

AUDITED RESULTS

for the year ended 30 June 2012

HIGHLIGHTS

- Earnings per share 39% ↑
- Profit for the year 43% ↑
- Headline earnings per share 16% ↑
- Cash earnings per share 55% ↑

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Audited year ended 30 June 2012 R'000	Audited year ended 30 June 2011 R'000
ASSETS		
Non-current assets		
Property, plant and equipment	97 016	101 083
Investment property	10 300	10 100
Intangible assets	611 042	609 552
Unlisted investments	280	280
Investment in associates	86 765	63 859
Investment in preference shares	100 000	100 000
Deferred income tax assets	86 481	67 049
Current assets	371 416	291 066
Trade and other receivables	108 511	93 010
Receivables from associates and joint ventures	14 591	18 041
Current tax asset	6 404	-
Cash and cash equivalents	241 910	180 015
Total assets	1 363 300	1 242 989
EQUITY AND LIABILITIES		
Capital and reserves		
Issued capital	349 365	372 060
Contingent shares to be issued	188 540	188 540
Share-based awards reserve (Note 1)	9 357	-
Treasury shares	(1 772)	(1 162)
Foreign currency translation reserve	(646)	241
Distributable reserve	337 971	167 171
Minority interests	30 625	20 786
Total equity	913 440	747 636
Non-current liabilities		
Deferred income tax liabilities	47 595	37 273
Borrowings	200 000	200 000
Provisions	8 350	41 600
Post-employment medical obligations	3 504	3 821
Accrual for straight lining of leases	12 519	21 435
Current liabilities	177 892	191 224
Borrowings	8 346	-
Provisions	8 779	20 378
Trade and other payables	76 802	76 336
Taxation	4 149	8 495
Bank overdraft	-	7 304
Employment benefit provisions	79 816	78 711
Total liabilities	449 860	495 353
Total equity and liabilities	1 363 300	1 242 989

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Audited year ended 30 June 2012 R'000	Audited year ended 30 June 2011 R'000
Revenue	1 448 261	1 351 253
Operating costs	(1 188 960)	(1 128 140)
Operating profit	259 301	223 113
Other income	14 894	31 978
Net finance income	3 371	1 478
Share of profit from associates	14 842	10 888
Profit before impairment and amortisation	292 400	267 457
Fair value gain (impairment) of investment	1 175	(10 266)
Fair value gain on investment in associate	13 162	-
Impairment of intangible assets	-	(4 958)
IFRS 2 compliance adjustment (Note 1)	(9 357)	-
Depreciation	(38 128)	(44 170)
Amortisation of intangible assets	(36 356)	(35 542)
Profit before income tax	222 904	172 521
Income tax expense	(42 523)	(45 982)
Profit for the year	180 381	126 539
Attributable to:		
Equity holders of the Parent	164 506	117 248
Non-controlling interest	15 875	9 291
Total comprehensive income for the year	180 381	126 539

Note 1: Actuarially determined cost of share-based awards reserved for selected executives of AfroCentric Health Limited (AHL) in terms of the 2009 Acquisition Agreement, categorised for disclosure herein in terms of IFRS 2.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Audited year ended 30 June 2012 R'000	Audited year ended 30 June 2011 R'000
Balance at beginning of the period	747 635	642 063
Issue of share capital	5 579	5 996
Share-based awards reserve (Note1)	9 357	-
Revaluation of treasury shares issued	(609)	(552)
Dividends reclaimed and subsidiary acquisitions	5 868	-
Foreign currency translation reserve	(887)	241
Dividends paid	(33 884)	(26 652)
Net profit for the year	164 506	117 248
Profit attributable to minorities	15 875	9 291
Balance at end of period	913 440	747 635

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Audited year ended 30 June 2012 R'000	Audited year ended 30 June 2011 R'000
Cash generated from operations	255,184	163,049
Net finance income	3,371	1,478
Dividends paid	(28,274)	(25,800)
Tax and other payments	(114,045)	(34,733)
Net cash generated in operating activities	116 236	103 994
Net cash outflow from investing activities	(55 353)	(88 869)
Net cash inflow from financing activities	8 315	43 050
Net increase in cash and cash equivalents	69 198	58 175
Cash and cash equivalents at beginning of the year	172 712	114 536
Cash and cash equivalents at end of the year	241 910	172 711
Reconciled as follows:		
Cash and cash equivalents on hand	241 910	180 015
Bank overdraft	-	(7 304)
	241 910	172 711

