Proudly Bidvest

The Bidvest Group Limited Audited results for the year ended June 30 2012

+12,7% Revenue up to R133,5 billion

+14,5% Trading profit up to R7,0 billion

+16,8% Normalised HEPS up to 1 352,3 cents

+27,4% HEPS up to 1 474,2 cents

+29,6% Ordinary dividends per share up to 622,0 cents

Commentary

The Group achieved pleasing trading results for the year ended June 30 2012, supplemented by the profit of R399,1 million realised on the partial disposal of the Group's beneficial holding in Mumbai International Airport Private Limited (MIAL). Trading held up reasonably well despite the economic environments being tough, a tribute to the resilience and focus of Bidvest's management.

Headline earnings per share (HEPS) increased by 27,4% to 1 474,2 cents per share while basic earnings per share (EPS) increased by 28,9% to 1 431,7 cents per share. Normalised HEPS (i.e. excluding the MIAL profit and associated STC) increased by 16,8% to 1 352,3 cents per share. EPS for the year were negatively impacted mainly by an impairment of the Group's investment in Comair Limited of R96,7 million and the impairment of Property, Plant and Equipment and Intangibles of R26,5 million.

The average Rand exchange rate weakened against the major currencies in which the Group operates, in particular against the Australian Dollar, the Euro and Sterling. Further information of the currency effect on the translation of foreign operations is shown in the supplementary information provided.

Trading conditions in southern Africa have generally improved but certain segments of the market such as construction and consumer spending in the discretionary end of the market remains weak. Asia Pacific continues to deliver solid results. Bidvest Foodservice Europe's results are up 8,3% in Rand terms, however certain operations reported declines in trading profit in local currencies.

Financial overview

Revenue grew 12,7% to R133,5 billion (2011: R118,5 billion). The major growth occurred in Bidvest Europe (R6,4 billion) and Bidvest Asia Pacific (R3,9 billion) which reflects market share gains as well as assistance from Rand weakness on translation.

Gross margin was largely maintained. Operating expenses were well controlled across the Group, the increase of 10,8%, was distorted by the currency effects on translation. Trading margin improved to 5,3% (2011: 5,2%), despite a relative increase in contribution from lower margin activities such as forwarding and clearing and automotive retailing.

The Group achieved improved trading profit, growing by 14,5% to R7,0 billion (2011: R6,1 billion). Share based payment costs increased from R62,7 million in 2011 to R121,5 million in 2012 due to the issue of share options to staff. Incentivisation remains one of the cornerstones of the Bidvest decentralised operating model.

The improvement in trading profit has been offset to a degree by an increase in net finance charges of R140,7 million, a 21,8% increase over 2011. The increase in the main can be ascribed to the R1,6 billion spent on the share buyback from Dinatla in May 2011, the full effects of which were borne in 2012.

The Group's financial position remains robust and the Group is well-capitalised. The increase in Rand values of the foreign operations arose from the decline in the closing exchange rate against 2011. Net debt has decreased to R3,6 billion (2011: R5,0 billion). Interest cover remained unchanged at 9.1 times. The Group retains adequate borrowing capacity. Bidvest's attitude to gearing remains conservative and appropriate in the current economic climate. In December 2011, Fitch Ratings upgraded the Group's national long-term rating to 'AA-(zaf)' from 'A+(zaf)' and national short-term rating to 'F1+(zaf)' from 'F1(zaf)'. Moody's continue to rate the Group at A1.za with a stable outlook.

Cash generated by operations before working capital changes increased 12,7% to R8,7 billion (2011: R7,8 billion). The Group made further gains in reducing working capital to June 2012 assisted by the significant cash collections in the latter part of the year, despite most operations registering growth. Credit extension remains a critical focus area of management across the Group.

A number of investments have been made in the year, the more material of which includes the acquisition of 26,4% of Mvelaserve Limited for R424,2 million. The continued internationalisation of the foodservices business was demonstrated with the acquisition of Deli Meals, Chile; Bidvest's first entry into South America.

