



# March 2007 Interim Results Reviewed

15 May 2007

# Agenda



## Financial highlights

## Overview of company

## Financial results

## Business review

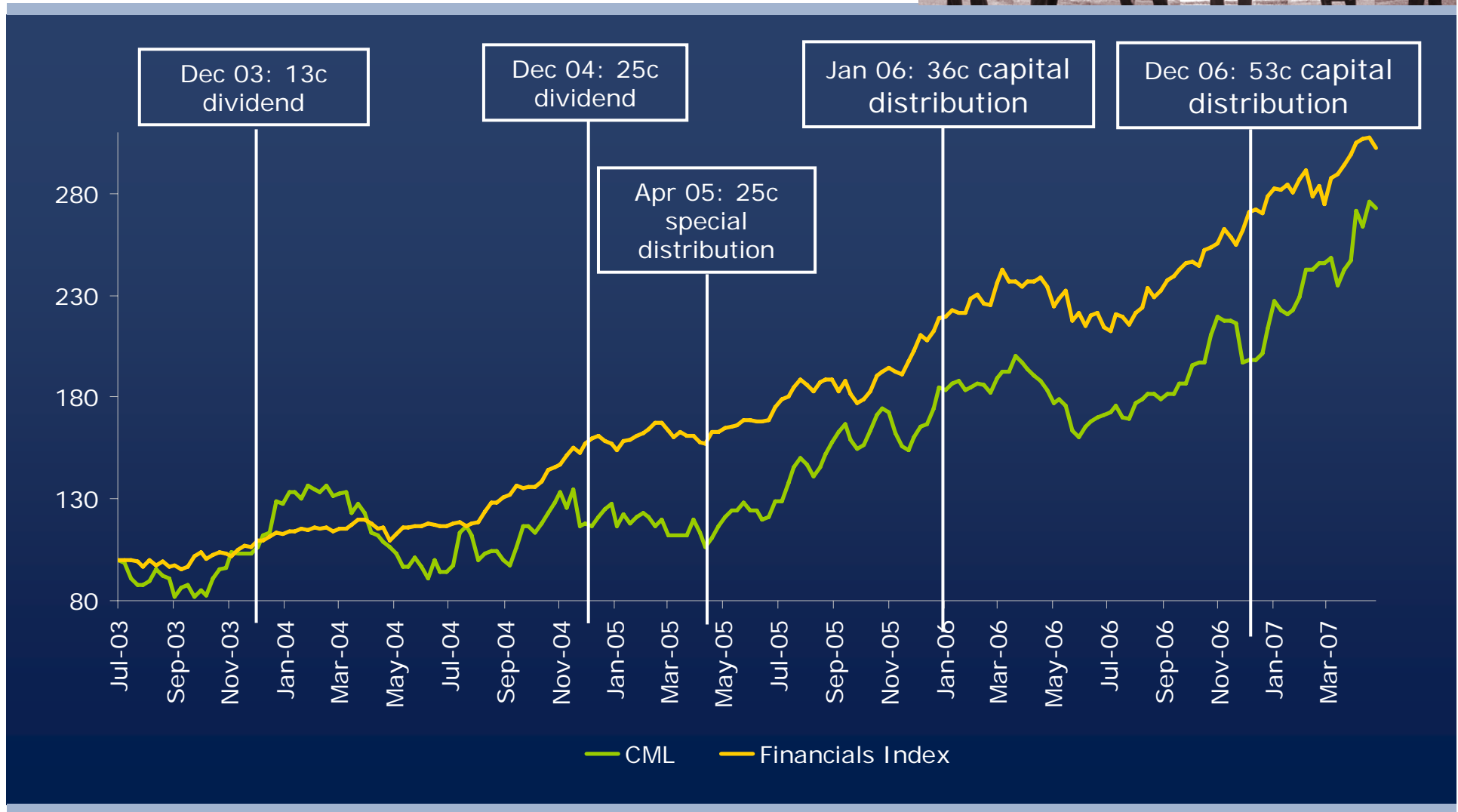
- Retail
- Institutional

## Other

- CFM International – UK & Ireland
- NAM - Namibia
- CFM Botswana



# CML vs Financial Index (capital return based)



Capital return	+ Dividend return	= Total return
131.64%	+ 78.83%	= 210.47%

Source: I-Net



# Market movements



Economic Group	3 Months %	6 Months %	12 Months %
All Share	10.4	23.4	37.6
All Share (Capital Return)	9.44	21.87	33.98
All Share (Dividend Return)	0.94	1.58	3.67
Platinum Mining	30.7	48.1	83.8
Mobile Telecommunications	15.3	55.6	61.0
Resource 20	15.1	20.3	46.9
General Financial	7.9	25.1	41.7
Small Cap	17.4	40.6	40.5
Media	6.3	42.4	39.8
Top 40	9.7	21.5	37.8
Financials	7.3	23.2	27.2





# Financial highlights



# Financial Highlights



❖ AUM	R125 bn	33%
❖ Headline earnings	35 cps	43%
❖ Headline earnings (diluted)	31 cps	45%
❖ Earnings pre IFRS 2	41 cps	32%
❖ Distribution	20 cps	



## Financial Highlights (2)



❖ Revenue	R422m	25%
❖ Profit from fund management	R187m	28%
❖ PAT	R127m	37%
❖ Cashflow (operating activities)	R157m	





