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Update is a newsletter produced by the investor relations department of Metropolitan Holdings Limited. It provides information on the different businesses in the group as well as financial news. Contact Nico Oosthuizen on (021) 940-6111 or Sue Snow on (021) 940-6119 or send an e-mail to noosthuizen@metropolitan.co.za or ssnow@metropolitan.co.za for further information.

Mettle-some move by Metropolitan Capital

Metropolitan Capital has facilitated a management buyout of the well-established and highly reputable financial solutions provider, Mettle, from Hosken Consolidated Investments Limited.

The buyout, which has received Competition Tribunal approval, was funded by Metropolitan Capital, which has also acquired a significant minority shareholding in Mettle. Metropolitan Capital, a wholly-owned subsidiary of Metropolitan, was established in August 2007 to pursue alternative investments on behalf of the group.

Mettle has consolidated its position as an independent financial intermediary serving a diverse portfolio of corporate and institutional clients and has expanded its own proprietary lending businesses.

Debt origination, structuring and advisory, property development finance, bridging finance, retail finance and the provision of term financing options for vehicles and other assets are key areas of focus where Mettle has carved a niche for itself on the basis of extensive expertise and experience.

Mettle's commitment to the affordable housing sector has led to the establishment of a Financial Sector Charter (FSC) compliant fund to the value of R750 million which has strong institutional backing.

Commenting on the transaction, Peter Judge of Metropolitan Capital, said "Mettle has an enviable reputation for innovation, and the Mettle brand is well established in the SA financial services industry. Through organic growth, management has succeeded in diversifying the company from a structured finance house to a broad-based financial services group, with a healthy balance of annuity and fee income. We believe Mettle is poised for dynamic expansion in the medium term."

Friedrich Esterhuyse, chief executive of Mettle, comments "Management is confident that the company is strategically and operationally well positioned to be able to capitalise to the full on the wealth of opportunities awaiting it in this exciting new era. Mettle is excited to have Metropolitan as a significant shareholder and partner."

End

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