

SHAFT SINKERS

Interim Report for the 6 months ended 30 June 2011

SHAFT
SINKERS





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Financial Highlights

Revenue up 40% compared with previous period

Gross margins improved to 17%

EPS before one-off items increased by 220%

Strong balance sheet with GBP7.2 million net cash

Maiden dividend declared of 2.4p per share

Financials

	H1 2011	H1 2010	Change
Revenue	GBP 112.3m	GBP 80.0m	+ 40%
Gross profit	GBP 19.1m	GBP10.7m	+79%
Profit from operations before one-off items ¹	GBP 9.5m	GBP 6.5m	+46%
Statutory profit from operations	GBP 7.2m	GBP 10.3m	-31%
Profit before income tax and one-off items ¹	GBP 8.5m	GBP 5.6m	+52%
Statutory profit before income tax	GBP 6.2m	GBP 9.4m	-34%
Basic earnings per share before one-off items ^{1*}	12.0p	3.7p	+220%
Statutory basic earnings per share*	8.5p	15.8p	-46%
Dividend per share	2.4p	-	-
Net cash / (debt)	GBP 7.2m	GBP (7.6)m	

(1) One-off items comprise a GBP2.3 million IPO bonus charge in H1 2011 and GBP3.8 million contract settlement income in H1 2010

* Earnings per share are based on 47.5 million shares (H1 2011) and 22.8 million shares (H1 2010).

Chief Executive Officer's Statement



ON BEHALF OF THE BOARD, I AM PLEASED TO REPORT THAT SHAFT SINKERS CONTINUES TO MAKE GOOD PROGRESS AND WE CONTINUE TO DELIVER ON OUR OPERATIONAL AND BUSINESS PLANS. IN GBP TERMS REVENUE INCREASED BY 40% TO GBP112.3 MILLION FROM THE COMPARATIVE PERIOD IN 2010, AND GROSS MARGINS REACHED 17.0%, A SIGNIFICANT IMPROVEMENT ON THE 13.3% ACHIEVED FOR THE COMPARABLE PERIOD LAST YEAR. PROFIT FROM OPERATIONS BEFORE TAKING INTO CONSIDERATION IPO BONUS AND LAST YEAR'S CONTRACT SETTLEMENT, INCREASED BY 46% AND ON THE SAME BASIS EARNINGS PER SHARE INCREASED BY 220%. OUR GROUP CASH POSITION ALSO REMAINS HEALTHY, WITH NET CASH AND CASH EQUIVALENTS OF GBP7.2 MILLION AT 30 JUNE 2011.

The revenue increase of 40% in GBP terms principally reflects the commencement of work on the major Styldrift project in H2 2010 together with a number of smaller projects and project extensions. Overall margins have also improved to satisfactory levels.

Profit from operations before one-off items rose by 46% over the comparative period to GBP9.5 million. In H1 2011, one-off items comprised the GBP2.3 million first tranche of the IPO bonus paid and in H1 2010 a GBP3.8 million contract settlement was received. After one-off items profit from operations for H1 2011 was GBP7.2 million (H1 2010: GBP10.3 million).

Basic earnings per share before one-off items rose 220% to 12.0p (H1 2010: 3.7p). After one-off items earnings per share were 8.5p (H1 2010: 15.8p).

Capital expenditure has been in line with budget and increased debtors figures are offset by an increase in revenue received in advance from clients. The Group retained a strong cash position at 30 June 2011 with net cash of GBP7.2 million (31 December 2010: GBP11.1 million).

We are also pleased to report that, as indicated at the time of our IPO, the Board has today declared our maiden interim dividend of 2.4p per share. This will be payable on 7 October 2011 to shareholders on the register at the close of business on 9 September 2011.

South African Operations

Overall we remain in a strong position in this, our major geographical segment.

When we provided our last update in May, standing time at Impala 16 and 17 had impacted margins. At Impala 16, the project is progressing to plan, albeit at low rates, and operational performance is steadily improving. The contract is now operating at near breakeven, and we continue to expect improved profitability levels once the equipping phase commences. The Impala 17 project is also now meeting expectations.

At Lonmin's Karee 3 shaft, the unfortunate fatality of Rafael Macamo reported earlier in the year reduced project activity due to the need to halt production for two days in accordance with safety procedures and regulations. The project was also affected by strike action on the part of the client's employees, which had an indirect effect on Shaft Sinkers' labour complement. The project is now returning to normal operations.

At the Styldrift project with Anglo Platinum and the Royal Bafokeng Nation, production is marginally behind schedule as a result of delays in civil construction by other contractors. The pre-sink changeover has now been completed and the main sink has commenced.

The Group's other projects are all making good progress, including the Moab project with Anglo Gold Ashanti and the Bokfontein project with Herculite Ferrochrome.



International Operations

We reported in May that the Eurochem project in Russia was progressing more slowly than anticipated due to adverse ground conditions. Whilst it remains approximately eight months behind the original schedule we continue to make progress, working closely with the client, with whom we maintain a strong relationship. The difficult ground conditions at Eurochem, as disclosed in our interim management statement of 19th of May, have continued due to the extremely fine grained and inhomogeneous water-logged unconsolidated sands encountered. As a result, the grouting operation is taking longer to consolidate this layer than originally expected and is likely to impose further delays. We are currently in discussions with the client to amend the contract in order to align the contractual terms with the physical conditions encountered.

At the Indian project Teesta, profits and production are now set to taper off as the project draws to a conclusion.

Safety

As announced in April we suffered one fatality in the period under review, which was deeply regrettable. The outcome of the investigation by the DMR is still awaited. Additional counter measures have been implemented to try and prevent similar accidents from occurring. Safety remains of paramount importance and the Group continues to strive for zero harm and overall we are seeing an improvement in our safety statistics thanks to a reinvigorated effort by our SHEQT department. All leading safety indicators show a marked improvement on last year and are in line with industry standards. We have recently been awarded the South African Mine Managers Safety Award for the best contractor to the South African industry for the second year in succession.

Black Economic Empowerment

After a successful Black Economic Empowerment transaction with its former shareholders, our South African subsidiary remains compliant in

terms of the Department of Trade and Industry's scorecard with a level 6 contributor score. Looking forward, the Group is considering creating a broad based Black Economic Empowerment opportunity for part of its labour force. This is in line with management's strategy to create additional incentives for a particular category of its workforce and which will enhance its B-BBEE credentials when pursuing new South African opportunities.

