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DIRECTORATE

EXECUTIVE DIRECTORS

M H Visser (47) #
Deputy Chairman and Chief Executive Officer
Years of service with the Group: 21

W E Bührmann (46) #
Investments
Years of service with the Group: 14

D M Falck (55) # *
Group Finance
Years of service with the Group: 29

J A Preller (Mrs) (51) #
Corporate Affairs
Years of service with the Group: 29

T van Wyk (53) #
Investments
Years of service with the Group: 11

Member of the ***Executive Committee***
* *Member of the* ***Audit Committee***
‡ *Member of the* ***Remuneration Committee***

NON-EXECUTIVE DIRECTORS

Johann Rupert (51) ‡
Chairman
Former Executive Chairman of Rembrandt Group Limited and Chief Executive Officer of Compagnie Financière Richemont AG.

P E Beyers (51)
Businessman and former Executive Director of Rembrandt Group Limited.

G D de Jager (50)
Chief Executive Officer: Malbak Limited and former Non-executive Director of Rembrandt Group Limited.

J W Dreyer (50)
Businessman and former Executive Director of Rembrandt Group Limited.

P J Erasmus (69) * ‡
Retired businessman and former Non-executive Director of Rembrandt Group Limited.

E de la H Hertzog (51)
Chairman: Medi-Clinic Corporation Limited and former Executive Deputy Chairman of Rembrandt Group Limited.

E Molobi (56)
Chairman: Kagiso Trust Investment Company (Pty) Limited and former Non-executive Director of Rembrandt Group Limited.

J F Mouton (54) * ‡
Chairman: PSG Group Limited and PSG Investment Bank Limited.
Appointed to the Board on 28 March 2001.

F Robertson (46) * ‡
Executive Deputy Chairman: African Harvest Limited.
Chief Executive Officer: Brimstone Investment Corporation Limited.
Appointed to the Board on 28 March 2001.

P G Steyn (67) *
Retired businessman and former Non-executive Director of Rembrandt Group Limited.

SALIENT FEATURES – FINANCIAL RESULTS

	2001	2000 *Pro forma*
HEADLINE EARNINGS	R3 211 million	R2 508 million
BASIC EARNINGS – NET PROFIT FOR THE YEAR	R6 590 million	R2 171 million
Shares in issue		
– Ordinary shares of 1 cent each	486 493 650	486 493 650
– B ordinary shares of 10 cents each	35 506 352	35 506 352
Total	522 000 002	522 000 002
HEADLINE EARNINGS PER SHARE*	615.1c	480.5c
BASIC EARNINGS PER SHARE*	1 262.5c	415.9c
DIVIDEND PER SHARE	162.00c	
Comparable ordinary dividend per share of Rembrandt Group Limited		120.00c
NET ASSET VALUE PER SHARE		
– at book value	R37.43	R24.05
– adjusting for market value/directors' valuation of investments and listed subsidiary companies	R64.32	R51.43

The pro forma comparative figures for the year ended 31 March 2000 represent the figures of Rembrandt Group Limited (Rembrandt) after adjustments have been made for investments transferred to VenFin Limited in terms of the restructuring and are based on the audited annual financial statements of Rembrandt. Please refer to the paragraph headed "Prior year adjustments" in the Report of the Board of Directors.

* *In determining the headline earnings and basic earnings per share the total number of shares in issue was applied.*

HISTORIC REVIEW

Today, Remgro represents Rembrandt's established interests in tobacco, financial services, mining and industry, while the telecommunication- and technology interests are accommodated in VenFin.

Remgro Limited's (Remgro) founding history goes back to the forties of the previous century when the founder of the Group, Dr Anton Rupert, established in Johannesburg, South Africa, the tobacco company Voorbrand, forerunner of Rembrandt Group Limited (Rembrandt). Rembrandt was incorporated in 1948 and listed on the JSE Securities Exchange South Africa in 1956.

Rembrandt entered the South African cigarette and tobacco industry in 1948 and in the fifties expanded abroad through the establishment of various international partnerships. In 1972, the overseas tobacco interests of Rembrandt were consolidated in Rothmans International, which was listed on the London Stock Exchange. The further separation of local and overseas interests were effected in 1988 with the founding of Compagnie Financière Richemont AG (Richemont) – a Swiss-listed luxury goods group which also holds strategic investments in tobacco and direct retailing.

Since the 1970s Rembrandt expanded its interests outside tobacco, wine and spirits with investments in various other economic sectors in South Africa, amongst which were banking and financial services, mining, cellular communication, printing and packaging, medical services, engineering and food interests.

In 1995, Rembrandt and Richemont consolidated their respective tobacco interests in Rothmans International, at the time the world's fourth largest cigarette manufacturer, and then in 1999 merged these interests with those of British American Tobacco Plc (BAT), the world's second largest cigarette producer. The investment in BAT is held through a joint holding company, R&R Holdings (Luxembourg), in which Rembrandt (now Remgro) and Richemont hold $33^1/_3$% and $66^2/_3$% respectively.

The restructuring of Rembrandt was advanced a step further in September 2000 when the South African pyramid holding structure, consisting of four listed companies, was replaced by two listed companies only, namely Remgro Limited and VenFin Limited (VenFin).

Today, Remgro, with its own board of directors and its own focus, represents the former Rembrandt's established interests in tobacco, financial services, mining and industry, while the telecommunication and technology interests are accommodated in VenFin.

GROUP STRUCTURE

AT 31 MARCH 2001

REMGRO
REMGRO LIMITED

TRADE MARK INTERESTS

British American Tobacco	11%
Distell Group	30%

INDUSTRIAL INTERESTS

Robertsons Holdings	73%
Transvaal Sugar	73%
Rainbow Chicken	56%
Wispeco	100%
Dorbyl	41%
Air Products SA	50%
Total SA	34%
Henkel SA	50%
Malbak	49%
Lenco Holdings	35%

MINING INTERESTS

Gencor	11%
Trans Hex Group	43%

FINANCIAL INTERESTS

ABSA Group	9%
FirstRand	9%
RMB Holdings	23%
Sage Group	16%

CORPORATE AND OTHER INTERESTS

Remgro Finance Corporation	100%
Remgro Finance and Services	100%
Medi-Clinic Corporation	51%

Percentages represent the Group's effective interests and have been rounded.
Annexures A and B provide further information of subsidiary companies and investments.

GENERAL REVIEW

Headline earnings per share increased by 28.0% from 480.5 cents to 615.1 cents.

RESTRUCTURING

The past financial year has been highlighted by the restructuring of the former Rembrandt Group. The restructuring was approved by the shareholders concerned at annual general meetings held on 21 September 2000. As a result, the underlying interests of Rembrandt Group Limited (Rembrandt) were restructured into two distinct groups, namely Remgro Limited (Remgro) and VenFin Limited (VenFin), with effect from 1 April 2000. Shareholders in Rembrandt Controlling Investments Limited (RBB), Technical Investment Corporation Limited (Tegkor) and Technical and Industrial Investments Limited (TIB) received Remgro and VenFin shares in exchange for shares held in those companies. From that date Remgro represents all the established tobacco, industrial, mining and financial interests of the former Rembrandt. The telecommunication and technology interests are now held by VenFin.

The shares of Rembrandt, RBB, Tegkor and TIB were delisted on 22 September 2000. The share capital of Remgro was altered to create unlisted B shares which were issued to Rembrandt Trust (Proprietary) Limited. Remgro's issued ordinary shares were listed on the JSE Securities Exchange South Africa on 26 September 2000.

GROUP RESULTS

Headline earnings per share increased by 28.0% from 480.5 cents to 615.1 cents. The main reasons for this improvement were the increase of 31.5% in the earnings of the tobacco interests, of which 11.2% was contributed by the weaker rand, and a 66.3% increase in the contribution by the mining interests. The contribution of industrial interests to headline earnings was 1% lower than the previous year in spite of Rainbow Chicken Limited's increased contribution to the Group's headline earnings, from R7.7 million to R63.3 million. Dorbyl Limited and Malbak Limited reported decreases in earnings.

Basic earnings, after exceptional items and amortisation of goodwill, increased by 203.6%, from 415.9 cents to 1 262.5 cents, mainly due to two material favourable exceptional items. A surplus of R1 371 million was accounted for on the sale of Remgro's interests in Billiton Plc and Gold Fields Limited to Anglo American Plc and De Beers Consolidated Mines Limited in exchange for a major portion of their shareholding in FirstRand Limited. A further surplus of R2 202 million was recorded due to R&R Holdings, in which Remgro has a one-third interest, exercising its put option over one half of the British American Tobacco Plc (BAT) convertible redeemable preference shares in June 2000.

Taxation in the income statement reflects a net tax credit of R14 million. This comprises a tax expense of R109 million in respect of Remgro's subsidiaries and a favourable tax effect of R123 million relating to exceptional items of associated companies.

Attributable cash earnings (which exclude the Group's share of net profits retained by associated companies), before exceptional items and amortisation of goodwill, increased by 63.7% from R865 million to R1 416 million, mainly as a result of an increase in dividends received from associated companies. The latter amounted to R1 127 million compared to R635 million in 1999/2000, mainly due to higher dividends from R&R Holdings. As mentioned in the previous years' review, the dividend patterns and payment cycles of BAT differ to those of Rothmans International, with the result that dividends from R&R Holdings were lower in the previous year. This had no effect on the reported earnings of Remgro as the equity adjustment in the income statement includes both the dividend portion and retained income portion of the share of the net profits of associated companies.

Dividends of 162.00 cents per share were declared for the year against a comparative 120.00 cents declared by Rembrandt Group Limited for the year 1999/2000. This represents an increase of 35%. The dividends are covered 3.8 times by headline earnings and 1.7 times by cash earnings, against 4.0 times and 1.4 times respectively on a pro forma basis the previous year.

TRADEMARK INTERESTS

Contribution to headline earnings:

R1 599 million (2000: R1 247 million)

Increase 28.2%

Percentage of headline earnings:

50% (2000: 50%)

TOBACCO

R&R Holdings: Effective interest 33⅓% (2000: 33⅓%)

Remgro's tobacco interests are represented by a one-third shareholding in R&R Holdings, Luxembourg, (R&R). The other two-thirds are held by Compagnie Financière Richemont AG (Richemont). In consequence of the merger of Rothmans International and British American Tobacco Plc (BAT) in June 1999, R&R acquired a 35% interest in the enlarged BAT. Accordingly, the financial year ended 31 March 2001 is R&R's first full year of ownership of the investment in BAT.

R&R has equity accounted its interest in BAT in the financial year under review, whereas in R&R's profit and loss account for the prior year it equity accounted the investment in BAT for a ten-month period and included its share of the results of Rothmans International on an equity accounted basis for the first two months of that year.

In addition to the effects of the merger, comparison of the results of the two years is further complicated by the reduction in R&R's effective interest in BAT as a result of the exercise of the put option over one half of the interest in BAT preference shares in June 2000. This disposal reduced R&R's effective interest in BAT to 31.6% for the last ten months of the year under review.

In terms of the Rembrandt restructuring, the non-tobacco assets of R&R, including the proceeds of the redemption of one half of the BAT preference shares, were transferred to R&V Holdings Limited, Jersey, (R&V) in which VenFin holds one-third and Richemont two-thirds. In the adjusted results for both years, the income attributable to the redeemed BAT preference shares and other non-tobacco assets was allocated to R&V.

In line with the practice adopted in the prior year, R&R adjusts BAT's reported results to take account of BAT's December financial year-end and the differences in accounting policies applied by the two companies.

A detailed schedule setting out the basis used to arrive at R&R's adjusted results is shown below:

	2001 £ million	2000 £ million
Attributable profit as reported by BAT for the year ended 31 December 2000	692	556
Less: attributable profit as reported by BAT for the quarter ended 31 March 2000	(75)	-
Add: attributable profit as reported by BAT for the quarter ended 31 March 2001 (2000: to 31 March 2000)	226	55
Adjustments:		
– to eliminate the attributable profit of BAT for the 5 months to 31 May 1999	–	(236)
– in respect of deferred taxation	–	112
– to eliminate goodwill amortisation	388	246
– to eliminate exceptional items reported by BAT:		
– restructuring costs arising from the merger	81	245
– US and Imasco restructuring costs	75	45
– other	(35)	1
Adjusted attributable profit of BAT for the year (2000: 10 months)	1 352	1 024
R&R's 100% share of the attributable profit of Rothmans International for the period 1 April 1999 to 31 May 1999	–	55
R&R's 35.0% share of the attributable profit of BAT for the period 1 April 2000 to 7 June 2000 (2000: 1 June to 31 March)	80	358
R&R's 31.6% share of the attributable profit of BAT for the period 8 June 2000 to 31 March 2001	354	-
R&R's other income	4	16
	438	429
Less: Portion allocated to R&V Holdings	(11)	(75)
R&R's adjusted headline earnings for the year to 31 March	427	354
Remgro's 33⅓% share thereof	142	118
	R million	R million
Translated at an average £/R rate of 10.8046 (2000: 9.9075)	1 539	1 170

Note – Refer accompanying schedule

In the year ended 31 March 2001, BAT has provided for deferred tax on the comprehensive basis, whereas in the prior year deferred tax was on the partial provision basis. In the reconciliation for 2001, the profit of £75 million for the quarter ended 31 March 2000 includes a deferred tax adjustment of £20 million. This is compared to the £55 million in the 2000 column, with the £20 million being included in the deferred tax adjustment of £112 million of that year.

BAT is the second largest listed tobacco group in the world with a global market share of over 15% and annual shipments of more than 800 billion cigarettes. It has a share of more than 50% of the market in Latin America as well as strong positions in other regions. With its strong, broad-based portfolio of international, regional and local brands, BAT remains focussed on achieving global leadership in the tobacco business by growing its market share in the 'premium' and 'lights' segments.

In its financial year ended 31 December 2000, BAT reported an increase in sales volumes of 7%, including the impact of the merger. Although the world market was basically stable, BAT's international brands grew by over 1% in volume terms. The merger with Rothmans International increased the proportion of premium international brands within BAT to over 20%, with a consequent improvement of profitability.

The merger process was achieved smoothly and efficiently. Savings in operating costs as a consequence of the merger were around £230 million in BAT's 2000 financial year. Overall savings will be in excess of the level identified at the time of the merger and those realised to date have been achieved sooner than anticipated. In addition to cost benefits, growth opportunities were pursued, with new selling organisations and strengthened sales teams contributing to the successful performance of the company's key brands in a number of markets.

WINE AND SPIRITS

Remgro had a 30% interest in both Stellenbosch Farmers' Winery Group Limited (SFW) and Distillers Corporation (SA) Limited (Distillers). The respective companies merged on 1 July 2000 to form a new company, Distell Group Limited (Distell). Remgro's effective interest in this company remained unchanged at 30%.

Distell's contribution to headline earnings decreased from R75 million in 1999/2000 to R60 million in 2000/2001. The unfavourable economic conditions impacted negatively on the domestic market for wine, spirits and alcoholic beverages. Although Distell held its position in the domestic market, turnover in this market decreased by 8%. The international demand for its products continues to improve and export sales for the six months ended 31 December 2000 increased by 15%. Export sales comprise approximately 16% of Distell's total turnover.

It is expected that the merger of SFW and Distillers will improve profitability for the enlarged group on a lasting basis and create a platform for long-term earnings growth. The anticipated benefits will not materialise immediately but are expected to commence during the ensuing financial year.

On 19 April 2001, the South Africa competition tribunal (the tribunal), on application by Seagram Africa and Bulmer SA, ruled that the competition authorities should be notified of the merger between SFW and Distillers. This followed an opinion by the competition authorities that SFW and Distillers need not officially notify them with regard to the merger. The reason for this was that no change of control had occurred.

Distell has appealed against the ruling of the tribunal. The judgement of the tribunal is stayed while the appeal is pending. Distell reports that the abovementioned will have no practical implications in the short term.

