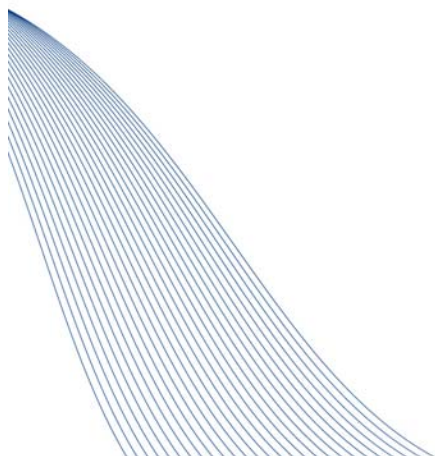


Reunert Investors Presentation

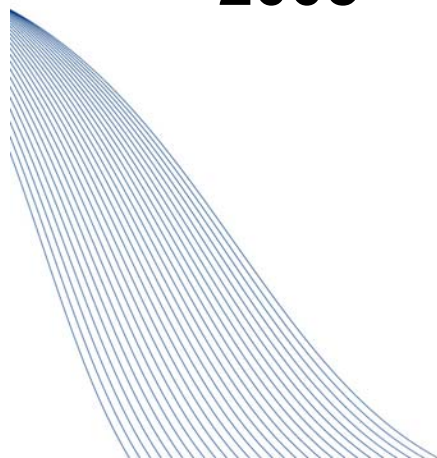
FY2005

15 November 2005



Reunert's financial performance

	ROE	$\frac{\text{Headline Earnings}}{\text{TURNOVER}} \times$	$\frac{\text{TURNOVER}}{\text{ASSETS}} \times$	$\frac{\text{ASSETS}}{\text{EQUITY}}$
2004	49%	$\frac{527}{6\,247}$ 8.44%	$\frac{6\,247}{3\,088}$ 2.02	$\frac{3\,088}{1\,070}$ 2.89
2005	58%	$\frac{704}{7\,037}$ 10.00%	$\frac{7\,037}{4\,057}$ 1.73	$\frac{4\,057}{1\,217}$ 3.33



Salient features

- **Market capitalisation** **R9,2 billion** (14 Nov 05)
- **HEPS** **+ 46%**
= 34%+12% share buyback
- **Revenue** **+ 13%**
- **Operating Profit** **+ 20%**
- **EBITDA** **13,7% (FY04: 13%)**
- **Dividend** **+ 39%**
52c + 170c = 222 cents per share
- **Exchange rate** **6% stronger**
R/\$ Average 6.26 (FY04: 6.64)

Group Income Statement

For year ended 30 September

	2005	2004	%
	R million	R million	change
Revenue	7 037	6 247	13
EBITDA	962	812	18
Depreciation	56	58	(3)
Operating profit before goodwill amortisation	906	754	20
Net interest and dividend income	50	65	(23)
Profit before taxation	956	819	17
Taxation	319	309	3
Profit after taxation	637	510	25
Associates	79	67	19
Minorities	(11)	(51)	(78)
Other	(1)	1	
Headline earnings	704	527	34
Headline earnings per share (cents)	406.0	277.5	46
Diluted headline earnings per share (cents)	401.2	274.0	46
Total dividends (cents)	222.0	160.0	39
Tax rate (%)	33.4	37.6	

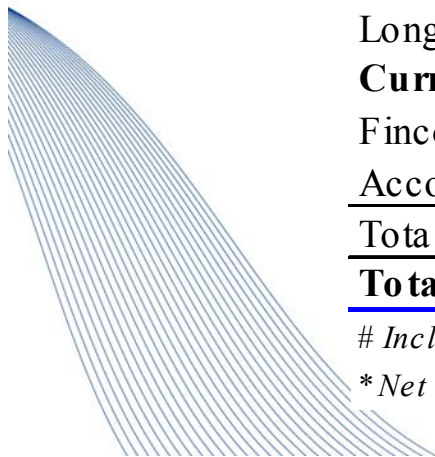
REUNERT

REUNERT LIMITED

Group balance sheet	2005	2004
As at 30 September 2005	R million	R million
Non-current assets		
Property, plant and equipment	192	196
Goodwill	329	325
Investments & loans	116	110
Finco accounts receivable #	1 028	529
Deferred taxation assets	43	56
	1 708	1 216
Current assets		
Inventory & contracts in progress	560	492
Accounts receivable and derivative assets	1 005	929
Cash and cash equivalents (net) *	764	281
Total assets	4 037	2 917
Shareholders' funds	1 496	1 023
Non-current liabilities		
Deferred taxation liabilities	52	44
Long-term borrowings	111	00
Current liabilities		
Finco borrowings	867	314
Accounts payable, derivative liabilities, provisions & tax	1 511	1 536
Total current liabilities	2 378	1 850
Total equity and liabilities	4 037	2 917

Includes short-term portion

* Net of overdrafts & short-term portion of long-term borrowings



Group Cash Flow Information

for year ended 30 September 2005

	2005	2004
	Rm	Rm
EBITDA	961.8	811.9
Changes in working capital	(101.0)	113.0
Cash generated from operations	860.8	924.9
Interest and dividends received	119.4	65.1
Taxation paid	(364.9)	(313.5)
Dividends paid & sharebuyback	(307.1)	(744.7)
Acquisition of assets, businesses & investments & other	10.7	(237.2)
Long-term liabilities raised	130.0	
Net cash generated/(utilised) (before Finco receivables)	448.9	(305.4)
(Increase)/decrease in Finco receivables	(499.7)	691.5
Net cash (utilised)/generated	(50.8)	386.1

