Remgro Limited

SALIENT FEATURES

- > Change in financial year-end from 31 March to 30 June – Growth in headline earnings and dividend per share therefore not comparable
- > Ordinary dividend per share: **+50.2%**
- > Headline earnings per share: **+56.8%**
- > Intrinsic value per share at 30 June: **R135.97**

Registration number 1968/006415/06 ISIN ZAE000026480 Share code REM

AUDITED CONSOLIDATED RESULTS

FOR THE FIFTEEN MONTHS ENDED 30 JUNE 2011 AND CASH DIVIDEND DECLARATION

ABRIDGED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	30 June 2011 R'm	31 March 2010 R'm
ASSETS		
Non-current assets		
Property, plant and equipment	**3 098**	3 050
Biological agricultural assets	**131**	157
Investment properties	**41**	34
Intangible assets	**327**	361
Investments – Associated companies	**34 920**	28 052
– Joint ventures	**252**	55
– Other	**6 059**	6 644
Retirement benefits	**149**	121
Loans	**139**	108
Deferred taxation	**7**	6
	45 123	38 588
Current assets	**10 864**	9 470
Inventories	**1 476**	1 048
Biological agricultural assets	**445**	423
Debtors and short-term loans	**1 968**	1 941
Investments in money market funds	**1 725**	1 812
Cash and cash equivalents	**4 315**	3 827
Other current assets	**171**	187
	10 100	9 238
Assets held for sale	**764**	232
Total assets	**55 987**	48 058
EQUITY AND LIABILITIES		
Issued capital	**3 605**	3 722
Reserves	**48 170**	39 837
Treasury shares	**(216)**	(255)
Shareholders' equity	**51 559**	43 304
Non-controlling interest	**771**	779
Total equity	**52 330**	44 083
Non-current liabilities	**1 481**	1 517
Retirement benefits	**238**	180
Long-term loans	**154**	175
Deferred taxation	**1 089**	1 162
Current liabilities	**2 176**	2 458
Trade and other payables	**2 160**	2 292
Short-term loans	**3**	146
Other current liabilities	**13**	20
Total equity and liabilities	**55 987**	48 058
Net asset value per share (Rand)		
– At book value	**R100.37**	R84.38
– At intrinsic value	**R135.97**	R121.64

ABRIDGED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Fifteen months ended 30 June 2011 R'm	Twelve months ended 31 March 2010 R'm
Balance at the beginning of the period	**44 083**	38 787
Total comprehensive income for the period	**9 587**	2 526
Dividends paid	**(1 220)**	(1 006)
Capital invested by minorities	**14**	10
Other movements	**(81)**	2
Long-term share incentive scheme reserve	**64**	50
Unbundling of investment	**(117)**	–
Shares issued	**–**	3 714
Balance at the end of the period	**52 330**	44 083

ABRIDGED CONSOLIDATED STATEMENT OF CASH FLOWS

	Fifteen months ended 30 June 2011 R'm	Twelve months ended 31 March 2010 R'm
Cash generated from operations	**381**	1 004
Taxation paid	**(407)**	(144)
Dividends received	**2 563**	1 444
Cash available from operating activities	**2 537**	2 304
Dividends paid	**(1 220)**	(1 006)
Net cash inflow from operating activities	**1 317**	1 298
Investing activities	**(758)**	(1 147)
Financing activities	**87**	(5)
Net increase in cash and cash equivalents	**646**	146
(Increase)/decrease in money market funds	**87**	(234)
Exchange rate loss on foreign cash	**(159)**	(1 190)
Cash and cash equivalents at the beginning of the period	**3 741**	5 019
Cash and cash equivalents at the end of the period	**4 315**	3 741
Cash and cash equivalents – per statement of financial position	**4 315**	3 827
Bank overdraft	**–**	(86)

