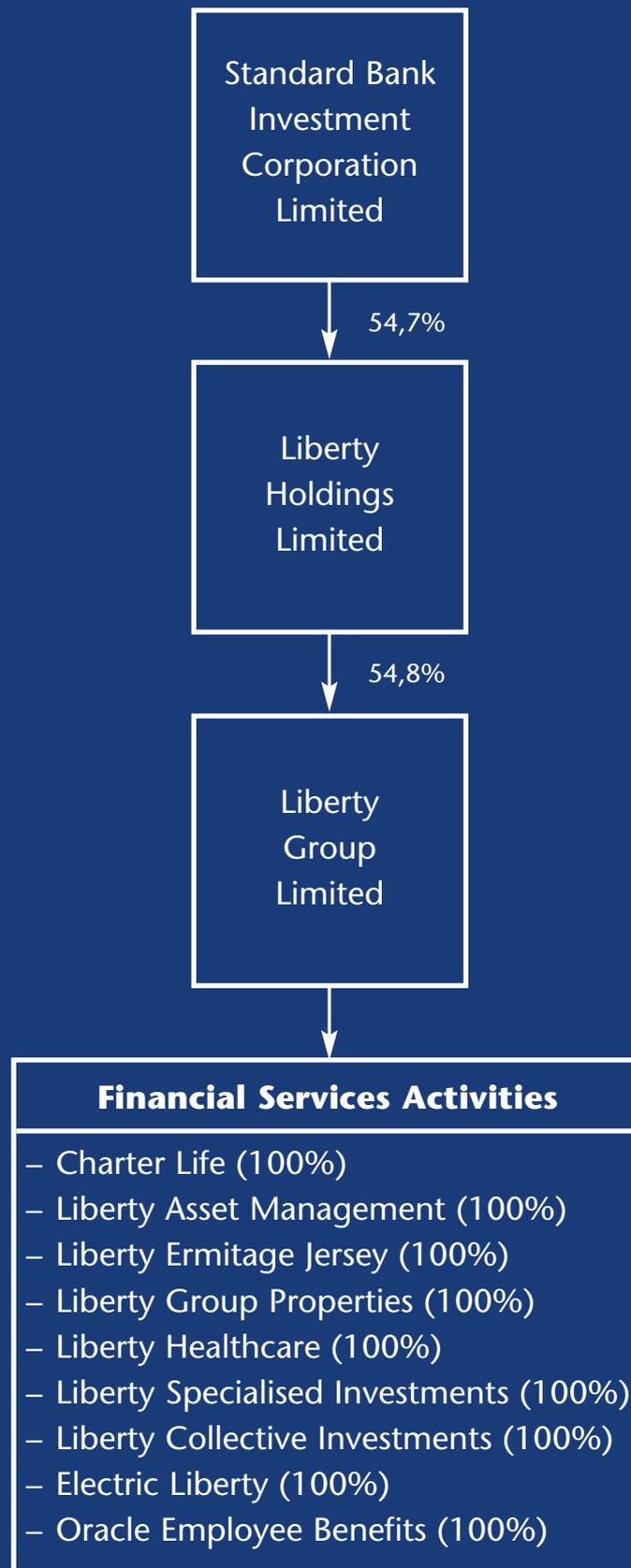


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GROUP STRUCTURE



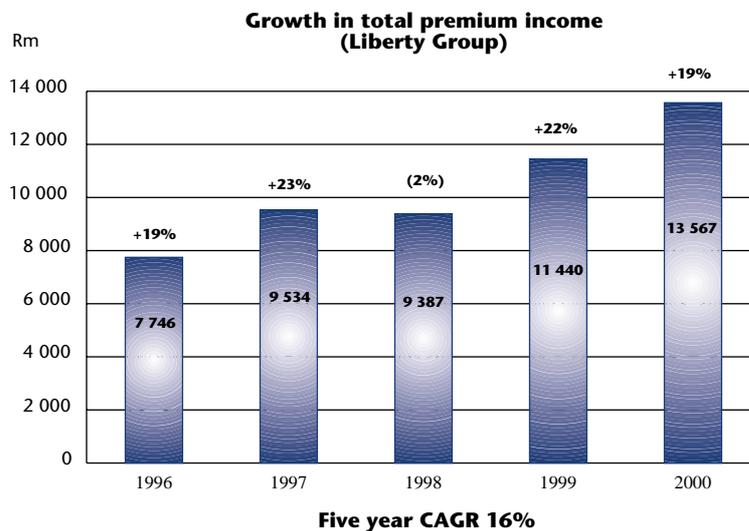
VISION

Liberty is the financial services group which best anticipates and fulfils clients' needs and aspirations

PROFILE

Liberty Group is an innovative entrepreneurial group that specialises in a sophisticated approach to providing financial services products. Liberty aims to become the preferred supplier of, and point of access to, quality, value-added financial and associated services in South Africa. The objective of achieving significant real rates of return to linked policyholders is achieved through a combination of equities, quality real estate, money market instruments and derivatives.

Liberty Group's key strengths remain its high-quality, highly trained and growing sales force, as well as a decisive intrapreneurial approach to product development.



New financial service products, improved service levels and consumer confidence in Liberty Group as a supplier of quality risk and investment products are reflected in the growth of premiums.

GROUP PROFILE

Product development remains a key competence of the Liberty Group. In usual circumstances, highly innovative and sometimes revolutionary, sophisticated investment and risk products can now be brought from actuarial concept to market offering within days or weeks.

Liberty Group's business unit structure has driven the product design process as close as possible to the specific markets and customers that it aims to serve. The Product Development Committee, chaired by the group chief executive, supervises overall product strategy and co-ordination across the business units, and ensures that all the Group's new products meet satisfactory profitability and risk criteria.

The Liberty Group offers a comprehensive and complementary range of non-banking financial services. Major product classes are structured logically according to the client profiles of the various business units, all of which are united under the Liberty brand:

Liberty Personal Benefits (LPB) – retail assurance and investment schemes aimed at the individual, including life, disability and health insurance, endowments, income plans, and retirement savings and preservation schemes.

Liberty Corporate Benefits (LCB) – marketing and administration of retirement fund and other member benefits for corporate and other group schemes. This may be on an investment-only basis, or with risk benefits.

Charter Life – retail assurance and investment schemes specialising in Bancassurance which incorporates both high-advice, complex products, as well as simple structured products such as credit life and funeral schemes.

Liberty Healthcare – offers the ProVia medical scheme to corporate and other groups. ProVia is fully compliant with the terms of the Medical Schemes Act.

Liberty Unit Trusts and Liberty Multi-Manager – markets and administers a suite of 17 diverse unit trusts (mutual funds), both single-manager and multi-manager, and operating under both general and highly specialised investment mandates.

Liberty Specialised Investments – a linked investment services provider, offering a sophisticated and customised approach to investment portfolio management. The products of Liberty and other financial institutions can be flexibly combined and are efficiently administered for larger portfolios.

Liberty Asset Management (Libam) – Libam is responsible for the formulation and implementation of the Group's overall investment strategies. In addition to managing the major internal policyholder investment and retirement funds of the Liberty Group, as well as the single-manager funds offered by Liberty Unit Trusts, Libam also manages an extensive range of major external client portfolios.

Liberty Group Properties – manages the Liberty Group property portfolio in order to maintain or improve investment performance. In addition investment opportunities are investigated and acquired where they meet preset investment criteria. These investments may be linked to specifically designed insurance products.



LIBERTY

Libam is responsible for the formulation and implementation of the Group's overall investment strategies.

“The Liberty Group will continue to retain a clear focus on its core areas of expertise in the financial services sector and remains well positioned to continue achieving acceptable growth...”

DEREK COOPER

Chairman



SHARP FOCUS AND SOLID STRUCTURES ENSURE SOUND PERFORMANCE

Performance highlights

Against a challenging macroeconomic backdrop, headline earnings rose by 10% to R1 543 million, while headline earnings per share increased by 9% to 569,6 cents.

The Group increased its new business by 22% (R1,7 billion) in a market that displayed reduced interest in equity-based investments arising from the virtually flat overall performance of the JSE Securities Exchange (JSE), a factor that was exacerbated by the relative volatility of world markets. It is gratifying to note that most of the Group's managed funds achieved improved and highly competitive relative investment returns.

Claims and policyholder benefits, including lapses and surrenders, increased by only 4% on the previous year's R9 817,7 million to R10 188,8 million.

