CORONATION **FUND MANAGERS**

- ► Cash flow generated from operations R199 million (-17%)
- ► Profit from fund management R156 million (-17%)

➤ Assets under management R136 billion (+11%)

► Headline earnings per share 26.6 cents (-23%)



Reviewed interim results for the six months ended 31 March 2008

The past six-month period has been characterised by negative global market sentiment which extended to global emerging markets, triggering an indiscriminate sell-off in the South African financial and industrial sectors. Against the backdrop of this market turmoil we are pleased to announce that the business has produced a satisfactory set of financial results for the six months ended 31 March 2008.

RESULTS

In our voluntary market update announcement on 30 January 2008, we cautioned that the slowdown in revenue growth and the dividend tax charge accounted for in the current six-month period would result in earnings being lower than the previous corresponding period.

Despite a 64% fall in performance fees, revenue for the six-month period ended 31 March 2008, comprising annual recurring fees and perform fees, remained flat compared with the previous comparable period at R421 million (2007: R423 million)

Operating expenses of R269 million increased by 5% from the R257 million reported to 31 March 2007. A significant contributor to this increase was distribution costs which, whilst being variable, are nevertheless paid on the fixed component of fee revenue on a higher asset base. A further negative cost impact arises in the taxation charge where a secondary tax on companies charge of R15.1 million was accounted for in the current six-month period. A similar charge was not incurred in the previous comparable period, when a capital distribution was paid.

Earnings per share of 27.4 cents are 24% lower than the 2007 interim figure of 36.0 cents and headline earnings per share of 26.6 cents are 23% lower (2007: 34.7 cents). The earnings per share and headline earnings per share figures for the current six-month period, in relation to the equivalent numbers for the previous comparable period, have been positively impacted by 9% due to the effect of the share buy-back (and cancellation) programme embarked upon during the 2006 and 2007 financial years.

ASSETS UNDER MANAGEMENT

Amid extreme market turmoil we are pleased to report that assets under management increased to R136 billion as at 31 March 2008 (R125 billion as at 31 March 2007). A significant proportion of this growth is attributable to our success in the fixed interest market, further entrenching Coronation as a manager across asset classes.

LONG-TERM INVESTING

We remain singularly focused on fund management and the ongoing support of our clients is vital to our success. Our philosophy of investing with a long-term time horizon and our commitment to proprietary research has, amid the volatility and indiscriminate market sell-off, given us the opportunity to strengthen our positioning in high conviction calls.

FUTURE FOCUS

We continue to invest considerable resources and effort in building a sustainable business. We have embarked on a number of business initiatives that will, in due course, add to our revenue and profitability:

PPS Investments

PPS Investments, the investment arm of The Professional Provident Society, continues to gain traction in the marketplace.

We have started to build a private equity offering that will enable our clients to broaden their asset allocation to alternative investments. A team of three professionals joined the business in November 2007 and are located in our Johannesburg office.

International product offering
Pending regulatory approval, we are set to launch a comprehensive range

of international funds to both institutional and individual investors.

Global Emerging Markets unit On Friday, 28 December 2007, the Coronation Global Emerging Markets Flexible Fund was successfully launched to the retail market. This was followed by the launch of a hedge fund, the Coronation Global Emerging Markets Opportunities Fund, on Monday, 4 February 2008.

INTERIM CASH DIVIDEND

We continue in our objective of rewarding shareholders through regular and significant distributions of free cash flow generated. The basis on which the current interim cash dividend is calculated mirrors that of the previous interim distribution. We make distributions equal to 75% of after-tax profits generated during the period, increased to take account of the non-cash impact of share-based payment charges that will not result in the issue of additional shares. We have also added back the R15.1 million dividend tax paid during the period (which relates to earnings generated in the previous financial year). This would amount to a dividend distribution of 24.0 cents per share, but at this interim stage and consistent with the previous comparable period. e have decided to only distribute two thirds of that, which translates to

In compliance with the Listings Requirements of the JSE Limited, the following dates are applicable:

Last date to trade	Friday, 30 May 2008
Shares trade ex dividend	Monday, 2 June 2008
Record date	Friday, 6 June 2008
Payment date	Monday, 9 June 2008
rayment date	Monday, 7 June 20

Share certificates may not be dematerialised or rematerialised between Monday, 2 June 2008, and Friday, 6 June 2008, both dates inclusive.

