

A blurred, high-angle photograph of a modern office interior. Several people in business attire are walking across a highly reflective floor. The background shows large glass windows and office structures, creating a sense of movement and activity. The overall color palette is cool, dominated by blues and greys.

2012

UNAUDITED GROUP RESULTS
AND CASH DIVIDEND DECLARATION
for the six months ended 31 March 2012

REUNERT
REUNERT LIMITED



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REUNERT

REUNERT LIMITED

Incorporated in the Republic of South Africa
Reg. No 1913/004355/06 Share Code: RLO
ISIN code: ZAE000057428
Preference share code: RLZP ISIN code: ZAE00005930
("Reunert", "the group" or "the company")

Highlights

Normalised headline earnings per share up

14%

Cash dividend per share up

23%

Group profile

Established in 1888 and first listed on the JSE in 1948, Reunert Limited is a leading South African company. The group is listed in the industrial goods and services (electronic and electrical equipment) sector of the JSE (ticker symbol: RLO). The group operates mainly in South Africa with minor operations situated in Australia, Lesotho, USA and Zimbabwe.

The Reunert group manages businesses in the services, electronics and electrical engineering sectors, supplying value-added products, services, solutions and systems to local and international markets. Each of these businesses will remain capable of meeting the group's objectives for sustainable growth and earnings. We will seek meaningful growth opportunities that are either compatible with our leading competencies or which are sensible, strategically-aligned extensions of our existing businesses.

Reunert currently manages three main operating segments: CBI-electric, Nashua and Reutech. Our businesses strive to achieve first or second positions in their key markets. The group promotes a decentralised management style. While our goal is to retain all the positive aspects of this decentralised structure, we will strengthen it going forward by centrally synchronising group-wide values, governance standards and policies and procedures relating particularly to upholding our leading brands and effectiveness in our risk management, human resources and financial and accounting functions.

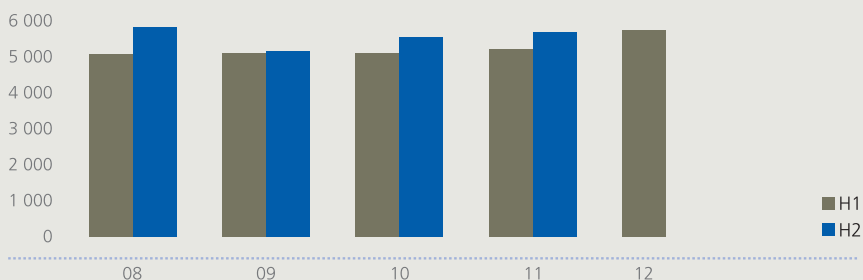
Commentary

Reunert is pleased to report a 14% increase in normalised headline earnings per share to 298 cents from 261 cents in March 2011. Revenue increased by 10% to R5,7 billion. Increased revenue was achieved in all our business segments, with Reutech and CBI-electric being particularly strong.

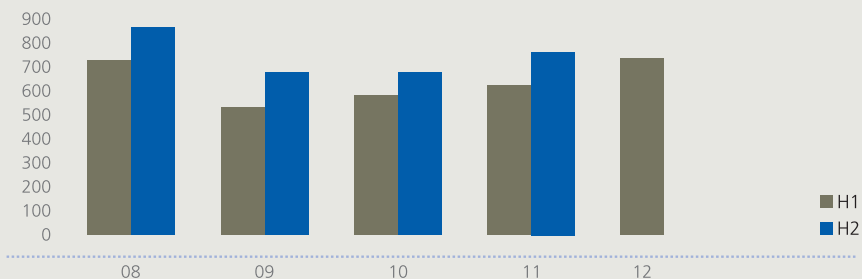
Operating profit grew by 18% to R736 million. The margin improvement was achieved through productivity and process improvements.

The decrease in basic earnings is as a result of the abnormal profit of R346 million made in the prior year on the disposal of the NSN shares. Headline earnings per share reflected growth of 16% to 304 cents compared to 263 cents in the prior year.

