REBSERVE HOLDINGS LIMITED

ANNUAL REPORT 2001

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PROFILE

Rebserve Holdings Limited (formerly Rebhold Limited) is an investment holding company listed on the JSE Securities Exchange South Africa in the Industrial-Services sector.

The group operates businesses covering a range of facilities management, technical, professional and support services, extending countrywide.

MISSION

Rebserve's mission is to enhance shareholder wealth by building an integrated, focused services group by:

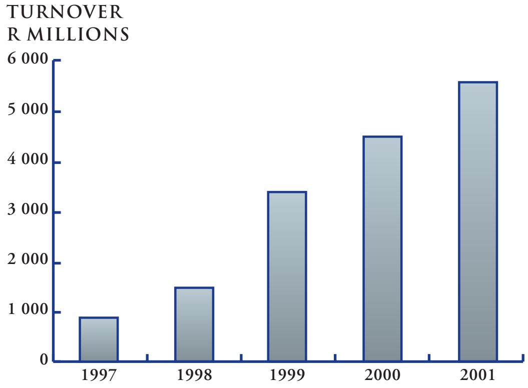
- adding value and achieving rationalisation and other benefits through the integration of existing and acquired operations;
- acquiring businesses which dominate their niche markets, realise strong cash flows and have dynamic entrepreneurial management who are willing to commit themselves on a long term basis to the achievement of the group's objectives; and
- taking advantage of new opportunities in the group's chosen areas of activity.

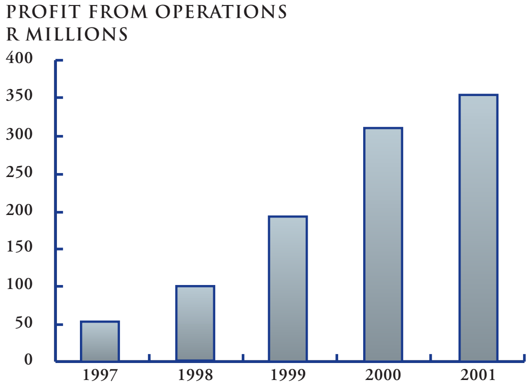
CHANGE OF NAME

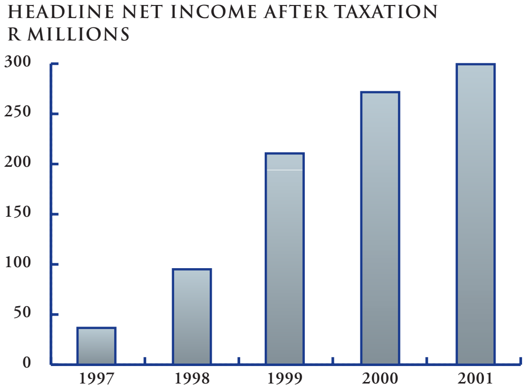
In terms of a special resolution passed on 29 November 2001, the company's name was changed from Rebhold Limited to Rebserve Holdings Limited in order to reflect the focused services nature of the group.

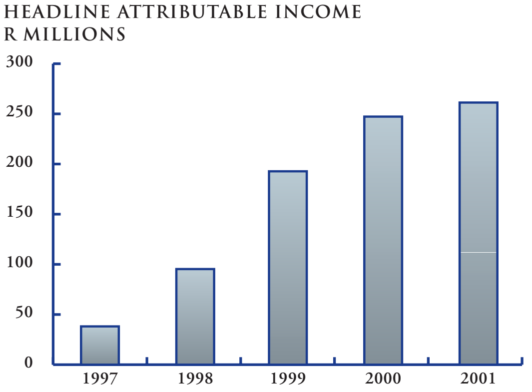
Throughout this annual report references to "Rebhold", "Rebserve" and "the company" refer to the same entity and are used interchangeably having regard to the date when the relevant section of this report was prepared.

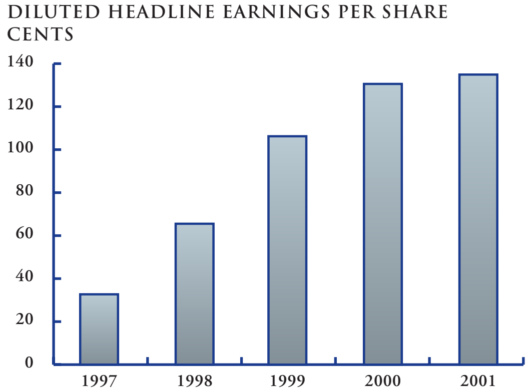
FINANCIAL HIGHLIGHTS

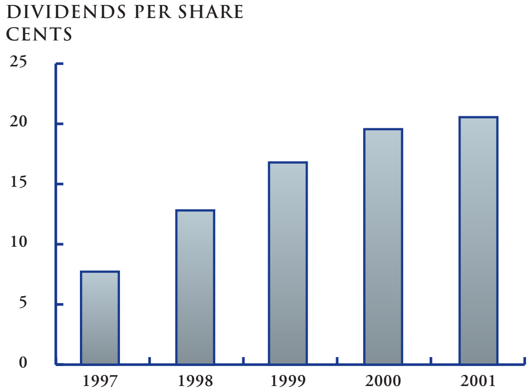




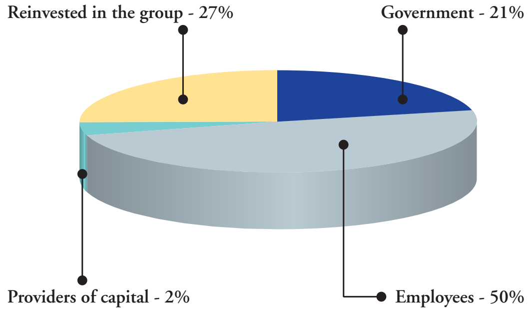




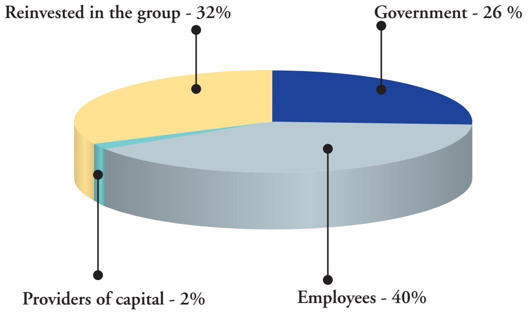




APPLICATION OF VALUE ADDED
YEAR ENDED 30 JUNE 2001



APPLICATION OF VALUE ADDED
YEAR ENDED 30 JUNE 2000



FINANCIAL HIGHLIGHTS

(continued)

Financial year ended 30 June	**2001**	2000	1999	1998	1997
Turnover (R'000)	**5 559 588**	4 496 959	3 374 182	1 471 250	870 025
Profit from operations (R'000)	**352 221**	307 241	190 036	96 241	50 107
Net income after taxation (R'000)	**353 113**	274 268	520 292	95 762	38 105
Headline net income after taxation (R'000)	**299 802**	274 268	211 673	95 762	38 105
Headline attributable income (R'000)	**260 740**	247 467	191 500	94 508	37 852
Diluted headline earnings per share (cents)	**134,6**	133,0	105,6	62,0	33,1
Headline earnings per share (cents)	**134,6**	137,0	110,2	64,9	33,1
Dividend per share (cents)	**20,5**	20,0	17,0	13,0	8,0
Net tangible asset value per share (cents) (Note 1)	**256,7**	197,4	326,4	172,9	102,0
Number of employees	**30 764**	30 521	5 579	3 243	2 152
Number of shares in issue ('000)	**193 730**	180 630	173 818	163 070	133 215
Market capitalisation (30 June) (R'000)	**1 850 122**	2 890 080	3 389 451	3 995 215	1 478 686
Annual compound growth rate in headline earnings per share since 1995	**61%**	77%	94%	103%	106%
Operating margin	**6,3%**	6,8%	5,6%	6,5%	5,8%

Notes:

1 Net tangible asset value per share is calculated on the basis that amounts due to vendors will be settled in cash or by the issue of Rebserve shares in terms of existing acquisition agreements.

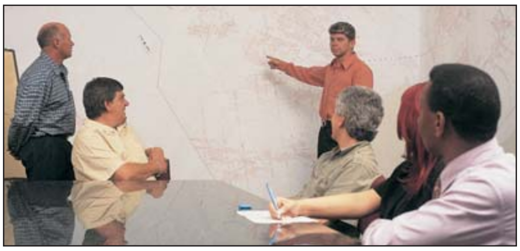
2 Results for the financial years ended 30 June 2000 and 30 June 2001 are based on the new accounting policies for turnover, intangible assets and deferred taxation.

GROUP STRUCTURE

FACILITIES MANAGEMENT AND PROFESSIONAL SERVICES

TFMC

ATREB PROFESSIONAL SERVICES



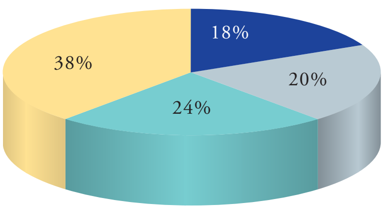
JIC FACILITIES MANAGEMENT

MINING AND TECHNICAL SERVICES

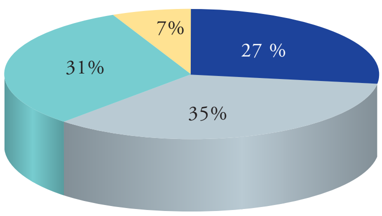
JIC MINING SERVICES

TROLLOPE MINING SERVICES

TURNOVER (YEAR ENDED 30 JUNE 2001)



TURNOVER (YEAR ENDED 30 JUNE 2000)



GROUP STRUCTURE

(continued)

FOOD SERVICES	SUPPORT SERVICES

CONTRACT CATERING SERVICES
(Royal Food Services, Mining Residential Services)

SECURITY SERVICES
(Coin Security, Protea Security, Telesafe)

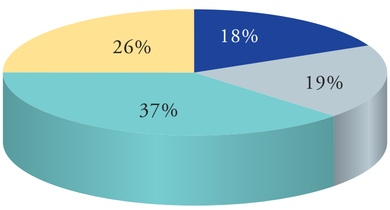
FOOD DISTRIBUTION SERVICES
(Stamford Sales)

CLEANING SERVICES
(Berco Cleaning)

FRANCHISING SERVICES
(King Pie)

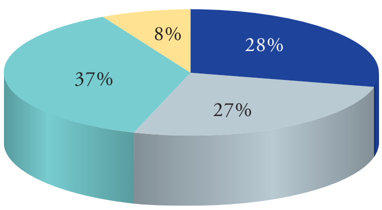
FREIGHT FORWARDING SERVICES
(Contract Forwarding)

PROFIT FROM OPERATIONS (YEAR ENDED 30 JUNE 2001)



- Facilities management and professional services
- Mining and technical services
- Food services
- Support services

PROFIT FROM OPERATIONS (YEAR ENDED 30 JUNE 2000)



- Facilities management and professional services
- Mining and technical services
- Food services
- Support services

BOARD OF DIRECTORS

STEPHEN LEVENBERG **
Chairman

CYRIL RAMAPHOSA
Deputy Chairman

FARREL COHEN
Executive Director

BRETT TILL
Financial Director

WILL PASKINS
Chief Executive *

PAUL NKUNA
Non-Executive Director - Chairman of the Mineworkers Investment Company (Proprietary) Limited

CARL STEIN * **
Non-Executive Director - Chairman of Werksmans Attorneys

MACKIE BRODIE * **
Non-Executive Director

PETER SCHLEBUSCH
Executive Director

* Member of the audit committee
** Member of the remuneration committee

ADMINISTRATION

REGISTERED OFFICE
Rebserve House, Hunts End, 36 Wierda Road West,
Wierda Valley, Sandton, 2196
P O Box 1639, Rivonia, 2128

COMPANY REGISTRATION NUMBER
1995/004153/06

AUDITORS
Fisher Hoffman PKF (Jhb) Inc.

ATTORNEYS
Werksmans Attorneys

COMPANY SECRETARY
Rebhold Management Services (Proprietary) Limited
Hunts End, 36 Wierda Road West,
Wierda Valley, Sandton, 2196
P O Box 1639, Rivonia, 2128

TRANSFER SECRETARIES
Computershare Services Limited
2nd Floor, Edura
41 Fox Street, Johannesburg, 2001
P O Box 61051, Marshalltown, 2107

BANKERS
- The Standard Bank of South Africa Limited
- Nedbank, a division of Nedcor Bank Limited
- First National Bank of Southern Africa Limited

SHAREHOLDERS' DIARY
- Annual general meeting
  18 January 2002
- Interim results announcement
  February 2002
- Audited final results and dividend announcement
  August 2002
- Annual dividend paid
  October 2002

RETIRING DIRECTORS
A S Haggie
J G Kempen
B D McIntyre
D Seetha

CHAIRMAN'S REVIEW

Stephen Levenberg - Chairman

TRANSFORMATION INTO A FOCUSED SERVICES GROUP

The 2001 financial year has been one of momentous change for our group. We were Rebhold, we have now become Rebserve. This accurately reflects our concentration on the high growth services industry.
In the process we have disposed of subsidiaries which were not core to our sharply defined focus, while achieving a satisfactory overall financial result in difficult trading conditions.

We are no longer a group comprising two unrelated divisions. We have achieved our primary objective of streamlining our range of activities and have an excellent blend of expertise, a strong balance sheet and proven operational skills in markets with healthy growth potential. Arising from these changes, what I find particularly challenging are the increased opportunities for co-operation and interaction among companies in the new Rebserve family.

At the start of the financial year the group had two distinct and disparate divisions - services and wholesale. In line with its strategy of establishing and maintaining its position as the leading provider of facilities management and integrated services in South Africa, the group has been restructured by disposing of the wholesale division in its entirety and transforming itself into a focused services group.

The restructuring of the group extended to the disposal of the non-core wholesale, liquor, beverages and treated timber businesses. Other highlights of the year were the commencement of the Telecommunications Facilities Management Company's (TFMC's) ten year facilities management contract with Telkom, and the acquisition and integration of the Berco Cleaning business. Rebserve's effective interest in TFMC has increased from an initial 46,75% to 56,75% during the year.

ECONOMIC ENVIRONMENT

South Africa's economy continued to reflect a low level of consumer and business confidence, as well as the impact of high levels of unemployment and spiralling energy costs. Continuing political and economic turbulence in Zimbabwe contributed to negative international perceptions regarding the southern Africa region.

The Rand continued to drop to record low levels against the US Dollar and British Pound, and the global economic downturn began impacting on domestic economic growth. Although interest rates were cut in June 2001, the benefit thereof is still to be felt in the economy.

Despite aggregate demand in the economy deteriorating during the financial year, Rebserve's services operations performed well. Nationally the services sector of the market outperformed other primary measures of economic activity, making the services sector one of the engines for future economic growth. In contrast, other primary sectors such as agriculture, mining, wholesale, retail and associated sectors remained static or declined.

DISPOSAL OF INTERESTS IN WHOLESALE, LIQUOR, BEVERAGES AND TREATED TIMBER OPERATIONS

Wholesale operations

The disposal of assets in the wholesale division took place against a background of deteriorating markets and performances by the businesses. Trading conditions remained depressed during the financial year due to a number of external factors. Shifting patterns in consumer spending from non-durable and durable goods towards the national lottery, cellular phones and security exacerbated the downturn, particularly in the rural areas of Kwazulu Natal and the Eastern Cape, the primary trading areas for the Browns and Weirs stores. Jumbo Cash and Carry performed in line with expectations but was also negatively affected by a decrease in consumer spending.

