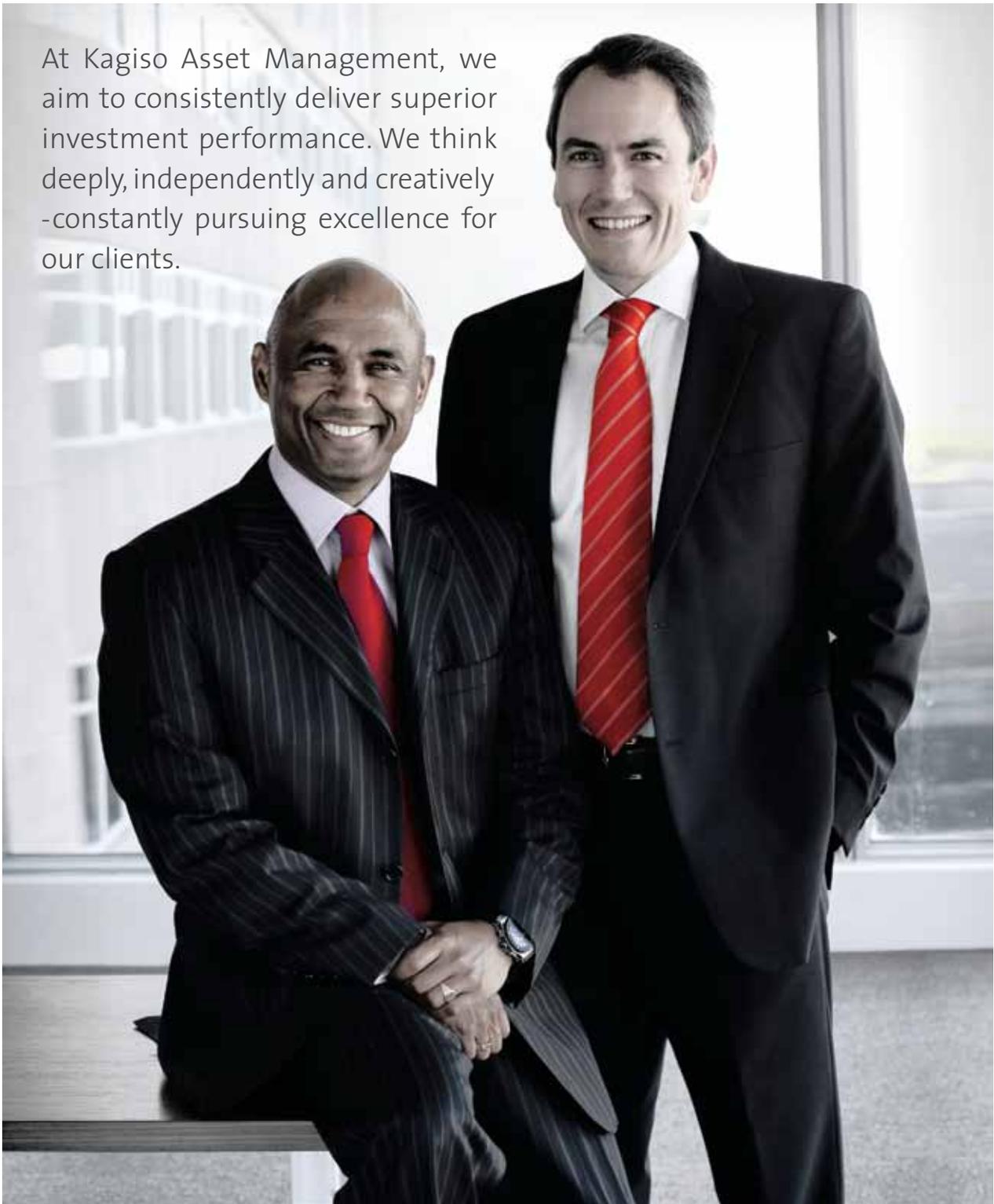


KAGISO
Asset Management

At Kagiso Asset Management, we aim to consistently deliver superior investment performance. We think deeply, independently and creatively -constantly pursuing excellence for our clients.



Left to right: Roland Greaver (Chief Executive Officer) & Gavin Wood (Chief Investment Officer)

We are a specialist investment management firm based in Cape Town, South Africa. Founded in 2001, we manage funds across the risk spectrum for sophisticated institutional and private investors.

Our ability to add value to clients stems from:

- ◆ our diverse team of experienced investment professionals;
- ◆ a disciplined investment process based on our valuation-oriented, contrarian philosophy;
- ◆ our company culture, which encourages and enables clear, differentiated thinking; and
- ◆ applying our skill to portfolios that are not constrained by size.