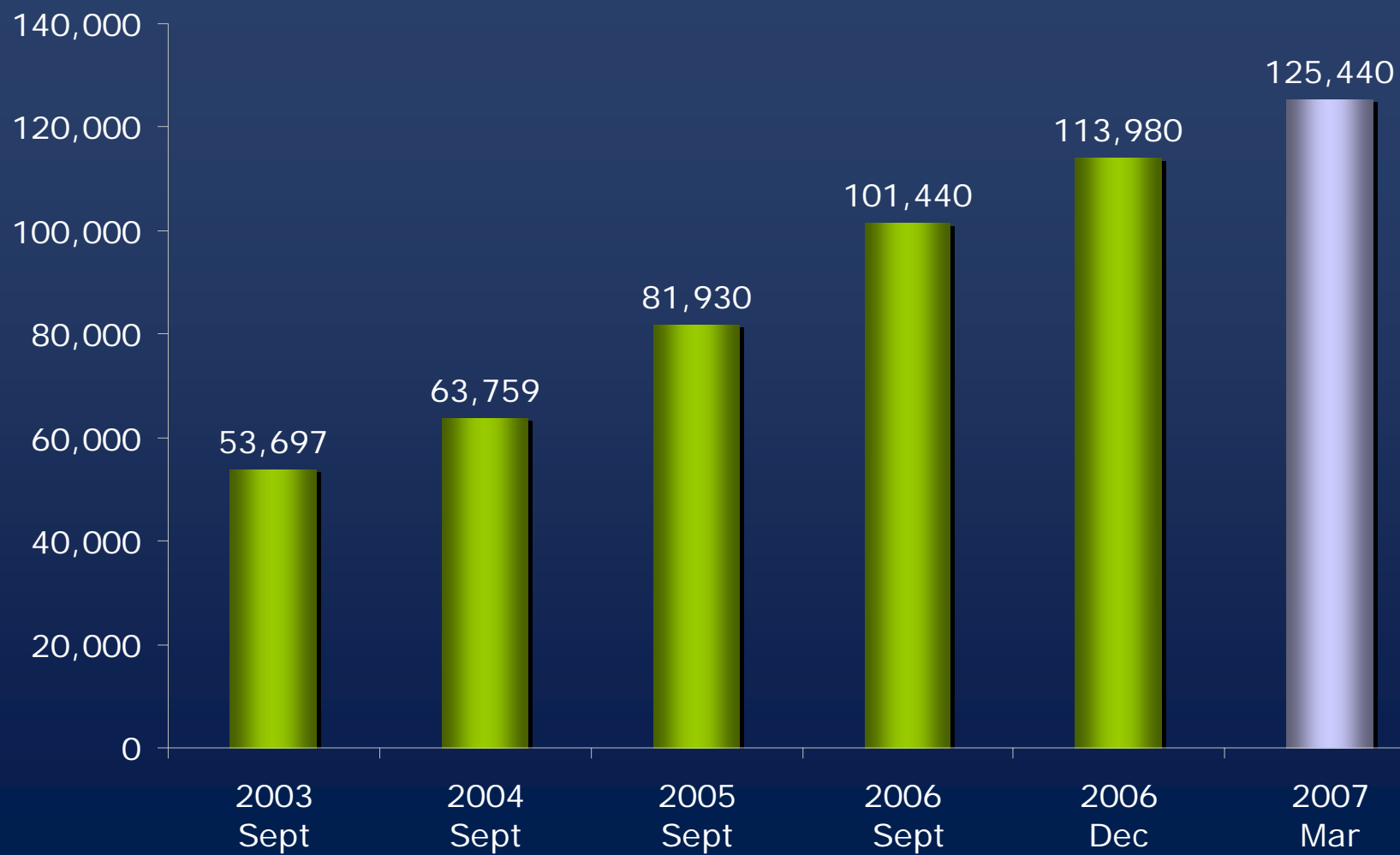
# Company overview





# Assets under management

2003 – March 2007



# Asset class summary



Asset Class	Market Value	% of AUM
Domestic Equity	84,630,438	67.5
Domestic Cash	19,492,103	15.5
Foreign Equity	11,712,863	9.3
Domestic Fixed Interest	5,247,561	4.2
Domestic Other (UTs,Hedge,Pooled)	3,287,500	2.6
Foreign Cash	799,343	0.6
Foreign Fixed Interest	224,310	0.2
Foreign Other (UTs,Hedge,Pooled)	37,001	0.0
Domestic Direct Property	10,974	0.0
<b>Total</b>	<b>125,442,097</b>	<b>100.0</b>



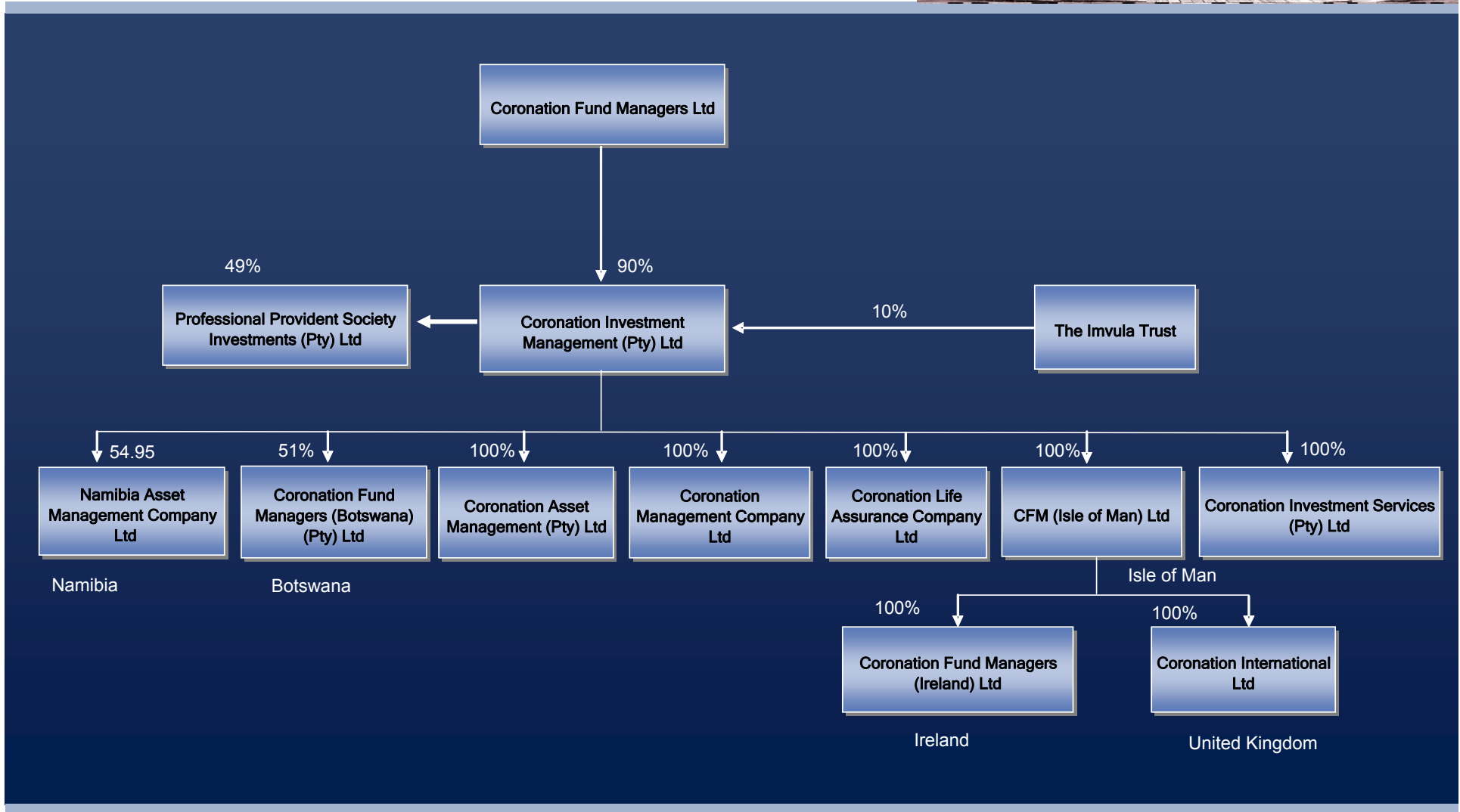
# Reconciliation of AUM



	6 months
Opening market value	101.42
Net Flows	0.23
Capital appreciation and other	23.79
Closing market value	125.44



