OMNIA HOLDINGS LIMITED

CREATING CUSTOMER WEALTH BY LEVERAGING KNOWLEDGE

UNAUDITED RESULTS

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2016

OMNIA HOLDINGS LIMITED (Incorporated in the Republic of South Africa)
Registration number 1967/003680/06 • JSE code OMN • ISIN ZAE000005153 ("Omnia" or "the Group")

FINANCIAL FEATURES

Revenue increased by 2.5% to

R7.9bn

Profit for the period down 22.1% to

R258m

Headline earnings per share down 24.9% to

371 cents

Debt: equity ratio improves from 22.8% to

20.2%

Operating margin down by 1.1% to

5.8%

Dividend declared of

160 cents per share

CREATING CUSTOMER WEALTH BY LEVERAGING KNOWLEDGE

SUMMARY CONSOLIDATED INCOME STATEMENT

for the six months ended 30 September 2016

Rm	Unaudited 6 months 30 Sep 2016	Unaudited 6 months 30 Sep 2015	%	Audited 12 months 31 Mar 2016
Revenue	**7 947**	7 754	3	16 774
Cost of sales	**(6 428)**	(6 048)	6	(13 369)
Gross profit	**1 519**	1 706	(11)	3 405
Distribution expenses	**(771)**	(757)	2	(1 400)
Administrative expenses	**(408)**	(403)	1	(802)
Other operating expenses	**(8)**	(71)	(89)	(93)
Other operating income	**125**	61	105	79
Operating profit	**457**	536	(15)	1 189
Finance expenses	**(119)**	(97)	23	(239)
Finance income	**22**	17	29	60
Share of profit of investments accounted for using the equity method	**1**	1	–	2
Profit before taxation	**361**	457	(21)	1 012
Income tax expense	**(103)**	(126)	(18)	(310)
Profit for the period	**258**	331	(22)	702
Attributable to:				
Owners of Omnia Holdings Limited	**255**	333	(23)	701
Non-controlling interest	**3**	(2)	(250)	1
Profit for the period	**258**	331	(22)	702
Earnings per share from profit attributable to owners of Omnia Holdings Limited (cents)				
Basic earnings per share	**380**	494	(23)	1 042
Diluted earnings per share	**357**	465	(23)	988
Headline earnings per share	**371**	494	(25)	1 033
Diluted headline earnings per share	**349**	465	(25)	979

SUMMARY CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the six months ended 30 September 2016

Rm	Unaudited 6 months 30 Sep 2016	Unaudited 6 months 30 Sep 2015	%	Audited 12 months 31 Mar 2016
Profit for the period	**258**	331	(22)	702
Other comprehensive income, net of tax				
Currency translation difference	**(276)**	374	(174)	682
Total comprehensive income for the period	**(18)**	705	(103)	1 384
Total comprehensive income attributable to:				
Owners of Omnia Holdings Limited	**(21)**	707	(103)	1 383
Non-controlling interest	**3**	(2)	(250)	1
	(18)	705	(103)	1 384

SUMMARY CONSOLIDATED BALANCE SHEET

as at 30 September 2016

Rm	Unaudited 6 months 30 Sep 2016	Unaudited 6 months 30 Sep 2015	Audited 12 months 31 Mar 2016
ASSETS			
Non-current assets	**4 722**	4 614	4 701
Property, plant and equipment	**4 041**	3 975	4 060
Intangible assets	**579**	535	543
Trade receivables and other non-current assets	**102**	104	98
Current assets	**8 925**	9 082	7 677
Inventories	**4 172**	5 073	3 850
Trade receivables and other current assets	**4 164**	3 644	3 255
Cash and cash equivalents	**589**	365	572
Total assets	**13 647**	13 696	12 378
EQUITY			
Capital and reserves attributable to the owners of Omnia Holdings Limited	**7 538**	7 111	7 672
Stated capital (including treasury shares)	**1 379**	1 380	1 379
Other reserves	**1 521**	1 408	1 787
Retained earnings	**4 638**	4 323	4 506
Non-controlling interest	**(7)**	(13)	(10)
Total equity	**7 531**	7 098	7 662
LIABILITIES			
Non-current liabilities	**609**	558	621
Deferred income tax liabilities	**563**	488	565
Trade and other payables	**19**	37	19
Debt	**27**	33	37
Current liabilities	**5 507**	6 040	4 095
Trade payables and other current liabilities	**3 446**	4 148	3 833
Bank overdrafts	**2 061**	1 892	262
Total liabilities	**6 116**	6 598	4 716
Total equity and liabilities	**13 647**	13 696	12 378
Net debt/(cash)	**1 522**	1 620	(228)
Net working capital	**4 956**	4 751	3 456
Net asset value per share (Rand)	**112**	106	114
Capital expenditure			
Depreciation	**178**	163	333
Amortisation	**20**	18	40
Incurred	**281**	239	494
Authorised and committed	**142**	116	293
Authorised but not contracted for	**472**	290	68

