



TRANSNET NOTES THE STATEMENT ON MCKINSEY 'SETTLEMENT'

Transnet SOC Ltd (Transnet) has noted the statement issued earlier by the Secretary of the Judicial Commission into Allegations of State Capture with regard to McKinsey.

Transnet wishes to confirm that no final settlement has been reached with McKinsey.

Up until last night, discussions were still underway between Transnet and McKinsey, with the main point of dispute being the repayment of the substantial interest earned on McKinsey's fees.

In respect of contracts associated with Regiments Capital, the fee paid to McKinsey was a total of R688-million. In addition, according to Transnet's calculation, the interest cost relating to these payments is close to R558-million. The amount owed to Transnet, therefore, is just over R1.2-billion, and that is what we continue to insist must be repaid in full. In July 2018 McKinsey agreed to return the fees earned at Eskom plus interest, in similar circumstances.

Issued on behalf of Transnet SOC Ltd

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