



REVENUE	HEPS
↑11,5%	↑18,8%
INTERIM DIVIDEND	CASH GENERATED FROM OPERATIONS
↑50,0%	↑42,9%

UNAUDITED GROUP RESULTS for the six months ended 31 December 2012

Condensed income statement

R'000	Note	Unaudited 6 months ended 31 December 2012	Unaudited 6 months ended 31 December 2011	Audited 12 months ended 30 June 2012
Revenue		281 724	252 593	523 731
Earnings before interest, taxation, depreciation and amortisation (EBITDA)		90 142	81 621	171 085
Depreciation		(13 095)	(10 879)	(23 184)
Operating profit before finance costs		77 047	70 742	147 901
Net finance costs		(8 696)	(11 305)	(21 026)
Finance income		1 455	706	2 301
Finance costs		(10 151)	(12 011)	(23 327)
Profit before taxation		68 351	59 437	126 875
Taxation	1	(17 245)	(17 032)	(35 729)
Profit for the period		51 106	42 405	91 146
Attributable to:				
Owners of the parent		50 353	41 564	89 471
Non-controlling interests		753	841	1 675
Profit for the period		51 106	42 405	91 146
Further information				
Number of ordinary shares in issue (thousands)		420 253	412 168	416 170
Weighted average number of ordinary shares in issue (thousands)		417 736	409 741	411 731
Basic earnings per ordinary share		12,1	10,1	21,7
Basic earnings per ordinary share (cents)		12,1	10,1	21,7
Diluted earnings per ordinary share		12,0	10,1	21,5
Diluted earnings per ordinary share (cents)		12,0	10,1	21,5
Headline earnings per ordinary share		12,0	10,1	21,7
Headline earnings per ordinary share (cents)		12,0	10,1	21,7
Dividend per ordinary share		4,5	3,0	-
Interim dividend per ordinary share – proposed/paid (cents)		4,5	3,0	-
Final dividend per ordinary share – paid (cents)		-	-	4,5

Condensed statement of comprehensive income

R'000	Note	Unaudited 6 months ended 31 December 2012	Unaudited 6 months ended 31 December 2011	Audited 12 months ended 30 June 2012
Profit for the period		51 106	42 405	91 146
Other comprehensive income for the period net of tax		1 030	(864)	(621)
Hedge accounting for fair value on interest rate swaps		453	(990)	(751)
Currency movement on translation of foreign subsidiary		577	126	130
Total comprehensive income for the period		52 136	41 541	90 525
Attributable to:				
Owners of the parent		51 100	40 638	88 786
Non-controlling interests		1 036	903	1 739

Condensed statement of financial position

R'000	Note	Unaudited as at 31 December 2012	Unaudited as at 31 December 2011	Audited as at 30 June 2012
ASSETS		678 940	623 501	657 831
Non-current assets		528 478	500 998	508 744
Property, plant and equipment		355 392	329 139	335 699
Goodwill		171 666	169 943	171 666
Deferred tax asset		1 420	1 916	1 379
Current assets		150 462	122 503	149 087
Inventories		13 115	14 802	15 556
Trade receivables		82 487	74 408	79 526
Other receivables		9 610	8 484	6 515
Taxation		-	-	1 524
Bank balances		45 250	24 809	45 966
Total assets		678 940	623 501	657 831
EQUITY AND LIABILITIES		678 940	623 501	657 831
Equity and reserves		420 602	343 169	385 254
Equity attributable to owners of the parent		417 115	340 623	382 803
Non-controlling interests		3 487	2 546	2 451
Non-current liabilities		166 588	197 689	180 191
Interest-bearing liabilities	2	152 114	186 150	168 485
Deferred taxation liability		14 474	11 539	11 706
Current liabilities		91 750	82 643	92 386
Trade and other payables		47 385	46 702	48 562
Deferred revenue		10 991	9 600	11 686
Bank overdraft		-	-	42
Provisions		249	56	1 939
Taxation		1 572	101	-
Interest-bearing liabilities	2	31 553	26 184	30 157
Total equity and liabilities		678 940	623 501	657 831
Net asset value per ordinary share (cents)		99,3	82,6	91,8

