Preliminary audited results for the 12 months to 30 September 2014

Barloworld

Leading brands

Investing in the future makes a sustainable difference

About Barloworld

Barloworld is a distributor of leading international brands providing integrated rental, fleet management, product support and logistics solutions. The core divisions of the group comprise Equipment and Handling (earthmoving, power systems, materials handling and agriculture), Automotive and Logistics (car rental, motor retail, fleet services, used vehicles and disposal solutions, logistics management and supply chain optimisation). We offer flexible, value adding, integrated business solutions to our customers backed by leading global brands. The brands we represent on behalf of our principals include Caterpillar, Hyster, Avis, Audi, BMW, Ford, General Motors, Jaguar Land Rover, Mazda, Mercedes-Benz, Toyota, Volkswagen, Massey Ferguson and others.

Barloworld has a proven track record of long-term relationships with global principals and customers. We have an ability to develop and grow businesses in multiple geographies including challenging territories with high growth prospects. One of our core competencies is an ability to leverage systems and best practices across our chosen business segments. As an organisation we are committed to sustainable development and playing a leading role in empowerment and transformation. The company was founded in 1902 and currently has operations in 24 countries around the world with 75% of just over 19 600 employees in South Africa.

Corporate information

Barloworld Limited

(Incorporated in the Republic of South Africa)
(Registration number 1918/000095/06)
(Income Tax Registration number 9000/051/71/5)
(Share code: BAW)
(JSE ISIN: ZAE000026639)
(Share code: BAWP)
(JSE ISIN: ZAE000026647)
(Bond issuer code: BIBAW)
("Barloworld" or "the company")

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Executive: CB Thomson (Chief Executive), PJ Blackbeard, PJ Bulterman, M Laubscher, DM Sewela, DG Wilson
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Revenue **Up 4% to R62.1 billion**	Operating profit **Up 16% to R3 830 million**	Basic earnings per share increased **33% to 1 012 cents**
Headline earnings per share from continuing operations **up 10% to 857 cents**	Total dividend per share increased **10% to 320 cents**	Australian motor retail operations disposal **for R1.3 billion**

Clive Thomson, CE of Barloworld, said:

"The group delivered a solid performance for the year with operating profits up 16% and headline earnings per share from continuing operations up 10%.

Our Equipment business in southern Africa performed well notwithstanding weak commodity prices and reduced capital expenditure in the mining sector. The construction sector in Spain remained depressed and necessitated a further restructuring of our operations, while our Russian business delivered a pleasing result notwithstanding the uncertainties emanating from the Ukraine crisis.

The Automotive and Logistics division traded strongly due to improved operating efficiency and disciplined cost control.

While a number of geopolitical risks and economic uncertainties exist globally, our focus will remain on executing our strategy, driving operational efficiencies and maintaining strong cash flows. We expect to continue to make good progress into 2015 and are well placed to benefit once the infrastructure and mining cycles move into a recovery phase across our key geographies."

17 November 2014

Chairman and Chief Executive's report

Overview

Against a backdrop of challenging economic conditions and geopolitical uncertainty, the group produced a solid result for our 2014 financial year.

Revenue from continuing operations increased by 4% to R62.1 billion while operating profit increased by 16% to R3 830 million. This reflects improvements in operating efficiencies and disciplined cost control as the operating margin increased from 5.6% to 6.2%.

Headline earnings per share from continuing operations increased by 10% to 857 cents compared to the restated 780 cents in 2013. The dividend for the year of 320 cents is 10% higher (2013: 291 cents).

The group's return on net operating assets of 18.8% was slightly up on the prior year notwithstanding the costs incurred on restructuring the Iberian equipment business.

Strategic developments

A number of niche acquisitions were made in our Automotive business including Leach Toyota and Hino in Kuruman and 51% of the Jaguar Land Rover dealership in Witbank. Post year end we concluded the acquisition of a fleet services business in Tanzania which establishes a presence in East Africa to complement the West African presence we are building in Ghana.

Our motor retail business in Australia was disposed of for R1.3 billion generating a profit of R374 million. This will facilitate the redeployment of capital over time into businesses generating higher financial returns.

