UNAUDITED RESULTS

for the six months ended 30 September 2017

Creating customer wealth by leveraging knowledge

Revenue down 3% to

R7 706m

Operating profit up 19% to

R488m

Profit after tax of

R285m

up 27%

Headline earnings per share

420 cents up 31%

Interim dividend

200 cents up 25%

AGRICULTURE

(11%) DECREASE IN REVENUE
to R3 192 million

Normalisation of the Trading business following a poor trade in HY2017. Good production performance. South African planting season later than in the prior period.

113% INCREASE IN OPERATING PROFIT
to R111 million

MINING

2% INCREASE IN REVENUE
to R2 494 million

Good recovery compared to H2 2017. Commodity cycle has turned.

21% INCREASE IN OPERATING PROFIT
to R337 million

CHEMICALS

7% INCREASE IN REVENUE
to R2 020 million

Depressed manufacturing sector. Some good product diversification through Protea Process™

(8%) DECREASE IN OPERATING PROFIT
to R65 million

SUMMARY CONSOLIDATED INCOME STATEMENT

for the six months ended 30 September 2017

Rm	Unaudited 6 months 30 Sep 2017	Restated unaudited 6 months 30 Sep 2016	% change	Audited 12 months 31 Mar 2017
Revenue	**7 706**	7 947	(3)	16 269
Cost of sales	**(5 916)**	(6 475)	9	(12 802)
Gross profit	**1 790**	1 472	22	3 467
Distribution expenses	**(874)**	(771)	(13)	(1 551)
Administrative expenses	**(491)**	(408)	(20)	(998)
Net other operating income	**63**	118	(47)	122
Operating profit	**488**	411	19	1 040
Net finance expenses	**(90)**	(97)	7	(184)
Profit before taxation	**398**	314	27	856
Income tax expense	**(113)**	(90)	(26)	(264)
Profit for the period	**285**	224	27	592
Attributable to:				
Owners of Omnia Holdings Limited	**285**	221	29	593
Non-controlling interest	**–**	3	(100)	(1)
Profit for the period	**285**	224	27	592
Earnings per share from profit attributable to owners of Omnia Holdings Limited (cents)				
Basic earnings per share	**423**	329	29	885
Diluted earnings per share	**400**	310	29	823
Headline earnings per share	**420**	320	31	881
Diluted headline earnings per share	**397**	301	32	819

SUMMARY CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the six months ended 30 September 2017

Rm	Unaudited 6 months 30 Sep 2017	Restated unaudited 6 months 30 Sep 2016	% change	Audited 12 months 31 Mar 2017
Profit for the period	**285**	224	27	592
Other comprehensive income, net of tax:				
Currency translation difference	**35**	(276)	>100	(425)
Total comprehensive income for the period	**320**	(52)	>100	167
Total comprehensive income attributable to:				
Owners of Omnia Holdings Limited	**320**	(55)	>100	168
Non-controlling interest	**–**	3	(100)	(1)
	320	(52)	>100	167

SUMMARY CONSOLIDATED BALANCE SHEET
as at 30 September 2017

Rm	Unaudited 6 months 30 Sep 2017	Restated unaudited 6 months 30 Sep 2016	Audited 12 months 31 Mar 2017
ASSETS			
Non-current assets	**5 118**	4 722	5 009
Property, plant and equipment	**4 326**	4 041	4 283
Goodwill, intangible and other assets	**730**	606	645
Trade and other receivables	**53**	71	72
Deferred income tax assets	**9**	4	9
Current assets	**9 350**	8 831	7 755
Inventories	**4 453**	4 172	3 229
Trade and other receivables	**4 055**	3 979	3 096
Derivative financial instruments	**50**	4	55
Income tax assets	**105**	87	73
Cash and cash equivalents	**687**	589	1 302
Total assets	**14 468**	13 553	12 764
EQUITY			
Capital and reserves attributable to the owners of Omnia Holdings Limited	**7 750**	7 444	7 545
Stated capital	**1 589**	1 500	1 500
Treasury shares	**(120)**	(121)	(120)
Other reserves	**1 323**	1 521	1 367
Retained earnings	**4 958**	4 544	4 798
Non-controlling interest	**(3)**	(7)	(3)
Total equity	**7 747**	7 437	7 542
LIABILITIES			
Non-current liabilities	**829**	609	831
Deferred income tax liabilities	**563**	563	580
Trade payables and other liabilities	**119**	19	98
Debt	**147**	27	153
Current liabilities	**5 892**	5 507	4 391
Trade payables and other liabilities	**3 920**	3 377	3 324
Debt	**24**	23	19
Derivative financial instruments	**13**	46	8
Bank overdrafts	**1 935**	2 061	1 040
Total liabilities	**6 721**	6 116	5 222
Total equity and liabilities	**14 468**	13 553	12 764
Net debt/(cash)	**1 419**	1 522	(90)
Net asset value per share (rand)	**114**	111	113
Capital expenditure			
Depreciation	**180**	178	366
Amortisation	**24**	20	46
Incurred	**335**	281	817
Authorised and committed	**470**	142	301
Authorised but not contracted for	**796**	472	190