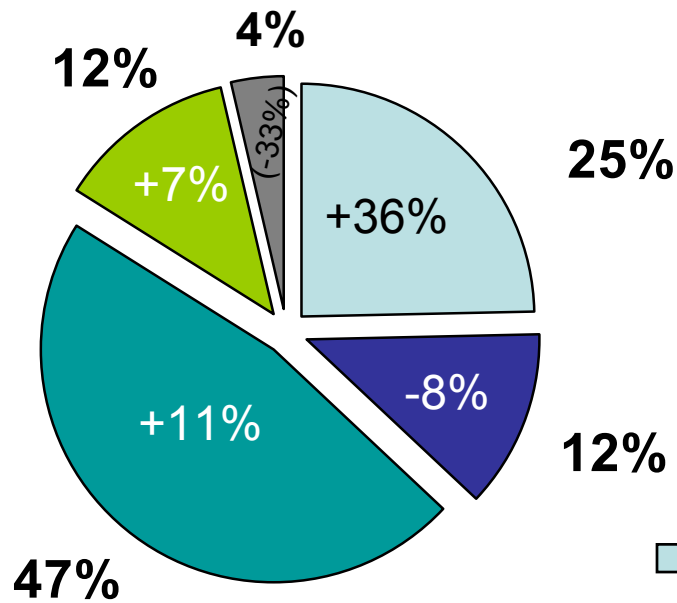
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REUNERT LIMITED

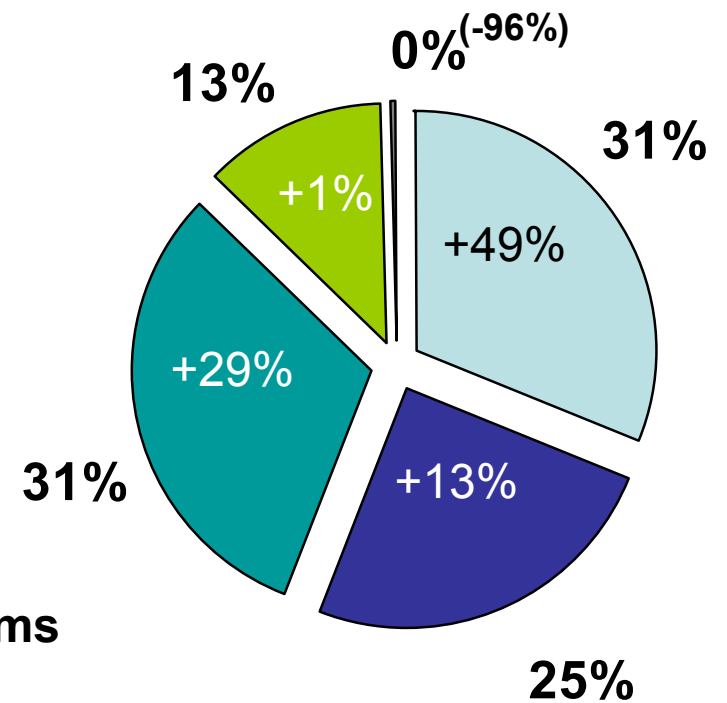
Segmental analysis

% contribution and % change

Revenue



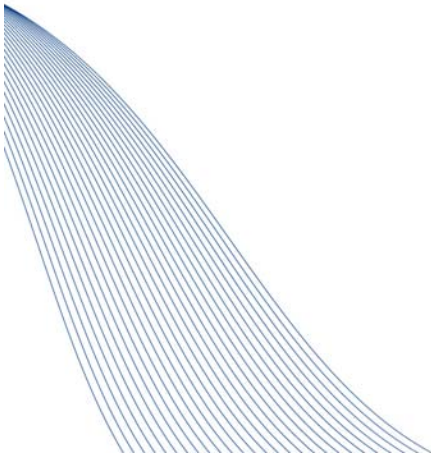
Operating profit



- Electrical
- Office systems
- Consumer
- Telecoms
- Reutech

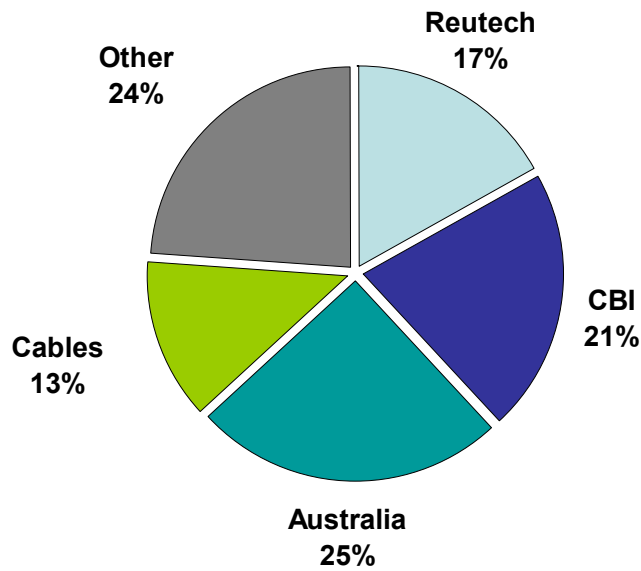
Major Capex Spent and Committed

- **CBI**
 - R25 million
- **Nashua Mobile**
 - R11 million
- **African Cables**
 - R38 million

