

# UNAUDITED GROUP INTERIM RESULTS AND DIVIDEND DECLARATIONS

FOR THE SIX MONTH PERIOD ENDED 31 DECEMBER 2008

|   | 31 December 2008 | 31 December 2007 |
|---|------------------|------------------|
| • Profit for the period                           | R81 million      | R93 million      |
| • Headline earnings per ordinary share            | 239 cents        | 280 cents        |
| • Normalised earnings per ordinary share          | 271 cents        | 296 cents        |
| • Return on ordinary shareholders' average equity | 22%              | 31%              |
| • Group capital adequacy                          | 31%              | 30%              |
| • Return on total average assets                  | 4%               | 6%               |



BUSINESS BANKING CAPITAL WEALTH MANAGEMENT TREASURY SPECIALISED SERVICES BUSINESS BANKING CAPITAL WEALTH MANAGEMENT TREASURY SPECIALISED SERVICE

## FINANCIAL HIGHLIGHTS

|  | % change | 31 Dec 2008 Unaudited R'000 | 31 Dec 2007 Unaudited R'000 | 30 June 2008 Audited R'000 |
|--|----------|-----------------------------|-----------------------------|----------------------------|
| <b>Balance sheet</b>   |          |                             |                             |                            |
| Total assets (Rm's)  | 10       | 3 043                       | 2 755                       | 3 016                      |
| Total gross loans and advances (Rm's)                                    | 11       | 1 912                       | 1 724                       | 1 850                      |
| Non-performing loans and advances (Rm's)                                 | 11       | 122                         | 110                         | 96                         |
| <b>Income statement</b>  |          |                             |                             |                            |
| Headline earnings (Rm's)   | (13)     | 65                          | 75                          | 156                        |
| Normalised earnings (Rm's)   | (8)      | 74                          | 80                          | 164                        |
| Earnings attributable to ordinary shareholders (Rm's)                    | (13)     | 65                          | 75                          | 156                        |
| <b>Financial performance</b>   |          |                             |                             |                            |
| Return on ordinary shareholders' average equity (%)                      | 22       |                             | 31                          | 28                         |
| Return on total average assets (%)                                       | 4        |                             | 6                           | 6                          |
| <b>Operating performance</b>   |          |                             |                             |                            |
| Non-interest income to total income (%)                                  | 78       |                             | 72                          | 74                         |
| Efficiency ratio (%)   | 61       |                             | 57                          | 61                         |
| Non-performing advances to total gross loans and advances (%)            | 6        |                             | 6                           | 4                          |
| <b>Share statistics</b>  |          |                             |                             |                            |
| Headline earnings per ordinary share (cents)                             | (15)     | 239                         | 280                         | 576                        |
| Normalised earnings per ordinary share (cents)                           | (8)      | 271                         | 296                         | 605                        |
| Diluted earnings per ordinary share (cents)                              | (13)     | 238                         | 274                         | 572                        |
| Diluted headline earnings per ordinary share (cents)                     | (13)     | 238                         | 274                         | 572                        |
| Number of ordinary shares in issue at end of the period ('000)           | 2        | 27 432                      | 27 018                      | 27 288                     |
| Weighted average number of ordinary shares in issue ('000)               | 1        | 27 312                      | 26 996                      | 27 094                     |
| Diluted weighted average shares in issue ('000)                          | (1)      | 27 412                      | 27 557                      | 27 301                     |
| Dividends per ordinary share relating to profit for the period (cents)   | (15)     | 71                          | 84                          | 228                        |
| Dividends per preference share relating to profit for the period (cents) | 13       | 584                         | 517                         | 1 068                      |
| Of which dividend number 7   |          | —                           | 517                         | 65                         |
| Of which dividend number 8   |          | —                           | —                           | 552                        |
| Of which dividend number 9   |          | 584                         | —                           | (2)                        |
| Net asset value per ordinary share (cents)                               | 15       | 2 287                       | 1 982                       | 2 204                      |
| <b>Capital adequacy</b>  |          |                             |                             |                            |
| Group capital to risk weighted assets (%)                                | 3        | 31                          | 30                          | 28                         |
| Sasfin Bank Limited capital to risk weighted assets (%)                  | (8)      | 22                          | 24                          | 22                         |