SUMMARY CONSOLIDATED CASH FLOW STATEMENT
for the six months ended 30 September 2017

Rm	Unaudited 6 months 30 Sep 2017	Restated unaudited 6 months 30 Sep 2016	Audited 12 months 31 Mar 2017
Cash generated from operations before working capital movement	**723**	509	1 138
(Utilised by)/generated from working capital	**(1 530)**	(1 619)	211
(Increase)/decrease in inventory	**(1 212)**	(388)	516
Increase in trade and other receivables	**(927)**	(1 049)	(135)
Increase/(decrease) in trade and other payables	**609**	(182)	(170)
Cash (utilised by)/generated from operations	**(807)**	(1 110)	1 349
Interest paid (net)	**(90)**	(97)	(195)
Taxation paid	**(162)**	(131)	(268)
Net cash (outflow)/inflow from operating activities	**(1 059)**	(1 338)	886
Cash outflow from investing activities	**(335)**	(271)	(772)
Purchase of property, plant and equipment	**(226)**	(225)	(696)
Proceeds on disposal of property, plant and equipment	**–**	10	38
Proceeds on disposal of goodwill, intangible and other assets	**–**	–	7
Additions to goodwill, intangible and other assets	**(109)**	(56)	(121)
Cash outflow from financing activities	**(126)**	(155)	(139)
Movement in Treasury shares	**–**	–	4
Debt (repaid)/raised	**(1)**	(32)	90
Dividends paid	**(125)**	(123)	(233)
Net decrease in cash and cash equivalents	**(1 520)**	(1 764)	(25)
Net cash and cash equivalents at beginning of period	**262**	310	310
Exchange rate movements on cash and cash equivalents	**10**	(18)	(23)
Net cash and cash equivalents at end of period	**(1 248)**	(1 472)	262

SUMMARY CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the six months ended 30 September 2017

Rm	Attributable to the owners of Omnia Holdings Limited					
	Stated capital	Treasury shares	Other reserves	Retained earnings	Non-controlling interest	Total
At 31 March 2016 (audited – restated)	1 500	(121)	1 787	4 446	(10)	**7 602**
Recognised income and expense for the period:						
Profit for the period	–	–	–	221	3	**224**
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 – restated)	1 500	(121)	1 521	4 544	(7)	**7 437**
Total recognised income and expense for the period:						
Profit for the period	–	–	–	372	(4)	**368**
Currency translation difference	–	–	(149)	–	–	**(149)**
Non-controlling interest buyout	–	–	–	(8)	8	**–**
Transactions with shareholders:						
Ordinary dividends paid	–	–	–	(110)	–	**(110)**
Movement in Treasury shares	–	1	3	–	–	**4**
Share-based payment – value of services provided	–	–	(8)	–	–	**(8)**
At 31 March 2017 (audited)	**1 500**	**(120)**	**1 367**	**4 798**	**(3)**	**7 542**
Total recognised income and expense for the period:						
Profit for the period	–	–	–	285	–	**285**
Currency translation difference	–	–	35	–	–	**35**
Transactions with shareholders:						
Ordinary shares issued	89	–	(89)	–	–	**–**
Ordinary dividends paid	–	–	–	(125)	–	**(125)**
Share-based payment – value of services provided	–	–	10	–	–	**10**
At 30 September 2017 (unaudited)	**1 589**	**(120)**	**1 323**	**4 958**	**(3)**	**7 747**

SEGMENTAL ANALYSIS

for the six months ended 30 September 2017

Rm	Gross revenue 30 Sep 2017	Gross revenue 30 Sep 2016	Gross revenue 31 Mar 2017	Net revenue 30 Sep 2017	Net revenue 30 Sep 2016	Net revenue 31 Mar 2017
Agriculture division	**3 843**	4 333	9 373	**3 192**	3 606	8 159
Agriculture RSA	**2 279**	2 544	5 657	**1 632**	1 817	4 443
Agriculture Trading	**545**	808	1 331	**541**	808	1 331
Agriculture International	**1 019**	981	2 385	**1 019**	981	2 385
Mining division	**2 495**	2 455	4 383	**2 494**	2 453	4 378
Mining RSA	**1 025**	915	1 780	**1 024**	913	1 775
Mining International	**1 470**	1 540	2 603	**1 470**	1 540	2 603
Chemicals division	**2 023**	1 905	3 812	**2 020**	1 888	3 732
Chemicals RSA	**1 795**	1 764	3 552	**1 792**	1 747	3 472
Chemicals International	**228**	141	260	**228**	141	260
Head office and elimination	**(655)**	(746)	(1 299)	**–**	–	–
Total	**7 706**	7 947	16 269	**7 706**	7 947	16 269

Net revenue – excludes intercompany transactions and other items eliminated on consolidation.

