Readability of Annual Reports of Listed South African Companies and the Adoption of Integrated Reporting

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A research report submitted to the Faculty of Commerce, Law and Management, University of the Witwatersrand, in partial fulfilment of the requirements for the degree of Master of Business Administration

Johannesburg, 2012

ABSTRACT

Annual reports are an important tool for communicating the well-being of listed companies and providing information on the basis of which stakeholders should be able to make informed economic decisions. However, many studies have shown that many annual reports are written in complex language which renders them difficult to read.

Some stakeholders have therefore been hindered from fully utilising information relevant to economic decision-making. Suggestions have been made that management have a tendency to opportunistically use readability to emphasise good performance and obfuscate bad performance. Loss of trust between business and society has resulted. Pressure to build more requirements into business reporting has increased. The idea of simplifying reporting under a consistent banner – Integrated Reporting (IR) - has thus taken centre stage in the global agenda in recent times. South Africa's Johannesburg Stock Exchange (JSE) has led the way by making it compulsory for listed companies to either present annual reports in an integrated format or provide an explanation for non-compliance.

This research uses standard readability formulas to assess the level of readability of annual reports of listed companies in South African pre-and post the adoption of integrated reporting by the JSE. Furthermore, it establishes whether these reports are written in a style that makes them difficult or easy to read and whether this has improved with the implementation of integrated reporting. The link between profitability and readability levels is also investigated. The Chairperson's statement and Review of operations' sections of 2009 and 2010 year-end reports of the 40 selected companies listed on the FTSE/JSE Top 40 index were used as narrative passages for readability formula scoring. Repeated measures design was adopted in collecting data and the readability score of each company was measured in both 2009 and 2010.

The study found that annual reports ranged from difficult to very difficult levels of readability in 2009 and in 2010. Not enough evidence was obtained to suggest that an improvement in readability occurred post implementation of integrated reporting. Furthermore, no persuasive evidence was obtained to suggest a positive correlation between company performance and readability levels. Persuasive evidence was obtained to suggest that larger companies performed better in terms of readability levels in 2010 than they did in 2009 while the reverse was true for smaller companies. The results indicate that listed companies in SA are not communicating effectively to some of the stakeholders and that this was the case even before the implementation of IR. The implications are that the majority of the adult SA population continue to be excluded from making rational economic decisions.

DECLARATION

I, Welekazi Cele, declare that this research report is my own work except as indicated in the references and acknowledgements. It is submitted in partial fulfilment of the requirements for the degree of Master of Business Administration in the University of the Witwatersrand, Johannesburg. It has not been submitted before for any degree or examination in this or any other university.

Welekazi Cele

Signed at ……………………………………………………

On the …………………………….. day of ………………………… 2012

DEDICATION

To the memory of my dear father, Mvuselelo Isau Ndlebe "Aah Dlangamandla!"
and to my dear mother, Busiswa Priscilla Nozoyise "Nodwengu!"

ACKNOWLEDGEMENTS

This work would not have been possible without the assistance of many people:

My sincere gratitude is to my supervisor Douglas Taylor for his invaluable assistance, encouragement and guidance. I am greatly indebted to Prof. Gregory Lee for his patience and resolve to find the best possible methodology to do justice to the data.

To my employer, Hatch, thank you for the financial support and time off to attend to my studies.

Mduduzi, my husband, 'classmate' and study partner, thank you for those long brainstorming and proof-reading sessions. Most importantly, thank you for your love, patience and tremendous emotional support throughout my studies "Khumbuza"!

Kaya, thanks for being a model big sister. Nomthandi and Zuks, I knew I could always count on you whenever I needed to. Pelo, thank you for believing in me. Thank you for your encouragement Matolo.

To my children, Sakhe and Khethelo, thank you for your love and patience.

Sinki, I could not have done this without your help. Thank you for taking good care of us.

My dear Dabs, Harriet Ndlebe, enkosi Tolokazi for your support and love. I know how proud you are of our achievements.

Tata wam, Dlangamandla, I will always be grateful for the faith you and Mama always had in me. Your encouragement and tremendous support has carried me over the years. I salute you!

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TABLE OF CONTENTS

ABSTRACT II

DECLARATION IV

DEDICATION V

ACKNOWLEDGEMENTS VI

LIST OF TABLES XI

LIST OF FIGURES XII

CHAPTER 1: INTRODUCTION 1

1.1 PURPOSE OF THE STUDY 1
1.2 CONTEXT OF THE STUDY 1
1.3 PROBLEM STATEMENT 4
1.3.1 MAIN PROBLEM 4
1.3.2 SUB-PROBLEMS 5
1.4 SIGNIFICANCE OF THE STUDY 5
1.5 DELIMITATIONS OF THE STUDY 6
1.6 DEFINITION OF TERMS 7
1.7 ASSUMPTIONS 7

CHAPTER 2: LITERATURE REVIEW 9

2.1 INTRODUCTION 9
2.2 EFFECTIVE BUSINESS COMMUNICATION, READABILITY AND THE OBJECTIVES OF CORPORATE ANNUAL REPORTING 9
2.3 PRIOR RESEARCH ON READABILITY OF CORPORATE ANNUAL REPORTS 11
2.4 PRIOR RESEARCH ON MEASURING READABILITY IN CORPORATE ANNUAL REPORTS 12
2.5 INTEGRATED REPORTING AND READABILITY 17
2.5.1 THE SA CONTEXT OF IR 18
2.6 INTEGRATED REPORTING AND READABILITY 20
2.6.1 HYPOTHESIS 1, 2 AND 3 21
2.7 PROFITABILITY AND READABILITY LEVELS OF LISTED COMPANIES IN SA 22
2.7.1 HYPOTHESIS 4 AND 5 23
2.8 CONCLUSION OF LITERATURE REVIEW 23

2.8.1 HYPOTHESIS 1: 24
2.8.2 HYPOTHESIS 2: 24
2.8.3 HYPOTHESIS 3: 24
2.8.4 HYPOTHESIS 4: 25
2.8.5 HYPOTHESIS 5: 25

CHAPTER 3: RESEARCH METHODOLOGY 26

3.1 RESEARCH METHODOLOGY /PARADIGM 26
3.2 RESEARCH DESIGN 27
3.3 POPULATION AND SAMPLE 28
3.3.1 POPULATION 28
3.3.2 SAMPLE AND SAMPLING METHOD 29
3.4 THE RESEARCH INSTRUMENT 29
3.5 PROCEDURE FOR DATA COLLECTION 30
3.6 DATA ANALYSIS AND INTERPRETATION 31
3.7 LIMITATIONS OF THE STUDY 32
3.8 VALIDITY AND RELIABILITY 33
3.8.1 EXTERNAL VALIDITY 33
3.8.2 INTERNAL VALIDITY 34
3.8.3 CONSTRUCT VALIDITY 35
3.8.4 RELIABILITY 35

CHAPTER 4: PRESENTATION OF RESULTS 36

4.1 INTRODUCTION 36
4.2 DEALING WITH THE ASSUMPTION OF NORMAL SAMPLING DISTRIBUTION 36
4.2.1 SAMPLE SIZE 36
4.2.2 HISTOGRAMS AND P-P PLOTS 37
4.2.3 QUANTIFIED MEASURES FOR NORMAL SAMPLING DISTRIBUTION 44
4.3 RESULTS PERTAINING TO HYPOTHESIS 1 45
4.3.1 CFP1-09 VERSUS CFP1-10 47
4.3.2 CFP2-09 VERSUS CFP2-10 47
4.3.3 CFP3-09 VERSUS CFP3-10 47
4.3.4 CLP1-09 VERSUS CLP1-10 47
4.3.5 CLP2-09 VERSUS CLP2-10 48
4.3.6 CLP3-09 VERSUS CLP3-10 48
4.3.7 RFP1-09 VERSUS RFP1-10 48
4.3.8 RFP2-09 VERSUS RFP2-10 49
4.3.9 RFP3-09 VERSUS RFP3-10 49
4.3.10 RLP1-09 VERSUS RLP1-10 49
4.3.11 RLP2-09 VERSUS RLP2-10 50
4.3.12 RLP3-09 VERSUS RLP3-10 50
4.4 RESULTS PERTAINING TO HYPOTHESIS 2 50
4.5 RESULTS PERTAINING TO HYPOTHESIS 3 52
4.6 RESULTS PERTAINING TO HYPOTHESIS 4 AND 5 53
4.6.1 CFP1-09 AND CFP1-10 55
4.6.2 CFP2-09 AND CFP2-10 55
4.6.3 CFP3-09 AND CFP3-10 55

4.6.4 CLP1-09 AND CLP1-10 55
4.6.5 CLP2-09 AND CLP2-10 56
4.6.6 CLP3-09 AND CLP3-10 56
4.6.7 RFP1-09 AND RFP1-10 56
4.6.8 RFP2-09 AND RFP2-10 56
4.6.9 RFP3-09 AND RFP3-10 57
4.6.10 RLP1-09 AND RLP1-10 57
4.6.11 RLP2-09 AND RLP2-10 57
4.6.12 RLP3-09 AND RLP3-10 58
4.6.13 SIGNIFICANT INTERACTIONS 58
CLP1-09 AND CLP1-10 WITH MCAP10 58
RFP1-09 AND RFP1-10 WITH MCAP10 60
RFP3-09 AND RFP3-10 WITH MCAP10 61
RLP3-09 AND RLP3-10 WITH MCAP10 63
RFP1-09 AND RFP1-10 WITH MCAP09 64
CLP2-09 AND CLP2-10 WITH EP09 66
CFP2-09 AND CFP-210 WITH EP09 68
4.7 CONCLUSIONS PERTAINING HYPOTHESIS 1 69
4.8 CONCLUSIONS PERTAINING HYPOTHESIS 2 73
4.9 CONCLUSIONS PERTAINING HYPOTHESIS 3 74
4.10 CONCLUSIONS PERTAINING HYPOTHESIS 4 75
4.11 CONCLUSIONS PERTAINING HYPOTHESIS 5 75
4.12 CONCLUSIONS PERTAINING COMPANY SIZE VERSUS READABILITY 76
4.13 SUMMARY OF THE RESULTS 77

CHAPTER 5: DISCUSSION OF THE RESULTS 80

5.1 INTRODUCTION 80
5.2 DISCUSSION PERTAINING TO HYPOTHESIS 1 80
5.3 DISCUSSION PERTAINING TO HYPOTHESIS 2 AND 3 82
5.4 DISCUSSION PERTAINING TO HYPOTHESIS 4 AND 5 84
5.5 OTHER FINDINGS 86
5.6 CONCLUSION 87

CHAPTER 6: CONCLUSIONS AND RECOMMENDATIONS 89

6.1 INTRODUCTION 89
6.2 CONCLUSIONS OF THE STUDY 89
6.3 RECOMMENDATIONS 90
6.4 SUGGESTIONS FOR FURTHER RESEARCH 91

REFERENCES 92

APPENDIX A 97

APPENDIX B 116

APPENDIX C **136**

APPENDIX D **156**

APPENDIX E **177**

LIST OF TABLES

Table 1: Flesch pattern of reading ease 14

Table 2: Readability indices derived using the FOG index 15

Table 3: Predetermined Lix scores 16

Table 4: Skewness and Kurtosis of variables 44

Table 5: Transformed variables for normality 45

Table 6: Means, standard deviations, summary of dependent-means t-test, the Wilcoxon signed-ranks and one-way repeated-measures[c] 45

Table 7: One sample t-test results 2009[c] 51

Table 8: One-sample t-test results 2010c 52

Table 9: Interaction between readability and corporate attributes - EP and MCAP 53

Table 10: Descriptive statistics for significant interaction of CLP1 and MCAP10 58

Table 11: Descriptive statistics for significant interaction of RFP1 and MCAP10 60

Table 12: Descriptive statistics for significant interaction of RFP3 and MCAP10 61

Table 13: Descriptive statistics for significant interaction of RLP3 and MCAP10 63

Table 14: Descriptive statistics for significant interaction of RFP1 and MCAP09 64

Table 15: Descriptive statistics for significant interaction of CLP2 and EP09... 66

Table 16: Descriptive statistics for significant interaction of CFP2 and EP09 .. 68

Table 17: Readability levels of corporate annual reports in comparable studies 83

Table 18: Summary of earlier literature on the relationship between performance and readability of annual reports 85

LIST OF FIGURES

Figure 1: Histograms (left) and P-P plots (right) of the difference in readability scores of each paragraph 43

Figure 2: CLP1 interaction with MCAP10 59

Figure 3: RFP1 interaction with MCAP10 60

Figure 4 :RFP3 interaction with MCAP10 62

Figure 5: RLP3 interaction with MCAP10 63

Figure 6: RFP1 interaction with MCAP09 65

Figure 7: CLP2 interaction with EP09 67

Figure 8: CFP2 interaction with EP09 68

Figure 9: Overall mean Flesch readability scores 71

Figure 10: Overall mean Lix readability scores 72

CHAPTER 1: INTRODUCTION

1.1 Purpose of the study

The purpose of this research was to assess the impact of integrated reporting on the levels of readability of annual reports issued by a selection of listed companies in South Africa. The research compared the levels of readability of corporate annual reports pre-and post implementation of integrated reporting to establish whether a difference existed. In addition, the research sought to establish whether corporate profitability was linked to readability and whether such a relationship changed post implementation of integrated reporting.

1.2 Context of the study

The effort to make corporate annual reporting relevant and fit for purpose has gone on for many years. Traditionally, corporate annual reports have been characterised by lengthy and complex communication (Courtis, 1987). As recently as 2009, a major international bank presented a 166 page-long annual report (Braun, Hannich and Reader, 2011). Many in the profession have questioned such scale of reporting and its overwhelming nature to the intended audience. The question is whether it is in fact counter-productive to its intended use and exceeding the capabilities of the intended audience to absorb and understand corporate annual reports. Literature (Courtis, 1998; Clatworthy and Jones, 2001) has even suggested that management have a tendency to opportunistically choose reading ease of corporate annual reports to emphasise good performance and obfuscate bad performance (Li, 2008).

Some researchers have justified low levels of readability in corporate annual reports as being based on the required level of ‘accounting sophistication’ from the audience (Smith and Taffler, 1992). Some have maintained that obfuscation is not necessarily deliberate and have blamed the delicate balance between producing legally compliant reports and ensuring high levels of readability (Courtis, 1987). However, whether deliberate or not, the implication has been that at least some stakeholders are hindered from fully utilising information relevant to economic decision-making. This is in sharp contrast to the objectives of corporate annual reporting described by the International Financial Reporting Standards (IFRS) framework. This framework describes the objective of corporate annual reports as the provision of a wide range of users with information about the financial position, performance and changes in the financial position of the firm in order to assist their economic decision-making process (IFRS, 2010) .

Over recent decades, business reporting has evolved to incorporate more and more regulatory requirements as the effort to make annual reports relevant continues. Following a series of global corporate scandals in the 2000s involving companies such as Enron and WorldCom in the United States of America, Independent Insurance and Marconi in the United Kingdom, Elan in Ireland, Kirch in German, HIH insurance and OneTel in Australia, the first wave was the focus on corporate governance practices (Rutherford, 2003; Hill, 2005). Voluntary and statutory codes were heightened progressively and this was followed by more stringent reporting requirements. The next wave was a growing interest on Corporate Social Responsibility (CSR) which has recently developed into a broader framework on business sustainability. The move towards convergence of international accounting standards, under the auspices of the IFRS, the proposals regarding the triple bottom line (which involves exercising and reporting on corporate governance with due regard to the organisation's actions on three aspects - the people, the planet and profit) and the even more recent move to integrated reporting demand further changes to the reporting process. The high frequency of financial crises in recent times (Bordo, Eichengreen, Klingebiel and Martinez-Peria, 2001), with the latest being the global financial crises which emerged from the United States of America (USA) in 2007/2008 (IMF, 2009), saw many companies suddenly collapse despite annually providing information about their economic positions. These events have heightened mistrust between business and society and thus provided the impetus for reform and calls for tightened regulation and a globally integrated framework of financial accounting and reporting (Rutherford, 2003; Cheng, Eccles and Saltzman, 2010). In response, the International Integrated

Reporting Committee (IIRC) was formed in July 2010 (SustainabilitySA, 2011b). In September 2011, the committee issued its first discussion paper on a framework of integrated reporting as part of an effort to develop an internationally acceptable framework (IIRC, 2011).

South Africa has led the way in these developments. In February 2010, South Africa’s Johannesburg Stock Exchange (JSE) made it compulsory for listed companies to either present annual reports in an integrated format for the financial year starting on and after 1 March 2010 or provide an explanation for non-compliance (SustainabilitySA, 2011c). The Integrated Reporting Committee South Africa (IRCSA) was established in May 2010 to provide guidance on integrated reporting (SustainabilitySA, 2011a). Although balancing complexity and compliance is likely to pose even more challenges to such changing requirements, the main issue is making annual reports relevant or fit for purpose. Maintaining a focus on end-user requirements is therefore likely to continue to take centre stage. These stakeholders – shareholders, new investors, employees, suppliers, creditors, bankers, regulators, analysts, industry professionals, unions, stock exchanges, monitoring agencies, members of the public - may have different perspectives to reading annual reports but one thing they should have in common is the need for clear, simple, brief, timely, credible, accessible and comprehensible information from corporate annual reports. Comprehensive reporting and reporting in prose format (specifically clear and concise reporting) has been emphasised under the framework and guiding principles of the new integrated reporting format (IIRC, 2011; IRC, 2011). Balancing comprehensiveness and improving reading ease is likely to be a delicate balance in integrated reporting.

The economic empowerment, through means such as Broad Based Black Economic Empowerment (BBBEE), of the previously disadvantaged population has been a major feature of the political landscape in South Africa (dti, 2011). This is against the backdrop of only 14% of the black majority, 17% of coloureds and 40% of Indians (all classified as previously disadvantaged) having obtained high school or higher qualifications (SAInfo, 2011). By 2012, 13.3% blacks, 14.8% coloureds and 45% Indians had obtained these levels of education

(SAInfo, 2012). On the other hand, literature has suggested the required average level of education for corporate annual report to be college level (Courtis, 1987). The implications for South Africa, and many countries in a similar position, are that many participants may be excluded from making informed economic decisions about companies they have invested in. Improving the level of readability of corporate annual reports would therefore be even more beneficial to South Africans.

This research, therefore, aimed to assess, using readability formulas, the level of readability of annual reports of listed companies in South African pre-and post the adoption of integrated reporting by the JSE. The research sought to establish whether annual reports of a selection of listed companies were written in a style that makes them either difficult or easy to read and whether this had improved or deteriorated after the implementation of integrated reporting by the JSE. In addition, the research sought to establish whether profitability as a corporate attribute had any relationship with readability levels.

1.3 Problem statement

1.3.1 *Main problem*

The research assesses, using readability formulas, the impact of integrated reporting on the levels of readability of annual reports of a selection of listed companies in South African. The research seeks to establish whether corporate annual reports are written in a style that makes them either difficult or easy to read and whether this has improved or deteriorated after the implementation of integrated reporting by the JSE. In addition, the study seeks to establish whether there is any association between corporate profitability and particular readability levels and whether such a relationship changed post the implementation of integrated reporting.

1.3.2 *Sub-problems*

The first sub-problem is to assess the readability levels of corporate annual reports pre-and post implementation of integrated reporting. The results obtained for the two periods are compared.

The second sub-problem is to assess whether a relationship exists between corporate annual report readability levels and corporate profitability. In addition, the research assesses whether such a relationship changed post the implementation of integrated reporting.

1.4 Significance of the study

The study fills a gap in that it makes a contribution to the body of literature on the readability of corporate annual reports. The focus is on readability as a fundamental and necessary factor in the quality of reporting. It also sheds light on the effect of adopting integrated reporting on readability levels of corporate annual reports. Early indications are that this form of reporting was introduced to enhance the usefulness of annual reporting. The focus is on South Africa as one of the early adopters of this form of reporting. The study is therefore relevant even at this early stage in order to assess whether the objective of enhancing reporting is being achieved or not. In addition, no previous study has been found which provides empirical evidence to support the impact this form of reporting has on the readability levels of corporate annual reports.

The study adds a voice to the debate around making corporate annual reporting relevant. It also contributes to the debate around the agency problem and information asymmetry. The unique knowledge base that management have about the company could create information asymmetry which leads to capital market inefficiencies. Effective communication on corporate annual reports may be used strategically by management to mitigate this problem (Bushman and Smith, 2001; Verrecchia, 2001).

The study also provides South African listed companies with a yard-stick which will show how effective their communication is to the targeted constituencies of corporate annual reports. Negative findings on readability levels could help to promote company focus on readability levels and encourage them to work harder to improve this status.

1.5 Delimitations of the study

Writing elements typically include content, format, organisation and style. Only the latter, however, has been incorporated into readability formulas (Courtis, 1995) and therefore the study focuses solely on this element. Syntactic difficulty analysis of corporate annual report text of listed South African (SA) companies as indicated by an increase in syntactical complexity rather than content analysis will be the focal point. The orientation is therefore towards form rather than meaning.

The study does not measure readability directly (through, for instance, the judgements of corporate annual report readers) but rather measures readability using formulas. It therefore assesses relative readability rather than absolute readability (Klare, 1974; Li, 2008) .

The entire assessment is limited to narratives. Specifically, the Chairperson's statements and the Review of operations, rather that the entire corporate annual reports are analysed. This choice is partly because literature has indicated narratives to be the most read sections of corporate annual reports (Smith and Taffler, 1992; Bartlett and Chandler, 1997; Courtis, 2004). Narratives have also been found to be generally universally used and in many cases not as thoroughly scrutinised by auditors as the financial section and therefore open to obfuscation (Courtis, 1998; Clatworthy and Jones, 2001).

Earnings yield is used as a measure of profitability. This measure has been chosen because of its simplicity and universal use.

The year 2009 has been chosen to represent the pre-implementation period of integrated reporting by listed companies and 2010 to represent the post implementation period.

1.6 Definition of terms

- Readability refers to levels of readability in written text as predicted by counts of language elements – words and sentences (Klare, 1974). Two formulas, FLESCH and LIX, are used to predict readability levels. Scores higher than 60 using the FLESCH index are consistent with high levels of readability and lower scores indicate text that is difficult to read. LIX scores lower than 50 are consistent with difficult to read text while higher scores indicate high levels of readability.

- Earning yield is defined as earnings per share (EPS) for the most recent 12 months after allowing for tax and interest payment, expressed as a percentage of current market share price. An earnings yield is the inverse of the P/E ratio and shows the percentage amount invested that was earned back by the company.

- More profitable and less profitable firms are distinguished on the basis of E/P ratio. This ratio is calculated from financial statements of each of the 40 companies for the years 2009 and 2010. Companies are then ranked and divided into tertiles of low, medium and high profit levels.

1.7 Assumptions

- Various authors (Smith and Smith, 1971; Jones, 1988; Smith and Taffler, 1992) argue for a distinction between readability and understandability while others claim a link exists between the two (Courtis and Hassan, 2002). These claims are beyond the scope of this study. Therefore in the context of this study readability may or may not be equivalent to understandability.

- The readability scores measured by the study are assumed to be indicative of the responses from various corporate annual report stakeholders regarding readability levels.

- The measures used (FLESCH and LIX) assume that the text is well formed and logical. These measures capture text complexity as a function of syllables per word and words per sentence

- The study assumes that earning yield is a reasonable measure of company performance i.e. profitability.

CHAPTER 2: LITERATURE REVIEW

2.1 Introduction

In reviewing the literature, readability in the context of effective business communication and the objectives of corporate annual reporting provides the background. Prior research on the readability levels of corporate annual reports and its measurements are next reviewed. The concept of integrated reporting is then evaluated firstly in an international context and then the SA context. Next, the sub-problems - how this new form of reporting impacts upon readability levels and evaluating the relationship between profitability and readability levels - are considered. The literature review leads to five hypotheses and is concluded by highlighting key themes from the overall research.

2.2 Effective business communication, readability and the objectives of corporate annual reporting

Corporate reports are primary formal means of communicating annual business information to stakeholders (Courtis, 1987; Subramanian, Insley and Blackwell, 1993; Courtis, 1995). The report contents include both mandatory and voluntary quantitative and narrative information - detailed discussion about operations, financial statements and related notes and management discussions regarding expectations (Subramanian et al., 1993; Courtis, 1995). These reports can be expected to contain credible information (Courtis, 1995). Not only are they audited but they also contain regulated information and information that demonstrates management credibility in communicating objectively. The objective is to provide information that allows stakeholders to make informed economic decisions (Courtis, 1995; IFRS, 2010). For an example, information about the company's profitability or solvency allows suppliers and employees to make decisions regarding payment and job security respectively. Effectively communicating such information is therefore not a trivial issue.

Effective communication only occurs when the information intended by the sender is what is actually interpreted by the receiver (Courtis, 1987, 1995;

Courtis and Hassan, 2002). The usefulness of such information however depends partly on the complexity of display (readability) and the capability of the user to interpret the appropriate meaning (understandability) (Smith and Smith, 1971; Smith and Taffler, 1992; Jones, 1996). Indeed, links between effective communication, readability and understandability have been suggested.

Most researchers have, from early years, reached consensus that effective communication involves writing in a style that is easy to understand (Courtis, 1987; Subramanian et al., 1993). Writing clarity - a determinant of readability levels – is said to influence the speed, comprehension and accuracy by which content can be interpreted (Courtis and Hassan, 2002). Readability or reading ease (excluding animation, application of colour, pictorial content, and graphs) has been positively correlated with effective communication by the authors. Readability is defined as 'concerned with studying the problem of matching reader and text, and assessing the ease with which written material can be read' (Lewis, Parker, Pound and Sutcliffe, 1986). In other words, it assesses the extent to which written material is easy or difficult to read. A distinction has been made between readability and understandability or comprehensibility (Smith and Taffler, 2000; Clatworthy and Jones, 2001). It has been argued that, the probability of misunderstanding the intended message is greater when annual corporate reports are written at reading ease levels beyond the comprehension of readers (Courtis and Hassan, 2002). It therefore follows that to increase the probability of stakeholders correctly interpreting and understanding corporate annually reported information and thus meeting its objectives, requires management to improve levels of readability and therefore communication effectiveness. It is against this background that this research assesses the levels of readability of listed SA companies' corporate annual reports.

2.3 Prior research on readability of corporate annual reports

Corporate annual report readability has been studied as early as 1948 (Jones, 1988). Investigations cover many countries – Australia (Lewis et al., 1986), Canada, New Zealand, the UK (Jones, 1988; Smith and Taffler, 1992) and the USA (Soper and Dolphin, 1964; Smith and Smith, 1971).

In a number of these studies, levels of readability have been predicted on various components of corporate annual reports and business literature. The reading ease of the footnotes within the financial statements of 50 New Zealand firms was studied (Healy, 1977). The Forms10-Ks, annual reports and press releases by 10 NYSE firms in 1978 were studied and the differences in topics and information between them compared (Lebar, 1982). A review of the readability of 32 business studies – 26 corporate annual report narratives, 3 tax law and 3 accounting text books was conducted (Jones and Shoemaker, 1994). Shortly afterwards, another study looked at a Western versus Asian perspective (Courtis, 1995). Almost without exception, these studies found that readability within the Chairperson's address, the auditor’s report and footnotes was poor and, at a minimum, requiring one year of university undergraduate level education. Readability levels of bilingual versions of the Chairperson’s address have been studied with conflicting results (Courtis and Hassan, 2002).

The other research dimension has been the focus on content rather than form and highlights the distinction between understandability and readability (Smith and Smith, 1971; Jones, 1996). Stakeholders with varying degrees of accounting sophistication were considered to evaluate difficulties in interpreting reports of the chief executive officers. It was found that these narratives are understandable to the ‘sophisticated accounting user group’ (Smith and Taffler, 1992). Another form of readability research has focused on identifying associations between readability levels and corporate attributes such as profitability, size, leverage and industrial classification (Smith and Smith, 1971; Jones, 1988; Smith and Taffler, 1992; Subramanian et al., 1993; Jones and Shoemaker, 1994; Courtis, 1995; Courtis and Hassan, 2002; Li, 2008). These studies have been inconclusive and therefore further research is justified. The effect of time on reading difficulty of corporate annual reports has also been studied (Soper and Dolphin, 1964) with mixed results (Jones and Shoemaker, 1994).

2.4 Prior research on measuring readability in corporate annual reports

Readability formulas have been widely used to quantitatively predict readability levels in corporate annual reports written in the English language (Smith and Taffler, 1992; Subramanian et al., 1993; Courtis, 1995; Clatworthy and Jones, 2001; Courtis and Hassan, 2002; Li, 2008). These formulas have been found to be limited to estimating writing style rather than other writing elements such as content, format and organisation (Courtis, 1995). They have largely been popular because they are simple, quick and inexpensive (Courtis, 1987). They have been found to predict readability very well and, unlike judgements or comprehension tests, require no reader participation (Klare, 1974; Subramanian et al., 1993). Since there is no direct measurements involved, these formulas measure relative reading ease or difficulty (henceforth referred to as readability) rather than absolute readability (Klare, 1974; Li, 2008).

Two variables out of 80 that measure style have emerged as good indices for estimating readability in the context of financial statements: 1) Word length (WL), which is related to speed of recognition by the reader; 2) Sentence length (SL), which relates to the extent to which the reader recalls words in the immediate memory i.e. memory span (Subramanian et al., 1993; Courtis, 1995; Braun et al., 2011). Although complexity has been found to be the main cause of readability difficulty, length has been found to correlate very well with complexity, to be easier to measure and a good indicator of readability (Courtis, 1995). The approach to using readability formulas in corporate annual reports has been to calculate a readability score from selected passages, compare this score to validated pre-determined standards of readability and use such comparison to predict whether the message contained within the selected passage is likely to be readable by the intended audience (Courtis and Hassan, 2002). One end of the scale indicates scores for material that is very easy to read whereas the other end indicates scores for material that is very difficult to read (Courtis, 1995). Negative findings such as difficult or very difficult to read would therefore indicate cases where companies should look to improve to accomplish effective communication (i.e. short word and sentences). Caution has been extended that these formulas are limited to providing good indication of readability but do not provide 'causes of difficulty or say how to write readably' (Klare, 1974). It is therefore still the prerogative of management to decide on the appropriate levels of readability.

As early as 1964, 70 versions of readability formulas had been estimated (Courtis, 1995). Three of these formulas are worth elaborating on.

The Flesch formula

The Flesch formula has been the most widely used in corporate annual reports (Clatworthy and Jones, 2001; Courtis and Hassan, 2002). According to these authors, the Flesch formula was originally developed by Rudolph Flesch in 1948. This means this formula is over 60 years old. The original purpose was for the estimation of the reading ability of USA primary school children but has since been used globally to estimate both children's and adult's readability levels (Clatworthy and Jones, 2001). According to these authors, more modern versions, such as the Flesch–Kincaid formula have been developed and the formula is now available on most word-processing packages. The Flesch formula measures sentence length and number of syllables per 100 word-passages as follows:

FLESCH = 206.835 – 84.6 (total syllables / total words) -1.015 (total words/total sentences)

The predetermined scores are detailed in Table 1 below:

Table 1: Flesch pattern of reading ease

Reading ease rating	Description of style	Educational attainment level	Typical style of magazine
0-30	Very difficult	Postgraduate degree	Scientific
30-50	Difficult	Undergraduate degree	Academic
50-60	Fairly difficult	Grades 10-12	Quality
60-70	Standard	Grades 8-9	Digests
70-80	Fairly easy	Grade 7	Slick fiction
80-90	Easy	Grade 6	Pulp fiction
90-100	Very easy	Grade 5	Comics

Source: Courtis 1995

Based on the above table, the higher the score, the easier the readability and the lower the score the more difficult the material is to read. Corporate annual report readability scores have been found to lie below 50, and in some cases even below 30, indicating that at least undergraduate level education is required to comprehend them (Smith and Taffler, 1992).

The Flesch formula has however been criticised on several grounds. It is argued that this formula focuses only on the number of syllables and sentence length while other important attributes such as format, graphic design, logic, conceptual density and human interest are not considered (Courtis, 1998). Concerns have also been raised surrounding this formula's age and failure to evolve with time (Clatworthy and Jones, 2001). Its application to adult and technical documents such as corporate annual report content, considering its original application as a measure of primary school text, has been questioned. Interpretation of the results in terms of understandability instead of readability by some authors has received strong criticism. Despite these issues, by 1993, 20 out of 26 studies had used the Flesch formula to estimate the readability of corporate annual report content according to these authors. Its resilience is attributed to computational ease, understandability and good comparability (Courtis, 1998). It is further suggested that many of the main limitations could be overcome. For an example, using the formula as a relative measure instead of an absolute measure has been suggested (Clatworthy and Jones, 2001).

This research makes use of the Flesch formula to assess the relative readability of corporate annual reports of listed SA companies.

The Gunning Fog Index

The Gunning Fog index is a minor variation in that it counts only words of 3 or more syllables which are termed ‘hard words’ per 100 words (Smith and Taffler, 1992; Courtis, 1995). This formula was devised by Robert Gunning in 1952 (Klare, 1974) as follows:

FOG index = 0.4 (no. of words/sentence) + 100 (hard words/no. of words). The predetermined scores are detailed in Table 2 below:

Table 2: Readability indices derived using the FOG index

Category	Fog Index
Technical books	19.5
Scientific literature	17.0
Newspapers	13.7
Instruction manuals	12.6
General circulation magazines	9.7
Youth magazines	8.6

Source: Courtis 1995

Higher scores indicate low levels readability while low scores indicate high levels of readability. According to the above table, a score of 19.5 corresponds to technical literature and would exclude a significant number of corporate annual report stakeholders.

The main criticism for this formula has been on the ambiguity of the meaning of ‘hard words’ which include abbreviations, words having 3 or more syllables and symbols (Smith and Taffler, 1992). Despite this criticism the Gunning Fog index is one of the most popular formulas to measure readability. Due to these ambiguities and possible lack of reliability, this research does not further consider the use of this formula.

The Lix formula

The Lix formula was developed in Sweden (Courtis, 1987). This formula utilises both word and sentence variables as follows:

LIX = W + S where W is the percentage of words of seven or more letters. S is the average number of words per sentence.

Validated standards are detailed in Table 3 below:

Table 3: Predetermined Lix scores

Text difficulty	Lix score
Very easy	20-25
Easy	30-35
Medium	40-45
Difficult	50-55
Very difficult	60 +

Source: Courtis 1995

A low Lix score indicates high levels of readability. For an example, 20 represents very easy whereas 60 represents very difficult. The main advantage of the word factor in this case is that it can be gauged quicker by computing a percentage of words with seven or more letters. In addition to this, both word and sentence variables are weighed and added together to quickly determine which contributes more to reading difficulty. This formula has been found to be reliable and consistent over five languages (Smith and Taffler, 1992; Courtis, 1995). It is therefore reasonable to extend its use in this study.

General critique of readability formulas

The general limitations of readability formulas have been noted by various authors (Irwin and Davis, 1980; McConnell, 1982; Courtis, 1986). It has been noted that formulas do not consider the unusual positioning of sentence components or clauses (Dreyer, 1984). It is further suggested that readability formulas do not match the conceptual background of the reader and the complexity in the text which means that a formula score will mask the ability of poorly educated readers to understand the terminology better than well-educated readers. Despite these limitations, the technique has been justified by examining the validity of its data, i.e. the relationship between formula scores and estimates of readability arrived at from independent comprehensive testing. The Flesch and Fog Index formulas were found to have correlation coefficients of 0.70 and 0.59 respectively with the McCall-Crabbs Standard Test Lessons in Reading. The Lix measure, which is relatively new in annual report literature was found to improve speed and reliability of calculation, and to be a reliable and consistent measure across five languages, making it arguably preferable as a readability measure in an accounting environment (Smith and Taffler, 1992; Courtis, 1995).

2.5 Integrated reporting and readability

The pressure to build more requirements into business reporting has been mounting over time owing to society's loss of trust in business (Cheng et al., 2010). This loss of trust is not unjustified if one considers the scale at which businesses continue to fail unexpectedly while corporate reports are supposedly produced under generally acceptable accounting principles and while business reporting is becoming increasingly detailed. In the last two decades alone, business reporting has evolved to include corporate governance practices including executive salaries, Corporate Social Responsibility (CSR), sustainability and more recently integrated reporting. The global financial crisis of 2007/2008 seems to have been the final tipping point to the idea of simplifying reporting under a consistent banner – Integrated Reporting (IR). This is all in an effort to try and restore society's trust in business by providing a clear sense of business risks and opportunities to stakeholders (IIRC, 2011). According to the IIRC website, IR 'demonstrates the linkages between an organization's strategy, governance and financial performance and the social, environmental and economic context within which it operates'. By so doing, businesses will supposedly take more responsibility i.e. take sustainable decisions, enable stakeholders to have a clearer picture about how the organisation is really performing and therefore meet the objectives of corporate annual reporting. The IIRC website adds that since this report is the organisation's annual report, it should not only include insights into current organisational performance but also future performance.

An international committee was formed in July 2010 under the aegis of the Prince of Wales's Accounting for Sustainability Project (A4S) and the Global Reporting Initiative (GRI), International Federation of Accountants (IFAC), International Accountings Standards Board (IASB), UNEP Finance Initiative, UN Global Compact, Carbon Disclosure Standards Board (CDSB), International Organization of Securities Commissions (IOSC), and World Business Council for Sustainable Development (WBCSD) (SustainabilitySA, 2011b). Its mandate, as stated in the IIRC website, is to create a globally accepted framework for reporting which helps corporates develop more comprehensive and comprehensible annual reports and to meet the needs of a more sustainable and global economic model. Most importantly, the mission states that the information should be presented in a clear, concise, consistent and comparable format.

2.5.1 *The SA context of IR*

In SA, the King Committee headed by the current Chairperson of the IIRC Professor Mervin King, was constituted in 1992 to provide guidance on matters of corporate governance in line with international thinking (SAICA, 2010). The first report produced by this committee in 1994 (King I) marked the institutionalisation of corporate governance in SA. This report advocated an integrated approach to good governance and taking into account stakeholder interests, the practice of good financial, social, ethical and environmental practices. In 2002 the second report (King II) was issued and contained a Code of Corporate practices and Conduct on Corporate governance. King II introduced the idea of corporate citizenship and the notion of the triple bottom line. The recommendations of this report were incorporated into the Companies Act 71 of 2008. Some have been incorporated into the listing requirements on the JSE.

In 2009, about a year after the 2007/8 global financial crisis emerged, King III was released and argued that incremental changes towards sustainability are inadequate. The report advocated a fundamental shift which entailed organisations adopting integrated reporting. King III defined IR as ‘a holistic and integrated representation of the company’s performance in terms of both its finances and its sustainability’ (IRC, 2011). In essence IR was described as an organisation’s story which includes historical financial information and operating overviews as well as forward information that gives strategic direction and discusses targets, risks and opportunities in the medium and long term. The IR’s outlined main objective is to enable stakeholders to assess the ability of an organisation to create and sustain value based on financial, social, economic and environmental systems in the short, medium and long term. King III’s recommendation on integrated reporting was incorporated into the JSE listing requirements with the result that listed companies were obliged to either issue an integrated annual report starting on or after 1 March 2010, or to explain why they are not doing so. According to Professor King (Roberts, 2010), at the time South Africa was the only country to have required listed companies to issue integrated reports.

SA’s IR Committee (IRCSA) was formed in May 2010 with the mandate to provide guidance in integrated reporting to SA and to align to international initiatives. The committee includes a number of organisations - the Association for Savings & Investment South Africa (ASISA), Business Unity South Africa (BUSA), Institute of Directors in Southern Africa (IoDSA), JSE Ltd, SAICA (The South African Institute of Chartered Accountants), the Banking Association South Africa (BASA), the Chartered Secretaries Southern Africa (CSSA), the Principal Officers Association and the Government Employees Pension Fund. Professor Mervin King was invited to be its first Chairperson.

The IRCSA has recently (January 2011) issued a discussion paper on a framework to align to the international effort. An important feature of integrated reporting outlined in the discussion paper is the incorporation of clear language, concise overview and material information to enable stakeholders to assess the organisation’s performance in the short, medium and long term. Theoretically, if integrated reporting is adopted and these guidelines are followed, corporate annual reports can be expected to be more readable.

2.6 Integrated reporting and readability

A vast number of studies that made use of readability formulas to assess readability levels of corporate annual reports found these reports either difficult or very difficult to read and therefore ineffective in communicating to the targeted audience. Theoretically, if integrated reporting is adopted and the proposed guidelines on reporting such as the use of clear language, concise reporting and relevant information are followed, corporate annual reports can be expected to be more readable. A challenge however becomes how IR incorporates so many aspects - social, environmental, economic and financial - into one report in a comprehensive fashion while keeping it clear and concise. It has been over a year since the JSE required listed companies to issue integrated reports or explain transgressions in SA. It is therefore fitting that an attempt is made to establish whether integrated reporting has resulted in any improvements in the readability of corporate annual reports of listed SA companies. The Chairperson's statement and the Review of operations – sections included in corporate annual report are evaluated in this study as opposed to the entire corporate annual report.

Prior literature on narratives and readability

Research shows that narratives are the sections of corporate annual reports most extensively used by investors (Smith and Taffler, 1992; Clatworthy and Jones, 2006). Narratives have been found to be important complements of traditional financial and visual disclosures (Courtis, 2004) and to be some of the most widely read sections of corporate annual report by stakeholders (Jones, 1988; Courtis and Hassan, 2002; Clatworthy and Jones, 2006). It is suggested that typically, readers who prefer a condensed and straightforward review about recent events and indications about an organisation's future choose to read narratives (Courtis and Hassan, 2002). The Chairperson's statement is said to contextualise the company's performance, to highlight risks, growth, markets against its strategies and corporate responsibility. The Review of operations provides justifications for the organisation's past performance, its position and information required to understand the future direction of the company (Ernst&Young and Groupof100, 2008). An important observation about the two narratives is that although the Chairperson's statement is supposed to represent the views of the board and senior executives, it is typically written by an individual i.e. the Chairperson him/herself while the Review of operations typically comprises contributions from various company management teams especially in large and complex organisations. Narratives have been found to be obfuscatory by burying adverse news about the company through difficult writing styles (Courtis, 1998). It is further suggested that managers may obfuscate intentionally or obfuscation may arise when different people write different sections of financial reports (Courtis, 2004). It is also suggested that narratives provide useful information to discriminate between badly performing companies and those which are performing well (Smith and Taffler, 1995; Smith and Taffler, 2000). It is noted that this is particularly useful information when considering that traditionally, this section of corporate annual reports has been unaudited (Clatworthy and Jones, 2001; Clatworthy and Jones, 2003). These authors further suggest this presents scope for management to control and manipulate information provided on this section. In summary, prior literature indicates that narratives are a useful section of corporate annual reports for stakeholders. However, if narratives are open to manipulation and bias in terms of the information provided by management, their usefulness will be reduced.

After reviewing prior literature on readability and integrated reporting, this study tests the following hypotheses:

2.6.1 Hypothesis 1, 2 and 3

H1: The mean annual report readability score of SA listed companies significantly improved between 2009 and 2010.

H2: Annual reports of SA listed companies were significantly fairly easy to read in 2009.

H3: Annual reports of SA listed companies were significantly fairly easy to read in 2010.

2.7 Profitability and readability levels of listed companies in SA

The management obfuscation hypothesis suggests that if markets delay reaction to information that is less easily extracted from annual reports, then management have an incentive to obfuscate when company performance is not good (Clatworthy and Jones, 2001; Bloomfield, 2002; Bloomfield, 2008; Li, 2008). In other words management may use obfuscation as a form of perception engineering (Courtis and Hassan, 2002). It is further suggested that managers may obfuscate intentionally to lessen stakeholder anxiety about the impact of environmental changes on the organisation or obfuscation may arise when different people write different sections of financial reports (Courtis, 2004). However, several studies on the association between readability levels (i.e. extent to which firms are forthcoming in disclosing information in an easily readable manner) of corporate annual reports and corporate performance in terms of profitability have found mixed and inconclusive results. Sixty studies on the Chairperson's section of corporate annual reports from two groups of profitable and unprofitable companies found, based on absolute net profits, that narrative sections of profitable companies are easier to read than those of companies that performed poorly (Subramanian et al., 1993).

The English sections of Hong Kong corporate annual reports was examined to test whether the Chairperson's statement and footnotes of more profitable companies were easier to read than those of less profitable companies based on the return on investment - net income/total assets (Courtis, 1995). The results of the study were inconclusive and the author attributes this to the small sample size. Operating and financial reviews were used to examine whether poorly performing companies use textual complexity to undermine effective communication and good governance and no evidence of obfuscation was obtained (Rutherford, 2003). Most recently, a test on management obfuscation hypothesis found the annual reports of firms with lower earnings to be harder to read than those of firms with more persistent positive earnings (Li, 2008). The contradictory nature of the findings pertaining to profitability and its association to readability levels suggests a further probe on this relationship is appropriate. This study therefore seeks to assess this relationship. As such, the following hypotheses are tested:

2.7.1 Hypothesis 4 and 5

H4: Annual reports of more profitable SA listed companies were significantly easier to read than annual reports of less profitable SA listed companies in 2010

H5: Annual reports of more profitable SA listed companies were significantly easier to read than annual reports of less profitable SA listed companies in 2009

2.8 Conclusion of literature review

Extensive research on the readability of corporate annual reports has focused on predicting whether these reports are likely to be readable by a targeted audience and whether readability is open to obfuscation by management to mask adverse corporate performance. Narratives – Chairperson's statement, auditor's report, footnotes to financial statements and management discussion - have all been subjected to readability analysis. Of the many narratives, the Chairperson's statement has emerged as one of the universally read and used sections of corporate annual reports and as result, its readability levels have been extensively measured in literature. Almost without exception, research spanning over 50 years and covering many countries has found readability levels ranging from difficult to very difficult. Mixed results have been found when confirming the theory of management obfuscation.

SA's listing authority - the JSE - has recently obliged listed companies to either issue annual reports in an integrated format starting on or after 1 March 2010 or explain why this has not been done. SA was the first country to require companies to adopt this form of reporting. Integrated reporting advocates making use of clear language, concise and relevant information when reporting. Its adoption can therefore be expected to improve reading ease of annual reports for listed companies. It has been over a year since obliging companies to make use of integrated reporting. It is therefore fitting to evaluate whether the expected improvements in terms of readability in this new form of corporate reports have been realised. This study therefore makes use of readability formulas - the FLESCH and LIX - to assesses the trend of annual report readability for listed companies in SA in 2009 (pre-enactment of integrated reporting) and 2010 (post-enactment of integrated reporting). Overall readability scores for 2009 and 2010 are compared to determine whether improvement or deterioration took place between these two years. This is tested in the first three hypotheses which posit that improvements occurred. A second line of enquiry is to assess whether profitability has any relationship with particular readability levels pre- and post-integrated reporting implementation. This is tested through hypotheses 4 and 5. The five hypotheses are listed below:

2.8.1 Hypothesis 1:

H1: The mean annual report readability score of SA listed companies significantly improved between 2009 and 2010

2.8.2 Hypothesis 2:

H2: Annual reports of SA listed companies were significantly fairly easy to read in 2010.

2.8.3 Hypothesis 3:

H3: Annual reports of SA listed companies were significantly fairly easy to read in 2009.

2.8.4 Hypothesis 4:

H4: Annual reports of more profitable SA listed companies were significantly easier to read than annual reports of less profitable SA listed companies in 2010

2.8.5 Hypothesis 5:

H5: Annual reports of more profitable SA listed companies were significantly easier to read than annual reports of less profitable SA listed companies in 2009

CHAPTER 3: RESEARCH METHODOLOGY

This section outlines the methodology used to conduct the study. The research paradigm is firstly discussed, followed by a review of the research design, sampling approach and the research instrument deployed. Data collection and analysis are then discussed concluding with a review of validity and reliability issues.

3.1 Research methodology /paradigm

Quantitative techniques have been used to analyse the scoring data obtained from readability formulas – FLESCH and LIX. Quantitative techniques explain the causes of changes in facts through objective measurements and quantitative analysis (Firestone, 1987). This has been contrasted with qualitative techniques which emphasise individual or collective involvement in socially constructing reality. It has been suggested that the advantage of the quantitative method is the detachment of the researcher which helps to avoid bias. It has further been noted that within the quantitative paradigm, showing how bias and error are eliminated is an important persuasion tool within the research design (such as correlation and experimental designs) and through the research instrument.

By establishing a quantum, the quantitative study evaluates the magnitude of relationships more precisely than the qualitative method. The major downside of the quantitative technique provided is the abstraction of obtained results. This pertains to the confidence in the obtained results which accrues from the researcher's comfort with the methods used to sample, measure and interpret variables in relation to the issues of interest and the general design of the study. This last point emphasises the importance of deploying correct sampling methods, good research design and applying the appropriate methodology.

3.2 Research Design

A research design is defined as a strategy for answering questions, confirming propositions and testing hypotheses that stimulated a study (Pinsonneault and Kraemer, 1993). This study makes use of secondary data research to test the hypotheses. Secondary data is defined as data gathered by other parties and not necessarily for the study at hand (Cowton, 1998). This data is collected from sources such as governmental and regulatory bodies, companies, the press, other academic researchers, private reports (e.g. internal company reports). This research adopts a longitudinal design. Annual reports of 40 SA listed companies that make up the FTSE/JSE Top 40 index are used to collect quantitative data i.e. readability scores before and after the implementation of integrated reporting. The results obtained are then compared to establish whether any improvements in reading ease of the Chairperson's statement and Review of operations sections have occurred. In addition, the relationship between profitability and readability of these annual reports is assessed. This is in line with suggested fundamental principles of a longitudinal design i.e. to measure a dimension of interest of a given entity pre- and post- an intervening phenomenon to examine whether the phenomenon has any effects (Baroudi, Olson and Ives, 1986).

Financial and time advantages have been listed as primary advantages of using secondary data in most cases specifically because the data already exists as opposed to using primary data (Cowton, 1998). In addition, secondary data allows for the possibility of conducting longitudinal studies through use of historical data. There are however penalties to using this form of data (Cowton, 1998). These include the inability of the researcher to exercise control over how the data is generated. For instance, because the data is generated for another purpose, the likelihood that this will inadequately address the theoretical concerns of the study at hand is high. The fact that the researcher has not been involved in gathering data means time has to be spent on understanding the nature of the data and how it has been assembled. This is important in order to appreciate what the data reveals and does not reveal. Proper appreciation of the underlying methods used to gather the data is said to facilitate manipulation of the data to a suitable format, drawing appropriate conclusions and prevention of bias.

This study is both descriptive and explanatory. Hypothesis 1 assesses whether integrated reporting resulted in improved readability of SA listed corporate annual reports or not. Hypotheses 2 and 3 assess whether these annual reports were in fact readable pre- and post- implementation of integrated reporting while hypotheses 4 and 5 assess the relationship between profitability and readability of these annual reports.

3.3 Population and sample

3.3.1 Population

A sample of 40 companies was selected from the population of all companies listed on the JSE' FTSE/JSE index. The FTSE/JSE index was appropriate for the study because it is designed to provide investors and other stakeholders with a comprehensive performance measure of major capital and industry segments in the Southern African markets. The FTSE/JSE index consists of a total of five indices making up its headline series and classified according to full market value - the FTSE/JSE All-Share index, FTSE/JSE Top 40 index, FTSE/JSE Mid Capitalisation index, FTSE/JSE Small Capitalisation index and FTSE/JSE Fledging index (JSE, 2011). The FTSE/JSE All-Share index represents 99% of the full market value of all securities listed on the main board of the JSE. The FTSE/JSE Top 40 index consists of the 40 largest companies by full market value and the number of its members is kept at a constant level. The FTSE/JSE Mid Capitalisation index consists of the next 60 companies by full market value. The FTSE/JSE Small Capitalisation index consists of companies that are not large enough to qualify for the FTSE/JSE Top 40 index or the FTSE/JSE Mid Capitalisation index. The FTSE/JSE Fledging index consists of those companies which are listed on the JSE but are too small to be included in the FTSE/JSE All-Share index.

3.3.2 Sample and sampling method

A sample of 40 companies was systematically drawn from the FTSE/JSE Top 40 index. The annual reports of these companies were obtained from their websites. These are the largest 40 companies ranked by full market value. Size in terms of market value, was the primary selection criterion. This is because an assumption was made on the association of size with the complexity of financial reporting and the degree of influence in the economy, both of which are expected to result in attempts for excellence in annual reporting. The constituents of the FTSE/JSE index are reviewed quarterly – on Wednesday after the first Friday of March, June, September and December to determine full market capitalisation and any changes in ranking are instituted on the next trading day following the third Friday of the same month of the review meeting (JSE, 2011). The sample for the study was drawn based on the latest possible reviewed lists of both 2009 and 2010 i.e. December lists.

3.4 The research instrument

The research used two research instruments – FLESCH and LIX formulas - from the computational linguistics literature to measure readability levels of each Chairperson's statement and Review of operations. These narratives were obtained from the corporate annual reports of 40 companies listed on the FTSE/JSE Top 40 index. Readability was measured on the basis of word and sentence complexity by the FLESCH and LIX scores (Smith and Taffler, 1992).

The first line of enquiry was to assess the levels of readability of Chairperson's statements and Review of operations before and after the implementation of integrated reporting (2009 and 2010) and to predict whether effective communication between these public companies and the readers of statements had improved or deteriorated. Overall average readability scores for 2009 and 2010 from the two measures – FLESCH and LIX - were compared to determine whether any improvement or deterioration occurred. This was tested in the first three hypotheses which posit that there will be an improvement in readability between the two periods. These hypotheses further posit that the annual statements had in fact been readable during these two periods.

The second line of enquiry was to assess whether a corporate attribute such as profitability has any association with particular readability levels in 2009 and in 2010 and whether this relationship had changed over this period. The last two hypotheses assess whether profitability had any influence on improved readability levels. The profitability variable was operationalised as earnings yield (earnings to price ratio – E/P).

The study research instruments have been employed in many other studies to assess readability of corporate annual reports (Courtis, 1987; Jones, 1988; Smith and Taffler, 1992; Subramanian et al., 1993; Jones and Shoemaker, 1994; Courtis, 1995, 1998; Courtis and Hassan, 2002; Rutherford, 2003; Li, 2008). While there have been doubts whether these instruments fully capture readability of sophisticated technical material for a sophisticated audience such as readers of corporate annual reports (Smith and Taffler, 1992), it has been found they can be interpreted more securely, are quick, simple, inexpensive and objective means to predict reading ease (Klare, 1974; Subramanian et al., 1993; Courtis and Hassan, 2002; Rutherford, 2003). Furthermore, evidence of strong correlation between these instrument measures and more direct methods such as comprehension tests and close procedures has been obtained (Courtis, 1986; Smith and Taffler, 1992).

3.5 Procedure for data collection

The Chairperson’s statement and Review of operations’ sections of 2009 and 2010 year-end reports of the 40 selected companies listed on the FTSE/JSE Top 40 index were used as narrative passages for readability formula scoring. The list of these companies was downloaded from the JSE website. The annual reports of the 40 companies were downloaded from the company websites. The approach to readability formulas requires a selection of about 100-word passages for measurement. Repeated measures design was adopted in collecting data such that the readability score of each company was measured in both 2009 and 2010.

Therefore to test the first three hypotheses, the 100-word passages were taken each from the beginning, middle and end of each of the Chairperson's statement and Review of operations of each of the 40 annual reports in 2009 and this was repeated for 2010. The 100-word passages used for each year and each narrative are detailed in Appendix A to D. The FLESCH and LIX readability scores for each of six word passages were calculated making a total of 12 scores for each company each year. The earnings yield (E/P) was calculated using data from the financial statements of each company which were obtained from the Bloomberg website (BloombergBusinessweek, 2011). The number of shares for each company was obtained from the top 40 index data table. The market capitalisation value (MCAP) of each company was obtained from the JSE website. The prediction of readability levels using the two formulas from computational linguistics was done using free online software tools designed for English language text (Online-Utility, 2011; ReadabilityFormulas, 2011). The readability scores, E/P and MCAP obtained for each company each year are detailed in Appendix E.

3.6 Data analysis and interpretation

Parametric and non-parametric statistics were used to analyse the data. Descriptive statistics such measures of central tendency and measures of variance were used as basic tools to analyse data. The dependent-means *t*-test and the one-way repeated-measures analysis of variance (ANOVA) through the general linear model (GLM) were used where the two conditions' (pre and post integrated reporting i.e. 2009 and 2010) readability mean scores were compared. A non-parametric test - the related-samples Wilcoxon signed-rank test, was further used to compare and contrast the results with other tests. One-sample *t*-tests were also used to test the significance of readability scores in each of the two years. The tests were all conducted on SPSS. For the first enquiry, the first three hypotheses posit that an improvement occurred in readability levels of annual reports post the adoption of integrated reporting. In addition, they predict that annual reports for the two years were easier to read. These hypotheses are as follows:

H1: The mean annual report readability score of SA listed companies significantly improved between 2009 and 2010.

H2: Annual reports of SA listed companies were significantly fairly easy to read in 2009.

H3: Annual reports of SA listed companies were significantly fairly easy to read in 2010.

For the second enquiry, the last two hypotheses posit that more profitable company annual reports are easier to read than less profitable company reports for each of the two periods – pre- and post- implementation of integrated reporting (2009 and 2010) as follows:

H4: Annual reports of more profitable SA listed companies were significantly easier to read than annual reports of less profitable SA listed companies in 2010.

H5: Annual reports of more profitable SA listed companies were significantly easier to read than annual reports of less profitable SA listed companies in 2009.

Statistical significance of mean readability scores was tested at $\alpha = 0.05$ in all cases. The level of significance at 0.05 is one of the most commonly used.

3.7 Limitations of the study

- Readability formulas as used in the study provided estimates or predictions of readability ease or difficulty of annual reports rather than actual figures which could be obtained for instance from judgements or comprehension tests. The interpretation of results obtained was therefore done with this in mind.

- This study adopted the singular approach of using readability formulas to predict or estimate some degree of readability ease or difficulty of narratives within annual reports. More robust approaches such as triangulation through comparative testing or interview testing could be used. However, to provide a benchmark against which future studies could be undertaken in different periods and countries, the formula based approach was adopted.

