

## SATRIX INDI

A portfolio in the Satrix Collective Investment Scheme ("Satrix"), registered as such in terms of the Collective Investment Schemes Control Act, 45 of 2002 (the "Act")

JSE code: STXIND

ISIN CODE: ZAE000036364

## ABRIDGED AUDITED RESULTS FOR THE YEAR ENDED 31 DECEMBER 2006

## INCOME STATEMENT

for the year ended 31 December 2006

	2006	2005
	R	R
<b>INCOME</b>		
Dividend income	28 064 535	28 667 473
Fair value gains on financial instruments	374 015 143	325 099 924
Fee income: Scrip lending fee	1 765 550	1 559 320
Cash components of redemption amounts	(390 800)	2 800
Interest received	358 877	300 647
	403 813 305	355 630 164
<b>EXPENSES</b>		
Fair value loss on financial instruments	(374 634 973)	(326 606 012)
Management and administrative expenses	(2 679 674)	(1 931 813)
Income available for distribution	26 498 658	27 092 339
Distributions	(27 545 564)	(24 679 037)
Undistributed (loss)/income before taxation	(1 046 906)	2 413 302
Taxation	-	-
Change in net assets attributable to investors	(1 046 906)	2 413 302

## BALANCE SHEET

at 31 December 2006

## ASSETS

Listed equities	780 743 206	1 356 036 699
Accounts receivable	18 791 567	2 823 353
Cash and cash equivalents	737 548	2 024 871
Total assets	800 272 321	1 360 884 923

## EQUITY AND LIABILITIES

## Liabilities

Trade and other payables	18 340 872	2 569 318
Net assets attributable to investors	781 931 449	1 358 315 605

STATEMENT OF CHANGES IN NET ASSETS  
ATTRIBUTABLE TO INVESTORS  
for the year ended 31 December 2006

	Net Assets R
Balance at 1 January 2005	1 017 408 662
Change in net assets attributable to investors	2 413 302
Net creation of units	338 493 641
Balance at 31 December 2005	1 358 315 605
Change in net assets attributable to investors	(1 046 906)
Cancellation of units	(949 972 223)
Revaluation of units	374 634 973
Balance at 31 December 2006	781 931 449

CASH FLOW STATEMENT  
for the year ended 31 December 2006

	2006 R	2005 R
Cash (utilised)/generated by operations	(982 613)	1 525 635
Interest received	358 877	300 647
Net cash (outflow)/inflow from operating activities	(623 736)	1 826 282
Cash outflow from investing activities	(663 587)	(3 698 528)
Purchases of equities	(148 511 664)	(142 485 907)
Proceeds from sale of equities	1 097 820 300	126 899 750
In specie creations and liquidations	(949 972 223)	11 887 629
Net decrease in cash and cash equivalents	(1 287 323)	(1 872 246)
Cash and cash equivalents at the beginning of year	2 023 871	3 897 117
Cash and cash equivalents at the end of year	737 548	2 024 871

NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 December 2006

ACCOUNTING POLICIES

The financial statements incorporate the principal accounting policies set out below, which are consistent with those adopted in the previous financial year.

#### 1. BASIS OF PREPARATION

The financial statements are prepared on a historic cost basis, except for financial instruments, which are accounted for as set out in note 1.3.

#### 2. STATEMENT OF COMPLIANCE

The financial statements are prepared in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board ("IASB"), the interpretations issued by the International Financial Reporting Interpretations Committee of the IASB and in accordance with the Trust Deed and the Collective Investment Schemes Control Act No. 45 of 2002.

#### 3. FINANCIAL INSTRUMENTS

##### Measurement

Financial instruments comprise trade receivables, cash and cash equivalents, loans and trade and other payables. Financial instruments are initially measured at fair value, including, for instruments not at fair value through profit and loss, and directly attributable transaction costs.

A financial instrument is recognised if the company becomes a party to the contractual provisions of the instrument. Financial instruments are derecognised if the company transfers the financial asset to another party without retaining control or substantially all the risks and rewards of the asset. Financial liabilities are derecognised if the company's obligations specified in the contract expire, are discharged or cancelled.

Subsequent to initial recognition these instruments are measured as set out below.

##### Investments

Listed investments are classified as at fair value through profit and loss. Changes in fair value are recognised directly in profit and loss. Fair value is represented by the closing market value at the balance sheet date as published in the financial press.

##### Trade and other receivables

Trade and other receivables originated by the Trust are stated at amortised cost using the effective interest rate method, less impairment losses. Where the fair value of trade and other

receivables is not separately disclosed, the carrying amounts are deemed to be a reasonable approximation of fair value.

Cash and cash equivalents

For the purposes of the cash flow statement, Cash and cash equivalents are measured at fair value.

#### 4. FINANCIAL LIABILITIES

Financial liabilities, other than those held at fair value through profit and loss, are measured at amortised cost using the effective interest rate method. Financial liabilities arising from the securities issued by the Trust are carried at the redemption amount representing the investor's right to a residual interest in the Trust's net assets.

Fair value gains and losses on subsequent measurement

Fair value gains and losses arising from a change in the fair value of financial instruments are recognised in the income statement in the period in which the change arises.

Offset

Financial assets and financial liabilities are offset and the net amount reported in the balance sheet when the company has a legally enforceable right to set off the recognised amounts, and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

#### 5. REVENUE

Revenue comprises fee income from securities lending activities and investment income.

#### 6. INVESTMENT INCOME

Interest is recognised on a time proportion basis, taking account of the principal outstanding and the effective rate over the period to maturity, when it is probable that such income will accrue to the Trust.

Dividends are recognised when the right to receive payment is established. Scrip dividends have been accounted for as income.

#### 7. TAXATION

Under the current system of taxation in South Africa, the Trust is exempt from paying tax on income or capital gains. Both income and

capital gains are taxed in the hands of the participatory interest holders.

These financial statements have been audited by the independent auditors, KPMG Inc., and their unqualified audit opinion is available for inspection at the company's registered office. A full copy of these Financial Statements is available on the Satrix website [www.satrix.co.za](http://www.satrix.co.za).

Johannesburg  
30 March 2007

Sponsor  
Java Capital (Proprietary) Limited

Trustee  
ABSA Bank Limited