SUMMARY CONSOLIDATED CASH FLOW STATEMENT

for the six months ended 30 September 2016

Rm	Unaudited 6 months 30 Sep 2016	Unaudited 6 months 30 Sep 2015	Audited 12 months 31 Mar 2016
Operating profit	**457**	536	1 189
Depreciation and amortisation	**198**	181	373
Adjustment for non-cash items	**(99)**	98	484
(Utilised by)/generated from working capital	**(1 666)**	(949)	258
Cash generated from operations	**(1 110)**	(134)	2 304
Interest paid	**(119)**	(97)	(263)
Interest received	**22**	17	60
Taxation paid	**(131)**	(128)	(245)
Net cash (outflow)/inflow from operating activities	**(1 338)**	(342)	1 856
Cash outflow from investing activities	**(271)**	(239)	(469)
Cash outflow from financing activities	**(155)**	(283)	(432)
Net (decrease)/increase in cash and cash equivalents	**(1 764)**	(864)	955
Net cash and cash equivalents at beginning of period	**310**	(699)	(699)
Exchange rate movements on cash and cash equivalents	**(18)**	36	54
Net cash and cash equivalents at end of period	**(1 472)**	(1 527)	310

SEGMENTAL ANALYSIS

for the year ended 30 September 2016

	Unaudited 6 months				Audited 12 months	
Rm	Revenue* 30 Sep 2016	Operating profit 30 Sep 2016	Revenue* 30 Sep 2015	Operating profit 30 Sep 2015	Revenue* 31 Mar 2016	Operating profit 31 Mar 2016
Agriculture RSA	**1 817**	**49**	2 060	141	4 650	452
Agriculture Trading	**808**	**(35)**	650	(11)	1 632	(1)
Agriculture other	**981**	**88**	795	29	1 936	43
Total Agriculture	**3 606**	**102**	3 505	159	8 218	494
Mining RSA	**913**	**108**	1 001	157	1 875	253
Mining other	**1 540**	**173**	1 244	149	2 676	273
Total Mining	**2 453**	**281**	2 245	306	4 551	526
Chemicals RSA	**1 619**	**55**	1 811	69	3 822	179
Chemicals other	**269**	**19**	193	2	183	(10)
Total Chemicals	**1 888**	**74**	2 004	71	4 005	169
Total	**7 947**	**457**	7 754	536	16 774	1 189

**Revenue, net of inter-segmental sales*

SUMMARY CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the six months ended 30 September 2016

Rm	Stated capital*	Other reserves	Retained earnings	Non-controlling interest	Total
At 31 March 2015 (audited)	1 430	1 028	4 195	(11)	**6 642**
Recognised income and expenses:					
Profit for the period			333	(2)	**331**
Currency translation difference		374			**374**
Transactions with shareholders:					
Ordinary dividends paid			(205)		**(205)**
Treasury shares purchased	(50)				**(50)**
Share-based payment – value of services provided		6			**6**
At 30 September 2015 (unaudited)	1 380	1 408	4 323	(13)	**7 098**
Recognised income and expenses:					
Profit for the period			368	3	**371**
Currency translation difference		308			**308**
Change in functional currency of subsidiary		67	(66)		**1**
Transactions with shareholders:					
Ordinary dividends paid			(119)		**(119)**
Treasury shares purchased	(1)				**(1)**
Share-based payment – value of services provided		4			**4**
At 31 March 2016 (audited)	**1 379**	**1 787**	**4 506**	**(10)**	**7 662**
Recognised income and expenses:					
Profit for the period			255	3	**258**
Currency translation difference		(276)			**(276)**
Transactions with shareholders:					
Ordinary dividends paid			(123)		**(123)**
Share-based payment – value of services provided		10			**10**
At 30 September 2016 (unaudited)	**1 379**	**1 521**	**4 638**	**(7)**	**7 531**

