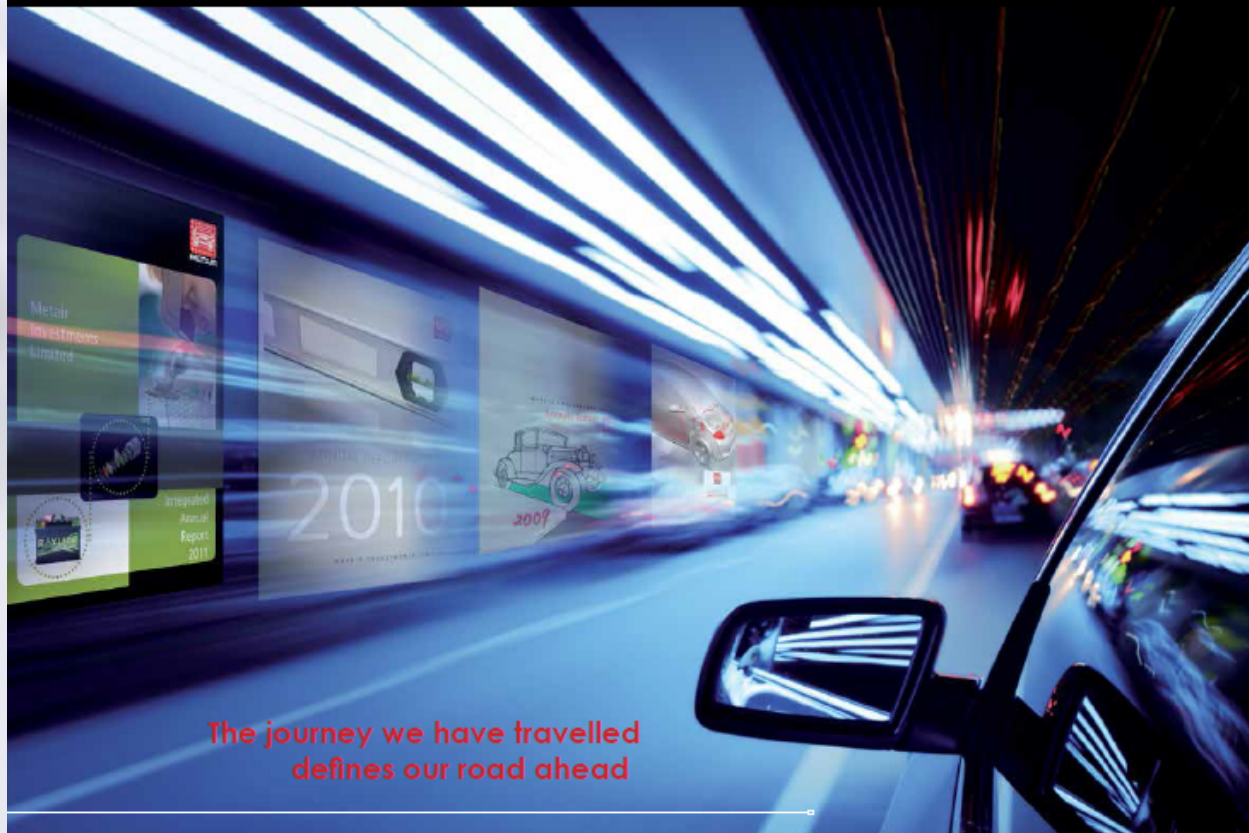


2012

INTEGRATED ANNUAL REPORT

METAIR INVESTMENTS LIMITED



The journey we have travelled
defines our road ahead

AGENDA

- Reflection
- Vision & Strategy
- Mega-Trends
- Electric Vehicle
- Integrated Report
- Prospects
- Q & A

AGENDA

- Reflection
- Vision & Strategy
- Mega-Trends
- Electric Vehicle
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- Q & A



AGENDA

- Integrated Report
 - Financial Review
 - Rombat Acquisition
 - Operational Review
 - Marikana Effect
 - Statement on Integrated Report
- Prospects
- Q & A

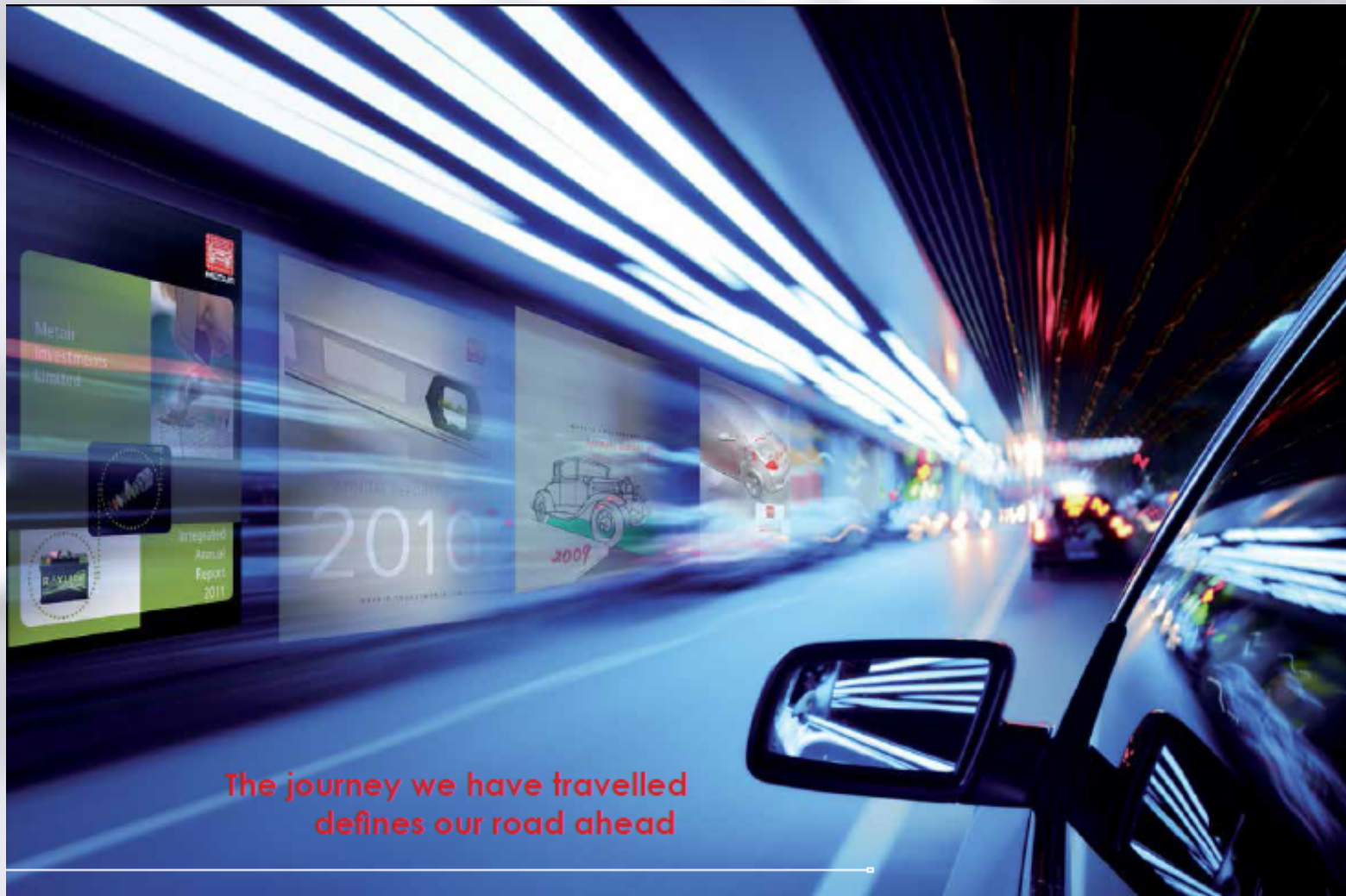


REFLECTION

ANNUAL INTEGRATED REPORT

Metair's annual integrated reports are always presented against the backdrop of a theme that aims to reflect the position of the company at that specific time.

