REMGRO LIMITED

Registration number 1968/006415/06
ISIN ZAE000026480 Share code REM

INTERIM REPORT

UNAUDITED RESULTS FOR THE SIX MONTHS ENDED 31 DECEMBER 2015 AND CASH DIVIDEND DECLARATION

SALIENT FEATURES

• **Headline earnings per share**	**-1.0%**
• **Interim dividend per share**	**+9.5%**
• **Intrinsic net asset value per share compared to 30 June 2015:**	
➢ **31 December 2015**	**-0.7%**
➢ **11 March 2016**	**+2.8%**

REMGRO LIMITED

ABRIDGED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

R million	**31 December 2015**	31 December 2014	30 June 2015
ASSETS			
Non-current assets			
Property, plant and equipment	**6 131**	5 677	5 716
Biological agricultural assets	**458**	425	550
Investment properties	**56**	47	51
Intangible assets	**5 658**	5 759	5 710
Investments - Equity accounted	**67 014**	54 718	57 831
- Other	**3 499**	2 811	2 493
Retirement benefits	**225**	216	220
Loans	**1 240**	935	977
Deferred taxation	**35**	15	18
	84 316	70 603	73 566
Current assets	**13 726**	12 212	21 126
Inventories	**3 210**	3 066	3 118
Biological agricultural assets	**540**	528	549
Debtors and short-term loans	**4 546**	3 654	3 837
Investments in money market funds	**1 119**	782	986
Cash and cash equivalents	**3 875**	3 628	4 050
Other current assets	**396**	8	52
	13 686	11 666	12 592
Assets held for sale*	**40**	546	8 534
Total assets	**98 042**	82 815	94 692
EQUITY AND LIABILITIES			
Stated capital	**3 605**	3 605	3 605
Reserves	**77 266**	65 564	69 781
Treasury shares	**(248)**	(281)	(272)
Shareholders' equity	**80 623**	68 888	73 114
Non-controlling interest	**2 953**	2 695	2 803
Total equity	**83 576**	71 583	75 917
Non-current liabilities	**5 589**	2 236	5 404
Retirement benefits	**231**	268	227
Long-term loans	**3 672**	376	3 547
Deferred taxation	**1 686**	1 592	1 630
Current liabilities	**8 877**	8 996	13 371
Trade and other payables	**4 369**	4 043	4 469
Short-term loans	**4 411**	4 710	366
Other current liabilities	**97**	72	69
	8 877	8 825	4 904
Liabilities held for sale*	**-**	171	8 467
Total equity and liabilities	**98 042**	82 815	94 692
Net asset value per share (Rand)			
- At book value	**R156.66**	R133.93	R142.12
- At intrinsic value	**R286.96**	R284.48	R288.89

** Refer to "additional information" on page 7 for further detail.*

ABRIDGED CONSOLIDATED INCOME STATEMENT

R million	Six months ended 31 December 2015	31 December 2014	Year ended 30 June 2015
Sales	**14 255**	13 110	25 590
Inventory expenses	**(8 795)**	(8 537)	(15 267)
Staff costs	**(2 225)**	(2 153)	(4 276)
Depreciation	**(325)**	(299)	(607)
Other net operating expenses	**(2 304)**	(1 303)	(3 878)
Trading profit	**606**	818	1 562
Dividend income	**30**	15	213
Interest received	**130**	135	276
Finance costs	**(297)**	(198)	(371)
Net impairment of investments, loans, assets and goodwill	**(3)**	(49)	(288)
Profit on sale of investments	**234**	722	696
Consolidated profit before tax	**700**	1 443	2 088
Taxation	**(75)**	(248)	(395)
Consolidated profit after tax	**625**	1 195	1 693
Share of after-tax profit of equity accounted investments	**2 864**	3 241	7 228
Net profit for the period	**3 489**	4 436	8 921
Attributable to:			
Equity holders	**3 342**	4 310	8 715
Non-controlling interest	**147**	126	206
	3 489	4 436	8 921

EQUITY ACCOUNTED INVESTMENTS

Share of after-tax profit of equity accounted investments			
Profit before taking into account impairments, non-recurring and capital items	**4 310**	4 081	8 332
Net impairment of investments, assets and goodwill	**(631)**	(158)	(213)
Profit on the sale of investments	**96**	35	271
Other non-recurring and capital items	**(79)**	28	62
Profit before tax and non-controlling interest	**3 696**	3 986	8 452
Taxation	**(778)**	(690)	(1 129)
Non-controlling interest	**(54)**	(55)	(95)
	2 864	3 241	7 228

RECONCILIATION OF HEADLINE EARNINGS

R million	**Six months ended 31 December 2015**	Six months ended 31 December 2014	Year ended 30 June 2015
Net profit for the period attributable to equity holders	**3 342**	4 310	8 715
Plus/(minus):			
- Net impairment of equity accounted investments	**(9)**	-	99
- Impairment of other investments	**-**	44	79
- Impairment of property, plant and equipment	**12**	5	94
- Impairment of assets held for sale	**-**	-	16
- Profit on sale of equity accounted investments*	**(82)**	(944)	(984)
- (Profit)/loss on sale of other investments*	**(153)**	222	288
- Net surplus on disposal of property, plant and equipment	**(18)**	(10)	(5)
- Loss on disposal of biological agricultural assets	**9**	-	-
- Non-headline earnings items included in equity accounted earnings of equity accounted investments	**524**	27	(231)
- Net surplus on disposal of property, plant and equipment	**(90)**	(68)	(111)
- Profit on the sale of investments	**(96)**	(35)	(271)
- Net impairment of investments, assets and goodwill	**631**	158	213
- Other non-recurring and capital items	**79**	(28)	(62)
- Taxation effect of adjustments	**1**	-	(50)
- Non-controlling interest	**(2)**	4	(25)
Headline earnings	**3 624**	3 658	7 996

* *For the period under review "Profit on sale of equity accounted investments" and "(Profit)/loss on sale of other investments" primarily consist of the profit of R94 million realised on the disposal of Britehouse and a profit of R153 million realised on the disposal of Spire to Mediclinic, respectively. In the comparative period these adjusting items primarily consisted of the profit of R958 million realised on the dilution of Remgro's interest in Mediclinic and a loss of R222 million realised on the disposal of the investment in Lashou, respectively.*