The outlook for the financial markets suggests that market volatility will continue for the foreseeable future. Although this undoubtedly will have an impact on profitability of the company over the next six months, we are confident that we have in place the right strategy, business model and investment philosophy focused on delivering long-term investment returns for our clients. The business has a diversified revenue stream and a strong

cash flow and continues to be singularly focused on fund management. INDEPENDENT REVIEW BY THE AUDITORS

KPMG Inc., the group's independent auditor, has reviewed the condensed consolidated interim financial statements contained in this report. Their unmodified review report is available for inspection at the company's

Gavan Ryan	Hugo Nelson	John Snalam
Chairman	Chief executive officer	Company secretary
Cape Town 13 May 2008		

 $\begin{array}{l} \textbf{Directors:} \ G \ M \ C \ Ryan^* \ (Chairman), \ H \ A \ Nelson \ (Chief Executive \ Officer) \\ M \ M \ du \ Toit, \ W \ T \ Floquet^+, \ S \ Pather^*\dagger, \ A \ Watson^*\dagger \end{array}$

Non-executive † Independent) Registered office: Coronation House, Boundary Terraces, 1 Mariendahl Lane, Newlands 7700

Postal address: PO Box 993, Cape Town 8000

Registration number: 1973/009318/06

Transfer secretaries: Computershare Investor Services 2004 (Pty) Limited, 70 Marshall Street, Johannesburg 2001

JSE share code: CML ISIN: ZAE000047353 Website: www.coronation.com

	Six months reviewed 31 March 2008 R'000	Six months reviewed 31 March 2007 R'000	% Change	Full year audited 30 Sept 2007 R'000
Fund management activities Revenue Financial income	421 104 11 804	422 524 27 860	(58)	961 996 45 914
Interest and dividend income Other income	8 195 3 609	12 712 15 148	(66)	24 452 21 462
Operating expenses	(269 058)	(257 202)	5	(564 489
Share-based payment expense Other expenses	(13 354) (255 704)	(17 089) (240 113)		(40 212 (524 277
Interest expense Share of profit of associate	(7 863)	(6 729) 919		(13 049 1 334
Profit from fund management Income attributable to policyholder linked assets and	155 987	187 372	(17)	431 70
investment partnerships Net fair value gains on policyholder and investment partnership financial instruments Administration expenses borne by policyholders and investors in investment partnerships	(749) 4 449 (5 198)	35 850 45 501 (9 651)		49 14° 54 95¢ (5 80°
Profit before tax Income tax expense	155 238 (64 970)	223 222 (96 052)		(480 85) (196 24)
Taxation on shareholder profits Taxation on policyholder investment contracts	(65 719) 749	(60 202) (35 850)		(147 100 (49 149
Profit for the period	90 268	127 170	(29)	284 60
Attributable to: – equity holders of the company – minority interest	88 181 2 087	127 009 161	(31)	284 03 57
Profit for the period	90 268	127 170		284 60
Earnings per share (cents) - basic - diluted	27.4 24.7	36.0 32.2	(24) (23)	81.4 74.3
Note to the income statement Headline earnings per share (cents) – basic – diluted	26.6 24.0	34.7 31.1	(23) (23)	79. 72.
Distribution per share (cents) – dividend distribution – capital distribution	16.0	20.0		47.0

