

UNAUDITED GROUP FINANCIAL RESULTS AND CASH DIVIDEND DECLARATION FOR THE SIX-MONTH PERIOD ENDED 31 DECEMBER 2016



*Highlights
of total operations*

EPS
+ 70%

HEPS
+ 49%

Highlights of continuing operations

REVENUE
+ 11%

TRADING PROFIT
+ 22%

HEPS
+ 52%

DIVIDEND
63 cents

PROFILE

Adcock Ingram manufactures, markets and distributes a wide range of healthcare products. The Company is a leading supplier to both the private and public sectors of the South African market. The Company holds a level 4 B-BBEE status.

OPERATIONAL REVIEW

The Board is pleased to report, that the Group's long standing, continuing business operations, posted encouraging growth and extremely satisfying profits for the six-month period ended 31 December 2016. Having finally disposed of the Group's Indian sales and marketing business and the majority stake in the Ghanaian enterprise in this period, and having effectively dealt with all other inherited underperforming assets, since control of Adcock Ingram changed in 2014, the restructured business starts to reveal the positive impact and favourable direction that a cleansed Adcock Ingram is capable of delivering, now under a fully focused leadership team, in conjunction with a restructured and committed management in each of the divisional units.

Under such circumstances, each of the business units, posted solid performances, achieving good growth in turnover, optimally balanced with good cost control. This pattern of activity yielded exceptional growth in trading profits. It is also pleasing to report that the deliberate emphasis now placed on customer service, coupled with the more focused effort on sales and marketing, resulted in meaningful market share gains in many of the Group's principal brands, regularly measured and reported on by IMS and Nielsen.

PROSPECTS

The Adcock Ingram Group is today a well-managed, reliable, reputable and well capitalised pharmaceutical manufacturer, supplier and distributor in South Africa, which is well placed to continue its immediate past trend of performance, fulfilling its potential to maintain its current growth path.

Given the Group's healthy cash resources, management and the Board will maintain the intention to expand the Group's product portfolio, through partnership arrangements, acquisition or otherwise, particularly in non-regulated product classes.

Shareholders can be assured of the Group's intention to continue its effort to enhance the equity of the Company's products and brands, build its customer relationships and maintain its service levels within each of the operating divisions.

CASH DIVIDEND

The Board has declared an interim gross dividend out of income reserves of 63 cents per share in respect of the six months ended 31 December 2016. The South African dividend tax ("DT") rate is 15% and the net dividend payable to shareholders who are not exempt from DT is 53.55 cents per share. Adcock Ingram currently has 175 748 048 ordinary shares in issue of which 149 905 089 qualify for ordinary dividends. The income tax reference number is 9528/919/15/3.

FINANCIAL RESULTS		31 December 2016	31 December 2015	Change
Continuing operations				
Revenue	(R'000)	2 985 469	2 683 548	11%
Gross profit	(R'000)	1 074 455	971 251	11%
Trading profit	(R'000)	341 899	279 257	22%
Operating profit	(R'000)	322 663	238 272	35%
Headline earnings per share	(cents)	144,9	95,1	52%
Basic earnings per share	(cents)	144,9	94,9	53%
Total assets	(R'000)	5 371 427	5 952 373	
Net asset value per share	(cents)	1 912,2	2 035,7	
Dividend per share	(cents)	63,0	50,0	26%

The salient dates for the distribution are detailed below:

Last date to trade <i>cum</i> distribution	Tuesday, 14 March 2017
Shares trade <i>ex</i> distribution	Wednesday, 15 March 2017
Record date	Friday, 17 March 2017
Payment date	Monday, 20 March 2017

Share certificates may not be dematerialised or rematerialised between Wednesday, 15 March 2017 and Friday, 17 March 2017, both dates inclusive.

CD Raphiri

Chairman
21 February 2017

AG Hall

Chief Executive Officer

Adcock Ingram Holdings Limited

(Incorporated in the Republic of South Africa)
(Registration number 2007/016236/06)
Share code: AIP ISIN: ZAE000123436
("Adcock Ingram" or "the Company" or "the Group")

Transfer secretaries

Computershare Investor Services Proprietary Limited
Rosebank Towers, 15 Bierman Avenue,
Rosebank, Johannesburg, 2196
PO Box 61051, Marshalltown, 2107

Auditors

Ernst & Young Inc.
102 Rivonia Road, Sandton, 2146

Company secretary

NE Simelane
Registered office
1 New Road, Midrand, 1682
Postal address
Private Bag X69, Bryanston, 2021

Sponsor

Rand Merchant Bank,
1 Merchant Place, corner
Fredman Drive and Rivonia Road, Sandton, 2196

Bankers

Nedbank Limited, 135 Rivonia Road, Sandown,
Sandton, 2146
Rand Merchant Bank, 1 Merchant Place, corner
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