

Reviewed group results and dividend declaration

for the year ended 30 September 2006

The results of the group for the year ended 30 September 2006 are set out herein. This report has been prepared in compliance with International Accounting Standard IAS 34 Interim Financial Reporting. The previous year's figures, which were prepared in accordance with South African Statements of Generally Accepted Accounting Practice (SA GAAP), have been restated in accordance with IFRS. The financial information has been reviewed by our auditors, Deloitte & Touche, whose unmodified review opinion is available for inspection at the registered office of the company.

CONDENCED CROUD DALANCE CLIFFT

Note	2006 Reviewed R'000	2005 Restated R'000	Change %
Revenue	2 544 558	2 576 513	(1)
Operating profit before abnormal items Abnormal items 2	183 325 (5 882)	180 672 (27 830)	1
Operating profit Dividends received Net interest received	177 443 6 151 23 340	152 842 1 26 607	16
Profit before taxation Taxation	206 934 70 088	179 450 64 541	15 9
Profit after taxation	136 846	114 909	19
Attributable to: Shareholders of Oceana Group Limited Outside shareholders in subsidiaries	129 791 7 055	107 491 7 418	21 (5)
	136 846	114 909	19
Neighted average number of shares on which earnings per share are based (000's)	113 099	111 525	
Adjusted weighted average number of shares on which diluted earnings per share are based (000's)	113 426	112 246	
Earnings per share (cents) Basic Diluted	114,8 114,4	96,4 95.8	19 19
Dividends per share (cents)	74.0	74.0	- 19

	2006	2005
	Reviewed	Restated
	R'000	R'000
Cash flows from operating activities		
Operating profit before abnormal items	183 325	180 672
Adjustment for non-cash items	60 777	63 898
Cash operating profit before working capital changes	244 102	244 570
Working capital changes	50 606	33 989
Cash generated from operations	294 708	278 559
Interest and dividends received	34 650	29 048
Interest paid	(5 159)	(2 440
Taxation paid	(46 960)	(62 366
Dividends paid	(86 034)	(83 587
Net cash inflow from operating activities	191 205	159 214
Cash outflow from investing activities	(167 811)	(16 119
Capital expenditure	(94 276)	(46 072
Proceeds on disposal of property, plant and equipment	1 639	6 413
Net movement on loans and advances	12 789	8 975
Investment in preference shares	(88 000)	=
Disposal of business	_	16 745
Other	37	(2 180
Net cash flows (applied to) from financing activities	(174 894)	17 822
Proceeds from issue of share capital	9 377	14 420
Proceeds on sale of treasury shares	264	238
Acquisition of treasury shares by share trust	(177 822)	(336
Short-term borrowings (repaid) raised	(6 713)	3 500
Net (decrease) increase in cash and cash equivalents	(151 500)	160 917
Cash and cash equivalents at the beginning of the year	283 195	117 455
Effect of exchange rate changes	(4 974)	4 823
Cash and cash equivalents at the end of the year	126 721	283 195

GROUP SEGMENTAL REPORT	2006	2005
	Reviewed R'000	Restated R'000
Revenue Inshore fishing Midwater and deep-sea fishing Commercial cold storage and logistics	1 318 949 1 071 362 154 247	1 470 587 939 091 166 835
Total	2 544 558	2 576 513
Operating profit before abnormal items Inshore fishing Midwater and deep-sea fishing Commercial cold storage and logistics	77 939 46 705 58 681	102 518 16 867 61 287
Total	183 325	180 672
Total assets Inshore fishing Midwater and deep-sea fishing Commercial cold storage and logistics Financing	563 887 264 306 177 944 318 645	640 913 270 852 126 535 423 506
Deferred taxation	1 324 782 12 850	1 461 806 15 256
Total	1 337 632	1 477 062
Total liabilities Inshore fishing Midwater and deep-sea fishing Commercial cold storage and logistics Financing	278 909 90 756 41 693 77 570	335 015 60 655 27 848 111 698
Deferred taxation	488 928 29 874	535 216 25 502
Total	518 802	560 718

