

Audited results for the year ended 28 February 2009

CONDENSED GROUP INCOME STATEMENT

for the year ended 28 February

	Notes	2009 Rm	2008 Rm
Income			
Investment income		24,9	47,7
Fair value gains and losses on financial instruments		20,5	154,8
Other operating income		7,4	0,5
Total income		52,8	203,0
Expenses			
Management fee	3	(35,6)	(25,7)
Performance fee	3	(19,9)	(20,6)
Other		(2,4)	
Total expenses		(57,9)	(46,3)
Results of operating activities		(5,1)	156,7
Finance costs		(3,6)	
Income from associates		175,0	72,7
Net income before tax		166,3	229,4
Taxation	4	2,3	(21,8)
Net income of the group		168,6	207,6
Attributable to equity holders of the company		168,6	207,6
Non-headline items	5	(15,2)	(1,1)
Headline earnings		153,4	206,5
Earnings per share (cents)			
– attributable/diluted attributable		27,7	35,6
– headline/diluted headline		25,2	35,4
Dividend per share (cents)			
– final		7,0	5,0
Number of shares (million)			
– in issue		611,3	605,1
– weighted average		609,0	582,8

CONTRIBUTION TO HEADLINE EARNINGS

	28 Feb 2009 Rm	29 Feb 2008 Rm
Recurring headline earnings	148,8	91,1
Equity accounted earnings from associates	159,8	71,6
Investment and other income	20,3	41,2
Management fee	(31,3)	(21,7)
Non-recurring headline earnings	4,6	115,4
Net marked-to-market profits	18,5	132,9
Net underwriting fee	3,6	
Performance fee	(17,5)	(17,5)
Total headline earnings	153,4	206,5
Statistics		
Recurring headline earnings per share (cents)	24,4	15,6

HIGHLIGHTS

↑ 9% Net asset value per share R2,82

↓ 29% Headline earnings per share 25,2c

↑ 56% Recurring headline earnings per share 24,4c

CONDENSED GROUP BALANCE SHEET

at 28 February

	Notes	2009 Rm	2008 Rm
ASSETS			
Investment in associated companies	2	1 445,3	1 152,1
Financial assets			
Equity securities		249,2	214,4
Loans and advances		38,7	72,5
Income tax receivable	4	2,8	1,0
Receivables		0,7	
Cash and cash equivalents		27,9	164,5
Total assets		1 764,6	1 604,5
Equity			
Ordinary shareholders' funds		1 725,4	1 566,4
Total equity		1 725,4	1 566,4
Liabilities			
Trade and other payables		39,2	38,1
Total liabilities		39,2	38,1
Total equity and liabilities		1 764,6	1 604,5
Net asset value per share (cents)		282,0	259,0

CONDENSED STATEMENT OF CHANGES IN OWNERS' EQUITY

for the year ended 28 February

	2009 Rm	2008 Rm
Ordinary shareholders' equity at beginning of period	1 566,4	1 282,9
Shares issued	14,6	87,4
Net income for the period	168,6	207,6
Dividend paid	(30,3)	(11,5)
Share of movement in reserves of associated companies	6,1	
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	1 725,4	1 566,4

CONDENSED GROUP CASH FLOW STATEMENT

for the year ended 28 February

	2009 Rm	2008 Rm
Cash generated by operations	16,1	46,8
Taxation paid	(1,8)	(8,5)
Net cash flow from operating activities	14,3	38,3
Net cash flow from investment activities	(120,6)	(399,7)
Net cash flow from financing activities	(30,3)	(11,5)
Net decrease in cash and cash equivalents	(136,6)	(372,9)
Cash and cash equivalents at beginning of period	164,5	537,4
Cash and cash equivalents at end of period	27,9	164,5

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

for the year ended 28 February

1. Basis of presentation and accounting policies

The condensed financial statements have been prepared in terms of International Financial Reporting Standards (IFRS), IAS 34 – Interim Financial Reporting and in compliance with the Listing Requirements of the JSE Limited. The accounting policies used in the preparation of the abridged financial statements are consistent with those used in the financial statements for the year ended 29 February 2008.

