Proudly tomorrow

Bidvest

+11,6% | Turnover increased to R204,9 billion (2014: R183,6 billion)

+11,7% | Trading result rose to R9,5 billion (2014: R8,5 billion)

+8,6% | HEPS increased to 1 882,2 cents (2014: 1 733,9 cents)

+9,0% | Distribution per share rose to 909,0 cents (2014: 834,1 cents)

+12,3% | Net asset value per share up to 11 190 cents (2014: 9 965 cents)

"We strive to turn ordinary companies into extraordinary performers, delivering strong and consistent shareholder returns in the process. We understand that people create wealth and that companies only report it…"

Brian Joffe Group chief executive

Commentary

Highlights

The Group delivered very credible trading results for the year ended June 30 2015, in challenging market conditions. Headline earnings per share (HEPS) increased by 8,6% to 1 882,2 cents per share (2014: 1 733,9 cents per share) with basic earnings per share (EPS) increasing by 25,0% to 1 827,3 cents per share (2014: 1 462,0 cents per share).

Excellent trading results in Bidvest Foodservice reflect pleasing performances in most businesses, delivering real organic growth in local currencies. The acquisitions of PCL 24/7 Transport Limited (PCL) and Gruppo DAC S.p.A. (DAC) have expanded the breadth and geographical reach of the UK and European operations.

Bidvest South Africa delivered satisfactory trading results despite tough economic conditions, a feature of the environment of the past financial year. Good performances were achieved in Electrical, Industrial, Paperplus, Services and Rental and Products divisions. Bidvest Namibia recorded a further decline in trading profit as the lower fishing and food distribution performances outweighed the improved results of the Industrial and Commercial businesses.

Financial overview

Turnover grew by 11,6% to R204,9 billion (2014: R183,6 billion). Major contributors to the increases were Bidvest Europe and Bidvest UK, reflecting organic growth, some assistance from currency effects on translation and acquisitions.

Gross profit percentage increased to 20,8% (2014: 20,3%). Operating expenses remained well controlled, increasing by 6,2% (in rands) on a like-for-like basis excluding the effects of foreign currency translation and the impact of the DAC and PCL acquisitions.

Investment income declined significantly due to reduced fair value and mark-to-market gains on the investment portfolios, the impact of which equates to 3,4% of HEPS.

The Group grew the trading result by 11,7% to R9,6 billion (2014: R8,5 billion). Trading result margin was maintained at 4,7%. The average rand exchange rate weakened against the sterling, however, appreciated against the euro, resulting in a 0,8% overall benefit to trading profit.

Share-based payment costs rose to R228,6 million (2014: R187,1 million), reflecting the new allocation of long-term incentives to staff at a higher share price. Acquisition costs were R74,3 million (2014: R74,0 million).

Net finance charges were 6,8% higher at R1,1 billion (2014: R1,0 billion), principally a function of financing acquisitions which were not fully included or included at all in the prior year i.e. Mvelaserve Limited (Mvelaserve), PCL, DAC and Adcock Ingram Holdings Limited (Adcock) being the material new investments. Net finance costs were further impacted by utilisation of working capital through the year and a rising interest rate environment in South Africa.

Associate earnings are significantly higher as a result of the full year inclusion of Adcock, which became an associate in March 2014. Despite this full year contribution to associate earnings, the impact of the acquisition of Adcock has been a negative 2,7% on HEPS.

Headline earnings increased by 11,3% to R6,1 billion with profit for the year up 27,3% to R6,2 billion. Net headline earnings adjustments in the year totalled R177,2 million comprising primarily a R305,0 million fair value impairment of the investment in associates offset by profit on the disposal of property, plant and equipment of R151,4 million.

The Group's financial position remains robust. Growth in total assets reflects the impacts of recent acquisitions on goodwill and intangibles, normal levels of capital expenditure on property, plant and equipment and the trading activity in inventories and receivables. Net debt has declined to R7,8 billion as compared to R7,9 billion at June 30 2014 despite the outlay of funds for DAC, PCL and other acquisitions (R3,0 billion). Trading profit interest cover (excluding the finance costs of the Adcock investment) is 11,3 times (2014: 9,4 times) and is comfortably above the Group's conservative self-imposed targets. Bidvest's attitude to gearing remains prudent while retaining adequate headroom to accommodate expansion opportunities.

Cash generated by operations before working capital changes increased 9,2% to R11,7 billion (2014: R10,7 billion). The Group absorbed R0,1 billion of working capital in 2015 compared to R0,5 billion in 2014, reflecting a strong focus on the management thereof despite growth, the impact of the devaluation of the rand on replacement inventories and acquisitions. Net working capital days decreased to 10,0 days (2014: 10,8 days).

Moody's Investor Service affirmed Bidvest's national long-term rating of A1.za with a stable outlook in November 2014. In January 2015, Fitch Ratings affirmed the Group's national long-term rating at AA(zaf) with a stable outlook.

Acquisitions

With effect from July 1 2014, the Group acquired a 60% interest in DAC, a leading Italian foodservice provider, as well as a 75% stake in PCL, a specialist chilled products storage and distribution business operating in the UK. The aggregate purchase consideration was approximately R1,7 billion (£95 million). During the latter part of the year, the Group acquired the remaining part of PCL for a consideration of £15 million. The Group has the option to increase its interest in DAC over time. These acquisitions form part of the Group's strategic expansion plans in the international foodservice industry.

The Group also made a number of smaller acquisitions. Disposals included the sale of Protea Coin's Cash-In-Transit (CIT) business and Océ.

Subsequent events

The Group acquired Plumblink SA Proprietary Limited (Plumblink) with effect from July 1 2015 for an enterprise value of R446 million. Plumblink is a specialist plumbing and bathroom merchant currently operating from 61 branches strategically situated throughout South Africa.

The Group acquired a further 2,6 million Adcock ordinary shares from Adcock's black economic empowerment partners for a cash consideration of R52,00 per Adcock ordinary share. The Group also supported the new Adcock BEE scheme and sold 15% of its Adcock shareholding in accordance with the terms of the scheme. Following these transactions, the Group holds 37,7% of the net ordinary shares in issue in Adcock.

