



CADIZ
HOLDINGS LIMITED

Presentation to Asset Managers

Investec Securities

May 2003

Background



- Started August 1993
- Only 12 staff in 1996
- First rated 1st in derivatives 1997 – now 7 years
- Assessed many alternatives – selling, mergers, offshore alliances
- Acquired DSB from Investec May 1998
- Listed on JSE April 14 1999 (Best listing award, 123x over-subscribed)
- Grew to 110 people by 2000, many new businesses
- Organisational phases
 - Startup, entrepreneurial growth 1993-1997
 - Rapid expansion 1998-2000
 - Consolidation 2001-2002
 - Renewal and growth 2003 onwards

Formal credentials



1997	Derivative Research (Firm)	1 st
1998	Derivative Research (Firm)	1 st
1998	Derivative Dealing (Firm)	1 st
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2000	Derivative Research (Firm)	1 st
2000	Derivative Dealing (Firm)	1 st
2000	Quantitative Research (Firm)	1 st
2001	Derivative Research (Firm)	1 st
2001	Derivative Dealing (Firm)	1 st
2002	Derivative Research (Firm)	1 st
2002	Derivative Dealing (Firm)	1 st
2002	Risk Research (Firm)	1 st
2002	Innovative Research (Firm)	1 st
2003	Derivative Research (Firm)	1 st
2003	Derivative Dealing (Firm)	1 st
2003	Risk Research (Firm)	1 st
2003	Innovative Research (Firm)	1 st
2003	Quantitative Research (Firm)	1 st

