

unaudited interim group results

for the six months ended 31 December 2009



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Incorporated in the Republic of South Africa
Reg. no. 1969/000032/06 JSE code: GRF ISIN: ZAE 000027405

Revenue
(R'000)

down 4%

Dec 09 ▶ 5 708 793
Dec 08 ▶ 5 968 141

Profit after tax
from continuing
operations
(R'000)

up 12%

Dec 09 ▶ 284 900
Dec 08 ▶ 253 764

Cash and cash
equivalents
(R'000)

up 464 287

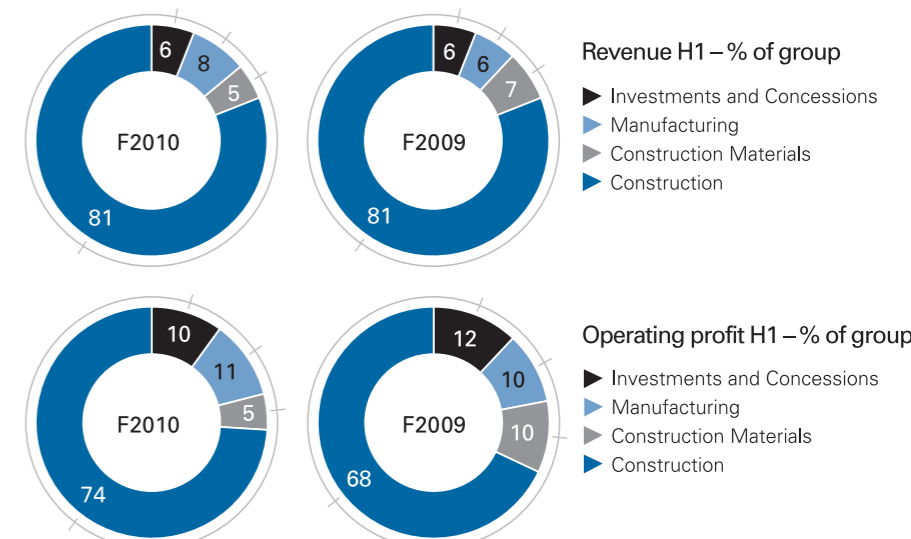
Dec 09 ▶ 3 242 711
Jun 09 ▶ 2 778 424

Fully diluted
headline earnings
per share
(cents)

up 8%

Dec 09 ▶ 249
Dec 08 ▶ 230

Cluster contribution to group revenue and operating profit



Consolidated condensed income statement

(R'000)	% change	Unaudited		Audited
		2009	2008	2009
Revenue	(4)	5 708 793	5 968 141	12 090 236
Operating profit before fair value adjustments and associates	6	399 146	376 660	797 182
Fair value adjustments relating to investment in service concessions		10 391	11 978	15 718
Operating profit	5	409 537	388 638	812 900
Income/(loss) from associates		1 017	–	(69)
Finance income		63 966	49 378	137 173
Finance costs		(56 387)	(80 526)	(167 993)
Profit before taxation	17	418 133	357 490	782 011
Taxation		(133 233)	(103 726)	(224 567)
Profit after taxation from continuing operations	12	284 900	253 764	557 444
Loss for the period from discontinued operations		(10 571)	(13 087)	(22 890)
Profit for the period	14	274 329	240 677	534 554
Allocated as follows:				
Equity shareholders of Group Five Limited	7	252 547	235 084	514 733
Non controlling interest		21 782	5 593	19 821
	14	274 329	240 677	534 554
Determination of headline earnings (R'000)				
Attributable profit	7	252 547	235 084	514 733
Add after tax effect of:				
– Losses on sale of property, plant and equipment and investment property		–	–	19
– Losses on disposal of discontinued operations		10 571	13 087	22 890
Headline earnings	6	263 118	248 171	537 642

Consolidated condensed statement of financial position

(R'000)	Unaudited		Audited
	2009	2008	2009
ASSETS			
Non-current assets			
Property, plant and equipment and investment property	2 460 893	2 381 848	2 444 837
Goodwill	24 859	24 859	24 859
Investments – service concessions	224 417	164 327	186 482
Investments – property developments	120 000	–	120 000
Other non-current assets	82 477	262 997	63 364
	2 912 646	2 834 031	2 839 542
Current assets			
Other current assets	3 930 980	5 366 244	4 654 112
Bank balances and cash	3 262 105	2 067 573	2 798 046
	7 193 085	7 433 817	7 452 158
Non-current assets classified as held for sale			
	73 153	90 973	81 170
Total assets	10 178 884	10 358 821	10 372 870
EQUITY AND LIABILITIES			
Capital and reserves			
Equity attributable to equity holders of the parent	2 541 387	2 211 968	2 373 477
Non controlling interest	51 537	21 315	34 366
	2 592 924	2 233 283	2 407 843
Non-current liabilities			
Interest bearing borrowings	877 287	1 187 087	897 867
Other non-current liabilities	61 746	65 628	62 069
	939 033	1 252 715	959 936
Current liabilities			
Other current liabilities	6 627 533	6 851 598	6 985 469
Bank overdrafts	19 394	21 225	19 622
	6 646 927	6 872 823	7 005 091
Total liabilities	7 585 960	8 125 538	7 965 027
Total equity and liabilities	10 178 884	10 358 821	10 372 870