3.8 Validity and reliability

External validity, internal validity, construct validity and reliability are four criteria used to assess the rigor of the research study (Gibbert, Ruigrok and Wicki, 2008). The next sections look at these aspects and how the study addresses them.

3.8.1 External validity

External validity refers to the quality of being able to generalise the developed theories in settings other than the one in which it is studied (Gibbert et al., 2008). It is added that research methodologists differentiate between statistical and analytical generalisability. Statistical generalisability is said to refer to generalisability about the population based on sampling research. Analytical generalisability is said to refer to generalisability from empirical observations to theory rather than the population. This study followed the former approach. Using this approach, it is suggested that one way of improving external validity is through proper sampling such as random sampling, minimising sample member dropout and through replication studies (Coldwell and Herbst, 2004).

A sample of the top 40 companies based on full market value from a population of all companies listed on the JSE’ FTSE/JSE index was systematically drawn. Three 100-word passages were selected from each narrative - Chairperson’s statement and Review of operations of annual reports of the 40 companies. Two different readability formulas were used to assess readability of each narrative. By using readability formulas instead of judgements which require the participation of readers, validity threats resulting from selection were minimised.

The use of readability formulas also makes replication of a similar experiment easier since these were found to be easy to compute, providing an objective measure of readability and are freely available electronically. Computer based readability formulas were found to predict readability very well (Subramanian et al., 1993).

3.8.2 Internal validity

Internal validity refers to the validity of inferences made about causal relationships between variables and results (Coldwell and Herbst, 2004; Gibbert et al., 2008). In other words internal validity means providing evidence that what has been done in the study caused the observed outcome. These authors add that internal validity applies to the data analysis phase and that the key is whether the causal argument is plausible, logical, powerful and compelling enough to defend the results and conclusions. The authors propose three measures to enhance internal validity namely; clear research framework, pattern matching and theory triangulation. The research framework should demonstrate a plausible relationship between variables under review. Pattern matching refers to comparisons between empirically observed patterns and predicted patterns established from previous studies and in different context. Theory triangulation refers to the ability of the researcher to verify findings by adopting multiple perspectives.

The reviewed literature is believed to provide a context that legitimises the relationships under review i.e. integrated reporting and readability levels and readability levels and profitability. The hypotheses were developed in the context of previous studies which were conducted in different settings. Similarly, obtained results were analysed and interpreted in the context of such previous studies. This study adopted the singular approach of using readability formulas to predict or estimate readability ease or difficulty of narratives within annual reports rather than the triangulation approach. Although it is not as robust as triangulation, the formula based approach provides a benchmark against which future studies could be undertaken in different periods and countries.

3.8.3 Construct validity

Construct validity refers to the quality of operationalising the relevant concept i.e. the extent to which the process followed leads to an accurate observation of reality (Gibbert et al., 2008). It is added that construct validity needs to be considered during data collection. One way to enhance construct validity is said to be establishing a clear chain of evidence. Converging two or more measures of the same construct could therefore enhance construct validity. Readability formulas are said to generally show good inter-formula correlation coefficients (Jones and Shoemaker, 1994). This study made use of two readability formulas – LIX and FLESCH - to predict readability.

3.8.4 Reliability

Reliability refers to the absence of random error which allows other researchers to replicate the study i.e. to arrive at similar insights and theories if they repeat the study following the same steps (Gibbert et al., 2008). It is noted that transparency and replication are key aspects in reliability. These are said to be enhanced through proper documentation and clarification of procedures used. This study detailed and documented all procedures used.

CHAPTER 4: PRESENTATION OF RESULTS

4.1 Introduction

Four methods in combination with descriptive statistics were used to analyse the data namely; the dependent-means *t*-test, one-way repeated-measures ANOVA through the general linear model, the related-samples Wilcoxon signed-rank test and the one-sample *t*-test. The tests were all conducted on SPSS. The comparisons between the two periods (2009 and 2010) are done in passages which are denoted by codes. For an example the Chairperson's statement Flesch formula readability score for passage 1 in 2009 is coded CFP1-09 and is compared to the 2010 score coded CFP1-10. Similarly, the Review of operations Lix readability score for passage 1 in 2009 is coded RLP1-09 and is compared to the 2010 score coded RLP1-10 and so on. The results obtained are reported on the basis of passages. Applicable assumptions are first addressed followed by the presentation of results. Conclusions pertaining to each hypothesis are then discussed.

4.2 Dealing with the assumption of normal sampling distribution

The main assumption of parametric tests is that the sampling distribution of the means is normal (Field, 2009). Parametric tests have been used in this study. Therefore, three assessments for normality have been considered namely; sample size, histograms alongside probability-probability plots (P-P plot) and quantified measures of the shape of the distributions.

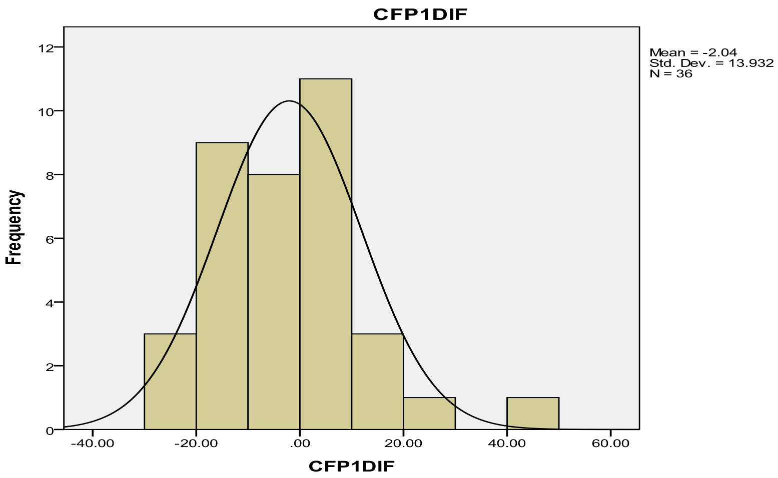
4.2.1 Sample size

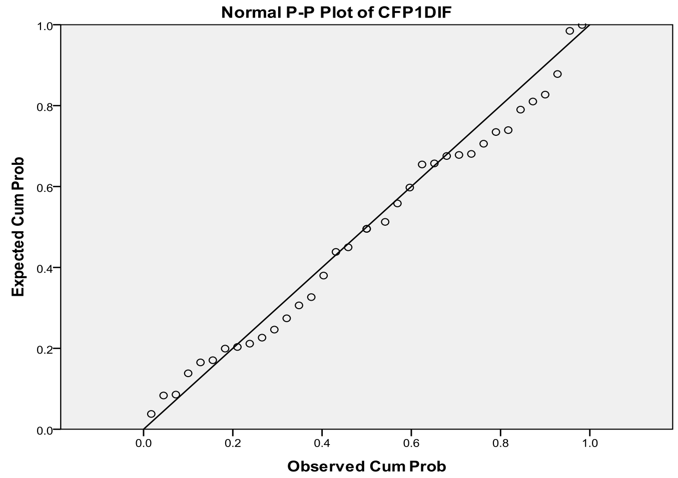
Statisticians have found that when the sample size is at least 30, the sampling distribution of the mean for many population distributions is approximately normal (Berenson, Levine and Krehbiel, 2006). The sample size used in this study is 36[1] and therefore the distribution of variables could be expected to be normal.

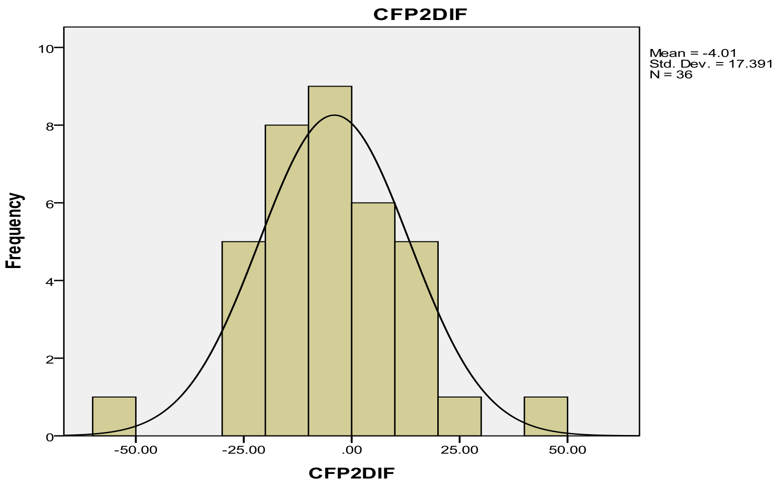
4.2.2 Histograms and P-P plots

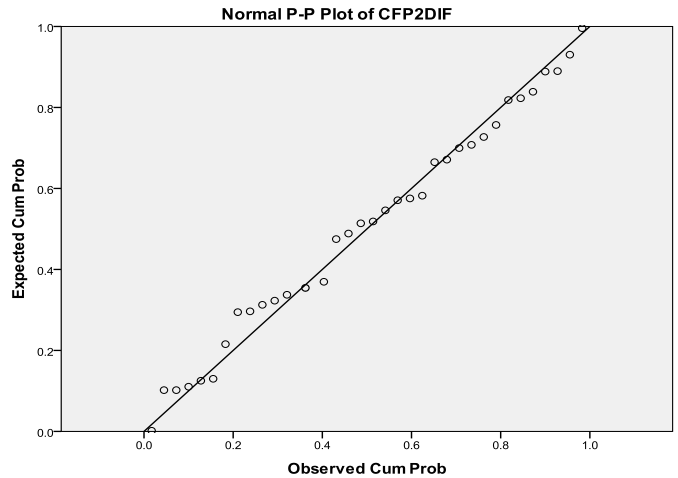
The normal distribution is characterised by a bell-shaped curve and the distribution is symmetrical around the centre of scores (Berenson et al., 2006; Field, 2009). It is further suggested that if the values of the considered variable fall on the diagonal of the P-P plot then the variable is normally distributed. In this study, the differences between passages such as CFP1-10-CFP1-09 coded as CFP1DIF were the variables evaluated for normality. Figure 1 below shows the histograms and corresponding P-P plots for each passage difference.

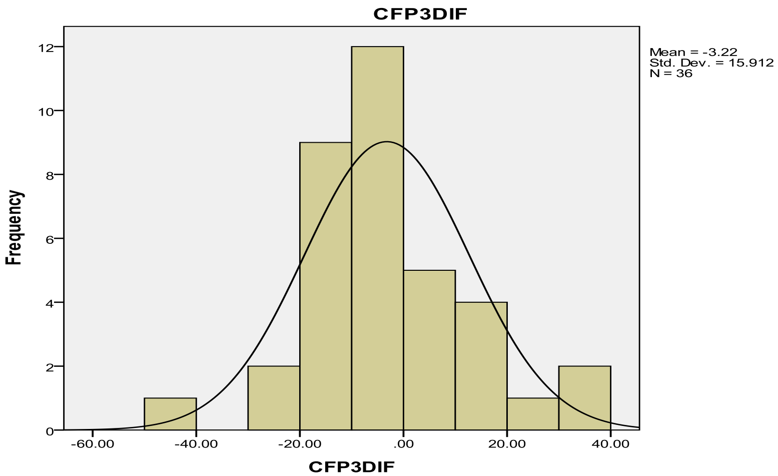
[1]This is due to missing data for some of the companies. Reasons for missing data ranged from not obtaining annual reports from the company's website s to the fact that some companies that were in the top 40 index in 2009 did not make it to the list in 2010. See Appendix B for details.

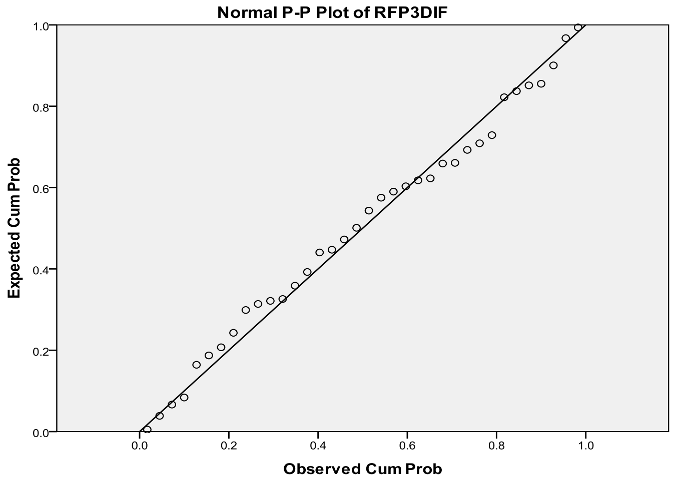

CFP1DIF
Mean = -2.04
Std. Dev. = 13.932
N = 36
Frequency
CFP1DIF

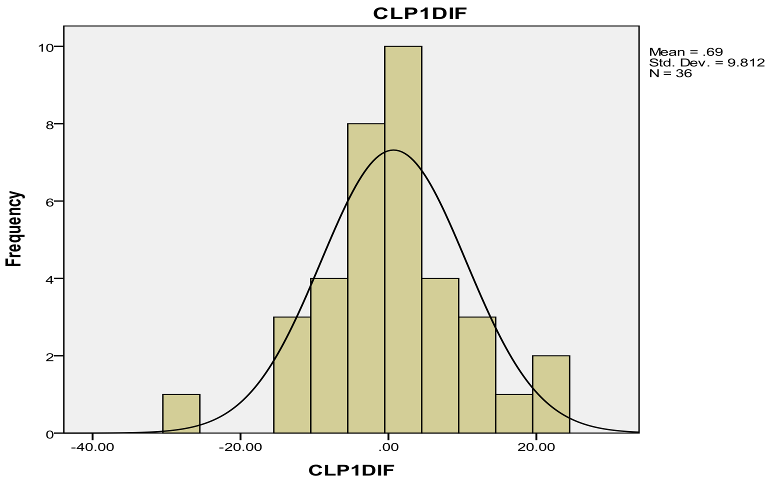

Normal P-P Plot of CFP1DIF
Expected Cum Prob
Observed Cum Prob

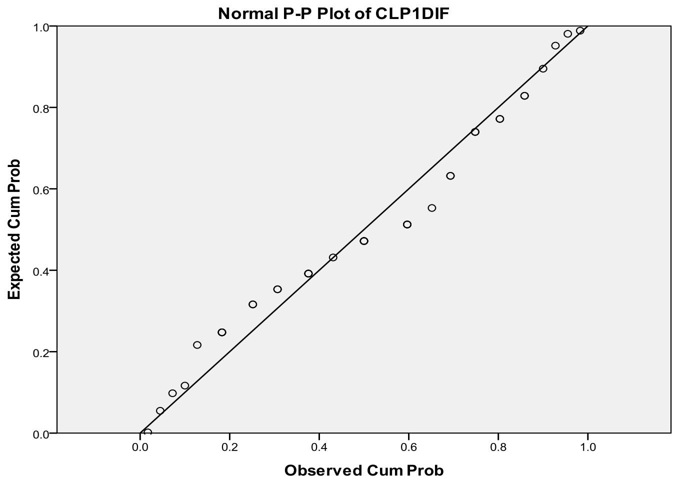

CFP2DIF
Mean = -4.01
Std. Dev. = 17.391
N = 36
Frequency
CFP2DIF

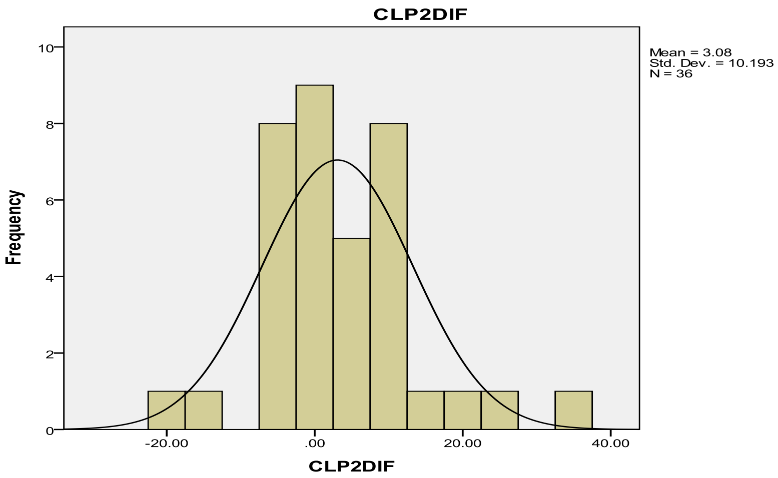

Normal P-P Plot of CFP2DIF
Expected Cum Prob
Observed Cum Prob

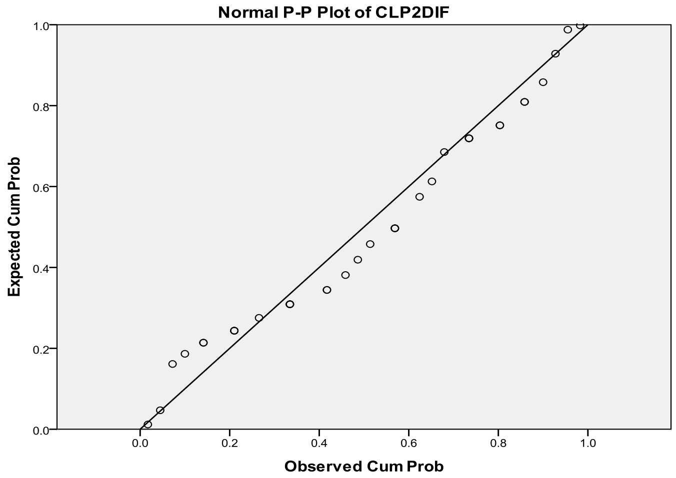

CFP3DIF
Mean = -3.22
Std. Dev. = 15.912
N = 36
Frequency
CFP3DIF

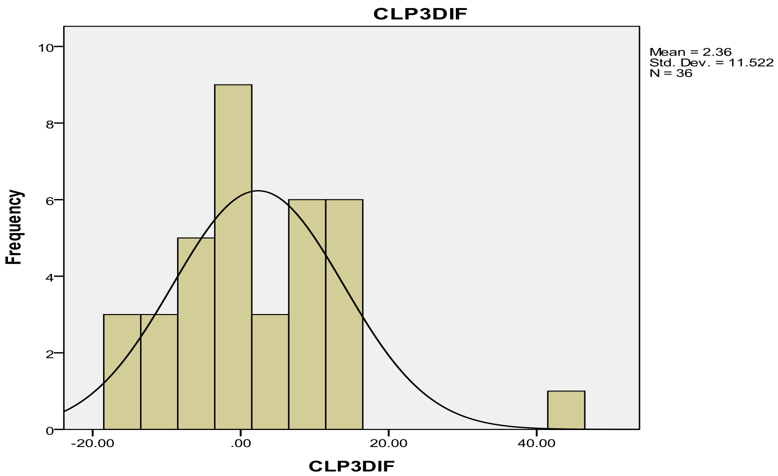

Normal P-P Plot of RFP3DIF
Expected Cum Prob
Observed Cum Prob

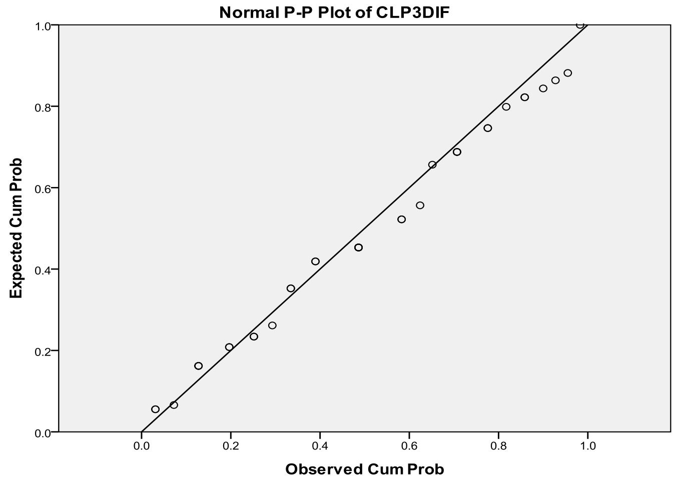

CLP1DIF
Mean = .69
Std. Dev. = 9.812
N = 36
Frequency
CLP1DIF

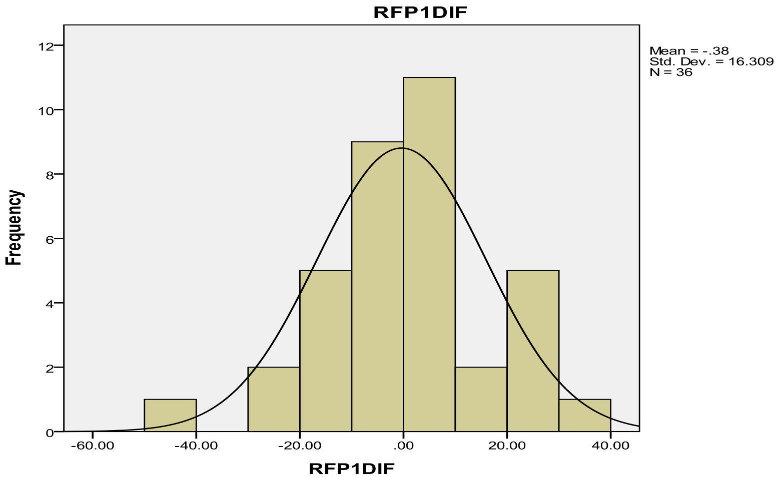

Normal P-P Plot of CLP1DIF
Expected Cum Prob
Observed Cum Prob

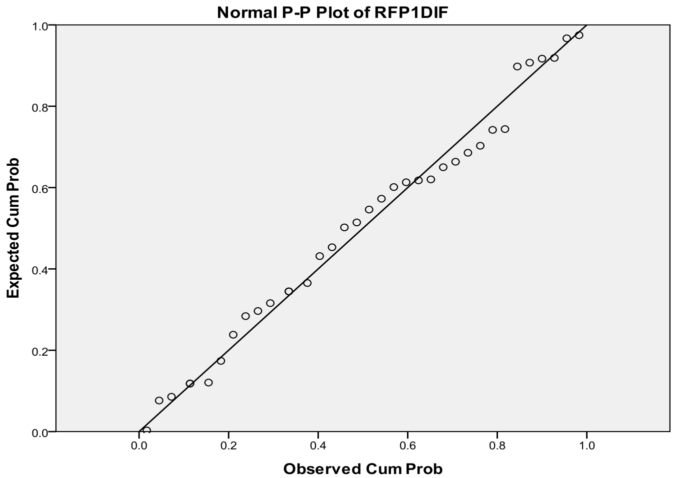

CLP2DIF
Mean = 3.08
Std. Dev. = 10.193
N = 36
Frequency
CLP2DIF

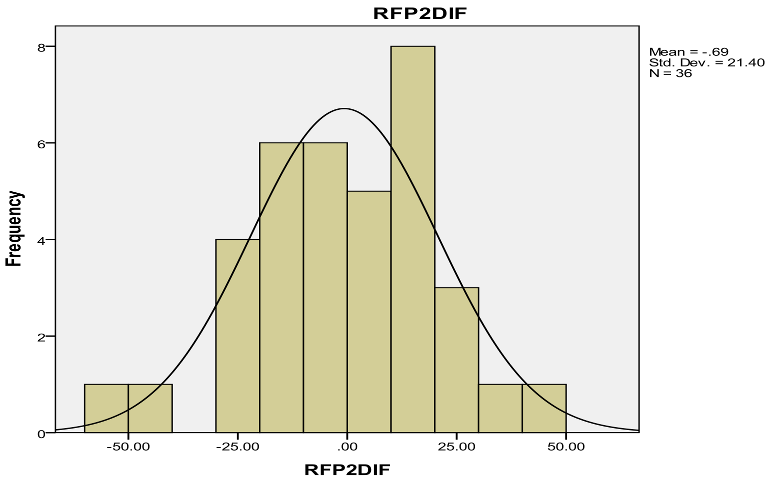

Normal P-P Plot of CLP2DIF
Expected Cum Prob
Observed Cum Prob

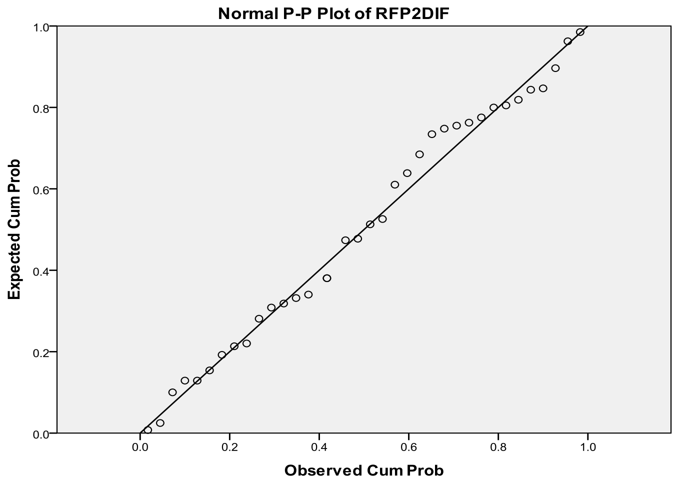

CLP3DIF
Mean = 2.36
Std. Dev. = 11.522
N = 36
Frequency
CLP3DIF

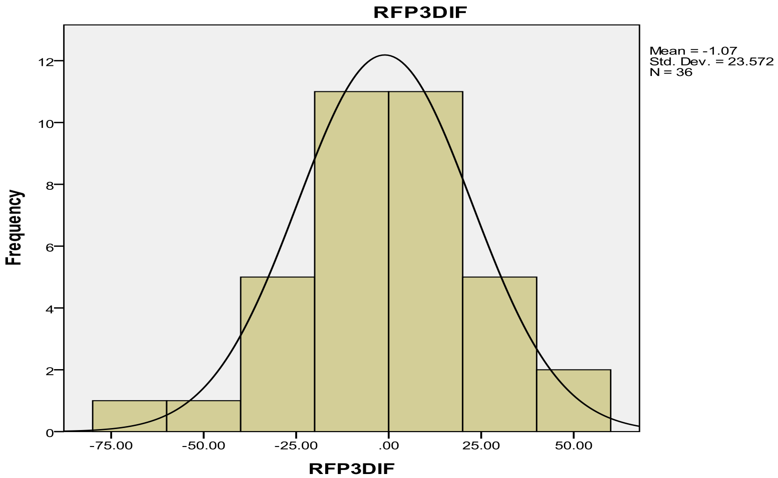

Normal P-P Plot of CLP3DIF
Expected Cum Prob
Observed Cum Prob

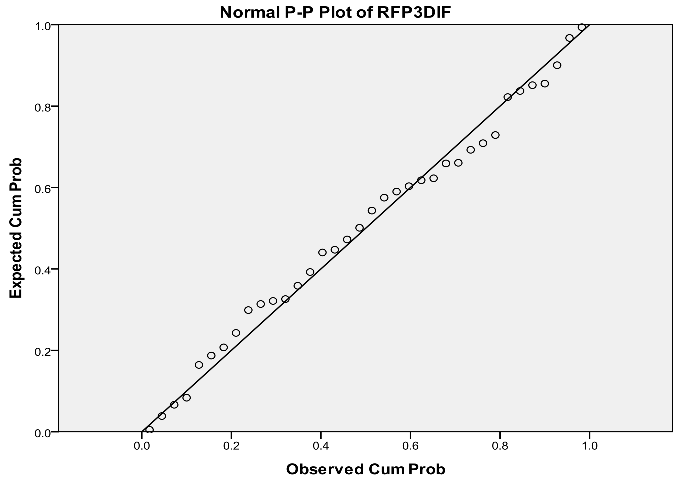

RFP1DIF
Mean = -.38
Std. Dev. = 16.309
N = 36
Frequency
RFP1DIF
-60.00 -40.00 -20.00 .00 20.00 40.00

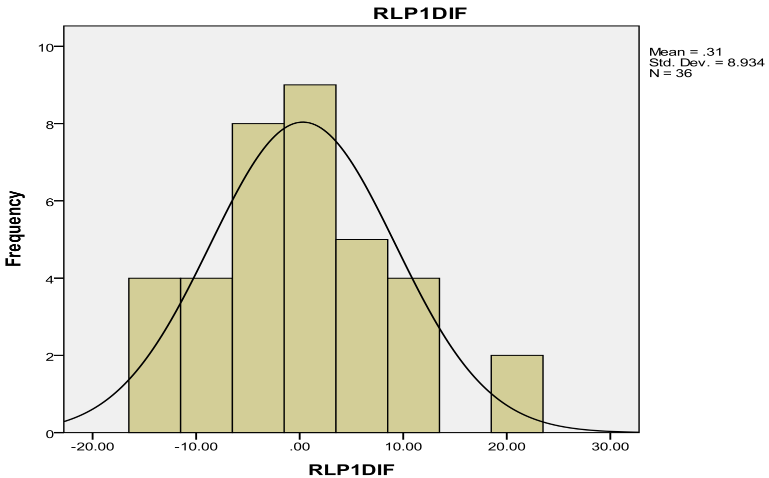

Normal P-P Plot of RFP1DIF
Expected Cum Prob
Observed Cum Prob

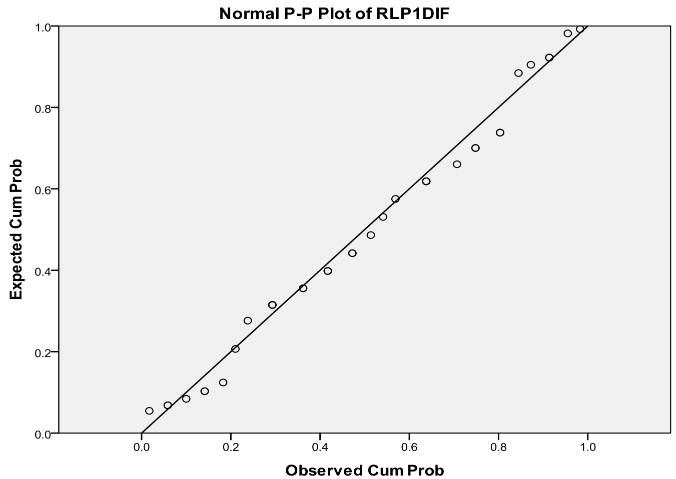

RFP2DIF
Mean = -.69
Std. Dev. = 21.40
N = 36
Frequency
RFP2DIF
-50.00 -25.00 .00 25.00 50.00


Normal P-P Plot of RFP2DIF
Expected Cum Prob
Observed Cum Prob


RFP3DIF
Mean = -1.07
Std. Dev. = 23.572
N = 36
Frequency
RFP3DIF


Normal P-P Plot of RFP3DIF
Expected Cum Prob
Observed Cum Prob


RLP1DIF
Mean = .31
Std. Dev. = 8.934
N = 36
Frequency
RLP1DIF


Normal P-P Plot of RLP1DIF
Expected Cum Prob
Observed Cum Prob

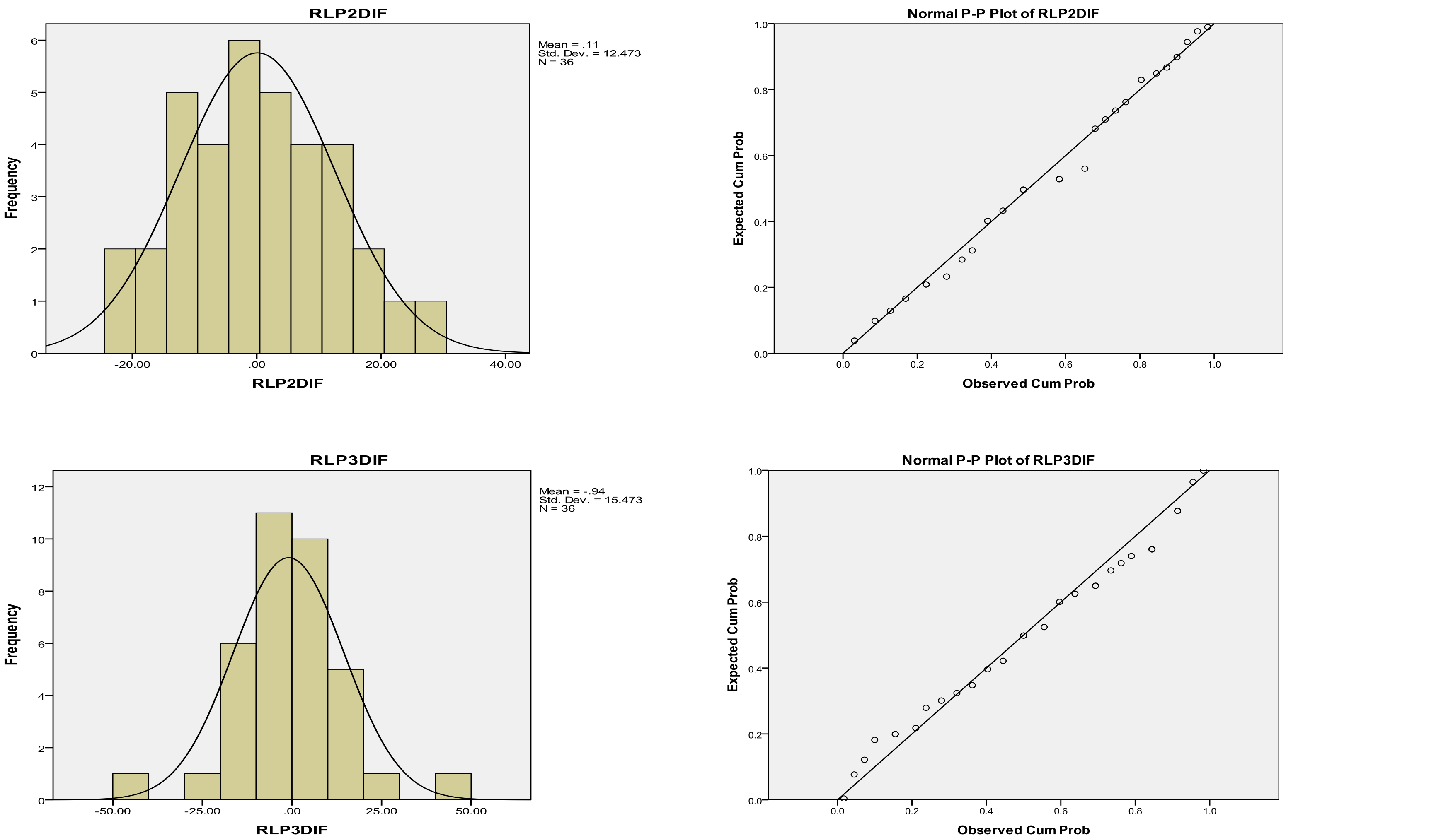


Figure 1: Histograms (left) and P-P plots (right) of the difference in readability scores of each paragraph

The distributions for all variables look fairly symmetrical when looking at the histograms. However, some of the data points deviate slightly away from the diagonal line of the P-P plots. In general, this seems to suggest slight skewness in the distribution of variables. This is further explored by quantifying normality using the skewness and kurtosis of these distributions.

4.2.3 Quantified measures for normal sampling distribution

Skewness measures the symmetry while kurtosis measures the pointyness of the bell curve (Field, 2009). The further away from zero the value of both skewness and kurtosis the more the data deviates from normality. Positive values of skewness indicate a pile up of the scores on the left of the distribution, whereas negative sores indicate a pile-up on the right of the distribution. Positive values of kurtosis indicate a pointy and heavy–tailed distribution, whereas negative values indicate a flat and light-tailed distribution. The results of skewness and kurtosis for each passage difference are shown in Table 4 below

Table 4: Skewness and Kurtosis of variables

Pairs		Skewness	Kurtosis
Pair 1	CFP1-09 - CFP1-10	.970	2.110
Pair 2	CFP2-09 - CFP2-10	-.214	1.765
Pair 3	CFP3-09 - CFP3-10	.165	.609
Pair 4	CLP1-09 - CLP1-10	-.135	1.590
Pair 5	CLP2-09 - CLP2-10	.690	1.654
Pair 6	CLP3-09 - CLP3-10	1.247	4.087
Pair 7	RFP1-09 - RFP1-10	-.274	.581
Pair 8	RFP2-09 - RFP2-10	-.194	.061
Pair 9	RFP3-09 - RFP3-10	-.091	.913
Pair 10	RLP1-09 - RLP1-10	.424	-.042
Pair 11	RLP2-09 - RLP2-10	.323	-.258
Pair 12	RLP3-09 - RLP3-10	.532	2.913

Table 4 above shows that most of the skewness values are closer to 0 with the exception of the Pair 6 - difference between passages 3 Lix formula scores of the Chairperson's statement measured (pair 6:CLP3-10-CLP3-09) which has a value greater than 1. Most of the skew values (pairs 1, 3, 5, 6, 10, 11 and 12) are positive which indicates a tendency for the scores to pile up on the left of the distribution. Pairs 2, 4, 7, 8 and 9 have negative skew values which indicates a tendency to pile up to the right of the distribution. All skewness values are less than 2 therefore it can be concluded that the distribution of variables is fairly symmetrical. Most of the kurtosis values are positive with the exception of pairs 10 and 11. This suggests that most of the distributions are more pointy and heavy-tailed. Most of the values are below 3 with the exception of pair 6 which has a value above 4 and pair 12 with a value of almost 3. To correct for these deviations a natural log transformation of pair 6 and 12 was calculated and is shown in Table 5 below:

Table 5: Transformed variables for normality

Transformed differences		Skewness	Kurtosis
Pair 6	LNCLP3-09 - LNCLP3-10	.687	1.362
Pair 12	LNRLP3-09 - LNRLP3-10	.353	.923

Table 5 indicates transformed values of skewness and kurtosis for Pairs 6 and 12 which are less than 2 and 3 respectively. Since all skewness and kurtosis values are closer to zero, it can be concluded that all variables are fairly normally distributed. Furthermore, non-parametric tests have also been considered to confirm and contrast results.

4.3 Results pertaining to Hypothesis 1

The results of the four methods used are detailed in Table 6

Table 6: Means, standard deviations, summary of dependent-means t-test, the Wilcoxon signed-ranks and one-way repeated-measures[c]

		Descriptive Statistics		Dependent-means t-test	Wilcoxon signed-ranks test	Repeated-measures ANOVA(GLM)
Variable		Mean	Std. Deviation	*t*	*Z*	*F*
Pair 1	CFP1-09	37.62	12.46	.878*	-1.278*[a]	1.171*
	CFP1-10	35.58	11.33			
Pair 2	CFP2-09	37.06	11.43	1.382*	-1.398*[a]	.134*
	CFP2-10	33.05	12.54			
Pair 3	CFP3-09	44.06	10.38	1.214*	-1.383*[a]	.002*
	CFP3-10	40.84	12.30			
Pair 4	CLP1-09	65.25	8.77	-.425*	-.374*[b]	.003*
	CLP1-10	65.94	7.01			
Pair 5	CLP2-09	64.17	7.17	-1.815*	-1.582*[b]	.000*
	CLP2-10	67.25	6.89			
Pair 6	CLP3-09	60.69	7.02	-1.230*	-1.061*[b]	.062*
	CLP3-10	63.06	8.85			
Pair 7	RFP1-09	34.40	14.39	.141*	-.031*[a]	.565*
	RFP1-10	34.01	15.62			
Pair 8	RFP2-09	35.84	16.52	.193*	-.090*[a]	.449*
	RFP2-10	35.15	14.51			
Pair 9	RFP3-09	30.18	18.07	.272*	-.220*[a]	.535*
	RFP3-10	29.12	16.96			
Pair 10	RLP1-09	68.69	8.60	-.205*	-.066*[b]	.149*
	RLP1-10	69.00	9.23			
Pair 11	RLP2-09	66.44	10.42	-.053*	-.116*[a]	.532*
	RLP2-10	66.56	10.22			
Pair 12	RLP3-09	69.97	11.48	.366*	-.642*[a]	.000*
	RLP3-10	69.03	11.62			

[a]Based on positive ranks. The positive ranks are the cases where readability scores for 2010 were greater 2009

[b]Based on negative ranks. The negative ranks are the cases where readability scores for 2010 were less than 2009

[c]n = 36, *p > .05, **p<.05

4.3.1 CFP1-09 versus CFP1-10

Table 6 above shows that the mean Flesch readability score for passage 1 of the Chairperson's statement (CFP1) reduced from 37.62 in 2009 to 35.58 in 2010. These readability scores varied less in 2010 than in 2009 (s.d. reduced from 12.46 to 11.33). The observed mean differences were however not significant when assessed with three measures – dependent means *t*-test (t = .878, p>.05), Wilcoxon signed-ranks test (z = -1.278, p>.05) and repeated-measures ANOVA (F = 1.171, p>.05).

4.3.2 CFP2-09 versus CFP2-10

Table 6 above shows that the mean Flesch readability score for passage 2 of the Chairperson's statement (CFP2) reduced from 37.06 in 2009 to 33.05 in 2010. These readability scores varied more in 2010 than in 2009 (s.d. increased from 11.43 to 12.54). The observed mean differences were however not significant when assessed with three measures – dependent means *t*-test (t = 1.382, p>.05), Wilcoxon signed-ranks test (z = -1.398, p>.05) and repeated-measures ANOVA (F = .134, p>.05).

4.3.3 CFP3-09 versus CFP3-10

Table 6 above shows that the mean Flesch readability score for passage 3 of the Chairperson's statement (CFP3) reduced from 44.06 in 2009 to 40.84 in 2010. These readability scores varied more in 2010 than in 2009 (s.d. increased from 10.38 to 12.30). The observed mean differences were however not significant when assessed with three measures – dependent means *t*-test (t = 1.214, p>.05), Wilcoxon signed-ranks test (z = -1.383, p>.05) and repeated-measures ANOVA (F = .002, p>.05).

4.3.4 CLP1-09 versus CLP1-10

Table 6 above shows that the mean Lix readability score for passage 1 of the

Chairperson's statement (CLP1) increased from 65.25 in 2009 to 65.94 in 2010. These readability scores varied less in 2010 than in 2009 (s.d. decreased from 8.77 to 7.01). The observed mean differences were however not significant when assessed with three measures – dependent means *t*-test (t = -.425, p>.05), Wilcoxon signed-ranks test (z = -.374, p>.05) and repeated-measures ANOVA (F = .003, p>.05).

4.3.5 CLP2-09 versus CLP2-10

Table 6 above shows that the mean Lix readability score for passage 2 of the Chairperson's statement (CLP2) increased from 64.17 in 2009 to 67.25 in 2010. These readability scores varied less in 2010 than in 2009 (s.d. decreased from 7.17 to 6.89). The observed mean differences were however not significant when assessed with three measures – dependent means *t*-test (t = -1.815, p>.05), Wilcoxon signed-ranks test (z = -1.582, p>.05) and repeated-measures ANOVA (F = .000, p>.05).

4.3.6 CLP3-09 versus CLP3-10

Table 6 above shows that the mean Lix readability score for passage 3 of the Chairperson's statement (CLP3) increased from 60.69 in 2009 to 63.06 in 2010. These readability scores varied more in 2010 than in 2009 (s.d. increased from 7.02 to 8.85). The observed mean differences were however not significant when assessed with three measures – dependent means *t*-test (t = -1.230, p>.05), Wilcoxon signed-ranks test (z = -1.061, p>.05) and repeated-measures ANOVA (F = .062, p>.05).

4.3.7 RFP1-09 versus RFP1-10

Table 6 above shows that the mean Flesch readability score for passage 1 of the Review of operations (RFP1) reduced from 34.40 in 2009 to 34.01 in 2010. These readability scores varied more in 2010 than in 2009 (s.d. increased from 14.39 to 15.62). The observed mean differences were however not significant when assessed with three measures – dependent means *t*-test (t = .141, *p*>.05), Wilcoxon signed-ranks test (*z* = .031, *p*>.05) and repeated-measures ANOVA (*F* = .565, *p*>.05).

4.3.8 RFP2-09 versus RFP2-10

Table 6 above shows that the mean Flesch readability score for passage 2 of the Review of operations (RFP2) reduced from 35.84 in 2009 to 35.15 in 2010. These readability scores varied less in 2010 than in 2009 (s.d. decreased from 16.52 to14.51). The observed mean differences were however not significant when assessed with three measures – dependent means *t*-test (*t* = .193, *p*>.05), Wilcoxon signed-ranks test (*z* = -.090, *p*>.05) and repeated-measures ANOVA (*F* = .449, *p*>.05).

4.3.9 RFP3-09 versus RFP3-10

Table 6 above shows that the mean Flesch readability score for passage 3 of the Review of operations (RFP3) reduced from 30.18 in 2009 to 29.12 in 2010. These readability scores varied less in 2010 than in 2009 (s.d. decreased from 18.07 to 16.96). The observed mean differences were however not significant when assessed with three measures – dependent means *t*-test (*t* = .272, *p*>.05), Wilcoxon signed-ranks test (*z* = -.220, *p*>.05) and repeated-measures ANOVA (*F* = .535, *p*>.05).

4.3.10 RLP1-09 versus RLP1-10

Table 6 above shows that the mean Lix readability score for passage 1 of the Review of operations (RLP1) increased from 68.69 in 2009 to 69.00 in 2010. These readability scores varied more in 2010 than in 2009 (s.d. increased from 8.60 to 9.23). The observed mean differences were however not significant when assessed with three measures – dependent means *t*-test (*t* = -.205, *p*>.05), Wilcoxon signed-ranks test (*z* = -.066, *p*>.05) and repeated-measures ANOVA (*F* = .149, *p*>.05).

4.3.11 RLP2-09 versus RLP2-10

Table 6 above shows that the mean Lix readability score for passage 2 of the Review of operations (RLP2) increased from 66.44 in 2009 to 66.56 in 2010. These readability scores varied less in 2010 than in 2009 (s.d. reduced from 10.44 to 10.22). The observed mean differences were however not significant when assessed with three measures – dependent means *t*-test (t = -.053, p>.05), Wilcoxon signed-ranks test (z = -.116, p>.05) and repeated-measures ANOVA (F = .532, p>.05).

4.3.12 RLP3-09 versus RLP3-10

Table 6 above shows that the mean Lix readability score for passage 3 of the Review of operations (RLP3) reduced from 69.97 in 2009 to 69.03 in 2010. These readability scores varied more in 2010 than in 2009 (s.d. increased from 11.48 to 11.62). The observed mean differences were however not significant when assessed with three measures – dependent means *t*-test (t = .366, p>.05), Wilcoxon signed-ranks test (z = -.642, p>.05) and repeated-measures ANOVA (F = .000, p>.05).

4.4 Results pertaining to hypothesis 2

The results pertaining to hypothesis 2 are presented in Table 7

Table 7: One sample t-test results 2009[c]

Passage	*t*	95% Confidence Interval	
		Lower	Upper
CFP1-09	18.953**	32.88	40.70
CFP2-09	20.080**	33.23	40.00
CFP3-09	26.903**	40.98	47.08
CLP1-09	48.005**	63.26	68.33
CLP2-09	56.083**	62.13	66.36
CLP3-09	54.734**	58.69	62.82
RFP1-09	14.936**	29.17	38.01
RFP2-09	13.985**	31.54	41.88
RFP3-09	10.461**	24.03	35.19
RLP1-09	50.818**	65.98	71.23
RLP2-09	40.783**	63.05	69.36
RLP3-09	38.712**	66.80	74.15

[c] n = 39, *p>.05, **p<.05

The above table shows that in 2009, 95% of all mean Flesch readability scores for passage 1 of the Chairperson's statement (CFP1) were between 32.88 and 40.70; 95% of all scores for passage 2 (CFP2) were between 33.23 and 40.00; and 95% of all passage 3 (CFP3) scores were between 40.98 and 47.08. All 3 tests were significant (t = 18.953, p<.05; t = 20.088, p <.05 and t = 26.903, p<.05 respectively). The table also indicates that 95% of all mean Flesch readability scores for passage 1 of the Review of operations (RFP1) were between 29.17 and 38.01; 95% of passage 2 (RFP2) scores were between 31.54 and 41.88; and 95% of all passage 3 (RFP3) scores were between 24.03 and 35.19. All 3 tests were significant at t = 14.936, p<.05; t = 13.985, p <.05 and t = 10.461, p<.05 respectively.

The table further indicates that 95% of all mean Lix readability scores for passage 1 of the Chairperson's statement (CLP1) were between 63.26 and 68.33; 95% of all passage 2 (CLP2) scores were between 62.13 and 66.36; and 95% of all passage 3 (CLP3) scores were between 58.69 and 62.82. All 3 tests were significant at t = 48.005, p<.05; t = 56.083, p <.05 and t = 54.734, p<.05 respectively.

Ninety five percent of all mean Lix scores for passage 1 of the Review of operations (RLP1) were between 65.98 and 71.23; 95% of all passage 2 (RLP2) scores were between 63.05 and 69.36; and 95% of all passage 3 (RLP3) scores were between 66.80 and 74.15. All the tests were significant at t = 50.818, p<.05; t = 40.783, p <.05 and t = 38.712, p<.05 respectively.

4.5 Results pertaining to hypothesis 3

The results pertaining to hypothesis 3 are presented in Table 8 below

Table 8: One-sample t-test results 2010c

Passage	*t*	95% Confidence Interval	
		Lower	Upper
CFP1-10	18.844**	32.00	39.10
CFP2-10	15.820**	29.05	37.34
CFP3-10	19.917**	37.06	44.73
CLP1-10	56.443**	63.70	68.42
CLP2-10	58.577**	65.08	69.50
CLP3-10	42.760**	60.50	66.05
RFP1-10	13.065**	29.13	38.85
RFP2-10	14.533**	30.24	39.57
RFP3-10	10.300**	23.55	34.02
RLP1-10	44.867**	66.17	71.94
RLP2-10	39.078**	63.39	69.97
RLP3-10	35.646**	65.67	73.06

[c] n = 36, *p>.05, **p<.05

Table 8 shows that in 2010, 95% of all mean Flesch readability scores for passage 1 of the Chairperson's statement (CFP1) were between 32.00 and 39.10; 95% of all scores for passage 2 (CFP2) were between 29.05 and 37.34; and 95% of all passage 3 (CFP3) scores were between 37.06 and 44.73. All 3 tests were significant (t = 18.844, p<.05; t = 15.820, p <.05 and t = 19.917, p<.05 respectively). The table also indicates that 95% of all mean Flesch readability scores for passage 1 of the Review of operations(RFP1) were between 29.13 and 38.85; 95% of passage 2 (RFP2) scores were between 30.24 and 39.57; and 95% of all passage 3 (RFP3) scores were between 23.55

and 34.02. All 3 tests were significant at $t = 13.065$, $p<.05$; $t = 14.533$, $p<.05$ and $t = 10.300$, $p<.05$ respectively.

The table further indicates that 95% of all mean Lix readability scores for passage 1 of the Chairperson's statement (CLP1) were between 63.70 and 68.42; 95% of all passage 2 (CLP2) scores were between 65.08 and 69.50; and 95% of all passage 3 (CLP3) scores were between 60.50 and 66.05. All 3 tests were significant at $t = 56.433$, $p<.05$; $t = 58.577$, $p<.05$ and $t = 42.760$, $p<.05$ respectively.

Ninety five percent of all mean Lix scores for passage 1 of the Review of operations (RLP1) were between 66.17 and 71.94; 95% of all passage 2 (RLP2) scores were between 63.39 and 69.97; and 95% of all passage 3 (RLP3) scores were between 65.67 and 73.06. All the tests were significant at $t = 44.867$, $p<.05$; $t = 39.078$, $p<.05$ and $t = 35.646$, $p<.05$ respectively.

4.6 Results pertaining to hypothesis 4 and 5

The results pertaining to hypothesis 4 and 5 are presented in Table 9. This table shows the results of the one-way repeated measures ANOVA (GLM) for the correlation of the Flesch and Lix readability scores with profitability which has been operationalised as earnings yield (EP). An additional corporate attribute - company size which has been operationalised as market value (MCAP) is evaluated in terms of its effect on readability scores.

Table 9: Interaction between readability and corporate attributes - EP and MCAP

		Readability*EP09	Readability*EP10	Readability*MCAP09	Readability*MCAP10
Variable		*F*	*F*	*F*	*F*
Pair 1	CFP1-09 CFP1-10	.074*	1.988*	.016*	.571*
Pair 2	CFP2-09 CFP2-10	9.806**	.549*	.019*	.055*
Pair 3	CFP3-09 CFP3-10	.048*	.771*	.003*	.000*
Pair 4	CLP1-09 CLP1-10	.000*	2.893*	3.226*	6.769**
Pair 5	CLP2-09 CLP2-10	11.331**	.205*	2.092*	1.666*
Pair 6	CLP3-09 CLP3-10	.000*	4.155***	.325*	.760*
Pair 7	RFP1-09 RFP1-10	.016*	.476*	5.910**	4.576**
Pair 8	RFP2-09 RFP2-10	1.185*	1.511*	.049*	.027*
Pair 9	RFP3-09 RFP3-10	.409*	2.913*	3.694*	9.063**
Pair 10	RLP1-09 RLP1-10	.054*	.604*	2.728*	2.286*
Pair 11	RLP2-09 RLP2-10	.099*	1.499*	.096*	.037*
Pair 12	RLP3-09 RLP3-10	.387*	2.623*	2.661*	6.491**

*$p > .05$ **$p < .05$, ***$p = .05$

4.6.1 CFP1-09 and CFP1-10

Table 9 above shows that there was no significant interaction between the mean Flesch readability scores for passage 1 of the Chairperson's statement (CFP1) and EP in 2009 and in 2010 (F = .074, p>.05 and F = 1.988, p>.05 for the respective years). The interaction between these readability scores and MCAP for both years was also not significant (F = .016, p>.05; F = .571, p>.05 for the respective years).

4.6.2 CFP2-09 and CFP2-10

Table 9 above shows that there was a significant interaction between the mean Flesch readability scores for passage 2 of the Chairperson's statement (CFP2) and EP in 2009 (F = 9.806, p<.05). However this was not the case in 2010 (F = .549, p>.05). The interaction between these readability scores and MCAP for both years was not significant (F = .019, p>.05 and F = .055, p>.05 for the respective years).

4.6.3 CFP3-09 and CFP3-10

Table 9 above shows that there was no significant interaction between the mean Flesch readability scores for passage 3 of the Chairperson's statement (CFP3) and EP in 2009 and in 2010 (F = .048, p>.05 and F = .771, p>.05 for the respective years). The interactions between these readability scores and MCAP for both years were not significant (F = .019, p>.05; F = .055, p>.05 for the respective years).

4.6.4 CLP1-09 and CLP1-10

Table 9 above shows that there was no significant interaction between the mean Lix readability scores for passage 1 of the Chairperson's statement (CLP1) and EP in 2009 and in 2010 (F = .000, p>.05 and F = 2.893, p>.05 for the respective years). The interaction between these readability scores and MCAP for 2009 was not significant (F = 3.226, p>.05). However, for 2010 there was a significant relationship between CLP1 and MCAP (F = 6.769, p<.05).

4.6.5 CLP2-09 and CLP2-10

Table 9 above shows that there was a significant interaction between the mean Lix readability scores for passage 2 of the Chairperson's statement (CLP2) and EP in 2009 (F = 11.331, p<.05). However this was not the case in 2010 (F = .205, p>.05). The interactions between these readability scores and MCAP for both 2009 and 2010 were not significant (F = 2.092, p>.05 and F = 1.666, p>.05 for the respective years).

4.6.6 CLP3-09 and CLP3-10

Table 9 above shows that there was no significant interaction between the mean Lix readability scores for passage 3 of the Chairperson's statement (CLP3) and EP in 2009 (F = 11.331, p<.05). However this relationship was nearly significant in 2010 (F = 4.155, p =.05). The interactions between these readability scores and MCAP for both 2009 and 2010 were not significant (F = .325, p>.05 and F = .760, p>.05 for the respective years).

4.6.7 RFP1-09 and RFP1-10

Table 9 above shows that there was no significant interaction between the mean Flesch readability scores for passage 1 of the Review of operations (RFP1) and EP in 2009 and in 2010 (F = .016, p>.05 and F = .476, p>.05 for the respective years). The interactions between these readability scores and MCAP for both 2009 and 2010 were significant (F = 5.910, p<.05 and F = 4.576, p<.05 for the respective years).

4.6.8 RFP2-09 and RFP2-10

Table 9 above shows that there was no significant interaction between the mean Flesch readability scores for passage 2 of the Review of operations (RFP2) and EP in 2009 and in 2010 (F = 1.185, p>.05 and F = 1.511, p>.05 for the respective years). The interactions between these readability scores and MCAP for both 2009 and 2010 were also not significant (F = .049, p>.05 and F = .027, p>.05 for the respective years).

4.6.9 RFP3-09 and RFP3-10

Table 9 above shows that there was no significant interaction between the mean Flesch readability scores for passage 3 of the Review of operations (RFP3) and EP in 2009 and in 2010 (F = .409, p>.05 and F = 2.913, p>.05 for the respective years). The interaction between these readability scores and MCAP for 2009 was also not significant (F = 3.694, p>.05). However the interaction between these readability scores and MCAP in 2010 was significant (F = 9.063, p<.05).

4.6.10 RLP1-09 and RLP1-10

Table 9 above shows that there was no significant interaction between the mean Lix readability scores for passage 1 of the Review of operations (RLP1) and EP in 2009 and in 2010 (F = .054, p>.05 and F = .604, p>.05 for the respective years). The interactions between these readability scores and MCAP for 2009 and 2010 were also not significant (F = 2.728, p>.05 and F = 2.286, p>.05).

4.6.11 RLP2-09 and RLP2-10

Table 9 above shows that there was no significant interaction between the mean Lix readability scores for passage 2 of the Review of operations (RLP2) and EP in 2009 and in 2010 (F = .099, p>.05 and F = 1.499, p>.05 for the respective years). The interactions between these readability scores and MCAP for 2009 and 2010 were also not significant (F = .096, p>.05 and F = .037, p>.05 for the respective years).

4.6.12 RLP3-09 and RLP3-10

Table 9 above shows that there was no significant interaction between the mean Lix readability scores for passage 3 of the Review of operations (RLP3) and EP in 2009 and in 2010 (F = .387, p>.05 and F = 2.623, p>.05 for the respective years). The interactions between these readability scores and MCAP for 2009 was also not significant (F = 2.661, p>.05). However the interaction between these scores and MCAP for 2010 was significant (F = 6.491, p<.05).