ABRIDGED CONSOLIDATED INCOME STATEMENT

	Fifteen months ended 30 June 2011 R'm	Twelve months ended 31 March 2010 R'm
Sales	**14 955**	11 849
Inventory expenses	**(9 015)**	(7 099)
Staff costs	**(2 729)**	(1 939)
Depreciation	**(387)**	(290)
Other net operating expenses	**(2 160)**	(1 680)
Trading profit	**664**	841
Dividend income	**155**	116
Interest received	**205**	146
Finance costs	**(35)**	(59)
Negative goodwill	**112**	–
Net impairment of investments, loans, assets and goodwill	**(68)**	(179)
Profit/(loss) on sale of investments	**2 283**	(9)
Consolidated profit before tax	**3 316**	856
Taxation	**(480)**	(309)
Consolidated profit after tax	**2 836**	547
Share of after-tax profit of associated companies and joint ventures	**8 112**	2 619
Net profit for the period	**10 948**	3 166
Attributable to:		
Equity holders	**10 841**	3 060
Non-controlling interest	**107**	106
	10 948	3 166
ASSOCIATED COMPANIES AND JOINT VENTURES		
Share of after-tax profit of associated companies and joint ventures		
Profit before taking into account impairments, non-recurring and capital items	**7 624**	3 952
Net impairment of investments, assets and goodwill	**(102)**	(118)
Profit on the sale of investments	**2 759**	41
Other non-recurring and capital items	**389**	(46)
Profit before tax and non-controlling interest	**10 670**	3 829
Taxation	**(2 010)**	(981)
Non-controlling interest	**(548)**	(229)
	8 112	2 619

RECONCILIATION OF HEADLINE EARNINGS

	Fifteen months ended 30 June 2011 R'm	Twelve months ended 31 March 2010 R'm
Net profit for the period attributable to equity holders	**10 841**	3 060
Plus/(minus):		
– Negative goodwill	**(112)**	–
– Net impairment of associates and joint ventures	**(14)**	117
– Net impairment of other investments	**–**	32
– Impairment of property, plant and equipment	**40**	4
– Impairment of intangible assets	**–**	26
– (Profit)/loss on sale of associates and joint ventures	**(2 312)**	13
– (Profit)/loss on sale of other investments	**54**	(4)
– Profit on sale of subsidiary company	**(25)**	–
– Net (surplus)/loss on disposal of property, plant and equipment	**1**	(4)
– Non-headline earnings items included in equity accounted earnings of associated companies and joint ventures	**(3 122)**	123
– Net surplus on disposal of property, plant and equipment	**(76)**	–
– Profit on the sale of investments	**(2 759)**	(41)
– Net impairment of investments, assets and goodwill	**102**	118
– Other non-recurring and capital items	**(389)**	46
– Taxation effect of adjustments	**165**	(10)
– Non-controlling interest	**39**	(2)
Headline earnings	**5 555**	3 355

EARNINGS AND DIVIDENDS

	Fifteen months ended 30 June 2011 Cents	Twelve months ended 31 March 2010 Cents
Headline earnings per share		
– Basic	**1 082.4**	690.1
– Diluted	**1 050.4**	676.4
Earnings per share		
– Basic	**2 112.4**	629.4
– Diluted	**2 072.3**	616.3
Dividends per share		
Ordinary	**314.00**	209.00
– Interim	**101.00**	84.00
– Final	**213.00**	125.00

ABRIDGED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Fifteen months ended 30 June 2011 R'm	Twelve months ended 31 March 2010 R'm
Net profit for the period	**10 948**	3 166
Other comprehensive income, net of tax	**(1 361)**	(640)
Exchange rate adjustments	**(244)**	(1 216)
Fair value adjustments for the period	**(807)**	1 421
Deferred taxation on fair value adjustments	**145**	(219)
Realisation of reserves previously deferred in equity	**(14)**	(6)
Change in reserves of associated companies and joint ventures	**(441)**	(620)
Total comprehensive income for the period	**9 587**	2 526
Total comprehensive income attributable to:		
Equity holders	**9 480**	2 420
Non-controlling interest	**107**	106
	9 587	2 526

