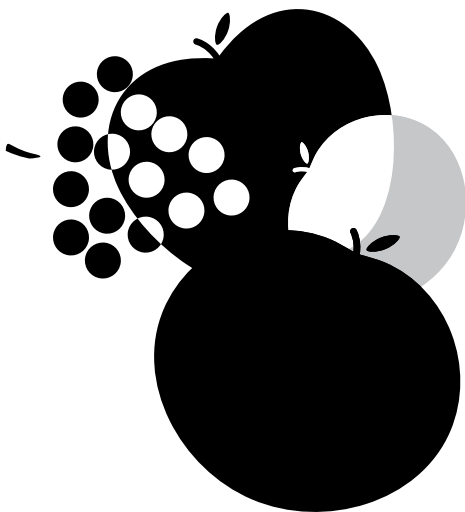




CAPESPAN

we deliver



CAPESPAN GROUP LIMITED UNAUDITED RESULTS

for the six months ended on 30 June 2009

Afrikaanse weergawe beskikbaar
by die Maatskappysekretaris of www.capespan.com





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Summary Income Statement

	2009 R m	2008 R m	% Change
Group revenue	1 335.2	1 038.6	28.6%
Adjusted EBIT *			
- parent and subsidiaries	48.6	60.0	-19.0%
- share of associate companies	14.2	23.9	-40.6%
Total adjusted EBIT	62.8	83.9	-25.1%
Net interest income	15.0	14.9	0.7%
Adjusted profit before taxation **	77.8	98.8	-21.3%
Profit on disposal of fixed assets	-	0.4	
Impairment of fixed assets	(0.2)	-	
Taxation of associate companies	(4.3)	(7.5)	
Profit before tax per income statement	73.3	91.7	-20.1%
Taxation	(21.4)	(25.9)	-17.4%
Minority interest	0.6	1.6	-62.5%
Profit attributable to equity shareholders	52.5	67.4	-22.1%
Headline earnings per share (cents)	16.9	16.5	2.4%

* **Adjusted EBIT** is operating profit excluding the impairment charges, profit on sale of investments, net interest and tax including the equivalent share associate profit before taxation.

** **Adjusted profit before taxation** excludes the impairment charges, profit on sale of investments, and the Group share of tax of associates.

This is the first financial report of Capespan Group Limited following the successful implementation of the shareholding restructuring in January 2009.

Shareholding Restructuring

The Group shareholding restructuring was approved overwhelmingly by the shareholders in January 2009, resulting in the overall issued share capital of Capespan Group Limited being reduced to 331,2 million shares from the 407,2 million shares in issue in Capespan Group Holdings Limited. The company and its subsidiary Capespan (Pty) Ltd acquired 99,6 million shares for R126,3 million of which 76,0 million shares have been cancelled.

Revenue

The Group's revenue increased by 28,6% from R1,04 billion to R1,34 billion driven by increases in the Fruit and Logistics Divisions. The increase in the Fruit Division's revenue was as a result of the increased sales activities in Japan and North America and the devaluation of the Rand versus the US Dollar and Yen, which on average depreciated by 19,9% and 32,7% respectively when compared to the same period in the prior year. The Logistics Division showed growth in revenue in all of the companies in the division, with the ports (FPT) delivering the strongest growth.

Operating Profit

Adjusted EBIT decreased from R84,9 million to R62,8 million, a 25,1% reduction. The decrease can be ascribed to a reduction in the operating profits of the Fruit Division. This was mainly as a result of the lower profitability of Capespan Exports due to the lower FOB prices achieved and the reduction in the management fee received from the Namibian Grape Company, as the prior year was an exceptional year. The Fruit Division decrease was offset by an improvement in the Logistics and Investment Divisions, the former increase mainly attributable to growth in the port activities and our Mozambican operations.

The decrease in the share of associates was as a result of the difficult trading environment in Capespan Continent with lower volumes and prices declining on average by 13%. Our farming venture Rapiprop also had a difficult first half with volumes being affected by adverse climatic conditions together with increased production costs and lower prices being achieved. These reductions in profitability were offset by improved performances in Capespan UK, Metspan and the wine people group who all performed well in difficult market conditions.

Exceptional items

The exceptional items in the half year was an impairment of R0.2 million (2008: R0.4 million profit) as detailed in the table below.

	2009 R m	2008 R m
Impairment of fixed assets FPT Cape Town	(0,2)	-
Profit on disposal of fixed assets and investments	-	0.4
	(0.2)	0.4

Financial income

The net interest income increased by 0,7% from R14,9m million to R15,0 million. The relatively small increase is a result of the lower international interest rates and a lower overall cash position as the Group used R126,3 million of its free cash to buy back shares as part of the shareholding restructuring.

