Highlights

Total sales volumes grew

3,1%

Total revenue increased

12,8%

Operating profit up

22,9%

Normalised operating profit up

8,1%

Headline earnings up

40,4%

Normalised headline earnings up

1,7%

Final dividend maintained at

183,0 cents

per share

All products mentioned in this integrated annual report are not for sale to persons under the age of 18 years. Enjoy our products responsibly.

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Supplementary Information

Approach to Integrated Reporting

Background and scope

This is our fourth integrated annual report. It provides a high-level overview and performance review of Distell Group Limited, its subsidiaries, associates and joint ventures (collectively referred to as 'Distell', 'we' or 'our') for the period 1 July 2013 to 30 June 2014.

One exception to the standard reporting period used in this report is the broad-based black economic empowerment (B-BBEE) statistics measured for the period July 2012 to June 2013. These are valid until December 2014.

While the majority of our products are manufactured within South Africa, we have a worldwide distribution network and investments in countries that include Angola, France, Ghana, Kenya, Mauritius, Namibia, Scotland, Tanzania and Zimbabwe.

Reporting standards employed

The financial statements presented in this report are prepared in accordance with the International Financial Reporting Standards (IFRS) and the reporting guides provided by SAICA's Accounting Practices Committee (APC) and the South African Companies Act (No. 71 of 2008). This year we have incorporated a number of new standards, interpretations and amendments which came into effect on 1 January 2013. The Group's 2013 and 2012 results have therefore been restated to account for the changes in accounting policies. For more detail on these changes, please refer to page 121.

Furthermore, this report contains indicators from the Global Reporting Initiatives' (GRI) G3.1 reporting guidelines. Additional sustainability information can be found in our online sustainability report. Similar to previous years, the non-financial data and statistics in this report relate to Distell's operations within southern Africa only, unless otherwise stated.

A number of minor restatements of past statistical data have been made. These are clearly marked and explained in this report.

Report assurance

Following the principles of combined assurance, our financial statements have been audited externally, while our non-financial disclosures and performance data have been audited and validated through an internal auditing process. While the Group has not sought third-party assurance over its non-financial data, its B-BBEE performance has been independently assessed and verified.

We continue to develop Group reporting standards and will make our disclosures increasingly meaningful and measurable for Distell's stakeholders.

