RESULTS PRESENTATION
FOR THE YEAR ENDED
30 JUNE 2016
AGENDA

OVERVIEW | CONTEXT | STRATEGY | OPERATIONS REVIEW | FINANCIAL REVIEW | LOOKING FORWARD
### OVERVIEW

<table>
<thead>
<tr>
<th>REVENUE</th>
<th>OPERATING PROFIT</th>
<th>HEPS</th>
</tr>
</thead>
<tbody>
<tr>
<td>✅ 8%</td>
<td>✅ 3%</td>
<td>✅ 3%</td>
</tr>
<tr>
<td><strong>R118 849</strong> million (Record)</td>
<td><strong>R6 422</strong> million (Record)</td>
<td><strong>1 579</strong> cents PER SHARE</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>EPS &amp; CORE EPS¹</th>
<th>FULL YEAR DIVIDEND</th>
<th>CASH GENERATED BY OPERATIONS</th>
</tr>
</thead>
<tbody>
<tr>
<td>🔄 Unchanged 1 581 &amp; 1 747 cps respectively</td>
<td>🔄 Unchanged 795 cps (Final 425 cps)</td>
<td>🔄 1% <strong>R8 952</strong> million</td>
</tr>
</tbody>
</table>

**ROIC OF 12.4% VS WACC OF 10.2%**

**NET DEBT:EQUITY RATIO OF 73%**

(INCL PREF SHARES AS EQUITY)

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1. Core EPS excludes once-off & non-operational items, mainly: amortisation of intangibles arising on acquisitions of R437m; re-measurement of contingent consideration, business acquisition costs & put option liabilities R113m; foreign exchange gain on inter-group monetary items R92m
OVERVIEW

> All divisions recorded revenue growth in Rand terms
> Double-digit growth of revenue & operating profit from foreign operations
GROWTH TREND IN FOREIGN OPERATIONS

REVENUE* (Rm)

OPERATING PROFIT* (Rm)

> Foreign revenue up 23% to R49.7bn (42% of group*)

> Foreign operating profit up 18% to R2.2bn (36% of group*)

> Rest of Africa revenue up 27% to R13.3bn (11% of group*)

> Rest of Africa operating profit up 28% to R853m (14% of group*)

* Excludes Regent, head office & eliminations

Growth to offset the limited growth opportunities dictated by Imperial’s position as a South African market leader in logistics & motor vehicles
OVERVIEW

> All divisions recorded revenue growth in Rand terms
> Double-digit growth of revenue & operating profit from foreign operations
> Increase of revenue & unchanged operating profit from non-vehicle operations
GROWTH TREND IN NON VEHICLE OPERATIONS

**Revenue**

- 4 year CAGR = 15%

- June 12: 27,704
- June 13: 33,592
- June 14: 41,339
- June 15: 44,418
- June 16: 47,912

**Operating Profit**

- 4 year = CAGR 14%

- June 12: 1,508
- June 13: 1,682
- June 14: 2,241
- June 15: 2,545
- June 16: 2,543

> Revenue not related to Vehicles up 8% to R47.9bn (*40% of group* revenue)

> Operating profit not related to Vehicles unchanged at R2.5bn (*42% of group* operating profit)

**Imperative throughout Imperial to grow revenues & profits less susceptible to currency volatility, in order to reduce the group’s exposure to exchange rate sensitive operating profits attributable mainly to directly imported vehicles**

*Excludes Regent, head office & eliminations. Motor Related Financial Services now included in Vehicles*
OVERVIEW

> All divisions recorded revenue growth in Rand terms
> Double-digit growth of revenue & operating profit from foreign operations
> Increase of revenue & unchanged operating profit from non-vehicle operations
> Strategic disposals during the year to generate proceeds of approximately R5.2bn (R2.4bn received to date)
> Announced of Group restructure into 2 major divisions from 1st July 2016
AGENDA

OVERVIEW  CONTEXT  STRATEGY  OPERATIONS REVIEW  FINANCIAL REVIEW  LOOKING FORWARD
OPERATING CONTEXT – IMPERIAL REGIONS

South Africa (58% revenue; 64% operating profit)

> Global developments (slowing global economy, ↓ commodity prices & exports; ↓ ZAR)
> Structural impediments to growth:
  • unemployment, low skills, labour legislation & militancy
  • low public service competence & capacity
  • energy & water supply, aging infrastructure, etc.
> Cyclical impediments to growth
  • deterioration of business confidence, low private sector investment, negative capital flows, weak Rand, rising rates, tightening credit, drought
  • business & consumer confidence undermined by socio-economic stress, political ineptitude, policy uncertainty, increasing corruption & fears of the extent of state capture
> Downward revision of national GDP growth forecast to 0.1% in 2016 & 1.0% for 2017 (2015: 1.5%)

Specific uncontrollable factors in RSA in F 2016

> 27% decline in average rand/dollar exchange rate
> 8% decline in national new vehicle sales
> Sharp decline in commodity, chemical & fuel volumes
> Declining consumer confidence & rising interest rates that depressed PCE & vehicle volumes
OPERATING CONTEXT – IMPERIAL REGIONS

Rest of Africa (11% revenue; 14% operating profit)
> Economic growth rates impacted by falling commodity demand, lower oil prices & the consequent impact on currencies & private consumption

Specific RoA uncontrollable factors in F 2016
> Lower commodity prices & slowing economies
> Currency volatility & availability
> Subdued consumer goods volumes
> Weakening Rand enhanced results

Eurozone & UK (31% revenue; 22% operating profit)
> Slower than expected recovery in Eurozone
> Solid economic growth in the UK but Brexit uncertainty from February 2016

Specific Eurozone uncontrollable factors in F 2016
> Low water levels that depressed the profitability of inland shipping in H1 2016
> Solid UK economic growth supporting our business, with some buying caution pre Brexit
> The weakening of the Rand against the Pound & Euro, which assisted Rand denominated results for the UK & Eurozone businesses
AGENDA

OVERVIEW | CONTEXT | STRATEGY | OPERATIONS REVIEW | FINANCIAL REVIEW | LOOKING FORWARD
PATH TO VALUE CREATION

> Imperial JSE Ranking
  • 13\textsuperscript{th} in Revenue
  • 27\textsuperscript{th} in Operating Profit
  • 62\textsuperscript{nd} in Market Value

> Burdened by
  • Capital intensity
  • Low ROE
  • Impact of Rand on competitiveness of ~ 27\% group (VIDD)
  • High market shares in structurally low growth South Africa
  • Complexity

> Major capabilities
  • Operational execution
  • Industry leading expertise in logistics & vehicles
  • Accounting & Governance
PATH TO VALUE CREATION

> Clarify the portfolio
  • What businesses are we in?
  • What sectors do they occupy?
  • Disposals & acquisitions

> Structure the portfolio
  • Sectoral grouping (i.e. similar skills / counterparts / business models / assets, etc.)
  • Are they discreet sectors?
  • Eliminate managerial & organisational complexity (enterprise architecture)

> Get the right people
  • Ensure succession
  • Future leadership: highly qualified; younger; diverse; open & responsive to change