Rm	Operating profit 30 Sep 2017	Operating profit* 30 Sep 2016	Operating profit 31 Mar 2017	Profit before taxation 30 Sep 2017	Profit before taxation* 30 Sep 2016	Profit before taxation 31 Mar 2017
Agriculture division	**111**	52	436	**78**	2	355
Agriculture RSA	**9**	2	255	**2**	(24)	204
Agriculture Trading	**8**	(35)	(10)	**2**	(50)	(14)
Agriculture International	**94**	85	191	**74**	76	165
Mining division	**337**	278	454	**329**	271	463
Mining RSA	**182**	108	152	**187**	114	163
Mining International	**155**	170	302	**142**	157	300
Chemicals division	**65**	71	143	**58**	66	125
Chemicals RSA	**36**	60	123	**32**	56	118
Chemicals International	**29**	11	20	**26**	10	7
Head office and elimination	**(25)**	10	7	**(67)**	(25)	(87)
Total	**488**	411	1 040	**398**	314	856

**Restated*

ADDITIONAL INFORMATION
for the six months ended 30 September 2017

000's	Unaudited 6 months 30 Sep 2017	Unaudited 6 months 30 Sep 2016	Audited 12 months 31 Mar 2017
Weighted average number of shares in issue	**67 312**	67 173	66 997
Weighted average number of diluted shares in issue	**71 194**	71 397	72 076
Number of shares in issue [1]	**67 900**	67 178	67 248

[1] *Excluding Treasury shares*

RECONCILIATION OF HEADLINE EARNINGS
for the six months ended 30 September 2017

Rm	Unaudited 6 months 30 Sep 2017	Restated unaudited 6 months 30 Sep 2016	Audited 12 months 31 Mar 2017
Profit for the period attributable to owners of Omnia Holdings Limited	**285**	221	593
Adjusted for:			
(Profit)/loss on disposal/impairment of property, plant and equipment	**(2)**	(6)	23
Profit on disposal of goodwill, intangibles and other assets	**–**	–	(7)
Insurance proceeds for replacement of property, plant and equipment	**–**	–	(19)
Headline earnings	**283**	215	590

OTHER RESERVES
as at 30 September 2017

Rm	Unaudited 6 months 30 Sep 2017	Unaudited 6 months 30 Sep 2016	Audited 12 months 31 Mar 2017
Foreign currency translation reserve	**1 265**	1 379	1 230
Share-based payment reserve	**34**	121	113
Gain on Treasury shares sold	**21**	18	21
Net discount arising on acquisition of shares of subsidiaries	**3**	3	3
	1 323	1 521	1 367

NOTES

BASIS OF PREPARATION

These summarised interim financial statements (interim results) have 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; Financial Pronouncements as issued by the Financial Reporting Standards Council; Presentation and Disclosures as required by IAS 34 *Interim Financial Reporting;* the Listings Requirements of JSE Limited and the requirements of the Companies Act of South Africa, Act 71 of 2008, as amended. The interim results do not include all the information required by IFRS for the full annual financial statements. The preparation of these interim results was supervised by the Group finance director, WG Koonin CA(SA).

The interim results 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 2017, unless otherwise stated.

The accounting standards, amendments to issued accounting standards and interpretations, which are not yet effective as at 30 September 2017, have not been adopted by the Group.

The Group has restated its financial results for the year ended 31 March 2017 in terms of IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors* due to an error in the prior period. As a result, the Group's profit for the six month period ended 30 September 2016 was reduced by R34 million (after tax), R47 million (before tax).

The directors take full responsibility for the preparation of these interim results and the results have not been reviewed or audited by the Group's auditors.

SEASONAL NATURE OF THE GROUP

The Group's interim results are impacted by the seasonal nature of the revenue cycle in the Agriculture division. In southern Africa, a large portion of fertilizer is purchased and utilised during the summer planting season which occurs from around September/October through to February. While other geographic areas have different planting seasons, this division's geographical concentration is approximately 62% in South Africa. The Group's main fertilizer production plant produces fertilizer product during the off-season period and therefore inventory will be substantially higher by half year (September) due to the stock build up compared to the full year (March), by which time the stock has been reduced through the full year sales cycle.

Based on the business cycle, the Group's peak funding coincides with the start of the planting season in September/October when fertilizer inventories are at the highest level in the 12 month cycle. This is reflected in the net debt levels at September compared to March.

CONTINGENT LIABILITIES

LEGAL PROCEEDINGS

The Group is involved in various legal proceedings. As proceedings progress, management make provision in respect of legal proceedings where appropriate. The litigation, current or pending, is not likely to have a material adverse effect on the Group and therefore no specific adjustments have been made in the half-year results.