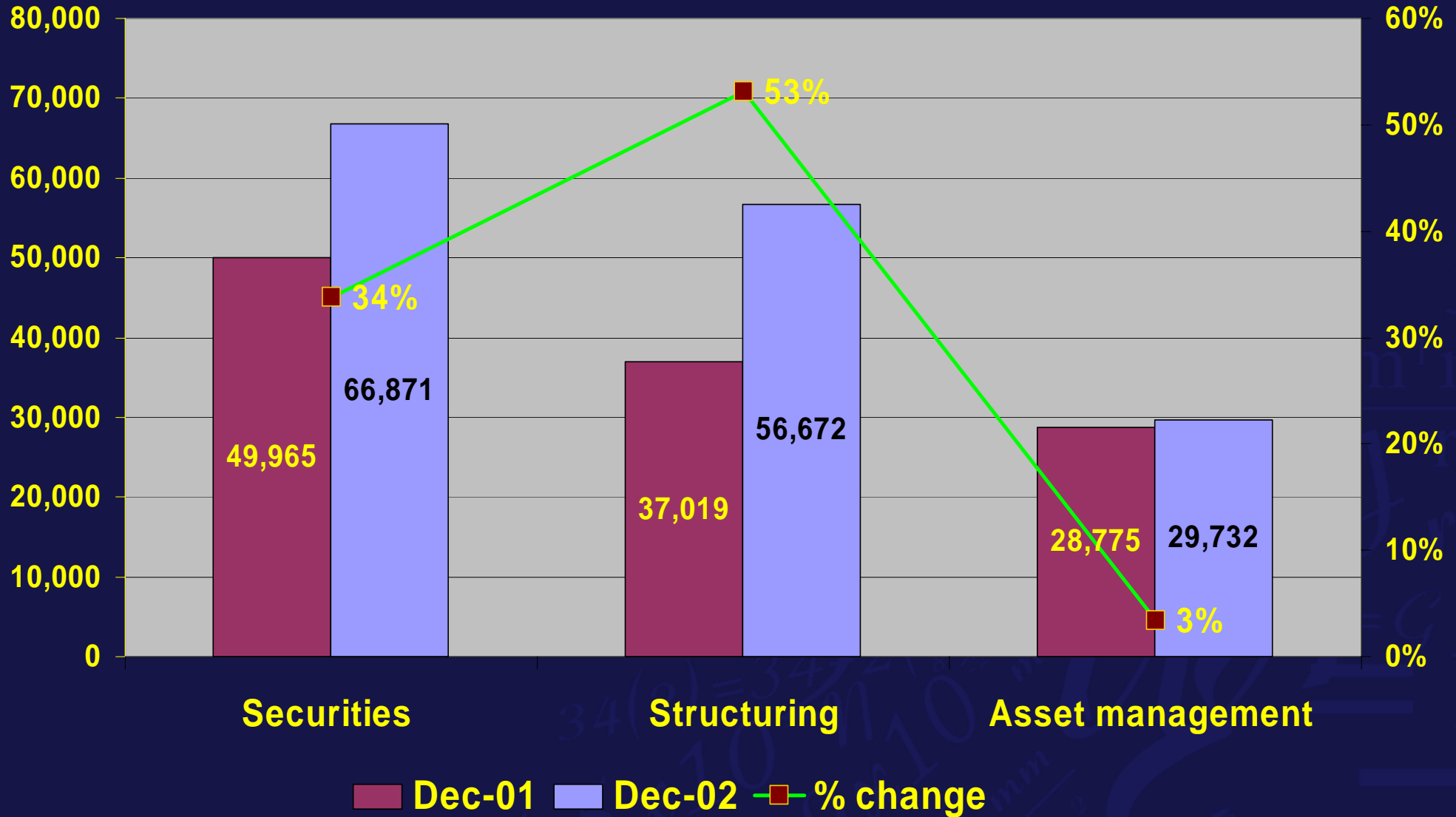
FM Survey

(A survey of all major financial institutions)