> Leverage technology
  • Optimum transactional efficiency
  • Turning data > information > insight > wisdom
  • Enhancing value proposition for clients
INVESTMENT STRATEGY

> Imperial strives to create long term value for stakeholders through strategic clarity, financial discipline, operational excellence & strictly defined capital allocation principles

> Our investment thesis is unchanged:
  • We will release capital & sharpen executive focus, by disposing of non-core, strategically misaligned, underperforming or low return on effort assets
UPDATE DISPOSALS

> Major disposals
  • Announced: Regent (subject to regulatory approval), Goscor, Neska, ALS & MixTelematics
  • 51% (control) of 10 entities in AMH Group to a related party for R75m, subject to regulatory approval

> Smaller disposals
  • 32 various smaller disposals in ILI, VIDD & VRRAP

> In progress:
  • ~R2.6bn anticipated over next 12 to 18 months (mainly non-strategic properties for sale, or sale & leaseback)

> Excluding Regent we will have disposed of 29 businesses that utilised R2.8bn of invested capital & generated sales of R6bn & operating profit of R45m

Total businesses & property disposals concluded to June 2016 ~R5.2 billion which will initially be used to reduce debt until redeployed in accordance with our strategic & investment criteria. R2.4 billion has been received to date
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> Our investment thesis is unchanged:
  
  • We will release capital & sharpen executive focus, by disposing of non-core, strategically misaligned, underperforming or low return on effort assets
  
  • We will invest capital in South Africa to maintain the quality of our assets & our market leadership in logistics & motor vehicles
Acquisitions:

> 10% minority in the AMH Group for R750m, settled through issue of Imperial shares & cash
> A further 14% in Midas for R113m
> 100% of Teamcar, Maxifren, Fairdeal by Midas
> 100% of Axnosis by Resolve
> Logistics Africa acquired 70% stake in Sasfin Premier Logistics, finalised on 6th July 2016
> A further 10% was acquired in Midas post year end (now 100% owned)

2016 Capex:

> R2.6bn (continuing operations)
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• We will invest capital in the Rest of Africa primarily to achieve our 2020 objective for the revenue & profits generated by logistics in that region to equal that of our South African logistics business, & secondarily to expand our vehicles & related businesses in the region
UPDATE INVESTMENT IN REST OF AFRICA

Acquisitions:
> 70% Imperilog Botswana
> A further 10% of Imres (based in Netherlands) acquired by Logistics Africa (now 80% owned)

Expansion:
> Vehicle distribution agreements were concluded in 6 African countries

2016 Capex:
> R416m
INVESTMENT STRATEGY

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  • We will invest capital generated from operations & from divestments to grow our businesses beyond the continent, but with an emphasis on logistics
UPDATE INVESTMENT IN GLOBAL LOGISTICS

Acquisitions:
> Van den Anker by Logistics International (Netherlands)
> Humberside Tail Lifts by VRRAP (UK Commercial vehicles)
> 95% of Palletways for R3.0bn (£155.1m), effective on 5th July 2016

2016 Capex:
> R1.1bn
PALLETWAYS OVERVIEW

> Acquisition of ~95% of Palletways concluded 5th July 2016
> Enterprise value consideration R3.2bn (£162.9m):
  • funded by existing unutilised foreign credit facilities
  • acquisition acquired debt free
> Leading European operator in express small consignment palletised freight market (#1 in UK, Italy & Iberia), with a competitive cost advantage in the 1-3 express pallets market
> Express delivery solution for small consignments of palletised freight across 20 European countries: in the UK (1 in 4 pallets handled by palletised freight networks in UK)

<table>
<thead>
<tr>
<th>Depots</th>
<th>Hubs</th>
<th>Daily volume</th>
<th>Annual volume</th>
</tr>
</thead>
<tbody>
<tr>
<td>Over 400</td>
<td>14</td>
<td>38 000 pallets</td>
<td>8 million pallets</td>
</tr>
</tbody>
</table>

> Dedicated experienced founder & team co-invested ~5% & remain for 3 years
> Strategically aligned within Imperial’s capability set
> Value accretive in medium term
> Strong trading momentum & inherent organic growth potential
> Strong organic volume growth in all networks, both historically (~9% CAGR) & prospectively (GDP ±4-5%)
> Margin improvement driven by scalability of model, increasing network efficiency & pricing power
> Investment made in capacity & new networks – no material capex required to deliver the organic growth plan
> Strong cash flow conversion due to asset-light operating model & stable working capital
> Expansion into Germany & eastwards enhanced by Imperial’s ownership
INVESTMENT STRATEGY

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  • We will invest capital generated from operations & from divestments to grow our businesses beyond the continent, but with an emphasis on logistics

> The development & sustainability of Imperial will be underpinned by investment in human capital & information systems
UPDATE INVESTMENT IN HUMAN CAPITAL

Organisation Effectiveness

> Enterprise architecture
> Executive Talent Management: objective assessment; relevant skills; leadership capability; role congruence; cost
> Human Capital information systems
> Values
> Recent examples:
  • Restructuring of Logistics under one Board, CEO, Execucom
  • Restructuring of Vehicles under one Board, CEO, Execucom in process
  • Involves 2 year succession process > changes to the roles or reporting lines of 26 most senior Imperial executives
UPDATE INVESTMENT IN ITC

Information Systems

> Major systems implementations:
  • Logistics Africa – SAP & other
  • Logistics International – Integration
  • VIDD – Dealer Management System
  • VRAPP – Europcar, Alert & Midas

> Major development of online / social media

> Developing analytics
AGENDA

OVERVIEW | CONTEXT | STRATEGY | OPERATIONS REVIEW | FINANCIAL REVIEW | LOOKING FORWARD
IMPERIAL’S TWO LINES OF MOBILITY

LOGISTICS

REVENUE

8%
R47.9 billion
40% contribution

OPERATING PROFIT

Unchanged
R2.5 billion
42% contribution
4 YEAR CAGR 14%

VEHICLES¹

REVENUE

7%
R71.2 billion
60% contribution

OPERATING PROFIT

7%
R3.5 billion
58% contribution
4 YEAR CAGR -2%

REGENT (discontinued)

REVENUE

3%
R3.1 billion

OPERATING PROFIT

6%
R529 million

1. Includes Motor Related Financial Services
2. Excludes Regent, head office & eliminations
DIVISIONAL OVERVIEW

Five divisions in two major lines of mobility, operating under separate management structures to enable decentralised entrepreneurial creativity within the group's clearly-defined strategic, capital, budgetary & governance principles

LOGISTICS

<table>
<thead>
<tr>
<th>AFRICA (INC. RSA)</th>
<th>INTERNATIONAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>&gt; Leading logistics provider across entire supply chain in RSA</td>
<td>&gt; Leading positions in inland shipping, chemical &amp; industrial contract logistics</td>
</tr>
</tbody>
</table>
| > Leading distributor of pharmaceuticals & consumer goods in sub-Saharan Africa | > Restructured into two sub divisions:  
  • Transport Solutions  
  • Supply Chain Solutions |