ADDITIONAL INFORMATION

	30 June 2011	31 March 2010
Number of shares in issue		
– Ordinary shares of 1 cent each	**481 106 370**	481 106 370
Issued at the beginning of the period	**481 106 370**	439 479 751
Issued during the period	**–**	41 626 619
– Unlisted B ordinary shares of 10 cents each	**35 506 352**	35 506 352
Total number of shares in issue	**516 612 722**	516 612 722
Number of shares held in treasury		
– Ordinary shares repurchased and held in treasury	**(2 918 266)**	(3 424 044)
	513 694 456	513 188 678
Weighted number of shares	**513 209 003**	486 152 822

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

	30 June 2011 R'm	31 March 2010 R'm
Listed investments		
Associated		
– Book value	**23 380**	17 235
– Market value	**32 086**	28 480
Other		
– Book value	**5 482**	6 357
– Market value	**5 482**	6 357
Unlisted investments		
Associated		
– Book value	**11 540**	10 817
– Directors' valuation	**19 695**	17 720
Joint ventures		
– Book value	**252**	55
– Directors' valuation	**250**	55
Other		
– Book value	**577**	287
– Directors' valuation	**577**	287
Additions to and replacement of property, plant and equipment	**612**	424
Capital and investment commitments	**1 693**	882
(Including amounts authorised, but not yet contracted for)		
Guarantees and contingent liabilities*	**2 472**	389
Dividends received from associated companies and joint ventures set off against investments (the 2011 amount includes the MMI and RMI Holdings unbundling dividends amounting to R6 174 million)	**8 305**	1 222

** The increase in guarantees and contingent liabilities since 31 March 2010 relates mainly to two tax assessments received from SARS during the period under review. One of the assessments amounting to R906 million relates to the buyback and cancellation of treasury shares, while the second assessment amounting to R699 million was issued in connection with the disposal of investments (both amounts include interest). Based on legal opinion received, the assessments are being disputed.*

COMMENTS

1. CHANGE IN FINANCIAL YEAR-END

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

As a result of the change in year-end and in order to comply with the JSE Listings Requirements, Remgro published and distributed a second set of interim results to shareholders for the twelve-month period ended 31 March 2011, during June 2011. An increase of 17.6% in headline earnings per share compared to the twelve months ended 31 March 2010 was reported.

For the fifteen months being reported on, the change in year-end has resulted in certain investee companies being accounted for either twelve, fifteen or eighteen months, compared to only twelve months in the comparative period, resulting in no meaningful comparison between the periods reported on. The most significant of the investee companies referred to above, are the following:

- Air Products and Mediclinic – accounted for twelve months in both periods
- Rainbow, Tsb Sugar, Unilever and Wispeco – accounted for fifteen months for the period under review, compared to twelve months in the comparative period
- Distell, FirstRand, Kagiso, PGSI, RMBH and Total – accounted for eighteen months for the period under review, compared to twelve months in the comparative period

The change in year-end also has the effect that Remgro's final and interim dividends will now be paid during November and April of each year respectively, compared to August and January previously. In respect of the fifteen-month period ended 30 June 2011 the total dividend per share is based on earnings for the fifteen months. For subsequent financial years, the total dividend per share will again be based on earnings for the twelve months under review.

2. ACCOUNTING POLICIES

The annual financial statements are prepared on the historical cost basis, unless otherwise indicated, in accordance with International Financial Reporting Standards (IFRS), including *IAS 34: Interim Financial Reporting*, and in accordance with the requirements of the Companies Act (No. 71 of 2008), as amended, and the Listings Requirements of the JSE Limited. The financial statements have been prepared under the supervision of the Chief Financial Officer, Leon Crouse CA(SA).

These financial statements incorporate accounting policies that have been consistently applied to both periods presented, with the exception of the implementation of the amendments to *IAS 28: Investments in Associates*, resulting from the introduction of the revised *IFRS 3: Business Combinations*. Refer to the section on changes in accounting policy below for further detail.