**Including Treasury shares*

RECONCILIATION OF HEADLINE EARNINGS

for the six months ended 30 September 2016

Rm	Unaudited 6 months 30 Sep 2016	Unaudited 6 months 30 Sep 2015	Audited 12 months 31 Mar 2016
Profit for the period attributable to owners of Omnia Holdings Limited	**255**	333	701
Adjusted for profit on disposal of fixed assets/intangible assets	**(6)**	–	(6)
Headline earnings	**249**	333	695

OTHER RESERVES

as at 30 September 2016

Rm	Unaudited 6 months 30 Sep 2016	Unaudited 6 months 30 Sep 2015	Audited 12 months 31 Mar 2016
Share-based payment reserve	**121**	107	111
Foreign currency translation reserve	**1 379**	1 280	1 655
Gain on treasury shares sold	**18**	18	18
Net discount arising on acquisition of shares of subsidiaries	**3**	3	3
	1 521	1 408	1 787

ADDITIONAL INFORMATION

for the six months ended 30 September 2016

000's	Unaudited 6 months 30 Sep 2016	Unaudited 6 months 30 Sep 2015	Audited 12 months 31 Mar 2016
Weighted average number of shares in issue	**67 173**	67 381	67 277
Weighted average number of diluted shares in issue	**71 397**	71 665	70 976
Number of shares in issue (excluding Treasury shares)	**67 178**	67 173	67 173

NOTES

BASIS OF PREPARATION

This interim report has been prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards ("IFRS"), the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council, presentation and disclosures as required by IAS 34 Interim Financial Reporting, the JSE Listings Requirements and the requirements of the Companies Act of South Africa. The preparation of this interim report was supervised by the Group finance director, WG Koonin CA(SA).

The financial statements have been prepared using accounting policies that comply with IFRS and which are consistent with those applied in the preparation of the financial statements for the year ended 31 March 2016, unless otherwise stated.

The interim results have neither been reviewed nor audited by the Group's auditors.

COMMENTARY

INTRODUCTION

Omnia is a diversified provider of specialised chemicals products and services used in the agriculture, mining and chemical sectors. Omnia's corporate office is based in Johannesburg, South Africa and its main production facility in Sasolburg, some 70 kilometers south of Johannesburg. The Group has a physical presence in 23 countries and its operations extend into 18 countries in Africa, including South Africa with focused operations also in Australasia, Brazil and China. Omnia's client base extends across southern and West Africa and to other regions such as Europe, South America and South East Asia. Omnia differentiates itself from other commodity chemical providers by adding value at every stage of the supply and service chain through technological innovation and by deploying the company's intellectual capital. The sustainability of the business model is based on and strengthened by the Group's targeted backward integration through installing technologically advanced plants to manufacture core materials such as nitric acid and explosives emulsions. In addition to securing sources of supply, this has also enabled Omnia to improve operational efficiencies throughout the product development and production chain. Omnia provides customised, knowledge-based solutions through its Agriculture, Mining and Chemicals divisions. The Group's proven business model makes Omnia a market leader in the distribution of industrial chemicals. Omnia continues to grow and prosper, offering extraordinary value to the Group's customers by tailoring solutions to their business needs through product and service innovation, with the expert application thereof.

Macro environment

The global economy remained volatile in the first half of the financial year, with the Brexit vote in the UK being concluded and the uncertainty associated with the run up to the US elections in November. The OPEC producing countries that reached agreement in September to cut production with little to no positive impact on oil prices. The changing landscape of the political situation in South Africa was characterised by several key events aimed directly at the incumbent president and corruption. The prospect of a downgrade of the foreign denominated South African government bonds weighed on the outlook for the country for most of 2016.