4.6.13 Significant Interactions

Significant interactions in Table 9 were further analysed to establish the nature of the relationship between readability and the two corporate attributes. Each corporate attribute for each of the two years – EP09, EP10, MCAP09 and MCAP10 – was ordered and divided into tertiles of Low, Medium and High. The interactions between the three levels of each attribute and readability are presented below

CLP1-09 and CLP1-10 with MCAP10

Table 10: Descriptive statistics for significant interaction of CLP1 and MCAP10

	MCAP10LEVEL	Mean	Std. Deviation	N
CLP1-09	HIGH	62.40	12.474	10
	LOW	67.25	7.581	12
	MEDIUM	65.57	6.370	14
	Total	65.25	8.768	36
CLP1-10	HIGH	65.70	7.319	10
	LOW	65.83	3.904	12
	MEDIUM	66.21	9.065	14
	Total	65.94	7.010	36

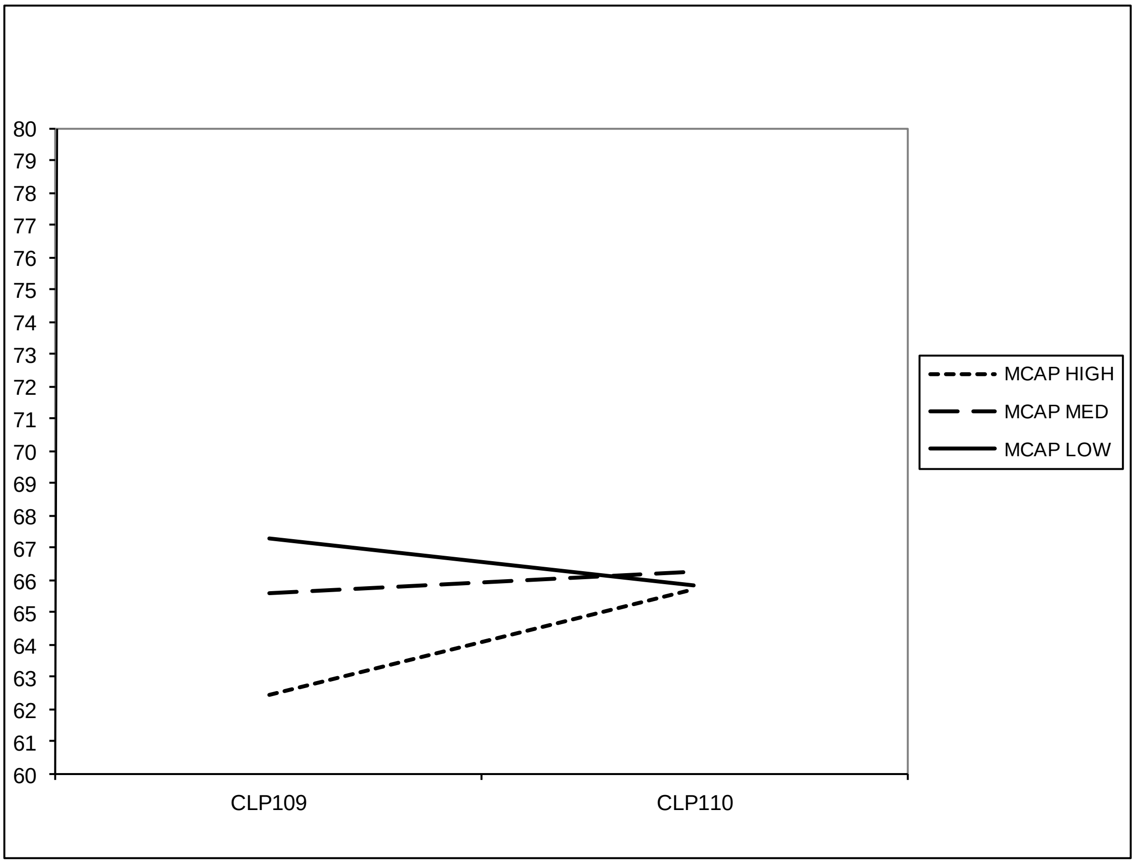


Figure 2: CLP1 interaction with MCAP10

Table 10 shows the mean Lix readability scores for passage 1 of the Chairperson's statement (CLP1) and how they varied for different levels of market value over 2009 to 2010. These mean readability scores increased from 62.40 to 64.70 for high market value companies while the variability reduced from 12.474 to 7.319. For medium size market value companies, the mean readability scores increased from 65.57 to 66.21 while the variability increased from 6.370 to 9.065. For the low market value companies, the mean readability scores reduced from 67.25 to 65.83 while the variability almost halved at 7.581 to 3.904. The table also shows that there were 14, medium MCAP candidates, 12 Low MCAP and 10 high MCAP.

Figure 2 depicts the trends observed in Table 10. It can be observed that for high and medium MCAP companies, the mean readability scores increased over the two years while a reduction in mean readability scores is observed for the low MCAP companies. Although the high MCAP scores increased, these scores lie below both the medium and low MCAPs for both years and although the Low MCAP scores reduced over the two years, these scores seems to have been higher than both medium and high MCAPs in 2009.

RFP1-09 and RFP1-10 with MCAP10

Table 11: Descriptive statistics for significant interaction of RFP1 and MCAP10

	MCAP10LEVEL	Mean	Std. Deviation	N
RFP1-09	HIGH	27.29	9.895	10
	LOW	37.01	15.642	12
	MEDIUM	37.24	15.131	14
	Total	34.40	14.391	36
RFP1-10	HIGH	36.09	12.345	10
	LOW	36.67	14.230	12
	MEDIUM	30.26	18.843	14
	Total	34.01	15.621	36

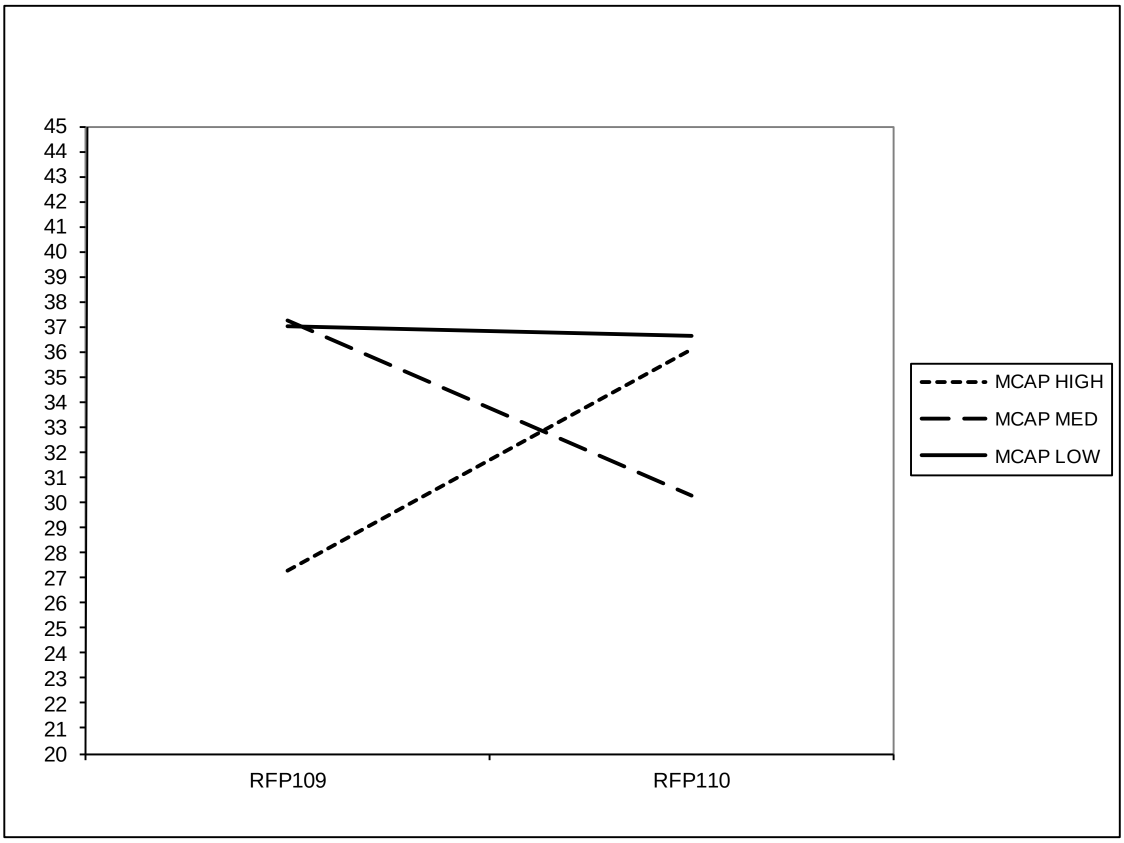


Figure 3: RFP1 interaction with MCAP10

Table 11 shows the mean Flesch readability scores for passage 1 of the Review of operations (RFP1) and how it varied for different levels of market value over 2009 to 2010. These mean readability scores increased from 27.29 to 36.09 for high market value companies while the variability increased from 9.895 to 12.345. For medium size market value companies, the mean readability scores reduced from 37.24 to 30.26 while the variability increased from 15.131 to 18.843. For the low market value companies, the mean readability scores reduced from 37.01 to 36.67 while the variability reduced from 15.642 to 14.230. The table also shows that there were 14 medium MCAP candidates, 12 Low MCAP and 10 high MCAP.

Figure 3 depicts the trends observed in Table 11. It can be observed that for high MCAP companies, the mean readability scores increased over the two years while a reduction in mean readability scores is observed for the low and medium MCAP. The high MCAP scores were the lowest in 2009 while the low MCAP were the highest in 2009.

RFP3-09 and RFP3-10 with MCAP10

Table 12: Descriptive statistics for significant interaction of RFP3 and MCAP10

	MCAP10LEVEL	Mean	Std. Deviation	N
RFP3-09	HIGH	20.73	16.312	10
	LOW	36.19	16.639	12
	MEDIUM	31.79	18.859	14
	Total	30.18	18.068	36
RFP3-10	HIGH	38.37	11.817	10
	LOW	26.58	15.995	12
	MEDIUM	24.69	19.194	14
	Total	29.12	16.961	36

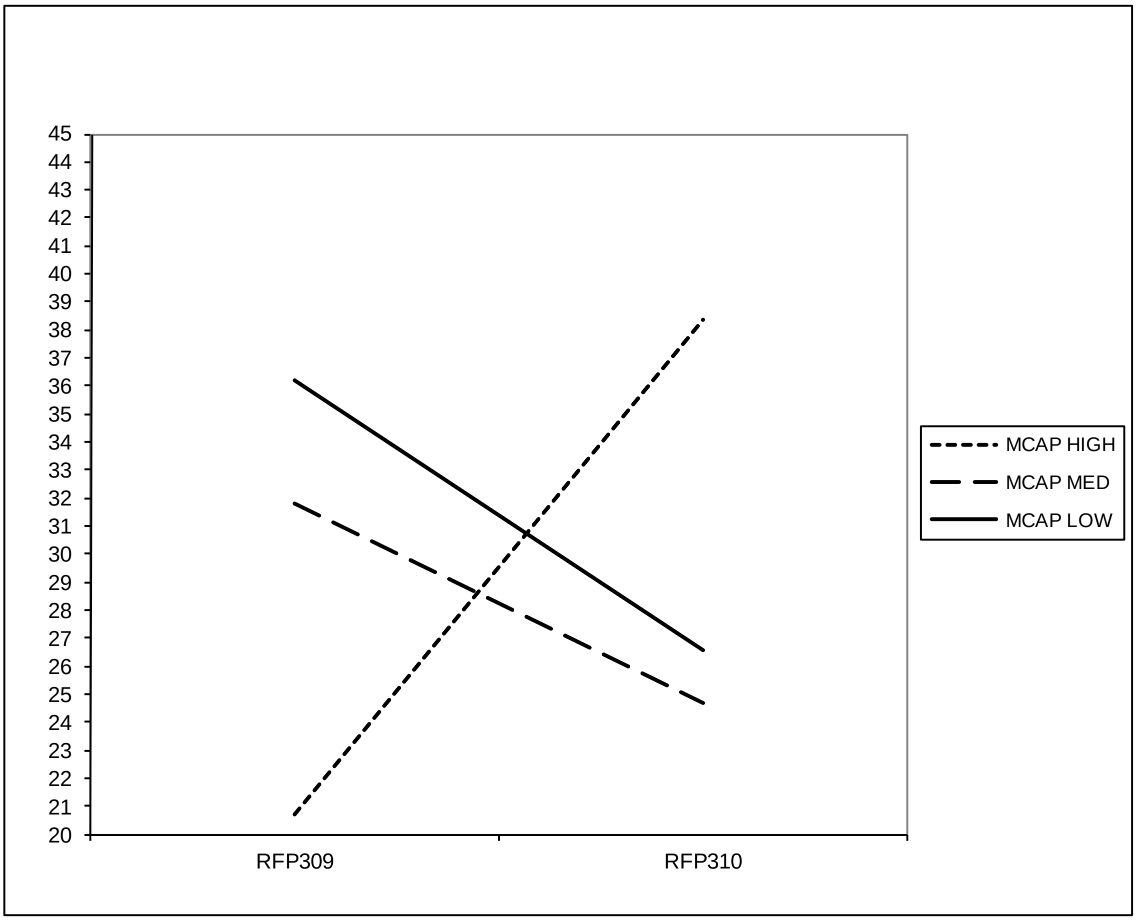


Figure 4 :RFP3 interaction with MCAP10

Table 12 shows the mean Flesch readability scores for passage 3 of the Review of operations (RFP3) and how it varied for different levels of market value over 2009 to 2010. These mean readability scores increased from 20.73 to 38.37 for high market value companies while the variability reduced from 16.312 to 11.817. For medium size market value companies, the mean readability scores reduced from 31.79 to 24.69 while the variability increased from 18.859 to 19.194. For the low market value, the mean readability scores reduced from 36.19 to 26.58 while the variability reduced from 16.639 to 15.995. The table also shows that there were 14 medium MCAP candidates, 12 Low MCAP and 10 high MCAP.

Figure 4 depicts the trends observed in Table 12. It can be observed that for high MCAP companies, the mean readability scores increased over the two years while a reduction in mean readability scores is observed for the low and medium MCAP companies. In 2009, the high MCAP companies had the lowest readability scores and in 2010 the high MCAP had the highest scores.

RLP3-09 and RLP3-10 with MCAP10

Table 13: Descriptive statistics for significant interaction of RLP3 and MCAP10

	MCAP10LEVEL	Mean	Std. Deviation	N
RLP3-09	HIGH	76.50	13.142	10
	LOW	65.75	7.759	12
	MEDIUM	68.93	11.566	14
	Total	69.97	11.478	36
RLP3-10	HIGH	63.80	5.266	10
	LOW	69.00	9.751	12
	MEDIUM	72.79	15.085	14
	Total	69.03	11.619	36

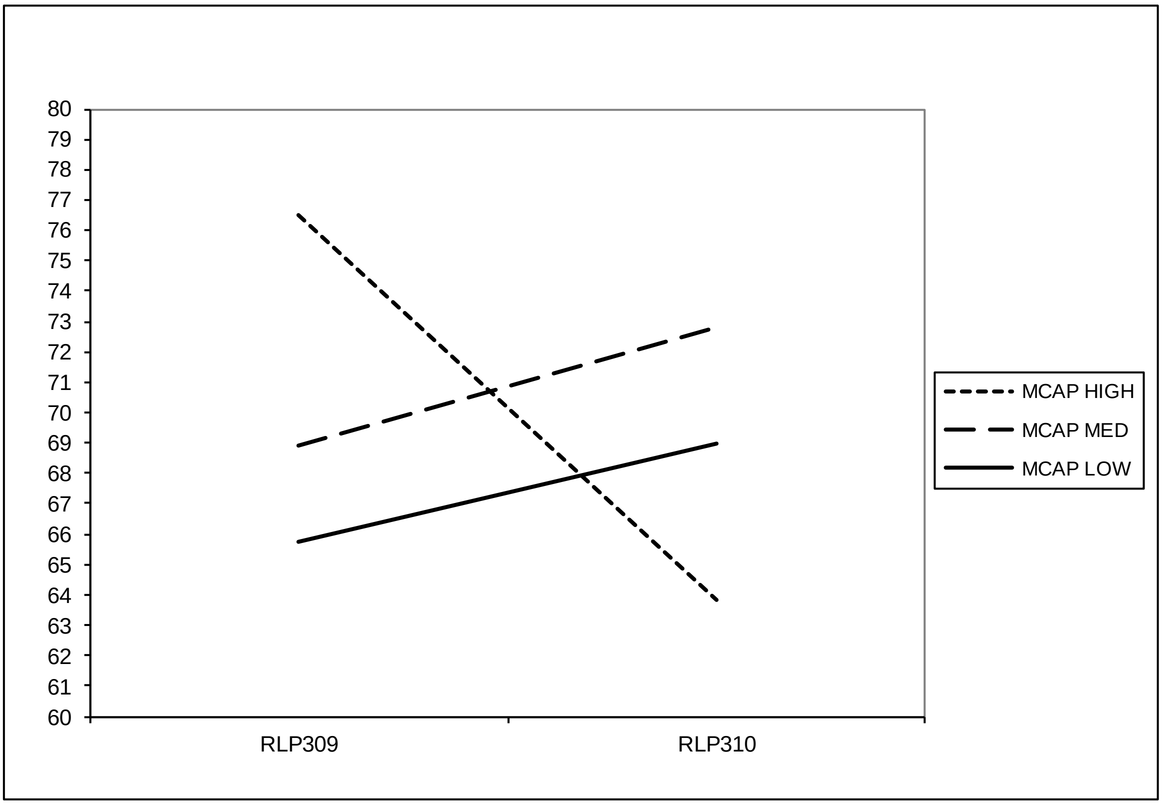


Figure 5: RLP3 interaction with MCAP10

Table 13 shows the mean Lix readability scores for passage 3 of the

Review of Operations (RLP3) and how it varied for different levels of market value over 2009 to 2010. These mean readability scores reduced from 76.50 to 63.80 for high market value companies while the variability more than halved at 13.142 to 5.266. For medium size market value companies, the mean readability scores increased from 69.97 to 72.79 while the variability increased from 11.566 to 15.085. For the low market value companies, the mean readability scores increased from 65.75 to 69.00 while the variability also increased from 7.759 to 9.751. The table also shows that there were 14 medium MCAP candidates, 12 Low MCAP and 10 high MCAP.

Figure 5 depicts the trends observed in Table 13. It can be observed that for high MCAP companies, the mean readability scores decreased over the two years while an increase in mean readability scores is observed for the low and medium MCAP companies. In 2009, the high MCAP had the highest readability scores while these scores were the lowest in 2010.

RFP1-09 and RFP1-10 with MCAP09

Table 14: Descriptive statistics for significant interaction of RFP1 and MCAP09

	MCAP09LEVEL	Mean	Std. Deviation	N
RFP1-09	HIGH	28.74	10.759	11
	LOW	40.90	20.471	10
	MEDIUM	34.21	10.501	15
	Total	34.40	14.391	36
RFP1-10	HIGH	34.85	11.652	11
	LOW	35.37	14.584	10
	MEDIUM	32.49	19.286	15
	Total	34.01	15.621	36

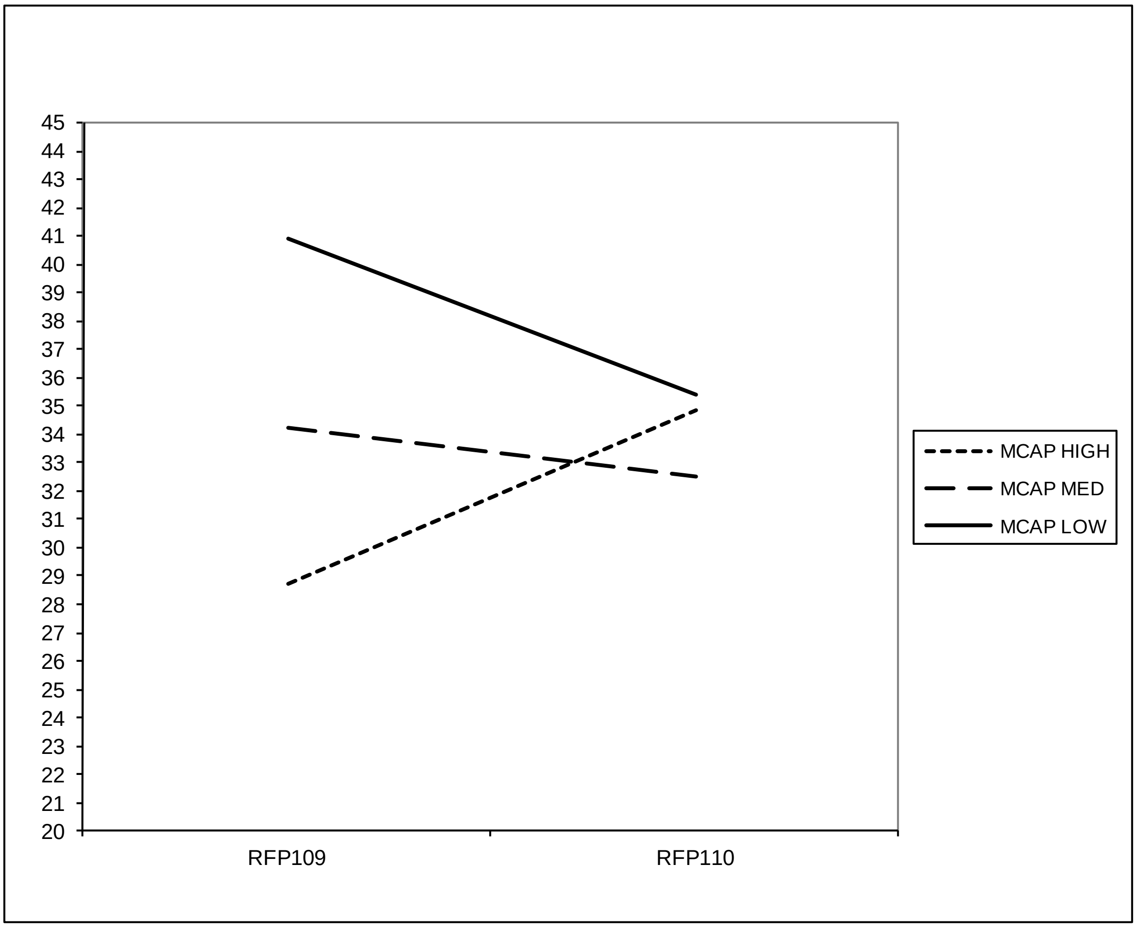


Figure 6: RFP1 interaction with MCAP09

Table 14 shows the mean Flesch readability scores for passage 1 of the Review of operations (RFP1) and how it varied for different levels of market value over 2009 to 2010. These mean readability scores increased from 28.74 to 34.85 for high market value companies while the variability increased from 10.759 to 11.652. For medium size market value companies, the mean readability scores reduced from 34.21 to 32.49 while the variability increased from 10.501 to 19.286. For the low market value companies, the mean readability scores decreased from 40.90 to 35.37 while the variability also reduced from 20.471 to 14.584. The table also shows that there were 15 medium MCAP candidates, 10 Low MCAP and 11 high MCAP candidates in 2009.

Figure 6 depicts the trends observed in Table 14. It can be observed that for high MCAP companies, the mean readability scores increased over the two years while a decrease in mean readability scores is observed for the low and medium MCAP companies. In 2009, the high MCAP companies had the lowest mean readability scores while the low MCAP scores were above both the medium and high MCAP scores in 2010.

CLP2-09 and CLP2-10 with EP09

Table 15: Descriptive statistics for significant interaction of CLP2 and EP09

	EP09LEVEL	Mean	Std. Deviation	N
CLP2-09	HIGH	60.67	10.186	9
	LOW	65.31	6.382	13
	MEDIUM	65.36	5.078	14
	Total	64.17	7.173	36
CLP2-10	HIGH	68.00	6.364	9
	LOW	68.92	8.616	13
	MEDIUM	65.21	5.162	14
	Total	67.25	6.888	36

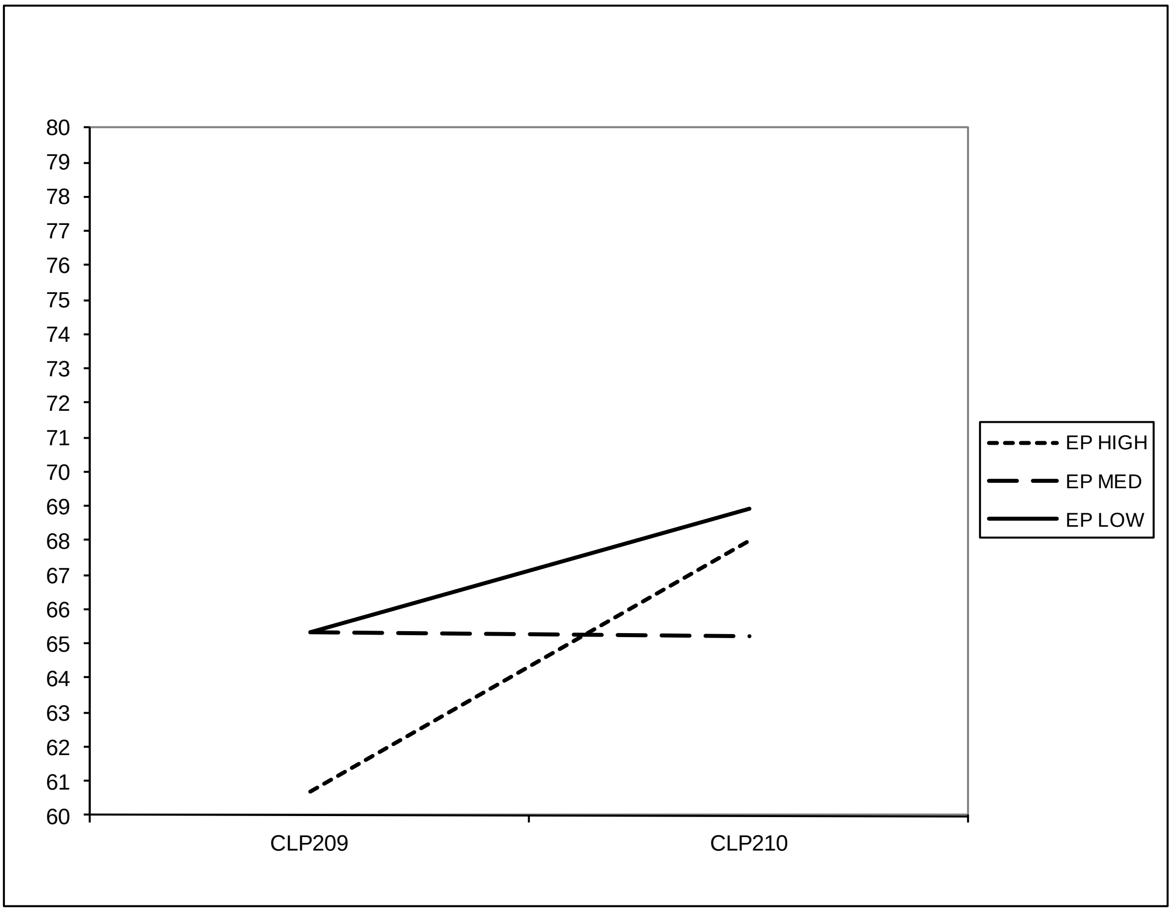


Figure 7: CLP2 interaction with EP09

Table 15 shows the mean Lix readability scores for passage 2 of the Chairperson's statement (CLP2) and how it varied for different levels of profitability over 2009 to 2010. These mean readability scores increased from 60.67 to 68.00 for high EP companies while the variability reduced from 10.186 to 6.364. For medium EP companies, the mean readability scores reduced from 65.36 to 65.21 while the variability increased slightly from 5.078 to 5.162. For the low EP companies, the mean readability scores increased from 65.31 to 68.92 while the variability also increased from 6.382 to 8.616. The table also shows that there were 14 medium EP candidates, 13 Low EP and 9 high EP candidates in 2009.

Figure 7 depicts the trends observed in Table 15. It can be observed that for the high and low EP corporates, the mean readability scores increased over the two years. The mean Lix readability scores reduced for the medium EP corporates over the two years. The high EP scores were the lowest in 2009 while the low EP scores were the highest in 2010.

CFP2-09 and CFP-210 with EP09

Table 16: Descriptive statistics for significant interaction of CFP2 and EP09

	EP09LEVEL	Mean	Std. Deviation	N
CFP2-09	HIGH	42.52	12.762	9
	LOW	33.82	10.320	13
	MEDIUM	36.56	11.045	14
	Total	37.06	11.434	36
CFP2-10	HIGH	31.93	12.008	9
	LOW	29.77	14.630	13
	MEDIUM	36.82	10.480	14
	Total	33.05	12.536	36

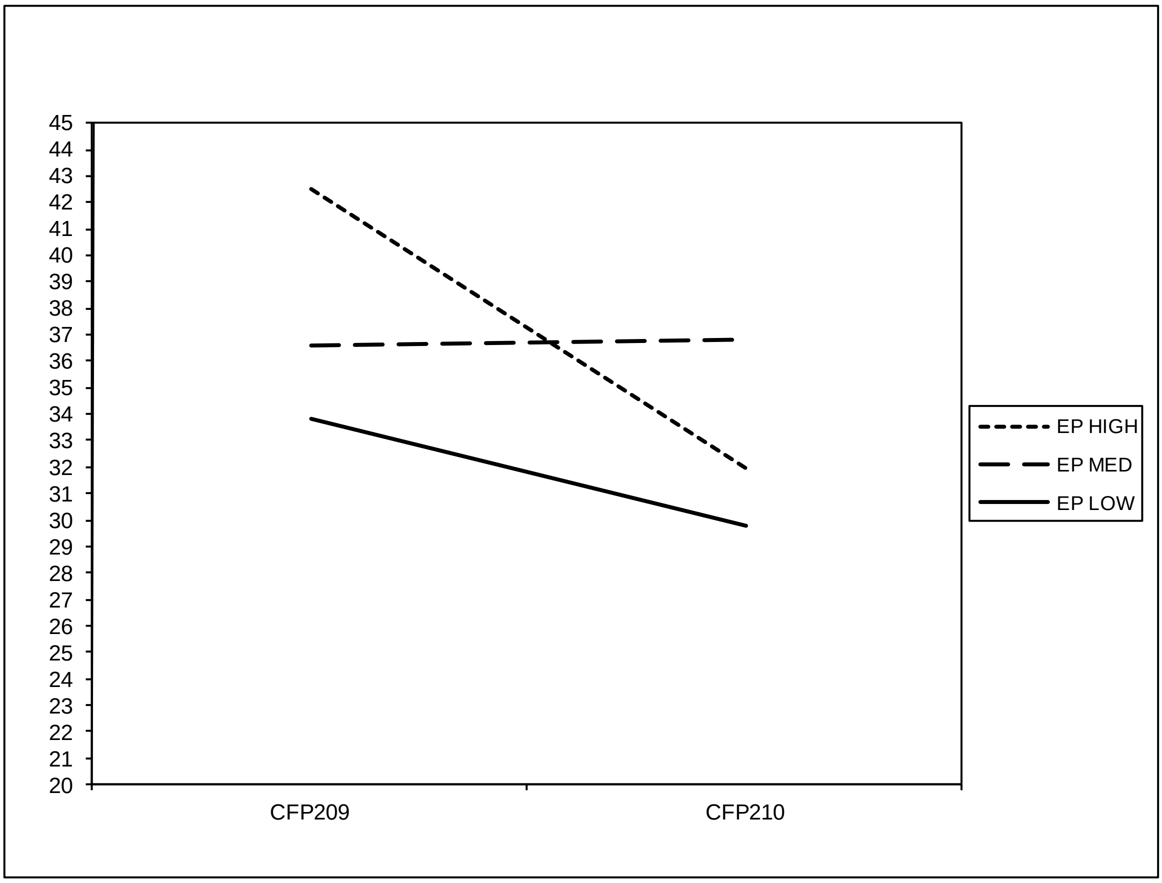


Figure 8: CFP2 interaction with EP09

Table 16 shows the mean Flesch readability scores for passage 2 of the Chairperson's statement (CFP2) and how it varied for different levels of profitability over 2009 to 2010. These mean readability scores decreased from 42.52 to 31.93 for high profit firms while the variability reduced slightly from 12.762 to 12.008. For medium profit, the mean readability scores increased from 36.58 to 36.82 while the variability reduced from 11.045 to 10.480. For the low profit, the mean readability scores reduced from 33.82 to 29.77 while the variability increased from 10.320 to 14.630. The table also shows that there were 14 medium EP candidates, 13 Low EP and 9 high EP candidates in 2009.

Figure 8 depicts the trends observed in Table 16. It can be observed that for the high and low EP corporates, the mean readability scores reduced over the two years. The mean readability scores increased for the medium EP corporates over the two years. Furthermore, the high profit firms' readability was above both medium and low profit firms in 2009 while the medium EP corporates had the highest scores in 2010.

4.7 Conclusions pertaining hypothesis 1

Hypothesis 1 states the following:

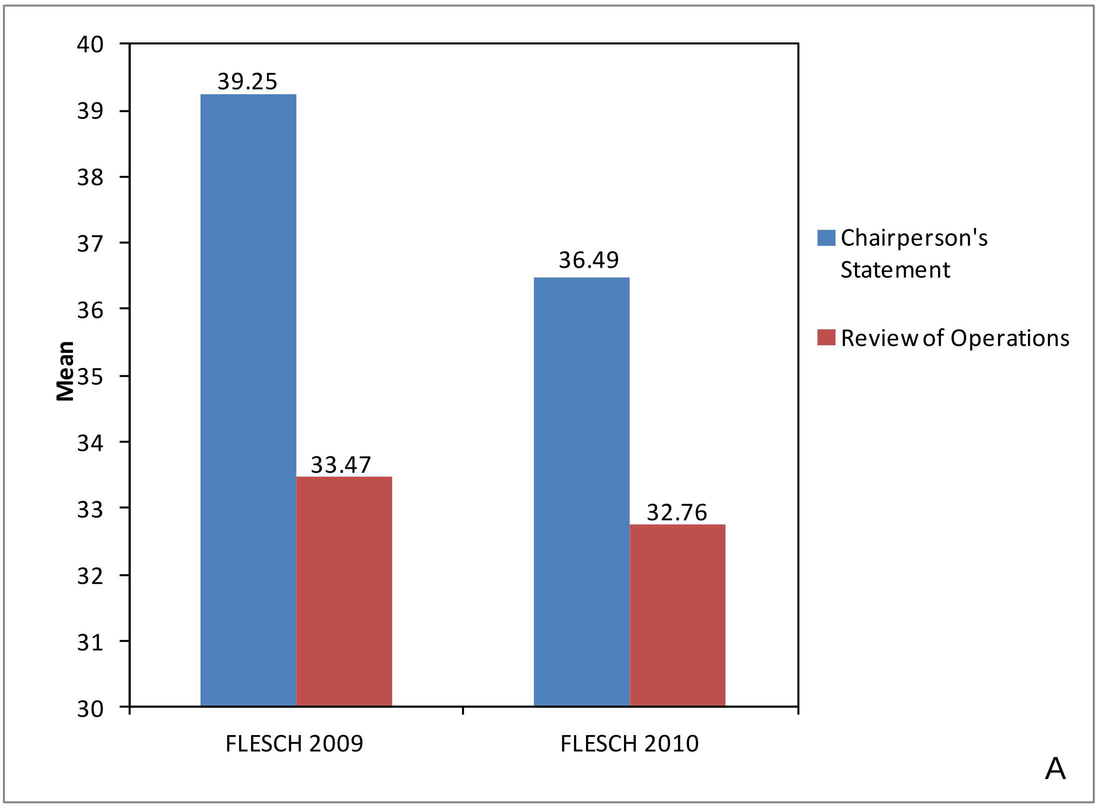
H1: The mean annual report readability score of SA listed companies significantly improved between 2009 and 2010

This hypothesis is broken down based on the two formulas as follow:

FLESCH *H1:* $\mu_{post} > \mu_{pre}$

LIX *H1:* $\mu_{post} < \mu_{pre}$

Figure 9below summarises the mean Flesch scores shown in Table 6. A decrease in overall average Flesch scores of both narratives over the two periods is observed in Figure 9A. The overall mean Flesch score for the Chairperson's statement decreased from 39.25 to 36.49 while the score for the Review of operations decreased form 33.47 to 32.76. The overall mean Flesch readability also decreased from 36.36 to 34.63 over the two years Figure 9B.



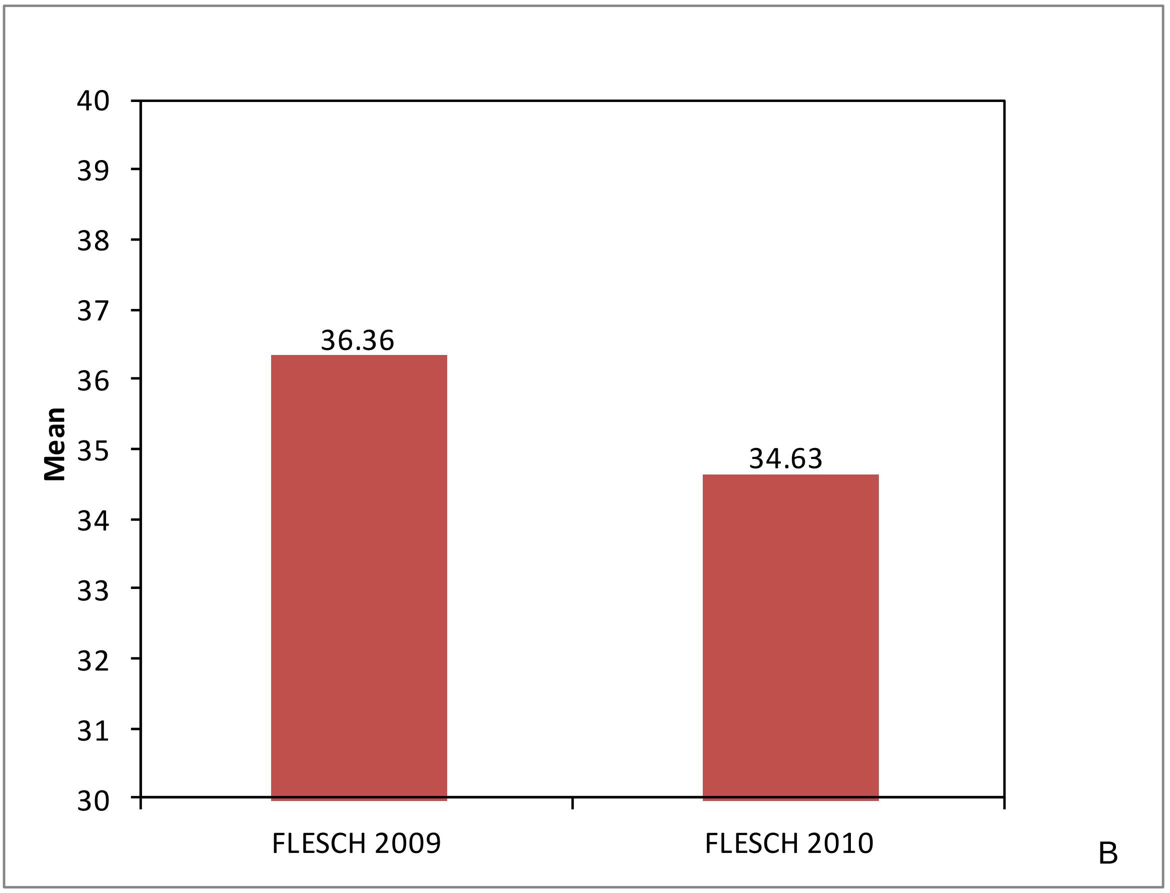


Figure 9: Overall mean Flesch readability scores

Based on Table 1, Figure 9B indicates that the overall readability of SA listed companies decreased (as shown by a decrease in Flesch scores 36.36 to 34.63) post implementation of integrated reporting. However when comparing the mean Flesch scores of each passage over the two years using three methods – dependent-means *t*-test, Wilcoxon signed-rank test and the one-way repeated-measures ANOVA (GLM) this reduction was not significant for both narratives with all *p*-values greater than .05.

Similarly Figure 10 below shows a summary of all mean Lix scores shown in Table 6. An increase from 63.37 to 65.42 in the mean Lix scores between 2009 and 2010 for the Chairperson' statement is observed in Figure 10A. The mean Lix score for the Review of operations decreased from 68.37 to 67.18. However, the overall mean Lix score shows a slight increase from 65.87 to 66.30.

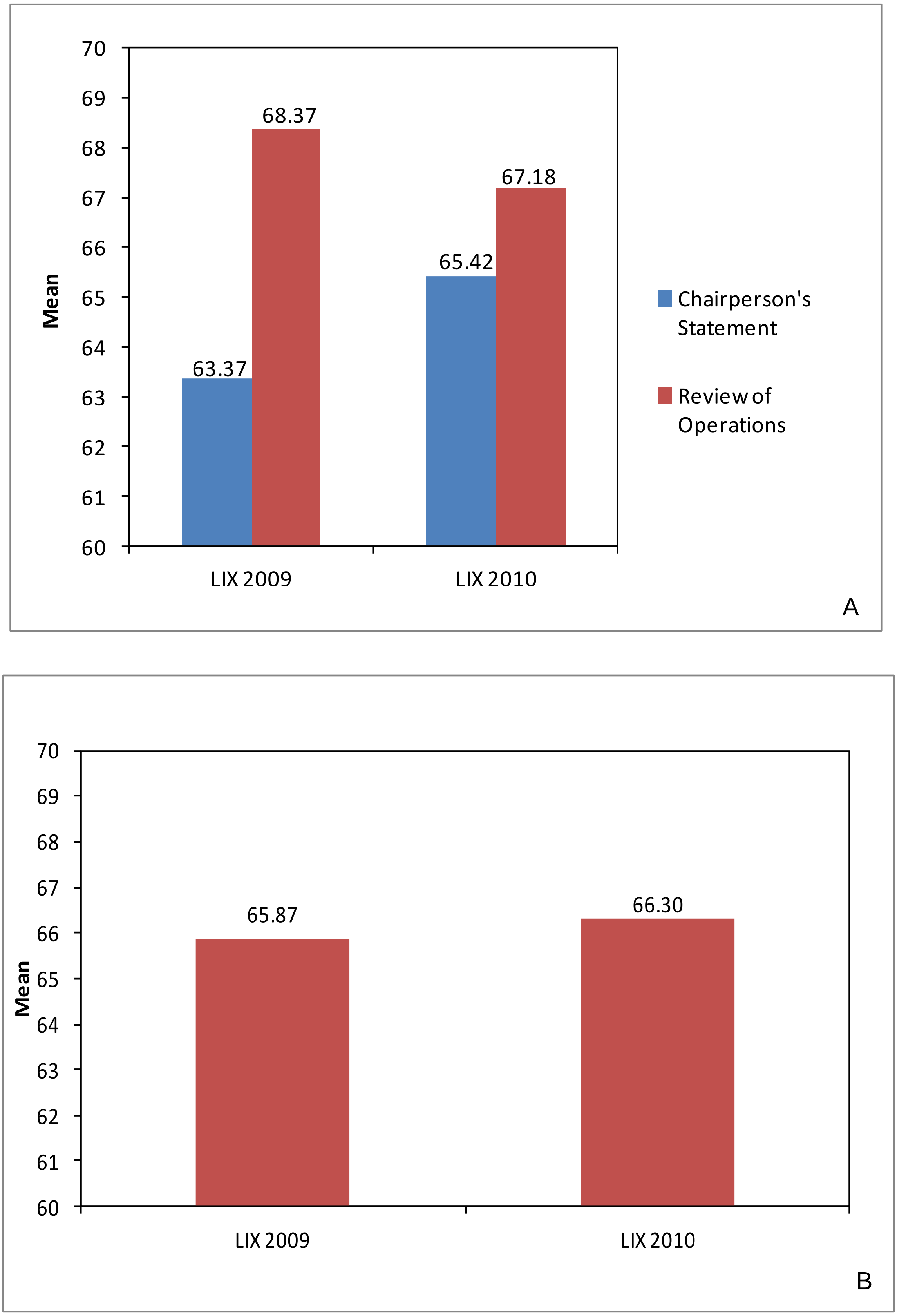


Figure 10: Overall mean Lix readability scores

Based on Table 3, Figure 10B shows that the overall readability of SA listed companies decreased post implementation of integrated reporting (as shown by an increase in Lix scores from 65.87 to 66.30). However when comparing the mean Lix scores of each passage over the two years using three methods – dependent-means *t*-test, Wilcoxon signed-rank test and the one-way repeated-measures ANOVA (GLM) this reduction was not significant for both narratives with all p-values greater than .05.

The following can therefore be concluded pertaining hypothesis 1:

There was no evidence to suggest that the mean annual report readability score of SA listed companies significantly improved between 2009 and 2010.

4.8 Conclusions pertaining hypothesis 2

Hypothesis 2 states the following:

H2: Annual reports of SA listed companies were significantly fairly easy to read in 2009

The above hypothesis is broken down based on the two readability formulas as follows:

FLESCH H2: $\mu_{post} > 60$

LIX H2: $\mu_{post} < 50$

Figure 9A indicates that the overall mean annual Flesch readability scores of both narratives fell in the 30 – 50 range in 2009 (39.25 for the Chairperson's statement and 33.47 for the Review of operations). According to Table 1, this level indicates that these narratives were difficult to read and at least undergraduate education level was required to comprehend them. Similarly, the overall mean Lix scores in Figure 10A are above 60 (63.37 for the Chairperson's statement and 68.37 for the Review of operations) which according to Table 3 indicates levels that were very difficult in readability. Furthermore, a one-sample *t*-test in Table 7 shows strong evidence that the mean Flesch readability scores for both narratives were not greater than 60 at $p< .05$. In fact, there was 95% confidence that the mean Flesch scores for 2009 were within the difficult to very difficult readability range according to Table 1. There was also strong evidence that the mean Lix readability scores were not less than 50 at $p<.05$. In fact, there was 95% confidence that these scores were within the very difficult readability range according to Table 3.

The following can therefore be concluded pertaining hypothesis 2:

There was no evidence to suggest that the reports of SA listed companies were significantly fairly easy to read in 2009.

4.9 Conclusions pertaining hypothesis 3

H3: Annual reports of SA listed companies were significantly fairly easy to read in 2010

The above hypothesis is broken down based on the two readability formulas as follows:

FLESCH H3: $\mu_{pre} > 60$

LIX H3: $\mu_{post} < 50$

Figure 9A indicates that the overall mean annual Flesch readability scores of both narratives fell in the 30 – 50 range in 2010 (36.49 for the Chairperson's statement and 32.76 for the Review of operations). According to Table 1, this level indicates that these narratives were difficult to read and at least undergraduate education level was required to comprehend. Similarly, Figure 10A indicates that the overall mean Lix scores were above 60 (65.42 for the Chairperson's statement and 67.18 for the Review of operations) which according to Table 3 indicates levels that are very difficult in readability. Furthermore, a one-sample *t*-test in Table 8 shows strong evidence that the mean Flesch readability scores were not greater than 60 at $p< .05$ for both narratives. In fact, there was 95% confidence that the Flesch mean scores were within the difficult to very difficult readability range according to Table 1. There was also strong evidence that the mean Lix readability scores were not less than 50 at *p*<.05. In fact, there was 95% confidence that these scores were within the very difficult readability range according to Table 3.

The following can therefore be concluded pertaining hypothesis 3:

There was no evidence to suggest that the reports of SA listed companies were significantly fairly easy to read in 2010.

4.10 Conclusions pertaining hypothesis 4

The fourth hypothesis states the following:

H4: Annual reports of more profitable SA listed companies were significantly easier to read than annual reports of less profitable SA listed companies in 2010

The repeated-measures ANOVA (GLM) tests in Table 9 show interactions between readability scores and profitability of corporates (represented by earnings yield EP) in 2010. Almost all comparisons show no significant correlation between readability and EP in 2010 at *p* greater than .05. The correlation between the mean Lix readability scores for passage 3 of the Chairperson's statement (CLP3) and profitability in 2010 was nearly significant at *p* = .05.

The following can therefore be concluded pertaining hypothesis 4:

There was no evidence to suggest that annual reports of more profitable SA listed companies were significantly easier to read than annual reports of less profitable SA listed companies in 2010.

4.11 Conclusions pertaining hypothesis 5

Hypothesis 5 states the following:

H5: Annual reports of more profitable SA listed companies were significantly easier to read than annual reports of less profitable SA listed companies in 2009

The repeated-measures ANOVA (GLM) tests in Table 9 show interactions between readability scores and the profitability (represented by earnings yield EP) in 2009. In most cases there was no significant correlation between readability and earnings yield (EP) in 2009 at *p* greater than .05. However, the correlation between the Flesch and Lix readability scores of passage 2 of the Chairperson's statement (CFP2 and CLP2) and profitability was significant at $p<.05$. For the CLP2 correlation with profitability, Figure 7 shows that in 2009, the high profit firms had more readable reports (indicated by lower mean Lix scores) compared to medium and low profit firms. The correlation between CFP2 and profitability depicted in Figure 8 also confirms this and indicates that high profit companies had better readability than the medium and low profit firms.

Having compared 6 passages with both formulas only 1 passage showed significance in this relationship i.e. passage 2 of the Chairperson's statement. Even though this 1 case accepts hypothesis 5 and strongly suggests that more profitable companies had better readability than less profitable companies in 2009. The overwhelming majority of the cases indicated no significance in the relationship between readability and profitability. The following can be concluded pertaining hypothesis 5:

There was no persuasive evidence to suggest that annual reports of more profitable SA listed companies were significantly easier to read than annual reports of less profitable SA listed companies in 2009.

4.12 Conclusions pertaining company size versus readability

Although not part of the intended investigation for this study the repeated-measures ANOVA (GLM) test results in Table 9 showed a number of cases where there was significance in the correlation between readability and the corporate attribute of size (operationalised by Market value of the corporation – MCAP). This was the case for both 2009 and 2010. These cases were further analysed to establish the nature of this interaction. Figure 2 to Figure 6 show the nature of this relationship. It can be observed that in 2009, Figure 3 to Figure 6 show that larger companies had the lowest readability in their annual reports than smaller companies. It is only in Figure 2 where larger companies had the highest readability score. However, this picture dramatically changed in 2010. Figure 2, Figure 4 and Figure 5 all show that the annual reports of the largest companies had higher readability than those of smaller companies. Figure 3 and Figure 6 also show that larger companies performed better in terms of readability than they did in 2009, taking second place behind the smallest companies. Similarly, the smallest companies seem to have had more readable annual reports in 2009 than was the case in 2010. The following can be concluded pertaining to this relationship:

There was persuasive evidence to suggest that the mean annual report readability of larger SA listed companies significantly improved post implementation of integrated reporting.

There was persuasive evidence to suggest that the mean annual report readability of smaller SA listed companies did not significantly improve post implementation of integrated reporting

4.13 Summary of the results

To tests the ***first hypothesis***, overall Flesch and Lix mean scores for 2009 and 2010 from each of the 3 passages from each of the two narratives were compared using four methods namely; descriptive statistics, dependent means *t*-test, Wilcoxon signed-rank test and the repeated-measures (GLM). Descriptive statistics showed a reduction in readability over the two years. However, all measures of significance revealed no statistical significance between the difference in 2009 and 2010 scores. H1 was therefore rejected and it was concluded that there was no evidence to suggest that a significant improvement in annual report readability over the two years occurred.

For ***hypothesis 2 and 3***, descriptive statistics and one-sample *t*-tests were used to test for significance in the mean Flesch and Lix scores for 2009 and 2010 from each of the 3 passages from each of the two narratives. Strong evidence that the mean Flesch readability scores were not greater than 60 at $p < .05$ for both narratives was obtained. In fact, there was 95% confidence that the mean Flesch scores were within the difficult to very difficult readability range according to Table 1. There was also strong evidence that the mean Lix readability scores were not less than 50 at $p < .05$ for both narratives. In fact, there was 95% confidence that these scores were within the very difficult readability range according to Table 3. H2 and H3 were therefore rejected and it was concluded that there was no evidence to suggest that the reports of SA listed companies were significantly fairly easy to read in 2009 and in 2010.

To test ***hypothesis 4 and 5***, overall Flesch and Lix mean scores for 2009 and 2010 from each of the 3 passages from each of the two narratives were compared keeping profitability (operationalised as earnings yield - EP) for 2009 and 2010 as covariates in each case of repeated-measures (GLM). Almost all the results for 2010 in Table 9 indicate that there was no significant interaction between readability and profitability at *p* values greater than .05. Hence, H4 is rejected and it is concluded that there was no evidence to suggest that annual reports of more profitable SA listed companies were significantly easier to read than annual reports of less profitable SA listed companies in 2010.

However, in 2009 the interaction between the Flesch readability scores of passage 2 of the Chairperson's Statement (CFP2) in Table 9 and profitability was significant at $p<.05$. Furthermore, a significant relationship was also found when comparing Lix scores of passage 2 of the Chairperson's Statement (CLP2) as shown in the same table. Further investigation of the nature of this relationship in Figure 7 and Figure 8 showed that high profit companies had better readability than medium and low profit firms. However, this is true in only 2 out of 12 cases. H5 was therefore not accepted and it was concluded that no persuasive evidence of any pervasive phenomenon occurring was obtained to support the hypothesis that annual reports of more profitable SA listed companies were significantly easier to read than annual reports of less profitable SA listed companies in 2009.

Although not part of the intended investigation of this report, the repeated-measures ANOVA (GLM) test results showed significance in the interaction between readability and the corporate attribute of size. Further investigation of this relationship in Figure 2 to Figure 6 indicated that larger companies performed better in terms of readability than they did in 2009. Similarly, the smallest companies seem to have had more readable annual reports in 2009 than was the case in 2010. The following was concluded pertaining to this relationship:

There was persuasive evidence to suggest that the mean annual report readability of larger SA listed companies significantly improved post implementation of integrated reporting.

There was persuasive evidence to suggest that the mean annual report readability of smaller SA listed companies deteriorated post implementation of integrated reporting

CHAPTER 5: DISCUSSION OF THE RESULTS

5.1 Introduction

This section discusses the results of this study in the context of the theoretical framework. The results pertaining to each hypothesis are systematically dealt with.

5.2 Discussion pertaining to Hypothesis 1

The basic research enquiry was to assess the impact of integrated reporting on the levels of readability of annual reports issued by a selection of listed companies in South Africa. The main question was examined by comparing overall average readability scores for 2009 and 2010 to determine whether an improvement took place over the two years. This was tested in hypothesis 1 which posits that an improvement in annual report readability occurred post implementation of IR. The results of hypothesis 1 suggest that no significant improvement occurred in the readability of these annual reports. Descriptive statistics in Figure 9 and Figure 10 show an overall average deterioration in readability levels of these annual reports post implementation of IR (Flesch 36.36 down to 34.63; Lix 65.87 up to 66.30). However, all significance tests showed that these differences were not significant.

The IIRC, in its mission statement, states that the information in integrated reporting should be presented in a clear, concise, consistent and comparable format to enable stakeholders to assess the organisation’s performance in the short, medium and long-term (SustainabilitySA, 2011b). This position is further endorsed by the IRCSA (IRC, 2011). Therefore, theoretically, if integrated reporting is adopted and these guidelines are followed, corporate annual reports could be expected to be more readable. However, the main result of hypothesis 1 which is contrary to these expectations is not entirely surprising when considering some of the potential challenges with IR.

Complexity: One such challenge could be in the need to incorporate different strands of reporting - financial, environmental, social, economic and governance - into a comprehensive format that enables stakeholders to make economic decisions while keeping the reports clear, concise, consistent and comparable. However a more fundamental challenge related to the implementation of IR by corporates, as suggested by Ernst Ligteringen of the Global Reporting Initiave (KPMG, 2010) and Allen White of the Tellus Institute (Cheng et al., 2010), could be in articulating the connection between two worlds, which requires a fundamental shift in corporate reporting.

Firstly, connecting financial reporting (FR) which has been around for many years (about 150 years) and sustainable reporting (SR) which is still in its infancy (about 15 years) could be difficult. Under IR, FR not only has to worry about capturing performance in figures but to also narrate the story of those numbers. On the other hand, sustainable reporting has to measure and articulate the social, environmental and governance performance of the firm.

Secondly, articulating the link between long-term business strategies with short term business results could prove a challenge. IR requires corporates to connect the long-term perspective, which is difficult to measure in financial terms, to short-term decision making. This requires companies to understand the long-term impact of their business operations. Corporates may not always be successful in doing this, either because they have not yet developed the capability to do so or because this exercise might raise questions that may not be fully answered within the parameters of today's market conditions.

Diversity of beneficiaries: Related to the above, an added challenge could arise in balancing different interests and the objectives of diverse stakeholders in an effort to report information which is both relevant to the companies' activities and is of sufficient magnitude to influence economic decision making.

Emerging practice: Frank (Cheng et al., 2010) admits that annual reporting is already complex and adds that for the integrated information to be useful, it must rest on an accounting framework which is still under development. This points to another key challenge as a result of IR being an emerging practice whose framework and standards are still under development. The challenge could be in the complexity of clearly communicating the intended message to stakeholders while organisations try to learn and at the same time having to implement IR i.e. balancing complexity and compliance. It is not very helpful that some components of IR are the subject of local regulations which vary between jurisdictions. Progress is therefore likely to occur at different speeds. This position also leaves companies with an enormous amount of discretion on how to do this. Consequently, areas such as comparability between companies could become limited.

While the chasm is wide, it is not unbridgeable. Many of the challenges mentioned above relate to teething problems. The fact of the matter is that this is a new phenomenon which is being rolled out at a global scale. Unfortunately this requires time. Once the dust has settled, as the guidelines to IR become clearer, the possibility exists that the benefits of IR may ultimately overshadow many of the challenges mentioned.

5.3 Discussion pertaining to Hypothesis 2 and 3

Hypothesis 2 and 3 posited that annual reports of SA listed companies were readable in 2009 and 2010 respectively. The results of these hypotheses showed no evidence to suggest that annual reports were significantly easy to read in 2009 and in 2010. The readability of these annual reports ranked in the difficult to very difficult categories at 95% confidence levels (0-30 and 30+ for the Flesch; 50+ for the Lix).

