

>>CELEBRATING 100 YEARS OF SUCCESS!

Frontier 5 in Durban. Bought in 1958 as part of the purchase of National Lines of South Africa. She was used on longer hauls between Durban and Walvis Bay and also to the Indian Ocean islands. She was disposed of during the fleet modernisation process in the mid-1960s.



FROM THE BRIDGE

with Alan Olivier

This issue of Making Waves each year coincides with the release of the Grindrod Limited annual financial statements.

The highlights of what was a very challenging year are fully detailed in the Chairman's and Directors reports in these accounts and I encourage you all to read them. These annual financial statements are available on the Grindrod website as is the presentation which I gave to our Investors.

Grindrod weathered the challenges of 2009 very well and with our very strong balance sheet is well positioned to benefit from growth opportunities and the improving economic activity we are experiencing.

In my presentation to Investors I stated that Grindrod was looking for growth opportunities and had the capacity to invest up to R9 billion over the next three years.

Our dry cargo shipping and freight services businesses are seeing increased demand for commodity out of Southern Africa.

Grindrod South Africa, our level 3 BEE company, recently announced the acquisition of Fuelogic, a bulk liquid transport company. It owns and operates 275 prime movers (both rigid and truck tractors) from 24 different fuel company depots. Together with the existing fuel tanker fleet, the regions of South Africa, Botswana, Lesotho, Swaziland, Mozambique, Zambia and Zimbabwe will be serviced.

The 2010 FIFA World Cup is almost upon us and I ask everyone to welcome all the visitors to our shores with open arms and great hospitality so they go back to their countries with fantastic memories of South Africa and its people. Go Bafana Bafana!

GRINDROD - One hundred years old this year



Charting new horizons



Snapshot of strategic objectives and financial results



For further information, see Annual Report 2009

Shipping

Strategic objectives:

- grow drybulk ship operating business contract base with reputable counterparties;
- improve product tanker operating capability and expand the bunker tanker business;
- monitor the international shipping market for distressed purchase opportunities both in the liquid and drybulk markets; and
- maintain good forward employment cover through reliable counterparties.



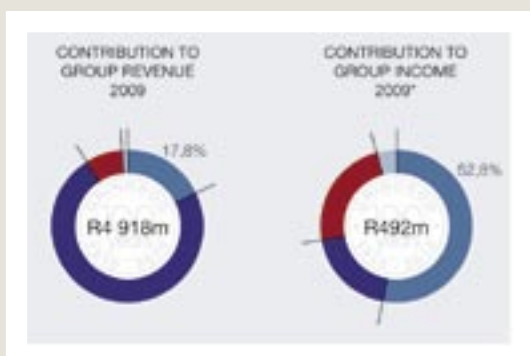
Trading

Strategic objectives:

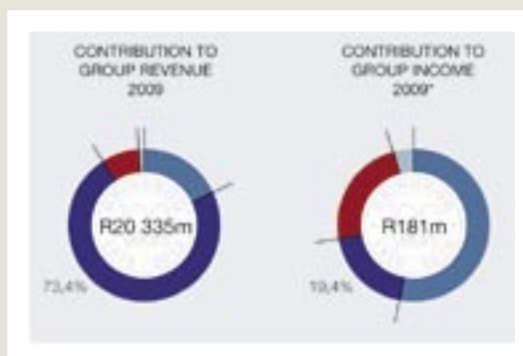
- source and develop value chain enhancements that improve the offering to customers;
- expand into new products and markets;
- leverage intra-group synergies with Shipping and Freight Services; and
- focus on containment of costs and maintenance/improvement of margins.



Financial results:



Financial results:





Snapshot of strategic objectives and financial results



For further information, see Annual Report 2009

Freight Services

Strategic objectives:

- leveraging growth opportunities created by the demand for regional infrastructural logistics and transport investment;
- expansion and development of new terminal facilities;
- further development of rail service offering; and
- integration of strategic assets and supply chain capabilities.



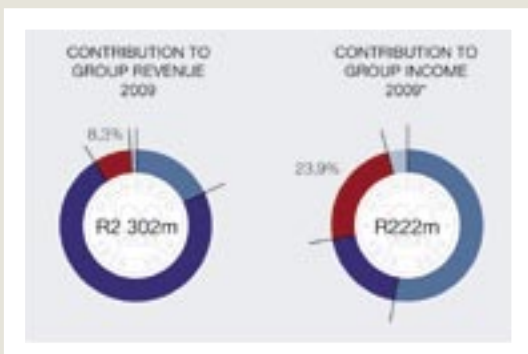
Financial Services

Strategic objectives:

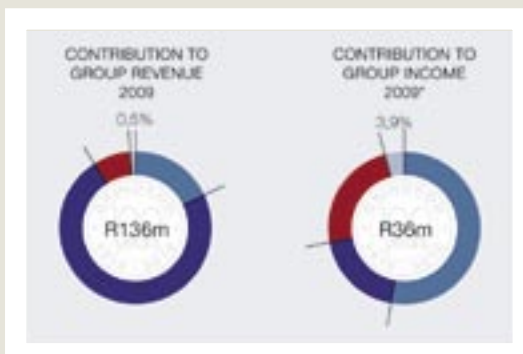
- continue the focus on lending in its traditional commercial and industrial property segment and to balance the advances book with growth in new areas of invoice discounting and trade finance;
- with the formation of a specialist asset management division, to grow assets under management in the three core areas of private clients, investment products and institutional funds; and
- increase non-interest revenue through the integration of the expanded corporate finance team.



