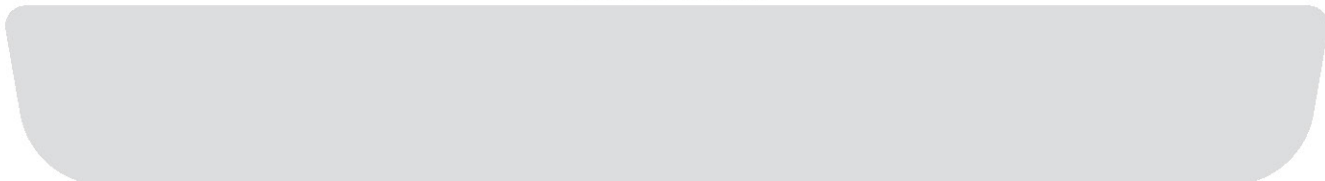




CORONATION

TRUST IS EARNED™



2017



Reviewed Interim Results

for the six months ended 31 March 2017

23 May 2017

Anton Pillay: Chief Executive Officer

John Snalam: Chief Financial Officer

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2017



Highlights

Financial highlights & AUM

Results in line with management's expectations

Total AUM decreased to R576bn (-4%)

Total net outflows for the period of R34.6bn

Consistent long-term performance across all core funds

- All our portfolios have outperformed their benchmarks over periods of 20 years

Revenue
R1.9bn
▼6%

Diluted headline
earnings per share
220.7c
▼4%

Interim dividend
220c

2017



Business update



Coronation is focused on delivering long-term results to our stakeholders

We remain an active manager with a valuation-driven investment philosophy

Our key focus is investment outperformance – we put clients’ interests before profits

Our business is cyclical. Revenue is geared to market returns and the outperformance we generate

Current challenging market environment impacts saving levels, which ultimately affects our business

- Low growth, high unemployment
- Impact of ratings downgrade on economy
- Regulatory and policy uncertainty
- Profound global political and economic changes

We have enhanced our shareholder engagement and thank shareholders for their support



Continued market volatility and uncertainty

Not always reflected in the headline

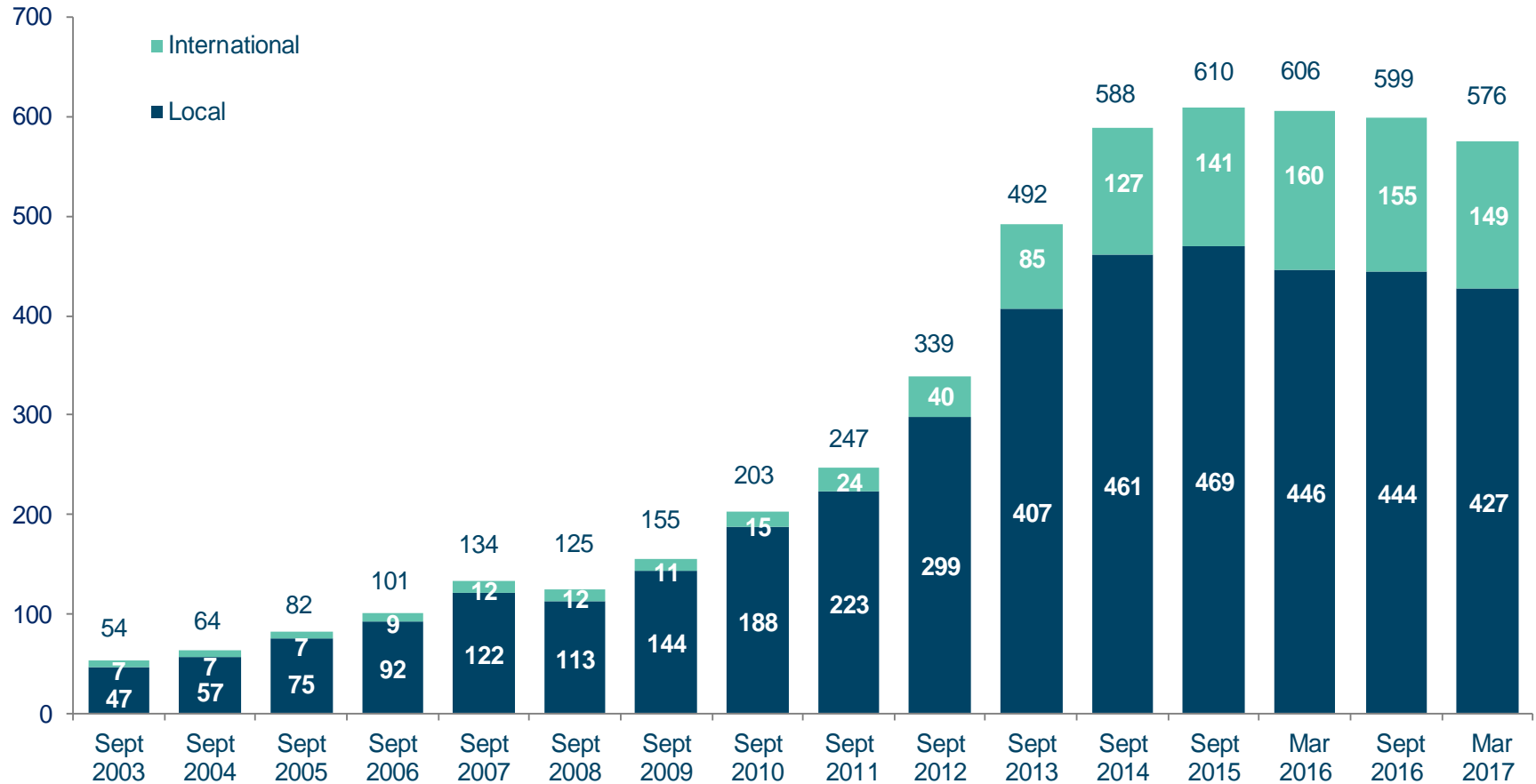
	3 months March 2017 %	6 months March 2017 %	12 months March 2017 %
All Share (ZAR)	3.78	1.60	2.53
Resources	2.66	1.43	16.67
Small Cap	4.54	5.15	13.47
Industrials	6.63	1.63	0.05
Financials	(1.08)	1.78	(1.81)
USD/ ZAR exchange	2.08	2.27	9.27
MSCI ACWI (USD)	6.91	8.18	15.04
MSCI Emerging Markets (USD)	11.45	6.80	17.22

