



Airports Company South Africa Limited and its subsidiaries

UNAUDITED INTERIM RESULTS FOR THE HALF YEAR ENDED 30 SEPTEMBER 2001

CONSOLIDATED INCOME STATEMENT

FOR THE HALF YEAR ENDED 30 SEPTEMBER 2001

	Unaudited 30 Sep 01 R'000	Unaudited 30 Sep 00 R'000	Audited 31 Mar 01 R'000
Revenue	639 236	552 849	1 152 871
Other operating income	4 663	1 578	5 084
Operating expenses	(326 577)	(287 595)	(614 145)
Operating profit	317 322	266 832	543 810
Financing costs	(1 978)	(5 478)	(6 650)
Profit before tax	315 344	261 354	537 160
Taxation	(103 427)	(81 027)	(183 050)
Net profit after tax	211 917	180 327	354 110
Minority interest	(1 142)	(241)	(620)
Net profit	210 775	180 086	353 490
Earnings per share (cents)	42.15	35.98	70.70
Headline earnings per share (cents)	41.51	35.98	69.80
Dividend per share (cents)	-	-	21.00

CONSOLIDATED BALANCE SHEET

AS AT 30 SEPTEMBER 2001

	Unaudited 30 Sep 01 R'000	Unaudited 30 Sep 00 R'000	Audited 31 Mar 01 R'000
ASSETS			
Non-current assets			
Property, plant and equipment	2 594 919	2 119 495	2 451 487
Investments	103 949	103 949	103 949
Goodwill	1 211	1 290	1 251
Deferred expenditure	50 464	-	56 030
Deferred taxation	154	1 433	-
	2 750 697	2 226 167	2 612 717
Current assets			
Inventories	124	-	147
Receivables and prepayments	147 347	121 467	159 388
Cash and cash equivalents	54 687	368 500	192 750
	202 158	489 967	352 285
TOTAL ASSETS	2 952 855	2 716 134	2 965 002
EQUITY AND LIABILITIES			
Capital and reserves			
Capital and share premium	750 000	750 000	750 000
Retained earnings and reserves	1 441 257	1 162 078	1 230 482
	2 191 257	1 912 078	1 980 482
Minority interest	4 746	3 225	3 604
Non-current liabilities			
Long term borrowings	290 208	438 521	322 092
Debentures	6 000	6 000	6 000
Deferred tax liabilities	39 911	11	38 966
Retirement benefit obligations	14 670	12 120	13 820
Deferred income	40 148	-	44 794
	390 937	456 652	425 672
Current liabilities			
Trade and other payables	278 165	217 308	313 742
Bank overdraft	47	-	73 656
Current tax liabilities	23 115	13 580	1 860
Current portion of borrowings	64 588	110 060	60 986
Ordinary dividend declared	-	3 231	105 000
	365 915	344 179	555 244
TOTAL LIABILITIES	756 852	800 831	980 916
TOTAL EQUITY AND LIABILITIES	2 952 855	2 716 134	2 965 002

BOARD OF DIRECTORS Mashudu Ramano (Chairman), Monhla Hlahla (Managing Director)
 Carmine Bassetti*, Andrea Belardini*, Emelio Giordano*, Nolulamo Gwagwa,
 Mafahle Mareletse, Siphon Sithole, Franklin Sonn and Brian M Stocks. * Italian * Executive
 EXECUTIVE COMMITTEE Monhla Hlahla (Managing Director), Carmine Bassetti*, Deon Cloete,
 Dino Colbert, Piet de Jager, Monwabisi Kalawe, Charmaine Lodewyk, Rory Mackey,
 Mafahle Mareletse, Bongani Maseko, Juliana Morudu, Vernon Naidoo (Company Secretary),
 Paul O'Sullivan and Siva Pillay. * Italian

BUSINESS REVIEW

REVIEW OF OPERATING RESULTS

The Directors of Airports Company South Africa Limited take pleasure in reporting a good financial performance for the six months to 30 September 2001.

Revenue for the six month period increased by 15.6% to R639 million which consisted of 54% aeronautical and 46% non-aeronautical revenue. Operating profit increased by 19% to R317 million.

Passenger volumes are under pressure and had shown a slight decline when compared to the same period last year which is mainly due to a decrease of 1.4% in domestic passenger volumes. International and regional passenger volumes have increased by 3.5% and 5.3% respectively.

Aircraft landings increased overall by 6.2% year on year with domestic and international showing a growth of 4.2% and 2.4% respectively whilst regional landings reduced by 3.2%.

Retail revenue increased by 17% mainly due to the full year's operation of the new international duty free mall at Johannesburg International Airport and additional retail outlets in the new international arrivals terminal at Cape Town International Airport.

The property revenues showed an improvement of 30.5% over last year. This is attributable to the completion of a number of property developments namely the SA Post Office mail distribution centre, the perishable cargo facility at Johannesburg International Airport and the Pick 'n Pay warehouse facility at Cape Town International Airport.