The results obtained are consistent with many other studies that made use of readability formulas to assess readability levels of corporate annual reports. With very few exceptions, these studies found readability within corporate annual reports ranging from difficult to very difficult levels and at a minimum, requiring at least one year of university undergraduate level education. A summary of comparable studies and obtained readability levels is detailed in Table 17 below.

Table 17: Readability levels of corporate annual reports in comparable studies

Author	Year	Country	Readability level
Pashalian & Crissy	1950	USA	Difficult
Soper & Dolphin	1964	USA	Difficult
Smith & Smith	1971	USA	Difficult
Still	1972	United Kingdom	Difficult
Courtis	1986	Canada	Very Difficult
Jones	1988	United Kingdom	Difficult
Shroeder & Gibson	1991	USA	Difficult
Smith & Taffler	1992	United Kingdom	Difficult
Courtis	1995	Hong Kong	Difficult
Courtis and Hassan	2002	Malaysia	Difficult

Source: Modified from Courtis and Hassan (2002)

The persistence of the findings in readability levels of corporate annual reports such as in Table 17 (including the findings of this study) makes one wonder about the awareness of corporates of such results. Various reasons for the low readability levels have been given. Some have suggested that the required level of 'accounting sophistication' from the audience justifies low levels of readability of corporate annual reports (Smith and Taffler, 1992). The question then becomes: Are organisations in touch with the audience they are meant to serve with these reports and how aware are they about the diversity of these stakeholders?

The blame has also been laid on the delicate balance between producing legally compliant reports and ensuring high levels of readability (Courtis, 1987). This argument goes further to claim that obfuscation is therefore, not necessarily deliberate. However, whether deliberate or not, such results (including those of this study) are problematic in a country like SA where illiteracy rates are as high as 18% for adults over 15 years of age i.e. 9 million adults (SAInfo, 2012). In 2011 about 14% of the black majority, 17% of coloureds and 40% of Indians (all classified as previously disadvantaged) had obtained high school or higher qualification (SAInfo, 2011). By 2012, 13.3% blacks, 14.8% coloureds and 45% Indians had obtained these levels of education (SAInfo, 2012). The implications are that most of the adult population in SA are currently being excluded from comprehending corporate annual report messages.

5.4 Discussion pertaining to Hypothesis 4 and 5

A second line of enquiry sought to establish whether corporate profitability is linked to readability and whether such a relationship would change post implementation of integrated reporting. Hypotheses 4 and 5 predict a positive linear relationship between profitability and readability levels in 2010 and 2009 respectively. The results of hypothesis 4 indicated no significant correlation between readability and profitability of SA listed companies in 2010. However, in 2009 the correlation between Flesch readability scores of passage 2 of the Chairperson’s statement (CFP2) and profitability in Table 9 was significant at $p < .05$. Furthermore, a significant relationship was also found when comparing Lix scores of passage 2 of the Chairperson’s statement (CLP2) as shown in the same table. Further investigation of this relationship revealed that the annual reports of high profit companies had better readability than those of medium and low profit firms.

However, since only 2 out of 12 cases compared indicated this, H5 was not accepted and it was concluded that no persuasive evidence of any pervasive phenomenon occurring was obtained to support the hypothesis that annual reports of more profitable SA listed companies were significantly easier to read than annual reports of less profitable SA listed companies in 2009. Previous results on the association between the extent to which firms are forthcoming in disclosing information in annual reports in an easily readable manner and corporate performance in terms of profitability have been inconclusive or contradictory. These contradictions are evident in recent literature and their existence has been acknowledged as far back as in the late seventies. Some of the earlier contradictory findings are detailed in Table 18 below:

Table 18: Summary of earlier literature on the relationship between performance and readability of annual reports

Author	Year	Variables tested	Conclusion
Adelberg	1979	Change in earnings per share	Management knowingly or unknowingly introduces an interpretative bias into non-standard footnotes and qualified auditor's reports; but not standardised footnotes or management analysis. Implies managers obfuscate failures and underscore successes.
Courtis	1986	Current ratio, Leverage, Earnings variability Return on total assets	Not significant Not significant Not significant++ Not significant++
Jones	1988	Net profit to sales Return of capital employed Turnover Chairman Private/Public Chairman's title	Not significant++ Significant at .10++ Significant at .05++ Mixed Significant Significant
Baker & Klare	1992	Total assets Common shares Return on equity Net profit to Sales	Significant at .15 Not significant Significant at .05+ Not significant++
Smith &Taffler	1992	Failed and non-failed companies' performance Profit Gearing Liquidity Risk	Poor readability is associated with poor performance and ease of readability with financial success and .002 significance level+ Lix and Flesch midly significant+ Lix and Flesch not significant Lix and Flesch highly significant Lix and Flesch significant
Subramanian, Insley & Blackwell	1993	Absolute net profit/net loss	Significant at .0001+

+Support the hypothesis that corporate performance is positively related to readability, that is, the more profitable the corporation the more readable the narrative sections

++ Do not support the hypothesis that corporate performance is positively related to readability

Source: Jones (1994)

More recently, the English sections of Hong Kong corporate annual reports were examined to test whether the Chairperson's statements and footnotes of more profitable companies were easier to read than those of less profitable companies based on the return on investment - net income/total assets

(Courtis, 1995). The results of the study were inconclusive and the author attributes this to the small sample size. Operating and financial reviews were used to examine whether poorly performing companies use textual complexity to undermine effective communication and good governance and no evidence of obfuscation was obtained (Rutherford, 2003). Most recently, a test on the management obfuscation hypothesis found the annual reports of firms with lower earnings to be harder to read than those of firms with more persistent positive earnings (Li, 2008).

In essence, the results on this issue seem mixed. Even though this study, on its own, may not seem to have helped much to clarify the situation, the contribution to the existing body of knowledge makes it worthwhile. Hopefully, this issue will become clearer as more research into it is done. However, the mixed results and the existence of some evidence which supports a positive correlation from some studies, including this one, do unfortunately point to a worrying fact that management may unintentionally not be neutral in their presentation of annual reports. This debate on corporate annual report manipulation therefore, has to continue.

5.5 Other findings

Persuasive evidence to suggest a significant relationship between readability and the corporate attribute of size was obtained. Further investigation indicated that larger companies performed better in terms of readability in 2010 than they did in 2009. Similarly, the smallest companies seem to have had more readable annual reports in 2009 than was the case in 2010. The following was concluded pertaining to this relationship:

There was persuasive evidence to suggest that the mean annual report readability of larger SA listed companies significantly improved post implementation of integrated reporting.

There was persuasive evidence to suggest that the mean annual report readability of smaller SA listed companies deteriorated post implementation of *integrated reporting*

Courtis (1995) examined the English sections of Hong Kong corporate annual reports to test whether the Chairperson's statement of larger companies were more readable than those of smaller companies using market value as the basis for comparison. Although the Lix measure indicated significance, it was concluded that no persuasive evidence could be obtained to suggest this relationship on further comparisons. This result was attributed to the small sample size used.

The results of this study are not unexpected. Larger companies with better resources than smaller ones can be assumed to be in a better position to devote such resources to improving annual report readability. The availability of such resources means they can quickly be deployed as needed. Therefore, larger companies are likely to be better equipped to cope with change than smaller ones. The degree of influence of larger companies in the economy could also be expected to result in attempts to excel and to lead the way in IR and the adoption of its guidelines.

5.6 Conclusion

This study could not find significant evidence to suggest an improvement in readability of SA listed companies' annual reports post implementation of integrated reporting. Hypothesis 1 which predicted an improvement in readability of these reports post IR implementation was therefore rejected. However, the existing framework for integrated reporting provides guidelines which support the improvement of readability in annual reporting. Clear and concise writing are some of the attributes that have been emphasised when reporting in this new format. Should such guidelines be strictly followed, readability could still improve. Furthermore, IR is still a new phenomenon and therefore not immune to teething problems. It is expected that as companies become more familiar with this new form of reporting and as they begin to follow guidelines more strictly, readability could improve.

This study found that readability of the annual reports of SA listed companies ranged from difficult to very difficult levels during both 2009 and 2010. Hypotheses 2 and 3 which predicted fairly easy readability of these reports during 2009 and 2010 were therefore rejected. The results pertaining to hypothesis 2 and 3 were consistent with several other studies in literature. The implications of these results are that many South Africans are excluded from making informed economic decisions about the companies.

No persuasive evidence to support a positive correlation between company performance and readability of annual reports could be obtained by the study. In particular, no significance in this relationship was obtained for 2010. Some significant evidence was obtained from some passages of the Chairperson’s Statements in 2009. However, only 2 such cases were found significant out of 12. Both hypothesis 4 and 5 which predicted easier readability for more profitable companies than for their less profitable counterparts in 2009 and 2010 respectively were therefore rejected. Prior investigations of the relationship between company performance and readability have yielded contradictory results. The mixed results could suggest that management unintentionally obfuscate. The results of hypothesis 4 and 5 do not seem to necessarily help improve this dilemma. Additional research in this area is therefore required. The existence of evidence which supports a positive correlation between performance and readability from some studies (including this one) does unfortunately suggest that management may not be neutral in their presentation of annual reports. It is hoped that the more researchers dig deeper as more and more research is undertaken, the clearer this relationship will become.

Persuasive evidence to suggest a significant relationship between readability and the corporate attribute of size was obtained. Further investigation indicated that larger companies performed better in terms of readability in 2010 than they did in 2009. Similarly, the smallest companies seem to have had more readable annual reports in 2009 than was the case in 2010. The degree of influence of larger companies in the economy could be expected to result in attempts to lead the way in IR and the adoption of its guidelines.

CHAPTER 6: CONCLUSIONS AND RECOMMENDATIONS

6.1 Introduction

This chapter summarises the main findings of this study, provides recommendations to stakeholders and makes suggestions for future research.

6.2 Conclusions of the study

This study found that the levels of readability of the annual reports of listed SA companies ranged from difficult to very difficult in 2009 and in 2010 and at a minimum required one year of university undergraduate level education. This result is consistent with many other studies that made use of readability formulas to assess readability levels of corporate annual reports. Although a slight worsening of the readability levels of these annual reports between the 2009 and 2010 was measured, this result was questionable. Not enough evidence was obtained to suggest an improvement in readability of annual reports of these companies occurred post implementation of integrated reporting. However, it is still early days for the implementation of IR and readability may improve significantly as companies follow the guidelines if IR more strictly.

That being the case, the results indicate that listed SA companies are not communicating effectively to the stakeholders and that was the case even before the implementation of IR. The implications are that the majority of the SA adult population who have not passed matric, let alone university undergraduate level education, continue to be excluded from making rational economic decisions. These results not only undermine effective communication and good governance but go against the very objective of annual reporting. Such results are a serious indictment to SA firms because it is even more important that with such high levels of illiteracy, these firms are more prudent in making sure that corporate annual reports are readable. This does not assist in improving the trust between business and society that has been lost, according to Nohria (Cheng et al., 2010), and clearly does not help the effort to make corporate annual reports relevant and fit for purpose.

Furthermore, no persuasive evidence was obtained to suggest a positive correlation between company performance and readability levels. Results from previous studies have been mixed pertaining to this relationship. However, the presence of some evidence from previous studies (and this study) suggesting a positive correlation in this relationship may point to the fact that management may not be neutral in their presentation of annual reports.

Persuasive evidence was obtained to suggest that larger companies performed better in terms of readability levels in 2010 than they did in 2009 while the reverse was true for smaller companies. The degree of influence of larger companies in the economy could be expected to result in attempts to lead the way in IR and the adoption of its guidelines.

6.3 Recommendations

Clearly, the effort to make corporate annual reports relevant and fit for purpose has to continue with even more rigor in SA. The first step to effect change is for the preparers of annual reports to be reminded of their audience, the nature of their diversity and the objective of empowering their economic decision-making. Secondly, as suggested by Courtis (1995), preparers need to acknowledge that their annual reports are not comprehensible to the majority of the South African adult public.

Thirdly, preparers need to consciously and strictly follow the guidelines of integrated reporting. Specifically, those guidelines that advocate reporting in a clear, concise, consistent and comparable manner are expected to improve readability when followed. In other words, as Courtis (1995) puts it, writing shorter sentences, using shorter and simpler words in place of long and complex ones could accomplish improvements.

Fourthly, the preparers need to actively measure readability to determine whether the scores of their annual report readability are predictive of easier readability levels. Employee comment on readability could even be sought to obtain more direct measures.

6.4 Suggestions for further research

Future research could include the following:

- A study similar to this one which assesses the impact of integrated reporting on readability levels of annual reports issued by a selection of listed companies in South Africa comparing 2009 and other future years (2011 onwards) would shed light on whether companies are improving in following the IR guidelines and whether readability is indeed improving over time.

- A study which assesses whether there is a distinction between readability and understandability of annual reports issued by a selection of listed companies in South Africa and how this relationship has been impacted by the introduction of integrated reporting.

- A study which evaluates various corporate attributes and identifies those which explain variations in readability levels of annual reports of corporate SA post implementation of integrated reporting.

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APPENDIX A

Passages from Chairperson's statements - 2009 annual reports				
No.	Security	Par1	Par2	Par3
1	BHP BILLITON PLC	By any measure, this has been an extraordinary year. The global financial crisis has created the worst business environment the world has faced in more than 60 years. World economic activity contracted dramatically and commodity prices fell sharply. Accompanying this, volatility has been high and should remain for the immediate future. While the global economy is showing signs of stabilising, the large developed economies are not expected to show real growth until at least the end of 2010. BHP Billiton's strategy has served us well during these volatile times. Since the merger of BHP and Billiton in 2001, we have focused on a few key fundamentals.	From your Board's point of view, the critical issue is that shareholders have the ability to fully understand remuneration arrangements, to monitor them and to express their opinion on their value. Aligning executive remuneration with shareholder value creation is fundamental. Our program of Board renewal continued this year. David Jenkins, after nine years on the Board, will retire after the Annual General Meetings. David has made an outstanding contribution to the work of the Board; and on your behalf, I would like to thank David and wish him well for the future. We also appointed Wayne Murdy as a non-executive Director.	To ensure an orderly transition, the Board has asked me to stand for re-election at the upcoming Annual General Meetings, although I will not serve a full term and expect to retire from the Board in early 2010. I want to acknowledge and sincerely thank you, our shareholders, for your support over the 13 years I have been on the BHP Billiton Board and my 10 years as Chairman. It has always been my underpinning principle to respect shareholders as the owners of the Company, as it is to you that I am accountable for the governance and performance of BHP Billiton. It has been an outstanding highlight in my life and an extraordinary privilege to serve you as Chairman.

2	ANGLO AMERICAN PLC	In this, my first year as chairman of Anglo American, I am pleased to report on a very creditable overall performance during an extremely volatile year in our markets. Your company is in very good shape to meet the challenges ahead: we have a formidable portfolio of top quality assets and projects, we are a more fit for purpose and lean organisation, our business is adequately funded, our Board has been refreshed and we are enthusiastically executing our clear strategy for delivering value. In my first few months, I have travelled extensively around the Group. I have been impressed not only by Anglo American's asset quality but also by the professionalism of its people.	Operating our businesses in a socially and environmentally responsible way, and earning and deserving trust, are fundamental to our licence to operate and to delivering long term value to our investors. Our commitment to excellence in this field is not a function of the economic cycle. Indeed, in difficult economic times the responsibility on us to demonstrate that we are a consistent, supportive partner for sustainable development is all the greater. We continued to integrate sustainable development into our business processes in 2009. We launched two major policies: the Anglo Environment Way, and the Anglo Social Way, which establish demanding environmental and social management standards.	I believe it is the Board's job to set the drumbeat for the business by owning the strategy, empowering management to execute it, and hold them accountable for delivery. Thus, the Board needs to be fit for purpose, with the right range of skill sets to be capable of tackling any issue that comes through the boardroom door. It is against that background that I welcome Sir Philip Hampton, with his wealth of financial, strategic and boardroom experience; Jack Thompson, a lifelong successful mining executive; and Ray O'Rourke, who has spent a lifetime of achievement in large scale complex construction projects.
3	SABMILLER PLC	I am pleased to report another robust performance from your company. We all know that things have been tough this year. Not only did we face softening consumer demand, we also had to contend with an increase in commodity costs and a strengthening US dollar. So it's especially pleasing to have delivered such creditable results. Total beverage volumes grew 2% to 260 million hectolitres, with reported lager volumes also rising 2% to 210 million hectolitres including acquisitions in Europe, Africa and Asia. Without the acquisitions, lager volumes were level with the prior year. Earnings before interest, tax and amortisation (EBITA) grew 5% on an organic, constant currency basis.	We were delighted this year to welcome Norman Adami back to the group as Managing Director and Chairman of SAB Ltd in South Africa. Formerly President and CEO of SABMiller Americas, Norman was obliged to resign in 2007 to attend to urgent family matters in South Africa. With these issues now resolved, he is able to return to a role he last held in 2003. Norman's predecessor in South Africa, Tony van Kralingen, has been appointed Director of Supply Chain and Human Resources for the SABMiller group. His new role emphasises our determination to gain maximum value from our global scale.	In the current year we expect commodity cost pressures to continue, given existing contractual arrangements. In addition, the currency translation effect of the stronger US dollar will impact our reported results. However, the group remains confident in its medium-term prospects. We are taking appropriate short-term mitigating actions in certain countries to reduce costs. Investment plans have been reviewed and curtailed where necessary in the light of expected economic conditions, but we continue to invest selectively to support growth. The group remains in a strong financial position, and we are confident that we will continue to benefit from the strength of our brands and our globally diversified and well balanced portfolio of businesses.
4	MTN GROUP LTD	In its 15th year of operation, the MTN Group passed the 100 million subscriber mark with a robust and resilient operational performance in the majority of the countries in which it operates. This was made possible by a firm adherence to our strategy, including investing heavily to	In 2009 the Group analysed its own carbon intensity, looking at opportunities to reduce the impact of its business on the environment and mitigate climate-change related risks. The results indicate that MTN needs to accelerate its efforts to reduce the carbon intensity and increase the	As I sign off this report, excitement about the first 2010 FIFA World Cup™ in Africa is reaching fever pitch. This will be the first time in the tournament's history that it is being held on African soil, and South Africa wants all Africans to regard it as their own. MTN's global mobile sponsorship of the event is fitting given that it is the pre-eminent African telecoms group

		extend the quality, coverage and capacity of the communications network across the 21 markets in which we operate. The intensive capital investment programme of recent years is designed to stand the Group in good stead in the years to come as competition intensifies and the world fully recovers, in the longer term, from the economic malaise of 2008 and 2009.	energy efficiency of base stations, data centres, large premises etc. MTN is proud of its early efforts in this regard. The Group has assessed the viability of alternative energy solutions to power base stations, including solar and hydrogen fuel cell trials in Sudan and Swaziland, biogas pilots in South Africa and operating solar-powered sites in Cameroon, Nigeria and Rwanda, among others.	and because football. is watched by a significant percentage of its more than 100 million subscribers. MTN is proud to operate in five of the six African countries competing in the competition. As the first African sponsor of the world's largest sporting event, MTN is living up to the promise of being a united and uniting force.
5	SASOL LTD	This year, my first as chairman, has been one of extraordinary global economic circumstances. All of Sasol's stakeholders – the millions who own this business, directly or indirectly, our some 34 000 employees, the tens of millions of people who use our products every day, our suppliers and the governments with whom we partner – have felt, in one way or another, the stress and challenge of the rapid economic deterioration that marked our financial year. But tough times reveal the true character of both organisations and people. During this difficult period, Sasol remained profitable and cash-generative. Our cash-conservation approach allowed us to end the financial year in an undergeared position.	Sasol has continued to increase diversity at all levels in the Sasol workplace. The representation of employees from designated groups in management levels is 56,4%. Our board comprises 14 directors, of which seven (including four women) are historically disadvantaged individuals. Three of our directors, with international experience, are based outside South Africa. Outside of its markets and places of work, Sasol's largest social contribution is in education. During the past financial year, Sasol provided bursaries totalling R45 million to 761 university students, mainly in science, engineering, technology and accounting, and some 9 785 employees received leadership training. Sasol is also part of the Technical Skills Business Partnership, a partnership of six companies (including two state-owned entities) that has undertaken to train 5 400 learners as artisans, operators and miners over five years.	These qualities are at the heart of Sasol and its people, and will stand us in good stead in times of turbulence and in times of opportunity. I commend Pat Davies and his executive management team for their continued dedication in leading Sasol, despite the challenges presented by the competition law compliance review and the economic climate. I extend my appreciation to the non-executive directors of the board for their wise counsel and knowledge. In particular, my thanks to our lead independent director, Jürgen Schrempp. Pieter Cox and Elizabeth Bradley retired as non-executive directors during the course of the financial year. On behalf of the board, I offer our thanks for their contributions over many years and wish them well.
6	ANGLO PLATINUM LTD	Anglo Platinum's financial performance for the year was disappointing compared with that in 2008. This was the result primarily of significantly lower prices for platinum group metals (PGMs) throughout most of the year, until the recovery in USD-quoted prices took hold toward the end of 2009. Anglo Platinum produced 2.45 million ounces of refined platinum in 2009, in line with the target set at the beginning of the year. Sales of platinum were	There were five changes in the membership of Anglo Platinum's Board in 2009. Bongani Nqwababa was appointed finance director on 1 January 2009. Wendy Lucas-Bull was appointed as an independent non-executive director in March. Kuseni Dlamini resigned as nonexecutive director and left the Anglo American Group in August. Russell John King also resigned from the Board and left the Anglo American Group in October. We take this opportunity to thank both	Notwithstanding the progress we made in our safety performance in 2009, ensuring the safety and wellness of all our employees and contractors remain a critical challenge for 2010 and beyond. We will strive to build upon the progress we made in 2009 as we continue on our journey toward 'zero harm'. Toward the end of 2009 I announced that I would be stepping down as chairman of the Board of Anglo Platinum in due course. Much remains to be done, but I believe that the foundations for a successful transformation of our business have been laid. I wish to take this opportunity to thank my

		higher, at 2.57 million ounces, as demand for the metal recovered. Anglo Platinum was able to meet market needs at the time, thanks to the higher refined production volumes we achieved as well as metal left unsold at the end of 2008.	Kuseni and Russell for their contribution to the Company. In July 2009 we welcomed David Weston, Anglo American's group director of business performance and projects, to the Board as a non-executive director. David Weston resigned from the Board with effect 27 January 2010.	fellow directors and the executive team for their support and encouragement.
7	STANDARD BANK GROUP LTD	Standard Bank Group navigated its way through another challenging year in which the economic recession that followed the global financial crisis spread from developed economies to most emerging markets, leaving in its wake significant declines in economic activity and a general erosion of wealth. All of our operations felt the impact of this turbulence in their respective environments, and while the group remained soundly profitable and generated headline earnings of R11,7 billion for the 2009 year, we experienced our first decline in headline earnings in approximately 30 years. The board's decision to divert from the existing dividend policy and to maintain the same level of total dividends per share as in 2008 was informed by the combination of a steadily increasing tier I capital adequacy ratio, an improving outlook for profitability and the easing of stress in our chosen markets.	Standard Bank Group is developing a significant presence in China. Our strategic partnership with the Industrial and Commercial Bank of China (ICBC) is contributing significantly to our aspiration to be the African bank of choice for Chinese customers in China and in Africa. In 2009, we established the necessary legal entities in China, hired staff and set up teams specialising in mergers and acquisitions, project finance and global markets. We began to gain access to ICBC's top 100 clients and much of our initial focus was on the facilitation of trade between China and Africa. We also concluded a number of significant cross-border transactions with Chinese companies investing in African assets and have established a healthy pipeline of future opportunities.	In this environment, the group continues to intensify its focus on building revenues and strengthening customer relationships. Investments in staff, systems and infrastructure will continue to ensure sustainability of earnings. Our elevated focus on risk, capital and liquidity remains an important part of our day-to-day management of the group. We anticipate that the group's normalised headline earnings will recover from the 2009 base and management's immediate focus will be to restore earnings to 2008 levels. The financial impact of possible regulatory interventions is currently being assessed and may impact results and returns over the longer term. We believe that our strong capital base and client franchise in key emerging markets position us well.
8	COMPAGNIE FIN RICHEMONT	The first half of the year under review saw record results by our Maisons®. Then came the banking sector problems last September. Since October the impact of this crisis has spread globally, with the United States, Europe and Japan particularly hard hit. Our businesses have suffered accordingly. Management prepared contingency plans for such an eventuality and we have been working to implement them for quite a while. The Group has thus managed to optimise free cash flow. This has been achieved	Whilst the year has been marked by the Group restructuring project, Richemont has also invested in new businesses. Richemont acquired the component manufacturing facilities of Geneva-based Roger Dubuis in 2007 and, in August 2008, bought 60 per cent of its commercial and brand-related operations. Known for its audacious designs, Roger Dubuis has a superb engineering and design capability, specifically linked to the coveted Geneva Poinçon de Genève hallmark. We were also pleased to see the first fruits of our joint	The Asia-Pacific region and the Middle East continue to report some positive sales trends. Given these conditions, we cannot predict when an overall improvement in trading will come about. Compared to the record level of sales reported in the first six months of last year, trading conditions through to September 2009 will be very challenging indeed. Having prepared for the downturn, we now have the resources available to support our Maisons, our colleagues and our clients during the tough times ahead. We intend doing exactly that, and will emerge from these economic headwinds in a much stronger competitive position – however long it may

		through the strict control of operating costs and working capital together with focused cutbacks in capital spending. Our goal was to enter the foreseen economic downturn with a clean balance sheet and proper liquidity.	venture collaboration with Polo Ralph Lauren at this year's Salon International de la Haute Horlogerie in January. The collection of luxury watches marks the first step in what will be a long-term business collaboration, leveraging both companies' strengths.	take.
9	ANGLOGOLD ASHANTI LTD	This is my eighth and final letter to you since I became chairman of the then AngloGold in 2002. Reflecting on the company's progress since then paints, on balance, a healthy picture, though it cannot be said that it has been without its challenges. Perhaps the most fundamental strategic shift occurred early last year when former majority shareholder, Anglo American, completed the process of selling off its stake in AngloGold Ashanti. While acknowledging the positive role played over the years by Anglo American, this has given our company greater freedom to pursue its best interests. I believe the consequences of this will become increasingly apparent in the years ahead.	AngloGold Ashanti, like most major mining companies, continues to face significant challenges as a corporate citizen. Energy issues are becoming a particular challenge in terms of security of supply, price and our obligation to minimise our carbon footprint. South Africa faces a major challenge to meet the demand for electricity. Our company played a prominent role in commissioning a submission to the energy regulator as it considered an initial application from the state-owned power company for a 45% a year tariff increase over three years. While we recognise that power prices in South Africa have been unrealistically low for many years, an increase of such magnitude would seriously damage not only our industry but the economy as a whole.	In conclusion, I would like to pay tribute to Mark. Even the best managed companies need regular phases of renewal. In the period since September 2007 when he joined us, Mark has truly positioned AngloGold Ashanti for a new and successful era. He has achieved this through lucid strategic thinking, and putting those new strategies into effect. This is reflected in the rationalisation of our asset portfolio, the financial restructuring and, most importantly, the work he has done as a manager of people, building a highly capable team and giving them the confidence to take the business forward. I am very pleased to be succeeded by Tito Mboweni, who recently retired, after ten years in that position, as Governor of the South African Reserve Bank.
10	NASPERS LTD -N-	During the past year Naspers's revenue grew by 30% to R26,7 billion. Operating profit before amortisation and othe gains/losses increased by 21% to R5,1 billion, while core headline earnings per N ordinary share grew by 4%. The past year's financial year performance is analysed in the financial review in page 16 of this annual report. The past twelve months evidenced a global economic downturn. Each business in the group played the field as it found it in each and each adapted as fast as possible to these new conditions. As a whole, the group's growth was satisfactory. Emerging markets are at the centre of our strategy.	The printing sector had revenue growth of 4%, although margins were affected by lower print volumes and exchange rates. The book publishing business is operating satisfactory. In Brazil Abril had an excellent year and its contribution to core headline earnings increased to R414 million (2008:RThe board has recommended that annual dividend be increased by 15% to 207 cents (previously 180 cents) per N ordinary share, and 41 cents (previously 36 cents) per unlisted A ordinary share. If approved by shareholders, dividends will be payable to shareholders recorded in the books on 11 September 2009, and will be paid on 14 September 2009. The last date to trade	The abridged curricula vitae of all directors appear in the directorate on pages 58 to 61 of the annual report. The new global economic landscape and fast moving markets demands that we are flexible and adapt quickly to rapid change. The group requires the right skills to meet the challenges in each of the markets in which we operate. We are proud of the contribution made by our people in so many countries. Over the past year they have shown tenacity, resilience and innovation to achieve most of the goals our business had set. We appreciate their commitment. Finally, my thanks to my fellow board members for their guidance and support during what has been a tough year.

			cum dividend will be on 4 September 2009.	
11	IMPALA PLATINUM HLGS LD	The past year has been hugely challenging and most disappointing, both from a safety performance point of view and in terms of our operating results. Notwithstanding our considerable efforts and initiatives on the safety front, Implats has been unable to drive home a safety culture in a manner that will set it on course to achieve its objective of zero harm by 2012. Operating performance was well below par, and together with reduced commodity prices – associated with the turmoil in world markets – culminated in a 31% reduction in rand revenue and a 52% decline in headline profit for the year. During the year, eleven of our employees tragically lost their lives in work-related incidents, and we extend our sincere condolences to the relatives and friends of the deceased.	In 1990, ore milled on South African gold mines was 129 million tonnes; by 2006, this had declined to some 53 million tonnes. Similarly, gold production declined from 603 tonnes in 1990 to 275 tonnes in 2006. The level of activity in the gold-mining industry has therefore declined by some 55% to 60%, reducing the size of the skills pool. To some extent, this decline in gold-mining activity was offset by increased production from platinum mines; but at a relatively modest 80 tonnes over the period, this increase did not quite compensate for the skills shed by the gold mines. At present, the skills-demand situation has abated somewhat as a result of the downturn in world mining activity.	I take this opportunity to thank my fellow board members for their commitment and dedication during the past year. In particular, I thank Lex van Vught, who resigned from the board at the end of June this year. We wish him well in any future endeavours. My personal gratitude, and that of the board, goes to David Brown and all employees in the Implats family, as well as to contractors, customers, suppliers and other business partners. This has been a difficult year for the group, but we are up to the challenges that have come our way. I am confident that with your support, we will emerge from the present downturn leaner and stronger, and ready to face future opportunities with invigorated enthusiasm.
12	FIRSTRAND LTD	In his Chairman's statement last year, my erstwhile colleague and co-founder of FirstRand, GT Ferreira, remarked that he was glad he was handing me the Chairmanship of the Group, "after, and not before the most difficult year of our short history". Whilst I appreciate his sentiments he proved to be wrong about the year to June 2008 being the most difficult in the Group's short history. The year under review, to June 2009, proved to be much worse, with FirstRand's diverse portfolio of banking and insurance businesses producing a disappointing performance. Normalised earnings decreased 32% to R7.1 billion with a normalised return on equity ("ROE") of 14% compared to 22% in the previous comparative period.	The creation of Johan Burger's Chief Operating Officer ("COO") portfolio is critical to unlocking the benefits of integration and in his report he outlines some of the existing and new mandates he will be utilising to pursue the opportunities that we believe exist. Whilst on the subject of management portfolios, it is appropriate to cover an issue that has been top of mind for our shareholders in recent years, namely the eventual shift from an "owner managed" to a "professional managed" business. This has finally transpired with the retirement of Paul Harris as CEO of FirstRand Limited at the end of this calendar year.	I would also like to thank both Robbie Williams, who has also been a non executive director since the creation of FirstRand Limited, and Dennis Falck, for their valuable contributions over the years. Finally I would like to thank FirstRand's outgoing CEO, Paul Harris, whose tenure at the helm coincided with the most challenging financial and economic crisis since the Second World War. Paul's immense energy, vision and true entrepreneurial spirit have been central to the success of this Group, which should not be judged on the past two years – but the past 30 years – and we are extremely fortunate that his knowledge and wisdom will remain available to the Group in his capacity as a non executive.
13	ABSA GROUP LIMITED	2009 was a testing time for financial services companies. A substantial decline in levels of investment and consumer spending led to a	We have adopted the Equator principles that ensure the projects we finance are developed in a socially responsible way and reflect sound	Absa employees and management have shown remarkable determination, perseverance and teamwork over the past year. Without their contribution, we would not be where we

		dramatic decrease in business activity across industries and countries. To stabilise the financial system and to minimise damage to the real economy, governments and regulators injected liquidity into the system. With an unprecedented coordinated effort, governments, financial regulators and the private sector worked together to put in place measures to reduce the current and potential impact of financial crises. The monetary and fiscal measures have been mostly successful. However, there remain concerns about medium- and long-term sustainability, even predictions of another recession.	environmental management practices. *Diversity:* The more diverse the backgrounds, skills and experiences of our employees, the better we can satisfy the needs of all our customers. Our success and sustainability depend on our ability to transform and remain relevant. As a Group we consider transformation to be both a business and moral imperative and we remain committed to transformation at all levels. Our executive and other appointments, for example, bear out our commitment to attract and retain top talent, while implementing our transformation agenda.	are today in our effort to be a people- and customer-centred organisation. Thank you, also, to our loyal customers. We are committed to understanding and delivering on customers' needs, and it is our objective to improve our ability to do so. Finally, thank you to our shareholders. You have believed in our strategy, even during difficult economic times. Your support is invaluable. We believe that Absa remains on a stable path, and we look forward to a positive future.
14	VODACOM GROUP LIMITED	There is no doubt in my mind that this is an exciting time to be of service to Vodacom; this being a time of review and renewal, of defining events and new beginnings, and of concentrated focus on equipping the business in every measure for a new world of vast opportunity and unprecedented risk. But chief among the reasons for my sense of excitement in accepting the position of Chairman was Vodacom's energetic and highly capable management team, led by Pieter Uys. This team is tasked with taking Vodacom into the future as a total communications provider with its sights set on leadership in sub-Saharan Africa, a broadened strategic vision that is providing new growth impetus for the Group.	Going forward, this will allow the Group to invest as necessary in defending its leadership positions and in pursuit of its growth strategy, while also delivering competitive returns to shareholders. Dividends declared for the year ended 31 March 2009 totalled R5 200 million with the final dividend of R2 200 million paid on 8 April 2009. As a private company, Vodacom has historically paid a dividend equal to approximately all of its free cash flow on a semi-annual basis. As a publicly listed entity and for the financial year ending 31 March 2010, Vodacom anticipates a dividend payout ratio of around 40% of headline earnings.	I recognise and appreciate the contribution of Vodacom's many suppliers and partners in all sectors of business and society, and look forward to their continued support in the years ahead. I feel privileged to be joining the Vodacom Group at a decisive and exciting time in the company's development. We can be sure of tough times ahead, but it is at times such as these that innovation and excellence at every level of business is most required, and tends to come to the fore. So while I am certain that Vodacom's mettle will be tested further in the prevailing economic environment, I believe that we will not be found wanting.
15	KUMBA IRON ORE LTD	Last year was a remarkably challenging year for the mining industry, which started amidst the global economic crisis that had effected almost all regions of the world and business sectors. The success of the Kumba team in navigating 2009 is a testament to their agility to adapt to the changing environment, the fundamentals of the market for iron ore and the focus on the basics	Our industry continues to work with government in various other regulatory areas. During 2009 the Mine Health and Safety Amendment Act was signed into law and we are engaged with government on certain areas of the act that still need to come into force. The Department of Mineral Resources (DMR) has also completed work on the Mining Charter in preparation for a	I also want to thank the management team, under CEO Chris Griffith, which has done superbly in a very difficult environment during 2009.Everyone at Kumba has worked very hard over the year to deliver the results detailed in this report. They have proven their willingness to meet challenging targets and respond dynamically to a constantly changing market environment. I acknowledge the effort that all employers have put in to deliver these truly remarkable

		of the business. That Kumba has been able to deliver the second strongest set of financials in its history is an achievement to be proud of. Kumba's daring decision to continue investing I growth projects, as well as in developing our employees throughout the recessionary conditions of last year, has proven to be the right one.	review with which we as an industry will be engaging in the next few months. This is sure to be an area of significant focus for us as we work to take transformation of the mining industry to the next level. I am confident that the review will lead to an outcome that is beneficial to all stakeholders.	results. The year is likely to be another exciting one for Kumba in which the only certainty is that Kumba will again be agile in response to changing market conditions, while remaining committed to its investment plans and long-term vision for the iron ore industry.
16	OLD MUTUAL PLC	Following the turmoil in global financial markets in 2008, 2009 was a difficult year for financial services companies, reflecting the recessionary environment that prevailed in many of the world's major economies. Despite this, the Company achieved adjusted operating earnings per share on an IFRS basis of 12.1p, which compared to 14.9p in the prior year. I believe this was a very acceptable result in these difficult circumstances. While there are noncash charges (such as that arising on the revaluation of our own debt) which gave rise to a reported net loss, overall the Company has improved its financial strength and increased its IFRS book value (from 134p per share to 147p per share).	There are also other increasingly onerous expectations of boards of banks and other financial institutions that I will address during the coming year. On behalf of my Board colleagues, I would like to express our appreciation for all the dedication of the Group's employees during 2009 and for the resilience and commitment they showed during one of the most difficult years in the Group's history. We are pleased that the Company's improved capital position has enabled the Board to recommend a dividend for the year ended 31 December 2009 of 1.5p per share (or its equivalent in other applicable currencies) to be paid on 25 June 2010, subject to approval by shareholders at the Annual General Meeting (AGM) in May.	There is also an opportunity for shareholders, if they wish, to submit questions ahead of that meeting, which will be dealt with during the AGM. The Notice relating to our AGM enclosed with this Report includes further details of the webcast arrangements, and the various resolutions to be proposed and the procedure for submitting questions ahead of the Meeting. Following a year of de-risking the balance sheet, the Board and management are aligned in the goal of simplifying the Group structure and improving performance. Our international savings business is critical to achieving long-term growth and will be a special focus as we progress with implementing our strategy.
17	GOLD FIELDS LTD	The 2009 financial year has been a year of remarkable change and challenge globally, and for Gold Fields specifically. While the effects of the economic turmoil were brought upon us harshly early in the year, I am pleased that we have, nonetheless, maintained a strong focus on advancing our strategy and, in the process, achieved great accomplishments. I can confidently state that Gold Fields is today in a much stronger position than 12 months ago. Most importantly, we have made considerable progress with our number one priority: to	Our strategy to expand Gold Fields outside South Africa has advanced over the years and this year marked the end of significant capital programmes at both Tarkwa and Cerro Corona. We are particularly pleased that the Cerro Corona mine is now fully commissioned and at full production because this is an important step in the evolving of our strategy. As I indicated above, South America is one of the three international regions in which we intend to grow, and the Cerro Corona mine provides us with a solid platform from which to venture forth. Based on the current mines in	On behalf of my fellow directors and all of the people of Gold Fields, I wish to congratulate Gill on her appointment and thank her for the immense contribution that she has made to Gold Fields. While we regret her departure, we know that we will continue to benefit, together with the rest of South Africa, from her wisdom and leadership as she assumes her important new role. Looking towards next year, we are well positioned to continue progressing our strategy, and in doing so, delivering on the targets and objectives that we have set for ourselves, whilst being ever mindful of our responsibility to

		improve our safety performance. We reduced fatal accidents substantially and showed an improvement of 55 per cent, with fatalities declining from 47 in F2008 to 21 this year.	operation, production from West Africa, South America and Australasia is now over one and a half million ounces of gold and these regions are now in a position to make an important contribution to the Group's income stream.	our communities.
18	NEDBANK GROUP LTD	As economies and business the world over start to recover and rebuild after the widespread recession brought on by the global financial crisis, business leaders and companies need to focus their attention once again on ethical behaviour and on adopting sustainable business practices. Harsh and valuable lessons have no doubt been learnt from the crisis where the attraction of short-term gains caused so many businesses to lose their moral compass. It is hoped that this will be the catalyst for a return to values-based management, with a focus on building businesses that are sustainable in the long term, and greater adherence to codes of ethics and conduct.	Two executives of our parent company, Old Mutual plc, were appointed as non-executive directors, namely Julian Roberts, Group Chief Executive, and Don Hope, Head of Strategy Development. Following the restructuring of the Group Executive Committee (Group Exco) as part of the succession process for the new Chief Executive, Graham Dempster was appointed to the newly created position of Chief Operating Officer and as an executive director. Graham is one of the most experienced bankers in the group and his wide-ranging expertise is well suited to this position. We were pleased to have attracted Raisibe Morathi as Chief Financial Officer to succeed Mike Brown when he was appointed Chief Executive Designate.	The group has continued to show its resilience under extreme pressure and on behalf of the board I thank Tom and the Group Exco for ensuring that we have weathered the storm and are positioned well for the eventual upturn in the economy. At the same time we wish the new team under Mike's leadership every success for the year ahead. Again we thank the Banking Regulator for his oversight and guidance of our industry in these trying times and for the constructive manner in which he engages with the bank. The achievements outlined in this annual report would not have been possible without the commitment and dedication of our staff and we thank everyone at head office and at our offices and branches across the country and further afield for their contributions.
19	SANLAM LTD	I am pleased to be able to present you, in this my last Chairman's report for Sanlam, with a set of financial results described by some analysts at the interim stage as resilient and healthy and therefore 'boring'. Those who know me can attest that I do not easily embrace boring, but in this instance I willingly do so. In the context of Sanlam's financial results having been achieved in a year heavily scarred by turmoil in world financial markets, the magnitude of which claimed unprecedented victims late in 2008, boring is good. The Group delivered a solid and stable performance in 2009 – our persistence has been commended by both shareholders as	The global financial crisis drew back the blanket on critical shortcomings in the approach to corporate governance around the world. Excessive risk-taking in a number of prominent financial services companies had gone undetected – the checks and balances that were meant to be in place as required by the principles of good corporate governance were simply not there in so many instances. The South African financial services industry did not suffer a single casualty to the global crisis. The credit for this goes to a strong regulatory framework as overseen by the Financial Services Board and the Reserve Bank as well as the largely prudential management of	To each and every Sanlam staff member and our distribution force, thank you for believing in our Group and for persevering to deliver the value we have promised our shareholders, our clients and all our stakeholders. In June this year I will have completed two three-year terms as non-executive chairman. In this time we achieved a very important goal: the clear alignment of thinking between the Board and the management of Sanlam. It is therefore my firm conviction that the time is right to hand over to someone of Desmond's calibre. I wish him, the members of the Board, and the Executive Management every success in achieving sustainable growth for Sanlam.

		well as analysts.	businesses by the private sector.	
20	ARCELORMITTAL SA LTD	The past year was not only one of the most challenging years since the Iscor unbundling in 2001, but also the most difficult period that many of us will have experienced in our professional careers. What started with problems in the financial sector sparked a chain reaction that spilled over into the global economy, resulting in considerable challenges for our company. The fundamental issue for ArcelorMittal South Africa was the substantial drop in steel demand and prices, further exacerbated by sharp destocking throughout the steel supply chain. The strong Rand/USD exchange rate also hurt our financial performance on a number of fronts.	At Vanderbijlpark Works construction of a new R250 million sinter bag house facility has begun and should be completed in quarter one of 2011. Spending on the R207 million zero effluent discharge initiative at Newcastle Works has commenced and is scheduled for completion in the second half of 2011. The company is confident of the long-term growth potential of the South African and wider sub-Saharan African markets and the infrastructure roll-out that will accompany it. As such it is our firm intention to expand our liquid steel production in line with rising demand. As yet though the continent is only gradually emerging from the economic downturn and it is too early to talk of reviewing our capital expansion plan to boost liquid steel capacity from its current 8 million tonnes to 10 million tonnes a year as outlined in 2008.	We have a strong balance sheet and negligible debt. We remain home to some of the best technical skills in the country and have developed a training pipeline that will ensure we have an ample supply of skills on which we can draw for our future expansion. Our mission statement tasks us to become the leading provider of steel solutions in sub-Saharan Africa. To succeed in this endeavour we must demonstrate two attributes: sustained financial performance through the economic cycle and a willingness to address the environmental, social and wider economic challenges of our time in an open and transparent manner. We are confident that ArcelorMittal South Africa is up to this challenge.
21	LONMIN P L C	My first year as Chairman of Lonmin Plc has been an eventful and challenging one. The business has operated in an extremely difficult pricing and currency environment with the average US Dollar basket price per PGM ounce sold some 49% lower than last year. As a result, our revenues declined dramatically by over 50% or $1.2 billion. The first signs that this revenue collapse was a possibility occurred very early in the year and management took immediate decisive action through the closure of unprofitable operations, the reduction of costs and the restriction of capital expenditure. This was followed by the strengthening of our funding position and then our balance sheet to position us to weather the storm.	As it currently stands, Lonmin is a UK-domiciled company with the vast majority of its operating assets in South Africa. Your Board has therefore concluded that the location of executive management should reflect this reality and accordingly has taken the decision to relocate our operational headquarters and executive management team from London to Johannesburg. We believe that this will enhance day to day management and communications, and performance improvements will flow from greater efficiencies. The decision reflects our commitment to South Africa and our willingness to continue to play a full part in the national transformation process. The Board's key functions of management oversight, strategic direction, decision making and corporate governance will remain in London, where the majority of Lonmin's	The Board has therefore taken the decision not to declare a final dividend for the 2009 financial year. This follows the Board's decision to pass the final dividend for the 2008 financial year and the interim dividend for the 2009 financial year. The Board will keep the matter of dividend distributions under constant review and will resume payments as soon as conditions allow. Our policy remains that dividend distributions will be based on the reported earnings for the year, but take into account the projected cash requirements of the business. Finally, I would like to thank all Lonmin employees for their commitment and dedication, without which the important changes achieved during the year would not have been possible.

			shareholders are located.	
22	BIDVEST LTD ORD	Recession in South Africa, Europe, America and parts of Asia inevitably has consequences for a global business such as Bidvest. Dealing with deteriorating trading conditions is only part of a wider challenge facing organisations committed to sustained growth. The wider challenge is that of effecting fundamental change to deal with a new business environment. Political change has been significant. America has a black president for the first time. South Africa has a new leader in Jacob Zuma. Market change is perhaps even more dramatic. As the financial crisis spread around the world, government-initiated bail-outs of great magnitude became commonplace as global financial systems were impacted and economies stalled for lack of liquidity.	That said, there are some "green shoots" to celebrate. The country recently recorded its first monthly trade surplus since December 2006. Some commodity prices have recovered from their lows earlier in the year and national morale received a boost when we proved during the FIFA Confederations Cup that our organisational skills are comparable with the best in the world. As we move closer to the 2010 kick-off, I expect the national mood to revive still further. We live in a much-changed world. But some things don't and determination of Bidvest people. In World Cup year, I believe they will put in another winning performance.	Bidvest's position on BBBEEE is unequivocal. Black economic empowerment is crucial to the sustainable development of the South African economy. Without the full participation of all racial groups – especially the black majority – this country cannot realise its potential. Peace and prosperity depend on transformation. President Zuma's plan to create 500 000 new jobs by the end of the year indicates that jobs growth is a priority with our new government. This is commendable. In South Africa, pushing back poverty implies pulling out all the stops to create jobs. Infrastructure spending and public works can contribute, but additional tools may be needed – including lower interest rates.
23	INVESTEC PLC	Investec (comprising Investec plc and Investec Limited) is an international, specialist banking group that provides a diverse range of financial products and services to a select client base. Founded as a leasing company in Johannesburg in 1974, we acquired a banking licence in 1980 and were listed on the JSE Limited South Africa in 1986. In July 2002, we implemented a Dual Listed Companies (DLC) structure with linked companies listed in London and Johannesburg. A year later, we concluded a significant empowerment transaction in which our empowerment partners collectively acquired a 25.1% stake in the issued share capital of Investec Limited.	Throughout the financial crisis we have benefitted from a stable balance sheet and the intimate involvement of senior management in monitoring risk and liquidity. The group holds capital well in excess of regulatory requirements and was able to increase the capital adequacy ratio for Investec plc from 15.3% at the beginning of the financial year to 16.2% at the end of the period and from 13.9% to 14.2% for Investec Limited. We intend to ensure that the group remains well capitalised in a transformed capital environment and have revised our internal capital requirements accordingly. Safeguarding liquidity has been a key management priority for many years with the group holding, on average over the financial year, some £4.9 billion of cash and near cash to support its activities.	Our business model remains intact and our strategy to be niched and focused has supported us through a very difficult period. Accordingly, we will continue to focus on moderate loan growth, maintaining credit quality, the strict management of risk and liquidity and ensuring operational efficiencies. Building business depth by deepening existing client relationships is still a key component of our strategy. The outlook for the global economy is uncertain and financial market conditions are likely to remain fragile. However, our capital position and distinct franchise should enable us to move quickly onto the front foot once markets turn.

24	REMGRO LTD	The Company is an investment holding company. Cash income is derived mainly from dividends and interest. The consolidated annual financial statements of the Company and its subsidiaries also incorporate the equity accounted attributable income of associated companies and joint ventures. During the year under review the investment in British American Tobacco Plc (BAT) was unbundled to shareholders as an interim dividend in specie amounting to R55.2 billion. Refer to the section on "Investments" below for further details of the unbundling. After the unbundling referred to above the Group's interests consist mainly of investments in banking and financial services, printing and packaging, motor components, glass products, medical services, mining, petroleum products, food, wine and spirits and various other trade mark products.	With effect from 31 July 2007 Remgro acquired a 24.5% interest, on a fully diluted basis, in PGSI for R719.5 million. is the foreign holding company of the Plate Glass group. During the year under review invested a further \$1.0 million (or R7.9 million) in PGSI. On 31 March 2009, Remgro's interest in PGSI, on a fully diluted basis, was 25.0%. During March 2009 Remgro advanced a bridging loan amounting to R29.0 million to PGSI in anticipation of a PGSI rights offer intending to raise up to R300 million from shareholders. For the year ended 31 March 2009 PGSI, which has a December year-end, has been equity accounted for the twelve months to December 2008 compared to the five months to December 2007 in the comparative year.	The final ordinary dividend per share was determined at 110 cents (2008: 330 cents). Total ordinary dividends per share in respect of the financial year to 31 March 2009 therefore amount to 190 cents (2008: 510 cents). For a Remgro shareholder who continues to hold ordinary shares in BAT as well as Reinet DRs, this means an increase of 8.0% in dividend income when compared to the previous financial year. A final dividend of 110 cents (2008: 330 cents) per share was declared in respect of both the ordinary shares of one cent each and the unlisted B ordinary shares of ten cents each, for the financial year ended 31 March 2009.
25	HARMONY G M CO LTD	The year under review has been challenging and demanding for almost all sectors across the globe. I am therefore pleased to report to shareholders that Harmony has not only weathered the storm, but has been able to deliver on some of the key objectives that management set for itself two years ago. The massive global economic slowdown has, inter alia, had the effect of contracting equity funding and tightening debt markets. So, for us at Harmony the successful conclusion of two significant transactions which enabled us to raise funds and dispose of certain assets was gratifying and resulted in a total capital injection of R1.9 billion (\$219 million) on our balance sheet. At year-end, Harmony was debt-free.	It is appropriate to briefly discuss the legislative changes which may occur in South Africa and in particular, the Codes of Good Practice for the Minerals Industry and the Mineral and Petroleum Resources Development Act (MPRDA), which are currently under review. In South Africa, we have managed to develop a unique, pragmatic approach to such matters and in this spirit, a constructive and energetic review process is under way that involves government, unions and business. Harmony takes an active role in these deliberations. We are committed to engaging with all stakeholders to ensure that the South African mining industry remains a globally competitive and attractive destination for foreign and domestic investment.	I would like to thank all our directors for their sacrifices and the commitment with which they serve the company. I would also like to thank Frank Abbott who will be replaced as Finance Director on 1 November 2009 by Hannes Meyer. Frank has served Harmony with distinction as Finance Director over many years. I am pleased that he will continue to serve on our board as a non-executive director. We wish him well with his future endeavours. My thanks also go to Graham Briggs, our management team and to our employees for always going the extra mile to reposition Harmony as a competitive world-class company.

26	RMB HOLDINGS LTD	Notwithstanding a very challenging year, RMBH reported normalised earnings of R2,5 billion and paid ordinary dividends of R1,2 billion to shareholders. The financial year to 30 June 2009 has been the most challenging in RMBH's more than twenty year history. The operating environment during the year was characterised by negative economic growth, continued market illiquidity and further declines in asset values. Whilst there are early indications that the global economy has begun to stabilise, the outlook remains challenging. First world/western economies continue to be under severe stress. The unwinding of massive fiscal and monetary stimulus packages, coupled with the rebuilding of balance sheets, will weigh on global demand for a protracted period.	Our practice is to pay out to RMBH shareholders any dividend received from FirstRand. Dividends received from RMBH's other investments are used to service any funding commitments that we may have at the centre, after which the balance remaining is also paid to shareholders. While FirstRand seeks to structure its dividend policy on the basis of a sustainable long term trend, the current year's outcome compelled it to reduce its dividend payment by some 32% between years. Notwithstanding that our other investments paid dividends in line with, or exceeding their earnings growth, the overall trend of RMBH's net dividend receipts reflected that of FirstRand.	However, the board still anticipates that RMBH will over time deliver acceptable real returns to shareholders. The outcome produced in this challenging year is only as a result of the efforts of all our management and staff. On behalf of the Board of Directors and the shareholders, we thank them sincerely for their contribution. To Thys Visser, we extend a special welcome as he joins us on the journey. Finally, to you our fellow shareholders, a special word of thanks. Without your support, the RMBH Group cannot grow and prosper. We shall continue to strive to reward your faith by ensuring that you receive the best possible returns on your investment.
27	SHOPRITE HLDGS LTD ORD	In a time of great economic hardship for the country and its people Shoprite Holdings nevertheless managed to produce excellent results. I believe there are a number of reasons for this achievement, but none in my view more telling than the fact that the Group was perfectly positioned to benefit from the downturn in the market. Chance played no role in this. It has been clear to us since the early nineties that the expected change in the political dispensation of the country would have a major impact on the lower middle classes whose buying power in time would play a key role in the food retailing industry.	At the end of our reporting period the Competition Commission announced that it had initiated an investigation into the country's major food-retail chains as well as wholesalers for possible contraventions of the Competition Act of 1998. This Act wants to ensure, as one of its objectives, to provide consumers with competitive prices and product choices. I wish to repeat here what was stated in public at the time, namely that Shoprite Holdings, as one of the major participants in the South African retail sector, welcomes such an investigation. As a Board we believe such an enquiry will in the end help the general public to achieve a better understanding of what is involved in enabling consumers to find on supermarket shelves the products they want at fair prices.	Over the years he has grown into an icon of the South African food retail industry – an innovative thinker, relentless pursuer of ideals, compassionate colleague, and rare friend. Under extremely trying conditions we managed, thanks to a broad-based team effort, to successfully counter the challenges of the market and achieve real growth in our business. To this everyone contributed, from the members of the Board to the members of the staff manning the sales floor. Ours is a complex, multi-faceted business. To attain such a level of co-operation over such a wide spectrum is an enormous compliment for the Group's leadership. On behalf of my fellow directors I want to express my deepest appreciation and thanks for all their efforts.

