MISSION STATEMENT

In Bowler Metcalf's published mission statement, we affirm our commitment to:

- Seamlessly integrate into the supply chain of our customers, providing the quality of goods and technical innovations which will help them to prosper with ourselves.
- Provide our employees with an environment wherein they can receive suitable training for equal opportunity advancement.
- Reduce any negative environmental impact caused by our manufacturing process.
- Conduct our business at the highest level of moral ethics.
- Reward our shareholders with consistent, superior growth in the earnings per share.

Directors

Non-executive:

Horst Werner Sass (74) !
Non Executive Chairman
Appointed June 1986

Brian James Frost (66) BCom !*
Non Executive Independent Director
Lead Independent Director
Appointed June 1998

Edgar George Tindale (86) BCom FCIS *
Non Executive Independent Director
Appointed June 2008

Finlay Craig MacGillivray (43) CA(SA) !*
Non Executive Independent Director
Appointed March 2011

Executive :

Michael Brain (63) BSc (Eng)
Vice Chairman and Financial Director
Appointed January 1985

Mohamed Sharief Parker (52)
Executive Director
Resigned 30 June 2011

Paul Friederich Sass (47) BSc (Eng)
Executive Director
Appointed November 2009

Prescribed Officers

Louis Vern Rowles CA(SA)
Company Secretary &
Group Financial Manager

Mohamed Sharief Parker
Chief Operating Officer of
Quality Beverages 2000 (Pty) Ltd

Administration

Secretary
Louis Vern Rowles

Registration Number
1972/005921/06

Registered Office
Harris Drive, Ottery
Cape Town, 7800
PO Box 92, Ottery 7808

Transfer Secretaries
Computershare Investor
Services 2004 (Pty) Ltd
70 Marshall Street
Johannesburg, 2000
PO Box 61051, Marshalltown, 2107

Auditors
Mazars
Mazars House, Rialto Road,
Grand Moorings Precinct,
Century City, 7441

Bankers
First National Bank of Southern
Africa Ltd

Sponsors
Arcay Moela
3 Anerley Road
Parktown, 2193

Country of Incorporation
Republic of South Africa

! Remuneration Committee

** Audit Committee*

Bowler Metcalf Limited
Integrated Annual Report
For the year ended 30 June 2011

This Integrated Annual report, including the Annual Financial Statements, has been prepared in accordance with International Financial Reporting Standards and in the manner required by the Companies Act 2008, Act 71 of 2008. The annual financial statements have been audited in compliance with this act.

Prepared by :	L.V. Rowles CA(SA)
Produced on :	13 October 2011

Contents

Members Diary

Financial Year End	30 June
Annual General Meeting	8 December

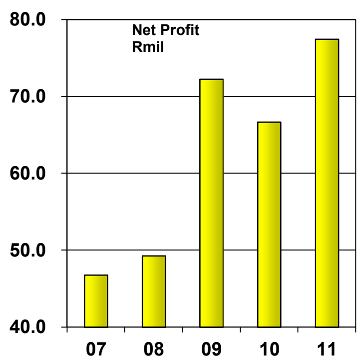
Reports	**Date Published**
Interim for half year	February
Preliminary profit announcement	September
Annual Report	October

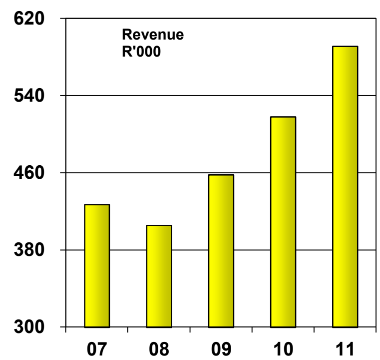
Dividends	**Date of Declaration**	**Date of payment**
Interim	March	April
Final	September	October

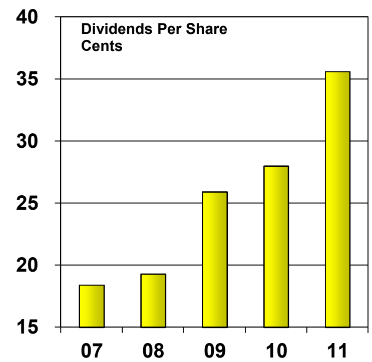
FINANCIAL HIGHLIGHTS

Years ending 30 June

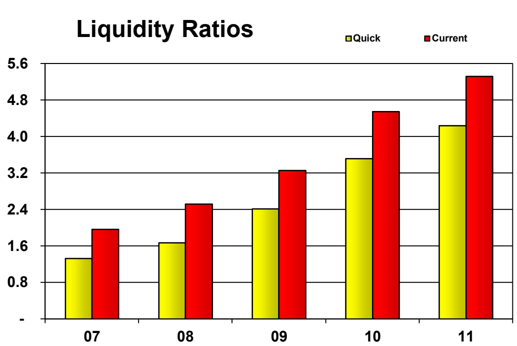
TRADING	2011	2010	2009	2008	2007	2006	2005
Revenue (R'000)	591,151	518,201	457,995	405,684	427,150	417,820	352,482
Net profit (R'000)	77,483	66,701	72,278	49,264	46,764	46,074	43,333
Growth - net profit (%)	16.2	-7.7	46.7	5.3	1.5	6.3	13.4
Operating profit (R'000)	113,376	97,615	103,501	72,618	74,676	72,704	73,338
Return on capital employed (%)	18.7	18.5	22.6	16.4	16.7	20.0	22.6
Return on shareholders equity (%)	19.6	19.7	24.4	17.9	19.2	22.9	25.6
Compound growth in net profit							
- over 5 years (%)	10.2	9.0	13.6	12.6	14.1	20.7	25.3
- over 10 years (%)	16.8	16.9	20.5	18.6	20.0	20.1	26.3

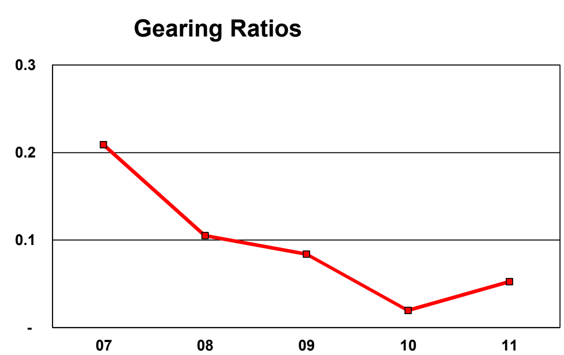






BALANCE SHEET	2011	2010	2009	2008	2007	2006	2005
Shareholders equity (R'000)	394,577	339,360	295,976	275,732	243,482	201,315	169,475
Capital employed (R'000)	414,252	361,321	319,332	301,305	280,132	229,828	191,643
Total assets (R'000)	489,573	425,398	387,613	357,703	372,153	318,946	284,827
Current ratio	5.3	4.5	3.3	2.5	2.0	1.6	1.4
Quick ratio	4.2	3.5	2.4	1.7	1.3	1.0	0.8
Gearing ratio	0.1	0.0	0.1	0.1	0.2	0.2	0.3





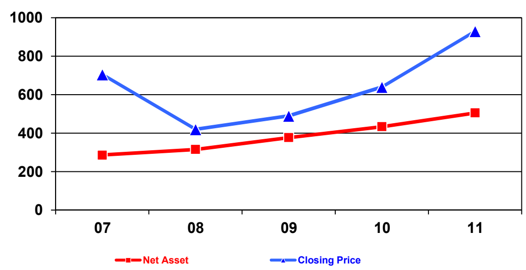
FINANCIAL HIGHLIGHTS - continued

Years ending 30 June

SHARE FACTS	2011	2010	2009	2008	2007	2006	2005
Earnings per share (cents)	96.3	83.0	86.3	56.2	53.42	53.1	51.1
Headline earnings per share	96.0	84.2	72.7	55.2	53.25	52.7	50.6
Net asset value per share (cents)	504.5	433.2	376.3	314.4	285.3	241.8	205.5
Dividends per share (cents)	35.6	28.0	25.9	19.3	18.4	16.8	15.4
Dividend cover (times)	2.7	3.0	3.3	2.9	3.3	3.2	3.3
Compound growth in eps							
- over 5 years (%)	11.1	10.2	14.4	12.1	16.3	21.0	25.7
- over 10 years (%)	17.6	17.8	21.0	18.3	21.1	19.9	22.2
Share price (cents)	930	640	490	420	705	690	575
Price earnings ratio	9.7	7.6	6.7	7.6	13.2	13.1	11.4
Shares traded (000's)	6,226.0	12,508.7	8,008.0	14,327.5	16,262.8	11,344.0	6,032.0
Weighted number of shares in issue ('000)	80,476.1	80,352.7	83,723.3	87,693.0	87,537	86,794.0	86,794.0

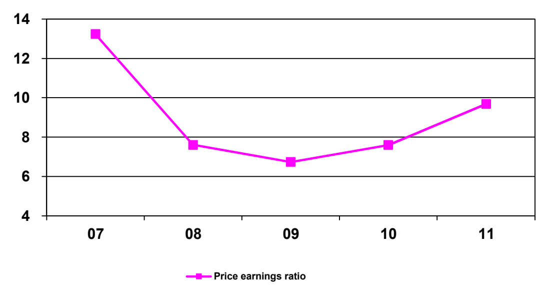
Value

The difference between the net asset value per share and the closing JSE price per share



Price Earnings Ratio

Share price divided by earnings per share



TERM	DEFINITIONS
Capital Employed	Capital, reserves and non-current liabilities
Shareholders Equity	Capital and reserves
Operating Profit	Profit before tax and interest
Current Ratio	Current assets to current liabilities
Quick Ratio	Current assets, excluding inventories, to current liabilities
Dividends per Share	Interim paid and final proposed for the year
Gearing Ratio	Interest bearing debt to shareholders equity
Price Earnings Ratio	Share price divided by headline earnings per share
Value	The difference between the net assets value per share and the share price
Net Asset Value	Total assets less current and non-current liabilities

SHAREHOLDER PROFILE

At 30 June 2011

Size of Holding	2011 No of Holders	2011 % of Holders	2011 % of Capital	2010 No of Holders	2010 % of Holders	2010 % of Capital
Shareholdings						
1 - 5 000	580	50.3	1.1	529	48.5	1.0
5 001 - 10 000	163	14.1	1.2	167	15.3	1.2
10 001 - 50 000	279	24.2	6.2	258	23.6	5.9
50 001 - 100 000	46	4.0	3.4	51	4.7	3.8
100 001 and above	84	7.4	88.1	86	8.0	88.0
Total	1,152	100.0	100.0	1,091	100.0	100.0
Spread						
Public - South African	1,135	98.5	81.9	1,074	98.4	82.0
Public - Non Residents	11	1.0	0.2	11	1.0	0.2
Treasury	1	0.1	-8.6	1	0.1	-9.1
Directors	5	0.5	26.6	5	0.5	26.9
Total	1,152	100.0	100.0	1,091	100.0	100.0
Status						
Dematerialised	990	85.9	97.7	920	84.3	97.7
Certificated	162	14.1	2.3	171	15.7	2.3
Total	1,152	100.0	100.0	1,091	100.0	100.0
Other Large Investors						
FNT Allan Gray			2.76			2.76
Advantage Emerg.Fund			0.77			1.15
Aylett & Co			0.83			0.94
Eskom Pension Fund			4.07			3.62
Coronation			1.65			1.18
Old Mutual			3.11			2.99
Standard Bank			19.09			18.60
Past directors			2.49			2.51

There are no nominees with beneficial holdings of greater than 5% of the number of issued shares

Non-Executive

Horst Werner Sass (75)
Chairman
Remuneration Committee

Horst Sass holds a Diploma in Agriculture from Potchefstroom and a Master of Technology from Cape Town. He founded various companies, worked as co-ordinator of the plastics division of Kohler Ltd, before joining Bowler Metcalf in 1985 as chief executive officer. He was appointed executive chairman in 1997 and retired from executive duties in 2008, continuing on since then as non-executive chairman.

Brian James Frost (67)
Audit and Risk Committee
Remuneration Committee
Lead Independent Director

Brian Frost B.Com, AMP (Harvard), retired from his position as Executive Joint Managing Director at Woolworths in 2000, continuing service as a non-executive director with them until 2010. Brian joined the Bowler board as an independent non-executive director in 1998. He also performs the role of Lead Independent Director.

Edgar George Tindale (87)
Audit and Risk Committee

Ed Tindale had 24 years experience at Kohler Limited before leaving his position as regional director to that of chairman of Bowler Metcalf in 1984. He has a B.Com and is a fellow of the Chartered Institute of Secretaries. He retired from the company in 1992 and re-joined as an independent non-executive in 2008.

Finlay Craig MacGillivray (43)
Audit and Risk Committee
Remuneration Committee

Craig MacGillivray, previously a senior partner of a national audit practice and currently CEO of a leading Cape wine estate, holds a B.Com degree, post graduate diplomas in accounting and tax law, and a CA(SA) and has held various senior executive positions in offshore diamond mining and clothing retail. He joined Bowler Metcalf as an independent non-executive director in March 2011, chairs the audit and risk committee and is a member of the remuneration committee.