SEGMENTAL ANALYSIS

	Audited results for the year ended 30 June 2012			Audited results for the year ended 30 June 2011		
	Revenue R'000	Profit before tax R'000	Total assets R'000	Revenue R'000	Profit before tax R'000	Total assets R'000
Healthcare administration	1 448 261	217 086	977 763	1 351 253	185 094	874 386
Electronics (including investment income)	-	5 988	-	-	2 147	-
Treasury activities	-	7 758	119 561	-	8 049	110 272
Other (including inter-segment elimination)	-	(7 928)	265 976	-	(22 768)	258 331
	1 448 261	222 904	1 363 300	1 351 253	172 521	1 242 989

AFROCENTRIC INVESTMENT CORPORATION LIMITED



EARNINGS ATTRIBUTABLE TO EQUITY HOLDERS

	% change	Audited year ended 30 June 2012 R'000	Audited year ended 30 June 2011 R'000
Number of ordinary shares in issue		268 231 817	265 947 672
Number of preference shares in issue		16 638 000	16 638 000
Weighted average number of ordinary shares		267 276 657	264 561 839
Weighted average number of ordinary shares, potential ordinary shares and share awards for AHL executives		332 384 302	311 493 781
Basic earnings	40.3%	164 506	117 248
Adjusted by:			
- Impairment of property, plant and equipment		-	146
- Impairment of intangible assets		-	4 958
- Impairment of investment		(1 175)	-
- Impairment of investment in associate		-	10 266
- Profit on disposal of assets		(566)	(1 226)
- Fair value gains on investment in associate		(13 162)	-
- Fair value gains (other)		(810)	(4 466)
Headline earnings	17.2%	148 793	126 926
Earnings per share (cents)			
- Basic	38.9%	61.55	44.32
- Diluted	38.9%	52.31	37.64
Headline earnings per share (cents)			
- Basic	16.0%	55.67	47.98
- Diluted	16.8%	47.58	40.75
Cash earnings per share generated from operations (cents)			
- Basic	54.9%	95.48	61.63
- Diluted	46.7%	76.77	52.34

COMMENTARY

Introduction

The Board of Directors has pleasure in presenting the Group's Audited results for the year ended 30 June 2012.

While South Africa's economy experienced wide fluctuations in the levels of business confidence during the year, subsidiary and associate management diligently maintained a consistent and disciplined approach towards achieving their financial goals, the positive results of which, are once again revealed in the Group's sound pattern of growth in earnings.

Further detail on each of the Group's more meaningful investment activities are set out in the review that follows.

Accounting policies and basis of preparation

The condensed consolidated financial statements for the year ended 30 June 2012 are prepared in accordance with International Financial Reporting Standards ("IFRS"), the JSE Limited Listings Requirements and the South African Companies Act 71 of 2008 as amended. The condensed consolidated financial statements are prepared on the historical cost basis and the accounting policies are consistent with those adopted and applied for the year ended 30 June 2011.

Nature of business

AfroCentric is a black-owned, diversified investment holding company. It is listed on the Johannesburg Stock Exchange ("JSE") in the Healthcare Sector under the code: ACT. The Group's preference shares are also listed on the JSE under the code: ACTP.

AfroCentric holds a substantial majority stake in AfroCentric Health Limited ("AHL"), formerly Lethimvula Investments Limited. During the year, AfroCentric increased its holding in AHL to 93.17% (2011: 91.56%) through the purchase of minority shareholdings in that company. AfroCentric continues to engage with AHL shareholders who wish to offer their AHL shares for sale. AHL owns 100% of the issued shares in Medscheme Holdings (Pty) Limited ("Medscheme"), a multi-medical scheme administrator and managed care provider.

AfroCentric has a 27.3% non-controlling interest in JSE-listed Jasco Electronics Holdings Limited ("Jasco").