# Company structure at 31 March 2007



# Shareholder Analysis



# Top shareholders

31 March 2007



Company	Shares held	%
Allan Gray + Orbis	97 020 288	27.41
CIT	94 627 989	26.62
Staff	70 747 530	19.90
Tiedemann	15 140 001	4.26
McWilliams Family Trust	11 200 000	3.15
Stanlib	8 094 662	2.28
<b>Total</b>		<b>83.62</b>





# Financial Results



# Earnings



	% Change	Mar-2007	Mar-2006
Attributable earnings		127,009	93,158
EPS	49	36.0	24.2
Headline earnings		122,561	92,704
HEPS	43	34.7	24.2
Diluted HEPS	45	31.1	21.5
<i>Weighted average shares in issue</i>		353,182	383,361
Capital repayment		20c per share	-





## Earnings (cont)



	% Change	Mar-2007	Mar-2006
Price earnings per share	(10%)	11.2	12.4
Market capitalisation	13%	2,758,220	2,437,648
EBITDA	27%	196,039	153,934
EBITDA (adj for CIT transactions)	24%	209,872	169,356
Share price @ 31 March	29%	7.76	6.00

*PE earnings – share price/annualised HEPS*

*EBITDA – Attributable earnings, add back tax, interest & depreciation*



# Earnings ratios



	Change %	Mar-2007 %	Mar-2006 %
Cost to income - Actual	1%	58.5	59.1
Cost to income – Pre-IFRS2	(5%)	54.7	51.9
Cost to income – Actual (as previously reported)	3%	54.2	55.8



# Balance Sheet ratios



	% Change	Mar-2007	Mar-2006
NAV per share	-	R3.38	R3.38
ROE	45%	20.7%	14.3%
Total equity	(7%)	R1,2 billion	R1,3 billion



# Earnings summary

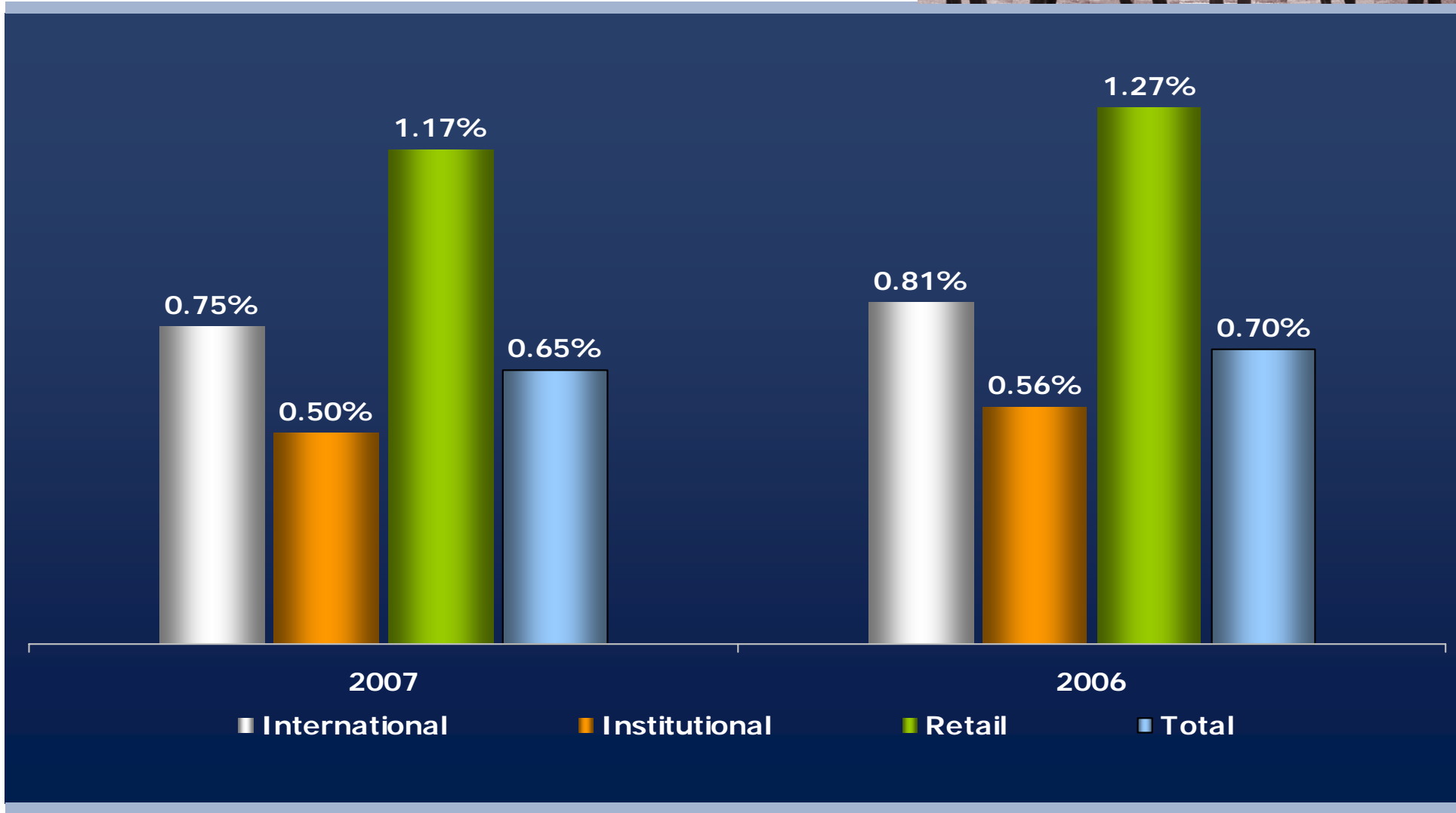


	Mar-2007 Rm	Mar-2006 Rm
Revenue	R451.2	R357.8
Net fee income	R380.5	R310.5
Trailer Commissions	R42.0	R27.0
Other	R28.7	R20.3
Operating expenses	R204.9	R158.7
Trailer Commissions	R42.0	R27.0
IFRS 2 charges	R17.1	R25.8
PBT	R187.2	R146.3
Tax	R60.2	R53.1
PAT	R127.0	R93.2
<i>Cash earnings per share @ 31 March*</i>	<i>39.6</i>	<i>28.3</i>