The Group's life fund operating surplus decreased by 11% or R147,2 million to R1 149,8 million from 1999's R1 297,0 million as a result of the JSE's lacklustre performance. This has had a direct effect on shareholders who participate in 10% of the capital bonuses declared to policyholders on certain classes of business.

Capital structure

One of Liberty Group's primary objectives is to deploy its capital effectively. Following the previous year's successful unbundling to shareholders of the Group's holdings in Stanbic and Liberty International, it has been decided to recommend to shareholders a cash capital reduction of R3,5 billion. The reduction will reduce the ratio of capital and reserves to capital adequacy requirement (CAR) from 7,4 to a more appropriate 3,6. It is also projected to improve both headline return on equity and return on embedded value by 5%.

The Group's proposed new level of capital will not restrict our ability to continue to invest into synergistic new business development opportunities such as Liberty Ermitage, Lodestone Investments and MyLife. The Liberty Group will continue to retain clear focus on its core areas of expertise in the financial services sector and remains well positioned to continue achieving acceptable growth.

Policyholders

The Group is totally committed to the needs of our policyholders. To this end, business units continue to improve their policyholder service levels, a fact that has been underscored by the positive feedback received during the year. The year-on-year reduction in the number of policy withdrawals and terminations, as well as the planned substantial investment in the customer value management (CVM) initiative, are further evidence of our strong policyholder service commitment.

The achievement of good relative investment performance during the year, at a time when the JSE Actuaries All-Share Index decreased by 0,1%, ensured that further tangible benefits were delivered to policyholders. Liberty Group will continue to manage policyholders' interests in line with the risk profiles of their chosen investments.

Operational restructuring

The new business development and growth benefits inherent in the Liberty Group's restructuring initiatives, which were started early in 2000, are bearing fruit. Business units' clear focus on specific market segments has helped to deliver further year-on-year growth in both sales volumes and profitability.

The Group's day-to-day operations are in the hands of competent and dedicated people and this, together with the new business unit structure, augurs well for the Group's further growth in the competitive South African financial services sector.

Economic policy and trends

South Africa appears to be in a good position to sustain growth rates of between 3% and 3,5% over the next two to three years. The Government has managed the country's macro-economic policy well. The balance of payments is sound, the Budget deficit has been lowered, the national inflation rate remains contained and, after a dip in foreign direct investment, there seems to be the promise of a slight resurgence in new foreign direct investment.

The decision to postpone the introduction of capital gains tax from April to October 2001 is welcomed. A great deal of detailed analysis is required to ensure that this controversial tax does not lead to unintended inequities. It is Liberty Group's intention to work closely with the Government in finalising the definition and structure of capital gains tax in order to ensure its smooth introduction. The tax will impact on the Group's operations, its shareholders and policyholders.



South Africa, historically, has lacked a strong savings ethic, a factor that has long been exacerbated by the majority of working South Africans not being bank clients. Through its continuing focus on product development and service delivery, as well as its strong Bancassurance partnership with Standard Bank, Liberty Group has evolved to the point where it is now able to competently deliver a definitive spectrum of appropriate products and services to a diverse demographic profile in South Africa.

Whether servicing the basic entry-level requirements of aspirant policyholders in the lower-income sector, or servicing the sophisticated financial planning and investment requirements of clients in the upper-income sector, Liberty Group is well structured and positioned to continue creating further value and new wealth for a diverse and growing community of clients. In the process, the Group is contributing to an improved national savings culture.

Acquisitions and new ventures

The acquisition of the Jersey-based Liberty Ermitage Group at a cost of £33,5 million provides a springboard for the Group to offer international investments to its expanding domestic and international clientele. Liberty Ermitage has established a significant global portfolio of high-yield investments and, with its competent investment team and a range of innovative products and services, has good growth potential.

Liberty Group's new electronic commerce offering, MyLife, was fully developed and tested before the close of 2000. The MyLife e-commerce initiative – promoted as MyLife@bluebean.com – is innovative, interactive and wealth-creating for its subscribers.

Social involvement

Most of the Group's social upliftment projects continue to be managed by the Liberty Foundation, with individual business units contributing to specific social projects where appropriate. In keeping with stated objectives of recent years, Liberty Group has focused most of its social initiatives on empowering people in historically underresourced communities.

Liberty Group maintains a proud tradition of responsible corporate citizenship. The popular Liberty Learning Channel, televised by the South African Broadcasting Corporation, is now reaching an estimated 100 million schoolchildren and is additionally broadcast in 17 countries outside of South Africa. The successful education channel is complemented by learn.co.za, the Liberty-sponsored Internet education site.

Directorate

After almost 34 years of service to the Group, more than 20 as a director, Steve Handler retired during the year. I would like to thank him for his valued contributions to both the board and the Group's day-to-day operations. Mark Bloom was appointed financial

CHAIRMAN'S STATEMENT

director of the Group in September 2000. Towards year-end, executive director Carmen Maynard resigned after almost two years of service on the board and we thank her for her contribution.

Prospects

The planned capital reduction, together with the improved business unit structures and entrepreneurial culture, are expected to enhance returns to shareholders in 2001. The life fund operating surplus remains dependent on the performance of local and international equity and bond markets.

Appreciation

The year's achievements have been led by Roy Andersen through the Group's executive committee, managers and staff. The Group is fortunate to have a man of Roy's calibre at its head, as well as dedicated people at every level. I would like to thank them on behalf of all the shareholders in Liberty Group for their unstinting efforts during the year.

To the board of directors, my personal thanks for their support and counsel during the year.

Finally, without the continued support of shareholders, policyholders, brokers, agents, franchises and suppliers, we would not exist. We extend both our thanks and our promise of continued service to you all.



Derek Cooper

Chairman

6 March 2001





LIBERTY

“The Group’s day-to-day operations are in the hands of competent and dedicated people...”

S T R A T E G Y

Y

EXECUTIVE MANAGEMENT COMMITTEE



Roy Andersen
*Group Chief Executive
Liberty Group*



Hylton Appelbaum
*Executive Director
Liberty Group*



Mark Bloom
*Executive Director, Finance
Liberty Group*



Gavin Came
*Managing Director
Electric Liberty*



Mike Garbutt
*Managing Director
Liberty Consultancy*



Lee Izikowitz
*Chief Information Officer
Liberty Group*



Mike Jackson
*Executive Director
Financial Services
Operations
Liberty Group*



Craig Lawrence
*Human Resources Executive
Liberty Group*



Mike Lledo
*Managing Director
Liberty Collective
Investments*



Ian Maron
*Managing Director
Liberty Corporate
Benefits*



Jim McLean
*Managing Director
Liberty Group Properties*



Alan Miller
*Managing Director
Liberty Asset
Management*



Dave Nohr
*Executive Director
Actuarial
Liberty Group*



Dan Pienaar
*Managing Director
Liberty Healthcare*



Martin Smale
*Managing Director
Liberty Personal Benefits*



Alan Woolfson
*Managing Director
Charter Life*



CORPORATE GOVERNANCE REVIEW

Introduction

The Liberty Group (Liberty Holdings Limited, Liberty Group Limited and its subsidiaries) is committed to the promotion of good corporate governance practice as set out in the *King Report on Corporate Governance in South Africa* of November 1994. The Group complies fully with the contents of the King Report, including the code of corporate practices and conduct.

The Group is also committed to the ongoing review and continuous reassessment of the quality of corporate governance practices in South Africa. To this end, the Group's chairman, Derek Cooper, and the deputy chairman and group chief executive, Roy Andersen, are active members of two of the task teams of the King Committee, which has been established to review the 1994 report to ensure that it remains relevant to, and adequate for, South Africa's dynamic and more complex business environment.

As a continuous management objective, the Liberty Group maintains a strong drive to remain at the cutting edge of global best practices in business management and corporate governance. The primary motivation is to ensure that the Group conducts all its business activities with complete integrity in order to serve the best possible mutual interests of all stakeholders, including investors, employees, policyholders and other clients.

Board of directors

Composition of the board of directors

The compositions of the board of directors of both Liberty Group Limited and Liberty Holdings Limited are featured on pages 6 and 68, respectively, of the financial statements and actuarial reports booklet.

The two listed companies have adopted unitary board structures, with the Liberty Group and Liberty Holdings boards consisting of 18 and 10 directors, respectively. These directors are drawn from diverse backgrounds and bring a wide range of experience, insight and professional skills to the board.

Role and function of the board of directors

The boards are responsible to all shareholders for the proper management and ultimate control of the Liberty Group and participate in discussions on, and monitor the progress of, strategic direction and policy, business acquisitions and disposals, the approval of major capital expenditure, consideration of significant financial matters, the monitoring of executive management's activities and any other matters that have a material impact on the Group's affairs.

