Results for the half year ended December 31 2011

Bidvest

Revenue R67,3 billion	**+15,1%**
Trading profit R3,2 billion	**+14,9%**
Normalised headline earnings per share* 613,4 cents	**+13,6%**
Normal dividend per share +24,4%	**280,0 cents**
Special dividend per share	**80,0 cents**

Comment

The Group delivered a pleasing trading performance for the six months ended December 31 2011, with the overall result being enhanced by profit of R399,1 million realised on the sale of 50% of the Group's beneficial holding interest in Mumbai International Airport Private Limited (MIAL). Headline earnings per share (HEPS) has increased by 37,5% to 742,3 cents per share whilst basic earnings per share (EPS) increased by 31,2% to 710,8 cents per share. Normalised HEPS (i.e. excluding the MIAL profit) has increased by 13,6% to 613,4 cents per share. EPS were negatively impacted by an impairment of the Group's investment in Comair Limited of R96,7 million.

Trading conditions in southern Africa have improved but certain segments such as light manufacturing, construction and discretionary consumer spending remains weak. Asia Pacific continues to show solid results albeit that Singapore's performance lags that of the other businesses. The trading in the core Australian market remains tough but the business continues to perform well. Bidvest Europe's results are flat in Rand terms. The improvement in 3663 Wholesale was offset as Nowaco in Czech Republic and Deli XL Netherlands reported declines in trading profit. Bidvest Namibia's growth trajectory has continued.

The average Rand exchange rate was weaker against the major currencies in which the Group operates and in particular against the Australian Dollar and Euro. This had a positive impact on translation of foreign operations equivalent to 3,7% of normalised HEPS, with normalised HEPS on a constant currency basis calculated at 593,1 cents per share, an increase of 9,9%.

The Group's balance sheet remains robust, with the seasonal investment into working capital once again evident as many businesses achieved growth.

Financial overview

The Group has achieved improved trading results for the six months to December 31 2011. Revenue grew 15,1% to R67,3 billion (2010: R58,5 billion) and trading profit increased by 14,9% to R3,2 billion (2010: R2,8 billion). Trading margins have been maintained at 4,8% despite the greater contribution from the lower margin automotive retailing and clearing and forwarding businesses.

The improvement in trading profit has been offset to a degree by an increase in net interest paid of R60,0 million, which in the main can be ascribed to the additional debt assumed for the Seafood Holdings acquisition from January 2011 and the R1,6 billion spent on the Dinatla share buyback in May 2011. This has been reduced by the interest saving on the net proceeds received on the disposal of MIAL towards the end of October 2011. Normalised interest cover remained flat at 8,8 times (2010: 9,1 times). The Group continues to benefit from exposure to the short end of the funding market, which has assisted overall funding costs.

Associate earnings are 48,5% lower primarily as a result of the accrual of the Group's share of losses incurred at Comair Limited.

The Group's financial position movements reflect the seasonal increase in working capital and the increase in Rand values of the consolidated foreign operations. Net debt has increased to R5,6 billion (2010: R4,6 billion) compared to R5,0 billion at June 2011. Bidvest's attitude to gearing remains conservative and is appropriate in the current climate.

Cash generated by operations before working capital changes improved 9,7% to R4,0 billion. The gains made in reducing working capital over the past two years have now reversed in line with more normalised seasonal patterns on the back of robust growth. The Group utilised R1,6 billion of working capital compared to a R1,0 billion utilisation in 2010. Net capital expenditure on property, plant and equipment and intangibles of R1,4 billion (2010: R1,3 billion) included investment into the vehicle rental fleet, asset-based leasing and terminals assets.

Ratings upgrade

In December 2011, Fitch Ratings upgraded the national long-term rating to 'AA-(zaf)' from 'A+(zaf)' and national short-term rating to 'F1+(zaf)' from 'F1(zaf)'. The rating action was prompted by Bidvest's steady through-the-cycle credit profile, which has outperformed that of its national peer group.

Prospects

In a business world where the benchmarks of the past don't hold for tomorrow and economic growth remains subdued, we believe in our tried and tested entrepreneurial and decentralised business model as a vehicle to build further value through organic and acquisitive growth. Bidvest is a demand driven business where our customers drive our focus and our results are driven by our behaviour.

Economic conditions in South Africa have improved and although the rate of growth is low, management are quietly optimistic the recent momentum will be maintained. Exposures to industries such as construction are expected to improve in the medium term as the benefits of the highly awaited government infrastructural programme kick off. Discretionary spend by consumers is expected to improve, benefitting the automotive retailing and foodservice businesses.

Activity levels are anticipated to improve within the European geographies in which the Group operates but consumer confidence remains fragile. In Asia Pacific, management are confident of further growth as demand for delivered wholesale food and value added products presents further opportunities.