Profit before taxation

Adjusted profit before taxation totalled R77,8 million, a 21,3% decrease on the previous year's figure of R99,8 million. As set out in the summary income statement above the adjusted profit before taxation excludes impairment charges, capital profit on sale of investments and the Group share of taxation of associates, which is reflected under profit before taxation under IFRS rules. Profit before taxation as per IFRS amounted to R73,3 million compared to the prior year's R91,7 million.

Taxation

The taxation expense decreased from R25,9 million to R21,4 million. Taxation on the underlying activities decreases from R33,4 million to R25,7 million with an effective tax rate of 33,3% which has decreased from 33,7% in the prior year. The effective tax rate being higher than the South African tax rate of 28% is attributable to a greater portion of the profits being earned in higher tax paying jurisdictions and STC on the dividend paid.

Taxation per income statement	21.4	25.9
Taxation of associate companies	4.3	7.5
	25.7	33.4
Adjustments		
Taxation impact on impairments	-	-
Taxation on profit on sale of fixed assets	-	-
Taxation on underlying activities	25.7	33.4

2009 R m	2008 R m
21.4	25.9
4.3	7.5
25.7	33.4
-	-
-	-
25.7	33.4

Minority interest

The minority share of the group's after tax profits amounted to a recovery of R0,6 million. This decreased from R1,6 million in the prior year which is a result of the increase in the profitability of MCT and Fisher Capespan.

Earnings per share

The calculation of the headline earnings per share excludes the extraordinary items listed above and is set out below. Headline earnings per share increased by 2,4% from 16,5 cents to 16,9 cents. The reduction in the weighted average number of shares in issue from 406,2 million to 312,1 million is a result of the shareholding restructuring.

	2009 R m	2008 R m
Adjusted profit before taxation	77.8	98.8
Underlying tax charge	(25.7)	(33.4)
Minority portion	0.6	1.6
Headline earnings	52.7	67.0
Weighted ave Number of shares	312.1	406.2
Headline earnings per share (cents)	16.9	16.5

Balance Sheet

Shareholders equity

Total equity attributable to the equity holders of the parent has decreased from R1,03 billion at 31 December 2008 to R871,9million. The main reason for the decline was as a result of the share buy back with the subsequent capital reduction and negative effects of the translation losses.

The translation difference arises from the translation of our foreign investments, due to the appreciation of the Rand versus the JPY (21,5%), USD (16,7%), MZM (21,4%) and GBP (3,9%) from the year end exchange rates. This has resulted in a negative translation difference of R53,8 million.

Movement in shareholders equity

	2009 R m
Opening Balance previously reported	1 025.0
Net profit for the year	52.5
Translation difference net of tax	(53.8)
Capital reduction share buy back	(126.3)
Dividends paid	(25.5)
Balance at end of year	871.9

Despite the decrease in equity the net asset value (NAV) per ordinary share has increased from 252,9 cents as at 31 December 2008 to 291.8 cents as a result of the buy back being done at a price lower than the net asset value.



Fixed assets

The decrease in property, plant and equipment of R4,2 million from 31 December 2008 is as a result of the depreciation charge for the year exceeding the lower capital spend.

Share Capital

Subsequent to the shareholding restructuring Capespan (Pty) Ltd increased its shareholding in Capespan Group Limited, in the period, by acquiring an additional 0,5 million shares in lieu of a claim, increasing the number of shares held by it to 32,2 million representing 9.72% of the issued share capital.

Dividend

The Company paid an interim dividend of 8,5 cents per share on 19 June 2009. An interim dividend was paid due to the fact that the company only acquired the control of Capespan Group Holdings Limited in January 2009 and hence it will only have its first year end on 31 December 2009.

Outlook

The impact of the global financial crisis has resulted in a significant decrease in the pricing of fruit products in the international markets. This together with a decrease in the volumes of citrus estimated to be exported from South Africa and an appreciating currency will impact negatively on the Group's income and grower returns in the second half of the year. Therefore the outlook for the remaining 6 months of 2009 is anticipated to be extremely challenging.

Neil Oosthuizen, Managing Director
On behalf of the Board
21 August 2009



Group Income Statements

	Unaudited 6 months to June 2009 R'000	Unaudited 6 months to June 2008 R'000	Audited 12 months to Dec 2008 R'000
Revenue	1 335 190	1 038 555	2 424 192
Cost of sales, distribution and administration costs	(1 286 762)	(978 128)	(2 290 184)
Other income	153	30	4 710
Other expenses	(152)	-	(2 494)
Profit before financing costs and profits of associates	48 429	60 457	136 224
Financial income	55 554	37 079	86 253
Financial expenses	(40 594)	(22 204)	(49 869)
Share of profits of associates	9 880	16 408	23 334
Profit before taxation	73 269	91 740	195 942
Income taxation expense	(21 362)	(25 908)	(66 321)
Net profit for the period	51 907	65 832	129 621
Attributable to:			
Equity holders of the parent	52 488	67 421	129 531
Minority interest	(581)	(1 589)	90
Net profit for the period	51 907	65 832	129 621

