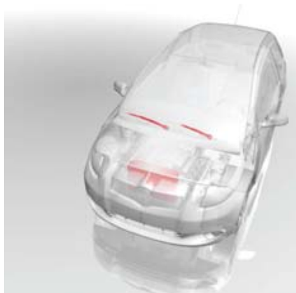




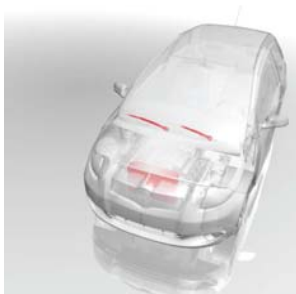
METAIR INVESTMENTS LIMITED

Half year results for the 6-months ended 30 June 2009

COVER IMAGE:

A 3-D rendering of a prototype vehicle serves two purposes for this report. Firstly, our stakeholders get a bird's-eye view of the range of components that Metair companies produce. Secondly, the image underscores the transparency that accompanies this year's reporting. Bad news does not translate well in difficult times, but an honest appraisal of challenges and lessons learnt lays a firm foundation for the better times that will surely follow.

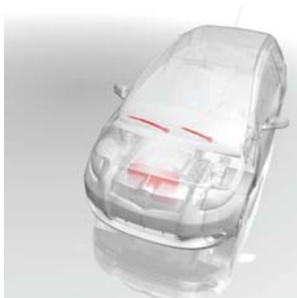





AGENDA

- Overview of Metair
- Financial Review
- Industry Review
- Operational Review
- Strategy






OVERVIEW OF METAIR

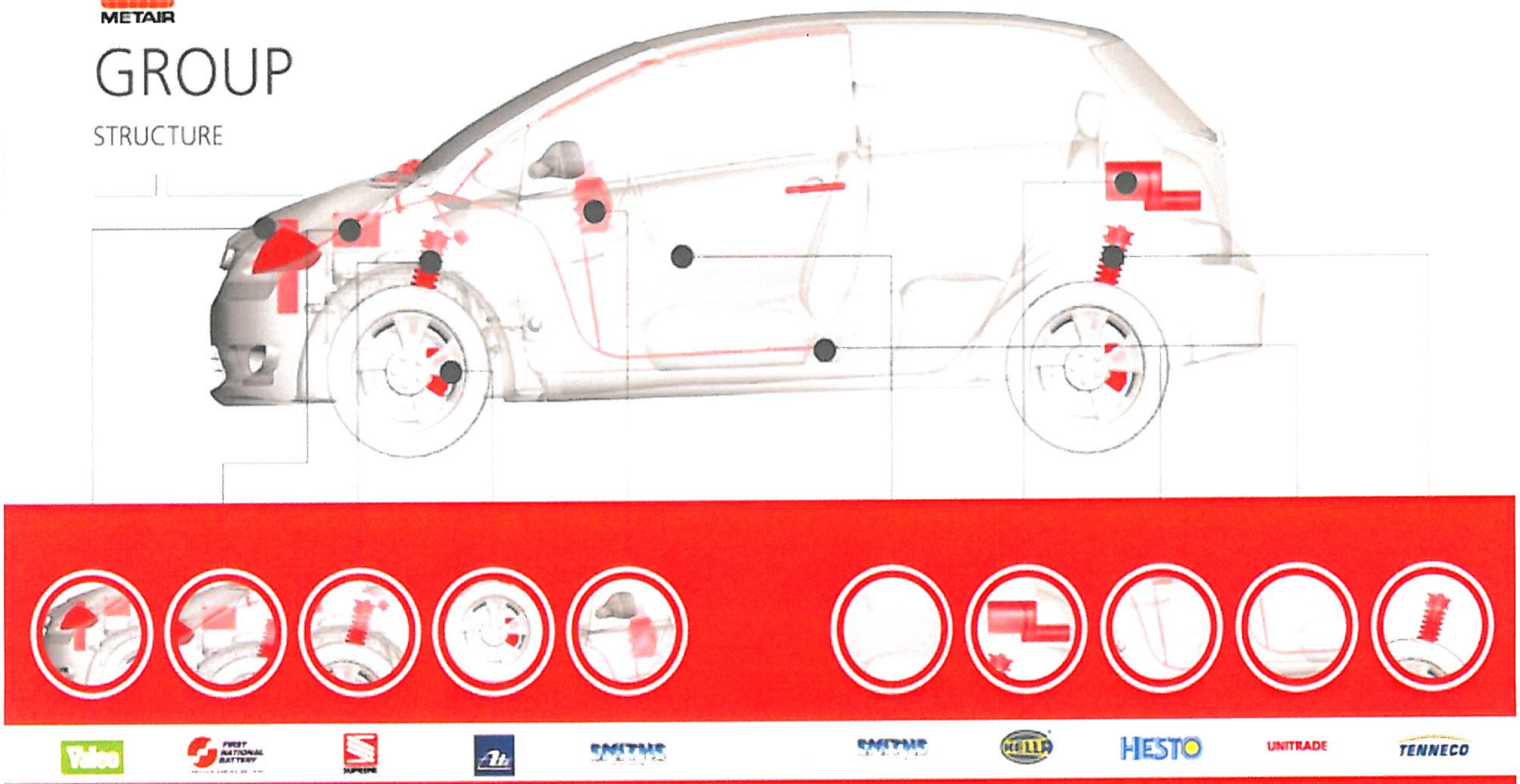
- Registered in 1948
- Listed on the main board of the JSE
- Market capitalisation of approximately R593 million

