

THE BIDVEST GROUP LIMITED  
("Bidvest" or "the Company")  
(Registration number 1946/021180/06)  
Share code: BVT  
ISIN ZAE 000117321

## **THE BIDVEST GROUP LIMITED INVESTOR DAY - NOVEMBER 29 2016**

Shareholders and interested investors are advised that Bidvest will be hosting an investor day teleconference and pre-close operational update today at 15:00 (SA time). Dial in details for the teleconference are provided below. An audio recording will be available for replay shortly after the event.

### **Trading environment**

Market conditions remain challenging. Against this backdrop, trading results to date have been satisfactory if not exciting. The quality of the earnings remains high. The seven South African trading divisions have performed well in the first quarter of the financial year. This performance has been counteracted to an extent by declines in horse mackerel and pilchard yields as well as reduced fishing quotas at Bidvest Namibia and by mark-to-market losses on the investment portfolio in the Corporate office.

The Bidvest Freight division, Services division and Commercial Products division have achieved good results and the Financial Services division is performing in line with expectations. The Automotive division is holding its own despite a challenging market that shows no signs of improvement, while the Office and Print division continues to experience subdued conditions and the Electrical division continues to face very difficult trading conditions in its core industries.

Expense control and asset management remain key focus areas and are well controlled.

The Brandcorp acquisition has been approved and has been implemented with effect from 1 October 2016.

Bidvest is one of the largest employers in South Africa with more than 112 000 employees. In light of the recently announced minimum wage recommendations, Bidvest has undertaken an impact analysis of the implementation of the minimum wage across its operations. The group is pleased to note that despite its large workforce, group wages are above these thresholds and the implementation of the current requirements will have a negligible financial impact on operations.

### **Prospects**

The Group's financial position remains sound, cash generation continues to be strong and we retain adequate headroom to accommodate expansion opportunities, both acquisitive and organic.

The macroeconomic environment in South Africa remains a major concern, with no GDP growth expected for the current year and modest growth at best expected over the medium term. Compounding the economic situation, is the uncertain socio-political environment that is not conducive for foreign and domestic investment.

We are actively seeking bolt on acquisitions and exploring international opportunities while our Other Assets and Investments are constantly being reviewed. These assets will be dealt with appropriately in due course.

This announcement and any forward looking statements have not been reviewed by the auditors.

**Dial in numbers for the teleconference are as follows:**

Australia - Toll-Free	1 800 350 100
Other Countries - International	+27 11 535 3600
Other Countries - International	+27 10 201 6800
South Africa - Johannesburg Neotel	011 535 3600
South Africa - Johannesburg Telkom	010 201 6800
South Africa - Toll-Free	0 800 200 648
UK - Toll-Free	0808 162 4061

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