



CADIZ

Nedcor Securities Mid-Cap Conference

{July 2004}

10 | 100 +



Highlights

- Inception 1993 – 11 years ago
- Acquisition of District Securities Bank 1998
- Listed April 14th 1999
- Acquired Prodigy-Coris Asset Management 2003
- Unbroken record of earnings growth 5 years
- Market capitalisation +/-R550m
- Rated first in Derivatives for 8 consecutive years
- Material BEE credentials in 2004



There Is Confusion About Cadiz

- Our product is a *service* and is intangible
- We listed simultaneously with a number of “peers”
- Derivatives are a mystery and seen as risky



So What DO We Do?

- Built a technical competence & brand in derivatives
- Our domain is actually “Risk-Return”
- We do similar things to others, but differently
- We believe in science, not predictive power
- Our real skill may be relationships?



There Are Three Main Areas

Securities

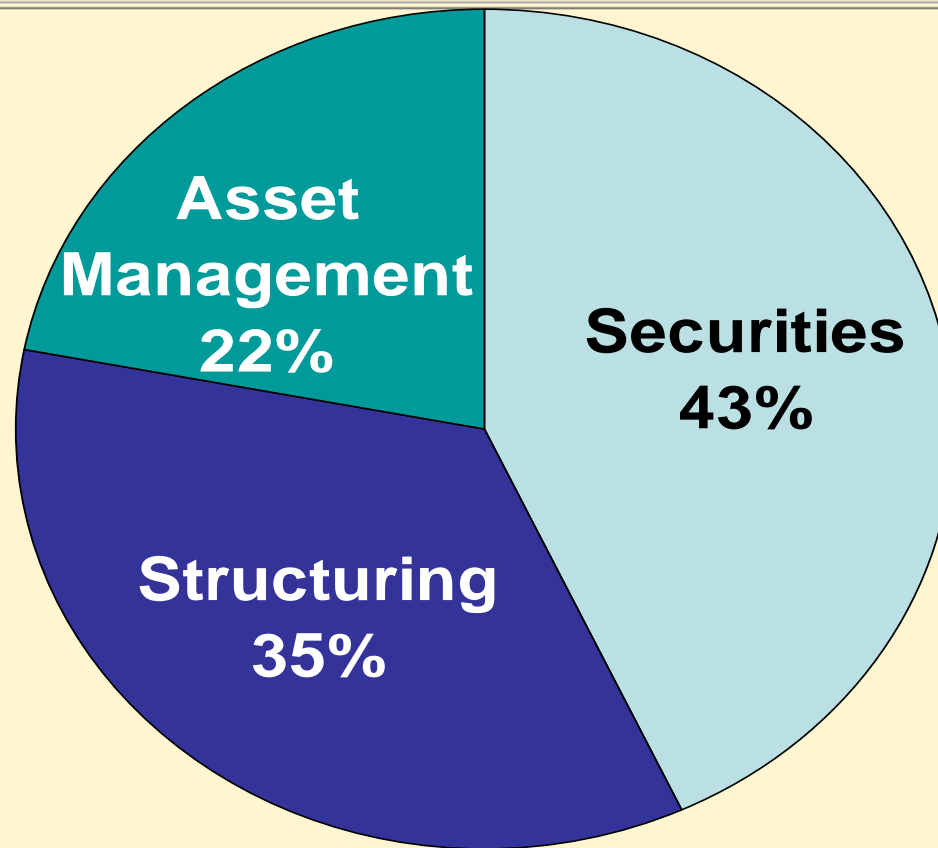
Asset Management

Structuring

10 | 100 +



How Much Of Each?



10 | 100 +



Securities

- Original business – 11-year history
- Research, advice & execution for brokerage
- Market is competitive, margins tight
- Performs best in volatile markets
- Top-rated track-record
- Strong cash generator
- Long-standing customer relationships



Formal Credentials

| | | |
|-------------|------------------------------|------------|
| 1997 | Derivative Research | 1st |
| 1998 | Derivative Research | 1st |
| 1998 | Derivative Dealing | 1st |
| 1999 | Derivative Research | 1st |
| 1999 | Derivative Dealing | 1st |
| 2000 | Derivative Research | 1st |
| 2000 | Derivative Dealing | 1st |
| 2000 | Quantitative Research | 1st |
| 2001 | Derivative Research | 1st |
| 2001 | Derivative Dealing | 1st |
| 2002 | Derivative Research | 1st |
| 2002 | Derivative Dealing | 1st |
| 2002 | Risk Research | 1st |
| 2002 | Innovative Research | 1st |
| 2003 | Derivative Research | 1st |
| 2003 | Derivative Dealing | 1st |
| 2003 | Risk Research | 1st |
| 2003 | Innovative Research | 1st |
| 2003 | Quantitative Research | 1st |
| 2004 | Derivative Research | 1st |
| 2004 | Derivative Dealing | 1st |
| 2004 | Risk Research | 1st |
| 2004 | Innovative Research | 1st |
| 2004 | Quantitative Research | 1st |

