



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")

REVIEWED RESULTS FOR THE YEAR ENDED 30 JUNE 2009

INCOME STATEMENT

R'000	Reviewed Year ended 30 June 2009	Audited Year ended 30 June 2008
Revenue	322 500	227 172
Cost of sales	(221 619)	(142 806)
Gross profit	100 881	84 366
Net operating expenses	(64 892)	(58 051)
Operating profit	35 989	26 315
Interest received	3 836	2 767
Interest paid	(8 079)	(6 353)
Profit before taxation	31 746	22 729
Taxation	(9 318)	(6 903)
Profit for the year	22 428	15 826
Weighted average shares in issue ('000)	203 182	191 806
Headline earnings per share (cents)	11,0	8,3

BALANCE SHEET

R'000	Reviewed 30 June 2009	Audited 30 June 2008
ASSETS		
Non-current assets	179 603	174 777
Property, plant and equipment	120 493	108 584
Goodwill	58 014	58 014
Investment in joint venture	567	-
Loans receivable	-	7 746
Deferred taxation	529	433
Current assets	88 505	60 789
Inventories	4 791	2 755
Trade and other receivables	81 905	57 684
Bank and call deposits	1 809	350
TOTAL ASSETS	268 108	235 566
EQUITY AND LIABILITIES		
Capital and reserves	179 398	156 970
Non-current liabilities	22 794	22 361
Interest bearing liabilities	14 774	17 823
Deferred taxation	8 020	4 538
Current liabilities	65 916	56 235
Interest bearing liabilities	13 840	8 958
Bank overdrafts and invoice discounting	16 752	15 410
Trade and other payables	28 837	27 038
Taxation payable	6 487	4 829
TOTAL EQUITY AND LIABILITIES	268 108	235 566
Shares in issue ('000)	203 182	203 182
Net asset value per share (cents)	88,3	77,3
Net tangible asset value per share (cents)	59,7	48,7

CASH FLOW STATEMENT

R'000	Reviewed Year ended 30 June 2009	Audited Year ended 30 June 2008
Cash flow from operations	8 439	3 555
Cash generated by operations	15 762	14 630
Interest received	3 836	2 767
Interest paid	(6 837)	(6 353)
Taxation paid	(4 322)	(7 489)
Cash flow from investing activities	(10 155)	(61 483)
Investment in/disposal of operations	(234)	-
Investment in/disposal of property, plant and equipment	(9 921)	(53 737)
Movement in loans receivable	-	(7 746)
Cash flow from financing activities	1 833	52 672
Proceeds of share issue	-	39 521
Movement in loans payable	1 833	13 151
Decrease cash resources	117	(5 256)
Cash resources at beginning of year	(15 060)	(9 804)
Cash resources at end of year	(14 943)	(15 060)
Cash resources	(14 943)	(15 060)
Bank and call deposits	1 809	350
Bank overdraft and invoice discounting	(16 752)	(15 410)

STATEMENT OF CHANGES IN EQUITY

R'000	Reviewed Year ended 30 June 2009	Audited Year ended 30 June 2008
Equity at beginning of year	156 970	101 623
Share issues	-	39 521
Attributable profit for the year	22 428	15 826
Equity at end of year	179 398	156 970

SEGMENT ANALYSIS

R'000	Reviewed Year ended 30 June 2009	Audited Year ended 30 June 2008
Revenue		
Scaffolding	104 709	97 199
Personnel outsourcing	208 823	122 737
Total revenue	212 245	125 572
Internal	(3 422)	(2 835)
Safety surveillance	8 968	7 236
Total Group	322 500	227 172
Operating profit		
Scaffolding	18 166	18 125
Personnel outsourcing	15 567	7 500
Safety surveillance	2 300	1 452
Head office	(44)	(762)
Total Group	35 989	26 315

HIGHLIGHTS

- REVENUE UP 42%
- OPERATING PROFIT UP 37%
- EARNINGS PER SHARE UP 33%

COMMENTARY ON THE GROUP'S RESULTS

Group results for the year to 30 June 2009 reflect a significant improvement over the reported results for the prior year despite the economic downturn experienced during this period and, further to the Trading Statement published on SENS on 23 September 2009, the Group reported earnings for the year of R22,4 million, an increase of 42% from the earnings achieved for the year ended 30 June 2008 which flowed through to a 33% increase in headline earnings per share.

As at 30 June 2009 recovery procedures were still in progress in respect of disputed debtors balances relating to prior financial years. As such the directors of Top Fix have adopted a prudent approach, and in compliance with International Financial Reporting Standards ("IFRS"), have reassessed and retained the provisions raised against the amounts in dispute in prior years.

Net interest charges increased to R4,2 million compared to R3,6 million in the prior year. The charge for the year ended 30 June 2009, however, includes an imputed charge on interest free loans of R1,2 million, which was not present in the prior year. This amount is offset by corresponding fair value adjustment income of R1,2 million.

A significant increase in accounts receivable, from R58 million last year to R82 million at June 2009 is mainly due to contracts secured during the review period by the Personnel Outsourcing Division in the Energy Generation sector (new power stations) and rapid expansion in maintenance of mechanised mining equipment in the coal industry (existing power stations and exports), which contracts are expected to continue for over a year, with resultant higher working capital requirements. The Group cash position has improved significantly since year end.

Scaffolding

In spite of current economic conditions, Scaffolding achieved an operating profit for the year of R18,2 million, in line with that achieved in the previous year. These results support the capital expansion in this operation in prior years and the division continues to perform strongly in the new year.

Personnel Outsourcing

Personnel Outsourcing achieved an operating profit for the year of R15,6 million, double that achieved for last year. This is due to new contracts received as detailed above.

Safety Surveillance

Safety Surveillance achieved an operating profit of R2,3 million, 58% above the previous year.

JOINT VENTURE

The Group entered into an agreement whereby 51% of its investment in subsidiary, Umdeni Labour Services (Pty) Limited was sold to Black Economic Empowerment partners for R1. The effect on earnings in the current year was insignificant. Agreements have been entered into to develop the company as a Black Enterprise Development vehicle.

RELATED PARTY TRANSACTIONS

An amount of R16,3 million is due to MBM Technical Services (Pty) Ltd, a company controlled by Mr BW Marais. R8 million of the loan is unsecured, currently interest free and repayable subject to 12 months notice, which notice was received on 1 July 2009. The remaining R8,3 million which bears interest at the prime overdraft rate plus 1% and is repayable on demand.

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. Should there be no further economic deterioration, the Group expects to achieve satisfactory results for the year to 30 June 2010.

BASIS OF PREPARATION AND ACCOUNTING POLICIES

The reviewed results for the year ended 30 June 2009 have been prepared in accordance with International Financial Reporting Standards, IAS34, the JSE Listing Requirements and the Companies Act of South Africa. The financial information for the year ended 30 June 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 30 June 2009.

REVIEW OPINION

These results have been reviewed by Top Fix's auditors, PKF (Jhb) Inc., and their unqualified review opinion is available for inspection at the company's registered office.

DIVIDEND DECLARATION

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

For and on behalf of the Board

BT Ngcuka (Chairman)

BW Marais (Chief Executive)

28 September 2009

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)

Secretary and Registered Office

MN Hattingh, 6 Topaz Street
Littleton Manor, Centurion 0157

Transfer Secretaries

Link Market Services South Africa (Pty) Limited
11 Diagonal Street, Johannesburg 2000
(PO Box 4844, Johannesburg 2001)

Designated Advisor:

PSG Capital (Pty) Limited