metrofile

Integrated Annual Report

for the year ended June 2015

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DIRECTORS' STATEMENT OF RESPONSIBILITY

The Board of Directors acknowledges its responsibility to ensure the integrity of the integrated annual report. This report was prepared in accordance with the International Framework (IR) and the Board believes that it presents fairly the performance of the group and its material matters. On the recommendation of the Audit and Risk Committee, the Board of Directors approved the 2015 integrated annual report.

Christopher Seabrooke
Non-executive chairman

Graham Wackrill
Chief Executive Officer

ABOUT THIS REPORT

WELCOME

Metrofile Holdings Limited is proud to present our 2015 integrated annual report. We have considered the external and internal feedback received on our 2014 report and have endeavoured to rectify identified shortcomings in our 2015 reporting.

Although this report is produced specifically for shareholders and stakeholders, it complements further information provided through our website and other media.

FRAMEWORKS APPLIED

This integrated annual report accords with the parameters of the Companies Act, No 71 of 2008 ("Companies Act"), the JSE Listings Requirements and where possible, the recommendations of the King Report on Governance for South Africa 2009 ("King III report"). The Group's annual financial statements were prepared in accordance with International Financial Reporting Standards ("IFRS").

As recommended by King III, this report was prepared in accordance with the International Integrated Reporting Council's ("IIRC") International Framework (IR). Metrofile's Board of Directors and management have endorsed the International Framework's (IR) concepts, guiding principles and content elements.

PURPOSE

This integrated annual report is intended to concisely and accurately inform our stakeholder universe of our strategy, governance, performance and prospects in terms of value creation over the short, medium and long term.

THE BUSINESS MODEL, THE SIX CAPITALS AND VALUE CREATION

The IIRC's six capitals model is used as a basis for describing the Group's allocation of resources, its achievement of project goals, risks and opportunities and its ability to create value, both now and in the future.

PREPARATION AND PRESENTATION

Metrofile's 2015 integrated annual report was prepared for the period 1 July 2014 to 30 June 2015 and covers the activities of Metrofile Holdings Limited, its subsidiaries and associates operating in Southern Africa and abroad. The Board and management is of the view that the material matters published in this report offer a balanced mix of information for report readers to assess the Group's performance and prospects. These material matters were identified through our risk management process, strategy workshops and stakeholder engagement.

Matters raised through stakeholder engagement are assessed in terms of the stakeholder's influence, legitimacy and urgency.

The executive directors and senior management were instrumental in preparing this report and the Board has fulfilled its responsibilities in terms of the King III recommendations.

FORWARD-LOOKING STATEMENTS

Certain statements in this document are forward looking. These relate to, among other things, the plans, objectives, goals, strategies, future operations and performance of Metrofile Holdings and its subsidiaries ("the company", or "Group"). Words such as "anticipates, "estimates", "expects", "projects", "believes", "intends", "plans", "may", "will" and "should" and similar expressions are typically indicative of a forward-looking statement. These statements are not guarantees of Metrofile's future operating, financial or other results and involve certain risks, uncertainties and assumptions. Accordingly, actual results and outcomes may differ materially from those expressed or implied by such statements. Metrofile Holdings makes no representations or warranty, express or implied, that the operating, financial or other results anticipated by such forward-looking statements will be achieved and such forward-looking statements represent, in each case, only one of many possible scenarios and should not be viewed as the most likely or standard scenario. Due to the point in time nature of this integrated annual report, Metrofile cannot undertake to continuously update the historical information or forward-looking statements in this document.

FEEDBACK ON REPORT

We welcome your feedback on this report. Please email your comments to info@metrofileholdings.co.za.

GROUP REVIEW

HIGHLIGHTS

Revenue rose to

R721 million

(2014: R632 million)

over

184 million

Images stored and accessible via the internet

8,5 million

Boxes in storage

over

1 million

document retrievals

more than

72 million

lines of data captured

acquired

60%

interest in FlexiFile Limited (Zambia)

over

500 000

scheduled deliveries

acquired

60%

interest in e-File Masters (Abu Dhabi)

Improved dividend cover, for the full year, from 2 times in the comparative year to 1,5 times for the current year.

Over 9 000 clients in all 9 provinces as well as in selected African and Arabian Gulf countries

20th year as a JSE listed company

A BRIEF PROFILE ON METROFILE

Metrofile (Pty) Ltd was formed through the merger of two pioneers in the field and creates innovative, scaled and customised information management solutions for its clients. These range from large corporations and public sector organisations through to smaller and micro enterprises.

The Group operates through 44 purpose-built facilities across South Africa, accounting for over 88 000 square meters of warehousing and office space, as well as facilities across Africa and the Middle East. Metrofile is the market leader in record and information management in every industry and sector.

Metrofile services and products enable businesses of all sizes to manage their greatest risk, the loss of information. To help perform this critical function, Metrofile offers solutions specifically designed and developed to meet different needs, all of which are implemented by specially trained staff in or from secure off-site locations. The Group has an acclaimed track record in organising, backing up, managing and protecting large volumes of active and inactive documents, images and data, in physical or electronic format.

As a tireless innovator since its founding, Metrofile has celebrated many “firsts” along the way. For instance, Metrofile was the first to:

- Introduce off-site records storage
- Pioneer outsourced scanning bureaux
- Implement sophisticated random-based storage software systems
- Offer image and data hosting services.

After 32 years, Metrofile remains the only full-service business in South Africa able to offer a comprehensive range of information and records management solutions to suit the needs of organisations of every size. Our services cover the entire lifecycle of documents, from basic record storage to the integrated management of complex information and records, and then destruction or recycling.

In 2008, Metrofile began expanding beyond South Africa into promising markets elsewhere on the continent. In 2014 the Group entered the Gulf Cooperation Council region by establishing a presence in the Persian Gulf hub.

This expansion is set to accelerate in the coming years.

OUR VISION, MISSION AND VALUES

Metrofile’s vision and mission is crafted around delivering quality service to all of its clients, both large and small.

OUR VISION

To be our customers’ trusted information and records management partner.

OUR MISSION

To enable organisations and their people to manage their records and information securely, rapidly, intelligently and cost-effectively.

OUR VALUES

Metrofile is built on four promises:

1. **COMMITMENT** We are dedicated to serving our customers
2. **INTEGRITY** We act in the best interests of our stakeholders
3. **RELIABILITY** We deliver on our promise
4. **RESOURCEFULNESS** We find ways to work smarter

OPERATIONAL FOOTPRINT

OPERATIONAL STRUCTURE

BUSINESS POSITIONING	OPERATIONAL FOOTPRINT
The undisputed market leader in the supply of on-site and off-site information and records management services, working to internationally recognised standards and using tried and tested methods.	Johannesburg, Pretoria, Bloemfontein, Cape Town, Port Elizabeth, East London, Durban, Empangeni, Nelspruit, Mozambique, Nigeria
Sales and Services centre that provides exceptional service and high-quality products with its complete range of imaging, bulkmail handling, packaging and security equipment.	Johannesburg, Bloemfontein, Cape Town, Port Elizabeth, Durban, and in various countries in Africa
Specialises in the efficient collection, sorting and selling of high-grade paper waste to the manufacturers of recycled paper and other products.	Johannesburg (servicing Johannesburg, Pretoria and surrounding areas), Port Elizabeth
The only national operator providing on-site confidential record destruction.	Nationwide (SA) with offices in Cape Town, Johannesburg, Durban, Port Elizabeth and Bloemfontein
Provides business continuity and disaster recovery solutions that protect critical company information against unforeseen business or IT disruptions.	Johannesburg, Cape Town and Mozambique
On-site and off-site information and records management services in accordance with internationally recognised standards.	Dubai, Abu Dhabi
On-site and off-site information and records management services in accordance with internationally recognised standards.	Zambia

REVENUE CONTRIBUTION

metrofile Records Management	Revenue 74,1%
CSX Knowledge. Solutions. Success	Revenue 12,7%
rainbow paper management	Revenue 4,0%
CLEARDATA DOCUMENT DESTRUCTION SPECIALISTS	Revenue 4,3%
GLOBAL CONTINUITY	Revenue 1,6%
e-file	Revenue 2,2%
FlexiFile	Revenue 1,1%

GROUP SERVICES

Metrofile Holdings Limited was listed on the JSE Limited ("JSE") in 1995, with its ordinary shares registered in the "Support Services" sector of the JSE.

Metrofile Holdings is a 52,8% black-owned Group. The Group's empowerment partner, Mineworkers Investment Company ("MIC"), is also its largest shareholder, owning 34,41% of Metrofile's equity.

METROFILE'S SERVICES

In addition to our traditional box storage with its associated service offerings, our image processing, business continuity, recycling and secure document destruction services continue to grow. Our services currently include:

- Records storage and management
- Image processing
- Backup storage and management
- Records management software
- Records management consultancy
- Business continuity and IT continuity
- File plan development
- Confidential records destruction
- Paper recycling
- Sale and maintenance of a wide range of business equipment, including scanners, library security systems, and mailing and packaging machines

GROUP BUSINESS UNITS

RECORDS MANAGEMENT

The Records Management business unit is the market leader in physical and digital information and records management in Africa. This unit presently operates in South Africa, Mozambique, Nigeria, Zambia and United Arab Emirates.

It operates from 44 facilities, at 21 locations, covering more than 88 000 square metres of warehousing and office space.

CLEARDATA

A national operator providing secure, on-site confidential record destruction for corporate environments.

GLOBAL CONTINUITY SA

Provides business continuity and disaster recovery solutions that protect critical company information against unforeseen business or IT disruptions.

CSX CUSTOMER SERVICES

A sales and services centre that specialises in the supply, installation and support of business solutions in various niche markets. The primary goal of CSX is to ensure maximum equipment/system availability to our customers.

RAINBOW PAPER MANAGEMENT

An environmentally conscious paper collection and destruction service, specialising in the efficient sorting and the selling of high-grade paper waste to the manufacturers of recycled paper and other products.

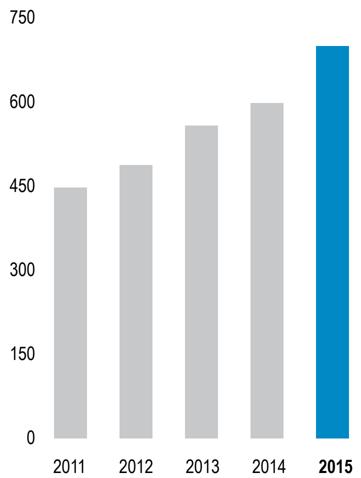
The Group's vision and mission is crafted around delivering quality service to all of its clients, both large and small.

THE GROUP'S VISION AND MISSION IS CRAFTED AROUND DELIVERING QUALITY SERVICE TO ALL OF ITS CLIENTS, BOTH LARGE AND SMALL.

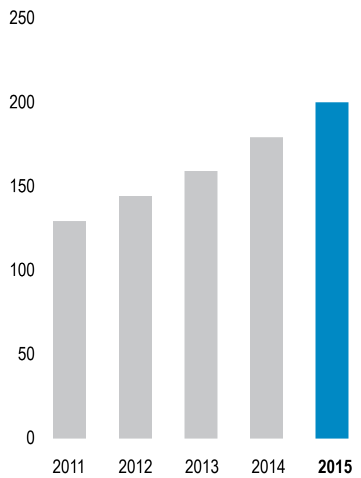
SIX-YEAR REVIEW

		Normalised 2015 R'000	Normalised 2014 R'000	2013 R'000	2012 R'000	2011 R'000	2010 R'000
INCOME STATEMENT							
Revenue		**720 873**	632 498	590 163	523 731	460 552	409 563
Operating income		**204 283**	183 014	159 768	147 901	127 124	111 642
Net finance cost		**(12 402)**	(12 630)	(16 566)	(21 026)	(23 642)	(34 953)
Income before taxation and capital items		**191 881**	170 384	143 202	126 875	103 482	76 689
Taxation		**(51 333)**	(42 646)	(35 135)	(35 729)	(29 541)	(23 433)
Income after taxation		**140 548**	127 738	108 067	91 146	73 941	53 256
Non-controlling interests		**(2 842)**	(1 288)	(1 314)	(1 675)	(67)	(311)
Attributable income		**137 706**	126 450	106 753	89 471	73 874	52 945
BALANCE SHEET							
Assets							
Property, plant and equipment		**460 400**	420 697	377 856	335 699	313 094	286 466
Intangibles		**194 615**	171 666	171 666	171 666	169 943	169 943
Deferred taxation asset		**3 673**	1 220	1 018	1 379	2 535	3 595
Non-interest-bearing liabilities		**1 574**	–	–	–	–	–
Current assets excluding cash		**160 888**	180 818	118 812	103 121	83 124	72 672
Cash resources		**120 517**	35 765	25 898	45 966	37 710	13 791
Total assets		**941 667**	810 166	695 250	657 831	606 406	546 467
Ordinary shareholders' interest		**617 520**	561 794	457 364	382 803	308 800	240 929
Non-controlling interests		**12 887**	6 028	3 648	2 451	1 643	1 330
Deferred taxation liability		**19 035**	15 190	12 515	11 706	9 420	6 692
Current liabilities		**88 737**	86 332	80 842	62 229	62 133	50 466
Long-term		**156 125**	92 696	104 812	168 485	198 734	221 784
Short-term		**47 363**	48 126	36 069	30 157	25 676	22 266
Total equity and liabilities		**941 667**	810 166	695 250	657 831	606 406	546 467
Ordinary shares in issue	(000)	**427 084**	423 240	420 253	416 170	408 085	408 085
Weighted average ordinary shares in issue	(000)	**425 831**	422 315	418 978	411 731	408 085	403 868
Headline earnings per ordinary share	(cents)	**32,3**	27,7	25,5	21,7	18,1	13,1
Dividends per share		**21,0**	15,0	11,0	7,5	4,5	–

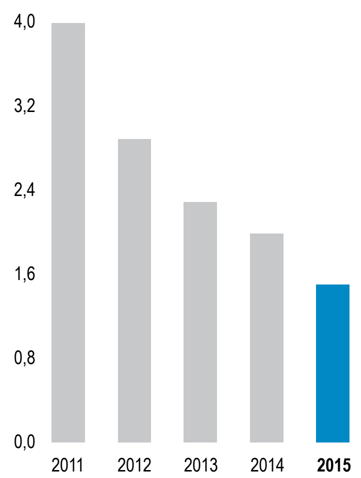
REVENUE (Rm)



OPERATING INCOME (Rm)



DIVIDEND COVER (times)



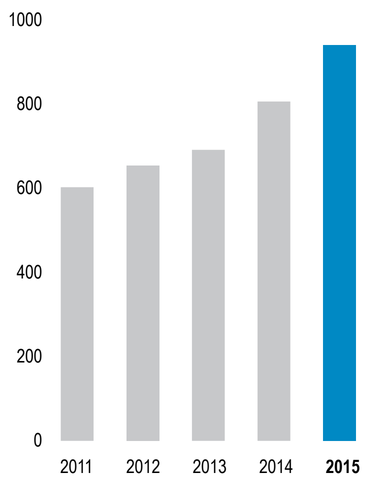
FINANCIAL RATIOS

		Normalised 2015	Normalised 2014	2013	2012	2011	2010
Liability		**0,4**	0,4	0,5	0,7	1,0	1,2
Current		**2,1**	1,6	1,2	1,6	1,4	1,2
Quick liabilities		**2,0**	1,5	1,2	1,4	1,2	1,0
Interest cover	(times)	**16,5**	14,5	9,6	7,0	5,4	3,2
Dividend cover	(times)	**1,5**	2,0	2,3	2,9	4,0	–
Debt : equity ratio	(%)	**31,6**	25,1	30,8	51,9	72,7	101,3
Return on property, plant and equipment	(%)	**31,3**	31,7	29,9	27,6	24,6	19,7
Return on capital employed	(%)	**26,0**	29,2	28,4	26,8	25,0	24,1
Return on equity	(%)	**21,4**	23,7	23,3	23,4	23,9	22,0
Profitability							
Operating income to revenue	(%)	**28,3**	28,9	27,1	28,2	27,6	27,3
Operating income to average assets employed	(%)	**23,3**	24,3	24,4	23,4	22,1	21,3
Number of employees		**1 274**	1 247	1 237	1 285	1 223	1 179

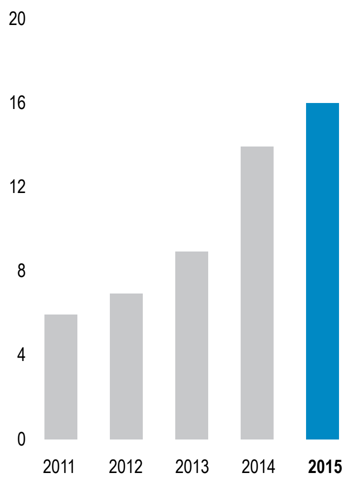
RATIO DEFINITIONS

Liability	Liabilities to ordinary shareholders' interest
Current	Current assets to current liabilities
Quick liabilities	Current assets (excluding inventories) to current liabilities
Interest cover	Operating income to net finance costs
Dividend cover	Headline earnings per share to dividend per share for the year
Debt : equity ratio	Debt (excluding bank and cash) to ordinary shareholders' interest
Return on property, plant and equipment	Attributable income to property, plant and equipment
Return on capital employed	Operating income to ordinary shareholders' interest and interest-bearing liabilities
Return on equity	Attributable income to ordinary shareholders' interest
Average assets employed	Average total assets at the beginning and end of the financial year

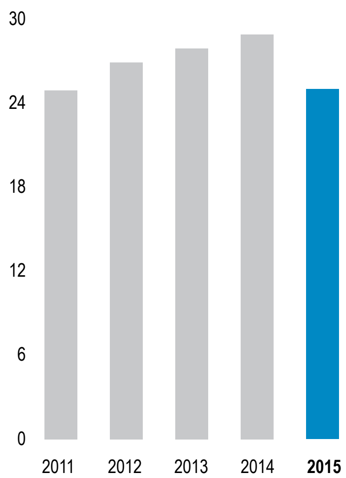
TOTAL ASSETS (Rm)



INTEREST COVER (times)



RETURN ON CAPITAL EMPLOYED (%)



INVESTMENT CASE

The simplicity and robust longevity of Metrofile's business model presents a compelling investment case. Its Metrofile Records Management division is the largest business unit and generates 74% of Group revenue. Metrofile's other subsidiaries provide adjacent services and enable Metrofile to offer end-to-end information and records management, from when documents are created and need to be securely backed up or stored, to when they are archived and eventually destroyed to be recycled. These businesses enable Metrofile to explore a variety of opportunities as information management evolves.

This business generates cash year-on-year, generating average headline EPS growth of 25% per annum over the past five years. It is also relatively future-proof as information management is a fast rising priority in modern commerce. In the digital age, consumer data and intellectual capital have become the new gold, prompting governments and regulators to ratchet up requirements for how companies may utilise and must secure their information, particularly the personal data of their customers.

For many enterprises these requirements have become too demanding to manage in-house and the risk of a security breach is potentially too dangerous to their corporate reputations, so they will rather outsource their information security to highly reputable companies such as Metrofile.

Paper remains the preferred format for records, although Metrofile offers the full range of digital recording technologies in addition to its box storage warehouses. For customers, paper document storage is still cheaper than digital if regular access to records is not needed. Metrofile has more than 8 million boxes with approximately 400 000 more boxes being added annually. These are secured in 21 locations offering 88 000 square metres of storage across South Africa, with additional storage facilities in Mozambique, Nigeria and the UAE.

Metrofile has a dominant share of the South African market in which the barriers to entry are high. Acquiring the properties and developing the infrastructure and systems to cost-efficiently manage millions of boxes – while providing speedy access to their records – is beyond the expertise and financial resources of almost all would-be competitors.

Although the end of paper has been predicted for decades, its volumes are subsiding far slower than predicted. Nevertheless, Metrofile is well ahead of that curve in offering the digital and cloud capabilities that will underpin the next generation of information and records management.

PREDICTABLE ANNUITY RETURNS

Records management is a discreet yet essential organisational function that enables Metrofile to establish low risk and longstanding relationships with its clients. Based on trust, once Metrofile has secured a client's archives for several years, while also providing quick access when needed, most clients will be hesitant moving elsewhere, therefore will renew their contracts. This effectively means that Metrofile's record management is an annuity business.

On top of this annuity stream, Metrofile gains additional revenue by offering value added services such as image scanning, shredding of confidential documents and recycling.

CYBERSECURITY, BUSINESS REGULATION AND COMPLIANCE

Current and incoming regulation supports Metrofile's business model. The introduction of the Consumer Protection Act ("CPA") in 2011 and the imminent promulgation of the Protection of Personal Information Act ("POPI") is forcing businesses to store greater volumes of documents and for longer periods.

With cybercrime growing in sophistication and intensity, businesses are realising that their critical data may not be secure and that company systems could be brought crashing down through hacking attacks. As a result, they are turning to Metrofile and our Global Continuity subsidiary for off-site backups and disaster planning.

Most importantly, growing demand for Metrofile services is less affected by economic downturns than most other industries, as efficient and secure records management is seen as an essential business function.

OWNERSHIP OF PROPERTIES AND INFRASTRUCTURE

Metrofile owns the bulk of the 21 locations where its 44 warehouses or facilities are sited, with a property and asset value of well over R500 million. This investment, built up and paid for over time, enables Metrofile to maintain CPI-linked contracts with most of its clients. The sheer size of this investment, allied to the Group's brand recognition and dominant market share, represents a formidable barrier to entry for any would-be competitor.

EXPANSION INTO OFFSHORE MARKETS

Metrofile's first cross-border move was into Mozambique in 2008, where the Group established a profitable records management business that is the biggest of its kind in that country. In 2013 it opened a business unit in Nigeria, which is struggling to gain traction without an influential local partner.

Metrofile has refocused its offshore expansion strategy on buying into existing businesses rather than setting up greenfield operations. In 2014 the Group acquired 60% stakes in eFile Masters in the United Arab Emirates (UAE) and Flexifile in Zambia. In alliance with local partners, these strategic acquisitions are springboards into the Persian Gulf co-operation council and African markets.

With South Africa's economy stagnating and the Rand continuing to slip against major economies, Metrofile is actively seeking out further international opportunities for investment. By introducing Metrofile's innovative yet proven systems to these offshore businesses, the Group's annuity revenue model can be replicated in multiple markets. This substantially reduces the risk of being penned up within a single currency and should boost revenue while balancing out currency risks.

A LOW PROFILE AND RELIABLE INVESTMENT

Information and records management doesn't attract much public interest, but is an essential business function that reliably earns cash for those few businesses with the capacity and expertise to offer these services at an economical scale. Metrofile has proven over the years that its business model is robust enough to power through near-disaster (the MGX "bailout") and deliver consistent earnings through share value and dividend earnings.

OPERATING ENVIRONMENT

Metrofile is the information management partner of choice for over 9 000 customers across all industries, from corporations through to sole proprietors.

Changes in legislation regarding business information management and consumer protection have created greater demand for low risk records management and storage.

Metrofile's cradle-to-grave offering extends far beyond the simple supply of document management services, which was the industry's foundation. Metrofile provides a range of cost efficient services that mitigate the risks associated with the archiving, confidentiality and destruction of business records, whether in their physical or digital form.

The information and records management market has proven resilient during the economic downturn, due to heightened corporate governance requirements and a growing need for more effective risk management. With the introduction of new legislation, such as the Companies Act, the Consumer Protection Act and the Protection of Personal Information ("POPI") Act, along with an increased focus on governance and compliance, the requirement to properly manage records and data in both active and archive state is imperative.

Advancements in, and greater access to, digital storage technology has led to an increase in the risks that need to be managed due to mounting demands from increasingly technically astute users and consumers looking for instant access to records. Cybercrime is also a rapidly spreading threat, which compels organisations to seek out reputable off-site archiving options. These demands have led greater numbers of organisations to reconsider how they make information available and manage their records, which is spurring growth in the information and records management sector.

Businesses that takes compliance and risk mitigation seriously areadopting best practice information management.

Metrofile offers end-to-end or modular services in all aspects of information and records management.

STAKEHOLDER ENGAGEMENT

STAKEHOLDER COMMUNICATION AND INVESTOR RELATIONS

Metrofile has identified its stakeholders, with whom it regularly engages through various communication formats. We are currently expanding our engagement with customers and suppliers on issues, such as sustainability and transformation. The following groups are identified as being material to Metrofile's sustainability:

- Analysts
- Boards of directors
- Clients
- Communities in which the Group operates
- Employees
- Executive management
- Financiers
- Government
- Investors
- Media
- Regulators
- Senior and junior management
- Shareholders
- Trade unions.

Metrofile engages with employees through management structures. Employees are participants in employee representative committees as well as an Employment Equity committee.

Group policy is to provide generous and frequent disclosure to all stakeholders. Metrofile reports formally to shareholders twice a year (in February and August), when half-year and full-year results, together with an executive review, are announced and issued to shareholders and the media. Presentations are done annually to analysts and shareholders after the release of the full-year results.

During the year, apart from closed periods, the CEO and CFO meet regularly, but never alone, with institutional shareholders and are available for meetings with analysts and any existing or prospective shareholder.

All formal announcements, financial and services information are also published on the Metrofile Holdings' website.

Shareholders and their appointed representatives are encouraged to attend Metrofile's AGM to vote on the resolutions placed before the meeting and to conduct relevant discussions with the Board. As noted above, the chairmen of the Audit, Governance and Risk Committee, Nomination Committee and Remuneration Committee, Social, Ethics and Transformation Committee attend the AGM to be available for shareholder questioning.

BUSINESS MODEL AND THE CAPITALS

Metrofile's business model is based on the lifecycle of a physically or digitally recorded document. Once a document – in or on any media – is passed on to Metrofile for backup, security or storage, the Group and its subsidiaries have the in-house infrastructure and specific services to securely manage each phase of the document's lifecycle until its ultimate destruction and recycling.

Modern organisations cannot function without secure and timely information. In an era in which data is being increasingly targeted by hackers for financial leverage, data has gained in economic, legal, fiscal, risk-management, and competitive values. Governments and business regulators are introducing stricter measures for securing and storing information or data. Many organisations, however, are lax in how they manage recorded information. As a result, records are retained too long or get misplaced. Failing to protect mission-critical information or customer data can lead to reputation damage, loss of business and financial penalties.

LIFECYCLE OF A DOCUMENT

CREATE
CONTENT CAPTURE
SECURE AND PROTECT
STORE
RETRIEVE
BACKUP
ARCHIVE
DESTROY
RECYCLE

The creation, storage, retrieval, use, and destruction (or permanent archival retention) of information of all types and in all media is an increasingly difficult challenge for any business or organisation. The amount of "hard copy" information continues to accelerate, despite the growing adoption of digital or "cloud" storage. Reliable information and records management in today's world is a vital responsibility.

Although best known for our traditional offering of boxed paper storage and retrieval, Metrofile deploys all accepted forms of records and information management, including paper, analogue and electronic content. Our range of services and products include:

- Records storage and management – archival, storage, retrieval and destruction of records
- Image processing – conversion of paper and analogue records to digital formats
- Backup management – rotation management and storage of backup media
- Information solutions – professional consultancy and records management software
- Paper management – waste paper collection and recycling
- Document handling equipment – sale and maintenance.

In addition, Global Continuity focuses on business and IT systems continuity, while CSX offers specialised niche services and products that support the lifecycle.

INPUTS

FINANCIAL CAPITAL
- Cash generation
- Working capital
- Shareholder funds

MANUFACTURED CAPITAL
- Warehouses
- Data storage vaults
- Disaster recovery facilities
- Vehicles
- Equipment

HUMAN CAPITAL
- Skills development and on-the-job training
- Long-standing and loyal workforce

SOCIAL CAPITAL
- Transparency
- Stakeholder relationships
- Integrity and ethical standards
- Level 3 B-BBEE scorecard

INTELLECTUAL CAPITAL
- Established brand
- Innovation leader in the sector
- Proprietary systems and processes
- MetroFiler Suite
- dataSTOR

NATURAL CAPITAL
- Energy
- Resources

EXTERNAL ENVIRONMENT
- Fragile global economics
- Rand volatility

GOVERNANCE
Mission and vision
Corporate culture
Ethics
Internal processes
Regulatory compliance

Refer to page 56 for more information.

BUSINESS ACTIVITIES AND SERVICES
Records management
- Storage
- Backups
- Consulting

Image processing
Business and IT continuity
Destruction of confidential records
Paper recycling
Services and equipment (CSX)

Refer to pages 31 to 38 for more information.

OUTCOMES

RISKS AND OPPORTUNITIES

Cross-border expansion

Load shedding

Regulatory changes

Technological developments

BEE and transformation

Refer to pages 41 to 45 for more information.

STRATEGY AND RESOURCE ALLOCATION

Innovation

Cross-selling

Acquisitions

R&D

Appropriately skilled employees

Refer to page 44 for more information.

FINANCIAL CAPITAL

- Revenue (R701,9 million)
- Return on capital (26%)
- Dividends (21 cents)
- Profit (127,5 million)

MANUFACTURED CAPITAL

- Safe workplaces
- Additional warehouses
- Improved racking
- Efficiency

HUMAN CAPITAL

- Skilled workforce
- Succession planning
- Diversity and transformation
- Inflow of women, young people and the disabled

SOCIAL CAPITAL

- Over 9 000 clients
- Commitment to transparency, quality, integrity
- Insight into client's requirements

INTELLECTUAL CAPITAL

- Trust and confidence
- Performance improvement
- Trend awareness
- Competitiveness

NATURAL CAPITAL

- Cleaner mobility
- Low-energy warehouses

FINANCIAL CAPITAL

WHAT IT IS

The pool of funds that is:

- Available to an organisation for use in the production of goods or the provision of services
- Obtained through financing, such as debt, equity or grants, or generated through operations or investments.

HOW WE MANAGE OUR FINANCIAL CAPITAL:

Metrofile's business model is cash generative, based primarily on annuity revenue from stable and renewable contracts with over 9 000 organisations of all sizes. Consequent to all legacy debt emanating from the MGX collapse having been repaid, Metrofile is building a cash reserve for strategic upgrading and acquisitions.

In the period of review, capital investments of R67,2 million were allocated to expansion projects such as the rebuild of the KwaZulu-Natal facility, the acquisition of property in Mbombela (Mpumalanga) for a new storage warehouse and the purchase of racking and equipment required for growth to the value of R30,4 million. Capital investment for the next period is being further increased to R116 million.

ACQUISITIONS

Metrofile took major steps towards developing an international presence by acquiring 60% interests in:

- FlexiFile Limited (Zambia)
- e-File Masters LLC (United Arab Emirates).

These are early steps in our medium term strategy to grow into a multinational emerging market business, based on the business model and intellectual capital created in South Africa over the past three decades.

FINANCIAL SUSTAINABILITY

In drawing up this integrated report, Metrofile's directors are satisfied that:

- The Group's cash requirements for debt servicing and capital repayments are satisfactorily covered by the Group's current and projected cash flows
- Working capital is well controlled
- Short-and long-term financing is adequate, with sufficient additional short-term working capital borrowing capacity if required
- Assets have been carefully tested for impairment and none are overvalued in the statement of financial position
- Budgets to June 2016 reflect a continuation of positive trading
- The board and executive management is well balanced and contains expertise in key areas to competently lead the Group. The retiring CEO's successor is being sought via a robust selection process managed by the Nomination and Remuneration Committees.

OUTLOOK

International and South African economic growth will likely be subdued over the next year or two, but information and records management is a growing niche market due to increasing regulator interest.

The Group will continue investing in its South African operations to meet demand, while also expanding its international presence when suitable opportunities become available.

Acquisitions will be funded on a case-to-case basis, using components of debt and/or equity as appropriate under the circumstances.

MANUFACTURED CAPITAL

WHAT IT IS

Manufactured physical objects (as distinct from natural physical objects) that are available to an organisation for use in the production of goods or the provision of services, including:

- Buildings
- Equipment
- Infrastructure (such as roads, ports, bridges, and waste and water treatment plants).

Manufactured capital is often created by other organisations, but includes assets manufactured by the reporting organisation for sale or when they are retained for its own use.

METROFILE'S MANUFACTURED CAPITAL

- Properties, buildings and warehouses
  - 70% of properties are owned and purpose built
  - 30% are leased
  - Data storage vaults
  - Disaster recovery facilities
  - Specialised recycling and document destruction facilities
- Scanning equipment and document processing machinery
- Computer and IT equipment
- Fleet of vehicles, including specialised shredding trucks
- CSX's inventory includes diverse imported machinery and technology.

OUR ASSETS

At 30 June 2015, Metrofile's inventory amounted to R474,9 million (2014: R433,6 million).

The Group's single largest investment in manufactured assets is represented by our portfolio of properties, buildings and warehouses. The majority of these assets are situated within South Africa, with further warehouses in Mozambique, Nigeria, Zambia and the UAE.

Our facilities are designed to maximise space and are purpose-built with designed racking that matches height specific requirements to weight.

Customised data vaults are tightly secured, fire-proof, environmentally controlled and constantly monitored by CCTV cameras.

Metrofile has further invested in the manufactured capital of specialised equipment, racking, IT infrastructure and motor vehicles.

HOW WE MANAGE IT

Our manufactured capital is managed strictly in line with best practice to include:

- Physical access controls and regular stock counts
- Adequate insurance of assets
- Regular maintenance of fleet.

Significant infrastructure upgrades were made following a serious fire at our Durban facility in 2013. We have since invested considerable financial capital and management time into enhanced infrastructure and safety training. This has impacted on our 2015 financial results, with all upgrades expected to be completed by 2016.

To reduce the risk of fire from electrical faults, Metrofile's warehouses make use of natural light and warehouse employees wear headlamps when necessary.

Metrofile's facilities are well-maintained and have round-the-clock security. They are also fitted with state-of-the-art fire prevention and detection systems.

In addition, the Group applies its knowledge and understanding of technology trends to ensure that the correct products, in the right quantities, are procured at the right time to mitigate the risk of obsolescence.

The Group combines its in-house vehicle fleet with outsourced couriers to maximise customer service and fleet utilisation while minimising costs. Metrofile vehicles are all monitored by satellite tracking and maintained in peak condition.

INVENTORY PERFORMANCE

- 70% owned properties (2014: 66,5%)
- 30% rented properties (2014: 33,5%)
- 130 vehicles (2014: 134).

HUMAN CAPITAL

Human capital refers to people's competencies, capabilities and experience, and their motivation to be part of growing a business, including their:

- Commitment and motivation for following established processes, providing goods and services, as well as their ability to lead, manage and collaborate for on-going improvement
- Alignment with and support for an organisation's purpose, values, governance framework, risk management approach, and ethics
- Ability to understand and implement an organisation's strategy.