Annual Financial
Mail Survey of all
market participants

Asset Management

- Based on our risk-return philosophy
- R12.5 billion assets under management
- 7-year track record on core philosophy
- Some conventional mandates, decisions pending
- Progress with asset-consultants & multi-managers
- Annuity-nature of income (mandates & fees)
- Mandates easier to track than conventional
- Investment products team gaining ground
- Hedge fund an area for growth

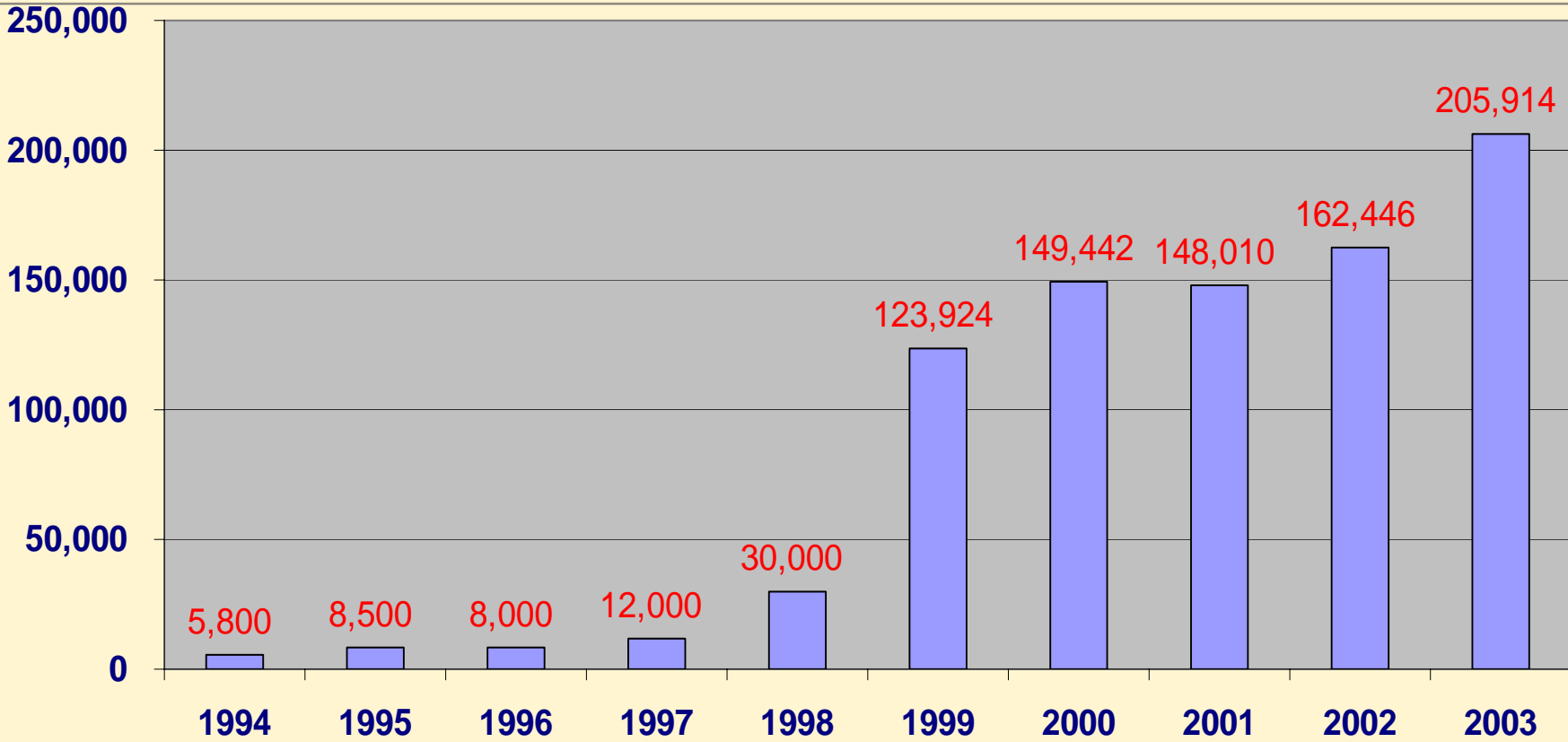


Structuring

- Least easy to describe or understand
- By exclusion:
 - Not execution orders received from clients
 - Not assets managed under mandate
- More ad-hoc in nature
- Researched solutions to specific problems
- Clients – pension-funds, asset managers & corporates
- Annuity income from legacy structures