Consolidated income statement

for the year ended June 30 R000s	2012	2011	Percentage change
Revenue	133 533 633	118 482 736	12,7
Cost of revenue	(106 241 730)	(93 930 778)	
Gross income	27 291 903	24 551 958	11,2
Other income	646 058	451 623	
Operating expenses	(20 923 733)	(18 879 268)	
Sales and distribution costs	(13 993 709)	(12 541 784)	
Administration expenses	(4 365 840)	(4 201 258)	
Other costs	(2 564 184)	(2 136 226)	
Trading profit	7 014 228	6 124 313	14,5
Share-based payment expense	(121 524)	(62 652)	
Profit on partial disposal of investment in Mumbai International Airport Private Limited	399 100	–	
Acquisition costs	(17 762)	(24 297)	
Net capital items	(133 743)	(189 453)	
Operating profit	7 140 299	5 847 911	22,1
Net finance charges	(784 666)	(644 010)	
Finance income	46 256	69 905	
Finance charges	(830 922)	(713 915)	
Share of profit of associates	77 298	98 417	
Dividends received	43 733	32 948	
Share of current year earnings	33 565	65 469	
Profit before taxation	6 432 931	5 302 318	21,3
Taxation	(1 695 458)	(1 528 169)	
Current and deferred taxation	(1 595 702)	(1 395 682)	
Secondary taxation on companies	(99 756)	(132 487)	
Profit for the year	4 737 473	3 774 149	25,5
Attributable to:			
Shareholders of the Company	4 442 902	3 538 748	25,6
Minority shareholders	294 571	235 401	
	4 737 473	3 774 149	25,5
Shares in issue ('000)			
Total	311 952	309 021	
Weighted	310 324	318 665	
Diluted weighted	311 037	319 612	
Basic earnings per share (cents)	1 431,7	1 110,5	28,9
Diluted basic earnings per share (cents)	1 428,4	1 107,2	29,0
Headline earnings per share (cents)	1 474,2	1 157,4	27,4
Diluted headline earnings per share (cents)	1 470,8	1 153,9	27,5
Normalised headline earnings per share (cents)	1 352,3	1 157,4	16,8
Ordinary dividends per share (cents)	622,0	480,0	29,6
Interim	280,0	225,0	24,4
Final	342,0	255,0	34,1
Special dividend per share (cents)	80,0	–	–
HEADLINE EARNINGS			
The following adjustments to profit attributable to shareholders were taken into account in the calculation of headline earnings:			
Profit attributable to shareholders of the Company	4 442 902	3 538 748	25,5
Impairment of property, plant and equipment, goodwill and intangible assets	26 470	140 004	
Property, plant and equipment	13 223	27 027	
Goodwill	8 141	3 571	
Intangible assets	8 263	151 521	
Tax relief	(1 134)	(42 115)	
Minority shareholders	(2 023)	–	
Net loss (profit) on disposal of interests in subsidiaries and disposal and closure of businesses	(968)	84	
Loss (profit) on disposal and closure	(2 614)	84	
Tax charge	1 646	–	
Loss on disposal, and impairment of investments in associates	97 675	209	
Impairment of investments in associate	96 700	–	
Net loss on change in shareholding in associates	975	209	
Net loss on disposal of property, plant and equipment, and intangible assets	8 793	9 114	
Property, plant and equipment	43	5 642	
Intangible assets	9 012	1 399	
Tax relief	(1 525)	(5 760)	
Minority shareholders	1 263	7 833	
Headline earnings	4 574 872	3 688 159	24,0
Profit on partial sale of investment in Mumbai International Airport Private Limited	(399 100)	–	
Secondary Tax on Companies on special dividends	20 781	–	
Normalised headline earnings	4 196 553	3 688 159	13,7

Segmental analysis

for the year ended June 30 R000s	2012	2011	Percentage change
REVENUE			
Bidvest South Africa	62 707 380	59 012 709	6,3
Automotive	19 130 896	18 608 261	2,8
Electrical	4 286 092	4 100 368	4,5
Financial Services	1 715 660	1 676 700	2,3
Freight	20 868 634	19 253 273	8,4
Industrial	1 473 920	1 486 371	(0,8)
Office	4 183 978	3 684 598	13,6
Paperplus	3 858 146	3 705 374	4,1
Rental and Products	2 057 282	1 703 084	20,8
Services	3 086 476	2 928 372	5,4
Travel and Aviation	2 046 296	1 866 308	9,6
Bidvest Foodservice	70 756 633	59 645 556	18,6
Asia Pacific	23 493 350	19 563 066	20,1
Europe	41 114 785	34 664 912	18,6
Southern Africa	6 148 498	5 417 578	13,5
Bidvest Namibia	2 971 322	2 133 749	39,3
Bidvest Corporate	799 686	691 353	15,7
Properties	282 945	212 270	33,3
Corporate and investments	516 741	479 083	7,9
	137 235 021	121 483 367	13,0
Inter Group eliminations	(3 701 388)	(3 000 631)	
	133 533 633	118 482 736	12,7
TRADING PROFIT			
Bidvest South Africa	3 853 048	3 408 280	13,0
Automotive	502 365	378 096	32,9
Electrical	207 554	181 832	14,1
Financial Services	586 743	518 945	13,1
Freight	952 700	886 248	7,5
Industrial	81 803	118 445	(30,9)
Office	275 149	215 388	27,7
Paperplus	328 140	325 609	0,8
Rental and Products	383 806	320 259	19,8
Services	215 414	193 190	11,5
Travel and Aviation	319 374	270 268	18,2
Bidvest Foodservice	2 222 094	2 031 705	9,4
Asia Pacific	1 000 042	833 125	20,0
Europe	912 729	842 455	8,3
Southern Africa	309 323	356 125	(13,1)
Bidvest Namibia	637 694	540 154	18,1
Bidvest Corporate	301 392	144 174	109,0
Properties	266 495	207 153	28,6
Corporate and Investments	34 897	(62 979)	
	7 014 228	6 124 313	14,5

