

Interim results presentation

For the six months ended 30 September 2004

29 November 2004

Financial highlights

	Interim 09/2004	Interim 09/2003	% Change	Full year 03/2004
Headline earnings (Rm)	2,462	2,415	1.9%	4,719
Headline EPS (cents)	492.0	477.8	3.0%	937.6
Basic EPS (cents)	723.9	353.0	105.1%	722.7
DPS				
- Ordinary (cents)	116.0	101.0	14.9%	285.0
Intrinsic NAV (Rand)	107.77	81.57	32.1%	101.23
<i>% Change from 03/2004</i>			6.5%	
Closing share price (Rand)	82.10	58.10	41.3%	72.00
<i>% Change from 03/2004</i>			14.0%	

Changes and adjustments

- Change in accounting policy (AC 140/IFRS 3): Business Combinations:
 - *Effective 1 April 2004*
 - *Goodwill arising from business combinations on or after 31 March 2004 is not amortised*
 - *Carried at cost less accumulated impairment losses*
 - *Impairment during period immaterial (R2 million)*
 - *Comparative figures are not restated*
- Adjustments made:
 - *Comparative figures restated in respect of:*
 - *Deferred taxation (Rainbow Chicken) – only Balance Sheet*
 - *Agricultural activities (Transvaal Sugar) – only Balance Sheet*
 - *Consolidation of The Remgro Share Trust*
- Restatement of segmental analysis:
 - *Trade marks changed to Tobacco interests*
 - *Distell (from Trade marks to Industrial)*
 - *Medi-Clinic and Caxton (from Corporate to Industrial)*

Segmental headline earnings performance

- Strong performances from:

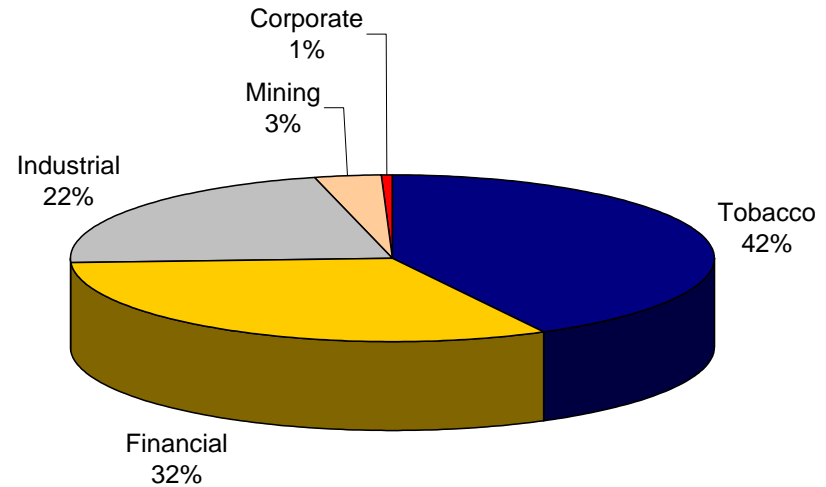
- *Industrial* +22.8%
- *Financial* +16.6%

- Off-set by

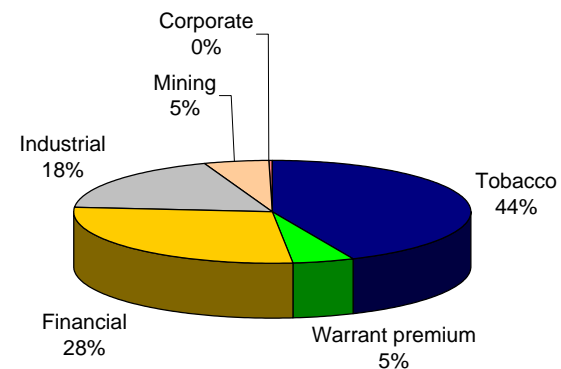
- *Mining interests* -33.8%
- *Tobacco interests* -11.0%

