



# 2007 Results Reviewed

13 November 2007

# Agenda



Overview of company

Financial results

Business review

- Institutional
- Personal Investments

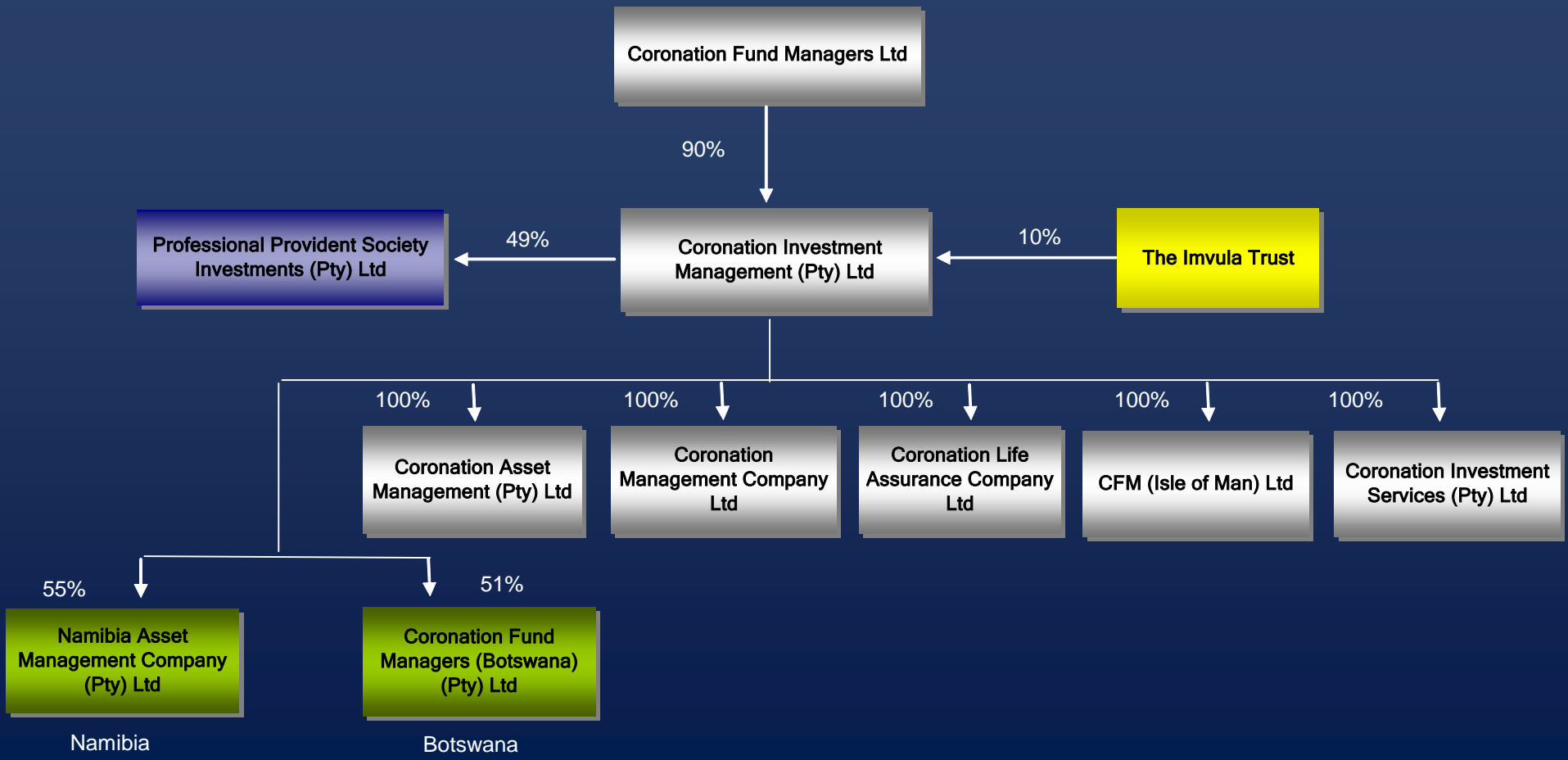
Prospects



# Overview

# Company structure

at 30 September 2007



# Top shareholders

30 September 2007



Company	Shares held	% held
Allan Gray Asset Management	90 276 266	28.15
Coronation staff	75 436 103	23.50
CIT	52 627 989	16.41
Public Investment Corporation	13 104 403	4.09
Blue Bay	12 921 830	4.03
Neil Benjamin McWilliams Trust	11 200 000	3.50
Tiedemann	11 000 000	3.43
Stanlib Asset Management	5 645 925	1.75
Investec Asset Management	5 499 576	1.71
RMB	1 493 931	0.47
CFM	1 333 679	0.42



