Unaudited Interim Results
for the six months ended 30 September 2008

Financial Highlights

Revenue Up	23.7%
Attributable Earnings Up	12.6%
Attributable Earnings per share Up	4.8%
Headline Earnings Up	18.0%
Headline Earnings per share Up	9.8%
Gearing	28.6%

Argent Industrial Limited
Reg no 1993/002054/06
(Incorporated in the Republic of South Africa)
("The Group" or "The Company")
Share code : ART
ISIN code : ZAE000019188

www.argent.co.za

ARGENT
Industrial Limited

Abridged Consolidated Income Statement
for the six months ended 30 September 2008

	Unaudited six months 30 Sept 2008	Unaudited six months 30 Sept 2007	Audited year ended 31 Mar 2008
	R 000	R 000	R 000
Revenue	1 085 427	877 511	1 659 201
Operating profits before financing costs	166 994	145 066	308 634
Financing costs	32 900	23 110	49 782
Profit before taxation	134 094	121 956	258 852
Taxation	38 038	36 411	70 588
Profit after taxation	96 056	85 545	188 264
Minority interest	983	1 129	2 283
Earnings attributable to ordinary shareholders	95 073	84 416	185 981
Attributable earnings per share (cents)	107.1	102.1	218.5
Headline earnings per share (cents)	106.9	97.4	213.5
Dividends per share (cents)	19.0	16.0	33.0
Supplementary information			
Shares in issue (000)			
- at end of period	88 798	85 156	88 798
- weighted average	88 798	82 654	85 098
Interest received (R 000)	11 425	15 656	30 089
Cost of sales (R 000)	617 213	510 647	879 482
Depreciation (R 000)	15 635	12 508	23 983
Net profit on foreign exchange transactions (R 000)	712	885	3 753
Calculation of headline earnings (R 000)			
Earnings attributable to ordinary shareholders	95 073	84 416	185 981
Profit on disposal of property, plant and equipment	(134)	(3 949)	(7 502)
Loss on disposal of property, plant and equipment		16	213
Impairment of property, plant and equipment			2 979
Headline earnings attributable to ordinary shareholders	94 939	80 483	181 671

Abridged Consolidated Balance Sheet
as at 30 September 2008

	Unaudited at 30 Sept 2008	Unaudited at 30 Sept 2007	Audited at 31 Mar 2008
	R 000	R 000	R 000
Assets			
Non-current assets			
Property, plant and equipment	708 492	507 966	645 632
Intangibles	249 765	207 408	249 975
Long term loan		28 080	29 897
	958 257	743 454	925 504
Current assets			
Inventories	672 131	438 873	470 138
Trade and other receivables	421 574	311 997	409 138
Bank balance and cash	307	13 969	383
	1 094 012	764 839	879 659
Total Assets	2 052 269	1 508 293	1 805 163
Equity and Liabilities			
Capital and reserves			
Share capital and premium	440 106	391 799	437 336
Reserves	61 688	46 084	47 321
Retained earnings	662 248	513 860	602 997
Ordinary shareholders' funds	1 164 042	951 743	1 087 654
Minority interest		10 801	11 956
Total shareholders' funds	1 164 042	962 544	1 099 610
Non-current liabilities			
Interest-bearing borrowings	243 669	138 266	203 050
Deferred tax	67 423	46 048	64 492
	311 092	184 314	267 542
Current liabilities			
Trade and other payables	343 760	246 423	335 565
Taxation	32 000	34 781	7 583
Bank overdraft	111 937		9 912
Current portion of interest-bearing borrowings	89 438	80 231	84 951
	577 135	361 435	438 011
Total Equity and Liabilities	2 052 269	1 508 293	1 805 163
Net asset value per share (cents)	1 310.9	1 117.6	1 224.9

Abridged Consolidated Cash Flow Statement
for the six months ended 30 September 2008

	Unaudited six months 30 Sept 2008	Unaudited six months 30 Sept 2007	Audited year ended 31 Mar 2008
	R 000	R 000	R 000
Cash generated from operations	(32 706)	78 152	220 385
Interest paid	(32 900)	(23 110)	(49 782)
Interest received	11 425	15 656	30 089
Dividends paid	(16 872)	(13 506)	(28 125)
Taxation paid	(10 690)	(14 335)	(43 451)
Cash flows from operating activities	(81 743)	42 857	129 116
Cash flows from investing activities	(68 234)	(210 771)	(334 162)
Cash flows from financing activities	47 876	167 611	181 245
Net decrease in cash and cash equivalents	(102 101)	(303)	(23 801)
Cash and cash equivalents at beginning of period	(9 529)	14 272	14 272
Cash and cash equivalents at end of period	(111 630)	13 969	(9 529)