(Non-recurrence of warrant premium)

Interim 2004



Interim 2003



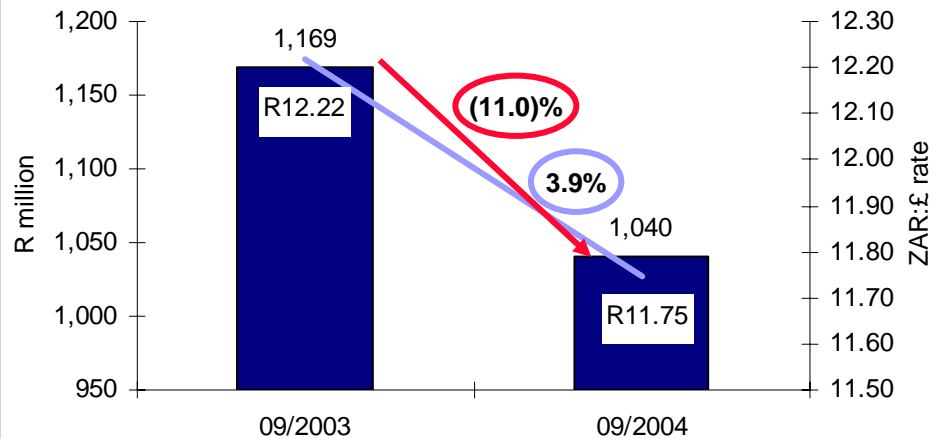
Underlying headline earnings performance

R million	Interim 09/2004	Interim 09/2003	% Change
Tobacco interests	1,040	1,169	-11.0%
Financial interests	788	676	16.6%
Industrial interests	538	438	22.8%
Mining interests	81	122	-33.8%
Corporate	15	10	50.0%
Total	2,462	2,415	1.9%
HEPS (cents)	492.0	477.8	3.0%
Less: R&R's contribution (cents)	(207.8)	(231.2)	-10.1%
HEPS, excl Tobacco interests (cents)	284.2	246.6	15.2%

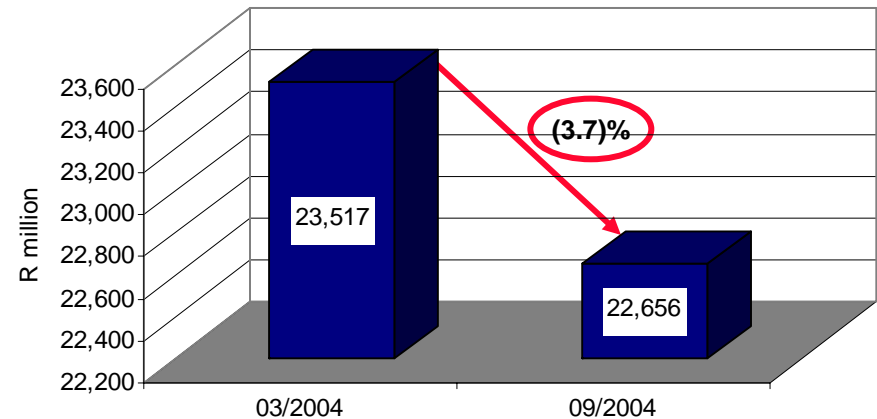
- Remgro's South African interests (i.e. excluding tobacco) delivered solid HEPS growth of 15.2%

Tobacco interests

Headline earnings



Intrinsic value



Highlights

- Decline of 11.0% in R&R's contribution to headline earnings was mainly due to the non-recurring call warrant premium accounted for in the comparative period. Excluding the warrant premium, the decline would have been 0.4%
- BAT's own attributable profit increased by 2.4% in sterling
- Although the rand was less volatile, it still appreciated by 3.9%