Metrofile, being a provider of services and solutions, regards people as central to the success of the organisation and the delivery of our promise to our clients. More specifically, the standard of service that we provide to customers depends on the commitment, quality and capability of our team members, as is the overall effectiveness and efficiency of the organisation. Although Metrofile is a technology enabled business, many processes rely on manual labour and physical handling. The welfare and advancement of our employees is of utmost importance to the Group. The Group has a staff complement of 1 274.

Management maintains an accessible relationship with its employees, ensuring a harmonious working environment. The Group has a mature and well-entrenched range of effective human resource (HR) policies and procedures that are introduced to new employees during their induction.

Metrofile is actively aligning the Group's staff complement with South Africa's racial and cultural demographics. Respect, dignity and fair treatment are core values of the Group. Metrofile respects the right of freedom of association for all our employees.

A core group of long-serving employees embodies the institutional memory and values that are being instilled into newer employees. As the nature of Metrofile's business is to be efficient and confidential, workflows are highly structured, and policies and procedures are clear. Supervisory and managerial input is always available to manage unusual situations.

Metrofile's management structure is lean and flat, rather than hierarchical. Although it supports operational efficiency, there are fewer opportunities for promotion into the senior and executive management levels.

TRAINING AND TALENT DEVELOPMENT

Metrofile's employees are key stakeholders in the business and their training and development is an important aspect of the group's sustainability.

Our training and development initiatives are structured so as to realise employees' full potential and advance their careers, preferably within the organisation.

In accordance with our skills development initiatives, Metrofile is currently running a number of learnership programmes, for both "employed staff" and "unemployed learners". The intention is to ensure that at least 40% of the learners on the "unemployed" learnership can be placed into permanent positions in the workplace.

EMPLOYEE ENGAGEMENT

Employees who are engaged perform significantly better and are more likely to stay than those who are not. Helping new and existing employees to understand Metrofile's strategy and culture, as well as their individual job requirements, is crucial in driving their individual effectiveness and satisfaction level.

As much of the records management side of the business comprises routine work, many of the employees are not aware of the extent that Metrofile is shifting beyond mere box storage. Metrofile needs to be repositioned in the perceptions of our employees as much as for clients.

EMPLOYMENT EQUITY

Metrofile business units are committed to transformation, which is tied into the remuneration policy for executive directors and senior management.

Metrofile has improved each year in step with set goals, but is not yet transformed sufficiently at the upper levels of management. Good progress has been made with transformation in the sales, finance, IT, HR and operational areas of the business.

Metrofile takes its B-BBEE scorecard most seriously, as do our clients. We are actively pursuing transformation of the business beyond mere compliance requirements.

TRANSFORMATION

With the support of our primary B-BBEE shareholder, the Mineworkers Investment Company, Metrofile is working hard to identify and grow the skills of our people to achieve their goals and further their careers. This philosophy will, over time, improve our employment equity ratios through all levels in the organisation.

Directors from the Mineworkers Investment Company are members of our Board, Nomination Committee, Remuneration Committee and Social, Ethics and Transformation Committee. The Group has a set policy of procuring services and supplies from black-owned businesses, with black woman-owned, businesses as our first choice.

EMPLOYING PEOPLE WITH DISABILITIES

Providing employment opportunities for disabled persons is becoming increasingly important in South Africa, especially as this group is the most discriminated against for gaining employment. As a result, Metrofile is aiming to recruit at least 2% of the workforce from disabled people. Employing people with disabilities offers several advantages, such as boosting staff morale and team development by creating a diverse working environment.

WELLNESS

Metrofile's employee wellness programme assesses many conditions that often are not tested due to cost or reliance on the public health system. These potentially fatal conditions include diabetes, TB and HIV/Aids. On-site counselling is made available to assist employees identify and manage these conditions, as necessary.

All Metrofile facilities are regularly visited by our wellness service provider, who provides staff with basic health checks and advice, guidance and counselling. The service is available on-site and telephonically during and after office hours. It includes guidance on how to work or live with family members, friends and colleagues who have been diagnosed as HIV-positive. Employees are also assisted with treatment and obtaining the required medication.

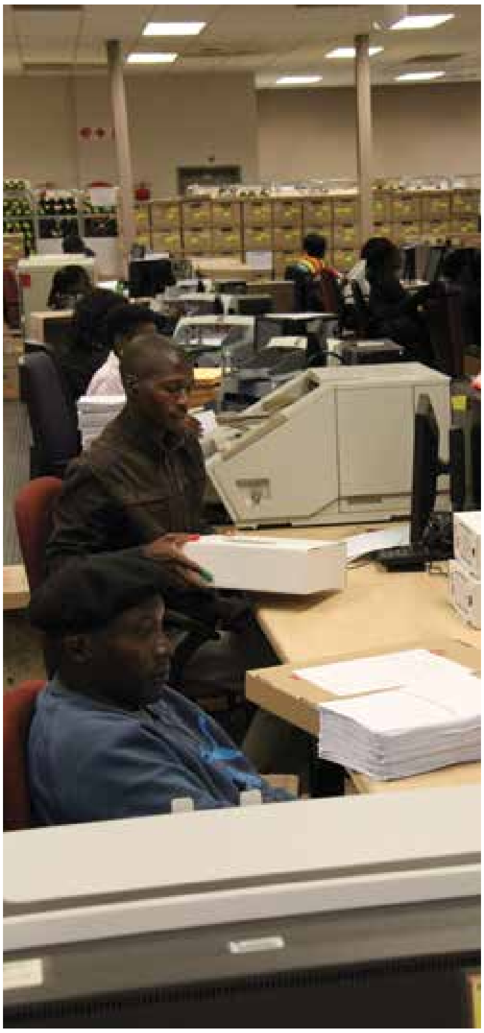
HEALTH AND SAFETY

We have a moral and legal obligation to safeguard our employees and customers against injury, disease and risks to their health and safety. Metrofile is committed to providing a safe workplace and launched the Safecyte system over the reporting period. The programme is managed through a simple recording mechanism that provides routine safety reviews and tracks non-adherence to safety procedures. These reports provide general managers with greater insight when deciding which areas should be prioritised.

Metrofile maintains a register of all workplace accidents and no serious injuries were reported over the past year.

All new employees undergo health and safety priority orientation during their induction processes. Warehouse employees are provided with dust masks, to reduce their inhalation of paper dust particles, as well as safety boots to prevent injury in the event of falling boxes. Forklift drivers are suitably qualified.

Our staff are actively involved in health and safety committees, which hold regular meetings to address any potential risks or issues that may affect the health and safety of our employees. Regular Health and Safety training is conducted each year.



SOCIAL AND RELATIONSHIP CAPITAL

WHAT IT IS

Social and relationship capital is defined as the institutions and the relationships within and between communities, groups of stakeholders and other networks, and the ability to share information to enhance individual and collective well-being. Social and relationship capital includes:

- Shared norms, and common values and behaviours
- Key stakeholder relationships, and the trust and willingness to engage that an organisation has developed and strives to build and protect with external stakeholders
- Intangibles associated with the brand and reputation that an organisation has developed
- An organisation's social licence to operate.

METROFILE'S BRAND VALUE

As the first company to offer outsourced records and information management in South Africa, Metrofile has over 30 years of experience in the field, as well as an unparalleled track record in technological innovation. The Group's reputation has been built on enabling businesses to manage their greatest risk, the loss of information.

In a world in which success depends on good record keeping and access to critical information, Metrofile provides all of the services that make this possible. From indexing, to document storage, image processing, scheduled backups, record retrieval, deliveries, recycling and secure document destruction, Metrofile keeps the wheels of information management turning.

ETHICS

As a member of Professional Records and Information Services Management (PRISM) International, a non-profit trade association for the commercial information management industry, Metrofile subscribes to a philosophy of professionalism towards clients, fellow PRISM members and the public.

For its clients, Metrofile will always:

- Clearly identify the terms and conditions of its contractual agreements and fulfil them in good faith
- Stringently maintain the confidentiality and security of client information
- Subscribe to the very best international best practices
- Keep its facilities, employees, controls and procedures compliant
- Be prepared to fulfil all responsibilities.

For its fellow PRISM members, Metrofile will:

- Acknowledge a shared understanding of our collective responsibility to manage and protect client information assets
- Communicate and cooperate efficiently and effectively in order to maintain high standards of reliability and service
- Facilitate peer education and participate in information exchanges among members to advance and improve the information management industry as a whole
- Work together to further the professional image of the industry.

For the public, Metrofile will:

- Acknowledge and fully investigate complaints about unethical conduct that may be brought against Metrofile or any other PRISM member
- Pledge to be a good corporate citizen that fulfils its social responsibilities to the communities in which the company operates and which it serves
- Continually invest in improving industry knowledge, resources, practices, products and services
- Educate all relevant stakeholders about information management issues.

MAINTAINING KEY RELATIONSHIPS

Maintaining strong relationships with clients and suppliers is fundamental to Metrofile's ongoing success. This requires having the right people and processes in place, therefore we ensure that our employees are well equipped with the relevant business and interpersonal skills to deliver excellent service. They are, in turn, supported by processes and systems aimed at ensuring efficiency, integrity and legal compliance.

Dedicated client service consultants are always on hand to assist clients both large and small.

Maintaining and enhancing our service offering to clients requires:

- Keeping abreast of global information storage trends and consistently delivering innovative and fairly priced solutions
- Maintaining high levels of responsiveness
- Expanding Metrofile's footprint throughout South Africa, broader Africa and other selected regions
- Ensuring consistent quality of services
- Performing research and development (R&D) to uncover new systems and methodologies.

OUR STAKEHOLDERS

Metrofile strives to provide regular and relevant disclosure to all its stakeholder groups. Stakeholder engagement is discussed in further detail on pages 16 and 62.

TRANSFORMATION AND MAINTAINING OUR SOCIAL LICENSE TO OPERATE

Using the currently applicable B-BBEE sector codes, Metrofile achieved level 3 contributor status during 2014. The Group is defined as a value adding contributor for procurement purposes.

Metrofile is committed to a process of transformation that will, with the support of the Mineworkers Investment Company, improve our employment equity ratios and the representivity of previously disadvantaged individuals in management and supervisory levels.

In its broadest sense, transformation is a central and strategic priority for the Group. Metrofile and its subsidiaries are committed to empowerment and transformation across all divisions and all levels. Our skills development and training programmes continue to make good progress and achieve success; these will ensure continuity and high-quality future leaders and will greatly assist in meeting future skills requirements.

The Group submits employment equity and workplace skills plans on an annual basis and is fully compliant with the Employment Equity Act (Act 55 of 1998) and the Skills Development Act (Act 97 of 1998).

GIVING BACK TO OUR COMMUNITIES

Metrofile prides itself on being socially and environmentally responsible, and strives to uplift underprivileged communities through our Socio-economic Development (SED) investment programme. The Group has a formal SED policy and is forming the “Metrofile Foundation” to encompass all SED activities under one umbrella.

Our SED programme focuses on developing communities in several important ways, especially through education. It functions by supporting charities, NGOs and NPOs from communities that house our employees. These organisations are provided with free services, as well as with assistance in building capacity and overcoming major obstacles.

We share our information management expertise to:

- Assist hospitals, community centres and non-profit organisations to establish or improve their record management processes
- Help sort and index existing records. We also donate our proprietary records management software to these organisations, and provide on-going information management services and assistance for free, supported by free training on these.

From an SED funding perspective, we focus on providing on-going and sustainable education sponsorships to children at a number of schools. Highlights for this year include:

- St Peter’s Foundation: we have provided bursary sponsorship for two children to attend St Peter’s. We are pleased to continue our sponsorship as these young ladies move onto St Peter’s College
- Muriel Brand School: our bursary sponsorship at Muriel Brand provides four children with the opportunity to continue their special needs education at this school. It is particularly exciting to note that one of our sponsees has been elected to the Ekurhuleni Mini City Council, and has followed this achievement up by being elected a school prefect for next year
- Umbambiswano: which is linked to the St Andrew’s School, provides tuition and coaching for disadvantaged children from a township school through their Saturday School programme. We are particularly proud to be associated with this initiative
- Sowle Centre: provides special needs education to children who are mentally disabled, and we continue our sponsorship of four children to enable them to enjoy the benefits of being in a special education environment
- Sonitas (Pretoria) and Christel House (Western Cape): provision of education sponsorship for three children from disadvantaged backgrounds, in caring and supportive education environments, meeting their specific needs.

From a funding perspective, the company focuses on supporting sustainable, community based initiatives, which include:

- Child Welfare (Durban)
- Desmond Tutu HIV Foundation
- Edenvale Care Centre
- Highway Hospice
- Hospice Association of the Witwatersrand
- Refilwe
- Kids Haven (for street children)
- St Luke’s Hospice.

MINEWORKERS INVESTMENT COMPANY RECOGNITION

Our empowerment partner, the Mineworkers Investment Company (MIC) was awarded the Best Established Black Business and Corporate Social Investment Award (CSI) by JB Marks this year.

The CSI award is given to organisations that have, over the last 12 months, been involved in social responsibility in education, community development, job creation, providing funds for those taking care of women and children, the disabled, the terminally ill and other social causes.

INTELLECTUAL CAPITAL

WHAT IT IS

Organisational, knowledge-based intangibles, including:

- Intellectual property, such as patents, copyrights, software, rights and licences
- "Organisational capital" such as tacit knowledge, systems, procedures and protocols.

Although intellectual capital cannot yet be adequately quantified in financial terms, for many organisations it is critical for creating value and competing in their sector.

METROFILE'S INTELLECTUAL CAPITAL

In this information age, intellectual capital is becoming vital to whether enterprises can remain sustainable in the long term.

Metrofile's intellectual capital includes its systems, research and development policies, procedures and controls, software and corporate culture. Intellectual capital dovetails with human capital through employee competence, skills, training and development. These include instilled knowledge of work procedures, ethics and values.

The cumulative value of the intellectual capital that Metrofile has refined over nearly four decades informs and drives our evolving business strategy. Building onto the other five capitals, it enables Metrofile to remain sustainable and ahead of our competitors.

Metrofile's intellectual capital includes:

- Industry insight
- Competitive intelligence
- Corporate culture
- Understanding our customers and markets
- Work flow and logistics management
- Our human assets.

HOW WE UTILISE IT

Information and records management as an industry is gathering speed. Metrofile needs to understand industry and consumer trends to stay relevant in future, while delivering to high standards in the present.

As South Africa's largest records management company, intellectual capital exists in all key support functions such as financial, administration, HR, customer relations and IT.

The Group's intellectual capital is refined through a continuous improvement process based on:

- Responding to changing needs
- Anticipating the needs of customers in the future
- Offering comprehensive, high value solutions
- Consulting with clients to create tailormade solutions that fit their unique information and record management needs
- Partnering with the best providers of forward-thinking technology solutions and services
- Acquiring product lines in emerging technologies
- Continuously assessing product and service gaps, as well as identifying adjacent opportunities
- Improving operational efficiencies and cost management
- Identifying and mitigating risks
- Upskilling and motivating our workforce.

OUR INFORMATION AND RECORDS MANAGEMENT SOFTWARE

A well-designed information management system is not only more reliable, but also more cost-efficient than a manual system. It can more accurately perform the same tasks that it would require many people to handle manually. Metrofile's software reduces the risk implicit in manual systems as it is:

- **Consistent:** After setting up the indexes and record categories, companies always have consistent results for indexing, locating and storing electronic and hard copy records.
- **Protected:** A professional information management system allows companies to back up all information required to find individual documents and records. This process does not depend on manual intervention. In the event of a theft or failure, all necessary information can be recovered.
- **Reliable:** Once recorded in the system, records are always accessible for search and retrieval.

Metrofile's range of specialised records management software includes:

- **MetroFiler Suite:** An enterprise-strength software solution that allows corporations and large organisations to manage vast volumes of their physical and electronic records, documents and images across their organisation, with secure access to authorised users.
- **dataSTOR:** An easy-to-implement software solution that cost-effectively allows corporations and large enterprises to manage electronic records through the process of capture, storage, retrieval and distribution.

CONSULTING SERVICES

Reliable and effective records management begin with the development of a formal records management policy. Metrofile's range of consultancy services are designed to help clients navigate the world of records management.

Consultants assist clients with the task of setting up the policies and procedures necessary to manage their information effectively, as well as to define relevant roles and responsibilities within the company. This process includes building file plans, doing data clean-ups or audits, developing retention policy and training staff. It also includes advising clients on the legislation governing records management.

The company's consulting and training service is based on more than 30 years of experience as a leader in information and records management in South Africa, and is fully aligned to best practices defined by international bodies such as PRISM.

OUR VALUE OFFERING

Over the past year, investor and public awareness of information management has surged, largely due to the sheer amount of information being created and legislative drivers such as the forthcoming POPI Act. Organisations are moving to outsource non-core functions and Metrofile's intellectual capital, knowledge management and enabling technologies make us South Africa's market leader in information management.

Metrofile's intellectual capital is embedded throughout all levels of the company, from software and solutions to the unique in-house knowledge acquired by our employees and leadership.

NATURAL CAPITAL

WHAT IT IS

All renewable and non-renewable environmental resources and processes that provide goods or services that support the past, current or future prosperity of an organisation. It includes:

- Air, water, land, minerals and forests
- Biodiversity and eco-system health.

WHAT WE USE

- Coal-based electricity, sourced from Eskom, is a significant input
- Direct energy in the form of petrol and diesel is used to fuel vehicles and generators
- Our transport and courier services contribute to Scope 3 emissions
- Paper and packaging management is where Metrofile best mitigates its impact on the natural environment. At the end of the storage lifecycle, clients may elect to recycle boxes and documents by making use of Rainbow Paper Management or Cleardata.

OUR MANAGEMENT APPROACH

Despite Metrofile's relatively small impact on the natural environment, we are committed to reducing our impacts to help mitigate climate change, while minimising inefficiencies and operating costs.

The Group is committed to developing operating policies to address the environmental impact of business activities by integrating efficiency gains, pollution control and waste management activities into operating procedures.

A sustainability policy is in place and management is working towards establishing baseline reporting data, which will allow better monitoring of consumption and show year on year improvements.

DOCUMENT DESTRUCTION AND RECYCLING

Recycling is an inherent part of the Metrofile Records Management, Rainbow Paper Management and Cleardata business units and the Group recycles hundreds of tons of paper each month.

The management of waste paper is the Group's single largest environmental contribution and one that receives significant attention. Recycling this material reduces the amount of biodegradable material sent to landfills and results in the production of secondary fibre products, such as tissues and nappies. According to the Paper Recycling Association of South Africa, for every ton of paper recycled three metres of landfill space is saved and 17 trees are put to other uses. Apart from saving landfill space, recycling also saves transport and handling costs to municipalities and creates job opportunities.

Metrofile's regional offices are equipped with recycling bins and our staff have been trained to use of these correctly. All non-recyclable waste is handled in an environmentally responsible manner.

REDUCING ENERGY CONSUMPTION

Reducing our electricity consumption will lower operating costs and also show corporate citizenship in helping to reduce GHG emission.

Minimum power is used within our warehouses, so as to reduce cost and also the risk of fire. This is done by utilising natural light as much as possible through the use of translucent sheeting during construction. This policy also reduces costs and the risk of fire.

In conjunction with natural light, warehouse employees are issued with headlamps to ensure their safety.

Geysers are switched off when not required and their temperatures are managed. Lights are switched off when offices and meeting rooms are not in use and low-energy bulbs are being implemented where possible.

The Group has monitored ways of improving the efficiency of the use of our vehicle fleet and has managed to reduce our vehicle numbers.

Our supply chain emits emissions that may need to be quantified in future. We are identifying opportunities to improve the efficiencies of our logistics to reduce costs and emissions.

A TRIBUTE TO GRAHAM WACKRILL
INNOVATOR AND FOUNDER OF AN INDUSTRY

Graham Dunbar Wackrill was appointed the Chief Executive Officer of Metrofile (Pty) Ltd in January 2004 and is scheduled to retire early in 2016, although he will remain on Metrofile's board as a non-executive director. Wackrill started his first records storage business back in 1983 and is widely recognised as the founder of modern information and records management in South Africa, as well as one of the industry's great innovators.

Graham Wackrill grew up in Linden, Johannesburg, where he attended Roosevelt High School and recalls Dimension Data founders Jeremy Ord and Bruce "Doc" Watson as being younger scholars there. After completing his articles at PA Bekker (now part of KPMG) in 1978, Graham spent a year at Fisher Hoffman before becoming a partner in Sandton Transport. As Wackrill confessed: "I joined the transport company because it had an airplane and I've always loved flying. I qualified as a private pilot and flew myself around for many years."

Sandton Transport regularly moved companies between premises, and Graham observed that company records were regarded as a nuisance and often stored haphazardly under the supervision of a disinterested junior employee. After researching international practices, Graham recognised off-site storage of records as a new business opportunity that could generate income from spare warehouse space. In 1983, 29 year old Wackrill and his business partners founded an off-site storage company called Records and Storage Management (RSM).

The first client was Citibank, which as a multinational corporation, understood off-site storage. Stannic was the second client, and still is today. RSM began as a single row of shelving in Sandton Transport's warehouse. Demand grew steadily as many companies were migrating from the old Johannesburg CBD to Sandton at the time. RSM's storage space was cheaper than Sandton's premium rates.

As the business grew, RSM took over the packing and records management from their clients. The company developed proprietary packing and indexing systems that are still industry benchmarks. Throughout the 1990s, RSM led the way in South African information management, offering computer tape storage in air conditioned vaults and "scan on demand", which was revolutionary at the time.

Metrofile itself was founded in 1986 as RSM's first competitor by Vanguard Rigging, a transport company that also needed to fill empty warehouse space.

In 1996, the ambitious MGX group made overtures to purchase both RSM and Metrofile as part of a business offering that would control every phase of information, from inception to destruction. Grasping the opportunity, RSM and Metrofile merged to improve the price and were sold as a single entity to MGX in 1997, with the original management staying on. The consolidated MGX subsidiary adopted the Metrofile name and Wackrill was appointed as its deputy MD.

On hindsight, MGX was paying unsustainable prices for the IT related companies it acquired during the expanding dot com bubble of the late 1990s. Its biggest purchase was made in 2000, just as the bubble began imploding. Two years later, companies around the world were failing in the hundreds and IT giants such as Cisco and Amazon barely survived, although losing over 90% of their share values. MGX was in deep financial difficulties, but no-one knew – least of all the Metrofile management team running a healthy and growing business.

"Towards the end of 2002 we were suddenly called to a meeting of the entire group," recalls Wackrill, "to be informed that the CEO was gone and MGX had been placed under bank appointed management. That was the worst period in my business career as I was committed to Metrofile and kept the shares I had earned for its sale. By 2004 my MGX shares had fallen to 2 cents each."

As the MGX crisis deepened, its share was suspended on the JSE and the involved banks replaced its management, bringing in Chris Seabrooke as Chairman and appointing Wackrill as the CEO. MGX was renamed Metrofile, after its only profitable subsidiary – but R360 million debt was loaded onto Metrofile.

"Chris Seabrooke was a revelation as Chairman and his input has been immense ever since. We were fortunate to put together a great management team, most of whom are still with the Group. Nevertheless, without the unstinting support of my family, I wouldn't have made it through those dark years."

Metrofile's business model was tested to the extreme as cash was constantly drained off to repay the debt load. But as creditors realised that Metrofile's management team could pull the business through, the debt was refinanced and the Group allowed to retain working capital for growth.

"We had to cut costs and our staffing levels to the minimum, but in the process Metrofile was hardened into a lean and efficient business. Notwithstanding the pain of those years – that will stand us in good stead in the future."

With Metrofile now in excellent shape and expanding into other countries, Wackrill decided that the time had arrived to make way for fresh blood and leadership. "The current management team is capable and settled. No one is indispensable and Metrofile will continue successfully as long as the right ethics and attitude remain, in which dishonesty at any level, from R1 to R1 million, is not tolerated."

WHAT ARE YOUR BIGGEST REGRETS?

The MGX debacle was the hardest learning curve I've ever undergone. Having sold my business, I had no say in my own future. I will never again let someone else fail on my behalf.

My other real regret was not becoming a full time commercial pilot. I've never lost my passion for flying and am delighted that my younger son is pursuing a career as a pilot.

WHAT ADVICE WOULD YOU GIVE TO A YOUNG ENTREPRENEUR STARTING A PIONEERING BUSINESS?

Be committed and work seven days a week. Have a goal but know that it is likely to shift.

Having a family that backs you to the hilt is critical.

WHAT DO YOU FORESEE FOR METROFILE AND THE INFORMATION MANAGEMENT INDUSTRY?

Information in all forms is becoming more and more critical throughout the world. Metrofile must remain present in all its aspects – retrieval, access and destruction.

The Metrofile business model is proven to work under the most trying circumstances and is sustainable into the future. Metrofile is on the cutting edge of information management practice and is viewed as such by our local and international peers.

South Africans in the industry are innovative and up there with world standards. We are often the first to introduce new techniques and processes.

WHAT A JOURNEY IT WAS…

Thank you all for making Metrofile possible. We would have been a footnote in corporate history if the board, management and staff had not dug in and toughed it out for year after year. Thank you to my wife Margie and sons Stewart and Michael for giving me unstinting support, even though it meant being away from my family for so many hours. Without their support I wouldn't have made it through.

For Metrofile to continue growing and prosper into the future, it must remain bigger than any one individual and renew its leadership and vision from time to time. That time is now and I expect you to get fully behind whoever is chosen to replace me.

OPERATIONAL OVERVIEW

OPERATIONAL OVERVIEW

METROFILE HOLDINGS

RECORDS AND INFORMATION MANAGEMENT SERVICES

- Metrofile Records Management
- Metrofile Mozambique
- Metrofile Nigeria
- FlexiFile
- e-File Masters

ADJACENT SERVICES

- CSX Customer Services
- Rainbow Paper Management
- Cleardata
- Global Continuity SA

METROFILE RECORDS MANAGEMENT

Records Management

Nigeria

Mozambique

WAYNE CLARKE
Managing Director

"We have positioned ourselves as a trusted partner in information management from the onset of the information lifecycle to finish. As such we are able to add value at any stage of the cycle. There is a growing interest in digital records, not necessarily to replace physical storage, but to work in conjunction with it and adding value in terms of ease of use and efficiency."

ABOUT US

Metrofile Records Management is the market leader in Africa's physical and digital information and records management.

WHERE WE OPERATE

Metrofile Records Management is represented in South Africa's six most economically active provinces, Mozambique and Nigeria. We operate from 44 facilities at 21 locations. Our premises encompass more than 88 000 m² of warehousing and office space.

RECORDS STORAGE AND MANAGEMENT

ARCHIVE SERVICES
- Box storage and management
- Sensitive storage and management

ACTIVE SERVICES
- Active filing and management

METROMEDIA
- Filing products
- Archive boxes

IMAGE PROCESSING DIGITAL SERVICES

DIGITAL SERVICES
- Document scanning
- Archive writing
- Digitising

ANALOGUE SERVICES
- Microfilm
- Microfiche
- Aperture card

BACKUP STORAGE AND MANAGEMENT

VAULT SERVICES
- DataSure
- Containers
- Open rack

SME SERVICES
- Orange Box

MANAGED SERVICES
- Metrofile managed backup
- Unified email management hosted services
- MetroVault

RECORDS MANAGEMENT SOFTWARE

ENTERPRISE SOFTWARE
- MetroFiler suite
- dataSTOR
- legalSTOR

SME SOFTWARE
- Metrofile personal
- Archive

RECORDS MANAGEMENT CONSULTANCY

CONSULTANCY SERVICES
- Records classification
- Records retention
- Records management policy

TRAINING SERVICES
- Software
- Implementation of records management policy

SOFTWARE INTEGRATION
- ERMS to BP integration

METROFILE RECORDS MANAGEMENT CONTINUED

2015 HIGHLIGHTS

The new records storage facilities built during this year have expanded our capacity to handle new business, which will be further boosted by significantly increased capital investment into infrastructure in 2015/16.

The Group's acquisition of majority shareholdings in Persian Gulf hub and Zambian records management companies have enabled us to test our systems in new markets, while learning from processes they have developed for their regions.

OPPORTUNITIES AND CHALLENGES

Records storage continues to show good growth and there is an increasing interest in digital records. Metrofile has seen a growing interest in compliance and risk mitigation in the market which has fed interest in our offering. Our continued growth leads to investment in new facilities in the centres where we are represented.

While a growing awareness of paper consumption exists, many companies are still in the early stages of exploring the "paperless" concept and how it would integrate into their business. Paper consumption is far from over. However, the growth of digital has fed Metrofile's image processing centres and onsite imaging services. The development of our own software for the managing of digital records provides a growing revenue stream and sees us positioned to add further value should clients prefer to image in-house.

A growing concern regarding compliance legalities is creating new interest in our services from clients who had been content to store their own records in the past. There is a growing awareness in the market of the difference between simple records storage and effective records management, both from an efficiency and a risk or compliance point of view.

Companies centralising and choosing to outsource non-core functions have also been a driver for choosing Metrofile.

Our challenges are to continue adding value to our partners in an environment that typically requires more return on supplier spend. Through effective consulting and an understanding of our clients' ever changing needs, we are well poised to deliver an excellent return on their investment with us.

We have experienced a slight decline in our backup management services due to the modern tape's ability to store up to 20 times more data, therefore tape volumes have fallen. Cloud storage has also played a part, with local bandwidth posing a problem for data transfer in South Africa. Bandwidth is improving, but is still a factor for businesses to consider when making storage decisions.

Where a requirement for effective record keeping exists, so does an opportunity for Metrofile. Metrofile is continuing to expand into Africa, while our ongoing construction of additional local facilities and expanding into new centres, displays our commitment to our loyal clients and partners.

CSX CUSTOMER SERVICES

Knowledge. Solutions. Success

ABOUT US

CSX supplies, installs and supports business solutions in niche markets. Our unusual yet proven business proposition is driven by knowledgeable and passionate experts in these niche specialities, who will unlock the right solution for client's needs.

CSX was founded in 1969 and became part of Metrofile in 1996. CSX employs a workforce of 75 people with a diverse range of skills. Most of our employees have been with us for long periods, with some being with CSX since the company's founding.

WHERE WE OPERATE

CSX has branches in Johannesburg, Cape Town, Durban, Port Elizabeth and Bloemfontein.

Due to the swiftly growing scope of business in Namibia, CSX decided to open a dedicated Namibian company based in Windhoek, called CSX Customer Services Namibia (Pty) Ltd.

Our New Business Development Team identifies solutions for the specific niches in Botswana, Ghana, Mozambique, Namibia, Uganda, Zambia and Zimbabwe.

WHAT WE DO

Products:

CSX is adept at finding or developing quality products and/or systems for specific purposes, such as:

- Exam marking systems (OPSCAN, WebScore e-marking) and System 4S electronic marking solutions
- Book libraries constructed quickly and cheaply using modular techniques and materials
- Library security systems
- Scanners
- Mail handling machines
- Employee management systems, such as ISGUS
- Microfilm solutions
- Book scanners
- Wide range of ICT products, such as dustless keyboards for operating theatres.

Services:

Over nearly half a century, CSX has developed an outstanding reputation for customised and turnkey solutions, particularly in the education and government sectors.

The CSX Help Desk provides ongoing customer support and provides the feedback to enable us to continually raise our service levels.

2015 HIGHLIGHTS

- The Namibian Directorate of National Examinations and Assessment (DNEA, a client since 1999), requested a pilot project in 2013 to mark a grade 10 subject online as a proof of concept, with the aim of testing security and teacher ability to mark online. This project was a major success, so that in 2014 we marked five grade 10 subjects. Namibia has started training 400 teachers to mark on-screen, with a view to move the entire exam marking exercise into "the cloud" over time.
- The Department of Sports, Arts and Culture ordered seven modular libraries during the period. A traditional brick and mortar library takes 21 to 23 months to build and can cost up to R3,5 million, while our modular library can be completed in six to eight weeks, at a fraction of the price. A modular library costs between R500 000 and R700 000, depending on the specifications.
- CSX re-registered as a proprietary company within the Metrofile Group. This strategic decision enables CSX to leverage the value of our long established brand, while maintaining back office efficiencies through Group shared services, such as HR, IT and Payroll.
- The company opened CSX Customer Services Namibia (Pty) as a dedicated local business which allows for local representation in Namibia.

MARIO MARTINS
Managing Director

"CSI contributions are very important to us. We want to make a difference in South Africa and believe in giving back to the community. Our business is moving towards the education sector and our donations are focused on children's education.

Our goal is to donate a modular library per year to a rural area."

OPPORTUNITIES AND CHALLENGES

Three years ago, CSX assessed that our South African operations had peaked and new growth would be driven through broader Africa. Since then CSX has established a strong African footprint, with a presence in Namibia, Botswana, Zambia, Swaziland, Lesotho, Mozambique, Angola, Ghana, Uganda and Kenya. Our biggest opportunities are in African education and e-marking solutions, supported by our other niche products and services.

Africa poses its own particular challenges. These include lengthy time periods from initial contract to actually fulfilling the order, as well as volatile exchange rates. As 80% of CSX's products are imported, forex has a huge impact on our industry and creates a steep barrier to entry.

CSX has the advantage of being able to build products and service contracts into comprehensive client solutions, thus securing bigger contracts on longer terms.

In an age when many electronic devices are built for obsolescence, CSX is able to deliver vital archiving services. Paper has moved from microfilm and disk to the cloud and CSX has moved with the evolution every step of the way. Obsolescence has become part of our opportunity as we are able to access and capture information stored on microfilm and migrate it to a modern format. CSX is one of the last remaining companies that will undertake microfilm projects and has captured 95% of the South African microfilm market.

CSX is a strong believer in social responsibility, therefore we try to build and donate at least one modular library per annum to deserving communities.

RAINBOW PAPER MANAGEMENT

ABOUT US

Recycling is the last stage of a document's lifecycle and reduces an organisation's environmental impact. Rather than simply going to a landfill space, paper can be used to create new products.

Rainbow Paper Management offers a paper recycling service to businesses and printing houses. We collect waste paper, which is processed to bales of various grades of post-consumer secondary fibre used by paper mills to manufacture new materials and goods.

Rainbow was acquired by Metrofile in 2007 to provide the last step in the records management lifecycle. Once records have been earmarked for recycling, Rainbow is able to provide this service to Metrofile's clients.

