



REVIEWED CONDENSED CONSOLIDATED RESULTS

FOR THE 12 MONTHS ENDED 28 FEBRUARY 2009

STEFANUTTI STOCKS HOLDINGS LIMITED
(formerly Stefanutti & Bressan Holdings Limited)
("Stefanutti Stocks" or "the company" or "the group")
(Registration number 1996/003767/06)
Share code: SSK ISIN: ZAE000123766

- Revenue 144%
- Operating profit 113%
- Headline earnings 79%
- Normalised HEPS 93%
- Cash generated from operations R1,1 billion
- Maiden dividend of 58 cents per share

CONDENSED GROUP INCOME STATEMENT

		Reviewed 12 months ended 28 February 2009 R'000	Audited 12 months ended 29 February 2008 R'000
Revenue		6 316 570	2 587 859
Contract revenue	144	6 212 899	2 544 923
Contract costs		(5 266 004)	(2 139 915)
Gross profit		946 895	405 008
Other income		20 784	4 440
Operating costs		(435 841)	(192 132)
Earnings before interest, taxation, depreciation and amortisation (EBITDA)	145	531 838	217 316
Depreciation		(100 896)	(30 925)
Amortisation of intangible assets		(38 751)	(2 087)
Operating profit	113	392 191	184 304
Investment income		74 879	41 130
Finance costs		(30 535)	(18 476)
Share of (losses)/profits from associate company		(703)	1 409
Profit before taxation		435 832	208 367
Taxation		(116 414)	(63 949)
Profit for the year	121	319 418	144 418
Attributable to:			
Equity holders of the company	121	297 525	134 919
Minority shareholders		21 893	9 499
		319 418	144 418
Earnings per share (cents)		184,27	103,28
Diluted earnings per share (cents)		173,56	99,23
Commentary to the income statement			
Headline earnings reconciliation			
Profit after taxation attributable to equity holders of the company		297 525	134 919
Adjusted for:			
Loss on disposal of plant and equipment		2 423	818
Tax effect of adjustments		(678)	(237)
Total minority interest of adjustments		(3)	(90)
Headline earnings	121	299 267	135 410
Normalised headline earnings reconciliation			
Headline earnings		299 267	135 410
Adjusted for:			
Amortisation of intangibles		38 751	2 087
Tax effect of adjustments		(10 849)	(584)
Normalised headline earnings	139	327 169	136 913
Number of weighted average shares in issue		161 464 960	130 634 200
Number of diluted weighted average shares in issue		171 428 947	135 970 022
Earnings per share (cents)	78	184,27	103,28
Diluted earnings per share (cents)		173,56	99,23
Headline earnings per share (cents)	79	185,35	103,65
Diluted headline earnings per share (cents)		174,57	99,59
Normalised headline earnings per share (cents)	93	202,63	104,81
Diluted normalised headline earnings per share (cents)		190,85	100,69

SEGMENTAL REPORTING

Primary segments	Gauteng	KwaZulu-Natal	Western Cape	Outside South Africa	Total
28 February 2009 (R'000)					
Contract revenue	3 431 244	840 694	852 457	1 088 504	6 212 899
Profit for the year	142 338	38 920	48 307	89 853	319 418

CONDENSED GROUP BALANCE SHEET

	Reviewed at 28 February 2009 R'000	Audited at 29 February 2008 R'000
ASSETS	2 000 566	545 728
Non-current assets		
Property, plant and equipment	763 246	358 129
Intangible assets	1 161 544	155 950
Investment in associates	15 795	-
Deferred taxation	59 981	31 649
Current assets	3 023 474	1 286 701
Bank balances	1 381 314	662 983
Other current assets	1 639 654	619 227
Taxation	2 506	4 491
Total assets	5 024 040	1 832 429
EQUITY AND LIABILITIES		
Capital and reserves	1 613 258	615 773
Ordinary shareholders' interest	1 574 049	590 682
Minority shareholders' interest	39 209	25 091
Non-current liabilities	227 107	136 719
Interest-bearing liabilities	160 953	69 893
Non interest-bearing liabilities	-	37 545
Deferred taxation	66 154	29 281
Current liabilities	3 183 675	1 079 937
Bank overdraft	47 437	-
Other current liabilities	1 870 555	603 568
Provisions	1 172 207	390 561
Taxation	93 476	85 808
Total equity and liabilities	5 024 040	1 832 429
Commentary to the balance sheet		
Number of net shares in issue	175 859 983	139 380 867
Number of total shares in issue	188 080 746	148 355 867
Net asset value per share (cents)	895,06	423,79
Net tangible asset value per share (cents)	234,56	311,90
Diluted net asset value per share (cents)	836,90	398,15
Diluted net tangible asset value per share (cents)	219,32	293,03

