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

CONDENSED CONSOLIDATED AUDITED RESULTS FOR THE 10 MONTHS ENDED 30 JUNE 2015

Conduit Capital is a holding company owning subsidiaries involved in the insurance industry in South Africa. Conduit's ambition is to develop a high quality, diversified insurance group complemented by a non-insurance value-oriented investment programme. We aim to create an environment where exceptional people can thrive in the building of a quality business over many decades.

2015 was a watershed year for the Company. In April 2015 a new board of directors ("Board") was nominated and approved by shareholders and Sean Riskowitz was appointed as an Executive Director - initially as Chief Investment Officer and subsequently as Chief Executive Officer ("CEO"). Sean knows the Group well, having been a shareholder since 2010. We would like to thank the former Board and management for their hard work and professional integrity over the years, and welcome the new Board and management to what promises to be an exciting journey.

LETTER FROM THE CEO TO THE SHAREHOLDERS OF CONDUIT CAPITAL:

It is my pleasure to present our financial results for the 10 months ending 30 June 2015 to Shareholders. In this maiden letter I will explain our new strategic direction and provide comment and context on our financial performance in the 2015 fiscal.

Our objective is to increase the intrinsic value[1] of the Company on an annual basis at an absolute rate in excess of the market generally. Growth in intrinsic value is roughly measured by the change in adjusted net asset value per share over the measurement period. This measure is more appropriate than standard price to earnings ratios because of the nature of the Company as an insurer driven by underwriting profits and investment gains (or losses). This characteristic may result in inconsistent (but by no means undesirable) volatility in net profit after tax in any year-on-year comparison. Growth in net asset value per share is not a perfect proxy for growth in intrinsic value, but it will over long time periods offer a suitable correlation.

To accomplish our goal we will:

1. invest in and sustainably build top quality insurance businesses;
2. pursue non-insurance investment opportunities; and
3. grow our investable assets at no cost by achieving combined ratios[2] well below 100%.

The combined ratio is a measure of an insurance company's ability to generate profits from underwriting activities. Generally, the lower the ratio the better, as it means our insurance book is profitable. If we can

[1] Intrinsic value refers to the actual value of a company or share determined through fundamental analysis without reference to its market value. Intrinsic value can vary significantly from market value.
[2] The combined ratio is calculated as the sum of the net loss ratio and the expense ratio, divided by the net earned premium.

grow our insurance book at a below 100% combined ratio, we will generate more investable assets. The cost to us of this increased capital base is measured by the combined ratio. If the combined ratio is below 100%, we would have increased our investable assets at no cost (as our capital available for investment would have increased), which is otherwise only achievable by:

a) borrowing money (which would cost us at least the prime lending rate from banks - as a best case scenario);
b) retained earnings growth; or
c) raising capital from shareholders.

The increase in investable assets at no cost, combined with our ability to invest these assets productively, will allow us to achieve our objective of compounding intrinsic value per share at a high rate over the long term.

Capital allocation and investment strategy

The management teams of companies are not only responsible for operations but also for capital allocation (that is, decisions about where to invest a company's capital). Obvious areas to utilise a company's resources include expanding the business either organically or acquisitively, or paying dividends. At Conduit, we take capital allocation decisions extremely seriously. Fortunately, our subsidiary companies have their own operational management teams and Boards, which allow us to focus on capital allocation at the Conduit holding company level. It is important to note that Conduit is not an operating company, but an investment company. Our responsibility at Conduit is to guide the strategy of our subsidiaries and allocate capital across the Group as efficiently as possible.

In terms of capital allocation, our aim is to create more than a rand of value for every rand invested by the Company. We spend time identifying, researching and evaluating different opportunities. We will buy or invest in companies when the right opportunity presents itself and when it makes logical sense from an opportunity cost point of view. We are conservative but opportunistic capital allocators, always concerned with the downside of an investment before we consider the upside. We seek companies with durable competitive advantages managed by motivated, honest and ambitious people. We are building a decentralised system to provide capital and infrastructure where necessary to support long-term sustainable growth primarily in the insurance industry.

Investable capital, by order of preference, will be used first to support internal growth in existing insurance operations. Should no sufficiently attractive opportunities exist, we will seek acquisitions in the realm of insurance or non-insurance businesses generally. If we cannot find a reasonable opportunity, we will look to acquire publicly traded securities for the dual purposes of supporting our insurance operations and earning superior long-term returns on capital (our listed equity investment strategy is explained in more detail below). Finally, we will consider the repurchase of the Company's shares, when it is believed this action creates better returns than any of the above three choices.

