RISE IN BASIC EARNINGS PER SHARE

BVT - The Bidvest Group Limited - Bidvest's basic earnings per share rise 8,7% for half-year to December 2008 The Bidvest Group Limited Registration number 1946/021180/06 Share code: BVT ISIN: ZAE000117321 ("Bidvest") BIDVEST'S HALF-YEAR RESULTS SHOW 8,7% RISE IN BASIC EARNINGS PER SHARE Bidvest's basic earnings per share rise 8,7% for half-year to December 2008. Trading profit rises 6,4% to R2,6 billion.

HIGHLIGHTS

- Basic earnings per share up 8,7%, but headline earnings dip 8,9%
- Revenue up 11,3% to R60,0 billion, reflecting market share gains
- Trading profit moves 6,4% higher to R2,6 billion
- Good contributions from Bidserv, Bidvest Australasia and SA food businesses
- Translation of offshore earnings buoyed by a weaker rand
- Balance sheet remains strong and working capital management a key focus area
- Bidvest positioned to exploit opportunities presented by tough times
- Interest cover at 4,7 times reflects adequate borrowing capacity
- Distribution of 190,0 cents per share

OVERVIEW

Bidvest CE Brian Joffe today announced "solid trading results" for the half year to December 31 2008. Basic earnings per share rose 8,7% to 530,4 cents, though headline earnings per share dipped by 8,9% to 454,0 cents. Revenue of R60,0 billion was up 11,3%, while trading profit rose 6,4% to R2,6 billion. Market share gains in many instances contributed to revenue growth. Joffe said the decline in headline earnings was partly due to the expensing of R165,3 million in closure and reorganisation costs within motor retailing and at the UK foodservice and Ontime Automotive businesses.

He added: "Without these costs, headline earnings per share would have decreased by 0,8%. Decisive actions were deliberately taken to put the Group in a stronger position at a time of uncertainty and worldwide economic recession. Difficult times provide opportunity, and Bidvest is alert to the potential this offers." Joffe noted good contributions from Bidserv, Bidvest Australasia and the South African food businesses.

Underperforming areas included 3663 First for Foodservice in the UK and Bid Auto. Motor retailing was impacted by high interest rates, low consumer spending and vehicle financing constraints. The drop in Bidvest's trading margin - from 4,6% to 4,4% - was impacted by the 3663 in the UK and Bid Auto's underperformance.

Severe recession in the UK took its toll on the UK businesses, though a weaker rand (R15,21 against sterling versus R14,14 a year earlier) was positive for the translation of UK earnings.

Capital expenditure in all operations is being reviewed. Joffe commented: "Working capital management remains an area of critical focus ... Tightening controls to improve returns on funds employed remains management's number one priority." Net debt rose to R7,9 billion (June 2008 R5,6 billion), driven by seasonal working capital demands. Interest cover at 4,7 times reflects adequate borrowing capacity. Finance charges increased 26,4% to R562,9 million as a result of higher interest rates and the refinancing of term loans. Bidvest's conservative attitude to debt remains appropriate in the current climate.

PROSPECTS

Joffe expects a continuation of challenging economic conditions and continuing fallout from the global financial crisis. However, "the Group remains committed to its decentralised business model as the best foil to risks associated with the worldwide economic environment. Our divisions continue to optimise opportunities across various geographies and industries whilst remaining focused on basic deliverables".

Bidvest's balance sheet remains strong and is appropriately capitalised. The Group will continue to seek strategic acquisition opportunities. Bidvest remains focused on improving the management of working capital while pursuing increased incremental returns from recent investments. The `World Cup effect' is gaining momentum in South Africa and Bid Auto's market should benefit from falling interest rates. Internationally, Bidvest's Australian and New Zealand businesses will seek further market share gains whilst the Hong Kong and Singapore units remain a springboard for regional expansion. Bidvest's UK businesses are seeking improved medium-term results through the rationalisation undertaken. Joffe added: "We remain committed to sustained shareholder value creation through superior trading performance and returns improvement, whilst ensuring a prudent capital structure with appropriate leverage."