3. CHANGES IN ACCOUNTING POLICY

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

In terms of the transitional provisions of the revised *IFRS 3*, this standard is only applied prospectively for all financial periods commencing on/after 1 July 2009 and accordingly the comparative results have not been restated. The impact of the change in accounting policy for the period under review resulted in an increase in earnings of R194 million. In terms of *Circular 3/2009: Headline Earnings*, the effect of such transactions is not included in headline earnings and accordingly the change in accounting policy did not affect Remgro's headline earnings.

4. COMPARISON WITH PRIOR PERIOD

The acquisition of VenFin Limited (VenFin) in the comparative period was only completed on 23 November 2009, having the effect that only VenFin's associates and joint ventures with March and September year-ends being equity accounted for the three months to 31 March 2010. For the period under review the impact of the VenFin acquisition was however accounted for the full period. The VenFin acquisition did have a negative effect on headline earnings per share due to the dilutive effect of the issue of 41.6 million Remgro shares as consideration for the acquisition.

5. RESULTS

Headline earnings

Headline earnings for the fifteen months to 30 June 2011 amounted to R5 555 million compared to R3 355 million for the twelve months to 31 March 2010, representing an increase of 65.6%. This increase is mainly due to the additional six months' equity accounted earnings from FirstRand, RMBH, Distell and Total resulting from the change in year-end. Headline earnings per share increased by 56.8% from 690.1 cents to 1 082.4 cents.

Contribution to headline earnings	Fifteen months ended 30 June 2011 R'm	Twelve months ended 31 March 2010 R'm	% *Change*
Financial services	**2 845**	1 355	*110.0*
Industrial interests	**2 512**	1 982	*26.7*
Media interests	**20**	17	*17.6*
Mining interests	**112**	96	*16.7*
Technology interests	**111**	13	*753.8*
Other investments	**28**	(64)	*143.8*
Central treasury	**89**	57	*56.1*
Other net corporate costs	**(162)**	(101)	*(60.4)*
	5 555	3 355	*65.6*

Refer to Annexures A and B for segmental information.

Financial services

The contribution from financial services amounted to R2 845 million (2010: R1 355 million). The increase of 110.0% is mainly due to the inclusion of the additional six months' equity accounted earnings from FirstRand and RMBH, as well as the inclusion of the results of RMI Holdings that were acquired in March 2011. Both FirstRand and RMBH reported improved results mainly due to a significant reduction in bad debts and improved profitability in both RMB and WesBank.

Industrial interests

The contribution of the industrial interests to headline earnings for the period under review amounted to R2 512 million, compared to R1 982 million in 2010. The increase of 26.7% is mainly due to the inclusion of the additional six months' equity accounted earnings from Distell, Total South Africa and Kagiso Trust Investments (KTI), as well as the additional three months' earnings accounted from Unilever, Rainbow, Tsb Sugar and Wispeco. Total South Africa's contribution to headline earnings amounted to R289 million (2010: R42 million). Total South Africa reported substantial favourable stock revaluations during the six months to 30 June 2011, resulting in a substantial increase in its contribution to Remgro's headline earnings when compared to its contribution of R99 million for the twelve months to March 2011. KTI's contribution to headline earnings amounted to R256 million (2010: R128 million), favourably impacted by fair value adjustments relating to its shareholding in MMI Holdings Limited and Adcock Ingram Holdings Limited. Distell's contribution to Remgro's headline earnings, which includes the investments in Capevin Holdings and Capevin Investments, amounted to R433 million (2010: R281 million). Rainbow and Unilever's contribution to headline earnings amounted to R285 million and R374 million respectively (2010: R259 million and R279 million). Rainbow experienced difficult trading conditions in the quarter to June 2011, with its contribution to Remgro's headline earnings only increasing by R12 million since March 2011. Tsb Sugar's contribution to headline earnings declined to R187 million (2010: R227 million) despite the additional three trading months. This decline is mainly due to a non-recurring cost of R43 million accounted for during the period under review relating to the closure of a pension fund, as well as a profit of R34 million in the comparative period relating to a change in the valuation methodology of its biological agricultural assets. Mediclinic was only accounted for the twelve months to March 2011 and its contribution to headline earnings amounted to R474 million (2010: R460 million).

