

GROWTH THROUGH UNITY

■ HEADLINE EARNINGS UP 4,9% ■ HEPS UP 1,0% ■ NAV OF 413 CENTS PER SHARE ■ NET DEBT: EQUITY RATIO 16,5% ■ STRONG PERFORMANCE FROM AGGREGATES DIVISION

CONDENSED CONSOLIDATED INCOME STATEMENT

	Reviewed six months ended 31 August 2010 R'000	Reviewed six months ended 31 August 2009 R'000	Change %	Audited year ended 28 February 2010 R'000
Revenue	455 874	392 517	16,1	778 016
Cost of sales	(347 917)	(292 512)		(595 852)
Gross profit	107 957	100 005		182 164
Other income	4 041	3 170		3 253
Operating expenses	(47 342)	(36 587)		(76 493)
Operating profit	64 656	66 588	(2,9)	108 924
Investment revenue	4 290	1 968		6 807
Finance costs	(5 567)	(7 638)		(12 959)
Share of profit of associate	7	-		5
Profit before taxation	63 386	60 918	4,1	102 777
Taxation	(18 485)	(18 804)	(1,7)	(29 864)
Profit attributable to shareholders	44 901	42 114	6,6	72 913
Attributable to:				
Owners of the parent	44 887	41 866		72 911
Non-controlling interests	14	248		2
	44 901	42 114		72 913
Reconciliation of headline earnings:				
Profit attributable to owners of the parent	44 887	41 866		72 911
Profit on disposal of property, plant and equipment	(3 553)	(2 534)		(2 052)
Profit on disposal of trademark	(488)	-		-
Profit on disposal of financial instruments	-	(637)		(669)
Negative goodwill included in other income	-	-		(532)
Total tax effects of adjustments	702	908		779
Headline earnings	41 548	39 603	4,9	70 437
Shares in issue:				
Total shares in issue	143 262 412	143 262 412		143 262 412
Treasury shares	(4 796 249)	(1 960 867)		(3 398 280)
Net shares in issue	138 466 163	141 301 545		139 864 132
Weighted average number of net shares in issue	138 807 226	133 585 941		137 236 345
Diluted weighted average number of shares	140 022 129	134 453 353		138 290 134
Earnings per ordinary share (cents)	32,3	31,3	3,2	53,1
Diluted earnings per ordinary share (cents)	32,1	31,1	3,2	52,7
Headline earnings per ordinary share "HEPS" (cents)	29,9	29,6	1,0	51,3
Diluted HEPS (cents)	29,7	29,5	0,7	50,9

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Reviewed six months ended 31 August 2010 R'000	Reviewed six months ended 31 August 2009 R'000	Change %	Audited year ended 28 February 2010 R'000
Profit for the period	44 901	42 114	6,6	72 913
Other comprehensive income				
Net change in fair value of available-for-sale financial assets	18	138		220
Net change in fair value of available-for-sale financial assets transferred to profit and loss	-	(637)		(669)
Income tax on other comprehensive income	(2)	182		177
	16	(317)		(272)
Total comprehensive income for the period	44 917	41 797	7,5	72 641
Attributable to:				
Owners of the parent	44 903	41 549		72 639
Non-controlling interests	14	248		2
	44 917	41 797		72 641

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Reviewed 31 August 2010 R'000	Reviewed 31 August 2009 R'000	Audited 28 February 2010 R'000
ASSETS			
Non-current assets			
Property, plant and equipment	381 227	380 747	385 261
Intangible assets	14 149	14 867	14 479
Goodwill	101 332	101 332	101 332
Investment in associate	13	-	5
Other financial assets	71 174	66 307	67 012
Deferred tax	5 190	3 227	4 570
Retirement benefit asset	13 052	12 310	12 672
	586 137	578 790	585 331
Current assets			
Inventories	74 154	82 369	68 862
Current tax receivable	4 386	6 664	5 223
Trade and other receivables	242 865	170 709	130 956
Cash and cash equivalents	29 022	27 661	52 914
	350 427	287 403	257 955
Total assets	936 564	866 193	843 286
EQUITY AND LIABILITIES			
Equity			
Share capital	1 435	1 435	1 435
Share premium	352 150	352 150	352 150
Business combination adjustment	(105 788)	(105 788)	(105 788)
Treasury shares	(15 617)	(6 439)	(11 002)
Net issued share capital	232 180	241 358	236 795
Other reserves	2 154	2 205	1 835
Retained income	356 678	303 387	325 668
Attributable to equity holders of parent	591 012	546 950	564 298
Non-controlling interests	215	510	201
Total equity	591 227	547 460	564 499
Liabilities			
Non-current liabilities			
Borrowings long-term	51 679	63 841	48 506
Deferred tax	61 543	57 674	61 467
Provisions	14 431	12 535	13 160
	127 653	134 050	123 133
Current liabilities			
Borrowings short-term	40 467	43 629	43 364
Current tax payable	4 030	14 671	159
Trade and other payables	138 922	99 785	91 347
Bank overdraft	34 265	26 598	20 784
	217 684	184 683	155 654
Total liabilities	345 337	318 733	278 787
Total equity and liabilities	936 564	866 193	843 286
Net asset value per share (cents)	413	382	394
Tangible net asset value per share (cents)	332	301	313