The boards meet quarterly under the chairmanship of Mr Derek Cooper. Additional meetings are arranged as and when necessary. The Group's overall daily operations are managed and overseen by Mr Roy Andersen as group chief executive.

Independence of the board of directors

By maintaining at least five primary controls, the board of directors' independence from the daily executive management team is ensured:

- the roles of chairman and chief executive are kept separate;
- in Liberty Group Limited, 13 of the 18 directors are non-executive and, in Liberty Holdings Limited, nine of the 10 directors are non-executive;
- the group audit and actuarial and the group remuneration committees consist entirely of independent, non-executive directors;
- non-executive directors do not hold service contracts and their remuneration is not tied to the financial performance of the companies; and
- all directors have access to the advice and services of the group secretary and, with the prior agreement of the group chairman (or the group chief executive), are entitled to seek independent professional advice on the affairs of the Liberty Group at the Company's expense.

Appointment and re-election of directors

Directors are subject to retirement by rotation and re-election by shareholders at least once every three years in accordance with the Company's articles of association. The appointment of new directors is approved directly by the appropriate board.

The group chief executive has, as part of his contract of employment, a requirement to give or receive six months' notice to terminate his services.

Internal, financial and operating controls

The boards of directors of the companies in the Liberty Group acknowledge their ultimate responsibility for the Group's systems of internal, financial and operating controls and the monitoring of their effectiveness. These systems are designed to provide reasonable, but not absolute, assurance against material misstatement and loss.

The identification of risks and the detailed design, implementation and monitoring of adequate systems of internal, financial and operating controls to manage such risks are delegated to senior executive management by the boards. The group audit and actuarial committee reviews these matters regularly on behalf of the boards.

Even effective systems of internal, financial and operating controls, no matter how well designed, have inherent limitations, including the possibility of circumventing or overriding such controls. Effective systems of internal, financial and operating controls, therefore, aim to provide reasonable assurance of the reliability of financial information and, in particular, the preparation of financial statements.

CORPORATE GOVERNANCE REVIEW

Moreover, changes in the business and operating environment could have an impact on the effectiveness of such controls, which, accordingly, will need to be reviewed and reassessed continuously.

The Group maintains internal, financial and operating controls that are designed to provide reasonable assurance regarding:

- the safeguarding of assets against unauthorised use or disposition;
- compliance with statutory laws and regulations; and
- the maintenance of proper accounting records and the adequacy and reliability of financial information.

The external and internal audit functions assist in providing the boards and senior executive management with monitoring mechanisms for identifying risks and assessing controls appropriate to managing such risks.

The boards of directors of the companies in the Liberty Group have not been made aware by senior executive management or internal audit representatives of any issue that would constitute a material breakdown in the functioning of these controls during the financial year under review or subsequently.

The external auditors, although not responsible for the Group's systems of controls, are not aware – based on the scope of the work performed by them – of any matters relating to such controls that would constitute a material breakdown. A material breakdown is defined as being any identified weaknesses that result in material losses, contingencies or uncertainties that require disclosure in the annual financial statements or the external auditors' report.

Subcommittees of the board of directors

The boards have established two standing committees. These committees, the group audit and actuarial committee and the group remuneration committee, operate according to the terms of reference stipulated by the respective boards. Details of these and all other relevant group committees are featured on pages 22 to 25.

Other key governance issues

Directors' remuneration

Performance component

The package for executive directors includes a fixed salary and benefit component, as well as a variable performance-linked payment and an allocation of share options. Pension and medical aid benefits are provided on the same basis as provided to all employees.

Reviews done annually

Packages, including bonus payments, are reviewed annually with due regard to performance and market rates. No director is present when his package is discussed.

A fee for non-executive directors

Non-executive directors receive a fee for their contribution to the boards and board committees of which they are members. Fee structures are recommended to the remuneration committee and the board by the chairman, after suitable research on trends in and levels of directors' remuneration.

The disclosure of directors' emoluments, of Liberty Group Limited and Liberty Holdings Limited, is incorporated on pages 51 and 90, respectively, of the financial statements and actuarial reports booklet.

Going concern

The financial statements, of Liberty Group Limited and Liberty Holdings Limited, set out on pages 13 to 59 and pages 72 to 95, respectively, have been prepared on the going concern basis because the directors are satisfied that the Group has adequate resources to continue in business for the foreseeable future.

The directors' statement, of Liberty Group Limited and Liberty Holdings Limited, on the Group as a going concern is set out in their report on pages 7 and 69, respectively, of the financial statements and actuarial reports booklet.

Internal audit

The internal audit functions of the Liberty Group are located in group internal audit services. The Group's internal auditors perform an independent review and appraisal of the Group's operational activities and operate with the full authority of the group audit and actuarial committee.

Group internal audit services is charged with examining and evaluating the effectiveness of the Group's operational activities, the attendant business risks and the systems of internal, financial and operating controls, with major weaknesses being brought to the attention of the group audit and actuarial committee, the external auditors and members of senior executive management for their consideration and remedial action.

All reports issued by group internal audit services are circulated to the external auditors for their perusal, comment and action where appropriate.

Company secretarial function

The company secretary is required to provide the directors of the company, collectively and individually, with guidance as to their duties, responsibilities and powers. He is also required to ensure that the directors are aware of all laws and legislation relevant to, or affecting the Company and reporting at any meetings of the shareholders of the Company or of the Company's directors, any failure to comply with such law or legislation.

The company secretary is also required to ensure that minutes of all shareholders' meetings, directors' meetings and the meetings of any committees of the directors are properly recorded in accordance with section 242 of the Companies Act.

Code of ethics

The Group subscribes to the highest levels of professionalism and integrity in conducting its business and dealings with stakeholders. All group employees and representatives are expected to act in a manner that inspires trust and confidence from the general public.

The Group has formalised a code of ethics, which prescribes the Group's approach to business ethics and its obligations to clients, shareholders, employees, representatives, suppliers, the general public and the authorities.

This code of ethics, which has been – and will continue to be – the subject of a dialogue with the Group's employees and representatives, specifies the following basic approach to business ethics:

- commercial businesses should operate and compete in accordance with the principles of free enterprise;
- free enterprise is, nevertheless, constrained by the observance of law and of generally accepted principles governing ethical behaviour in business;
- ethical behaviour is founded on the concept of utmost good faith and characterised by integrity, reliability and a commitment to avoid harm;
- ethical business activities will benefit all participants through a fair exchange of value or satisfaction of need;
- the creation and enjoyment of profit is both a legitimate component of this exchange and an incentive to continue participating in business;
- other than the observance of legal and ethical business practices, we expect no favours from our competitors – nor should they expect any from us;

Group Audit and Actuarial Committee

(Left to right: Alan Romanis, Selwyn MacFarlane, Doug Band and Buddy Hawton)



LIBERTY

“The Group subscribes to the highest levels of professionalism and integrity...”

- we expect equivalent standards of ethical behaviour from those individuals and companies with whom we conduct business; and
- it is incumbent upon every commercial enterprise to strive for excellence in its ethical standards, as in any other aspect of its activities.

Employment equity

A charter was drafted for the Liberty Group's employment equity forum and the forum was established in March 1999. The employment equity charter presents, prescribes and outlines the basis upon which employment equity will be embraced by the Liberty Group in terms of South Africa's Employment Equity Act.

The forum assists the executive management committee by providing constructive ideas and practicable formulae in relation to South Africa's new Employment Equity Act, and also assists the Group to address the challenges of diversity in the workplace.

During the year, the forum reviewed quarterly performance against plans and advised on areas where changes were required and/or additional interventions required. It also assisted the Group with the development of the Employment Equity Plans, as well as the preparation of the reports for the Department of Labour. The Group has been included in the Equity Registry launched by the Department of Labour.

The Group appointed a dedicated manager whose main role is the co-ordination and execution of the work needed to embrace employment equity. This function resides within Group Human Resources and works closely with the forum.

Corporate social responsibility

The Group has been actively concerned with various aspects of social development for more than 30 years and, through the activities of the Liberty Foundation and other Group community-focused initiatives, has gained an enviable reputation for sustained and innovative involvement in the upliftment of the historically disadvantaged members of South African society.

In particular, the Group's corporate social responsibility and investment activities are concentrated on educational activities to ensure that South Africa evolves towards realising much of its untapped human capital potential.