Comment on financial results

The 2015 fiscal results represent the 10-month period to 30 June 2015, as opposed to the 2014 fiscal results, which were for the year to 31 August 2014. As previously reported, we changed our year-end from 31 August to 30 June to better align the holding company's reports with the year-end of our major subsidiary, Constantia Insurance Company Limited, which was in turn altered to correspond to the requirements of the insurance regulator. The 2015 year therefore represents approximately three months of operations under present management.

Results are presented on an audited IFRS and "normalised" basis. The normalised results exclude once-off costs incurred as a result of changes to Conduit's Board and management team described earlier in the letter. This commentary relates to the normalised numbers.

Net asset value per share increased by 5.8% over the year to 30 June 2015 to 177.6 cents. The change in net asset value per share is our approximate but imprecise measure of the change in the intrinsic value of the Group (the actual intrinsic value of the Company is subjective but is very likely to be a significant premium to net asset value). Normalised headline earnings per share over the same period increased by 50.8% to 18.4 cents.

Gross written premium increased by 7.9% to R788.52 million, while net premium income grew 15.0% to R313.97 million. Our net underwriting result grew 11.4% to R21.83 million, resulting in a slight increase in our net underwriting margin. The net claims ratio (also known as the "loss ratio", which is net claims costs as a percentage of net earned premium) also improved, which speaks to our conservative underwriting appetite. Insurance contract acquisition costs (costs incurred to write premium) increased only 6.2%, but agency fees increased by 13.1%, due to a change in the product mix. Constantia also incurred significantly higher actuarial expenses associated with various new regulatory developments. Excluding these costs (which are not directly related to writing premiums) and staff incentives, other expenses increased by approximately 3.3%. The Constantia group produced a combined ratio of 98.1% compared to 98.2% for the 10 months to 30 June 2014. The equity portfolio returned 38.7% for the 10 months to June 2015 (June 2014: 18.1%).

Going forward, Constantia is well positioned to pursue new opportunities and we thank Robert Shaw, the CEO of Constantia, and his team for their sterling efforts over the past year.

Investment income increased significantly as the investment portfolio experienced the benefits of having invested in attractively priced listed equities. The majority of the investment income gains were of an unrealised nature (meaning we have not sold these positions despite their gains). Toward the end of the financial year, we substantially reduced our investments in fixed income instruments and increased our cash and equity investments accordingly. The increase in cash and cash equivalents on the balance sheet is therefore mostly the movement from fixed income and money market investments into cash and cash equivalents. The marginally higher yield available in money market instruments was not worth the extra credit risk: we will never sacrifice the certainty of liquidity for an insignificant short-term return.

Now is as good a time as any to caution that in any single year our investment returns and therefore investment income may be very high, very low, or somewhere in between. Over time, our strategy of investing in high quality businesses at reasonable prices will prove to be a significant competitive advantage for our insurance operations.

Public equity investments

Our equity portfolio is comprised of a concentrated selection of high quality South African businesses acquired for prices that ensure an attractive rate of return over the long term. We view equity investments as part ownership in a real business enterprise, just in the same way as we own Constantia as a subsidiary. When we consider buying shares in a company, we always view the transaction as if we were buying the whole company. We are shareholder partners of these companies and support their growth where necessary with guidance and capital (the former free, the latter not). Our equity investment portfolio comprises companies that meet two broad criteria:

1. The investee company's shares can be purchased at a price significantly below the intrinsic value of the company; and

2. The investee company has the capability to compound intrinsic value at a high rate over the long-term due to a confluence of factors centered primarily on the durable competitive advantage of the business model.

The portfolio comprises a meaningful part of our investable assets (R92.78 million as at 30 June 2015) and is likely to continue to be a significant part of our assets in the future. The companies we own have excellent prospects, strong competitive advantages and exceptional management teams. The portfolio creates a stable base of diversified earnings, which support the growth aspirations of our insurance businesses.

Dividends

Paying a dividend is a discretionary decision concerning the use of shareholder funds that could otherwise be used to internally reinvest. Companies without attractive reinvestment opportunities should rightly pay most of their earnings in dividends. However, companies with attractive reinvest opportunities would do better for their shareholders by pursuing such opportunities. The test to determine if a dividend should be paid is whether or not each retained rand can produce more than one rand in market value. The Company's new strategy has given rise to a number of excellent opportunities and as a result, in our view, shareholders will be better off if we invest our capital internally, which requires capital resources. For this reason, the Board decided not to declare a dividend for the 2015 financial year. For as long as we can identify opportunities that meet our return requirements, it is unlikely that Conduit will pay a dividend.