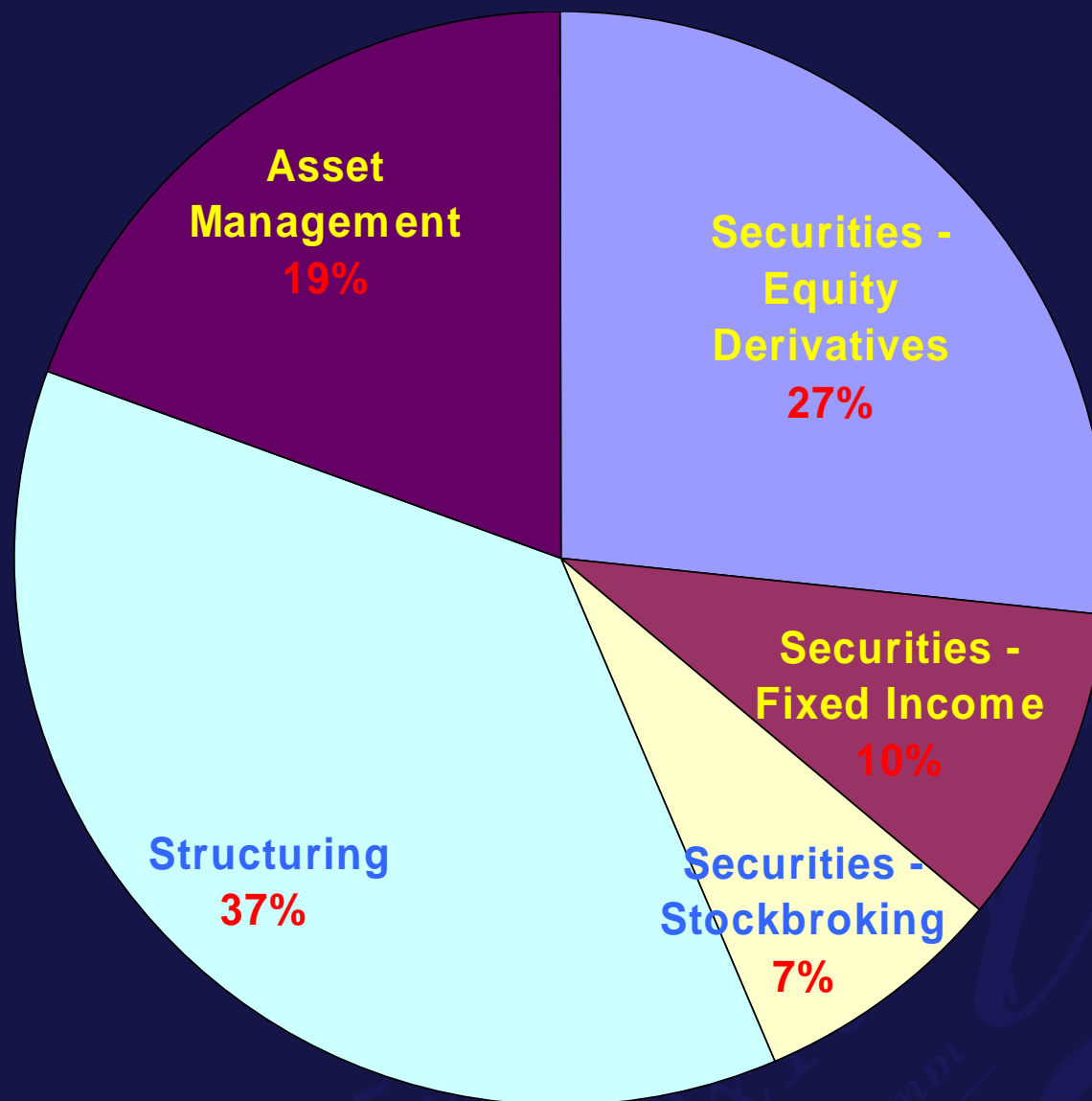
Financials – Revenue since listing



Segmental Gross Revenue 2002-2002



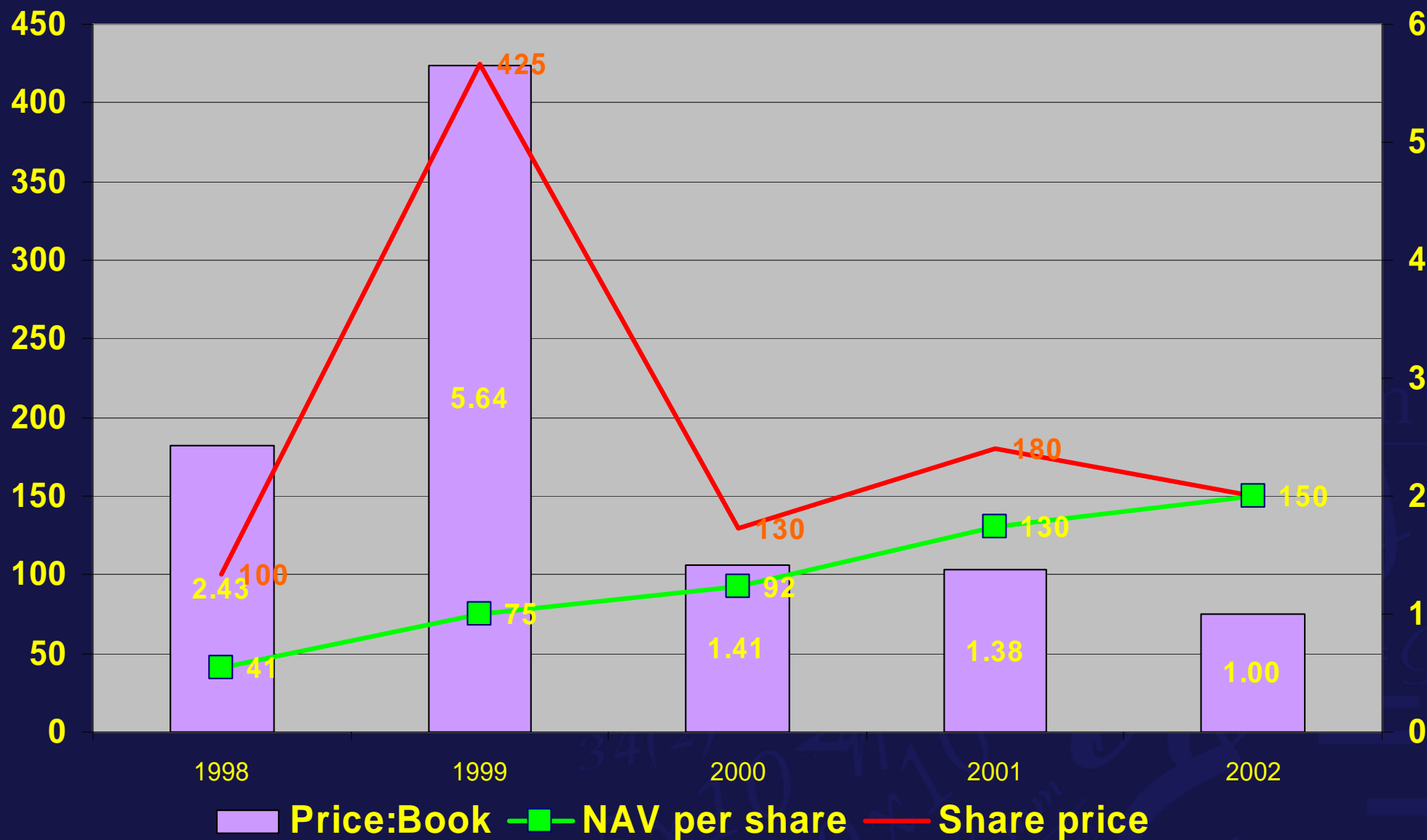
Gross operational revenue



Earnings & Dividends per share



NAV and Price:Book



BEE



- Social responsibility
 - Street Universe, RedX Hospital, Mfesane Mathematics Programme, Inroads SA
- Affirmative procurement
 - IT support (Business Connexion)
 - Recruitment (Adcorp Group)
 - Stockbroking administration (Computershare)
- Recruitment
 - 4 trainee recruits, 4 Inroads SA
 - 25% black professional staff 2003, 40% 2006
 - 17% black senior management
- Directorships
 - 2 black non-executives from BEE partner(s)
- Shareholding
 - Mandated to seek a new partner within business model

Prodigy-Coris transaction



- Acquired 100% of PC Asset Management in 2003
- Financial impacts
 - Minimal NAV impact due to purchase price mechanism
 - Rationalised PC with economies of scale
 - Asset management revenue impact negligible – low fees
 - Possibility to increase fees
- Non-financial impacts
 - Increase in assets under management by R8bn
 - More substance, main-stream player
 - Significantly reduces client dependency
 - Immediate access to new clients
 - Minimal risk

What is Cadiz?



- ❑ Never had a helping hand
- ❑ Flawless 10 year track record
- ❑ R12.5bn assets under management
- ❑ R300m capital
- ❑ Technical best in our industry – derivatives, risk
- ❑ 60% owned by management
- ❑ No proprietary risk
- ❑ Very strong customer relationships
- ❑ Flat, self-managing organisational structure
- ❑ Outstanding people
- ❑ Vibrant, strong culture

2003 Strategy Session



- 10th anniversary Arabella in January
- Celebrated our achievements ...
- ... but recognised that we are only 10 years old
- Made plans for the next 90 years
- Re-visited our core values
