

Remgro *Limited*

INTERIM REPORT REVIEWED RESULTS FOR THE TWELVE MONTHS ENDED 31 MARCH 2011

SALIENT FEATURES

HEADLINE EARNINGS PER SHARE: **+17.6%**

INTRINSIC VALUE PER SHARE AT 31 MARCH: **R136.12**

CHANGE IN FINANCIAL YEAR-END FROM 31 MARCH TO 30 JUNE

CHANGE IN PAYMENT DATE OF FINAL DIVIDEND FROM AUGUST
TO NOVEMBER DUE TO CHANGE IN FINANCIAL YEAR-END

ABRIDGED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	2011 R'm	2010 R'm
ASSETS		
Non-current assets		
Property, plant and equipment	3 114	3 050
Biological agricultural assets	135	157
Investment properties	41	34
Intangible assets	327	361
Investments – Associated companies	34 697	28 052
– Joint ventures	249	55
– Other	6 300	6 644
Retirement benefits	158	121
Loans	107	108
Deferred taxation	7	6
	45 135	38 588
Current assets		
Inventories	1 168	1 048
Biological agricultural assets	416	423
Debtors and short-term loans	2 070	1 941
Investments in money market funds	1 711	1 812
Cash and cash equivalents	4 738	3 827
Other current assets	1 025	419
Total assets	56 263	48 058
EQUITY AND LIABILITIES		
Issued capital	3 605	3 722
Reserves	48 155	39 837
Treasury shares	(223)	(255)
Shareholders' equity	51 537	43 304
Non-controlling interest	783	779
Total equity	52 320	44 083
Non-current liabilities		
Retirement benefits	233	180
Long-term loans	154	175
Deferred taxation	1 095	1 162
Current liabilities	2 461	2 458
Trade and other payables	2 189	2 292
Short-term loans	34	146
Other current liabilities	238	20
Total equity and liabilities	56 263	48 058
Net asset value per share (Rand)		
– At book value	R100.34	R84.38
– At intrinsic value	R136.12	R121.64

ABRIDGED CONSOLIDATED INCOME STATEMENT

	2011 R'm	2010 R'm
Sales	12 222	11 849
Inventory expenses	(7 413)	(7 099)
Staff costs	(2 258)	(1 939)
Depreciation	(307)	(290)
Other net operating expenses	(1 585)	(1 680)
Trading profit	659	841
Dividend income	141	116
Interest received	149	146
Finance costs	(31)	(59)
Negative goodwill	112	–
Net impairment of investments, assets and goodwill	(67)	(179)
Profit/(loss) on sale and unbundling of investments	2 236	(9)
Consolidated profit before tax	3 199	856
Taxation	(453)	(309)
Consolidated profit after tax	2 746	547
Share of after-tax profit of associated companies and joint ventures	7 071	2 619
Net profit for the period	9 817	3 166
Attributable to:		
Equity holders	9 715	3 060
Non-controlling interest	102	106
	9 817	3 166
ASSOCIATED COMPANIES AND JOINT VENTURES		
Share of after-tax profit of associated companies and joint ventures		
Profit before taking into account impairments, non-recurring and capital items	5 526	3 952
Net impairment of investments, assets and goodwill	(83)	(118)
Profit on the sale of investments	3 009	41
Other non-recurring and capital items	386	(46)
Profit before tax and non-controlling interest	8 838	3 829
Taxation	(1 399)	(981)
Non-controlling interest	(368)	(229)
	7 071	2 619

RECONCILIATION OF HEADLINE EARNINGS

	2011 R'm	2010 R'm
Net profit for the period attributable to equity holders	9 715	3 060
Plus/(minus):		
– Negative goodwill	(112)	–
– Net impairment of investments	7	149
– Impairment of property, plant and equipment	–	4
– Impairment of intangible assets	–	26
– (Profit)/loss on sale and unbundling of investments	(2 236)	9
– Net surplus on disposal of property, plant and equipment	–	(4)
– Non-headline earnings items included in equity accounted earnings of associated companies and joint ventures	(3 377)	123
– Taxation effect of adjustments	167	(10)
– Non-controlling interest	–	(2)
Headline earnings	4 164	3 355

EARNINGS AND DIVIDENDS

	2011 Cents	2010 Cents
Headline earnings per share		
– Basic	811.6	690.1
– Diluted	785.1	676.4
Earnings per share		
– Basic	1 893.5	629.4
– Diluted	1 860.5	616.3
Dividends per share		
Ordinary	101.00	209.00
– Interim	101.00	84.00
– Final	–	125.00

ABRIDGED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	2011 R'm	2010 R'm
Net profit for the period	9 817	3 166
Other comprehensive income, net of tax	(258)	(640)
Exchange rate adjustments	(310)	(1 216)
Fair value adjustments for the period	(432)	1 421
Deferred taxation on fair value adjustments	100	(219)
Realisation of reserves previously deferred in equity	(14)	(6)
Change in reserves of associated companies and joint ventures	398	(620)
Total comprehensive income for the period	9 559	2 526
Total comprehensive income attributable to:		
Equity holders	9 457	2 420
Non-controlling interest	102	106
	9 559	2 526

ABRIDGED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	2011 R'm	2010 R'm
Balance at 1 April	44 083	38 787
Total comprehensive income for the period	9 559	2 526
Dividends paid	(1 220)	(1 006)
Capital invested by minorities	13	10
Other movements	(50)	2
Long-term share incentive scheme reserve	52	50
Unbundling of investment	(117)	–
Shares issued	–	3 714
Balance at 31 March	52 320	44 083