- Notes:
- The taxation charge, in the current period, includes no Secondary Taxation on Companies due to the change to Withholding tax (30 June 2012: R2,3 million and 31 December 2011: R1,0 million).
 - Long-term interest-bearing liabilities include the Metr@file (Pty) Limited amortising and bullet loans which have a remaining 39-month tenure as well as loan agreements entered into by Cleardata (Pty) Limited in order to finance mobile shredding units. Short-term interest-bearing liabilities include the portions of the Metr@file (Pty) Limited amortising loan and Cleardata (Pty) Limited loan agreements payable within one year. The Metr@file (Pty) Limited borrowings are JIBAR linked and were 59% hedged by way of the interest rate swaps at the period-end (30 June 2012: 74%), whilst the Cleardata (Pty) Limited borrowings are prime linked and uncovered.
 - The majority of the group's assets have been pledged as security against certain loans to the group.

Reconciliation of headline earnings

R'000	Unaudited 6 months ended 31 December 2012	Unaudited 6 months ended 31 December 2011	Audited 12 months ended 30 June 2012
Profit attributable to owners of the parent	50 353	41 564	89 471
Profit on sale of plant and equipment	(87)	(47)	(24)
Tax effect of above item	24	13	7
Headline earnings	50 290	41 530	89 454
Headline earning per ordinary share (cents)	12,0	10,1	21,7

Condensed segmental information

R'000	Unaudited 6 months ended 31 December 2012	Revenue Unaudited 6 months ended 31 December 2011	Audited 12 months ended 30 June 2012	Unaudited 6 months ended 31 December 2012	EBITDA Unaudited 6 months ended 31 December 2011	Audited 12 months ended 30 June 2012
Metrofile Records Management	231 788	199 702	416 212	65 249	54 109	115 568
CSX Customer Services	31 211	35 166	72 156	68	4 306	8 420
Property Companies	21 137	19 573	39 145	21 137	19 573	39 145
Other	24 149	21 980	45 627	3 688	3 633	7 952
Inter-group	(26 561)	(23 828)	(49 409)	-	-	-
Total	281 724	252 593	523 731	90 142	81 621	171 085

R'000	Unaudited 6 months ended 31 December 2012	Operating profit Unaudited 6 months ended 31 December 2011	Audited 12 months ended 30 June 2012	Unaudited 6 months ended 31 December 2012	Tangible assets Unaudited 6 months ended 31 December 2011	Audited 12 months ended 30 June 2012
Metrofile Records Management	54 799	45 503	97 059	255 100	207 010	240 228
CSX Customer Services	(235)	4 043	7 870	21 249	24 697	26 887
Property Companies	21 137	19 573	39 145	190 126	179 348	179 442
Other	1 346	1 623	3 827	40 799	42 502	39 608
Total	77 047	70 742	147 901	507 274	453 557	486 165

"Metrofile Records Management" represents the Metrofile records storage, records management, data protection and scanning business units which are managed and operated geographically.

"Other" includes Metrofile Holdings Limited, Africa operations, Rainbow Paper Management, Cleardata and, with effect from 1 March 2012, Global Continuity.

Finance costs have not been reflected on the segmental report as R9,5 million of the total R10,2 million charge relates to Metrofile (Pty) Limited which encompasses the "Metrofile Records Management" and "CSX Customer Services" divisions; the balance of the finance costs relate to Cleardata (Pty) Limited.