GUARANTEES

Certain Group companies have guaranteed the fulfillment of various subsidiaries' obligations in terms of contractual agreements. The Group has guaranteed the borrowing facilities and banking arrangements of certain of its subsidiaries.

ENVIRONMENTAL PROVISIONS

The Group is continuously assessing the need and possible quantification of environmental provisions relating to its various sites.

POST BALANCE SHEET EVENTS

UMONGO PETROLEUM

All regulatory approvals, including the South African Competition Commission, Tanzanian Competition Commission and the South African Reserve Bank, have been received for the acquisition of a 90% interest in Umongo Petroleum. On this basis, the necessary approvals were received prior to the long stop date of 10 November 2017 as per the Sale and Purchase Agreement. Accordingly, the effective date of this acquisition will be 1 December 2017 and the results of Umongo Petroleum will be consolidated into the Group's results under the Chemicals division from this date.

FOSKOR LITIGATION MATTER

On 6 November 2017, the High Court of South Africa, Pretoria division, dismissed Foskor's appeal, with costs. Omnia has not yet recognised the benefit of a lower production cost following this award and will not do so until the legal process is finalised and the matter settled.

ADVANCED INITIATING SYSTEMS

In 2011 Omnia acquired a 65% interest in Advanced Initiating Systems (Pty) Limited (AIS), a blasting and explosives distribution and service business in Australia. In terms of a call option agreement, Omnia acquired the remaining 35% interest for A$4.4 million and the transaction was closed on 1 November 2017. The purchase consideration will be settled from cash resources. The results for AIS will continue to be reported under the Mining International segment. For the six month period to 30 September 2017, the mark-to-market of the option resulted in a R14 million charge to the income statement.

RESTATED SUMMARY CONSOLIDATED INCOME STATEMENT
for the six months ended 30 September 2016

Rm	Unaudited 30 Sep 2016	Adjustment[1]	Restated unaudited 30 Sep 2016
Revenue	7 947	–	7 947
Cost of sales	(6 428)	(47)	(6 475)
Gross profit	1 519	(47)	1 472
Distribution expenses	(771)	–	(771)
Administrative expenses	(408)	–	(408)
Net other operating income/(expenses)	118	–	118
Operating profit	458	(47)	411
Net finance expenses	(97)	–	(97)
Profit before taxation	361	(47)	314
Income tax expense	(103)	13	(90)
Profit for the period	258	(34)	224
Attributable to:			
Owners of Omnia Holdings Limited	255	(34)	221
Non-controlling interest	3	–	3
Profit for the period	258	(34)	224
Earnings per share from profit attributable to owners of Omnia Holdings Limited (cents)			
Basic earnings per share	380	(51)	329
Diluted earnings per share	357	(47)	310
Headline earnings per share	371	(51)	320
Diluted headline earnings per share	349	(48)	301

[1] *Refer to page 11 for details about the restatement of prior year financial results*

RESTATED SUMMARY CONSOLIDATED BALANCE SHEET
for the period ended 30 September 2016

Rm	Unaudited 30 Sep 2016	Adjustment[1]	Restated unaudited 30 Sep 2016
ASSETS			
Non-current assets	4 722	–	4 722
Current assets	8 925	(94)	8 831
Inventories	4 172	–	4 172
Trade and other receivables	4 109	(130)	3 979
Derivative financial instruments	4	–	4
Income tax asset	51	36	87
Cash and cash equivalent	589	–	589
Total assets	13 647	(94)	13 553
EQUITY			
Capital and reserves attributable to owners of Omnia holdings Limited	7 538	(94)	7 444
Stated capital	1 500	–	1 500
Treasury shares	(121)	–	(121)
Other reserves	1 521	–	1 521
Retained income	4 638	(94)	4 544
Non-controlling interest	(7)	–	(7)
Total equity	7 531	(94)	7 437
LIABILITIES			
Non-current liabilities	609	–	609
Current liabilities	5 507	–	5 507
Total liabilities	6 116	–	6 116
Total equity and liabilities	13 647	(94)	13 553

[1] *Refer to page 11 for details about the restatement of prior year financial results*

RESTATEMENT OF PRIOR YEAR'S RESULTS

For the financial year ended 31 March 2017, the prior year financial results were restated due to the Foskor litigation and the applicable accounting treatment under IAS 37 Provisions, Contingent Liabilities and Contingent Assets (IAS 37). At the time of presenting the financial results for 31 March 2017, Foskor's appeal in this matter was still pending and resulted in the decision to restate the year's results. The 31 March 2016 results were adjusted by R83 million (profit before tax) or R60 million (profit after tax). As a result, for comparative purposes, the results for the six month period ended 30 September 2016 were reduced by R47 million (profit before tax) or R34 million (profit after tax) to reflect the impact of this restatement.