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Reviewed six months ended 31 August 2010 R'000	Reviewed six months ended 31 August 2009 R'000	Audited year ended 28 February 2010 R'000
Cash flows from operating activities			
Cash generated from operations	49 818	60 865	166 491
Interest income	4 290	1 968	6 802
Dividends received	-	5	5
Finance costs	(5 566)	(7 638)	(12 959)
Tax paid	(14 320)	(3 895)	(25 582)
Net cash from operating activities	34 222	51 305	134 757
Cash flows from investing activities			
Acquisition of property, plant and equipment	(18 573)	(12 104)	(38 086)
Proceeds on sale of property, plant and equipment	4 356	7 010	10 171
Purchase of financial asset	(4 162)	(35 347)	(35 989)
Acquisition of businesses	-	(14)	(14)
Deposit on acquisition of business	(35 000)	-	-
Net cash from investing activities	(53 379)	(40 475)	(63 918)
Cash flows from financing activities			
Purchase of treasury shares	(4 615)	(2 319)	(6 882)
Net movement in borrowings	276	(5 184)	(20 784)
Dividends paid	(13 877)	(10 556)	(19 335)
Net cash from financing activities	(18 216)	(18 059)	(47 001)
Total cash movement for the period	(37 373)	(7 229)	(23 838)
Cash at beginning of period	32 130	8 292	8 292
Total cash at the end of period	(5 243)	1 063	32 130

CONDENSED CONSOLIDATED SEGMENT REPORT

	Reviewed six months ended 31 August 2010 %	Reviewed six months ended 31 August 2010 R'000	Split six months ended 31 August 2009 %	Reviewed six months ended 31 August 2009 R'000	Split year ended 28 February 2010 %	Audited year ended 28 February 2010 R'000
Revenue						
External sales						
Aggregates	69	313 838	63	245 062	63	487 387
Ready-mix Concrete	19	87 256	24	94 590	24	188 295
Concrete Manufactured Products	12	54 780	13	52 865	13	102 334
	100	455 874	100	392 517	100	778 016
Intersegment sales						
Aggregates	86	22 145	84	20 337	83	35 889
Ready-mix Concrete	1	240	1	255	1	554
Concrete Manufactured Products	13	3 249	15	3 718	16	6 713
	100	25 634	100	24 610	100	43 156
Total revenue						
Aggregates	70	335 983	63	265 699	64	523 276
Ready-mix Concrete	18	87 496	23	94 845	24	188 849
Concrete Manufactured Products	12	58 029	14	56 583	13	109 447
	100	481 508	100	417 127	100	821 172
Operating profit before tax						
Aggregates	88	57 090	75	49 866	77	83 633
Ready-mix Concrete	3	1 668	10	6 467	11	11 736
Concrete Manufactured Products	10	6 715	13	8 793	11	12 347
Other	(1)	(817)	2	1 462	1	1 208
	100	64 656	100	66 588	100	108 924
Operating profit margins on external revenue (%)						
Aggregates		18,2		20,3		17,2
Ready-mix Concrete		1,9		6,8		6,2
Concrete Manufactured Products		12,3		16,6		12,1
		14,2		17,0		14,0
Other Information						
Assets						
Aggregates	57	536 412	58	508 307	56	473 695
Ready-mix Concrete	7	67 727	8	67 277	7	58 889
Concrete Manufactured Products	7	65 924	8	66 814	7	60 528
Other	29	266 501	26	223 795	30	250 174
Consolidated total assets	100	936 564	100	866 193	100	843 286

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital	Share premium	Treasury shares	Business combination adjustment	Other reserves	Retained income	Non-controlling interests	Total equity
Balance at 1 March 2009	1 340	325 170	(4 120)	(105 788)	2 260	272 077	2 830	493 769
Changes:								
Acquisition equity adjustments	-	-	-	-	-	-	(2 568)	(2 568)
Issue of share capital	95	26 980	-	-	-	-	-	27 075
Employee share option scheme: Value of services provided	-	-	-	-	262	-	-	262
Movement in treasury shares	-	-	(2 319)	-	-	-	-	(2 319)
Total comprehensive income for the period	-	-	-	-	(317)	41 866	248	41 797
Dividends paid	-	-	-	-	-	(10 556)	-	(10 556)
Balance at 31 August 2009	1 435	352 150	(6 439)	(105 788)	2 205	303 387	510	547 460
Balance at 1 March 2010	1 340	325 170	(4 120)	(105 788)	2 260	272 077	2 830	493 769
Changes:								
Acquisition equity adjustments	-	-	-	-	-	14	(2 631)	(2 617)
Issue of share capital	95	26 980	-	-	-	-	-	27 075
Employee share option scheme: Value of services provided	-	-	-	-	(153)	-	-	(153)
Movement in treasury shares	-	-	(6 882)	-	-	-	-	(6 882)
Total comprehensive income for the year	-	-	-	-	(272)	72 911	2	72 641
Dividends paid	-	-	-	-	-	(19 334)	-	(19 334)
Balance at 28 February 2010	1 435	352 150	(11 002)	(105 788)	1 835	325 668	201	564 499
Changes:								
Employee share option scheme: Value of services provided	-	-	-	-	303	-	-	303
Movement in treasury shares	-	-	(4 615)	-	-	-	-	(4 615)
Total comprehensive income for the period	-	-	-	-	16	44 887	14	44 917
Dividends paid	-	-	-	-	-	(13 877)	-	(13 877)
Balance at 31 August 2010	1 435	352 150	(15 617)	(105 788)	2 154	356 678	215	591 227

NOTES

	Reviewed six months ended 31 August 2010 R'000	Reviewed six months ended 31 August 2009 R'000	Audited year ended 28 February 2010 R'000
1. Dividends			
1.1 Afrimat Limited dividends paid/declared in respect of the current year profits			
- Interim dividend declared/paid	8 596	8 596	8 596
- Final dividend paid	-	-	14 326
	8 596	8 596	