Source: Deutsche Bank



Assets under management (Rbn)

Supported by strong capital appreciation



Local: Equity 50.0%; Fixed Interest and Cash 22.5%; Other 0.5% | Foreign: Equity 22.1%; Fixed Interest and Cash 4.4%; Other 0.5%. As at 31 March 2017

Significant manager of institutional assets in SA

Re-opening of top-performing strategies to new institutional clients

- In 2012, SA Equity and Multi-Asset portfolios were closed to new institutional clients with the aim of protecting our ability to deliver on long-term performance objectives
- Given flows over last two years, these strategies have been re-opened to new clients in March 2017
- Our complete range of portfolios is now available to clients

Institutional AUM of

R350bn

Local and international clients

All our institutional portfolios have **outperformed their benchmarks** over

15 & 20

years

Institutional assets in SA

Total **net outflows** from institutional business of R30bn (adjusted for assets on notice at 31 March 2017)

Local client net outflows for the period affected by

- Closure to new institutional investors in our biggest SA product categories for past five years
- Rebalancing of portfolios. Coronation has held a disproportionately large market share after attracting cumulative flows over the last 6-7 years that were higher than anticipated
- SA retirement funds remain a net outflow market
- BEE, increased competition

Re-opening of some of our top-performing portfolios provides us with the opportunity to deliver investment excellence to a diverse group of clients

Global institutional assets

- Continued support from international clients with inflows of R3bn for the period
- We continue to enhance our relationships with global asset allocators, mainly in Global Emerging Markets strategy and Global Managed strategies
- We are building on the track records of our Global Equity and Global Frontiers strategies



Global Balanced

Compelling long-term performance (5 years)

