

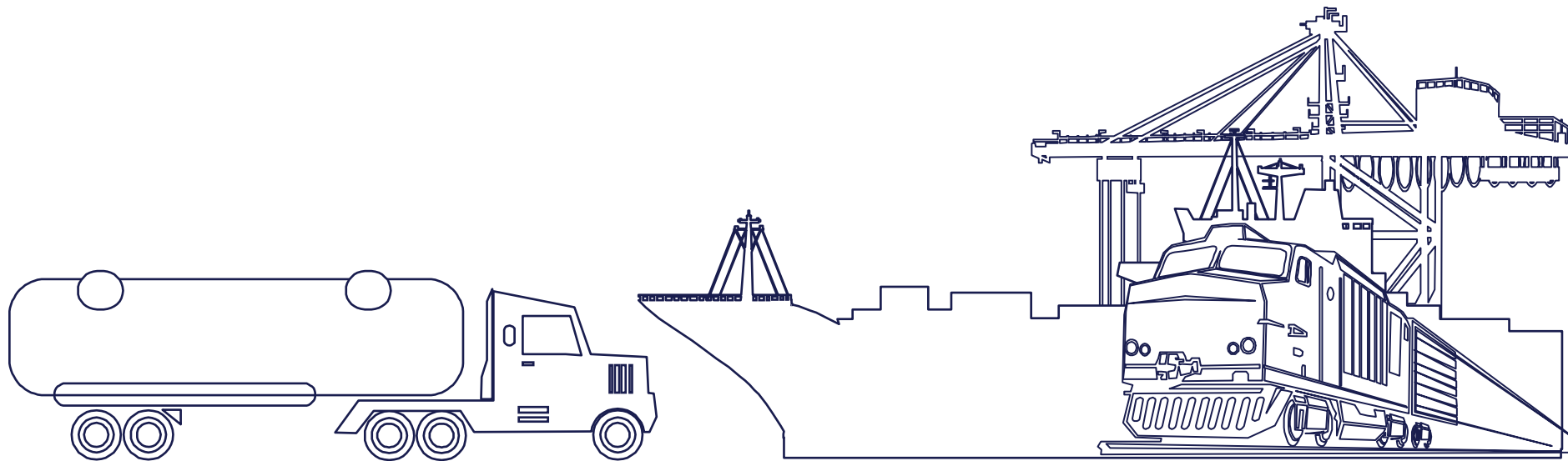


AUDITED RESULTS AND
DIVIDEND ANNOUNCEMENT
for the year ended 31 December 2015





KEY FINANCIAL INFORMATION



KEY FINANCIAL INFORMATION



- EBITDA decreased by 4% to **R1 747 million** (2014: R1 825 million) inclusive of joint ventures
- Headline earnings down 23% to **R558.8 million** (2014: R729.4 million)
- Ship carrying value impairment of **US\$100 million** inclusive of joint ventures
- Loss per share **189.8 cents** (2014: Earnings per share 147.6 cents)
- Cash generated from operations **R1 412.6 million** (2014: R1 842.0 million)
- Net cash of **R33.9 million** (2014 net cash: R542.7 million)
- Net asset value per share up to **2 450 cents** (2014: 2 227 cents)
- Final ordinary dividend **6.0 cents** per share (2014: 20.0 cents)



BUSINESS ENVIRONMENT



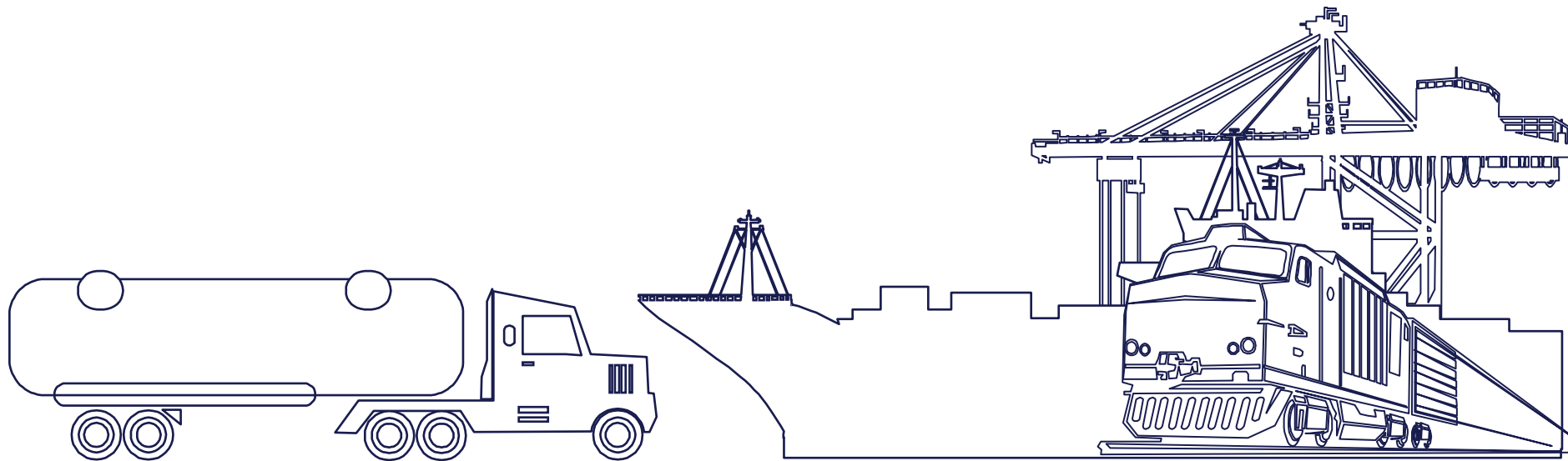
- China's growth estimated at approximately 6.9%
- US economy expected to grow by 2.5%
- Europe and South Africa remain weak
- Low commodity price environment
- Dry-bulk shipping markets remain at low levels
- Tanker shipping markets at good levels



Additional market information can be accessed at www.Grindrod.co.za



RESULTS 2015



MANAGEMENT INCOME STATEMENT – 2015



R million	2015	2014	Growth %	Comments
Revenue	27 995	28 760*	(3)	
Trading profit	1 747	1 825	(4)	
Depreciation and amortisation	(902)	(753)	20	Currency, increased asset base in Shipping and Freight
Non-trading items after tax	(1 989)	231	(961)	Impairment of ships, mineral logistics and rail
Net interest paid	(53)	(45)	18	
Share of profits from associates	72	83	(13)	Drought affects agricultural logistics
Taxation	(236)	(258)	(9)	Shipping losses
Non-controlling shareholders' interest	(4)	(23)	(83)	
Preference dividends	(61)	(59)	3	
Profit attributable to ordinary shareholders	(1 426)	1 001	(243)	
Average rate of exchange	ZAR/US\$ 12.78	10.88		



* Restated, excluding Atlas Trading revenue

HEADLINE EARNINGS – 2015



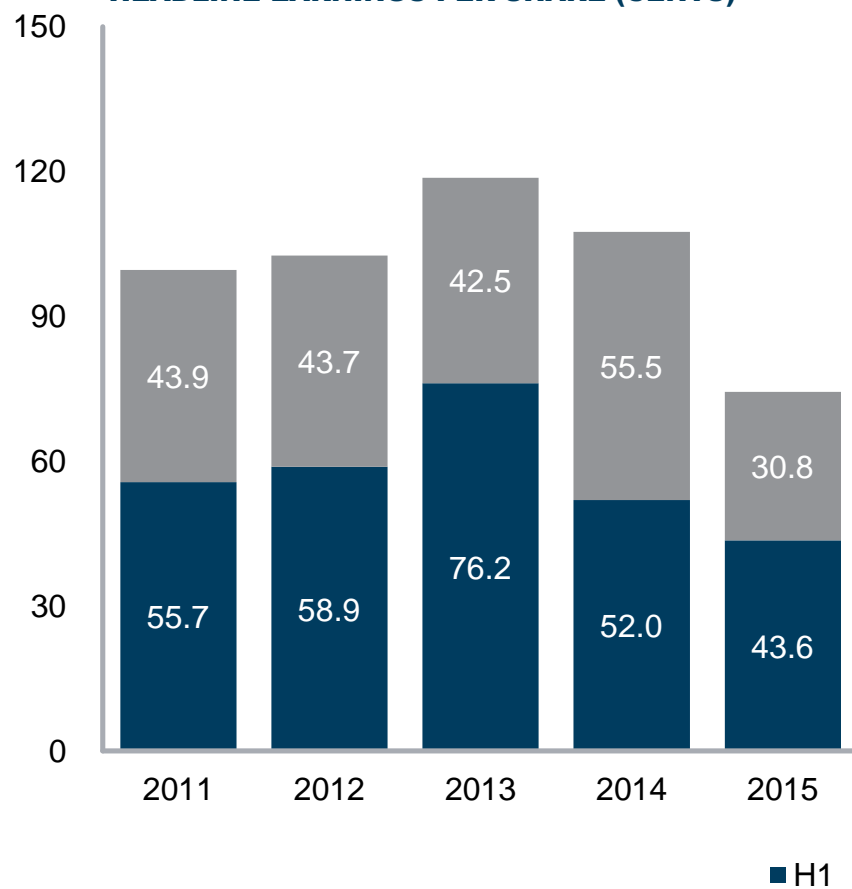
R million	2015	2014	Growth %	Comments
Profit attributable to ordinary shareholders	(1 426)	1 001	(243)	
Adjusted for:	1 985	(272)	(830)	
Foreign currency translation reserve	2	(100)	(102)	
Net profit on disposals	(218)	(430)	(49)	Richards Bay coal empowerment transaction
Impairments	2 214	281	688	Impairment of ships, mineral logistics and rail
Negative goodwill	(13)	(23)	(43)	Dry-bulk joint venture
Headline earnings	559	729	(23)	



