2008

REVIEWED CONDENSED CONSOLIDATED RESULTS
for the year ended 30 June 2008

ABRIDGED INCOME STATEMENT

R'000	Reviewed year ended 30/06/08	% Change	Audited year ended 30/06/07
Revenue	295 838	37.3	215 411
Operating profit	85 534	-4.5	89 585
Net interest received	4 852		3 754
Loss from associate companies	(292)		(344)
Profit before taxation	90 094	-3.1	92 995
Taxation	(29 016)		(27 797)
Taxes relating to foreign subsidiaries (note 1)	(1 476)		16 554
Profit for the year	59 602	-27.1	81 752
Attributable to:			
Equity holders of parent	59 266	-27.6	81 807
Minority interests	336		(55)
Earnings per share (cents)	67.23	-27.6	92.80
Diluted earnings per share (cents)	65.07	-27.2	89.39
Distribution per share (cents)	55.00	-	55.00

RECONCILIATION OF HEADLINE EARNINGS

R'000	Reviewed year ended 30/06/08	% Change	Audited year ended 30/06/07
Earnings attributable to ordinary shareholders	59 266	-27.6	81 807
Headline earnings adjustments:			
Profit on sale of intangible asset	-		(1 397)
Loss on sale of property, plant and equipment	1		171
Loss on sale of associate company	-		104
Impairment loss on property, plant and equipment	8 174		-
Profit on disposal of minority share in subsidiary company	(46)		-
Headline earnings	**67 395**	**-16.5**	**80 685**

ABRIDGED BALANCE SHEET

R'000	Reviewed at 30/06/08	Audited at 30/06/07
ASSETS		
NON-CURRENT ASSETS	427 940	396 262
Property, plant and equipment	98 890	82 982
Intangible assets	281 867	272 596
Investments and loans	24 520	25 072
Deferred tax	18 966	15 612
Other non-current asset	3 697	-
CURRENT ASSETS	129 194	99 462
Inventory	6 624	4 943
Trade and other receivables	52 381	47 100
Tax receivable	3 324	2 285
Cash and cash equivalents	66 865	45 134
TOTAL ASSETS	557 134	495 724
EQUITY AND LIABILITIES		
CAPITAL AND RESERVES	437 102	403 636
Ordinary share capital	1	1
Share premium (net of treasury shares)	(12 970)	37 279
Foreign currency translation reserve	26 778	7 128
Share-based payments reserve	19 030	17 817
Retained earnings	399 948	340 682
Total equity attributable to equity holders of the parent	432 787	402 907
Minority shareholders' interests	4 315	729
NON-CURRENT LIABILITIES	57 636	34 252
Long term loans payable	15 579	-
Operating lease liability	1 321	-
Deferred tax	40 736	34 252
CURRENT LIABILITIES	62 396	57 836
Trade and other payables	51 053	46 691
Shareholders for distribution	352	302
Tax payable	8 729	9 927
Bank overdraft	2 262	916
TOTAL EQUITY AND LIABILITIES	557 134	495 724

ABRIDGED CASH FLOW STATEMENT

R'000	Reviewed year ended 30/06/08	Audited year ended 30/06/07
Cash generated from operations	110 013	95 527
Net interest received	4 852	3 754
Taxation paid	(24 763)	(15 812)
Distributions paid	(50 199)	(45 030)
Working capital changes	(8 865)	10 003
Cash flow from operating activities	31 038	48 442
Cash flow from investing activities	(32 414)	(45 857)
Cash flow from financing activities	18 656	-
Net movement in cash and cash equivalents	17 280	2 585
Adjustment for foreign exchange fluctuations	3 105	745
Net cash and cash equivalents at beginning of year	44 218	40 888
Net cash and cash equivalents at end of year	64 603	44 218