Executive

Michael Brain (64)
Executive Vice
Chairman and Chief
Financial Officer

Michael Brain, qualified with a B.Sc in engineering from UCT and was a founder member of engineering company, Brain and Howarth, in 1975 and in 1977, marketing company SA Historical Mint. He joined Bowler Metcalf in 1984 and held the position of financial director until 1999 when he took over as managing director. He moved into the duel role of vice-chairman and chief financial officer in 2011.

Paul Friedrich Sass (48)
Chief Operating Officer

Friedel Sass has a B.Sc Mechanical Engineering from Cape Town and worked as a design and industrial engineer before completing an internship in Europe in the plastics industry. He joined Bowler Metcalf in 1991, was appointed to the Bowler board as an executive director in 1998 for 7 years and then again in 2009. He was appointed chief operating officer in March 2011.

CHAIRMAN'S REPORT

Overview

It gives me great pleasure to report that the Group has maintained their twenty four year increase in both attributable income and dividends over a somewhat challenging twelve month period. Earnings showed an 16% increase to R77.5m (2010: R66.7m) and dividends proposed have increased by 16% to 32.6 cents per share. A final dividend of 17 cents per share will be paid. Despite increased working capital cost, the Group also continued to generate cash, with the net inflow of R34.5m being recorded, leaving the Group with cash reserves of R116m at year end.

Notwithstanding our results, market conditions during the year were characterized by a clear attitude of hesitancy. This attitude was possibly spurred by the marked slowdown after the World Cup euphoria, coupled with uncertainty of the Rand's position on the financial stage and global recession woes, all of which make long-term planning in the FMCG market somewhat hazardous. Nonetheless, the Group strategy of diversity through vertical integration proved a wise one.

In March Friedel Sass took over the mantle as Chief Executive Officer and other high level executive appointments will be made.

The small increase in issued shares was a result of executives exercising options. A reportable irregularity in one of the operating companies which has subsequently been fully rectified and further control procedures put in place.

Bowler Plastics

The year saw the demise of several smaller customers who were victims of market conditions. With that, the plastic packaging industry was faced with a more robust, but stronger multinational customer base that placed demands on pricing to which all were forced to subscribe. The raw material price increases for the year varied between 11% and 21% and only a small portion of those could be passed on, as was the case with the 40% increase in electricity and 7.8% increase in labour cost. Of the 7.9% increase in revenue, approximately 3% is as a result of price increases. The flat earnings on the plastics division at R53.1m on a turnover of R335.4m (+9.3%) reflected the defensive position we elected to adopt.

Certain of the capital expenditure was deferred in favour of significant upgrades to existing equipment and there is a R10m carryover on capital expenditure committed which will arrive in the 2012 year. The major deferment of capital spend was in respect of the changeover on all CSD related products to a more economical neck closure which should result in a saving of R7m per year. Significant expenditure has been made on new moulds and optimization of existing moulds and this will benefit our competitiveness going forward.

All four operating plants had positive results and I am pleased to include Gad-Tek, who are now supplying customers in both KZN as well as in the Eastern Cape. Despite the severe pressures that we have had to handle during 2011, Bowler Plastics has come through this well. Our order book for plastic packaging is the fullest it has been for the last decade. The machinery, products and people are in place to ensure that our ongoing profitability will continue through the 2012 year.

Quality Beverages

The meteoric growth of Quality Beverages continued in the 2011 year, with revenue increasing by R68,4m to R331m, (+26%) and attributable income up by R8,2m to R15.3m (+115%) respectively. This performance was off the higher 2010 base, and equates to an average eps growth of 8.9c over the last twenty four months. This improvement bears testimony to the innovative marketing strategy and branding initiatives that were adopted over the last two years. While the Western Cape grew market share, the Gauteng division improved to a breakeven situation. The upturn in brand loyalty to Jive, Aqua Blue and Planet has been most encouraging and the growth in consumption by the higher LSM market augers well for the future. Hashim Amla has been contracted to be the brand ambassador for the next two years.

The planned Gauteng production facilities are in an advanced stage of completion in the $7500m^2$ Boksburg factory and the final investment in the new line will be approximately R30 million. We believe that there will be continuous improvement in this lucrative market if we replicate the proven success model of the Western Cape in our customized factory. While competition will no doubt be severe, we believe that our proven niche and exceptional product offering will allow us to turn this expansion into a meaningful contributor to Group profits within twenty four months. Final factory commissioning is expected in September / October and the facility should be in full production for the 2011 summer. The concomitant benefits to Bowler Plastics with regard to bottles, crates and caps supply are obvious and follow naturally.

Properties

Certain of the Group properties have been professionally valued and in all cases, the wisdom of the investment was confirmed. Rentals remain market related and the property portfolio showed a 42% growth to R9.5m.

Prospects

Notwithstanding the challenging market conditions, given the established position in the market of both Bowler Plastics and Quality Beverages, coupled with a significant war chest and the strong staff that we have at our disposal, I have every reason to believe that a continued growth in Bowler Metcalf's fortunes can be expected in the 2012 year.

Appreciation

Thanks go again to our customers for their support and co-operation as we work to play our part into their supply chain management. Thanks also to both the executive and non-executive management for their continuous and focused efforts and last but not least our workforce through all the levels without whom we would not have a business.

H.W. SASS
Non-Executive Chairman

Board of Directors:

Full details of the directorate, inclusive of remuneration and shareholdings are as set out. The full board meets five times per annum. The directors retire in rotation, have no long-term contracts, are not automatically reappointed. Some executive directors participate in a share incentive scheme. A remuneration committee approves remuneration of all directors and senior management. All directors have access to the services of the company secretary and, at the company's expense, legal and financial advisors.

Internal controls and audit:

The directors are responsible for and ensure that the group maintains adequate accounting records and internal controls to reasonably assure the integrity of the financial information including the accountability of assets. The Board is responsible for the total process of risk management. All of the above processes are continuously monitored and directors and employees are required to maintain the highest ethical standards, ensuring that the businesses practices are conducted in a manner which, in all reasonable circumstances, is beyond reproach. Nothing has come to the attention of the directors or the company's advisors, or audit and risk committee, to indicate any material breakdown in the above controls during the period under review.

Audit and Risk Committee

The company has a committee that operates under formal terms of reference. The terms of reference are confirmed by the board and reviewed every year. The terms of reference are available to the shareholders, on request, at the registered office of the company.

The objectives of the committee are:

To assist the Board in discharging its duties relating to safeguarding of assets, the operation of adequate systems, control and reporting processes and the preparation of accurate reporting and financial statements in compliance with the applicable legal requirements and accounting standards.

To reinforce both the internal control systems.

To ensure the risk areas of the company's operations are covered in the scope of external audits.

To review the results of the external audits.

To ensure that the board of directors makes informed decisions and is aware of the implications of such decisions regarding accounting policies, practices and disclosures.

To review the company's compliance with legal and regulatory provisions, its articles of association and any rules established by the board.

To consider, on an annual basis, and satisfy itself, of the appropriateness of the expertise and experience of the financial director.

The members are all independent, non-executive directors, as disclosed on the inside front cover, and met thrice during the year:

Remuneration Committee

Members	Category
Brian James Frost - chairman	Non-executive Independent
Finlay Craig MacGillivray	Non-executive Independent
Horst Werner Sass	Non-executive

The main purpose of the Remuneration Committee is to assist the Board in fulfilling their responsibilities in establishing formal and transparent remuneration policies which are aligned with the company strategies and linked to its performance in the short and long term.

The Committee's terms of reference have been approved by the Board and the Committee is satisfied that it has carried out its responsibilities for the year in compliance with its terms of reference.

Membership consists of three non executive directors of whom two, including the Chairman of the Committee, are independent.

The Committee met twice during the year and the Chairman reported back to the Board on the activities of the Committee.

The following key issues were discussed and dealt with by the Committee during the year:

Guaranteed pay

Annual review of Executive Directors and Management Committee members guaranteed pay relative to individual and company performance and market competitiveness.

Short term performance bonus

Reviewed and agreed the short term incentive targets for 2011 financial year
Reviewed and approved the short term incentive bonus payments.

Long term incentive scheme

Commenced the investigation and the introduction of a long term incentive scheme during the 2012 financial year.

Remuneration polices

Commenced a comprehensive review of remuneration policy using the services of a consultant.
The revised policy will be reported on in the 2012 annual report.

Executive Directors service contracts

The Executive Directors service contracts do not contain notice periods exceeding twelve months.

Remuneration Policy for Non Executive Directors

Non Executive Directors receive fees for services on Board and Board Committees. These fees recognise the responsibilities of Non Executive Directors throughout the year and the total fee is inclusive of a base fee and a committee attendance fee.

Non Executive Directors do not receive short term incentives and do not participate in any long term share incentive scheme.

The fees for Non Executive Directors have been recommended by the Remuneration Committee to the Board for their approval.

The proposed fees for 2011 have been based on benchmarking with similar sized listed companies. Consideration has also been given to the substantial increase in legal and regulatory oversight requirements and increased risk being assumed by Non Executive Directors.

Non-executive Directors Remuneration

Name	Category	Date first appointed	Directors fees R'000	Committee fees R'000	Total 2011 R'000	Total 2010 R'000
HW Sass	Non-executive	Jul 2007	182	40	222	241
B J Frost	Non-executive Independent	Jun 1998	120	80	200	131
FC MacGillivray	Non-executive Independent	Mar 2011	40	27	67	-
EG Tindale	Non-executive Independent	Jun 2008	41	14	55	20
Total			383	161	544	392
Paid by subsidiary			(383)	(161)	(544)	(392)
Paid by company			-	-	-	-

Meeting Attendances

Name	Category	Date first appointed	Date last appointed	Terminatio n	No of meetings	Attendance
Main Board						
HW Sass	Non-Exec Chairman	Jun 1986	Nov 2008		5	5
M Brain	Exec Vice Chair/Financial	Jan 1985	Nov 2009		5	5
PF Sass	Chief Executive Officer	Nov 2009			5	5
MS Parker	Executive	May 2002	Nov 2009	Jun 2011	4	4
BJ Frost	Non-Exec Independent	Jun 1998	Nov 2010		5	5
EG Tindale	Non-Exec Independent	Jun 2008	Nov 2010		5	5
FC MacGillivray	Non-Exec Independent	Mar 2011			2	2
Audit & Risk Committee						
FC MacGillivray	Chairman	Mar 2011			2	2
BJ Frost	Member	Jun 1998			4	4
EG Tindale	Member	Jun 2008			4	4
Remuneration Committee						
BJ Frost	Chairman	Jun 1998			2	2
HW Sass	Member	Jun 1986			2	2
FC MacGillivray	Non-Exec Independent	Mar 2011			2	2

King Code:

All the key principles underlying the requirements of the King III Code of Practices and Conduct, have been reviewed throughout the reporting period, and implemented.

Integrated Annual Report:

This is our first Integrated Annual Report, combining financial and non-financial information. Our aim is that the integrated report will be incrementally improved over time, in line with developing global standards.

Director nominations:

There is no separate nomination committee. This function is fulfilled by the remuneration committee in conjunction with the board. When the need arises, the remuneration committee establishes a sub-committee consisting of an executive director and other suitably experienced persons, who present names to the remuneration committee for further submission to the board for final approval once a suitable candidate has been identified.

Social responsibility:

Health and safety conditions comply with industry standards and the minimization of industrial pollution is entrenched in the manufacturing process. Since 1987, the group has had a successful policy of work enrichment through share participation. It is the intention to accelerate this process in the future. The group is committed to a work environment free of discrimination of any kind and to maintain a high level of worker education and training, thus facilitating the consequent affirmative action. The group has maintained its progress in meeting its employment equity goals and the latest workforce profile as submitted to the Department of Labour, is summarized hereunder. Any further details required are available at the registered office of the company.

Employment Equity

The workforce profiles submitted to the Department of Labour in September are summarised hereunder.

	Management	Skilled & Other	Temporary Employees	Total	% of Total
Employment - 2010					
Male					
African	-	139	33	172	22%
Coloured	8	195	83	286	37%
Asian	5	17	-	22	3%
White	26	29	3	58	8%
Foreign nationals	-	3	1	4	1%
Female					
African	-	15	32	47	6%
Coloured	2	113	37	152	20%
Asian	-	4	-	4	1%
White	5	15	-	20	3%
Foreign nationals	-	-	0	-	-
Total - 2010	46	530	189	765	100%
Employment - 2009					
Male					
African	-	146	32	178	23%
Coloured	9	213	78	300	39%
Asian	4	17	-	21	3%
White	25	30	2	57	7%
Foreign nationals	-	4	-	4	-
Female					
African	-	17	16	33	4%
Coloured	2	118	35	155	20%
Asian	-	5	-	5	1%
White	4	16	-	20	3%
Foreign nationals	-	-	-	-	-
Total - 2009	44	566	163	773	100%
Skills Development - 2010					
Male					
African	-	73	5	78	10%
Coloured	2	142	45	189	25%
Asian	4	9	0	13	2%
White	2	11	2	15	2%
Female					
African	-	9	0	9	1%
Coloured	1	83	12	96	13%
Asian	0	-	0	0	0%
White	1	1	0	2	0%
Total - 2010	10	328	64	402	53%
Skills Development - 2009					
Male					
African	-	39	-	39	5%
Coloured	3	14	-	17	2%
Asian	4	10	-	14	2%
White	2	2	-	4	1%
Female					
African	-	4	-	4	1%
Coloured	-	14	-	14	2%
Asian	1	-	-	1	0%
White	-	3	-	3	0%
Total - 2009	10	86	-	96	12%

Bowler Metcalf, through its board and the various management structures within the organisation, is committed to create long term value for all its stakeholders in an integrated, results driven and balanced approach. To this end the existing culture of the company is in the process of re-aligning itself to quantify and measure the continuous achievements by various teams.