With effect from 31 March 2001, Rebhold disposed of its entire interest in Jumbo Cash and Carry (Proprietary) Limited and Sip 'n Save, a division of Picardi Liquors (Proprietary) Limited, to Massmart Holdings Limited. With efffect from 30 June 2001, Browns Cash and Carry (Proprietary) Limited, a 70%-held subsidiary of Rebhold, sold 22 of its cash and carry stores to Massmart.

The total consideration received by Rebhold for these disposals amounted to approximately R400 million, including the repayment of not less than R50 million of certain shareholders claims on loan account against Jumbo net of the anticipated store closure costs payable by Rebhold in relation to the closure of the remaining Browns and Weirs stores, head office and regional offices.

The sale to Massmart did not include 21 Browns and Weirs stores. Of these, 12 stores were sold to independent traders and the remaining 9 were closed. The closure of the Browns and Weirs head office and regional offices is also well advanced. Full provision has been made for all closure costs, which had a significant adverse impact on the results of the wholesale division in the year under review. No additional expenses in respect of the Browns and Weirs closure are expected to be incurred in future reporting periods.

Liquor, beverages and treated timber operations

The liquor and beverages businesses were unable to escape the negative effects of reduced consumer spending. The outlook for this sector continued to be hampered by the uncertainty surrounding the introduction of new liquor legislation which has been pending for some time, and which could negatively influence the future structure of the retail liquor industry in South Africa. Profitability of the bulk, low grade wine market declined significantly, due primarily to a decrease in the volumes of exported wines.

These businesses were non-core to Rebserve's facilities management and services strategy. Accordingly, the liquor operations - Picardi Rebel and Boland Wine, the beverage operations - Southern Superfoods, UniClinecor and the Coffee Tea and Chocolate Company, and Treated Timber Products, were sold with effect from 30 June 2001 to different consortia comprising in each instance mainly management and staff, including empowerment interests. The Picardi Rebel disposal remains subject to Competition Commission approval.

RESULTANT GROUP STRUCTURE

Following the completion of the disposal process, Rebserve has a focused structure, which will enable it to concentrate its efforts on taking advantage of the increasing demand for outsourced services and expertise.

The changes were necessary in order to achieve the new business focus which will see Rebserve aggressively targeting the high growth, high margin services sector for expansion. As management has considerable skills and experience in this area, the group is well placed to capitalise on the numerous new opportunities in this sector.

FINANCIAL PERFORMANCE

The group ended the year in a strong financial position. Turnover from continuing operations increased 115% to R2,4 billion. Profit from continuing operations increased 56% to R237 million.

Despite the wholesale division making a lower contribution due to the combined effects of the inclusion of Jumbo for only nine months and worsening trading conditions, excellent growth in the services division enabled the group to increase headline net income attributable to shareholders to R349 million, 41% up from R247 million in the prior year. Diluted headline earnings per share increased 1% from 133,0 cents to 134,6 cents. With liquid funds of R657 million at 30 June 2001, the group's balance sheet remains strong.

Had the disposal and closure of the wholesale and other non-core businesses been effective from 1 July 2000, diluted headline earnings per share would have been 100,6 cents. This provides the new base from which earnings are expected to grow in 2002.

Given the strong financial position of the group, and substantial cash resources, a cash dividend of 20,5 cents per share was declared for the year.

THE BOARD

During the year, the board of directors was reconstituted to reflect the focused services nature of the group. Accordingly, Messrs Anthony Haggie, Jacques Kempen, Brian McIntyre and Steve Seetha stepped down as directors. We thank them for their valuable role in establishing Rebhold.

Will Paskins, who has considerable international experience in facilities management and related industries, joined the board as Chief Executive. We look forward to his valuable insights and future contribution. Cyril Ramaphosa becomes Deputy Chairman of Rebserve Holdings Limited and remains Executive Chairman of Rebserve Limited.

PROSPECTS

Rebserve intends to apply its substantial resources to grow and expand its services offering through selected services acquisitions and the conclusion of new facilities management contracts. Rebserve's directors are confident that returns to shareholders and growth will be maximised as a result of this focused services strategy.

The group has created a sound platform for growth in the services sector with a strong financial position and good operational management expertise. Rebserve is expected to capitalise on promising organic growth prospects arising from the continuing trend towards outsourcing non-core services and activities, as well as its existing position as the leading supplier of integrated services in South Africa. The group will continue to focus on maximising the synergistic benefits between its subsidiaries in order to ensure excellent service levels and cost savings to Rebserve's customers in relation to outsourced services.

CHAIRMAN'S REVIEW

(continued)

Acquisitions of focused services companies will be pursued, and human and financial capital will be put to work in the high growth services operations, in order to enhance the group's strategic position as the leading provider of facilities management and integrated services solutions in South Africa.

A share buy-back programme will also be implemented, subject to market circumstances.

In the absence of unforeseen circumstances, the group expects to deliver real earnings growth in the year ahead off the base which has been established of 100,6 cents pro forma diluted headline earnings per share from the continuing operations (including investment income) for the year ended 30 June 2001.

ACKNOWLEDGEMENTS

My thanks go to the board for their support during a year which was characterised by numerous changes, transformation and challenges for the group.

My appreciation also goes to the executives, operational managers and employees whose hard work and dedication has been instrumental in the successful restructuring of our business in line with our vision.

We will continue to deliver high quality services that meet and exceed the needs of our clients and customers, and look forward to another prosperous year.

Stephen Levenberg
Chairman

Will Paskins - Chief Executive

OPERATIONS

Following the disposal of Rebhold's wholesale and non-core businesses, the group's services interests were consolidated under Rebserve. Certain of these services businesses have been restructured in order to maximise synergies and operational efficiencies across group companies. These processes have set a firm foundation for future organic and acquisitive growth.

Rebserve's businesses are focused in four areas:

Facilities management and professional services encompasses the TFMC, AtReb Professional Services (including AtReb Consulting) - a business providing outsourced professional expertise to TFMC - and JIC's facilities management division which offers facilities management solutions to the mining industry.

The mining and technical services division comprises JIC Mining Services and Trollope Mining Services, which provide a comprehensive range of services to the mining sector on an outsourced basis.

The food services division provides catering services to the corporate, industrial and mining sectors through Mining Residential Services (MRS) and Royal Food Services. King Pie operates nationally as a fast-food franchisor and Stamford Sales is a distributor of a range of packaging and dry goods.

Support services covers security, cleaning and freight forwarding services. The security operations comprise Coin Security, Protea Security and Telesafe. Cleaning services are supplied by Berco Cleaning, and freight forwarding services by Contract Forwarding.

(continued)

As part of the group's restructuring, several initiatives were launched and consolidations made to enhance prospects.

The operations of Bakers World, which concentrate on the distribution of a broad range of products to the baking industry, were integrated with Stamford Sales. The freight forwarding businesses, Contract Forwarding and Trans Global, were merged.

Synergies between the Coin and Protea security companies are being exploited and new management was introduced at Coin to revitalize that business. Early indications of improvement at Coin are encouraging.

The acquisition of Berco Cleaning added critical mass and a greater level of expertise to Rebserve's cleaning services. The former Rebserve Cleaning operations were integrated into Berco Cleaning.

Centres of excellence are being created within group companies where core competencies exist. These centres of excellence will provide support in their respective fields to all group companies, improving synergies and economies of scale to the overall benefit of the group. They include payroll administration, legal support and information technology.

Information technology and systems will play an increasingly important role in the delivery of integrated services and in meeting the challenges that lie ahead. The group has already launched a number of initiatives to strengthen the information technology platforms and structures in anticipation of the growth ahead.

Interaction and co-operation between group companies improved and the objectives of individual businesses were aligned with the broader group vision and strategy.

A more detailed review of individual businesses is contained in the review of operations.

PROSPECTS

When compared to international markets, outsourcing and facilities management in South Africa are still in their infancy.

As an employer of more than 30 000 people, Rebserve has already established itself as the leading provider of facilities management solutions and integrated services in South Africa and has the depth of management expertise to play a major role in this growing market. Rebserve participates at all levels of the hierarchy of outsourced services and facilities management in South Africa, with the activities of TFMC at the apex of the hierarchy.

Will Paskins and Cyril Ramaphosa (Deputy Chairman of Rebserve)

The group has a strong and growing presence in support, technical and professional services. Rebserve's businesses are often leaders in their fields of operations, and are characterised by a high level of operational management expertise and experience in each business.

Each of the divisions employs executives with extensive experience in their areas of operations, and proven commercial competence. They are accustomed to running and growing successful businesses on an autonomous basis. The commitment and entrepreneurial spirit of these executives are an integral feature of Rebserve's success.

Growth will be achieved organically through new contracts and as group companies take advantage of opportunities to "cross market" their complementary range of services. Particular emphasis will be placed on developing integrated services solutions which provide customers with cost benefits from the economies of management and administration offered by a single services provider. Strategic acquisitions will also be pursued.

Given the level of enquiries received on a regular basis in all Rebserve businesses, we remain positive about the prospects for the group. In the absence of unforeseen circumstances the group expects to deliver real growth in the year ahead off the base which has been established of 100,6 cents historic pro forma diluted headline earnings per share.

My thanks and appreciation go to the operational management and staff who have played a major role in our success to date and continue to support our initiatives. We look forward to the challenges of the future.

Will Paskins
Chief Executive

The group reported a satisfactory overall result for the year ended 30 June 2001, against a background of continued difficult trading and economic conditions.

Brett Till - Financial Director

Jumbo Cash and Carry and Sip 'n Save were disposed of to Massmart Holdings Limited with effect from 31 March 2001. The remaining wholesale, liquor, beverage and treated timber businesses were disposed of with effect from 30 June 2001.

Turnover increased by 24% to R5 560 million, with the inclusion of TFMC for the first time. "Flow-through" costs of nearly R980 million have been excluded from turnover in terms of the new accounting policy for turnover. These "flow-through" costs are mainly in the facilities management and freight forwarding services operations.

Profit from operations increased by 15% to R352,2 million. Investment income declined by 18% to R43,7 million as a result of lower interest rates than in the comparable previous period, reduced cash balances after further cash payments to vendors, as well as increased gearing in the group's treasury.

The effective tax rate at 24% is mainly as a result of the change in the deferred tax accounting policy and existing preference share investments.

The exceptional item of R53,3 million comprises the net capital profit resulting from the sale and closure of the wholesale division and non-core businesses, including the write down of assets and provision for closure costs in Browns and Weirs and the non-core businesses, as well as the amortisation of goodwill.

The cumulative capital profit realised in cash on the disposal of Rebhold's original investment in Jumbo exceeded R300 million. Of this, R253,5 million was accounted for in the financial year ended 30 June 1999 and the balance during the year under review.

Despite the wholesale division making a lower contribution to group profits, due to the combined effects of the inclusion of Jumbo for only nine months and worsening trading conditions, excellent growth in the continuing services division enabled the group to increase diluted headline earnings per share by 1% to 134,6 cents. Save for a minor contribution from the acquisition of Berco Cleaning, all growth was organic.

Headline earnings per share decreased by 2% to 134,6 cents as a result of the higher number of shares in issue following the settlement of the majority of the amounts due to vendors which were required to be discharged by the issue of shares. Diluted headline earnings per share increased by 1% to 134,6 cents for the year ended 30 June 2001.

FINANCIAL REVIEW

(continued)

No further material share issues are anticipated in settling the outstanding amounts due to vendors. The issue of any further shares to vendors is dependent on the achievement of future profit warranties and would, in any event, result in an increase in earnings per share.

Had the wholesale disposal and the closure of the remaining Browns and Weirs stores been effective from 1 July 2000, Rebserve's diluted headline earnings per share for the year ended 30 June 2001 would have decreased by 21,3 cents (16%) from 134,6 cents to 113,3 cents. If the additional disposals of the non-core businesses had been effective from 1 July 2000, Rebserve's diluted headline earnings per share for the year ended 30 June 2001 would have decreased by a further 12,7 cents (9%) to 100,6 cents, which latter figure accordingly establishes the earnings base against which future growth will be measured.

Cash generated from operations increased by 27% to R 303,8 million and equates to 86% of the group's profit from operations. Working capital management remains a high priority for all businesses and is a key performance indicator in all management incentive schemes.

The group's balance sheet at 30 June 2001 reflects a strong financial position. Non-current assets increased as a result of the capitalisation of goodwill and raising of deferred tax assets in terms of the new accounting policies. Other large increases in non-current assets relate primarily to the TFMC contract and the expansion of existing businesses.

Current assets have increased with the inclusion of an amount of R462,5 million due to the group in respect of the disposal of the cash and carry businesses. Subsequent to the year end the majority of this amount was realised in cash. Current liabilities include the balance of the Molope purchase consideration still owing and the substantial trade creditors in TFMC.

At 30 June 2001, net liquid funds at the centre, on a pro forma basis, would have amounted to approximately R400 million, assuming the receipt of the Jumbo disposal consideration and further assuming the deduction of the cash payment of R98 million to the Jumbo vendors, long-term treasury liabilities of R180 million, the balance of the Molope purchase consideration of approximately R230 million, the dividend of R40 million declared for the year ended 30 June 2001, and working capital requirements.

The unpaid balance of the Molope purchase consideration only becomes due for payment by Rebserve, in terms of the relevant acquisition agreement, following the final conclusion of the litigation between Molope and, inter alia, the Industrial Development Corporation. Rebserve is not a party to any of the Molope litigation.

The annualised return on average shareholders' funds, after adjusting for goodwill and trademarks which have been written off, was 18% (2000: 18%).

Brett Till
Financial Director

Rebserve executives: Jan Du Preez (standing) and Raoul Gamsu

SERVICES DIVISION

FACILITIES MANAGEMENT AND PROFESSIONAL SERVICES

Facilities Management is the management of a range of technical and support services within a single contract to create an operational environment which enhances the ability of Rebserve clients to concentrate on their core business.

Allied to this is the provision of professional consulting services in the areas of engineering, maintenance, project management and other specialist technical areas.

Rebserve has established itself as the leading provider of facilities management solutions in southern Africa through TFMC and the facilities management services offered by JIC Mining Services.

Telecommunications Facilities Management Company (TFMC)

TFMC is a strategic joint venture with UK-based WS Atkins plc, providing Telkom Limited with high-end integrated facilities management solutions. Rebserve holds an effective 56,75% interest in TFMC.

TFMC has a ten year facilities management contract in terms of which it provides Telkom with a wide range of technical and support functions, while creating an operational environment which enhances Telkom's ability to concentrate on its core business, namely the delivery of terrestrial telephone and telecommunications services.

The contract will generate R1,5 billion a year in revenue (before eliminating "flow-through" costs) for TFMC. The terms of the contract cover the maintenance and repair of, inter alia, masts, towers and uninterrupted power supply systems, real estate management, facilities development, and the management of a variety of support services. The services offered by TFMC often cover mission critical systems for Telkom and are provided on a 24 hour per day, 365 days per year basis.

TFMC's management of support services for Telkom - worth approximately R100 million per annum - covers cleaning, waste management, hygiene and grounds management. These support services will be provided through outsourcing contracts to mainly Black Economic Empowerment (BEE) companies,

TFMC directors (left to right): Mike Papadopoulos, Peter Feenstra, Hennie Steyn, Mandla Mashigo

aimed at increasing business opportunities in the small business sector. TFMC is responsible for negotiating and managing these support services contracts.