Financial results:



Financial results:



* Excludes group cost



GPCA help to keep the planet healthy

Craig Campbell and Mike Froy were recently invited to an informal breakfast to receive a certificate from Air France/KLM for Grindrod Perishable Cargo's contribution towards the airline's CO₂mpensation programme launched in November 2009.

The CO₂ emitted through air transportation will be compensated for as the airline invests in Gold Standard wind, water or solar-energy projects.

In this way, the four forwarders who contributed and the airline will assist in keeping the planet healthy.



From left, Mike Froy, Craig Campbell and Rahul Pahak, Director Southern Africa, Air France/KLM.



IVS shortlisted for top bulk honour and Tim McClure awarded 'Shipping Personality of the Year'

The International Bulk Journal Awards function was held on 23 November 2009 at a glittering function at the old Stock Exchange Building in Amsterdam.

Almost 100 entries from 22 countries on five continents were received for the inaugural IBJ Awards. The unique awards event saluted excellence in the maritime bulk industry at a glittering gala dinner and ceremony.

The following companies were shortlisted for "Best Ship Operator of the Year":

- Emarat Maritime, United Arab Emirates
- Fednav, Canada
- Island View Shipping, South Africa

- Pacific Basin Shipping, Hong Kong
- Seenergy, Greece

Island View Shipping was unfortunately pipped at the post by Fednav, but being shortlisted was an achievement in itself.

However, Capt. Tim McClure, Grindrod Executive Director, Shipping (Dry Bulk), was recognised for his contribution to the maritime Industry and was awarded the "Shipping Personality of the Year" award. This was a significant achievement in that this is not a short-listed category. The IBJ judges chose one person from the industry for this award, a person who stands out and is well respected; someone who has made a genuine contribution to the industry.



Award winner Tim McClure, centre, with Robert Jervis, director of category sponsor Multimodal, left, and Ray Girvan, Publisher of the International Bulk Journal.





Expanding into leisure travel

On 14 December 2009, Grindrod Travel acquired the brand of “Africa Beckons” with a view to developing the international inbound (people visiting South Africa) and the domestic leisure tourism business.

Africa Beckons is a wholesale tour broker that specialises in creating custom-built tour packages for clientele looking to experience South Africa, Namibia, Botswana, Zimbabwe, Zambia, Mozambique, Malawi, Zanzibar, as well as East Africa. They specialise in the family market and small private groups.

Africa Beckons does not operate scheduled tours, but acts as a broker in securing the best possible service at every stage of a journey.

Africa Beckons also has a commitment to better the environment and to encourage other travel-related service providers to do the same. One such area is calculating the

carbon footprint (how much carbon dioxide is released into the environment as a result of air travel) of every guest’s flight. For every 500kg of carbon dioxide our guests’ flights generate, we automatically purchase local indigenous trees which are planted around South Africa. These trees minimise the effect that travel has had on the environment.

Africa Beckons prides itself in being able to offer travellers preferential rates and specific added value in all realms of tourism, ranging from car hire and luxury train itineraries to privately guided safaris, personalised fly-in safaris, accommodation, sightseeing and more.

Africa Beckons is a member of SATSA and also supports FTTSA (Fair Trade in Tourism South Africa’s Certified Tourism Businesses).



Grindrod acquires Fuelogic

Grindrod has announced the acquisition of 100% of Fuelogic’s issued share capital through its subsidiary, Grindrod (South Africa) (Pty) Ltd (“GSA”).

Fuelogic is a bulk liquid fuel transporter operating in Southern Africa and was first established in 2001. Its operations include:-

- Primary distribution of fuel from refineries and import facilities to terminals, depots and large customers;
- Secondary distribution of fuel from terminals and depots to customers; and
- Transportation of liquid petroleum gas.

Fuelogic has long-term contracts with annual volumes close to 2.4 billion litres and a turnover of over R380 million per annum.

It owns and operates 275 prime movers (both rigid and truck tractors) from 24 different fuel company depots. Together with the existing fuel tanker fleet, the regions of South Africa, Botswana, Lesotho, Swaziland, Mozambique, Zambia and Zimbabwe will be serviced.

The Fuelogic organisational structure has

been expanded to continue to meet its shareholder and customers requirements, as well as prepare for future opportunities and growth. Such opportunities include further outsourcing by the oil industry, joint optimisation initiatives and the development of software programmes for existing customers. Management and system capacity has been increased in human resources, finance, operations, maintenance and operations divisions.

GSA is a level 3 BEE contributor.



One of Fuelogic’s branded vehicles.





Unicorn takes delivery of MV Lavela

MV Lavela, a 40 000 dwt MR product/chemical tanker and a sister ship of the Inyala, was delivered to Unicorn on 30 March. She was built in Korea by SLS Shipbuilding Co Ltd for

Lauritzen, but came on the market when the shipyard failed to meet the delivery deadline. The vessel is on charter to Engen and its maiden voyage was from Singapore to South Africa.