The South African rand staged a strong comeback against all major currencies during the first half of the financial year including the US dollar which closed at R13.72 on 30 September 2016 (R14.72: 31 March 2016). The average rate for the six month period to 30 September 2016 weakened by 4.9% from R13.84 in the prior period to R14.51 in the current period.

Global commodity prices have also improved significantly over the six months to 30 September 2016, with coal up 45%, gold up 9%, platinum up 8%, palladium up 28% and copper up 2%. This bodes well for our Mining division.

The strong El Niño effect that dominated weather patterns last year has dissipated, reaching a neutral position with the possibility of a La Niña weather pattern forming. The US National Oceanic and Atmospheric Administration Climate Prediction Centre lowered the probability of a La Niña to 55-60% in August, from 75% in June. La Niña conditions are generally associated with above average rainfall in Southern Africa. At this stage, local weather forecasts predict good rains through to March which covers the remainder of the planting season and is positive for the second half of the financial year for the Agriculture division.

The South African manufacturing sector remains slow, which compounds a challenging trading environment for the Chemicals division. The volatility in oil prices and exchange rates continues to impact on the day to day decision making processes for customers and suppliers which translates into margin pressure for the Chemicals division.

FINANCIAL REVIEW

Income Statement

Group revenue rose by 2.5% to R7 947 million (2015: R7 754 million) on the back of mixed results from the three divisions, with modest growth in volume in the Agriculture and Mining division, offset by lower volumes and higher average prices in the Chemicals division.

Gross profit decreased by 11.0% to R1 519 million (2015: R1 706 million) and gross profit percentage was lower at 19.1% of revenue (2015: 22.0%) due to lower gross margins in the Agriculture and Mining division, offset marginally by the higher gross margin in the Chemicals division.

Administrative expenses increased marginally by 1.2% to R408 million (2015: R403 million) and was well controlled during the period.

Distribution expenses increased by 1.8% to R771 million (2015: R757 million), which is in line with the percentage increase in revenue.

Other operating expenses of R8 million (2015: R71 million), includes R12 million (2015: R53 million losses) in foreign exchange gains, largely driven by the stronger rand:US dollar exchange rate and volatility of the local currencies of various African countries in which we operate. The strategy to manage and hedge foreign currency exposures remains appropriate and will continue during this period of volatility. Amortisation of intangible assets, at R20 million (2015: R18 million), increased marginally.

Other operating income increased by 104.9% to R125 million (2015: R61 million) as a result of a portion of the insurance claim amounting to R57 million for the machinery breakdown at the Nitric Acid 2 complex at the Sasolburg factory been accounted for during the period under review with the balance to be finalised before financial year-end. The Chemicals division concluded the sale of the Springs property for a profit of R5 million.

Operating profit decreased by 14.7% to R457 million (2015: R536 million), due to the reduction in the Agriculture and Mining divisions performance period-on-period. Overall, the operating margin for the six month period reduced from 6.9% to 5.8%. Whereas the Chemicals division's operating margin increased to 3.9% (2015: 3.5%) as a continued result of the improved product mix and margin focus, the Mining division's operating margin was lower at 11.5% (2015: 13.6%) due to ongoing margin pressure through the extended downturn of the commodity cycle and higher initial operating costs of the Zambia copper belt mine that recently started using the BME products. The Agriculture division's operating margin decreased to 2.8% (2015: 4.5%) due to a number of factors in the six month period including the breakdown of the main air compressor at the Nitric Acid 2 complex, performance issues at the granulation plant for a limited period, losses in the Agriculture trading division primarily due to the final close out of the stock position in Australia and the final stages of the drought in South Africa. In terms of the breakdown, this resulted in the plant being down for 86 days resulting in lower throughput volumes and higher operating costs which have been offset in part by the insurance claim which is anticipated to be finalised before financial year end.

Net finance expenses increased by R17 million to R97 million (2015: R80 million) due to the higher cost of hedging the US dollar equity position of R48 million (2015: R38 million) and increased cost of borrowing due to increases in the South African interest rates period-on-period.

