

GROUP CONDENSED CONSOLIDATED REVIEWED RESULTS FOR THE YEAR ENDED 31 MARCH 2010 AND DIVIDEND DECLARATION

GROUP CONDENSED STATEMENT OF COMPREHENSIVE INCOME

Notes	Year ended 31 March 2010 (Reviewed) R'000	Year ended 31 March 2009 (Audited) R'000
	139 906	140 459
Revenue		
Turnover	138 136	138 100
Cost of sales	(69 696)	(67 522)
Gross profit	68 440	70 578
Operating cost excluding depreciation and amortisation	(28 862)	(28 241)
EBITDA	39 578	42 337
Depreciation and amortisation	(2 397)	(2 351)
Operating profit	37 181	39 986
Finance income	1 396	1 653
Finance expenses	(1 431)	(1 282)
Profit before taxation	37 146	40 357
Taxation	(10 329)	(10 700)
Profit	26 817	29 657
Other comprehensive income	-	-
Total comprehensive income	26 817	29 657
Attributable to:		
Ordinary shareholders of Amecor	23 266	23 762
Non-controlling interest	3 551	5 895
Total comprehensive income	26 817	29 657
Earnings per share (cents)	30,8	33,7
Diluted earnings per share (cents)	30,8	31,9

GROUP CONDENSED STATEMENT OF FINANCIAL POSITION

Notes	31 March 2010 (Reviewed) R'000	31 March 2009 (Audited) R'000
	79 796	69 941
ASSETS		
Non-current assets		
Property, plant and equipment	13 972	7 183
Intangible assets	11 521	7 725
Goodwill	54 034	54 034
Deferred tax asset	269	999
Current assets	88 540	88 152
Inventories	19 624	22 952
Trade and other receivables	39 070	46 030
Taxation	2 951	2 459
Cash and cash equivalents	26 893	16 711
Total assets	168 336	158 093
EQUITY AND LIABILITIES		
Issued capital	72 610	71 904
Retained earnings	47 576	30 550
Non-controlling interest	15 097	13 020
Total equity	135 283	115 474
Non-current liabilities	9 942	12 051
Interest bearing borrowings	7 114	10 601
Deferred tax liabilities	2 828	1 450
Current liabilities	23 111	30 568
Trade and other payables	18 060	26 938
Bank overdraft	48	-
Short-term portion of interest bearing borrowings	3 266	2 432
Taxation	1 737	1 198
Total equity and liabilities	168 336	158 093
Net asset value per share (cents)	179,0	160,6
Net number of shares in issue (000's)	75 565	71 921

GROUP CONDENSED STATEMENT OF CASH FLOWS

	Year ended 31 March 2010 (Reviewed) R'000	Year ended 31 March 2009 (Audited) R'000
Net inflow from operating activities	25 061	11 585
Cash generated from operations	40 984	22 573
Net finance (expense)/income	(35)	371
Taxation paid	(8 174)	(11 359)
Dividends paid	(7 714)	-
Net outflow from investing activities	(11 994)	(21 426)
Net (outflow)/inflow from financing activities	(2 933)	10 506
Net movement in cash balances	10 134	665
Cash and cash equivalents at beginning of the year	16 711	15 343
Cash and cash equivalents acquired	-	703
Cash and cash equivalents at the end of the period	26 845	16 711

GROUP CONDENSED STATEMENT OF CHANGES IN EQUITY

	Issued capital R'000	Attributable to ordinary shareholders of Amecor R'000	Non-controlling interest R'000	Total equity R'000
Balance at 1 April 2008	69 193	6 788	-	75 981
Minorities acquired	-	-	7 125	7 125
Total comprehensive income	-	23 762	5 895	29 657
Treasury shares movement	2 711	-	-	2 711
Total changes	2 711	23 762	13 020	39 493
Balance at 1 April 2009	71 904	30 550	13 020	115 474
Issue of shares in respect of share option	986	-	-	986
Dividends paid	-	(6 240)	(1 474)	(7 714)
Total comprehensive income	-	23 266	3 551	26 817
Treasury share movement	(280)	-	-	(280)
Total changes	706	17 026	2 077	19 809
Balance at 31 March 2010	72 610	47 576	15 097	135 283

Issued capital includes share capital and share premium.