MV Lavela at the shipyard in Korea.



Unilog gets a new name

Grindrod has announced that its subsidiary, Unilog (Pty) Limited, has been renamed Grindrod Marine Services. Unilog has been a wholly-owned subsidiary of Grindrod Limited since its inception in 1983.

Business units such as Unilog provide integral services to group companies and outside organisations. For the past 18 years, Unilog has been, and continues to be, responsible for the logistical support (marine equipment, stores, spares and provisions) of the diverse Unicorn Shipping fleet and various other vessels operating worldwide. This service also includes the local and international support of new-building vessels and the support of operational vessels during dry-docking and refits.

In recent years, Grindrod has been streamlining and consolidating activities so as to also benefit from synergies among group companies and divisions. As part of this programme, it was decided that Unilog would fall under the umbrella of Grindrod Ships Agencies (Pty) Limited, a subsidiary of Grindrod Limited.

Further to this, the Grindrod board of direc-



Grindrod Marine Services are the local agents for Survitec, providing accredited life raft sales and service.

tors made the decision to rebrand or co-brand all 100%-owned subsidiaries within the group in order to align group companies under a common Grindrod identity.

The operations and management of Unilog remain unchanged and the company continues to provide specialised marine services and products to the marine industry.



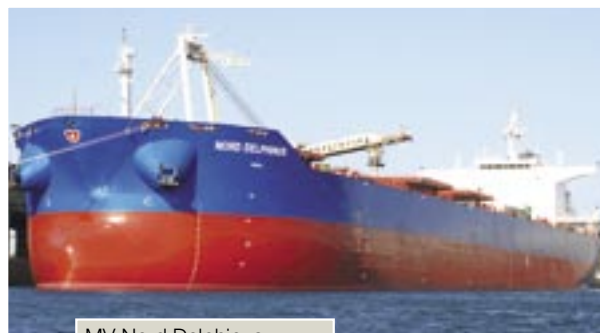


Records broken at Richards Bay Port

In January 2010, MV Italic G loaded 90 539 m/tons of magnetite, the biggest ever bulk shipment from the Dry Bulk Terminal at Richards Bay.

Just a month later, however, the record was bettered when the MV Nord Delphinus, on her maiden voyage, loaded 120 000 m/tons of cargo.

King & Sons was the ship's agent for both vessels, and Bay Stevedores provided the stevedoring service for the vessels.



MV Nord Delphinus loading at Richards Bay.



Röhlig-Grindrod move PET plant to Middle East

Röhlig-Grindrod Cape Town was successfully awarded the contract to move a PET (polyetheleneterapthalate) plant from Bellville, Western Cape, to the Middle East through the efforts of Candice du Randt, Sales Manager. Parts of the plant were auctioned off and disassembled in October 2009.

The scope of work for Röhlig-Grindrod involved the purchasing and forwarding of 49 x 40' shipper-owned containers and a part charter to move 1722 cubic metres of break-bulk. All containers were stored on site for loading during the disassembly process in November. Under the strict control of Export Manager Colleen Willemse, all containers were transported to port within a 12-hour period to make the booked vessel.

Due to road embargoes on abnormal cargo during the December and January periods, the breakbulk pieces were able to move only in the new year. This part of the movement consisted of 18 pieces, 16 of which were in large wooden crates. The last two pieces consisted of a pre-heater (16.5m in length and weighing 36 tons) and convertor (30m in length, 35 tons).

Everything went smoothly. With the wonderful team effort of our various sub-contractors, the pieces were all moved to port and placed in the port pre-assembly area. Special mention goes to Mark Collings of Stellval whose planning, commitment and dedication to the road and rigging phase ensured the goods were delivered to port in good time and condition. Loading was carried out under the watchful eye of Colleen and Candice, as well as the customer who flew out specially.



Candice du Randt and Colleen Willemse with the 35-ton, 30-metre convertor.



Vanguard invests in heavy-lift crane

Vanguard, in a joint venture with Grindrod and private investors, has invested R70 million in a new mobile heavy-lift crane. Designed and manufactured by Grove Cranes, a subsidiary of Manitowoc in Germany, the GTK 1100 arrived in South Africa on 20 April.

Says Director Bryan Hodgkinson, "This crane presents opportunities in South Africa to cut project costs. For example, the GTK 1100 requires only four truckloads of parts to prepare for a heavy lift, whereas other super-lift cranes sometimes require up to 40 truckloads."

"Another benefit is that a minimum of ground preparation is required, thanks to the crane's self-levelling function. It is super-fast to set up – four to six hours is quite possible – and is a winner where access is restricted, being able to pass through gaps of only 3.5 metres. Another advantage is its small footprint of 18x18 metres including the boom set-up area.

The GTK 1100 was designed to lift ultra-heavy loads to extreme heights. It can lift 100 tonnes to heights of more than 100m and has



The boom of the heavy-lift crane is unloaded in Port Elizabeth in April.

a 56-m working radius, centre operated, without a counterweight. It was designed to compete in the super-lift market dominated traditionally by large, crawler cranes with lattice booms.

