



# Compu-Clearing Outsourcing LIMITED

"Compu-Clearing", "The Company" or "The Group"

## Reviewed Group preliminary condensed results for the year ended 30 June 2009 and cash dividend declaration

### Highlights

- Distributions to shareholders of R10,2m (2008—R4,9m)**

INCOME STATEMENT for the year ended 30 June	2009	2008	% Decrease
	[reviewed] R'000	[audited] R'000	
Rental and other revenue	45,037	45,496	(1)
Operating costs	(37,684)	(33,112)	
- Distribution	(26,976)	(24,266)	
- Administration	(10,112)	(8,342)	
- Other	(596)	(504)	
Operating profit	7,353	12,384	(41)
Net financial income	2,639	2,629	
- Financial income	2,644	2,629	
- Financial expense	(5)	-	
Profit before income tax	9,992	15,013	(33)
Income tax - Normal and deferred	(2,461)	(4,107)	
Income tax - STC (secondary tax on companies)	(1,022)	-	
Profit for the year attributable to ordinary shareholders	6,509	10,906	(40)
Basic earnings per share [cents]	15.8	27.0	(41)
Diluted earnings per share [cents]	15.6	26.5	(41)

CASH FLOW STATEMENT for the year ended 30 June	2009	2008
	[reviewed] R'000	[audited] R'000
Profit before income tax	9,992	15,013
Adjustments for:	354	213
Non cash items	2,993	2,842
Net financial income	(2,639)	(2,629)
Cash generated by trading operations	10,346	15,226
Increase (decrease) in post retirement medical obligations	136	(222)
Decrease (increase) in working capital	443	(106)
Cash generated by operations	10,925	14,898
Net financial income	2,639	2,629
- Financial income	2,644	2,629
- Financial expense	(5)	-
Income tax paid	(2,833)	(4,098)
Distributions to shareholders	(10,221)	(4,889)
- Dividend paid	(10,221)	-
- Distribution of share premium	-	(4,889)
Cash inflow from operating activities	510	8,540
Cash (outflow) inflow from investing activities	(3,810)	1,941
Utilised to maintain operations	(2,930)	(2,423)
Acquisition of property, plant and equipment	82	-
Proceeds on disposal of property, plant and equipment	(962)	(252)
Disposal of other investment	-	4,616
Cash inflow from financing activities	695	255
Proceeds from the issue of shares and sale of treasury shares	(2,605)	10,736
(Decrease) increase in cash and cash equivalents	27,778	17,042
Cash and cash equivalents at the beginning of the year	25,173	27,778
Cash and cash equivalents at the end of the year	25,173	27,778

### STATEMENT OF CHANGES IN EQUITY

for the year ended 30 June	Non-Distributable				Retained earnings	Share-based		Total
	Share capital	Share premium	Treasury shares	reserve		payment	reserve	
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	
Balance at 30 June 2007	409	5,351	(601)	-	33,574	456	39,189	
recognised income and expense								
- Profit for the year					10,906		10,906	
Share issues	3	252					255	
Distribution of share premium		(4,914)	25				(4,889)	
Share-based payment transaction						226	226	
Balance at 30 June 2008	412	689	(576)	-	44,480	682	45,687	
recognised income and expense				3,583	6,509		10,092	
- Profit for the year					6,509		6,509	
Surplus on revaluation of land and buildings				4,501			4,501	
Deferred taxation effect of revaluation				(918)			(918)	
Sale of treasury shares		137	113				250	
New share allotments	4	441					445	
Dividends paid					(10,221)		(10,221)	
Share-based payment transaction						(2)	(2)	
<b>Balance at 30 June 2009</b>	<b>416</b>	<b>1,267</b>	<b>(463)</b>	<b>3,583</b>	<b>40,768</b>	<b>680</b>	<b>46,251</b>	

BALANCE SHEET as at 30 June	2009	2008
	[reviewed] R'000	[audited] R'000
<b>ASSETS</b>		
Non current assets	20,457	14,869
Property, plant and equipment	18,333	13,655
Intangible asset	1,300	662
Deferred taxation asset	824	552
Current assets	31,864	35,842
Inventory	64	66
Trade and other receivables	6,410	6,694
Income tax receivable	217	1,304
Cash and cash equivalents	25,173	27,778
<b>Total assets</b>	<b>52,321</b>	<b>50,711</b>
<b>EQUITY AND LIABILITIES</b>		
Shareholders' funds	46,251	45,687
Share capital and premium	1,683	1,101
Treasury shares	(463)	(576)
Reserves	45,031	45,162
Non-current liabilities	2,543	1,509
Post retirement medical obligations	1,477	1,341
Deferred taxation liability	1,066	168
Current liabilities	3,527	3,515
Trade and other payables	3,314	3,157
Income tax payable	213	358
<b>Total equity and liabilities</b>	<b>52,321</b>	<b>50,711</b>
Net asset value per share [cents]	112.2	112.4