MINING INTERESTS

Contribution to headline earnings:

- R823 million (2000: R495 million)
  - Increase 66.3%

Percentage of headline earnings:

- 26% (2000: 20%)

BILLITON: Effective interest 0% (2000: 8.9%)
GFL: Effective interest 0% (2000: 11.0%)

As mentioned above, Remgro exchanged all of its shares in Billiton Plc (Billiton) and Gold Fields Limited (GFL) for a major portion of Anglo American Plc's and De Beers Consolidated Mines Limited's interests in FirstRand Limited with effect from 1 January 2001. The reasons for this transaction were to achieve greater focus in Remgro's investment portfolio and to exchange investments in mining commodities, where investment returns can be materially influenced by commodity cycles, for an interest in a leading financial service group.

As Billiton and GFL both have June year-ends, their results for the twelve months to 31 December 2000 were equity accounted by Remgro. Billiton's contribution to Remgro's headline earnings increased to R414 million (2000: R248 million). This increase was mainly due to higher commodity prices and a weaker rand. The contribution by GFL to the headline earnings of Remgro was R108 million compared to R83 million in 1999/2000.

GENCOR: Effective interest 10.9% (2000: 10.9%)

Gencor Limited's (Gencor) contribution to headline earnings was R186 million (2000: R82 million). This represents an increase of 127%. These figures relate to Gencor's twelve months to 31 December 2000.

The improvement is mainly attributable to good results from Impala Platinum Holdings Limited (Impala), due to stronger demand and firmer prices.

After the unbundling of its interests in Gold Fields Limited, Gold Fields of South Africa Limited and Standard Bank Investment Corporation Limited during the past year, Gencor's only material asset is its investment in Impala.

GFSA: Effective interest 18.2% (2000: 15.3%)

Gold Fields of South Africa Limited (GFSA) contributed R34 million to Remgro's headline earnings, compared to R43 million in 1999/2000.

GFSA's restructuring and unbundling was completed during the year and its listing on the JSE Securities Exchange South Africa terminated on 2 November 2000. During May 2000, GFSA unbundled its investment in Gold Fields Limited and Northam Platinum Limited (Northam) by way of a dividend in specie to its shareholders. Remgro sold the shares in Northam that were received in terms of the abovementioned unbundling. A capital surplus of R152 million was realised and accounted for as an exceptional item.

On 21 February 2001, GFSA proposed a liquidation dividend of 85 cents per share. 70 cents per share was paid to shareholders. Remgro's portion was R2.3 million. The remaining 15 cents per share was retained in order to cover costs resulting from a claim against GFSA. Should this matter be resolved in favour of GFSA, the funds held back will be distributed to shareholders as a final liquidation dividend, after which GFSA will be liquidated.

TRANS HEX: Effective interest 42.7% (2000: 42.9%)

Trans Hex Group Limited's (Trans Hex) headline earnings increased by 59% to R127 million (2000: R80 million) on diamond sales of R506 million (2000: R367 million). This increase is attributable to an improved production mix, higher international diamond prices and the weaker US dollar/rand exchange rate. The contribution of Trans Hex to the headline earnings of Remgro was R54 million compared to R39 million in 1999/2000.

Total carat production was marginally less than last year at 130 517 carats (2000: 135 751 carats) but the US dollar value of production increased by 16% to $67 million. In rand terms this equates to a 38% increase. The new processing plant at Baken was successfully commissioned within budget, while production ceased at three of the four old plants. This will result in a future production increase of some 33% (to 60 000 carats/ year), with significant improvements in operating margins and an increase in mine-life through the inclusion of lower-grade ore reserves.

The Marine Division entered a phase of rapid expansion through its joint venture with Diamond Fields International (DFI) in the highly prospective Marshall Fork and Diaz Reef No 12 ore bodies in the DFI Lüderitz concession in Namibia.

Trans Hex reported that, provided that prices for its diamond products and the dollar/rand exchange rate remains reasonably stable, it is confident that in its current phase of expansion it can improve upon the results of the past year.

Subject to the approval of shareholders, Trans Hex has reached an agreement in principle with Mvelaphanda Holdings regarding an increase in its interest in Trans Hex. These negotiations are expected to be completed soon.

INDUSTRIAL INTERESTS

Contribution to headline earnings:

R380 million (2000: R383 million)

Decrease 0.8%

Percentage of headline earnings:

12% (2000: 15%)

HL&H: Effective interest 72.5% (2000: 72.6%)

Hunt Leuchars & Hepburn Holdings Limited's (HL&H) diluted headline earnings increased by 1% from R199 million in 2000 to R201 million in 2001. HL&H's contribution to the headline earnings of Remgro was R146 million (2000: R138 million).

HL&H's revenue increased by 16% to R2 997 million compared to the previous year. The revenue of Robertsons Holdings (Proprietary) Limited (Robertsons) and Transvaal Sugar Limited (TSB) increased by 15% and 18% respectively. As in the previous financial year, TSB's revenue was adversely affected by low international sugar prices, while the revenue of Robertsons was likewise influenced by the unstable political situation in Israel. Operating profit increased by 15%. This reflects improved margins by Robertsons, while the margins of TSB were adversely affected by losses in the citrus division.

On 29 June 2000, HL&H announced that agreement had been reached with The Tongaat-Hulett Group Limited for the disposal to them of the assets of TSB, other than citrus, for R1 billion. This transaction required the approval of the competition authorities. After receiving representations from all interested parties, the competition authorities ruled that the proposed transaction be prohibited. This resulted in the withdrawal of the proposed scheme whereby Industrial Partnership Investments Limited, a subsidiary of Remgro, would have made an offer to the minority shareholders of HL&H.

As a consequence of Unilever's acquisition of Bestfoods' worldwide interests, the position in Africa and Israel, the main markets in which the Robertsons and Bestfoods' joint venture operates, is being reviewed.

HL&H reported that, given the outlook for both Robertsons and TSB, growth in earnings in real terms can be expected.

RAINBOW: Effective interest 55.9% (2000: 55.9%)

Rainbow Chicken Limited's (Rainbow) headline earnings increased by R99.4 million from R13.8 million in 2000 to R113.2 million in 2001. Rainbow's contribution to Remgro's headline earnings was R63 million (2000: R8 million).

Rainbow's revenue for the year improved by 8.6% from R2 296 million to R2 494 million, mainly as a result of volume growth and slightly higher prices. Operational efficiency improvements to date have met expectations and, except for rising energy costs, the cost containment drive is progressing as planned. In spite of capital expenditure of R34.8 million and an increase in working capital investment of R15 million, strong trading eliminated the interest-bearing debt.

As local economic conditions have not yet improved to the extent that an increase in consumer demand has become noticeable and no material improvement in selling prices is expected, Rainbow's performance in the coming year will largely depend on the successful continuation of the restructuring and streamlining process.

AIR PRODUCTS: Effective interest 50% (2000: 50%)

Air Products South Africa (Proprietary) Limited's (Air Products) contribution to Remgro's headline earnings was R29 million (2000: R15 million).

Air Products manufactures and distributes a wide range of gas products and chemicals in the Southern African region. Major expansion took place during the year. A new oxygen plant was commissioned for Avmin in Zambia whilst the building of a plant for Implats in Rustenburg also commenced.

DORBYL: Effective interest 41.4% (2000: 41.1%)

Dorbyl Limited's (Dorbyl) headline earnings for the year under review decreased from R106 million in 2000 to R69 million in 2001. Dorbyl's contribution to Remgro's headline earnings was R29 million (2000: R44 million).

Anticipated economic growth failed to materialise in those sectors served by Dorbyl. Results during the second half of the year were also negatively influenced by the slow-down in the USA economy, which had an adverse effect on exports. The slow down in home building activity in the USA also impacted negatively on Dorbyl's operations there.

During the past year a fundamental review was done of all loss-making operations, which resulted in the selling, discontinuation or restructuring of a number of those operations. Of these the disposals of the Rosslyn, Port Elizabeth and Durban branches of Baldwins were the largest. On 1 April 2001, Dorbyl obtained a 30% minority interest in Stalcor for R35 million.

Dorbyl reported that, although lower economic growth is expected in the USA, an improvement in profitability is expected in the following financial year as a result of stringent actions taken to eliminate loss-making operations and to downsize operations in line with current activity levels.

MALBAK: Effective interest 48.9% (2000: 44.0%)

For the year under review Malbak Limited (Malbak) reported headline earnings of R121 million (2000: R196 million). Malbak's contribution to Remgro's headline earnings was R57 million (2000: R85 million).

The anticipated economic upturn in those sectors served by the packaging industry did not materialise. As in the previous year, raw material price increases could not be passed on to customers. Surplus capacity, adverse weather patterns, retrenchment programmes and plant breakdown had a negative impact on the results of Malbak.

During the second half of the year profit margins and earnings showed an improvement, but this was marred by accounting irregularities at one of Malbak's subsidiaries. Malbak has fully accounted for this against income. Malbak's revenue from continuing operations increased by 43%, largely due to the acquisition of Low & Bonar Plc (now M.Y. Cartons – Imca) during the year.

Malbak expects that the coming year will be characterised by static or shrinking volumes, industry overcapacity and continued pressure on selling prices.

LENCO: Effective interest 35.4% (2000: 32.7%)

Lenco Holdings Limited's (Lenco) contribution towards the headline earnings of Remgro was R1.8 million compared to R7.1 million in 1999/2000.

On 28 May 2001, Lenco's shareholders approved the unbundling of its interest in Malbak Limited (Malbak). In terms of the unbundling, Lenco distributed 99.3% of its shares in Malbak to its shareholders by way of a distribution in specie in the ratio of 85 Malbak shares for every 100 Lenco shares held.

Immediately thereafter Lenco (Proprietary) Limited, in which Remgro has a 75% interest, made an offer of 15 cents per share to all other Lenco shareholders. The listing of Lenco was terminated on 15 June 2001.

FINANCIAL SERVICES

Contribution to headline earnings:

R238 million (2000: R217 million)

Increase 9.7%

Percentage of headline earnings:

7 % (2000: 9%)

FIRSTRAND: Effective interest 9.3% (2000: 0%)

RMBH: Effective interest 23.1% (2000: 0%)

Upon the acquisition of the shares in FirstRand Limited (FirstRand), mentioned earlier in the review, a portion was transferred to RMB Holdings Limited (RMBH) in exchange for new shares in RMBH. This brought Remgro's interest in FirstRand and RMBH to 9.3% and 23.1% respectively.

The interests in FirstRand and RMBH were acquired with effect from 1 January 2001. As these companies have June year-ends, their results for the twelve months to 31 December 2001 will be equity accounted in Remgro's financial year to 31 March 2002.

The amount of accounting goodwill included in the exchange value of the investments in FirstRand and RMBH was R3 418 million. This goodwill is shown separately in the balance sheet and will be amortised through the income statement over a period of twenty years.

The exchange of Billiton and GFL for FirstRand and RMBH is expected to be beneficial for future growth in Remgro's headline earnings. FirstRand and RMBH reported growth in earnings of 26% and 27% respectively for the six months ended 31 December 2000.

ABSA: Effective interest 9.5% (2000: 9.5%)

ABSA Group Limited's (ABSA) headline earnings for the year ended 31 March 2001 increased by 23.5% from R1 988 million in 2000 to R2 456 million in 2001. ABSA's contribution to Remgro's headline earnings was R235 million (2000: R187 million).

This increase can be attributed to all of its most important business units, with the retail banking business performing exceptionally well. During the past year, ABSA entered the micro-lending industry by acquiring 53% interest in Unifer Holdings Limited. During the year ABSA also acquired an interest of 55% in the National Bank of Commerce Limited in Tanzania.

Net interest margins have remained at the same level as in the previous year in spite of the pressure exerted on these margins as a result of tough competition. Poor performing advances as a percentage of total advances improved from 4.9% in March 2000 to 4.4% in March 2001. This improvement is also reflected in the 3.7% decrease in the provisions for bad and doubtful advances during the year.

ABSA anticipates a stable economic environment during the 2002 financial year. It is expected that the underlying inflationary pressure will decrease and that consequently this will lead to a decrease in interest rates by the end of the year. The focus on specific client needs and the delivery of focussed products should ensure that ABSA maintains its position in the market. ABSA is confident that the growth momentum of the past year will continue in the ensuing year.

SAGE: Effective interest 16.3% (2000: 16.6%)

Sage Group Limited (Sage) has prepared its primary financial statements according to the Financial Soundness basis. On this basis headline earnings for the year amounted to R232.6 million compared to R362.7 million in the previous year, a reduction of 35.9%. According to the new AC 132 Generally Accepted Accounting Practice basis, headline earnings amounted to R37.5 million (2000: R164.1 million). Remgro has equity accounted the AC 132 results of Sage, which contributed R4 million (2000: R30 million) to Remgro's headline earnings.

The year under review has been characterised by an increasingly challenging economic environment and by poor performance in equity markets. In this difficult climate Sage's earnings have declined, although an improvement in results was achieved during the second half of the year.

Sage's international activities have been financed in part by the 4.5% convertible redeemable preference share capital raised in 1997. As a result of adverse exchange rate and share price movements since the date of issue, the entire issue is being redeemed for approximately R440 million on 30 June 2001. It is being replaced by a US dollar-denominated bond issue with unique characteristics.

CORPORATE FINANCE AND OTHER INTERESTS

Contribution to headline earnings:

R171 million (2000: R166 million)

Increase 3%

Percentage of headline earning:

5% (2000: 6%)

CORPORATE: Effective interest 100% (2000: 100%)

The contribution by the central treasury division to Remgro's headline earnings declined slightly to R77 million. The timing of cash flows and movements in interest rates affected this result.

Remgro's net corporate costs for the year under review, including donations, amounted to R60 million. Also refer to note 12 to the financial statements.

MEDI-CLINIC: Effective interest 51.1% (2000: 51.2%)

Medi-Clinic Corporation Limited's (Medi-Clinic) headline earnings increased by 17%, from R213 million in 2000 (previously reported as R204 million – restated due to a change in accounting policy) to R251 million in 2001. The contribution to Remgro's headline earnings was R128 million (2000: R104 million).

Medi-Clinic's turnover increased by 13% to R2 098 million. It could maintain its consistent growth trend in spite of stringent business conditions. In the second half of the review period its turnover was negatively influenced by a change in the rules of one of the country's largest medical schemes to allow payment of hospital benefits to pensioners only when they are admitted to government hospitals. Nevertheless, admission of patients, both on a year- and half-year basis, remained constant. Due to the aging medical fund population and technological improvements, patients who need greater intensive care are increasingly being admitted to Medi-Clinic's hospitals.

Medi-Clinic's interest-bearing debt decreased from R176 million to R134 million, while at the same time available cash increased to R80 million (2000: R52 million). Strong cashflow underlines the quality of Medi-Clinic's earnings.

Medi-Clinic will remain focused on improving the mix of its facilities by adapting to the needs of the market and it expects to continue its consistent pattern of growth. Affordability factors remain a risk which may negatively influence membership of medical schemes and the utilisation of hospital facilities. Positive economic growth, a more cost-effective utilisation of facilities and new business opportunities should compensate for this.

ACKNOWLEDGEMENT

To all of those who contributed to the success of the Group over the past year, we extend our sincere thanks: to the shareholders for their continued confidence; the managing directors and all colleagues in the various Group companies for their co-operation and support; all other directors, officials and employees for their dedication and all parties concerned for services rendered.

We welcome Jannie Mouton and Fred Robertson who joined the Board of this Company on 28 March 2001.