Vanguard sees the crane being deployed in power stations, refineries and wind-turbine farms.



Crackdown on emissions affects ships in EU

**By Capt John DF Williams
Unicorn Shipping**

Our world is changing due to the irresponsibility of mankind in not looking after our home, also called earth. Global warming and the uncontrolled emission of nitrogen oxides and sulphur dioxides (greenhouse gases), if left uncontrolled, may lead to the destruction of our habitat resulting in food and water shortages and catastrophic effects on wildlife.

Legislation has been put into place by various governing bodies and the International Maritime Organisation to reduce carbon emissions from ships over the next few years and to stem the global temperature rise.

Post-Copenhagen, the European Union has introduced stricter controls on emissions for vessels calling at European ports from

1 January 2010.

While at anchor or alongside in a EU port, vessels are restricted to using low-sulphur marine gas oil with a sulphur content of 0.1% – which is five times less than regular automotive diesel used in vehicles. In addition a Sulphur Emission Control Area has been declared in the areas of the English Channel, North Sea and Baltic Sea which sets a maximum cap of 1.5% sulphur content on fuel oil used while vessels are within this area.

This new regulation is strictly monitored by the European authorities and those vessels not complying are fined.

On board mv Berg, the changeover to the new low-sulphur fuel oil went off without any problem and as officers on a modern-day tanker, we have contributed to the sustainability of our industry and our planet but more still needs to be done.





Martyn Wade appointed COO at Island View Shipping



Congratulations to Martyn Wade on his appointment as Chief Operating Officer for Drybulk Shipping effective 1 March 2010. Martyn will succeed Tim McClure as CEO on his retirement at the end of July 2010 as the executive responsible for Island View Shipping and will serve on the executive committee of the group. Martyn has 32 years' international shipping experience and has worked for shipowners, operators and brokers. He is respected and recognised in the shipping industry worldwide, and was a member of the original Baltic Exchange for 10 years.



Death of Rivan Pillay



All at Grindrod extend their deepest sympathy to the friends and family of Rivan Pillay who passed away on 28 December 2009. Rivan started with Grindrod on 1 October 2001 as an Accounts Assistant and was promoted to HR Accountant on 1 November 2009. She was in her last year of part-time study towards a B Com degree. Her colleagues describe her as fun to be around, a generous, caring person with a wonderful sense of humour. Her death had such an impact on so many, and has left a huge void in the personal lives and day-to-day office routine of her colleagues. Our thoughts are with her husband Colin, children Prenelle and Jaydene and her extended family.



Atlas led the Easter egg collection

Grindrod employees from across South Africa recently collected 13 314 Easter eggs for less fortunate children. The project was initiated by Atlas Shipping who gathered 2 544 eggs. Thirteen other group companies participated: seven from Intermodal, Unical Bunker Services, King & Sons, Ocean Africa Container Lines, Grindrod Travel, Grindrod Management Services, and Grindrod Terminals. 'Container Ministry' kindly distributed the eggs.



Philippa Malherbe and Nomonde Zondi of Atlas with the Easter eggs.





Grindrod environmental performance on the up

The Johannesburg Stock Exchange (JSE) recently allowed Grindrod to re-enter the Social Responsibility Index (SRI) as Grindrod had demonstrated sufficient improvement in its environmental performance from 2008 to 2009.

The JSE launched the SRI index in May 2004 following the second King Report on corporate governance, calling for companies to report on all aspects of sustainability. The JSE developed criteria to measure the triple-bottom-line performance of companies in the FTSE/JSE All Share Index. The SRI index comprises companies that pass the criteria requirements.

Significant progress has been made both structurally (appointments and resourcing) and in setting achievable and quantifiable objectives and targets to measure and manage the company's environmental footprint.

This includes:

- the establishment of an Environmental and Climate Change Committee reporting to the chief executive officer;
- the appointment of a senior-level health, safety and environment (HSE) manager in the Freight Services division;
- commencement of an environmental risk audit programme covering all Freight Services division sites;
- the Shipping Division has once again achieved its target of zero significant oil spills (ie, more than one barrel of oil) for the fourth consecutive year;
- the initiation of ISO 14001 environment management systems (EMS) in the Shipping and Freight Services divisions and
- using external environmental consultants to verify environmental key performance indicator (KPI) data collected from group companies.

In reporting on and measuring these KPIs, Grindrod is guided by the Global Reporting Initiatives (GRI) environmental indicator, the JSE's SRI and best practice within global shipping and transport industries.



Freight Services aim to exceed enviro targets

Grindrod Freight Services has taken up the challenge to not only meet but exceed the group's environment targets and objectives.

In order to get a clear understanding of the impact our operations have on the environment, external consultants conducted an environmental review of all our business units. The aim was to identify key environmental risks associated with our operations, and to develop a management system to counter the risks and to measure our performance.

One such management system will be the

ISO 14001 accreditation process. It is expected that all Freight Services business units will be ISO 14001 compliant by July 2011.

An Environment Task Team, consisting of representatives from all Freight Services business units, under the chairmanship of CEO Dave Rennie, convened on 4 November 2009.