 - ***Integrity, commitment, creativity, relationships, excellence, passion***
- Re-defined our core purpose
 - ***“Our Family, Innovating for Yours”***
- Set a BHAG
 - ***“In 2010 Cadiz Holdings will be one of the top 40 listed companies in South Africa and will be widely recognised for our innovation and values”***
- How do we do this?

The Cadiz Business Model



- We will use light tackle to catch big-game fish
- We will strive to be trend setting pioneers
- We will subject our organization to continuous renewal
- We will never compromise our values

The Cadiz Business Model, defined



Light tackle, Big Game

- Define measures of this - gross revenue:head, cost:revenue, ROE
- Define risk-return measures – stop-loss criteria, PBP, etc
- We will fish in the main channels only
- Self-management, outsourcing are key

Trend setting pioneers

- Only do things in which we can differentiate ourselves
- Challenge norms, re-invent & set new standards
- Create markets
- Cultivate pioneers
- Explore the unknown

The Cadiz Business Model, defined



Never compromise our values

- Hire, fire and reward for them
- Never get involved in a business that compromises our values
- Live them, lead by example and take responsibility in guiding others

Continuous renewal

- Be courageous & objective in challenging our businesses
- Innovate & renovate
- Be careful about exceptions
- Must be outward, not inward looking

Why Cadiz?



- Technically first
- Because of our people
- Organisation of substance – assets, capital
- Very low risk-profile
- Established clients
- Unique, strong, tried & tested culture
- Values that we live by
- A clear business model
- A clear organisational core purpose
- Clear and ambitious goals
- A plan to get there
- **AND WE'RE CHEAP!!!**

THE MOUNTAINS ARE TALKING

WE WILL PREVAIL



CADIZ
HOLDINGS LIMITED

***The END of the BEGINNING
of RENEWAL and GROWTH***