28	AFRICAN RAINBOW MINERALS	During the past financial year ARM displayed exceptional resilience despite the prevailing global economic crisis. Our world class management teams and long-life quality assets, as well as the proven skills and expertise of our partners were the primary contributors to our satisfactory performance in F2009. We have reassessed and reconfirmed our commitment to our 2 x 2010 growth strategy which was initiated in 2005. In terms of this strategy we undertook to double our production by 2010. We are not only on track to fulfil this objective but have significantly surpassed the target set in 2005 in respect of certain key commodities.	We are well on track to successfully deliver on these objectives despite deferring some 30% of our total planned capital expenditure in certain businesses because of the global economic crises. Most of these growth projects are approaching a steady state of production. A chart showing the various stages of development of our respective investments, and details of our key growth projects and project pipeline, is provided on page 9. Our continuing investment in ARM's strategic growth projects is discussed further in the Chief Executive Officer's report. ARM has been able to fund organic growth from internal funding although external funding has also been employed.	During the next financial year we expect the joint venture to make positive progress, especially at Konkola North in Zambia. We have learned from the challenges of F2009 and are better prepared to deal with the challenges of the new financial year. My sincere thanks go to my fellow Board members, the management and employees of ARM for the commitment and enterprise with which they have all addressed the challenges of the past year. It is thanks to their sacrifices and diligence that we can state with confidence that while we have endured exceptionally testing times, we have preserved shareholder value and positioned ARM favourably to grow and continue to be profitable.
29	LIBERTY INTERNATIONL PLC	Shareholders will have gathered from today's announcement of the Group's intention to reorganise by way of demerger into its two distinct divisions, Capital Shopping Centres and Capital & Counties, that the Directors are looking ahead in both businesses with a measure of confidence. The proposed demerger, fuller details of which are announced today, responds to a changing approach to investment in real estate, both in the equity markets and in the property market, requiring greater focus and more active management. It will create two distinct listed businesses with different characteristics and attractions for shareholders. Capital Shopping Centres and Capital & Counties will be positioned to execute their own significant strategic plans, with investors able to select their individual weightings to each of the businesses over time.	The valuation position made restoring the balance between capital and debt in our balance sheet inevitable, but not so imperative that we could not afford to wait to seize the appropriate moment. Since becoming a REIT in 2007, we had already embarked on a disposal programme of non-core assets. However, the Directors judged that more was called for and the company raised £866 million of equity capital, net of expenses, through two equity capital raises, the first at a lesser discount than our peers had achieved and the second at a premium to net asset value. Our approach of retaining liquidity from those capital raisings, whilst having a negative impact on short-term earnings, gave us significant flexibility of response at the end of the year for selective debt repayment.	We believe that Liberty International has demonstrated that in a sure-footed way in the past 18 months. We commend to you the demerger and will shortly be distributing documents giving much greater detail to shareholders. Each business will be well prepared for the growth opportunities provided by our exceptional assets with which we aim to drive superior returns to shareholders into the next decade. There are still uncertainties. In this climate, balance sheets are for safeguarding and opportunities are for nurturing – but business, and the drive for efficiency, continues. I would like to thank my Board colleagues and our very highly committed and skilled staff for their most effective contribution to the Group's progress.
30	EXXARO	Although experts initially thought the South African economy would weather the storm better than most, GDP growth tumbled over five	While the concept of sustainability is interwoven throughout our business operations, we present a separate section in this report to give interested	On behalf of the board, I thank every one of the people in this group for the passion and energy they bring to Exxaro's continued growth and development. I also thank my fellow

	RESOURCES LTD	percentage points. The domestic situation was compounded by steep increases in electricity tariffs and a rand that strengthened against the US dollar from 9,97 in the first quarter to 7,50 in the fourth. The global economic downturn initially only had a minor impact on Exxaro and cost-savings initiatives early in the year were sufficient to brace us for the difficult times we anticipated. But a combination of external factors since September had a signify cant impact on Exxaro's cash flow and we had to re-evaluate the group's strategy by reviewing all projects, commodities and businesses.	stakeholders a full understanding of our initiatives. Exxaro has long measured itself against global best practices. We have used the guidelines of the Global Reporting Initiative (GRI) since 2004 and, in 2008, declared our sustainability report as a B+ level of application, in terms of GRI standards. This was externally verified, as it is again in 2009 (page 131). Among other international protocols to which Exxaro subscribes, we are a signatory to the United Nations Global Compact which binds member companies and countries to a common universal code of conduct (page 89).	directors for their ongoing support and counsel, and invaluable contribution in upholding the highest standards of corporate governance. Much has been achieved in the three years since Exxaro was formed and the board is confident that much more will be achieved in years to come. We will continue to benefit from the strength of our operational capacity and investment for growth. I look forward to being part of Exxaro's ongoing success, confident that we will continue creating value for all stakeholders.
31	TIGER BRANDS LTD ORD	In a year in which Tiger Brands has for the first time operated as a focused, branded, consumer products company, I have pleasure in introducing an excellent set of results which were achieved in a difficult environment. Good strategic progress has also been made during the year under review. This performance is particularly pleasing as it comes after a period when the company was unsettled by serious reputational issues as well as the departure of a number of its senior, experienced executives. Peter Matlare and his Executive team have demonstrated their ability to ably deal with the softer issues such as compliance, reputation, morale and cultural transformation, whilst at the same time delivering a world-class bottom-line performance.	The company was unable to progress with the second phase of its Broad Based Black Economic Empowerment initiative until such time as it had resolved the competition law issues that it had encountered and had completed the unbundling of its pharmaceutical interests. During the year under review, Phase II of the company's Broad Based Black Economic Empowerment transaction was initiated and was approved by shareholders and implemented in October 2009. This has resulted in an effective Black shareholding of 28,9%, which has exceeded the company's stated objective. The major component of Phase II is the Tiger Brands Foundation, established for the benefit of selected regional and community groups.	In this regard, the executive management team will continue to focus on growth opportunities in existing, new and adjacent categories. Innovation will be a cornerstone of its growth initiatives. Expansion opportunities that add value, particularly in Africa, will continue to be aggressively pursued and carefully assessed. Tiger Brands has a wonderful basket of leading brands and, notwithstanding the difficult trading conditions that are anticipated in year ahead, headline earnings per share, before taking into account the once-off IFRS 2 costs relating to the recently concluded BEE Phase II transaction, are expected to show satisfactory growth in real terms in 2010.
32	STEINHOFF INTERNTL HLDGS	Steinhoff's robust performance in a challenging and volatile global market demonstrates the value of our geographic diversity and significance of the flexibility within our integrated business operations. Our performance was further strengthened by the positioning of our retail operations and the scale of our manufacturing, sourcing, and logistics operations. Of the group's R50,9 billion revenue, 37% was generated from the European Union,	Events during the year have powerfully reinforced the need for boards to have a clear understanding of the risks their businesses face. We believe the Steinhoff board and its committees have set a high standard in this regard and we continue to improve the manner in which we evaluate, formulate, communicate and manage the broad spectrum of risks our businesses are exposed to. The more pertinent risks are highlighted within the corporate governance, finance and sustainability reports.	During the year under review, we completed a review of the board charter and board committees, including an examination of the respective committee charters, and a performance review of each director, including the chairman, to ensure that our board criteria are maintained. We believe in the importance of culture and ethics in business. Steinhoff's longstanding traditions of financial strength, long-term customer relationships and entrepreneurial yet responsible management are as important today as ever. We pay tribute to our board of directors, whose forethought and

		6% from Asia Pacific, 19% from the United Kingdom and 38% from southern Africa. The group's deliberate working capital investment strategy within the current year, resulted in growth within previously unexplored territories, and bodes well for continued penetration in these territories off the existing supply chain.	Our existing risk practices, frameworks and procedures proved relatively robust during the year under review and no major changes to the risk management process proved necessary.	steadfastness in pursuing our strategic goals have been critical to our success. We also express our gratitude to our executives, managers and staff who have shown tremendous dedication and skill in challenging circumstances.
33	ASPEN PHARMACARE HLDGS.	Core to the Group's increased global footprint has been a concentration on emerging markets. Aspen has acquired businesses in Latin America and sub-Saharan Africa in the period since March 2008. These territories have been identified as strategic focus areas, along with the Asia Pacific region in which the Group already has an established business in Australia. The characteristics of these emerging markets have much in common with South Africa. From a demographic perspective, common features are a growing population, increasing numbers of the aged and an expanding middle class which is susceptible to lifestyle diseases who have heightened awareness of brands, price and quality.	The Group has introduced production and pharmacological technologies to the country for the first time as it has raised its standards to the highest international levels. Aspen was the first company on the African continent to launch a generic ARV for the treatment of HIV/AIDS. Today Aspen is responsible for supplying a significant volume of the ARVs required in South Africa and Aspen ARVs support some one million lives across Africa. The Group supports many upliftment projects in South African society and has been involved in the building or expansion of six community healthcare clinics in different parts of the country.	This diversity of personnel across many geographies underscores the importance of teamwork as one of the Group's key values. Aspen has made significant progress in establishing an international business over the past year. The South African business is well positioned and will continue to be the most influential part of the Group. Completion of the series of strategic transactions with GSK announced in May 2009 is expected in the next few months and will further support the Group's strategies in South Africa, sub-Saharan Africa and internationally. I believe that all Aspen's stakeholders can look forward to another exciting year ahead.
34	AFRICAN BANK INVESTMENTS	The 2009 financial year represents an important milestone for ABIL. Faced with a deteriorating local economy and volatile capital markets, the group's risk mitigation strategies were tested to the full. In particular, the 'realtime' view of the key operating metrics of the business enabled a rapid response to negative external developments, and in this context the financial results, whilst below expectations, reflect the underlying stability of the business as a whole. The year commenced against the backdrop of an emerging global financial crisis. Within the domestic economy, while the unsecured credit market remained initially stable, demand for durable and semi-durable goods had already	ABIL's first black economic empowerment programme, Eyomhlaba, was augmented with the launching of its second plan, Hlumisa (previously known as Masonge) in 2008. Hlumisa, like the Eyomhlaba programme, targeted a broad base of black shareholders, with the majority of the participants being the black employees of the group. The first Hlumisa public offer closed on 28 November 2008 and added in excess of 12 000 new ABIL shareholders who will share in the wealth generation of the group in future. Hlumisa utilised the proceeds from the public offer to purchase ABIL ordinary shares through the market. The company currently has a second offer	Ellerines similarly is expected to benefit from these factors, and in addition should start to see a gradual recovery in consumer demand and the positive impact of the repositioning of its retail activities and its new pricing proposition. At its core, our vision is to enable our customers to improve their lives through access to unsecured credit. Growing to critical mass, with the scale benefits that this brings, is central to this vision and the acquisition of Ellerines has opened up several significant opportunities in this regard. We fully intend to exploit these opportunities in the years ahead, for the benefit of our loyal and growing customer base.

		begun to weaken.	open to raise further capital for empowerment.	
35	REINET INVESTMENTS SCA	*	*	*
36	PIK N PAY STORES LTD	This has been a year characterised by many challenges and pressures on our consumers, and consequently the retail industry in South Africa as a whole. As our results show, Pick n Pay's gross margins for the year under review dropped markedly. This has been the result of our deliberate policy to keep prices as low as possible at a time when our customers have suffered the consequences of high inflation and escalating food prices. In keeping with our philosophy to bring maximum benefits to our consumers and not to maximise profits at their expense, we have adopted a twin strategy of dropping our gross margins and negotiating very firmly with our suppliers over their cost increases.	I have no doubt that this important element of our centralised distribution strategy will benefit Pick n Pay and our customers. We are therefore pressing ahead with the further development of our supply chain strategy. I am pleased to report that Franklins, our Australian operation, has experienced a most satisfactory improvement and has moved into profitable territory. We have worked hard on this operation and the significant turnaround over last year is due to increased operating efficiencies, double-digit turnover growth from refurbished stores and the success of the customer loyalty programme. There is every indication that this historic milestone establishes a sound platform for the future profitability and growth of the Group's Australian investment.	As part of this strategy, we have invested considerable resources in improving our operating model, while simultaneously building a future which is firmly founded on sustainable business practices and the advancement of our Corporate Social Investment priorities. The implementation of the strategy is now far down the track and we remain confident that it will pay handsome dividends in years to come. Nick, his team and all who work at Pick n Pay have put in an incredible amount of hard work into preparing us for the future. All credit is due to them and the loyalty and commitment they consistently show to the Company.
37	TELKOM SA LTD	The year under review was characterised by the sale of Vodacom, a fast and substantively changing competitive local landscape, and our efforts to grow in other parts of the African continent. To ensure consistent growth in value for our shareholders, among our strategic priorities, my first year in Telkom was to bring stability to the organisation; the second a strengthening of the Board; and the third must embed the ongoing transformation of the new Telkom to defend, grow, and deliver, competitively. While it has been a demanding period for the Telkom Board, we have been preparing for our most challenging year, which	To counter the continued decrease in voice revenues through the shift to mobile units, we are aggressively expanding our broadband footprint to offer and host higher bandwidth applications such as video services. Our enhanced ADSL offering enables our customers to access a host of broadband value-added services. ADSL subscribers increased by a pleasing 33% over the previous financial year. Our strategic direction, the implementation of Telkom's new structure and the increasing challenges of the competitive and regulatory environment are explained more fully in the Chief Executive Officer's review. Management continues to identify opportunities for growth,	An additional R832 million is expected to be spent in the 2010 and 2011 financial years. FIFA's president, Sepp Blatter has been most complimentary about Telkom's services (see box alongside). A major spinoff of the project is that all the equipment used will benefit local and other communities. A special note of appreciation must go the Telkom Board members for their tireless commitment to Telkom under demanding conditions, our employees, and all our customers. Telkom has remained, through even more difficult times in our history as one of South Africa's leading ICT companies, and the Board and Executive will continue to provide value to our shareholders and service to the country as a strategic national asset.

		lies ahead.	particularly in sub-Saharan Africa.	
38	GROWTHPOINT PROP LTD	Since the previous Chairman's Statement, published in August 2008, much has changed in the world economy and in particular in global financial markets. In what is seen by some economists as the worst financial crisis since the 1930s, the global financial system was on the verge of collapse in October 2008. World trade and industrial production collapsed as credit and trade finance became difficult to access. This came after leading US investment bank Lehman Brothers filed for bankruptcy in September 2008. Governments and central banks were forced to take drastic steps to support the banking system, including massive cash bail-outs, guaranteeing retail deposits, cutting interest rates and imposing bans on scrip short-selling.	Growthpoint's linked units continue to enjoy high levels of liquidity and tradability. During the year ended 30 June 2009, R10,0 billion of Growthpoint linked units traded on the JSE Limited, representing 54.4% of the weighted average linked units in issue. During the past year, the property industry has continued to work with the South African National Treasury to put in place a legislative framework for Real Estate Investment Trusts (REITs) that will be comparable with models in place in the USA, Europe and the UK, and various other jurisdictions. Progress has been made and the matter is currently receiving the attention of the Tax Policy unit of the National Treasury.	Transactions of this magnitude, particularly a venture into a foreign country, are carefully and diligently considered. To my fellow non-executive directors, thank you for your support and commitment and for your involvement in the Audit, Risk, Property, Transformation and Remuneration committees that continues to see Growthpoint at the forefront of good and sound corporate governance. Congratulations to Norbert Sasse and his executive team for their part in successfully implementing these transactions and for continuing to manage the company well in difficult times. Thank you to every Growthpoint employee for their dedication and hard work that makes Growthpoint the successful company it is.
39	LIBERTY HOLDINGS LTD ORD	The effects of the 2008 global financial market crisis continued into the early parts of 2009. Mass de-leveraging occurred, placing significant liquidity pressure on the markets in early 2009. Subsequent to the first quarter, markets started to respond to the combined government remedial measures and cautious optimism led to some recovery on most major world equity markets during the remainder of 2009. Although South Africa returned to positive real GDP growth in the third quarter of 2009, consumers' disposable incomes remain under pressure. The sustainability of South Africa's economic recovery into 2010 is highly dependent on a pick-up in consumer spending, which itself is linked to consumer confidence and employment conditions.	We welcomed four directors to the Liberty Holdings board during 2009, three of them being independent nonexecutive directors. Peter Moyo was appointed to the board in February 2009. He brings extensive industry knowledge and experience to the board. Tony Cunningham was also appointed to the board in February 2009. Tony is an actuary with 30 years' experience in the insurance and investment advisory fields in the United Kingdom. Jim Sutcliffe, also an actuary, was appointed to the board in September 2009. Jim, previously the group chief executive of Old Mutual, brings a wealth of experience and a rare mix of operational and strategic expertise to the board.	I would like to thank all our board members for their unwavering support and commitment during a very challenging year. The harsh economic conditions have placed much pressure on our intermediaries and I would like to thank them all for their dedication and ongoing support. I would also like to thank our staff for their hard work and dedication during what has undoubtedly been a challenging year for everyone. Thanks to all our shareholders who have stayed with us during 2009. Despite the challenges we are addressing in the short and medium term, brought on largely by the economic crisis, we are confident that we have the right strategies in place to deliver value to shareholders over the medium to longer term.
40	PRETORIA PORT CEMNT	While we are more than a year on from the collapse of some of the world's largest financial institutions, the effects of the economic crisis remain. Demand for cement has dropped	During the year the board's nominations committee recommended the appointment of Messrs Peter Malungani and Jerry Vilakazi as non-executive directors to represent our	Should utilisation levels remain as they are currently, we look forward to a positive contribution from the Porthold operations during the 2010 financial year. Considering these factors, we expect cement demand in 2010 to remain at similar levels as

		significantly in developed economies and Russia, but to a lesser extent in emerging economies. This has halted the acquisition spree of many major multinational cement producers. Some have been forced to effect significant debt restructuring, recapitalisation and cost-saving plans. While PPC's strong financial position and balance sheet shielded our company from financial trauma and South Africa's prudent banking systems and regulations shielded our economy from the subprime crisis, our country was not immune to the effects of the global economic slowdown.	empowerment partners. We look forward to benefiting from their experience and insights during the board's deliberations. The board is ever mindful of its responsibility to manage succession and continuity in the senior ranks of the company and has spent recent months developing a plan to ensure transformation through sustainable succession. The CEO's report will cover this in more detail. PPC remains committed to maintaining a high standard of corporate governance and, accordingly, we are analysing the recent King III report to ensure the company will comply fully with its requirements.	in 2009. In response, PPC will continue to drive operational efficiencies and improved service to customers and will be well placed to take immediate advantage of improved market conditions. I extend my appreciation to my colleagues on the board and to all the dedicated members of Team PPC for their efforts in producing a good set of results under difficult economic circumstances.

*Chairperson's statement for 2009 was not available online.

APPENDIX B

Passages from Review of operations - 2009 annual reports				
No.	Security	Par1	Par2	Par3
1	BHP BILLITON PLC	This ‘Operating and financial review and prospects’ section is intended to convey management’s perspective of the BHP Billiton Group and its operational and financial performance as measured and prepared in accordance with IFRS as issued by the International Accounting Standards Board (‘IFRS’). We intend this disclosure to assist readers to understand and interpret the financial statements included in this Report. This section should be read in conjunction with the financial statements, together with the accompanying notes. We are the world’s largest diversified natural resources company, with a combined market capitalisation of approximately US$144 billion as at 30 June 2009. We generated revenue of US$50.2 billion and profit attributable to shareholders of US$5.9 billion for FY2009.	The following section describes some of the external factors and trends that have had a material impact on our financial condition and results of operations. We operate our business in a dynamic and changing environment, and with information that is rarely complete and exact. We primarily manage the risks discussed in this section under our portfolio management approach, which relies on the effects of diversification, rather than individual price risk management programs. Details of our financial risk management strategies and financial instruments outstanding at 30 June 2009 may be found in note 30 ‘Financial risk management’ in the financial statements.	We expect that these contractual commitments for expenditure, together with other expenditure and liquidity requirements will be met from internal cash flow and, to the extent necessary, from the existing facilities described in section 3.7.3 ‘Net debt and sources of liquidity’. Information about our significant subsidiaries is included in note 27 ‘Subsidiaries’ to the financial statements. Related party transactions are outlined in note 33 ‘Related party transactions’ in the financial statements. Other than the matters disclosed elsewhere in this Report, no matters or circumstances have arisen since the end of the year that have significantly affected, or may significantly affect, the operations, results of operations or state of affairs of the BHP Billiton Group in subsequent accounting periods.

2	ANGLO AMERICAN PLC	Anglo American is one of the world's largest diversified mining groups, producing precious, base and bulk commodities and operating predominantly in southern Africa, Australia, Brazil and Chile. Anglo American's ambition is 'to be the leading global mining company' – the investment, partner and employer of choice. In order to realise its ambition of being the investment of choice, Anglo American has a clear strategy of deploying its capital in those commodities that deliver superior long term, through-the-cycle returns for its shareholders. The Company has identified copper, diamonds, iron ore, metallurgical coal, nickel, platinum and thermal coal as having the most attractive fundamentals.	Anglo American's diamond interests are represented by its 45% shareholding in De Beers. The other shareholders in De Beers are Central Holdings (owned by the Oppenheimer family) with an effective 40% and the Government of the Republic of Botswana (GRB) with 15%. De Beers is the world's leading diamond business and with its joint venture partners operates in more than 20 countries across five continents, employing over 15,000 people. De Beers produces around 40% of the world's rough diamonds by value from its mines in Botswana, Canada, Namibia and South Africa. De Beers holds a 50% interest in Debswana Diamond Company and in Namdeb Diamond Corporation, owned jointly with the GRB and the Government of the Republic of Namibia (GRN) respectively, and a 70% shareholding in De Beers Marine Namibia.	This operating and financial review (OFR) describes the main trends and factors underlying the development, performance and position of Anglo American plc (the Group) during the year ended 31 December 2009, as well as those likely to affect the future development, performance and position. It has been prepared in line with the guidance provided in the reporting statement on the operating and finance review issued by the UK Accounting Standards Board in January 2006.This OFR contains certain forward looking statements with respect to the financial condition, results, operations and businesses of the Group. These statements and forecasts involve risk and uncertainty because they relate to events and depend on circumstances that occur in the future.
3	SABMILLER PLC	Latin America's initiatives to develop increasingly differentiated brand portfolios and to enhance sales activities resulted in a rising share of beer within the alcohol market. Our brands demonstrated resilience in tough consumer and economic environments in Colombia and Central America while favourable trading conditions and improved market execution in Peru and Ecuador boosted lager volume performance. Continued robust pricing and productivity enhancements offset increased commodity costs, resulting in an improvement in EBITA margin of 100 bps and EBITA growth of 10%. The Brisa water brand in Colombia and the soft drinks bottling operations in Bolivia were sold realising a profit of US$89 million. Reduced capital expenditure across the region improved cash generation.	Pricing remained strong; total net revenue per hectolitre for the nine months grew by mid single digits on a pro forma basis, driven by strong front line pricing and reduced promotion and discounts. MillerCoors continues to realise supply chain-related synergies and deliver savings from its cost leadership programmes, but costs of goods sold per hectolitre increased mid single digits due to significant commodity cost-related increases in brewing and packaging materials. Marketing, general and administrative costs decreased driven by timing and management of marketing and sales spending and the accelerated timing of synergy delivery. EBITA grew by 29% on a pro forma basis driven by increased revenue as well as the realisation of synergies from the joint venture.	These relate to the assumptions used in impairment tests of carrying values for goodwill and intangible assets; judgements in relation to provision for taxes where the tax treatment cannot be fully determined until a formal resolution has been reached with the relevant tax authority; assumptions required for the calculation of post-retirement benefit obligations; estimates of useful economic lives and residual values for intangible assets, property, plant and equipment; judgements in relation to the fair values of assets and liabilities on acquisition; and judgements as to the determination of exceptional items. The group's operating results on a segmental basis are set out in the segmental analysis of operations, and the disclosures are in accordance with the basis on which the businesses are managed and according to the differing risk and reward profiles.

4	MTN GROUP LTD	Management believes 2009 was the Group's peak capital expenditure year and is pleased to report major successes – from an execution perspective – in its ability to extend the network. As an example, the roll out of an average 100 – 150 base transceiver stations a month was easily attained in the bigger markets. This strong momentum rapidly improved the capacity of the various networks and ensured that MTN's offering was superior to that of its competitors in most countries. In turn, it enabled more than 25 million new subscribers to join MTN, expanding the Group's overall representation in the market. This encouraging picture was during a period of increased competition, including price-based promotions, and as customer affordability in a more depressed economic environment became increasingly important.	Most MTN operations in the WECA region consolidated their positions in increasingly competitive markets for mobile communications in 2009. The Group's significant investment in upgrading the networks in West and Central Africa in the past two years paid off, bolstering MTN's value proposition in terms of both coverage and capacity. This, along with a revamp of the regional distribution framework and a proactive approach to competitive pressures, ensured that MTN's operations in WECA were insulated somewhat against the effects of the world economic slowdown. This was particularly true of MTN operations in Nigeria, Ghana and Cameroon. However, consumer spending did suffer in those smaller markets that are particularly sensitive to changes in demand for their commodity exports, including Congo Republic and Liberia.	Although mobile penetration increased during 2009, the pace of growth in this key indicator (and the acquisition of lower income customers) is slowing because of the high costs of revenue sharing and the BOT structure, which prevents any meaningful reduction in tariffs by the market's two operators and constrains roll out. However, the issuing of the new telecoms law, the expected entrance of a third operator into the market and the anticipated conversion of MTN Syria's BOT contract should help in the uptake of subscribers and will stimulate usage. MTN expects to add some 400 000 customers to its network in 2010 and spend some R456 million on capital projects.
5	SASOL LTD	Sasol Mining maintained a stable coal supply to customers in 2009, despite volatile economic conditions – including reduced sales volumes and profit margins, and an unprotected strike. The year started with a tragic workplace fatality, that of Jongimpilo Tyhokolo in July 2008. Our overall recordable case rate (RCR)* rose to 1,03 from 0,87 in the previous year. The implementation of audit-based remedial measures resulted in dramatically reduced workplace incidents and stabilised the trend from the first half of the year. We continue to implement behaviour-based safety procedures and appropriate supporting technologies. Highlights during the year were the launch of our business transformation initiative, new strategies to retain and train employees and the successful introduction of methods to use technology more effectively in our operations.	In West Africa, the Etame oilfield cluster, offshore Gabon, continued to perform well, raising output and profits. The satellite Ebouri field was brought into production, boosting total volumes from this concession. SPI recorded total oil sales in the year of 2 million barrels through its 27,75% share in this licence. SPI is also a minority shareholder in deep-water licences in Nigeria and São Tomé & Príncipe. In 2009, we continued our exploration and appraisal work of these concessions. In August 2008, SPI took a 51% interest in four petroleum prospecting licences in Papua New Guinea (PNG) with Papua Petroleum Limited. Subsequently, SPI became the operator of the licences, which cover 37 000 km2 of the foreland basin in the Western Province.	On our long-term debt portfolio, it is Sasol's policy to maintain a sound balance between fixed and floating interest rate exposure, depending on the tenor of debt, future liquidity requirements and market conditions. To plan for liquidity requirements well in advance, Sasol Financing prepares a group funding plan annually, based on relevant assumptions and ten-year cash flow forecasts for the group. Despite the adverse market conditions, Sasol maintained its credit ratings in the year. This was achieved through prudent and consistent financial policies as well as proactive management decisions to defend our balance sheet and keep debt and gearing at acceptable levels.

6	ANGLO PLATINUM LTD	While demand for industrial products is expected to recover slowly, platinum demand will be enhanced by a substantial element of restocking. Another good year is expected from the investment segment, particularly as the US ETF has been launched. Jewellery demand may well be lower in 2010 as inventory levels in the supply chain are adequate following the extra demand that rebuilt the in 2009. In the year under review the platinum market moved into a very small surplus, following two consecutive years of deficit and in our view, as forecast early in 2009, this represents a balanced market. The weak global economic conditions prevailing in 2009 resulted in steep declines in sales of automobiles and even a steeper decline in production, with a concomitant decline in demand from the autocatalyst sector.	Platinum catalysts are used in many chemical processes, including the production of nitric acid, silicones and paraxylene. The use of platinum catalysts to produce nitric acid is one of the metal's oldest industrial applications. In the manufacture of nitric acid ammonia gas is oxidised over a platinum-rhodium catalyst to produce nitric oxide, and is further oxidised to form nitrogen dioxide. The nitric dioxide is then added to water to form nitric acid. Some of the precious metals are lost in the process, but palladium catchment gauze can be used to reduce the losses. As the demand for fertilisers declined globally in 2008 and 2009, nitric acid plants operated at very low capacity, decreasing the demand for platinum.	The management of these assets are not required to comply with Anglo Platinum's safety, health, environmental or other standards. The Group seeks to mitigate this risk through a variety of mechanisms at all joint ventures, including participation in management via joint-venture executive committees and subcommittees; joint-venture management and service-level agreements; the inclusion of risk reporting in joint-venture executive committee meetings; and the establishment of audit/finance committees. Anglo Platinum manages its relationships with its partners on a basis of mutual respect and in terms of seeking mutual benefit. It has appropriate management structures in place to ensure that the needs of these arrangements are met.
7	STANDARD BANK GROUP LTD	Standard Bank's Personal & Business Banking division is well established in southern Africa and is strongly positioned to take up the opportunities of a growing and transforming southern African marketplace. From its roots in southern Africa, the franchise has made good progress in its strategy to grow operational platforms in high-potential markets in the rest of Africa, and in other selected emerging markets. Operating conditions in the domestic personal and business banking market continued to be impacted by the severity of the economic downturn and increasing job losses. The ability of consumers to repay debt remained under pressure, resulting in further growth in non-performing loans albeit at a slowing rate towards the end of the year.	Standard Bank's Corporate & Investment Banking division serves a wide range of clients around the world in their requirements for banking, finance, trading, investment and advisory services. In 2009, the division reported a commendable performance in a challenging international banking environment which saw the near collapse of liquidity and solvency in the global financial system and a domestic environment heavily impacted by the effect of the subsequent economic downturn on corporate customers. By maintaining a fine balance between the preservation of capital, liquidity and revenue growth, the division was able to absorb significant increases in provisions for non-performing loans. Over the past two decades, Corporate & Investment Banking has evolved in line with the globalisation of capital markets and the growing sophistication of financing requirements in emerging markets.	As the global economy emerges slowly from recession, the economic outlook for 2010 is positive. However, there is uncertainty about economic stability in some developed economies. Liberty's new operating structure, combined with the implementation of world-class enterprise-wide value and risk management, provides a solid foundation for the ongoing implementation of the business's long-term strategy of diversifying its product offerings, geographic market exposure and distribution channels. Liberty's key domestic focus area for 2010 will be to grow the core insurance business by improving policyholder persistency and new business margins. This, together with the impact of corrective actions taken at Stanlib, growth in Liberty Africa, the development of Liberty health and the positive economic climate, positions Liberty favourably for the future.

8	COMPAGNIE FIN RICHEMONT	2008 was a year marked by creativity and further reinforced Cartier' leadership in jewellery. At the Biennale des Antiquaires in Paris, the Maison demonstrated its influence in jewellery with a spectacular presentation of 70 new unique pieces at the Grand Palais and a further 250 pieces of high jewellery at the Rue de la Paix boutique. Beyond this special jewellery event, Cartier launched the black and white Hypnose collection and enjoyed continuing success with diamond pieces in general, including engagement rings, as well as the renowned Love and Trinity collections. Bespoke jewellery pieces continue to be made for distinguished clients and reinforce the Maison's reputation as 'The King of Jewellers and the Jeweller of Kings'.	Following its acquisition of Roger Dubuis' component manufacturing operations in September 2007, Richemont acquired a controlling interest in the entire Manufacture Roger Dubuis in August 2008. Founded in 1995, the Maison went on to construct its Geneva headquarters and ultra-modern manufacturing facilities in 2001. Here, the wish to create unique movements with multiple complications came true. In just eleven years, the Maison has developed over 30 movements, often highly complicated. All movements are hallmarked with the Geneva Seal and, since 2003, have been equipped with the Maison's own in-house spring and balance. Sometimes extravagant, these creations have enabled the Maison to join the ranks of Switzerland's watchmaking elite.	The Purdey Awards for Game and Conservation were presented in November 2008 by The Duke of Wellington KG. 2009 will be the tenth anniversary of the Purdey Awards, which are a well-established driving force in promoting greater awareness of the synergy between shooting and conservation and the promotion of environmental awareness inside and outside the shooting world. Despite the difficult economic conditions, demand for Purdey's range of clothing and accessories has not diminished. The strength of the euro has resulted in an increase in the number of European visitors to the London shop. Purdey will continue its focused advertising and public relations campaigns to raise the profile and awareness of its activities and products in 2009.
9	ANGLOGOLD ASHANTI LTD	AngloGold Ashanti's focus on safety continued in 2009. The company's approach to managing risk and enabling employees to work safely in a supportive work environment is based on a new conversational culture, where many voices participate and make a meaningful contribution to designing the way in which the company works and protects itself from both known and unexpected risks. The success of this approach depends on four key factors – leadership, engagement, systems, and learning. For these factors to be effective, they need to occur in an enabling environment. The focus of the safety transformation process is on moving the organisation towards a culture of engagement and learning that stimulates awareness of the nature of risk.	There was one fatality at the mine during the year, as a result of a machinery accident. Safety remained a key priority at Siguiri during 2009 with an LTIFR of 0.47 per million hours worked being recorded (2008:0.42) and a FIFR of 0.16 (2008: 0). Total injuries reflected a 48% improvement year-on-year. 'Safety is our First Value' was relaunched to focus the attention of workers on all matters related to their welfare. Production breaks were implemented across the entire operation to acknowledge all those injured. The safety flagging system introduced in 2008 continued to prove useful in promoting and communicating safety information.	Total cash costs are expected to be between \$473/oz and \$495/oz. Total capital expenditure is anticipated to be \$54m (\$27m attributable) and is earmarked predominantly for: mine equipment and development; raising the walls of the tailings dam; resource definition; and various operational improvements. Environmental management remains an overriding priority at Serra Grande and work progressed on securing the permits needed to raise the tailings dam walls. Work was planned and implemented on the Chamada Pública de Projetos, a social development programme in the Crixas area which promotes community projects related to health, education, employment and income generation. Serra Grande continued to work with local institutions in support of cultural, educational and social events.

10	NASPERS LTD -N-	In previous year MIH bought Allegro, Ricardo and Gadu-Gadu. This year MIH acquired interests in BuzzCity (a mobile advertising network), Compera nTime (leading provider of mobile value-added services in Brazil) and Vetera (leading e-commerce trading platform in Hungary). MIH also increased its stake in mail.ru, a Russian internet company, by 10%, taking its interest to 43%. In addition, Allegro and mail.ru increased their stake in Molotok, the Russian-based e-commerce platform. Molotok is now jointly owned by MIH and mail.ru. Our European assets operate in the internet segments of transaction platforms, communities, communication platforms, entertainment services and mobile applications. They derive their revenues principally from facilitating transactions through e-commerce, classifieds, payment services, comparison shopping, advertising, fee-based value-added services and communication services such as VoIP (voice over internet protocol).	MultiChoice South Africa, along with four other pay television licence applicants, was granted a pay-television broadcast licence in August 2008. M-Net's licence was converted in terms of new Electronic Communications Act. Overall the MWEB subscriber base remained above 310 000 subscribers through the year, although broadband growth was recorded as subscribers migrated to broadband. New value-added mobile services, third-generation services, email services and a VoIP service were launched. MWEB received an electronic communications network and an electronic communications network services licence, allowing it to provide its own infrastructure. Subsequent to the year-end, MWEB's sub-Saharan Africa business was sold to Telkom International (Proprietary) Limited.	Irdeto delivered 15 million conditional access units during the year. This growth slowed as its customers adjusted to the economic situation. The Chinese market began to slow immediately after Olympics. Agreements with two direct-to-home (DTH) operators in the fast-growing Indian pay-TV market were concluded. Both include conditional access, middleware, integration and support services. Irdeto BSS concluded agreements to deploy the latest version of its product and is successfully upgrading multiple sites at existing customers, Telenor group and DirecTV Latin America. By combining Entriq, Cloakware and Irdeto's other technologies, opportunities have been created for the mass market still to migrate to digitized services. Also for operators combining broadcast and internet content.
11	IMPALA PLATINUM HLGS LD	Impala Platinum contributes 56% of the group's production. The deterioration in safety performance at Impala Rustenburg, where the number of fatalities doubled period-on- period, is unacceptable. The primary cause of the majority of these incidents was equipment-related, whilst two were the result of falls of ground, the principal cause of fatal incidents in prior years. This change highlights the success of the fall-of-ground campaign, which was revitalised during the year. However, it is disturbing that nine out of the 10 incidents were caused by noncompliance with safety standards and procedures. The focus going forward remains on leadership and training. In conjunction with these programmes, a communication initiative, known as Towards zero by 2012, is being undertaken in order to raise safety awareness levels and to engender a safety culture among	Zimplats' focus this year remained on its ongoing expansion programme. Output of platinum in matte increased marginally year-on-year as the operation geared itself for the ramp-up in production in the coming year. Open-pit mining, which had already been scaled back because of high costs, was finally halted in November 2008 in response to the slump in metal prices. Underground production from Portal 2 was ramped up to maintain production levels. The open-pit orebody continues to provide optionality should the market environment demand fast access to additional ore in the future. The Phase 1 expansion, a $340 million project involving the development of two underground mines, Portal 1 and Portal 4, a new concentrator and other infrastructure, is on track.	Excluding the Kroondal ounces, overall production decreased by only 1%, thanks to increased year-on-year deliveries from other suppliers, particularly Two Rivers, Implats' mine-to-market projects, Aquarius' Marikana and Eastplats' Crocodile River Mine.Future growth in platinum output at IRS in the short term will emanate from continued ramp-up in production at Zimplats and Marula, as well as two new projects, Smokey Hills and Blue Ridge. Everest is expected to resume production in the medium term and increased deliveries of autocatalysts are expected in line with the gradual improvement of the global economic environment. We anticipate growth in our production profile through IRS as various projects continue to ramp-up.

		all employees.		
12	FIRSTRAND LTD	The FNB ATM business was transferred from the Mass segment to FNB Other and Support (Branch Banking) with effect from 1 July 2008. The historical results have been restated accordingly. As previously reported, FNB's segment view is not a "pure" indication of FNB's penetration into each segment as it depends on the categorisation of products into segments, as well as internal service level and revenue arrangements. In addition segmentation refinements, such as increasing the segmentation cut off due to market changes is ongoing. FNB produced a satisfactory set of results in challenging economic circumstances with profit before tax decreasing 20% from R6 345 million to R5 060 million. The return on equity remained robust at 26%.	The motor industry continues to endure a very tough cycle. Trading conditions during the year have been severe, as local and global markets felt the effects of slowing economic growth, declining retail and corporate expenditure and continued high levels of consumer debt. These pressures, combined with high new vehicle price inflation, have resulted in new vehicle sales declining by over 30% year on year with a similar trend emerging in the Corporate sector. Job losses have also materialised, resulting in additional pressure in the Consumer sector. The recent interest rate decreases will eventually provide debt servicing relief to consumers, but given the generally high level of indebtedness the de leveraging process is proving to be more protracted than in previous cycles.	The return on embedded value amounts to 3.3% on the opening embedded value (after adjusting for the impact of the changes introduced by PGN107). The pleasing contribution from the operational performance (including positive operating experience variances) more than compensated for the negative impact of weaker equity markets and the decline in the directors' valuation of strategic subsidiaries, resulting in an embedded value profit of R523 million. The embedded value of new business decreased 9% to R544 million, after adjusting the comparative value of new business to take account of the impact of PGN107 on a like-with-like basis. The new business margin of 2.0% decreased slightly from the margin of 2.1% for the prior year.
13	ABSA GROUP LIMITED	Customers experienced considerable pressure with high levels of debt, high real interest rates, unprecedented job losses, higher electricity and fuel costs and higher inflation generally. House prices and second-hand vehicle prices decreased. The result was an increase in defaults on borrowing and reduced security values. Absa assisted customers experiencing financial difficulties through services such as the Debt Repair Line. The Debt Repair Line provides customers the opportunity to obtain advice and possibly restructure their debt in a proactive manner. Absa experienced a general decrease in banking volumes and in transaction numbers. An increasing number of customers turned to more affordable channels such as mobile and Internet banking.	Three consecutive quarters of negative economic growth and the worst recession since 1992 impacted considerably on ACBB's markets. All sectors experienced rising impairments. The profitability of the transport and real estate sectors suffered significantly. ACBB had to tighten credit criteria for several sectors, including transport, construction, commercial real estate, automotive manufacturing and automotive and steel retail. During this period, it was able to optimise balance sheets and proactively manage risk. It was also able to identify quick-win factors that affected the income statement and to reduce the dependence on capital-intensive products and Commercial Property Finance. ACBB closely managed financially distressed customers and implemented a recovery capability.	The African operations offer banking and financial products and services to a broad customer base through an extensive branch and ATM network and Internet banking capabilities. Outlets are situated in major cities and rural communities, in keeping with the Group's social and business imperatives to provide banking services to the majority of the population. Coverage of Africa is being enhanced continually, resulting in greater knowledge transfer, improved customer solutions and an enhanced offering that marries best-in-class solutions to strong local transactional banking capabilities. Absa Africa leverages off the Group for technology support, infrastructure, governance and the wider projection of specialist skills and services.

14	VODACOM GROUP LIMITED	Vodacom SA produced a good set of results for the year ended 31 March 2009. We continued to enjoy strong customer growth, adding 2.8 million customers to grow the base 11.3% to 27.6 million. Record gross connections of more than 13 million were achieved and the focused retention campaigns and loyalty programmes proved effective and reduced overall churn. Segments of the business were affected by the sharp downturn in the economy. The impact of higher interest rates, higher than budgeted inflation and the 24.2% decline in the average rand/US dollar exchange rate over the past year, as well as the hike in electricity costs in South Africa, made for difficult trading conditions.	The international operations continued to record strong customer growth, up 30.7% to 12.0 million in the year. The launch of new products and services, including BlackBerryTM in Tanzania and 3G in Lesotho, focused sales and marketing campaigns, and enhanced network coverage were the main drivers of this pleasing growth. Gross connections were 32.9% higher and churn remained high but relatively constant, contained by various loyalty programmes such as *Tuzo Points* and *Tuzo Draw* which were launched in Tanzania. ARPU in local currency declined in most of the international operations due to the growth in lower-usage customers, shrinking disposable income due to economic conditions, and aggressive competitive pressure on tariffs in the form of discounted airtime and free on-net call promotions by competitors.	Our focus on realising the growth opportunities open to us will be accompanied by continued efforts to drive efficiencies, which will include identifying and leveraging synergies with Vodacom, and in particular with Vodacom Business – a process which is already well underway. To buttress our competitive advantages, we will continue to invest in developing our network infrastructure, expanding our local presence and offering relevant, innovative and customised services to our customers, hand-in-hand with delivering high-quality pan-African connectivity, most cost effectively. We will be sure to stay responsive to the changing dynamics of our industry to ensure we maintain our leadership positions.
15	KUMBA IRON ORE LTD	Sishen Mine's production increased by 16% year-on-year to 39.4Mt, a fourth consecutive year of record-breaking output. This was achieved due to increased tonnage mined and increased final product from the Jig plant and dense medium separation (DMS) plant. Particularly pleasing was the growth in production from the Jig plant which more than doubled to 10.4Mt. By the end of the year the Jig plant was operating at design capacity. Sishen Mine achieved a record safety performance with a lost-time injury frequency (LTIFR) rate of 0.13. That translates into 5.2 million hours worked without an injury. Sishen Mine had zero fatalities during the year for the first time in five years.	During the year the new mine was renamed Kolomela Mine, which means to seek deeper or further, to persevere. The Sishen South project, to develop Kolomela Mine, made major strides forward during 2009. The project continues on time and on budget. The first blast took place on 17 September 2009 and a total of 4.0Mt of waste material was mined during the year. The project is scheduled for its first production from the mine during the first half of 2012, ramping up to full capacity of 9.0Mtpa of direct-shipping ore for export in 2013. The project has so far had an exceptional safety performance, having gone 14 months without a lost-time injury.	Sishen Mine currently produces approximately 3.5Mtpa (from dense medium separation and jig plants) of ultra fine material that is discarded to the tailings dam. Based on the initial test work results conducted during the project's opportunity phase this material has a relatively high percentage of iron (54%Fe) that could be upgraded to produce a high grade concentrate with a minimum Fe grade of 64.5%. The concentrate can be used as an iron-making feedstock or blended with fine iron product. It is envisaged to complete the concept study By H1 2010 and, dependant on viability, progress the study into pre-feasibility stage.
16	OLD MUTUAL PLC	In March 2009 we announced that one of our five strategic priorities was to "Leverage scale in our long-term savings businesses". In order to achieve this objective we announced the	Mortality on the Immediate Annuity line improved over 2008 while 2009 includes a gain arising from commutation of 17 large cases. The FIA line generated higher	This has been subject to strict oversight and is operated within risk parameters agreed with the Group Risk and Capital Committee. The control systems in place mean that the reinstatement of effective hedges could be made very quickly if

		creation of the Long-Term Savings Division (LTS), bringing all of the Group's long-term savings businesses together for the first time. The vision of LTS is to be our customers' most trusted partner in helping them achieve their lifetime financial goals, within our selected markets. The LTS Executive Committee includes the CEOs of all the LTS Business Units (Emerging Markets, Retail Europe, Nordic, Wealth Management and US Life). This structure enables rigorous discussion within LTS and brings to the surface areas where synergies can be gained and capabilities replicated.	surrender charges as a result of increased surrender activity. Offsetting the better underwriting experience was lower net investment income due to holding cash at the low interest rates of the period and the increased level of surrender activity. DAC amortisation was $354 million and $368 million respectively for 2009 and 2008. Unlocking in 2008 was due to prospective annuity assumption changes while that of 2009 was due to the retrospective amortisation impact of surrenders and the decline in premiums from Universal Life sales.	required. The new approach continues to manage the underlying economics, but is more dynamic in nature, striking a balance between the potential changes in the income statement, cash flow movements and the transactional costs. Where considered appropriate, the level of hedging activity may be adjusted, subject to a strict stop-loss policy. The OMB hedge team evaluates the hedging strategy on a continuing basis, with any proposed changes to the strategy subject to strict oversight.
17	GOLD FIELDS LTD	Since assuming responsibility for Gold Fields' South African operations this past year, three key areas of focus have been introduced: vigorous attention to safety; improved secondary support initiatives to secure the integrity of the deep level haulages; and an enhanced planned maintenance programme. Despite numerous challenges, tremendous improvement has been made on all three fronts. Growing our production is a major priority, but we will only do this through a safe and responsible approach. It is exceptionally gratifying to report that all safety indices have improved over the past year in the South Africa Region: our fatal injury frequency rate improved by 50 per cent; the lost day injury frequency rate by 39 per cent; and the serious injury frequency rate by 32 per cent.	The safety performance of the Australian operations improved significantly, with a reduction in the serious injury frequency rate by 32 per cent, and the operations remained fatal accident free, again. Various safety initiatives driven during the year included a standardised approach to safety reporting, focus on hazard identifi cation and immediate remediation, and changing the approach to incident investigation. Through the actions of improved communication with employees, perception audits, cultural safety change training and the development of personal values, the safety philosophy of "if we cannot mine safely, we will not mine" was embedded into the organisation. The operations continue to seek the position as the safety benchmark operation in the global gold mining industry.	To the south of Tamang, extensional drilling between the Amoanda and Tomento East surface mines, and between Amoanda and the Rex surface mine further to the south, is also starting to show promise. These initial drilling results are supported by an extensive, lease-wide gravity and IP geophysical survey which is scheduled for completion by Q3 of F2010. At Cerro Corona in Peru, district exploration continues in the 50:50 joint venture between Gold Fields La Cima S.A. and Compañia de Minas Buenaventura. At the Titan-Arabe copper/gold target, negotiations are continuing with the local communities to gain drilling access. Should we obtain approval from the communities, the drilling programme will commence in F2010.
18	NEDBANK GROUP LTD	Nedbank Capital has a diversified portfolio of businesses that enabled Nedbank Capital to weather the storm while global markets threw our industry into turmoil. Treasury and Investment Banking achieved excellent growth at 237% and 19% respectively. Trading activities within the Global Markets business, contributing 47% of total headline earnings, contracted 23% year-on-year in difficult circumstances	We believe that the opportunity for development is key to attracting and retaining the right people at Nedbank Group, and this forms a significant part of our value proposition to current and future employees. In 2009, at the entry level, the drive to develop learners for the financial services industry resulted in 210 learners participating in the Kuyasa and Letsema Learnership Programmes, 240 on	Trevor performed the leadership role in the group's successful Basel II implementation, the introduction of several key concepts such as managing for value, economic capital, economic profit (EP), enterprisewide risk management, risk appetite and stress testing, and generally has been responsible for the significant enhancement of risk, capital and shareholder value-based management across the group. Established as a separate cluster in August 2009, BSM helps to optimise the financial performance, strategy and

		specifically for our equity business.Recessionary pressure on our client base resulted in our impairment ratio increasing to 0,26% (2008: 0,06%) on average advances. As the impact of the global credit crunch lessened its grip on economies, credit spreads returned to normalised levels with resultant benefits in revaluations.	other learnerships, 25 graduates on the Training Outside of Public Practice Programme for accountants, and 104 graduates on the NGDP. All learners and graduates undergo intensive on-the-job training and following successful completion of the programme, are ready to be placed. We have been very successful in placing the majority of students on completion of the programmes and are pleased by their progress.	sustainability of Nedbank Group through proactive management of all material components of the balance sheet. The BSM cluster is the central consolidation point of risk, capital and liquidity across the group, and therefore its role includes group portfolio risk management, recognising that optimising risk, funding, capital, financial performance and sustainability of the group is not just about a simple aggregation of the client-facing business clusters.
19	SANLAM LTD	We provide clients in the middle, affluent, self-employed and professional markets of South Africa and Namibia with a comprehensive range of appropriate and competitive financial services solutions designed to facilitate their long-term wealth creation, protection and niche financing needs. Engineering these solutions around client needs and delivering the solutions through credible financial advice enables us to grow Sanlam Personal Finance (SPF) on a sustainable basis, thereby maximising shareholder value while building long-term relationships with our clients. We achieve this through our people – we foster a culture of passion for our clients and place great emphasis on diversity and innovation. At SPF we strive to be an employer of choice.	The impact of changes in external economic conditions, including the effect that changes in interest rates have on risk discount rates and future investment return assumptions, on the embedded value of covered business. The impact on the value of in-force business caused by differences between the actual investment return earned on policyholder fund assets during the reporting period and the expected return based on the economic assumptions used at the start of the reporting period. Investment return variances caused by differences between the actual investment return earned on shareholders' fund assets during the reporting period and the expected return based on economic assumptions used at the start of the reporting period.	Santam is exposed to daily calls on its available cash resources from claims. Liquidity risk is the risk that cash may not be available to pay obligations when due at a reasonable cost. The Santam Board sets limits on the minimum proportion of maturing funds available to meet such calls. Santam actively manages its cash resources, split between short-term and long-term to ensure suffi cient cash is at hand to settle insurance liabilities, based on monthly fl oat projections. Santam has sufficient cash resources to cover its obligations. R6 billion (2008: R7 billion) of insurance liabilities are payable within one year, with the remaining balance predominantly payable within two to five years. Cell owners' interest liabilities are predominantly payable within two to five years.
20	ARCELORMITTAL SA LTD	Sales of flat steel products in 2009 were 27% lower than in 2008. For the first nine months of 2009 real spending on durable goods such as vehicles and household appliances declined by 14.4% as a result of the economic slowdown, low levels of consumer confidence and tight lending conditions by commercial banks. The most significant decrease in domestic sales during 2009 was in the building and construction industry, with flat steel product sales to the sector falling by 47%, followed by the automotive and pipe and tube industries, which	Local shipments of long steel products in 2009 declined by 36% as several private sector investment projects were cancelled. Residential building was subdued due to risk-averse lending policies by commercial banks, while nonresidential building activity virtually ground to a halt during 2009. As a result of the depressed market conditions in South Africa, the business focused attention on the export market. Thusonly 61% of total long steel product sales were sold on the domestic market as opposed to 92% in 2008. Total	We did not reach full coke production levels as there was higher demand for metallurgical coke by the steelmaking operations. In 2009 Coke and Chemicals spent R9 million mainly on environmental projects. Safety, health and environmental policies are in line with the ArcelorMittal Group's commitment to provide a safe and healthy workplace for its employees and contractors. The LTIFR improved from 5.4 injuries per million hours worked to 3.8 in 2009. Coke and Chemicals is ISO 14001 and OHSAS 18001 certified. Coke and Chemicals' financial performance in 2010 is expected to show a significant improvement compared to that of 2009 due to higher demand for market coke from the ferro-alloy industry

		both experienced a 44% decline in sales. In comparison with the previous year, exports of flat products in 2009 increased substantially by 35%.	sales to the African continent amounted to 91% of total shipments, similar to the percentages in 2007 and 2008. Export sales of long steel products in 2009 were 4.5 times higher than in the previous year as ArcelorMittal South Africa shifted output from the depressed local market.	and higher international coke prices.
21	LONMIN P L C	PGM prices declined significantly during the first three months of our 2009 financial year, with Platinum falling to a low of $756 per ounce in October 2008 and Rhodium declining to a low of $1,000 per ounce the following month. The steep decline in these prices was almost entirely as a result of a dramatic deterioration in automotive demand during the period, exacerbated by automotive companies de-stocking, the selling of inventories and investor reaction to the economic downturn. PGM prices started to improve in the second quarter of the year, stabilizing in the following quarter, on the back of strong jewellery and investment demand.	We are continuing to run a number of cost-cutting initiatives within the Mining business and strict cost management is embedded at each of our shafts at Marikana. One such example is the bill of materials project, introduced in 2009 at every shaft at Marikana. The project tracks and monitors the purchase and usage of key consumables against what is expected or the proposed level of production, ensuring greater control of the procurement of these consumables and a better understanding of purchasing and usage patterns. Total Marikana underground production during the 2009 financial year was the same as 2008 at 10.2 million tonnes.	Management is also focused on managing the base metal feed through the Smelter. Lonmin predominantly mines UG2 ore, with around 20% of the ore we mine being base metal-rich Merensky ore. Following the placing of the Limpopo operation, with its base metal-rich ore, on care and maintenance, we require a moderate increase in the proportion of Merensky material in the short term to maintain the correct blend composition for feed into the Number One furnace. To resolve this issue, we plan to re-open one of our Merensky opencast pits in 2010, from which we expect to produce around 25,000 Platinum ounces during the year.
22	BIDVEST LTD ORD	Bidfreight's built-in quality continues to win business from customers, with strong governance systems at each major operation to manage these quality issues. A number of Bidfreight operations have a five-star NOSA rating and are ISO 9001 and ISO 14001 compliant. Continued focus on broad-based black economic empowerment has shown positive results, with Bidfreight Intermodal being re-rated as a level 2 contributor and Safcor Panalpina moving from level 4 to level 3. A number of Bidfreight companies provide free ARVs, immune boosters and vitamins as part of their HIV/Aids programmes. Progress has been made on enterprise development through continued investment in Sebenza, a Bidfreight	Our new Makrosafe trademark is backed by stringent food safety and quality standards. We have created a food safety department headed by a doctor of food science, establishing a reputation for food safety that bestows competitive advantage. Customer audits confirm continuing improvement and we are working towards ISO 22000, regarded as the world's most stringent food safety accreditation. To foster skills development we have set up a chef school at the University of Johannesburg at a cost of R250 000. Employment equity is a focus area in our drive to take our empowerment status from level 5 to 4. A consultant has been called in to help us draft and implement a new employment equity	In addition, we have merged Ontime Rescue and Recovery and Ontime Parking Solutions. There are synergies across these operations as they both have strong recovery capabilities and efficiencies can be unlocked through consolidation. Infrastructure has been rationalised and operations are now consolidated around the Hayes, Bolney, Iver and Kent depots. The contract for parking enforcement services from Transport for London, won late last year, was discontinued by the client following policy changes by the city authorities. The cost of winding up this contract has been met by Transport for London. Our Technical Services operation at Wellesbourne has been closed. Our consolidated operations are strongly positioned in their fields.

