Barloworld Limited

(Registration number 1918/000095/06)

JSE codes: BAW and BAWP

ISIN codes: ZAE000026639 and ZAE000026647

Audited results for the year ended 30 September 2003

Strong operating performance delivers solid results despite rand strength

- **Operating profits rise 19% to R2 455 million**
- **Strong operational performance in equipment, cement and coatings**
- **Headline earnings per share 593 cents (2002: 622 cents)**
- **Dividend increased 5% to 290 cents per share**
- **Sound prospects in improving economic conditions**

Tony Phillips, CEO of Barloworld, said:

"This is our fifth consecutive year of good growth in operating profit and a strong endorsement of our philosophy of Value Based Management. In the face of the appreciation in the rand and despite having over half our revenues generated outside South Africa, we have been able to achieve headline earnings of 593 cents compared with 622 cents last year.

"Macro-economic conditions are moving in our favour with lower interest rates having a positive effect on the South African economy, the upturn in the United States improving markets for our US businesses and a generally positive outlook for Europe and Australia.

"The company is in great shape and we look forward to making further progress in 2004."

14 November 2003

Enquiries

Barloworld Limited: Mark Drewell Tel +27 11 445 1204, e-mail invest@barloworld.com
College Hill South Africa: Nicholas Williams, Angela Parr, Sam Denoon-Stevens
Tel: +27 11 447 3030
College Hill London Matthew Gregorowski Tel: +44 207 457 2020.

For background information visit **www.barloworld.com**

Chairman and chief executive's report

Pleasing results in 2003

Despite a 4% decline in revenues, operating profits rose 19% and our sustained implementation of Value Based Management continued to deliver results. The strengthening of the rand during the year resulted in negative IAS fair value adjustments on financial instruments of R334 million (2002: R55 million positive). Against this background we were pleased to hold headline earnings per share at 5% below 2002. The total dividend for the year was increased by 5% to 290 cents per share (2002: 275 cents).

The mixed strength of the South African economy was seen in the strong operating performance from our infrastructure-focused equipment, cement & lime and coatings operations which contrasted with those from our steel tube and motor businesses. These were affected for most of the year by a downturn in the international steel cycle and high real interest rates respectively.

Our operations outside South Africa made a solid contribution to profits. Improved results in local currency terms were achieved in depressed markets in both the industrial distribution and scientific businesses which operate primarily in the United Kingdom and United States, while the Iberian equipment business performed at the same high level as the previous year. In Australia, the coatings business did well and the motor operations performed satisfactorily in the face of major site renovations.

Corporate activity to enhance value

During the year under review we acquired an additional Freightliner truck dealership in the United States and a materials handling business in the United Kingdom. We also increased our stakes in Pretoria Portland Cement Company Limited (PPC) and Avis Southern Africa Pty Limited (Avis) to 67.4% and 34.7% respectively. We disposed of our South African motor leasing book, our 49% investment in the Schenectady coatings associate and certain motor dealerships in terms of manufacturer rationalisation programmes.

Since 1 October 2003 we have acquired another Freightliner dealership in the United States and the Hyster lift truck dealership for the Netherlands. The sale of Henry Cooke, our UK paper business, is well advanced.

Amongst other Black Economic Empowerment initiatives, we concluded the largest transaction to date in the motor industry through the formation of the NMI DSM DaimlerChrysler joint venture in April 2003. We also initiated the sale of PPC's Afripack paper sack business to an empowerment and management consortium.

The outlook for 2004 is positive

In South Africa we expect continued growth in demand for most of our products and services as the economy benefits from the progressive lowering of interest rates. In the US the upturn is well under way and our prospects there are brighter than they have been for the past two years. Trading conditions should remain positive in Spain and Australia and we are seeing modest improvements in the United Kingdom and Portugal.

A key uncertainty remains the current strength and future direction of the rand. In South Africa our mining customers are earning lower income and a number of projects have been put on hold as a consequence of the value of the rand. The exchange rate has an impact on earnings through lower export volumes and/or margins, the translation effects on profits earned outside South Africa and IAS financial instrument adjustments. This is difficult to forecast but currency stability, even at the current exchange rate levels, will be beneficial.

Our strategy remains focused on improving the quality of our existing operations to generate sustainable higher margins and profits and to grow the business both organically and through acquisition.

