

REVIEWED RESULTS FOR THE YEAR ENDED 30 SEPTEMBER 2009

+22% Revenue

+10% Normalised EBITDA

+19% Annuity revenue

+44% Cash generated from operations

UCS GROUP LIMITED
Incorporated in the Republic of South Africa
Reg No. 1993/002253/06
ISIN ZAE00016150 JSE code UCS



CONDENSED CONSOLIDATED INCOME STATEMENT

for the year ended 30 September 2009

	Reviewed 2009 R'000	Restated 2008 R'000	% change
Total Revenue	1 498 787	1 225 743	22,3
CONTINUING OPERATIONS			
Revenue	1 247 616	965 618	29,2
Profit from operations before interest, amortisation, depreciation, impairments, foreign exchange differences and research and development expenditure	161 464	157 095	2,8
Amortisation of intangible assets	(28 295)	(17 869)	58,3
Depreciation of property, plant and equipment (including rental equipment)	(40 948)	(34 352)	19,2
Impairment of intangible assets including goodwill	(8 027)	100,0	
Foreign exchange differences	(11 564)	(386)	2 895,9
Research and development expenditure	(7 278)	(9 102)	(20,0)
Profit before net finance charges and taxation	65 352	95 386	(31,5)
Net finance charges	(18 263)	(10 979)	66,3
Finance charges	(23 125)	(15 682)	47,5
Investment revenues	4 862	4 703	3,4
Profit before taxation	47 089	84 407	(44,2)
Taxation	(32 216)	(9 779)	229,4
Current	(33 316)	(28 758)	15,8
Deferred	1 100	18 979	(94,2)
Profit for the year from continuing operations	14 873	74 628	(80,1)
Discontinued operations			
Profit for the year from discontinued operations	25 898	32 793	(21,6)
Profit for the year	40 571	107 421	(62,2)
Attributable to:			
Owners of the Company	27 446	95 809	(71,4)
Non-controlling interest	13 125	11 612	13,0
	40 571	107 421	(62,2)
Earnings per share (cents per share)			
From continuing and discontinued operations	9,5	33,3	(71,5)
Basic (cents)	9,5	33,3	(71,5)
Diluted (cents)	9,3	32,2	(71,1)
From continuing operations	2,5	24,5	(89,8)
Basic (cents)	2,5	23,6	(89,4)
Diluted (cents)	2,5	23,6	(89,4)
Dividends paid per share (cents)	9,0	9,0	0,0
Net asset value per share (cents)	165,0	165,3	(0,2)
Ordinary shares in issue net of treasury shares held ('000)	284 391	289 676	(1,8)
Weighted average number of ordinary shares in issue ('000)	290 147	287 560	0,9
Diluted weighted average number of ordinary shares ('000)	295 717	297 913	(0,7)
Additional information			
Headline earnings per share (cents per share)			
From continuing and discontinued operations	11,4	31,9	(64,3)
Basic (cents)	11,4	31,9	(64,3)
Diluted (cents)	11,2	30,8	(63,6)
From continuing operations	5,0	23,0	(78,3)
Basic (cents)	4,9	22,2	(77,9)
Diluted (cents)	4,9	22,2	(77,9)

CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

for the year ended 30 September 2009

	Reviewed 2009 R'000	Restated 2008 R'000	% change
Profit for the year	40 571	107 421	(62,2)
Other comprehensive income for the year after taxation:			
Exchange differences on translating foreign operations	1 272	173	635,3
Other comprehensive income for the year after taxation	1 272	173	635,3
Total comprehensive income for the year	41 843	107 594	(61,1)
Total comprehensive income attributable to:			
Owners of the Company	28 718	95 982	(70,1)
Non-controlling interest	13 125	11 612	13,0
	41 843	107 594	(61,1)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 30 September 2009

	Reviewed 2009 R'000	Restated 2008 R'000	% change
Cash flow from operating activities	168 118	121 648	38,2
Cash generated from operations before working capital changes	233 457	199 350	17,1
Working capital changes	(8 503)	(31 521)	127,0
Cash generated from operations	241 960	167 829	44,2
Net finance cost	(15 282)	(8 567)	78,4
Taxation paid	(58 560)	(37 614)	55,7
Cash flows from investing activities	(66 616)	(162 794)	(59,1)
Cash flows from financing activities	(66 393)	38 978	(270,3)
Cash and cash equivalents	35 109	(2 168)	1 672
At beginning of the year	142 655	144 823	(2,2)
At end of the year	177 764	142 655	24,6