\* Earnings (adj for CIT IFRS charges)/number of shares in issue



# Total net fee %



# CFM expenses



SIX MONTHS INTERIMS TO MARCH	% Change	Mar-2007 R'000	Mar-2006 R'000
<b>Fixed operational costs</b>	<b>21</b>	<b>86,978</b>	<b>71,998</b>
<b>IFRS 2</b>	<b>(34)</b>	<b>17,089</b>	<b>25,822</b>
<b>Variable costs</b>	<b>40</b>	<b>150,670</b>	<b>107,564</b>
<b>TOTAL OPERATIONAL COSTS</b>	<b>24</b>	<b>254,737</b>	<b>205,384</b>
<b>Other costs</b>	<b>48</b>	<b>9,194</b>	<b>6,200</b>
Interest expense	9	6,729	6,200
Impairment of capital assets	-	2,465	-
<b>TOTAL COSTS</b>	<b>25</b>	<b>263,931</b>	<b>211,584</b>



# IFRS 2 effect



	Mar 2007 R'000	Mar 2006 R'000	Mar 2005 R'000
December 2003 options	456	952	865
Imvula transaction	2,800	3,064	-
CIT transaction 1 (February 2005)	6,310	6,566	1,308
CIT transaction 2 (April 2005)	4,778	4,778	-
CIT transaction 3 (September 2005)	2,745	4,078	-
Preference shares	-	6,384	37
<b>Total</b>	<b>17,089</b>	<b>25,822</b>	<b>2,210</b>



# Listed Asset Manager Comparisons



Traditional Asset Managers	P/E		Enterprise value			
	2007	2006	Latest AUM	Last 12 months net revenue	Last 12 months EBITDA	2007 EBITDA
UK median	16.4	17.1	2.2%	4.1X	11.7X	11.6X
USA Median	18.8	-	4.0%	4.2X	11.9X	-
CFM at 31 March	11.2	12.4	2.2%	3.9X	7.4X	6.6X

Source: Goldman Sachs







# Business Review Retail



# CIS industry

Overall market (excl. Fund of Funds)



Manco	AUM		Manco	AUM
STANLIB	72,609	12%	MOMENTUM	6,942
ALLAN GRAY	67,189	24%	MARRIOTT	5,303
ABSA	63,158	35%	PSG	4,804
INVESTEC	55,992	44%	COMM. GROWTH	3,415
SANLAM	51,859	53%	FRATERS	2,758
OLD MUTUAL	46,663	61%	ADVANTAGE	2,140
PRUDENTIAL	43,444	68%	FOORD	2,048
NEDGROUP	29,223	73%	CORIS CAPITAL	1,881
<b>CORONATION</b>	<b>25,485</b>	<b>78%</b>	REGARDING CAPITAL	1,500
FIDENTIA AYANDA	19,362	81%	INNOFIN	1,378
RMB	19,058	84%	GRANT THORNTON	1,324
IS	12,425	86%	PERSONAL TRUST	1,120
METROPOLITAN	9,560	88%	ITRIX	1,085
SIS	8,809	90%	EFFICIENT GROUP	364
SATRIX	8,705	91%	CADIZ	288
PRESCIENT	8,684	93%	REZCO	90
OASIS CRESCENT	7,255	94%	Grand Total	585,919



# CIS industry

Getting to our real market



## Assets Under Management

Mar 07

Total industry assets		R658bn
Exclude Fund of Funds	-R72bn	R585bn
Exclude Money Market funds	-R154bn	R431bn
Exclude Dividend Income funds	-R22bn	R408bn
Exclude Institutional funds	-R77bn	R330bn
Exclude Multi-Managers	-R22bn	R307bn
Exclude Third Party Funds	-R14bn	R293bn
Total Long-term single manager assets		R293bn

Source: ACI Quarterly Statistics, March 2007



# CIS industry

Market share: Long-term single managers only  
Ranking excl. cash and dividend income funds



		Mkt Share	Mar 07	Sep 06
6 ↑	<b>Coronation</b> <i>7% market share growth</i>	7.8%	R22.7bn	R17.2bn
	<b>Long-term single managers</b>		R293.3bn	R237.8bn

Source: ACI Quarterly Statistics, March 2007 & Sep 2006



# CIS industry

## Getting to the real flows



Net flows		Mar 07
Total industry Net flows		R22.7bn
Exclude Fund of Funds	-R800m	R21.9bn
Exclude Institutional Multi-Managers	-R600m	R22.5bn
Exclude Institutional Single-Managers	-R1.7bn	R20.8bn
Exclude Money market & Enhanced cash	-R8.3bn	R12.5bn
Exclude Dividend Income funds	-R3.9bn	R8.6bn
Total Long-term single manager Net flows		R8.6bn

Source: ACI Quarterly Statistics, March 2007



# Single manager cash flows

Six months to end March '07



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

Net flows	Last 3 Months	Last 6 months
Coronation	R1,695bn	R2,560bn
CIS Industry	R8,604bn	R15,350bn

Source: ACI Quarterly Statistics, March 2007 & Sep 2006



# PlexCrown

## Overall CIS manager ranking



	Mar07	Dec06	Sep06
Oasis	3.916	4.375	4.666
<b>Coronation</b>	<b>3.683</b>	<b>3.958</b>	<b>3.958</b>
Stanlib	3.361	2.702	2.886
Prudential	3.250	3.375	3.375
Nedgroup	3.239	3.187	3.250
RMB	3.196	2.940	3.333
Investec	3.175	3.608	3.533
Sanlam	3.162	3.114	2.783
Old Mutual	3.137	2.932	2.721
Absa	3.133	2.958	3.125
Momentum	2.979	3.166	3.041

Coronation ranked either 1<sup>st</sup> or 2<sup>nd</sup> over 25 consecutive quarters