Appreciation

Conduit as an insurance and investment entity is reliant on its people more than any other asset. I can safely say the calibre and quality of people in this Group is second-to-none. I would like to acknowledge and express my appreciation to all Conduit and Constantia staff, as well as our new Board for their efforts during the year. I would especially like to sincerely thank my fellow Executive Committee members Gavin Toet (Chief Operating Officer), Lourens Louw (Financial Director) and Robert Shaw (CEO of Constantia) for their unwavering support and enthusiasm as we move the Group forward.

Conclusion

What we are trying to achieve at Conduit will take time, hard work and a lot of patience. There will inevitably be bumps along the way, especially when the insurance industry hits a down cycle or equity markets are volatile. The intention of the Conduit team is to build a wonderful company over the long-term. We are not interested in flipping to the highest bidder or liquidating – why should we when we have such a fantastic set of assets? I encourage shareholders (who are our partners) to join us on this journey, but only if you share our vision and long-term time horizon. We have a magnificent team of people and all the right ingredients to compound intrinsic value over time. If you share our perspective and recognise the opportunity that lies before us, we do hope you stick around to see what is possible over the coming decade and more.

Sean Riskowitz
Chief Executive Officer

Johannesburg
25 September 2015

CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For ease of comparison, we have provided two additional **Normalised** (but unaudited) columns which compare the two periods as if they were accounted for on a like-for-like basis, i.e. both being 10-month periods and after:

1. reversing certain once-off costs associated with management changes during 2015; and
2. excluding the Anthony Richards and Associates Proprietary Limited ("ARA") revaluation from subsidiary to associate for 2014.

	Audited 10 months ended 30 Jun 2015 R'000	Audited year ended 31 Aug 2014 R'000	Normalised unaudited 10 months ended 30 Jun 2015 R'000	Normalised unaudited 10 months ended 30 Jun 2014 R'000
Gross written premium	788 517	882 998	788 517	730 510
Reinsurance premium	(474 544)	(550 080)	(474 544)	(456 974)
Net written premium	313 973	332 918	313 973	273 536
Net change in provision for unearned premium	(1 190)	(2 622)	(1 190)	(1 462)
Net premium income	312 783	330 296	312 783	272 074
Reinsurance commission received	362 663	413 076	362 663	342 634
Income from insurance operations	675 446	743 372	675 446	614 708
Net claims and movement in claims reserves	(129 273)	(142 097)	(129 273)	(117 037)
Insurance contract acquisition costs	(167 106)	(189 206)	(167 106)	(157 428)
Agency fees	(332 531)	(353 453)	(332 531)	(293 931)
Gross underwriting surplus	46 536	58 616	46 536	46 312
Administration costs	(24 702)	(32 293)	(24 702)	(26 718)
Net underwriting surplus	21 834	26 323	21 834	19 594
Non-insurance revenue	3 948	5 775	3 948	4 666
Other expenses	(41 180)	(30 145)	(32 188)	(23 102)
Operating (loss) profit	(15 398)	1 953	(6 406)	1 158
Equity accounted income	14 015	16 162	14 015	11 283
Investment income	45 576	25 889	45 576	22 509
Other income	2 935	97 375	2 935	3 368
Finance charges	(212)	(387)	(212)	(361)
Profit before taxation	46 916	140 992	55 908	37 957
Taxation	(9 247)	(24 508)	(9 247)	(5 872)
Profit for the period	37 669	116 484	46 661	32 085
Other comprehensive income	-	-	-	-
Total comprehensive income	37 669	116 484	46 661	32 085
Attributable to:				
Equity holders of the parent	37 626	116 383	46 618	31 987
Non-controlling interest	43	101	43	98
Total comprehensive income	37 669	116 484	46 661	32 085
Headline earnings	38 179	40 162	47 171	31 397
Earnings per share (cents)				
- Basic	14.7	45.4	18.2	12.5
- Diluted	14.7	45.4	18.2	12.5
- Headline	14.9	15.7	18.4	12.2
- Diluted headline	14.9	15.7	18.4	12.2

