

SATRIX 40

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: STX40

ISIN: ZAE000027108

ABRIDGED AUDITED RESULTS FOR THE YEAR ENDED 31 DECEMBER 2010

STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31 December 2010

	2010	2009
	R	R
Income		
Dividend income	137 426 180	120 811 863
Fee income: Securities lending	6 947 280	4 657 757
Interest income	926 385	977 320
Total income	145 299 845	126 446 940
Fair value adjustments		
Realised gains on financial instruments designated at fair value through profit or loss	463 142 058	1 287 021 126
Unrealised gains on financial instruments designated at fair value through profit or loss	398 601 380	155 887 706
Total fair value adjustments	861 743 438	1 442 908 832
Expenses		
Management fee	(27 363 001)	(25 407 414)
Trustee and custodian fees	(663 024)	(678 409)
Transaction costs	(1 163 168)	(3 688 269)
Total operating expenses	(29 189 193)	(29 774 092)
Increase in net assets attributable to investors before distributions	977 854 090	1 539 581 680
Income distributions	(117 095 244)	(96 456 730)
Increase in net assets attributable to investors after distributions	860 758 846	1 443 124 950

STATEMENT OF FINANCIAL POSITION
as at 31 December 2010

	2010	2009
	R	R
ASSETS		
Listed equities designated held at fair value through profit or loss	6 658 251 336	6 336 531 352
Interest receivable	67 793	53 008
Securities lending fee receivable	299 980	601 963
Other receivables	6 850 770	9 421 522
Cash and cash equivalents	20 543 414	13 531 299
Total assets	6 686 013 293	6 360 139 144
LIABILITIES		
Distribution dividends payable to investors	19 041 094	11 964 822
Other payables	10 073 473	12 010 988
Total liabilities (excluding net assets attributable to investors)	29 114 567	23 975 810
Net assets attributable to investors	6 656 898 726	6 336 163 334

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO INVESTORS
for the year ended 31 December 2010

	Capital attributable to investors	Income attributable to investors	Net assets attributable to investors
	R	R	R
Balance at 1 January 2009	4 404 022 002	584 136	4 403 437 866
Creation of Satrix 40 securities	764 325 298	-	764 325 298
Redemption of Satrix 40 securities	(274 724 780)	-	(274 724 780)
Increase in net assets attributable to investors before distributions	1 442 908 832	96 672 848	1 539 581 680
Distributions to investors	-	96 456 730	96 456 730
Balance at 31 December 2009	6 336 531 352	368 018	6 336 163 334

Redemption of Satrix 40 securities	(540 023 454)	-	(540 023 454)
Increase in net assets attributable to investors before distributions	861 743 438	116 110 652	977 854 090
Distributions to investors	-	(117 095 244)	(117 095 244)
Balance at 31 December 2010	6 658 251 336	1 352 610	6 656 898 726

STATEMENT OF CASH FLOWS
for the year ended 31 December 2010

	2010 R	2009 R
Net cash generated from operating activities	117 031 087	97 307 709
Cash utilised by operations	(28 555 956)	(28 928 040)
Fee income: Securities lending	7 249 263	4 317 206
Interest received	911 600	1 106 680
Dividends received	137 426 180	120 811 863
Cash inflow/(outflow) from investing activities	540 023 454	(489 600 518)
Cash (outflow)/inflow from financing activities	(650 042 426)	383 274 782
Creation of Satrix 40 securities	-	489 600 518
Redemption of Satrix 40 securities	(540 023 454)	
Cash distributed to security holders	(110 018 972)	(106 325 736)
Net movement in cash and cash equivalents	7 012 115	(9 018 087)
Cash and cash equivalents at the beginning of year	13 531 299	22 549 386
Cash and cash equivalents at the end of year	20 543 414	13 531 299

SATRIX 40 SECURITIES

During the year nil (2009: 39 000 000) Satrix 40 securities were created at a value of Rnil (2009: R764 325 298) and 21 000 000 (2009: 12 000 000) Satrix 40 securities were redeemed at a value of R540 023 454 (2009: R274 724 780). All liquidations were in specie and creations were in cash.

Distributions

The Portfolio effects quarterly distributions. All distributions are made out of income of the Satrix 40 Portfolio. The record dates are 26 March 2010, 25 June 2010, 23 September 2010 and 31 December 2010 respectively.

