

DENEB INVESTMENTS LIMITED
(Incorporated in the Republic of South Africa)
(Registration number 2013/091290/06)
Share code: DNB
ISIN: ZAE000197398
("Deneb" or the "Company")

TRADING STATEMENT FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2016

In terms of the Listings Requirements of the JSE Limited ("JSE"), companies are required to publish a trading statement as soon as they are satisfied, with a reasonable degree of certainty, that the financial results for the period to be reported on next will differ by at least 20% from the financial results for the previous corresponding reporting period.

The first half of the financial year has been characterised by significant currency volatility. It's the Group's policy to cover forward any significant foreign exchange exposure thereby locking in the cash margin. In accordance with IFRS, foreign exchange gains and losses resulting from the revaluation of hedging instruments are to be recognised at reporting date.

The Group recorded an aggregate foreign exchange loss of R20.4 million during the period compared to an aggregate profit of R11.7 million in the corresponding period. The Group's foreign exchange policy has been consistently applied in both the current and prior periods and this accounting adjustment does not have an operational or cashflow effect.

Accordingly, due to the foreign exchange differences, shareholders are advised that for the six months ended 30 September 2016, a reasonable degree of certainty exists that earnings per share ("EPS") will be between 30.9% and 50.9% lower and headline earning per share ("HEPS") will be between 43.8% and 63.8% lower than reported in the prior period. The range of expected earnings are shown below:

	Six months to 30 September 2015 Reported (cents)	Six months to 30 September 2016 Expected range (cents)
Earnings per share	2.2	1.1 - 1.5
Headline earnings per share	2.6	0.9 - 1.5

Core HEPS, excluding the effect of the foreign exchange adjustments, is expected to be between 235.5% and 255.5% higher than the corresponding period in a range between 3.7 and 3.9 cents per share (2015: 1.1 cents per share).

The information in this trading statement has not been reviewed and reported on by the Group's independent external auditors.

The Group's financial results for the six months ended 30 September 2016 will be released on the Stock Exchange News Service of the JSE on 23 November 2016.

Cape Town
18 November 2016

Sponsor
PSG Capital Proprietary Limited