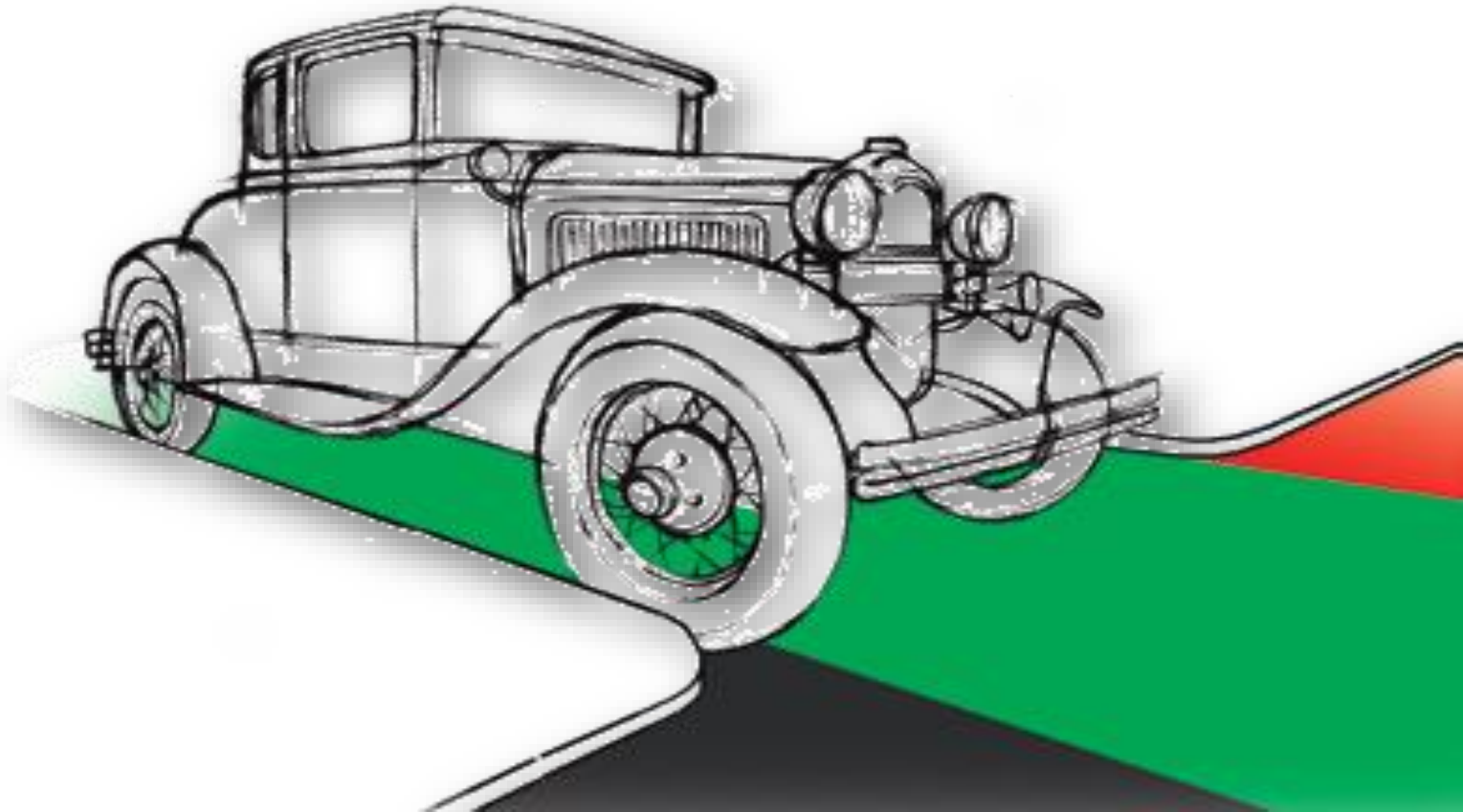


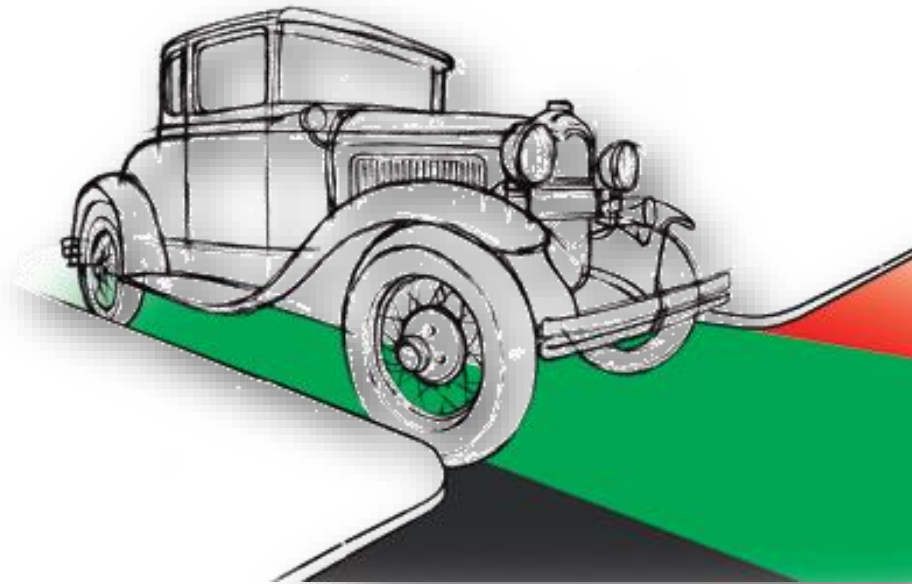


**METAIR**



## **METAIR INVESTMENTS LIMITED**

**Interim results for the 6-months ended  
30 June 2010**



**Cover image:**

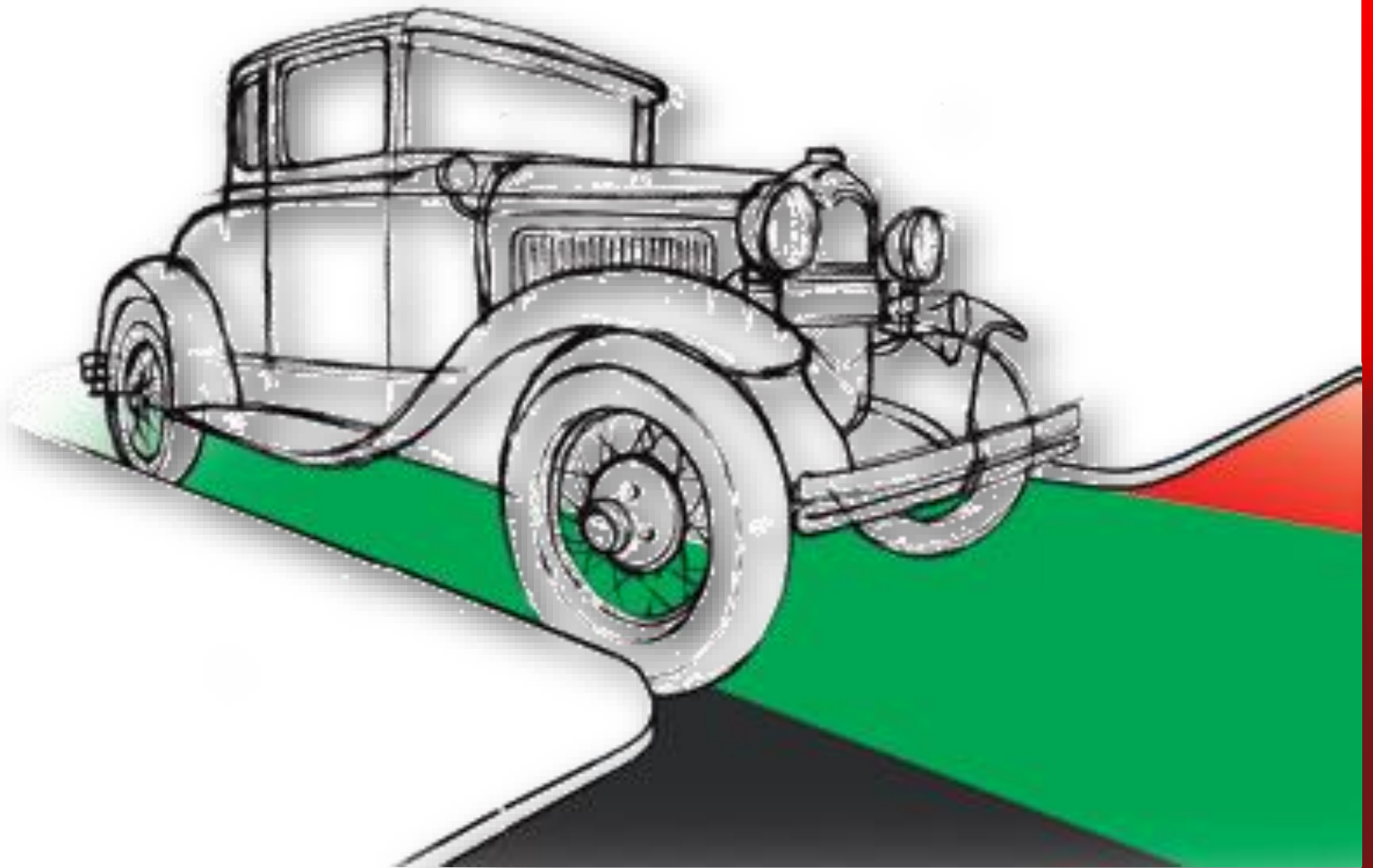
Both the automotive industry and Metair find themselves at a crossroads.  
Crucial decisions in the year ahead will determine  
whether we accelerate to join the high road or gear down for the low road.

Global trends demand that we revert to the drawing board to rethink, refine and regroup.  
The call to “get back to basics” – symbolised by the visual of the illustrative model above – has never been clearer ...