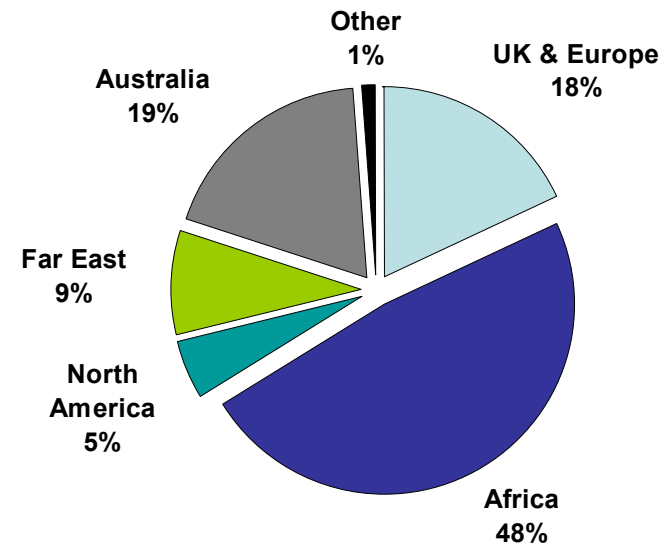


Foreign sales

- R415 million
- 5% of total turnover



Contribution by division

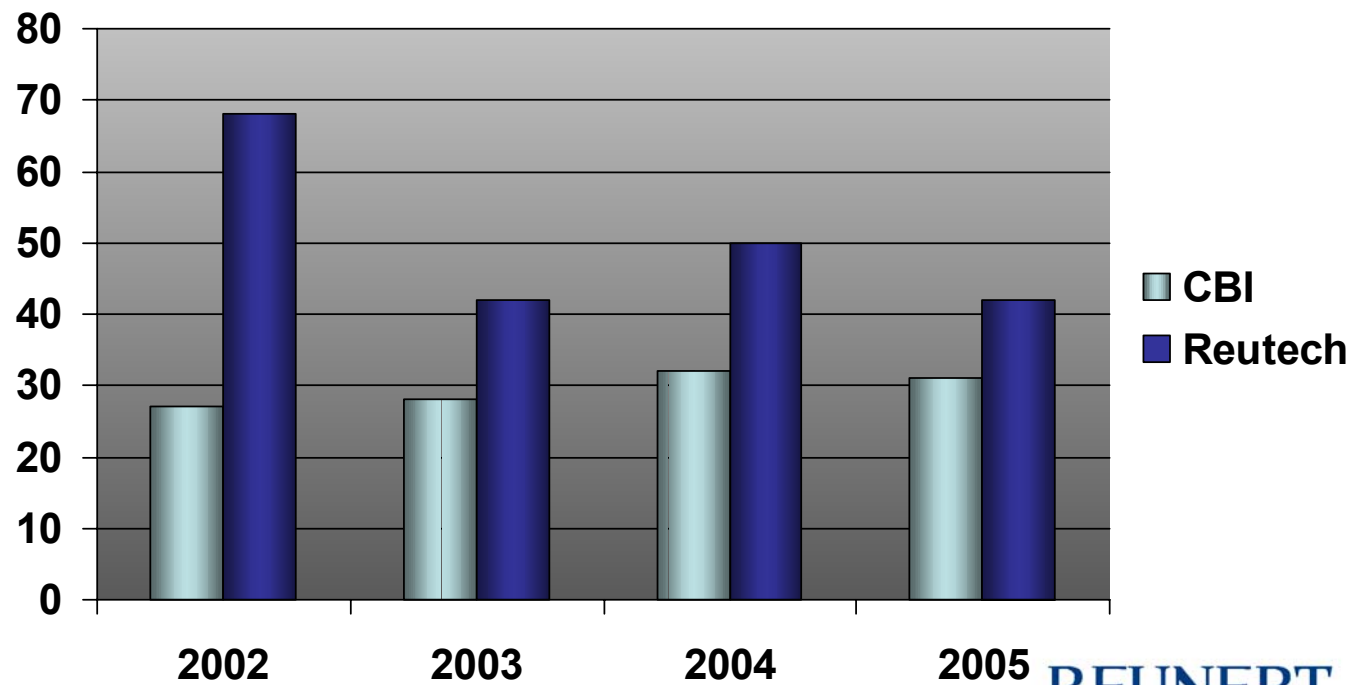


Contribution by area

Exports: R308 million (FY04: R355 million)

R&D expenditure

- **Total R&D spend for 2005**
 - R73 million
 - Includes funded research costs

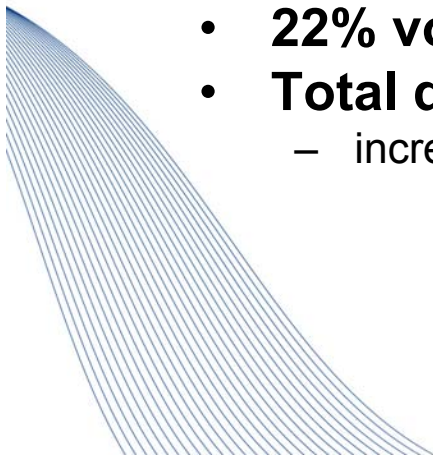


Nashua



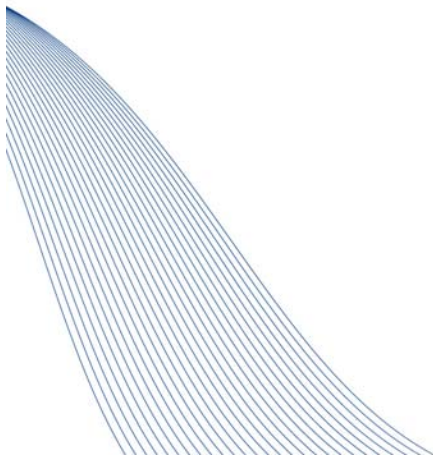
Office Automation

- **Products**
 - Multi-function machines
 - Printers
 - Scanners, facsimiles
 - Consumables
 - Broadband
- **63 Offices**
 - 22 Franchisees
 - South Africa, Namibia, Botswana, Lesotho, Zimbabwe, Swaziland, Mozambique
- **Household name,**
 - high profile brand, aggressive marketing
- **22% volume growth in multi-function market**
- **Total document volume**
 - increase from 3,4 billion to 3,6 billion per annum



