

Reunert Interim Results

6 months ended 31 March 2009

Item	2009		2008		%	2008
	R million	(Unaudited)	R million	(Unaudited)		
Earnings before interest, tax, depreciation and amortisation, other income and expenses	1	148,4	179,1	89,8	(10)	1 487,2
Other income	1	177,4	768,9	39,9	16	86,4
Earnings before interest, tax, depreciation and amortisation (EBITDA)	2	121,3	220,0	49	0,7	1 573,6
Depreciation and amortisation	3	51,4	30,4	1,5	49	80,9
Operating profit	4	182,9	741,1	140,4	16,1	1 654,5
Net interest and dividend income	5	419,4	529,0	210	1 163,7	—
Abnormal items	6	—	13,6	—	—	—
Profit before taxation	7	419,4	529,0	210	1 163,7	—
Profit after taxation	8	2,8	2,7	4	7,1	—
Share of associate companies' profits	9	434,6	526,3	210	1 156,4	—
Profit for the period	10	419,4	529,0	210	693,1	—
Profit for the period attributable to minority interests	11	223,4	266,2	210	466,9	—
Equity holders of Reunert Limited	12	196,0	262,8	210	226,2	—

Item	2009		2008		2008
	R million	(Unaudited)	R million	(Unaudited)	
Non-current assets	13	407,6	590,9	591,5	—
Property, plant and equipment and intangible assets	14	436,5	291,9	415,3	—
Goodwill	15	844,5	1 482,5	845,3	—
Investments and loans	16	1 252,3	—	1 274,8	—
Receivables	17	22,9	36,0	32,9	—
Receivables	18	3 145,9	2 411,3	3 178,7	—

Item	2009		2008		2008
	R million	(Unaudited)	R million	(Unaudited)	
EBITDA	19	577,4	748,5	1 439,2	—
Decrease/(increase) in net working capital	20	480,4	292,0	227,2	—
Decrease/(increase) in net working capital (excluding RCF)*	21	1 068,2	474,5	1 331,5	—
Decrease/(increase) in RCF accounts receivable while a consolidated subsidiary	22	51,4	30,4	147,2	—
Decrease/(increase) in RCF accounts receivable while a consolidated subsidiary	23	136,4	129,3	109,9	—
Cash generated from operations	24	8,4	6,1	19,4	—
Net interest and dividend income (excluding associates)	25	347,4	148,0	518,3	—
Taxation paid	26	136,4	129,3	109,9	—
Dividends paid (including to minority)	27	11,0	28,4	288,3	—
Other tax	28	—	—	—	—
Net cash flows from operating activities	29	332,0	188,2	625,0	—
Net cash flows from investing activities*	30	220,0	482,2	482,2	—
Net cash flows from financing activities*	31	26,5	294,1	294,1	—
Increase/(decrease) in net cash resources	32	941,4	294,1	794,4	—
Net cash resources/cash resources at the beginning of the period	33	—	—	112,7	—
Net cash resources/cash resources at the end of the period	34	941,4	294,1	794,4	—
Cash and cash equivalents	35	871,9	—	1 862,4	—
Bank overdrafts	36	98,5	—	82,0	—
Bank overdrafts	37	—	—	1 144,8	—

The era of the balance sheet has arrived

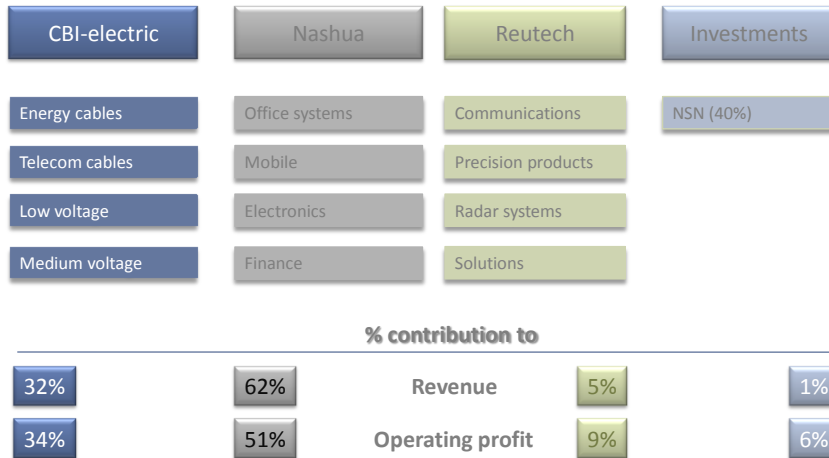
Salient features

- Revenue **+1% to R5,1 billion**
- Operating profit down **27% to R531 million**
- EBITDA as % of revenue dropped to **11,3%** from 15,1%
- Cash position **R962 million** at 31 March 09
- Interest and dividend income up **69%**
- Normalised HEPS down **16% to 232,2 cents/share**
- Tax rate **28%** (HY08: 33%)
- Interim dividend **65 cents/share** (HY08: 78 cents/share)