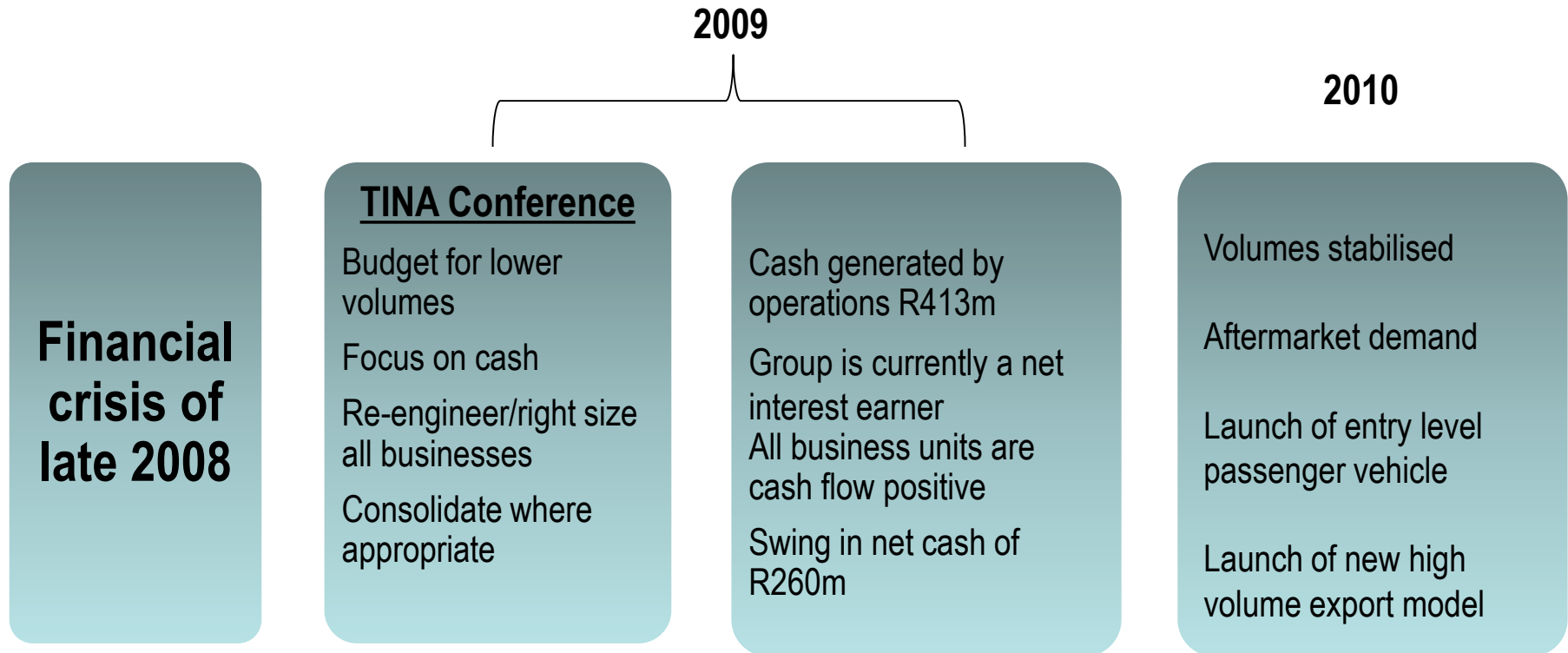
# AGENDA

- Half-year in Review
- Special Dividend
- Industry Review
- Strategic Review
- Prospects

