

# CORONATION

## FUND MANAGERS

(Incorporated in the Republic of South Africa)  
(Registration number 1973/009318/06)  
ISIN: ZAE000047353  
Share code: CML  
("Coronation Fund Managers" or "the Company")

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### ACQUISITION OF SHAREHOLDING IN NAMIBIAN HARVEST INVESTMENTS LIMITED

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#### INTRODUCTION

Coronation Fund Managers is pleased to announce that Coronation Investment Management (Proprietary) Limited ("CIM"), a wholly-owned subsidiary, has concluded an agreement to acquire a 47,14% interest in Namibian Harvest Investments Limited ("Namibian Harvest"), subject to the condition precedent as detailed below ("the Acquisition").

#### BACKGROUND INFORMATION ON NAMIBIAN HARVEST

Namibian Harvest was incorporated in Namibia as a public company in November 1997 and listed on the Namibian Stock Exchange in July 1998. Namibian Harvest is the holding company of Namibia Asset Management Limited and Namibia Unit Trust Managers Limited (jointly the "asset management businesses") where the core business of the Namibian Harvest Group is carried out.

Namibian Harvest is in the process of disposing of all other non-asset management investments held by it.

#### DETAILS OF THE ACQUISITION

CIM has entered into an agreement with Coronation Equities Limited ("Coronation Equities") to acquire its entire 47,14% in Namibian Harvest for a cash consideration of R8,9 million. The effective date of the Acquisition is 1 October 2005.

#### RELATED PARTY TRANSACTION

Coronation Equities is a wholly-owned subsidiary of Coronation Investments and Trading Limited, Coronation Fund Managers' major shareholder. In turn, CIM is a wholly-owned subsidiary of Coronation Fund Managers. Accordingly, the Acquisition is a small related party transaction in terms of the Listings Requirements of the JSE Limited ("Listings Requirements"). As a result, the Acquisition is subject to the obtaining of a favourable fair and reasonable opinion from an independent expert.

Coronation Fund Managers will make a further announcement on SENS once the opinion has been obtained, which opinion will be available for inspection at the Company's registered office for a period of 28 days thereafter.

#### RATIONALE FOR THE ACQUISITION

Since Namibian Harvest's establishment in 1997, CIM and its subsidiaries have provided substantial support both in the establishment and development of the asset management businesses of Namibian Harvest. This has been done through provision of training, marketing and business development support to the asset management businesses. In addition to this, a sub-advisory agreement has been in place whereby Coronation Asset Management Limited, a wholly-owned subsidiary of CIM, has provided asset management services to Namibian Harvest.

Post the delisting of Coronation Holdings Limited ("Coronation Holdings") and the simultaneous listing of Coronation Fund Managers, it is more appropriate that the stake in Namibian Harvest that had resided with Coronation Holdings (through Coronation Equities) should be held by CIM due its ongoing relationship with Namibian Harvest.

In terms of the Acquisition, CIM is purchasing the value of the asset management businesses within Namibian Harvest. Any earnings or losses pertaining to the remaining investments held by Namibian Harvest, which are in the process of being disposed of, will be passed on to Coronation Equities. It is expected that these will all be disposed of by the end of the 2006 calendar year at which point Namibian Harvest will be a pure asset management business.

#### FINANCIAL EFFECTS

The Acquisition will not have a material effect on Coronation Fund Managers' earnings, headline earnings, net asset value or net tangible asset value per share.

#### CONDITION PRECEDENT

The Acquisition is subject to obtaining a favourable fair and reasonable opinion in terms of the Listings Requirements.

Cape Town  
24 March 2006

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Sponsor

**Deutsche Securities**   
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Deutsche Securities (SA) (Proprietary) Limited  
(Registration number 1995/011798/07)