Tobacco earnings

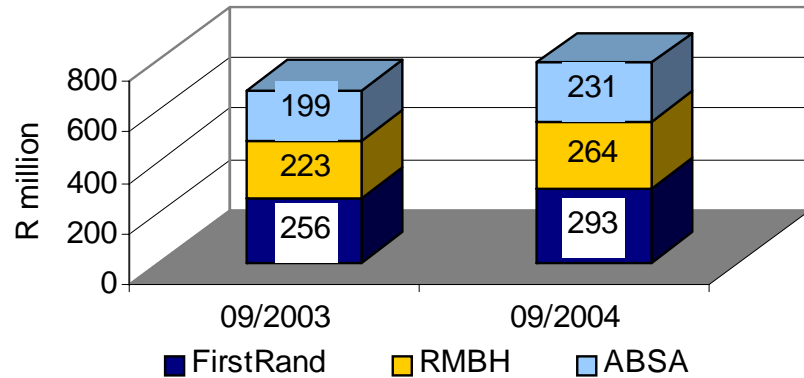
£ million	09/2004	09/2003	% Change
Earnings attributable to BAT (6 months) <i>(excl amortisation and exceptional items)</i>	848	828	2.4%
Movement in NPV of pref shares & dividends	(8)	(20)	
	<u>840</u>	<u>808</u>	
R&R's share:			
29.6% of earnings (1/4/2004 to 31/5/2004)	76	-	
28.1% of earnings (1/6/2004 to 30/9/2004)	164	-	
28.8% of earnings (6 months to 30/9/2003)	-	233	
Movement in NPV of pref shares & dividends	8	20	
Other income	18	4	
R&R's income before warrant premium	266	257	3.5%
Recognition of deferred warrant premium	-	30	
R&R's income	266	287	-7.3%
Remgro's 33.3% share thereof	89	96	
ZAR:£ translation rate	11.75	12.22	
Remgro's tobacco earnings (R million)	1,040	1,169	-11.0%

Tobacco highlights

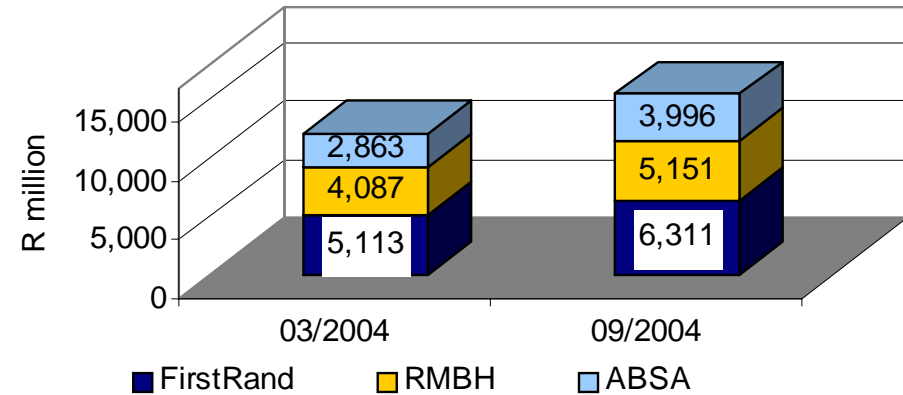
- In May 2004, option holders exercised the call warrants issued by R&R in January 2003 i.r.o. the BAT preference shares
- Preference shares converted into ordinary BAT shares
- R&R's interest in BAT declined from 29.4% (31 March 2004) to 28.1% after the effect of the conversion of BAT's preference shares and BAT's continued share buyback programme
- Currency impact due to a stronger rand amounted to a decline in R&R's contribution to headline earnings of R42m vs a decline of R338m in 2003
- The increase in Remgro's basic EPS of 105.1% is mainly due to the effect of Remgro's share of the exceptional gain realised by BAT following the merger between Brown & Williamson and RJ Reynolds and from the sale of Lane Ltd to Reynolds

Financial interests

Headline earnings



Intrinsic value



Highlights

- FirstRand's and RMBH's contributions to headline earnings increased by 14.5% and 18.5%, respectively
- ABSA also reported solid headline earnings growth of 16.0%

