

CORONATION REPORTS EXCEPTIONAL SET OF HALF-YEAR RESULTS

*Assets under management of R176 billion
Diluted headline earnings per share of 64.8 cents
Interim dividend per share of 51 cents*

Independent, listed fund manager Coronation Fund Managers (“Coronation”, CMLJ.J) today announced its interim results for the six months ended 31 March 2010.

Revenue has increased by 80% to R655 million. Together with a continued focus on cost control measures, this has resulted in a 210% increase in profit for the period to R227 million; translating into growth in diluted headline earnings per share of 221% to 64.8 cents (March 2009: 20.2 cents).

Led by global emerging markets, world financial markets have rebounded strongly from their lows of March 2009. From a close of 20 363 points at end March 2009, the FTSE/JSE All Share Index reached a level of 28 747 on 31 March 2010, just 9% shy of its all time high. The recovery in the domestic market, combined with excellent investment performance and strong asset growth, has resulted in assets under management growing to R176 billion (September 2009: R155 billion).

CEO Hugo Nelson commented: ***“We produced an exceptional set of results. The business benefited from superior investment performance across all client portfolios, strong institutional and retail flows, and the continued containment of fixed operating costs. Our undiluted focus on asset management and investing for the long term contributed significantly to these results.”***

The company aims for sustainable performance over meaningful time periods, typically five years and longer, which is considered vital to both its clients and its business. This commitment is reflected in the company’s investment philosophy of investing with a long-term time horizon and has resulted in several performance highlights during the period under review. More detail is included under background notes below.

In the International offering, the specialist Global Emerging Markets and Africa units continue to build impressive performance track records. Since its launch in July 2008, the Global Emerging Markets Fund has outperformed the MSCI Emerging Markets Index by 8.09% per annum. This outperformance places the fund in second position out of a total of 40 international peers over the period. Similarly, the Africa Frontiers Fund, with a return of 25.36% per annum since launch, has outperformed the FTSE/JSE Africa Top 30 Ex SA Index by a staggering 42.85% per annum.

PPS Investments has recorded strong growth in assets under management over the period and continues to gain traction in the market.

In February 2010 Coronation exited as a general partner from its private equity partnership. Coronation remains invested in the private equity fund as a limited partner, which achieved a successful first close on 1 March 2010.

Coronation continues to reward shareholders through regular and significant distributions of free cash flow generated. The company makes distributions equal to 75% of after-tax profits generated during a reporting period and is increased to take account of the non-cash impact of share-based payment charges that will not result in the issue of additional shares. This amounted to a dividend distribution of 51 cents per share for the six months under review.

*"We are extremely pleased with our performance during this period but, while markets have strongly rebounded, we expect continued volatility. Volatile markets create opportunities for the patient investor and we are confident that our robust investment process and philosophy will continue to deliver superior long-term returns for all our stakeholders"*Nelson concluded.

6 May 2010

Enquiries

CapitalVoice

Johannes van Niekerk

082 921 9110

Coronation Fund Managers

Louise Steyn, Communications Manager

021 680 2000

021 680 2216/076 282 3995

Background notes

Fund Performance

The Coronation domestic and global balanced portfolios rank 2nd over three years and 3rd over five years in the Alexander Forbes SA and Global Large Manager Watch Surveys to end March 2010. Similarly, our absolute portfolios rank 3rd over three years and 1st over five years in the Conservative Global Manager Watch for the same period. These rankings are echoed in the consistent top-quartile returns of Coronation's core domestic range of unit trust funds, developed to meet the specific needs of South African investors.

Since inception, the Coronation Top 20 and Equity funds have outperformed their market benchmarks by 7.7% and 5% respectively per annum. Likewise, our flagship multi-asset Balanced Plus Fund has outperformed its market-related benchmark by 2.42% per annum since inception, making it one of the top performing multi-asset funds over the past 5-year period.

Within Coronation's lower-risk multi-asset fund grouping, Capital Plus has outperformed inflation by an annualised 8.86% since inception, and Balanced Defensive has delivered top-decile performance in its category since inception. In the fixed interest product range, Strategic Income has beaten cash by 2.35% per annum since inception.

Coronation's success in managing global assets is highlighted in the institutional portfolio, Coronation Global Equity Fund of Funds which, over the past 10-year period has outperformed the MSCI World Index by 2.47% per annum, net of all fees. Similarly, the relatively new risk-profiled Global Capital Plus Fund (formerly Global Latitude) launched in November 2008 has performed exceptionally well, outperforming the MSCI World Index by 15.59% per annum since inception.

ENDS
