

UCS GROUP REVIEWED RESULTS

+9% Revenue

+15% EBITDA

+91% Profit before tax

+97% Continuing HEPS

FOR THE SIX MONTH PERIOD
ENDED 31 MARCH 2010



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 six month period ended 31 March 2010

	Reviewed 6 months 31/3/2010 R'000	Restated 6 months 31/3/2009 R'000	% change	Audited 12 months 30/9/2009 R'000
Total revenue	643 954	724 882	(11,2)	1 498 787
CONTINUING OPERATIONS				
Revenue	643 954	588 442	9,4	1 247 616
Profit from operations before interest, amortisation, depreciation, foreign exchange differences, impairments and research and development expenditure	98 564	84 424	16,7	161 464
Amortisation of intangible assets	(8 255)	(15 375)	(46,3)	(28 295)
Depreciation of property, plant & equipment (including rental equipment)	(22 794)	(19 177)	18,9	(40 948)
Foreign exchange differences	(7 030)	(3 670)	91,6	(11 564)
Impairment of intangible assets (including goodwill)	–	(8 027)	(100,0)	(8 027)
Research and development expenditure	(6 317)	(4 098)	54,1	(7 278)
Profit before net finance charges and taxation	54 168	34 077	59,0	65 352
Net finance charges	(8 516)	(10 144)	(16,0)	(18 263)
Finance charges	(11 612)	(13 114)	(11,5)	(23 125)
Investment revenues	3 096	2 970	4,2	4 862
Profit before taxation	45 652	23 933	90,7	47 089
Taxation	(20 928)	(18 187)	15,1	(32 216)
Current	(16 736)	(12 674)	32,0	(33 316)
Deferred	(4 192)	(5 513)	(24,0)	1 100
Profit for the period from continuing operations	24 724	5 746	330,3	14 873
DISCONTINUED OPERATIONS				
(Loss) profit for the period from discontinued operations	–	(711)	(100,0)	25 698
Profit for the period	24 724	5 035	391,0	40 571
Attributable to:				
Owners of the Company	20 315	279	7181,4	27 446
Non-controlling interest	4 409	4 756	(7,3)	13 125
	24 724	5 035	391,0	40 571
Earnings per share (cents)				
From continuing and discontinued operations				
Basic	7,1	0,1	7 000,0	9,5
Diluted	7,0	0,1	6 900,0	9,3
From continuing operations				
Basic	7,1	1,1	545,5	2,5
Diluted	7,0	1,1	536,4	2,5
Dividends paid per share (cents)	5,0	5,0	–	9,0
Net asset value per share (cents)	167,6	161,1	4,0	165,0
Ordinary shares in issue net of treasury shares held ('000)	284 574	292 080	(2,6)	284 391
Weighted average number of ordinary shares in issue ('000)	284 486	290 734	(2,1)	290 147
Diluted weighted average number of ordinary shares ('000)	289 472	296 067	(2,2)	295 717
Additional information				
Headline earnings per share (cents)				
From continuing and discontinued operations				
Basic	7,1	5,2	36,5	11,4
Diluted	7,0	5,1	37,3	11,2
From continuing operations				
Basic	7,1	3,6	97,2	5,0
Diluted	7,0	3,6	94,4	4,9

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Reviewed 31/3/2010 R'000	Reviewed 31/3/2009 R'000	Audited 30/9/2009 R'000
ASSETS			
Non-current assets	496 269	574 197	456 780
Property, plant & equipment (including rental equipment)	87 636	97 312	89 775
Intangible assets	87 737	103 129	79 479
Goodwill	240 371	314 321	237 974
Investments and loans receivable	38 694	14 162	9 989
Finance lease receivables	10 887	3 219	3 422
Deferred taxation assets	30 944	42 054	36 141
Current assets	416 319	426 811	413 312
Inventories	44 549	56 154	47 660
Trade and other receivables	193 980	249 888	181 962
Finance lease receivables	2 951	3 025	2 723
Investments	5 000	–	–
Current taxation assets	3 697	1 901	3 203
Cash and cash equivalents	166 142	115 843	177 764
Assets classified as held for sale	–	–	109 222
Total assets	912 588	1 001 008	979 314
EQUITY AND LIABILITIES			
Capital and reserves	492 387	501 446	497 639
Issued share capital	32 029	45 561	31 763
Reserves	18 701	20 611	17 322
Retained earnings	426 344	404 439	420 217
Equity attributable to owners of the Company	477 064	470 611	469 302
Non-controlling interest	15 323	30 835	28 337
Non-current liabilities	115 527	148 561	136 102
Borrowings	90 460	132 556	104 530
Deferred taxation liabilities	8 567	16 005	9 572
Deferred revenue	16 500	–	22 000
Current liabilities	304 674	351 001	310 364
Trade and other payables	218 247	252 654	215 742
Borrowings	71 070	76 393	75 008
Current taxation liabilities	4 357	6 427	2 317
Deferred revenue	11 000	15 527	17 297
Liabilities directly associated with assets classified as held for sale	–	–	35 209
Total equity and liabilities	912 588	1 001 008	979 314