The task team will meet quarterly, with its core function being to co-ordinate and monitor the implementation of our management systems.

LET'S GO GREEN.....



Volcano affected shipping crews, too

Who would have thought that a volcanic eruption in Iceland would cause so much discomfort in the shipping industry?

For example, crew changes for the Oliphant that were planned for Spain had to be called off at the last moment when the airspace over Europe was closed.

The Chief Navigating Officer on the Rainbow signed off in Walvis Bay on 15 April to fly home to Poland to start his Masters course on the 19th. Alas, he was stuck in Walvis Bay until 27 April despite looking at all sorts of other alternative routes. Plus, the Namibian authorities would allow him to remain in the country for only five days.



Queen Mary 2 calls at Durban



Queen Mary 2 enters Durban harbour. Note the recently widened harbour mouth.

History was made when Queen Mary 2, the largest, longest, tallest, widest and most expensive liner ever built, made her maiden call at Durban on 23 March.

The visit would not have been possible before the recent widening of the entrance

to the port to 220 metres at its narrowest.

King & Sons, acting as ship's port agents on behalf of Cunard Lines, arranged with the Durban port manager to present Captain Nick Bates with a plaque commemorating the maiden voyage to Durban.



Unical takes delivery of bunker tanker Fumana

Unical Bunkers took delivery of the mini-tanker Fumana on 12 February after a two-year build period. The Fumana is a sister ship (copy) to the Southern Venture and Southern Valour, with some improvements made.

She commenced service in early March and quickly delivered some 35 000 tons to some 75 ships with no serious disruptions.

A highlight was delivering bunkers to the Queen Mary 2 on 23 March. Southern Valour was honoured to replicate the exercise in Cape Town the next day.

Unical Bunkers is now fully optimised in the Port of Durban with two bunker tankers, and the company looks forward to providing customers with an even higher level of service.



Two immaculately turned-out ladies: a Queen and a little Princess. Unical's Fumana refuels the Queen Mary 2.





Two centenaries to celebrate



Grindrod Bank's oldest client, Mary Elle Sampson, with David Polkinghorne, right, and Alan Olivier.

In the spirit of celebrating Grindrod's centenary, Grindrod Bank recently congratulated their oldest client, Mary Elle Sampson, who turned 100 on 15 January 2010.

In appreciation for Mrs Sampson's loyal support, CEO David Polkinghorne and Group CEO Alan Olivier visited the centenarian and

presented her with a Krugerrand as a tribute to her longevity and to South Africa's history.

Said David, 'Over time, Krugerrands have proved to be an outstanding store of value. And so, too, Mrs Sampson is the epitome of a valuable life experience.'



Supervisory training for Intermodal



Back, from left, Abraham Swanepoel, Wellington Kaseke, Stephen Prince, Strini Pillay, Ameeth Ramdhunee, Denver Talmakies. Front, Sunil Sahwan, Malcolm Govindsamy, Daniel Van Rensburg.



Back, from left, Surekha Marsh, Annemarie Van Vuuren, Thyra Masiso, Ramona Naidoo, Alethea Botha. Front, from TGC: Beverley Vosloo, Meryl Bowker, Joanna Summers

The second Supervisory Development Programme (SDP) run by TGC for Grindrod Intermodal came to an exciting end on 12 March.

The initiative allows participants to complete a 10-month supervisory training programme whilst retaining full-time employment. It is intended for personnel already employed as supervisors or people who intend to follow a career in management.

The programme combined both practical and theoretical training to equip participants with the skills required to effectively manage at a middle-management level.

The nature of the programme required that participants complete assignments and projects in their own time. The SDP ended with each of the 14 participants presenting a topic of their choice to the executive management of Grindrod Intermodal.

All the participants successfully completed the programme and were presented with certificates. Special certificates went to Alethea (Leigh) Botha and Wellington Kaseke.





Grindrod assisted maritime school

Western Cape Premier Helen Zille with Simon's Town School students Ashline Lewis and Naledi Malashe after she had opened the new Lawhill Maritime Centre at the school.



Lawhill Maritime Centre at Simon's Town School was opened by Western Cape Premier Helen Zille in March. The Centre has two custom-built classrooms, accommodation for 58 learners who are enrolled for Maritime Studies courses at the school, and dining and recreational facilities.

Grindrod contributed towards the development of these facilities.



How Francois gave ... and received

By Francois Fouché

2nd Nav. Officer, Unicorn Shipping

Mercy Ships, a non-profit Christian organisation, brings hope and healing to some of the most forgotten and impoverished people in Africa. Their ships have operated in over 550 ports in 70 different nations. Their programmes provide health care, urgent surgery, education to the poor, and empowerment to the local communities through other projects. These services are provided regardless of race, gender, or religion. Mercy Ships has impacted more than 2.16 million people directly and has treated more than 212,000 people in village medical clinics, and a staggering 183,000 dental treatments. There are more than 850 crew (from over 40 nations) currently serving with Mercy Ships. There are national offices in more than 15 different countries; South Africa is one of those countries.

More than 1,600 short-term volunteers serve each year; I am one of those short-term volunteers.