EARNINGS AND DIVIDENDS

Cents	**Six months ended 31 December 2015**	Six months ended 31 December 2014	Year ended 30 June 2015
Headline earnings per share			
– Basic	**704.4**	711.7	1 555.0
– Diluted	**699.5**	704.2	1 541.8
Earnings per share			
– Basic	**649.5**	838.5	1 694.9
– Diluted	**644.7**	830.5	1 680.9
Dividends per share			
Ordinary	**185.00**	169.00	428.00
– Interim	**185.00**	169.00	169.00
– Final	**-**	-	259.00

ABRIDGED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

R million	**Six months ended** 31 December **2015**	Six months ended 31 December 2014	Year ended 30 June 2015
Net profit for the period	**3 489**	4 436	8 921
Other comprehensive income, net of tax	**5 476**	(302)	335
Items that may be reclassified subsequently to the income statement:			
Exchange rate adjustments	**2 175**	231	267
Fair value adjustments for the period	**608**	(145)	(156)
Deferred taxation on fair value adjustments	**(57)**	(6)	(34)
Reclassification of other comprehensive income to the income statement	**(635)**	26	45
Other comprehensive income of equity accounted investments	**3 579**	34	929
Items that will not be reclassified to the income statement:			
Remeasurement of post-employment benefit obligations	**7**	10	5
Deferred taxation on remeasurement of post-employment benefit obligations	**(2)**	(3)	(2)
Change in reserves of equity accounted investments	**(199)**	(449)	(699)
Total comprehensive income for the period	**8 965**	4 134	9 276
Total comprehensive income attributable to:			
Equity holders	**8 819**	4 008	9 066
Non-controlling interest	**146**	126	210
	8 965	4 134	9 276

ABRIDGED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

R million	**Six months ended** 31 December **2015**	Six months ended 31 December 2014	Year ended 30 June 2015
Balance at the beginning of the period	**75 917**	68 634	68 634
Total comprehensive income for the period	**8 965**	4 134	9 276
Dividends paid	**(1 377)**	(1 237)	(2 136)
Capital invested by minorities	**31**	2	37
Other movements	**30**	10	25
Long-term share incentive scheme reserve	**10**	40	81
Balance at the end of the period	**83 576**	71 583	75 917

ABRIDGED CONSOLIDATED STATEMENT OF CASH FLOWS

R million	Six months ended 31 December 2015	Six months ended 31 December 2014	Year ended 30 June 2015
Cash generated from operations	**136**	645	1 895
Taxation paid	**(192)**	(132)	(397)
Dividends received	**2 032**	1 382	3 215
Cash available from operating activities	**1 976**	1 895	4 713
Dividends paid	**(1 377)**	(1 237)	(2 136)
Net cash inflow from operating activities	**599**	658	2 577
Investing activities	**(5 228)**	(744)	(1 151)
Financing activities	**3 572**	(58)	(1 349)
Net increase/(decrease) in cash and cash equivalents	**(1 057)**	(144)	77
Exchange rate profit on foreign cash	**391**	71	116
Cash and cash equivalents at the beginning of the period	**3 829**	3 636	3 636
Cash and cash equivalents at the end of the period	**3 163**	3 563	3 829
Cash and cash equivalents – per statement of financial position	**3 875**	3 628	4 050
Bank overdraft	**(712)**	(65)	(221)

ADDITIONAL INFORMATION

	31 December 2015	31 December 2014	30 June 2015
Number of shares in issue			
- Ordinary shares of no par value	**481 106 370**	481 106 370	481 106 370
- Unlisted B ordinary shares of no par value	**35 506 352**	35 506 352	35 506 352
Total number of shares in issue	**516 612 722**	516 612 722	516 612 722
Number of shares held in treasury			
- Ordinary shares repurchased and held in treasury	**(1 973 153)**	(2 241 656)	(2 169 558)
	514 639 569	514 371 066	514 443 164
Weighted number of shares	**514 516 070**	513 998 313	514 200 979

In determining earnings per share and headline earnings per share the weighted number of shares was taken into account.

ADDITIONAL INFORMATION (continued)

R million	**31 December 2015**	31 December 2014	30 June 2015
Listed investments			
Associated			
- Book value	**50 275**	38 633	41 533
- Market value	**101 272**	96 351	97 926
Other			
- Book value	**1 187**	863	902
- Market value	**1 187**	863	902
Unlisted investments			
Associated			
- Book value	**11 312**	11 315	11 336
- Directors' valuation	**22 380**	23 703	22 516
Joint ventures			
- Book value	**5 427**	4 770	4 962
- Directors' valuation	**12 818**	11 173	13 295
Other			
- Book value	**2 312**	1 948	1 591
- Directors' valuation	**2 312**	1 948	1 591
Assets and liabilities held for sale			
During June 2015, Remgro entered into an agreement with funds managed by Cinven to acquire 119 923 335 Spire shares (equivalent to a 29.9% shareholding in Spire). In conjunction with the transaction, Remgro and Mediclinic concluded an agreement whereby Mediclinic would acquire Remgro's interest in Spire, subject to a successful Mediclinic rights issue. Total assets and liabilities are	**-**	-	(175)
Investment	**-**	-	8 275
Trade and other creditors	**-**	-	(8 276)
Derivative instruments	**-**	-	(174)
Various other assets and liabilities classified as held for sale	**40**	375	242
Assets	**40**	546	259
Liabilities	**-**	(171)	(17)
	40	375	67
Additions to and replacement of property, plant and equipment	**575**	372	853
Capital and investment commitments	**15 231**	798	5 847
Al Noor acquisition	**13 656**	-	-
Mediclinic rights issue	**-**	-	4 135
Various other commitments	**1 575**	798	1 712
(Including amounts authorised, but not yet contracted for)			
Guarantees and contingent liabilities	**238**	306	316
Dividends received from equity accounted investments set off against investments	**2 027**	1 404	3 077

ADDITIONAL INFORMATION (continued)

Fair value remeasurements

The following methods and assumptions are used to determine the fair value of each class of financial instruments:
- Financial instruments available-for-sale and investment in money market funds: Fair value is based on quoted market prices or, in the case of unlisted instruments, appropriate valuation methodologies, being discounted cash flow, liquidation valuation and actual net asset value of the investment.
- Derivative instruments: The fair value of derivative instruments is determined by using mark-to-market valuations.