We look forward to making further progress in 2004.

WAM Clewlow	**AJ Phillips**
Chairman	Chief Executive Officer

Group financial review

Worldwide revenues decreased by 4% to R34 603 million primarily due to the impact of the rand appreciation on the translation of offshore revenues which accounted for 52% of total revenues (2002: 58%). Most geographic areas showed revenue growth in local currency terms.

Operating profit rose 19% to R2 455 million notwithstanding the fact that the profits from the offshore businesses were diluted on translation due to the relative strength of the rand. Included in operating profit is a trading benefit of approximately R218 million mainly in the equipment business in South Africa. This arose primarily from higher gross margins resulting from the sale of inventories at selling prices based on rates in forward cover contracts, whereas cost of sales is recorded at average spot rates at the transaction date (as required by IAS21). This favourable impact at the operating profit level, however, is more than offset by the related IAS39 (Recognition and Measurement of Financial Instruments) mark-to-market adjustments on financial instruments referred to below.

In accordance with group policy, the South African operations cover all foreign exchange trade commitments. In terms of IAS39, which was applied for the first time in the 2002 financial year, derivative financial instruments must be recorded at fair value with the resultant mark-to-market gain or loss taken to income.

Due to the strengthening of the rand against the US dollar, the application of IAS21 and IAS39 resulted in a charge to income of R334 million (2002: R55 million gain) as a result of marking-to-market financial instruments. The major impact in the year under review was in the equipment business in South Africa where forward exchange contracts were taken out to cover machine and parts purchases denominated in US dollars. After taking into account the amount recouped by the group at the operating profit level, the overall impact was to decrease profit before tax by R116 million and after tax profit by R81 million. This equates to approximately 41 cents at the headline earnings per share level.

Finance costs increased from R401 million to R531 million, mainly as a result of higher average local borrowing costs when compared to the prior financial year. Average borrowings were also slightly higher due to growth in the short term rental business and working capital needs arising from increased activity levels in certain operations.

Income from investments of R274 million (2002: R253 million) includes higher interest received resulting mainly from strong operational cash flows at PPC.

Amortisation of goodwill decreased from R116 million to R102 million due to the impact of goodwill impairments made at the end of the previous financial year and the rand appreciation on the translation of offshore goodwill.

Taxation declined from R636 million to R604 million. The current year's effective tax rate excluding exceptional items, Secondary Tax on Companies, prior year tax and goodwill amortisation is consistent with the prior year at 31.7% (2002: 31.9%).

Income from associates and joint ventures at R114 million is in line with the prior year. The increased share of profits due to a higher shareholding in Avis and the contribution from the NMI DSM joint venture were offset by the exclusion of Natal Portland Cement (NPC) following its sale by PPC in the prior year.

The minority interest in profits, which comprises mainly the PPC minorities, increased from R207 million to R212 million. The prior year figure includes an amount of R89 million relating to the minority share of the exceptional profit arising on the sale of NPC.

Exceptional profits amount to R81 million (2002: R369 million) and include profits on disposal of properties, investments and subsidiaries of R123 million, partly offset by impairment losses of R45 million.

Headline earnings per share decreased by 5% from 622 cents to 593 cents. The appreciation of the rand in the year under review was a significant factor impacting headline earnings. In addition to the mark-to-market adjustments on financial instruments, the strong currency also affected the translation of profits from our offshore businesses to the extent of approximately 60 cents per share.

Cash generated from operations of R3 523 million (2002: R3 660 million) continued to be strong. Net cash inflow from operating activities of R1 479 million (2002: R2 388 million) includes the impact of realised financial instrument losses, higher finance costs, and the special centenary dividend paid in January 2003.

Net cash applied to investing activities of R1 812 million (2002: R2 621 million) includes capital expenditure of R843 million, investment in rental assets of R1 039 million, investment in lease receivables of R1 103 million, and proceeds on disposal of the motor leasing book of R881 million. The investment in lease receivables has been included under investment activities rather than operating activities in the current year in order to be consistent with the disclosure of our investment in long term rental fixed assets. Comparatives are shown on a similar basis.