Management continues to retain a critical focus on asset management and cost efficiency as we drive our businesses to deliver superior returns from funds employed. Our financial position is sound and we are well capitalised with ample capacity to fund expansion. Notwithstanding the difficult and volatile economic environments, management see genuine opportunities to further expand our geographic footprint and product and service offering enabling continued real organic and acquisitive growth.

MC Ramaphosa
Chairman

B Joffe
Chief Executive

Analyst presentation

The investor presentation will be available on the Bidvest website from 11:00 on February 27 2012.

Consolidated income statement

for the R000s	Half year ended December 31 2011 Unaudited	 2010 Unaudited	Percentage change	Year ended June 30 2011 Audited
Revenue	**67 344 875**	58 492 467	15,1	118 482 736
Cost of revenue	**(54 204 077)**	(46 774 301)		(93 930 778)
Gross income	**13 140 798**	11 718 166		24 551 958
Other income	**339 958**	286 460		451 623
Operating expenses	**(10 234 175)**	(9 179 991)		(18 941 920)
Sales and distribution costs	**(6 587 742)**	(5 990 427)		(12 541 784)
Administration expenses	**(2 398 940)**	(2 129 438)		(4 263 910)
Other costs	**(1 247 493)**	(1 060 126)		(2 136 226)
Trading profit	**3 246 581**	2 824 635	14,9	6 061 661
Profit on partial sale of investment in Mumbai International Airport Private Limited	**399 100**	–		–
Acquisition costs	**(1 405)**	–		(24 297)
Net capital items	**(101 303)**	11 053		(189 453)
Operating profit	**3 542 973**	2 835 688	24,9	5 847 911
Net finance charges	**(368 482)**	(308 475)		(644 010)
Finance income	**39 997**	26 195		69 905
Finance charges	**(408 479)**	(334 670)		(713 915)
Share of profit of associates	**23 504**	45 661		98 417
Dividends received	**20 054**	19 811		32 948
Share of current year earnings	**3 450**	25 850		65 469
Profit before taxation	**3 197 995**	2 572 874	24,3	5 302 318
Taxation	**(846 751)**	(741 726)		(1 528 169)
Current and deferred taxation	**(767 776)**	(672 376)		(1 395 682)
Secondary taxation on companies	**(78 975)**	(69 350)		(132 487)
Profit for the period	**2 351 244**	1 831 148	28,4	3 774 149
Attributable to:				
Shareholders of the Company	**2 199 663**	1 729 630	27,2	3 538 748
Minority shareholders	**151 581**	101 518		235 401
	2 351 244	1 831 148	28,4	3 774 149
Shares in issue				
Total ('000)	**310 706**	320 306		309 021
Weighted ('000)	**309 462**	319 279		318 665
Diluted weighted ('000)	**310 708**	320 419		319 612
Basic earnings per share (cents)	**710,8**	541,7	31,2	1 110,5
Diluted basic earnings per share (cents)	**708,0**	539,8	31,2	1 107,2
Headline earnings per share (cents)	**742,3**	539,8	37,5	1 157,4
Diluted headline earnings per share (cents)	**739,3**	537,9	37,4	1 153,9
Normalised headline earnings per share (cents)	**613,4**	539,8	13,6	1 153,9
Normal dividends per share (cents)	**280,0**	225,0	24,4	480,0
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 and normalised headline earnings:				
Profit attributable to shareholders of the Company	**2 199 663**	1 729 630	27,2	3 538 748
Impairment of property plant and equipment; goodwill and intangible assets	**9 829**	3 519		140 004
Property, plant and equipment	**8 146**	922		27 027
Goodwill	**4 127**	2 855		3 571
Intangible assets	**–**	–		151 521
Tax relief	**(2 444)**	(258)		(42 115)
Net loss (profit) on disposal of interests in subsidiaries and disposal and closure of businesses	**(4 948)**	–		84
Loss (profit) on disposal, and impairment of investments in associates	**92 226**	(1 739)		209
Impairment of investments in associate	**96 700**	–		–
Net loss (profit) on change in shareholding in associates	**(4 474)**	(1 739)		209
Net loss (profit) on disposal of property, plant and equipment; and intangible assets	**425**	(7 946)		9 114
Property, plant and equipment	**1 752**	(13 091)		5 642
Intangible assets	**–**	–		1 399
Tax relief	**(708)**	2 749		(5 760)
Minority shareholders	**(619)**	2 396		7 833
Headline earnings	**2 297 195**	1 723 464	33,3	3 688 159
Profit on partial sale of investment in Mumbai International Airport Private Limited	**(399 100)**	–		–
Normalised headline earnings*	**1 898 095**	1 723 644	10,1	3 688 159