>23% group revenue  
>25% group operating profit

VEHICLES

<table>
<thead>
<tr>
<th>VEHICLE IMPORT, DISTRIBUTION &amp; DEALERSHIPS</th>
<th>VEHICLE RETAIL, RENTAL &amp; AFTERMARKET PARTS</th>
<th>FINANCIAL SERVICES</th>
</tr>
</thead>
<tbody>
<tr>
<td>&gt; Exclusive importer of 14 automotive brands</td>
<td>&gt; Represents 22 OEMs through 80 passenger &amp; 57 commercial vehicle dealerships (38 UK)</td>
<td>&gt; Mainly motor related financial services</td>
</tr>
<tr>
<td>&gt; Retailer, after-sales servicing &amp; parts through 136 owned &amp; 193 franchised dealerships</td>
<td>&gt; Aftermarket parts wholesale &amp; distribution</td>
<td>&gt; Full maintenance leasing</td>
</tr>
</tbody>
</table>

>24% group revenue  
>19% group operating profit

>35% group revenue  
>28% group operating profit

>1% group revenue  
>11% group operating profit

Note: Excludes Regent, head office & eliminations
IMPERIAL’S TWO LINES OF MOBILITY

LOGISTICS

REVENUE

8%
R47.9 billion
40% contribution

OPERATING PROFIT

Unchanged
R2.5 billion
42% contribution
4 YEAR CAGR 14%
GROWTH TREND LOGISTICS SOUTH AFRICA

REVENUE (Rm)

> Declining volumes, particularly in the industrial logistics businesses (mining, manufacturing, commodities, chemicals, fuel & construction related), depressed revenue growth & operating profits

> The consumer logistics businesses recorded revenue growth but operating profit declined, impacted by new systems implementation, a competitive environment & the underperformance of the Cold Logistics business
Revenue & operating profit up 19% & 23% respectively: volume; pharma; Imres for full 12 months

Operating profit > South African logistics business for the first time

Expansion into new markets & partnerships with new principals delivered favourable results

Acquisitions line or ahead of expectations; active pipeline: acquisitions, new principals & products

Now 11% & 44% respectively of group* & Logistics Africa revenue

Now 14% & 51% respectively of group* & Logistics Africa operating profit

* Excludes Regent, head office & eliminations
Delivered **revenue growth** in a difficult trading environment, supported by acquisitions, new contract gains & strong performances from Resolve, Imperial Managed Solutions, Imperial Health Sciences, Imres & Ecohealth

> 4% decline in **operating profit** due to soft performance in RSA
Revenue & operating profit in Euros declined 7% & 10% respectively, impacted by strategic disposals (Neska & Rijnaarde), soft volumes, selected labour cost increases & low water levels on European waterways in H1 2016.

Adjusted for disposals, Euro revenue & operating profit both increased 4%.

Increasing contribution from South American shipping business.

Capex of R1bn on additional capacity for the chemical manufacturing business & two additional convoys (2 push boats & 24 barges) in South America.
The weakening of the Rand against the Euro assisted the Rand-denominated results

- Effective currency hedge & diversification in group portfolio
"Logistics" is Imperial’s major growth vector. Strict capital allocation disciplines will be applied in pursuit of focussed organic & acquisitive growth opportunities
IMPERIAL’S TWO LINES OF MOBILITY

VEHICLES

REVENUE

- **7%**
- **R71.2 billion**
- 60% contribution

OPERATING PROFIT

- **7%**
- **R3.5 billion**
- 58% contribution

4 YEAR CAGR -2%
> RSA new passenger & commercial sales track GDP growth
> Forecast calendar 2016 NAAMSA 564 500
> Imperial total sales F 2016*
  > New
    > Passenger: 2016: 112,494  2015: 123 561 (-9%)
    > Commercial: 2016: 11,951  2015: 9 934 (+20%)
  > Preowned
    > Passenger: 2016: 78,085  2015: 71 050 (+10%)
    > Commercial: 2016:1,778  2015: 1 740 (+2%)

* Passenger includes Australia & Commercial includes UK

> Industry structure: multi national OEMs & manufacturer controlled distributors who franchise dealerships
> Imperial’s direct imported brands represent ~14% of passenger vehicle market in SA
  > National motor vehicle sales growth low or negative for 2-3 years
  > Consumers trading down
  > Limited growth of dealerships
  > Competitiveness & profitability of importers & distributors vulnerable to Rand weakness
> Imperial’s total market share was maintained compared to the prior year
  • AMH’s market share unchanged at 14% (mainly Hyundai, Renault, Kia)
  • Imperial Vehicle Retail’s market share declined marginally by 0.6%

> Imperial’s direct imports comprise the third largest share of the total SA vehicle market

> In 2016 Imperial sold 124,445 new vehicles & 79,863 pre-owned vehicles

* Includes passenger, LCV, MCV, HCV
VEHICLE IMPORT, DISTRIBUTION & DEALERSHIPS

REVENUE
(including inter-segment revenue)

\[ \text{\(4\%\) R28.5 billion} \]

OPERATING PROFIT

\[ \text{\(20\%\) R1.1 billion} \]
CAR PARC OF IMPERIAL IMPORTED BRANDS

> Car parc doubled over past 5 years & exceeded 1 million in 2015
> Provides an underpin to earnings
> The growing car parc is delivering good levels of after-market activity for the dealerships
  > Parts & services revenue increased 4%

Note: Includes Hyundai, Kia, Daihatsu, Chery, Foton, Mitsubishi, Renault & Tata – PC & LCV
The ZAR has depreciated 27% against the $ compared to the prior year.

Operating margin increased to 6.0%, including favourable financial services annuity streams, despite the volatility in exchange rates.

Operating margin has been adversely impacted by currency depreciation since Dec 2012.

1. Includes Renault from June 2014
2. Includes financial services
SOUTH AFRICAN NEW VEHICLE PRICES

VEHICLE PRICE INCREASES (Y.O.Y GROWTH)
NEW & PRE OWNED (%)

SELLING PRICE VS CURRENCY COST
OF IMPORTED PRODUCT (%)

Source: Econometrix

> 41% imports in USD
> 59% imports in EUR
Performance
> Grew revenue & operating profit by 14% & 8% respectively, despite declining new vehicle sales & increased costs incurred on IT & new products
> Innovative new products & channels have improved retention & penetration rates
> Funds & policies held under service, maintenance, roadside assistance & warranty plans were maintained
> Book growth & returns from the alliances with financial institutions was tempered by increased impairment provisions & challenging economic conditions
### TOTAL FINANCIAL SERVICES

#### OPERATING PROFIT SPLIT (Rm)

<table>
<thead>
<tr>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>1307</td>
<td>1362</td>
</tr>
</tbody>
</table>

- **208** Investment income, including fair value adjustments
- **479** Underwriting result
- **620** Motor related financial products and services

#### NET UNDERWRITING MARGIN (%)

<table>
<thead>
<tr>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>15.8%</td>
<td>16.1%</td>
</tr>
</tbody>
</table>

- **15.8%** Underwriting result
- **16.1%** Motor related financial products and services
Revenue & operating profit up 4% & 15% respectively. Lower unit sales but cautious price increases.