Johann Rupert

Thys Visser

Stellenbosch
20 June 2001

FIVE YEAR CONSOLIDATED FINANCIAL REVIEW

	2001 R million	2000 R million *Pro forma*	1999 R million *Pro forma*	1998 R million *Pro forma*	1997 R million *Pro forma*
Revenue	7 358	5 738	10 381	9 091	6 815
Operating profit	568	448	469	337	378
Finance costs	67	36	65	95	103
Profit from operations	501	412	404	242	275
Share of after-tax operating profit of associated companies	2 919	2 317	2 178	1 793	1 556
Amortisation of goodwill	(159)	(33)	–	–	–
Exceptional items	3 422	(339)	(25)	(122)	307
	6 683	2 357	2 557	1 913	2 138
Taxation	(14)	100	114	119	99
	6 697	2 257	2 443	1 794	2 039
Minority interest	107	86	107	36	107
Net profit for the year	6 590	2 171	2 336	1 758	1 932
Reconciliation of headline earnings:					
Basic earnings – net profit for the year	6 590	2 171	2 336	1 758	1 932
Plus/(minus) – attributable to own members:					
– Exceptional items	(3 541)	333	23	96	(273)
– Amortisation of goodwill	159	33	–	–	–
– Net surplus, after taxation, on the disposal of property, plant and equipment	(6)	(29)	(20)	(2)	(2)
– Impairment of assets	9	–	–	–	–
Headline earnings	3 211	2 508	2 339	1 852	1 657
Total number of shares issued ('000)	522 000	522 000	522 000	522 000	522 000
Headline earnings per share (cents)	615.1	480.5	448.1	354.8	317.4
Basic earnings per share (cents)	1 262.5	415.9	447.5	336.8	370.1

The pro forma comparative figures in the income statements above represent the figures of Rembrandt Group Limited after adjustments have been made for investments transferred to VenFin Limited in terms of the restructuring, referred to elsewhere in this report, and are based on the audited annual financial statements of Rembrandt. Pro forma figures for the balance sheets for those years are not available.

The 2000 and 2001 figures in respect of exceptional items are not comparable with those of the prior years. Exceptional items are now disclosed before taxation while previously it was reported after taxation.

COMMUNITY SERVICE

"A group of people get together and exist as an institution that we call a company so that they are able to accomplish something collectively that they could not accomplish separately. The underlying drive comes largely from a desire to do something which is of value - to make a contribution to society." – David Packard

Remgro comes from a tradition of more than 50 years where the belief was that a company has three important responsibilities: namely towards shareholders, employees and towards the community.

David Packard from the well-known American company Hewlett Packard explained in 1960 his company's reason for existence as follows:

"Many people assume, wrongly, that a company exists simply to make money. While this is an important result of a company's existence, we have to go deeper and find the real reasons for our being. As we investigate this, we inevitably come to the conclusion that a group of people get together and exist as an institution that we call a company so that they are able to accomplish something collectively that they could not accomplish separately. The underlying drive comes largely from a desire to do something which is of value - to make a contribution to society."

Dr Anton Rupert, founder of Remgro, also referred to this in a speech in 1968:

"In a legal sense, a company is a person and the question is: how human is its actions, how big is its heart and what services does it render to the society in which it exists and from which it derives its profits."

When the Rembrandt Group was restructured last year, two new companies, Remgro and VenFin, were established, each with its own board of directors, own executive and own focused business strategy. However, an area where Remgro and VenFin co-operate is in the field of community involvement, the administration of which is done by M&I Management Services. Through a community strategy which emphasises larger donations to fewer organisations the two companies, by pooling their resources, can heighten the impact of such grants and make a more substantial contribution.

In view of this strategy, the Company extended its exposure to several new projects, amongst which Ikamva Labantu, the Klein Karoo National Arts Festival and the Scimathus project of the University of Stellenbosch.

Although contributions cover a wide range, there is one noticeable exception: political parties. The Company respects the individual's right of choice to get involved with these organisations, but does not exercise a choice itself.

The following are some highlights of projects and organisations in which the Company is involved:

ENTREPRENEURSHIP AND TRAINING

Helpmekaar Study Fund – the last contribution of a grant of R1 million over five years was made to the entrepreneurship fund of this organisation. The purpose of the fund is to enable talented young people, who otherwise would have had problems in obtaining finance, to follow courses that will prepare them for careers as entrepreneurs and job creators.

SA College for Tourism – the training facilities of this college, which operates from the premises of the Panorama Guesthouse in Graaff-Reinet, are nearing completion and the first group of 20 students will commence their studies in July 2001. Remgro, in partnership with VenFin, granted a loan of R15 million to the college.

The main objective of the college is to train women, preferably in the age group 25-35, to become managers and owners of small accommodation units. The training will be done in partnership with the School for Tourism, Hospitality and Sport at the Free State Technikon. The latter will, amongst other things, be responsible for the qualification structure, course material, quality control as well as course certification.

Business Partners, in which Remgro has a substantial interest, will be involved in the screening of trainees and will also give consideration to financing the establishment of small guest houses by successful trainees.

Southern African Wildlife College – at the end of 2000 this college near the Kruger National Park has successfully completed its first three years of certificate training and its first two years of diploma training. At present there is a waiting list of students from over Africa to study at the college.

Short courses, covering topics such as ecological sustainability, the use of geographical information services as well as the drawing up of management plans, are very popular and have already attracted students from Mauritius, Seychelles, Swaziland, Namibia, Mozambique and South Africa.

During the past year World Wide Fund for Nature South Africa (WWF-SA) founded a trust to support the college financially. Remgro and VenFin jointly made a loan of R15 million available for the activities of the college.

Scimathus – is a programme of the University of Stellenbosch which gives post-matriculants a second chance to gain access to degree courses in maths and science. In association with VenFin, Remgro will contribute more than half a million rand over the next three years to this endeavour. The programme commenced at the beginning of the year with 40 learners from historically disadvantaged schools in Stellenbosch and its vicinity.

In addition to a choice of two main subjects from mathematics, science and accountancy, attention is also given in the course to other life skills, computer skills and entrepreneurship.

ENVIRONMENT

World Wide Fund for Nature South Africa (WWF-SA) – as corporate member Remgro supports the objectives of this nature conservation organisation. Important events of the past year include the following:

- On 23 June 2000 the ore-carrier *Treasure* sank on the West Coast of South Africa and polluted thousands of helpless coastal birds. Thanks to the support given by WWF-SA to organisations such as SANCCOB (South African National Federation for the Conservation of Coastal Birds), the Western Cape Nature Conservation Board and the Department of Environmental Affairs and Tourism, one of the biggest emergency saving operations in the world for coastal birds was launched and 39 000 jackass penguins saved.
- WWF-SA's Campaign 2000, to which Remgro and VenFin jointly contributed R500 000, reached a climax in October 2000 with conservation celebrations in Cape Town. While this campaign, aimed at conserving six important eco-regions in the country, draws to a close, WWF-SA's next initiative, namely the Southern African Trust for Conservation Training, has been launched. The latter undoubtedly represents WWF-SA's most important and lasting contribution to the creation of conservation capacity in Southern Africa.
- In April last year WWF-SA appointed a full-time co-ordinator as part of its contribution to the large tourism development project which has been launched in support of the Spatial Development Programme on the Wild Coast. This complex project, in one of the country's most under-developed regions, is funded by the European Union. From a conservation perspective, this project is of the greatest importance because it can make a lasting contribution to the quality of life of the inhabitants of the region, and to a sustainable utilisation of this unique environment.

CULTURAL DEVELOPMENT

Klein Karoo National Arts Festival – thanks to a substantial contribution by Remgro and VenFin it was possible this year to extend the popular Outreach Festival for the duration of the Arts Festival.

The Outreach Festival, which takes place in the small villages around Oudtshoorn in the week before the main festival, is a miniature version of the Arts Festival and consists of music, drama and children's productions as well as workshops. For the duration of the festival it was presented in Bridgton, Toekomsrus and Bongolethu. One of the highlights of the programme was the performance of the Youth Symphony Orchestra on a mobile theatre in the afternoon when people went home. Artists from local communities were seen in some productions while Fringe Festival artists performed parts of their productions.

For many years the group from which Remgro developed, made a meaningful contribution to the visual arts. Our sponsorship of the Arts Festival offers the opportunity not only to get involved with the performing arts but also to introduce to a wider public the mosaic of cultural diversity inherent to South Africa.

Rembrandt van Rijn Art Foundation – Remgro is partially responsible for the administrative costs of this Foundation which aims to make local and international productions, especially in the field of the visual arts, more accessible to local art lovers.

Recently, a tour of a unique photo-essay of the Namib by the Swiss photo essayist Hansruedi Büchi, was successfully undertaken by the Foundation. Nine of the main centres in South Africa and Namibia were visited between May 1999 and October 2000 and approximately 62 000 people viewed these exhibits.

Stellenbosch Festival – the Company is a long-standing funder of this annual festival in September which attracts top local and international musical productions to Stellenbosch. When a decision was made earlier this year to consolidate the town's three festivals (Stellenbosch Festival, Food and Wine Festival and Van der Stel Festival) into one festival, the Company increased its contribution in support of this move.

Mandela book – in a joint initiative with VenFin, the Company acceded to a request from the former President, Mr Nelson Mandela, to translate his book *A Long Walk to Freedom* into Afrikaans. The Afrikaans version, together with translations in other indigenous languages, will be introduced to the public in August.

SPORT DEVELOPMENT

SA Golf Development Board (SAGDB) – the Company contributes generously to this organisation which was established two years ago with the aim of making golf as a sport more accessible to South African children, and especially those from less privileged communities.

The SAGDB, which was registered as a section 21 company, enjoys the support of all the official golfing bodies in the country as well as that of the Minister of Sport. At the helm of this organisation is Arnold Mentz, a man who has already done much for the image of professional golf in South Africa.

In a recent interview with the Stellenbosch local newspaper, *Eikestadnuus*, Mentz pointed out that golf is an expensive sport and that many children lack the means to participate in it. Thanks to the SAGDB this has now become possible. Gladdening indeed is the fact that the children are taught not only the basic principles of the game but also the ethics and tradition of the sport.

COMMUNITY DEVELOPMENT

Ikamva Labantu (the future of our nation) – this project has been chosen by Remgro and VenFin as their umbrella charity project because of the great impact it has on the country's poorest communities. The two companies have undertaken to contribute jointly R1.5 million a year plus inflation for at least the next five years to the administrative costs of this organisation.

Ikamva Labantu was founded in 1970 in the black townships of Cape Town. From a modest beginning as an informal organisation it grew rapidly and today has more than a thousand community projects under its wings. The main focus is on the alleviation of poverty. Services offered include day-care, training and sporting opportunities for the youth, access to medical and legal services, skills training for the unemployed and disabled and frail-care.

Organ Donor Foundation of SA – a contribution was once again made to support this valuable service. By sponsoring four flights per annum, the Company helps to speed up the delivery of life-sustaining organs to needy patients.

Jacobsdal Schools Project – the construction of two primary schools, for 350 and 250 learners, at a cost of just over R6 million in Jacobsdal in the Free State, has been completed successfully.

The project was undertaken at the request of the former President, Mr Nelson Mandela. In the first phase of the project a bus service was reintroduced to transport the children daily from the irrigation area to schools in Jacobsdal. In the second phase, the children were accommodated in nine mobile classrooms until the new schools were opened by Mr Mandela on 12 October 2000.

CORPORATE GOVERNANCE

Remgro is a long-term investor, forging strategic alliances on a partnership basis while endeavouring to add value.

The Company endorses the principles of the King Report's Code of Corporate Practices and Conduct.

CORPORATE STRUCTURE

The Company is an investment holding company.

Subsidiaries which are not wholly-owned are mainly listed companies with independent Boards of Directors on which this Company has non-executive representation. Other non-subsidiary investments comprise both listed and unlisted companies which are not controlled by this Company and which are mostly associated companies due to significant influence and Board representation.

The Company's activities are, therefore, mainly concentrated on the management of investments and the provision of support, than of being involved in the day-to-day management of business units of those investees. The Company is a long-term investor, forging strategic alliances on a partnership basis while endeavouring to add value where possible.

All the Company's listed subsidiaries and associates endorse the Code of Corporate Practices and Conduct. The Company continues to encourage full compliance where possible and disclosure where not.

BOARD OF DIRECTORS

The Board, which meets at least six times a year, consists of fifteen directors, ten of whom are non-executive. Details of the directors are provided on page 2 of the Annual Report.

The Non-executive Chairman of the Board is Mr Johann Rupert.

BOARD COMMITTEES

The Company has an Executive Committee which meets between Board meetings to deal with issues delegated by the main Board.

The Audit Committee, which consists of four non-executive and one executive director, meets four times a year to deal with issues relating to internal control including internal and external audit, accounting policies and financial reporting within the mandate given of the Board. The committee is chaired by a non-executive director and meetings are attended by the Chief Executive Officer as well as both the external and internal auditors.

The Remuneration Committee consists of four non-executive directors.

GROUP ADVISORY BOARD

The Company has the privilege of calling upon the advice of this non-statutory board which consists of Dr A E Rupert (Chairman), Prof J N de Villiers, Dr O D Dhlomo, Mr R P Gouws, Dr V E Hesse, Mr F P Kotzee, Mr E B Levenstein, Mr D J Marlow, Mr J A Rupert, Dr C J Saunders and Mr H M Shikwane.

SERVICE COMPANY

An agreement was concluded with a service company, M&I Management Services (Pty) Limited (M&I), to render management and support services to Remgro. The shareholders of M&I are employees of M&I who own all the issued ordinary shares. Rembrandt Trust (Proprietary) Limited owns all the "A" ordinary shares of M&I. The "A" ordinary shares only have voting rights but have no rights to the income or assets of M&I.

Remgro pays fees to M&I which cover the overhead costs of the management of Remgro. These fees will not exceed 0.463% per year of the market capitalisation of Remgro, calculated on a monthly average basis. This percentage may not be exceeded without the approval of 75% of all classes of shareholders of Remgro. The fees for the past year are disclosed in note 12 to the annual financial statements.

EMPLOYMENT EQUITY

The service company, M&I, strives to afford all staff the opportunity to realise their full potential, in accordance with the Employment Equity Act.

A Steering Committee and various Work Groups, together with M&I's management, are involved in determining training and development needs and in the implementation and monitoring of a labour plan. Special attention is given to those groups which, because of historic reasons, might be in a disadvantaged position.

The service company believes that the quality of its staff affords it an important sustainable competitive advantage. Therefore it believes that its success does not lie in the uniformity of its staff but in the diversity and development of their collective talents. For that, space and opportunities will always be created.

INTERNAL CONTROL

The directors are responsible for the Company's system of internal control, which is designed to provide reasonable, but not absolute, assurance against material misstatement and loss. Internal control is broadly defined as a process, effected by a company's board of directors, management and other personnel, designed to provide reasonable assurance regarding the achievement of efficiency and effectiveness of operations, sound financial controls and compliance with applicable laws and regulations.

The system contains self-monitoring mechanisms, and actions are taken to correct deficiencies as they are identified. Even an effective system of internal control, no matter how well designed, has inherent limitations, including the possibility of circumvention or overriding of controls. One of the aims of an effective system of internal control is to provide reasonable assurance with respect to the reliability of financial information and, in particular, financial statements' presentation. Furthermore, because of changing conditions, the effectiveness of a system of internal control may vary over time.

The Company has an internal audit function in operation which has been outsourced. The assurance that the system of internal control is effective and timeously adjusted to changing conditions, is enhanced by the duties of the internal auditors.

The Audit Committee has reviewed the systems of internal control of the Company and its wholly-owned subsidiaries for the financial year to 31 March 2001. The directors are of the opinion that, based on inquiries made and the reports from the Internal Auditors, the systems of internal control were effective for the period under review.

The Audit Committee has also reviewed the minutes of the Audit Committees of its material non wholly-owned subsidiaries and associated companies.

STATEMENT OF RESPONSIBILITY BY THE BOARD OF DIRECTORS

The directors are responsible for the maintenance of adequate accounting records and the preparation and integrity of the annual financial statements included in this Annual Report. The independent auditors are responsible for reporting on the annual financial statements.

The annual financial statements are prepared in accordance with South African Statements of Generally Accepted Accounting Practice, and in the manner required by the Companies Act in South Africa, on the going concern basis and incorporate full and responsible disclosure. The annual financial statements are based upon appropriate accounting policies which, with the exception of accounting for goodwill, are in accordance with those of Rembrandt Group Limited in the previous year and supported by reasonable and prudent judgements and estimates.