Earnings Before Interest, Taxes, Depreciation and Amortisation (EBITDA) was lower at R655 million (2015: R717 million), with the reduction attributable to the operating profit decreasing by R79 million and partially due to depreciation and amortisation charges being higher at R198 million (2015: R181 million) with the commissioning of the Dryden emulsion plant in mid-2015 resulting in an increase in the charge period-on-period.

Taxation decreased by 18.3% or R23 million, to R103 million (2015: R126 million) due to the lower levels of profitability. The effective tax rate at the half year was marginally higher period-on-period at 28.5% (2015: 27.6%) with the percentage increase due to a combination of the losses made by separate legal entities in various countries that could not be offset against profits made elsewhere in the Group, the mix of profits, varying tax rates and the year-on-year changes to the tax formulas in the various countries in which Omnia operates.

Profit after tax decreased by 22.1%, or R73 million, from R331 million in the previous corresponding period to R258 million in the current period.

Total comprehensive income was lower at a loss of R18 million (2015: R705 million profit), due to the foreign currency translation differences of R276 million (negative) in the current financial period (2015: R374 million positive), as a result of the 6.8% decrease in the rand:US dollar exchange rate to R13.72 at period end (R14.72: 31 March 2016). The majority of the foreign currency translation reserve relates to the revaluation of the US dollar denominated equity in the offshore balance sheet.

Headline earnings per share of R3.71 (2015: R4.94) was down 24.9% year-on-year.

Balance sheet

Total assets decreased marginally by 0.4%, or R49 million, from R13 696 million in the previous corresponding period to R13 647 million in the current period primarily due to the net movement of lower inventories offset by higher receivables and cash on hand.

Inventory decreased by 17.8%, or R901 million, from R5 073 million in the previous corresponding period to R4 172 million, primarily due to a decrease of R991 million in the Agriculture division. This decrease is attributable to the planned reduction in inventory year-on-year and the lower levels of production in the current period due to the 86 day breakdown of the Nitric Acid 2 complex. Inventory in the Mining division increased by R78 million due to the establishment at new sites and variation due to increased levels of mining activity. The Chemicals division increased marginally by R12 million.

Trade receivable and other current assets increased by 14.3%, or R520 million, from R3 644 million in the previous corresponding period to R4 164 million in the current period, due to increased sales and aging of certain receivables reflecting a tighter economic environment. Strict credit control procedures and debtor insurance assists in managing this exposure on an ongoing basis.

Trade payables and other current liabilities decreased by 16.9%, or R702 million, from R4 148 million in the previous corresponding period to R3 446 million, as a result of the slow down of Agriculture raw material purchased due to the Nitric Acid 2 complex breakdown. Total net working capital increased period-on-period by 4.3% or R205 million, from R4 751 million to R4 956 million, represented mostly by the decrease in inventories and trade and other payables, offset by the increase in trade and other receivables.

Equity increased by 6.1% or R433 million, from R7 098 million in the previous corresponding period to R7 531 million in the current period. The net increase in equity was due to an increase in retained earnings of R557 million, foreign currency translation reserves of R99 million, other reserves and movements of R19 million, offset by R242 million in the 2016 year-end dividend payments.

Cash flow Statement

Cash utilised by operating activities of R1 338 million (2015: R342 million) was R996 million higher than the previous six month period mainly due to the increase of R717 million in net working capital utilised. Cash outflow from investing activities of R271 million (2015: R239 million) increased by R32 million due to higher interest rates. After taking into account the R155 million (2015: R283 million) cash outflow from financing activities, which included a dividend payment of R123 million (2015: R205 million), the negative cash and cash equivalents position at the end of the six month period was lower by R55 million at R1 472 million (2015: R1 527 million)

Net debt at the end of the six month period was R98 million lower at R1 522 million (2015: R1 620 million) and the net debt:equity ratio improved by 2.6% to 20.2% (2015: 22.8%).

DIVISIONAL REVIEW

Agriculture

Omnia's Agriculture division comprises of Omnia Fertilizer and Omnia Specialities and is the market leader in its field in South Africa and southern Africa. The division produces and trades in granular, liquid and speciality fertilizers for a broad customer base of farmers, co-operatives and wholesalers throughout South Africa, southern and East Africa and to select markets in Australasia, Brazil, Europe and Mauritius.

