

Interim results for the six
months to December 31 2002



The **BIDVest** Group Limited

“From diversity comes strength”



The **BIDVest** Group Limited

Interim results for the half year to December 31 2002 presentation



Financial Review

- Revenue ↑ by 24,1% to R24,6bn (2001:R19,8bn)
- Operating Income ↑ by 22,1% to R1,1bn (2001: R923,9m)
- Headline earnings ↑ by 19,1% to R754,9m (2001:R634,0m)
- Income attributable to shareholders ↑ by 18,1% to R732,3m (2001: R620,1m)
- Headline earnings per share ↑ by 13,6% to 243,2c (2001: 214,0c)
- Headline earnings per share excluding translation gains ↑ by 28,2%
- Distribution per share ↑ by 20,0% to 108,0c (2001: 90,0c)



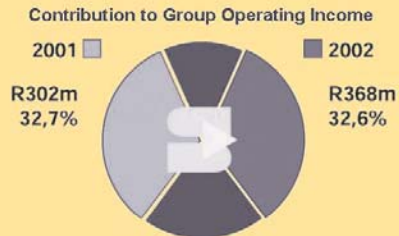


Operational Highlights

- Excellent operational performance across the Group
- Impact of the strengthening rand
- Strong performance from Bidvest plc
- AA-debt rating by Fitch Ratings reaffirmed
- Further black economic empowerment initiatives



“A comprehensive service offering”





The Services
Division

Bidfreight

Review

- Revenue up 32,4% to R8,3 billion
- Operating income up by 0,8% to R207,4 million
- Operating income up 1%
- Operating income (excluding Namibian fishing) up 18%
- Attributable income (excluding Namibian fishing) up 15%
- Higher export volumes, expanded facilities and grain imports (food aid programme)
- Impact of stronger rand (Marine Services and fishing)
- Restructuring progress at Bidcorp plc

Prospects

- Extension of supply chain
- Eliminating losses at Bidfreight Logistics
- Growth from Bidcorp's core businesses
- Privatisation / concessioning





The Services
Division

Bidserv

Review

- Revenue up 19,3% to R833,4 million
- Operating Income up 26,1% to R70,7 million
- Some excellent performances
- Acquisition of Airport Handling Services
- Competitive pressures
- Industry turmoil

Prospects

- Momentum in outsourcing market encouraging
- Dinatla
- Expected industry consolidation





The Services
Division

Renfin

Review

- Revenue up 26,1% to R314,0 million
- Operating Income up 123,1% to R89,8 million
- Excellent results reflecting cost cutting and low base of comparative period
- Corporate market recovered - not yet pre 9/11
- Foreign forex purchases buoyant

Prospects

- Increased tourism
- Strengthening rand should encourage outbound travel

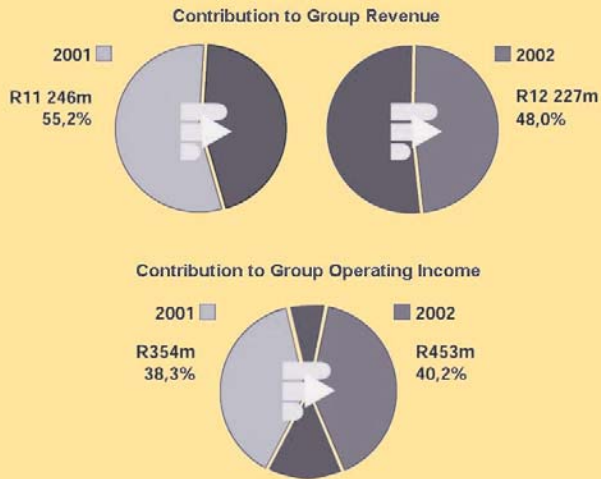




The Foodservice Products Division

The Foodservice Products Division

“A leading broadline foodservice products distributor in South Africa, the United Kingdom, Australia and New Zealand”