Who we are

our people

Experienced

We are a stable team of investment professionals with extensive investment experience. This has been gained both within Kagiso Asset Management and at prior employers – large, successful investment firms.

Skilled

One of our team's key strengths is the ability to draw on diverse formal training and academic backgrounds – from economics, finance and engineering to statistics, actuarial science and accounting. Combining these different skills enables us to generate a rich mix of investment ideas. We approach investment problems from different, sometimes unorthodox angles.

Drawing on our investment experience and harnessing our diverse skills contributes to superior investment thinking. Ultimately, this leads to excellent results for our investors.

Our investment professionals have:

- ◆ a flexible, curious and questioning orientation;
- ◆ an inner drive and competitiveness to achieve superior performance;
- ◆ a strong intellectual ability and the drive to apply it deeply;
- ◆ courage and conviction to pursue original, unconventional thinking;
- ◆ the confidence to be contrarian in their actions; and
- ◆ perspective and emotional detachment.



Our thinking

our investment philosophy

We make investment decisions based on mispricings we observe in the market. Simply put, we buy investments that are priced well below their intrinsic values and avoid those that we believe are overpriced.

Opportunities arise when market prices deviate from intrinsic value

All investments represent a set of future cash flows, which can be valued with reasonable accuracy. Over time, this intrinsic value progresses at a fairly stable pace. Asset prices, however, fluctuate considerably through time. This is largely due to self-reinforcing cycles of enthusiasm or negativity, often fuelled by an excessive focus on near-term data and news flow.

Our aim is to identify and exploit mispricings in the markets. We therefore buy investments at prices well below our estimation of their intrinsic value and hold them while they deliver strong cash returns and until they can be sold above this value. Once sold, we avoid such overvalued investments for as long as the market price is above the intrinsic value.

The future is never certain

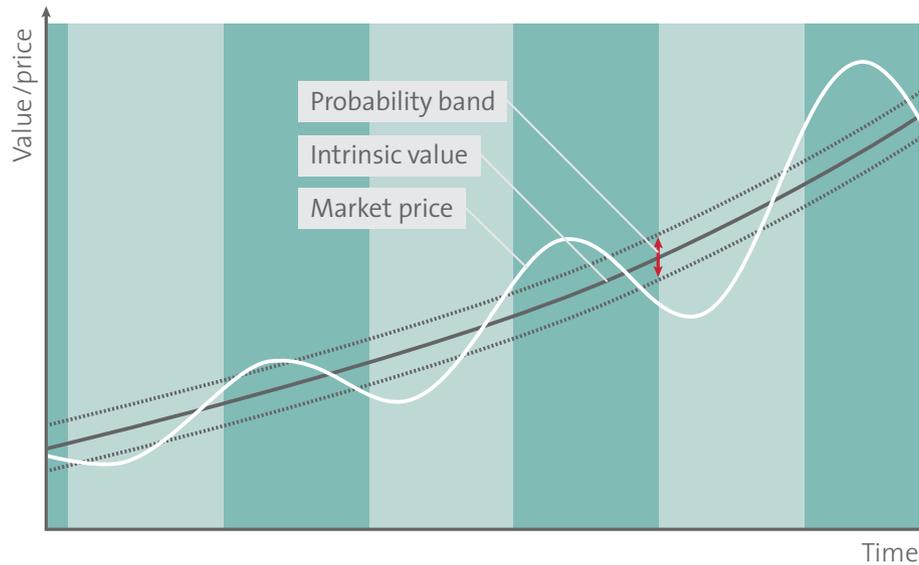
We recognise that there is considerable danger in operating with the comfort of a false sense of certainty and the accompanying behavioural reinforcement cycles that lead to a distorted evaluation of new information. As a result, we understand that despite our best efforts, we cannot possibly know all the facts.

This drives us to think more deeply, to work harder and to be more alert. We therefore view the future in terms of probabilities, we explore alternative scenarios, diversify our positions, hedge risk and seek out potential asymmetries.