Media interests

Media interests consist of the interests in Sabido, MARC, One Digital Media (ODM) and Premier Team Holdings (PTH). Sabido was only accounted for the twelve months to March 2011 and its contribution to Remgro's headline earnings amounted to R116 million (2010: R11 million). Both MARC and PTH were accounted for the eighteen months to June 2011. After allowing for the negative fair value adjustment of R24 million on the conversion right relating to the MARC convertible preference shares, its contribution to headline earnings amounted to a loss of R14 million. PTH's contribution to headline earnings also amounted to a loss of R52 million. In 2010 no income from PTH was accounted for, while MARC contributed R5 million to Remgro's headline earnings. ODM's contribution to headline earnings amounted to a loss of R30 million (2010: R1 million profit).

Mining interests

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

Technology interests

Technology interests primarily represent the interest in the CIV group of companies, as well as the investments in Tracker and SEACOM. For the period under review the CIV group was only accounted for the twelve months to March 2011 and contributed R91 million to Remgro's headline earnings (2010: R7 million). Tracker's contribution to headline earnings amounted to R57 million. SEACOM reported a headline loss of R203 million for the eighteen months to June 2011, with Remgro's share of this loss amounting to R51 million. SEACOM is cash flow positive and Remgro received dividends of $6 million during the period under review. No income from Tracker and SEACOM were accounted for in the comparative period. It should be noted that with effect from 31 December 2010 the investment in Tracker was reclassified as an investment "held for sale".

Other investments

The contribution of other investments to headline earnings improved by R92 million to R28 million (2010: R64 million loss). It should be noted that a headline loss amounting to R79 million for Xiocom was included in the results of the comparative period. This investment was sold in March 2010. For the period under review Business Partners was only accounted for the twelve months to March 2011 and its contribution to headline earnings amounted to R18 million (2010: R12 million).

Central treasury and other net corporate costs

Higher average cash balances resulted in an increase in the contribution from the central treasury division to R89 million (2010: R57 million). Other net corporate costs amounted to R162 million (2010: R101 million).

Headline earnings for the twelve months ended 30 June 2011

During the period under review the financial year-end of the Company was changed from 31 March to 30 June, as set out in detail above. As additional information to shareholders we have prepared an analysis of headline earnings for the twelve months to June 2011. This will enable shareholders to make a meaningful comparison when Remgro publishes its results for the twelve months to June 2012 during September next year.

In a similar way we will also present an analysis of headline earnings for the six months ended December 2010 when Remgro releases its results for the six months to December 2011.

Contribution to headline earnings	**Twelve months ended 30 June 2011 R'm**
Financial services	**1 915**
Industrial interests	**1 930**
Media interests	**31**
Mining interests	**112**
Technology interests	**97**
Other investments	**25**
Central treasury	**76**
Other net corporate costs	**(137)**
	4 049

Refer to Annexure A for further information.

Total earnings

Total earnings increased by 254.3% to R10 841 million (2010: R3 060 million), mainly as a result of the earnings growth of the underlying investments, as well as the capital gains amounting to R4 252 million realised on the FirstRand/RMBH restructuring transactions. These gains include the profit realised on the restructuring transactions by Remgro as well as Remgro's share of the profits realised by FirstRand and RMBH.

6. INTRINSIC VALUE

Remgro's intrinsic value per share increased by 11.8% from R121.64 at 31 March 2010 to R135.97 at 30 June 2011. Refer to Annexure B for full details.

7. INVESTMENT ACTIVITIES

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

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

On 12 November 2010 it was announced that all of the suspensive conditions of the proposed merger of Metropolitan Holdings Limited and Momentum Group Limited, as well as the subsequent unbundling by FirstRand of its entire shareholding in the new merged entity (MMI Holdings Limited (MMI)) to its ordinary shareholders, were fulfilled. On 13 December 2010 Remgro received 81.2 million MMI shares in terms of the above transaction.

