



MOBILE

Profile

Until February 2011 Mobile Industries Limited, listed on the JSE, was an investment holding company and the majority shareholder of Trencor Limited, also an investment holding company listed on the JSE. Trencor's core business focus is owning, leasing, managing and reselling marine cargo containers worldwide, and related financing activities.

Mobile's sole investment was a holding of 46,25% (2009: 46,25%) interest in the issued share capital of Trencor until that holding was unbundled to Mobile shareholders on 7 February 2011. It is intended that Mobile will be delisted and wound up or deregistered in due course unless other corporate action materialises.

Members are directed to the Trencor Chairman's statement and results reported in its accompanying annual report.

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Five Year Review

	2010 Rm	2009 Rm	2008 Rm	2007 Rm	2006 Rm
Profit attributable to equity holders of the company	250,6	118,1	305,0	303,2	252,8
Attributable headline earnings of associate	260,1	115,2	364,7	249,0	209,6 ¹
Headline earnings	253,2	115,8	363,7	213,3	307,6
Statistics					
Number of issued shares (million)	1 068,0	1 068,0	1 068,0	1 068,0	897,9
Equity book value per share (cents)	(69,7) ²	191,2	219,9	163,0	150,9
Headline earnings per share (cents)	23,7	10,8	34,1	20,0	29,3
Dividends per share (cents)	3,20	9,70	8,85	6,45	4,55
Dividend cover (times)	7,4	1,1	3,9	3,1	6,4

¹2006: Headline earnings, diluted to recognise the conversion of debentures into shares effective 1 January 2007.

² Refer note 10 to the financial statements.

Directors

C Jowell (Chairman), N I Jowell, E Oblowitz (Independent), D M Nurek (Independent)

Audit committee

E Oblowitz (Chairman), D M Nurek

All directors are non-executive.

Brief résumés of the directors are presented on page 107.

Corporate Governance

Mobile endorses the principles underlying the Code of Corporate Practices and Conduct in the King Reports on Corporate Governance. Ongoing enhancement of corporate governance principles is a global movement, fully supported by the board, and the board will continue to adopt, as appropriate, existing and new principles which advance good practical corporate governance and add value to the group's business activities.

It must be noted that Mobile was an investment holding company and was the majority shareholder of Trencor Limited ('Trencor') until that holding was unbundled to Mobile shareholders on 7 February 2011. It is intended that Mobile will be delisted and wound up or deregistered in due course.

The board is of the opinion that the group has, in all material respects and where relevant, complied with the Code during the year under review.

The salient features of the group's corporate governance are set out below. The King III Report will apply in respect of the group's annual report with effect from the 2011 annual report.

Board of directors

Composition

The names and brief résumés of the directors appear on page 107. The board currently comprises four non-executive directors, two of whom qualify as independent non-executive directors in terms of the King II Report.

There is a procedure for appointments to the board and such appointments are formal and transparent and a matter for the board as a whole.

A board effectiveness review was conducted in 2008 and the board is satisfied with the outcome of the process.

The directors have considerable experience and an excellent understanding of the group's business and all serve on the board of Trencor.

The board as a whole is satisfied that no one director or block of directors has undue power on decision-making.

Professional advice

All directors have access to the company secretary and are entitled to obtain independent professional advice, at the company's expense if required.

Meetings

The board meets regularly on a scheduled quarterly basis and at such other times as circumstances may require. During the year ended 31 December 2010, six meetings were held and these were attended by all directors.

Board papers are timeously issued to all directors prior to each meeting and contain relevant detail to inform members of the financial position of the group. When appropriate, strategic matters and developments are addressed as well.

Directors' service contracts

None of the directors are bound by service contracts. In terms of the articles of association, not less than one-third of the directors are required to retire by rotation at each annual general meeting of the company and may offer themselves for re-election. The appointment of new directors during the year is required to be confirmed at the next annual general meeting and such new directors are required to retire at such annual general meeting, but may offer themselves for re-election.

Directors' remuneration

During the year ended 31 December 2010, Messrs DM Nurek and E Oblowitz were each paid R10 000 for services as directors (2009: nil).

Directors' interests

The number of shares held by the directors in the issued share capital of the company at 31 December 2010 and 2009 were as follows:

	Beneficial		Total
	Direct	Indirect	
2010			
C Jowell	1 461 389	131 040 841	135 502 230
N I Jowell	74 215	134 935 030	135 009 245
D M Nurek	-	-	-
E Oblowitz	-	-	-
	1 535 604	265 975 871	267 511 475
2009			
C Jowell	1 461 389	131 040 841	135 502 230
N I Jowell	74 215	134 935 030	135 009 245
D M Nurek	-	-	-
E Oblowitz	-	-	-
	1 535 604	265 975 871	267 511 475

Board and audit committee terms of reference

The board is ultimately accountable and responsible for the performance and affairs of the group. In essence, it provides strategic direction to the group, monitors and evaluates performance and management of its subsidiaries and associate company, determines policies and processes to ensure effective risk management and internal controls, determines policies regarding communication and is responsible for ensuring an effective composition of the board.

Formal detailed terms of reference for the audit committee have been approved and implemented and will be reviewed by the board on a regular basis.

Committees of the board

Audit committee

The audit committee consists of two independent non-executive directors and normally meets at least twice a year, prior to the finalisation of the group's interim results and reviewed annual results, and at such other times as may be required. The committee is primarily responsible for assisting the board in carrying out its duties in regard to accounting policies, internal controls and audit, financial reporting, identification and monitoring of risk, and the relationship with the external auditors.

In addition to the committee members, the chairman of the board and certain Tencor group executives are normally invited to attend meetings of the committee. The external auditors attend all meetings and have direct and unrestricted access to the audit committee at all times.

During the year, the committee met on two occasions. The meetings were attended by both members.

In addition, the committee chairman meets separately with the external auditors on an ad-hoc basis.

The audit committee is satisfied that the external auditors are independent in the discharge of their duties. The use of the services of the external auditors for non-audit services requires prior approval by the committee.

The Mobile audit committee has reviewed the group annual financial statements and annual financial statements for the year ended 31 December 2010 and recommended that the said financial statements be approved.

Other

There are no other committees of the board. All other matters are considered by the full board.

Risk management

Responsibility for managing the group's risks lies with the board of directors. However, shareholders are referred to the report on corporate governance published in the accompanying Tencor annual report relating to its significant risk exposures which could have an effect on Mobile.

Code of ethics

The board agreed a formal code of ethical conduct in 1998 which seeks to ensure high ethical standards. All directors are expected to strive at all times to adhere to this code, and to enhance the reputation of the group. The code is signed by all directors at least every three years.

Any transgression of the code is required to be brought to the attention of the audit committee. There was no transgression during the year under review.

Restriction on trading in shares

A formal policy prohibits directors and officers from dealing in the company's shares, and those of Tencor, from the date of the end of an interim reporting period until after the interim results have been published and similarly from the end of the financial year until after the reviewed annual results have been published. Directors and officers are reminded of this policy prior to the commencement of any restricted period.

In addition, no dealing in the company's shares is permitted by any director or officer whilst in possession of information which could affect the price of the company's shares and which is not in the public domain.

Directors of the company and of its subsidiaries are required to obtain clearance from Mobile's chairman (and in the case of the chairman, or in the absence of the chairman, from the chairman of the audit committee) prior to dealing in the company's shares, and to timeously disclose to the company full details of any transaction for notification to and publication by the JSE.

Stakeholder communication

Members of the board meet on an ad-hoc basis with institutional investors, investor analysts, individuals and members of the financial media. Discussions at such meetings are restricted to matters that are in the public domain.

Shareholders are informed, by means of press announcements and releases in South Africa and/or printed matter sent to such shareholders, of all relevant corporate matters and financial reporting as required in terms of prevailing legislation. Mobile also publishes a trading update in respect of the quarters ending March and September each year, in addition to the interim results and reviewed results announcements for the periods ending June and December respectively. In addition, such announcements are communicated via a broad range of channels in both the electronic and print media. The company maintains a corporate website (<http://www.mobile-industries.net>) containing financial and other information, including interim, reviewed and annual results.

Mobile Industries Limited and Subsidiaries Annual Financial Statements

Audit committee report

The audit committee has fulfilled all of its functions in terms of the Companies Act of South Africa, as described in the corporate governance report.

Directors' responsibility statement

The directors are responsible for the preparation and fair presentation of the group annual financial statements and annual financial statements of Mobile Industries Limited, comprising the statements of financial position at 31 December 2010, and the statements of comprehensive income, changes in equity and cash flows for the year then ended, and the notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes, and the directors' report, in accordance with International Financial Reporting Standards, and in the manner required by the Companies Act of South Africa.

The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and for maintaining adequate accounting records and an effective system of risk management as well as the preparation of the supplementary schedules included in these financial statements.

The directors have made an assessment of the ability of the company and its subsidiaries to continue as going concerns and have no reason to believe that the businesses will not be going concerns in the year ahead.

The auditor is responsible for reporting on whether the group annual financial statements and annual financial are fairly presented in accordance with the applicable financial reporting framework.

Approval of group annual financial statements and annual financial statements

The group annual financial statements and annual financial statements of Mobile Industries Limited, as identified in the first paragraph, which have been approved by the board of directors, are attached:

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Signed on behalf of the board



C Jowell Chairman



E Oblowitz Director and chairman of
the audit committee

Cape Town
29 April 2011

Independent Auditor's Report to the members of Mobile Industries Limited

Report on the financial statements

We have audited the group annual financial statements and the annual financial statements of Mobile Industries Limited, which comprise the statements of financial position at 31 December 2010, and the statements of comprehensive income, changes in equity and cash flows for the year then ended, and the notes to the financial statements which include a summary of significant accounting policies and other explanatory notes, and the directors' report, as set out on pages 88 to 105.