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

|  | % change | 31 Dec 2008 Unaudited R'000 | 31 Dec 2007 Unaudited R'000 | 30 June 2008 Audited R'000 |
|--|----------|-----------------------------|-----------------------------|----------------------------|
| <b>ASSETS</b>  |          |                             |                             |                            |
| Cash and cash balances   |          | 357 341                     | 409 406                     | 449 315                    |
| Short-term negotiable securities                                 |          | 57 469                      | 43 781                      | 55 106                     |
| Loans and advances to customers                                  |          | 1 851 469                   | 1 676 362                   | 1 803 516                  |
| Other receivables  |          | 281 548                     | 276 878                     | 327 107                    |
| Investment securities  |          | 294 533                     | 210 375                     | 232 777                    |
| Investments in associated companies                              |          | 33 352                      | 67 909                      | 36 196                     |
| Property, plant and equipment                                    |          | 133 864                     | 58 182                      | 94 627                     |
| Intangible assets and goodwill                                   |          | 16 902                      | 6 974                       | 9 417                      |
| Taxation   |          | 7 285                       | —                           | —                          |
| Deferred tax asset   |          | 9 405                       | 4 890                       | 7 691                      |
| <b>Total assets</b>  | 10       | <b>3 043 188</b>            | <b>2 754 757</b>            | <b>3 015 752</b>           |
| <b>LIABILITIES</b>   |          |                             |                             |                            |
| Interbank funding and deposits from banks                        |          | 203 330                     | 17 882                      | 21 359                     |
| Deposits from customers  |          | 935 814                     | 952 343                     | 1 108 051                  |
| Other payables   |          | 165 564                     | 213 016                     | 286 092                    |
| Debt securities issued   |          | 815 082                     | 700 695                     | 703 037                    |
| Taxation   |          | —                           | 18 504                      | 3 689                      |
| Deferred tax liability   |          | 56 647                      | 41 659                      | 52 605                     |
| <b>Total liabilities</b>   | 12       | <b>2 176 437</b>            | <b>1 944 099</b>            | <b>2 174 833</b>           |
| <b>EQUITY</b>  |          |                             |                             |                            |
| Ordinary share capital and share premium                         |          | 27 744                      | 26 005                      | 27 539                     |
| Reserves   |          | 599 670                     | 509 549                     | 573 941                    |
| Preference share capital and share premium                       |          | 199 278                     | 199 278                     | 199 278                    |
| <b>Total equity attributable to equity holders of the parent</b> | 13       | <b>826 692</b>              | <b>734 832</b>              | <b>800 758</b>             |
| Minority interest  |          | 40 059                      | 75 826                      | 40 161                     |
| <b>Total equity</b>  |          | <b>866 751</b>              | <b>810 658</b>              | <b>840 919</b>             |
| <b>Total liabilities and equity</b>                              | 10       | <b>3 043 188</b>            | <b>2 754 757</b>            | <b>3 015 752</b>           |
| Commitments and contingent liabilities                           |          | 85 604                      | 75 543                      | 216 141                    |

## CONSOLIDATED INCOME STATEMENT

|   | % change | 31 Dec 2008 Unaudited R'000 | 31 Dec 2007 Unaudited R'000 | 30 June 2008 Audited R'000 |
|---|----------|-----------------------------|-----------------------------|----------------------------|
| Interest income                             |          | 202 085                     | 155 943                     | 336 054                    |
| Interest expense                            |          | 126 423                     | 78 784                      | 180 906                    |
| <b>Net interest income</b>                  |          | <b>75 662</b>               | <b>77 159</b>               | <b>155 148</b>             |
| Other income                                |          | 228 104                     | 196 384                     | 432 210                    |
| <b>Total income</b>                         | 11       | <b>303 766</b>              | <b>273 543</b>              | <b>587 358</b>             |
| Impairment charges on loans and advances    |          | 11 132                      | 1 254                       | 4 299                      |
| <b>Net income after impairments</b>         |          | <b>292 634</b>              | <b>272 289</b>              | <b>583 059</b>             |
| Operating costs                             | 23       | 193 077                     | 157 089                     | 360 622                    |
| Staff costs                                 |          | 86 103                      | 69 759                      | 144 719                    |
| Other operating expenses                    |          | 106 974                     | 87 330                      | 215 903                    |
| <b>Profit from operations</b>               |          | <b>99 557</b>               | <b>115 200</b>              | <b>222 437</b>             |
| Share of associated companies' income       |          | 2 357                       | 1 700                       | 4 932                      |
| <b>Profit before income tax</b>             | (13)     | <b>101 914</b>              | <b>116 900</b>              | <b>227 369</b>             |
| Income tax expense                          |          | 20 682                      | 24 296                      | 42 940                     |
| <b>Profit for the period</b>                | (12)     | <b>81 232</b>               | <b>92 604</b>               | <b>184 429</b>             |
| <b>Profit attributable to:</b>              |          |                             |                             |                            |
| Minority interest                           |          | 5 342                       | 8 205                       | 9 614                      |
| Preference shareholders                     |          | 10 516                      | 8 901                       | 18 723                     |
| Equity holders of the parent                |          | 65 374                      | 75 498                      | 156 092                    |
| <b>Profit for the period</b>                | (12)     | <b>81 232</b>               | <b>92 604</b>               | <b>184 429</b>             |
| Basic earnings per ordinary share (cents)   | (15)     | 239                         | 280                         | 576                        |
| Diluted earnings per ordinary share (cents) | (13)     | 238                         | 274                         | 572                        |

