



Unaudited group financial results and cash dividend declaration for the six-month period ended 31 December 2017

Continuing operations



TURNOVER
▲ 7%



GROSS PROFIT
▲ 13%



TRADING PROFIT
▲ 25%



HEPS
▲ 33%



DIVIDEND
86 cents



B-BBEE
Level 3

OPERATIONAL REVIEW

The Group delivered healthy operating results in the half year under review despite a challenging operating environment characterised by political uncertainty and high levels of unemployment impacting consumer spending. In a highly competitive environment, each of the business units reported growth in sales and trading profits.

In line with the Group's strategy, in September 2017 Adcock Ingram concluded a share purchase agreement to acquire 100% of the shares of Genop Holdings Proprietary Limited (Genop). Genop is a highly specialised instrument, surgical and pharmaceutical products company focused on the ophthalmic, optometry, skincare, aesthetic and plastic surgery segments in Southern Africa. Genop also owns and markets the well-known Epi-max branded range of consumer products. Adcock Ingram has received unconditional approval from the South African Competition Commission.

PROSPECTS

We are pleased with the quality of earnings, and the operational and strategic progress achieved. However, the operating environment remains challenging in South Africa, especially seen in the light of the recent disappointing SEP increase of 1.26% and ongoing financial pressure on consumers.

Nonetheless, the Group remains competitively positioned to defend and grow its brands and the Board remains committed in pursuing its objective of ensuring long-term growth to create shareholder value by expanding the product portfolio through partnership arrangements and acquisitions.

	Change %	31 December 2017* R'000	31 December 2016 R'000
FINANCIAL RESULTS			
Continuing operations			
Revenue	8	3 213 752	2 985 469
Gross profit	13	1 215 383	1 074 455
Trading profit	25	428 260	341 899
Operating profit	25	403 660	322 663
Total assets		5 906 279	5 371 427
		Cents	Cents
Headline earnings per share	33	192.6	144.9
Basic earnings per share	33	192.6	144.9
Net asset value per share		2 132.5	1 912.2
Interim dividend per share		86.0	63.0

* Total and continuing operations.

CASH DIVIDEND

The Board has declared an interim gross dividend out of income reserves of 86.0 cents per share in respect of the six months ended 31 December 2017. The South African dividend tax ("DT") rate is 20% and the net dividend payable to shareholders who are not exempt from DT is 68.8 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.

The salient dates for the distribution are detailed below:

Last date to trade <i>cum</i> distribution	Tuesday, 13 March 2018
Shares trade <i>ex</i> distribution	Wednesday, 14 March 2018
Record date	Friday, 16 March 2018
Payment date	Monday, 19 March 2018

Share certificates may not be dematerialised or rematerialised between Wednesday, 14 March 2018 and Friday, 16 March 2018, both dates inclusive.

By order of the Board

CD Raphiri
Chairman

AG Hall
Chief Executive Officer

D Neething
Chief Financial Officer

20 February 2018