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

for the six month period ended 31 March 2010

	Reviewed 6 months 31/3/2010 R'000	Reviewed 6 months 31/3/2009 R'000	% change	Audited 12 months 30/9/2009 R'000
Cash flows from operating activities	49 139	48 485	1,3	168 118
Cash generated from operations before working capital changes	97 137	97 521	(0,4)	233 457
Working capital changes	(27 916)	(3 457)	707,5	8 503
Cash generated from operations	69 221	94 064	(26,4)	241 960
Net finance cost	(3 517)	(13 141)	(73,2)	(15 282)
Taxation paid	(16 565)	(32 438)	(48,9)	(58 560)
Cash applied to investing activities	(11 385)	(49 525)	(77,0)	(66 616)
Cash utilised in financing activities	(49 376)	(25 772)	91,6	(66 393)
Cash and cash equivalents				
– Net (decrease) increase	(11 622)	(26 812)	35 109	–
– At beginning of the period	177 764	142 655	142 655	–
– At end of the period	166 142	115 843	43,4	177 764

CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

for the six month period ended 31 March 2010

	Reviewed 6 months 31/3/2010 R'000	Restated 6 months 31/3/2009 R'000	% change	Audited 12 months 30/9/2009 R'000
Profit for the period	24 724	5 035	391,0	40 571
Other comprehensive income for the period after taxation:				
Exchange differences on translation of foreign operations	1 929	3 710	(48,0)	1 272
Other comprehensive income for the period after taxation	1 929	3 710	(48,0)	1 272
Total comprehensive income for the period	26 653	8 745	204,8	41 843
Total comprehensive income attributable to:				
Owners of the Company	22 244	3 989	457,6	28 718
Non-controlling interest	4 409	4 756	(7,3)	13 125
	26 653	8 745	204,8	41 843

CONDENSED SEGMENTAL ANALYSIS

for the six month period ended 31 March 2010

	Reviewed 6 months 31/3/2010 R'000	Restated 6 months 31/3/2009 R'000	% change	Audited 12 months 30/9/2009 R'000
Revenue and results from continuing operations by reportable segment				
Revenue	643 954	588 442	9,4	1 247 616
Retail Solutions	454 100	432 921	4,9	913 448
Investments	189 153	154 271	22,6	331 659
Corporate	701	1 250	(43,9)	2 509
Profit from operations before interest, amortisation, depreciation, foreign exchange differences and impairments ("EBITDA")	92 247	80 326	14,8	154 186
Retail Solutions	55 499	55 169	0,6	94 246
Investments	41 464	26 981	53,7	69 590
Corporate and consolidation adjustments	(4 716)	(1 824)	158,6	(9 650)
Profit before net finance charges, impairments, foreign exchange differences and taxation	61 198	45 774	33,7	84 943
Retail Solutions	34 515	33 036	4,5	49 856
Investments	31 835	15 232	109,0	46 093
Corporate and consolidation adjustments	(5 152)	(2 494)	106,6	(11 006)
Depreciation and amortisation	31 049	34 552	(10,1)	69 243
Retail Solutions	20 984	22 133	(5,2)	44 390
Investments	9 629	11 749	(18,0)	23 497
Corporate and consolidation adjustments	436	670	(34,9)	1 356
Research and development expenditure	6 317	4 098	54,1	7 278
Retail Solutions	1 175	–	100,0	1 054
Investments	5 142	4 098	25,5	6 224
Assets	912 588	1 001 008	(7,4)	979 314
Retail Solutions	573 731	581 284	(1,3)	527 813
Investments	286 755	245 686	22,4	275 767
Corporate and consolidation adjustments	52 102	27 096	92,3	66 512
Assets classified as held for sale	–	146 942	(100,0)	109 222

Note: Comparative figures are reclassified, where necessary, in accordance with current period classifications.