Source: PlexCrown Ranking Survey



# AUM of biggest Unit Trusts

(incl. International & Internal) – March 2007



Market Values Including Internal Investments	Dec '06	Mar '07	%
CORONATION STRATEGIC INCOME FUND	3,519	4,130	17.4
CORONATION CAPITAL PLUS FUND	3,150	3,724	18.2
CORONATION MONEY MARKET FUND	2,161	2,389	10.6
CORONATION ABSOLUTE FUND	1,842	2,031	10.3
CORONATION BALANCED PLUS FUND	1,778	2,088	17.4
CORONATION EQUITY FUND	1,716	1,895	10.4
CORONATION MARKET PLUS FUND	1,018	1,186	16.5
CORONATION PROPERTY EQUITY FUND	1,044	1,171	12.2
CORONATION INTERNATIONAL ACTIVE FUND OF FUNDS	1,103	1,141	3.4
CORONATION FINANCIAL FUND	1,025	1,063	3.7





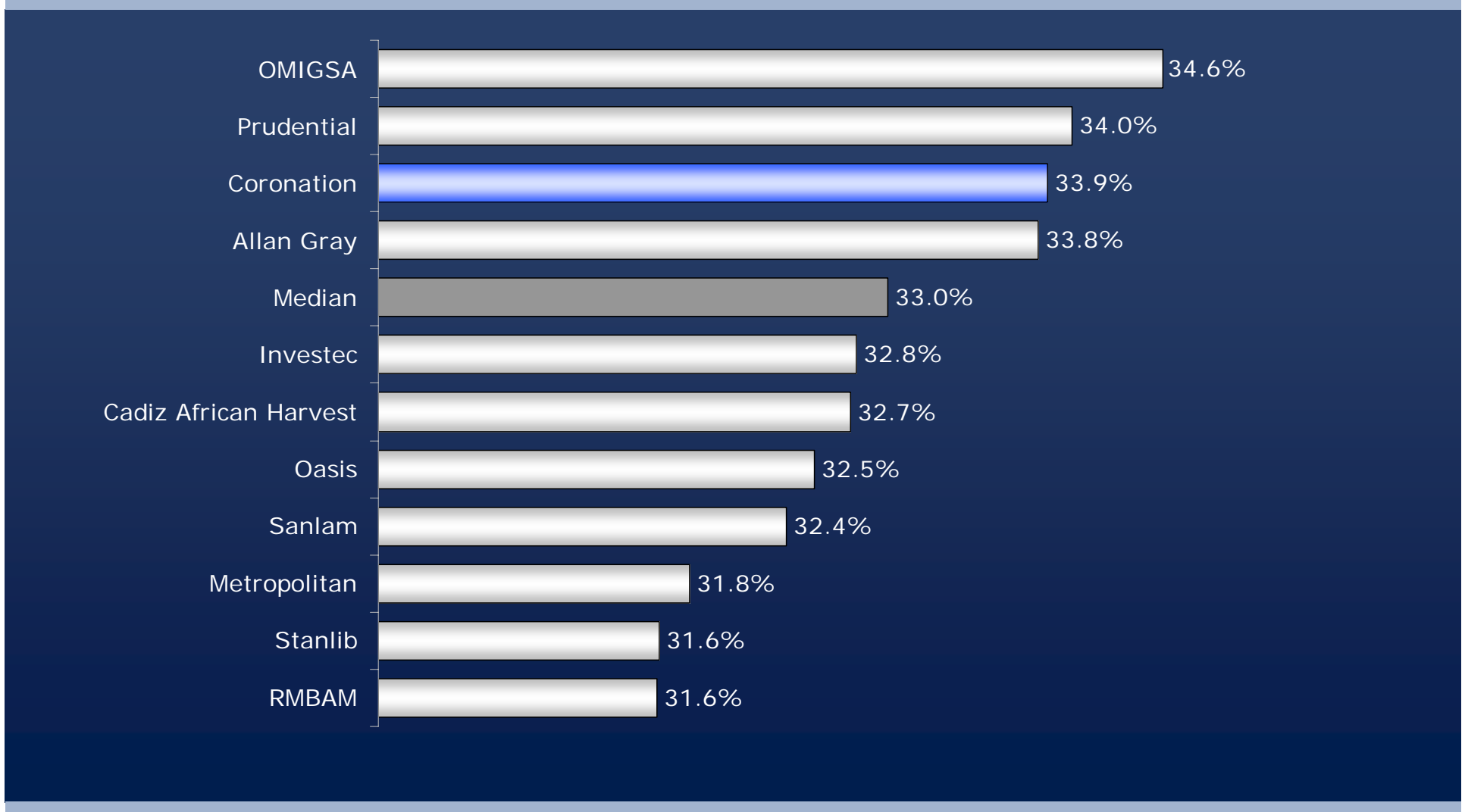


# Business Overview Institutional



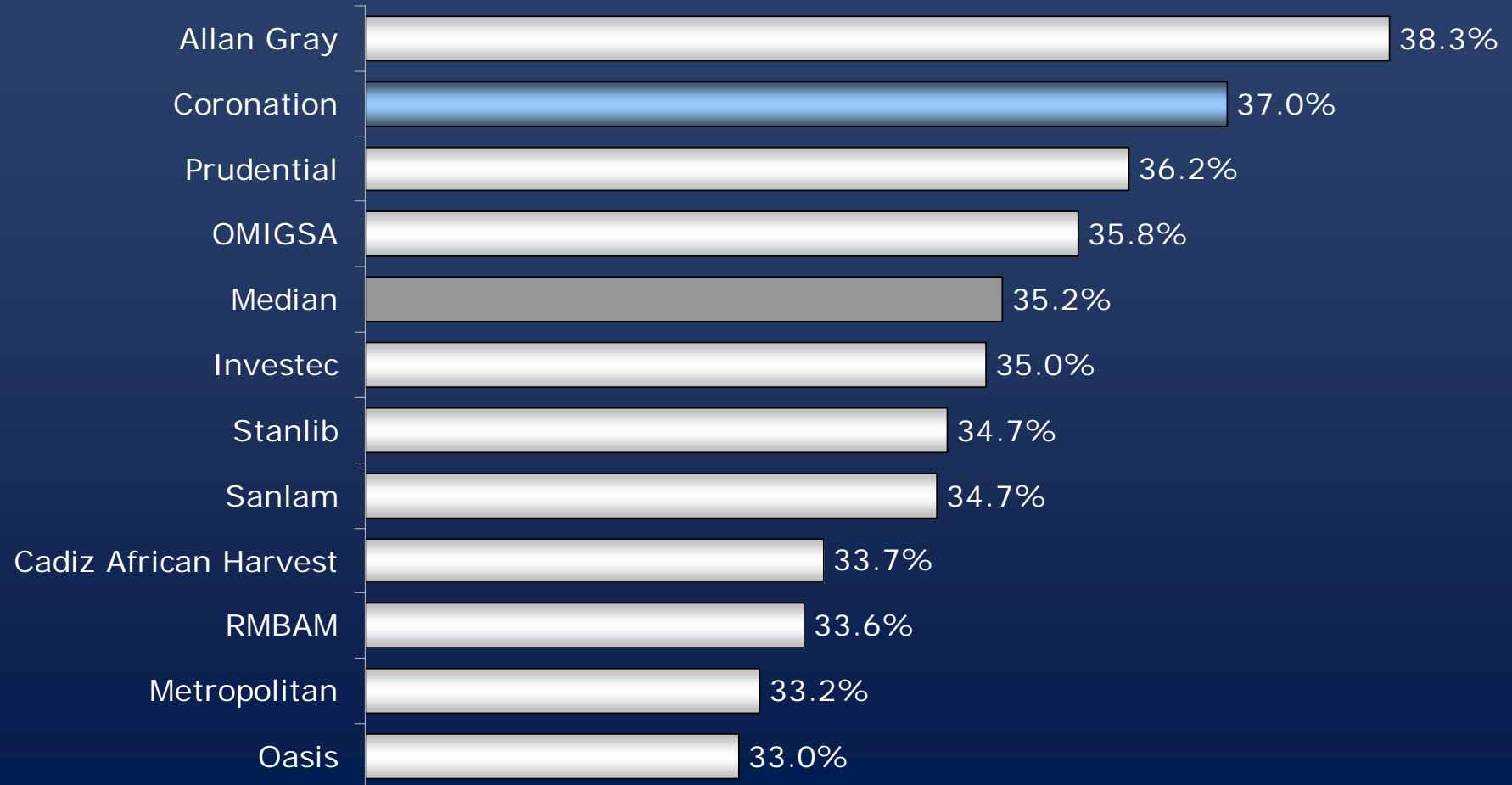
# Performance

Global Large Manager Watch  
3 years ending 31 March 2007



# Performance

SA Large Manager Watch  
3 years ending 31 March 2007





# Coronation International Limited



# Coronation International AUM

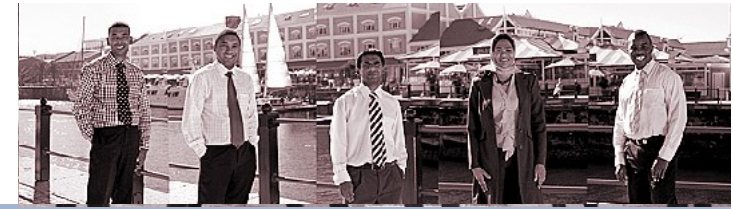


	Mar 2007	Sep 2006	Sep 2005	Sep 2004
<b><u>Fund of Hedge Funds</u></b>	<b><u>\$738m</u></b>	<b><u>\$666m</u></b>	<b><u>\$844m</u></b>	<b><u>\$846m</u></b>
Global Equity	\$431m	\$438m	\$537m	\$597m
Relative Value	\$228M	\$165m	\$241m	\$190m
Other hedge	\$79M	\$63m	\$66m	\$59m
<b><u>Long Only Fund of Funds</u></b>	<b><u>\$719M</u></b>	<b><u>\$536m</u></b>	<b><u>\$297m</u></b>	<b><u>\$158m</u></b>
International Active Unit Trust	\$157M	\$139m	\$133m	\$129m
Global Equity	\$545M	\$375m	\$153m	\$18m
Other	\$17M	\$22m	\$11m	\$11m
<b>Total</b>	<b>\$1,457M</b>	<b>\$1202m</b>	<b>\$1100m</b>	<b>\$1004m</b>