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

RMI Holdings	34.9%
RMBH	31.5%
FirstRand	3.9%

Due to the fact that Remgro only acquired its interest in RMI Holdings during March 2011, the results of that company was only accounted for the four months to 30 June 2011.

Nampak Limited (Nampak)

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

Trans Hex Group Limited (Trans Hex)

During September 2010 the investment in Trans Hex was unbundled and each Remgro shareholder received 5.85 Trans Hex shares for every 100 Remgro shares held. As the investment in Trans Hex was reclassified as an investment "held for sale" in the previous financial year, no income from Trans Hex was accounted for during the period under review (2010: R11 million).

Mediclinic International Limited (Mediclinic)

During August 2010 a further R591.9 million was invested in Mediclinic in terms of a rights offer whereby Mediclinic shareholders could subscribe for an additional 10 Mediclinic shares for every 100 shares held at a price of R23.00 per share. On 30 June 2011 Remgro's interest in Mediclinic was 45.2% (31 March 2010: 45.7%).

Business Partners Limited (Business Partners)

During the period under review Remgro acquired a further 14 381 742 Business Partners shares for a total consideration of R79.3 million. On a fully diluted basis, Remgro's interest in Business Partners increased to 28.8% (31 March 2010: 20.8%).

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

During the 2007 financial year, Remgro entered into agreements with KTI and KIEF, in terms of which it committed funds amounting to R350 million to KIEF. The fund has a target size of R650 million and aims to invest in infrastructure projects, including roads, airports, power and telecommunication installations, railway systems, ports, water and social infrastructure. During the period under review Remgro invested a further R134.2 million in KIEF. By 30 June 2011, Remgro had invested R228.4 million of the R350 million committed.

Dark Fibre Africa (Pty) Limited (Dark Fibre)

In the past Remgro only had an indirect interest of 31.3% in Dark Fibre through its interests in the CIV group of companies. During the period under review an amount of R142.6 million was invested directly in Dark Fibre, while an additional amount of R292.6 million was invested in the CIV group of companies. These investments effectively increased Remgro's interest in Dark Fibre to 46.5%. At the same time Remgro agreed to provide a loan facility amounting to R116.6 million to Dark Fibre. The term of the facility is ten years and the full amount has already been advanced.

Capevin Holdings Limited (Capevin Holdings)

During the period under review Remgro acquired a further 12 210 311 Capevin Holdings shares for a total consideration of R42.7 million. These acquisitions increased Remgro's indirect interest in Distell to 33.5% (31 March 2010: 33.3%).

Lashou Group Inc. (Lashou)

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

Fundamo (Pty) Limited (Fundamo)

During June 2011 Remgro sold its interest in Fundamo to Visa Inc. for a total consideration of R230 million. A capital gain of R142 million was realised on this transaction.

Tsb Sugar Holdings (Pty) Limited (Tsb Sugar)

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

Other smaller investments, amounting to R202 million, were made during the period under review in PGSI Limited, Fundamo, Premier Team Holdings Limited, One Digital Media (Pty) Limited and Milestone China Funds.

POST YEAR-END EVENTS:

Grindrod Limited (Grindrod)

Shareholders are referred to the joint detailed terms announcement made on 20 September 2011 by Remgro and Grindrod. In terms of an agreement reached with Grindrod, Remgro has agreed to subscribe for 133 333 334 new Grindrod ordinary shares (at a price of R15.00 per share) for a total consideration of R2 billion. The subscription will result in Remgro acquiring an interest of 22.3% in Grindrod on a fully diluted basis. Remgro has further provided Grindrod shareholders the option to subscribe for Grindrod shares, in its stead, on a pro-rata basis, also at R15.00 per share. The Grindrod Family has agreed not to exercise their option to subscribe for additional shares. As a result, through the subscription, Remgro will own a minimum of 4.5% in Grindrod regardless of the take-up of the subscription option.