The directors are of the opinion that the Group will continue as a going concern in the future.

Signed on behalf of the Board of Directors.

Johann Rupert
Chairman

Thys Visser
Chief Executive Officer/Deputy Chairman

Stellenbosch
20 June 2001

CERTIFICATE BY THE COMPANY SECRETARY

I, Jan Engelbrecht, being the Company Secretary of Remgro Limited hereby certify that all returns required of a public company have, in respect of the year under review, been lodged with the Registrar of Companies and that all such returns are true, correct and up-to-date.

Jan Engelbrecht
Secretary

Stellenbosch
20 June 2001

REPORT OF THE INDEPENDENT AUDITORS

TO THE MEMBERS OF REMGRO LIMITED

We have audited the annual financial statements and Group annual financial statements of Remgro Limited set out on pages 21 to 52 for the year ended 31 March 2001. These financial statements are the responsibility of the Company's directors. Our responsibility is to express an opinion on these financial statements based on our audit.

SCOPE

We conducted our audit in accordance with statements of South African Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance that the financial statements are free of material misstatement. An audit includes:

- examining, on a test basis, evidence supporting the amounts and disclosures included in the financial statements,
- assessing the accounting principles used and significant estimates made by management, and
- evaluating the overall financial statement presentation.

We believe that our audit provides a reasonable basis for our opinion.

AUDIT OPINION

In our opinion, the financial statements fairly present, in all material respects, the financial position of the Company and Group at 31 March 2001 and the results of their operations and cash flows for the year then ended in accordance with South African Statements of Generally Accepted Accounting Practice, and in the manner required by the Companies Act in South Africa.

PricewaterhouseCoopers Inc.

PRICEWATERHOUSECOOPERS

Registered Accountants and Auditors
Chartered Accountants (SA)

Stellenbosch
20 June 2001

REPORT OF THE BOARD OF DIRECTORS

FOR THE YEAR ENDED 31 MARCH 2001

Dear Shareholder

The Board has pleasure in reporting on the activities and financial results for the year under review.

NATURE OF ACTIVITIES

The Company is an investment holding company. The Group derives its cash income mainly from dividends and interest. The consolidated annual financial statements incorporate the equity accounted attributable income of associated companies.

The Group's interests consist mainly of investments in tobacco products, banking and financial services, printing and packaging, engineering and motor components, adhesives, life assurance, medical services, mining, petroleum products, food, wine and spirits and various other trade mark products.

GENERAL REVIEW

Operating results

Year ended 31 March:	2001	2000 *Pro forma*
Headline earnings (R million)	3 211	2 508
– per share (cents)	615.1	480.5
– diluted (cents)	614.7	480.5
Basic earnings – net profit for the year (R million)	6 590	2 171
– per share (cents)	1 262.5	415.9
– diluted (cents)	1 261.5	415.9
Dividends (R million)	846	
– per share (cents)	162.00	
Comparable dividends of Rembrandt Group Limited (R million)		626
– per share (cents)		120.00

Investments

The most important changes during the year under review were as follows:

Gencor Limited (Gencor)
On 14 April 2000 Gencor unbundled its investments in Gold Fields of South Africa Limited (GFSA), Gold Fields Limited (GFL) and Standard Bank Investment Corporation Limited by way of a dividend in specie to its shareholders.

GFSA
On 2 May 2000 GFSA unbundled its investments in Northam Platinum Limited (Northam) and GFL by way of a dividend in specie to its shareholders. On 21 July 2000 GFSA made a cash distribution to shareholders in anticipation of its voluntary winding up. The shares of GFSA were delisted on 2 November 2000.

Remgro sold its shares in Northam received in terms of the above-mentioned unbundling. A capital surplus of R152 million was realised and accounted for as an exceptional item.

Exchange of shares of Billiton Plc (Billiton) and GFL for shares in FirstRand Limited (FirstRand) and Rand Merchant Bank Holdings Limited (RMBH)
Effective 1 January 2001, Remgro exchanged its interest of 8.2% in Billiton and 11.3% in GFL for 932 500 000 shares in FirstRand. Thereafter, Remgro transferred 424 863 144 FirstRand shares to RMBH in exchange for 274 109 670 new RMBH shares. After the exchange, Remgro holds an interest of 9.3% in FirstRand and 23.1% in RMBH. A capital surplus of R1 371 million was accounted for as an exceptional item.

W&A Gilbey (South Africa) (Pty) Limited (Gilbey)
The 49% interest in Gilbey was sold for R45 million in April 2000.

Business Partners Limited (Business Partners)
During August 2000 a further investment of R8 million was made in Business Partners.

Transvaal Sugar Limited (TSB)
On 29 June 2000, Hunt Leuchars & Hepburn Holdings Limited (HL&H) announced that agreement had been reached with The Tongaat-Hulett Group Limited for the disposal to them of the assets of TSB, other than citrus, for R1 billion with effect from 1 April 2000. This transaction required the approval of the competition authorities.

After receiving representations from all interested parties, the competition authorities ruled that the proposed transaction be prohibited. This resulted in the withdrawal of the proposed scheme whereby Industrial Partnership Investments Limited, a subsidiary of Remgro, would have made an offer to the minority shareholders of HL&H.

Medi-Clinic Corporation Limited (Medi-Clinic)
On 31 March 2001, the interest in Medi-Clinic was 51.1%. As previously reported, the interest in excess of 50% is only temporary as a result of personnel options which have not been exercised and would dilute the interest to 50% or less. Medi-Clinic has therefore not been consolidated as a subsidiary company, but, as in the past, has been equity accounted as an associated company.

GROUP FINANCIAL REVIEW

Comparative figures
The pro forma comparative figures in the income statement for the year ended 31 March 2000 and in the balance sheet on 31 March 2000 represent the figures of Rembrandt Group Limited (Rembrandt) after adjustments have been made for investments transferred to VenFin Limited in terms of the restructuring and are based on the audited annual financial statements of Rembrandt.

Prior year adjustments
Changes in accounting policy
The accounting policy in respect of accounting for goodwill has been changed to comply with the amended South African Statement of Generally Accepted Accounting Practice in respect of amortisation of goodwill (AC 131).

Goodwill is being accounted for in the balance sheet since 1 April 2000 and amortised over 20 years using the straight-line method. The carrying value of goodwill is reviewed annually and written down for a permanent impairment if deemed neccessary. All goodwill that arose prior to 1 April 2000, was fully written off against reserves and the pro forma comparative figures for the year ended 31 March 2000 have therefore not been restated.

Sage Group Limited (Sage)
Besides its primary basis of reporting in accordance with the Financial Soundness basis, Sage also complies with the South African Statement of Generally Accepted Accounting Practice in respect of consolidated financial statements and accounting for investments in subsidiaries (AC 132), which now also applies to long-term insurers. For equity accounting purposes, Remgro now uses Sage's figures based on the AC 132, as opposed to the former basis in the previous year. Remgro's pro forma figures for the year ended 31 March 2000 in this report have been restated, as indicated below.

Restatement of comparative figures Per share	Year ended 31 March 2000 *Pro forma* Cents
Headline earnings as previously reported	485.6
Change in accounting treatment of Sage	(5.1)
Restated headline earnings	480.5

BALANCE SHEET

The analyses of "Equity" and of "Source of headline earnings" below reflect the divisions into which the interests have been classified. Each division represents the main business sector of the investments classified thereunder. No adjustment has been made where companies are mainly active in one sector but also have interests in other sectors.

	2001		2000	
Equity employed	R million	R per share	R million	R per share
Interest of own members	19 536	37.43	12 556	24.05
Employment of equity				
Trade mark interests	5 359	10.27	2 394	4.58
Mining interests	687	1.32	4 726	9.05
Industrial interests	3 603	6.90	3 330	6.38
Financial services	7 547	14.46	1 315	2.52
Corporate finance and other interests	2 340	4.48	791	1.52
	19 536	37.43	12 556	24.05

INCOME STATEMENT

	2001		2000	
Source of headline earnings	R million	%	R million	%
Trade mark interests	1 599	50	1 247	50
Mining interests	823	26	495	20
Industrial interests	380	12	383	15
Financial services	238	7	217	9
Corporate finance and other interests	171	5	166	6
	3 211	100	2 508	100

	2001	2000
Composition of headline earnings	R million	R million
Subsidiary companies and joint ventures	295	212
Profits	295	213
Losses	–	1
Associated companies	2 916	2 296
Profits	2 925	2 298
Losses	9	2
	3 211	2 508

COMPANY NET PROFIT AND APPROPRIATION

The Company's own distributable reserves at the beginning of the year amounted to	7 328	6 890
Net profit for the year	314	438
Dividend No 1 of 56.00c per share paid in January 2001	(292)	–
The Company's own distributable reserves carried forward to the following year amounted to	7 350	7 328

REPORT OF THE BOARD OF DIRECTORS

FOR THE YEAR ENDED 31 MARCH 2001

SHARE CAPITAL

During the year the trustees of the Remgro Share Scheme (the 'scheme') offered to participants unissued ordinary shares which were reserved for the scheme.
The details of the offer are as follows:

Date	Offer price	Number of shares offered	Number of shares accepted on 31 March 2001
5/10/2000	43.60	3 437 582	3 431 157
12/12/2000	48.20	448 133	448 133

The offer is valid for one year from the date of the offer. The scheme is a deferred purchase scheme and payment is made in three equal annual instalments of which the first instalment is only payable after three years.

Participants have no right to delivery, voting or dividends on shares before payment has been made. Participants may choose to pay on a later date with the resultant deferment of rights. Payment must, however, be made within ten years.

Some amendments to the scheme are proposed and are included in an alternative set of rules which will be available for inspection before and at the Annual General Meeting. Resolutions to implement these amendments are included in the notice of the Annual General Meeting.

The long-term management incentive scheme of the former Rembrandt was terminated on 22 September 2000. (Refer note 22).

SERVICE COMPANY

An agreement was concluded with a service company, M&I Management Services (Proprietary) Limited (M&I), to render management and support services to Remgro. The shareholders of M&I are employees of M&I who own all the issued ordinary shares. Rembrandt Trust (Proprietary) Limited owns all the "A" ordinary shares of M&I. The "A" ordinary shares only have voting rights but have no rights to the income or assets of M&I.

Remgro pays fees to M&I which cover the overhead costs of the management of Remgro. These fees will not exceed 0.463% per year of the market capitalisation of Remgro, calculated on a monthly average basis. This percentage may not be exceeded without the approval of 75% of all classes of shareholders of Remgro. The fees for the past year are disclosed in note 12 to the annual financial statements.

PRINCIPAL SHAREHOLDER

Rembrandt Trust (Proprietary) Limited holds all the issued unlisted B ordinary shares of the Company and is entitled to 42.2% of the total votes.

An analysis of the shareholders appears on page 53.

SUBSIDIARY COMPANIES AND INVESTMENTS

Particulars of subsidiary companies, associated companies and other investments are disclosed in Annexures A and B.

DIRECTORS

Messrs J F Mouton and F Robertson were appointed as directors on 28 March 2001.

The names of the directors appear on page 2.

In terms of the provision of the Articles of Association Messrs G D de Jager, P J Erasmus, D M Falck, E Molobi, J F Mouton, F Robertson and M H Visser retire from the Board by rotation. These directors are eligible and offer themselves for re-election.

The following directors of the Company served on Committees of the Board during the past financial year:

Audit Committee:	Messrs D M Falck, P J Erasmus and P G Steyn.
Remuneration Committee:	Messrs Johann Rupert and P J Erasmus.

On 20 June 2001, Messrs J F Mouton and F Robertson were appointed as members of the Audit Committee as well as the Remuneration Committee.

DIRECTORS' INTERESTS

At 31 March 2001 the aggregate of the direct and indirect interests of the directors in the issued share capital of the Company amounted to 0.62%.

An analysis of Directors' interests in the issued capital of the Company appears on page 54.

DIRECTORS' EMOLUMENTS

The Board recommends that directors' fees for services rendered as directors during the past financial year be fixed at R411 000 in total.

ACQUISITION OF SHARES OF THE COMPANY

It is recommended that a general authority be granted to the Board to acquire, should circumstances warrant it, the Company's own shares and to approve the acquisition of shares in the Company by any of its subsidiaries, subject to the provisions of the Companies Act 61 of 1973, as amended, and the Listing Requirements of the JSE.

Special resolutions to this effect are incorporated in the notice of the Annual General Meeting that appears on page 56.

DIVIDENDS

Dividend No 2

A final dividend of 106 cents per share was declared in respect of both the ordinary shares of one cent each and the B ordinary shares of ten cents each, for the financial year ended 31 March 2001. The dividend is payable to shareholders of the Company registered at the close of business on 3 August 2001.

Together with the interim dividend of 56 cents per share paid during January 2001, total dividends for the financial year amounted to 162 cents per share.

The final dividend will be transferred electronically on 17 August 2001 to the bank accounts of shareholders who utilise this facility while dividend cheques will be mailed to other shareholders on that date.

REPORT OF THE BOARD OF DIRECTORS

FOR THE YEAR ENDED 31 MARCH 2001

SECRETARY

The name and address of the Company Secretary appears on page 55.

APPROVAL

The annual financial statements set out on page 21 to 52 have been approved by the Board.

Signed on behalf of the Board of Directors.

Johann Rupert
Chairman

Thys Visser
Chief Executive Officer/Deputy Chairman

Stellenbosch
20 June 2001

ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 MARCH 2001

The annual financial statements are prepared mainly on the historical cost basis in accordance with South African Statements of Generally Accepted Accounting Practice and incorporate the following principal accounting policies which, with the exception of accounting for goodwill, are consistent in all material respects with those of Rembrandt Group Limited in the previous year:

(I) CONSOLIDATION, PROPORTIONATE CONSOLIDATION AND EQUITY ACCOUNTING

Preference shares and debentures which are compulsorily convertible, are regarded as part of the permanent equity capital of a company for the purposes of consolidation, proportionate consolidation and equity accounting.

Consolidation – subsidiary companies

All companies which are defined as subsidiary companies in terms of the Companies Act are included in the consolidated statements in the accepted manner.

The results of subsidiary companies acquired or disposed of are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal.

Proportionate consolidation – joint ventures

All jointly controlled ventures are accounted for according to the proportionate consolidation method. In terms of this method the attributable share of assets, liabilities, income, expenditure and cash flow are included in the consolidated statements. The share of retained income is transferred to non-distributable reserves.

Equity accounting – associated companies

Companies which are neither subsidiaries nor joint ventures, but in which a long-term interest is held and over whose financial and operating policies a significant influence can be exercised, are accounted for according to the equity method as associated companies. Certain associated companies have year-ends which differ from that of the Company. In such circumstances the results of listed and certain unlisted companies are accounted for from the latest published information and management accounts as at year-end, respectively. The accounting policies of associated companies do not necessarily correspond with those of the Group and no adjustments are made therefor. The Group's share of retained income is transferred to non-distributable reserves. The Group's share of other movements in the reserves of associated companies are accounted for as changes in consolidated non-distributable reserves.

The results of associated companies acquired or disposed of are included in the consolidated income statement from the effective date of acquisition and up to the effective date of disposal.

(II) PROPERTY, PLANT AND EQUIPMENT AND DEPRECIATION

Capitalised leased assets – assets leased in terms of finance lease agreements are capitalised at their equivalent cash consideration. Depreciation is provided on the straight-line basis over the expected useful lives of the capital leased assets. Finance charges are written off over the term of the lease in accordance with the effective interest rate method.

Preproduction costs and interest – preproduction costs as well as interest on borrowings directly related to major capital projects under construction are capitalised until such assets are brought into a working condition for their intended use.

Land and buildings – are stated at cost or valuation. Specialised buildings are depreciated on a straight-line basis over their expected useful lives. Other buildings are not depreciated. Leasehold improvements are stated at cost and are written off over the periods of the leases.