The sustainability objectives of the Group in summary are based on:

i. Commitment to ethical and non-corrupt work ethics both within and outside the business, at all times considering the best interests of the stakeholders. The work and guidance of the various board committees in this regard is effective and supportive.

ii. An active engagement and partnership with customers, based on environment considerate solutions and a strong knowledge-driven philosophy to remain continuously aligned to changing solutions. The recent investment into a plastics colouring line is an example of this engagement. The relentless pressure of pricing fuelled by global competitive pressures has had a significant impact on the customer relationships and has benefitted mutual problem solving interactions.

iii. The development of like-minded, expertise-based supplier networks is a key contributor to the knowledge and resourcefulness of the various Bowler teams.

iv. Continuous focus on reduction of waste. This focus is driven by the management structures and is financially measured with specific emphasis in energy usage, recycle initiatives (Bowler Plastics is a founder member of the PETCO and POLYCO countrywide recycle initiative), and overall waste identification and elimination. To this end the principles of Lean Manufacturing have been adopted in the Plastics plant and are slowly showing sustainable success.

v. Providing employees with a healthy and safe working environment, and fostering a culture of continuous development and training. The HR profile within the Group has received an elevated strategic focus and various initiatives have been launched with champions within the various plants. These initiative include Health & Safety group work, in-house Clinic focusing on various health initiatives, mentorship programmes, learnership and apprenticeship support, bursary programmes, enrichment support and career development focus. Particular focus is in the empowerment of all employees to meaningfully contribute to the team spirit and culture of the company.

vi. Continuously researching and investing in technologically driven solutions to remain at the forefront of the expertise in our various fields of operation. On this front the recent installation of a new injection plant in Johannesburg has evidenced significant energy saving performances to as much as 75% to previous solutions. The new plant for Quality Beverages also currently installed in Johannesburg represents state of the art technology in minimising water wastage and optimal electricity usage. This focus is reinforced by the heightened development of engineering disciplines in the organisation.

vii. Engaging within the community by supporting various projects that in the past year has seen a spend of over R1mil into worthy causes such as various feeding schemes, underprivileged sport development for the youth, old age home support and support of the handicapped. A particularly successful venture has been the owner-driver scheme. These projects have all contributed toward a BBBEE value added rating of 5.

DIRECTORS STATEMENT

Preparation of Integrated Annual Financial Statements

The Directors are required by King III to prepare the Integrated Annual Financial Statements, which include the annual financial statements as required by the Companies Act. These statements have been reviewed by the audit and risk committee and the board who are of the opinion that they fairly present the financial position of the group as at the end of the financial year, and the income or loss for that year, in conformity with International Financial Reporting Standards and the Companies Act in South Africa.

The directors consider that in preparing the financial statements, the group has consistently used appropriate accounting policies supported by reasonable and prudent judgements and estimates. All applicable accounting standards have been followed.

Directors' Responsibility in Relation to Financial statements

The directors are required by the Companies Act in South Africa to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the company as at the end of the financial year and the results of its operations and cash flows for the year then ended, in conformity with International Financial Reporting Standards. The external auditors are engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with International Financial Reporting Standards and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgments and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the board sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the company and all employees are required to maintain the highest ethical standards in ensuring the company's business is conducted in a manner that in all reasonable circumstances is above reproach.

The focus of risk management in the company is on identifying, assessing, managing and monitoring all known forms of risk across the company. While operating risk cannot be fully eliminated, the company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors have reviewed the company's cash flow forecast for the year to 30 June 2012 and, in the light of this review and the current financial position, they are satisfied that the company has, or has access to, adequate resources to continue in operational existence for the foreseeable future.

Directors' approval of Annual Financial Statements

The Annual Financial Statements set out on pages 9 to 29 were approved by the Board of Directors on
13 October 2011 and are signed on their behalf by:

H W SASS
Chairman

P F SASS
Chief Operating Officer

Ottery
13 October 2011

Secretarial Certification

In accordance with section 268G(d) of the Companies Act, it is hereby certified that the company has lodged with the Registrar of Companies all such returns that are required of a public company in terms of the Act and that such returns are true, correct and up to date.

L V ROWLES
Company Secretary
13 October 2011

AUDIT AND RISK COMMITTEE REPORT

Membership

The committee comprises solely of independent, non-executive directors. They are:

Finlay Craig MacGillivray (Chairman)
Brian Frost
Edgar Tindale

Mr MacGillivray was appointed to the committee with effect from 3 March 2011 and assumed the position of chairman from Mr Frost at that date.

Functions

The committee nominated for approval at the annual general meeting Mazars as the external auditor for the 2012 financial year, and Yolandie Ferreira as the designated auditor.

Independence of the auditor:

The committee has considered the independence requirements of the Independent Regulatory Board for Auditors and carried out procedures as considered necessary to satisfy itself that the auditor of Bowler Metcalf Limited was independent as defined by the Company's Act.

These procedures include:

Meeting with the auditors to consider the safeguards they have put in place to ensure their independence.

Determining the nature and extent of non-audit services which the auditor may perform for the company. There is a formal procedure in place that governs the process whereby the auditor is considered for non-audit services. Each engagement letter for such work is reviewed by the committee.

Pre-approving any contract for non-audit services to be performed by the auditor.

Agreeing, in consultation with the board of directors, the provisional audit fee for the year. The fee is considered appropriate for the work that is required to be performed. The final fee will be agreed on completion of the audit.

Ensuring that the appointment of auditor complies with the Company's Act and any other legislation relating to the appointment of auditors.

The committee :

is to receive and deal with any complaint relating either to the accounting practices of the company or to the content or auditing of its financial statements, or to any related matter. No such complaint was received during the year.

is to consider, on an annual basis, and satisfy itself, of the appropriateness of the expertise and experience and adequacy of the finance function, the chief financial officer and his/her senior financial team.

in consultation with the external auditors, is to review with management, internal and/or external counsel, legal matters that could have a material impact on the group and to review the effectiveness of the group's legal compliance procedures and regulatory responsibilities.

in consultation with the external auditors, is to review the group's systems of internal control, and fraud detection and prevention, for compliance and improvement thereto.

is to ensure that management's processes and procedures are adequate to identify, assess and monitor enterprise-wide risks.

The committee reports that it has :

considered and is satisfied that the incumbent CFO has the appropriate experience and expertise and that the financial function of the group is adequate..

considered known legal matters and is satisfied that there are none likely to have a material impact.

reviewed the group's legal and regulatory compliance procedures and found them to be adequate.

reviewed the group's systems of internal control and found them to be adequate and effective and to have been complied with.

reviewed the group's risk identification processes and procedures and found them to be adequate and effective.

Integrated Annual Report

The committee has recommended the integrated annual report, including the annual financial statements, for approval by the board. The board has subsequently approved the financial statements, which will be laid before the members at the forthcoming annual general meeting.

Craig MacGillivray
Chairman of the audit and risk committee

13 October 2011

INDEPENDENT AUDITORS' REPORT

To the members of Bowler Metcalf Limited

We have audited the annual financial statements and group annual financial statements of Bowler Metcalf Limited, which comprise the directors' report, statements of financial position as at 30 June 2011, statements of comprehensive income, changes in equity and cash flows for the year then ended, a summary of significant accounting policies and other explanatory notes, as set out on pages 14 to 36.

Directors' Responsibility for Financial Statements

The company's directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and in the manner required by the Companies Act of South Africa. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the company and of the group as of 30 June 2011, and of their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards, and in the manner required by the Companies Act of South Africa.

Report on Other Legal and Regulatory Requirements

In accordance with our responsibilities in terms of sections 44(2) and 44(3) of the Auditing Profession Act, we report that we have identified a breach of fiduciary duty by a person responsible for the management of Quality Beverages 2000 (Pty) Limited and Bowler Metcalf Limited, which constitutes a reportable irregularity in terms of the Auditing Profession Act, and have reported such matters to the Independent Regulatory Board of Auditors. Refer to the directors report on page 14.

Mazars

MAZARS
Registered Auditors

Partner: Yolandie Ferreira
Registered Auditor

13 October 2011
Cape Town

The Members

Bowler Metcalf Limited

Your directors have the pleasure in submitting their annual report which forms part of the group annual financial statements for the year ended 30 June 2011.

General Review of Business Operations and results

The group carries on the business of manufacturing plastics, plastic mouldings and carbonated soft drinks. There were no major changes in the nature of the business of the company and of its subsidiaries during the year. The results of the business and operations of the company and of its subsidiaries during the year and its state of affairs and financial position are set out in the attached group financial statements and do not, in our opinion, require any further comment or elucidation.

A subsidiary has been reported for a breach of fiduciary duty pertaining to unauthorised advance payments for the supply of goods. The full amount has been recovered and therefore no loss has occurred and remedial steps have been taken to prevent a re-occurrence.

Subsequent to the year end the company purchased the minority share in Quality Beverages 2000 (Pty) Ltd for R23 million. At the same time it granted the minority shareholder the option, for a limited period, to reacquire the 25.1% shareholding at the same price, which option has now been exercised.

There are no other material facts or circumstances which have occurred in the company or its subsidiaries between the balance sheet date and the date of this report.

Stated Capital

There has been no change to the authorised share capital during the year. During the year Bowler Plastics (Pty) Ltd, a subsidiary, continued holding the company's shares on the open market in a treasury capacity (refer note 8).

Dividends

Interim dividends of 15.6 cents per share (2010: 13.0c) were paid to shareholders on 11 April 2011. A final dividend of 20.0 cents per share (2010: 15.0c) has been declared in terms of the notice included in this report. No STC tax is anticipated.

Property, Plant and Equipment

There has been no change in the nature of the property, plant and equipment of the group and the policy relating to the use thereof remains the same.

Unlisted Subsidiary Companies

	Number of shares held		Shares at Carrying Value		Interest	Unsecured Group Loans	
Incorporated in South Africa	%	No	2011	2010	Rate p.a.	2011	2010
			R	R	%	R	R
Subsidiaries - directly held							
Bowler Plastics (Pty) Ltd	100	100	**5,663,476**	5,663,476	nil	**81,837,294**	81,837,294
Plus Plastik (Pty) Ltd	100	300	**300**	300	nil	**-**	-
Hazra Properties Two (Pty) Ltd	100	300	**300**	300	nil	**-**	-
Bowler Properties Two (Pty) Ltd	100	100	**100**	100	nil	**-**	-
Quality Beverages 2000 (Pty) Ltd	74.9	734	**19,462,275**	19,462,275	10	**-**	-
Loans to subsidiaries						**81,837,294**	81,837,294
Subsidiaries - indirectly held							
Bowler PET Jhb (Pty) Ltd	100		**-**	-			
Gad-Tek (Pty) Ltd	100		**-**	-			
Postal Presents (Pty) Ltd	74.9		**-**	-			
Quality Beverages Jhb (Pty) Ltd	74.9						
Quality Softdrinks (Pty) Ltd	74.9		**-**	-			
Shares at carrying value			**25,126,451**	25,126,451			
Aggregate comprehensive income attributable to Bowler Metcalf Limited's interest in all its subsidiaries is:			**77,483,287**	66,701,344			

Borrowing limitations

The borrowing powers of the group are not limited by its articles of association.

Directors and Secretary
Details of the present board of directors and the secretary appear on the inside front cover of this report. Mr FC MacGillivray was appointed to the board on 3 March 2011. Mr MS Parker resigned from the board 27 June 2011. There were no other changes during the year under review.

Directors' Interest in Shares
The directors' beneficial and non-beneficial interests in the company's issued share capital at 30 June 2011 were as follows:

Director's holdings ('000)	Beneficial	Non-Beneficial	Total	%
2011				
HW Sass (Non-Executive Chairman)	**2,737**	**15,562**	**18,299**	**20.7**
M Brain (Managing/Financial)	**546**	**5,427**	**5,973**	**6.8**
PF Sass (Executive)	**464**	**727**	**1,191**	**1.3**
BJ Frost (Non-Executive)	**-**	**100**	**100**	**0.1**
E Tindale (Non-Executive)	**195**	**817**	**1,012**	**1.1**
	3,942	**22,633**	**26,575**	**30.1**
Shares in issue ('000)			**88,428**	
2010				
HW Sass (Non-Executive Chairman)	2,737	15,909	18,646	**21.1**
M Brain (Managing/Financial)	546	5,427	5,973	**6.8**
PF Sass (Executive)	381	727	1,108	**1.3**
BJ Frost (Non-Executive)	-	100	100	**0.1**
E Tindale (Non-Executive)	223	850	1,073	**1.2**
	3,887	23,013	26,900	**30.4**
Shares in issue ('000)			88,428	

There has been no change in these holdings up to the date of this report.