Directors' responsibility for the financial statements

The company's directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and in the manner required by the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making

those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, these financial statements present fairly, in all material respects, the consolidated and separate financial position of Mobile Industries Limited at 31 December 2010 and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards, and in the manner required by the Companies Act of South Africa.

KPMG Inc



Per L P Smith
Chartered Accountant (SA)
Registered Auditor
Director
Cape Town
29 April 2011

Declaration by the Company Secretary

It is hereby certified that for the year ended 31 December 2010, the company has lodged with the Registrar of Companies all returns as are required by a public company in terms of the Companies Act of South Africa and that such returns are true, correct and up to date.



Trencor Services (Pty) Ltd
Secretaries
Per G W Norval
Cape Town
29 April 2011

Directors' Report

General review

Mobile's sole investment was a holding of 46,25% of the issued share capital of Trenchor Limited until that holding was unbundled to Mobile shareholders on 7 February 2011. The financial results are reflected in the financial statements on pages 90 to 105.

The estimated proportion of income after tax attributable to the various classes of business of the group is as follows:

	2010 %	2009 %
Loss on dilution of investment in associate	-	(0,5)
Share of profit of associate	102,8	101,3
Other	(2,8)	(0,8)
	100,0	100,0

Directors and secretary

The names of the directors appear on page 83 and that of the secretary on page 106.

In terms of the articles of association Messrs N I Jowell and D M Nurek retire by rotation at the forthcoming annual general meeting but, being eligible, offer themselves for re-election.

Brief résumés of the directors are presented on page 107.

Directors' interests

The aggregate of the direct and indirect beneficial interests of the directors in the issued shares of the company at 31 December 2010 was 25,0% (2009: 25,0%).

The direct and indirect beneficial interests of each director who held in excess of 1% of the issued shares at 31 December 2010 and 2009 were as follows:

	2010 %	2009 %
C Jowell	12,4	12,4
N I Jowell	12,6	12,6

There have been no changes in these interests between the financial year-end and the date of this report.

Cash dividends

	Payment number	Record date	Payment date	Cents per share	Total Rm
2009					
Interim	72	04/09/09	07/09/09	2,80	29,9
Final	73	26/03/10	29/03/10	6,90	73,7
2010					
Interim	74	17/09/10	20/09/10	3,20	34,2

In view of the fact that Mobile distributed its entire shareholding in Trenchor to Mobile shareholders on

7 February 2011, Mobile itself did not receive a final dividend declared by Trenchor. Accordingly, Mobile did not declare a final dividend in respect of 2010.

Subsidiaries

The company held 100% (2009: 100%) of the 700 000 (2009: 700 000) issued shares of Mobile Acceptances (Pty) Limited. Details of this investment are as follows:

	2010 Rm	2009 Rm
Shares at cost	1,3	2,2
Profit for the year	0,3	0,4

Mobile Acceptances (Pty) Limited, in turn, holds 100% (2009: 100%) of the 100 (2009: 100) issued shares of Transport Acceptances (Pty) Limited. These subsidiaries are incorporated in the Republic of South Africa and are partners in export partnerships.

Effective 1 January 2011, in anticipation of its winding up or deregistration following the unbundling of its entire shareholding in Trenchor to its own shareholders, the company disposed of its interest in Mobile Acceptances (Pty) Limited to Trenchor Limited at net asset value.

Special resolution

At the annual general meeting held on 16 May 2010, shareholders passed a special resolution, which was registered on 10 June 2010, to grant the company a general authority for the acquisition by the company or any of its subsidiaries of shares issued by the company, which authority is valid until the earlier of the next annual general meeting or the variation or revocation of such general authority by special resolution by any subsequent general meeting of the company, provided that it shall not extend beyond fifteen months from the date of passing of the resolution. No shares were acquired pursuant to this authority.

Special resolutions of subsidiaries

No special resolutions were passed by the company's subsidiaries during the period under review.

Unbundling of Mobile of its entire interest in Trenchor

At the general meeting held on 14 December 2010, shareholders passed special resolutions for the unbundling by Mobile of all of the shares held by it in Trenchor, being 86 695 758 Trenchor shares ('the unbundled Trenchor shares'), constituting 46,25% of the issued share capital of Trenchor, to shareholders, in the entitlement ratio of 8,117 Trenchor shares for every 100 Mobile shares held ('the entitlement ratio') at the close of business on 4 February 2011 ('the unbundling record date').

Rationale for the unbundling

Mobile believed that the unbundling would be in the best interests of shareholders given it will result in the following key benefits:

- increased liquidity and tradability for all Trecor and Mobile shareholders (in the case of the latter, through their unbundled Trecor shares) and a potential value unlock;
- a simplified group structure, eliminating the 'pyramid' structure and reducing the number of listed entry points from three to two (namely Trecor listed on the JSE and Textainer Group Holdings Limited listed on the New York Stock Exchange);
- retains Trecor's beneficial position as a locally listed company with exposure to Textainer as a New York Stock Exchange-listed company and United States dollar earnings stream. Trecor enables South African investors to effectively invest in Textainer without having to make use of foreign investment allowances;
- any discount in the Mobile share price as a result of the 'pyramid' structure, which has been as much as 20% over the past year, is eliminated permanently; and
- retains stability of Trecor and of Textainer and its management team as:
 - N I Jowell and C Jowell ('the Jowells') will remain actively involved as directors of Trecor (which currently holds a 60,94% indirect beneficial interest in Textainer) for another three to five years; and
 - trusts of which the Jowells are among the beneficiaries ('the trusts') have signed a lock-up agreement not to dispose of the balance of their unbundled Trecor shares, post the specific share repurchase by Trecor of 10 800 881 Trecor shares from the trusts for a price of R38,61 per Trecor share ('specific share repurchase'), for a period of two years from the effective date of the specific share repurchase. This ensures that the Jowells remain committed as shareholders in addition to being directors. The lock-up agreement expires immediately should:
 - the Jowells cease to be directors of Trecor through no fault of their own. Should this apply in respect of only one of the Jowells, then the lock-up agreement will only expire in respect of 50% of the remaining unbundled Trecor shares; and/or
 - an offer for a change in control (greater than 35%) of Trecor or a section 228 disposal by Trecor in terms of the Companies Act becomes unconditional; and/or
 - a simple majority of Trecor shareholders, other than the trusts, for any reason whatsoever agree to the expiry of the lock-up agreement.

Implementation of the unbundling

All of Mobile's Trecor shares were distributed on 7 February 2011 to shareholders recorded in the Mobile register on 4 February 2011 in the entitlement ratio.

It is intended that Mobile will be delisted and wound up or deregistered in due course unless other corporate action materialises.

Analysis of shareholders

An analysis of shareholders and of holders who held 3% or more of the issued shares at 31 December 2010 is presented on page 106.

Statements of Financial Position

at 31 December 2010

	Notes	Group		Company	
		2010 Rm	2009 Rm	2010 Rm	2009 Rm
Assets					
Investment in associate	4	–	2 036,0	–	463,9
Investment in subsidiaries	6	–	–	1,3	2,2
Participation in export partnerships	7	1,8	2,0	–	–
Total non-current assets		1,8	2 038,0	1,3	466,1
Asset held for distribution	5	2 030,0	–	463,9	–
Trade and other receivables	8	0,3	0,4	0,3	0,4
Cash and cash equivalents	18.3	5,8	6,9	5,8	6,9
Total current assets		2 036,1	7,3	470,0	7,3
Total assets		2 037,9	2 045,3	471,3	473,4
Equity					
Issued capital	9	0,1	0,1	0,1	0,1
Share premium	9	192,6	192,6	192,6	192,6
(Accumulated deficit)/Reserves	10	(937,2)	1 849,7	(2 503,1)	273,3
Total (deficit)/equity attributable to equity holders of the company		(744,5)	2 042,4	(2 310,4)	466,0
Liabilities					
Deferred tax	11	1,8	2,0	–	–
Total non-current liabilities		1,8	2,0	–	–
Trade and other payables	12	6,1	0,9	5,9	0,8
Amounts due to subsidiaries	6	–	–	1,3	6,6
Amount owing to subsidiary of associate		0,1	–	0,1	–
Distribution payable	13	2 774,3	–	2 774,3	–
Income tax liability	18.2	0,1	–	0,1	–
Total current liabilities		2 780,6	0,9	2 781,7	7,4
Total liabilities		2 782,4	2,9	2 781,7	7,4
Total equity and liabilities		2 037,9	2 045,3	471,3	473,4

Statements of Comprehensive Income

for the year ended 31 December 2010

	Notes	Group		Company	
		2010 Rm	2009 Rm	2010 Rm	2009 Rm
Revenue	3.7, 14	0,4	0,6	113,4	96,0
Administration expenses		(7,1)	(1,7)	(7,2)	(1,6)
Operating (loss)/profit before interest		(6,7)	(1,1)	106,2	94,4
Interest expense	15	(0,1)	–	(0,4)	(0,5)
Share of profit of associate		257,5	119,7	–	–
Loss on dilution of interest in associate		–	(0,6)	–	–
Profit before tax	15	250,7	118,0	105,8	93,9
Income tax (expense)/credit	16	(0,1)	0,1	–	–
Profit for the year		250,6	118,1	105,8	93,9
Other comprehensive loss					
Share of other comprehensive loss of associate		(164,4)	(336,7)	–	–
Total comprehensive income/(loss) for the year		86,2	(218,6)	105,8	93,9
Basic earnings per share (cents)	17	23,5	11,1		
Diluted earnings per share (cents)	17	23,5	11,1		