Industrial interests

R million	Headline earnings		%	Intrinsic value		%
	09/2004	09/2003	Change	09/2004	03/2004	Change
Medi-Clinic Corporation	125	112	11.9%	2,323	2,143	8.4%
Total SA	105	4	++	1,217	933	30.4%
UBR	70	94	-25.5%	1,864	1,754	6.3%
Nampak	58	63	-8.3%	1,224	1,150	6.4%
Rainbow	52	37	43.2%	1,054	942	11.9%
Distell	41	20	105.0%	1,121	909	23.3%
Wispeco	26	18	44.3%	303	268	13.1%
Air Products	24	28	-14.5%	554	605	-8.4%
Dorbyl	23	16	39.8%	337	260	29.6%
TSB	12	47	-73.4%	1,066	1,073	-0.7%
Henkel SA	2	-1	nm	80	75	6.7%
Caxton	0	0	nm	69	69	0.0%
Total	538	438	22.8%	11,212	10,181	10.1%

Industrial highlights

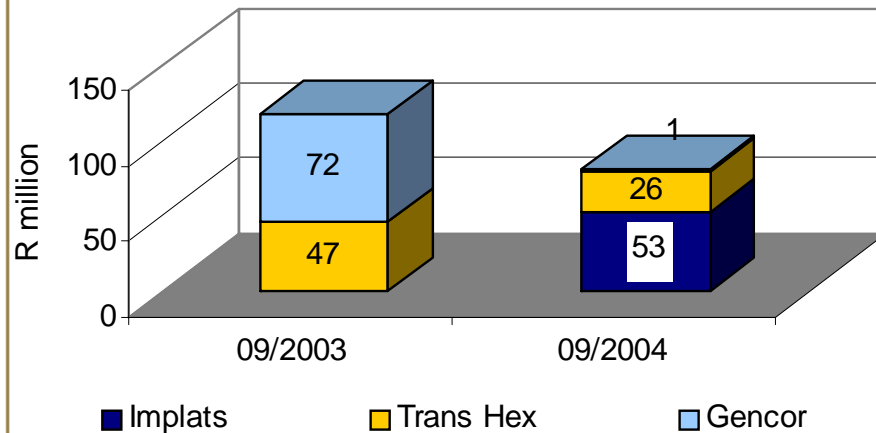
- Improved performances were mainly due to:
 - ***Rainbow***
 - chicken revenue increased by 9.7% to R1.6 billion (2003: R1.4 billion) on the back of an 8.1% improvement in price realisations, mainly due to improved product mix, as well as volume growth of 1.6%
 - ***Distell***
 - good sales volume and operating margin growth
 - ***Total SA***
 - solid industry growth, increase in market share and higher fuel prices

Industrial highlights (*cont'd*)

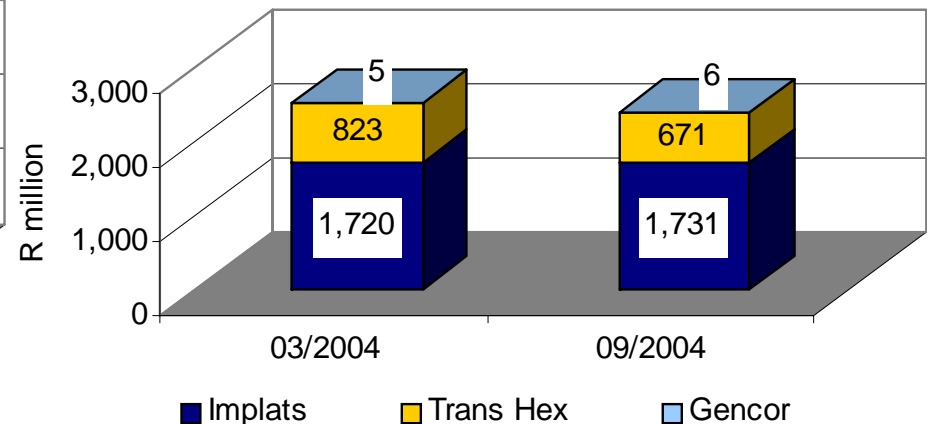
- Lower results were reported by:
 - ***Transvaal Sugar***
 - results adversely affected by lower sugar production, drought and stronger rand on export prices
 - ***Unilever Bestfoods Robertsons***
 - despite volume growth, increased levels of discounting was utilised to offset the effect of decreasing inflation
 - weak economic environment in Israel and major restructuring costs charged against headline earnings
 - reduction of interest earned on shareholder loan due to capital repayments
- Medi-Clinic also reported solid results