Special Resolutions
general authority to repurchase shares in the company as they may determine until the next annual general meeting.

This same authority will again be sought at the upcoming annual general meeting.

STATEMENT OF FINANCIAL POSITION

At 30 June 2011

	Notes	GROUP 2011 R'000	GROUP 2010 R'000	COMPANY 2011 R'000	COMPANY 2010 R'000
Assets					
Non-current assets		**157,948**	173,559	**106,963**	25,126
Property, plant and equipment	**1**	**137,596**	153,116	**-**	-
Intangible assets	**2**	**15,921**	15,921	**-**	-
Investments	**3**	**1,254**	1,254	**-**	-
Investment in subsidiaries	**4**	**-**	-	**25,126**	25,126
Related party loan	**4**	**-**	-	**81,837**	-
Deferred taxation	**11**	**3,177**	3,268	**-**	-
Current assets		**331,625**	251,839	**-**	81,837
Inventories	**5**	**67,263**	57,167	**-**	-
Trade and other receivables	**6**	**99,739**	87,820	**-**	-
Prepayments	**7**	**31,898**	23,785	**-**	-
Cash and cash equivalents	**8**	**128,944**	81,604	**-**	-
Related party loan	**4**	**-**	-	**-**	81,837
Taxation		**3,781**	1,463	**-**	-
Total assets		**489,573**	425,398	**106,963**	106,963
Equity and Liabilities					
Equity attributable to:					
Parent company equity holders		**394,577**	339,360	**106,963**	106,963
Stated capital	**9**	**21,565**	21,565	**21,565**	21,565
Retained earnings		**405,709**	352,593	**85,398**	85,398
Treasury shares	**9**	**(34,148)**	(35,989)	**-**	-
Share Option Reserve		**1,451**	1,191	**-**	-
Non-controlling Interests		**12,968**	8,710		
Total equity		**407,545**	348,070		
Non-current liabilities		**19,675**	21,961	**-**	-
Borrowings - interest bearing	**10**	**4,322**	4,274	**-**	-
Deferred taxation	**11**	**15,353**	17,687	**-**	-
Current liabilities		**62,353**	55,367	**-**	-
Trade and other payables	**12**	**44,419**	52,859	**-**	-
Bank overdrafts	**8**	**12,802**	-	**-**	-
Borrowings - interest bearing	**10**	**3,663**	2,434	**-**	-
Taxation		**1,469**	74	**-**	-
Total equity and liabilities		**489,573**	425,398	**106,963**	106,963

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2011

	Notes	GROUP 2011 R'000	GROUP 2010 R'000	COMPANY 2011 R'000	COMPANY 2010 R'000
TRADING INCOME					
Revenue		**591,151**	518,201	**-**	-
Other operating income		**5,710**	3,147	**27,059**	24,671
Raw materials and other operating costs		**(326,260)**	(276,493)	**-**	-
Staffing costs	**16**	**(99,496)**	(90,068)	**-**	-
Rental and property finance		**(2,736)**	(3,095)	**-**	-
Depreciation and impairments		**(31,294)**	(33,233)	**-**	-
Maintenance		**(13,162)**	(10,999)	**-**	-
Transport		**(10,537)**	(9,845)	**-**	-
Profit from operations		**113,376**	97,615	**27,059**	24,671
Net finance income/(costs)	**13**	**1,098**	663	**-**	-
- income		**1,837**	3,202	**-**	-
- costs		**(739)**	(2,539)	**-**	-
Profit before tax	**14**	**114,474**	98,278	**27,059**	24,671
Income tax expense	**15**	**(31,435)**	(28,836)	**-**	-
Profit for the year		**83,039**	69,442	**27,059**	24,671
OTHER COMPREHENSIVE INCOME (net of tax)					
		-	-	**-**	-
TOTAL COMPREHENSIVE INCOME		**83,039**	69,442	**27,059**	24,671
Attributable to:					
Equity holders of the parent		**77,483**	66,701		
Non-controlling interests		**5,556**	2,741		
		83,039	69,442		
Earnings per share					
- basic and diluted	**17**	**96.28**	83.01		

STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2011

R'000	Stated Capital	Retained Earnings	Treasury Shares	Share Based Payments	Total	Non-controlling Interests	Total Equity
	Attributable to equity holders of the parent						
GROUP							
Balance at 1 July 30 June 2009	21,565	308,494	(34,579)	496	295,976	6,375	302,351
Treasury shares			(1,410)		(1,410)		(1,410)
Share based payments				695	695		695
Total comprehensive income for the year to 30 June 2010		66,701			66,701	2,741	69,442
Dividends paid		(22,602)			(22,602)	(406)	(23,008)
Balance at 30 June 2010	21,565	352,593	(35,989)	1,191	339,360	8,710	348,070
Treasury shares			1,841		1,841		1,841
Share based payments		268		260	528		528
Total comprehensive income for the year to 30 June 2011		77,483			77,483	5,556	83,039
Dividends paid		(24,635)			(24,635)	(1,298)	(25,933)
Balance at 30 June 2011	21,565	405,709	(34,148)	1,451	394,577	12,968	407,545
COMPANY							
Balance at 1 July 30 June 2009	21,565	85,398			106,963		
Total comprehensive income for the year to 30 June 2010		24,671			24,671		
Dividends paid		(24,671)			(24,671)		
Balance at 30 June 2010	21,565	85,398	-	-	106,963		
Share issue	-				-		
Total comprehensive income for the year to 30 June 2011		27,059			27,059		
Dividends paid		(27,059)			(27,059)		
Balance at 30 June 2011	21,565	85,398	-	-	106,963		

GROUP	**2011 cents**	2010 cents
DIVIDENDS PER SHARE		
Dividends paid	**30.6**	27.9
Special previous year	**-**	4.0
Final previous year	**15.0**	10.9
Interim this year	**15.6**	13.0
Dividends proposed	**35.6**	28.0
Interim this year - actual	**15.6**	13.0
Final this year - proposed	**20.0**	15.0
Special dividend - proposed	**-**	-

STATEMENT OF CASH FLOWS
For the year ended 30 June 2011

	Notes	GROUP 2011 R'000	GROUP 2010 R'000	COMPANY 2011 R'000	COMPANY 2010 R'000
Cash flows arising from operating activities		**46,797**	84,684	**-**	-
Cash receipts from customers		**609,929**	547,821		
Cash paid to suppliers and employees		**(507,113)**	(413,065)		
Cash generated by operations	**20.1**	**102,816**	134,756	**-**	-
Dividends received	**20.2**	**3,417**	1,191	**27,059**	24,671
Interest received		**1,837**	3,202	**-**	-
Interest paid		**(739)**	(2,539)	**-**	-
Taxation paid	**20.3**	**(34,601)**	(28,918)	**-**	-
		72,730	107,692	**27,059**	24,671
Dividends paid		**(25,933)**	(23,008)	**(27,059)**	(24,671)
Cash flows arising from investing activities		**(15,377)**	(21,088)	**-**	-
Property, plant and equipment					
- proceeds on disposal	**20.4**	**494**	134	**-**	-
- additions	**20.5**	**(15,871)**	(21,222)	**-**	-
Reduction (increase) in investments		**-**	-	**-**	-
Cash flows arising from financing activities		**3,118**	(5,436)	**-**	-
Borrowings		**1,277**	(4,026)	**-**	-
Proceeds from disposal/(re-purchase) of shares		**1,841**	(1,410)	**-**	-
Net increase/(decrease) for the year		**34,538**	58,160	**-**	-
Balance at beginning of period		**81,604**	23,444	**-**	-
Cash and cash equivalents at end of the year		**116,142**	81,604	**-**	-
Cash and cash equivalents comprise:					
Bank accounts and cash on hand		**128,944**	81,604	**-**	-
Bank overdrafts		**(12,802)**	-	**-**	-
Cash and cash equivalents at end of the period	-	**116,142**	81,604	**-**	-

	GROUP			COMPANY		
1 Property, plant and equipment						
	Cost R'000	Accumulated Depreciation R'000	Balance R'000	Cost R'000	Accumulated Depreciation R'000	Balance R'000
30 June 2011						
Land and buildings	**67,312**	**24,490**	**42,822**	**-**	**-**	**-**
Manufacturing plant and equipment	**292,836**	**212,619**	**80,217**	**-**	**-**	**-**
Other plant and equipment	**41,579**	**27,022**	**14,557**			**-**
	401,727	**264,131**	**137,596**	**-**	**-**	**-**
30 June 2010						
Land and buildings	66,196	21,978	44,218	-	-	-
Manufacturing plant and equipment	289,852	188,869	100,983	-	-	-
Other plant and equipment	37,446	29,531	7,915			-
	393,494	240,378	153,116	-	-	-

Reconciliation of net book value — GROUP

	Land & Buildings R'000	Manufacturing Plant & Equipment R'000	Other Plant & Equipment R'000	Total R'000
30 June 2011				
Net balance at beginning of year	**44,218**	**100,983**	**7,915**	**153,116**
Additions	**1,116**	**7,560**	**7,195**	**15,871**
	45,334	**108,543**	**15,110**	**168,987**
Depreciation	**(2,512)**	**(23,496)**	**(5,286)**	**(31,294)**
Disposals	**-**	**(43)**	**(54)**	**(97)**
Net balance at end of year	**42,822**	**85,004**	**9,770**	**137,596**
30 June 2010				
Net balance at beginning of year	36,318	115,677	12,214	164,209
Additions	10,134	10,073	1,015	21,222
	46,452	125,750	13,229	185,431
Depreciation	(2,234)	(24,711)	(5,284)	(32,229)
Disposals	-	(56)	(30)	(86)
Net balance at end of year	44,218	100,983	7,915	153,116

Certain property, plant and equipment with a carrying value of R10 689 056 (2010: R11 589 783) is encumbered (see note 10)

Land and Buildings
Freehold land and buildings consist of:

		2011	2010
1.1	erven 3308 and 3808 of Ottery, Harris Drive, Ottery, Cape. (mortgaged in terms of note 11),		
	- Land at cost December 1994	**1,580**	1,580
	- Buildings erected in 1995	**7,340**	7,340
	- Additions in 1998	**430**	430
	- Additions in 2006	**1**	1
1.2	erf 3309 of Ottery, Harris Drive, Ottery, Cape.		
	- Land and buildings acquired in September 2002	**1,262**	1,262
1.3	erf 4396 of Ottery, Clifford Street, Ottery, Cape		
	- Land at cost October 2003	**1,504**	1,504
	- Buildings erected in 2004	**6,393**	6,393
1.4	erf 723 Spartan, Loper Ave, Spartan, Isando (mortgaged in terms of note 11),		
	- Land at cost June 1994	**1,416**	1,416
	- Buildings erected in 1995	**6,061**	6,061
	- Additions 2001	**2,616**	2,616
	- Additions 2002	**36**	36

		GROUP 2011 R'000	GROUP 2010 R'000	COMPANY 2011 R'000	COMPANY 2010 R'000
1	**Property, plant and equipment - continued**				
1.5	portion 1 of farm 1460, City of Cape Town				
	- Land at cost February 2000	**3,792**	3,792		
	- Buildings erected 2001	**7,955**	7,955		
	- Additions 2004	**78**	78		
	- Additions 2007	**3,960**	3,960		
	- Addition in progress 2010	**10,134**	10,134		
1.6	erf 166802 of Epping, Benbow Ave, Epping, Cape Town (mortgaged in terms of note11),				
	- Land and buildings acquired in November 2003	**5,541**	5,541		
	- Improvements 2003	**5,311**	5,311		
	- Improvements 2006	**158**	158		
	- Improvements 2007	**513**	513		
	- Improvements 2008	**77**	77		
	- Improvements 2009	**38**	38		
		66,196	66,196		
	Directors' valuation	**194,910**	162,713		

Valuations have been computed on the expected future rental stream, based on current market related rentals, net of costs and discounted at a fair market related rate of return.

		GROUP 2011 R'000	GROUP 2010 R'000	COMPANY 2011 R'000	COMPANY 2010 R'000
2	**Intangible Assets**				
	Goodwill on acquisition of subsidiaries at carrying values				
	- balance at beginning of year	**15,921**	15,921		
	- acquisition of Gad-Tek (Pty) Ltd	**-**	-		
	- balance at the end of the year	**15,921**	15,921		
	Goodwill comprises				
	- Quality Beverages 2000 (Pty) Ltd Group	**11,059**	11,059		
	- Gad-Tek (Pty) Ltd	**4,862**	4,862		
		15,921	15,921		

Annual impairment tests, based on expected future earnings and discounted at a fair rates of return, indicate that the goodwill arising on the acquisition of subsidiaries is not impaired at the year end.

Valuation assumptions, derived from management's past experience within the industry are:
Pre-tax earnings based on short to mid-tem budgets (1 to 5 years).
Growth rates of between 10 and 12 per cent.
Discount rate of 12 per cent
Expected future earnings are based on short to mid term

3 Investments

Financial assets available for sale are recognised at fair value, which is therefore equal to their carrying amounts.