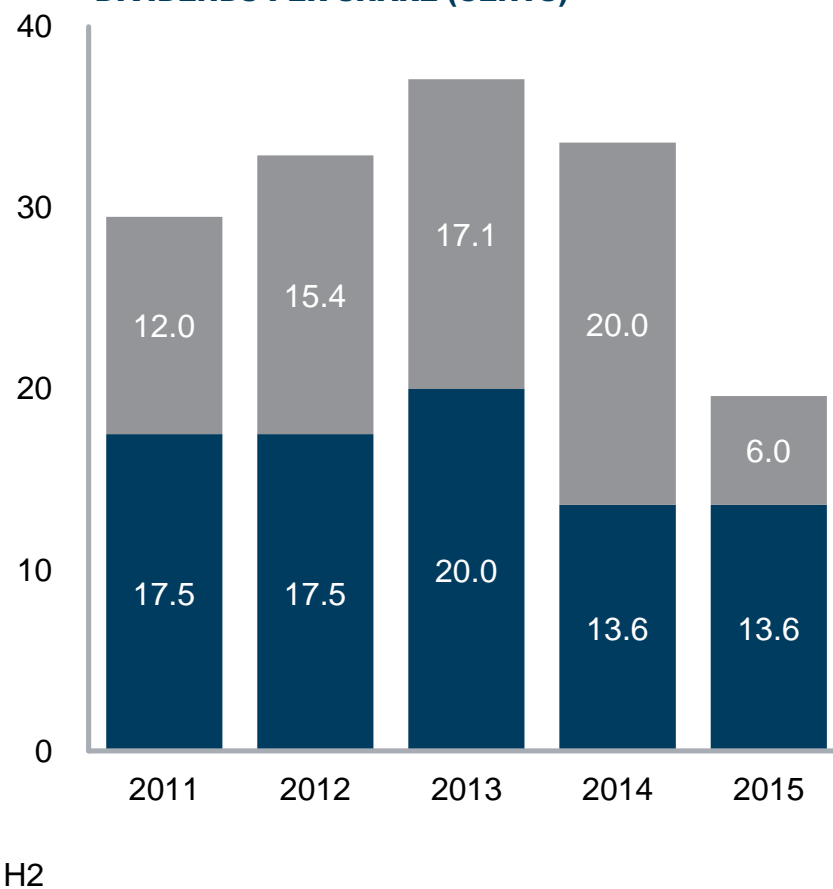
HEADLINE EARNINGS/DIVIDENDS PER SHARE



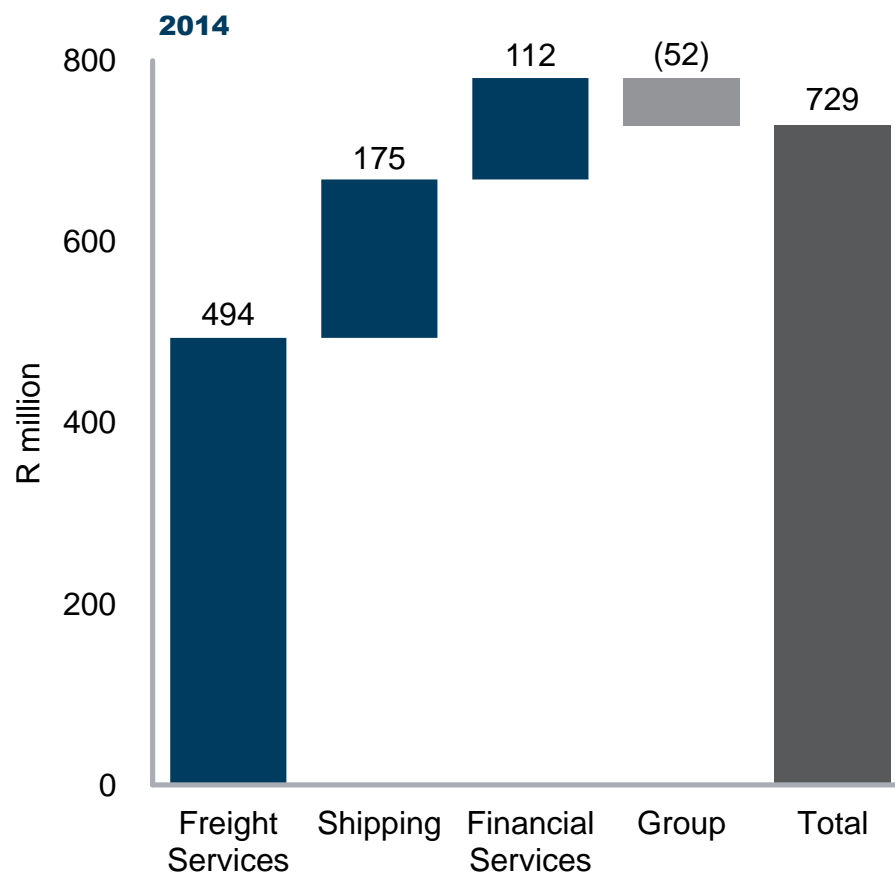
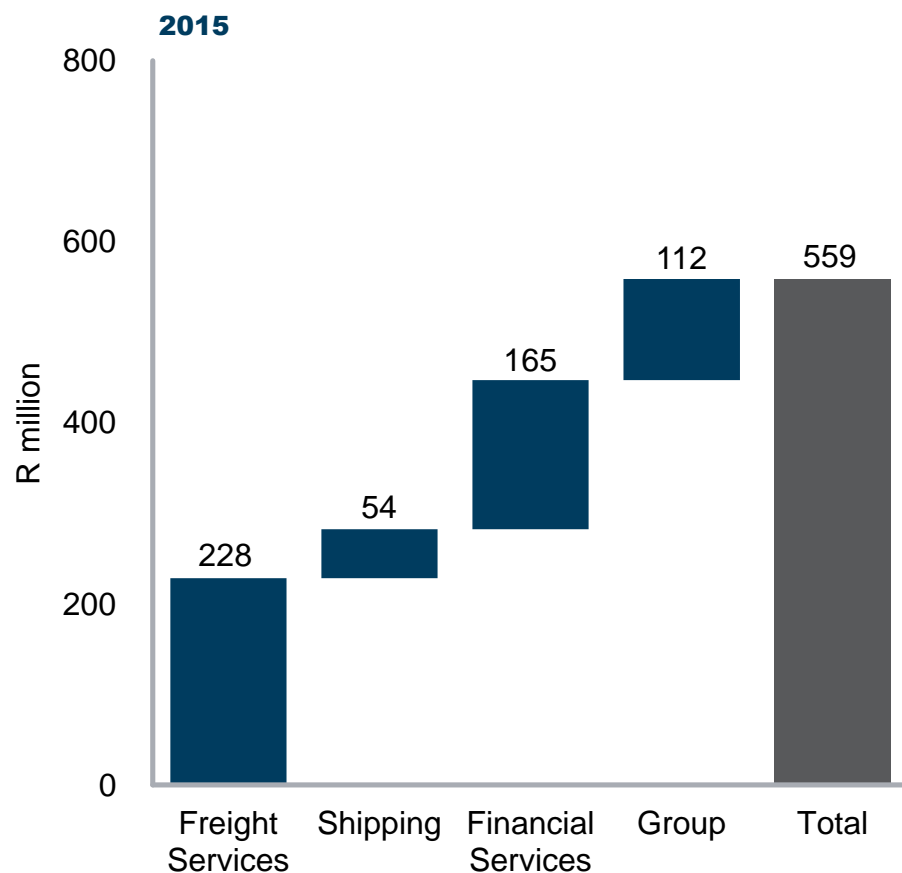
HEADLINE EARNINGS PER SHARE (CENTS)



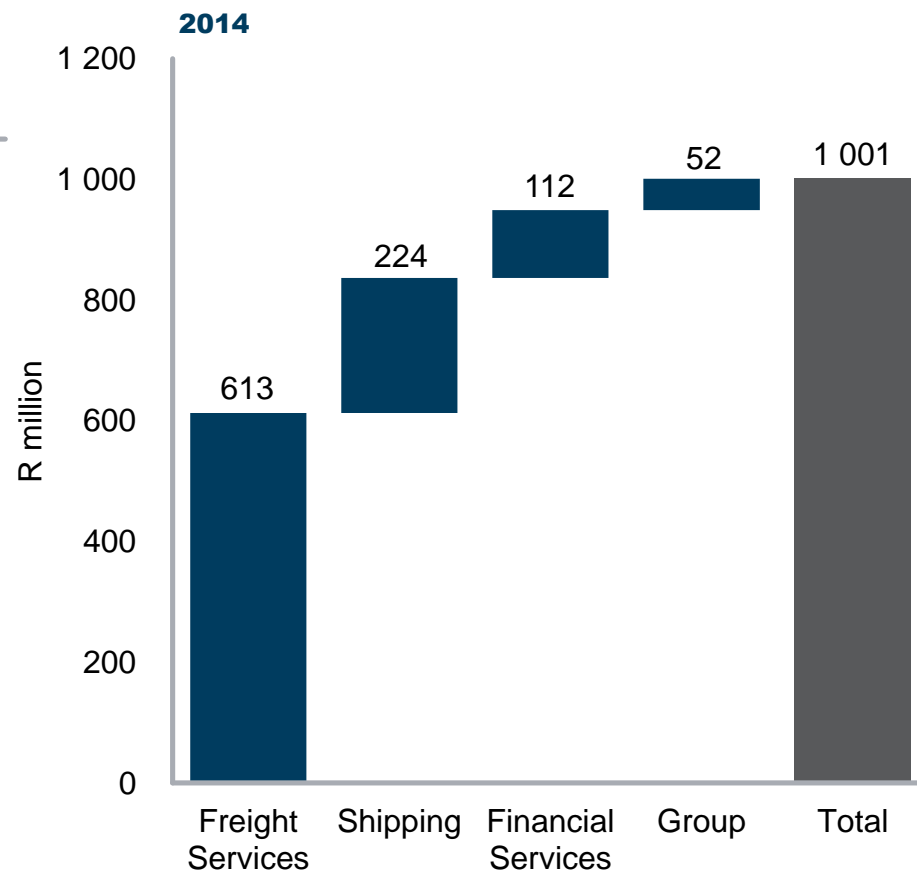
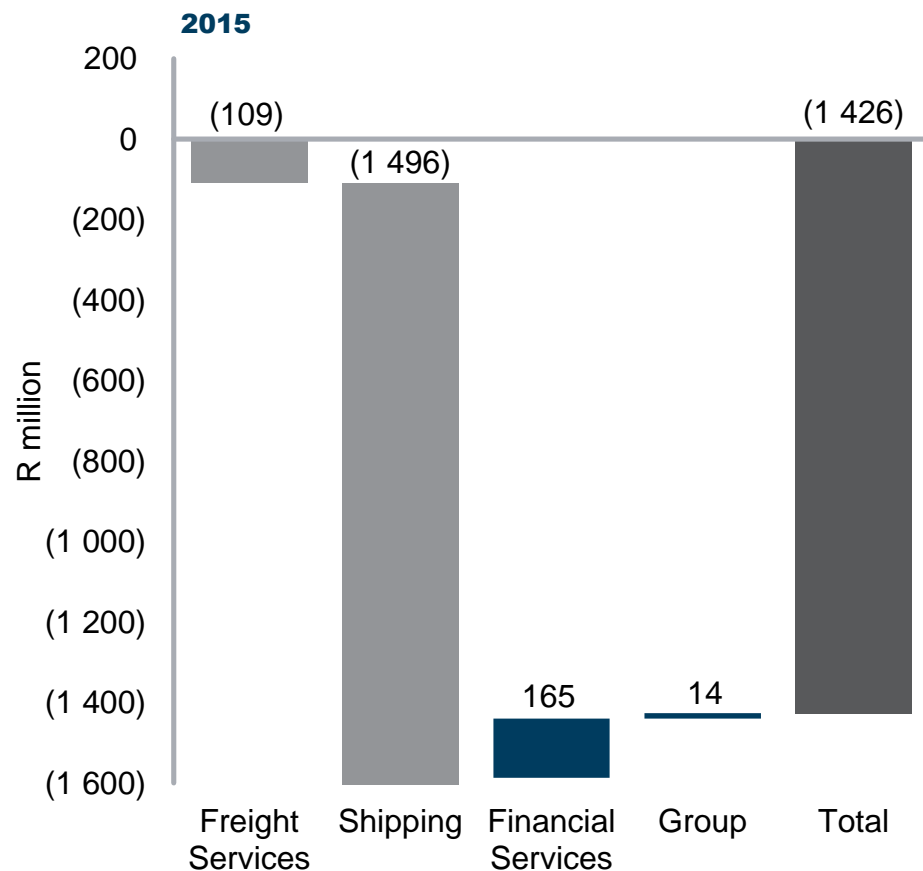
DIVIDENDS PER SHARE (CENTS)