Prospects

Bidvest is confident that its entrepreneurial and decentralised business model is well placed to exploit opportunities in the volatile and somewhat unpredictable economic conditions being experienced in many of our operating geographies. This model breeds accountability and confidence which allows management to innovate to ensure our relevance and value to our customers.

Trading conditions in South Africa are likely to remain tough in a low-growth environment but management see opportunity in the current market volatility. Certain divisions are being realigned to cater for succession, and to streamline our service offering to customers. Management will continue to focus on delivering real organic growth and unlocking synergies to realise improved returns on recent investments. Our focus on expanding our exposure to Africa remains, however, as progress has been slow, alternative strategies to speed up penetration are being explored. The recent acquisition of Plumblink will strengthen our Industrial products base. Opportunities to complement our existing product and service offering, as well as to broaden our exposure to the distribution of branded FMCG products, will continue to be pursued.

In the Food division, the focus of our wholesale segments remains on balancing the exposure between national and independent foodservice customers. Growing the national footprint of the fresh food offering in most regions continues. Innovative technological value-adding foodservice solutions for customers continue to be rolled out across all businesses. The acquisitions of DAC and PCL have been well integrated and present excellent platforms for further areas of geographic and service offering expansion. Our exposure to developing markets particularly Latin America and China, despite economic headwinds, presents exciting opportunities to sustain further growth. Across all our businesses, opportunities exist to add new product ranges and expand local footprints, via both organic and acquisitive growth.

Significant effort has been undertaken by Adcock management to reorganise and restructure the business. These corrective measures and actions have put Adcock on the path to improved profitability, which is borne out in their recent performance. Bidvest remains optimistic about the medium-term prospects, however, further work is still required for Adcock to reach its potential.

Management remains focused on maximising returns in all our businesses. Our financial position remains sound, cash generation remains strong and we retain adequate headroom to accommodate expansion opportunities, both acquisitive and organic. Despite market volatility, the outlook for the Group is positive, underpinned by anticipated real organic growth and bolstered by the anticipated benefits arising from the recent acquisitions and investments. Bidvest's teams remain alert to opportunities and all employees remain motivated to ensure Bidvest delivers 'Proudly Tomorrow'.

Summarised consolidated income statement

for the year ended June 30	2015 Audited R'000	2014 Audited R'000	% change
Turnover	204 915 925	183 645 179	11,6
Revenue	182 164 453	161 612 418	12,7
Cost of revenue	(139 566 689)	(124 247 763)	
Gross income	42 597 764	37 364 655	14,0
Operating expenses	(33 453 768)	(29 276 028)	14,3
Sales and distribution costs	(23 129 638)	(19 324 756)	
Administration expenses	(6 783 084)	(6 674 996)	
Other costs	(3 541 046)	(3 276 276)	
Other income	382 023	437 978	
Trading result	9 526 019	8 526 605	11,7
Income from investments	146 836	418 916	
Trading profit	9 672 855	8 945 521	8,1
Share-based payment expense	(228 637)	(187 119)	
Acquisition costs	(74 241)	(74 044)	
Net capital items	(32 574)	(802 373)	
Operating profit	9 337 403	7 881 985	18,5
Net finance charges	(1 120 058)	(1 048 295)	6,8
Finance income	112 918	90 232	
Finance charges	(1 232 976)	(1 138 527)	
Share of profit of associates	218 069	110 142	98,0
Dividends received	85 366	76 788	
Share of current year earnings	132 703	33 354	
Profit before taxation	8 435 414	6 943 832	21,5
Taxation	(2 276 038)	(2 107 173)	
Profit for the year	6 159 376	4 836 659	27,3
Attributable to:			
Shareholders of the Company	5 898 406	4 603 307	28,1
Non-controlling interest	260 970	233 352	
	6 159 376	4 836 659	27,3
Shares in issue			
Total	325 052	318 916	
Weighted ('000)	322 792	314 873	
Diluted weighted ('000)	324 606	316 859	
Basic earnings per share (cents)	1 827,3	1 462,0	25,0
Diluted basic earnings per share (cents)	1 817,1	1 452,8	25,1
Headline earnings per share (cents)	1 882,2	1 733,9	8,6
Diluted headline earnings per share (cents)	1 871,7	1 723,0	8,6
Dividends per share (cents)	909,0	834,1	9,0
Interim	426,0	398,1	
Final	483,0	436,0	
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	5 898 406	4 603 307	28,1
Impairment of property, plant and equipment, goodwill and intangible assets	94 792	18 731	
Property, plant and equipment	11 740	1 964	
Intangible assets	113 137	20 961	
Tax relief	(30 085)	(4 194)	
Net loss (profit) on disposal of interests in subsidiaries and disposal and closure of businesses	(52 855)	70	
Loss (profit) on disposal and closure	(95 338)	70	
Tax charge	42 483	–	
Net loss on disposal, impairment and reversal of impairment of investments in associates	254 493	906 542	
Impairment of investments in associate	305 047	1 056 060	
Reversal of impairment of investments in associate	–	(130 000)	
Net profit on change in shareholding in associates	(59 284)	(47 560)	
Tax charge	8 730	28 042	
Net profit on disposal of property, plant and equipment	(151 411)	(3 136)	
Property, plant and equipment	(242 728)	(1 888)	
Intangible assets	–	(1 967)	
Tax charge	36 484	244	
Non-controlling interest	54 833	475	
Gain on a bargain purchase	–	(24 338)	
Net fair value adjustment arising on acquisition of control of associates	–	(70 929)	
Non-headline items included in equity accounted earnings of associate companies	32 217	29 303	
Headline earnings	6 075 642	5 459 550	11,3

