

THE BOARD HAS PLEASURE IN PRESENTING THE GROUP'S REVIEWED RESULTS FOR THE SIX MONTH PERIOD ENDED 31 DECEMBER 2014.

- First interim dividend of 10 cents per share
- 26.6% \uparrow in profit after tax
- 29.4% \uparrow in headline earnings
- 56.8% \uparrow in cash generated from operations



	Reviewed	Unaudited	Audited
	six months ended 31 December 2014 R'000	six months ended 31 December 2013 R'000	year ended 30 June 2014 R'000
ASSETS			
Non-current assets	853 115	1 387 912	881 257
Plant and equipment	96 522	97 113	100 143
Investment property	15 000	15 000	15 000
Intangible assets	623 314	989 780	603 152
Investment in associates	48 387	54 100	77 183
Investments - other	17 728	-	-
Dividends in preference shares	-	100 000	-
Interest bearing loan	-	63 652	-
Deferred income tax assets	52 165	68 266	85 779
Current assets	652 489	484 225	679 450
Trade and other receivables	212 059	138 774	190 828
Investment in preference shares	90 000	-	90 000
Inventory	4 610	-	4 610
Receivables from associates and joint venture	4 712	-	-
Taxation	20 585	20 227	4 563
Cash and cash equivalents	320 523	318 225	389 449
Current portion on interest bearing loan	-	7 000	-
Total assets	1 505 604	1 872 137	1 560 707

	Reviewed	Unaudited	Audited
	six months ended 31 December 2014 R'000	six months ended 31 December 2013 R'000	year ended 30 June 2014 R'000
EQUITY AND LIABILITIES			
Capital and reserves	1 083 633	1 409 074	1 070 968
Issued ordinary share capital	543 454	901 000	543 454
Share-based payment reserve	12 886	2 793	10 765
Treasury shares	(2 324)	(2 324)	(2 324)
Foreign currency translation reserve	2 350	1 437	1 337
Distributable reserve	527 267	506 167	517 736
Non-controlling interest	45 899	54 540	52 634
Total equity	1 129 531	1 463 614	1 123 602
Non-current liabilities	178 476	261 139	215 994
Deferred income tax liabilities	11 024	39 044	43 188
Non-Current Borrowings	150 000	200 000	157 823
Non-Current Provisions	8 350	8 350	8 350
Post-employment medical obligations	3 440	3 551	3 202
Accrual for straight lining of leases	5 662	10 194	3 431
Current liabilities	197 596	147 385	221 111
Provisions	8 431	7 068	9 105
Trade and other payables	114 321	78 975	121 887
Employment benefit provision	74 844	61 342	90 119
Total liabilities	376 073	408 523	437 105
Total equity and liabilities	1 505 604	1 872 137	1 560 707

	Reviewed	Unaudited	Audited
	six months ended 31 December 2014 R'000	six months ended 31 December 2013 R'000	year ended 30 June 2014 R'000
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME			
Revenue	1 016 170	937 170	1 958 260
Operating costs	(842 972)	(792 479)	(1 601 903)
Operating profit	173 198	144 691	356 357
Other income	1 452	4 995	2
Net finance income	9 507	5 384	17 699
Share of associate profits - Jasco	1 013	183	83
Share of associate profits - Healthcare	396	1 889	2 805
Share of associate profits - Healthcare	1 246	759	1 536
Profit before impairment and amortisation	186 812	157 901	378 483
Impairment of associate	(10 577)	(7 884)	3 720
Impairment of intangible asset	-	-	(40 620)
Share-based payment expense	(2 120)	(2 793)	(10 765)
Depreciation	(17 990)	(20 236)	(40 475)
Amortisation of intangible assets	(21 177)	(23 435)	(43 907)
Profit before income tax	134 948	103 553	246 436
Income tax expense	(38 862)	(26 109)	(75 692)
Profit for the period	96 086	77 444	170 744
Other comprehensive income	-	-	-
Total comprehensive income for the period	96 086	77 444	170 744
Attributable to:			
Equity holders of the Parent	94 758	71 153	153 823
Non-controlling interest	3 328	6 291	16 920
	96 086	77 444	170 744

	Reviewed six months ended 31 December 2014			Unaudited six months ended 31 December 2013			Audited year ended 30 June 2014		
	Revenue R'000	Profit before tax R'000	Total assets R'000	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	1 017 196	159 087	1 276 537	937 170	128 888	1 303 263	1 959 760	271 884	1 308 762
Electronics (including investment income)	-	396	-	-	1 889	-	-	2 805	-
Treasury activities	-	-	-	-	397	140 598	-	-	-
Other (including inter-segment elimination)	(1 026)	(24 535)	229 067	-	(27 621)	428 276	(1 500)	(28 253)	251 945
	1 016 170	134 948	1 505 604	937 170	103 553	1 872 137	1 958 260	246 436	1 560 707