Financial instruments measured at fair value, are disclosed by level of the following fair value hierarchy:
Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities;
Level 2 – Inputs (other than quoted prices included within level 1) that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and
Level 3 – Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The following tables illustrate the fair values of financial assets and liabilities that are measured at fair value, by hierarchy level:

R million	***Level 1***	***Level 2***	***Level 3***	**Total**
31 December 2015				
Assets				
Available-for-sale	**1 187**	**-**	**2 312**	**3 499**
Derivative instruments	**-**	**395**	**-**	**395**
Investment in money market funds	**1 119**	**-**	**-**	**1 119**
	2 306	**395**	**2 312**	**5 013**
Liabilities				
Derivative instruments	**-**	**14**	**-**	**14**
31 December 2014				
Assets				
Available-for-sale	863	-	1 948	2 811
Derivative instruments	-	6	-	6
Investment in money market funds	782	-	-	782
	1 645	6	1 948	3 599
Liabilities				
Derivative instruments	-	19	-	19
30 June 2015				
Assets				
Available-for-sale	902	-	1 591	2 493
Derivative instruments	-	10	-	10
Investment in money market funds	986	-	-	986
	1 888	10	1 591	3 489
Liabilities				
Derivative instruments	-	190	-	190

ADDITIONAL INFORMATION (continued)

The following tables illustrate the reconciliation of the carrying value of level 3 assets from the beginning to the end of the period:

R million	**31 December 2015**	31 December 2014	30 June 2015
Available-for-sale			
Balances at the beginning of the period	**1 591**	1 762	1 762
Additions	**59**	287	375
Disposals	**(29)**	(57)	(484)
Exchange rate adjustments	**348**	80	148
Fair value adjustments through comprehensive income	**343**	(124)	(210)
Balances at the end of the period	**2 312**	1 948	1 591

There were no transfers between the different levels.

Level 3 investments consist mainly of investments in the Milestone China entities (Milestone), the Kagiso Infrastructure Empowerment Fund (KIEF) and the Pembani Remgro Infrastructure Fund (PRIF) amounting to R1 734 million, R320 million and R178 million respectively. These investments are all valued based on the fair value of each investment's underlying assets, which are valued using a variety of valuation methodologies. Listed entities are valued at the last quoted share price on the reporting date, whereas unlisted entities' methods include discounted cash flow valuations and appropriate earnings and revenue multiples.

Milestone's fair value consists of listed investments (40%), cash and cash equivalents (5%) and unlisted investments (55%). 74% of the unlisted investments were acquired during the previous financial year and were valued at cost or a subsequent transaction price at which new investors invested into the underlying businesses as Milestone's management considers the transaction price to be the fair value of the investments. The remaining investments were valued at approximately R243 million. KIEF's investments were valued using the discounted cash flow method. PRIF's main asset is the investment in ETG Group and it was valued using appropriate revenue and earnings multiples based on peer group companies to determine a price-to-book valuation.

Changes in the valuation assumptions of the above unlisted investments will not have a significant impact on Remgro's financial statements.

Related party transactions

During the period under review the most material related party transactions related to Remgro's facilitation of Mediclinic's acquisition of Spire, as well as Remgro's participation in the combination of Mediclinic and Al Noor. Refer to the section dealing with "Investment activities" for more detail on these transactions.

COMMENTS

1. ACCOUNTING POLICIES

The interim report is prepared in accordance with the recognition and measurement principles of International Financial Reporting Standards (IFRS), including *IAS 34: Interim Financial Reporting*, and in accordance with the requirements of the Companies Act (No. 71 of 2008), as amended, and the Listings Requirements of the JSE Limited. The financial statements have been prepared under the supervision of the Chief Financial Officer, Leon Crouse CA (SA). The financial statements have not been audited or reviewed.

These financial statements incorporate accounting policies that are consistent with those of the previous financial periods.

2. RESULTS

Headline earnings

For the period under review headline earnings decreased by 0.9% from R3 658 million to R3 624 million, while headline earnings per share decreased by 1.0% from 711.7 cents to 704.4 cents.

Included in headline earnings for the period under review are certain once-off items relating to the transaction costs incurred with the Mediclinic rights issue and Al Noor transactions amounting to R128 million. Excluding these items, headline earnings increased by 2.6% from R3 658 million to R3 752 million, and headline earnings per share increased by 2.5% from 711.7 cents to 729.2 cents.

Contribution to headline earnings by reporting platform

	Six months ended			
R million	**31 Dec 2015**	*% Change*	31 Dec 2014	Year ended 30 June 2015
Food, liquor and home care	**1 250**	*28.3*	974	1 531
Banking	**1 386**	*2.9*	1 347	2 845
Healthcare	**787**	*17.5*	670	1 734
Insurance	**455**	*(17.1)*	549	986
Industrial	**5**	*(28.6)*	7	381
Infrastructure	**74**	*(18.7)*	91	392
Media and sport	**(28)**	*(354.5)*	11	(16)
Other investments	**31**	*(20.5)*	39	84
Central treasury				
- finance income	**77**	*35.1*	57	111
- finance costs	**(219)**	-	-	-
Other net corporate costs	**(194)**	*(123.0)*	(87)	(52)
Headline earnings	**3 624**	*(0.9)*	3 658	7 996

Refer to Annexures A and B for segmental information.

Commentary on reporting platforms' performance

Food, liquor and home care

The contribution from food, liquor and homecare to Remgro's headline earnings amounted to R1 250 million (2014: R974 million), representing an increase of 28.3%. RCL Foods contribution to Remgro's headline earnings increased by 23.0% to R582 million (2014: R473 million). This increase is mainly the result of a release of R163 million relating to a provision raised as part of the Foodcorp acquisition for uncertain tax disputes. Excluding this remeasurement, RCL Foods' contribution to Remgro's headline earnings would have decreased by 3.6% to R456 million. During the period under review RCL Foods' Grocery, Pies, Speciality, Beverages, Animal Feed and Logistics businesses performed well, but the Sugar and Chicken businesses remained under pressure due to severe drought conditions and increased maize and wheat prices respectively. Unilever's contribution to Remgro's headline earnings increased by 57.4% to R307 million (2014: R195 million). This increase is mainly the result of revenue growth and margin improvement. Distell's contribution to headline earnings, which includes the investment in Capevin Holdings, amounted to R361 million (2014: R306 million). This increase is mainly the result of revenue growth and efficiency improvements across the business. Distell experienced strong performances from all product categories and also benefited from a substantially weaker rand against the major currencies in which it trades.

