

Zeder Investments Limited
(Incorporated in the Republic of South Africa)
(Registration number: 2006/019240/06)
Share code: ZED
ISIN: ZAE000088431
("Zeder" or "the company")

Zeder Investments Limited

Interim results for the six months ended 31 August 2008

Net asset value per share: up 4% to R2,69
Headline earnings per share: down 52% to 13,7c
Recurring headline earnings per share up 200% to 10,5c

Contribution to headline earnings

	Unaudited		Audited
	6 months	6 months	12 months
	31 Aug	31 Aug	29 Feb
	2008	2007	2008
	Rm	Rm	Rm
Recurring headline earnings	63,9	19,8	91,1
Equity accounted earnings from associates	68,6	6,6	71,6
Investment and other income	9,5	20,9	41,2
Management fee	(14,2)	(7,7)	(21,7)
Non-recurring headline earnings	19,2	142,4	115,4
Marked-to-market profits	15,6	142,4	132,9
Net Pioneer underwriting fee	3,6		
Performance fee			(17,5)
Total headline earnings	83,1	162,2	206,5
Statistics			
Recurring HEPS (cents)	10,5	3,5	15,6

Highlights

Zeder's recurring headline earnings per share increased to 10,5 cents (2007: 3,5 cents) as a result of the equity accounted earnings from its investment in associated companies, which were predominantly accounted for as marked-to-market profits in the income statement for the corresponding period last year. The company's objective remains to equity account all of its investments which will result in less volatile earnings, whilst improving its recurring headline earnings base.

Zeder's equity accounted headline earnings from its investments in

- Kaap Agri Limited ("Kaap Agri");
- KWV Limited;
- MGK Business Investments Limited;
- Agricol Holdings Limited; and
- Thembeke Agri Holdings (Proprietary) Limited ("KLK Landbou Limited") amounted to R68,6m (2007: R6,6m) for the period under review.

Results

Zeder's investment portfolio increased by 19,5% to R1 632,8m since 29 February 2008, having made investments of R234,1m. Profit after tax for the reporting period amounted to R93,6m (2007: R162,2m) and headline earnings R83,1m (2007: R162,2m). Zeder's net asset value per share increased by 4% to R2,69 since year-end. The Zeder value per share is R2,05, calculated at unlisted market prices.

During the reporting period Kaap Agri and Pioneer Food Group Limited ("Pioneer") had rights offers of R100m and R500m respectively. Zeder followed its rights under the Kaap Agri offer and now has a 34,3% effective shareholding in this company. Zeder entered into an underwriting agreement with Pioneer whereby it underwrote R360m of the rights issue. As a result, Zeder subscribed for 2,3 million shares in Pioneer for R57,8m.

Where Zeder equity accounts the investments, the book value of the investments are tested for potential impairment at each reporting period. The directors are satisfied that the fair value of Zeder's investments in its associated companies exceeds book value.

Prospects

We continue to acquire quality assets in the agricultural and related sectors at a discount to its intrinsic value and, in so doing, will grow Zeder's recurring headline earnings and intrinsic value.

Dividends

It is Zeder's policy to only declare a final dividend at year-end.
On behalf of the Board

Jannie Mouton
Chairman

Antonie Jacobs
Chief Executive Officer

Stellenbosch
6 October 2008

Condensed group income statement for the six months ended
31 August 2008

	Notes	Unaudited		Audited
		6 months 31 Aug 2008 Rm	6 months 31 Aug 2007 Rm	12 months 29 Feb 2008 Rm
Income				
Investment income		13,5	25,4	47,7
Fair value gains and losses on financial instruments		18,2	166,4	154,8
Sundry income		7,3	0,2	0,5
Total income		39,0	192,0	203,0
Expenses				
Management fee		(17,0)	(11,3)	(25,7)
Performance fee				(20,6)
Other		(2,3)		
Total expenses		(19,3)	(11,3)	(46,3)
Results of operating activities		19,7	180,7	156,7
Share of profits of associated companies		79,1	6,6	72,7
Net income before taxation		98,8	187,3	229,4
Taxation	5	(5,2)	(25,1)	(21,8)
Net income of the group		93,6	162,2	207,6
Attributable to equity holders of the company		93,6	162,2	207,6
Non-headline items	2	(10,5)		(1,1)
Headline earnings		83,1	162,2	206,5
Earnings per share (cents)				
- attributable/diluted attributable		15,4	28,4	35,6
- headline/diluted headline		13,7	28,4	35,4
Dividend per share (cents)				
- final				5,0
Number of shares (million)				
- in issue		611,3	571,3	605,1
- weighted average		606,6	571,3	582,8