HEADLINE EARNINGS BY DIVISION



ATTRIBUTABLE INCOME BY DIVISION



MANAGEMENT BALANCE SHEET

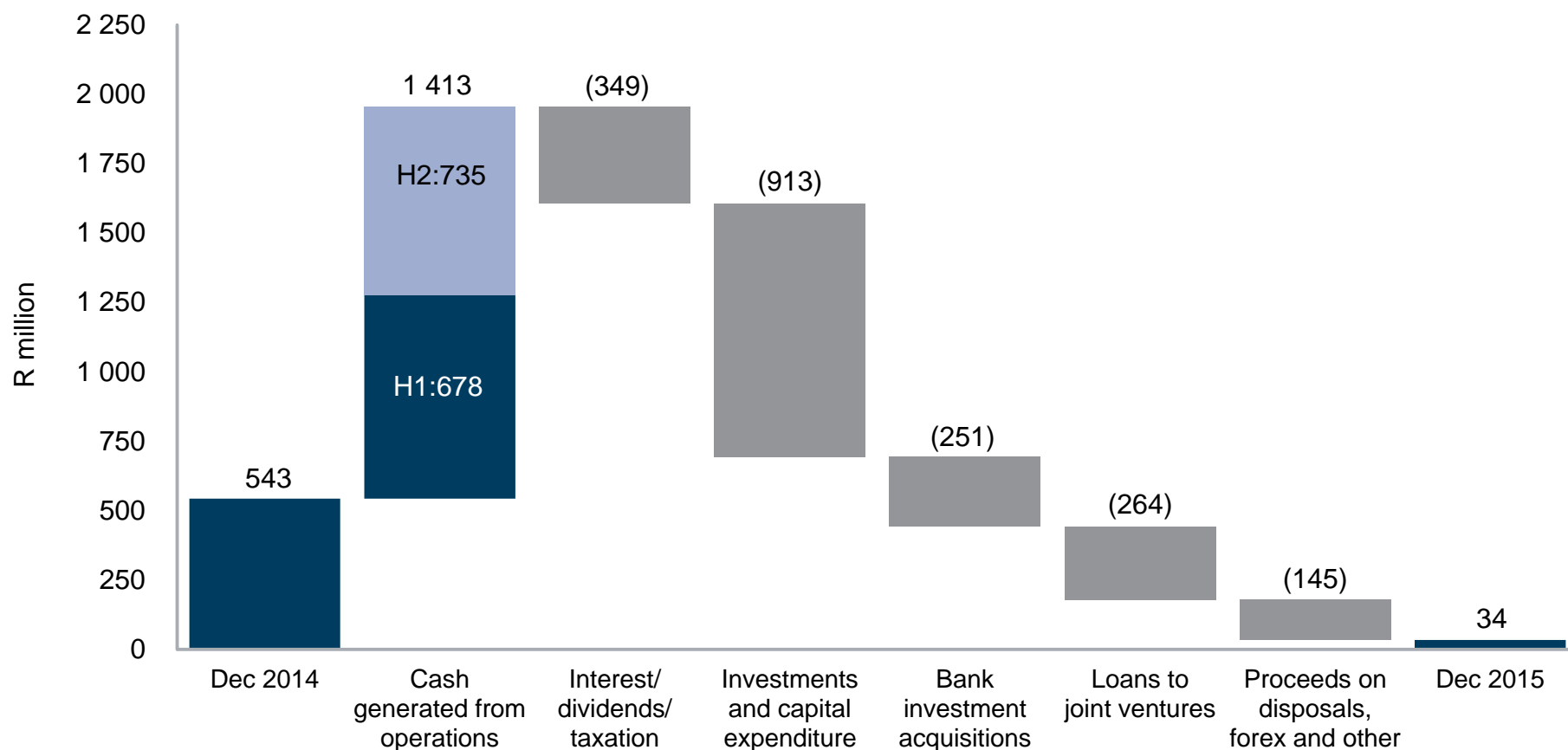


R million	2015	2014*	Growth %	Comments
Property, plant and equipment				
Freight Services	4 118	3 378	22	Currency, locomotive fleet, terminal and facility expansion
Shipping	7 943	6 913	15	Currency, impairments, dry-bulk and tanker additions
Financial Services	184	187	(2)	
Group	73	65	12	
Intangible assets	2 173	2 119	3	Impairment of mineral investments
Investments in associates	1 763	1 687	5	Earnings and currency
Other assets	6 696	5 865	14	Bank investments and advances
Non-current assets held for sale	326	538	(39)	Mineral investments
Current assets	17 253	16 612	4	Increase in cash due to timing of SASSA cut-off
Total assets	40 529	37 364	8	
Shareholders' equity	19 149	17 490	9	Currency offset impairment
Interest-bearing borrowings	6 691	6 829	(2)	Repayments
Deposits from bank customers	9 932	7 786	28	Increase in deposits due to timing of SASSA cut-off
Non-current liabilities held for sale	134	163	(18)	
Other liabilities	4 663	5 096	(8)	Lower bunker fuel price
Total equity and liabilities	40 529	37 364	8	
Closing rate of exchange	ZAR/US\$	11.57		



* Restated for provisional accounting adjustment

NET DEBT ANALYSIS



CAPITAL COMMITMENTS AND EXPENDITURE



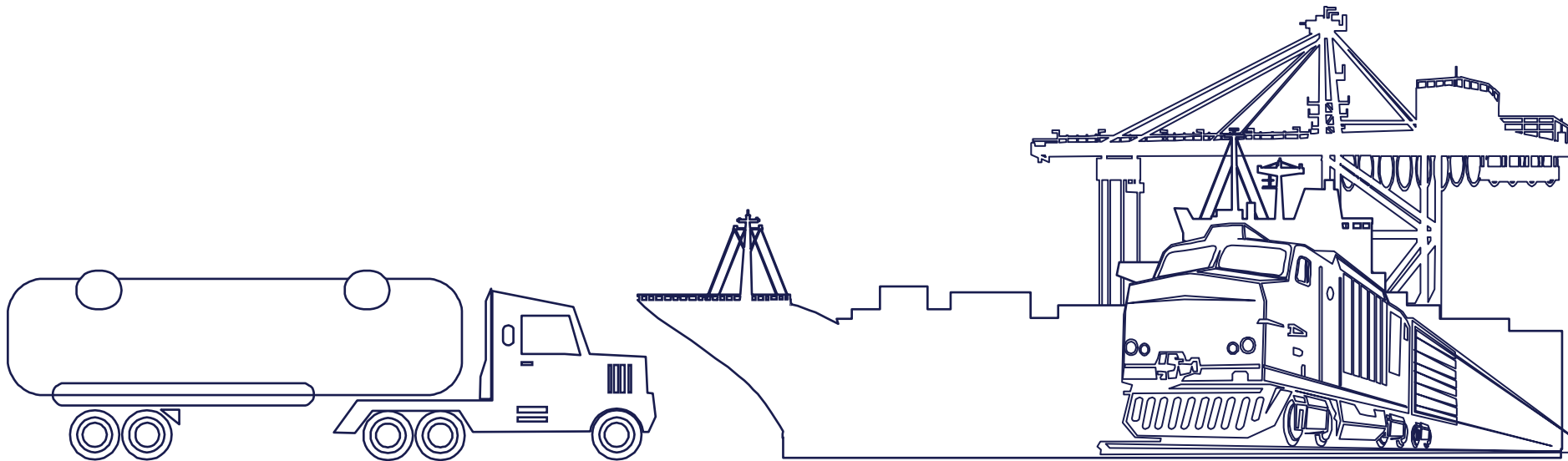
R million	Capital expenditure	Capital commitments				Split as follows	
	2015	2016	2017	2018+	Total	Approved not contracted	Approved and contracted
Freight Services	507	288	122	7	417	218	199
Port and Terminals	252	195	3	4	202	184	18
Rail	146	88	5	—	93	34	59
Carrier Logistics	52	—	—	—	—	—	—
Integrated Logistics	57	5	114	3	122	—	122
Shipping	805	762	—	—	762	106	656
Dry-bulk	544	348	—	—	348	—	348
Tankers	261	414	—	—	414	106	308
Financial Services	22	—	—	—	—	—	—
Group	20	—	—	—	—	—	—
	1 354	1 050	122	7	1 179	324	855
Split as follows:							
Subsidiaries	913	527	117	2	646	106	540
Joint venture	441	523	5	5	533	218	315

The above represents board-approved capital commitments
These commitments exclude planned expenditure, which is subject to final board consideration





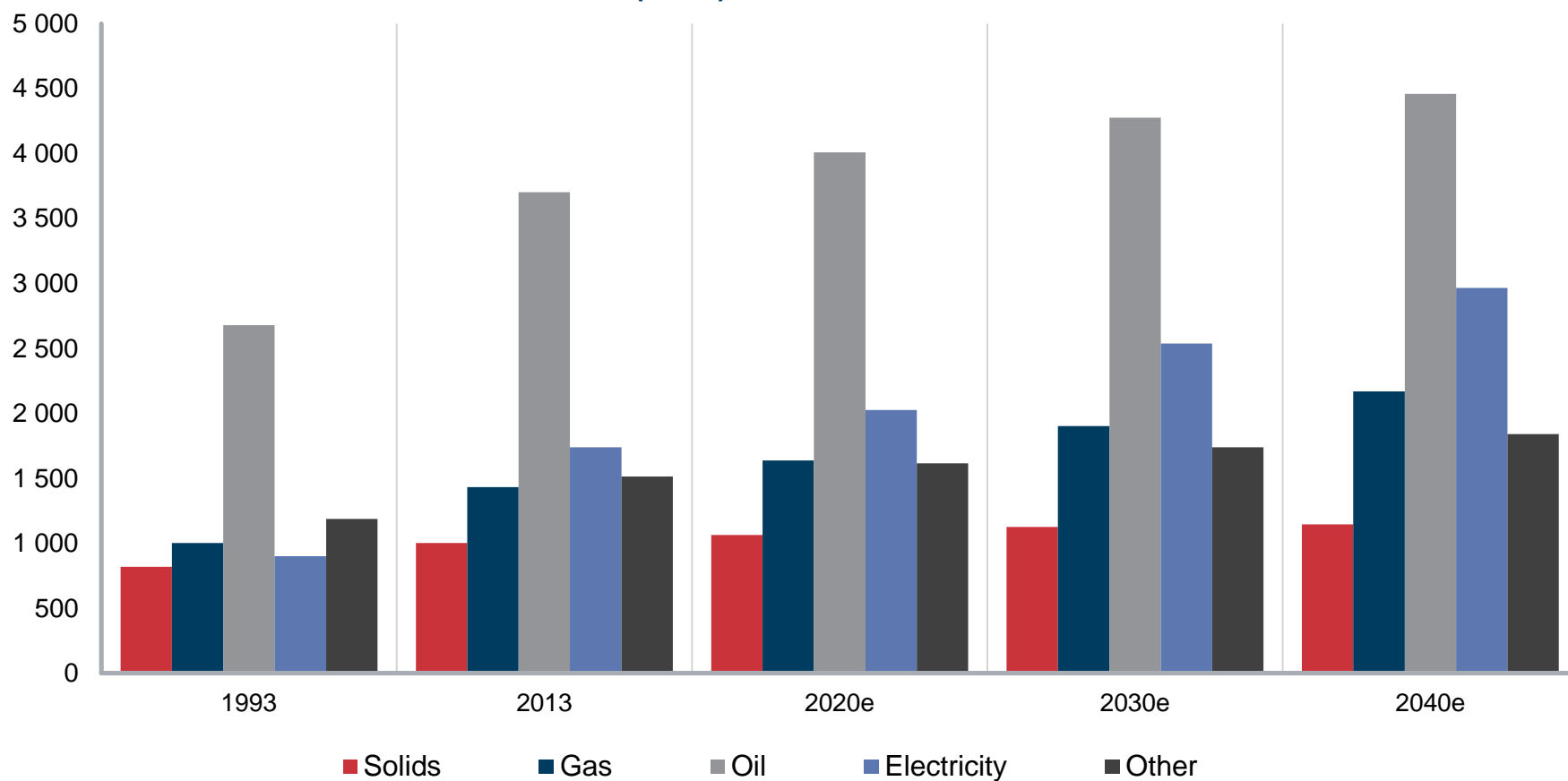
MARKETS



IEA ENERGY FORECAST – BASE SCENARIO



ESTIMATED FINAL CONSUMPTION (mtoe)