# Market movements

September 2007



Economic Group	3 Months %	6 Months %	12 Months %
All Share	6.71	11.29	37.38
Resource 20	13.5	21.30	45.90
Small Cap	2.10	13.40	59.40
Financials	-1.6	-3.30	19.20

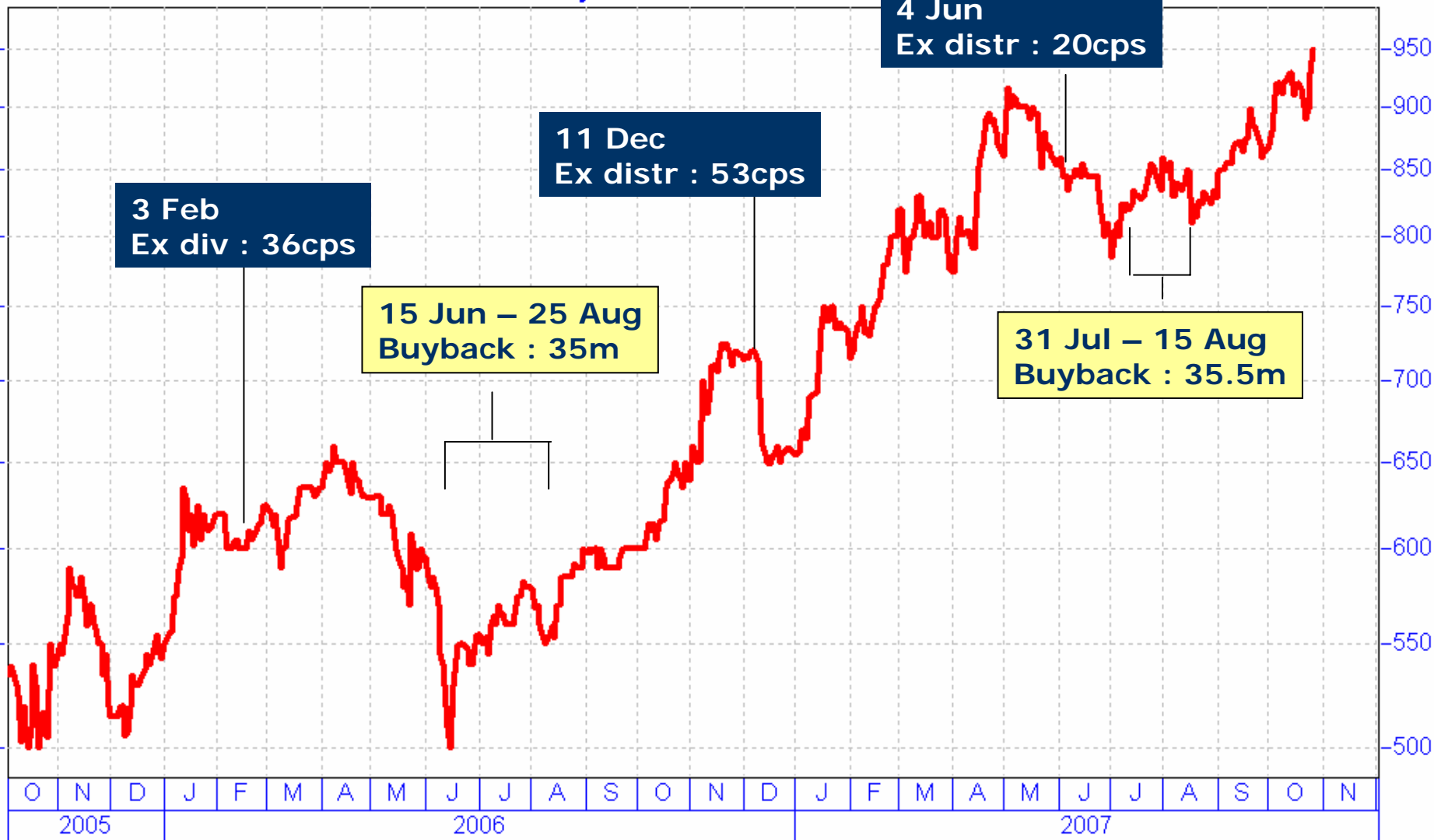


# Share price review



CORONATION FUND MANAGERS [Close]

