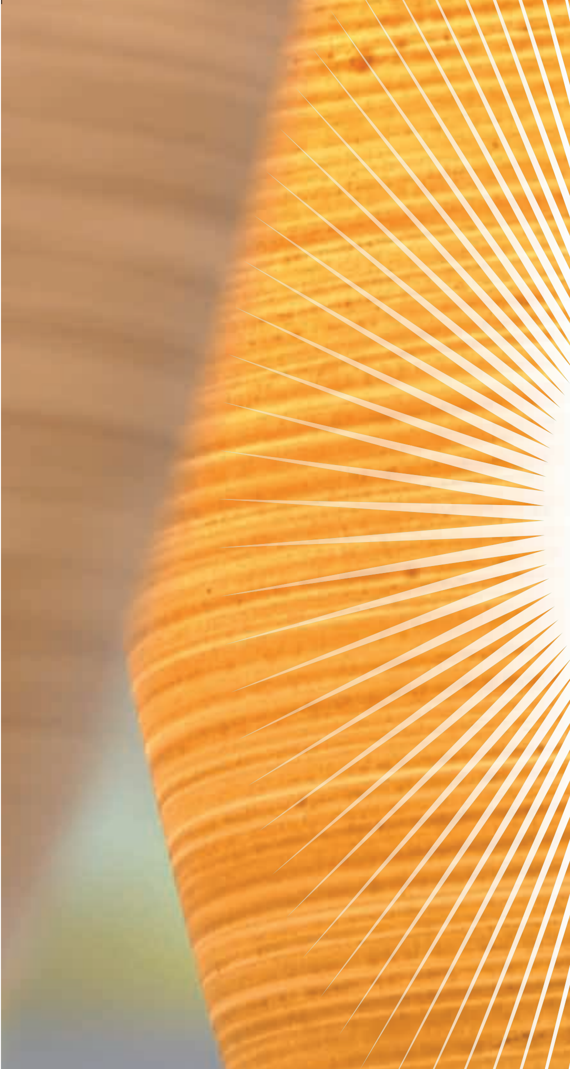

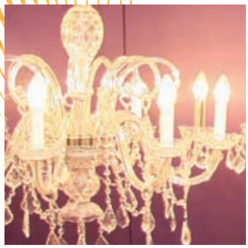

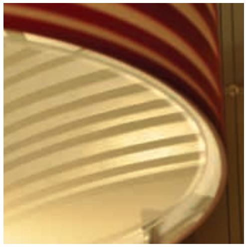

Audited abridged results announcement

for the year ended 31 December 2011

HIGHLIGHTS

Turnover increased by
10,8% to R1 261 million

Earnings per share decreased by
12,8% to 29,3 cents

Headline earnings per share decreased by
8,4% to 30,6 cents

Net asset value per share increased by
6,3% to 500 cents

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	As at 31 December 2011 (Audited) R'000	31 December 2010 (Audited) R'000
ASSETS			
Non-current assets		**643 151**	603 633
Property, plant and equipment	4	**305 929**	259 642
Intangible assets	4	**337 222**	343 991
Current assets		**438 551**	366 008
Inventories		**244 966**	188 579
Trade and other receivables		**165 296**	131 476
Taxation receivable		**574**	1 353
Cash and cash equivalents		**27 715**	44 600
Total assets		**1 081 702**	969 641
EQUITY AND LIABILITIES			
Equity			
Share capital and premium	5	**441 645**	441 645
Reserves		**(352)**	(706)
Retained earnings		**341 700**	295 912
Total equity		**782 993**	736 851
Liabilities			
Non-current liabilities		**105 653**	102 449
Interest-bearing borrowings	6	**70 055**	71 513
Share-based payments		**1 756**	2 370
Deferred taxation		**33 842**	28 566
Current liabilities		**193 056**	130 341
Trade and other payables		**139 497**	77 446
Share-based payments		**–**	5 010
Derivative financial instrument		**30**	680
Interest-bearing borrowings	6	**38 226**	35 526
Taxation payable		**1 401**	1 848
Dividends payable		**4**	4
Bank overdraft		**13 898**	9 827
Total liabilities		**298 709**	232 790
Total equity and liabilities		**1 081 702**	969 641