Machinery, equipment, office equipment and vehicles – are stated at cost and are depreciated on a straight-line basis over their expected useful lives.

Crops – are stated at cost or valuation. Cost consists of the aggregate of agricultural establishment and development costs. Agricultural establishment costs represent the costs incurred in establishing sugar cane and other perennial crops and are not amortised. Agricultural development costs consist of planting and other development costs. These costs are capitalised in the first year of planting and costs during the years thereafter are written off directly against income. Ongoing cultivation costs are expensed as incurred. Crops are revalued periodically.

Where assets are identified as being impaired, that is when the recoverable amount has declined below its carrying amount, the carrying amount is reduced to reflect the decline in value. Such amounts written off are accounted for in normal income.

(III) INTANGIBLE ASSETS

Goodwill – On the acquisition of an investment, fair values at the date of acquisition are attributed to the identifiable separable assets and liabilities acquired.

The goodwill or negative goodwill is the difference between the cost of the investments and the reasonable value of attributable net assets of the subsidiary companies, joint ventures and associated companies at the acquisition dates. Goodwill that occured prior to 1 April 2000 has been written off on consolidation against non-distributable reserves. Goodwill or negative goodwill arising after this date is reported in the balance sheet and amortised using the straight line method over its estimated useful life, not exceeding twenty years. This represents a change in accounting policy. As all goodwill arising prior to 1 April 2000 has already been fully written off against reserves, the pro forma comparative figures for the year ended 31 March 2000 have not been restated. Where the net assets of subsidiary companies, joint ventures and associated companies at the date of acquisition exceed the cost of investments acquired, this excess is accounted for as negative goodwill.

Trade marks – the costs of trade marks which are established and developed by the Group itself are expensed as incurred. The value thereof is consequently not reflected in the annual financial statements. The costs of trade marks which have been purchased are written off on a straight-line basis over their expected useful lives, which is twenty years.

Research and development costs – research and development costs are written off against income as incurred. Where the asset recognition criteria have been met, development expenditure is capitalised and written off over the expected useful life of the product.

(IV) INVESTMENTS

Associated companies – are stated at cost after adjustment for goodwill. In the consolidated financial statements the share of post-acquisition reserves and retained income, accounted for according to the equity method, is included in the carrying value.

Other long-term investments – are stated at cost, less amounts written off for declines in value considered not to be of a tempo-rary nature. Such amounts written off are accounted for as exceptional items.

Portfolio investments – are stated at cost less amounts written off for declines in value considered not to be of a temporary nature. Such amounts written off and profits and losses on realisation, are accounted for in normal income.

(V) INVENTORIES AND CONTRACTS IN PROGRESS

Inventories are stated at the lower of cost or net realisable value. The basis of determining cost is either the first-in-first-out or average cost method. Where applicable, provision is made for slow-moving and redundant inventories. Work in progress and finished goods include direct costs and an appropriate allocation of manufacturing overheads. The value of contracts in progress includes cost to date, an allocation of variable overheads and, in the case of certain subsidiaries, fixed works overheads, less provision for anticipated losses. Crops to be harvested within one year are included in inventories at the estimated cost thereof.

(VI) TAXATION

Deferred taxation is provided for at current rates using the balance sheet liability method. Full provision is made for all temporary differences between the taxation base of an asset or liability and its balance sheet carrying amount. No deferred tax liability is recognised in those circumstances where the initial recognition of an asset or liability has no impact on accounting profit or taxable income. Assets are not raised in respect of deferred taxation on assessed losses, unless it is probable that future taxable profits will be available against which the deferred taxation asset can be realised in the foreseeable future.

Secondary taxation on companies is provided for in respect of expected dividend payments, net of dividends received or receivable and is recognised as a taxation charge for the year.

(VII) FOREIGN CURRENCIES

Transactions in foreign currencies are accounted for at the rates of exchange ruling on the dates of the transactions. Foreign currency monetary items at year-end are translated to SA rand at the rates of exchange ruling at that date. Exchange differences that arise as a result thereof and on forward exchange contracts, are accounted for in income.

Assets, liabilities and reserves of foreign entities at year-end are translated to SA rand at the rates of exchange ruling at that date. Operating results of foreign subsidiaries and income of foreign associated companies are translated to SA rand at the average of the exchange rates prevailing during the year for each of the currencies concerned. Differences arising on translation are accounted for in reserves as exchange rate adjustments.

(VIII) FINANCIAL INSTRUMENTS

Financial instruments include those carried on the balance sheet and off-balance sheet instruments.

Financial instruments carried on the balance sheet include cash and cash equivalents, investments, trade and other receivables, trade and other payables, provisions, leases and borrowings.

Certain group companies are also parties to financial instruments that reduce exposure to fluctuations in foreign currency exchange rates. These instruments, which mainly comprise forward exchange contracts, are not recognised in the financial statements on inception.

Fair values and the recognition methods of the different financial instruments are disclosed in the notes to the financial statements. Fair values represent an approximation of possible value, which may differ from the value that will be finally realised.

Where the redemption of loans is provided for by means of investments in financial instruments which allow for the contractual right of set-off against the loan and it is expected that the loan will be settled in this way, the related balance sheet items are set-off against one another.

(IX) PROVISIONS

Provisions are recognised when a legal or constructive obligation exists as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

Employee entitlements to leave are recognised when they accrue to employees involved. A provision is made for the estimated liability for leave as a result of services rendered by employees up to balance sheet date.

(X) CASH AND CASH EQUIVALENTS

For the purpose of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held at call with banks, and investments in money market instruments, net of bank overdrafts. In the balance sheet, bank overdrafts are included in short-term interest-bearing loans.

(XI) REVENUE RECOGNITION

The sale of goods is recognised when the significant risks and rewards of ownership of the goods have been transferred. Revenue arising from services is recognised when the service is rendered. Interest is recognised on a time proportion basis (taking into account the principal outstanding, the effective rate and the period), unless collectability is in doubt. Dividends are recognised when the right to receive payment is established.

BALANCE SHEETS

AT 31 MARCH 2001

	Notes	CONSOLIDATED 2001 R million	CONSOLIDATED 2000 R million *Pro forma*	THE COMPANY 2001 R million	THE COMPANY 2000 R million *Pro forma*
ASSETS					
Non-current assets					
Property, plant and equipment	1	2 242	2 259	–	–
Goodwill and trade marks	2	3 493	80	–	–
Investments – Associated companies	3	12 523	10 660	–	–
– Other	4	115	150	7 357	7 982
Loans		10	11	–	–
Deferred taxation		9	–	–	–
		18 392	13 160	7 357	7 982
Current assets		3 395	2 283	2	8
Inventories	5	538	468	–	–
Trade and other receivables		1 029	763	–	–
Taxation		18	18	2	–
Cash and cash equivalents		1 810	1 034	–	8
Total assets		21 787	15 443	7 359	7 990
EQUITY AND LIABILITIES					
Capital and reserves					
Issued capital	6	8	8	8	8
Reserves	7	19 528	12 548	7 350	7 328
Interest of own members		19 536	12 556	7 358	7 336
Minority interest		888	809	–	–
Total shareholders’ equity		20 424	13 365	7 358	7 336
Non-current liabilities		263	296	–	–
Long-term interest-bearing loans	8	211	254	–	–
Deferred taxation	17	52	42	–	–
Current liabilities		1 100	1 782	1	654
Trade and other payables		858	1 467	1	654
Short-term interest-bearing loans	9	89	149	–	–
Provisions	10	117	126	–	–
Taxation		36	40	–	–
Total equity and liabilities		21 787	15 443	7 359	7 990

INCOME STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2001

	Notes	CONSOLIDATED 2001 R million	CONSOLIDATED 2000 R million *Pro forma*	THE COMPANY 2001 R million	THE COMPANY 2000 R million *Pro forma*
Revenue	11	7 358	5 738	302	437
Operating profit	12 & 13	568	448	314	438
Finance costs		67	36	–	–
Profit from operations	12	501	412	314	438
Share of after-tax operating profit of associated companies	14	2 919	2 317	–	–
Amortisation of goodwill	15	(159)	(33)	–	–
Exceptional items	16	3 422	(339)	–	–
		6 683	2 357	314	438
Taxation	17	(14)	100	–	–
Profit after taxation		6 697	2 257	314	438
Minority interest	18	107	86	–	–
Net profit for the year		6 590	2 171	314	438

	Notes	2001	2000
Reconciliation of headline earnings:			
Basic earnings – net profit for the year		6 590	2 171
Plus/(minus) – attributable to own members:			
– Exceptional items		(3 541)	333
– Amortisation of goodwill		159	33
– Net surplus, after taxation, on the disposal of property, plant and equipment		(6)	(29)
– Impairment of assets		9	–
Headline earnings		3 211	2 508
Earnings per share		Cents	Cents
Headline earnings per share	19	615.1	480.5
– Diluted		614.7	480.5
Basic earnings per share	19	1 262.5	415.9
– Diluted		1 261.5	415.9

STATEMENTS OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2001

CONSOLIDATED	Issued capital R million	Equity accounted reserves R million	Other non-distributable reserves R million	Distri-butable reserves R million	2001 Total R million
Balances at 1 April	8	7 454	31	5 142	12 635
Prior year adjustments	–	(79)	–	–	(79)
Adjusted balances at 1 April	8	7 375	31	5 142	12 556
Net profit for the year				6 590	6 590
Dividends paid				(292)	(292)
Exchange rate adjustments		533	45	314	892
Change in interests in subsidiary companies, associated companies and joint ventures		(3 355)	3 305	(1)	(51)
Change in reserves of associated companies		(159)			(159)
Income of associated companies retained		3 615		(3 615)	–
Transfer between reserves			(3 115)	3 115	–
Balances at 31 March	8	8 009	266	11 253	19 536

The pro forma comparative figures for the year ended 31 March 2000 are not available on a consolidated basis, as Remgro in its present form only exists since 1 April 2000.

THE COMPANY	2001 R million	2000 R million *Pro forma*
Balances at 1 April	7 336	6 898
Issued capital	8	8
Distributable reserves	7 328	6 890
Net profit for the year	314	438
Dividends paid	(292)	–
Balances at 31 March	7 358	7 336

1. PROPERTY, PLANT AND EQUIPMENT

	2001			2000		
	Cost or valuation R million	*Accumulated depreciation* R million	*Net value* R million	*Cost or valuation* R million	*Accumulated depreciation* R million	*Net value* R million
Land and buildings	1 072	178	894	1 047	141	906
Capital expansion in progress	86	–	86	95	3	92
Machinery and equipment	2 041	923	1 118	1 889	796	1 093
Vehicles	141	92	49	171	95	76
Office equipment	5	3	2	5	4	1
Crops	93	–	93	91	–	91
	3 438	1 196	2 242	3 298	1 039	2 259

Depreciation rates are as follows:	2001 %	2000 %
Specialised buildings	2 – 10	2 – 10
Machinery and equipment	4 – 33$\frac{1}{3}$	4 – 33$\frac{1}{3}$
Vehicles	7$\frac{1}{2}$ – 33$\frac{1}{3}$	7$\frac{1}{2}$ – 33$\frac{1}{3}$
Office equipment	8$\frac{1}{3}$ – 33$\frac{1}{3}$	8$\frac{1}{3}$ – 33$\frac{1}{3}$

Reconciliation of carrying value at the beginning and end of the year	*Land and buildings* R million	*Machinery and equipment* R million	*Crops* R million	2001 R million	2000 R million
Balances at the beginning of the year	998	1 170	91	2 259	2 829
Additions	52	122	2	176	182
Disposals	(9)	(8)	–	(17)	(16)
Depreciation	(22)	(151)	–	(173)	(167)
Impairment	(16)	–	–	(16)	–
Business disposed	(4)	–	–	(4)	–
Dorbyl Limited until 31 March 1999*	–	–	–	–	(576)
Other	(19)	36	–	17	7
Balances at the end of the year	980	1 169	93	2 242	2 259

* Dorbyl, previously consolidated, has been equity accounted since 1 April 1999.

Liabilities resulting from mortgage loans, finance leases and instalment sale agreements are secured by property, plant and equipment with a book value of R467 million (2000: R489 million).

The registers containing details of land and buildings are available for inspection by members or their proxies at the registered offices of the companies to which the relevant properties belong. The directors are of the opinion that the market value of buildings which are not depreciated exceeds the book value.

2. GOODWILL AND TRADE MARKS

	2001			2000		
	Cost or valuation R million	*Accumulated amortisation* R million	*Net value* R million	*Cost or valuation* R million	*Accumulated amortisation* R million	*Net value* R million
Goodwill	3 418	–	3 418	–	–	–
Trade marks	144	69	75	142	62	80
	3 562	69	3 493	142	62	80

Amortisation rates are as follows:	2001 %	2000 %
Goodwill	5	–
Trade marks	4 – 6 2/3	4 – 6 2/3

Reconciliation of carrying value at the beginning and end of the year	*Goodwill* R million	*Trade marks* R million	2001 R million	2000 R million
Balances at the beginning of the year	–	80	80	87
Additions	3 418	1	3 419	–
Amortisation	–	(7)	(7)	(7)
Other	–	1	1	–
Balances at the end of the year	3 418	75	3 493	80

3. INVESTMENTS – ASSOCIATED COMPANIES

(Annexures B & C)

	2001			2000		
	Listed R million	*Unlisted* R million	*Total* R million	*Listed* R million	*Unlisted* R million	*Total* R million
Shares – at cost less goodwill	3 755	471	4 226	1 269	1 692	2 961
Equity adjustment	1 368	6 887	8 255	4 017	3 640	7 657
Carrying value	5 123	7 358	12 481	5 286	5 332	10 618
Debentures and long-term loans	–	42	42	–	42	42
	5 123	7 400	12 523	5 286	5 374	10 660
Market value of listed investments	9 943	–	9 943	9 080	–	9 080
Directors' valuation of unlisted investments	–	18 442	18 442	–	13 954	13 954
Market value and directors' valuation	9 943	18 442	28 385	9 080	13 954	23 034
Excess of market value and directors' valuation over the book value of investments and appropriate goodwill:						
– attributable to own members			12 443			12 373
– attributable to minority			1			1
			12 444			12 374

	2001 R million	2000 R million

4. INVESTMENTS – SUBSIDIARY COMPANIES AND OTHER

(Annexures A & B)

4.1 The Company

	2001 R million	2000 R million
Unlisted subsidiary companies and other:		
Shares – at cost	–	30
Advances and loans	7 357	7 952
	7 357	7 982

4.2 Consolidated	2001 *Listed* R million	2001 *Unlisted* R million	2001 *Total* R million	2000 *Listed* R million	2000 *Unlisted* R million	2000 *Total* R million
Investments – Other						
Shares – at cost	50	65	115	18	132	150
Market value of listed investments	131	–	131	51	–	51
Directors' valuation of unlisted investments	–	75	75	–	142	142
Market value and directors' valuation	131	75	206	51	142	193
Excess of market value and directors' valuation over the book value of investments:						
– attributable to own members			91			43

5. INVENTORIES

	2001 R million	2000 R million
Raw materials	302	278
Finished products	171	128
Work in progress	13	11
Consumable stores	52	51
	538	468

Included above is inventory valued at R3 million (2000: R23 million) that has been written down to net realisable value.

	2001 R million	2000 R million

6. SHARE CAPITAL

	2001 R million	2000 R million
Authorised		
512 493 650 Ordinary shares of 1 cent each	5.1	5.1
40 506 352 B ordinary shares of 10 cents each	4.1	4.1
	9.2	9.2
Issued		
486 493 650 Ordinary shares of 1 cent each	4.9	4.9
35 506 352 B ordinary shares of 10 cents each	3.5	3.5
	8.4	8.4

Each ordinary share has one vote.
Each B ordinary share has ten votes.

