



# NAMIBIA ASSET MANAGEMENT LIMITED

Wealth through Wisdom

## CONDENSED GROUP BALANCE SHEET

Note	Reviewed 12 months 30 September 2009 N\$'000	Restated Audited 12 months 30 September 2008 N\$'000
<b>ASSETS</b>		
<b>Non-current assets</b>	<b>4,744</b>	<b>5,298</b>
Equipment	143	138
Intangible assets	11	12
Investments	3,000	3,000
Deferred taxation	1,590	2,148
<b>Current assets</b>	<b>13,543</b>	<b>21,201</b>
Trade and other receivables	4,938	4,941
Investments	792	585
Cash and cash equivalents	7,813	11,058
Assets classified as held for sale	-	4,617
<b>TOTAL ASSETS</b>	<b>18,287</b>	<b>26,499</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Total equity</b>	<b>11,878</b>	<b>18,638</b>
Issued share capital and share premium	4,153	7,944
Reserve for own shares*	(503)	(541)
Share based payment reserve	905	820
Retained earnings	7,323	10,415
<b>Current liabilities</b>	<b>6,409</b>	<b>7,861</b>
Trade and other payables	4,679	5,726
Income tax payable	249	242
Shareholders for dividend	119	96
Bank overdrafts	1,362	1,798
Liabilities classified as held for sale	-	-
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>18,287</b>	<b>26,499</b>

"Nine-tenths of  
wisdom is  
being wise  
in time. "

Theodore  
Roosevelt

## CONDENSED GROUP INCOME STATEMENT

Note	Reviewed 12 months 20 September 2009 N\$'000	Restated Audited 12 months 30 September 2008 N\$'000	Interim YOY Change %
<b>CONTINUING OPERATIONS</b>			
Revenue	23,540	26,918	(12.5)
Other income	80	23	247.8
Operating expenditure	(16,291)	(18,338)	(11.2)
<b>Operating profit before interest and tax</b>	<b>7,329</b>	<b>8,603</b>	<b>(14.8)</b>
Net financing income	827	1,027	(19.5)
Finance cost	(39)	(11)	254.5
<b>Profit before tax</b>	<b>8,117</b>	<b>9,619</b>	<b>(15.6)</b>
Income tax	(2,907)	(2,091)	39.0
<b>Profit for the period - Continuing operations</b>	<b>5,210</b>	<b>7,528</b>	<b>(30.8)</b>
<b>DISCONTINUED OPERATIONS</b>			
Other income	99	2,066	(95.2)
Operating expenditure	(5)	(141)	(96.5)
<b>Operating (loss)/profit before interest and tax</b>	<b>94</b>	<b>1,925</b>	<b>(95.1)</b>
Net financing income	294	275	6.9
<b>Profit before tax</b>	<b>388</b>	<b>2,200</b>	<b>(82.4)</b>
Income tax	(136)	(226)	(39.8)
<b>Profit for the period - Discontinued operations</b>	<b>252</b>	<b>1,974</b>	<b>(87.2)</b>
<b>Total profit for the period attributable to ordinary shareholders</b>	<b>5,462</b>	<b>9,502</b>	<b>(42.5)</b>
Basic earnings per share in cents	2.87	5.03	(42.9)
Diluted earnings per share in cents	2.80	4.87	(42.5)

## CONDENSED GROUP STATEMENT OF CHANGES IN EQUITY

Note	Ordinary Share Capital N\$'000	Share Premium N\$'000	Retained Earnings N\$'000	Share Based Payment Reserve N\$'000	Reserve for Own Shares* N\$'000	Total N\$'000
<b>Balance as at 1 October 2007</b>	<b>1,869</b>	<b>6,054</b>	<b>8,616</b>	<b>607</b>	<b>(705)</b>	<b>16,441</b>
Staff share options issued	-	-	(163)	-	163	-
Staff share options exercised	21	-	-	-	-	21
Share based payment after tax	-	-	-	214	-	214
Net profit for the year - restated	-	-	9,502	-	-	9,502
Dividends Paid	-	-	(7,540)	-	-	(7,540)
<b>Balance as at 30 September 2008</b>	<b>1,890</b>	<b>6,054</b>	<b>10,415</b>	<b>821</b>	<b>(542)</b>	<b>18,638</b>
Share capital repaid	-	(3,802)	-	-	-	(3,802)
Staff share options exercised	11	-	-	-	39	50
Share based payment after tax	-	-	-	84	-	84
Net profit for the year	-	-	5,462	-	-	5,462
Dividends paid	-	-	(8,554)	-	-	(8,554)
<b>Balance as at 30 September 2009</b>	<b>1,901</b>	<b>2,252</b>	<b>7,323</b>	<b>905</b>	<b>(503)</b>	<b>11,878</b>