Statement of Changes in Equity
for the six months ended 30 September 2008

	Share capital	Share premium	Treasury shares	Revaluation reserve	Reserve on translation of foreign operation	Retained earnings
	R 000	R 000	R 000	R 000	R 000	R 000
Balance at 30 September 2007	4 698	500 110	(113 009)	46 777	(693)	513 860
Shares issued	127	40 708				
Net treasury movement			4 702			
Foreign currency translation adjustment					(587)	
Revaluation of properties				2 986		
Realisation of revaluation reserve				(1 162)		2 191
Net profit for the period						101 565
Dividends						(15 974)
Less dividend on treasury shares						1 355
Balance at 31 March 2008	4 825	540 818	(108 307)	48 601	(1 280)	602 997
Net treasury movement			2 770			
Foreign currency translation adjustment					29	
Revaluation of properties				15 019		
Realisation of revaluation reserve				(681)		
Buy-back of minority share in subsidiary						(18 950)
Net profit for the period						95 073
Dividends						(18 333)
Less dividend on treasury shares						1 461
Balance at 30 September 2008	4 825	540 818	(105 537)	62 939	(1 251)	662 248

Segment Report
for the six months ended 30 September 2008

Business Segments	Revenue unaudited 6 months ended 30 Sept 2008	Results unaudited 6 months ended 30 Sept 2008	Revenue unaudited 6 months ended 30 Sept 2007	Results unaudited 6 months ended 30 Sept 2007
	R 000	R 000	R 000	R 000
Steel trading	472 431	69 816	390 537	43 553
Automotive products	119 871	(1 162)	147 410	10 222
Home and office	309 320	37 966	202 201	26 050
Non-steel related products	101 615	7 762	84 276	34 517
Fabricators	82 190	19 712	53 087	7 614
Total	1 085 427	134 094	877 511	121 956

Financial Overview
Argent has again produced a solid set of results. While the automotive market and to a lesser extent the retail market pulled the results down, this was more than adequately compensated for by the strong performance of the steel trading and steel manufacturing businesses. The automotive businesses are expected to recover in the second half of the year due to new business being secured, particularly exports. Argent will also benefit from increased export margins due to the weaker Rand in the second half of the year.

The financial results reflect Argent's continued delivery of sustainable shareholder value:

- Revenue growth of 23.7% to R1.085 billion
- Gearing contained to 28.6%
- Operating profit increased by 15.1% to R167 million
- Operating margin reduced to 15.4% from 16.5%
- Headline earnings up by 18%
- Headline earnings per share up by 9.8%

Operations Review

Steel Trading
The steel division increased turnover by 21% mainly due to higher local steel prices. Earnings also increased substantially, partly due to an improved product sales mix. Sustainable benefits derived from heightened levels of activity in the infrastructure and construction sectors are being experienced. Forecasts for the steel sector remain relatively bullish especially in the medium to long term.

Phoenix Steel Natal commissioned the Fagor multi-strand blanking line, enabling it to provide a blanking service to the high tech end of the market which at the same time frees up more of Phoenix Steel Gauteng's space and infrastructure. The Group will also utilise this line to process imported coils, especially stainless steel and aluminium. The warehouse extension at Richards Bay is nearing completion, increasing its size by one third. The integration of Paint and Ladders into Argent Port Elizabeth and Phoenix Steel East London has been concluded successfully, boosting both businesses.

Gammid Trading performed steadily with sales up 10% while earnings were under pressure due to lower austenitic stainless steel prices as a result of lower nickel prices. Gammid gained market share in aluminium products to become one of Hulamin's largest distributors partly as a result of supplying the Group's aluminium products. Gammid's growth strategy is to expand on the service centre concept by supplying exact sizes and profiles to customers, allowing them to minimise costs as a result. A further significant development for Gammid is that it has become a national distributor for Columbus Stainless Steel with immediate effect.

Home and Office
This sector performed strongly mostly due to higher margins being driven through increased prices and operational efficiencies. Turnover through the building and contractors channels were superior to retail and this trend appears to be continuing into the second half of the financial year. Exports are being promoted aggressively and products are being developed exclusively for these markets, securing long term supply. Current levels of profitability can be maintained by containing costs, specifically through careful stock planning by the Group's in-house steel suppliers.

The integration and optimisation of the Paint and Ladders business has proceeded well and synergies have been maximised through better purchasing, manufacturing and distribution. Jetmaster benefited from increased exports as well as R8.5 million additional revenue being realised through the release of the new range of slow combustion stoves. Xpanda Security has similarly increased exports and has launched the new 'X' range of security doors and burglar proofing aimed at the lower end of the market, while still offering ease of installation and high security levels.