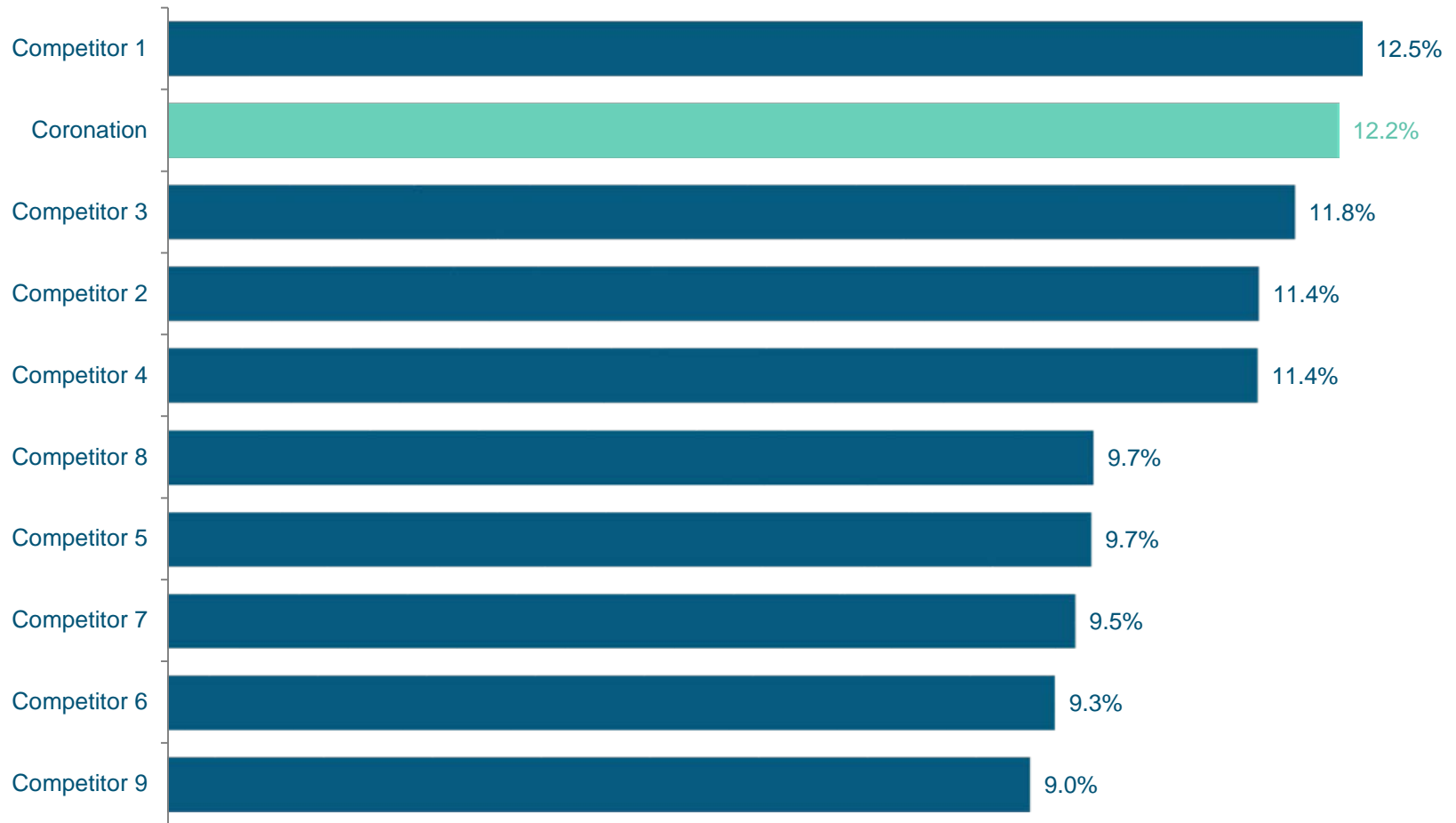


Source: Alexander Forbes Global Large Manager Watch™ survey to 31 March 2017



Global Balanced

Compelling long-term performance (10 years)





Fixed income strategies

Compelling performance (5 years)



Source: SA Bond Manager Watch™ to 31 March 2017



Houseview Equity

Exceptional active returns (alpha) over 23 years

	1 Year %	5 Years (p.a.) %	10 years (p.a.) %	*Since inception (p.a.) %
Houseview Equity	4.9	14.4	12.5	17.7
Benchmark	2.7	12.7	10.3	14.8
Active return	2.2	1.6	2.2	2.9

Since inception - October 1993



Coronation Global Absolute portfolio

Consistently outperformed inflation over significant periods

	5 years (p.a.) %	10 years (p.a.) %	*Since inception (p.a.) %
Global Absolute	11.8	11.1	16.1
CPI	5.7	6.4	6.2

