Grand Parade Investements Limited
Registration number:1997/003548/06
Share code:GPL
ISIN:ZAE000119814
("GPI"or "the company"or "the group")

Preliminary reviewed group results for the year ended 30 June 2015

Salient features

Basic earnings per share increased by	Headline earning per share increased by	Ordinary dividend per share paid increased by
838.9%	232.2%	33.3%

Highlights

Burger King South Africa (Pty) Ltd - R231.8 million invested in store expansion
Dolcoast Investments Limited - R130.0 million received from the disposal of 24.9% holding
GPI Slots (Pty) Ltd - R215.9 million received from the disposal of 25.1% holding
Grand Tellumat Manufacturing (Pty) Ltd - Acquired a 51.0% joint venture holding
Mac Brothers Catering Equipment (Pty) Ltd - Acquired a further 77.8% holding and increased holding to 100.0%
Spur Corporation Limited - Acquired a 10.0% holding

INTRODUCTION

The past year has highlighted the strength and quality of GPI's investment portfolio. The South African economy has been under significant pressure and looks to remain so for the foreseeable future. GPI's core investments in SunWest International (Pty) Ltd ("SunWest"), GPI Slots (Pty) Ltd ("GPI Slots"), Spur Corporation Limited ("Spur") and Burger King South Africa (Pty) Ltd ("Burger King") all showed their resilience this year amidst the ailing economy and delivered solid results.

In particular, the investment into establishing Burger King in South Africa reached a milestone of maturity in that, at a store operating level, the business is now profitable and the head office costs are settling at a sustainable level.

On 3 July 2015, the proposed transaction with Sun International Limited ("Sun International") and Tsogo Sun Limited regarding the restructure of the shareholding in SunWest and Worcester Casino (Pty) Ltd ("Golden Valley") was terminated. The key consideration for calling off the transaction was that the regulatory approvals required to implement the transaction would not be received by the long stop implementation date of 31 August 2015. The parties concluded that it was not possible to simply extend the date as the commercial metrics agreed to under the original proposed transaction had changed.

GPI had a very successful and busy year in its investment activities, which saw a number of acquisitions and disposals changing the look and feel of its investment portfolio. The investment activities were primarily focused on GPI's core industries of gaming and food, with the disposal of 25.1% of GPI Slots, the disposal of 24.9% of Dolcoast Investments Limited ("Dolcoast") and the disposal of 5.7% of National Manco in its gaming portfolio and the acquisition of the remaining 77.8% of Mac Brothers Catering Equipment (Pty) Ltd ("Mac Brothers") and the acquisition of 10.0% of Spur in its food portfolio. GPI also acquired 51.0% of Grand Tellumat Manufacturing (Pty) Ltd ("GTM"), which it has placed in its diversified investments portfolio.

A further R231.8 million was invested into the expansion of Burger King, taking the total investment in Burger King to R411.8 million at 30 June 2015. During the year Burger King opened 26 new stores taking the total number of stores to 44 at 30 June 2015.

The table below is a summary of the Group's salient features.

Year ended	Note	Reviewed 30 June 2015	Restated 30 June 2014
Headline earnings (R'000s)		49 387	14 774
- Headline earnings per share (cents)		10.53	3.17
- Diluted headline earnings per share (cents)		10.40	3.15
Basic earnings - net profit for the year (R'000s)	5	669 092	70 930
- Basic earnings per share (cents)		142.72	15.20
- Diluted basic earnings per share (cents)		140.87	15.13
Dividends (R'000s)		108 041	68 964
- ordinary dividend per share (cents)		20.00	15.00

DIVIDENDS

A 20.0 cents ordinary dividend per share was declared in respect of the profits relating to the 2014 financial year on 5 January 2015. The Group's strategy is to remain a dividend active company and to annually pay a dividend. Given the timing around recent corporate activity, the company will announce the date of declaration of the dividend relating to the 2015 profits when certainty around future cash flows from these corporate actions are obtained.

HEADLINE EARNINGS

The comparative period results have been restated as if the investments in SunWest and Golden Valley were never disclosed as held-for-sale, as required by IFRS, as they no longer met the definition of held-for-sale. Details on the prior period restatement have been disclosed in Note 2.

The Group's headline earnings for the year increased by R34.6 million to R49.4 million. The table below details the contribution made by each of the investments to the Group's headline earnings:

	Reviewed 30 June 2015 R'000s	Restated 30 June 2014 R'000s	Movement R'000s	Movement %
Gaming				
SunWest	116 674	104 789	11 885	11.3
GPI Slots	9 671	-	9 671	-
Grand Sport	(8 064)	(422)	(7 642)	1 810.9
Food				
Burger King	(55 068)	(39 860)	(15 208)	38.2
Mac Brothers	(2 038)	-	(2 038)	-
Spur	(5 886)	-	(5 886)	-
Excellent Meat Burger Plant	(767)	(448)	(319)	71.2
Diversified Investments				
GTM	(3 746)	-	(3 746)	-
Group Costs				
GPI Properties	(18 617)	(6 932)	(11 685)	168.6
Grand Technology	(7 343)	(4 103)	(3 240)	79.0
Corporate Costs	(72 464)	(43 710)	(28 754)	65.8
Headline earnings from continuing operations	(47 648)	9 314	(56 962)	(611.6)
Gaming				
Dolcoast	5 030	10 792	(5 762)	(53.4)
National Manco	-	557	(557)	-
GPI Slots	92 005	(5 889)	97 894	(1 662.3)
Headline earnings from discontinued operations	97 035	5 460	91 575	1 677.2
Headline earnings	49 387	14 774	34 613	234.3

REVIEW OF INVESTMENTS' OPERATIONS

Gaming

SunWest

SunWest remains the largest contributor to the Group headline earnings, with R116.7 million for the year. This represents an increase of 11.3% on last year. SunWest has performed exceptionally well in a tough economic environment and exceeded the Group's expectations this year by increasing its profit after tax to R515.3 million.

GrandWest Casino's profit for the year of R533.9 million, which has increased by 9.1% since last year, is responsible for the majority of SunWest's net profit after tax. The Table Bay Hotel reported a loss after tax for the year of R18.6 million, which is 26.8% lower than the previous year's loss of R25.4 million.

SunWest continued to provide the Group with a solid return on investment and increased its dividend paid to shareholders by 15.6% to R520.0 million. The Group's share of the dividend for the year was R130.5 million (25.1%).

GPI Slots
GPI Slots' contribution to the Group headline earnings for the year is R101.7 million, which is split between R92.0 million recognised in the profit or loss from discontinued operations and R9.7 million recognised in the profit or loss from continuing operations.

The amount recognised under discontinued operations comprises of R71.0 million, which represents 100% of GPI Slots' earnings for the six months to 30 December 2014, being the period that GPI controlled the investment, and a R21.0 million reversal of the deferred tax liability.

The contribution to earnings from continuing operations of R9.7 million represents 30.0% of GPI Slots' earnings for the six-month period between 31 December 2014 and 30 June 2015, where the investment was held as a jointly controlled entity. The 30.0% holding is the portion of the investment that the Group has not committed to dispose.