Level 1

Listed shares measured using unadjusted quoted prices

	GROUP 2011 R'000	GROUP 2010 R'000	COMPANY 2011 R'000	COMPANY 2010 R'000
Beige Holdings Limited				
25 089 792 Ordinary shares (2009: 25 089 792)	**1,254**	1,254		
	1,254	1,254		

Level 2

Applies inputs other than quoted prices that are observable for the assets either directly (as prices) or indirectly (derived from prices).

Level 3

Applies inputs which are not based on observable market data.

	GROUP 2011 R'000	GROUP 2010 R'000	COMPANY 2011 R'000	COMPANY 2010 R'000
4 Subsidiary investments and loans				
Refer to the directors report on page 10 for details of investments and loans				
Investment in subsidiaries - at cost			**25,126**	25,126
Related party loan receivable				
Bowler Plastics (Pty) Ltd - at cost			**81,837**	81,837
The loan is unsecured, interest free and stated at cost as there are no fixed dates of repayment.				
Related party transactions				
Dividends received :				
Bowler Plastics (Pty) Ltd			**23,184**	23,461
Quality Beverages 2000 (Pty) Ltd			**3,875**	1,210
5 Inventories				
Finished goods	**24,731**	19,645		
Work in progress	**5,302**	3,317		
Consumable stores	**8,871**	8,864		
Raw materials	**28,359**	25,341		
	67,263	57,167		
6 Trade and other receivables				
Trade receivables	**69,042**	80,802		
Loans - other	**4,719**	5,219		
Claims receivable	**20,649**	-		
Other receivables	**5,329**	1,799		
	99,739	87,820		

6.1 Analysis of trade receivables

Segment		2011 Plastics	2011 Filling	2011 Total	2010 Plastics	2010 Filling	2010 Total
Neither past due nor impaired		**40,242**	**25,729**	**65,971**	51,462	24,340	75,802
Past due but not impaired	>60 days	**-**	**-**	**-**	48	-	48
Past due but not impaired	>90 days	**-**	**3,671**	**3,671**	-	5,552	5,552
Past due and impaired		**2,525**	**101**	**2,626**	2,525	770	3,295
		42,767	**29,501**	**72,268**	54,035	30,662	84,697
Allowances (incl. provision for credit notes)		**(3,125)**	**(101)**	**(3,226)**	(3,125)	(770)	(3,895)
		39,642	**29,400**	**69,042**	50,910	29,892	80,802
Allowances							
Balance at beginning of year		**3,125**	**770**	**3,895**	2,451	788	3,239
Allowances		**-**		**-**	674	-	674
Reversals		**-**	**(669)**	**(669)**	-	(18)	(18)
Balance at end of year		**3,125**	**101**	**3,226**	3,125	770	3,895
Customer sector		Manufacturing	Wholesale/Retail				

Provision for allowances is against specific customers based on individual circumstances and where there is no likelihood of recovering against personal sureties, where held. Allowance is made for doubtful debts as to the ageing of past due receivables.

	GROUP 2011 R'000	GROUP 2010 R'000
6.2 Loans		
Opening balance	**5,219**	7,219
Advances	**-**	-
Receipts	**(500)**	(2,000)
Impairments	**-**	-
	4,719	5,219
Comprising:		
Loan	**8,733**	9,233
Accumulated impairment	**(4,014)**	(4,014)
Carrying values approximate fair value.		
7 Prepayments		
Prepayments consist of:		
Advance payments - capital	**30,573**	386
Advance payments - expenses	**1,325**	23,399
	31,898	23,785

		GROUP 2011 R'000	GROUP 2010 R'000	COMPANY 2011 R'000	COMPANY 2010 R'000
8	**Cash resources**				
	Cash and cash equivalents				
	Bank accounts and cash on hand	**128,944**	81,604		
	Bank overdrafts				
	Total facilities	**30,000**	30,000		
	Utilised	**12,802**	-		
	Unutilised facility	**17,198**	30,000		
9	**Stated capital**				
9.1	*Authorised* 189 850 000 Ordinary shares of no par value				
	Issued	**21,565**	21,565	**21,565**	21,565
	Until the forthcoming annual general meeting: - the unissued shares are under the control of the directors - the directors have a general authority to repurchase shares				
9.2	*Treasury shares*	**(34,148)**	(35,989)		
9.3	*Number of shares*				
	Balance at beginning of year	**80,351,925**	80,349,060	88,428,066	88,428,066
	Share issue	**-**	-		
	Treasury shares disposed / (acquired)	**436,452**	2,865	-	-
	Balance at end of year	**80,788,377**	80,351,925	**88,428,066**	88,428,066
	Comprising:				
	Issued shares	**88,428,066**	88,428,066	88,428,066	88,428,066
	Treasury shares	**(7,639,689)**	(8,076,141)	-	-
	Percentage of issued shares	**8.6%**	9.1%		
9.4	*Weighted number of shares*				
	Balance at beginning of year	**80,351,925**	80,349,060		
	Share issue - weighted	**-**	-		
	Treasury shares - weighted	**121,974**	3,633		
	Weighted number of shares in issue during the year	**80,473,899**	80,352,693		
10	**Borrowings - interest bearing**				
10.1	Definite period loan repayable at interest rates linked to banker acceptance rates, secured over fixed property (see note 3.1 & 3.4)	**-**	-		
10.2	Mortgage bond over land and buildings in favour of ABSA Bank Ltd, repayable in monthly instalments of R102 228(2010: R103 821) inclusive of interest at a rate of 7.6% pa (2010: 8.6%), terminating in December 2013 (see note 3.7).	**2,887**	3,857		
	- current portion	**(1,142)**	(1,063)		
		1,745	2,794		
10.3	Instalment sale agreements secured over assets in favour of Wesbank, repayable in monthly instalments of R243 722 (2010: R130 447) , inclusive of interest at rates between 8.0% and 9.0% pa (2010: 9.0% to 10.0%), terminating between January 2012 and May 2014	**5,098**	2,851		
	- current portion	**(2,521)**	(1,371)		
		2,577	1,480		
	Total non-current	**4,322**	4,274		
	Total current	**3,663**	2,434		

		Notes	GROUP 2011 R'000	GROUP 2010 R'000	COMPANY 2011 R'000	COMPANY 2010 R'000
11	**Deferred taxation**					
	Balance at beginning of year		**14,419**	13,894	**-**	-
	Movements during year					
	- current year provision		**(2,188)**	255	**-**	-
	- prior year adjustment		**(55)**	270	**-**	-
	Balance at end of the year		**12,176**	14,419	**-**	-
	Balance at end of the year comprises:					
	- Capital allowances		**17,726**	19,647	**-**	-
	- Accruals		**(2,818)**	(2,446)	**-**	-
	- Assessed losses		**(2,732)**	(2,782)	**-**	-
			12,176	14,419	**-**	-
	Consisting of:					
	- liabilities		**15,353**	17,687	**-**	-
	- assets		**3,177**	3,268	**-**	-
12	**Trade and other payables**					
	Trade payables		**20,689**	30,022	**-**	-
	Accruals and other payables		**23,730**	22,837	**-**	-
			44,419	52,859	**-**	-
13	**Finance income and costs**					
	Interest received					
	Financial institutions - banks		**1401**	3,060		
	Other		**436**	142		
			1,837	3,202		
	Interest paid					
	Financial institutions - banks		**113**	1,464		
	Financial institutions - mortgages		**258**	376		
	Financial institutions - asset finance		**363**	697		
	Other		**5**	2		
			739	2,539		
14	**Profit before tax**					
	Profit before tax is arrived at after taking into account the following items:					
	Income					
	Dividends received					
	- unlisted subsidiary		**-**	-	**27,059**	24,671
	- other unlisted investments		**3,417**	1,191	**-**	-
	Surplus on disposal of fixed assets		**397**	48	**-**	-
	Foreign exchange gains		**22**	-	**-**	-
	Government grants		**-**	-	**-**	-
	Expenses					
	Auditors' remuneration		**1,469**	1,438	**-**	-
	Cost of sales		**245,139**	207,576	**-**	-
	Depreciation	**18**	**31,294**	32,229	**-**	-
	Directors' emoluments	**19**	**6,117**	4,844	**-**	-
	Employee costs		**99,496**	90,068	**-**	-
	Foreign exchange losses		**-**	40	**-**	-
	Impairment of assets				**-**	-
	- investments		**-**	1,004	**-**	-
	- loans		**-**	-	**-**	-
	Inventory NRV adjustments		**3,089**	-	**-**	-
	Leasing charges				**-**	-
	- operating leases on land and buildings		**2,737**	3,095	**-**	-
	Loss on disposal of fixed assets		**-**	-	**-**	-
	Retirement funding		**3,460**	2,894	**-**	-

		GROUP		COMPANY	
		2011	2010	**2011**	2010
		R'000	R'000	**R'000**	R'000
15	**Taxation**				
	Taxation - current	**33,289**	26,970	**-**	-
	Taxation - prior	**16**	-	**-**	-
	Deferred taxation - current	**(2,188)**	255	**-**	-
	Deferred taxation - prior	**(55)**	270		
	Secondary tax on companies	**373**	1,341	**-**	-
		31,435	28,836	**-**	-
	Reconciliation of rate of taxation				
	SA normal tax rate	**28.0%**	28.0%	**28.0%**	28.0%
	Adjusted for:				
	Disallowable expenses/exempt income	**(0.8)**	(0.3)	**(28.0)**	(28.0)
	Prior periods	**0.0**	0.3	**-**	-
	Secondary tax on companies	**0.3**	1.4	**-**	-
	Net (decrease)/increase	**(0.5)**	1.4	**(28.0)**	(28.0)
	Effective tax rate	**27.5%**	29.4%	**0.0%**	0.0%

16 **Share based payments**

Share options granted to eligible executives of the group's operating companies were:

Issue date	Vesting date	Expiry date	Exercise Price (cents)	2010 Outstanding Options	Granted	Exercised	Lapsed	2011 Outstanding Options
01/10/2008	30/09/2010	30/09/2012	420	434,600	-	(434,600)	-	**-**
01/10/2008	30/09/2011	30/09/2013	420	724,000	-	-	-	**724,000**
01/10/2008	30/09/2012	30/09/2014	420	724,000	-	-	-	**724,000**
01/10/2008	30/09/2013	30/09/2015	420	1,013,500	-	-	-	**1,013,500**
				2,896,100	-	(434,600)	-	**2,461,500**

Share options are to be settled in equity, one share per option

		GROUP	
		2011	2010
The weighted average selling price at the date of exercise was	824		
The share options have been valued on the Black Scholes method using a dividend yield of 5.0%, a historical volatility of 21.5% and a risk free rate of 9.38% p.a. and are expensed through the statement of comprehensive income over the exercise periods		**527**	695

17	**Headline earnings**			
	Earnings per share (cents)		**96.28**	83.01
	- loss (profit) on disposal of assets - net		**(0.27)**	(0.04)
	- profit on disposal of subsidiary - net		**-**	-
	- impairments		**-**	1.25
	Headline earnings per share (cents)		**96.01**	84.22
	Weighted number of shares in issue	9	**80,476,104**	80,352,693
	The calculation of earnings per share is based on net profit for the year and the weighted number of shares in issue during the period, net of tax and minority interest.			
	Reconciliation of headline earnings			
	Attributable to holders of the parent			
	- earnings		**77,483**	66,701
	Adjustments net of tax and minority interest			
	- loss (profit) on disposal of assets - net		**(214)**	(33)
	profit on sale of investment property		**-**	-
	losses/(profit) on disposal of plant & equipment		**(397)**	(48)
	tax and minorities		**183**	15
	- impairments		**-**	1,004
	listed investments		**-**	1,004
	loans		**-**	-
	Headline earnings		**77,269**	67,672

	GROUP 2011 R'000	GROUP 2010 R'000	COMPANY 2011 R'000	COMPANY 2010 R'000
18 Depreciation				
Land and buildings	**2,512**	2,234	**-**	-
Manufacturing plant and equipment	**23,496**	24,711	**-**	-
Other plant and equipment	**5,286**	5,284		
	31,294	32,229	**-**	-

19 Directors and prescribed officers emoluments R'000

	Fees for services	Basic salary	Allowances & Benefits	Bonuses	Share based payments	Retirement Benefits	Total R'000
30 June 2011							
Executive directors							
M Brain	-	1,143	135	-	-	89	1,367
PF Sass	-	1,241	151	-	137	97	1,626
MS Parker	-	1,083	120	-	95	70	1,368
Non-Executive directors							
HW Sass	222	-	-	-	-	-	222
BJ Frost	200	-	-	-	-	-	200
EG Tindale	55	-	-	-	-	-	55
C MacGillivray	67	-	-	-	-	-	67
Prescribed officers							
LV Rowles		927	136	-	69	80	1,212
	544	4,394	542	-	301	336	6,117
Paid by subsidiaries	(544)	(4,394)	(542)	-	(301)	(336)	(6,117)
Paid by company	-	-	-	-	-	-	-
30 June 2010							
Executive directors							
M Brain	-	1,192	144	-	-	-	1,336
PF Sass	-	1,098	144	-	181	-	1,423
MS Parker	-	1,012	120	435	126	-	1,693
Non-Executive directors							
HW Sass	241	-	-	-	-	-	241
BJ Frost	131	-	-	-	-	-	131
EG Tindale	20	-	-	-	-	-	20
C MacGillivray	-	-	-	-	-	-	-
	392	3,302	408	435	307	-	4,844
Paid by subsidiary	(392)	(3,302)	(408)	(435)	(307)	-	(4,844)
Paid by company	-	-	-	-	-	-	-