Statements of Changes in Equity

for the year ended 31 December 2010

Group	Share capital Rm	Share premium Rm	Revaluation reserve Rm	Other reserves Rm	Retained income/ (Accumulated deficit) Rm	Total Rm
Balance at 31 December 2008	0,1	192,6	262,2	582,1	1 311,7	2 348,7
Total comprehensive income/(loss) for the year						
Profit for the year	-	-	-	-	118,1	118,1
Other comprehensive loss						
Share of other comprehensive loss of associate	-	-	-	(336,7)	-	(336,7)
Total comprehensive (loss)/income for the year	-	-	-	(336,7)	118,1	(218,6)
Loss on dilution of investment in associate transferred to non-distributable reserve	-	-	-	(0,6)	0,6	-
(Distributions to)/Contributions by owners						
Share of associate's transactions with owners – share-based payments	-	-	-	6,8	-	6,8
Dividends paid to equity holders	-	-	-	-	(94,5)	(94,5)
Total transactions with owners	-	-	-	6,8	(94,5)	(87,7)
Balance at 31 December 2009	0,1	192,6	262,2	251,6	1 335,9	2 042,4
Total comprehensive (loss)/income for the year						
Profit for the year	-	-	-	-	250,6	250,6
Other comprehensive loss						
Share of other comprehensive loss of associate	-	-	-	(164,4)	-	(164,4)
Total comprehensive (loss)/income for the year	-	-	-	(164,4)	250,6	86,2
(Distributions to)/Contributions by owners						
Distribution of shares in associate payable to shareholders	-	-	-	-	(3 198,2)	(3 198,2)
Change in fair value of distribution payable to shareholders	-	-	-	-	423,9	423,9
Share of associate's transactions with owners – share-based payments	-	-	-	9,1	-	9,1
Dividends paid to equity holders	-	-	-	-	(107,9)	(107,9)
Total transactions with owners	-	-	-	9,1	(2 882,2)	(2 873,1)
Balance at 31 December 2010	0,1	192,6	262,2	96,3	(1 295,7)	(744,5)
Company						
Balance at 31 December 2008	0,1	192,6	262,2	0,1	11,6	466,6
Total comprehensive income for the year						
Profit for the year	-	-	-	-	93,9	93,9
Distribution to owners						
Dividends paid to equity holders	-	-	-	-	(94,5)	(94,5)
Balance at 31 December 2009	0,1	192,6	262,2	0,1	11,0	466,0
Total comprehensive income for the year						
Profit for the year	-	-	-	-	105,8	105,8
Distribution to owners						
Distribution of shares in associate payable to shareholders	-	-	-	-	(3 198,2)	(3 198,2)
Change in fair value of distribution payable to shareholders	-	-	-	-	423,9	423,9
Dividends paid to equity holders	-	-	-	-	(107,9)	(107,9)
Total transactions with owners	-	-	-	-	(2 882,2)	(2 882,2)
Balance at 31 December 2010	0,1	192,6	262,2	0,1	(2 765,4)	(2 310,4)

Statements of Cash Flows

for the year ended 31 December 2010

	Notes	Group		Company	
		2010 Rm	2009 Rm	2010 Rm	2009 Rm
Cash flows from operating activities					
Cash utilised by operations	18.1	(1,6)	(2,4)	(7,2)	(2,2)
Interest received		0,4	0,6	0,4	0,6
Interest paid		(0,1)	–	(0,4)	(0,5)
Dividends received		108,3	95,4	113,0	95,4
Dividends paid		(107,9)	(94,5)	(107,9)	(94,5)
Income tax (paid)/recovered	18.2	(0,2)	(0,4)	0,1	(0,1)
Net cash outflow from operating activities		(1,1)	(1,3)	(2,0)	(1,3)
Cash flows from investing activities					
Amount recovered for shares in subsidiary		–	0,2	–	0,2
Share premium distributed by subsidiary		–	–	0,9	–
Net cash inflow from investing activities		–	0,2	0,9	0,2
Decrease in cash and cash equivalents		(1,1)	(1,1)	(1,1)	(1,1)
Cash and cash equivalents at the beginning of the year		6,9	8,0	6,9	8,0
Cash and cash equivalents at the end of the year	18.3	5,8	6,9	5,8	6,9

Notes to the Financial Statements

for the year ended 31 December 2010

1. Reporting entity

Mobile Industries Limited (the 'company') is a company registered in the Republic of South Africa. The address of the company's registered office is 1313 Main Tower, Standard Bank Centre, Heerengracht, Cape Town, 8001. The consolidated financial statements of the company as at and for the year ended 31 December 2010 comprise the company and its subsidiaries (together referred to as the 'group' and individually as 'group entities') and the group's interest in an associate entity. The company is an investment holding company.

2. Basis of preparation

2.1 Statement of compliance

The separate and consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ('IFRS'), South African Statements and Interpretations of Statements of Generally Accepted Accounting Practice (AC 500 Series) and the requirements of the Companies Act of South Africa. The financial statements were approved by the board of directors on 29 April 2011.

2.2 Basis of measurement

The separate and consolidated financial statements are prepared on the historical cost basis except for distribution.

Distribution payable to shareholders is measured at fair value.

2.3 Functional and presentation currency

These separate and consolidated financial statements are produced in South African rand, which is the company's functional currency. All financial information presented in rand has been rounded to the nearest one hundred thousand.

2.4 Use of estimates and judgements

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and any future periods affected.

2.5 Change in accounting policies

The group chose to early adopt the requirements of the amendments to IAS 27 *Consolidated and Separate Financial Statements* as well as IFRS 3 *Business Combinations* (2008) effective 1 January 2009, therefore there has been no impact on the current year financial results. The policy is described in note 3.1.1.

2.5.1 *Distribution of non-cash assets to owners of the company*

From 1 January 2010 the group applied IFRIC 17 *Distribution of Non-cash Assets to Owners* in accounting for distributions of non-cash assets to owners of the company.

The new accounting policy has been applied prospectively. The group measures a liability to distribute non-cash assets to owners of the company at the fair value of the assets to be distributed. The carrying amount of the liability is remeasured at each reporting date and at the settlement date, with any changes recognised directly in equity as adjustments to the amount of the distribution. On settlement of the transaction, the group recognises the difference, if any, between the carrying amount of the assets distributed and the carrying amount of the liability in profit or loss.

3. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these separate and consolidated financial statements, and have been applied consistently by the group entities.

3.1 Basis of consolidation

3.1.1 *Subsidiaries*

Subsidiaries are entities controlled by the group. Control exists when the group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that currently are exercisable are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the group.

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the group takes into consideration potential voting rights that currently are exercised.

In the case of the company, investments in subsidiaries are carried at cost, less accumulated impairment losses.

3.1.2 *Associates*

Associates are those entities in which the group has significant influence, but not control, over the financial and operating policies. Significant influence is presumed to exist when the group holds between 20 and 50 per cent of the voting power of another entity. Associates are accounted for using the equity method (equity accounted investees) and are recognised initially at cost. The group's investment includes

goodwill identified on acquisition, net of any accumulated impairment losses. The consolidated financial statements include the group's share of their income, expenses and equity movements of associates, after adjustment to align the accounting policies with those of the group, from the date that significant influence commences until the date that significant influence ceases. When the group's share of losses exceeds its interest in an associate, the carrying amount of that interest (including any long-term investments) is reduced to nil and recognition of further losses is discontinued except to the extent that the group has an obligation or made payments on behalf of the investee.

Gains or losses arising on the dilution of investments in associates are recognised in profit or loss and the net gain or loss attributable to the group is transferred to a separate reserve in equity.

In the case of the company, investments in associates are carried at cost, less accumulated impairment losses.

3.1.3 *Transactions eliminated on consolidation*

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the group's interest in the entity. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

3.2 Impairment

At each reporting date the group assesses whether there is objective evidence that financial assets not carried at fair value through profit or loss are impaired. A financial asset is considered to be impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets (including equity securities) are impaired can include default or delinquency by a debtor, restructuring of an amount due to the group on terms that the group would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, and the disappearance of an active market for a security. In addition, for an investment in an equity security, a significant or prolonged decline in its fair value below its cost is objective evidence of impairment.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account against receivables. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

3.3 Goodwill

Goodwill/Negative goodwill arises on the acquisition of subsidiaries and associates.

In respect of acquisitions prior to 1 January 2004, goodwill is included at its carrying amount, which represents the amount recorded under the group's previous accounting framework (South African Statements of Generally Accepted Accounting Practice), at the date of transition to IFRS.

For acquisitions on or after 1 January 2004, goodwill represents the excess of the cost of the acquisition over the group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the acquiree. When negative goodwill arises, it is recognised immediately in profit or loss.

For acquisitions on or after 1 January 2010, the group measures goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree; less the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

When the excess is negative, a bargain purchased gain is recognised immediately in profit or loss.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss. Costs related to the acquisition, other than those associated with the issue of debt or equity securities, that the group incurs in connection with a business combination are expensed as incurred. Any contingent consideration payable is recognised at fair value at the acquisition date. If the contingent consideration is classified as equity, it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes to the fair value of the contingent consideration are recognised in profit or loss.

Subsequent measurement

Goodwill is measured at cost less accumulated impairment losses. In respect of equity accounted investees, the carrying amount of goodwill is included in the carrying amount of the investment

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and an impairment loss on such an investment is not allocated to any asset, including goodwill, that forms part of the carrying amount of the equity accounted investee.

3.4 Financial instruments

3.4.1 *Non-derivative financial instruments*

Non-derivative financial instruments are recognised initially at fair value plus any directly attributable costs.

Subsequent to initial recognition, non-derivative financial instruments are measured at amortised cost.