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	GROUP	
	Audited 30 Jun 2015 R'000	Audited 31 Aug 2014 R'000
ASSETS		
Non-current assets	304 563	444 553
- Property, plant and equipment	9 067	9 985
- Intangible assets	35 246	35 113
- Loans receivable	16 004	17 721
- Deferred taxation	9 334	9 364
- Investment properties	5 928	4 173
- Investment in associates	124 411	124 931
- Investment in joint ventures	225	93
- Investments held at fair value **Note A**	104 348	243 173
Current assets	781 817	572 787
- Insurance assets	326 833	345 605
- Loans receivable	1 180	376
- Investments held at fair value **Note A**	-	4 683
- Trade and other receivables	130 723	128 743
- Taxation	10 149	4 418
- Cash and cash equivalents **Note A**	312 932	88 962
Total assets	1 086 380	1 017 340
EQUITY AND LIABILITIES		
Capital and reserves	455 825	431 053
- Ordinary share capital and share premium	176 704	176 704
- Inter-group funding	-	-
- Retained earnings (Accumulated losses)	278 544	253 737
Equity attributable to equity holders of the parent	455 248	430 441
Non-controlling interest	577	612
Non-current liabilities	61 281	48 468
- Policyholder liabilities under insurance contracts	32 606	20 522
- Interest-bearing borrowings	-	-
- Deferred taxation	28 675	27 946
Current liabilities	569 274	537 819
- Insurance liabilities	369 104	400 049
- Trade and other payables	191 970	137 081
- Taxation	8 200	689
Total equity and liabilities	1 086 380	1 017 340
Capital expenditure	1 254	624
Net asset value per share (cents)	177.6	167.9

Note A: The movement between Investments held at fair value and Cash & cash equivalents primarily relates to the shift from liquid, low-risk investments (money market instruments, gilts, bank and corporate paper) back to cash.

SEGMENTAL REPORT

The report has been reformatted to more accurately reflect the performance of the different segments under the Group's enhanced strategy, as well as the capital utilised by each segment. The prior year segmental report has been presented in a manner similar to that of the current period in order to simplify comparative analysis.

SEGMENTAL REPORT FOR THE 10 MONTHS ENDED 30 JUNE 2015

	Insurance and Risk R'000	Investments R'000	Total R'000
Net underwriting surplus	21,834	-	21,834
Non-insurance revenue and other expenses	(15,877)	(2,411)	(18,288)
Operating profit (loss)	5,957	(2,411)	3,546
Equity accounted income (loss)	(256)	14,271	14,015
Investment income	11,745	32,998	44,743
Other	2,724	-	2,724
Profit before taxation	20,170	44,858	65,028
Unallocated net head office expenses			(18,112)
Taxation			(9,247)
Profit for the period			37,669
Capital utilised			
Capital employed at end of period	204,806	197,312	455,825
Capital utilised at end of period	204,806	121,759	380,271
Average capital utilised during the period	190,952	111,502	365,002

SEGMENTAL REPORT FOR THE YEAR ENDED 31 AUGUST 2014

	Insurance and Risk R'000	Investments R'000	Total R'000
Net underwriting surplus	26 323	-	26 323
Non-insurance revenue and other expenses	(10 903)	(3 575)	(14 478)
Operating profit (loss)	15 420	(3 575)	11 845
Equity accounted income (loss)	2 570	13 592	16 162
Investment income	13 506	10 684	24 190
Other	3 104	-	3 104
Profit before taxation	34 600	20 701	55 301
Unallocated net head office expenses			85 691
Taxation			(24 508)
Profit for the period			116 484
Capital utilised			
Capital employed at end of period	179 244	171 612	431 054
Capital utilised at end of period	179 244	96 059	355 501
Average capital utilised during the period	172 724	81 441	334 264

SEGMENTAL REPORT (CONTINUED)

SEGMENTAL REPORT FOR THE 10 MONTHS ENDED 30 JUNE 2015 (NORMALISED)

	Insurance and Risk R'000	Investments R'000	Total R'000
Net underwriting surplus	21,834	-	21,834
Non-insurance revenue and other expenses	(15,877)	(2,411)	(18,288)
Operating profit (loss)	5,957	(2,411)	3,546
Equity accounted income (loss)	(256)	14,271	14,015
Investment income	11,745	32,998	44,743
Other	2,724	-	2,724
Profit before taxation	20,170	44,858	65,028
Unallocated net head office expenses			(9 120)
Taxation			(9,247)
Profit for the period			46 661
Capital utilised			
Capital employed at end of period	204,806	197,312	455,825
Capital utilised at end of period	204,806	121,759	380,271
Average capital utilised during the period	190,952	111,502	365,002