ABRIDGED CONSOLIDATED STATEMENT OF CASH FLOWS

	2011 R'm	2010 R'm
Cash generated from operations	806	1 004
Taxation paid	(167)	(144)
Dividends received	1 936	1 444
Cash available from operating activities	2 575	2 304
Dividends paid	(1 220)	(1 006)
Net cash inflow from operating activities	1 355	1 298
Investing activities	(292)	(1 147)
Financing activities	13	(5)
Net increase in cash and cash equivalents	1 076	146
(Increase)/decrease in money market funds	101	(234)
Exchange rate loss on foreign cash	(207)	(1 190)
Cash and cash equivalents at the beginning of the period	3 741	5 019
Cash and cash equivalents at the end of the period	4 711	3 741
Cash and cash equivalents – per statement of financial position	4 738	3 827
Bank overdraft	(27)	(86)

ADDITIONAL INFORMATION

	2011	2010
Number of shares in issue		
– Ordinary shares of 1 cent each	481 106 370	481 106 370
Issued at 1 April	481 106 370	439 479 751
Issued during the period	–	41 626 619
– Unlisted B ordinary shares of 10 cents each	35 506 352	35 506 352
Total number of shares in issue	516 612 722	516 612 722
Number of shares held in treasury		
– Ordinary shares repurchased and held in treasury	(3 005 846)	(3 424 044)
	513 606 876	513 188 678
Weighted number of shares	513 071 546	486 152 822

In determining earnings per share and headline earnings per share the weighted number of shares was taken into account.

ADDITIONAL INFORMATION (CONTINUED)

	2011 R'm	2010 R'm
Listed investments		
<i>Associated</i>		
– Book value	23 792	17 235
– Market value	31 752	28 480
<i>Other</i>		
– Book value	5 844	6 357
– Market value	5 844	6 357
Unlisted investments		
<i>Associated</i>		
– Book value	10 905	10 817
– Directors' valuation	19 020	17 720
<i>Joint ventures</i>		
– Book value	249	55
– Directors' valuation	256	55
<i>Other</i>		
– Book value	456	287
– Directors' valuation	456	287
Additions to and replacement of property, plant and equipment	498	424
Capital and investment commitments (Including amounts authorised, but not yet contracted for)	1 293	882
Guarantees and contingent liabilities*	2 210	389
Dividends received from associated companies and joint ventures set off against investments (the 2011 amount includes the MMI and RMI Holdings unbundling dividends amounting to R6 174 million)	8 027	1 222

* The increase in guarantees and contingent liabilities since 31 March 2010 relates mainly to two tax assessments received from SARS during the period under review. One of the assessments amounting to R894 million relates to the buyback and cancellation of treasury shares, while the second assessment amounting to R690 million was issued in connection with the disposal of investments (both amounts include interest). The assessments are being disputed.

COMMENTS

1. CHANGE IN FINANCIAL YEAR-END

During the period under review the financial year-end of the Company was changed from 31 March to 30 June, with effect from the current financial year. The rationale for the change was to comply with the revised International Auditing Standard 600 (ISA 600), as fully set out in the announcement released on SENS on 16 March 2011.

In terms of the JSE Listings Requirements (Listings Requirements), Remgro therefore has to publish and distribute a second set of interim results to shareholders for the twelve-month period ended 31 March 2011, with comparative figures for the previous year. In terms of the Listings Requirements these results have to be reviewed by the external auditors. Remgro will also publish and distribute audited financial results for the fifteen months ending 30 June 2011, by no later than 30 September 2011.

As a result of the change in year-end, Remgro's final and interim dividends will now be paid during November and April of each year respectively, compared to August and January previously. In respect of the fifteen-month period ending 30 June 2011, the final dividend will be based on earnings for the fifteen months and will be paid in November 2011. For subsequent financial years, the final dividend will again be based on earnings for the twelve months under review.

2. ACCOUNTING POLICIES

The interim report is prepared in accordance with the recognition and measurement principles of International Financial Reporting Standards (IFRS), including IAS 34: *Interim Financial Reporting*, and in accordance with the requirements of the Companies Act (No. 61 of 1973), as amended, and the Listings Requirements of the JSE Limited.

These financial statements incorporate accounting policies that are consistent with those of the previous financial year, with the exception of the implementation of the amendments to IAS 28: *Investments in Associates*, resulting from the introduction of the revised IFRS 3: *Business Combinations*. Refer to the section on changes in accounting policy below for further detail.

3. CHANGES IN ACCOUNTING POLICY

In the past all dilutionary and anti-dilutionary effects of equity transactions by associated companies and joint ventures that Remgro was not a party to, were accounted for in other comprehensive income. With the introduction of the amendments to IAS 28: *Investments in Associates*, resulting from the application of the revised IFRS 3: *Business Combinations*, these effects are now accounted for in the income statement.

In terms of the transitional provisions of the revised IFRS 3, this standard is only applied prospectively for all financial periods commencing on/after 1 July 2009 and accordingly the comparative results have not been restated. The impact of the change in accounting policy for the period under review resulted in an increase in earnings of R291 million. In terms of *Circular 3/2009: Headline Earnings*, the effect of such transactions is not included in headline earnings and accordingly the change in accounting policy did not affect Remgro's headline earnings.

4. COMPARISON WITH PRIOR YEAR

The acquisition of VenFin Limited (VenFin) was completed on 23 November 2009 when VenFin shareholders received 1 Remgro share for every 6.25 VenFin shares held. For the year ended 31 March 2010 only VenFin's associates and joint ventures with March and September year-ends were equity accounted for the three months from 1 January 2010 to 31 March 2010.

