MYRIAD MEDICAL HOLDINGS LIMITED

(Incorporated in the Republic of South Africa)
(Registration number: 2006/006371/06)
JSE code: MYD & ISIN: ZAE000085825
(Myriad or the Group)

REVIEWED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS ENDED 30 NOVEMBER 2008

- **Operating profit up 18%**
- **Earnings per share up 16%**
- **Cash from operations up 18%**
- **Net tangible asset value per share up 21% from 31 May 2008**

CONDENSED CONSOLIDATED BALANCE SHEET AS AT 30 NOVEMBER 2008

(R'000)	Reviewed 30 November 2008	Reviewed 30 November 2007	Audited 31 May 2008
ASSETS			
Non-current assets	**84,777**	76,975	84,671
Property, plant and equipment	**3,359**	3,733	3,286
Intangibles	**81,298**	73,242	81,298
Deferred taxation asset	**120**	-	87
Current assets	**102,500**	74,079	93,457
Accounts receivable and inventory	**101,428**	71,979	85,405
Taxation	**-**	66	6,408
Cash and cash equivalents	**1,072**	2,034	1,644
Total assets	**187,277**	151,054	178,128
EQUITY AND LIABILITIES			
Total equity	**145,669**	123,620	134,943
Share capital and premium	**94,240**	93,388	95,909
Contingently issueable shares	**-**	3,000	-
Accumulated profits	**51,429**	27,232	39,034
Non-current liabilities	**2,076**	1,796	1,702
Instalment sale liabilities	**618**	723	828
Deferred taxation	**1,458**	1,073	874
Current liabilities	**39,532**	25,638	41,483
Accounts payable and provisions	**36,365**	25,638	33,157
Taxation	**3,167**	-	8,326
Total equity and liabilities	**187,277**	151,054	178,128
Net asset value per share (cents)	**77.1**	65.6	70.6
Net tangible asset value per share (cents)	**34.0**	26.7	28.1
Closing number of shares	**188 675 164**	188,356,543	191,047,869

CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE 6 MONTHS ENDED 30 NOVEMBER 2008

(R'000)	Reviewed 30 November 2008	Reviewed 30 November 2007	Audited 31 May 2008
Revenue	**133,880**	108,191	228,250
Turnover	**132,454**	107,932	227,153
Cost of sales	**(76,036)**	(57,782)	(119,899)
Gross profit	**56,418**	50,150	107,254
Net operating costs	**(39,206)**	(35,504)	(76,614)
Operating profit	**17,212**	14,646	30,640
Interest received	**801**	480	1,025
Interest paid	**(965)**	(175)	(624)
Profit before taxation	**17,048**	14,951	31,041
Taxation	**(4,783)**	(4,471)	(8,870)
Profit for the period	**12,265**	10,480	22,171
Earnings per share (cents)	**6.5**	5.6	11.6
Diluted earnings per share (cents)	**6.2**	5.4	11.1
Weighted average number of shares	**190,106,568**	188,356,543	191,333,060
Diluted weighted average number of shares	**198,055,292**	195,198,155	199,705,285

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE 6 MONTHS ENDED 30 NOVEMBER 2008

(R'000)	Share capital and premium	Contingently issueable shares	Accumulated profits	Total
Balance at 31 May 2007	93,388	-	16,283	109,671
Contingently issueable shares	-	3,000	-	3,000
Profit for the period	-	-	10,480	10,480
Share based payment reserve adjustment	-	-	469	469
Balance at 30 November 2007	93,388	3,000	27,232	123,620
Issue of shares	3,083	(3,000)	-	83
Share buy-back (Treasury shares)	(562)	-	-	(562)
Profit for the period	-	-	11,691	11,691
Share based payment reserve adjustment	-	-	111	111
Balance at 31 May 2008	**95,909**	**-**	**39,034**	**134,943**
Share buy-back (Treasury shares)	**(1,669)**	**-**	**-**	**(1,669)**
Profit for the period	-	-	**12,265**	**12,265**
Share based payment reserve adjustment	-	-	**130**	**130**
Balance at 30 November 2008	**94,240**	**-**	**51,429**	**145,669**

CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE 6 MONTHS ENDED 30 NOVEMBER 2008