Loans and receivables are recognised on the date that they are originated. All other financial instruments are recognised on the trade date at which the group becomes a party to the contractual provisions of the instrument. Financial assets are derecognised if the group's contractual rights to the cash flows from the financial assets expire or if the group transfers the right to receive the contractual cash flows on the financial asset in a transaction in which substantially all risks and rewards of ownership of the financial asset are transferred. Any interest in the transferred financial assets that is created or retained by the group is recognised as a separate asset or liability.

Loans and receivables comprise participation in export partnerships, trade and other receivables and cash and cash equivalents. The group's participation in export partnerships is recognised at amortised cost which is the group companies' cost of the original participation plus their share of the gross profit less their share of the subsequent net amounts received as partner in the partnership.

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the group's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

Non-derivative financial liabilities

The group initially recognises debt securities issued and subordinated liabilities on the date that they are originated. All other financial liabilities (including liabilities designated at fair value through profit or loss) are recognised initially on the trade date at which the group becomes a party to the contractual provisions of the instrument. Debt issuance costs are capitalised and amortised over the term of the debt as required by application of the effective interest method. The group derecognises a financial liability when its contractual

obligations are discharged or cancelled or expire.

The group classifies non-derivative financial liabilities into the following categories: financial liabilities at fair value through profit or loss and other financial liabilities. Other financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest rate method. Other financial liabilities comprise borrowings and trade and other payables.

Financial liabilities are derecognised if the group's obligations specified in the contract expire or are discharged or cancelled.

3.4.2 *Share capital*

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

Dividends

Dividends (treated as distributions within equity) are recognised as a liability in the period in which they are declared.

3.4.3 *Offsetting*

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when the group has a legally enforceable right to set off the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously. Income and expenses are presented on a net basis only when permitted by the accounting standards, or for gains and losses arising from a group of similar transactions.

3.5 Provisions

A provision is recognised in the statement of financial position when the group has a present legal or constructive obligation (that can be estimated reliably) and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as a finance cost.

3.6 Non-current assets held for sale or distribution

Non-current assets or disposal groups comprising assets and liabilities that are expected to be recovered primarily through sale or distribution rather than through continuing use are classified as held for sale or distribution. Immediately before classification as held for sale or distribution, the assets (or components of a disposal group) are remeasured in accordance with the group's

accounting policies. Thereafter, generally, the assets (or disposal group) are measured at the lower of their carrying amount and fair value less costs to sell. Any impairment loss on a disposal group is first allocated to goodwill, and then to the remaining assets and liabilities on a pro-rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets and employee benefit assets, which continue to be measured in accordance with the group's accounting policies. Impairment losses on initial classification as held for sale or distribution and subsequent gains or losses on remeasurement are recognised in profit or loss. Gains are not recognised in excess of any cumulative impairment loss. Equity accounting of equity accounted investees ceases once classified as held for sale or distribution.

3.7 Revenue

Investment income

Interest is recognised on a time proportion basis, taking account of the principal outstanding and the effective interest rate over the periods to maturity, where it is possible such income will accrue to the group. Dividend income is recognised when the right to receive payment is established.

3.8 Interest expense

Interest expense comprises the effective interest expense of financial liabilities measured at amortised cost.

3.9 Income tax

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. Current tax payable also includes any tax liability arising from the declaration of dividends.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination that affect neither accounting nor taxable profit, and differences relating to investments in subsidiaries and associates to the extent that the company controls the timing of the reversal of such differences and that it is probable that they will not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the reporting date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Additional income taxes that arise from the distribution of dividends are recognised at the same time as the liability to pay the related dividend. Secondary tax on companies ('STC') is recognised as part of the current tax charge in the profit or loss when the net dividend is declared, except where the group exemption has been elected, resulting in no STC consequences for the company. When dividends received in the current year can be offset against future dividend payments to reduce the STC liability, a deferred tax asset is recognised to the extent of probable future reductions in STC.

3.10 Discontinued operations

A discontinued operation is a component of the group's business that represents a separate major line of business or geographical area of operations that has been disposed of or is held for sale or distribution, or is a subsidiary acquired exclusively with a view to resale.

Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale, if earlier. A disposal group that is to be abandoned may also qualify as a discontinued operation. Where an operation is classified as a discontinued operation, the comparative income statement is restated as if the operation had been discontinued from the start of the comparative period.

3.11 Earnings per share

The group presents basic and diluted earnings per share data for its shares. Basic earnings per share is calculated by dividing the profit or loss attributable to shareholders of the company by the weighted average number of shares outstanding during the period. Diluted earnings per share is determined by adjusting the profit or loss attributable to shareholders and the weighted average number of shares outstanding for the effects of all potential dilutive instruments.

3.12 Segment reporting

An operating segment is a component of the group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the group's other components. The group has no distinguishable operating segments and consequently no segmental report is prepared.

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	Group		Company	
	2010 Rm	2009 Rm	2010 Rm	2009 Rm
4. Investment in associate				
Trencor Limited				
Listed shares held at cost	-	463,9	-	463,9
Number of shares: 86 695 758 (2009: 86 695 758)				
Market value: R2 774,3 million (2009: R2 275,8 million)				
Attributable reserves and profit net of dividends received	-	1 572,1	-	-
	-	2 036,0	-	463,9
On 22 November 2010 the company announced its intention to unbundle its entire investment in Trencor Limited. From that date it ceased to equity account its investment in Trencor Limited and reclassified the investment to Asset held for distribution (refer to note 5).				
Share of profit of discontinued operations of Trencor	-	3,2	-	-
5. Asset held for distribution				
Shares in Trencor Limited	2 030,0	-	463,9	-
	2 030,0	-	463,9	-
The investment in Trencor Limited has been measured at the lower of its carrying amount and fair value less costs to distribute. The fair value of the shares based on Trencor Limited's quoted bid price at 31 December 2010 was R2 774,3 million.				
6. Investment in subsidiaries				
Unlisted shares held at cost	-	-	1,3	2,2
Amounts due to subsidiaries	-	-	(1,3)	(6,6)
	-	-	-	(4,4)
The amounts due to subsidiaries represent short-term cash deposited with the holding company. Interest is paid to the subsidiaries at a rate based on bank call deposit rates.				
The subsidiaries were sold to Trencor Limited at their net asset values effective 1 January 2011.				
7. Participation in export partnerships				
The subsidiaries participate in various export partnerships. The partnerships bought and sold containers in terms of long-term suspensive purchase and credit sale agreements, with repayment terms usually over a 10 to 15 year period.				
8. Trade and other receivables				
Accrued income	0,3	0,4	0,3	0,4
	0,3	0,4	0,3	0,4

	Group		Company	
	2010 Rm	2009 Rm	2010 Rm	2009 Rm
9. Capital and share premium				
Share capital				
Authorised				
Ordinary shares of 0,005 cent each				
10 633 160 542 (2009: 10 633 160 542)	0,5	0,5	0,5	0,5
Issued				
Ordinary shares 1 068 039 676 (2009: 1 068 039 676)	0,1	0,1	0,1	0,1
Share premium	192,6	192,6	192,6	192,6
	192,7	192,7	192,7	192,7
Shareholders have not been requested to place the unissued shares of the company under the control of the directors.				
10. (Accumulated deficit)/Reserves				
Reserves				
Reserves of associate attributable to the group	96,1	251,4	-	-
Revenue profits of the subsidiary company attributable to the holding company, converted into capitalisation shares by the subsidiary	0,1	0,1	0,1	0,1
Revaluation reserve – fair value adjustments transferred from retained income	262,2	262,2	262,2	262,2
Post acquisition non-distributable reserve of subsidiary	0,1	0,1	-	-
	358,5	513,8	262,3	262,3
(Accumulated deficit)/Retained income				
Retained (loss)/income	(1 295,7)	1 335,9	(2 765,4)	11,0
Company and subsidiaries	(2 873,9)	15,2	(2 765,4)	11,0
Associate	1 578,2	1 320,7	-	-
(Accumulated deficit)/Reserves	(937,2)	1 849,7	(2 503,1)	273,3
Dividends				
Dividends declared and paid during the year are as follows:				
Final dividend in respect of financial year 2009				
– 6,9 cents per share (2008: 6,9 cents)	73,7	64,6	73,7	64,6
Interim dividend in respect of financial year 2010				
– 3,2 cents per share (2009: 2,8 cents)	34,2	29,9	34,2	29,9
	107,9	94,5	107,9	94,5

No final dividend in respect of financial year 2010 was declared.

The distributable reserves of the company would not attract STC if distributed by way of dividends as the company has sufficient unutilised STC credits.

Accumulated deficit: The recognition of the distribution payable (refer note 13) at fair value and the asset held for distribution (refer note 5) at its carrying amount has resulted in an accounting mismatch between the liability and the asset, giving rise to a temporary deficit in equity only until such time as the liability is settled. The difference between the carrying amount of the asset distributed and the carrying amount of the distribution payable was recognised in profit or loss at the date of distribution on 4 February 2011 (the record date), thereby reversing the temporary deficit in equity created by the mismatch.

Notes to the Financial Statements

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	Group	
	2010 Rm	2009 Rm
11. Deferred tax		
Deferred tax liability		
Balance at the beginning of the year	2,0	2,2
Current – temporary differences	(0,2)	(0,2)
Balance at the end of the year	1,8	2,0
Comprising:		
Participation in export partnerships	1,8	2,0
	1,8	2,0

Deferred tax is provided at the SA normal tax rate, currently 28% (2009: 28%).

There were no temporary differences associated with investments in subsidiary and associate companies for which deferred tax liabilities have not been recognised (2009: nil).

The company has an unutilised STC credit of R19,2 million (2009: R18,7 million) in respect of which a deferred tax asset has not been raised, as it is not considered probable that dividend payments will exceed dividend receipts for the foreseeable future.