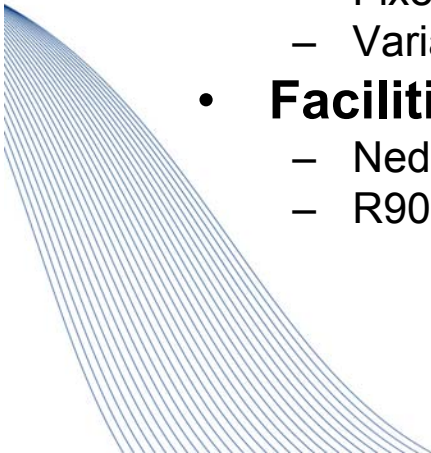
Office Automation margins

Assumed				
Revenue	800,000,000		900,000,000	13%
Cost of sales	500,000,000	63%	562,500,000	63%
Expenses	200,000,000	25%	200,000,000	22%
PBIT	100,000,000	13%	137,500,000	38%



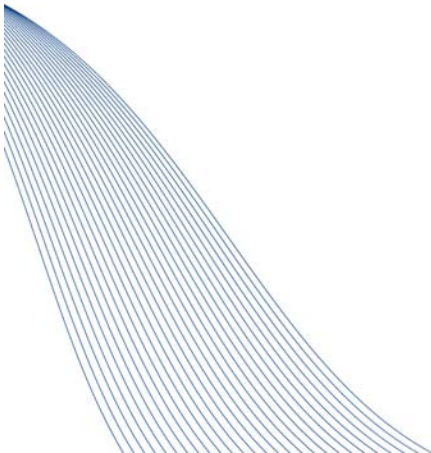
Nashua Finance

- **Finance supplied to customers from**
 - Nashua (87%)
 - Panasonic, (8%)
 - Siemens (5%)
 - New - Nashua Mobile
 - Approx 10 000 end users
- **Book**
 - R1 billion
- **Hedging**
 - Swaps covering 70% of fixed business
- **Rates**
 - Fixed: 82%
 - Variable: 18%
- **Facilities**
 - Nedcor, RMB, ABSA
 - R900 million – R1,2 billion



Nashua Mobile

- **Service provider agreements**
 - Vodacom
 - Previously regularly revised
 - Agreed until April 2011
 - MTN
 - Service provider agreement is evergreen
 - Currently negotiating service provider incentive agreement
 - Cell C
 - Fixed incentive until 2013

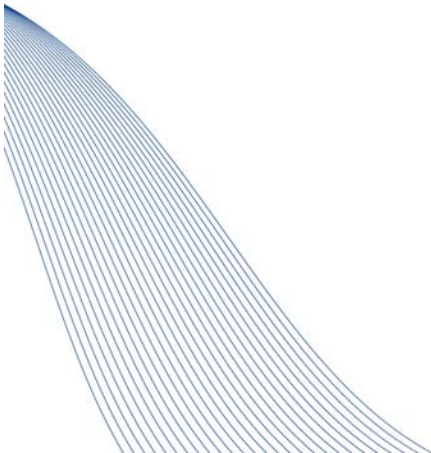


Nashua Mobile

	2005	2004
Total contract subscribers	416 000	362 000
Total prepaid	19 000	28 000
Total LCR	37 000	32 000
Total average ARPU for year	R557	R576
Churn	10,6%	11,8%
Bad debt ratio	0.58	0.56
Specialised services as % of total turnover	29,9%	30,8%

Nashua Mobile

- **Initiatives**
 - Distribution channels
 - Asset backed finance
 - Other services & products



Reunert Consumer & Commercial



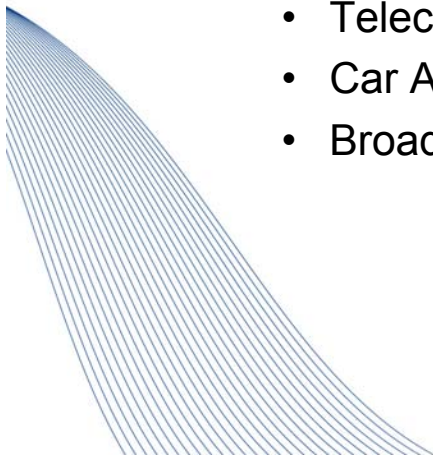
RC&C

- **Strong revenue growth**
- **Prices declined by up to 70% between 2003 and 2005**
- **Improved operating margins**
- **Substantial support from suppliers**
 - Matsushita
- **Contribution to turnover**
 - Panasonic 60%
 - Business Systems 12%
 - TV's 22%
 - Futronic 6%
- **Management of forex exposure**
- **Direct sales**

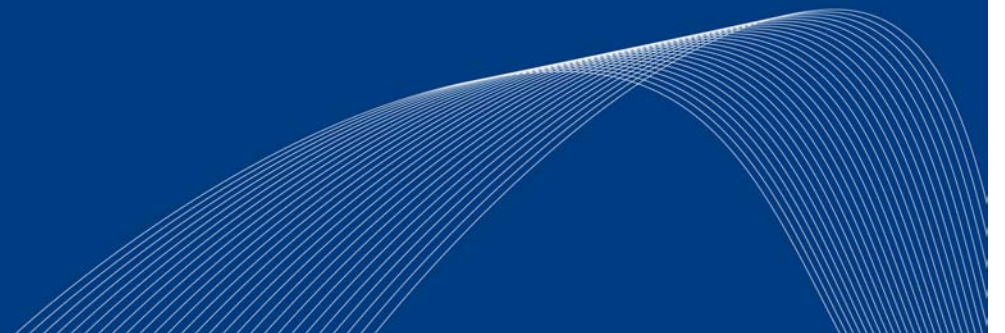


Brands & products

- **Panasonic**
 - Consumer
 - Brown Goods & Photographic
 - Television
 - FMCG
 - Small appliances
 - Business
 - Office automation & systems
 - Air-conditioning Systems
 - Presentation Systems
 - Telecommunication Systems
 - Car Audio Systems
 - Broadcast & CCVE Systems
- **Futronic**
 - TV's, DVD, Hi Fi, Microwaves/mini ovens
- **Akai**
 - Consumer
 - Air conditioners
- **Nintendo**
 - Gaming Consoles
 - Games