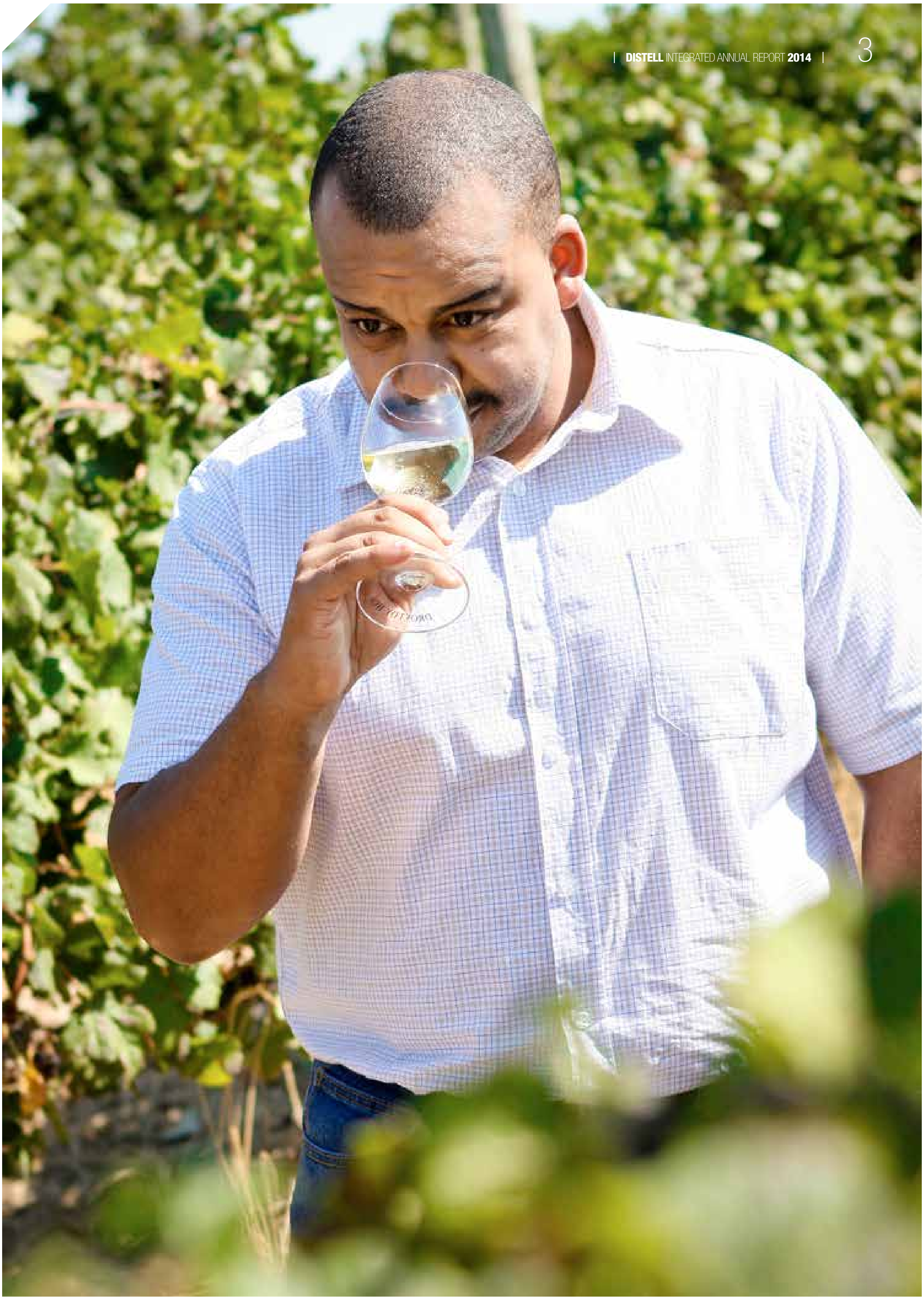
Further information

For any comments or queries regarding our annual reports, contact our corporate affairs department.

E-mail: info@distell.co.za

Tel: +27 (0)21 809 7000

All products mentioned in this annual report are not for sale to persons under the age of 18 years. As we always do, we appeal to consumers who have chosen to drink alcohol to enjoy our products responsibly.



CREATING AND SHARING VALUE FOR STAKEHOLDERS

Our Business Philosophy

Who we are
Distell Group Limited is Africa's leading producer and marketer of spirits, fine wines, ciders and ready-to-drinks. Distell employs about 5 300 people worldwide and has an annual turnover of R17,7 billion.

Our mission
We craft distinctive alcoholic beverage brands, enhance memorable moments and inspire responsible enjoyment. The value we create enriches the lives of our people, shareholders and the communities within which we live and work.

Our vision
We are a proud African alcoholic beverages company with heritage, global reach, world-class people and the ability to do extraordinary things!

Our purpose
We exist to provide unique moments of social enjoyment through the responsible marketing of well crafted ciders, wines and spirits.

Our key strengths
- Differentiated brand and product portfolio straddling all key occasions
- Brands with rich provenance and authenticity
  - South Africa's Winelands
  - Historic French cognac region
  - Wind-swept Scottish Isles
- Portfolio ideally suited to intermediate premiumisation in developing markets
- Strong balance sheet position
- Impressive agricultural asset base with potential to unlock value
- Organisational culture that thrives on innovation
- A diverse pool of talented professionals

Our values

- A sense of ownership
- Entrepreneurial spirit
- Performance-driven culture
- Customer and consumer market orientation
- Respect for the individual
- A global mind-set responsive to change

Our aspirations

- Dominant regional alcoholic beverage brand and route to market owner
- #1 cider company globally
- #2 alcoholic beverages company in SA
- Leading regional alcoholic beverages player in Africa
- Diversify geographic base and step-change growth
  – One or two other continents
  – Drive scale not possible through organic growth
- Continue to integrate BSD and leverage our single malt Scotch whiskies
- Differentiated player – premium spirits and wines
- Enhance operating margins, improve cost and working capital efficiency
- Unlock value from our wine brand portfolio and farm assets
- Explore strategic alliances to address opportunities and gaps

Our Brands

Ciders and ready-to-drinks (RTD's)

Our cider and RTD portfolio includes a comprehensive range of low-alcohol (3% to 6% by volume) flavoured alcoholic beverage (FAB) products which include spirit coolers to suit all tastes and lifestyles. Brands in this portfolio include Hunter's, Savanna, Bernini and Esprit.

Celebrating a decade of cider

Hunter's

The refreshing story of an African icon

Hunter's was launched in 1988 as a 'Twister' (Hunter's Gold Twister) prior to the establishment of cider in the SA market. It was positioned as a refreshing beverage with a strong masculine identity and was priced higher than beer to ensure a premium appeal. The product was significantly lower in alcohol than the 7% fruit-flavoured wines. At 4,5% ABV, it was closer to beer but would be refreshing enough to draw new drinkers and women. It was to be given a strong masculine identity to ensure a mainstream appeal.

Hunter's growth to the number one cider in SA

Hunter's has consistently seen double-digit volume growth since 2009, and is now a significant contributor to Distell's profits. It is the world's second-largest cider by volume and is available in more than 35 countries globally. Hunter's has also celebrated over 26 years of delivering 'refreshment like nothing else on earth'. It is an authentic mix of a real product, and a brand tone that talks directly to its peers, resulting in consistent demand for this premium, masculine cider brand. This has led to its growth in South Africa where it enjoys the number one cider brand status. Hunter's is also becoming a significant global cider player in Africa, Asia and Europe.

Savanna

Savanna isn't any ordinary cider. Since its inception Savanna has been a brave and confident brand. Like the African savannah from where our name is taken, we've always been a little bit 'out there'. When Savanna Dry launched in 1996, everyone was drinking out of cans, so we decided to launch Savanna in a dumpy-shaped bottle instead. Unlike sweet ciders, we are dry – best enjoyed ice cold from the bottle with a lemon in the neck. Through the years we have won over the hearts and funny bones of South Africans with our witty, dry humour and our well-known pay-off line 'It's Dry. But you can drink it'. Savanna has since gone global – becoming the world's fourth largest selling cider, distributed in over 60 countries around the world. Savanna is also South Africa's leading cider export.