Improved performance from all three major brands (Hyundai, Kia & Renault).

Operating margin improved to 4% > OEM assistance, price increases & prudent currency hedging.

The division achieved increased profitability on Euro-based products in H1 2016.

Forward cover on the US Dollar & Euro imports extends to April 2017.

Operating margin of 6% & ROIC of 12%.
DIVISIONAL REVIEW

VEHICLE RETAIL, RENTAL & AFTERMARKET PARTS

REVENUE
(including inter-segment revenue)

- 9%
- R41 billion

OPERATING PROFIT

- Unchanged
- R1.7 billion
## VEHICLE RETAIL RENTAL & AFTERMARKET PARTS PROFILE & 2016 PERFORMANCE

### VEHICLE RETAIL

**Profile**
- Extensive footprint of 80 passenger vehicle dealerships representing 22 locally based OEMs
- 57 commercial vehicle dealerships & workshops representing 12 brands in RSA, with 38 truck & van dealerships & workshops in United Kingdom
- Beekman canopies (manufacturing & retail)
- Jurgens caravans (manufacturing & wholesale)

**Performance**
- SA passenger & commercial new vehicle sales declined but good growth in UK (enhanced by acquisitions of S&B Commercials & Humberside Tail Lifts)
- SA pre-owned to new vehicle ratio increased in tighter economy & in line with the market
- After sales parts & services revenue + 4%
- Two commercial dealerships were sold to Lereko Motors

### AFTERMARKET PARTS

**Profile**
- Distributor, wholesaler & retailer through 764 owned & franchised stores
- Midas, Alert Engine Parts & Turbo Exchange
- Focus on parts & accessories for vehicles 5 to 10 yrs old

**Performance**
- Aftermarket Parts performed to expectation with improved revenue & unchanged operating profit

### RENTAL

**Profile**
- Car Rental (Europcar & Tempest)
- 63 dedicated Pre-owned retail outlets (Auto Pedigree)
- Panel shops

**Performance**
- Car rental’s performance depressed by higher accident costs & lower profit on fleet disposal
- Pre-owned (Auto Pedigree) unit sales grew 4% despite higher interest rates & consumer sentiment
- Panel shops profitability up on disposal of 2 loss-making outlets & higher car rental repair volumes
GROWTH TREND VEHICLE RETAIL, RENTAL & AFTERMARKET PARTS

REVENUE (Rm)

- 4 year CAGR = +9%

OPERATING PROFIT (Rm)

- 4 year CAGR = +7%
- 0%

> Good growth of revenue from Imperial’s largest division, while maintaining operating profit in challenging trading conditions
> Industry leading margins
GROWTH IMPERIAL GROUP
VEHICLES

REVENUE (Rm)

- 4 year CAGR =+8%
- 24% foreign

OPERATING PROFIT (Rm)

- 4 year CAGR =-2%
- 11% foreign

> Represents 58% of group operating profit (total operations)

“Vehicles” is Imperial’s major source of operating cash flow. Strict operating disciplines will be applied to mitigate consumer & currency volatility in a low growth environment
AGENDA

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## INCOME STATEMENT

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<th>2015 Rm</th>
<th>2016 Rm</th>
<th>% CHANGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue (including discontinued)</td>
<td>110 487</td>
<td>118 849</td>
<td>8%</td>
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</tbody>
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### LOGISTICS

- New contract gains, strong growth in RoA from acquisitions & Rand weakness assisting RoA & International, reduced by disposals in International business

### VEHICLES

- Price increases & favourable costings due to currency hedging strategies more than offset the impact of reduced volumes & a 27% average weaker Rand

### FINANCIAL SERVICES

- Good growth in Motor-Related Financial Services & new business volume growth in Regent

### REVENUE CONTRIBUTION PER DIVISION (%)

<table>
<thead>
<tr>
<th></th>
<th>2015 %</th>
<th>2016 %</th>
</tr>
</thead>
<tbody>
<tr>
<td>LOGISTICS</td>
<td>39</td>
<td>39</td>
</tr>
<tr>
<td>VEHICLES</td>
<td>57</td>
<td>57</td>
</tr>
<tr>
<td>FINANCIAL SERVICES</td>
<td>4</td>
<td>4</td>
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<td>6 422</td>
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<td>Operating profit margin</td>
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<td>5.4%</td>
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**LOGISTICS** unchanged
new contract gains, strong growth in RoA from acquisitions & currency weakness were offset by reduced volumes in the SA operations

**VEHICLES** 7%
increased profitability on Euro-based products in H1 2016, improved performance & assistance from 3 major importer brands, strong performance from UK, African & Australian operations, despite Rand weakness & reduced volumes

**FINANCIAL SERVICES** 1%
increase in underwriting income due to administration fees no longer being charged, good risk management & aggressive fund management
DIVISIONAL STATISTICS

OPERATING MARGIN (%)

<table>
<thead>
<tr>
<th>Division</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Logistics Africa</td>
<td>6.3%</td>
<td>6.6%</td>
</tr>
<tr>
<td>Logistics International</td>
<td>5.0%</td>
<td>4.9%</td>
</tr>
<tr>
<td>Vehicle Import, Distribution &amp; Dealerships (incl financial services)</td>
<td>5.5%</td>
<td>6.0%</td>
</tr>
<tr>
<td>Vehicle Retail, Rental &amp; Aftermarket Parts</td>
<td>4.5%</td>
<td>4.1%</td>
</tr>
<tr>
<td>Financial Services</td>
<td>35.4%</td>
<td>32.0%</td>
</tr>
<tr>
<td>Group</td>
<td>5.6%</td>
<td>5.4%</td>
</tr>
</tbody>
</table>

RETURN ON INVESTED CAPITAL (%)

<table>
<thead>
<tr>
<th>Division</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Logistics Africa</td>
<td>13.3%</td>
<td>11.3%</td>
</tr>
<tr>
<td>Logistics International</td>
<td>10.7%</td>
<td>9.8%</td>
</tr>
<tr>
<td>Vehicle Import, Distribution &amp; Dealerships (incl financial services)</td>
<td>6.4%</td>
<td>7.2%</td>
</tr>
<tr>
<td>Vehicle Retail, Rental &amp; Aftermarket Parts</td>
<td>15.5%</td>
<td>14.7%</td>
</tr>
<tr>
<td>Total Financial Services</td>
<td>30.9%</td>
<td>29.7%</td>
</tr>
<tr>
<td>Group</td>
<td>13.1%</td>
<td>12.4%</td>
</tr>
</tbody>
</table>
### INCOME STATEMENT