  Deterioration of approximately R1 billion
- Portfolio of companies manufacturing and distributing products primarily to:
  - OEM's
  - Replacement market
  - Export market
- Variety of products

METAIR

GROUP

STRUCTURE






OVERVIEW OF METAIR
June 2009 Financial Results – Salient Features

- Group turnover decreased by 19% to R1 659 million (2008: R2 055 million)
- Attributable loss to ordinary shareholders after tax decreased to R27,3 million (2008: R75,1 million profit)
- Impairment charge of R30,5 million
- HEPS decreased by 105% to a loss of 3 cents (2008: 53 cents)
- No dividend (Cash preservation)
- Sales of components to OEM’s down 22% to R1 019 million
  61% of group turnover
- Automotive division gained market share in replacement market

OVERVIEW OF METAIR
Impairment Charge

June 2009

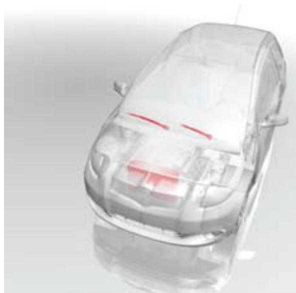
- Hesto Harnesses (Pty) Limited — R 20,1 million
  - Plant & Equipment
- Automould (Pty) Limited — R 10,4 million
  - Goodwill

December 2008

- Smiths Plastics, Automould, ATE — R122,3 million

TOTAL — *R152,8 million*

FINANCIAL REVIEW






FINANCIAL REVIEW
Abridged Group Income Statement
June 2009

R'm	2009	2008	%
Revenue	1,659.4	2,055.4	-19%
Gross Profit	220.9	313.1	-29%
Operating Profit	-1.5	131.3	-101%
Profit After Taxation	-27.8	82.2	-134%
Attributable To :			
Equity Holders	-27.3	75.1	-136%
Minority Interests	-0.5	7.1	-107%
Impairment Charges	30.5	Nil	-
Depreciation and Amortisation	46.1	39.9	15%
Headline Earnings Per Share (cents)	-3	53.0	-105%
Basic Earnings Per Share (cents)	-19	53.0	-136%




FINANCIAL REVIEW
Segmental Review

<u>Local</u>

June 2009	Original Equipment	Aftermarket	Non Auto
Turnover	1 019	368	167
PBIT	(40)	31	17

June 2008	Original Equipment	Aftermarket	Non Auto
Turnover	1 312	323	277
PBIT	39	32	50

OE local includes exports by OEM’s

FINANCIAL REVIEW
Segmental Review

Export

June 2009	Original Equipment	Aftermarket	Non Auto
Turnover	30	56	19
PBIT	(1)	4	2

June 2008	Original Equipment	Aftermarket	Non Auto
Turnover	54	58	31
PBIT	12	(1)	5

FINANCIAL REVIEW
Abridged Group Balance Sheet
June 2009

R'm	2009	2008	%
Assets			
NonCurrent Asets	809.3	903.2	-10%
Current Assets	1,139.9	1,412.9	-19%
Inventory	582.2	668.7	-13%
Trade and Other Receivables	381.9	600.7	-36%
Derivative Financial Assets	7.4	-	-
Taxation	15.3	-	-
Cash and Cash Equilavents	153.1	143.5	7%
Total Assets	1,949.2	2,316.1	-16%