How cider is made

Ripe apples are harvested, sorted, washed and pressed. After pressing, the juice is concentrated to ensure a steady supply all year round. The concentrate is then stored until required. When production continues water is added to reconstitute the apple juice, which is fermented dry, using specially cultured yeasts. The fermentation is completed at 23°C to 27°C over a 14 to 21-day period. The cider reaches alcohol levels of around 12% to 13%, after which it is cross-filtered. The next stage involves blending to achieve the desired flavour profile. It is chilled, triple-filtered and chilled again. In South Africa, because the preference is for a sparkling product, the cider is carbonated before it is bottled and distributed.

Award-winning whiskies

Our multi-awarded single malt whiskies have put Distell firmly on the world map.

Bain's Cape Mountain Whisky won the World's Best Grain Whisky award at the 2013 World Whisky Awards ahead of those from traditional whisky-producing countries such as Ireland, Scotland and the USA. This accolade follows just a year after Three Ships Premium Select 5 Year Old received the World's Best Blended Whisky award at the same competition in 2012.

Our master distiller, Andy Watts, creates whiskies which are innovative and unique in profile to offer a spectrum of styles that appeal to a broad whisky consumer base.

The range of Three Ships whiskies (Three Ships Select, Three Ships Premium Select 5 Year Old, Three Ships Bourbon Cask and the limited release, Three Ships 10 Year Old single malt) and Bain's Cape Mountain Whisky are produced at The James Sedgwick Distillery in the picturesque Boland town of Wellington in the Western Cape, South Africa.

Our Scotch single malts are impressive too. They are produced in small batches, bottled at 46,3% ABV and un-chilled filtered, in the traditional way, so that novices and aficionados alike, can enjoy the full depth of flavours, aromas and character that makes these brands award winners.

Bunnahabhain picked up 11 awards at the 2014 International Wine & Spirits Competition (IWSC), World Whisky Awards (WWA) and San Francisco World Spirit Competition (SFWSC) including a Double Gold at the SFWSC for its 12 Year Old and Best Islay Malt (WWA) for the 25 Year Old.

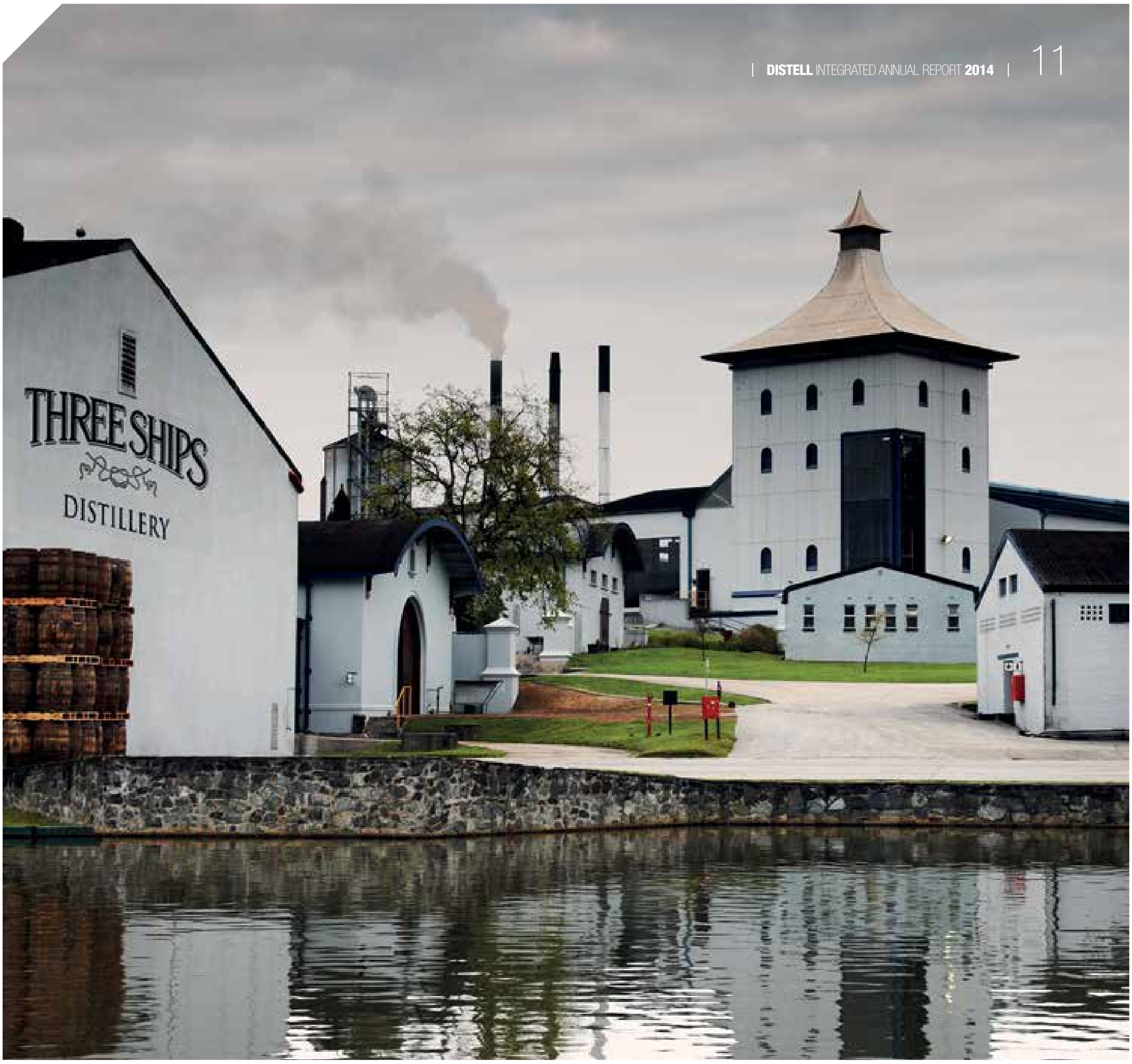
Leading single malts, Tobermory, with its extremely smooth taste profile, the robustly peated Ledaig and Deanston, an outstanding Highland whisky which is handmade, un-chilled filtered, are all award winners. Deanston's seven awards this year include a Gold Outstanding (IWSC) and Double Gold (SFWSC) for the 12 Year Old. Ledaig (10 Year Old) also picked up awards at the SFWSC.