More detailed comment on the activities of the Liberty Foundation – along with some of the other more notable social investments and socioeconomic enhancement projects undertaken by the Group – are summarised on pages 26 to 30.

Communications with stakeholders and shareholders

The Liberty Group is committed to a policy of effective communication and engagement with its stakeholders on issues of mutual interest. It subscribes to a policy of open, frank and timeous communication with its stakeholders in its activities on both financial and non-financial matters.

The main stakeholders fall into the following broad categories:

- shareholders, policyholders and the investment community;
- intermediaries;
- employees and their community; and
- suppliers and business partners.

The communication of the stewardship of the financial and other resources, and the strategic direction of the Group, have been prompt and open. This commitment was rewarded during the period under review when the Group received the Best Presentation Award 2000 from the Investment Analysts' Society of Southern Africa (IAS).

The Group produces an annual employee report in which the highlights, corporate aspirations and activities of the preceding financial year are reviewed. A comprehensive Intranet site, to which unrestricted access is available to every employee, has been established to ensure prompt communication and to provide employees with information on topics of interest. These topics include information on job vacancies, as well as available opportunities for employee training and development.

In addition, Roy Andersen, the chief executive, and Mike Jackson, the executive director in charge of financial services operations, meet with employees at open monthly executive staff lunches. At these functions, employees are encouraged to engage them in key business and workplace issues of mutual interest.

The Group has also established a consultative process with employees in order to ameliorate the impact of technological and other organisational changes in the working environment and, as a result, has enjoyed continuing good labour relations.

The Group seeks to promote a healthy, secure and participative social and working environment with its staff, business associates and society at large. The duty of being a responsible, caring and exemplary corporate citizen is considered to be an obligation – and never a choice.

CORPORATE GOVERNANCE REVIEW

Closed period

The Group operates a closed period prior to the publication of its preliminary interim results and annual results. During the closed period, the Group's directors and officers may not deal in the shares of the Group's listed companies.

Additional closed periods are enforced as required in terms of any corporate activity.

Governance, management and review committees

Board subcommittees

Group audit and actuarial committee

Members

Messrs W S MacFarlane (chairman and independent non-executive director), D D B Band, D A Hawton and A Romanis (all of whom are independent non-executive directors).

S Handler, an actuary, and retired senior executive director of the Liberty Group, acts as a consultant to the committee.

Principal objectives

The group audit and actuarial committee's principal objectives are to:

- act as an effective communication channel between the boards on the one hand and the external auditors and the head of internal audit on the other;
- satisfy the boards that adequate internal, financial and operating controls are addressed and monitored by management and that material corporate risks have been identified and are being contained and monitored;
- provide the boards with an assessment of the effectiveness of the external auditors and the internal audit function;
- enhance the quality, effectiveness, relevance and communication value of the published financial statements and other public documentation issued by the Liberty Group, with specific focus being placed on the actuarial assumptions, parameters, valuations and reporting guidelines and practices adopted by the statutory actuary as deemed appropriate to the Group's life insurance activities; and
- provide the boards with an independent point of reference in seeking a resolution of interpretative and controversial issues that impact on the published financial statements and other public documentation issued by the Liberty Group.

The members of the group audit and actuarial committee review the audit plans and scope of the external and internal audit functions. The external auditors, the head of internal audit and the statutory actuary have unrestricted access to the chairman of the group audit and actuarial committee at all times.

Committee meetings

Group audit and actuarial committee meetings are held four times a year and are attended by the Group's external auditors, the statutory actuary, the head of internal audit and the appropriate members of the senior executive management team.

Group remuneration committee

Members

Messrs D A Hawton (chairman), D D B Band (both independent non-executive directors) and D E Cooper (chairman of the board of directors).

Principal objectives

The group remuneration committee's principal objectives are to:

- ensure that executive directors and members of senior executive management are appropriately and fairly remunerated and incentivised for their contribution to the Liberty Group's financial and operating performance after taking due account of market and industry benchmarks; and
- ensure that remuneration methods, criteria and practices are executed in line with the overall practices of good corporate governance.

Meetings

Group remuneration committee meetings are held four times a year.

Management committees

Executive management committee (EMC)

Members

Messrs R C Andersen (chairman), M J Jackson, D S Nohr, H I Appelbaum, M A Bloom, L G Came, M L Garbutt, L I Izikowitz, C V Lawrence, I H Maron, M J Lledo, J McLean, A J Miller, D L C Pienaar, M Smale and A J Woolfson.

Primary objectives and meetings

The executive management committee acts as an advisory body to the group chief executive on the routine operations of the Liberty Group. It meets monthly and is responsible for the strategic plan, its implementation and the monitoring of its progress.

Membership changes

Mr S Handler retired from the Company and the committee on 31 August 2000, while Ms C E Maynard resigned from the Company and the committee on 3 November 2000. Messrs M J Lledo and M Smale were appointed to the committee in September 2000 and October 2000, respectively.

The various risk management committees detailed below are represented at the executive management committee.

Group finance committee

Chairman

M A Bloom

Primary objectives and meetings

The group finance committee is responsible for financial operating and policy decisions, the group finance committee meets quarterly to:

- confirm the compliance of the Group's accounting policies;
- evaluate the fairness and reasonableness of the presentation of financial statements; and
- consider topical finance-related issues.

Product development committee

Chairman

R C Andersen

Primary objectives and meetings

The product development committee meets monthly to assess whether all new products conform to the Group's predetermined requirements and standards such as appropriate margins, investment backing, legal, underwriting and, where appropriate, currency risks, as well as the Group's administrative capabilities for managing these products.

Investment operations committee

Chairman

M A Bloom

Primary objectives and meetings

The investment operations committee oversees the high-level asset mix parameters for various products and portfolios. It is also tasked with agreeing mandates for performance of each investment portfolio in conjunction with Liberty Asset Management. Asset/liability matching is a core focus of the committee. This committee meets monthly.

Group compliance committee

Chairman

R C Andersen

Primary objectives and meetings

The group compliance committee meets quarterly to review the Group's level of compliance with internal control and risk management procedures. The Group has appointed a full-time compliance officer.

Underwriting committee

Chairman

D S Nohr

Primary objectives and meetings

All new rate tables are reviewed by the underwriting committee, which meets quarterly.

Technology strategy committee

Chairman

L I Izikowitz

Primary objectives and meetings

The principal objective of the committee is to ensure that due diligence is applied in the selection and adoption of new technologies. The committee meets monthly.

Continuing focus on empowerment yields rewards

Introduction

The first few years of South Africa's post-apartheid era have been brimming with socioeconomic challenges. The clarion call that has resounded the longest and loudest during this passage is the pressing need to accelerate economic growth and to orchestrate an all-out assault on poverty. The lack of basic resources in disadvantaged communities countrywide, in particular, has become a core challenge.

Sensitive to the need to equip an increasing percentage of marginalised and disadvantaged South Africans with the empowering resources they need to achieve meaningful socioeconomic progress and greater personal self-sufficiency, the Liberty Group will sustain its proud tradition of being a responsible and caring corporate citizen.

After 30 years of active social engagement in the broader community, the Liberty Group remains one of South Africa's leading corporate social partners. The Group intends to maintain this position – not only through the ongoing activities of the successful Liberty Foundation, but also through mutually beneficial community project opportunities as they arise in the everyday marketplace activities of the Group's business units.