Summarised consolidated statement of other comprehensive income

for the year ended June 30	2015 Audited R'000	2014 Audited R'000
Profit for the year	6 159 376	4 836 659
Other comprehensive income	(63 099)	2 016 644
Items that may be reclassified subsequently to profit or loss	(96 252)	2 097 535
Foreign currency translation reserve		
Exchange differences arising during the year	(114 732)	2 116 666
Realisation of reserve on disposal of subsidiaries and associates	(1 687)	(2 223)
Available-for-sale financial assets		
Net fair value profit (loss) on on available-for-sale financial assets	29 456	(3 368)
Cash flow hedges		
Net fair value loss arising during the year	(6 026)	(16 572)
Taxation effects		
Tax relief for the year	(3 263)	3 032
Items that will not be reclassified subsequently to profit or loss	33 153	(80 891)
Defined benefit obligations		
Net remeasurement of defined benefit obligations during the year	44 096	(105 539)
Taxation effects		
Tax (charge) relief for the year	(10 943)	24 648
Total comprehensive income for the year	6 096 277	6 853 303
Attributable to		
Shareholders of the Company	5 814 601	6 614 085
Non-controlling interest	281 676	239 218
	6 096 277	6 853 303

Summarised segmental analysis

for the year ended June 30	2015 Audited R'000	2014 Audited R'000	% change
TURNOVER			
Bidvest South Africa	87 390 800	80 038 732	9,2
Automotive	22 676 120	21 894 262	3,6
Consumer Products	1 171 380	1 267 245	(7,6)
Electrical	5 256 267	4 804 896	9,4
Financial Services	2 035 048	1 664 307	22,3
Freight	29 058 663	26 808 565	8,4
Industrial	2 210 170	1 999 884	10,5
Office	5 103 866	4 705 029	8,5
Paperplus	5 707 922	4 881 646	16,9
Rental and Products	2 508 206	2 350 087	6,7
Services	8 954 475	7 248 191	23,5
Travel and Aviation	2 708 683	2 414 620	12,2
Bidvest Foodservice	116 588 849	102 261 128	14,0
Australasia	28 187 109	26 622 058	5,9
United Kingdom	47 722 732	40 644 615	17,4
Europe	24 802 908	20 860 766	18,9
Emerging Markets	15 876 100	14 133 689	12,3
Bidvest Namibia	4 085 868	3 980 883	2,6
Bidvest Corporate	1 603 870	1 495 083	7,3
Properties	425 331	388 123	9,6
Corporate and Investments	1 178 539	1 106 960	6,5
	209 669 387	187 775 826	11,7
Inter Group eliminations	(4 753 462)	(4 130 647)	
	204 915 925	183 645 179	11,6
TRADING PROFIT			
Bidvest South Africa	5 146 464	4 948 153	4,0
Automotive	627 087	618 001	1,5
Consumer Products	78 930	102 073	(22,7)
Electrical	305 080	264 263	15,4
Financial Services	527 576	616 661	(14,4)
Freight	1 059 728	1 113 896	(4,9)
Industrial	164 250	125 663	30,7
Office	377 019	365 519	3,1
Paperplus	390 222	315 590	23,6
Rental and Products	535 935	477 608	12,2
Services	636 865	527 511	20,7
Travel and Aviation	443 772	421 368	5,3
Bidvest Foodservice	3 986 144	3 185 767	25,1
Australasia	1 437 078	1 268 419	13,3
United Kingdom	1 087 877	767 072	41,8
Europe	806 163	513 619	57,0
Emerging Markets	655 026	636 657	2,9
Bidvest Namibia	400 186	493 714	(18,9)
Bidvest Corporate	140 061	317 887	(55,9)
Properties	396 992	366 801	8,2
Corporate and Investments	(256 931)	(48 914)	425,3
	9 672 855	8 945 521	8,1

Summarised consolidated statement of cash flows

for the year ended June 30	2015 Audited R'000	2014 Audited R'000
Cash flows from operating activities	6 434 016	5 370 491
Operating profit	9 337 403	7 881 985
Dividends from associates	85 366	76 788
Acquisition costs	74 241	74 044
Depreciation and amortisation	2 539 848	2 344 920
Other non-cash items	(315 524)	361 057
Cash generated by operations before changes in working capital	11 721 334	10 738 794
Changes in working capital	(74 408)	(531 601)
Cash generated by operations	11 646 926	10 207 193
Net finance charges paid	(969 404)	(895 814)
Taxation paid	(2 287 700)	(2 067 596)
Dividends paid by – Company	(1 767 532)	(1 685 663)
– Subsidiaries	(188 274)	(187 629)
Cash effects of investment activities	(6 239 094)	(8 493 479)
Net additions to vehicle rental fleet	(87 364)	(235 089)
Net additions to property, plant and equipment	(2 834 200)	(2 760 799)
Net additions to intangible assets	(278 447)	(213 085)
Net acquisition of subsidiaries, businesses, associates and investments	(3 039 083)	(5 284 506)
Cash effects of financing activities	167 116	1 080 266
Proceeds from shares issued – Company	104 312	55 872
Sale of treasury shares	540 385	326 536
Net borrowings raised (repaid)	(477 581)	697 858
Net increase (decrease) in cash and cash equivalents	362 038	(2 042 722)
Net cash and cash equivalents at the beginning of the year	5 560 585	7 092 155
Exchange rate adjustment	(104 111)	511 152
Net cash and cash equivalents at end of the year	5 818 512	5 560 585
Net cash and cash equivalents comprise:		
Cash and cash equivalents	7 812 877	8 838 573
Bank overdrafts shown as short-term portion of borrowings	(1 994 365)	(3 277 988)
	5 818 512	5 560 585

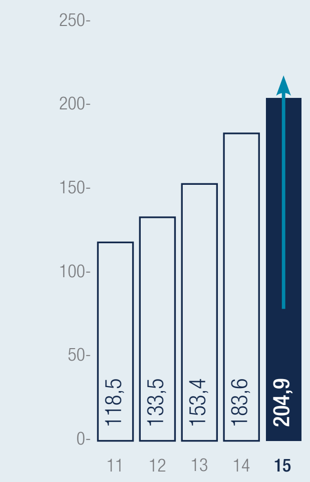
Summarised consolidated statement of financial position