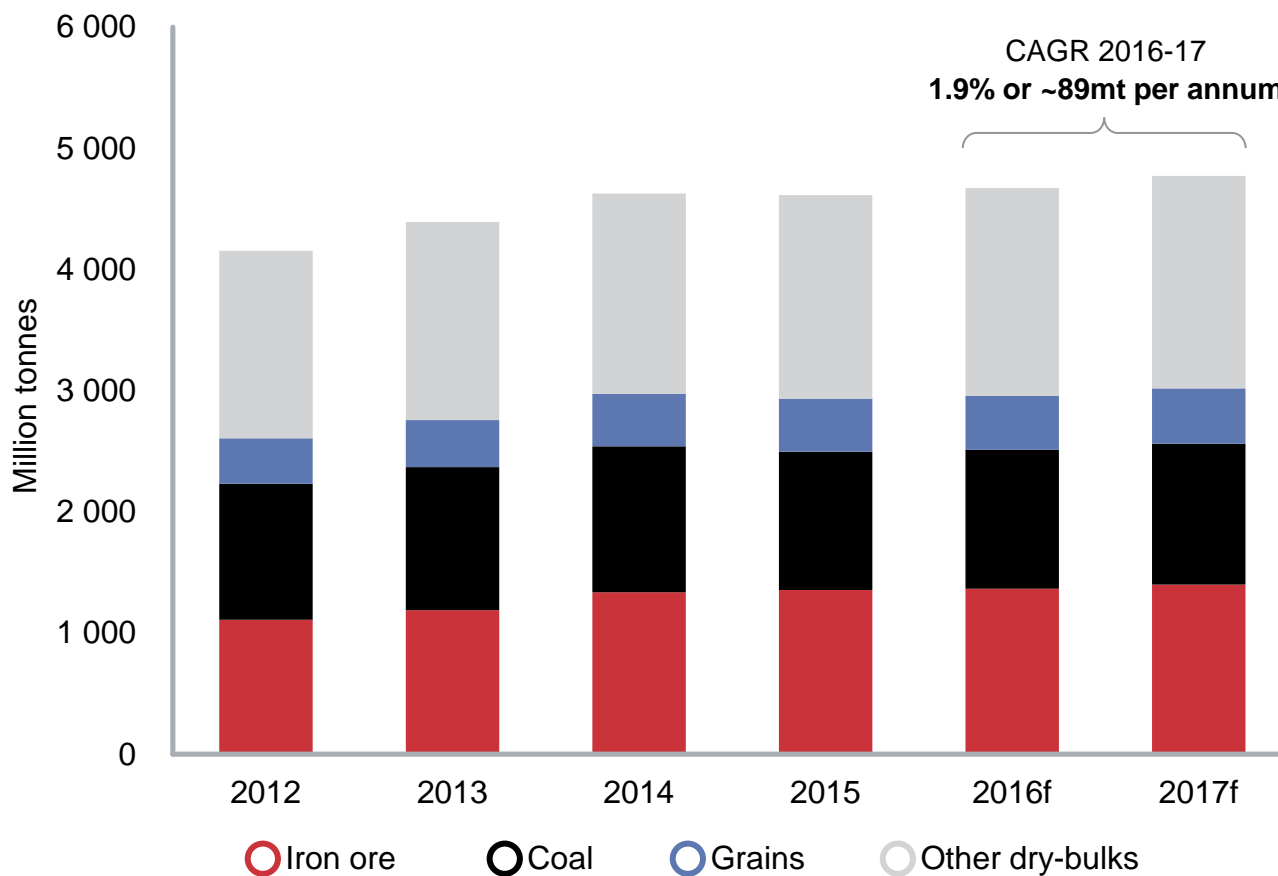
- mtoe – million tonnes of oil equivalent
 - Other includes nuclear, hydro and renewables
- Source: IEA – International Energy Agency



DRY-BULK SEABORNE TRADE



DRY-BULK SEABORNE TRADE GROWTH

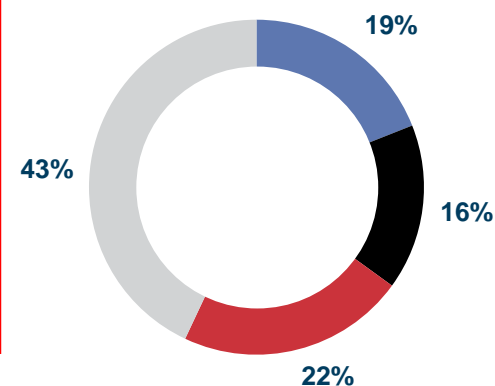


Global dry-bulk seaborne trade declined by 6mt, or by 0.1%; first decline since the global financial crisis.

Over the next two years, growth will resume but will be slower at 1.9% or about 89mt per annum.

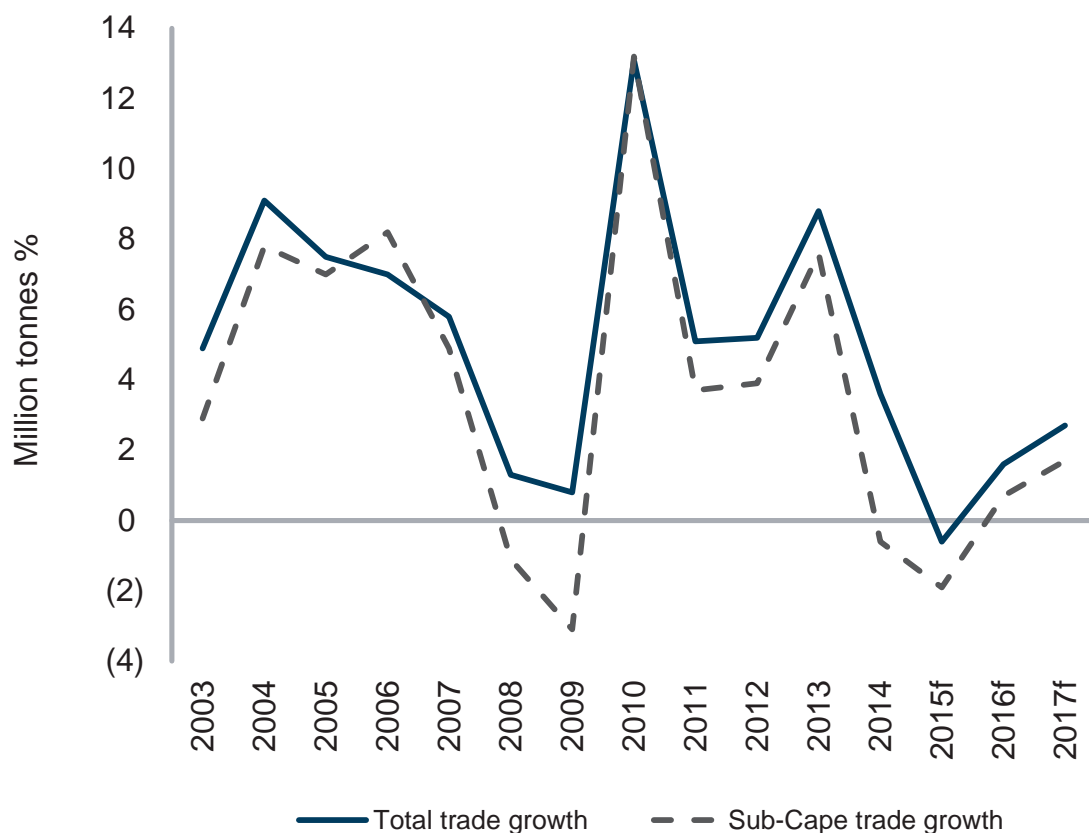
CONTRIBUTION TO GROWTH 2016-17

by commodity



f = forecast CAGR – compound annual growth rate
Source: Hartland Shipping Services Ltd, January 2016