MANAGEMENT COMMENTARY

Financial review
Despite the tough trading conditions experienced throughout the period under review, headline earnings achieved for the 12 months ended 31 March 2010 was 30,8 cents per share (2009: 33,7 cents). Turnover and profit before tax for the period under review was reported as:

- R138,1 million (F2009: R138,1 million); and
- R37,1 million (F2009: R40,3 million) respectively.

The analysis of turnover and total comprehensive income on a segmental basis is detailed herein. Cash generated from operations was R40,9 million (F2009: R22,5 million). Net inflow from operations contributed R25,1 million (F2009: R11,6 million) to total cash and cash equivalents recorded at R26,8 million (F2009: R16,7 million) after capital and development of R12,9 million (F2009: R7,6 million) was incurred in the period under review as follows:

- New product development – R4,6 million;
- FSK new building completion costs – R7,5 million;
- Motor vehicles – R0,3 million; and
- Property, plant and equipment – R0,6 million.

Inventories on hand reduced by R3,3 million to R19,6 million (F2009: R22,9 million) through more efficient stock management systems. This also contributed to the reduction in Trade and other payables from R26,9 million (F2009) to R18,1 million in the period under review.

Trade and other receivables were reduced from R46,0 million in F2009 to R39,1 million in F2010 due to reduction in debtors days and VAT recoveries.

Borrowings were reduced by the instalments paid on the ABSA Bank loan previously procured to acquire the 50,1% shareholding in the PDS Group in F2009.

Net asset value per share increased by 11,5% to 179,0 cents (F2009: 160,6 cents) and tangible net asset value per share increased by 23,6% to 92,3 cents (F2009: 74,7 cents).

Operational overview Security and related production and sales FSK Electronics ("FSK")

FSK Electronics is Amecor's electronic security division, specialising in the research, development and manufacturing of electronic security equipment. Security companies throughout Africa use FSK technology to enable various alarm systems' functionality. FSK products are primarily used to relay alarm signals from a monitored site to a security control room where a response team is then notified and dispatched. In addition, FSK manufactures and distributes products essential for monitoring and tracking of security guards and response vehicles.

FSK's advanced transmission technology consists of reliable communication systems which are used for signal transfer. Data signals are transmitted simultaneously via multiple mediums including GSM, RF, and internet protocols. The dual transmission of GSM and RF ensures signal integrity, affording security companies and alarm users complete peace of mind. FSK's long history of expertise and professionalism has enabled us to stay ahead of market demands, and exceed client expectations in the security industry.

Network and annuity income Sabre Radio Networks ("Sabre")

Sabre Radio Networks is a radio frequency, GSM and internet protocol based network. Sabre networks utilise GRPS, SMS and radio signals to enable the transmission/communication of data between monitored sites, control rooms, and individual network users. Sabre Radio Networks relays a broad range of wireless signals to transfer data. Data includes various alarm indicators, equipment status reports and environmental monitoring. These signals range from panic alarm call outs, to low fuel warnings on generators, or power savings achieved from PowerStar voltage optimisation units.

All services offered by Sabre are tailored to meet each customer's individual requirements, allocating a specific amount of network bandwidth, for which a subscription fee is charged. Sabre makes a valued contribution to Amecor's growing pool of annuity income, and proceeds to expand with the large number of added service offerings and enhancements.

Supply and maintenance of alternative power sources PDS Group

The PDS Group specialises in power generating machinery (generators, invertors, UPS's), covering a range of market sectors including commercial, corporate, industrial and mining. PDS is a reputable group within the power generating industry, and proudly upholds an uncontested industry reputation of professional product quality, service and after sales support.

Product development

The Group continues to invest in research and development resulting in further high quality products being launched into local and international markets.

Capital commitment

The Group has committed to ongoing product development costs in the next financial year.

NOTES TO THE CONDENSED CONSOLIDATED REVIEWED FINANCIAL STATEMENTS

1. Significant accounting policies

Amecor is a company domiciled in South Africa. These condensed consolidated reviewed annual financial statements of Amecor for the year ended 31 March 2010 comprise the Company and its subsidiaries (together referred to as the "Group"). These condensed consolidated reviewed annual financial statements were authorised for issue by the board of directors on 29 June 2010.