2. Investment in associated companies

	2009 Rm	2008 Rm
Book value		
Unlisted	1 445,3	1 152,1

3. Management and performance fees

The management fee is calculated at 2% p.a. (exclusive of VAT) on the net asset value of the group (excluding cash) at the end of every month and 0,15% p.a. (exclusive of VAT) on the daily average cash balances. The management fee is accrued at the end of every month. The performance fee is calculated on the last day of the financial year at 10% p.a. on the outperformance of the group's net asset value above the equally weighted FTSE-JSE Beverage Total Return Index and the FTSE-JSE Food Producers Total Return Index over any financial year. The performance fee is accrued at each year end.

4. 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.

5. Non-headline items

	2009 Rm	2008 Rm
Non-headline items of associated companies (after tax)	15,2	1,1

6. Commitments and contingencies

The company did not have any capital commitments or contingencies at 28 February 2009.

7. Related-party transactions

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

HIGHLIGHTS

Zeder's recurring headline earnings per share increased to 24,4 cents (2008: 15,6 cents) as a result of the equity accounted earnings from its investments in associated companies, which were predominantly accounted for as marked-to-market profits in the previous 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")
- KVV Limited
- MGK Business Investments Limited
- Agricol Holdings Limited and
- Thembeke Agri Holdings (Proprietary) Limited ("KLK Landbou Limited")

amounted to R159,8m (2008: R71,6m) for the year ended 28 February 2009.

RESULTS

Zeder's investment portfolio increased by 24% to R1 694,5m as at 28 February 2009. Zeder's net profit after tax and headline earnings for the reporting period amounted to R168,6m (2008: R207,6m) and R153,4m (2008: R206,5m) respectively. Zeder's net asset value per share increased by 9% to R2,82 as at 28 February 2009. The Zeder value per share is R1,92 calculated on the basis of the unlisted market prices of its investments at 28 February 2009.

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% 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. During the reporting period Zeder sold all its shares in Pioneer at a profit.

Where Zeder equity accounts its investments, the book value of the investments is tested for potential impairment at each reporting period. Zeder has tested for potential impairment at year end and the directors are satisfied that Zeder's investments in associated companies are fairly stated.

PROPOSED RIGHTS OFFER

The board of Zeder has resolved to proceed with a renounceable rights offer in terms of which it intends to raise approximately R500m in cash from shareholders by offering for subscription approximately 370 000 000 Zeder shares at an issue price of 135 cents each ("the proposed rights offer shares") on the basis of 60 proposed rights offer shares for every 100 Zeder shares held on the record date.

The board is of the view that the proposed rights offer will provide Zeder with the necessary cash resources to pursue attractive identified investment opportunities.

Full details of the proposed rights offer, including the financial effects, will be provided in a rights offer circular to be posted to shareholders in due course, together with the necessary announcement confirming the final terms of such proposed rights offer.

PROSPECTS

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

AUDITED FINANCIAL STATEMENTS

PricewaterhouseCoopers Inc. has audited the results for the year ended 28 February 2009 and their unqualified audit opinion is available on request at the company's registered office.

DIVIDEND

The directors of Zeder have declared a dividend of 7 cents per share (2008: 5 cents) in respect of the year ended 28 February 2009.

The following are the salient dates for the payment of the ordinary dividend:

Last day to trade cum dividend	Thursday, 30 April 2009
Trading ex dividend commences	Monday, 4 May 2009
Record date	Friday, 8 May 2009
Date of payment	Monday, 11 May 2009

Share certificates may not be dematerialised or rematerialised between Monday, 4 May 2009, and Friday, 8 May 2009, both days inclusive.

On behalf of the Board

JANNIE MOUTON
Chairman

ANTONIE JACOBS
Chief executive officer

Stellenbosch
6 April 2009