



The BIDVest Group Limited

RESULTS for the half year ended December 31 2003

HIGHLIGHTS

Margins improved to 5,1% from 4,6% • Headline earnings per share increased by 2,0% to 248,0 cents • Operating income pre-translation losses up 1,4% to R1,14 billion • Revenue down 9,6% to R22,2 billion • Bidvest plc headline earnings up 22% in sterling but down 8% in rand terms • 8% organic growth in operating income for domestic operations • Distribution per share increased by 5% to 113,4 cents • BEE equity ownership increased to approximately 35%

CONSOLIDATED STATEMENTS OF INCOME

FOR THE HALF YEAR ENDED DECEMBER 31

R'000	Half year ended		Percentage change	Year ended June 30 2003 Audited
	2003 Unaudited	2002 Unaudited		
Revenue	22 211 643	24 565 364	(9,6)	47 073 375
Operating income	1 132 873	1 128 347	0,4	2 244 121
Operating income before translation effects	1 140 120	1 124 621	1,4	2 259 197
Translation gains (losses)	(7 247)	3 726		(15 076)
Amortisation of goodwill	(35 532)	(22 449)		(64 887)
Net capital items	(13 924)	(877)		(61 548)
Net finance expense	(52 898)	(36 865)		(110 982)
Income before taxation	1 030 519	1 068 156	(3,5)	2 006 704
Taxation	(289 271)	(299 607)		(557 148)
Income after taxation	741 248	768 549	(3,6)	1 449 556
Income from associates	9 308	15 921		30 328
Trading profits	9 440	16 078		31 568
Share of capital items and amortisation in associates	(132)	(157)		(1 240)
Outside shareholders' interest	(44 218)	(52 158)		(97 576)
Income attributable to shareholders	706 338	732 312	(3,5)	1 382 308
Number of shares in issue (weighted 000)	302 085	310 402		308 116
Headline earnings per share (cents)	248,0	243,2	2,0	479,0
Earnings per share (cents)	233,8	235,9	(0,9)	448,6
Distribution per share (cents)*	113,4	108,0	5,0	220,0
Headline earnings				
The following adjustments to income attributable to shareholders were taken into account in the calculation of headline earnings:				
Income attributable to shareholders	706 338	732 312		1 382 308
Net amortisation of goodwill	33 928	20 543		61 449
Amortisation of goodwill	35 532	22 449		64 887
Outside shareholders' interest	(1 604)	(1 906)		(3 438)
Net loss on disposal and discontinuance of businesses	11 146	3 285		11 626
Loss on disposal and discontinuance of businesses	17 133	3 285		36 130
Tax relief	(5 530)	-		(16 017)
Outside shareholders' interest	(457)	-		(8 487)
Net loss (surplus) on disposal of fixed assets	(2 474)	(1 391)		19 233
Loss (surplus) on disposal of fixed assets	(3 209)	(2 408)		25 418
Tax charge (relief)	369	-		(7 385)
Outside shareholders' interest	366	1 017		1 200
Share of capital items and amortisation in associates	132	157		1 240
Headline earnings	749 070	754 906	(0,8)	1 475 856
Rand/Sterling exchange rates				
Opening rate	12,457	15,905	(21,7)	15,905
Closing rate	11,826	13,860	(14,7)	12,457
Average rate	11,718	15,614	(25,0)	14,288

*Includes distribution from share premium.

STATEMENTS OF CHANGES IN SHAREHOLDERS' INTEREST

FOR THE HALF YEAR ENDED DECEMBER 31

R'000	Half year ended		Year ended June 30 2003 Audited
	2003 Unaudited	2002 Unaudited	
Shareholders' interest at the beginning of the period	5 412 659	5 563 617	5 563 617
Share capital issued	(153)	(51)	(427)
- in terms of the share incentive scheme	-	35	62
- repurchase of shares by subsidiary	(153)	(86)	(489)
Share premium arising on shares issued	(467 419)	(52 922)	(537 993)
- in terms of the share incentive scheme	112	21 240	31 780
- refund of share premium to shareholders	(350 643)	-	(168 797)
- net repurchase of shares by subsidiary	(116 888)	(74 099)	(400 844)
- share issue costs	-	(63)	(132)
Movement in foreign currency translation reserve	(85 467)	(306 297)	(474 927)
Movement in retained income	705 069	394 843	862 389
- income attributable to shareholders	706 338	732 312	1 382 308
- net dividends and capitalisation issues	(1 269)	(309 830)	(475 284)
- secondary tax on companies	-	(27 639)	(44 635)
Shareholders' interest at the end of the period	5 564 689	5 599 190	5 412 659

