

- ↑ REVENUE UP  
15% TO R3,418 MILLION
- ↑ OPERATING CASH FLOW UP  
67% TO R185 MILLION
- ↑ DISTRIBUTION UP  
17% TO 14 CENTS PER SHARE
- ↑ OPERATING PROFIT UP  
12% TO R256 MILLION

	31 Dec 2006 Unaudited Rm	31 Dec 2005 Restated Rm
<b>Assets</b>		
<b>Non-current assets</b>	<b>764,6</b>	<b>696,4</b>
Property, plant and equipment and investment properties	620,9	529,5
Goodwill	3,3	-
Investments and loans	21,7	26,6
Pension fund surplus	48,8	45,0
Deferred taxation	69,9	95,3
<b>Current assets</b>	<b>1 204,0</b>	<b>1 054,9</b>
Inventories and agricultural assets	680,3	539,1
Receivables and prepayments	515,4	513,6
Cash and cash equivalents	8,3	2,2
<b>Total assets</b>	<b>1 968,6</b>	<b>1 751,3</b>
<b>Equity and liabilities</b>		
<b>Equity</b>	<b>1 194,6</b>	<b>1 057,1</b>
Equity holders' interest	1 173,6	1 043,1
Minority interest	21,0	14,0
<b>Non-current liabilities</b>	<b>91,4</b>	<b>119,9</b>
Long-term borrowings – interest-bearing	44,1	75,5
Long-term borrowings – interest-free	-	5,9
Retirement benefit obligations	17,7	19,8
Deferred taxation	29,6	18,7
<b>Current liabilities</b>	<b>682,6</b>	<b>574,3</b>
Short-term borrowings – interest-bearing	36,2	46,9
Short-term borrowings – interest-free	-	3,8
Trade and other payables	441,9	371,0
Provisions	32,0	39,7
Bank overdrafts	172,5	112,9
<b>Total equity and liabilities</b>	<b>1 968,6</b>	<b>1 751,3</b>
<b>Number of shares (thousand)</b>		
– in issue	424 465	423 266
– weighted average	423 861	421 477
Net asset value per share [c]	276,5	246,4
Net interest-bearing debt to equity (%)	20,5%	22,1%

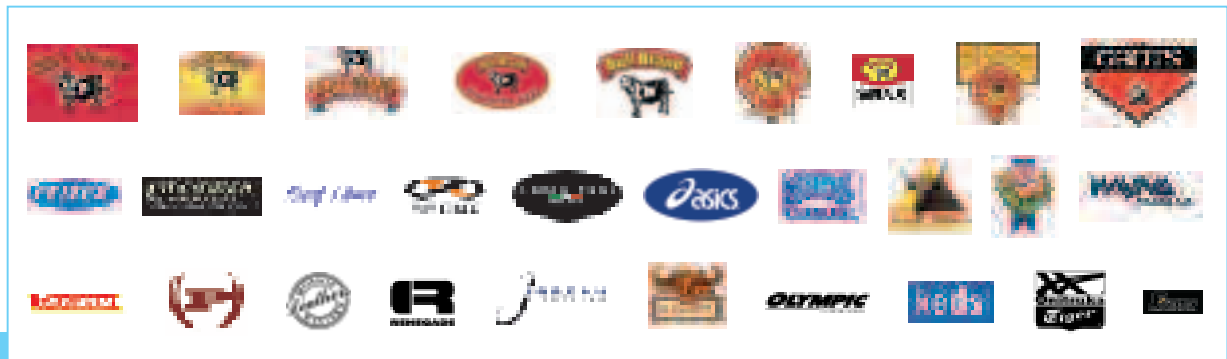
	31 Dec 2006 Unaudited Rm	31 Dec 2005 Restated Rm
<b>1. Net finance costs</b>	<b>28,2</b>	<b>19,4</b>
Interest received	(0,1)	(8,0)
Interest paid	28,3	27,4
<b>2. Capital expenditure commitments</b>	<b>47,0</b>	<b>33,3</b>
Contracted	9,5	10,3
Approved but not yet contracted	37,5	23,0
<b>3. Operating lease commitments</b>	<b>32,4</b>	<b>36,0</b>
<b>4. Guarantees and contingent liabilities</b>	<b>8,8</b>	<b>9,4</b>
<b>5. Adoption of Circular 9/2006</b>		
The group has adopted SAICA Circular 9/2006, transactions giving rise to revenue adjustments/purchases, and 2005 results have been restated accordingly (unaudited).		