GPI Slots grew its total revenue by 33.2% to R798.0 million and its profit after tax by 50.0% to R77.0 million, which was driven by organic growth in its existing business as well as the acquisition of 100% of Grand Gaming KZN Slots (Pty) Ltd ("KZN Slots") on 8 August 2014 for R78.5 million. KZN Slots is licensed to operate up to 1 000 limited payout machines ("LPMs") in KwaZulu-Natal and had 623 active LPMs on the date of acquisition.

GPI Slots had 3 396 active LPMs at 30 June 2015 (2014: 2 637 LPMs), which has resulted in an increase of Gross Gaming Revenue market share to 48.72% (2014: 32.85%) thereby strengthening its position as the market leader, which the Group is very proud of.

During the year, GPI Slots repaid R37.5 million of its shareholder loan from its surplus cash generated during the year.

Golden Valley
Tough trading conditions persisted in the Worcester region where Golden Valley is situated, and as a result the company recognised a R2.9 million loss for the year. The Group impaired the carrying value of its investment in Golden Valley in previous financial years and does not recognise losses made by the investment, therefore Golden Valley did not make a contribution to the Group's headline earnings for the year.

While Golden Valley continued not to make a contribution to the Group headline earnings, the investment holds strategic value for the Group, particularly in light of the discussions around relocating a second Western Cape casino licence to the Cape Metropole.

Grand Sport
Grand Sport (Pty) Ltd ("Grand Sport") contributed a loss of R8.1 million to the Group headline earnings for the year, which is higher than the R0.4 million loss contributed last year. This year was Grand Sport's first full year of trading and the loss is in line with the Group's expectations of a greenfield investment.

The business is poised for growth and several initiatives have been planned for the forthcoming year to grow the Grandplay.co.za brand.

Food

Burger King
Burger King contributed a loss of R55.1 million to the Group headline earnings, which is 38.2% higher than the R39.9 million loss contributed last year. The past two years have been the initial start-up and expansion phase for Burger King and the losses that have been contributed are in line with management expectations.

Burger King opened a further 26 stores during the year, taking its total number of stores at 30 June 2015 to 44 (2014: 18 stores). In addition, Burger King achieved significant operational milestones during the year by localising 92% of its food inputs, which has significantly de-risked the business from currency fluctuations, stock losses and increased the food margin. The store operating costs were brought in line with targets that allowed Burger King to report a store operating profit of R3.7 million between 1 April 2015 and 30 June 2015.

Excellent Meat Burger Plant
Excellent Meat Burger Plant (Pty) Ltd ("Excellent Meat Burger Plant") contributed a loss of R0.8 million to the Group headline earnings. Excellent Meat Burger Plant is a burger patty production plant that was established to cater for all of Burger King's burger patty requirements. The growth of the business will be linked to that of Burger King and several opportunities are being explored to sell products to other Burger King franchisees internationally.

Mac Brothers
Mac Brothers contributed a loss of R2.0 million to the Group headline earnings and did not contribute to last year's headline earnings as the initial investment was made at the end of the last financial year.

30.2% of Mac Brother's revenue relates to the sale of equipment to Burger King, the margin on which has been eliminated against Burger King's cost of fixed assets in the Group results causing Mac Brothers to report a loss at Group level.

Mac Brothers was negatively affected by persistent load-shedding at its production facilities, resulting in higher operating costs after they installed a generator. The business will be less reliant on the sales to Burger King in the future and this will have a positive impact on the Group results.

Spur
The Group's investment in Spur contributed a loss of R5.9 million to the Group headline earnings. The loss represents the amount that the interest expense on the investment's funding structure exceeded the dividends received from Spur during the year. The Group received R6.7 million from Spur during the year, which is an interim

dividend. Going forward where both the final and interim dividends are received, the interest expense and dividends received will be aligned.

Diversified investments

Grand Tellumat Manufacturing
GTM is a new investment for the Group and contributed a R3.7 million loss to Group headline earnings.

GTM reported a loss of R7.4 million for the 10 months it traded during the financial year, which was predominantly incurred during the first eight months of operations. Through the interventions of the Group, management turned their focus to attracting new customers, they had some success during the year and the company reported a profit of R2.0 million during the last quarter of the financial year.

Group costs

GPI Properties
GPI Properties (Pty) Ltd ("GPI Properties") contributed a loss of R18.6 million to the Group headline earnings for the year, which has increased from the loss of R6.9 million contributed to last year's earnings. The majority of the properties owned by GPI Properties are leased to Group companies and as a result the rental income earned from these companies have been eliminated from the Group headline earnings. Therefore, the loss contributed represents the Group's property costs net of any revenue generated from third party tenants.

Grand Technology
The Group treats Grand Technology (Pty) Ltd ("Grand Technology") as a shared cost centre with effectively all of its revenue earned from Group companies. The Group revenue is eliminated from the Group headline earnings and therefore Grand Technology contributed a loss of R7.3 million for the year, which represents the Group's annual IT costs.

Central Costs
The Group's central costs represent the head office costs and costs associated with the investment activities of the Group, such as transaction costs. The Group headline earnings have been reduced by the central costs for the year of R72.5 million, which are 65.8% higher than last year's costs of R43.7 million. The central costs are higher this year as a result of once-off transaction fees incurred on the various acquisitions and disposals that took place during the year.

INVESTMENT ACTIVITIES

A summary of the significant investment activities that took place during the year is set out below.

Gaming

GPI Slots
During the year, the Group concluded the first tranche of a staged disposal of GPI Slots. 25.1% was sold in this tranche which reduced the Group's holding in GPI Slots to 74.9%. In terms of the sale agreement, there are two

remaining tranches which are to be concluded and will have the effect of reducing GPI's ultimate holding in the investment to 30.0%.

A total of R215.9 million was received by the Group through the sale and a gain on the sale of R611.4 million has been recognised in this year's profit from discontinued operations. Details of the disposal have been disclosed in Note 3.

SunWest and Golden Valley Casino
Subsequent to year-end, the transaction to dispose of the Group's full investments in SunWest and Golden Valley was cancelled by all the respective parties to the transaction. The cancellation confirmed that both these investments no longer met the criteria to be recognised as held-for-sale and therefore both investments form part of the Group's continuing operations.

Dolcoast
During the year, the Group concluded the disposal of its entire 24.9% investment in Dolcoast, via a share buy-back, for R130.0 million and details of the disposal have been disclosed in Note 3.

National Manco
The Group concluded the disposal of its entire 5.67% investment in National Manco during the year, for R1.4 million and details of the disposal have been disclosed in Note 3.

Food
Mac Brothers
During the year, the Group increased its holding in Mac Brothers from 22.2% to 100.0% via two acquisitions. The first acquisition of 42.8% on 28 July 2014 gave the Group control of the investment. The second acquisition of the remaining 35.0% was concluded on 13 January 2015 and the combined consideration for the two acquisitions was R66.6 million, of which R53.0 million was settled in cash and R13.6 million settled by way of a new issue of 1.85 million GPI shares at a price of R7.35 per share.

Spur
On 30 October 2014, the Group acquired 10.0% of Spur for R294.7 million. A 10% discount on the market price on acquisition was received in exchange for a five-year lock-in period, during which time the Group is required to maintain its current empowerment credentials. R72.4 million of the acquisition was paid in cash, with the remaining R222.3 million financed by R72.3 million of vendor funding provided by Spur and R150.0 million of third-party debt.