For the twelve months under review the VenFin Group was however accounted for the full period. The acquisition did have a negative effect on headline earnings per share due to the dilutive effect of the issue of 41.6 million Remgro shares as consideration for the acquisition.

5. RESULTS

Headline earnings

For the twelve months under review headline earnings increased by 24.1% from R3 355 million to R4 164 million, whereas headline earnings per share increased by 17.6% from 690.1 cents to 811.6 cents.

Contribution to headline earnings

	Twelve months ended 31 March		
	2011 R'm	% Change	2010 R'm
Financial services	1 871	38.1	1 355
Industrial interests	2 051	3.5	1 982
Media interests	34	100.0	17
Mining interests	112	16.7	96
Technology interests	107	723.1	13
Other investments	25	139.1	(64)
Central treasury	65	14.0	57
Other net corporate costs	(101)	–	(101)
	4 164	24.1	3 355

Refer to Annexures A and B for segmental information.

The combined contribution of FirstRand and RMBH to Remgro's headline earnings from financial services amounted to R1 871 million (2010: R1 355 million). The increase of 38.1% can be attributed mainly to a significant reduction in bad debts and improved profitability in both RMB and WesBank.

The contribution of the industrial interests to headline earnings increased by only 3.5% to R2 051 million (2010: R1 982 million). Medi-Clinic's and Unilever's contribution to headline earnings amounted to R474 million and R298 million respectively (2010: R460 million and R279 million). Distell's contribution to Remgro's headline earnings, which includes the investments in Capevin Holdings and Capevin Investments, amounted to R315 million (2010: R281 million). Kagiso Trust Investment's (KTI) contribution to headline earnings amounted to R279 million (2010: R128 million), favourably impacted by fair value adjustments relating to its shareholding in MMI Holdings Limited and Adcock Ingram Holdings Limited during its first six months. Rainbow reported firm results with a contribution to Remgro's headline earnings amounting to R273 million (2010: R259 million). Tsb Sugar's contribution to headline earnings declined to R114 million (2010: R227 million). This decline is mainly due to a non-recurring cost of R43 million accounted for during the period under review relating to the closure of a pension fund, as well as profit of R34 million in the comparative period relating to a change in the valuation methodology of its biological agricultural assets. Total South Africa's contribution to headline earnings amounted to R99 million (2010: R42 million), which improved performance is mainly due to favourable stock revaluations and savings in operating costs.

Media interests consist of the interests in Sabido, MARC (previously SAIL), One Digital Media (ODM) and Premier Team Holdings (PTH). Sabido's contribution to Remgro's headline earnings amounted to R116 million (2010: R11 million), while MARC contributed R2 million (2010: R5 million). ODM's and PTH's contribution to headline earnings amounted to losses of R47 million (2010: earnings of R1 million) and R37 million respectively. No income from PTH was accounted for in the comparative period.

After the unbundling of the investment in Trans Hex to Remgro shareholders during September 2010, Implats is the only remaining investment being reported under mining interests. Dividends received from Implats amounted to R112 million (2010: R85 million), while no income from Trans Hex was accounted for during the period under review (2010: R11 million).

Technology interests primarily represent the interest in the CIV group of companies, as well as the investments in Tracker and SEACOM. For the period under review the CIV group contributed R87 million to Remgro's headline earnings (2010: R7 million), while Tracker's contribution to headline earnings amounted to R57 million. SEACOM reported a headline loss of R161 million for the period under review, with Remgro's share of this loss amounting to R40 million. SEACOM is cash flow positive and Remgro received dividends of \$6 million during the year. No income from Tracker and SEACOM was accounted for in the comparative period. It should be noted that with effect from 31 December 2010 the investments in Tracker and Fundamo, also one of Remgro's technology interests, were reclassified as investments "held for sale".

The contribution of other investments to headline earnings improved by R89 million to R25 million (2010: R64 million loss). It should be noted that a headline loss amounting to R79 million for Xicom was included in the results of the comparative period. This investment was sold in March 2010. Business Partners' contribution to headline earnings amounted to R18 million (2010: R12 million).

Higher average cash balances resulted in an increase in the contribution from the central treasury division to R65 million (2010: R57 million). Other net corporate costs remained constant at R101 million (2010: R101 million) mainly due to certain non-recurring items accounted for in both periods.

Earnings

Total earnings increased by 217.5% to R9 715 million (2010: R3 060 million), mainly as a result of the earnings growth of the underlying investments, as well as the capital gains realised on the FirstRand/RMBH restructuring transactions.

6. INTRINSIC VALUE

Remgro's intrinsic value per share increased by 11.9% from R121.64 at 31 March 2010 to R136.12 at 31 March 2011. Refer to Annexure B for full details.

7. INVESTMENT ACTIVITIES

The most important investment activities during the period under review were as follows:

FirstRand Limited (FirstRand) and RMB Holdings Limited (RMBH)

On 12 November 2010 it was announced that all of the suspensive conditions of the proposed merger of Metropolitan Holdings Limited and Momentum Group Limited, as well as the subsequent unbundling by FirstRand of its entire shareholding in

the new merged entity (MMI Holdings Limited (MMI)) to its ordinary shareholders, were fulfilled. On 13 December 2010 Remgro received 81.2 million MMI shares in terms of the above transaction.

During March 2010 RMBH also announced that it was exploring a number of restructuring steps to realign its investment portfolio and to enhance shareholder value. The restructuring commenced during December 2010 and included the separation of RMBH's insurance and banking interests (RMI Holdings Limited (RMI Holdings) and RMBH respectively) and resulted in a separate listing of both companies. In terms of the restructuring Remgro disposed of its entire holding in MMI to RMI Holdings in exchange for shares in RMI Holdings, and now has the following direct interests in the respective entities after the completion of all related restructuring transactions:

RMI Holdings	34.9%
RMBH	31.5%
FirstRand	3.9%

As Remgro only acquired its interest in RMI Holdings during March 2011, no income from that company was accounted for during the period under review.