Board Changes

In July, Rob Schroder, Chief Operating Officer, tendered his resignation from the Group for personal reasons and steps down as a Director on 31 August 2011. The Board would like to record its appreciation for his contribution and dedication to Shaft Sinkers during the past seven years.

People

We wish to thank all the loyal staff at Shaft Sinkers who have dedicated their careers to our Group and who continue to produce the excellent results we are seeing. We are in a growth phase and it is indeed rewarding to see the team spirit and camaraderie amongst our people.

Outlook

The Group remains in a strong position and is on track to meet expectations for the full year. The outlook for the next 12 months is positive and there are a significant number of tender inquiries and requests for quotes.

The general global economic climate notwithstanding, the Group is aware of a significant pipeline of potential projects over the next 12 to 18 months especially in India, Russia and the former CIS. With Shaft Sinkers accumulating significant experience in those regions we are confident that these regions will continue to present opportunities for the Group.

Alon Davidov
Chief Executive Officer

Financial Review



Introduction

In the first six months of 2011, a number of factors have affected the results of the Group including:

- the award of the Styldrifft project in September 2010;
- the inclusion in H1 2010 of one-off income of GBP3.8 million in respect of a contract settlement;
- the inclusion in H1 2010 of one-off income of GBP3.8 million in respect of a contract settlement;
- higher depreciation charges of GBP5.3 million compared to GBP3.0 million in 2010
- IPO bonuses paid to key staff in H1 2011 amounting to GBP2.3 million.

The overall financial results benefited slightly from the strengthening of the ZAR against the GBP over the period. The average exchange rate of the ZAR to the GBP in the first six months of 2011 was 11.1041 compared to 11.518 in H1 2010. This strengthening had the effect of increasing revenues by GBP4.0 million and profit before income tax by GBP0.2 million.

Basis of preparation

The financial information presented has been prepared on a basis consistent with and using the same accounting policies which will be used in the preparation of the financial statements for the 2011 financial year end. There have been no changes in accounting policy or new standards applied which have had an effect on reported performance in comparison to the prior periods.

Analysis of results

Revenues grew by 40% in GBP terms to GBP112.3 million in H1 2011 compared with GBP80.0 million in H1 2010.

These increases were due to the commencement of the Styldrifft project in H2 2010, the Impala 16 shaft equipping contract in H2 2010, and an extension to the Impala 17 Fridge shaft in February 2011, the commissioning of the winder at the Eurochem project, and the recognition of claims for work previously performed on the Impala 16 and 17 projects.

Gross profit grew by 79% in GBP terms to GBP19.1 million in H1 2011 compared with GBP10.7 million in H1 2010. Gross profit margins increased to 17.0% in H1 2011 compared to 13.3% for H1 2010 and 15.9% for FY 2010. This improvement reflects various factors such as:

- the lower billing of costs on the Eurochem project, having passed the initial capital procurement cycle of the project while the monthly fee is fixed in USD terms;
- higher margins at the Teesta project in India due to deferred revenue being brought into account following commissioning of the winders;
- improved results at the Impala 16 and 17 shafts where we had previously experienced some technical set-backs related to ropes and client-supplied winders;
- a depressed gross profit margin in H1 2010 due to an over-recovery within direct costs of indirect engineering overheads.



Operating expenses in H1 2011 showed a significant increase of GBP6.1 million by comparison to H1 2010. This can be explained broadly by the following factors:

- overheads increased in line with management's expectations relative to the additional contract revenues generated. Inflation in South Africa, where 83% of the Group's revenues are generated, was running at an average annualised rate of 4.2% in H1 2011 a higher recovery of indirect engineering overheads in H1 2010, resulting in lower operating expenses in H1 2010 of some GBP4.0 million less than in H1 2011;
- H1 2010 included profit on disposal of equipment of GBP0.8 million;
- the introduction of a LTIP for executive management following the listing of the Group in December 2010 leading to a non-cash charge in H1 2011 of GBP0.4 million, and;
- additional ongoing expenses of GBP0.4 million as a listed company.

A one-off item for IPO bonuses as was disclosed in the Prospectus and which are payable in two equal tranches in June and December of 2011 amounted to GBP2.3 million. A similar amount is expected to be paid in December 2011 and charged in H2 2011.

Profit from operations before one-off items rose by 46% in GBP terms to GBP9.5 million in H1 2011 compared with GBP6.5 million in H1 2010. One-off items comprised the GBP2.3 million first tranche of the IPO bonus in H1 2011 and in the comparative period a GBP3.8 million contract settlement. After one-off items profit from operations for H1 2011 was GBP7.2 million (H1 2010: GBP10.3 million).

Net finance expenses showed a modest increase in GBP terms of 6% compared to H1 2010.

Despite the higher level of interest bearing debt of GBP20.7 million compared to GBP13.6 million in H1 2010, the Group held cash equivalents of GBP27.9 million compared to GBP5.9 million in H1 2010. Approximately half of the Group's cash is held on deposit in GBP and USD.

Profit before income tax and before one-off items rose by 52% in GBP terms to GBP8.5 million in H1 2011 compared with GBP5.6 million in H1 2010. After one-off items profit before income tax for H1 2011 was GBP6.2 million (H1 2010: GBP9.4 million).

Reported income tax for the period increased to an effective rate of 35% in H1 2011 compared to 29.2% in H1 2010. This was due mainly to the payment of dividends from the South African operations to the holding company in the Isle of Man. Dividends from South Africa suffer a 10% tax on dividends.

Basic earnings per share before one-off items rose 220% in GBP terms to 12.0p in H1 2011 compared with 3.7p in H1 2010. After one-off items basic earnings per share for H1 2011 were 8.5p (H1 2010: 15.8p). Earnings per share for H1 2011 were based on the 47.5 million shares in issue following the listing of the Company in December 2010 while earnings per share for the comparative period were based on the 22.8 million shares attributable to the then controlling shareholder (IMR).

Earnings attributable to the owners of the Company increased by 12% from GBP3.6 million to GBP4.0 million, this was after taking into consideration the exceptional IPO bonus of GBP2.3 million paid in H1 2011.



EBITDA

Earnings before interest, tax and depreciation before one-off items increased 56% in GBP terms to GBP14.8 million compared to GBP9.5 million in H1 2010. After one-off items earnings before interest, tax and depreciation were GBP12.5 million in H1 2011 compared to GBP13.3 million in H1 2010.

