

SOUTHERN VIEW FINANCE LTD

(Incorporated in Bermuda with registration number 47305)

Class A share codes:

BSX: SVF.BH JSE: SVF

ISIN: BMG829251013

Class B share codes:

BSX: SVFB.BH JSE: SVFB

ISIN: BMG 829251195

("SVF" or "the Company")

INTERIM UNAUDITED CONSOLIDATED RESULTS FOR THE NINE MONTH PERIOD ENDED 31 MARCH 2015

The Company is incorporated in Bermuda and its main purpose is the holding of investments. The Company holds 100% of the share capital in Southern View Finance Mauritius Ltd and Southern View Finance UK Ltd, and 100% of the share capital in Southern View Finance SA Holdings (Pty) Ltd (the Group). The Company's primary listing is on the Bermuda Stock Exchange ("BSX"). It has a secondary listing on the Alternative Exchange of the JSE Limited ("AltX").

DESCRIPTION OF THE BUSINESS

The Group is an international financial services business, offering affordable and appropriate access to financial service products aimed at the mass market. The Group's aim is to provide low cost financial service products, which currently includes (i) small and affordable loans and may include in the future (ii) mobile banking (iii) money transfers and (iv) micro insurance products. The Group partners with and leverages established retail and other networks to distribute its products. The Group's initial focus has been in South Africa, where it has partnered with a significant clothing and apparel retailer to offer small, low cost loans to its customers. It is in the process of expanding into further jurisdictions. The key business metrics of the Group's loan products are:

- (1) an average loan amount of R3 300 for the 6 month loan product and R7 400 for the 12 month loan product
- (2) a loan term of 6 months and 12 months respectively
- (3) a targeted monthly cash yield percentage on the loan portfolio of greater than 20%
- (4) targeted write-offs (all capital, interest and fees) of less than 12% of all advances and revenues
- (5) a bad debt provision of less than 20% which delivers a provision cover in excess of 100% of non-performing loans
- (6) new loan applications of greater than 100 000 per month

BUSINESS REVIEW

The Group's performance was in line with all the key internal business metrics listed above. The Gross and Net Loan Book as at 31 March 2015 were R1 941 639 697 (2014: R1 388 594 582) and R1 612 422 004 (2014: R1 121 704 551) respectively. There were 538 792 active customers at 31 March 2015 (2014: 387 031).

CAPITAL RAISING

On 21 November 2014, the Company raised R649 999 975 through the issue of 58 665 704 Class A shares to certain Class A shareholders of the Company. The Company currently has 113 965 375 Class A shares in issue.

DIVIDEND

A final dividend payable to Class B shareholders amounting to R5 323 960 relating to the 2014 financial year was declared on 21 January 2015 and paid on 28 January 2015. An interim dividend payable to Class B shareholders amounting to R15 641 051 relating to the 2015 financial year was declared on 3 February 2015 and paid on 9 February 2015.

BASIS OF PREPARATION

These interim unaudited consolidated results for the nine month period ended 31 March 2015 have been prepared in accordance with IAS 34 - Interim Financial Reporting, the rules of the BSX and the Listings Requirements of the JSE Limited.

ACCOUNTING POLICIES

The results below have not been audited or reviewed by the Company's external auditors. The accounting policies adopted are consistent with those published in the Consolidated Financial Statements for the year ended 30 June 2014.

By order of the Board



Merwe Scholtz

Chairman

10 June 2015

SOUTHERN VIEW FINANCE LTD

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2015

	Unaudited as at 31 March 2015 R	Unaudited as at 31 March 2014 R
Assets		
Cash and cash equivalents	832 190 198	331 288 034
Loans and advances to clients	1 612 422 004	1 121 704 551
Property, plant and equipment	161 189 114	115 905 437
Intangible assets	17 827 548	17 827 548
Other financial assets	50 382 742	39 279 646
Total assets	2 674 011 606	1 626 005 216
Liabilities		
Loans at amortised cost	890 053 503	589 546 885
Trade and other payables	124 617 113	390 611 530
Current income tax liabilities	25 991 591	24 227 393
Total liabilities	1 040 662 207	1 004 385 808
Equity		
Shareholders' equity	1 633 349 399	621 619 408
Total equity	1 633 349 399	621 619 408
Total liabilities and equity	2 674 011 606	1 626 005 216

SOUTHERN VIEW FINANCE LTD

INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE NINE MONTH PERIOD ENDED 31 MARCH 2015