# Coronation Global Equity FoF's

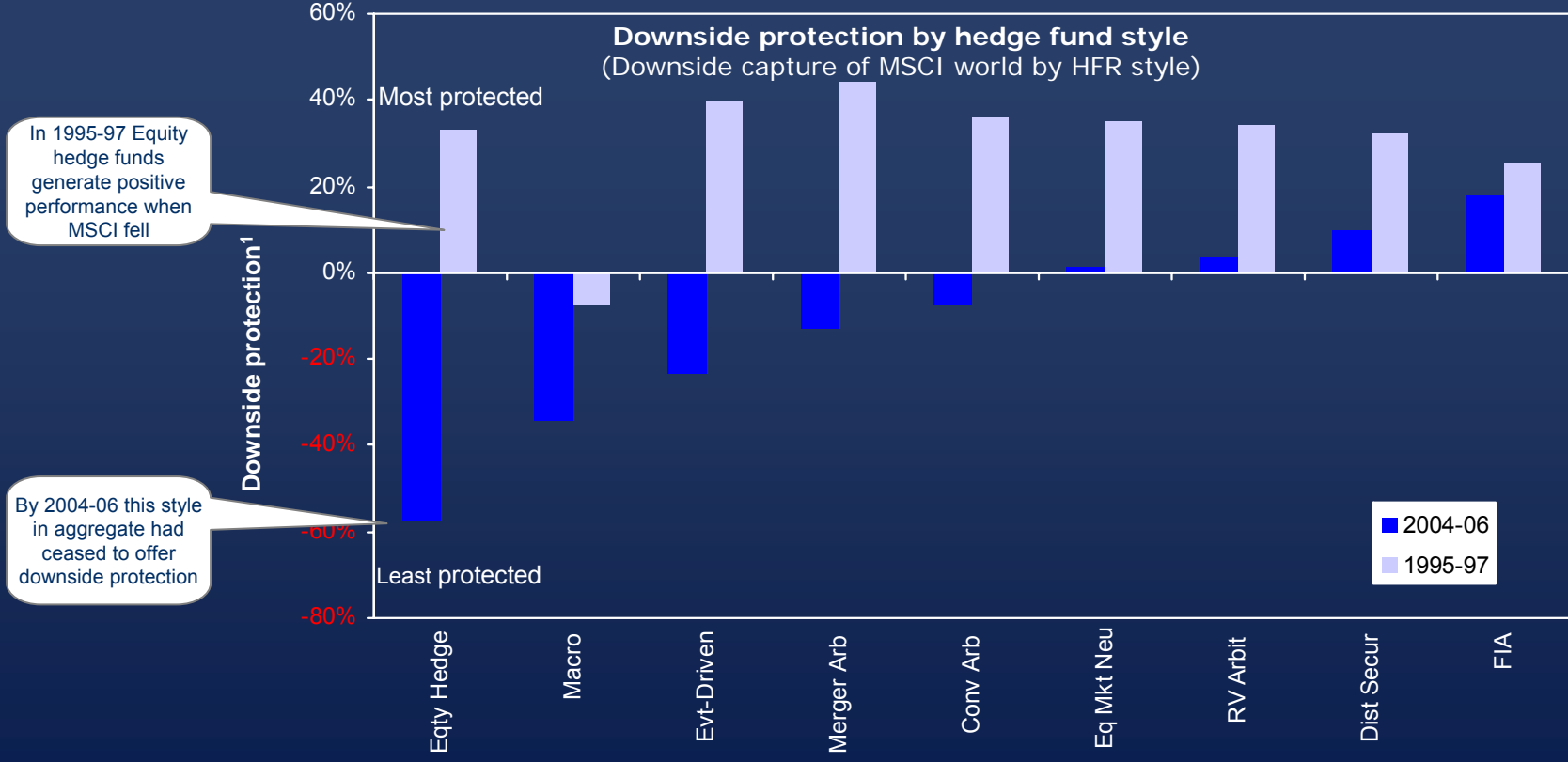
Period ending 31 March 2007



Coronation Global Equity Long Only



# Evolution of the hedge fund universe – protection has decreased



• Lowest protection found in the traditional spaces (Equity long short and Macro)