The Agriculture division's competitive edge lies in Nutriology®, or what Omnia calls the "science of growing". The science of growing is Omnia's business philosophy and involves more than just selling fertilizer to farmers – it is about optimising yield and crop quality to maximise returns while reducing farming and environmental risk. Achieving this, entails becoming intricately involved in the producers' businesses to better understand their objectives and targets. Nutriology® also includes cutting-edge research and development that results in the development of new products, services and farming practices. The Omnia Nutriology® brand is highly regarded in the regional market and strongly supports management's vision of creating wealth through knowledge.

Revenue increased by 2.9% to R3 606 million (2015: R3 505 million) due to higher volumes across the business. Sales volumes in the lower margin wholesale business increased period-on-period. New business development in the Western Cape has been encouraging and farmers across South Africa continue to remain positive leading into the summer planting season. The recent increase in rainfall activity across the country is encouraging. Operating profit decreased by 35.8% to R102 million (2015: R159 million) due to a combination of lower margins, increased expenses mostly attributable to the breakdown at the Nitric Acid 2 complex and the additional losses in the Agriculture Trading segment. Excluding the loss from the Agriculture Trading segment of R35 million, the pro-forma operating profit increased from R102 million to R137 million (2015: R159 million) and together, excluding the impact of the breakdown of the Nitric Acid 2 complex, the total pro-forma operating profit would increase to R171 million (2015: R159 million). On this basis the pro-forma operating profit margin would increase from 2.8% to 4.7%. During the period under review, the average ammonia:urea ratio remained at unfavourable levels of approximately 1.50 was in line with the long-term average of the past 3-5 years of approximately between 1.40 and 1.60. However towards period end and subsequent thereto, the ratio has fallen dramatically to levels of less than 1.00. Should the ratio remain at these favourable levels, it will have minimal impact on the current year margins due to the advanced timing to purchase raw materials based on the current year production schedule, however, will be very favourable for the following financial year.

The Agriculture Trading segment margins were negatively impacted due to declining commodity prices which resulted in stock position losses in Australia and to a limited extent in Malawi, resulting in a loss for the period under review of R35 million (2015: R11 million). Additional provisions have been made against this position to ensure that it is adequately provided for, with the Australia position fully closed out and provided for at period end.

Mining

The Mining division services the mining industry through BME and Protea Mining Chemicals.

BME operates throughout Africa with a strong presence in South Africa, southern and West Africa. BME is a market leader in bulk emulsion and blended bulk explosives formulations for the opencast mining industry; it produces electronic delay detonators and shocktube initiating systems; it has its own range of explosive boosters, and it manufactures packaged explosives for underground mining and specialised surface blasting operations. BME adds value to its products through its world-class blasting consultancy service. Omnia's industry experts, experienced mining engineers and geologists advise and support customers in the planning and execution of blasting operations. This is achieved using BME's unique and proprietary BlastMap™ software solution in combination with the accuracy of the AXXIS® electronic delay detonators that is used to control the electronic delay detonators in the blasting process.

Protea Mining Chemicals provides a suite of value-added services to complement a wide range of chemicals and reagents supplied for use by the processing plants on mines in South Africa and Africa. This includes Protea Process®, a comprehensive service that covers the design of equipment, logistics and on-site management and make up of chemicals and reagents.

Revenue increased by 9.3% to R2 453 million (2015: R2 245 million) due to volume increases. The commodity cycle has begun to show signs of improvement resulting in additional contracts and volumes being secured in the current period. Following a series of technical upgrades, the improvement in the performance of the electronic detonators has been positive, resulting in improved levels of product performance and customer satisfaction. The installation of the new automated production facility for non-electric detonators has significantly improved the quality and performance of these units and has enabled BME to secure further sales volumes based on reliability and performance. The higher initial operating costs on a large scale Zambia copper contract also impacted the operating profit in the first half and are expected to normalise going forward. The overall margin at 11.5% (2015: 13.6%) remains under pressure due to the competitive nature of the industry through the downturn of the commodity cycle, overall, the Mining division's operating profit decreased by 8.2% to R281 million (2015: R306 million) with the outlook remaining positive.