WHERE WE OPERATE

Rainbow Paper Management's Johannesburg facility sorts and bales paper and cardboard, while its Port Elizabeth facility also processes plastics, metals and cans.

Due to the confidential nature of the documents processed, Rainbow practises strict security measures at its facilities.

WHAT WE DO

Rainbow Paper Management's primary business offering is the mechanical processing of waste paper. The company uses its own trucks to collect waste paper from printing houses, office blocks and supermarkets and thereafter processes all available post-consumer paper and cardboard into different grades of baled stock ready for delivery to paper mills for the final stage of recycling.

Metrofile Records Management is a vital client, as the Group views recycling as part of the complete cycle of document processing. Metrofile's clients determine if their documents are to be securely shredded, or mechanically processed into a pulp stage.

Rainbow supplies different grades of paper waste to various mills. The majority of South Africa's high grade secondary fibre is used in the production of tissue paper at local mills, making fast moving consumer goods like toilet and tissue paper available to ordinary South Africans at local supermarkets.

DOROTA BOLTMAN-MALONE
Managing Director

"Rainbow is a very green business – but it is not just about recycling. Manufacturing of virgin pulp involves many factors, including electricity and water. Paper waste can be recycled several times, depending on the grade.

Our process facilitates the renewal of resources. Rainbow is not just a waste paper collecting business, but a resource management company."

2015 HIGHLIGHTS

Despite current market constraints, Rainbow has grown consistently over the past eight years. The company was unable to acquire and recycle sufficient tonnages of paper to meet its budget target for this year, although our financial results were acceptable under the circumstances.

OPPORTUNITIES AND CHALLENGES

Anticipating recycling volumes has been challenging as printing industry volumes have declined as a consequence of digital popularity. As there is currently a shortage of waste paper in South Africa, virgin pulp is still being used in certain lines and products.

However, a paperless market is not anticipated within the next few decades. Rainbow was able to find new volume sources while streamlining other recyclable avenues to replace losses of tonnages previously collected from the printing and packaging industry.

Protection of information is very much on the South African agenda and businesses must now take the Protection of Personal Information ("POPI") Act into an account. Information that can be extracted from off-site bins and landfills is securely destroyed at Rainbow, mechanically and chemically, during new paper fibre manufacturing processes. This presents a growth opportunity for the company.

The benefits of recycling paper include a cleaner environment, job creation, reduced handling costs to local authorities, decreased need to import raw materials and freeing up space at landfill sites. Recycling also enhances a company's image and can result in increased customer loyalty as the organisation becomes a preferred business partner due to its environmental awareness.

CLEARDATA

ABOUT US

Cleardata is South Africa's first and only nationwide provider of secure on and off-site document destruction services. Cleardata is uniquely positioned to provide its clients with a complete solution for all paper shredding, confidential document destruction and recycling needs.

Cleardata's services have been certified both domestically and internationally. These exceed the most stringent US and European standards and comply with the security principles of South Africa's POPI law. Our national operations are certified as Carbon Neutral.

Metrofile acquired a 55% share in Cleardata in 2009 and an additional 15% at the end of 2012.

WHERE WE OPERATE

Cleardata offers its services nationwide.

On-site document destruction is offered via specialised trucks to clients with premises in large CBDs, while off-site destruction is performed for de-centralised organisations at a secure Johannesburg facility.

WHAT WE DO

Cleardata has launched a service in conjunction with Metrofile, to offer businesses the option of secure box and document destruction at the end of their storage periods. Clients are provided with secure storage bins placed at strategic points in their offices. Custom built shredding vehicles will regularly visit each client to empty and shred the contents of these storage bins at their premises.

The destruction protocol is in accordance with the strictest international standards and Cleardata is ISO 90001 and AAA certified, the highest certification available in the shredding industry.

Cleardata's offering is the final step of end-to-end document management solutions. Secure destruction is expected to become a key additional service line in the year ahead for Metrofile, which is the only records management company that is able to offer POPI compliance and secure destruction at the end of a document's life.

Secure destruction is the proven option for businesses that must be particularly sensitive about personal information. These include banks, insurance providers and financial services providers.

Shredding documentation immediately following expiration of their storage periods is the most effective way to prevent identity theft through accessing stored paper documents.

Cleardata offers competitive services that are:

- Nation-wide
- Internationally certified
- Rated BEE level 1 – certified value added supplier
- Technologically advanced.

GIANMARCO LORENZI
Managing Director

"Secure destruction of documents is the final step in the cradle to grave cycle of confidential documents. Cleardata provides this service in accordance with international standards, enabling Metrofile to meet the requirements of the incoming POPI Act."

2015 HIGHLIGHTS

Cleardata continued to trade well this year, gaining several new clients which has contributed to significant growth for 2015.

POPI legislation was signed into law by President Jacob Zuma on 26 November 2013, although the actual full commencement date is expected to be towards the end of 2015. Since the penalties for contravention of the Act can be severe, many organisations are beginning to prepare themselves for compliance.

While many organisations view POPI as just another piece of onerous legislature, the reality is that it is designed to protect both the business and its consumers. Compliance ensures that organisations focus on how information is stored, processed and accessed, which provides additional security elements and helps to optimise storage by eliminating unnecessary data. Given the acceleration in data generation, and the increased quantity of data processing, implementing the right systems and controls is the only way to manage information effectively.

Cleardata is prepared for an accelerated growth phase and many new clients in 2016.

OPPORTUNITIES AND CHALLENGES

In light of the looming POPI commencement date, all South African businesses will need to take the necessary steps to comply with this legislation. One of the most important areas of POPI compliance involves the requirement for confidential destruction of any documents containing personal details. Failure to comply with the act can lead to fines and penalties, as well as potentially massive reputational damage.

Cleardata anticipates that many businesses will choose to partner with a reputable document destruction partners, such as ourselves.

Cleardata has strong fundamentals in place and an energetic sales team.

Maintaining an assured quality as the business grows is both a challenge and an opportunity. Cleardata's services are dependent on logistics and human resources, which must perform at the highest standards. The poor current exchange rate may impact the company's financial results, as machinery is imported and fuel price fluctuations influence budgeting.

Cleardata is a small business with large potential for growth in its expanding niche, despite macro-economic pressure.

GLOBAL CONTINUITY SOUTH AFRICA

ABOUT US

Global Continuity is a specialist business continuity and disaster recovery service provider. The company provides an innovative range of services to ensure that clients are able to continue operating seamlessly should their facilities and IT systems suffer a disruption or disaster.

Clients are able to invoke a predetermined disaster recovery plan that Global Continuity will swiftly execute, so that their business remains operational. Disaster recovery programmes are constantly tested and optimised to ensure a flawless implementation.

Global Continuity became a subsidiary of the Metrofile Group in 2012.

WHERE WE OPERATE

Johannesburg, Cape Town and Maputo (Mozambique)

WHAT WE DO

Disaster recovery facilities

Global Continuity operates from premises that are already set up with fully equipped workstations that include networked desktop PCs and communication systems. When necessary, clients move onto Global Continuity premises to operate their businesses from within our work areas until their own facilities have been restored. These work areas are sufficiently flexible to allow several clients to utilise separate areas according to their requirements.

Our IT infrastructure has significant capacity to support clients' requirements whether they choose to replicate servers, back up data, or make use of the syndicated storage to recover their systems.

Global Continuity offer a range of functionalities that include:

- Physical and virtual servers (VMware and Hyper-V)
- Replication software and high availability solutions
- Disk storage based on world class EMC storage
- Telephony/PABX support
- Call centre management
- Voice recording
- Multiple work areas
- Boardroom and meeting rooms
- Biometric access control and video surveillance.

Managed backup and recovery

In addition to Disaster Recovery services, Global Continuity has expanded its offering to provide secure offsite and managed backups for clients. We can provide a number of tailored and efficient solutions, ensuring that a client's entire system is available so that operations can continue in any situation.

Business continuity consulting and training

Global Continuity is aligned with ISO 22301 global standards for business continuity and facilitates:

- Business impact and risk assessment
- Development and implementation of business continuity strategies

GREG COMLINE
General Manager

"In many ways, South African businesses are following the trends that we are seeing globally. Companies are becoming more resilient and Global Continuity South Africa is uniquely positioned with its work area recovery sites to provide efficient DR solutions. In alignment with this, Global Continuity South Africa has based current and future investment on providing scalability and flexibility to clients through a range of solutions."

- Development and implementation of business and IT continuity plans (disaster recovery plans)
- Recoverability, resiliency and redundancy assessments.

2015 HIGHLIGHTS

- In the past year, seven clients had to physically move into our facilities. One of these clients won the most effective recovery in Africa for 2015 when they recovered from a fire that raged at their head office. This was awarded in the Business Continuity Institute's 2015 Awards. The client did not lose a single day's business and continued to grow their clientele throughout the period while they found new office premises.
- During one week, two clients had disasters at the same time, while three clients were testing their disaster planning at our facilities. The fact that these five exercises could be managed concurrently shows how resilient our infrastructure is.
- Opened two new offices in Maputo (May 2014) and Cape Town (July 2015).
- Significant growth in managed and online backup solutions.
- The demand for Business Continuity consulting has grown.
- We have seen significant growth in new client numbers and revenue.

OPPORTUNITIES AND CHALLENGES

Our biggest challenge is the need for more cost effective bandwidth in South Africa. Fibre connectivity will become more viable as prices reduce, allowing us to offer more efficient services to our clients as we gain greater reach.

Data is a critical and growing business asset and business continuity is a growth industry that is being driven by the growing complexity of compliance due to government, legislation and new private sector regulations. While fires, floods and earthquakes cause massive disruption and make the headlines, research shows that mundane IT issues, such as loss of power supply, are more likely to cause significant system disruptions. Organisations are more aware of the importance of being prepared for routine disruption, as well as more significant incidents.

Global Continuity is able to outcompete our competitors on many instances as we are more efficient and innovative with our solutions. We will be growing our services, enhancing our online backup solutions and aim to provide our services to clients across South Africa.

Global Continuity has developed a good foundation with momentum and systems in place for ongoing growth into other major Southern African centres.

STRATEGIC FOCUS

MATERIAL ISSUES

MATERIALITY

Metrofile's Board and executive management present the information in this integrated annual report as relevant or "material" to our shareholders and key stakeholders for a fully informed understanding of Metrofile's performance over the past year. Equally important, we offer material insights into our short and medium-term strategy.

When deciding on which items of information to include in this report, the Board and executive management considered the relative importance of each matter in terms of their known or potential effects on Metrofile's ability to continue creating value. We then prioritised these for relevance to the report users, so that information deemed as less important could be allocated to ancillary channels, or set aside as irrelevant for informed shareholder and stakeholder decision-making.

The information provided is intended to populate an accurate and complete integrated annual report that is unburdened with peripheral content that may confuse rather than enlighten.

MATERIAL MATTERS

Metrofile's potential material matters emerge through our risk management process and stakeholder feedback. Once identified, these potentially material issues are subjected to a materiality process that considers a topic's qualitative and quantitative aspect; the influence, legitimacy and urgency of the stakeholder raising the topic; the boundary of the topic; and Metrofile's ability to affect change with regard to our impact on the topic. Ultimately the decision to report a topic as a material matter is based on the Board's and management's views of the topic.

SOUTH AFRICA'S ECONOMIC REALITIES

Over the reporting period, Metrofile began materially experiencing the impacts of South Africa's deteriorating economic fundamentals. Previously, poor economic growth did not noticeably influence Metrofile's ability to create value by fulfilling specific needs for business information and records management. We are finding that current and potential clients are becoming reluctant to allocate capital, even on essential services such as those offered by Metrofile. Load shedding, unclear government policy and global economic fragility has caused business confidence to plummet and organisations to adopt "wait and see" stances.

The recent platinum strike had a direct impact on Metrofile's performance, as the platinum mining sector was traditionally a reliable income stream that has now dwindled significantly.

International investment into South Africa's economy has slowed and is even reversing out due to South Africa's discouraging economic policies and our labour problems, amplified by a global shift away from commodities and emerging markets.

South African and global economic realities will be significant material factors in Metrofile's near and medium-term value creation.

BUSINESS SUSTAINABILITY AND CROSS-BORDER EXPANSION

Metrofile remains the records management market leader in South Africa, but real growth can only be pursued at this time by entering promising markets elsewhere in the world.

Globally, Metrofile is ranked within the top 10 listed records management companies. The Group has maintained consistent volume growth, of at least 5% per annum. South Africa's relatively mature market offers 5% to 10% growth, while significantly higher growth is possible in broader African and Middle Eastern markets.

The records management market in the US has plateaued – keeping in mind that the US information management market is vastly larger than South Africa's. Metrofile has over 8 million boxes in storage, while the biggest records management company in the United States of America, Iron Mountain, warehouses over 480 million boxes.

Records management in Latin America is averaging 15% growth, while demand in India is climbing by 20% annually. China's records management growth is surprisingly low due to legislative requirements, which dictates methods of storage and limit outsourcing. Europe, with growth in the upper single digits, is an increasingly saturated market.

Metrofile is carefully evaluating a step-by-step expansion into the Middle East and Africa as the initial stage of our growth strategy. Before entering any new market we rate each country on metrics such as population levels, GDP, language and ease of business. Besides the high growth potential of the Arabian Gulf hub, our analysis shows "promising" exceptional prospects in at least 10 SADC, West and East African countries.

Accepting that each economy will have its own business idiosyncrasies, laws and trade patterns, we will only make acquisitions that enable us to partner with credible local partners. At this stage, Metrofile no longer intends founding "greenfields" operations.

THE FUTURE OF FILE STORAGE

As the acclaimed leader in South African electronic information management and storage, Metrofile embraces incoming technologies and continually conducts research and development ("R&D") into digital information storage solutions across a variety of media. For most businesses in South Africa, cloud storage has yet to overcome bandwidth limitations. Nevertheless, Metrofile has the expertise to offer client specific solutions for cloud and/or digital storage.

To date, most businesses continue to use paper and print as the cheapest and most accessible medium for their records. In South Africa, as in most of the world, storing information electronically costs significantly more than renting storage space in a warehouse. Metrofile's proprietary and efficient record cataloguing and retrieval systems allow for quick access at short notice.

Although paper storage presently constitutes Metrofile's primary source of revenue, we are steadily evolving our business model in line with the march of technology.

SYSTEM OBSOLESCENCE

Paper retains the advantage of being retrievable and readable at any time, while digital storage options are constantly being superseded by newer formats. In recent decades, floppy disks gave way to "stiffy" disks, tapes and then CDs, which are now being superseded by high capacity hard drives and "cloud" storage. Metrofile ensures that all digital information is recaptured, when necessary, in currently readable formats, though this does add to the cost of digital storage as opposed to paper storage.

BEE AND TRANSFORMATION

Metrofile's Board of Directors is one of the most transformed on the JSE, comprising four black women and four white males. The solid track records and impeccable qualifications of all directors show that each offers specific skills within a board that has coalesced into an effective oversight and executive team.

Due to intensive and ongoing transformation, Metrofile scores exceptionally well against the B-BBEE scorecard, although this may be impacted when the revised codes become effective.

Metrofile believes that B-BBEE performance is fundamental to South Africa's future economic sustainability and have prioritised employing women and disadvantaged youths. We deploy our HR policy as a key driver transforming Metrofile in a manner that will contribute a flow of new skills and talent into our industry.

UTILITIES AND POWER INTERRUPTION

Metrofile's ability to continue trading under adverse conditions is safeguarded by our Global Continuity subsidiary. Although we mitigate load shedding to a degree through installed equipment, constant power outages can potentially collapse many South African businesses, and probably have done so already.

Metrofile has generators at all key facilities to continue operating during power outages. These outages do however, raise costs and impact negatively on our client services. Business efficiency is reduced when cell phone masts go down and our drivers can be delayed by traffic gridlocks.

LEGAL AND REGULATORY COMPLIANCE

The Protection of Personal Information ("POPI") Act has set conditions for the management of personal information. These include collection, usage, storage, dissemination, modification or destruction. POPI and other stricter corporate governance regulations support Metrofile's business model, as growing numbers of companies are outsourcing their information and records management due to the growing complexity of handling these functions in-house.

INFRASTRUCTURE AND OPERATIONAL RISKS

The lessons learnt from a serious fire at our Durban facility in 2013 prompted Metrofile to invest in significant infrastructural alteration, accompanied by more rigorous staff training programmes. Management spent considerable time and resources reducing risk over the past two years, which has impacted on our 2015 financial results.

The Group's heightened approach to risk will be fully implemented by 2016, when all infrastructural and procedural upgrades will be in place.

STRATEGY, OBJECTIVES AND PERFORMANCE

Business information and personal data is becoming an increasingly valuable resource to companies and to cyber-criminals alike. The entire information management cycle, from creation to its destruction, is attracting the attention of regulators around the world.

This trend adds impetus to Metrofile's proven strategy, therefore we are continuing to expand our range of information management services, through innovation and acquisition. Cross-selling these services to existing and potential customers remains a key part of the Group's strategy.

Metrofile's expansion into Africa and the Gulf Cooperation States is motivated by the double digit growth potential of those emerging markets. Our intellectual capital and systems are easily exportable, therefore the Group will continue evaluating new country opportunities, based on their business and political environments, governance, market attractiveness, infrastructure, education standards, labour policies and overall risk.

The Group's strategy is based on its ability to expertly apply its financial, manufactured and human capital to the creation of value for all stakeholders.

Metrofile's people are fundamental to our success, and having appropriately skilled employees through each level is a strategic priority. Due to the nature of this industry, Metrofile's approach is to develop human capital from within the organisation through skills development and promotion. The Group believes that B-BBEE performance is fundamental to South Africa's sustainability and our HR policy aims to transform the Group in a manner that will contribute new skills and talent to our industry.

To remain at the forefront of information management and storage, Metrofile continually conducts research and development (R&D) into digital information storage solutions across a variety of media. This strategy enables Metrofile to offer its customers a perfect match for their information management needs, whether driven by configuration and customisation requirements, or through tried and trusted best industry practices and competitive pricing.

In South Africa and abroad, organisations need to fully comply with information security regulations to avoid a loss of productivity, reputational damage, legislative ramifications and ultimately financial losses. Businesses that fail to implement effective information destruction practices could also find themselves in breach of the law.

Metrofile's position in the South African market has been built on an unwavering commitment to leading-edge services, the development of long-lasting relationships with clients and a staffing policy that motivates experienced employees to remain in the Metrofile fold.

All of this culminates in Metrofile being one of the most trusted end-to-end information management solutions providers for South African corporations and enterprises of all sizes.

KEY RISKS AND MITIGATION

The top five inherent risks, in no particular order, are noted below:

SYSTEMS CONTINUITY

Metrofile is critically dependent on our IT infrastructure and systems. Unexpected failures to the IT systems and infrastructure could cause severe interruptions to the business and result in lost productivity and poor service delivery to clients. Numerous controls are in place to mitigate this risk and ensure business continuity.

APPLICABLE BUSINESS STRATEGY AND BUSINESS SUSTAINABILITY

Regular engagement with our customers on their evolving needs enables the Group to continually adapt our solutions, which informs our risk strategy in support of business sustainability. Metrofile keeps well abreast of legal and regulatory changes that may impact our businesses. We continually review our risk strategies to ensure that these remain aligned with current and incoming market and economic trends.

FIRE DAMAGE

The Group faces permanent loss of business revenue and potential damage to our corporate image if a fire was to occur and destroy a warehouse. The Board and management have various processes, personnel, policies and equipment in place in order to mitigate the risk of fire. These include preventative measures with respect to lighting, shutting down facilities as well as the installation of both fire detection and fire suppression systems of various forms. Firefighting teams have been appointed and receive regular training specific to our environment. A major fire at our Durban facility in 2013 resulted in significant upgrades to our infrastructure and staff training.

CRIME EFFECTS ON BUSINESS

South Africa's high crime levels require multi-level security systems to prevent severe operational disruption, financial losses, reputational damage and possible injury to employees. Preventative measures include site access and security policies, 24-hour physical monitoring, alarm monitoring and armed response, perimeter electric fences and active monitoring of company vehicles.

EFFECTIVE NATIONAL MARKETING, SALES AND SERVICE

A centralised and clear management strategy and process is embedded with respect to marketing, sales and service of the business in order to maintain and grow market share of our various offerings.
This approach helps to combat both existing and new competitors and technologies.

Other risks include:

- Insurable risk
- Cross-border expansion
- Operational effectiveness
- Legal and regulatory compliance
- Global economy and industry trends
- Foreign exchange risk
- Competitor awareness and actions.

Metrofile's Chief Risk Officer is Mark McGowan.

RISK MANAGEMENT

The Board of Directors has endorsed a process of risk management that is aligned with generally accepted good practice as well as the principles of the King Code of Governance Principles and the King Report on Governance 2009 ("King III").

Metrofile's business strategy depends on its management being able to take calculated risks within a stipulated risk appetite boundary that does not jeopardise the direct interests of stakeholders.

Metrofile deploys an enterprise-wide approach to risk management, which means that every identified material risk will be included in a structured risk framework aligned to our corporate governance responsibilities.

The board retains accountability and responsibility for the overall process of risk management.

A comprehensive risk register is in place and constantly managed by the appropriate executive management members. The audit, governance and risk committee is responsible for all risk-related matters.

The board obtains assurance that the controls over the identified risks are operating effectively by means of external and internal assurance providers in terms of a combined assurance framework.

The Board sets the level of risk tolerance and limits of risk appetite for Metrofile as part of its strategic guidance. In evaluating the risk of acquiring new businesses and entering new geographies, as well as developing existing businesses, the Board takes a prudent approach to risk informed by many years of relevant experience. Our non-executive directors also share their knowledge of risk in other fields of business.

Strategic risks are continually reviewed and ranked according to the probabilities and severity for each risk. The mitigation of each risk is assessed according to the degree of control possible or put in place. Residual risk is also calculated.

Each Group business operation has an operational risk register, which is monitored through risk management software. Operational risks, along with health and safety requirements, have been identified and risk owners have been assigned for each business. Risk management has become a part of daily business life for all management and supervisors within the Group.

IT risks are specifically identified and aligned to robust business continuity and disaster recovery plans. A technology report is presented annually to the Audit, Governance and Risk Committee as well as to the Board on potential IT risks, opportunities and areas of concern.

LEADERSHIP AND GOVERNANCE

CHAIRMAN'S STATEMENT

STRATEGY AND PERFORMANCE

Metrofile delivered another year of steady growth with normalised revenues increasing by 14% to R720 million, normalised EBITDA by 11% to R236 million and normalised HEPS by 16% to 32 cents.

Cash generation continued to be strong, which allowed the Group to reduce dividend cover to 1,5 times.

Metrofile continues to expand its services in the records storage and information management sector. In South Africa the Group is entrenching its dominance through increasing its customer base and by expanding its infrastructure, most recently in Mpumalanga, Cape Town and Durban.

This capital expenditure is in line with our strategy of owning between 60% and 80% of our locations and on-site infrastructure, to provide an optimum balance between property costs and growing but variable demand. Capital investment plans of R116 million have been approved for the coming year.

Internationally we remain focused on Africa and the Middle East and aim to establish and grow our geographic footprint by acquisition and with partners as appropriate.

We also closely monitor trends and developments in our industry worldwide. Metrofile is one of the top ten records storage companies internationally and our operating metrics compare favourably to those of our peers for whom trading information is publicly available.

SHAREHOLDERS

I am pleased to welcome all new shareholders who have invested in the Group during the year. The Group now has 3 740 registered shareholders, including 3 040 individuals.

The Group's shareholder of reference and BEE partner continues to be Mineworkers Investment Company (Pty) Ltd, which holds 34% of the Group's shares. In addition, most of the larger shareholders have been in place for a number of years.

Over the past year 16 million shares changed hands, representing a turnover of about 16% of the shares in issue. The free float is about 60%.

GOVERNANCE AND DIRECTORATE

The Board of Metrofile comprises two executive directors and six non-executive directors, of whom four are independent and four are black females. With this sound and representative Board in place, governance in the Group is executed well. Ms Phumzile Langeni was appointed to the nomination committee and the remuneration committee in this reporting period.

The Board regards its key functions as being to oversee strategy, monitor risk and ensure that management and the business units perform to stipulated benchmarks.

I am pleased to report that the Board and all of its committees functioned well during the year. The non-executive directors have an appropriate mix of business, financial, governance and human capital skills.

The corporate governance commentary further on in this integrated report provides more detail on the Group's governance.

GROUP CEO

Graham Wackrill has given notice that he wishes to retire as CEO on 31 March 2016. The Board is currently engaged in an executive search process and considering internal and external candidates.

However I am pleased to advise that Graham will continue on the Board as a non-executive director.

Graham has been an exemplary CEO. He led the Group from its debt laden history in the MGX stable to the sound conservatively structured and well managed group it is today and as the clear market leader in its industry. I would like to thank Graham very sincerely on behalf of the shareholders, board and management for all he has achieved for the Group and wish him well in his retirement. I also thank him personally for the excellent and supportive relationship he and I have had over the past 12 years.

OUTLOOK

The Group is well positioned to continue its growth in RSA and to accelerate its expansion plans into Africa.

APPRECIATION

Metrofile's Board and executive team excelled throughout this financial year, bolstered by the sage advice and support of our bankers and professional advisors.

They can only perform if the workforce delivers as well. The continued loyalty and diligence of our employees is the bedrock of our collective success, as evidenced again this year.

I record my thanks and appreciation to them all.

Christopher Seabrooke
Chairman

Metrofile is one of the top ten records storage companies internationally and our operating metrics compare favourably to those of our peers for whom trading information is publicly available.

CHIEF EXECUTIVE OFFICER'S STATEMENT

Metrofile's long proven business model again delivered the goods, though I would describe our financial results as pleasing rather than outstanding. That is actually a welcome outcome in the context of South Africa's sluggish economy and the unpredictable world economy at present. Due to the growing regulatory focus on information and records management in recent years, Metrofile's medium term growth prospects remain promising, both within and outside of South Africa. More in-depth information is covered in the CFO's report.

In South Africa, the intrinsic value of good corporate governance is gaining widespread acceptance. JSE initiatives in annual reporting and the promulgation of a new Companies Act and the more recent Consumer Protection Act set the stage for organisations to sharply improve how they maintained their record-keeping. The incoming Protection of Personal Information Act (POPI), as well as heightened awareness of cyber hacking into customer records, are making secure record keeping even more critical. Businesses are recognising that information and records management should rather be outsourced to reputed professionals such as Metrofile. Despite the slow economy, we anticipate that our South African business will continue to expand steadily at the healthy rate of about 400 000 boxes per annum.

To grow shareholder value and diversify our revenue streams, Metrofile analysed potential markets in broader Africa and the Persian Gulf (UAE, Oman, Bahrain, Kuwait and Qatar) that offer significantly faster growth and more opportunities than the relatively mature South African sector. In this reporting period we acquired a 60% shareholding in e-File Masters, a storage and scanning business in Dubai and Abu Dhabi. Based on Metrofile's deep industry expertise and e-File Masters' local knowledge and expertise, that company is ideally positioned as the launch pad into Qatar, Oman and Bahrain. Metrofile also purchased a 60% shareholding in FlexFile in Zambia, to give us a solid presence north of South Africa's borders and the opportunity to target South African companies operating deeper in Africa.

FINANCIAL PERFORMANCE OVERVIEW

The bare accounting results do not reflect our actual results for the year, as these do not include the pay out of our 36-month business interruption insurance claim resulting from the Durban facility fire in 2013. The proceeds of this claim are being spread across three financial years.

Before adjusting the outcomes to include the claim, revenue improved by 4% to R701.9 million, operating profit decreased 13% to R186,8 million and profit before tax slipped 17% to R173,7 million.

With the insurance process factored in, the normalised results show revenue expanding by 14% to R720,9 million, EBITDA climbing 11,6% to R236,6 million and our headline earnings rising a healthy 17,7% to R137,7 million.

Cash from operations increased substantially from R184 million to R260 million, which prompted the Board to reward our shareholders with a 40% higher total dividend at 21 cents per share.

OPERATIONAL PERFORMANCE OVERVIEW

The Group's biggest subsidiary, Metrofile Records Management, contributes 74% of our revenue. Although "the end of paper" is predicted year after year, we have yet to see significant drops in paper-based records management. Digital scanning is gaining traction but remains more expensive then paper-based records. Nevertheless, we are preparing for when paper volumes will gradually subside as digital processing becomes more entrenched, bandwidth gets cheaper and cloud storage gains market share. Metrofile is already adept in those technologies and will adapt seamlessly when paper record storage eventually begins subsiding.

CSX Customer Services delivered an outstanding performance this year, largely due to its breakthrough in electronic school examination marking for educational institutions. In 2013, the Namibian government first trialled CSX's exam marking technology, followed by a larger award in 2014 to digitally mark Grade 10 Cambridge International Examination papers. This project proved to be a resounding success, which we anticipate will lead to larger exam marking contracts in Namibia and other countries where the Cambridge International Examination standard is used. African education authorities are usually hard-pressed to assemble sufficient qualified teachers for mass exam marking, therefore we foresee that electronic marking of exam papers will be well received where education is benchmarked against the Cambridge standards. CSX Namibia was founded this year due to the growing amount of business being conducted in that country.

Our Cleardata subsidiary now clearly dominates the South African market for assured onsite or offsite destruction of confidential information, with all major South Africa-based banking and financial institutions now retaining Cleardata's services.

Global Continuity specialises in business disaster recovery and off-site data backups. The unit performed satisfactorily, given that it operates in a relatively new niche and its processes are still being refined, although these were robustly tested this year by managing three separate disaster recoveries at the same time. Global Continuity passed this test with flying colours, which showed that its systems are well up to real world business emergencies.

Rainbow Paper Management, our paper recycling subsidiary, experienced a flat year due to a lack of sufficient paper quantities for pulping and on-selling. Additional sources of paper are being sought. Even so, Rainbow remains an integral part of Metrofile's end-to-end service offering. Client records that become redundant can be processed by Rainbow or Cleardata in a manner that preserves confidentially to the end of the cycle, while also demonstrating environmental responsibility.

RISKS AND DISAPPOINTMENTS

South African business performance and confidence took a major knock in this period when Eskom load shedding resumed in October 2014, and is likely to continue for at least the next 18 months. Electricity load shedding has multiple knock-on effects for the South African economy, all of them negative. Load shedding reduces commercial activity, output and productivity while at the same time reducing business and consumer confidence. The cost of business increases for many due to having to install generators or other power sources into business premises, which reduces investment elsewhere. Metrofile requires efficient, real-time connectivity with our clients to maintain our service levels, therefore are compromised when our communication networks go down.

Load shedding in dense urban areas tends to snarl up traffic, which slows up road transport of records and services for clients. Lengthier completion times translates into annoyed clients and fewer billable transactions.

Our Nigerian operation has failed to gain traction since its launch. Although the massive and largely untapped Nigerian market has great potential, we are obviously not connecting to the local networks that will realise business in worthwhile quantities. With excellent prospects elsewhere in Africa and the Middle East taking up management attention, our Nigerian operation is under review.

OPPORTUNITIES AND FUTURE OUTLOOK

The South African market is relatively mature and subdued, though growth is presently being driven by new regulations and heightened awareness of risk. To mitigate our own currency risks and unlock new value creation for shareholders, we are actively seeking out acquisition and partnership opportunities in the emerging economies of Africa, the Middle East and Asia. Four of our five international operations are meeting their targets, and I foresee an expanding Metrofile presence across targeted and thoroughly researched regions.

Metrofile's industry expertise, systems and processes developed over decades are easily adaptable for any geography.

IN APPRECIATION

As mentioned in last year's integrated report, Richard Buttle left the CFO post at the end of October 2014 after eight year's exemplary service. His replacement, Mark McGowan, has settled ably into the key CFO position.

The only other scheduled change to the Board will be me, as I am retiring as CEO early next year. This decision was finalised in May 2015 and my replacement is being dealt with by the Chairman and Deputy Chairman. An announcement will hopefully be made before the end of the year. The Board has decided that after my retirement, I will remain as a non-executive director to contribute institutional memory and industrial knowledge.

After more than 10 years as CEO and 30 years in Metrofile's leadership ranks, this is the right time to step aside for a fresh approach and ideas. The Group is a proven generator of annuity cash, our debt has been optimised and we have the reserves, systems and stable in-house expertise to expand into other regions and currencies.

Looking back over the 13 years since the MGX collapse, which nearly brought Metrofile down, I'm immensely proud of the fightback that our people put up to save the Group. With so many of you still in Metrofile today, allow me to thank you again for bringing Metrofile safely through those touch and go years to the robust position we enjoy today.

With such men and women across each division in the Group, I've no doubt that Metrofile will continue growing from strength to strength.

Graham Wackrill
Chief Executive Officer

Metrofile's systems developed over decades are exportable to any geography. To access income streams in multiple currencies, we are actively seeking acquisitions in Africa, the Middle East and Asia.

CHIEF FINANCIAL OFFICER'S REPORT

INTRODUCTION

Metrofile's earnings in the prior year were favourably impacted by the immediate accounting recognition of the proceeds of a 36-month business interruption insurance claim. As a result, the Group continues to present normalised earnings reflecting the insurance proceeds spread over the indemnity period.

RESULTS

Normalised revenue increased by 14,0% to R720,9 million and normalised EBITDA by 11,6% to R236,6 million. Normalised EBIT improved by 11,6% to R204,2 million.

Normalised headline earnings increased by 17,7% to R137,7 million.

Normalised basic earnings per share ("EPS") improved 8% and normalised headline earnings per share ("HEPS") increased by 16,6% with both at 32,3 cents (2014: 29,9 cents and 27,7 cents respectively).

Cash generated from operations before net working capital changes reduced by 14,8% while the receipt of significant prior period trade receivables, together with the settlement proceeds of the previously mentioned insurance claim, resulted in a 31,4% increase in cash generated from operations.

In order to optimise shareholder returns, the Group aims to maintain a debt:EBITDA ratio above 1,5:1. As the Group is highly cash generative, the actual ratio has been below the target for some time, notwithstanding cash commitments for acquisitions and building projects. Due to this continued strong cash generation, the Board reduced the target dividend cover to 1,75 times in November 2014, before further reducing it to 1,5 times on 19 June 2015. The total dividend per share improved by 40% to 21 cents (2014: 15,0 cents).

FINANCING

In October 2014, the Group's new funding arrangements came into effect. The new facilities are made up of an amortising facility of R150 million and a rotating bullet facility of R150 million. Both of these facilities have a five-year term, and capital and interest is payable quarterly in arrears. The facilities bear interest at JIBAR plus 200 basis points and JIBAR plus 240 basis points respectively.