# HALF-YEAR REVIEW



# Half-year Review - 30 June 2010

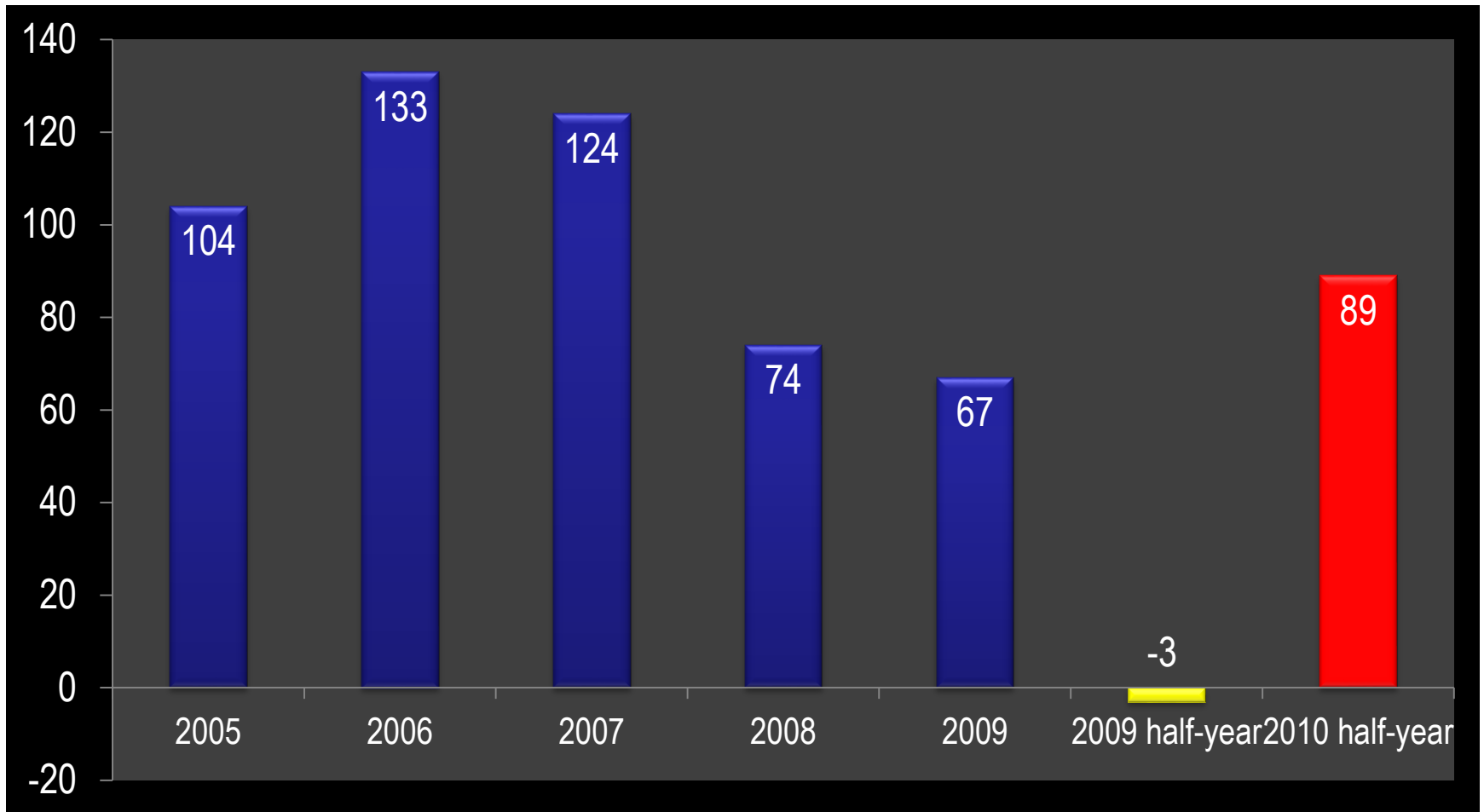


## Half-year Review - 30 June 2010

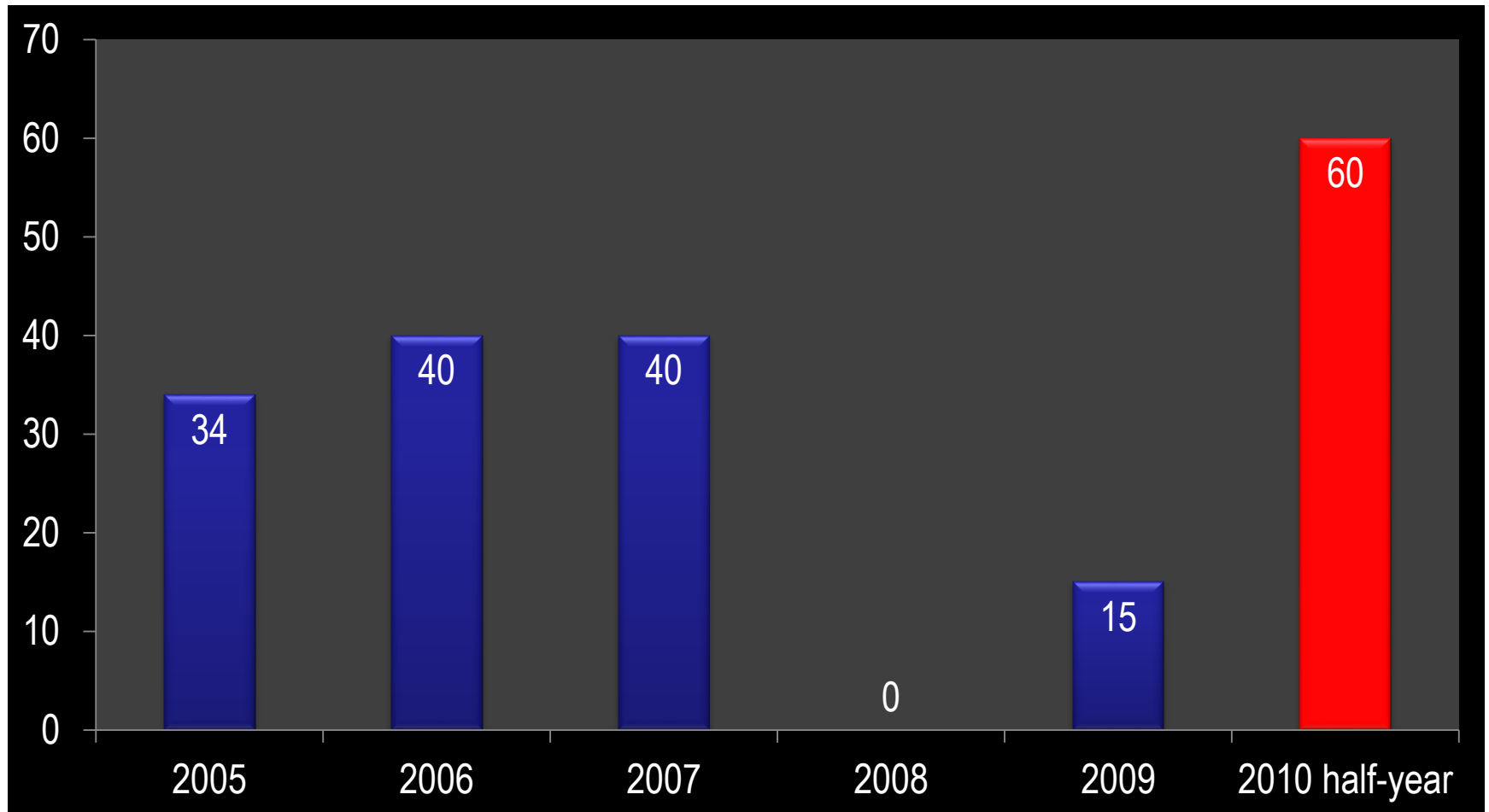
### Financial Results – Salient Features

- Group turnover increased by 11% to R1 837 million
- Gross margin increase from 13.3% to 20,7%
- Local OE business returned to profitability
- Basic earnings per share 87 cents (2009: Loss 19 cents)
- Headline earnings per share increased to 89 cents (3 cents loss)
- Special dividend of 60 cents per share declared
- After market and non-auto businesses performed well
- Automotive division gained market share in replacement market
- Settled R90 million of short term debt
- Cash generated by operations R224m (R115m in 2009)