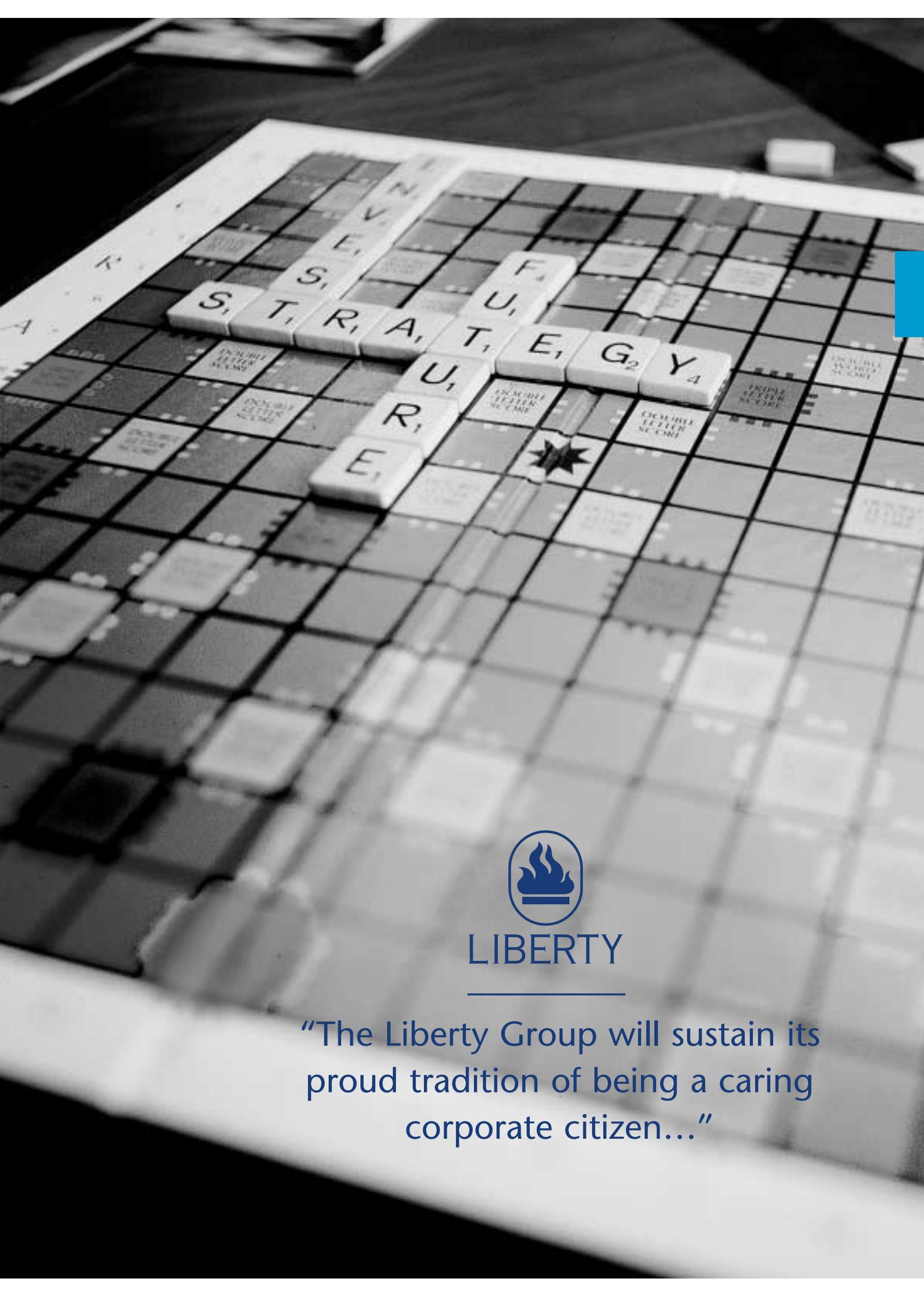
The rapid advent of both the global economy and of convergent information and communication technologies and media has magnified the scope of South Africa's socioeconomic challenges. South Africa has reached that juncture in its evolution when the nation's political, business, community and other organised leaders must reaffirm and intensify their collective commitment to leading the country on to the world's main economic stage. Without visionary leadership and collective efforts, we risk seeing a nation slump into a severe socioeconomic malaise.

Much of Liberty's current and envisaged future social upliftment activity, therefore, will be focused more keenly on what the Group can do to help its social partners and beneficiaries to stimulate and direct South Africa's socioeconomic advancement.

THE LIBERTY FOUNDATION

Foundation profile

Established by the Group in 1971, the Liberty Foundation is driven by a philosophy of empowerment, rather than a culture of short-term charitable handouts. Under the leadership of executive director Hylton Appelbaum, the foundation operates on the premise that people in historically disadvantaged communities can and should be empowered to have and pursue choice so that they can achieve sustainable self-sufficiency and thereby play a more constructive role in society.



LIBERTY

“The Liberty Group will sustain its proud tradition of being a caring corporate citizen...”

To this end, the foundation pursues four main objectives:

- to provide funding for effective educational, social developmental and charitable endeavours;
- to promote individual empowerment and sustainable economic development;
- to encourage community organisations to harness their skills and expertise in order to generate economic activity, create new jobs and build capacity; and
- to identify strategic development opportunities and to help to make them achievable.

The Liberty Foundation's geographic focus remains national, with foundation staff continuously visiting, assessing and monitoring social projects. Synergistic community and national partnerships are favoured, as are practical initiatives that harness new and appropriate media and technology in order to facilitate the attainment of project goals.

Since 1990 the foundation has invested more than R320 million into social development initiatives throughout South Africa.

Education and human capital

By world-best standards, South Africa still has a large core of unskilled and underskilled people, many of whom remain trapped by poverty. This core, along with the greater South African society, is under increasing pressure from the rapid advent of information and communication technology worldwide, as well as the global economy in which new levels of competitiveness are being set by the more aggressive and skilled nations. The foundation, therefore, has been increasing its commitment to investing in, and supporting, education projects and their complementary initiatives that are focused on developing a richer core of human capital.

It is for such reasons that the Liberty Foundation sponsors a series of popular educational supplements that are published regularly by major national and regional newspapers, as well as an educational channel, which is broadcast on television. Besides the recipient educators and learners receiving valuable educational material free of charge, or at an extremely minuscule cost, the beneficiaries are also being exposed to key global, national and regional developments and issues. This form of media exposure helps the beneficiaries to appreciate the deeper value of receiving a formal education in order to become skilled, productive and globally minded citizens. Civil society cannot thrive at its full potential unless it has a well-informed and more highly skilled citizenry.

Regular newspaper supplements sponsored by Liberty include Primary Matters, ReadRight, Matric Matters and Sowetan Education. Complementing such initiatives is The Liberty Learning Channel, which is televised over about 600 hours a year by the South African Broadcasting Corporation (SABC). The channel delivers core curriculum material for grade 11 and 12 school learners in the subjects of biology, chemistry, mathematics, physics and English.

More and more schools countrywide are integrating the Liberty Learning Channel into their routine teaching environment. The Group remains convinced that the growing success of the channel has, in part, contributed to the overall improvement in the country's matric pass rates achieved by State-owned public schools in recent years.

The channel's programmes are also televised to at least 100 million learners in 17 other African countries, including neighbouring states, as well as more distant countries such as Ethiopia, Ghana and Nigeria.

In turn, these media (newspapers and television) are used to market the value of accessing the Internet and its proliferation of valuable educational and skills development material. One of the Internet's most well-supported educational websites, www.learn.co.za, is sponsored by the Liberty Foundation. In a smart example of bringing the true value of the Internet to underresourced communities, the website not only allows learners to use interactive teaching and learning facilities, but also to receive free, downloadable textbooks.

During 2000 the Liberty Foundation embarked on an initiative to facilitate the publication and distribution of affordable textbooks, thereby helping to deliver the new curriculum to many underresourced primary and secondary schools around the country.

Tertiary education also continues to receive considerable attention, most notably some of the country's universities. South Africa is recognised as having some of the finest universities in the southern hemisphere, a status that is under threat if large corporations do not continue to build academic support partnerships with universities and the national Department of Education.

Besides the Group facilitating and co-sponsoring undergraduate and postgraduate business-related studies for qualifying employees and a select few school-leavers, the Liberty Foundation believes there is also merit in sponsoring and supporting some of the more esoteric, non-business-related university faculties, departments and facilities.

This commitment has two main objectives:

- to promote the attainment and retention of academic excellence in South Africa; and
- to ensure that the country's cultural diversity is complemented by academic diversity.

In recognition of their unique academic value and world-class stature, the foundation sponsored a few select academic units and programmes during 2000. These beneficiaries, among others, include:

- the International Library of African Music at Rhodes University in Grahamstown;
- the School of Ichthyology at Rhodes University; and
- the Centre for Alternative and Augmentative Education at the University of Pretoria.



Buy-Afrika and other employment initiatives

South Africa's comparatively high percentage of unemployed adults, by world norms, remains a major concern, hence the foundation's ongoing initiatives to help unemployed groups to identify, develop and sustain viable enterprises. In particular, the foundation continued to support the thriving, non-profit Buy-Afrika initiative. This collaborative venture promotes the design, development, marketing and advancement of well-designed, high-quality and distinctly African artefacts and other goods for sale to local and international consumers.

The current Buy-Afrika catalogue features about 3 000 products made by 800 manufacturing enterprises with a combined employee complement of about 23 000 people. The Internet-based electronic catalogue and cyberstore, www.buy-afrika.com, has become a vital marketing and sales medium for the co-operative venture. This e-commerce advance is expected to play a key role in creating new job opportunities. Buy-Afrika's recent Christmas Africa initiative was immensely popular in South Africa and internationally. So successful is Buy-Afrika, it continues to receive multimillion-rand purchase orders from major European and American retail groups.