	Group		Company	
	2010 Rm	2009 Rm	2010 Rm	2009 Rm
12. Trade and other payables				
Accrued expenses	5,3	0,2	5,1	0,1
Unclaimed debenture interest and dividends	0,8	0,7	0,8	0,7
	6,1	0,9	5,9	0,8
13. Distribution payable				
Amount due to shareholders in terms of unbundling	2 774,3	–	2 774,3	–
	2 774,3	–	2 774,3	–
14. Revenue				
Dividend income from associate	–	–	108,4	95,4
Dividend income from subsidiary	–	–	4,6	–
Interest income				
Bank	0,4	0,6	0,4	0,6
	0,4	0,6	113,4	96,0

Mobile became committed to distribute its investment in Trenchor to shareholders when the distribution was approved at a general meeting held on 14 December 2010. The liability resulting from the obligation to distribute the asset was measured at fair value of R3 198,2 million on 14 December 2010. At 31 December 2010 the obligation measured at fair value was R2 774,3 million. The change in fair value resulted in a remeasurement of the amount of the distribution payable. The change has been recognised in equity.

	Group		Company	
	2010 Rm	2009 Rm	2010 Rm	2009 Rm
15. Profit before tax				
Profit before tax has been arrived at after taking into account:				
Auditor's remuneration				
Audit fee – current year	0,3	0,2	0,3	0,1
Interest expense				
Subsidiaries	–	–	0,4	0,5
Other	0,1	–	–	–
16. Income tax expense/(credit)				
South African normal	0,3	0,1	–	–
Current	0,3	0,3	–	–
Adjustment in respect of prior year	–	(0,2)	–	–
South African deferred				
Reversal of temporary differences	(0,2)	(0,2)	–	–
	0,1	(0,1)	–	–
The effective tax rate is reconciled as follows:	%	%	%	%
Statutory tax rate	28,0	28,0	28,0	28,0
Non-taxable income	–	–	(29,9)	(28,4)
Non-deductible expenditure	0,8	0,2	1,9	0,4
Dilution of investment in associate	–	0,1	–	–
Profit of associate	(28,8)	(28,4)	–	–
Effective tax rate	–	(0,1)	–	–

	Group	
	2010 Rm	2009 Rm
17. Earnings and headline earnings per share		
Basic earnings per share		
Profit for the year attributable to equity holders of the company	250,6	118,1
Weighted average number of shares in issue (million)	1 068,0	1 068,0
Earnings per share (cents)	23,5	11,1
Diluted earnings per share is equal to basic earnings per share		
Headline earnings per share		
Undiluted		
Profit for the year attributable to equity holders of the company	250,6	118,1
Loss on dilution of interest in associate	–	0,6
Attributable share of headline earnings adjustments of associate	2,6	(2,9)
Headline earnings attributable to equity holders of the company	253,2	115,8
Weighted average number of shares in issue (million)	1 068,0	1 068,0
Headline earnings per share (cents)	23,7	10,8
Diluted headline earnings per share is equal to undiluted headline earnings per share.		

Notes to the Financial Statements

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	Group		Company	
	2010 Rm	2009 Rm	2010 Rm	2009 Rm
18. Notes to the statements of cash flow				
18.1 Reconciliation of profit for the year to cash utilised by operations				
Profit for the year	250,6	118,1	105,8	93,9
Attributable profit of associate	(257,5)	(119,7)	-	-
Adjusted for:				
Interest expense	0,1	-	0,4	0,5
Dividend income	-	-	(113,0)	(95,4)
Interest income	(0,4)	(0,6)	(0,4)	(0,6)
Loss on dilution of interest in associate	-	0,6	-	-
Income tax expense/(credit)	0,1	(0,1)	-	-
Operating loss before working capital changes	(7,1)	(1,7)	(7,2)	(1,6)
Working capital changes	5,3	(0,9)	-	(0,6)
Decrease in trade and other receivables	-	0,1	0,1	0,1
Increase/(Decrease) in amounts due to subsidiary of associate	0,1	(1,2)	0,1	(1,2)
(Decrease)/Increase in amount due to subsidiary	-	-	(5,3)	0,3
Increase in trade and other payables	5,2	0,2	5,1	0,2
Receipt from export partnerships	0,2	0,2	-	-
Cash utilised by operations	(1,6)	(2,4)	(7,2)	(2,2)
18.2 Tax paid/(Recovered)				
Amounts unpaid at the beginning of the year	-	0,3	-	0,1
Normal tax recognised in profit and loss	0,3	0,1	-	-
Amounts unpaid at the end of the year	(0,1)	-	(0,1)	-
	0,2	0,4	(0,1)	0,1
18.3 Cash and cash equivalents				
Bank balances	0,1	0,2	0,1	0,2
Call and term deposits	5,7	6,7	5,7	6,7
	5,8	6,9	5,8	6,9

	Group		Company	
	2010 Rm	2009 Rm	2010 Rm	2009 Rm
19. Financial instruments				
19.1 Categories of financial assets and liabilities				
The carrying amounts of each category of financial assets and liabilities are as follows:				
Loans and receivables				
Participation in export partnerships	1,8	2,0	–	–
Trade and other receivables	0,3	0,4	0,3	0,4
Cash and cash equivalents	5,8	6,9	5,8	6,9
	7,9	9,3	6,1	7,3
Financial liabilities measured at amortised cost				
Amounts due to subsidiaries	–	–	1,3	6,6
Amount due to subsidiary of associate	0,1	–	0,1	–
Trade and other payables	6,1	0,9	5,9	0,8
	6,2	0,9	7,3	7,4

19.2 Overview

The group's activities exposed it to the following risks from its use of financial instruments:

- credit risk;
- liquidity risk; and
- market risk.

This note presents information about the group's exposure to each of the above risks, the group's objectives, policies and processes for measuring and managing risk, and the group's management of capital.

The group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the group.

The directors have overall responsibility for the establishment and oversight of the group's risk management framework. Risk management is carried out by the board. The board provides written principles for the overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and investing excess liquidity.

The risk management policies are established to identify and analyse the risks faced by the group to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk policies and systems are reviewed regularly to reflect changes in market conditions and the group's activities.

The group audit committee oversees how management monitors compliance with the group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the group.

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19. Financial instruments (continued)

19.3 Credit risk

Credit risk is the risk of financial loss to the group if a counterparty to a financial instrument fails to meet its contractual obligations.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at 31 December was:

	Group		Company	
	2010 Rm	2009 Rm	2010 Rm	2009 Rm
Loans and receivables				
Participation in export partnerships	1,8	2,0	-	-
Trade and other receivables	0,3	0,4	0,3	0,4
Cash and cash equivalents	5,8	6,9	5,8	6,9
	7,9	9,3	6,1	7,3

The group's cash and cash equivalents are placed with financial institutions having acceptable credit ratings.

19.4 Liquidity risk

Liquidity risk is the risk that the group will not be able to meet its financial obligations as they fall due. The group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the group's reputation.

The risk is managed through cash flow forecasts. In terms of the company's articles of association, its borrowing powers are unlimited.

The contractual cash flows on all financial liabilities are the same as their carrying amounts and are all contractually due within one year.

19.5 Market risk

Market risk is the risk that changes in market prices, interest rates and equity prices will affect the group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

19.6 Interest rate risk

The group is exposed to interest rate risk as it places funds in the money market. This risk is managed by maintaining an appropriate mix of fixed and daily call placements with registered financial institutions which are subject to compliance with the relevant regulatory bodies.

Cash flow sensitivity analysis for variable rate instruments

An increase/decrease of 100 basis points in interest rates at the reporting date would have increased/decreased profit or loss by R0,1 million (2009: R0,1 million). This analysis assumes that all other variables remain constant.

19.7 Capital management

Capital is regarded as total equity.

The board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The board of directors also determines the level of dividends paid to shareholders.

The group may purchase its own shares on the market, if the resources of the company are in excess of its requirements or there are other good grounds for doing so. In this regard the directors will take account of, inter alia, an appropriate capitalisation structure, the long-term cash needs and the interests of the company.

There were no changes in the group's approach to capital management during the year.

Neither the company nor any of its subsidiaries are subject to externally imposed capital requirements.

19.8 Fair values

The fair values of all financial instruments are substantially similar to carrying amounts reflected in the statement of financial position.

20. Related party transactions

20.1 Identity of related parties

The group has a related party relationship with its subsidiaries, its associate and key management personnel of the company, which comprises the directors (refer to the directors' report).

20.2 Intra-group transactions

Amounts due to subsidiaries (refer to note 6).

Investment in associate (refer to note 4).

Interest paid to subsidiaries (refer to note 15).

20.3 Participation in export partnerships

The subsidiaries are partners in export partnerships. The managing partner of these partnerships is Trecor Services (Pty) Limited, a subsidiary of the associate (refer to note 7).

20.4 Transactions with key management personnel

Directors interest in share capital

The number of shares held by the directors in the issued share capital of the company at 31 December was as follows:

	Beneficial		Non-beneficial		Total
	Direct	Indirect	Direct	Indirect	
2010					
C Jowell	1 461 389	131 040 841	–	266 448	132 768 678
N I Jowell	74 215	134 935 030	–	–	135 009 245
	1 535 604	265 975 871	–	266 448	267 777 923
2009					
C Jowell	1 461 389	131 040 841	–	266 448	132 768 678
N I Jowell	74 215	134 935 030	–	–	135 009 245
	1 535 604	265 975 871	–	266 448	267 777 923

There were no other transactions with key management personnel during the year (2009: none).