ABRIDGED STATEMENT OF CHANGES IN EQUITY

R'000	Ordinary share capital & premium (net of treasury shares)	Retained earnings & minority shareholder interests	Other reserves	Total
Balance at 1 July 2006	82 240	258 637	21 763	362 640
Profit for the year		81 807		81 807
Distributions	(44 960)			(44 960)
Share-based payments reserve			1 504	1 504
Foreign currency translation reserve			1 678	1 678
Minority shareholders' share of losses		(55)		(55)
Acquisition of minority shareholder's interests in subsidiary		43		43
Issue of shares in subsidiaries to minority shareholders		979		979
Balance at 1 July 2007	**37 280**	**341 411**	**24 945**	**403 636**
Profit for the year		**59 266**		**59 266**
Distributions	**(50 249)**			**(50 249)**
Share-based payments reserve			**1 524**	**1 524**
Effect of change in tax rate			**(311)**	**(311)**
Foreign currency translation reserve			**23 260**	**23 260**
Foreign exchange loss on net investment in foreign subsidiaries net of taxes			**(3 515)**	**(3 515)**
Minority shareholders' share of profits		**336**		**336**
Foreign currency translation reserve effect on minorities		**95**	**(95)**	**-**
Issue of shares in subsidiary to minority shareholder		**3 155**		**3 155**
Balance at 30 June 2008	**(12 969)**	**404 263**	**45 808**	**437 102**

ABRIDGED SEGMENT REPORT

R'000	Reviewed year ended 30/06/08	Audited year ended 30/06/07
REVENUE		
Wholesale and distribution	80 603	76 192
Franchise - Spur (SA only)	107 982	99 911
Franchise - Other	28 165	23 791
Retail stores	75 197	13 828
Corporate services	3 891	1 689
Group revenue	**295 838**	**215 411**
OPERATING PROFIT		
Wholesale and distribution	26 349	31 444
Franchise - Spur (SA only)	91 539	84 295
Franchise - Other	12 705	14 264
Retail stores	(11 101)	(3 285)
Corporate services	(33 958)	(37 133)
Group operating profit	**85 534**	**89 585**

SUPPLEMENTARY INFORMATION

	Reviewed year ended 30/06/08	% Change	Audited year ended 30/06/07
Shares in issue (000's) (note 2)	88 156		88 156
Weighted average number of shares in issue (000's)	88 156		88 156
Headline earnings per share (cents)	76.45	-16.5	91.53
Diluted headline earnings per share (cents)	73.99	-16.1	88.17
Net asset value per share (cents)	495.83	8.3	457.87

NOTES

1. The recognition of taxes relating to foreign subsidiaries of R16.6 million in the prior year resulted from the recognition of a deferred tax asset in respect of cumulative tax losses up to 30 June 2006 and future tax deductions in respect of intangible assets in the group's international operations. Agreement was reached with the relevant tax authorities in the prior year which provided the necessary certainty to recognise the deferred tax asset. During the current year, legislation was implemented with retrospective effect in the tax jurisdiction in question which limits the period during which tax losses can be recognised to nine years. Consequently, part of the deferred tax asset recognised in the prior year was written off in the current year.
2. Shares in issue less shares repurchased by a wholly owned subsidiary company and share incentive trust.

BASIS OF ACCOUNTING

KPMG Inc., the group's independent auditor has reviewed the provisional financial statements contained in this provisional report, and has expressed an unmodified conclusion on the provisional financial statements. Their review report is available for inspection at the company's registered office. These provisional financial statements for the year ended 30 June 2008 have been prepared in accordance with accounting policies that comply with International Financial Reporting Standards ("IFRS"), and have been consistently applied with those adopted for the year ended 30 June 2007.

FINANCIAL AND OPERATIONAL REVIEW

Spur Corporation has continued to show solid restaurant turnover growth despite the current economic climate in which high interest rates and inflationary cost pressures have impacted disposable income levels in the group's target market.

The Spur brand in particular showed its resilience, with restaurant turnover for the financial year increasing by 8.6%. Despite continued high food price inflation of approximately 17.6% for the year, innovative menu engineering ensured that the price impact on customers was minimised.

Group revenue increased by 37.3% to R295.8 million. Franchise fee income in Spur Steak Ranches (local and international) rose by 10.3% to R111.4 million, Panarottis Pizza Pasta by 3.9% to R11.8 million and John Dory's Fish & Grill by 35.9% to R5.6 million. The group's international operations contributed 29.6% of revenue (2007: 10.8%).

The group has continued to invest in procurement, thereby limiting the impact of high food inflation on franchisee profitability and facilitating sustained quality supply. The manufacturing division turnover benefited from an increase in the sales of retail sauces in supermarkets, but high food cost inflation negatively impacted the cost of manufacture, resulting in a tightening of margins in this area of the business.

As detailed in the group's trading statement on 26 August 2008, income for the year was negatively impacted by an impairment of assets (R8.2 million) and operational losses incurred in an unsuccessful fish and grill outlet in Australia, together amounting to R9.2 million. As a result of these impairment and operational losses, operating profit decreased by 4.5% to R85.5 million (2007: R89.6 million). There is no intention to persist with this fish and grill concept.