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Group Structure

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Impact of global economic crisis

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- Commodity prices collapsed
- Exchange rate fluctuations
- Local market shrunk
 - Volume declines
 - Slow down of economic activities

Our view

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- Not economists or philosophers
- Deal in reality
- Since beginning 2009 business deteriorated on a monthly basis
- Volumes are on a decline
- Recent rand strength
- Bad debts are a growing issue

Copper price

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Copper in US\$/ton

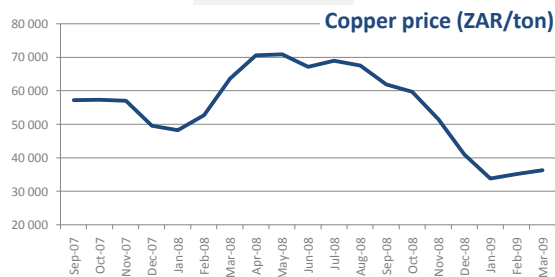
Prior Year	\$	% Change	\$	
Aug-07	7 514	2%	7 635	Aug-08
Sep-07	7 649	(9%)	6 991	Sep-08
Oct-07	8 008	(38%)	4 926	Oct-08
Nov-07	6 967	(47%)	3 717	Nov-08
Dec-07	6 588	(53%)	3 072	Dec-08
Jan-08	7 061	(54%)	3 225	Jan-09
Feb-08	7 888	(58%)	3 310	Feb-09
Mar-08	8 439	(56%)	3 750	Mar-09

8 May 09 \$4795

Copper in ZAR/ton

Prior Year	R	% Change	R	
Aug-07	54 346	8%	58 553	Aug-08
Sep-07	54 459	3%	56 310	Sep-08
Oct-07	54 200	(11%)	48 106	Oct-08
Nov-07	46 794	(20%)	37 610	Nov-08
Dec-07	45 037	(32%)	30 644	Dec-08
Jan-08	49 493	(35%)	31 965	Jan-09
Feb-08	60 415	(45%)	33 122	Feb-09
Mar-08	67 383	(45%)	37 310	Mar-09

8 May 09 R40 757



Exchange rate

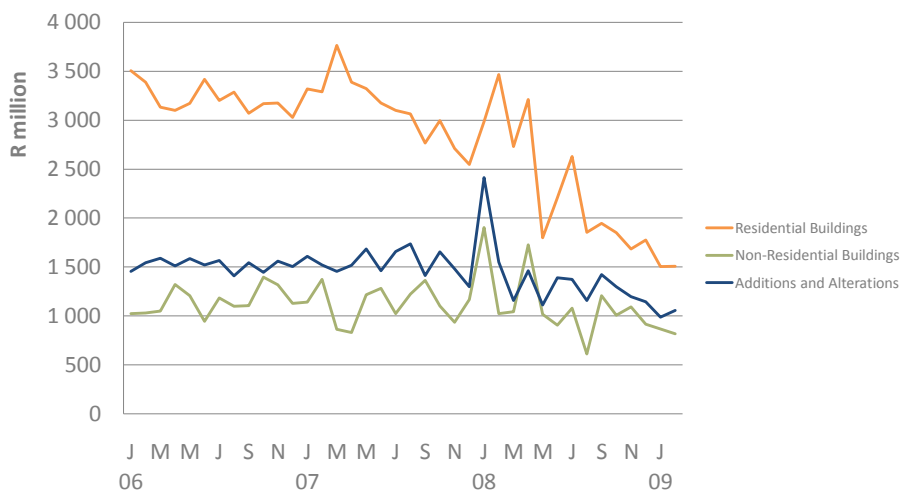
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	Rand/US\$			Rand/Euro			Yen/Rand		
	01-Oct-07	01-Oct-08		01-Oct-07	01-Oct-08		01-Oct-07	01-Oct-08	
	31-Mar-08	01-Mar-09		31-Mar-08	01-Mar-09		31-Mar-08	01-Mar-09	
Low	7.17	8.23	15%	9.30	11.50	24%	11.97	8.33	30%
High	8.24	11.85	44%	13.09	15.22	16%	17.62	12.81	27%
Av	7.17	9.96	39%	10.56	13.07	24%	15.17	9.50	37%
	15%	44%		41%	32%		47%	54%	

Building plans passed

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Seasonally adjusted and at constant 2005 prices



Decline in volumes

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Business unit		% Decrease
CBI-electric		
Low-voltage products	Number of poles produced	(43%)
Energy cables	Cable tons	(20%)
Nashua		
Office automation	Unit sales	(34%)
Mobile	Total connections	(3%)

