



Top Fix Holdings Limited
(Incorporated in the Republic of South Africa)
(Registration number 2006/011359/06)
JSE code: TFX
ISIN: ZAE000088423
("Top Fix" or "the Group")

UNAUDITED RESULTS FOR THE SIX MONTHS ENDED 31 DECEMBER 2009

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

R'000	6 months ended 31 December		Year ended
	2009	2008	30 June
	Unaudited	Unaudited	Audited
Revenue	169 808	162 739	322 500
Cost of sales	(109 812)	(109 457)	(221 619)
Gross profit	59 996	53 282	100 881
Net operating expenses	(39 334)	(34 860)	(64 892)
Operating profit	20 662	18 422	35 989
Interest received	1 012	1 711	3 836
Interest paid	(2 496)	(3 006)	(8 079)
Profit before taxation	19 178	17 127	31 746
Taxation	(5 430)	(4 873)	(9 318)
Profit attributable to the equity holders of the parent	13 748	12 254	22 428
Other comprehensive income	-	-	-
Total comprehensive income attributable to the equity holders of the parent	13 748	12 254	22 428
Weighted average shares in issue ('000)	203 182	203 182	203 182
Earnings/diluted earnings per share (cents)	6,8	6,0	11,0
Earnings per share	6,8	6,0	11,0
Headline earnings per share	6,8	6,0	11,0

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

R'000	31 December		Year ended
	2009	2008	30 June
	Unaudited	Unaudited	Audited
ASSETS			
Non-current assets	186 499	175 150	179 603
Property, plant and equipment	126 340	116 827	120 493
Goodwill	58 014	58 014	58 014
Investment in joint venture	1 459	-	567
Deferred taxation	686	309	529
Current assets	81 178	78 909	88 505
Inventories	10 652	1 486	4 791
Trade and other receivables	64 780	76 987	81 905
Bank and call deposits	5 746	436	1 809
TOTAL ASSETS	267 677	254 059	268 108
EQUITY AND LIABILITIES			
Capital and reserves	193 146	169 224	179 398
Non-current liabilities	15 914	21 899	22 794
Interest bearing liabilities	6 004	15 635	14 774
Deferred taxation	9 910	6 264	8 020
Current liabilities	58 617	62 936	65 916
Interest bearing liabilities	17 894	17 301	13 840
Bank overdrafts and invoice discounting	11 828	6 319	16 752
Trade and other payables	22 998	31 514	28 837
Taxation payable	5 897	7 802	6 487
TOTAL EQUITY AND LIABILITIES	267 677	254 059	268 108
Shares in issue ('000)	203 182	203 182	203 182
Net asset value per share (cents)	95,1	83,3	88,3
Net tangible asset value per share (cents)	66,5	54,7	59,7

CONSOLIDATED STATEMENT OF CASH FLOWS

R'000	6 months ended 31 December		Year ended
	2009	2008	30 June
	Unaudited	Unaudited	Audited
Cash flow from operations	23 408	6 359	8 439
Cash generated by operations	29 179	7 704	15 762
Interest received	1 012	1 711	3 836
Interest paid	(2 496)	(3 005)	(6 837)
Taxation paid	(4 287)	(51)	(4 322)
Cash flow from investing activities	(9 831)	(3 337)	(10 155)
Investment in/disposal of operations	(892)	-	(234)
Net investment in property, plant and equipment	(8 939)	(3 337)	(9 921)
Cash flow from financing activities	(4 716)	6 155	1 833
Movement in loans payable	-	-	1 833
Increase in cash resources	8 861	9 177	117
Cash resources at beginning of period	(14 943)	(15 060)	(15 060)
Cash resources at end of period	(6 082)	(5 883)	(14 943)
Cash resources	(6 082)	(5 883)	(14 943)
Bank and call deposits	5 746	436	1 809
Bank overdraft and invoice discounting	(11 828)	(6 319)	(16 752)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

R'000	6 months ended 31 December		Year ended
	2009	2008	30 June
	Unaudited	Unaudited	Audited
Equity at beginning of period	179 398	156 970	156 970
Total comprehensive income for the period	13 748	12 254	22 428
Equity at end of period	193 146	169 224	179 398

