



Bowler Metcalf Limited

REG NO : 1972/005921/06

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AUDITED SUMMARISED CONSOLIDATED RESULTS FOR THE YEAR ENDED 30 JUNE 2012

R mil	30-06-12	% Change	30-06-11
STATEMENT OF FINANCIAL POSITION			
Non-current Assets	225.8		158.0
Property, plant & equipment	195.4		137.6
Deferred tax	5.0		3.2
Intangible assets	15.9		15.9
Investments	-		1.3
Loan	9.5		-
Current Assets	308.9		331.6
Inventories	70.8		67.3
Trade and other receivables	109.3		99.7
Prepayments	2.4		31.9
Cash and cash equivalents	47.6		128.9
Other financial assets	75.2		-
Taxation	3.6		3.8
Total Assets	534.7	+ 9	489.6
Total Equity	434.2	+ 7	407.6
Non-current liabilities	28.4		19.6
Deferred Tax	15.8		15.3
Borrowings - variable interest	3.1		4.3
Borrowings - fixed interest	9.5		-
Current Liabilities	72.1		62.4
Trade and other payables	63.1		44.4
Bank overdrafts	4.6		12.8
Borrowings - interest bearing	4.1		3.7
Taxation	0.3		1.5
Total Equity & Liabilities	534.7		489.6
STATEMENT OF COMPREHENSIVE INCOME			
Revenue	645.8	+ 9	591.1
Other income	7.1		5.7
Operating costs	(538.1)		(452.2)
Depreciation	(35.5)		(31.2)
Impairments	(1.1)		-
Profit from operations	78.2		113.4
Net interest	2.8		1.1
Net profit before tax	81.0	- 29	114.5
Taxation	(21.8)		(31.4)
Total profit and comprehensive income	59.2		83.1
Attributable to non-controlling interests	(1.0)		(5.6)
Attributable to parent	58.2	- 25	77.5
Earnings & diluted earnings per share (c)	71.72	- 26	96.28
HEADLINE EARNINGS			
Earnings attributable to parent	58.2		77.5
Profit on disposal of plant & equipment	(0.1)		(0.2)
profit/(loss)	(0.2)		(0.4)
tax and outside interests	0.1		0.2
Disposal of investment	(1.0)		-
profit/(loss)	(1.0)		-
tax and outside interests	-		-
Headline earnings	57.1	- 26	77.3
Earnings per share(c)	71.72		96.28
Disposal of plant and equipment (c)	(0.16)		(0.27)
Disposal of investment (c)	(1.24)		-
Basic & diluted headline earnings (c)	70.32	- 27	96.01
ADDITIONAL INFORMATION			
Dividend/share paid (c)	36.00	+ 18	30.60
Dividend/share proposed (c)	36.00	+ 1	35.60
Basic dividend cover (times)	2.30		2.70
Weighted shares in issue (mil)	81.172		80.474
Capital expenditure (Rmil)	93.85		15.90
Capital commitments (Rmil)	2.00		14.70

COMMENT

Group revenue continued its uninterrupted year-on-year growth increasing by 9.2% to R645.8m (2011: R591.1m). It was encouraging to see a volume growth during this period. However, the costs of industry wide labour disruptions, inputs, conversion and distribution within the plastics operations, as well as supply issues at the filling operations and the costs of establishing the new bottling plant in Johannesburg took their toll on the bottom line. This resulted in group earnings decreasing by 24.9% to R58.2m from R77.5m in 2011. To maintain and expand existing operations the group made significant investments of R93.9m (2011: R15.9m) in property plant and equipment, all commissioned during the year. This was funded entirely out of cash flows from operating activities. R75.1m of cash was transferred to an income fund.

A local cash dividend of 20 cents per share ("cps") (2011: 20 cps) has been declared, comprising a 'basic' final cash dividend of 15.4 cps in respect of 2012 and a further 4.6 cps in respect of prior years. Basic dividend cover has been moved to 2.3 times (2011: 2.7 times), thereby compensating for dividend withholding tax.

Plastic Operations

In tough trading conditions, the rigid plastics business increased its revenue by 14.1% to R382.7m. Operating costs and pressurised trading margins reduced the attributable profits to 12.4% of turnover. Projects, totalling R46.7m, have been progressed to address the economic challenges. The packaging market remains dynamic with extensive global attention to the potential of the sub-Saharan markets.

Filling Operations

As expected, the R 36.3m state-of-the-art filling line expansion into Gauteng has influenced the earnings for the filling operation. This was compounded by a 2 month shortage of CO2 and a staff bonus pay-out of R3.2m in lieu of the 2011 performance. The Gauteng operation is fully commissioned. The Western Cape operation continued its growth with a 10% increase in turnover on the previous year.

Property

The benefits associated with a stable long term property holding strategy continued to accumulate to the group as earnings rose by 2% to R9.3m (2011: R9.1m). Rentals remain market related. During the year under review, several projects were initiated in the plastics operations to improve the work flow, and productivity and to maximise the efficiencies around the available electricity capacity, particularly at the Cape Town properties.

Prospects

The transition in senior executive has taken place during very challenging market and operating conditions. The skills, expertise and resources at the disposal of Bowler Plastics have ensured a focussed navigation through this trying trading period. The momentum and energy in the teams at both operations is evident in the passion and determination with which they are addressing the challenges at hand.