Condensed statement of cash flows

R'000	Unaudited 6 months ended 31 December 2012	Unaudited 6 months ended 31 December 2011	Audited 12 months ended 30 June 2012
Cash generated from operations before net working capital changes	96 337	80 374	172 914
Increase in net working capital	(7 175)	(17 978)	(17 775)
Cash generated from operations	89 162	62 396	155 139
Net finance costs paid	(8 696)	(11 305)	(21 026)
Dividends declared	(18 728)	(10 203)	(22 608)
Normal taxation paid	(14 470)	(14 708)	(34 325)
Net cash inflow from operating activities	47 268	26 180	77 180
Net cash outflow from investing activities:			
Investment in property, plant and equipment: expansion	(29 480)	(23 745)	(35 201)
Investment in property, plant and equipment: replacement	(3 833)	(3 817)	(8 517)
Proceeds on disposal of property, plant and equipment	304	685	945
Increase in shareholding of subsidiary and acquisition of business	-	-	(11 300)
Net cash outflow from financing activities:			
Issue of shares in terms of vendor placements	-	-	11 300
Loans repaid	(14 975)	(12 075)	(26 064)
Loans raised	-	-	-
Net (decrease)/increase in cash and cash equivalents	(716)	(12 772)	8 343
Cash and cash equivalents at the beginning of the period	45 966	37 581	37 581
Cash and cash equivalents at the end of the period	45 250	24 809	45 924
Represented by:			
Bank balances	45 250	24 809	45 966
Bank overdrafts	-	-	(42)

Condensed statement of changes in equity

R'000	Share capital	Share premium	Accumulated losses	Other reserves	Total equity before minority apportionment	Non-controlling interest	Total
Balance at 30 June 2011	2 508	518 817	(215 144)	2 619	308 800	1 643	310 443
Shares issued in terms of share schemes	25	9 774	-	-	9 799	-	9 799
IFRS 2 Equity Reserve relating to share schemes	-	-	1 388	1 388	2 776	-	2 776
Share scheme settlement	-	-	(7 593)	(2 206)	(9 799)	-	(9 799)
Dividends declared and paid	-	-	(10 203)	-	(10 203)	-	(10 203)
Total comprehensive income for the period ended 31 December 2011	-	-	41 564	(926)	40 638	903	41 541
Balance at 31 December 2011	2 533	528 591	(191 376)	875	340 623	2 546	343 169
Shares issued in terms of vendor placements for acquisitions	25	11 275	-	-	11 300	-	11 300
Increase in shareholding of Cleardata in Cleardata to 70%	-	-	(6 569)	-	(6 569)	(931)	(7 500)
IFRS 2 Equity Reserve relating to share schemes	-	-	1 706	1 706	3 412	-	3 412
Dividends declared and paid	-	-	(12 405)	-	(12 405)	-	(12 405)
Total comprehensive income for the period ended 30 June 2012	-	-	47 907	241	48 148	836	48 984
Balance at 30 June 2012	2 558	539 866	(162 443)	2 822	382 803	2 451	385 254
Shares issued in terms of share schemes	25	16 019	-	-	16 044	-	16 044
IFRS 2 Equity Reserve relating to share schemes	-	-	1 940	1 940	3 880	-	3 880
Share scheme settlement	-	-	(13 662)	(2 382)	(16 044)	-	(16 044)
Dividends declared and paid	-	-	(18 728)	-	(18 728)	-	(18 728)
Total comprehensive income for the period ended 31 December 2012	-	-	50 353	747	51 100	1 036	52 136
Balance at 31 December 2012	2 583	555 885	(144 480)	3 127	417 115	3 487	420 602

Commentary on results

Profile
Metrofile is the market leader in both physical and digital information and records management in Africa and is represented in the six major provinces of South Africa, Mozambique and through the CSX Customer Services brand has contracts in numerous other African countries. Metrofile operates from 30 facilities covering 93 500 square metres of warehousing and office space and manages more than 21 billion records on behalf of its customers. In accordance with its owner/lessee model, 53,5% of its facilities are owned by the group.

Services include Active Records Management, Image Processing, Hosting, Data backup (both vault and online), Archive Storage & Management, File plan development, Confidential Records Destruction, Paper Recycling as well as the sale and maintenance of a wide range of business equipment, including scanners, library security systems, mailing and packaging machines. With the acquisition, in March 2012, of Global Continuity the group also can now offer its customers business and IT continuity services which complement its existing Data Protection offerings.

Metrofile has been listed on the JSE Limited ("JSE") since 1995 and its ordinary shares are quoted in the "Support Services" sector. Its largest shareholder is its empowerment partner, Mineworkers Investment Company ("MIC"), which owns 34,3% of Metrofile's equity.