IMAGE



The journey we have travelled
defines our road ahead

IMAGE: REFLECTION

- This year's cover image is of a vehicle, with a prominent rear-view mirror, moving past a row of billboards reflecting Metair's Integrated Report covers of the last five years.

These images are mirrored on the side of the vehicle and portray:

- Reflection
- Road Ahead
- Movement

IMAGE: REFLECTION

The journey we have travelled defines
our road ahead

IMAGE: REFLECTION

In 2012 as we reflect we are confident that we have identified the road ahead. While it is in blueprint stage, we are ready to embark on it.

A significant step was our first cross-border acquisition – of Rombat, the largest lead-acid battery manufacturer in Romania.

IMAGE: REFLECTION

This indicated a marked shift in our focus on the aftermarket sector combined with a platform to inject our leading technology in Start/Stop batteries into the European market which has enormous potential for this type of technology.

This bold step is also reflected in our new logo, indicating the three legs on which our group is being built: automotive, industrial, retail.

7-YEAR ANNUAL FINANCIAL REPORT THEMES

- 2006 Growth, Gain, Enrichment
- 2007 Transformation
- 2008 Transparency
- 2009 Crossroads – Back to Basics
- 2010 Balance
- 2011 Human Focus, Measurement and Adjustment
- 2012 Reflection – Road Ahead

2006

Growth

- New era for Metair and Toyota
- Toyota targeting 220 000 vehicle production
- Huge investments to support Toyota production volumes
- Significant increase in indirect exports
- Multinational company partnerships

expansion gain improve
advancement development upgrad
increase
enrichment
addition prosper progress



2007

Transformation

- Transformation represented by an origami butterfly
- New shareholders
- More focus on aftermarket and non-auto
- Multi-customer OE strategy



METAIR INVESTMENTS LIMITED
ANNUAL REPORT 2007



2008

Transparency

- 2008 world economic crisis required more transparency
- Substantial decline in worldwide demand
- OE local production declined from 527 079 to 354 158 vehicles
- Metair predicts that Toyota SA will experience the biggest percentage decline in the world

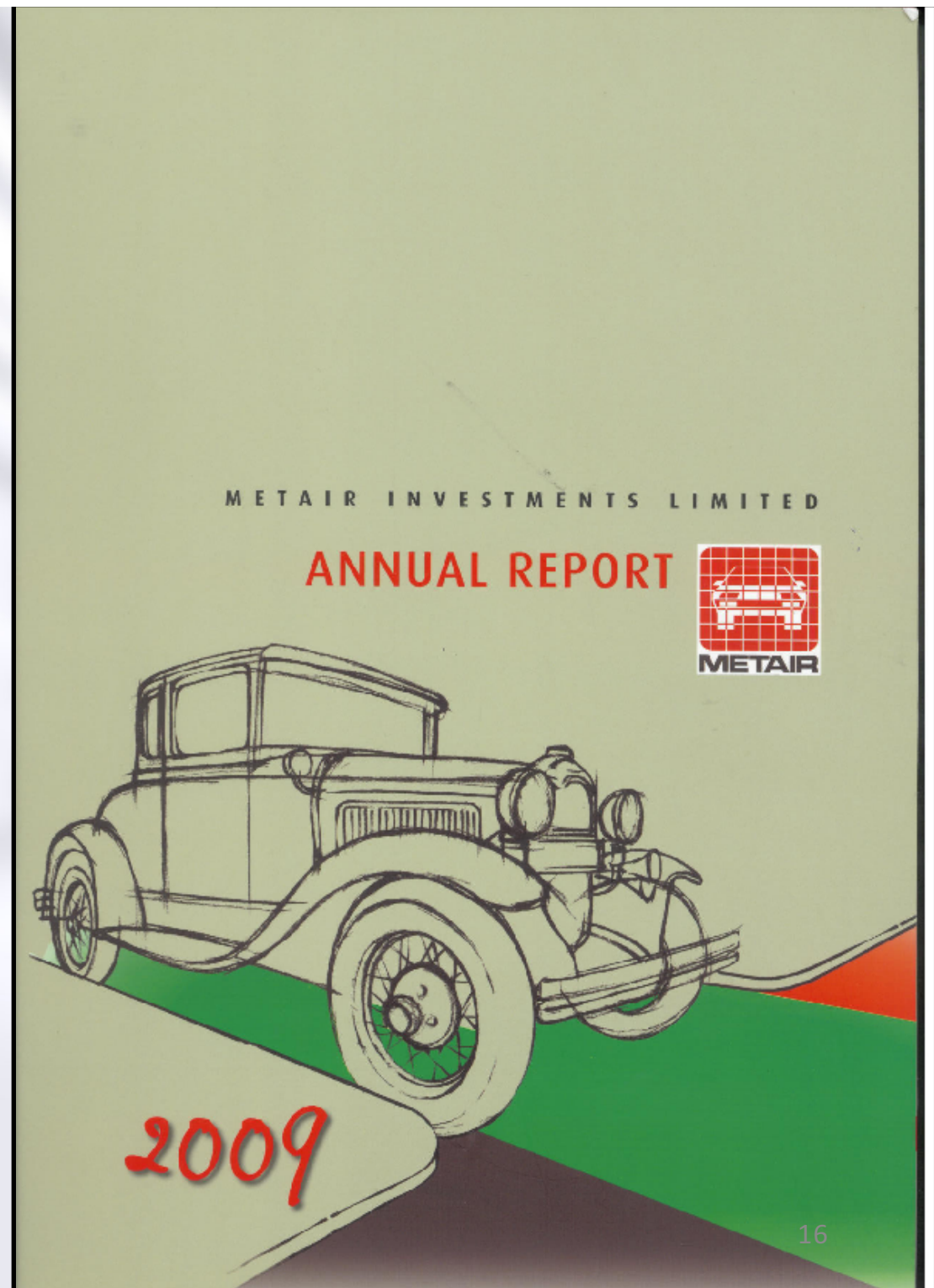


METAIR INVESTMENTS LIMITED
ANNUAL REPORT
2008

2009

Crossroads

- Back to basics
- Restructured group to take into account economic reality
- Consolidated loss-making businesses
- Cash flow and working capital focus
- Costs and efficiencies
- Create new vision



2010

Balance

- Group finds balance after executing dramatic deep-cutting, cost-saving interventions
- Cost-competitiveness requirements and shareholder expectations
- Realisation that continuous small adjustments will be required
- New group vision



ANNUAL REPORT

2010

METAIR INVESTMENTS LIMITED

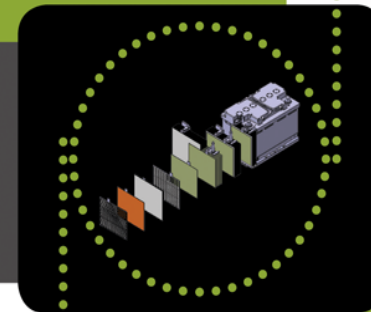
2011

Human Focus, Measurement and Adjustment

- Focus on implementing group vision
- Obtain approval for new technologies in our green battery product range
- Nurture our corporate capacity and ability to improve and adjust
- Intently focus on cost-competitiveness
- Secure OE replacement model business