as at June 30	2015 Audited R'000	2014 Audited R'000
ASSETS		
Non-current assets	43 094 009	37 358 779
Property, plant and equipment	18 301 434	16 271 788
Intangible assets	2 093 480	1 647 006
Goodwill	13 567 032	11 723 176
Deferred tax asset	877 623	602 850
Defined benefit pension surplus	146 954	124 767
Interest in associates	4 816 412	3 928 433
Investments	2 551 260	2 367 602
Banking and other advances	739 814	693 157
Current assets	46 767 197	43 616 691
Vehicle rental fleet	1 376 295	1 462 715
Inventories	14 843 572	13 541 484
Short-term portion of banking and other advances	547 740	271 282
Trade and other receivables	22 186 713	19 502 637
Cash and cash equivalents	7 812 877	8 838 573
Total assets	89 861 206	80 975 470
EQUITY AND LIABILITIES		
Capital and reserves	37 710 234	33 011 115
Attributable to shareholders of the Company	36 372 190	31 780 882
Non-controlling interest	1 338 044	1 230 233
Non-current liabilities	10 020 249	8 937 971
Deferred tax liability	1 033 660	815 402
Life assurance fund	26 733	27 829
Long-term portion of borrowings	7 124 985	7 108 167
Post-retirement obligations	283 920	345 253
Puttable non-controlling interest liabilities	939 430	–
Long-term portion of provisions	511 246	509 980
Long-term portion of operating lease liabilities	100 275	131 340
Current liabilities	42 130 723	39 026 384
Trade and other payables	29 546 008	26 144 355
Short-term portion of provisions	501 611	420 999
Vendors for acquisition	573 271	482 937
Taxation	401 850	268 643
Banking liabilities	2 653 861	2 062 421
Short-term portion of borrowings	8 454 122	9 647 029
Total equity and liabilities	89 861 206	80 975 470
Net tangible asset value per share (cents)	6 372	5 773
Net asset value per share (cents)	11 190	9 965

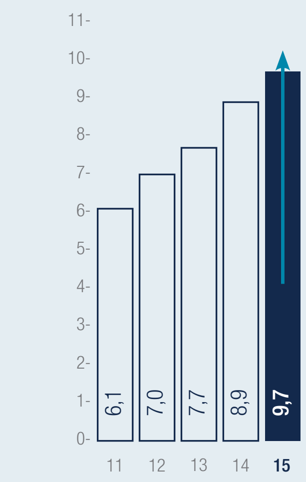
Summarised consolidated statement of changes in equity

for the year ended June 30	2015 Audited R'000	2014 Audited R'000
Shareholders' interest		
Issued share capital	16 758	16 562
Balance at the beginning of the year	16 562	16 387
Shares issued during the year	17	11
Capitalisation issue	179	164
Share premium arising on shares issued	297 298	193 182
Balance at the beginning of the year	193 182	137 485
Shares issued during the year	104 703	56 204
Capitalisation issue	(179)	(164)
Share issue costs	(408)	(343)
Foreign currency translation reserve	5 149 394	5 288 068
Balance at the beginning of the year	5 288 068	3 181 802
Realisation of foreign currency translation reserve on sale of subsidiaries and associates	(1 687)	(2 223)
Arising during the year	(136 987)	2 108 489
Hedging reserve	25 383	29 041
Balance at the beginning of the year	29 041	42 581
Fair value gains arising during the year	(6 026)	(16 572)
Deferred tax recognised directly in reserve	2 368	3 032
Equity-settled share-based payment reserve	310 416	359 594
Balance at the beginning of the year	359 594	255 319
Arising during the year	228 177	186 746
Deferred tax recognised directly in reserve	106 911	107 382
Utilisation during the year	(428 422)	(189 853)
Transfer to retained earnings	44 156	–
Retained earnings	31 558 166	27 420 045
Balance at the beginning of the year	27 420 045	24 592 164
Attributable profit	5 898 406	4 603 307
Change in fair value of available-for-sale financial assets	23 825	(3 368)
Net remeasurement of defined benefit obligations during the year	33 015	(80 803)
Transfer of reserves as a result of changes in shareholding of subsidiaries	(5 437)	(5 592)
Dividends paid	(1 767 532)	(1 685 663)
Transfer from equity-settled share-based payment reserve	(44 156)	–
Treasury shares	(985 225)	(1 525 610)
Balance at the beginning of the year	(1 525 610)	(1 852 146)
Shares disposed of in terms of share incentive scheme	540 385	326 536
	36 372 190	31 780 882
Equity attributable to non-controlling interest		
Balance at the beginning of the year	1 230 233	1 177 127
Movement in foreign currency translation reserve	20 568	5 954
Movement in equity-settled share-based payment reserve	460	373
Attributable profit	260 970	233 352
Net remeasurement of defined benefit obligations during the year	138	(88)
Dividends paid	(188 274)	(187 629)
Transactions with non-controlling interest	935 197	(4 448)
Transfer to puttable non-controlling interest liability	(926 685)	–
Transfer of reserves as a result of changes in shareholding of subsidiaries	5 437	5 592
	1 338 044	1 230 233
Total equity	37 710 234	33 011 115

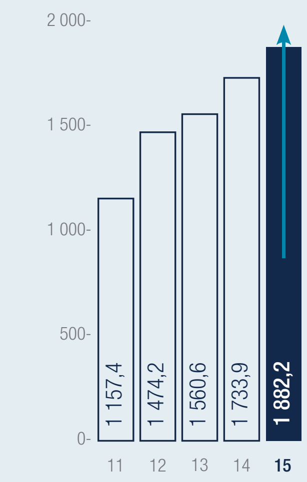
The Bidvest Group Limited
Audited provisional results for the year ended June 30 2015



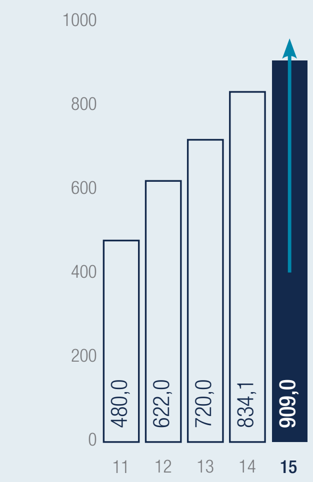
R' billion | **Turnover**



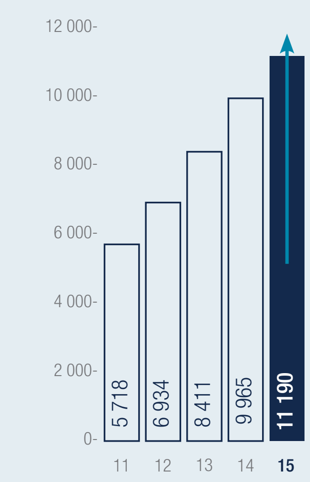
R' billion | **Trading profit**



Cents | **Headline earnings per share**



Cents | **Distribution per share**



Cents | **Net asset value per share**

Divisional review

Bidvest South Africa

Results were generally satisfactory in difficult trading conditions, with turnover 9,2% higher at R87,4 billion (2014: R80,0 billion). Trading profit rose 4,0% to R5,1 billion (2014: R4,9 billion).