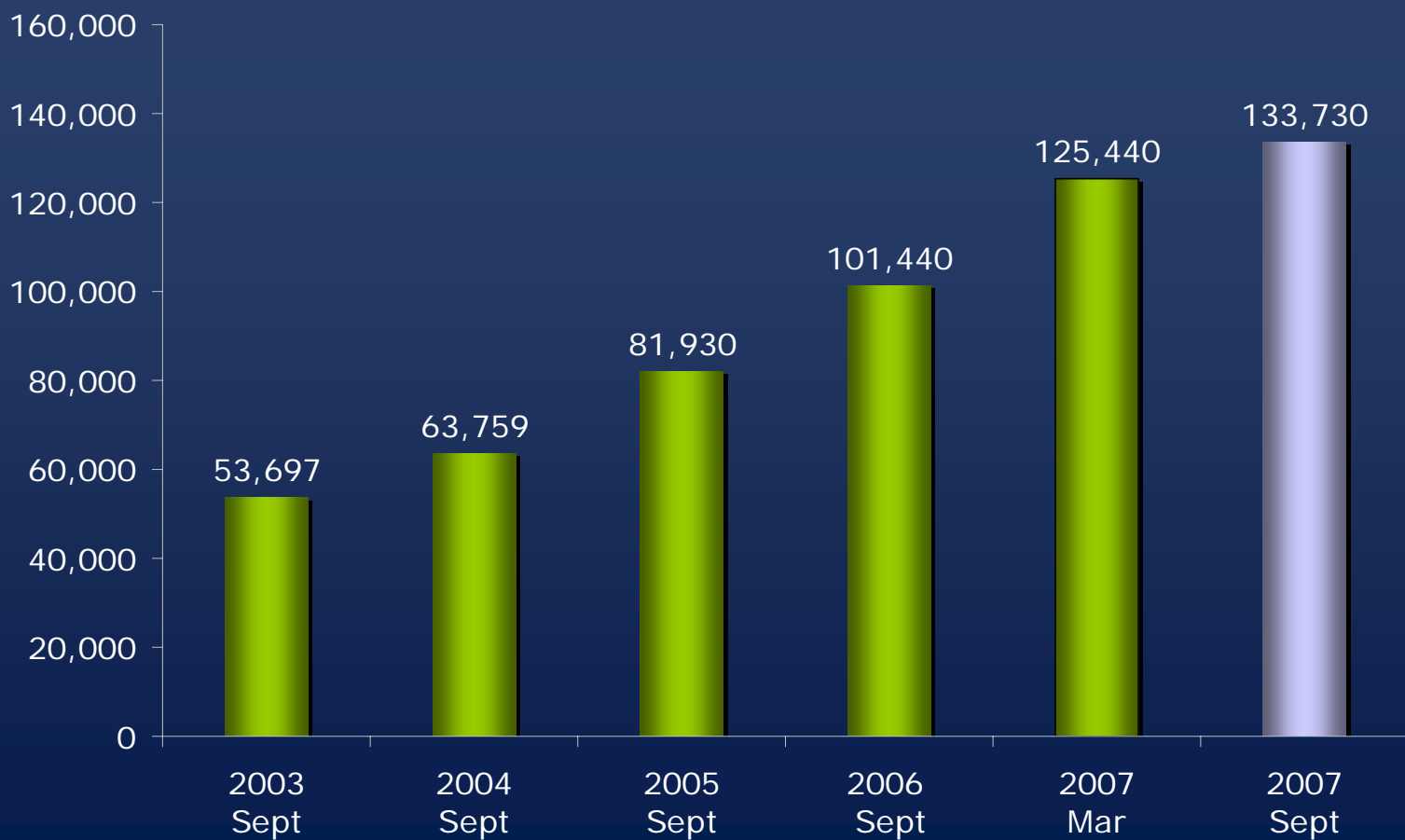
Daily 2005/10/03-2007/10/25



— CORONATION FUND MANAGERS [Close] (950)

# Assets under management

2003 – September 2007





# Reconciliation of AUM (Rbn)



	6 months	12 months
Opening market value	125.44	101.42
Net Flows	1.25	1.47
Other	-1.05	-3.17
Capital appreciation	8.08	33.03
Closing market value	133.73	133.73