	Reviewed	Unaudited
	six months ended 31 December 2014 R'000	six months ended 31 December 2013 R'000
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY		
Balance at beginning of the period	1 123 602	1 053 079
Issue of share capital	-	544 450
Second Tranche payment	-	(26 740)
Share-based awards reserve	2 120	(46 432)
Reduction in contingent shares to be issued	-	(137 258)
Redemption of preference shares at par	-	(166)
Dividends paid by Medscheme Namibia	(3 544)	-
Dividends paid to Allegra minorities	(849)	-
Dividends declared/Distribution to shareholders	(84 214)	-
Net profit for the period	94 758	71 153
Profit attributable to minorities	3 328	6 291
Dividend paid to minorities of AHL	(5 670)	(763)
Balance at end of the period	1 129 531	1 463 614

	Reviewed	Unaudited	Audited
	six months ended 31 December 2014 R'000	six months ended 31 December 2013 R'000	year ended 30 June 2014 R'000
EARNINGS ATTRIBUTABLE TO EQUITY HOLDERS			
Number of ordinary shares in issue	467 855 101	467 797 446	467 855 101
Weighted average number of ordinary shares	467 855 101	302 656 582	384 574 258
Weighted average number of shares for diluted EPS	467 855 101	302 656 582	384 574 258
Basic earnings	94 758	71 153	153 823
Adjusted by:	7 411	7 822	30 122
- Impairment of intangible assets	-	-	(40 620)
- Impairment/(reversal) of associate	10 577	7 884	(3 720)
- Loss/(profit) on disposal of assets	108	(62)	235
Total tax effects of adjustments	(3 273)	-	(4 906)
Total NCI effects of adjustments	-	-	(2 107)

	Reviewed	Unaudited	Audited
	six months ended 31 December 2014 R'000	six months ended 31 December 2013 R'000	year ended 30 June 2014 R'000
Headline earnings	102 169	78 976	183 945
Earnings per share (cents)			
- Attributable to ordinary shares (cents)	20.25	23.51	40.00
- Diluted earnings per share (cents)	20.25	23.51	40.00
Headline earnings per share (cents)			
- Attributable to ordinary shares (cents)	21.84	26.09	47.83
- Diluted earnings per share (cents)	21.84	26.09	47.83

	Reviewed	Unaudited	Audited
	six months ended 31 December 2014 R'000	six months ended 31 December 2013 R'000	year ended 30 June 2014 R'000
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS			
Cash generated from operations	125 475	80 015	321 044
Net finance income	9 507	5 384	17 699
Distribution to shareholders	(84 214)	-	(70 178)
Tax and other payments	(56 941)	(38 272)	(126 624)
Net cash inflow in operating activities	(6 174)	47 127	141 941
Net cash outflow from investing activities	(55 943)	(83 348)	(62 940)
Net cash inflow from financing activities	(7 823)	(5 948)	(49 846)
Effect of foreign exchange benefit	1 013	183	83
Net increase in cash and cash equivalents	(68 926)	(41 986)	29 238
Cash and cash equivalents at beginning of the period	389 449	360 211	360 211
Cash and cash equivalents at end of the period	320 523	318 225	389 449

COMMENTARY INTRODUCTION

The Board is pleased to present the Company's reviewed interim results for the six months ended 31 December 2014. On a rand for rand basis, the Company has satisfactorily continued its trend of growth as in past periods, this revealed inter alia, in an 8.4% increase in Revenue, a 29% increase in headline earnings, a 26.6% increase in Profits after Tax with further information as set out alongside this commentary. The dilution in Basic Earnings and Headline Earnings per share arise primarily as a result of the increased weighted average number of shares in issue at 31 December 2014, arising through shares issued for the "second tranche" payments at 31 December 2013, including the shares issued on conversion of the Company's Convertible Preference Shares which occurred on the same date (refer to note 1).

ACCOUNTING POLICIES AND BASIS OF PREPARATION

The condensed consolidated financial statements for the six months ended 31 December 2014 are prepared in accordance with the requirements of International Financial Reporting Standards ("IFRS"), the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, 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 2014 in terms of IFRS.

NATURE OF BUSINESS

AfroCentric is a black-controlled, diversified investment holding company. It is listed on the exchange operated by the JSE Limited in the Healthcare sector under the code: ACT. AfroCentric holds a substantial 94.31% majority stake in AfroCentric Health Limited ("AHL"). AHL owns 100% of the issued share capital in Medscheme Holdings (Pty) Ltd ("Medscheme"), a multi-medical scheme administrator and managed care provider. The Group also has a meaningful presence in various African countries as well as Mauritius.

