



The JSE Limited Listings Requirements

BULLETIN 2 of 2007

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This Bulletin brings into effect certain amendments to the Listings Requirements resulting from the South African Institute of Chartered Accountants (SAICA) replacing its Circular 7/2002, Headline earnings with Circular 8/2007, Headline earnings. The amendments become effective for financial periods (interim and annual periods) ending on or after 31 August 2007. Early adoption is permitted, but not for results published before 1 September 2007. Prior to this date issuers must apply the requirements of Circular 7/2002, Headline earnings, as issued by SAICA.

New definitions

Headline earnings As defined and calculated in terms of Circular 8/2007, Headline earnings, as issued by SAICA, and as amended from time to time.

Per share In the context of earnings/headline earnings/net asset value and net tangible asset value per share required in terms of the Listings Requirements for the listed security, (other than the requirement for earnings per share in terms of IFRS) per share means per listed security, except in the case where the listing is for two securities which trade as a linked unit in which case per share means per linked unit. In such an instance the applicant issuer must expressly use the words "per linked unit."

Amendments

Section 3

Par 3.4 (b) (v) Financial results in terms of 3.4(b)(i) are relevant criteria that are of a price sensitive nature which, in the first instance, comprise headline earnings per share ("heps") and earnings per share ("eps"), and, in the second instance, and only if more relevant (because of the nature of the issuer's business) net asset value per share ("navps"). If an issuer wishes to adopt navps, it must announce on SENS, in advance of the first period ending which uses such navps, that it will be adopting navps for trading statement purposes. Thereafter, such policy adoption must be confirmed annually in the annual financial statements.

Section 8

8.34 Where pro forma earnings and headline earnings per share information is given for a transaction it must be provided in compliance with IFRS and the definition of headline earnings as set out in these Listings Requirements, except that where the transaction includes the issue of securities, the calculation is to be based on the weighted average number of issued securities adjusted if that issue had taken place at the beginning of the period.

8.58 (b) in respect of the period under review and the immediately preceding comparable period, a headline earnings per share and a diluted headline earnings per share figure must be disclosed, in addition to the required IFRS earnings per share figures, together with an itemised reconciliation between headline earnings and the earnings used in the calculation of earnings per share;

8.63 (c) headline earnings per share:
in respect of each current financial year and the immediately preceding financial year, a headline earnings per share and a diluted headline earnings per share figure must be disclosed, together with an itemised reconciliation between headline earnings and the earnings used in the calculation of earnings per share;

Section 18

18.5 Where the particular accounting practices of any company with or seeking a secondary listing on the JSE have not been prepared in accordance with the re-

quirements of Section 8, such company must consult the JSE in order to obtain a ruling concerning what will constitute acceptable accounting practice and disclosure. All issuers with secondary listings on the JSE must publish headline earning per share and diluted headline earnings per share.

Practice note: 1/2003

Please note that the section entitled "Earnings/headline earnings/net asset value and net tangible asset value per share/per linked unit" has been deleted from Practice note: 1/2003, as the content of the section has been incorporated into the headline earnings and per share definitions. Practice note: 1/2003 now reads as follows:

Introduction

During the various presentations on the 2003 Listings Requirements which became effective 1 September 2003, certain issues were raised which have prompted the JSE Securities Exchange South Africa ("JSE") to provide clarity and guidance on those Requirements in the form of this Practice Note.

Year-end results

The following guidance is provided by the JSE regarding the announcement of year-end results and publication of annual financial statements in order to remove any confusion that may have arisen as a result of incorrect interpretation of the new listings requirements ("LR") dealing with these issues.