Strategy
Metrofile remains focused on cross-selling the group's diverse range of solutions and services to both new and existing customers. The group is well positioned to partner with its customers with regard to good record keeping, legal compliance and risk mitigation. Acquisitions and innovation remain components of the group's growth strategy.

Metrofile Mozambique has continued to expand and has recently moved into additional premises to facilitate future growth. Metrofile has amended its strategy with regards to Nigeria due to differing strategic plans of Metrofile and G4S and, as such, the joint venture has by mutual agreement been terminated. Metrofile remains committed to its African expansion.

Financial review
Revenue increased by 11,5% to R281,7 million and EBITDA by 10,4% to R90,1 million. Cash generation from operations of R89,2 million represents a 42,9% growth on the comparative period and reflects the strong cash generation of the group's business model. The CSX Customer Services division had a poor six months' trading which is reflected in the segmental report; the Board is confident that the division will recover its shortfall over the balance of the financial year. Global Continuity has bedded down and, despite a lower than expected initial growth, which had a minor impact on the group's results, is expected to add value in the future.

Net finance costs reduced by 23,1% in line with the further reduction in debt and the taxation rate was lower than previous periods due to the changeover to withholding tax from Secondary Taxation on Companies relating to the dividends paid.

Diluted earnings per share ("EPS") and headline earnings per share ("HEPS") increased by 18,8% to 12,0 cents (2011: 10,1 cents) whilst the interim dividend per share was increased by 50,0% to 4,5 cents (2011: 3,0 cents).

The increase in capital expenditure is in line with expectations and is due to the planned accelerated programme whereby, in addition to the routine replacement and expansion items, R10,1 million has been spent on building expansions which are currently taking place in Johannesburg and Cape Town. Despite the higher capital expenditure, the overall gearing has continued to improve leading to a net debt/equity ratio of 33,1% (2011: 55,1%).

Basis of preparation and accounting policies
The group results have been prepared, under the supervision of Mr RM Buttle, CA(SA), in accordance with the recognition and measurement principles of International Financial Reporting Standards (IFRS), including the information required by IAS 34: Interim Financial Reporting, the AC 500 standards issued by the Accounting Practices Board or its successor, and the Listings Requirements of the JSE. The same accounting policies and methods of computation were applied as in the prior year annual financial statements.

Certain accounting pronouncements became effective during the current financial period. However these do not have an impact on either transactions or disclosures.

Related parties
In terms of the consulting agreement with the MIC, fees of R0,6 million (2011: R0,5 million) were paid during the period under review.

Directorate and corporate governance
The structure of the Board and sub-committees remains unchanged whilst the membership has changed with the resignation of Mrs Nduzi Medupe and the appointment of Mrs Sindi Zilwa. Mrs Zilwa replaced Mrs Medupe as a member of the Board and the Audit, Governance and Risk Committee. The Board comprises two executive and six non-executive directors, of whom four are independent directors.

Dividends
The reduction of the group's debt and continued strong cash flows have enabled the Board to improve the dividend cover from 3,4 times in the comparative period to 2,7 times for the current period which is within the targeted range of between 2,5 and 2,75 times cover.

Notice is hereby given that an interim gross cash dividend of 4,5 cents per share in respect of the period ended 31 December 2012 has been declared payable to the holders of ordinary shares recorded in the books of the Company on Friday, 12 April 2013. The last day to trade cum-dividend will therefore be Friday, 5 April 2013 and Metrofile shares will trade ex-dividend from Monday, 8 April 2013. Payment of the dividend will be made on Monday, 15 April 2013. Share certificates may not be dematerialised or rematerialised between Monday, 8 April 2013 and Friday, 12 April 2013, both days inclusive. Withholding tax on dividends will be deducted for all shareholders who are not exempt in terms of the legislation at a rate of 15% which will result in a final net cash dividend of 3,825 cents per share. The Company's issued share capital remains unchanged between the period end and the date of the dividend declaration. The Company's tax number is 9375066710.

Commitments and expansion
The group continues to monitor and optimise its balance of owned and leased premises to ensure the continued availability of space to meet expansionary demand relative to the cost of unutilised facilities. Owned premises comprised 50 00