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2016</th>
<th>% CHANGE</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rm</td>
<td>Rm</td>
<td></td>
</tr>
<tr>
<td>Revenue</td>
<td>110487</td>
<td>118849</td>
<td>8%</td>
</tr>
<tr>
<td>Operating profit</td>
<td>6235</td>
<td>6422</td>
<td>3%</td>
</tr>
<tr>
<td>Amortisation of intangible assets</td>
<td>(415)</td>
<td>(437)</td>
<td></td>
</tr>
<tr>
<td>Profit on disposal of properties, net of impairments</td>
<td>29</td>
<td>28</td>
<td></td>
</tr>
<tr>
<td>Impairments of goodwill and other assets</td>
<td>(64)</td>
<td>(498)</td>
<td></td>
</tr>
<tr>
<td>Profit on sale of businesses</td>
<td>15</td>
<td>430</td>
<td></td>
</tr>
<tr>
<td>Foreign exchange gains/(loss)</td>
<td>75</td>
<td>(72)</td>
<td></td>
</tr>
<tr>
<td>Re-measurement of contingent consideration, put option liabilities and business acquisition costs</td>
<td>(63)</td>
<td>(113)</td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>(51)</td>
<td>(16)</td>
<td></td>
</tr>
<tr>
<td>Profit before financing costs</td>
<td>5761</td>
<td>5744</td>
<td></td>
</tr>
</tbody>
</table>

> The impairments relate to:

- Goodwill of R258m relating to Renault (R98m) & various other businesses in Logistics Africa
- Other intangibles of R151m mainly arising from Renault & Jurgens
- Various other items amount to R89m

> Profit on sale of businesses mainly relates to the disposals of Neska, Rijnaarde & ALS in Logistics International
INCOME STATEMENT

<table>
<thead>
<tr>
<th></th>
<th>2015 Rm</th>
<th>2016 Rm</th>
<th>% CHANGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net financing costs</td>
<td>(1 194)</td>
<td>(1 440)</td>
<td>21</td>
</tr>
<tr>
<td>Income from associates</td>
<td>32</td>
<td>133</td>
<td>316</td>
</tr>
<tr>
<td>Tax</td>
<td>(1 213)</td>
<td>(1 229)</td>
<td>1</td>
</tr>
<tr>
<td>Net profit for the year</td>
<td>3 386</td>
<td>3 208</td>
<td>(5)</td>
</tr>
<tr>
<td>Attributable to minorities</td>
<td>(332)</td>
<td>(159)</td>
<td>(52)</td>
</tr>
<tr>
<td>Attributable to Imperial shareholders</td>
<td>3 054</td>
<td>3 049</td>
<td></td>
</tr>
</tbody>
</table>

> Net finance costs increased as a result of increased debt levels & higher interest rates.
  • increased debt levels are mainly due to:
    – weaker exchange rate for the translation of the foreign debt into Rand
    – capital expenditure
    – working capital requirements
    – acquisitions

> Increase in Income from associates due to
  • a loss of R84m recognised in respect of Ukhamba in the prior year

> Effective tax rate of 27.7% (2015: 25.8%), due mainly to the goodwill impairments which are not tax deductible

> Minorities declined due to their share of impairment of intangibles, reduced minority participation in AMH & sale of businesses in which the minorities participated
# BALANCE SHEET

<table>
<thead>
<tr>
<th></th>
<th>2015 Rm</th>
<th>2016 Rm</th>
<th>% CHANGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property, plant &amp; equipment</td>
<td>10 967</td>
<td>11 465</td>
<td>5</td>
</tr>
<tr>
<td>Transport fleet</td>
<td>5 610</td>
<td>5 953</td>
<td>6</td>
</tr>
<tr>
<td>Vehicles for hire</td>
<td>3 603</td>
<td>3 469</td>
<td>(4)</td>
</tr>
<tr>
<td>Goodwill &amp; intangible assets</td>
<td>7 193</td>
<td>7 501</td>
<td>4</td>
</tr>
<tr>
<td>Associates, investments &amp; loans</td>
<td>1 708</td>
<td>1 277</td>
<td>(25)</td>
</tr>
<tr>
<td>Other assets</td>
<td>1 428</td>
<td>1 867</td>
<td>31</td>
</tr>
<tr>
<td>Net working capital</td>
<td>9 267*</td>
<td>9 936</td>
<td>7</td>
</tr>
<tr>
<td>Assets classified as held for sale</td>
<td>4 618</td>
<td>6 552</td>
<td>42</td>
</tr>
<tr>
<td>Total</td>
<td>44 394</td>
<td>48 020</td>
<td>8</td>
</tr>
</tbody>
</table>

- Transport fleet increased mainly due to: the net investment in trucks & barges of R727m, currency adjustments of R509m resulting from a weaker Rand, reduced by depreciation of R778m
- Associates, investments & loans decreased mainly due to:
  - the reclassification of Mix Telematics to “assets classified as held for sale”
  - lower attributable profits
- Net working capital increased due to higher inventory in the Vehicle Import, Distribution and Dealerships division
- Assets held for sale includes Regent & other businesses identified during 2016 as being held for sale

*Restated to reclassify interest-bearing supplier liabilities as accounts payable of R607m*
BALANCE SHEET

<table>
<thead>
<tr>
<th></th>
<th>2015 Rm</th>
<th>2016 Rm</th>
<th>% CHANGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total shareholders’ interest</td>
<td>19 233</td>
<td>19 802</td>
<td>3</td>
</tr>
<tr>
<td>Net interest bearing borrowings (ignoring Regent cash)</td>
<td>14 327</td>
<td>16 520</td>
<td>13</td>
</tr>
<tr>
<td>Other liabilities</td>
<td>8 121</td>
<td>8 584</td>
<td>6</td>
</tr>
<tr>
<td>Liabilities directly associated with assets classified as held for sale</td>
<td>2 713</td>
<td>3 114</td>
<td>15</td>
</tr>
<tr>
<td>Equity &amp; liabilities</td>
<td>44 394</td>
<td>48 020</td>
<td>9</td>
</tr>
</tbody>
</table>

> Shareholders’ interest impacted by:
  • attributable earnings of R3 049m
  • increase in foreign currency translation reserve of R623m
  • shares issued to acquire 10% of AMH of R648m
  • reduction in the hedge accounting reserve of R317m
  • dividends paid of R1 909m
  • cost of re-measurement of defined benefit pension plans of R159m
  • shares repurchased, acquired to hedge share appreciation rights & deferred bonus plan obligations of R558m
  • purchase of non-controlling interests (including AMH, Midas & Imres) of R915m
  • other reductions of R52m

> Interest bearing borrowings increased due to:
  • weaker exchange rate impact on translation of the foreign debt into Rand
  • capital expenditure
  • working capital requirements
  • acquisitions
## CASH FLOW – OPERATING ACTIVITIES