# Unit Trust Mix

September 2007



	30/09/2007		30/09/2004		
	RM		RM		
ASSET ALLOCATION FUNDS	11,270	40%	1,693	20%	566%
FIXED INTEREST FUNDS	7,941	28%	2,351	28%	238%
EQUITY FUNDS	5,295	19%	2,188	26%	142%
REAL ESTATE FUNDS	1,180	4%	620	7%	90%
WORLDWIDE FUNDS	1,378	5%	750	9%	84%
FOREIGN FUNDS	1,116	4%	866	10%	29%
<i>Total</i>	<i>28,180</i>		<i>8,468</i>		



# Financial Highlights



AUM	R134bn	33%
Headline earnings	79.6cps	53%
Headline earnings (diluted)	72.7cps	55%
Distribution	67cps	26%

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## Financial Highlights (2)



Revenue	962m	36%
Income fund management	R432m	47%
PAT	R285	45%
Cashflow (operating activities)	R354m	

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# Total Net Margin



# Share buy back results



July 2007 (34%)*	10 598 566
Aug 2007 (64%)*	24 906 027
<b>Total shares bought back &amp; cancelled</b>	<b>35 504 593</b>
Total costs including brokerage (R m)	299.58
Average price (Rand)	8.44
% of total issued shares acquired	9.97%

\*% of volume traded in month



# Other



- International - Assets under management up from \$1.2bn (Sept 06) to \$1.75bn (Sept 07)
- Success in Botswana
- NAM restructuring complete – focused fund manager
- Invula NAV: R152m - Sept 07 (R86m - Sept 06)



# Financial Review of the Group



# Earnings



	% Change	Sept-2007	Sept-2006
Attributable earnings		283,886	195,528
EPS	57	81.4	51.9
Headline earnings		277,870	195,515
HEPS	53	79.6	51.9
Diluted HEPS	55	72.7	46.8
Distribution		221,983	185,276
DPS	26	67c	53c
<i>Weighted average shares in issue</i>		348,894	376,671

## Adjustments:

HEPS – Profit on sale of financial assets

Diluted HEPS – BEE transaction to 2010



# Earnings (cont)



	% Change	Sept-2007	Sept-2006
EBITDA	44%	448,725	310,754
Market capitalisation	33%	2,780,753	2,097,464
Share price @ 30 September	45%	8.67	6.00
Cost to income - Actual	5%	57.2	60.4



# Shares in issue



	2007	2006
Opening balance – 1 Oct	349,577,402	382,274,930
Issued during the year	6,659,990	2,618,324
Bought back and cancelled	(35,504,593)	(35,315,852)
Closing balance – 30 Sept	320,732,799	349,577,402
Weighted average – 30 Sept	348,893,885	376,670,543



# Earnings summary

2007 2<sup>nd</sup> half versus 1<sup>st</sup> half



	Variance %	Apr-Sept'2007 Rm	Oct-Mar'2007 Rm
Revenue	24	557.9	451.2
Operating expenses	(14)	(233.5)	(204.8)
Trailer Commissions	(36)	(57.0)	(42.0)
IFRS 2 charges	(35)	(23.1)	(17.1)
PBT	30	244.3	187.3
Tax	(44)	(86.9)	(60.2)
PAT	24	157.4	127.1



# Cash returned to shareholders



	Sept-2007 R'000	Sept-2006 R'000	Sept-2005 R'000
Share-buy back	299,577	200,168	-
Distribution – interim	71,238	-	-
Special distribution – BEE deal	-	-	95,569
Distribution – final	165,819	185,276	138,197
Dividend tax	(15,074)	-	-
<b>Total cash returned</b>	<b>521,560</b>	<b>385,444</b>	<b>233,766</b>
<b>No. of shares in issue @ 30 Sept</b>	<b>320,732,799</b>	<b>349,577,402</b>	<b>382,274,930</b>



# IFRS 2 effect



	Sept-2006 R'000	Sept-2007 R'000	Sept-2008 R'000
December 2003 options	1,968	637	149
Imvula transaction	5,877	8,969	6,087
CIT transaction 1 (February 2005)	13,132	15,405	10,158
CIT transaction 2 (April 2005)	9,556	9,556	7,754
CIT transaction 3 (September 2005)	8,156	5,645	2,408
Preference shares	12,695	-	-
<b>Total</b>	<b>51,384</b>	<b>40,212</b>	<b>26,556</b>



# Cost Comparison



	% Change	Sept-2007 R'000	Sept-2006 R'000
Fixed operational costs	(18)	183,943	155,633
IFRS 2	22	40,212	51,384
Variable costs	(54)	339,352	220,959
<b>TOTAL OPERATIONAL COSTS</b>	<b>(32)</b>	<b>563,507</b>	<b>427,976</b>
Other costs	35	14,030	21,622
<b>TOTAL COSTS</b>	<b>(28)</b>	<b>577,537</b>	<b>449,598</b>