CONDENSED GROUP CASH FLOW STATEMENT

		Reviewed 12 months ended 28 February 2009 R'000	Audited 12 months ended 29 February 2008 R'000
Cash generated from operations	146	1 142 717	464 267
Interest received		74 879	41 130
Finance costs		(30 535)	(18 476)
Dividends received/(paid)		23	(30 255)
Taxation paid		(152 980)	(49 218)
Secondary tax on companies paid		(1 064)	-
Cash flows from operating activities	154	1 033 040	407 448
Expenditure to maintain operating capacity		(343 187)	(154 632)
Expenditure for expansion		(121 564)	(97 098)
Cash flows from investing activities		(464 751)	(251 730)
Cash flows from financing activities		65 995	301 705
Net increase in cash for the year		634 284	457 423
Effect of exchange rate changes on cash and cash equivalents		36 610	-
Cash at beginning of the year		662 983	205 560
Net cash at end of the year	101	1 333 877	662 983

COMMENTARY

Introduction
The directors are pleased to present the reviewed results for the 12 months ended 28 February 2009 ("the year") which reflect the continued strong growth as reported at the previous year-end. Following the successful conclusion of the acquisition of construction group Stocks Limited ("Stocks") during the year ("the Stocks merger"), the group has been repositioned as a major competitor in the first-tier construction sector. Stefanutti Stocks now has a geographical footprint across South Africa, Southern Africa and the Gulf region.

The integration of all acquisitions to date is progressing well and, amongst other benefits, synergies are also beginning to reflect from economies of scale. In addition the comprehensive re-branding exercise to rename the group following the Stocks merger has been successfully completed. Stocks has been included in the reviewed condensed consolidated results for seven months from 31 July 2008, the effective date of the merger.

Basis of preparation
The reviewed results for the year have been accounted for in accordance with International Financial Reporting Standards and prepared in accordance with IAS 34: *Interim Financial Reporting* and in compliance with the South African Companies Act, 1973. The reviewed results are prepared on the historical cost basis, with the exception of certain financial instruments and properties which are measured at fair value. The accounting policies and method of measurement and recognition applied in preparing the reviewed results are consistent with those applied in the group's audited annual financial statements for the previous year ended 29 February 2008, except for the application of IFRIC 12: *Service Concession Arrangements*. The interpretation clarifies that contractual service arrangements do not convey the right to control the use of the public service infrastructure to the operator, instead the operator acts as a service provider. The IFRIC provides guidance on the recognition and measurement of the various aspects of service concession arrangements from an operator's perspective.

The preparation of the reviewed results required the use of estimates and assumptions that affect the values of assets and liabilities at the reporting date, as well as the determination of revenue and expenses during the reporting periods. Although these estimates are based on management's best knowledge of current events and actions that the group may undertake in the future, actual results may differ from those estimates.

Auditor's review
The reviewed results for the year have been reviewed by the group's auditors, Mazars Moores Rowland. Their unqualified review opinion is available for inspection at the company's registered office.

Group profile
Stefanutti Stocks operates throughout South Africa, Southern Africa and the Gulf region with expertise spanning concrete structures, rehabilitation and marine construction, piling and geotechnical services, roads and earthworks, mine residue disposal facilities (tailings dams), opencast contract mining, building works and mechanical, electrical and powerline construction. In addition the group has established skills to participate in projects on a Public-Private-Partnership (PPP) basis.

Review of operations
Structures
The Structures business unit encompasses the group's geotechnical, civil structures and marine capabilities.

Boosted by a 50% increase in production volumes within the civil engineering industry, this business unit again accounted for the larger portion of group revenue and profit growth. Structures was awarded a number of infrastructure and expansion contracts like the Chemical Berth in Richards Bay and other contracts in joint venture with the Kusile Power Station; Ben Schoeman Dock in Cape Town; and the concrete precast units for the Gauteng Freeway Improvement Project.

Building
The Building business unit operates throughout South Africa and Southern Africa servicing the full scope of building construction from commercial and industrial through to residential and leisure.

Together with the Stocks operation, this unit performed strongly during the year, substantially increasing revenue with normal building margins. It is currently working in partnership on both the OR Tambo and Cape Town airports, and in partnership successfully completed the One & Only hotel in Cape Town two months ahead of schedule. The Housing acquisition concluded by Stocks prior to the merger has been successfully bedded down. This part of the business unit is currently involved in a number of housing projects for institutions.