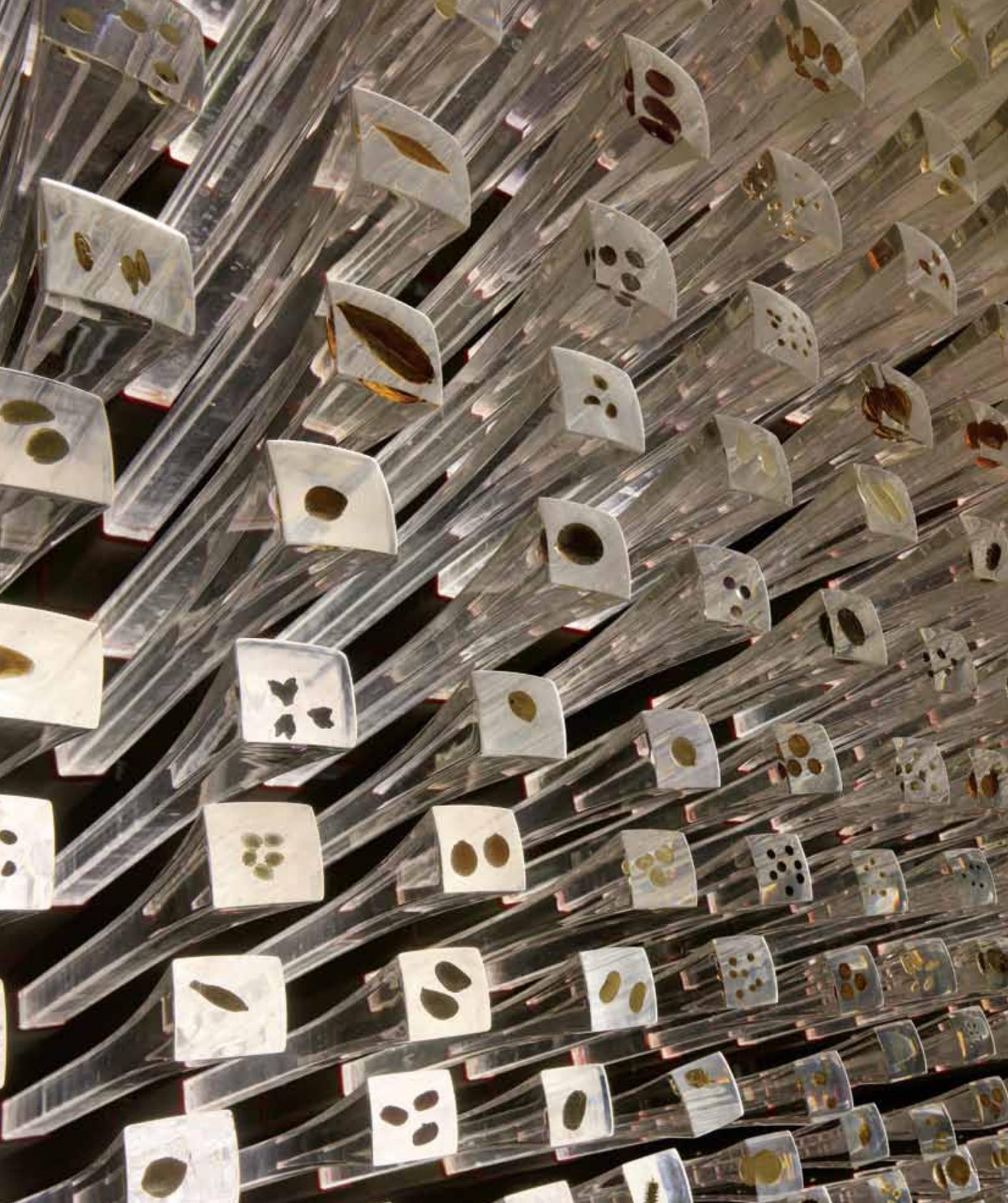


Our philosophy

exploiting mispricings



We buy & then hold We sell & then avoid



What we do

our investment process

We believe that superior investment results can be achieved by following a proven, effective investment process. We follow a 'bottom-up' process to harness our investment philosophy in a disciplined, yet flexible manner - enabling creative and rigorous thinking.

Original research in pursuit of attractive investment opportunities

Most of our time is spent undertaking in-depth company, industry and individual security research. We aim to provide an accurate assessment of the relative merits of a particular investment and to identify the key drivers of its future cash flows. This forms the basis for detailed financial modelling and we are then able to calculate an investment's intrinsic value.

We analyse relevant information to identify the sustainable, 'normalised' economics that impact an investment and its potential to generate cash flow. We also strive to understand structural and cyclical forces in operation, to adjust for temporary distortions to cash flows and to conduct long-term analysis of the history of the business and industry.

We pay particular attention to how our valuations could be wrong and derive a probability band around our central intrinsic value estimate.

Portfolio management that effectively balances risks and returns

Our portfolio managers are individually accountable for specific client mandates as we believe that this leads to better decisions. These managers construct well-diversified portfolios, based on the investment opportunities uncovered by our proprietary research and analysis. They maintain a patient, long-term outlook, constructing portfolios that balance expected returns from mispricings, perceived risks and available portfolio holding size. They pay careful attention to risk management - minimising 'unrewarded' risks and positioning for asymmetric potential results.

Our structure

how we are organised

Our business is organised to maximise our potential for delivering on our performance and service undertakings to our clients. Key to this is our focus on attracting the best people to our firm and enabling and incentivising them to deliver their best thinking and output for the benefit of our clients.