		Intermodal owner-driver scheme and other forms of assistance to empowerment companies.	plan. Local teams have been made responsible for their BEE targets.	
23	INVESTEC PLC	Private Client Activities comprises two businesses: Private Banking and Private Client Portfolio Management and Stockbroking Investec Private Bank positions itself as the 'investment bank for private clients', offering both credit and investment services to our select clientele. Through strong partnerships, we have created a community of clients who thrive on being part of an entrepreneurial and innovative environment. Trading conditions in the UK and Europe have been difficult throughout the period, particularly during the second half of the year. Customer deposits showed a net outflow in the third quarter of the year at the height of the upheaval in the financial markets.	The difficult market conditions led to fewer corporate transactions, especially in the second half of the year. There were no IPOs and limited fund-raisings. Most notable was a £290 million joint fund-raising for Melrose in connection with their purchase of FKI Plc. We completed 20 M&A transactions with a value of £3.5 billion (2008: 26 transactions with a value of £2.3 billion). We completed 13 fundraisings during the period raising in aggregate £599 million (2008: 18 fund-raisings raising £299 million). We continue to build the quality and size of the corporate client list, gaining 25 new brokerships during the year. At year end we had 94 quoted clients.	Central costs are lower than the prior year mainly due to a decrease in variable remuneration in line with reduced profitability. We have a business model of maintaining a central pool of capital with the aim of ensuring that economies of scale with respect to corporate investments, funding and overall management are obtained. Various sources of funding are employed, the determination of which depends on the specific financial and strategic requirements the group faces at the time. The funds raised are applied towards making acquisitions, funding central services and debt obligations, and purchasing corporate assets and investments not allocated to the five operating divisions.
24	REMGRO LTD	Prior to the unbundling of the investment in British American Tobacco Plc (BAT) during November 2008, Remgro's interest in BAT was represented by its one-third holding of the ordinary shares and all of the "2005" participation securities issued by R&R. The balance of the ordinary share capital of R&R was held by Compagnie Financière Richemont SA. In addition to the above, Remgro also held one-third of the "2006" participation securities issued by R&R. For the seven months to 31 October 2008 Remgro's share of R&R's headline earnings consisted of 35.46% of R&R's share of the attributable profit of BAT and its share of R&R's non-BAT income (including income attributable to its investment in the "2006" participation securities referred to	Nampak has a September year-end. Nampak's contribution of R105 million (2008: R163 million) to Remgro's headline earnings relates to its results for the twelve months to 31 March 2009. For the six months ended 31 March 2009, Nampak reported 14% growth in revenue to R10 091 million (2008: R8 875 million) mainly as a result of the recovery of raw material cost increases through price increases and an improvement in trading activity in the rest of Africa. Sales volumes were flat in South Africa and lower in Europe. Nampak's headline earnings for the interim period decreased by 39% to R392 million (2008: R643 million).	Business Partners is a specialist investment group, providing risk finance, mentorship and property management services to small and medium enterprises in South Africa. Headline earnings for the twelve months ended 31 March 2009 amounted to R129.8 million (2008:R213.1 million), representing a decrease of 39.1% compared to the previous year. Headline earnings attributable to Remgro for the period was R28 million (2008: R47 million). The decrease in headline earnings is primarily due to the negative impact of the decline in the macro-economic environment over the past twelve months on the small business sector. The operating income has thus been negatively impacted by increases in bad debts and provisions for bad debts.

		above).		
25	HARMONY G M CO LTD	Harmony's South African operations comprise mainly underground mines (10), the Kalgold open pit mine, the Phoenix project and other surface operations, as well as eight gold plants. Together these mines produced 1 460 831 ounces of gold (45 437 kilograms) during the year, which is a similar level to last year's production (FY08: 47 419 kilograms; 1 524 557 ounces). This level of production was achieved despite the sale of the Cooke operations, which came into effect in early FY09, and the down-scaling of operations at a number of shafts in response to the South African electricity crisis in FY08. Underground sources made up 93% of Harmony's FY09 production, with the balance coming from Kalgold, Project Phoenix and other surface sources.	The restructuring programme which began in FY08 at Masimong has taken this operation from the brink of closure to being among the lowest-cost-per-kilogram-producers in the Harmony stable. This restructuring included management positions, as well as the termination of continuous operations. Masimong is now a steady-state operation, although further improvements in efficiencies are envisaged. Volumes improved by 10% to 890 000 tonnes in FY09. This was despite a fire in the B reef area and ventilation incidents relating to illegal mining activities. Damaged ventilation seals in the disused 4 shaft area caused major airflow problems at 5 shaft, particularly in the third and fourth quarters, and repairs are likely to be effected by December 2009.	A scoping study is currently being undertaken to re-evaluate this operation. The study is based on a conceptual geological model which has been compiled and entails the consolidation of historic resources into a larger 'super pit' concept around the current mill area. Large, open-pit bulk mining would reduce the cash operating cost per ounce compared to the mine's previous production profile which included production from some old, deep underground mines. A resource definition drilling programme is currently under way to test the assumptions used in the scoping study, with the intent to prove up a five-year mine life and up to 150 000 oz per annum production profile.
26	RMB HOLDINGS LTD	The Banking Group produced disappointing results under difficult conditions. Attributable earnings of R5,7 billion (-40%), headline earnings of R6,1 billion (-30%) and normalised earnings of R6,1 billion (-31%) were achieved during the year under review. The Banking Group's corporate and commercial banking franchises which operate in the primary and secondary markets, produced accept - able performances, as did the retail franchises, despite the difficult consumer credit cycle. However, the absolute size of retail bad debts, particularly in the residential mortgages portfolio, combined with the losses emanating from the legacy portfolios in the investment bank, significantly impacted overall profitability. The current financial year proved extremely demanding from a credit management	Discovery's performance exceeded expectation, despite the difficult economic conditions and environmental complexity that persisted during the period. The period was characterised by sound performance across all businesses, record levels of new business production and strong earnings growth. Discovery's consumer-engaged methodology proved particularly successful in negating the impact of adverse market conditions. Over the period Discovery introduced a number of product innovations that enhanced value-for-money for its clients; further entrenched its brand leadership position in health and life insurance amongst consumers and intermediaries; improved its capital strength across all risk-taking entities; and invested significantly in its distribution capability. The combination of these factors contributed to the	The current economic environment created opportunities to offer solvency relief products to the local insurance market as the Group is able to optimise it capital structures efficiently. The pressure on earnings in 2009 was evident due to the loss of a large retail client following the client's decision to conduct its insurance operations in-house. Notwithstanding, RMBSI's net profit after tax of R79 million for the year ended 30 June 2009 is down by only 15%. RMBH's attributable share of RMBSI's normalised earnings for the year amounted to R60 million (2008: R72 million). In the 2010 financial year it will be difficult to build up the income base to past profit levels.

		perspective.	group's strong performance over the period and positions it well for a wide range of opportunities in the future.	
27	SHOPRITE HLDGS LTD ORD	Shoprite is the Group's original brand in its food retailing portfolio and also its dominant chain. This applies to all the countries outside South Africa where it conducts its business. Shoprite ended the reporting period with 310 supermarkets in South Africa. In South Africa the chain enjoyed a satisfactory year with total turnover growing 20,9% and on a like-store basis by 18,1%. It benefited from the employment created by the mega infrastructural projects being undertaken with a view to the 2010 FIFA World Cup in South Africa and the increase in the number and size of social grants. Shoprite's resilience can be ascribed to a number of factors, led by the one-stop model pioneered by the Group in South Africa.	The Money Market concept is developing into an increasingly important part of the Group's supermarket offering. It gives significant expression to the Group's objective to create a one-stop shopping experience allowing consumers to transact as much of their daily business as possible under a single roof. Originally conceived to service the needs of the traditional Shoprite customer, it now has a far broader reach. Additional services have been added to the original complement on offer to attract the entire spectrum of shoppers frequenting Shoprite and Checkers outlets. The service includes utility and traffic fine payments, basic insurance policies, bus tickets, flight tickets on all domestic airlines, tickets for major cultural and sporting events and money transfers.	Shoprite, increasingly attracting middle- to lower-income consumers, continued to enjoy a similar position with especially the owners of shopping centre developments in rural areas. Despite the lack of overseas investment on the continent amidst the global economic crisis, which is hampering the development of retail space in Africa, the Group is pursuing a number of opportunities outside of South Africa, particularly in Nigeria, Ghana and Angola. In Angola site preparation has been completed for two shopping centres while in Zambia a new supermarket in Livingstone and a larger, refurbished one in Solwezi will both start trading soon. In the Democratic Republic of Congo the construction of shopping centres in Kinshasa and Lubumbashi has not yet started.
28	AFRICAN RAINBOW MINERALS	In spite of a good operational performance, ARM Platinum's results were significantly affected by the decrease in global platinum demand and a slowing world economy. Cash operating losses were recorded by both Modikwa and Two Rivers, while Nkomati generated a cash operating profit. ARM Platinum's attributable PGM production (including Nkomati) for F2009 increased by 6% to 323 259 ounces (F2008: 305 508 ounces) of PGMs in concentrate, resulting from grade improvements, increased production and enhanced efficiencies. Nkomati chrome ore sales decreased by 42% due to a sudden downturn in the chrome market. ARM Platinum's attributable headline loss amounted to R319 million.	Pricing in the iron ore market is in a state of transition. The traditional annual benchmark pricing system is under threat, particularly in China. Settlements over the last two years have included quarterly and index pricing in addition to spot sales. Major iron ore producers are split on their views as to whether an indexing pricing method should replace the benchmark. For the last quarter of the year under review, provisional prices were agreed at levels 45% and 33% lower than the previous year for lump and fines respectively. Although negotiations are still continuing we expect that these levels – especially in China will prevail for contractual tonnages for the first three quarters of the new financial year.	The JV believes that a conservative, modular and phased approach to the development of the Konkola North ore bodies in Zambia is appropriate, which at this stage is expected to be followed by the development of the ore bodies presently being defined on the Kalumines property in the DRC. In the DRC, the JV will continue to explore identified shallow deposits with the objective of defining a total of 100 mt of copper-bearing ore at grades higher than 2% copper. In addition, we will be doing metallurgical test work on the Kasonta orebodies. ARM Exploration continues to develop relationships in sub- Saharan African countries and is simultaneously assessing opportunities in PGMs, base and ferrous metals, and coal.

29	LIBERTY INTERNATIONL PLC	The underlying outcome for the year after stripping out the impact of the equity capital raised was a 20 per cent fall in net assets per share (diluted, adjusted) to 464 pence and a 15 per cent reduction in adjusted earnings per share to 18.3 pence. The 20 per cent fall in net assets per share reflected the £732 million (10.6 per cent) investment property valuation deficit for the year, a much better outcome than the £2,051 million (22.5 per cent) valuation deficit in 2008 and an improvement on the position at the half year stage when net assets per share (diluted, adjusted) amounted to 448 pence.	Liberty International's placing conducted in October 2009 enabled CSC to recommence investment plans that had been put on hold a year earlier. Active management projects have been identified across most of CSC's centres amounting to around £125 million, the majority of which is expected to be spent or committed by the end of 2012. In addition, in line with our strategy of organic growth and recognising the increasing outperformance of larger centres, CSC is exploring the feasibility of major extensions to existing centres where there is the potential for significant additional retail space. Investment decisions are taken on a case-by-case basis and assessed against internal return requirements on a risk adjusted basis.	Retail trading conditions remained weak across the portfolio, for example like-for-like sales at Serramonte were down nine per cent in the year and footfall also fell by around nine per cent. Total portfolio occupancy at the year end was at 91 per cent. The Group continues to actively explore tax efficient options to exit over time its direct investment in the USA. In China, our relationship is developing well with Harvest Capital and China Resources. Our first co-investment in Harvest Capital's fund CR1 is showing a surplus. In India, our joint venture Prozone Liberty, in which we have a 25 per cent interest, is working on four major shopping centre projects with the first in Aurangabad due for completion in 2010.
30	EXXARO RESOURCES LTD	The review period was a challenging one in many respects compared to 2008. International coal prices decreased significantly while domestic demand for metallurgical and steam coal also declined. Exxaro was fortunate enough to partially offset softer demand and prices by increasing exports after securing additional export access at Richards Bay Coal Terminal (RBCT) from other RBCT users. Inyanda mine is producing at name-plate capacity and the joint venture with Anglo American on the Mafube operation was concluded in June 2009, resulting in additional production. Additional emphasis was placed on value growth by downstream integration, of which the Sintel char plant at Grootegeluk is an example.	The global recession impacted on demand for all products during the year. Demand improved in the second half of the year but not to the forecast levels although chloride slag, zircon and pigment prices increased year on year. In these trying operating circumstances, the three units in this business recorded a good cost performance. Unfortunately, current depressed market fundamentals for the commodity led to the decision to discontinue the development of the Fairbreeze mine as replacement for the Hillendale mine at KZN Sands. This decision in turn invariably resulted in the impairment of the carrying value of the assets at KZN Sands to the value of R1 435 million.	The average zinc price for 2009 of USD1 658 is 12% lower than in 2008 and only partially offset by the slightly weaker local currency. Production at the Chifeng refinery (China) was in line with 2008. Equity accounted income from this operation increased by R17 million to R13 million after a R4 million loss in 2008, mainly due to reduced production costs and a reduction in the rates of environmental duties paid. Exxaro's 26% share in Black Mountain, acquired in the last quarter of 2008, contributed R123 million to equity income due mainly to increased sales volumes. The prospects for zinc are referred to in the chief executive officer's review on page 19 and are further elaborated on in the Commodity review on page 21.
31	TIGER BRANDS LTD ORD	The Grains division performed well in spite of a very challenging trading environment, where market shares were maintained across all the categories. Volumes, however, declined during	The Home Care category was negatively impacted by a poor pest season with the total pest control market volumes contracting by 8%. The market was further impacted by a	There have been several operational changes made in the supply chain, resulting in improved service levels and shortened lead times. The improvement in product availability, together with brand activation specifically in Mozambique,

		the first half but showed some recovery during the second half of the year in response to the current global economic downturn. Volumes were affected as consumers switched between the various carbohydrates as well as showing increasing preference for smaller pack sizes. The rice business was particularly affected by a significant volume decline of the category in favour of the maize category, largely caused by the significant increase in the price of rice. The start of the financial year saw significant price inflation that followed a rapid escalation of input costs during the previous period.	significant devaluation of the sector through a vast range of value based offerings. The aerosol market performance has been characterised by substantial increases in raw metal prices during 2009, further impacting on margins and volumes. The company's sanitary and surface cleaner portfolio performance improved through the course of the year as supply normalised after the closure of a major third party supplier. Growth in this segment has been driven through the company's brand consolidation process and entry into sizable sectors previously controlled by a single brand.	Kenya, Zimbabwe and Zambia, has resulted in accelerated growth. The Kenyan subsidiary Haco Industries has made a solid contribution to the distribution of Tiger Brands' products in the East African region. Logistical difficulties experienced at the beginning of the year have been overcome and rapid growth is expected as demand increases. A feature of 2009 has been the demand for products from Zimbabwe post the 'US-dollarisation' of that economy.
32	STEINHOFF INTERNTL HLDGS	Steinhoff operates a vertically integrated and geographically diverse business model, consolidating all points of contact from raw materials to retail outlets across extensive product offerings that focus on furniture, beds and related homewares and, in Africa, also includes building supplies, automotive products and vehicles. Geographically, Steinhoff focuses on Europe, Asia Pacific and Africa. Each region applies the most appropriate supply chain given the strengths and opportunities inherent in that individual market. The vertically integrated business model allows the retail operations to either make use of external suppliers or effectively "pull" from the group's manufacturing and sourcing supply chain and make use of the integrated warehouse and distribution platform of the group.	Most of the brands of the division operate within an environment where long-term contracts are awarded, and in the case of Mega Bus and Bojanala Bus, these contracts are in place for up to seven years. This division caters mainly for the commuter transport sectors and services primarily the mining, resource and industrial sectors. These are located outside the larger metropolitan areas in communities where merely an estimated 26% of the population have access to own transport. The results were enhanced by securing additional long-term contracts which underpin sustainable growth. After the turnaround of Greyhound and Citiliner in 2006, these brands have grown market share in both the luxury and economy intercity segments.	Our treasury services department organises adequate funding to enable us to explore or realise strategic opportunities and developments. Based on feasibility reports and decisions on a particular opportunity, we decide whether and what type of funding to procure, manage and maintain. Corporate responsibility is managed centrally by a steering group which provides strategic direction with input from the Northern and Southern Hemisphere management teams. Accountability and responsibility for the implementation of all sustainability initiatives remain with the divisional management teams. Policies address social, environmental and economic impacts in line with generally accepted practices like the JSE Sustainable Reporting Index requirements.
33	ASPEN PHARMACARE HLDGS.	The South African pharmaceutical business recorded excellent growth in revenue under challenging economic and operating market conditions. The value of the total South African private pharmaceutical market has grown by 15% during the 2009 year and Aspen has grown ahead of the market at 20%. Aspen remains the	In the last year, the packing capacity for patient-ready packs supplied to the tender market, has already been doubled through investment in additional equipment. As a result of Aspen's strategic focus on pharmaceutical products, the manufacture of selected fast-moving consumer goods such as aerosols,	A manufacturing contract has been signed with a leading multinational pharmaceutical company for the supply of one product which is scheduled to commence in January 2010. GSK has confirmed the selection of eight products, including five oncology products, from the joint venture under the licensing arrangement between the parties. Aspen disposed of its interest in Astrix Laboratories Ltd at the end of May 2009 for

		leading supplier of medicines domestically, having retained its position as the number one generics pharmaceutical company in South Africa. Aspen holds 13% share and a 34% share of the total private pharmaceutical and generic sectors respectively. Aspen also continues to be a leading supplier of products to the State tender programmes, including the OSD tender, oral contraceptive tender and the ARV tender.	personal care and dental products has been transferred from the East London site to accredited third-party manufacturers. The resultant capacity at the East London site has been dedicated to the manufacture of core, low-volume pharmaceutical products. A capital expenditure project has been initiated to refurbish the relevant manufacturing areas to install new equipment which will meet existing demands and also to accommodate future growth.	USD39 million but retained the commercial advantage of securing continued access to cost-effective supply of ARV APIs. Aspen also acquired the rights to distribute a number of new generation ARV combination products for the South African and African markets.
34	AFRICAN BANK INVESTMENTS	During 2009, ABIL recruited key staff across all activities within the group. Within African Bank, new external appointments were made at an executive level in the areas of information technology, human capital and treasury, while internal promotions were made in sales, credit and collections. Similarly, within Ellerines, new skills were brought in to merchandising, credit, sales, property, information technology and support services, as well as new managing executives in the Ellerines and Geen & Richards brands. We will have an even greater focus on our people and culture in 2010. A key aspect of ABIL's growth strategy in recent years has been to offer customers a better value proposition through lower priced and greater utility loan products.	Operating costs for the twelve months to 30 September 2009 increased by 10% to R1 330 million, while the cost to average advances ratio fell to 7,2% (2008: 9,0%). Cost efficiency has been a major contributor to the bank's capacity to reduce prices to its customers. Staff costs, which make up 49% of total operating costs, increased by 2% to R650 million. Basic remuneration increased by 10%, following an average salary increase of 8,9% implemented in October 2008 and minimum wage increases during the year, while overall staff numbers remained steady. Annual bonuses and long term incentives were 26% and 29% lower than 2008 respectively.	Gross NPLs increased from R1 784 million to R2 095 million over the twelve months, after bad debt write-offs more than doubled to R1 196 million in 2009, as the low quality loans written in 2007 matured into write-offs. NPLs as a proportion of gross advances were 41% (2008: 37%). Impairment provisions in respect of NPLs were R1 422 million as at 30 September 2009 (2008: R1 509 million). Provision coverage reduced from 84,6% to 67,9%, primarily as a result of the increased write-offs. Bad debt write-offs as a percentage of average advances increased from 12,6% to 22,6%. The combination of better insights, enhanced collections methodologies and an improving quality of NPLs will result in provision coverage being more closely aligned to African Bank's coverage ratios in future.
35	REINET INVESTMENTS SCA	*	*	*
36	PIK N PAY STORES LTD	During the year we opened 5 new corporate and 12 new franchise stores. We also converted 4 stores from corporate to franchise in line with our ongoing review of store operations to ensure that we utilise the best formula for each trading	The SAP implementation is 65% complete, with the remaining Pick n Pay regions to be completed in the next 18 months. We are seeing clear benefits from this investment: Our supply chain is more efficient, we have faster response times for new business development	Given the tough trading conditions and the investment phase we are in, we are pleased with this result. We remain optimistic for the year ahead due to our strategic investments now starting to bear fruit and the relief to be brought to consumers by lower interest rates and reducing inflation. We forecast improved growth in 2010 headline earnings per share over that

		site. In the year ahead we plan to open 4 new corporate and 15 new franchise supermarkets and convert a further 2 corporate supermarkets to franchise. In addition to the above, we converted 27 Score stores to the Family franchise brand and next year we will convert another 25. These conversions are in line with our strategy to give consumers in the lower income brackets the Pick n Pay shopping experience they desire and to create franchise opportunities for black entrepreneurs.	and have improved our electronic trading capabilities. Phase I of our supply chain plan is now complete. The Longmeadow Distribution Centre in Johannesburg is now fully operational with all set-up costs absorbed. The distribution centre now supplies all 263 inland stores. Phase II will expand the facility to accommodate central distribution, automated replenishment and strategic buy-ins. This expansion will commence during the 2010 financial year.	achieved this year. (This forecast financial information has not been reviewed and reported on by the Group's independent auditors.) I wish to thank all our employees for their dedication and support during the past year and look forward to working with them in what is going to be another exciting year ahead.
37	TELKOM SA LTD	Prior to 1991, the former Department of Posts and Telecommunications of South Africa exclusively provided telecommunications and postal services in South Africa. In 1991, the government of South Africa transferred the entire telecommunications enterprise of the Department of Posts and Telecommunications of South Africa to a new entity, Telkom, as part of a commercialisation process intended to liberalise certain sectors of South Africa's economy. Telkom remained a wholly stateowned enterprise until May 14, 1997, when the government of South Africa sold a 30% equity interest in Telkom to Thintana Communications LLC, a strategic equity investor beneficially owned by SBC Communications Inc. and Telekom Malaysia S.D.N. Berhard.	Telkom's focus on bringing new innovative products to the market that cater for increased data usage and converged services has resulted in our new VPN products gaining increased traction in the market. We have increased VPN sites by 20.7% to 14,659. Our VPN Lite products, which are delivered over the ADSL network, include advanced self-help and online charging solutions. This product was launched during November 2007. Telkom is in the process of building on a culture of research and innovation and fast time-to market, in order to cater for customers who are increasingly looking for innovative, easy to use products. Broadband and converged services continue to perform well with ADSL subscribers up 33% to 548,015.	Additionally, VoIP and other operators with international gateway licences are expected to create increased competition for Telkom's fixed-line voice business in carrying international traffic in and out of South Africa. We expect that the introduction of number portability and carrier pre-selection could further enhance competition in our fixed-line voice business and increase our churn rates. As competition intensifies, the main challenges our fixed-line voice business faces are continuing to improve customer loyalty through improved services and products, and maintaining our leadership in the South African communications market. As a result of increasing competition, we anticipate pressure on our overall average tariffs and a reduction in our market share.
38	GROWTHPOINT PROP LTD	Growthpoint recorded 7.6% growth in distributions per linked unit for the year ended 30 June 2009. Growth in distributions was slower than in the last few years, as the global credit crisis and economic recession began to be felt noticeably in South Africa from the last quarter of 2008. New developments that came on stream during this time were most affected, with a drop in demand for new space by businesses looking to cut costs and consolidate rather than expand. Investors will be pleased with the 17% capital appreciation in the price of	In the year ended 30 June 2009, market demand for office space was weak. Vacancies increased from 3.8% to 6.2%, while vacancies in new developments contributed 2.7% (2008: 1.1%) to take total office vacancies to 8.9% at the end of the year. Rental arrears increased from R5,1 million to R11,0 million and the provision for bad debts increased from R1,9 million to R5,5 million. The office portfolio was written down by R73 million, or 0.6%, at 30 June 2009. Five new developments that had large vacancies at year-end contributed	The R1,7 billion successful capital raising and conclusion of Growthpoint's first offshore investment are notable achievements and further signs of the company's ability to be innovative and proactive. Growthpoint has a strong, independent board of directors, an executive team of top people in their respective fields and depth of talent in management at all levels. Every staff member has an equity interest in Growthpoint and is valued as an important part of the team. We remain positive and committed to continue delivering growing income distributions and enhancing and improving the quality of the portfolio, to the benefit of investors

		Growthpoint linked units for the year ended 30 June 2009, largely due to the decrease in interest rates over this period.	significantly to the write-down. Besides Lincoln on the Lake in Umhlanga (KwaZulu Natal), which has a total lettable area of 6 671 m2, there are no other developments in progress that could add to the vacancies.	and other stakeholders.
39	LIBERTY HOLDINGS LTD ORD	New business growth remains a top priority for the retail business. Despite investing significant resources to grow sales over the past three years, the challenging economic environment and a shortage of experienced intermediaries has muted growth. New sales remained under pressure during 2009, particularly investment business which was 15% lower than 2008. Risk business sales grew 3% year-on-year. In 2009, Retail SA focused on recruiting and retaining intermediaries and continued to extend productivity initiatives. More direct links were created between new business and intermediary recognition. Underwriting automation was increased. Retail SA will investigate additional strategies to increase productivity of the various sales channels in 2010.	STANLIB had a satisfactory year from a financial point of view, with headline earnings declining by 5% from R370 million to R353 million. The decline is a satisfactory result in an economy that has been in recession for most of the year. The impact of the economic downturn on STANLIB's earnings was limited through tight cost controls. The effective management of costs resulted in a decline of\ 7% while still allowing spend in development areas. In addition, risk aversion led to investment in money market and fixed interest products, a strength of STANLIB's. The economic recovery will lead investors to increase equity exposures, with the result that the client proposition needs to be proactively managed to avoid cash outflows.	The global economic crisis and political instability hampered. Liberty Africa's ability to implement some of its expansion strategies, and efforts to attract large mandates were at times frustrated due to a lack of local equity partners. Although a shortage of skills within certain product pillars provided some challenges, an appropriately skilled senior management team, with the necessary experience to drive growth, has been put in place. Opportunities in Nigeria continue to be investigated. A formal Bancassurance strategy will enhance the service provided to customers, the accessibility of products, operational activities (such as collecting policy premiums) and the general efficiency of the group's African strategy.

40	PRETORIA PORT CEMNT	Porthold is PPC's wholly owned subsidiary in Zimbabwe, acquired in 2001 but dating back to 1913 when the factory 15km east of Bulawayo was the first cement company in Zimbabwe. The factory at Colleen Bawn was established in 1946. Porthold's core brand is Unicem, a cement made at the Bulawayo factory from high-quality raw materials and found in virtually every key structure in the region – from Harare International Airport to mighty dam walls. Nine years ago, acquiring Porthold was identified as another step in the development and growth of PPC's geographic footprint – part of a focused growth strategy to catapult PPC from a South African business to the leading supplier of cement in South Africa, Botswana and Zimbabwe, steadily increasing our exports across the continent.	Industry regional cement sales declined by 11% compared to the previous financial year. There were marked differences between the provinces and neighbouring countries. Gauteng and the Western and Eastern Cape showed the largest declines while provinces such as KwaZulu-Natal, Limpopo and Mpumalanga continue at a similar pace to the previous year. The demand in Botswana remained positive for the year. The largest influence on this regional decline is the drop in private residential and building activity. This decline was partly offset by the significant number of infrastructure projects in progress including the rapid rail link (Gautrain), the Gauteng Freeway Improvement Plan and the Medupi and Kusile power stations.	Sales in South Africa remained under pressure as a result of the general slowdown in demand for aggregates and metallurgical stone from the steel industry. This was partially offset by demand relating to the government roads investment programme in Botswana. Demand for aggregates in the next financial year is expected to be in line with the year under review, with no significant recovery expected in construction activity. Demand for metallurgical stone depends on the recovery in the steel industry as noted in the lime review. Demand for aggregates in Botswana is expected to continue to show positive growth. Revenue increased by 5% to R296 million and operating profit was down by 12% to R72 million.

*Review of operations for 2009 was not available online.

APPENDIX C

Passages from Chairperson's statements - 2010 annual reports				
No.	Security	Par1	Par2	Par3
1	BHP BILLITON PLC	I am pleased to report that in a difficult global economic and financial environment, BHP Billiton continued to perform well and strengthened its strategic and financial position. While the global economic outlook has improved, the recovery remains fragile. Despite a near-term slowing in China, we continue to believe that the fundamentals driving Asian growth are robust. It is clear to the Board that the long-term outlook for BHP Billiton is strong. We have unique assets that are critical to the growth of the world's developing economies, and a geographic and commodity spread that reduces risk and optimizes opportunity. During the year, your Chief Executive, Marius Kloppers, and his team focused on delivering strong production and cost performance as well as investing in new growth opportunities.	In August 2010, we announced a fully funded takeover of Potash Corporation of Saskatchewan. The proposed acquisition meets our criteria of developing quality long-life assets using our existing mining skills to gain a leading position in the growing world market for fertiliser. We are committed to being a strong corporate citizen in Saskatchewan and New Brunswick, Canada, and our intention is to establish a global potash business based in Canada. Important governance developments occurred in the UK, US and Australia during the year responding to the challenges of the global recession. We support the changes, particularly the emphasis on ensuring Boards comprise Directors with the collective set of essential skills and experience to govern the Group supported by robust succession planning and performance evaluation.	One thing that has impressed me since the time I started as a Director in 2006 has been the quality of BHP Billiton people throughout the Group. In resources, as in many other industries, results are not only a function of the quality of the assets but the quality of the people operating and managing those assets. Marius is a talented Chief Executive and he has developed a strong and diverse team with a depth of talent to support him. On your behalf, the Board would like to thank everyone involved with our Company for the contribution they have made in this challenging year. Finally, since becoming Chairman this year after the retirementof Don Argus, I have had the privilege of meeting many of our institutional and individual shareholders.

2	ANGLO AMERICAN PLC	In 2010, your company experienced a strong revival on the back of steadily rising demand and higher prices for all of the commodities in our diversified mining portfolio, though the strength of local currencies somewhat dampened our overall financial performance. Our clear strategy of focusing on seven key commodities, driving cost reductions, safe operations and pursuing leading industry performance is being implemented successfully, with all our businesses moving down their respective industry cost curves. This was borne out by a strong set of operating results. Group operating profit increased sharply to $9.8 billion, against $5 billion in 2009, while cash flow generation from operations improved from $4.1 billion to $7.7 billion.	The year was marked by yet another major improvement in our safety performance, with a significant reduction in both the number of people who died and were injured on company business. Over the past four years, under Cynthia Carroll's leadership, the number of people who have died in accidents at our operations has reduced by more than two-thirds. With such improvements, year on year, our ultimate aim of zero harm is not just attainable, but is now being seen to be so. All of us need to remain very committed to this goal. We continue to focus on enhancing the positive impacts of Anglo American's operations on our host communities, and on preventing or reducing negative effects in line with our commitment to being the partner of choice for host governments and communities.	Sir Ernest's commitment that Anglo American should make a positive and sustainable difference to the communities around its mining operations remains deeply embedded in the way we do business. On behalf of the Board, I would like to express our thanks to Nicky for his significant contribution to Anglo American over so many years. We will miss Nicky's wise counsel, sound business sense and integrity. We wish him well and look forward to a continued strong relationship through our respective interests in De Beers. Finally, I wish to pay tribute to the management team we have in place at Anglo American, and to all of our employees, who have responded so willingly and ably to the challenges of a demanding and successful year.
3	SABMILLER PLC	I am pleased to report a very good set of results, achieved in difficult conditions as the global economy struggled and consumer demand remained weak, particularly in our more developed markets. As I said last year, beer is a fairly resilient product and our broad geographic footprint proved to be an advantage in that different countries were affected by the global economic crisis at different rates and to differing degrees. This year, in addition, we have benefited from management's ability to reduce costs and selectively increase prices in order to maximise revenues – capitalising here on our strong market positions and leading local brands.	Reported within the North America segment, MillerCoors delivered pro forma1 EBITA growth of 13% despite a sluggish US beer market impacted by continued adverse economic conditions. MillerCoors' domestic sales to wholesalers and retailers on a pro forma basis, were both down 2%, but revenue per hectolitre grew by 3%. Most of our markets in Africa continued to grow, albeit more slowly than in recent years. Lager volumes grew 6%, helped by strong performances in Mozambique, Zambia and Uganda, and soft drinks volumes by 4% on an organic basis. While EBITA grew by 4% on an organic, constant currency basis, reported EBITA was held back by currency weaknesses and increased by 1%.	Although the economic environment began to improve for some of our emerging market businesses in the latter part of the financial year under review, a broader recovery in consumer spending is not expected before the second half of the current financial year. Price increases will be taken selectively, predominantly in the second half, and we expect raw material input costs for the year to be level with, or marginally down on, the prior year. We will continue to implement our cost productivity initiatives while increasing investment in our brands. The group's brand equities and its financial position remain strong and we are well positioned to take advantage of any improvement in trading conditions.
4	MTN GROUP LTD	This year, MTN has started on a journey to provide a more integrated report, in terms of its social, environmental, economic and financial impacts and influences. This is one of the recommendations of the revised King Code and Report on Governance for South Africa (King III),	MTN Group made considerable progress in integrating environmental matters into its core operations in 2010. This is an important advance: many of the markets in which the Group operates are among the most vulnerable to climate change. MTN is defined as a medium impact	Alan Harper, an independent nonexecutive director and member of the nominations, remuneration, human resources and corporate governance committee of MTN since 1 January 2010, has been appointed chairman of that committee on 14 March 2011. He succeeds Doug Band. The board and I would like to

		which was published in 2010. The Group has worked towards ensuring compliance with King III's many other guidelines as well as additional regulatory requirements in line with international best practice. The activities of MTN have for many years been guided by its vision to be a leader in telecommunications in emerging markets, supported by the following key strategic pillars:	company, and in 2010 worked to foster more responsible practices and efforts to preserve the environment and help mitigate the effects of global warming. MTN has investigated low-carbon and renewable sources of energy to power its base transceiver sites in a number of operations and is already reaping the rewards through lower operating costs, emissions and regulatory risk.	congratulate both Alan van Biljon and Alan Harper on their new roles. With a strong focus on cost management as well as on securing new revenue streams, MTN is well positioned in its markets to compete within a changing competitive and regulatory landscape. The Group's attempt to make this year's report a more integrated one is the beginning of a process towards achieving a better articulation of MTN's strategy, risks and opportunities and we trust it will help stakeholders to better assess the ability of MTN to create and sustain value.
5	COMPAGNIE FIN RICHEMONT	The last 18 months or so has been a challenging period in Richemont's history. The global economic crisis, which stemmed from the over-expansion of credit, saw consumer confidence in most markets collapse in late 2008 after a boom period up to September of that year. The first six months of the year under review were measured against the strong comparatives of the first half of 2008/09. The Group's retail sales were lower and the wholesale business in the Americas and Europe contracted substantially as our partners in the watch retail sector de-stocked. We have seen a recovery in demand in the second half of the year, albeit measured against easier comparative figures.	During the year under review, we have continued the roll-out of our Richemont Enterprises Resource Planning ('ERP') IT system. In June 2009, the system went live in the Swiss market covering the retail and wholesale distribution of all of the Group's watch and jewellery Maisons. We also completed the implementation of our central distribution backbone in Fribourg, which now hosts all our Swiss-based watch and jewellery businesses on a single, integrated IT system. Last October, we launched the next phase of the project, namely the integration of the French and Spanish distribution entities, which are scheduled to switch to the new ERP system this summer. .	Richemont has weathered the economic crisis to date and is in a strong financial position. Our businesses reacted quickly and positively to the downturn in demand and have grown market share. They are ready to capitalise on growth opportunities in new markets and to meet demand in established markets once the economic situation improves. Sales in the first quarter of 2010 have continued to follow the trend seen in the pre-Christmas period and sales in the month of April were 24 per cent above the prior year's depressed levels, primarily driven by wholesale sales. Key drivers of the Group's future success will be innovation in terms of product, distribution and markets as well as creativity, which have always been hallmarks of the Maisons.
6	SASOL LTD	The board and management of Sasol share an obligation to grow stakeholder value sustainably for the many people around the world who have invested in Sasol. Since September 2008, this has included some 300 000 historically disadvantaged South Africans who have invested their savings in Sasol through the Sasol Inzalo share scheme. Discharging this responsibility has required a careful balance between the prudent management of cash and costs, and delivering growth. The results Sasol has achieved in the year ended 30 June 2010 reflect management's decisive	We have an exceptional opportunity to harness the lessons we have learned in hosting the world's greatest sporting event to ensure lasting improvement in the lives of many South Africans. I believe, though, that the World Cup should not be viewed as an isolated event. In many ways it confirms the economic and social progress that has been made over the last decade through much of Africa. Sub-Saharan Africa, over the past ten years, has established itself as one of the fastest growing regions in the world. As the largest industrial company in South Africa and an	I also extend a warm welcome to Colin Beggs and Greg Lewin who joined the board as non-executive directors. Their appointments further strengthen the board. I would like to thank the non-executive directors of the board whose wide range of experience, as well as their depth of knowledge and skill, has proved invaluable during these turbulent times. Finally, I commend Pat Davies and his executive management team for the decisive leadership they continue to show, and which is evident in the results the company has achieved. As the Sasol group nears the auspicious milestone of its 60th anniversary, I believe that the

		approach, particularly during the difficult economic circumstances of the past two years. Despite the economic turbulence, Sasol has delivered an average return on equity of 24% over the last five years while increasing shareholders' equity by 80% (R42 billion).	important player on the African continent, Sasol is in a unique position to benefit from this growth momentum.	group is well positioned, with a firm financial foundation, compelling growth prospects and a strong commitment to sustainable development.
7	ANGLO PLATINUM LTD	The company's balance sheet was successfully restructured during the year, by raising R12.5 billion of ordinary share capital by means of a rights offer underwritten by Anglo American plc. A net inflow of R2.3 billion was realised from the disposal of assets relating to the listing of the Bafokeng-Rasimone Platinum Mine and the sale of the Western Bushveld Joint Venture and Booysendal resources. Net debt at year end was R15,150 million lower than it was at the end of 2009. In the light of this strong turnaround, the Board has decided that it would be appropriate to recommence the payment of dividends and has declared a final ordinary dividend of R6.83 per ordinary share, amounting to R1.8 billion in respect of the 2010 financial year.	In 2010, we contributed R125.7 million towards Corporate Social Investment of which R118 million was spent directly on community projects. I am very pleased to announce, on behalf of the Board, a multibillion- rand (circa 1-2% of market capitalisation) broad-based empowerment transaction. This transaction will address long term sustainable development in the host communities and key labour sending areas that have not participated in the company's extensive Black Economic Empowerment (BEE) transactions to date. The exact terms and final structure of the transaction are not yet determined. We will now embark on an extensive community engagement process, with the objective of jointly exploring the development aspirations of our communities in order to reach a collective agreement.	The potential growth opportunity underpinned by the fundamental growth in demand for PGMs is exciting. I am pleased to be part of this growth opportunity, and the value platinum will continue to bring to the company and to South Africa. I expect 2011 to be a strong year for Anglo Platinum Limited where we continue to benefit from the restructuring and the systems we have put in place to manage costs, improve productivity and strive for zero harm. This will allow us to derive maximum benefit from what is forecast to be positive year for PGM demand and price. I thank the Board, the executive, the management and all the employees of Anglo Platinum Limited for their dedication, their passion and their commitment to delivering safe profitable platinum and a solid operational performance in 2010.
8	STANDARD BANK GROUP LTD	My first year as chairman of the Standard Bank Group has been a process of discovery. I am a businessman, not a banker, so the initial months of my tenure were spent learning about the business of banking and understanding the vastly changed landscape in which we operate. Having seen this process through, I can attest both to the soundness of Standard Bank's financial position and the validity of its business strategy. I firmly believe that Standard Bank has a sustainable future. My arrival at Standard Bank coincided with one of the most challenging periods in the history	The most fundamental contribution we make to the economies in which we operate is the delivery of a robust business supported by sustainable revenues. This allows us to pay dividends to our shareholders, salaries to our employees, payments to our suppliers, investments in community projects and make tax payments to governments. Standard Bank recognises that the private sector has an additional responsibility to assist governments in finding solutions to development challenges, particularly in the emerging markets from which we serve our	This has been an extremely stressful year for our people given the pressure on profitability and the retrenchment process undertaken. I wish to thank them for the considerable effort they have put into their work and the strength they continue to display under the most challenging of conditions. However, I do perceive an improvement in morale across the group, which is most pleasing, and I trust that this enthusiasm and positive mindset will continue in the coming year. My colleagues on the board have supported me with their wise counsel and valuable guidance in a year that

		of the global financial services sector, and South Africa's first recession in 17 years.	customers. We partner with organisations that lead global efforts to fight poverty and HIV/Aids and provide solutions in support of the development of important sectors such as agriculture infrastructure and healthcare.	has required a very high level of involvement.
9	NASPERS LTD -N-	In summary, Naspers recorded a 5% increase in revenues to R28bn for the past financial year. Operational profit advanced 10% to R5,4bn, whilst core headline earnings grew 22% to R5,3bn. Our financial performance is analysed in the financial review on page 16 of this annual report. The internet industry showed bold growth in emerging markets. Our pay-television operations held up well, whilst the technology business returned to operational profitability. However, print businesses globally, including our own, suffered in the recession. Over the past year the Naspers group continued to expand. Most emerging markets in which we operate survived the global economic downturn reasonably well, when compared to developed economies.	Looking ahead, we mostly have resilient businesses in emerging markets that are still expanding. Competition in pay TV, regulation and consumer spending remains a challenge. Focusing on the internet, we plan to grow the group through a combination of organic growth and acquisitions. Stringent processes are applied when evaluating investment opportunities. We aim to deliver value to our shareholders over the medium to longer term. Naspers has a Level I American Depository Receipt (ADR) programme and its American Depository Shares (ADSs) are listed on the London Stock Exchange (LSE). Level I ADRs are traded in the USA on an over-the-counter (OTC) basis. International investors are therefore able to buy and sell Naspers securities either through the Level I ADR OTC market, the LSE or the JSE Limited.	We require the right skills set to meet the challenges in each of the countries in which we operate. Across the group, skills development is critical to maintain our competitive advantage, especially in our technology-intensive businesses. In our internet businesses we aim to attract the best young engineers, and training is key to our growth strategy. We are proud of the contribution made by our people in so many countries. During a tough year they have shown resilience and innovation to achieve most of the goals our businesses had set. We appreciate their commitment. Finally, our thanks to fellow board members for their guidance and support.
10	IMPALA PLATINUM HLGS LD	Reflecting on Implats' performance over the last year, this is undeniably both a challenging and an exciting time to be in the platinum industry. Following on the positive signs of global recovery at the beginning of 2010, commodity markets appeared to be poised on the cusp of sustained recovery. However, the European debt crisis could see the global economy staring a double-dip recession in the face. Despite this, recovering vehicle sales, increasing investment in exchange-traded funds (ETFs) and a firmer jewellery market augur well for the market for platinum and palladium. In this, my first letter to you, I have to acknowledge that this has been one of the toughest years we have yet faced, both in terms of economic recession as well as the various internal	This has been a tough financial year for Implats. However, despite the difficult conditions, we have not defaulted on dividends, and payments were maintained throughout the economic downturn albeit based on the quantum of cash available rather than on a cover basis. Your Company remains financially sound with a relatively ungeared balance sheet and is well placed in the current environment to take advantage of the expected upturn. Meeting our production target of 2.1 million ounces of platinum by 2014 remains a key focus and is premised on safe, efficient production in terms of volumes, grades and cost containment. Efficient and effective utilisation of resources remains key to sustain our revenue stream and profitability.	We have taken cognisance of the impending requirements of King III as well as the new Companies Act and have initiatives in place to fulfil their respective requirements. Implats remains committed to good corporate governance. In closing, I feel privileged to have assumed the chairmanship at this exciting and decisive juncture in the Company's development. I have complete faith in the Implats team in meeting the challenges we currently face. The efforts of every member of the Implats family – my fellow directors, the management team, our employees and contractors, customers, suppliers and business partners – have supported a solid performance in extremely difficult circumstances.

		issues currently confronting us.		
11	KUMBA IRON ORE LTD	This, my first communication to Kumba's public stakeholders, is intended to give the reader some perspective regarding the role that the Safety and Sustainable Development Committee plays in governing and providing strategic direction to the company in relation to safety and sustainable development. The committee, comprising three independent non-executive directors, meets three to four times per annum. In addition to the committee members, the CEO, the executive head of S&SD and the executive head of human resources attend committee meetings. At the meetings, a number of Kumba departments are represented including public affairs, human resources, social and community development, the environment, health and safety. Others may attend as required.	I am concerned at the loss of life and will be overseeing at a board level a concerted effort to bring about the company's zero harm objective. The committee now has before it a number of proposals to increase the degree to which it participates in reviewing Kumba's reporting process and the end products. This is considered important because it will ensure a greater degree of continuity between what is discussed at the S&SD Committee meetings, what is being implemented by the company and what is then communicated to external stakeholders. This is especially important given the new integrated reporting requirements as discussed in the King III Report on Corporate Governance.	In order to fulfil its role, the committee will be considering the reports submitted by ABAS and PwC as these pertain to safety and sustainable development. I endorse the increased role the S&SD Committee will play in Kumba's reporting process. The committee is mindful of the importance that responsible companies like Kumba play in the development of South Africa through the leadership positions they uphold, their socio-economic development spend and the employment and training opportunities they afford thousands of South Africans. Finally, I am grateful for the efforts and dedication of Kumba's employees and my fellow committee members. I also thank the board for its support and look forward to reporting back to Kumba's stakeholders in the next report.
12	ANGLOGOLD ASHANTI LTD	It is my pleasure and privilege to address to you my first chairman's statement since taking office during 2010. When I was approached for discussion about the position, there were two matters about which I felt I had to satisfy myself. The first one was that I wanted to see the company showing, practically, that they were serious about curbing injuries and deaths in mine accidents. The second was their intention in relation to the closing out of the hedge book. On the first, I was very pleased to be assured that, led by Mark Cutifani, the executives at AngloGold Ashanti work very hard at ensuring that safety is indeed our first priority.	Particularly pleasing is the turnaround at the Geita Gold Mine in Tanzania, while notable progress has also been made at the Mponeng Plant in South Africa and the South American operations. It is important to emphasise the holistic nature of Project ONE. In addition to operating efficiencies, it incorporates a range of targets related to both our people and sustainability issues, such as safety and environmental management, all of which are key components of AngloGold Ashanti's strategic drive. As a mining company committed to responsible corporate citizenship, operating around the world is becoming increasingly complex. From government attempts to impose punitive taxes in Australia to the instability prior to the	As one of the original directors of AngloGold Ashanti when it was formed in 1998, James provided both continuity and critical leadership during the changing times and has served all AngloGold Ashanti stakeholders with great distinction. His retirement allows him the opportunity to pursue new interests. On behalf of the board and management, and indeed on my own behalf, I extend our thanks and best wishes to James for the future. Realeboga Ntate! (Thank you, Sir). The board will, in the coming months, be taking action to replace the expertise lost and, generally, work towards building an even better balance of knowledge, experience and skill.

			welcome advent of democracy in Guinea, AngloGold Ashanti has been challenged to play a responsible role.	
13	FIRSTRAND LTD	In addition, and in some ways even more interesting, almost every US President, from Thomas Jefferson to John F Kennedy, argued rigorously against the power and influence of the banking system. For example Jefferson said; " If the American people ever allow private banks to control the issue of their money, first by inflation and then by deflation, the banks and corporations that will grow up around them, will deprive the people of their property until their children will wake up homeless on the continent their fathers conquered." It is not so much the fact that many wise people believe that banks are fundamentally "bad" for society that resonates with me, it is more that the relationship between governments and banks is one fraught with conflict but at the same time totally symbiotic, and this has been the case since the days of Aristotle (who also, for the record, held the practice of usury in complete contempt).	FNB also continues to benefit from a strong focus on efficiencies and sustainable containment of cost growth. This should be of particular interest to those market watchers that believe that the effective management of costs is not in the DNA of FirstRand. Whilst I acknowledge that as an entrepreneurial culture we do get excited about growing the topline, it is important to appreciate the significant progress FNB has made in maintaining cost growth to well below inflation for two years running, with the absolute increase in costs in the year under review the lowest in recent history. So our banking businesses are in good shape and are taking all the necessary actions to deliver sustainable returns to shareholders.	I would like to thank the FirstRand executive management team and the many people we employ throughout the Group for producing this strong performance in what were challenging conditions. My last words remain for Van Zyl Slabbert, who passed away this year after serving for eight years on our Board. On hearing of his death, someone remarked to me that it felt as though a Prime Minister had died, such was the stature of the man. In the years that he served on the FirstRand Board he made an irreplaceable contribution to our debates, particularly the potential impact of social and political changes on our business.
14	VODACOM GROUP LIMITED	Vodacom began the year as a private company facing a raft of external and internal challenges, any one of which would be difficult enough to deal with alone, but taken together were little short of formidable. Vodacom ended the year as a listed company, leaner, healthier, both financially and commercially, and possessing a strong base to capitalise on the new opportunities coming in 2011 and beyond. It is a testament to Vodacom's management team and employees that while dealing with some of the most pervasive changes that the Group has seen since its inception 16 years ago, their collective focus on the fundamentals of the	I have had the privilege of working in a number of very different industries, and since I started in this role at Vodacom I have been repeatedly surprised by the number of ways that our Group has the power to change lives. The initial vision of bringing communications to those who have none, to drastically simplify everyday tasks and to drive the development of crucial small and medium enterprises, is really only the beginning. Vodacom has led in the drive to deliver low-cost handsets. The Group has also placed great emphasis on bringing in more affordable smartphones, which often will offer people their first taste of	This did not happen by accident – on behalf of the Board it is my privilege to congratulate all Vodacom employees for this outstanding achievement and to say thank you to each and every one for playing your part. To all our customers, we want to thank you for supporting us. On a slightly less orthodox note, as I write this the 2010 FIFA World Cup South AfricaTM is well under way, and we hope the South African team which is sponsored by Vodacom will continue to show the kind of heart and determination that any nation would be proud of. As Vodacom moves into 2011 it is this spirit that will drive our actions and ensure that we continue to

		business did not waiver.	the internet and the benefits that being truly connected can bring.	succeed.
15	ABSA GROUP LIMITED	This is my first statement to you as Absa's Group Chairman. I look forward to serving the group and all its stakeholders in this capacity. Absa demonstrated resilience in a challenging operating environment of slow economic recovery and muted credit demand during 2010. Despite modest revenue growth, the Group increased its headlines earnings by 6% to R8 billion, as impairments improved from unusually high levels. It was also gratifying that Absa kept its return on equity above its cost of equity, while maintaining capital comfortably above board targets and regulatory requirements. As satisfying as these financial results were, so too was the progress made to enhance the Group's capacity and capabilities in many important areas to enable future growth.	Remuneration in the banking sector is an important and widely debated issue. Indiscriminate remuneration polices the incentivized short-term gains at the expense of long-term sustainability have been identified as a contributor to excesses preceding the financial crisis. We cover the Group's remuneration policies in some detail in the remuneration report, but I will comment on some key features. Banking covers a wide spectrum of activities, from the more routine to highly complex and fast moving transactions. All, to a greater of lesser extent, rely on specialist skills to ultimately provide customers with appropriate solutions and to manage the supporting processes.	In spite of a relatively subdued economic environment, the Group delivered satisfactory results over the past year, while making good progress in preparing for the future. We continued to invest, both internally and into the communities we serve, and to play an important role in improving the quality of life for many by way of community outreach and product innovation. We see these as solid foundations for the sustainability of the Group and will continue to build capacity to support our franchise in the markets we currently serve. At the same time, Africa offers an exciting future for financial services, particularly banking. I am optimistic about Absa, in conjunction with Barclays, is well positioned to take advantage of these opportunities.
16	GOLD FIELDS LTD	This is my first report as Chair of Gold Fields. I've worked with the mining industry for many years and bring this experience to my new role. I also bring a global perspective derived from my time at the World Bank, where we engaged in high profile work premised on the capacity of the resources sector to create prosperity and wealth and to alleviate poverty, especially in developing nations. Despite my brief tenure at Gold Fields, I have already gained an appreciation of the company and its values as well as an understanding of its considerable contributions to development. This is not just through its duty to investors, but also through	Our intent is to remain in South Africa for at least the next 50 years, motivated largely by our investment in the lucrative South Deep project, and to continue our ambitious global expansion programme. The South African operations continue to present a unique opportunity for meaningful wealth creation and distribution. Building on this foundation makes us even more effective as a leading global gold company. Gold Fields addresses these challenges directly through our commitment to 'sustainable gold'. This means ensuring we achieve sustained production and growth, as well as contribute to sustainable development wherever we operate. Our ability to bring our	Over the few months I have worked with him, he has been generous in sharing his enormous experience of the company. I am committed to doing Alan's Gold Fields legacy justice. I would also like to express my sincere appreciation to my fellow directors for the enthusiasm with which they welcomed me and their energetic and informed contributions to Board deliberations. In particular, this includes Chris von Christierson, who will be retiring at the AGM on 17 May 2011 after serving on the Board with dedication for 12 years. Finally, I would like to thank our Chief Executive Officer, Nick Holland, his management team and all Gold Fields employees for their unwavering commitment to the

		its responsibilities to other key stakeholders – host governments, employees and local communities.	large long-life quality Mineral Reserve base to account depends on a continued and demonstrable commitment to sustainable development, which underpins our 'social licence to operate' in respect of both host governments and local stakeholders.	company and its values.
17	OLD MUTUAL PLC	The Board's focus in 2010 was on restructuring the Group, reducing debt and improving financial performance. I am pleased to be able to report substantial progress towards our short-term performance goals and a good start towards attainment of our medium-term restructuring targets. The Company achieved adjusted operating earnings per share on an IFRS basis of 16.0p for the year, a very satisfactory 38% increase over the 11.6p for 2009 (as restated). The results reflect management's determination to improve underlying performance in our various businesses while setting industry-leading risk management standards in our operations. The sale of our US Life business, expected to complete soon, will improve the Group's overall risk profile significantly.	I would like to extend my thanks to Richard, Rudi, Nigel and the other non-executive directors for their wisdom and contribution during my first year in the chair and their willingness to commit their knowledge and experience in helping reshape our strategy. In formally welcoming Eva, Roger and Alan, I know we have a Board which can face up to the challenges of strategy implementation and future growth. We continue to look to renew and refresh the Board's mix of skills and experience from a broad stakeholder point of view. On behalf of my Board colleagues, I would also like to express our sincere appreciation for the continued dedication and efforts of the Group's employees during 2010 – especially to our colleagues at Nedbank, for their focus on delivering improved results during a period of significant uncertainty.	The AGM circular enclosed with this report includes further details of the webcast, the resolutions to be proposed and the procedure for submitting questions ahead of the meeting. In 2010 we started to deliver on our promises, and we remain firmly focused on achieving our remaining goals. This Group has an illustrious past, which has been tarnished by some poor strategic decisions during the past 11 years. We have begun reshaping and improving our businesses and financial structure so that the next decade will see us delivering real shareholder value and playing our full part in the continued development of the markets in which we operate, while recognising the opportunities and commitments that come with our position in South Africa.
18	NEDBANK GROUP LTD	One of the most dominant themes on the corporate agenda in the past year has been the King Report on corporate governance (King III) that has introduced profound changes to reporting through a heightened focus on organisational sustainability. We welcomed the introduction last year of King III, as we believe this will be a catalyst to enhance governance and reporting standards of local companies further. Our governance standards are already highly rated internationally, as evidenced by South Africa being ranked first for auditing and	The World Cup taught our country numerous lessons and showed just what can be achieved when we apply our collective minds. As outlined to shareholders in last year's annual report, our political leadership faces the challenge of creating jobs and restoring the country to a sustainable growth path. The government's recent focus on job creation is commendable and in a country where almost a quarter of our potentially economically active population is unemployed our priority must be to find employment for as many people as we	Thank you to Mike Brown and his Group Executive Committee for their leadership of the group. Mike is a most worthy successor to Tom Boardman and has demonstrated his leadership authority in the face of serious challenges. He has the wisdom and understanding of one many years older and has ensured that the members of the executive team are aligned and focused on a common goal. Leadership can only succeed over the longer term by sharing the values and aspirations of the followers, and this means being able to distinguish between that which is expedient and populist, and

		reporting standards out of 139 countries in the World Economic Forum Global Competitiveness Report 2010 – 2011.	can. This conflicts with the views of organised labour who are campaigning for the creation of 'decent' jobs.	that which is serviceable and honest. It takes insight, empathy and discipline to achieve resonance with followers – and these are the personal and group qualities that we seek to promote.
19	SANLAM LTD	In 1997 when I left Sanlam after 30 years of service, the Group had just started shifting direction towards a new path of major change – embarking on a significant journey to become a world-class financial services group. At the time Sanlam was considering demutualisation and a stock exchange listing, together with a radical repositioning of its financial services offering. Much has been achieved over the past 12 years to fulfil this ambition. Clearly evident in the Group's results is the big focus on diversification across different markets, countries and offerings. I therefore feel honoured to have been elected to the position of Chairman of this world-class operation.	It is generally accepted that internationally, accounting and reporting practices fall short of meeting the information needs of stakeholders. However, in South Africa the King Code of Governance (King III) has addressed many of these shortcomings through its integrated reporting requirements, which aim to provide stakeholders with an integrated and comprehensive view of the company by including social, environmental and economic performance along with the company's financial performance. South Africa is among the first countries in the world to require integrated reporting of listed companies. The Sanlam Board supports King III and the Group therefore commenced implementing the King III recommendations throughout the business during 2010.	In 2010, South Africa surprised even its most fervent critics by staging one of the most successful Soccer World Cup tournaments ever hosted. With this we have proved that we can make the seemingly impossible possible when focusing on the task at hand. But, while last year it was about delivering a world-class soccer tournament, the future is all about making South Africa sustainable and viable for generations to come. I believe that together we can achieve this. A sincere thank-you goes to our shareholders and other stakeholders for their support and for believing in the resilience of the Sanlam Group.

20	BIDVEST LTD ORD	Recovery is officially under way in most international markets. However, Bidvest's much-improved performance should not be seen simply as the product of more favourable economic conditions. Challenges persist in almost every region in which Bidvest is represented. The sole exception is Asia. The move out of recession has been hesitant. This is the recovery no one quite believes in; at least, not yet. Bidvest teams performed wonders by achieving a substantial turnaround on last year when operational results and headline earnings per share came under severe pressure. It was a strong performance and I congratulate my colleagues on the achievement.	Despite job and debt worries, South Africans were determined to be perfect hosts for the 2010 FIFA World Cup™. Unfortunately, initial estimates of the number of foreign visitors were not realised, largely as a result of international belt-tightening in the immediate aftermath of recession. Those who made the trip were bowled over by the reception, the facilities, infrastructure and the natural beauty of our wonderful country. South Africa's international image was greatly improved and it was highly satisfying to see Africa and the entire world celebrating with us. African pride and self-belief soared. Here in South Africa, the challenge is to maintain the team spirit and draw continued benefit from restored morale.	Details of these awards and others are provided on the facing page. Economic recovery may or may not gather traction in the year ahead. It appears prudent to expect patchy performance across Bidvest geographies. Diversification will enable us to capture the upside where it occurs while using local initiative to minimise impacts in markets that achieve no or low growth. Bidvest's 2010 rebound moves us marginally above the peaks of two years ago. Our teams are highly motivated and poised for further gains. Investment has been maintained in people and infrastructure. I have every confidence Bidvest will secure real growth in the year ahead.
21	SHOPRITE HLDGS LTD ORD	There is now a common consensus that, over the next 20 years Africa, perhaps more so than many other parts of the world, will undergo vast changes. This presents both an immense challenge for the Group as well as a wonderful opportunity. As a Group, we shall have to ride this wave of change to the best of our ability and to the maximum benefit of all our stakeholders. I believe we can do this, and there is no better support for my belief than the vision and enterprising spirit the Group showed when moving into Africa north of the Limpopo River 15 years ago. In the years since, we have shown that we can adapt to and benefit from our involvement in and with our neighbouring countries.	We all need to change our stereotypical view of Africa. At the same time it would be naïve to think that Africans themselves would not have to change dramatically if the continent is to achieve its full potential. Most of Africa is plagued by widespread, crippling bureaucracy that continues to stunt trade between countries and slow down development. We have large trucks laden with merchandise delayed by red tape at border posts for weeks, and sometimes months. As a Group, we continue to engage with the South African and African government departments in order to facilitate the flow of trade across our borders.	We have travelled a long road together and we shall miss his insight and accumulated wisdom. We wish him well in all his endeavours. I sincerely believe that the results the Group was able to achieve under the most trying conditions represent a remarkable achievement. This performance would not have been possible without the foresight shown by my fellow directors, the firm leadership of seasoned top management familiar with a tough trading environment, and the energy, daring and dedication of the younger members of our team. On behalf of the Board I want to express my sincere thanks to everyone at every level in our organisation who has contributed to our success.
22	REMGRO LTD	The Company is an investment holding company. Cash income is derived mainly from dividends and interest. The consolidated annual financial statements of the Company and its subsidiaries	During the year under review Tsb Sugar Holdings (Pty) Limited (Tsb Sugar) changed its valuation methodology relating to biological agricultural assets. In terms of *IAS 41: Agriculture,* these	A final dividend of 125 cents (2009: 110 cents) per share was declared in respect of both the ordinary shares of one cent each and the unlisted B ordinary shares of ten cents each, for the financial year ended

		also incorporate the equity accounted attributable income of associated companies and joint ventures. During the year under review the investment in British American Tobacco Plc (BAT) was unbundled to shareholders as an interim dividend in specie amounting to R55.2 billion. Refer to the section on "Investments" below for further details of the unbundling. After the unbundling referred to above the Group's interests consist mainly of investments in banking and financial services, printing and packaging, motor components, glass products, medical services, mining, petroleum products, food, wine and spirits and various other trade mark products.	assets should be measured, on initial recognition and at the end of each reporting period, at its fair value less costs to sell. The change in the valuation methodology resulted from improved management information being available and is consequently treated as a change in accounting estimate with only prospective application. The financial effect on the carrying value of biologicalagricultural assets on 31 March 2010 and on profit attributable to equity holders for the year then ended is as follows:	31 March 2010.The final dividend is payable on Monday, 23 August 2010, to shareholders of the Company registered at the close of business on Friday, 20 August 2010. Shareholders may not dematerialise or rematerialise their holdings of ordinary shares between Monday, 16 August 2010, and Friday, 20 August 2010, both days inclusive. The name and address of the Company Secretary appears on page 155.
23	INVESTEC PLC	The past year was a difficult year for many of the world's major economies which continued to impact on, not just our industry, but also our customers and clients. Throughout the financial crisis, we demonstrated the resilience of our business model and its ability to maintain strategic momentum. This, together with a constant focus on building the franchise and investing in the brand, has helped us secure increased recognition as a strong, independent financial institution. During the 2010 financial year, we strengthened our capital position while, at the same time, moving the organisation onto the front foot. This is reflected in an improved year end performance driven by the strong growth in both assets under management and customer deposits.	The Private Banking division reported a weaker performance as a result of a sharp decline in activity levels and credit extension, and higher impairments. Operating profit decreased by 54.0% to £37.0 million. We focused on liquidity substantially increasing our product range and distribution capabilities resulting in our deposit book growing by 52.3% to £11.8 billion. Funds under advice also increased 24.3% to £4.1 billion. We have remained profitable throughout this difficult period, maintaining momentum and substantially increasing our client base. This provides a solid foundation for future growth and we are now in a stronger competitive position to take advantage of identified opportunities.	The road ahead presents both challenges and opportunities. The global economy remains fragile as sovereign risk becomes a key challenge and financial market activity is likely to remain uncertain for some time. With our strong capital and liquidity position, we believe the foundations are now in place for further growth both in our non capital intensive asset management businesses as well as in our core specialist banking businesses. Although the economic situation remains uncertain, we are well positioned not only to meet these challenges, but also to capture the opportunities that we believe will be available as the global financial markets continue to align to the new normal.

