

Condensed consolidated statement of financial position

as at 30 June 2013

Audited 31 December 2012 R'000	Unaudited 30 June 2013 R'000	Unaudited 30 June 2013 R'000		Unaudited 30 June 2013 R'000	Unaudited 30 June 2012 R'000	Audited 31 December 2012 R'000
731,695	1,076,584	729,133	Non-current assets	48,426	83,925	53,126
74,631	87,449	72,358	Property, plant and equipment	4,806	6,817	5,418
101,585	88,050	101,585	Investment properties	6,747	6,864	7,375
31,735	72,425	30,463	Goodwill and intangible assets	2,023	5,646	2,306
1,870	1,581	354,346	Investments in associates	23,534	123	136
519,469	825,619	167,296	Investments	11,111	64,361	37,714
2,405	1,460	3,085	Deferred tax assets	205	114	177
736,575	744,149	654,936	Current assets	43,499	57,894	53,475
92,314	133,923	92,974	Investments	6,175	10,440	6,702
917	–	1,093	Other financial assets	73	–	67
143,164	391,395	209,594	Trade and other receivables	13,921	30,529	10,393
148,117	162,149	206,340	Inventories	13,704	12,640	10,753
352,063	56,682	144,935	Cash and cash equivalents	9,626	4,285	25,560
–	–	200,748	Non-current assets classified as held for sale	13,333	–	–
1,468,270	1,820,733	1,584,817	Total assets	105,258	141,819	106,601
(110,010)	(115,833)	(103,169)	Non-current liabilities	(6,853)	(9,030)	(7,990)
(92,366)	(89,475)	(89,156)	Borrowings	(5,921)	(6,976)	(6,705)
(4,339)	(8,623)	(1,978)	Other financial liabilities and provisions	(131)	(671)	(316)
(13,305)	(17,735)	(12,035)	Deferred tax liabilities	(801)	(1,383)	(969)
(186,142)	(587,616)	(331,886)	Current liabilities	(22,045)	(45,678)	(13,514)
(4,528)	(343,347)	(6,935)	Borrowings	(461)	(26,765)	(329)
(83,370)	(94,966)	(127,861)	Other financial liabilities and provisions	(8,492)	(7,403)	(6,053)
(98,127)	(147,589)	(196,843)	Trade and other payables	(13,076)	(11,510)	(7,124)
(117)	(1,714)	(247)	Bank overdrafts	(16)	–	(8)
(296,152)	(703,449)	(435,055)	Total liabilities	(28,898)	(54,708)	(21,504)
1,172,118	1,117,284	1,149,762	Total net assets	76,360	87,111	85,097
574,671	574,671	574,671	Equity	55,347	55,347	55,347
22,125	22,125	21,677	Share capital	1,944	1,974	1,974
52,173	52,173	52,173	Share premium	4,599	4,599	4,599
–	–	(18,165)	Capital redemption reserve	(1,529)	–	–
–	–	–	Treasury shares reserve	(8,671)	4,232	(2,082)
495,288	474,592	487,944	Foreign currency translation reserve	22,550	21,452	23,236
–	–	–	Retained earnings	–	–	–
1,144,257	1,123,561	1,118,300	Total equity attributable to equity holders	74,240	87,604	83,074
27,861	(6,277)	31,462	Non-controlling interests	2,120	(493)	2,023
1,172,118	1,117,284	1,149,762	Total equity	76,360	87,111	85,097
1,394	1,369	1,389	Net asset value per share (in cents/pence)	92	107	101
82,088	82,088	80,534	Actual number of shares net of treasury shares (thousands)	80,534	82,088	82,088