Consolidated statement of other comprehensive income

for the R000s	Half year ended December 31 2011 Unaudited	 2010 Unaudited	Year ended June 30 2011 Audited
Profit for the period	**2 351 244**	1 831 148	3 774 149
Other comprehensive income (expense)			
Increase (decrease) in foreign currency translation reserve	**994 546**	(401 221)	224 774
Increase (decrease) in fair value of available-for-sale financial assets	**3 502**	(795)	(1 732)
Increase (decrease) in fair value of available-for-sale financial assets before taxation	**3 502**	(1 104)	(1 732)
Taxation	**–**	309	–
Total comprehensive income for the period	**3 349 292**	1 429 132	3 997 191
Attributable to:			
Shareholders of the Company	**3 188 070**	1 332 766	3 765 319
Minority shareholders	**161 222**	96 366	231 872
	3 349 292	1 429 132	3 997 191

Segmental analysis

for the R000s	Half year ended December 31 2011	 2010	Percentage change	Year ended June 30 2011
REVENUE				
Bidvest Commercial Division	**32 183 815**	29 263 381	10,0	59 012 709
Bidvest Automotive	**10 363 506**	9 114 998	13,7	18 608 261
Bidvest Electrical	**2 128 379**	2 000 741	6,4	4 100 368
Bidvest Financial Services	**815 793**	828 090	(1,5)	1 676 700
Bidvest Freight	**10 467 620**	9 591 776	9,1	19 253 273
Bidvest Industrial	**775 245**	773 781	0,2	1 486 371
Bidvest Office	**2 092 138**	1 845 825	13,3	3 684 598
Bidvest Paperplus	**1 984 934**	1 916 514	3,6	3 705 374
Bidvest Rental and Products	**989 361**	840 102	17,8	1 703 084
Bidvest Services	**1 542 097**	1 498 830	2,9	2 928 372
Bidvest Travel and Aviation	**1 024 742**	852 724	20,2	1 866 308
Bidvest Food Division	**35 002 381**	29 210 444	19,8	59 645 556
Asia Pacific	**11 716 677**	9 563 932	22,5	19 563 066
Europe	**20 322 808**	17 030 599	19,3	34 664 912
Southern Africa	**2 962 896**	2 615 913	13,3	5 417 578
Bidvest Namibia	**1 254 771**	923 017	35,9	2 133 749
Bidvest Corporate	**364 674**	343 924	6,0	691 354
	68 805 641	59 740 766	15,2	121 483 368
Inter Group eliminations	**(1 460 766)**	(1 248 299)		(3 000 632)
	67 344 875	58 492 467	15,1	118 482 736
TRADING PROFIT				
Bidvest Commercial Division	**1 814 321**	1 597 754	13,6	3 408 280
Bidvest Automotive	**187 142**	108 134	73,1	255 420
Bidvest Electrical	**69 957**	59 916	16,8	181 832
Bidvest Financial Services	**328 291**	348 740	(5,9)	641 621
Bidvest Freight	**439 619**	399 360	10,1	886 248
Bidvest Industrial	**49 232**	62 223	(20,9)	118 445
Bidvest Office	**141 150**	99 641	41,7	215 388
Bidvest Paperplus	**186 213**	172 776	7,8	325 609
Bidvest Rental and Products	**171 596**	146 397	17,2	320 259
Bidvest Services	**94 311**	95 038	(0,8)	193 190
Bidvest Travel and Aviation	**146 810**	105 529	39,1	270 268
Bidvest Food Division	**1 064 283**	956 244	11,3	2 031 705
Asia Pacific	**495 371**	400 361	23,7	833 125
Europe	**378 987**	370 440	2,3	842 455
Southern Africa	**189 925**	185 443	2,4	356 125
Bidvest Namibia	**314 401**	220 603	42,5	540 154
Bidvest Corporate	**95 375**	66 788	42,8	144 174
	3 288 380	2 841 389	15,7	6 124 313
Share-based payment expense	**(41 799)**	(16 754)		(62 652)
	3 246 581	2 824 635	14,9	6 061 661

Consolidated condensed statement of cash flows

for the R000s	Half year ended December 31 2011 Unaudited	 2010 Unaudited	Year ended June 30 2011 Audited
Cash flows from operating activities	**361 247**	774 839	4 490 872
Operating profit	**3 542 973**	2 835 688	5 847 911
Dividends from associates	**20 054**	19 811	32 948
Acquisition costs	**1 405**	–	24 297
Depreciation and amortisation	**981 822**	916 173	1 811 698
Other non-cash items	**(574 764)**	(150 456)	64 653
Cash generated by operations before changes in working capital	**3 971 490**	3 621 216	7 781 507
Changes in working capital	**(1 637 020)**	(1 006 005)	405 727
Cash generated by operations	**2 334 470**	2 615 211	8 187 234
Net finance charges paid	**(366 084)**	(306 532)	(559 214)
Taxation paid	**(736 283)**	(751 060)	(1 577 411)
Dividends paid by – Company	**(794 809)**	(725 113)	(1 452 491)
– subsidiaries	**(76 047)**	(57 667)	(107 246)
Cash effects of investment activities	**(1 043 847)**	(1 660 868)	(3 877 688)
Net additions to vehicle rental fleet	**(320 126)**	(33 142)	(282 940)
Net additions to property, plant and equipment	**(1 093 543)**	(1 312 553)	(2 523 231)
Net additions to intangible assets	**(137 692)**	(122 014)	(237 389)
Net disposal (acquisition) of subsidiaries, businesses, associates and investments	**507 514**	(193 159)	(834 128)
Cash effects of financing activities	**536 972**	300 914	(735 423)
Proceeds from shares issued	**56 227**	–	–
Net issue (purchase) of treasury shares	**113 436**	87 544	(1 426 546)
Share buy back costs	**–**	–	(11 980)
Net borrowings raised	**367 309**	213 370	703 103
Net decrease in cash and cash equivalents	**(145 628)**	(585 115)	(122 239)
Net cash and cash equivalents at the beginning of the period	**2 809 043**	2 905 453	2 905 453
Exchange rate adjustment	**213 494**	(112 953)	25 829
Net cash and cash equivalents at end of the period	**2 876 909**	2 207 385	2 809 043
Net cash and cash equivalents comprise:			
Cash and cash equivalents	**4 370 118**	3 551 806	4 437 268
Bank overdrafts shown as short-term portion of interest bearing debt	**(1 493 209)**	(1 344 421)	(1 628 225)
	2 876 909	2 207 385	2 809 043