Within Logistics we made an acquisition in an extra heavy abnormal transport business which has synergies with our equipment operations. We also diversified the Barloworld Transport business into the sugar cane sector and organically established and secured the necessary skills to grow in the mobile crane segment. Our loss making Far East logistics airfreight business was disposed of in November 2013.

In our Equipment division, the Bucyrus acquisitions (extended mining product range) previously concluded in southern Africa and Russia are being successfully integrated into our Caterpillar mining equipment operations. These transactions are performing well ahead of our acquisition projections.

We sold our materials handling business in Holland in December 2013 which concluded the disposals of our international Handling operations. In September 2014 we acquired the AGCO agricultural equipment dealership in Zambia as part of our Africa growth strategy.

Operational review

Equipment and Handling

Equipment southern Africa

The business increased revenue by R1.8 billion (9.3%) to R20.9 billion and delivered a good increase in operating profitability despite the ongoing slowdown in the mining sector. Higher than planned activity in the extended mining product range (EMPR) growth in aftermarket revenues and rand weakness contributed positively to the result.

The deferral of new mining capex was counteracted by growth in our parts and service business as existing equipment fleets are maintained. Aftermarket revenues grew by close to 17% in the year and now represent approximately 43% of total revenue.

Operating profit for the year of R1 968 million was 17.3% ahead of last year with the EMPR business exceeding expectations. The operating margin of 9.4% was up on the prior year 8.8% and highlights the strength of the business model in a difficult trading environment.

Income from joint ventures increased by 23.7% to R223 million.

Equipment Russia

The business delivered a pleasing result despite the difficult business environment and uncertainty caused by the Ukraine crisis that persisted for most of the year.

Revenue for the year of $382.7 million was $115 million (23%) down on the prior year mainly due to the slowdown in mining sales. The power business held up well aided by strong rental demand. Parts and service revenues grew by 7.6% in the year with EMPR growing particularly strongly. After sales represented 46% of total revenue compared to 33% last year.

Operating profit of R429 million ($40 million) was generated which was slightly below the prior year in USD terms. However, the rand operating margin of 10.7% was well up on the 8.8% achieved in 2013 due to the higher aftermarket mix, good cost control and supply chain efficiencies.

Equipment Iberia

The recovery in the Spanish economy has not yet impacted fixed investment expenditure and consequently the local construction industry remains in limbo.

Revenue for the year of €290 million was €76.6 million (21%) below last year which had included various large package deals. While machine industry unit sales have started to show some signs of recovery in 2014 this has largely been in the smaller general construction and tele handler markets which have had a limited impact on our revenues.

Operating losses from normal trading of €3.6 million were incurred in the second half compared to the €2 million loss in the first half. These losses stem mainly from the earthmoving business in Spain while the power business remained profitable. This has unfortunately meant that we have had to take further steps to adjust the overhead structure of the businesses in line with current activity levels.

In September agreement was reached with the trade unions for a further reduction in the Spanish workforce. Total restructuring costs expensed in the period amount to €6.2 million and are expected to generate €7.4 million savings in the year ahead.

Handling

The business recorded revenue of R1.9 billion for the year which was R0.6 billion down on last year following the disposals of the Handling businesses in Holland and Belgium. Increased activity levels were achieved in Agriculture SA and Mozambique.

Operating profit of R55 million was slightly higher than the previous year which included certain businesses now disposed. The Agriculture business in Russia was impacted by difficult trading conditions.

Automotive and Logistics

The division delivered a strong performance generating revenue of R31.1 billion which was R2.3 billion (8.1%) up on the last year excluding the results of the Motor Retail Australia businesses disposed of which are disclosed as discontinued operations.

Operating profit for 2014 of R1 644 million showed an increase of R322 million (24%) over last year. The operating margin for the division increased from 4.6% to 5.3% in the current year.

Motor Retail southern Africa

The South African vehicle industry remains under pressure as a result of increasing interest rates, lower economic growth and above inflation new vehicle price increases following a sharp decline in the value of the rand. The domestic vehicle market is projected to decline by 1% to 3% in calendar 2014.