# Headline Earnings Per Share



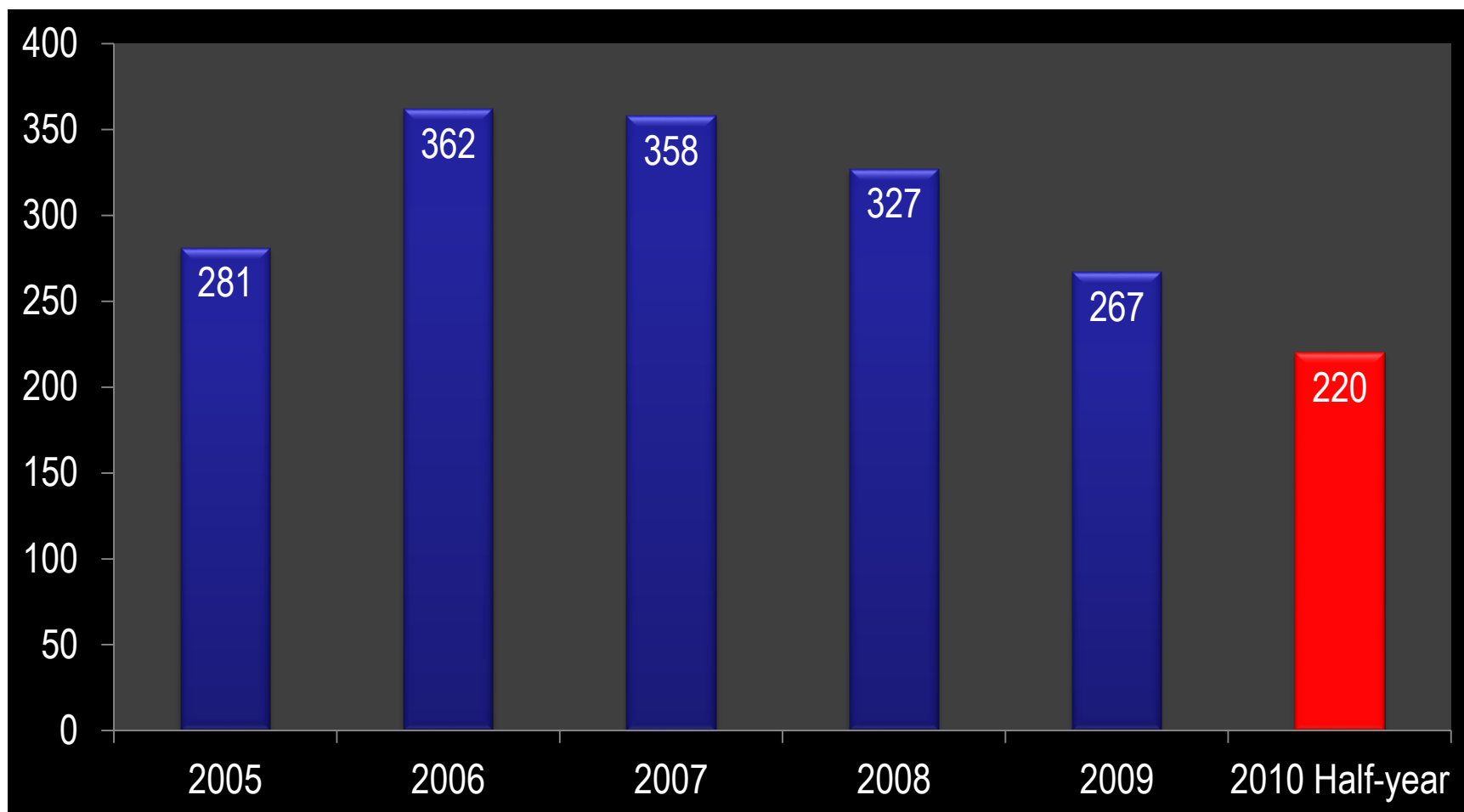
# Dividends Per Share



Dividends declared in respect of previous year



## Cash Generated By Operations Before Working Capital



# Group Income Statement

	<b>30 June 2010</b> <b>R'000</b> <b>Unaudited</b>	<b>30 June 2009</b> <b>R'000</b> <b>Unaudited</b>
Revenue	1 836 578	1 659 433
Cost of Sales	(1 455 108)	(1 438 443)
Gross Profit	381 470	220 990
Other Operating Profit	25 017	35 640
Impairment of Assets	(1 838)	(30 544)
Distribution, administrative and other expenses	(225 589)	(227 613)
Operating Profit/(loss)	179 060	(1 527)

# Segmental Reporting

## Six months ended 30 June 2010

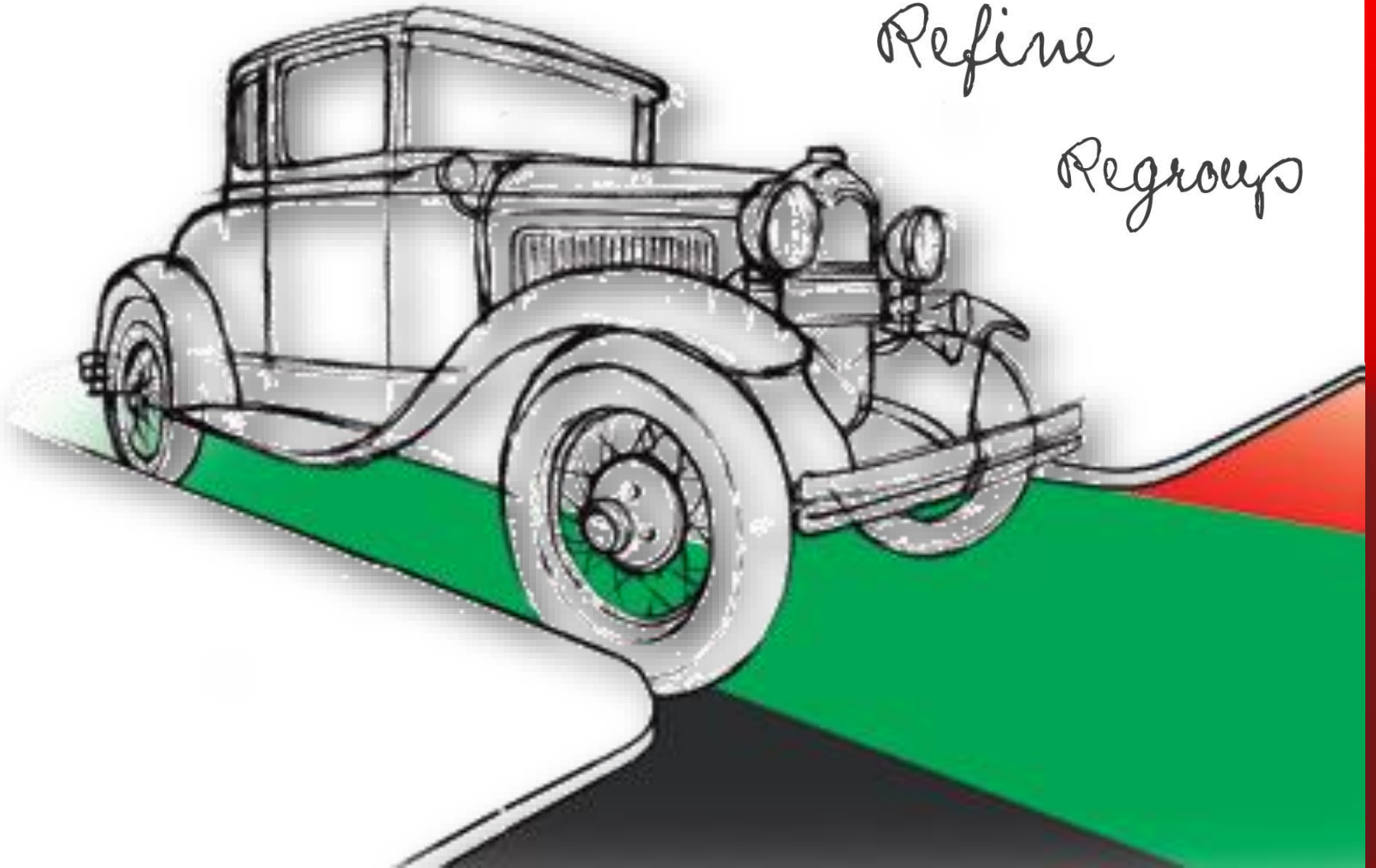
2010	Local			Direct Exports			Property rental	Recon items	Total
	Original Equipment	Aftermarket	Non-Auto	Original Equipment	Aftermarket	Non-Auto			
Turnover	1 112 569	436 756	177 027	41 875	51 962	16 389	28 887	(28 887)	1 836 578
Profit before interest and tax (PBIT)	58 219	82 422	17 893	3 736	1 164	(3 140)	28 887	(3 320)	185 861
2009									
Turnover	1 019 167	368 220	166 872	30 150	55 884	19 140	27 214	(27 214)	1 659 433
Profit before interest and tax (PBIT)	(57 521)	26 116	13 786	(1 128)	3 474	1 754	27 214	(15 438)	(1 743)