TFMC is incentivised to achieve cost savings for Telkom over a period of three years. To the extent that these savings are achieved, TFMC will enjoy a profit share bonus determined by the actual level of savings achieved. The company is already on target to achieve these savings.

Prior to commencing the Telkom contract, TFMC established its head office in Centurion, and assumed responsibility for 1 460 Telkom staff who now form the backbone of the company. By 30 June 2001, the staff complement had increased to 1 760 and TFMC had become accountable for 4 000 Telkom contracts covering 2 000 suppliers, 13 000 mechanical aids and items of equipment, and a support infrastructure of 35 offices and depots throughout the country.

Much management effort was expended on creating a new customer-driven culture in the organisation to replace the parastatal, administratively-driven culture which existed prior to the TFMC launch. Telkom human resource systems were replaced by TFMC with new grade and pay structures, as well as performance assessment and bonus systems.

Management objectives cover key areas of operations which are designed to transform the TFMC operations and create operational efficiencies and integration across all activities. Emphasis was placed on professional and technical standards and property optimisation initiatives needed to service the Telkom contract. These are backed by leading-edge management systems and rigorous financial management procedures necessary to develop effective budgets and financial performance analyses required in an operation of this complexity.

A vital component of the TFMC business is the facilities management division. This division is the nerve centre of the business and is staffed by a select group of professional facilities managers and co-ordinators who concentrate on client needs and the provision of operational solutions.

TFMC has also established a professional services division which currently employs 59 professionals, mainly engineers, architects and accountants, who provide the core consulting, design and project management services to Telkom.

The transformation of the TFMC business has also seen the creation of a dedicated team within TFMC who will concentrate on a wide range of capital and allied projects for Telkom. These projects are estimated to be worth between R200 million and R500 million annually in revenue.

Extensive use is made of technology within TFMC. A state-of-the-art building control and call centre has been established at the TFMC head office. The building control centre monitors the operating environments in critical Telkom sites, co-ordinates corrective maintenance calls in response to systems alarms, and is responsible for developing extensive preventative maintenance programmes for more than 8 000 Telkom sites.

Operationally, TFMC performed well during the year and was profitable from the outset. Operating margins remained in line with industry norms, although they are below the average operating margin of other Rebserve companies. Given the annuity nature of TFMC's income and the inherent stability in the margin structure, prospects for TFMC remain good. The range of activities managed by TFMC for Telkom was increased, presenting new areas for growth.

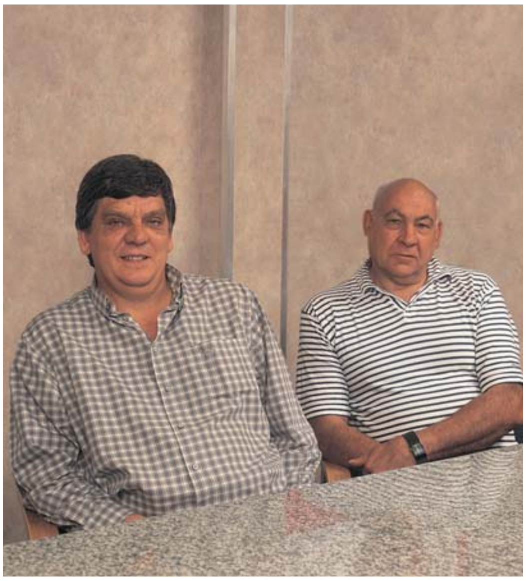
TFMC directors (left to right): Rob Redaelli, Ross Ellerby

JIC Facilities Management

JIC Mining Services is uniquely positioned to offer facilities management solutions to the mining industry. In terms of these contracts, JIC assumes responsibility for managing all operational aspects of a mine or mine shaft. The range of services offered covers geological and engineering consulting, general mine management, hostel management and catering, security services and the provision of a wide range of underground services. These contracts are managed within the existing JIC operational structures.

MINING AND TECHNICAL SERVICES

Mining and Technical services includes the businesses of JIC Mining Services (other than its facilities management contracts) and Trollope Mining Services. Both businesses provide a range of technical and non-technical services to different sectors of the mining industry.



JIC Mining Services directors (left to right): Hilton Chapman (MD), Fourie Du Preez (CEO)

JIC Mining Services

During the year under review JIC Mining Services consolidated its position as South Africa's leading supplier of outsourced services to the mining industry.

Employing nearly 16 000 people, many of whom work underground in gold and platinum mines, JIC provides a wide range of non-core services to the mining industry. Services include specialised operational activities, facilities and mine management, catering, cleaning and underground services. By forming "partnerships" with its clients, and by creating opportunities, jobs and improved financial returns, JIC has developed its reputation as an innovative and reliable partner of the highest integrity.

Established in 1989, the business has grown steadily and counts as its clients most of the world's leading gold and platinum mining houses. JIC has a reputation for quality and safety management.
It adheres strictly to NOSA standards and has on three occasions, the latest during the reporting year, been accredited with one million fatality-free shifts at its operations.

The business employs a professional staff of approximately 50 and, because of the nature of the business and its spread of clients, has a decentralised management structure in which decision-making and accountability lies with area management teams and individual project leaders. Each management team comprises a mining expert, a financial manager and a human resources manager, which operate in a particular area or region.

The business produced good results for the year which were in line with expectations. Among the successes was the conclusion of a contract with Amplats in terms of which JIC, working in conjunction with the Bafokeng nation, will supply over 1 000 workers for the Rasomonie Mine. The project will also involve the transfer of skills by JIC to the relatively unskilled new workers engaged for this project.

The recent increase in the Rand gold price bodes well for the coming year, both in terms of increased production volumes in the mining sector generally, and particularly where JIC participates in profitsharing arrangements with its clients. JIC is well positioned to provide the labour and resources to ensure that the excess production capacity which exists in many South African mines can be utilised efficiently and quickly. JIC will also benefit from the move within the mining industry towards a greater level of outsourcing of non-core activities.

With its unrivalled access to professional services and its ability to provide support services at mine hostels (including security services through affiliated Rebserve companies), JIC is ideally placed to grow the number of full facilities management contracts it services. At year end several opportunities to provide full facilities management services to mines were being examined. Any one of these contracts, if awarded to JIC, would have a meaningful impact on the business and its growth.

Trollope Mining Services

Operating in a complementary sector to JIC, Trollope Mining Services is a leading outsourcing specialist to opencast mines and earthmoving operations. Based in Thabazimbi, the company services contracts on gold, chrome, coal, iron ore, platinum, andalusite and magnesium mines.

During the past year, management concentrated its efforts on diversifying and expanding its client base in order to shelter the business from the volatile trading conditions which are a characteristic of the industry in which it operates.

Financial results for the business showed a sound improvement on the previous year. Progress was made in fine tuning the financial and reporting systems in Trollope to more closely monitor profitability per contract. The benefits of this are evident in the results. Further benefits, through better pricing and cost controls, are anticipated in the new financial year.

Trollope Mining Services directors (left to right): Peter Trollope, Danie le Roux, John Trollope

Royal Food Services directors (left to right): Rob Strachan, Kobus Nieuwoudt (CEO) and Joe Boyle (MD)

FOOD SERVICES

The Food Services division comprises businesses involved in the provision of catering and related services to customers across the business spectrum. It includes contract caterers Royal Food Services and Mining Residential Services (MRS), food distribution services business Stamford Sales, and fast-food franchisor King Pie.

Contract Catering Services

Trading conditions in the catering industry remained highly competitive with ongoing pressure on operating margins. Royal Food Services had a reasonable year, continuing to diversify its customer base. MRS performed well, working closely with JIC in growing the group's presence on many of South Africa's major mines.

Kobus Nieuwoudt, formerly Managing Director of Royal's inland region, was appointed Chief Executive of Royal. Joe Boyle, formerly the Managing Director of King Pie, was appointed Managing Director of Royal, while Royal and King pie were operationally merged. As part of this process, Royal's head office was moved to Johannesburg and its market positioning and profile were reviewed to enable the company to identify and maximise new business opportunities.

(continued)

Royal continued to diversify into the commercial and industrial sectors to reduce its reliance on state contracts. Emphasis was placed on the development of new products and services to meet customers' needs. Operations now range from deli-style sandwich and salad bars in some staff areas to fast-food outlets, coffee shops and convenience stores on customer premises. Services are offered throughout the day and include breakfast, lunch and coffee shop services.

Several new contracts were signed, the most notable being that of the University of the Witwatersrand in Johannesburg where Royal was awarded a contract to supply 4 500 meals a day at four residences on campus. A major disappointment was the decision by Anglo American not to proceed with its new Gamsberg Mine, where Royal had been declared the preferred bidder, and which would have been the largest contract ever won by Royal.

Good growth was achieved in the healthcare sector where contracts were signed with 9 hospitals in the North West Province. Black Hat Chef, Royal's specialist operation in the healthcare sector, now provides catering services to more than 25 hospitals nationally.

A joint venture was established with Sechaba Catering and Services, an empowerment company operating nationally, which targets the public sector as well as provincial and national government departments. Two contracts in the Eastern Cape were secured by this joint venture which is also examining the healthcare sector in the province for further expansion.

The major food service contracts in South Africa still reside in the government and parastatal organisations – notably health, education and prisons. The awarding of these contracts is dependent on the pace of government's privatisation initiative, which remains unclear. Conditions in the industrial and corporate catering markets are expected to remain highly competitive in the year ahead.

Food Distribution Services

As part of the group's reorganisation, the businesses of Stamford Sales and Bakers World were combined under the Stamford Sales management team. The combined business now distributes a greater range of products to all sectors of the retail, industrial and commercial markets.

The business has four distinct areas of operation: retail, fast-food, industrial and baking. Each of these areas has a dedicated sales team and focused distribution channels. The focusing of sales teams was a major factor in growing turnover, while the focusing of distribution channels in these markets resulted in improved efficiencies and customer service levels.

The structural changes provided more product lines and increased the market penetration of the business, which operates from Johannesburg, Cape Town, Durban, Port Elizabeth and Bloemfontein. Multiple branches in certain regional centres are being combined and in some instances new management teams

Stamford Sales executives: Back (left to right): Brian Pala, John Taylor, Martin Lahoud
Front (left to right): Ken Arthur, Peter Hone (MD)

have been put in place. A new branch will be opened in Pietersburg in the new financial year as a result of the increase in trading volumes with customers in this area.

Operational highlights included the awarding of major contracts by Fedics, a national catering group, and Genfoods, a major manufacturer of food products. Additional warehouse space was obtained in Gauteng to cope with the increased demands on the operation.

New opportunities were also identified in neighbouring countries. Increased trading volumes were recorded with customers in Swaziland, Botswana, Mozambique, Namibia and Zambia. Bakery products were imported from Australia and Indonesia and agreement was also reached with an Australian company to locally market and distribute packaging products for the fast-food industry.

Profitability for the year increased as a result of the growth in the customer base and product range. Attention was also paid to reducing operating costs, mainly in the distribution fleet, which resulted in a move away from fleet ownership to full maintenance leasing and a driver incentivisation programme. The full benefits of these initiatives will be realised in the new year.

With the continued growth in the business, opportunities to build new sources of supply, including direct importing of certain products, are being investigated. This should result in reduced input costs and corresponding increases in turnover and operating margins. Prospects for the business remain good.

(continued)

Franchising Services

King Pie produced satisfactory results for the year in a very competitive environment. Although the rate of new store openings slowed, demand for the products and the quality of the franchise base remained strong. A new corporate image was introduced in 50 stores, with encouraging results.

Eric Kraaij, formerly King Pie's Operations and Technical Director, was appointed as its Managing Director during the year.

Leveraging off the catering expertise within Royal, a King Pie central kitchen was established to produce ready made pies for distribution to franchisees. This is in line with international franchising trends and ensures uniform standards across franchises.

For the second year running, King Pie, which has more than 300 stores around the country, was named as the one of the country's top two franchisors.

King Pie MD: Eric Kraaij

Coin Security executives (left to right): Hendrik Kekana, Danie Jordaan

SUPPORT SERVICES

The Support Services division includes businesses which provide security, cleaning and freight forwarding services to different markets.

Security Services

The security industry is one of the fastest growing sectors of the local economy. Rebserve operates in this industry through its subsidiaries Coin Security and Protea Security, both of which focus primarily on the corporate security markets. Through these two businesses the group is able to offer a comprehensive range of security services to clients.

Coin, with offices in 21 centres throughout the country, operates in three broad areas – guarding (including the provision of armed and unarmed security officers, the installation of security systems, cargo escorts, aviation, retail and industrial security), assets in transit (comprising the transportation of cash, bullion and other valuables and the storage of cash and other valuables in vaults), and armed response (being proactive and reactive monitoring and response security services for the commercial and private sectors).

Coin had a disappointing year. MC du Toit was appointed as acting Managing Director in June 2001. Following this appointment, all aspects of the business were reviewed. Sales and marketing efforts were stepped up and refocused, new management disciplines were implemented, improved financial controls were put in place and plans were made to reduce overhead and administration costs. All of these initiatives resulted in a new focus and motivation throughout Coin.

(continued)

Coin Security executives (left to right): MC du Toit (acting MD), Christo Terblanche, Edwin Atkins

The Coin brand remains one of the leading security brands in South Africa. Several new contracts, mainly in the assets in transit and guarding divisions, were signed with some of South Africa's leading retail and commercial groups.

Early signs of an improvement in performance are encouraging and the group remains optimistic about prospects for Coin.

Protea Security operates mainly in the mining, retail and public sectors. Branches are located in Gauteng, Durban, Cape Town, Rustenburg and Richards Bay. Protea also has a 49% interest in Telesafe, a joint venture with the Communications Workers Investment Company to provide guarding services to certain Telkom properties.

Protea's primary service is guarding. This extends to cover the guarding of valuable cargo at airports, riot and illegal strike control, fraud and shrinkage investigation, electronic surveillance and VIP protection. An equestrian unit is widely used at major sporting and international events.

Results following the restructuring undertaken in the previous year were encouraging and the business achieved good growth.

Several major contracts were signed during the year, the most prestigious being the multi-faceted security contract for the South African Mint, producer of South Africa's coinage. The contract for the Midrand facility involves the use of sophisticated technology and includes all forms of surveillance and physical security, and transportation of consignments of minted products.

Over the past year Protea's business has grown in the mining industry where Protea is now regarded as a mining security specialist. Protea has a specialist mining department and guards undergo special training to deal with the unique risks associated with the mining industry. This specialisation has allowed Protea to capitalise on the reduction in the number of security service providers to the mining industry and Protea has signed new contracts with several major mining houses.

Protea Security executives (left to right): Jorge Ferreira (CEO), Petrus van Niekerk (MD)

Telesafe security personnel

Telesafe performed well and is one of the few Telkom-accredited BEE security companies in South Africa. Prospects for Telesafe are good, especially where contracts require a high BEE shareholding from service provider companies.

Cleaning Services

During the year, Rebserve acquired the business of Berco Cleaning Services, which provides a comprehensive range of cleaning services to the industrial, corporate, retail, healthcare, hospitality and other commercial markets. The existing Rebserve cleaning businesses were incorporated into Berco Cleaning.

Berco trades under five names, - Berco Cleaning Services; Mediguard, which specialises in hospital cleaning; Anglo, which specialises in the cleaning of schools; Quantum, which provides cleaning services mainly to shopping centres; and B5, which specialises in hotel cleaning and laundry services.

The business was established in 1991 and has branches in the Western Cape, Gauteng, KwaZulu Natal and Namibia. Philip Malandrinos, the Managing Director, and Mark Smuts, the Operations Director, have extensive experience in the cleaning industry.