The unissued capital of the Company consists of 26 000 000 ordinary shares and 5 000 000 B ordinary shares that both have been reserved for the Remgro Share Scheme. At a general meeting, the Company has placed these shares under the control of the Board of Directors of the Company as a general authority in terms of section 221(2) of the Companies Act, 1973 (Act 61 of 1973), as amended (the Act), subject to the provisions of the Act and the Rules and Requirements of the JSE until the next Annual General Meeting of the Company, for allotment and issue to such persons and on such conditions as the Directors may deem fit.

7. RESERVES

	2001 R million	2000 R million
7.1 Composition of reserves		
The Company:		
Distributable reserves	7 350	7 328
Subsidiary companies and joint ventures	4 169	(2 155)
Non-distributable reserves	266	31
Distributable reserves	3 903	(2 186)
Associated companies:		
Non-distributable reserves	8 009	7 375
	19 528	12 548
Included in general capital reserves are:		
Statutory non-distributable reserves	9	6

7.2 Included in the respective reserves above are reserves arising on exchange rate translation

	General capital reserves R million	*Equity accounted reserves* R million	*Unappropriated profit* R million	2001 *Total* R million	2000 *Total* R million
Balances at 1 April	–	1 611	–	1 611	1 277
Exchange rate adjustments during the year	45	533	314	892	334
Transfer of equity adjustment	–	314	(314)	–	–
Balances at 31 March	45	2 458	–	2 503	1 611

	2001 R million	2000 R million

8. LONG-TERM INTEREST-BEARING LOANS

	2001 R million	2000 R million
25 year redeemable debentures bearing an effective interest rate of 15.38% (2000: 14.96%) per annum. The net liability, after deduction of an investment of R72 million (2000: R59 million) in related financial instruments amounts to	73	87
Net liabilities, after deduction of an investment of R89 million (2000: R75 million) in related financial instruments, resulting from various capitalised finance leases and instalment sale agreements payable in monthly, six monthly and annual instalments at effective interest rates of between 6.2% and 17.01% per annum, amount to	182	160
These liabilities are secured by machinery and equipment with a net book value of R467 million (2000: R489 million).		
Sundry loans with varying interest rates and terms	15	16
	270	263
Instalments payable within one year transferred to short-term interest-bearing loans	59	9
	211	254

9. SHORT-TERM INTEREST-BEARING LOANS

	2001 R million	2000 R million
Short-term loans	20	3
Long-term interest-bearing loans payable within one year	59	9
Bank overdrafts	10	137
	89	149

10. PROVISIONS

	Leave pay R million	*Post retirement medical contributions* R million	*Other* R million	2001 R million
Balances at 1 April 2000	30	31	65	126
Restatement	–	–	(10)	(10)
Adjusted balances at 1 April 2000	30	31	55	116
Additional provisions	7	2	11	20
Unused amounts – reversed	(1)	–	(14)	(15)
	36	33	52	121
Utilised during the year	(1)	–	(3)	(4)
Balances at 31 March 2001	35	33	49	117

11. REVENUE

Revenue of the Company and its subsidiary companies consists of net sales of products, completed contracts and identifiable portions of contracts delivered to customers, fees, rentals, as well as dividends and interest. Intergroup transactions are eliminated.

Due to the nature and composition of the Group, financial ratios based on revenue are not considered to be meaningful.

	2001 R million	2000 R million
Revenue, excluding dividends and interest	5 735	5 005
Dividends and interest	1 623	733
Total revenue	7 358	5 738

12. OPERATING PROFIT

Operating profit is stated after taking the following into account:

	2001 R million	2000 R million
Income		
Interest received – unlisted investments and deposits	108	45
Surplus on sale of property, plant and equipment	–	26
Foreign exchange profit	1	3
Provision for post-retirement medical benefits – written back	–	13
Expenses		
Cost of sales	4 014	3 669
Foreign exchange losses	–	1
Depreciation	173	167
Buildings	22	24
Capital projects under construction	–	3
Machinery and equipment	138	120
Vehicles	12	19
Office equipment	1	1
Impairment of assets	16	–
Amortisation of trade marks	7	7
Rental	45	61
Land and buildings	30	25
Machinery and equipment	4	4
Vehicles	7	27
Office equipment	4	5
Auditor's remuneration – audit fees	5	5
– other services	1	1
Professional fees	5	11
Administration and management fees	60	2
Paid to M&I Management Services (Pty) Limited in respect of costs	56	–
Donations	14	–
	70	–
Less: Fees received	(10)	–
Net corporate costs	60	–
Other	–	2
Research and development costs written off	5	3
Loss on sale of property, plant and equipment	1	–

	THE COMPANY		CONSOLIDATED	
	2001	2000	2001	2000
	R million	R million	R million	R million

13. DIVIDEND INCOME

– Included in operating profit				
Listed	–	–	29	1
Unlisted – Subsidiary companies	301	399	–	–
– Other	–	–	4	4
	301	399	33	5
– Dividends from associated companies set-off against investments			1 482	683

14. EQUITY ADJUSTMENT

	2001 R million	2000 Rmillion
Share of net profit of associated companies – after taxation:		
Operating profit	2 919	2 317
Amortisation of goodwill	(159)	(33)
Exceptional items	2 023	(541)
Share of net profit of associated companies after exceptional items and amortisation	4 783	1 743
Dividends received from associated companies	1 482	683
Share of net profit retained by associated companies	3 301	1 060
Attributable to minority	–	7
	3 301	1 053
Exchange rate differences on translation between average rates and year-end rates	314	57
Equity adjustment transferred to non-distributable reserves (Refer to statements of changes in equity)	3 615	1 110
Amount of the share of net profit/(loss) after exceptional items and amortisation, retained by associated companies, that has been accounted for from unaudited interim reports and management accounts	263	224

15. AMORTISATION OF GOODWILL

Included in equity adjustment in respect of associated companies	159	33

	2001 R million	2000 R million

16. EXCEPTIONAL ITEMS

	2001 R million	2000 R million
Exceptional items of subsidiary companies consist of the following:		
Restructuring costs and discontinuance of operations	(7)	(2)
Net capital surplus on the sale of investments and businesses	1 518	234
Net capital surplus on the sale of property, plant and equipment	16	–
Other	(4)	(30)
	1 523	202
Share of exceptional items of associated companies	1 899	(541)
Restructuring costs of British American Tobacco Plc. (BAT)	(273)	(362)
Capital surplus with redemption of convertible preference shares in BAT	2 202	–
Impairment of mining assets of Gold Fields Limited	–	(205)
Other	(30)	26
Total before taxation – per income statement	3 422	(339)
Taxation	120	3
Subsidiary companies	(3)	3
Associated companies	123	–
Total after taxation	3 542	(336)
Attributable to minorities	1	(3)
Attributable to own members	3 541	(333)
	3 542	(336)

17. TAXATION

	2001 R million	2000 R million
17.1 Taxation in income statement		
Current	106	77
– current year – South African normal taxation	69	54
– Foreign taxation	41	28
	110	82
– previous year – South African normal taxation	(2)	(1)
– Foreign taxation	(2)	(4)
Secondary taxation on companies	3	8
Deferred – current year	(10)	13
– previous year	10	2
Share of taxation of exceptional items of associated companies	(123)	–
	(14)	100

17. TAXATION *(continued)*

17.2 Reconciliation of effective tax rate with standard rate

	%	%
Taxation as a percentage of net operating profit before taxation:		
Effective tax rate	(0.4)	25.0
Reduction/(increase) in standard rate as a result of:		
Permanent differences and foreign taxation	28.6	(0.9)
Timing differences not provided for	–	5.6
Taxation in respect of previous years	(0.1)	0.8
Tax losses of prior years utilised	2.8	4.3
Tax losses that can be utilised in future years	(0.8)	(2.8)
Secondary taxation on companies	(0.1)	(2.0)
Standard rate	30.0	30.0

	2001 R million	2000 R million
17.3 Deferred taxation		
Taxation liabilities		
Deferred taxation in respect of:		
Property, plant and equipment	103	114
Inventories	73	73
Other	(67)	(65)
Tax losses utilised	(57)	(80)
	52	42
Deferred tax asset		
Deferred taxation in respect of:		
Tax losses utilised	(9)	–
The movement between balances at the beginning and end of the year can be analysed as follows:		
Beginning of the year	42	35
Movements during the year can be attributable to:		
Property, plant and equipment	(11)	8
Inventories	–	46
Other	(2)	(28)
Tax losses utilised	14	(19)
	43	42
17.4 Tax losses		
Estimated tax losses available for set-off against future taxable income	779	959
Tax losses utilised during the year to reduce deferred taxation	58	117
17.5 Secondary tax on companies (STC)		
The STC credits on 31 March, which could be set-off against future dividend payments, amount to	2 044	925
– The Company	340	433
– Subsidiary companies	1 704	492

	2001 R million	2000 R million
18. MINORITY INTEREST		
Subsidiaries and joint ventures	107	76
Associated companies	–	10
	107	86

19. EARNINGS PER SHARE

Earnings per share
In determining the headline earnings and basic earnings per share the total number of shares in issue was applied.

Diluted earnings per share
In determining the diluted headline earnings and basic earnings per share the total number of shares in issue was adjusted for the effect of the dilutive potential ordinary shares.

No adjustment is made to earnings.

Dilutive potential ordinary shares
The Company has one category of dilutive potential ordinary shares, namely shares offered to participants by the Remgro Share Scheme. A calculation is done to determine the number of shares regarded to have been issued at a fair price, (determined as the average market price of the Company's shares over the period of the offer) based on the monetary value of the shares accepted by the participants.

The difference between the shares accepted and the number of shares deemed to be issued at a fair value, is regarded as an issue of shares for no consideration. The number of dilutive shares amounts to 381 837 (2000: Nil) and is added to the total number of issued shares to determine the dilutive effect.

	2001 R million	2000 R million
20. STAFF COSTS		
– of subsidiary companies		
Salaries and wages	926	794
Retirement benefits	5	2
Pension costs – defined contribution	46	28
Pension costs – defined benefit	14	11
Other post-retirement benefits	2	5
Other	68	62
	1 061	902

	Number	Number
Persons employed by subsidiary companies at year-end:		
South Africa	11 580	12 058
Abroad	1 129	1 052
	12 709	13 110

21. DIRECTORS' EMOLUMENTS

As Remgro in its present form only exists since 1 April 2000, the comparative figures for directors' emoluments are not available.

	2001		
	Executive R million	*Non-executive* R million	*Total* R million
Fees	0.1	0.3	0.4
Salaries	4.4		4.4
Benefits	1.4		1.4
	5.9	0.3	6.2
Paid by:			
The Company	–	0.2	0.2
Management company	5.9	0.1	6.0
	5.9	0.3	6.2

Certain of the non-executive directors are employees of M&I Management Services (Pty) Limited (M&I), a service company that supplies management services to this Company (Remgro). Remgro pays a monthly service fee to M&I. The emoluments of these non-executive directors paid by M&I, excluding fees for services as non-executive directors included in the above, were as follows:

	2001 R million
Salaries	3.3
Benefits	0.8
	4.1

The cost of the long-term management incentive scheme of the former Rembrandt Group Limited is disclosed in note 22.

22. LONG-TERM MANAGEMENT INCENTIVE SCHEME

The long-term management incentive scheme of the former Rembrandt Group Limited was terminated on 22 September 2000.

The cost of the scheme for the period 1 April 2000 to 22 September 2000 was paid and expensed by M&I.

The after-tax cost in respect of executive directors of Remgro amounted to R2.4 million. Certain non-executive directors are employees of M&I. The after-tax cost of the scheme in respect of these directors amounted to R2.7 million for the afore-mentioned period.

	2001 R million	2000 R million
23. COMMITMENTS		
Capital commitments	100	117
Uncompleted contracts for capital expenditure	25	41
Capital expenditure authorised but not yet contracted for	75	76
Operating lease commitments	105	75
Due within one year	30	28
Due thereafter	75	47
	205	192

Above-mentioned commitments will be financed by internal sources and borrowed funds.

24. BORROWING POWERS

There are no limitations to the borrowing powers of the Company and its subsidiaries in respect of loans and guaranteed debts.

25. FINANCIAL INSTRUMENTS

25.1 Credit risk

Financial assets which are subject to credit risk consist mainly of cash and cash equivalents and trade and other receivables. Cash and cash equivalents are placed with various financial institutions subject to approved limits. All these institutions are of a high standing. Trade and other receivables are disclosed net of a provision for doubtful debt.

25.2 Interest rate risk

Subsidiary companies generally adopt a policy of ensuring that their borrowings are at market related rates to address their interest rate risk.

25.3 Forward exchange contracts

Subsidiary companies undertake transactions denominated in foreign currency and therefore exposures to exchange rate fluctuations arise. If deemed necessary, these exposures are hedged through the use of forward exchange contracts.

The following material forward exchange contracts existed at 31 March 2001:

Foreign currency	*Currency amount* million	*Average forward rate*	*Rand amount* R million
US dollar (USD)	8.3	8.01	66.2
British pound (GBP)	0.3	11.61	3.1
Other			4.8

25.4 Fair value

On 31 March 2001 and 2000 the fair value of financial instruments reported in the financial statements equals their carrying value.

	2001 R million	2000 R million

26. GUARANTEES

	2001 R million	2000 R million
Guarantees by subsidiary companies	40	23

27. RETIREMENT BENEFITS

The Company and its subsidiaries have three defined benefit pension funds, three defined contribution pension funds and seven defined contribution provident funds which are administered by insurance companies independently of the finances of the Group. All the funds are governed by the Pension Funds Act, 1956. All employees are obliged to accept membership of one of the funds.

One of the defined benefit pension funds is actuarially valued every three years by independent actuaries according to the projected benefit method. The other two funds are actuarially valued on a triennial basis according to the projected unit credit method. At the most recent valuations of these defined benefit pension funds, during 1999, the total present value of the accrued liabilities amounted to R123 million. The total fair value of the funds' assets amounted to R134 million, which reflected funding levels of between 108% and 118%.

The actuarial valuations were based on the following principal assumptions:

– investment returns	5% – 15%
– salary increases	9% – 15%
– discount factor	5% – 9.5%
– dividend growth rate	5% – 15%

Normally members contribute between 5.0% and 7.5% and employers between 6.6% and 12.5% of pensionable salaries to the funds. The companies' contributions are charged against income.

For the year under review some subsidiary companies enjoyed a contribution holiday totalling R1.2 million (2000: R1.6 million).

Membership of, and company contributions to, the funds at 31 March 2001 were:

	Members	*Company contribution* R million
Defined benefit funds	2 066	10.2
Defined contribution funds	9 396	30.4
	11 462	40.6

28. POST-RETIREMENT MEDICAL BENEFITS

The present value of the liabilities of subsidiary companies regarding future contributions to medical aid schemes in respect of retirees, is determined annually in respect of one of the subsidiary companies and tri-annually with regard to other subsidiary companies by independent actuaries and pre-funded as follows:

28.1 In respect of members who, in the case of certain subsidiary companies, retired prior to 1 April 1998, the liabilities at 31 March 2001 amounted to R19 million (2000: R17 million). These liabilities have been fully provided for against income.

28.2 In respect of members who were employees of certain subsidiaries on 1 April 1998, the past service liabilities at this date are being amortised over twenty years by annual contributions to suitable benefit funds. In respect of service after the aforementioned date, liabilities are funded uniformly over the service period of active members by annual contributions to the benefit funds. Contributions to the benefit funds are charged against income. The net liabilities in respect of accumulated past service at 31 March 2001 amounted to R47 million (2000: R27 million).

29. RELATED PARTIES

Transactions
Related party transactions are concluded on an arms-length basis.

Subsidiaries
Details of investments in and income from subsidiaries are disclosed in notes 4 and 13 respectively, and in Annexure A.

Associated companies
Details of investments in and income from associated companies are disclosed in notes 3 and 14 respectively, as well as in Annexures B and C. Interest income from associated companies amounted to R48 million (2000: R56 million) and is included in interest received.

Directors
Details of directors' emoluments and shareholdings in the Company are disclosed in notes 21 and 22 and in the Directors' Report.