Condensed consolidated statement of comprehensive income

for the six months ended 30 June 2013

Audited Year to 31 December 2012 R'000	Unaudited Six months to 30 June 2013 R'000	Unaudited Six months to 30 June 2013 R'000		Unaudited Six months to 30 June 2013 R'000	Unaudited Six months to 30 June 2012 R'000	Audited Year to 31 December 2012 R'000
1,063,016	493,825	602,452	Continuing operations	42,374	39,441	81,676
(909,943)	(425,373)	(515,491)	Revenue	(36,257)	(33,974)	(69,915)
153,073	68,452	86,961	Gross profit	6,117	5,467	11,761
291,102	186,142	27,559	Other income	1,837	14,096	22,302
(246,488)	(89,408)	(112,994)	Operating expenses	(8,007)	(6,793)	(18,694)
197,687	165,186	1,526	Operating profit/(loss)	(53)	12,770	15,369
(33,741)	(23,029)	(8,273)	Net finance costs	(583)	(1,841)	(2,592)
6,174	1,619	1,413	Finance income	98	129	474
(39,915)	(24,648)	(9,866)	Finance costs	(681)	(1,970)	(3,066)
490	201	9,571	Share of profit from associates	696	16	38
164,436	142,358	2,824	Profit before taxation	60	10,945	12,815
(262)	(2,601)	2,743	Taxation	169	(208)	(36)
164,174	139,757	5,567	Profit from continuing operations	229	10,737	12,779
128,198	131,167	(315)	Discontinued operations	(22)	7,963	7,741
292,372	270,924	5,252	(Loss)/profit from discontinued operations, net of taxation	207	18,700	20,520
–	–	–	Profit for the period	207	18,700	20,520
–	–	–	Other comprehensive (loss)/income:	(6,925)	954	(5,274)
–	–	–	Currency translation differences on translation of Rand denominated Group entities	(6,925)	(1,453)	(7,681)
–	–	–	Release of foreign currency translation reserve on disposal of associate/subsidiary	–	2,407	2,407
292,372	270,924	5,252	Total comprehensive income/(loss) for the period	(6,718)	19,654	15,246
292,365	271,669	272	Profit/(loss) attributable to:	(148)	18,760	20,544
7	(745)	4,980	Equity holders of the parent	355	(60)	(24)
292,372	270,924	5,252	Non-controlling interests	207	18,700	20,520
292,365	271,669	272	Total comprehensive income/(loss) attributable to:	(6,735)	19,714	15,184
7	(745)	4,980	Equity holders of the parent	17	(60)	62
292,372	270,924	5,252	Non-controlling interests	(6,718)	19,654	15,246
356.16	330.95	0.35	Earnings/(losses) per share	(0.19)	22.85	25.03
199.99	171.16	0.75	Basic and diluted per share (in cents/pence)	–	–	–
–	–	–	Basic and diluted from continuing operations (in cents/pence)	–	–	–

Condensed consolidated statement of changes in equity

for the six months ended 30 June 2013

Attributable to equity holders R'000	Non- controlling interests R'000	Total equity R'000		Attributable to equity holders R'000	Non- controlling interests R'000	Total equity R'000
847,114	(754)	846,360	Balance as at 31 December 2011	67,517	(60)	67,457
271,669	(745)	270,924	Total comprehensive income/(loss) for the period	19,714	(60)	19,654
4,778	(4,778)	–	Changes in non-controlling interests arising on part disposal of and rights issue by subsidiaries	373	(373)	–
1,123,561	(6,277)	1,117,284	Balance as at 30 June 2012	87,604	(493)	87,111
20,696	752	21,448	Total comprehensive income/(loss) for the period	(4,530)	122	(4,408)
–	7	7	Arising on acquisition of investment in subsidiary	–	1	1
–	33,379	33,379	Arising on creation of BSOF	–	2,393	2,393
1,144,257	27,861	1,172,118	Balance as at 31 December 2012	83,074	2,023	85,097
272	4,980	5,252	Total comprehensive income/(loss) for the period	(6,735)	17	(6,718)
(80,014)	–	(80,014)	Treasury shares acquired	(5,628)	–	(5,628)
63,901	–	63,901	Treasury shares issued to acquire NBC	4,235	–	4,235
(2,499)	–	(2,499)	Effect of share split and consolidation	(165)	–	(165)
235	(1,397)	(1,162)	Changes in non-controlling interests arising on investment in BSOF	12	79	91
6,600	–	6,600	Equity settled share based payment expense	464	–	464
(123)	18	(105)	Reduction in non-controlling interests arising on acquisition of further shares in BFM	(9)	1	(8)
(14,329)	–	(14,329)	Dividends paid	(1,008)	–	(1,008)
1,118,300	31,462	1,149,762	Balance as at 30 June 2013	74,240	2,120	76,360