Black Bottle, our premium, award-winning blended Scotch whisky, has been recognised as the World's Best Re-launch at the WWA design awards.

Spirits

Our spirit portfolio consists of super premium and premium brandies, cognacs, white spirits, whiskies and liqueurs. Brands in this portfolio include Amarula, Bain's Cape Mountain Whisky, Black Bottle, Bisquit, Bunnahabhain, Collison's White Gold, Deanston, Flight of the Fish Eagle, Klipdrift, Ledaig, Mainstay, Oude Meester, Richelieu, Scottish Leader, Three Ships, Tobermory, Van Ryn's and Viceroy.

For a comprehensive list of our brands visit www.distell.co.za


THREE SHIPS
DISTILLERY


DEANSTON
TOBERMORY
1798
LEDAIG
BAIN'S
THREE SHIPS
WHISKY
Bunnahabhain

Amarula, our African original

Amarula is a one-of-a-kind creation and has made its mark throughout the world. Its origins are in Africa, where it's grown and produced, using the unique African marula fruit. 'African Original' reflects the authenticity and superiority of this brand.

Launched as a cream liqueur in 1989, its name has become virtually synonymous with South Africa. One of South Africa's most successful exports, it's the only local product to make it on to the list of the *world's top 100 premium spirits brands, and is a favourite amongst duty-free travellers across the globe. This year alone it has been awarded gold at the San Francisco World Spirits Competition and in Europe at Concours Mondial in Brussels. It also recently won gold at the International Wine & Spirit Competition (IWSC) in London. Amarula Cream sells in over 100 countries.

Its universal popularity has been the catalyst for a new expression of Amarula in Amarula Gold, a clear premium spirit made for mixing and launched earlier this year. Like Amarula Cream, it is produced from the fruit of the marula tree. The support for both keeps on growing, thanks to their very unique and authentic marula taste profiles.

Did you know that every time you buy chocolate or fudge infused with Amarula Cream, you're helping to sustain impoverished rural communities and promote animal conservation? That's because a percentage of the retail price of your purchase goes to the not-for-profit Amarula Trust.

The Amarula Trust runs several job creation programmes and funds research into elephant behaviour for developing conservation management plans in southern African private and public game parks. Amongst its many other projects, it also provides bursaries for basic studies in field guiding for deserving rural candidates in South Africa, Namibia and Botswana.

*Amarula Cream is the only South African brand featured on the 2014 Impact Databank World's Top 100 Premium Spirits list, in 81st position. In 2013 Amarula was identified as the seventh most frequently requested liqueur amongst the world's top style bars by *Drinks International*. Amarula Cream is the 33rd biggest spirits brand sold in duty-free, according to IWSR research.

Celebrating Nederburg's Heroes

Nederburg's story begins more than two centuries ago in 1791 with Philippus Wolvaart, who was marked by a singular passion that served to create a legacy of wine excellence. With few resources and little in the way of infrastructure he established a flourishing winery that has evolved into one of South Africa's most significant wine brands with an internationally award-winning reputation.

His vision and courage have inspired those who have come after him, prompting an ongoing quest amongst generations of winemakers to continually master their craft. They recognise that theirs is a never-ending pursuit with no room for complacency. Their goal is to keep on bettering their best efforts.

Nederburg is founded on an assiduous attention to detail driven by a passion to master wine in a process that extends from soil to bottle. It begins with ongoing research into the best viticultural management practices. It explores grape varieties both established and lesser known. It focuses on existing and new wine-growing areas, climate change and environmental sustainability, and it encompasses cellar technique and technology.

This passion is infused by a spirit of innovation, bringing new ideas, new skills and new methods but where respect for the grape remains paramount. You can taste it across the multi-tiered range, starting at the base with the fresh and fruity Foundation, moving on to the bright and smooth-drinking 56HUNDRED, the bold Baronne and classically-styled Winemaster's Reserve wines and rising to the specialty offerings that include Fair Selection, Manor House, Heritage Heroes and reaching the apex where you will find the Ingenuity and finally the Private Bin wines sold on the Nederburg Auction.

It is an approach that encourages originality from South Africa's first noble late harvest wine, made in 1969 and that debuted at the Nederburg Auction 40 years ago to trailblazing, contemporary blends and new ways with wood to surprise and delight connoisseur and regular winelovers.

Nederburg's cellar-master is Razvan Macici, one of South Africa's most awarded winemakers.

The team are inspired by their forebears, many of whom have redefined South African winemaking through their pioneering innovations. Personalities such as Wolvaart, Johann, Ilse and Arnold Graue and Günter Brözel are their heritage heroes.

