVIDEND

Notice is hereby given that a final gross cash dividend of 345 cents per share has been declared by the board in respect of the year ended 30 September 2014. The dividend has been declared out of income reserves.

The salient dates for the payment of the final dividend are detailed below:

Last day to trade cum-dividend	Friday, 28 November 2014
Shares to commence trading ex-dividend	Monday, 1 December 2014
Record date	Friday, 5 December 2014
Payment of dividend	Monday, 8 December 2014

Shareholders will not be permitted to dematerialise or rematerialise their share certificates between Monday, 1 December 2014 and Friday, 5 December 2014, both days inclusive.

In terms of South African taxation legislation effective from 1 April 2012, the following additional information is disclosed:

- The South African dividend tax rate is 15%;
- No STC credits will be utilised;
- The net local dividend amount is 293.25 cents per share for shareholders liable to pay tax on dividends, and 345 cents per share for shareholders exempt from such dividend tax;
- The issued share capital of the SPAR Group Limited is 173 231 049 ordinary shares; and
- The SPAR Group Limited's tax reference number is 9285/168/20/0

By order of the board

KJ O'Brien
Company Secretary

Pinetown

11 November 2014

DIRECTORATE AND ADMINISTRATION

DIRECTORS: MJ Hankinson* (Chairman), GO O'Connor (Chief Executive), MW Godfrey, WA Hook, PK Hughes*, RJ Hutchison*, MP Madi*, HK Mehta*, P Mnganga*, R Venter, CF Wells*

* *Non-executive*

Company Secretary
KJ O'Brien

THE SPAR GROUP LIMITED ("SPAR" or "the company" or "the group")

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JSE share code: SPP

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