NOTES TO THE CONDENSED FINANCIAL INFORMATION

for the six month period ended 31 March 2010

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 JSE Limited's Listings Requirements. The abridged report has been prepared using accounting policies that comply with International Financial Reporting Standards ("IFRS"). The accounting policies are consistent with those applied in the financial statements for the year ended 30 September 2009, except as noted below.

In the current period, the Group has complied with the requirements of the revised IFRS 3: Business Combinations which was issued in January 2008 and is effective for reporting periods beginning on or after 1 July 2009. The adoption of the interpretations as issued by the International Financial Reporting Interpretations Committee, which are effective for the current period, has not led to any changes in the Group's accounting policies. The restated 2009 results are as a consequence of certain disposals of major lines of business by the Group in the second half of the prior year through the application of IFRS 5, Non-current Assets Held For Sale and Discontinued Operations.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the six month period ended 31 March 2010

	Ordinary share capital R'000	Preference share capital R'000	Share premium R'000	Treasury share reserve R'000	Equity-settled employee benefit reserve R'000	Foreign currency translation reserve R'000	Change in subsidiary shareholding reserve R'000	Attributable to owners of the Company R'000	Non-controlling interest R'000	Total equity R'000
Balance at 1 October 2008	1 448	10	43 255	(1 471)	17 026	(68)	–	418 727	27 662	506 589
Profit for the period (restated)	–	–	–	–	–	–	–	279	4 756	5 035
Other comprehensive income for the period	–	–	–	–	–	–	–	3 710	–	3 710
Total comprehensive income for the period	–	–	–	–	–	–	–	279	4 756	5 035
Payment of dividends	–	–	–	–	–	–	–	(14 567)	(1 590)	(16 157)
Ordinary shares issued at a premium net of share issue costs	1	–	–	–	–	–	–	135	–	135
Preference shares converted to ordinary shares	10	(10)	–	–	–	–	–	–	–	–
Preference shares repurchased	–	–	–	–	–	–	–	(13)	–	(13)
Net decrease in treasury shares held	2	–	–	724	–	–	–	–	–	726
Fair value adjustments to treasury share reserve	–	–	–	–	–	–	–	759	–	759
Increase in equity-settled employee benefits reserve	–	–	–	–	–	–	–	1 381	–	1 381
Non-controlling interest in subsidiary acquired	–	–	–	–	–	–	–	–	11	11
Foreign currency translation differences	–	–	–	–	–	–	–	–	(4)	(4)
Balance at 31 March 2009	1 461	–	44 100	(1 438)	18 407	3 642	–	404 439	30 835	501 446
Profit for the period	–	–	–	–	–	–	–	27 167	8 369	35 536
Other comprehensive income for the period	–	–	–	–	–	–	–	(2 438)	–	(2 438)
Total comprehensive income for the period	–	–	–	–	–	–	–	27 167	8 369	33 098
Payment of dividends	–	–	–	–	–	–	–	(11 389)	(2 292)	(13 681)
Ordinary shares issued at a premium net of share issue costs	2	–	205	–	–	–	–	207	–	207
Ordinary shares repurchased and cancelled	(24)	–	(8 684)	–	–	–	–	(8 708)	–	(8 708)
Net increase in treasury shares held	(17)	–	(5 280)	(490)	–	–	–	(5 787)	–	(5 787)
Increase in equity-settled employee benefits reserve	–	–	–	–	–	–	–	597	–	597
Decrease in non-controlling interest on disposal of subsidiary	–	–	–	–	–	–	–	–	(6 403)	(6 403)
Decrease in non-controlling interest on increase of interest in subsidiary	–	–								