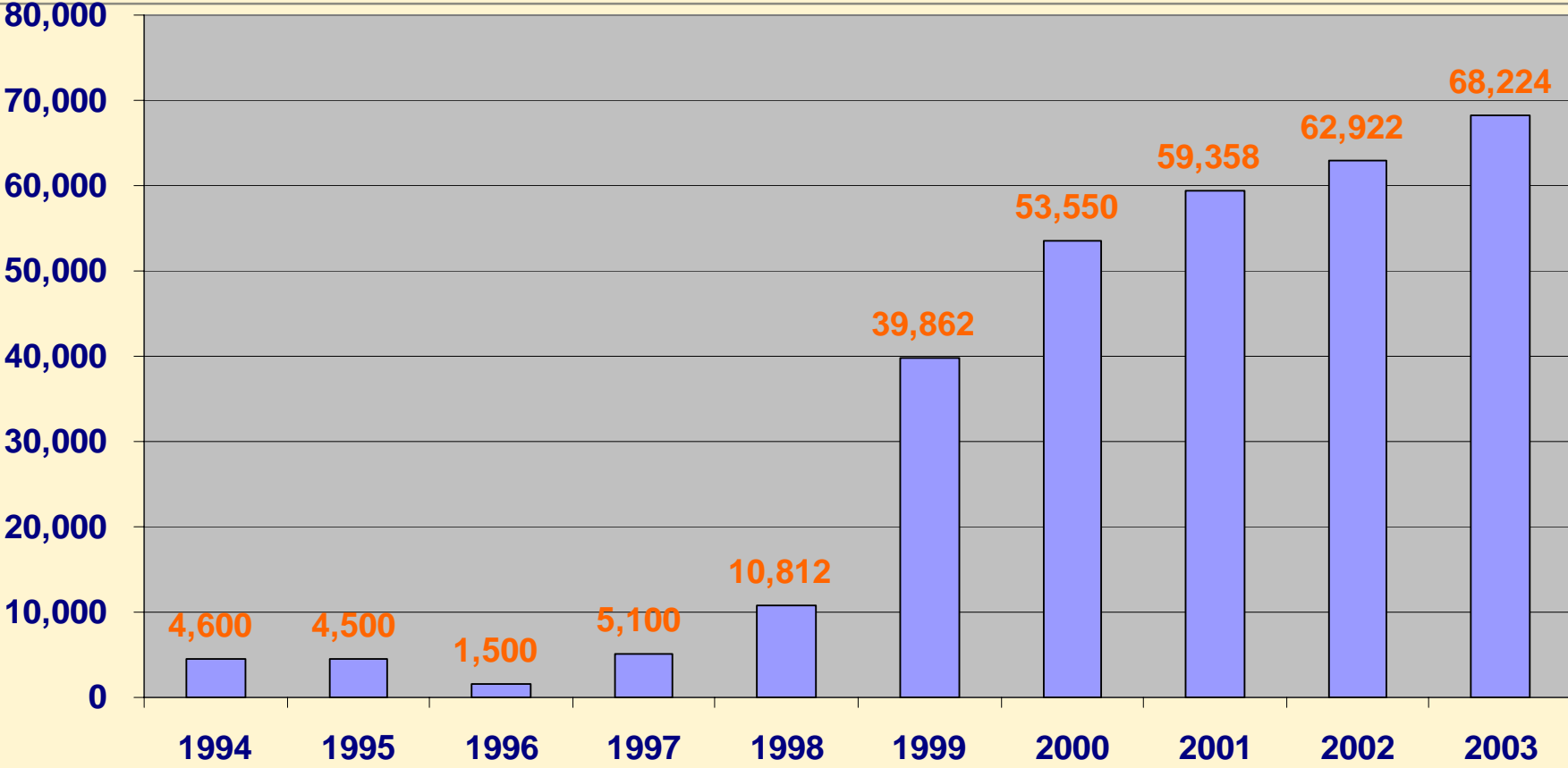
Gross revenue



10 | 100 +



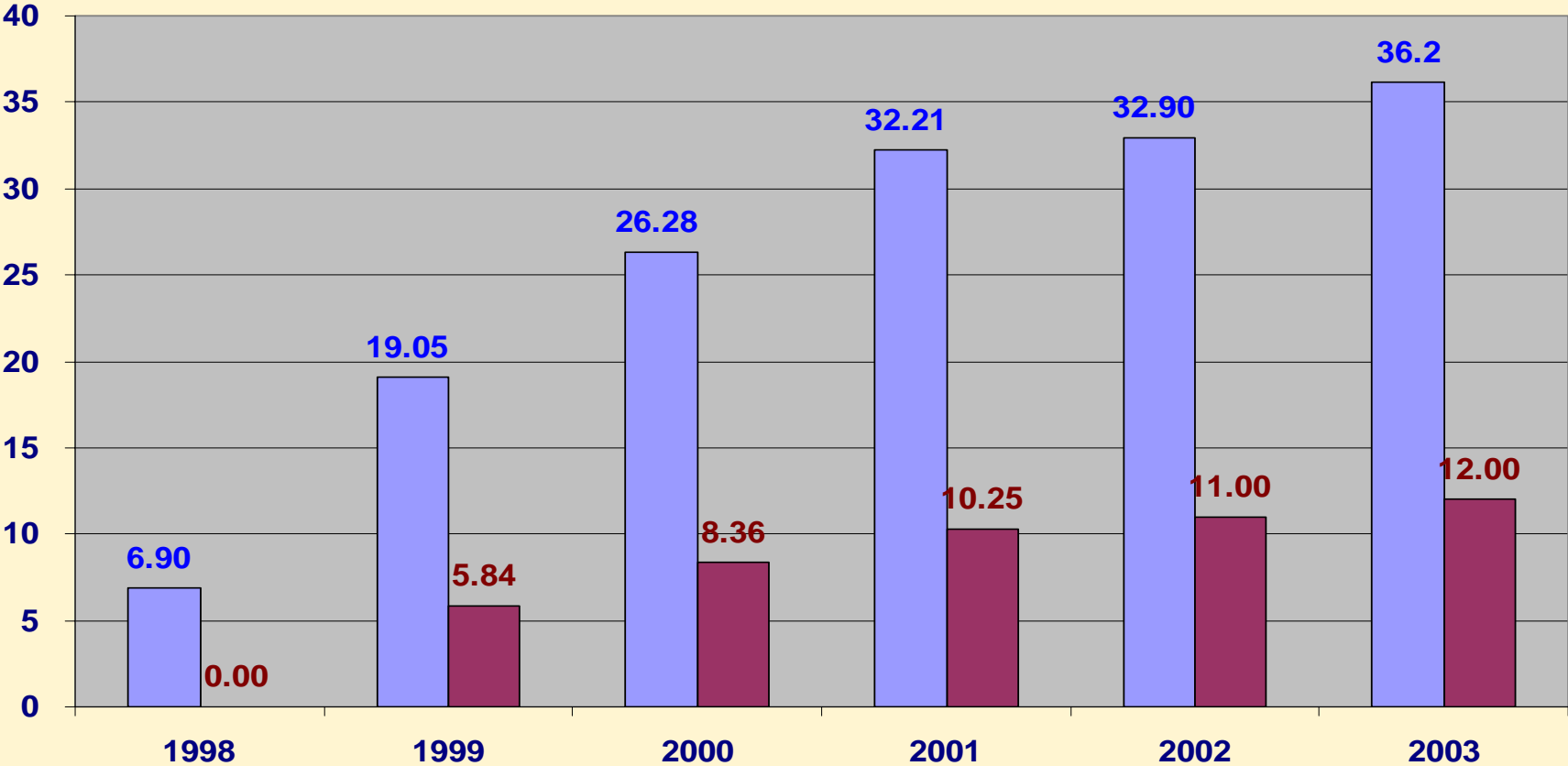
Attributable income



10 | 100 +



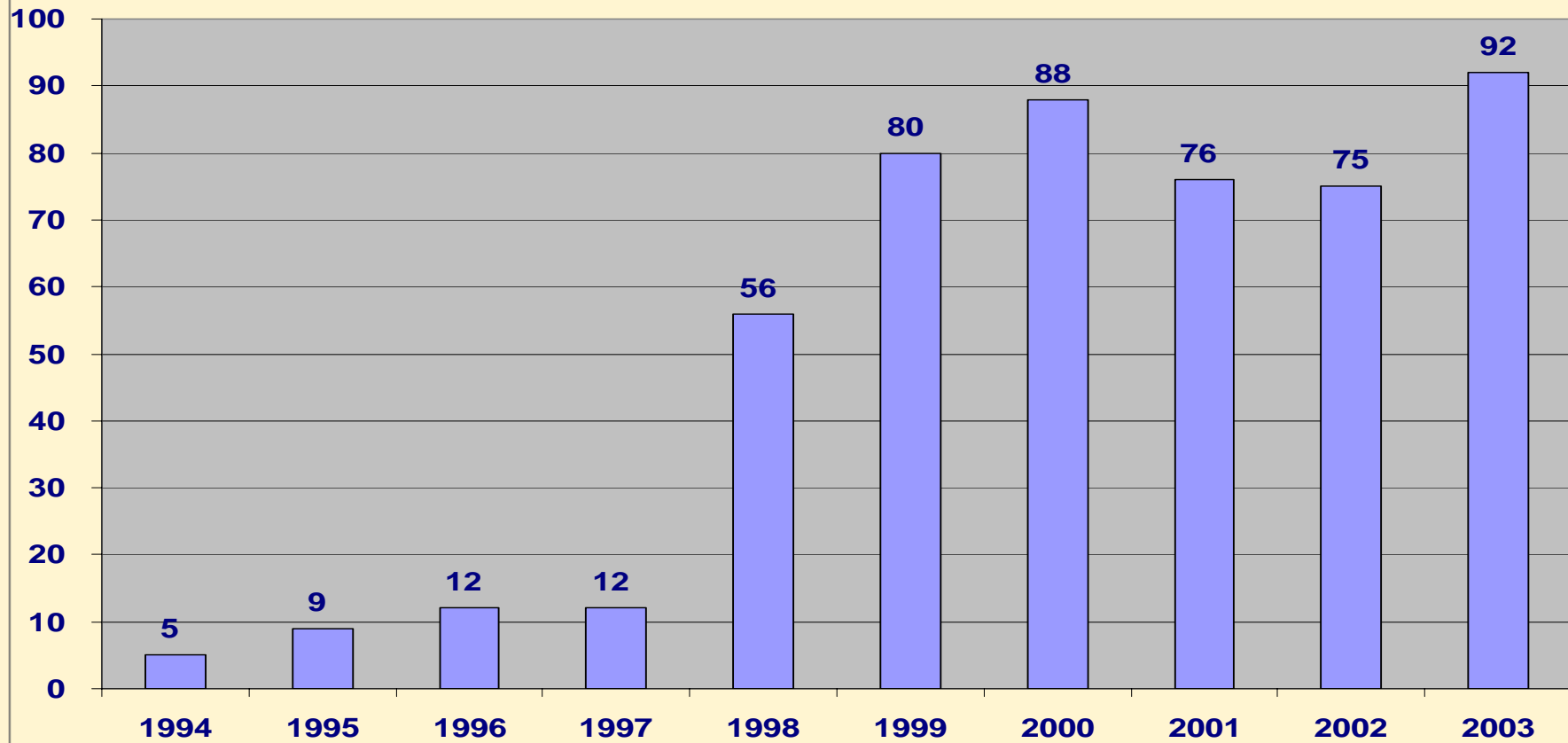
EPS and dividends



