

## Balance sheet at 29 February 2008

		COMPANY	
	Notes	2008 R'000	2007 R'000
<b>ASSETS</b>			
<i>Non-current assets</i>			
		3 189 461	1 049 103
Property	2	—	50
Investment in subsidiaries	3	2 614 297	1 042 837
Amount receivable from subsidiary	3	550 000	—
Group share scheme recharge receivable	7	25 164	6 216
<i>Current assets</i>			
		229 116	389 077
Amounts receivable from subsidiaries	3	228 926	389 077
Cash at bank		190	—
<b>Total assets</b>		<b>3 418 577</b>	<b>1 438 180</b>
<b>EQUITY AND LIABILITIES</b>			
<i>Shareholders' equity</i>			
		2 849 366	1 437 542
<i>Non-current liabilities</i>			
Loans	4	550 000	—
<i>Current liabilities</i>			
		19 211	638
Accounts payable		2 926	615
Current portion of loans	4	16 132	—
Taxation payable		153	23
<b>Total equity and liabilities</b>		<b>3 418 577</b>	<b>1 438 180</b>

## Income statement for the year ended 29 February 2008

	Notes	COMPANY	
		2008 R'000	2007 R'000
<b>Operating expenditure</b>		(540)	(223)
Interest income on financial assets measured at amortised cost		34 119	—
Interest expense on financial liabilities measured at amortised cost		(31 371)	—
Dividends received from subsidiaries		383 265	290 993
Net gain on disposal of property		801	—
<b>Profit before taxation</b>		<b>386 274</b>	290 770
Taxation	6	(796)	—
<b>Profit for the year</b>		<b>385 478</b>	290 770

## Statement of changes in equity for the year ended 29 February 2008

R'000	Ordinary share capital (Note 5)	Preference share capital (Note 5)	Share premium (Note 5)	Share-based payment reserve	Retained earnings	Total equity
<b>Balance at 28 February 2006</b>	1 943	21	825 071	1 410	544 331	1 372 776
Profit for the year	—	—	—	—	290 770	290 770
Share-based payments	—	—	—	7 096	—	7 096
Dividends paid	—	—	—	—	(241 536)	(241 536)
Share issue	—	—	8 436	—	—	8 436
<b>Balance at 28 February 2007</b>	1 943	21	833 507	8 506	593 565	1 437 542
Profit for the year	—	—	—	—	385 478	385 478
Share-based payments	—	—	—	19 251	—	19 251
Dividends paid	—	—	—	—	(367 451)	(367 451)
Share issue	170	3	1 374 373	—	—	1 374 546
<b>Balance at 29 February 2008</b>	2 113	24	2 207 880	27 757	611 592	2 849 366

## Cash flow statement for the year ended 29 February 2008

	Notes	COMPANY	
		2008 R'000	2007 R'000
<b>Operating activities</b>		196 801	16 841
Cash utilised by operations		(540)	(223)
Interest received		16 646	—
Interest paid		(15 239)	—
Dividends received		383 265	290 993
Changes in working capital		2 311	119
Proceeds on disposal of property		851	—
Movement in loans with subsidiaries		177 624	(32 512)
Cash available from operating activities		564 918	258 377
Dividends paid	8	(367 451)	(241 536)
Taxation paid		(666)	—
<b>Investing activities</b>		(758 402)	(25 374)
Cash outflow on increase of investment in subsidiaries		(208 402)	(25 374)
Loan advanced to subsidiary		(550 000)	—
<b>Financing activities</b>		561 791	8 436
Proceeds on issue of shares		11 791	8 436
Loan raised		550 000	—
<b>Cash resources</b>			
Net cash generated/(utilised)		190	(97)
Cash and cash equivalents at the beginning of the year		—	97
Cash and cash equivalents at the end of the year		190	—