Toolroom Services had an exceptional six months with a significant increase in sales and earnings. The company benefited greatly from its entry into new products and markets, such as significant orders for library equipment, beds for the Angolan army and desks for the Mozambique Government. Its new building is nearing completion and is only being held up by the delay in supply of municipal services. Atomic Office Equipment achieved a 60% increase in turnover and is now performing near its full potential.

Paint and Ladders exceeded expected budgeted revenue and earnings projections. Cedar Paint's decorative product range continues to produce buoyant results while the company is also busy with a rebranding initiative which is already opening doors into additional retail chains. Castor & Ladder's turnover of products to the construction industry, primarily scaffolding, remains strong, while sales volumes to the heavy industry and retail (primarily ladders and curtain tracks) are under pressure.

Fabricators
Both Koch's Cut and Supply and Hendor Mining Supplies achieved substantial improvements in both revenue and earnings and continue to perform strongly in markets that seem to have a tremendous appetite for their products.

Automotive Products
Automotive manufacturers have implemented reduced working hours, resulting in reduced volumes for Argent in the OE market. Margins have come under pressure as some manufacturers have rejected proposed price increases resulting from higher steel prices.

On the upside, new contracts have been secured by Giflo Engineering including the supply of the Triton rear step and side steps for Daimler Chrysler. Sentech Industries has commissioned two powder coating plants and an e-coating plant which will not only improve current margins, but will open new markets. Sentech has recently quoted on five new contracts for Toyota and thirty-two for Volkswagen. Excalibur Vehicle Accessories has successfully diversified into non-automotive products, for example screening equipment for the mining industry.

The outlook for this sector remains relatively conservative compared to the past few years of record growth. The proposed revised MIDP incentives should energise this sector in the medium term. Every effort is being made to secure as many lucrative export contracts as possible.

Non-Steel Related Products
Megamix enjoyed a strong start to the year but margins came under pressure due to increased competition for construction work in the Western Cape. As at 30 September 2008, the Group terminated its BEE deal which resulted in Argent buying back its 30% stake in Megamix. The transaction resulted in a loss of R2.4 million which is reflected in the above results. This is not an adjustment to headline earnings as it is a reversal of interest previously earned. Allan Maskew showed substantial growth in both revenue and earnings due to new business being secured. New Joules North America's revenue remained flat while margins and earnings improved markedly. Argent's property portfolio remains unchanged but it is looking to secure a property in Bloemfontein to house Paint and Ladders and Phoenix Steel. In addition, a property has been purchased in George to house a branch of Gammid.

Looking forward to the second half of the 2009 financial year, it can be assumed that the volatility in key market forces will continue. Argent believes that the vast majority of its businesses have the correct strategies in place to ward off the worst of the effects of this volatility. The companies also have the ability to make proactive and inventive decisions to counter changing market conditions. Argent should achieve positive headline earnings growth and exceed its R2 billion turnover target. The incorporation of the Paint and Ladders business into Argent is expected to continue to have a favourable impact on the 2009 results. An agreement has also been concluded for the acquisition of a company that will open up additional export markets into the UK and Europe with a range of manufactured steel products. Only Competition Commission approval is outstanding.

Acknowledgements
My heartfelt thanks to all our employees for their industrious commitment to the Argent Group over the past half year and in advance for the rest of the year ahead. To the new employees that have joined us through Argent's acquisitions and through personal choice, we welcome you to the fold. Argent now employs 3,640 staff members and we are proud of our growing family.

Conclusion
We would like to welcome Investec Bank who has been appointed as the Group's Corporate Sponsors from 1 October 2008 and we would like to take this opportunity to thank Arcay Moela for their valuable service in the past.

Dividend
A final dividend of 19 cents per share in respect of the year ended 31 March 2008 was paid during the period.

An interim dividend of 19 cents has been declared, subsequent to 30 September 2008, payable on Monday 19 January 2009 to shareholders recorded in the register at close of business on Friday 16 January 2009, being the record date in order to participate in such dividend. The last day to trade cum-div is Friday 9 January 2009. The share will trade ex-div on Monday 12 January 2009.

Share certificates may not be dematerialised/rematerialised between Monday 12 January 2009 and Friday 16 January 2009, both days inclusive.

Accounting Policies and Presentation
The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), IAS 34 – Interim Financial Reporting and in compliance with the Companies Act of South Africa of 1973 and the Listings Requirements of the JSE Limited. The accounting policies are consistent with those of the previous financial period.

On behalf of the Board
TR Hendry CA (SA)
Chief Executive Officer

Maraisburg, Roodepoort
30 October 2008

Registered office: 1316 Clubhouse Street, Maraisburg, Roodepoort 1724
Te:l +27 11 661 5900
Auditors: Grant Thornton
Sponsor: Investec Bank Ltd
Transfer secretaries: Link Market Services South Africa, 5th floor, 11 Diagonal Street, Johannesburg 2001 (PO Box 4844, Johannesburg 2000)