10 | 100 +



Head-count



10 | 100 +



Black Economic Empowerment

- Philosophy
- Process
- Makana

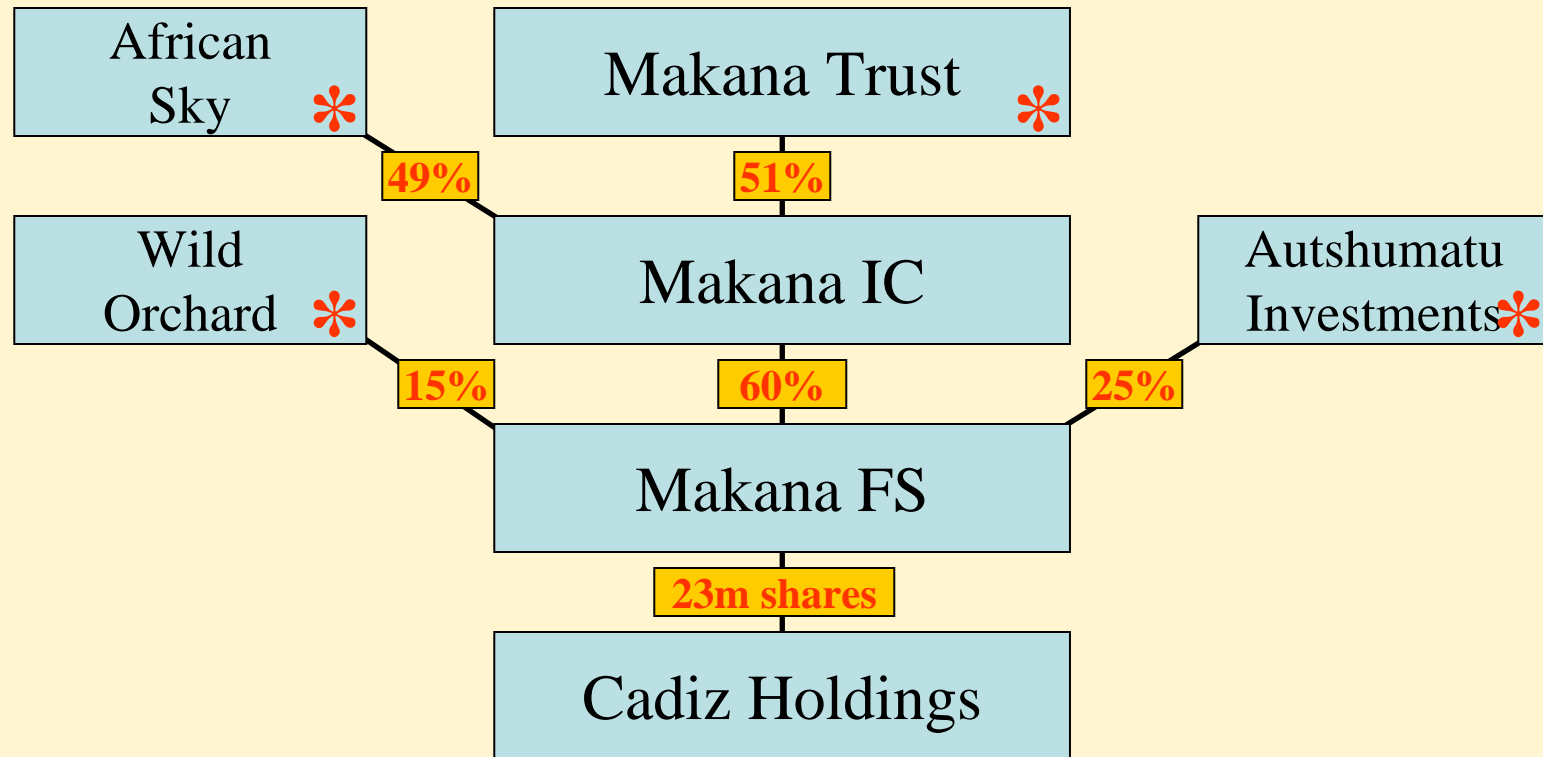


Slide 15

RC3

Ray Cadiz, 7/26/2004

The Makana Consortium