Consolidated statement of other comprehensive income

for the year ended June 30 R000s	2012	2011
Profit for the year	4 737 473	3 774 149
Other comprehensive income (expense)		
Increase in foreign currency translation reserve	1 144 511	224 774
Increase (decrease) in fair value of available-for-sale financial assets	4 047	(1 732)
Total comprehensive income for the year	5 886 031	3 997 191
Attributable to:		
Shareholders of the Company	5 580 830	3 765 319
Minority shareholders	305 201	231 872
	5 886 031	3 997 191

Consolidated condensed statement of cash flows

for the year ended June 30 R000s	2012	2011
Cash flows from operating activities	4 577 878	4 466 468
Operating profit	7 140 299	5 847 911
Dividends from associates	43 733	32 948
Acquisition costs	17 762	24 297
Depreciation and amortisation	2 001 864	1 811 698
Other non-cash items	(459 259)	40 249
Cash generated by operations before changes in working capital	8 744 399	7 757 103
Changes in working capital	197 584	405 727
Cash generated by operations	8 941 983	8 162 830
Net finance charges paid	(668 954)	(559 214)
Taxation paid	(1 632 383)	(1 577 411)
Distributions by – Company	(1 920 923)	(1 452 491)
– subsidiaries	(141 845)	(107 246)
Cash effects of investment activities	(3 151 751)	(3 853 284)
Net additions to vehicle rental fleet	(375 303)	(282 940)
Net additions to property, plant and equipment	(1 812 785)	(2 523 231)
Net additions to intangible assets	(294 549)	(237 389)
Net acquisition of subsidiaries, businesses, associates and investments	(669 114)	(809 724)
Cash effects of financing activities	165 521	(735 423)
Proceeds from shares issued – Company	56 247	–
– subsidiaries	42 415	–
Net issue (purchase) of treasury shares	182 188	(1 426 546)
Share buy back costs	–	(11 980)
Net borrowings raised (repaid)	(115 329)	703 103
Net increase (decrease) in cash and cash equivalents	1 591 648	(122 239)
Net cash and cash equivalents at the beginning of the year	2 809 043	2 905 453
Exchange rate adjustment	214 767	25 829
Net cash and cash equivalents at end of the year	4 615 458	2 809 043
Net cash and cash equivalents comprise:		
Cash and cash equivalents	5 871 306	4 437 268
Bank overdrafts included in short-term portion of borrowings	(1 255 848)	(1 628 225)
	4 615 458	2 809 043

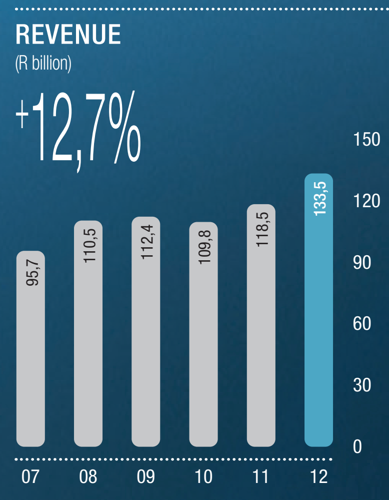
Consolidated statement of financial position

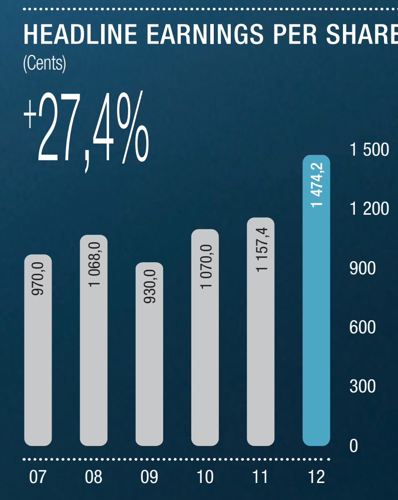
as at June 30 R000s	2012	2011
ASSETS		
Non-current assets	24 756 540	21 860 236
Property, plant and equipment	12 445 541	11 603 183
Intangible assets	860 957	672 105
Goodwill	7 449 997	6 354 825
Deferred tax asset	413 427	390 792
Defined benefit pension surplus	100 215	111 692
Interest in associates	1 089 858	684 405
Investments	1 889 141	1 749 577
Banking and other advances	507 404	293 657
Current assets	31 138 606	25 969 682
Vehicle rental fleet	1 272 720	1 063 371
Inventories	10 248 120	8 750 609
Short-term portion of banking and other advances	211 215	154 279
Trade and other receivables	13 535 245	11 564 155
Cash and cash equivalents	5 871 306	4 437 268
Total assets	55 895 146	47 829 918
EQUITY AND LIABILITIES		
Capital and reserves	22 599 453	18 456 992
Attributable to shareholders of the Company	21 630 154	17 669 264
Minority shareholders	969 299	787 728
Non- current liabilities	5 498 206	5 769 111
Deferred tax liability	553 919	507 505
Life assurance fund	31 640	34 014
Long-term portion of borrowings	4 039 858	4 391 429
Post-retirement obligations	380 669	381 332
Long-term portion of provisions	340 289	272 400
Long term portion of operating lease liabilities	151 831	182 431
Current liabilities	27 797 487	23 603 815
Trade and other payables	20 001 100	16 812 487
Short-term portion of provisions	308 261	237 471
Vendors for acquisition	61 325	539
Taxation	298 240	201 313
Short-term portion of banking liabilities	1 681 679	1 275 897
Short-term portion of borrowings	5 446 882	5 076 108
Total equity and liabilities	55 895 146	47 829 918
Net tangible asset value per share (cents)	4 270	3 444
Net asset value per share (cents)	6 934	5 718