Chemicals

The Chemicals division's main business, Protea Chemicals, is a long-established and well-known manufacturer and distributor of specialty, functional and effect chemicals and polymers. It has a significant presence in every sector of the broader chemicals distribution market throughout South Africa, southern and East Africa. Protea Chemicals represents many leading domestic and international chemical producers, providing cost-effective and efficient distribution channels for Protea Chemicals' products in Africa. Protea Chemicals continues to be rated as one of the largest chemical distributors in Africa by the respected industry journal, ICIS Chemical Business. Protea Chemicals also manufactures and distributes chemicals for the treatment of water to render it potable, a function mostly undertaken through municipalities.

Revenue decreased by 5.8% to R1 888 million (2015: R2 004 million) on the back of lower volumes, partially offset by increase in unit selling prices. The operating margin improved to 3.9% (2015: 3.5%) due to competitive pricing achieved compared to the prior corresponding period with overheads decreasing slightly. Operating profits increased marginally to R74 million (2015: R71 million).

PROSPECTS

The Group experienced a very challenging first half of the year with the extended effects of the drought, the 86 day breakdown at Nitric Acid 2 complex and the additional stock losses in Australia impacting negatively on the Agriculture division, the Mining division continued to weather strong headwinds in the commodity sector and the Chemicals division faced stagnant growth and pricing volatility exacerbated by the movements in the oil price and exchange rates. Going forward, all divisions are well placed to deliver an improved performance in the second half. The Agriculture division will move into the traditional summer planting season with the drought having receded, better rains forecast for the next few months and increased throughput and overhead recovery anticipated at the Sasolburg factory. The Mining division continues to improve its product performance and service levels which assists current and new clients in achieving higher levels of operational performance using the various products and bedding down of the new business model for the Chemicals division presents some interesting opportunities.

The volatility in the rand continues to be difficult to predict and plan for and management remains conservative in its planning processes. Balance sheet, working capital management and capital expenditure remain key focus areas. Uncertainty on government policy and economic outlook for South Africa weighs heavily on both the business and customers. Recent events suggest that the outlook for a resolution on the political and economic deadlock that has plagued South Africa for several years is more encouraging.

Work continues on a number of potential acquisition opportunities to expand the business. Good progress has been made on the implementation of the new Microsoft IT platform and ERP systems as part of this multi-year multi-phase project. Planning for the new Nitro-phosphate plant is nearing completion with stage 1 of the civil works underway. Based on the updated cost estimates, the total capital cost for the Nitro-phosphate project is in the order of approximately R750 million.

DIVIDENDS

The Omnia board of directors have declared an interim gross cash dividend of 160 cents per ordinary share (2015: 180 cents per ordinary share) payable out of income in respect of the period ended 30 September 2016. The number of ordinary shares in issue at the date of this declaration is 68 293 352 (including 1 115 790 treasury shares held by the Group). The gross dividend is subject to local dividends tax of 15% for those shareholders to which local dividends tax is applicable. The resultant net dividend amount is 136 cents per share for shareholders subject to local dividends tax and 160 cents per share for those shareholders not subject to local dividends tax. The company's tax reference number is 9400087715.

The salient dates for the interim dividend are as follows:

Last day to trade cum dividend	Tuesday, 17 January 2017
Shares trade ex-dividend	Wednesday, 18 January 2017
Record date	Friday, 20 January 2017
Payment date	Monday, 23 January 2017

Share certificates may not be dematerialised or materialised between Wednesday 18 January 2017 and Friday, 20 January 2017, both dates inclusive.

CHANGES TO THE OMNIA BOARD OF DIRECTORS DURING THE PERIOD

Prof Stephanus Loubser retired as an independent non-executive director with effect from 1 December 2016.