DRY-BULK SEABORNE DEMAND GROWTH



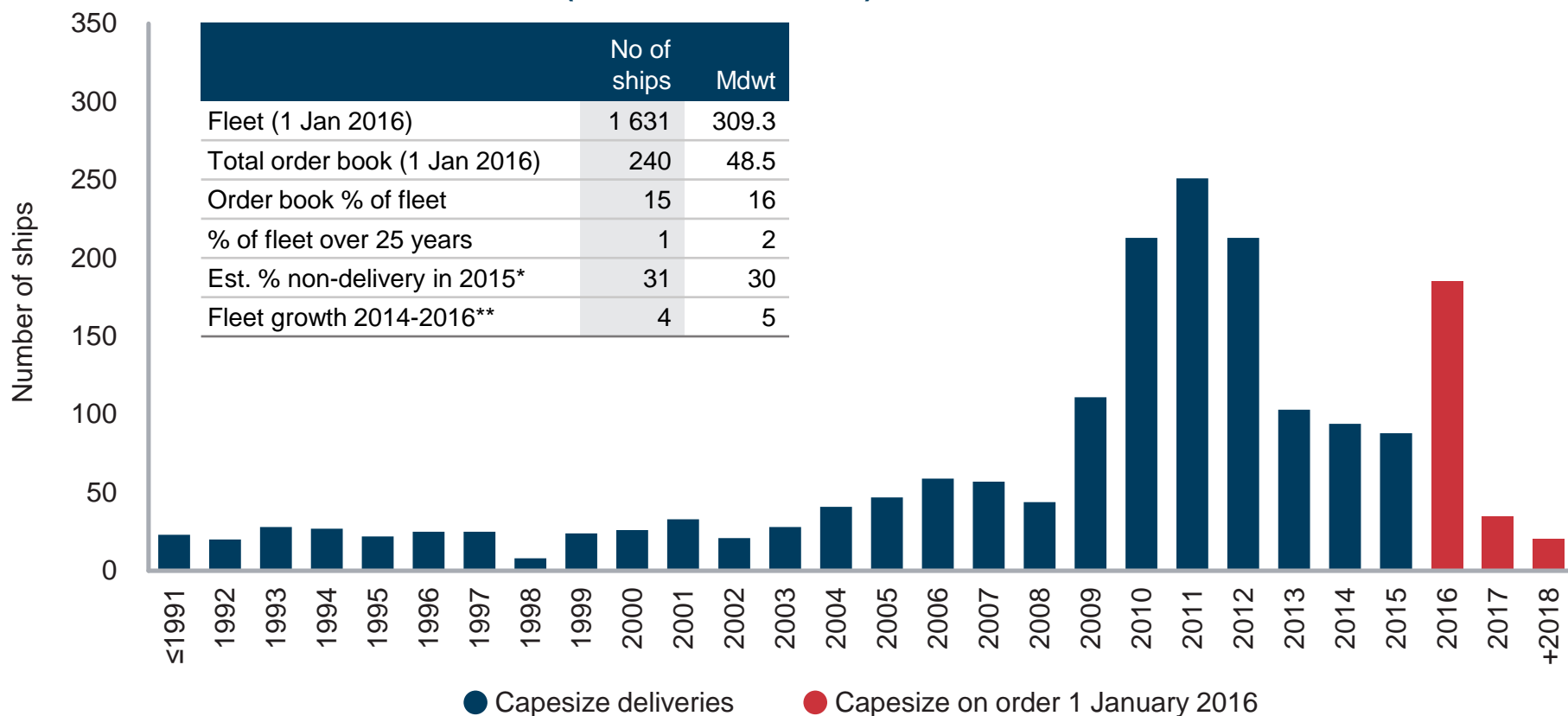
Incremental volumes	2014	2015	2016f
Iron ore	145	24	37
Coal	2	(68)	(16)
Grains	43	14	13
Steel	26	7	2
Bauxite and non-ferrous ores	(105)	2	10
Other	33	(3)	20
Total	144	(24)	65

f = forecast

Source: Clarksons Platou, January 2016



CAPE SIZE BULK CARRIERS (100 000+ dwt tonnes)



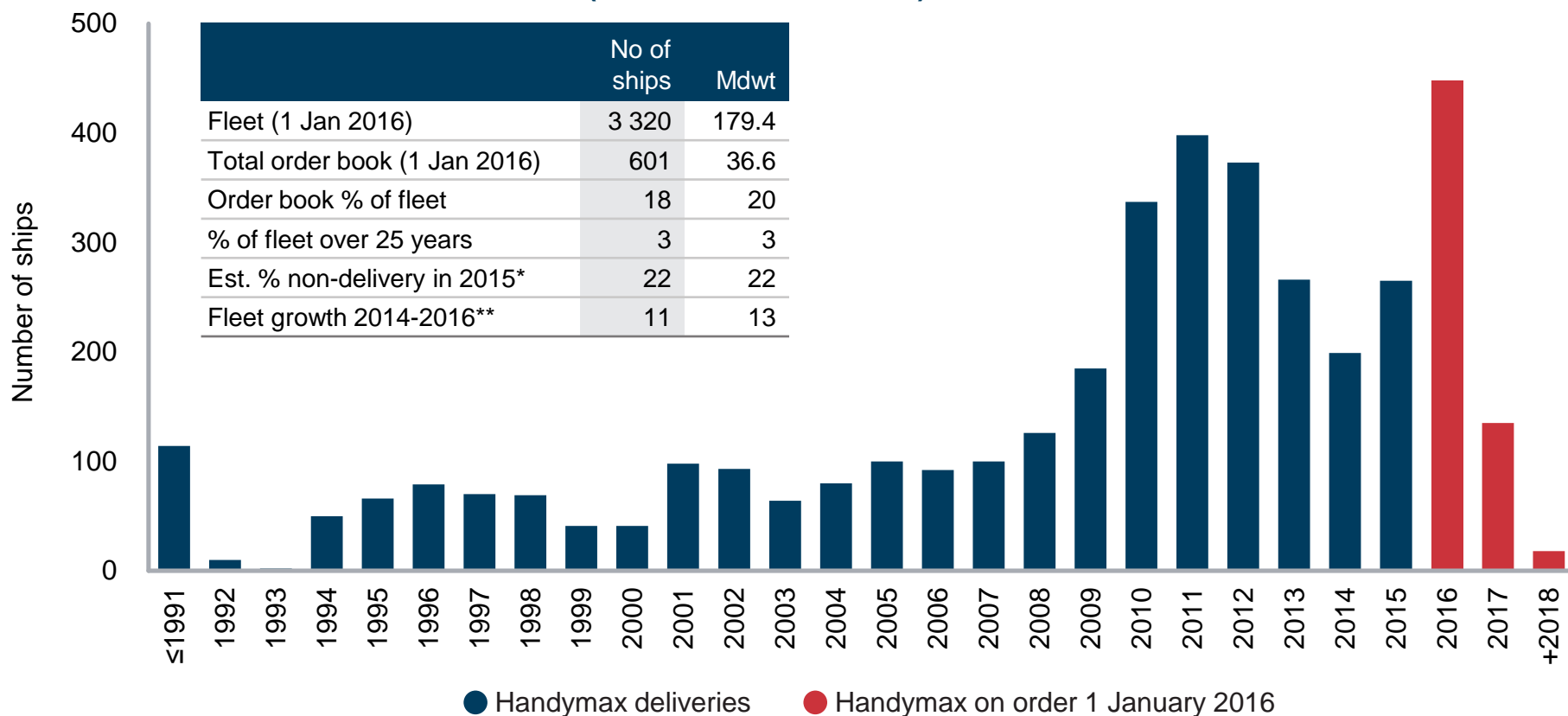
* Non-deliveries are estimates based on vessels that were expected deliveries, but due to delays, cancellations, renegotiations of contracts and new market information, have not yet entered the fleet

** Fleet growth is from 1 January 2014 until 1 January 2016

Source: Clarksons Research, January 2016



HANDYMAX BULK CARRIERS (40 – 62 999 dwt tonnes)



* Non-deliveries are estimates based on vessels that were expected deliveries, but due to delays, cancellations, renegotiations of contracts and new market information, have not yet entered the fleet

** Fleet growth is from 1 January 2014 until 1 January 2016

Source: Clarksons Research, January 2016



HANDYSIZE BULK CARRIERS (10 – 39 999 dwt tonnes)



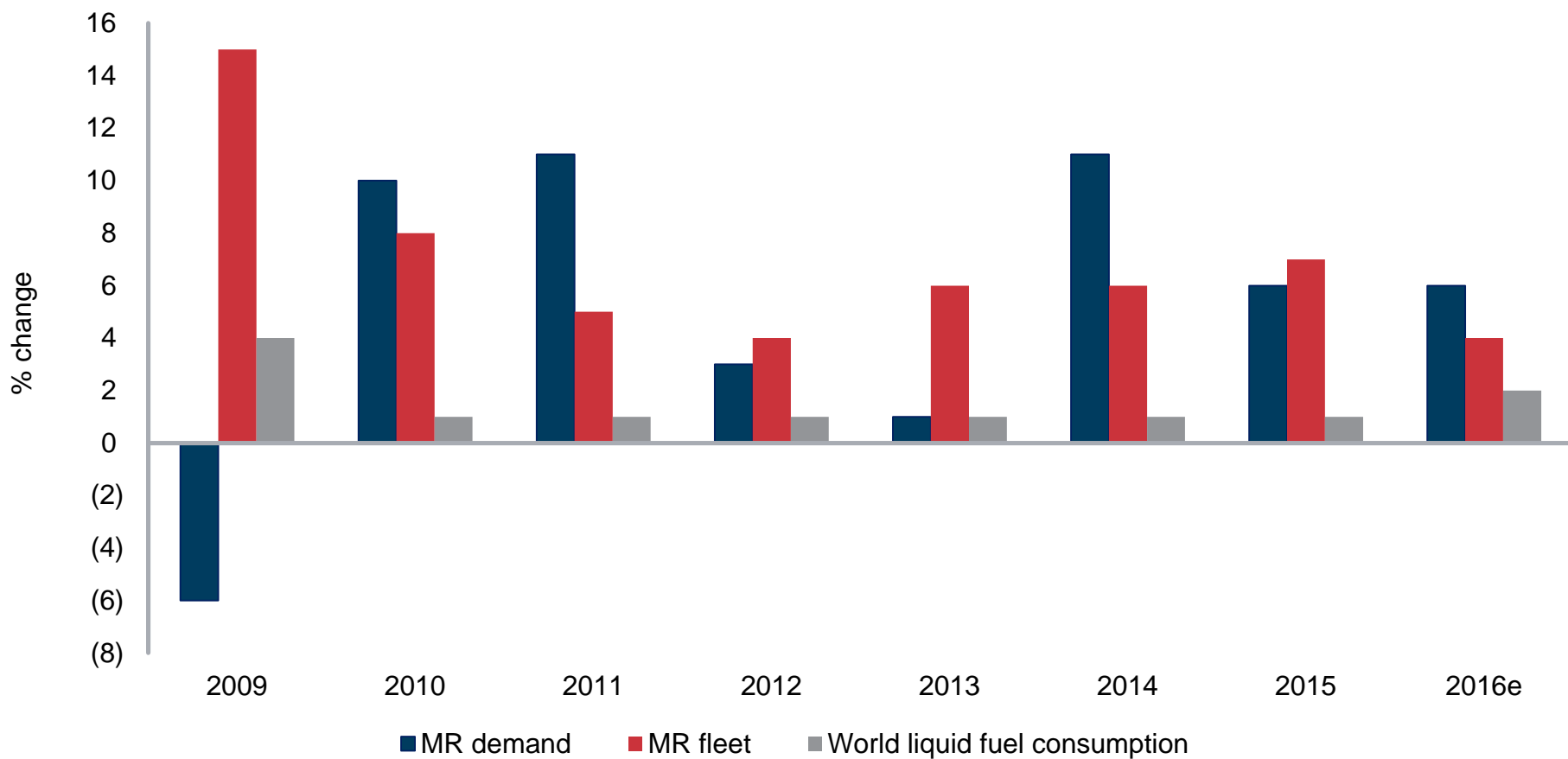
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** Fleet growth is from 1 January 2014 until 1 January 2016