Consolidated statement of financial position

as at R000s	December 31 2011 Unaudited	 2010 Unaudited	June 30 2011 Audited
ASSETS			
Non-current assets	**23 354 333**	19 735 948	21 860 236
Property, plant and equipment	**12 451 215**	10 770 264	11 603 183
Intangible assets	**777 620**	659 488	672 105
Goodwill	**7 050 206**	5 524 899	6 354 825
Deferred tax asset	**310 423**	447 918	390 792
Defined benefit pension surplus	**91 840**	129 850	111 692
Interest in associates	**589 947**	652 530	684 405
Investments	**1 614 753**	1 408 885	1 749 577
Banking and other advances	**468 329**	142 114	293 657
Current assets	**29 298 887**	23 812 631	25 969 682
Vehicle rental fleet	**1 295 834**	876 186	1 063 371
Inventories	**10 213 490**	8 446 739	8 750 609
Short-term portion of banking and other advances	**180 755**	202 310	154 279
Trade and other receivables	**13 238 690**	10 735 590	11 564 155
Cash and cash equivalents	**4 370 118**	3 551 806	4 437 268
Total assets	**52 653 220**	43 548 579	47 829 918
EQUITY AND LIABILITIES			
Capital and reserves	**21 097 711**	18 150 811	18 456 992
Attributable to shareholders of the Company	**20 210 157**	17 447 298	17 669 264
Minority shareholders	**887 554**	703 513	787 728
Non-current liabilities	**5 823 165**	4 604 980	5 769 111
Deferred tax liability	**441 516**	411 324	507 505
Life assurance fund	**33 116**	40 469	34 014
Long-term portion of borrowings	**4 449 657**	3 357 587	4 391 429
Post-retirement obligations	**384 316**	367 324	381 332
Long-term portion of provisions	**291 351**	216 685	272 400
Long term portion of operating lease liabilities	**223 209**	211 591	182 431
Current liabilities	**25 732 344**	20 792 788	23 603 815
Trade and other payables	**18 039 344**	14 219 051	16 812 487
Short-term portion of provisions	**253 360**	298 193	237 471
Vendors for acquisition	**5 539**	539	539
Taxation	**347 285**	334 351	201 313
Short-term portion of banking liabilities	**1 541 379**	1 122 957	1 275 897
Short-term portion of borrowings	**5 545 437**	4 817 697	5 076 108
Total equity and liabilities	**52 653 220**	43 548 579	47 829 918
Net tangible asset value per share (cents)	**3 985**	3 516	3 444
Net asset value per share (cents)	**6 505**	5 447	5 718