Metair
Investments
Limited

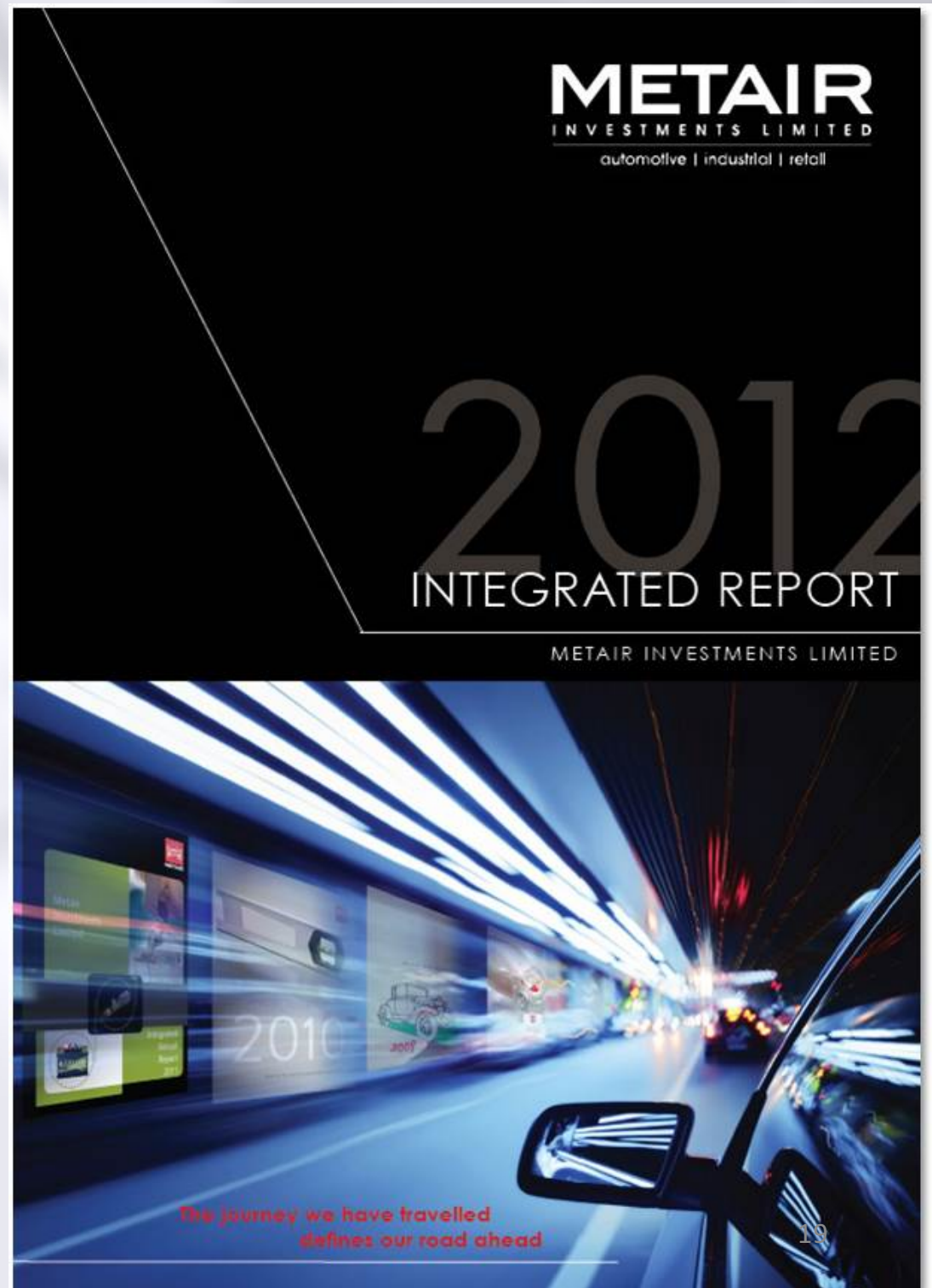


Integrated
Annual
Report
2011

2012

Reflection – Road Ahead

- Reflection on the past
- Rombat Acquisition
- Re-branded Metair
- Embedded Vision
- 3 X 50% = 100% Strategy
- Marikana Effect



MARKET SEGMENTS IN WHICH METAIR OPERATES

- ORIGINAL EQUIPMENT (OE)
 - Parts sold used in the assembly of new vehicles
(South Africa, Romania, Slovakia & Russia)
- AFTERMARKET
 - Annuity income generated from vehicles sold as they require replacement parts
(Africa & Europe)
- NON-AUTOMOTIVE
 - Sales mostly related to the Telecoms, Utility, Mining, Retail and Materials/Products handling sectors
(South Africa)
- PROPERTY
 - The group's investment in property owned and occupied by our manufacturing and distribution companies
(South Africa & Romania)

VISION & STRATEGY

VISION

“To generate value for all our stakeholders by managing and controlling businesses that through manufacturing and/or logistical excellence, deliver quality, cost-competitive products to our customers in a sustainable manner.”

STRATEGY

- Continue to target balance in the business
- Nurture Original Equipment (OE) business and expand Original Equipment Manufacturer (OEM) customer base
- Focus intently on cost
- Secure and grow aftermarket product range
- Pursue the acquisition of a complementary business to leverage off our technologies, efficiencies and product range in the aftermarket and non-automotive business

METAIR REBRANDING

METAIR REBRANDING

MET **a**utomotive
INDustrial
REtail

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Y

NEWLY BRANDED METAIR

METAIR

I N V E S T M E N T S L I M I T E D

automotive | industrial | retail

NEWLY BRANDED METAIR

The **ME** of Metair is how we sustain ourselves and we take pride in our **M**anufacturing **E**xcellence that is core to our sustainability.

We are also acutely aware that the future **ME** of Metair must be our **M**arketing **E**xcellence.

3 X 50% = 100% STRATEGY

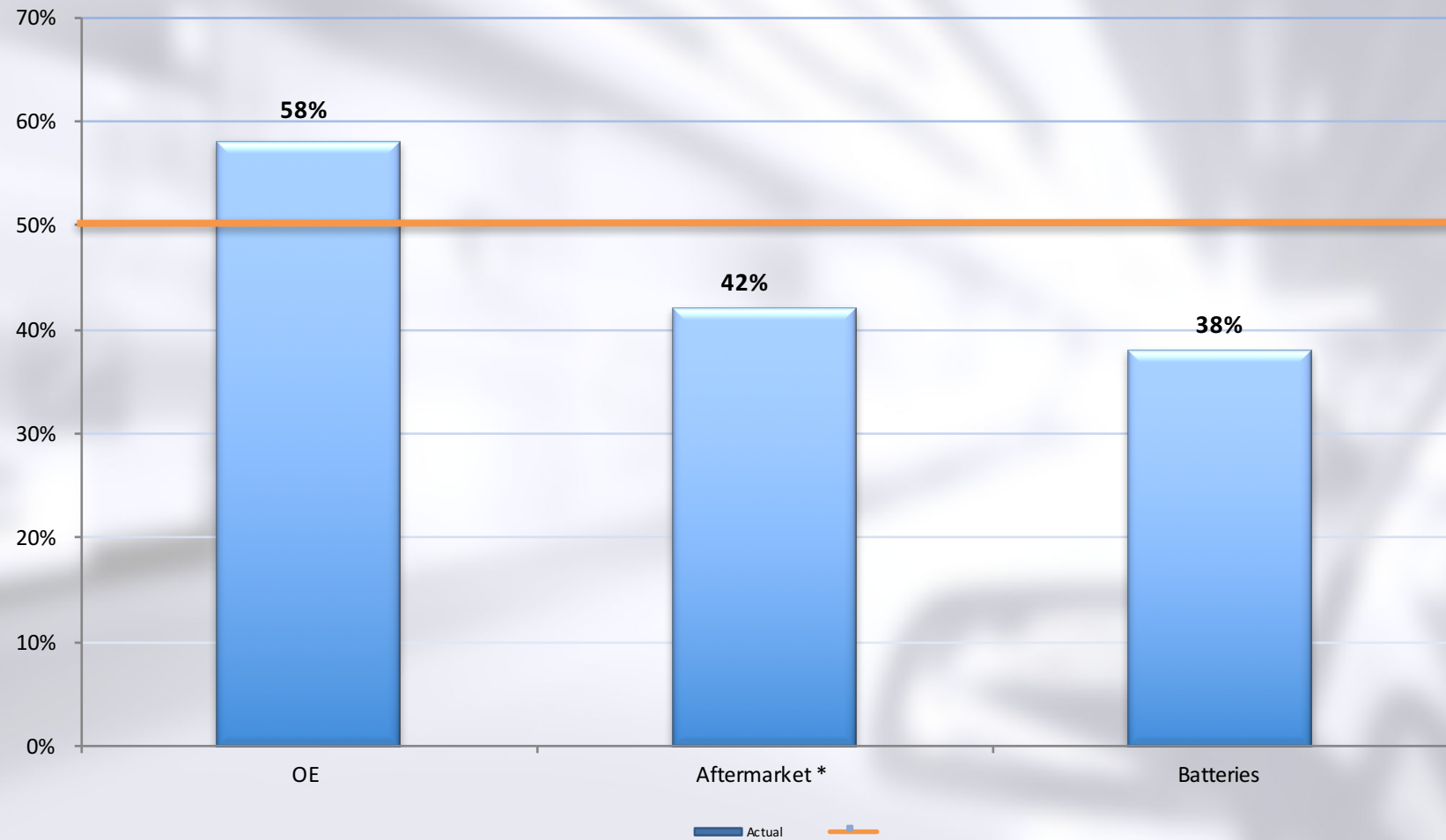
3 X 50% = 100% STRATEGY

- 50% of business in OE sector
- 50% of business in Aftermarket, Non-auto and exports

