



**RESULTS FOR THE YEAR
ENDED 30 JUNE 2004**

Presented by

Stephen Levenberg

Chairman

Will Paskins

Chief Executive

Brett Till

Financial Director

Performance overview

- Consistent overall performance for the past two financial years despite volatility in the mining sector
- Largely in line with expectations
- Steady performance from annuity and contractual income streams in facilities management and support services divisions
- Deteriorating operating conditions in mining and technical services division with impact of restructuring costs
- Success of TFMC contract recognised by Telkom
- Gainshare payment received equating to approximately 10 cents earnings per share
 - Reflected in 10 cents additional dividend in Mvelaphanda transaction value
- Merger with Mvelaphanda Holdings announced

Financial performance

Financial Highlights

Financial year ended	June 2004	% Change	June 2003
Turnover	3 487.1	↑ 9 %	3 189.6
Profit from operations	270.5	↓ 2 %	276.4
Net investment income	17.8	↓ 26 %	24.1
Net profit attributable to ordinary shareholders	180.9	↓ 7 %	193.7
Headline net profit attributable to ordinary shareholders	198.1	↓ 5 %	208.7
Fully diluted headline earnings per share (cents)	111.5	↓ 2 %	114.0
Pro forma fully diluted headline earnings per share (cents)	111.5	↑ 1 %	110.5
Dividend/ Distribution per share (cents) (160 cents subject to the merger becoming unconditional)	175.0	500 %	35.0

Overview of financial performance

- Increase in FDHEPS of 111.5 cents against pro forma comparative for previous year
- Actual FDHEPS of 111.5 cents is 2% below comparative for the previous year
- Gainshare payment received from Telkom offset by decrease in profit from operations in mining and food services divisions
- Operating margin decreased to 7.8%
 - 7.5% for the six months ended 31 December 2003
 - 8.7% for the year ended 30 June 2003
- Excellent cash generation provides a solid foundation for the proposed merger with Mvelaphanda Holdings
- No further dividend declared for the year ended 30 June 2004
 - Special cash dividend of 110 cents, and capitalisation share issue equivalent to 50 cents, per share to be made upon approval of the merger with Mvelaphanda
- Annual compound growth rate in FDHEPS since 1995 – 34%

Financial information

- Decrease in net investment income due to
 - Balance of Molope purchase price of R188 million paid in December 2002
 - Share buybacks in previous financial year
 - Decrease in interest rates

- Tax rate maintainable at 23 - 25% off this base

- Decrease in weighted average number of shares in issue
 - Share buy backs in previous year
 - Consolidation of share incentive scheme

- Exceptional items
 - Amortisation of goodwill (R17.0m)
 - Impairment of a loan account (R0.2m)

Financial information continued ...

- Net capital expenditure R118 million
 - Coin vehicle fleet
 - Trollope Mining plant and equipment
- Depreciation charge R104 million
- ROCE 18.6%
- WACC 12.8%

Cash flow information

	June 2004	June 2003	% Change
Cash generated from operations (Rm)	356.5	288.4	↑ 24 %
Free cash flow (Rm)	213.1	136.6	↑ 56 %
Free cash flow per share (cents)	120.2	76.1	↑ 58 %
FCFPS : HEPS	1.07	0.66	↑ 62 %
Liquid funds at 30 June (Rm)	440.8	491.9	↓ 10 %
Total interest bearing debt at 30 June (Rm)	142.8	226.2	↓ 37 %
Net cash position (Rm)	298.0	265.7	↑ 12 %

