

ADDITIONAL INFORMATION FOR ANALYSTS

February 2011



Fleet overview (owned and long-term chartered ships)



| Contracted in at 31.12.2010 | | Bulk carriers | | | | Tankers | | Total |
|---------------------------------------|------------------|---------------|------------|------------|--------------|------------|------------|---------------|
| | | Handysize | Panamax | Capesize | Medium range | Small | Chemical | |
| 2011 | Number (average) | 16,8 | 2,0 | 3,0 | 6,9 | 3,8 | 4,0 | 36,5 |
| | Cost (US\$/day) | 9 700 | 9 400 | 23 300 | 15 700 | 12 500 | 14 500 | 12 800 |
| 2012 | Number (average) | 18,6 | 2,0 | 3,0 | 6,5 | 6,5 | 4,0 | 40,6 |
| | Cost (US\$/day) | 9 700 | 9 900 | 23 700 | 15 700 | 12 900 | 14 500 | 12 700 |
| 2013 | Number (average) | 20,4 | 2,0 | 3,0 | 6,5 | 6,5 | 4,0 | 42,4 |
| | Cost (US\$/day) | 9 500 | 10 100 | 23 700 | 16 000 | 13 100 | 14 500 | 12 500 |
| 2014 | Number (average) | 20,5 | 2,0 | 2,7 | 6,5 | 6,5 | 4,0 | 42,2 |
| | Cost (US\$/day) | 9 600 | 10 200 | 23 500 | 16 200 | 13 300 | 14 700 | 12 600 |
| Current fleet | | 16,0 | 2,0 | 3,0 | 7,5 | 2,5 | 4,0 | 35,0* |
| Net number of ships to deliver | | | | | | | | |
| 2011 | | 2,0 | - | - | (1,0) | 4,0 | - | 5,0 |
| 2012 | | 1,5 | - | - | - | - | - | 1,5 |
| 2013 | | 1,0 | - | - | - | - | - | 1,0 |
| 2014 | | - | - | (1,0) | - | - | - | (1,0) |
| Fleet at end of 2014 | | 20,5 | 2,0 | 2,0 | 6,5 | 6,5 | 4,0 | 41,5** |

* Owned fleet 13; chartered fleet 22; ** Owned fleet 28,5; chartered fleet 13

Fleet overview



| | Number owned | Average owned cost US\$m | Number chartered | Average chartered-in cost per day US\$ | Average total cost per day (per income statement) US\$ | Number with purchase options | Average purchase option price |
|---------------------|--------------|-----------------------------|------------------|---|---|------------------------------|-------------------------------|
| Handysize | 5,0 | 24,8 | 11,0 | 9 000 | 9 000 | 9,5 | 13,7 |
| Panamax | - | - | 2,0 | 9 200 | 9 400 | 2,0 | 18,5 |
| Capesize | - | - | 3,0 | 20 500 | 19 500 | 1,0 | 31,5 |
| Small tanker | 2,5 | 24,9 | - | - | - | - | - |
| Medium-range tanker | 5,5 | 29,4 | 2,0 | 15 400 | 15 700 | 2,0 | 30,7 |
| Chemical tanker | - | - | 4,0 | 14 400 | 14 200 | 4,0 | 26,6 |

Fleet information commentary: Shipping



Deliveries during the year to 31 December 2010

Handysize bulk carriers

- Owned x 2
(IVS KNOT and IVS SENTOSA) Average price - US\$36,2 million

Medium-range products tankers

- Owned x 2
(LAVELLA and RHINO) Average price - US\$32,9 million
- Long-term charter x 1
(LEOPARD) Delivered in January 2010

Small products tankers

- Owned x 1
(KOWIE) Price – US\$24,4 million

Contracted during the year to 31 December 2010

- Exercised purchase option on the IVS KANDA
- 2 x owned handysize bulk carriers Average price - US\$23,5 million
(IVS MERLOW) for delivery Q4 2012
(IVS JURONG) for delivery Q1 2013
- Extension on a capesize bulk carrier (MINERAL BELGIUM) 7 years from June 2011

Market net asset value adjustment - Shipping



Market value adjustments to fleet book value

Excess of market value of owned fleet and charters with purchase options over book value

Market value of other long-term charters and contracts

Rm

622

189

811

Indicative ship values obtained in consultation with reputable ship brokers
 Book value of charters = PV@6,5% of capital element (i.e. excluding running costs) of charter commitments and purchase option price
 Yen options valued at closing rate

Differential between market rates on Grindrod charter/contract rates. PV@6,5%

Assumptions used in respect of the group's fleet in the market value adjustment calculation above are as follows:

| | | Average ship market value US\$ million | Average market long-term charter rates US\$ per day |
|----------------|--------------|--|---|
| Bulkers | Handysize | 26 883 | 12 591 |
| | Handymax | n/a | 14 534 |
| | Panamax | 36 000 | 15 915 |
| | Capesize | 56 250 | 25 173 |
| Tankers | Medium range | 26 692 | 14 590 |
| | Small | 16 019 | 8 500 |
| | Chemical | 36 188 | n/a |