and

- 50% of overall business in batteries

PERFORMANCE AGAINST STRATEGY



* Relates to aftermarket, non-automotive and exports

BATTERY FOOTPRINT - Rombat



AFRICA BATTERY FOOTPRINT – FNB & ROMBAT



AFRICA BATTERY DREAM MAP



GROUP STRUCTURE

GROUP STRUCTURE



Japanese Shareholders

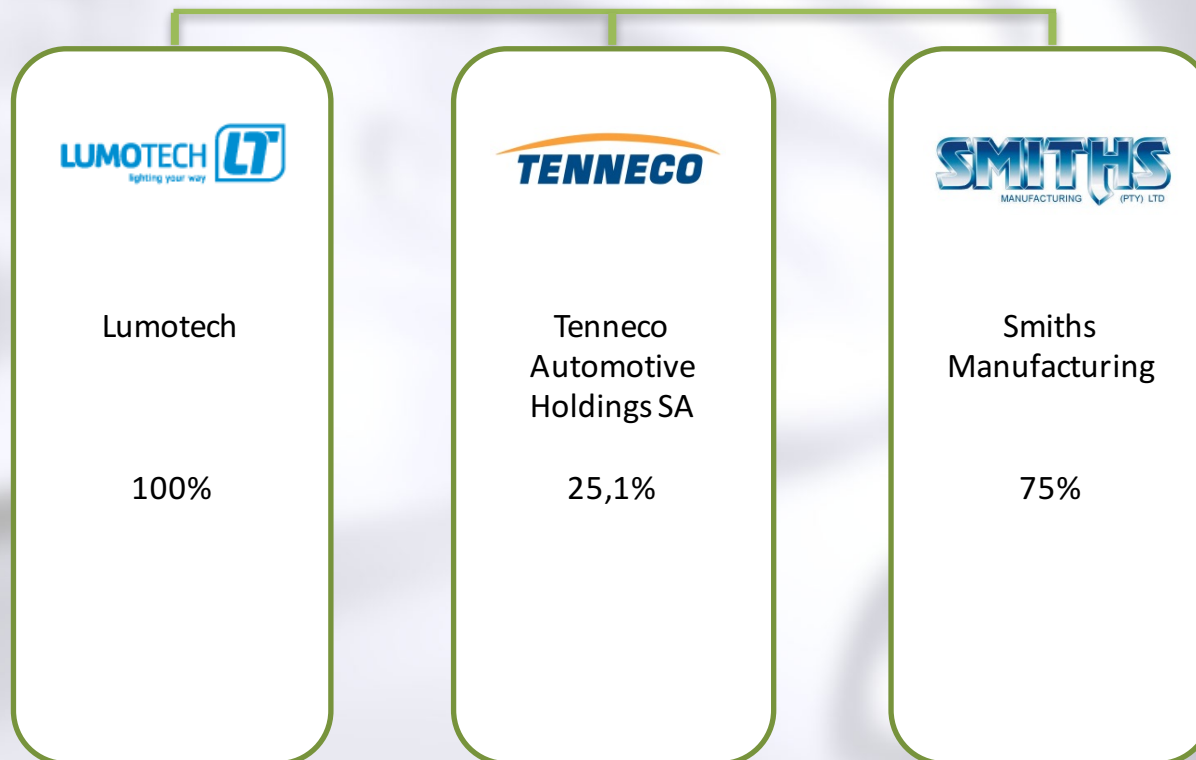
- Denso 25% of Smiths Manufacturing (Pty) Ltd
- Yazaki 25,1% of Hesto Harnesses (Pty) Ltd

GROUP STRUCTURE

METAIR

INVESTMENTS LIMITED

automotive | industrial | retail



GROUP STRUCTURE

METAIR

INVESTMENTS LIMITED

automotive | industrial | retail



Smiths Plastics,
Automould &
Toyoda Gosei

100%



Unitrade

100%



Hesto Harnesses

74,9%



Rombat SA

99,4%



MEGA-TRENDS THAT WILL SHAPE OUR INDUSTRY

MEGA-TRENDS

1. New patterns of mobility
2. Convergence of new technology
3. New patterns of consumption
4. Resource scarcity
5. Climate change/green movement
6. Urbanisation
7. Demographic change
8. Quality health care
9. Globalisation

MEGA-TRENDS

1. New patterns of mobility
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7. Demographic change
8. Quality health care
9. Globalisation



ELECTRIC VEHICLE PROJECT

ELECTRIC VEHICLE PROJECT

- Met-Elec R60
- Awareness of Mega-Trends
- Showcasing of group's technical expertise
- Start/Stop battery technology
- Fun project