KTI and Tiso Group (Pty) Limited (Tiso)

During the period under review KTI and Tiso entered into negotiations for the merger of the two groups into a new merged entity, Kagiso Tiso Holdings (Pty) Limited. The effective date of the transaction is 1 July 2011 and Remgro's effective interest in the new entity is 25.1%.

Tracker Investment Holdings (Pty) Limited (Tracker)

Since year-end the investment in Tracker was sold for a total consideration of approximately R1.2 billion. It is expected that the transaction will be concluded early in October 2011.

8. TREASURY SHARES

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

During the period under review no Remgro ordinary shares were repurchased, while 505 778 Remgro ordinary shares were utilised to settle Remgro's obligation towards scheme participants who exercised the rights granted to them.

At 30 June 2011, 2 918 266 Remgro ordinary shares (0.6%) were held as treasury shares.

9. CASH RESOURCES AT THE CENTRE

The Company's cash resources at 30 June 2011 were as follows:

	30 June 2011			31 March
	Local R'm	**Offshore R'm**	**Total R'm**	2010 R'm
Per consolidated statement of financial position	**2 050**	**2 265**	**4 315**	3 827
Investment in money market funds	**–**	**1 725**	**1 725**	1 812
Less: Cash of operating subsidiaries	**(152)**	**(36)**	**(188)**	(977)
Cash at the centre	**1 898**	**3 954**	**5 852**	4 662

On 30 June 2011, approximately 44% (R1 725 million) of the available offshore cash at the centre was invested in money market funds which are not classified as cash and cash equivalents on the statement of financial position.

AUDIT REPORT

The annual financial statements have been audited by PricewaterhouseCoopers Inc. and their unqualified audit reports on the comprehensive annual financial statements and the summarised financial statements are available for inspection at the registered office of the Company.

DECLARATION OF CASH DIVIDEND

Declaration of Dividend No. 22

Notice is hereby given that a final dividend of 213 cents (2010: 125 cents) per share has been declared in respect of both the ordinary shares of one cent each and the unlisted B ordinary shares of ten cents each for the fifteen months ended 30 June 2011.

The total dividend for the fifteen months ended 30 June 2011 of 314 cents per share represents an increase of 50.2% over the total dividend of 209 cents per share paid in respect of the twelve months to 31 March 2010.

Shareholders should note that the total dividend for the period of 314 cents per share includes 63 cents per share in respect of the three months with which the financial year-end of the Group was extended to 30 June 2011.

Dates of importance:	
Last day to trade in order to participate in the final dividend	Friday, 11 November 2011
Trading on or after this date will be ex the final dividend	Monday, 14 November 2011
Record date	Friday, 18 November 2011
Payment date	Monday, 21 November 2011

Shareholders may not dematerialise or rematerialise their holdings of ordinary shares between Monday, 14 November 2011, and Friday, 18 November 2011, both days inclusive.

The Annual Report will be posted to members during October 2011.

Signed on behalf of the Board of Directors.