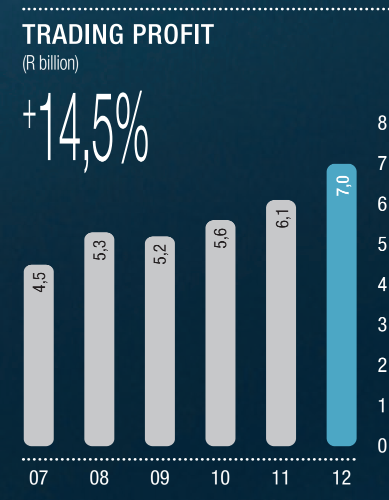
Consolidated statement of changes in equity

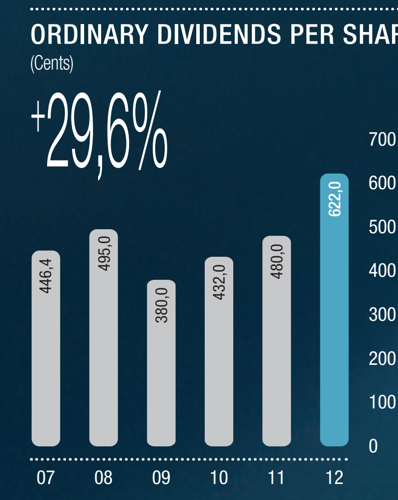
for the year ended June 30 R000s	2012	2011
Shareholders' interest		
Issued share capital	16 387	16 367
Balance at beginning of the year	16 367	17 507
Shares issued during the year	20	–
Cancellation of treasury shares	–	(1 140)
Share premium arising on shares issued	137 485	81 258
Balance at beginning of the year	81 258	81 258
Shares issued during the year	56 260	–
Share issue costs	(33)	–
Foreign currency translation reserve	1 366 049	248 830
Balance at beginning of the year	248 830	20 527
Realisation of reserve on disposal of subsidiaries	(16 662)	–
Arising during the year	1 133 881	228 303
Statutory reserves	–	15 894
Balance at beginning of the year	15 894	15 215
Transfer from (to) retained earnings	(15 894)	679
Equity-settled share-based payment reserve	165 237	391 430
Balance at beginning of the year	391 430	328 640
Arising during the year	121 454	62 790
Deferred tax recognised directly in reserve	1 419	–
Utilisation during the year	(56 273)	–
Transfer to retained earnings	(292 793)	–
Movement in retained earnings	21 948 681	19 101 358
Balance at beginning of the year	19 101 358	18 619 202
Attributable profit	4 442 902	3 538 748
Change in fair value of available-for-sale financial assets	4 047	(1 732)
Dividends paid	(1 920 923)	(1 452 491)
Transfer of reserves as a result of changes in shareholding of subsidiaries	12 610	(4 331)
Cancellation of treasury shares and related costs	–	(1 597 359)
Transfer from (to) other reserves	308 687	(679)
Treasury shares	(2 003 685)	(2 185 873)
Balance at beginning of the year	(2 185 873)	(2 345 846)
Purchase of shares by susidiaries	–	(1 581 285)
Shares disposed of in terms of share incentive scheme	182 188	154 739
Cancellation of treasury shares	–	1 586 519
Capital and reserves attributable to shareholders of the Company	21 630 154	17 669 264
Minority shareholders		
Balance at beginning of the year	787 728	656 434
Attributable profit	294 571	235 401
Movement in foreign currency translation reserve	10 630	(3 529)
Dividends paid	(141 845)	(107 246)
Movement in equity-settled share-based payment reserve	69	60
Capital invested	42 415	–
Changes in shareholding	(11 659)	2 277
Transfer of reserves as a result of changes in shareholding of subsidiaries	(12 610)	4 331
Capital and reserves attributable to minority shareholders of the Company	969 299	787 728
Total equity	22 599 453	18 456 992

105 000 employees defining the Bidvest DNA









Divisional review

Bidvest South Africa

The realigned and refocused businesses achieved positive revenue and earnings growth in challenging market conditions. Revenue increased from R59.0 billion in 2011 to R62.7 billion in the current year. Trading profits increased by 13,0% to R3,9 billion with impressive contributions by Bidvest Automotive (32,9%) and Bidvest Office (27,7%). Market-share gains and efficiency improvements were substantial.