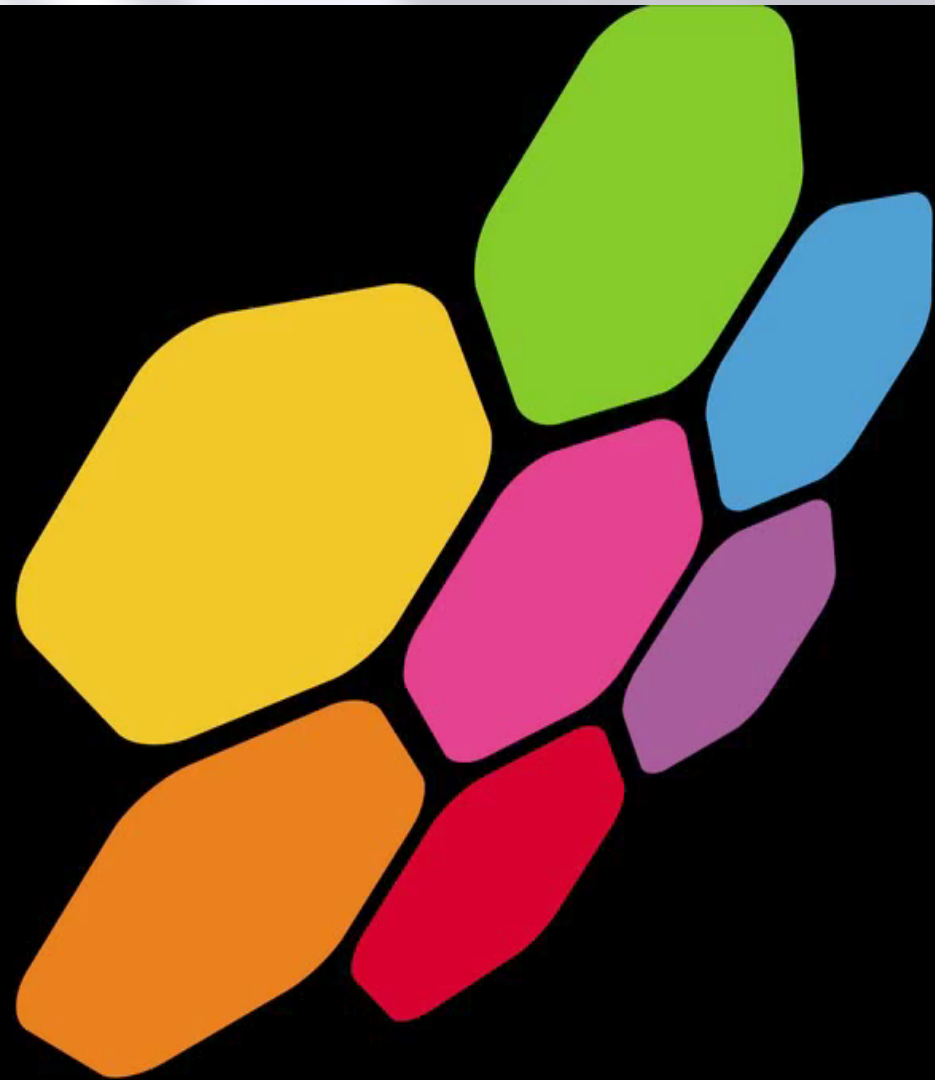
VEHICLE 1



VEHICLE 2



MET-ELEC R60



THEVIDEOMAN.co.za



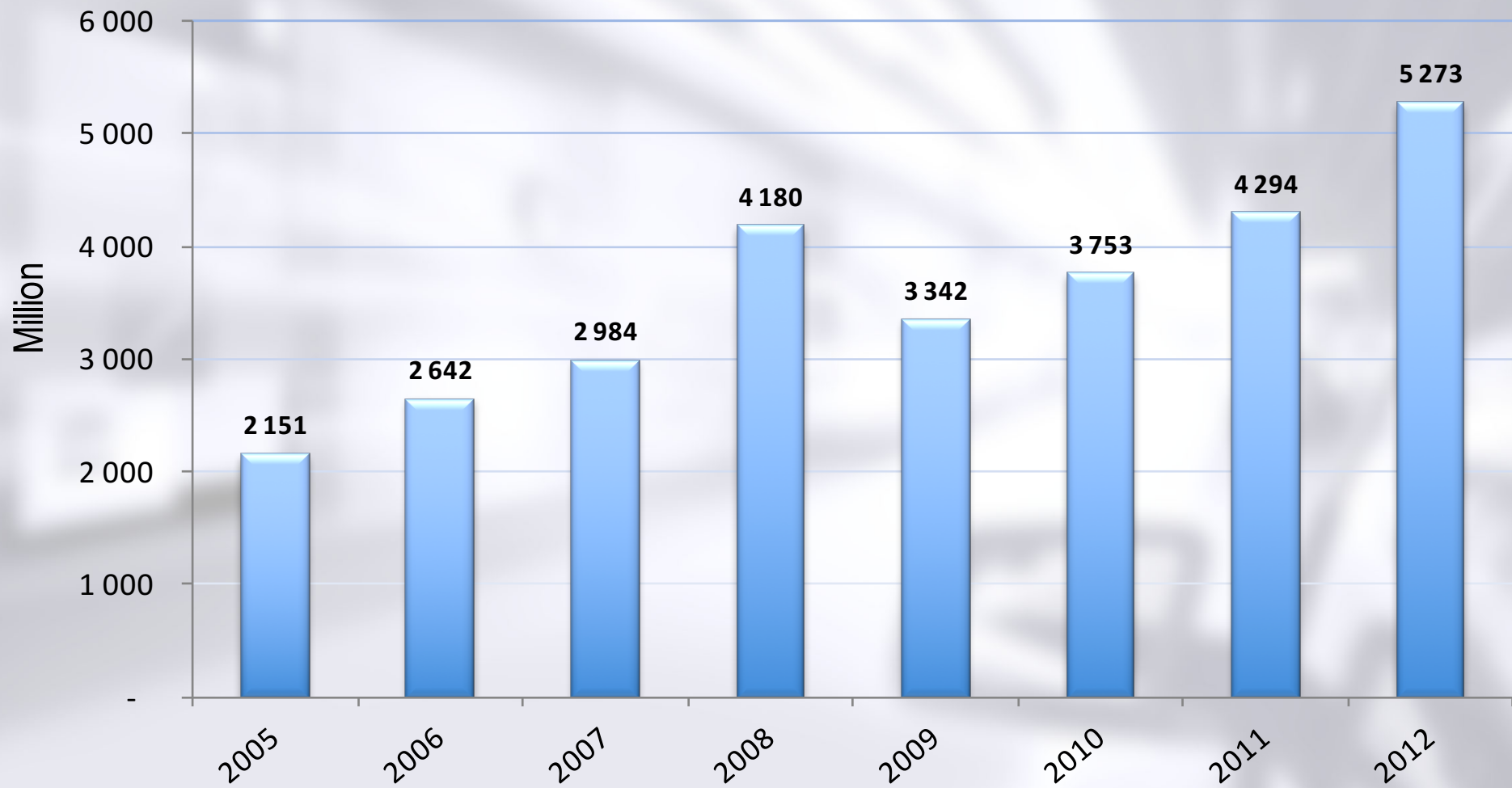
INTEGRATED REPORT

FINANCIAL REVIEW

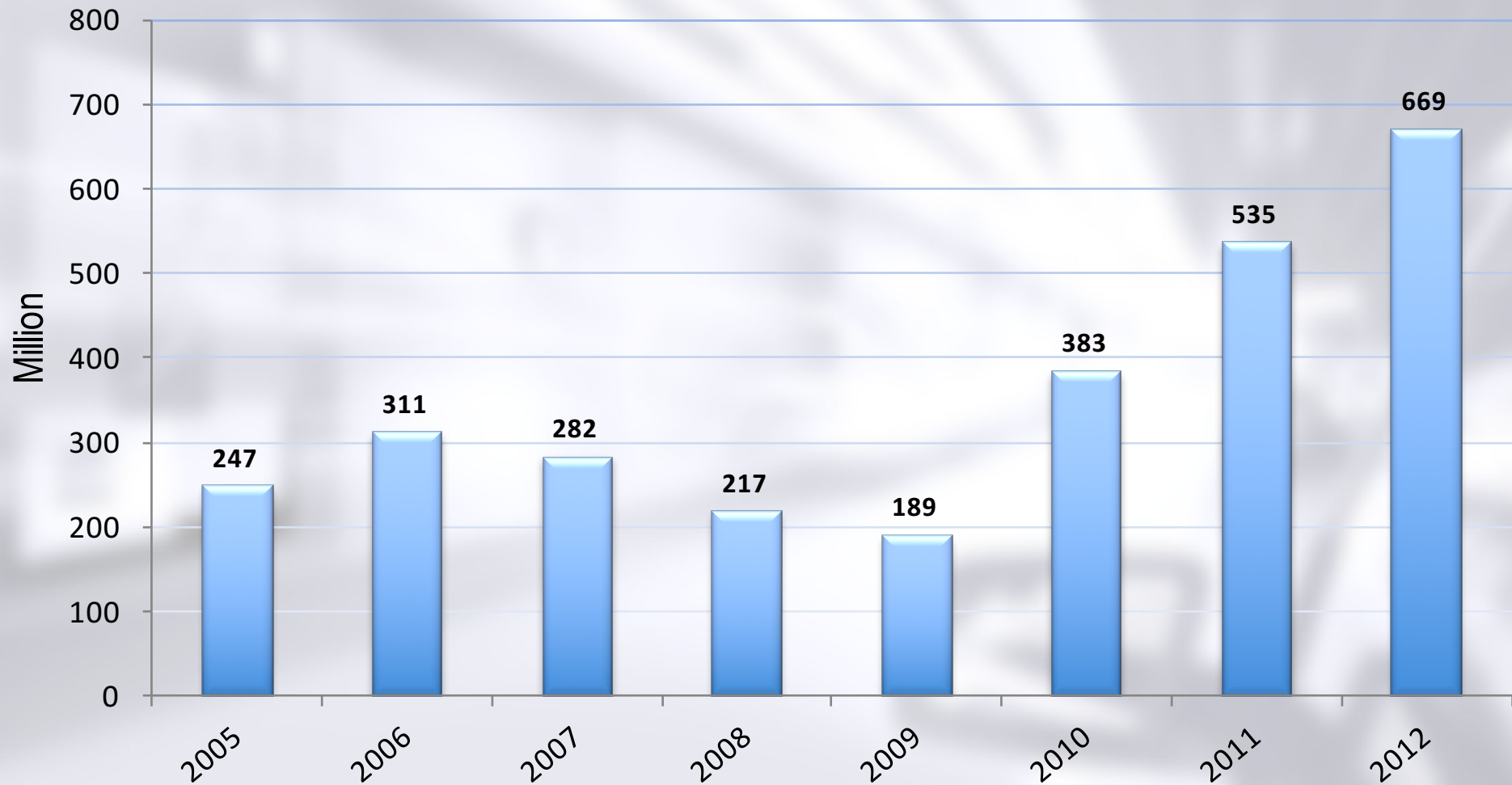
FINANCIAL HIGHLIGHTS

ITEM	2012 R'000	2011 R'000
↑ Revenue	5 273 370	4 294 152
↑ EBITDA excluding PPE fire effect	823 605	643 220
↑ Operating Profit	668 432	576 223
↑ Operating Profit excluding PPE fire effect & impairment	668 579	534 731
↑ Operating Income Margin excluding PPE fire effect & impairment	12,7%	12,5%
↑ Profit After Tax	492 635	451 094
↑ Attributable Profit to Ordinary Shareholders	440 543	408 365
↑ Earnings Per Share	310cps	289cps
↑ Headline Earnings Per Share	310cps	260cps
↓ Net Cash including borrowings	4 046	344 487
↑ Dividend per share (gross of WHT/STC)	95	79