The acquisition of Berco complements Rebserve's other service businesses and further enhances its position as a supplier of facilities management and integrated services.

Substantial cross-marketing opportunities exist for Berco and other Rebserve companies, some of which have already resulted in new contracts for both parties.


Berco Cleaning executives (left to right):
Mark Smuts, Philip Malandrinos (MD)

(continued)

Historically, Berco operated mainly in the Western Cape, where it is one of the largest and most successful cleaning businesses. With the integration of Berco's Gauteng operations and Rebserve's existing cleaning business, Berco has gained access to Rebserve Cleaning's existing Gauteng customer base. This will accelerate Berco's expansion in the Gauteng market.

The recent awarding of the cleaning contract for the new Gateway shopping centre near Umhlanga in KwaZulu Natal to Berco, will provide a base from which the Berco brand can be built in this region.

Financial performance for the year was in line with expectations. Several new contracts were signed by Berco in the second half of the financial year, which will positively impact on performance in the year ahead. These include the Gateway shopping centre and the Canal Walk development in Cape Town. Prospects for the business remain good.

Freight Forwarding Services

The Rebserve freight forwarding businesses, Contract Forwarding and Trans Global Freight, produced satisfactory results in a difficult market.

During the year the operations were combined under the leadership of Chris Waterson, previously the Managing Director of Contract Forwarding. Executive management of the new operation was strengthened by the appointment of regional directors for the Western Cape and Gauteng regions.

The devaluation of the Rand against other currencies and the slowdown in the local economy saw a general decrease in import volumes. This resulted in a slowing of sales growth in the second half of the financial year.

As market conditions tightened, margins came under pressure and the needs of clients for extended finance terms increased. The ability of larger players in the industry to provide this finance to customers should improve their prospects during an economic downturn. This must, however, be balanced against the credit and other risks inherent in disbursing large amounts on behalf of clients.

With the continued weakness in the Rand, the group expects the difficult trading conditions presently being experienced to continue into the new year.

Freight Forwarding executives (left to right): John Webber, Chris Waterson (MD), Chris Nelson

WHOLESALE DIVISION

In line with its strategy of establishing and maintaining its position as the leading provider of facilities management and integrated services in South Africa, the group was restructured by disposing of the wholesale division in its entirety.

Trading conditions in the wholesale markets remained very difficult and deteriorated further during the second half of the financial year. Results for Jumbo Cash and Carry and Sip 'n Save were included for nine months only and exacerbated the decline in the performance of the wholesale division. Results for the other wholesale operations were included for twelve months.

At the time of concluding the disposals of the wholesale businesses, the outlook for these businesses remained bleak from the group's perspective. Increased competition, deteriorating margins and declining consumer spending were anticipated to continue into the new year. Profitability was also expected to decrease.

In the light of these conditions, the decision to exit these markets and to concentrate on the high growth services market was considered to be in the group's best interests. In so doing the group realised a capital profit of more than R300 million from the sale of Jumbo alone.

CASH AND CARRY OPERATIONS

Jumbo's performance was in line with expectations. The new Jumbo store at Isipingo in Durban opened in October 2000. Trading at this store was initially slow, largely due to the depressed KwaZulu Natal market. Jumbo's flagship store at Crown Mines maintained its dominant market position. However, margins came under further pressure in the second half of the year because of increased competition in the cash and carry market.

Trading conditions in the rural areas of KwaZulu Natal and Eastern Cape remained depressed and results for Browns and Weirs were poor. The negative impact of staff retrenchments and related uncertainty prior to the completion of the disposal process also impacted negatively on staff morale and trading results.

LIQUOR AND BEVERAGE OPERATIONS

The liquor and beverage businesses had an unsatisfactory performance in a particularly challenging environment given the changes in personal consumption expenditure patterns, the uncertainty surrounding liquor legislation and reduced trading volumes. Boland Wine, in particular, was severely impacted by a four-fold increase in competition, by decreases in operating margins and by reduced volumes of exported low grade wines.

TREATED TIMBER PRODUCTS

The performance of Treated Timber Products was below that of the previous year as a result of sharp decreases in local sales of timber to the telecommunications market.

EMPLOYMENT EQUITY

Rebserve Human Resources executives: Jabu Mabena (standing) and Aninka Durand

Socio-economic transformation and the advancement of employment equity are key drivers in ensuring that black South Africans, historically excluded from participating meaningfully in the business field, are given the opportunities to address the inequities which were endemic in society prior to 1994.

Rebserve is an equal opportunity employer which supports the principles and objectives of the Employment Equity Act and other legislation introduced to ensure that previously disadvantaged people are assured of a role in South African commerce and industry.

The group's practical approach to the promotion and participation of previously disadvantaged people is displayed through the numerous training programmes and other initiatives in group companies.

Rebserve is endeavouring to ensure that empowerment in South Africa is not merely a process which is defined and driven by white financial institutions, but a meaningful method of transformation. The ultimate goal is to develop a body of professional black executives and managers in conjunction with meaningful black ownership across the spectrum of business, from the small to medium-sized enterprise sector, through to black participation at all levels in listed companies.

Each Rebserve business has developed an employment equity plan, designed to achieve the group's overall empowerment strategy. In the short time that these employment equity plans have been in operation, meaningful progress has been made towards achieving the group's objectives.

EMPLOYMENT EQUITY

(continued)

In the top management, senior management and professionally-qualified middle management categories, the percentages of previously disadvantaged employees and female employees working at Rebserve are in line with national averages. In these same categories, more than 25%, and in some cases more than 60%, of employees newly recruited during the period under review, were from previously disadvantaged groups. Similarly, between 44% and 87% of employees promoted during the year in these categories were previously disadvantaged employees.

Several Rebserve businesses have their own training facilities where ongoing training is provided for all employees. The group also runs mentorship programmes, at both group and operating levels, to nurture and develop previously disadvantaged employees who have been identified as potential future managers or executives.

Outsourcing is a positive enabler and driver for economic change and social reform, which dovetails neatly with the needs of South Africa. The growth in the outsourcing sector of the market is a catalyst for further BEE. As a major supplier to Telkom, TFMC is obliged to manage the outsourcing of many support services to BEE companies, thereby ensuring that Rebserve plays its role in developing opportunities in the small business sector, and in association with emerging entrepreneurs and BEE companies. Other Rebserve group companies are encouraged to support BEE suppliers wherever possible.

Within TFMC, for example, staff transferred from the Telkom ranks are mainly previously disadvantaged individuals and will be able to take advantage of the training and personal development opportunities available in a newly formed, innovative company. This creates further job opportunities and career paths for previously disadvantaged employees in the technical and support areas of the company.

In partnership with the Mineworkers Investment Company, the largest BEE shareholder in Rebserve, the group is committed to the process of ensuring equitable participation of all communities within its businesses.

Rebserve will continue to devise, implement and monitor new programmes to ensure steady progress towards its employment equity goals, thereby securing the future of the group in South Africa.

Training is ongoing in Rebserve businesses

CORPORATE GOVERNANCE

The board of directors endorses the Code of Corporate Practices and Conduct recommended in the King Report. The board recognises that corporate governance is a developing process. Accordingly it reviews the degree of compliance with the Code on an ongoing basis and implements procedures to ensure further compliance where appropriate.

DIRECTORATE

The board comprises a chairman, a chief executive, four executive directors and three non-executive directors.
It meets periodically together with senior management to examine the results of the group, to ensure that the delegated responsibilities are duly executed by management, and to consider important issues.

HUMAN RESOURCES

The group is an equal opportunity employer and there is no discrimination on any grounds. The group supports the principles and objectives contained in the Employment Equity Act. Existing policies, structures and procedures are reviewed regularly to ensure compliance within the time limits prescribed by the Act.

ETHICS AND COMMUNICATION

The board strives to ensure that the group conducts its business with the utmost integrity towards all its stakeholders, including its shareholders, employees, customers, suppliers, and society at large. The group supports a policy of open communication with all stakeholders on matters of both a financial and non-financial nature.

GOING CONCERN

The group has sufficient resources to continue in operational existence for the year ahead. Accordingly, the directors have adopted the going concern basis in preparing the annual financial statements.

AUDIT COMMITTEE

The group has an independent audit committee comprising two non-executive directors (one of whom serves as its chairman) and an executive director. It has terms of reference which clearly set out its scope and objectives. The external auditors have unrestricted access to this committee. The audit committee meets three times per annum and reviews the effectiveness of internal controls in the group with reference to the findings of the external auditors.

Other areas covered include the review of important accounting issues, specific disclosures in the financial statements and a review of major audit recommendations.

REMUNERATION COMMITTEE

The remuneration committee comprises two non-executive directors (one of whom serves as its chairman) and the chairman of Rebserve. The committee is responsible for determining the conditions of employment, incentivisation and remuneration packages, including the allocation of shares and options in terms of the Rebhold Share Incentive Scheme, primarily to executive directors and senior executives.

MANAGEMENT REPORTING

There are comprehensive management reporting disciplines in place which include the preparation of annual budgets by all operating divisions. Individual operational budgets are approved by the boards of directors of the relevant companies. The group budget is reviewed by the Rebserve board of directors. Monthly results are reported against budgets. Budgets and profit projections are reviewed and updated regularly during the financial year. Working capital and cash flow management are monitored on an ongoing basis.

INTERNAL AUDIT

The group has established internal audit departments in certain divisions. These functions are performed by appropriately qualified and experienced personnel. In divisions where no internal audit department exists, internal audit functions have been outsourced to specialists independent of the external auditors who are engaged to review and report on systems of internal controls.

STATEMENT OF COMPLIANCE BY THE COMPANY SECRETARY

The company has lodged with the Registrar of Companies all such returns as are required of a public company in terms of the Companies Act No. 61 of 1973, and all such returns are true, correct and up to date.

for: Rebhold Management Services (Proprietary) Limited

VALUE ADDED STATEMENT

Year ended 30 June 2001

	GROUP	
	2001 **R '000**	2000 R '000
Turnover	5 559 588	4 496 959
Cost of materials and services	(4 105 625)	(3 588 598)
Value added	1 453 963	908 361
Investment income	71 938	62 719
Exceptional items	53 311	-
Total value added	1 579 212	971 080
Applied as follows:		
Employees		
Salaries, wages, bonuses, pension, medical aid and other benefits	793 913	387 706
Providers of capital	28 725	14 902
Lenders	28 285	9 359
Dividend to ordinary shareholders	440	5 543
Government		
Taxation	337 550	256 332
Reinvested in the group	419 024	312 140
Depreciation	66 351	43 415
Outside shareholders	4 314	26 801
Retained profit	348 359	241 924
	1 579 212	971 080
Money exchanges with the Government		
Taxation on profit	96 072	86 333
PAYE	87 365	50 445
VAT	113 904	84 747
RSC levies	10 138	7 514
Rates and licences	3 955	3 331
Skills development levy	3 060	388
UIF and WCA	15 914	12 941
Other	7 142	10 633
	337 550	256 332

REPORT OF THE INDEPENDENT AUDITORS

To the members of Rebhold Limited

We have audited the annual financial statements and group annual financial statements set out on pages 40 to 69. These financial statements are the responsibility of the company's directors. Our responsibility is to express an opinion on these financial statements based on our audit.

SCOPE

We conducted our audit in accordance with statements of South African Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance that the financial statements are free of material misstatement.

An audit includes:

- examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements;
- assessing the accounting principles used and significant estimates made by management; and
- evaluating the overall financial statement presentation.

We believe that our audit provides a reasonable basis for our opinion.

AUDIT OPINION

In our opinion, the financial statements fairly present, in all material respects, the financial position of the company and group at 30 June 2001 and the results of their operations and cash flows for the financial year then ended in accordance with Statements of Generally Accepted Accounting Practice, and in the manner required by the Companies Act.

Fisher Hoffman PKF

CHARTERED ACCOUNTANTS (SA)
REGISTERED ACCOUNTANTS AND AUDITORS
Registration Number: 1994/001166/21

JOHANNESBURG
21 September 2001

DIRECTORS' APPROVAL

The directors of the company are responsible for the maintenance of adequate accounting records and the preparation and integrity of the financial statements, group financial statements and related financial information included in this report.

The annual financial statements are prepared in accordance with Statements of Generally Accepted Accounting Practice and incorporate full and responsible disclosure in line with the accounting philosophy of the group.

The directors are also responsible for the group's systems of internal controls and believe that these controls provide reasonable, but not absolute, assurance as to the reliability of the financial statements, adequately safeguard, verify and maintain accountability of assets, and prevent and detect material misstatements and loss.

These financial statements have been prepared on the going concern basis, were approved by the board of directors on 21 September 2001, and are signed on its behalf by:

S M LEVENBERG
Chairman

B C TILL
Financial Director

The directors have pleasure in submitting the financial statements of the company and the group for the year ended 30 June 2001.

NATURE OF BUSINESS

Rebhold Limited is a holding company whose businesses provide a range of integrated services, including facilities management, technical, professional, and support services, extending country wide.

Acquisitions

During the year the business of Berco Cleaning Services, a provider of a comprehensive range of cleaning services, was acquired.

Disposals

With effect from 1 April 2001 Rebhold sold its entire interest in Jumbo Cash & Carry (Proprietary) Limited and the Sip 'n Save division of Picardi Liquors (Proprietary) Limited to Massmart Holdings Limited. On 30 June 2001 Browns Cash & Carry (Proprietary) Limited , a 70%-owned subsidiary of Rebhold, sold 22 of its cash and carry stores to Massmart. The sale consideration due to Rebhold for these disposals is a cash payment of R348,1 million. The remaining 21 Browns and Weirs stores have either been sold as going concerns to independent wholesalers or have been closed down.

In terms of the sale agreement between Rebhold and, inter alia, Massmart, certain claims of shareholders on loan account are payable by Jumbo to Rebhold. Rebhold expects to receive, by no later than 28 December 2001, not less than R50 million of certain shareholders' claims on loan account against Jumbo net of the anticipated store closure costs payable by Rebhold in respect of the closure of Browns and Weirs.

The group's interests in Picardi Rebel, Boland Wine, Southern Superfoods, Uni Clinecor, the Coffee Tea and Chocolate Company and Treated Timber Products were sold with effect from 30 June 2001 to different consortia comprising in each instance mainly management and staff, including empowerment interests. The Picardi Rebel disposal remains subject to Competition Commission approval.

The financial statements have been prepared after taking these disposals into account.

FINANCIAL RESULTS

The results of the company and the group are set out in the financial statements.
The consolidated net income after taxation attributable to ordinary shareholders amounted to R348 799 000 (2000: R247 467 000).
Headline consolidated net income after taxation attributable to ordinary shareholders amounted to R260 740 000 (2000: R247 467 000).

SHARE CAPITAL

The following shares were issued during the year under review:

	EFFECTIVE DATE	NUMBER OF SHARES	ISSUE PRICE (cents)	CONSIDERATION
In issue at	30 June 2000	180 629 897		
	12 September 2000	296 328	1 000	R2 963 280
	12 September 2000	853 950	495	R4 227 053
	12 September 2000	46 064	1890	R870 610
	12 September 2000	1 659 703	975	R16 182 104
	12 September 2000	101 000	900	R909 000
	12 September 2000	1 921 780	298 - 1 380	R15 189 028
	18 October 2000	1 607 601	1 452	Capitalisation issue out of share premium
	24 April 2001	4 853 241	690	R33 487 363
	24 April 2001	1 150 050	900	R10 350 450
	24 April 2001	394 143	1 000	R3 941 430
	24 April 2001	215 904	1 450	R3 130 608
In issue at	30 June 2001	193 729 661		

REBHOLD SHARE INCENTIVE SCHEME

On 30 June 2001 the Scheme held 461 430 Rebhold shares. Pursuant to the exercise of options previously granted, 1 921 780 Rebhold shares were issued to the Scheme. Options over 6 695 125 shares were granted to directors and employees during the year at prices ranging between 650 cents and 880 cents per share.

