

York Timber Holdings Limited - Trading update  
23 Feb 2009

YRK

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York Timber Holdings Limited

(Previously "The York Timber Organisation Limited")

(Incorporated in the Republic of South Africa)

(Registration number 1916/004890/06)

Share code: YRK

ISIN: ZAE000008108

("York")

#### TRADING UPDATE

In terms of paragraph 3.4(b) of the Listings Requirements of the JSE Limited, companies are required to publish a trading statement as soon as they become reasonably certain that the financial results for the period to be reported on next will differ by at least 20% from those of the previous corresponding period.

York is in the process of completing its results for the six months ended 31 December 2008 for release on or about 4 March 2009.

Shareholders are advised that York expects a decrease of between 72% and 92% in Basic Headline Earnings Per Share ("HEPS"). It should be noted that the corresponding period included reviewed results for a twelve month period as a result of the change in the financial year-end.

HEPS is expected to decrease between 60% and 80% when compared against the pro forma results calculated for the six months ended 31 December 2007.

The decline in HEPS is mainly attributable to a decrease in demand for timber in line with the current economic slow down and an oversupply of saw logs due to increased salvage operations subsequent to the 2007 and 2008 fires. These factors resulted in a stagnation of the rise of timber and saw log prices; therefore no fair value price adjustment was made to the biological assets. HEPS was also negatively affected by the costs of the accelerated felling to complete the post fire log salvage operations.

As demand for timber products decreased by 15% year on year York slowed its sawmills' production to cater for reduced demand. Management has also implemented cost reduction measures in order to protect margins in the light of the lower production volumes.

The above information has not been reviewed or reported on by York's auditors.

Sabie, Mpumalanga

23 February 2009

Sponsor

Barnard Jacobs Mellet Corporate Finance (Pty) Limited

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