In recognition of its inspirational achievements, the Liberty-sponsored Buy-Afrika project was adjudged the winner in the single project category of the 1999 BASA Awards from Business and Arts South Africa (BASA) in 2000. The award was in recognition of the foundation's "innovative and successful sponsorship of the arts".

Through the new collaborative Ikamva la Bantu venture, the Liberty Foundation last year donated the start-up funds to enable women from disadvantaged communities in the Western Cape to acquire and apply commercially viable sewing skills. Many women have since established their own micro enterprises and are employing scores of previously unemployed people. Their handicraft, including clothing, household linen and puppets, is sold locally and internationally.

In another key initiative, the foundation came to the aid of the Tokologo Quadriplegic Centre at Soweto in greater Johannesburg. The centre is the only specially designed and managed facility in Soweto that accommodates quadriplegics who live independently from their families. Strapped for cash and other resources, and facing a bleak future dependent on meagre state grants, Tokologo received sufficient funding from the Liberty Foundation and other corporate donors to establish a spaza shop and an automated laundry.

Other social projects

The country's increasing HIV/Aids pandemic, now claimed to affect as many as 20% of South Africa's economically active population, continues to receive considerable attention from the Liberty Foundation. In the province of Gauteng, for example, the foundation has been sponsoring the Hope Worldwide HIV/Aids awareness and support programme. In Gauteng, Hope Worldwide has been concentrating its informational, educational and counselling efforts in informal settlements. One of the organisation's activities is to establish community support structures, such as day-care centres, to accommodate the needs of Aids orphans and the children of mothers who are HIV-positive.



LIBERTY

“One of the major social projects of 2000 for the Group was the launch of the Liberty-one helicopter...”

SOCIAL INVESTMENT REVIEW

HIV/Aids support initiatives during 2000 extended to helping some of those underresourced communities that do not have Aids hospices or similar care-giving institutions. The foundation provided the funds and some of the other essential resources to start community-specific programmes to train and equip care-givers to nurse and support afflicted people in the terminal phase of their Aids-related ailments.

GROUP SOCIAL INITIATIVES

Liberty-one medical rescue helicopter

One of the major social projects of 2000 for the Group and, more notably, Liberty Healthcare was the launch of the Liberty-one helicopter as the primary emergency response vehicle of the Special Trauma Air Response (STAR) service in Gauteng. Based at the Johannesburg General Hospital, STAR provides a rapid-response, 24-hour medical emergency facility for the greater community of Gauteng.

The Liberty-one launch was timed to coincide with the Department of Transport's Arrive Alive road safety campaign. Liberty-one and Echo-two, STAR's sister rescue helicopter based at Centurion's Unitas Hospital, undertake an average of more than 200 emergency rescue missions a month. The STAR Liberty-one rescue vehicle is believed to be one of only 18 medical rescue helicopters worldwide that carries a medical doctor and a paramedic on board at all times.

Working in partnership with a major cellular telephony service provider, Liberty Healthcare also helped to establish and is now sponsoring the 24-hour Medi Info medical advisory helpline service.

Business Trust

The Liberty Group remained a member of The Business Trust throughout 2000. The Business Trust is sponsored and assisted by more than 100 South African companies, including Liberty Group Limited. Its primary function is to maintain an open, constructive and ongoing dialogue with the South African Government in order to find long-term solutions for pressing national issues. Working closely with partner organisations, The Business Trust fulfils a key role in helping to:

- create employment opportunities through tourism;
- develop improved human capital through better schooling; and
- counter crime and corruption.

During 1999 and 2000 the Group contributed R6 million to The Business Trust, a fruitful initiative that will be supported further throughout 2001.

LIBERTY GROUP LIMITED

Notice is hereby given that the forty-third annual general meeting of members will be held on Thursday, 26 April 2001 at 09:30 at the Liberty Conference Centre, 1 Anerley Road, Parktown, Johannesburg, to transact the following business:

1. To receive and consider the audited financial statements for the year ended 31 December 2000.
2. To elect directors in place of Mrs E Bradley, Mr H I Appelbaum, Mr M A Bloom, Mr D D B Band, Mr D A Hawton, Mr M J Jackson and Dr C B Strauss who retire in accordance with the Company's articles of association but, being eligible, offer themselves for re-election.
3. To consider and if deemed fit, to pass with or without modification, the following ordinary resolution number 1:
"That the members of the Company hereby approve the establishment of the Liberty Group Share Incentive Scheme, a copy of which will be tabled at the meeting and initialled by the chairman of the meeting for the purpose of identification."
4. To consider and if deemed fit, to pass with or without modification, the following ordinary resolution number 2:
"That all the unissued ordinary shares of the Company be placed under the control of the directors of the Company who be and they are hereby authorised, subject to sections 221 and 222 of the Companies Act, 1973 and the requirements of the JSE Securities Exchange South Africa, to allot and issue such shares in their discretion on such terms and conditions as and when they deem it fit to do so."
5. To consider and if deemed fit, to pass with or without modification, the following ordinary resolution number 3:
"That with the exception of a pro rata rights offer to members and subject to the passing of ordinary resolution number 2, and the requirements of the JSE Securities Exchange South Africa, the directors be given the specific authority to issue ordinary shares of 10 cents each for cash as and when suitable situations arise, subject to the following limitations:
 - (a) that this authority shall not extend beyond 15 (fifteen) months from the date of this general meeting;
 - (b) 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 representing, on a cumulative basis within one year, 5% or more of the number of shares of that class in issue prior to the issues;
 - (c) that issues in the aggregate in any one year will not exceed 15% of the number of shares of any class of the Company's issued share capital, including instruments which are compulsorily convertible into shares of that class;
 - (d) that, in determining the price at which an issue of shares will be made in terms of this authority, the maximum discount permitted will be 10% of the average traded price of the shares in question, as determined over the 30 days prior to the date that the price of the issue is determined."

The approval of a 75% majority of the votes cast by shareholders present or represented by proxy at this meeting is required for this ordinary resolution number 3 to become effective.

6. To consider and if deemed fit, to pass the following resolution as special resolution number 1:
"That the directors be authorised to facilitate, inter alia, the acquisition by the Company, or a subsidiary of the Company, from time to time of the issued shares of the Company, upon such terms and conditions and in such amounts as the directors of the Company may from time to time decide, but subject to the provisions of the Companies Act, 1973 (Act 61 of 1973), as amended, the Listings Requirements from time to time of the JSE Securities Exchange South Africa ("the JSE") ("the Listing Requirements") and the provisions of the Long-term Insurance Act, 1998 (Act 52 of 1998), which general approval shall endure until the following annual general meeting of the Company (whereupon this approval shall lapse unless it is renewed at the aforementioned annual general meeting, provided that it shall not extend beyond fifteen months from the date of registration of this special resolution number 1), it being recorded that the Listings Requirements currently require, inter alia, that the Company may make a general repurchase of securities only if:
 - (i) the repurchase of securities is implemented on the JSE "open market";
 - (ii) the Company is authorised thereto by its articles of association;
 - (iii) the Company is authorised by shareholders in terms of a special resolution of the Company, in general meeting, which authority shall only be valid until the next annual general meeting, provided it shall not extend beyond 15 (fifteen) months from the date of the resolution;
 - (iv) the repurchase should not in aggregate in any one financial year exceed 10% of the Company's issued share capital, provided that any general repurchase may not exceed 10% of the Company's issued share capital in any one financial year;

NOTICE TO MEMBERS

- (v) repurchases are not made at a price more than 10% above the weighted average of the market value for the securities for the five business days immediately preceding the repurchase; and
- (vi) a paid press announcement containing full details of such acquisition is published as soon as the Company has acquired shares constituting, on a cumulative basis, 3% of the number of shares in issue prior to the acquisition."

The board of directors are of the opinion that, were the Company to enter into a transaction to repurchase shares totalling 10% of the current issued share capital at the maximum price at which repurchase may take place, i.e. a 10% premium above the weighted average of the market value for the securities for the five business days immediately preceding the date of the repurchase, based on the ruling market price of the Company's ordinary shares on the JSE at the last practical date prior to the printing of these annual financial statements:

1. the Company will be able to pay its debts as they become due in the ordinary course of business;
2. the consolidated assets of the Company, fairly valued in accordance with South African Statements of Generally Accepted Accounting Practice, will exceed the consolidated liabilities of the Company;
3. the issued share capital of the Company will be adequate for the purpose of the business of the Company and of its subsidiaries for the foreseeable future; and
4. the working capital available to the Company and its subsidiaries will be sufficient for the Liberty Group's requirements for the foreseeable future.