Consolidated statement of changes in equity

for the R000s	Half year ended December 31 2011 Unaudited	 2010 Unaudited	Year ended June 30 2011 Audited
Share capital	**16 386**	16 367	16 367
Balance at beginning of the period	**16 367**	17 507	17 507
Shares issued during the period	**19**	–	–
Cancellation of treasury shares	**–**	(1 140)	(1 140)
Share premium	**137 466**	81 258	81 258
Balance at beginning of the period	**81 258**	81 258	81 258
Shares issued during the period	**56 246**	–	–
Share issue costs	**(38)**	–	–
Foreign currency translation reserve	**1 213 287**	(375 542)	248 830
Balance at beginning of the period	**248 830**	20 527	20 527
Realisation of reserve on disposal of subsidiaries	**(20 448)**	–	–
Arising during the period	**984 905**	(396 069)	228 303
Statutory reserves	**13 801**	11 940	15 894
Balance at beginning of the period	**15 894**	15 215	15 215
Transfer from (to) retained earnings	**(2 093)**	(3 275)	679
Equity-settled share-based payment reserve	**377 494**	345 390	391 430
Balance at beginning of the period	**391 430**	328 640	328 640
Arising during the period	**(13 936)**	16 750	62 790
Retained earnings	**20 524 160**	18 039 668	19 101 358
Balance at the beginning of the period	**19 101 358**	18 619 202	18 619 202
Attributable profit	**2 199 663**	1 729 630	3 538 748
Change in fair value of available-for-sale financial assets	**3 502**	(795)	(1 732)
Dividends paid	**(794 809)**	(725 113)	(1 452 491)
Transfer of reserves as a result of changes in shareholding of subsidiaries	**12 353**	(1 152)	(4 331)
Cancellation of treasury shares and related costs	**–**	(1 585 379)	(1 597 359)
Transfer from (to) statutory reserves	**2 093**	3 275	(679)
Treasury shares	**(2 072 437)**	(671 783)	(2 185 873)
Balance at the beginning of the period	**(2 185 873)**	(2 345 846)	(2 345 846)
Purchase of shares by subsidiaries	**–**	–	(1 581 285)
Shares disposed of in terms of share incentive scheme	**113 436**	87 544	154 739
Cancellation of treasury shares	**–**	1 586 519	1 586 519
	20 210 157	17 447 298	17 669 264
Equity attributable to minority shareholders of the Company			
Balance at beginning of the year	**787 728**	656 434	656 434
Attributable profit	**151 581**	101 518	235 401
Dividends paid	**(76 047)**	(57 667)	(107 246)
Movement in foreign currency translation reserve	**9 641**	(5 152)	(3 529)
Movement in equity-settled share-based payment reserve	**–**	4	60
Transactions with minorities	**27 004**	7 224	2 277
Transfer of reserves as a result of changes in shareholding of subsidiaries	**(12 353)**	1 152	4 331
	887 554	703 513	787 728
Total equity	**21 097 711**	18 150 811	18 456 992

Divisional review

Bidvest Commercial Division

The division, formerly known as Bidvest South Africa, produced a solid set of results where revenue increased 10,0% to R32,2 billion (2010: R29,3 billion) and trading profit improved 13,6% to R1,8 billion (2010: R1,6 billion). Trading conditions remained tough but management rose to the challenge aggressively. The new divisional structures have bedded down well.

Bidvest Automotive

Automotive made a positive start to the year, with trading profit up 73,1% at R187,1 million (2010: R108,1 million) while revenue rose to R10,4 billion (2010: R9,1 billion). Results were driven by strong new vehicle sales, the efforts of more focused decentralised teams and more efficient expense management following the restructuring of the central services. Profitability was also assisted by a R27,8 million contribution from Bidvest Financial Services arising out of insurances and financing commissions.

Though new vehicle sales were robust, day-by-day activity levels dipped in the second quarter. Margin pressure was intense and the trading environment remained challenging. The VW/Audi branches had an outstanding six months. The smaller franchises faced continued pressure, however, and some recorded losses. Working capital management remains a focus area. Used vehicle sales were sluggish and performance at the parts departments was flat. The service contribution moved higher. Improved performance was seen late in the period at Burchmores as the introduction of the online Autobid system for trade buyers proved positive. The new management team will focus on underperforming franchises and margin restoration as trading is expected to remain difficult in the second half of the financial year. New vehicle sales growth should be supported by improving consumer sentiments, low interest rates, new model introductions and declining vehicle prices in real terms.

Bidvest Electrical

Electrical delivered pleasing results in view of continuing pressure on the building and construction industry in both the residential and commercial sectors. Revenue rose 6,4% to R2,1 billion (2010: R2,0 billion) while trading profit moved 16,8% higher to R70,0 million (R2010: R59,9 million).

Trading challenges were compounded by copper price volatility. Margin pressures are intense and debtors management and expense control remain key focus areas. Repositioning and rebranding of the operations continues across the division. Significant management effort has enabled the integration of the loss-making Solutions business into the core Voltex operations. Atlas maintained good volumes, but margin pressure is severe. Most Voltex regions delivered reasonable performances other than the eastern Cape where trading conditions remain weak. Overall management focus remains on margin management. Sanlic performance was disappointing, but Waco returned another satisfactory result. Voltex Retail did well. Staff motivation remains good despite the high levels of change and the division is well positioned to meet the challenges ahead.

Bidvest Financial Services

Financial Services returned acceptable results in a tough low-growth market.

Bidvest Bank achieved 10,6% growth in profit before tax to R207,2 million (2010: R187,3 million) on a strong second quarter, a weaker rand and the low interest rate environment. Capital adequacy remained healthy at 17,4%. Deposits grew to R1,5 billion (2010: R1,2 billion) and total assets reached R3,9 billion (R3,1 billion). Expenses were effectively managed while maintaining marketing investment to support the Bidvest Bank brand and promote more diversified product offerings. Net cash flow from operations was R545 million. Branch modernisation continued and four new branches were opened. Product innovation gained momentum while encouraging growth in corporate leasing was achieved. The leasing business successfully diversified its leasing revenue streams and its fleet topped the 12 000 vehicle-mark.