On 21 March, I joined the Africa Mercy in Lomé, Togo as 2nd Nav. Officer. I soon found purpose among the team. I have enjoyed the comradeship among the community on the ship. I have met amazing people, formed great friendships, and had time to relax.

I have had the opportunity to do many things that I would normally not do and still provide my services as an officer. I have spent time



Francois Fouché with one of the patients.

visiting the patients on the wards, volunteered in the coffee shop, and observed surgery. Each of these has provided a unique experience for me. While on the ward, I played with the patients and gave them laughter and love for a few hours each week. I enjoy making others smile, and this is something that always made me smile in return. Volunteering in the coffee shop allowed me to meet the crew on a more personal level. It was pleasing to know the faces and names of the people I served on this ship. Observing surgery allowed me to see the true purpose of this ship; it helped me understand how important my job is; I have indirectly, through safe-passage planning, helped to offer hope to thousands of people here in Togo.

My experiences have given me the opportunity to grow in faith. I have witnessed things here that make me appreciate the blessings God has provided me. I would encourage everyone to go outside their comfort zones and give a little of themselves.





Human Resources: Sibanye - Moving Forward in Unity

Group human resources has made and will continue to take significant strides in realising Grindrod’s vision of world-class human resource practices that unite the needs of business, its people, its customers – and that delight the shareholders.

Through a fit-for-purpose group and regional HR structure, the group human resources division is on a journey to touch each person and to pump through the veins of each business by launching improvement projects to support the business and its most valuable asset – its people.

Induction

Grindrod induction is planned to “set sail” in May this year. Its objective is to introduce new staff to our people, culture, and core values, and entrench a sense of belonging to the Grindrod family. Staff will be exposed to the business offerings within the group and encouraged to cross-market.

Policies and Procedures

In March 2010 revised and consolidated people policies and procedures were issued to the group transformation committee for comment. Once comprehensive feedback has been received from all the stakeholders and the group, policies and procedures will be signed off, and workshops will be held nationally to educate leaders and staff on the practical implementation of the policies and procedures.

Performance Management Process

Performance management is a critical business requirement as this process manages and calibrates the contributions of each person in the organisation in line with the strategic goals. To this end a dynamic performance management process has been implemented in the Grindrod Freight Services Division; this is soon to be shared across the group.

Employee Relations

Group employee relations, the evolved industrial relations, is on a mission to ensure that all staff are treated both substantively and procedurally fairly in all employee-related matters. To entrench this in the business, employ-



ee relations empowerment workshops have been scheduled to up-skill line leadership on the correct processes for handling disciplinary and grievance matters. Further workshops will continue during the second half of 2010.

Talent Development

Leadership is committed to supporting our employees in becoming the most they can be, to grow their career and value for Grindrod. March 2010 saw the launch of LEAD (Leadership Education and Development) which is focused on developing the leaders of tomorrow from grassroots in the business. LEAD commences with three national certificates in management – NQF Level 3, 4 and 5.

STAR (Soft Skills, Technical Skills, Appropriate Grindrod Skills and Role Skills) was initiated in March 2010 to develop the skills base of employees holistically.



Global listed property on the up

Grindrod started the Grindrod Global Property Income Fund almost a year ago to benefit from a potential recovery from the credit crisis. Since inception, the unit price has appreciated by 46% in rand terms and the year-to-date return is a whopping 11.9%.

Recent comments from senior management at some of the world's largest listed property companies suggest the worst of the crisis is behind us.

Although the prices of listed property securities have rallied recently, they remain more than 40% below their 2007 peaks. The current dividends are low, but reflect the fact that

most listed property companies are retaining approximately 30% of their cash earnings to fund future acquisitions at yield enhancing prices. On a cash earnings basis, the average yield is approximately 5.7%, which is substantially higher than the 2.8% yield on the JP Morgan Global Government Bond Index.

The Grindrod Global Property Income Fund offers South African investors a seamless exposure to an income-producing and diversified global portfolio of listed commercial property assets. The fundamentals suggest further capital appreciation, coupled with income growth in the second half of the year and well into 2011.



RRL Grindrod moves into Africa



RRL Grindrod's commitment to working with governments throughout Africa has recently paid dividends.

In September 2009, RRL signed a two-year service agreement with Chemin de Fer Congo-Océan (CFCO) of the Republic of Congo (Congo-Brazzaville) to operate four ex-Transnet Freight Rail class 35 diesel-electric locomotives.

The availability of these units will help in increasing tonnages carried on the 609 km main-line between the capital Brazzaville and Pointe Noire on the Atlantic coast.

Two of the locomotives commenced work in November whilst the remaining two were commissioned and leased out during the first two months of 2010.

Transnet Rail Engineering was instrumental in the refurbishment of two of the four loco-

motives. The second two locomotives were refurbished at the Pretoria workshops of RRL Grindrod Locomotives. All were fitted with the latest technology to increase tractive effort and ensure continued availability and reliability - at the same time improving life-cycle costs for both the customer and the operator.

RRL Grindrod will have a maintenance team on site, to minimise operational downtime.

More recently, RRL Grindrod Locomotives secured a contract to supply components and assist with the refurbishment of six class 34 diesel-electric locomotives for CFCO. This is testimony to the technical skills within the company.