CAPITAL INVESTMENT

Capital investments totalling R67,2 million were primarily invested into further expansion. These projects included the KwaZulu-Natal facility rebuild, the acquisition and development of property in Mbombela, Mpumalanga, for a new storage facility, as well as R30,4 million allocated to racking and equipment. We have allocated a significantly increased capital investment of R116 million for 2015/16 financial year projects.

COMMITMENTS

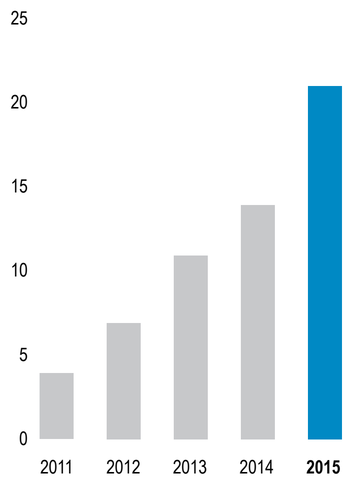
We have budgeted for operating lease commitments of R79,9 million over the next five years.

DIVIDENDS

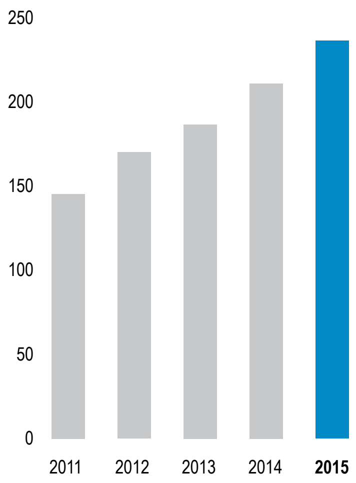
A final cash dividend of 12 cents per share was declared for the year ended 30 June 2015 (2014: 8,0 cents), payable to the holders of ordinary shares on 2 October 2015. Withholding tax on dividends of 15% will be deducted for all shareholders who are not exempt in terms of the legislation, resulting in a final net cash dividend of 10,2 cents per share to these shareholders. The total dividend paid to shareholders for this period was 21 cents per share (2014: 15 cents per share).

Mark McGowan
Chief Financial Officer

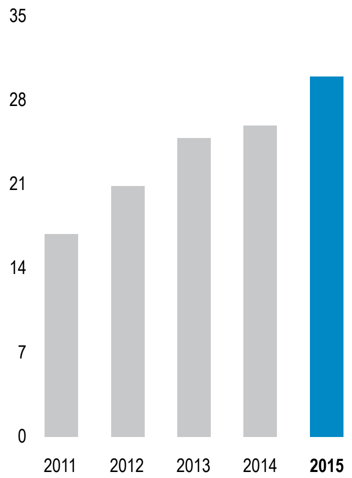
DIVIDENDS PER SHARE (cents)



EBIDTA (Rm)



HEADLINE EARNINGS PER ORDINARY SHARE (cents)



Revenue, EBITDA and headline earnings all recorded double digit growth, so that a significantly higher dividend was paid out to shareholders. Capital investment into infrastructure and projects has been nearly doubled to R116 million for 2015/16.

BOARD OF DIRECTORS

1. Christopher Stefan SEABROOKE (62)
BCom, BAcc, MBA, FCMA
Independent non-executive chairman

Member of the Audit, Governance and Risk Committee;
Chairman of the Nomination Committee;
Member of the Remuneration Committee

Twelve years' service (appointed 28 January 2003)

Chris has been a director of over 25 stock exchange listed companies over the years. He is currently CEO of Sabvest Limited, chairman of Transaction Capital Limited, deputy chairman of Massmart Holdings Limited and a director of Datatec Limited, Net1 UEPS Technologies Inc., Torre Industries Limited and Brait S.E. Chris is also a former chairman of the South African State Theatre and deputy chairman of the inaugural National Arts Council of South Africa. He is a member of the Institute of Directors.

2. Phumzile LANGENI (41)
BCom
Independent non-executive director

Member of the Audit, Governance and Risk Committee;
Member of the Social, Ethics and Transformation Committee

Three years' service (appointed 30 March 2012)

Phumzile is the executive chairman of Afropulse Group Proprietary Limited, an investor relations and corporate advisory house, non-executive chairman of JSE-listed Astrapak Limited, a non-executive director of Imperial Holdings Limited, Transaction Capital and Massmart Holdings Limited, and a non-executive director of a number of unlisted companies.

3. Mary Sina BOMELA (42)
CA(SA), MBA
Non-executive director and deputy chairman

Member of the Nomination Committee; Chairman of the Remuneration Committee;
Chairman of the Social, Ethics and Transformation Committee

Five years' service (appointed 8 September 2010)

Mary is the CEO of the Mineworkers Investment Company Proprietary Limited ("MIC") and previously held the position of chief financial officer at Makhubu Logistics and executive of corporate services at the South African Institute of Chartered Accountants.

4. Cynthia Nomsa PONGWENI (38)
BCompt (Hons), CA(SA), CA (Zimbabwe)
Non-executive director

Five years' service (appointed 27 February 2009)

Cynthia is the financial director of the Mineworkers Investment Company Proprietary Limited (MIC). She was previously an audit partner at Deloitte South Africa. In addition to Metrofile, Cynthia serves on the boards of a number of the MIC Group's strategic investments.

5. Graham Dunbar WACKRILL (61)
BCompt
Chief Executive Officer

Member of the Social, Ethics and Transformation Committee

Eleven years' service (appointed 1 July 2004)

Graham is a pioneer of the industry in South Africa with more than 30 years' experience in providing information and records management services. A founding member of South Africa's first records storage company, Graham has played a key role in the industry's development and in Metrofile's rise to its position as the market leader. He has furthermore been instrumental in consolidating the Group and in building its capacity and capability. Graham, who is a director of all Metrofile Group companies, continues to spearhead the company's development and its expansion into Africa. He is a member of the Institute of Directors

6. Ian Nigel MATTHEWS (70)
MA (Oxon), MBA (UCT)
Lead independent non-executive director

Chairman of the Audit, Governance and Risk Committee;
Member of the Nomination and Remuneration Committee;
Member of the Social, Ethics and Transformation Committee

Nine years' service (appointed 1 June 2006)

Nigel is a skilled campaigner with a long career in owning and managing service-related businesses. His career started in the hotel and tourism industry where he worked his way up to the post of managing director of Holiday Inns Limited and executive director of Rennies. Nigel left Holiday Inn to start his own business, the Sentry Group Limited, which he later sold to an international Group (2001). He is currently a non-executive director of City Lodge Holdings Limited, Sun International Limited, Tsebo Holdings Proprietary Ltd and Lion Sands Private Game Reserve Proprietary Limited.

7. Mark Clark McGOWAN (46)
BCom (Hons), BCompt, CA(SA)
Chief Financial Officer

Member of the Social, Ethics and Transformation Committee

One year's service (appointed 1 August 2014)

Mark commenced his career with Riemer and Waterston in 1992, where he served his articles of clerkship and subsequently became an audit partner. He was appointed as a director and training officer of the successor firm, RW Irish – Alliott Incorporated in 2000. It was during this time that his association with Metrofile began, as the audit partner of the Metrofile Group's operating subsidiaries and undertaking various projects on behalf of the Group.

In 2005 he was appointed to the Europe, Middle East and Africa Advisory Committee of the Alliott Group, a worldwide association of independent accounting, legal and consulting firms. During his tenure with Alliott Group, he held the position of chairman of both the quality review committee and the membership advisory committee for the region. He has a wide range of industry expertise in various corporate, accounting and financial disciplines. He is a member of the Institute of Directors.

8. Sindiswa Victoria ZILWA (48)
BCompt (Hons), CTA, CA(SA), Advanced Diploma in Financial Planning (UFS), Advanced Taxation Certificate (UNISA), Advanced Diploma in Banking (RAU)
Independent non-executive director

Member of the Audit, Governance and Risk Committee;
Member of the Social, Ethics and Transformation Committee

Three years' service (appointed 17 October 2012)

Sindi started practising in 1993 and is the chief executive officer of Nkonki Inc, a registered firm of auditors and consultants. She is a non-executive director of Discovery Limited, Aspen Pharmacare Holdings Limited, Rebosis Property Fund, Gijima, Alexkor and Air Traffic Navigation Services Soc Limited ("ATNS"). She chairs the Discovery, Aspen and Rebosis Limited's Social and Ethics Committees and also chairs the Rebosis Audit and Risk Committee. She is a member of the Audit and Risk Committees of Aspen, Gijima and Discovery, a member of the Discovery Actuarial Committee and a member of the Remuneration Committee of Rebosis Property Fund.

Her past directorships include Woolworths, Transkei National Building Society, South African Mint, the SARB Cell Captive Insurance Company, Wiphold, Telkom, Primedia, Strate Limited, Institute of Directors, Ethos Private Equity and she is the past chairperson of the board of Airports Company Limited.

She has recently authored a book, "The ACE Model – Winning Formula for Audit Committees" which the Institute of Directors uses to train audit committees.

CORPORATE GOVERNANCE AND STRUCTURE

Metrofile Holdings Limited and its subsidiaries confirm their commitment to the principles of openness, integrity and accountability as advocated by the King III Code and remain committed to complying with all legislation, regulations and best practices relevant to the business.

Throughout the year ended 30 June 2015 and up to the date of approval of this integrated annual report and annual financial statements, the principles articulated in the JSE Listings Requirements and King III Code have been applied, with few exceptions, and a register of all 75 principles of the King III Code has been published on the Group's website.

BOARD OF DIRECTORS

The Board, which is chaired by an independent non-executive director, comprises four independent non-executive directors, two non-executive directors and two executive directors. All director appointments are a matter of the Board as a whole and are formal and transparent.

To fulfil their responsibilities, Board members have full and unrestricted access to relevant information and the services and advice of the company secretary. Directors may also obtain independent professional advice at the expense of the Group.

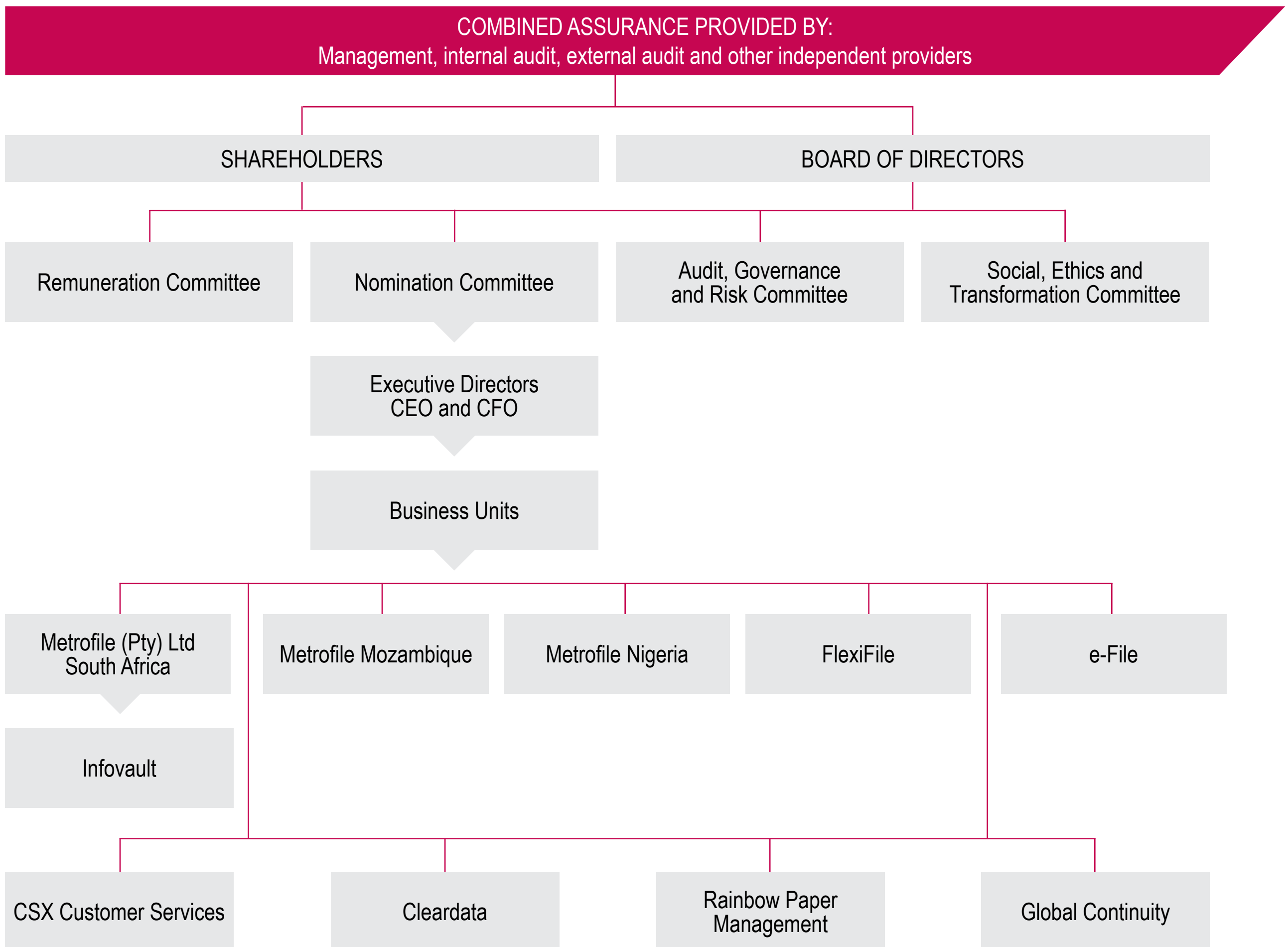
The Board of Metrofile is responsible for directing the Group towards achieving its vision and mission. The Board is ultimately accountable for the development and execution of the Group's strategy, operating performance and financial results, practised within the Group's formal governance authorities. The Board is responsible for its own composition, the appointment of the chairman and chief executive officer and the constitution and composition of its committees.

The role of all directors is to bring independent judgement and experience to Board deliberations and decisions. Mr Christopher Seabrooke continues his role as chairman of the Board and Mr Graham Wackrill is the chief executive officer. The separation of these two roles ensures a balance of authority and precludes any one director from exercising unfettered powers of decision-making.

Brief biographical details of each Board member are reported on pages 54 and 55.

Notwithstanding Mr Seabrooke's tenure of 11 years on the Board and his family's indirect economic interest of 1,5% in Metrofile, the other Board members have unanimously determined that Mr Seabrooke continues to exercise strong independent judgement and leadership in his capacity as chairman of the Group.

The Board meets at least four times a year and is responsible for Group strategy, policy and performance as well as the management, control, compliance and ethical behaviour of the Group of companies under its direction. The executive directors, being involved with the day-to-day business activities of the Group, are responsible for ensuring that the decisions, strategies and views of the Board are implemented.



During the year, the Board received presentations from management on the strategic plans and budgetary matters as well as any other items requiring in-depth coverage in terms of the Group's authority framework.

The Board works to a formal agenda that covers strategy, structure, information technology, operating performance, growth initiatives and other key activities of the Group. To do so effectively, formal documents and minutes of all Board committees are included in the Board papers. The Nomination Committee facilitates a comprehensive annual formal performance evaluation of the chief executive officer, comprising a self-evaluation and an evaluation by every non-executive director via a questionnaire that allows for detailed responses and comments.

The chairman provides summary and feedback of these exercises to the CEO, and he is encouraged to probe and debate any aspect of the evaluation with the full Board. All Board members complete an evaluation of the effectiveness of the chairman via questionnaire, the results of which are sent directly to the company secretary for assessment and collation. All Board members complete a detailed self-assessment each year probing the composition, duties, responsibilities, process and effectiveness of the Board.

All Board committee members complete a detailed self-assessment probing the composition, duties, responsibilities, process and effectiveness of their committees; this self-assessment includes comments from permanent invitees as well as the external auditors.

In terms of the Group's Memorandum of Incorporation, all directors retire by rotation every three years. In the event that no directors are due for rotation, the two with the longest period since reappointment automatically retire. Retiring directors are proposed for re-election by shareholders.

At the 2015 AGM, Ms Mary Bomela, Mr Nigel Matthews and Ms Sindi Zilwa will retire by rotation and, being eligible, will offer themselves for re-election. On behalf of the Board, the company secretary confirms that on the basis of the annual evaluation of the chairman, the performance and commitment of Mr Seabrooke throughout his period of office has been highly satisfactory. On behalf of the Board, the chairman confirms that on the basis of the annual evaluation of the Board and of the performance of individual directors, the performance and commitment of all directors up for re-election throughout their periods of office, has been highly satisfactory.

Directors' attendance at Board meetings during the 2015 financial year:

DIRECTORS	DATE APPOINTED	MEETING ATTENDANCE
CS Seabrooke*	28 January 2003	4/4
MS Bomela+	8 September 2010	4/4
GD Wackrill (CEO)	1 July 2004	4/4
MC McGowan (CFO)	1 August 2014	4/4
RM Buttle	4 December 2006	1/1
P Langeni	30 March 2012	4/4
CN Pongweni	27 February 2009	2/4
IN Matthews	1 June 2006	3/4
SV Zilwa	17 October 2012	3/4

** Chairman*

+ Deputy chairman

The Board has established four committees to assist it with its duties, namely the Nomination Committee, the Remuneration Committee, the Audit, Governance and Risk Committee and the Social, Ethics and Transformation Committee. The structure and composition of the committees remain unchanged other than the addition of Ms Sindi Zilwa as a member of the Social, Ethics and Transformation Committee.

The charters for each of these committees are available on the Group's website: www.metrofileholdings.com or from the company secretary.

The Board is satisfied that it has complied with its legal and regulatory responsibilities throughout the period under review.

AUDIT, GOVERNANCE AND RISK COMMITTEE

The Group's Audit, Governance and Risk Committee comprises four non-executive directors, all of whom are independent and one of whom chairs the committee. These meetings are also attended by representatives of MIC, the executive directors, the external auditors and the internal auditors. The mandated functions of the Audit, Governance and Risk Committee are to:

- Ensure and report on the integrity, reliability and accuracy of the Group's accounting and financial reporting systems
- Promote the overall effectiveness of corporate governance in the Group
- Review the findings and reports of the external auditors
- Consider and recommend the annual and interim financial statements for approval by the Board
- Consider that the going-concern assertion remains appropriate
- Consider the risks in the Group's business environment
- Consider the independence and recommend the re-appointment of the external auditors
- Ensure that it has oversight of the integrated annual report and the factors, risks and sustainability matters that may impact the integrity thereof.

The committee reviews the scope, independence and objectivity of the external auditors and agrees on appropriate fees. The nature and extent of non-audit services provided by the external auditors is reviewed annually to ensure that fees for such services do not become significant enough to call into question their independence of Metrofile.

The committee has adopted a guideline that fees paid to the Group auditors for non-audit services should not exceed the level of audit fees charged to the Group. If it appears that this guideline will be breached consistently, non-audit services will be outsourced to third-party auditors. The Audit, Governance and Risk Committee recommends the appointment of the external auditors for Board and shareholder approval.

The Audit, Governance and Risk Committee is responsible for selecting the external auditor and recommending its appointment to the shareholders. The committee monitors the external auditor as described in more detail later in this report.

During the financial year, Deloitte was the external auditor for the majority of the Group companies. During the current and previous financial years, Deloitte provided certain non-audit services, including tax reviews and advice, as well as reviews of information technology systems and applications. The external auditors have unrestricted access to the Audit, Governance and Risk Committee and present formal reports at the committee meetings.

The Audit, Governance and Risk Committee reviews the operation of the Group's internal audit function and annually reviews the internal audit charter and recommends it to the Board.

As required by the JSE Listings Requirements, the Audit, Governance and Risk Committee annually considers and satisfies itself of the appropriateness of the expertise and experience of the CFO. His biographical details can be found on page 53. Furthermore, the committee considers annually the appropriateness of the expertise and adequacy of resources of the Group's finance function and the experience of senior management responsible for the finance function.

For the year under review, the committee has satisfied itself on these points.

The committee assists the Board in reviewing the risk management process and significant risks facing the Group. The committee sets the Group's risk strategy in liaison with the executive directors and senior management, making use of generally recognised risk management and internal control models and frameworks in order to maintain a sound system of risk management and internal control as described later in this report.

The committee identifies and monitors, at least annually, key performance indicators and key risks including operational, physical, human resources, technology, continuity, credit, market and compliance risks.

The committee reviews its performance annually by means of questionnaires completed by individual committee members and attendees, which are then discussed at Board and committee meetings. These appraisals enable the committee to evaluate its effectiveness objectively and to conclude that it is operating effectively under the terms of reference set down in its charter.

The Audit, Governance and Risk Committee meets at least three times a year.

Attendance at Audit, Governance and Risk Committee meetings during the 2015 financial year:

DIRECTORS	DATE APPOINTED	MEETING ATTENDANCE
IN Matthews*	1 June 2006	2/3
P Langeni	30 March 2012	3/3
CS Seabrooke	1 March 2013	3/3
SV Zilwa	17 October 2012	2/3

** Chairman*

NOMINATION COMMITTEE

The Nomination Committee consists of three non-executive directors, one of whom chairs the committee. The committee meets at least twice a year.

The Nomination Committee is responsible for the recruitment and nomination of new non-executive directors, to advise on their remuneration and ensure that succession plans are in place for the CEO, CFO, the executive directors and divisional heads of the Group's business units.

The CEO and the CFO may be invited to attend meetings of the Nomination Committee.

Attendance of Nomination Committee meetings during the 2015 financial year:

DIRECTORS	DATE APPOINTED	MEETING ATTENDANCE
CS Seabrooke*	7 October 2005	3/3
MS Bomela	30 March 2012	3/3
IN Matthews	1 June 2006	3/3
P Langeni	28 August 2014	2/3

REMUNERATION COMMITTEE

The Remuneration Committee consists of three non-executive directors, one of whom chairs the committee.

The committee employs the services of specialist consultants in the field of executive remuneration to assist it when necessary. The consultants who have been retained in this role to date are PricewaterhouseCoopers.

The CEO and the CFO may be invited to attend meetings of the Remuneration Committee, but neither may take part in any discussions regarding their own remuneration.

The committee meets at least three times a year.

The Remuneration Committee is responsible for formulating a remuneration strategy for senior executives in the Group, including the determination of any grants to executive directors and other senior employees made pursuant to the Group's share schemes, and satisfies itself as to the accuracy of recorded performance measures that govern the vesting of incentives. This encompasses determining incentive pay structures for directors and senior executives in both the short and long term and aligning these levels with competitive practice locally and internationally, as well as the Group's strategic objectives.

The committee oversees the setting and administering of remuneration at all levels in the Group, regularly reviews incentive schemes to ensure continued contribution to shareholder value and that these are administered in terms of the rules. It also oversees the preparation of, and recommends to the Board, the remuneration report to be included in the integrated annual report and ensures that the remuneration policy is put to a non-binding advisory vote at the general meeting of shareholders once every year.

Metrofile aims to have a remuneration policy that enables it to recruit, retain and motivate executive talent in its primary business units and in its head office.

Attendance of Remuneration Committee meetings during the 2015 financial year:

DIRECTORS	DATE APPOINTED	MEETING ATTENDANCE
CS Seabrooke*	7 October 2005	3/3
MS Bomela	30 March 2012	3/3
IN Matthews	1 June 2006	3/3
P Langeni	28 August 2014	2/3

** Chairman*

SOCIAL, ETHICS AND TRANSFORMATION COMMITTEE

The Group's Social, Ethics and Transformation Committee comprises four non-executive directors and two executive directors.

The committee meets at least twice a year.

The aim of this committee is to advise the Board in regard to effective transformation, responsible corporate citizenship and the ethical relationship between the Group, its subsidiaries/divisions and society. The committee manages its legal and moral obligations for its economic, social and natural environment, including the objectives and standards of the Group's conduct and activities.

The committee has put into place a programme of action to ensure positive measures are taken at redressing the discrimination and disadvantage that has denied persons and/or Group's equality of opportunity.

The functions of the committee are to monitor the Group's activities, specifically with regard to matters relating to human rights, equality, corruption, health, public safety, consumer and labour relations as well as empowerment.

Attendance at Social, Ethics and Transformation Committee meetings during the 2015 financial year:

DIRECTORS	DATE APPOINTED	MEETING ATTENDANCE
MS Bomela*	28 November 2011	2/2
P Langeni	28 November 2011	2/2
IN Matthews	28 November 2011	2/2
GD Wackrill	28 November 2011	2/2
SV Zilwa	1 May 2014	2/2
MC McGowan	1 August 2014	2/2

** Chairman*

ETHICS AND CORRUPTION

The Group has a Code of Ethics and the leadership team continually enforces a culture of integrity and conducts itself accordingly.

The CEO and CFO lead by example in terms of commitment, hard work, honesty and integrity. The Group subscribes to a whistle-blowing hotline, which was established in order to create a channel for anonymous tip-offs relating to any matter of concern impacting the Group or stakeholders.

COMPANY SECRETARY

The Board has outsourced the function to an independent individual in order to meet the requirements of the Companies Act and the JSE.

The duties of the company secretary include:

- Providing counsel and guidance to the Board on their individual and collective powers and duties as required from time to time
- Considering the regulatory universe prepared by internal audit and providing the Board with updates and proposed changes to laws and regulations affecting the Group
- Reporting to the Board on any non-compliance with the Memorandum of Incorporation (MOI) or Companies Act
- Maintaining proper minutes of shareholder, director and committee meetings

- Certifying in the annual financial statements that the Group has filed the required notices and returns timeously in accordance with the Companies Act
- Ensuring that the Group's annual financial statements are properly distributed
- Carrying out the other functions required of a company secretary by the Companies Act.

The Board has considered and satisfied itself of the competence, qualifications and experience of the company secretary. She has over 10 years' experience in the role and the Board is satisfied that she has carried out each of her duties as set out above.

The Board confirms that she has maintained an arm's length relationship with the Board as she is not a director of the company and she performs no other functions on behalf of the Group or the Board.

INTERNAL FINANCIAL CONTROL

The Board is responsible for the Group's system of internal control, which is designed to safeguard assets, prevent and detect error and fraud and ensure the accuracy and completeness of accounting records and the reliability of financial statements.

The internal audit function, which is outsourced to KPMG, supports the Group's commitment to ensuring adequate internal financial controls are in place at all times.

The internal audit function has gained momentum and is covering a broader range of audit assignments than in previous years. There is also a clear plan which has been designed to cover all major areas of risk over the three-year period; this plan has been presented to and approved by the Audit, Governance and Risk Committee.

While we recognise that systems of internal control can provide only reasonable and not absolute assurance, none of the reviews conducted indicated that the system of internal control was inappropriate or functioning unsatisfactorily. Based on the information and explanations given by management and both the internal and external auditors, the directors believe financial records may be relied on for preparing the annual financial statements and maintaining accountability for assets and liabilities.

Representations are made by management at a divisional level and management assurance forms part of the Group's combined assurance plan as disclosed on page 63.

RISK MANAGEMENT

The Board of Directors has committed to a process of risk management that is aligned with generally accepted good practice as well as the principles of the King Code of Governance Principles and the King Report on Governance 2009 ("King III") as issued by the Institute of Directors in Southern Africa. It is expected that all divisions, functions and departments within Metrofile, as well as contracting parties, whether directly or indirectly controlled by Metrofile will be subject to the Metrofile Risk Management Policy and Framework.

Risk is defined as an event that may impact on the entity's ability to achieve its objectives. Enterprise risk management is a process to effectively and proactively identify, assess, quantify and mitigate such events, providing the entity with reasonable assurance that its objectives will be met. The realisation of Metrofile's business strategy depends on its management being able to take calculated risks in a way that does not jeopardise the direct interests of stakeholders.

Sound management of risk will enable the Group to anticipate and respond to changes in the entity's business environment, as well as provide the ability to take informed decisions under conditions of uncertainty.

Metrofile is further committed to establish appropriate mechanisms to serve as early warning for emerging or unpredictable risks. Equally, compliance with relevant legislation will be ensured and will fulfil the expectations of employees, communities, the shareholders and other stakeholders in terms of due care and corporate governance.

An enterprise-wide approach to risk management has been adopted by Metrofile, which means that every identified material risk will be included in a structured and systematic process of risk management.

These will be managed within a unitary framework that is aligned to the entity's corporate governance responsibilities.

Risk management is a process which runs throughout the organisation. The responsibility and accountability for implementation of risk management rests with management and staff. The Board of Directors retains accountability and responsibility for the overall process of risk management.

Metrofile recognises that risk in business is a complex and diverse concept and that there are many parts of the organisation at work to manage risk exposures. It is the intention that these parts will work together in a consistent and integrated manner with the overall objective of reducing risk as is appropriate. Risk management is not there to impede the management of business but to assist with the achievement of organisational objectives. Commitment to Metrofile's philosophy of risk management will ensure a safer, healthier work environment for employees and the preservation of assets and earnings for the benefit of the shareholders.

Every employee has a part to play in this important endeavour.

Metrofile further commits to transparent reporting to all its stakeholders. Metrofile is committed to govern its activities in a manner that is commensurate with the overarching corporate governance principles of fairness, accountability, responsibility and transparency.

A comprehensive risk register is in place and constantly managed by the appropriate executive management members. There is no separate risk committee, however, the Audit, Governance and Risk Committee takes responsibility for matters relating to risk and the mitigation thereof. The committee has "risk" as a standard agenda item for all meetings and has also introduced an additional meeting which is focused on risk.

The risk management process involves the identification of the key risks facing the business and the implementation of controls to mitigate the risks where possible; by means of formalised incident reporting and expanded internal assurance plans.

The Board obtains assurance that the controls over the identified risks are operating effectively by means of external and internal assurance providers including the external auditors, internal auditors and other professional advisers as well as from management itself. The Board implemented a formal combined assurance framework in order to co-ordinate and monitor the provision of assurance. (More detail is provided on page 63 under Combined Assurance.)

The Board sets the level of risk tolerance and limits of risk appetite for Metrofile as part of its strategic direction setting of the Group.

In evaluating the risk of acquiring new businesses and entering new geographies as well as directing the development of existing businesses, the Board takes a prudent approach to risk informed by many years of experience in the Group's main business streams.

The Board also draws on the experience of its non-executive directors in other fields of business in setting the Group's approach to risk in a wider context.

The Board is responsible for the total process of risk management and has established an ongoing process for identifying, evaluating and managing the significant risks faced by the Group. The Board and the Audit, Governance and Risk Committee monitor risk management activities as a standard item on their agendas and actively participate in discussions around risk topics raised.

Strategic risks are continually reviewed and ranked by inherent risk based on the evaluation of the probabilities and severity for each risk.

The mitigation of each risk is assessed based on controls put in place and the resultant residual risk is also calculated.

The different business operations within the Group all have operational risk registers, which are monitored utilising risk management software. Operational risks, along with health and safety requirements, have been identified and within each division, risk owners have been assigned and daily, weekly, monthly or annual tasks have been specified along with the responsible person.

Risk management has become a part of daily business life for all management and supervisors within the Group.

Risks associated with information technology are specifically identified and the Group has robust business continuity and disaster recovery plans. In addition, a technology report is presented annually to the Audit, Governance and Risk Committee as well as to the Board, identifying key elements within the current structures, areas of concern and initiatives being investigated.

The top five inherent risks, in no particular order, are noted below:

Fire damage

The Group faces permanent loss of business revenue and potential damage to the corporate image if a fire was to occur and destroy a warehouse. The Board and management have various processes, personnel, policies and equipment in place in order to mitigate the risk of fire. These include preventative measures with respect to lighting, shutting down facilities as well as the installation of both fire detection and fire suppression systems of various forms. Firefighting teams have been appointed and receive regular training specific to our environment.

Applicable business strategy and business sustainability

The Group's combined and individual business unit strategies need to be sound and tested. There are numerous challenges and opportunities which arise out of the Group's existing offerings and changes in the environment we deal in. By engaging with our customers as to their requirements and adapting our solutions to meet their needs, we ensure that we are well positioned to evolve our strategy and ensure business sustainability. The Group keeps abreast of legal and regulatory changes, which impact our environment and the strategic vision for the Group is constantly reviewed and actions taken to ensure that it is applicable to current and future market needs and trends.

Racking collapse

It is important to ensure that all racking installations are specified and installed correctly and to adhere to Group policies with regards to loading so as to ensure a safe working environment. Scheduled racking inspections and continued compliance with working standards are monitored and reported on.

Crime effects on business

With the inherent risk of crime in South Africa, a nationalised view and control of crime issues and security requirements need to be mitigated, failing which the Group may face severe operational disruption, financial losses, reputational damage and/or injury to staff. Preventative measures include site access and security policies, 24-hour physical monitoring, alarm monitoring and armed response, perimeter electric fences and active monitoring of Group vehicles.

Systems continuity

The Group is critically dependent on its IT infrastructure and systems. Unexpected failures to the IT systems and infrastructure could cause severe interruptions to the business and result in lost productivity and poor service delivery to clients. Controls are in place to mitigate this risk and ensure business continuity.

Other risks include:

- Insurable risk
- Cross-border expansion
- Operational effectiveness
- Legal and regulatory compliance
- Global economy and industry trends
- Foreign exchange risk
- Competitor awareness and actions.

Mr Mark McGowan, the CFO, assumes the role of Chief Risk Officer.

INFORMATION TECHNOLOGY

Part of the risk management process includes identifying technology related risks and mitigating them as best as possible. Systems continuity is of critical importance to the operations of the Group and as such it appears in the top five risks for the Group. The use of technology and the evolution thereof within the business in order to streamline processes, save power and maximise efficiency is a case of continuous improvement. Technology changes also create opportunities for the Group to offer additional services to our clients.

REGULATORY COMPLIANCE

Regulatory compliance has been assessed and is managed by senior management on an informal basis. During 2013, with the assistance of KPMG, an understanding of Metrofile's business was gained during a walkthrough of the organisation. A database summary of approximately 1 000 national acts was reviewed and any perceived relevant acts were extracted for further analysis and discussion with senior management. Acts contained on the database that were not considered for prioritisation (i.e. excluded from the prioritisation process) were also presented for confirmation of non-applicability.

A workshop was facilitated on the applicability of the above extracted acts which were then rated as "high", "medium" or "low" applicability.

During the workshop, information was provided on the potential consequences of non-compliance to any act and the nature of the acts. Thereafter, the applicable acts were prioritised by considering potential consequences of non-compliance to each act, for example: Applicability x Potential Consequences (impact of non-compliance) = Prioritised High Risk Acts. Results of the applicability and prioritisation process of the acts were then compiled and a compliance roadmap created. Subsequent to the initial workshop an annual review is performed and amended for new acts and/or change in rating.

