





HIGHLIGHTS

FOURTEEN CONSECUTIVE YEARS OF GROWTH

> **REVENUE** 12,2%

OPERATING INCOME 11,5%

HEADLINE EARNINGS 13,1%

HEADLINE EARNINGS PER SHARE 9,8%

HEADLINE EARNINGS PER SHARE EXCLUDING TRANSLATION GAINS **1** 20,4%

DISTRIBUTION PER SHARE 15,8%

The **BID**Vest Group Limited

CONSOLIDATED AUDITED RESULTS for the year ended June 30 2003

CONSOLIDATED INCOME STATEMENT			
FOR THE YEAR ENDED JUNE 30	2003 R'000	2002 R'000	Percentage change
Revenue	47 073 375	41 950 388	12,2
Operating income	2 244 121	2 012 611	11.5
Operating income before translation gains	2 259 197	1 909 966	18.3
Translation gains (losses)	(15 076)	102 645	10,5
Amortisation of goodwill	(64 887)	(52 646)	
Disposal and discontinued businesses	(36 130)	(11 797)	
Disposal of fixed assets Net finance expense	(25 418) (110 982)	330 (80 163)	
Income before taxation	2 006 704	1 868 335	7.4
Taxation	(557 148)	(515 264)	
Income after taxation	1 449 556	1 353 071	7,1
Income from associates	30 328	17 735	
Trading profits Impairment of and goodwill in associates	31 568 (1 240)	27 788 (10 053)	
Outside shareholders' interest	(97 576)	(129 557)	
Income attributable to shareholders	1 382 308	1 241 249	11,4
Number of shares in issue (weighted 000)	308 116	299 089	
Headline earnings per share (cents)	479,0	436,2	9,8
Earnings per share (cents)	448,6	415,0	8,1
Distribution per share (cents)*	220,0	190,0	15,8
- interim - final	108,0 112,0	90,0 100,0	
Headline earnings			
The following adjustments to income attributable to shareholders were taken into account in the calculation of headline earnings:			
Income attributable to shareholders Net amortisation of goodwill	1 382 308 61 449	1 241 249 49 411	
Amortisation of goodwill	64 887	52 646	
Outside shareholders' interest	(3 438)	(3 235)	
Net loss on disposal and discontinued businesses	11 626	3 913	
Loss on disposal and discontinued business	36 130	11 797	
Tax relief Outside shareholders' interest	(16 017) (8 487)	(4 363)	
Net loss on disposal of assets	19 233	104	
Loss (surplus) on disposal of assets	25 418	(330)	
Tax relief	(7 385)	-	
Outside shareholders' interest	1 200	434	
Impairment of and goodwill in associates	1 240	10 053	
Headline earnings	1 475 856	1 304 730	13,1
Rand/Sterling exchange rates			
Opening rate	15,905	11,338	
Closing rate	12,457	15,905	
Average rate	14,288	14,544	

The conversion of foreign cash resources has resulted in an unrealised exchange loss of R15.1 million for the year ended June 30 2003 as compared to R102.6 million gain in the comparable period. If the effect of these gains are eliminated from the results, headline earnings per share would have increased by 20%.

*Includes dividends, distribution out of share premium and capitalisation issues at market value at date of the award.

SEGMENTAL ANALYS	SIS		
	2003 R'000	2002 R'000	Percentage change
REVENUE			
The Services Division	18 292 281	16 424 403	11,4
Bidfreight	13 676 421	12 984 127	5,3
Bidcorp plc	1 956 688	1 078 403	81,4
Namsov Fishing	282 107	320 993	(12,1
Bidserv	1 735 005	1 505 982	15,2
Renfin	642 060	534 898	20,0
The Foodservice Products Division	22 557 416	21 121 321	6,8
Bidvest plc	19 733 754	18 741 489	5,3
Caterplus	1 970 925	1 653 732	19,2
Combined Foods	852 737	726 100	17,4
The Commercial Products Division	7 584 909	5 500 712	37,5
Bidoffice	4 743 195	3 512 837	35,0
Bidpac	730 579	625 537	16,8
Voltex	2 111 135	1 362 338	55,0
Corporate Services	93 920	159 387	(41,
I-Fusion	90 665	159 225	(43,
mymarket.com	3 255	162	1 909,2
Intergroup eliminations	(1 455 151)	(1 255 435)	
	47 073 375	41 950 388	12,2
OPERATING INCOME			
The Services Division	750 502	718 570	4,4
Bidfreight	395 400	355 971	11,
Bidcorp plc	834	14 034	(94,1
Namsov Fishing	31 497	104 509	(69,9
Bidserv	166 713	134 317	24,
Renfin	156 058	109 739	42,2
The Foodservice Products Division	843 449	672 927	25,2
Bidvest plc	569 434	460 875	23,0
Caterplus	179 817	132 493	35,7
Combined Foods	94 198	79 559	18,4
The Commercial Products Division	613 342	487 675	25,8
Bidoffice	393 845	313 715	25,5
Bidpac	103 069	84 142	22,5
Voltex	116 428	89 818	29,0
Corporate Services	36 828	133 439	(72,4
I-Fusion	(5 042)	(9 096)	44,0
mymarket.com	(7 242)	(2 172)	(233,4
Investment and other income	8 317	108 904	(92,4
Group properties	40 795	35 803	13.9