The insurance businesses returned good results, notwithstanding an 8,1% drop in profit before tax to R110,6 million (2010: R120,4 million). Net underwriting profit grew 22,0% to R89,2 million (2010: R73,1 million). Policy penetration levels remained healthy, benefitting from higher new vehicle sales. Vehicle financing returns improved significantly due to higher deal approvals and the improved bad debt profile on the book. Profitability was impacted by R27,8 million payment to Bidvest Automotive in respect of insurance and financing commissions. Overall expenses remained well controlled despite additional investment into systems development and growth strategies. The equity portfolio delivered unrealised profits of R29,1 million (2010: R41,9 million), impacted by the volatility in the overall JSE. Management have laid solid foundations for growth into 2012.

Bidvest Freight

Growth at Freight was driven by an excellent contribution from the bulk terminals operations. Trading profit of R439,6 million was up 10,1% on the corresponding period (2010: R399,4 million) while revenue rose to R10,5 billion (2010: R9,6 billion), up 9,1%.

Island View Storage turned in acceptable trading results despite disappointing throughput levels. Southern Africa Bulk Terminals had a record six months, boosted by high maize export volumes. Additional external storage facility usage added to overall costs. Bidfreight Port Operations experienced difficult trading on lower volumes from key clients. Safcor Panalpina and Rennies Distribution Services were amalgamated into a new business – Bidvest Panalpina Logistics – to provide customers with a broader service range. Marketplace acceptance has been good. SACD Freight faced volume pressures. Bulk Connections achieved pleasing growth. Rail service improvements were evident and good progress was made on the facilities upgrade. Lower volumes contributed to a lower result at Naval. Manica continued to under-perform. New management have been appointed.

Bidvest Industrial

Industrial returned disappointing results. Revenue was flat at R775,3 million (2010: R773,8 million). Trading profit fell 20,9% to R49,2 million. Challenges were particularly evident early in the financial year however some improvements were recorded in the second quarter. Performance at Afcom and Vulcan was affected by industry-wide strikes. Price pressures remain acute and exchange rate volatility complicated the trading challenge. Operating expenses moved higher on investment in the World of Yamaha project and Materials Handling expansion. Afcom returned poor results as market conditions remained difficult. Berzack Brothers turnover declined as the sewing machine division experienced a difficult period. Materials Handling achieved pleasing turnover growth as new branch expansion progressed. Machine rental business opportunities are being pursued. Results at Buffalo Executape were flat, but momentum was built in the second quarter. Vulcan had a much improved first half, achieving solid sales growth as factory volumes improved. Yamaha sales dipped and overall performance was disappointing. Management was strengthened.

Significant work is being undertaken within each business so as to maximize opportunities going forward.

Bidvest Office

Office put in a good performance, boosted by a strong second quarter. Revenue at R2,1 billion was 13,3% up (2010: R1,8 billion) while trading profit rose 41,7% to R141,2 million (2010: R99,6 million). ROFE showed pleasing improvement and expenses were well controlled. Management has been strengthened following the appointment of a new Waltons MD and a manufacturing manager at the Cape Town furniture factory. Strong technology sales were a key driver of overall performance, with a big contribution from Global Payment Technologies. The furniture sector showed signs of revival and Cecil Nurse optimised the market opportunity. Furniture manufacturing performed above expectations. Closer collaboration across business units is increasingly evident. The division has built momentum ahead of the second half, but the trading environment remains uncertain.

Bidvest Paperplus

Paperplus achieved a pleasing first-half result, despite intensely competitive markets, rising costs and a weakening rand. Revenue rose 3,6% to R2,0 billion (R1,9 billion) while trading profit moved 7,8% higher to R186,2 million (2010: R172,8 million). Results were lifted by a strong December. A new sub-divisional structure is in place and Kolok is now well integrated into the business. Print and Conversion was impacted by falling demand and ongoing restructuring costs. Print Sales optimised revenue and export opportunities were delivered. Labels and Packaging faced cost increases following the creation of separate packaging production facilities. Sprint continues to perform in line with expectation. Silverray Statmark showed improvement and Kolok did particularly well. Personalisation and Mail achieved good growth on the back of exceptional performance at Email Connection. Afric Mail entrenched its leadership position with further investment into full colour digital printing in progress. Labels continued to improve off a low base and Lufil enjoyed good volume growth. Expenses and debtors were well managed across the business.

Bidvest Rental and Products

Rental and Products performed well, with revenue up 17,8% to R989,4 million (2010: R840,1 million) and trading profit 17,2% higher at R171,6 million (2010: R146,4 million). Results reflect the first contribution of newly acquired Alsafe. Steiner again returned another set of good results, underpinned by stringent cost controls and good margin management. Promising new business gains were achieved. Laundry was impacted by low revenue and rising factory and distribution costs, but First Garment improved market share despite stiff competition. In Industrial Products, G Fox put in another strong performance. Phased integration of Alsafe operations is under way. Puréau performed reasonably off low revenue growth. Execuflora did well and secured good revenue streams for the second half. Silk by Design exceeded expectations. Synergies with Execuflora are being explored. Hotel Amenities performed strongly while improving expense management. Steripic was impacted by rising costs. Liquipak under-performed.