CONDENSED CONSOLIDATED INCOME STATEMENT

CONDENSED CONSOLIDATED	STATEME	NT OF CHAN	IGES IN EQ	UITY					Net cash from operating activities
					ls	sued capital			Net cash from investing activities
	Share capital		Accumu-	Share- based	Re-	and reserves attributable to equity holders			Net cash used in financing activities – distributions to shareholders
R'000	and premium	translation reserve	lated earnings	payment reserve	valuation reserve	of the company	Minority interest	Total equity	- other
Balance at 30 September 2006 Currency translation differences Revaluation of financial assets	843 153	11 197 (6 655)	316 892	72 991	5 803	1 250 036 (6 655)		1 250 036 (6 655)	Net decrease in cash and cash equivalents Cash and cash equivalents at beginning of period
available-for-sale					828	828		828	Exchange rate adjustments
Revaluation gains taken to equity Transferred to profit or loss					5 276	5 276		5 276	Cash and cash equivalents at end of period
on disposal Net income recognised directly					(4 448)	(4 448)		(4 448)	CONDENSED CONSOLIDATED SEGMENT REPORT
in equity Profit for the period		(6 655)	127 009		828	(5 827) 127 009	161	(5 827) 127 170	Africa Six months Full year reviewed audited
Total recognised income and expense for the period Minority interest at acquisition		(6 655)	127 009		828	121 182	161	121 343	31 March 30 Sept R'000 2008 2007 2007
of subsidiary Share-based payment reserve Dividends paid	(185 276)		(861)	17 089		17 089 (861) (185 276)	5 925	5 925 17 089 (861) (185 276)	Segment revenue 368 963 379 788 880 241 Segment results 137 130 154 297 384 323
Shares issued Shares repurchased and cancelled	12 306					12 306 (13 071)		12 306 (13 071)	EARNINGS PER SHARE
Balance at 31 March 2007 Currency translation differences Revaluation of financial assets	657 112	2 4 542 (351)	443 040	90 080	6 631	1 201 405 (351)	6 086	1 207 491 (351)	
available-for-sale					(4 755)	(4 755)		(4 755)	Weighted average number of ordinary shares in issu
Revaluation gains taken to equity Transferred to profit or loss					(2 305)	(2 305)		(2 305)	during the period Weighted average number of ordinary shares poten
on disposal					(2 450)	(2 450)		(2 450)	Earnings attributable to shareholders
Net income recognised directly in equity Profit for the period		(351)	157 026		(4 755)	(5 106) 157 026	410	(5 106) 157 436	Minority interest Dividend on convertible cumulative redeemable pre Earnings attributable to ordinary shareholders
Total recognised income and expense for the period Share-based payment reserve		(351)	157 026	23 123	(4 755)	151 920 23 123	410	152 330 23 123	Profit on disposal of financial assets available-for-sal (Profit)/loss on disposal of equipment Profit on disposal of investment in subsidiary
Capital distribution Shares repurchased and cancelled Minority interest	(71 238 (296 848					(71 238) (296 848)	(2 098)	(71 238) (296 848) (2 098)	Headline earnings attributable to ordinary shareho Actual number of shares in issue at the end of the p
Balance at 30 September 2007 Currency translation differences Revaluation of financial assets	289 026	4 191 13 502	600 066	113 203	1 876	1 008 362 13 502	4 398	1 012 760 13 502	NOTES TO THE CONDENSED CONSOLIDATED FINA
available-for-sale					(521)	(521)		(521)	1. Basis of preparation and accounting policies
Revaluation gains taken to equity Transferred to profit or loss					1 862	1 862		1 862	The financial information has been prepared in International Financial Reporting Standards (IFF Financial Reporting, the requirements of the So
on disposal					(2 383)	(2 383)		(2 383)	Listings Requirements of the JSE Limited. The co information required for full annual financial stat
Net income recognised directly in equity Profit for the period		13 502	88 181		(521)	12 981 88 181	2 087	12 981 90 268	The accounting policies applied in the presenta consistent with those applied for the year endec
Total recognised income and expense for the period Share-based payment reserve		13 502	88 181	13 354	(521)	101 162 13 354	2 087	103 249 13 354	These condensed consolidated interim financia cost convention except for certain financial instr interim financial statements are presented in ran

(156 473)

298 057 17 693 531 774 126 557

Balance at 31 March 2008

(156 473) 9 031

CONDENSED CONSOLIDATED BALANCE SHEET			
	Reviewed	Reviewed	Audited
	31 March	31 March	30 Sept
	2008	2007	2007
	R'000	R'000	R'000
Assets			
ntangible assets	1 097 309	1 092 869	1 097 309
Equipment	11 895	7 031	9 171
nvestment in associate	1 960		1 960
Deferred tax asset	3 854	3 188	1 872
Investments backing policyholder funds and investments held			
through investment partnerships	19 805 338	17 542 785	18 482 686
Financial assets available-for-sale	41 865	73 485	66 804
Financial assets at fair value through profit or loss	14 966	74 767	31 154
Trade and other receivables	108 607	119 084	168 265
Cash and cash equivalents	120 423	236 211	119 134
Total assets	21 206 217	19 149 420	19 978 355
Liabilities	-		
Interest-bearing borrowing	115 777	132 625	125 765
Deferred tax liabilities	28 509	64 235	47 788
Policyholder investment contract liabilities and liabilities to holders			
of interests in investment partnerships	19 777 104	17 481 183	18 437 426
Income tax payable	86 979	72 235	108 702
Trade and other payables	215 927	191 651	245 914
Total liabilities	20 224 296	17 941 929	18 965 595
Net assets	981 921	1 207 491	1 012 760
		. ==: .7.	
Total equity attributable to equity holders of the company	975 436	1 201 405	1 008 362
Minority interest	6 485	6 086	4 398
Total equity	981 921	1 207 491	1 012 760