NOTE: * denotes ex political prisoner beneficiaries



Black Economic Empowerment

- Philosophy
- Process
- Makana
- Worldwide Capital
- Equity incentives
- Affirmative action & recruitment



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RC4

Ray Cadiz, 7/26/2004

The Cadiz Scorecard

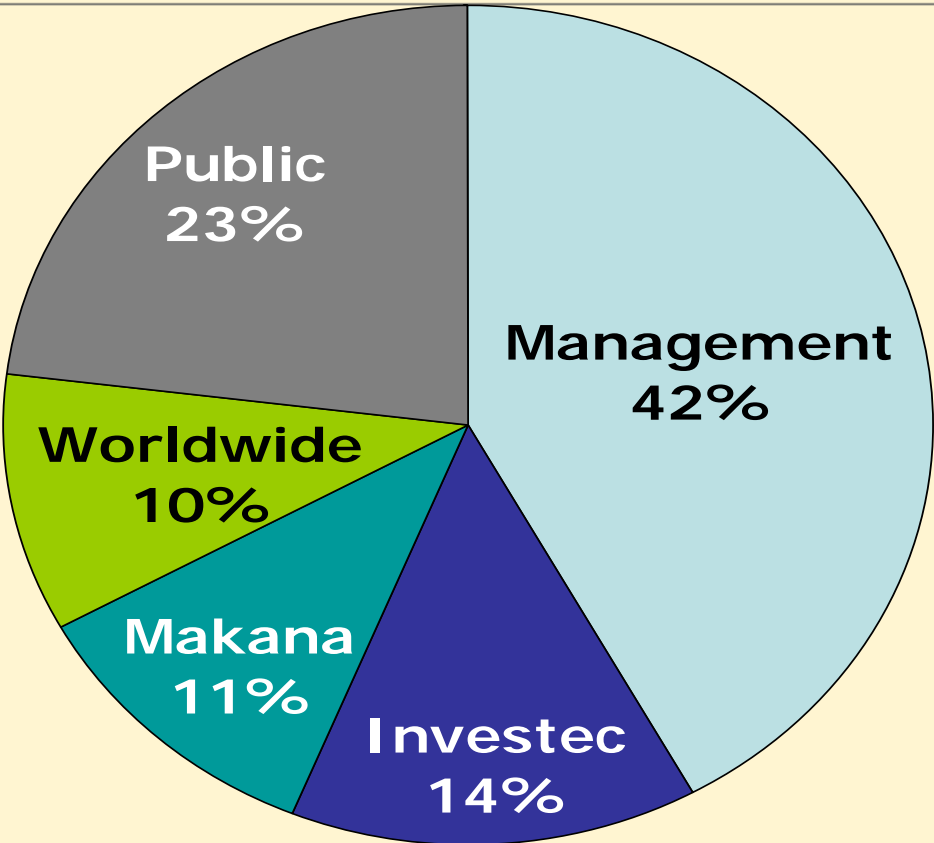
**** Cadiz exempt from 2 sections – Empowerment
Financing, Access to FS (40 points)**