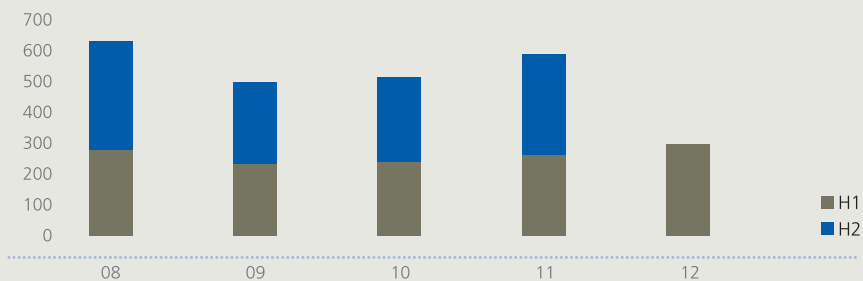
Rm: Revenue



Rm: Operating profit



Cents: Normalised headline earnings per share



OPERATIONAL REVIEW

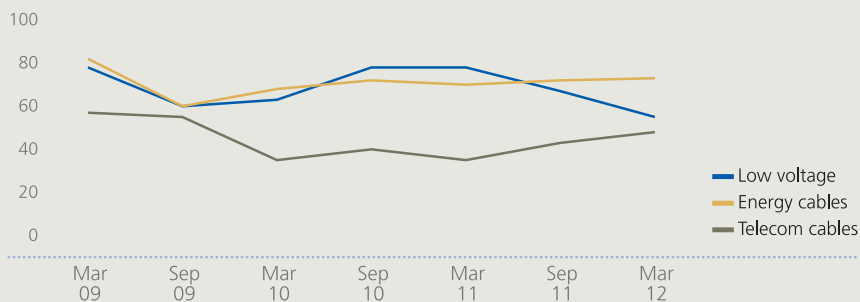
CBi-electric

		Six months ended		
		March 2012	March 2011	Year ended September 2011
Revenue	Rm	1 738,3	1 505,8	3 336,0
Operating profit	Rm	292,2	252,7	592,1
Total assets	Rm	1 581,8	1 438,6	1 580,8

The increase in revenue in our electrical business of 15% to R1,7 billion in the current economic environment reflects a solid performance. This growth was achieved across our product portfolio, both in local and international markets.

Operating profit increased by 16% to R292 million, which is marginally ahead of revenue growth.

%: Factory capacity utilisation

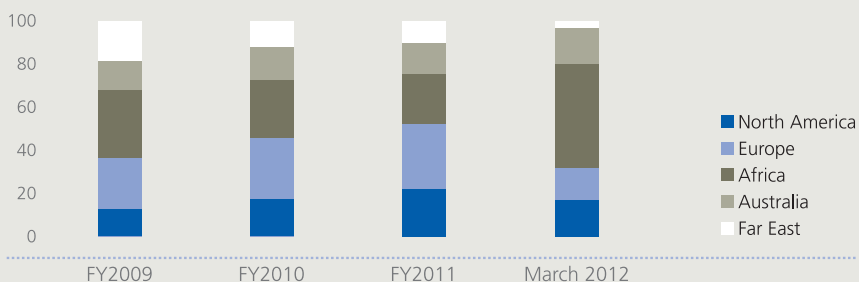


CBI-electric: low voltage

Low Voltage was the largest contributor to profit within the CBI-electric group, with an increase in sales of 11%. The profit contribution increased by a similar amount, despite tough conditions that continue in the markets into which Low Voltage sells its products. Cost containment and productivity remain a priority.

The business continued to experience demand for its products from export markets, largely due to the continued supply of our product into the 4G network roll out in the United States of America. The Australian subsidiary continued to perform well on the back of the buoyancy of the mining industry.

%: Low-voltage export sales by region



The local sales conditions remain difficult with the building industry showing little signs of improvement. However, the continued rigorous focus on building export markets and managing costs has supported the business.

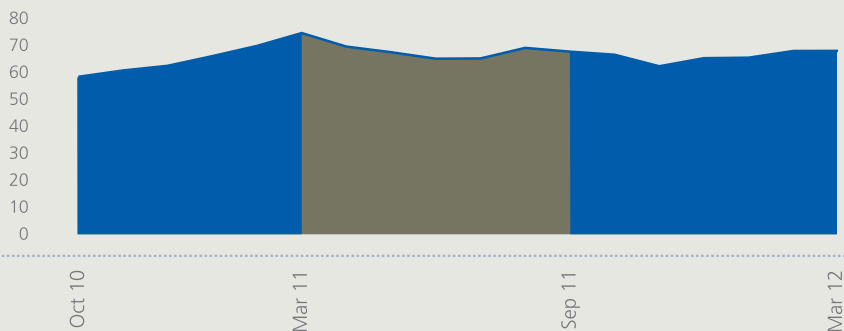
Low-voltage product mix %	FY2009	FY2010	FY2011	March 2012
Residential & commercial	40	45	40	41
Industrial	10	9	7	6
Mining	12	12	12	9
Industrial controls	11	10	12	8
Retail	1	4	6	5
Utilities	1	5	2	3
ITMatic	–	–	2	3
Export	25	15	19	25

The small, but strategic acquisition of ITmatic, a process control and automation systems integrator, a year ago has been integrated into the group and is performing as expected.

CBI-electric: African Cables

African Cables was the largest contributor to turnover within the CBI-electric group. There was sustained demand for underground energy cables due to the country's electrification programme, further assisted by demand from the mining industry. Our Power Installations' division also achieved satisfactory growth with its diversification into maintenance and repair work for municipalities. The copper price remained at elevated, but relatively stable prices, which contributed to higher revenues. Productivity improvements and efficiencies contributed to increased margins.

R'000 per ton: copper price



Cbi-electric: Aberdare ATC Telecom Cable

The telecommunications cables operation had another disappointing first six months, mainly because of the continued delay in the long haul fibre networks and lower demand for copper cable from Telkom. Revenue and operating profit reflected an increase on the prior period off a very low base.

Telecoms product mix %	FY2009	FY2010	FY2011	March 2012
Optic fibre	20	26	18	19
Accessories & duct	3	4	4	3
Installations & services	–	1	1	2
Copper telecoms	77	69	77	76

The second half of the year should reflect a stronger performance as the business has secured hi-bit rate copper cable orders, micro ducts and micro fibre cable from Telkom.