\* reserve relates to the Share Incentive Scheme

CONDENSED GROUP CASH FLOW STATEMENT

	Reviewed 12 months 30 September 2009 N\$'000	Audited 12 months 30 September 2008 N\$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash generated by operations	6,852	11,287
Dividends paid	(8,531)	(7,536)
Taxation	(2,412)	(3,377)
Finance income	1,121	1,302
Finance cost	(39)	(11)
<b>Net cashflow from operating activities</b>	<b>(3,009)</b>	<b>1,666</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Equipment acquired during the year	(83)	(45)
Investments made	(207)	(976)
<b>Net cash flows from investing activities</b>	<b>(290)</b>	<b>(1,021)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from staff share options exercised	50	21
Share capital repaid	(3,802)	-
<b>Net cash flows from financing activities</b>	<b>(3,752)</b>	<b>21</b>
<b>Net movement in cash and cash equivalents</b>	<b>(7,051)</b>	<b>666</b>
Cash and cash equivalents at beginning of year	13,502	12,836
<b>Cash and cash equivalents at end of year</b>	<b>6,451</b>	<b>13,502</b>

"Overall our performance continues to be consistent with strategy and is the result of careful planning and well-managed client relationships and portfolio management."

CONDENSED SEGMENT INFORMATION

	Segment revenue Reviewed 12 months 30 September 2009 N\$'000	Segment revenue Audited 12 months 30 September 2008 N\$'000
Asset and unit trust management	23,540	26,918
	Segment result Reviewed 12 months 30 September 2009 N\$'000	Segment result Audited 12 months 30 September 2008 N\$'000
Asset and unit trust management	7,329	8,603
Re-insurance	-	1,214
Debt-collection	94	711

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. Reporting entity

Namibia Asset Management Limited (the "Company") is a company incorporated in Namibia. The condensed consolidated financial statements of the Company as at and for the year ended 30 September 2009 comprise the company and its subsidiaries (together referred to as the "Group").

2. Statement of compliance

These condensed consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) IAS 34, Interim Financial Reporting. They do not include all of the relevant information required for full financial statements, and should be read in conjunction with the

consolidated financial statements for the Group as at and for the year ended 30 September 2009. These condensed consolidated financial statements were approved by the Board of Directors on 29 October 2009.

3. Significant accounting policies

The accounting policies applied by the Group in these condensed consolidated financial statements are the same as those applied by the Group in its consolidated financial statements for the comparative period.

4. Prior year restatement

The restatement relates to a prior year error on the tax effect of the impairment on the intangible asset which was incorrectly treated in the consolidation for the year ended 30 September 2008. The effect in correcting the error was a N\$1.4 million decrease in the tax charge, resulting in an increased profit and consequently an increase in retained earnings for the year ended 30 September 2008.

5. Bank overdraft

This balance is a cashbook balance overdraft resulting from cheques not presented for payment at 30 September 2009 and 30 September 2008 respectively.

6. Headline earnings per ordinary share

	Reviewed 30 September 2009 N\$'000	Restated Audited 30 September 2008 N\$'000	Change %	Previously Reported 30 September 2008 N\$'000
Basic and headline earnings	5,462	9,502		8,102
Basic and headline earnings per share	2.87	5.03	(42.9)	4.29
Basic and headline earnings per share in cents attributable to core activities	2.74	3.98	(31.2)	3.25
Basic and headline earnings per share in cents attributable to non-core activities	0.13	1.04	(87.3)	1.04
<b>Basic and headline earnings per share in cents</b>	<b>2.87</b>	<b>5.03</b>	<b>(42.9)</b>	<b>4.29</b>

Financial Review

Group results for the year ended 30 September 2009 are compared to the restated results of the year ended 30 September 2008 see note 4. Our reduced revenues (down 12.5% from 2008) clearly reflect the impact of the global financial crisis. During these challenging times we were able to secure new sizable mandates. This proves that management's efforts to continue to grow the business have been successful despite the challenging times. Overall our performance continues to be consistent with our strategy and is the result of careful planning and well-managed client relationships and portfolio management. Operating expenditure has reduced by 11.2% thanks to management's consistent efforts of cost containment in these already difficult times. However profit after tax decreased by 42.5% to N\$ 5.5 million (2008 restated: N\$ 9.5 million) as the net profit after tax from discontinued operations reduced from N\$ 2 million last year to N\$ 0.3 million. Details of the restatement are provided in note 4 to these condensed financial statements. During January 2009 a special dividend of 2.4c per share was paid and this is expected to be the last of its kind as all legacy investments have now been wound up and paid out. In addition to the dividend mentioned, share premium of 2 cents per share was also repaid to shareholders during June 2009.