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

|   | 31 Dec 2008 Unaudited R'000 | 31 Dec 2007 Unaudited R'000 | 30 June 2008 Audited R'000 |
|---|-----------------------------|-----------------------------|----------------------------|
| <b>Profit for the period</b>  | <b>81 232</b>               | <b>92 604</b>               | <b>184 429</b>             |
| <b>Other comprehensive income for the period, net of income tax</b> | <b>2 271</b>                | <b>(2 214)</b>              | <b>4 640</b>               |
| Translation gains and losses for foreign operations                 | 2 509                       | (2 143)                     | 5 016                      |
| Losses on re-measurement of available-for-sale financial assets     | (330)                       | (99)                        | (522)                      |
| Income tax on other comprehensive income                            | 92                          | 28                          | 146                        |
| <b>Total comprehensive income for the period</b>                    | <b>83 503</b>               | <b>90 390</b>               | <b>189 069</b>             |
| <b>Attributable to:</b>   |                             |                             |                            |
| Minority interest   | 5 505                       | 7 964                       | 9 977                      |
| Preference shareholders   | 10 516                      | 8 901                       | 18 723                     |
| Equity holders of the parent  | 67 482                      | 73 525                      | 160 369                    |
| <b>Total comprehensive income for the period</b>                    | <b>83 503</b>               | <b>90 390</b>               | <b>189 069</b>             |

|                                    |   |
|------------------------------------|---|
| <b>Sasfin Holdings Limited</b>     | : Incorporated in the Republic of South Africa<br>"Sasfin" or "the Group" or "the Company" Ordinary share code: SFN ISIN: ZAE0000663<br>Preference share code: SFNP ISIN: ZAE00060273 |
| <b>Non-executive chairman</b>      | : MB Glatt  |
| <b>Executive directors</b>         | : RDEB Sassoon* (Chief Executive Officer), M Segal, *British  |
| <b>Non-executive directors</b>     | : CN Axten, ETB Blight, DD Mokgatle, MS Rylands, ML Smith   |
| <b>Company secretary</b>           | : S Jackson   |
| <b>Registered office</b>           | : Sasfin Place, 13-15 Scott Street, Waverley, 2090, Johannesburg, Tel: +27 11 809 7500 Fax: +27 11 887 6167/2489  |
| <b>Websites</b>                    | : www.sasfin.com/www.sfpicurities.com   |
| <b>Transfer secretaries</b>        | : Computershare Investor Services (Pty) Limited, 70 Marshall Street, Johannesburg, 2001, PO Box 61051, Marshalltown, 2107   |
| <b>Company registration number</b> | : 1987/002097/06  |
| <b>Lead sponsor</b>                | : KPMG Services (Pty) Limited   |
| <b>Joint sponsor</b>               | : Sasfin Capital (a division of Sasfin Bank Limited)  |
| <b>Corporate law advisors</b>      | : Edward Nathan Sonnenbergs Inc.  |



## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONDENSED)

|   | 31 Dec 2008 Unaudited R'000 | 31 Dec 2007 Unaudited R'000 | 30 June 2008 Audited R'000 |
|---|-----------------------------|-----------------------------|----------------------------|
| Opening total shareholders' equity      | 840 919                     | 774 415                     | 774 415                    |
| Total comprehensive income for the year | 83 503                      | 90 390                      | 189 069                    |
| Change in minorities                    | (5 536)                     | (9 312)                     | (46 505)                   |
| Issue of shares                         | 205                         | 317                         | 1 836                      |
| Preference share dividend               | (10 516)                    | (8 901)                     | (18 723)                   |
| Ordinary share dividend                 | (41 824)                    | (36 251)                    | (59 173)                   |
| <b>Closing balance</b>                  | <b>866 751</b>              | <b>810 658</b>              | <b>840 919</b>             |