Banking
The headline earnings contribution from the banking division amounted to R1 386 million (2014: R1 347 million), representing an increase of 2.9%. FirstRand and RMBH reported headline earnings growth of 5.0% and 2.3% respectively, mainly due to growth in both interest income and non-interest income from FNB, RMB and WesBank. On a normalised basis, FirstRand and RMBH reported earnings growth of 9.2% and 8.9% respectively.

Healthcare
Mediclinic's contribution to Remgro's headline earnings amounted to R787 million (2014: R670 million). This increase is mainly due to solid performances by all three operating platforms, as well as the positive effect of the weaker rand. The significant corporate activity undertaken by Mediclinic during the period under review had an immaterial impact on Remgro's results for this reporting period, but will impact the results of the second six months.

Insurance
RMI Holdings' contribution to headline earnings decreased by 17.1% to R455 million. This decrease is mainly the result of a once-off profit in the comparative period, with the release of a put option liability at Discovery, which is excluded from RMI Holdings' normalised earnings. On a normalised basis, RMI Holdings reported an increase of 3.6% in earnings, with Discovery and OUTsurance achieving good earnings growth of 7.5% and 24.7% respectively, offset by lower earnings from MMI Holdings (lower by 8.9%).

Industrial
Total's contribution to Remgro's headline earnings amounted to R51 million (2014: a loss of R112 million). Included in the contribution to headline earnings for the period under review is substantial unfavourable stock revaluations amounting to R144 million (2014: unfavourable stock revaluations of R275 million). These revaluations are the result of the volatility in the Brent Crude price and the rand exchange rate. Excluding these revaluations, the contribution increased by 19.6% from R163 million to R195 million. Remgro's share of the results of KTH amounted to a loss of R260 million (2014: loss of R62 million). KTH's results were negatively impacted by unfavourable fair value adjustments relating to its investments in Exxaro Resources Limited and MMI Holdings Limited preference shares. Air Products' and Wispeco's contribution to headline earnings amounted to R142 million and R54 million respectively (2014: R108 million and R48 million), while PGSI contributed R18 million to Remgro's headline earnings (2014: R25 million).

Infrastructure
Grindrod's contribution to Remgro's headline earnings amounted to R43 million (2014: R76 million). This decrease is mainly the result of weak commodity markets and significantly lower dry-bulk shipping rates. For the period under review the CIV group contributed R35 million to headline earnings (2014: R5 million). SEACOM reported a headline loss of R111 million for the period under review (2014: headline earnings of R40 million), with Remgro's share of this loss amounting to R28 million (2014: profit of R8 million). This decrease is mainly due to a higher depreciation charge on certain cable assets resulting from a change in the estimated useful life of these assets.

Media and sport
Media and sport interests primarily consist of the interests in eMedia and various sport interests, including interests in rugby franchises, as well as the Stellenbosch Academy of Sport. eMedia's contribution to Remgro's headline earnings decreased by 75.0% to R11 million (2014: R44 million), mainly due to lower advertising revenue and new business development costs. The sport interests' contribution to headline earnings amounted to a loss of R39 million (2014: loss of R33 million).

Other investments
The contribution from other investments to headline earnings amounted to R31 million (2014: R39 million), of which Business Partners' contribution was R21 million (2014: R20 million).

Central treasury and other net corporate costs
Finance income amounted to R77 million (2014: R57 million). This increase is mainly the result of higher average cash balances, as well as higher interest rates than in the comparative period. Finance costs consist of funding costs amounting to R91 million, which relates to the R3.5 billion borrowed in order to participate in the Mediclinic rights issue, as well as once-off transaction costs amounting to R128 million in respect of the bridge financing of the Mediclinic rights issue and Al Noor transactions. Other net corporate costs amounted to R194 million (2014: R87 million). The period under review includes transaction and funding costs amounting to R114 million relating to Remgro's acquisition of Spire Healthcare Group plc (Spire). Remgro recouped this amount from Mediclinic as part of the Spire disposal consideration, which resulted in a profit on disposal of investment of R153 million, excluded from headline earnings.

Total earnings

Total earnings decreased by 22.5% to R3 342 million (2014: R4 310 million). This decrease is mainly the result of a profit of R958 million realised on the dilution of Remgro's interest in Mediclinic in the comparative period when Mediclinic did a share issuance in which Remgro did not participate.

3. INTRINSIC NET ASSET VALUE

Remgro's intrinsic net asset value per share decreased by 0.7% from R288.89 at 30 June 2015 to R286.96 at 31 December 2015. Refer to Annexure B for full details.

As at 11 March 2016 the intrinsic net asset value per share was R297.11 (using updated market information and investment activities to date), representing an increase of 2.8% from R288.89 at 30 June 2015.

4. INVESTMENT ACTIVITIES

The most important investment activities during the period under review were as follows:

Mediclinic International Limited (Mediclinic)

Facilitation of Mediclinic's acquisition of Spire

During June 2015 Remgro entered into an agreement with funds managed by Cinven to acquire 119 923 335 Spire shares (equivalent to a 29.9% shareholding in Spire) at a price of £3.60 per share for a total purchase consideration of £431.7 million (excluding transaction costs). The transaction was concluded early in July 2015 and Remgro financed the transaction through a combination of its own cash and external funding.

In conjunction with the above transaction, Remgro and Mediclinic concluded an agreement whereby Mediclinic would acquire Remgro's interest in Spire, subject to Mediclinic raising the appropriate funds in order to conclude such a transaction. During August 2015 Mediclinic raised R10.0 billion through a rights issue in terms of which 111 111 111 new Mediclinic shares were issued at a price of R90.00 per share. Remgro, by following its rights and by underwriting the balance of the rights issue, subscribed for an additional 51 342 886 Mediclinic shares totalling R4.6 billion. Following the successful conclusion of the rights issue, Mediclinic acquired Remgro's shareholding in Spire during August 2015 for an amount of R8.6 billion, equal to the purchase price, transaction and funding costs. Remgro thus effectively only facilitated the acquisition of Spire by Mediclinic.