<table>
<thead>
<tr>
<th></th>
<th>2015* Rm</th>
<th>2016 Rm</th>
<th>% CHANGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash generated by operations</td>
<td>9 049</td>
<td>8 952</td>
<td>(1)</td>
</tr>
<tr>
<td>Net working capital movements</td>
<td>9</td>
<td>(828)</td>
<td></td>
</tr>
<tr>
<td>(excludes currency movements &amp; net</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>acquisitions)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest &amp; tax paid</td>
<td>(2 481)</td>
<td>(3 371)</td>
<td>36</td>
</tr>
<tr>
<td>Cash flow from operating activities</td>
<td>6 577</td>
<td>4 753</td>
<td>(28)</td>
</tr>
<tr>
<td>before rental assets capex</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capex: rental assets</td>
<td>(1 531)</td>
<td>(1 611)</td>
<td>5</td>
</tr>
<tr>
<td>Cash flow from operating activities</td>
<td>5 046</td>
<td>3 142</td>
<td>(38)</td>
</tr>
</tbody>
</table>

* Cash generated by operations down 1% due to working capital requirements
* Net working capital increased due to higher inventory in the Vehicle Import, Distribution and Dealerships division
* Increase in interest due to increased debt & interest rates
* Increase in provisional tax payments
* Cash flow from operating activities decreased to R3.1bn after working capital, interest, tax payments & capital expenditure on rental assets

* Restated for the reclassification of interest-bearing accounts payable to interest-bearing debt.
## CASH FLOW – INVESTING ACTIVITIES

<table>
<thead>
<tr>
<th>2015 Rm</th>
<th>2016 Rm</th>
<th>% CHANGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net acquisition &amp; disposals of subsidiaries &amp; businesses</td>
<td>(938)</td>
<td>760</td>
</tr>
<tr>
<td>Capital expenditure</td>
<td>(2 988)</td>
<td>(2 527)</td>
</tr>
<tr>
<td>Expansion</td>
<td>(1 743)</td>
<td>(1 130)</td>
</tr>
<tr>
<td>Replacement</td>
<td>(1 245)</td>
<td>(1 397)</td>
</tr>
<tr>
<td>Net movement in associates &amp; JVs</td>
<td>178</td>
<td>71</td>
</tr>
<tr>
<td>Net movement in investments, loans &amp; other financial instruments</td>
<td>(1 203)</td>
<td>(30)</td>
</tr>
<tr>
<td>Total investing activities</td>
<td>(4 951)</td>
<td>(1 726)</td>
</tr>
</tbody>
</table>

- Proceeds from sale of businesses (net of acquisitions) relates to the disposal of Neska, two dealerships, two panel shop outlets & the acquisitions of mainly Van den Anker & Humberside Tail Lifts
- Total capital expenditure declined by 15% - declines across all asset types with transport fleet being the largest
- Expansion capex due to investments in barges & chemical plant
- Positive movements in investments, loans & other financial instruments as the prior year included additional investments in long term deposits & equities
# CASH FLOW – SUMMARY

<table>
<thead>
<tr>
<th></th>
<th>2015 Rm</th>
<th>2016 Rm</th>
<th>% CHANGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash flow from operating activities</td>
<td>5 046</td>
<td>3 142</td>
<td>(38)</td>
</tr>
<tr>
<td>Total investing activities (from previous slide)</td>
<td>(4 951)</td>
<td>(1 726)</td>
<td>(65)</td>
</tr>
<tr>
<td>Financing activities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dividends paid</td>
<td>(1 724)</td>
<td>(1 909)</td>
<td></td>
</tr>
<tr>
<td>Other financing activities</td>
<td>(273)</td>
<td>(1 164)</td>
<td></td>
</tr>
<tr>
<td>Increase in net borrowings</td>
<td>(1 657)</td>
<td>(1 924)</td>
<td></td>
</tr>
<tr>
<td>Free cash flow - total operations</td>
<td>4 573</td>
<td>2 517</td>
<td></td>
</tr>
<tr>
<td>Free cash conversion ratio to headline earnings</td>
<td>146%</td>
<td>83%</td>
<td></td>
</tr>
</tbody>
</table>

> Free cash flow equals cash flow from operating activities increased for expansion capex on rental assets, & reduced by net replacement capex (non-rental)

> Free cash flow decreased mainly due to a significant decrease in cash flow from operating activities
GEARING

Net debt to equity

> Higher net debt to fund:
  • weaker exchange rate for the translation of the foreign debt into Rand
  • capital expenditure
  • working capital requirements
  • acquisitions

> Net debt to equity at 73% improved from 76% at December 2015 but was higher than the 66% at June 2015

> The net debt level is within the target gearing range of 60% to 80%

> Capacity for further acquisitions & organic growth

> Group has R9.4bn unutilised funding facilities

> Mix of fixed & floating debt (44% fixed)

> Debt maturity profile: 79% long term

> The group’s international scale credit rating by Moody’s was unchanged at Baa3, with a stable outlook

> Net debt includes cash in discontinued operations & in disposal groups

> Equity includes preference share capital
RETURNS

ROE (%) ROIC vs WACC (%)*

ROE affected by:

> Attributable profits unchanged
> Equity up on prior year

ROIC affected by:

> lower returns from reduced earnings
> invested capital increased due to:
  • higher equity
  • higher debt
> WACC increased due to higher debt & an increase in interest rates

* Revised basis: taxed operating profit plus associates divided by average of Imperial equity plus minorities plus net debt
AGENDA

OVERVIEW | CONTEXT | STRATEGY | OPERATIONS REVIEW | FINANCIAL REVIEW | LOOKING FORWARD
STRUCTURAL CHANGES

> From F 2017, the newly created Logistics & Vehicles divisions will be reported on as single entities

> The Logistics division will provide full segmental detail on 3 sub-divisions, namely:
  - Logistics South Africa;
  - Logistics Rest of Africa; and
  - Logistics International

> The Vehicles division will provide full segmental detail on 2 sub-divisions, namely:
  - Import, Retail, Car Rental and Aftermarket Parts; and
  - Motor Related Financial Services

PLEASE NOTE: THE STRUCTURAL CHANGES WILL ALTER, BUT NOT DECREASE THE QUANTITY OR QUALITY OF, DATA CURRENTLY AVAILABLE FOR ANALYSIS
F 2017 ENVIRONMENT

Economy

> We see no reason for a marked improvement in the economies where we operate during F 2017

Trading conditions

> We expect:
  • competitors & counterparties to be aggressive in slow growth conditions
  • volume growth throughout our logistics operations to be subdued
  • national new vehicle sales in SA to decline in response to declining PCE, rising interest rates & tightening credit

Currency

> We expect the volatility of the Rand & the currencies in the countries in which we operate & the group’s hedging policy to cover forward, to affect both our competitiveness and profitability
These uncontrollable factors make forecasting challenging but the expected subdivisional segmental performance is as follows:

**Logistics division**
- South Africa: Growth of revenues & operating profit
- Rest of Africa: Growth of revenues & a decline in operating profit
- International: Growth of revenues & operating profit, substantially from the Palletways acquisition

**Vehicles division**
- Import, Retail, Car Rental and Aftermarket Parts: Flat revenue & a decline in operating profit
- Motor Related Financial Services: Flat revenue & operating profit

Our current outlook for Imperial Holdings in F 2017, including the impact of recent disposals, acquisitions & restructuring, indicates single digit revenue growth & a moderate decline in operating profit for continuing operations

“We will continue to execute on our espoused strategies”
THANK YOU
DIVISIONAL PROFILE