GROUP REVENUE

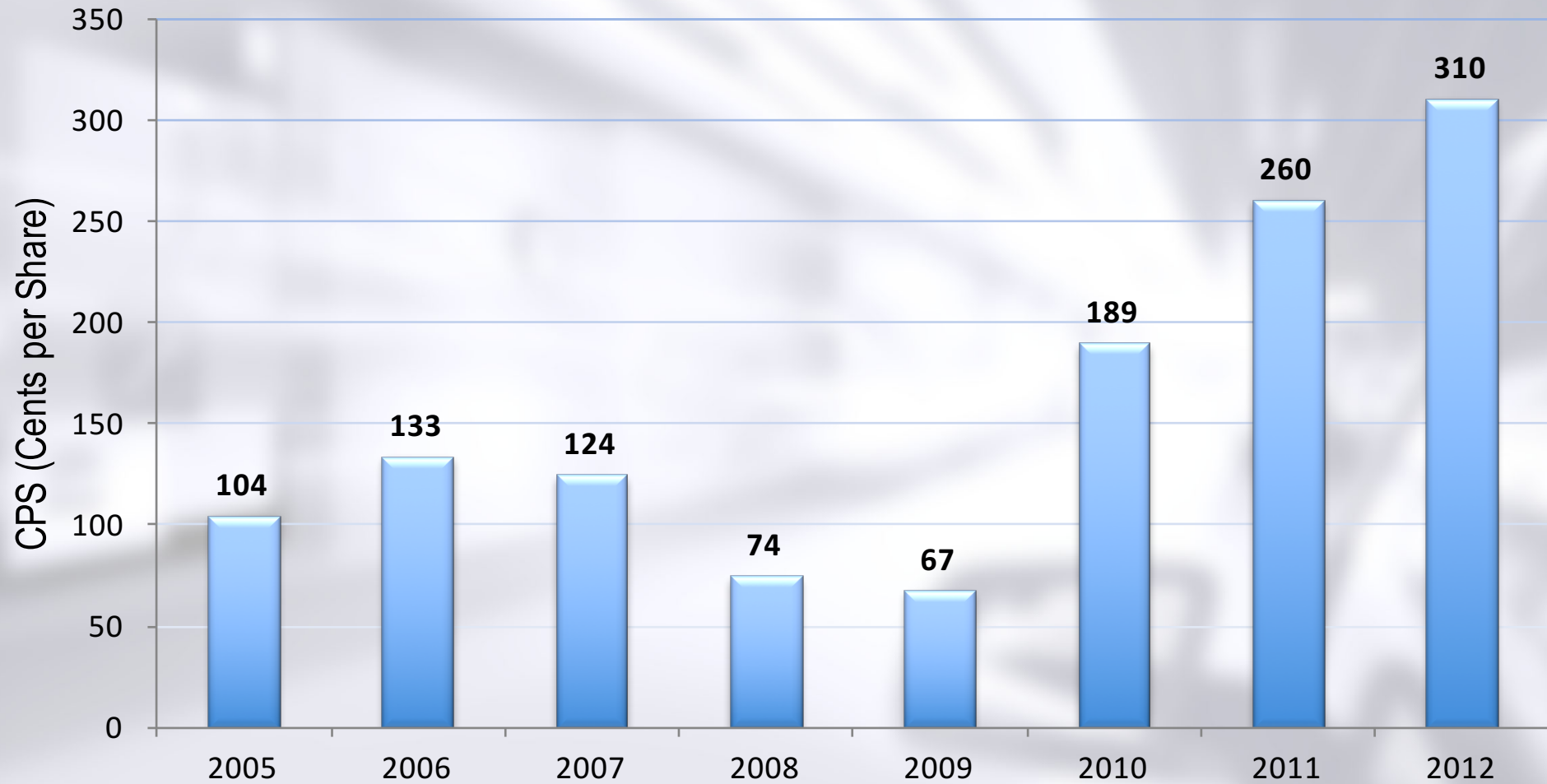


OPERATING PROFIT



Excluding impact of fire & impairment

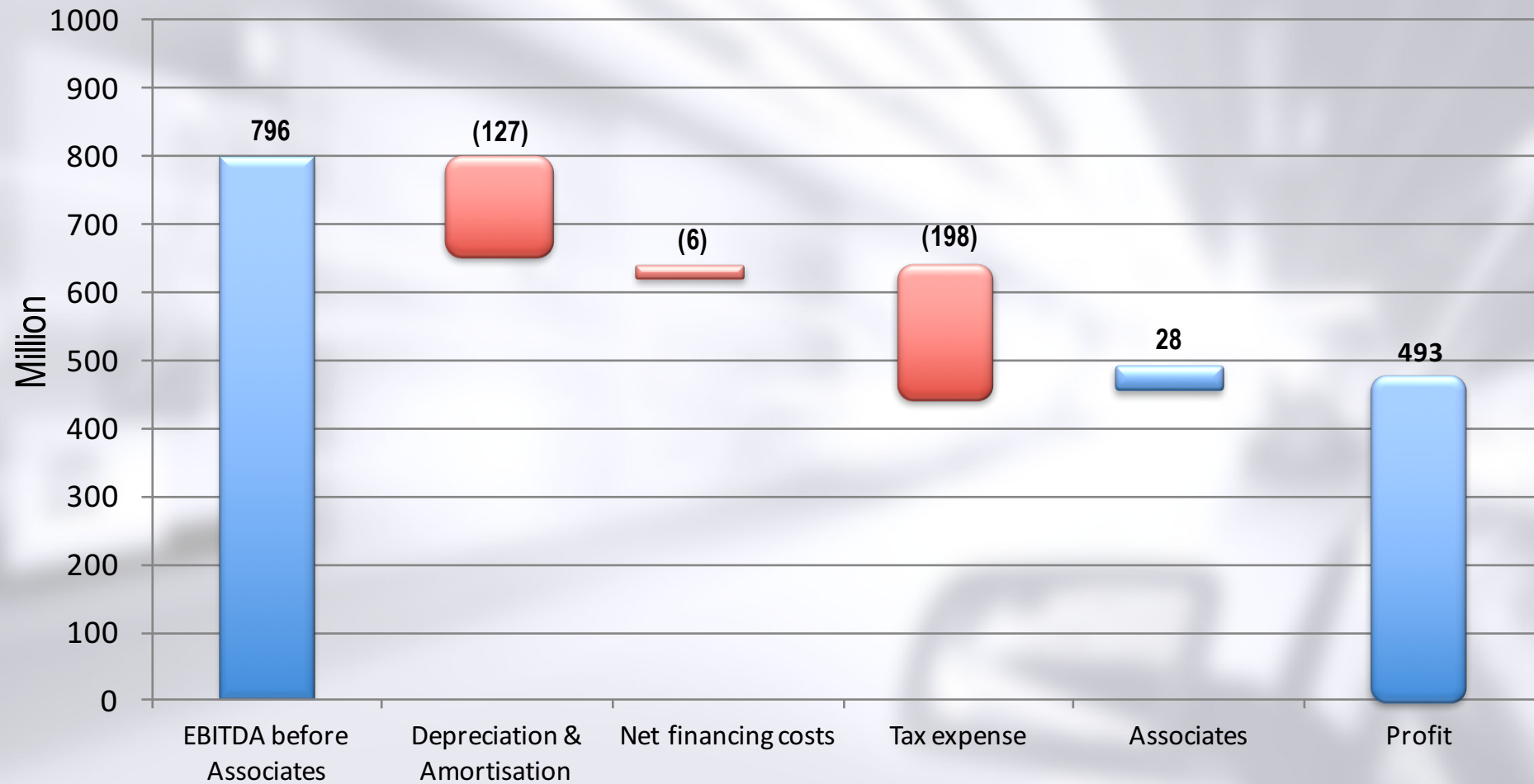
HEADLINE EARNINGS PER SHARE (HEPS)