FINANCIAL REVIEW
Abridged Group Balance Sheet
June 2009

R'm	2009	2008	%
Equity And Liabilities			
Ordinary Shareholders Equity	992.9	1,123.3	-12%
Minority Interest	93.0	95.8	-3%
Total Equity	1,085.9	1,219.1	-11%
Non Current Liabilities	283.8	279.5	2%
Current Liabilities	579.5	817.5	-29%
Trade and Other payables	359.0	576.7	-38%
Borrowings	19.4	10.1	92%
Taxation	-	5.2	-
Derivative Financial Liabilities	13.4	-	
Provision For Liabilities	85.6	44.1	94%
Bank Overdrafts	102.1	181.4	-44%
Total Equity and Liabilities	1,949.2	2,316.1	-16%

FINANCIAL REVIEW
Abridged Group Cash Flow Statement
June 2009

R'm	2009	2008	%
Cash Flow			
Cash Generated From Operations	115.3	109.5	5%
Finance Charges	-22.4	-18.9	19%
Taxation Paid	-41.5	-49.4	16%
Dividends paid	-	-61.7	-
Dividend Income from Associate	14.7	-	-
Cash Inflow From Operating Activities	66.1	-20.5	422%
Cash Outflow From Investing Activities	-23.8	-96.9	75%
Cash Inflow From Financing Activities	-9.6	38.2	-125%
(Decrease)/ Increase In Cash	32.7	-79.2	141%
Cash at Beginning Of Year	18.4	41.3	-55%
Cash at End Of Year	51.1	-37.9	235%




FINANCIAL REVIEW
Financial Management

- Key focus areas for the 2009 year:
  - Short term liquidity (Cash is King)
  - Structural reset to new forecasted volumes
  - Possible responsible exit strategy for certain companies
  - Foreign exchange risk

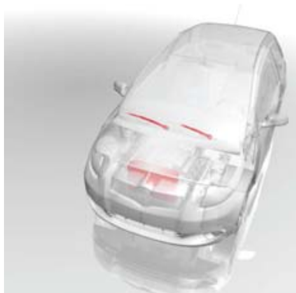



FINANCIAL REVIEW
Financial Management continued ...

Foreign Exchange Risk

- Change in major customer policy on foreign exchange
- New Metair policy addresses forex risk
- Purchase of forward exchange contracts to match customer policy

INDUSTRY REVIEW



METAIR VEHICLE PRODUCTION
Volume per OEM

<u>Passenger Vehicles</u>

	Sold 2008	Planned View	Latest View	2010 View
BMW	55 235	45 426	45 426	45 900
MBSA	52 806	41 580	41 580	41 580
FMCSA	22 326	16 285	9 832	8 832
GM SA	16 260	789	252	-
NISSAN	8 201	12 072	9 954	12 000
VW SA	93 537	62 750	56 011	71 402
TOYOTA	89 729	35 596	42 899	42 630
TOTAL	338 094	214 498	205 954	222 344




METAIR VEHICLE PRODUCTION
Volume per OEM

Light Commercial Vehicles

	Sold 2008	Planned View	Latest View	2010 View
MBSA	5 385	2 160	2 160	2 600
FMCSA	35 783	20 814	18 714	18 814
GM SA	40 749	26 145	22 785	23 500
NISSAN	24 893	23 203	22 837	24 000
VW SA	316	-	-	-
TOYOTA	98 814	60 559	58 559	65 000
TOTAL	205 940	132 881	125 055	133 914

METAIR VEHICLE PRODUCTION
Volume per OEM

TOTAL
Passenger Vehicles & Light Commercial Vehicles

	Sold 2008	Planned View	Latest View	2010 View
BMW	55 235	45 426	45 426	45 900
MBSA	58 191	43 740	43 740	44 180
FMCSA	58 109	37 099	28 546	27 646
GM SA	57 009	26 934	23 037	23 500
NISSAN	33 094	35 275	32 791	36 000
VW SA	93 853	62 750	56 011	71 402
TOYOTA	188 543	96 155	101 458	107 630
TOTAL	544 034	347 379	331 009	356 258