The balance sheet remains healthy. Total assets decreased by R3 457 million to R23 640 million, primarily due to the impact of the rand appreciation on the translation of international assets. Total interest-bearing borrowings decreased to R6 143 million from R7 188 million last year and the debt:equity ratio (including the leasing operations) decreased to 59.5% from 59.8%. Excluding the leasing debt, this ratio increased to 26.7% from 23.3%.

CB Thomson
Finance Director

Segmental reviews

The segment result includes operating profit, fair value adjustments on financial instruments and goodwill amortisation but is stated before investment income, interest paid and taxation. In the case of the leasing businesses, segment result is net of interest paid. The prior year numbers have been stated on a consistent basis. Income from associates, which includes our share of earnings from joint ventures, is shown at the profit after tax level.

Net assets comprise total assets less non-interest bearing liabilities, which exclude current and deferred tax assets and liabilities respectively.

The commentaries in the segmental reviews reflect performance in local currencies.

Equipment

R million	Revenue Year ended 30 Sept 2003	 2002	Segment result Year ended 30 Sept 2003	 2002	Net assets 30 Sept 2003	 2002
- Europe	5 303	6,199	505	520	1 601	1 777
- South Africa	3 817	2 790	67	88	1 410	1 197
- Rest of Africa	1 501	1 141	170	136	145	190
Trading	**10 621**	**10 130**	**742**	**744**	**3 156**	**3 164**
- Europe	80	69	7	11	304	432
- South Africa	207	99	43	12	1 375	931
Leasing	**287**	**168**	**50**	**23**	**1 679**	**1 363**
Total trading & leasing	**10 908**	**10 298**	**792**	**767**	**4 835**	**4 527**

Trading activity levels in Europe remained high against a background of the continuing public sector infrastructure investment programme in Spain. This programme ensured strong demand for our products and services and a firm order book. In Portugal, business was downsized as a result of a clamp down on public sector spending. A higher portion of parts and service in the revenue mix compared to new and used equipment sales resulted in an overall margin improvement in Europe. The Siberian business continued its satisfactory development, posting a contribution to profits for the first time.

In a vibrant trading environment in our key mining and construction markets, the South African business achieved improved operating margins and our materials handling operation had a record year. In the rest of Africa, the highlight of excellent growth in all territories was Angola where political stability resulted in improved demand for infrastructure rehabilitation and mining expansion. However, the strong operating performance in southern Africa was offset in the segment result by R332 million in negative fair value adjustments on financial instruments.

Our established South African equipment finance business performed well achieving above average returns while the book in Spain continued to develop.

Industrial distribution

R million	Revenue Year ended 30 Sept 2003	2002	Segment result Year ended 30 Sept 2003	2002	Net assets 30 Sept 2003	2002
- North America	3 135	3 812	10	28	1 029	1 545
- Europe	2 052	2 202	79	95	356	550
Trading	**5 187**	**6 014**	**89**	**123**	**1 385**	**2 095**
- North America	74	61	6	2	668	627
- Europe	383	521	40	33	1 660	2 132
Leasing	**457**	**582**	**46**	**35**	**2 328**	**2 759**
Total Trading & Leasing	**5 644**	**6 596**	**135**	**158**	**3 713**	**4 854**
Share of associate income			(3)	-		

The US economy continued to struggle this year as reflected by a very modest improvement in the lift truck market. The heavy-duty truck market continued in recession and there was downward pressure on selling prices. The US lift truck business showed an improvement in profitability year on year while our Freightliner business performed below expectations and made a loss.

Our profits in Europe grew due to significantly better equipment deliveries against only slightly improved demand. We experienced a much improved performance in Belgium.

Net assets in the trading businesses declined despite two small acquisitions during the year.

Our trading operations are strongly supported by our leasing business which continued to achieve satisfactory returns. Leasing assets grew in both the US and Europe due to our success in the Smart Partnership long-term maintenance business.

Motor

R million	Revenue Year ended 30 Sept 2003	2002	Segment result Year ended 30 Sept 2003	2002	Net assets 30 Sept 2003	2002
- South Africa	6 652	6 851	72	146	1 008	799
- Rest of Africa	302	357	(7)	10	36	24
- Australia	1 393	1 656	17	28	412	472
Trading	**8 347**	**8 864**	**82**	**184**	**1 456**	**1 295**
Leasing*	**75**	**112**	**10**	**19**	**8**	**870**
Total Trading & Leasing	**8 422**	**8 976**	**92**	**203**	**1 464**	**2 165**
Share of associate income			76	46		

*South Africa

The South African operations did well to hold revenues in a weak market despite our relative under representation in the Toyota brand, which dominated the market with a range of new products. Revenues were lower due to the effect of the transfer of our DaimlerChrysler dealerships in Kwazulu Natal into a 50% owned empowerment joint venture, NMI DSM. The earnings of this joint venture were reported as associate income for the second half of the year. High interest rates, weaker demand at dealer level and an industry overstocked situation resulted in depressed margins.