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	For the year ended 31 December 2011 (Audited) R'000	Change %	31 December 2010 (Audited) R'000
Revenue		**1 261 019**	10,8	1 138 130
Cost of sales		**(1 036 271)**		(900 285)
Gross profit		**224 748**	(5,5)	237 845
Other operating income		**2 871**		7 344
Administration expenses		**(66 200)**		(64 370)
Distribution expenses		**(24 378)**		(27 927)
Operating expenses		**(61 335)**		(64 395)
Operating profit		**75 706**	(14,5)	88 497
Finance income		**310**		1 701
Finance cost		**(10 977)**		(13 455)
Profit before taxation		**65 039**	(15,3)	76 743
Taxation	7	**(19 251)**		(24 267)
Profit for the year		**45 788**	(12,7)	52 476
Other comprehensive income				
Exchange differences on translation of foreign operations		**354**		(706)
Total comprehensive income attributable to equity holders of the company		**46 142**	(10,9)	51 770
Earnings per share – basic and diluted (cents)		**29,3**	(12,8)	33,6
Dividends per share (cents)		**–**		–

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	For the year ended 31 December 2011 (Audited) R'000	31 December 2010 (Audited) R'000
Share capital		
Opening and closing balance	**1 274**	1 274
Share premium		
Opening and closing balance	**440 371**	440 371
Foreign currency translation reserve		
Opening balance	**(706)**	–
Exchange differences on translation of foreign operation	**354**	(706)
Closing balance	**(352)**	(706)
Retained earnings		
Opening balance	**295 912**	248 127
Total comprehensive income for the year	**45 788**	52 476
Dividends paid	**–**	(4 691)
Closing balance	**341 700**	295 912

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

	For the year ended 31 December 2011 (Audited) R'000	31 December 2010 (Audited) R'000
Cash generated from operating activities	**39 526**	47 553
Cash utilised in investing activities	**(62 078)**	(34 847)
Cash generated/(utilised) in financing activities	**1 242**	(36 007)
Net decrease in cash and cash equivalents	**(21 310)**	(23 301)
Cash and cash equivalents at the beginning of year	**34 773**	58 780
Effects of exchange rate movement on cash balances	**354**	(706)
Cash and cash equivalents at the end of year	**13 817**	34 773

SELECTED NOTES THE TO CONDENSED CONSOLIDATED FINANCIAL INFORMATION

1. **General information**

   South Ocean Holdings and its subsidiaries, together ("the group"), manufacture and distribute electrical cables, import and distribute light fittings, lamps and electrical accessories and has property investments. South Ocean Holdings is listed on the Johannesburg Stock Exchange ("JSE") and is incorporated and domiciled in the Republic of South Africa.

   The audited condensed consolidated financial information was prepared by JP Bekker, CA(SA), and was approved for issue by the directors on 27 February 2012.

2. **Basis of preparation**

   The condensed consolidated financial information of South Ocean Holdings has been prepared in accordance with International Financial Reporting Standards (IFRS), IFRIC Interpretations, IAS 34 'Interim financial reporting' and the Companies Act, 2008, applicable to companies reporting under IFRS and the JSE Listings Requirements and should be read with the audited annual financial statements for the year ended 31 December 2011. The condensed consolidated Financial Statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.

3. **Accounting policies**

   The accounting policies adopted are consistent with those applied in the financial statements for the year ended 31 December 2010, except where indicated. There are no new standards or amendments that were issued since the last annual report that will result in a material impact in the reported results of the group.