In these difficult trading conditions our motor retail business produced a strong performance increasing revenue by R1.7 billion (9.8%) to R19.2 billion. The growth came from increased used retail sales and strongly improved parts sales. Operating profit of R542 million was R121 million (29%) up on last year with the operating margin increasing from 2.4% to 2.8% for the year. We have also selectively increased our dealership footprint with new dealerships in the Northern Cape and Mpumalanga.

Car Rental

Avis Rent a Car increased revenue by 11% to R4.5 billion supported by a 9.9% growth in rental days and a 2.7% increase in revenue per day.

The operating profit for the year of R421 million was 33% ahead of the R317 million in the prior year with operating margin increasing from 7.8% to 9.3%. Average fleet utilisation of 76% was slightly ahead of the 75% achieved in 2013.

Avis Fleet Services

Revenue increased by 6.6% to R3.1 billion. The financed fleet was maintained at similar levels, the managed maintenance fleet grew by 16% while the total fleet under management was up 11%.

Operating profit for the year of R559 million, R75 million (16%) ahead of 2013, was also assisted by an improved contribution from used vehicle sales. Operating margin for the division increased to 18.1% from 16.7% last year.

Logistics

The business generated revenue of R4.4 billion for the year which was similar to last year. The transport business has made great strides since the acquisition of Manline in 2013.

Operating profit of R122 million, net of the R20 million Ellerines receivable provision, was 22% ahead of last year driven by the transport business. The supply chain management profitability was adversely impacted by the provisioning required for the Ellerines contract following that customer's business rescue proceedings in early August. In addition, a provision of R76 million was made for the impairment of intangibles and other assets related to the contract. Full provision has thus been made in respect of this exposure.

The freight management and services loss for the year resulted from weak volumes in Spain and a reduction in Sea Air volumes in the Middle East following the loss of a significant customer in January 2014. Steps have been taken to replace the lost volumes.

Sustainable development

Underscoring our commitment to sustainability, we are constituents of the Dow Jones Sustainability Emerging Markets Index and the Global Compact 100 Index, one of only a few South African companies to have achieved this recognition.

Stakeholder engagement continues to underpin sustainable value creation activities across our operations.

Providing a safe and healthy work environment is a key focus. It was therefore disappointing that our Lost-Time Injury Frequency Rate (LTIFR) increased and tragically, there were three work-related fatalities due to motor vehicle accidents during the year. We extend our condolences to the families of the deceased and continue to foster a culture of safety and awareness in the group to prevent accidents and injuries in future.

The majority of our operations have performed ahead of our aspirational group target of a 12% efficiency improvement for non-renewable energy consumption and greenhouse gas emissions (scope 1 and 2) set for the end of this financial year off a 2009 baseline. However, our overall group target was not achieved due mainly to a number of investments made in the logistics road transport business which has higher energy and emissions intensities compared to our other businesses. Nonetheless this target played a major role in focusing our efforts on energy efficiency with significant benefits for the organisation.

Human resources, diversity and empowerment

We continue to focus on people management and ensuring the required leadership and talent pipeline is in place. Workforce diversity remains a key focus area across the group and in South Africa.

The group has a dti B-BBEE level 2 rating. As part of our focus on enterprise and supplier development we initiated supplier development workshops across our South African operations aimed at broadening the diversity of our supply base.

The B-BBEE transaction entered into in September 2008 matures in September 2015. We have embarked on a process to address the future of the credit sale structure which includes six Strategic Black Partners (SBPs) and three Community Service Groups (CSGs).

Changes in directorate and executive management

Ms Hixonia Nyasulu retired by rotation from the board at the annual general meeting on 29 January 2014 having served on the board for seven years. Ms Ngozichukwuka (Ngozi) Edozien was appointed as an independent non-executive director of the company effective 19 March 2014.

Mr Isaac Shongwe, previously Executive director: Human resources, strategy and sustainability, having served the group for more than nine years, relinquished his executive management responsibilities effective 1 June 2014 and became a non-executive director of the company from that date.

Mr Dominic Sewela, Chief executive officer of Barloworld Equipment southern Africa, was appointed as an executive director of the company with effect from 19 March 2014.

Mr Sibani Mngomezulu was appointed as Group executive: Human resources, strategy and sustainability effective 1 June 2014.

Outlook

The slowdown in the Chinese economy continues to impact commodity demand with a consequent reduction in commodity prices.