In light of a recent downturn in projects in major nodes, the business unit is now diversifying geographically and has established a presence in the Eastern Cape, Mpumalanga and North West Province.

International: Gulf
Through the Stocks merger the group gained a presence in the Gulf region and has established an office in the Jebel Ali Free Zone in Dubai. Stefanutti Stocks is in partnership in specialist interior fit-out company Al Tayer Stocks and electro-mechanical specialist Zener Steward. Both companies performed well during the year.

Business prospects in the Gulf region, and particularly in Dubai, are being closely monitored.

Mechanical, Electrical & Power
This business unit comprises Skelton & Plummer Investment Holdings Company (Pty) Limited, which was acquired by the group in January 2008. It provides mechanical, electrical and instrumentation construction work across the industrial, mining, manufacturing and petrochemical sectors throughout Southern Africa.

The company made a solid contribution to both group revenue and profit for the year under review.

Mining Services
The business unit specialises in mine residue disposal facilities (tailings dams) and opencast contract mining across South Africa.

Difficult market conditions were experienced throughout the mining sector in the latter half of the year, due to falling commodities markets worldwide. The business unit nonetheless posted positive results due to the award of a number of contracts for waste disposal and re-mining programmes by major mining houses.

Roads & Earthworks
Roads & Earthworks operates in the construction of roads, bulk earthworks, landfill sites, golf course developments, terraces for new developments and municipal services throughout South Africa as well as in Mozambique and Swaziland.

The awards by the Johannesburg Development Agency on the Bus Rapid Transit System contributed towards the growth during the year. In addition, a new asphalt division has expanded the business unit's capacity to encompass all types of road surfacing. Additional capital expenditure was incurred to increase capacity.

Again this unit made an excellent contribution to group revenue and profit.

Property & Concessions
This business unit procures contracts by facilitating property development and partners with government in the provision of facilities or services through concession contracts (PPPs). Services within the concessions sector include facilities management, maintenance and project funding assistance.

Notwithstanding the negative impact of the global economic crisis on government-funded projects, the business unit is well placed to capitalise on the potential of this market.

Acquisitions
With effect from 31 July 2008, the company acquired 100% of the issued share capital of Stocks. In terms of IFRS 3: *Business Combinations* the Purchase Price Allocation has been completed.

	Stocks
Acquisition date	31 July 2008
Volting equity %	100
Number of shares issued at R17,00 per share	39 724 879
At acquisition values	R'000
Non-current assets	369 660
Current assets	902 456
Non-current liabilities	(61 131)
Current liabilities	(273 840)
Net asset value acquired	237 345
Cost of acquisition	1 087 272
Intangible arising on acquisition	92 285
Goodwill arising on acquisition	757 642
Cash paid	411 949
Revenue for the period from 1 May 2008 - 28 February 2009	2 261 679
Profit after taxation for the period from 1 May 2008 - 28 February 2009	73 997
Profit after taxation since acquisition	71 349

Revenue and profit is reported in terms of Stocks' statutory period which is 1 May 2008 to 28 February 2009. It is impracticable to disclose this information from 1 March 2008 as Stocks previously had a 30 April year-end.

The goodwill is attributable to the workforce of the acquired business and the significant synergies expected to be realised after the group's acquisition of Stocks.

In line with current strategy, the company acquired the remaining minority interest in Stefanutti Stocks Building Gauteng (Pty) Limited (formerly Stefanutti & Bressan Building Inland (Pty) Limited), Stefanutti Stocks Building KZN (Pty) Limited (formerly Stefanutti & Bressan Building (Pty) Limited) and Stefanutti Stocks Geotechnical (Pty) Limited (formerly Stefanutti & Bressan Piling (Pty) Limited). Further acquisition of minority interests in subsidiaries is being considered.

Prior year acquisitions are disclosed in the most recent audited financial statements.

Name change
With effect from 19 September 2008, the company formally changed its name to Stefanutti Stocks Holdings Limited.

Financial results
Group contract revenue for the period rose 144% to R6.2 billion (2008: R2.5 billion). Operating profit was up 113% to R322.2 million (2008: R184.3 million) while net profit after tax ("NPAT") increased by 121% to R319.4 million (2008: R144.4 million). Earnings per share ("EPS") grew by 78% to 184.27 cents (2008: 103.28 cents), notwithstanding the additional 39 724 879 ordinary shares issued in terms of the Stocks acquisition. Headline earnings of R299.3 million translated into headline earnings per share ("HEPS") of 185.35 cents (2008: 103.65 cents). A share-based incentive scheme expense of R21.1 million (2008: R10.9 million) as required by IFRS 2: *Share-based Payments* and amortisation costs of R39.8 million (2008: R2.1 million) are included in earnings for the year. Should the amortisation costs be excluded from headline earnings for the year the normalised HEPS translates to 202.63 cents (2008: 104.81 cents).