CONDENSED STATEMENT OF CHANGES IN EQUITY

for the year ended 30 September 2009

	Ordinary share capital R'000	Preference share capital R'000	Share premium R'000	Treasury share R'000	Equity-settled employee benefits reserve R'000	Foreign currency translation reserve R'000	Change in subsidiary shareholding reserve R'000	Retained earnings R'000	Attributable to owners of the Company R'000	Non-controlling interest R'000	Total equity R'000
Balance at 1 October 2007	1 410	18	25 002	-	12 339	(241)	-	348 874	387 402	23 367	410 769
Profit for the year	-	-	-	-	95 809	173	-	95 809	95 809	11 612	107 421
Other comprehensive income for the year	-	-	-	-	-	173	-	173	173	-	173
Total comprehensive income for the year	-	-	-	-	-	173	-	95 809	95 982	11 612	107 594
Payment of dividends	-	-	-	-	(25 956)	-	-	(25 956)	(25 956)	(12 426)	(38 382)
Ordinary shares issued at a premium net of share issue costs	3	-	339	-	-	-	-	342	342	-	342
Preference shares converted to ordinary shares	(24)	(9)	(8 684)	-	-	-	-	(8 708)	(8 708)	-	(8 708)
Transfer to treasury share reserve	9	(9)	-	(467)	-	-	-	-	-	-	(467)
Net decrease in treasury shares	3	-	5 402	-	-	-	-	5 405	5 405	-	5 405
Fair value adjustments on treasury shares held	-	-	(1 004)	(1 004)	-	-	-	4 687	4 687	-	4 687
Increase in equity-settled employee benefits reserve	-	-	-	-	-	-	-	2 390	2 390	-	2 390
Non-controlling interest arising on increase in interest in subsidiary	-	-	-	-	-	-	-	2 719	2 719	-	2 719
Non-controlling interest arising on acquisition of subsidiary	-	-	-	-	-	-	-	-	-	-	-
Balance at 30 September 2008	1 448	10	43 255	(1 471)	17 026	(68)	-	418 727	478 927	27 662	506 589
Profit for the year	-	-	-	-	27 446	27 446	-	27 446	27 446	13 125	40 571
Other comprehensive income for the year	-	-	-	-	-	1 272	-	1 272	1 272	-	1 272
Total comprehensive income for the year	-	-	-	-	-	1 272	-	27 446	28 718	13 125	41 843
Payment of dividends	-	-	-	-	(25 956)	-	-	(25 956)	(25 956)	(3 882)	(29 838)
Ordinary shares issued at a premium net of share issue costs	3	-	339	-	-	-	-	342	342	-	342
Ordinary shares re-purchased and cancelled	(24)	(9)	(8 684)	-	-	-	-	(8 708)	(8 708)	-	(8 708)
Preference shares converted to ordinary shares	9	(9)	-	(467)	-	-	-	-	-	-	(467)
Preference shares repurchased	(14)	(1)	(13)	(4 556)	-	-	-	(5 027)	(5 027)	-	(5 027)
Net increase in treasury shares	-	-	-	(4 556)	-	-	-	1 672	1 672	-	1 672
Increase in equity-settled employee benefits reserve	-	-	-	-	-	-	-	6 392	6 392	-	6 392
Decrease in non-controlling interest on disposal of subsidiary	-	-	-	-	-	-	-	(2 176)	(2 176)	-	(2 176)
Decrease in non-controlling interest on increase of interest in subsidiary	-	-	-	-	-	(652)	-	(652)	(652)	-	(652)
Balance at 30 September 2009	1 422	-	30 341	(1 928)	18 698	1 204	(652)	420 217	469 302	28 337	497 639

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 30 September 2009

	Reviewed 2009 R'000	Audited 2008 R'000
ASSETS	456 780	569 815
Non-current assets	456 780	569 815
Property, plant and equipment (including rental equipment)	89 775	64 869
Intangible assets	79 479	118 027
Goodwill	237 974	311 660
Investments and loans receivable	9 989	22 362
Deferred taxation assets	36 141	48 500
Finance lease receivables	3 422	4 397
Current assets	413 312	418 569
Inventories	47 660	42 565
Trade and other receivables	181 962	223 847
Finance lease receivables	2 723	5 276
Current taxation assets	3 203	4 226
Cash and bank balances	177 764	142 655
Assets classified as held for sale	109 222	11 616
Total assets	979 314	1 000 000
EQUITY AND LIABILITIES		
Capital and reserves	497 639	506 589
Issued capital	31 763	44 713
Reserves	17 322	15 487
Retained earnings	420 217	418 727
Equity attributable to owners of the Company	469 302	478 927
Non-controlling interest	28 337	27 662
Non-current liabilities	136 102	157 334
Borrowings	104 530	139 017
Deferred taxation liabilities	9 572	18 317
Deferred revenue	2 000	-
Current liabilities	310 364	336 077
Trade and other payables	215 742	222 711
Borrowings	75 008	76 541
Current taxation liabilities	2 317	25 045
Deferred revenue	17 297	11 780
Liabilities directly associated with assets classified as held for sale	35 209	-
Total equity and liabilities	979 314	1 000 000