EVENTS SUBSEQUENT TO THE BALANCE SHEET DATE

On 21 September 2001, the Competition Tribunal approved of the disposal of Jumbo Cash & Carry (Proprietary) Limited, the Sip 'n Save liquor business and 22 Browns and Weirs stores to Massmart Holdings Limited, without any conditions. The financial statements have been prepared after taking these disposals into account.

On 22 September 2001, R97 732 646 will be paid in cash to the vendors of the Jumbo businesses in full and final settlement of all amounts due to them by Rebhold for the purchase of the Jumbo businesses.

(continued)

DIRECTORATE AND SECRETARY

The name and address of the company secretary and the names of the directors appear on page 7.

Mr Bishop (with Mrs Bishop as his alternate) resigned on 25 June 2001.

Messrs Haggie, Kempen, McIntyre and Seetha resigned on 21 September 2001.

Mr Schlebusch was appointed on 30 September 2000 and Mr Paskins was appointed on 21 September 2001.

In terms of clause 53.2 of the articles of association Messrs Brodie, Cohen and Levenberg retire at the forthcoming annual general meeting but, being eligible, offer themselves for re-election. In terms of clause 53.3 of the articles of association Messrs Schlebusch and Paskins retire at the forthcoming annual general meeting. Mr Paskins, being eligible, offers himself for re-election.

DIRECTORS' INTERESTS

On 30 June 2001 the directors of Rebhold held, in aggregate, 9 516 679 Rebhold shares, representing 4,91% of the issued share capital of Rebhold. The following direct and indirect beneficial interests in Rebhold shares, there being no non-beneficial interests, were held by the directors of Rebhold at 30 June 2001:

	REBHOLD SHARES BENEFICIAL	
NAME	DIRECT	INDIRECT
M H Brodie	52 302	-
F Cohen	-	-
A S Haggie	-	731 364
J G Kempen	105	2 890 182
S M Levenberg	105	2 570 216
B D McIntyre	-	1 278 921
A P Nkuna	-	-
M C Ramaphosa	-	-
P L Schlebusch	-	3 083
S Seetha	-	1 826 960
C D Stein	10 000	-
B C Till	-	153 441
Total	62 512	9 454 167

SUBSIDIARIES

Details of the company's principal subsidiaries and changes therein are set out on pages 68 and 69 to the financial statements. The aggregate headline profit after taxation of subsidiaries attributable to the company amounted to R219 194 000 (2000: R179 906 000).

DIVIDEND

It is the policy of Rebhold to declare and pay a single annual dividend.

The directors of Rebhold resolved to declare a cash dividend of 20,5 cents per share to all shareholders. The last day to trade "cum" the dividend in order to participate in the dividend is Friday, 19 October 2001. The shares of Rebhold will commence trading "ex" the dividend from the commencement of business on Monday 22 October 2001 and the record date will be Friday 26 October 2001. Dividend cheques will be posted or electronic dividend payments made to shareholders on 30 October 2001.

SHARE TRANSACTIONS TOTALLY ELECTRONIC (STRATE)

The company's shares were dematerialised on 10 September 2001. Electronic trading commenced on 1 October 2001 and the first electronic settlement was on 8 October 2001. A circular providing full details of the company's dematerialisation in terms of STRATE was posted to shareholders on 3 August 2001.

BORROWING LIMITATION

In terms of the articles of association, the directors may exercise all powers of the company to borrow money as they consider appropriate. The borrowing powers of the directors are unlimited.

SPECIAL RESOLUTIONS

Certain of the subsidiaries adopted new articles of association during the year in compliance with the requirements of the JSE Securities Exchange South Africa.

ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Statements of Generally Accepted Accounting Practice, on the historical cost basis and incorporate the following principal accounting policies, which have been consistently applied in all material respects, except where noted below.

Basis of Consolidation

The group's annual financial statements incorporate the financial position of the company and its subsidiaries from the effective date of acquisition to the effective date of disposal. Fixed properties owned by subsidiaries are stated at the value attributed to them on acquisition by the group. The excess of the cost of shares in other subsidiary companies over the tangible net asset value at the date of acquisition is attributed to trade marks and goodwill.

Material inter-group transactions are eliminated on consolidation.

Turnover

Turnover, which excludes value added tax, comprises the net amounts invoiced to customers, before discounts for goods supplied and services rendered.

Under certain service contracts the group manages customer expenditure and is obliged to purchase goods and services from third party contractors and recharge them to the customer at cost. These "flow through" amounts charged by contractors and recharged to customers at cost are excluded from turnover and cost of sales. Debtor and creditor balances relating to these transactions are recorded in the balance sheet. This policy is not consistent with prior years. Comparative amounts have been restated.

Revenue Recognition

Revenue from the sale of merchandise and finished goods is brought to account when the risk in the goods passes to the customer. Revenue from service-based activities is recognised when the service is completed. Interest earned is accrued on a time aportion basis. Dividends are recognised when the right to receive payment is established.

Intangible Assets

Intangible assets, which comprise trade marks and goodwill, arising after 30 June 2000, are carried at cost and are amortised over their estimated useful lives. This policy is not consistent with prior years. Intangible assets which arose prior to 30 June 2000 were written off in the year the asset arose, firstly against share premium, and secondly, directly to distributable reserves. Comparative amounts have not been restated.

Property, Plant and Equipment

Furniture, fittings, computer equipment, plant and equipment, improvements to leasehold premises, office equipment and motor vehicles are stated at cost less depreciation calculated on a straight line basis at rates considered appropriate to write off the cost over the estimated useful lives of the assets. The depreciation rates used are:

Plant and equipment	15% - 20%
Office equipment	15%
Computer equipment	33%
Furniture and fittings	15%
Motor vehicles - passenger	20%
Motor vehicles - commercial	25%
Improvements to leasehold premises	period of lease

Land and buildings, which are regarded as investment properties, are not depreciated.

Development Costs

Development costs comprise start-up and development costs in relation to new contracts. These costs are capitalised and written off over the period of the contract from the year that the contract commences operation.

Inventories

Inventories are valued at the lower of cost and net realisable value. Cost is determined on a first-in, first-out basis. The cost of finished goods includes direct expenditure and production overheads.

Foreign Currency Transactions

Foreign currency transactions are recorded at the exchange rate ruling on the transaction dates. Assets and liabilities designated in foreign currencies are translated at rates of exchange ruling at the balance sheet date. Exchange differences are taken to income in the year in which they arise.

Deferred Taxation

Deferred taxation is provided for on the liability method using the comprehensive basis in respect of income tax payable in future periods in respect of taxable temporary differences. Deferred tax assets are recognised in respect of tax losses to the extent that it is probable that future tax benefits will be available against which the losses can be utilised. Deferred tax assets are also recognised in respect of income taxes recoverable in future periods in respect of deductible temporary differences. This policy is not consistent with prior years. Comparative amounts have been restated.

Liquid Funds

The bank balances are stated in accordance with the bank statement balances.

Leased Assets

Assets acquired under financial leases are capitalised at their cash cost equivalent and are depreciated as indicated above. Finance costs are expensed using the effective interest rate method. All other leases are treated as operating leases and are charged against income as incurred.

Associated Companies

Associates are those companies in which the group has a long term interest and over which it exercises significant influence, but not control. The group's share of post-acquisition results of associates is included in the consolidated financial statements using the equity method where material.

Investments

Investments, other than in associated companies, are stated at cost and are written down only when there is a permanent diminution in value.

Retirement Benefits

The group provides for retirement benefits for the majority of employees by payments to independently administered pension and provident funds. Current contributions are charged against income as incurred. The cost of providing for any deficit is charged against income when determined.

The present value of any post retirement medical aid liability is actuarially determined annually. Any deficit or surplus is recognised immediately and charged against income.

INCOME STATEMENTS

Year ended 30 June 2001

		GROUP		COMPANY	
	Notes	**2001 R '000**	2000 R '000	**2001 R '000**	2000 R '000
Turnover	1	**5 559 588**	4 496 959	**-**	-
Continuing operations		**2 379 115**	1 108 870	**-**	-
Disposed operations		**3 180 473**	3 388 089	**-**	-
Cost of sales		**(4 457 746)**	(3 655 417)	**-**	-
Gross profit		**1 101 842**	841 542	-	-
Other operating income		**60 321**	60 223	**3 050**	3 204
Operating expenses		**(809 942)**	(594 524)	**(62)**	(50)
Profit from operations	2	**352 221**	307 241	**2 988**	3 154
Continuing operations		**237 390**	151 802	**2 988**	-
Disposed operations		**114 831**	155 439	**-**	-
Net interest received	3	**22 935**	28 409	**24 567**	4 758
Dividends received		**20 718**	24 951	**21 668**	62 022
Exceptional items	4	**53 311**	-	**379 162**	-
Net income before taxation		**449 185**	360 601	**428 385**	69 934
Taxation	5	**(96 072)**	(86 333)	**(7 677)**	(2 373)
Net income after taxation		**353 113**	274 268	**420 708**	67 561
Net income attributable to outside shareholders		**(4 314)**	(26 801)	**-**	-
Net income attributable to ordinary shareholders		**348 799**	247 467	**420 708**	67 561
Earnings per share (cents)	6	**180,0**	137,0		
Headline earnings per share (cents)	6	**134,6**	137,0		
Diluted headline earnings per share (cents)	6	**134,6**	133,0		
Dividend per share (cents)		**20,5**	20,0		

BALANCE SHEETS

at 30 June 2001

		GROUP		COMPANY	
	Notes	**2001 R '000**	2000 R '000	**2001 R '000**	2000 R '000
ASSETS					
Non-current assets		**623 789**	572 557	**333 335**	406 561
Property, plant and equipment	7	**305 250**	274 936	**-**	-
Development costs	8	**7 806**	7 354	**-**	-
Goodwill	9	**199 970**	-	**-**	-
Investments in subsidiaries	10.1	**-**	-	**305 523**	312 164
Investments in associates	10.2	**9 557**	7 954	**122**	122
Other investments	10.3	**59 090**	146 749	**27 690**	94 275
Deferred taxation	20	**42 116**	135 564	**-**	-
Current assets		**1 548 528**	1 259 008	**815 777**	279 184
Inventories	11	**46 913**	314 886	**-**	-
Trade and other receivables		**381 888**	373 082	**-**	-
Financial assets	12	**462 515**	-	**332 279**	-
Liquid funds	13	**657 212**	571 040	**483 498**	279 184
TOTAL ASSETS		**2 172 317**	1 831 565	**1 149 112**	685 745
EQUITY AND LIABILITIES					
Capital and reserves		**905 787**	573 477	**1 117 023**	642 349
Share capital	14	**194**	181	**194**	181
Share premium	15	**90 951**	-	**121 631**	30 680
Non-distributable reserves	16	**49 045**	117 400	**-**	-
Distributable reserves	17	**566 434**	218 075	**798 535**	378 267
Amounts due to vendors	18	**199 163**	237 821	**196 663**	233 221
Outside shareholders' interest		**21 179**	111 751	**-**	-
Non-current liabilities		**264 072**	25 617	**-**	-
Interest bearing liabilities	19	**254 915**	22 187	**-**	-
Deferred taxation	20	**9 157**	3 430	**-**	-
Current liabilities		**981 279**	1 120 720	**32 089**	43 396
Trade and other payables		**600 415**	713 693	**23 092**	25 526
Provisions	21	**65 475**	-	**-**	-
Interest bearing liabilities		**38 334**	39 346	**-**	-
Non-interest bearing liabilities		**221 692**	272 500	**-**	-
Shareholders for dividends		**-**	14 450	**-**	14 450
Bank overdrafts		**2 213**	14 926	**-**	-
Taxation owing		**53 150**	65 805	**8 997**	3 420
TOTAL EQUITY AND LIABILITIES		**2 172 317**	1 831 565	**1 149 112**	685 745

CASH FLOW STATEMENTS

Year ended 30 June 2001

	Notes	GROUP 2001 R '000	GROUP 2000 R '000	COMPANY 2001 R '000	COMPANY 2000 R '000
CASH FLOWS FROM OPERATING ACTIVITIES		**252 413**	214 733	**29 799**	54 508
Cash received from customers	22	**5 415 062**	4 467 987	**-**	-
Cash paid to suppliers and employees	23	**(5 111 301)**	(4 227 869)	**-**	-
Cash generated from operations	24	**303 761**	240 118	**554**	3 461
Net interest received	3	**22 935**	28 409	**24 567**	4 758
Dividends received		**20 718**	24 951	**21 668**	62 022
Taxation paid	26	**(80 111)**	(72 878)	**(2 100)**	(9 866)
Dividends paid	27	**(14 890)**	(5 867)	**(14 890)**	(5 867)
CASH FLOWS FROM INVESTING ACTIVITIES		**(160 353)**	(189 984)	**220 734**	(60 749)
Acquisition/(disposals) of subsidiaries and businesses as going concerns	28	**(121 056)**	(72 527)	**-**	-
Additions to property, plant and equipment		**(205 576)**	(103 821)	**-**	-
Proceeds from disposal of property, plant and equipment		**37 667**	22 021	**45 000**	-
Decrease/(increase) in investments		**58 358**	(35 657)	**108 313**	(60 749)
Decrease in financial assets		**70 254**	-	**67 421**	-
CASH FLOWS FROM FINANCING ACTIVITIES		**116 287**	(90 382)	**(46 219)**	(74 527)
Increase/(decrease) in long term borrowings		**235 534**	(51 513)	**-**	-
(Decrease)/increase in short term borrowings		**(64 533)**	23 488	**-**	-
(Decrease)/increase in outside shareholders		**(6 395)**	12 170	**-**	-
Decrease in amounts due to vendors		**(139 283)**	(105 214)	**(137 183)**	(105 214)
Proceeds of share issues		**90 964**	30 687	**90 964**	30 687
NET MOVEMENT IN LIQUID FUNDS		**208 347**	(65 633)	**204 314**	(80 768)
NET LIQUID FUNDS AT THE BEGINNING OF THE YEAR AND ACQUIRED/DISPOSED		**448 865**	636 673	**279 184**	359 952
NET LIQUID FUNDS AT THE END OF THE YEAR		**657 212**	571 040	**483 498**	279 184