Diversified investments

GTM
On 1 September 2014, the Group entered into a joint venture agreement with Tellumat (Pty) Ltd ("Tellumat") whereby the electronics manufacturing unit of Tellumat was transferred into GTM. The Group subscribed for 51.0% of the stated capital of GTM for R21.8 million. In terms of the shareholders' agreement between GPI and Tellumat, it has been agreed that GTM be managed jointly and as a result GPI has recognised the company as a jointly controlled entity in its results from the effective date of the transaction being 1 September 2014.

Group costs

Property acquisitions

The Group acquired four new properties during the financial year. Two industrial properties were acquired at a combined cost of R48.9 million. Both properties have been leased by Mac Brothers, with one property being situated in Cape Town and the other in Gauteng.

The third property acquired is a commercial property in Sandton, Gauteng, which was acquired for R12.0 million and will be redeveloped into a Burger King drive-through store and leased to Burger King. The fourth property acquired during the year is an office building in the Cape Town central business district, which was acquired for R40.0 million. Various redevelopment options for the building are being assessed.

Funding

The Group's overall external debt funding increased by R565.7 million, which includes the following significant facilities that were raised during the year.

Funding type	Amount R'm	Utilisation
Preference shares	222.3	Acquisition of 10% of Spur
Term loans	50.0	Acquisition of various properties
Short-term facilities	277.0	Burger King expansion and part payment of other acquisitions made during the year

These facilities contributed to an increase in the finance costs of R39.0 million when compared to last year. The gearing ratio at 30 June 2015 increased to 34.5%, which is at the upper end of the target debt to equity range and there is a focus on reducing the gearing ratio to historic levels.

The short-term facilities were raised as bridge funding and are in the process of being restructured to match the term of the funding to the expected returns from the underlying investments.

Related party transactions

8.5% of the 42.8% acquired in Mac Brothers on 28 July 2014 and 10.0% of the 35.0% acquired on 13 January 2015 were acquired from Nadesons Investments (Pty) Ltd for a combined amount of R15.3 million. Hassen Adams and Alan Keet are both executive directors of GPI and are affiliates of Nadesons Investments.

In addition to this transaction, the Group, in the ordinary course of business, entered into various transactions with related parties. Any intra-group related party transactions and outstanding balances are eliminated in the preparation of the consolidated financial statements of the Group as presented.

Directorate

On 1 November 2014, Sukena Petersen resigned as the group financial director. Sukena had been with the Group since its listing on the JSE and the Board would like to thank her for her dedication to the Group. Sukena was replaced by Dylan Pienaar who fulfilled the role as interim financial director until 26 February 2015, when he was permanently appointed to the position.

Tony Bedford retired as non-executive director from the GPI Board on 1 February 2015 and the Board would like to express their gratitude to Tony for his contribution to the Group.

Alex Abercrombie retired as an executive director of GPI on 27 February 2015. Alex is a founding member of the Group and has served as a director since its inception. Alex has agreed to remain on the GPI board as a non-executive director, where his considerable experience continues to add value to the Group.

Subsequent events

On 3 July 2015, the Group entered into a termination agreement with Sun International Limited and Tsogo Sun Limited to cancel the transaction to dispose of its 25.1% investment in SunWest and its 25.1% investment in Golden Valley Casino. The cancellation agreement confirmed that both these investments no longer met the criteria to be recognised as held-for-sale investments. The financial results have been restated as if the investments were never classified as held-for-sale investments, as required by IFRS.

On 3 August 2015, the Group acquired a minority holding of 4.95% in Atlas Gaming Holdings for R5.6 million. Atlas is an Australian-based gaming company that develops gambling machines. The terms of the agreement allow for the future acquisition of up to 25.0% of the equity of Atlas.

Prospects

The performance of its underlying investments over the past year has provided GPI with the platform to continue to grow despite the challenges facing the economy. GPI will focus, in the short term, on its core investments in gaming and food, which present a number of exciting opportunities for GPI to accelerate its growth.

GPI will conclude the sale of the second tranche of GPI Slots and unlock the potential of its sports betting and gaming machine manufacturing investments. The focus will remain on the expansion of Burger King to ensure that it reaches its critical mass during the upcoming year, which will allow the investment to sustain its expansion without the support of GPI.

GPI will also identify and unlock synergies between its investments in Burger King and Spur, as the potential to create value between these two investments is significant.

GPI’s current portfolio of investments underpins the Group’s strategy, inasmuch as there is diversification across sectors and maturity of investments. This diversification allows for both growth and the cash flows to continue to pay annual dividends on a sustainable basis.

The attractiveness of GPI as an investor will always lead to many opportunities, but management will only consider industries outside of its current portfolio of investments if the opportunity can satisfy all of the Group's investment criteria.

Condensed consolidated statement of comprehensive income for the year ended 30 June 2015

	Note	Reviewed 2015 R'000s	Restated 2014 R'000s
Continuing operations			
Revenue		502 012	134 976
Cost of sales		(257 896)	(85 107)
Gross profit		244 116	49 869
Operating costs		(386 460)	(165 385)
Loss from operations		(142 344)	(115 516)
Profit from equity-accounted investments		134 894	115 984
Remeasurement of investment		405	32 838
Negative goodwill		-	23 637
Depreciation		(23 638)	(7 774)
Amortisation		(2 039)	(981)
(Loss)/profit from continuing operations before finance costs and taxation		(32 722)	48 188
Finance income		21 236	8 621
Finance costs		(57 092)	(18 026)
(Loss)/profit before taxation from continuing operations		(68 578)	38 783
Taxation		13 332	18 846
(Loss)/profit for the year from continuing operations		(55 246)	57 629
Discontinued operations			
Profit after tax for the year from discontinued operations	3	716 984	5 460
Profit for the year		661 738	63 089
Other comprehensive income			
Items that will be reclassified subsequently to profit			
Unrealised fair value adjustments on available-for-sale investments, net of tax		45 064	(5 189)
Reclassification of realised gain net of tax		(1 056)	-
Total comprehensive income for the year		705 746	57 900
(Loss)/profit for the year from continuing operations attributable to:			
- Ordinary shareholders		(47 892)	65 470
- Non-controlling interest		(7 354)	(7 841)
Profit for the year from discontinued operations attributable to:			
- Ordinary shareholders		716 984	5 460
- Non-controlling interest		-	-
		661 738	63 089

Total comprehensive income attributable to:			
- Ordinary shareholders		713 100	65 741
- Non-controlling interest		(7 354)	(7 841)
		705 746	57 900
		Cents	Cents
Basic earnings per share	5	142.72	15.20
- Diluted earnings per share	5	140.87	15.13
Headline earnings per share	5	10.53	3.17
- Diluted headline earnings per share	5	10.40	3.15
Ordinary dividend per share paid during the year	5	20.00	15.00