Nampak Limited (Nampak)

During August 2010 Remgro sold its 13.3% interest in Nampak through an accelerated book build offering for a total consideration of R1 358.9 million (or R17.40 per share). During the period under review the results of Nampak were equity accounted for the four months to 31 July 2010 and its contribution to Remgro's headline earnings amounted to R33 million (2010: R73 million).

Trans Hex Group Limited (Trans Hex)

On 18 August 2010 Remgro shareholders approved the unbundling of the investment in Trans Hex and on 13 September 2010 each Remgro shareholder received 5.85 Trans Hex shares for every 100 Remgro shares held. As the investment in Trans Hex was reclassified as an investment "held for sale" in the previous financial year, no income from Trans Hex was accounted for during the period under review (2010: R11 million).

Medi-Clinic Corporation Limited (Medi-Clinic)

During August 2010 a further R591.9 million was invested in Medi-Clinic in terms of a rights offer whereby Medi-Clinic shareholders could subscribe for an additional 10 Medi-Clinic shares for every 100 shares held at a price of R23.00 per share. On 31 March 2011 Remgro's interest in Medi-Clinic was 45.2% (31 March 2010: 45.7%).

Business Partners Limited (Business Partners)

During the period under review Remgro acquired a further 14 381 742 Business Partners shares for

a total consideration of R79.3 million. On a fully diluted basis, Remgro's interest in Business Partners increased to 28.8% (31 March 2010: 20.8%).

Kagiso Trust Investments (Pty) Limited (KTI) and the Kagiso Infrastructure Empowerment Fund (KIEF)

During the 2007 financial year, Remgro entered into agreements with KTI and KIEF, in terms of which it committed funds amounting to R350 million to KIEF. The fund has a target size of R650 million and aims to invest in infrastructure projects, including roads, airports, power and telecommunication installations, railway systems, ports, water and social infrastructure. During the period under review Remgro invested a further R132.1 million in KIEF. By 31 March 2011, Remgro had invested R226.2 million of the R350 million committed.

Dark Fibre Africa (Pty) Limited (Dark Fibre)

In the past Remgro only had an indirect interest of 31.3% in Dark Fibre through its interests in the CIV group of companies. During the period under review an amount of R11.0 million was invested directly in Dark Fibre, while an additional amount of R134.5 million was invested in the CIV group of companies. These investments effectively increased Remgro's interest in Dark Fibre to 37.0%. At the same time Remgro agreed to provide a loan facility amounting to R85.0 million to Dark Fibre. The term of the facility is ten years and the full amount has already been advanced.

Capevin Holdings Limited (Capevin Holdings)

During the period under review Remgro acquired a further 11 096 828 Capevin Holdings shares for a total consideration of R38.5 million. These acquisitions increased Remgro's indirect interest in Distell to 33.5% (31 March 2010: 33.3%).

Tsb Sugar Holdings (Pty) Limited (Tsb Sugar)

During the period under review Tsb Sugar divested from its citrus operations and sold its interests in Golden Frontiers Citrus (Pty) Limited and Komatie Fruits (Pty) Limited with effect from 31 March 2011. An after-tax capital gain of R22 million was realised on this transaction. The future impact of the transaction on Tsb Sugar's results is not expected to be material.

Other smaller investments were made during the period under review amounting to R173.0 million in PGSI Limited, Fundamo (Pty) Limited, Premier Team Holdings Limited (PTH), One Digital Media (Pty) Limited and Milestone China Funds.

Events after 31 March 2011:

Lashou Group Inc. (Lashou)

During April 2011 Remgro invested \$18.0 million for a 1.6% interest, on a fully diluted basis, in Lashou, a Chinese company specialising in group buying and location-based marketing campaigns.

KTI and Tiso Group (Pty) Limited (Tiso)

KTI and Tiso have entered into negotiations for the merger of the two groups into a new merged entity, Kagiso Tiso Holdings (Pty) Limited. The transaction is subject to the approval by the Competition Authorities and the proposed effective date is 1 July 2011.

Tracker – Discussions have been entered into concerning the possible sale of Tracker.

Fundamo – Remgro sold its interest in Fundamo to Visa Inc. for a total consideration of R230 million.

PTH – Further equity investment of £2.6 million.

Dark Fibre – Further equity investment of R106.0 million, increasing Remgro's interest to 44.3%, as well as a further loan of R31.6 million.

8. INFORMATION REGARDING UNLISTED INVESTMENTS

Unilever South Africa Holdings (Pty) Limited (Unilever South Africa)

Unilever South Africa's contribution to Remgro's headline earnings for the period under review amounted to R298 million (2010: R279 million). Included in Remgro's share of Unilever's earnings are restructuring costs amounting to R36 million (2010: R53 million).

Unilever South Africa's turnover for the period increased by 4.5% to R13 183 million (2010: R12 619 million) primarily driven by volume growth (6.6%). The strong volume growth is mainly due to the Powders category where the company is seeing the benefits of maintaining its competitive pricing strategy. Volume growth is further driven by innovations in the Savoury category. The decline in price growth (-3.3%) for the period under review is mainly owing to decreasing commodity prices.

Turnover growth, slightly higher margins and decreased finance cost has attributed to an increase in the company's profit after tax for the period under review to R1 151 million (2010: R1 070 million).