Dividend policy

The Group has adopted a progressive dividend policy with the intention to keep dividends broadly in line with earnings over time. Dividends are expected to be paid semi-annually in respect of each year with an interim dividend paid in October and a final dividend paid in May of the following year. Interim dividends are expected to represent around one third and final dividends around two thirds of the full year dividend for each year. Annual dividends are expected to be covered some 2.5 to 3.0 times by earnings per share.

The Board has declared a maiden interim dividend of 2.4 pence per share. This will be payable on 7 October 2011 to shareholders on the register at the close of business on 9 September 2011.

Financial position

Total assets increased slightly after depreciation of GBP5.3million (H1 2010: GBP3.0 million) from GBP162.1 million at 31 December 2010 to GBP162.2 million at 30 June 2011 and net assets from GBP46.5 million to GBP48.5 million.

New additions to plant and equipment amounted to GBP4.1 million in H1 2011. These were largely for the Styldrift project which commenced towards the last quarter of 2010 and were funded by increased deferred revenue and interest free advances received from clients of a further GBP10.0 million.

Net cash (comprising cash minus interest bearing debt) was GBP7.2 million at 30 June 2011 compared to net cash of GBP11.1 million at 31 December 2010 and net debt of GBP7.6 million at 30 June 2010. Cash was used primarily to fund working capital increases in inventories and trade receivables and to repay part of interest bearing borrowings.

Net current assets decreased to GBP20.6 million at 30 June 2011 from GBP24.6 million at 31 December 2010. The main changes are an increase in inventories of GBP5.1 million and an increase in trade and other receivables of GBP7.5 million, offset by lower taxes payable to the extent of GBP3.2 million, a decrease of GBP7.6 million in cash and cash equivalents together with an increase in interest free advances from clients of GBP7.1 million.

Inventories have increased by GBP5.1 million since 31 December 2010 due largely to the Eurochem project in Russia requiring higher inventory levels at this phase of the project and the effect of the relatively new Styldrift project. An increase in interest free advances from clients amounting to GBP7.1 million was partly to relieve this effect and the effect of increased trade receivables.

Interest-bearing debt to equity has decreased from 53% at 31 December 2010 to 43% at 30 June 2011, with interest bearing debt being reduced by GBP3.7 million during the period under review. The effect of foreign currency translation reduced the debt by GBP1.6 million.

Order book

The Group's order book representing outstanding revenues for contractually committed projects, excluding any escalation which is typically built into the contracts, stood at GBP425.3 million at 30 June 2011 compared to GBP474.1 million at 30 June 2010 and GBP488.2 million at 31



December 2010. The exchange rate at 30 June 2011 of ZAR10.9393 per GBP compared to ZAR11.5334 at June 2010 has led to an increase in the order book to the extent of GBP21.9 million. The decrease in the order book before the effect of exchange rates is due to the billing of revenues on existing contracts without any new major contract being recognised in the order book in H1 2011.

The effect of translating foreign financial statements into the Group's reporting currency is a reduction of GBP2.5 million in equity.

Safety risk

Safety is one of the cornerstones of the Group's success. As a result, executive management adopt a daily monitoring of safety statistics with weekly presentations should any incident arise resulting in lost time injuries. The Safety, Health, Environment and Quality (SHEQ) Committee reviews the performance on a quarterly basis and reports to the Board with recommendations should they be required. A comprehensive set of safety procedures is regularly reviewed and updated for any new risks identified.

Financial risk

The risk of inadequately funding or inappropriately managing the funding of the business is a primary business risk. Regular daily reviews of cash management with rolling forecasts and strong controls over the management of cash are implemented by the executive management. The Board sets prudent policies for the hedging of currency and interest rate risk and the Audit and Risk Committee reviews these aspects on a quarterly basis. Insurance is taken to protect the Group against the risk of fraud or theft of funds.

Other significant financial risks include the safeguarding of assets, inappropriate tendering prices that could cause the Group to lose potential contracts, corrupt procurement practices resulting in excessive costs and mismanagement of expenditures. For each of these the Group has implemented appropriate policies and procedures and executive management regularly reviews performance against set targets. The Group has advanced well in the process of upgrading its information systems to further enhance controls, improve the efficiency of reporting of information and to ensure its tendering process has the latest most accurate information on costs with less time and effort required. These system improvements are scheduled to be implemented in H2 2011.

Market risk

Market risk is the risk that changes in the market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Foreign currency risk

The Group is exposed to currency risk on contract revenue, purchases and borrowings that are denominated in a currency other than the respective functional currencies of the Group, primarily the South African Rand (ZAR), U.S. Dollar (USD), Russian Rouble (RUR), the United Arab Emirate Dirham (Dirham), the Euro (EUR) and the Indian Rupee (INR).



The Group ensures that its net exposure is kept to an acceptable level by buying and selling foreign currencies at forward rates where necessary to address short term imbalances. Where possible, the Group invoices in foreign currencies where its cost base is also in foreign currencies.

Interest rate risk

The Group is exposed to interest rate risk as it borrows and invests excess funds at both fixed and floating interest rates. The risk is managed by maintaining an appropriate mixture between fixed and floating rate borrowings and deposits within the Group's policy on counterparty risk parameters. The Group also uses interest rate swaps, where deemed necessary to hedge its exposure to floating interest rates.

Exposure to credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer as well as the demographics of the Group's customer base, including the default risk of the industry and country in which the customers operate.

Management has established a strategy of spreading the customer base outside of Africa and into the CIS, Eastern and Western Europe and India. This will contribute towards avoiding geographical concentration of credit risk.

The Board of Directors has established parameters which, if these are to be exceeded, prior approval from the Board require before submission of a tender to the potential new customer. These parameters are based on items such as the value of the contract, the type of contract, and location of the contract.

The Group establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables. The main component of this allowance is a specific loss component that relates to individually significant exposure and a collective loss component established of similar assets in respect of losses that have been incurred but not yet identified. The collective loss allowance is determined based on historical data of payment statistics for similar financial assets.

Principal risks and uncertainties

The Group faces many risks in the operation of its business. The Group's strategy takes into account known risks, but not all risks are known to the group at any one time. Refer to pages 17 to 19 of the 2010 Annual Report and Accounts which is available from the Company's website, www.shaftsinkers.co.za for a discussion on the principal risks and uncertainties facing the Group.