4. **Property, plant and equipment and intangible assets**

During the year, the group invested R61,9 million in capital expenditure, related to the expansion programme at South Ocean Electric Wire Company (Pty) Limited ("SOEW") and further investment in plant and machinery. The details of changes in tangible and intangible assets are as follows:

	Tangible assets (Audited) R'000	Intangible assets (Audited) R'000
Year ended 31 December 2011		
Opening net carrying amount	**259 642**	**343 991**
Additions	**61 936**	**413**
Disposals	**(189)**	**–**
Depreciation/amortisation/impairment	**(15 460)**	**(7 182)**
Closing net carrying amount	**305 929**	**337 222**
Year ended 31 December 2010		
Opening net carrying amount	240 499	346 430
Additions	33 210	2 086
Disposals	(204)	–
Depreciation/amortisation	(13 863)	(4 525)
Closing net carrying amount	259 642	343 991

5. **Share capital and share premium**

	Number of shares	Ordinary shares R'000	Share premium R'000	Total R'000
At 31 December 2011				
Opening and closing balance	**156 378 794**	**1 274**	**440 371**	**441 645**
At 31 December 2010				
Opening and closing balance	156 378 794	1 274	440 371	441 645

6. **Interest-bearing borrowings**

Secured loans	31 December 2011 (Audited) R'000	31 December 2010 (Audited) R'000
Non-current	**70 055**	71 513
Current	**38 226**	35 526
	108 281	107 039
The movement in borrowings is analysed as follows:		
Opening balance	**107 039**	138 355
Additional loans raised	**47 297**	–
Finance costs	**7 688**	9 640
Repayments	**(53 743)**	(40 956)
Closing balance	**108 281**	107 039

7. **Taxation**

The effective tax rate for 2011 is 29,6% (2010: 31,6%).

8. **Reconciliation of headline earnings**

	31 December 2011 (Audited) R'000	31 December 2010 (Audited) R'000
Earnings attributable to equity holders of the company	**45 788**	52 476
Profit on disposal of property, plant and equipment	**(59)**	(176)
Impairment	**2 117**	–
Headline earnings	**47 846**	52 300
Headline earnings per share (cents)	**30,6**	33,4

9. **Weighted average number of shares**

	31 December 2011	31 December 2010
Number of shares in issue	**156 378 794**	156 378 794
Weighted average number of shares in issue at the beginning and end of the year	**156 378 794**	156 378 794

10. Net asset value

	31 December 2011 (Audited)	31 December 2010 (Audited)
Net asset value per share (cents)	**500,7**	471,2

11. Final dividend declaration

Funds have been utilised in the expansion programme to increase production capacity during the year, hence the directors have agreed not to recommend a final dividend.

12. Audit opinion

These results have been extracted from the group's audited financial statements. The unqualified report of PricewaterhouseCoopers Inc. on the financial statements is available for inspection at the registered office of the company.

13. Segment reporting

The chief operating decision-maker reviews the group's internal reporting in order to assess performance and has determined the operating segments based on these reports.

The business performance of the operating segments: electrical cables manufacturing, lighting and electrical accessories, and property investments, is evaluated from the market and product performance perspective.

The assessment of the performance of the operating segments is based on operating profit before interest, tax, depreciation and amortisation ("EBITDA") and investment in working capital. This measurement basis excludes the effect of non-recurring expenditure from the operating segments, such as restructuring costs and impairments.

Total assets and liabilities exclude deferred and income tax liabilities, inter-group balances and available-for-sale financial assets.

The details of the business segments are as follows:

Year ended	Revenue R'000	Adjusted EBITDA R'000	Segment assets R'000	Segment liabilities R'000
31 December 2011				
Electrical cables manufacturing	**897 338**	**50 259**	**336 080**	**108 794**
Lighting and electrical accessories	**363 681**	**47 114**	**540 137**	**79 431**
Property investments	**19 457**	**17 099**	**200 531**	**70 311**
	1 280 476	**114 472**	**1 076 748**	**258 536**
31 December 2010				
Electrical cables manufacturing	777 133	62 412	233 846	23 066
Lighting and electrical accessories	360 998	44 845	549 920	100 087
Property investments	17 550	15 477	182 804	70 101
	1 155 681	122 734	966 570	193 254

Reconciliation of total segment report to the statement of financial position and statement of comprehensive income is provided as follows:

	31 December 2011 (Audited) R'000	31 December 2010 (Audited) R'000
Revenue		
Reportable segment revenue	**1 280 476**	1 155 681
Inter-group revenue – property rentals	**(18 680)**	(16 041)
Property revenue reported in other operating income	**(777)**	(1 510)
Revenue per consolidated statement of comprehensive income	**1 261 019**	1 138 130
Profit before tax		
Adjusted EBITDA	**114 472**	122 734
Corporate overheads	**(16 124)**	(15 849)
Depreciation	**(15 460)**	(13 863)
Impairment of intangible assets	**(2 117)**	–
Amortisation of intangible assets	**(5 065)**	(4 525)
Operating profit	**75 706**	88 497
Finance income	**310**	1 701
Finance cost	**(10 977)**	(13 455)
Profit before tax	**65 039**	76 743
Assets		
Reportable segment assets	**1 076 748**	966 570
Corporate and other assets	**4 380**	1 718
Taxation receivable	**574**	1 353
Total assets per statement of financial position	**1 081 702**	969 641
Liabilities		
Reportable segment liabilities	**258 536**	193 254
Corporate and other liabilities	**4 930**	9 122
Deferred taxation	**33 842**	28 566
Taxation payable	**1 401**	1 848
Total liabilities per statement of financial position	**298 709**	232 790

14. **Director changes**
Mr PJM Ferreira was appointed as an Executive Director and Chief Executive Officer (CEO) of South Ocean Holdings with effect from 1 July 2011 taking over from Mr EHT Pan who retired at the end of September 2011. Mr Pan remains on the Board as Non-Executive Deputy-Vice Chairman with effect from 1 October 2011.

15. **Subsequent events**
The directors are not aware of any significant events arising since the end of the financial year, which would materially affect the operations of the group or its operating segments.

COMMENTARY

Introduction

South Ocean Holdings is pleased to announce its condensed consolidated results for the year ended 31 December 2011.

South Ocean Holdings is an investment holding company, comprising four operating subsidiaries namely, South Ocean Electric Wire Company Proprietary Limited ("SOEW'), a manufacturer of low voltage electrical cables; Radiant Group Proprietary Limited ('Radiant'), an importer and distributor of light fittings, lamps and electrical accessories and a property holding company, Anchor Park Investments 48 Proprietary Limited ("Anchor Park"), and SOH Calibre International Limited, a buying house based in Hong Kong on behalf of the group companies.

The subdued economic conditions are still affecting the group's performance and had a negative impact on the results. However, the group focused on organic expansion and made capital investments during the year to increase capacity. The revenue at the electrical cable subsidiary increased compared to the prior period, but the gross margins decreased mainly as a result of the current economic climate and fluctuation in the Rand Copper Price (RCP) which also impacted performance during this period. Radiant's results were affected by the competitive market conditions compared to the same period in the prior year.

SOH Calibre International was established in 2011 and is based in Hong Kong. The objectives for SOH Calibre is to improve quality on all imported products as well as increasing the level of communication between suppliers and Radiant. SOH Calibre also strives to bring new fashionable trends to the South African lighting market.

Financial overview

Earnings

Group revenue for the year to 31 December 2011 increased by 10,8% (2010: 18,8%) to R1 261 million (2010: R1 138.1 million). The group's gross profit decreased by 5,5% (2010: 12,1% increase) to R224,7 million (2010: R237,8 million) and operating profit decreased by 14,5% (2010: 47,1% increase) to R75,7 million (2010: R88,5 million) compared to the prior year.

Group profit before tax decreased by 15,3% (2010: 72,6% increase) to R65,0 million (2010: R76,7 million) compared to the prior year. Earnings and headline earnings per share have, as a result, decreased compared to the prior year. The basic earnings per share decreased by 12,8% (2010: 66,3% increased) to 29,3 cents (2010: 33,6 cents) compared to the prior year with the headline earnings per share also declining by 8,4% (2010: 38,6% increased) to 30,6 cents (2010: 33,4 cents) compared to the prior year. Headline earnings decreased by 8,6% (2010: 66,3% increased) to R47,8 million (2010: R52,3 million) compared to the prior year.

Operational costs were contained during the period and decreased which was as a result of management's commitment to control costs.