Tsb Sugar Holdings (Pty) Limited (Tsb Sugar)

Tsb Sugar's contribution to Remgro's headline earnings for the period under review amounted to R114 million (2010: R227 million), with the sugar business contributing R112 million, and the citrus division R2 million.

Turnover for the twelve months ended 31 March 2011 increased by 5.1% from R4 149 million to R4 359 million. Sugar sales contributed R3 864 million (2010: R2 948 million) to turnover of which 18.2% is represented by exports.

Tsb Sugar's raw sugar production for the period under review decreased by 4.6% to 600 045 tons (2010: 628 753 tons) while the South African Sugar industry's production for the same period decreased by 12.4%. The decrease in Tsb Sugar's production is mainly attributed to the lower cane crushed at the mills due to wet conditions at the start and the end of the season and to lower cane quality which negatively impacted on factory efficiencies. The world sugar price remained strong over the past twelve months, but the stronger rand negated most of the increase. During the period under review Tsb Sugar incurred a R43 million cost relating to the closure of the Booker Tate pension funds.

The contribution of Royal Swaziland Sugar Corporation to Tsb Sugar's headline earnings for the period amounted to R16 million (2010: R38 million). The decrease was mainly due to the strength of the lilangeni against the euro and lower sugar production.

Land claims affecting Komati and Malelane sugar mills have been settled and the properties will not be restored to claimant communities. Negotiations to reach settlement in respect of the remaining agricultural holdings and the Pongola sugar mill are expected to be concluded in the next financial year.

Air Products South Africa (Pty) Limited (Air Products)

Air Products' contribution to Remgro's headline earnings for the twelve months ended 31 March 2011 increased by 20.9% to R139 million (2010: R115 million).

Turnover for the twelve months ended 31 March 2011 increased by 13.4% to R1 407 million (2010: R1 241 million), while the company's operating profit for the same period increased by 14.6% to R448 million (2010: R391 million). Volumes in most business segments continued to improve slowly. Further improvement in volumes is anticipated in forthcoming months, together with increasing pressure on input costs.

Sabido Investments (Pty) Limited (Sabido)

Remgro has an effective interest of 31.5% in Sabido which has a range of media interests, the most significant of which is South Africa's only private free-to-air television channel, e.tv, and its sister news service, the eNews channel. Sabido's contribution to Remgro's headline earnings for the twelve months ended 31 March 2011 amounted to R116 million. This amount includes a charge of R11 million relating to the amortisation of intangible assets, identified as part of the acquisition of VenFin.

The latest results from the All Media Products Survey indicate that e.tv's audience has grown by 400 000 to 15.2 million viewers. e.tv remains the largest English-medium television channel in South Africa and the second most watched channel overall. Despite significant gains by pay-television into e.tv's core target market, e.tv has managed to maintain audience growth with a strong local programming line-up. The delay in launching digital terrestrial television, which would provide a multi-channel free-to-air platform, continues to aggravate the loss of audiences by free-to-air television channels to pay-television. Programming costs have remained stable and although e.tv's advertising revenue was negatively affected by the 2010 FIFA World Cup, it managed to achieve its annual target by the end of its financial year. e.tv Africa, the channel's pan-African syndicated service, launched on DStv's pan-African service in December and is now available in 49 countries across the continent.

The growth in pay-television subscribers on DStv has benefited the eNews Channel which has retained its position as market leader among news channels in South Africa. The channel is also now available to DStv subscribers in the rest of Southern Africa. The launch of eNuu (a daily half-hour Afrikaans news bulletin) on Kyknet has been well-received with eNuu appearing consistently in Kyknet's top five programmes and taking share from SABC2's Afrikaans news bulletin.

In early 2011, Sabido acquired a 47.4% stake in The Africa Channel, a pay-television channel in the United Kingdom which is broadcast on the Sky retail bouquet. The eNews Africa bulletins (which are currently broadcast on e.tv Africa) are being broadcast on The Africa Channel from April 2011. Sabido has also acquired 100% of Power, the United Kingdom's eighth largest programme distributor. This will consolidate Sabido's capacity to distribute content on a worldwide basis.

Kagiso Trust Investments (Pty) Limited (KTI)

KTI is a black controlled investment holding company. Its investments are predominantly in the financial services, media and mining sectors. Its three largest investments, by value, are its interests in MMI Holdings Limited (MMI), Kagiso Media Limited and Adcock Ingram. KTI's interest in MMI represents an indirect interest in Metropolitan and Momentum as a result of corporate actions during December 2010.

KTI's financial year-end is 30 June. However, included in Remgro's headline earnings are KTI's results for the twelve months ended 31 December 2010. KTI posted headline earnings of R657 million for the twelve months ended 31 December 2010, compared to headline earnings of R301 million in the prior twelve-month period. The significant increase in headline earnings is mainly attributable to fair value gains on the investments in Adcock Ingram (R238 million) as well as MMI (R296 million). KTI's contribution

to Remgro's headline earnings for the period under review amounted to R279 million (2010: R128 million).

The Mototolo Platinum Mine delivered strong equity accounted results during the second half of the year. The rand's strength, however, eroded some of the gains in metal prices.

Total South Africa (Pty) Limited (Total)

Total's contribution to Remgro's headline earnings for the period under review amounted to R99 million (2010: R42 million).

International oil prices increased significantly during the year driven by worldwide economic growth and the recovery of demand as well as political unrest in some oil producing countries. The strengthening of the rand against the US dollar has limited the impact of stock revaluations which resulted in a gain of R160 million before tax. Financing costs decreased mainly due to lower interest rates, despite increased working capital requirements, driven by higher prices in the international oil markets.