Set against the backdrop of the majestic Drakenstein Mountains, Nederburg's 1800 manor house stands as the testimony to the hopes and aspirations of Wolvaart. Now a national monument, it is the centre piece of the farm, one of South Africa's most popular wine destinations for domestic and international wine tourists.

Wines

Distell's wine portfolio boasts a wide spread of well-known brands. These include Chateau Libertas, Drostdy-Hof, Durbanville Hills, Fleur du Cap, J.C. Le Roux, Nederburg, Neethlingshof, Sedgwick's Old Brown, Two Oceans and Zonnebloem.

For a comprehensive list of our brands visit www.distell.co.za

Corporate Strategic Risk and Mitigation

Distell has identified the following nine strategic risks which occur during our business operations. In order to continue to create sustainable returns for our shareholders, we have contextualised these risks and have developed corresponding risk mitigating initiatives to address them. These can be seen in the table below:

Context	Risk
Industry consolidation and geographic risks	
Consolidation in the alcoholic beverages industry is evident on both a geographic and global alcohol category basis across the industry value chain. Multinational companies are fast expanding their local footprint in Africa and other key emerging markets. Alcohol categories such as spirits and RTDs are also becoming increasingly consolidated at a global level. We are increasingly mindful of the need to address geopolitical risk. Specifically the economic volatility in emerging markets observed post the recession argues for diversifying business interests across several markets.	Consolidation increases both the transactional power of competitors in-market and supports their cost-efficiencies via economies of scale. Consolidation in retail enhances retailers' buying power, making it more costly to do business in formal retail channels. Failure to effectively execute Distell's new business development strategy (entry into new markets and categories) will hamper the company's ability to effectively counter the risks associated with industry consolidation. Failure to create economic value from new acquisitions.
Business transformation	
A key strategic imperative for Distell is to continuously drive business improvement to improve operational efficiencies and reduce costs. In addition, successful change management is required to effectively execute the organisational changes required in Distell's revised corporate strategy.	Failure to deliver on our targets for business. Ineffective change management to sustainably entrench our new organisational structure, management roles, accountability, and routines, to drive the successful execution of Distell's strategy.
Unfavourable changes in the regulatory environment	
Globally regulators and the World Health Organisation (WHO) are focusing on reducing the health burden of non-communicable diseases, including alcohol as a leading risk factor. South Africa's Inter-Ministerial Committee on Substance Abuse proposes via their programme of action several regulatory policy interventions, including banning of alcohol advertising. Other focus areas addressed by this programme include overall reduction in alcohol consumed, binge drinking, underage alcohol consumption, drinking and driving, the correlation between HIV-infection and alcohol, and illicit trade.	Growing anti-alcohol lobby. Legislative changes placing restrictions on sales, marketing and distribution of alcohol to address harmful use of alcohol that is not fact-based and which has negative effects on the commercial functioning of the alcohol industry. Exclusion of the alcohol industry to participate in alcohol policy development. **South Africa:** Government targets a 10% reduction in the availability of alcoholic beverages; and 20% reduction in alcohol consumed per capita.
Sustainable supply of raw materials	
Efficient procurement and supply chain management are important business imperatives to ensure continuous product availability of suitable quality at competitive prices. The nature of our products and activities necessitates a long-term view of the market and consumer demand for our products, requiring close collaboration and planning with our suppliers.	Unavailability of grapes and bulk wine to meet demand for our wine brands across the quality and cultivar spectrum. Unavailability of bulk wine for the distillation of brandy. Unavailability of apple juice for the production of ciders. Scarcity of water supply. Rising energy prices. Environmental taxes.

Potential impact on Distell	Mitigation measures
Failure to reach significant scale and relevance in the global alcohol industry will lower Distell's future earnings potential, profitability and will increasingly challenge the company's competitive position in-market.	Effective new business development strategy and capability to identify business opportunities ahead of the curve; acquire at a competitive cost; and successfully integrate these within Distell's business to drive synergies and create economic value.
Delay progress to improve on operational, including cost-efficiencies. Reduced competitive advantage over the medium term. Failure to achieve our company strategic financial and non-financial goals.	Dedicated resources to drive the change management process. Clear communication on change management objectives and continuous tracking and reviewing of progress. Management and staff buy-in and commitment to execute changes required.
Legislative changes placing restrictions on sales, marketing and distribution of alcohol which lessen competition in-market and impede our ability to craft brands. Excessive excise changes can disrupt the price-competitiveness of Distell products compared to those of competitors.	Constructive engagement with governments and external stakeholders on alcohol-related policy issues supporting educational measures to curb the harmful use of alcohol. Support for the principle of self-regulation and ensuring company compliance to industry codes. Close co-operation with industry bodies to address alcohol abuse. Building scientific evidence-based policy advocacy within South Africa. Establishing a corporate social responsibility strategy that aims to reduce the harmful impact of alcohol abuse.
Limited access to raw materials will negatively impact on our supply capability and in-market stock levels. Profitability could also come under severe pressure if prices of raw materials are high due to limited availability.	Establishing and protecting long-term relationships with grape and wine producers whose viability, financial stability and success are of critical importance to us. Close collaboration with our suppliers to ensure the sustainability of the supply chain at cost-competitive levels. Identifying areas for higher-yielding grape production with lower input costs. Establishing a global supply network that gives us access to better product, service and pricing options and that also helps to counter local supplier capacity constraints.

