

AfroCentric placed fourth in FM Top Companies Awards 2013

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The FM Top Companies Awards 2013 have placed AfroCentric Investment Corporation (AfroCentric) in fourth place. Now with a market capitalisation in excess of R1 billion, this is the first year that the company is eligible as a candidate for the awards.



Tabulated annually by FM and professional firm Accenture, the results are based on five-year performance statistics to ensure that the top companies are long-term performers. Earnings-per-share growth and internal rate of return each account for 40% of the final weighting, with the remaining 20% representing the most recent year's return on equity to ensure top companies are current performers.

A strong performance from AfroCentric

AfroCentric is a black-owned diversified investment holding company whose largest investment is Medscheme Holdings (Medscheme). Medscheme is the largest black-owned medical scheme administrator and managed care provider in South Africa, with approximately 3,4 million lives in the private healthcare portfolios under its management. Afrocentric also owns a significant minority stake in Jasco Electronic Holdings.

FM Top Companies described the attributes which won Afrocentric fourth spot: "Afrocentric is a tightly controlled and highly focused business and it seems likely that its talented management will maintain its focus and not deviate from its proven, but demanding investment criteria. For the six months to end-December 2012, Afrocentric turned in another strong set of results. Revenue rose almost 23%, operating profit was up 31% and normalised earnings per share increased by 29%."

The FM Top 20 is not a list of blue-chip companies - a glance at the winners reveals that many of the traditional blue chips are not there - but it is a list of companies that potentially represent some of the best investment opportunities on the JSE.

Motty Sacks, one of the co-founders and principal mentors to Afrocentric said that the Afrocentric Group has made significant progress over the past few years. "It has been immensely satisfying to have guided and counseled the group's loyal and diligent management in each of the business units.

"Given the impressive features on this Top 20 List, the bar is continually raised for future years, where candidate companies will need to outperform what are already superior performances."

Commercial achievement in an unpredictable economic landscape

AfroCentric chairperson, Dr. Anna Mokgokong said: "We are proud to be recipients of such a prestigious award. Not only does it acknowledge our commercial achievements over the past five years, but it reveals a growing public confidence and support for a black-owned enterprise, competing with some of South Africa's largest service institutions".

Dr. Rose Phillips, head of Accenture's sub-Saharan African business, commented, "Value-add and innovation, normally a characteristic of successful companies - should be an aspiration for every management team and corporate enterprise."

Guest speaker, governor of the South African Reserve bank, Gill Marcus, highlighted that the global economy, including South Africa, continues to cope with the challenges of the economic crisis, hopefully leading to a period of sustainable recovery. She pointed out that the global crisis is a constantly evolving and mutating one, "and one or two more mutations may still evolve requiring careful supervision to address such a largely unpredictable economic landscape".

Marcus said South Africa had a number of positive advantages within the global economy and expressed the hope that "the private sector will respond with fixed investment in infrastructure and increased capacity, a factor which has been disappointing over the past few years".

For more information, go to www.fm.co.za or www.afrocentric.za.com.

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