On 6 November 2017, judgement was handed down in the High Court of South Africa, Pretoria division, in favour of Omnia and Foskor's appeal was dismissed, with costs. Although the outcome of the appeal was favourable for Omnia, no reversal of the previous amounts adjusted in terms of the restatement of the financial results, was recorded in the current six month period. Omnia continues to pursue the full settlement of this matter at which time any amount previously reversed from income, will be adjusted for. The net amount overcharged by Foskor of approximately R300 million has not been recorded and remains as a contingent asset as at 30 September 2017. This amount will continue to increase to the extent that Omnia is required to pay the higher price charged by Foskor, until such time that this matter has been finalised.

The Group estimates the current impact to be in the order of approximately R80 million (before tax) or R58 million (after tax) for a 12 month period.

COMMENTARY

The Group's performance for the first half of the 2018 financial year is in line with expectation, with the profit after tax increasing by 27% compared to the previous corresponding period. This increase was driven principally by the normalisation of the Agriculture Trading business following the losses on the large trade in Australia of R51 million in the prior period as well as a good recovery from the Mining division compared to the immediately preceding six months. Agriculture RSA was negatively impacted by the start of the summer planting season moving into the second half of the year, resulting in revenue declining by 10%.

Based on the restatement of the financial results for the year ended 31 March 2016, the comparative results for the corresponding prior period ended 30 September 2016 have been restated to reflect this adjustment.

Revenue declined by 3% despite top line growth in Fertilizer International and the Chemicals division, as well as marginal growth in the Mining division in a challenging environment. The gross profit margin improved from 18.5% to 23.2% due to the negative impact in the prior year of the losses on the Australian fertilizer trade and the NAP2 breakdown. Other income decreased in the current period by R55 million, due to the prior period insurance recovery (net of deductibles) for the NAP2 breakdown. Administration expenses increased by 20% driven by the costs associated with establishing various new contracts in the Mining division, various once-off transaction costs associated with acquisitions and share based payment revaluations. Distribution expenses increased by 13% based on increased transport costs in line with the increase in the oil price and exchange rate.

Operating profit in the Mining division increased by 21% underpinned by various initiatives implemented this year that improved earnings. The Agriculture division saw operating profit increase by 113% with an underlying 11% growth rate period-on-period in Agriculture International. The Chemicals division's operating profit decreased by 8% due to a once-off capital profit of R8.6 million on the disposal of a property in the prior corresponding period.

All the conditions precedent relating to the Umongo Petroleum acquisition, as announced on 11 May 2017, have been fulfilled and this transaction will be effective from 1 December 2017. No amounts are included in the current period results.

Subsequent to 30 September 2017, the Group's debt profile and facilities have been restructured to create a better split between short and long-term funding. Total borrowings were increased to fund the Umongo Petroleum acquisition, the construction project to build the nitrophosphate plant for the Agriculture division and other working capital requirements.

ECONOMIC ENVIRONMENTS

On a Group basis, approximately 63% (HY2017: 63%) of revenue is earned in South Africa. The remaining 37% is predominantly earned in Africa, Brazil and Australia.

The South African mining industry remains under significant pressure due to policy uncertainty and the prospect of changes to the Mining Charter. Although highly contentious, until such time as these matters are resolved it weighs heavily on investor sentiment and the future viability of the mining industry in South Africa.

Following two difficult years commencing in late 2014, the global mining industry appears to have bottomed out and has been gathering momentum in 2017. Over the last two quarters, growth has been underpinned by price and volume increases in various commodities. Similarly, mining volumes in South Africa have been increasing by approximately 1% per month over the past two quarters with improvements in volumes mined in coal, gold, iron ore and manganese.

For most of the country, except for the Western Cape that continues to experience drought conditions, the harsh drought conditions across South Africa and southern Africa were broken in early 2017 with widespread rains and dams refilling to near or at capacity. As a result, the agriculture sector recorded a record maize harvest in the 2016/17 season of 16.7 million tonnes which has resulted in depleted levels of fertilizer and minerals in the fields. Due to the excess maize produced both locally and abroad, the situation in South Africa is compromised by high stock levels and weak export demand. South African maize prices remain depressed at approximately R2 000 per tonne on SAFEX which compares to R4 500 per tonne at the peak of the drought two years ago. The low crop prices adds pressure to farming profitability which results in margin pressure on fertilizer sales. However, expected favourable farming conditions and generally higher soil moisture levels will increase the potential crop yields. This in turn should support fertilizer sales volumes, farming yields and the resultant profitability of farmers.

The ammonia:urea ratio has been volatile due to global supply and demand factors, however, on average has improved significantly from the levels experienced in prior years. In general terms, based on the procurement/production/sales cycle for fertilizer at the Sasolburg factory, the improved ammonia:urea ratio in the market will largely only reflect in improved margins in the second half of the year when the bulk of the sales are made. It is expected that improved ratio levels will persist due to fundamental changes in the supply and demand factors for ammonia and urea in international markets, largely supported by additional ammonia capacity in the USA.