Corporate Strategic Risk and Mitigation (continued)

Context	Risk
Illicit trade in alcoholic beverages	
Globally illicit trade in alcoholic beverages remains a key business challenge, including trade in counterfeit products. This trend is exacerbated by rising excise duties in select geographies.	Increasing share of illicit trade with particularly cheaper products taking share from legal products. Counterfeit – Failure to effectively protect intellectual property rights.
Management capacity and talent management	
The quality of our people provides a competitive advantage. To recruit, develop and maintain talented employees who can enhance our management capability throughout the organisation is a key business imperative.	Failure to recruit, identify, develop and retain a sufficient talent pool that enables the Group to pursue current and future strategies and business initiatives. Failure to build skills in line with South Africa's employment equity requirements.
Security of business information	
ICT technology is rapidly advancing, with increasing sophistication of cyber-attacks to invade business information systems. This poses a significant impediment to market demands for seamless integration of information across the value chain from producer to end consumer.	Dysfunction of ICT systems could cause major disruptions in business operations. Loss of valuable and sensitive company data, with potential risk of leakage to competitors. Failure to comply with legislative requirements on security of information leading to penalties.
Swift changes in consumer consumption trends	
Consumer tastes and consumption patterns are continuously changing, and are further accelerated by instant access to information on new product innovations. Increasing sophistication of innovation drives a blurring of traditional alcohol category lines (examples – spirit flavoured beers, sparkling vodka in wine formats).	Failing to proactively identify with reasonable accuracy future growth opportunities that drive business service and product innovation. Failing to deliver brand value propositions which are relevant to changing consumer preferences.
Successful integration and development of newly-acquired businesses and/or brands	
Acquisition of new businesses and/or brands requires rapid integration into Distell's business. These types of transactions need to be supported by rigorous strategies and business plans to unlock economic value.	Failure to develop strategies for new acquisitions that will successfully unlock economic value. Failure to ensure successful integration of new acquisitions into Distell's business.

For an overview of our material corporate responsibility issues please see page 130.

Potential impact on Distell	Mitigation measures
Loss of market share to illicit operators in market. Negative impact on company sales volumes and revenue growth. Counterfeit – Reputational damage if counterfeit goods has defects which cause harm.	Collaboration with local government authorities to quantify illicit trade for monitoring purposes; and assist in the effective enforcement of local legislation.
Talent management failures will hamper Distell's capability to successfully execute its business strategies and achieve key strategic goals. Lower long-term profitable growth.	Securing a pool of leadership and specialist skills and talents through our formal Talent Management Programme. Increasing the focus on training and development. Offering attractive remuneration and other incentives. Accelerating transformation.
Loss of intellectual property (business know-how) will negatively impact on Distell's competitive advantage. Disruption to business operations will have negative impact on the overall financial position of the company. Reputational damage through publicised leakage of Distell's business information.	Enforcement and training on Distell's ICT security policies. Continued best practice monitoring on information security protection systems.
Market shares could be negatively impacted. Missed market opportunities drive lower revenue and profitability growth.	Apply rigorous consumer and market insights to continuously assess future market opportunities for innovation. Ensure the value proposition of our brands resonates with targeted consumer groups.
Suboptimal returns on investment post-acquisition or, at worst, impairment of investment.	Apply best practice process for commercial evaluation of potential acquisitions . Embed Distell's disciplines on key operational processes and systems in newly-acquired businesses. Drive focused integration effort with dedicated resources. Continued performance monitoring of investment against strategic plans and targets.