Electrical Engineering



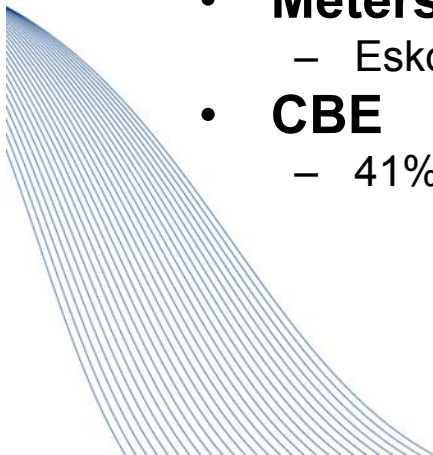
CBI

- **Local market**
 - Strong growth
 - Residential boom
 - Platinum mining expansion
 - Infrastructure developments
- **Opened factory in Lesotho**
- **Export market**
 - Strong rand
 - Overall decline of 8% in export sales
 - Africa sales under performed
 - Good growth in Far East
- **Australia**
 - Buoyant mining industry
 - Sales growth of 13%
 - Branches in Sydney, Melbourne, Adelaide, Perth, Brisbane
 - New products
 - Mitsubishi switchgear



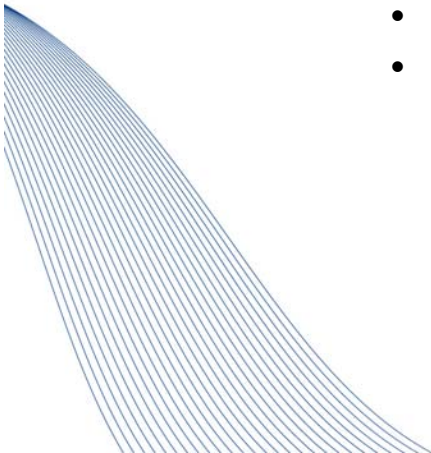
CBI

- **Residential products**
 - Turnover grew more than 21%
- **Wiring accessories**
 - Launched in March '05
 - Project costs repaid within 3 months
- **Commercial, Industrial & Mining products**
 - Modest 5% sales growth
- **Mitsubishi**
 - Motor control gear
 - Factory Automation
 - Sales growth of 22%
- **Meters**
 - Eskom & Zesco
- **CBE**
 - 41% sales growth in local market



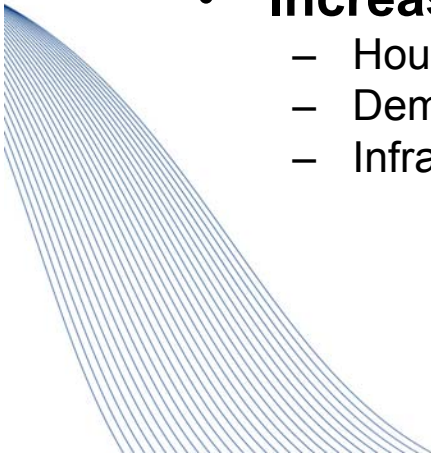
ATC

- **ATC volumes doubled**
 - Aberdare closed down
 - Supplier to Telkom
- **Prospects are better**
 - Optic fibre
 - African demand
 - Deregulation of telecommunications market
 - Second Network Operator
 - Copper cable
 - Demand for ADSL cable
 - Eskom power stations
 - Gautrain (signalling cable)
 - Rehabilitation and expansions in Botswana and Swaziland
 - Nigeria



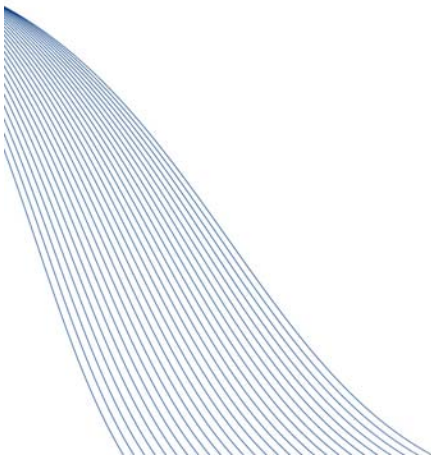
African Cables

- **Full range of power cables**
 - Bells, Mains, splits, ABC, Paper, MV & HV XLPE
 - Cable installation
- **Exceptional year**
- **Full order book**
- **Customer base as a % of total turnover**
 - Utilities 42%
 - Mining 8%
 - General Market 40%
 - Industry 8%
 - Export 2%
- **Increased demand for electricity**
 - Housing shortage
 - Demand for raw materials
 - Infrastructure