Related party transactions
The group has no material related party transactions other than those with group companies which are conducted on an arm's-length commercial basis.

Directorate
Following the conclusion of the Stocks merger, Stephen Pell (former CEO of Stocks) was appointed as an executive director and Herman Mashaba (former non-executive Chairman of Stocks) was appointed as a non-executive director to the board of Stefanutti Stocks. We welcome them to the board and look forward to their contribution.

Company secretary
Antonio Coccianti, who was fulfilling the role of company secretary in a temporary capacity, has resigned this position with effect from 18 May 2009 but continues in a financial management capacity. William Somerville was appointed in his stead.

Prospects
Stefanutti Stocks is well-aligned with the infrastructure, mining, petrochemical and power generation markets and will continue to benefit from anticipated government and parastatal spend on infrastructure projects. Although the mining industry has slowed as a result of the drop in commodities markets, certain sectors have been less severely affected and the group will focus on opportunities in these sectors. Both the Southern African and Gulf regions continue to present attractive expansion prospects.

The group will continue to closely monitor the impact on client expenditure programmes of the current uncertainty in global financial markets.

Stefanutti Stocks' order book amounted to R6.4 billion at year-end.

Dividend declaration
Notice is hereby given that, in line with dividend policy, a final dividend of 58 cents per share (2008: Nil) was declared on 15 May 2009, payable to all shareholders recorded in the register on Friday, 26 June 2009, the record date. The last day to trade cum dividend will be Friday, 19 June 2009 and the shares will trade ex dividend on Monday, 22 June 2009. Payment will be made on Monday, 29 June 2009. Share certificates may not be dematerialised or rematerialised between Monday, 22 June 2009 and Friday, 26 June 2009, both dates inclusive.

Appreciation
We would like to thank all our employees for their hard work and dedication which have contributed to such a successful year, and welcome the new employees that have joined the group. We also thank our business partners, advisors and shareholders for their ongoing support and extend our gratitude to our fellow directors for their continued wise counsel.

On behalf of the board

Gino Stefanutti
Executive Chairman
19 May 2009

Willie Meyburgh
Chief Executive Officer



united in bridging your expectations

GROUP STATEMENT OF CHANGES IN EQUITY

R'000	Issued capital and premium	Share based payments	Foreign currency translation reserve	Revaluation surplus	Retained earnings	Ordinary shareholders' interest	Minority shareholders' interest	Capital and reserves
Balance at 1 March 2007 audited	177 945	-	(78)	3 571	32 035	213 473	2 210	215 683
Premium on issue of ordinary shares	350 000	-	-	-	-	350 000	-	350 000
Less listing expenses written off against share premium account	(11 730)	-	-	-	-	(11 730)	-	(11 730)
Less capital distribution from share premium account	(30 000)	-	-	-	-	(30 000)	-	(30 000)
Effect of consolidating the S&B Share Incentive Trust Employee share options	(61 850)	-	-	-	-	(61 850)	-	(61 850)
Total income and expense for the year	-	10 905	-	-	-	10 905	-	10 905
Net profit for the year	-	-	(35)	-	134 919	134 884	9 459	144 343
Translation of foreign subsidiary	-	-	(35)	-	-	(35)	(40)	(75)
Minority interest acquired	-	-	-	-	-	-	13 422	13 422
Dividends paid	-	-	-	-	(15 000)	(15 000)	-	(15 000)
Balance at 29 February 2008 audited	424 365	10 905	(113)	3 571	151 954	590 682	25 091	615 773
Premium on issue of ordinary shares	675 323	-	-	-	-	675 323	-	675 323
Effect of consolidating the trusts and treasury shares	(43 691)	-	-	-	-	(43 691)	-	(43 691)
Employee share options	-	21 118	-	-	-	21 118	-	21 118
Realisation of share based payments reserve	-	(446)	-	-	446	-	-	-
Total income and expense for the year	-	-	42 743	1 426	297 525	341 694	21 893	363 587
Net profit for the year	-	-	-	-	297 525	297 525	21 893	319 418
Translation of foreign subsidiary	-	-	42 743	-	-	42 743	-	42 743
Revaluation of land and buildings	-	-	-	1 426	-	1 426	-	