* Since inception – August 1999



GEM Equity Strategy

	1 Year %	5 Years (p.a.) %	*Since inception (p.a.) %
Global Emerging Markets Equity Strategy	19.2	4.0	6.4
Benchmark	17.2	1.1	1.7
Active Return	2.0	2.9	4.7

* Since inception – 14 July 2008



Strong international track record

US dollar returns since their respective launch dates

Offshore USD Funds	Active return* %	Launch date
Global Equity Fund of Funds	2.0	01-Jul-00
Global Emerging Markets Equity Strategy	4.7	14-Jul-08
Global Bond	2.3	01-Oct-09
Africa Frontiers Strategy	7.2	01-Oct-08
Global Capital Plus	7.2	01-Sep-09
Global Managed	2.2	01-Mar-10

* Annualised active return for institutional portfolios (gross of fees) since launch to 31 March 2017

Retail assets

Coronation remains one of the foremost managers in the unit trust industry

Net outflows of R4bn for the six months a big improvement on experience in prior interim period

- Following sustained periods of rapid growth and disproportionate share of industry flows
- Significant slow down at industry level to R4bn inflow for past 6 months compared to R50bn average past four interim periods*

We remain focused on client outcomes

- Meaningful fee changes now implemented after 12-month transition period
- Continued investment in retail client-facing infrastructure
- Excellent long-term performance across products

* Source: Morningstar data; Coronation classification. Based on retail funds excl. domestic funds of funds and money market funds

Retail AUM of
R226bn

Sept 2016: R225bn

Market share of
12.8%

of long-term assets in
CIS industry



Domestic flagship funds

Competitive track records

	Fund	5-year ranking	10-year ranking	Since inception ranking
LT Growth (equity only)	Top 20	1 st Quartile	1 st Quartile	1 st Quartile
LT Growth (multi asset)	Balanced Plus	1 st Quartile	1 st Quartile	1 st Quartile
Income & Growth	Capital Plus	2 nd Quartile	1 st Quartile	1 st Quartile
	Balanced Defensive	1 st Quartile	1 st Quartile	1 st Quartile
Income only	Strategic Income	1 st Quartile	1 st Quartile	1 st Quartile

Source: Morningstar as at 31 March 2017



Global and worldwide flagship funds

Consistently competitive

	Fund	5-year ranking	10-year ranking	Since inception ranking
LT Growth (equity only)	Global Emerging Markets	1 st Quartile	-	1 st Quartile
	Global Opportunities Equity	1 st Quartile	1 st Quartile	1 st Quartile
LT Growth (multi asset)	Global Managed	1 st Quartile	-	1 st Quartile
Preservation & growth	Global Capital Plus	2 nd Quartile	-	1 st Quartile

Source: For GEM [USD]: Bloomberg as at 31 March 2017 | For all other funds [Rand-denominated]: Morningstar as at 31 March 2017