## CONSOLIDATED STATEMENT OF CASH FLOWS (CONDENSED)

|   | 31 Dec 2008 Unaudited R'000 | 31 Dec 2007 Unaudited R'000 | 30 June 2008 Audited R'000 |
|---|-----------------------------|-----------------------------|----------------------------|
| Net cash flows from operating activities              | (294 733)                   | 67 775                      | 166 941                    |
| Net cash flows from investing activities              | (191 163)                   | (59 572)                    | (73 879)                   |
| Net cash flows from financing activities              | 212 149                     | 26 022                      | (13 548)                   |
| Net (decrease)/increase in cash and cash equivalents  | (273 747)                   | 34 225                      | 79 514                     |
| Cash and cash equivalents at beginning of the year    | 483 062                     | 400 580                     | 400 580                    |
| Effect of exchange rate fluctuations on cash held     | 2 165                       | 500                         | 2 968                      |
| <b>Cash and cash equivalents at end of the period</b> | <b>211 480</b>              | <b>435 305</b>              | <b>483 062</b>             |

## HEADLINE EARNINGS RECONCILIATION

|   | 31 Dec 2008 Unaudited R'000 | 31 Dec 2007 Unaudited R'000 | 30 June 2008 Audited R'000 |
|---|-----------------------------|-----------------------------|----------------------------|
| Headline earnings are determined as follows:        |                             |                             |                            |
| Profit attributable to equity holders of the parent | 65 374                      | 75 498                      | 156 092                    |
| Capital gains/(loss)                                | (8)                         | (12)                        | 54                         |
| Gross gain/(loss)                                   | (10)                        | (16)                        | 65                         |
| Tax impact  | 2                           | 2                           | (9)                        |
| Minority effect                                     | —                           | 2                           | (2)                        |
| <b>Headline earnings</b>                            | <b>65 366</b>               | <b>75 486</b>               | <b>156 146</b>             |
| Headline earnings per ordinary share (cents)        | 239                         | 280                         | 576                        |

## SEGMENTAL ANALYSIS (CONDENSED)

|  | 31 Dec 2008 Unaudited R'000 | 31 Dec 2007 Unaudited R'000 | 30 June 2008 Audited R'000 |
|--|-----------------------------|-----------------------------|----------------------------|
| <b>Segment result</b>                        |                             |                             |                            |
| – Business Banking                           | 20 155                      | 25 801                      | 59 411                     |
| – Capital                                    | 21 874                      | 24 280                      | 43 319                     |
| – Treasury                                   | 7 750                       | 6 922                       | 14 051                     |
| – Personal Wealth                            | 10 150                      | 13 949                      | 31 442                     |
| – Specialised Services                       | 5 437                       | 4 534                       | 7 923                      |
| <b>Total</b>                                 | <b>65 366</b>               | <b>75 486</b>               | <b>156 146</b>             |
| <b>Segment revenue</b>                       |                             |                             |                            |
| – Business Banking                           | 103 956                     | 102 583                     | 201 684                    |
| – Capital                                    | 42 819                      | 37 351                      | 71 815                     |
| – Treasury                                   | 40 460                      | 32 036                      | 70 222                     |
| – Personal Wealth                            | 83 687                      | 71 515                      | 187 384                    |
| – Specialised Services                       | 37 619                      | 33 310                      | 62 204                     |
| – Elimination of inter-group items and other | (4 775)                     | (3 252)                     | (5 951)                    |
| <b>Total</b>                                 | <b>303 766</b>              | <b>273 543</b>              | <b>587 358</b>             |

## COMMENTARY

### NATURE OF BUSINESS

Sasfin Holdings Limited ("Sasfin" or "the Group" or "the Company") is a bank-controlling company listed in the "Financials: Investment Services" sector of JSE Limited ("the JSE"). Sasfin and its subsidiaries provide a wide range of complementary banking, financial and related services.

### BUSINESS REVIEW: GROUP PERFORMANCE

#### Business environment

- The collapse in global financial markets has led to a significant economic slowdown in economies around the world, including South Africa.
- In response to increased credit pressure and business failures in South Africa, the Group tightened its credit policies, resulting in lower levels of new business.