Nashua

		Six months ended		Year ended September 2011
		March 2012	March 2011	
Revenue	Rm	3 636,1	3 388,4	6 927,5
Operating profit	Rm	402,5	336,0	794,2
Total assets	Rm	3 899,1	3 355,6	3 847,7

Nashua grew revenues by 7% to R3,6 billion, off a high base, whilst operating profit grew by 20% to R403 million compared to R336 million in 2011.

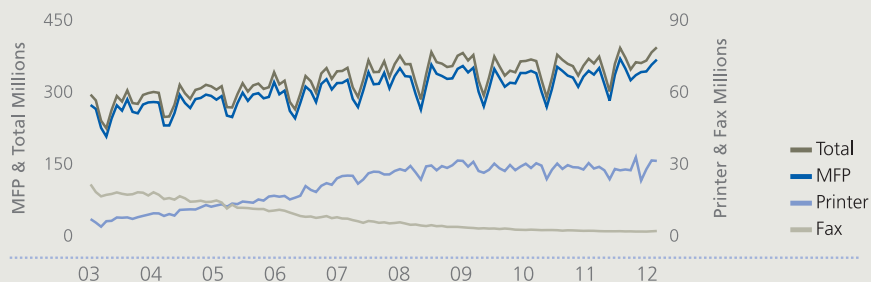
Nashua Office Automation

Nashua Office Automation continues to have pleasing growth in multi-function devices and maintained its leading position in the MFP market. Revenue increased by 25%, whilst operating profit increased by 31%. This is, to a large degree, due to the contributions made by the franchises acquired in the latter half of 2011. The acquired franchises continue to perform to expectation. Nashua will continue to acquire the remaining franchises targeted for repurchase.

Nashua Office Automation has experienced an increase in the amount of tender business in the South African market, and continues to enjoy success in winning tenders. Nashua's expansion into Africa is progressing with dealership agreements being signed in Zambia and Mozambique.

In the month of March 2012 Nashua achieved a record in total document volume with 435 million prints.

Total document volumes (clicks)



Nashua Communications

The communications market continues to be dominated by significant change and transformation as business moves from voice infrastructure equipment to converged internet protocol based communication platforms. As a consequence, the half year results for Nashua Communications represent a static year-on-year performance.

Managed services continues to be a core strength and Nashua Communications has demonstrated its continued leadership in this segment of the market with revenue growth of 7% in the first half of the financial year. The company continues to position itself as a preeminent player in the integration of converged voice and data networking. With 22% overall market share in voice communications and a strong focus to grow the data networking capabilities, the company is positioned to take advantage of the growth potential in this industry and gain market share.

	March 2012	FY2011
Communication servers sold	1 540	3 529
Telephone devices	86 555	137 861
Customer base	17 531	17 195
Ports under managed services contracts	332 313	310 348

We are in the process of adding a Cisco networking capability to our portfolio, which we believe will make a valuable contribution by year end.

Nashua Mobile

Nashua Mobile produced a satisfactory result, although it continues to be affected by the decline in least cost router (LCR) business, slower turnover growth caused by the drop in interconnect rates and a market that is approaching saturation. The prepaid data market continues to grow strongly off a low base. Net connections increased by 35 151 in the six month period. These contracts, however, are generally at lower subscription rates. This is evidenced by the continued decline in the average revenue per user (ARPU), which has declined by 9% from September 2011.

Despite the lack of growth in revenue, operating profit has increased as a consequence of cost control and productivity gains.

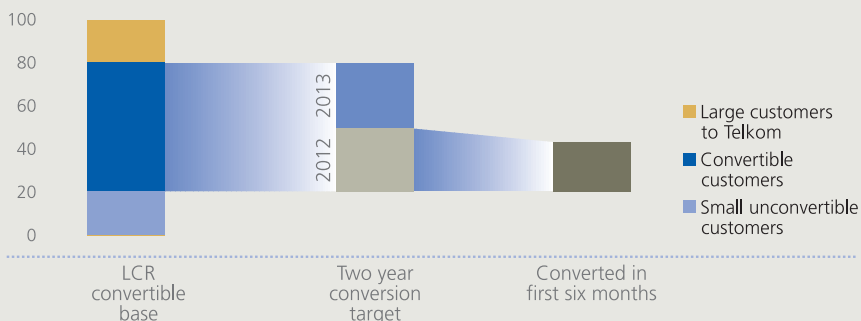
	Six months ended		
	March 2012	September 2011	March 2011
Subscriber base (closing at period end)	881 672	846 521	824 396
Number of subscribers signed up (connections)	99 634	93 790	80 361
ARPU (Rand)	378	411	426
Churn % – total	15	15	14
Churn % – excluding LCR	13		
Number of retail outlets	150	150	150

Nashua ECN

Nashua ECN performed well and more than met our expectations. The conversion of the Nashua Mobile LCR base to the ECN voice over internet protocol (VoIP) platform is in progress and is exceeding initial estimates. The target set for 2012 is to convert 12 million LCR minutes over the year, at an expected rate of one million minutes per month.