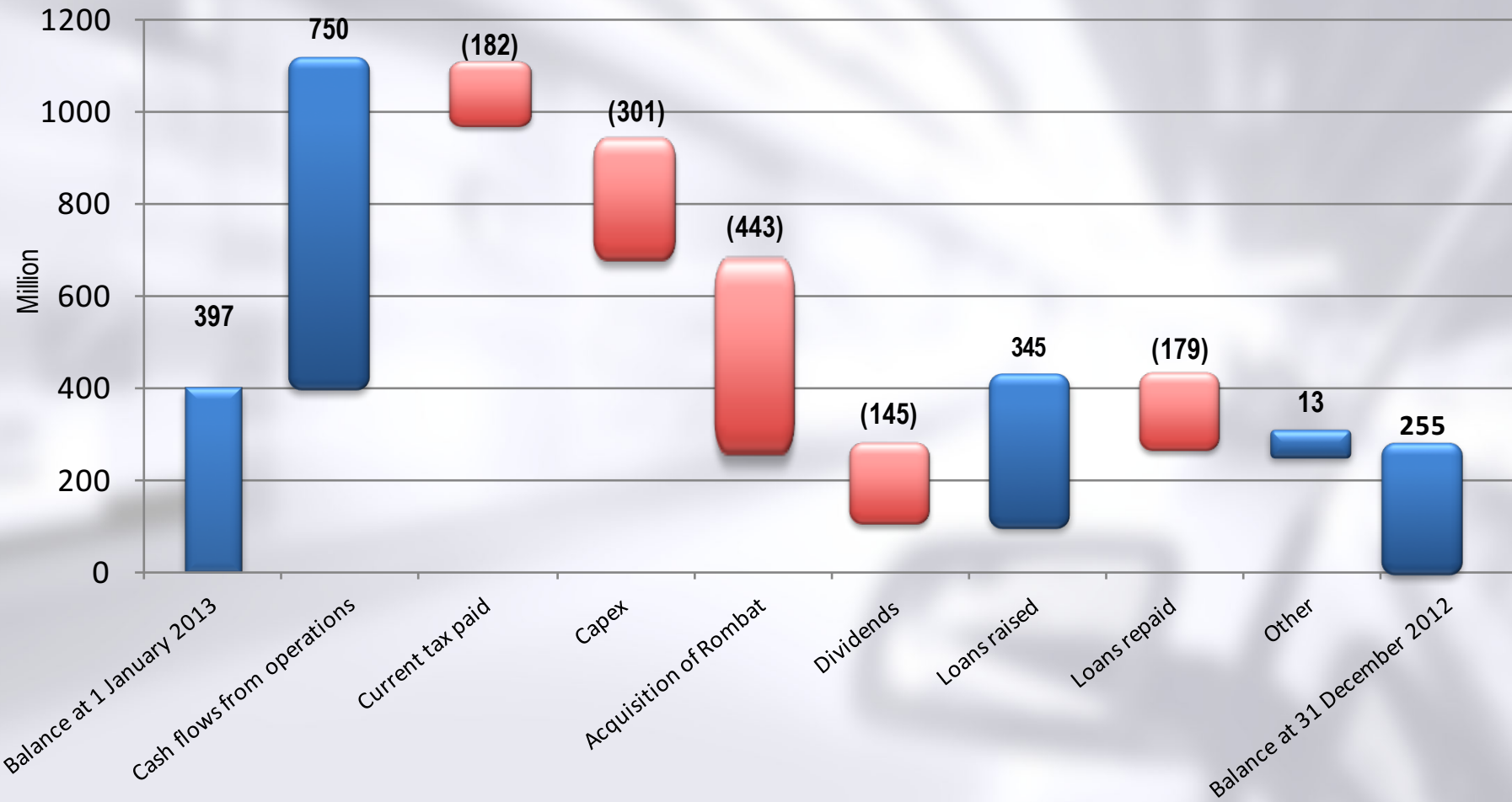
SEGMENTAL REPORTING

R'000	Revenue		Profit before interest and tax	
	Year ended December		Year ended December	
	2012	2011	2012	2011
Local				
Original equipment	3 046 190	2 697 984	313 241	276 631
Aftermarket	1 162 136	893 159	202 786	194 157
Non-auto	462 957	441 385	59 141	58 956
	4 671 283	4 032 528	575 168	529 744
Direct exports				
Original equipment	94 844	86 201	10 415	(7 941)
Aftermarket	471 953	139 060	40 304	20 698
Non-auto	35 290	36 363	2 849	2 782
	602 087	261 624	53 568	15 539
Property rental	67 053	60 873	66 124	59 980
Reconciling items	(67 053)	(60 873)	1 389	(9 701)
Total	5 273 370	4 294 152	696 249	595 562
Net interest income			(5 896)	6 438
Profit before tax			690 353	602 000

RECONCILIATION OF EBITDA TO PROFIT



MOVEMENT IN CASH



WORKING CAPITAL

R'000

ITEM	Dec 2012	Dec 2011
Inventory	870	694
Trade & receivables	707	519
Trade & payables	(669)	(533)
Total	908	680

DAYS

Inventory	60	59
Trade & receivables	49	44
Trade & payables	(46)	(45)
Total	63	58

All days calculations based on turnover

ROMBAT RESULT

R'000	9½ Months 2012	12 Months 2012	12 Months 2011 *
Turnover	576,2	713,2	760,6
PAT	39,8	45,5	34,2
EBITDA	63,1	79,3	56,6

* Applying the same exchange rate for comparative purposes.
Includes batteries sold to FNB in 2011.

POST BALANCE SHEET EVENT

POST BALANCE SHEET EVENT

Fire at Supreme Spring

- Production recommenced
- Insurance on PPE and Business Interruption estimated at R35 million

OPERATIONAL REVIEW

VEHICLE PRODUCTION PER OEM IN SOUTH AFRICA

OEM	2008	2009	2010	2011	2012
BMW	47 830	46 602	49 243	52 908	44 229
MBSA	56 404	44 526	53 646	50 939	61 439
FMCSA	58 366	34 926	34 822	28 716	51 006
GM	52 415	26 412	27 234	32 530	38 199
NISSAN	32 535	32 700	40 184	43 743	54 657
VW SA	93 460	62 341	120 577	137 872	110 864
TOYOTA	183 394	105 928	123 197	153 052	149 252
Adjustments	2 675	723	264	720	968
TOTAL	527 079	354 158	449 167	500 480	510 614

ROMBAT OEM PRODUCTION IN ROMANIA & EXPORT MARKET

COUNTRY	OEM	2008	2009	2010	2011	2012
Romania	Dacia–Renault	257 332	299 640	341 866	331 018	304 994
Slovakia	Peugeot	8 880	83 566	121 309	137 942	68 160
Russia	Renault Nissan	-	-	-	-	38 868
Total		266 212	383 206	463 175	468 960	412 022

ROMBAT INTEGRATION

- Excellent
- Management well adapted
- 2% increase in volumes (Europe)
- 33% increase in Profitability
- Lead Recycling improved
- Health and Safety improved
- Start/Stop facility installed
- Start/Stop technology transfer started (early stage)