Namibia produced another satisfactory result but the Botswana operations experienced a poor trading period.

The Australian operations performed well considering the disruptive effect on trading of building improvements in progress at our largest dealership.

The leasing book, which was sold in April 2003, produced a satisfactory result for the period. Our associate company Avis and our Mercedes Benz of Melbourne and NMI DSM joint ventures, performed strongly.

Cement & lime

R million	**Revenue** Year ended 30 Sept		**Segment result** Year ended 30 Sept		**Net assets** 30 Sept	
	2003	2002	2003	2002	2003	2002
South Africa	2 776	2 226	845	586	2 687	2 591
Rest of Africa	240	345	28	44	320	635
	3 016	**2 571**	**873**	**630**	**3 007**	**3 226**
Share of associate income			6	34		

Domestic cement sales volumes in South Africa ended the year ahead of expectations due to higher than anticipated growth in retail and infrastructure spending. The Coega harbour development, which came on stream during the year, also contributed to the year-on-year increase. South African based export volumes rose by 22.5%, but the recovery of the rand reduced export margins.

Volumes in the lime operations fell 3% but margins increased due to the benefits of re-negotiated long-term prices and higher levels of activity at the PPC Saldanha material handling facility.

Our Zimbabwean cement business reported a small operating profit in the face of continued economic difficulties severely depressing demand and problems relating to the regular supply of power, diesel, coal and foreign exchange.

Coatings

R million	**Revenue** Year ended 30 Sept		**Segment result** Year ended 30 Sept		**Net assets** 30 Sept	
	2003	2002	2003	2002	2003	2002
South Africa	1 104	1 071	107	78	359	445
Rest of Africa	121	114	15	14	26	23
Europe		81		3	7	16
Australia & Asia	1 028	1 235	33	36	262	312
	2 253	**2 501**	**155**	**131**	**654**	**796**
Share of associate income			30	28		

In South Africa, a record profit was driven by an improved product mix with growth in the premium brand segments and further market share gains in automotive coatings.

Combined with continuing efficiency gains throughout the business, profits rose 37%. With the exception of Zambia, the rest of Africa produced results in line with expectations and sustained a high level of returns. Our Australian operations were ahead of the prior year with a good performance in both the retail and trade sectors.

Scientific

R million	Revenue Year ended 30 Sept		Segment result Year ended 30 Sept		Net assets 30 Sept	
	2003	2002	2003	2002	2003	2002
Europe	1 167	1 459	46	57	784	1 171
North America	466	720	(34)	(52)	370	601
Asia	135	157	-	4	100	133
	1 768	**2 336**	**12**	**9**	**1 254**	**1 905**

Revenues were unchanged in soft trading conditions in all the major markets for our scientific products. Against this background we did well to increase profits. Reduced operating losses in our primarily US-based Melles Griot laser and optics business reflected the extensive restructuring actions which have significantly reduced the cost base. In Europe, demand for our laboratory products from the state-funded scientific research and education sectors in the larger Euro-zone markets fell due to budget cuts. Spending on R&D by the pharmaceutical industry in many key markets was also depressed and overall weak demand was exacerbated by distributor destocking.

Steel tube

R million	Revenue Year ended 30 Sept		Segment result Year ended 30 Sept		Net assets 30 Sept	
	2003	2002	2003	2002	2003	2002
South Africa	**1 736**	**1 720**	**38**	**84**	**514**	**486**
Share of associate income			5	11		

Turnover and market share were maintained in our steel tube business. However a sharp downturn in the international steel cycle in the second half and the strength of the rand resulted in substantially reduced margins in both domestic and export markets. In South Africa volumes in the second half were negatively impacted by the postponement of mining industry capital projects as result of the strong rand and concerns over higher royalty charges proposed by the government.