Condensed consolidated statement of financial position as at 30 June 2015

	Note	Reviewed 2015 R'000s	Restated 2014 R'000s
ASSETS			
Non-current assets		2 315 008	1 358 616
Investments in jointly controlled entities		1 342 715	1 056 924
Investments in associates		-	22 246
Available-for-sale investment	6	350 064	-
Goodwill		38 975	377
Investment properties		84 010	-
Property, plant and equipment		431 578	246 673
Intangible assets		13 959	6 043
Deferred tax assets		53 707	26 353
Assets classified as held-for-sale	3	386 139	598 411
Current assets		621 956	218 203
Inventories		76 452	9 450
Trade and other receivables		65 429	36 638
Related party loans		224 555	23 705
Cash and cash equivalents		242 309	145 482
Income tax receivable		13 211	2 928
Total assets		3 323 103	2 175 230
EQUITY AND LIABILITIES			
Capital and reserves			

Total equity		2 333 584	1 682 715
Stated capital		859 517	830 230
Treasury shares		(76 222)	(72 709)
Accumulated profit		1 494 635	920 217
Available-for-sale reserve at fair value		45 064	1 056
IFRS 2 share-based payment reserve		10 289	3 620
Capital redemption reserve fund		301	301
Non-controlling interest		(17 575)	(9 407)
Total shareholders' equity		2 316 009	1 673 308
Non-current liabilities		469 056	212 683
Preference shares		332 424	132 691
Interest-bearing borrowings		102 136	60 000
Finance lease liabilities		17 895	945
Deferred tax liabilities		16 041	18 557
Provisions		560	490
Liabilities classified as held-for-sale	3	31 379	170 124
Current liabilities		506 659	119 115
Trade and other payables		112 680	69 079
Provisions		11 341	9 791
Preference shares		27 787	-
Interest-bearing borrowings		309 433	32 195
Finance lease liabilities		2 077	207
Related party loans		30 000	-
Dividends payable		8 276	7 693
Income tax payable		5 065	150
Total equity and liabilities		3 323 103	2 175 230

Condensed consolidated statement of cash flows for the year ended 30 June 2015

	Note	Reviewed 2015 R'000s	Restated 2014 R'000s
Cash flows from operating activities			
Net cash utilised in operations		(176 663)	(98 937)
Income tax paid		(21 780)	(1 950)
Finance income		21 236	8 621
Net cash from operating activities of discontinued operations	3	22 528	106 711

Net cash (outflow)/inflow from operating activities		(154 679)	14 445
Cash flows from investing activities			
Acquisition of plant and equipment		(162 683)	(76 207)
Acquisition of land and buildings		(13 417)	(42 172)
Acquisition of investment properties		(40 160)	-
Acquisition of intangibles		(9 955)	(4 286)
Proceeds from disposal of property, plant and equipment		714	24
Cash (paid)/acquired through business combination		(50 579)	(15 075)
Investments made		(316 436)	(22 326)
Consideration from the disposal of investment		155 055	229
Loans advanced		(23 100)	(10 232)
Loan repayment received		112 123	1 112
Dividends received		142 174	117 863
Net cash from investing activities of discontinued operations	3	28 898	(78 860)
Net cash outflow from investing activities		(177 366)	(129 930)
Cash flows from financing activities			
Dividends paid		(107 459)	(68 564)
Shares bought back		(3 650)	(10 770)
Loans received		584 520	26 188
Repayment of loans		(10 088)	(7 473)
Share issue costs		(79)	(134)
Acquisition of non-controlling interest		(10 180)	-
Finance costs		(57 092)	(17 702)
Net cash from financing activities of discontinued operations	3	1 213	(32 109)
Net cash inflow/(outflow) from financing activities		397 185	(110 564)
Net increase/(decrease) in cash and cash equivalents		65 140	(226 049)
Cash and cash equivalents at the beginning of the year		177 169	403 218
Total cash and cash equivalents at the end of the year		242 309	177 169
Total cash and cash equivalents from discontinued operations	3	-	31 687
Total cash and cash equivalents from continuing operations		242 309	145 482

Condensed consolidated statement of changes in equity for the year ended 30 June 2015

	Stated capital R'000s	Treasury shares R'000s	Accumu-lated profits R'000s

AUDITED

Balance at 30 June 2013	730 364	(2 070)	914 258
Total comprehensive income/(loss) for the year	-	-	70 930
- Profit/(loss) for the year from continuing operations	-	-	65 470
- Profit for the year from discontinued operations	-	-	5 460
- Other comprehensive loss	-	-	-
Dividends declared	-	-	(68 964)
Dividends prescribed and written back	-	-	4 384
Treasury shares acquired	-	(10 770)	-
Shares issued	100 000	(60 000)	-
Share-based payment reserve	-	-	-
Acquisition of subsidiary	-	-	(391)
Treasury shares allocated to employees	-	131	-
Share issue expenses	(134)	-	-
Balance at 30 June 2014	830 230	(72 709)	920 217

REVIEWED

Total comprehensive income/(loss) for the year	-	-	669 092
- Loss for the year from continuing operations	-	-	(47 892)
- Profit for the year from discontinued operations	-	-	716 984
- Other comprehensive income	-	-	-
Dividends declared	-	-	(108 041)
Treasury shares acquired	-	(3 650)	-
Shares issued	29 366	-	-
Share-based payment expense	-	-	-
IFRS 2 charge relating to equity-accounted investments	-	-	-
Acquisition of subsidiary	-	-	-
Acquisition of non-controlling interest	-	-	13 367
Treasury shares allocated to employees	-	137	-
Share issue expenses	(79)	-	-
Balance at 30 June 2015	859 517	(76 222)	1 494 635

	Available-for-sale reserve at fair value R'000s	Share-based payment reserve R'000s	Capital redemption reserve fund R'000s	Non-controlling interest R'000s	Total equity R'000s
Balance at 30 June 2013	6 245	-	301	(1 957)	1 647 141
Total comprehensive income/(loss)					

for the year	(5 189)	-	-	(7 841)	57 900
- Profit/(loss) for the year from continuing operations	-	-	-	(7 841)	57 629
- Profit for the year from discontinued operations	-	-	-	-	5 460
- Other comprehensive loss	(5 189)	-	-	-	(5 189)
Dividends declared	-	-	-	-	(68 964)
Dividends prescribed and written back	-	-	-	-	4 384
Treasury shares acquired	-	-	-	-	(10 770)
Shares issued	-	-	-	-	40 000
Share-based payment reserve	-	3 620	-	-	3 620
Acquisition of subsidiary	-	-	-	391	-
Treasury shares allocated to employees	-	-	-	-	131
Share issue expenses	-	-	-	-	(134)
Balance at 30 June 2014	1 056	3 620	301	(9 407)	1 673 308
REVIEWED					
Total comprehensive income/(loss) for the year	44 008	-	-	(7 354)	705 746
- Loss for the year from continuing operations	-	-	-	(7 354)	(55 246)
- Profit for the year from discontinued operations	-	-	-	-	716 984
- Other comprehensive income	44 008	-	-	-	44 008
Dividends declared	-	-	-	-	(108 041)
Treasury shares acquired	-	-	-	-	(3 650)
Shares issued	-	-	-	-	29 366
Share-based payment expense	-	6 001	-	-	6 001
IFRS 2 charge relating to equity-accounted investments	-	668	-	-	668
Acquisition of subsidiary	-	-	-	36 309	36 309
Acquisition of non-controlling interest	-	-	-	(37 123)	(23 756)
Treasury shares allocated to employees	-	-	-	-	137
Share issue expenses	-	-	-	-	(79)
Balance at 30 June 2015	45 064	10 289	301	(17 575)	2 316 009

Explanatory notes to the preliminary group results for the year ended 30 June 2015

1. ACCOUNTING POLICIES

The condensed consolidated financial statements are prepared in accordance with the requirements of the JSE Limited (JSE) listing requirements for preliminary reports and the requirements of the Companies Act of South Africa. The listing requirements requires preliminary reports to be prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards (IFRS); the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee; Financial Pronouncements as issued by the Financial Reporting Standards Council; and to also, as a minimum, contain the information required by IAS 34: Interim Financial Reporting.