Operating expenditure, excluding depreciation, increased by 12% over the previous year.

During the period under review projects valued in excess of R130 million have been completed. The most significant being the total reconfiguration of all the terminals at Durban International Airport including the provision of additional covered parking. Other small projects to be completed are the new British Airways Arrivals lounge and the new Bomb Chamber and Remote Fire Station at Johannesburg International Airport.

Several new infrastructure projects valued in excess of R325 million were also initiated during this period. These include, at Johannesburg International Airport, the extension (1 200 bays) to the multi-storey parkade, the arrivals and departures pier for the new domestic terminal as well as the extension of taxiways. At Cape Town work commenced on the new International Departures Terminal as well as the widening of the main taxiway system.

The company will continue to utilise its existing medium and long term borrowing facilities to fund capital expenditure programmes together with retained earnings.

ACCOUNTING POLICIES

The accounting policies and methods of computation applied, are consistent with those applied in the financial statements for the year ended 31 March 2001 and are in compliance with Statements of Generally Accepted Accounting Practice.

CORPORATE GOVERNANCE

The directors have satisfied themselves that locally recognised principles of corporate governance, and in particular the code of corporate practice and conduct recommended in the first King report, were applied throughout the period under review. Additional governance recommendations are being considered as set out in the second King report.

DIRECTORATE CHANGES

Monhla Hlahla has been appointed as Chief Executive Officer with effect from 1 November 2001.

PROSPECTS

The reduced passenger numbers experienced to date are expected to continue and air traffic movements are under pressure due to the instability in the global aviation sector, in general. The effect of "September 11th" is expected to negatively influence growth in air travel.

Consequently, retail revenue is also expected to be influenced by the lower passenger volumes.

Projects still to be commenced before the end of this financial year include, at Johannesburg, the International Viewing Deck, expansion of Charlie Apron as well as upgrading and replacement of old lifts and escalators. Port Elizabeth Airport will also commence with its upgrade programme this year.

For and on behalf of the Board

M E RAMANO
Chairman

M W HLAHLA
Managing Director



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital R'000	Share premium R'000	Retained earnings R'000	Total R'000
Balance at 1 April 2000	500 000	250 000	981 992	1 731 992
Net profit	-	-	353 490	353 490
Dividends	-	-	(105 000)	(105 000)
Balance at 31 March 2001	500 000	250 000	1 230 482	1 980 482
Balance at 1 April 2001	500 000	250 000	1 230 482	1 980 482
Net profit	-	-	210 775	210 775
Dividends	-	-	-	-
Balance at 30 September 2001	500 000	250 000	1 441 257	2 191 257

PASSENGER AND AIR TRAFFIC MOVEMENTS

	Unaudited 30 Sep 01	Unaudited 30 Sep 00	Audited 31 Mar 01
Departing passengers			
International	1 453 762	1 404 961	2 877 185
Domestic	3 373 655	3 421 431	6 903 680
Regional	146 467	139 117	266 569
Non-scheduled	26 101	36 758	75 597
	4 999 985	5 002 267	10 123 031
Aircraft landings			
International	9 954	9 725	19 852
Domestic	58 878	56 516	112 385
Regional	5 172	5 341	10 614
Non-scheduled	29 385	25 784	54 143
	103 389	97 366	196 994

CONSOLIDATED CASH FLOW STATEMENT

FOR THE HALF YEAR ENDED 30 SEPTEMBER 2001

	Unaudited 30 Sep 01 R'000	Unaudited 30 Sep 00 R'000	Audited 31 Mar 01 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts from customers	651 277	542 736	1 104 837
Cash paid to suppliers and employees	(309 157)	(330 673)	(482 525)
Cash generated from operations	342 120	212 063	622 312
Interest received	4 110	14 033	25 493
Interest paid less capitalised	(15 074)	(19 511)	(48 943)
Dividends received	9 169	4 717	16 800
Dividends paid	(105 000)	(64 769)	(68 000)
Taxation paid	(82 427)	(89 016)	(162 371)
Net cash inflow from operating activities	152 898	57 517	385 291
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds on disposal of property, plant and equipment	138	469	1 087
Proceeds on assets disposed under sale and lease back arrangement	-	-	201 965
Premium paid on financing of loan	-	-	(65 240)
Additions to property and equipment under sale and lease back arrangement	-	-	(201 965)
Additions to property, plant and equipment	(189 208)	(182 641)	(529 697)
Net cash outflow from operating activities	(189 070)	(182 172)	(593 850)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/ (decrease) in long term borrowings	(28 282)	505 834	340 332
Net cash inflow from financing activities	(28 282)	505 834	340 332
Net decrease in cash and cash equivalents	(64 454)	381 179	131 773
At start off interim period	119 094	(12 679)	(12 679)
At end of interim period	54 640	368 500	119 094

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