Shareholders
Details of the principal shareholder appear in the Directors' Report. A detail analysis of shareholders appears on page 53 of the Annual Report.

ANNEXURE A

PRINCIPAL SUBSIDIARY COMPANIES AT 31 MARCH 2001

NAME OF COMPANY Incorporated in South Africa unless otherwise stated		ISSUED CAPITAL R (unless otherwise stated)	EFFECTIVE INTEREST 2001 %	EFFECTIVE INTEREST 2000 %	HELD BY COMPANY SHARES 2001 R	HELD BY COMPANY SHARES 2000 R	HELD BY COMPANY LOAN 2001 R million	HELD BY COMPANY LOAN 2000 R million
Trade mark interests								
Remgro International Holdings (Pty) Limited		2	100.0	100.0	2	2		
Remgro Investments Limited – Jersey	(GBP)	1 201 610	100.0	100.0				
Mining interests								
Partnership in Mining Limited		100	100.0	100.0	100	100		
Tegniese Mynbeleggings Limited		2	100.0	100.0				
GFSA Holdings Limited		120 000	100.0	40.0				
Industrial interests								
Industrial Partnership Investments Limited		125 000	100.0	100.0	125 000	125 000		
Hunt Leuchars & Hepburn Holdings Limited	* (1)	588 637 000	72.5	72.6				
– held by Hunt Leuchars & Hepburn Holdings Limited:								
– Robertsons Holdings (Pty) Limited (100%)			72.5	72.6				
– Transvaal Sugar Limited (100%)			72.5	72.6				
Rainbow Chicken Limited	* (1)	1 082 852 684	55.9	55.9				
Wispeco Holdings Limited		5 000 000	100.0	100.0				
Financial services								
Financial Securities Limited		250 000	100.0	100.0	250 000	250 000		
Corporate finance and other interests								
Eikenlust (Pty) Limited		100	100.0	100.0				
Entek Investments Limited		810 630	60.9	60.5				
Historical Homes of South Africa Limited		555 000	51.4	51.4				
M.F.I. Investments (Pty) Limited		2	100.0	100.0				
Remgro Finance and Services Limited		100	100.0	100.0				
Remgro Finance Corporation Limited		300 000	100.0	100.0				
Remgro Loan Corporation Limited		700	100.0	100.0			7 345	7 952
Remgro South Africa (Pty) Limited		48 614	100.0	100.0	96 506	96 506	12	–
Stellenryck Trust Limited		700	100.0	100.0				
TTR Holdings (Pty) Limited		7	100.0	100.0	7	7		
			Note 4.1:		471 615	471 615	7 357	7 952

* *Listed companies*

(1) *Issued capital includes both ordinary shares and compulsorily convertible preference shares. Effective interest is calculated on a fully diluted basis.*

Details of sundry subsidiary companies which are not material to the evaluation of the business of the Group, are not shown.

(GBP) British pound.

ANNEXURE B

PRINCIPAL INVESTMENTS AT 31 MARCH 2001

NAME OF COMPANY Incorporated in South Africa unless otherwise stated		LISTED 2001 SHARES HELD	LISTED 2001 EFFECTIVE INTEREST %	LISTED 2000 SHARES HELD	LISTED 2000 EFFECTIVE INTEREST %	UNLISTED 2001 SHARES HELD	UNLISTED 2001 EFFECTIVE INTEREST %	UNLISTED 2000 SHARES HELD	UNLISTED 2000 EFFECTIVE INTEREST %
Trade mark interests									
R&R Holdings Soc.An. – Luxembourg	(1)								
– ordinary shares						316 000	33.3	316 000	33.3
– debentures						870 516	33.3	1 173 000	33.3
– held by R&R Holdings Soc.An.:									
– British American Tobacco Plc. – UK	(1)		10.5		11.7				
Remgro-KWV Beleggings Limited	(2)					50	50.0	50	50.0
– held by Remgro-KWV Beleggings Limited:									
– Distell Group Limited (60%)			30.0		30.0				
Mining interests									
Billiton Plc – UK	(2)	–	–	189 975 198	8.9				
Gencor Limited	(2)	37 995 039	10.9	37 995 039	10.9				
Gold Fields Limited	(2)	–	–		11.0				
Gold Fields of South Africa Limited		20 774 099	18.2		15.3				
Trans Hex Group Limited	(1)	35 215 000	42.7	35 215 000	42.9				
Industrial interests									
Air Products South Africa (Pty) Limited	(1)					4 500 000	50.0	4 500 000	50.0
Dorbyl Limited	(1)	14 058 346	41.4	13 967 946	41.1				
Henkel South Africa (Pty) Limited	(2)								
– ordinary shares						4 812 500	50.0	4 812 500	50.0
– preferred ordinary shares						12 550 000	50.0	12 550 000	50.0
Lenco Holdings Limited	(1)		35.4		32.7				
– held by Lenco Holdings Limited:									
– Malbak Limited (15.4%)			5.0		3.9				
Malbak Limited	(1)	233 454 540	48.9	233 454 540	44.0				
Total South Africa (Pty) Limited	(2)					15 500 000	34.4	15 500 000	34.4
Financial services									
FirstRand Limited		507 636 856	9.3						
RMB Holdings Limited		274 109 670	23.1						
– held by RMB Holdings Limited:									
– FirstRand Limited (32.8%)			7.6						
Sage Group Limited	(1)	10 724 315	7.3	10 724 315	7.5				
Sagecor (Pty) Limited	(1)					2 992	50.0	2 992	50.0
– held by Sagecor (Pty) Limited:									
– Sage Group Limited (18.1%)			9.0		9.1				
Universa (Pty) Limited	(1)								
– ordinary shares						7 875	39.4	7 875	39.4
– preference shares						2 705 643	35.5	2 705 643	35.5
– held by Universa (Pty) Limited:									
– ABSA Group Limited (23.2%)			9.5		9.5				
Other interests									
Medi-Clinic Corporation Limited	* (1)	178 577 982	51.1	178 577 982	51.2				
Business Partners Limited	#					28 696 220	16.0	25 464 442	14.2

Accounting period:
(1) Twelve months to 31 March 2001
(2) Twelve months to 31 December 2000

Not associated companies and/or their results are not accounted for according to the equity method.
* Medi-Clinic: Temporarily over 50%.
UK – United Kingdom
Details of investments which are not material to the valuation of the Group, are not shown.

ANNEXURE C

SIGNIFICANT ASSOCIATED COMPANIES – ADDITIONAL INFORMATION

	R&R (TOBACCO INTERESTS) 2001	ABSA GROUP LIMITED (FINANCIAL SERVICES) 2001	2000
	Note 1		
Effective interest	33 1/3%	9.5%	9.5%
	R million	R million	R million
Carrying value of investments after writedown of goodwill	4 743	1 337	1 196
Share of retained equity income			
– Current year	2 985	183	73
Normal income	885	171	164
Exceptional items and goodwill amortisation	1 891	–	(37)
Other changes in reserves and exchange rates	209	12	(54)
– Cumulative	4 743	1 103	920

Summarised financial information:	Per Annual Report 31/03/2001	Per Annual Report 31/03/2001	31/03/2000
	Note 2		
BALANCE SHEET			
Assets			
Net advances, loans and bank related securities	–	8 959	9 584
Intangible assets	81 644	164	74
Property, plant and equipment and other	29 656	4 984	1 286
Investments and loans	8 304	3 003	3 480
Net current assets	14 382	–	–
	133 986	17 110	14 424
Equity and liabilities			
Shareholders' funds and long-term debt	133 986	17 110	14 424

INCOME STATEMENT	12 months ended 31/03/2001	12 months ended 31/03/2001	12 months ended 31/03/2000
	Note 3		
Headline earnings	4 844	2 456	1 988
Net profit for the year	11 140	2 452	1 593
Dividends paid	1 962	757	638

There are no loans to these associated companies.

Note 1: No comparative figures are presented for R&R Holdings Soc.An. (R&R) as R&R, transferred certain of its assets to R&V in terms of the restructuring of Rembrandt. A comparison would therefore not be meaningful.

Note 2: In the audited balance sheet of R&R, its interest in British American Tobacco Plc. (BAT) is only shown as a single item representing the carrying value thereof as an equity accounted associated company. So as to disclose more meaningful information, BAT's abridged balance sheet is presented above instead. This balance sheet is at 31 December 2000 as BAT has not included a balance sheet in its quarterly report to 31 March 2001.

Note 3: This information relates to the income statement of R&R which includes its share of the net profit of BAT, after elimination of the amortisation of goodwill relating to the merger.

Note 4: Billiton Plc was also a significant associated company. No information is presented here as the investments in Billiton and Gold Fields were exchanged for shares in FirstRand effective 1 January 2001. Information regarding FirstRand and RMBH, which are also significant associated companies, is also not presented as their results will only be included in Remgro's profits for the year to 31 March 2002.

ANNEXURE D

INFORMATION ON BUSINESS AND GEOGRAPHICAL SEGMENTS FOR THE YEAR ENDED 31 MARCH 2001

	Trade mark interests R million	Mining interests R million	Industrial interests R million	Financial services R million	Corporate finance and other interests R million	Consolidated R million
BUSINESS SEGMENTAL ANALYSIS						
REVENUE	685	683	5 756	90	144	7 358
Operating profit	–	29	407	2	63	501
Share of after-tax operating profit of associated companies	1 599	794	160	238	128	2 919
Exceptional items						3 422
Amortisation of goodwill						(159)
						6 683
Taxation						(14)
Profit after taxation						6 697
Minority interest						107
Net profit for the year						6 590
HEADLINE EARNINGS	1 599	823	380	238	171	3 211
OTHER INFORMATION						
Segment assets	–	182	4 031	3 425	1 608	9 246
Investments in associated companies	5 360	505	1 763	4 138	757	12 523
Taxation						18
Consolidated total assets						21 787
Segment liabilities	–	–	1 277	16	34	1 327
Taxation						36
Consolidated total liabilities						1 363
Additions to property, plant and equipment	–	–	172	–	4	176
Depreciation and amortisation	155	–	183	1	–	339

The interests of the Group have been classified into five main operating divisions/business segments – trade mark interests, mining interests, industrial interests, financial services and corporate finance/other interests. Each division represents the main business sector of the investments classified thereunder. No adjustment has been made where companies are mainly active in one sector but have also interests in other sectors.

Income and expenses, as well as the attributable portion of the income from associated companies are directly attributable to the segment.

Segment assets mainly include cash and cash equivalents, trade and other receivables, inventories, property, plant and equipment, intangible assets and other investments. Investments in associated companies, accounted for on the equity method, are stated separately. Segment liabilities include all operating liabilities, except for taxation.

GEOGRAPHICAL SEGMENTAL ANALYSIS

The Group's interests can be divided into two main geographical areas, namely South Africa and abroad.

	Revenue 2001 R million	Headline earnings 2001 R million	Total assets 2001 R million
South Africa	5 452	1 672	17 026
Abroad	1 906	1 539	4 743
	7 358	3 211	21 769

Total assets include assets and investments in associated companies, but exclude tax assets.

CASH FLOW STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2001

	Notes	CONSOLIDATED 2001 R million	THE COMPANY 2001 R million
Cash flows – operating activities			
Net profit before taxation		3 764	314
Adjustments	A	(3 128)	(319)
Operating profit/(loss) before working capital changes		636	(5)
Working capital changes	B	(235)	–
Cash generated from/(utilised in) operations		401	(5)
Interest received		108	–
Interest paid		(67)	–
Dividends received	C	1 155	301
Dividends paid	D	(303)	(292)
Taxation paid	E	(116)	(2)
Net cash inflow from operating activities		1 178	2
Cash flows – investing activities		356	48
Proceeds on disposal of property, plant and equipment		32	–
Additions to property, plant and equipment		(136)	–
Replacement of property, plant and equipment		(40)	–
Additions to investments		(12)	–
Proceeds on disposal of investments		258	45
Proceeds on disposal of business		26	3
Capital proceeds of investments		228	–
Cash flows – financing activities		(631)	(58)
Decrease in loans to subsidiary companies		–	595
Decrease in interest-free loans		(653)	(653)
Decrease in interest-bearing debt		22	–
Net increase/(decrease) in cash and cash equivalents		903	(8)
Cash and cash equivalents at the beginning of the year		897	8
Cash and cash equivalents at the end of the year		1 800	–
Cash and cash equivalents – per balance sheet		1 810	
Bank overdraft		(10)	

The pro forma comparative figures for the year ended 31 March 2000 are not available on a consolidated basis, as Remgro in its present form only exists since 1 April 2000.

NOTES TO THE CASH FLOW STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2001

		CONSOLIDATED	THE COMPANY
		2001	2001
		R million	R million
A.	Adjustments		
	Depreciation, amortisation of goodwill and trade marks	339	–
	Other	42	–
	Interest received	(108)	–
	Interest paid	67	–
	Dividends received	(33)	(301)
	Capital surplus on the sale of investments	(1 536)	(18)
	Exceptional items of associated companies	(1 899)	–
		(3 218)	(319)
B.	Decrease/(increase) in working capital		
	Increase in inventories	(70)	–
	Increase in trade and other receivables	(179)	–
	Increase in trade and other payables	14	–
		(235)	–
C.	Reconciliation of dividends received		
	Receivable at the beginning of the year	66	–
	Per income statement	34	301
	Dividends from associated companies set-off against investments	1 480	
	Dividends not received in cash	(272)	–
	Receivable at the end of the year	(153)	–
	Cash received	1 155	301
D.	Reconciliation of dividends paid		
	Per statement of changes in equity	(292)	(292)
	Paid by subsidiary companies to minority	(11)	
	Cash paid	(303)	(292)
E.	Taxation paid is reconciled with the amount disclosed in the income statement as follows		
	Paid in advance at the beginning of the year	18	–
	Unpaid at the beginning of the year	(40)	–
	Per income statement	(112)	–
	– normal income	(106)	–
	– exceptional items	(3)	–
	– STC	(3)	–
	Unpaid at the end of the year	36	–
	Paid in advance at the end of the year	(18)	(2)
	Cash paid	(116)	(2)

ANALYSIS OF SHAREHOLDERS

AT 31 MARCH 2001

	Number of shareholders	% of shareholders	Number of shares	% of shares issued
DISTRIBUTION OF SHAREHOLDERS				
Ordinary shares				
Public shareholders				
Nominees	183	2.6	447 042 048	91.89
Individuals	6 511	93.8	31 587 528	6.49
Other companies	212	3.1	4 442 761	0.91
Pension and provident funds	6	0.1	234 511	0.05
Insurance companies	8	0.1	175 008	0.04
Non-public shareholders				
Directors and their associates	19	0.3	3 011 794	0.62
	6 939	100.00	486 493 650	100.00

MAJOR SHAREHOLDERS

Ordinary shares	%
Standard Bank Nominees (Transvaal) (Pty) Limited	31.05
Nedcor Bank Nominees Limited	14.26
CMB Nominees (Pty) Limited	12.16
Old Mutual Nominees (Pty) Limited	10.38
– Old Mutual	7.93
– Other	2.45
ABSA Nominees (Pty) Limited	9.65
First National Nominees (Pty) Limited	7.51
Other	14.99
	100.0

B ordinary shares	
Rembrandt Trust (Pty) Limited	100.0

In terms of the principles of disclosure in accordance with section 140A(8)(a) of the Companies Act 61 of 1973, as amended, no other shareholder held an interest of more than 5% in your Company on 31 March 2001.

