

CONDUIT CAPITAL LIMITED
Incorporated in the Republic of South Africa
(Registration number 1998/017351/06)
Share code: CND ISIN: ZAE000073128
("Conduit" or "the group")

TRADING STATEMENT

In terms of the Listings Requirements of JSE Limited, companies are required to publish a trading statement as soon as they become reasonably certain that the financial results for the period to be reported on will differ by more than twenty percent from that of the previous corresponding period. Accordingly, a review by management of the financial results for the 10 months ended 30 June 2015 has indicated that:

1. earnings per share ("EPS") is expected to be between 13.6 cents and 15.9 cents, reflecting a decrease of between 65.0% and 70.0% compared to the EPS of 45.4 cents for the 12 month period ended 31 August 2014;
2. headline earnings per share ("HEPS") is expected to be between 14.5 cents and 15.3 cents, reflecting a decrease of between 2.6% and 7.6% compared to the HEPS of 15.7 cents for the 12 month period ended 31 August 2014;
3. normalised headline earnings per share ("NHEPS") is expected to be between 18.1 cents and 18.8 cents, reflecting an increase of between 15.0% and 20.0% compared to the HEPS of 15.7 cents for the 12 month period ended 31 August 2014; and
4. net asset value per share ("NAV") is expected to be between 172.1 cents and 180.5 cents, reflecting an increase of between 2.5% and 7.5% compared to the NAV of 167.9 cents as at 31 August 2014.

It should further be noted that:

- a. As previously announced on SENS on 24 June 2015, due to the introduction of the Solvency Assessment and Management Framework ("SAM") which is due to be implemented in January 2016 and the resultant increase in reporting requirements, the group changed its year end to 30 June. This will align the group's financial reporting periods with that of the Financial Services Board and alleviate any undue strain on staff resources over December. Consequently, the 2015 results comprise only a 10-month period.
- b. As previously reported, with effect from 1 September 2013, Conduit's interest in credit recovery and debt management specialist, Anthony Richards and Associates Proprietary Limited ("ARA"), was accounted for as an associate. The change in accounting treatment required that the group carry out a once-off fair value adjustment of Conduit's 40% interest in ARA and bring to book R75.55 million (29.5 cents per share) in earnings and net asset value during the year ended 31 August 2014. This fair value adjustment had no impact on headline earnings at the time. There was no requirement to perform a similar fair value adjustment in 2015.
- c. NHEPS was derived after reversing certain once-off costs associated with management changes during the year, as detailed in the interim results announcement published on SENS on 22 May 2015.

The financial information on which this trading statement is based has not been reviewed or reported on by the group's auditors. Conduit's audited financial results for the 10 months ended 30 June 2015 are expected to be released on SENS on or about 25 September 2015.

Johannesburg
17 September 2015

Sponsor
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