Divisional performance

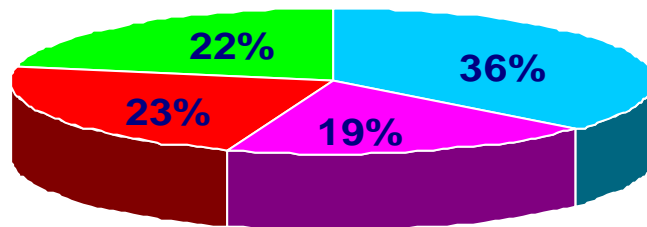
Years ended 30 June	June 2004 Rm	June 2003 Rm	% change
<u>FM & professional services</u>			
Turnover	1 269	1 138	↑ 12 %
Profit from operations	140	100	↑ 40 %
<u>Mining & technical services</u>			
Turnover	659	697	↓ 5 %
Profit from operations	36	81	↓ 56 %
<u>Food services</u>			
Turnover	789	738	↑ 7 %
Profit from operations	36	48	↓ 25 %
<u>Support services</u>			
Turnover	771	616	↑ 25 %
Profit from operations	58	47	↑ 23 %

Divisional contributions

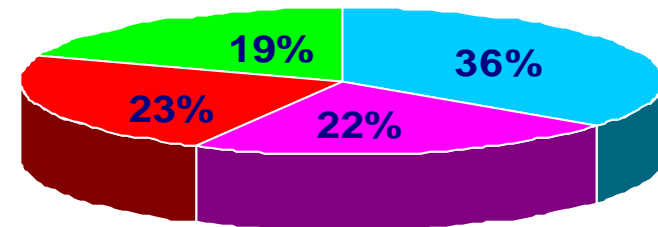
FM Services
Food Services

Mining Services
Support Services

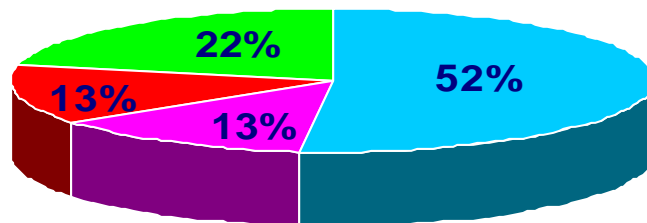
Turnover – 2004



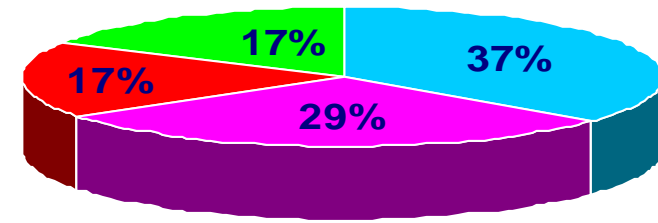
Turnover – 2003



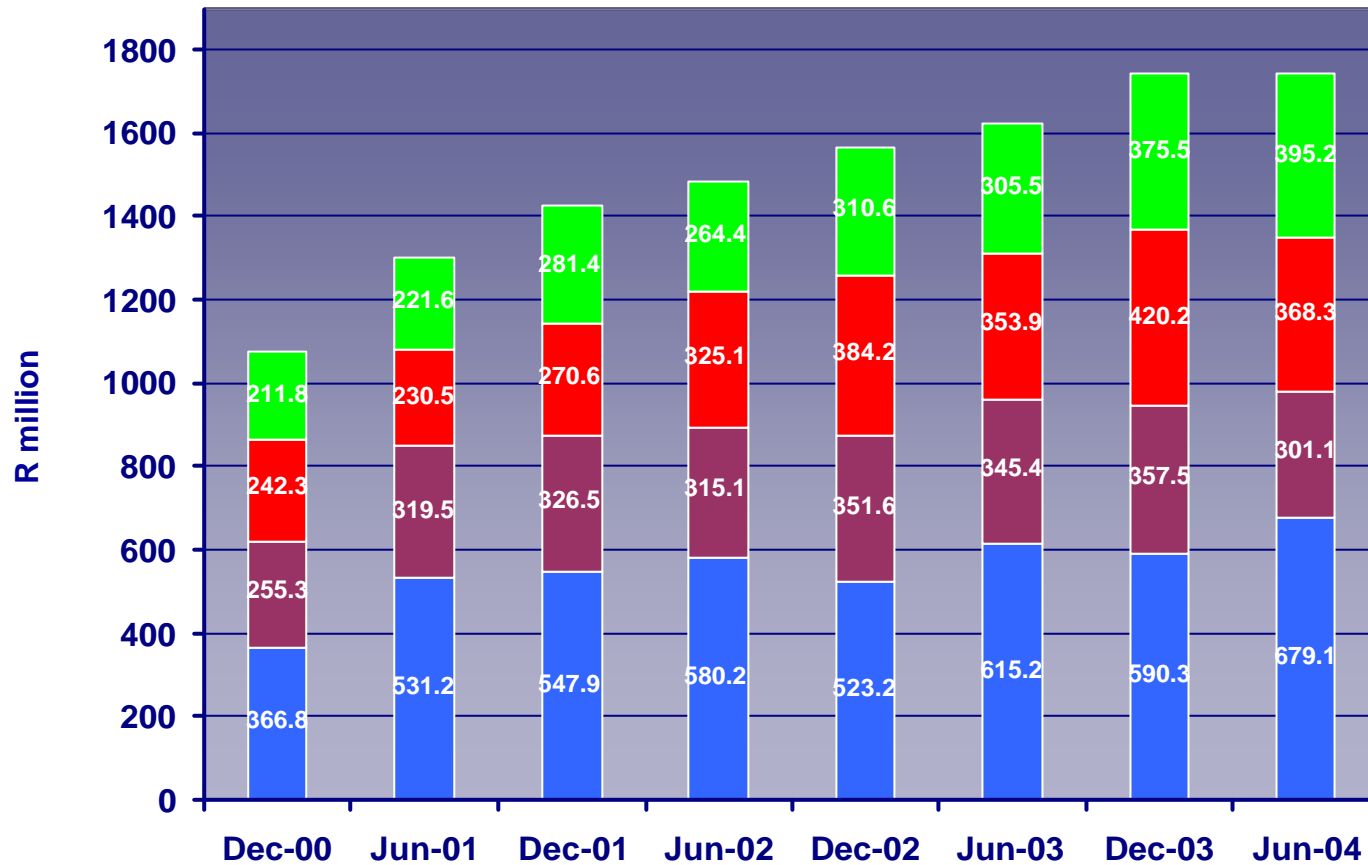
Profit from Operations - 2004



Profit from Operations - 2003