Shareholding	Number of shareholders	% of shareholders	Number of shares	% of shares issued
1 – 5 000	5 909	85.16	5 288 962	1.09
5 001 – 10 000	409	5.89	3 043 035	0.62
10 001 – 100 000	502	7.24	13 712 541	2.82
100 001 – 500 000	78	1.12	16 286 275	3.35
500 001 – 1 000 000	11	0.16	8 252 707	1.70
1 000 001 – and over	30	0.43	439 910 130	90.42
	6 939	100.00	486 493 650	100.00

ANALYSIS OF SHAREHOLDERS

FOR THE YEAR ENDED 31 MARCH 2001

JSE Securities Exchange South Africa	2001
Market capitalisation at 31 March (R million)	22 865
Price (cents per share)	
– 31 March	4 700
– Highest	5 550
– Lowest	3 850
Number of shares traded (000's)	78 267

Interests of the directors in the issued capital of the Company

Ordinary shares	Direct		Indirect			
	Beneficial	Non-beneficial	Beneficial	Non-beneficial	Total	
P E Beyers	–	–	34 024	–	34 024	
W E Bührmann	174	–	37 353	–	37 527	
G D de Jager	1 000	–	–	–	1 000	
J W Dreyer	600	–	7 396	–	7 996	
P J Erasmus	38 730	–	–	–	38 730	
D M Falck	14 034	–	18 940	–	32 974	
E de la H Hertzog	163 512	21 603	1 551 610	5 352	1 742 077	
E Molobi	174	–	–	–	174	
J Preller	10 418	–	15 723	–	26 141	
Johann Rupert	44 490	–	225 511	–	270 001	
P G Steyn	51 474	–	635 596	–	687 070	
T van Wyk	16 987	–	26 009	–	42 996	
M H Visser	2 888	–	88 196	–	91 084	
	344 481	21 603	2 640 358	5 352	3 011 794	0.62 %

B ordinary shares

Mr Johann Rupert is a director of Rembrandt Trust (Pty) Limited which owns all the issued B ordinary shares.

Since the end of the financial year to the date of this report the interests of directors have increased by 14 439 ordinary shares.

DATES OF IMPORTANCE TO SHAREHOLDERS

Financial year-end	31 March
Annual General Meeting	Tuesday, 28 August 2001
Financial reports	
Announcement of interim results	November
Interim report	December
Announcement of annual results	June
Annual financial statements	July
Dividends	
Interim dividend	
– declared	November
– paid	January
Final dividend	
– declared	June
– paid	August

SHARE TRANSACTIONS TOTALLY ELECTRONIC (STRATE)

Remgro has been scheduled by the JSE to transfer its share capital to the electronic STRATE environment as of 12 November 2001. In terms of the JSE's revised listings requirements, the move to STRATE is obligatory and it will ensure that the Company and its shareholders participate in a sophisticated settlement process, which is on par with international best practice.

A circular explaining the actions, which shareholders will be required to take in preparation for the transfer to the STRATE system, will be mailed to all shareholders during September 2001.

ADMINISTRATION

SECRETARY
J C Engelbrecht

BUSINESS ADDRESS AND REGISTERED OFFICE
Carpe Diem Office Park
Quantum Street
Techno Park
Stellenbosch
7600

PO Box 456
Stellenbosch
7599

TRANSFER SECRETARIES
Computershare Services Limited
41 Fox Street
Johannesburg
2001

PO Box 61051
Marshalltown
2107

AUDITORS
PricewaterhouseCoopers Inc.

LISTING
JSE Securities Exchange South Africa
Sector: Diversified Industrial

AMERICAN DEPOSITARY RECEIPT (ADR) PROGRAM
Cusip number 75956M107
ADR to ordinary share 1:1

Depositary:
The Bank of New York
101 Barclay Street
New York NY 10286

SPONSOR
Rand Merchant Bank Corporate Finance

WEBSITE
www.remgro.com

NOTICE TO SHAREHOLDERS

The 2001 Annual General Meeting of the Company will be held on Tuesday, 28 August 2001 at 14:00 in the Auditorium of the Oude Libertas Centre, Oude Libertas Road, Stellenbosch, to:

1. consider and approve the annual financial statements for the year ended 31 March 2001;
2. determine the directors' emoluments for the past financial year;
3. elect directors in the place of Messrs P J Erasmus, D M Falck, G D de Jager, E Molobi, J F Mouton, F Robertson and M H Visser who retire in terms of the provisions of the Articles of Association. These directors are eligible and offer themselves for re-election;
4. consider and, if approved, pass the following resolutions with or without modification:

4.1 Special resolution number 1

"RESOLVED THAT the Board of Directors be authorized, up to and including the date of the next Annual General Meeting, to approve the purchase of shares in the Company by any subsidiary of the Company, subject to the provisions of the Companies Act 61 of 1973, as amended ("the Act") and the Listings Requirements of the JSE Securities Exchange South Africa ("the Listings Requirements")."

Explanatory note on special resolution number 1

Special resolution number 1 is proposed to enable the Board of Directors, up to and including the date of the next Annual General Meeting, to approve the purchase of shares in the Company by any subsidiary of the Company, subject to the provisions of the Act and the Listings Requirements.

The effect of special resolution number 1 will be that the Board of Directors will, up to and including the date of the next Annual General Meeting, be entitled to approve the purchase of shares in the Company by any subsidiary of the Company, subject to the provisions of the Act and the Listings Requirements.

4.2 Special resolution number 2

"RESOLVED THAT the Board of Directors be authorised, up to and including the date of the next Annual General Meeting, to approve the purchase of its own shares by the Company, provided that:

- the shares be purchased in the open market as defined by the JSE Securities Exchange South Africa ("JSE");
- the general authority shall not extend beyond 15 months from the date of this resolution;
- the general authority shall be limited to that percentage of the Company's issued share capital of that class, at the time the authority is granted, as the Listings Requirements may from time to time allow the Company to repurchase, provided that such percentage shall not exceed 20 %; and
- repurchases must not be made at a price more than 10 % above the weighted average of the market value of the securities for the five business days immediately preceding the date of repurchases,

and shall be subject to the provisions of the Act and the Listings Requirements."

Explanatory note on special resolution number 2

Special resolution number 2 is proposed to enable the Board of Directors, up to and including the date of the next Annual General Meeting, to approve the purchase of its own shares by the Company, provided that:

- the shares be purchased in the open market as defined by the JSE;
- the general authority shall not extend beyond 15 months from the date of this resolution;
- the general authority shall be limited to that percentage of the Company's issued share capital of that class, at the time the authority is granted, as the Listings Requirements may from time to time allow the Company to repurchase, provided that such percentage shall not exceed 20 %; and
- repurchases must not be made at a price more than 10 % above the weighted average of the market value of the securities for the five business days immediately preceding the date of repurchases,

and shall be subject to the provisions of the Act and the Listings Requirements.

The effect of special resolution number 2 will be that the Board of Directors will, up to and including the date of the following Annual General Meeting, be entitled to approve the purchase by the Company of its own shares, provided that:

- the shares be purchased in the open market as defined by the JSE;
- the general authority shall not extend beyond 15 months from the date of this resolution;
- the general authority shall be limited to that percentage of the Company's issued share capital of that class, at the time the authority is granted, as the Listings Requirements may from time to time allow the Company to repurchase, provided that such percentage shall not exceed 20 %;
- repurchases will not be made at a price more than 10 % above the weighted average of the market value of the securities for the five business days immediately preceding the date of repurchases,

and shall be subject to the provisions of the Act and the Listings Requirements.

It is the intention of the Board of Directors that they may use such authority should prevailing circumstances (including the tax dispensation and market conditions) in their opinion warrant it.

The directors are of the opinion, after considering the effect of such acquisition of shares, if implemented and on the assumption that the maximum of 20 % of the current issued share capital of the Company will be repurchased using the mechanism of the general authority at the maximum price at which the repurchase may take place (a 10 % premium above the weighted average of the market value for the securities for the five business days immediately preceding the date of the repurchase) and having regard to the price of the shares of the Company on the JSE at the last practical date prior to the date of this note that:

- the Company will be able, in the ordinary course of business, to pay its debt;
- the consolidated assets of the Company, fairly valued in accordance with Generally Accepted Accounting Practice will be in excess of the consolidated liabilities of the Company;
- the Company will have adequate capital; and
- the working capital of the Company will be adequate for the next year's operations.

4.3 Special resolution number 3

"RESOLVED THAT the Articles of Association of the Company be amended in terms of section 62 of the Act by inserting the following words after the word "deposited" in article 28.4.1: "in such manner and form as the directors may approve"."

Explanatory note on special resolution number 3

Special resolution number 3 is proposed to allow the Board of Directors to approve different ways of depositing powers of attorney and proxies, which will facilitate the receipt of these documents in different formats.

The effect of special resolution number 3 is that the Board of Directors will be entitled to approve different ways of depositing powers of attorney and proxies, which will facilitate the receipt of these documents in different formats.

4.4 Special resolution number 4

"RESOLVED THAT the Articles of Association of the Company be amended by deleting the existing article 37.1.1 and replacing it with the following article 37.1.1:

"37.1.1 The directors may meet for the dispatch of business, adjourn, and otherwise regulate their meetings as they think fit. This shall include meetings of directors held by utilising video or telephone conference facilities or any other information technology devices, as approved by the directors, and at such meetings directors participating via video or telephone conference facilities or any other information technology devices shall be deemed to be physically present at such meetings for purposes of the articles"."

Explanatory note on special resolution number 4

Special resolution number 4 is proposed to amend the Articles of Association of the Company to enable the Board of Directors to hold directors' meetings by making use of video and telephone conference facilities or any other information technology devices approved by them. The effect of special resolution number 4 will be that Board of Directors present at directors' meetings via video or telephone conference facilities or any other information technology devices shall be deemed to be physically present at such meetings for purposes of the articles.

4.5 Ordinary resolution number 1

"RESOLVED THAT the existing rules of the Company's share scheme be replaced by the new rules that have been tabled at the meeting and signed for identification purposes by the Chairman of the meeting."

Explanatory note on ordinary resolution number 1
During the first year of implementation of the Company's share scheme it became apparent that a number of material and cosmetic changes had to be made to the rules of the share scheme. The material changes to the rules are the following:

- the inclusion of family companies and family close corporations as possible holders of ordinary shares;
- the increase of the percentage of B ordinary shares which can be scheme shares, as well as the percentage of B ordinary shares which can be held by a single participant so that these percentages are the same as those which apply to the ordinary shares;
- the inclusion of a time limit of 10 years from the offer date for participants to pay for their scheme shares;
- the inclusion of a condition that where ordinary shares are to be held by a family trust, family company or a family close corporation, the ordinary shares will be sold by the participant to the relevant family trust, family company or family close corporation in terms of a sale agreement, the salient terms and conditions of which are prescribed by the rules;
- the granting of a discretion to the Board of Directors to extend the time which a participant, whose employment with the group has been terminated as a result of his death, retrenchment, permanent disability or retirement, has to pay for his scheme shares;
- the inclusion of a provision that any offer made to an employee in terms of the rules shall lapse if such offer has not been accepted by the employee at the time of termination of his employment with the group;
- the granting of a discretion to the Board of Directors to declare the minimum time periods which a participant has to wait before being entitled to receive delivery of his scheme shares as having expired in those instances where the Company announces a rights issue, capitalisation issue or unbundling and the participant's scheme shares have not yet been issued to the trustees, as a result of which that participant will not be able to participate in such rights issue, capitalisation issue or unbundling as prescribed by the rules; and
- the inclusion of a provision that the minimum time periods which a participant has to wait before being entitled to receive delivery of his scheme shares shall be deemed to have expired if the Company becomes the subject of a takeover, reconstruction or amalgamation.

The new rules are available for inspection by the members of the Company at the Company's registered office.

4.6 Ordinary resolution number 2
"RESOLVED THAT the ordinary shares of one cent each and the B shares of ten cents each in the authorized but unissued share capital of the Company be and are hereby placed under the control of the Board of Directors of the Company as a general authority in terms of section 221(2) of the Act, subject to the provisions of the Act and the Listings Requirements until the next Annual General Meeting, for allotment and issue to such persons and on such conditions as the Board of Directors may deem fit."; and

5. transact such other business as may be transacted at an Annual General Meeting.

A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and speak and, at a poll, to vote in his/her stead. Such a proxy need not be a member of the Company.

By order of the Board of Directors.

J C Engelbrecht
Secretary

Stellenbosch
20 June 2001

GRAPHICOR 23546

REMGRO LIMITED

PROXY

FOR THE EAR ENDED 31 MARCH 2001

For use by shareholders who hold ordinary shares of the Company ("member") at the 2001 Annual General Meeting of the Company to be held on Tuesday, 28 August 2001 at 14:00 in the Auditorium of the Oude Libertas Centre, Oude Libertas Road, Stellenbosch ("the Annual General Meeting").

I/We ____

being the holder/s of ______________________ ordinary shares in the Company, hereby appoint (see instruction 1 overleaf)

1. ____ or failing him/her,

2. ____ or failing him/her,

3. the Chairman of the Annual General Meeting, as my/our proxy to attend, speak and vote for me/us and on my/our behalf or to abstain from voting at the Annual General Meeting of the Company and at any adjournment thereof, as follows (see note 2 and instruction 2 overleaf):

	Insert an "X" or the number of votes exercisable (one vote per ordinary share).		
	In favour of	Against	Abstain
1. Approval of annual financial statements			
2. Approval of directors' emoluments			
3. Election of directors			
4.1 Special resolution number 1			
4.2 Special resolution number 2			
4.3 Special resolution number 3			
4.4 Special resolution number 4			
4.5 Ordinary resolution number 1			
4.6 Ordinary resolution number 2			

Signed at ______________________ on ______________________ 2001

Signature/s ____

Assisted by me ____
(where applicable)

Please read the notes and instructions overleaf.

Notes:

1. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint one or more proxies to attend, speak and vote in his/her stead. A proxy need not be a member of the Company.

2. Every member present in person or by proxy and entitled to vote at the Annual General Meeting of the Company shall, on a show of hands, have one vote only, irrespective of the number of shares such member holds. In the event of a poll, every member shall be entitled to that proportion of the total votes in the Company which the aggregate amount of the nominal value of the shares held by such member bears to the aggregate amount of the nominal value of all the shares issued by the Company.

Instructions on signing and lodging the form of proxy:

1. A member may insert the name of a proxy or the names of two alternative proxies of the member's choice in the space/s provided overleaf, with or without deleting "the Chairman of the Annual General Meeting", but any such deletion must be initialled by the member. Should this space be left blank, the proxy will be exercised by the Chairman of the Annual General Meeting. The person whose name appears first on the form of proxy and who is present at the Annual General Meeting will be entitled to act as proxy to the exclusion of those whose names follow.

2. A member's voting instructions to the proxy must be indicated by the insertion of an "X", or, the number of votes exercisable by that member in the appropriate spaces provided overleaf. Failure to do so will be deemed to authorise the proxy to vote or to abstain from voting at the Annual General Meeting, as he/she thinks fit in respect of all the member's exercisable votes. A member or his/her proxy is not obliged to use all the votes exercisable by him/her or by his/her proxy, but the total number of votes cast, or those in respect of which abstention is recorded, may not exceed the total number of votes exercisable by the member or by his/her proxy.

3. A minor must be assisted by his/her parent or guardian unless the relevant documents establishing his/her legal capacity are produced or have been registered by the transfer secretaries.

4. To be valid the completed forms of proxy must be lodged with the transfer secretaries of the Company, Computershare Services Limited at 2nd Floor, Edura Building, 41 Fox Street, Johannesburg, 2001, South Africa or posted to the transfer secretaries at PO Box 61051, Marshalltown 2107, South Africa, to be received by them not later than Friday, 24 August 2001 at 14:00 (South African time).

5. Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity must be attached to this form of proxy unless previously recorded by the transfer secretaries or waived by the Chairman of the Annual General Meeting.

6. The completion and lodging of this form of proxy will not preclude the relevant member from attending the Annual General Meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof, should such member wish to do so.

7. The completion of any blank spaces overleaf need not be initialled. Any alterations or corrections to this form of proxy must be initialled by the signatory/ies.

8. The Chairman of the Annual General Meeting may accept any form of proxy which is completed other than in accordance with these instructions provided that he is satisfied as to the manner in which a member wishes to vote.

Remgro Limited

(Formerly: Rembrandt SA Limited)
(Incorporated in the Republic of South Africa)
(Registration number 1968/006415/06)
("the company")