LOGISTICS AFRICA

> An experienced provider of end-to-end logistics & integrated supply chain management services in Southern, West & East African markets through three regional hubs (See Addenda)

> Across sub-Saharan Africa, the division provides a comprehensive & integrated demand-driven route to market as a distributor of consumer goods & pharmaceutical brands (See Addenda)

> Strategy: Use scale, expertise & technology to provide high value logistics services across entire supply chain in selected industries, with fast growth in Rest of Africa distribution through: acquisition; more products from more principals; integrating infrastructure

> Acquisition criteria: Preferably asset light logistics business; earnings accretive; target ROIC = WACC in first year; WACC + 4% (risk adjusted) in medium to long term

> Value proposition: Reliable & high-quality service delivery, commitment to clients’ business, & innovation to drive improvement

• R50bn in retail goods delivered across the continent
• 600 000 full truckload deliveries made during 2016
• More than 170 warehouses strategically located throughout continent; 1.5 million m² of warehousing space
• Infrastructure & representation in 12 Africa countries
• Cross border transportation into 18 countries
INTEGRATED SUPPLY CHAIN PARTNER IN SOUTH AFRICA

<table>
<thead>
<tr>
<th>FREIGHT &amp; TRANSPORT</th>
<th>MANAGED LOGISTICS</th>
<th>WAREHOUSING &amp; DISTRIBUTION</th>
<th>DEMAND-DRIVEN ROUTE-TO-MARKET FULFILLMENT</th>
<th>SUPPLY CHAIN INTEGRATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>&gt; Dedicated fleets</td>
<td>&gt; Continuous flow management</td>
<td>&gt; Product focused capabilities</td>
<td>&gt; Agency &amp; distributorships</td>
<td>&gt; Advisory services</td>
</tr>
<tr>
<td>&gt; Specialised vehicles</td>
<td>&gt; Inter-modal solutions</td>
<td>&gt; Multi-principal &amp; dedicated</td>
<td>&gt; Order-to-cash services</td>
<td>&gt; Technology services</td>
</tr>
<tr>
<td>&gt; Bulk tankers</td>
<td>&gt; International logistics</td>
<td>&gt; Palletised &amp; fine-picking</td>
<td>&gt; Sales &amp; merchandising</td>
<td>&gt; People enablement</td>
</tr>
<tr>
<td>&gt; Commodity tippers</td>
<td>&gt; Demand-driven logistics</td>
<td>&gt; Consolidation</td>
<td>&gt; Brand activation</td>
<td>&gt; Process outsourcing</td>
</tr>
<tr>
<td>&gt; Regional flow management</td>
<td></td>
<td>&gt; Convenience &amp; informal market</td>
<td>&gt; Trade intelligence</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>&gt; Rental fleet</td>
<td>&gt; Traditional market development</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>&gt; Stockpile management</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

> Provider of customer-centric outsourced services

> Specialised operations, extensive regional footprint and an end-to-end service offering translate into a unique ability to reduce clients’ costs and enhance their competitiveness

> Provides a comprehensive and integrated demand-driven route-to-market for consumer products and pharmaceutical brand owners in sub-Saharan Africa
Imperial provides a comprehensive & integrated demand-driven route-to-market for consumer products & pharmaceutical brand owners in sub-Saharan Africa.

- **GET YOU THERE**
  - Advisory services
  - Technology services
  - People enablement
  - Process outsourcing

- **MANAGED LOGISTICS & FREIGHT**
  - Continuous flow management
  - Inter-modal solutions
  - International logistics
  - Demand-driven logistics

- **WAREHOUSING & DISTRIBUTION**
  - Palletised storage & handling
  - Multi-principal & dedicated
  - Ambient, temp controlled & MCC spec
  - Consolidation

- **ROUTE-TO-MARKET SOLUTIONS**
  - Agency & distributorships
  - Cash management on behalf of principal
  - Sales & merchandising
  - Trade intelligence
  - Traditional market development

- **BRAND ACTIVATION**
  - Customised market understanding & intelligence
  - Advertising & promotion management
  - Experiential marketing
  - Digital bridge

**ACQUIRE | OPTIMISE | INTEGRATE**
**IMPERIAL LOGISTICS AFRICA**

**West Africa**
- Imperial Health Sciences – pharma logistics, supply chain management, warehousing
- MDS Logistics – transport, distribution, warehousing (FMCG, pharma, telecoms)
- Eco Health – distribution, sales, marketing of pharma products
- Imres – a wholesaler of pharmaceutical & medical supplies

**East Africa**
- Imperial Health Sciences – warehousing & distribution in health & pharma (facilities being expanded in Nairobi)
- Tanzania & Malawi – FMCG distribution, sales & marketing
- Imres – a wholesaler of pharmaceutical & medical supplies

**Southern Africa**
- FMCG distribution, sales & marketing
- Further expansion of facilities
- Transport operations – cross border, load consolidation, warehouse management, cross border documentation
- Key corridors across SADC
- Imres – a wholesaler of pharmaceutical & medical supplies
DIVISIONAL PROFILE

LOGISTICS INTERNATIONAL

Europe: Germany (mainly), Netherlands, Poland, Sweden, Belgium, Luxemburg, Austria Paraguay, China, USA

REVENUE (including inter-segment revenue)

\( \uparrow 9\% \)
R20.8 billion

OPERATING PROFIT

\( \uparrow 6\% \)
R1.0 billion

> Estimated market size of €663bn in Imperial International ‘s sectors in Europe (IPL ranked 12th)

> Industry structure: Highly developed infrastructure; fragmented & competitive market, process & technology driven clients

> Strategy: Aggressive organic & acquisitive growth by expanding geographically through following clients & extending logistics expertise from chemical, automotive & steel to other industries

> Value proposition: Combining our expertise into IMPERIAL Transport Solutions & IMPERIAL Supply Chain Solutions. Both divisions consist of clearly defined Business Units focusing on transportation & logistics services with long-term specific industry expertise.

> Assets:

- operates 591 inland vessels (219 owned) & 1 011 trucks (635 owned)
- 2.1 million m² of storage capacity (including 20 hazardous goods warehouses)
- 60 million tonnes handled per year
- expertise in automotive & chemical contract logistics
- established relationships with world leaders: Bayer, BASF, BMW, Evonik, H&M, Lanxess, ThyssenKrupp, Volkswagen, Mercedes Benz & Audi
LOGISTICS INTERNATIONAL GEOGRAPHIES

> Germany is the base
> Strategy to follow customers/products to new markets
> South America
  • profitable 10 year contract operating on Rio Parana, transporting iron ore, soya & lime from Brazil to Argentina
  • utilises five push boats with 60 barges redeployed from Europe
> Asia
  • Shop construction logistics for global retailers
  • Freight Forwarding with extensive partner network
## PALLETWAYS
### COMPETITIVE SET IN UK, ITALY & IBERIA

Number of pallets per year by pallet network, 2014 (#m pallets)