In order to participate in the above-mentioned rights issue Remgro obtained bridge financing amounting to R3.5 billion. During January 2016 Remgro (through its wholly owned subsidiary, Remgro Healthcare Holdings Proprietary Limited (Remgro Healthcare)) replaced the bridge financing by issuing fixed rate cumulative redeemable preference shares. These preference shares have a tenor of four years and the dividend rate is fixed at 7.7%, payable semi-annually.

On 31 December 2015 Remgro's effective interest in Mediclinic was 42.5% (30 June 2015: 42.0%).

Combination of Mediclinic and Al Noor Hospitals Group plc (Al Noor)

On 14 October 2015 Mediclinic and Al Noor agreed on the terms for the combination of their respective businesses (the "Combination") pursuant to which Al Noor offered to acquire 100% of the issued share capital of Mediclinic. The transaction was concluded on 15 February 2016 and given the relative size of Mediclinic and Al Noor, the Combination was classified as a reverse takeover of Al Noor. The combined group was renamed Mediclinic International plc (Mediclinic plc) and it retained its premium listing on the Main Market of the LSE. Mediclinic plc also obtained an inward secondary listing on the main board of the JSE and it is expected to be admitted to the FTSE 100 index of the LSE. Mediclinic shareholders received 0.625 Al Noor shares for every Mediclinic share held by them, based on the 5 day volume weighted average price up to and including 1 October 2015 of the Mediclinic shares on the JSE and of the Al Noor shares on the LSE (which was £5.20 and £8.32, respectively).

In addition to the Al Noor shares received by Remgro and as an indivisible component of the Combination, Remgro also subscribed for an additional 72 115 384 shares in Al Noor at a subscription price of £8.32 per share for an aggregate amount of £600 million during February 2016 (the "Remgro Subscription"). In order to fund the Remgro Subscription, Remgro obtained bridge financing of which £400 million was borrowed offshore, while £200 million (or R4.3 billion) was borrowed in South Africa. During March 2016 Remgro (through its wholly owned subsidiary, Remgro Healthcare) will replace the local bridge financing with newly issued fixed rate cumulative redeemable preference shares amounting to approximately R4.4 billion. The preference shares have a tenor of five years and a fixed dividend rate of 8.3%, payable semi-annually.

After the Combination and the Remgro Subscription, Remgro's effective interest in Mediclinic plc was 44.6%.

Britehouse Holdings Proprietary Limited (Britehouse)
During September 2015 Remgro disposed of its investment in Britehouse for a total consideration of R159.6 million. A profit of R93.7 million was realised on this transaction, which is excluded from headline earnings.

Milestone China Funds
During the period under review Remgro invested the remaining committed loan amount of $6.9 million to Milestone Capital Strategic Holdings. Remgro also invested a further $3.5 million in Milestone China Opportunities Fund III (Milestone III), thereby increasing its cumulative investment in Milestone III to $90.0 million. As at 31 December 2015 the remaining commitment to Milestone III amounted to $10.0 million.

Other
Other smaller investments amounted to R75 million.

Events after 31 December 2015
Other than the above-mentioned Mediclinic transactions, there were no significant transactions subsequent to 31 December 2015.

5. INFORMATION REGARDING UNLISTED INVESTMENTS

Unilever South Africa Holdings Proprietary Limited (Unilever)
Unilever has a 31 December year-end, but its results for the six months to 31 December 2015 have been equity accounted in Remgro's results for the period under review. Unilever's contribution to Remgro's headline earnings for the six months under review increased by 57.4% to R307 million (2014: R195 million) due to good turnover growth and margin improvement.

Unilever's restructuring costs for the six months under review amounted to R35 million (2014: R79 million) driven by investments in the Boksburg Liquid factory in order to drive cost efficiencies and centralisation of Unilever's transport, buying, planning and execution.

Air Products South Africa Proprietary Limited (Air Products)
Air Products has a September year-end, but its results for the six months ended 30 September 2015 have been included in Remgro's results for the period under review. Air Products' contribution to Remgro's headline earnings for the period under review increased by 31.5% to R142 million (2014: R108 million).

Turnover for Air Products' six months ended 30 September 2015 increased by 30.7% to R1 363 million (2014: R1 043 million), while the company's operating profit for the same period increased by 32.7% to R426 million (2014: R321 million). The results for the current period were positively influenced by the commencement of new long term tonnage contracts.

Air Products is the largest manufacturer of industrial gases in Southern Africa and also imports and distributes a variety of specialty gases and chemical products that are supplied to a wide range of industries including steel, chemicals, oil refining, resource minerals, glass, pulp and paper, food packaging as well as general manufacturing, fabrication and welding.

The Bulk liquid and Packaged gas product volumes remain under pressure in an environment of low manufacturing activity.

Kagiso Tiso Holdings Proprietary Limited (KTH)
KTH is a leading black-owned investment company with a diversified asset portfolio covering the resources, industrial, media, financial services, healthcare, property and information technology sectors.

KTH's contribution to Remgro's headline earnings for the year under review amounted to a loss of R260 million (2014: headline loss of R62 million). The decrease in earnings was mainly driven by KTH's net attributable share of negative fair value adjustments on its equity investment in Exxaro Resources Limited (R317 million) and preference shares in MMI Holdings Limited (R263 million).

Income from equity accounted investments increased slightly to R245 million (2014: R219 million), with the major contribution coming from its investment in MMI Holdings Limited. Net finance costs increased to R209 million (2014: R176 million) mainly as a result of the incurring of debt to finance the acquisitions concluded during the period.

Total South Africa Proprietary Limited (Total)
Total has a December year-end, but its results for the six months to 31 December 2015 have been included in Remgro's results for the period under review. Total's contribution to Remgro's headline earnings for the six months to 31 December 2015 amounted to R51 million (2014: headline loss of R112 million).

The results were negatively impacted by stock revaluation losses of R802 million (2014: loss of R1 535 million), as the international oil price decreased from US$61 per barrel, at 30 June 2015, to US$37 per barrel at 31 December 2015.

Total's turnover for the six months ended 31 December 2015 was R26 195 million (2014: R25 292 million). The positive result is due to an increase in the regulated margin which was given in December 2014 and favourable volume sales in the mining sector.

There was no increase in the wholesale margin during the period. The rollout of RAS (split of regulated margin between retail and wholesale) had little impact on Total's operating profit, as expected, following dealers contract renegotiations.

The company is intensifying its investments regarding the health, safety, environment and quality constraints at its depots, as well as at its service stations.