2017



Financial results

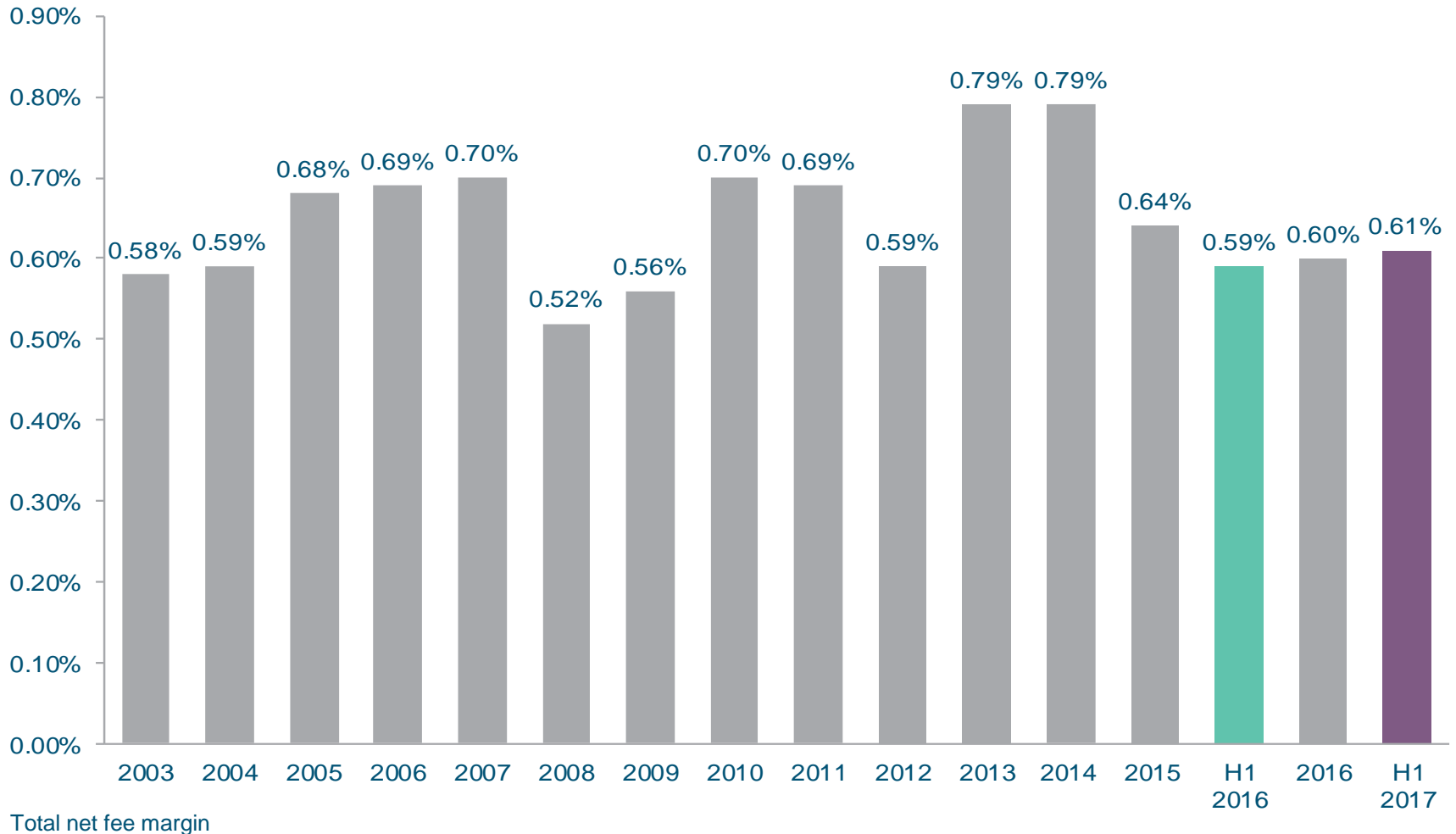


Robust revenue in tough environment

	H1 2017	Change (H1 2016)
Revenue (from fund management)	R1 936m	(6%)
Profit (from fund management)	R1 012m	(4%)
Profit after tax	R 763m	(5%)
Cost to income ratio	47.9%	3%



Net fee margin reflective of cyclical business





Dividend declared reflects cash earnings

	Change	March 2017	March 2016
Diluted HEPS (cents)	(4%)	220.7	229.7
Interim dividend per share (cents)	(4%)	220	229
Actual shares in issue (31 March 2017)		349 799 102	349 799 102



Variable cost model continues to contribute to effective management of total costs

Protect shareholders in down years

	Change	March 2017 R'm	March 2016 R'm
Fixed costs	(7%)	300	280
Variable costs – including distribution costs	15%	633	743
Variable costs – excluding distribution costs	7%	504	543
Total operating expenses – excluding finance expenses	9%	933	1 023



Fixed costs increased

Driven by continued investment in business

	Change	March 2017 R'm	March 2016 R'm
Total fixed costs	(7%)	300	280
- Employee costs	(6%)	136	128
- Information technology	(24%)	51	41
- Professional fees	5%	19	20
- Marketing	16%	38	45
<i>Employee complement</i>		<i>294</i>	<i>287</i>

Transformation

Key strategic focus

- Level 3 contributor in terms of FSC scorecard
- More than 50% of our employees are female
- 57% of the board of directors are black

Material transformation of SA-focused investment team

- 43% of senior portfolio managers in the team are black
- 3 out of 4 leadership roles are black (Head of Fixed Income, Head of SA Equity Research, Head of SA Equity)