MANAGEMENT REPORTING

The Group has established management reporting disciplines, which include the preparation of annual budgets by operating entities.

Monthly results and the financial status of operating entities are reported against approved budgets. Financial forecasting, inclusive of revenue, profit, interest, capital expenditure, cash flows and dividends, are reviewed regularly while working capital, borrowing facilities and bank covenant compliance are monitored on an ongoing basis. All financial reporting by the Group, including external financial reporting and internal management reporting, is generated from the same financial systems, which are subject to the internal controls and risk management procedures described above.

SHARE DEALINGS

All share dealings by a director or prescribed officer must be authorised by either the chairman or CEO. Any dealings by the CEO are authorised by the chairman and dealings by the chairman are authorised by the CEO. A formal share dealing guideline has been adopted by the Board. Restrictions are imposed upon directors and senior management in the trading of Metrofile shares and upon all employees regarding the exercising of Metrofile share-based incentives during certain "closed periods". In light of the JSE Listings Requirements, the insider-trading laws and good corporate governance, the Metrofile Remuneration Committee has advised that employees are not permitted to exercise their share options during closed periods or when in possession of unpublished price-sensitive or inside information relating to Metrofile. The closed periods begin the day after each reporting date (these reporting dates being 31 December and 30 June) and end on release of Group results. A closed period also applies whenever Metrofile issues a cautionary announcement until it is withdrawn.

STAKEHOLDER COMMUNICATION AND INVESTOR RELATIONS

Metrofile has identified its stakeholders and has several channels for engagement and communication. The Group is currently expanding its engagement with customers and suppliers with regards to issues of mutual importance inclusive of sustainability and transformation.

The following stakeholder groups have been identified:

- Analysts
- Boards of directors
- Clients
- Communities in which the Group operates
- Employees
- Executive management
- Financiers
- Government
- Investors
- Media
- Regulators
- Senior and junior management
- Shareholders
- Unions.

Employees are engaged with Metrofile employee representative committees as well as the employment equity committee and through divisional and departmental management structures.

The Group strives to provide generous and frequent disclosure to all stakeholders. Metrofile reports formally to shareholders twice a year (in February and August) when half-year and full-year results, together with an executive review, are announced and issued to shareholders and the media. Presentations are done annually to analysts and shareholders after the release of the full-year results.

During the year, apart from closed periods, the CEO and CFO meet regularly with institutional shareholders and are available for meetings with analysts and any existing or prospective shareholder.

All formal announcements, financial and services information are also available on the Group's websites.

Shareholders and their appointed representatives are encouraged to attend Metrofile's AGM to vote on the resolutions placed before the meeting and to conduct relevant discussions with the Group's directors. As noted above, the chairmen of the Audit, Governance and Risk Committee, Nomination Committee and Remuneration Committee attend the AGM and are available to answer questions on the activities of the committees.

BUSINESS CONDUCT

The Group's business philosophy requires that directors and employees conduct themselves with honesty and integrity in all business practices to achieve the highest standard of ethical behaviour.

COMBINED ASSURANCE PLAN

A combined assurance plan aims to optimise the assurance coverage obtained from management, internal assurance providers and external assurance providers on the risk areas affecting the Group. The Board has chosen to initially target a negative combined assurance outcome, i.e. that nothing has come to the attention of the Board or committees indicating that there is not appropriate assurance.

Collectively the activities of these assurance providers are referred to as the combined assurance model. As part of the combined assurance model, as recommended by the King III Code, internal financial control reviews are performed and all processes are found to be functioning at an acceptable level.

The objectives of the combined assurance framework are to:

- Identify and specify all the sources of assurance over Metrofile's risks
- Provide the Board of Directors, Audit, Governance and Risk Committee and management with information and comfort on the completion and efficiency of the assurance being obtained from all the assurance parties
- Demonstrate good governance through the linking of risk management with assurance. This will also assist the Board of Directors in forming its opinion on the effectiveness of the risk management system
- Provide a basis for identifying any areas where additional assurance may be required
- Allow for the elimination of duplicated and/or excessive assurance where this is not considered cost-efficient.

The combined assurance framework is designed to highlight Metrofile's top 20 key exposures, the assurance provided by management, internal audit (within a three-year cycle), external audit and other external parties, in order for the Board and sub-committees to be apprised of the risk management efforts undertaken to mitigate risks to an acceptable level.

The Group's risk register forms the basis for determining the combined assurance framework for Metrofile. The framework was developed through:

- Analysis of the top 20 key exposures facing Metrofile
- A workshop with management, risk and control owners and assurance providers to determine the existing controls, reporting forums and the assurance provided for each of the identified risks. The assurance provided was further categorised into three lines of "defence":
  - First line: management provides assurance on more informal bases (e.g. policies and procedures, verbal attestation)
  - Second line: management provides assurance on more formal bases (e.g. head office provides assurance over functions performed at a decentralised level)
  - Third line: external assurance providers (e.g. internal audit, external audit and others)
- Identifying areas where internal audit could provide assurance (within in a three-year cycle).

The combined assurance framework was prepared in order to achieve the objectives above and to ensure that Metrofile obtains a high level of assurance coverage over its key risks. Within Metrofile, there are a number of assurance providers that either directly or indirectly provide the Board and management with certain assurances over the effectiveness of those controls that mitigate the risks as identified during the risk assessment process described under risk management earlier in this report.

The primary assurance provider is Metrofile management, supported by independent parties as well as the internal audit function (operational risks).

Based on the information obtained and subject to the effective provision of assurance by all the parties, it can be seen that Metrofile has a comprehensive and robust assurance framework in place.

INTERNAL AUDIT FUNCTION

The objective of an internal audit is to assist the Board, through the Audit, Governance and Risk Committee, to effectively discharge its responsibilities. An internal audit is a key assurance provider and provides the Board with a report of its activities which, along with other sources of assurance, is used by the Board in making its report on its assessment of the Group's system of internal controls and risk management.

Metrofile has outsourced the internal audit function of the Group to KPMG. The purpose of the internal audit is to have an independent appraisal function which examines and evaluates the activities and the appropriateness of the systems of internal control, risk management and governance processes. The internal audit operates within defined terms of reference as set out in its charter and authority granted to it by the Audit, Governance and Risk Committee and the Board and reports to the Audit, Governance and Risk Committee. Audit plans are presented in advance to the Audit, Governance and Risk Committee and are based on an assessment of risk areas involving an independent review of the Group's own risk assessments.

The KPMG audit team reports to the CFO on day-to-day matters.

The Audit, Governance and Risk Committee is satisfied that the internal audit has met its responsibilities for the year with respect to its terms of reference.

EXTERNAL AUDIT

The Audit, Governance and Risk Committee is responsible for recommending the external auditor for appointment by shareholders and for ensuring that the external auditor is appropriately independent.

Shareholders ratified the appointment of Deloitte as external auditors to the Group at the previous annual general meeting and their reappointment will be sought at the annual general meeting on 30 November 2015.

The external auditor carries out an annual audit of all the Group's subsidiaries in accordance with International Standards and Auditing ("ISA") and reports in detail on the results of the audit to the Audit, Governance and Risk Committee. The external auditor is thus the main external assurance provider for the Board in relation to the Group's financial results for each financial year.

The Audit, Governance and Risk Committee regularly reviews the external auditor's independence and maintains control over the non-audit services provided by the external auditors. Pre-approved permissible non-audit services performed by the external auditors include taxation and due diligence services. The external auditors are prohibited from providing non-audit services including valuation and accounting work where their independence might be compromised by later auditing their own work. Other non-audit services provided by the external auditors are required to be specifically approved by the chairman of the committee or by the full committee if the fees are likely to be in excess of R500 000 in aggregate.

The external auditor has the policy of rotating the lead audit partner every five years as prescribed by the Companies Act.

REMUNERATION POLICY

The Remuneration Committee ensures that the remuneration of executives and staff is competitive.

The Remuneration Committee seeks to ensure that executive directors and senior managers are rewarded for their contribution to the Group's operating and financial performance at levels which take into account country benchmarks. There are no direct industry comparisons to be made but comparisons are also made with other service businesses. In order to promote a common interest with shareholders, performance-linked variable pay and share-based incentives are considered to be important elements of executive incentive policy.

The objective of the remuneration policy is that the executive directors and senior management should receive remuneration which is appropriate to their scale of responsibility and performance and which will attract, motivate and retain individuals of the necessary calibre.

The remuneration policy distinguishes between three main classes of remuneration:

- Basic annual total cost package
- Short-term incentives (annual performance bonuses)
- Long-term incentives (share-linked remuneration plans).

The remuneration of executives, directors and prescribed officers is set out in note 5 to the annual financial statements attached. It should, however, be noted that the salaries of the three highest-paid employees, as recommended by the King III Code, and the names of the prescribed officers have not been disclosed due to the risk associated with such disclosure.

This remuneration policy will be put before shareholders for an advisory vote at the annual general meeting.

REMUNERATION SUMMARY

Metrofile's remuneration policy is designed to support a high performance environment and comprises a basic annual total cost package and performance related variable pay linked to short and long term targets.

The Group's policy is to pay cost-to-company packages at the median for comparable positions.

Executive director and senior management remuneration comprises three components designed to balance short and long term objectives, while aligning to shareholder interests.

A high-performance environment supported by the Group's remuneration structure, a basic annual total cost package is paid as well as performance-related variable pay, which are linked to short-term and long-term performance requirements.

The main objective of the basic annual total cost package is to provide individuals with a fixed income to represent the job they do. The performance-related remuneration is designed to encourage and reward superior performance and to align the interests of the executive directors and senior executives as closely as possible with the interests of the shareholders. Long-term incentives are inherently retentive but there are no schemes specifically in place for the sole purpose of the retention of key employees. In addition to these main ingredients, the executive directors and senior executives also receive retirement and other benefits as outlined below.

BASIC PACKAGE

The basic annual total cost package of the executive directors and senior management is subject to an annual review by the Remuneration Committee and is set with reference to individual performance and external market data relating to comparable local service businesses. For this benchmarking process, the committee has determined to set a basic annual cost package for executive directors at the median of comparator groups because, in its view, this is essential to attract and retain the calibre of management necessary.

Included in the basic annual total package are compulsory contributions to the Group's retirement schemes and voluntary participation in the Group's medical schemes. In addition to the basic annual total cost package, allowances are paid with respect to cell phones and fuel for the purpose of business travel.

SHORT-TERM INCENTIVES

Annual performance bonuses are paid based on the achievement of short-term performance targets set out for each individual.

The bonuses are directly linked to the performance achieved during a financial year and are determined by the Remuneration Committee and include measures of corporate or divisional financial performance and individual objectives which are aligned to the business strategy.

The elements making up the performance targets include financial elements and vary depending on the individual's business division, job role and function and are payable on outperforming budgeted targets. Qualitative elements are included, in addition to financial outperformance, and these elements are at least partially dependent on the financial targets being met.

The main elements of the annual performance bonus are the following:

- Revenue targets
- Gross margin targets
- EBIT targets
- Accounts receivable management
- Transformation targets being achieved
- Other strategic targets as set out on an individual basis.

Each individual is allocated a base incentive, which becomes payable on a sliding scale once financial budgets have been achieved. This base incentive increases, based on a predefined formula and is limited to two times the defined base incentive.

At the end of each financial year, the achievement of the corporate financial targets are measured utilising the audited results and the achievement of qualitative targets are assessed by the Remuneration Committee. The bonuses payable to the executive directors in respect of the year ended 30 June 2015 and the comparative period are disclosed later in this report.

For the financial year ended 30 June 2015, the on-target bonus level was set at 75% of the basic annual total cost package for the chief executive officer and to 60% of the basic annual total cost package for the chief financial officer. The bonuses are capped at 100% of basic annual total cost package for both the chief executive officer and the chief financial officer.

Annual performance bonuses are paid in cash, less appropriate income tax, after the release of the Group's audited results and are subject to a portion being used by individuals to purchase shares in the Group in accordance with the Metrofile Holdings Limited Deferred Bonus Plan which is referred to below under "long-term incentives".

LONG-TERM INCENTIVES

The Group operates the following equity settled share-based incentive schemes for executive directors and senior management:

- Share appreciation rights scheme
- Deferred bonus plan.

Both schemes were voted for by shareholders at a general meeting on 9 October 2008 with the first issue to participants taking place directly thereafter.

The scheme rules were amended at the annual general meeting on 30 November 2009 and again on 28 November 2011 in order to ensure compliance with the changes to Schedule 14 of the JSE Listings Requirements. The 2009 amendments are relevant to all grants in existence and all future grants whilst the 2011 amendments are only relevant to grants issued after the date of approval.

The 2009 changes included:

- Specifying scheme limits in terms of a fixed number of shares
- Removing Board/Nomination and Remuneration Committee discretion in certain areas such as the treatment of leavers.

The 2011 changes included:

- In line with King III Code, the abolition of any retesting of the performance condition four and five years after grant, if the condition is not met on first testing three years after grant
- The performance condition ("hurdle") was changed from a basis of earnings before interest and taxation ("EBIT") basis to one linked to headline earnings per shares ("HEPS")
- The required hurdle rate was increased from Consumer Price Index ("CPI") inflation +2% compound over three years to CPI inflation +3% compound for the same period
- The vesting was changed from 100% at the end of the three-year period to a third at the end of year three, a third at the end of year four and a third at the end of year five
- The exercise date was amended from any time after vesting to a single date set by the Board at least 30 days in advance of the exercise date; the reason for this amendment is due to the lack of liquidity with regard to the trading of the shares and possible price fluctuations
- Furthermore, due to possible price fluctuations the exercise price was changed from a spot price to a 30-day volume weighted average price.

SHARE APPRECIATION RIGHTS SCHEME

Eligible employees may receive annual grants of Share Appreciation Rights ("SARs"), which are rights to receive shares equal to the value of the difference between the exercise price and the grant price. Eligible employees are executive directors and managers employed within the Group. The number of SARs granted is proportional to the base salary of the recipient. The face value of an SAR is taken to be the 30-day volume weighted Metrofile Holdings Limited share price on the grant date and recipients are granted SARs with a face value in the range of 50% to 100% of their basic annual total cost package.

Vesting of the SARs is subject to performance conditions. The duration and specific nature of the performance conditions and performance period are stated in the letter of grant. The condition that had been imposed for grants of SARs prior to 2012 was that EBIT must increase by 2% per annum above CPI inflation over a three-year performance period. Retesting of the performance conditions is permitted on the first and second anniversary of the end of the performance period, i.e. years four and five). If the condition is not satisfied after the end of the performance period or after retesting, the SARs will lapse. This means that vesting is either 100% if the condition is met or nothing at all if it is not met after retesting.

For the 2012 SARs awards the HEPS growth performance condition was met in September 2015 and accordingly the SARs awards vested. After vesting, the SARs become exercisable. Upon exercise by a participant, the Group will settle the value of the difference between the exercise price and the grant price by delivering shares. SARs not exercised within the period specified in the letter of grant, will lapse.

DEFERRED BONUS PLAN ("DBP")

Eligible employees are permitted to use a portion of the after-tax component of their annual bonus to acquire shares ("pledged shares"). A matching award will be made to the participant after a three-year pledge period on the condition that the participant remains in the employ of the Group and retains the pledged shares over the period. In this context, a matching award means a conditional right to receive shares at nil cost to the employee at the end of the three-year pledge period subject to the employment condition being satisfied.

The number of shares which can be acquired under the matching award is equal to the number of pledged shares only, i.e. a 1:1 match. Currently the employees eligible for the DBP are the executive directors and the purchase of the pledged shares is limited to 50% of after-tax value of the short-term incentives.

The participant remains the full owner of the pledged shares for the duration of the pledge period and will enjoy all shareholder rights in respect of the pledged shares. Pledged shares can be withdrawn from the pledge at any stage, but the matching award is forfeited in this case. The shares subject to the matching award are only acquired by the eligible employee at the end of the pledge period and he/she has no shareholder rights in respect of those shares before then.

Pledged shares have been acquired under the terms of the DBP by eligible employees as follows:

In October 2008: 264 176 (two participants)
– these were released and matched in October 2011

In September 2009: 312 546 (two participants)
– these were released and matched in October 2012

In September 2010: 182 519 (two participants)
– these were released and matched in October 2013

In September 2011: 288 220 (three participants)
– these were released and matched in October 2014

In September 2012: 140 000 (one participant)

In September 2013: Nil

In September 2014: Nil

LIMITS APPLICABLE TO THE SAR SCHEME AND DBP

The aggregate number of shares which may be issued under the SAR Scheme and the DBP will be limited to 19 699 830 (5% of Metrofile's ordinary shares in issue at 9 October 2008). A resolution was passed at the 2014 AGM to increase the scheme limits but keep the rules unchanged; currently the total and individual scheme limits are 10% and 5% respectively.

REMUNERATION POLICY

The maximum number of new shares which can be issued to any single participant under the SAR Scheme and the DBP is 9 849 915 (2,5% of Metrofile's ordinary shares in issue at 9 October 2008).

The face value of the grants made to an employee in any financial year under the SAR Scheme should not exceed 100% of his/her base salary except where deemed appropriate by the Remuneration Committee.

DIRECTOR SERVICE CONTRACTS

In order to properly reflect their spread of responsibilities, the executive directors Graham Wackrill (CEO) and Mark McGowan (CFO) have employment contracts with Metrofile Management Services (Proprietary) Limited.

These contracts include the stipulation that each executive director or Metrofile could terminate their contracts after a six month notice period.

All the non-executive directors have letters of appointment with Metrofile Holdings Limited. Both non-executive directors and directors retire in accordance with the Memorandum of Incorporation of the Group, which is at least every three years. Retiring directors may offer themselves for re-election.

DIRECTORS' EMOLUMENTS

The table of the remuneration, including bonuses, for individual directors and prescribed officers who held office during the financial years ended 30 June 2015 and 30 June 2014 are reflected on page 68. The Remuneration Committee has approved the executive directors' emoluments.

The King III Code recommends that the remuneration paid to the three most highly paid employees (other than the executive directors) of the Group be disclosed in the integrated annual report but the Board has decided not to apply this recommendation because it is not in the interests of the Group to do so as there would potentially be a negative impact competitively.

The Board, however, hereby discloses the total salaries of the three employees concerned. In the 2015 financial year the top three executives' combined salaries (comprising total cost packages excluding incentives and share scheme benefits) were R4,5 million (2014: R4,0 million).

DIRECTORS' SHARE INTEREST

The directors who held office at 30 June 2015 and 30 June 2014 are reflected as part of the report of directors on page 73.

Details of the grants issued to date, under the Metrofile Holdings Limited SARs Scheme are as follows:

Metrofile Holdings Limited Share Appreciation Rights Scheme

Grant date		**7 September 2015**	8 September 2014	6 September 2013	12 September 2012	9 September 2011
Number of SARs granted		**4 915 800**	3 916 660	3 249 168	3 714 085	6 487 796
Number of SARs exercised		**–**	–	–	828 700	6 102 163
Number of SARs lapsed		**–**	332 763	877 988	1 226 155	385 633
Number of SARs remaining in issue at date of this report		**4 915 800**	3 583 897	2 371 180	1 659 230	6 102 163
Number of eligible employees to whom SARs were issued		**15**	17	15	15	15
Number of employees who have exercised SARs		**–**	–	–	11	14
Number of lapsed holdings of SARs		**–**	2	4	4	1
Number of employees remaining entitled to SARs at date of this report		**15**	15	11	11	14
Grant price	(Rand)	**4,31**	4,82	5,00	3,58	1,96
Life	(years)	**5**	5	5	Exercised	Exercised

Directors holding office at 30 June 2015 held the following Metrofile shares acquired and pledged under the terms of the DBP

	Grant date	Grant price (cents)	SARs held at beginning of year	Granted during the year	Exercised during the year	SARs held at year-end
Graham Wackrill	**September 2011**	**217**	**121 000**	**–**	**121 000**	**–**
	September 2012	**358**	**140 000**	**–**	**–**	**140 000**

The pledged shares shown above are included in the directors' share interests.

NON-EXECUTIVE DIRECTORS' REMUNERATION

Non-executive directors receive annual fees for their roles as directors and as Board committee members. The Board does not regard separate attendance fees as appropriate or necessary unless the time allocation to meetings expected of directors is materially more than normal in a particular year.

The committee did not consider it necessary to split directors' fees into a base fee and attendance fee components, as recommended by the King III Code, because of the satisfactory attendance record of directors at Board meetings and time spent outside these on request from the company secretary.

Non-executive directors are reimbursed for travel costs necessary for attending Board meetings and do not receive any employment benefits.

The terms and conditions of the appointment of non-executive directors are available on request from the company secretary. Non-executive directors are not eligible to participate in the annual bonus plan or any of the long-term incentive plans.

Approved non-executive directors' fees	30 June 2016 R	**30 June 2015 R**
Chairman	718 000	**677 000**
Deputy chairperson	*	*
Lead independent director	396 000	**373 000**
Non-executive directors	274 000	**258 000**
Chairman of the Audit, Governance and Risk Committee	313 000	**295 000**
Chairman of the Nomination Committee	147 000	**138 000**
Chairperson of the Remuneration Committee	*	*
Chairperson of the Social, Ethics and Transformation Committee	*	*
Audit, Governance and Risk Committee member	113 000	**106 000**
Nomination Committee member	57 000	**53 000**
Remuneration Committee member	57 000	**53 000**
Social, Ethics and Transformation member	67 000	**63 000**
Mineworkers Investment Company*	1 438 627	**1 266 000**

* *For the services of the deputy chairman and one other director on the Board and as committee members and in their capacities as such outside of Board and committee forums.*

The proposed fees for 2017 will be tabled at the annual general meeting for shareholder approval; there were no other proposed amendments.

ANNUAL FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF METROFILE HOLDINGS LIMITED

We have audited the consolidated and separate financial statements of Metrofile Holdings Limited set out on pages 8 to 37, which comprise the statements of financial position as at 30 June 2015, and the income statements, the statements of other comprehensive income, the statements of changes in equity and the statements of cash flows for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information.

Directors' responsibility for the Financial Statements

The company's directors are responsible for the preparation and fair presentation of these consolidated and separate financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated and separate 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 about whether the consolidated and separate financial statements are free from material misstatement.

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 management, 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 consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of Metrofile Holdings Limited as at 30 June 2015, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa.

Other reports required by the Companies Act

As part of our audit of the consolidated and separate financial statements for the year ended 30 June 2015, we have read the Directors' Report, the Audit Committee's Report and the Company Secretary's Certificate for the purpose of identifying whether there are material inconsistencies between these reports and the audited consolidated and separate financial statements.

These reports are the responsibility of the respective preparers. Based on reading these reports we have not identified material inconsistencies between these reports and the audited consolidated and separate financial statements. However, we have not audited these reports and accordingly do not express an opinion on these reports.

Deloitte • Touche

Deloltte & Touche
Registered Auditor

Per: B.G.C. Fannin
Partner

24 August 2015

AUDIT, GOVERNANCE AND RISK COMMITTEE REPORT

The Audit, Governance and Risk Committee (the 'committee') comprised the following independent non-executive directors during the year and to the date of this report:

- Nigel Matthews – Chairman
- Christopher Seabrooke
- Phumzile Langeni
- Sindi Zilwa

The committee reports that it has adopted appropriate formal terms of reference as its Charter, and has regulated its affairs in compliance with this Charter, and has discharged all of the responsibilities set out therein.

The committee considered the matters set out in section 94(7) of the Companies Act 71 of 2008 and is satisfied with the independence and objectivity of Deloitte as external auditors and Mr Bruce Fannin as the designated auditor. The Audit, Governance and Risk Committee further approved the fees to be paid to Deloitte and its terms of engagement and pre-approved any proposed contract with Deloitte for the provision of non-audit services to the Group.

As required by the JSE Listings Requirement 3.84(h), the Audit, Governance and Risk Committee has satisfied itself that the chief financial officer has the appropriate expertise and experience.

The committee is satisfied that there was no material breakdown in the internal accounting controls during the financial year.

This is based on the information and explanations given by management and the outsourced internal audit function as explained more fully in the risk management section of the integrated report.

The committee has evaluated the financial statements of Metrofile Holdings Limited and the Group for the year ended 30 June 2015 and, based on the information provided to the committee, considers that the Group complies, in all material aspects, with the requirements of the Companies Act 71 of 2008 and with International Financial Reporting Standards ("IFRS").

IN Matthews
Audit, Governance and Risk Committee Chairman

24 August 2015

STATEMENT OF RESPONSIBILITY AND APPROVAL

of annual financial statements by the board of directors

The Board of directors of Metrofile Holdings Limited presents their report on the activities of the Group.

The directors are responsible for the preparation of financial statements that fairly present the financial position and results of operations and cash flows of the Company and the Group for the year ended 30 June 2015 in accordance with the appropriate accounting policies based on International Financial Reporting Standards and in the manner required by the Companies Act of South Africa.

The directors accept responsibility for the maintenance of adequate accounting records and for the integrity, objectivity and reliability of the financial statements of Metrofile Holdings Limited and its subsidiaries. The directors support the principle of transparent reporting and delegated the responsibility for the preparation and presentation of the financial statements to management.

The directors are responsible for systems of internal control. These are designed to provide reasonable, if not absolute, assurance as to the reliability of the financial statements and adequately safeguard, verify and maintain accountability of assets, and to prevent and detect material misstatement and loss. The systems are implemented and monitored by suitably trained personnel with appropriate segregation of authority and duties. Nothing has come to the attention of the directors to indicate that any material breakdown in the functioning of these control procedures and systems has occurred during the year under review.

The annual financial statements have been prepared in accordance with the Companies Act of South Africa and International Financial Reporting Standards and are based on appropriate accounting policies, supported by reasonable and prudent judgements. These accounting policies have been consistently applied in the prior year.

These financial statements have been prepared on a going concern basis, which presumes that assets will be realised and liabilities settled in the normal course of business. No adjustments have been processed to the classification or valuation of assets or liabilities, which may be necessary if the company is not able to continue as a going concern.

The financial statements have been audited by Deloitte, who are independent and were given unrestricted access to all financial records and related data, including all minutes of shareholders' meetings, the board of directors and committees of the board. The directors believe that all representations made to the independent auditors during their audit are valid and appropriate. Their unmodified audit report is presented on page 70.

The Audit Committee has reviewed the scope as well as the independence and objectivity of the external auditors. The committee has satisfied itself that the external auditor is independent as defined by the Companies Act and the committee has approved the audit fees for the year. The committee has nominated Deloitte as external auditor for the 2016 financial year for approval at the annual general meeting.

The financial statements which appear on pages 78 to 108 were approved by the board on 24 August 2015 and are signed on their behalf by:

Graham Wackrill
Chief Executive Officer

Mark McGowan
Chief Financial Officer

REPORT OF THE DIRECTORS

TO THE SHAREHOLDERS OF METROFILE HOLDINGS LIMITED

Your directors submit their report together with the audited annual financial statements of Metrofile Holdings Limited (the Company) and its subsidiaries (the Group) for the year ended 30 June 2015.

NATURE OF BUSINESS

Metrofile Holdings Limited holds a 100% investment in Metrofile (Pty) Ltd, Metrofile Management Services (Pty) Ltd, CSX Customer Services (Pty) Ltd, Infovault (Pty) Ltd, Global Continuity (SA) (Pty) Ltd and a 70% investment in Cleardata (Pty) Ltd. The Group is a specialist in Records Storage and Management, Image Processing, Backup Storage and Management, Records Management Software and Records Management Consultancy, Business Continuity and IT Continuity, File Plan Development, Confidential Records Destruction, Paper Recycling as well the sale and maintenance of a wide range of business equipment, including scanners, library security systems, mailing and packaging machines.

The Metrofile Group focuses on all aspects of enterprise records and information management including paper, analogue and electronic content, including:

- Records storage and management – archival, storage, retrieval and destruction of records
- Image processing-conversion of paper and analogue records to digital formats
- Backup management – rotation management and storage of backup media
- Information solutions – professional consultancy and records management software
- Paper management – waste paper collection and recycling
- Business equipment – sale and maintenance.

DIRECTORS AND COMPANY SECRETARY

The directors of the company during the financial year and up to the date of this report were as follows:

CS Seabrooke#* (Chairman)

MS Bomela* (Deputy Chairperson)

GD Wackrill (CEO)

MC McGowan (CFO) – appointed 1 August 2014

RM Buttle – resigned 31 October 2014

P Langeni#*

IN Matthews†*

CN Pongweni*

SV Zilwa#*

† Lead independent.
 # Independent.
** Non-executive.*

The company secretary is Paige Atkins.

All directors who retired in terms of the Company's Memorandum of Incorporation were re-appointed for a further term of office as approved at the annual general meeting held on 26 November 2014.

The Board comprises two executive and six non-executive directors, of whom four are independent directors. Mr I N Matthews remains the lead independent director. During the period under review, Mr RM Buttle resigned as CFO, and Mr M C McGowan was appointed in his stead, effective 1 August 2014. Ms P Langeni was appointed as a member of both the Nomination and Remuneration Committees with effect from 1 July 2014.

At 30 June 2015, interests of the directors in the shares of the Company were as follows:

Directors and Officers	Beneficial Direct	Beneficial Indirect	Non-beneficial Direct	Non-beneficial Indirect	Total shares
Mary Sina Bomela†					
Phumzile Langeni					
Ian Nigel Matthews					
Mark Clark McGowan	**33 000**				**33 000**
Cynthia Nomsa Pongweni†					
Christopher Stefan Seabrooke*				**20 000 000**	**20 000 000**
Graham Dunbar Wackrill	**6 197 076**				**6 197 076**
Sindiswa Victoria Zilwa					

At 30 June 2015, interests of the directors in the shares of the Company were as follows:

* *The Seabrooke Family Trust has an economic interest of 32,6% in this shareholding through Sabvest Limited i.e. an effective economic interest of 1,5%.*

† *Mrs Bomela and Mrs Pongweni are CEO and CFO of MIC respectively, which owns 146 943 472 shares being an economic interest of 34,41%. They have no economic interest in MIC personally but are MIC's representatives on Metrofile's board.*

There have been no material changes to the shareholding of the directors between the financial year-end and the date of this report.

DIRECTORS' INTERESTS IN TRANSACTIONS

None of the directors, except where indicated in note 20 to the annual financial statements, have any interest in any transactions that were entered into by the Group during the current or prior financial year, or during an earlier financial year, which remain in any respect outstanding.

FINANCIAL RESULTS

The income statements and other statements of comprehensive income set out on pages 78 and 79 reflect the results of the operations of the Company and of the Group for the year ended 30 June 2015.

STATEMENTS OF FINANCIAL POSITION

To present a statement of financial position that fairly reflects the financial position, asset values have been tested for impairment and no impairment is required.

Investments and loans are recorded at fair market or realisable values. Working capital has been assessed to ensure a fair carrying value for inventory and the recoverability of accounts receivable. The Group's properties have been recorded at their carrying value, and have been tested for impairment.

LEASE COMMITMENTS

Operating lease commitments amount to R79,9 million for the next five years. Capital investment plans for the 2015 financial year amount to R116,0 million.

SIGNIFICANT CONTRACTS

Save for those agreements that have been disclosed to shareholders in terms of the Listings Requirements of the JSE Limited, the Group has not entered into any material contracts, other than in the ordinary course of business, during the two years prior to the date of this report.

LITIGATION

The Group is not involved in any legal or arbitration proceedings, nor are the directors aware of any such proceedings which may be pending or threatened, which may have, or which have had, in the 12-month period preceding the date of issue of this annual report, a material effect on the Group's financial position.

DIVIDENDS

The continued improvements in the group's financial structure and cash flows have enabled the Board to improve the dividend cover, for the full year, from 2,0 times in the comparative year to 1,5 times for the current year. The cover is based on Normalised EPS.

Notice is hereby given that a final gross cash dividend of 12,0 cents per share in respect of the year ended 30 June 2015 has been declared payable to the holders of ordinary shares recorded in the books of the company on Friday, 2 October 2015. The last day to trade cum-dividend will therefore be Friday, 25 September 2015 and Metrofile shares will trade ex-dividend from Monday, 28 September 2015. Payment of the dividend will be made on Monday, 5 October 2015. Share certificates may not be dematerialised or rematerialised between Monday, 28 September 2015 and Friday, 2 October 2015, both days inclusive. Withholding tax on dividends will be deducted for all shareholders who are not exempt in terms of the legislation at a rate of 15% which will result in a final net cash dividend of 10,2 cents per share.

The Company's issued share capital remains unchanged at 427 084 010 shares. The Company's tax number is 9375066710.

SUBSIDIARIES

Details of the Company's material operating subsidiaries at 30 June 2015 are set out in note 25.

ASSOCIATED COMPANIES

The Company held no investment in associates at 30 June 2015.

SHARE CAPITAL

The authorised ordinary share capital of the Company remained unchanged at 500 million ordinary shares of 0,6146 cents each during the year.

The following ordinary shares were in issue at the end of the year under review:

	2015	2014	2013
Opening balance	**423 239 994**	420 252 623	416 170 087
Issued in terms of SAR scheme and DBP	**3 844 016**	2 987 371	4 082 536
Closing balance	**427 084 010**	423 239 994	420 252 623

Further details of share capital can be found in note 11 to the annual financial statements.

SPECIAL RESOLUTIONS

Special resolutions approving the non-executive directors' remuneration, authority to provide financial assistance to any Group company and a general authority to repurchase shares were registered in the year under review.

REVIEW OF OPERATIONS

Revenue increased by 3,9% to R701,9 million, EBITDA decreased by 13,6% to R218,4 million and EBIT by 16,0% to R186,8 million.

Metrofile's earnings in the prior year were favourably impacted by the immediate accounting recognition of the proceeds of a 36-month business interruption insurance claim. As a result, the Group continues to present normalised earnings reflecting the insurance proceeds spread over the indemnity period.

Normalised revenue increased by 14,0% to R720,9 million, normalised EBITDA by 11,6% to R236,6 million and normalised EBIT by 11,6% to R204,2 million.

Normalised headline earnings increased by 17,7% to R137,7 million.

Normalised basic earnings per share ('EPS') increased 8,0% and normalised headline earnings per share ('HEPS') increased by 16,6% to 32,3 cents and 32,3 cents respectively.

Cash generated from operations before net working capital changes decreased by 11,8% whilst the receipt of some significant prior period trade receivables, together with the settlement proceeds of the previously mentioned insurance claim resulted in an increase in cash generated from operations of 41,1%.