	Unaudited for the nine month period ended 31 March 2015 R	Unaudited for the nine month period ended 31 March 2014 R
Net interest income	779 660 860	222 273 595
Loan fee income	568 681 422	188 007 032
Direct distribution expense	(266 116 788)	(161 073 615)
Net portfolio income	1 082 225 494	249 207 012
Other income	14 500 817	47 963 409
Operating costs	(150 987 197)	(44 203 991)
Net bad debt written off	(461 526 586)	(24 684 481)
Bad debt provision	(71 885 657)	(243 034 097)
Funding costs	(92 429 612)	(30 284 101)
Other expenses	(762 328 235)	(294 243 261)
Operating profit (loss) before tax	319 897 259	(45 036 249)
Income tax expense	(34 969 506)	(939 185)
Profit (loss) for the three month period	284 927 753	(45 975 434)
Earnings (loss) per share cents		
Basic	274	(167)
Diluted	274	(167)
*		

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INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE NINE MONTH PERIOD ENDED 31 MARCH 2015

	Share capital R	Share premium R	Retained earnings R	Reserves R	Total equity R
Balance at 01 July 2013-audited	3 010	30 092 865	(10 332 498)	(747 630)	19 015 747
Total comprehensive loss for the nine month period	-	-	(45 975 434)	-	(45 975 434)
Shares issued	76 840	648 502 255	-	-	648 579 095
Balance at 31 March 2014 - unaudited	79 850	678 595 120	(56 307 932)	(747 630)	621 619 408
Balance at 01 April 2014 - unaudited	79 850	678 595 120	(56 307 932)	(747 630)	621 619 408
Total comprehensive profit for the period	-	-	97 764 879	-	97 764 879
Shares issued	-	-	-	-	-
Balance at 30 June 2014 - audited	79 850	678 595 120	41 456 947	(747 630)	719 384 287
Total comprehensive profit for the nine month period	-	-	284 927 753	2 395	284 930 148
Dividends paid to shareholders	-	-	(20 965 011)	-	(20 965 011)
Shares issued	62 911	649 937 064	-	-	649 999 975
Balance at 31 March 2015 - unaudited	142 761	1 328 532 184	305 419 689	(745 235)	1 633 349 399

SOUTHERN VIEW FINANCE LTD

INTERIM CONSOLIDATED CASH FLOWS FOR THE NINE MONTH PERIOD ENDED 31 MARCH 2015

	Unaudited as at 31 March 2015 R	Unaudited as at 31 March 2014 R
Profit (loss) before taxation	319 897 259	(45 036 249)
Adjustments for:		
Depreciation and amortisation	20 140 808	614 283
Tax paid	(15 973 649)	-
Changes in working capital:		
Loans and other receivables	(185 401 230)	(1 155 217 298)
Trade and other payables	4 298 378	405 821 422
Net cash generated (utilised) in operating activities	142 961 566	(793 817 842)
Net cash utilised in investing activities	(35 332 174)	(133 740 860)
Shares issued	649 999 975	648 579 095
Dividends paid to shareholders	(20 965 011)	-
(Decrease) / increase in loans	(467 743 099)	589 536 886
Net cash generated from financing activities	161 291 865	1 238 115 981
Net cash at the beginning of the period	563 268 941	20 730 755
Net cash at the end of the period	832 190 198	331 288 034

*Headline earnings (loss) per share (cents)

- Basic	274	(167)
- Diluted	274	(167)

Interests of directors and executive officers:

Mr Hendrik van der Merwe Scholtz's family trust holds approximately 88% (eighty eight percent) of the issued shares in Plus27 Financial Services Holdings Pty Ltd ("Plus27"). Plus27 holds approximately 0.59% (zero point five nine percent) of the issued Class A Shares. Plus27 and its wholly owned subsidiaries hold 90% (ninety percent) of the issued Class B Shares.

Registered office

Mercury House, 101 Front Street, Hamilton, Bermuda, HM12

Directors: James Keyes(Non Executive), Gregory Toloram (Non Executive), James Bareham (Executive Officer), Hermanus Troskie (Non Executive), Hendrik van der Merwe Scholtz (Non Executive Chairman), Sam Sithole (Non Executive)

Auditors: PricewaterhouseCoopers Mauritius

Transfer secretary: Computer Share Investor Services (Pty) Ltd
Ground Floor, 70 Marshall Street, Johannesburg, 2001, South Africa

Registrar and transfer agent: Mercury Group Limited

BSX sponsor: Global Custody and Clearing Limited

JSE sponsor: KPMG Services (Pty) Ltd

Company secretary: Mercury Group Limited

June 2015