| | | Points possible | Points Cadiz | Score |
|---|------------------------------|-----------------|--------------|--------------|
| Human resource management | | 20 | 13.2 | 66.2% |
| | Employment equity | 15 | 8.5 | 57% |
| | Skills development | 5 | 4.7 | 95% |
| Procurement & enterprise development | | 15 | 9.1 | 61% |
| Ownership & control | | 22 | 16.7 | 76% |
| | Ownership | 14 | 16.0 | 114% |
| | Control (board & management) | 8 | 0.7 | 8% |
| Corporate social investment | | 3 | 3.0 | 100% |
| Cadiz overall current score | | 60 | 42 | 70% |

10 | 100 +



Current Shareholding





CADIZ

The Future

10 | 100 +



Our Core Values

The Cadiz Ten Commitments

Never waver in integrity and transparency

Never financial gain over relationships

Never fear failure

Never negative, always positive

Never, ever quit

Always start and finish

Always believe

Always free to explore

Always energetic and creative

Always with passion

10 | 100 +



Our Core Purpose

“Our Family,
Innovating for Yours”

10 | 100 +



Our BHAG

“In 2010 Cadiz Holdings will be one of the top-40 listed companies in SA & we will be widely recognised for our innovation and values”

10 | 100 +



Can Our
Existing
Businesses
Get There?

10 | 100 +



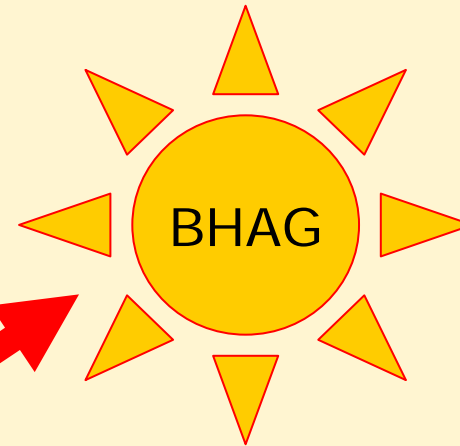
We Are On An
Endless Quest For
NON-LINEAR
Growth

10 | 100 +



Goal-Setting Processes Have Shortcomings

We don't expect it to be easy, but we expect to be able to *plan* the path we even started by making a "gap" spreadsheet!



Unfortunately, this is not how life works. We are applying a linear mindset to a non-linear reality imagine a "gap" spreadsheet in 1995 – a year we broke even – predicting 2004!