We encourage accountability and reward excellence through performance-based remuneration, with incentives aligned to superior client value-add and our long-term business objectives. In addition, senior employees own a substantial stake in the business.

- ◆ We offer a narrow product range, focused only on areas where we believe we can excel for clients.
- ◆ We employ IT systems and tools extensively to enhance efficiency and productivity.
- ◆ Non-core functions (such as back office administration and IT infrastructure maintenance) are outsourced so that we can preserve a professional environment that is focused on investment decision making.
- ◆ We avoid unnecessary structure that could hamper effective decision making and operation.
- ◆ We continually search for ways to operate more efficiently.

Products

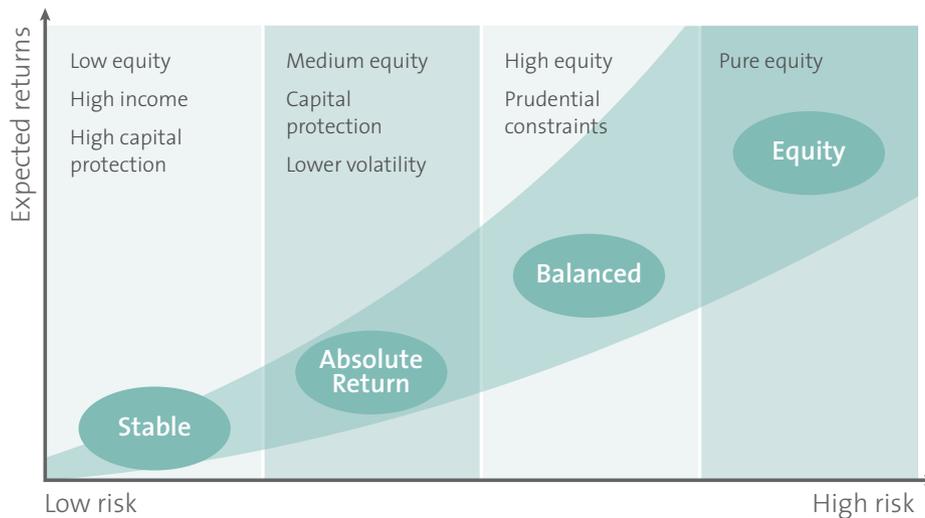
our funds

We have a range of equity and multi-asset class funds that are designed to meet the enduring needs of our various clients. These funds are complementary and are clearly differentiated by expected risk and return characteristics.

Our funds are generally available in segregated or pooled forms, or as unit trusts to individual investors.

| We offer a narrow range of funds: | | | |
|-----------------------------------|---|---|--------|
| Equity funds | Managed Equity* <i>(unconstrained)</i> | Core Equity <i>(benchmark cognisant)</i> | |
| Multi-asset class funds | Balanced* | Absolute Return | Stable |

*The funds are also available in Sharia-compliant form.



Evidence of skill

our performance track record

Our various funds' long-term performance is the proof of the ultimate effectiveness of our people applying our philosophy and process.

Our current performance track record is available on our website www.kagisoam.com or may be requested from our offices at +27 21 673 6300.

Kagiso Tiso Holdings

We are a subsidiary of Kagiso Tiso Holdings, the investment arm of the Kagiso Trust and the Tiso Foundation. The Kagiso Trust is a developmental NGO founded in 1985 and has a distinguished history of delivering social upliftment programmes to poor communities in South Africa. It is currently focused on resourcing secondary schools and tertiary education funding. The Tiso Foundation was founded in 2001 and supports various education initiatives.



Seed Cathedral

The Seed Cathedral was built and directed by designer Thomas Heatherwick for the 2010 World Expo held in Shanghai. This prestigious event, hosted every five years in a different country, aims to promote industrial and technological progress by showcasing the latest scientific and technological innovations.

Inspired by the Expo's theme, 'Better Cities, Better Life', Heatherwick explored the relationship between cities and nature and the significance of plants to human health, economic success and social change. The concept was centred on the preservation of seeds, which are key to the ecology of the planet and fundamental to human nutrition and medicine. Seeds are also the ultimate symbol of potential and promise.

The structure was 15 metres high and 60 000 identical rods of clear acrylic, resembling silvery hairs, protruded from its surface. Each rod extended through the walls into the air and 250 000 seeds were cast into these rods. By day, the cathedral's interior was lit by the sun, which travelled along the length of each rod and lit up the seed ends. By night, light sources inside each rod illuminated the seed ends inside the structure as well as the tips of the hairs outside. The effect was magnificent - tiny points of light that danced and swayed in the breeze.

The Seed Cathedral won the gold award for best design. It was subsequently dismantled and some rods were donated to schools, the World Expo Museum and charity.

Unconventional thinking. Superior performance



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