Due to continued strong cash generation, the Board announced the reduction of the target dividend cover to 1,75 times in November 2014, and subsequently to 1,5 times on 19 June 2015. The total dividend per share increased by 40,0% to 21,0 cents (2014: 15,0 cents).

Capital investments of R67,2 million were effected mainly for expansion and included the rebuild of the KZN facility, the acquisition of property in Mbombela which is nearing completion of development, and the purchase of racking and equipment of R30,4 million required for growth.

GOING CONCERN

The directors are of the opinion that the business will be a going concern in the year ahead. In reaching this opinion, the directors considered the following factors:

- The Group's cash requirements for debt servicing and capital repayments are satisfactorily covered by the Group's current and projected cash flows
- Well-controlled working capital
- Approved short-and long-term financing, with sufficient additional short-term working capital borrowing capacity if required
- Statement of Financial Position assets have been carefully tested for impairment and none are overvalued
- Budgets to June 2016 reflect a continuation of positive trading
- Key executive management is in place.

EVENTS AFTER THE REPORTING DATE

With the exception of the items recorded under note 23 of the Annual Financials Statements, no events material to the understanding of the annual financial statements have occurred in the period between the year-end date and the date of the report.

PREPARATION OF ANNUAL FINANCIAL STATEMENTS

The annual financial statements have been prepared under the supervision of Mr M C McGowan, CA(SA).

AUDIT, GOVERNANCE AND RISK COMMITTEE

The Audit, Governance and Risk Committee has reviewed the scope as well as the independence and objectivity of the external auditors. The committee has satisfied itself that the external auditor is independent as defined by the Companies Act and the committee has approved the audit fees for the year.

The Audit, Governance and Risk Committee has nominated Deloitte as external auditor for the 2016 financial year, and Bruce Fannin as the designated partner, for approval at the annual general meeting.

CERTIFICATION BY COMPANY SECRETARY

I certify that to the best of my knowledge and belief, in accordance with section 268G(d) of the Companies Act, 71 of 2008, as amended, that the Company, Metrofile Holdings Limited, has, during the period 1 July 2014 to 30 June 2015, lodged with the Companies and Intellectual Property Commission all such returns as are required by a public Company in terms of the act and that all such returns are true, correct and up to date.

P Atkins
Company Secretary

Johannesburg
24 August 2015

SOCIAL, ETHICS AND TRANSFORMATION COMMITTEE REPORT

This report is published in terms of regulation 43(5)(c) of the Companies Act 71 of 2008 ("the Act"), as amended.

For this financial year, the Social, Ethics and Transformation Committee (the "committee") comprised the following members:

- Mary Bomela (Chairman)
- Phumzile Langeni
- Nigel Matthews
- Mark McGowan
- Graham Wackrill
- Sindi Zilwa.

The committee discharged all responsibilities set out in terms of its Charter, which is to assist the Board in ensuring that the Metrofile Group acts as a good and responsible corporate citizen.

The committee is responsible for monitoring the Group's activities relating to human rights, empowerment, BBBEE, equality, corruption, health, public safety, consumer and labour relations.

It assesses, measures and reviews the Group's performance, standing and goals in addressing transformation, social and economic development in terms of:

- The use of the 10 principles set out in the United Nations Global Compact Principles as a guideline
- The Broad-Based Black Economic Empowerment Act (including compliance with the Department of Trade and Industry's Codes of Good Practice), as well as the Employment Equity Act, Skills Development Act and the Preferential Procurement Framework Act (No 5 of 2000)
- The OECD recommendations regarding corruption
- Good corporate citizenship, including the Group's:
  - promotion of equality, prevention of unfair discrimination and reduction of corruption
  - contribution to development of the communities in which its activities are predominantly conducted or within which its products or services are predominantly marketed
  - record of sponsorship, donations and charitable giving
  - no tolerance of fraud or activities related to fraud.
- The environment, occupational health and public safety
- The impact of the Group's activities, products and services
- Consumer relationships, such as advertising and public relations and compliance with consumer protection laws
- Black economic empowerment in terms of equity ownership, preferential procurement, enterprise development, community development
- Labour and employment, including:
  - Metrofile's standing in terms of the ILO protocol on decent work and working conditions
  - human resources development
  - employment equity
  - skills development
  - the Group's employment relationships and its contribution toward the educational development of its employees.

The committee considers all relevant regulatory developments and advises the Group to comply with policies, guidelines and standards applicable to transformation, society and ethics.

The committee monitors Metrofile's procurement policies and practices to ensure that they comply with applicable legislation and regulation to support Metrofile's transformation, social and ethics standards.

The chairman of the committee reports to the Board any concerns, findings or recommendations for consideration, review and any necessary decision making.

The chairman of the committee attends the Company's annual general meeting and reports to shareholders on the matters within the committee's mandate.

The committee reports that it has discharged its duties, as set out in its mandate, for the year ended 30 June 2015 and up to the date of this report.

MS Bomela
Social, Ethics and Transformation Committee Chairman

1 September 2015

INCOME STATEMENTS

for the year ended 30 June 2015

		NORMALISED		CONSOLIDATED		COMPANY	
		Unaudited	Unaudited				
		2015	2014	**2015**	2014	**2015**	2014
	Notes	**R'000**	R'000	**R'000**	R'000	**R'000**	R'000
Revenue		**720 873**	632 498	**701 898**	675 260		
Direct costs		**(298 417)**	(283 629)	**(297 620)**	(285 561)		
Gross profit		**422 456**	348 869	**404 278**	389 699		
Other income		**10 058**	15 864	**10 058**	15 864	**231 950**	450 000
Gross profit before indirect expenditure		**432 514**	364 733	**414 336**	405 563	**231 950**	450 000
Indirect expenditure		**(195 911)**	(152 704)	**(195 910)**	(152 704)	**(167 517)**	(5 484)
Operating profit before depreciation and net finance costs		**236 603**	212 029	**218 426**	252 859	**64 433**	444 516
Depreciation		**(32 320)**	(29 015)	**(31 636)**	(30 459)		
Operating profit before net finance costs	2	**204 283**	183 014	**186 790**	222 400	**64 433**	444 516
Finance income		**7 492**	1 380	**7 492**	1 380		
Finance costs		**(19 895)**	(14 010)	**(20 576)**	(14 010)		
Interest paid		**(19 895)**	(12 374)	**(20 576)**	(12 374)		
Interest paid relating to financial instruments		**–**	(1 636)	**–**	(1 636)		
Profit before taxation		**191 880**	170 384	**173 706**	209 770	**64 433**	444 516
Taxation	3	**(51 333)**	(42 646)	**(46 244)**	(53 674)		
Profit for the year		**140 547**	127 738	**127 462**	156 096	**64 433**	444 516
Attributable to:							
Owners of the parent		**137 705**	126 450	**124 620**	154 808	**64 433**	444 516
Non-controlling interests		**2 842**	1 288	**2 842**	1 288		
		140 547	127 738	**127 462**	156 096	**64 433**	444 516
Profit attributable to owners of the parent							
Basic earnings per share (cents)	4	**32,3**	29,9	**29,3**	36,7		
Fully diluted earnings per share (cents)	4	**32,3**	29,7	**29,2**	36,3		

STATEMENTS OF OTHER COMPREHENSIVE INCOME

for the year ended 30 June 2015

	NORMALISED		CONSOLIDATED		COMPANY	
	Unaudited 2015 R'000	Unaudited 2014 R'000	**2015 R'000**	2014 R'000	**2015 R'000**	2014 R'000
Profit for the year	**140 547**	127 738	**127 462**	156 096	**64 433**	444 516
Other comprehensive (loss)/income for the year net of tax*	**(773)**	3 087	**(773)**	3 087		
Hedge accounting for fair value on interest rate swaps	**133**	960	**133**	960		
Currency movement on translation of foreign subsidiaries	**(906)**	2 127	**(906)**	2 127		
Total comprehensive income for the year	**139 774**	130 825	**126 689**	159 183	**64 433**	444 516
Attributable to:						
Owners of the parent	**136 897**	128 445	**123 812**	156 803	**64 433**	444 516
Non-controlling interests	**2 877**	2 380	**2 877**	2 380		

** All items will subsequently be reclassified to profit and loss.*

STATEMENTS OF FINANCIAL POSITION
at 30 June 2015

	Notes	CONSOLIDATED 2015 R'000	CONSOLIDATED 2014 R'000	COMPANY 2015 R'000	COMPANY 2014 R'000
ASSETS					
Non-current assets					
Property, plant and equipment	6	**460 400**	420 697		
Investment in unlisted subsidiaries	7			**192 183**	361 653
Goodwill	8	**194 615**	171 666		
Long-term receivables		**1 574**	–		
Deferred taxation assets	3	**3 673**	1 220		
		660 262	593 583	**192 183**	361 653
Current assets					
Inventories	9	**14 549**	12 947		
Trade receivables	10	**121 245**	92 798		
Other receivables	10	**25 094**	75 073	**194**	138
Bank balances		**120 517**	35 765	**305**	66
Amounts owing by subsidiaries – non-interest-bearing	25			**355 398**	408 173
		281 405	216 583	**355 897**	408 377
Total assets		**941 667**	810 166	**548 080**	770 030
EQUITY AND LIABILITIES					
Equity					
Ordinary share capital and share premium	11	**591 561**	573 494	**893 406**	875 339
Retained earnings (accumulated losses)		**17 960**	(21 889)	**(346 605)**	(338 741)
Other reserves	12	**7 999**	10 189		
Equity attributable to owners of the parent		**617 520**	561 794	**546 801**	536 598
Non-controlling interests		**12 887**	6 028		
		630 407	567 822	**546 801**	536 598
Non-current liabilities					
Interest-bearing liabilities	13.1	**156 125**	92 696		
Deferred taxation liabilities	3	**19 035**	15 190		
		175 160	107 886		
Current liabilities					
Trade and other payables	14.1	**62 846**	56 062	**1 279**	1 481
Provisions	21	**2 436**	2 216		
Deferred revenue		**12 331**	11 237		
Taxation		**2 616**	16 332		
Bank overdraft		**49**	485		
Interest-bearing liabilities	13.2	**47 363**	48 126		
Non-interest-bearing liabilities	14.2	**8 459**	–		
Amounts owing to subsidiaries – non-interest-bearing	25			**–**	231 951
		136 100	134 458	**1 279**	233 432
Total equity and liabilities		**941 667**	810 166	**548 080**	770 030
Net asset per ordinary share	(cents)	**144,6**	132,7		
Tangible net asset per ordinary share	(cents)	**99,0**	92,2		

STATEMENTS OF CHANGES IN EQUITY

for the year ended 30 June 2015

	Share capital R'000	Share premium R'000	Retained earnings (Accumulated losses) R'000	Other reserves R'000	Attributable to owners of the parent R'000	Non-controlling interests R'000	Total equity R'000
CONSOLIDATED							
Balance at 30 June 2013	2 583	555 885	(106 991)	5 887	457 364	3 648	461 012
Shares issued in terms of share schemes	18	15 008			15 026		15 026
IFRS2 Equity reserve relating to share schemes				4 570	4 570		4 570
Share scheme settlement			(12 763)	(2 263)	(15 026)		(15 026)
Dividends declared and paid			(56 943)		(56 943)		(56 943)
Total comprehensive income for the year ended 30 June 2014			154 808	1 995	156 803	2 380	159 183
Balance at 30 June 2014	2 601	570 893	(21 889)	10 189	561 794	6 028	567 822
Shares issued in terms of share schemes	**24**	**18 043**			**18 067**		**18 067**
IFRS2 Equity relating to share schemes				**4 211**	**4 211**		**4 211**
Share scheme settlement			**(12 474)**	**(5 593)**	**(18 067)**		**(18 067)**
Minority contribution on acquisition of subsidiary						**3 982**	**3 982**
Dividends declared and paid			**(72 297)**		**(72 297)**		**(72 297)**
Total comprehensive income for the year ended 30 June 2015			**124 620**	**(808)**	**123 812**	**2 877**	**126 689**
Balance at 30 June 2015	**2 625**	**588 936**	**17 960**	**7 999**	**617 520**	**12 887**	**630 407**
COMPANY							
Balance at 30 June 2013	2 583	857 730	(726 314)		133 999		
Shares issued in terms of share schemes	18	15 008			15 026		
Dividends declared and paid			(56 943)		(56 943)		
Total comprehensive income for the year ended 30 June 2014			444 516		444 516		
Balance at 30 June 2014	2 601	872 738	(338 741)		536 598		
Shares issued in terms of share schemes	**24**	**18 043**			**18 067**		
Dividends declared and paid			**(72 297)**		**(72 297)**		
Total comprehensive income for the year ended 30 June 2015			**64 433**		**64 433**		
Balance at 30 June 2015	**2 625**	**890 781**	**(346 605)**		**546 801**		

STATEMENTS OF CASH FLOWS

for the year ended 30 June 2015

		CONSOLIDATED		COMPANY	
	Notes	**2015 R'000**	2014 R'000	**2015 R'000**	2014 R'000
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash receipts from customers		**672 711**	681 662		
Cash paid to suppliers and employees		**(429 970)**	(496 967)	**234 062**	459 663
Cash generated by operations	22.1	**242 741**	184 695	**234 062**	459 663
Net finance costs		**(13 084)**	(12 630)		
Interest paid		**(20 576)**	(14 010)		
Interest received		**7 492**	1 380		
Dividends paid		**(72 553)**	(56 943)	**(72 553)**	(56 943)
Normal taxation paid	22.2	**(58 593)**	(40 277)		
Net cash inflow from operating activities		**98 511**	74 845	**161 509**	402 720
CASH FLOWS FROM INVESTING ACTIVITIES					
Investment in property, plant and equipment: expansion		**(41 890)**	(77 670)		
Investment in property, plant and equipment: replacement		**(25 274)**	(16 450)		
Proceeds from sale of property, plant and equipment		**1 684**	34 140		
Acquisition of subsidiaries	22.4	**(28 575)**	–	**(30)**	–
Decrease in loans due from group companies				**(231 950)**	–
Net cash outflow from investing activities		**(94 055)**	(59 980)	**(231 980)**	–
CASH FLOWS FROM FINANCING ACTIVITIES					
Repayment of long-term liabilities		**(35 254)**	(40 907)		
Proceeds from share issue		**18 067**	–	**18 067**	–
Proceeds from new financing facilities		**97 919**	36 000		
Increase/(decrease) in loans to group company	22.3			**52 775**	(403 273)
Net cash inflow/(outflow) from financing activities		**80 732**	(4 907)	**70 842**	(403 273)
Net increase/(decrease) in cash and cash equivalents		**85 188**	9 958	**371**	(553)
Cash and cash equivalents at the beginning of the year		**35 280**	25 322	**(66)**	487
Cash and cash equivalents at the end of the year		**120 468**	35 280	**305**	(66)
Represented by:					
Bank balances		**120 517**	35 765	**305**	(66)
Bank overdraft		**(49)**	(485)	**–**	–

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 30 June 2015

1. SIGNIFICANT ACCOUNTING POLICIES

The consolidated and Company financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRSs) and International Accounting Standards (IASs) as issued by the International Accounting Standards Board (IASB) and IFRS Interpretations Committee (IFRIC) interpretations applicable to companies reporting under IFRS, the Companies Act of South Africa, the JSE Listings Requirements and the SAICA Reporting guides as issued by the Accounting Practices Committee.

In the current year, there were no new standards, amendments to published standards and interpretations which became effective for the year commencing on 1 July 2014 that were adopted by the Group.

At the date of authorisation of these financial statements, there are Standards and Interpretations in issue but not yet effective. These include the following Standards and Interpretations that are applicable to the business of the Group and may have an impact on future financial statements:

IAS 1: Presentation of Financial Statements (amendment)	1 January 2016
IAS 27: Separate Financial Statements (amendment)	1 January 2016
IAS 28: Investments in Associates and Joint Ventures (amendment)	1 January 2016
IAS 34: Interim Financial Reporting (amendment)	1 January 2016
IAS 41: Agriculture (amendment)	1 January 2016
IFRS 1: First-time Adoption of IFRSs	1 January 2016
IFRS 5: Non-current Assets Held for Sale and Discontinued Financial Statements	1 January 2016
IFRS 7: Financial Instruments: Disclosures (amendment)	1 January 2015
IFRS 9: Financial Instruments	1 January 2018
IFRS 10: Consolidated Financial Statements (amendment)	1 January 2016
IFRS 11: Joint Arrangement (amendment)	1 January 2016
IFRS 12: Disclosure of Interests in Other Entities (amendment)	1 January 2016
IFRS 14: Regulatory Deferral Accounts	1 January 2016
IFRS 15: Revenue from Contracts with Customers	1 January 2018

The directors are in the process of assessing the impact of the above changes on the entity. Management believe that none of these new or revised Standards and Interpretations will have a significant effect other than enhanced disclosure.

The financial statements have been prepared on the historical cost basis, except for the revaluation of financial instruments. The principal accounting policies adopted are set out below. These policies have been consistently applied to all the years presented.

1.1 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate. All intra-group transactions, balances, income and expenses are eliminated on consolidation. Minority interests in the net assets of consolidated subsidiaries are identified separately from the Group's equity therein. Minority interests consist of the amount of those interests at the date of the original business combination and the minority's share of changes in equity since the date of the combination. Losses applicable to the minority in excess of the minority's interest in the subsidiary's equity are allocated against the interests of the Group, except to the extent that the minority has a binding obligation and is able to make an additional investment to cover the losses.

The Group comprises Metrofile Holdings Limited and its subsidiaries.

1.2 Goodwill

Goodwill arising on the acquisition of a subsidiary or a jointly controlled entity represents the excess of the cost of acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the subsidiary or jointly controlled entity 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. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit 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. An impairment loss recognised for goodwill is not reversed in a subsequent period. On disposal of a subsidiary or a jointly controlled entity, the attributable amount of goodwill is included in calculating the profit or loss on disposal.

1. SIGNIFICANT ACCOUNTING POLICIES CONTINUED

1.3 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts and sales related taxes. Sales of goods are recognised when goods are delivered and title has passed. Services are recognised when rendered.

Interest income is accrued on the time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

Revenue from the rendering of services on long-term and fixed-price contracts are recognised on the percentage of completion method once the outcome of the contract can be assessed.

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established.

1.4 Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation. Lease payments are apportioned between finance charges and a reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Group's general policy on borrowing costs.

Rentals payable under operating leases are charged to profit or loss on the straight-line basis over the term of the relevant lease. Benefits received and receivable as an incentive to enter into an operating lease are also spread on the straight-line basis over the lease term.

1.5 Foreign currencies

The individual financial statements of each group entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency). For the purpose of the consolidated financial statements, the results and financial position of each entity are expressed in South African Rand, which is the functional currency of the Company, and the presentation currency for the consolidated financial statements.

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded at the rates of exchange prevailing on the dates of the transactions. At each statement of financial position date, monetary items denominated in foreign currencies are retranslated at the rates prevailing on the statement of financial position date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are included in profit or loss for the period. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in equity. For such non-monetary items, any exchange component of that gain or loss is also recognised directly in other comprehensive income.

In order to hedge its exposure to certain foreign exchange risks, the Group enters into forward contracts and options. For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are expressed in South African Rand using exchange rates prevailing on the statement of financial position date. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are classified as other comprehensive income and transferred to the Group's translation reserve. Such translation differences are recognised in profit or loss in the period in which the foreign operation is disposed of.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

1.6 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

1.7 Retirement benefit costs

Current contributions to the defined contribution pension fund registered in terms of the Pension Fund Act, 1956 are based on current service and current salaries as they are incurred.

1.8 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted at the statement of financial position date.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the statement of financial position liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. The carrying amount of deferred tax assets is reviewed at each statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

1.9 Property, plant and equipment

Land and buildings are stated at cost while other fixed assets are stated at cost, less accumulated depreciation and any accumulated impairment losses.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets.

Depreciation is calculated on the straight-line basis, so as to write the cost of the assets down to their residual values, at the following rates, which are considered to approximate the estimated useful lives of the assets concerned.

Plant and equipment	6,7% – 20%
Leasehold improvements	25%
Motor vehicles	16,7%
Furniture and fittings	10%
Office equipment	20%
Computer software	50%
Computer equipment	20%

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

1.10 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the weighted average cost basis. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution. Redundant and slow-moving inventory items are identified and written down to their estimated economic or realisable value.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2015

1. SIGNIFICANT ACCOUNTING POLICIES CONTINUED

1.11 Financial instruments

Financial assets and financial liabilities are recognised on the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

Trade receivables

Trade receivables are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts.

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.

Loans receivable

Loans receivable are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets.

Financial liabilities and equity

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. The accounting policies adopted for specific financial liabilities and equity instruments are set out below.

Bank borrowings

Interest-bearing bank loans and overdrafts are initially measured at proceeds received, and are subsequently measured at amortised cost, using the effective interest rate method. Any difference between the proceeds and the settlement or redemption of borrowings is recognised over the term of the borrowings in accordance with the Group's accounting policy for borrowing costs.

Trade payables

Trade and other payables are stated at their nominal value.

Derivative financial instruments and hedge accounting

The Group's activities expose it primarily to the financial risks of changes in foreign exchange rates and interest rates. The Group uses derivative financial instruments (primarily foreign currency forward contracts and interest rate swap agreements) to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments and forecast transactions. The significant interest rate risk arises from bank loans. The use of financial derivatives is governed by the Group's policies approved by the board of directors, which provide written principles on the use of financial derivatives consistent with the Group's risk management strategy.

The Group does not use derivative financial instruments for speculative purposes.

Derivative financial instruments are initially measured at fair value on the contract date, and are remeasured to fair value at subsequent reporting dates.

Changes in the fair value of derivative financial instruments that are designated and effective as hedges of future cash flows are recognised directly in other comprehensive income and the ineffective portion is recognised immediately in profit or loss. The Group's policy with regard to hedging the foreign currency risk of a firm commitment is to designate it as a cash flow hedge. If the cash flow hedge of a firm commitment or forecast transaction results in the recognition of an asset or a liability, then, at the time the asset or liability is recognised, the associated gains or losses on the derivative that had previously been recognised in equity are included in the initial measurement of the asset or liability. For hedges that do not result in the recognition of an asset or a liability, amounts deferred in equity are recognised in profit or loss in the same period in which the hedged item affects profit or loss. Changes in the fair value of derivative financial instruments that do not qualify for hedge accounting are recognised in profit or loss as they arise.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. At that time, for forecast transactions, any cumulative gain or loss on the hedging instrument recognised in other comprehensive income and is retained in there until the forecast transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in other comprehensive income is transferred to profit or loss for the period.

1.12 Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event, and it is probable that the Group will be required to settle that obligation. Provisions are measured at the directors' best estimate of the expenditure required to settle the obligation at the statement of financial position date, and are discounted to present value where the effect is material.

1.13 Share-based payments

The Group issues certain equity-settled and cash-settled share-based payments to certain employees. Equity-settled share-based payments are measured at fair value (excluding the effect of non market-based vesting conditions) at the date of grant. The fair value determined at the grant date of the equity-settled share-based payment is expensed on the straight-line basis over the vesting period, based on the Group's estimate of the shares that will eventually vest and adjusted for the effect of non-market-based vesting conditions. Fair value is measured using the Black-Scholes pricing model. The expected life used in the model is adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations. Cash-settled share-based payments are measured at fair value (excluding the effect of non market-based vesting conditions) at the date of grant and expensed on the straight-line basis over the vesting period.

1.14 Investments

Unlisted investments in subsidiaries are recognised at cost less accumulated impairment.

1.15 Judgements made by management

Preparing financial statements in conformity with IFRS requires estimates and assumptions that effect reported amounts and related disclosures. Actual results could differ from these estimates. Certain accounting policies have been identified as involving particularly complex or subjective judgements or assessments as follows:

Asset lives and residual value

Property, plant and equipment is depreciated over its useful life, taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In reassessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

Intangible assets other than goodwill

Intangible assets other than goodwill are amortised over their useful lives. The actual lives of the intangible assets are assessed annually and may vary depending on a number of factors. In reassessing intangible asset lives, factors such as technological innovation are taken into account.

Provision for doubtful debts

Provision for doubtful debts is based on a detailed review and reflects an appropriate allowance for estimated irrecoverable amounts.

Deferred tax assets

The Group recognises the net future tax benefit related to deferred income tax assets to the extent that it is probable that the deductible temporary differences will reverse in the foreseeable future, or the probability of utilising assessed losses. Assessing the recoverability of deferred income tax assets requires the group to make significant estimates related to expectations of future taxable income on a subsidiary-by-subsidiary level. Estimates of future taxable income are based on forecast cash flows from operations. To the extent that future cash flows differ significantly from estimates, the ability of the Group to realise the net deferred tax assets recorded at the balance sheet date could be impacted.

Impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units to which goodwill has been allocated. The value in use calculation requires the Group to estimate the future cashflows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. The carrying amount of goodwill at the statement of financial position date was R194,6 million (2014: 171,6 million). No impairment loss has been recognised on goodwill.

	CONSOLIDATED		COMPANY	
	2015 R'000	2014 R'000	**2015 R'000**	2014 R'000
2. OPERATING PROFIT BEFORE FINANCE COSTS				
Operating profit before finance costs is stated after accounting for the following:				
Auditors' remuneration	**2 609**	2 097	**320**	318
Current year – audit fee	**2 609**	2 097	**320**	318
– other services				
Directors' emoluments paid by subsidiaries (note 5)	**12 433**	7 152		
Executive directors	**9 662**	4 753		
Non-executive directors	**2 771**	2 399		
Depreciation	**31 636**	30 459		
Profit on disposal of plant and equipment	**(231)**	(13 203)		
Managerial, secretarial and technical fees	**8 390**	2 818		
Operating lease charges	**29 034**	24 678		
Inventory expensed	**93 227**	63 929		
Inventory written off	**–**	3		
Retirement benefit expenses	**15 856**	13 891		
Share-based incentive accruals	**4 211**	4 570		
Impairment (reversal of impairments) of loans to subsidiaries*			**(3 880)**	3 654
Employment costs	**230 742**	197 229		
Dividend received			**(231 950)**	(450 000)

* *The reversal of impairment/impairment of loans relates to the loan receivable from Metrofile Management Services (Pty) Ltd.*

Number of employees at the year end was 1 274 (2014: 1 247).

Operating leases relating to premises rental have been smoothed over the period of the lease, as a result the total lease smoothing creditor, at the end of the year amounts to R3 680 169 (2014: R3 886 000).

	CONSOLIDATED		COMPANY	
	2015 R'000	2014 R'000	**2015 R'000**	2014 R'000
3. TAXATION				
3.1.1 South African normal taxation				
Current year	**42 562**	51 513		
Prior year	**2 315**	103		
	44 877	51 616		
3.1.2 Deferred taxation				
Current year	**1 323**	2 114		
Prior year	**44**	(56)		
	1 367	2 058		
	46 244	53 674		
3.2 Taxation reconciliation				
Profit before taxation	**173 706**	209 770	**64 433**	444 516
Taxation at statutory taxation rate of 28%	**48 638**	58 736	**18 041**	124 465
Non-deductible expenditure	**150**	9	**(18 041)**	(124 497)
Prior year taxation	**1 495**	47		
Deferred tax asset not raised	**1 095**	32	**–**	32
Statutory taxation rate difference due to foreign subsidiaries	**149**	(113)		
Deductible allowances	**(224)**	(864)		
Share scheme settlement	**(5 059)**	(4 173)		
Actual taxation charged	**46 244**	53 674	**–**	–
	%	%	**%**	%
Taxation rate reconciliation				
Statutory taxation rate	**28,0**	28,0	**28,0**	28,0
Non-deductible expenditure	**0,1**	–	**(28,0)**	(28,0)
Prior year taxation	**0,9**	–		
Deferred tax asset not raised	**0,6**	–		
Statutory taxation rate difference due to foreign subsidiary	**0,1**	–		
Deductible allowances	**(0,1)**	(0,4)		
Share scheme settlement	**(2,9)**	(2,0)		
Effective taxation rate	**26,7**	25,6	**–**	–

	CONSOLIDATED		COMPANY	
	2015 R'000	2014 R'000	**2015 R'000**	2014 R'000
3. TAXATION CONTINUED				
3.3 Deferred taxation				
Property, plant and equipment	**(24 611)**	(22 025)		
Trade receivables	**338**	292		
IFRS 2 charge relating to share schemes	**2 163**	1 935		
IFRS rent adjustment	**1 030**	1 124		
Prepayments	**(2 723)**	(1 465)		
Provisions	**2 827**	2 678		
Accrued expenses	**2 239**	673		
Deferred revenue	**1 930**	1 789		
Deferred tax in other reserves	**–**	53		
Assessed losses	**1 445**	976		
Total	**(15 362)**	(13 970)		
Net deferred taxation liability				
Opening balance	**(13 970)**	(11 497)		
Income statement movement	**(1 367)**	(2 059)		
Other	**(25)**	(414)		
Closing balance	**(15 362)**	(13 970)		
Deferred taxation asset	**3 673**	1 220		
Deferred taxation liability	**(19 035)**	(15 190)		
3.4 Taxation losses				
Deferred tax asset raised on estimated taxation losses available for offset against future taxable income amount to:	**1 445**	516		
Based on management's most recent forecast financial information, this balance recognised is supported by sufficient future taxable profits anticipated to be generated.				
Estimated assessed losses			**66 633**	32 335

These assessed losses are unlikely to be used by normal operations and accordingly no deferred taxation asset has been raised.

		CONSOLIDATED 2015 R'000	CONSOLIDATED 2014 R'000	COMPANY 2015 R'000	COMPANY 2014 R'000
4. EARNINGS PER ORDINARY SHARE					
4.1 Earnings – basic					
Earnings for purposes of earnings per share		**124 620**	154 808		
Effect of dilutive potential ordinary shares		**–**	–		
Earnings for purposes of diluted earnings per share		**124 620**	154 808		
Number of shares – earnings per share					
Number of ordinary shares in issue	(thousands)	**427 084**	423 240		
Weighted average number of ordinary shares in issue	(thousands)	**425 831**	422 315		
Basic earnings per share	(cents)	**29,3**	36,7		
Fully diluted earnings per share	(cents)	**29,2**	36,3		

4.2 Headline earnings

Basis for calculation

The calculation of headline earnings per ordinary share is based on headline earnings of R124,6 million (2014: R154,8 million) and a weighted average number of 425,8 million (2014: 422,3 million) ordinary shares in issue during the year.

This basis is a measure of the trading performance and excludes profits and losses of a capital nature. It is derived, after taxation and non-controlling interests, as follows:

		CONSOLIDATED 2015 R'000	CONSOLIDATED 2014 R'000	COMPANY 2015 R'000	COMPANY 2014 R'000
Headline earnings					
Attributable profit		**124 620**	154 808		
Adjusted for after tax:					
Profit on disposal of property, plant and equipment		**(231)**	(13 203)		
Tax effect of profit on disposal of property, plant and equipment		**205**	3 697		
Headline earnings for purposes of headline earnings per share		**124 594**	145 302		
Effect of dilutive potential ordinary shares		**–**	–		
Headline earnings for purposes of diluted headline earnings per share		**124 594**	145 302		
Headline earnings per ordinary share	(cents)	**29,3**	34,4		
Fully diluted headline earnings per ordinary share	(cents)	**29,2**	36,3		
4.3 Reconciliation of headline earnings per share					
Earnings per ordinary share	(cents)	**29,3**	36,7		
Adjusted for after tax:					
Profit on disposal of property, plant and equipment	(cents)	**(0,0)**	(2,3)		
Headline earnings per ordinary share	(cents)	**29,3**	34,4		

5. DIRECTORS' REMUNERATION

	Directors' fees R	Salary R	Bonuses R	Provident fund contribution R	Other benefits R	Total R
2015						
MS Bomela*▲						
RM Buttle		542 197	1 000 000	94 055	288 395	1 924 647
MC McGowan		1 396 542	982 692	235 125	134 842	2 749 201
P Langeni*	533 000					533 000
IN Matthews*	837 000					837 000
CN Pongweni*▲						
N Medupe*						
CS Seabrooke*	974 000					974 000
GD Wackrill		2 382 768	1 943 789	404 352	257 115	4 988 024
SV Zilwa*	427 000					427 000
	2 771 000	4 321 507	3 926 481	733 532	680 352	12 432 872

* *Non-executive director.*
▲ *An amount of R1,35 million was also paid to Mineworkers Investment Company (Pty) Ltd for services, inclusive of the non-executive and committee roles performed by MS Bomela and CN Pongweni.*

	Directors' fees R	Salary R	Bonuses R	Provident fund contribution R	Other benefits R	Total R
2014						
MS Bomela*▲						
RM Buttle		1 492 223		263 696	197 381	1 953 300
P Langeni*	391 000					391 000
IN Matthews*$	773 000					773 000
CN Pongweni*▲						
CS Seabrooke*	902 000					902 000
GD Wackrill		2 179 462		377 892	241 846	2 799 200
SV Zilwa*	333 000					333 000
	2 399 000	3 671 685		641 588	439 227	7 151 500

* *Non-executive director.*
$ *Lead independent director.*
▲ *An amount of R1,27 million was also paid to Mineworkers Investment Company (Pty) Ltd for services, inclusive of the non-executive and committee roles performed by MS Bomela and CN Pongweni.*

6. PROPERTY, PLANT AND EQUIPMENT

	CONSOLIDATED						
	Land and buildings R'000	Plant and machinery R'000	Computer equipment owned R'000	Computer equipment leased R'000	Motor vehicles R'000	Furniture and equipment R'000	Total R'000
Cost							
At 1 July 2014	**247 394**	**214 395**	**38 692**	**80**	**57 372**	**11 229**	**569 162**
Additions	**24 861**	**30 644**	**5 991**		**3 343**	**2 326**	**67 165**
Subsidiaries acquired	**143**	**6 025**			**296**	**2 645**	**9 109**
Disposals	**(37)**	**(1 552)**	**(2 527)**		**(2 809)**	**(335)**	**(7 260)**
At 30 June 2015	**272 361**	**249 512**	**42 156**	**80**	**58 202**	**15 865**	**638 176**
Accumulated depreciation							
At 1 July 2014	**4 351**	**95 113**	**23 379**	**74**	**18 153**	**7 395**	**148 465**
Depreciation	**1 764**	**17 173**	**6 152**	**6**	**4 764**	**1 776**	**31 635**
Subsidiaries acquired	**143**	**823**			**266**	**2 251**	**3 483**
Disposals	**(35)**	**(1 488)**	**(2 331)**		**(1 618)**	**(335)**	**(5 807)**
At 30 June 2015	**6 223**	**111 621**	**27 200**	**80**	**21 565**	**11 087**	**177 776**
Net book value							
At 30 June 2015	**266 138**	**137 891**	**14 956**	**–**	**36 637**	**4 778**	**460 400**
Cost							
At 1 July 2013	215 263	199 437	34 932	80	48 973	10 878	509 563
Additions	48 292	29 213	6 057		10 033	1 038	94 633
Disposals	(16 161)	(14 255)	(2 297)		(1 634)	(687)	(35 034)
At 30 June 2014	247 394	214 395	38 692	80	57 372	11 229	569 162
Accumulated depreciation							
At 1 July 2013	3 670	84 498	21 124	74	15 397	6 944	131 707
Depreciation	1 796	18 974	4 507		4 047	1 135	30 459
Disposals	(1 115)	(8 359)	(2 252)		(1 291)	(684)	(13 701)
At 30 June 2014	4 351	95 113	23 379	74	18 153	7 395	148 465
Net book value							
At 30 June 2014	243 043	119 282	15 313	6	39 219	3 834	420 697

A register of land and buildings is available for inspection at the registered office of the Company. The fair value of land and buildings is R478 million.