South Africa's GDP, and in particular the manufacturing sector, has shown no sign of recovery in the six months under review nor the past few years. This continues to impact on the broader level of industrial activity in South Africa, resulting in flat to declining sales volumes of chemicals to the manufacturing sector. The rand:dollar exchange rate has been somewhat volatile closing at R13.52 on 30 September 2017 (R13.72: 30 September 2016). The average exchange rate for the six month period ended 30 September 2017 was R13.22 compared to R14.51 for the previous six month period.

FINANCIAL REVIEW

INCOME STATEMENT

Group revenue for the six month period decreased marginally to R7 706 million (HY2017 restated: R7 947 million) mainly due to the weaker performance in the Agriculture division where lower sales were as a result of the later start to the 2017/2018 summer planting season. Agriculture Trading's revenue was considerably lower in the current period but at profitable levels compared to the higher revenue in the prior period that included the large unprofitable trade in Australia.

Gross profit for the six month period increased by 21.6% to R1 790 million (HY2017 restated: R1 472 million), despite the marginal decrease in revenue. The gross margin percentage increased from 18.5% to 23.2%. The higher margin is mainly attributable to the Mining division, which continues to rebuild on the back of new contracts awarded and increased levels of mining activity, as well as the Agriculture division with increased sales of speciality and other fertilizer products outside South Africa. Agriculture RSA's gross margin increased primarily due to the normalisation of the prior period effect of the NAP2 breakdown. The Chemicals division's gross profit was marginally lower under difficult trading conditions as a result of subdued economic performance in South Africa partially offset by growth in the international business.

Distribution expenses for the six month period increased from R771 million to R874 million in the current year. This 13% increase is attributable to increased capacity in the Mining division in anticipation of new contracts as well as higher volumes and larger distribution areas in Agriculture International. The increased oil price and exchange rates also impacted these costs.

Administrative expenses for the six month period increased to R491 million (HY2017 restated: R408 million) representing a 20% increase when compared to the previous corresponding period. The main contributors to this increase are new contract establishment costs in the Mining division, acquisition related transaction costs and share based payment revaluations.

Net other operating income for the six month period decreased to R63 million (HY2017: R118 million) representing a R55 million decrease compared to the previous corresponding period. The prior period included R57 million insurance recovery (net of deductibles) from the NAP2 breakdown.

Operating profit for the six months of R488 million (HY2017 restated: R411 million) reflected a 19% increase. The **operating profit margin** was 6.3% compared to a 5.2% margin in the prior period. The Agriculture division increased its margin to 3.5% (HY2017: 1.4%) and the Mining division increased its margin to 13.5% (HY2017: 11.3%), while the Chemicals division's margin reduced to 3.2% (HY2017: 3.8%). Based on the seasonality of the Agriculture business, particularly in South Africa, the margin for the first half of the year is normally considerably lower than the expected margin for the full year.

Net finance expenses for the six month period of R90 million was down marginally compared to R97 million for 30 September 2016, predominantly due to a slight decrease in average borrowing rates and a reduction in average borrowings for the period.

Taxation for the six month period increased to R113 million (HY2017 restated: R90 million) representing a 26% or R23 million increase for the period, in line with the increase in profit before tax. The **effective tax rate** of 28.4% (HY2017 restated: 28.7%) was marginally lower than the prior period.

Profit for the period increased by 27% to R285 million compared to R224 million for 30 September 2016 (restated).

Total comprehensive income was higher for the period with income of R320 million (HY2017 restated: R52 million loss), due to the large prior period currency translation loss not being repeated in the current year.

Headline earnings per share of R4.20 (HY2017 restated: R3.20) was up 31% compared to the previous corresponding period.

BALANCE SHEET

The balance sheet continues to strengthen with **total assets** increasing by 7% or R915 million to R14 468 million (HY2017 restated: R13 553 million). The increase in **current assets** of R519 million was largely attributable to the following: a R281 million increase in inventories, a R98 million increase in cash and cash equivalents and a R76 million increase in trade and other receivables. In line with the Group's expansionary strategy, the majority of the increase in inventory is attributable to the international business units as well as the delayed summer planting season in the Agriculture division.

The net increase in **non-current assets** of R396 million is largely attributable to capital expenditure of R335 million (HY2017: R281 million) based on planned capital projects being offset by depreciation and amortisation charges of R204 million (HY2017: R198 million). A total of R22 million has been spent on the new nitrophosphate plant construction during the six month period under review and R66 million on a cumulative basis since the project commenced.

Total liabilities at period end were R6 721 million (HY2017: R6 116 million), representing a R605 million or 10% increase. **Current liabilities** increased by R385 million or 7% to R5 892 million (HY2017: R5 507 million), with the current trade payables and other liabilities component increasing by R543 million to R3 920 million (HY2017: R3 377 million) which was offset by a decrease in gross bank overdrafts to R1 935 million from R2 061 million for the comparable period.