CONDENSED SEGMENTAL ANALYSIS

for the year ended 30 September 2009

	Reviewed 2009 R'000	Restated 2008 R'000	% change
Revenue and results from continuing operations by reportable segment:			
Revenue	1 247 616	965 618	29,2
Retail Solutions	913 448	792 043	15,3
Investments	331 659	171 075	93,9
Corporate	2 509	2 500	0,4
Profit from operations before interest, amortisation, depreciation, impairments and foreign exchange differences (EBITDA)	154 186	147 993	4,2
Retail Solutions	94 246	101 868	(7,5)
Investments	69 590	51 222	35,9
Corporate and consolidation adjustments	(9 650)	(5 097)	89,3
Normalised adjustments applicable to EBITDA and profit before interest and taxation	-	8 184	(100,0)
Normalised EBITDA	154 186	139 809	10,3
Retail Solutions	94 246	93 684	0,6
Investments	69 590	51 222	35,9
Corporate and consolidation adjustments	(9 650)	(5 097)	89,3
Normalised profit before interest and taxation	84 943	87 588	(3,0)
Retail Solutions	49 856	56 347	(11,5)
Investments	46 093	37 540	22,8
Corporate and consolidation adjustments	(11 006)	(6 299)	74,7
Depreciation and amortisation	69 243	52 221	32,6
Retail Solutions	44 390	37 337	18,9
Investments	23 497	13 682	71,7
Corporate and consolidation adjustments	1 356	1 202	12,8
Research and development expenditure	7 278	9 102	(20,0)
Retail Solutions	1 054	1 108	(4,9)
Investments	6 224	7 994	(22,1)
Assets	979 314	1 000 000	(2,1)
Retail Solutions	527 813	569 002	(7,2)
Investments	275 767	256 868	7,4
Corporate and consolidation adjustments	66 512	32 551	106,2
Assets classified as held for sale	109 222	141 879	(23,0)

Revenue and results from continuing operations by reportable segment:

Retail Solutions: Revenue 913 448, Profit 25 898, Normalised EBITDA 94 246, Normalised profit 49 856, Depreciation and amortisation 44 390, Research and development expenditure 1 054, Assets 527 813.

Investments: Revenue 331 659, Profit 15 898, Normalised EBITDA 69 590, Normalised profit 46 093, Depreciation and amortisation 23 497, Research and development expenditure 6 224, Assets 275 767.

Corporate: Revenue 2 509, Profit 15 898, Normalised EBITDA (9 650), Normalised profit (11 006), Depreciation and amortisation 1 356, Research and development expenditure 7 278, Assets 66 512.

Profit from operations before interest, amortisation, depreciation, impairments and foreign exchange differences (EBITDA)

Normalised adjustments applicable to EBITDA and profit before interest and taxation

Normalised EBITDA

Normalised profit before interest and taxation

Depreciation and amortisation

Research and development expenditure

Assets

Note: Comparative figures have been reclassified, where necessary, in accordance with current year classifications. In the current year, UCS Business Support Services was re-classified from an operating segment to the Corporate segment.

Normalisation adjustments relate to the foreign exchange differences incurred on foreign currency translation adjustments on foreign balances and loan accounts. Comparative year normalisation adjustments relate to negative goodwill and foreign loan adjustments resulting on the acquisition of Aquatic.

NOTES TO THE FINANCIAL STATEMENTS

1 BASIS OF PREPARATION
This abridged report complies with International Accounting Standard 34 - Interim Financial Reporting as well as with Schedule 4 of the South African Companies Act and the disclosure requirements of the Listings Requirements of the JSE Limited. The abridged report has been prepared using accounting policies that comply with International Financial Reporting Standards ("IFRS"). The accounting policies are consistent with those disclosed in the financial statements for the year ended 30 September 2008 except for the presentation of segmental information which has been classified according to the manner in which the Group manages its operations after the early adoption of IFRS 8, Operating Segments. The restated 2008 results are as a consequence of certain disposals of major lines of business by the Group through the application of IFRS 5, Non-Current Assets Held For Sale and Discontinued Operations. In the current year, the Group adopted IAS 1 (2007), Presentation of Financial Statements, which has introduced terminology changes (including revised titles for the financial statements) and changes in the format and content of the financial statements. The adoption of the interpretations as issued by the International Financial Reporting Interpretations Committee, which are effective for the current year, has not led to any changes in the Group's accounting policies.

2 RECONCILIATION OF EARNINGS TO HEADLINE EARNINGS

	Reviewed 2009	Restated 2008	% change
Earnings attributable to equity holders of the Company	27 446	95 809	(71,4)
Preference share entitlement	-	(17)	
Adjusted for:	27 446	95 792	(71,3)
Basic earnings	27 446	95 792	(71,3)
Adjusted for (net of taxation and non-controlling interest):			
goodwill impairments - continuing operations			