Chris Hall

Chief Financial Officer

Responsibility statement of the directors in respect of the interim financial report

The Directors are responsible for preparing the condensed consolidated interim financial statements in accordance with applicable laws and regulations. In addition, the directors have elected to prepare the condensed consolidated interim financial statements in accordance with International Financial Reporting Standards.

The condensed consolidated interim financial statements are required to state the affairs of the Group and of the profit or loss of the Group for that period.

In preparing condensed consolidated interim financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with International Financial Reporting Standards; and
- prepare the condensed consolidated interim financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Group and to allow for the preparation of consolidated interim financial statements. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.



Non Executive Chairman
Amre Youness

30 August 2011

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation governing the preparation and dissemination of financial statements may differ from one jurisdiction to another.

We confirm that to the best of our knowledge:

- the condensed set of interim financial statements has been prepared in accordance with IAS 34 Interim Financial Reporting as issued by the European Union; and
- the interim management report includes a fair review of the information required by the DTR, as if those requirements were to apply:
 - (a) DTR 4.2.7R of the Disclosure and Transparency Rules, being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of interim financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and
 - (b) DTR 4.2.8R of the Disclosure and Transparency Rules, being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the entity during that period; and any changes in the related party transactions described in the last annual report that could do so.



Chief Financial Officer
Christopher Hall

30 August 2011

Independent review report to Shaft Sinkers Holdings plc

Introduction

We have been engaged by the Company to review the condensed set of consolidated interim financial statements in the half-yearly financial report for the six months ended 30 June 2011 which comprises the condensed consolidated income statement, condensed consolidated statement of comprehensive income, condensed consolidated statement of financial position, condensed consolidated statement of changes in equity, condensed consolidated statement of cash flows and the related explanatory notes. We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of interim financial statements.

This report is made solely to the Company in accordance with the terms of our engagement to assist the company in meeting the requirements of the Disclosure and Transparency Rules ("the DTR") of the UK's Financial Services Authority ("the UK FSA") as if those requirements were to apply. Our review has been undertaken so that we might state to the Company those matters we are required to state to it in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company for our review work, for this report, or for the conclusions we have reached.

Directors' responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the Directors. The Directors are responsible for preparing the half-yearly financial report in accordance with the DTR of the UK FSA.

As disclosed in note 2, the annual financial statements of the group are prepared in accordance with IFRSs as issued by the European Union. The condensed set of interim financial statements included in this half-yearly financial report has been prepared in accordance with IAS 34 Interim Financial Reporting as issued by the European Union.

Our responsibility

Our responsibility is to express to the Company a conclusion on the condensed set of interim financial statements in the half-yearly financial report based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Auditing Practices Board for use in the UK. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2011 is not prepared, in all material respects, in accordance with IAS 34 Interim Financial Reporting as issued by the European Union and the DTR of the UK FSA as if those requirements were to apply.

KPMG Audit LLC

30 August 2011

KPMG Audit LLC

Chartered Accountants
Heritage Court
41 Athol Street
Douglas
Isle of Man IM99 1HN

Condensed consolidated income statement

For the six months ended 30 June 2011

	Note	6 months to 30 June 2011 GBP (Reviewed)	6 months to 30 June 2010 GBP (Audited)	Year ended 31 December 2010 GBP (Audited)
Revenue		112,305,360	80,008,934	183,127,629
Direct expenses		(93,230,855)	(69,333,563)	(153,944,705)
Gross profit		19,074,505	10,675,371	29,182,924
Operating income		1,486,400	872,778	3,757,264
Operating expense		(11,111,228)	(5,057,407)	(18,764,042)
IPO bonuses		(2,296,182)	-	-
Contract settlement		-	3,819,876	3,819,876
Profit from operations	4	7,153,495	10,310,618	17,996,022
Finance income		148,893	270,978	347,778
Finance costs		(1,080,732)	(1,153,594)	(1,634,953)
Profit before income tax		6,221,656	9,428,002	16,708,847
Income tax	5	(2,175,287)	(2,751,490)	(4,075,662)
Profit for the period		4,046,369	6,676,512	12,633,185
Attributable to:				
Owners of the Company		4,046,369	3,605,316	12,633,185
Non-controlling interests		-	3,071,196	-
Profit for the period		4,046,369	6,676,512	12,633,185
		Pence	Pence	Pence
Basic earnings per share	6	8.5	15.8	29.8
Diluted earnings per share	6	8.5	15.8	29.6

The notes on pages 16 to 22 form part of these interim condensed consolidated financial statements.

Condensed consolidated statement of comprehensive income

For the six months ended 30 June 2011

Note	6 months to 30 June 2011 GBP (Reviewed)	6 months to 30 June 2010 GBP (Audited)	Year ended 31 December 2010 GBP (Audited)
Profit for the period	4,046,369	6,676,512	12,633,185
Other comprehensive income:			
Revaluation of property, plant and equipment	-	-	459,483
Foreign currency translation differences for foreign operations	(2,455,044)	509,261	4,650,330
Income tax on revaluation of property, plant and equipment	-	-	(103,780)
Other comprehensive income for the period	(2,455,044)	509,261	5,006,033
Total comprehensive income for the period	1,591,325	7,185,773	17,639,218
Attributable to:			
Owners of the Company	1,591,325	3,880,317	17,639,218
Non-controlling interests	-	3,305,456	-
	1,591,325	7,185,773	17,639,218

The notes on pages 16 to 22 form part of these interim condensed consolidated financial statements.