Plummeting commodity markets created challenges for Freight while other operations faced low business and consumer confidence, with sectors such as mining, manufacturing and construction under particular pressure.

Within this challenging context, several teams delivered impressive market share gains and solid growth. Innovation continues.

Automotive

Despite a difficult environment, trading profit rose 1,5% to R627,1 million (2014: R618,0 million) while turnover moved 3,6% higher to R22,7 billion (2014: R21,9 billion). Results reflect a lower vehicle finance contribution. Margin pressure increased and the return on sales was flat at 2,7% (2014: 2,8%). New vehicle price increases impacted affordability and new vehicle sales fell to 37 840 units (2014: 41 329). Pre-owned vehicle sales were down 1,8% to 41 043 units (2014: 41 802), though this market ticked higher in the final quarter. Parts revenue rose and service volumes increased. Improved after-sales performance was supported by strict expense management. Among the dealerships Mercedes Benz, Chrysler, Jeep, Dodge and Mitsubishi performed strongly and Land Rover, Jaguar, Audi and Toyota put in a solid performance. New management at Ford drove a strong turnaround. The Call-a-Car website was enhanced and relaunched.

Consumer Products

Turnover dipped to R1,2 billion (2014: R1,3 billion) as consumer demand remained under pressure. Trading profit fell to R78,9 million (2014: R102,1 million). The rand's slide and pressure from branded competitors and private labels impacted margins. Hoover's relaunch pushed up sales and Pineware promotions worked well. The National Service division performed ahead of expectations and logistics achieved exceptional on-time deliveries. Marketing cost efficiencies were secured without compromising the brand strategy. Exports faced strong second-half headwinds.

Electrical

Turnover rose 9,4% to R5,3 billion (2014: R4,8 billion). The division performed strongly despite depressed conditions across many customer groups. Trading profit rose to R305,1 million (2014: R264,3 million). Margin management was good, returns increased and stock days fell by 9,3%. Sales and gross profits rose at Voltex and Versalec Cables. Low copper prices and cable industry over-supply were well managed. Pleasing performances were seen at Solid State, Cabstrut, Waco, Versalec and the regions. The RAD Phambile acquisition bedded in well. The lighting business is being restructured.

Financial Services

Overall turnover increased by 22,3% to R2,0 billion (2014: R1,7 billion) while trading profit declined by 14,4% to R527,6 million (2014: R616,7 million). The Bank remained strongly cash generative and cash balances rose 9,1% to R2,7 billion. Deposits rose strongly and leased assets moved 86,1% higher to R1,9 billion on the back of new contracts. Moody's published an unchanged credit rating of A3/P2 with a stable outlook. Insurance results were impacted by less positive than last year mark-to-market movements on the equity portfolio. Pre-tax profit reflects a 60,8% fall in investment income. Results reflect the contribution of the acquired Compendium Insurance Group. Gross written premiums rose 9,1% to R362,0 million as the rollout of new products gained traction.

Freight

Falling exports and imports impacted the division, which grew turnover by 8,4% to R29,1 billion (2014: R26,8 billion), though trading profit dipped 4,9% to R1,1 billion (2014: R1,1 billion). Volumes through Durban harbour dropped sharply. Bidvest Tank Terminals (previously Island View Storage) performed well after investment in more bulk liquids capacity. South African Bulk Terminals did well on exceptional first-half volumes, but was impacted by a major second-half slowdown. Bidvest Panalpina Logistics faced challenges on low import/export volumes, but optimised automotive sector opportunities. Results at Port Operations were affected by poor steel and container volumes and completion of the wind turbine import programme. Container activities faced continued pressure. Poor demand for coal and manganese was negative for Bulk Connections. Loss of iron ore and magnetite business severely affected Naval. Manica showed a loss and is receiving management's attention.

Industrial

A good set of results saw trading profit rise 30,7% to R164,3 million (2014: R125,7 million) while turnover increased 10,5% to R2,2 billion (2014: R2,0 billion). Cash generated from operations reached R194,8 million (2014: R60,7 million). Returns continued to improve. Academy Brushware, Berzacks, Bidvest Materials Handling, Buffalo Tapes, Vulcan Catering and Yamaha all registered significant profit growth. Vulcan and Afcom recovered well from national strike action. Further divisional growth is projected, supported by Plumblink's imminent integration.

Office

Results varied across operations. Turnover rose 8,5% to R5,1 billion (2014: R4,7 billion), but trading profit increased slightly by 3,1% to R377,0 million (2014: R365,5 million). Expenses were carefully managed. Technology did well, with Konica Minolta in the forefront. Furniture had a tough year, especially in the chair segment, though desk factory performance improved. Ditulo and Cecil Nurse returned pleasing results. Waltons' results were disappointing, and restructuring is being implemented. Zonke continues to perform well. Overall results reflect a four-month contribution from a recent Botswana acquisition.

Paperplus

Turnover rose 16,9% to R5,7 billion (2014: R4,9 billion) with trading profit up 23,6% at R390,2 million (2014: R315,6 million). Expenses increased just 3,5%, including Bidvest Digital start-up costs. This newcomer successfully entered the wide format printing market. The strong contribution of Tanzanian voter registration work offset the negative impacts of the postal strike on Bidvest Data. Exports boosted Lithotech results. Stamford Sales was integrated into Packaging. Rotolabel showed improvement but Kolok and Silveray had a difficult year.