## Notes to the financial statements for the year ended 29 February 2008

## COMPANY

					2008 R'000	2007 R'000	
<b>1. ACCOUNTING POLICIES</b>							
Please refer to the group accounting policies on pages 120 to 127.							
<b>2. PROPERTY</b>					—	50	
The property was disposed of during the year and consisted of stand portions 331 and 51 of farm, Turffontein 961R.							
<b>3. INTEREST IN SUBSIDIARIES</b>							
	Issued capital R millions	Effective holding 2008 %	2007 %	Shares at cost less amounts written off 2008 R'000	2007 R'000	Indebtedness 2008 R'000	2007 R'000
Allied Technologies Limited	3	62	57	223 225	48 541	—	—
Bytes Technology Group Limited	737	100	58	2 016 863	620 390	—	—
Power Technologies (Pty) Limited	411	100	100	249 869	249 869	567 473	—
Altron Finance (Pty) Limited – ordinary shares	—	100	100	235	235	211 453	389 077
Altron Finance (Pty) Limited – preference shares	—	—	—	121 509	121 509	—	—
Investment in subsidiaries – share-based payments				2 593	2 290	—	—
Other	3	100	100	3	3	—	—
				2 614 297	1 042 837	778 926	389 077
Less: Current portion disclosed as current assets						228 926	389 077
Non-current loans						550 000	—

**Notes**

The above details are given in respect of interests in subsidiaries, where material. A full list of South African subsidiaries is available on request, at the registered office of the company. All subsidiaries are incorporated in South Africa.

	2008 R'000	2007 R'000
<b>4. LOANS</b>		
Unsecured bank loans at amortised cost	566 132	—
Current portion reflected as current liabilities	(16 132)	—
Non-current loans	550 000	—
The loan bears interest at the rate of JIBAR + 0.95% payable quarterly in arrears and the capital amount is repayable on 2 September 2010.		
<b>5. SHARE CAPITAL AND PREMIUM</b>		
Please refer to the group note 10 on page 143.		
<b>6. TAXATION</b>		
Current tax	796	—
<b>Reconciliation of rate of taxation</b>		
	%	%
South African normal tax rate	29.0	29.0
Non-taxable income	(28.8)	(29.0)
Effective tax rate	0.2	—

## Notes to the financial statements for the year ended 29 February 2008 *continued*

	COMPANY	
	2008 R'000	2007 R'000
<b>6. TAXATION (continued)</b> Unutilised STC credits amounting to R22.2 million (2007: R79.2 million) have not been recognised as deferred tax assets at 10% in the absence of a change to the existing dividend policy of the group, that would give rise to the utilisation of the STC credits.		
<b>7. GROUP SHARE-BASED PAYMENTS</b> Details of employee share options granted by the company are reflected in group notes 10.6 to 10.8 on pages 145 to 149. Options granted under the conditional rights scheme are subject to a recharge arrangement with participating subsidiaries upon exercise of the options by employees of those companies and have been accounted for as follows: Group share scheme recharge receivable at fair value Deferred group share scheme recharge pending settlement  Cumulative equity-settled charge recognised by subsidiaries and receivable per balance sheet  The fair value of the recharge receivable under the conditional rights scheme is determined using the Black-Scholes model. The fair value of the receivable is remeasured at each balance sheet date and at settlement date. The model inputs were as follows: Share price (Rand) Exercise price (Rand) Terms (years) Volatility Dividend yield Risk-free interest rate	45 333 (20 169)  25 164  36.00 22.50 to 30.75 0.95 to 3.73 23.35% to 26.97% 3.28% 9.6%	20 096 (13 880)  6 216  42.00 22.50 to 30.75 3.5 to 5.2 20.54% to 23.50% 1.86% 7.99%
<b>8. TAXATION PAID</b> Taxation payable at the beginning of the year Charge per income statement Taxation payable at the end of the year	23 796 (153)	23 — (23)
	666	—
<b>9. RELATED PARTIES</b> The company has a related-party relationship with its subsidiaries (refer to note 3). <b>Dividends</b> The company received dividends from subsidiaries  <b>Interest</b> The company received interest from subsidiaries	383 265  34 119	290 993  —
<b>Shareholders</b> The principal shareholders of the company are detailed in the analyses of shareholders on pages 90 to 93 of the annual report. <b>Directors</b> The company has a related-party relationship with its directors (refer to note 20 of the group accounts). Directors' interests are disclosed in the directors' report.		
<b>10. FINANCIAL RISK MANAGEMENT</b> Financial risk management and related disclosures have been dealt with in the group financial statements.		