The accounting policies applied in the preparation of the condensed consolidated financial statements are in terms of IFRS and are consistent with those accounting policies applied in the preparation of the previous consolidated annual financial statements.

The financial statements have been prepared under the supervision of the Financial Director, Dylan Pienaar CA(SA).

During the year under review various new and revised accounting standards became effective, but their implementation had no impact on the results of either the current or prior year.

AUDIT OPINION

The condensed consolidated financial statements for the year ended 30 June 2015 have been reviewed by Ernst & Young Inc., who expressed an unmodified review conclusion. A copy of the auditor's review report is available for inspection at the company's registered office.

Where the preliminary Group results refer to the interim results for the six months ended 31 December 2014 these interim results have not been reviewed nor audited.

The directors of GPI take full responsibility for the contents of the preliminary group results.

The auditor's report does not necessarily report on all information contained in this preliminary group results. Shareholders are therefore advised that in order to obtain a full understanding of the nature of the auditor's engagement, they should obtain a copy of the auditor's report together with the accompanying financial information from the company's registered office.

2. COMPARATIVE PERIODS

2.1 Prior period restatement

In the 2014 consolidated annual financial statements, the Group's investments in SunWest and Golden Valley Casino were considered to be held-for-sale as an agreement had been concluded to dispose of these investments, subject to certain conditions being met. At the time it was considered highly probable that the sale would be concluded. However, during the current year, with the delays in concluding the sale, the conclusion of the transaction was no longer considered highly probable and the held-for-sale definition was no longer met for these investments. Consequently, the financials have been restated as if the investments had never been classified as held-for-sale, as required by IFRS. The impact of the restatement on the financial position and financial performance of the Group is as follows:

	30 June 2014		
	Previously stated R'000s	Adjustments R'000s	Restated R'000s
Statement of comprehensive income			
(Loss)/profit from equity accounted investments	(528)	116 512 (i)	115 984
Profit after tax from discontinued operations	121 972	(116 512)(i)	5 460
Basic earnings per share	15.20	-	15.20
Diluted earnings per share	15.13	-	15.13
Headline earnings per share	3.17	-	3.17
Diluted headline earnings per share	3.15	-	3.15
Statement of financial position			
Investments in jointly controlled entities	-	1 056 924 (ii)	1 056 924
Assets classified as held-for-sale	1 655 335	(1 056 924)(ii)	598 411

Notes

i Equity-accounted earnings from Sunwest for the 12 months ended 30 June 2014 previously recognised under discontinued operations and now restated to be recognised as profit from equity-accounted investments in profit or loss from continuing operations.

ii The carrying value of Sunwest at 30 June 2014, previously recognised as an asset classified as held-for-sale, now restated to be recognised as an investment in joint venture under non-current assets.

2.2 Prior period error - Interim results
During the current year's financial close process, management identified the following errors in the interim results for the six months ended 31 December 2014.

i) The disposal of 25.1% of GPI Slots was accounted for as being sold on 1 July 2014, being the effective date of the sale, as per the sale agreement, subject to certain conditions being met. However, these conditions were only met on 30 December 2014, being the effective date of the sale in terms of IFRS. Therefore the interim results for the six-month period ended 31 December 2014 have been restated to correct the effective date of the sale by removing the 30% of GPI Slots' earnings that had previously been recognised in profit or loss from continuing operations and to recognise GPI Slots' full earnings before depreciation and amortisation for the period 1 July 2014 to 30 December 2014, in profit or loss from discontinued operations.

ii) In the interim results for the six months ended 31 December 2014, the fair value of the Group's investment in Spur was measured using the market price per Spur share as quoted on the JSE. However, the investment is subject to trading restrictions linked to the Group's empowerment credentials and a five-year lock-in period, and IFRS requires that these trading restrictions be considered when calculating the fair value of the investment. Therefore, the interim results for 31 December 2014 have been restated to apply a 12.0%

tradability discount to the market price per Spur share in determining the fair value of the investment at 31 December 2014 (Note 6).

(iii) When determining the basic earnings per share and the headline earnings per share in the interim results for the six months ended 31 December 2014, the Group's treasury shares were not deducted from the weighted average number of shares in issue ("WANOS"). The interim results for the six months ended 31 December 2014 have been restated to take into account the effect of deducting the Group's treasury shares from the WANOS.

The impact of the restatement on the financial position and financial performance of the Group is as follows:

	31 December 2014			
	Previously stated R'000s	Adjustments R'000s		Restated R'000s
Statement of comprehensive income				
Profit from equity-accounted investments	9 804	(13 828)	(i)	(4 024)
Loss from continuing operations	(99 550)	(13 828)	(i)	(113 378)
Dividends received	70 290	-		70 290
Tax on sale of 25.1% of GPI Slots	(36 255)	-		(36 255)
Gain on derecognition of GPI Slots as a subsidiary	684 338	(72 917)	(ii)	611 421
Equity earnings - GPI Slots	-	72 917	(ii)	72 917
Profit for the year from discontinued operations	718 373	-		718 373
Profit for the period	618 823	(13 828)		604 995
Unrealised fair value gain/(loss) on available-for-sale investments - net of tax	36 489	(33 129)	(iii)	3 360
Total comprehensive income for the period	655 312	(46 957)		608 355
	Cents	Cents		Cents
Basic earnings per share (vi)	127.66	2.03		129.69
- Continuing operations	(20.21)	(3.75)		(23.96)
- Discontinued operations	147.87	5.78		153.65
Diluted earnings per share (vi)	127.03	1.03		128.06
- Continuing operations	(20.11)	(3.55)		(23.66)
- Discontinued operations	147.14	4.58		151.72
Headline earnings per share (vi)	(5.74)	8.91		3.17
Diluted headline earnings per share (vi)	(5.71)	8.84		3.13
	R'000s	R'000s		R'000s
Statement of financial position				
Investment in joint ventures	289 661	(13 828)	(i)	275 833
Available-for-sale investment	339 437	(40 732)	(iii)	298 705
Available-for-sale investments' fair value reserve	(36 421)	33 129	(iv)	(3 292)

Deferred tax liabilities	(46 679)	7 603 (v)	(39 076)

Notes

i 30% of GPI Slots' profit for the period, previously recognised as profit from equity-accounted investments in profit or losses from continuing operations, and now removed.

ii 100% of GPI Slots' profit for the period, before depreciation and amortisation, previously not recognised, now restated to be recognised as profit from discontinued operations in the profit or loss from discontinued operations.

iii 12% tradability discount related to the fair value of GPI's investment in Spur, which was previously not recognised, now restated to reduce the fair value of the investment.

iv Relates to the fair value adjustment net of tax referred to in Note iii above.

v Deferred tax effect of the fair value adjustment referred to in Note iii above.

vi Earnings per share have been calculated using the weighted average number of shares in issue less treasury shares.