Seven-year Financial Review

for the years ended 30 June

	Seven-year compound growth % p.a.	2014 IFRS	2013 IFRS Restated	2012 IFRS	2011 IFRS	2010 IFRS	2009 IFRS	2008 IFRS
Statements of financial position (R'000)								
ASSETS								
Non-current assets								
Property, plant and equipment		**3 882 077**	3 388 950	2 647 304	2 349 699	2 157 912	1 773 480	1 546 159
Biological assets		**104 559**	101 287	122 638	131 827	138 915	146 375	122 024
Financial assets, investments in associates and joint ventures		**517 677**	466 497	199 296	166 505	133 159	112 768	117 537
Intangible assets		**1 798 065**	1 505 647	230 404	221 331	205 680	244 685	39 373
Retirement benefit assets		**265 293**	273 000	47 504	42 391	49 656	58 150	114 588
Deferred income tax assets		**71 210**	58 777	74 571	74 915	47 122	24 861	21 870
Total non-current assets		**6 638 881**	5 794 158	3 321 717	2 986 668	2 732 444	2 360 319	1 961 551
Current assets								
Inventories		**6 872 615**	6 259 836	4 489 281	3 961 917	3 818 661	3 681 022	3 235 895
Trade and other receivables		**1 839 808**	1 776 816	1 436 255	1 242 200	1 344 701	1 155 381	954 036
Current income tax assets		**56 818**	33 180	145 088	62 945	62 187	74 381	62 968
Cash and cash equivalents		**451 611**	355 575	462 429	229 850	243 038	178 472	193 673
Total current assets		**9 220 852**	8 425 407	6 533 053	5 496 912	5 468 587	5 089 256	4 446 572
Total assets	14,9	**15 859 733**	14 219 565	9 854 770	8 483 580	8 201 031	7 449 575	6 408 123
EQUITY AND LIABILITIES								
Total shareholders' equity		**8 601 155**	7 277 535	6 205 979	5 694 009	5 238 301	4 809 374	4 432 200
Non-current liabilities								
Interest-bearing borrowings		**3 114 090**	447 143	347 932	423 336	422 467	422 386	2 938
Retirement benefit obligations		**25 176**	22 604	80 954	73 790	21 099	18 300	15 623
Deferred income tax liabilities		**584 221**	479 226	231 067	234 732	230 380	198 288	168 266
Total non-current liabilities		**3 723 487**	948 973	659 953	731 858	673 946	638 974	186 827
Current liabilities								
Trade payables and provisions		**2 770 339**	3 202 359	2 803 208	2 042 347	1 932 591	1 659 814	1 533 268
Interest-bearing borrowings		**761 761**	2 786 771	180 501	865	336 657	324 267	226 027
Current income tax liabilities		**2 991**	3 927	5 129	14 501	19 536	17 146	29 801
Total current liabilities		**3 535 091**	5 993 057	2 988 838	2 057 713	2 288 784	2 001 227	1 789 096
Total equity and liabilities		**15 859 733**	14 219 565	9 854 770	8 483 580	8 201 031	7 449 575	6 408 123
Income statements (R'000)								
Revenue	11,6	**17 739 609**	15 725 608	14 176 047	12 327 786	11 808 884	10 863 728	9 409 597
Operating expenses		**(15 744 401)**	(13 972 438)	(12 762 506)	(10 889 439)	(10 413 146)	(9 454 968)	(8 107 434)
Trading income	8,7	**1 995 208**	1 753 170	1 413 541	1 438 347	1 395 738	1 408 760	1 302 163
Dividend income		**6 150**	6 279	7 645	5 180	1 493	1 552	1 503
Net financing costs		**(217 627)**	(239 727)	(31 905)	(42 584)	(68 652)	(23 224)	6 384
Share of equity-accounted earnings		**86 266**	65 169	37 160	37 950	32 412	30 058	23 523
Profit before exceptional items and taxation	7,3	**1 869 997**	1 584 891	1 426 441	1 438 893	1 360 991	1 417 146	1 333 573
Exceptional items		**172 114**	10 649	(1 216)	(1 756)	(2 821)	1 273	11 667
Profit before taxation		**2 042 111**	1 595 540	1 425 225	1 437 137	1 358 170	1 418 419	1 345 240
Taxation		**(517 846)**	(512 409)	(454 365)	(477 557)	(417 655)	(464 707)	(416 705)
Non-controlling interest		**(961)**	5 203	(1 790)	1 093	1 041	–	453
Net profit attributable to equity holders	8,7	**1 523 304**	1 088 334	969 070	960 673	941 556	953 712	928 988
Statements of cash flows (R'000)								
Cash generated from operations	4,0	**1 559 892**	1 022 676	1 728 426	1 771 957	1 555 285	1 030 406	824 911
Dividend income		**6 150**	6 279	7 645	5 180	1 493	1 552	1 503
Net financing costs		**(232 395)**	(185 501)	(31 644)	(42 868)	(70 764)	(10 810)	(46 132)
Taxation paid		**(459 101)**	(374 235)	(558 505)	(491 875)	(394 737)	(451 523)	(476 654)
Cash generated from operating activities		**874 546**	469 219	1 145 922	1 242 394	1 091 277	569 625	303 628
Exceptional items		**–**	–	–	–	–	–	65 934
Net cash generated from operating activities		**874 546**	469 219	1 145 922	1 242 394	1 091 277	569 625	369 562
Cash outflow from investment activities		**(671 770)**	(2 341 232)	(479 410)	(410 872)	(542 516)	(591 749)	(6 551)
Proceeds from ordinary shares issued		**17 640**	30 789	15 573	20 723	21 992	4 094	15 098
Non-controlling interest		**(12 201)**	12 982	–	–	–	–	–
Proceeds from interest-bearing borrowings		**546 719**	1 881 516	104 232	848	16	419 386	(327 942)
Dividends paid		**(708 049)**	(616 281)	(556 023)	(516 304)	(514 931)	(513 727)	(426 194)
Cash outflow from financing activities		**(155 891)**	1 309 006	(436 218)	(494 733)	(492 923)	(90 247)	(739 038)
Increase in net cash, cash equivalents and bank overdrafts		**46 885**	(563 007)	230 294	336 789	55 838	(112 371)	(376 027)