CONSOLIDATED BALANCE SHEETS

AT DECEMBER 31

R'000	December 31		June 30 2003 Audited
	2003 Unaudited	2002 Unaudited	
ASSETS			
Non-current assets	5 014 424	4 889 800	4 927 958
Fixed assets	3 594 415	3 474 061	3 493 246
Intangible assets	697 524	667 229	689 218
Deferred taxation	238 429	199 229	219 340
Investments and advances	376 826	374 471	384 072
Banking and other advances	107 230	174 810	142 882
Current assets	9 740 338	9 764 886	9 643 424
Other current assets	7 544 943	7 818 756	7 282 863
Liquid funds	2 195 395	1 946 130	2 360 561
Total assets	14 754 762	14 654 686	14 571 382
EQUITY AND LIABILITIES			
Capital and reserves	6 247 422	6 335 140	6 103 451
Shareholders' interest	5 564 689	5 599 190	5 412 659
Outside shareholders' interest	682 733	735 950	690 792
Non-current liabilities	1 032 211	436 139	1 007 749
Deferred taxation	111 853	164 734	115 824
Post-retirement obligations	182 075	182 701	190 179
Long-term portion of interest-bearing borrowings	682 361	70 032	665 583
Banking liabilities	55 922	18 672	36 163
Current liabilities	7 475 129	7 883 407	7 460 182
Other current liabilities	6 179 311	6 533 993	6 794 077
Current portion of interest-bearing borrowings	1 295 818	1 349 414	666 105
Total equity and liabilities	14 754 762	14 654 686	14 571 382
Number of shares in issue (000)	299 632	310 526	302 679
Net tangible asset value per share (cents)	1 624	1 588	1 561

THE BIDVEST GROUP LIMITED

(*Bidvest or "the Group")

DIRECTORS

B Joffe (Executive Chairman), F Titi* (Deputy Chairman), DDB Band*, FJ Barnes*, BL Berson*, MC Berzack, LG Boyle*, N Cassim*, LI Chimes, M Chipkin*, AA da Costa*, MBN Dube, RW Graham, AM Griffith, LJ Jacobs (Alternate LJ Mokoena), CH Kretzmann, S Koseff*, RM Kunene*, D Masson*, BE Moflat*, BE Moflat* (Alternate T Slabbert), P Nyman, JL Pamensky*, SG Pretorius, LP Ralphs, TH Reiman*, DK Rosevear, AC Salomon (Alternate HL Greenstein), CE Singer, PC Steyn, R Waaner, PD Womersley

*Non-executive British Australian

COMPANY SECRETARY

MA David

TRANSFER SECRETARIES

Computershare Limited, 70 Marshall Street, Marshalltown 2001, South Africa.
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REGISTERED OFFICE

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PO Box 87274, Houghton 2041, South Africa.

REGISTRATION NUMBER: 194602118006 • ISIN: ZAE000050449 • SHARE CODE: BVT • URL: www.bidvest.com

CONSOLIDATED CASH FLOW STATEMENTS

FOR THE HALF YEAR ENDED DECEMBER 31

R'000	Half year ended		Year ended June 30 2003 Audited
	2003 Unaudited	2002 Unaudited	
Cash flow from operating activities	288 363	(119 730)	1 506 715
Operating income net of capital items	1 118 949	1 127 470	2 182 573
Depreciation and other non-cash items	360 508	348 795	746 026
Changes in working capital	(860 598)	(941 766)	(261 904)
Cash generated by operations	663 864	534 499	2 666 695
Net finance expense	(52 898)	(36 865)	(110 982)
Taxation paid	(306 452)	(277 656)	(521 492)
Dividends paid	-	(311 892)	(475 284)
- Company	-	-	-
- subsidiaries	(16 151)	(27 816)	(52 222)
Cash effects of investment activities	(625 031)	(596 856)	(1 167 628)
Net additions to fixed assets	(495 846)	(439 726)	(991 232)
Net additions to intangible assets	(6 230)	1 564	(8 442)
Net acquisition of subsidiaries, businesses, associates and investments	(122 955)	(158 694)	(167 954)
Cash effects of financing activities	(411 873)	(138 334)	(70 234)
Proceeds from shares issued	-	-	31 710
- Company	112	21 212	7 670
- subsidiaries	765	5 693	7 670
Purchase of treasury shares	(117 041)	(74 185)	(401 333)
Distribution of share premium to shareholders	(350 643)	-	(168 797)
Net borrowings raised (repaid)	54 934	(91 054)	460 516
Net increase (decrease) in cash and cash equivalents	(748 541)	(854 920)	268 853
Net cash and cash equivalents at the beginning of the period	2 220 344	2 202 331	2 202 331
Currency adjustments	(46 206)	(154 808)	(250 840)
Net cash and cash equivalents at the end of the period	1 425 597	1 192 603	2 220 344
Net cash equivalents are made up as follows:			
Cash on hand and in the bank	2 195 395	1 946 130	2 360 561
Bank overdrafts shown as current portion of interest-bearing debt	(769 798)	(753 527)	(140 217)
	1 425 597	1 192 603	2 220 344