Assets of R417 million have been pledged as security against certain loans as detailed in note 13.2

	CONSOLIDATED		COMPANY	
	2015 R'000	2014 R'000	**2015 R'000**	2014 R'000
7. INVESTMENT IN UNLISTED SUBSIDIARIES				
Subsidiaries				
Unlisted				
Shares at cost ▲			**192 183**	361 653
▲ *Metrofile has ceded and pledged its interests in all its assets and investments as security to the capital providers.*				
For further details on security and other information refer to note 25 below.				
8. GOODWILL				
Net carrying value at the beginning of the year	**171 666**	171 666		
Acquisition of businesses	**22 949**	–		
Net carrying value at the end of the year	**194 615**	171 666		

The Group acquired a 60% share in Flexi File Ltd in Zambia on 1 July 2014 and a 60% share in e-File Masters LLC in Abu Dhabi, United Emirates on 1 October 2014.

Goodwill is tested for impairment on an annual basis. The discounted cashflow method is used to test for impairment. The key assumptions for the calculations are those regarding the discount rates, growth rates and expected changes to selling prices and direct costs during the period. Management estimates discount rates using pre-tax rates that reflect current market assessments of the time value of money and the risk specific to the cash generating units. The growth rate and discount rate used in the calculation is 7% and 9% respectively. The Group prepares cashflow forecasts derived from the most recent financial budgets approved by management. Goodwill has been recognised on acquisition of businesses as the Group's cash generating units are expected to benefit from the synergies of the combination.

	CONSOLIDATED 2015 R'000	2014 R'000	COMPANY 2015 R'000	2014 R'000
9. INVENTORIES				
Maintenance spares	**14 599**	12 909		
Goods available for sale	**1 309**	1 160		
Consumables	**2 614**	2 532		
Total inventory	**18 522**	16 601		
Less: Provisions	**(3 973)**	(3 654)		
Net inventory	**14 549**	12 947		

All inventories have been ceded and pledged as security to the capital providers.

	CONSOLIDATED 2015 R'000	2014 R'000	COMPANY 2015 R'000	2014 R'000
10. TRADE AND OTHER RECEIVABLES				
Trade receivables	**124 994**	95 062		
Other receivables	**25 094**	75 073	**194**	138
Provision for doubtful debts	**(3 325)**	(1 515)		
Provision for credit notes	**(424)**	(749)		
	146 339	167 871	**194**	138
Trade and other receivables are stated after the following allowances for impairment:				
Provision for doubtful debts and credit notes				
Opening balance	**(2 264)**	(1 515)		
Impairment loss utilised	**741**	79		
Impairment loss recognised	**(2 226)**	(828)		
Closing balance	**(3 749)**	(2 264)		

Other receivables in 2014 includes an amount of R64,0 million in respect of the insurance claim relating to the KwaZulu-Natal fire; this amount has been received in the current financial year.

Refer to note 18.6 for Credit Risk disclosure.

	CONSOLIDATED		COMPANY	
	2015 R'000	2014 R'000	**2015 R'000**	2014 R'000
11. ORDINARY SHARE CAPITAL AND SHARE PREMIUM				
11.1 Share capital				
Ordinary shares of 0,6146 cents each				
Number of shares				
Authorised				
Authorised ordinary shares at end of year	**500 000**	500 000	**500 000**	500 000
Issued				
Shares issued at the end of the year	**427 084**	423 240	**427 084**	423 240
Unissued shares at the end of the year	**72 916**	76 760	**72 916**	76 760
The authorised but unissued ordinary shares in the Company were placed under the control and authority of the directors of the Company who were authorised and empowered to allot, issue and otherwise dispose of such shares to such person or persons on such terms and conditions and at such times as the directors of the Company may from time to time and in their discretion deem fit, subject to the provisions of the Companies Act ("the Act"), the Memorandum of Incorporation of the Company and the JSE Limited ("JSE") Listings Requirements, where applicable, such authority to remain in force until the next annual general meeting. This authority was restricted to 5% of the Company's issued share capital.				
Value of shares				
Issued				
Issued at the beginning of year	**2 601**	2 583	**2 601**	2 583
Issued for settlement of share schemes	**24**	18	**24**	18
Issued at the end of the year	**2 625**	2 601	**2 625**	2 601
11.2 Share premium				
Balance at the beginning of year	**570 893**	555 885	**872 738**	857 730
Raised by way of issue for share schemes	**18 043**	15 008	**18 043**	15 008
Balance at the end of the year	**588 936**	570 893	**890 781**	872 738
Total share capital and share premium	**591 561**	573 494	**893 406**	875 339
12. OTHER RESERVES				
Balance at the beginning of the year	**10 189**	5 887		
Share based payment reserves*	**4 211**	4 570		
Share scheme settlement	**(5 593)**	(2 265)		
Hedging reserve**	**185**	1 332		
Foreign currency translation reserve***	**(941)**	2 127		
Non-controlling interest	**–**	(1 091)		
Tax effect of above	**(52)**	(371)		
Balance at the end of the year	**7 999**	10 189		

* *Share incentive schemes*
The share incentive schemes were approved by shareholders during the 2009 financial year. The schemes introduced were a Share Appreciation Rights ("SAR") and a Deferred Bonus Plan ("DBP"). The initial scheme terms vested over a three-year period, with a maximum term of seven years; the scheme terms were amended in November 2011 which included, amongst other things, the amendment of the vesting to be split equally over a three-year period i.e. years three to five and the removal of retesting terms. The schemes have certain performance conditions attached which need to be achieved in order for vesting to occur. The schemes are equity settled and the calculated IFRS 2 charge booked to the Statements of Comprehensive Income over the vesting period of the grants; these charges are not revalued. On 8 September 2014 the company issued 3 702 774 and 186 423 grants with regard to the SAR and DBP schemes respectively. These SAR scheme grants were issued at a price of R4,82 (Based on the 30 days volume-weighted average price) whilst the DBP were bought on the market, further details of which are disclosed under note 20.

** *Hedging reserve*
The hedging reserve relates to the fair value adjustment on the interest rate swaps which have been recorded under other reserves as the requirement for hedge accounting has been met.

*** *Foreign currency translation reserve*
The foreign currency translation reserve relates to the difference that arose in translation of Metrofile Mozambique from Meticais to Rands, Metrofile Nigeria from Naira to Rands, Flexifile Zambia from Kwacha to Rands and e-File Masters UAE from Dirhams to Rands.

	CONSOLIDATED		COMPANY	
	2015 R'000	2014 R'000	**2015 R'000**	2014 R'000
13. NON-CURRENT LIABILITIES				
13.1 Interest-bearing liabilities				
"Amortising" facility	**87 268**	–		
Being a five-year senior facility, accruing interest at a rate equal to a three month (Johannesburg interbank agreed rate) ("JIBAR") plus 2,00% on a nominal annual compounded quarterly ("NACQ") basis. Interest payable will be calculated on the basis of actual number of days elapsed in a year of 365 days and is payable quarterly in arrears. In the event of default, the interest rate on the facility will increase by 3%, which will remain in place until the default event has been remedied or the facility has been cancelled and repaid. Capital and interest to be repaid in 20 consecutive quarterly instalments, starting at the end of the first quarter and ending on 30 September 2019	**127 829**	–		
Less: Amounts payable within one year reflected under current liabilities	**(40 561)**	–		
"Revolving" facility	**68 620**	–		
Being a five-year senior facility, accruing interest at a rate equal to a three month (Johannesburg interbank agreed rate) ("JIBAR") plus 2,40% on a nominal annual compounded quarterly ("NACQ") basis. Interest payable will be calculated on the basis of actual number of days elapsed in a year of 365 days and is payable quarterly in arrears. In the event of default, the interest rate on the facility will increase by 3%, which will remain in place until the default event has been remedied or the facility has been cancelled and repaid. Interest to be repaid in 20 consecutive quarterly instalments, starting at the end of the first quarter and ending on 30 September 2019. Capital to be repaid in one lump sum at the end of the five-year loan period, on 30 September 2019. A commitment fee is payable on the unutilised portion of the loan; this fee amounts to 1,00% per annum	**75 018**	–		
Less: Amounts payable within one year reflected under current liabilities	**(6 398)**	–		
"Amortising" facility	**–**	19 075		
Being a six-year senior facility, accruing interest at a rate equal to a three month (Johannesburg interbank agreed rate) ("JIBAR") plus 3,00% on a nominal annual compounded quarterly ("NACQ") basis. Interest payable will be calculated on the basis of actual number of days elapsed in a year of 365 days and is payable quarterly in arrears. In the event of default, the interest rate on the facility will increase by 3%, which will remain in place until the default event has been remedied or the facility has been cancelled and repaid. Capital and interest to be repaid in 24 equal quarterly instalments, starting at the end of the first quarter and ending on 31 March 2016	**43 765**	50 507		
Less: Amounts payable within one year reflected under current liabilities	**–**	(31 432)		
Less: Loan settled by way of a refinancing arrangement which took place with Standard Bank of South Africa on 1 October 2014 which gave rise to the new Amortising and Revolving facilities	**(43 765)**	–		

	CONSOLIDATED		COMPANY	
	2015 R'000	2014 R'000	**2015 R'000**	2014 R'000
13. NON-CURRENT LIABILITIES CONTINUED				
13.1 Interest-bearing liabilities continued				
"Revolving Bullet" facility*	**–**	50 542		
With effect from 1 April 2013 the bullet loan was amended to a rotating facility. The tenure of the loan remains unchanged but the rate was amended to three-month JIBAR plus 2,80% from JIBAR plus 3,60%. This facility allows temporary prepayment which can be redrawn at a later time. Prepayments can be made at quarter ends and drawn down giving three days notice at anytime. A commitment fee is payable on the unutilised portion of the loan; this fee amounts to 1,00% per annum. Capital to be repaid in one lump sum at the end of the six-year loan period, on 31 March 2016	**55 237**	79 250		
Less: Funds Prepaid and available for re-advance	**–**	(24 000)		
Less: Amounts payable within one year reflected under current liabilities	**–**	(4 708)		
Less: Loan settled by way of a refinancing arrangement which took place with Standard Bank of South Africa on 1 October 2014 which gave rise to the new Amortising and Revolving facilities	**(55 237)**	–		
Loan facility – Mashreq Bank	**237**	–		
Being loan facility in Abu Dhabi, UAE. The loan is repayable in 48 equal monthly instalments of AED 9 580 and bears interest at 22,5% per annum. The final instalment is in August 2016	**439**	–		
Less: Amounts payable within one year reflected under current liabilities	**(202)**	–		
Loan facility – Industrial Development Corporation	**–**	–		
Being two loan facilities which accrue interest at a rate equal to prime plus 1%. Interest payable will be calculated on the basis of actual number of days elapsed in a year of 365 days and is payable quarterly in arrears. Capital and interest to be repaid in 24 equal quarterly instalments	**202**	1 883		
Less: Amounts payable within one year reflected under current liabilities	**(202)**	(1 883)		
"CAPEX A" facility	**–**	3 415		
Being a six-year senior facility, accruing interest at a rate equal to a three month (Johannesburg interbank agreed rate) ("JIBAR") plus 3,00% on a nominal annual compounded quarterly ("NACQ") basis. Interest payable will be calculated on the basis of actual number of days elapsed in a year of 365 days and is payable quarterly in arrears. In the event of default, the interest rate on the facility will increase by 3%, which will remain in place until the default event has been remedied or the facility has been cancelled and repaid. Capital and interest to be repaid in twenty four equal quarterly instalments, starting at the end of the first quarter and ending on 31 December 2016	**5 647**	6 206		
Less: Amounts payable within one year reflected under current liabilities	**–**	(2 791)		
Less: Loan settled by way of a refinancing arrangement which took place with Standard Bank of South Africa on 1 October 2014 which gave rise to the new Amortising and Revolving facilities	**(5 647)**	–		

	CONSOLIDATED		COMPANY	
	2015 R'000	2014 R'000	**2015 R'000**	2014 R'000
13. NON-CURRENT LIABILITIES CONTINUED				
13.1 Interest-bearing liabilities continued				
Capex Facility B & C	**–**	19 664		
Being a six-year senior facility, accruing interest at a rate equal to a three month (Johannesburg interbank agreed rate) ("JIBAR") plus 3,00% on a nominal annual compounded quarterly ("NACQ") basis. Interest payable will be calculated on the basis of actual number of days elapsed in a year of 365 days and is payable quarterly in arrears. In the event of default, the interest rate on the facility will increase by 3%, which will remain in place until the default event has been remedied or the facility has been cancelled and repaid. Capital and interest to be repaid in 24 equal quarterly instalments, starting at the end of the first quarter and ending on 31 December 2018	**25 742**	26 976		
Less: Amounts payable within one year reflected under current liabilities	**–**	(7 312)		
Less: Loan settled by way of a refinancing arrangement which took place with Standard Bank of South Africa on 1 October 2014 which gave rise to the new Amortising and Revolving facilities	**(25 742)**	–		
Total non-current liabilities	**156 125**	92 696		
13.2 Current liabilities				
Interest-bearing liabilities				
Short-term portion of long-term liabilities				
– Amortising facility	**40 561**	31 432		
– Revolving facility	**6 398**	–		
– Loan Finance – Mashreq	**202**	–		
– Loan facility – Industrial Development Corporation	**202**	1 883		
CAPEX A facility	**–**	2 791		
CAPEX B & C facility	**–**	7 312		
Revolving Bullet Facility	**–**	4 708		
Total current liabilities	**47 363**	48 126		
Total interest-bearing liabilities	**203 488**	140 822		

Security for the Metrofile facilities is provided by Micawber 305 (Proprietary) Limited ("the Guarantor"), a special purpose vehicle created to facilitate a security mechanism for the Capital Providers, in the form of guarantees issued to the Capital Providers ("the security"). The Guarantor holds the underlying assets of Metrofile Holdings Limited and Metrofile (Pty) Ltd as security for its obligations under the guarantees provided by it to the Capital Providers. Cleardata (Pty) Ltd has secured its borrowings recorded under note 13.1 utilising all of its underlying assets.

Metrofile (Pty) Ltd is compliant with all aspects of the Common Terms of Agreement with Standard Bank of South Africa Limited and all loan covenants.

	CONSOLIDATED		COMPANY	
	2015 R'000	2014 R'000	**2015 R'000**	2014 R'000
14. CURRENT LIABILITIES				
14.1 Trade and other payables				
Trade payables	**22 566**	21 902	**81**	29
Accrued expenses	**13 985**	7 414	**320**	319
Dividends for shareholders	**878**	1 133	**878**	1 133
Net VAT creditor	**6 049**	5 892		
Payroll accruals	**4 314**	3 126		
Credit balances in debtors	**2 784**	3 094		
Leave pay accrual	**8 156**	7 241		
Financial instruments – fair value of interest rate swaps	**–**	276		
Lease smoothing liability	**3 680**	3 886		
Outstanding cheques	**7**	50		
Sundry creditors	**427**	2 048		
	62 846	56 062	**1 279**	1 481
14.2 Non-interest bearing liabilities				
Outside shareholders – current accounts	**8 459**	–		
These liabilities have no fixed repayment terms and are non-interest-bearing.				
	8 459	–		

15. COMMITMENTS

15.1 Authorised capital expenditure

As planned, there was an increase in CAPEX of R67,1 million which was partially due to the acquisition of two buildings in Durban and Nelspruit totalling R23,7 million and racking of R16,8 million required for growth. The acquisition of the two buildings will increase the owned premises percentage to 68%.

	CONSOLIDATED 2015 R'000	2014 R'000	COMPANY 2015 R'000	2014 R'000
15.2 Operating leases				
Future leasing charges for premises				
Payable within one year	**25 766**	21 434		
Payable within two to five years	**54 175**	41 287		
	79 941	62 721		

16. CONTINGENT LIABILITIES

There are no known contingent liabilities to report.

17. BORROWING POWERS

In terms of the Memorandum of Incorporation the Company's borrowing powers are unlimited.

	CONSOLIDATED		COMPANY	
	2015 R'000	2014 R'000	**2015 R'000**	2014 R'000
18. FINANCIAL INSTRUMENTS				
18.1 Carrying amounts of financial instruments				
Trade receivables	**121 245**	92 798		
Other receivables	**13 904**	71 749	**194**	138
Bank balances	**120 517**	35 765	**305**	66
	255 666	200 312	**499**	204
Financial instruments designated at fair value through profit and loss				
Total financial assets	**255 666**	200 312	**499**	204
Financial liabilities at amortised cost				
Interest-bearing liabilities	**(203 488)**	(140 822)		
Trade and other payables	**(56 797)**	(36 298)	**(1 279)**	(1 481)
Non-interest-bearing liabilities	**(8 459)**	–		
Bank overdraft	**(49)**	(485)		
	(268 793)	(177 605)	**(1 279)**	(1 481)
Financial instruments designated at fair value through profit and loss				
Financial instruments – fair value of interest rate swaps	**–**	(276)		
Total financial liabilities	**(268 793)**	(177 881)	**(1 279)**	(1 481)
Total net financial liabilities	**(13 127)**	22 431	**(780)**	(1 277)

18.2 Carrying amounts and fair value amounts of financial instruments

Fair value hierarchy level

Financial assets and liabilities at fair value have been categorised in the following hierarchy structure:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets and liabilities.

Level 2 – Inputs other than quoted prices included in Level 1 that are either directly or indirectly observable for the asset/liability.

Level 3 – Inputs for the asset/liability that are not based on observable market data (unobservable inputs).

Level 2

At 30 June 2015 the carrying amounts of cash and cash equivalents, trade and other receivables and trade and other payables approximate their fair values due to the short-term maturities of these assets and liabilities.

Of the financial assets and liabilities as at 30 June 2015 and 2014, the interest-bearing borrowings had their fair values determined based on published price quotation in active market. The borrowings' net present value ("NPV") is calculated using the nominal annual compounding annually ("NACA") rate.

The fair value of the financial instruments at initial recognition was determined to be the transaction price. Upon initial recognition no differences existed as a result of the fair value upon initial recognition differing to the value of the financial instrument determined using a valuation technique.

18. FINANCIAL INSTRUMENTS CONTINUED

18.3 Foreign currency exposure

In the normal course of business, the Group enters into transactions denominated in a variety of foreign currencies. As a result the group is subject to transactions and translation exposures resulting from fluctuations in currency exchange rates. The Group uses forward exchange contracts to minimise the foreign currency exchange exposures associated with its foreign currency transactions. Foreign exchange contracts are taken out for the majority of orders placed overseas. It is not the Group's policy to take speculative positions in foreign currencies. Existing forward exchange contracts cover existing and future trade commitments as well as other liabilities.

As at 30 June 2015 the Group's foreign currency exposure was as follows:

	Currency	Amount in foreign currency	Exchange rate used	**Reported value 2015 R'000**	Reported value 2014 R'000
Uncovered foreign denominated liabilities included in trade payables					
	Euro '000	–	–	**–**	356,0
	USD '000	20,0	12,29	**245,8**	226,6
There were no uncovered foreign denominated assets at 30 June 2015 (2014: Nil).					
Existing foreign currency forward exchange contracts covering statement of financial position items included at fair value in trade payables are:					
Buy contracts	USD '000	13,5	12,18	**164,4**	1929,4
	Euro '000	107,3	13,62	**1461,4**	111,7

Total foreign purchases for the year amounted to R27,4 million (2014: R7,1 million). A 10% increase/decrease on the exchange rate would have resulted in a R2,74 million (2014: R0,71 million) increase/decrease in purchases. All purchases are receipted into stock and booked out against sales invoices, maintenance contracts or as direct inputs in the conversion bureaus. The impact of exchange rate fluctuations on the Company's profits is estimated to be limited to 8,4% of the purchases. Direct sales to customers of foreign sourced goods are adjusted daily to cater for exchange rate fluctuations.

The following average and spot rates were used in the translation of the foreign subsidiaries:

	Average rate	**Spot rate**
Mozambique	**2,88**	**2,67**
Nigeria	**15,89**	**16,39**
United Arab Emirates	**0,32**	**0,31**
Zambia	**0,58**	**0,62**

	CONSOLIDATED		COMPANY	
	2015 R'000	2014 R'000	**2015 R'000**	2014 R'000
18. FINANCIAL INSTRUMENTS CONTINUED				
18.4 Interest rate risk				
Financial assets and liabilities that are sensitive to interest rate risk are cash, bank overdrafts and medium and long-term liabilities. The interest rates applicable to these financial instruments are comparable with those currently available in the market. Certain interest rate swap agreements were entered into to eliminate interest rate fluctuations on a portion of the debt over a four-year period and these were initiated in April 2010.				
All interest rate swap agreements expired on 30 September 2014. No new interest swap agreements were entered into in the current financial year.				
Loss if interest rates increase by 50 basis points	**1 014**	179		
There is an equal but opposite effect if the interest rates decrease by 50 basis points.				
The loss above is based on the portion of the loans not covered by interest rate swaps				
18.5 Liquidity risk				
The liquidity risk is managed through capital planning in order to ensure that the Company remains compliant with the terms of the loan providers. The Group has a strong track record of generating cash from operations and there is little to no threat of this changing in the future. The additional facilities are required for expansion purposes.				
Borrowing capacity:				
Amount approved	**300 000**	150 822		
Amount utilised	**(202 847)**	(140 822)		
Total additional borrowings available	**97 153**	10 000		
Financial liabilities at amortised cost				
Interest-bearing liabilities	**(203 488)**	(140 822)		
Trade and other payables	**(56 797)**	(36 298)	**(1 279)**	(1 481)
Non-interest-bearing liabilities	**(8 459)**	–		
Bank overdraft	**(49)**	(485)		
Total financial liabilities at amortised cost	**(268 793)**	(177 605)	**(1 279)**	(1 481)
Maturity profile				
Interest-bearing liabilities				
2014				
2015		48 126		
2016	**31 728**	69 617		
2017	**34 060**	9 479		
2018	**36 900**	9 252		
2019	**21 700**	4 348		
2020	**79 100**			
	203 488	140 822		
Other				
2014		36 298		1 481
2015	**65 256**		**1 279**	
	268 744	177 120	**1 279**	1 481

18. FINANCIAL INSTRUMENTS CONTINUED

18.6 Credit risk

Management has a credit risk policy in place and the exposure to credit risk is monitored on an ongoing basis. This is implemented and controlled at an operating subsidiary level.

The Group does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics.

Credit risk evaluations are performed on all customers requiring credit. This is implemented and controlled at an operating subsidiary level.

The maximum exposure to credit risk is represented by the carrying value of each financial asset in the statement of financial position.

	CONSOLIDATED		COMPANY	
	2015 R'000	2014 R'000	**2015 R'000**	2014 R'000
Neither past due nor impaired	**205 474**	175 139	**499**	204
Past due but not impaired				
Trade receivables	**50 192**	22 909		
Not past due but impaired				
Trade receivables	**342**	748		
Past due and impaired				
Trade receivables	**3 407**	1 515		
Total financial assets	**259 415**	200 311	**499**	204
Neither past due nor impaired	**205 474**	175 139	**499**	204
1 – 30 days past due	**24 203**	15 278		
30 – 60 days past due	**9 354**	3 195		
60 – 90 days past due	**12 743**	1 799		
90 – 180 days past due	**3 892**	2 637		
Past due but not impaired	**50 192**	22 909		
Not past due but impaired	**342**	748		
Past due and impaired	**3 407**	1 515		
Total financial assets	**259 415**	200 311	**499**	204

No collateral was held by the Group as security and other enhancement over the financial assets during the years ended 30 June 2015 or 2014.

18.7 Capital risk management

The capital structure of the Group is evaluated by the board of directors on a regular basis. The Group manages its capital to ensure that it will be able to continue as a going concern and continue to meet its business objectives. During the period under review the Group maintained a positive shareholder's equity and there were no changes in the Group's approach to capital management during the period. The Group is not subject to externally imposed regulatory capital requirements.

19. RETIREMENT BENEFIT PLANS

All the retirement benefit plans operated by group companies domiciled in the Republic of South Africa are governed by the Pension Funds Act, 1956 (Act No 24 of 1956).

Defined contribution plans

Of the Group's employees, certain are members of one defined contribution retirement benefit plan administered by Sanlam Life Assurance Limited. Both the Group and the employees are required to contribute to the retirement schemes to fund the benefits.

The only obligation of the Group with respect to the retirement schemes is to make the specified contributions. The total cost charged to the income statement of R15,9 million (2014: R14,0 million) represents contributions paid to the scheme.

20. RELATED-PARTY TRANSACTIONS

Related parties are entities with common direct or indirect shareholders and/or directors and senior management. The Group and its subsidiaries in the ordinary course of business, enter into various transactions with entities in which the Group has an interest. These transactions are entered into on an arm's length basis. Significant related-party transactions are detailed below.

Inter-company trading and group management fees

There was no inter-company revenue between Metrofile Holdings and its subsidiaries during the year (2014: Nil).

Loans

Inter-company loans are repayable on demand unless subordinated. Interest is charged at market rates where applicable except for the loan between Metrofile Holdings Limited and Infracom (Proprietary) Limited, Cleardata (Proprietary) Limited, CSX Customer Services (Proprietary) Limited, Global Continuity (SA) (Proprietary) Limited and Metrofile Management Services (Proprietary) Limited.

Compensation of key management personnel

The following directors and officers received grants for the SAR and DBP schemes on 8 September 2014.

		SAR Number of rights	DBP Number of shares
GD Wackrill	Chief Executive Officer	621 411	186 423
MC McGowan	Chief Financial Officer	473 029	–
RM Buttle		–	–
		1 094 440	186 423

Share Scheme Allocation Summary

2015	**Number of rights at beginning of period**	**Rights granted**	**Rights exercised**	**Rights cancelled**	**Number of rights at end of period**
Graham Wackrill	**2 515 822**	**621 411**	**(1 224 490)**	**–**	**1 912 743**
Mark McGowan	**–**	**473 029**	**–**	**–**	**473 029**
Richard Buttle	**1 694 643**	**–**	**(816 327)**	**(878 316)**	**–**
	4 210 465	**1 094 440**	**(2 040 817)**	**(878 316)**	**2 385 772**

2014	Number of rights at beginning of period	Rights granted	Rights exercised	Rights cancelled	Number of rights at end of period
Graham Wackrill	2 692 367	559 683	(736 228)	–	2 515 822
Mark McGowan	–	–	–	–	–
Richard Buttle	1 789 816	390 551	(485 724)	–	1 694 643
	4 482 183	950 234	(1 221 952)	–	4 210 465

	CONSOLIDATED		COMPANY	
	2015 R'000	2014 R'000	**2015 R'000**	2014 R'000
21. PROVISIONS				
Included in provisions are the following:				
Opening balance	**2 216**	1 989		
Provisions raised	**4 307**	4 178		
Provisions utilised	**(3 804)**	(3 951)		
Provisions released	**(283)**	–		
Closing balance	**2 436**	2 216		

Provisions relate to bonus provisions which is the estimated liability for the year-end bonuses to employees.

	CONSOLIDATED		COMPANY	
	2015 R'000	2014 R'000	**2015 R'000**	2014 R'000
22. CASH FLOW STATEMENT				
22.1 Reconciliation of profit before taxation to cash generated by operations				
Profit before taxation	**173 706**	209 770	**64 433**	444 516
Adjusted by:	**41 006**	42 274	**169 758**	14 894
Profit on disposal of property, plant and equipment	**(231)**	(13 203)		
Depreciation and trademark amortisation	**31 636**	30 459		
Net finance cost	**13 084**	12 630		
Reversal of impairment of intergroup loan			**(3 880)**	3 654
Other non-cash flow items	**(3 483)**	12 388	**173 638**	11 240
Operating cash flows before working capital changes	**214 712**	252 044	**234 191**	459 410
Changes in working capital	**28 029**	(67 349)	**(129)**	253
Increase in inventories	**(1 602)**	(2 728)		
(Increase)/decrease in receivables	**(42 500)**	4 443	**(57)**	(43)
Decrease/(increase) in net working capital in respect to insurance claim	**64 032**	(64 032)		
Increase/(decrease) in payables	**8 099**	(5 032)	**(72)**	296
Cash generated by operations	**242 741**	184 695	**234 062**	459 663
22.2 Taxation paid				
Taxation balance at the beginning of the year	**(16 332)**	5 409		
Current tax expense for the year	**(44 877)**	(51 616)		
Transfer to deferred tax	**–**	(10 402)		
Taxation balance at the end of the year	**2 616**	16 332		
Total taxation paid	**(58 593)**	(40 277)		
22.3 Increase/(decrease) in loans to/from subsidiaries				
Loan advanced to subsidiary				(403 273)
Loan repaid by subsidiary			**52 775**	
22.4 Acquisition of subsidiary businesses				
The fair value of assets acquired on the acquisition of Flexi File Limited and e-File Masters LLC are as follows:				
Property, plant and equipment	**5 626**	–		
Goodwill	**22 949**	–	**30**	–
	28 575	–	**30**	–

23. EVENTS AFTER THE REPORTING DATE

No material events occurred between the year end and the date of this report.

	CONSOLIDATED		COMPANY	
	2015 R'000	2014 R'000	**2015 R'000**	2014 R'000
24. SEGMENTAL REPORT				
24.1 Revenue				
Metrofile Records Management	**545 217**	553 310		
CSX Customer Services	**95 975**	67 381		
Property companies	**53 366**	50 610		
Other	**70 992**	65 623		
Intergroup	**(63 652)**	(61 664)		
Total revenue	**701 898**	675 260		
24.2 EBITDA				
Metrofile Records Management	**145 224**	186 804		
CSX Customer Services	**6 512**	971		
Property companies	**53 366**	51 496		
Other	**13 324**	13 588		
Total EBITDA	**218 426**	252 859		
24.3 Tangible assets				
Metrofile Records Management	**405 372**	315 224		
CSX Customer Services	**22 346**	19 015		
Property Companies	**259 106**	250 567		
Other	**56 555**	52 474		
Total depreciation	**743 379**	637 280		
24.4 Operating profit				
Metrofile Records Management	**121 423**	163 135		
CSX Customer Services	**5 788**	285		
Property companies	**53 366**	51 496		
Other	**6 213**	7 484		
Total operating profit	**186 790**	222 400		

"Metrofile Records Management" represents the Metrofile record storage, records management, data protection and scanning business units which are managed and operated geographically.

"Other" includes Metrofile Holdings Limited, Rainbow Paper Management, Cleardata and Global Continuity.

Finance costs have not been reflected on the segmental report as the majority relates to Metrofile (Pty) Limited which encompasses the "Metrofile Records Management" division; the balance of the finance costs relate to Cleardata (Pty) Limited.

The prior year numbers in the segmental report have been restated in order to more accurately reflect the Group segmental reporting.

25. SUBSIDIARIES

Subsidiary	Nature of business	Percentage holding 2015 %	Percentage holding 2014 %	Cost of investment 2015 R'000	Cost of investment 2014 R'000	Net indebtedness 2015 R'000	Net indebtedness 2014 R'000
Infracom (Pty) Ltd ▲♦•#	Dormant	**100**	100	**–**	169 500	**–**	(231 951)
Metrofile (Pty) Ltd▲♦	Records management	**100**	100	**173 753**	173 753	**–**	–
Metrofile Management Services (Pty) Ltd▲♦	Management services	**100**	100	**–**	–	**503 561**	597 216
Infovault (Pty) Ltd	Records management	**100**	100	**–**	–	**–**	–
CSX Customer Services (Pty) Ltd	Services	**100**	–	**30**	–	**32 000**	–
Global Continuity (SA) (Pty) Ltd	Business Continuity	**100**	100	**4 000**	4 000	**8 800**	3 800
Cleardata (Pty) Ltd	Confidential records destruction	**70**	70	**14 400**	14 400	**1 100**	1 100
				192 183	361 653	**545 461**	370 165
Provision for impairment*						**(190 063)**	(193 943)
				192 183	361 653	**355 398**	176 222
Reflected as:	Amounts owing by subsidiaries – non-interest-bearing					**355 398**	408 173
	Amounts owing to subsidiaries – non-interest-bearing					**–**	(231 951)

▲ *At 30 June 2015, Metrofile Holdings Limited had ceded and pledged all material amounts owing to any member of the Metrofile Group to the capital providers.*

♦ *At 30 June 2015, Metrofile Holdings Limited had ceded and pledged all its interests in the claims and shares of the subsidiaries to the capital providers.*

• *Infracom has agreed to subordinate the loan amount to the extent equal to the subordinated amount in favour of and for the benefit of the Metrofile creditors.*

Infracom (Pty) Ltd is in the process of being deregistered.

* *The provision for impairment relates to the loan between Metrofile Holdings Ltd and Metrofile Management Services (Pty) Ltd.*

It should be noted that throughout the Group there are sureties provided to the capital providers in terms of the "Common Terms Agreement", as entered into with the Standard Bank of South Africa Limited.

All subsidiaries are incorporated in the Republic of South Africa.