STATEMENTS OF CHANGES IN EQUITY

Year ended 30 June 2001

	SHARE CAPITAL	SHARE PREMIUM	NON-DISTRIBUTABLE RESERVES	DISTRIBUTABLE RESERVES	AMOUNTS DUE TO VENDORS	TOTAL
	R '000	R '000	R '000	R '000	R '000	R '000
GROUP						
Balance at 30 June 1999	**174**	**-**	**87 400**	**406 543**	**243 111**	**737 228**
New shares issued	7	55 679	-	-	(30 826)	24 860
Capitalisation share award	-	(24 860)	-	-	-	(24 860)
Share issue expenses	-	(139)	-	-	-	(139)
Acquisition of subsidiaries and businesses as going concerns	-	-	30 000	-	99 924	129 924
Cash amounts paid to vendors	-	-	-	-	(74 388)	(74 388)
Net income attributable to ordinary shareholders	-	-	-	247 467	-	247 467
Dividends	-	-	-	(5 543)	-	(5 543)
Goodwill and trade marks written off	-	(30 680)	-	(430 392)	-	(461 072)
Balance at 30 June 2000	**181**	**-**	**117 400**	**218 075**	**237 821**	**573 477**
New shares issued	13	114 580	-	-	(76 062)	38 531
Capitalisation share award	-	(23 343)	-	-	-	(23 343)
Share issue expenses	-	(286)	-	-	-	(286)
Acquisition of subsidiaries and businesses as going concerns	-	-	(68 355)	-	100 625	32 270
Cash amounts paid to vendors	-	-	-	-	(63 221)	(63 221)
Net income attributable to ordinary shareholders	-	-	-	348 799	-	348 799
Dividends	-	-	-	(440)	-	(440)
Balance at 30 June 2001	**194**	**90 951**	**49 045**	**566 434**	**199 163**	**905 787**
COMPANY						
Balance at 30 June 1999	**174**	**-**	**-**	**316 249**	**241 705**	**558 128**
New shares issued	7	55 679	-	-	(30 826)	24 860
Capitalisation share award	-	(24 860)	-	-	-	(24 860)
Share issue expenses	-	(139)	-	-	-	(139)
Acquisition of subsidiaries and businesses as going concerns	-	-	-	-	96 730	96 730
Cash amounts paid to vendors	-	-	-	-	(74 388)	(74 388)
Net income attributable to ordinary shareholders	-	-	-	67 561	-	67 561
Dividends	-	-	-	(5 543)	-	(5 543)
Balance at 30 June 2000	**181**	**30 680**	**-**	**378 267**	**233 221**	**642 349**
New shares issued	13	114 580	-	-	(76 062)	38 531
Capitalisation share award	-	(23 343)	-	-	-	(23 343)
Share issue expenses	-	(286)	-	-	-	(286)
Acquisition of subsidiaries and businesses as going concerns	-	-	-	-	100 625	100 625
Cash amounts paid to vendors	-	-	-	-	(61 121)	(61 121)
Net income attributable to ordinary shareholders	-	-	-	420 708	-	420 708
Dividends	-	-	-	(440)	-	(440)
Balance at 30 June 2001	**194**	**121 631**	**-**	**798 535**	**196 663**	**1 117 023**

	GROUP		COMPANY	
	2001 R '000	2000 R '000	**2001 R '000**	2000 R '000
1. TURNOVER				
Services (continuing operations)	**2 379 115**	1 108 870	**-**	-
Facilities management and professional services	**898 035**	75 374	-	-
Mining and technical services	**574 841**	342 995	-	-
Food services	**472 847**	387 399	-	-
Support services	**433 392**	303 102	-	-
Wholesale (disposed operations)	**3 180 473**	3 388 089	**-**	-
	5 559 588	4 496 959	**-**	-

The group has changed its accounting policy with regard to turnover to exclude "flow-through" costs from turnover and cost of sales. Comparative amounts have been restated accordingly.

This change in accounting policy resulted in a decrease in turnover for the year ended 30 June 2000 from R4 741 490 000 to R4 496 959 000. Cost of sales for the year ended 30 June 2000 decreased from R3 899 948 000 to R3 655 417 000. The change in accounting policy had no effect on profit from operations or net income attributable to ordinary shareholders.

	GROUP		COMPANY	
	2001 R '000	2000 R '000	**2001 R '000**	2000 R '000
2. PROFIT FROM OPERATIONS				
Services (continuing operations)	**237 390**	151 802	**-**	-
Facilities management and professional services	**61 310**	11 651	-	-
Mining and technical services	**87 908**	56 469	-	-
Food services	**45 292**	41 471	-	-
Support services	**42 880**	42 211	-	-
Wholesale (disposed operations)	**114 831**	155 439	**-**	-
	352 221	307 241	**-**	-
Profit from operations is stated after charging:				
Auditors' remuneration				
Audit fees	**3 239**	2 648	**50**	50
- current year	**3 165**	2 494	**50**	50
- underprovision prior years	**74**	154	**-**	-
Other services	**493**	689	**-**	-
	3 732	3 337	**50**	50

(continued)

	GROUP		COMPANY	
	2001 R '000	2000 R '000	**2001 R '000**	2000 R '000
Depreciation and amortisation				
Plant and equipment	**33 364**	19 181	**-**	-
Office equipment	**1 778**	2 043	**-**	-
Computer equipment	**12 613**	7 514	**-**	-
Furniture and fittings	**4 684**	2 531	**-**	-
Motor vehicles	**13 135**	11 700	**-**	-
Improvements to leasehold premises	**377**	446	**-**	-
Development costs amortised	**400**	-	**-**	-
	66 351	43 415	**-**	-
Directors' emoluments paid by subsidiaries				
For services as directors	**206**	226	**-**	-
Salaries and bonuses	**9 636**	6 615	**-**	-
Fringe benefits	**189**	186	**-**	-
Pension / provident fund contributions	**1 407**	957	**-**	-
	11 438	7 984	**-**	-
Employee costs				
Salaries and bonuses	**831 794**	410 401	**-**	-
Fringe benefits	**27 799**	11 304	**-**	-
Pension/provident fund contributions	**26 161**	21 403	**-**	-
	885 754	443 108	**-**	-
Remuneration other than to employees for				
Managerial services	**64**	563	**-**	-
Technical services	**686**	533	**-**	-
	750	1 096	**-**	-
Rentals under operating leases				
Land and buildings	**51 249**	50 644	**-**	-
Computer equipment	**4 941**	3 117	**-**	-
Plant and equipment	**1 345**	763	**-**	-
Motor vehicles	**9 117**	7 688	**-**	-
Other	**1 275**	1 004	**-**	-
	67 927	63 216	**-**	-
Foreign currency losses	**39**	120	**-**	-
Losses on disposal of property, plant and equipment	**4 572**	639	**-**	-
And after crediting:				
Administration fees received	**-**	-	**3 000**	3 100
Profit on disposal of property, plant and equipment	**5 452**	6 988	**-**	-

(continued)

	GROUP		COMPANY	
	2001 R '000	2000 R '000	**2001 R '000**	2000 R '000
3. NET INTEREST RECEIVED				
Interest received	**51 220**	37 768	**27 619**	4 758
Interest paid	**(21 323)**	(970)	**(3 052)**	-
Finance charges	**(6 962)**	(8 389)	**-**	-
	22 935	28 409	**24 567**	4 758
4. EXCEPTIONAL ITEMS				
Net capital profit on sale/closure of businesses	**63 836**	-	**379 162**	-
Goodwill amortised	**(10 525)**	-	**-**	-
	53 311	-	**379 162**	-
5. TAXATION				
South African normal tax	**84 559**	64 466	**7 677**	2 373
- Current	**82 731**	64 955	**7 677**	2 373
- Under/(over) provision prior years	**1 828**	(489)	**-**	-
Deferred tax	**8 987**	20 852	**-**	-
Secondary tax on companies	**2 500**	619	**-**	-
Foreign tax	**26**	396	**-**	-
	96 072	86 333	**7 677**	2 373
Reconciliation of taxation amount:				
South African normal tax amount	**134 755**	108 180	**128 516**	20 980
Adjusted for:	**(41 209)**	(22 522)	**(120 839)**	(18 607)
- Disallowable expenditure	**3 348**	491	**-**	-
- Exempt income and exceptional items	**(30 398)**	(21 757)	**(120 839)**	(18 607)
- Investment and other special allowances	**(256)**	1 469	**-**	-
- Assessed losses utilised/carried forward	**(14 346)**	(1 397)	**-**	-
- Other	**443**	(1 328)	**-**	-
Secondary tax on companies	**2 500**	619	**-**	-
Foreign tax	**26**	56	**-**	-
Effective amount	**96 072**	86 333	**7 677**	2 373
Gross estimated tax losses available for utilisation against future taxable income	**61 712**	28 902	**-**	-
Tax relief at current tax rates	**18 514**	8 670	**-**	-

Secondary tax on companies credits available for set-off by the company against future dividends amounted to R5 119 000 (2000: R2 751 000).

6. EARNINGS PER SHARE

Earnings per share is based on the consolidated net income attributable to ordinary shareholders of R348 799 000 (2000: R247 467 000) and is calculated using the weighted average number of 193 729 661 (2000: 180 629 897) shares in issue during the year.

Headline earnings per share is based on the consolidated headline net income attributable to ordinary shareholders of R260 740 000 (2000: R247 467 000) and is calculated using the weighted average number of 193 729 661 (2000: R180 629 897) shares in issue during the year.

Diluted headline earnings per share is based on the consolidated headline net income attributable to ordinary shareholders of R260 740 000 (2000: R247 467 000) and is calculated using the weighted average number of 193 729 661 (2000: R185 827 169) shares in issue during the year.

The issue of further shares to vendors in terms of acquisition agreements is dependent on the achievement of future profit warranties. If such future profit warranties are achieved the earnings per share will also increase. In terms of AC104 paragraph 23, this increase is not disclosed.

The dilutionary effect of options granted to directors and employees to subscribe for shares via the Rebhold Share Incentive Scheme is not material.

	GROUP	
	2001	2000
	R '000	R '000
Reconciliation between earnings and headline earnings		
Net income attributable to ordinary shareholders	**348 799**	247 467
Exceptional items attributable to ordinary shareholders	**(88 059)**	-
Total net exceptional items	**(53 311)**	-
Attributable to outside shareholders	**(34 748)**	-
Headline net income attributable to ordinary shareholders	**260 740**	247 467

(continued)

	COST	ACCUMULATED DEPRECIATION	NET BOOK VALUE	NET BOOK VALUE
	2001	**2001**	**2001**	2000
	R '000	**R '000**	**R '000**	R '000
7. PROPERTY, PLANT AND EQUIPMENT				
GROUP				
Land and buildings	**59 101**	**-**	**59 101**	80 089
Plant and equipment	**187 269**	**38 885**	**148 384**	121 200
Office equipment	**5 022**	**1 708**	**3 314**	6 292
Computer equipment	**42 763**	**14 524**	**28 239**	14 070
Furniture and fittings	**22 428**	**4 193**	**18 235**	10 485
Motor vehicles	**60 633**	**16 284**	**44 349**	40 115
Improvements to leasehold premises	**3 785**	**157**	**3 628**	2 685
	381 001	**75 751**	**305 250**	274 936

	NET BOOK VALUE 30 JUNE 2000	ADDITIONS	DISPOSALS	DEPRECIATION	NET BOOK VALUE 30 JUNE 2001
	R '000	**R '000**	**R '000**	**R '000**	**R'000**
Reconciliation of carrying value					
Land and buildings	80 089	11 245	(32 233)	-	59 101
Plant and equipment	121 200	103 484	(42 936)	(33 364)	148 384
Office equipment	6 292	2 894	(4 094)	(1 778)	3 314
Computer equipment	14 070	33 309	(6 527)	(12 613)	28 239
Furniture and fittings	10 485	21 645	(9 211)	(4 684)	18 235
Motor vehicles	40 115	34 939	(17 570)	(13 135)	44 349
Improvements to leasehold premises	2 685	2 980	(1 660)	(377)	3 628
	274 936	210 496	(114 231)	(65 951)	305 250

Details of land and buildings are available for inspection by members or their nominees at the company's registered office.

In addition to those assets encumbered by instalment sale agreements and capitalised finance leases as described in note 19, certain of the group's assets are secured by a negative pledge for banking facilities.

(continued)

	GROUP		COMPANY	
	2001	2000	**2001**	2000
	R '000	R '000	**R '000**	R '000
8. DEVELOPMENT COSTS				
Net book value	**7 806**	7 354	**-**	-
Reconciliation of net book value				
Balance at the beginning of the year	**7 354**	-	**-**	-
Additions	**941**	7 354	**-**	-
Disposals	**(89)**	-	**-**	-
Written off	**(400)**	-	**-**	-
Balance at the end of the year	**7 806**	7 354	**-**	-
9. GOODWILL				
Cost	**210 495**	-	**-**	-
Amortisation	**(10 525)**	-	**-**	-
Net book value	**199 970**	-	**-**	-
Reconciliation of net book value				
Additions	**214 687**	-	**-**	-
Disposals	**(4 192)**	-	**-**	-
Amortisation	**(10 525)**	-	**-**	-
Balance at the end of the year	**199 970**	-	**-**	-
10. INVESTMENTS				
10.1 Investments in subsidiaries				
Shares at cost	**-**	-	**87 243**	107 039
Loans	**-**	-	**302 459**	752 787
Goodwill and trade marks previously written off	**-**	-	**(84 179)**	(547 662)
	-	-	**305 523**	312 164

	GROUP		COMPANY	
	2001	2000	**2001**	2000
	R '000	R '000	**R '000**	R '000
10.2 Investments in associates				
(i) 32% shareholding in Fridge Foods Group (Proprietary) Limited				
(ii) 49% shareholding in Telesafe (Proprietary) Limited				
Shares at cost	**123**	123	**122**	122
Group's share of post-acquisition reserves	**2 025**	570	**-**	-
Loans	**7 409**	7 261	**-**	-
	9 557	7 954	**122**	122
Directors' valuation of shares	**2 148**	693	**-**	-
Summarised financial information of associates				
Property, plant and equipment	**7 187**	7 489		
Current assets	**23 398**	17 574		
Total assets	**30 585**	25 063		
Shareholders' funds	**16 102**	13 258		
Deferred taxation	**-**	(64)		
Long term liabilities	**2 236**	2 839		
Current liabilities	**12 247**	9 030		
Total equity and liabilities	**30 585**	25 063		
Turnover	**103 618**	85 277		
Net income before taxation	**5 504**	1 336		
Taxation	**(994)**	(256)		
Net income attributable to ordinary shareholders	**4 510**	1 080		
10.3 Other investments				
(i) Unlisted cumulative, redeemable preference shares at cost	**-**	80 000	**-**	80 000
(ii) Secured loans	**47 893**	-	**25 000**	-
The loans bear interest at varying rates linked to the prime overdraft rate and are repayable in equal monthly or annual instalments over periods ranging from 3 to 5 years. The loans are secured by notarial bonds over assets, negative pledges of assets, cessions of debtors and personal suretyships by the directors and shareholders, of the debtor companies.				
(iii) Unsecured loans	**11 197**	66 749	**2 690**	14 275
	59 090	146 749	**27 690**	94 275
Directors' valuation of shares	**-**	80 000	**-**	80 000
Total investments at cost	**68 647**	154 703	**333 335**	406 561

Details of principal subsidiary companies are to be found on page 68.

	GROUP		COMPANY	
	2001 R '000	2000 R '000	**2001 R '000**	2000 R '000
11. INVENTORIES				
Raw materials	**-**	16 761	**-**	-
Work in progress	**10 433**	6 546	**-**	-
Consumables	**14 875**	14 563	**-**	-
Merchandise	**7 456**	267 102	**-**	-
Finished goods	**14 149**	9 914	**-**	-
	46 913	314 886	**-**	-
Value of inventories carried at net realisable value	**4 465**	-	**-**	-
12. FINANCIAL ASSETS				
Amounts receivable from the disposal of subsidiaries and businesses	**462 515**	-	**332 279**	-

The amounts are unsecured and bear interest at variable rates. The majority of these amounts were realised in cash after year end.