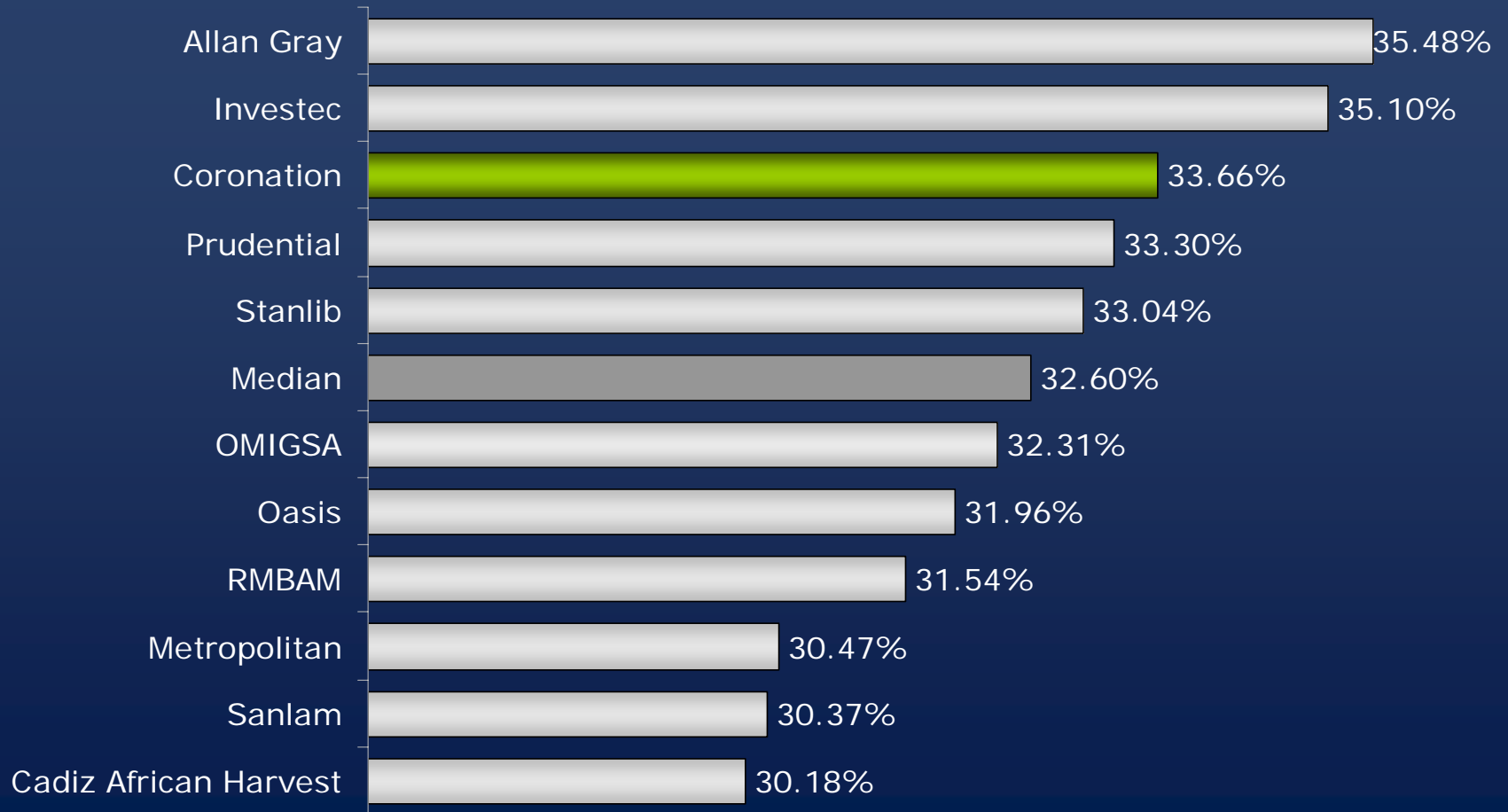
# Institutional



# Performance

SA Large Manager Watch

3 years ending 30 September 2007



# Performance

Global Large Manager Watch  
3 years ending 30 September 2007



# Performance

Absolute Return product

Periods ending 30 September 2007