Bidvest plc

Review

- Revenue up 6,7% to R10,8 billion
- Operating income up 22,6% to R309,3 million
- Translation rates
- **3663 First for Foodservice in the United Kingdom**
 - Contributions from all divisions
 - Growth from new business gained
 - Increased market share
- **Bidvest First for Foodservice Australia**
 - Benefits from John Lewis acquisition
 - National coverage extended
- **Crean First for Foodservice New Zealand**
 - Further organic growth

Prospects

- Investment in infrastructure and operational efficiencies
- Organic growth
- Further acquisitions





Caterplus

Review

- Revenue up 30,0% to R1,0 billion
- Operating income up 53,8% to R95,6 million
- Increased tourism
- All market segments showed growth
- Opportunistic buying

Prospects

- Margin improvements
- Product expansion
- World Cup cricket
- Hotel occupancy expected to remain high
- Trend to out of home eating





Combined Foods

Review

- Revenue up 20,0% to R441,4 million
- Operating Income up 22,0% to R48,3 million
- Aggressive sales campaign and marketing drive
- Intense competition and margin pressure at Chipkins Bakery Supplies

Prospects

- Innovative new products
- Expansion of product range
- New market opportunities
- Margin improvement
- Factory upgrade





The Commercial Products Division

The Commercial Products Division

“Focused on the manufacture, trading and distribution of leading, branded commercial products”





The Commercial Products
Division

Bidoffice

Review

- Revenue up 49,2% to R2,3 billion
- Operating Income up 41,3% to R180,7 million
- Excellent results from buoyant trade and increased activity
- Strong contributions from Stationery and Printing divisions
- Increased competition, 'grey' Imports
- Danel (Lithotech France)

Prospects

- Ongoing operational improvements
- Back-to-School
- Encouraging outlook





The Commercial Products
Division

Bidpac

Review

- Revenue up 23,7% to R393,1 million
- Operating income up 47,3% to R62,1 million
- Excellent results
- Aggressive sales drive
- Increased market share
- Factories increased volume throughput and generated over recoveries

Prospects

- New products and services offered to new and existing customers
- Focus on export-led companies and large manufacturers
- Export programme





The Commercial Products
Division

Voltex

Review

- Revenue of R1,1 billion
- Operating Income of R48,0 million
- Momentum maintained into second half of 2002
- New infrastructural projects
- Cyclical housing boom
- Significant agricultural expansion
- Increased activity in building and construction
- Mining and industrial sectors targeted

Prospects

- Continued construction and infrastructural investment





I-Fusion

- Focus on value added networking and network services
- Cabling business downscaled

mymarket.com

- 2 500 registered buyers
- 10 000 purchases per month
- 600 different suppliers
- Clients benefiting from synergies, cost and process savings
- UK platform - final training and rollout





Group Prospects

“Bidvest is about the future, about where we are going,
not where we have been”

- Strengthening rand
- Management challenged to ensure optimal positioning
- Empowerment Initiatives
- Organic growth
- Acquisitions opportunities
- Privatisation
- Well positioned for continued growth



Q & A



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Appendices





Consolidated Group Income Statement

Consolidated income statement

R'000	Half year ended December 31		Percentage change	Year ended June 30 2002 Audited
	2002 Unaudited	2001 [†] Unaudited		
Revenue	24 565 364	19 790 404	24,1	41 950 388
Operating income	1 128 347	923 947	22,1	2 012 611
Operating income pre-translation gains	1 124 621	849 105	32,4	1 909 966
Translation gains	3 726	74 842		102 645
Amortisation of goodwill	(22 449)	(15 714)		(52 646)
Net capital items	(877)	26		(11 467)
Net finance expense	(36 865)	(8 521)		(80 163)
Income before taxation	1 068 156	899 738	18,7	1 868 335
Taxation	(299 607)	(235 321)		(515 264)
Income after taxation	768 549	664 417	15,7	1 353 071
Income from associates	15 921	13 491		17 735
Trading profits	16 078	13 624		27 788
Impairment of and goodwill in associates	(157)	(133)		(10 053)
Outside shareholders' interest	(52 158)	(57 846)		(129 557)
Income attributable to shareholders	732 312	620 062	18,1	1 241 249
Number of shares in issue (weighted 000)	310 402	296 251		299 089
Headline earnings per share (cents)	243,2	214,0	13,6	436,2
Earnings per share (cents)	235,9	209,3	12,7	415,0
Distribution per share* (cents)	108,0	90,0	20,0	190,0