Cash flow and working capital management

The cash generated from operations of R39,5 million (2010: R47,6 million) was lower than the prior period, as a result of additional investments in working capital. Inventory levels increased due to higher copper prices and the additional investment in inventory and trade receivables for the new plant at the group's Alrode facility.

The group invested R62,3 million (2010: R35,2 million) in capital expenditure which was mainly financed by long-term borrowings during this period and utilised R53,7 million (2010: R41,0 million) to repay its long-term interest-bearing borrowings.

The group's net cash utilised during the period of R21,3 million (2010: R23,3 million) reduced the cash balance as at the beginning of the year from R34,8 million to R13,8 million.

Segment results

Electrical cables – SOEW

Revenue increased by 15,4% (2010: 31,3%) to R897,3 million (2010: R777,1 million). This was mainly attributable to the increase in the RCP and a marginal increase in volumes. Volumes were negatively affected by the industry strike during July 2011.

Operational expenses increased during the year mainly due to the increase in production capacity and increased spending on training, social responsibility and enterprise development.

The current economic climate and the fluctuations in the copper price, however, had a negative effect on gross margins.

The capital investment was made to increase capacity in the new manufacturing plant at the group's Alrode facility during the period under review. The plant commenced production during the second half of the year. Additional working capital was required to finance the increase in inventory and trade receivables relating to the expansion, which was funded from normal credit facilities.

Lighting and electrical accessories – Radiant

Revenue increased from R361,0 million in 2010 to R363,7 million which is an increase of 0,7% (2010: 1,4%) when compared to the prior year. Operational costs, including the intangible assets impairment of R2,1 million, reduced compared to the prior year. The margins were lower due to an increase in prices from suppliers, which was partially absorbed by the company, and overall market conditions.

Cash on hand decreased from R13,9 million at the end of December 2010 to R9,8 million as at the end of December 2011. The funds were utilised to finance working capital.

Property investment – Anchor Park

Anchor Park's revenue is derived from group companies, as it leases its properties to fellow subsidiaries. The reduction in interest cost is due to the reduction in the loan balances. During the period a further R19,2 million capital investment was made to complete the new factory building for SOEW.

Seasonality

The group's earnings are affected by seasonality as earnings for the second half of the year are historically higher than the first six months. Management expects the traditional seasonality trend to continue in future.

Prospects

Government and Eskom's commitment to increase spending on infrastructure will create opportunities within the group. The expansion completed last year to increase production capacity will contribute to an increase in volumes and revenue.

The market recovery is slower than anticipated, but the group is well-positioned to take full advantage of any improvements in the economy.

The group remains committed to ensuring earnings enhancement through both organic and acquisitive growth, whilst improving the return on equity on a sustainable basis.

Any forecast or forward looking information included in this announcement has not been reviewed and reported on by the group's independent auditors.

On behalf of the Board

EG Dube
Chairman

PJM Ferreira
Chief Executive Officer

27 February 2012

CORPORATE INFORMATION

(Registration number 2007/002381/06)
Incorporated in the Republic of South Africa
("South Ocean Holdings", "the Group" or "the company")
Share code: SOH ISIN: ZAE000092748

Directors:
EG Dube# (Chairman)
EHT Pan√@ (Deputy Vice-Chairman)
PJM Ferreira* (Chief Executive Officer)
JP Bekker* (Chief Financial Officer)
CY Wu√°
M Chong#
DL Tam#
HL Li√°
KH Pon#
CH Pan√° (Alternate)
* Executive
\# Independent Non-executive
√ Non-executive
° Taiwanese
@ Brazilian

Company Secretary:
WT Green

Registered Office:
12 Botha Street, Alrode, 1451
(PO Box 123738, Alrode, 1451)

Company Secretary:
WT Green, 21 West Street, Houghton, 2198
(PO Box 123738, Alrode, 1451)

Sponsor:
Investec Bank Limited
(Registration: 1969/004763/06)
Second Floor, 100 Grayston Drive, Sandown, Sandton, 2196

Share Transfer Secretary:
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Ground Floor, 70 Marshall Street, Johannesburg, 2001
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Telefax: +27(11) 688 5200
Website: www.computershare.com

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