Note: variable volume contracts have been included at forecast volumes

Contract cover



| Contracted out at 31.12.2010 | | Bulk carriers | | | | Tankers | | Total |
|------------------------------|--------------------|---------------|---------|----------|--------------|---------|----------|--------|
| | | Handysize | Panamax | Capesize | Medium range | Small | Chemical | |
| 2011 | Number (average) | 7,0 | 2,0 | 2,6 | 2,6 | 1,1 | 3,0 | 18,7 |
| | Revenue (US\$/day) | 12 600 | 23 900 | 29 700 | 17 500 | 10 600 | 16 400 | 17 300 |
| 2012 | Number (average) | 2,2 | 2,0 | 2,1 | 1,0 | 0,2 | 1,5 | 9,0 |
| | Revenue (US\$/day) | 12 900 | 24 000 | 35 500 | 16 000 | 10 600 | 19 200 | 21 900 |
| 2013 | Number (average) | 0,5 | 1,4 | 1,0 | - | - | - | 2,9 |
| | Revenue (US\$/day) | 20 000 | 25 300 | 42 400 | - | - | - | 30 200 |
| 2014 | Number (average) | 0,4 | 1,0 | 1,0 | - | - | - | 2,4 |
| | Revenue (US\$/day) | 20 000 | 27 200 | 42 400 | - | - | - | 32 700 |

| Contract profits | % of fleet fixed | Charters (US\$m) | Ship sales (US\$m) | Total (US\$m) |
|------------------|------------------|------------------|--------------------|---------------|
| 2011 | 53 | 30 | - | 30 |
| 2012 | 24 | 26 | - | 26 |
| 2013 | 8 | 16 | - | 16 |
| 2014 | 7 | 14 | - | 14 |

Note: variable volume contracts have been included at forecast volumes

Analysis of EBITDA/earnings: Shipping



| EBITDA from owned and long-term chartered ships | Bulk carriers | | | Tankers | | | 2010 |
|---|---------------|-------------|-------------|-------------|------------|------------|---------------|
| | Handysize | Panamax | Capesize | Mid-range | Small | Chemical | Total |
| Average number of owned/long-term chartered ships | 14,7 | 2,0 | 3,2 | 8,7 | 1,5 | 4,0 | 34,1 |
| Average daily revenue (US\$) | 13 600 | 23 400 | 34 600 | 18 600 | 10 500 | 15 300 | 17 500 |
| Average daily cost (US\$) | 7 500 | 9 400 | 23 300 | 13 000 | 8 900 | 14 200 | 11 400 |
| Profit (US\$ million) | 32,8 | 10,2 | 13,3 | 17,8 | 0,9 | 1,7 | 76 |
| <i>(US\$ million)</i> | | | | | | | |
| Profit from ship operating activities | | | | | | | 29 |
| Profit from ship sales | | | | | | | 1 |
| Shipbuilding costs | | | | | | | (1) |
| Overheads | | | | | | | (25) |
| Forex | | | | | | | (6) |
| EBITDA | | | | | | | 74 |
| Less: Depreciation /amortisation/impairment | | | | | | | (14) |
| Funding costs/preference dividends/taxation | | | | | | | (11) |
| Earnings per year end presentation | | | | | | | 49 |

Average daily cost includes interest/depreciation on owned ships

Fleet overview (owned and long-term chartered ships) at EBITDA level: Shipping



| Contracted in at 31.12.2010 | | Bulk carriers | | | | Tankers | | Total |
|---------------------------------------|------------------|---------------|------------|------------|--------------|------------|------------|---------------|
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| 2013 | Number (average) | 20,4 | 2,0 | 3,0 | 6,5 | 6,5 | 4,0 | 42,4 |
| | Cost (US\$/day) | 6 800 | 10 100 | 23 700 | 11 200 | 8 100 | 14 500 | 9 800 |
| 2014 | Number (average) | 20,5 | 2,0 | 2,7 | 6,5 | 6,5 | 4,0 | 42,2 |
| | Cost (US\$/day) | 6 900 | 10 200 | 23 500 | 11 300 | 8 200 | 14 700 | 9 700 |
| Current fleet | | 16,0 | 2,0 | 3,0 | 7,5 | 2,5 | 4,0 | 35,0 |
| Net number of ships to deliver | | | | | | | | |
| 2011 | | 2,0 | - | - | (1,0) | 4,0 | - | 5,0 |
| 2012 | | 1,5 | - | - | - | - | - | 1,5 |
| 2013 | | 1,0 | - | - | - | - | - | 1,0 |
| 2014 | | - | - | (1,0) | - | - | - | (1,0) |
| Fleet at end of 2014 | | 20,5 | 2,0 | 2,0 | 6,5 | 6,5 | 4,0 | 41,5** |

*Owned fleet 13: chartered fleet 22 ** Owned fleet 28,5: chartered fleet 13

Contracted EBITDA: Shipping



| Contract profits | % of fleet fixed | Charters (US\$m) | Ship sales (US\$m) | Total (US\$m) |
|------------------|------------------|---------------------|-----------------------|------------------|
| 2011 | 53 | 40 | - | 40 |
| 2012 | 24 | 30 | - | 30 |
| 2013 | 8 | 17 | - | 17 |
| 2014 | 7 | 14 | - | 14 |

Note: variable volume contracts have been included at forecast volumes

Net debt breakdown as at 31 December 2010



| | <u>Rm</u> |
|--|----------------------|
| Long-term debt | (2 029) |
| Short-term debt | (1 186) |
| Bank overdraft | (309) |
| Deposits by Grindrod Bank customers | (2 016) |
| Bank and cash | 1 277 |
| Loans and advances for Grindrod Bank customers | 1 710 |
| Liquid asset and short-term securities | 129 |
| Short-term loans | 520 |
| Net debt | <hr/> <u>(1 904)</u> |