3. DISCONTINUED OPERATIONS AND ASSETS HELD FOR SALE

GPI Slots

On 30 December 2014, the first of three tranches to dispose of up to 70.0% of GPI Slots was concluded. In this tranche the Group sold a 25.1% holding to Sun International for R215.9 million. The disposal reduced the Group's holding to 74.9% and in terms of the GPI Slots shareholders agreement, which came into effect on 30 December 2014, the investment is controlled jointly by its shareholders. Therefore the investment in GPI Slots was deconsolidated on 30 December 2014 and classified as a jointly controlled entity. The deconsolidation resulted in GPI losing control of net assets of R538.5 million for proceeds of cash (R215.9 million). The fair value of the newly recognised jointly controlled entity (R644.2 million) and recognised loan receivables (R289.8 million) resulted in a gain on deconsolidation of R611.4 million.

44.9% of the 74.9% investment in GPI Slots represents the holding that the Group has committed to dispose in the second and third tranches and has continued to be recognised as a jointly controlled investment held for sale subsequent to the first tranche disposal and the Group's loss of control of the investment.

30.0% of the 74.9% investment in GPI Slots represents the holding that the Group has not committed to dispose and has been recognised as a jointly controlled entity under non-current assets.

Dolcoast

On 30 January 2015, the Group concluded the disposal of its entire 24.9% investment in Dolcoast via a share buy-back for R130.0 million. The investment was disclosed as a held-for-sale asset in the prior year and up to the date of its disposal in the current year. The investment's carrying value on the date of the disposal was R121.3 million and, as a result, a R8.7 million profit has been recognised in profit or loss from discontinued operations. The deferred tax liability of R15.0 million recognised in the prior year has been reversed, through profit or loss from discontinued operations, due to a change in tax consequences of the disposal.

National Manco

On 2 December 2014, the Group concluded the disposal of its entire 5.67% investment in National Manco for

R1.4 million. The investment was classified as a held-for-sale asset in the prior year and in the current year up to the date of its disposal. The carrying value of the investment was R1.4 million on the date of sale and therefore no profit on the sale was recognised. However, R1.4 million of previously unrecognised fair value gains was released into the profit or loss from discontinued operation as a result of the sale.

SunWest and Golden Valley
On 3 July 2015, the Group concluded a termination agreement with Sun International and Tsogo Sun Limited, which cancelled the transaction to dispose of its 25.1% holding in SunWest and its 25.1% holding in Golden Valley. The cancellation of the disposal confirmed that both the investments did not meet the held-for-sale criteria at year-end. Therefore, both the investments have been recognised in the jointly controlled entities line under non-current assets and the financials have been restated as if the investments had never been classified as held-for-sale, as required by IFRS.

	GPI Slots		Dolcoast		National Manco		Total	
							Reviewed	Restated
	2015	2014	2015	2014	2015	2014	2015	2014
	R'000s	R'000s	R'000s	R'000s	R'000s	R'000s	R'000s	R'000s
Revenue	393 276	599 616	5 030	-	-	-	398 306	599 616
Cost of sales	(235 415)	(351 286)		-	-	-	(235 415)	(351 286)
Gross profit	157 861	248 330	5 030	-	-	-	162 891	248 330
Operating costs	(67 070)	(105 331)		-	-	-	(67 070)	(105 331)
Profit from operations	90 791	142 999	5 030	-	-	-	95 821	142 999
Profit from equity-accounted investments	-	-	-	10 792	-	-	-	10 792
Profit on disposal of investment	5 364	-	8 717	-	1 381	-	15 462	-
Gain on loss of control of GPI Slots	611 421	-	-	-	-	-	611 421	-
Depreciation	-	(36 262)	-	-	-	-	-	(36 262)
Amortisation	-	(1 880)	-	-	-	-	-	(1 880)
Profit before finance costs and taxation	707 576	104 857	13 747	10 792	1 381	-	722 704	115 649
Finance income	2 898	1 499	-	-	-	-	2 898	1 499
Finance costs	(1 755)	(4 115)	-	-	-	-	(1 755)	(4 115)
Profit before taxation	708 719	102 241	13 747	10 792	1 381	-	723 847	113 033
Taxation	(21 876)	(107 573)	15 013	-	-	-	(6 863)	(107 573)
Profit/(loss) for the year from discontinued								

operations	686 843	(5 332)	28 760	10 792	1 381	-	716 984	5 460

Earnings per share	2015 Cents	Restated 2014 Cents
Basic earnings per share	152.93	1.18
Diluted basic earnings per share	150.95	1.17

	GPI Slots		Dolcoast		National Manco		Total	
							Reviewed	Restated
	2015	2014	2015	2014	2015	2014	2015	2014
	R'000s	R'000s	R'000s	R'000s	R'000s	R'000s	R'000s	R'000s
ASSETS								
Non-current assets								
Investment in jointly controlled entities	386 139	-	-	-	-	-	386 139	-
Investment in associates	-	-	-	121 283	-	-	-	121 283
Investments	-	-	-	-	-	1 300	-	1 300
Goodwill	-	160 902	-	-	-	-	-	160 902
Property, plant and equipment	-	132 130	-	-	-	-	-	132 130
Intangible assets	-	85 006	-	-	-	-	-	85 006
Loan receivable	-	3 110	-	-	-	-	-	3 110
Deferred tax assets	-	4 478	-	-	-	-	-	4 478
Current assets								
Inventories	-	2 529	-	-	-	-	-	2 529
Trade and other receivables	-	52 585	-	-	-	-	-	52 585
Loans receivable	-	1 933	-	-	-	-	-	1 933
Income tax receivable	-	1 468	-	-	-	-	-	1 468
Cash and cash equivalents	-	31 687	-	-	-	-	-	31 687
Assets classified as held-for-sale	386 139	475 828	-	121 283	-	1 300	386 139	598 411
Non-current liabilities								
Finance lease liabilities	-	1 774	-	-	-	-	-	1 774
Deferred tax liabilities	31 379	88 932	-	-	-	-	31 379	88 932
Provisions	-	1 653	-	-	-	-	-	1 653