Condensed consolidated statement of financial position

At 30 June 2011

	Note	30 June 2011 GBP (Reviewed)	31 December 2010 GBP (Audited)	30 June 2010 GBP (Audited)
Assets				
Non-current assets				
Property, plant and equipment	7	51,607,212	56,499,345	49,105,152
Goodwill	8	2,491,319	2,663,560	2,362,988
Other unlisted investments		156,191	893	792
Loan to a related party		-	-	643,815
Loan receivable		45,706	-	-
Deferred taxation		4,122,028	4,407,011	2,301,879
Finance lease receivables		950,086	492,048	655,129
Current assets		102,852,521	98,072,286	59,879,813
Inventories		13,393,493	8,312,403	7,006,362
Trade and other receivables		57,674,268	50,129,962	45,016,437
Finance lease receivables		452,699	1,176,329	389,026
Loan to related party		-	489,587	1,010,045
Loans to joint venture partners		-	59,213	53,132
Income taxation		-	2,215,994	495,773
Cash and cash equivalents		31,332,061	35,688,798	5,909,038
Total assets		162,225,063	162,135,143	114,949,568
Equity and liabilities				
Equity				
Ordinary share capital		56,563,799	56,563,799	28,295,890
Retained earnings		34,390,183	30,343,814	11,314,816
Foreign currency translation reserve		4,902,716	7,275,524	3,237,822
Common control reserve		(48,965,631)	(48,965,631)	(24,861,725)
Share based payment reserve		455,876	20,669	-
Revaluation reserve		1,189,470	1,271,706	486,007
Equity attributable to owners of the Company		48,536,413	46,509,881	18,472,810
Non-controlling interest		-	-	9,965,177
Non-current liabilities		31,434,600	42,199,470	32,129,236
Deferred taxation		1,378,541	2,754,152	1,101,020
Deferred revenue		6,278,901	5,908,356	8,726,658
Interest bearing borrowings		14,416,887	19,883,255	9,344,344
Interest free advances from clients		8,924,500	13,164,644	12,496,498
Post retirement benefit obligations		435,771	489,063	460,716
Current liabilities		82,254,050	73,425,792	54,382,345
Trade and other payables including derivatives		38,417,418	39,423,020	27,935,575
Deferred revenue		16,813,294	17,510,351	10,333,045
Income taxation		4,091,264	5,130,618	3,154,091
Interest bearing borrowings		6,297,182	4,556,896	4,206,584
Interest free advances from clients		13,234,509	6,182,700	8,330,999
Loan from related party		-	493,039	422,051
Bank overdraft		3,400,383	129,168	-
Total equity and liabilities		162,225,063	162,135,143	114,949,568

The notes on pages 16 to 22 form part of these interim condensed consolidated financial statements.

Condensed consolidated statement of changes in equity

For the 6 months ended 30 June 2011

	Ordinary share capital GBP	Retained earnings GBP	Foreign currency translation reserve GBP	Common control reserve GBP	Share based payment reserve GBP	Revaluation reserve GBP	Non-controlling interest GBP	Total GBP
Balance 1 January 2010	28,295,890	7,709,500	2,747,890	(24,861,725)	-	466,678	6,893,981	21,252,214
Profit for the period		3,605,316					3,071,196	6,676,512
Other comprehensive income								
Foreign currency translation differences for foreign operations			489,932			19,329		509,261
Total comprehensive income for the period	-	3,605,316	489,932	-	-	19,329	3,071,196	7,185,773
Balance at 30 June 2010	28,295,890	11,314,816	3,237,822	(24,861,725)	-	486,007	9,965,177	28,437,987
Issue of shares	30,604,111			(24,103,906)				6,500,205
Capitalised listing expenses	(2,336,202)							(2,336,202)
Share based payment transactions					20,669			20,669
Acquisition of non-controlling interest in Capstone 615 (Pty) Limited		9,638,548				326,629	(9,965,177)	-
Surplus on acquisition of non-controlling interests realised on listing of shares		3,433,777						3,433,777
Profit for the period		5,956,673						5,956,673
Other comprehensive income								
Revaluation of land and buildings						459,483		459,483
Deferred tax implication of revaluation of land and buildings						(103,780)		(103,780)
Foreign currency translation differences for foreign operations			4,037,702			103,367		4,141,069
Total comprehensive income for the period	-	5,956,673	4,037,702	-	-	459,070	-	10,453,445
Balance at 31 December 2010	56,563,799	30,343,814	7,275,524	(48,965,631)	20,669	1,271,706	-	46,509,881
Share based payment transactions					435,207			435,207
Profit for the period		4,046,369						4,046,369
Other comprehensive income								
Foreign currency translation differences for foreign operations			(2,372,808)			(82,236)		(2,455,044)
Total comprehensive income for the period	-	4,046,369	(2,372,808)	-	-	(82,236)	-	1,591,325
Balance at 30 June 2011	56,563,799	34,390,183	4,902,716	(48,965,631)	455,876	1,189,470	-	48,536,413

The notes on pages 16 to 22 form part of these interim condensed consolidated financial statements.

Condensed consolidated statement of cash flows

For the 6 months ended 30 June 2011

Note	6 months to 30 June 2011 GBP (Reviewed)	6 months to 30 June 2010 GBP (Audited)	Year-ended 31 December 2010 GBP (Audited)	
Cash generated by operating activities before working capital changes	13	4,546,900	10,253,729	17,991,757
(Increase) / decrease in inventories		(5,533,462)	485,167	106,895
Increase in trade and other receivables		(6,983,253)	(14,134,254)	(11,190,092)
Increase / (decrease) in trade and other payables		1,483,265	(3,557,684)	3,920,500
Increase in deferred revenue and advances from clients		9,954,034	11,472,052	9,669,216
Payment of retirement benefit obligations		(21,344)	(16,454)	(60,304)
Cash generated by operations		3,446,140	4,502,556	20,437,972
Interest paid		(1,080,732)	(994,185)	(1,789,704)
Interest received		148,893	246,205	285,443
Income taxation paid		(2,010,171)	(3,150,066)	(4,917,719)
Net cash inflow from operating activities		504,130	604,510	14,015,992
Cash flows from investing activities				
Property, plant and equipment acquired		(4,106,250)	(3,801,859)	(12,131,298)
Proceeds on disposal of plant and equipment		-	3,339,324	6,577,627
Increase in unlisted investments		(200,385)	-	-
Decrease / (increase) in finance lease receivables		155,364	36,975	(405,694)
Proceeds from disposal of equity accounted investee		-	-	1,763,078
Loans granted to related parties		-	(28,814)	(1,001,772)
Repayments received on related party loans		-	-	1,277,086
Amount paid by Group to acquire minority interest		-	-	(20,670,129)
Net cash outflow from investing activities		(4,151,271)	(454,374)	(24,591,102)
Cash flows from financing activities				
Funding received on interest bearing borrowings entered into by the Group		-	-	22,038,470
Repayments made on interest-bearing borrowings		(2,113,793)	(1,155,733)	(11,192,402)
Repayments made on finance lease obligations		-	(709,478)	(4,472,881)
Proceeds received on issuing of share capital		-	-	30,604,111
Listing expenses paid in cash		-	-	(2,336,202)
Loans advanced to joint ventures		-	(986,564)	(28,647)
Cash (outflow) / inflow from financing activities		(2,113,793)	(2,851,775)	34,612,449
Net (decrease) / increase in cash and cash equivalents		(5,760,934)	(2,701,639)	24,037,339
Cash and cash equivalents at beginning of period		35,559,630	8,402,506	8,402,506
Effect of exchange rate differences on cash and cash equivalents		(1,867,018)	208,171	3,119,785
Total cash and cash equivalents at the end of the period		27,931,678	5,909,038	35,559,630

The notes on pages 16 to 22 form part of these interim condensed consolidated financial statements.