(R'000)	Reviewed 30 November 2008	Reviewed 30 November 2007	Audited 31 May 2008
Cash flow from operations	17,199	14,582	32,519
Cash inflow/(outflow) from operating activities	2,120	(6,185)	2,615
Cash outflow from investing activities	(2,482)	(1,073)	(9,445)
Cash outflow from financing activities	(210)	(141)	(959)
Decrease in cash and cash equivalents	(572)	(7,399)	(7,789)
Cash and cash equivalents at beginning of period	1,644	9,433	9,433
Cash and cash equivalents at end of period	1,072	2,034	1,644

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

The condensed consolidated interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting and in compliance with the South African Companies Act, 1973 and the Listing Requirements of JSE limited. The condensed consolidated interim financial statements are prepared on the historical cost basis, with the exception of certain financial instruments which are measured at fair value. The results of the interim period are not necessarily indicative of the results for the entire year, and these reviewed financial statements should be read in conjunction with the audited financial statements for the year ended 31 May 2008. The financial results presented above have been reviewed but not audited by Mazars Moores Rowland, the Group's auditors. Their limited review report is available for inspection at Myriad's registered office during normal office hours.

The preparation of condensed consolidated interim financial statements requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the condensed consolidated interim financial statements and the reported amounts of revenue and expenses during the reporting periods. Although these estimates are based on management's best knowledge of current events and actions that the Group may undertake in the future, actual results may differ from those estimates.

The accounting policies and methods of computation are consistent with those applied in the financial statements for the year ended 31 May 2008.

2. SUBSEQUENT EVENTS

No events material to the understanding of the report have occurred in the period between the period end and the date of this report, other than the acquisition of two international agencies which have been discussed in this report under "PROSPECTS".

3. RELATED PARTY TRANSACTIONS

There were no trading transactions between related parties during the reporting period.

4. ACQUISITIONS AND DISPOSALS OF PROPERTY, PLANT AND EQUIPMENT

During the period under review, the group purchased fixed assets to the value of R812,634, with no material disposals of equipment or other assets.

5. RECONCILIATION OF HEADLINE EARNINGS

	Reviewed 30 November 2008	Reviewed 30 November 2007	Audited 31 May 2008
Headline earnings per share (cents)	**6.5**	5.6	11.7
Diluted headline earnings per share (cents)	**6.2**	5.4	11.2

(R'000)			
Earnings for the period	**12,265**	10,480	22,171
Loss/(profit) on disposal of property, plant and equipment	**2**	(3)	(34)
Goodwill write-off	**-**	-	184
Headline earnings	**12,267**	10,477	22,321

6. SEGMENT INFORMATION

Segment **(R'000)**	**Single-use medical devices**	**Medical capital equipment**	**Technical services**	**Group**
Reviewed 30 November 2008				
Turnover	**118,300**	**9,908**	**4,246**	**132,454**
Operating profit	**16,360**	**540**	**312**	**17,212**
Interest received				**801**
Interest paid				**(965)**
Profit before taxation				**17,048**
Taxation expense				**(4,783)**
Profit for the period				**12,265**
Reviewed 30 November 2007				
Turnover	99,174	5,255	3,503	107,932
Operating profit	14,654	(117)	109	14,646
Interest received				480
Interest paid				(175)
Profit before taxation				14,951
Taxation expense				(4,471)
Profit for the period				10,480
Audited 31 May 2008				
Turnover	203,899	16,278	6,976	227,153
Operating profit	30,176	283	181	30,640
Interest received				1,025
Interest paid				(624)
Profit before taxation				31,041
Taxation expense				(8,870)
Profit for the period				22,171

COMMENTARY

1. NATURE OF BUSINESS

The Myriad Group is South Africa's only listed exclusive supplier of medical devices, single use consumables and medical capital equipment to both the public and private hospital sectors. In line with its strategy, Myriad continues to consolidate and rationalise the South African medical device sector. The Group currently consists of seven business units, with the rights to 32 leading agencies with a wide range of different premier brands.

Myriad has two wholly-owned subsidiaries, Myriad Medical (Proprietary) Limited (MMPL) and Filterworks (Proprietary) Limited (Filterworks). Besides the Pall medical filter agency which is housed in Filterworks, MMPL houses all of the Group's operating divisions and the Myriad training division. These include, as separate divisions, Manta Medical, Manta Forensic, ICU Medical, Earth Medical and Myriad Medical Capex and Technical.