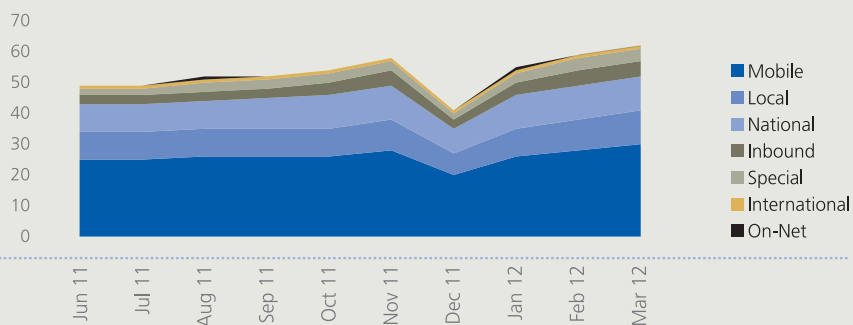
At the reporting date nine million minutes have been signed for conversion, of which nearly five million minutes are currently routing through ECN on a monthly basis.

%: LCR base analysis



The number of voice minutes on the ECN network continues to grow, with volumes exceeding 60 million minutes per month.

ECN monthly minutes (millions)



PanSolutions

Revenue for PanSolutions was consistent with the prior year, whereas the operating profit reflected an increase as a consequence of the restructure effected in the prior year.

Quince Capital

Quince Capital provides in-house financial solutions to customers of the Nashua group businesses. The business had a sound six months with a marginal increase in the asset rental book. Operating profit increased slightly due to continued containment of bad debts.

Reunert continues to use its surplus cash to fund the asset rental book and at 31 March 2012 R1,2 billion of Reunert cash was used by Quince.

		March 2012	FY 2011	March 2011
Nashua book	Rm	1 310	1 260	1 190
Quince asset rental book	Rm	45,5	76,8	121,8
Average monthly discounting	Rm	59,8	55,4	48,1

REUTECH

		Six months ended		
		March 2012	March 2011	Year ended September 2011
Revenue	Rm	372,6	307,7	639,3
Operating profit	Rm	69,1	14,0	48,7
Total assets	Rm	460,2	421,6	355,7

We are pleased to report an increase in revenue of 21% to R373 million and a substantial increase in operating profit to R69 million. This was due, in the main, to the contribution from Fuchs as execution of a long anticipated export order commenced. Production against these orders is continuing at a high rate and these production levels are set to continue until mid FY2013. The order book coverage for 2013 is already approximately 60%, with further orders expected before the end of the financial year. This is a cyclical business, however, the order pipeline indicates that we have entered a period of revenue stability.

Reutech Solutions has repositioned its business and reflected an operating profit increase of 70%. The development of the remote mine-scrapers control winch was completed and the first ten units were sold to a launch customer. This is a safety enhancement for the mines, which allows the machine operator to control the machinery from a safe distance in the event of cable breakage underground.

Reutech Radar Systems enjoyed a successful six months, principally due to the continued success of the mining surveillance radar internationally. The business delivered its first system in China. In addition, the delivery of two modified systems for the Arctic Circle has been completed with the system operating reliably in -50°C conditions.

Reutech Communications has reached an in-principle agreement with SAAB Grintek, subject to regulatory approvals, to acquire its high frequency radio business which completes the range of our product offering to include very high frequency (VHF) and ultra-high frequency (UHF) radios. This acquisition will enhance the business's product portfolio.

PROSPECTS

The continued volatility in global markets provides an unpredictable backdrop for the South African economy. Reunert is experiencing reasonable demand for most of its products and services in the electrical segment, which we anticipate will continue. Our telecoms environment in the mobile side remains challenging but our VoIP offering, and associated services, are reflecting encouraging growth off a low base. We are anticipating continued growth in Reutech.

International economic events unfolding daily, amidst considerable uncertainty, are having a knock-on effect on emerging markets and we believe that the environment will be more challenging in the next six months. Subject to prevailing economic conditions not deteriorating, we believe the group will reflect earnings growth for the full year, but we anticipate a lower rate of growth for the full year.

The financial information on which the above forecast is based has not been reviewed or reported on by the company's external auditors.

DIRECTORATE AND SECRETARIAT

With effect from 7 March 2012, the following changes to the board sub-committees were effected:

Ms Thandi Orleyn has resigned as the chairman of the Remuneration Committee but will remain a member, and Mr Sean Jagoe has been appointed as the chairman of the Remuneration Committee.

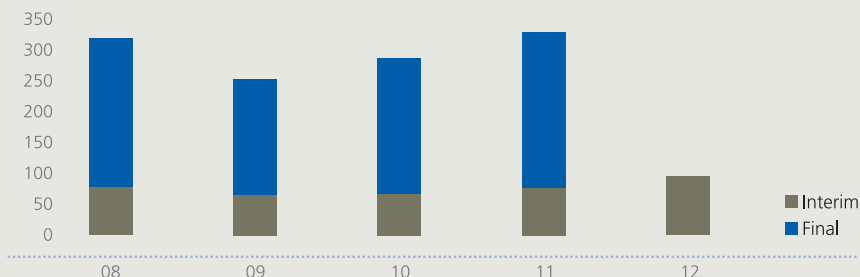
Mr Trevor Munday has resigned as the chairman of the Social, Ethics and Transformation Committee but will remain a member, and Ms Thandi Orleyn has been appointed as a member and the chairman of the Social, Ethics and Transformation Committee.