Condensed group balance sheet at 31 August 2008

	Notes	Unaudited		Audited
		6 months 31 Aug 2008 Rm	6 months 31 Aug 2007 Rm	12 months 29 Feb 2008 Rm
Assets				
Investment in associated companies	3	1 360,2	782,7	1 152,1
Financial assets				
Equity securities		272,6	357,8	214,4
Loans and advances			12,5	72,5
Income tax receivable				1,0
Receivables		0,3	3,0	
Cash and cash equivalents		42,6	352,0	164,5
Total assets		1 675,7	1 508,0	1 604,5
Equity				
Ordinary shareholders' funds		1 644,4	1 433,6	1 566,4
Total equity		1 644,4	1 433,6	1 566,4
Liabilities				
Deferred income tax		7,6	35,9	2,9
Trade and other payables		17,0	32,4	35,2
Current income tax liabilities	5	6,7	6,1	
Total liabilities		31,3	74,4	38,1
Total equity and liabilities		1 675,7	1 508,0	1 604,5
Net asset per share (cents)		269,0	250,9	259,0

Condensed statement of changes in owners' equity for the six months ended 31 August 2008

	Unaudited		Audited
	6 months 31 Aug 2008 Rm	6 months 31 Aug 2007 Rm	12 months 29 Feb 2008 Rm
Ordinary shareholders' equity at beginning of period	1 566,4	1 282,9	1 282,9
Shares issued	14,7		87,4
Net income for the period	93,6	162,2	207,6
Dividend paid	(30,3)	(11,5)	(11,5)
Step acquisition from equity securities to investment in associated companies			
- Reversal of previous fair value gains after taxation on equity securities			156,8
- Revaluation of assets and liabilities of associated companies			(156,8)
Ordinary shareholders' equity at end of period	1 644,4	1 433,6	1 566,4

Condensed group cash flow statement for the six months ended 31 August 2008

	Unaudited		Audited
	6 months 31 Aug 2008 Rm	6 months 31 Aug 2007 Rm	12 months 29 Feb 2008 Rm
Cash (utilised in)/generated by operations	(16,9)	17,0	46,8
Taxation paid	(1,0)	(6,9)	(8,5)
Net cash flow from operating activities	(17,9)	10,1	38,3
Net cash flow from investment activities	(73,7)	(184,0)	(399,7)
Net cash flow from financing activities	(30,3)	(11,5)	(11,5)
Net decrease in cash and cash equivalents	(121,9)	(185,4)	(372,9)
Cash and cash equivalents at beginning of period	164,5	537,4	537,4
Cash and cash equivalents at end of period	42,6	352,0	164,5

Notes to the financial statements for the six months ended
31 August 2008

1. Basis of presentation and accounting policies

The condensed interim consolidated financial statements have been prepared in accordance of IAS 34 - Interim Financial Reporting and the accounting policies conform to IFRS. The accounting policies applied in the preparation of the interim consolidated financial statements are consistent with the policies in the previous year.

2. Non-headline items	31 Aug 2008 Rm	31 Aug 2007 Rm	29 Feb 2008 Rm
Non-headline items of associated companies (after tax)	(10,5)		(1,1)
3. Investment in associated companies			
Book value			
Unlisted	1 360,2	782,7	1 152,1

4. Commitments and contingencies

The company did not have any capital commitments or contingences at 31 August 2008.

5. Taxation

Taxation is provided on the net fair value adjustments to the company's investment portfolio, using an effective capital gains tax rate of 14%. Other income is taxed at 28%, net of the apportioned management expenses.

6. Related party transactions

The fee expenses were incurred with PSG Group Limited in terms of agreements in place.

Investment portfolio update to shareholders

The main Zeder investments at 31 August 2008 were:

Company	Interest
Kaap Agri Limited	34,3%

KWV Limited	25,0%
MGK Business Investments Limited	29.9%
Agricol Holdings Limited	20.0%
KLK Landbou Limited (Held through a 49.9% interest in Thembeke Agri Holdings (Pty) Limited)	10.0%
Suidwes Investments Limited	16.4%
Outspan International Limited	18.3%
NWK Limited	5.4%

All of the above are unaudited figures.

The investments in the table above are disclosed as per directors' discretion, which include all of the equity accounted investments and other unlisted investments with market values exceeding R25 million.

Zeder's investment portfolio will in future be published on SENS in conjunction with its biannual results announcement.

The next investment portfolio update will be published on SENS during April 2009.

Directors:

JF Mouton (chairman), AE Jacobs* (CEO), CA Otto, MS du Pré le Roux#,
LP Retief#

(* executive # independent non-executive)

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