The division will continue to pursue aggressive growth strategies in order to bulk up the various parts of the smaller businesses.

Bidvest Services

Services was impacted by margin pressure in an intensely competitive sector. Revenue increased by 2,9% to R1,5 billion (2010: R1,5 billion) while trading profit remained flat at R94,3 million (2010: R95,0 million). Prestige performed to expectation, maintaining margins despite rising wage and operating costs. Margin management improved and costs were well controlled at the Security cluster. Magnum put in a solid performance with the guarding side of the business doing well other than the mining sector. Bidtrack recorded good results and solid growth. Corrective action continues at TMS. CID and Vericon business units performed well, but overall results remain disappointing. Further cost savings will be sought. TopTurf was impacted by low contracting volumes but the maintenance business remains resilient.

Bidvest Travel and Aviation

Travel and Aviation recorded pleasing results, with revenue growing by 20,2% to R1,0 billion (2010: R852,7 million) and trading profit up 39,1% to R146,8 million (2010: R105,5 million). Performance was driven by an exceptionally strong showing by Bidtravel, which reaped the benefits of recent restructuring. The business enjoyed major tender successes and overheads were well controlled despite the impact of retrenchment costs. myMarket has been split into three distinct operations – procurement, online bookings and travel management. Bidair under-performed on the back of account losses, intense price competition and margin pressure. Further rationalisation is planned to secure continued efficiencies. Domestic cargo volumes were also under intense pressure. Premier Lounges returned improved results, buoyed by increasing passenger numbers. Budget Rent a Car traded well as additional business absorbed excess capacity. New channels to market used vehicles are being exploited. The team did well to secure new volume business and improvements were seen in the inbound sector.

Bidvest Food Division

Business conditions remained challenging, with slowing food inflation and sluggish consumer demand. Despite this, improvements on the corresponding period were achieved with revenue at R35,0 billion (2010: R29,2 billion) and trading profit of R1,1 billion (2010: R956,2 million), although the weaker Rand has contributed in part to this. The major contribution came from Asia Pacific, though momentum slackened in Singapore as the business transitions from wholesaling to foodservice operations. New Zealand exceeded expectations. Europe was impacted by adverse economic headwinds, though our UK businesses made good progress. European results were also affected by poor performance in the Netherlands and Czech Republic, where a poor summer hit ice-cream sales. Disappointing results were recorded in southern Africa.

Asia Pacific

Bidvest Australia showed a modest increase in trading profit over last year. The business experienced a tough six months where rising unemployment has affected consumer confidence and the tourism sector has been impacted by international uncertainty. The core Foodservice businesses performed strongly in a subdued market, but Fresh and Logistics (QSR) came under pressure. Corporate sales were particularly healthy in the Foodservice operation. Hospitality achieved good growth with packaging and disposable products. Fresh purchased another small fruit and vegetable distributor in Adelaide. Going forward, expense management, labour efficiencies and innovation will receive growing attention. Growth opportunities will be sought in fresh produce and meat. Bidvest New Zealand achieved satisfactory results in a changeable trading environment. Consumer confidence remains fragile and competition has sharpened from direct importers. Improved asset management was a highlight. Cash generation remains strong. The Foodservice and Fresh teams exceeded expectations but the Logistics businesses were challenged by falling sales, especially ice cream. Christchurch is still slowly recovering from the earthquakes. Results at Angliss Singapore were below expectations, mainly as a result of the Local and Export operations. Seafood achieved higher volumes and Foodservice showed a slight improvement. Angliss Greater China achieved pleasing sales growth and profitability growth in all its markets. Performance was boosted by record sales in the second quarter.

Europe

Europe expanded its geographical footprint, with the entry into the Baltic States of Latvia, Lithuania and Estonia, through a very small acquisition. Across the region as a whole, economic growth remained low or even negative, and trading challenges heightened. In the UK, 3663 Wholesale staged a welcome recovery buoyed by improved volumes, particularly in the free trade sector. Margin management remains a priority. The IT upgrade is proceeding on schedule. Bidvest Logistics returned to profit on the back of significant contract wins resulting in additional operational costs. The vehicle fleet modernisation was completed. Seafood Holdings was impacted by pressure on customer spend and lower average drop values, but growth in net sales was achieved. Continued falls in domestic consumption impacted Deli XL Netherlands. Pressure in the institutional sector was severe. Hospitality teams performed well. In neighbouring Belgium, all segments performed ahead of budget but trading conditions continue to deteriorate. The Middle East businesses secured continued growth, with a particularly pleasing sales performance in Saudi Arabia. In Eastern Europe, Nowaco faced downtrading and margin pressure in its core markets. Retail remains under pressure but hospitality, restaurant and catering volumes showed reasonable growth. Farutex outperformed, maximising opportunities in the recession-free Polish market.