Reunert Management Services Limited was appointed as company secretary on 5 April 2012.

CASH DIVIDEND

The interim dividend has been increased to 95 cents per share (2011: 77 cents), which is a 23% increase over the comparable period. With the change in tax legislation with respect to dividends from Secondary Tax on Companies (STC) to a withholding tax, Reunert has increased its dividend to take account of this change.

Cents per share: Dividends paid



Notice is hereby given that a gross interim cash dividend No 172 of 95 cents per ordinary share (2011:77 cents per share) has been declared by the directors for the six months ended 31 March 2012.

The dividend has been declared from income reserves and no STC credits have been used.

A dividend withholding tax of 15% will be applicable to all shareholders who are not exempt from or who do not qualify for a reduced rate of withholding tax. The net dividend payable to shareholders subject to withholding tax at a rate of 15% thus amounts to 80,75 cents per share.

The issued share capital at the declaration date is 199 715 385 ordinary shares. Reunert's income tax reference number is 9100/101/71/7P.

In compliance with the requirements of Strate, the following dates are applicable:

Last date to trade (cum dividend)	Friday, 15 June 2012
First date of trading (ex-dividend)	Monday, 18 June 2012
Record date	Friday, 22 June 2012
Payment date	Monday, 25 June 2012

Shareholders may not dematerialise or rematerialise their share certificates between Monday, 18 June 2012 and Friday, 22 June 2012, both dates inclusive.

On behalf of the board

Trevor Munday
Chairman

Sandton

28 May 2012

David Rawlinson
Chief Executive

Financial information

Condensed group income statement

Notes	Six months ended 31 March			Year ended
	2012 R million (Unaudited)	(Restated) 2011 R million (Unaudited)	% change	30 September 2011 R million (Audited)
Revenue	5 748,8	5 220,9	10	10 922,7
Earnings before interest, tax, depreciation, amortisation, other income and dividends	792,2	672,7	18	1 472,7
Other income	11,2	10,3		40,5
Earnings before interest, tax, depreciation and amortisation (EBITDA)	803,4	683,0	18	1 513,2
Depreciation and amortisation	67,3	57,5	17	121,8
Operating profit	736,1	625,5	18	1 391,4
Net interest and dividend income	22,1	24,7	(11)	40,9
Abnormal items	–	346,4		346,4
Profit before taxation	758,2	996,6	(24)	1 778,7
Taxation	260,0	201,4	29	425,9
Profit after taxation	498,2	795,2	(37)	1 352,8
Profit attributable to:				
Non-controlling interests	6,6	5,4	22	15,7
Equity holders of Reunert	491,6	789,8	(38)	1 337,1
Basic earnings per share (cents)	3 & 4 303,8	466,5	(35)	809,0
Diluted earnings per share (cents)	3 & 4 301,6	463,2	(35)	803,3
Headline earnings per share (cents)	3 & 4 303,7	262,7	16	598,3
Diluted headline earnings per share (cents)	3 & 4 301,5	260,9	16	594,1
Normalised headline earnings per share (cents)	3 & 4 298,0	260,7	14	590,0
Normalised diluted headline earnings per share (cents)	3 & 4 295,9	258,8	14	585,9
Cash dividend per ordinary share declared (cents)	95,0	77,0	23	330,0

Condensed group statement of comprehensive income

	Six months ended 31 March		Year ended
	2012 R million (Unaudited)	2011 R million (Unaudited)	30 September 2011 R million (Audited)
Profit after taxation	498,2	795,2	1 352,8
Other comprehensive income, net of taxation:			
Losses arising from translating the financial results of foreign subsidiaries	(1,4)	(1,0)	–
Gain on disposal of investment recycled to income statement	–	(348,2)	(348,6)
Effective portion of gains on hedging instruments	–	2,9	4,2
Income tax relating to other comprehensive income	–	(0,3)	(1,2)
Total comprehensive income	496,8	448,6	1 007,2
Total comprehensive income attributable to:			
Non-controlling interests	6,6	5,4	15,7
Equity holders of Reunert	490,2	443,2	991,5