Current liabilities

Trade and other payables	-	70 578	-	-	-	-	-	70 578
Provisions	-	4 478	-	-	-	-	-	4 478
Finance lease liabilities	-	516	-	-	-	-	-	516
Taxation	-	2 193	-	-	-	-	-	2 193
Liabilities associated with assets held-for-sale	31 379	170 124	-	-	-	-	31 379	170 124
Net assets directly associated with discontinued operations	354 760	305 704	-	121 283	-	1 300	354 760	428 287
Net cash generated by operations	80 813	125 516	-	-	-	-	80 813	125 516
Income tax paid	(61 910)	(20 163)	-	-	-	-	(61 910)	(20 163)
Finance income	3 625	1 358	-	-	-	-	3 625	1 358
Net cash outflow from operating activities	22 528	106 711	-	-	-	-	22 528	106 711
Acquisition of plant and equipment and intangibles	(54 803)	(70 674)	-	-	-	-	(54 803)	(70 674)
Proceeds from disposal of property, plant and equipment	3 070	462	-	-	-	-	3 070	462
Cash acquired through business combination	-	(3 752)	-	-	-	-	-	(3 752)
Investments made	(55 780)(i)	(4 896)	-	-	-	-	(55 780)	(4 896)
Consideration from the disposal of investment	-	-	130 000	-	1 381	-	131 381	-
Dividends received	-	-	5 030	-	-	-	5 030	-
Net cash (outflow)/inflow from investing activities	(107 513)	(78 860)	135 030	-	1 381	-	28 898	(78 860)
Dividends paid	-	-	-	-	-	-	-	-
Increase/(decrease) in loans	1 378	(27 952)	-	-	-	-	1 378	(27 952)
Finance costs	(165)	(4 157)	-	-	-	-	(165)	(4 157)
Net cash inflow/(outflow) from financing activities	1 213	(32 109)	-	-	-	-	1 213	(32 109)

Notes

1 During the year and while it was recognised as a discontinued operation, GPI Slots acquired 100% of KZN Slots

for a purchase consideration of R78.5 million. On the date of the acquisition, KZN Slots' total identifiable net liabilities, at fair value amounted to R1.4 million and the carrying value of its shareholder loan R41.0 million. The R38.7 million difference between the purchase consideration, the shareholder loan and identifiable net liabilities were recognised by GPI Slots as goodwill. R15.8 million of the purchase consideration was settled by way of an issue of new GPI shares and the balance of consideration, of R62.7 million, by way of cash. KZN Slots had a cash balance of R6.9 million on the acquisition date and when netted off against the cash portion of the purchase consideration, amounts to net cash paid through the business combination of R55.8 million.

4. BUSINESS COMBINATION

Mac Brothers

On 28 July 2014, the Group acquired a further 42.8% of Mac Brothers for R42.8 million increasing its holding to 65.0%. The increased holding gave the Group control of the investment which had been previously classified as an investment in associate. As a result, Mac Brothers was consolidated into the Group results with effect from 28 July 2014.

The total consideration paid for the initial 22.2% investment and the subsequent 42.8% investment was R65.1 million. The initial 22.2% investment was increased to its fair value of R23.0 million, resulting in a fair value gain of R0.4 million being recognised in the profit or loss from continuing operations. All the assets purchased and the liabilities assumed in the purchase were identified at their fair values and were recognised separately from goodwill. No intangible assets were recognised during the identification process. Goodwill of R38.6 million was recognised as part of the business combination and represents the expected value-creation within Mac Brothers as a result of the opportunity to trade with Burger King during their expansion.
On 13 January 2015, the Group acquired the remaining 35.0% of Mac Brothers for R23.8 million and increased its holding to 100%, of which R13.6 million was settled by an issue of new GPI shares.

	Fair value recognised on acquisition R'000s
Identifiable assets and liabilities	
Property, plant and equipment	65 509
Inventory	50 796
Trade and other receivables	17 608
Cash and cash equivalents	(7 788)
Deferred tax liability	(6 830)
Finance lease liability	(9 765)
Taxation payable	(902)
Trade and other payables	(45 086)
Total identifiable net assets at fair value	63 542

Calculation of goodwill

Non-controlling interest at fair value	36 309
Existing equity interest at fair value	23 040
Cash paid in respect of acquisition	42 791
Less: Total identifiable net assets at fair value	(63 542)
Goodwill	38 598
Analysis of cash flow on acquisition	
Net cash acquired on acquisition	(7 788)
Cash paid in respect of acquisition	(42 791)
Net cash outflow	(50 579)
Revenue since acquisition	211 267
Profit since acquisition	2 462
Revenue if acquired 1 July 2014	228 622
Profit if acquired 1 July 2014	4 174

5. BASIC AND DILUTED EARNINGS PER SHARE

Basic earnings per share amounts are calculated by dividing net profit/(loss) for the year attributable to the ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

	Reviewed		Restated	
	Gross	Net	Gross	Net
Basic and diluted earnings per share	2015	2015	2014	2014
reconciliation	R'000s	R'000s	R'000s	R'000s
Profit/(loss) for the year	-	661 738	-	63 089
- Continuing operations	-	(55 246)	-	57 629
- Discontinued operations	-	716 984	-	5 460
Non-controlling interest		7 354		7 841
Profit for the year attributable to ordinary shareholders	-	669 092	-	70 930
Headline earnings reconciliation				
Profit for the year attributable to ordinary shareholders	-	669 092	-	70 930
Profit on sale of investment	(15 462)	(30 475)	-	-
Gain on derecognition of subsidiary	(611 421)	(589 474)	-	-
Gain on acquisition of investments	-	-	(23 637)	(23 637)
Loss on disposal of plant and equipment	104	75	190	137
Remeasurement of investment	(405)	(405)	(32 838)	(32 838)
Adjustments by jointly controlled entities	631	574	253	182
- Loss on disposal of plant and equipment	631	574	253	182

Headline earnings	-	49 387	-	14 774
		000s		000s
Weighted average number of shares in issue less treasury shares		468 822		466 738
Effects of dilution from:				
- Share options		6 160		1 981
Diluted weighted average number of shares in issue		474 982		468 719
		Cents		Cents
Basic earnings per share		142.72		15.20
Diluted earnings per share		140.87		15.13
Headline earnings per share		10.53		3.17
Diluted headline earnings per share		10.40		3.15

6. FINANCIAL INSTRUMENTS: FAIR VALUES OF FINANCIAL INSTRUMENTS

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Quoted prices (unadjusted) in active markets for identical assets and liabilities.

Level 2: Other techniques for which all inputs have a significant effect on the recorded fair value and are observable, either directly or indirectly.

Level 3: Techniques that use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

As at 30 June, the Group held the following financial instruments measured at fair value:

2015	Level 1 R'000s	Level 2 R'000s	Level 3 R'000s	Total R'000s
Available-for-sale investments - Spur(i)	-	-	350 064	350 064
Total	-	-	350 064	350 064

2014	Level 1 R'000s	Level 2 R'000s	Level 3 R'000s	Total R'000s

Available-for-sale investments - National Manco(ii)	-	-	1 300	1 300
Total	-	-	1 300	1 300

Notes

i Available-for-sale investment - Spur

The carrying value of the investment in Spur at 30 June 2015 of R350.1 million is made up of the original acquisition price of R294.7 million and fair value adjustments of R55.4 million.

The investment in Spur is subject to a trading restriction linked to the Group's empowerment credentials and a five-year lock-in period. The restriction expires on 29 October 2019, after which the instrument may be traded without restriction. The fair value of the investment has been measured by applying a tradability discount of 3.0% per year remaining on the restriction against the market price of Spur, as quoted on the JSE. The tradability discount was determined with reference to the agreements, which govern the trading restrictions and industry standards applied to empowerment transactions. As the terms of the trading restrictions are unobservable, the instrument has been classified under level 3; had the trading restrictions not been in place, the instrument would have been classified under level 1. A change of 1.0% in the discount rate used to determine the fair value at the reporting date would have increased/decreased other comprehensive income after tax by R3.2 million.

ii Available-for-sale investment - National Manco

The Group disposed its investment in National Manco during the year, the details of which have been disclosed in Note 3.