African Cables

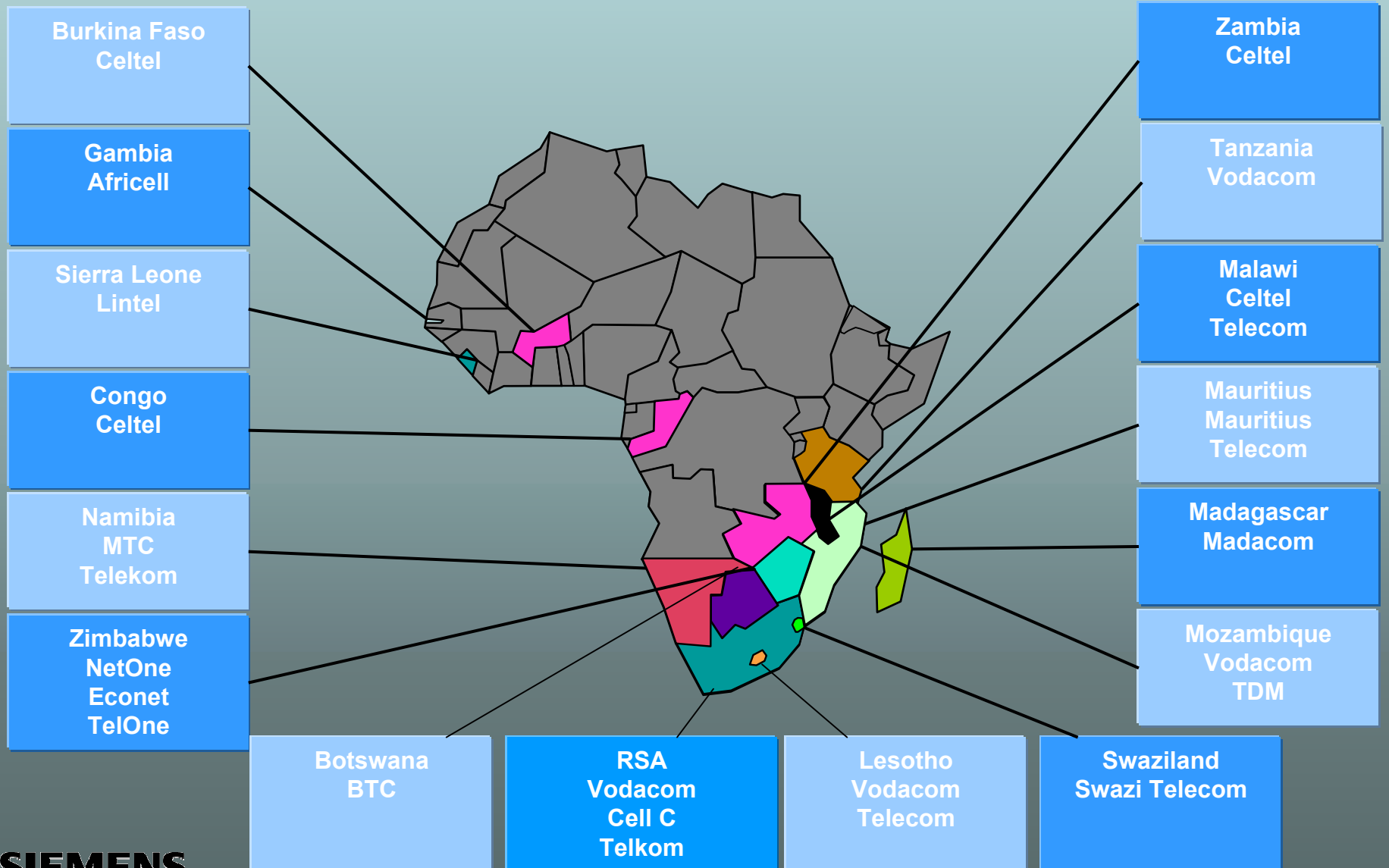
- **Capacity constraints**
 - Production capacity of 37 000 cable tons p.a.
 - Upgrade this year to 43 000 cable tons
- **R7 million capex FY 2005**
- **Additional R31 million capex committed**
- **Likely to continue**
- **Cafca**