	2006 Reviewed R'000	2005 Restated R'000
Asset		
Non-current assets	511 305	396 072
Property, plant and equipment Goodwill Fishing rights and trademarks Deferred taxation Investments and loans	316 457 21 911 40 109 12 850 119 978	285 052 18 302 34 537 15 256 42 925
Current assets	826 327	1 080 990
Inventories Accounts receivable Non-current assets held for sale Cash and cash equivalents	219 224 403 486 4 950 198 667	242 413 457 996 - 380 581
Total assets	1 337 632	1 477 062
Equity and liabilities		
Capital and reserves Share capital and premium Foreign currency translation reserve Share based payment reserve Capital redemption reserve Distributable reserves	101 23 018 11 232 90 760 569	55 480 3 878 8 619 90 827 318
Interest of own shareholders Interest of outside shareholders	795 010 23 820	895 385 20 959
Total equity Non-current liabilities	818 830 30 961	916 344 25 502
Liability for share based payments Deferred taxation	1 087 29 874	25 502
Current liabilities	487 841	535 216
Accounts payable and provisions Bank overdraft	415 895 71 946	437 830 97 386
Total equity and liabilities	1 337 632	1 477 062
Number of shares in issue net of treasury shares (000's) Net asset value per ordinary share (cents) Total liabilities excluding deferred taxation: Total equity (%) Total borrowings: Interest of own shareholders (%)	101 493 783 60 9	112 104 799 58 11

	1 October 30 Septer		
	2004 R'000	2005 R'000	
Equity Ordinary shareholders' interest as previously reported IFRS adjustment: Recalculation of depreciation of property, plant and equipment, net of deferred taxation	848 613 4 828	890 894 4 491	
Ordinary shareholders' interest restated	853 441	895 385	
Outside shareholders' interest as previously reported IFRS adjustment:	14 577	21 192	
Recalculation of depreciation of property, plant and equipment, net of deferred taxation	(196)	(233)	
Outside shareholders' interest restated	14 381	20 959	
Liabilities Deferred taxation as previously reported IFRS adjustment: Taxation effect of temporary differences on recalculation	24 287	22 453	
of depreciation of property, plant and equipment	1 214	3 049	
Deferred taxation restated	25 501	25 502	
Assets Property, plant and equipment as previously reported IFRS adjustment:	310 389	279 413	
Recalculation of depreciation	6 330	5 639	
Property, plant and equipment restated	316 719	285 052	
Deferred taxation as previously reported IFRS adjustment: Taxation effect of temporary differences on recalculation	20 990	13 588	
of depreciation of property, plant and equipment	(484)	1 668	
Deferred taxation restated	20 506	15 256	
Profit attributable to own shareholders As previously reported IFRS adjustments: Recalculation of depreciation of property, plant and		111 538	
equipment, net of deferred taxation		(338)	
Cost of share based payments		(3 709)	
Restated		107 491	

DIVIDEND DECLARATION		
Notice is hereby given that a final dividend No. 126 of 59,0 cents per share, in respect of the year ended 30 September 2006, was declared on Friday 10 November 2006. Relevant dates are as follows:		
Last day to trade cum dividend Commence trading ex dividend Record date Dividend payable	Friday 5 January 2007 Monday 8 January 2007 Friday 12 January 2007 Monday 15 January 2007	
Share certificates may not be dematerialised or re-materialised between Monday 8 January 2007 and Friday 12 January 2007, both dates inclusive.		
By order of the board		
JD Cole	10 November 2006	

CONDENSED GROUP STATEMENT	OF CHAN	GES
IN EQUITY	2006 Reviewed R'000	2005 Restated R'000
Balance at the beginning of the year as previously reported IFRS adjustments (note 1)		863 190 4 632
Balance at the beginning of the year in accordance with IFRS Shares issued Increase in treasury shares held by share trust Movement on foreign currency translation reserve Movement on share based payment reserve Net profit for the year Profit on sale of treasury shares Dividends declared Disposal of subsidiary – interest of outside shareholders	916 344 9 377 (177 763) 19 140 2 613 136 846 205 (87 932)	867 822 14 420 (336) (905) 3 709 114 909 238 (83 415) (98)
Balance at the end of the year	818 830	916 344
Comprising: Share capital and premium Foreign currency translation reserve Share based payment reserve Capital redemption reserve Distributable reserves Outside shareholders' interest Total	101 23 018 11 232 90 760 569 23 820 818 830	55 480 3 878 8 619 90 827 318 20 959 916 344

NOTES

 Accounting policies
 The prior year annual financial statements were prepared in accordance with SA GAAP. In accordance with the Listings Requirements of the JSE Limited, Oceana Group Limited has adopted International Financial Reporting Standards (IFRS) with effect from 1 October 2005, the first transition date being 1 October 2004. Comparative information for the year ended 30 September 2005 has been restated using the same accounting policies and methods as have been applied in these

condensed financial statements.