The earnings in the prior year benefited from a tax credit of R16.6 million, which arose from the recognition of deferred tax assets relating to future tax deductions in respect of intangible assets and cumulative tax losses up to 30 June 2006 in the group's international operations.

This prior year tax credit impacted headline earnings, which decreased by 16.5% to R67.4 million (2007: R80.7 million). Excluding the tax impact, headline earnings increased by 5.1%.

RESTAURANT EXPANSION

Spur Corporation increased its restaurant base to 343 across its three franchise brands locally and internationally following the opening of 17 new restaurants during the year. These openings comprised 14 Spur Steak Ranches, one Panarottis and two John Dory's restaurants.

A further nine Spur, 13 Panarottis and seven John Dory's restaurants were upgraded and eight restaurants relocated to improved trading areas, benefiting revenue growth.

Spur continues to broaden its footprint in the growing South African economy, opening restaurants in Soweto and Braamfontein, and has identified new opportunities in Hillbrow, Gugulethu and Atteridgeville.

Internationally the group has continued its measured expansion in Africa and the United Kingdom. New Spur restaurants were opened in Kampala, Uganda, and in Newry and Belfast, Northern Ireland.

With effect from 1 April 2008, Spur Corporation concluded a transaction in the United Kingdom which enables the group to accelerate its expansion in the region. In addition, a restructure in Australia was effected in which the group acquired the outside shareholdings of two Spur restaurants.

A summary of the group's restaurant base at 30 June 2008 is as follows:

Franchise brand	South Africa	International	Total
Spur Steak Ranches	236	28	264
Panarottis Pizza Pasta	51	7	58
John Dory's Fish & Grill	21	-	21
Total	**308**	**35**	**343**

PROSPECTS

The group plans to open 16 restaurants in South Africa in the next financial year. The group is also investigating further opportunities to open outlets in Africa, in Ghana, Kenya, Nigeria, Tanzania and Zambia, while continuing to explore potential in the Middle East. Further locations are being pursued in the United Kingdom and Ireland.

Spur is launching an exciting new Secret Tribe children's loyalty programme to further enhance the Spur-experience for the whole family. The brand images of both John Dory's and Panarottis have undergone further design updates which management believes provide additional growth opportunities to both brands in the new financial year.

Slower consumer spending and high food prices will continue to be a challenge in the year ahead. Strategies are in place to continuously enhance the customer value proposition and to assist franchisees by sourcing quality products at competitive prices through the group's procurement division. The directors and management anticipate that the group will continue to deliver increased revenue and profitability in the year ahead.

CAPITAL REDUCTION AND CASH DIVIDEND

In accordance with a general authority given to the directors at the annual general meeting held on 5 December 2007, shareholders are advised that the board of directors of the company has approved a capital reduction of R11.3 million payable to the company's shareholders, in lieu of dividends, to be written off against the share premium account, which amount equates to 11.6 cents per ordinary share ("the capital reduction") and a cash dividend of R15.0 million, which equates to 15.4 cents per ordinary share ("the cash dividend").

The capital reduction and cash dividend ("collectively referred to as the distribution") will be paid on Monday, 6 October 2008, to those shareholders of the company who are recorded in the company's register on Friday, 3 October 2008 ("the record date").

The last day to trade (cum the distribution) in the company's shares for purposes of entitlement to the distribution will be Friday, 26 September 2008. The shares will commence trading ex the distribution on Monday, 29 September 2008. Share certificates may not be dematerialised or rematerialised between Monday, 29 September 2008 and Friday, 3 October 2008, both days inclusive.

For and on behalf of the Board
A Ambor (Executive Chairman)
P van Tonder (Managing Director)

Cape Town
10 September 2008

Directors: A Ambor (Executive Chairman), P van Tonder (Managing Director), M Farrelly, K Getz*, D Hyde*, P Joffe, K Madders MBE* (British), J Rabb*, K Robertson, R van Dijk. Company secretary: R van Dijk [* non-executive]

Spur Corporation Limited (Registration number 1998/000828/06)

Share code: SUR
ISIN: ZAE000022653
Registered Office
1 Waterford Mews, Century Blvd, Century City, 7441
Transfer Secretaries
Computershare Investor Services (Pty) Limited, 70 Marshall Street, Johannesburg, 2001

Sponsor: Sasfin Capital (A division of Sasfin Bank Ltd)

www.spur.co.za