	1 Year	3 Years	Since inception*
Absolute	25.0%	27.9%	21.9%
CPIX	6.4%	5.4%	6.3%
CPIX +7	13.4%	12.4%	13.3%

\*Since inception – August 1999



# Performance

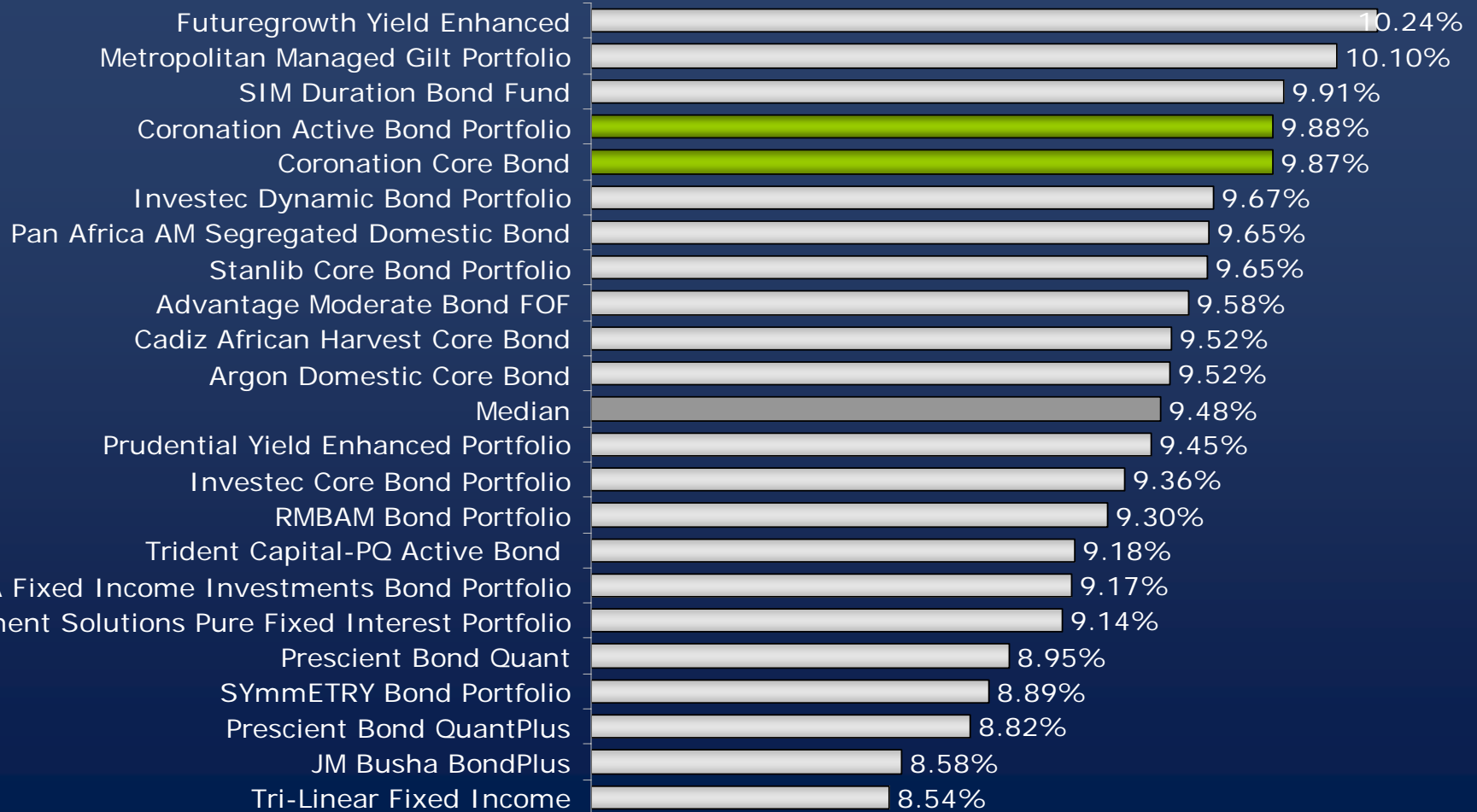
Coronation Houseview Equity  
3 years ending 30 September 2007