Rental and Products

Trading profit moved 12,2% higher to R535,9 million (2014: R477,6 million) with turnover up 6,7% at R2,5 billion (2014: R2,4 billion). Steiner had an exceptional year. Pest services showed sustained growth. Laundry group performed admirably. Bidserv Industrial grew sales and the Cape Town branch benefited from the Alsafe acquisition. Puréau performed well despite a major account loss. Execuflora ended the year strongly and Silk By Design did well again. Hotel Amenities performed strongly, assisted by the Luxury Guest acquisition. Master Guard secured new business and did well. G.Fox and Steripic disappointed.

Services

Turnover rose 23,5% to R9,0 billion (2014: R7,2 billion) as the division achieved a pleasing overall result. Trading profit was up 20,7% at R636,9 million (2014: R527,5 million). Cash generation was strong. The annualised effect of the integration of Mvelaserve operations was beneficial. Margins were under pressure. The CIT business was sold and a small landscaping operation acquired. Prestige and Landscaping grew despite contract losses. The security cluster faced a tough trading environment. Catering firm RoyalMnandi was under pressure but new business looks promising. Pie-maker Khuseti was boosted by exports and retail. SA Water achieved a pleasing turnaround but Velocity road repairs was challenged by slow municipal approvals.

Travel and Aviation

Turnover of R2,7 billion (2014: R2,4 billion) was up 12,2% while trading profit rose 5,3% to R443,7 million (2014: R421,4 million). Results overall disappointed. Travel volumes fell and car rental volumes were initially impacted by the change from Budget to Bidvest Car Rental. BidAir returned pleasing results. Ground handling won significant new contracts while maintaining world-class standards. BidAir Cargo achieved strategic growth, complementing day-time with night-time services after successfully concluding the Imperial Air Cargo acquisition. Bidvest Premier Lounges attracted growing volumes, topping the one million passenger per annum milestone. Newly acquired BushBreaks boosted the leisure offering.

Namibia

Bidvest Namibia experienced a 2,6% increase in turnover to R4,1 billion (2014: R4,0 billion). Trading profit decreased 18,9% to R400,2 million (2014: R493,7 million). Bidfish contributed 82% of profit, though operations were severely affected by further fishing quota reductions. The Carapau joint venture was launched to accommodate fishing industry entrants. Angolan operations showed improvement. Bidcom businesses had mixed fortunes. Freight and Logistics was impacted by lower project volumes but innovated strongly. Food and Distribution disappointed, impacted by reduced poultry volumes. Commercial and Industrial Services secured a measure of growth and has, post year-end, acquired an established motor dealership business.

Bidvest Food Group

Food Group performed strongly in a watershed year as strategies put in place in recent years developed critical mass. Europe, bolstered by recent acquisitions, achieved strong growth, as did the UK. Australasia made another solid contribution and Emerging Markets grew profits in the face of economic difficulties.

Food turnover rose by 14,0% to R116,6 billion (2014: R102,3 billion) with trading profit 25,1% higher at R4,0 billion (2014: R3,2 billion).

Growing attention is given to global synergies, enabled by our Asian and new "Made in Italy" procurement capabilities.

Australasia

The region again made a substantial contribution and remains the biggest profit generator in the Food Group. Turnover moved 5,9% higher to R28,2 billion (2014: R26,6 billion). Trading profit rose 13,3% to R1,4 billion (2014: R1,3 billion).

Bidvest Australia put in a strong finish to the year and achieved a pleasing rise in profits off subdued sales growth. The team exited several large low-margin logistics contracts as the process of rebalancing the portfolio gained traction. The business is transitioning to a free trade better margin business and new market segments such as fresh produce and fresh meat. Focused attention is given to growing the base of customers with trading opportunities. Expenses and margins were well controlled. Foodservice again made a good contribution. Most business units improved their profits. Hospitality had a flat year and, early in the new year, was sold. Fresh achieved strong gains on organic and acquisitive growth. The Meat business is moving toward direct supplies to customers. Several operations have already adopted this model. Logistics moved back into profit on lower volumes and better expense management.

Bidvest New Zealand performed strongly, driven by sustained innovation. Pleasing sales and profit growth were achieved. Infrastructure investment was maintained and working capital well managed. The core Foodservice business returned excellent results and made continued productivity improvements. Fresh maintained its record of improving its results every year. Processing made significant improvement and moved into profit. Logistics grew sales and storage income, but profit fell on increased capacity. Retail performance was disappointing, though substantial final quarter improvements were evident.

UK

UK businesses performed strongly. Turnover rose 17,4% to R47,7 billion (2014: R40,6 billion) while trading profit increased by 41,8% to R1,1 billion (2014: R0,8 billion). Sales growth was seen across all parts of the business.

Bidvest Foodservice (previously Bidvest 3663) ended the year on a high. Management focused on building free trade volumes, reducing complexity and cutting costs. Margins were well controlled and cash flows improved. Catering Equipment and Swithenbanks Fresh & Fine Foods achieved profits above budget. Work began on the infrastructure programme in the south of England. IT infrastructure is being modernised and simplified.

Bidvest Logistics gained scale following the acquisition of PCL, a distribution and chilled products storage business, and is now a sizeable player in food logistics. Volumes grew, though margins per case came under pressure. Efficiencies and volume synergy were focus areas.

Bidvest Fresh returned pleasing results on continued independent sector growth. Seafood and Produce performed well. Newly acquired Hensons, a London-based meat business, performed ahead of expectations. Integration of Swithenbanks is a priority going forward.

Europe

The region performed strongly, particularly some eastern Europe jurisdictions. Turnover rose 18,9% to R24,8 billion (2014: R20,9 billion) while trading profit rose 57,0% to R806,2 million (2014: R513,6 million).

Bidvest Deli XL Netherlands was impacted again by a significant fall in institutional business. Sales overall were flat as hospitality, national accounts and catering grew at a fast rate. An acceptable trading profit was achieved.

Bidvest Belgium faced challenges as sales dipped while margins remained under pressure, especially in the highly competitive institutional market. Expenses were well controlled, however, profitability fell slightly.

Bidvest Czech Republic and Slovakia enjoyed their best ever year. All aspects of the business made a contribution. Foodservice sales increased across all sectors while Retail volumes strengthened considerably.

Farutex Poland put in an impressive performance. Sales were up, margins well managed and overheads stringently controlled. Contract extensions by several national customers were beneficial. Investment in plant and equipment continued.