FOR THE YEAR ENDED JUNE 30	2003 R'000	2002 R'000
Shareholders' interest at the beginning of the year Share capital issued	5 563 617 (427)	3 860 494 770
- capitalisation issue - cash issue - in terms of the share incentive scheme - repurchase of shares by subsidiary	- - 62 (489)	107 623 71 (31)
Share premium arising on shares issued	(537 993)	409 300
- in terms of the share incentive scheme - cash issue - refund of share premium to shareholders - repurchase of shares by subsidiary - share issue costs	31 780 - (168 797) (400 844) (132)	40 067 557 377 (159 743) (26 725) (1 676)
Movement in non-distributable reserves	(474 927)	329 882
- foreign currency translation reserve	(474 927)	329 882
Movement in retained income	862 389	963 171
 income attributable to shareholders dividends and capitalisation issues secondary tax on companies 	1 382 308 (475 284) (44 635)	1 241 249 (267 870) (10 208)
Shareholders' interest at the end of the year	5 412 659	5 563 617

CONSOLIDATED BALANCE SHEET		
	2003 R'000	2002 R'000
Assets		
Non-current assets	4 927 958	5 118 290
Fixed assets Intargible assets Deferred taxation Investments and advances Banking and other advances	3 493 246 689 218 219 340 384 072 142 082	3 602 498 681 903 262 747 378 997 192 145
Current assets	9 643 424	9 998 814
Other current assets Liquid funds	7 282 863 2 360 561	7 253 322 2 745 492
Total assets	14 571 382	15 117 104
EQUITY AND LIABILITIES		
Capital and reserves	6 103 451	6 370 033
Shareholders' interest Outside shareholders' interest	5 412 659 690 792	5 563 617 806 416
Non-current liabilities	1 007 749	615 836
Deferred taxation Post-retirement obligations Long-term portion of interest-bearing borrowings Banking liabilities	115 824 190 179 665 583 36 163	252 048 200 250 135 838 27 700
Current liabilities	7 460 182	8 131 235
Other current liabilities Current portion of interest-bearing borrowings	6 794 077 666 105	6 887 622 1 243 613
Total equity and liabilities	14 571 382	15 117 104
Number of shares in issue (000) Net tangible asset value per share (cents)	302 679 1 561	311 217 1 569

CONSOLIDATED CASH FLOW S	TATEMEN	Т
	2003 R'000	2002 R'000
Cash flow from operating activities	1 506 715	1 967 371
Operating income net of capital items Depreciation and other non-cash items Changes in working capital	2 182 573 746 026 (261 904)	2 001 144 543 348 207 183
Cash generated by operations Net finance expenses Taxation paid Distributions to shareholders - Company - Subscillaries	2 666 695 (110 982) (521 492) (475 284) (52 222)	2 751 675 (80 163 (395 737 (267 763
- Subsidiaries Cash effects of investment activities	(1 167 628)	(1 956 063
Net additions to fixed assets Net additions to intangible assets Net acquisition of subsidiaries, businesses, associates and investments	(991 232) (8 442) (167 954)	(695 118 (18 759 (882 186
Cash effects of financing activities	(70 234)	525 622
Proceeds from shares issued - Company - Subsidiaries Purchase of treasury shares Distribution of share premium to shareholders Net borrowings raised	31 710 7 670 (401 333) (168 797) 460 516	596 462 50 (26 756 (159 743) 115 153
Net increase in cash and cash equivalents Net cash and cash equivalents at the beginning of the year Currency adjustments	268 853 2 202 331 (250 840)	896 930 1 058 213 247 188
Net cash and cash equivalents at the end of the year	2 220 344	2 202 331
Net cash equivalents are made up as follows Cash on hand and in the bank Bank overdrafts shown as current portion of interest-bearing debt	2 360 561 (140 217)	2 745 492 (543 161
	2 220 344	2 202 331

BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with South African Statements of Generally Accepted Accounting Practice and the accounting policies used are consistent with the prior year.