# Performance

## SA Bond Manager Watch

1 year ending 30 September 2007



# Net fund flows within the industry



Source: SARB



# Personal Investments



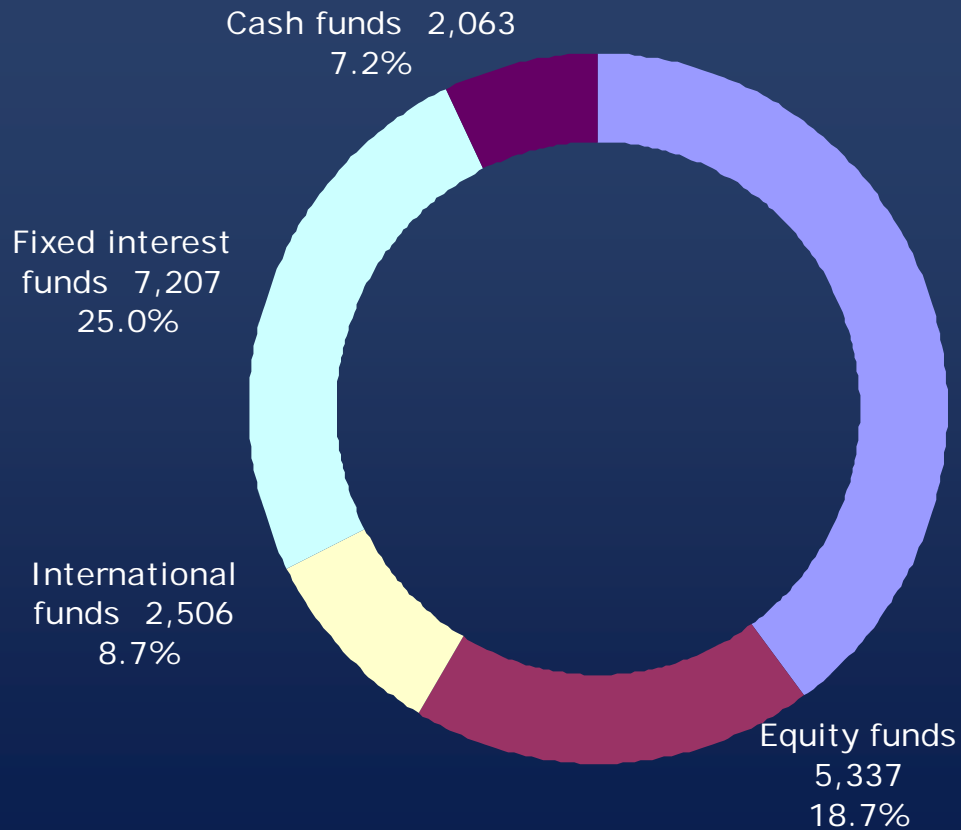
- **Investment performance remains competitive**
- **Market share up to 8%**
- **R5.5bn net inflows: Highest absolute number in Coronation's history**
- **Market-leading funds:**
  - Strategic Income (R5.2bn) the largest managed income fund in SA
  - Capital Plus (R4.7bn) the largest long-only absolute return fund in SA
- **Found traction in Balanced Plus (+R805m) and Optimum Growth (+R312m)**
- **Added 400+ intermediaries to serviced client base**
- **Personal pension revenue now exceeds directly attributable costs**





# Unit trust assets R28.5bn

as at 30 September 2007



Managed funds  
11,401  
40.0%

Most supported funds in 2007:  
Strategic Income: +R1.9bn  
Capital Plus: +R1.8bn

Total assets doubled over  
the last 24 months, with  
managed funds up 2.9  
times and fixed interest  
funds up 2.2 times



# CIS industry

Getting to the comparable market



Assets Under Management	Sep 07	Sep 06
Long-term single manager assets	R330bn	R249bn
Fund of Funds	R81bn	R55bn
Institutional Multi-Manager funds	R70bn	R58bn
Institutional Single-Manager funds	R57bn	R46bn
Money Market & Enhanced cash funds	R149bn	R120bn
Dividend Income funds	R27bn	R15bn
Total industry assets	R716bn	R546bn

Source: ACI Quarterly Statistics, September 06/07



# CIS industry

Overall net flows (unadjusted)



## 12 Months

Grand Total	92,541
ABSA	21,414
PRUDENTIAL	19,952
ALLAN GRAY	16,491
STANLIB	6,748
INVESTEC	6,578
<b>CORONATION</b>	<b>6,488</b>
OLD MUTUAL	6,234
METROPOLITAN	3,805
NEDGROUP	3,576
SIS	2,810
EFFICIENT GROUP	1,984
PSG	1,963
OASIS CRESCENT	1,817
PRESCIENT	1,308
RMB	1,038
OTHER	2,420
AYANDA	-1,336
SATRIX	-4,697
ADVANTAGE	-6,051

Source: ACI Quarterly Statistics, September 06/07



# Single manager cash flows

to end September '07



Net inflows: Long-term single managers only ranking excl. cash and dividend income funds