SEGMENTAL ANALYSIS

FOR THE HALF YEAR ENDED DECEMBER 31

R'000	Half year ended		Percentage change	Year ended June 30 2003 Audited
	2003 Unaudited	2002 Unaudited		
REVENUE				
The Services Division	8 270 884	9 398 787	(12,0)	18 292 281
Bidfreight	6 155 817	7 015 740	(12,3)	13 676 421
Bidcorp plc	754 545	1 113 447	(32,2)	1 956 688
Namsvo Fishing	111 142	122 132	(9,0)	282 107
Bidserv	932 810	833 433	11,9	1 735 005
Rennies Financial Services	316 270	314 035	0,7	642 060
The Foodservice Products Division	10 699 363	12 227 027	(12,5)	22 557 416
Bidvest plc	9 208 085	10 764 086	(14,5)	19 733 754
Caterplus	994 489	1 021 572	(2,7)	1 970 925
Combined Foods	496 689	441 369	12,5	852 737
The Commercial Products Division	3 884 095	3 826 074	1,5	7 584 909
Bidoffice	2 337 297	2 340 844	(0,2)	4 743 195
Bidpac	410 531	393 114	4,4	730 579
Voltec	1 136 267	1 092 116	4,0	2 111 135
Corporate Services	29 430	34 263	(14,1)	93 920
I-Fusion	25 547	32 948	(22,5)	90 665
mymarket.com	3 883	1 315	195,3	3 255
Intergroup eliminations	(672 029)	(920 787)		(1 455 151)
	22 211 643	24 565 364	(9,6)	47 073 375
OPERATING INCOME				
The Services Division	352 367	367 911	(4,2)	750 502
Bidfreight	209 040	195 170	7,1	395 400
Bidcorp plc	(19 251)	1 000		834
Namsvo Fishing	1 505	11 205	(86,6)	31 497
Bidserv	88 526	70 748	25,1	166 713
Rennies Financial Services	72 547	89 788	(19,2)	156 058
The Foodservice Products Division	438 121	453 134	(3,3)	843 449
Bidvest plc	288 868	309 272	(6,6)	569 434
Caterplus	91 195	95 569	(4,6)	179 817
Combined Foods	58 058	48 293	20,2	94 198
The Commercial Products Division	296 503	290 848	1,9	613 342
Bidoffice	186 728	180 710	3,3	393 845
Bidpac	64 969	62 133	4,6	103 069
Voltec	44 806	48 005	(6,7)	116 428
Corporate Services	45 882	16 544	178,9	36 828
I-Fusion	(2 690)	(3 540)	24,0	(5 042)
mymarket.com	(2 907)	(3 391)	14,3	(7 242)
Group services, investment and other income	30 637	4 907	524,4	8 317
Group properties	20 842	18 478	12,8	40 795
	1 132 873	1 128 347	0,4	2 244 121
MARGINS				
The Services Division	4,26	3,91	9,0	4,10
Bidfreight	3,40	2,78	22,3	2,89
Bidcorp plc	(2,55)	0,09	(85,3)	0,04
Namsvo Fishing	1,35	9,17	(85,3)	1,16
Bidserv	9,49	8,49	11,8	9,61
Rennies Financial Services	22,93	28,59	(19,8)	24,31
The Foodservice Products Division	4,09	3,71	10,2	3,74
Bidvest plc	3,14	2,87	9,4	2,89
Caterplus	9,17	9,36	(2,0)	9,12
Combined Foods	11,69	10,94	6,9	11,05
The Commercial Products Division	7,63	7,60	0,4	8,09
Bidoffice	7,99	7,72	3,5	8,30
Bidpac	15,83	15,81	0,1	14,11
Voltec	3,94	4,40	(10,5)	5,51
	5,10	4,59	11,1	4,77

COMMENT

OVERVIEW AND FINANCIAL SUMMARY

Improved operating margins and a good trading performance helped the Group mitigate the significant impact of the strong rand, not only in the translation of foreign earnings but also in foreign currency denominated revenues and the deflationary effects on prices. Operating management is to be commended on an admirable performance in difficult and volatile trading conditions.

Revenue for the six months ended December 31 2003 declined by 9,6% to R22,2 billion largely due to the translation effects of the Group's foreign businesses. For translation purposes, the rand appreciated by 25%