The locomotives are being built at the Pointe Noire workshops utilising CFCO staff under the supervision of RRL Grindrod Locomotives' personnel in a skills-transfer programme.





The superstitious seafarer

By Samantha Montes

Third Navigating Officer on Breede

Many people may not know that I am superstitious by nature. I don't walk under ladders, I always say "Bless You" when someone sneezes (albeit in various languages), I try my utmost not to spill salt and I cross my fingers when awaiting an outcome or conclusion.

So then how many maritime superstitions do I observe? In turn, how many do you know?

My mother had told me it was unlucky to go into the engine room of a ship, so when I first came to sea as a navigation cadet I was apprehensive about that. But I need not have worried. I went on to serve five months on that vessel without incident and indeed the vessel remains afloat to this day.

I became aware of many other superstitions. I have adopted some, and others have fallen away.

I never travel with black luggage. I tell my landlubbing peers it is because all bags look the same on the luggage carousel at the airport. I think that if I told them that black bags are considered bad luck for a seafarer as they replicate the colour of death and are suggestive of the deep sea, it might not make as much sense.

I always step on the gangway with my right foot first. Superstition states that if you step with your left foot first disaster will follow. Apparently, this is true for aeroplanes too.

As much as I appreciate a charming bunch of flowers, I will never allow any cut flowers on-board. It is believed that these flowers will be used to make a funeral wreath for the dead. I sailed with a man who believed his ship sank because his wife brought him flowers for his cabin, which he promptly disposed of.

I do not tolerate whistling on the bridge; should I catch you, I will in no uncertain terms ask you to stop or remove yourself. Whistling

on a ship has long been understood to summon up the winds, and winds bring storms and no seafarer enjoys being caught in a storm at sea. I was told, however, that there are two exceptions: the cook and the youngest person aboard are allowed to whistle.

It is considered good luck to have dolphins swimming with the ship. If you have ever had the joy of seeing these creatures frolicking in the bow waves you will identify with this little bit of sea lore.

We all know it is unlucky to kill an albatross, but did you know that is bad luck to kill a seagull as they are said to hold the souls of sailors lost at sea?

Losing a mop or bucket overboard is a sign of bad luck. Can you think of a more useful item should you suffer the misfortune

of a sinking ship? I cannot stand to see a bucket turned upside down, although this superstition seems to have died out as the generations at sea change. An upturned bucket or boot means the ship will 'turn over' (capsize).

Ever wonder why a boat is launched by smashing a bottle of champagne on its bow? The origins of the tradition go back to the time of the Vikings. When they launched a longboat, legend has it that they tied their prisoners to the skids, and the boats crushed their bodies as they slid into the water. Wine stood in for blood in later days, and then, because launching a ship was a big deal, champagne was considered more festive and prestigious.

Changing the name of a ship is supposed to be bad luck. I still do not take kindly to the idea of renaming a vessel, but in today's modern maritime environment it is just another detail I live with.

Coins and gold had a special meaning to mariners. One of the reasons for wearing gold earrings was that its owner would never go broke. Should the sailor die in a foreign port, there would be enough money to take care of funeral expenses.

All of these superstitions might sound silly when you are on land, but out here the wind and the weather are so powerful in our lives that it's easy to personify them and imagine they are watching us.





Swimming the extra mile ...

On Saturday 13 February, 13 Grindrod swimmers took to Midmar Dam and splashed their way across a mile of murky water. They then teamed up with their colleagues and supporters at a prime picnic site replete with banners and branded apparel.

Those who took part described the day as festive and they felt proud representing Grindrod. A special note of thanks goes to Ryan Massey and Donna Coetzee for their efforts in making this a successful and enjoyable day for staff and the extended Grindrod family.

Well done to the 13 who went the extra mile.



Back: Gavin Baldwin, William Ric-Hansen, David McCallum, Garth Hohls, Jenny Johnstone, Ryan Oliver, Angela Johnstone and Antony Moller.
Front: David Polkinghorne, Mark Joubert, Ryan Massey, Bev Dalton and Khanya Cele.



All for a good cause



Assisting at the charity golf day were Madelein Denicker and Bianca Heitmann (Jhb Sales).



In the Röhlig-Grindrod four-ball were, from left, Derrick Louw (BMG Drives National Brand Manager), Paul Lotter (Key Trade Lane Manager-R-G Jhb Sales), Walter Grindrod (GM, Grindrod Group Business Development) and Jim Landers (National Sales and Marketing Director).

Röhlig-Grindrod head office participated in a charity golf sponsorship day hosted by the SA German Chamber at the Killarney Country Club, Johannesburg, on 26 March. This worthy event was in aid of the Orlando Children's Home charity.

Röhlig-Grindrod contributed with a four-ball and the sponsoring of a watering hole with drinks for the participating players.





We're a sporty bunch

This year's annual JP Morgan Challenge took place on 4 March and saw 14 enthusiastic runners from Grindrod Bank exchanging their corporate desks for the rain-drenched streets of Melrose, Johannesburg.

Led by the nimble Gareth Stobie, the whole team covered the 5.6 km within 45 minutes.