Automotive The vehicle retailer achieved a pleasing result with trading profit 32,9% higher at R502,4 million (2011: R378,1 million) while revenue rose to R19,1 billion (2011: R18,6 billion). In 2012, dealer swaps were no longer accounted for as revenue. Excluding these in 2011, revenue would have grown by 10,0%. ROFE reached 52,3%. Margins reflected a 30,0% increase from 2,0% to 2,6%. The result includes statutory commission income from Bidvest Financial Services and profit share from McCarthy Finance. New vehicle sales rose in line with market conditions. Used-car sales were sluggish, impacting auction business at Burchmores. Franchise performance was mixed, with strong sales at VW/Audi, Toyota, Land Rover, Chrysler/Dodge/Jeep and Nissan. After-sales showed some growth. Expense reduction continued and the cost-base of central services was cut by 30,0%. Retail operations were restructured into six franchise silos. A strategic franchise review was completed and progress made on the disposal of several under-performing franchises and dealerships. The business is well positioned for continued growth.

Electrical Electrical achieved a measure of growth despite ongoing recessionary conditions in the construction sector. Revenue rose to R4,3 billion (2011: R4,1 billion) while trading profit increased 14,1% to R207,6 million (2011: R181,8 million). Gross margins improved to 19,2% (2011: 18,8%) and expenses were well controlled in a year of transition as operations were rationalised. Regional performance was mixed, with improvements in several areas. KwaZulu-Natal was outstanding and Voltex Retail put in a pleasing performance. Sanlic had a poor year and Waco showed improvement. Voltex Lighting and Cabstrut were reintegrated into the mainstream Voltex operations.

Financial Services Divisional trading profit rose 13,1% to R586,7 million (2011: R518,9 million). The segmental result was restated to reflect the allocation and payment of commission and profit share to Bidvest Automotive of R169,1 million (2011: R122,7 million).

In a highly competitive environment, innovation drove growth at Bidvest Bank. Profit after tax reached R317,0 million (2011: R283,5 million), with deposits up 31% to R1,8 billion (2011: R1,4 billion). Loans and advances were impacted as demand for corporate credit diminished. The credit loss ratio was 0,1% on total assets of R4,1 billion, reflecting a well managed book. At 39,7% the financial leverage ratio remained low. By year-end, the Bank's customer-base topped 1,5 million. Management continue to develop new and innovative products, the benefits of which should materialise in the 2013 financial year.

Bidvest Insurance delivered solid results as it diversifies its activities and maximises opportunities within existing distribution channels. Gross premiums rose 12,8% to R330,9 million (2011: R293,4 million) reflecting higher policy volumes combined with higher yields. Net underwriting result moved 33,3% higher driving improved profitability. Strategic investments into head count and marketing spend impacted costs. Investment income was up 5,5% at R106,9 million (2011: R101,4 million). The launch of newly branded products and the introduction of retail marketing will assist in new initiatives gaining traction in 2013.

Freight Resilient performance underpinned by firm commodity volumes for most of the year saw trading profit rise 7,5% to R952,7 million (2011: R886,3 million). Revenue moved 8,4% higher to R20,9 billion (2011: R19,3 billion).

IVS achieved record profits, though petroleum sector volumes were down. Costs were well controlled. Good maize imports and exports offset lower volumes of wheat, rice and soya at SA Bulk Terminals. BPO had a tough year, impacted by lower volumes, the partial loss of a major contract, lower steel exports and a fall in the frequency of liner calls. The stevedoring and ships agency businesses performed well.

Bidvest Panalpina Logistics (BPL), a merger of Safcor Panalpina and Rennies Distribution Services, bedded in well, achieving revenue and profit growth above expectation. SACD Freight faced a challenging year where the Cape Town operations felt knock-on pressure as wine exports stalled, however Durban put in a strong showing. Bulk Connections handled record volumes of 3,3 million tons and is positioned for further growth following a major infrastructure upgrade. Naval in Mozambique benefited from an excellent second half, winning new iron ore and magnetite customers while maintaining strong coal volumes. The marine insurance business had a good year. Manica returned a loss of R6,6 million. The DRC business was sold and new management was appointed at several operations.

Industrial Results were disappointing with revenue flat at R1,5 billion while trading profit fell 30,9% to R81,8 million (2011: R118,4 million). Margins contracted to 5,8% (2011: 7,9%) and ROFE fell to 16,3%. Afcom had a difficult year. Restructuring is under way. Berzacks and Bloch & Levitan faced continuing pressure. Bidvest Materials Handling was impacted by a capex slowdown by customers but orders revived toward year-end. Buffalo Executape had a difficult year. Vulcan rebounded well following rationalisation, underpinned by government spend, healthcare sector orders and strong retail and franchising performance. Yamaha was impacted by pressure on consumer spend.

Office The division put in an exceptional performance on the back of strong results at the technology companies, Konica Minolta, Océ and Global Payment Technologies. Revenue rose 13,6% to R4,2 billion (2011: R3,7 billion), with trading profit 27,7% higher at R275,1 million (2011: R215,4 million). ROFE rose to 44,2%. Sales organisations at the restructured furniture businesses recorded significant improvements. Challenges relate to the restructured Furniture Manufacturing, which recorded a loss. Waltons was successfully restructured.

Paperplus Volumes were impacted by private-sector cost cuts, subdued exports and low general print demand. Trading profit was marginally improved at R328,1 million (2011: R325,6 million) on a 4,1% revenue increase to R3,9 billion (2011: R3,7 billion).