Condensed group balance sheet

		31 March 2012 R million (Unaudited)	(Restated) 31 March 2011 R million (Unaudited)	30 September 2011 R million (Audited)
	Notes			
Non-current assets				
Property, plant and equipment and intangible assets		684,2	631,6	702,0
Goodwill	5	661,1	504,4	654,9
Investments and loans	6	41,8	45,5	46,1
Accounts receivable		1 023,2	758,7	965,9
Deferred taxation		27,6	37,1	32,2
Non-current assets		2 437,9	1 977,3	2 401,1
Current assets				
Inventory and contracts in progress		924,1	774,7	885,5
Accounts receivable and derivative assets		2 307,7	2 318,7	2 176,7
Cash and cash equivalents	7	454,5	1 333,6	643,0
Current assets		3 686,3	4 427,0	3 705,2
Total assets		6 124,2	6 404,3	6 106,3
Equity attributable to equity holders of Reunert				
Ordinary		3 983,0	3 414,8	3 879,7
Preference		0,7	0,7	0,7
		3 983,7	3 415,5	3 880,4
Non-controlling interests		47,4	39,1	55,2
Total equity		4 031,1	3 454,6	3 935,6
Non-current liabilities				
Deferred taxation		106,3	69,1	99,6
Long-term borrowings		0,4	13,0	0,7
Non-current liabilities		106,7	82,1	100,3
Current liabilities				
Accounts payable, derivative liabilities, provisions and taxation		1 795,7	1 628,4	1 984,9
Bank overdrafts and short-term portion of long-term borrowings (including finance leases)	7	190,7	1 239,2	85,5
Current liabilities		1 986,4	2 867,6	2 070,4
Total equity and liabilities		6 124,2	6 404,3	6 106,3

Condensed group cash flow statement

	Six months ended 31 March		Year ended
	2012 R million (Unaudited)	(Restated) 2011 R million (Unaudited)	30 September 2011 R million (Audited)
EBITDA	803,4	683,0	1 513,2
(Increase)/decrease in net working capital	(360,8)	(172,3)	47,7
Other (net)	7,5	7,5	(1,6)
Cash generated from operations	450,1	518,2	1 559,3
Net interest and dividend income	22,1	24,7	40,9
Taxation paid	(213,1)	(185,5)	(438,8)
Dividends paid (including to non-controlling interests)	(422,8)	(374,3)	(498,5)
Net cash flows from operating activities	(163,7)	(16,9)	662,9
Net cash flows from investing activities	(151,1)	720,3	484,7
Capital expenditure	(52,2)	(55,1)	(99,4)
Net cash flows from acquisition of businesses	–	(15,7)	(213,6)
Net proceeds on disposal of investment in NSN	–	791,7	791,2
Payment of outstanding purchase consideration for prior year acquisitions	(90,9)	–	–
Other	(8,0)	(0,6)	6,5
Net cash flows from financing activities	14,0	(1 794,9)	(1 768,9)
Shares issued	14,3	32,9	59,4
Shares repurchased during the period	–	(1 127,9)	(1 127,9)
Repayment of Quince long-term borrowings	–	(699,9)	(699,9)
Other	(0,3)	–	(0,5)
Decrease in net cash resources	(300,8)	(1 091,5)	(621,3)
Net cash resources at the beginning of the period	564,6	1 185,9	1 185,9
Net cash resources at the end of the period	263,8	94,4	564,6
Cash and cash equivalents	454,5	1 333,6	643,0
Bank overdrafts	(190,7)	(1 239,2)	(78,4)
Net cash resources at the end of the period	263,8	94,4	564,6

Condensed group statement of changes in equity

	Six months ended 31 March		Year ended
	2012 R million (Unaudited)	2011 R million (Unaudited)	30 September 2011 R million (Audited)
Share capital and premium			
Balance at the beginning of the period	200,3	140,9	140,9
Issue of shares	14,3	32,9	59,4
Balance at the end of the period	214,6	173,8	200,3
Share-based payment reserve			
Balance at the beginning of the period	751,0	732,4	732,4
Share-based payment expense and deferred tax thereon	7,9	4,3	18,6
Balance at the end of the period	758,9	736,7	751,0
Fair value adjustment reserve			
Balance at the beginning of the period	–	345,6	345,6
Other comprehensive income	–	(345,6)	(345,6)
Balance at the end of the period	–	–	–
Equity transaction with BEE partner	(35,3)	(35,3)	(35,3)
Equity transaction with non-controlling shareholder			
Balance at the beginning of the period	–	–	–
Acquisition of non-controlling interest	0,4	–	–
Balance at the end of the period	0,4	–	–
BEE shares*	(276,1)	(276,1)	(276,1)
Treasury shares			
Balance at the beginning of the period	(1 253,6)	(125,7)	(125,7)
Purchases made during the period	–	(1 127,9)	(1 127,9)
Balance at the end of the period	(1 253,6)	(1 253,6)	(1 253,6)
Non-distributable reserves			
Balance at the beginning of the period	1,1	10,0	10,0
Other comprehensive income	(1,4)	(1,0)	–
Transfer to retained earnings	–	–	(8,9)
Balance at the end of the period	(0,3)	9,0	1,1
Retained earnings			
Balance at the beginning of the period	4 493,0	3 641,3	3 641,3
Profit after taxation attributable to equity holders of Reunert	491,6	789,8	1 337,1
Transferred from non-distributable reserves	–	–	8,9
Cash dividends declared and paid	(409,5)	(370,1)	(494,3)
Balance at the end of the period	4 575,1	4 061,0	4 493,0
Equity attributable to equity holders of Reunert	3 983,7	3 415,5	3 880,4
Non-controlling interests			
Balance at the beginning of the period	55,2	37,9	37,9
Share of total comprehensive income	6,6	5,4	15,7
Dividends declared and paid	(13,3)	(4,2)	(4,2)
Non-controlling interest introduced	–	–	2,0
Acquisition of non-controlling interest	(1,1)	–	–
Other	–	–	3,8
Balance at the end of the period	47,4	39,1	55,2
Total equity at end of the period	4 031,1	3 454,6	3 935,6