Group Abridged Cash Flow Statements

	Unaudited 6 months to June 2009 R'000	Unaudited 6 months to June 2008 R'000	Audited 12 months to Dec 2008 R'000
Net cash (outflow)/inflow from operating activities	(309 476)	(195 085)	14 111
Net cash outflow from investing activities	(17 325)	(38 300)	(38 439)
Net cash outflow from financing activities	(133 727)	(116 577)	(124 498)
Net (decrease)/increase in cash and cash equivalents	(460 528)	(349 962)	14 111
Cash and cash equivalents at beginning of year	200 598	260 750	260 750
Effects of exchange fluctuations on cash and cash equivalents	-	-	88 674
Cash and cash equivalents at end of the period	(259 930)	(89 212)	200 598

Group Balance Sheets

	Unaudited 6 months to June 2009 R'000	Unaudited 6 months to June 2008 R'000	Audited 12 months to Dec 2008 R'000
Assets			
Non-current assets	544,678	534,897	531,573
Property, plant and equipment	248,070	259,916	252,253
Goodwill and intangible assets	52,867	38,334	38,867
Deferred taxation asset	32,048	29,097	31,634
Investment in associates	161,532	142,388	149,792
Other financial assets	42,356	65,162	59,027
Financial assets held for Sale	7,805	-	-
Current assets	1,339,045	1,265,487	1,106,587
Inventories	26,653	20,243	18,784
Trade receivables	640,175	629,365	393,042
Other receivables	314,698	247,035	275,314
Cash and cash equivalents	357,519	368,844	419,447
Total assets	1,883,723	1,800,384	1,638,160
Equity and liabilities			
Equity			
Issued capital and premium	414,024	461,784	461,784
Treasury shares	(28,774)	168	168
Non-distributable reserves	40,536	3,126	94,373
Retained earnings	446,096	438,779	468,660
Total equity attributable to equity holders of the parent	871,882	903,857	1,024,985
Minority shareholders' interest	577	553	2,887
Total equity	872,459	904,410	1,027,872
Non-current liabilities	85,950	70,387	70,314
Interest-bearing borrowings	14,847	30,543	21,638
Non Interest bearing borrowings	25,370	26,295	25,370
Deferred taxation liability	14,657	8,126	13,109
Employee Benefits	31,076	5,423	10,197
Current liabilities	925,314	825,587	539,974
Bank overdraft and short-term borrowings	617,450	458,056	218,849
Interest-bearing borrowings	13,571	13,375	15,284
Trade and other payables	237,600	290,112	223,711
Taxation	25,267	26,461	32,788
Provisions	31,426	37,583	49,342
Total equity and liabilities	1,883,723	1,800,384	1,638,160
Net asset value per share (cents)	291.8	222.7	252.9

Earnings Per Share

	Unaudited 6 months to June 2009	Unaudited 6 months to June 2008	Audited 12 months to Dec 2008
Weighted average number of ordinary shares in issue ('000)	312 146	406 193	406 193
Basic earnings per share (cents)	16.8	16.6	31.9
Basic headline earnings per share (cents)	16.9	16.5	32.8
Dividend per share (cents)	8.5	7.0	7.0

Group Statement of Changes in Equity

ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT

	SHARE CAPITAL R'000	SHARE PREMIUM R'000	TRANS- LATION RESERVES R'000	OTHER RESERVES R'000	RETAINED EARNINGS R'000	TREASURY SHARES R'000	TOTAL R'000	MINORITY INTEREST R'000	TOTAL EQUITY R'000
Balance 30 June 2008	4 072	457 712	-	3 126	438 779	168	903 857	553	904 410
Net profit for six months	-	-	-	-	62 111	-	62 111	2 545	64 656
Recognised directly in equity	-	-	-	689	42	-	731	373	1 104
Subsidiary disposed	-	-	-	-	-	-	-	84	84
Translation difference	-	-	86 789	-	-	-	86 789	-	86 789
Transfer (from)/to reserves	-	-	3 769	-	(3 769)	-	-	-	-
Dividend paid	-	-	-	-	(28 503)	-	(28 503)	(668)	(29 171)
Balance 31 December 2008	4 072	457 712	90 558	3 815	468 660	168	1 024 985	2 887	1 027 872
Net profit for six months	-	-	-	-	52 488	-	52 488	(981)	51 907
Translation difference	-	-	(53 837)	-	-	-	(53 837)	(490)	(54 327)
Share buy-back	(760)	(47 000)	-	-	(46 855)	(31 679)	(126 294)	-	(126 294)
Dividend paid	-	-	-	-	(28 197)	2 737	(25 460)	(1 239)	(26 699)
Balance 30 June 2009	3 312	410 712	36 721	3 815	446 096	(28 774)	871 882	577	872 459

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