NATREF (in which Total has an interest of 36.4%) experienced an improvement in refining margins during the period under review as compared to 2014, due to the combined impacts of a better economic environment for refiners, favourable exchange rate movements and an improved refinery operational performance.

PGSI Limited (PGSI)
PGSI's contribution to Remgro's headline earnings for the six months to 31 December 2015 amounted to R18 million (2014: R25 million). PGSI's turnover for the period under review remained flat at R1 975 million (2014: R1 974 million). The group's normalised operating profit, which excludes the impact of asset impairments, decreased from R141 million to R135 million as the group continues to operate in difficult market conditions, particularly in the automotive industry.

The group's main operating subsidiary in South Africa, PG Group, manufactures and supplies glass for the building and automotive industries. The group's results for the two industries have been mixed with good growth being reported in the building sector, but not sufficient to offset the decline in profitability in the automotive sector.

The group has shown positive growth in the building division's results in 2015, in spite of the challenging economic climate and weak demand. There has been significant rationalisation of the divisional structures to improve operational efficiency and profitability, coupled with encouraging profitable growth in the "Rest of Africa" markets. The weaker Rand has improved export margins and allowed the group to be more competitive in the local market against imported supply. Energy efficient glass solutions for buildings and the related building legislation is providing exciting opportunities for the residential building sector and the group is well placed to capture market share with high quality and competitive product offerings.

The weaker performance in the PG Group automotive division was due to economic pressures on consumers, lower volumes of claims from the Insurance sector and a weaker demand in export markets. The group introduced the value-for-money Safevue range of windscreens for the high volume categories of motor vehicle in the South African autoglass aftermarket. This new range has stemmed the decline of market share. Furthermore, the patented Glass Medic repair capability and the 'Repair before Replace' offering, provides the group's customer base with a range of affordable solutions to manage their autoglass costs. The Shatterprufe division has reported strong gains with improving efficiencies, cost reductions and higher yields and the current levels of the Rand should assist the group's competitive position in 2016, particularly in the export markets where the group has entered into a strategic arrangement to develop products for export markets.

The group refinanced its bank borrowing during February 2015 at more favourable rates which has resulted in reduced finance costs. The new bank facilities enable investments in capital projects to address the operational improvements planned to meet enhanced market requirements.

It is anticipated that the group Building products division will continue to grow above the current economic growth forecast due to the impact of customer focused initiatives and new product offerings.

Wispeco Holdings Proprietary Limited (Wispeco)
Wispeco's turnover for the six months to 31 December 2015 increased by 27% to R1 064 million (2014: R838 million). This increase results from slightly higher selling prices due to higher raw material costs, a 5% increase in sales volume and the additional revenue generated by Pressure Die Casting Proprietary Limited (PDC).

Headline earnings for the period under review increased by 12.5% to R54 million (2014: R48 million). Sales margins remain under pressure due to intense price competition against imports.

A number of exciting projects reached completion during the period, most notably the commissioning of the 9th extrusion press in September 2015. The installation of the first vertical powder coating plant in Africa is nearing completion and production should commence in March 2016. The investment into PDC has now been bedded down - the business continues to export much of its output, capitalising on the opportunities presented by a weakened Rand.

Wispeco continues to play a leading role in the development of aluminium products and software solutions for the architectural aluminium industry. The company is gaining prominence in the industrial arena as it penetrates deeper into various industrial applications of aluminium extrusions. The Sandton skyline is lined by many new prominent high-rise buildings in which Sheerline Solutions played a key role. Wispeco retained its level 4 BEE status and continues to spend much time and effort on upskilling previously disadvantaged and differently abled young individuals in the field of aluminium fabrication.

Community Investment Ventures Holdings Proprietary Limited (CIV group)
Remgro has an effective interest of 50.9% in the CIV group, which is active in the telecommunications and information technology sectors. The key operating company of the group is Dark Fibre Africa Proprietary Limited (DFA), which constructs and owns fibre-optic networks.

The CIV group has a March year-end and therefore its results for the six months ended 30 September 2015 have been included in Remgro's results for the period under review. The CIV group's contribution to Remgro's headline earnings for the period under review amounted to R35 million (2014: R5 million) driven by increased revenue and operating performance from DFA.

DFA's revenue for the six months ended 30 September 2015 increased by 13.5% to R529 million (2014: R466 million) mainly as a result of solid growth of 20.7% in annuity revenue. DFA's earnings before interest, tax, depreciation and amortisation for the period under review increased by 10.9% to R347 million. The current book value of the fibre-optic network is in excess of R5 billion. DFA has thus far secured a healthy annuity income of R77 million per month, with the majority thereof being on long-term contracts with customers.

One of the main operating challenges that DFA continues to face is the slower than anticipated site build/last mile by customers that affects DFA's ability to link mobile operator base station sites or enterprise customers to the fibre network, which causes a delay in annuity revenue generation to offset increasing depreciation and finance charges incurred on network rollout costs. DFA experienced delays in wayleave approvals by the local councils planning their own fibre network and by property owners that prevent access to the buildings. To reduce the risk of the slow last mile rollout, DFA acquired Conduct Telecommunication on 1 April 2014. The Conduct business is now fully integrated into DFA. DFA started their Fibre to the Business (FTTB) rollout in April 2015 and has completed the access build to 2 481 buildings, adding an additional 6 009 end users to the network at 30 September 2015. Most of DFA's customers extended their initial contract periods of five years to either 10 or 15 years. The network uptime as at 30 September 2015 was an excellent 99.99%.

At 30 September 2015, a total distance of 8 839 km (September 2014: 7 910 km) of fibre network had been completed in the major metropolitan areas and on long-haul routes.

Mobile backhaul is a major growth driver for DFA due to the increased demand for mobile broadband. DFA has 7 878 (September 2014: 6 660) base transceiver station sites on the network that cover three of the four mobile operators. The next growth drivers for DFA will be the enterprise market and the public sector, which have shown a definite increase in demand in the last two years. DFA has 4 590 enterprise market links and developed new products to meet the demand of the enterprise market. DFA monitors and maintains a total of 11 178 (September 2014: 8 523) customer circuits.

DFA is also part of a consortium that is in the process of providing fibre connectivity to the Gauteng provincial government buildings and the surrounding schools as part of a separate project and is in the process to connect the first 100 schools. The company also initiated the deployment of proof of concepts Fibre to the Home (FTTH) projects in selected suburbs in Johannesburg. DFA was awarded the Ekurhuleni (EMM) tender to the value of R201 million and rollout will commence in early February 2016. 30% of the EMM project is forecasted to be completed by 31 March 2016 (financial year end).