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Consolidated income statement

R'000	Half year ended December 31		Percentage change	Year ended June 30 2002 Audited
	2002 Unaudited	2001† Unaudited		
Headline earnings				
The following adjustments to income attributable to shareholders were taken into account in the calculation of headline earnings:				
Income attributable to shareholders	732 312	620 062		1 241 249
Amortisation of goodwill	22 449	15 714		52 646
Net loss (surplus) on disposal of assets and businesses	677	(26)		(3 610)
Costs relating to unsuccessful bid for Brake Bros plc	-	-		20 403
Underwriting commission received net of costs from Bidcorp plc	-	-		(5 326)
Impairment of and goodwill in associates	157	133		10 053
Tax charge (relief)	-	-		(4 363)
Outside shareholders' Interest	(889)	(1 855)		(6 322)
Headline earnings	754 906	634 028	19,1	1 304 730
Rand/Sterling exchange rates				
Opening rate	15,91	11,34		11,34
Closing rate	13,86	17,40		15,91
Average rate	15,61	15,62 [‡]		14,54

†Computed on a projected annualised basis.



Consolidated Group Balance Sheet

Consolidated balance sheet

R'000	December 31		June 30
	2002 Unaudited	2001† Unaudited	2002 Audited
ASSETS			
Non-current assets	4 987 541	4 180 978	5 132 443
Fixed assets	3 474 061	2 679 254	3 602 498
Intangible assets	667 229	525 236	681 903
Deferred taxation	199 229	255 249	251 282
Investments and advances	472 212	469 525	404 615
Banking and other advances	174 610	251 714	192 145
Current assets	9 764 886	8 279 367	9 996 814
Other current assets	7 810 756	6 285 749	7 253 322
Liquid funds	1 946 130	1 993 618	2 745 492
Total assets	14 752 427	12 460 345	15 131 257
EQUITY AND LIABILITIES			
Capital and reserves	6 432 881	5 258 220	6 395 651
Shareholders' interest	5 696 931	4 849 546	5 589 235
Outside shareholders' interest	735 950	408 674	806 416
Non-current liabilities	436 139	351 400	604 371
Deferred taxation	164 734	117 864	252 048
Post-retirement obligations	182 701	164 608	188 785
Long-term portion of interest-bearing borrowings	70 032	36 039	135 838
Banking liabilities	16 672	32 689	27 700
Current liabilities	7 883 407	6 850 725	8 131 235
Other current liabilities	6 533 993	5 455 929	6 887 622
Current portion of interest-bearing borrowings	1 349 414	1 394 796	1 243 613
Total equity and liabilities	14 752 427	12 460 345	15 131 257
Number of shares in issue (000)	312 588	298 778	311 839
Net tangible asset value per share (cents)	1 609	1 447	1 574

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Consolidated Group Cash Flow Statement

