

Liberty Holdings Limited

(Registration number 1968/002095/06)
(Incorporated in the Republic of South Africa)

Audited preliminary results for the
year ended 31 December 2000

Highlights

- Dividend of R34,62 per ordinary share declared
- Headline profit per ordinary share based on underlying continuing operations of 1 691 cents up 8%



LIBERTY

Liberty Holdings Limited (Liberty Holdings) is the holding company of Liberty Group Limited (Liberty). Liberty Holdings has no other investments and carries on no business other than that related to its investment in Liberty. Shareholders are consequently referred to the announcement published by Liberty simultaneously with this announcement, for details of the operations of Liberty, the results of which are consolidated into Liberty Holdings.

Accounting policies and presentation

The accounting policies adopted by Liberty Holdings comply, in all material respects, with South African Statements of Generally Accepted Accounting Practice, as well as the South African Companies Act of 1973. These policies are consistent with those applied at 31 December 1999. The financial statements for the year ended 31 December 1999 incorporated both the continuing operations as well as the unbundled operations of Liberty to the respective dates of the unbundlings. The total profits of Liberty Holdings presented in the comparative figures for 1999 accordingly reflect both continuing and unbundled operations and the 2000 profits are therefore not comparable with those of 1999.

Interest in Liberty Group Limited

Liberty Holdings' sole investment at 31 December 2000 consisted of its 54,82% or 148 928 570 shares (1999: 55,41% or 149 728 570 shares) interest in Liberty. Liberty Holdings disposed of 800 000 Liberty shares during 2000 in order to eliminate borrowings and to meet its operational cash flow requirements.

Final dividend

Liberty has announced a capital reduction of R12,00 per share. In order to pass on Liberty's distribution to shareholders, Liberty Holdings has, subject to the passing of special resolutions of members, declared a final dividend of R34,62 per ordinary share. The dividend of R34,62 per ordinary share distributes to shareholders substantially all of the cash to be received from the Liberty capital reduction. An amount of R77,9 million has been incurred by Liberty Holdings in respect of secondary tax on

companies relating to the dividend.

Review of operations

In the company accounts of Liberty Holdings dividend income from Liberty of R197 million for the year ended 31 December 2000 was 53% lower than the R422 million income of the previous year, due to the fact that Liberty did not declare a final dividend in 2000. The capital reduction has accordingly been accounted for as a reduction in cost of the Liberty investment and not as dividend income.

Expenses incurred for the year ended 31 December 2000 remained at R10 million, the same level as recorded in 1999.

Details of the activities of Liberty are contained in the announcement referred to above. In order to reflect the performance of the underlying continuing operations of Liberty, headline profit per ordinary share based on the underlying continuing operations of Liberty for the year ended 31 December 2000 has been calculated for Liberty Holdings. On this basis headline profit of 1 691,0 cents per ordinary share reflects an 8% increase on the comparable 1 560,8 cents for 1999.

Prospects

Shareholders are referred to the comments on future prospects as detailed in Liberty's announcement.

Dividend declaration

Shareholders are referred to the Liberty Holdings dividend declaration announcement published simultaneously with this announcement. A capital reduction, as in the case of Liberty, has not been proposed as sufficient reserves exist to accommodate the final dividend.

Derek Cooper
Chairman

6 March 2001

Roy Andersen
Group Chief Executive

"Strategy – encouraging
spontaneous initiative"



Tom Peters

LIBERTY
HOLDINGS
AUDITED
PRELIMINARY
RESULTS 2000

Summarised group income statement	31 December		
	2000 Rm	1999 Rm	% change
Profit after taxation	1 424	1 626	(12)
Minority interests	(589)	(729)	(19)
Dividends on preference shares	(2)	(2)	–
Total headline profit attributable to ordinary shareholders	833	895	(7)
Secondary tax on companies relating to capital reduction of subsidiary company and dividend declared	(206)	–	–
Goodwill amortisation	(3)	–	–
Investment (deficits)/surpluses attributable to ordinary shareholders	(429)	516	(183)
Total consolidated profit	195	1 411	(86)
Total consolidated profit per ordinary share	396,0	2 865,2	(86)
Headline profit per ordinary share (cents)	1 691,0	1 817,3	(7)
Headline profit per ordinary share based on underlying continuing operations (cents)	1 691,0	1 560,8	+8
Dividends per share (cents)			
– Interim	385,0	375,0	+3
– Final	3 462,0	410,0	
Number of ordinary shares in issue (000's)	49 286	49 240	–
Weighted average number of ordinary shares in issue (000's)	49 253	49 237	–

Summarised group cash flow statement	31 December	
	2000 Rm	1999 Rm
Cash flow from operating activities	3 905	5 183
Net purchase of investments	(3 292)	(5 182)
Cash flow from financing activities	65	(784)
Net increase/(decrease) in cash and cash equivalents	678	(783)
Cash and cash equivalents at beginning of year	734	5 254
Cash balances of subsidiary acquired/ (eliminated on unbundling of subsidiaries)	10	(3 641)
Foreign exchange movements on cash balances	2	(96)
Cash and cash equivalents at end of year	1 424	734

Summarised group balance sheet	31 December	
	2000 Rm	1999 Rm
Assets		
Investments	71 543	64 991
Goodwill	123	–
Intangible assets	58	7
Office furniture, computer equipment and other tangible assets	310	309
Deferred taxation	61	–
Current assets	3 848	3 907
Total assets	75 943	69 214
Capital, reserves and liabilities		
Shareholders' funds	3 378	5 027
Minority interests	2 780	4 092
Life funds	62 138	56 183
Convertible bonds and other liabilities	1 828	1 486
Retirement benefit obligation	114	98
Deferred taxation	–	193
Current liabilities	5 705	2 135
Total capital, reserves and liabilities	75 943	69 214

Statement of changes in shareholders' funds	31 December	
	2000 Rm	1999 Rm
Shareholders' funds at beginning of year	5 027	10 177
Total consolidated profit	195	1 411
Dividends in specie – unbundlings of:		
Liberty International plc	–	(4 173)
Standard Bank Investment Corporation Limited	–	(3 287)
Transfer from contingency and other reserves by subsidiary company	–	1 282
Investment surpluses on shareholders' investments reflected directly in reserves	39	3
Preference dividends	(2)	(2)
Ordinary dividends	(1 896)	(386)
Capital distribution received from subsidiary company	1 787	–
Write-down of investment in subsidiary company following capital reduction	(1 787)	–
Exchange difference relating to equity component of the convertible bonds	10	2
Subscriptions for shares	5	–
Shareholders' funds at end of year	3 378	5 027