Source: Clarksons Research, January 2016

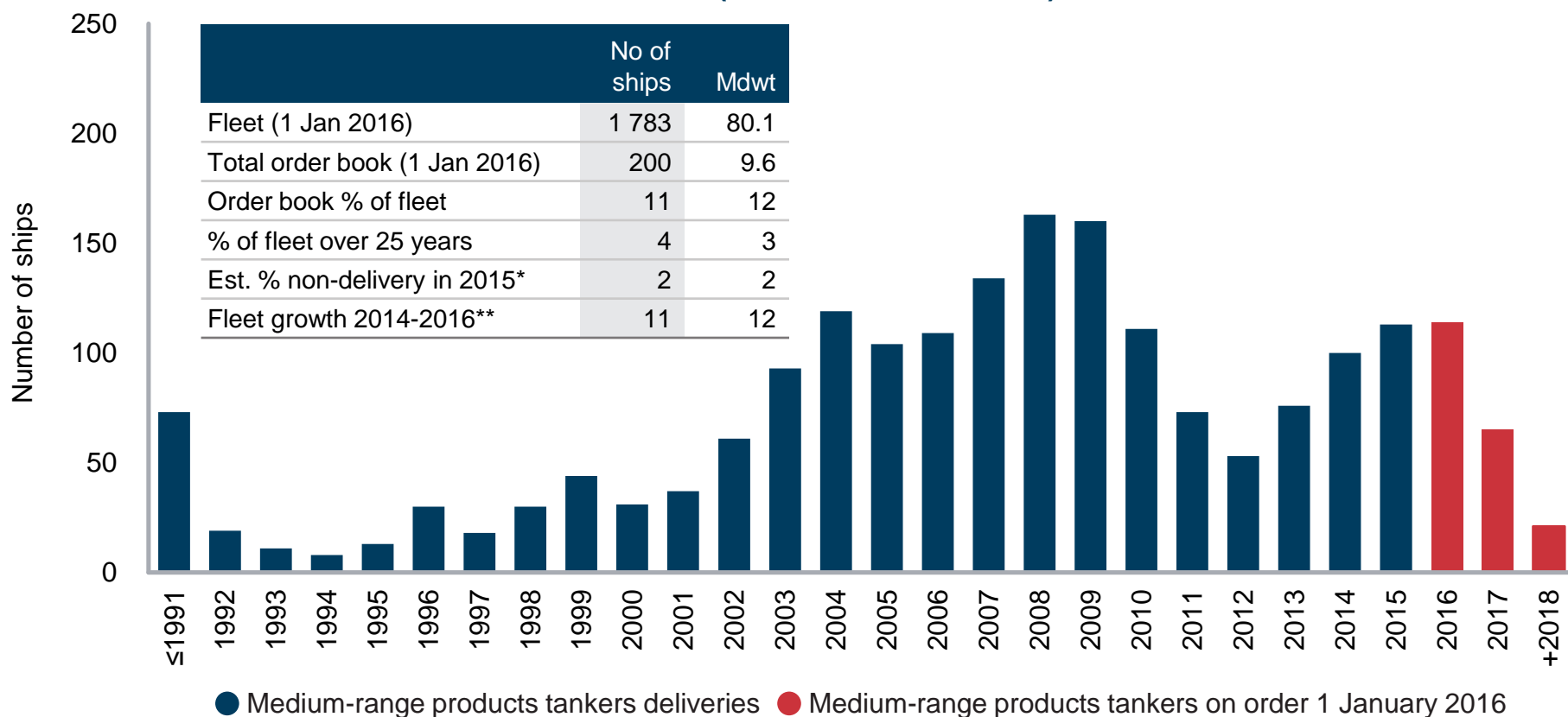


PRODUCT TANKER DEMAND



Source: Affinity (Shipping) Ltd, February 2016

MEDIUM-RANGE PRODUCTS TANKERS (25 – 54 999 dwt tonnes)



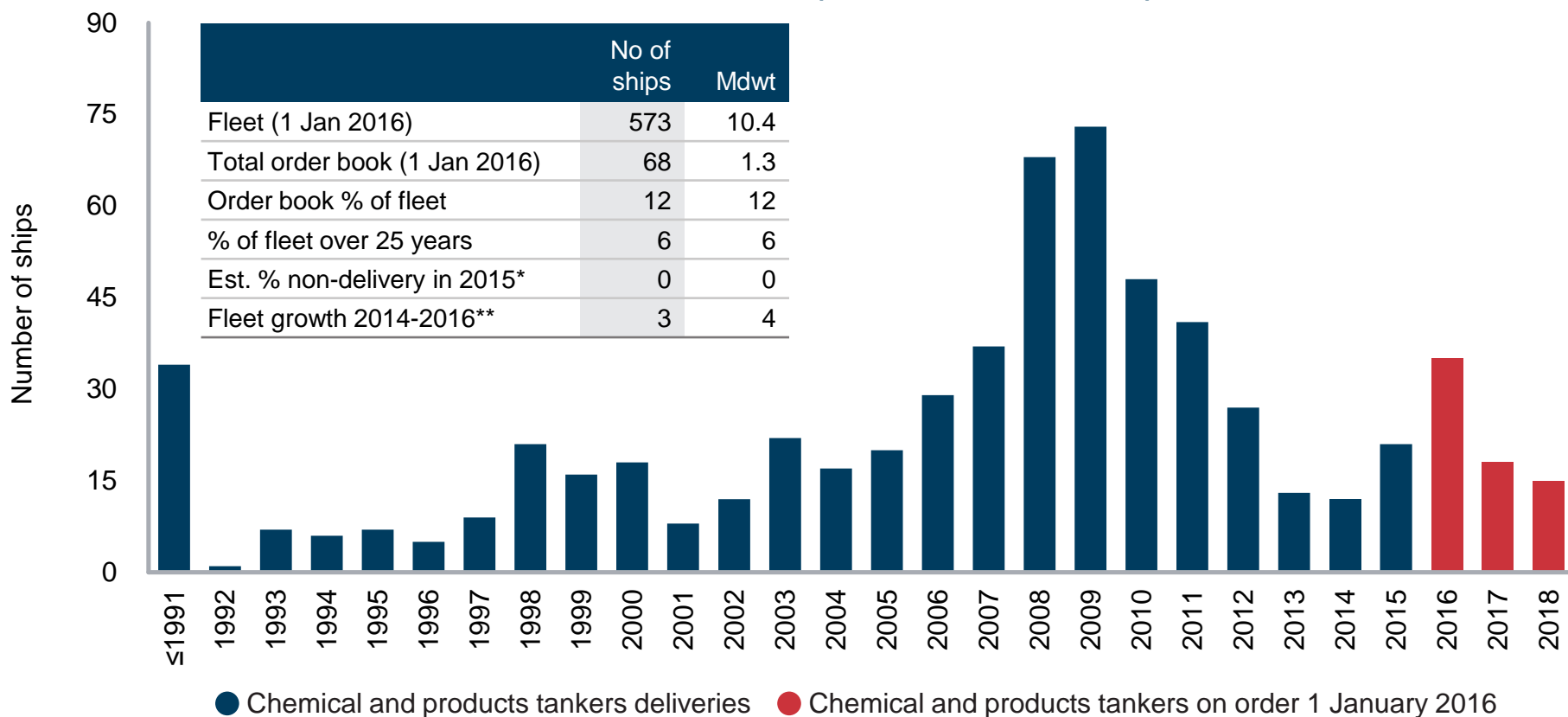
* Non-deliveries are estimates based on vessels that were expected deliveries, but due to delays, cancellations, renegotiations of contracts and new market information, have not yet entered the fleet

** Fleet growth is from 1 January 2014 until 1 January 2016

Source: Clarksons Research, January 2016



SMALL CHEMICAL AND PRODUCTS TANKERS (15 – 19 999 dwt tonnes)



* Non-deliveries are estimates based on vessels that were expected deliveries, but due to delays, cancellations, renegotiations of contracts and new market information, have not yet entered the fleet

** Fleet growth is from 1 January 2014 until 1 January 2016

Source: Clarksons Research, January 2016





OPERATIONAL OVERVIEW

FREIGHT SERVICES



OPERATIONAL HIGHLIGHTS – PORT AND TERMINALS



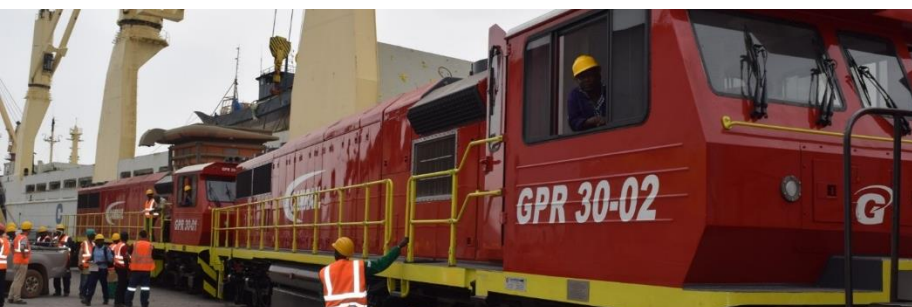
- Maputo port revenue is up 2% on increased own volumes despite the fall in concession volumes
- Matola terminal throughput decreased 14% to 3.5 million tonnes, (2014: 4.1 million tonnes); increased magnetite offsetting reduced coal volumes
- Maputo main port terminal footprint was reduced following the discontinuance of road-hauled magnetite in the prior year
- Richards Bay terminal throughput decreased 33% to 2.6 million tonnes (2014: 3.9 million tonnes)
- Reduction in Maputo car terminal volumes of 45% (33 436 vehicles moved in the year)



OPERATIONAL HIGHLIGHTS – RAIL



- Rail earnings decreased due to delays in rail infrastructure project spend and suspension of some large mining projects
- Sierra Leone business has been renegotiated at reduced rates for an extended period of seven years for all locomotives
- Contract to deliver 16 locomotives from Quarter 1, 2016
- North-south rail corridor volume continued to fall on the back of depressed copper prices and lower transit volume in Zimbabwe



OPERATIONAL HIGHLIGHTS – LOGISTICS



- Carrier Logistics successful turnaround process continues in automotive and fuel
- Ships agency and clearing and forwarding businesses continue to perform well, with focus on increasing activity in southern Africa cargo corridors
- Intermodal right-sized for new opportunities and a shift away from mineral dependency
- Agri-businesses profitable despite drought conditions



STRATEGY

- Focus on facility utilisation
- Reducing logistics costs to enable cargo movements in weak market
- Incremental expansion projects to improve efficiencies
- Assess opportunities to diversify geography and commodities associated with core businesses

OUTLOOK

- Magnetite, coal and copper volumes will continue to be under pressure
- Restructured Logistics businesses with improved cost base poised for improved performance
- Climate conditions continue to put pressure on earnings in the agri-businesses, import logistics opportunities arise
- Logistics supply chain / trains available to support growth





OPERATIONAL OVERVIEW

SHIPPING



OPERATIONAL HIGHLIGHTS



- Strongest tanker market since 2008
- Rates in dry bulk remain well below profitable levels
- Solid performance in ship-operating businesses
- Delivery of seven (five in joint venture) next generation eco fuel-efficient bulk carriers
- A further handysize (joint venture) and five supramax (three in joint venture) bulk carriers on schedule to deliver in 2016
- Improved volumes from an increased geographic representation have offset the tighter market rates in Marine Fuels business



STRATEGY AND OUTLOOK



STRATEGY

- Careful management through the difficult market
- Expand fleet under commercial management