Non-current liabilities increased by R220 million to R829 million (HY2017: R609 million), with the increase in long-term debt amounting to R120 million and an increase in trade payables and other liabilities of R100 million. The increase in the long-term debt was due to the introduction of low interest rate funding to back the financial assistance extended to emerging farmers and the increase in trade payables and other liabilities relates to higher share based payment liabilities and deferred revenue.

Net debt decreased by R103 million to R1 419 million for HY2018 (R1 522 million for HY2017) from the comparable period due to timing differences on working capital items.

Total equity increased to R7 747 million (HY2017 restated: R7 437 million). **Stated capital** increased by R89 million due to the issuance of 652 328 new ordinary shares to settle the vested portion of the Sakhile 2 share scheme. The remaining portions of the Sakhile 2 share scheme are scheduled to vest until 2024.

CASHFLOW STATEMENT

Cash flow utilised by operations for the six month period decreased by R303 million to R807 million (HY2017 restated: R1 110 million). This was mainly attributable to lower net working capital requirements and higher profitability.

Cash outflow from investing activities for the six month period was R335 million (HY2017: R271 million), which includes the costs capitalised in terms of the Microsoft AX Dynamics ERP implementation project that are reflected as intangible assets on the balance sheet.

Cash outflow from financing activities for the six month period of R126 million (HY2017: R155 million) was lower due to the reduction in repayment of debt.

DIVISIONAL REVIEW

AGRICULTURE

Omnia's Agriculture division comprises of Fertilizer RSA, Fertilizer International and Agriculture Trading and is a market leader in its field in South Africa and southern Africa.

The Agriculture division's revenue decreased by 11% to R3 192 million (HY2017: R3 606 million) despite 4% growth in Agriculture International driven primarily by speciality products. Agriculture RSA's revenue reduced by 10% due to lower volumes as a result of the timing of the planting season in the summer rain regions and the continued drought in the Western Cape. **Agriculture Trading's** revenue was down 33% predominantly due to the large unprofitable fertilizer trade in Australia in the prior period, lower maize prices and increased competition in the period under review.

The operating margin of 3.5% is higher than the previous period's margin of 1.4% (March 2017: 5.4%). Due to the seasonality of this business, the profit from the summer rain regions in southern Africa is only earned in the second half of the year. The 210 basis point period-on-period increase in the operating margin was largely attributable to the normalisation of the Trading business although partially hampered by the impact of low food commodity prices on farmers and increased competition.

Agriculture RSA's marginal operating profit of R9 million (HY2017: R2 million) was underpinned by improved hedging strategies against the movement in the rand against the US dollar, good production throughput and early benefits from the improved ammonia:urea ratio, offset by lower volumes following a later summer planting season. Fertilizer demand remained strong after period end, where volumes delivered increased considerably with the onset of the summer rains.

Agriculture International showed good growth in humates sales in Australia and Brazil, with seasonal sales in other businesses only expected to pick up in the next couple of months.

Overall, this resulted in the current year's operating profits increasing by 113% to R111 million (HY2017: R52 million).

MINING

Omnia's Mining division services the mining industry through BME and Protea Mining Chemicals.

The Mining division's subdued revenue growth of 2% to R2 494 million (HY2017: R2 453 million) was driven by the global impact of lower international ammonia prices as well as the delayed start-up of certain contracts and the end of life terminations of other contracts that were not renewed or extended. This was offset in part by increased sales volumes of non-electric detonators (Megadet™) as a result of a larger customer base. Revenue compared to the immediately preceding six months increased by 30% which is evident of a good recovery.

The operating profit of R337 million (HY2017: R278 million) was at an operating margin of 13.5% (HY2017: 11.3%), which increased period-on-period by 220 basis points from the previous comparative period. Although negative pricing pressure was experienced, a concerted effort was made to minimise product and transport costs on a unit basis, which contributed to this achievement partially offset by the establishment costs associated with new contracts in South Africa, Africa and abroad.

CHEMICALS

The Chemicals division's main business is Protea Chemicals.

Revenue increased by 7% to R2 020 million (HY2017: R1 888 million), with a 3% increase in volumes being sold, driven predominantly by Chemicals International and the inclusion of new service lines. Overall, Protea Chemicals achieved a small increase in average selling prices largely hindered by limited economic growth in South Africa.

Operating profit decreased by 8% to R65 million (HY2017: R71 million) and the operating margin decreased by 60 basis points to 3.2% (HY2017: 3.8%). The prior period included once off capital profits of R8.6 million relating to the sale of a property and tax incentive claims. Excluding these items, Chemicals reported a flat performance period-on-period underpinned by a poor economic environment. Although there were pockets of growth and increased value extraction specifically in the Exports, Water and Customer Care businesses, this was not sufficient to offset the margin pressure in other parts of the business.