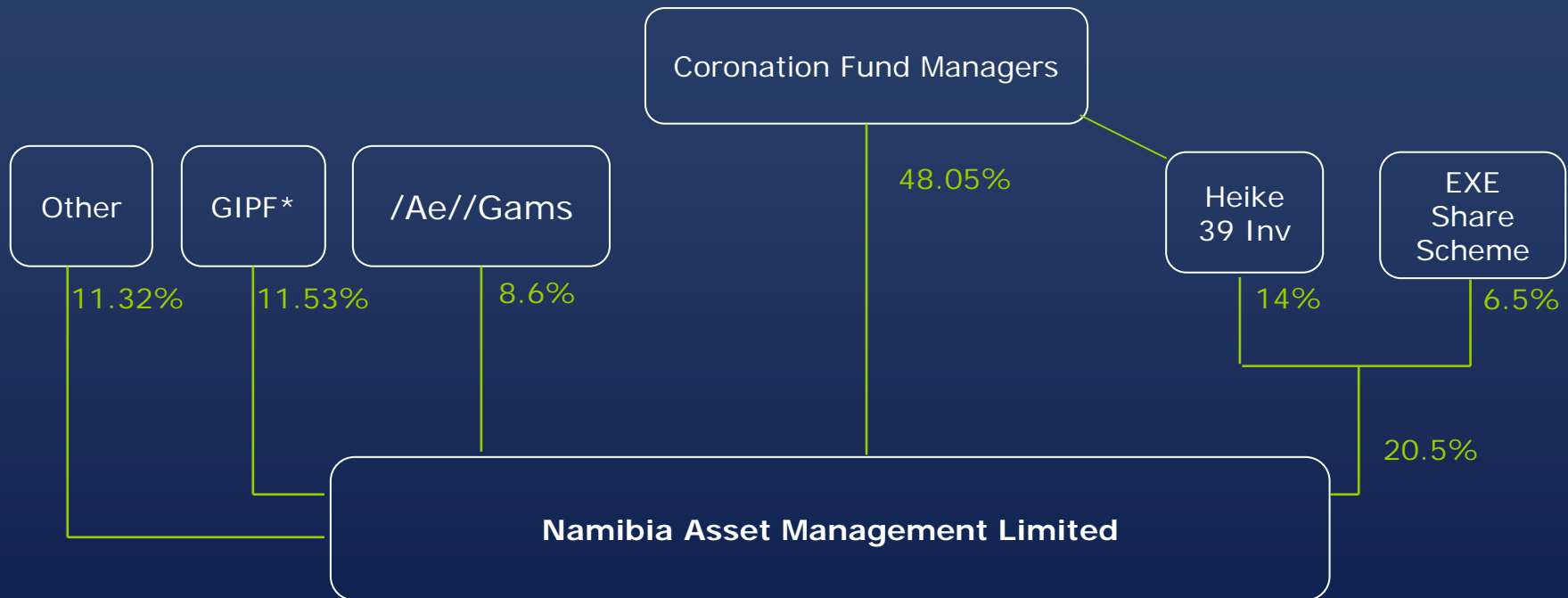


# Namibia Asset Management Limited (NAM)





# Current shareholding structure



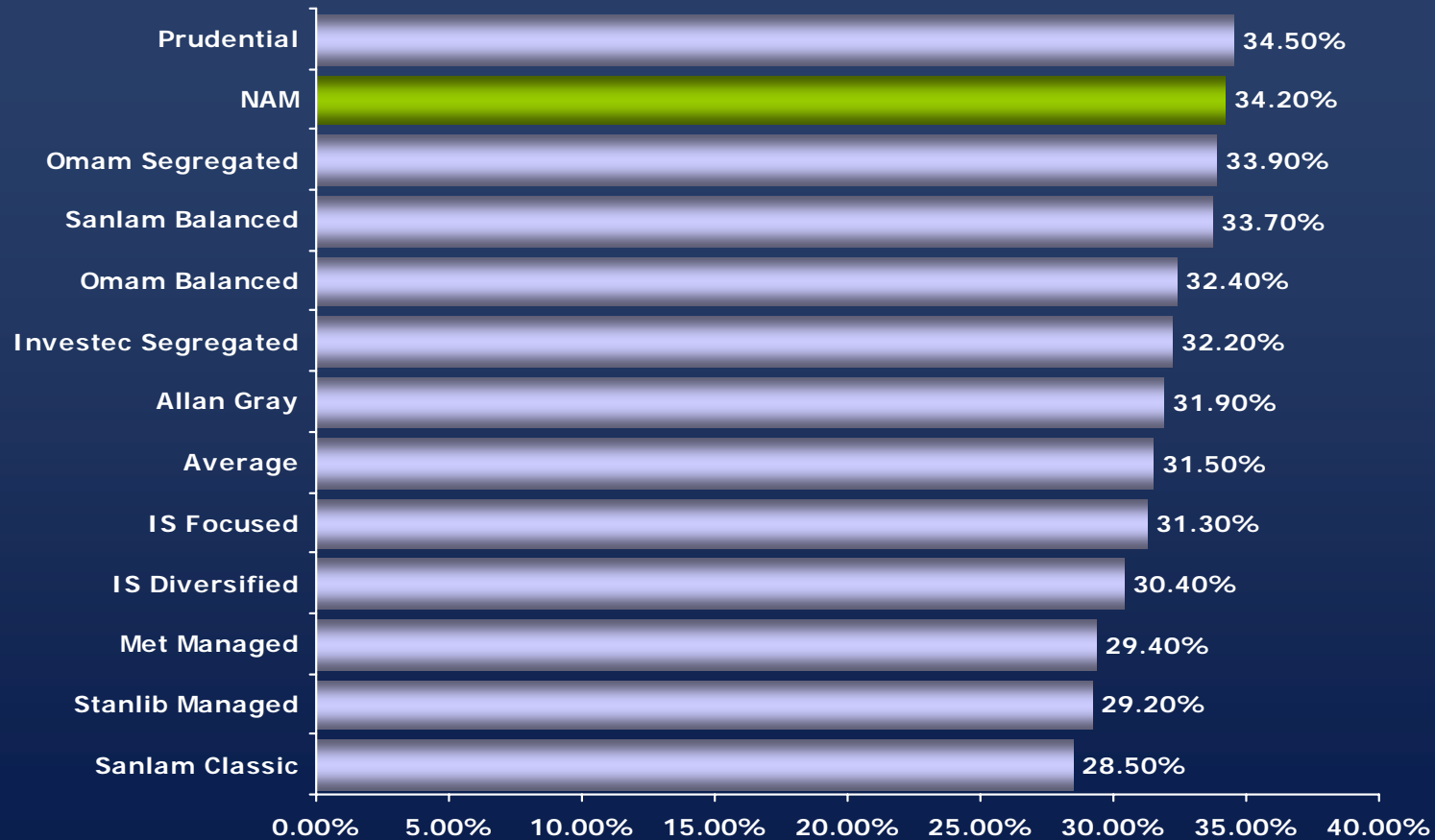
## Value of our investment - NAM



<b>Shares in issue</b>	<b>200,000,000</b>
<b>Current share price</b>	<b>25 cents</b>
<b>Market capitalisation (N\$)</b>	<b>50,000,000</b>
<b>CFM current shareholding</b>	<b>96 096 518</b>
<b>Consideration paid by CFM (,R) (47.14%)</b>	<b>8,870,000</b>
<b>Dividends received</b>	<b>2,882,895</b>
<b>Current value</b>	<b>24,024,130</b>



# Performance – combined mandates For 3 years ending 31 March 2007



Source: JMalan Namibian Survey

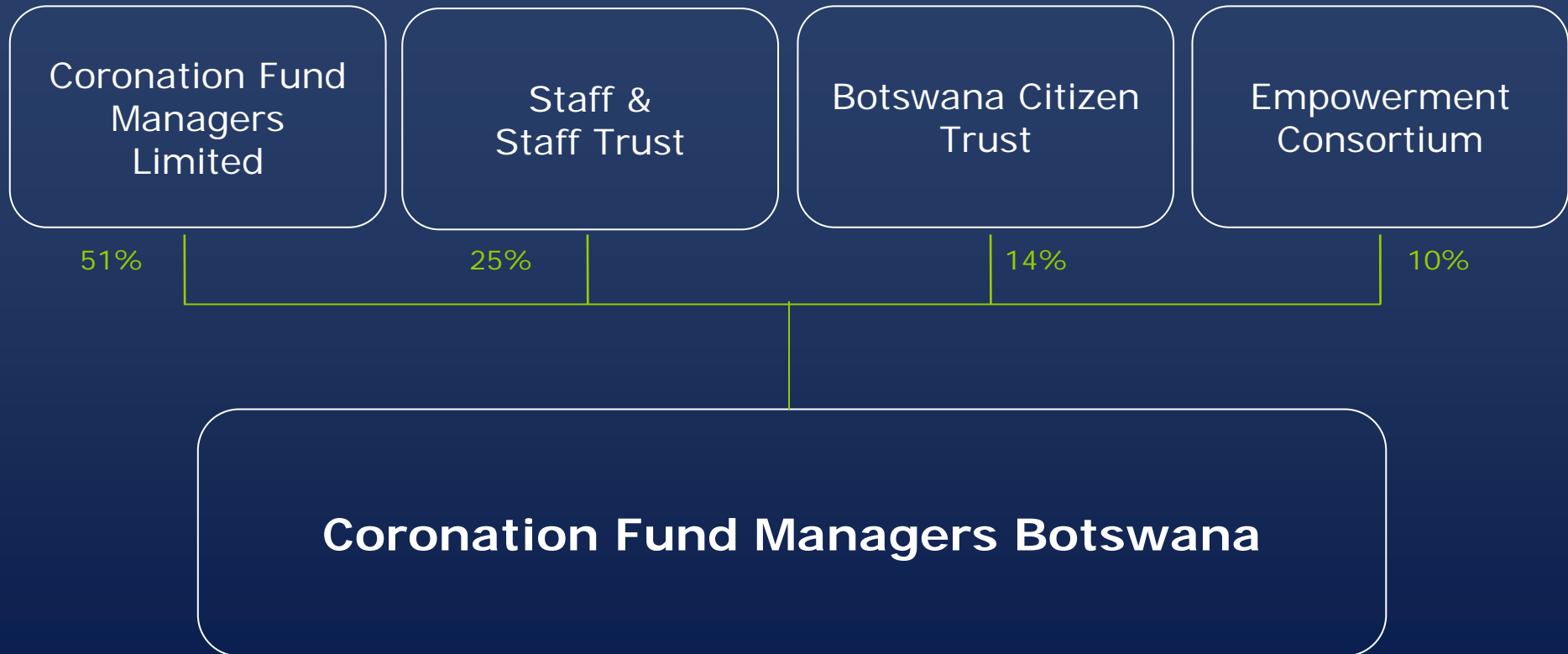




# Coronation Fund Managers (Botswana) Limited



# Current shareholding structure





# Future Focus



# Future focus



- ❖ Strategy in place to grow a sustainable business
  - Remain singularly focussed on fund management
  - Committed to delivering Investment Excellence: excellence of investment performance, innovative products and exceptional client service
  - Promote a culture of staff ownership and entrepreneurship thereby aligning staff interests with that of clients and shareholders
  - Provision of new product is to satisfy client requirements and create diversified revenue stream for business
- ❖ Group of passionate and committed people with a strong desire to be the best at what we do





**Thank you**