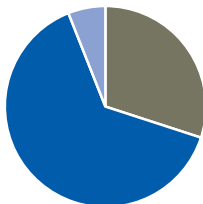
* These are shares held by Bargenel Investment Limited (Bargenel), a company sold by Reunert to an accredited BEE partner in 2007. Until the amount owing by the BEE partner is repaid to Reunert, Bargenel is to be consolidated by the group as the significant risks and rewards of ownership of the equity have not passed to the BEE partner.

Condensed segmental analysis

	Six months ended 31 March				Year ended 30 September 2011		
	2012 R million (Unaudited)	% of total	(Restated) 2011 R million (Unaudited)	% of total	% change	R million (Audited)	% of total
Revenue*							
CBI-electric	1 738,3	30	1 505,8	29	15	3 336,0	30
Nashua	3 636,1	63	3 388,4	65	7	6 927,5	64
Reutech	372,6	7	307,7	6	21	639,3	6
Other	1,8	–	2,1	–	–	3,0	–
Total operations	5 748,8	100	5 204,0	100	10	10 905,8	100
NSN	–		16,9		–	16,9	
Revenue as reported	5 748,8		5 220,9		10	10 922,7	
* Inter-segment revenue is immaterial and has not been disclosed separately.							
Operating profit							
CBI-electric	292,2	40	252,7	42	16	592,1	43
Nashua	402,5	55	336,0	55	20	794,2	58
Reutech	69,1	9	14,0	2	394	48,7	3
Other	(27,7)	(4)	5,9	1		(60,5)	(4)
Total operations	736,1	100	608,6	100	21	1 374,5	100
NSN	–		16,9		–	16,9	
Operating profit as reported	736,1	100	625,5		18	1 391,4	
	31 March 2012		31 March 2011			30 September 2011	
	R million	% of total	R million	% of total		R million	% of total
Total assets							
CBI-electric	1 581,8	26	1 438,6	22		1 580,8	26
Nashua	3 899,1	64	3 355,6	52		3 847,7	63
Reutech	460,2	7	421,6	7		355,7	6
Other*	183,1	3	1 188,5	19		322,1	5
Total assets as reported	6 124,2	100	6 404,3	100		6 106,3	100

* Included in Other are bank balances of Rnil (2011: R 976,8 million; September 2011: R224,7 million) relating to the group's treasury function.

%: Revenue contribution



■ CBI-electric	30
■ Nashua	63
■ Reutech	7

Notes

	31 March 2012 R million (Unaudited)	(Restated) 31 March 2011 R million (Unaudited)	30 September 2011 R million (Audited)
Note 1			
Other Income and EBITDA			
EBITDA is stated after:			
– Cost of sales	3 967,4	3 670,7	7 683,0
– Other expenses excluding depreciation and amortisation	1 005,2	862,3	1 773,4
– Other income	11,2	10,3	40,5
– Realised loss on foreign exchange and derivative instruments	(6,5)	(17,8)	(2,9)
– Unrealised gain on foreign exchange and derivative instruments	22,5	2,6	9,3
Note 2			
Net interest and dividend income			
Interest received	26,2	28,9	46,9
Interest paid	(4,1)	(4,2)	(6,6)
Dividend income	–	–	0,6
Total	22,1	24,7	40,9
Note 3			
Number of shares used to calculate earnings per share			
Weighted average number of shares in issue used to determine basic earnings, headline earnings and normalised headline earnings per share (millions of shares)			
	161,8	169,3	165,3
Adjusted by the dilutive effect of unexercised share options granted (millions of shares)			
	1,2	1,2	1,1
Weighted average number of shares used to determine diluted basic, diluted headline and diluted normalised headline earnings per share (millions of shares)			
	163,0	170,5	166,4
Note 4			
4.1 Headline earnings			
Profit attributable to equity holders of Reunert	491,6	789,8	1 337,1
Headline earnings are determined by eliminating the effect of the following items from attributable earnings:			
Gain on disposal of NSN	–	(346,7)	(346,7)
Net (gain)/loss on disposal of property, plant and equipment and intangible assets (after tax charge of Rnil (2011: Rnil) (September 2011: R0,6 million))	(0,2)	1,7	(1,5)
Headline earnings	491,4	444,8	988,9
4.2 Normalised headline earnings			
Headline earnings (refer to note 4.1)	491,4	444,8	988,9
Normalised headline earnings is determined by eliminating the effect of the following item from attributable headline earnings:			
Net economic interest in profit attributable to BEE partners (refer to note 8)	(9,2)	(3,5)	(13,8)
Normalised headline earnings	482,2	441,3	975,1