Mining interests

Headline earnings



Intrinsic value



Highlights

- Lower income reported by Trans Hex (contribution to headline earnings down 44.2%)
- As a result of Gencor's unbundling of Impala Platinum ("Implats"), Remgro's interest in Implats has not been equity accounted in this accounting period, while Gencor (including Implats), was equity accounted to 30/6/2003
- Dividends from Implats, amounting to R53.4m, have been included

Corporate finance & other

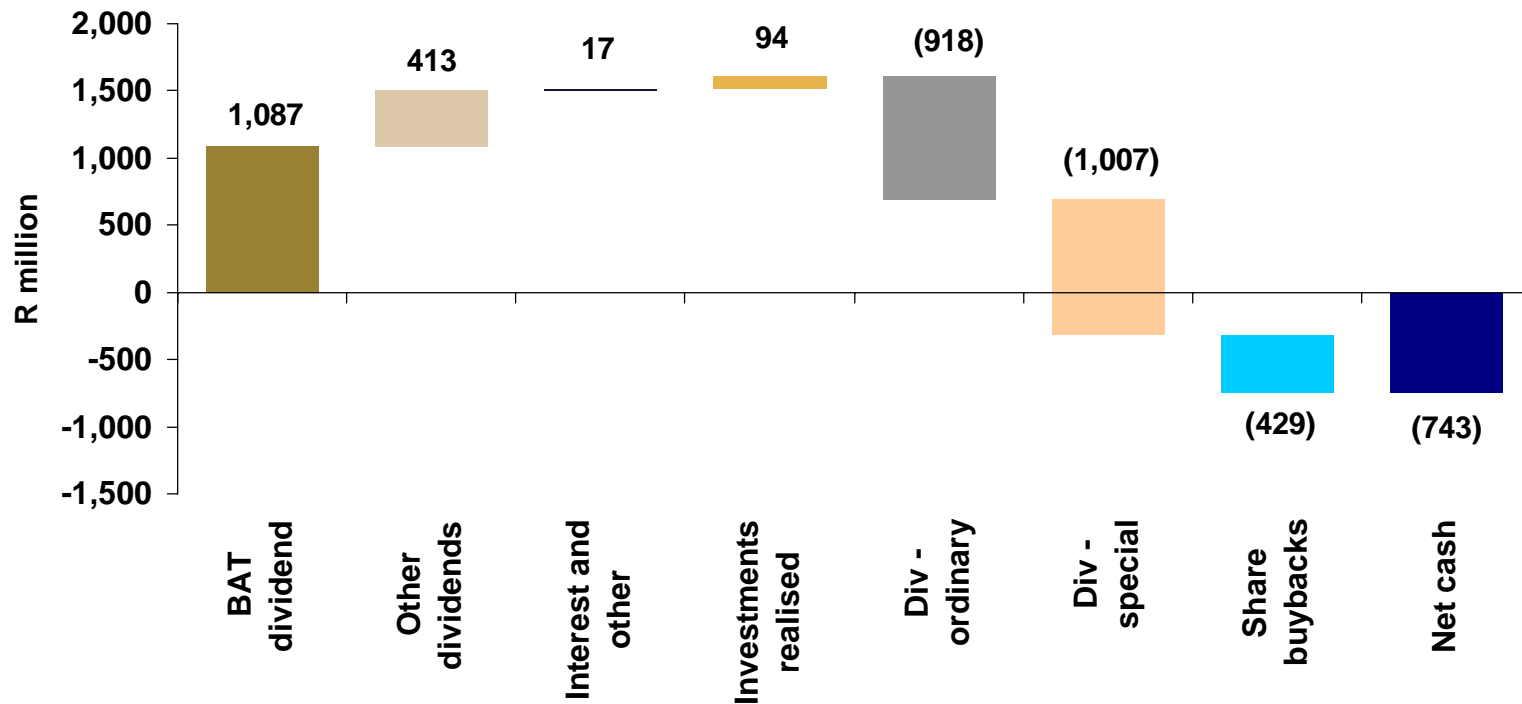
Headline earnings

R million	09/2004	09/2003
Central treasury	50	48
Corporate costs	(35)	(38)
Total	15	10

Intrinsic value

R million	09/2004	03/2004
Sundry net assets		
Total	218	170

Cash movement at the centre