	GROUP		COMPANY	
13. LIQUID FUNDS				
Bank balances	**467 781**	346 040	**308 498**	54 184
Term deposits	**14 431**	-	**-**	-
Liquid investments	**175 000**	225 000	**175 000**	225 000
	657 212	571 040	**483 498**	279 184
14. SHARE CAPITAL				
Authorised:				
300 000 000 (2000: 300 000 000) ordinary shares of 0,1 cent each	**300**	300	**300**	300
Issued:				
193 729 661 (2000: 180 629 897) ordinary shares of 0,1 cent each	**194**	181	**194**	181

Details of changes in the issued share capital are given in the directors' report. The unissued shares are under the control of directors until the next annual general meeting.

(continued)

	GROUP		COMPANY	
	2001 R '000	2000 R '000	**2001 R '000**	2000 R '000
15. SHARE PREMIUM				
Balance at the beginning of the year	**-**	-	**30 680**	-
Movement for the year				
Arising on new shares issued	**114 580**	55 679	**114 580**	55 679
Capitalisation share award	**(23 343)**	(24 860)	**(23 343)**	(24 860)
Share issue expenses	**(286)**	(139)	**(286)**	(139)
	90 951	30 680	**121 631**	30 680
Goodwill and trade marks written off	**-**	(30 680)	**-**	-
	90 951	-	**121 631**	30 680
16. NON-DISTRIBUTABLE RESERVES				
Balance at the beginning of the year	**117 400**	87 400	**-**	-
Movement for the year				
Acquisition/(disposal) of businesses and subsidiaries	**(68 355)**	30 000	**-**	-
	49 045	117 400	**-**	-
Comprising				
Deferred tax assets	**49 045**	117 400	**-**	-
17. DISTRIBUTABLE RESERVES				
Balance at the beginning of the year	**218 075**	406 543	**378 267**	316 249
Movement for the year				
Net income attributable to ordinary shareholders	**348 799**	247 467	**420 708**	67 561
Dividends	**(440)**	(5 543)	**(440)**	(5 543)
Goodwill and trade marks written off	**-**	(430 392)	**-**	-
	566 434	218 075	**798 535**	378 267
Comprising				
Retained income	**566 434**	218 075	**798 535**	378 267

(continued)

	GROUP		COMPANY	
	2001	2000	**2001**	2000
	R '000	R '000	**R '000**	R '000
18. AMOUNTS DUE TO VENDORS				
Amounts due to vendors in terms of existing acquisition agreements	**199 163**	237 821	**196 663**	233 221
The amounts are expected to be settled in cash or to be converted into fully paid ordinary shares of 0,1 cent each at varying prices upon the achievement of future profit warranties as specified in the relevant acquisition agreements.				
19. INTEREST BEARING LIABILITIES				
Secured				
Capitalised finance leases and instalment sale creditors	**25 096**	20 784	**-**	-
Total amount owing	**60 807**	59 459	**-**	-
Current portion included in current liabilities	**(35 711)**	(38 675)	**-**	-
Secured by property, plant and equipment with a net book value of R77 565 000 (2000: R71 529 000). The liabilities bear interest at rates linked to the prime overdraft rate and are repayable in monthly instalments of R3 375 000 (2000: R3 270 000).				
Unsecured				
Bank loans	**176 265**	603	**-**	-
Total amount owing	**178 888**	1 274	**-**	-
Current portion included in current liabilities	**(2 623)**	(671)	**-**	-
The loans bear interest at variable rates linked to the JIBAR rate. The actual interest rate on 30 June 2001 was 12,72%. Interest is payable quarterly. Capital is repayable on or before 15 December 2005.				
Bank loan				
Total amount owing	**52 493**	-	**-**	-
The loan bears interest at variable rates linked to the JIBAR rate. The actual interest rate on 30 June 2001 was 11,13%. Interest is payable quarterly. Capital is repayable on 1 July 2002.				
Other loans	**1 061**	800	**-**	-
The loans are unsecured, interest free and have no fixed repayment terms.				
	254 915	22 187	**-**	-

(continued)

	GROUP		COMPANY	
	2001 R '000	2000 R '000	**2001 R '000**	2000 R '000
20. DEFERRED TAXATION				
Balance at the beginning of the year	**(132 134)**	(122 986)	**-**	-
Wear and tear	**3 099**	(347)	**-**	-
Doubtful debts	**(303)**	(125)	**-**	-
Prepayments	**466**	303	**-**	-
Special taxation allowances	**(133 986)**	(121 921)	**-**	-
Other	**(1 410)**	(896)	**-**	-
Charged to income	**8 987**	20 852	**-**	-
Wear and tear	**4 619**	3 446	**-**	-
Doubtful debts	**389**	(178)	**-**	-
Prepayments	**297**	163	**-**	-
Special taxation allowances	**16 467**	17 935	**-**	-
Other	**(12 785)**	(514)	**-**	-
Acquisition/disposal of businesses and subsidiaries	**90 188**	(30 000)	**-**	-
Wear and tear	**(122)**	-	**-**	-
Prepayments	**97**	-	**-**	-
Special taxation allowances	**90 033**	(30 000)	**-**	-
Other	**180**	-	**-**	-
Balance at the end of the year	**(32 959)**	(132 134)	**-**	-
Wear and tear	**7 596**	3 099	**-**	-
Doubtful debts	**86**	(303)	**-**	-
Prepayments	**860**	466	**-**	-
Special taxation allowances	**(27 486)**	(133 986)	**-**	-
Other	**(14 015)**	(1 410)	**-**	-
Comprising				
Deferred taxation assets	**(42 116)**	(135 564)	**-**	-
Deferred taxation liabilities	**9 157**	3 430	**-**	-
	(32 959)	(132 134)	**-**	-

The group has changed its accounting policy with regard to deferred tax to recognise deferred tax assets in accordance with the new accounting standard AC102. Comparative amounts have been restated accordingly.

This change in accounting policy resulted in deferred tax assets at 30 June 2000 of R135 564 000 being raised and amortised over the remaining life of the deferred tax assets. Headline net income attributable to ordinary shareholders for the year ended 30 June 2000 decreased from R261 273 000 to R247 467 000 and headline earnings per share for the year ended 30 June 2000 decreased from 144,6 cents to 137,0 cents. Diluted headline earnings per share for the year ended 30 June 2000 decreased from 140,6 cents to 133,0 cents. The net asset value per share at 30 June 2000 increased from 215,9 cents to 269,4 cents.

	GROUP		COMPANY	
	2001 R '000	2000 R '000	**2001 R '000**	2000 R '000

21. PROVISIONS

Raised during the year				
Closure costs - wholesale operations	**55 516**	-	**-**	-
Post retirement medical aid benefits	**9 959**	-	**-**	-
	65 475	-	**-**	-

Closure costs - wholesale operations
Pursuant to the disposal of 22 Browns and Weirs stores to Massmart Holdings Limited it was resolved to close down or sell the remaining Browns and Weirs stores, head office and regional offices. These stores have already ceased trading, and full provision has been made for the anticipated closure costs. The amount of the provision is based on the directors' estimate of the anticipated actual costs to be incurred during the closure period in terms of existing contracts to which the group is a party, including the retrenchment of employees and termination of lease obligations. It is anticipated that the closure of the stores and winding down of the head office will be completed by 30 June 2002. Save for a recovery of R4 000 000, and those assets already recorded in the balance sheet at 30 June 2001, no other assets have been taken into account in determining the provision. The net cash provision required for the closure of the stores and head office is not expected to exceed R30 million.

Post retirement medical aid benefits
Contributions are made to the medical aid of retired employees for a small number of employees and former employees of Browns Cash and Carry (Proprietary) Limited. The present value of the post retirement medical aid liability in respect of former employees has been actuarially determined at R9 959 000 at 30 June 2001.

22. CASH RECEIVED FROM CUSTOMERS

Turnover	**5 559 588**	4 496 959	**-**	-
Movement in trade and other receivables	**(144 526)**	(28 972)	**-**	-
	5 415 062	4 467 987	**-**	-

23. CASH PAID TO SUPPLIERS AND EMPLOYEES

Turnover	**5 559 588**	4 496 959	**-**	-
Profit from operations	**(352 221)**	(307 241)	**-**	-
	5 207 367	4 189 718	**-**	-
Depreciation	**(66 351)**	(43 415)	**-**	-
Profit on disposal of property, plant and equipment	**880**	6 349	**-**	-
Movement in inventories	**79 512**	15 936	**-**	-
Movement in trade and other payables	**(110 107)**	59 281	**-**	-
	5 111 301	4 227 869	**-**	-

(continued)

	GROUP		COMPANY	
	2001 **R '000**	2000 R '000	**2001** **R '000**	2000 R '000
24. CASH GENERATED FROM OPERATIONS				
Profit from operations	**352 221**	307 241	**2 988**	3 154
Depreciation	**66 351**	43 415	**-**	-
Profit on disposal of property, plant and equipment	**(880)**	(6 349)	**-**	-
Working capital changes	**(113 931)**	(104 189)	**(2 434)**	307
	303 761	240 118	**554**	3 461
25. WORKING CAPITAL CHANGES				
Inventories	**(79 512)**	(15 936)	**-**	-
Trade and other receivables	**(144 526)**	(28 972)	**-**	-
Trade and other payables	**110 107**	(59 281)	**(2 434)**	307
	(113 931)	(104 189)	**(2 434)**	307
26. TAXATION PAID				
Unpaid at the beginning of the year and on acquisition/disposal of subsidiaries and businesses	**46 176**	73 203	**3 420**	10 913
Charged in the income statement	**87 085**	65 480	**7 677**	2 373
Unpaid at the end of the year	**(53 150)**	(65 805)	**(8 997)**	(3 420)
	80 111	72 878	**2 100**	9 866
27. DIVIDENDS PAID				
Unpaid at the beginning of the year	**14 450**	14 774	**14 450**	14 774
Charged for the year	**440**	5 543	**440**	5 543
Unpaid at the end of the year	**-**	(14 450)	**-**	(14 450)
	14 890	5 867	**14 890**	5 867

(continued)

	GROUP		COMPANY	
	2001 R '000	2000 R '000	**2001 R '000**	2000 R '000
28. ACQUISITION/(DISPOSALS) OF SUBSIDIARIES AND BUSINESSES AS GOING CONCERNS				
Property, plant and equipment	**(71 672)**	110 405	-	-
Trade marks	-	103 230	-	-
Investments	**(80 593)**	16 604	-	-
Non-cash portion of working capital	**(259 820)**	(28 990)	-	-
Net cash and short term funds	**(122 175)**	(9 846)	-	-
Non-current liabilities	**2 806**	(69 151)	-	-
Deferred taxation	**(90 188)**	30 000	-	-
Taxation payable	**19 629**	(21 043)	-	-
Net assets acquired/(disposed)	**(602 013)**	131 209	-	-
Goodwill	**210 495**	371 242	-	-
Non-distributable reserve	**68 355**	(30 000)	-	-
Minority interest	**88 491**	-	-	-
Profit on disposal	**(129 311)**	-	-	-
Net sale consideration	**(363 983)**	472 451	-	-
Satisfied by:				
Cash	**121 056**	72 527	-	-
Amounts due to vendors	**100 625**	99 924	-	-
Short term loans payable	-	300 000		
Loans receivable	**(52 895)**	-	-	-
Financial assets	**(532 769)**	-	-	-
	(363 983)	472 451	-	-

29. RELATED PARTY TRANSACTIONS

Related party relationships exist with the associated companies recorded in note 10. All purchase and sales transactions are concluded at arms length. The value of transactions concluded during the year is not material to the group. Various property leases have been entered into with related parties. The leases were transacted on an arms length basis at market related rates at the time of the transactions.

	GROUP		COMPANY	
	2001 R '000	2000 R '000	**2001 R '000**	2000 R '000
30. CAPITAL COMMITMENTS				
Capital expenditure				
Commitments in respect of capital expenditure approved by the directors				
Contracted for	**323**	2 498	**-**	-
Not contracted for	**7 011**	3 175	**-**	-
	7 334	5 673	**-**	-
The above commitments are to be financed from liquid funds.				
Operating leases				
The minimum commitments are:				
Immovable property	**62 639**	165 786	**-**	-
Equipment	**15 409**	7 962	**-**	-
Vehicles	**19 619**	6 414	**-**	-
Other	**241**	905	**-**	-
	97 908	181 067	**-**	-
Due in year one	**23 623**	38 172	**-**	-
Due in year two	**23 963**	32 882	**-**	-
Due in year three	**20 008**	26 003	**-**	-
Due in year four	**17 272**	17 359	**-**	-
Thereafter	**13 042**	66 651	**-**	-
	97 908	181 067	**-**	-

Material lease commitments relate mainly to immovable property, vehicles and equipment. Specific details and terms of the leases vary between different contracts. Renewal options, where these exist, are for between 1 and 5 years.
Rentals on certain leases escalate annually. The majority of rentals under property lease renewal options are determined with reference to market rentals at the time of renewal. There are no contingent rental payments.

	GROUP		COMPANY	
	2001 R '000	2000 R '000	**2001 R '000**	2000 R '000
31. INTEREST BEARING BORROWINGS				
Current	**40 547**	54 272	**-**	-
Non-current	**254 915**	22 187	**-**	-
	295 462	76 459	**-**	-
32. CONTINGENT LIABILITIES				
Bank facilities:				
Bank facilities of certain subsidiaries are secured by a negative pledge over certain assets and a cession of book debts of R45 377 000 (2000: R34 535 000).				
Bank facilities of certain subsidiary companies and long term interest bearing liabilities of R231 381 000 incurred by certain subsidiary companies have been guaranteed by Rebhold Limited.				
Other guarantees:				
Bank guarantees to clients	**1 070**	2 586	**-**	-
Bank guarantees to suppliers	**5 050**	6 367	**-**	-
Secondary tax on companies:				
In the event that the company were to declare a dividend equal to its distributable reserves, it would be liable for secondary tax on companies amounting to R88 726 000 (2000: R42 030 000).				
Forward exchange contracts:				
Commitments under forward exchange contracts not represented by liabilities at year end:				
US Dollars ('000)	**-**	133	**-**	-
Rand Value ('000)	**-**	920	**-**	-

	GROUP		COMPANY	
	2001	2000	**2001**	2000
33. UNCOVERED FOREIGN LIABILITIES				
Foreign currency amounts ('000)				
US Dollars	**144**	91	**-**	-
Sterling	**40**	48	**-**	-
Deutschmark	**53**	40	**-**	-
French Francs	**-**	50	**-**	-
Other (Rand equivalent) (R'000)	**446**	689	**-**	-

34. FINANCIAL INSTRUMENTS

Business and credit concentration

Financial instruments which potentially subject the group to concentrations of credit risk are primarily cash, liquid investments, financial assets, long term investments and trade receivables. As regards cash and liquid investments the group deals with major financial institutions in South Africa. Financial assets include amounts due by listed companies in relation to the disposal of businesses and subsidiaries and were realised after year end. Other long term investments are secured where considered appropriate or necessary. The group's customers are concentrated almost entirely in South Africa. The group establishes an allowance for doubtful accounts based upon factors surrounding the credit risk of specific customers, historical trends and other information.

Foreign currency risk

The group conducts certain transactions in various foreign currencies. As a result, it is subject to the transaction exposure that arises from foreign exchange rate movements between the dates that foreign currency transactions are recorded (foreign sales and purchases) and the dates they are consummated (cash receipts and cash disbursements in foreign currencies). Where considered appropriate, the group hedges its foreign currency exposure for either purchase or sale transactions using forward exchange contracts or other similar products. In other instances the risk arising from foreign exchange rate movements is priced into the cost of goods or services and recovered directly from customers.