DFA has signed commercial lease agreements with 88 (September 2014: 64) customers that have Electronic Communication Network Licences ranging from the largest incumbents, to banks, to small niche operators. The revenue model is flexible to adapt to the customers' needs, and DFA either sells an indefeasible right of use agreement, which is a lump sum in advance, or on an annuity basis with multi-year contracts of mostly up to

15 years. Presently, approximately 84% of total revenue is annuity revenue. The future value of the current annuity contract base is in excess of R9 billion. DFA is experiencing a customer churn rate of less than 1%.

SEACOM Capital Limited (SEACOM)
Remgro has an effective interest of 25% in SEACOM which operates Africa's largest international data network connecting Southern and Eastern Africa with Europe and Asia.

SEACOM has a December year-end, but its results for the six months to 31 December 2015 have been included in Remgro's results for the period under review. SEACOM's contribution to Remgro's headline earnings for the period under review amounted to a loss of R28 million (2014: headline earnings of R8 million). The decrease in earnings is mainly due to a higher depreciation charge on certain cable assets resulting from a change in the estimated useful life of these assets, which did not have any impact on operating cashflow. In 2015, SEACOM also officially launched services directly to the corporate market under "SEACOM Business". Growth into this new market segment has marginally increased operating costs as customers are being acquired and revenue is only now ramping up.

SEACOM provides high-capacity low-latency international data connectivity services to customers in the form of private data transmission and public IP-based services. These services are generally sold under 12- to 36-month lease contracts and as long-term indefeasible right of use (IRU) contracts, which include upfront cash payment and then annual maintenance charges over the term. Upfront revenue from IRUs is accounted for over the full term of 15 or 20 years.

SEACOM's core sales and revenue streams continue to come from its established base of Service Provider (wholesale) customers that also provide the basis for network scale, cost reductions and service innovation. SEACOM Business provides the platform for future growth and improved profitability as the number and size of corporate customers increases. SEACOM Business added over 250 corporate customers in 2015, and has a healthy pipeline to continue to grow sales and revenue in 2016. At the same time, SEACOM is working with partners to ensure that connectivity to corporates is done over fibre-optic solutions, allowing for future upgrades as data demand continues to accelerate and cloud-based IT solutions become the norm.

eMedia Investments Proprietary Limited (eMedia)
Remgro has an effective interest of 32.3% in eMedia (previously known as Sabido) that has a range of media interests, which include South Africa's only private free-to-air television channel, e.tv, its sister news service, eNews Channel Africa (eNCA), free-to-air satellite platform Platco Digital, Gauteng-based radio station, Yfm, and various studio facilities and production businesses.

eMedia has a March year-end and therefore its results for the six months to 30 September 2015 have been included in Remgro's results for the period under review. eMedia's contribution to Remgro's headline earnings for the period under review amounted to R11 million (2014: R44 million).

Following eMedia management's strategic decision to exit some non-core and certain underperforming entities within the group through disposal or closure thereof which include the production arms of a factuals unit in Sabido Productions and the Natural History Unit, the eNCA Africa division, e.tv China, Setanta and the Africa Channel, the group continues to focus on its core South African operations, being e.tv, eNCA, e.tv Multichannel, Openview HD (Platco), and its radio, production and property interests. The group is continuing with its strategy to develop its multi-channel and Openview HD platforms with a further investment of R112 million during the period. These investments, albeit costly and currently loss-making in the absence of significant revenue due to the delays in the rollout of Digital terrestrial television (DTT) and the slower than expected box uptake, are necessary to establish these platforms for future content development and channel creation. eMedia has, however, recently been increasing its investment to assist in an acceleration of the set-top box rollout, which enabled it to reach levels of 330 000 set-top boxes during December 2015.

The abovementioned factors, as well as the adverse economic climate and the decline in market share towards the end of the last financial year has seen classical advertising revenue remain under continued pressure. The launch of the new schedule on 1 March 2015 and the increased investment in local programming has arrested the decline in market share and management is pleased to report that audiences have been steadily increasing since March 2015. As at August 2015, the available audience is once again reaching levels previously considered acceptable to e.tv. Due to the lag effect of the revenue share measured against the increased audience share, this has not been evidenced in the current period under review, but it should be restored soon to ensure a positive impact on the results for the remainder of the financial year. Despite the increased investment in local programming and the decline in revenue, e.tv continued to produce a positive result for the period.

The concept of increased choice is becoming commonplace amongst South African television viewers. To bring viewers into the group stable, e.tv's multi-channel bouquet, currently available on satellite platform Openview HD, is the route to providing viewers who want choice with that possibility. eMedia expects better growth in the take-up of Openview HD set-top boxes in 2015/16 and, consequently, better revenues.

eNCA continues to perform strongly as the best, by market share and revenue, of all television news services available in South Africa despite a slowdown in the license fee revenue received from DStv.

DTT broadcasting in South Africa is in an imminent phase of migration from analogue to digital platforms. As soon as DTT rolls out, eMedia multi-channel offering will be available on more screens than ever before which is expected to increase revenues.

6. TREASURY SHARES

At 30 June 2015, 2 169 558 Remgro ordinary shares (0.5%) were held as treasury shares by a wholly owned subsidiary company of Remgro. As previously reported, these shares were acquired for the purpose of hedging Remgro’s share incentive scheme.

During the period under review no Remgro ordinary shares were repurchased, while 196 405 Remgro ordinary shares were utilised to settle Remgro’s obligation towards scheme participants who exercised the rights granted to them.

At 31 December 2015, 1 973 153 Remgro ordinary shares (0.4%) were held as treasury shares.

DIRECTORATE

Mr Neville Williams, head of corporate finance and member of the management board, was appointed as chief financial officer designate on 17 September 2015 with a view to succeeding Mr Leon Crouse who retires at the end of March 2016.

DECLARATION OF CASH DIVIDEND

Declaration of Dividend No. 31

Notice is hereby given that an interim gross dividend of 185 cents (2014: 169 cents) per share has been declared out of income reserves in respect of both the ordinary shares of no par value and the unlisted B ordinary shares of no par value, for the half-year ended 31 December 2015.