While the Equipment southern Africa firm order book at September 2014 of R1.9 billion is well down on the R3.5 billion at September 2013, there are a number of potential projects underway which should support our mining businesses into 2015 and aftermarket revenues are expected to continue to grow. The order book reduction is also reflective of the shortening lead times for machine orders placed on Caterpillar; currently around 20 weeks for mining equipment.

We also expect the long-term rental business to continue to underpin demand as contract miners in particular take advantage of this model to fund their capex requirements. Customer demand for rental machines is not included in the order book.

The outlook for construction in southern Africa remains positive with a number of projects in Angola, Namibia and Mozambique. The South African construction sector remains subdued with some activity at local government and municipal levels for small and medium sized contractors, however, infrastructure projects in the remainder of southern Africa still create significant opportunities. We will further intensify the focus on cost management in view of the prevailing uncertainty in the market.

In Spain the outlook for improved economic growth in 2015 has been reduced by weakening external demand particularly from other European markets. The government is expected to bring the budget deficit down to the 3% of GDP target in 2017 which could mean continued restrictions in public works spending in the short term.

The Equipment Iberia firm order book at September 2014 of €33 million was mainly related to Power (78%) which continues to generate strong activity in the marine, electric power and industrial segments. The workforce restructure at the end of 2014 is expected to reduce the division's overhead structure by approximately €7.4 million in the coming year.

In addition to the worldwide slowdown in commodity demand the Russian economy has weakened following the imposition of sanctions by the US and EU, the collapse in the oil price and the related sharp decline in the value of the rouble. The current view is that the Russian economy is unlikely to show positive growth in 2015.

The Equipment Russia firm order book of $14 million is well down on the prior year. However, there remains a number of major projects currently under discussion for both Caterpillar legacy and EMPR products. In addition there are orders of $17 million carried forward from the EMPR acquisition for delivery in 2015.

The focus on the Global Power business continues to gain traction. The marine market in Spain remains strong and we have gained some inroads in the South African market with the recent Transnet tug order. The electric power market has been under pressure in both Iberia and southern Africa although we did secure a large order in Mozambique in October 2014 and some significant opportunities are in the pipeline.

Despite current lower order books the medium-term outlook appears brighter for the Agriculture businesses in South Africa and Mozambique, particularly in the high technology Equipment segment.

The South African vehicle industry is expected to remain subdued in 2015 with consumers under pressure and increasing vehicle price inflation. However we anticipate some resilience in the premium brands, while we should further benefit from the contribution of the newly acquired dealerships for the full year.

Car rental days should continue to grow positively and benefit from a further improvement in revenue per day. Our fleet services business will continue to generate organic growth in revenue and profitability based on the existing customer base. The National department of Transport contract is expected to be adjudicated before this calendar year end.

The logistics growth outlook for 2015 is positive. The transport business will benefit from the organic capital deployed and acquisitions finalised during the year. The international Logistics businesses are expected to improve in 2015 as a result of new contracts that have been secured and various actions taken.

While a number of geopolitical risks and economic uncertainties exist globally, our focus will remain on executing our strategy, driving operational efficiencies and maintaining strong cash flows. We expect to continue to make progress into 2015 and are well placed to benefit once the infrastructure and mining cycles move into a recovery phase across our key geographies.

DB Ntsebeza
Chairman

CB Thomson
Chief Executive

Group financial review

Revenue for the year increased by 4% to R62.1 billion, mainly due to increased revenues in Equipment southern Africa (R1.8 billion) in particular the extended mining product range (EMPR) and Automotive and Logistics (R2.3 billion), offset by reduced revenue in Equipment Russia, Iberia and Handling. The weakening rand increased revenue for the year by R2 billion.

Earnings before interest, taxation, depreciation and amortisation (EBITDA) increased by 14% to R6 170 million with depreciation and amortisation increasing by 13%.

Operating profit rose by 16% to R3 830 million with the operating margin increasing to 6.2%. The strong operating results generated in Equipment southern Africa (R1 968 million) and Russia (R429 million) made up for the operating loss of R168 million (€11.7 million) incurred in Equipment Iberia which included restructure costs of R88 million (€6.2 million).