SPECIAL DIVIDEND

Rethink

Refine

Regroup



# SPECIAL DIVIDEND

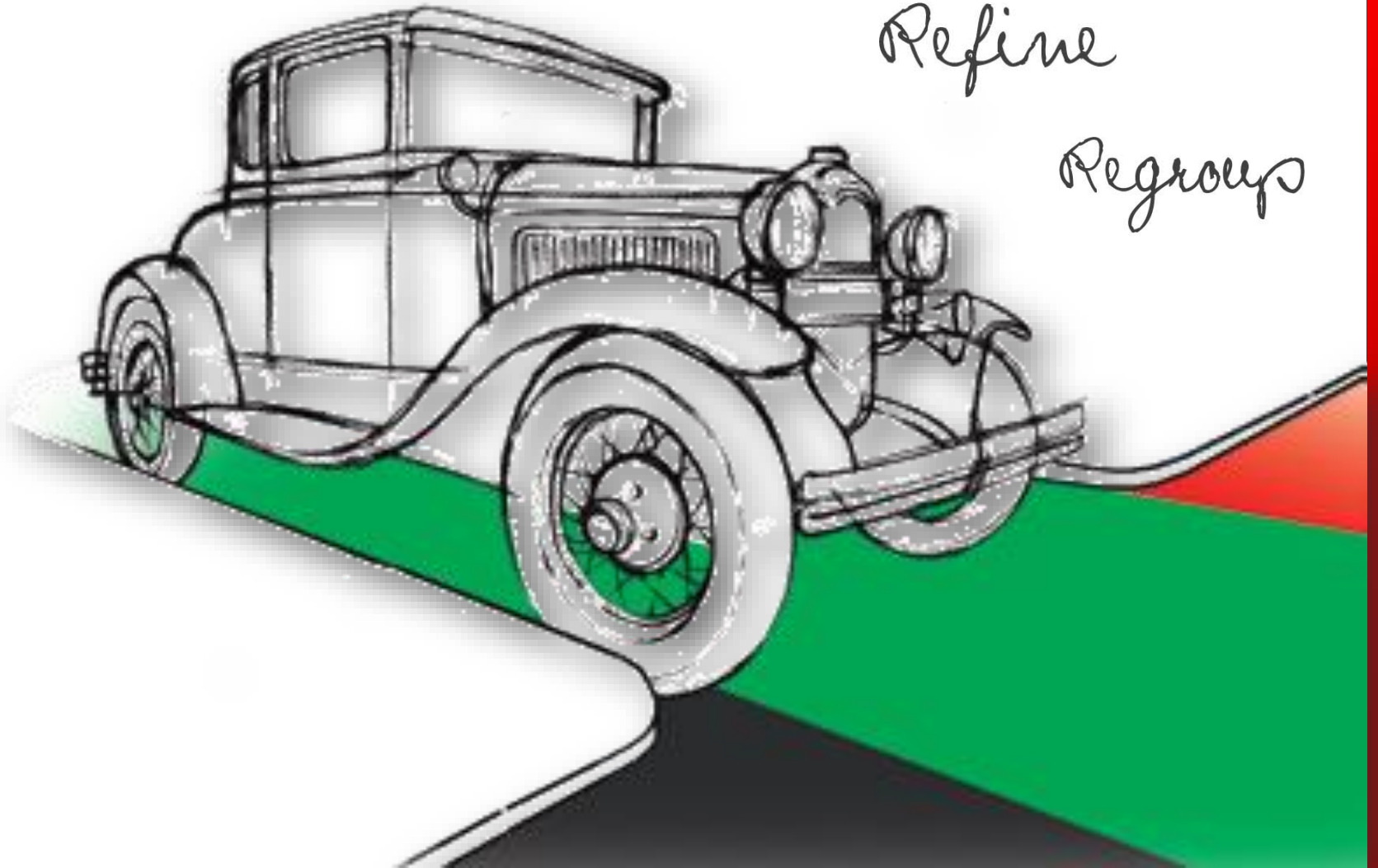
<b>R Millions</b>	<b>June 2008</b>	<b>June 2010</b>	<b>Movement</b>
Stock	667	523	
Debtors	601	455	
Creditors	(578)	(477)	
	<b>690</b>	<b>501</b>	<b>189</b>
<b>Debt</b>	<b>162</b>	<b>66</b>	<b>96</b>
<b>Cash\ (Overdraft)</b>	<b>(38)</b>	<b>276</b>	<b>314</b>