24	EXXARO RESOURCES LTD	Equally exceptional was the June 2010 launch of a strategy for sustainable growth and meaningful transformation of the South African mining industry. This was an important milestone in collaboration between government, the mining industry and organised labour. Critically, it is also a fundamental acknowledgement by all stakeholders that the prosperity of South Africa is inseparably linked to the successful operational imperatives of its world-class and dynamic mining sector. The mining industry is vital to South Africa's economy, accounting for around 9% of GDP, and 1 million direct and indirect jobs of the 9 million people formally employed. It accounts for more than 50% of the country's merchandise exports and is, by far, South Africa's biggest earner of foreign exchange.	While the business imperative to remain profitable must be central to all Exxaro's actions, we recognise that sustainability and social responsibility issues have a direct influence on our ability to perform in future. Sustainable development, or its end goal of sustainability, is a cornerstone of Exxaro's business, strategy and culture. We aim to make Exxaro an undisputed leader in sustainability. Equally, reporting on and providing assurance to stakeholders each year on financial and non-financial performance is becoming a standard against which responsible companies are measured. We support the transition to integrated reporting espoused by King III and the Global Reporting Initiative (GRI), believing this approach will clearly communicate how Exxaro aligns sustainable development considerations with core enterprise-wide strategy.	Mining is one of the government's top five priority growth areas and our industry is expected to be a major contributor to the government's new growth path target of creating five million jobs by 2020. Exxaro is ready to play its role in achieving this vision, firstly because we are a South African company and, secondly, because in a world with a growing population and limited resources, there will always be demand for minerals and commodities. Through the resources, expertise and experience base of the wider group, our goal is to unlock value for shareholders associated with our portfolio of investments.
25	RMB HOLDINGS LTD	RMBH's diversified portfolio of banking and insurance business produced a strong outcome against a volatile and difficult macro background that is only now starting to show signs of improving, with normalised arnings increasing by 42% to R3,6 billion. It is, however increasingly evident that global economic activity is likely to experience severe "growth headwinds" over the next few years – notwithstanding radical fiscal and monetary interventions on the part of many developed economies. Significant monetary and fiscal stimulus, as well as external trade allowed the South African economy to emerge from the recession during the 3rd quarter of 2009. Falling inflation and interest rates (now at 30 year low) eased pressure on real disposable income.	We have continued with our stated practice of paying out to shareholders any dividend received from FirstRand as well as the net dividends received from RMBH's other investments, after servicing any funding commitments that we may have at the centre. Consequently, the Board resolved to declare a final dividend of 70,0 cents per share (2009: 45,0 cents). Such final dividend, together with the interim dividend of 54,0 cents, brings the total dividends for the year ended 30 June 2010 to 124,0 cents (2009: 99,0 cents). This represents a year-on-year increase of 25% and a dividend cover ratio (on normalised earnings) of 2,4 times (2009: 2,1 times).	The steps being explored as part of this restructuring include the appropriateness of a separation of RMBH's insurance and banking interests into separately listed entities and possibly increasing RMBH's interest in MMI. While we have made significant progress in our discussions regarding the proposed restructuring of RMBH, it is not yet appropriate to make a more detailed announcement in this regard. RMBH shareholders should therefore exercise caution when dealing in RMBH shares until further announcements in this regard are made. To Leon Crouse, who retired during the year, a special thank you. To Jannie Durand who joined in his stead, a warm welcome. Finally to all stakeholders – be they staff, management, fellow directors or shareholders – thank you for your support and effort, without which RMBH cannot grow and prosper.
26	ASPEN PHARMACARE HLDGS.	In developing the ability to supply medicines on a global scale, the Group has focused on investment in three areas since coming to the market 12 years ago. More than R9 billion has been spent on	The expansion of the Group internationally has broadened the scope of sustainability initiatives in which Aspen is engaged. The acquisitive activity of the past few years has introduced a variety of	Archie's contribution to the development and growth of the Group has been considerable, having presided over the determination and implementation of the strategies which have been fundamental to Aspen's

		acquiring or developing products. In essence, this is the medicine which Aspen supplies to those in need. In South Africa this amounts to approximately one in every four medicines dispensed across all sectors of society. Elsewhere in the world, Aspen's products provide essential relief and life-sustaining treatment of chronic diseases in the form of specialised medicines. The second investment area has been in manufacturing facilities where over R3 billion has been committed over the last 12 years to ensure world-class production capabilities with the capacity to meet the demands of the markets supplied by the Group.	differing approaches, views and cultures into the Group. The harmonisation of policy and process in this area has commenced and will continue in the year ahead. These initiatives should further enhance the resilience of Aspen in dealing with volatility in international markets. Raising standards of corporate governance is also receiving close attention. The guidance provided by King III has been carefully considered and a substantial amount of work has already been undertaken to ensure the Group is well prepared to apply King III in the 2011 financial year.	remarkable track record. Archie's wisdom and insight have also been of great assistance to me since I succeeded him as Chairman. The Board joins me in thanking Archie and we wish him well in the future. Thank you, Archie. The people who have done so much to achieve the excellent results delivered by Aspen over the past year, the executive team and over 6 000 employees on six continents, are to be congratulated on a job well done. Thanks to your ongoing efforts, all stakeholders can look with confidence to Aspen's future.
27	AFRICAN RAINBOW MINERALS	ARM achieved impressive operational results over the past financial year and is proceeding with its aggressive growth strategy despite the challenging and inconsistent global economic environment. Our world class management team continued with their effective cost containment and productivity enhancement measures. The significant growth in sales volumes could not fully offset the 16% strengthening of Rand against the US Dollar, as well as lower US Dollar commodity prices received for certain of our commodities. The net result was a 26% decline in headline earnings to R1.7 billion, or 807 cents per share. What is pleasing however, is that the headline earnings for the second half of the year, of R1.3 billion was 178% higher than R454 million for the first half of the financial year.	Since the inception of our 2 x 2010 growth strategy, ARM successfully built seven mines at Modikwa, Two Rivers, Goed-gevonden, Nkomati, Khumani, Nchwaning 3 and Dwarsrivier. Most of these are large mines, each with life-of-mine of more than 25 years. In addition, we increased capacity and improved efficiencies at 2 of our processing plants. At Black Rock we built a new manganese metallurgical plant and increased the output capacity of the plant from 3 mtpa to 5 mtpa. Two Rivers processing plant was successfully optimised and has improved recoveries as well as increased annual tonnages at the plant. Our senior management has now built up significant experience in developing and delivering major projects timeously and within budget	At the end of a particularly eventful year, I would like to thank Andre Wilkens, our excellent management team, all our employees and their families, for their support and dedication. I am equally grateful to our diverse stakeholders for the tremendous support and the relationship we have built over many years. I would also specifically like to thank our various joint venture partners: Anglo Platinum Limited, Assore Limited, Impala Platinum Holdings Limited, Norilsk Nickel Africa (Pty) Limited, Xstrata Coal and Vale S.A. I am confident that ARM will continue to be competitive and create value for our shareholders and contribute to the improvement of the living conditions of the communities living near our mines and our various stakeholders.
28	LONMIN P L C	I am delighted to report that our business performed well in 2010. The Company met its production and sales forecasts, returned to profitability and reinstated the payment of dividends. While our mining and concentrating activities performed extremely well, problems encountered with the Number One furnace were again disappointing and contributed to higher than	It became clear that the best way of this being achieved would be with funding from Lonmin and we agreed to provide Shanduka with a $304 million five year loan, secured on Shanduka's interest in Incwala, with Shanduka making an equity contribution of R300 million. In line with the Board's policy to maintain an appropriate capital structure Lonmin financed this funding through a	In implementing this new policy in a year which produced net earnings (after minorities) of $112 million (equivalent to 56.9 cents per share), the Board has given consideration to the fact that operating margins are currently still relatively low, our net debt at year end was $375 million and that the capital expenditure requirements of the business are considerable. The dividend of 15 US cents per share is recommended as

		expected costs and significant working capital movements with negative cash flow implications. We operate in a challenging inflationary environment in South Africa compounded by a further strengthening of the Rand against the US Dollar. The negative effects on our margins, however, have been outweighed by higher dollar Platinum Group Metal (PGM) prices throughout the year.	combination of the net proceeds from a Placing to institutional investors which raised £160 million ($229 million), and from Lonmin's own financial resources. I place on record Lonmin's appreciation of the support provided in this placing by our larger shareholders, including Xstrata.	the ordinary final dividend for the year, to be paid to shareholders on the registers at the close of business on 14 January 2011, subject to approval by shareholders at the Annual General Meeting on 27 January 2011.
29	TIGER BRANDS LTD ORD	I am pleased to report to shareholders on the performance of Tiger Brands for the year ended 30 September 2010. The year under review has been characterised by the company consolidating its position as a focussed, branded consumer goods company whilst also concentrating on its strategic objective of expanding, particularly into other parts of Africa. The prevailing economic circumstances have been difficult and although South Africa has not been as badly affected by the global economic slowdown as many other countries, there has no doubt been significant evidence of a slowdown in consumer spending. This inevitably would result in pressure on a branded consumer goods company.	These acquisitions, although not transformational in nature, are regarded as important steps in order to expand and consolidate the company's African footprint. Deli Foods of Nigeria holds approximately 6% of the biscuit market of that country, and the size and strength of the Nigerian economy is well known. Whilst it is accepted that doing business in Nigeria is complex, it is regarded as an essential strategic area of focus for Tiger Brands. The acquisition of this company provides a useful introduction to operating in that highly competitive environment. Ethiopia, being the second most populated country in Africa, will also provide exciting challenges and opportunities.	The board acknowledged the need for it to be strengthened by the appointment of three new non-executive directors. After a careful and well-considered process, Maya Makanjee, Rob Nisbet and Makhup Nyama were appointed to the board with effect from 1 August 2010. We look forward to the contributions from these new directors. I would like to record my grateful thanks to Peter Matlare and his management team and all the Tiger Brands employees for their contributions and efforts during what has been a difficult year. There has been a steady increase in the company's sales volumes in recent months. Tiger Brands, however, remains cautious and expects trading conditions to continue to be challenging, particularly in the first half of the new financial year.
30	HARMONY G M CO LTD	A year ago I had the pleasure of congratulating Harmony's committed team of managers and employees on their efforts in aiding the company to weather the economic storm of 2008. This year, I extend my thanks to a team that has continued to build and position Harmony for a safe, sustainable and profitable long-term future. As we continue to strive to deliver on our key objectives of profitability, growth and safety, the experience and skills of our management team, enables us to competitively manage and operate our current and new mines. This combination of a world class	Our confidence in gold has been and continues to be justified. The metal's price performance over the past year – reaching an all-time record of $1 261/oz towards the end of our financial year, comes at the end of a decade of sustained increases and at a time when the prospects for some of the major economies in the world remain uncertain. Harmony is not alone in its view on stronger gold prices. Normally cautious leading gold analysts such as GFMS and the World Gold Council forecast prices reaching heights of $1 300/oz by December 2010. These levels were in	My unqualified thanks go to the board, the chief executive officer, Graham Briggs, for his outstanding leadership and to the first-rate team of managers and employees for their unstinting efforts and commitment towards growing Harmony into a leading world-class gold producer. I am confident that their contributions will ensure Harmony's sound future. Lastly, I want to thank Frank Abbott, who, post year-end, has retired as an executive director, for his contribution to the growth of Harmony over many years. Frank will remain on our board as a non-executive director. I would also like to welcome Harry Ephraim "Mashego" Mashego, the new

		management team, coupled with a good range of mining assets, provides a compelling endorsement of Harmony's investment merits.	fact breached by the end of September.	executive director at Harmony.
31	ARCELORMITTAL SA LTD	The company achieved a strong rebound in profitability from a loss making position the previous year, with an improvement in EBITDA margin from 6% in 2009 to 12% in 2010. We had predicted a gradual recovery in 2010, which turned out to be the case as evidenced by the 13% rise in sales volumes. While the year saw the return of relative stability in the global economy, the steel industry is still some way from the highs experienced in 2007 and early 2008. Externally, the company had to contend with momentous events that have the potential to alter the group's future in a significant way. Internally, we began to lay a firm foundation for a significant improvement in operational performance across the board and continued to focus on environmental and safety management.	In August 2010, the company announced its intention to conclude a Broad-Based Black Economic Empowerment deal that will introduce a 26% B-BBEE shareholding into the company's ownership structure. Our new equity partners will include more than 8 500 ArcelorMittal staff as well as neighbouring communities. Although broadly supportive of the deal in principle, our shareholders have expressed various concerns relating to aspects of the deal which we are endeavouring to address prior to tabling the transaction for board and shareholder approval. We continued to manage our production output according to the volatile demand levels that have persisted for the last two years.	Naturally, it is important to grow our business whilst continuing to advance our plans to address the economic, environmental, and wider social challenges of our time. Although unlikely to reach finality in 2011, we expect to make substantial progress towards the resolution of the iron ore dispute and advancing the transactions referred to elsewhere in this report. We have set for ourselves the challenge of transforming tomorrow; boldness is our secret ingredient to doing so. To drive domestic industry growth, an export orientation is an imperative for the steel industry. In the next financial year, we aim to triple the level of incentive support extended to export oriented steel manufacturers compared to 2010.
32	STEINHOFF INTERNTL HLDGS	The year under review has been one of consolidation for Steinhoff International globally. The group made good progress in ensuring that it continues to be positioned for sustainable long-term value creation whilst our financial performance is clearly evident in our results. Our strategy of building quality businesses of scale and profitability with significant integration capability continues. Our European and African businesses delivered good results in line with their targets and strategic objectives. It is management's focus and priority to deliver sustained profitable growth. These targets are measured in the respective local currencies in which the businesses trade. Our mainland European businesses reported improved sales performances.	Our customers are critical to our success. Retaining and broadening these relationships and adding new customers are a key part of our strategy. Success has been measured through high levels of customer satisfaction, customer advocacy and a strong sales performance. The Steinhoff group's vision of transformation is to actively promote skills development, employment equity and enterprise development. We believe that this will reduce opportunity barriers in South Africa and contribute to an environment where there are more equitable opportunities for all South Africans. We recognise that the industry is faced with the challenge of transforming against the backdrop of a limited pool of black skills.	On behalf of the board, I would like to thank all the staff of Steinhoff International for their efforts and contributions during the past year. The group has clear strategies for future growth and the year ahead has many opportunities and challenges for all in the group. I want to express our thanks to the management and employees for their continued support and dedication which have sustained the group through the challenges of the year. To my colleagues on the board, I also extend my gratitude for your valued support and counsel. Together, we can look forward with confidence to the year ahead.

33	TRUWORTHS INTERNATIONAL	The past year saw South Africa emerge from a recession on the back of the slow recovery in global markets and experience four consecutive quarters of GDP growth. Inflation continues to decline and higher real wage increases are being granted across several sectors. The FIFA 2010 World Cup hosted in South Africa was a success and the country needs to capitalise on the positive sentiment generated from this event. The central bank reduced interest rates by a further 100 basis points during the financial period, following the 450 basis point decline in the previous 12 months. The level of household debt to disposable income has remained high at around 78%, with the number of consumers with impaired credit records at March 2010 increasing by almost one million compared to the figure a year earlier.	The publication of the King lll Code during the financial period has necessitated a review of corporate governance practices. An evaluation is being conducted against current practice to identify areas of Group governance which may need to be reconsidered. These will be assessed by the board and management and the Group will report in relation to the King lll principles for the 2011 financial period. Governance practices are continually reviewed by management to align with the fast-changing regulatory and legislative environment. These developments are covered in the Corporate Governance Report on pages 100 to 114. There has been a heightened focus from shareholders on corporate executive remuneration in the wake of the global financial crisis to ensure a closer link between reward and performance.	The independence of the non-executive directors will be reviewed in the 2011 financial period in accordance with the principles of the King lll Code. Thank you to Michael Mark, Chief Executive Officer, for his inspirational leadership of the Group during another challenging period, and to my fellow directors for sharing their knowledge, wisdom and insight. The performance over the past financial period is a credit to all employees across the Group and I thank them for a job well done. Thank you to our shareholders for your continued interest and investment in Truworths International. We also acknowledge the support from our suppliers, business partners, professional advisers and the wider investment community.
34	AFRICAN BANK INVESTMENTS	This year was the start of a journey to reinvigorate the organisation and to get closer to our staff and our customers. During the year, we embarked on a series of nationwide roadshows to all employees and large groups of customers to reinforce the founding vision of the business 17 years ago and share the sense of commitment and deeper meaning about what the group stands for. The principal message to our staff and to our customers was that we were not in the business of simply selling loans, but of empowering fellow South Africans and helping them to fulfil their dreams. In this context, we needed their feedback and passion to continuously improve on what we offer as a service provider and an employer.	ABIL's first black economic empowerment programme, Eyomhlaba, was augmented with the launching of its second plan, Hlumisa, in 2008. Both programmes targeted a broad base of black shareholders, with the majority of the participants being black employees of the group. The two programmes have been growing steadily, acquiring additional ABIL shares through dividend payments and a further offer to Hlumisa shareholders in November 2009. This offer was oversubscribed and R79 million raised versus a target of R68 million. Hlumisa issued an additional 15 million ordinary shares as a result of the offer. Since 1 October 2009, Hlumisa purchased a further 3,5 million ABIL shares and now owns 18,7 million shares or 2,3% of ABIL.	Ultimately, the success of these targets rests on the shoulders of the 15 900 staff members of the group and their ability to provide market leading products and services to our customers. We expect to make satisfactory progress towards our medium term objectives in the coming year. ABIL's vision remains to positively impact our customers' lives through access to unsecured credit. Improving the utility of the credit through larger amounts, longer terms and lower pricing is central to this vision. To achieve the latter, the group needs to continue to increase the scale of its activities. The integration of Ellerines financial services into African Bank has set the platform from which the group will be able to explore new opportunities and access broader markets.

35	MASSMART HOLDINGS LTD	Over the past two years this ethos has been particularly relevant. In the confidence that Massmart people were doing the right things and that our operating metrics were sound, we continued to invest your capital with confidence, undeterred by the uncontrollable exogenous factors that dampened the financial result. In consequence, and in every respect, Massmart is a better Group today than it was before the start of the recessionary cycle: its strategic positioning is more acute; its competitive stance more aggressive; its geographic footprint larger; its leadership more nimble and assured; and its growth and performance potential much enhanced. The state of the economy over the past year and the impact on Massmart of various short-term environmental factors are commented on elsewhere in this report.	The biggest and most pressing threat facing South Africa today is the shortage of skills. We simply have too few competent managers, leaders, professionals and technicians to meet our need. This need is being fuelled not just by South African factors such as transformation, rapid economic growth, the emigration of young graduates seeking international experience, and by some escaping the high crime rate. It is also being fuelled by the worldwide exit from the workplace of my generation – the baby boomers, by a decline, other than in India and East Asia, of graduates in the quantitative disciplines, and by the fact that the market for top level executives has become one of the world's few truly global markets.	For the first time since its founding in 1990, Massmart's future will not be determined by the Board. While your Board will make recommendations in due course in the best interests of Massmart, the Group's destiny resides in the sequential decisions of Wal-Mart and you the shareholder. I am confident that these decisions will be fully informed and sound. Over a twenty-two-year period I have been associated with Massmart and its six-store predecessor Makro in various leadership capacities. Whether or not any association continues is less important to me than the privilege of knowing that each year, without exception, we took one step closer to the scale and standards necessary to attract the interest of the world's largest retailer.
36	CAPITAL SHOP CENTRES GRP PLC	Against this backdrop, and with a very encouraging level of shareholder support, CSC has made some striking moves to redefine itself as the specialist REIT focused on pre-eminent regional shopping centres. The strategic clarity brought about by the separation in May of CSC and Capital & Counties Properties PLC (Capco) laid the foundations for what has been labelled the "transformational acquisition" of The Trafford Centre in January 2011. CSC ended the year in a robust financial position. The combination of improved market values and November's capital raising brought the debt to assets ratio back to 48 per cent, within the Board's long-established objective of 40 to 50 per cent, and there are no significant debt maturities until 2014.	CSC makes a significant economic contribution to the regions where its shopping centres are located. We estimate over 50,000 people are directly employed in CSC centres, with numerous other local businesses benefiting indirectly. Through the payment of business rates of around £150 million per annum, we and our tenants also make a major contribution to public finances. Our plans for around £600 million of capital expenditure on three major extensions and other active management projects will represent significant private sector investment with the potential to create an estimated 4,500 jobs at a time when the public sector is likely to be scaling back its capital expenditure plans.	The opportunities for value creation through development and active management described in the accompanying Business review will be vigorously pursued and I look forward to progress through the planning stages of our major extensions to Victoria Centre, Nottingham, Lakeside, Thurrock and Braehead, Glasgow, as well as embarking on other active management projects. With the demand for space in the top 50 UK shopping centres increasing ahead of supply, a range of return-enhancing organic opportunities, a strongly reinforced corporate position and a reinvigorated approach to ensuring our assets are attractive for the shopping public as well as to investors, CSC is well placed to achieve growth.
37	GROWTHPOINT	The global financial crisis together with the recession in local markets defined the South	Growthpoint continues to actively contribute to transformation and further the property	Delivering strong positive performance in difficult economic conditions is an immense achievement.

	PROP LTD	African economy, which has remained under significant pressure during FY2010. Uncertainty and risk aversion have characterised international markets. Anxiety around double-dip recession is regularly touted by economists, with consensus being that, at the very best, a gradual deterioration of economic growth globally is inevitable. Demonstrating remarkable resilience and defensiveness in turbulent markets, South African listed property and Growthpoint have performed well, delivering positive distribution growth and total returns over the past year to June 2010. South Africa emerged from its recession in the second half of 2009 after two consecutive quarters of declining GDP, reporting positive quarter growth of 0.9% and 3.2% in the third and fourth quarters respectively.	sector's Black Economic Empowerment objectives on a range of levels, such as procurement where a 66% preferential procurement spend has been achieved and enterprise development, where we have embarked on a second candidate intake for our Property Point small business development programme. We have effective programmes and processes in place to continue to drive transformation. Growthpoint remains the top black empowered property company in South Africa and has been ranked first for four consecutive years, according to Financial Mail's Top Empowerment Companies Survey. As a founding member of the Green Building Council of South Africa, we continue to further environmentally sound objectives within our company, our industry and our country.	Congratulations to Norbert Sasse and his executive team for their part in retaining Growthpoint's position as market leader and innovator, sustaining improved distributions and growing the company, under challenging circumstances. The dedication and hard work of every Growthpoint employee drives the continued success of our company and our thanks is offered to them. My appreciation is extended to my fellow non-executive directors for their commitment, support and active contribution in the Audit, Risk, Property, Transformation and Remuneration committees which continues to place Growthpoint at the forefront of good and sound corporate governance.
38	MONDI PLC	We are pleased to report very good results set against a backdrop of improved market conditions. We increased volumes and achieved strong prices amid sector-wide demand growth. The Group's streamlined operating base, focused on high-quality assets, low-cost production and high-growth emerging markets, performed very well throughout the year. We have continued to ensure that the Group delivers positive outcomes for our shareholders. Group revenue improved significantly by 18% to E6.2 billion (2009: E5.3 billion), with underlying operating profit following suit with a 73% increase to E509 million (2009: E294 million). The Europe & International Division's underlying operating profit rose 72% to E431 million (2009: E251 million).	As a Group, we are supportive of the WBCSD's Vision 2050 of a world well on the way to sustainability by 2050. We are proud to be admitted once again to the Socially Responsible Investment (SRI) index of the Johannesburg Stock Exchange (JSE) and the FTSE4Good UK, FTSE4Good Europe and FTSE4Good Global indices of the London Stock Exchange (LSE). In addition, Mondi's sustainability efforts have been recognised in 2010 with Mondi being nominated as the best performer in the basic materials sector of the Forest Footprint Disclosure Project (FFD) and rated as the leading company in the new WWF voluntary rating tool of fine paper companies' global ecological footprint.	We plan to use this to ensure our asset base remains appropriately invested, our debt levels are such that we maintain investment grade credit metrics, and returns to shareholders are increased in line with our dividend policy. The Group's product portfolio will continue to be carefully assessed to ensure maximum value is achieved across all our operating regions, taking opportunities to strengthen these as appropriate. The world economy continues to steady itself in the wake of the 2008 crisis, albeit with some degree of uncertainty, and a close watch will be maintained over pricing levels and input costs as we seek to further improve the Group's performance in the year ahead.

39	PIK N PAY STORES LTD	It is a difficult task for anyone to step into Raymond Ackerman's shoes; his legacy has been profound and ubiquitous. Almost single-handedly, he transformed the face of retailing in South Africa, pioneering the hypermarket concept and advancing genuine economic empowerment with the introduction of black ownership through franchising, amongst many other innovations and industry-altering initiatives. The Group today is unwavering in his commitment to the principle of consumer sovereignty and his mantra that "the customer is queen" is a household truism. The concept of sustainability is a core value which was introduced long before it became a universal practice. The belief that "doing good is good business" is not only a philanthropic virtue, but an act of enlightened business self-interest.	South Africa is going through a period of considerable political and economic excitement and the corporate world will be watching with interest the unfolding debates which are currently afoot in the governing alliance. As we enter a new financial year, we have a number of key priorities, which Nick outlines in his CEO report. We are confident that we will see benefits start to flow next year from the strategy, particularly from improved business efficiency and from a continued focus on consumerism, community involvement and sustainability. During the next year we will perform a full strategic review of our Franklins operation in Australia.	We extend a warm welcome to Richard van Rensburg who joined the Board in June 2009 and to Suzanne Ackerman-Berman and Jonathan Ackerman who joined the Board in March 2010, after the retirement from the Board of Raymond and Wendy Ackerman. In light of ustainable business practices and with a view to reducing our paper usage, when permitted by the Companies Act, we intend to only produce a summarised version of the annual report in hard copy. This, together with a full version, will be published on our website. At the end of June 2010, Aubrey Zelinsky, our MD of Franklins, will be retiring. We thank him for the many important roles he has played over the 40 years of dedicated service to the Group and wish him all the very best on his retirement. We look forward to a more positive 2011 financial year.
40	REINET INVESTMENTS SCA	Reinet remains one of the largest shareholders in BAT, holding some 84 million shares representing 4.2 per cent of BAT's capital. At 31 March 2010, the value of the investment in BAT in the balance sheet of Reinet was € 2 159 million, being 85 per cent of Reinet's net asset value. Reinet Fund's NAV has been positively impacted by the strengthening of the BAT share price from £ 16.13 to £ 22.72 during the year. BAT shares are listed principally on the London Stock Exchange and are denominated in pounds sterling. Although BAT's share price is denominated in sterling, its revenues are generated substantially outside the United Kingdom in a basket of currencies.	In March 2010, Reinet entered into an agreement with Vanterra Flex Investments L.P ('Vanterra'), a newly created fund which was established for the purpose of investing in other listed and unlisted funds and direct investments in the United States and emergin markets. Reinet's commitment is to invest up to US$ 100 million over the life of the fund. As at 31 March 2010, no capital contributions had been made to the fund in respect of this commitment, however, in April 2010, capital contributions totalling US$ 5 million were made. Vanterra will seek to construct a globally diversified private equity portfolio, providing investors with long-term capital appreciation through private equity funds investments and direct investments.	Investments totalling € 71 million were made during the year, including € 25 million in respect of US real-estate-related opportunities and € 22 million in respect of investments in Trilantic. The balance relates to other unlisted investments. Two small investments were sold during the year, generating proceeds of € 5 million. Dividends of € 84 million were received from BAT in the year, comprising a final dividend in respect of the 2008 financial year of € 59 million (£ 52 million) and an interim dividend for 2009 of € 25 million (£ 23 million). Recognising the need to accumulate retained earnings within Reinet Fund and taking into account the uncertain economic environment, the Board of the General Partner believes it prudent not to propose any dividend at this time.

APPENDIX D

Passages from review of operations - 2010 annual reports				
No.	Security	Par1	Par2	Par3
1	BHP BILLITON PLC	This ‘Operating and financial review and prospects’ section is intended to convey management’s perspective of the BHP Billiton Group and its operational and financial performance as measured and prepared in accordance with IFRS as issued by the International Accounting Standards Board (‘IFRS’). We intend this disclosure to assist readers to understand and interpret the financial statements included in this Report. This section should be read in conjunction with the financial statements, together with the accompanying notes. We are the world’s largest diversified natural resources company, with a combined market capitalisation of approximately US$165.6 billion as at 30 June 2010. We generated revenue of US$52.8 billion and profit attributable to shareholders of US$12.7 billion for FY2010.	As part of our regular review of the long-term viability of operations, a total charge of US$665 million (US$23 million tax expense) was recognised primarily in relation to the decisions to cease development of the Maruwai Haju trial mine (Indonesia), sell the Suriname operations, suspend copper sulphide mining operations at Pinto Valley (US) and cease the pre-feasibility study at Corridor Sands (Mozambique). The remaining assets and liabilities of the Suriname operations were classified as held for sale as at 30 June 2009. A further charge of US$306 million (US$86 million tax benefit) was recognised primarily in relation to the deferral of expansions at the Nickel West operations (Australia), deferral of the Guinea Alumina project (Guinea) and the restructuring of the Bayside Aluminium Casthouse operations (South Africa).	At the Annual General Meetings held during 2009, shareholders authorised BHP Billiton Plc to make on-market purchases of up to 223,112,120 of its ordinary shares, representing approximately 10 per cent of BHP Billiton Plc’s issued share capital at that time. Shareholders will be asked at the 2010 Annual General Meetings to renew this authority. During FY2010, we did not make any on-market or off-market purchases of BHP Billiton Limited or BHP Billiton Plc shares under any share buy-back program of the Group. Information about our significant subsidiaries is included in note 25 ‘Subsidiaries’ to the financial statements. Related party transactions are outlined in note 31 ‘Related party transactions’ in the financial statements.

2	ANGLO AMERICAN PLC	Anglo American's pipeline of projects spans its core commodities and is expected to deliver organic production growth of 50% by 2015. Our $70 billion pipeline of more than 60 projects has the potential to double the production of the Group over the next decade. The Los Bronces copper expansion project in Chile is on schedule for first production in the fourth quarter of 2011. Production at Los Bronces is scheduled to increase to 490 ktpa over the first three years of full production following project completion and to average 400 ktpa over the first 10 years. At peak production levels, Los Bronces is expected to be the fifth largest producing copper mine in the world, with highly attractive cash operating costs and reserves and resources that support a mine life of over 30 years, with further expansion potential.	In the course of preparing financial statements, management necessarily makes judgements and estimates that can have a significant impact on the financial statements. The most critical of these relate to estimation of the useful economic lives of assets and ore reserves, impairment of assets, restoration, rehabilitation and environmental costs and retirement benefits. These are detailed below. The use of inaccurate assumptions in calculations for any of these estimates could result in a significant impact on financial results. The Group's mining properties, classified within property, plant and equipment, are depreciated over the respective life of the mine using the unit of production (UOP) method based on proven and probable reserves.	However, given the current market strength and the strong trading conditions anticipated for 2011, coupled with increasing production from PRC, a substantial uplift in profitability is forecast for 2011.The Environmental Assessment Application for the Roman Mountain Brownfield project was submitted in 2010. This project will consist of an integrated plant and mining operation of up to 5 Mtpa capacity with the Trend mine. The business continues to develop strong relationships with the community and the key First Nations in the area, which was reflected in the successful launch of mining fundamentals and a truck driver training programme in 2010. The programme is delivering promising results and has had a positive impact on the workforce in the area.
3	SABMILLER PLC	In a year characterised by difficult economic and trading conditions across Latin America, management delivered EBITA growth of 18% on a reported and 17% on an organic, constant currency basis. The year saw lager volume growth of 3%, benefiting from enhanced sales execution with a strong fourth quarter supported by signs of improving economic conditions across the region. We grew or held market share in most of our markets while revenue was boosted by strong pricing taken last year and beneficial mix resulting in organic revenue per hectolitre growth of 4% at constant currency. Margin was further enhanced by marketing efficiencies and restructuring benefits.	Reported EBITA grew 1%, and by 4% in organic, constant currency terms. Margins declined in the second half to end the year 90 bps below the prior year on an organic, constant currency basis as the depreciation of some local currencies increased the cost of imported raw materials. Fixed costs increased with capacity expansion and supply chain difficulties in Angola negatively impacted margin. Price increases across the region were generally at or below inflation levels. In **Tanzania**, lager volumes declined 4%, in line with the industry, as a result of softer consumer spending and adverse weather conditions earlier in the year. Marketing spend on all brands was increased with a focus on brand innovation.	The gaming industry in South Africa contracted during the year with weak demand affecting casino win, although the KwaZulu-Natal region demonstrated resilience. Gauteng, the most significant gaming province, reported a 3% drop in market size. Despite the tough trading conditions, the Tsogo Sun group concluded a number of transactions during the year, positioning itself well to benefit from market recovery in the future. On 30 June 2009, Tsogo Sun acquired 100% of the Century Casinos business in Caledon and Newcastle, and in October 2009 increased its stake in the Suncoast Casino in Durban by an additional 30%. In February 2010, SABMiller announced its intention to merge the Tsogo Sun group with Gold Reef Resorts Limited, a Johannesburg Stock Exchange listed business, through an all-share merger, which will result in SABMiller holding 39.7% of the listed merged entity.

4	MTN GROUP LTD	MTN Group performed well in 2010 under challenging market conditions and despite being negatively impacted by the strong rand. As more than 68% of MTN's revenue is generated outside South Africa, the translation into rand of the 2010 results had a significant impact on final reported figures. Most operations increased their share of the subscriber market, notwithstanding fiercer competition and pressure on tariffs with the Group achieving a 22% increase in subscribers to 141,6 million. However, the growth in subscribers is slowing as penetration increases and markets become more competitive. Constant currency revenue growth of 14% was still relatively satisfying.	Brand perception improved in the year, thanks to numerous initiatives related to the Group's sponsorship of the 2010 FIFA World Cup™. MTN Nigeria launched MTN Play (a WAP portal delivering entertainment content – including sports content during the 2010 FIFA World Cup™), and also introduced a football service offering customers a comprehensive range of football-related content, delivered by SMS and MTN Play. MTN HyNet, a prepaid broadband internet service based on WiMax technology, was implemented in seven major Nigerian cities in the year. MTN introduced various segmented data bundles, facilitating 48% growth in data revenue and the sale in the year of 153 222 dongles (nearly double 2009's figure) and 41 740 3G handsets. This increased take-up illustrates the strong momentum for data offerings in Nigeria.	MTN Syria's EBITDA margin is expected to increase in the medium to long term following the conversion of the BOT arrangement which currently has a 50% revenue share. MTN Group has authorised capital expenditure of more than R1 billion for the Syrian operation in 2011 – more than double that committed in 2010. Much of this will be spent on IT systems and value-added services and the core network. This will allow for greater penetration in rural areas and the addition of an expected 600 000 new subscribers in the year. With mobile penetration of just 50%, MTN forecasts that the Syrian mobile market will continue to grow. By 2015, it expects a market of 12,7 million subscribers from 10,9 million in 2010.
5	COMPAGNIE FIN RICHEMONT	2009 was a year marked by creativity, reinforcing Cartier's leadership in jewellery. The Secrets et Merveilles high jewellery collection of more than 70 unique jewellery pieces dedicated to femininity was unveiled at a spectacular client event held in Istanbul. In fine watchmaking, Cartier began a new era. Already renowned for its distinct and aesthetic forms in watch design, the Maison launched exciting new collections at the Salon International de la Haute Horlogerie ('SIHH'). With new shapes and new movements, the latest collections truly represent a leap forward for Cartier: the Maison is now manufacturing watch movements which reflect its intense and ambitious research into watch mechanisms.	The present generation of A. Lange & Söhne watches now includes 35 different calibres, each revealing its unmistakeable origins in high-precision Lange pocket watches. In May 2009, A. Lange & Söhne presented the Lange Zeitwerk, the first mechanical wristwatch with a truly refined jumping numeral display. This marks a milestone in the Maison's history and gives a face to a new horological era. The Maison was honoured for this timepiece with the L'Aiguille d'Or, the most prominent award of the Swiss watchmaking industry, at the Grand Prix d'Horlogerie de Genève, becoming the first non-Swiss watchmaker to be so honoured. At the Salon International de la Haute Horlogerie ('SIHH') in Geneva, the Maison presented a grand display of new models.	Orders of bespoke guns and rifles matched the previous year's, with orders evenly spread between customers from the United Kingdom, Europe and the United States. Sales of the Sporter gun, now in its second year of manufacture, also reached a solid level. Sales in the London boutique exceeded the prior year, benefiting from a focus on classic lines and an increase in visitors from continental Europe. Wholesale sales were also better. In 2009, the Purdey Awards for Game and Conservation celebrated its tenth anniversary and in November the first winner from Northern Ireland was presented with the Gold Award by Vicomte Bernard de La Giraudière.

6	SASOL LTD	The death of three people in the service of Sasol Mining in 2010 overshadowed what was an otherwise excellent year for the business. Thulani Msibi was fatally injured in October while busy with maintenance work involving a conveyor drive at the Syferfontein Colliery. In January, Hlabathe Hanyane, a shuttle car operator at the Twistdraai Colliery, died in a machine-related incident when he was struck by the bucket of a load haul dumper. In June, Joseph Selwane, a shuttle car operator at the Middelbult Colliery, died in a roof fall at the iThemba Lethu shaft. We convey our deepest sympathy to the family and friends of these three men. Sasol Mining's RCR rose to 1,19 in 2010 from 1,03 the previous year. This is not acceptable. Although our total injury rate compares very well with the local coal mining industry and is declining, our safety record simply must improve.	The death of an employee at Sasol Polymers' linear low-density polyethylene plant at Sasolburg undermined the overall performance of Sasol Polymers in 2010. Johannes Mohosho, a process controller, died on 4 June 2010 when he was overcome by carbon monoxide gas during a routine operating activity. His death deepens our desire to provide a zero-harm workplace for all our people. We again extend our sincere sympathy to all those close to him. Safety is a priority in Sasol. Through a renewed focus on ensuring compliance with all Sasol group safety systems, we remain committed to driving down our recordable case rate (RCR), which improved to 0,54 in 2010, down from 0,73 in 2009.	Sasol Financing is responsible for the group's central treasury, ensuring that Sasol can meet its funding requirements and expansion objectives in time and as cost-effectively as possible, while keeping financial risks to a minimum. We had another busy and successful year in 2010. Due to the cash-conservation approach adopted by management in the volatile economic climate, Sasol maintained solid cash balances on a strong, deleveraged balance sheet. The group continued to generate considerable cash flows in the year, ensuring that it remained in a favourable position to fund its growth programme and meet all debt service requirements. It also allowed for the adoption of a progressive dividend policy.
7	ANGLO PLATINUM LTD	Equivalent refined platinum ounces produced by own mines and equivalent ounces attributable to Anglo Platinum Limited from joint-venture and associate mines amounted to 2.484 million for 2010. This was 1% higher than the figure for 2009. Own mines produced 1,557,000 equivalent refined platinum ounces, substantially the same as in 2009. Western Limb Tailings retreatment increased production by 22%, to 41,800 ounces. Purchased equivalent refined ounces from third parties were reduced to 92,300, down by 20% from the 2009 total, while attributable ounces from joint-venture and associate operations increased by 6%, to 790,300 ounces. Equivalent refined ounces from the Twickenham Platinum Mine Project were reduced from 7,700 ounces in 2009 to 2,900 ounces in 2010.	Marikana Platinum Mine is a 50:50 pooling and sharing agreement (PSA 2) between Aquarius Platinum (South Africa) (AQPSA) and Rustenburg Platinum Mines Limited. The mine is managed by AQPSA and is situated in the North West Province of South Africa, approximately 12 kilometres outside the town of Rustenburg. It forms part of the North-western limb of the Bushveld Complex and operates under a mining right covering a total area of 33 square kilometres. Current mine infrastructure consists of three operating decline shafts, namely, 1, 4 and 5 Shafts, and an open pit section. 6 Shaft is not in production. Production from the open pit section of the mine was reduced over the course of 2010.	Project capital expenditure eased to R827 million in 2010 (from R837 million in 2009), in line with the project execution plan. It is expected to reduce further in 2011, to R332 million. At 1.44 million tonnes (or 70,000 platinum ounces) per annum, current Unki East Mine production is the initial phase of an envisaged potential production of 5.76 million tonnes (or 280,000 platinum ounces) per annum. The development of the mine's underground declines and levels is 90% complete and the supporting infrastructure is approximately 97% complete. Housing construction is planned to commence in the first quarter of 2011. Unki Mine will reach full production of 120,000 tonnes per month in the third quarter of 2013.

8	STANDARD BANK GROUP LTD	Standard Bank's Personal & Business Banking division is well established in southern Africa and has made significant progress in contributing to the group's strategy of building solid universal banks in high-potential markets in the rest of Africa. Operating conditions in the domestic personal and business banking market continued to be negatively impacted by the aftermath of the global financial crisis and a delayed economic recovery. Inflation remained low allowing interest rates to reach their lowest level in more than three decades, resulting in lower debt-servicing costs which helped customers service existing debt. However, the sustained high levels of household debt, a fragile labour market and a very hesitant residential property market were all unsupportive of lending growth.	Investment banking was also impacted as concerns about European debt and the slow economic recovery reduced the appetite for credit of corporate clients. There were, however, some bright spots during the year, including the conclusion of landmark transactions in South Africa, sub-Saharan Africa, Latin America and Asia, a growing pipeline of cross-border opportunities and increasing demand for advisory and capital market services from companies investing in Africa. We have focused and streamlined the business to provide bespoke finance and advisory solutions to our clients in the sectors we understand well. The transactional products and services portfolio was impacted by low corporate cash flows as the global climate of uncertainty led clients to retain their cash.	The result of the renegotiated bancassurance agreement with Liberty is a broadening of the applicable product and distribution opportunities. There is mutual commitment to maximise these opportunities and considerable value add to the group is anticipated in the medium term. Liberty's results are linked to the performance of the economies and investment markets in which it operates with South Africa being the most important. The significant progress made in our core operations in 2010 positions Liberty favourably for continued delivery of good operational performance and to take advantage of any improvements in these markets. The focus will be on lowering unit costs and improving new business sales and margins in the insurance business.
9	NASPERS LTD -N-	Internet platforms in Eastern and Central Europe, China, Russia, Latin America, Africa, India and south-east Asia. Services include e-commerce, communities, communication, social networks, entertainment and mobile value-added services. Pay-television subscriber platforms in South Africa and sub-Saharan Africa. In addition, Naspers develops underlying technologies necessary for internet, pay-television and mobile platforms. Magazines, newspapers, printing, distribution and book-publishing businesses in South Africa and sub-Saharan Africa, as well as print media investments in Brazil and China. Global internet usage grew unabated over the past year. A total of 1,7 billion people worldwide are now online, an 18% increase over the previous year. The most significant online growth occurred in Central and Eastern Europe, Latin	A variety of new channels and programmes were added to the DStv offering to ensure it remains exciting. New channels include Discovery World, Ignition (auto), Koowee (children) and Vuzu (young adults). New media elements such as SMS and SNS were incorporated into the Vuzu offering. The DStv service offering was further enhanced with the launch of two more high-definition (HD) channels, namely Discovery HD Showcase and SuperSport HD. Preparation is under way for Mzansi Magic, a new channel for the emerging market. Local productions remain a drawcard. These include Carte Blanche and its two new spinoffs, Carte Blanche Consumer and Carte Blanche Medical. Also popular were All Access, I Wanna Be and the popular reality shows Big Brother Africa and Survivor South Africa.	Owing to the economic climate, advertisers postponed or cancelled in the first half of the year. Activities recovered encouragingly in the second half of the year. However, overall it was a challenging year for magazine advertising and the market decreased by an estimated 8,5%, while Abril saw a decrease of slightly less than 7%. During the year Abril maintained a 52% share of the magazine subscription market and increased its share of single-copy sales to 37,4%. Despite the tough operating conditions, Abril successfully contained costs, closed down a few projects and performed reasonably well. During the year Abril acquired MTV, a channel that broadcasts a variety of popular music and reality television shows and the Civita family acquired Atica & Scipioni a school book publishing business from Abril.

		America, China and Russia.		
10	IMPALA PLATINUM HLGS LD	Regrettably nine employees lost their lives in a fall-of ground incident in one of the mechanised sections at Impala Platinum's 14 Shaft in July 2009. Following a detailed investigation involving Implats, the DMR and the unions, we decided to reconfigure all mechanised sections at Rustenburg and bord widths were reduced from 12 to six metres at both 12 Shaft North and 14 Shaft. This reconfiguration was completed in January this year and will reduce output by approximately 20 000 ounces of platinum per annum going forward. The two week section 54 closure at all mechanised sections in Rustenburg after the accident resulted in a loss of a further 18 000 ounces of platinum.	Marula had another difficult year in virtually all aspects of the operation. Although safety from a fatality perspective was excellent over the period with no fatalities, the lost-time injury frequency rate deteriorated from 5.35 to 9.39 per million man-hours worked. The results of the Du Pont safety review revealed that, similar to the larger Impala operation, the safety culture at Marula was a very dependent one. The remedial actions being applied at Rustenburg are also being implemented at this operation. Marula's mining operation currently comprises the Clapham conventional section as well as the hybrid sections at Clapham and Driekop where mechanised development and conventional stopping are undertaken.	Despite the continued suspension of operations at Everest, refined platinum production rose by 15% to 870 000 ounces. This was primarily due to the ramp-up in production at both Zimbabwean operations, namely Mimosa and Zimplats, a further increase from Two Rivers as a result of plant modifications and the start of production at the two new offtake projects, Blue Ridge and Smokey Hills. In the short term, growth will come from continued rampup in production at Zimplats, Marula and Smokey Hills and the resumption of operations at Everest. In the longer term, growth will be underpinned by the phase 2 expansion at Zimplats, restoration of full operations at Everest and increasing deliveries of autocatalysts in line with the organic development of this market.
11	KUMBA IRON ORE LTD	Our safety reflected in fatalities, LTIF and the number of high potential incidents is discussed earlier in this report (refer to Priority issue 1: Performance – fatalities and LTIFR, page 18). We continue to focus on improving the systems, behavior and technology we use to reduce and preferably eliminate safety risks. Our safety and health management system, as illustrated below, captures the fundamental systems we have in place to manage safety. Kumba began implementing the Anglo American risk management programme in 2010. As part of this process, a significant number of employees were trained in basic risk management and assessment, the aim of which was to improve hazard awareness and identification	Kumba is a key employer, trainer, generator of revenue, profit and taxes and contributor to socio-economic development especially in the Northern Cape province, but also in the Limpopo province and South Africa as a whole. In this section, the socio-economic reach of Kumba is described. This ranges from the group's value add, to black economic empowerment (BEE), including preferential procurement and HDSA ownership. Some R28.5 billion (2009: R15.7 billion; 2008: R15.6 billion; 2007: R7.6 billion) of value has been created for stakeholders during this year. Our stellar financial performance in 2010, as demand for iron ore was driven by world crude steel production exceeding pre-2008 levels, together with continued progress in our capital projects and sustained focus on operational efficiencies should ensure future growth is	The research, which has been submitted to the committee, will aid in the identification of suitable projects for local mines to support. This means that the identified projects in the SLPs will supported by a clear need on the ground. Of course, all SLP reviews will take into account the requirements of the revised Mining Charter. Kumba's combined SCD spend for the year was R134 million. This figure includes monies spent on infrastructure projects. Kumba supports a range of developmental interventions – local infrastructure, facilitating the establishment of small and medium enterprises, improving education and health services, increasing community safety and alleviating poverty. Kumba's flagship projects are shown below.

			sustained for all our stakeholders.	
12	ANGLOGOLD ASHANTI LTD	Great Noligwa adjoins Kopanang and Moab Khotsong and is located close to the town of Orkney near the Vaal River. The Vaal Reef, the primary reef, and the Crystalkop Reef, a secondary reef, are mined here. This mining operation consists of a twin-shaft system and operates over eight main levels at an average depth of 2,400m below surface. Given the geological complexity of the orebody at Great Noligwa, a scattered mining method is employed. The mine shares a milling and treatment circuit with Moab Khotsong and Kopanang, which applies conventional crushing, screening, SAG grinding and carbon-in-leach (CIL) processes to treat the ore and extract gold.	AngloGold Ashanti has an 85% interest in Siguiri and the government of Guinea owns the balance. Siguiri is a multiple open-pit, oxide gold mine situated in the Siguiri district in northeast of the Republic of Guinea, about 850km northeast of the capital, Conakry. Siguiri's open pits are operated by mining contractors using conventional techniques. Mineralisation at Siguiri is hosted within the Birimian System. The plant processes at a rate of about 30,000t of ore a day. Attributable gold production declined by 14% to 273,000oz, due mainly to the mining of lower grade ore. The decline in grade was a result of lower overall grades mined in the Sintroko and Tubani pits.	Donations were made to: the Association of Parents and Friends of Disabled Children; an amateur acting school for youngsters; free soccer lessons for 102 children; and the support of a day care centre that caters for 165 children every day. Reviews were undertaken of all safety, health and environmental-related measurements such as water, air, dust, noise and vibration after blasting to ensure compliance with international standards. Improvements in water usage controls across all industrial processes were developed and locations for all meters were identified with several having been installed by year-end. This will allow improved control of water usage. About 80% of all water used in the production process is currently recycled. No reportable environmental incidents occurred in 2010.
13	FIRSTRAND LTD	During the year to June 2010 FNB's operating environment remained challenging. Within South Africa, despite lower interest rates providing some relief to households, the consumer remains highly leveraged and this has resulted in muted retail credit appetite. Corporate demand for credit was also slow, as corporates have strong balance sheets and investment activity remains limited. The global crisis, particularly the impact of falling commodity prices, continued to have a residual effect on some of the African territories in which FNB operates. Whilst some economic recovery, particularly in Botswana, is evident, this is at a very early stage and foreign currency flows and trade activity have not yet	Market conditions remained challenging during the year for a number of RMB's divisions. Investment banking opportunities contracted due to lower levels of corporate activity and increased competition for new transactions. The trading businesses experienced reduced volatility and client flows and overall market volumes were down. Despite these market pressures RMB delivered a very strong performance. All of its divisions exceeded prior year results resulting in overall profitability increasing significantly and ROE moving back to above hurdle rates. As part of its strategy to rebalance its business and improve the quality of its earnings RMB continued to strengthen its domestic client driven activities and scale its trading activities in line with its risk appetite	Whilst equity markets have recovered from their lows, there remains uncertainty in these markets as is evidenced by a more recent increase in volatility. The lack of job growth to support the economic recovery remains a concern, as this could have a direct impact on both new business volumes and persistency. Momentum however remains confident that consistent product and service focus, proven distribution partnerships, dynamic brand and dedicated people have positioned it well for the future. Significant value is expected to be realised for shareholders as a result of the proposed merger with Metropolitan, which, if approved, will create the third largest insurer in South Africa by bringing together strategically complementary businesses.

		returned to previous levels.	framework.	
14	VODACOM GROUP LIMITED	Revenue rose 5.6% to R58 535 million with the continued robust performance in South Africa offsetting revenue declines in Tanzania and the DRC. Revenue growth was positively affected by the Gateway acquisition (3.6 percentage points), offset mainly by a negative impact from foreign exchange rate translation (2.0 percentage points). On a normalised1 basis, Group revenue and service revenue increased by 4.0% and 5.3%, respectively. Group mobile voice revenue increased by 1.0% to R31 338 million with South African mobile voice revenue increasing 5.1%. Group mobile voice revenue was positively impacted by a 19.0% increase in outgoing traffic, partially offset by a 17.3% reduction in average tariffs across the Group.	Direct costs (excluding Gateway) decreased by 3.4% as savings in distribution, customer acquisition and regulatory costs were realised. Staff expenses (excluding Gateway) grew at 12.0% mainly due to an average salary increase of 9% and an increase in average headcount of 5.3%. Marketing and advertising expenses decreased by 3.6% as part of the overall cost containment strategy, however investment in focused brand-building continued. Other operating expenses (excluding Gateway) remained relatively flat, up by only 0.3%, and were favourably impacted by a R192 million gain in the revaluation of foreign-denominated trading items. Net finance charges rose from R1 749 million to R2 272 million for the year ended 31 March 2010.	Offsetting the growth opportunities created, continued competitive and regulatory pressures are likely to limit revenue growth in the medium term to below current levels. However, through an ongoing focus on operational delivery, margins are expected to improve. Cost management will be a focus area as management's aim to preserve the economics in the face of increasing MTRs and tariff pressures. Vodacom is targeting R500 million in cost-savings in the 2011 financial year from areas including distribution, sponsorships and network optimisation. The approved capital expenditure budget for fiscal 2011 is R7.4 billion, of which R5.1 billion is allocated to South Africa.
15	ABSA GROUP LIMITED	Last year I set out our One Absa strategy. This is significantly changing the way we do business and how we collaborate internally. It aims to achieve sustainable growth in targeted markets, standardise and streamline the Group, create a customer- and people-centred organization, optimize our balance sheet and strengthen our risk management. I am pleased to report that the first year of executing the strategy is on track and we believe that it will contribute meaningfully to earnings going forward. Although we have had many successes in implementing this strategy, I will outline three particular initiatives. We have established our corporate bank alongside Absa	Our substantial investment in technology infrastructure is designed to keep Absa's systems up to date, competitive and resilient. We further strengthened our balance sheet. We improved the Absa Group's Core Tier 1 ratio to 11,7%, well above regulatory requirements and above our new board target range. We also increased our surplus liquid assets and lengthened our funding profile. These two actions cost approximately R300 million before taxation. Moreover, we improved our loans-to-deposits ratio and our non-performing loan coverage during the year. The actions create a platform for sustainable growth and prepare the Group for increased regulatory requirements in	In February 2011, the National Treasury released a policy document titled "A safer financial sector to serve South Africa better". Its purpose is to confirm South Africa's commitment to the G-20' global financial agenda, and to outline policy priority objectives, as well as ten proposals on strengthening the regulatory framework. Recognising the different skills sets required for prudential and market conduct regulation, South Africa will move towards a 'twin peaks' model where the South African Reserve Bank is a macro-prudential supervisor and the Financial Services Board will establish a retail banking market regulator. Absa will continue to constructively engage with the banking regulator and appropriate

		Capital to benefit from its coverage model and product expertise.	respect of capital and liquidity over time.	government institutions on the matters contained in this document and on the Basel III capital and liquidity requirements.
16	GOLD FIELDS LTD	During C2010, our approach has helped us maintain our annual attributable production at 3.5 million ounces of gold (C2009: 3.6 million ounces). This – in combination with our major production growth projects – puts us in a strong position to meet our 2015 target. We have also further diversified our production profile, with our non-South African production increasing by 10.2% to 1.63 million ounces. This means we have now achieved an attributable production ratio of 47:53 with respect to our non-South African and South African operations (C2009: 42:58), putting us closer to our longer term target of a 60:40 production ratio. The number of ounces we add to our portfolio is not the only reference point of our production strategy.	Safety remains Gold Fields single most important sustainability issue. This is embodied through our promise that “if we cannot mine safely, we will not mine”. However, we deeply regret that during C2010 there were a total of 18 workplace fatalities at Gold Fields, of which 17 occurred at our South African operations. Although this marks a reduction on C2009 (26 fatalities), every fatality is one too many. We remain fully committed to the ultimate elimination of all incidents and the achievement of ‘Zero Harm’ at our operations. This prioritisation of safety over production means that in the short-term, we will choose to leave gold in the ground rather than put our employees at risk.	Both Damang and Tarkwa retained their OHSAS 18001 and ISO 14001 certifications after undergoing independent audits during C2010, and are fully compliant with the International Cyanide Management Code. Attributable production in West Africa rose by 11% in C2010 to 685,000 ounces (C2009: 616,000 ounces), following on an ongoing drive to optimise processing facilities at our mines, including our capacity to process higher-grade, harder ore at Damang. Over the same period, total cash costs rose by 14% from US$522/oz to US$594/oz, reflecting the impact of cost efficiency measures. The NCE margin improved to 29% in C2010 (C2009: 26%). The healthier financial position enabled us to generate free cash flow, pay US$160 million in dividends and US$126 million in royalties, corporate taxes and the National Stabilisation Levy.
17	OLD MUTUAL PLC	By identifying where customer needs are not being met, we are able to exploit synergies across LTS, for example by taking proven retail products from OMSA’s mass foundation cluster to other markets where product penetration levels are low and where economic growth will happen over time. We are applying strong risk capital management and performance management frameworks with strong local management teams. In addition we have developed LTS-wide roles to ensure we exploit synergies and establish centres of excellence. These roles – covering IT, product, LEAN	As previously reported, the prior year AOP results benefited from the structural tax efficiency applicable to UK companies writing unit-linked business in the UK, together with the smoothing of previous years’ deferred tax assets. These assets arose during the significant market volatility of the preceding two years where falls in the value of policyholder assets resulted in the recognition of significant deferred tax assets in the IFRS income statement, which were spread forward under AOP. The pre-tax smoothing for 2010 gave rise to a profit of £71 million, a similar amount to	Whilst turbulent market conditions could have a material impact, the business has performed credibly over the past year, with the key priorities for 2011 focused on continuing this momentum through continued efforts to de-risk the GMAB exposure in the variable annuity book, through a range of measures. These include execution against the stated dynamic hedging strategy to contain key risk exposures; continued implementation of the conservation strategy to better retain profitable non-guaranteed business, supported by enhanced customer and service offerings; ongoing prudent management of capital

		methodology and distribution – will help us to gain competitive advantage by delivering appropriate products and services efficiently.	2009. For 2011, the pre-tax impact will be a profit of £27 million, falling to nil thereafter.	and liquidity; ongoing evaluation of risk management and key business decision-making processes across the business to align with Group's Enterprise Risk Management framework; and maintenance of cost discipline, with a focus on delivering further planned expense reductions.
18	NEDBANK GROUP LTD	While the SA equity markets enjoyed a marginal recovery in 2010 - assisted to a certain degree by the successful 2010 FIFA World Cup - this did not translate into any notable increase in corporate activity for the period under review. A benign interest rate environment and relatively low levels of volatility also meant fewer opportunities for clients to avail themselves of Nedbank Capital's products and solutions. Credit extension was muted as corporates predominantly focused inwards, placing greater emphasis on prudent business management in order to ride out the difficult economic period. The business environment has also become far more competitive, both locally and internationally, with global organisations increasing their local presence and many local businesses extending their product offerings in preparation for an eventual economic upturn.	In June 2010 Nedbank Capital was part of an innovative power-saving initiative that saw solar-powered traffic lights installed at a number of intersections around Sandton in Johannesburg. The lights are powered exclusively by solar energy, thereby lessening the load on the region's power grid, reducing dependency on an increasingly unreliable power source, and reducing carbon emissions by keeping traffic flowing more freely. The project has economic spinoffs in that it enables higher productivity by reducing the amount of man hours lost by businesses due to employee lateness as a result of traffic congestion. The sponsorship by Nedbank Capital funded two rotar lights, which include battery backup power to ensure smooth traffic flow, regardless of the weather or national power grid conditions.	The business boasts a broad spectrum of profitable investment banking products and services, which offers good portfolio diversification. With this in mind, Nedbank Capital will focus on acquiring additional stable and diversified funding sources, while reinforcing its integrated investment banking model. The cluster will continue its theme of responsible investment banking by formalising several of the initiatives it has undertaken – particularly the creation of a sustainability forum that reports on, and monitors, its green activities, carbon financing, ChessKids and renewables financing. Nedbank Capital's significant investment in updating its trading systems (the Wallstreet implementation) will be further bedded down in 2011, realising operational savings and optimising trading opportunities.