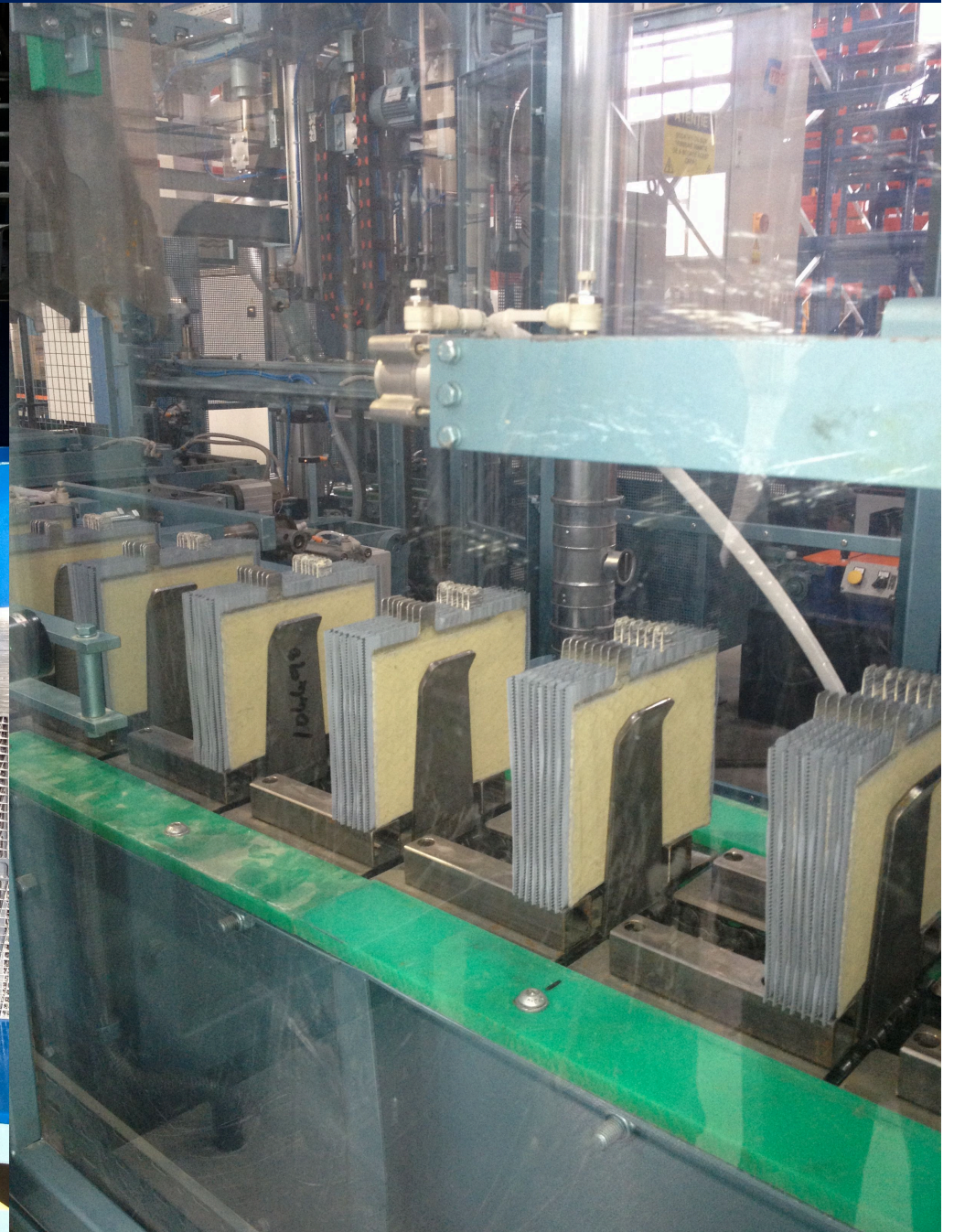
ROMBAT INTEGRATION



ROMBAT INTEGRATION



ROMBAT INTEGRATION



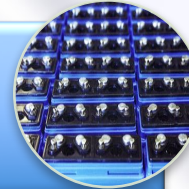
ORIGINAL EQUIPMENT (OE)

Nature



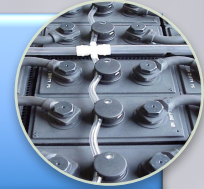
- Lower growth
- Cash generative
- Volume sensitive
- Licensed & owned technology

Risks / Threats



- New model sourcing
- OE volume
- Rand volatility
- Low-cost manufacturing countries
- Cost-competitiveness
- Continuation of supply

Strengths / Opportunities



- 2 new customers
- Improved customer diversification
- Localisation
- New model sourcing
- OE volumes
- APDP programme
- NAAMSA 2013 production forecast of 610 000 vehicles
- Assurance / Accreditations

AFTERMARKET / NON-AUTOMOTIVE

Nature



- Reasonable margins
- Own technology
- Distribution and marketing important
- Good growth prospects

Risks / Threats



- Maintenance of lead balance
- Higher capex
- Rand & Lei volatility

Strengths / Opportunities



- Size of vehicle parc growing
- High level of vehicle imports food for generic aftermarket products
- Green technology
- Improved activity in mining and telecommunications
- New Products:
 - Streetlight
 - Start/Stop battery
 - Solar battery standby range
 - Universal Vehicle Tracking Transponder (UVTT)

2012 CAPITAL EXPENDITURE

Sector R'000	Maintenance	Expansion Efficiency	Total
OE	24 473	37 112	61 584
Aftermarket/Non-auto	14 434	198 721	213 155
Property	15 794	7 997	23 791
Total	54 701	243 829	298 530

2013 CAPITAL EXPENDITURE COMMITMENTS*

Approved

Sector R'000	Maintenance	Expansion Efficiency	Total
OE	30 736	194 164	224 900
Aftermarket/Non-auto	36 086	25 709	61 794
Property	7 430	10 469	17 900
Total	74 252	230 342	304 594

* Includes authorised but not contracted for and committed capex

MARIKANA EFFECT

MARIKANA EFFECT

- Tragic Event
- Taught us to focus on:
 - Human Capital
 - Transformation
 - Employee expectations
 - Effective communication
 - Safe and healthy work environment
 - Structured work environment
 - Human dignity
 - Good labour relations

MARIKANA EFFECT

- Loss of sales
 - Mining Sector R120 million
 - OE Sector R150 million

STATEMENT ON INTEGRATED REPORT

In today's operating environment it is not possible to bring results to the market and not caution stakeholders to study results in conjunction with studying the integrated report.

PROSPECTS

PROSPECT STATEMENT

Maintaining ourselves in the coming period is going to be challenging and would require continued demand for local vehicle production and aftermarket products, supported by increased product offering and market penetration.

A stable and non-disruptive labour environment, combined with reasonable currency stability, will be desirable.

POTENTIAL INTERVENING FACTORS

Prospects depend on:

- Rand exchange rate
- New Romanian Lei exchange rate
- OE volumes and continued aftermarket growth
- World debt effect on global economic activity
- Delivery on new Metair vision, including:
 - Progress on Start/Stop Battery Programme
 - Geographical product and customer diversification

POTENTIAL INTERVENING FACTORS

- Sustain local and export market vehicle demand
- Continued improvement in cost-competitiveness and manufacturing excellence
- Good historical vehicle sales have created platform for growth in aftermarket sector
- Market penetration and timing of Start/Stop product range
- Steel supply continuity (ArcelorMittal Fire)

POTENTIAL INTERVENING FACTORS

- Consolidating and rationalising plastics business
- Aggressively target growth in aftermarket products, namely:
 - Brakes
 - Filters
 - Sparkplugs
 - Air-conditioning products
 - Other products
- Execution of acquisition programme in annuity income aftermarket products

Q & A

THANK YOU



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DISCLAIMER

The information supplied herewith is believed to be correct but the accuracy thereof at the time of going to print is not guaranteed. The company and its employees cannot accept liability for loss suffered in consequence of reliance on the information provided. Provision of this data does not obviate the need to make further appropriate enquiries and inspections.