- Cash at the centre decreased by R743m from 31 March 2004 to R1,407m at 30 September 2004 mainly as a result of dividends paid

Total cash

R million

09/2004

Cash and cash equivalents

2,362

Less: Cash at operational subsidiaries

(955)

Cash at the centre

1,407

- Cash in R&R (associated company) attributable to Remgro as at 30 September 2004 was £320 million

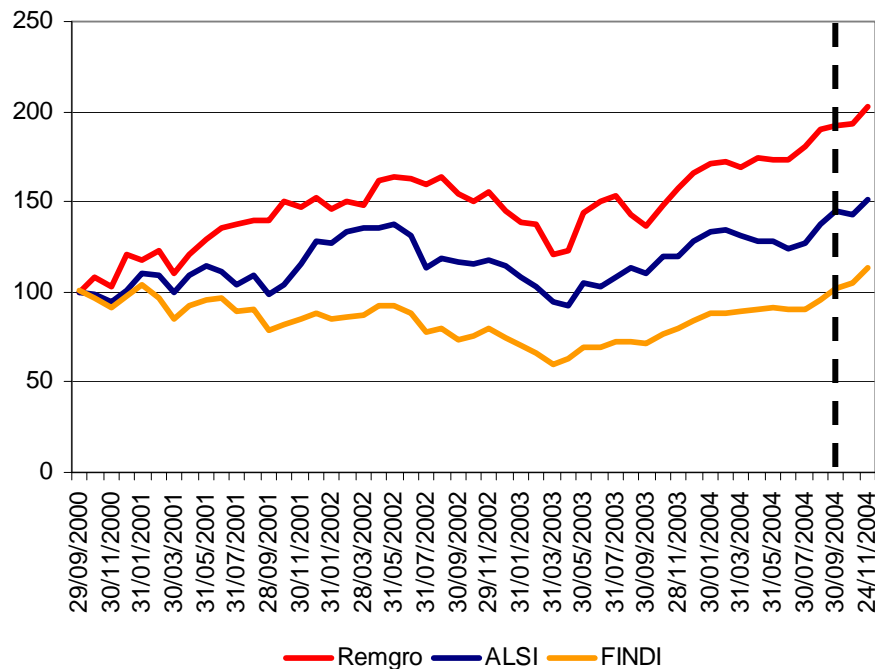
Remgro's intrinsic value

R million	Interim 09/2004	Final 03/2004
Tobacco interests in GBP (£ million)	1,934	2,028
Tobacco interests	22,656	23,517
Financial interests	15,580	12,185
Industrial interests	11,212	10,181
Mining interests	2,408	2,548
Other interests	218	170
Cash at the centre	1,407	2,150
Total	53,481	50,751
Shares (million)	496.2	501.3
Intrinsic value per share (Rand)	107.77	101.23