Notes to the condensed consolidated interim financial statements

For the 6 months ended 30 June 2011

1. Reporting entity

Shaft Sinkers Holdings plc ("the Company") is domiciled in the Isle of Man. The condensed consolidated interim financial statements of the Company as at and for the six months ended 30 June 2011 comprise the Company and its subsidiaries (together referred to as "the Group") and the Group's interest in associates and jointly controlled entities.

2. Basis of preparation

2.1 Statement of compliance

The condensed consolidated interim financial statements have been prepared in accordance with IAS 34 - Interim Financial Reporting, as adopted by the European Union. As required by the Disclosure and Transparency Rules of the Financial Services Authority, the condensed set of interim financial statements have been prepared by applying the accounting policies that were applied in the preparation of the Group's consolidated annual financial statements for the year ended 31 December 2010, and will be applied for the preparation of the consolidated annual financial statements for the year ended 31 December 2011.

The condensed interim financial statements do not include all of the information and disclosures required for the Group's annual financial statements, and should be read in conjunction with the Group's consolidated annual financial statements for the year ended 31 December 2010. The consolidated annual financial statements for the year ended 31 December 2010 are available upon request from the Company's registered office at 18 Athol Street, Douglas, Isle of Man, IM1 JA1.

These condensed consolidated interim financial statements were approved by the Board of Directors on 29 August 2011.

2.2 Estimates

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these condensed consolidated interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2010.

2.3 Going concern

The condensed consolidated interim financial statements have been prepared on the going concern basis, which assumes that the Group will continue to be able to meet its liabilities as they fall due for the foreseeable future.

3. Significant accounting policies

The accounting policies applied by the Group in these condensed consolidated interim financial statements are the same as those applied by the Group in its consolidated financial statements as at and for the year ended 31 December 2010.

4. Profit from operations

The following items form part of the Group's financial performance and, due to their significance, have been disclosed to assist in the understanding of the financial performance achieved by the Group for consistency with prior periods.

	6 months to 30 June 2011 GBP (Reviewed)	6 months to 30 June 2010 GBP (Audited)	Year ended 31 December 2010 GBP (Audited)
Impairment allowance reversed on trade and other receivables	-	(3,848,694)	(3,848,694)
Impairment loss reversed on plant and equipment	-	(1,532,672)	(1,532,672)
IPO bonuses	(2,296,182)	-	-
LTIP share based payment expense	(435,207)	-	(20,669)
Depreciation of property, plant and equipment	(5,345,985)	(2,994,862)	(7,180,928)

Notes to the condensed consolidated interim financial statements (continued)

For the 6 months ended 30 June 2011

5. Taxation

The effective tax rate for the period ended 30 June 2011 increased to 35% as compared to an effective tax rate for the comparative period ended 30 June 2010 of 29% due to a South African taxation levied on dividends declared from the South African subsidiary to the Isle of Man company that amounted to GBP0.6 million.

6. Earnings per share

Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to ordinary shareholders of GBP4,046,369 (30 June 2010: GBP3,605,316 and 31 December 2010: GBP12,633,185) and a weighted average number of ordinary shares outstanding of 47,500,000 (30 June 2010: 22,819,266 and 31 December 2010: 42,387,157)

The weighted average number of ordinary shares was calculated as follows:

	6 months to 30 June 2011 GBP (Reviewed)	6 months to 30 June 2010 GBP (Audited)	Year ended 31 December 2010 GBP (Audited)
Shares issued at 1 January	47,500,000	22,819,266	22,819,266
Effect of shares issued to acquire minority interest	-	-	19,438,634
Effect of shares issued during the year to raise additional cash for the Company	-	-	129,257
Weighted average number of ordinary shares at the end of the period	47,500,000	22,819,266	42,387,157

Diluted earnings per share

The calculation of diluted earnings per share is based on profit attributable to ordinary shareholders of GBP4,046,369 (30 June 2010: GBP3,605,316 and 31 December 2010: GBP12,633,185) and a weighted average number of ordinary shares outstanding of 47,750,000 (30 June 2010: 22,819,266 and 31 December 2010: 42,689,576). The diluted earnings per share calculation has taken into account an event after balance sheet date whereby the 125,000 shares which would have been attributable to Mr. Rob Schroder's participation in the Plan have effectively been forfeited.

The weighted average number of ordinary shares was calculated as follows:

	6 months to 30 June 2011 GBP (Reviewed)	6 months to 30 June 2010 GBP (Audited)	Year ended 31 December 2010 GBP (Audited)
Weighted average number of ordinary shares at the end of the period used in the computation of basic earnings per share	47,500,000	22,819,266	42,387,157
Shares that may potentially be issued in terms of the LTIP as described in note 10	250,000	-	302,419
Weighted average number of ordinary shares at the end of the period	47,750,000	22,819,266	42,689,576

Notes to the condensed consolidated interim financial statements (continued)

For the 6 months ended 30 June 2011

7 Property, plant and equipment

7.1 Reconciliation of property, plant and equipment

	Plant and equipment GBP	Land GBP	Buildings GBP	Furniture, fittings and office equipment GBP	Motor vehicles GBP	Total GBP
2011						
Cost or valuation						
Balance at beginning of year	64,975,261	2,989,474	4,797,046	3,019,259	1,042,252	76,823,292
Additions – cost	3,539,134	-	55,253	359,507	171,921	4,125,815
Effect of exchange differences on translation from functional to presentation currency	(4,148,369)	(193,317)	(309,372)	(189,827)	(64,809)	(4,905,694)
Balance at end of period	64,366,026	2,796,157	4,542,927	3,188,939	1,149,364	76,043,413
Accumulated depreciation and impairment losses						
Balance at beginning of year	17,116,582	-	456,504	2,306,528	444,333	20,323,947
Depreciation for the period	4,980,208	-	44,663	211,745	109,369	5,345,985
Effect of exchange differences on translation from functional to presentation currency	(1,031,833)	-	(28,848)	(145,965)	(27,085)	(1,233,731)
Balance at end of period	21,064,957	-	472,319	2,372,308	526,617	24,436,201
Carrying value						
Balance at beginning of year	47,858,679	2,989,474	4,340,542	712,731	597,919	56,499,345
Additions – cost	3,539,134	-	55,253	359,507	171,921	4,125,815
Depreciation for the period	(4,980,208)	-	(44,663)	(211,745)	(109,369)	(5,345,985)
Effect of exchange differences on translation from functional to presentation currency	(3,116,536)	(193,317)	(280,524)	(43,862)	(37,724)	(3,671,963)
Balance at end of period	43,301,069	2,796,157	4,070,608	816,631	622,747	51,607,212