Myriad focuses on both the public and private healthcare sectors, with its client base consisting of hospitals and private clinics. Currently, the private sector contributes 70% and the public sector 30% to Group turnover. The Group has consistently progressed towards a balanced mix between these sectors since listing in 2006, when the private sector was 85% and the public sector 15%.

2. RESULTS

Financial review

The results for the six months to 30 November 2008 represent the fifth consecutive set of positive results since listing in October 2006. Trading for the six months under review was strong due to continued demand in both the public and private sectors for Myriad's established and wide range of medical devices. Turnover increased by 23% to R132.45 million (2007: R107.93 million) and operating profit increased by 18% to R17.21 million (2007: R14.65 million). These increases were achieved despite challenging market conditions, which bears testament to the highly specialised and dedicated sales and management teams, the Group's core brand loyalties and strong customer relationships.

In line with Group expectations, earnings per share increased by 16% to 6.5 cents (2007: 5.6 cents). This increase represents organic growth. Myriad's balance sheet remains strong with a minimal amount of debt. All businesses were cash generative at the operating level.

The Group generated R17,20 million (2007: R14.58 million) cash from operations. The cash was utilised as follows:

- To repurchase further shares in the company for R1.67 million;
- R9.2 million for stock. The increase in stock was mainly attributable to some divisions taking advantage of favourable discounts from suppliers, a general increase in turnover, higher landed cost (due to the devaluation of the Rand), new agency stock, longer supplier lead times from two of the Group's major foreign suppliers and increased stock holdings in anticipation of higher December sales. Going forward, management will continue to monitor stock levels to keep them as low as possible, however, as is current practice, further stock investments will be required to support any new agencies.
- R2.98 million for taxation,
- R2.55 million working capital requirements other than stock; and
- R0.80 million for fixed assets.

The majority of the Group's inventory is sourced from foreign suppliers. The Group's policy is to take out forward cover on a substantial portion of its overseas purchases.

Operational review

90% of the Group's revenue is derived from single use medical consumables. These products are distributed by the Group's Manta Medical, Manta Forensic, Filterworks, ICU Medical and Earth Medical divisions.

During the period under review, these divisions continued to grow and secure their positions both within the private and public sectors. Manta, the largest of these divisions performed well and exceeded its budgeted numbers. Filterworks, ICU and Manta Forensic maintained a steady growth pattern for the six months and performed in line with expectations. Earth Medical's orthopedic business experienced a reduction in the number of orthopedic cases towards the end of the period due to medical aid cover being depleted as the year end approached. An increase in sales of orthopedic devices is expected in the first half of the 2009 calendar year.

The Group's Capex and Technical division, which contributes 10% to Group revenue, was profitable for the period under review.

3. PROSPECTS

The Group's strategy is to expand its product offering through new agencies and the acquisition of businesses that can deliver enhanced shareholder value. This two-pronged strategy, coupled with the Group's low gearing, gives Myriad the opportunity to increase its critical mass without having to rely solely on the equity capital markets for expansion.

Margins may come under pressure, should the higher cost of imported products and the uncertain economic environment persist. Myriad will focus on increasing its market share, whilst still ensuring that margins are protected as much as possible. Price increases submitted to customers and hospitals have been accepted for 2009.

The Group has secured two leading international agencies, both of which are already established in the South African market. Firstly, a sports medicine agency, which was previously held by a well known South African medical device company, will be housed in Earth Medical and will complement and extend Earth's existing range of products. Secondly, a surgical products agency, will be housed in Filterworks and will also be marketed and distributed through its existing infrastructure. These agencies have now increased the Group's sector range from six sectors on listing to eleven sectors currently.

The healthcare sector regulatory environment is currently in the process of evolving. The Group believes that these changes will result in a more transparent and level playing field for the medical device industry, which the Group welcomes.

4. DIVIDEND

No dividend has been recommended or declared for the interim period.

For and on behalf of the board
Dr PM Mandela, Chairperson

Johannesburg

17 February 2009

Directors: Dr PM Mandela*, Dr J Shapiro, RS Shapiro, BC Budler, W Marshall-Smith*, M Nielsen*, D Schneider*, E. Senamolele*, P Vallet*
(*non-executive)

Designated Adviser
Sasfin Capital
(a division of Sasfin Bank Limited)

Auditors
Mazars Moores Rowland

Transfer Secretaries
Computershare Investor Services 2004 (Pty) Ltd

Registered Office
Manta Place
Turnberry Office Park
48 Grosvenor Road
Bryanston
2021