Basis of preparation

These condensed consolidated reviewed results have been prepared in accordance with the framework concepts and the measurement and recognition requirements of the International Financial Reporting Standards ("IFRS") and containing information required by the International Accounting Standards 34 – Interim Financial Reporting ("IAS 34"), AC 500 standards, the Listings Requirements of the JSE Limited and in the manner required by the Companies Act, IAS 1(R) Presentation of Financial Statements was applied to the current financial statements, whilst having no effect on the reported numbers. The names of the statements have been changed in accordance with the naming conventions contained within the revised standard. These condensed consolidated reviewed financial statements do not include all of the information required for full financial statements and should be read in conjunction with the consolidated annual financial statements for the year ended 31 March 2010. The Group envisages posting the annual reports towards the end of August 2010.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The accounting policies have been applied consistently by Group companies and have been applied consistently to all periods presented in these condensed consolidated reviewed financial statements.

2. Review of results

Mazars has signed an unqualified review opinion on these condensed consolidated financial statements, as required by the JSE Limited. These financial statements have been approved by the board and condensed for the purposes of this report. The auditors' review opinion is available for inspection at Amecor's registered office.

3. Earnings per share ("EPS")

EPS is based on the Group's profit for the year ended 31 March 2010, divided by the weighted average number of shares in issue during the 12 month period.

	Comprehensive income attributable to Amecor shareholders (Reviewed) R'000	Weighted average number of shares in issue (net of treasury shares of 2,4 million) 000's	Earnings per share Cents
F2010			
Earnings	23 266	75 565	30,8
Diluted earnings	23 266	75 565	30,8
Headline earnings reconciliation			
Headline earnings	23 266	75 565	30,8
Diluted headline earnings	23 266	75 565	30,8

	Comprehensive income attributable to Amecor shareholders (Audited) R'000	Weighted average number of shares in issue (net of treasury shares of 2,1 million) 000's	Earnings per share Cents
F2009			
Earnings	23 762	70 602	33,7
Diluted earnings	23 762	74 542	31,9
Headline earnings reconciliation			
Headline earnings	23 762	70 602	33,7
Diluted headline earnings	23 762	74 542	31,9

4. Net asset value ("NAV") per share

The net asset value per share is the value of the Group's assets, less the sum of the value of its liabilities, divided by the number of shares in issue at 31 March 2010.

	Year ended 31 March 2010 (Reviewed) R'000	Year ended 31 March 2009 (Audited) R'000
Ordinary share capital and reserves (R'000)	135 283	115 474
Total number of shares in issue (000's) (net of treasury shares of 2,4 million, F2009: 2,1 million)	75 565	71 921
NAV per share (cents)	179,0	160,6
Ordinary share capital and reserves (R'000)	135 283	115 474
Goodwill (R'000)	(54 034)	(54 034)
Intangible assets (R'000)	(11 521)	(7 725)
Tangible NAV (R'000)	69 728	53 715
Total number of shares in issue (000's) (net of treasury shares of 2,4 million, F2009: 2,1 million)	75 565	71 921
Tangible NAV per share (cents)	92,3	74,7

5. Segmental analysis

The Group's operating segments and segmental information presented in the condensed consolidated reviewed results for the year ended 31 March 2010 represents the basis for segmental reporting. The business segment reporting format reflects the Group's management and internal reporting structure. Inter segment transactions are concluded at arm's length terms and conditions.

	Year ended 31 March 2010 (Reviewed) R'000	Year ended 31 March 2009 (Audited) R'000
Segment turnover		
Security and related production and sales	41 983	42 380
Network and annuity income	15 513	13 235
Supply and maintenance of alternative power sources	83 159	80 338
Holding and management subsidiary companies	20 912	19 270
Reconciliation	(23 431)	(17 123)
Total turnover	138 136	138 100
Comprehensive income		
Security and related production and sales	9 305	8 634
Network and annuity income	8 418	7 043
Supply and maintenance of alternative power sources	7 128	11 827
Holding and management subsidiary companies	3 039	329
Reconciliation	(1 073)	1 824
Total comprehensive income	26 817	29 657
Comprehensive income attributable to non-controlling shareholders		
Supply and maintenance of alternative power sources	3 551	5 895
Assets		
Security and related production and sales	53 847	44 568
Network and annuity income	22 914	16 657
Supply and maintenance of alternative power sources	47 129	48 573
Holding and management subsidiary companies	107 050	96 974
Reconciliation	(62 604)	(48 679)
Total assets	168 336	158 093

With the change to IAS 1(R) the segments total comprehensive income is now reported to the chief operating decision maker. The segment disclosures have been restated to reflect this change.