Black business development

- Black stockbroker initiative started 10 years ago
- Founded African Harvest & Kagiso Asset Management
- Sponsor and funder of ASISA's IFA Development programme, providing business support to 50 black advisors
- SME Fund participant (CEO Initiative)

Black-owned

23.2%

as measured by the FSC

53.2%

of total employees in SA are black,
of which more than 60% are female

75%

of our executive committee are black

2017



Closing comments



Our focus is on

- **Maintaining our position in SA market**
 - **Building on our international growth prospects**
-

Local and international financial markets continue to remain volatile and uncertain. This creates opportunities to take up long-term positions that could ultimately deliver compelling returns for our clients over meaningful periods

We remain committed to our long-term investment approach and the recent performance of our funds is encouraging

We remain singularly focused on the delivery of active returns over meaningful periods and excellent service to all our clients. Given this focus:

- We are confident that we can build on our well-established relationships with global asset allocators in the years ahead;
- The re-opening of products to new local clients provides an opportunity to attract clients who were previously excluded

2017



Questions



Disclaimer

This presentation contains certain forward-looking statements. These forward-looking statements are based on current information and expectations, and involve a number of risks and uncertainties. Although Coronation believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct. Actual results may differ materially from those projected in such statements due to various factors, including but not limited to changes in economic and market conditions, changes in regulatory environment, fluctuations in security prices and exchange rates, and business and operational risk management. Coronation is under no obligation to update these statements once it has been posted or released. Coronation Asset Management (Pty) Limited is an authorised Financial Services Provider regulated by the Financial Services Board of South Africa. Coronation Asset Management (Pty) Limited is a subsidiary company of Coronation Fund Managers Limited, a company incorporated in South Africa and listed on the JSE (ISIN: ZAE000047353). The Information is for information purposes only and does not constitute or form part of any offer to the public to issue or sell, or any solicitation of any offer to subscribe for or purchase an investment, nor shall it or the fact of its distribution form the basis of, or be relied upon in connection with, any contract for investment. Opinions expressed in this document may be changed without notice at any time after publication. Nothing in this document shall constitute advice on the merits of buying and selling an investment. Coronation Asset Management (Pty) Limited is an investment adviser registered with the United States Securities and Exchange Commission ("SEC"). An investment adviser's registration with the SEC does not imply a certain level of skill or training. Additional information about Coronation Asset Management (Pty) Limited is also available on the SEC's website at www.adviserinfo.sec.gov. The information in this document has not been approved or verified by the SEC or by any state securities authority. Unit trusts should be considered a medium- to long-term investment. The value of units may go down as well as up, and is therefore not guaranteed. Past performance is not necessarily an indication of future performance. Note that individual investor performance may differ as a result of the actual investment date, the date of reinvestment of distributions and dividend withholding tax, where applicable. Where foreign securities are included in a fund it may be exposed to macroeconomic, settlement, political, tax, reporting or illiquidity risk factors that may be different to similar investments in the South African markets. Fluctuations or movements in exchange rates may cause the value of underlying investments to go up or down. Coronation Management Company (RF) (Pty) Ltd is a Collective Investment Schemes Manager approved by the Financial Services Board in terms of the Collective Investment Schemes Control Act. Unit trusts are traded at ruling prices set on every trading day. Unit trusts are allowed to engage in scrip lending and borrowing. Coronation is a Full member of the Association for Savings & Investment SA (ASISA).



About Coronation Fund Managers

- Founded in Cape Town, South Africa, in 1993 with zero assets under management
- Listed in 2003
- 25% employee-owned
- An independent fund manager with no safety-net of in-house assets
- Singular focus on asset management, outsourcing non-core components of business
- An active manager with a long-term valuation-driven investment approach
- A single global investment team and process
- SA-based business with offices in Cape Town, Johannesburg, Pretoria as well as London and Dublin





Local market indicators

as at 31 March 2017

	3 years (p.a.) %	5 years (p.a.) %	10 years (p.a.) %
All Share	5.98	12.49	9.82
All Bond	7.45	7.38	8.06
Listed Property	14.48	15.81	14.24
AF Money Market	6.78	6.23	7.41
MSCI World (ZAR)	14.36	22.32	10.78
Global Bonds (ZAR)	7.08	11.19	9.53
CPI	5.48	5.68	6.35
USD/ZAR	(7.73)	(10.59)	(5.93)

Source: I-Net Bridge



Thank you