Associates

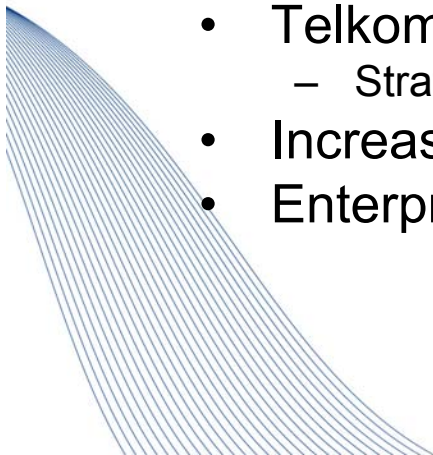


SIETEL AFRICAN REFERENCES



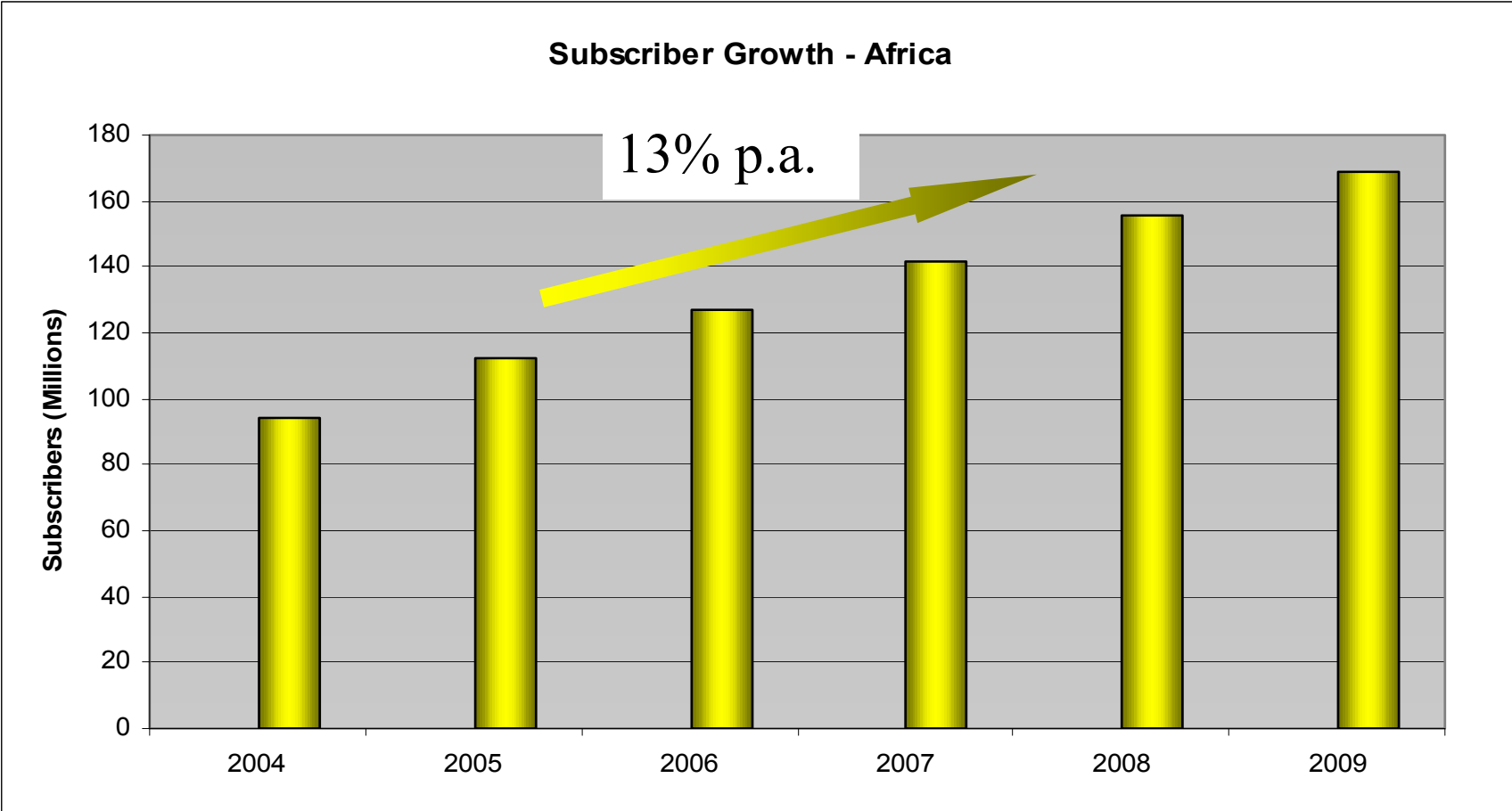
Siemens Telecommunications

- Full spectrum supplier of telecommunications networks
- 1000 employees
- Reunert holds 40%
- Equity accounted
- Vodacom
 - Ongoing business in 4 countries: SA, Mozambique, Tanzania, Lesotho
 - Sole supplier for Core 2G/3G
 - 3G in its infancy
- Cell C
 - Sole supplier for GSM equipment
 - 2,5G
- Telkom
 - Strategic supplier
- Increased expenditure on upgrades
- Enterprise market highly competitive

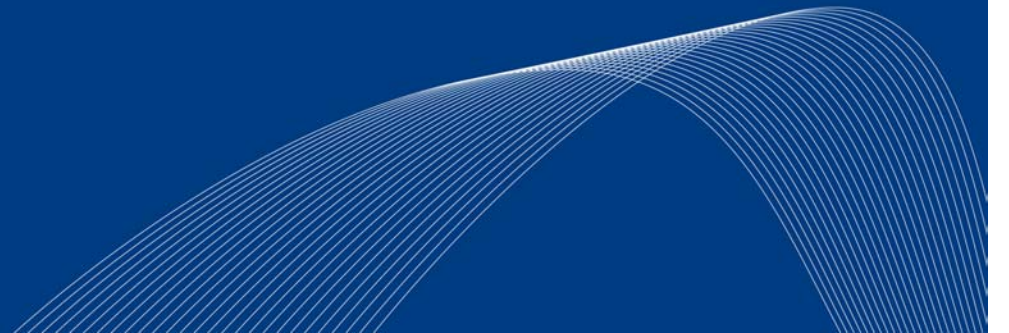


Africa Fixed Line & Mobile Subscriber Growth

2004 – 2009

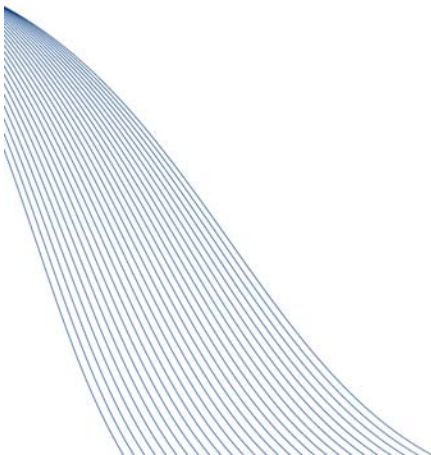


Reutech



Reutech

- **Extremely difficult year**
- **SA government policy**
- **RDI, RRS, RDL stabilised**
 - Expect next year to be better
- **Concerned over Fuchs**
 - International market under pressure
 - However potential for upswing