At the present time the directors have no specific intention with regard to the utilisation of this authority, which will only be used if the circumstances are appropriate.

REASON AND EFFECT

The reason for and effect of special resolution number 1 is to grant the Company a general authority in terms of the Companies Act, 1973 (Act 61 of 1973), as amended, to facilitate the acquisition of the Company's own shares, which general authority shall be valid until the earlier of the next annual general meeting of the Company or its variation or revocation of such general authority by special resolution by any subsequent general meeting of the Company, provided that the general authority shall not extend beyond 15 months from the date of this general meeting. Such general authority will provide the directors with flexibility to effect a repurchase of the Company's shares, should it be in the interest of the Company to do so at any time while the general authority is in force.

7. To consider and if deemed fit, to pass the following resolution as special resolution number 2:

"That paragraphs 1 to 4 of the memorandum of association of the Company be and are hereby deleted and replaced by new paragraphs 1 to 8, as initialled by the chairman of the meeting for the purpose of identification."

REASON AND EFFECT

The reason for and effect of special resolution number 2 is to amend the memorandum of association of the Company in order to comply with the Long-term Insurance Act 1998.

8. To consider and if deemed fit, to pass the following resolution as special resolution number 3:

"That the existing articles of association of the Company be abrogated in their entirety and that the articles of association, as initialled by the chairman of the meeting for the purpose of identification, be and are hereby adopted as the articles of association of the Company."

REASON AND EFFECT

The reason for and effect of special resolution number 3 is to adopt new articles of association for the Company in order to comply with the Long-term Insurance Act 1998, the new listings requirements of the JSE Securities Exchange South Africa and to provide for the dematerialisation of scrip in the STRATE environment.

Copies of the proposed amendments to the memorandum of association, the new articles of association and the Liberty Group Share Incentive Scheme are available for inspection at the registered office of the Company during normal business hours until the commencement of the annual general meeting.

By order of the board

J Worwood FCIS
Group secretary

Johannesburg
6 March 2001

LIBERTY HOLDINGS LIMITED

Notice is hereby given that the thirty-third annual general meeting of members will be held on Thursday, 26 April 2001 at 09:45 at the Liberty Conference Centre, 1 Anerley Road, Parktown, Johannesburg, to transact the following business:

1. To receive and consider the audited financial statements for the year ended 31 December 2000.
2. To elect directors in place of Messrs D D B Band, D A Hawton, W S MacFarlane and Dr C B Strauss who retire in accordance with the Company's articles of association but, being eligible, offer themselves for re-election.
3. To consider and if deemed fit, to pass with or without modification, the following ordinary resolution number 1:
"That all the unissued ordinary shares, the unissued redeemable cumulative preference shares and the unissued convertible redeemable cumulative preference shares of the Company be placed under the control of the directors of the Company who be and they are hereby authorised, subject to sections 221 and 222 of the Companies Act, 1973 and the requirements of the JSE Securities Exchange South Africa, to allot and issue such shares in their discretion on such terms and conditions as and when they deem it fit to do so."
4. To consider and if deemed fit, to pass with or without modification, the following ordinary resolution number 2:
"That with the exception of a pro rata rights offer to members and subject to the passing of ordinary resolution number 1, and the requirements of the JSE Securities Exchange South Africa, the directors be given the specific authority to issue ordinary shares of 25 cents each for cash as and when suitable situations arise, subject to the following limitations:
 - (a) that this authority shall not extend beyond 15 (fifteen) months from the date of this general meeting;
 - (b) 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 representing, on a cumulative basis within one year, 5% or more of the number of shares of that class in issue prior to the issues;
 - (c) that issues in the aggregate in any one year will not exceed 15% of the number of shares of any class of the Company's issued share capital, including instruments which are compulsorily convertible into shares of that class;
 - (d) that, in determining the price at which an issue of shares will be made in terms of this authority, the maximum discount permitted will be 10% of the average traded price of the shares in question, as determined over the 30 days prior to the date that the price of the issue is determined."The approval of a 75% majority of the votes cast by shareholders present or represented by proxy at this meeting is required for this ordinary resolution number 2 to become effective.
5. To consider and if deemed fit, to pass the following resolution as special resolution number 1:
"That the directors be authorised to facilitate, inter alia, the acquisition by the Company, or a subsidiary of the Company, from time to time of the issued shares of the Company, upon such terms and conditions and in such amounts as the directors of the Company may from time to time decide, but subject to the provisions of the Companies Act, 1973 (Act 61 of 1973), as amended, and the Listings Requirements from time to time of the JSE Securities Exchange South Africa ("the JSE") ("the Listing Requirements") which general approval shall endure until the following annual general meeting of the Company (whereupon this approval shall lapse unless it is renewed at the aforementioned annual general meeting, provided that it shall not extend beyond fifteen months from the date of registration of this special resolution number 1), it being recorded that the Listings Requirements currently require, inter alia, that the Company may make a general repurchase of securities only if:
 - (i) the repurchase of securities is implemented on the JSE "open market";
 - (ii) the Company is authorised thereto by its articles of association;

NOTICE TO MEMBERS

- (iii) the Company is authorised by shareholders in terms of a special resolution of the Company, in general meeting, which authority shall only be valid until the next annual general meeting, provided it shall not extend beyond 15 (fifteen) months from the date of the resolution;
- (iv) the repurchase shall not in aggregate in any one financial year exceed 10% of the Company's issued ordinary shares, provided that any general repurchase may not exceed 10% of the Company's issued ordinary share capital in any one financial year;
- (v) repurchases are not made at a price more than 10% above the weighted average of the market value for the securities for the five business days immediately preceding the repurchase; and
- (vi) a paid press announcement containing full details of such acquisition is published as soon as the Company has acquired shares constituting, on a cumulative basis, 3% of the number of shares in issue prior to the acquisition."

The board of directors are of the opinion that, were the Company to enter into a transaction to repurchase shares totalling 10% of the current issued share capital at the maximum price at which repurchase may take place, i.e. a 10% premium above the weighted average of the market value for the securities for the five business days immediately preceding the date of the repurchase, based on the ruling market price of the Company's ordinary shares on the JSE at the last practical date prior to the printing of these annual financial statements:

1. the Company will be able to pay its debts as they become due in the ordinary course of business;
2. the consolidated assets of the Company, fairly valued in accordance with South African Statements of Generally Accepted Accounting Practice, will exceed the consolidated liabilities of the Company;
3. the issued share capital of the Company will be adequate for the purpose of the business of the Company and of its subsidiaries for the foreseeable future; and
4. the working capital available to the Company and its subsidiaries will be sufficient for the Liberty Holdings Group's requirements for the foreseeable future.

At the present time the directors have no specific intention with regard to the utilisation of this authority, which will only be used if the circumstances are appropriate.

REASON AND EFFECT

The reason for and effect of special resolution number 1 is to grant the Company a general authority in terms of the Companies Act, 1973 (Act 61 of 1973), as amended, to facilitate the acquisition of the Company's own shares, which general authority shall be valid until the earlier of the next annual general meeting of the Company or its variation or revocation of such general authority by special resolution by any subsequent general meeting of the Company, provided that the general authority shall not extend beyond 15 months from the date of this general meeting. Such general authority will provide the directors with flexibility to effect a repurchase of the Company's shares, should it be in the interest of the Company to do so at any time while the general authority is in force.