Interest rate risk

The group is exposed to interest rate risk through its cash, liquid investments, financial assets, long term investments and interest-bearing borrowings. The group does not hedge its long term interest exposure. Interest rate exposure is monitored and managed by corporate treasury.

(continued)

The exposure to interest rate risk at the balance sheet date is:

	FLOATING INTEREST RATE	FIXED INTEREST RATE MATURING		NON-INTEREST BEARING
		1 TO 5 YEARS	OVER 5 YEARS	
	R '000	R '000	**R '000**	R '000
Assets				
Bank balances	**467 781**	-	-	-
Term deposits	**14 431**	-	-	-
Liquid investments	**125 000**	50 000	-	-
Financial assets	**462 515**	-	-	-
Other investments	**59 090**	-	-	-
	1 128 817	50 000	-	-
Liabilities				
Capitalised finance leases and instalment sale creditors	**60 807**	-	-	-
Bank loans	**231 381**	-	-	-
Other loans	-	-	-	1 061
	292 188	-	-	1 061

35. RETIREMENT BENEFITS

Approximately 70% of the group's employees are members of various pension and provident funds. These funds include the Rebhold Pension Fund, a defined benefit fund, the Rebhold Provident Fund, a defined contribution fund, and various independently administered defined contribution funds of the operating companies. Where practical the individual funds of the operating companies are being merged with the Rebhold Provident Fund.

The Rebhold Pension Fund has been closed for new entrants. At 30 June 1999, the date of the latest actuarial valuation of the Rebhold Pension Fund, there was an actuarial surplus in the fund. The next actuarial valuation will be carried out at 30 June 2002.

The group's contributions to all retirement funds are charged against income when incurred. The group contributed R24 637 000 to defined contribution plans and R2 931 000 to defined benefit plans during the year.

PRINCIPAL SUBSIDIARIES

Details of principal subsidiary companies at 30 June 2001

	NATURE OF BUSINESS	ISSUED CAPITAL	SHARES AT COST	LOANS
	(Refer note)	R '000	R '000	R '000
Services Division				
Directly held				
Rebserve Limited	1	#	87 243	439 780
Indirectly held				
Atkins Rebserve (Proprietary) Limited	9	#	-	-
Coin Security Group (Proprietary) Limited	6	#	-	4 467
Contract Forwarding (Proprietary) Limited	3	61	-	(1 509)
JIC Mining Services (2000) (Proprietary) Limited	9	#	-	-
King Pie Holdings (Proprietary) Limited	5	#	-	5 718
Protea Security Services (2000) (Proprietary) Limited	6	#	-	-
Rebhold Distribution Services (Proprietary) Limited	7	#	-	-
Rebhold Freight Services (2000) (Proprietary) Limited	3	#	-	7 935
Rebserve Cleaning and Residential Services (2000) (Proprietary) Limited	8	#	-	-
Rebserve Management Services (Proprietary) Limited	10	#	-	(2 114)
Rebserve Services (Proprietary) Limited	8	#	-	-
Royal Food Services (Proprietary) Limited	4	1	-	10 843
Telecommunications Facilities Management Company (Proprietary) Limited	9	#	-	-
Trans Global Freight (Proprietary) Limited	3	#	-	4 583
Trollope Mining Services (2000) (Proprietary) Limited	9	#	-	-
Wholesale Division				
Directly held				
Browns Cash and Carry (Proprietary) Limited	2	#	-	23 100
Other				
Directly held				
Jenbrooke Investments (Proprietary) Limited	11	#	-	17 016
Lexshell 172 Property Holdings (Proprietary) Limited	11	#	-	10 576
Lexshell 175 Property Holdings (Proprietary) Limited	11	#	-	1 513
Rebhold Management Services (Proprietary) Limited	10	#	-	(219 449)
			87 243	302 459

PRINCIPAL SUBSIDIARIES

(continued)

The above details are given in respect of interests in subsidiaries, where material. A full list of subsidiaries is available to shareholders, on request, at the registered office of the company. All subsidiaries are wholly-owned, except for Atkins Rebserve (Proprietary) Limited in which the group has an effective 55% interest, Telecommunications Facilities Management Company (Proprietary) Limited in which the group has an effective 56,75% interest, and Browns Cash and Carry (Proprietary) Limited in which the group has an effective 70% interest.

Pursuant to the acquisition of certain services businesses in the prior financial year, options to subscribe for and/or to receive Rebserve Limited shares by way of exchange were granted to certain Rebserve executives. The total value and quantum of Rebserve Limited shares to be subscribed for, and/or exchanged, is dependent on, inter alia, the final liquidation dividend paid by Molope to Molope's shareholders as well as the performance of certain of the Rebserve businesses. Accordingly the extent of the dilution of Rebhold's interest in Rebserve Limited cannot at this stage be quantified.

Note:

1 Intermediate holding company
2 Wholesaling and distribution of consumer goods
3 Freight forwarding services
4 Contract catering services
5 Franchising
6 Security services
7 Distribution services
8 Cleaning services
9 Facilities management, professional and technical services
10 Management services
11 Property investment
Less than R1 000

NOTICE TO MEMBERS

Notice is hereby given that the sixth annual general meeting of members of Rebhold Limited (to be renamed Rebserve Holdings Limited) ("Rebserve") will be held in the boardroom, Hunts End, 36 Wierda Road West, Wierda Valley, Sandton at 11:00 on Friday 18 January 2002 to conduct the following business:

1. To receive and consider the annual financial statements for the year ended 30 June 2001.

2. Re-election of directors who retire in accordance with the provisions of the company's articles of association.

3. To consider and, if deemed fit, to pass, with or without modification, the following ordinary resolution:
   Ordinary Resolution number 1
   "Resolved that the authorised but unissued shares in the capital of the company be placed under the control of the directors of the company to allot or issue such shares at their discretion, subject to the provisions of the Companies Act No. 61 of 1973, as amended, and the Listings Requirements of the JSE Securities Exchange South Africa."

4. To consider and, if deemed fit, to pass, with or without modification, the following ordinary resolution:
   Ordinary Resolution number 2
   "Resolved that the directors of the company be and they are hereby authorised by way of a general authority to issue all or any of the authorised but unissued shares in the capital of the company for cash, as and when they in their discretion deem fit subject to the Listings Requirements of the JSE Securities Exchange South Africa, which currently provide, inter alia:
   – that this authority shall be valid until the next annual general meeting of the company, provided it shall not extend beyond fifteen months from the date that this authority is given;
   – that a paid press announcement giving full details, including the impact on net asset value and earnings per share, will be published at the time of any issue of shares representing, on a cumulative basis within one year, 5% or more of the number of the company's shares in issue prior to any such issue;
   – that issues in the aggregate in any one year shall not exceed 15% of the number of shares in the company's issued share capital;
   – that, in determining the price at which an issue of shares may be made in terms of this authority, the maximum discount permitted will be 10% of the weighted average traded price determined over the 30 business days prior to the date that the price of the issue is determined or agreed by the directors. Issues at a discount greater than 10% may be undertaken subject to specific shareholder consent; and
   – that any such issue will only be made to public shareholders as defined by the JSE Securities Exchange South Africa."
   The approval of a 75% majority of the votes cast by shareholders present or represented by proxy at this annual general meeting is required for the authority in 4 above to become effective.

5. To consider and, if deemed fit, to pass, with or without modification, the following special resolution:
   Special Resolution number 1
   "Resolved that, the directors of Rebserve be and are hereby authorised, by way of a general approval pursuant, inter alia, to articles 13A and 13B of Rebserve's articles of association to facilitate, inter alia, the acquisition by Rebserve, or a subsidiary

of Rebserve, from time to time of the issued shares of Rebserve upon such terms and conditions and in such numbers as the directors of Rebserve may from time to time decide, but subject to the provisions of the Companies Act No 61 of 1973, as amended, and the Listings Requirements of the JSE Securities Exchange South Africa (“Listings Requirements”) from time to time, which general approval shall endure until the next annual general meeting of Rebserve; provided that it shall not extend beyond fifteen months from the date of the annual general meeting at which this special resolution is passed, it being recorded that the Listings Requirements currently require, inter alia, in relation to a general approval of shareholders that:

1 acquisitions of securities be implemented on the JSE Securities Exchange South Africa “open market”;

2 acquisitions in any one financial year are limited to a maximum of 20% of Rebserve's issued share capital of the relevant class; provided that acquisitions by subsidiaries of Rebserve are limited to a maximum of 10% of Rebserve's issued share capital of the relevant class;

3 an acquisition may not be made at a price more than 10% above the weighted average of the market value for the shares in question for the five business days immediately preceding the date on which the acquisition is agreed;

4 an acquisition may not be made at a bid price greater than the current trading price of the shares concerned;

5 a paid press announcement containing details of such acquisitions must be published as soon as Rebserve and/or any of its subsidiaries has/have acquired shares constituting, on a cumulative basis, 3% of the number of shares of the relevant class in issue at the date of the annual general meeting at which this special resolution is passed (“initial number”) and for each 3% in aggregate of the initial number acquired thereafter”.

The reason for this special resolution is to obtain, and the effect thereof is to grant the company, a general approval in terms of the Companies Act No 61 of 1973, as amended, for the acquisition by the company, or a subsidiary of the company, of shares in the capital of the company, which general approval shall be valid until the next annual general meeting of the company; provided that the general authority shall not extend beyond fifteen months from the date of the annual general meeting at which this special resolution is passed.

The board of directors (“board”) of Rebserve, as at the date of this notice, has stated its intention to purchase Rebserve shares in terms of the general authority granted at the annual general meeting held on 12 January 2001. It is, however, proposed, and the board believes it to be in the best interests of Rebserve, that shareholders pass a special resolution granting Rebserve and its subsidiaries a further general authority to acquire Rebserve shares. Such general authority will provide Rebserve and its subsidiaries with the flexibility, subject to the requirements of the Companies Act and the JSE Securities Exchange South Africa, to purchase shares should it be in the interests of Rebserve and/or its subsidiaries at any time while the general authority subsists.

(continued)

After considering the effect of a purchase of the maximum number of shares which may be purchased, and subject to any significant changes in market conditions, the board is satisfied that for a period of twelve months from the date of this notice:

- Rebserve and the group will be able in the ordinary course of business to pay its debts;
- the assets of Rebserve and the group will be in excess of the liabilities of Rebserve and the group;
- Rebserve and the group will have sufficient capital and reserves;
- Rebserve and the group will have sufficient working capital.

6. To consider and, if deemed fit, to pass with or without modification, the following ordinary resolution:

Ordinary Resolution number 3

"Resolved that any director of Rebserve be and is hereby authorised to do all such things, sign all such documents and take all such actions as are necessary to give effect to the special and ordinary resolutions proposed at the annual general meeting at which this ordinary resolution is proposed, if it/they is/are passed (in the case of ordinary and special resolutions) and registered by the Registrar of Companies (in the case of special resolutions)."

By order of the board

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Rebhold Management Services (Proprietary) Limited

Secretary

30 November 2001

PROXY

(formerly Rebhold Limited)
(Incorporated in the Republic of South Africa)
(Registration No. 1995/004153/06)
("Rebserve" or "the Company")

FORM OF PROXY

For the 6th annual general meeting

I/We

(Name(s) in block letters)

of

being a member/members of Rebserve and entitled to votes,

do hereby appoint or failing him/her

or failing him/her

the chairman of the annual general meeting as my/our proxy to act for me/us at the annual general meeting of the company to be held at 11:00 on Friday 18 January 2002, and at any adjournment thereof, in the boardroom at Hunts End, 36 Wierda Road West, Wierda Valley, Sandton and to vote for me/us on my/our behalf in respect of the undermentioned resolutions in accordance with the following instructions (see note 2).

	Number of Votes (one vote per share)		
	For	Against	Abstain
1. Adoption of annual financial statements			
2. Election of directors			
M H Brodie			
F Cohen			
S M Levenberg			
W J Paskins			
3. Place unissued shares under directors' control			
4. Authorise directors to issue shares for cash			
5. Authorise Rebserve and its subsidiaries to acquire shares			
6. Authorise directors to give effect to resolutions			

Signed at on 2001

Signature Assisted by me
(where applicable - see note 7)

Please read the notes overleaf

NOTES

1. A member may insert the name of a proxy of the member's choice in the space provided. Should the name of a proxy not be inserted it will be deemed to be a proxy in favour of the chairman of the meeting. A proxy need not be a member of the company.

2. A member is entitled to one vote on a show of hands and, on a poll, to one vote in respect of each share held. A member's instructions to the proxy must be indicated by inserting the relevant number of votes exercisable by the member in the appropriate box(es).

3. A member or his proxy is not obliged to use all the votes exercisable by the member, or to cast all those votes exercisable in the same way, but the total of the votes cast and in respect whereof abstention is recorded may not exceed the total of the votes exercisable by the member.

4. If a member does not indicate on the form that his proxy is to vote in favour of or against any resolution or to abstain from voting, or gives contradictory instructions, or should any further resolution(s) or any amendment(s) which may properly be put before the annual general meeting be proposed, the proxy shall be entitled to vote as he deems fit.

5. Documentary evidence establishing the authority of a person signing the form of proxy in a representative capacity must be attached to the form of proxy, unless previously recorded by the company or waived by the chairman of the annual general meeting.

6. Any alteration or correction made to this form (including the deletion of alternatives other than those indicating singular or plural) must be initialled by the signatory.

7. A minor must be assisted by his/her natural parent or legal guardian.

8. The completion and lodging of this form of proxy will not preclude the member from attending the annual general meeting and speaking and voting in person at such meeting to the exclusion of the proxy appointed in terms thereof, should he/she wish to do so.

9. This form of proxy should be completed and returned to the company's transfer secretaries (physical address: 2nd Floor, Edura House, 41 Fox Street, Johannesburg, 2001, and postal address: P.O. Box 61051, Marshalltown 2107) to be received by not later than 11:00 on 16 January 2002.

10. The chairman of the annual general meeting may reject or accept any proxy form which is completed and/or received other than in compliance with the articles of association of the company or these notes.

ANALYSIS OF SHAREHOLDERS

at 30 June 2001

	NO. OF SHARE-HOLDERS	% OF TOTAL	NO. OF SHARES	% OF TOTAL
Size of holding				
1 - 10 000	709	90,9	624 239	0,3
10 001 - 50 000	36	4,6	806 362	0,4
50 001 - 100 000	9	1,2	651 434	0,4
Over 100 000 shares	26	3,3	191 647 626	98,9
	780	100,0	193 729 661	100,0
Analysis of holdings				
Insurance companies, pension funds, corporate bodies and nominee companies	111	14,2	192 685 785	99,5
Individuals	669	85,8	1 043 876	0,5
	780	100,0	193 729 661	100,0

Shareholders holding more than 5% of share capital	%
Nominee shareholders	
Reb Nominees (Proprietary) Limited	33,7
Standard Bank (Tvl) Nominees (Proprietary) Limited	19,2
First National Nominees (Proprietary) Limited	9,1
Nedcor Bank Nominees Limited	8,0
Old Mutual Nominees (Proprietary) Limited	6,2
Beneficial shareholders (included in nominee shareholders)	
Coolbay Investments (Proprietary) Limited	14,6
Corpinvest 14 (Proprietary) Limited	7,1
Liberty Life Association of South Africa	5,8
Old Mutual plc	5,0

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