19	SANLAM LTD	We provide clients in the middle, affluent, self-employed and professional markets of South Africa and Namibia with a comprehensive range of appropriate and competitive financial services solutions designed to facilitate long-term wealth creation, protection and niche financing needs. Engineering these solutions around client needs and delivering the solutions through credible financial advice enables us to grow Sanlam Personal Finance (SPF) on a sustainable basis, thereby maximising shareholder value while building long-term relationships with our clients. Our competitive advantage is our established client-centric strategy, which is driven by focused market segmentation and diversification of our financial services solutions, as well as our extensive distribution footprint.	The impact of changes in external economic conditions, including the effect that changes in interest rates have on risk discount rates and future investment return assumptions, on the embedded value of covered business. The impact on the value of in-force business caused by differences between the actual investment return earned on policyholder fund assets during the reporting period and the expected return based on the economic assumptions used at the start of the reporting period. Investment return variances caused by differences between the actual investment return earned on shareholders' fund assets during the reporting period and the expected return based on economic assumptions used at the start of the reporting period.	Liquidity risk is the risk that the business will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk arises when there is mismatching between the maturities of liabilities and assets. Santam is exposed to daily calls on its available cash resources from claims. Liquidity risk is the risk that cash may not be available to pay obligations when due at a reasonable cost. The Santam Board sets limits on the minimum proportion of maturing funds available to meet such calls. Santam actively manages its cash resources, split between short-term and long-term to ensure sufficient cash is at hand to settle insurance liabilities, based on monthly float projections.
20	BIDVEST LTD ORD	Bidvest Freight's key port facilities and the safe, efficient and innovative operation of its goods- and materials-handling infrastructure drive the business's positioning as a reliable long-term partner of importers and exporters, many of whom are key contributors to the nation's bottom line. In a tough year, Bidvest Freight strengthened its reputation as a partner customers can trust and further tightened its focus on the core terminals business. World trade stalled as a result of the international financial crisis while South Africa slid into recession at the beginning of the period. Recovery has been slow. These macro-factors were reflected in the performance of Bidvest Freight.	Customers were impacted by consumer cost-cutting. Consumption of meat and poultry fell. We introduced offerings to help food manufacturers develop more affordable options. Sales of some commodity products fell. We reduced stock, though inventory rose near year-end to optimise the World Cup opportunity. Cash flows strengthened. Chipkins Bakery Group maintained its improvement and continued the development of its own manufactured lines. NCP Yeast was impacted by a shortage of local molasses. Even so, the business performed well. The Crown National launch of its Chef's Choice range proved highly successful. We also introduced the Handipack retail spice range. Bidfood Solutions, our vehicle for increased penetration of the general foods sector, faced a challenge as some large customers froze new product development.	Mindful of the growing claim culture in the UK, Ontime maintained its health and safety training focus and was again audited by and accredited with CHAS (Contractors Health and Safety Accreditation Scheme). The rate of injuries, diseases and dangerous occurrences in the UK business is down from 12 to three, with total incidents down from 84 to 27 over three years. Business ethics is governed through financial, process and operational audits. We are mindful of our code of ethical behaviour and risks related to corruption and anti-competitive practices. An anti-corruption policy is built into the terms and conditions of employment and applied when developing strategies for bidding for business.

21	SHOPRITE HLDGS LTD ORD	MANAGEMENT WAS QUICK TO RESPOND to market conditions and to the reality of plummeting internal food inflation to limit pressure on gross profit and overhead costs. This was achieved by inter alia continuing to offer the best value for the consumer rand. As a result an increasing number of consumers, forced by their shrinking disposable income to buy at the best price, turned to the Group's three supermarket chains. All three gained customers and increased market share by outperforming their competitors. According to the most recent AMPS figures, 60% of the country's population shopped at the Group's supermarkets. Changing market conditions has seen a shift in the participation of the various product categories.	In the period under review it handled 292 000 tons of fruit and vegetables and provided stores with 440 different product lines. Management stay in touch with the latest international research about new and improved varietals and a number of these have been introduced to the South African market over the past two years. In the light of the requirements of the new Consumer Protection Act all packaging was reviewed and displays product origin in addition to a schedule of nutritional values. International laboratories regularly audit all farmers that have GLOBALG.A.P. accreditation to ensure they comply with the food safety standards set. Freshmark's distribution and cooling facilities in Durban have been greatly extended while upgrades are at present being undertaken in Cape Town, Port Elizabeth and Polokwane.	All five of its stores are trading profitably, with turnover increasing markedly during the year, supported by substantial improvements to the Group's supply lines into the country. Two further stores are being planned for the capital, Maputo. One will open before the end of 2010, the other during the course of 2011, while the first Usave in the country will soon open to the north of Maputo. The Group's operations in Mozambique are expected to achieve critical mass in the near future, with profitability likely to increase in the medium term. The Group is currently investigating opportunities in countries where it has not traded before as Africa remains a strong focus for the Group's expansion.
22	REMGRO LTD	FirstRand's contribution to Remgro's headline earnings only represents Remgro's 9.1% direct interest in FirstRand and excludes the indirect contribution from FirstRand through Remgro's interest in RMBH. FirstRand's latest results for the six months ended 31 December 2009 reported that headline earnings decreased slightly by 1% to R4 492 million (2008: R4 553 million). These results are reflective of early signs of an improving global and local economic environment. The Banking group's results for the period under review reflect a significant recovery (112% increase) in profitability compared to the six-month period ended 30 June 2009, although only 3% below the level of December 2008.	These funds covered PG Group's operational cash shortfalls and assisted to meet capital expenditure obligations. The PG Group now owns two state-of-the-art float glass lines, with significant capacity. Net finance expenses on external borrowings of R176 million (2008: R149 million) increased from the previous year as the capital expenditure programmes at PG Group were financed mostly by debt. The recovery of the local and global economies is expected to add slow but consistent growth over the next two years. The strong rand and administrated price increases (such as electricity price hikes) will, however, necessitate further cost containment strategies and dampen growth expectations.	Headline earnings for the twelve months ended 31 March 2010 amounted to R56 million (2009: R94 million) representing a decrease of 40% compared to the previous year. Headline earnings attributable to Remgro for the period was R12 million (2009: R28 million). The recent economic recession continued to impact negatively on small businesses, resulting in high bad debts and impairment charges negatively affecting the headline earnings of Business Partners. In addition, operating income was negatively impacted by the decrease in interest rates over the course of the financial year, resulting in lower interest revenue from the investment portfolio. Investments to the value of R678 million (2009: R873 million) were advanced during the year, a decrease of 22% in investment activity.
23	INVESTEC PLC	Investec is a focused, specialist bank and asset manager striving to be distinctive in all that it does. Our strategic goals and objectives are motivated by the desire to develop an efficient	We deliver a number of personal savings and mortgage services for individuals, as well as cash management and treasury products for businesses. We focus on providing mezzanine or	We are involved in the origination and securitisation structuring and trading of residential mortgages, commercial mortgages, collateralised debt obligations and leveraged loans. This area focuses on structured

		and integrated business on an international scale through the active pursuit of clearly established core competencies in our principal business areas. Our core philosophy has been to build well-defined, value-added businesses focused on serving the needs of select market niches where we can compete effectively. We seek to maintain an appropriate balance between revenue earned from operational risk businesses and revenue earned from financial risk businesses. This ensures that we are not over reliant on any one part of our business to sustain our activities and that we have a large recurring revenue base that enables us to navigate through varying cycles and to support our long-term growth objectives.	composite debt funding and minority equity investment to assist entrepreneurs, management teams and private equity houses to implement acquisition and organic growth strategies in mid-market companies. A boutique private client wealth management practice, consulting to and partnering with ultra high net worth investors in developing innovative and tailored investment solutions. We are specialists in providing structured debt solutions for high net worth individuals with complex borrowing requirements. We play an integral role in the financing of property acquisitions and development transactions for our commercial and residential clients through delivery of senior debt, mezzanine and equity funding structures.	and conventional lending, bond origination, securitisation and advice, asset leasing and finance, preference share finance, leveraged buy-out funding, executive share schemes and financing solutions for corporate, government and public sector clients. We provide advisory services, debt arranging and underwriting and equity raising in the infrastructure, power and industrial sectors with a focus on healthcare, telecoms, defence projects, transport and power. We offer advisory services, debt arranging and underwriting, equity raising in the mining resources industry together with structured hedging solutions.
24	EXXARO RESOURCES LTD	The group's audited financial results and actual physical information for the 12-month periods ended 31 December 2010 and 2009 are not comparable due to the R1 435 million impairment of the carrying value of the assets of KZN Sands, accounted for on 31 December 2009, and the inclusion of the 50% proportionally consolidated interest in Mafube Coal Mining (Pty) Limited (Mafube) for 12 months compared to seven months in 2009. To be meaningful, comparable supplementary financial results are disclosed in this review by excluding the 2009 impairment of the carrying value of the assets of KZN Sands. After fulfilling all suspensive conditions, Glen Douglas dolomite mine was sold to Afrimat Limited effective 1 January 2011.	Exxaro intends to progress to distributing 50% of attributable earnings to shareholders by means of interim and final dividend declarations. Dividend declarations in the medium term may, however, be lower to adequately provide for funding of the current growth pipeline of projects, comply with contractually agreed loan covenants, and maintain healthy key financial metrics. Based on the record earnings and healthy cash flow position, the Exxaro board declared a total dividend of 500 cents per share for the 2010 financial year; a dividend covered three times by attributable earnings. The dividend declarations took cognisance of Exxaro's significant short- to medium-term capital expenditure requirements.	Exxaro successfully concluded an agreement to partner with Assmang Limited to commercialise its AlloyStream™ technology to beneficiate manganese ore into high-carbon ferromanganese alloy. A large demonstration facility is planned to be completed in 2011. Major benefits of this technology include lower electrical consumption and the use of unagglomerated fine feed materials. On 22 February 2011, the board approved the development of Fairbreeze mine as a replacement feedstock producer to Hillendale mine at KZN Sands, subject to obtaining the required regulatory and environmental approvals. A possible reversal or partial reversal of previous impairments of the carrying value of the assets will be considered simultaneously by the board.
25	RMB HOLDINGS LTD	The Banking Group's results for the year ended 30 June 2010 reflect a significant recovery in profitability in comparison to the prior year, with normalised earnings increasing by 41% to R8,54 billion. Such recovery in earnings was driven	Momentum's CAR cover of 2,1 times (2,0 times after payment of the final dividend) at 30 June 2010 exceeds the targeted range of 1,4 to 1,6 times CAR. The Group however remains of the opinion that maintaining a buffer above the	RMBSI continues to focus on creating additional annuity income through its underwriting management agency model and start-up affinity businesses. In addition, significant effort and time was also spent in developing new products for the structured business

		mainly by a modest increase in top-line revenue and the reversal of the two most significant negative issues from the previous comparative period, being bad debts emanating from the large retail lending books and losses from certain offshore trading portfolios within the investment bank. Many of the banking operations also showed strong operational performances and a significant private equity realisation positively impacted earnings.	targeted range is appropriate in the current economic environment. Whilst equity markets have recovered from their lows, there remains uncertainty in these markets as is evidenced by a more recent increase in volatility. The lack of job growth to support the economic recovery remains a concern, as this could have a direct impact on both new business volumes and persistency.	which in the past generated significant once-off profits. At the interim reporting date, RMBSI reported a normalised loss of R3 million for the half year to December 2009. In the second half of the year it has made some progress in rebuilding its revenue streams and for the full year to June 2010 it reported normalised earnings of R13 million (2009: R79 million). The outcome over the last six months was driven by increased profitability from its portfolio of underwriting management agencies as well as new business gained, with eleven new transactions being concluded.
26	ASPEN PHARMACARE HLDGS.	Aspen's flagship business in South Africa continued to deliver strong results. Through successful management of product costs, improved service levels to customers and strategic procurement initiatives, Aspen's operating profit before amortisation, disposals and impairment of assets grew by 48%, ahead of revenue growth of 31%. The favourable performance of the South African Rand also contributed towards improved product costs. The South African pharmaceutical market grew by 10,2% in value during the year. Aspen continued to outperform the market, recording a growth of 12,7% over the 12-month period ended June 2010. Aspen thereby retained its leading position in the domestic market, holding a 16,5% share of the total market, 11,0% share of the branded segment and 33,9% of the generics segment in South Africa.	For a number of years, it has been a strategic objective of the Group to increase its footprint further into SSA. The strategy has unfolded gradually through considered investments. Aspen has exported a selection of pharmaceutical and consumer products into parts of SSA for a number of years with a strong focus on the supply of ARVs assisting in the combat of HIV/AIDS. Aspen's acquisition of a 60% interest in the Shelys group, in May 2008, has provided it with access to a strong and established East African distribution platform with a broad portfolio of recognised pharmaceutical and consumer brands. Shelys has operations in Kenya, Tanzania and Uganda which service the entire East African region.	Products are supplied to more than 100 territories worldwide. Aspen secured a 10-year supply agreement with GSK for the continued manufacture of GSK products historically manufactured at the site. The Bad Oldesloe facility is managed by a team of highly skilled professionals and the infrastructure provides technologically advanced manufacturing capability for a specific portfolio of pharmaceutical products. Pricing pressures and the high cost of labour in Europe are the key challenges impacting performance. Hence, focus has been given to reviewing and optimising cost competitiveness using Aspen's commercial acumen and its experience in manufacturing affordable, high quality products. Such initiatives will be ongoing. Bad Oldesloe's manufacturing capabilities includes the manufacture of high-potency products, liquids, nebules, tablets and steroidal creams.
27	AFRICAN RAINBOW MINERALS	ARM Platinum's operations benefited from improvement in the global economy during the year under review. Cash operating profits were recorded at all operations, resulting in ARM platinum contributing R521 million to ARM' headline earnings, an increase of R840 million	Although the Goedgevonden Coal Mine (GGV) showed an improved performance during the current financial year, ARM Coal experienced a challenging year which resulted in cash operating profit and headline earnings declining by 41% to R376 million and 113% to a loss of R17 million	Harmony is well-positioned to take advantage of the higher gold price and, at a price of R250 000/kg, the Company's plans support strong cash flows, covering both ongoing and growth capital. The ARM statement of financial positioning at 30 June 2010 reflects a marked-to market investment in Harmony of R5.1

		when compared to F2009. There was a substantial volume increase which resulted in significant cost reductions. The attributable GGM production (including Nkomati) for F2010 increased by 11% to 359 316 ounces (F2009:323 259 ounces) in concentrate as a result of increased production and recoveries at Two Rivers, grade improvements at Modikwa and commissioning of the 375 ktpm plant at Nkomati. ARM Platinum focused on initiatives to improve unit costs and achieved an annual reduction in costs across all operations, positioning them within the 50th percentile of the respective cost curves.	respectively. The major portion of this decline was as a result of the stronger Rand, lower realized US Dollar export prices and lower volumes at the Participating Coal Business (PCB) operations. This was to some extent offset by an increase in cash operating profit at GGV as production ramp-up commenced. Run-Of-mine (ROM) production at GGV increased by 50 % during the current financial year as the mine transformed from a project into an operational mine.	billion, which is based on a Harmony share price of R81.40. Changes in the value of the investment in Harmony are accounted for by ARM through the statement of comprehensive income net of deferred capital gains tax. Dividends are recognised in ARM's income statement. The investment reflected at market value in the statement of financial position represents approximately 15% of ARM's market capitalization of R34 billion at 30 June 2010.
28	LONMIN P L C	Last year we said 2010 would be a year of steady recovery as automotive and industrial demand increased from the very low levels of 2009 and that demand would improve further from mid 2011 onwards. While short term market visibility remains somewhat opaque, we still believe this to hold true. The recovery of the global economy in 2010 was reflected in PGM pricing, with the prices of all metals rising during our financial year as the fiscal and monetary stimulus injected into the global economy encouraged the replenishment of inventories which had been depleted during 2008 and 2009. In the short to medium term platinum demand will be driven by a number of factors.	The total underground production at 10.8 million tonnes was the highest achieved since 2007. This represented an increase of 6% from the 10.2 million tonnes produced in 2009. It was encouraging to see momentum building over the course of the year, with tonnes mined in quarter four being 20% above the same period last year, and 19% above quarter three 2010. The Merensky opencast operations at Marikana started production towards the end of the second quarter of the 2010 financial year and is well on track. The current production of around 80,000 tonnes per month from opencast operations should be maintained during 2011.	Excluding just the toll refining and smelter rebuild costs would mean that underlying unit costs would have increased by less than 1%. Lonmin remains committed to move down the cost curve with continuous focus on productivity improvements planned for 2011. Further details of unit cost analysis can be found in the operating statistics table on page 148. It should be noted that with the further restructuring of the business that occurred in the year the cost allocation between business units has been changed to a degree and, therefore, whilst the total is on a like for like basis individual line items are not totally comparable.

29	TIGER BRANDS LTD ORD	The Grains division performed well and in line with expectations in a constrained macroeconomic environment which resulted in shifts in consumer buying patterns. Milling and Baking volumes contracted, driven mainly by a generally stagnant maize category and the increased inflow of lower grade wheat flour products across the market. Albany bread volumes increased marginally notwithstanding stagnation in the overall bread category volumes. A notable recovery was evident in the rice category as a result of a stronger rand exchange rate and lower international prices of rice. The breakfast business continued on a strong growth trajectory and our brands gained further market share.	The 2010 year has been particularly challenging for the HPC division as the discretionary nature of the product category during the recessionary period resulted in market volume declines which negatively impacted performance. The HPC market nevertheless remains a key focus area of growth for Tiger Brands, given the strategic considerations of the underlying growth potential in these markets as well as the good profitability of the sector. The strategy is to drive growth in the HPC market through organic brand building and expansion into adjacent market sectors through innovation and/or acquisitions. The importance of cost competitiveness drives our focus on continuous improvement through the streamlining of the value chain and the extraction of synergies across the HPC businesses.	Market shares have held constant in the reported period, with the noticeable exception of the breakfast cereals and rice categories, both reporting excellent progress. The devastating earthquake experienced in Chile in February had a minimal impact on the Carozzi business. The operations impacted by the earthquake were the rice mill, which required silo replacement and also Agrozzi which experienced significant fruit puree inventory damage. Both are subsequently fully operational. The 2009 sale of 50% of the Argentinean operations (CALA) to Molinos Del Plata, has settled down well, and the new increased distribution footprint and capabilities are expected to begin to bear fruit in the forthcoming year. Prospects for Empresas Carozzi remain positive for 2011.
30	HARMONY G M CO LTD	Harmony's gold mining operations are located in South Africa and Papua New Guinea (PNG). In South Africa these operations are found on the world- renowned Witwatersrand Basin and the Kraaipan Greenstone Belt. In PNG, Harmony's assets are in located in Morobe Province, a highly prospective gold mining region. Harmony produced 1 428 544 ounces of gold (44 433 kilograms)* in FY10 at an overall grade of 2.39g/t, generating revenue of R11.28 billion and an operating profit of R2.93 billion. Operating cash costs for the group as a whole were R195 162/kg (US$801/oz) to give an operating margin of 26%. The largest contributors to group production were the South African operations Tshepong (15%), Kusasalethu (12%), Virginia (12%) and Masimong (11%), which together accounted for half of total production.	Volumes milled increased marginally year-on-year by 1% to 899 000 tonnes and grades were maintained. Consequently, gold produced was also 1% up at 155 609 ounces. Maintaining grades on the B Reef proved challenging as mining moved out of the high-grade channels while those mined on the Basal Reef generally remained constant. Nevertheless grades were maintained overall for the year at 5.38g/t. Productivity levels improved to average 28.81t/TEC for the year. The infrastructural upgrade, which began in FY09 and included improved resource management and the installation of new tracks, locomotives and compressors, was completed in FY10. Masimong will reap the benefits of this upgrade by way of improved productivity, efficiencies and output in coming years.	The post-commissioning and performance improvement programme under way will enable Hidden Valley to achieve consistent full-scale mining and production levels in FY11 and to ultimately achieve increased annual plant capacity of 4.7 million tonnes. Capital requirements over the next three years will consist of the project services fleet replacement, which will be used for the construction of the tailings dam and waste dumps, which will be ongoing for the next few years and the de-bottlenecking of the mill. Estimated attributable gold production from Hidden Valley in FY11 is between 100 000 and 120 000**ounces. Attributable capital expenditure for project completion, development and sustaining capital is expected to be A$50 million (US$42.5 million)** in FY11.
31	ARCELORMITTAL SA LTD	We produce flat steel products at our Vanderbijlpark and Saldanha operations. Vanderbijlpark Works is the largest supplier of flat steel products in sub-Saharan Africa with an	Newcastle Works operated at 82% of capacity in 2010 compared with 87% in 2009. Cold blast furnace conditions affected output in December after very stable operating conditions during the	Economic recovery mainly in the ferroalloy industry contributed positively to the performance figures for the year under review. Revenue increased from R1 653 million in 2009 to R2 449 million in 2010, with net

		annual capacity of 4.4 million tonnes of liquid steel. This is cast into slabs and hot-rolled into heavy plates or coils. These are sold as hot-rolled strip or, through further processing, into cold-rolled and coated products such as tinplate and hot-dip galvanised, electro-galvanised and prepainted sheet. Vanderbijlpark Works meets more than three quarters of South Africa's flat steel product requirements. Saldanha Works, which produces thin-gauge and ultra-thin-gauge hot-rolled coil for domestic and select export markets, is one of only a few steel mills in the world to have a continuous production chain that does not require coke ovens and blast furnaces.	year. Coal and iron ore supply from Transnet Freight Rail was once again erratic due to industrial action and performance issues. Supply had to be supplemented with more expensive road freight deliveries .The downstream units continued their good performance from the previous year and improved production levels. Vereeniging Works operated at 73% of capacity compared with 55% in 2009. With Newcastle Works being the lower-cost producer, output at Vereeniging Works was cut back as far as possible to maximise low-cost production.	operating income increasing from R449 million in 2009 to R985 million in 2010.Market conditions for commercial coke were much improved from the depressed situation experienced in 2009, with both demand and prices increasing to reasonable levels. Availability of commercial coke for sale was unfortunately limited by the higher demand for metallurgical coke from our steel making operations. In 2010 Coke and Chemicals spent R29 million. The main focus of the capital expenditure programme was addressing safety, maintenance and environmental projects.
32	STEINHOFF INTERNTL HLDGS	Geographical diversity, mass-market positioning of retail activities, scale of manufacturing, sourcing and logistic operations are underpinned by our long-term strategy to produce and source furniture and related household goods in low-cost, developing environments, and to sell these in developed markets. Our business is structured to competitively supply and service intragroup (internal) and external customers. We are able to provide relevant quality products and services at competitive prices through our participation, influence, experience and knowledge of all elements of our supply chain ranging from raw materials to retail outlets across extensive product offerings. Management is aware of the risks associated with a vertically integrated strategy. Therefore, the businesses have been organised in decentralised independent complementary operational silos.	This segment includes the furniture and household goods manufacturing and sourcing operations in Europe and the Pacific Rim, and the African timber and raw material operations. The group listed in 1998 and, since then, has transformed from a pure manufacturing and sourcing business, to a diversified, vertically integrated business that includes raw material operations, logistics solutions and retail chains. This transformation enhanced the competitiveness of the manufacturing and sourcing division and also protects the businesses from risks on their inputs (such as raw material supply) and outputs (such as wholesale or retail demand). The strategic importance of this transformation was highlighted in the prevailing uncertain economic climate and was vindicated by the group's financial results.	Our treasury services department organises adequate funding to enable us to explore or realise strategic opportunities and developments while maintaining an acceptable capital structure and debt maturity profile. We decide whether and what type of funding to procure, manage and maintain funding resources based on feasibility reports regarding particular opportunities. Corporate responsibility is managed centrally by a steering group which provides strategic direction with input from the northern and southern hemisphere management teams. Accountability and responsibility for the implementation of all sustainability initiatives remain with the divisional management teams. Policies address social, environmental and economic impacts in line with generally accepted practices such as the JSE Sustainable Reporting Index requirements, of which index, Steinhoff International forms a part.
33	TRUWORTHS INTERNATIONAL	The Truworths emporium store concept offers customers seamless access to multiple fashion brands in a single location. Customers can shop the Truworths brands as well as other speciality brands within one store while each brand retains its unique identity. Emporium stores are located in central positions in malls and generally have three	Daniel Hechter has become known for offering timeless merchandise rather than following short-lived fashion hype, with the brand being ynonymous with high quality fabric, perfect styling and elegant craftsmanship. The brand has continued its growth trend, increasing sales by 10% and contributing 12% to Group retail sales,	Despite agency sales decreasing by 3% on the prior period, sales have grown by an annual compound rate of 10% over the past five years. Two new stores opened in the current period bringing the total number of stores to 19. YDE houses more than 90 local fashion designers with 43 ladies' clothing designers, 13 men's clothing designers and approximately 37

		to five entrances, with maximum shop frontage and window exposure showcasing the broad range of brands and merchandise. Stores are branded 'Truworths emporium' to highlight the fashion experience that customers can expect. Identity is young, funky and affordable forward fashion for men and women; the store for those who want to make a statement.	reflecting an annual compound growth rate of 21% over the past five years. This growth confirms that Daniel Hechter has established itself as an up-market, highly desired and niche brand. Daniel Hechter is predominantly located in the Truworths emporium stores but on occasion can be housed in a stand-alone store. Daniel Hechter now has 248 departments within emporium stores and is located in 4 stand-alone stores.	designers offering footwear, bags and accessories. Sales growth in the 2011 financial period will be driven by uptake of credit as well as YDE's planned refurbishment of some of its existing stores. These stores will have a fresh new look and updated operations while retaining the trading formula.
34	AFRICAN BANK INVESTMENTS	Staff has been the focus in 2010. The ABIL vision was shared with all our staff during high energy roadshows across the country, in which articipation and innovation were emphasised and a solution attitude was encouraged. As people experienced the vision and purpose of our business in a tangible way, a shift in culture was inevitable and we are beginning to see these subtle changes, creating efficiencies and innovation in the way we do things. Besides all the initiatives implemented as a result of the feedback from the roadshows, a new sales training programme was also introduced for our sales teams and considerable improvement in their skills and competence has been observed.	A compost heap to convert garden refuse into compost was built and a water purification system installed to utilise water from a stream that runs through the property. Sensor taps to reduce the amount of water required and energy efficient hand dryers to reduce paper consumption were also fitted. A new building management system to provide better control of power and water consumption was acquired. Existing, bulky furniture is being phased out and replaced with new generation furniture that will improve utilisation of floor space and will therefore delay the need to purchase or build another building. Plans for the new year include installing a power factor correction device in the substation and looking at more efficient ways to deal with waste products and to further improve recycling.	This initiative will be supported in the forthcoming months with the introduction of a more sophisticated merchandise planning system that will allow for planning and much higher levels of detail. This will assist in driving inventory levels down and inventory availability up. IT infrastructure is also in the process of being simplified with the roll-out of a server virtualisation strategy. Server virtualisation will not only reduce complexity and hence the costs of maintaining the infrastructure but will significantly reduce power consumption; estimates of carbon emission reduction from server virtualisation within the retail environment amount to 700 tons of carbon per annum.
35	MASSMART HOLDINGS LTD	The South African economy emerged from recession during Massmart's June 2010 financial year. Growth in national Gross Domestic Product (GDP) turned positive in the third quarter of the 2009 calendar year (being the first quarter of the 2010 financial year). The much-anticipated recovery in overall consumer spending was however, delayed and so only recorded positive growth in the first quarter of 2010 (the third quarter of the Group's 2010 financial year), after declining during the whole of the 2009 calendar year. This positive domestic economic news fl owed from the declining South African interest	Our strategy at Makro remains one of securing a greater share of our customers' discretionary spending. We do this by offering more exclusive deals and focusing on everyday low prices. By being 7% – 8% cheaper on a basket of goods and not limiting quantities, we are able to reduce the overall cost of a monthly shop for our customers, making sure customers see value in a bulk buy and that they keep coming back. Makro's new store in Vanderbijlpark represents another excellent growth opportunity as we will be able to access an entirely new customer base. Makro will also utilise the buying power of our commercial	A Shared Services team's relationship with the Divisions is one of a service provider that must strive for excellence and become the best among competitors. The Divisions are their customers and their reason for existing. Shared Services currently includes: Supplier Liaison and Administration; International Commerce; Employee Benefits and Shared Private Label management. The Supplier Liaison and Administration team achieves savings by negotiating supplier contracts at Group level. The International Commerce team handles the treasury and logistics aspects of importing products directly to be sold across our Divisions. The Shared Private Label

		rate environment and the gradual recovery of the global economy, albeit that the latter is still beset with much uncertainty.	clients.	team manages various brands that are private or exclusive to Massmart and shared across trading Divisions. These brands have achieved category penetration ranging from 7% to 84% across the Group.
36	CAPITAL SHOP CENTRES GRP PLC	CSC's focus is the top 50 UK shopping centre locations, which comprise around 50 million sq. ft. of which CSC owns 33 per cent*. Such centres are and will remain rare and change hands infrequently. Shopping centres in total represent only around 13 per cent of the UK's 1.3 billion sq. ft. of retail space, the top 50 centres representing only around 4 per cent. The highly regulated planning environment combined with the recent challenging economic environment for financing of new centres has contributed to a limited development pipeline. Controlling stakes change hands very rarely – CSC's acquisition of The Trafford Centre on 28 January 2011 was the first example for a decade of change in control of a top ten centre.	Net rental income has increased 4 per cent in total and 2 per cent like-for-like, following two years of intense letting activity. In 2010, CSC has achieved 181 long term lettings, increasing annual rent by £16 million and closing the gap between contracted rent and ERV from 23 per cent at 30 June 2010 to 18 per cent at 31 December 2010. CSC's other major objectives for 2010 were to progress the value-enhancing organic growth opportunities and to complete the initial letting of St David's, Cardiff. Significant progress has been made in enhancing CSC's centres through their active management as retail and leisure destinations. This is discussed in the Major centres section below.	The acquisition of The Trafford Centre, announced in November 2010 and completed on 28 January 2011, is a clear strategic fit for CSC and is in line with the demerger objectives. We anticipate significant operating benefits from combining the centre into CSC's existing focused portfolio, including strengthened retailer relationships and the addition of The Trafford Centre's successful leisure and catering offerings. In 2011 we will integrate the complementary skills and expertise of The Trafford Centre team and draw upon the combined talents to adopt more broadly the strongest features and best operational practices of individual centres to improve the performance of all of the enlarged Group's assets.
37	GROWTHPOINT PROP LTD	This year has emphasised the importance of our relationships with our clients (tenants) and our environment. Our clients are under enormous strain in their specific operating environments. Added to this, the high increase in electricity costs and municipal rates of the last 18 months has contributed to this pressure. As part of our objectives to grow property income, contain costs, protect our leases and unlock value, we are actively driving initiatives to provide individualised solutions for our clients, which meet these challenges head-on. Triggered by turbulent markets, an elevated number of client liquidations and business failures threatened to increase both our arrears and vacancies.	In a market where existing tenants are cautious at best, and new tenants are hard to come by, factors other than rental merit consideration in leasing negotiations. We have formulated leasing solutions which best meet our clients' business requirements and augmented our existing leasing team, where required, on a project specific basis, for new developments that were reflecting slow uptake. Our objective is to attract the best clients for a particular property and space, at optimal rental and escalation levels and for the most favourable lease period. Overcoming tough market conditions, we concluded new leases for 356 958m2 across our portfolio. The letting of new developments also increased satisfactorily.	Our industry as a whole is facing a dearth of appropriately skilled people. Relevant training and knowledge are required for staff development, in order to create a sustainable business which continues to achieve its strategies. Ongoing staff development will be continued so as to increase our operating effectiveness and efficiency, with a specific focus on accredited training and management development, as well as the up-skilling of building managers through the introduction of handyman training. It is our view that the challenges for the coming year will remain consistent with those that we experienced during FY2010. The new initiatives put in place to address market challenges and achieve company strategy are proving effective and will continue to be implemented and refined in FY2010.

38	MONDI PLC	Underlying operating profit increased by E33 million to E179 million with the integrated Syktyvkar mill continuing to generate strong results and the contribution from the Ruzˇomberok operation showing a marked improvement, benefiting from their pulp integration and improved pricing. The non-integrated mills, despite achieving price increases, could not entirely offset the higher pulp prices, leading to margin erosion. Benchmark uncoated fine paper (UFP) prices at 31 December 2010 increased by approximately 11% from 31 December 2009 levels. These price increases, coupled with good volume growth on the back of a recovery in demand enabled the business to increase revenue by 12% to E1,516 million.	Productivity in kraft paper increased by 12% during the year with production records set at all kraft paper facilities. A 12% improvement in productivity in the industrial bags business was also realised. The coatings and consumer packaging business recorded an improvement in its performance, mainly due to robust volume growth and efficiency enhancements. Price increases were realised but offset by increases in input costs, particularly plastics and other chemicals. The ROCE of the Bags & Coatings business of 11.8% compared to the ROCE of 7.5% in 2009 reflects the robust demand growth. Underlying operating profit doubled in the year to E64 million on the back of a strong recovery in selling prices, restructuring activities and a gain on revaluation of forestry assets, offset by currency headwinds and domestic cost inflation.	The business also incurred additional waste disposal costs. Significant price increases are required to restore the business to profitability. Price increases in excess of 20% have been negotiated on the annual contract business to take effect in the first quarter of 2011. The Mondi Shanduka Newsprint joint venture in South Africa suffered from slightly reduced demand and selling prices remained under pressure. The strength of the South African rand reduced returns from export sales and put pressure on domestic pricing. Increasing electricity prices, up 97% over the previous three years, with a further 65% expected over the next two years, are severely hampering the profitability of this business and an asset impairment was recognised in the year.

39	PIK N PAY STORES LTD	As indicated in October 2009, this financial year turned out to be exceptionally tough with the recessionary climate biting especially hard during the second six months. This year was really a tale of two halves where, in South Africa, earnings growth was affected by the rapid decline in food inflation (from August 2009 off the previous year's high base), continued investment in lower selling prices, escalating electricity costs, and further conservative provisions made against franchise debt. In Australia, the increase in interest rates, which started before the Christmas trading period, severely affected consumer spend. We foresee that the beginning of the 2011 financial year will continue to present a tough trading environment.	In the year ahead we plan to open a further 27 supermarkets under the Pick n Pay and Boxer brands and are working on opening substantially more new stores for the years thereafter. This commitment to investing in expanding our footprint shows the confidence we have in both the country, our strategy and operating model. Despite the economic conditions we saw a significant increase in the number of customer transactions during the year, demonstrating the resilience of the PnP and Boxer brands, and the tremendous support we receive from customers as we bring world-class retailing to all sectors of our community.	This was on the back of the most challenging retail environment in a decade, with successive interest rate rises negatively impacting on consumer Spending. The impact of the 3 year, AUD50 million store refurbishment programme continues to be positive with completed stores achieving double-digit sales growth and improved profitability. The programme saw 18 refurbishments this year and a further 8 are planned for the next financial year. Next year we also plan to open 4 new stores and further grow the franchise business. Franklins' Loyalty Club achieved substantial membership growth with cardholders now exceeding 780 000. The programme was recognised as offering customers better value than the programmes offered by other major supermarket groups.
40	REINET INVESTMENTS SCA	*	*	*

*Review of operations for 2009 was not available online.

APPENDIX E

No.	Security	Ticker	CFP1-09	CFP1-10	CFP2-09	CFP2-10	CFP3-09	CFP3-10	CLP1-09	CLP1-10	CLP2-09	CLP2-10	CLP3-09	CLP3-10
1	BHP BILLITON PLC	BIL	47.80	39.50	42.80	25.10	48.90	45.70	52.00	69.00	50.00	76.00	58.00	59.00
2	ANGLO AMERICAN PLC	AGL	33.90	37.40	20.30	42.00	39.50	43.60	64.00	64.00	64.00	59.00	70.00	61.00
3	SABMILLER PLC	SAB	41.60	24.40	49.00	35.70	35.40	29.20	57.00	80.00	57.00	66.00	69.00	67.00
4	MTN GROUP LTD	MTN	27.50	31.10	27.50	31.20	56.60	34.50	71.00	71.00	71.00	68.00	54.00	66.00
5	SASOL LTD	SOL	41.60	27.80	29.60	46.90	46.10	40.20	59.00	66.00	67.00	65.00	58.00	65.00
6	ANGLO PLATINUM LTD	AMS	61.40	57.20	41.60	29.60	56.40	39.10	51.00	51.00	53.00	63.00	55.00	63.00
7	STANDARD BANK GROUP LTD	SBK	7.30	50.40	28.50	16.00	30.00	44.00	92.00	64.00	66.00	75.00	66.00	59.00
8	COMPAGNIE FIN RICHEMONT	CFR	53.20	49.40	31.90	43.70	47.20	45.20	55.00	62.00	67.00	68.00	63.00	64.00
9	ANGLOGOLD ASHANTI LTD	ANG	44.20	54.40	29.50	16.10	45.60	48.90	62.00	56.00	67.00	70.00	57.00	61.00
10	NASPERS LTD -N-	NPN	59.60	38.50	46.20	35.70	61.40	54.50	54.00	64.00	62.00	60.00	49.00	52.00
11	IMPALA PLATINUM HLGS LD	IMP	36.00	37.40	52.20	41.70	58.80	34.90	69.00	66.00	62.00	65.00	50.00	64.00
12	FIRSTRAND LTD	FSR	47.90	21.10	27.70	32.80	33.00	53.80	63.00	84.00	74.00	68.00	75.00	59.00
13	ABSA GROUP LIMITED	ASA	23.90	28.20	29.70	27.70	46.40	30.80	74.00	63.00	65.00	71.00	49.00	65.00
14	VODACOM GROUP LIMITED	VOD	25.90	32.60	34.70	42.80	46.60	55.90	75.00	71.00	63.00	63.00	59.00	53.00
15	KUMBA IRON ORE LTD	KIO	36.30	20.70	52.10	28.50	40.10	33.70	66.00	70.00	54.00	66.00	55.00	65.00
16	OLD MUTUAL PLC	OML	52.00	39.50	38.40	33.90	39.50	36.10	54.00	62.00	65.00	70.00	67.00	68.00
17	GOLD FIELDS LTD	GFI	45.40	43.80	36.90	27.10	37.90	46.20	58.00	59.00	69.00	72.00	67.00	58.00
18	NEDBANK GROUP LTD	NED	31.80	20.20	27.30	40.50	45.80	44.90	73.00	74.00	70.00	66.00	64.00	58.00
19	SANLAM LTD	SLM	49.30	43.00	38.40	13.10	52.10	51.20	66.00	64.00	72.00	71.00	55.00	56.00
20	ARCELORMITTAL SA LTD	ACL	40.00	37.80	42.90	31.60	44.20	34.20	64.00	60.00	66.00	78.00	62.00	65.00
21	LONMIN P L C	LON	44.20	30.60	16.60	28.70	44.50	27.10	56.00	69.00	72.00	81.00	60.00	68.00
22	BIDVEST LTD ORD	BVT	38.00	44.90	64.60	40.60	41.20	52.10	61.00	55.00	52.00	62.00	57.00	57.00
23	INVESTEC PLC	INP	32.50	36.90	42.00	41.60	29.80	26.70	67.00	66.00	51.00	59.00	70.00	71.00
24	REMGRO LTD	REM	25.00	25.00	71.10	15.70	58.90	45.40	69.00	69.00	46.00	79.00	55.00	63.00
25	HARMONY G M CO LTD	HAR	46.90	33.70	24.70	66.60	62.40	44.20	60.00	70.00	74.00	54.00	50.00	65.00
26	RMB HOLDINGS LTD	RMH	31.70	21.30	44.60	51.10	58.90	41.30	68.00	76.00	67.00	63.00	52.00	65.00
27	SHOPRITE HLDGS LTD ORD	SHP	54.10	58.60	35.70	52.90	49.40	43.60	59.00	52.00	69.00	55.00	60.00	58.00
28	AFRICAN RAINBOW MINERALS	ARI	43.00	48.50	39.30	44.80	49.20	31.30	61.00	58.00	68.00	63.00	63.00	63.00
29	LIBERTY INTERNATIONL PLC	LBT	18.40	32.60	32.20	27.10	45.00	0.60	81.00	69.00	75.00	73.00	57.00	102.00
30	EXXARO RESOURCES LTD	EXX	33.00	23.90	31.60	5.50	46.40	31.10	70.00	72.00	63.00	77.00	59.00	72.00
31	TIGER BRANDS LTD ORD	TBS	28.10	25.90	23.90	23.00	21.20	53.00	70.00	68.00	67.00	66.00	73.00	57.00
32	STEINHOFF INTERNTL HLDGS	SHF	12.30	21.50	37.80	34.40	28.70	61.10	80.00	65.00	68.00	64.00	68.00	53.00
33	ASPEN PHARMACARE HLDGS.	APN	31.60	42.70	37.10	33.90	40.60	48.60	64.00	62.00	65.00	58.00	62.00	53.00
34	AFRICAN BANK INVESTMENTS	ABL	23.80	51.90	37.60	41.00	31.40	45.30	72.00	66.00	62.00	64.00	70.00	65.00
35	REINET INVESTMENTS SCA	REI	*	61.10	*	33.80	*	38.30	*	*	*	66.00	*	66.00
36	PIK N PAY STORES LTD[+]	PIK	41.70	26.40	25.30	24.60	41.60	58.10	64.00	68.00	66.00	64.00	60.00	53.00
37	TELKOM SA LTD	TKG	30.90	¥	25.50	¥	41.10	¥	68.00	¥	70.00	¥	62.00	¥
38	GROWTHPOINT PROP LTD	GRT	43.40	22.10	42.80	16.70	25.50	14.20	68.00	69.00	61.00	79.00	67.00	77.00
39	LIBERTY HOLDINGS LTD ORD	LBH	25.90	¥	41.10	¥	50.30	¥	72.00	¥	55.00	¥	55.00	¥
40	PRETORIA PORT CEMNT	PPC	31.20	¥	23.40	¥	32.90	¥	71.00	¥	69.00	¥	69.00	¥

No.	Security	Ticker	RFP1-09	RFP1-10	RFP2-09	RFP2-10	RFP3-09	RFP3-10	RLP1-09	RLP1-10	RLP2-09	RLP2-10	RLP3-09	RLP3-10
1	BHP BILLITON PLC	BIL	33.70	36.30	24.10	1.60	23.70	32.30	69.00	67.00	71.00	91.00	62.00	65.00
2	ANGLO AMERICAN PLC	AGL	16.10	47.60	31.70	18.60	29.40	34.50	75.00	65.00	66.00	68.00	76.00	67.00
3	SABMILLER PLC	SAB	4.30	26.70	23.80	38.40	-20.40	37.50	76.00	74.00	76.00	60.00	111.00	69.00
4	MTN GROUP LTD	MTN	28.20	34.70	17.70	35.40	30.40	53.90	71.00	66.00	69.00	70.00	77.00	54.00
5	SASOL LTD	SOL	29.60	49.90	50.10	48.20	33.20	32.20	68.00	55.00	57.00	58.00	73.00	64.00
6	ANGLO PLATINUM LTD	AMS	33.60	55.80	34.20	49.70	18.80	61.20	67.00	64.00	63.00	57.00	72.00	57.00
7	STANDARD BANK GROUP LTD	SBK	26.30	18.10	6.90	21.00	8.00	19.90	76.00	82.00	86.00	79.00	77.00	63.00
8	COMPAGNIE FIN RICHEMONT	CFR	30.50	27.30	35.90	49.50	33.40	42.10	77.00	66.00	65.00	55.00	68.00	64.00
9	ANGLOGOLD ASHANTI LTD	ANG	31.60	52.80	52.90	43.40	13.90	36.00	64.00	61.00	55.00	56.00	73.00	65.00
10	NASPERS LTD -N-	NPN	35.90	23.90	32.40	45.10	25.40	38.70	73.00	72.00	72.00	60.00	70.00	63.00
11	IMPALA PLATINUM HLGS LD	IMP	34.70	40.60	42.60	25.40	25.40	31.40	63.00	66.00	68.00	66.00	79.00	72.00
12	FIRSTRAND LTD	FSR	39.20	23.50	27.10	25.00	44.60	20.50	61.00	72.00	70.00	71.00	62.00	79.00
13	ABSA GROUP LIMITED	ASA	34.50	38.30	18.80	39.70	18.20	10.70	71.00	59.00	73.00	63.00	82.00	81.00
14	VODACOM GROUP LIMITED	VOD	63.20	53.50	43.90	44.60	9.40	30.10	54.00	59.00	64.00	55.00	81.00	62.00
15	KUMBA IRON ORE LTD	KIO	69.80	24.20	68.10	43.20	49.30	39.70	51.00	73.00	47.00	59.00	55.00	59.00
16	OLD MUTUAL PLC	OML	45.20	25.50	31.00	37.90	38.20	-23.80	71.00	74.00	63.00	69.00	69.00	118.00
17	GOLD FIELDS LTD	GFI	29.60	59.20	4.00	49.80	45.20	33.50	70.00	56.00	82.00	60.00	62.00	70.00
18	NEDBANK GROUP LTD	NED	22.20	-1.50	30.30	19.50	-10.00	0.80	78.00	80.00	74.00	81.00	97.00	83.00
19	SANLAM LTD	SLM	25.40	2.70	14.80	14.80	45.60	41.40	81.00	94.00	90.00	90.00	60.00	60.00
20	ARCELORMITTAL SA LTD	ACL	53.80	58.10	49.00	41.80	51.00	30.70	58.00	59.00	60.00	57.00	53.00	63.00
21	LONMIN P L C	LON	27.30	37.60	41.70	59.00	47.00	42.40	80.00	67.00	67.00	53.00	63.00	58.00
22	BIDVEST LTD ORD	BVT	29.80	37.30	44.90	50.20	36.10	39.50	70.00	63.00	57.00	57.00	63.00	70.00
23	INVESTEC PLC	INP	26.70	31.30	60.70	8.00	26.70	4.70	77.00	73.00	51.00	80.00	70.00	87.00
24	REMGRO LTD	REM	36.30	36.50	55.80	38.10	48.80	31.30	67.00	70.00	65.00	65.00	63.00	73.00
25	HARMONY G M CO LTD	HAR	44.80	49.30	35.30	56.50	37.70	39.20	69.00	58.00	60.00	57.00	76.00	63.00
26	RMB HOLDINGS LTD	RMH	17.90	11.00	5.00	42.40	45.10	32.60	83.00	83.00	84.00	62.00	62.00	67.00
27	SHOPRITE HLDGS LTD ORD	SHP	50.10	43.20	32.00	41.60	14.50	43.70	57.00	62.00	74.00	58.00	76.00	62.00
28	AFRICAN RAINBOW MINERALS	ARI	32.20	26.20	49.20	42.00	27.10	51.00	68.00	72.00	57.00	70.00	68.00	58.00
29	LIBERTY INTERNATIONL PLC	LBT	57.80	57.50	24.30	50.60	50.10	16.50	53.00	52.00	72.00	60.00	55.00	82.00
30	EXXARO RESOURCES LTD	EXX	26.50	17.40	44.20	16.10	46.10	9.60	70.00	82.00	61.00	75.00	60.00	70.00
31	TIGER BRANDS LTD ORD	TBS	33.30	31.00	34.20	14.90	25.20	29.50	71.00	74.00	70.00	86.00	67.00	63.00
32	STEINHOFF INTERNTL HLDGS	SHF	4.90	6.40	37.80	12.90	1.30	-1.40	85.00	81.00	68.00	77.00	77.00	81.00
33	ASPEN PHARMACARE HLDGS.	APN	25.30	35.50	19.80	38.60	28.70	16.70	65.00	71.00	75.00	66.00	70.00	69.00
34	AFRICAN BANK INVESTMENTS	ABL	33.40	41.70	49.40	39.40	59.40	16.70	69.00	65.00	60.00	68.00	63.00	72.00
35	REINET INVESTMENTS SCA	REI	*	*	*	*	*	*	*	*	*	*	*	*
36	PIK N PAY STORES LTD[+]	PIK	48.40	28.90	43.60	32.20	53.80	40.30	60.00	79.00	58.00	70.00	57.00	62.00
37	TELKOM SA LTD	TKG	18.10	¥	61.80	¥	20.50	¥	62.00	¥	59.00	¥	81.00	¥
38	GROWTHPOINT PROP LTD	GRT	56.20	36.50	73.00	30.30	26.30	32.60	55.00	68.00	42.00	67.00	70.00	70.00
39	LIBERTY HOLDINGS LTD ORD	LBH	28.80	¥	43.10	¥	11.60	¥	63.00	¥	60.00	¥	76.00	¥
40	PRETORIA PORT CEMNT	PPC	29.60	¥	39.40	¥	38.80	¥	74.00	¥	68.00	¥	60.00	¥

No.	Security	Ticker	E/P-09	E/P-10	MCAP-09	MCAP-10	EP09LEVEL	EP10LEVEL	MCAP09LEVEL	MCAP10LEVEL
1	BHP BILLITON PLC	BIL	8.51%	14.98%	509,967,373,141	559,319,774,129	HIGH	HIGH	HIGH	HIGH
2	ANGLO AMERICAN PLC	AGL	4.18%	10.36%	428,388,372,302	416,288,750,877	LOW	HIGH	HIGH	HIGH
3	SABMILLER PLC	SAB	3.91%	3.40%	266,857,955,285	370,207,568,025	LOW	LOW	HIGH	HIGH
4	MTN GROUP LTD	MTN	6.67%	6.38%	219,798,402,476	224,053,758,753	MEDIUM	MEDIUM	HIGH	HIGH
5	SASOL LTD	SOL	7.37%	7.94%	185,177,577,013	200,778,851,555	MEDIUM	MEDIUM	HIGH	HIGH
6	ANGLO PLATINUM LTD	AMS	1.66%	5.73%	72,548,567,018	173,797,355,592	LOW	MEDIUM	MEDIUM	HIGH
7	STANDARD BANK GROUP LTD	SBK	7.78%	6.91%	148,933,496,999	161,486,434,501	MEDIUM	MEDIUM	HIGH	HIGH
8	COMPAGNIE FIN RICHEMONT	CFR	9.15%	2.61%	124,758,000,000	202,066,200,000	HIGH	LOW	HIGH	HIGH
9	ANGLOGOLD ASHANTI LTD	ANG	-2.41%	0.54%	114,762,324,714	118,928,734,977	LOW	LOW	HIGH	MEDIUM
10	NASPERS LTD -N-	NPN	5.15%	2.28%	111,841,732,764	142,771,531,494	LOW	LOW	HIGH	HIGH
11	IMPALA PLATINUM HLGS LD	IMP	5.56%	3.69%	108,356,941,722	127,706,620,922	MEDIUM	LOW	HIGH	HIGH
12	FIRSTRAND LTD	FSR	7.14%	8.70%	73,130,743,493	112,552,017,428	MEDIUM	MEDIUM	MEDIUM	MEDIUM
13	ABSA GROUP LIMITED	ASA	7.47%	8.76%	45,785,890,241	92,649,095,547	MEDIUM	HIGH	MEDIUM	MEDIUM
14	VODACOM GROUP LIMITED	VOD	7.18%	4.24%	25,444,013,400	98,948,941,000	MEDIUM	LOW	LOW	MEDIUM
15	KUMBA IRON ORE LTD	KIO	8.66%	11.25%	24,223,380,124	127,300,911,681	HIGH	HIGH	LOW	MEDIUM
16	OLD MUTUAL PLC	OML	5.25%	-4.96%	77,204,025,973	75,756,425,112	MEDIUM	LOW	HIGH	MEDIUM
17	GOLD FIELDS LTD	GFI	2.02%	1.40%	76,128,124,449	81,452,163,495	LOW	LOW	MEDIUM	MEDIUM
18	NEDBANK GROUP LTD	NED	8.63%	7.55%	27,968,503,101	63,761,146,140	HIGH	MEDIUM	MEDIUM	MEDIUM
19	SANLAM LTD	SLM	9.17%	10.13%	47,844,000,000	54,516,000,000	HIGH	HIGH	MEDIUM	MEDIUM
20	ARCELORMITTAL SA LTD	ACL	-1.04%	4.02%	22,889,371,978	33,453,697,507	LOW	LOW	LOW	LOW
21	LONMIN P L C	LON	5.04%	1.95%	6,264,205,891	37,858,180,105	LOW	LOW	LOW	LOW
22	BIDVEST LTD ORD	BVT	6.77%	6.33%	41,413,133,636	52,808,830,441	MEDIUM	MEDIUM	MEDIUM	MEDIUM
23	INVESTEC PLC	INP	13.89%	15.57%	25,055,793,436	29,618,786,761	HIGH	HIGH	LOW	LOW
24	REMGRO LTD	REM	119.21%	6.14%	38,023,788,057	49,876,297,378	HIGH	MEDIUM	MEDIUM	MEDIUM
25	HARMONY G M CO LTD	HAR	0.89%	-0.57%	34,858,122,346	33,561,570,234	LOW	LOW	MEDIUM	LOW
26	RMB HOLDINGS LTD	RMH	7.34%	8.45%	33,855,120,768	42,693,725,511	MEDIUM	MEDIUM	MEDIUM	MEDIUM
27	SHOPRITE HLDGS LTD ORD	SHP	5.93%	4.32%	33,673,987,342	52,440,333,095	MEDIUM	LOW	MEDIUM	MEDIUM
28	AFRICAN RAINBOW MINERALS	ARI	8.55%	4.60%	33,530,404,264	39,390,311,919	HIGH	MEDIUM	MEDIUM	LOW
29	LIBERTY INTERNATIONL PLC	LBT	0.00%	24.93%	32,674,780,583	27,343,473,072	LOW	HIGH	MEDIUM	LOW
30	EXXARO RESOURCES LTD	EXX	3.17%	11.65%	32,289,353,460	44,708,335,560	LOW	HIGH	MEDIUM	MEDIUM
31	TIGER BRANDS LTD ORD	TBS	8.10%	6.23%	30,679,214,059	35,204,099,069	MEDIUM	MEDIUM	MEDIUM	LOW
32	STEINHOFF INTERNTL HLDGS	SHF	12.63%	10.68%	26,749,747,571	33,140,845,321	HIGH	HIGH	LOW	LOW
33	ASPEN PHARMACARE HLDGS.	APN	5.47%	4.96%	24,503,103,952	40,125,008,472	MEDIUM	MEDIUM	LOW	LOW
34	AFRICAN BANK INVESTMENTS	ABL	7.99%	6.87%	23,224,579,776	28,250,674,776	MEDIUM	MEDIUM	LOW	LOW
35	REINET INVESTMENTS SCA	REI	41.02%	27.32%	22,043,394,675	22,298,118,347	HIGH	HIGH	LOW	LOW
36	PIK N PAY STORES LTD[+]	PIK	5.21%	5.26%	20,245,355,280	22,588,282,033	LOW	MEDIUM	LOW	LOW
37	TELKOM SA LTD	TKG	22.54%	¥	19,601,520,977	¥	HIGH	HIGH	LOW	HIGH
38	GROWTHPOINT PROP LTD	GRT	-0.35%	0.14%	19,571,271,340	27,081,633,670	LOW	LOW	LOW	LOW
39	LIBERTY HOLDINGS LTD ORD	LBH	0.23%	¥	19,103,950,037	¥	LOW	HIGH	LOW	HIGH
40	PRETORIA PORT CEMNT	PPC	5.63%	¥	18,183,004,939	¥	MEDIUM	HIGH	LOW	HIGH

*Report not available online

¥Relegated to FTSE/JSE Mid Capitalisation index in 2010