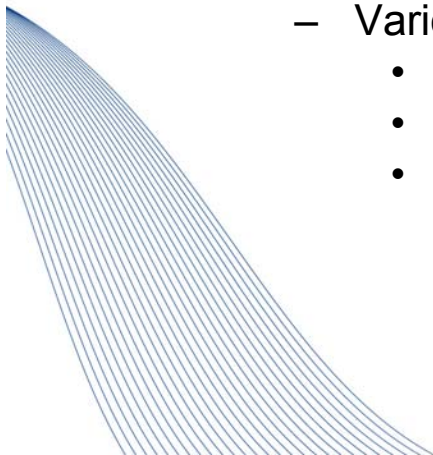


Black economic empowerment



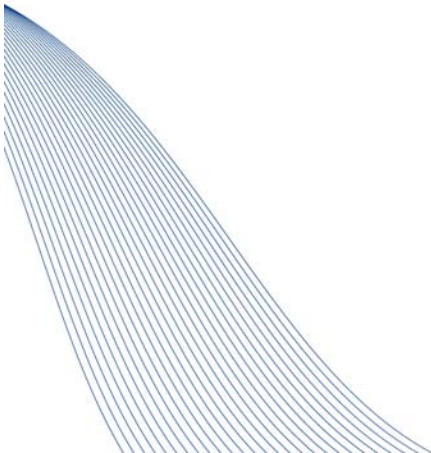
BEE to date

- **Reutech**
 - 10% RRS – Kgorong
 - 30% RDL - Kgorong
- **ATC & African Cables**
 - 25,1% - Powerhouse Utilities
- **Nashua Kopano**
 - Nashua Ltd merged direct operation with former black owned franchise Nashua Kopano in Jan 2005
 - Nashua Direct: 74% of capital
 - Kopano 26%
 - Responsible for 17% of Nashua sales
 - Estimate that Kopano has 7-9% of OA market in SA
 - Various dealers are doing BEE deals themselves
 - Cape Town: 35%
 - East Rand:26%
 - Nashua Vaal:26%



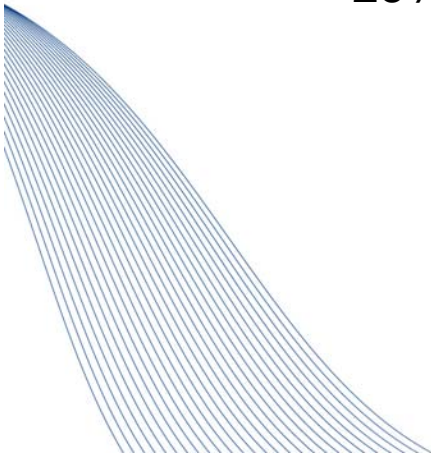
BEE at Reunert level

- **Equity Code published**
- **Under construction**

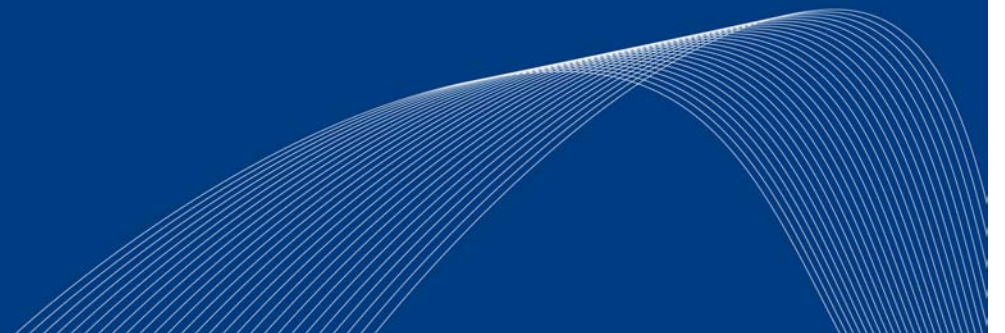


Incentive scheme

- **Since 2001 on economic value added incentive**
 - Base 20% compound growth
 - 75% on reaching operational targets
 - 25% linked to Reunert HEPS growth
 - Unchanged for 5 years
- **From 2006**
 - 50% EVA
 - 25% reaching sales targets
 - 25% linked to Reunert HEPS growth

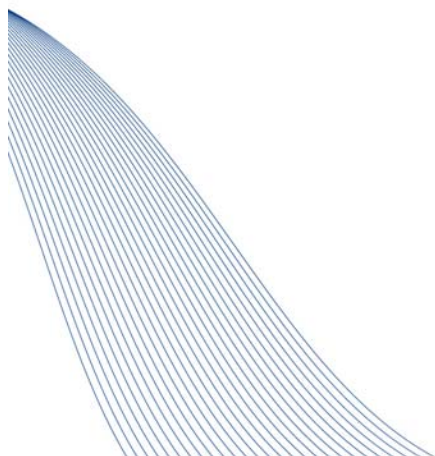


Prospects



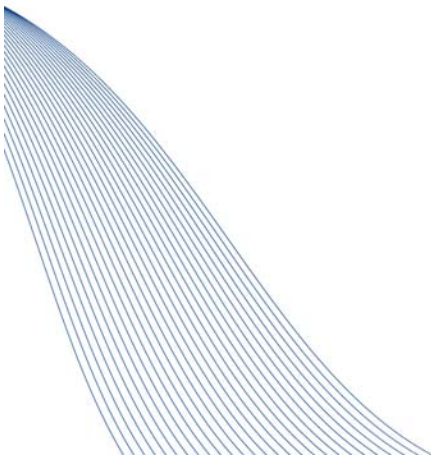
Assumptions for 2006

- **Low interest rates remain**
- **Rand remains strong**
- **Economy likely to grow by $\pm 6\%$ per year**
- **Expenditure on infrastructure to continue**



Prospects

- **Aim at growing headline earnings per share at a rate higher than inflation in a sustainable way**
- **More modest growth expected**



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