Arabella – January 2003

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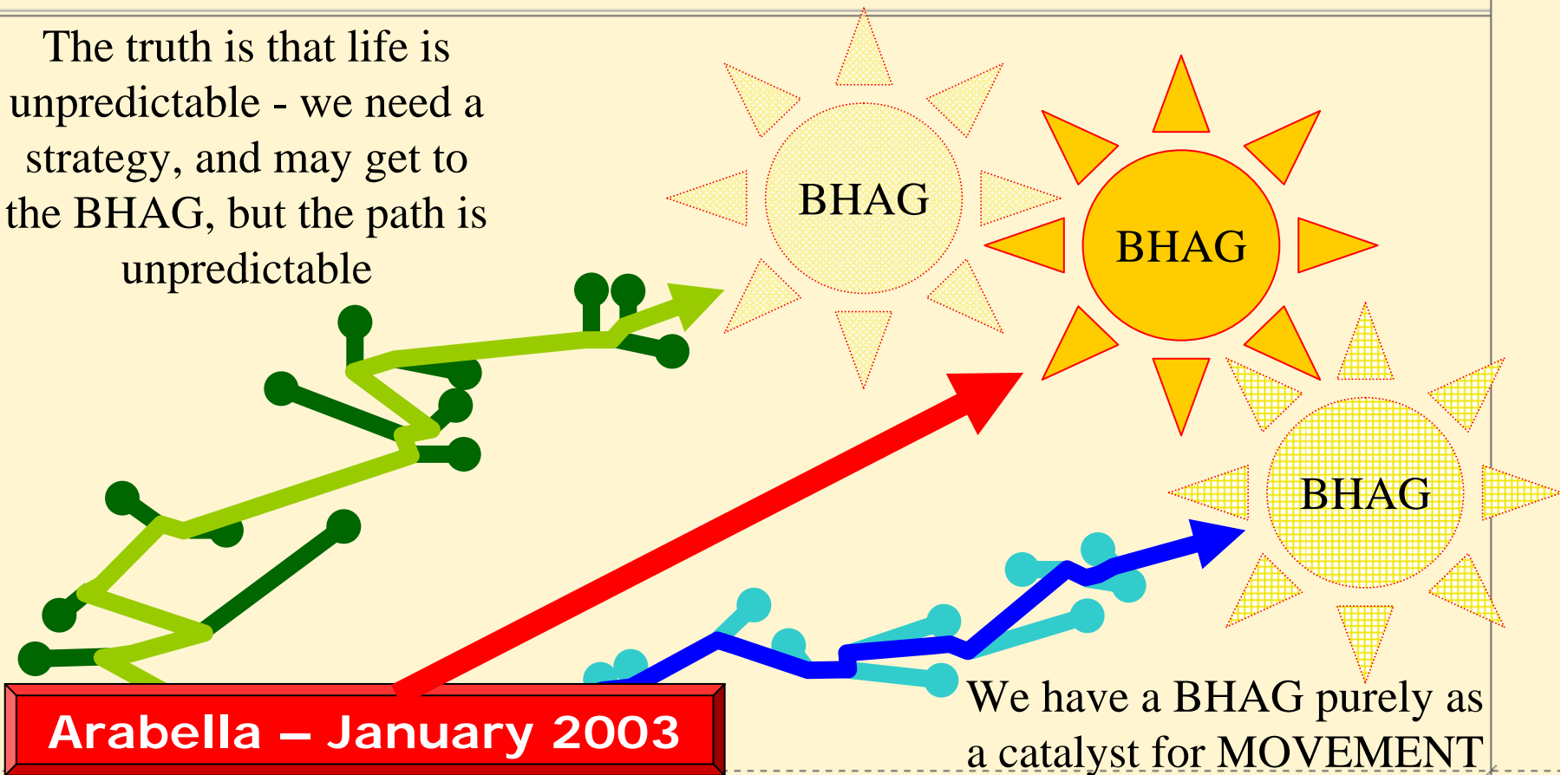
An Example Of Linear vs Non-Linear

- “The difference between LINEAR and NON-LINEAR is illustrated by the difference between kicking a stone or kicking a dog.
- If one kicks a stone, the result will be predictable on a linear chain of cause and effect based on Newtonian mechanics.
- If one kicks a dog, the result will depend on the nature of the dog and its’ non-linear pattern of organization. This behaviour is generally unpredictable.”



Reality Equals Uncertainty

The truth is that life is unpredictable - we need a strategy, and may get to the BHAG, but the path is unpredictable



Arabella – January 2003

We have a BHAG purely as a catalyst for MOVEMENT

10 | 100 +



We Have Defined Our Business Model

Light Tackle
Big-Game
Fishing

10 | 100 +



Will We
Get
There?

10 | 100 +



We Have A Solid Platform For Growth

| | |
|--|---|
| Very clean business | Committed owner-managers |
| Annuity income | Quality professional staff |
| New growth engines | R360 million capital |
| 8 years 1st in Derivatives | 4 years 1st R, I & Q Research |
| No market risk | 7-year AM track record |
| 11-year relationships | Accumulated wisdom |
| Listed | “A-rated” BEE |
| An established culture | |

10 | 100 +



How About Some Tangibility?

- Our business is largely intangible
- But our track record and platform for growth is not
- Our people are not intangible
- Our processes are not intangible
 - We are ruthless with recruitment
 - We are prudent but aggressive with this business
 - We take risks, but only after much debate
- Our greatest asset *IS* intangible – the Cadiz culture – and we need it to remain so



Time Will Tell

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CADIZ

Discussion & Questions

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