Corporate operations and other

R million	Revenue Year ended 30 Sept		Segment result Year ended 30 Sept		Net assets 30 Sept	
	2003	2002	2003	2002	2003	2002
South Africa	234	176	(72)	(33)	232	173
Rest of Africa	39	80	(4)	6	273	287
Europe	583	745	(2)	51	1 077	1 438
	856	**1 001**	**(78)**	**24**	**1 582**	**1 898**

Our South African logistics business was profitable and remained focused on investing in its intellectual base for future growth. In Europe, the profits in our Spanish logistics business suffered as a result of difficult trading conditions in its markets and lower warehouse capacity utilisation. Henry Cooke, our UK based speciality paper business, produced good results.

Other activities include the costs of corporate operations, primarily in South Africa and the United Kingdom. The current year included negative fair value adjustments on financial instruments of R14 million compared to a prior year gain of R13 million. The prior year also included a R48 million profit on the sale of assets.

Dividend declaration for the year ended 30 September 2003: Dividend Number 149

Notice is hereby given that the following dividend has been declared in respect of the year ended 30 September 2003:

- Number 149 (final dividend) of 200 cents per ordinary share (2002:185 cents per ordinary share)

In compliance with the requirements of the JSE Securities Exchange South Africa, the following dates are applicable:

Last day to trade cum dividend	Friday	2 January 2004
Shares trade ex dividend	Monday	5 January 2004
Record date	Friday	9 January 2004
Payment date	Monday	12 January 2004

Share certificates may not be dematerialised or rematerialised between Monday, 5 January 2004 and Friday, 9 January 2004, both days inclusive.

On behalf of the Board, **M J Barnett,** Secretary

Directors

Non executive: WAM Clewlow (Chairman) RKJ Chambers# MJ Levett DB Ntsebeza# SB Pfeiffer** LA Tager# EP Theron# RC Tomkinson* #

Executive: A J Phillips (Chief Executive)* MD Coward LS Day* BP Diamond JE Gomersall* AJ Lamprecht PJ Maybury* PM Surgey CB Thomson

* British **American

Independent

Group income statement

R million	Year ended 30 September 2003	2002	% change
Revenue	**34 603**	35 999	(4)
Operating profit	**2 455**	2 067	19
Fair value adjustments on financial instruments	**(334)**	55	
Finance costs	**(531)**	(401)	
Income from investments	**274**	253	
Goodwill amortisation	**(102)**	(116)	
Profit before exceptional items	**1 762**	1 858	(5)
Exceptional items	**81**	369	
Profit before taxation	**1 843**	2 227	
Taxation	**604**	636	
Profit after taxation	**1 239**	1 591	
Income from associates and joint ventures	**114**	119	
Minority interest and 6% preference shareholders in Barloworld Limited	**(212)**	(207)	
Net profit	**1 141**	1 503	
Reconciliation of net profit to headline earnings			
Net profit	**1 141**	1 503	
Net exceptional profits (refer note 1)	**(91)**	(347)	
Net post retirement benefit settlement costs	**7**	(70)	
Goodwill amortisation	**102**	116	
Interest in associate goodwill amortisation	**9**	11	
(Profit)/loss on sale of plant and equipment excluding rental assets	**(6)**	1	
Headline earnings	**1 162**	1 214	
Weighted average number of ordinary shares in issue during the year (000)			
- basic	**196 028**	195 284	
- fully diluted	**202 460**	199 755	
Net profit per share (cents)			
- basic	**582**	770	
- fully diluted	**571**	751	
Headline earnings per share (cents)			
- basic	**593**	622	(5)
- fully diluted	**581**	608	(4)
Dividends per share (cents)	**290**	275	5
- interim	**90**	90	
- final	**200**	185	
- special centenary dividend		100	