The disclosures required by IFRS 1 (First-time Adoption of International Financial Reporting Standards) showing the effects of the changes in accounting policies from SA GAAP to IFRS are presented under the heading "Reconciliation of SA GAAP to IFRS". The group's transitional elections in terms of IFRS 1 were as follows

- Property, plant and equipment were measured at original cost. Revised estimates of useful lives and residual values have been applied to recalculate accumulated depreciation in accordance with IAS 16.

 Share based payments. The provisions of IFRS 2 have been applied only to share options granted on or after 7 November 2002. Costs of equity settled share based payments are recognised as an
- expense in the income statement, with a corresponding credit to a share based payment reserve
- Certain non-distributable reserves have been transferred to distributable reserves in accordance with IFRS 3.

 One of the desired transferred to distributable reserves in accordance with IFRS 3.

		2006 Reviewed R'000	2005 Restated R'000
2.	Abnormal items Surplus on disposal of property, plant and equipment Surplus on disposal of fishing rights	450 227	2 364
	Profit on change of interest in subsidiaries / joint ventures Provision for improper use of pension fund surplus Provision for loans, staff retrenchment and other closure	283 (6 842)	7 288 -
	costs in Namibian whitefish business Impairment loss on property, plant and equipment in Namibian whitefish business	-	(28 764) (5 580)
	Impairment loss on other assets		(3 138)
	Abnormal loss before taxation Taxation thereon	(5 882) 1 954	(27 830) 162
	Abnormal loss after taxation	(3 928)	(27 668)
3.	Determination of headline earnings Profit after taxation attributable to own shareholders Adjusted for:	129 791	107 491
	Net surplus on disposal of fixed property and fishing rights	(647) (176)	(2 364) (2 176)
	Net surplus on disposal of plant and equipment Profit on change of interest in subsidiaries / joint ventures	(283)	(7 103)
	Insurance proceeds for damaged vessel Provision for loans, staff retrenchment and other closure costs	(1 104)	-
	in Namibian whitefish business	_	14 201
	Impairment loss on property, plant and equipment in Namibian		F F00
	whitefish business Impairment loss on other assets	_	5 580 2 779
	Headline earnings for the year	127 581	118 408
		Number of shares	Number of shares
	Weighted average number of shares on which headline earnings per share are based (000's) Adjusted weighted average number of shares on which	113 099	111 525
	diluted headline earnings per share are based (000's)	113 426	112 246
		Cents	Cents
	Headline earnings per share		
	Basic Diluted	112.8 112.5	106.2 105.5
		R'000	R'000
4	Dividends	K 000	H 000
4.	Estimated dividend declared after reporting date Dividend on shares issued prior to last day to trade	59 881	66 141 621
	Actual dividend declared after reporting date		66 762
5.	Supplementary information Cost of sales	1 805 035	1 813 926
	Depreciation	57 316	58 861
	Operating lease charges	17 470	18 647
	Foreign exchange profit Capital expenditure	(9 838) 94 276	(2 075) 46 072
	Expansion Replacement	62 456 31 820	2 643 43 429
	Capital commitments	63 144	96 925
	Contracted	2 124	703
	Approved	61 020	96 222

COMMENTS

Financial results

In a very difficult year for the fishing industry due to poor fishing conditions, the group achieved very pleasing results. Earnings per share for the year ended 30 September 2006 increased by 19% compared to those of the previous year which had included provision for the closure costs of the Namibian white fish operations. Headline earnings per share were 6% above last year.

Group turnover decreased by 1% whilst operating profit before abnormal items increased by 1%. Investment income increased on higher average net cash balances due mainly to lower working capital requirements. The year-end net cash balance reduced to R126.7m as a result of the group's funding of R265.8m of its black economic empowerment transaction during September 2006.

A final unchanged dividend of 59.0 cents per share has been declared, which together with the interim dividend of 15.0 cents, brings the total dividend for the year to 74.0 cents per share (2005: 74.0 cents).