	12 Months
ALLAN GRAY	14,857
<b>CORONATION</b>	<b>5,460</b>
INVESTEC	3,258
STANLIB	2,643
RMB	2,015
NEDGROUP	1,981
PRUDENTIAL	1,135
METROPOLITAN	825
OASIS CRESCENT	796
FOORD	688
OTHER	2,373
MARRIOTT	-1,184
OLD MUTUAL	-1,824
SATRIX	-4,697
Grand Total	28,327

Source: ACI Quarterly Statistics, September 2007



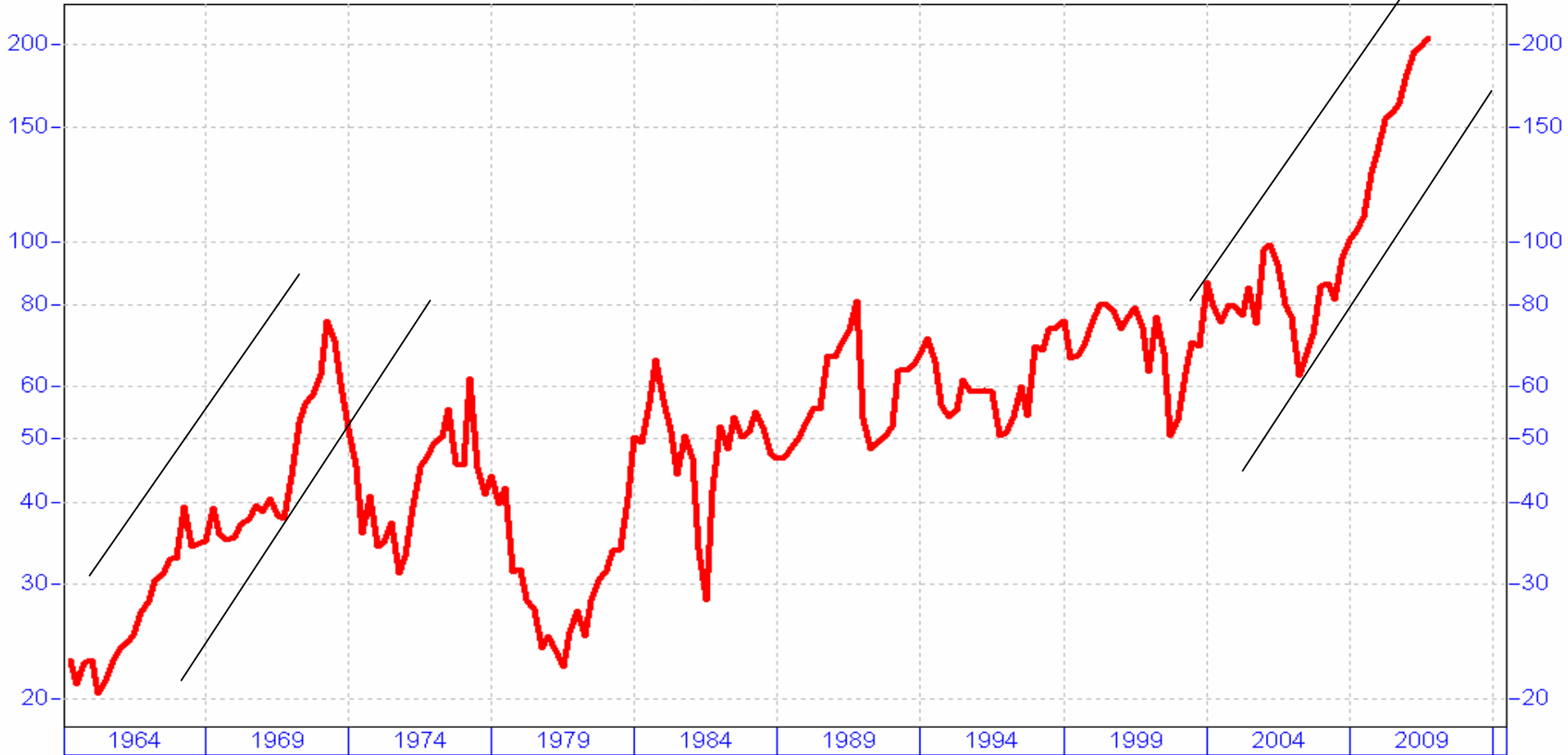


# Prospects

# Bull Markets don't last



AJ203/ECPI  
Quarterly 1960/03/31-2007/09/30



— AJ203/ECPI (205.0594798)



# Year ahead



- GEM initiative
- International products
- New Building





**Thank you**