A dividend withholding tax of 15% or 27.75 cents per share will be applicable, resulting in a net dividend of 157.25 cents per share, unless the shareholder concerned is exempt from paying dividend withholding tax or is entitled to a reduced rate in terms of an applicable double-tax agreement.

The issued share capital at the declaration date is 481 106 370 ordinary shares and 35 506 352 B ordinary shares. The income tax number of the Company is 9500-124-71-5.

Dates of importance:

Last day to trade in order to participate in the dividend	Friday, 8 April 2016
Shares trade ex dividend	Monday, 11 April 2016
Record date	Friday, 15 April 2016
Payment date	Monday, 18 April 2016

Share certificates may not be dematerialised or rematerialised between Monday, 11 April 2016, and Friday, 15 April 2016, both days inclusive.

In terms of the Company's Memorandum of Incorporation, dividends will only be transferred electronically to the bank accounts of shareholders, while dividend cheques are no longer issued. In the instance where shareholders do not provide the Transfer Secretaries with their banking details, the dividend will not be forfeited, but will be marked as "unclaimed" in the share register until the shareholder provides the Transfer Secretaries with the relevant banking details for payout.

Signed on behalf of the Board of Directors.

Johann Rupert
Chairman

Jannie Durand
Chief Executive Officer

Stellenbosch
14 March 2016

DIRECTORATE

Non-executive directors
Johann Rupert *(Chairman)*, E de la H Hertzog *(Deputy Chairman),*
J Malherbe *(Deputy Chairman),*
S E N De Bruyn Sebotsa*,G T Ferreira*, P K Harris*,
N P Mageza*, P J Moleketi*, M Morobe*,
F Robertson*, H Wessels*
(**Independent*)

Executive directors
J J Durand *(Chief Executive Officer),*
W E Bührmann, L Crouse

CORPORATE INFORMATION

Secretary
M Lubbe

Listing
JSE Limited
Sector: Industrials – Diversified Industrials

Business address and registered office
Millennia Park, 16 Stellentia Avenue, Stellenbosch 7600
(PO Box 456, Stellenbosch 7599)

Transfer Secretaries
Computershare Investor Services Proprietary Limited,
70 Marshall Street, Johannesburg 2001
(PO Box 61051, Marshalltown 2107)

Auditors
PricewaterhouseCoopers Inc.,
Stellenbosch

Sponsor
Rand Merchant Bank (A division of FirstRand Bank Limited)

Website
www.remgro.com

ANNEXURE A

COMPOSITION OF HEADLINE EARNINGS

R million	Six months ended 31 December 2015	31 December 2014
Food, liquor and home care		
Unilever	**307**	195
Distell[1]	**361**	306
RCL Foods	**582**	473
Banking		
RMBH	**979**	950
FirstRand	**407**	397
Healthcare		
Mediclinic	**787**	670
Insurance		
RMI Holdings	**455**	549
Industrial		
Air Products	**142**	108
KTH	**(260)**	(62)
Total	**51**	(112)
PGSI	**18**	25
Wispeco	**54**	48
Infrastructure		
Grindrod	**43**	76
CIV group	**35**	5
SEACOM	**(28)**	8
Other infrastructure interests	**24**	2
Media and sport		
eMedia	**11**	44
Other media and sport interests	**(39)**	(33)
Other investments	**31**	39
Central treasury		
Finance income	**77**	57
Finance costs	**(219)**	-
Other net corporate costs	**(194)**	(87)
Headline earnings	**3 624**	3 658
Weighted number of shares (million)	**514.5**	514.0
Headline earnings per share (cents)	**704.4**	711.7

Notes

1. Includes the investment in Capevin Holdings Limited.

ANNEXURE B

COMPOSITION OF INTRINSIC NET ASSET VALUE

R million	31 December 2015 Book value	31 December 2015 Intrinsic value	30 June 2015 Book value	30 June 2015 Intrinsic value
Food, liquor and home care				
Unilever	**3 411**	**9 444**	3 384	8 688
Distell[1]	**3 633**	**11 003**	3 157	11 098
RCL Foods	**7 771**	**9 679**	7 346	11 514
Banking				
RMBH	**12 754**	**22 102**	12 267	26 409
FirstRand	**4 500**	**9 314**	4 300	11 720
Healthcare				
Mediclinic	**20 464**	**48 815**	13 227	36 727
Insurance				
RMI Holdings	**7 184**	**17 407**	6 717	19 096
Industrial				
Air Products	**925**	**3 649**	882	4 164
KTH	**1 489**	**2 492**	1 876	2 696
Total	**1 360**	**1 493**	1 428	1 785
PGSI	**745**	**745**	672	672
Wispeco	**658**	**864**	603	920
Infrastructure				
Grindrod	**4 247**	**1 955**	4 016	2 329
CIV group	**1 835**	**2 452**	1 795	2 797
SEACOM	**702**	**1 258**	566	1 001
Other infrastructure interests	**518**	**518**	480	480
Media and sport				
eMedia	**1 157**	**1 766**	1 126	2 094
Other media and sport interests	**388**	**388**	374	382
Other investments	**3 883**	**3 955**	3 047	3 266
Central treasury				
Cash at the centre[2]	**4 086**	**4 086**	4 019	4 019
Debt at the centre	**(3 360)**	**(3 360)**	-	-
Other net corporate assets	**2 273**	**2 659**	1 832	2 224
Net asset value (NAV)	**80 623**	**152 684**	73 114	154 081
Potential CGT liability[3]		**(5 004)**		(5 466)
NAV after tax	**80 623**	**147 680**	73 114	148 615
Issued shares after deduction of shares repurchased (million)	**514.6**	**514.6**	514.4	514.4
NAV after tax per share (Rand)	**R156.66**	**R286.96**	142.12	288.89

Notes

1. Includes the investment in Capevin Holdings Limited.
2. Cash at the centre excludes cash held by subsidiaries that are separately valued above (mainly RCL Foods and Wispeco).
3. The potential capital gains tax (CGT) liability is calculated on the specific identification method using the most favourable calculation for investments acquired before 1 October 2001 and also taking into account the corporate relief provisions. Deferred CGT on investments "available-for-sale" is included in "other net corporate assets" above.
4. For purposes of determining the intrinsic net asset value, the unlisted investments are shown at directors' valuation and the listed investments are shown at stock exchange prices.