- Before taking into account any capital gains tax

Share price performance

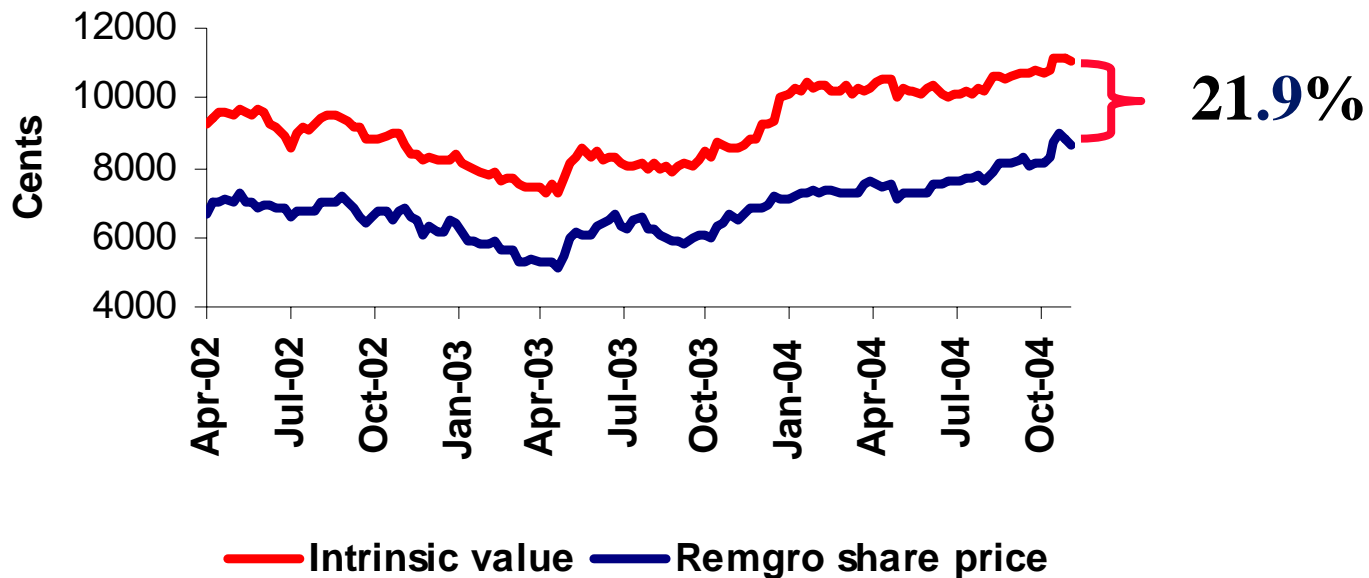
Remgro performance (based to 100)



* since VenFin spin-off – September 2000

- Remgro's share price as at 30 September 2004 outperformed the ALSI by 33% and the FINDI by 89%
- As at 24 November 2004 Remgro outperformed the ALSI and FINDI by 34% and 80%, respectively
- Since the Venfin spin-off up to 30 September 2004, the Remgro share price has increased by 92% and the ALSI and the FINDI by 44% and 1%, respectively, over the same period

Upside potential



- Remgro traded at a 23.8% and 21.9% discount as at 30 September 2004 and 24 November 2004, respectively, to its intrinsic value
- On average, from 1 April 2002 to 24 November 2004, it traded at a 25.7% discount
- Remgro's intrinsic value increased by 113% since September 2000 to 30 September 2004

Corporate actions

- Share repurchase
 - *Acquired a further 5.3m ordinary shares (1.1% of issued share capital) at an average price of R77.89 for a total amount of R415.1m*
 - *Total of 4.5% shares are held as treasury shares*
- Financial interests
 - *FirstRand's proposed BEE deal will result in Remgro's shareholding reducing from 9.5% to 8.6%*
 - *Barclays offer for ABSA (awaiting full terms announcement before announcing Remgro's strategy)*
- Industrial interests
 - *In October 2004 the 50% equity interest in Henkel SA was sold for R80m*

Questions