Condensed consolidated statement of cash flows

for the six months ended 30 June 2013

Audited 31 December 2012 R'000	Unaudited 30 June 2013 R'000	Unaudited 30 June 2013 R'000		Unaudited 30 June 2013 R'000	Unaudited 30 June 2012 R'000	Audited 31 December 2012 R'000
(74,630)	(69,975)	(25,550)	Cash flow from operating activities	(1,645)	(5,593)	(5,372)
(46,018)	(66,935)	(22,646)	Cash absorbed by operations	(1,442)	(5,351)	(3,048)
(22,514)	(1,760)	912	Net finance costs	65	(141)	(1,856)
3,537	2,864	–	Dividends received	–	230	272
(9,635)	(4,144)	(3,816)	Taxation paid	(268)	(331)	(740)
178,582	(458,761)	(120,907)	Cash flow from investing activities	(8,975)	(36,975)	14,067
(14,171)	(1,468)	(4,577)	Net expenditure on property, plant and equipment and investment properties	(322)	(118)	(1,087)
13,918	(457,293)	(83,194)	Net movement in investments	(5,851)	(36,857)	1,063
(21,734)	–	91,396	Net movement in investments in subsidiaries, net of cash acquired	6,178	–	(1,560)
–	–	(124,532)	Acquisition of additional shares in associate	(8,980)	–	–
200,569	–	–	Disposal of discontinued operations, net of cash disposed	–	–	15,651
(7,065)	328,645	(60,801)	Cash flow from financing activities	(4,269)	26,568	(543)
(7,065)	328,645	36,041	Net movement in borrowings and other financial liabilities	2,532	26,568	(543)
–	–	(80,014)	Treasury shares acquired	(5,628)	–	–
–	–	(2,499)	Blackstar shares acquired as part of the share split and consolidation	(165)	–	–
–	–	(14,329)	Dividends paid to equity holders of the parent	(1,008)	–	–
96,887	(200,091)	(207,258)	Net (decrease)/increase in cash and cash equivalents	(14,889)	(16,000)	8,152
255,059	255,059	351,946	Cash and cash equivalents at the beginning of the period	25,552	20,329	20,329
–	–	–	Exchange losses on cash and cash equivalents	(1,053)	(44)	(2,929)
351,946	54,968	144,688	Cash and cash equivalents at the end of the period	9,610	4,285	25,552

Notes to the condensed, unaudited interim financial statements

for the six months ended 30 June 2013

1. Basis of preparation

These condensed financial statements of the Group are prepared in accordance with the recognition and measurement principles of International Financial Reporting Standards ("IFRS") published by the International Accounting Standards Board ("IASB") as endorsed for use by the European Union. They are prepared on the going concern principle, using the historical cost basis and the accounting policies which are expected to be applied in the preparation of the Group's annual financial statements for the year ending 31 December 2013. The Group has chosen not to adopt IAS 34 Interim Financial Statements in preparing the consolidated interim financial statements.

The accounting policies and methods of computation are consistent with those applied in the annual financial statements for the year ended 31 December 2012.

The financial information in this half-yearly report is unaudited and does not constitute statutory accounts for the purposes of the Maltese Companies Act, 1985. The half-yearly report should be read in conjunction with the Group's statutory accounts for the year ended 31 December 2012, which are prepared under IFRS and upon which an unqualified auditors' report was given. The statutory accounts are available from the Company's website, www.blackstar.lu, or by writing to the Company Secretary.

The functional currency of the Company is the South African Rand, being the currency of the primary economic environment in which the Company and its subsidiaries operate.

Blackstar is dual listed with a primary listing on the Alternative Investment Market of the London Stock Exchange ("AIM") and a secondary listing on the AlTX Capital of the JSE Limited ("JSE") in South Africa. As a result, Blackstar has two presentational currencies being South African Rand ("Rands") and Pounds Sterling ("Pounds").

The principal exchange rates utilised to prepare the interim financial results are as follows:

Closing rate				Average rate	
31 December 2012	30 June 2012	30 June 2013		Six months to 30 June 2013	Year to 31 December 2012
13.773	12.828	15.057	GBP/ZAR	14.218	12.521
11.187	10.447	12.904	EUR/ZAR	12.101	10.282
0.812	0.805	0.8570	EUR/GBP	0.851	0.823

2. Earnings/(losses) per share

Basic and diluted earnings/(losses) per share

Audited Year to 31 December 2012 R'000	Unaudited Six months to 30 June 2012 R'000	Unaudited Six months to 30 June 2013 R'000		Unaudited Six months to 30 June 2012 R'000	Unaudited Six months to 30 June 2013 R'000	Audited Year to 31 December 2012 R'000
164,167	140,502	587	Net profit/(loss) attributable to equity holders of the parent from continuing operations	(126)	10,797	12,803
128,198	131,167	(315)	Net (loss)/ profit attributable to equity holders of the parent from discontinued operations	(22)	7,963	7,741
292,365	271,669	272	Total net profit/(loss) attributable to equity holders of the parent	(148)	18,760	20,544
82,088	82,088	78,012	Weighted average number of shares in issue, net of treasury shares (thousands)	78,012	82,088	82,088
356.16	330.95	0.35	Basic and diluted earnings/(losses) per ordinary share attributable to equity holders (in cents/pence)	(0.19)	22.85	25.03
199.99	171.16	0.75	Basic and diluted earnings/(losses) per ordinary share attributable to equity holders from continuing operations (in cents/pence)	(0.16)	13.15	15.60
156.17	159.79	(0.40)	Basic and diluted (losses)/earnings per ordinary share attributable to equity holders from discontinued operations (in cents/pence)	(0.03)	9.70	9.43

Basic and diluted headline (losses)/earnings per share

Audited Year to 31 December 2012 R'000	Unaudited Six months to 30 June 2012 R
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