DISTRIBUTION

Bidvest will make an interim distribution of 190,0 (2007: 220,0) cents per share.

DIVISIONAL REVIEW

Bidfreight achieved reasonable results, though margin pressure and contracting volumes affected several operations. Trading profit rose 10,5% to R365,5 million. Revenue was marginally higher at R10,7 billion. Bulk liquids benefited from increased capacity and rental adjustments. SA Bulk Terminals returned good results and SACD Freight performed satisfactorily. Commodity exports are down with no sign of an export uptick. Port Operations saw declines in the export of steel, forest products and ferrochrome. Imports of cement and rice also fell. Bulk Connections performed satisfactorily, though manganese volumes tailed off. Rennies Distribution Services performed below expectation. Clearing and Forwarding was impacted by flat seafreight volumes and a 15% fall in airfreight. Marine did well and Manica showed good improvement.

Bidserv put in a strong performance with a 57,9% return on funds employed. Trading profit rose 27,2% to R489,4 million while revenue grew 23,3% to R3,6 billion. Prestige did well despite cleaning sector cost pressures. Bid Travel Services was impacted by the economic slowdown. TMS benefited from investment in additional capacity and Steiner showed some growth. Laundry division was impacted by falling hotel occupancy rates though a buoyant garment rental market was beneficial. Industrial products continued to perform exceptionally well and the results of Konica Minolta and Oce were well up. Magnum put in another improved performance, but Provicom was weaker. Global Payment Technologies recovered strongly. BidAir improved and its new management team is expected to maintain momentum. TopTurf met expectations while Hotel Amenities Supplies was impacted by lower occupancy rates. Bidvest Bank and Master Currency performed exceptionally well, driven by product innovation and branch openings.

Bidvest Europe's results were disappointing, except for the businesses in mainland Europe. Overall trading profit fell 3,4% to R396,3 million. Revenue rose 20,8% to R19,3 billion. The UK's severe recession impacted 3663 First for Foodservice and the chief challenge was margin pressure. Corrective action was reflected in lower-than-budgeted overhead costs. The Barton Meat Company was closed and, together with other rationalisation costs, an exceptional charge of GBP11,8 million was taken. Trading profit fell at the Wholesale division while Logistics made a loss. Trading profit at DeliXL Netherlands was well up on the previous year. At Deli XL Belgium sales and trading profit were slightly behind projections, but well ahead of the previous year. In Dubai, Horeca grew revenue at improved margins.

Bidvest Asia Pacific registered good overall performance, growing revenue by 33,7% to R8,8 billion. Trading profit rose 13,7% to R285,7 million. Consolidation of divisional figures masks under-performance, particularly in Singapore and to a lesser degree Hong Kong and China. Bidvest Australia returned pleasing results in a stalling economy. Revenue rose 15,1% to A$819,8 million. Trading profit of A$31,1 million was up 15,3%. Organic growth drove sales, though food inflation buoyed results. Foodservice performed well, Hospitality had a strong second quarter and QSR achieved a satisfactory result. Bidvest New Zealand performed satisfactorily. Trading profit rose 12,1% to NZ$9,9 million and revenue increased 15,3% to NZ$215,5 million. All divisions performed ahead of expectations in a contracting economy. Angliss Singapore suffered a trading loss of S$276k following second quarter losses arising from falling food commodity prices. Revenue rose to S$166,4 million. Angliss Hong Kong achieved profit of HK$21,3 million (2007:HK$24,4 million) on revenue of HK$866,0 million. Profitability was impacted by the dumping of stock by competitors as banks squeezed credit and demand fell for western-style product.