Review of operations

Inshore fishing The total allowable catch (TAC) for pilchard in 2006 is 204 000 tons (2005: 397 000 tons). Although pilchard landings directed for canned fish production for the financial year were higher than last year, fish was only available on the south and east coasts and a higher proportion was transported by road from Mossel Bay to the cannery at St. Helena Bay. Higher fuel prices and the distance from the fishing grounds impacted on the cost of production. The Namibian pilchard TAC was set at 25 000 tons (2005: 25 000 tons) but no landings had been made by financial year-end.

Lucky Star sales volumes of canned fish on the domestic market decreased significantly compared to the previous year due to the shortage of supply. Glenryck Foods, the group's canned fish business in the UK, performed well and achieved increased sales volumes particularly in the tuna category Overall, profitability from canned fish was well below that of the previous year.

Fish meal operations again showed a turnaround in the second half of the year and achieved a breakeven result overall. Landings of anchovy and pilchard for fish meal production were well below the previous year. Selling prices were higher.

Lobster landings were well below the previous year due to a combination of a reduced TAC, a permit requirement limiting catches to 76% of quota and rough sea conditions in August and September. Turnover declined due to the reduced volumes despite improved export prices. Profits were slightly above the previous year

Squid catches were higher than the previous year and export prices improved resulting in a good contribution.

Midwater and deep-sea fishing

Selling prices for Namibian and South African horse mackerel were particularly good in the first half of the year and were on average higher than the previous year. Higher fuel prices impacted on fishing costs despite conversions to the vessels to enable the use of cheaper fuel grades. Trading volumes and margins on fish sourced from external fleets were lower. Overall, profitability from midwater pelagic operations was significantly higher than the previous year. Hake results continued to be affected by inconsistent catches and a large proportion of small fish. However, sales realisations were higher and together with reduced overhead costs resulted in acceptable earnings for the year.

The restructured tuna trading business recorded a profit after last year's losses despite competitive market conditions.

Cold storage and logistics

Average occupancy levels were high and in line with those of the previous year, however citrus volumes handled through the Maydon Wharf steri-fruit facility were disappointing. The expansions at the Bayhead and Epping stores were completed in August and are expected to benefit results in the coming year. Profits improved marginally on the previous year.

Prior year results for the division included those of TRT Shipping Services until date of its disposal on 1 July 2005.

Long-term fishing rights

After a protracted application and appeal process, long-term commercial fishing rights were allocated in all fisheries in which Oceana is active. Rights are for periods of eight years (squid), ten years (west coast lobster and horse mackerel) and fifteen years (small pelagic and trawl hake). Whilst its allocations were reduced, Oceana now has the certainty and stability of long-term rights. Legal challenges have been brought by certain other applicants regarding their electrons.

Black economic empowerment (BEE) transaction

Cape Town

The BEE transaction announced in the circular to shareholders dated 31 August 2006 was duly approved by shareholders on 22 September 2006 and implemented on 28 September 2006.

Prospects

The finalisation of the long-term rights process will present opportunities for rationalisation and restructuring within the South African fishing industry. With its strong balance sheet and secured BEE shareholding, Oceana is well placed to participate in any consolidation

Ms Z Fuphe was appointed a director of the company with effect from 1 June 2006. Mr BP Connellan resigned as a director with effect from 3 August 2006 and

we record our appreciation for his valuable contribution over many years

Chief Executive Officer

MA Brey

On behalf of the board. AR Marshall

OCEANA GROUP LIMITED
Incorporated in the Republic of South Africa • Registration Number: 1939/001730/06)
Directors: MA Brey (Chairman), RA Williams (Vice Chairman), AB Marshall* (Chief Executive Officer), N Dennis, NP Doyle, Z Fuphe, RG Nicol*, S Pather, L Ruthilal (*Executive) Registered Officer: 16th Floor Metropolitan Centre, 7 Coen Steytler Avenue, Cape Town, 8001
Transfer Secretaries: Computershare Investor Services 2004 (Pty) Limited, 70 Marshall Street, Johannesburg, 2001 (P.O. Box 61051, Marshalltown, 2107)
Sponsor: South Africa — The Standard Bank of South Africa Limited • Namibia — Old Multual Investment Services (Namibia) (Pty) Limited