Terms used herein:

"financials"	the annual report of the company which contains the audited annual financial statements as well as supplementary information which is sent to each securities holder (excluding those securities holders in the dematerialized environment who have elected not to receive same)
"abridged reports"	abridged or condensed version of the financials (audited results) detailed in LR 3.21, not sent to shareholders, announced only on SENS (refer to the Appendix to Section 11), containing the information required by the Statement of GAAP (or IFRS) on Interim Financial Reporting and AGM details (see below);
"preliminary"	voluntary abridged or condensed version

reports"	of the financials (at a minimum these results must be reviewed) detailed in LR 3.22, not sent to shareholders, announced only on SENS (refer to the Appendix to Section 11), containing the information required by the Statement of GAAP (or IFRS) on Interim Financial Reporting;
"provisional reports"	compulsory abridged or condensed version of the financials (at a minimum these results must be reviewed) detailed in LR 3.16, distributed to each securities holder, published in the press and on SENS (refer to the Appendix to Section 11), containing the information required by the Statement of GAAP (or IFRS) on Interim Financial Reporting;
"no change report"	an announcement, not sent to shareholders, published only on SENS, stating that there have been no changes to any financial information previously published in a preliminary or provisional report;
"AGM details"	brief details regarding the annual general meeting such as date, time and venue;
"no change + AGM details report"	an announcement, not sent to shareholders, published only on SENS, stating that there have been no changes to any financial information previously published in a preliminary or provisional report and containing brief details regarding the annual general meeting such as date, time and venue;

The different scenarios that may occur regarding announcements of year end results and publication of financials is as follows:

No.	Scenario narrative	Required to be announced on SENS	Required to be published in the press
1	Within 3 months of year-end Issue financials and announce an abridged report	Abridged report	Nothing
2	Within 3 months of year end Financials not issued and publish a provisional report	Provisional report	Provisional report

	<p>After 3 months of year-end Issue financials and publish a no change + AGM details report; or Issue financials and publish an abridged report because there have been changes (the changes must be highlighted in the abridged report)</p>	<p>No change + AGM details report Abridged report</p>	<p>Nothing Nothing</p>
3	<p>Within 3 months of year-end Announce a preliminary report, then later issue financials and announce a no change + AGM details report</p>	<p>Preliminary report; and later a no change + AGM details report</p>	<p>Nothing; and Nothing</p>
4	<p>Within 3 months of year-end Announce a preliminary report, then issue financials and announce an abridged report because there have been changes (the changes must be highlighted in the abridged report)</p>	<p>Preliminary report; and later an abridged report</p>	<p>Nothing; and Nothing</p>
5	<p>Within 3 months of year-end Announce a preliminary report, financials not issued and publish a provisional report (issuers may not publish a no change report even if there have been no changes from the preliminary report) After 3 months of year-end Issue financials and publish a no change + AGM details report; or Issue financials and publish an abridged report because there have been changes (the changes must be highlighted in the abridged report)</p>	<p>Preliminary report; and later a provisional report No change + AGM details report Abridged report</p>	<p>Nothing; and a provisional report Nothing Nothing</p>

Circulars and notices of annual general meetings

In instances where the Listings Requirements require an applicant issuer to send a circular to its securities holders (including but not limited to general issues of shares for cash, general repurchases and general payments), the JSE will allow the circular to be substituted by the required disclosure being made in the applicant issuer's annual report/annual financial statements provided all the required information is either:

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- (a) included in the notice of annual general meeting; or
 - (b) clear cross references are included in the notice of annual general meeting indicating where in the annual report/annual financial statements the information can be obtained.

Sponsors

Applicant issuers are required to have an appointed sponsor at all times with effect from 1 January 2004. Applicant issuers may utilize the services of a non-independent sponsor for certain routine administrative issues provided that a lead independent sponsor is appointed for all other transactions/corporate actions. The routine administrative issues that the JSE will accept are as follows:

- (a) submission of periodic financial information in terms of paragraphs 3.11 to 3.25;
- (b) notification of changes to the board of directors in terms of paragraph 3.59;
- (c) disclosure of directors dealings in terms of paragraphs 3.63 to 3.74;
- (d) additional listings in terms of an approved share incentive/option scheme;
- (e) capitalization issues and scrip dividends/cash dividend elections;
- (f) general issues for cash;
- (g) general repurchases;
- (h) general payments;
- (i) name changes, and
- (j) category 3 transactions.

The JSE reserves the right in its sole discretion to require the appointment of an independent sponsor for the above routine administrative issues. Applicant issuers must ensure that an independent sponsor is appointed as soon as it becomes aware of a potential transaction/corporate action not included in the above.

Effective date

This practice note becomes effective on 1 February 2004, although the JSE encourages earlier implementation by users.

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