THE BIDVEST GROUP LIMITED

DiRECTORS

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ISIN: ZAE000008132 SHARE CODE: BVT

THE BIDVEST GROUP LIMITED • AUDITED RESULTS FOR THE YEAR ENDED JUNE 30 2003

The **BID**Vest Group Limited

COMMENT

Bidyest achieved satisfactory results and a solid operational Management performed well recording significant organic growth Operating margins improved in an envir nent of an appr

The results may be below market expectation, principally due to the translation of foreign cash resources; the R73,0 million negative impact of the dollar-based fishing operations recording lower income i currency and the reduced quality of the catch; the R13,2 million reduced contribution from Bidcorp; and an R8,9 million non-recurring loss from a discontinued business to the date of closure

Fourteenth consecutive year of growth

OPERATING ENVIRONMENT

The year was characterised by volatile international markets, re-i by the build-up to, the outbreak and aftermath of the war in Iraq. The world's advanced economies recorded a real growth rate of less than 2%.

improvements in competitiveness and sound economic performance was recognised and rewarded by two international credit ratings. This positive sentiment also surfaced in the foreign exchange market v the rand outperformed most other currencies. High domestic interest rates and the positive balance of trade further or improved rand. Nevertheless, the Group's managers positioned their businesses to minimise the impact of the currency's volatility

FINANCIAL HIGHLIGHTS

Revenue grew by 12.2% to R47.1 billion (2002; R42.0 billion) and the resources, increased to 4.8% (2002: 4,6%). Operating income amounted to R2.2 billion (2002: R2.0 billion), an in

Headline earnings increased by 13,1% to R1,5 billion (2002: R1,3 billion), with headline earnings per share increasing by 9,8% to 479.0 cents per share (2002: 436.2 cents per share). If the effects of the onversion of offshore cash resources were eliminated from the re-neadline earnings per share would have increased by 20,4%.

A compound growth rate in headline earnings per share over the past twelve years of 27,7% per annum has been achieved.

Income attributable to shareholders increased by 11.4% to R1.4 billion

per share (2002: 190,0 cents per share) Bidvest bought back shares worth R401,3 million. This in no wa reflects on the considerable prospects available to the Group. The balance sheet remains strong, with adequate funding capability to pur

opportunities as and when they arise. The Group is currently ungeared on a net basis, yet is generating returns in excess of its cost of capital. Given the right circumwould increase its debt to equity ratio to 40%.

Fitch Ratings reaffirmed our credit rating as a AA- (zaf).

BUSINESS HIGHLIGHTS

BLACK ECONOMIC EMPOWERMENT

Black economic empowerment (BEE) in South Africa is both a busin and national imperative and considerable ma focused on evaluating the role of BEE within Bidvest and creating an

Dinatla, a dedicated and credible, broad based empowermen consortium, would, subject to shareholder approval, become a 15% shareholder in the Group. The initiative is well on track and the the initiative by early November 2003, further evolving Bidyest into a

Bidvest is one of only three South African companies included in the Dow Jones Sustainability Index

CORPORATE GOVERNANCE

Good corporate governance has always been an important part of the Bidvest culture, where it is a way of life rather than a set of rules. Bidvest is one of only three South African companies included in the Dow Jones Sustainability Index, selected on the basis of strategy, innovation, financial performance and stakeholder relations.

undue administrative requirements place pressure on businesses Notwithstanding this, Bidvest's entrepreneurial flair is maintain encurial flair is maintained within the bounds of good corporate governance

We are confident that our corporate governance meets the highes standard and will continue to contribute to sustained value creation and

The composition and size of the Board will be reviewed in light of the

Bidvest is ideally positioned for growth with control over our routes to market and distribution channels. Our solid international businesses are poised for further expansion and recognised empowerment credentials will further drive local growth. The businesses are finely tuned and we

Customers drive our business strategy

Bidvest has developed and operates primarily in emerging markets where diversification creates critical mass, providing the funds and management talent from existing operations to expand, start and fund new ventures. Management talent is cultivated by exposure to a wide

product and service offerings in light of the ever-changing customer requirements and grow and develop our businesses accordingly – extending our reach into each customer. Related diversification arour common operations or functions to the same set of customers remove volume constraints imposed by the size of a given industry.