OUTLOOK

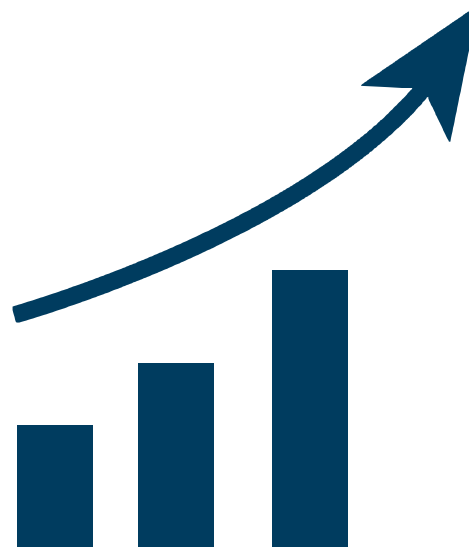
- Tanker rates holding up at profitable levels despite deliveries
- The dry-bulk fleet is not covering costs at these low levels
- No new dry-bulk ordering and scrapping at high levels
- Dry-bulk seaborne freight growth expected at lower levels





OPERATIONAL OVERVIEW

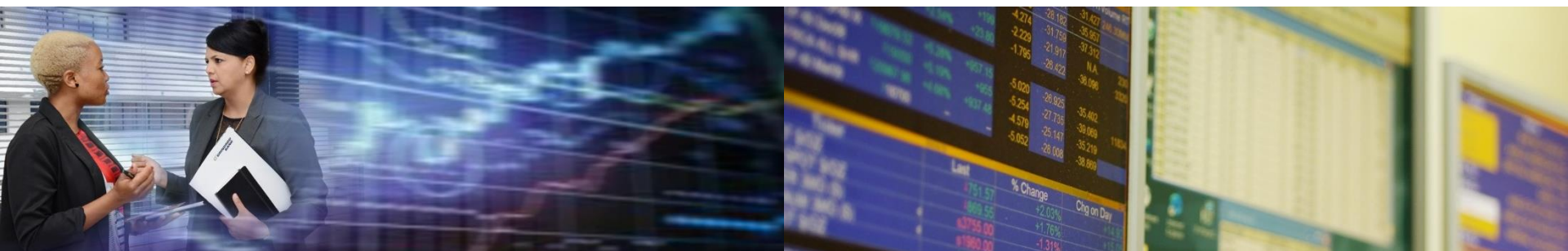
FINANCIAL SERVICES



OPERATIONAL HIGHLIGHTS



- Above target in all businesses in both Bank and Asset Management
- Fees generated from Stockbroking significantly ahead of budget
- Good growth in UK Property Fund
- Retail:
 - › Retained the 10 million SASSA-cardholder base as the SASSA contract remains in place
 - › Benefited from ATM acquiring through the roll-out of 810 ATMs operated by Net1
- Sound lending management resulted in a very low provision for bad debts
- Solid growth in assets under management, from R13.6 billion to R15.7 billion
- Capital markets took the first steps to position the CoreShares brand to become a significant ETF investment product provider



STRATEGY AND OUTLOOK



STRATEGY

- Drive focused business growth
- Pursue growth in assets under management
- Secure appropriate investment banking opportunities
- Focus on well-secured loans with low risk of default
- Expand Retail offering
- Expand the UK property portfolio

OUTLOOK

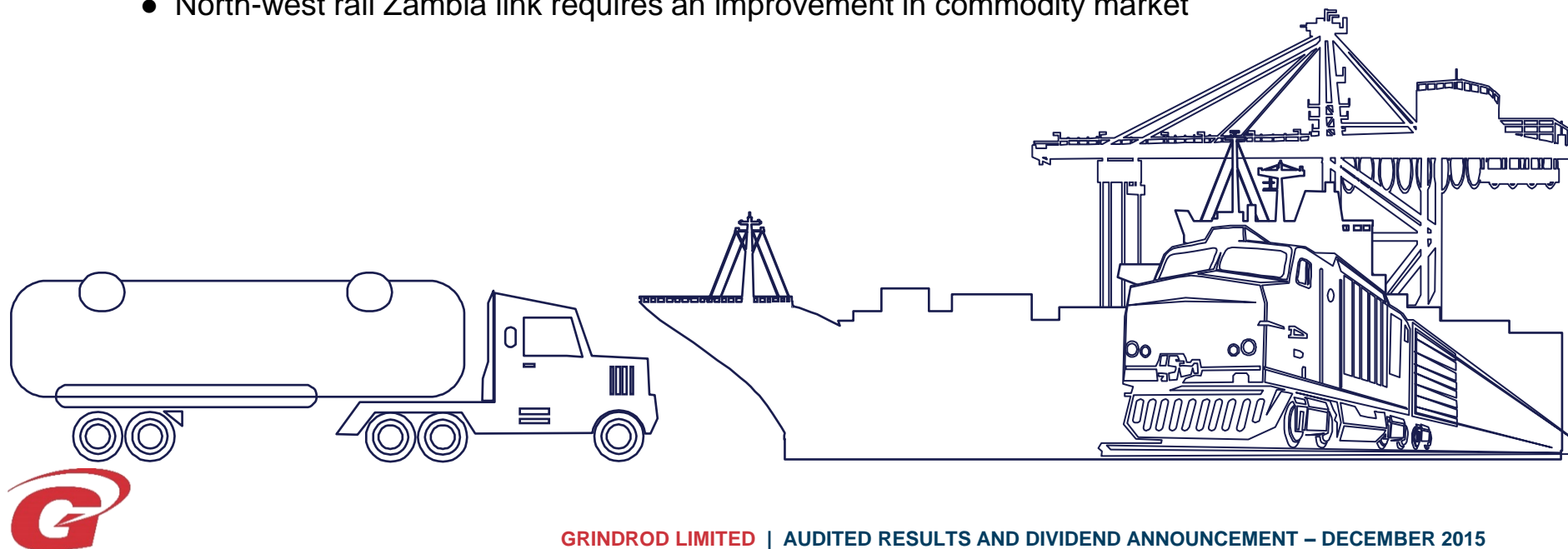
- Steady growth expected
- Volatile stock market could impact asset management fees
- Cost of funding impacted by country rating



KEY CAPITAL PROJECTS UPDATE

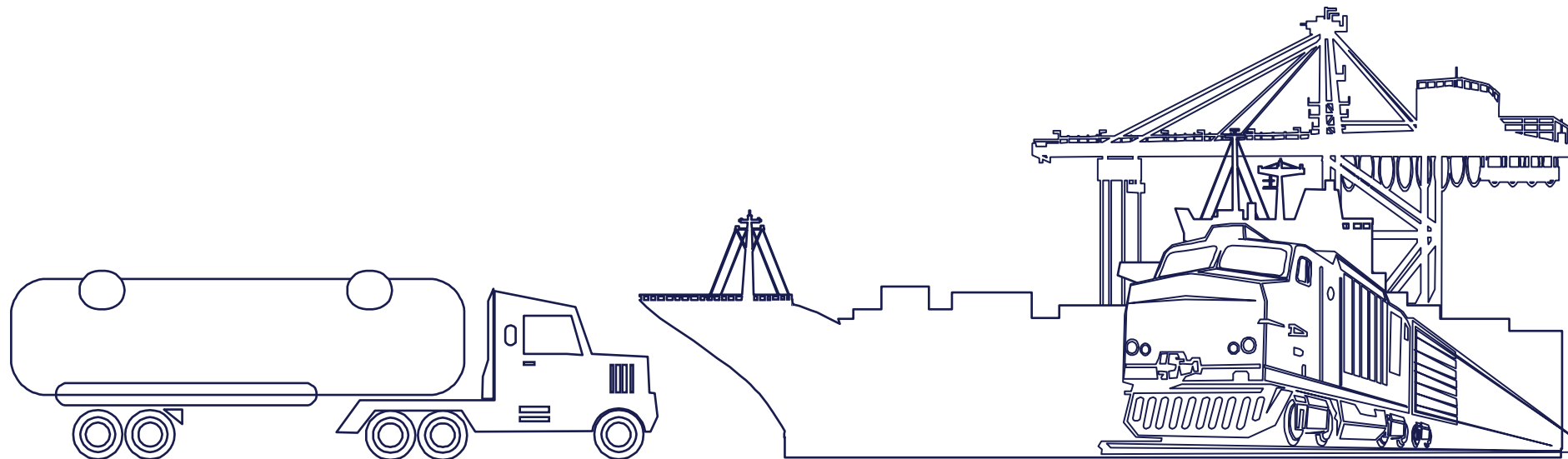


- Richards Bay terminal expansion to proceed on back of contractual volumes
- Ngqura liquid-bulk terminal continues to await NERSA tariffs
- Maputo port and Matola coal terminal dredge to proceed
- Withdrawal from Saldanha crude-oil terminal
- North-west rail Zambia link requires an improvement in commodity market





GROUP STRATEGY AND OUTLOOK



STRATEGY

- To purposefully grow the business organically, by acquisitions and seeking synergies within the group, with specific focus on Africa, to become a respected fully integrated freight and logistics service provider
 - › To provide logistic services that enable trade
 - › Reduce supply chain costs to enable cargo movement in weak market
 - › Focus on the consolidation of businesses and services
 - › Identify and develop meaningful strategic infrastructure

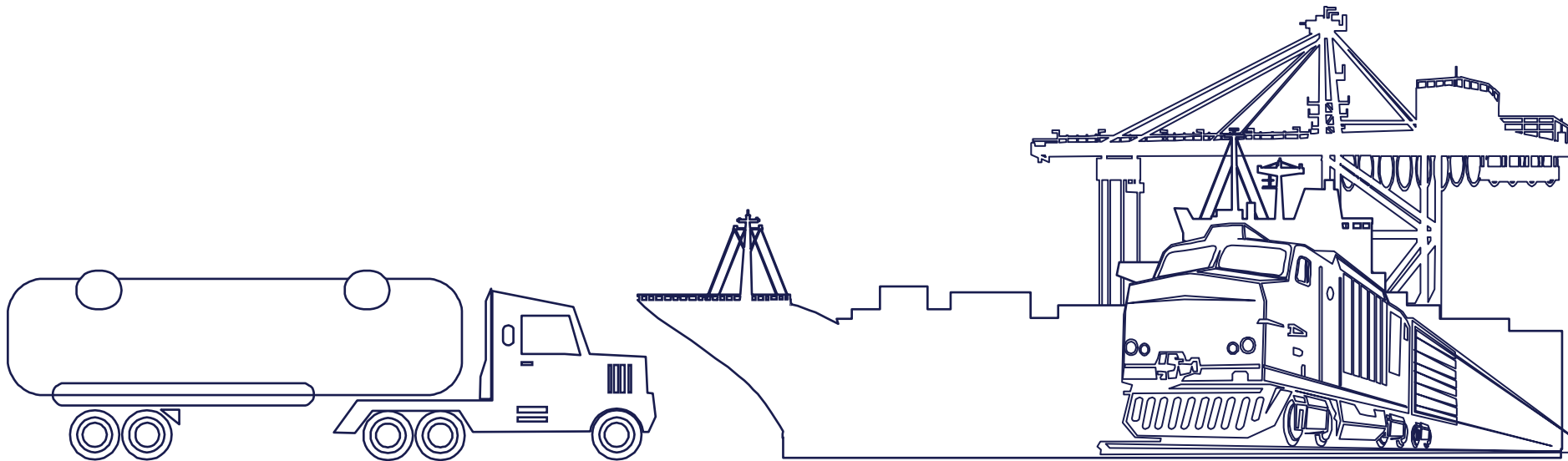
OUTLOOK

- Demand for commodities globally is a key driver of the Grindrod business model
- Improving dry-bulk shipping rates will have a material impact on Grindrod's profitability
- Commodity prices at unprofitable level for miners impact volumes through terminals
- Well positioned to take advantage of an improvement in the global economy
- Capital projects to be developed in line with demand





