



workforce

HOLDINGS LIMITED

(Incorporated in the Republic of South Africa)
(Registration number 2006/018145/06)
JSE Code: WKF ISIN: ZAE00087847
("Workforce" or "the group")

HIGHLIGHTS

- HEPS and EPS increased by 22% to 3,9 cents per share
- Revenue increased by 14% to R 718 M
- Net asset value per share increased to 91 cents per share

UNAUDITED CONDENSED INTERIM FINANCIAL RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2012

Condensed Consolidated Statement of Comprehensive Income

for the six months ended 30 June 2012

	Notes	6 months to 30 June 2012 R'000	6 months to 30 June 2011 R'000	Year to 31 December 2011 R'000
Revenue	7	718 222	630 221	1 348 561
Cost of sales		(559 335)	(484 459)	(1 039 586)
Gross profit		158 887	145 762	308 975
Operating costs		(139 413)	(129 271)	(267 974)
Earnings before impairment, depreciation, amortisation, interest and taxation (EBITDA)		19 474	16 491	41 001
Depreciation and amortisation of non-financial assets		(4 375)	(3 831)	(7 694)
Operating profit	7	15 099	12 660	33 307
Finance income		1 006	686	3 434
Finance costs		(6 287)	(5 315)	(10 896)
Profit before taxation	7	9 818	8 031	25 845
Taxation	8	(687)	(618)	(1 916)
Profit for the period		9 131	7 413	23 929
Other comprehensive income for the period, net of tax		185	46	139
Fair value gains on available-for-sale financial assets		185	46	139
Total comprehensive income for the period		9 316	7 459	24 068
Profit for the period attributable to:				
Owners of the parent		8 730	7 170	23 445
Non-controlling interests		401	243	484
		9 131	7 413	23 929
Total comprehensive income attributable to:				
Owners of the parent		8 915	7 216	23 584
Non-controlling interests		401	243	484
		9 316	7 459	24 068
Earnings per share (cents)	9			
Basic and fully diluted		3.9	3.2	10.4
Headline		3.9	3.2	10.4

Condensed Consolidated Statement of Financial Position

at 30 June 2012

	Notes	6 months to 30 June 2012 R'000	6 months to 30 June 2011 R'000	Year to 31 December 2011 R'000
Assets				
Non-current assets		78 397	72 471	76 925
Property, plant and equipment	4	8 878	9 156	9 187
Goodwill		41 280	41 280	41 280
Other intangible assets	5	14 368	9 972	13 165
Deferred tax assets		11 615	10 078	11 215
Other financial assets		2 256	1 985	2 078
Current assets		376 499	325 236	371 317
Trade and other receivables		361 998	303 187	351 136
Inventories		4 048	2 498	3 343
Taxation		767	2 862	861
Cash and cash equivalents	6	9 686	16 689	15 977
Total assets		454 896	397 707	448 242
Equity and liabilities				
Equity		206 803	181 263	197 487
Share capital and premium		236 867	236 867	236 867
IFRS 3 Reverse acquisition adjustment		(125 499)	(125 499)	(125 499)
Treasury shares		(7 616)	(7 616)	(7 616)
Available for sale reserve		416	138	231
Retained earnings		102 125	77 120	93 395
Equity attributable to owners of the parent		206 293	181 010	197 378
Non-controlling interests		510	253	109
Non-current liabilities		12 430	12 983	13 091
Borrowings		9 009	9 776	9 153
Deferred tax liabilities		3 421	3 207	3 938
Current liabilities		235 663	203 461	237 664
Trade and other payables		68 625	56 193	62 521
Borrowings		167 031	134 418	175 139
Bank overdrafts	6	7	12 850	4
Total equity and liabilities		454 896	397 707	448 242
Group net asset value per share (cents per share)		91.4	80.3	87.5

Condensed Consolidated Statement of Changes in Equity

for the six months ended 30 June 2012

	Attributable to owners of the parent					Non-controlling interests	Total equity
	Share capital and premium	Reverse acquisition adjustment	Treasury shares	Available for sale reserve	Retained earnings		
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Balance at 1 January 2012	236 867	(125 499)	(7 616)	231	93 395	197 378	109 197 487
Total comprehensive income for the period	-	-	-	185	8 730	8 915	401 9 316
Balance at 30 June 2012	236 867	(125 499)	(7 616)	416	102 125	206 293	510 206 803
Balance at 1 January 2011	236 867	(125 499)	(7 616)	92	69 950	173 794	10 173 804
Total comprehensive income for the period	-	-	-	46	7 170	7 216	243 7 459
Balance at 30 June 2011	236 867	(125 499)	(7 616)	138	77 120	181 010	253 181 263
Balance at 1 January 2011	236 867	(125 499)	(7 616)	92	69 950	173 794	10 173 804
Payment of dividends	-	-	-	-	-	-	(385) (385)
Total comprehensive income for the year	-	-	-	139	23 445	23 584	484 24 068
Balance at 31 December 2011	236 867	(125 499)	(7 616)	231	93 395	197 378	109 197 487

Condensed Consolidated Statement of Cash Flows

for the six months ended 30 June 2012

	Notes	6 months to 30 June 2012 R'000	6 months to 30 June 2011 R'000	Year to 31 December 2011 R'000
Cash generated from operations before net working capital changes		12 632	8 717	30 591
Profit before tax		9 818	8 031	25 845
Adjustments for non-cash items		4 324	3 861	7 625
Taxes paid		(1 510)	(3 175)	(2 879)
Decrease in net working capital		(5 463)	(23 286)	(65 751)
Cash flow from operating activities		7 169	(14 569)	(35 160)
Investing activities				
Property, plant and equipment acquired	4	(2 212)	(2 110)	(4 396)
Acquisition adjustment to purchase price of subsidiary previously acquired		-	(75)	(75)
Proceeds on disposal of property, plant and equipment		374	276	593
Intangible assets acquired	5	(3 373)	(1 615)	(6 634)
Cash flow from investing activities		(5 211)	(3 524)	(10 512)
Financing activities				
(Repaid)/proceeds from borrowings		(8 252)	(25 513)	14 585
Dividends paid		-	-	(385)
Cash flow from financing activities		(8 252)	(25 513)	14 200
Net change in cash and cash equivalents		(6 294)	(43 606)	(31 472)
Cash and cash equivalent at beginning of period		15 973	47 445	47 445
Cash and cash equivalents at end of the period	6	9 679	3 839	15 973

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AT 30 JUNE 2012

1. Nature of operations and general information

The principle activities of Workforce Holdings Limited and its subsidiaries are staff outsourcing, recruitment and specialist staffing and human resources support services (including the provision of financial and retail lending products).

The consolidated interim financial statements are presented in South African Rand (ZAR), which is also the functional currency of the parent company.

The consolidated interim financial statements were approved for issue by the Board of Directors on 20 August 2012.

2. Basis of preparation and significant accounting policies

The condensed consolidated interim financial statements have been prepared in compliance with the Listings Requirements of the JSE Limited, International Accounting Standard (IAS) 34, Interim Financial Reporting and the South African Companies Act, No 71 of 2008, as well as AC500 Standards as issued by the Accounting Practices Board or its successor.

The condensed interim financial statements for the six months ended 30 June 2012 were compiled under the supervision of W van Wyk, the Chief Financial Officer. The condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards and have been applied consistently with the accounting policies applied in the previous reporting period.

These condensed consolidated interim financial results have not been audited nor reviewed by the group's auditors.

3. Events after reporting date

No material events occurred between the reporting date and the date of approval of these condensed financial statements.