There are no fixed period service contracts

Share Options Exercised	No. of Shares	Exercise Price	No. of Shares	Exercise Price
Directors				
PF Sass	113,400	895	-	-
MS Parker	78,400	895	-	-
Prescribed Officers				
LV Rowles	56,700	730	-	-
Paid by company	248,500		-	

20 Cash Flow

	GROUP 2011 R'000	GROUP 2010 R'000	COMPANY 2011 R'000	COMPANY 2010 R'000
20.1 Cash generated by operations				
Profit before tax	**114,474**	98,278	**27,059**	24,671
Non cash items	**31,424**	33,880	**-**	-
- depreciation	**31,294**	32,229	**-**	-
- impairment of loans	**-**	-	**-**	-
- impairment of investments	**-**	1,004	**-**	-
- share based payments	**527**	695		
- loss (surplus) on disposal of fixed assets	**(397)**	(48)	**-**	-
Adjustments for items shown separately	**(4,515)**	(1,854)	**(27,059)**	(24,671)
Interest paid	**739**	2,539	**-**	-
Dividends received	**(3,417)**	(1,191)	**(27,059)**	(24,671)
Interest received	**(1,837)**	(3,202)	**-**	-
Working capital changes	**(38,567)**	4,452	**-**	-
Inventories	**(10,096)**	(5,038)	**-**	-
Trade and other receivables	**(11,919)**	(1,183)	**-**	-
Prepayments	**(8,113)**	-	**-**	-
Trade and other payables	**(8,439)**	10,673	**-**	-
	102,816	134,756	**-**	-

		GROUP 2011 R'000	GROUP 2010 R'000	COMPANY 2011 R'000	COMPANY 2010 R'000
20	**Cash Flow - continued**				
20.2	**Reconciliation of dividends received**				
	Accrued to the income statement	**3,417**	1,191	**27,059**	24,671
	Non cash dividend received	**-**	-	**-**	-
	Dividends received	**3,417**	-	**27,059**	24,671
20.3	**Reconciliation of taxation paid**				
	Charged to the income statement	**(31,435)**	(28,836)		
	Adjustment for deferred taxation	**(2,243)**	525		
	Movement in taxation liability	**(923)**	(607)		
	Payments made	**(34,601)**	(28,918)		
20.4	**Proceeds on disposal of property, plant & equipment**				
	Book value of assets disposed of	**97**	86		
	Profit (loss) on disposal	**397**	48		
	Proceeds received	**494**	134		
20.5	**Additions to property, plant and equipment**				
	To expand operations				
	- Land and buildings	**1,116**	10,134		
	- Manufacturing plant and equipment	**7,560**	10,073		
	- Other plant and equipment	**7,195**	1,015		
		15,871	21,222		
21	**Financial Instruments**				
21.1	**Credit Risk**				
	Financial assets exposed to credit risk are:				
	Trade and other receivables	**98,461**	87,820		
	Cash and cash equivalents	**128,944**	81,604		
		15,871	21,222		

The group has no identifiable or abnormal concentrations of credit risk, either to specific customers, any industry or sector. The carrying amounts of financial assets in the financial statements represent the group's maximum exposure to credit risk.

The group only deposits cash surpluses with major banks of high standing.

Extensive credit evaluations are performed on all prospective customers and on an on-going basis for existing customers. Personal sureties are sought for smaller or newly established customers.

The group considers all concentration of credit risk to be adequately provided for at the balance sheet date.

21.2 Equity Price Risk

Equity investments are classified and held as available for sale. Market prices are monitored by management on an on-going basis. Significant movement in these prices are accounted for as and when recognised by management. Equity exposure at year end is considered minimal.

21.3 Fair Value

The carrying amounts of liquid resources , trade receivables and trade payables approximate their fair value at the balance sheet date.

21.4 Amortised cost

Interest accrues in each period by applying the effective interest rate implicit to the loan to the outstanding balance of the loan.

21.5 Foreign Exchange Risk

Foreign exchange risk arises on the acquisition of plant and machinery from abroad. Hedging instruments are used to reduce exposure to currency fluctuations. As capital orders are normally long term in nature and are paid for over the period of manufacture, risk exposure is averaged over the longer period.

	2011 Foreign Value '000	2011 Rate	2011 Rand Value R'000	2010 Foreign Value '000	2010 Rate	2010 Rand Value R'000
Foreign Commitments						
Plant and equipment	£17.100	10.9191	187			
Plant and equipment			**-**	€ 63.787	9.5400	609
Materials			**-**	€ 80.325	7.51	603
			187			1,212

		GROUP 2011 R'000	GROUP 2010 R'000	COMPANY 2011 R'000	COMPANY 2010 R'000
21	**Financial Instruments - continued**				
21.6	**Interest Rate Risk**				
	Borrowings are secured at the best prevailing rates, the movement of which is monitored and managed on an on-going basis.				
	Variable-rate interest bearing assets	**128,944**	81,604		
	Variable-rate interest bearing liabilities	**(20,787)**	(6,708)		
	Net assets (liabilities)	**108,157**	74,896		
	Estimated interest rate change	0.5%	0.5%		
	Net after tax profit sensitivity	**389**	270		
21.7	**Liquidity Risk**				
	The group manages its liquidity risk by monitoring cash flows and ensuring that adequate liquid funds are available.				
	Payable within the next 12 months				
	Mortgage bonds	**1,227**	1,246		
	Instalment sale agreements	**2,925**	1,444		
	Trade and other payables	**42,640**	52,859		
	Payable thereafter				
	Mortgage bonds	**1,840**	3,115		
	Instalment sale agreements	**2,577**	1,624		
	No fixed date of repayment				
	Bank overdrafts	**12,802**	-		
	Total financial liabilities	**64,011**	60,287		
21.8	**Financial Asset Categories**				
	Loans and Receivables				
	Trade and other receivables	**98,461**	87,820	**-**	-
	Cash and cash equivalents	**128,944**	81,604	**-**	-
	Loans to group companies	**-**	-	**81,837**	81,837
		227,405	169,424	**81,837**	81,837
	Available for sale				
	Investments	**1,254**	1,254	-	-
		228,659	170,678	81,837	81,837
21.9	**Financial Liability Categories**				
	Financial liabilities at amortised cost				
	Borrowings	**7,985**	6,708	**-**	-
	Trade and other payables	**44,144**	52,859	**-**	-
	Bank overdrafts	**12,802**	-	**-**	-
		64,931	59,567	-	-
22	**Commitments**				
	Capital				
	Plant	**14,694**	-		
	Land and buildings	**-**	-		
	Plant	**14,694**	-		
	The expenditure will be financed from cash generated from normal business operations and loan finance.				
	Leases				
	Operating leases on property, plant and equipment	**12,849**	-		
	Due within one year	**3,741**	-		
	Due between one and five years	**9,108**	-		
		12,849	-		

23 Segmental Report

Primary Format - Business Segments R'000	Plastic Operations	Filling Operations	Property Investment	Unallocated	Eliminations	Total
30 June 2011						
Revenue	244,026	330,936	16,189	-	-	591,151
Intersegment revenue	91,347				(91,347)	-
Other income	5,311	399	-	-	-	5,710
Costs (excl. depreciation)	(252,916)	(290,715)	93	-	91,347	(452,191)
Depreciation	(20,571)	(8,211)	(2,512)	-	-	(31,294)
	67,197	32,409	13,770	-	-	113,376
Finance income	5,126	84	19		(3,392)	1,837
Finance costs	(24)	(3,540)	(567)		3,392	(739)
Net income before tax	72,299	28,953	13,222	-	-	114,474
Taxation	(19,232)	(8,498)	(3,705)	-	-	(31,435)
Net income for the year	53,067	20,455	9,517	-	-	83,039
Attributable to:						
Equity holders of the parent	53,067	15,320	9,096	-	-	77,483
Minority interest	-	5,135	421	-	-	5,556
	53,067	20,455	9,517	-	-	83,039
Total Assets	347,345	126,450	88,791	15,921	(88,934)	489,573
Total Liabilities	86,558	69,774	19,802	(5,171)	(88,934)	82,029
Capital Expenditure	7,032	7,723	1,116	-	-	15,871
30 June 2010						
Revenue	242,234	262,496	13,471	-	-	518,201
Intersegment revenue	64,507	-	-	-	(64,507)	-
Other income	3,137	9	-	-	-	3,146
Costs (excl. depreciation)	(217,708)	(236,169)	(1,130)	-	64,507	(390,500)
Depreciation	(22,425)	(7,570)	(2,234)	-	-	(32,229)
Impairments	(1,004)					(1,004)
	68,741	18,766	10,107	-	-	97,614
Finance income	7,182	-	5		(3,985)	3,202
Finance costs	(462)	(5,273)	(788)		3,985	(2,538)
Net income before tax	75,461	13,493	9,324	-	-	98,278
Taxation	(22,241)	(3,980)	(2,615)	-	-	(28,836)
Net income after tax	53,220	9,513	6,709	-	-	69,442
Attributable to:						
Equity holders of the parent	53,220	7,125	6,356	-	-	66,701
Minority interest	-	2,388	353	-	-	2,741
	53,220	9,513	6,709	-	-	69,442
Total Assets	310,737	114,152	85,389	15,921	(100,801)	425,398
Total Liabilities	73,538	80,871	25,917	(2,197)	(100,801)	77,328
Capital Expenditure	5,073	6,015	10,135	-	-	21,223

		GROUP 2011 R'000	GROUP 2010 R'000	COMPANY 2011 R'000	COMPANY 2010 R'000
23	**Contingent Liabilities**				
	Bank guarantees issued	**449**	449	**257**	257
	Secondary Tax on Companies				
	Liability arising in the event of the company declaring its outstanding retained income by way of dividends.			**7,763**	7,763

The company has ceded to ABSA Bank Ltd all rights to title and interest in loans to Postal Presents (Pty) Ltd and stood surety for R4 000 000 (see note 11.2) as cover for mortgage finance.

The company has stood surety for an unlimited amount to First National Bank for facilities granted to subsidiaries.

The company has stood surety for R600 000 to First National Bank for facilities granted to subsidiaries

The directors do not believe these contingent liabilities are likely to materialise into full liabilities.

24 Capital risk management

The company's objectives when managing capital are to safeguard the company's ability to continue as a going concern in order to provide returns for members and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

	GROUP 2011 R'000	GROUP 2010 R'000	COMPANY 2011 R'000	COMPANY 2010 R'000
The capital structure of the company consists of:				
Equity	**394,577**	339,360		
Borrowings	**7,985**	6,708		
Overdrafts	**12,802**	-		
Total equity and borrowings	**415,364**	346,068		
Cash and cash equivalents	**128,944**	81,604		

In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to members, return capital to members, issue new shares or sell assets to reduce debt.

The company monitors capital on the basis of the gearing ratio.

This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the statement of financial position) less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the statement of financial position plus net debt.

There are no externally imposed capital requirements.

There have been no changes to what the entity manages as capital, the strategy for capital maintenance or externally imposed capital requirements from the previous year.

25 Change in accounting estimate

There were no significant changes to accounting estimates during the year

Presentation of Annual Financial Statements

The annual financial statements have been prepared in accordance with International Financial Reporting Standards, and the Companies Act of South Africa. The annual financial statements have been prepared on the historical cost basis, except for the measurement of investment properties and certain financial instruments at fair value, and incorporate the principal accounting policies set out below. They are presented in South African Rands.

These accounting policies are consistent with the previous period

1 Property, plant and equipment

The cost of an item of property, plant and equipment is recognised as an asset when:
- it is probable that future economic benefits associated with the item will flow to the company; and
- the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost.

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses.

Property, plant and equipment are depreciated on the straight line basis over their expected useful lives to their estimated residual value

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Average
Plant and machinery	6 to 10
Motor vehicles	5
Office equipment, furniture and fittings	10
Moulds	3 to 10
Computers	3
Industrial buildings	20
Land	n/a

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting period. If the expectations differ from previous estimates, the change is accounted for as a change in accounting estimate.

The depreciation charge for each period is recognised in profit or loss unless it is included in the carrying amount of another asset

The gain or loss arising from the de-recognition of an item of property, plant and equipment is included in profit or loss when the item is derecognised. The gain or loss arising from the de-recognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

2 Dividends received

Dividend received are recognised, in profit or loss, when the company's right to receive payment has been established.

Dividends received on treasury shares are eliminated on consolidation.