Driven by the economic recovery in South Africa, Total's sales of main fuels have increased by 2.5% from the previous year, while retail sales have increased by 1.0%. Strong competition and low margins in the aviation business resulted in a decrease of 13% in jet fuel sales, but the company has maintained its position in the lubricants and bitumen market segments.

At the end of 2010, Total acquired the BEE company Tosaco Commercial Services (Pty) Limited, and has merged the commercial activities within its marketing activities. Marketing margins slightly recovered from the previous year, helped by a small interim regulated wholesale margin increase granted by the Department of Minerals and Energy to the industry at the end of 2009.

Natref, in which Total has an interest of 36%, experienced a relatively satisfactory reliability rate in 2010. The refinery has commenced investing in increasing its capacity, particularly in diesel grades in anticipation of the increasing demand for distillates and the desulphurisation of the market. The second phase of the investment will take place during 2011. Driven by increased demand of oil products, and following historical lows in 2009, refining margins have recovered in 2010, but have not yet reached the level seen before the economic downturn.

To face the economic downturn, the company had launched action plans during 2009 to reduce its costs and embarked on a restructuring process which was completed during 2010. These action plans and lower inflation in South Africa have led to a reduction of fixed costs. However, the company continues to maintain the same level of investment regarding health, safety, environment and quality projects.

SEACOM Capital Limited (SEACOM)

Remgro has an effective interest of 25.0% in SEACOM which launched the first terabit undersea fibre-optic cable to connect Southern and Eastern Africa with Europe and Asia in July 2009. The cable connects South Africa, Mozambique, Tanzania, Kenya and Djibouti and onwards with the rest of the world via landing points in France (and onwards to London) and India. Landlocked countries (Uganda, Rwanda, Ethiopia, etc.) are connected by terrestrial backhaul.

SEACOM has a December year-end and therefore its results for the twelve months to 31 December 2010 have been included in Remgro's results for the period under review. SEACOM's contribution to Remgro's headline earnings for the period under review amounted to a loss of R40 million. SEACOM provides high-capacity international fibre-optic bandwidth to customers in the form of IRUs (indefeasible right of use) where most of the revenue is accounted for over 20 years. During the period under review SEACOM had unforeseen repair and restoration costs due to a component failure on its undersea fibre-optic cable. The company is on track to meet its targets, but incurred a loss for the full financial year.

Internet supply increased substantially in the last year due to the delivery of international bandwidth by SEACOM. SEACOM has experienced greater competition this year with the launch of the TEAMS cable system in Kenya and EASSy in Southern and Eastern Africa. The competition has resulted in downward pressure on pricing, but the demand has shown great elasticity resulting in increased international bandwidth usage in all countries in which it operates.

Tracker Investment Holdings (Pty) Limited (Tracker)

Tracker's contribution to Remgro's headline earnings for the period under review amounted to R57 million. This amount includes a charge of R24 million relating to the amortisation of intangible assets, arising on the acquisition of VenFin.

For the twelve months ended 31 December 2010 Tracker's turnover increased by 13.0% to R1 252 million (2009: R1 108 million) and operating profit improved by 16%. Over the same period the total subscriber base has increased by 10% to 649 810. The National Association of Automobile Manufacturers of South Africa reported a 24.7% year-on-year growth in new vehicle sales for the 2010 calendar year; however, this was off a very depressed 2009 base.

Community Investment Ventures Holdings (Pty) Limited (CIV)

Remgro has an effective interest of 41.2% in the CIV group which is active in the power, telecommunications and information technology sectors. The main subsidiaries are Dark Fibre Africa (DFA) which constructs and owns fibre-optic networks, CIE Telecom which imports and

distributes fibre and specialises in network management and CIV Power which specialises in cabling of power stations.

The CIV group's contribution to Remgro's headline earnings for the twelve months to 31 March 2011 amounted to R87 million.

It is anticipated that CIV group's centre of growth will be DFA. DFA's headline earnings for the twelve months to 31 March 2011 increased by 129.2% to R165 million (thirteen months to 31 March 2010: R72 million), due to additional sections of the company's fibre-optic network having been completed and more customers acquiring or leasing infrastructure.

DFA has fibre network rings in Johannesburg, Cape Town, Durban, Midrand, Centurion and Pretoria. The Johannesburg ring is regarded as one of the most important communication rings in Africa. To date, a total distance of 2 600 km has been completed in the major metropolitan areas. DFA is also rolling out long-haul routes, the first one completed being from Durban Metropolitan to the SEACOM landing station in Mtunzini. This route was extended through Empangeni to Gauteng and was completed in April 2011. In 2010 DFA commenced with the fibre-to-the-tower project linking mobile phone operators' base stations to the core communication rings. Mobile backhaul is a major growth driver for DFA.

DFA has signed commercial lease agreements with 33 telecommunications service providers ranging from the largest incumbents to small niche operators, thereby establishing an annuity income-generating business.

During the next financial year the company aims to extend its presence in the South African telecommunications market by doubling its infrastructure footprint, as well as expanding its sales and marketing activities. The increase in the number of Electronic Communication Network Services licences issued by the Independent Communications Authority of South Africa has increased DFA's potential market for its services and should lead to sustainable growth in earnings.

PGSI Limited (PGSI)

Remgro's portion of PGSI's headline loss for the twelve months ended 31 December 2010 amounted to R12 million (2009: R1 million headline earnings). This amount excludes the earnings contribution relating to the PGSI convertible preference shares of R11 million (2009: R8 million) as well as the fair value adjustment on the conversion right amounting to R10 million (2009: R74 million).