The Automotive and Logistics division produced another strong performance with all business units performing well, increasing operating profit by 24% to R1 644 million. This was after making provision for the exposure arising from the Ellerines Holdings business rescue.

The total negative fair value adjustments on financial instruments of R156 million (2013: R47 million) mainly relate to the cost of forward points on foreign exchange contracts in Equipment southern Africa and Handling South Africa.

Finance costs increased by R117 million to R1 117 million. The increase is mainly due to higher average debt levels, arising from increased average working capital levels for the year, increased fleet leasing and rental fleets and capex relating to investment in the logistics business, further impacted by higher short-term interest rates. We remitted £60 million of the proceeds on sale of the Australian operations back to South Africa at the end of September in order to reduce local borrowing costs in the coming year.

Exceptional items of R66 million (net charge) mainly comprise the impairments of goodwill in the logistics sea air transport business (R208 million), and intangible assets and other assets in the logistics supply chain management business related to the Ellerines contract (R76 million). This was offset by profits from foreign currency translation reserves of R97 million realised on disposals of offshore businesses in handling and logistics, profits on disposal of investments (R64 million), and a profit on sale of property of R77 million.

Taxation charge for the year was R837 million. This included further impairment of the Spanish deferred tax asset of €3 million (R42 million). The effective taxation rate (excluding prior year taxation and taxation on exceptional items) was 34.1% (2013: 31.8%). The effective rate was negatively impacted by the unrelieved tax losses in Equipment Iberia and deferred tax arising on exchange movements in foreign subsidiaries.

Income from associates and joint ventures increased by 17% to R217 million (2013: R185 million) again driven by a strong performance from Equipment joint ventures.

The non-controlling interest in the current year's earnings includes dividends of R44 million paid to participants of the BEE transaction with the balance relating to the minorities in our NMI/DSM and Transport subsidiaries.

Headline earnings per share (HEPS) from continuing operations increased by 10% to 857 cents (2013: 780 cents) and total HEPS (including discontinued operations) increased by 8% to 883 cents (2013: 821 cents). Basic earnings per share (EPS) (including discontinued operations) of 1 012 cents is 33% higher than the prior year due to the exceptional profit of R374 million generated on the disposal of the Australian Motor Retail operations.

The group's results for the year ended 30 September 2013 have been restated to reflect the changes in accounting policies as well as discontinued operations resulting from the disposal of our Australian motor retail business. The group applied the revised IAS19 (employee benefits) and IFRS 10 (consolidated financial statements) resulting in restatement of prior year results on a comparable basis.

Cash flow

Cash generated from operations decreased to R3.0 billion (2013: R4.3 billion generated). Activity levels in the second half resulted in an increase in working capital for the year of R470 million (2013: R539 million decrease) which includes a funding payment to the UK defined benefit pension scheme of £15.2 million (R0.3 billion). The increased investment in fleet leasing assets was mainly due to the increased Equipment SA long-term rental fleet.

Net cash applied in the net investment of property, plant and equipment together with subsidiaries and intangibles of R1.4 billion was largely offset by the proceeds on disposal of motor retail Australia of R1.3 billion. This contributed to a net inflow of funds for the year of R145 million compared to an inflow of R660 million last year which represented a significant improvement on the cash outflow of R3.9 billion reported at the interim.

Financial position and debt

Total assets employed in the group increased by R3.4 billion to R44 billion. The increase was driven by the weaker rand (R1.3 billion) and an increase in rental and leasing assets, as well as the acquisition of property, plant and equipment during the year.

Total interest-bearing debt at 30 September 2014 increased to R11.3 billion (2013: R10.3 billion) while cash and cash equivalents increased to R4.2 billion (2013: R2.7 billion). Net debt reduced in the second half as a result of the seasonal decrease in working capital, and was positively impacted by the receipt of the proceeds from the sale of Motor Retail Australia. Net interest-bearing debt at 30 September 2014 of R7.2 billion was R404 million down on the prior year of R7.6 billion.