During the year under review the following distributions were effected per Satrix 40 Security.

	2010 R	2009 R
7.88 cents per security Declared 26 March 2010 and paid 15 April 2010	19 187 169	
11.80 cents per security Declared 27 March 2009 and paid 8 April 2009		27 316 055
11.47 cents per security Declared 25 June 2010 and paid 23 July 2010	27 584 431	
7.44 cents per security Declared 19 June 2009 and paid 14 July 2009		19 678 204
21.23 cents per security Declared 23 September 2010 and paid 20 October 2010	50 419 550	
15.44 cents per security Declared 17 September 2009 and paid 20 October 2009		40 991 963
8.19 cents per security Declared 31 December 2010 and paid 27 January 2011	19 041 094	
4.72 cents per security Declared 23 December 2009 and paid 7 January 2010		11 964 822
Accrued income portion of NAV (paid)/received on creation/ redemption of securities	863 000	(3 494 314)
	117 095 244	96 456 730

Total Expense Ratio ('TER')

The Satrix 40 Portfolio had a TER of 45.60 (2009: 49.68) basis points (annualised) for the period 1 January to 31 December 2010. The ratio is calculated based on the ASISA standard and does not include the cost of acquiring assets.

Increased consumer demand for greater transparency in financial services and the recognition thereof by the collective investment industry requires Collective Investment Scheme ('CIS') managers to calculate and publish a total expense ratio for each Portfolio under their management. This is a requirement in terms of the Association for Savings and Investments South Africa ("ASISA") standard on the calculation and publication of total expense ratios.

Actual Expense Ratio ('AER')

The Satrix 40 Portfolio had an AER of 36.18 (2009: 43.35) basis points (annualised) for 2010, as determined by the Management Company. The AER is calculated using total management expenses of the Portfolio, including Manager and Portfolio expenses, less the income derived from securities lending activities. The Portfolio engages in securities lending with the sole aim of reducing the net expenses of managing the Satrix 40 Portfolio and in this way the income from securities lending proves beneficial to all holders of Satrix 40 Portfolio.

Statement of compliance

The financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB"), the AC500 Standards issued by the Accounting Practices Board and in accordance with the requirements of the Trust Deed approved by the Financial Services Board ("FSB") and the Collective Investment Schemes Control Act No 45 of 2002 ("CISCA").

Functional and presentation currency

These financial statements are presented in South African Rand, which is the Portfolio's functional currency.

Accounting policies

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

Change in presentation - Statement of Financial Position, Statement of Comprehensive Income and Statement of Changes in Net Assets
Attributable to Investors

The formats of the statement of financial position and statements of comprehensive income and changes in net assets attributable to investors have been modified. The new presentation formats are in accordance with an allowed alternative format for fund-specific entities, as contained in IAS 32.

The new formats better reflect the income earned and available for distribution, as well as the capital growth in the Portfolio and make for easier understanding of the composition of the net assets attributable to investors.

The presentation of the statement of financial position has been modified to arrive at net assets attributable to investors. A third statement of financial position has not been presented as the change represents a modification to an allowed alternate form of presentation and no changes were made to the monetary amounts of comparative figures.

Comparative figures have been restated accordingly in line with the new presentation format.

The following standards, amendments to standards, and interpretations, effective for the first time in the future accounting period, and which are relevant to the Portfolio, have not been adopted for the year ended 31 December 2010:

- Revised IAS 24: Related Party Disclosures - The changes introduced in the revised IAS 24, include amendments to the definition of a related party and related party disclosure requirements for by government-related entities.
- IFRS 9: Financial Instruments - IFRS 9 deals with classification and measurement of financial assets and will replace the relevant sections of IAS 39.

Audit report

KPMG Inc, the entity's independent auditors, has audited the annual financial statements of the Satrix 40 Portfolio from which the abridged results contained in this announcement have been derived, and has expressed an unmodified audit opinion on the annual financial statements. Their audit report is available for inspection at the registered office of Satrix Managers (Pty) Limited, First Floor, Three Exchange Square, 87 Maude Street, Sandown.

A full copy of these financial statements is available on the Satrix website
www.satrix.co.za.

31 March 2011

Sponsor
Vunani Corporate Finance

Trustee
ABSA Bank Limited

Manager
Satrix Managers (Proprietary) Limited