PGSI's turnover for its year under review increased by 7.0% to R2 905 million (2009: R2 716 million), while its operating profit amounted to R93 million (2009: R72 million). The improvement in the

operating results was largely driven by a slowly improving economic climate in South Africa, but increased net finance costs have resulted in a net loss, compared to the previous year.

The main operating subsidiary in South Africa, PG Group, has been affected by the global and local recession of the past few years, particularly in the Original Equipment Manufacturers (OEM) automotive and domestic building sectors. While the automotive and small building sectors are beginning to emerge from the recession, commercial buildings are lagging and will continue to impact in terms of slow glass demand during 2011.

The difficult market conditions for manufacturing in South Africa have been further exacerbated by a very strong rand which strengthened considerably since the first quarter of 2010, in addition to similar strengthening in 2009. The PG Group has embarked on a number of initiatives to improve profitability in this difficult trading environment, including the reorganisation of the building products division to improve service levels, a focus on growing markets in Africa, the reduction in labour costs at the automotive manufacturing plants and increased yields at all manufacturing facilities.

The PG Group completed a comprehensive five-year capital expenditure programme and now owns two state of the art float lines, with the next repair scheduled for 2022. The expansion was funded through term debt with local banks. The Group is well invested and capital expenditure over the next five years will be minimal.

During 2010, R100 million was raised through a rights issue to further support the financial structure of the expansion at PG Group.

The scenario for 2011 has improved with demand coming through in automotive sales and the domestic home improvement sector. The continued volatile rand however continues to dampen export contributions, as the Group is a major exporter of high quality float glass and automotive products.

Wispeco Holdings Limited (Wispeco)

Revenue for the period under review increased by 21.4% from R747 million to R907 million due to higher aluminium prices worldwide as well as growth in sales volumes partly resulting from the demise of AGI and the acquisition of Sheerline. Despite this increase in revenue, headline earnings declined to R38 million (2010: R63 million). This decline was caused largely by the continued suppression of profit margins owing to continued growth in low cost imports and local price competition in a market where supply exceeds demand. The recovery and turnaround of the Sheerline business remains tenuous also contributing to the weaker overall performance.

In the absence of a local supplier of extrusion billet (raw material) Wispeco has been managing its billet inventories at higher levels than in previous years. As a result Wispeco remained unaffected by billet supply disruptions thereby maintaining high levels of customer service throughout the year.

The building industry remains key to the revival of demand growth in the local market. Commercial building activity is expected to remain at present low levels over the short term, while activity in the residential building sector is expected to lead a gradual recovery in demand for architectural aluminium products.

Wispeco continues to play the leading role in the development of skills in the aluminium industry through wide ranging training initiatives. Wispeco also leads the way with the development and supply of innovative energy efficient aluminium window/door systems aimed at supporting the drive towards energy efficient buildings.

MARC Group Limited (MARC)

MARC has a December year-end and its results for the twelve months to 31 December 2010 are included in Remgro's results for the period under review. MARC's headline earnings for the year ending 31 December 2010 amounted to R30 million (2009: R39 million). Included in headline earnings is once-off FIFA World Cup related earnings of R10 million (2009: R22 million). The remaining sustainable earnings grew by 15.0% from R20 million to R23 million. After allowing for the negative fair value adjustment on the conversion right relating to the MARC convertible preference shares its contribution to Remgro's headline earnings for the period amounted to R2 million.

MARC is an investment company in the sport and entertainment industry in Africa, focusing on activations marketing and rights commercialisation as well as certain joint ventures and investments in sports brands. The group operates in 13 different African countries of which South Africa, Nigeria and Kenya are the biggest markets.

9. TREASURY SHARES

At 31 March 2010, 3 424 044 Remgro ordinary shares (0.7%) were held as treasury shares by a wholly owned subsidiary company of Remgro. As previously reported, these shares were acquired for the purpose of hedging Remgro's share schemes.

During the period under review no Remgro ordinary shares were repurchased, while 418 198 Remgro ordinary shares were utilised to settle Remgro's obligation towards scheme participants who exercised the rights granted to them.

At 31 March 2011, 3 005 846 Remgro ordinary shares (0.6%) were held as treasury shares.

10. CASH RESOURCES AT THE CENTRE

The Company's cash resources at 31 March 2011 were as follows:

	Local R'm	Offshore R'm	Total R'm	2010 R'm
Per consolidated statement of financial position	2 412	2 326	4 738	3 827
Investment in money market funds	–	1 711	1 711	1 812
Less: Cash of operating subsidiaries	(820)	(19)	(839)	(977)
Cash at the centre	1 592	4 018	5 610	4 662

On 31 March 2011, approximately 43% (R1 711 million) of the available offshore cash at the centre was invested in money market funds which are not classified as cash and cash equivalents on the statement of financial position.

DIRECTORATE

Mr G T Ferreira, an independent non-executive director of Remgro, has been appointed as lead independent director of the Company.

Mr Theo van Wyk has retired as an executive director from the Board of Remgro with effect from 31 January 2011. Mr van Wyk also served on the Management Board. The Board wishes to thank him for his valuable contribution over many years.

REVIEW REPORT

The interim financial results have been reviewed by PricewaterhouseCoopers Inc. and their unqualified review report on the summarised financial statements is available for inspection at the registered office of the Company.

DIVIDENDS

As a result of the change in year-end, no dividend is proposed for the twelve months ended 31 March 2011. The final dividend for the fifteen months ending 30 June 2011 will be declared in September 2011, payable in November 2011.

Signed on behalf of the Board of Directors.