RECENT DEVELOPMENTS

The Board is pleased to report on the progress towards the finalisation of the two material transactions, first announced to shareholders during September 2014. These relate to the acquisition of the wholesale and courier pharmacy businesses belonging to WAD Holdings (Proprietary) Limited ("WAD") and the strategic investment by SANLAM Limited in a Group subsidiary, AfroCentric Health Limited ("AHL").

These transactions have progressed to the point where agreements in the case of WAD have been signed and the suite of agreements on the SANLAM investment are expected to be completed within weeks hereafter. Both transactions remain subject to certain Regulatory Approvals and conditions precedent and these processes will be appropriately attended to. In the case of SANLAM, shareholder approval is required and a circular will shortly be distributed in this regard. Accordingly, these results were purposely reviewed, given that the circular to shareholders for the SANLAM transaction approval, requires that these interim results be reviewed by the Company's auditors.

The Jasco redeemable preference shares held by the Company were redeemed on 6 February 2015. The R90 million received through this redemption was utilised to reduce AfroCentric's loan with ABSA from R150 million at 31 December 2014, to R60 million presently.

OTHER HIGHLIGHTS

Some notable achievements for the Group were the following:

- Medscheme, and in particular the Medscheme Health Intelligence Unit ("HIU"), was named a semi-finalist at the recent Accenture Innovation Index Awards 2015; and
- Medscheme, the largest health risk management services provider and the third largest medical scheme administrator in South Africa, dominated the 2014 PMR Awards scooping an impressive 14 awards, underlining its position as the country's foremost managed healthcare firm.
- Helios has together with myCARE which is a Pretoria based Managed Healthcare organisation, secured a contract with Government Employees Medical Scheme ("GEMS") to provide the medical claims clearing house functionality for its providers.

PROSPECTS

While economic indicators in South Africa at this time suggest a challenging period ahead, it is nevertheless expected that the principal business of the Group will continue to generate positive outcomes, particularly given that the acquisition of WAD and the strategic investment by SANLAM will significantly expand the Group's capital base and positively position the Group for further growth.

DIRECTORS AND OFFICERS

There were no changes to the Board of Directors for the period under review. However, on 1 March 2015, Shireen Lutchan was appointed as Group Company Secretary, following the resignation of Wilbert Mhlanga.

INTERIM DIVIDEND

The Board of Directors has pleasure in announcing that the Company's first interim dividend of 10 cents per ordinary share (gross) has been declared for the six months ended 31 December 2014. Dividends are subject to Dividends Withholding Tax. The payment date for the dividend is Monday, 18 May 2015. This interim dividend will constitute part of the Group's annual dividend, to be considered with the results at year-end.

- 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 cents per ordinary share;
- the net cash dividend amount is therefore 8.5 cents per ordinary share;
- the company has 467 855 101 ordinary shares in issue at 31 December 2014; and
- the company's income tax reference number is 9600/148/71/3.

The salient dates relating to the dividend are as follows:

- Last day to trade cum dividend Friday, 8 May 2015;
- Shares commence trading ex dividend Monday, 11 May 2015;
- Dividend record date Friday, 15 May 2015; and
- Dividend payment date Monday, 18 May 2015.

Share certificates for ordinary shares may not be dematerialised or rematerialised between Monday, 11 May 2015 and Friday, 15 May 2015, both days inclusive.

BASIS OF PREPARATION

The reviewed interim results have been prepared under the supervision of Mr WRC Holmes CA (SA), in his capacity as the Group Chief Financial Officer. These results were purposely reviewed given that the circular to shareholders for the SANLAM transaction approval, required that the interim results be reviewed by the Company's auditors SizweNtsalubaGobodo Inc and PricewaterhouseCoopers Inc. Their review report is available at the Company's registered office. Any reference to the Group's future financial performance has not been reviewed or reported on by the Group's Auditors.

By Order of the Board
Shireen Lutchan
Company secretary
Johannesburg
30 March 2015

Directors
AT Mokgokong* (Chairperson), D Dempers (CEO)***, WRC Holmes (CFO)***, NB Barni*, JM Kahn**, MJ Madungundaba*, Y Masiithela*, G Napier*, J Appelgrin**, MI Sacks***
*Independent non-executive **non-executive ***executive

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Sponsor
Sasfin Capital (A division of Sasfin Bank Limited)

AfroCentric Investment Corporation Limited
Incorporated in the Republic of South Africa
Registration number 1988/000570/06
JSE Code: ACT
ISIN: ZAE 000078416
(“AfroCentric” or “the Company” or “the Group”)