

UNI: Universal - General Repurchase Of Shares

UNIVERSAL INDUSTRIES CORPORATION LIMITED

(formerly Universal Food Systems (Proprietary) Limited)

(Incorporated in the Republic of South Africa)

(Registration number 1996/004343/06)

JSE code: UNI: ZAE000110664

("Universal" or "the company")

GENERAL REPURCHASE OF SHARES

Shareholders are advised that Universal has cumulatively repurchased 19,700,000 of its own shares (comprising 4.2% of its issued share capital) out of the company's available cash resources. The shares were repurchased for an aggregate price of R11,915,000 in the following tranches:

- 200,000 on 6 October 2008 at 70 cents per share;
- 1,000,000 on 17 October 2008 at 65 cents per share;
- 384,467 on 22 October 2008 at 65 cents per share;
- 615,533 on 23 October 2008 at 65 cents per share;
- 500,000 on 24 October 2008 at 55 cents per share; and
- 17,000,000 on 2 December 2008 at 60 cents per share.

The repurchases were in terms of the general authority granted by shareholders on 25 June 2008 and were effected through the order book operated by the JSE trading system without any prior understanding or arrangement between the company and the counter parties. The shares have or will be de-listed and cancelled on or before Friday, 12 December 2008.

Universal is entitled to repurchase a further 74,100,700 shares (15.8% of the shares in issue as at the date of the authority) in terms of the current general authority, which is valid until Universal's next annual general meeting.

OPINION OF THE BOARD OF UNIVERSAL

The board of Universal has considered the effect of the repurchases and is of the opinion that, for a period of 12 months following the date of this announcement:

- the company and the group will be able to repay their debts, in the ordinary course of business;
- the assets of the company and the group, will be in excess of the liabilities of the company and the group.
- the company's and the group's ordinary capital and reserves will be adequate for ordinary business purposes; and
- the company and the group will have sufficient working capital for ordinary business purposes.

FINANCIAL EFFECTS OF THE REPURCHASES

The unaudited pro forma financial effects as set out below have been prepared to assist Universal shareholders in assessing the impact of the repurchases on earnings per share, headline earnings per share, net asset value per share and net tangible asset value per share of Universal as at and for the six months ended 30 June 2008.

These unaudited pro forma financial effects have been prepared for illustrative purposes and because of their nature, may not fairly present Universal's financial position after the repurchases.

The directors of Universal are responsible for the preparation of the financial effects and they have not been reviewed by the auditors.

	Before the repurchases (cents)	After the repurchases (cents)	% change
Earnings and headline earnings per share	5.1	5.3	2.4%
Net asset value per share	59.6	59.5	(0.1%)
Tangible net asset value per share	21.3	19.6	(8.2%)

NOTES AND ASSUMPTIONS

- The figures set out in the "Before the repurchases" column above have been extracted from unaudited interim results for the six months ended 30 June 2008.
- The repurchases are assumed to have been implemented on 1 January 2008 for earnings and headline earnings per share purposes and on 30 June 2008 for net asset and tangible net asset value per share purposes.
- It is assumed that the repurchases were funded out of the available cash resources of the company which were earning interest at an after tax interest rate of 7.56% per annum.

3 December 2008

Sponsor

Java Capital (Proprietary) Limited

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