Cleardata Proprietary Limited

The company's assets, liabilities, revenue and expenses are as follows:

	2015 R'000	2014 R'000
Non-current assets	**28 965**	29 286
Current assets	**6 537**	3 841
Total assets	**35 502**	33 127
Net reserves and capital	**16 312**	11 353
Non-current liabilities	**18 012**	18 142
Current liabilities	**1 178**	3 632
Total equity and liabilities	**35 502**	33 127
Total comprehensive income for the year	**4 847**	4 249
Cash flows from operating activities	**5 994**	7 944
Cash flows from investing activities	**(3 014)**	(9 357)
Cash flows from financing activities	**(2 545)**	1 504
Accumulated non-controlling interest	**4 894**	3 406
Profit of non-controlling interest	**1 454**	1 275

SHAREHOLDER INFORMATION

ANALYSIS OF SHAREHOLDING

	2015				2014			
	Number of shareholders	**%**	**Number of shares**	**%**	Number of shareholders	%	Number of shares	%
PORTFOLIO SIZE								
1 – 10 000	**2 847**	**76,1**	**6 901 735**	**1,6**	2 493	75,5	5 734 048	1,4
10 001 – 50 000	**594**	**15,9**	**14 039 492**	**3,3**	525	15,9	12 405 808	2,9
50 001 – 100 000	**87**	**2,3**	**6 407 303**	**1,5**	85	2,6	6 407 490	1,5
100 001 – 250 000	**96**	**2,6**	**15 089 711**	**3,5**	90	2,7	13 994 644	3,3
250 001 and over	**116**	**3,1**	**384 645 769**	**90,1**	109	3,3	384 698 004	90,9
	3 740	**100,0**	**427 084 010**	**100,0**	3 302	100,0	423 239 994	100,0
DISTRIBUTION OF SHAREHOLDERS								
Directors and officers of the Company	**2**	**0,1**	**6 230 076**	**1,5**	3	0,1	28 387 432	6,7
Strategic investors	**1**	**0,0**	**146 943 472**	**34,4**	1	0,0	146 943 472	34,7
Endowment funds	**1**	**0,0**	**39 190**	**0,0**	7	0,2	10 964	0,0
Medical aid schemes	**5**	**0,1**	**117 182**	**0,0**	2	0,1	54 994	0,0
Mutual and hedge funds	**61**	**1,6**	**136 196 751**	**31,9**	51	1,5	91 433 858	21,6
Retirement funds	**29**	**0,8**	**39 930 977**	**9,3**	35	1,1	36 358 834	8,6
Insurance companies	**4**	**0,1**	**753 219**	**0,2**	13	0,4	8 336 537	2,0
Institutions, companies, trusts and other	**597**	**16,0**	**71 628 704**	**16,8**	419	12,7	64 472 833	15,2
Individuals	**3 040**	**81,3**	**25 244 439**	**5,9**	2 771	83,9	47 241 070	11,2
	3 740	**100,0**	**427 084 010**	**100,0**	3 302	100,0	423 239 994	100,0
PUBLIC/NON-PUBLIC SHAREHOLDERS								
Non-public shareholders								
Directors and officers of the Company	**2**	**0,1**	**6 230 076**	**1,5**	3	0,1	28 387 432	6,7
Management of the Company	**9**	**0,2**	**1 251 336**	**0,3**	5	0,2	1 286 904	0,3
Mineworkers Investment Company (Pty) Ltd	**1**	**0,0**	**146 943 472**	**34,4**	1	0,0	146 943 472	34,7
Public shareholders	**3 728**	**99,7**	**272 659 126**	**63,8**	3 293	99,7	246 622 186	58,3
	3 740	**100,0**	**427 084 010**	**100,0**	3 302	100,0	423 239 994	100,0
BENEFICIAL SHAREHOLDERS HOLDING 5% OR MORE AS EXTRACTED FROM THE SHAREHOLDERS' REGISTER AS AT 30 JUNE								
Mineworkers Investment Company (Pty) Ltd			**146 943 472**	**34,4**			146 943 472	34,7
CoroCapital			**27 098 619**	**6,4**			29 273 596	6,9
Prudential			**27 450 458**	**6,4**			28 839 001	6,8
Sabvest Investments (Pty) Ltd			**20 000 000**	**4,7**			20 000 000	4,7

SHARE PRICE AND VOLUMES TRADED

		2015	2014	2013	2012	2011	2010
Market prices							
Closing (30 June)	(cents per share)	**463**	480	475	350	205	145
High	(cents per share)	**535**	600	485	360	225	160
Low	(cents per share)	**425**	440	300	184	138	88
Closing price/earnings ratio		**14,3**	17,2	20,1	16,1	11,3	11,1
Number of shares in issue							
– at year-end	(000)	**427 084**	423 240	420 253	416 170	408 085	408 085
– weighted average	(000)	**425 831**	422 315	418 977	411 731	408 085	403 868
Volume of shares traded	(000)	**67 383**	47 346	65 109	36 087	34 761	42 950
Volume of shares traded to number in issue at year-end	(%)	**15,8**	11,2	15,5	8,7	8,5	10,5
Value of shares traded	(R'000)	**323 445**	231 155	252 043	94 095	61 977	56 279

SHAREHOLDERS DIARY

Announcement of results	24 August 2015
Publication of integrated annual report	9 November 2015
Annual general meeting	30 November 2015
Results of the general meeting published on SENS	1 December 2015
Interim results announcement	26 February 2016
Financial year-end	June 2016

NOTICE OF ANNUAL GENERAL MEETING

for the year ended 30 June 2015

METROFILE HOLDINGS LIMITED

(Incorporated in the Republic of South Africa)
Registration number 1983/012697/06
Share code: MFL   ISIN: ZAE000061727
("Metrofile" or the "Company" or the "Group")

Notice is hereby given that the annual general meeting ("meeting") of shareholders of Metrofile will be held at Summer Place, 69 Melville Road, Hyde Park, 2196, Gauteng at 09:00 on Monday, 30 November 2015 or any other adjourned or postponed time determined in accordance with the provisions of Sections 64(4) or 64(11)(a)(i) of the Companies Act for the purpose of considering and voting on the following resolutions, with or without modification, and transacting the following business:

1. PRESENTATION OF ANNUAL FINANCIAL STATEMENTS

Ordinary resolution number 1

"Resolved that the audited annual financial statements, including the Directors' Report, the Audit, Governance and Risk Committee Report and the Group annual financial statements for the year ended 30 June 2015, all of which are contained in the integrated annual report of which this notice forms part, be and are hereby approved."

In order for this ordinary resolution to be adopted, it must be supported by more than 50% of the votes cast by shareholders present or represented by proxy at this meeting.

2. RE-ELECTION OF DIRECTOR

Ordinary resolution number 2

"Resolved that MS Bomela, who retires by rotation in terms of the Company's Memorandum of Incorporation ("MOI") and who offers herself for re-election, be and is hereby re-elected as a director of the Company."

Please refer to page 54 of the integrated annual report for Mrs Bomela's brief curriculum vitae. On behalf of the Board of Directors of the Company ("Board"), the Chairman confirms that, on the basis of the annual evaluation of the Board and of the performance of individual directors, the performance and commitment of Mrs Bomela throughout her period of office was highly satisfactory.

In order for this ordinary resolution to be adopted, it must be supported by more than 50% of the votes cast by shareholders present or represented by proxy at this meeting.

3. RE-ELECTION OF DIRECTOR

Ordinary resolution number 3

"Resolved that IN Matthews, who retires by rotation in terms of the Company's MOI and who offers himself for re-election, be and is hereby re-elected as a director of the Company."

Please refer to page 55 of the integrated annual report for Mr Matthews' brief curriculum vitae. On behalf of the Board, the Chairman confirms that, on the basis of the annual evaluation of the Board and of the performance of individual directors, the performance and commitment of Mr Matthews throughout his period of office was highly satisfactory.

In order for this ordinary resolution to be adopted, it must be supported by more than 50% of the votes cast by shareholders present or represented by proxy at this meeting.

4. RE-ELECTION OF DIRECTOR

Ordinary resolution number 4

"Resolved that SV Zilwa, who retires by rotation in terms of the Company's MOI and who offers herself for re-election, be and is hereby re-elected as a director of the Company."

Please refer to page 55 of the integrated annual report for Mrs Zilwa's brief curriculum vitae. On behalf of the Board, the Chairman confirms that, on the basis of the annual evaluation of the Board and of the performance of individual directors, the performance and commitment of Mrs Zilwa throughout her period of office was highly satisfactory.

In order for this ordinary resolution to be adopted, it must be supported by more than 50% of the votes cast by shareholders present or represented by proxy at this meeting.

5. RE-APPOINTMENT OF INDEPENDENT EXTERNAL AUDITORS

Ordinary resolution number 5

"Resolved that the re-appointment of Deloitte as independent auditors of the Company be approved and that BGC Fannin be appointed as the designated auditor to hold office for the ensuing year."

In order for this ordinary resolution to be adopted, it must be supported by more than 50% of the votes cast by shareholders present or represented by proxy at this meeting.

6. ELECTION OF AUDIT, GOVERNANCE AND RISK COMMITTEE MEMBERS

Ordinary resolution number 6

"Resolved that the Audit, Governance and Risk Committee be elected to serve from this annual general meeting to the 2016 annual general meeting by separate election to the committee of the following independent non-executive directors, subject to the re-election of Mr Matthews and Mrs Zilwa as directors in terms of ordinary resolution number 3 and 4:

IN Matthews (Chairman)

P Langeni

CS Seabrooke

SV Zilwa"

Please refer to pages 54 and 55 of the integrated annual report for Mr Matthews, Ms Langeni, Mr Seabrooke and Mrs Zilwa's brief curriculum vitae. On behalf of the Board, the Chairman confirms that each candidate for election to the Audit, Governance and Risk Committee has the relevant knowledge and experience to discharge their role effectively and that the performance of each candidate in the service of the Audit, Governance and Risk Committee to the date of this notice has been highly satisfactory.

In order for this ordinary resolution to be adopted, it must be supported by more than 50% of the votes cast by shareholders present or represented by proxy at this meeting.

7. NON-BINDING ENDORSEMENT OF REMUNERATION POLICY

Ordinary resolution number 7

"Resolved that the Remuneration Policy of the Company for 2016 (excluding the remuneration of the non-executive directors and the members of Board Committees for their services as directors and members of such committees respectively) be and is hereby endorsed by way of a non-binding advisory vote as required by King III."

In order for this ordinary resolution to be adopted, it must be supported by more than 50% of the votes cast by shareholders present or represented by proxy at this meeting.

8. APPROVAL OF NON-EXECUTIVE DIRECTORS' FEES

Special resolution number 1

"Resolved that the Board and Board Committee fees for non-executive directors for the financial year ending 30 June 2017, as recommended by the Remuneration Committee and set out in the note below, be and are hereby authorised in accordance with the provisions of the Companies Act, and that the Company may continue to pay directors' fees at the annual rates specified in the note below for the period from 30 June 2015 until the Company's 2016 Annual General Meeting.

	Year ending 2016 R	Year ending 2017 R
Chairman of the Board of Directors	718 000	762 000
Deputy Chairman	*	*
Lead Independent Director	396 000	420 000
Non-executive Director	274 000	291 000
Chairman of the Audit, Governance and Risk Committee	313 000	332 000
Chairman of the Nomination Committee	147 000	156 000
Chairman of the Remuneration Committee	*	*
Chairman of the Social, Ethics and Transformation Committee	*	*
Audit, Governance and Risk Committee member	113 000	120 000
Nomination Committee member	57 000	61 000
Remuneration Committee member	57 000	61 000
Social, Ethics and Transformation Committee member	67 000	72 000
Mineworkers Investment Company*	1 438 627	#"

* *For the services of the Deputy Chairman and one other director on the Board and as Committee members and in their capacities as such outside of Board and Committee forums.*

\# *The fee for 2017 will be the 2016 fee increased by year-on-year Consumer Price Index as at 30 June 2016.*

Reason for special resolution number 1

The Companies Act requires shareholder approval of directors' fees in advance by way of special resolution.

In terms of the Companies Act, 75% of the votes cast by shareholders present or represented by proxy at the meeting must be cast in favour of this special resolution for it to be adopted.

9. GENERAL AUTHORITY FOR DIRECTORS TO ALLOT AND ISSUE AUTHORISED BUT UNISSUED ORDINARY SHARES

Ordinary resolution number 8

"Resolved that, as required by and subject to the MOI and the requirements of the Companies Act, from time to time, the directors are, as a general authority and approval, authorised, as they in their discretion deem fit, to allot and issue the unissued ordinary shares of the Company, subject to the following:

The authority shall be valid until the date of the next annual general meeting of the Company, provided it shall not extend beyond 15 months from the date of this meeting (whichever period is shorter); and issues in terms of this authority will not, in any financial year, in aggregate, exceed 5% of the number of ordinary shares in the Company's issued share capital as at 30 June 2015.

In order for this ordinary resolution to be adopted, it must be supported by more than 50% of the votes cast by shareholders present or represented by proxy at this meeting.

10. GENERAL AUTHORITY TO ALLOT AND ISSUE SHARES FOR CASH

Ordinary resolution number 9

"Resolved that, subject to the approval of the general authority proposed in terms of ordinary resolution number 8 above and the Listings Requirements of the JSE Limited ("JSE"), the directors are authorised to allot and issue 21 354 200 ordinary shares in the capital of the Company for cash, as and when suitable situations arise, on the following conditions:

- any such issue of shares shall be to "public shareholders" as defined in the JSE Listings Requirements and not to "related parties";
- this authority shall only be valid until the next annual general meeting of the Company, provided it shall not extend beyond 15 months from the date of this meeting (whichever period is shorter);
- a paid press announcement giving details, including an explanation (with supporting information, if any) of the intended use of the funds, will be published at the time of any such allotment and issue of shares representing, on a cumulative basis within one financial year, 5% or more of the number of shares in issue prior to any such issues;
- issues of shares (excluding issues of shares exercised in terms of any Metrofile Group share incentive scheme) in any one financial year, shall not, in aggregate, exceed 5% of the number of shares of the Company's issued share capital; and
- in determining the price at which an allotment and issue of shares will be made in terms of this authority, the maximum discount permitted will be 10% of the weighted average traded price on the JSE of the shares to be issued measured over the 30 business days prior to the date that the price of issue is determined or agreed between the Company and the party/ies subscribing for the shares."

In terms of the JSE Listings Requirements, the approval of at least 75% majority of the votes cast by shareholders present or represented by proxy at the meeting must be cast in favour of this resolution in order for it to be adopted.

11. AUTHORITY TO PROVIDE FINANCIAL ASSISTANCE TO ANY GROUP COMPANY

Special resolution number 2

"Resolved that the provision of "financial assistance" (as such term is defined in the Companies Act) by the Company, subject to the provisions of Section 45 of the Companies Act, to any Company or corporation which is related or inter-related to the Company (as such terms are defined in the Companies Act), on terms and conditions which the directors may determine up to a limit of R1 billion (one billion Rand) be and is hereby approved."

Reason for the special resolution number 2

In terms of Section 45 of the Companies Act, the Board may authorise the Company to provide any financial assistance to related or interrelated companies, being Group companies, including subsidiary companies of the Company, subject to certain requirements set out in Section 45 of the Companies Act, including, inter alia, the Company meeting the solvency and liquidity test. This general authority would greatly assist the Company, inter alia, with making inter-company loans to subsidiaries as well as granting letters of support and guarantees in appropriate circumstances. The existence of a general shareholder authority would avoid the need to refer each instance to members for approval which might impede the negotiations and add time and expense. If approved, this general authority will expire at the end of two years and shall not exceed R1 billion which would apply cumulatively over that period. It is, however, the intention to renew the authority annually at the annual general meeting of the Company.

Notifications

Shareholders are hereby notified in terms of Section 45(5) of the Companies Act that the Board has passed the same resolution to take effect on the passing of this special resolution by shareholders.

Shareholders are also advised that the Board is satisfied that, after providing the financial assistance, the Company will satisfy the solvency and liquidity test and that the terms under which the financial assistance is proposed to be given are fair and reasonable to the Company.

In terms of the Companies Act, at least 75% of the votes cast by shareholders present or represented by proxy at the meeting must be cast in favour of this resolution for it to be adopted.

12. GENERAL AUTHORITY TO REPURCHASE SHARES

Special resolution number 3

"Resolved that the Board be authorised, by way of a general authority given as a renewable mandate, to facilitate the acquisition by the Company or a subsidiary of the Company of the issued ordinary shares of the Company, upon such terms and conditions and in such amounts as the Board may from time to time determine, but subject to the provisions of the MOI, the provisions of the Companies Act and the JSE Listings Requirements, when applicable and provided that:

- a paid press release giving such details as may be required in terms of the JSE Listings Requirements be published when the Company or its subsidiaries have cumulatively repurchased 3% of the initial number of the shares of the Company in issue as at the time the general authority was granted and for each 3% in aggregate of the initial number of shares acquired thereafter;
- the authorisation granted above shall remain in force from the date of passing of this special resolution for a period of 15 months or until the next annual general meeting, whichever period is shorter;
- the Company will only appoint one agent to effect any repurchase(s) on its behalf;
- the Company or its subsidiary shall not repurchase securities during a prohibited period as defined in paragraph 3.67 of the JSE Listings Requirements unless they have in place a repurchase programme where the dates and quantities of securities to be traded during the relevant period are fixed (not subject to any variation) and has been submitted to the JSE in writing prior to the commencement of the prohibited period. The issuer must instruct an independent third party, which makes its investment decisions in relation to the issuer's securities independently of, and uninfluenced by, the issuer, prior to the commencement of the prohibited period to execute the repurchase programme submitted to the JSE;
- the repurchase of securities will be effected through the order book operated by the JSE trading system and done without any prior understanding or arrangement between the Company and the counterparty;
- the repurchase by the Company of its own securities above may not exceed 20% of the Company's issued ordinary share capital in the aggregate in any one financial year or, in the case of acquisition by any of the Company's subsidiaries, 10% of such issued ordinary share capital in the aggregate if such shares are to be held as treasury shares;
- in determining the price at which the Company's ordinary 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% of the weighted average of the market price at which such ordinary shares are traded on the JSE, as determined over the five trading days immediately preceding the date of the repurchase of such ordinary shares by the Company or a subsidiary of the Company; and
- a resolution has been passed by the Board confirming that the Board has authorised the general repurchase, that the Company has passed the solvency and liquidity test as required by the Companies Act and since the test was done there have been no material changes to the financial position of the Group."

In terms of the JSE Listings Requirements, the approval of at least 75% majority of the votes cast by shareholders present or represented by proxy at the meeting must be cast in favour of this resolution in order for it to be adopted.

Additional disclosure

For purposes of considering special resolution number 3 and in terms of the JSE Listings Requirements, the information below has been included in the integrated annual report, in which this Notice of Meeting is included, at the places indicated:

- Major shareholders (refer page 109 of this report)
- Share capital of the Company (refer page 95 of this report)
- The directors undertake that the Company will not commence a general repurchase of shares as contemplated above unless the following can be met:
  - the Company and the Group will be able to repay its debts in the ordinary course of business for a period of 12 months following the date of the general repurchase
  - the Company and the Group's assets will be in excess of the liabilities of the Company and the Group for a period of 12 months after the date of the general repurchase. For this purpose, the assets and liabilities will be recognised and measured in accordance with the accounting policies used in the latest audited consolidated annual financial statements which comply with the Companies Act
  - the share capital and reserves of the Company and the Group will be adequate for ordinary business purposes for a period of 12 months after the date of the general repurchase
  - the working capital of the Company and the Group will be adequate for ordinary business purposes for a period of 12 months following the date of the repurchase.

Litigation statement

The directors, whose names are given on pages 54 and 55 of the integrated annual report of which this notice forms part, are not aware of any legal or arbitration including proceedings that are pending or threatened, that may have or have had in the recent past, being at least the previous 12 months, a material effect on the Group's financial position.

Material changes

Other than the facts and developments reported on in the integrated annual report, there have been no material changes in the affairs or financial position of the Company and/or the Group since the date of signature of the Audit Report and the date of this notice.

Reason and effect

The reason and effect of special resolution number 3 is to authorise the Company and/or its subsidiary companies by way of a general authority to acquire its own issued shares on such terms, conditions and in such amounts as determined from time to time by the Board subject to the limitations set out above.

Statement of Board's intention

The directors of the Company have no specific intention to effect the provisions of special resolution number 3 but will, however, continually review the Company's position, having regard to prevailing circumstances and market conditions, in considering whether to effect the provisions of special resolution number 3.

13. AUTHORITY TO SIGN ALL DOCUMENTS REQUIRED

Ordinary resolution number 10

"Resolved that, subject to the passing of ordinary resolutions 1 to 9 and special resolutions 1 to 3, any director of the Company or the Company Secretary shall be and is hereby authorised to sign all documents and perform all acts which may be required to give effect to such ordinary resolutions 1 to 9 and special resolutions 1 to 3 passed at the meeting."

In order for this ordinary resolution to be adopted, it must be supported by more than 50% of the votes cast by shareholders present or represented by proxy at this meeting.

14. THE SOCIAL, ETHICS AND TRANSFORMATION COMMITTEE REPORT

Please refer to page 77 of the integrated annual report for the Social, Ethics and Transformation Committee report.

15. TO TRANSACT SUCH OTHER BUSINESS AS MAY BE TRANSACTED AT AN ANNUAL GENERAL MEETING

The JSE Listings Requirements require the following disclosure, some of which are elsewhere in the annual report of which this notice forms part as set out below:

- Major shareholders of the company – page 109.
- Share capital of the company – page 95.

Directors' responsibility statement

The directors, whose names are given on page 72 of the annual report, collectively and individually accept full responsibility for the accuracy of the information pertaining to this resolution and certify that to the best of their knowledge and belief there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that this resolution contains all information required by law and the JSE Listings Requirements.

Material change 11.26 (b) (iii) or no material changes to report

Other than the facts and developments reported on in the annual report, there have been no material changes in the financial position of the company and its subsidiaries since the date of signature of the audit report and the date of this notice.

Additional disclosure required in terms of the Companies Act and the JSE Listings Requirements relating to special resolution numbers 2 and 3:

Solvency and liquidity statement

The Board of Directors of the Company confirms that the Company will not enter into a transaction to provide financial assistance or to repurchase shares pursuant to special resolutions numbers 2 and 3 unless:

- The Company and the Group will be able to pay their debts as they become due in the ordinary course of business for a period of 12 months after the date of the provision of financial assistance or the repurchase of shares as the case may be
- The assets of the Company and the Group, as fairly valued, equal to or exceed the liabilities of the Company, as fairly valued, for a period of 12 months after the date of the provision of financial assistance or the repurchase of shares as the case may be
- The share capital and reserves of the Company and the Group will be adequate for ordinary business purposes for a period of 12 months after the date of the provision of financial assistance or the repurchase of shares as the case may be
- The working capital available to the Company and the Group will be adequate for ordinary business purposes for a period of 12 months after the date of the provision of financial assistance or the repurchase of shares as the case may be.

VOTING AND PROXIES AND RECORD DATES

Instructions

The record date on which shareholders must be recorded as such in the register maintained by the transfer secretaries of the Company for the purpose of being entitled to participate in and speak and vote at the annual general meeting is Friday, 20 November 2015, it being recorded that the last day to trade for that purpose is Thursday, 12 November 2015. The record date on which shareholders must be recorded to receive the notice of annual general meeting is Monday, 9 November 2015.

The quorum necessary for the commencement of a shareholders' meeting shall be sufficient persons present at the meeting to exercise, in aggregate, at least 25% (twenty five percent) of all the voting rights that are entitled to be exercised in respect of at least one matter to be decided at the shareholders' meeting but the shareholders' meeting may not begin unless in addition at least 3 (three) persons entitled to vote are present at the meeting.

A matter to be decided at the shareholders' meeting may not begin to be considered unless those who fulfilled the quorum requirements of clause 20.22 of the MOI, continue to be present. If a resolution is proposed to meet the requirements of the JSE, notwithstanding that the holders of securities not listed on the JSE shall be entitled to be counted in the quorum as a matter of law, they shall not be taken into account for the purposes of determining whether or not the quorum requirements of the JSE have been attained. Voting shall be on a poll and not by a show of hands. On a poll every shareholder present in person or represented by proxy shall have one vote for every ordinary share held by such shareholder.

Shareholders holding certificated Metrofile ordinary shares and shareholders who have already dematerialised their Metrofile shares and who have elected "own-name" registration in a sub-register through a CSDP or broker (only shareholders who have dematerialised their Metrofile shares through Computershare Investor Services Proprietary Limited can qualify as having elected "own-name" registration), who are unable to attend the annual general meeting but wish to be represented thereat, may complete and return the attached form of proxy, in accordance with the instructions contained therein, to the office of the transfer secretaries, Computershare Investor Services Proprietary Limited, Ground Floor, 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107). The form of proxy must be received by the transfer secretaries by no later than 09:00 on Thursday, 26 November 2015, or if the annual general meeting is adjourned or postponed, by not later than 48 hours prior to the time of the adjourned or postponed annual general meeting. The Chairman may in his discretion authorise acceptance of late proxies.

Shareholders who have already dematerialised their Metrofile shares through a CSDP or broker and who have not elected "own-name" registration in the sub-register maintained by a CSDP (i.e. shareholders who have not dematerialised their shareholding through Computershare Investor Services Proprietary Limited cannot qualify as having elected "own-name" registration), and who wish to attend the annual general meeting and wish to vote by way of proxy, may provide their CSDP or broker with their instructions in terms of the custody agreement entered into by them and their CSDP or broker.

Each shareholder is entitled to appoint one or more proxies (who need not be a shareholder/s of Metrofile) to attend, speak and vote in place of that shareholder at the annual general meeting.

Shares held by a share trust or scheme will not have their votes taken into account for any JSE regulated resolutions. All meeting participants will be required to provide reasonable identification acceptable to the Chairman of the meeting. The company will regard presentation of an original of a meeting participant's valid driver's license, identity document or passport to be acceptable identification.

Shareholders or their proxies may participate in the meeting by way of telephone conference call, provided that if they wish to do so, they:

- Must contact the Company Secretary by e-mail at the address paige@rspconsulting.co.za by no later than 09:00 on Thursday, 26 November 2015, in order to obtain a pin number and dial-in details for the conference call
- Will be required to provide reasonable acceptable identification
- Will be billed separately by their own telephone service provider for the telephone call to participate in the meeting.

By order of the Board

Paige Atkins
Company Secretary

For and on behalf of Metrofile Holdings Limited

Johannesburg
9 November 2015

FORM OF PROXY

METROFILE HOLDINGS LIMITED
(Incorporated in the Republic of South Africa)
Registration number 1983/012697/06)
Share code: MFL ISIN: ZAE000061727
("Metrofile" or the "Company")

Please note that this proxy form is only for use by members who have not dematerialised their ordinary shares or who have dematerialised their ordinary shares and registered them with own-name registration and may be used at the annual general meeting of the Company to be held at Summer Place, 69 Melville Road, Hyde Park, 2196, Gauteng at 09:00 on Monday, 30 November 2015 or any other adjourned or postponed time determined in accordance with the provisions of Sections 64(4) or 64(11)(a)(i) of the Companies Act.

I/We

of

being a member/members of the abovementioned Company, hereby appoint:

or failing him/her

or failing him/her

the chairman of the meeting as my/our proxy to vote for me/us on my/our behalf at the meeting and at any adjournment thereof.

Signed at this day of 2015

Signature

Please indicate with an "X" in the appropriate space on the right how you wish your votes to be cast. If you return this form duly signed, without any specific direction, the proxy shall be entitled to vote as he/she thinks fit,

	IN FAVOUR OF RESOLUTION	AGAINST RESOLUTION	ABSTAIN FROM VOTING
Ordinary resolution number 1 Presentation of annual financial statements			
Ordinary resolution number 2 Re-election of MS Bomela			
Ordinary resolution number 3 Re-election of IN Matthews			
Ordinary resolution number 4 Appointment of SV Zilwa			
Ordinary resolution number 5 Re-appointment of external auditors			
Ordinary resolution number 6 Election of Audit, Governance and Risk Committee members			
Ordinary resolution number 7 Non-binding advisory vote on Remuneration Policy			
Special resolution number 1 Approval of non-executive directors' fees			
Ordinary resolution number 8 General authority for directors to allot and issue authorised but unissued ordinary shares			
Ordinary resolution number 9 General authority to allot and issue shares for cash			
Special resolution number 2 Authority to provide financial assistance to any Group Company			
Special resolution number 3 General authority for repurchase shares			
Ordinary resolution number 10 Authority to sign all documents required			

1. A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend, speak and vote in his/her stead. A proxy need not be a registered member of the Company.
2. Every member present in person or by proxy and entitled to vote at the meeting of the Company shall, on a poll, be entitled to that proportion of the total votes in the Company which the aggregate amount of the nominal value of the shares held by such member bears to the aggregate amount of the nominal value of all the shares issued by the Company.
3. Members registered in their own name are members who elected not to participate in the Issuer-Sponsored Nominee Programme and who appointed Computershare Investor Services Proprietary Limited as their Central Securities Depository Participant ("CSDP") with the express instruction that their uncertificated shares are to be registered in the electronic sub-register of members in their own names.

NOTES TO THE FORM OF PROXY

INSTRUCTIONS ON SIGNING AND LODGING THE FORM OF PROXY

1. A member may insert the name of a proxy or the names of two alternative proxies of the member's choice in the space/s provided overleaf, with or without deleting "the chairman of the meeting'', but any such deletion must be initialled by the member. Should this space be left blank, the proxy will be exercised by the chairman of the meeting. The person whose name appears first on the form of proxy and who is present at the meeting will be entitled to act as proxy to the exclusion of those whose names follow.
2. A member's voting instructions to the proxy must be indicated by the insertion of an "X", or the number of votes exercisable by that member, in the appropriate spaces provided overleaf. Failure to do so will be deemed to authorise the proxy to vote or to abstain from voting at the meeting as he/she thinks fit in respect of all the member's exercisable votes. A member or his/her proxy is not obliged to use all the votes exercisable by him/her or by his/her proxy but the total number of votes cast, or those in respect of which abstention is recorded, may not exceed the total number of votes exercisable by the member or by his/her proxy.
3. To be valid, the completed forms of proxy must be lodged with the transfer secretaries of the Company, Computershare Investor Services Proprietary Limited, at 70 Marshall Street, Johannesburg, 2001, or posted to the transfer secretaries at PO Box 61051, Marshalltown, 2107, to be received by them not later than 48 hours prior to the shareholders' meeting. Any forms of proxy not lodged by this time must be handed to the chairman of the meeting.
4. Documentary evidence establishing the authority of a person signing this term of proxy in a representative capacity must be attached to this form of proxy unless previously recorded by the transfer secretaries or waived by the chairman of the meeting.
5. The completion and lodging of this form of proxy will not preclude the relevant member from attending the meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof, should such member wish to do so.
6. The completion of any blank spaces overleaf need not be initialled. Any alterations or corrections to this form of proxy must be initialled by the signatory/ies.
7. The chairman of the meeting may accept any form of proxy which is completed other than in accordance with these instructions provided that he is satisfied as to the manner in which a member wishes to vote.
8. Members who have dematerialised their shares must inform their CSDP or broker of their intention to attend the annual general meeting and request their CSDP or broker to issue them with the necessary authorisation to attend or provide their CSDP or broker with their voting instructions should they not wish to attend the meeting in person.

In terms of Section 58 of the Companies Act:

- A shareholder may, at any time and in accordance with the provisions of Section 58 of the Companies Act, appoint any individual (including an individual who is not a shareholder) as a proxy to participate in, and speak and vote at, a shareholders' meeting on behalf of such shareholder
- A proxy may delegate his authority to act on behalf of a shareholder to another person, subject to any restriction set out in the instrument appointing such proxy
- Irrespective of the form of instrument used to appoint a proxy, the appointment of a proxy is suspended at any time and to the extent that the relevant shareholder chooses to act directly and in person in the exercise of any of such shareholder's rights as a shareholder
- Any appointment by a shareholder of a proxy is revocable, unless the form of instrument used to appoint such proxy states otherwise.

If an appointment of a proxy is revocable, a shareholder may revoke the proxy appointment by:

- Cancelling it in writing, or making a later inconsistent appointment of a proxy
- Delivering a copy of the revocation instrument to the proxy and to the Company
- A proxy appointed by a shareholder is entitled to exercise, or abstain from exercising, any voting right of such shareholder without direction, except to the extent that the MOI of the Company, or the instrument appointing the proxy, provides otherwise.

CORPORATE INFORMATION

DIRECTORS

Christopher Stefan Seabrooke (62) •†‡*
BCom, BAcc, MBA, FCMA
Non-executive chairman
Appointed 28 January 2003

Graham Dunbar Wackrill (61) #
BCompt
Appointed 1 July 2004

Mary Sina Bomela (42) #‡*
CA(SA), MBA
Appointed 8 September 2010

Phumzile Langeni (41) •†#
BCom
Appointed 30 March 2012

Ian Nigel Matthews (70) •†‡*#
MA (Oxon), MBA (UCT)
Appointed 1 June 2006

Mark Clark McGowan (46) #
BCompt (Hons), CA(SA)
Appointed 1 August 2014

Cynthia Nomsa Pongweni (38)
BCompt (Hons), CA(SA), CA (Zimbabwe)
Appointed 27 February 2009

Sindiswa Victoria Zilwa (48) •†#
BCompt (Hons), CTA, CA(SA)
Appointed 17 October 2012

• *Independent*
† *Audit, Governance and Risk Committee member*
‡ *Nomination Committee member*
* *Remuneration Committee member*
# *Social, Ethics and Transformation Committee member*

SECRETARY AND REGISTERED OFFICE

Paige Atkins
41 Wordsworth Avenue, Senderwood, 2007
PO Box 40264, Cleveland, 2022
Telephone +27 11 553 0270
Facsimile +27 86 775 1096

COMPANY REGISTRATION NUMBER

1983/012697/06

DATE OF INCORPORATION OF METROFILE

18 November 1983

TRANSFER SECRETARIES

Computershare Investor Services Proprietary Limited
Ground Floor, 70 Marshall Street, Johannesburg, 2001
PO Box 61051, Marshalltown, 2107
Telephone +27 11 370 5000
Facsimile +27 11 370 5487

AUDITORS

Deloitte Chartered Accountants (SA)
The Woodlands, Woodlands Drive, Woodmead, Sandton, 2146
Private Bag X6, Gallo Manor, 2052

BANKERS

The Standard Bank of South Africa Limited

INVESTMENT BANK AND JSE SPONSOR

The Standard Bank of South Africa Limited
30 Baker Street, Rosebank, 2196
PO Box 61344, Marshalltown, 2107

ATTORNEYS TO METROFILE

Webber Wentzel Bowens
10 Fricker Road, Illovo Boulevard, Johannesburg, 2196
PO Box 61771, Marshalltown, 2107

WEBSITE

www.metrofileholdings.com