The success of Bidvest's decentralised and entrepreneurial strategy has stagnant and often mature industries through increased efficiencies and

its distribution, services and trading strategy. Bidvest uses acqu not to achieve breakthrough, but rather to accelerate mor not to achieve treasumongh, our faunce to accelerate momentum.

Finding the right acquisitions at the right price and at the right time requires skill and patience. Successful acquisitions require the insight and experience to facilitate a smooth integration. Bidvest is well known for its ability to identify underperforming assets and to achieve

Bidvest continues to look for acquisitions in South Africa and abroad to expand our service offerings. Progress has been made in South Africa in the development of our integrated service solution concept and cross

Bidvest is well known for its ability to identify underperforming assets and to achieve remarkable turnarounds

OPERATIONAL REVIEW

THE SERVICES DIVISION

The Services Division comprises Bidfreight, Bidsery and Ren The Services Division comprises Buaregut, Busserv and Relimes Financial Services. The division grew revenue by 11,4% to R18,3 billi (2002: R16,4 billion). Operating income at R750,5 million (2002: R718,6 million) represents a 4,4% increase.

Bidfreight's revenue (excluding Bidcorp plc and Namsov) incre 5,3% to R13,7 billion (2002: R12,9 billion) and operating income ed by 11.1% to R395.4 million (2002: R355.9 million

Bidfreight experienced a year where the strengthening rand/dolla exchange rate impacted the profitability of the division. Imports into South Africa have generally shown only a modest response to the strengthening currency whilst exports to the developed world are becoming less competitive and increasingly less profitable. We continue to liaise and work closely with Transnet to assist where possible to convert road traffic back to rail and to find workable solutions to the bottlenecks in the transport infrastructure, particularly in the ports. The restructuring of Portnet into the National Ports Authority and the South African Port Operations is progressing well and the division looks forward to the start of the anticipated por ncessing process. Bidfreight, and in particular terations, are well positioned to benefit from co of expertise

ng and weaker markets, particularly in the last six me und of Bidcorp, but significant progress, at a ost, has been made. A solid fo has been established.

Bidserv's revenue increased by 15,2% to R1,7 billion (2002: R166,7 million (2002: R134,3 million).

industry and supplies a wide range of services throughout South Africa A general move by the market to formal tender processes resulted in tougher trading conditions, particularly in the latter part of the fine year. The division's extensive national footprint, superior service a product quality resulted in a high percentage of contract wins. Bidser

R642,1 million (2002: R534,9 million) and operatin by 42,2% to R156,1 million (2002: R109,7 million)

ing conditions in the first half of the year. The second half of the year was, however, marked by traveller anxieties in the lead up to the Iraqi war, which turned out to have only a minor impact on tra erns, and the outbreak and rapid spread of the SARS virus, which a devastating effect on global travel suppliers as much travel was postponed. Rennies Bank showed excellent growth and its short-term A2 rating was reconfirmed. A long-term BBB rating was also awarded

THE FOODSERVICE PRODUCTS DIVISION

The Foodservice Products Division comprises Bidvest plc, Caterplu and Combined Foods, which are focused on the supply and distribution of foodservice products to the leisure, hospitality and catering industries. Revenue for this division grew by 6,8% to R22,6 billion (2002: R21,1 billion). Operating income increased 25,3% to R843,5 million (2002: R672,9 million).

Bidvest plc's revenue increased by 5,3% to R19,7 billion (2002: R18,7 billion) and operating incom to R569,4 million (2002: R460,9 million).

(2002: R14,6 billion) and operating income increased by 23,5% to R457,0 million (2002: R369,7 million).

The acquisition of Swithenbank is a strategically important step to building a competency platform to distribute fresh product to the foodservice marketplace, extending the products and services offered.