Group balance sheet

R million	30 September 2003	2002
Assets		
Non-current assets	**12 093**	13 872
Property, plant and equipment	**6 672**	7 565
Other non-current assets	**699**	971
Goodwill and intangible assets	**1 464**	1 903
Investment in associates and joint ventures	**535**	373
Finance lease receivables	**2 267**	2 675
Deferred tax assets	**456**	385
Current assets	**11 547**	13 225
Inventories	**5 010**	5 895
Trade and other receivables	**4 924**	5 509
Taxation	**66**	67
Cash and cash equivalents	**1 547**	1 754
Total assets	**23 640**	27 097
Equity and Liabilities		
Capital and reserves		
Share capital and premium	**712**	682
Other reserves	**1 727**	3 789
Retained income	**7 137**	6 727
Equity portion of convertible bond	**36**	36
Interest of shareholders of Barloworld Limited	**9 612**	11 234
Minority interest	**708**	791
Interest of all shareholders	**10 320**	12 025
Non-current liabilities	**4 870**	5 195
Interest-bearing	**3 404**	3 248
Deferred tax liabilities	**621**	617
Convertible bond	**-**	263
Non-interest bearing	**845**	1 067
Current liabilities	**8 450**	9 877
Amounts due to bankers and short-term loans	**2 559**	3 677
Convertible bond	**180**	-
Taxation	**461**	479
Trade and other payables	**4 746**	5 168
Provisions	**504**	553
Total equity and liabilities	**23 640**	27 097

Group cash flow statement

R million	Year ended 30 Sept 2003	2002
Cash flow from operating activities		
Operating cash flows before movements in working capital	**3 798**	3 244
(Increase) / decrease in working capital	**(275)**	416
Cash generated from operations	**3 523**	3 660
Realised adjustments on financial instruments	**(320)**	55
Finance costs and investment income	**(218)**	(111)
Taxation paid	**(566)**	(567)
Cash flow from operations	**2 419**	3 037
Dividends paid	**(940)**	(649)
Net cash inflow from operating activities	**1 479**	2 388
Net cash applied to investing activities	**(1 812)**	(2 621)
Acquisition of subsidiaries and investments	**(294)**	(431)
Acquisition of property, plant and equipment	**(843)**	(1 281)
Investment in rental assets	**(1 039)**	(1 041)
Investment in instalment sale and leasing receivables	**(1 103)**	(828)
Proceeds on disposal of lease receivable book, subsidiaries, investments and property, plant and equipment	**1467**	960
Net cash outflow before financing activities	**(333)**	(233)
Net cash available from financing activities	**487**	(24)
Ordinary shares issued, net of buyback	**26**	-
Increase/(decrease) in interest-bearing liabilities	**461**	(24)
Net increase/(decrease) in cash and cash equivalents	**154**	(257)
Cash and cash equivalents at beginning of year	**1 754**	1 781
Effect of foreign exchange rate movements on cash balance	**(361)**	230
Cash and cash equivalents at end of year	**1 547**	1 754

Other group salient features

	Year ended 30 Sept 2003	2002
Number of ordinary shares in issue (000)	**196 339**	195 284
Net asset value per share including investments at fair value (cents)	**5 063**	5 872
Return on net assets excluding leasing operations (%)	**18.9**	16.0
Total liabilities to total shareholders' funds (%)	**123.1**	120.2
Total borrowings to total shareholders' funds		
- gross excluding leasing operations (%)	**26.7**	23.3
- gross including leasing operations (%)	**59.5**	59.8
Interest cover		
- excluding leasing operations(times)	**4.1**	6.1
- including leasing operations(times)	**3.1**	3.8

Statement of changes in equity

R million	Year ended 30 Sept 2003	Year ended 30 Sept 2002
Interest of Barloworld Limited shareholders		
Balance at the beginning of the year	**11 234**	9 061
Net movements not recognised through the income statement	**(2 030)**	1 160
Buy-back of Barloworld Limited shares	**(4)**	-
Barloworld Limited ordinary shares issued	**30**	-
Movement on foreign currency translation reserve	**(2 072)**	1 359
Other reserve movements	**16**	(199)
Net movements recognised through the income statement	**408**	1 013
Net profit for the year	**1 141**	1 503
Hedge reserve released to income	**-**	(30)
Reserve released on disposal of available-for-sale investments	**3**	(1)
Dividends on ordinary shares	**(736)**	(459)
Interest of Barloworld Limited shareholders at end of year	**9 612**	11 234