Turnover growth



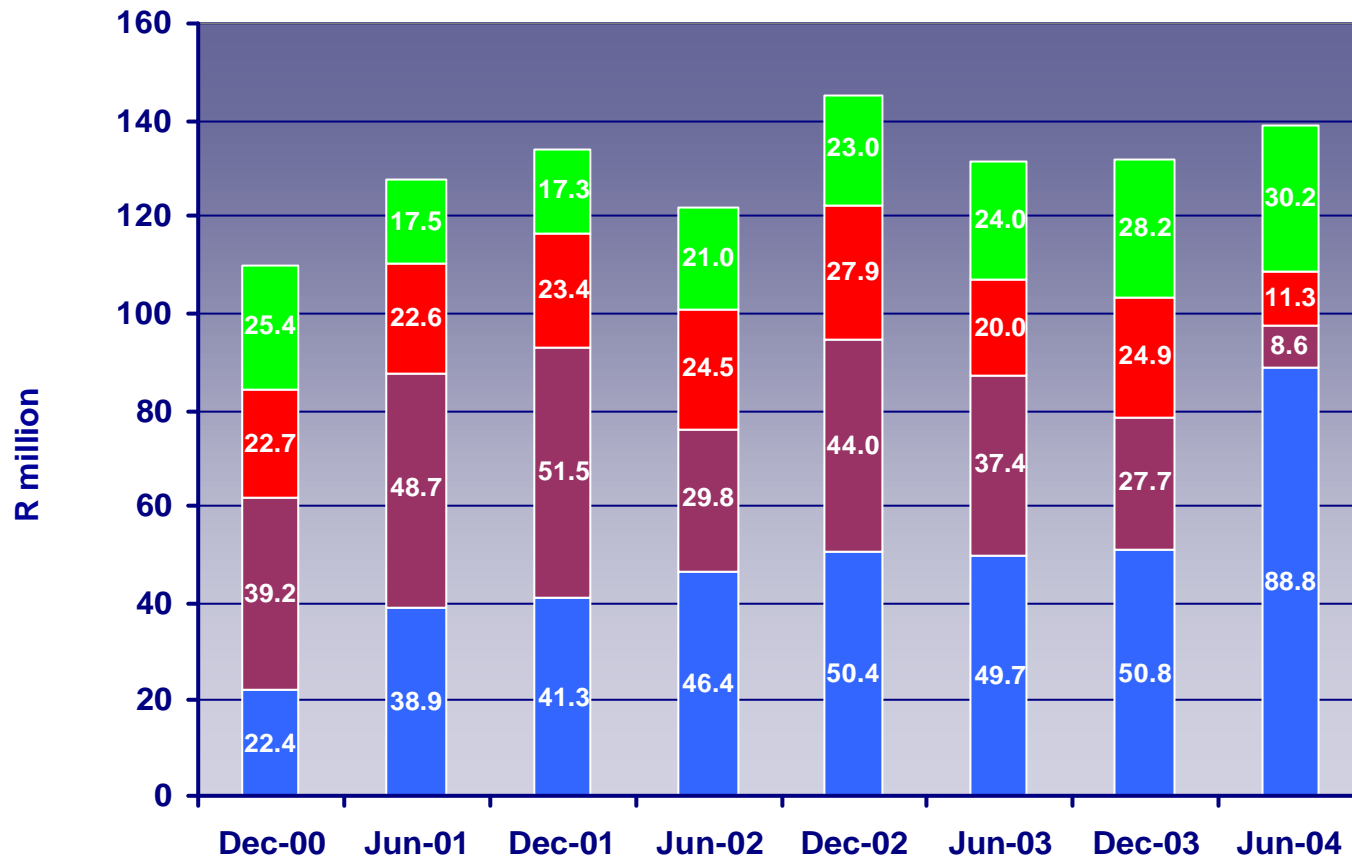
Support Services

Food Services

Mining & Technical Services

FM Services

Profit from operations growth



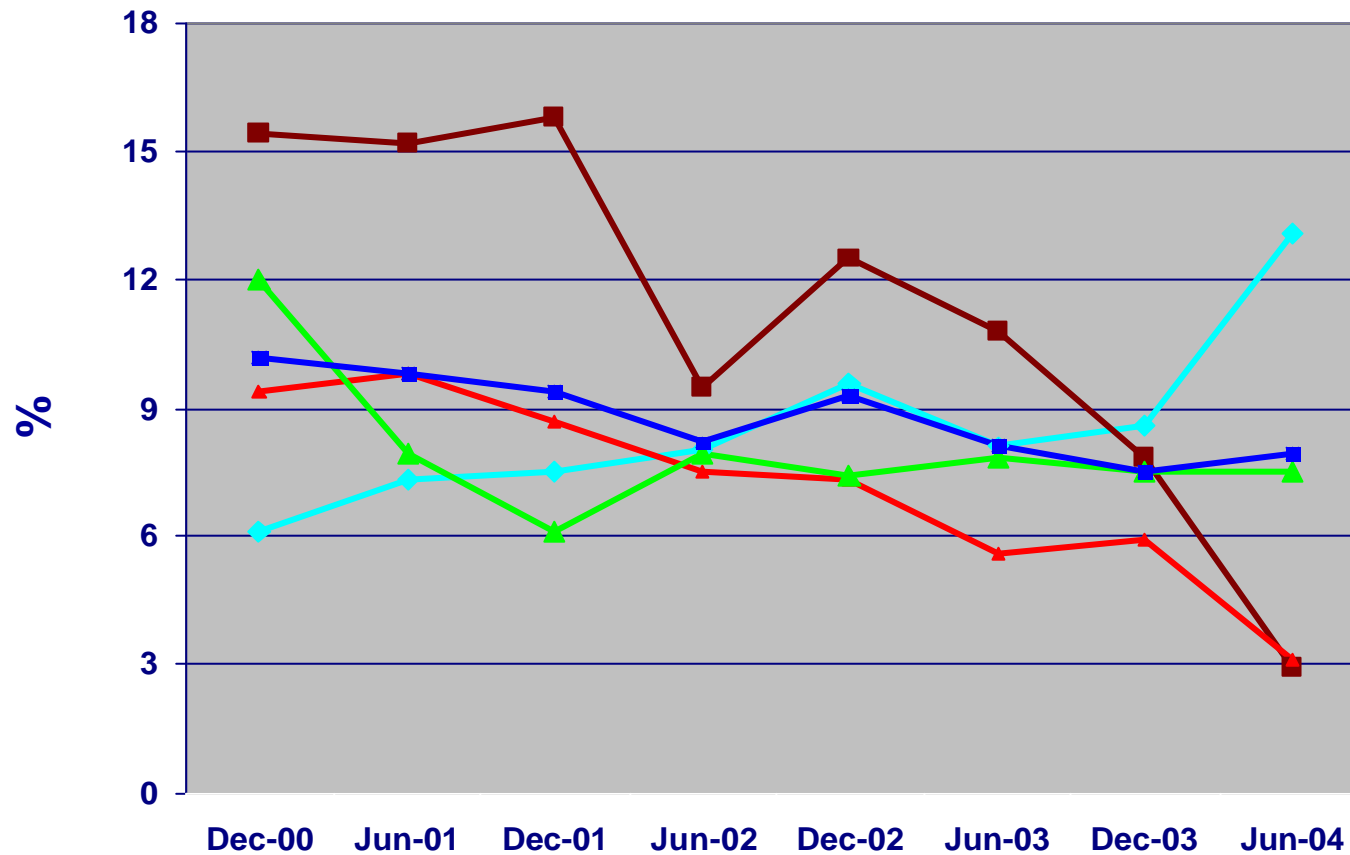
Support Services

Food Services

Mining & Technical Services

FM Services

Operating margin



Support Services

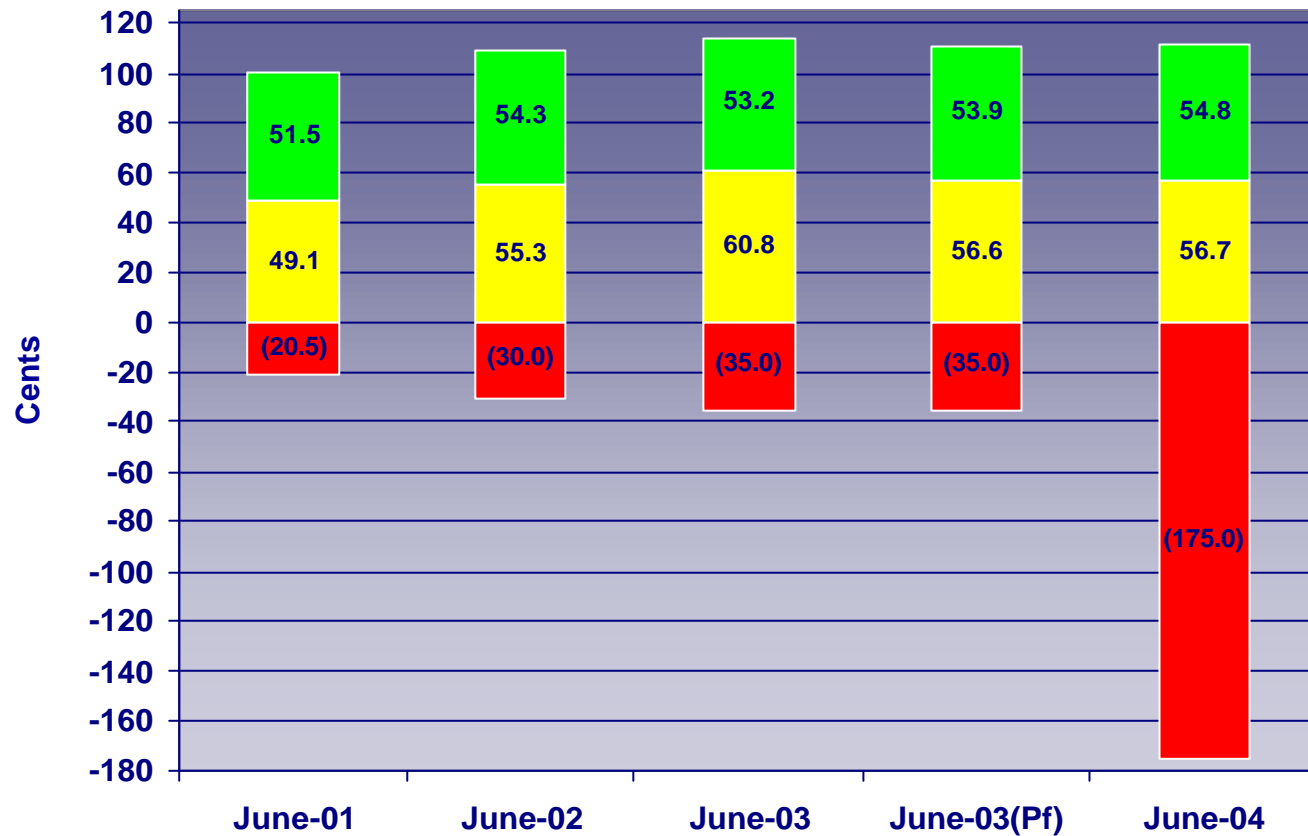
Food Services

Mining & Technical Services

FM Services

Group

Earnings and dividends/distribution per share



H1 FDHEPS H2 FDHEPS
 Dividend per share

Divisional performance

Facilities management and professional services

- Success of the outsourcing partnership between TFMC and Telkom confirmed
- Actual savings achieved by TFMC for Telkom exceeded the guaranteed savings levels
- TFMC's BEE credentials very positive for Telkom contract
- DTI contract contributed positively to result