ANNEXURES



TERMINAL CAPACITY – UTILISATION AS AT 31 DECEMBER 2015



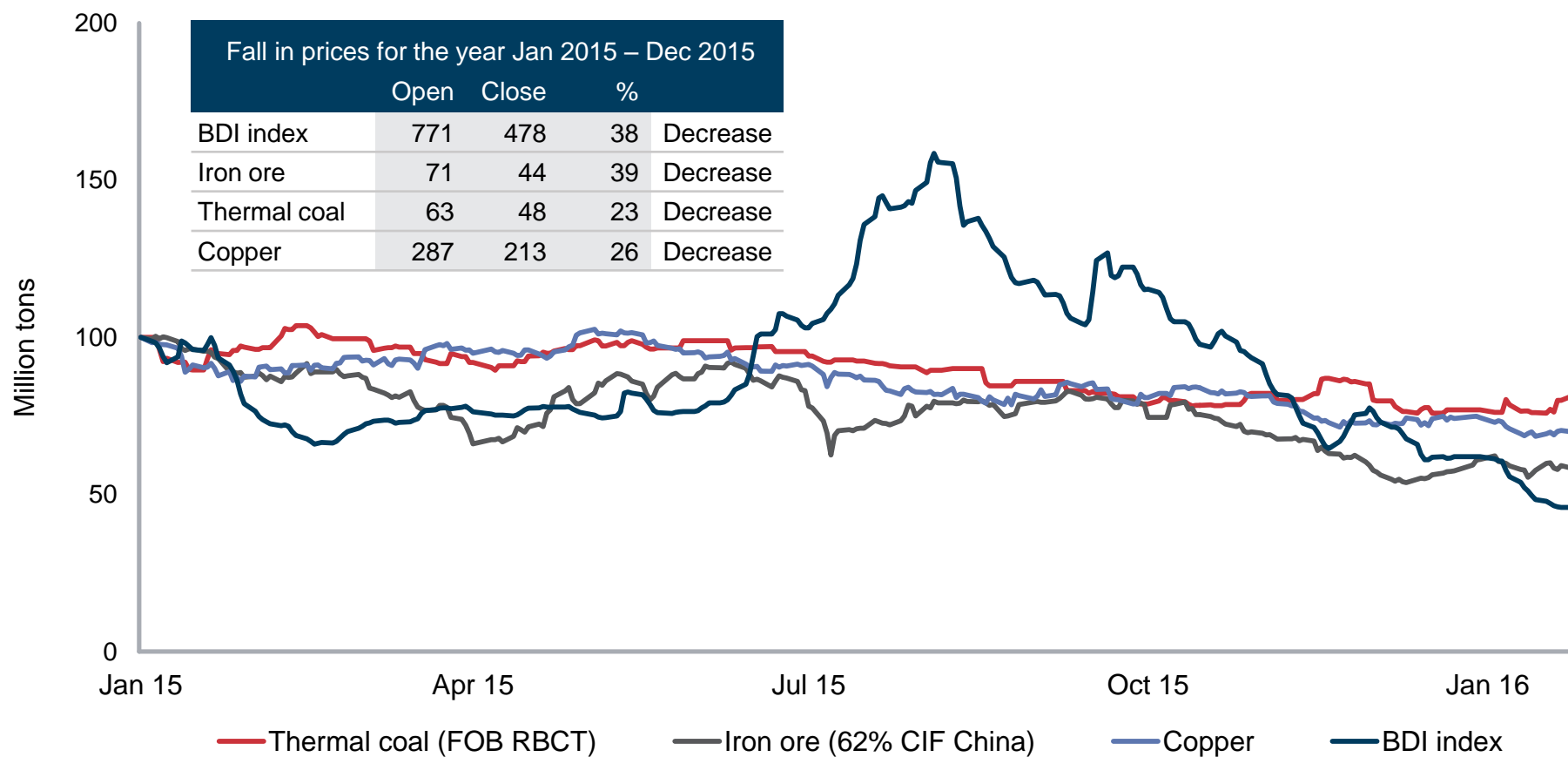
Terminals	Utilisation			2014	Change %	Annual capacity 2015
	H1 2015	H2 2015	Total 2015			
Dry bulk (tonnes)	4 040 561	3 872 181	7 912 742	13 770 729	(43)	18 650 000
Matola coal terminal ¹	1 904 854	1 612 409	3 517 263	4 076 779	(14)	7 300 000
Richards Bay ^{1, 2}	1 319 263	1 306 872	2 626 135	3 892 742	(33)	6 100 000
Maydon Wharf (Durban)	259 213	303 583	562 796	824 896	(32)	700 000
Walvis Bay (Namibia)	160 229	175 459	335 688	291 450	15	550 000
Maputo terminal ¹	397 002	473 858	870 860	4 684 862	(81)	4 000 000
Port of Maputo	7 676 000	7 930 623	15 606 623	19 550 110	(20)	N/A
Maputo car terminal (number of vehicles)	17 063	16 373	33 436	60 888	(45)	120 000

1 Physical tonnage, excluding take or pay volumes

2 Includes RBTG JV volume at 100% share

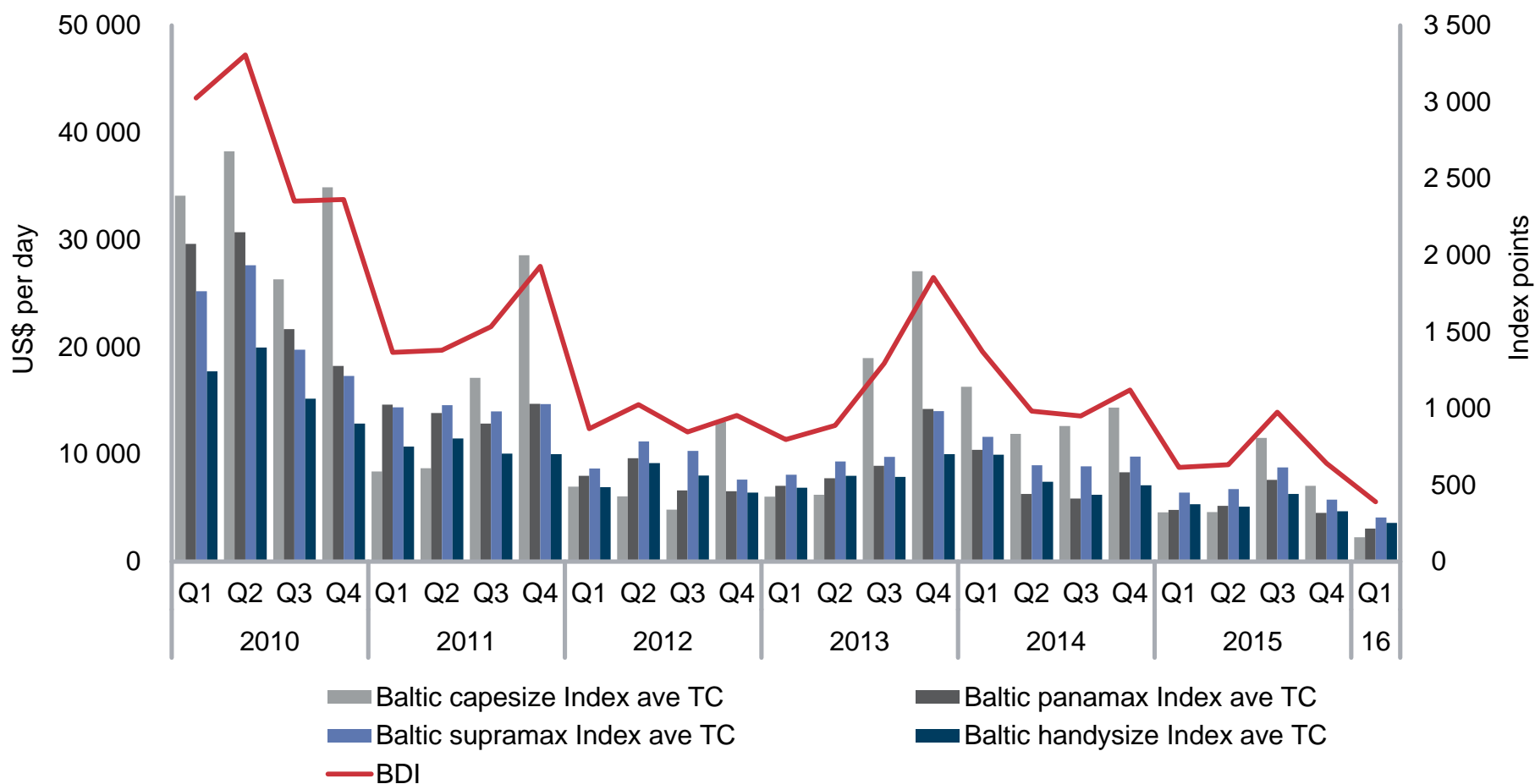


2015 SHIPPING AND COMMODITY PRICE PERFORMANCE



Source: Macquarie Securities Group, Macquarie Group Limited, January 2016

DRY-BULK DAILY SPOT RATES (BALTIC INDICES)



Source: Clarksons Research (Shipping Intelligence Network), copyright Baltic Exchange, January 2016

SCRAPPING



dwt 000	Handysize bulker	Handymax bulker	Panamax bulker	Capesize bulker	Handy* products tanker	Handy* chemical tanker	Total	All other types	Total scrapping
2010	2 700	400	700	2 700	3 200	1 400	11 100	16 900	28 000
2011	5 300	2 200	5 200	10 500	1 400	700	25 300	17 400	42 700
2012	8 300	4 700	8 700	11 700	1 400	600	35 400	23 200	58 600
2013	6 700	3 500	5 000	8 100	1 500	200	25 000	22 000	47 000
2014	4 200	3 000	4 800	4 200	1 300	200	17 700	16 400	34 100
2015	5 100	3 100	6 700	15 400	1 400	200	31 900	6 700	38 600
2016	600	700	2 500	4 700	100	—	8 600	1 200	9 800

* Handy tankers cover 10 000 – 60 000 dwt range

Source: Clarkson Research (Shipping Intelligence Weekly and Shipping Intelligence Network, February 2016)



DISCLAIMER



Statements contained throughout this presentation regarding the prospects of the group have not been reviewed or reported on by the group's external auditors.

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- (i) some information on the Information Sources' databases is derived from estimates or subjective judgements;***
- (ii) the information in the databases of other maritime data-collection agencies may differ from the information in the Information Sources' databases***
- (iii) while the Information Sources have taken reasonable care in the compilation of the statistical and graphical information and believe it to be accurate and correct, data compilation is subject to limited audit and validation procedures and may accordingly contain errors;***
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- (vii) shipping is a variable and cyclical business and any forecasting concerning it cannot be very accurate.***