3 Dividends paid

Dividends are recognised as a liability in the period in which they are declared

4 Borrowing costs

Borrowing costs that are directly attributable to the acquisition of a qualifying asset are capitalised as part of the cost of that asset until such time as the asset is ready for its intended use. The amount of borrowing costs eligible for capitalisation is determined as follows:
- Actual borrowing costs on funds specifically borrowed for the purpose of obtaining a qualifying asset less any temporary investment of those borrowings.
- Weighted average of the borrowing costs applicable to the entity on funds generally borrowed for the purpose of obtaining a qualifying asset. The borrowing costs capitalised do not exceed the total borrowing costs incurred.

The capitalisation of borrowing costs commences when:
- expenditures for the asset have occurred;
- borrowing costs have been incurred, and
- activities that are necessary to prepare the asset for its intended use or sale are in progress.

Capitalisation is suspended during extended periods in which active development is interrupted

Capitalisation ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

All other borrowing costs are recognised as an expense in the period in which they are incurred

5 Inventories

Inventories are measured at the lower of cost and net realisable value on the first-in-first-out basis or weighted average basis

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

The cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

When inventories are sold, the carrying amount of those inventories are recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value, are recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

6 Tax

6.1 Current tax assets and liabilities

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

Current tax liabilities (assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the tax authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

6.2 Deferred tax assets and liabilities

A deferred tax liability is recognised for all taxable temporary differences, except to the extent that the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. A deferred tax asset is not recognised when it arises from the initial recognition of an asset or liability in a transaction at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

A deferred tax asset is recognised for the carry forward of unused tax losses and unused STC credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused STC credits can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

7 Translation of foreign currencies

A foreign currency transaction is recorded, on initial recognition in Rands, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

At the end of the reporting period:

- foreign currency monetary items are translated using the closing rate;
- non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction; and
- non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous annual financial statements are recognised in profit or loss in the period in which they arise.

When a gain or loss on a non-monetary item is recognised to other comprehensive income and accumulated in equity, any exchange component of that gain or loss is recognised to other comprehensive income and accumulated in equity. When a gain or loss on a non-monetary item is recognised in profit or loss, any exchange component of that gain or loss is recognised in profit or loss.

Cash flows arising from transactions in a foreign currency are recorded in Rands by applying to the foreign currency amount the exchange rate between the Rand and the foreign currency at the date of the cash flow.

8 Revenue

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- the company has transferred to the buyer the significant risks and rewards of ownership of the goods
- the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the company; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably

Revenue is measured at the fair value of the consideration received or receivable and represents the amounts receivable for goods in the normal course of business, net of trade discounts and volume rebates, and value added tax.

Interest is recognised, in profit or loss, using the effective interest rate method.

9 Employee benefits

9.1 Short-term employee benefits
The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

The expected cost of profit sharing and bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

9.2 Defined contribution plans
The group operates a provident and pension fund to which substantially all salaried staff belong. The fund is a defined contribution plan and does not require to be actuarially valued.

Current contributions to the pension and provident funds are charged against income as they are incurred

The fund is governed by the Pension Funds Act.

9.3 Share based payments
The fair value of the participating employee services, received in exchange for the grant of options, is recognised as an expense through the statement of comprehensive income.

The fair value of the options granted is expensed over the vesting period with a corresponding adjustment to equity. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable.

At each balance sheet date, the group revises its estimates of the number of options that are expected to become exercisable. The impact of the revision of original estimates, if any, is recognised in the statement of comprehensive income, with a corresponding adjustment to equity.

10 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

10.1 Operating leases - lessee
Operating lease payments are recognised as an expense on the straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments is recognised as an operating lease liability. This liability is not discounted.

Any contingent rents are expensed in the period they are incurred.

11 Basis of consolidation

The consolidated financial statements include the financial statements of the company and its subsidiaries. Subsidiaries are all those entities where the group has control over the operating and financial policies of such entities. The financial results of the subsidiaries are included from the effective dates of acquisition up to the effective dates of disposal. All inter-group balances and transactions have been eliminated on consolidation.

Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the company's interest therein and are recognised in equity. Non-controlling interests in the losses of subsidiaries are allocated to them, even if this results in a debit balance.

12 Goodwill

All business combinations are accounted for by applying the purchase method. Goodwill arising on the acquisition of a subsidiary represents the excess of the aggregate consideration transferred, non-controlling interest in the acquiree and in business combinations achieved in stages, the acquisition-date fair value of the acquirer's previously held equity interest in the acquiree; over the group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the subsidiary, recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less any accumulated impairment losses.

Goodwill is allocated to cash-generating units (CGUs) and is tested annually for impairment or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the CGU is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit *pro rata* on the basis of the carrying amount of each asset in the unit.

On disposal of a subsidiary the attributable amount of goodwill is included in the determination of the profit or loss on disposal

Negative goodwill arising on acquisition is recognised directly as a capital item in profit or loss.

13 Government Grants

Government grants are assistance by government in the form of transfers of resources in return for compliance with conditions related to operating activities. Government assistance is action by government designed to provide an economic benefit specific to an entity or a range of entities qualifying under certain criteria. Government includes government agencies and similar bodies, whether local, national or international.

Government grants are recognised when there is reasonable assurance of compliance with the attached conditions thereto and to the receipt thereof. Government grants are recognised in the statement of comprehensive income, at the proceeds received net of any related costs, not as revenue but as other income.

14 Financial instruments

14.1 Initial recognition and measurement

Financial instruments are recognised initially when the company becomes a party to the contractual provisions of the instruments.

The company classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement.

Financial instruments are measured initially at fair value, except for equity investments for which a fair value is not determinable, which are measured at cost and are classified as available-for-sale financial assets.

For financial instruments which are not at fair value through profit or loss, transaction costs are included in the initial measurement of the instrument.

Transaction costs on financial instruments at fair value through profit or loss are recognised in profit or loss.

Regular way purchases of financial assets are accounted for at trade date.

14.2 Subsequent measurement

Financial instruments at fair value through profit or loss are subsequently measured at fair value, with gains and losses arising from changes in fair value being included in profit or loss for the period.

Net gains or losses on the financial instruments at fair value through profit or loss dividends and interest.

Dividend income is recognised in profit or loss as part of other income when the company's right to receive payment is established.

Loans and receivables are subsequently measured at amortised cost, using the effective interest method, less accumulated impairment losses.

Held-to-maturity investments are subsequently measured at amortised cost, using the effective interest method, less accumulated impairment losses.

Available-for-sale financial assets are subsequently measured at fair value. This excludes equity investments for which a fair value is not determinable, which are measured at cost less accumulated impairment losses.

Gains and losses arising from changes in fair value are recognised in other comprehensive income and accumulated in equity until the asset is disposed of or determined to be impaired. Interest on available-for-sale financial assets calculated using the effective interest method is recognised in profit or loss as part of other income. Dividends received on available-for-sale equity instruments are recognised in profit or loss as part of other income when the company's right to receive payment is established.

14.3 Fair value determination

The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the company establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models making maximum use of market inputs and relying as little as possible on entity-specific inputs.

14.4 Impairment of financial assets

At each reporting date the company assesses all financial assets, other than those at fair value through profit or loss, to determine whether there is objective evidence that a financial asset or group of financial assets has been impaired.

For amounts due to the company, significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy and default of payments are all considered indicators of impairment.

In the case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is considered an indicator of impairment. If any such evidence exists for available-for-sale financial assets, the cumulative loss - measured as the difference between the acquisition cost and current fair value, less any impairment loss on that financial asset previously recognised in profit or loss - is removed from equity as a reclassification adjustment to other comprehensive income and recognised in profit or loss.

Impairment losses are recognised in profit or loss.

Impairment losses are reversed when an increase in the financial asset's recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to the restriction that the carrying amount of the financial asset at the date that the impairment is reversed shall not exceed what the carrying amount would have been had the impairment not been recognised.

Impairment losses are also not subsequently reversed for available-for-sale equity investments which are held at cost because fair value was not determinable.

Where financial assets are impaired through use of an allowance account, the amount of the loss is recognised in profit or loss within operating expenses. When such assets are written off, the write off is made against the relevant allowance account. Subsequent recoveries of amounts previously written off are credited against operating expenses.

15 Loans to (from) group companies

These include loans to and from holding companies, fellow subsidiaries, subsidiaries, joint ventures and associates and are recognised initially at fair value plus direct transaction costs.

Loans to group companies are classified as loans and receivables.

Loans from group companies are classified as financial liabilities measured at amortised cost.

16 Trade and other receivables

Trade receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest rate method. Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence that the asset is impaired. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in profit or loss within operating expenses. When a trade receivable is uncollectable, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against operating expenses in profit or loss.

Trade and other receivables are classified as loans and receivables.

17 Prepayments

Prepayments occur when an amount has been paid in advance but the goods or services have not yet been received by the group. Prepayments are recognised as assets in the statement of financial position.

18 Trade and other payables

Trade payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method

19 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially and subsequently recorded at fair value.

20 Bank overdraft and borrowings

Bank overdrafts and borrowings are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in accordance with the company's accounting policy for borrowing costs.

21 Treasury shares

Where subsidiaries hold shares in their parent company, these are recorded at cost, including any external costs of acquisition, and are deducted from equity as treasury shares.

When shares are subsequently sold or re-issued, their cost is released and any gains or losses are included in treasury shares

22 Segment report

The format of the segment report is on the basis of the business segments of the group, as regularly used by management. All the entities within the group are registered in and operating from South Africa.

23 Impairment of assets

At balance sheet date, where the recoverable amounts, being the greater of fair value less costs to sell and value in use, are less than the carrying amounts, the asset is impaired to that lower amount. This impairment loss is, upon recognition, charged to the statement of comprehensive income , or treated as a revaluation reduction of the revaluation reserve.

24 Cost of sales

The carrying amount of inventories sold is recognised as an expense in the same period in which the related revenue is recognised. Any write-down to net realizable value, or losses of inventories, are recognised as an expense in the period in which they occur. Any reversals of inventory write-downs arising from an increase in net realisable value, is recognised as a reduction in the cost of sales, in the period in which the reversal occurs.

25 International reporting standards

IFRS 9 - Financial Instruments
This new standard is the first phase of a three phase project to replace IAS 39 Financial Instruments: Recognition and Measurement. Phase one deals with the classification and measurement of financial assets and financial liabilities. The following are changes from the classification and measurement rules of IAS 39:

- Financial assets will be categorised as those subsequently measured at fair value or at amortised cost.
- Financial assets at amortised cost are those financial assets where the business model for managing the assets is to hold the assets to collect contractual cash flows (where the contractual cash flows represent payments of principal and interest only). All other financial assets are to be subsequently measured at fair value.
- Under certain circumstances, financial assets may be designated as at fair value
- Voluntary reclassification of financial assets is prohibited. Financial assets shall be reclassified if the entity changes its business model for the management of financial assets. In such circumstances, reclassification takes place prospectively from the beginning of the first reporting period after the date of change of the business model.
- Investments in equity instruments may be measured at fair value through other comprehensive income. When such an election is made, it may not subsequently be revoked, and gains or losses accumulated in equity are not recycled to profit or loss on de-recognition of the investment. The election may be made per individual investment.
- IFRS 9 does not allow for investments in equity instruments to be measured at cost under any circumstances.
- An entity choosing to measure a liability at fair value will present the portion of the change in its fair value due to changes in the entity's own credit risk in the other comprehensive income (OCI) section of the income statement, rather than within profit and loss.

The effective date of the standard is for years beginning on or after 01 January 2013

The company expects to adopt the standard for the first time in the 2014 annual financial statements

IAS24 Related party disclosures (Amended)
The amended Standard is effective for annual periods beginning on or after 1 January 2011. It clarifies the definition of a related party to simplify the identification of such relationships and to eliminate inconsistencies in its application. The revised Standard introduces a partial exemption of disclosure requirements for government related entities. The company does not expect any impact on its financial position or performance. Early adoption is permitted for either the partial exemption for government related entities or for the entire standard.

No other standards or interpretations relevant to the company's operations have been published which were mandatory for accounting periods beginning on or after 1 July 2011.

DIVIDEND DECLARATION

Notice is hereby given that a final dividend of 20.0 cents per share (2010: 15.0 cents) has been declared payable to shareholders on Monday, 31 October 2011.

The last day to trade "cum" the dividend will be Friday, 21 October 2011. "Ex" dividend trading begins on Monday, 24 October 2011 and the record date will be Friday, 28 October 2011.

Share certificates may not be dematerialised or re-materialised from Monday, 24 October 2011 to Friday, 28 October 2011, both days inclusive.

Unless otherwise requested in writing, individual dividend cheques of less than R50 will not be paid but retained in the company's unclaimed dividend account. Accumulated unpaid dividends in excess of R200 may be claimed in writing from the Transfer Secretaries. Shareholders are urged to supply their banking details to the Transfer Secretaries and receive future payments by electronic transfer.