Johann Rupert
Chairman

Thys Visser
Chief Executive Officer

Stellenbosch
20 September 2011

ANNEXURE A
COMPOSITION OF HEADLINE EARNINGS

	Fifteen months ended 30 June 2011 R'm	**Twelve months ended 30 June 2011 R'm**	Twelve months ended 31 March 2010 R'm
Financial services			
RMBH	**1 489**	**1 014**	720
RMI Holdings	**183**	**183**	–
FirstRand	**1 173**	**718**	635
Industrial interests			
Mediclinic	**474**	**474**	460
Unilever SA Holdings	**374**	**312**	279
Distell Group[1]	**433**	**328**	281
Rainbow Chicken	**285**	**220**	259
Tsb Sugar	**187**	**134**	227
Air Products South Africa	**139**	**139**	115
Nampak	**33**	**33**	73
Kagiso Trust Investments	**256**	**59**	128
Total South Africa	**289**	**191**	42
PGSI	**11**	**18**	83
Wispeco	**45**	**35**	63
Other industrial interests	**(14)**	**(13)**	(28)
Media interests			
Sabido	**116**	**116**	11
MARC	**(14)**	**(17)**	5
Other media interests	**(82)**	**(68)**	1
Mining interests			
Implats	**112**	**112**	85
Trans Hex Group	**–**	**–**	11
Technology interests			
CIV group[2]	**91**	**89**	7
Tracker	**57**	**23**	–
SEACOM	**(51)**	**(30)**	–
Other technology interests	**14**	**15**	6
Other investments	**28**	**25**	(64)
Central treasury	**89**	**76**	57
Other net corporate costs	**(162)**	**(137)**	(101)
Headline earnings	**5 555**	**4 049**	3 355
Weighted number of shares (million)	**513.2**	**513.3**	486.2
Headline earnings per share (cents)	**1 082.4**	**788.8**	690.1

Notes

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

ANNEXURE B
COMPOSITION OF INTRINSIC NET ASSET VALUE

	Fifteen months ended 30 June 2011		Twelve months ended 31 March 2010	
	Book value R'm	**Intrinsic value R'm**	Book value R'm	Intrinsic value R'm
Financial services				
RMBH	**9 968**	**11 846**	6 400	9 785
RMI Holdings	**5 623**	**6 404**	–	–
FirstRand	**3 027**	**4 363**	6 026	9 719
Industrial interests				
Mediclinic	**4 216**	**8 776**	3 111	6 948
Unilever SA Holdings	**2 990**	**5 313**	3 109	4 346
Distell Group[1]	**2 100**	**4 725**	1 798	4 430
Rainbow Chicken	**2 108**	**3 455**	1 956	3 412
Tsb Sugar	**1 546**	**2 804**	1 376	2 506
Air Products South Africa	**521**	**2 257**	536	1 752
Nampak	**–**	**–**	1 205	1 398
Kagiso Trust Investments	**1 441**	**1 667**	1 213	1 269
Total South Africa	**972**	**1 374**	631	1 080
PGSI	**578**	**582**	533	528
Wispeco	**383**	**343**	358	381
Other industrial interests	**458**	**457**	328	351
Media interests				
Sabido	**898**	**1 405**	837	1 215
MARC	**169**	**168**	187	211
Other media interests	**16**	**16**	50	71
Mining interests				
Implats	**4 862**	**4 862**	5 711	5 711
Trans Hex Group	**–**	**–**	65	106
Technology interests				
CIV group[2]	**1 027**	**1 236**	378	539
Tracker	**587**	**1 196**	574	911
SEACOM	**577**	**1 057**	721	1 120
Other technology interests	**255**	**278**	385	479
Other investments	**944**	**634**	573	399
Central treasury – cash at the centre[3]	**5 852**	**5 852**	4 662	4 662
Other net corporate assets	**441**	**744**	581	796
Net asset value (NAV)	**51 559**	**71 814**	43 304	64 125
Potential CGT liability[4]		**(1 965)**		(1 703)
NAV after tax	**51 559**	**69 849**	43 304	62 422
Issued shares after deduction of shares repurchased (million)	**513.7**	**513.7**	513.2	513.2
NAV after tax per share (Rand)	**100.37**	**135.97**	84.38	121.64

Notes

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

DIRECTORATE

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

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

www.remgro.com

CORPORATE INFORMATION

Secretary M Lubbe

Listing JSE Limited ***Sector:*** Industrials – Diversified Industrials

Business address and registered office Carpe Diem Office Park, Quantum Street, Techno Park, Stellenbosch 7600, (PO Box 456, Stellenbosch 7599)

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

Auditors PricewaterhouseCoopers Inc., Stellenbosch

Sponsor Rand Merchant Bank (A division of FirstRand Bank Limited)

Remgro Limited

GREYMATTER & FINCH # 5835