PROSPECTS

The outlook on profitability for **Agriculture** customers remains a concern due to low crop prices driven by excess local production of maize and low crop prices. On a regional basis, the prolonged drought in the Western Cape had a limited impact on our business for the six month period. Production at the Sasolburg factory continues to improve after the breakdown experienced in the previous financial year and the increased demand for explosives and fertilizer in the current period has driven down the unit cost of production. Fertilizer stock levels are in accordance with plan and the business is well placed to service customers in the 2017/18 planting cycle. The rainfall season in South Africa and southern Africa is expected to remain at normal levels and growth in the International Agriculture business is expected to continue. The improved ammonia:urea ratio will support margins for the second half of the year, however, somewhat offset by margin pressure due to the impact of low crop prices on farming customers.

The **Mining division** continues to monitor the near and long-term impact of the proposed Mining Charter in South Africa. The focus remains on growing the current business and expanding the footprint outside of South Africa. Pricing pressure from mining customers is expected to continue, as many set themselves aggressive cash cost targets in order to survive in a challenging environment. The weak rand bodes well for the mining sector and Omnia at this time. The division continues its focus on growing the electronic detonators (AXXIS™) business, especially in international markets.

The **Chemicals division** continues to work hard in maintaining its position in a challenging market characterised by limited to zero growth in the South African manufacturing sector and the ongoing decline in the mining sector. The strategy to divert the division's marketing and sales efforts away from South Africa into Africa and the diversification of products and services has started to produce encouraging results. The recent uptick in the price of crude oil will create some price inflation for oil derivative products.

The Group wishes to retain its guidance given in March 2017 for operating profit margins as it pertains to the outlook for the 2018 financial year, excluding any impact of the Umongo Petroleum acquisition from 1 December 2017. The guidance for Agriculture is 6.0% – 8.0%, Mining is 12.0% – 14.0% and Chemicals is 3.0% – 5.0%.

The Group's balance sheet remains robust and will change over the next six to 12 months while additional debt is incurred to fund the acquisition, construction of the nitrophosphate plant and additional working capital requirements. The Group has sufficient borrowing capacity and headroom to fund the business and overall gearing and debt covenants are expected to remain at acceptable levels.

DIVIDENDS

The board has declared an interim gross cash dividend of **200 cents** (HY2017: 160 cents) per ordinary share payable out of income in respect of the six month period ended 30 September 2017. The number of ordinary shares in issue at the date of this declaration is 68 945 680 (including 1 045 385 Treasury shares held by the Group). The gross dividend is subject to local dividends tax of 20% (HY2017: 15%) for those shareholders to which local dividends tax is applicable. The resultant net dividend amount is **160 cents** per share for those shareholders subject to local dividends tax and **200 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, 9 January 2018
Shares trade ex-dividend	Wednesday, 10 January 2018
Record date	Friday, 12 January 2018
Payment date	Monday, 15 January 2018

Share certificates may not be dematerialised or rematerialised between Wednesday, 10 January 2018 and Friday, 12 January 2018, both dates inclusive.

CHANGES TO THE BOARD AND COMPANY SECRETARY

Since year end, the following changes have been made to the composition of the board and company secretary:

- RB Humphris retired as Group managing director on 31 May 2017 and was replaced by AJ De Lange who was appointed as Group managing director on 1 June 2017
- NJ Crosse retired from the board and as non-executive chairman on 31 May 2017 and was replaced by RB Humphris who was appointed as non-executive chairman of the board on 1 June 2017
- CD Appollis resigned as the Group's company secretary effective 30 November 2017

RB Humphris
Chairman

AJ De Lange
Group managing director

WG Koonin
Group finance director

28 November 2017

BACKGROUND INFORMATION

Omnia is a diversified provider of specialised chemical 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 30 countries and its operations extend into 22 countries on the Africa continent, including South Africa, with additional focused operations in Australasia, Brazil and China. Omnia differentiates itself from commodity chemical providers by adding value at every stage of the supply and service chain, through technological innovation and deploying the Group'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 also enables 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. Omnia continues to offer extraordinary value to the Group's customers by tailoring unique solutions to their business needs through product and service innovation, with the expert application thereof.

UMONGO PETROLEUM

Umongo Petroleum is a market leading business which is complementary to Protea Chemicals and which will contribute to its product and market strategy. The addition of a bulk volume base oil, additive and lubricant business to the Chemicals division, will broaden its current product offering and create new opportunities to grow the business in South Africa and sub-Saharan Africa.

Executive Directors: AJ De Lange (Group managing director), WG Koonin (Group finance director)

Non-executive Directors: RB Humphris (Chairman), Prof N Binedell, RC Bowen (British), FD Butler, TNM Eboka, R Havenstein, HH Hickey, Dr WT Marais, HP Marais (alternate), SW Mncwango, D Naidoo

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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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