By order of the Board

L V ROWLES
Secretary

Ottery
13 October 2011

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given in terms of the Companies Act No 71 of 2008, as amended ("the Act") that the twenty second Annual General Meeting of shareholders of the company will be held at the company's head office, Harris Drive, Ottery, Cape at 09h00 on Thursday 8 December 2011 for the purposes of considering and passing, with or without modification, the resolutions set out below, and to transact any other business as may be transacted at an annual general meeting:

Ordinary Resolutions

Ordinary resolutions require the support of at least 50% of votes exercised by shareholders present or represented by proxy.

1 **Ordinary Resolution Number One (Approval of Annual Financial Statements)**

"Resolved that the Annual Financial Statements of the company for the year ended 30 June 2011, be and are hereby approved."

2 **Ordinary Resolution Number Two (Endorsement of directors remuneration policy)**

"Resolved that the company's remuneration policy as set out on pages 7 to 8 of this report for the year ended 30 June 2011, be and is hereby endorsed by way of a non-binding advisory vote."

3 **Ordinary Resolution Number Three (Re-election of Director)**
(refer page 5 for his abridged curricula vitae)

"Resolved that Mr Michael Brain, who retires as a director in terms of the company's articles of association, but being eligible, and who offers himself for re-election, be and is hereby re-elected as director of the company."

4 **Ordinary Resolution Number Four (Re-election of Director)**
(refer page 5 for his abridged curricula vitae)

"Resolved that Mr Horst Werner Sass, who retires as a director in terms of the company's articles of association, but being eligible, and who offers himself for re-election, be and is hereby re-elected as director of the company."

5 **Ordinary Resolution Number Five (Unissued shares under control of Directors)**

"Resolved that the authorised but unissued ordinary shares in the share capital of the company, be and are hereby placed under the control and authority of the Directors, to allot and issue, at such prices and to such persons and on such terms, as they deem fit."

6 **Ordinary Resolution Number Six (Director's authority to negotiate and sign)**

"Resolved that any one of the directors of the Company be and are hereby authorised to negotiate on behalf of the Company and sign all such documents and do all such things as may be necessary for or incidental to the registration or implementation of the resolutions set out in this notice convening the annual general meeting at which this Ordinary Resolution Number Six is considered."

7 **Ordinary Resolution Number Seven (Reappointment of auditors)**

On the recommendation of the audit and risk committee, "It is resolved that Mazars be and are hereby reappointed as auditors until the conclusion of the next annual general meeting of the company."

8 **Ordinary Resolution Number Eight (Reappointment of audit and risk committee)**

The audit and risk committee consists of at least three non-executive directors as set out on the inside front cover whose appointment needs to be approved annually. As Mr Tindale is due for retirement from the board, his replacement will also assume his position on this committee.

"Resolved that the incumbent members of audit and risk committee be and are hereby reappointed to the committee until the conclusion of the next annual general meeting of the company."

Special Resolutions

Special resolutions require the support of at least 75% of votes exercised by shareholders present or represented by proxy.

9 **Special Resolution Number One (General authority to repurchase shares)**

"Resolved that the company or any of its subsidiaries be and are hereby authorised to acquire, from time to time, of the issued ordinary shares of the company from any person whatsoever (including any director or prescribed officer of the company or any person related to any director or prescribed officer of the company), upon such terms and conditions and in such amounts as the directors of the Company from time to time may determine, in terms of and subject to the Act and the Listings Requirements from time to time of the JSE Securities Exchange South Africa ("JSE"), and:

9.1 any such acquisition of ordinary shares shall be implemented on the open market of the JSE on terms determined by the board of directors of the Company;

9.2 this general authority shall only be valid until the Company's next annual general meeting, provided that it shall not extend beyond 15 (fifteen) months from the date of passing of this Special Resolution Number One;

9.3 a paid press announcement will be published as soon as the Company has acquired ordinary shares constituting, on a cumulative basis, 3% (three per cent) of the number of ordinary shares in issue prior to the acquisition pursuant to which the 3% (three per cent) threshold is reached, which announcement shall contain full details of such acquisitions;

9.4 acquisitions of ordinary shares in the aggregate in any one financial year may not exceed 20% (twenty per cent) of the Company's issued ordinary share capital from the date of the grant of this general authority;

9 **Special Resolution Number One (continued)**

9.5 in determining the price at which the Company's shares are acquired by the Company in terms of this general authority, the maximum premium at which such ordinary shares may be acquired will be 10% (ten per cent) of the weighted average of the market price at which such ordinary shares are traded on the JSE, as determined over the 5 (five) trading days immediately preceding the date of the repurchase of such ordinary shares by the Company;

9.6 the consolidated assets of the Company, valued in accordance with International Financial Reporting Standards, will be in excess of the consolidated liabilities of the Company;

9.7 the Company shall have adequate capital; and

9.8 the working capital of the Company will be adequate for the Company's next year's operations."

Statement by the board of directors of the Company

Pursuant to and in terms of the Listings Requirements of the JSE, the directors of the Company hereby state that:

a. the intention of the directors of the Company is to utilise the authority if at some future date the cash resources of the Company are in excess of it's requirements. In this regard the directors will take account of, *inter alia*, an appropriate capitalisation structure for the Company, the long-term cash needs of the Company and will ensure that any such utilisation is in the interests of shareholders;

b. the method by which the Company intends to re-purchase it's shares, the maximum number of shares to be re-purchased and the date on which such re-purchase will take place, has not yet been determined; and

c. after considering the effect of a maximum permitted re-purchase of shares, the company is, at the date of this notice convening the twenty second annual general meeting of the Company, unable to fully comply with paragraph 5.133 (c) (referred to below) of the Listings Requirements of the JSE, however, at the time that the contemplated re-purchase is to take place, the directors of the Company will ensure that:

the Company will be able to repay its debts;
the consolidated assets of the Company , valued in accordance with International Financial Reporting Standards, will be in excess of consolidated liabilities of the Company;

the issued capital of the Company will be adequate for the purposes of the business of the Company and its subsidiaries for the next twelve months; and the working capital available to the Company and its subsidiaries will be sufficient for the Company's requirements for the next twelve months.

10 **Special Resolution Number Two (Provision of financial assistance)**
"Resolved as a special resolution pursuant to Section 45(3) of the Companies Act, as amended ("the 2008 Act"), that the directors of the company be and are hereby authorised and empowered, as a general approval contemplated in Sections 45(3) of the 2008 Act, to cause the company to provide any direct or indirect financial assistance to any company or other legal entity which is related or inter-related to the company, subject and in accordance with the provisions of Section 45(3)(b) of the 2008 Act."

11 **Special Resolution Number Three (Non-executive directors fees)**
"Resolved as a special resolution that, unless otherwise determined by the company in a general meeting, the annual fees payable by the company to its non-executive directors be approved as follows:

Years ending	**30-Jun-11 R'000**	**30-Jun-12 R'000**	**30-Jun-13 R'000**
Board			
Chairman	182	200	200
Member	120	130	130
Audit/Risk Committee			
Chair and member	40	45	45
Remuneration/Nomination Committee			
Chair and member	40	45	45

Proxies

A proxy, who need not be a Bowler Metcalf shareholder, may be appointed to attend, speak and vote at the annual general meeting in the place of a shareholder who is entitled to attend and vote at the annual general meeting and who is not in a position to attend the annual general meeting.

A proxy may only be appointed by a Bowler Metcalf shareholder who falls within one of the following categories:
- a certificated shareholder; or
- CSDP nominee companies, stockbrokers' nominee companies and dematerialised shareholders who have elected "own name" registration.

A form of proxy is attached for the convenience of such a shareholder. The form of proxy should be completed and returned so as to reach the transfer secretaries, Computershare Investor Services 2004 (Pty) Limited, 70 Marshall Street, Johannesburg (P O Box 61051, Marshalltown, 2107, 2000) by 09h00 on Wednesday, 7 December 2011. [If a form of proxy is not received by such date, it may be handed to the chairman of the general meeting not later than ten minutes before the commencement of the annual general meeting.]

Dematerialised shareholders other than dematerialised shareholders with "own name" registration who are unable to attend the annual general meeting and wish to be represented thereat must provide their CSDP or stockbroker with their voting instruction in terms of the safe custody agreement entered into between themselves and the CSDP or stockbroker in the manner and time stipulated therein.

Dematerialised shareholders other than dematerialised shareholders with "own name" registration who wish to attend the general meeting must instruct their CSDP or stockbroker to issue them with the necessary authority to attend.

By order of the board

L V ROWLES
Secretary

Ottery
13 October 2011

BOWLER METCALF LIMITED
(Incorporated in the Republic of South Africa)
(Registration number 1972/005921/06)
Share Code: BCF ISIN: ZAE000030797)
("Bowler Metcalf" or "the Company")

FORM OF PROXY

FOR USE BY CERTIFICATED AND OWN NAME DEMATERIALISED SHAREHOLDERS AT THE ANNUAL GENERAL MEETING OF SHAREHOLDERS TO BE HELD AT 09:00 ON THURSDAY, 8 DECEMBER 2011 AT THE COMPANY'S HEAD OFFICE, HARRIS DRIVE, OTTERY, CAPE TOWN.

Note: Dematerialised shareholders without own name registration must **not** use this form. Dematerialised shareholders without own name registration who wish to vote by way of proxy at the general meeting, must provide their CSDP or broker with their voting instructions **by the cut-off time and date advised by the CSDP or broker for instructions of this nature** as specified in the custody agreement entered into between such shareholder and their CSDP or broker, in order for such CSDP or broker to vote in accordance with such instructions at the general meeting.

I/We ______________________________

of ______________________________

being the registered holder/s of [   ] ordinary shares in Bowler Metcalf, appoint (see note 1):

1. ____________________ of ____________________ or, failing him/her,

2. ____________________ of ____________________ or, failing him/her,

3. the chairman of the annual general meeting,

as my/our proxy to act for me/us on my/our behalf at the general meeting which will be held at 09:00 on Thursday, 8 December 2011 for the purpose of considering and, if deemed fit, passing, with or without modification, the resolutions to be proposed thereat and at any adjournment thereof; and to vote for or against the said resolutions or abstain from voting in respect of the ordinary shares registered in my/our name/s, in accordance with the following instructions (see note 2):

	For	Against	Abstain
Ordinary resolution number one (Approval of Annual Financial Statements)			
Ordinary resolution number two (Endorsement of directors remuneration policy)			
Ordinary resolution number three (re-election of director)			
Ordinary resolution number four (re-election of director)			
Ordinary resolution number five (Unissued shares under the control of Directors)			
Ordinary resolution number six (Directors authority to negotiate and sign)			
Ordinary resolution number seven (Reappointment of auditors)			
Ordinary resolution number eight (Reappointment of audit and risk committee)			
Special resolution number one (General authority to repurchase shares)			
Special resolution number two (Provision of financial assistance)			
Special resolution number three (Approval of non-executors fees)			

Signed at ____________________ on ____________________

Signature ______________________________

Each shareholder is entitled to appoint one or more proxy(ies) (who need not be shareholders of the Company), to attend, speak and vote in his/her stead at the annual general meeting.

Please read the notes on the reverse side hereof.

Notes:

1 A shareholder may insert the name or names of two alternative proxies of the shareholderøs choice in the space provided, with or without deleting ñthe chairman of the annual general meetingò. The person whose name appears first on the form of proxy and whose name has not been deleted will be entitled to act as proxy to the exclusion of those whose names follow.

2 A shareholderøs instructions to the proxy must be indicated by the insertion of the relevant number of votes exercisable by that shareholder in the appropriate space provided and the manner in which that shareholder wishes to vote. Failure to comply herewith will be deemed to authorise the proxy to vote at the annual general meeting as he/she deems fit in respect of the shareholderøs votes exercisable thereat, but where the proxy is the chairman, failure to so comply will be deemed to authorise the chairman to vote in favour of the special resolutions and ordinary resolution. A shareholder or his/her proxy is not obliged to use all the votes exercisable by the shareholder or by the proxy.

3 Forms of proxy must be lodged at or posted to the transfer secretaries, Computershare Investor Services 2004 (Proprietary) Limited, 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107), to be received by no later than 09:00 on Wednesday, 7 December 2011.

4 The completion and lodging of this form of proxy will not preclude the shareholder from attending the general meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof.

5 This form of proxy shall be valid for any adjournment of the general meeting as well as for the general meeting to which it relates, unless the contrary is stated therein.

6 A vote cast or act done in accordance with the terms of a form of proxy shall be deemed to be valid, notwithstanding:

ï the previous death, insanity, or any other legal disability of the person appointing the proxy; or
ï the revocation of the proxy; or
ï the transfer of a share in respect of which the proxy was given,

unless notice as to any of the abovementioned matter shall have been received by the Company at its registered office or by the chairman of the general meeting at the place of the general meeting if not held at the registered office, before the commencement or resumption (if adjourned) of the general meeting at which the vote was cast or the act was done or before the poll on which the vote was cast.

7 The authority of a person signing this form of proxy:
7.1 under a power of attorney; or
7.2 on behalf of a company, must be attached to the form of proxy unless the full power of attorney has already been received by the transfer secretaries.

8 Where shares are held jointly, all joint holders must sign.

9 The chairman of the annual general meeting may accept or reject any form of proxy which is completed and/or received, other than in accordance with these notes and instructions, provided that the chairman is satisfied as to the manner in which the shareholder wishes to vote.