6. Property, plant and equipment

The Group invested R7,5 million in the renovation of Amecor House, the end result being a specifically designed manufacturing plant for the FSK and Sabre subsidiary companies. Vehicles to the value of R0,3 million were acquired and a further R0,6 million was spent on property, plant and equipment within the Group.

7. Other related party transactions

	Year ended 31 March 2010 (Reviewed) R'000	Year ended 31 March 2009 (Audited) R'000
Rental contracts with related parties	838	628
The rentals are charged at arms' length and market related rates, as determined by an independent third party.		
Sales to other related parties	-	9 771
The sales were transacted at arm's length and at market related prices		

8. Post balance sheet events

Formerly contingently issuable shares which are no longer contingently issuable
Amecor lodged an application in the South Gauteng High Court, Johannesburg, under case number 2010/8607 against Mr Rabie van der Merwe ("RDVM") and others to have the arbitration proceedings, initially commenced with by RDVM, set aside. The matter came before the High Court on 9 June 2010, and an order was granted in the following terms:

1. It is declared that reference to arbitration of a dispute between RDVM (First Respondent) and Acquired Finance (Proprietary) Limited, which dispute was pending is of no force and effect in terms of section 32(c) of the Arbitration Act 42 of 1965;
2. RDVM is interdicted and restrained from proceedings with, or taking any steps to give effect to the referral; and
3. RDVM is ordered to pay the costs of this application.

The effect of the order is that the arbitration proceedings are at an end and RDVM cannot proceed therewith and must pay the cost of the application.

Amecor PowerStar

Amecor PowerStar is a recent addition to Amecor's group of subsidiary companies. In early 2010, Amecor concluded an agreement with UK engineering company EMSC, granting Amecor PowerStar the sole distribution right to supply exclusive power optimising equipment throughout South Africa. Amecor PowerStar's primary objective is to enhance Africa's energy supply by helping businesses and the national community to achieve cost savings and extensive power conservation on electricity consumed.

9. Dividends

The Directors have elected to pay a single annual dividend in the amount of 8 cents per ordinary share (F2009: 8 cents). Accordingly the Group's annual dividend, payable on Monday, 26 July 2010, for the year ended 31 March 2010, will be calculated as follows:

Distributable dividend (R'000)	6 238
Total number of shares in issue (000's)	77 985
Dividend payable per share (cents)	8 cents
Dividend payment details (<i>assuming results announced 30 June 2010</i>)	
Last day to trade cum dividend	Friday, 16 July 2010
Trading ex dividend commences	Monday, 19 July 2010
Record date	Friday, 23 July 2010
Payment date	Monday, 26 July 2010
Share certificates may not be dematerialised or rematerialised between Monday, 19 July 2010 and Friday, 23 July 2010, both dates inclusive. The certificated register will be closed for this period.	

10. Directors

HS Courtney (Non-executive chairman)
M Noge (Non-executive director)
DH Alexander (Chief executive officer)
KA Colley (Financial director and company secretary)
KA Vieira (Operational director)
All of the above directors are South African and are resident in South Africa.

11. Outlook

We remain optimistic that our focused strategy and operational efficiency will enable us to deliver positive returns for our shareholders. We believe that the Group's market position, low-cost, high quality products, and commitment to organic and acquisitional growth by expanding our product range will ensure our ongoing success.

On behalf of the board

HS Courtney
*Chairman**
Rivonia
29 June 2010

DH Alexander
Chief Executive

Directors

HS Courtney (*Chairman**)
M Noge*, DH Alexander
KA Colley, KA Vieira
(* non-executive)

Auditors

Mazars, 2nd Floor Mazars House
5 St Davids' Place, Parktown, 2193
(PO Box 6697, Johannesburg, 2000)

Transfer Secretaries

Link Market Services (Proprietary) Limited
11 Diagonal Street, Johannesburg, 2001
(PO Box 4844, Johannesburg, 2000)

Registered Office

Resource House
7 Spring Street, Rivonia, 2196
(PO Box 1962, Rivonia, 2128)

Sponsor