Grindrod Bank's team has doubled since first entering the event three years ago, and this year the runners and their supporting colleagues enjoyed the after-race festivities at the Wanderers Club, including a live performance by Jesse Clegg.

Spurred on by the upcoming soccer World Cup in South Africa, the 2010 race attracted a record number of 12 000 participants and the group enjoyed the opportunity to share in the camaraderie and business networking afforded by this popular event.



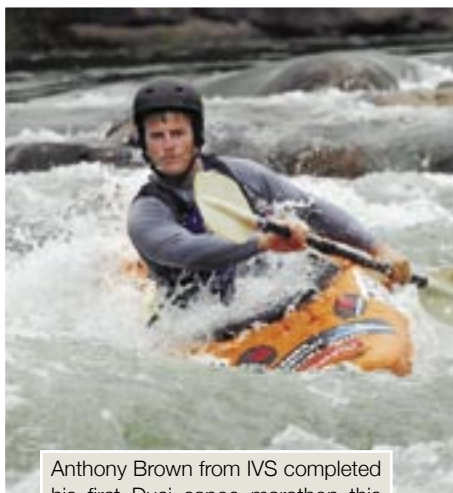
Back from left, Michael Rosholt, Gina Goss, Hamilton Maqutyana; (middle row from left) Yaron Zimblar, Candice Munsamy, Thami Ndlovu, Meglan Pillay, Jacqueline Woolley, Delon Pather, David Shimkins; (front from left) Nastasja Botha, Nitasha Moodley, Janet Dekker, Dino Theodorou, Gareth Stobie.



Kenn Verster, left, from Grindrod Freight Services recently completed the Sani to Sea mountain bike challenge.



Siphon Ntanzu from Grindrod Terminals in Richards Bay, pounded the pavements of Hillcrest in the early hours of the morning on Valentine's Day, completing a 42 km marathon. We will be looking out for Siphon in the Comrades Marathon.



Anthony Brown from IVS completed his first Dusi canoe marathon this year.



Marco Raffinetti from Grindrod Freight Services (front) successfully completed the Dusi canoe marathon in January.



Dragonboating for the little 'uns at Walvis Bay



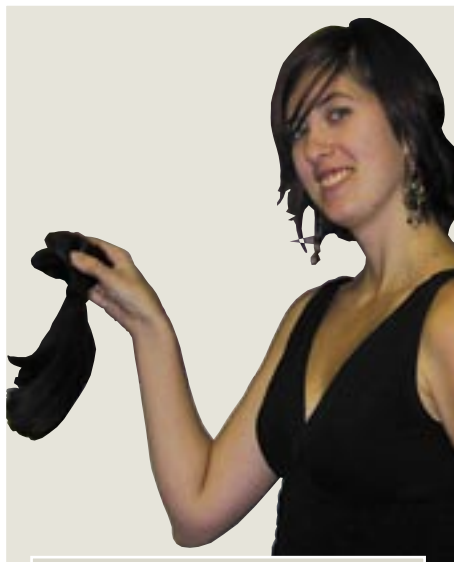
There's nothing quite like a bit of teambuilding in boats

King & Sons Walvis Bay participated in the annual Dragon Boat Corporate Day at Walvis Bay lagoon on 27 March. This is a fundraising event for Morsjorsies Pre-Primary School

and is supported by the local shipping and business communities. A fun team-building day was had by all.



They shaved for CANSA



Jeanine Burger donated her lovely locks to CANSA so that a wig can be made.



Trish Wills.



Jo-Anne Kiedo and Cliff McCormick.

Grindrod hosted a CANSA Shavathon event in Durban on 5 March to generate much-needed funds for the organisation.

Each year, worldwide, over 12 million people hear the words – you have cancer. In South Africa, one in four people is affected by cancer.

Grindrod employees participated in this

worthy cause by donating R50 for a shave, R30 for a spray or paying a “bailout” donation of R50.

Close to R10 000 was raised on the day. Grindrod matched this amount and a cheque for R20 000 was donated to CANSA from all at Grindrod.



They made Makaraba Magic ... and won tickets

Grindrod recently sponsored a fun competition for staff. The lucky winners each won three tickets to a world Cup match in their region.

Employees simply had to create and produce

an original makaraba (a fan helmet, in other words a decorated hard-hat.)

The winning makarabas (two from each region) are shown here.

Durban



Javid Sarvan
Grindrod Management Services

Cape Town



Sandra Stassen
Röhlig-Grindrod

Johannesburg



Quintis Godsil
King & Sons



Blythe Hogg
Grindrod Management Services



Ian Crawford
Grindrod Terminals
(Walvis Bay, Namibia)



Lawrence Soobramoney
King & Sons



You have 1 new message

Now you can report unethical behaviour in the workplace anonymously - by SMS. Simply SMS "please call me" to 32840 (cost R1 per sms) and a 'tip-offs anonymous' agent from Deloitte will contact you.

Reminder of the other communication tools:

- Free call to 0800 213 118 (English, Afrikaans, Zulu, Xhosa, Sotho and Portuguese operators available 24/7)
- or e-mail grindrodethics@tip-offs.com