	31 March 2012 R million (Unaudited)	(Restated) 31 March 2011 R million (Unaudited)	30 September 2011 R million (Audited)
Note 5			
Goodwill			
Carrying value at the beginning of the period	654,9	492,1	492,1
Acquisition of businesses	–	12,3	162,8
Adjustment to goodwill on finalisation of acquisitions made in the prior period	6,2	–	–
Carrying value at the end of the period	661,1	504,4	654,9
Note 6			
Investments and loans			
Loans – at cost	40,2	44,0	44,5
Other unlisted investments – at cost	1,6	1,5	1,6
Carrying value at the end of the period	41,8	45,5	46,1
Note 7			
Quince Financing			
At 31 March 2011 the Quince receivable book was financed externally.			
These external borrowings were included in bank overdrafts and short term borrowings. Since then funding has been provided from group cash resources.			
Note 8			
BEE transactions			
Where the significant risks and rewards of ownership in respect of their equity interests have not passed to the BEE partners, these are not recognised as non-controlling interests.			
Had the non-controlling interests been recognised, the effect would be the following:			
– Net economic interest in current period profit that is attributable to all BEE partners	9,2	3,5	13,8
– Balance sheet interest that is economically attributable to all BEE partners	94,5	160,4	77,3

Note 9

Basis of preparation

These condensed consolidated financial statements have been prepared in accordance with the framework concepts and the recognition and measurement criteria of IFRS and its interpretations adopted by the International Accounting Standards Board (IASB) in issue and effective for the group at 30 September 2012 and the AC500 standards issued by the Accounting Practices Board. This condensed consolidated information has been prepared using the information as required by IAS 34 – Interim Financial Reporting, and comply with the Listings Requirements of the JSE Limited and the requirements of the Companies Act, No. 71 of 2008 of South Africa. This report was compiled under the supervision of MC Krog CA (SA) (Financial Director).

The group's accounting policies, as per the audited annual financial statements for the year ended 30 September 2011, have been consistently applied. These accounting policies comply with IFRS.

Note 10

Unconsolidated subsidiary

The financial results of Cafca Limited, a subsidiary incorporated in Zimbabwe, have not been consolidated in the group results as the directors believe that there is a lack of control. The amounts involved are not material to the group's results.

At 31 March 2012 the company's retained earnings amounted to US\$4 million.

Note 11

Related party transactions

The group entered into various transactions with related parties, which occurred in the ordinary course of business and under terms that are no more favourable than those arranged with independent third parties.

Note 12

Events after balance sheet date

No events have occurred after the balance sheet date that require additional disclosure or adjustment to the results presented.

Note 13

Restatement of March 2011

The March 2011 numbers have been restated to fully eliminate intergroup interest transactions between Reunert subsidiaries and Quince.

Income statement

The impact of the restatement on the March 2011 numbers is reflected below:

	Previously Reported R million	Restated R million	Difference R million
Revenue	5 223,5	5 220,9	2,6
Earnings before interest, tax, depreciation, amortisation, other income and dividends	651,2	672,7	21,5
EBITDA	661,5	683,0	21,5
Operating profit	604,0	625,5	21,5
Net interest and dividend income	46,2	24,7	(21,5)
Profit before tax	996,6	996,6	–
Profit after tax	795,2	795,2	–

Balance sheet

Disclosures relating to Quince have been condensed into the appropriate line items on the consolidated balance sheet. Quince non-current receivables of R758,7 million, Quince receivables of R640,4 million, and Quince bank borrowings of R1 239,2 million have been incorporated into the relevant line items of the Reunert group balance sheet.

Supplementary information

R million (unless otherwise stated)	31 March 2012 (Unaudited)	31 March 2011 (Unaudited)	30 September 2011 (Audited)
Net worth per share (cents)	2 459	2 121	2 401
Current ratio (:1)	1,9	1,5	1,8
Net number of ordinary shares in issue (million)	162,0	161,0	161,6
Number of ordinary shares in issue (million)	199,7	198,7	199,3
Less: BEE shares (million)	(18,5)	(18,5)	(18,5)
Less: Treasury shares (million)	(19,2)	(19,2)	(19,2)
Capital expenditure	52,2	55,1	99,4
– expansion	39,3	34,7	62,6
– replacement	12,9	20,4	36,8
Capital commitments in respect of property, plant and equipment	28,7	23,7	57,1
– contracted	14,2	10,9	7,2
– authorised not yet contracted	14,5	12,8	49,9
Commitments in respect of operating leases	175,0	67,3	170,0



Directors:

TS Munday (Chairman)*
YZ Cuba*
SD Jagoe*
TJ Motsosi*
NDB Orleyn**
Dr JC van der Horst*

DJ Rawlinson (Chief Executive)
BP Gallagher
MC Krog
KW Mzondeki*
SG Pretorius*
R van Rooyen*

* *Independent non-executive* ** *Non-executive*

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Sponsor:

Rand Merchant Bank (A division of FirstRand Bank Limited)

Secretaries' certification:

In terms of section 85 of the Companies Act, 71 of 2008, we certify that, to the best of our knowledge and belief, the company has lodged with the Companies and Intellectual Property Commission for the financial period ended 31 March 2012 all such returns as are required of a public company in terms of the aforesaid Act and that all such returns are true, correct and up to date.



GF Field
For **Reunert Management Services Limited**
Company Secretaries

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