Segmental Summary

R million	Revenue		Operating profit		Fair value adjustment on financial instruments		Goodwill amortisation		Segment result		Net assets	
	Year ended 30 Sept		Year ended 30 Sept		Year ended 30 Sept		Year ended 30 Sept		Year ended 30 Sept		30 Sept	
	2003	2002	2003	2002	2003	2002	2003	2002	2003	2002	2003	2002
Equipment	**10 908**	10 298	**1 125**	737	**(332)**	32	**(1)**	(2)	**792**	767	**4 835**	4 527
Industrial distribution	**5 644**	6 596	**159**	201		(13)	**(24)**	(30)	**135**	158	**3 713**	4 854
Motor	**8 422**	8 976	**128**	224	**(16)**		**(20)**	(21)	**92**	203	**1 464**	2 165
Cement & lime	**3 016**	2 571	**866**	613	**7**	20		(3)	**873**	630	**3 007**	3 226
Coatings	**2 253**	2 501	**164**	129	**(8)**	3	**(1)**	(1)	**155**	131	**654**	796
Scientific	**1 768**	2 336	**34**	38	**1**		**(23)**	(29)	**12**	9	**1 254**	1 905
Steel tube	**1 736**	1 720	**10**	84	**28**				**38**	84	**514**	486
Corporate operations & other	**856**	1 001	**(31)**	41	**(14)**	13	**(33)**	(30)	**(78)**	24	**1 582**	1 898
	34 603	35 999	**2 455**	2 067	**(334)**	55	**(102)**	(116)	**2 019**	2 006	**17 023**	19 857

Notes

R Million	2003	2002
1. Exceptional items		
Profit on disposal of properties, investments and subsidiaries	**123**	352
Impairment losses	**(45)**	(131)
Realisation of translation reserve on liquidation of offshore subsidiaries		201
Post retirement benefit settlement costs	**7**	(100)
Gain arising on PPC share issue to acquire Portland Holdings		60
Attributable exceptional items of associates		(10)
Other	**(4)**	(3)
Exceptional profits	**81**	369
Taxation	**11**	32
Interest of outside shareholders	**(1)**	(54)
Net exceptional profits	**91**	347
2. Contingent liabilities		
Other guarantees and claims	**284**	394

3. Accounting policies and disclosures

The annual financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) on a basis consistent with the prior year. There have been no changes in accounting policies during the year. In the current year, capitalised software development and other software costs have been reclassified from Property, Plant & Equipment to Intangible assets, as required by International Financial Reporting Standards. The prior year numbers have been stated on a consistent basis, which has resulted in R246 million in capitalised software costs being reclassified to Intangible assets.

4. Audit opinion

The auditors, Deloitte & Touche, have issued their opinion on the group's financial statements for the year ended 30 September 2003. A copy of their unqualified report is available for inspection at the company's registered office.

About Barloworld

Barloworld is an international industrial brand management company. We have operations in thirty-two countries around the world and approximately half of our 23 000 people are in South Africa where we were founded in 1902. We offer our global customer base business solutions backed by leading industrial brands, supported by service, relationships and attention to detail. These include both rental options and the sale of products and services. We operate under a philosophy of Value Based Management which focuses on creating sustainable value for all our stakeholders.

We market and distribute leading international brands on behalf of principals as well as offering our own market leading brands. Our principals include Caterpillar (machines and engines), Hyster (lift trucks), Freightliner (trucks), and many of the world's leading motor vehicle brands. We also offer a finance solution to many of our capital goods customers. We manufacture, market and distribute our own brand products and services under brand names such as PPC (cement and lime), Plascon, Taubmans, Bristol and White Knight (coatings), Robor (steel tube), Melles Griot (photonics) and Bibby Sterilin (laboratory equipment). We are also developing logistics businesses in southern Africa and Europe.

Striving for market leadership, the Barloworld team thrives on taking on difficult business challenges. We do things differently and we use our diversity to deliver value to our customers.

Addresses

Registered office and business address
Barloworld Limited
180 Katherine Street
PO Box 782248
Sandton
2146, South Africa
Ph: +27 11 445 1000
E mail: invest@barloworld.com

United Kingdom registrar
Lloyds TSB Registrars
The Causeway, Worthing
West Sussex, BN99 6DA, England
Ph: +44 190 350 2541

Transfer secretaries
Ultra Registrars (Pty) Ltd
Physical address:
5th Floor,
11 Diagonal Street
Johannesburg
2000, South Africa

Postal address:
P O Box 4844
Johannesburg
2000, South Africa

Ph: +27 11 834 2266
E mail: info@ultrareg.co.za