SEGMENT REPORTING

R'000	6 months ended 31 December		Year ended
	2009	2008	30 June
	Unaudited	Unaudited	Audited
Revenue	53 341	52 792	104 709
Scaffolding	110 766	106 383	208 823
Personnel outsourcing	112 982	108 156	212 245
Total revenue	(2 216)	(1 773)	(3 422)
Internal	5 701	3 564	8 968
Safety surveillance	169 808	162 739	322 500
Total Group	169 808	162 739	322 500
Segment profit from operations	20 662	18 422	35 989
Operating profit	20 662	18 422	35 989
Scaffolding	8 342	9 767	18 166
Personnel outsourcing	10 345	8 621	15 567
Safety surveillance	1 835	(30)	2 300
Head office	140	64	(44)
Net interest (paid)/received	(1 484)	(1 295)	(4 243)
Scaffolding	(2 077)	(1 897)	(4 481)
Personnel outsourcing	592	691	436
Safety surveillance	-	(90)	(202)
Head office	1	1	4
Profit before taxation	19 178	17 127	31 746
Scaffolding	6 265	7 870	13 685
Personnel outsourcing	10 937	9 312	16 003
Safety surveillance	1 835	(120)	2 098
Head office	141	65	(40)

COMMENTARY ON THE GROUP'S RESULTS

The Group achieved earnings for the six months ended 31 December 2009 of R13,7 million and earnings per share of 6,8 cents, a 12% increase on those achieved for the corresponding period last year. This is despite the negative impact of the recession which followed the global economic crisis which occurred in the second half of 2008.

Operating profit at R20,7 million increased 12% from R18,4 million for the six months to 31 December 2008. With net interest paid of R1,5 million for the period to December 2009, in line with the prior year, profit before taxation also increased 12% to R19,2 million. These earnings increases occurred on a 4% increase in revenue to R170 million.

Significant improvements have been made in debtors levels which have decreased by R17 million since 30 June 2009 to R65 million. Recovery procedures are continuing against a former partner in a scaffolding joint venture agreement as well as other large debtors, still currently outstanding, that were recorded at 30 June 2008. As noted in previous financial announcements these debtors' balances have been impaired and any recoveries thereon will result in additional attributable earnings to the Group.

With the improvement in the debtors balance, the Group achieved a net cash inflow from operations of R23,4 million for the current interim financial period.

Scaffolding

Affected by the current recession, Scaffolding's operating profit of R8,3 million for the six months to 31 December 2009 compares to R9,8 million for the six months to 31 December 2008. The Scaffolding operation has recently been awarded contracts in Richards Bay estimated at turnover of R100 million spread over three years with positive earnings potential for the second half of the financial year.

Personnel Outsourcing

Personnel Outsourcing achieved an operating profit for the interim period to 31 December 2009 of R10,3 million, compared to interim profits of R8,6 million to 31 December 2008. Contracts awarded in the year to 30 June 2009 in the power generation sector (new power stations) and maintenance of mechanical mining equipment in the coal mining industry (existing power stations and exports) continued to grow and contributed significantly to the performance in the Personnel Outsourcing division.

Safety Surveillance

The Safety Surveillance operating profit of R1,8 million for the six months ended 31 December 2009, compares to a break even position for the comparable period last year. Price escalations on standing contracts awarded in the second half of the prior year are partly responsible for this improvement. In addition, accruals have been raised for services rendered, but not invoiceable until the second half of the year.

RELATED PARTY TRANSACTIONS

An amount of R14,4 million is due by the Group to MBM Technical Services (Proprietary) Limited, a company controlled by Mr BW Marais. R9,5 million of the loan is unsecured, interest free and is repayable subject to 12 months notice, which notice was given on 1 July 2009. The remaining R4,9 million which bears interest at the prime overdraft rate plus 1% is repayable on demand. Interest charges of R1,1 million have been raised on this loan for the six months to 31 December 2009, including an imputed interest charge of R0,6 million on the interest-free portion.

FUTURE PROSPECTS

The recent Scaffolding expansion programme and local shortage of skilled artisans leave both the Scaffolding and Personnel Outsourcing operations well placed to take advantage of opportunities in South Africa. In addition, with the Scaffolding operation's recently awarded contracts in Richards Bay, the Group expects to achieve satisfactory results for the year to 30 June 2010, should there be no further economic deterioration.

BASIS OF PREPARATION AND ACCOUNTING POLICIES

The results for the six months ended 31 December 2009 have been prepared in accordance with International Financial Reporting Standards, IAS 34, the JSE Listings Requirements and the Companies Act of South Africa. The financial information for the six months ended 31 December 2009 has been prepared adopting the same accounting policies used in the most recent annual financial statements.

CAPITAL COMMITMENTS AND CONTINGENCIES

The Group had no significant outstanding capital commitments or contingencies as at 31 December 2009.

DIVIDEND DECLARATION

In line with current Group policy, no dividend has been declared for the period.

For and on behalf of the Board

BT Ngcuka (Chairman)

BW Marais (Chief Executive)

2 February 2010

Directors

BT Ngcuka* (Chairman); BW Marais (CEO)

JA Barker (Financial Director)

KG Galesitoe*#; FF Goosen

JJ Senekal*#; KT Nondumo*#

F Swart*; PR Todd

(*non-executive) (#independent)

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Designated Advisor:

QuestCo Sponsors (Pty) Limited