<table>
<thead>
<tr>
<th>Network</th>
<th>United Kingdom</th>
<th># hubs</th>
<th>Italy</th>
<th># hubs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Palletways</td>
<td>4.6</td>
<td>4</td>
<td>1.6</td>
<td>3</td>
</tr>
<tr>
<td>palletline</td>
<td>3.5</td>
<td>6</td>
<td>1.2</td>
<td>5</td>
</tr>
<tr>
<td>Palletforce</td>
<td>3.0</td>
<td>1</td>
<td>0.6</td>
<td>7</td>
</tr>
<tr>
<td>Pallex</td>
<td>2.5</td>
<td>2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TPN</td>
<td>2.5</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>UPA</td>
<td>1.8</td>
<td>1</td>
<td>0.5</td>
<td>2</td>
</tr>
<tr>
<td>Pallet Track</td>
<td>1.8</td>
<td>1</td>
<td>0.3</td>
<td>1</td>
</tr>
<tr>
<td>Fortec</td>
<td>0.9</td>
<td>2</td>
<td>0.2</td>
<td>1</td>
</tr>
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*Source: Palletways; Transport Intelligence; Association of Pallet Networks; Company websites; OC&C analysis 07B*
Track record of consistent and strong historical growth, with a clearly defined strategic plan

- Fast growing addressable market - express pallet networks forecast to increase penetration rate
- Organic growth through: industry leading innovation, increased share of customer-wallet & consignment sizes
- Growth enhanced by: online driven B2C deliveries; Imperial execution support (particularly in Germany); cross-selling within Imperial’s network; & new domestic networks in Poland, France, the Baltics & Balkans
DIVISIONAL PROFILE

VEHICLE IMPORT, DISTRIBUTION & DEALERSHIPS

> Strategy: Increase sustainable market share & car parc of major brands through dedicated & multi-franchise customer focussed dealerships; capture revenue & margin across entire motor value chain (import, distribution, retail, after-sales service, parts & financial services)

> Value proposition: Distribution capability for international manufacturers; alternative vehicle brands for South African motorists

> Assets: Exclusive importer of 13 automotive vehicle brands (including Hyundai, Kia, Renault & Mitsubishi); distributes through 136 owned & 193 franchised dealerships

<table>
<thead>
<tr>
<th>REVENUE</th>
<th>OPERATING PROFIT</th>
</tr>
</thead>
<tbody>
<tr>
<td>(including inter-segment revenue)</td>
<td></td>
</tr>
<tr>
<td>↑ 4%</td>
<td>↑ 20%</td>
</tr>
<tr>
<td>R28.5 billion</td>
<td>R1.1 billion</td>
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</tbody>
</table>
**1. Vehicle import & distribution**
> Represent 16 exclusive Automotive & Industrial brands
> Strong after sales & service capability

**2. Vehicle retail**
> Most major local & imported brands
> Extensive dealer network
> Sell 1 in 5 new vehicles in SA
> Commercial dealerships
> POS for financial services

**3. Vehicle maintenance**
> Growth in car parc
> Annuity income
> Service & maintenance at dealerships
> Parts

**4. Car rental**
> Purchase vehicles from the group & local OEMs
> Rental of vehicles
> Dispose of vehicles through group outlets (63 Auto Pedigree outlets)

**5. Aftermarket Parts**
> Parts, oils & accessories for vehicles outside maintenance & warranty plans

**6. Pre Owned vehicle sales**
> ±70 000 units p.a.
DIVISIONAL REVIEW

VEHICLE RETAIL, RENTAL & AFTERMARKET PARTS

<table>
<thead>
<tr>
<th>REVENUE (including inter-segment revenue)</th>
<th>OPERATING PROFIT</th>
</tr>
</thead>
<tbody>
<tr>
<td>☝️ 9% R41 billion</td>
<td>⇪ Unchanged R1.7 billion</td>
</tr>
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</table>

> Industry structures: Mature, highly competitive & price sensitive car rental sector dominated by local franchises of major international brands; Aftermarket Parts industry mature but stable, based on 10 million vehicles in the vehicle parc

> Value proposition: Distribution capability for local OEM’s & franchisors
Motor related financial services remains an integral part of Imperial’s strategic focus on the full automotive value chain. Provides maintenance & warranty products associated with the automotive market. Strategy: Leverage Imperial’s capabilities as SA’s leading motor vehicle distributor & retailer to provide the motoring public & vehicle users with innovative, relevant, cost-effective motor related financial services & products. Value proposition: Centred on responsive engagement at all stages of the vehicle lifecycle through Imperial & independent dealerships, banks, direct sales & niche intermediaries. Assets: Access to Imperial’s distribution & vehicle expertise; joint ventures with leading banks & other motor groups; expertise in vehicle related finance, value added products (VAPs).

Performance
- Grew revenue & operating profit by 14% & 8% respectively, despite declining new vehicle sales & increased costs incurred on IT & new products.
- Innovative new products & channels have improved retention & penetration rates.
- Funds & policies held under service, maintenance, roadside assistance & warranty plans were maintained.
- Book growth & returns from the alliances with financial institutions was tapered due to increased impairment provisions & challenging economic conditions.
DIVISIONAL REVIEW

REGENT
(Held for sale)

> Provides regulated life & short term insurance products & services mainly in South Africa, Lesotho & Botswana
> The disposal of Regent has been approved by the Botswana competitions authorities. Conclusion of the transaction is now subject to regulatory approval from the South African & Lesotho authorities

Performance
> Regent’s underwriting result increased by 5% mainly due to the group administration fees no longer being charged from the date of Regent’s reclassification as a discontinued operation
> Investment income decreased by 8% due to a decline in equity markets
> Short term insurance underwriting continued to benefit from more effective risk management resulting in improved loss ratios in the heavy commercial vehicle business
> New business penetration of motor related VAPs remained under pressure due to declining vehicle sales
> Regent Life grew new business volumes
> Rest of Africa continues to contribute meaningfully

REVENUE
3%
R3.1 billion

OPERATING PROFIT
6%
R529 million
Certain statements made in this presentation constitute forward-looking statements. Forward-looking statements are typically identified by the use of forward-looking terminology such as ‘believes’, ‘expects’, ‘may’, ‘will’, ‘could’, ‘should’, ‘intends’, ‘estimates’, ‘plans’, ‘assumes’ or ‘anticipates’ or the negative thereof or other variations thereon or comparable terminology, or by discussions of, e.g. future plans, present or future events, or strategy that involve risks and uncertainties. Such forward-looking statements are subject to a number of risks and uncertainties, many of which are beyond the company's control and all of which are based on the company's current beliefs and expectations about future events. Such statements are based on current expectations and, by their nature, are subject to a number of risks and uncertainties that could cause actual results and performance to differ materially from any expected future results or performance, expressed or implied, by the forward-looking statement. No assurance can be given that such future results will be achieved; actual events or results may differ materially as a result of risks and uncertainties facing the company and its subsidiaries. The forward-looking statements contained in this presentation speak only as of the date of this presentation. and the company undertakes no duty to, and will not necessarily, update any of them in light of new information or future events, except to the extent required by applicable law or regulation.