21. Accounting standards and interpretations in issue but not yet effective

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 January 2010, and have not been applied in preparing these consolidated financial statements:

21.1 IFRS 9 *Financial Instruments* (effective for years commencing on or after 1 January 2013) – this standard addresses the initial measurement and classification of financial assets as either measured at amortised cost or at fair value. Financial assets are measured at amortised cost when the business model is to hold assets in order to collect contractual cash flows. All other financial assets are measured at fair value with changes recognised in profit or loss. For an investment in an equity instrument that is not held for trading, an entity may on initial recognition elect to present all fair value changes from the investment in other comprehensive income. IFRS 9 becomes mandatory for the group's 2013 consolidated financial statements and could change the classification and measurement of financial assets. The group does not plan to adopt this standard early and the extent of the impact has not been determined.

21.2 Revised IAS 24 *Related Party Disclosures* (effective for years commencing on or after 1 January 2011) – this standard addresses the disclosure requirements in respect of related parties, with the main changes relating to the definition of a related party where new related party relationships have been identified. This standard becomes mandatory for the group's 2011 consolidated financial statements, and is not expected to have a significant impact on the disclosure in the financial statements.

Corporate Information

Company registration

Mobile Industries Limited
Incorporated in the Republic of South Africa on 9 December 1968
Registration number 1968/014997/06

Year listed

1969

Registered office and postal address

1313 Main Tower Standard Bank Centre
Heerengracht Cape Town 8001
Tel 021 421 7310 Fax 021 419 3692
International +27 21

Secretary

Trencor Services (Pty) Limited

Internet address

<http://www.mobile-industries.net>

E-mail

info@mobile-industries.net
investorrelations@mobile-industries.net

Transfer secretaries

Computershare Investor Services (Pty) Limited
70 Marshall Street Johannesburg 2001
PO Box 61051 Marshalltown 2107
Tel 011 370 5000 Fax 011 688 7721
Call centre 0861 100950 (within RSA)
or +27 11 370 5000 (outside RSA)
<http://www.computershare.com>

Auditor

KPMG Inc
MSC House
1 Mediterranean Street
Foreshore Cape Town 8001
PO Box 4609 Cape Town 8000

Designated auditor

L P Smith

Attorneys

Edward Nathan Sonnenbergs Inc

Sponsors

Rand Merchant Bank (A division of FirstRand Bank Limited)

Industry classification benchmark (ICB)

Industry: Industrial
Supersector: Industrial goods & services
Sector: Industrial transportation
Subsector: Transportation services

Market name

Mobile

JSE share code

MOB

ISIN

ZAE000091435

Analysis of Shareholders

at 31 December 2010

	Number of holders	% of holders	Number of shares	% interest
Mutual funds	105	3,5	373 538 040	35,0
Jowell family	2	0,1	267 777 923	25,0
Other corporate bodies	152	5,1	25 328 812	2,4
Nominee companies or trusts	250	8,5	36 872 980	3,5
Retirement funds	106	3,6	134 525 041	12,6
Investment companies	5	0,2	90 903	0,0
Individuals	2 292	77,5	86 216 225	8,0
Banks and insurance companies	45	1,5	143 689 752	13,5
Total	2 957	100,0	1 068 039 676	100,0
Shareholder spread				
Public shareholders	2 954	99,9	681 658 740	63,8
Non-public shareholders	3	0,1	386 380 936	36,2
Directors and associates	2	0,1	267 777 923	25,1
Old Mutual Life Assurance Company (Pty) Ltd	1	0,0	118 603 013	11,1
Total	2 957	100,0	1 068 039 676	100,0

Major Shareholders

The direct and indirect beneficial interests of shareholders who, in so far as is known, held 3% or more of the issued shares at 31 December 2010 were as follows:

	%
Jowell family	25,1
Corolife Special Opportunities Portfolio Fund	6,7
Old Mutual Life Assurance Company (Pty) Ltd	11,1
The Gabriel Trust	5,2
Nedbank Rainmaker Equity Fund	4,9
	53,0

Directorate: Brief Résumés

Non-executive

Cecil Jowell (75)

B Com LLB (UCT) is chairman. The younger son of Trenchor's founder, Joe Jowell, was appointed as a director of Mobile on 27 January 1969. He joined Trenchor on 1 November 1958 and has been an executive director of that company since 2 October 1962. He serves on Trenchor's executive and nomination committees. In 1991 he was voted as one of Business Times' Top Five Businessmen.

Neil Ian Jowell (77)

B Com LLB (UCT) MBA (Columbia) has been a director since 27 January 1969. He is the elder son of Trenchor's founder and joined that company on 1 January 1956. He was appointed to the Trenchor board on 30 December 1966 and, following the death of his father in 1973, as chairman of Trenchor. He is chairman of Trenchor's executive committee and is also a member of Trenchor's nomination committee. In 1987 he was voted Cape Times Business Man of the Year and in 1991 as one of Business Times' Top Five Businessmen

Independent non-executive

David Morris Nurek (60)

Dip Law (UCT) Grad Dip Company Law (UCT) is an executive of Investec Bank Limited. He was appointed as an alternate director of Trenchor on 30 November 1992 and as a full director on 24 July 1995 and was appointed to the Mobile board and audit committee on 31 March 2009. Prior to joining Investec in June 2000, he practised as an attorney at law with Sonnenberg Hoffmann Galombik for 32 years. He is Trenchor's lead non-executive director and chairman of the remuneration and nomination committees and a member of the audit, risk and governance committees. He serves on the boards of numerous listed and unlisted companies in a non-executive capacity.

Edwin (Eddy) Oblowitz (53)

B Com (UCT) CA (SA) CPA (Isr) was appointed as a non-executive director of Mobile and Trenchor on 3 March 2004 and is chairman of the Mobile and Trenchor audit and risk committees. He was previously an international partner of Andersens in South Africa and now serves as the chief executive officer of the Stonehage Group's operations in South Africa. He is a director of various listed and unlisted companies in a non-executive capacity and serves as a trustee of various trusts.

Ages at 31 December 2010

Notice to Shareholders

Notice is hereby given that the forty-first annual general meeting of shareholders of Mobile Industries Limited ('Mobile' or 'the company') will be held at 1313 Main Tower, Standard Bank Centre, Heerengracht, Cape Town on Thursday, 30 June 2011 at 15:15 (or as soon as the annual general meeting of Trecor Limited convened to be held on Thursday, 30 June 2011 at 15:00 has been concluded).

The board of directors of the company has determined that the record date for the purpose of determining which shareholders of the company are entitled to receive notice of the annual general meeting is Friday, 20 May 2011 and the record date for purposes of determining which shareholders of the company are entitled to participate in and vote at the annual general meeting is Friday, 17 June 2011. Accordingly, only shareholders who are registered in the register of members of the company on Friday, 17 June 2011 will be entitled to participate in and vote at the annual general meeting.

Electronic participation in the annual general meeting

The company intends to make provision for shareholders of the company, or their proxies, to participate in the annual general meeting by way of electronic communication. In this regard, the company intends making video-conferencing facilities available at the following two locations:

- 1313 Main Tower, Standard Bank Centre, Heerengracht, Cape Town (which is the location for the annual general meeting); and
- Investec Bank Limited, 3rd floor M4, 100 Grayston Drive, Sandown, Sandton.

Should you wish to participate in the annual general meeting by way of electronic communication as aforesaid, you, or your proxy, will be required to attend at either of the above-mentioned locations arranged by the company at the time and on the date of the annual general meeting. The above-mentioned two locations will be linked to each other by means of a real-time video feed on the date of, and from the time of commencement of, the annual general meeting. The real-time video feed will enable all persons to participate electronically in the annual general meeting in this manner and to communicate concurrently with each other without an intermediary, and to participate reasonably effectively in the annual general meeting.

The cost of the video-conferencing facilities described will be for the account of the company.

Explanatory note:

Memorandum of incorporation

Until the Companies Act, No. 71 of 2008, as amended ('Companies Act') came into effect on 1 May 2011, the memorandum of incorporation ('MOI') of the company

comprised its memorandum of association and its articles of association. On the date that the Companies Act came into effect, the memorandum of association and articles of association of the company automatically converted into the company's MOI. Accordingly, for consistency of reference in this notice of annual general meeting, the term 'MOI' is used throughout to refer to the company's memorandum of incorporation (which previously comprised the company's memorandum of association and its articles of association, as aforesaid).

All references to the company's MOI in this notice of annual general meeting (including all of the relevant ordinary and special resolutions contained herein) refer to provisions of that portion of the company's MOI that was previously called the company's articles of association.

The purpose of the annual general meeting is for the following business to be transacted and for the following ordinary and special resolutions to be proposed:

1. To consider and adopt the annual financial statements of the company and the Mobile group for the year ended 31 December 2010.

Ordinary resolution number 1

"Resolved that the annual financial statements of the company and of the Mobile group for the year ended 31 December 2010 be adopted."

Explanatory note:

In terms of the transitional provisions of the Companies Act, the financial statements will be presented for approval by shareholders. The purpose of this ordinary resolution is to approve the annual financial statements of the company and its subsidiaries, which annual financial statements are set out on pages 86 to 105 of the document of which this notice of annual general meeting forms part (the annual report). Although the Companies Act came into effect on 1 May 2011, the resolution has been proposed in terms of item 2(7) of Schedule 5 of the Companies Act read with section 286 of the Companies Act, No. 61 of 1973, as amended.

The minimum percentage of voting rights that is required for this resolution to be adopted is 50% of the voting rights plus one vote to be cast on the resolution.

2. To consider, and if deemed fit, to re-elect, on an individual basis, Messrs N I Jowell and D M Nurek who retire by rotation as directors in terms of the MOI but, being eligible, offer themselves for re-election. Brief résumés of the directors of the company are presented on page 107 of the annual report.