Bidvest uses acquisitions not to achieve breakthrough, but rather to accelerate momentum

Bidvest Australasia's revenue increased by 4,8% to R4,4 billion R119,9 million (2002: R97,9 million).

national foodservice products distributor in Australia and New Zea The non-core operation in Darwin, acquired as part of John Lewis,

Caterplus' revenue increased by 19,2% to R2,0 billion (2002) R1,7 billion) and operating in R179,8 million (2002: 132,5 million)

rise to significant food inflation. At the same time the country experienced a vast improvement in the numbers of domestic and foreign tourists, which boosted the resort, hotel and restaur In the second half of the period the strengthening rand saw decline in food prices

Combined Foods' revenue increased by 17,4% to R852,7 million

year. Chipkins Bakery Supplies remains profitable and continues to generate pleasing returns. Crown National attributes its continued success largely to its core of dedicated, loyal, experienced and committed staff. This commitment has led to a significant improve in profitability

THE COMMERCIAL PRODUCTS DIVISION

ercial Products Division comprises Bidoffice, Bidpac and Voltex, which are focused on the manufacture, trading and distribution of commercial products. Revenue for the division increased by 37 to R7,6 billion (2002: R5,5 billion). Operating income grew 25,89 R613,3 million (2002: R487,7 million)

office's revenue increased by 35,0% to R4,7 billion (2002) R3,5 billion) and operating inc me increased by 25,5% to R393,8 million (2002: R313,7 million).

pressure on the revenue line as a result of the strengthening rand.

The Printing and Related division delivered an outstanding performance of the printing and related division delivered an outstanding performance. s evidenced by all key indicators. Satisfactory trading conditions and approved asset management did not yield the anticipated returns in the Office Automation division due to an increased incidence of bad debts and a further investment in information technology. Cash generation was, however, much improved. The Office Furniture division greatly enhanced its contribution to Bidoffice.

We are pleased with the performance of Lithotech France, which in its

venue increased by 16,8% to R730,6 million (2002: R625,5 million) and operating income R103,1 million (2002: R84,1 million).

strong, positive cash flows and a substantial improvement on the return

Voltex

Voltex's revenue increased by 55,0% to R2,1 billion (2002: R1,4 billion) sed by 29,6% to R116,4 million (2002

rand, which encouraged foreign investment and capital expenditure. Government's commitment to housing projects gained momentum and further boosted the division's performance. The second half of the financial year was a period of consolidation. Cheaper imports became prevalent and facilitated the re-emergence of smaller wholesalers whose price-cutting put margins under pressure.

Bidvest's strategic patience, by not forcing the pace of acquisitions, has paid off in that the current difficult trading conditions have created numerous opportunities

PROSPECTS

paid off in that the current difficult trading conditions have created

been able to find such an innovative solution, which will result in the ent of our BEE shareholders and staff, eco suppliers, access to large tenders and the social upliftment of the

Export initiatives are being developed throughout the Group, but the strengthening rand has slowed these activities

mymarket.com is an integral part of Bidvest's technological evolution. influence to the same integral part to Burtest's technology with thoughtfulness and creativity, to accelerate momentum rather than create it, driven by a compulsion to turn unrealised potential into results.

As an empowered South African business, we are poised at the point of breakthrough

The restructuring of Bidcorp plc and the closure of Safcon is now behind us. We are hopeful that the underperforming businesses will make a meaningful contribution in the future.

As an empowered South African business, we are poised at the point of

Bidvest is proud of its achievements. We have a sound financial base, dedicated and capable management teams and exciting prospects.

Management is budgeting for real growth.

South African business together with our empowerment partners. We are certain that Bidvest will grow both organically and acquisitively,

DISTRIBUTION OUT OF SHARE PREMIUM

cents per share, in lieu of a dividend, has been awarded to membe recorded in the register of the Company at close of business on Friday, September 26 2003.

Shareholders are advised that the last day to trade "CUM" the distribution will be Thursday, September 18 2003. The sha trade "EX" distribution as from Friday, September 19 2003 and the record date will be Friday, September 26 2003. Share certificates may sterialised or rematerialised during the period Friday. September 19 2003 to Friday, September 26 2003, both days inclusive yment will be made on Monday, September 29 2003

In terms of the requirements of the Companies Act, the directors confirm that after the payment of the distribution the Company will be able to pay its debts as they become due in the ordinary course of and its consolidated assets, fairly valued, will exceed its

In terms of article 56A of the Company's articles of association ments amounting to R10 or less will be aggregated and donated to Bidvest Chairman's Fund Trust, for distribution to charitable the Bidvest Chairm

B JOFFE

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August 22 2003