Consolidated condensed statement of changes in equity

(R'000)	Unaudited		Audited
	2009	2008	2009
Balance at 1 July	2 407 843	2 023 181	2 023 181
Net profit for the period	274 329	240 677	534 554
Other comprehensive income for the period	(33 177)	9 653	(78 006)
Share options expense	17 091	16 927	41 916
Distribution to minorities	(4 611)	(795)	(1 972)
Dividends paid	(68 551)	(56 360)	(111 830)
Balance at end of period	2 592 924	2 233 283	2 407 843

Statistics

	Unaudited		Audited
	2009	2008	2009
Number of ordinary shares			
Shares in issue	94 765 894	93 995 266	94 614 042
Less: Shares held by share trusts	(25 478 600)	(25 838 805)	(25 479 005)
Weighted average number of shares ('000s)	95 236	94 411	94 670
Fully diluted weighted average number of shares ('000s)	105 494	107 954	105 804
Earnings per share – R	2,65	2,49	5,44
Headline earnings per share – R	2,76	2,63	5,68
Fully diluted earnings per share – R	2,39	2,18	4,86
Fully diluted headline earnings per share – R	2,49	2,30	5,08
Dividend cover (based on earnings per share)	4,2	4,3	4,2
Dividend per share (cents)	63,0	58,0	130,0
Interim			
Final	63,0	58,0	58,0
	–	–	72,0
Net asset value per share – R	26,8	23,53	25,09
Net debt to equity ratio	–	–	–
Current ratio	0,6	0,8	0,7

Consolidated statement of comprehensive income

(R'000)	Unaudited		Audited
	2009	2008	2009
Net profit for the period	274 329	240 677	534 554
Other comprehensive income for the period net of tax	(33 177)	9 653	(78 006)
Movement in foreign currency translation reserve			
Total comprehensive income for the period	241 152	250 330	456 548
Total comprehensive income for the period attributable to			
Equity shareholders of the company	219 370	244 737	436 727
Non controlling interest	21 782	5 593	19 821
Total comprehensive income for the period	241 152	250 330	456 548

Consolidated condensed segmental analysis – primary

(R'000)	% change	Unaudited		Audited
		2009	2008	2009
REVENUE				
Investments and Concessions	(1)	334 349	338 218	626 795
Infrastructure Concessions	14	310 119	271 262	527 938
Property Developments	(64)	24 230	66 956	98 857
Manufacturing	21	454 022	374 078	816 132
Construction Materials	(35)	269 038	413 725	671 317
Construction	(4)	4 651 384	4 842 120	9 975 992
Building and Housing	16	1 551 383	1 332 484	2 899 773
Civil Engineering	10	2 412 214	2 198 778	4 633 259
Engineering Projects	(48)	687 787	1 310 858	2 442 960
	(4)	5 708 793	5 968 141	12 090 236

Consolidated condensed statement of cash flow

(R'000)	Unaudited		Audited
	2009	2008	2009
Cash flow from operating activities			
Cash from operations	565 525	482 240	1 117 273
Working capital changes	162 012	237 420	682 226
Cash generated from operations	727 537	719 660	1 799 499
Finance costs – (net)	7 580	(31 148)	(30 820)
Taxation and dividends paid	(119 087)	(118 537)	(222 194)
Net cash generated by operating activities	616 030	569 975	1 546 485
Property, plant and equipment and investment property (net)	(72 910)	(89 841)	(213 018)
Investments (net)	(38 724)	(146 468)	(191 906)
Net cash utilised in investing activities	(111 634)	(236 309)	(404 924)
Net cash utilised in financing activities	(40 109)	(143 232)	(219 051)
Net cash generated by discontinued operations	–	31 700	31 700
Net increase in cash and cash equivalents	464 287	222 134	954 210

Capital expenditure and depreciation

(R'000)	Unaudited		Audited
	2009	2008	2009
Capital expenditure for the period	111 427	169 935	429 511
Capital expenditure committed or authorised at the period end	94 238	84 238	139 561
Depreciation for the period	131 133	99 968	258 370

Estimates and contingencies

The group makes estimates and assumptions concerning the future, particularly with regard to construction contract profit taking, provisions, arbitrations and claims and various fair value accounting policies. The resulting accounting estimates and judgments can, by definition, therefore only approximate the actual results. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Total financial institution guarantees given to third parties on behalf of subsidiary companies amounted to R5 702 million as at 31 December 2009, compared to R6 268 million as at 30 June 2009.

Distribution to shareholders by way of a capital reduction from stated capital ("the distribution")

The directors have declared the distribution of 63 cents per ordinary share (2008: 58 cents dividend) payable to shareholders.

DATES OF THE DISTRIBUTION

In order to comply with the requirements of Strate, the relevant details are:

Event	Date
Last day to trade (cum-distribution)	Friday, 16 April 2010
Shares to commence trading (ex-distribution)	Monday, 19 April 2010
Record date (date shareholders recorded in books)	Friday, 23 April 2010
Payment date	Monday, 26 April 2010
No share certificates may be dematerialised or rematerialised between	Monday, 19 April 2010, and Friday, 23 April 2010, both dates inclusive.

TERMS OF PAYMENT

The distribution of 63 cents per ordinary share will be paid to shareholders from Group Five's stated capital.

FINANCIAL EFFECTS OF THE DISTRIBUTION

The pro forma financial effects of the distribution on earnings per share ("EPS"), headline earnings per share ("HEPS"), the net asset value ("NAV") and net tangible asset value ("NTAV") per share are set out below. This unaudited pro forma financial information has been prepared for illustrative purposes only. It may therefore not give a fair reflection of Group Five's financial position and results of operations, nor the effect and impact of the distribution going forward. The information is the responsibility of the directors of Group Five.