Bidfood put in a satisfactory performance, with revenue up 20,7% to R2,7 billion while trading profit rose 16,9% to R217,6 million. Caterplus and Caterplus and Speciality achieved continued growth in a challenging environment, with trading profit rising by 16,6% to R128,6 million off revenue of R1,7 billion, a rise of 15,3%. Caterplus grew market share by increasing the average spend per customer and the average value of each drop. Rigorous expense management and improved cash flow contributed to a satisfactory performance, despite capacity constraints in several branches. New Cape premises are nearing completion and new facilities are planned for some other regions. Speciality delivered satisfactory results. The slowing economy had particular impact on consumers in the middle and upper income bracket who drive demand for Speciality's aspirational brands. Speciality limited the impact through aggressive brand promotion and efficient distribution. Bidfood Ingredients achieved pleasing results, with trading profit up 17,4%. All trading businesses performed well with the exception of NCP Yeast, which was unable to timeously pass on abnormal raw material price increases. Factories grew profitability, with a notable turnaround in Chipkins Bakery Ingredients.

Bid Industrial & Commercial Products delivered a satisfactory overall result in largely adverse trading conditions. Trading profit eased 1,4% lower to R324,9 million off revenue of R5,0 billion, an 8,2% increase. A falling copper price and a slowdown in the housing and retail sectors created challenges. The Electrical Wholesale division grew revenue by 6,0% while trading profit fell 2,5%. Falling copper prices precipitated a reduction of inventory levels. By December, stock holdings had fallen by R112 million. Walton's did well driven higher by store openings and refurbishments. Kolok's significant improvement was attributable to improved trading conditions and the benefits of a weaker rand. Trading profit and revenue at Furniture were below projections. Stock levels are being re-evaluated. Afcom GE Hudson achieved pleasing growth in trading profit while well-controlled expenses led to improved performance at Buffalo Executape. Vulcan Catering Supplies achieved acceptable results despite a tight market. Bidpaper Plus returned a solid result in a challenging market, with revenue up 14,4% to R1,2 billion while trading profit rose 2,9% to R130,3 million. Results include the contribution of newly acquired Rotolabel and reflect the inflationary effect of input cost increases. Products linked to credit transactions were impacted by credit constraints while businesses also felt the knock-on effects of a retail sector under pressure. Strong improvement was seen in stationery distribution following an aggressive drive by a revitalised Croxley brand. The Rotolabel acquisition and consolidation of label factories in Gauteng drove improvements in the labels and packaging business. Traditional print put in a weaker performance, though Cape rationalisation is now complete and related costs were absorbed in the period. The laser and mail business achieved a measure of earnings growth.

Bid Auto's trading profit of R214,4 million was down 39,4%. Revenue fell from R10,0 billion to R8,8 billion. Motor Retail was severely affected by a 24,2% drop in new vehicle sales, giving rise to excessive levels of inventory, discounting and overtrading and much-reduced dealership trading margins. Burchmore's Car Auctions produced pleasing results due to an increase in bank repossessions and the success of its marketing programme. Used Vehicle departments are beginning to show volume and margin improvement while Parts and Service departments continue to produce strong results. The Import and Distribution business was impacted by losses on the importation of Chinese vehicles due to a weaker rand and declining sales. Sixteen 16 Value Serve outlets and seven Value Centres were closed at a cost of R30,3 million following substantial losses by these networks. Yamaha delivered trading profits significantly behind those of the prior year. Heavy Equipment continues to grow and recorded a pleasing result. Financial Services performed well, considering current business conditions. Insurance operations were, however, impacted by a mark-to-market adjustment of the equity portfolio. Increased impairments for doubtful debts contributed to a poor performance by McCarthy Finance. Fleet Solutions delivered impressive profit growth. Car and Van Rental profitability declined due to an over-fleeted rental market. Working capital management has been a key focus area, resulting in a reduction in inventory levels.

Bidvest Namibia's excellent results were buoyed by a strong performance at Bidfish. All other businesses performed in line with expectations. Bidvest Namibia's listing is expected in the fourth quarter of the calendar year. At Corporate, Bidvest Property Holdings continued to successfully manage and grow its strategic portfolio. UK-based Ontime Automotive was impacted by the GBP3,4 million cost of exiting the volume transport business, rationalisation of Rescue and Recovery depots and the wind-down of a major Parking Solutions contract. A slowing prestige vehicle market impacted Specialist Transport. The associate investment in Enviroserv Limited was sold with effect from November 2008 for a profit of R391,8 million.