Personalisation and Mail contributed strongly and Email Connection performed exceptionally well. Additional capacity was created for newly acquired Sprint Packaging and a certified food safe facility established. Label demand remained low. Performance at Silveray Statmark was disappointing as the business is reorganised. Kolok had a good year.

Rental and Products Outstanding performances by Steiner and G Fox helped the division grow trading profit by 19,8% to R383,8 million (2011: R320,3 million) while revenue moved 20,8% higher to R2,1 billion (2011: R1,7 billion). ROFE was excellent at 64,1%. Major contract renewals and new business gains boosted the Steiner result. Within Industrial Products, G Fox benefited from the Alsafe acquisition while achieving solid organic growth. Puréau and Silk by Design performed well. Performance at Execuflora and Laundries was disappointing. Hotel Amenities had a poor year but is receiving significant attention.

Services Performance was mixed in a challenging environment with trading profit up 11,5% to R215,4 million (2011: R193,2 million) on a 5,4% revenue increase to R3,1 billion (2011: R2,9 billion). ROFE was flat at 52,5%. Growth was driven by strong contributions from the Prestige cleaning and Magnum security clusters, both growing market share. Costs were also well controlled. Bidtrack put in another good performance. Rationalisation continued at the TMS industrial cleaning business as the Secunda operations were restructured in order to improve sustainability. Top Turf completed a restructure following disappointing results on low project volumes.

Travel and Aviation A pleasing overall performance took trading profit 18,2% higher to R319,4 million (2011: R270,3 million) on revenue of R2,0 billion (2011: R1,9 billion), a 9,6% increase. ROFE rose to 23,0%. Bidtravel results exceeded expectation as the Rennies Travel business optimised gains flowing from its restructure in the previous year. Bidair Services was impacted by pricing pressures during extremely competitive tendering. Volumes showed good growth at Bidvest Lounges, where the flagship ORTIA lounges now set the industry standard. Cargo volumes suffered as air services were curtailed. Budget Car and Van Rental did well, achieving good profit growth and market-share gains.

Bidvest Foodservice

Foodservice revenue grew 18.6% to R70,8 billion (2011: R59,6 billion). Rand weakness accentuated revenue growth in Bidvest Europe and Asia Pacific. Asia Pacific now comprises the largest contributor to the foodservice cluster. In South Africa, margin pressure increased and competitor activity was intense.

Asia Pacific A positive finish to the year at Bidvest Australia took revenue up to A$1,9 billion (2011: A$1,8 billion) with trading profit growth of 4,5% to A$84,3 million. Foodlink, a foodservice supplier in Western Australia was acquired in April. Trading conditions were mixed. Metropolitan markets and tourist areas faced pressure. Foodservice performed strongly, Hospitality had a difficult year and Fresh remained under pressure. Logistics was impacted by the loss of a beverage distribution account. Continued growth will be achieved through innovation, by maximising opportunities flowing from acquisitions and by developing new ways to transact with customers.

Bidvest New Zealand exceeded expectations. Revenue grew by 15,1% to N$615,4 million and trading profit increased to N$ 29,0 million, up 13,1%. ROFE improved and margins were well managed. Work on two new distribution centres began and the first investment was made outside the wholesale distribution market with the acquisition of a manufacturing butchery and prepared vegetable processing business. A slowdown in the foodservice market was evident by year-end.

Angliss Greater China put in a pleasing effort bolstered by a strong first three quarters. Revenue was up 12,8% to HK$2,5 billion (2011: HK$2,3 billion) and trading profits up 20,8% to HK$102,7 million. Hong Kong achieved target despite falling food commodity prices. Macau benefited from strong promotional activity and Shanghai from strong end-user focus. Sales fell at Angliss Singapore as trading operations transitioned to a full foodservice model. Remedial action has been taken to strengthen management and refocus the business direction. Revenue fell by 3,9% to S$333,6 million and trading profit dropped to S$ 5,3 million, down by 54,7%.

Europe Overall UK results improved. 3663 First for Foodservice grew revenue by 7,7% to £1,1 billion and trading profit 2,3% to £35,1 million, despite margin pressure. Working capital performance remained strong. The loss of a major contract was offset by new business gains. Free-trade volumes rose, profit at the catering equipment and fresh businesses exceeded expectations. The Reflex IT system implementation was successfully delivered on time and within budget. A small Scottish foodservice business was acquired after year-end. Bidvest Logistics returned to trading profit on the back of better-than-expected sales volumes. Contracts were extended or expanded with major customers, the majority of which are secure for the foreseeable future. Revenue rose at Seafood Holdings in its first full year contribution, but trading profit was below expectation. Average customer spend declined and collapsing salmon prices were negative for margins.

In Europe, Deli XL Netherlands was impacted by lower sales, margin compression and profit levels well below budget. Revenue was down 2,8% to €722,7 million (2011: €743,9 million) and trading profits declined 46,9% to €9,7 million. Institutional turnover was down and hospitality faced pressure. Fresh sales rose, catering proved resilient and national account business grew. Deli XL Belgium achieved revenue growth of 14,8% to €316,5 million, but trading profit was impacted by restructuring costs and tighter margins. The institutional channel faced significant pressure.