SEGMENTAL REPORT FOR THE 10 MONTHS ENDED 30 JUNE 2014 (NORMALISED)

	Insurance and Risk R'000	Investments R'000	Total R'000
Net underwriting surplus	19 594	-	19 594
Non-insurance revenue and other expenses	(4 901)	(2 750)	(7 651)
Operating profit (loss)	14 693	(2 750)	11 943
Equity accounted income (loss)	1 015	10 268	11 283
Investment income	11 090	10 508	21 598
Other	3 012	-	3 012
Profit before taxation	29 810	18 026	47 836
Unallocated net head office expenses			(9 879)
Taxation			(5 872)
Profit for the period			32 085
Capital utilised			
Capital employed at end of period	165 487	170 360	421 173
Capital utilised at end of period	165 487	94 806	345 620
Average capital utilised during the period	172 597	79 527	331 228

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	Audited 10 months ended 30 Jun 2015 R'000	Audited year ended 31 Aug 2014 R'000
Net cash flows from operating activities	50 522	(11 916)
Net cash flows from investing activities	185 418	(156 534)
Net cash flows from financing activities	(11 970)	(2 626)
Total cash movement for the year Note A	223 970	(171 076)
Cash at the beginning of the year	88 962	276 449
Cash disposed of	-	(16 411)
Total cash at the end of the year	312 932	88 962

Note A: The considerable cash movement primarily relates to the shift from liquid, low-risk investments (money market instruments, gilts, bank and corporate paper) back to cash.

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Share capital and share premium R'000	Retained earnings R'000	Non-controlling interest R'000	Total R'000
Balance at 1 September 2013	176 704	137 354	13 567	327 625
Total comprehensive income for the year	-	116 383	101	116 484
Reclassification of subsidiary to associate	-	-	(12 997)	(12 997)
Dividends paid	-	-	(59)	(59)
Balance at 31 August 2014	176 704	253 737	612	431 053
Total comprehensive income for the period	-	37 626	43	37 669
Dividends paid	-	(12 819)	(78)	(12 897)
Balance at 30 June 2015	176 704	278 544	577	455 825

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. Basis of preparation

The accounting policies applied in the preparation of these condensed consolidated provisional audited financial statements for the 10 months ended 30 June 2015 ("audited results") are in accordance with International Financial Reporting Standards ("IFRS") and the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council. These accounting policies are consistent with those applied in the annual financial statements for the year ended 31 August 2014. The audited results have been prepared making use of reasonable judgements and estimates and reporting is done in terms of IAS 34 – Interim Financial Reporting, the Companies Act, 2008 (Act 71 of 2008), as amended, and the Listings Requirements of JSE Limited ("the JSE") under the supervision of Mr Lourens Louw, the Financial Director.

2. Changes in share capital

Details of the shares in issue as at the reporting dates are as follows:

	30 Jun 2015 '000	31 Aug 2014 '000
Number of shares	256 377	256 377
- Shares in issue	256 380	256 380
- Shares held as treasury shares	(3)	(3)
Weighted average number of shares	256 377	256 377
- Shares in issue	256 380	256 380
- Shares held as treasury shares	(3)	(3)
Diluted weighted average number of shares	256 377	256 377
- Shares in issue	256 380	256 380
- Shares held as treasury shares	(3)	(3)

3. Profit and loss on revaluation of associates

3.1. As previously reported, Conduit's interest in credit recovery and debt management specialist ARA was accounted for as an associate with effect from 1 September 2013. 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 R93.86 million in pre-tax earnings (R75.55 million after tax) during the year ended 31 August 2014. There was no requirement to perform a similar fair value adjustment in 2015.

3.2. Constantia Insurance Holdings Proprietary Limited ("CIH"), a subsidiary of the Group's investments in Administration Plus Proprietary Limited and Auto Trade Underwriting Managers Proprietary Limited was impaired by a total of R1.07 million.

4. Financial instruments

Fair value estimation

The financial assets valued at fair value through profit and loss in the statement of financial position are grouped into the fair value hierarchy as follows:

Financial assets	Level 1 R'000	Level 2 R'000	Level 3 R'000	Total R'000
2015				
Listed investments	99 133	-	-	99 133
Investment properties	-	5 928	-	5 928
Unlisted investments	-	5 215	-	5 215
	99 133	11 143	-	110 276
2014				
Listed investments	243 042	-	-	243 042
Investment properties	-	4 173	-	4 173
Unlisted investments	-	4 814	-	4 814
	243 042	8 987	-	252 029

There have been no transfers between levels 1, 2 and 3 during the reporting period.