Consolidated cash flow statement

R'000	Half year ended December 31		Year ended June 30
	2002	2001†	2002
	Unaudited	Unaudited	Audited
Cash flow from operating activities	(119 730)	157 745	2 002 904
Operating income net of capital items	1 127 470	923 973	2 001 144
Depreciation and other non-cash items	348 795	248 190	580 019
Changes in working capital	(941 766)	(846 830)	207 183
Cash generated by operations	534 499	325 333	2 788 946
Net finance expense	(36 865)	(8 521)	(80 163)
Taxation paid	(277 656)	(137 613)	(395 737)
Dividends paid			
– Company	(311 892)	–	(268 901)
– subsidiaries	(27 816)	(21 454)	(40 641)
Cash effects of investment activities	(671 941)	(718 340)	(1 658 352)
Net additions to fixed assets	(439 725)	(285 215)	(695 117)
Net additions to intangible assets	1 564	(10 459)	(18 760)
Net acquisition of subsidiaries, businesses, associates and investments	(232 879)	(422 666)	(944 475)
Cash effects of financing activities	(64 149)	314 608	552 378
Proceeds from shares issued			
– Company	21 212	23 189	596 462
– subsidiaries	5 693	465	506
Distribution of share premium to shareholders	–	(159 743)	(159 743)
Net borrowings raised (repaid)	(91 054)	450 697	115 153
Net increase (decrease) in cash and cash equivalents	(854 920)	(245 987)	896 930
Net cash and cash equivalents at the beginning of the period	2 202 331	1 058 213	1 058 213
Currency adjustments	(154 808)	367 937	247 188
Net cash and cash equivalents at the end of the period	1 192 603	1 180 163	2 202 331
Cash equivalents made up as follows:			
Cash on hand and in the bank	1 946 130	1 993 618	2 745 492
Bank overdrafts shown as current portion of interest-bearing borrowings	(753 527)	(813 455)	(543 161)
	1 192 603	1 180 163	2 202 331



Segmental analysis Revenue

Segmental analysis

R'000	Half year ended December 31		Percentage change	Year ended June 30 2002 Audited
	2002 Unaudited	2001† Unaudited		
REVENUE				
The Services Division	9 398 787	7 179 587	30,9	16 424 403
Bidfreight	8 251 319	6 231 818	32,4	14 383 523
Bidserv	833 433	698 736	19,3	1 505 982
Renfin	314 035	249 033	26,1	534 898
The Foodservice Products Division	12 227 027	11 246 386	8,7	21 121 321
Bidvest plc	10 764 086	10 092 618	6,7	18 741 489
Caterplus	1 021 572	786 025	30,0	1 653 732
Combined Foods	441 369	367 743	20,0	726 100
The Commercial Products Division	3 826 074	1 886 772	102,8	5 500 712
Bidoffice	2 340 844	1 569 042	49,2	3 512 837
Bidpac	393 114	317 730	23,7	625 537
Voltex	1 092 116	–	–	1 362 338
Corporate Services	34 263	74 627	(54,1)	159 387
I-Fusion	32 948	74 627	(55,8)	159 225
mymarket.com	1 315	–	–	162
Intergroup eliminations	(920 787)	(596 968)	–	(1 255 435)
	24 565 364	19 790 404	24,1	41 950 388



Segmental analysis Operating income

Segmental analysis

R'000	Half year ended December 31		Percentage change	Year ended
	2002 Unaudited	2001† Unaudited		June 30 2002 Audited
OPERATING INCOME				
The Services Division	367 911	302 075	21,8	718 570
Bidfreight	207 375	205 751	0,8	474 514
Bidserv	70 748	56 085	26,1	134 317
Rentfin	89 788	40 239	123,1	109 739
The Foodservice Products Division	453 134	353 965	28,0	672 927
Bidvest plc	309 272	252 239	22,6	460 875
Caterplus	95 569	62 140	53,8	132 493
Combined Foods	48 293	39 586	22,0	79 559
The Commercial Products Division	290 848	170 088	71,0	487 675
Bidoffice	180 710	127 921	41,3	313 715
Bidpac	62 133	42 167	47,3	84 142
Voltex	48 005	–	–	89 818
Corporate Services	16 454	97 819	(83,2)	133 439
I-Fusion	(3 540)	(5 669)	–	(9 096)
mymarket.com	(3 391)	–	–	(2 172)
Investment and other income	1 181	11 828	(90,0)	6 259
Translation gains	3 726	74 842	(95,0)	102 645
Group properties	18 478	16 818	9,9	35 803
	1 128 347	923 947	22,1	2 012 611