Bidvest Czech Republic and Slovakia faced challenging conditions, but achieved year-on-year revenue growth of 1,5% to CZK8,0 billion. Margins were maintained and costs were well controlled. A poor summer affected Czech ice-cream sales. A meat factory is planned in Czech Republic and will boost venison volumes. Nowaco Baltics, our recently acquired Lithuanian business with subsidiaries in Latvia and Estonia, settled in well despite recording a small loss. Farutex Poland grew revenues with investment focussed on enlarging four depots. Cost efficiencies on higher sales volumes will be evident in 2013. Both operations in Dubai and Saudi Arabia performed well, growing sales, the customer-base and product mix.

Southern Africa Results were below expectation. Margin pressure increased and competitor activity was intense. Revenue rose to R6,1 billion (2011: R5,4 billion). Trading profit fell year on year to R309,3 million (2011: R356,1 million). All businesses were impacted by cost pressures above inflation. Investment in information technology systems; food safety; new premises and technical skills laid the foundation for sustained growth, but added to the fixed cost base.

Foodservice division delivered good growth in the national account channel, but margins declined in the industrial catering segment and street trade sales fell. Restaurant closures highlighted growing credit risk. Bidfood Ingredients grew revenue but the trading performance was impacted by cost increases and margin pressure. Restructuring and retraining is under way at Crown Food Group, with focus on market segments offering strong growth potential and procurement efficiencies. A centre for innovation, design and technology was opened, focussed on improving the sales and technical capability of the division. Patley's recorded a poor trading performance, created by a breakdown in management control. Significant effort has been made to refocus the business and new senior management were appointed.

Bidvest Namibia

Strong performance drove revenue 39,3% higher to R3,0 billion (2011: R2,1 billion) while trading profit rose 18,1% to R637,7 million (2011: R540,2 million). Overall results were bolstered by another strong result by the fishing businesses underpinned by good horse mackerel volumes and firm prices. Margins were impacted following the acquisition of the FMCG distributor Taeuber & Corssen SWA Limited (T&C). The business has bedded in well, improving the strategic balance within the Namibian operations and contributed to improved commercial division performance. Turn-around strategies and improved management skills in the Industrial and Commercial Products and Services divisions are yielding positive results. Corporate hygiene services via Bidvest Namibia Steiner were launched.

Bidvest Corporate

The disposal of half of the economic interest in MIAL for a profit of R399,1 million was concluded in October 2011. Bidvest Properties completed Waltons new KZN regional office and distribution centre in Durban and with joint-venture partners purchased the Hatfield property occupied by Automotive's new McCarthy GM franchise. Further corrective action was taken at Ontime Automotive following losses at the specialist vehicle delivery and rescue and recovery businesses.

Prospects

In the current economic environments in which we operate our global business, volatility and low growth are the norm. Our philosophy and culture encourages management to perform despite these circumstances as we are not intimidated by our environments. Significant effort is being directed to ensure that throughout all facets of the Group, we remain true to our tried and tested decentralised and entrepreneurial business model and our "autonomy with responsibility and accountability" culture. Bidvest remains a demand driven business where our customers drive our focus, suppliers our efficiencies, employees our existence and our collective behaviour the results.

In Southern Africa trading conditions are not expected to show marked improvement in 2013. Despite these constraints, our teams will continue to pursue growth opportunities. In 2012, the focus was on restructuring and pursuing organic growth but going forward, a mix of organic and acquisitive growth is expected to drive further gains.

In Europe, despite the environmental noise of low growth and market volatility, our management teams remain cautiously optimistic of achieving market share gains and product and geographic expansion. In Asia, growth rates have also begun to dip and lower commodity demand from China has dented sentiment. Management are confident of further growth, both as a result of developing innovative wholesale trading solutions for their markets as well as product range extension combined with regional expansion of the footprint.

Significant management effort is being directed at those operations where performance is below our own expectations. In the current competitive markets, the Group remains focussed on ensuring we deliver above customer requirements with the most value added solutions. Accordingly management focus remains on cost control, working capital management and generating superior returns on funds employed. Our financial position remains sound and the Group has ample capacity to fund sustainable growth opportunities. Notwithstanding the tough economic circumstances worldwide, we continue to see organic growth opportunities as well as acquisitive expansion of our footprint and service offering, across many of our businesses.

Directorate

The following directors resigned during the year: Mr Myron Cyril Berzack (resigned September 7 2011), Mr Nkateko Peter Mageza (resigned November 21 2011) and Mrs Lilian Garner Boyle (resigned February 17 2012).

Bidvest acknowledges and would like to thank these directors for their contributions.

As announced on April 20 2012 the following independent non-executive directors were appointed to the board: Messrs Paul Cambo Baloyi, Eric Kevin Diack, Alexander Komape Maditsi and Ms Lorato Phalatse.

Bidvest welcomes them to the Bidvest family.