#### Financial overview

- Sasfin has continued to build on its core business activities and all divisions made a positive contribution to headline earnings.
- The Group achieved solid results in these difficult conditions, with headline earnings of R65 million (2007: R75 million), which represents a decrease of 13% on the corresponding period in 2007. On a normalised earnings basis, the Group achieved headline earnings of R74 million (2007: R80 million), an 8% decrease on the corresponding period of last year.
- Impairment losses, which increased significantly from a low base in 2007 due to recoveries in that period, represent an annualised impairment charge of 1,2% on average loans and advances, which is considered satisfactory under these conditions.
- The increase in operating costs is largely attributable to the broadening of the base of the Group's operating activities, additional compliance costs associated with the new regulations, and includes non-recurring items amounting to approximately R11 million.
- Total assets grew by 10% to R3,0 billion (2007: R2,8 billion), underpinned by moderate growth in loans and advances.
- Although deposits decreased marginally year on year, the Group has comfortable liquidity levels in a market constrained by liquidity shortages.
- In spite of the severe tightening in the capital markets, in November 2008 Sasfin not only successfully refinanced its securitisation notes at favourable rates, but securitised a further tranche of R200 million of equipment rental agreements. This is indicative of the exceptional quality of these assets.
- The statutory risk-weighted capital adequacy of the Group is 31% (2007: 30%) and that of Sasfin Bank Limited is 22% (2007: 24%), which is well above the prescribed minimum requirement of 9,75%.

#### PROSPECTS

- Sasfin is well positioned as a banking and financial services provider focusing on the entrepreneurial market.
- The Group recently secured a trade finance guarantee facility from the International Finance Corporation, a member of the World Bank Group, on favourable terms, which will create opportunities for future growth and development.
- Notwithstanding the uncertainty and difficult economic conditions, the Group expects to continue at current levels of performance into the second half of the financial year.

### BASIS OF PREPARATION AND PRESENTATION OF ANNUAL FINANCIAL STATEMENTS

The unaudited interim consolidated financial statements have been prepared in accordance with IAS 34 – "Interim Financial Reporting" and the accounting policies applied conform to International Financial Reporting Standards. The same accounting policies and methods of computation are followed in the interim financial statements as compared to the 2008 annual financial statements. The "Statement of Comprehensive Income" in terms of IAS 1, is effective for financial years commencing 1 January 2009 – early adoption has been elected by the Group.

### PREFERENCE SHARE DIVIDEND

Notice is hereby given that preference dividend number 9 amounting to 584,28 cents (2007: 515,25 cents) per preference share ("preference dividend") has been declared for the period 1 July 2008 to 31 December 2008 on one million preference shares issued at R100,00 each and on nine hundred and five thousand preference shares issued at R110,49 each. The preference dividend is payable to holders of preference shares recorded in the register of the Company at the close of business on Friday, 27 March 2009.

The salient dates relating to the preference dividend are as follows:

|   |                       |
|---|-----------------------|
| Last day to trade cum the preference dividend                 | Friday, 20 March 2009 |
| Preference shares commence trading ex the preference dividend | Monday, 23 March 2009 |
| Preference dividend record date                               | Friday, 27 March 2009 |
| Payment of preference dividend                                | Monday, 30 March 2009 |

Preference shares may not be dematerialised or rematerialised between Monday, 23 March 2009 and Friday, 27 March 2009, both days inclusive.

### INTERIM ORDINARY SHARE DIVIDEND

The Group has a stated policy of declaring interim and final ordinary share dividends equal in aggregate to 40% of headline earnings. In accordance with this policy, the Board of Sasfin has resolved to pay an interim dividend as set out below.

### Cash dividend and scrip dividend alternative

The directors have resolved to pay an interim cash dividend of 71 cents (2007: 84 cents) per ordinary share to ordinary shareholders recorded in the books of the Company at the close of business on Thursday, 9 April 2009 ("the record date").

Shareholders may elect to receive a scrip dividend in lieu of a cash dividend in respect of all or part of their shareholding. As the Company will pay the Secondary Tax on Companies ("STC"), the base cost for capital gains tax purposes will be the volume weighted average trading price of an ordinary share of the Company on the JSE for the three days ending Wednesday, 25 March 2009 ("the issue price").

The rounded number of shares to which a shareholder will be entitled in terms of the scrip dividend alternative will be determined by multiplying the number of ordinary shares held by the shareholder by seventy one cents and then dividing by the issue price ("the ratio"). This ratio will be announced on SENS on Thursday, 26 March 2009 and in the press on Friday, 27 March 2009.

Trading in the Strate environment does not permit fractions and fractional entitlements. Accordingly, where a shareholder's entitlement to new ordinary shares calculated