Jasco provides solutions, services and products to customers through three core verticals: Information and Communication Technologies, Industry Solutions and Energy Solutions. One of Jasco's investments is Malesela Taihan Electric Cables (M-Tec). M-Tec is a leading manufacturer and distributor of fibre-optic cable including a wide range of power and telecom cables, serving inter alia, infrastructural development demands in the South African and African continental markets. Further information on Jasco can be found on the JSE lists under the code: JSC.

AfroCentric's exploration and prospecting relationship with Rio Tinto PLC continues in terms of the Relationship and Strategic Cooperation Agreement (RSCA).

Operational review

Operating profit increased by 16.2% to R259 million (2011: R223 million). Given the rationalisation benefits now enjoyed through the Old Mutual acquisition, including further savings in rentals, IT costs and other overhead expenditure, the business was managed off a more efficient platform resulting in a better quality of earnings. AHL's profitability is substantially on target with its forecasts, positively trending towards the profit warranty thresholds on which the price of the AHL investment will be determined.

By Order of the Board

Shayne Ablett (B.Proc; Admitted Attorney)
Acting company secretary
Johannesburg
27 September 2012

Directors

AT Mokgokong** (Chairperson), D Dempers (CEO)***, WRC Holmes (CFO)***, NB Bam**, B Joffe**, JM Kahn**, MJ Madungundaba**, Y Masithela*, G Napier*, MI Sacks**

*independent non-executive **non-executive ***executive

Registered Office

37 Conrad Rd
Florida North 1709

Sponsor

Sasfin Capital (A division of Sasfin Bank Limited)

AfroCentric Investment Corporation Limited

Registration number 1988/000570/06
JSE Code: ACT, ACTP
ISIN: ZAE 000078416, ZAE 000082269
("AfroCentric" or "the Company" or "the Group")

AFROCENTRIC INVESTMENT CORPORATION LTD



(Incorporated in the Republic of South Africa)

(Registration number 1988/000570/06)

JSE Code: ACT, ACTP

ISIN: ZAE 000078416, ZAE 000082269

Declaration of dividend

The Audited Annual Results for the year ended 30 June 2012 were released on the Stock Exchange News Service ("SENS") on 27 September 2012 and published in the press on 28 September 2012.

Information on the Dividend Declaration was deferred at the time pending confirmation of the extent of Secondary Tax on Companies (STC) credits being available.

The Board of Directors now have pleasure in announcing that a dividend of 10.5 cents per ordinary share (gross) and 29.8 cents per preference share (gross) has been declared for the year ended 30 June 2012.

Dividends are subject to Dividends Withholding Tax that was introduced with effect from 1 April 2012. In accordance with the provisions of the JSE Listings Requirements, the following additional information is disclosed.

- the dividends have been declared out of profits available for distribution.
- the local Dividends Withholding Tax rate is 15 %.
- the gross dividend amount is 10.5 cents per ordinary share and 29.8 cents per preference share.
- the STC credits available for utilisation is 12.52 cents per ordinary share and 35.53 cents per preference share.
- STC credits to be utilised during this current dividend cycle is 10.5 cents per ordinary share and 29.8 cents per preference share.
- the net cash dividend amount is therefore 10.5 cents per ordinary share and 29.8 cents per preference share.
- the company has 268,231,817 ordinary shares in issue at 30 June 2012.
- the company has 16,638,000 preference shares in issue at 30 June 2012.
- the company's income tax reference number is 9600/148/71/3.

The salient dates relating to both the ordinary and preference dividends are as follows:

Last day to trade cum the dividend	Friday, 7 December 2012
Shares commence trading ex dividend	Monday, 10 December 2012
Dividend record date	Friday, 14 December 2012
Dividend payment date	Tuesday, 18 December 2012

Share certificates for both ordinary and preference shares may not be dematerialised or rematerialised between Monday 10 December 2012 and Friday 14 December 2012, both days inclusive.

Directors

AT Mokgokong** (Chairperson), D Dempers (CEO)***, WRC Holmes (CFO)***, NB Bam**, B Joffe**, JM Kahn**, MJ Madungundaba**, Y Masithela*, G Napier*, MI Sacks**

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