Southern Africa

Southern Africa delivered disappointing results in a fragile market characterised by rising food inflation and rising customer price resistance. Bidvest Foodservice SA achieved pleasing sales growth, with solid gains in national business. Overall performance was impacted by margin pressures and rising operational costs. Credit risk increased, particularly in the restaurant channel. Migration of branches into multi-temperature operations continued as did the roll-out of a new ERP solution. Acquisition of the A&S food distribution business was successfully completed. Bidfood Ingredients increased sales, but gross margins were affected by higher input costs, increased discounts on consumer yeast, higher volumes in the supermarket channel and rising expenses. Continued efficiencies are being sought through IT development. New food safety systems are rolling out to trading branches. Crown factory volumes rose significantly. Conditions in the bakery division remain challenging. Speciality grew first-half sales, but results were impacted by margin pressures. Labour disruptions ahead of the annual trading peak meant second-quarter opportunities could not be optimised. Internal controls and debtors' management are receiving focused management attention.

Bidvest Namibia

The business performed strongly, increasing revenue by 35,9% to R1,3 billion (2010: R923,0 million) while trading profit grew by 42,5% to R314,4 million (2010: R220,6 million). Excellent results were again achieved by the fishing division, buoyed by good catch rates and strong African demand for horse mackerel. All fishing businesses recorded profits at operational level, including the Angolan JV. The commercial division showed signs of an encouraging turnaround though Caterplus and Manica face continuing challenges. Taeuber & Corssen SWA (Proprietary) Limited, a leading distributor of fast moving consumer goods in Namibia, was acquired for R188,7 million with effect from December 1 2011.

Bidvest Corporate

The sale of half of the economic interest in MIAL for a profit of R399,1 million was completed in October 2011. Bidvest Properties continued to grow its portfolio both via additional developments, such as the Waltons property in Durban, as well as further strategic investments. Ontime Automotive in the UK faced challenging conditions, particularly in Rescue and Recovery. Recent contract wins will benefit the Ontime business going forward.

Directorate

As announced on September 7 2011 Mr. Myron Cyril Berzack decided to leave Bidvest to pursue his own interests and tendered his resignation as director. Bidvest acknowledges Myron for his loyalty and commitment, and for his leadership during his long period of service to the Group. Mr Nkateko Peter Mageza made himself unavailable for re-election to the Audit Committee at the annual general meeting and tendered his resignation as director of the board with effect from November 21 2011. The board would like to thank Peter for his contribution to Bidvest. Mrs Lilian Garner Boyle tendered her resignation as director with effect from February 17 2012. Bidvest thanks Lilian for her services and advice over the past number of years.

MC Ramaphosa
Chairman

B Joffe
Chief Executive

Dividends

Notice is hereby given that a normal interim cash dividend of 280,0 cents per share and a special cash dividend of 80,0 cents per share has been awarded to members recorded in the register of the Company at the close of business on Friday, April 13 2012.

The salient dates applicable to the cash dividend are as follows:

Last day to trade cum dividend	Wednesday, April 4 2012
First day to trade ex dividend	Thursday, April 5 2012
Record date	Friday, April 13 2012
Payment date	Monday, April 16 2012

The share certificates cannot be dematerialised or rematerialised between Thursday, April 5 2012 and Friday, April 13 2012, both dates inclusive.

For and on behalf of the board

CA Brighten
Company secretary

Johannesburg
February 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 have been prepared in compliance with 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.

In the second half of the 2011 financial year operations in Southern Africa were reorganised under new management, resulting in the creation of new segments and the reorganisation of operations within others. The comparative period's segmental results have been restated to reflect these changes.

Unaudited results

These results have not been reviewed or reported on by the Group's auditors. The condensed financial statements have been prepared under the supervision of NEJ Goodwin CA(SA) and were approved by the board of directors on February 24 2012.

Exchange rates

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

	December 31		June 30
	2011	2010	2011
Rand/Sterling			
Closing rate	**12,58**	10,28	10,97
Average rate	**12,13**	11,18	11,18
Rand/euro			
Closing rate	**10,51**	8,81	9,84
Average rate	**10,53**	9,45	9,56
Rand/Australian dollar			
Closing rate	**8,29**	6,76	7,25
Average rate	**7,86**	6,74	6,94

The Bidvest Group Limited

Incorporated in the Republic of South Africa ("Bidvest" or "the Group" or "the Company")

Directors

Chairman: MC Ramaphosa

Independent non-executive: DDB Band, MBN Dube, S Koseff, D Masson, JL Pamensky, NG Payne, 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)

Company Secretary

CA Brighten

Transfer secretaries

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Registration number 1946/021180/06

Share code: BVT ISIN: ZAE000117321

Further information regarding our Group can be found on the Bidvest website
www.bidvest.com

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