REGISTERED AUDITOR

Mazars - Partner Yolande Ferreira - Registered Auditor
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SPONSORS

Arcay Moela Sponsors
3 Anerley Road
Parktown, 2193

R mil

STATEMENT OF CHANGES IN EQUITY

	Share Capital	Retained Earnings	Treasury Shares	Share Based Payments	Non-controlling Interests	Total Equity
30 June 10	21.5	352.6	(36.0)	1.2	8.7	348.0
Comprehensive Income	-	77.5	-	-	5.6	83.1
Dividends	-	(24.6)	-	-	(1.3)	(25.9)
Purchases	-	-	-	-	-	-
Sales	-	-	1.9	-	-	1.9
Other	-	0.3	-	0.2	-	0.5
30 June 11	21.5	405.8	(34.1)	1.4	13.0	407.6
Comprehensive Income	-	58.2	-	-	1.0	59.2
Dividends	-	(29.6)	-	-	(0.3)	(29.9)
Purchases	-	-	(13.8)	-	-	(13.8)
Sales	-	-	10.9	-	-	10.9
Other	-	0.4	-	(0.2)	-	0.2
30 June 12	21.5	434.8	(37.0)	1.2	13.7	434.2

SEGMENTAL ANALYSIS

	Plastic	Filling	Property	Unallocated	Total
Revenue					
2011	260.1	330.9	0.1	-	591.1
- total revenue	335.3	330.9	16.2	-	682.4
- intersegment	(75.2)	-	(16.1)	-	(91.3)
2012	294.9	350.8	0.1	-	645.8
- total revenue	382.7	350.8	18.2	-	751.7
- intersegment	(87.8)	-	(18.1)	-	(105.9)
Attributable Profits					
2011	53.1	15.3	9.1	-	77.5
2012	47.4	1.5	9.3	-	58.2
Total Assets					
2011	347.3	126.5	88.8	(73.0)	489.6
- total assets	305.0	124.7	44.0	15.9	489.6
- intersegment	42.3	1.8	44.8	(88.9)	-
2012	378.8	134.8	93.2	(72.1)	534.7
- total assets	342.8	134.6	42.9	15.9	536.2
- intersegment	36.0	0.2	50.3	(88.0)	(1.5)

STATEMENT OF CASH FLOWS

	30-06-12	30-06-11
Operating Activities		
Profit before tax	67.1	77.0
Profit before tax	81.0	114.5
Non-cash items	35.6	31.4
Working capital changes	4.6	(8.4)
Taxation paid	(24.2)	(34.6)
Dividends paid	(29.9)	(25.9)
Investing Activities	(146.1)	(45.6)
Property plant and equipment	(63.7)	(45.6)
Loans	(9.5)	-
Transfer to income funds	(75.2)	-
Disposal of investment	2.3	-
Financing Activities	5.9	3.1
Borrowings - variable interest	(0.7)	1.3
Borrowings - fixed interest	9.5	-
Treasury shares - acquisitions	(13.8)	-
Treasury shares - disposals	10.9	1.8
Net Cash Flow	(73.1)	34.5
Opening balance	116.1	81.6
Closing balance	43.0	116.1
Comprising:		
Cash & cash equivalents	47.6	128.9
Bank Overdrafts	(4.6)	(12.8)

Packaging, in a rapidly shifting consumer market, is increasing its profile as the key communicator to the growing base of customers. In this market Bowler Plastics is focussed on a strategy of mass customisation and niche market developments. This drive will be supported by further capital expenditure into various technologies.

For Quality Beverages the target is set to achieve a successful market penetration of the Jive brand in Gauteng and profitability in the medium term. As this is a greenfields approach, the benefits to the group will only manifest in the longer term with the course firmly set in the months to come. The Western Cape is well prepared for the 2012 peak summer season.

BASIS OF PREPARATION AND AUDIT REPORT

The condensed consolidated results have been prepared in accordance with the Framework concepts and the measurement and recognition requirements of the International Financial Reporting Standards, containing information required by the IAS 34 Interim Financial Reporting, the AC500 standards as issued by the Accounting Practices Board and in the manner required by the Companies Act and the JSE Limited's Listing Requirements. The unqualified audit report of the company's auditors, Mazars, is available for inspection at the company's registered office.

This summarised report has been prepared using the same accounting policies and methods of computation as used in the most recently issued annual financial statements, which should be read in conjunction with this summarised report.

CASH DIVIDEND DECLARATION

A cash dividend of 20.0 cents per share ("cps") (2011: 20.0 cps) has been declared and is payable to shareholders on Monday, 29 October 2012. The last day to trade will be Friday, 19 October 2012. "Ex" dividend trading begins on Monday, 22 October 2012 and the record date will be Friday, 26 October 2012. Share certificates may not be dematerialised or re-materialised between Monday, 22 October 2012 and Friday, 26 October 2012, both days inclusive. Directors confirm that the solvency and liquidity test is satisfied at the date of this report. The test will be performed again at the payment date.

This dividend will be made from income reserves. The gross dividend is 20 cps. Dividend Withholding Tax (DWT) is 15%. There are Secondary Tax on Companies (STC) credits of R1,743,466 available for set off against the DWT, equivalent to 2 cps. The net local cash dividend to shareholders liable for DWT will therefore be 17.3 cps. Number of shares in issue at the date of declaration is 88 428 066 shares.

Unless otherwise requested in writing, individual dividend cheques of less than R50 will not be paid but retained in the company's unclaimed dividend account. Accumulated unpaid dividends in excess of R200 may be claimed in writing from the Transfer Secretaries.

H.W. SASS (Non-Exec Chairman)
P.F. Sass (Chief Executive Officer)
Cape Town, 27 September 2012

Prepared by: LV Rowles CA(SA)

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TRANSFER SECRETARIES

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COMPANY TAX NUMBER

9775130710