- Prospects for new contracts enhanced by TFMC success
- New FM prospects being developed in Middle East and Asia-Pacific regions
- Progress on Propnet slow
- Other local opportunities include:
 - Vodacom
 - Various metropolitan councils

Mining and technical services

- Strong rand impacts on mining sector generally
 - pressure on margins
 - reduced volumes of work (particularly development of new areas)
- Appointment of new CEO for JIC
- Restructuring initiatives in JIC
 - retrenchments at all levels in organisation
 - implementation of new management and IT systems
 - more efficient labour management
- Trollope Mining performs well in context of deteriorating sector
- Decreased margins in Trollope partially compensated by lower interest rates
- Debt levels reduced to minimise impact on business
- Benefits of restructuring initiatives anticipated in the medium term

Food services

- Operational efficiencies improve operating margin at Royal Food Services
- MRS operationally merged with Royal Foods
- King Pie performs steadily
- KFC contract lost by Stamford Sales
 - significant impact on business
 - downsizing of certain areas of business
 - retrenchment of employees
- Costs incurred in re-engineering Stamford Sales business
 - benefits only anticipated in second half of 2005 financial year
- Improved performance not anticipated until H2 of 2005 financial year

Support services

- Good performances from Coin and Protea
- Market share gains achieved in all areas of operation
- New security risk management division started in Coin
 - Positive contribution in first year
- 100% client retention record for Protea Security
- Strong growth in Mediguard division of Rebserve Cleaning
- Benefits from sales and marketing by Rebserve Cleaning Services in Gauteng starting to materialise
- Strong rand impacts negatively on freight forwarding

Prospects

- Against background of flat operating performance, significant growth prospects are dependent on, and will be influenced by, the successful completion of the merger
- Merger will establish a platform for rapid growth and expansion of the group
- Anticipate a major boost in awarding new contracts, and preventing loss of existing contracts
- Selected Mvela businesses to be integrated into Rebserve
- Increase in range and diversification of services offered by the group
- Outsourcing partner of choice, particularly in PPP's
- Benefits expected from public private partnerships and revitalising and developing SA's infrastructure