	Six months	Six months	Full year
	reviewed	reviewed	audited
	31 March	31 March	30 Sept
	2008	2007	2007
	R'000	R'000	R'000
Profit for the period	90 268	127 170	284 606
Income tax expense	64 970	96 052	196 249
Non-cash and other adjustments	13 870	(23 463)	9 678
Operating profit before changes in working capital	169 108	199 759	490 533
Working capital changes	29 671	38 839	35 540
Cash generated from operations	198 779	238 598	526 073
Interest paid	(8 039)	(6 712)	(13 167)
Income taxes paid	(90 928)	(75 359)	(158 448)
Net cash from operating activities	99 812	156 527	354 458
Net cash from investing activities	45 405	26 559	86 848
Net cash used in financing activities	(157 430)	(193 810)	(568 756)
- distributions to shareholders	(156 473)	(186 137)	(257 375)
– other	(957)	(7 673)	(311 381)
Net decrease in cash and cash equivalents	(12 213)	(10 724)	(127 450)
Cash and cash equivalents at beginning of period	119 134	253 590	253 590
Exchange rate adjustments	13 502	(6 655)	(7 006)
Cash and cash equivalents at end of period	120 423	236 211	119 134

		Afric	ca		Interna	tional		Grou	р
	Six months reviewed		Full year audited	Six months reviewed		Full year audited	Six months reviewed		Full year audited
R'000	31	March	30 Sept	31 M	March	30 Sept	31	March	30 Sep
	2008	2007	2007	2008	2007	2007	2008	2007	200
Segment revenue	368 963	379 788	880 241	52 141	42 736	81 755	421 104	422 524	961 996
Segment results	137 130	154 297	384 323	14 916	11 025	13 184	152 046	165 322	397 50

	Six months reviewed	Six months reviewed	Full year audited
	31 March 2008	31 March 2007	30 Sept 2007
Weighted average number of ordinary shares in issue	204 507 005	252 404 007	240 000 005
during the period Neighted average number of ordinary shares potentially in issue	321 597 285 356 936 439	353 181 887 393 841 193	348 893 885 386 441 246
	R'000	R'000	R'000
Earnings attributable to shareholders	90 268	127 170	284 606
Minority interest Dividend on convertible cumulative redeemable preference shares	(2 087)	(161)	(571) (149)
Earnings attributable to ordinary shareholders	88 181	127 009	283 886
Profit on disposal of financial assets available-for-sale	(2 459)	(4 448)	(6 024)
Profit)/loss on disposal of equipment Profit on disposal of investment in subsidiary	(103)		56 (48)
Headline earnings attributable to ordinary shareholders	85 619	122 561	277 870
Actual number of shares in issue at the end of the period	323 369 480	355 440 728	320 732 799

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. Basis of preparation and accounting policies

The financial information has been prepared in accordance with the recognition and measurement principles of International Financial Reporting Standards (IFRS), the disclosure and presentation requirements of IAS 34 Interim Financial Reporting, the requirements of the South African Companies Act, Act 61 of 1973, as amended, and the Listings Requirements of the JSE Limited. The condensed consolidated financial statements do not include all of the information required for full annual financial statements.

The accounting policies applied in the presentation of the condensed consolidated interim financial statements are consistent with those applied for the year ended 30 September 2007.

These condensed consolidated interim financial statements have been prepared in accordance with the historical cost convention except for certain financial instruments which are stated at fair value. The condensed consolidated interim financial statements are presented in rand, rounded to the nearest thousand.

(156 473) 9 031 975 436 6 485 981 921

The group, in the ordinary course of business, entered into various sale and purchase transactions on an arm's length basis at market rates with related parties.