

**METROFILE DELIVERS STRONG REVENUE GROWTH AS AFRICA EXPANSION STRATEGY  
CONTINUES**

**Group declares 42,9% increase in dividend payment**

29 August 2016: JSE-listed Metrofile Holdings Limited (JSE:MLF) today announced a 10,5% rise in revenue to R796,5 million for the full financial year ended 30 June 2016, as the group continued to expand its services in the information management sector across Africa and the Middle East, through both innovation and acquisition.

Normalised EBITDA increased by 6,9% to R253 million, while normalised headline earnings increased by 4,5% to R143,9 million. Normalised headline earnings per share (“HEPS”) increased by 4,6% to 33,8 cents.

The Board has targeted maintaining debt levels at least at 1,5 times EBITDA. However, continued strong cash generation has resulted in leverage remaining below this level. The Board has accordingly resolved to reduce dividend cover from a target of 1,5 times to a target range of 1,25 to 1,5 times with effect from the 2016 financial year. In addition, until the minimum debt levels are achieved, the Board has further resolved to pay dividends with cover below the target range. The Board has declared a final gross cash dividend of 19c per share. This will result in the dividends per share for the full year increasing by 42,9% to 30 cents per share, representing cover of 1,1 times.

Expansion strategy continues to bear fruit

According to Pfungwa Serima, Chief Executive Officer of Metrofile Holdings Limited, the continued focus on cross-selling the group’s diverse range of services to both new and existing customers remains a key part of the group’s international strategy.

“The group’s expansion strategy continues to take cognisance of potential target countries’ business and political environment, governance, market attractiveness, language, infrastructure, logistics, education and labour force, potential client industries and overall risk.”

In line with its bolt-on geographical acquisition strategy, the group acquired interests in a number of investments during the period. These include a 100% shareholding in Document Bank Botswana (Botswana); 49% shareholding in Al Bidda Metrofile LLC (Qatar); 40% shareholding in Lexie Legal Services (Pty) Ltd (South Africa) and; 51% shareholding in E-File Teejan LLC (Oman) via E-File Masters LLC (UAE).

He adds that capital investments of R73,6 million were effected during the period mainly for expansion and included the development of new facilities in Mbombela and Cape Town, and the purchase of racking, equipment and mobile shredding units of R44,6 million required for growth.

Serima says Metrofile anticipates continued growth in the challenging economic and business environments, both locally and on the African continent.

“The necessity for businesses to not only archive but manage all types of records, whether they be in physical or digital format, positions the group well to assist companies with their record-keeping requirements, thereby mitigating risk to the organisation. The group will continue to seek growth and innovation opportunities across all business units, both locally and internationally, in cradle to grave document management solutions. At this stage, Metrofile expects to resume its historic earnings growth profile in the forthcoming financial year.”

-Ends-

#### **About Metrofile**

Metrofile Holdings Limited has been listed on the JSE limited (“JSE”) since 1995 and its ordinary shares are quoted in the “Support Services” sector of the JSE. Metrofile is a black-owned Company with black ownership amounting to 53.36%. Its largest shareholder is its empowerment partner, Mineworkers Investment Company (“MIC”) which owns 34,41% of Metrofile’s equity.

Services include 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. Through the recent acquisition of 40% of Litigator, a unique cloud based litigation platform, the Group now also offers secure online filing and issuing of litigation documents, advanced electronic signatures and secure storage of litigation documents.

The Metrofile Records Management division is the market leader in both physical and digital information and records management in Africa and is represented in the six major provinces of South Africa, Botswana, Mozambique, Nigeria, Zambia and United Arab Emirates. It operates from 44 facilities, at 21 locations, covering more than 87 136 square metres of warehousing and office space. In accordance with its owner/lessee model, 68% of these facilities are owned by the Group. The rest of the Group’s divisions lease their premises.