NJ Crosse	RB Humphris	WG Koonin
Chairman	Group managing director	Group finance director
29 November 2016		

Directors: RC Bowen (British), FD Butler, NJ Crosse (Chairman), WG Koonin* (Group finance director), R Havenstein, HH Hickey, RB Humphris* (Group managing director), Prof SS Loubser, Dr WT Marais, TNM Eboka, HP Marais (alternate), SW Mncwango, D Naidoo **Executive directors*

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Transfer secretaries: Link Market Services South Africa (Proprietary) Limited, 13th Floor, Rennie House, 19 Ameshoff Street, Braamfontein

Sponsor: Merchantec Capital, 2nd Floor, North Block, Hyde Park Office Tower, corner 6th Road and Jan Smuts Avenue, Hyde Park, 2196

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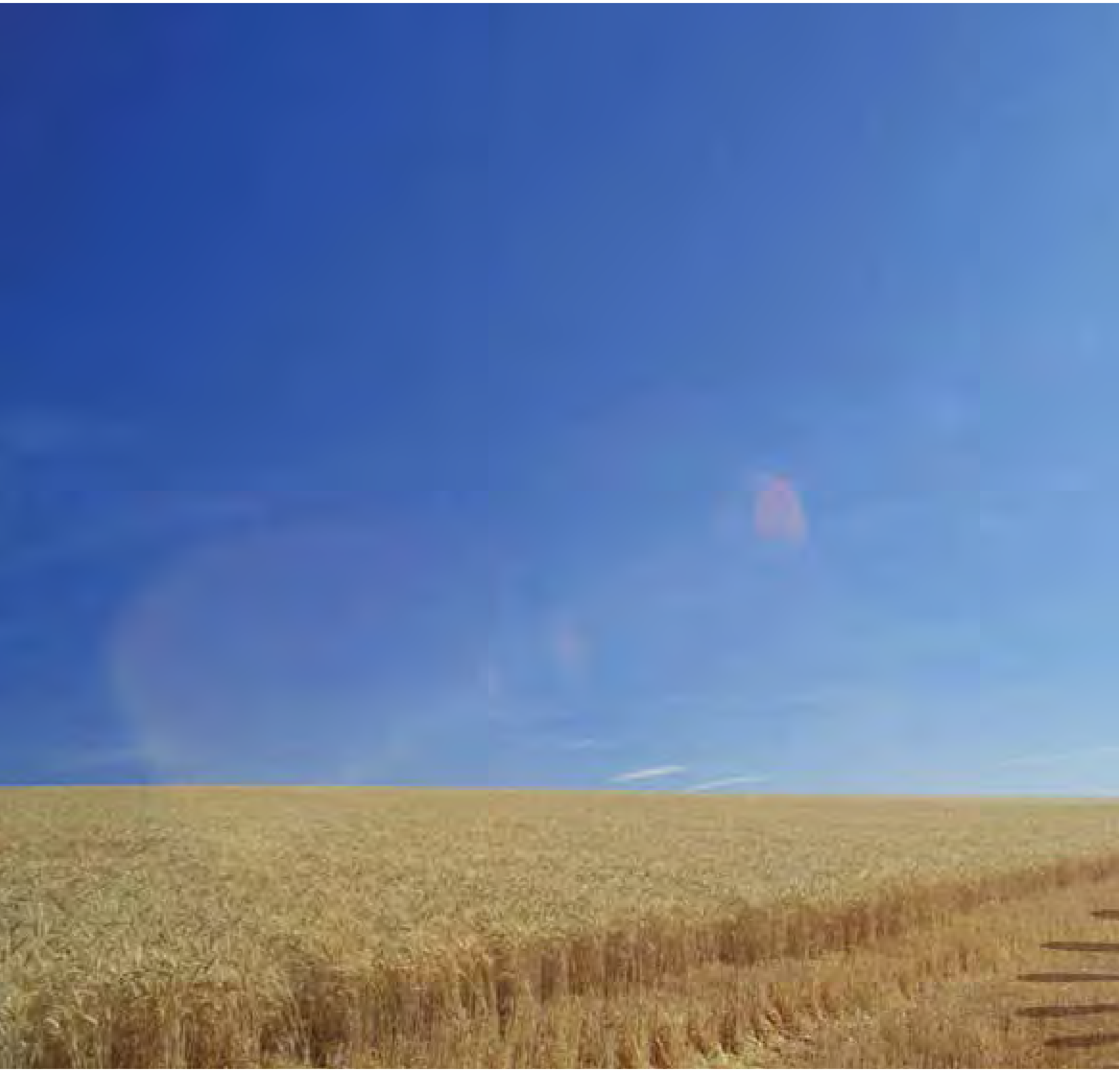

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