Notes to the condensed consolidated interim financial statements (continued)

For the 6 months ended 30 June 2011

8. Goodwill

Impairment testing

An impairment test was performed on the goodwill balance of the Group at 30 June 2011, whereby the recoverable amount of the Group's underlying assets was based on the value in use, which was determined using a discounted cash flow model.

The recoverable amount was compared to the carrying amount of goodwill and it was found that the recoverable amount significantly exceeded the carrying amount.

Key assumptions used in the discounted cash flow projections

- The budgeted and forecast earnings before interest, taxation, depreciation and amortisation for the period 2012 to 2015 used in the projections are consistent with budgets and forecasts approved by the Board of Directors; and
- A weighted average cost of capital of 18.49%, which was considered appropriate for this asset, was used as the discount rate in determining the present value of future cash flows.

9. Loans and borrowings

During the period under review the Group repaid a total of GBP2.1 million in respect of capital and GBP0.9 million interest repayments in respect of interest bearing borrowings of the Group.

10. Share based payments

Description of the share based payment arrangements

On 23 December 2010 the three executive directors of the Company were given awards over a number of ordinary shares of the Company. The share based payment arrangement will be satisfied at the end of the vesting periods and will be effected through the transfer of ordinary shares to the participants. This share based payment arrangement is therefore considered to be equity settled as defined in IFRS 2 - Share based payments.

In July 2011, Mr RN Schroder resigned as Chief Operating Officer of the Company. Due to his resignation the portion of the ordinary shares that was awarded to him is forfeited and these ordinary shares will be returned to the scheme for possible future allocation.

Terms and conditions of the share based payment arrangements

The share based payment arrangement comprises two performance conditions that will be measured in stages over the vesting periods.

The performance conditions, described below, are independent of each other and therefore have been accounted for as separate share based payment arrangements.

The performance conditions that are applied for the share based payment arrangements are as follows:

- growth in earnings per share of the Company ("EPS")
- growth in the Company's share price

EPS share based payment arrangement

In order for the shares attributable to the growth in earnings per share of the Group to vest, the Group has to achieve a growth in earnings for each of the financial years ending 31 December 2011 to 31 December 2013 of at least 20 per cent per annum. In the event that the growth in earnings is between 10 and 20 per cent per annum, between 50 to 100 percent of the shares will vest on a straight line basis. In the event that the growth in earnings is less than 10 percent, none of the shares will vest.

In the event that the compounded growth per annum over the three year period is 20 percent per annum all of the shares will vest to the participants despite not having achieved the targeted growth rate in a particular year.

Notes to the condensed consolidated interim financial statements (continued)

For the 6 months ended 30 June 2011

10. Share based payments (continued)

Share price based payment arrangement

In order for the shares attributable to the growth in share price of the Company to vest, the share price of the Company has to achieve growth of at least 26 per cent per annum for each of the financial years ending 31 December 2011 to 31 December 2013. The base price for the financial year ending 31 December 2011 is the placing price at which the Company's shares were listed i.e. GBP 1.24 per share. In the event that the growth in share price is between 13 and 26 percent per annum, between 50 to 100 percent of the shares will vest on a straight line basis. In the event that the share price growth rate is less than 13% per annum, none of the relevant shares will vest.

In the event that the closing share prices over the 30 days following the announcement of the Group's audited results for the financial year ending 31 December 2013 is 100 percent or more above the placing price, despite not having achieved the 26 percent per annum growth in its share price in any year, the share price performance criteria will be deemed to have been achieved and the participants will be entitled to 100 percent of the share awards.

Inputs for measurement of grant date fair values

The grant date fair value of the share based payment arrangements was measured based on the Monte Carlo Simulation option pricing model. Volatility was based on the historical share price data of the constituents of the Oil services and equipment sector on the London Stock Exchange. The inputs used in the measurement of the fair values at grant date of the share based payment arrangements were as follows:

Description	Value per share right GBP	Assumed vesting date	Share price at grant date GBP	Number of days	Number of shares	Weighted average volatility
Share price growth						
1st tranche	0.63	10 April 2012	1.24	474	250,000	52.71%
2nd tranche	0.52	10 April 2013	1.24	839	250,000	52.71%
3rd tranche	0.72	10 April 2014	1.24	1,204	250,000	52.71%
EPS shares						
1st tranche	1.22	10 April 2012		474	250,000	52.71%
2nd tranche	1.11	10 April 2013		839	250,000	52.71%
3rd tranche	0.99	10 April 2014		1,204	250,000	52.71%

11. Contingent liabilities

	6 months to 30 June 2011 GBP (Reviewed)	6 months to 30 June 2010 GBP (Audited)	Year ended 31 December 2010 GBP (Audited)
South African contractual performance and/or retention guarantees and payment bonds held by contracted clients and service providers at the reporting date	5,094,063	3,518,920	5,954,033

12. Segment reporting

The Group has two operating segments, as described below, which are the Group's strategic divisions. The strategic divisions of the Group are geographically different and are managed separately due to the unique challenges and risks that are present when operating in different jurisdictions.

The following describes the Group's operating segments:

- South Africa: contract services provided to clients within the Republic of South Africa; and
- Rest of World: contract services provided to clients outside of the borders of the Republic of South Africa.

Notes to the condensed consolidated interim financial statements (continued)

For the 6 months ended 30 June 2011

12. Segment reporting (continued)

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit before income tax, as included in the internal management reports that are reviewed by the Group's executive management. The information is prepared under IFRS and is consistent with the Group's accounting policies. Segment profit is used to measure performance, as management believes that such information is the most relevant in evaluating the results of certain segments taking into consideration the unique characteristics of each of these segments.