Bidvest Baltics achieved significant Foodservice sales gains in all markets: Lithuania, Latvia and Estonia. Latvian operations moved into a new depot and opened a fish processing plant.

DAC (acquisition effective July 2014) performed strongly. Buoyant sales of ambient and frozen products were driven by strong growth of the street market. Robust cash flows were maintained. A new depot in Rome was opened in June 2015.

Bidvest Spain made a small loss, though volumes rose, driven by new account gains and market inroads by a wider product range. New warehouses opened in Cartagena and Mallorca.

Emerging Markets

These businesses achieved a commendable result as many markets faced economic headwinds. Turnover moved 12,3% higher to R15,9 billion (2014: R14,1 billion), with trading profit up 2,9% at R655,0 million (2014: R636,7 million).

Southern Africa operations at Bidvest Food Africa performed relatively well, with a strong contribution from Foodservice as implementation of the multi-temp strategy delivered ongoing customer service and efficiency benefits. Continued e-commerce growth was achieved, with 26% of Foodservice turnover now in this channel. Crown's move into dairy products generated continued gains and general food volumes grew. New ingredient categories were introduced and Bakery Solutions launched the NCP range of pre-mixes. Crown expanded its network of cash-and-carry premises.

Angliss Greater China achieved good growth, driven by product and market innovation. Sales in the mainland cities of Shanghai, Beijing, Guangzhou and Shenzhen exceeded expectations. Growth continued in the second-tier cities of Changsha, Xian, Sanya and Wuhan. Hong Kong was impacted by falling tourist numbers, though gourmet lines did well.

Angliss Singapore grew profit, but sales fell as planned downsizing continued and the transition to a foodservice model gained further traction. The local wholesale trading operation closed in May.

Bidvest Chile did well in a slowing economy. Foodservice and Bakery made pleasing contributions. Foodservice was driven by new product introductions, wider market coverage and customer service focus. Bakery is well positioned following restructuring. Work began on a new Santiago distribution centre for the core foodservice business.

Bidvest Brazil faced challenges and margin pressure as the national economy stalled. Sales were well below expectation. The sales regionalisation programme made further progress.

Bidvest Middle East built momentum and performed well in the final quarter. HORECA UAE grew sales and core brands did well. Al Diyafa, our Saudi joint venture won important new accounts. Aktaes Turkey faced challenges, while businesses in Bahrain and Lebanon continue to expand.

Bidvest Procurement Company made strong progress. Sales and the number of certified suppliers rose. Product ranges were further extended.

Corporate and Investments

Bidvest Properties continued to develop its portfolio while assisting Bidvest operations to expand their infrastructure. Its investment in 2015 topped R280 million. The Mansfield Group continues to win new business, but margins remain under pressure. Luxury car deliveries by Ontime Automotive were impacted by increased BMW volumes.

In February 2015, the Group made an offer to the shareholders of Adcock to acquire 100% of the shares in Adcock at a price of R52 per share. As a result of this offer and the acquisition of shares in the market, the Group acquired a further 8,4% of the net issued capital in Adcock for a consideration of R737 million.

Directorate

At the annual general meeting (AGM), Adv FDP Tlakula retired from the board. The board and management of Bidvest wish to thank Adv Tlakula for her contribution to the development of Bidvest. Mrs GC McMahon was appointed as an executive director with effect from May 27 2015.

CWL Phalatse
Chairman

B Joffe
Chief executive

Dividend declaration

In line with the Group dividend policy, the directors have declared a final gross cash dividend of 483,0 cents (410,55 cents net of dividend withholding tax, where applicable) per ordinary share for the year ended June 30 2015 to those members registered on the record date, being Friday, September 25 2015.

The dividend has been declared from income reserves. 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 dividend amount per share:	483,0 cents
Net dividend amount per share:	410,55 cents
Issued shares at declaration date:	335 163 151
Declaration date:	Monday, August 31 2015
Last day to trade cum dividend:	Thursday, September 17 2015
First day to trade ex dividend:	Friday, September 18 2015
Record date:	Friday, September 25 2015
Payment date:	Monday, September 28 2015

Share certificates may not be dematerialised or rematerialised between Friday, September 18 2015 and Friday, September 25 2015, both days inclusive.

For and on behalf of the board

CA Brighten – *Company Secretary*

Johannesburg

August 31 2015

Basis of presentation of summarised consolidated financial statements

These summarised provisional consolidated financial statements have been prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards (IFRS) and the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council, and include disclosure as required by IAS 34 *Interim Financial Reporting* and the Companies Act of South Africa. They do not include all the information required for a complete set of IFRS financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding to the changes in the Group's financial position and performance since the last annual consolidated financial statements as at and for the year ended June 30 2014.

In preparing these summarised provisional consolidated financial statements, management makes judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended June 30 2014.

Significant accounting policies

The accounting policies applied in these summarised provisional consolidated financial statements are the same as those applied in the Group's consolidated financial statements as at and for the year ended June 30 2014.

During the year, certain operations were reclassified between segments. The comparative year's segmental information has been represented to reflect these insignificant changes.

Net acquisition of businesses, subsidiaries, associates and investments

The Group acquired 60% of the issued share capital of DAC for a consideration of €75 million, and the entire issued share capital of PCL for a consideration of £52 million, with effect from July 1 2014.

As part of the agreement to acquire the shares in DAC, the Group entered into a put option agreement to acquire the remaining shares in DAC at predetermined future dates and at predetermined future values. A puttable non-controlling interest liability has been raised in the statement of financial position in this regard.

In February 2015 the Group made an offer to the shareholders of Adcock to acquire 100% of the shares in Adcock at a price of R52 per share.

The Group's turnover for the year was enhanced by R3 805,6 million and R1 261,3 million and its trading profit by R212,9 million and R178,0 million from DAC and PCL respectively.

The acquisitions were funded from its existing cash resources.

The following table summarises the net assets acquired and liabilities assumed which have been included in these results from the respective acquisition and disposal dates.