The methods and valuation techniques used for the purpose of measuring fair value are unchanged compared to the previous reporting period:

- Financial assets classified in Level 1 have been valued with reference to quoted prices and market rates (unadjusted) in active markets for identical assets or liabilities; and
- Financial assets classified in Level 2 have been valued by an independent third party according to a formula (using the fair market values of the underlying assets in the investment) in terms of which the investment could have been liquidated as at the reporting date.

5. Reconciliation of headline earnings

	Audited 10 months ended 30 Jun 2015 R'000	Audited year ended 31 Aug 2014 R'000
Profit attributable to ordinary equity holders of Conduit	37 626	116 383
Net (profit) loss on revaluation of investment properties	(657)	(65)
Net (profit) loss on disposal of intangibles, property, plant and equipment	(7)	5
Net revaluation profit on reclassification from subsidiary to associate	-	(93 862)
Profit on disposal of joint ventures		(937)
Impairment of associates	1 071	-
Tax on the items above	146	18 638
Headline earnings	38 179	40 162

6. Contingent liabilities

The Group is not aware of any current or pending legal cases that would have a material adverse effect on its results.

7. Directors

During March 2015, following discussions with certain shareholders of the Group, it was agreed that the Board would be restructured. This resulted in the resignations of the following Directors:

7.1. Jason Druian (Executive) on 23 March 2015;

7.2. Reginald Berkowitz (Independent non-executive) on 31 March 2015;

7.3. Scott Campbell (Independent non-executive) on 31 March 2015;

7.4. Günter Steffens (Independent non-executive) on 31 March 2015; and

the appointment of the following Directors:

7.5. Sean Riskowitz (Executive) on 31 March 2015;

7.6. Ronald Napier (Independent non-executive) on 31 March 2015;

7.7. David Harpur (Independent non-executive) on 31 March 2015;

7.8. Jabulani Mahlangu (Independent non-executive) on 31 March 2015;

7.9. Tyrone Moodley (Non-executive) on 19 May 2015;

7.10. Barry Scott (Independent non-executive) on 19 May 2015; and

7.11. Rosetta Xaba (Independent non-executive) on 19 May 2015.

On 15 July 2015 Mr Sean Riskowitz was appointed as Chief Executive Officer of the Company.

Furthermore, following the retirement and resignation of Dr CH Kühn from the insurance subsidiary companies of Conduit Capital (comprising Constantia Insurance Company Limited, Constantia Life Limited and Constantia Life and Health Assurance Company Limited) (hereinafter collectively referred to as "Constantia Insurance Group") and in order to ensure continuity and maintain independence of the Constantia Insurance Group Boards, Mr Richard Bruyns has resigned as an independent non-executive director of the Conduit Capital Board with effect from 3 August 2015 and has simultaneously been appointed as Chairman of the Constantia Insurance Group.

8. Dividends

In line with the Group's new strategy, the details of which appear in the Letter from the CEO, the Board has not recommended any further dividend payment to ordinary shareholders. The dividend of 5 cents per share (R12.82 million in aggregate) announced in the previous Directors' Report was paid on 22 December 2014 (2014: Nil).

9. Events after reporting period

There were no events that resulted in a material impact on the Group between the reporting date and the date of publication of this report.

10. Audit opinion

Grant Thornton has audited the Group's results and their unqualified audit report is available for inspection at the Group's registered office.
The auditor's report does not necessarily cover all of the information contained in this announcement/financial report. Shareholders are therefore advised to obtain a copy of the audited Group annual financial information from the registered office of the Company.

11. Directors' responsibility

The directors take full responsibility for the preparation of the provisional report and the financial information has been correctly extracted from the underlying Group financial statements.

The provisional report is extracted from audited information, but is not itself audited.

Directors:

Executive directors:	Sean Riskowitz (Chief Executive Officer), Lourens Louw (Financial Director), Robert Shaw, Gavin Toet
Non-executive directors:	Ronald Napier (Chairman)*, David Harpur*, Jabulani Mahlangu*, Tyrone Moodley, Barry Scott*, Rosetta Xaba*

* Independent

Sponsor:

Merchantec Capital

Company secretary:

CIS Company Secretaries Proprietary Limited
70 Marshall Street
Johannesburg, 2001

Registered address:

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Transfer secretaries:

Computershare Investor Services Proprietary Limited

Ground Floor, 70 Marshall Street, Johannesburg, 2001