## INDUSTRY REVIEW

Rethink

Refine

Regroup

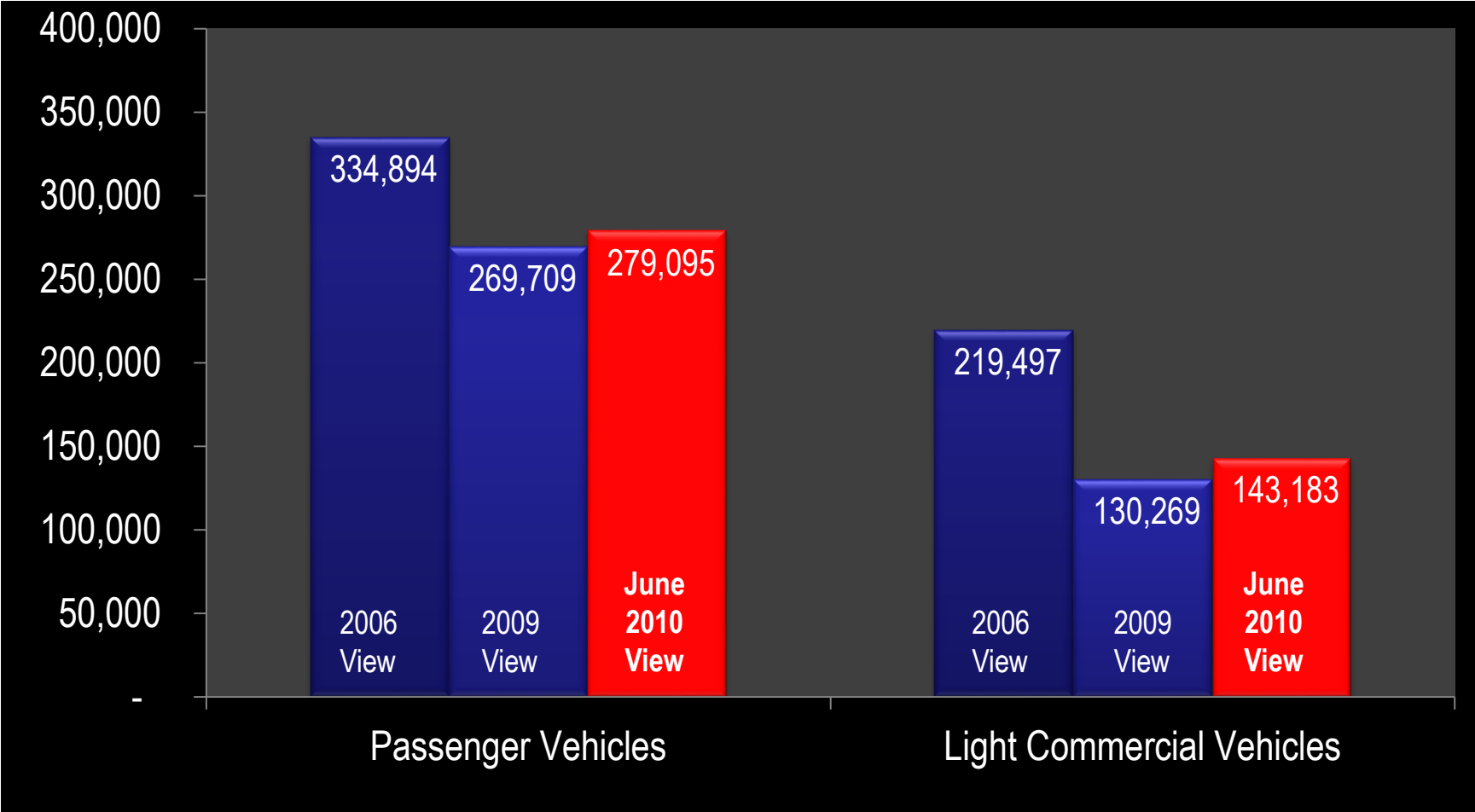


# Metair Vehicle Production Volume per OEM

## Total Volumes per OEM

OEM	Sold	Sold	Forecast					
	2008	2009	2010	2011	2012	2013	2014	2015
BMW	55 235	46 602	46 590	50 246	42 709	45 241	47 925	50 771
MBSA	53 535	44 526	48 449	51 239	43 953	45 843	47 814	50 564
FMCSA	58 109	34 926	24 090	22 471	50 000	73 000	78 110	83 578
GM SA	57 009	26 412	23 792	21 413	20 392	51 000	57 281	59 676
NISSAN	33 094	32 700	40 786	42 674	44 651	50 410	52 754	55 209
VW SA	93 853	62 341	123 374	123 705	130 576	132 644	134 802	137 052
<b>TOYOTA</b>	<b>188 543</b>	<b>105 928</b>	<b>115 197</b>	<b>116 063</b>	<b>110 667</b>	<b>109 645</b>	<b>103 160</b>	<b>108 734</b>
<b>TOTAL</b>	<b>544 034</b>	<b>353 435</b>	<b>422 278</b>	<b>427 809</b>	<b>442 947</b>	<b>507 783</b>	<b>521 845</b>	<b>545 584</b>