Other corporate activities comprise activities that do not, by definition, form part of the operating segments as well as the corporate activities which could not be assigned to an individual segment. Inter segment transactions are conducted on an arm's length basis.

	South Africa GBP	Rest of World GBP	Other GBP	Total GBP
30 June 2011 (Reviewed)				
External revenues	92,660,654	19,644,706	-	112,305,360
Gross profit	13,223,332	5,851,173	-	19,074,505
Depreciation	3,683,425	1,617,897	44,663	5,345,985
Finance income	145,012	-	3,881	148,893
Finance expense	1,016,327	64,405	-	1,080,732
Reportable segment profit before income tax	7,535,031	4,645,214	(5,958,589)	6,221,656
Reportable segment assets	95,276,781	44,878,592	22,069,690	162,225,063
Capital expenditure	3,477,576	648,239	-	4,125,815
Reportable segment liabilities	62,787,629	24,156,626	26,744,395	113,688,650
31 December 2010 (Audited)				
External revenues	147,490,967	35,636,662	-	183,127,629
Gross profit	14,065,939	15,116,985	-	29,182,924
Depreciation	6,775,998	323,589	81,341	7,180,928
Finance income	280,720	66,787	271	347,778
Finance expense	1,631,356	3,597	-	1,634,953
Reportable segment profit before income tax	11,876,573	13,722,202	(8,889,928)	16,708,847
Reportable segment assets	105,903,169	41,431,453	14,800,522	162,135,144
Capital expenditure	9,997,034	2,096,635	37,630	12,131,299
Reportable segment liabilities	70,536,677	16,606,184	28,482,401	115,625,262
30 June 2010 (Audited)				
External revenues	63,332,422	16,676,512	-	80,008,934
Gross profit	4,208,020	6,467,351	-	10,675,371
Depreciation	2,847,772	107,295	39,795	2,994,862
Finance income	270,978	-	-	270,978
Finance expense	1,150,051	3,543	-	1,153,594
Reportable segment profit before income tax	7,568,114	7,537,492	(5,677,604)	9,428,002
Reportable segment assets	60,737,138	44,042,321	10,170,109	114,949,568
Capital expenditure	2,247,365	1,553,626	868	3,801,859
Reportable segment liabilities	31,976,925	35,349,514	19,185,142	86,511,581
Contract provision and settlement	3,819,876	-	-	3,819,876

All of the Group's segments are considered fully operational and have, accordingly, not been reclassified as discontinued operations.

Notes to the condensed consolidated interim financial statements (continued)

For the 6 months ended 30 June 2011

13. Reconciliation of Cash generated by operating activities before working capital changes

	6 months to 30 June 2011 GBP (Reviewed)	6 months to 30 June 2010 GBP (Audited)	Year ended 31 December 2010 GBP (Audited)
Profit from operations per condensed consolidated income statement	7,153,495	10,310,618	17,996,022
Adjustments for non-cash items included in:			
- Depreciation on property, plant and equipment	5,345,985	2,994,862	7,180,928
- Deferred revenue and interest free advances recognised during the period that do not represent cash flow	(8,421,080)	-	-
- (Profit) / loss on disposal of property, plant and equipment	-	749,365	(121,457)
- Reversal of impairment loss on property, plant and equipment	-	-	(1,532,672)
- Impairment losses raised on plant and equipment	-	-	54,199
- Reversal of write down of inventory to net realisable value	(1,767)	(58)	(58,391)
- Contract provision and settlement	-	(3,819,876)	(3,819,876)
- Increase in retirement benefit obligation	-	18,818	35,413
- Reversal of impairment losses on equity accounted investees	-	-	(1,763,078)
- Impairment of loans to joint venture partners	35,060	-	-
- Employee benefits - share based payments	435,207	-	20,669
Cash generated by operating activities before working capital changes	4,546,900	10,253,729	17,991,757

Shareholder information

General information

Shaft Sinkers Holdings plc's shares are quoted on the London Stock Exchange. Copies of the Group's annual report and accounts, interim results and interim management statements and major presentations to analysts and institutional shareholders are available from the Company Secretary and on the Company's website.

Dividends

The Directors have declared an interim dividend for the six months ended 30 June 2011 of 2.4 pence per ordinary share.

Results timetable

Interim Results and Interim dividend declaration	Wednesday 31 August 2011
Ex-dividend date	Wednesday 7 September 2011
Interim dividend record date	Friday 9 September 2011
Interim dividend payment date	Friday 7 October 2011
Annual information update	Tuesday 20 December 2011

Registrars and transfer office

The Company's ordinary share register is maintained by Computershare Investor Services (IOM) Limited

International House
Castle Hill
Victoria Road
Isle of Man
IM2 4RB

Any queries about the administration of holdings of ordinary shares, such as change of address, change of ownership or dividend payments should be directed to the Company's Registrars.

Enquiries

Shareholders who wish to contact the Company on any matter relating to their shareholding are invited to contact the Company's Registrars, Computershare Investor Services (IOM) Limited at the address mentioned above.

Shareholders may also contact the Company Secretary, Mr. Martin Peters. For other enquiries, please contact the Company at the registered office or call Mr. Christopher Hall on +44 7427 190518.

Corporate information

Registered office

Shaft Sinkers Holdings plc
18 Athol Street
Douglas
Isle of Man
IM1 JA1

Website www.shaftsinkers.co.za
Telephone +44 1624 620 711
Registered in the Isle of Man
Company No. 006057V

Company Secretary

Martin Peters
EIS Advisors Limited
Millennium House
Victoria Road
Douglas
Isle of Man
IM2 4RW

Telephone +44 (0) 1624 624 100

Stockbroker

Arbuthnot Securities Limited
Arbuthnot House
20 Ropemaker Street
London
EC2Y 9AR

Legal Advisors

Jones Day
21 Tudor Street
London
EC4Y 0DJ

Auditors

KPMG Audit LLC
Heritage Court
41 Athol Street
Douglas
Isle of Man
IM99 1HN

Registrars

Computershare Investor Services (IOM) Limited
International House
Castle Hill
Victoria Road
Isle of Man
IM2 4RB

Public Relations

M: Communications
1 Ropemaker Street, 34th Floor
London
EC2Y 9AW



Shaft Sinkers Holdings plc

18 Athol Street

Douglas

Isle of Man

IM1 JA1

Telephone +44 (0)1624 624100

Email: info@shaftsinkers.co.za

www.shaftsinkers.co.za

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