MC Ramaphosa	**B Joffe**	**DE Cleasby**
Chairman	*Chief Executive*	*Finance Director*

August 27 2012

Dividend declaration

The directors have declared a final gross cash dividend of 342,0 cents (290,7 cents net of dividend withholding tax, where applicable) (2011: 255,0 cents) per ordinary share for the 12 months ended June 30 2012 to those members registered on the record date, being Friday, September 21 2012.

The dividend has been declared from income reserves and no Secondary Tax on Companies credits have been used. A dividend withholding tax of 15% will be applicable to all shareholders who are not exempt.

Share code	BVT
ISIN	ZAE000117321
Company registration number	1946/021180/06
Company tax reference number	9550162714
Gross cash dividends per share	342,0 cents
Net dividend amount per share	290,7 cents
Issued shares as at declaration date	327 734 929
Declaration date	Monday, August 27 2012
Last day to trade cum dividend	Friday, September 14 2012
First day to trade ex dividend	Monday, September 17 2012
Record date	Friday, September 21 2012
Payment date	Tuesday, September 25 2012

Share certificates may not be dematerialised or rematerialised between Monday, September 17 2012 and Friday, September 21 2012, both dates inclusive.

For and on behalf of the board

CA Brighten
Company secretary

Johannesburg

August 27 2012

Basis of presentation of financial statements

These condensed financial statements have been prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards (IFRS), the interpretations adopted by the International Accounting Standards Board, South African interpretations of Generally Accepted Accounting Practice and include disclosure as required by IAS 34: Interim Financial Reporting and the Companies Act of South Africa.

The financial statements have been prepared using accounting policies that comply with IFRS and which are consistent with those applied in the preparation of the financial statements for the year ended June 30 2011.

During the year certain operations in Bidvest South Africa were reclassified between segments. The comparative year's segmental information has been restated to reflect these changes.

Capital commitments

	2012	2011
Contracted for	914 709	756 368
Not contracted for	575 254	388 383
	1 489 963	1 144 751

Audit report

The auditors, Deloitte & Touche, have issued their opinion on the Group's financial statements for the year ended June 30 2012. The audit was conducted in accordance with International Standards on Auditing. They have issued an unmodified audit opinion. These summarised provisional financial statements have been derived from the Group's financial statements and are consistent in all material respects with the Group's financial statements. A copy of their audit report is available for inspection at the Company's registered office.

Any reference to future prospects included in this announcement has not been reviewed or reported on by the Company's auditors.

Preparer of financial statements

These condensed consolidated financial statements have been prepared under the supervision of NEJ Goodwin CA(SA).

Exchange rates

The following exchange rates were used in the conversion of foreign interests and foreign transactions during the years:

	June 30 2012	June 30 2011
Rand/Sterling		
Closing rate	12.94	10.97
Average rate	12.34	11.18
Rand/Euro		
Closing rate	10.46	9.84
Average rate	10.41	9.56
Rand/Australian dollar		
Closing rate	8.42	7.25
Average rate	8.03	6.94

Supplementary information regarding the currency effects of the translation of foreign operations on the group

The average Rand exchange rate weakened against the major currencies in which the Group's foreign operations trade namely Sterling (11,18 in 2011 to 12,34 in 2012), the Euro (9,56 in 2011 to 10,41 in 2012) and the Australian Dollar (6,94 in 2011 to 8,03 in 2012). The illustrative financial information has been prepared on the basis of applying the 2011 average Rand exchange rates to the 2012 foreign subsidiary income statements and recalculating the reported income of the Group for the year.

	Year ended June 30 2012				
Rm	Actual 2012		Actual 2011	Illustrative 2012 at 2011 exchange rates	
Revenue	133 533,6	+12,7%	118 482,7	126 758,9	+7,0%
Trading profit	7 014,2	+14,5%	6 124,3	6 806,0	+11,1%
Headline earnings	4 574,9	+24,0%	3 688,2	4 431,4	+20,2%
HEPS (cps)	1 474,2	+27,4%	1 157,4	1 428,0	+23,4%
Normalised HEPS (cps)	1 352,3	+16,8%	1 157,4	1 306,1	+12,8%

The financial information has been compiled for illustrative purposes and is the responsibility of the Bidvest board. Due to the nature of this information, it may not fairly present the Groups financial position, changes in equity and results of operations or cash flows. A limited assurance report prepared by the Company's auditors is available for inspection at the Company's registered offices.

Directors

Chairman: MC Ramaphosa

Independent non-executive: PC Baloyi, DDB Band, EK Diack, MBN Dube, S Koseff, AK Maditsi, D Masson, JL Pamensky, NG Payne, L Phalatse, Adv FDP Tlakula

Non-executive: FJ Barnes*, AA Da Costa (alternate LJ Mokoena), RM Kunene, T Slabbert

Executive: B Joffe (Chief executive), BL Berson**, DE Cleasby, AW Dawe, LI Jacobs, P Nyman, LP Ralphs, AC Salomon

(*British **Australian)

The Bidvest Group Limited

Incorporated in the Republic of South Africa
("Bidvest" or "the Group" or "the Company")
Registration number 1946/021180/06
Share code: BVT ISIN: ZAE000117321

Company Secretary

CA Brighten

Transfer secretaries

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www.bidvest.com

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