

Media release:

METROFILE ANNOUNCES 28.6% INCREASE IN INTERIM DIVIDENDS

05 March 2015: JSE listed Metrofile Holdings Limited (JSE:MLF) announced it will pay an interim gross cash dividend of 9,0 cents per share in respect of the six months ended 31 December 2014, up 28.6% from 7,0 cents in the corresponding period the previous year.

Due to strong cash generation, the target dividend cover has been reduced to 1,75 times, as announced in November 2014.

IFRS required that 36 months' business interruption insurance proceeds relating to the KwaZulu-Natal fire in 2013 be recognised in full in the 2014 financial year. Normalised results are accordingly presented again, recognising this receipt over 36 months in order to present more representative results for each affected reporting period.

As such, normalised revenue increased by 10.8% to R347,9 million, while normalised headline earnings per share increased by 8,8% to 15,7 cents.

Capital investments of R35,4 million were effected mainly for expansion and included the rebuild of the KZN facility, the acquisition of property in Mbombela which is currently being developed, and the purchase of racking and equipment of R14,9 million required for growth.

In line with its bolt-on geographical acquisition strategy, the group acquired a 60% shareholding in FlexiFile Limited in Zambia as well as a 60% shareholding in E-File Masters LLC in United Arab Emirates.

According to Graham Wackrill, Chief Executive Officer of Metrofile Holdings Limited, Metrofile will continue to expand its services in the information management sector, through both innovation and acquisition; whilst a 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 strategy. "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."



He says Metrofile's expansion into Africa and the Middle East remains driven by the demand for the similar services to those provided by the group in South Africa. "With Metrofile now established in Mozambique, Nigeria, Zambia and the United Arab Emirates, 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."

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 52,8%. 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.

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, Mozambique, Nigeria, Zambia and United Arab Emirates. It operates from 44 facilities, at 21 locations, covering more than 83 800 square metres of warehousing and office space. In accordance with its owner/lessee model, 66,5% of these facilities are owned by the Group. The rest of the Group's divisions lease their premises.

The CSX Customer Services brand has contracts in numerous other African countries.