RECONCILIATION OF HEADLINE EARNINGS for the year ended 30 June	2009	2008	(Decrease)
	[reviewed] R'000	[audited] R'000	
Profit for the year attributable to ordinary shareholders	6,509	10,906	
Adjusted for :			
(Profit) loss on disposal of property, plant and equipment	(6)	25	
Taxation effect	2	(7)	
Loss on disposal of intangible assets	20	-	
Taxation effect	(6)	-	
Headline earnings	6,519	10,924	(40)
Headline earnings per share [cents]	15.9	27.0	(41)
Diluted headline earnings per share [cents]	15.7	26.6	
Actual number of shares in issue ['000]	41,208	40,658	
Weighted average number of shares in issue ['000]	41,070	40,460	
Diluted weighted average number of shares in issue ['000]	41,606	41,096	

SEGMENTAL REPORT for the year ended 30 June	2009	2008	% Increase / (decrease)
	[reviewed] R'000	[audited] R'000	
Software rental revenue	33,989	34,124	-
Hardware rental revenue	9,685	10,327	(6)
Other	1,363	1,045	30
Total revenue	45,037	45,496	(1)
Segment result - Software	16,164	18,142	(11)
Segment result - Hardware	2,045	4,036	(49)
Segment result - Other	(10,856)	(9,794)	11
Total segment result	7,353	12,384	(41)
Operating margin	16%	27%	

### Commentary

The year under review was dominated by difficult economic conditions. The Group's revenues are closely linked to import volumes, which have declined by some 30% during the period under review. Increases in the Group's payroll expense of 17,6% arose from the necessity to retain skilled personnel and an increase in headcount, to facilitate long-term skills transfer and continuity of the Group's skills base. The increased payroll costs resulted in an increase of 13,8% in operating costs and an operating margin of 16,3% (2008 : 27,2%).

Attributable earnings of R6,5m (2008 : R10,9) were achieved after a charge of R1,02 million for STC (secondary tax on companies) (2008 : Nil), arising from the payment of a dividend during the year.

Cash generation continues to be strong with cash generated from operations amounting to 150% (2008 : 120%) of operating profit. Cash balances remain a very healthy R25,2m, (2008 : R27,8m) after payments to shareholders of R10,2m (2008 : R4,9m).

### Prospects

The Group's core activities continue to be influenced by the slowdown in the global economy. However, the customer base continues to grow, serving to mitigate the impact of a general decline in import volumes. The 1% drop in revenue compared to the 30% decrease in import volumes positions the Group favourably to benefit from a turnaround in the economy.

There has been pleasing growth in users of STASH, a pc-based warehousing solution and the Group's online tariff book, albeit off a low base. We anticipate these products will experience further positive growth in the year ahead. The Group is making increasing use of the Internet as a distribution mechanism for its products, expanding our reach, without significant incremental costs.

Management plan to broaden the revenue base through the introduction of new products and to this end has been appointed as the sole local distributor of Cargowise, an ERP freight management solution.

### Basis of preparation

The preliminary condensed financial statements have been prepared in accordance with the recognition and measurement requirements of International Financial Reporting Standards (IFRS), the presentation and disclosure requirements of IAS 34 Interim Financial Reporting and in the manner required by the Companies Act of South Africa. The accounting policies applied are consistent with those reflected in the financial statements for the year ended 30 June 2008, other than land and buildings, which changed from the cost value method to the fair value method of recognition.

### Review report

The Group's auditors KPMG Inc, have reviewed the preliminary condensed financial statements for the year ended 30 June 2009. Their unmodified review conclusion is available for inspection at the registered office of the Company.

### Ordinary dividend declaration

Notice is hereby given of the declaration of an ordinary cash dividend of 25 cents per share (2008 : 25 cents per share) ('the dividend'). The following salient dates will apply to the dividend:

Last date to trade 'cum' the dividend	Friday, 2 October 2009
Trading commences 'ex' the dividend	Monday, 5 October 2009
Record date	Friday, 9 October 2009
Date of payment of the dividend	Monday, 12 October 2009

Share certificates may not be dematerialised or rematerialised during the period Monday, 5 October 2009 to Friday, 9 October 2009 both days inclusive.

### Posting of annual reports and Annual General Meeting

The annual report will be posted to shareholders on or about 29 September 2009.

The Annual General Meeting of Compu-Clearing will be held at 7 Drome Road, Lyndhurst, Johannesburg, 2192 on 25 November 2009.

### For and on behalf of the Board

Johannesburg	<b>A.Garber</b>	<b>J. du Preez</b>
3 September 2009	(Chairman)	(Chief Executive)

**Directors** A.Garber, J. du Preez, D.E. Cleasby\*, A.Katz\*, M.Lutrin\*, G. McMahan\*, Dr.T.M.Mogale\*, A. Webb\*, C.P. Efthymiades, M.Acosta-Alarcon. \*(Non-executive)

**Registered office:** 7 Drome Road, Lyndhurst, 2192  
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**Transfer secretaries** Computershare Investor Services (Pty) Limited  
70 Marshall Street, Johannesburg, 2001

**Secretary** Lutrin Abrams  
1st Floor Block B, Sandhavon Office Park  
12 Pongola Crescent, Eastgate Ext 17, Sandton, 2090

**Auditors** KPMG Inc, Registered Auditor, KPMG Crescent  
85 Empire Road, Parktown, 2193,  
Private Bag 9, Parkview, 2122

**Sponsors** Sasfin Capital a division of Sasfin Bank Limited  
(Registration number 1951/002280/06)  
29 Scott Street, Waverley, 2090

**Compu-Clearing Limited**  
(Registration number 1998/015541/06)

**Share code** CCL  
**ISIN** ZAE000016564