Our response

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- Finance company is top priority
 - End 2008 a decision was made to reduce exposure
 - Strict credit criteria
 - Book is reducing by R30 million/month
 - Increased the spread by at least 3% to reflect higher risk
- Minimise working capital
- Exited consumer electronics

CBI-electric

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- Reduced receivables and stock
- Result more cash freed up
- Maintaining investment programme
- Positioning for growth

Nashua Mobile

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- Imposed call limits
- Stringent vetting criteria lead to lower bad debts
- Slower growth in customers

Nashua Mobile

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	2009	2008	% Change
Contract connections for year	60 857	60 543	0.5
3G/HSDPA connections	11 782	13 962	(16)
Total connections	72 639	74 505	(3)
Closing company base *	683 580	671 579	2
ARPU	499	456	9
Churn % **	14	12	15
Net bad debts % Turnover	1	1	(6)
Number of Retail Outlets	148	147	1

Note:

* The final batch of onbillers were deactivated in the period

** Churn includes bad debt deactivation but not onbillers

Nashua Electronics

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- End 2008 decided to exit consumer electronics
 - From 1 April 2009 directly distributed by Panasonic Japan
 - Reunert will continue as sole representative of all business system products
- Freed up working capital

Reutech

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- Revenue flat in HY09 with operating profit down 23% to R50 million
 - Period of preparation
 - Deliveries commenced late in 2nd quarter
- Exchange rate locked in at R10,60 for remainder of FY09
- Expect to perform well ahead of FY08

Balance Sheet as at 31 March

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	2009 Rm	2008 Rm
EMPLOYMENT OF CAPITAL		
Fixed Assets	608	600
Goodwill	416	292
Investments	867	1 483
Finco Accounts Receivable	1 871	0
Current Assets	2 398	2 913
Stock	799	962
Accounts Receivable	1 284	1 476
Other Debit Balances	315	475
Gross Assets	6 158	5 287
Net Current Liabilities	(1 621)	(1 823)
Net operating Assets	4 537	3 464
CAPITAL EMPLOYED		
Shareholders' Funds	(3 693)	(3 142)
Deferred Tax	(160)	(119)
Long-term borrowings	(11)	(334)
Net Finco borrowings	(1 635)	0
Net cash	962	130
	(4 537)	(3 464)

Summarised Cash Flow Statement

for the months ended 31 March

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R Millions

(excl movements relating to finco)

	2009	2008
EBITDA	578	769
Dividend and interest income	52	31
	630	800
Decrease/(Increase) in inventory	181	(65)
Decrease/(Increase) in accounts receivable	332	(211)
(Decrease)/Increase in accounts payable	(180)	3
Taxation paid	(317)	(231)
Dividend paid	(434)	(430)
Capital expenditure	(38)	(66)
Net cash flow before net corporate activity & other	174	(200)
Net corporate activity and other	6	11
Increase/(decrease) in net cash resources	180	(189)

Income statement

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R Millions	2009 Rm	2008 Rm	Change %
Revenue	5 119	5 085	1
EBITDA	578	769	(25)
Depreciation	(46)	(40)	(16)
Operating Profit	531	729	(27)
Interest & Dividends	52	31	69
Profit before abnormal items	583	760	(23)
Abnormal items	0	1	
Profit before taxation	583	761	(23)
Taxation	(164)	(248)	34
Profit after taxation	419	513	(18)
Associates	0	16	(100)
Minorities	(3)	(3)	(4)
Headline earnings	417	526	(21)
HEPS (cents)	234	296	(21)
Normalised HEPS (cents)	232	278	(16)
EBITDA %	11	15	(25)
Tax rate %	28	33	14
No. of Shares (million)	179	178	

Segmental analysis

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	2009 R million	2008 R million	% change
Revenue			
CBI-electric	1 611	1 750	(8)
Nashua	3 168	3 126	1
NSN	59	—	
Reutech	281	282	0
Total operations	5 119	5 158	(1)
Less: Reunert's attributable portion of associate companies' revenue	—	(73)	
Revenue as reported	5 119	5 085	1
Operating profit			
CBI-electric	179	289	(38)
Nashua	269	310	(13)
NSN*	33	86	(61)
Reutech	50	65	(23)
Total operations	531	751	(29)
Less: Reunert's attributable portion of associate companies' net operating profit	—	(22)	
Operating profit as reported	531	729	(27)

*Operating profit of NSN represents commission income and dividends in lieu of commission income. On a comparative basis the 2009 operating profit amounts to R64,6 million.

Future

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- Positioning companies for any upturn in economy
- Maintaining investment programmes
- Investigating acquisition opportunities
- Maximising our cash resources
 - (which are 100% accessible)

Prospects

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- It is unlikely that the South African economy will turn positive in the short term. Recovery in South Africa will depend on a global recovery.
- Previously we indicated that we were hopeful of achieving a result similar to that of the past financial year. The severity of the downturn will cause this to be challenging.

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