# 2010 OE Volume Views at Various Dates



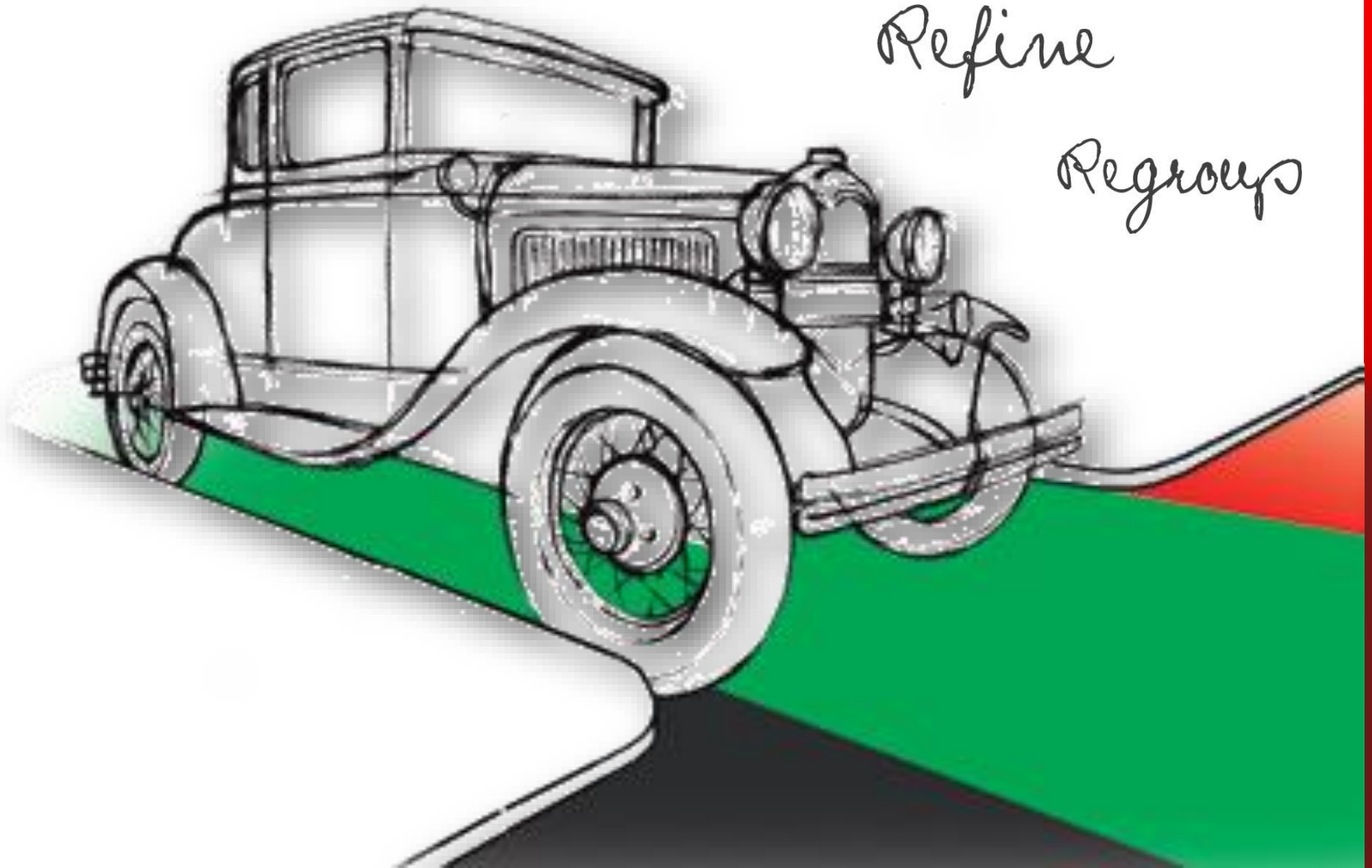


## STRATEGIC REVIEW

Rethink

Refine

Regroup



# METAIR STRATEGY “Regroup”

OE Multi Customers

Aftermarket Focus

Leverage Green Technology

Restructure

# METAIR STRATEGY “Regroup”

Subsidiary Element		FNB	Supreme	ATE	Smiths Manufacturing	Smiths Plastics	Lumotech	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

# METAIR STRATEGY

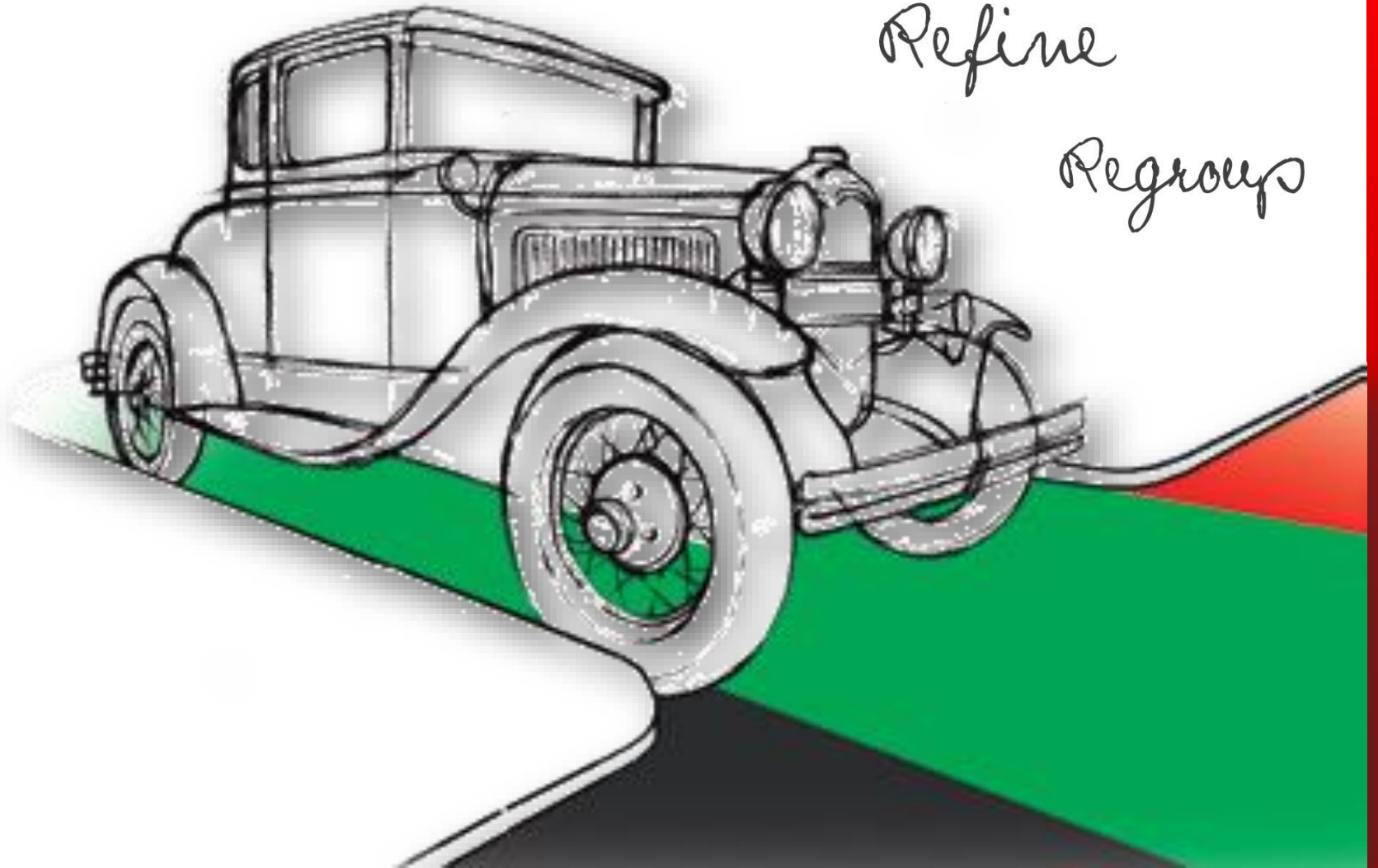
- Extend Aftermarket and non-auto focus
  - FNB
  - ATE
  - Acquisitions
- Leverage our technology into Green sector
  - Stop Start Battery
  - Street Light
  - Heat Pump
- OE remains very important
  - Competitiveness
  - Lower margins
  - Stable demand

# PROSPECTS

Rethink

Refine

Regroup



# PROSPECTS

- OE production volume demand
- Labour action
- Aftermarket demand
- Exchange rate

Second half should be comparable

*Thank you*



**METAIR INVESTMENTS LIMITED**