Johann Rupert
Chairman

Thys Visser
Chief Executive Officer

Stellenbosch
21 June 2011

ANNEXURE A COMPOSITION OF HEADLINE EARNINGS

	Twelve months ended	
	31 March	
	2011 R'm	2010 R'm
Financial services		
RMBH	959	720
FirstRand	912	635
Industrial interests		
Medi-Clinic Corporation	474	460
Unilever SA Holdings	298	279
Distell Group ¹	315	281
Rainbow Chicken	273	259
Tsb Sugar	114	227
Air Products South Africa	139	115
Nampak	33	73
Total South Africa	99	42
Kagiso Trust Investments	279	128
PGSI	9	83
Wispeco	38	63
Other industrial interests	(20)	(28)
Media interests		
Sabido	116	11
MARC	2	5
Other media interests	(84)	1
Mining interests		
Implats	112	85
Trans Hex Group	–	11
Technology interests		
CIV group ²	87	7
SEACOM	(40)	–
Tracker	57	–
Other technology interests	3	6
Other investments	25	(64)
Central treasury	65	57
Other net corporate costs	(101)	(101)
Headline earnings	4 164	3 355
Weighted number of shares (million)	513.1	486.2
Headline earnings per share (cents)	811.6	690.1

Notes

1. Includes the investments in Capevin Investments Limited and Capevin Holdings Limited.
2. Includes the investments in CIV Fibre Network Solutions (Pty) Limited, CIE Telecommunications Limited, CIV Power Limited, Central Lake Trading No. 77 (Pty) Limited and Dark Fibre Africa (Pty) Limited.

ANNEXURE B COMPOSITION OF INTRINSIC NET ASSET VALUE

	31 March 2011		31 March 2010	
	Book value	Intrinsic value	Book value	Intrinsic value
	R'm	R'm	R'm	R'm
Financial services				
RMBH	9 829	12 447	6 400	9 785
RMI Holdings	6 394	6 041	–	–
FirstRand	2 698	4 418	6 026	9 719
Industrial interests				
Medi-Clinic Corporation	4 358	8 209	3 111	6 948
Unilever SA Holdings	2 994	5 001	3 109	4 346
Distell Group ¹	1 967	4 738	1 798	4 430
Rainbow Chicken	2 076	3 906	1 956	3 412
Tsb Sugar	1 472	2 798	1 376	2 506
Air Products South Africa	571	2 180	536	1 752
Nampak	–	–	1 205	1 398
Total South Africa	743	1 556	631	1 080
Kagiso Trust Investments	1 478	1 504	1 213	1 269
PGSI	543	614	533	528
Wispeco	375	321	358	381
Other industrial interests	446	478	328	351
Media interests				
Sabido	898	1 428	837	1 215
MARC	185	192	187	211
Other media interests	1	–	50	71
Mining interests				
Implats	5 224	5 224	5 711	5 711
Trans Hex Group	–	–	65	106
Technology interests				
CIV group ²	701	922	378	539
SEACOM	575	1 003	721	1 120
Tracker	587	1 196	574	911
Other technology interests	389	417	385	479
Other investments	825	514	573	399
Central treasury – cash at the centre³	5 610	5 610	4 662	4 662
Other net corporate assets	598	778	581	796
Net asset value (NAV)	51 537	71 495	43 304	64 125
Potential CGT liability⁴		(1 582)		(1 703)
NAV after tax	51 537	69 913	43 304	62 422
Issued shares after deduction of shares repurchased (million)	513.6	513.6	513.2	513.2
NAV after tax per share (Rand)	100.34	136.12	84.38	121.64

Notes

1. Includes the investments in Capevin Investments Limited and Capevin Holdings Limited.
2. Includes the investments in CIV Fibre Network Solutions (Pty) Limited, CIE Telecommunications Limited, CIV Power Limited, Central Lake Trading No. 77 (Pty) Limited and Dark Fibre Africa (Pty) Limited.
3. Cash at the centre excludes cash held by subsidiaries that are separately valued above (mainly Rainbow Chicken, Tsb Sugar and Wispeco).
4. The potential capital gains tax (CGT) liability, which is unaudited, is calculated on the specific identification method using the most favourable calculation for investments acquired before 1 October 2001 and also taking into account the corporate relief provisions. Deferred CGT on investments available-for-sale (mainly Implats and Caxton) is included in "other net corporate assets" above.
5. For purposes of determining the intrinsic value, the unlisted investments are shown at directors' valuation and the listed investments are shown at stock exchange prices.

DIRECTORATE

NON-EXECUTIVE DIRECTORS

Johann Rupert (*Chairman*), E de la H Hertzog (*Deputy Chairman*), P E Beyers, G T Ferreira*, P K Harris*, N P Mageza*, J Malherbe, P J Moleketi*, M M Morobe*, M A Ramphela*, F Robertson*, H Wessels*
(* *Independent*)

EXECUTIVE DIRECTORS

M H Visser (*Chief Executive Officer*), W E Bührmann, L Crouse, J W Dreyer, J J Durand, J A Preller

CORPORATE INFORMATION

SECRETARY

M Lubbe

LISTING

JSE Limited
Sector: Industrials – Diversified Industrials

BUSINESS ADDRESS AND REGISTERED OFFICE

Carpe Diem Office Park, Quantum Street, Techno Park, Stellenbosch 7600
(PO Box 456, Stellenbosch 7599)

TRANSFER SECRETARIES

Computershare Investor Services (Pty) Limited, 70 Marshall Street, Johannesburg 2001
(PO Box 61051, Marshalltown 2107)

AUDITORS

PricewaterhouseCoopers Inc.
Stellenbosch

SPONSOR

Rand Merchant Bank (A division of FirstRand Bank Limited)