	Revenue	%	Operating profit	%	Total assets	%	Depreciation	%
	Rm		Rm		Rm		Rm	
December 2006 (unaudited)	3 418,3	100%	255,8	100%	1 968,6	100%	43,2	100%
Industrial	2 002,1	59%	165,8	65%	1 222,1	62%	33,3	77%
Consumer	1 415,8	41%	93,0	36%	764,1	39%	9,4	22%
Other	0,4	–	[3,0]	[1%]	[17,6]	[1%]	0,5	1%
December 2005 (restated)	2 974,4	100%	227,7	100%	1 751,3	100%	42,2	100%
Industrial	1 816,7	61%	160,4	70%	1 127,8	64%	33,6	79%
Consumer	1 181,2	40%	68,3	30%	660,5	38%	9,2	22%
Other	[23,5]	[1%]	[1,0]	–	[37,0]	[2%]	[0,6]	[1%]

	31 Dec 2006 Unaudited Rm	31 Dec 2005 Restated Rm
Revenue	3 418,3	2 974,4
Operating profit	255,8	227,7
Pension fund surplus (net)	-	50,6
Discontinued operation closure cost	-	(10,9)
Net finance costs	(28,2)	(19,4)
Share of results of joint ventures	2,3	0,7
Profit before taxation	229,9	248,7
Taxation	(47,3)	(46,2)
Net profit for the year	182,6	202,5
- continuing operations	182,6	215,4
- discontinued operations	-	(12,9)
Net profit for the year		
- attributable to KAP shareholders	175,1	196,3
- attributable to minorities	7,5	6,2
<b>Reconciliation of headline earnings</b>		
Net profit attributable to KAP shareholders	175,1	196,3
Profit on sale of property, plant and equipment	(5,3)	(12,0)
Impairment of property and investment property	2,6	0,6
Discontinued operation closure cost	-	9,5
<b>Headline earnings</b>	<b>172,4</b>	<b>194,4</b>
Earnings per share (cents)	41,3	46,6
Headline earnings per share (cents)	40,7	46,1
Distribution per share (cents)	14,0	12,1

	31 Dec 2006 Unaudited Rm	31 Dec 2005 Restated Rm
<b>Cash flows from operating activities</b>	<b>184,5</b>	<b>110,5</b>
Cash generated from operations before working capital changes	297,8	216,7
Net working capital changes	(78,4)	(83,7)
Cash generated from operations	219,4	133,0
Net finance costs	(28,2)	(19,4)
Taxation paid	(6,7)	(3,1)
<b>Cash flows from investing activities</b>	<b>(121,2)</b>	<b>(139,1)</b>
Purchase of property, plant and equipment		
– expansion	(99,8)	(139,2)
– replacement	(26,9)	(26,0)
Other investing activities	5,5	26,1
<b>Cash flows from financing activities</b>	<b>(116,8)</b>	<b>(81,8)</b>
Decrease in borrowings	(70,2)	(73,1)
Distributions to shareholders	(51,3)	(8,7)
Proceeds on share issue	4,7	–
<b>Net decrease in cash and equivalents</b>	<b>(53,5)</b>	<b>(110,4)</b>
<b>Opening cash and equivalents</b>	<b>(110,7)</b>	<b>(0,3)</b>
<b>Closing cash and equivalents</b>	<b>(164,2)</b>	<b>(110,7)</b>

	31 Dec 2006 Unaudited Rm	31 Dec 2005 Restated Rm
Balance at the beginning of the period	1 057,1	863,6
Cumulative effect of Circular 9/2006	-	(1,4)
Shares issued during the period	4,7	13,8
Movement in share-based payment reserve	1,6	1,1
Movement in foreign currency translation reserve	(0,1)	-
Net profit for the period	182,6	202,5
Distributions to shareholders	(51,3)	(22,5)
<b>Balance at the end of the period</b>	<b>1 194,6</b>	<b>1 057,1</b>



**P C T Schouten**  
Chief executive officer

To comply with the requirements of STRATE the following provisional dates are applicable:

	2007
General meeting of shareholders	Wednesday, 11 April
Last date to trade cum-distribution	Thursday, 19 April
Trading commences ex-distribution	Friday, 20 April
Record date	Thursday, 26 April
Posting of cheques/electronic bank transfers	Monday, 30 April
Share certificates may not be dematerialised or rematerialised between Friday, 20 April 2007 and Thursday, 26 April 2007, both days inclusive.	

Any changes to the above dates will be advised by notification on SENS and in the press.

For and on behalf of the board

M Balladon  
Company secretary  
5 March 2007

**Non-executive directors:** C E Daun\* [Chairman], M J Jooste, J B Magwaza, I N Mkhari, F Möller\*, S H Nomvete, D M van der Merwe \* German  
**Executive directors:** P C T Schouten [CEO], J P Haveman [CFO]  
**Registration number:** 1978/000181/06 **Share code:** KAP **ISIN:** ZAE000059564  
**Registered address:** 1st Floor, New Link Centre, 1 New Street, Paarl, 7646  
**Postal address:** PO Box 3639, Paarl, 7620.  
**Telephone:** 021 872 8726. **Facsimile:** 021 872 8904  
**Transfer secretaries:** Computershare Investor Services 2004 (Proprietary) Limited  
**Address:** 70 Marshall Street, Johannesburg, 2001  
**Postal address:** PO Box 61051, Marshalltown, 2107  
**Telephone:** 011 370 5000. **Facsimile:** 011 327 3003  
**Sponsor:** PSG Capital Limited