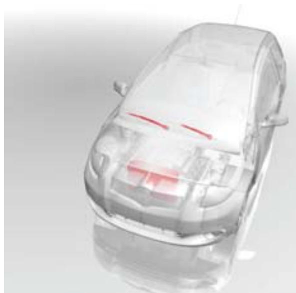

METAIR VEHICLE PRODUCTION
Volume View

Toyota
Installed Capacity vs Sales & View

	Sold 2008	Planned View	Latest View	2010 View
Corolla	81 129	29 662	36 965	35 230
IMV (Hilux)	107 414	66 493	64 493	72 400
Total	188 543	96 155	101 458	107 630
Capacity	220 000	220 000	220 000	220 000
% Shortfall	15%	56%	54%	51%

SOUTH AFRICAN VEHICLESALES FIGURES (PER NAAMSA) HISTORY …

Category	January – June 2008	January – June 2009
Passenger Vehicles		
Local	71 519	47 089
Import	103 107	76 112
Total	174 626	123 201
Light Passenger Vehicles		
Local	65 201	40 522
Import	29 058	16 849
Total	94 259	57 371
Total Market	268 885	180 572



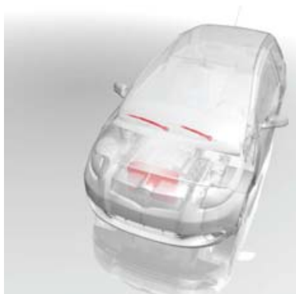
OPERATIONAL REVIEW

OPERATIONAL REVIEW

Subsidiary Element		FNB	Supreme	ATE	Smiths Manufacturing	Smiths Plastics	Hella	Hesto
Company Size		Large +	Small √	Small	Large	Medium*	Small	Medium
Ownership	Metair	100%	100%	100%	75%	100%	100%	74,9%
	Other				25% Denso			25,1% Yazaki
Local Content		66%	90%+	15%	< 50%	80%+	70%	<50%
Market diversification		Yes	Limited	No	Limited	Limited	No	No
Product diversification		Yes	Yes	Yes	Limited	No	No	No
Customer diversification		Yes	Yes	Yes	Limited	No	Limited	Limited
After Market		Yes	Yes	Yes	Yes	No	Limited	No
Currency exposure		Limited	Low	High	High	Low	High	High
Major currency		USD	Euro	Euro	Yen	Euro	Yen	Yen
Capital Intensity		High	Medium	Medium	Medium	High	High	Low
Capex Budget 2009		R80 million	R14 million	R7 million	R8 million	-	R8 million	R7 million

+	LARGE	=	Turnover >R750 million
*	MEDIUM	=	Turnover between R300 – R750 million
√	SMALL	=	Turnover <R300 million

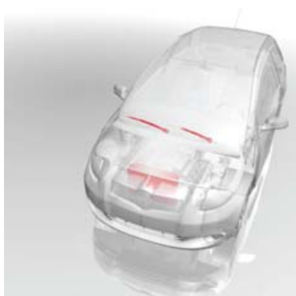





STRATEGIC REVIEW

METAIR VEHICLE PRODUCTION
Volume View

	2008	2009	2010	2011	2012	2013	2014	2015
Passenger Vehicles	338 094	205 954	222 344	234 549	218 112	229 342	241 172	254 257
LCV	205 940	125 055	133 914	144 933	177 141	186 793	196 988	207 758
TOTAL	544 034	331 009	356 258	379 482	395 253	416 135	438 160	462 015
Year on Year		(39%)	8%	7%	4%	5%	5%	5%
Assumed GDP Growth		(0,03%)	2,9%	3,5%	3,5%	3,5%	3,5%	3,5%



METAIR
SHORT-TERM STRATEGY

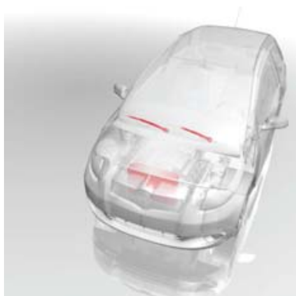
- Short term liquidity (Re-emphasise Cash is King)
- Structural reset to new forecasted volumes
- Possible responsible exit strategy for certain companies

METAIR
SHORT-TERM STRATEGY

Reset

- Relationship with customers - Ongoing with positive results to date
- Company cost structure - 30% decrease in distribution and administrative expenses compared to second half of 2008
- Cash flow - Improvement of approximately R250 million from worst position in current year






Thank you