	Seven-year compound growth % p.a.	2014 IFRS	2013 IFRS Restated	2012 IFRS	2011 IFRS	2010 IFRS	2009 IFRS	2008 IFRS
Performance per share (cents)								
Earnings								
attributable earnings basis	7,9	**725,8**	536,8	479,3	476,2	468,1	475,3	464,6
headline basis	9,1	**721,3**	531,7	479,7	476,8	469,1	475,2	471,0
cash equivalent basis	8,5	**836,0**	849,1	848,9	619,8	622,1	561,9	536,8
EBITDA basis	8,6	**1 198,9**	1 007,4	821,3	832,8	800,8	796,0	752,0
Dividends	8,0	**337,0**	335,0	295,0	256,0	256,0	256,0	236,0
Cash flow	0,3	**416,7**	231,4	566,8	615,8	542,5	283,9	184,8
Net asset value	10,2	**3 884,3**	3 579,7	3 059,6	2 813,3	2 596,1	2 391,6	2 208,8
Liquidity and solvency								
Financial gearing ratio		**0,40**	0,40	0,01	0,03	0,10	0,12	0,01
Total liabilities on total equity	Avg 0,6	**0,84**	0,95	0,59	0,49	0,57	0,55	0,45
Interest-free liabilities on total assets		**0,18**	0,23	0,29	0,25	0,24	0,23	0,25
Dividend cover (times)		**2,1**	1,6	1,6	1,9	1,8	1,9	2,0
Current ratio		**2,61**	1,41	2,19	2,67	2,39	2,54	2,49
Acid test ratio		**0,66**	0,36	0,68	0,75	0,72	0,70	0,68
Returns (%)								
Trading income on turnover		**11,2**	11,1	10,0	11,7	11,8	13,0	13,8
Pre-tax return on equity	Avg 25,7	**23,7**	21,9	23,0	25,2	25,9	29,5	30,4
Effective tax rate		**25,4**	32,1	31,9	33,2	30,8	32,8	31,0
Return on equity	Avg 17,7	**17,6**	14,8	15,6	16,9	18,0	19,8	21,3
Attributable earnings on total assets		**9,6**	7,7	9,8	11,3	11,5	12,8	14,5
Attributable earnings on turnover		**8,6**	6,9	6,8	7,8	8,0	8,8	9,9
Dividend yield		**2,5**	3,1	4,1	3,6	4,0	5,4	4,1
Productivity								
Cash value added (R million)	8,8	**6 759,4**	6 025,5	5 940,9	5 329,3	4 877,8	4 063,5	3 636,6
Net asset turn (times)		**2,1**	2,2	2,3	2,2	2,3	2,3	2,1
Net assets per employee (R'000)	8,6	**1 648,4**	1 466,7	1 315,1	1 214,3	1 144,2	1 074,0	1 020,5
Revenue per employee (R'000)	8,4	**3 399,7**	3 169,2	3 004,0	2 629,1	2 579,5	2 426,0	2 166,6
Number of employees		**5 218**	4 962	4 719	4 689	4 578	4 478	4 343
JSE								
Price per share (cents)								
highest during the year		**16 600**	13 226	9 001	8 100	7 000	6 000	6 500
lowest during the year		**11 500**	8 699	5 699	6 510	5 500	3 850	3 960
closing at year-end		**14 000**	12 194	9 001	7 150	6 550	5 500	4 595
weighted average		**13 281**	10 736	7 214	7 036	6 394	4 703	5 732
Price-earnings ratio		**19,4**	22,9	18,9	15,0	14,0	11,6	9,8
JSE Actuaries' price index at year-end (2007: 100 cents)								
Distell Group Limited		**259**	225	166	132	121	102	85
Closing price/net asset value per share		**3,6**	3,4	2,9	2,5	2,5	2,3	2,1
Weighted average number of shares in issue ('000)		**209 881**	202 752	202 185	201 742	201 143	200 667	199 974
Number of shares traded ('000)		**25 768**	6 988	5 771	5 454	6 791	10 079	4 190
Shares traded/shares in issue (%)		**11,6**	3,4	2,9	2,7	3,4	5,0	2,1
Value of shares traded (R'000)		**3 422 312**	721 825	416 339	383 721	434 248	474 024	240 224
Number of transactions		**18 581**	8 332	3 112	2 701	3 814	4 814	1 813
Number of shareholders		**6 081**	5 118	4 364	4 398	4 278	3 775	3 576
Market capitalisation (R million)		**31 001**	24 790	18 257	14 471	13 216	11 060	9 220
Net asset value/market capitalisation		**0,28**	0,29	0,34	0,39	0,40	0,43	0,48

For definitions of financial abbreviations and a description of terms refer to page 159.

fastFACT

Over a 10-year period we have contributed R46,1 billion to South Africa's economy.

Creating and Sharing Value

Cash value added statement

for the years ended 30 June

	GROUP	
	2014 R'000	2013 R'000 Restated
Cash generated		
Cash derived from sales	**17 676 617**	15 357 923
Net financing costs paid	**(232 395)**	(185 501)
Income from investments	**6 150**	6 279
Cash value generated	**17 450 372**	15 178 701
Cash payments to suppliers of materials and services	**(10 690 982)**	(9 153 205)
Cash value added/wealth created	**6 759 390**	6 025 496
Cash utilised to:		
Pay excise duty to the State	**3 701 055**	3 603 334
Pay tax on income to the State	**459 101**	374 235
Remunerate employees for their services	**1 724 688**	1 578 708
Provide shareholders with a return on the use of their risk capital	**708 049**	616 281
Cash disbursed among stakeholders	**6 592 893**	6 172 558
Net cash retained from operating activities	**166 497**	(147 062)
Reconciliation with cash generated		
Cash value added (above)	**6 759 390**	6 025 496
Less: Remuneration to employees for their services	**(1 724 688)**	(1 578 708)
Net financing costs paid	**232 395**	185 501
Payment of excise duty to the State	**(3 701 055)**	(3 603 334)
Cash generated from operating activities	**1 566 042**	1 028 955
State taxes		
Excise duty	**3 701 055**	3 603 334
Tax on income	**459 101**	374 235
Value added tax	**685 174**	636 964
Employees' tax deducted from remuneration	**292 899**	251 589
Property taxes	**47 415**	38 067
Channelled through the Group	**5 185 644**	4 904 189