Accordingly, shareholders are requested to consider and, if deemed fit, to re-elect the directors named above by way of passing the separate ordinary resolutions set out below:

Ordinary resolution number 2.1

Appointment of Mr N I Jowell as director

“Resolved that Mr N I Jowell be and is hereby elected as a director of the company.”

Ordinary resolution number 2.2

Appointment of Mr D M Nurek as director

“Resolved that Mr D M Nurek be and is hereby elected as a director of the company.”

Explanatory note:

The election of each director who, among other things, retires by rotation is required at the company’s annual general meeting. The election will be conducted by a series of votes, each of which is on the candidacy of a single individual to fill a single vacancy, as required under section 68(2) of the Companies Act.

The minimum percentage of voting rights that is required for this resolution to be adopted is 50% of the voting rights plus one vote to be cast on the resolution.

3. To confirm, in terms of the company’s MOI, the directors’ remuneration paid for the year ended 31 December 2010, as reported on page 84 of the annual report.

Ordinary resolution number 3

“Resolved that the directors’ remuneration paid for the year ended 31 December 2010, as set out on page 84 of the annual report, is confirmed.”

Explanatory note:

The remuneration paid to directors referred to in this resolution has already been paid to them in respect of the year ended 31 December 2010, in accordance with the company’s MOI and the usual practice of the company. The purpose of this ordinary resolution is to confirm same, in the manner adopted by the company in prior years.

The minimum percentage of voting rights that is required for this resolution to be adopted is 50% of the voting rights plus one vote to be cast on the resolution.

4. To reappoint KPMG Inc as independent auditor of the company for the ensuing year.

Ordinary resolution number 4

“Resolved that KPMG Inc is hereby reappointed as the auditor of the company for the ensuing year.”

Explanatory note:

In compliance with section 90(1) of the Companies Act, a public company must each year at its annual general meeting appoint an auditor.

Note that the audit committee has recommended the reappointment of KPMG Inc as auditors of the company. Section 94(9) of the Companies Act entitles a company to appoint an auditor at its annual general meeting, other than one nominated by the audit committee, but if such an auditor is appointed, the appointment is valid only if the audit committee is satisfied that the proposed auditor is independent of the company.

The minimum percentage of voting rights that is required for this resolution to be adopted is 50% of the voting rights plus one vote to be cast on the resolution.

5. To appoint an audit committee to conduct the duties and responsibilities as outlined in section 94(7) of the Companies Act.

Ordinary resolution number 5.1

Appointment of Mr E Oblowitz as a member of the audit committee

“Resolved that Mr E Oblowitz be and is hereby elected as a member of the audit committee of the company.”

Ordinary resolution number 5.2

Appointment of Mr D M Nurek as a member of the audit committee

“Resolved that Mr D M Nurek be and is hereby elected as a member of the audit committee of the company.”

Explanatory note:

In terms of the Companies Act, the audit committee is no longer a committee of the board but a committee elected by the shareholders at each annual general meeting.

Section 94(2) of the Companies Act requires a public company, at each annual general meeting, to elect an audit committee.

Section 94(4)(a) of the Companies Act requires, among other things, that each member of the audit committee must be a director of the company. Brief résumés of the directors are presented on page 107 of the annual report.

The minimum percentage of voting rights that is required for this resolution to be adopted is 50% of the voting rights plus one vote to be cast on the resolution.

6. To resolve as a special resolution that the directors’ annual remuneration, in their capacity only as directors of the company, from 1 January 2011 until the next annual general meeting of the company be approved.

Special resolution:

“Resolved that the annual remuneration payable to the independent non-executive directors, in their capacities only as directors of the company, from

Notice to Shareholders

1 January 2011 until the next annual general meeting of the company be R10 000 each.”

Explanatory note:

In terms of sections 66(8) and (9) of the Companies Act, remuneration may only be paid to directors for their service as directors in accordance with a special resolution approved by the shareholders within the previous two years.

It is noted that the remuneration payable to directors in their capacities as such and for their services as directors, as set out in the above special resolution, remains unchanged from that in respect of the year ended 31 December 2010.

It is noted that the remuneration referred to in this resolution is only in respect of remuneration payable to directors of the company in their capacities as such and does not include salaries and other benefits payable to directors in other capacities.

The minimum percentage of voting rights that is required for this resolution to be adopted is 75% of the voting rights plus one vote to be cast on the resolution.

OTHER DISCLOSURES IN TERMS OF SECTION 11.26 OF THE JSE LISTINGS REQUIREMENTS

The annual report to which this notice of this annual general meeting is attached provides details of:

- the directors and secretary of the company on page 83 and 106 respectively;
- the major shareholders of the company on page 106;
- the directors' interests in shares in the company on page 84; and
- the share capital of the company in note 9 on page 99, and an analysis of the shareholders (including beneficial shareholders who hold 5% or more of the issued share capital of the company and of which the company is aware, but who are not registered shareholders) on page 106.

There have been no material changes to the company and the group's financial or trading position (other than as disclosed in the accompanying annual report) nor are there any legal or arbitration proceedings, including proceedings that are pending or threatened, that may have or have had, a material effect on the financial position of the group between 16 April 2010 and the date of publication hereof.

The directors, whose names are given on page 83 of the annual report, collectively and individually accept full responsibility for the accuracy of the information given and certify that to the best of their knowledge and belief there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that

the annual report and this notice contains all information required by law and the JSE Listings Requirements.

GENERAL INSTRUCTIONS AND INFORMATION

All shareholders are encouraged to attend, speak and vote at the annual general meeting. On a show of hands, every shareholder of the company present in person or represented shall have one vote only. On a poll, every shareholder present in person, by proxy or represented shall have one vote for every share held.

If you hold certificated shares (i.e. have not dematerialised your shares in the company) or are registered as an own name dematerialised shareholder (i.e. have specifically instructed your Central Securities Depository Participant ('CSDP') to hold your shares in your own name on the company's sub-register), then:

- you may attend and vote at the annual general meeting; alternatively
- you may appoint a proxy (who need not also be a shareholder of the company) to represent you at the annual general meeting by completing the attached form of proxy and, for administrative reasons, returning it to the office of the company's transfer secretaries not less than 24 hours before the time appointed for the holding of the meeting (excluding Saturdays, Sundays and public holidays). Please note that your proxy may delegate his/her authority to act on your behalf to another person, subject to the restrictions set out in the attached form of proxy as stipulated in section 58(3)(b) of the Companies Act. Please also note that the attached form of proxy may be delivered to the company at any time before the annual general meeting and must be so delivered before your proxy may exercise any of your rights as a shareholder at the annual general meeting.

Please note that if you are the owner of dematerialised shares (i.e. have replaced the paper share certificates representing the shares with electronic records of ownership under the JSE's electronic settlement system, Strate Limited ('Strate'), held through a CSDP or broker and are not registered as an 'own name' dematerialised shareholder you are not a registered shareholder of the company, but appear on the sub-register of the company held by your CSDP. Accordingly, in these circumstances subject to the mandate between yourself and your CSDP or broker, as the case may be:

- if you wish to attend the annual general meeting you must contact your CSDP or broker, as the case may

be, and obtain the relevant letter of representation from them; alternatively

- if you are unable to attend the annual general meeting but wish to be represented at the meeting, you must contact your CSDP or broker, as the case may be, and furnish them with your voting instructions in respect of the annual general meeting and/or request them to appoint a proxy. You must not complete the attached form of proxy. The instructions must be provided in accordance with the mandate between yourself and your CSDP or broker, as the case may be, within the time period required by them.

CSDPs, brokers or their nominees, as the case may be, recorded in the company's sub-register as holders of dematerialised shares held on behalf of an investor/beneficial owner in terms of Strate should, when authorised in terms of their mandate or instructed to do so by the owner on behalf of whom they hold dematerialised shares in the company, vote by either appointing a duly authorised representative to attend and vote at the annual general meeting or by completing the attached form of proxy in accordance with the instructions thereon and returning it to the company's transfer secretaries not less than 24 hours before the time appointed for the holding of the meeting (excluding Saturdays, Sundays and public holidays).

Shareholders of the company that are companies, that wish to participate in the annual general meeting, may authorise any person to act as its representative at the annual general meeting.

Section 63(1) of the Companies Act requires that a person wishing to participate in the annual general meeting (including any representative or proxy) must provide satisfactory identification (such as identity documents, driver's licences or passports) before they may attend or participate at such meeting.

By order of the board



Trencor Services (Pty) Ltd
Secretaries
Per: G W Norval

Cape Town
19 May 2011



Form of Proxy



Mobile Industries Limited

(Incorporated in the Republic of South Africa) (Registration number 1968/014997/06) ('the company')

Share code: MOB ISIN: ZAE000091435

For use at the annual general meeting of shareholders of the company to be held at 1313 Main Tower, Standard Bank Centre, Heerengracht, Cape Town on Thursday, 30 June 2011 at 15:15 (or as soon as the annual general meeting of Trecor Limited convened to be held on Thursday, 30 June 2011 at 15:00 has been concluded).

Not to be used by beneficial owners of shares who have dematerialised their shares ('dematerialised shares') through a Central Securities Depository Participant ('CSDP') or broker, as the case may be, unless they are recorded on the sub-register as 'own name' dematerialised shareholders ('own name dematerialised shareholders'). Generally, you will not be an own name dematerialised shareholder unless you have specifically requested the CSDP to record you as the holder of the shares in your own name in the company's sub-register.

Only for use by certificated, own name dematerialised shareholders and CSDPs or brokers (or their nominees) registered in the company's sub-register as the holder of dematerialised shares.

Each shareholder entitled to attend and vote at the meeting is entitled to appoint one or more proxies (none of whom need be a shareholder of the company) to attend, speak and vote in place of that shareholder at the annual general meeting or any adjournment or postponement thereof.