R'000	Adcock	DAC	PCL	Other acquisitions	Total acquisitions	Disposals	Net acquisitions
Property, plant and equipment		65 705	220 660	93 306	379 671	(145 498)	**234 173**
Deferred taxation		10 904	(113 779)	6 289	(96 586)	693	**(95 893)**
Interest in associates	737 357	27 503	–	326 305	1 091 165	(19 049)	**1 072 116**
Investments and advances		6 948	–	587 455	594 403	(293 877)	**300 526**
Inventories		343 047	–	92 354	435 401	(57 245)	**378 156**
Trade and other receivables		1 165 459	209 447	229 256	1 604 162	(92 326)	**1 511 836**
Cash and cash equivalents		76 023	115 893	73 529	265 445	(99 674)	**165 771**
Borrowings		(211 633)	(94 164)	(58 835)	(364 632)	–	**(364 632)**
Trade and other payables and provisions		(604 561)	(245 759)	(205 653)	(1 055 973)	115 545	**(940 428)**
Taxation		(24 545)	(12 873)	(4 265)	(41 683)	1 253	**(40 430)**
Intangible assets		–	540 861	11 768	552 629	(2 458)	**550 171**
	737 357	854 850	620 286	1 151 509	3 364 002	(592 636)	**2 771 366**
Non-controlling interest					(935 197)	–	**(935 197)**
Goodwill					1 910 777	(20 556)	**1 890 221**
Net assets acquired					4 339 582	(613 192)	**3 726 390**
Settled as follows:							
Cash and cash equivalents acquired/disposed of					(265 445)	99 674	**(165 771)**
Acquisition costs					74 241		**74 241**
Fair value of existing interests					(319 298)		**(319 298)**
Net profit on disposal of operations						(154 622)	**(154 622)**
Net change in vendors for acquisition					(121 857)		**(121 857)**
Net acquisition of businesses, subsidiaries, associates and investments					3 707 223	(668 140)	**3 039 083**

Fair value of financial instruments

The Group's investment of R2 551 million (2014: R2 368 million) include R431 million (2014: R305 million) recorded at cost, R1 273 million (2014: R1 408 million) recorded and measured at fair value using quoted prices (level 1) and R847 million (2014: R655 million) recorded and measured at fair value using factors not based on observable data (level 3). Level 3 investments are valued using discounted cash flows with a discount rate of 15.3% (2014: 15.3%). Fair value gains recognised in the income statement total R118 million (2014: R12 million) and other reductions of R14 million relate to purchases and disposals net of foreign exchange gains of R61 million recognised in currency translation reserve.

The carrying amounts of all financial assets and liabilities approximate their fair values, with the exception of borrowings of R15 569 million (carrying value R15 579 million).

Audit report

The auditors, Deloitte & Touche, have issued their opinion on the Group's consolidated financial statements for the year ended June 30 2015. The audit was conducted in accordance with International Standards on Auditing. They have issued an unmodified opinion. A copy of the auditor's report together with a copy of the audited consolidated financial statements are available for inspection at the Company's registered office.

These summarised provisional consolidated financial statements have been derived from the Group's consolidated financial statements and are consistent in all material respects with the Group's consolidated financial statements. These summarised provisional consolidated financial statements have been audited by the Company's auditors who have issued an unmodified opinion. The auditor's report does not necessarily report on all of the information contained in this announcement. Any reference to future financial information included in this announcement has not been reviewed or reported on by the auditors. Shareholders are advised, that in order to obtain a full understanding of the nature of the auditor's engagement they should obtain a copy of that report together with the accompanying financial information from the Company's registered office.

Preparer of the provisional consolidated financial statements

These summarised provisional consolidated financial statements have been prepared under the supervision of NEJ Goodwin CA(SA) and were approved by the board of directors on August 29 2015.

Exchange rates

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

	June 30 2015	June 30 2014
Rand / Sterling		
Closing rate	**19,33**	18,07
Average rate	**18,03**	16,91
Rand / Euro		
Closing rate	**13,64**	14,47
Average rate	**13,74**	14,11
Rand / Australian Dollar		
Closing rate	**9,41**	10,00
Average rate	**9,56**	9,54

Supplementary pro forma information regarding the currency effects of the translation of foreign operations on the Group

The pro forma financial information has been compiled for illustrative purposes only and is the responsibility of the board. Due to the nature of this information, it may not fairly present the Group's financial position, changes in equity and results of operations or cash flows. An unmodified reasonable assurance report has been issued by the Company's auditors, Deloitte & Touche, in terms of ISAE 3420 *Assurance Engagements to Report on the Compilation of Pro Forma Information in a Prospectus*, and is available for inspection at the Company's registered office. The pro forma information has been compiled in terms of the JSE Listings Requirements and the Revised Guide on Pro Forma Information by SAICA and the accounting policies of the Group as at June 30 2015.

The average rand exchange rate weakened against sterling and the Australian dollar and strengthened against the euro, the major currencies in which the Group's foreign operations trade, namely sterling (16,91 in 2014 to 18,03 in 2015), the Australian dollar (9,54 in 2014 to 9,56 in 2015) and the euro (14,11 in 2014 to 13,74 in 2015). The illustrative information, detailed below, has been prepared on the basis of applying the 2014 average rand exchange rates to the 2015 foreign subsidiary income statements and recalculating the reported revenue and earnings of the Group for the year.

for the year ended June 30	Actual 2015	% change	Actual 2014	Illustrative 2015 at 2014 average exchange rates: Actual 2015	% change
Turnover (Rm)	**204 915,9**	11,6	183 645,2	**201 776,2**	9,9
Trading profit (Rm)	**9 672,9**	8,1	8 945,5	**9 595,4**	7,3
Headline earnings (Rm)	**6 075,6**	11,3	5 459,6	**6 017,0**	10,2
HEPS (cps)	**1 882,2**	8,6	1 733,9	**1 864,0**	7,5

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

Directors
Chairman: *CWL Phalatse*
Independent non-executive: *PC Baloyi, DDB Band, AA da Costa, EK Diack, AK Maditsi, FN Mantashe, S Masinga, D Masson, NG Payne, T Slabbert*
Executive directors: *B Joffe (chief executive), BL Berson*, DE Cleasby, AW Dawe, NT Madisa, GC McMahon, LP Ralphs*
*(*Australian)*

Company Secretary
CA Brighten

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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

Bidvest