By order of the board

J Worwood FCIS
Group secretary

Johannesburg
6 March 2001

LIBERTY GROUP LIMITED
LIBERTY HOLDINGS LIMITED

<i>Financial year end</i>	31 December
<i>Annual general meeting</i>	26 April 2001
<i>Announcements</i>	
Half-year results for 2001	7 August 2001
Full-year results for 2001	5 March 2002
Annual report for 2001	31 March 2002
<i>Ordinary dividends</i>	
Interim	
– announcement	7 August 2001
– payable	7 September 2001
Final	
– announcement	5 March 2002
– payable	5 April 2002

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Telephone: (011) 408-3911

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New York NY 10286
United States of America

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Postal address

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Transfer secretaries – United Kingdom

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Bourne House
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Liberty Group Limited and Liberty Holdings Limited

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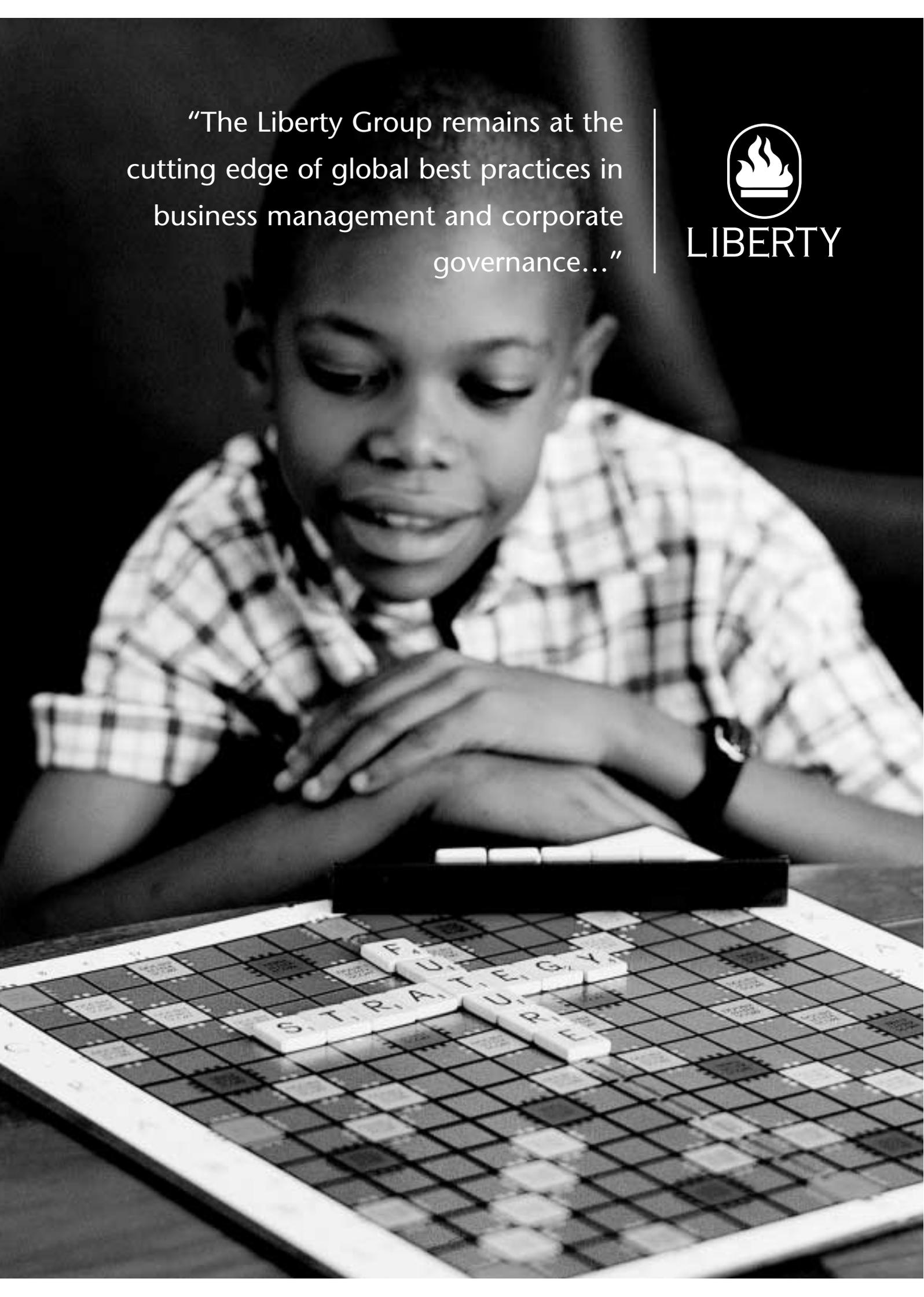
Website

www.liberty.co.za

“The Liberty Group remains at the cutting edge of global best practices in business management and corporate governance...”



LIBERTY



Liberty Group Limited
 (Incorporated in the Republic of South Africa)
 (Registration Number 1957/002788/06)

Forty-third annual general meeting to be held on Thursday, 26 April 2001 at 09:30

I/We

(Please print)

of

being a member/s of the Company and being the registered owner/s of

ordinary shares in the Company hereby appoint

or failing him

the chairman of the meeting to vote for me/us and on my/our behalf at the annual general meeting of the Company to be held on 26 April 2001 and at any adjournment thereof and to speak and act for me/us and, on a poll, vote on my/our behalf.

My/Our proxy shall vote as follows:

	In favour of	Against	Abstain
Adoption of financial statements			
Election of directors			
Ordinary resolution No. 1			
Ordinary resolution No. 2			
Ordinary resolution No. 3			
Special resolution No. 1			
Special resolution No. 2			
Special resolution No. 3			

Indicate with a cross how you wish your votes to be cast. If you do not do so, the proxy may vote or abstain at his discretion.

Dated this _____ day of _____ 2001

Signature _____

Liberty Group Limited

Notes

1. Proxies must be lodged at the Company's office, Liberty Centre, 1 Ameshoff Street, Braamfontein, Johannesburg, 2001 (Postal address: PO Box 10499, Johannesburg, 2000) so as to be received by not later than 48 hours before the time specified for the aforementioned annual general meeting.
2. A member may appoint one or more persons of his own choice as his proxy/ies by inserting the name/s of such proxy/ies in the space provided and any such proxy need not be a member of the Company. Should this space be left blank, the proxy will be exercised by the chairman of the meeting.
3. If a member does not indicate on this instrument that his proxy is to vote in favour of or against any resolution or resolutions or to abstain from voting, or gives contradictory instructions, or should any further resolution/s or any amendment/s which may be properly put before the annual general meeting be proposed, the proxy shall be entitled to vote as he thinks fit.
4. Unless the above section is completed for a lesser number of shares, this proxy shall apply to all the ordinary shares registered in the name of the member/s at the date of the annual general meeting or any adjournment thereof.
5. Companies and other corporate bodies are advised to appoint a representative in terms of section 188 of the Companies Act, 1973, for which purpose a duly certified copy of the resolution appointing such a representative should be lodged with the Company, as set out in 1 above.
6. The authority of the person signing a proxy form under a power of attorney must be attached hereto unless that power of attorney has already been recorded by the Company.
7. Any alterations made in this form of proxy must be initialled.

Liberty Holdings Limited

(Incorporated in the Republic of South Africa)

(Registration Number 1968/002095/06)

Thirty-third annual general meeting to be held on Thursday, 26 April 2001 at 09:45

I/We

(Please print)

of

being a member/s of the Company and being the registered owner/s of

ordinary shares in the Company hereby appoint

or failing him

the chairman of the meeting to vote for me/us and on my/our behalf at the annual general meeting of the Company to be held on 26 April 2001 and at any adjournment thereof and to speak and act for me/us and, on a poll, vote on my/our behalf.

My/Our proxy shall vote as follows:

	In favour of	Against	Abstain
Adoption of financial statements			
Election of directors			
Ordinary resolution No. 1			
Ordinary resolution No. 2			
Special resolution No. 1			

Indicate with a cross how you wish your votes to be cast. If you do not do so, the proxy may vote or abstain at his discretion.

Dated this _____ day of _____ 2001

Signature _____

Liberty Holdings Limited

Notes

1. Proxies must be lodged at the Company's office, Liberty Centre, 1 Ameshoff Street, Braamfontein, Johannesburg, 2001 (Postal address: PO Box 10499, Johannesburg, 2000) so as to be received by not later than 48 hours before the time specified for the aforementioned annual general meeting.
2. A member may appoint one or more persons of his own choice as his proxy/ies by inserting the name/s of such proxy/ies in the space provided and any such proxy need not be a member of the Company. Should this space be left blank, the proxy will be exercised by the chairman of the meeting.
3. If a member does not indicate on this instrument that his proxy is to vote in favour of or against any resolution or resolutions or to abstain from voting, or gives contradictory instructions, or should any further resolution/s or any amendment/s which may be properly put before the annual general meeting be proposed, the proxy shall be entitled to vote as he thinks fit.
4. Unless the above section is completed for a lesser number of shares, this proxy shall apply to all the ordinary shares registered in the name of the member/s at the date of the annual general meeting or any adjournment thereof.
5. Companies and other corporate bodies are advised to appoint a representative in terms of section 188 of the Companies Act, 1973, for which purpose a duly certified copy of the resolution appointing such a representative should be lodged with the Company, as set out in 1 above.
6. The authority of the person signing a proxy form under a power of attorney must be attached hereto unless that power of attorney has already been recorded by the Company.
7. Any alterations made in this form of proxy must be initialled.