7. SEGMENT ANALYSIS

The chief decision makers are considered to be the members of the GPI Executive Committee, who review the Group's internal reporting firstly by industry and secondly by significant business unit. The chief decision makers do not review the Group's performance by geographical sector and therefore no such disclosure has been made. During the current year, due to the diversification of the Group's investment portfolio, the chief decision makers have reassessed the segments and as a result, identified the following segments: Gaming which includes Sunwest, GPI Slots Group and Grand Sports; Food division which includes Burger King, Mac Brothers, Spur and Excellent Meat Burger Plant; Diversified division which includes GTM; Group costs which include GPI Property, Grand Technology and central head office costs. The prior year results in the segment report have been restated to reflect the revised segments.

Listed below is a detailed segment analysis:

	External revenue	Intersegment revenue (i)	Operating costs(ii)	Equity-accounted earnings	EBITDA	Finance income
	Restated	Restated	Restated	Restated	Restated	Restated

	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
	R'000s	R'000s	R'000s	R'000s	R'000s	R'000s	R'000s	R'000s	R'000s	R'000s	R'000s	R'000s
Gaming												
SunWest	-		-	-	-		129 347	116 512	129 347	116 512	-	-
GPI Slots	-		-	-	-	-	9 671	-	9 671	-	-	-
Grand Sport	545		-	-	(5 062)	(422)	-	-	(7 678)	(422)	12	-
Food												
Burger King	307 766	126 867	-	-	(219 727)	(102 925)	-	-	(67 873)	(61 561)	1 566	675
Mac Brothers	147 949	-	63 318	-	(48 408)		389	(80)	2 084	-	-	-
Spur	6 726	-	-	-	(80)		-	-	6 646	-	-	-
Excellent Meat Burger Plant	-	-	-	-	-		(767)	(448)	(767)	(448)	-	-
Diversified												
GTM	-		-		-		(3 746)		(3 746)	-	-	-
Group costs												
Grand Technology	5 881	436	7 458	6 546	(11 389)	(3 614)	-		(6 080)	(3 230)	-	-
GPI Properties	9 504	838	24 301	13 610	(17 432)	(639)	-		(7 928)	199	303	729
Central costs	23 641(iii)	6 835	415 416	249 891	(84 362)(iv)	(57 785)	-		(60 721)	5 893	19 355	7 217
Continuing	502 012	134 976	510 493	270 047	(386 460)	(165 385)	134 894	115 984	(7 045)	56 943	21 236	8 621
Gaming												
Dolcoast	5 030	-	-	-	-	-	-	10 792	13 747(v)	10 792	-	-
National Manco	-	556	-	-	-	-	-	-	1 381(vi)	557	-	-
GPI Slots	393 276	599 060	-	-	(67 070)	(105 331)	-	-	707 576(vii)	142 443	2 898	

												1 499
Discontinuing	398 306	599 616	-	-	(67 070)	(105 331)	-	10 792	722 704	153 792	2 898	1 499

	Finance expense		Depreciation and amortisation		Taxation		Net profit after tax		Total assets		Total liabilities	
		Restated		Restated		Restated		Restated		Restated		Restated
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
	R'000s	R'000s	R'000s	R'000s	R'000s	R'000s	R'000s	R'000s	R'000s	R'000s	R'000s	R'000s
Gaming												
SunWest	(12 821)	(11 906)	-	-	-		116 526	104 606	1 055 749	1 056 924	(135 997)	(132 691)
GPI Slots	-			-	-		9 671		457 576		-	-
Grand Sport	-		(398)	-	-	-	(8 064)	(422)	1 917	817	(648)	(367)
Food												
Burger King	(613)	(71)	(19 288)	(5 623)	23 786	18 879	(62 422)	(47 701)	379 481	180 864	(83 856)	(43 940)
Mac Brothers	(1 884)		(2 331)		498	-	(1 633)	-	119 321	-	(56 255)	-
Spur	(12 532)		-		-	-	(5 886)	-	350 585	-	(237 791)	-
Excellent Meat Burger Plant	-		-		-	-	(767)	(448)	-	-	(1 215)	-
Diversified												
GTM	-		-		-	-	(3 746)	-	33 338	-	-	-
Group costs												

Grand Technology	(9)	(11)	(1 254)	(862)	-	-	(7 343)	(4 103)	6 999	9 012	(1 444)	(7 966)
GPI Properties	(8 250)	(6 038)	(1 262)	(1 144)	(1 480)	(678)	(18 617)	(6 932)	295 695	169 776	(128 901)	(70 159)
Central costs	(20 983)	-	(1 144)	(1 126)	(9 472)	645	(72 965)	12 629	236 303	159 426	(329 608)	(76 675)
Continuing	(57 092)	(18 026)	(25 677)	(8 755)	13 332(viii)	18846	(55 246)	57 629	2 936 964	1576 819	(975 715)	(331 798)
Gaming												
Dolcoast	-	-	-	-	15 013(ix)	-	28 760	10 792	-	121 283	-	-
National Manco	-	-	-	-	-	-	1 381	557	-	1 300	-	-
GPI Slots	(1 755)	(4 116)	-	(38 142)	(21 876)	(107573)	686 843(x)	(5 889)	386 139	475 828	(31 379)	(170 124)
Discont-inuing	(1 755)	(4 116)	-	(38 142)	(6863)(viii)	(107573)	716 984	5 460	386 139	598 411	(31 379)	(170 124)

Notes

i Transactions between segments are concluded at arm's length.

ii All costs are presented after elimination of intergroup charges.

iii Included under revenue is R17.0 million for the cancellation of the Slots service level agreement as well as dividends received on a preference share investment amounting to R5 million.

iv Included in operating costs are transaction costs to the value of R20.0 million and executive directors' performance incentives of R22.1 million.

v Included in EBITDA is a profit on sale of Dolcoast amounting to R8.7 million.

vi Included in EBITDA is a profit on sale of National Manco amounting to R1.4 million.

vii A R611.4 million gain from loss of control of a subsidiary is included in the GPI Slots EBITDA recognised under profit from discontinued operations.

viii The income tax expense is based on the net profit before tax pre-elimination of intergroup charges.

ix The income tax credit relates to the reversal of a previously recognised deferred tax liability related to the disposal of the investment in Dolcoast due to a change in expected tax consequences.

x The net profit after tax of GPI Slots includes the release of deferred tax.

Cape Town 1 September 2015

DIRECTORATE

Non-executive directors
Alex Abercrombie, Walter Geach*, Norman Maharaj* (Lead Independent), Nombeko Mlambo, Colin Priem* (*Independent)

Executive directors
Hassen Adams (Executive Chairman), Alan Keet (Chief Executive Officer), Dylan Pienaar (Financial Director)

Company secretary
Lazelle Christian Parton

Public officer
Dylan Pienaar CA(SA)

Transfer secretaries
Computershare Investor Services (Pty) Ltd
PO Box 61051
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2107

Auditors
Ernst & Young Inc. (EY)

Attorneys
Bernadt Vukic Potash & Getz

Bankers
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Corporate advisors
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PO Box 44302
7735

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PO Box 7403
Stellenbosch
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