Please note the following:

- the appointment of your proxy may be suspended at any time and to the extent that you choose to act directly and in person in the exercise of your rights as a shareholder at the annual general meeting;
- the appointment of the proxy is revocable; and
- you may revoke the proxy appointment by (i) cancelling it in writing, or making a later inconsistent appointment of a proxy; and (ii) delivering a copy of the revocation instrument to the proxy, and to the company.

Please note that any shareholder of the company that is a company may authorise any person to act as its representative at the annual general meeting. Please also note that section 63(1) of the Companies Act, No. 71 of 2008, as amended ('Companies Act') requires that persons wishing to participate in the annual general meeting (including the aforementioned representative) provide satisfactory identification before they may so participate.

Note that voting will be performed by way of a poll so that each shareholder present or represented by way of proxy will be entitled to vote the number of shares held or represented by them.

My/our proxy may delegate to another person his/her authority to act on my/our behalf at the annual general meeting, provided that my/our proxy:

- o may only delegate his/her authority to act on my behalf at the annual general meeting to a director of the company;
- o must provide written notification to the transfer secretaries of the company, namely Computershare Investor Services (Pty) Limited, of the delegation by my/our proxy of his/her authority to act on my/our behalf at the annual general meeting by no later than 15:15 on Wednesday, 29 June 2011, being 24 hours before the annual general meeting to be held at 15:15 on Thursday, 30 June 2011; and
- o must provide to his/her delegate a copy of his/her authority to delegate his/her authority to act on my/our behalf at the annual general meeting.

Refer to notes on page 115.

To be returned to:

The Transfer Secretaries Mobile Industries Limited
Computershare Investor Services (Pty) Limited
70 Marshall Street Johannesburg 2001
PO Box 61051 Marshalltown 2107

as soon as possible to be received, for administrative reasons, not later than 24 hours before the meeting.

I/We (full names)

of (address)

Telephone: Work () Home ()

being a shareholder(s) of the company, holding shares in the company

hereby appoint (refer note 1):

or failing him/her

or failing him/her

or failing him/her the chairperson of the annual general meeting as my/our proxy to act for me/us on my/our behalf at the aforementioned annual general meeting of shareholders of the company and at any adjournment or postponement thereof in accordance with the following instructions:

Insert an 'X' in the relevant spaces according to how you wish your votes to be cast. If you wish to cast less than all the votes in respect of the shares held by you, insert the number of votes in respect of which you desire to vote (see note 2). Unless otherwise instructed my/our proxy can vote as he/she deems fit.

Form of Proxy

	For	Against	Abstain
1. Approval of the adoption of annual financial statements.			
2. Election of directors:			
2.1 N I Jowell			
2.2 D M Nurek			
3. Confirmation of directors' remuneration for 2010 as set out in the annual financial statements.			
4. Reappointment of KPMG Inc as independent auditor.			
5. To appoint an audit committee with the following members:			
5.1 E Oblowitz			
5.2 D M Nurek			
6. To approve by special resolution the directors' remuneration from 1 January 2011 until the next annual general meeting.			

Signed at _____ on this _____ day of _____ 2011

Signature _____ Assisted by (where applicable) signature _____

Name of signatory _____ Name of assistant _____

Capacity _____ Capacity _____

(Authority of signatory to be attached if applicable – see note 6)

Summary of shareholders' rights in respect of proxy appointments as contained in section 58 of the Companies Act

Please note that in terms of section 58 of the Companies Act:

- this proxy form must be dated and signed by the shareholder appointing the proxy;
- you may appoint an individual as a proxy, including an individual who is not a shareholder of the company, to participate in and speak and vote at a shareholders' meeting on your behalf and may appoint more than one proxy to exercise voting rights attached to different securities held by you;
- your proxy may delegate his/her authority to act on your behalf to another person, subject to any restriction set out in this proxy form;
- this proxy form must be delivered to the company, or to the transfer secretaries of the company, namely Computershare Investor Services (Pty) Limited, before your proxy exercises any of your rights as a shareholder at the annual general meeting;
- the appointment of your proxy or proxies will be suspended at any time and to the extent that you choose to act directly and in person in the exercise of any of your rights as a shareholder at the annual general meeting;
- the appointment of your proxy is revocable unless you expressly state otherwise in this proxy form;
- as the appointment of your proxy is revocable, you may revoke the proxy appointment by (i) cancelling it in writing, or making a later inconsistent appointment of a proxy and (ii) delivering a copy of the revocation instrument to the proxy, and to the company. Please note the revocation of a proxy appointment constitutes a complete and final cancellation of your proxy's authority to act on your behalf as of the later of the date stated in the revocation instrument, if any, or the date on which the revocation instrument was delivered to the company and the proxy as aforesaid;
- if this proxy form has been delivered to the company, as long as that appointment remains in effect, any notice that is required by the Companies Act or the company's memorandum of incorporation be delivered by the company to you will be delivered by the company to you or your proxy or proxies, if you have directed the company to do so, in writing and paid any reasonable fee charged by the company for doing so;
- your proxy is entitled to exercise, or abstain from exercising, any voting right of yours at the annual general meeting, but only as directed by you on this proxy form; and
- the appointment of your proxy remains valid only until the end of the annual general meeting or any adjournment or postponement thereof or for a period of six months, whichever is shortest, unless it is revoked by you before then on the basis set out above.

Please also read the notes opposite.

Notes

1. A certificated or own name dematerialised shareholder or nominee of a CSDP or broker registered as a shareholder in the company's sub-register may insert the name of a proxy or the names of two alternative proxies of the shareholder's choice in the space(s) provided, with or without deleting 'the chairperson of the annual general meeting', but any such deletion must be initialled by the shareholder. The person whose name stands first on the proxy form and who is present at the annual general meeting will be entitled to act as proxy to the exclusion of those whose names follow thereafter. If no proxy is inserted in the spaces provided, then the chairperson shall be deemed to be appointed as the proxy.
 2. A shareholder's instructions to the proxy must be indicated in the appropriate box provided. If there is no clear indication as to the voting instructions to the proxy, the proxy will be deemed to be authorised to vote or to abstain from voting at the annual general meeting as he/she deems fit in respect of all the shareholder's votes exercisable thereat. A shareholder or his/her proxy is not obliged to use all the votes exercisable by the shareholder, but the total of the votes cast or abstained may not exceed the total of the votes exercisable by the shareholder.
 3. Proxy forms should be lodged with the company's transfer secretaries, Computershare Investor Services (Pty) Limited, 70 Marshall Street, Johannesburg, 2001 or posted to Computershare Investor Services (Pty) Limited, PO Box 61051, Marshalltown, 2107. Forms of proxy should, for administrative reasons, be received or lodged by no later than 24 hours (excluding Saturdays, Sundays and public holidays) before the annual general meeting (i.e. 15:15 on Wednesday, 29 June 2011).
 4. The completion and lodging of this proxy form will not preclude the relevant shareholder from attending the annual general meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms thereof.
 5. Where there are joint holders of shares, the vote of the senior joint holder who tenders a vote, as determined by the order in which the names stand in the register of shareholders, will be accepted.
 6. Documentary evidence establishing the authority of a person signing this proxy form in a representative capacity must be attached to this proxy form unless previously recorded by the company's transfer secretaries or waived by the chairperson of the annual general meeting. CSDPs or brokers registered as shareholders in the company's sub-register voting on instructions from owners of shares registered in the company's sub-sub-register, are requested that they identify the owner in the sub-sub-register on whose behalf they are voting and return a copy of the instruction from such owner to the company's transfer secretaries together with this form of proxy.
 7. Any alteration or correction made to this proxy form must be initialled by the signatory(ies), but may not be accepted by the chairperson.
 8. A minor must be assisted by his/her parent or guardian unless the relevant documents establishing his/her legal capacity are produced or have been registered by the company's transfer secretaries.
 9. Certificated shareholders which are a company or body corporate may by resolution of their directors, or other properly authorised body, in terms of section 57 of the Companies Act, authorise any person to act as their representative.
 10. The chairperson of the annual general meeting may, in his/her discretion, accept or reject any form of proxy which is completed other than in accordance with these notes.
 11. If required, additional forms of proxy are available from the company's transfer secretaries or the registered office of the company.
 12. If you are the owner of dematerialised shares held through a CSDP or broker (or its nominee) and are not an own name dematerialised shareholder, then you are not a shareholder of the company, but appear as the holder of a beneficial interest on the relevant sub-register of the company held by your CSDP. Accordingly, in these circumstances, do NOT complete this proxy form subject to the mandate between yourself and your CSDP or broker:
 - if you wish to attend the annual general meeting you must contact your CSDP or broker, as the case may be, and obtain the relevant letter of representation from them; alternatively
 - if you are unable to attend the annual general meeting but wish to be represented at the meeting, you must contact your CSDP or broker, as the case may be, and furnish them with your voting instructions in respect of the annual general meeting and/or request them to appoint a proxy. You must not complete the attached form of proxy. Your instructions must be provided in accordance with the mandate between yourself and your CSDP or broker, as the case may be.
- CSDPs, brokers or their nominees, as the case may be, recorded in the company's sub-register as holders of dematerialised shares held on behalf of an investor/beneficial owner in terms of Strate should, when authorised in terms of their mandate or instructed to do so by the person on behalf of whom they hold the dematerialised shares, vote by either appointing a duly authorised representative to attend and vote at the annual general meeting or by completing the attached form of proxy in accordance with the instructions thereon and returning it to the company's transfer secretaries to be received not less than 24 hours prior to the time appointed for the holding of the meeting (excluding Saturdays, Sundays and public holidays).



