

Comair Limited - Repurchase Announcement

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Repurchase announcement

COMAIR LIMITED
(Incorporated in the Republic of South Africa)
(Registration number: 1967/006783/06)
ISIN: ZAE 000029823
SHARE CODE: COM
("Comair" or "the Company")

REPURCHASE ANNOUNCEMENT

1. INTRODUCTION

Comair herewith announces the repurchase of 29,858,467 (6,10% of the issued ordinary shares) Comair ordinary shares, since and in accordance with the general authority granted by Comair shareholders at the annual general meeting held on 30 October 2013 ("the repurchase").

2. AUTHORISED REPURCHASE LIMITS

In terms of the special resolution:

- (a) the general authority is limited to a maximum of 10% of Comair's issued share capital;
and
- (b) any repurchase may not be made at a price greater than 10% above the weighted average of the market value of the ordinary shares for the five business days immediately preceding the date of such repurchase.

A maximum of 48,917,647 ordinary shares could be repurchased in terms of the general authority obtained from shareholders.

3. IMPLEMENTATION

Details are as follows:-

| | |
|---------------------------------------------------------------------------------------------------------------|-------------|
| Total number of ordinary shares repurchased | 29,858,467 |
| Total value of ordinary shares repurchased | R89,569,429 |
| Highest price paid per ordinary share | R3.00 |
| Lowest price paid per ordinary share | R2.90 |
| Average price paid per ordinary share including costs | R2.9998 |
| The number of ordinary shares which may still be repurchased by the Company in terms of the general authority | 19 059 180 |
| The percentage of ordinary shares which may still be repurchased by the | |

Company in terms of the general authority
3.90%
Ordinary shares in issue on 30 October 2013
489 176 471
Ordinary shares in issue on date of this announcement
489 176 471
Number of shares held in treasury after the repurchase
35 384 331

The repurchases were effected through the order book operated by the JSE Limited ("JSE") and done without any prior understanding or arrangement between the Company and the counter parties.

The repurchases were effected on 4 November 2013.

4. SOURCE OF FUNDS

Repurchases to date have been, and future repurchases will also be, funded from available cash resources.

5. OPINION OF THE DIRECTORS

The directors of Comair have considered the impact of the repurchases and are of the opinion that:-

5.1 Comair and the group will be able, in the ordinary course of business, to pay its debts for a period of 12 months from the date of this announcement;

5.2 the assets of Comair and the group will be in excess of the liabilities of the Company and the group for a period of 12 months after the date of this announcement, measured in accordance with the accounting policies used in the last published financial statements;

5.3 the ordinary share capital and reserves of Comair and the group will be adequate for ordinary business purposes for a period of 12 months from the date of this announcement; and

5.4 the working capital of Comair and the group will be adequate for ordinary business purposes for a period of 12 months from the date of this announcement.

6. FINANCIAL EFFECTS

The table below sets out the unaudited pro forma financial effects of the repurchase on earnings per share ("EPS"), headline EPS, net asset value ("NAV") and net tangible asset value ("NTAV") per share and diluted EPS and HEPS based on the audited results of the

Company for the year ended 30 June 2013.

The unaudited pro forma financial effects are the responsibility of the directors and have been prepared for illustrative purposes only to provide information about how the repurchase may impact shareholders on the relevant reporting date and because of its nature may not give a fair reflection of the Company's financial position, changes in equity, results of operations or cash flows after implementation of the repurchase or of the Company's future earnings.

The financial effects of the repurchases are as follows:

| After (note 2) | % Change | Before (note 1) |
|----------------|----------|---------------------------------------------------|
| | | Earnings per share (cents) |
| 49,5 | 5.3 | 47,0 |
| | | Headline earnings per share (cents) |
| 50.4 | 5.3 | 47,9 |
| | | Net asset value per share (cents) |
| 205.3 | (2.7) | 211.1 |
| | | Tangible net asset value per share (cents) |
| 195.7 | (3.0) | 201.8 |
| | | Fully diluted earnings per share (cents) |
| 49.5 | 5.4 | 47.0 |
| | | Fully diluted headline earnings per share (cents) |
| 50.4 | 5.3 | 47.8 |

Note 1: Based on Comair's audited results for the year ended 30 June 2013.

Note 2: The financial effects are calculated based on the assumption that the repurchases had been carried out on 1 July 2012 for income statement effect purposes (and that the shares acquired were included in treasury stock from that date) and on 30 June 2013 for balance sheet effect purposes.

7. JSE LISTING

The ordinary shares that have been repurchased will be cancelled and de-listed in due course.

Sandton
6 November 2013

Sponsor
RAND MERCHANT BANK (A division of FirstRand Bank Limited)

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