Asset Management

Financial market performance

Now, at the one year anniversary of the Lehman Brothers' collapse, many of the financial indicators are back to pre-September 2008 levels. The Johannesburg Stock Exchange (JSE) is back to the 25000 levels. Is everything really back to normal again after the world financial markets came through a once in 80 years market crises? The synchronised efforts by policy-makers around the world not only prevented the global economy from going into depression but they were able to kick-start the recovery. However, this rescue has come at a price. Government balance sheets are in a far worse shape than before the crises. Although politically unpopular, higher taxes and less government spending over a number of years will be required. Interest rates will also have to normalise, meaning that policy stimulation may well be reduced. This in itself will have a dampening effect on economic activity. In an ideal world authorities will gradually tighten policies as the private sector picks up its pace of economic activity. The reality is that it will be extremely difficult for authorities to get it just right. The prospects of economic policy error over the next few years loom large. However, we remain of the view that equities offer the best inflation beating long-term returns. Markets are likely to remain volatile and difficult for some time to come. To the long term investor this is not bad news. The last few quarters have produced extraordinary opportunities in both the

equity and corporate credit markets. We remain committed to "cutting out the noise" and focusing on the long-term fundamentals.

Institutional

Assets under Management have increased by 5% to N\$ 8.1 billion (2008: N\$ 7.7 billion). The Company's fully discretionary best investment house view portfolios continue to perform strongly over the longer term, ending 3rd in the Alexander Forbes Survey of Namibian Retirement Funds for the first, third and fifth years respectively ending September 2009. The Company's Namibian only discretionary mandates performance is under pressure over the longer term, ending 4th and 3rd in the Alexander Forbes Survey of Namibian Retirement Funds for the one and three year periods ending September 2009. The Company's medical aid discretionary mandate also continues to deliver strong performance.

Retail

Our 3 unit trusts, the NAM Coronation Strategic Income Fund, NAM Coronation Balanced Defensive Fund and the Namibia Medical Absolute Fund generated positive returns for the year ending September 2009. To continue and strengthen our efforts to grow the retail business, we have appointed a dedicated person in April 2009, Etienne le Roux. We have already seen the positive effects of the appointment and together with his efforts, anticipated expansions to our product range will hopefully lead to growth and improved profitability of this business unit.

Strategy

Coronation Fund Managers Limited ("Coronation") continues to be our main strategic partner for the ensuing financial year. Negotiations around the renewal of the management contract (due in 2010) have been concluded.

Prospects

The impact of the global financial crisis has made its mark on our financials this year, however our investment strategies and mandates have been tested and proven resilient. We believe that the next financial year will continue to provide unusual challenges which we are more determined than ever to meet head on.

Dividends

An ordinary dividend of 2 cents per share and 2.1 cents per share was declared and paid in 2008 and 2009 respectively. Apart from the abovementioned special dividend of 2.4 cents per share in January 2009 the shareholders also received an additional 2 cents per share as reduction of share premium in June 2009. The board found it prudent to approve an ordinary dividend of 1.2 cents per share for the year ended 30 September 2009.

The salient dates are as follows:

Last day to trade:	27 November 2009
Securities start trading	
ex dividend:	30 November 2009
Record date:	04 December 2009
Payment date:	28 December 2009



A MUSHIMBA  
Chairman



AB BERTOLINI  
Chief Executive

BOARD OF DIRECTORS:

A MUSHIMBA (Chairman)	A B BERTOLINI (Chief Executive)
H NELSON*	A PILLAY*
R G YOUNG*	M F FEHRSEN
B EIMBECK	(* South African)

AUDITORS REVIEW OPINION

The condensed consolidated results for the year ended 30 September 2009 have been reviewed by KPMG Namibia. The auditor's unqualified opinion is available for inspection at the company's registered office.

REGISTERED OFFICE

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SPONSOR

Member of the NSX  
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TRANSFER SECRETARIES

Transfer Secretaries (Pty) Ltd  
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