Debt

In December the company issued three senior unsecured notes totalling R1 541 million under the South African Domestic Medium Term Note programme. R714 million matures in 2019 financial year and R827 million in 2021 financial year. In addition a R700 million bank term facility was extended for a further five years. During the second half the group concluded a five-year revolving bank credit facility of R1 billion, while Barloworld Transport finalised banking facilities of R561 million. The funds raised have been utilised to fund short-term working capital requirements and to improve the maturity profile of group debt.

In South Africa, short-term debt includes commercial paper totalling R1.0 billion (September 2013: R1.2 billion). While this market has remained liquid, spreads have been negatively impacted by interest rate uncertainty. We expect to maintain our participation in this market.

Cash balances of R4.2 billion are available to meet short-term commitments. The group has short-term borrowings at 30 September 2014 of R4 395 million, committed unutilised borrowing facilities of R6 102 million and further uncommitted facilities of R2 280 million.

Fitch Ratings downgraded the company's long term credit rating to A+(zaf) (Stable Outlook) following the annual credit review in February 2014. While this had a marginal impact on the cost of short-term commercial paper funding, we have not experienced any impact on our cost of long-term borrowings.

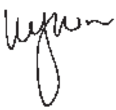
The group debt to equity ratio at 30 September 2014 was 64.7% (September 2013: 64.0%), while group net debt to equity was 40.9% (September 2013: 47.5%).

Gearing in the three segments are as follows:

Total debt to equity (%)	Trading	Leasing	Car rental	Group debt	Group net debt
Target range	30 – 50	600 – 800	200 – 300		
Ratio at 30 September 2014	**40**	**662**	**205**	**65**	**41**
Ratio at 30 September 2013	38	666	224	64	48

Going forward

The group return on net operating assets increased from 18% in 2013 to 18.8% in the current year driven by the strong operating performances in Equipment southern Africa and the Automotive and Logistics division. The group continues to deploy capital into higher returning businesses, which together with a projected return to profitability in Equipment Iberia, should further contribute to improved returns in 2015.



DG Wilson

Finance director

Equipment and Handling

	Revenue		Operating profit/(loss)		Net operating assets	
	Year ended 30 September		Year ended 30 September		30 September	
	2014 Rm	2013 Rm Restated*	**2014 Rm**	2013 Rm Restated*	**2014 Rm**	2013 Rm Restated*
Equipment	**29 031**	28 148	**2 229**	2 069	**14 064**	11 877
– Southern Africa	**20 903**	19 126	**1 968**	1 678	**8 770**	6 901
– Europe	**4 134**	4 377	**(168)**	(16)	**2 343**	2 293
– Russia	**3 994**	4 645	**429**	407	**2 951**	2 683
Handling	**1 929**	2 534	**55**	54	**781**	751
	30 960	30 682	**2 284**	2 123	**14 845**	**12 628**
Share of associate and joint venture income			**228**	188		

Restated for the treatment of IFRS 10.

Equipment southern Africa delivered a solid performance in the year ending September 2014, despite the tough economic environment characterised by volatile commodity prices globally and labour unrest in South Africa. Revenue increased by 9.3% to R20.9 billion. Factors that have led to the slowdown in growth in the mining sector in southern Africa will continue to have a negative impact on the mining industry in 2015; with the recovery only expected from the second half of 2015 onwards.

Operating profit for the period improved by 17.3% to R1 968 million driven mainly by stronger machine, parts and MARC performance. This was underpinned by strong rental activity, driving growth in the active machine population and consequently the aftersales business.

EMPR produced a strong performance driven by deliveries to Swakop Uranium in Namibia, FQM in Zambia, Moolmans and Kolomela, and continues to contribute at a higher level than anticipated at acquisition. Joint venture income grew by 23.7% over last year.

Slow economic growth in China had an unfavourable impact on commodity prices and demand, with the tough environment resulting in capex reduction by mining customers. The lower firm orders of R1.9 billion compared to R3.5 billion in 2013 is reflective of the challenging industry climate but is also likely to underpin strong aftersales and rental activity. Shorter lead times on machinery enhance our ability to deliver orders faster than in the past, resulting in a shorter turnaround on order to delivery.

Equipment Russia produced a pleasing result under challenging conditions. Operating profit of R429 million ($40 million) for the year was supported by a strong aftermarket performance combined with tight cost controls in both CAT Legacy as well as the EMPR business segment. The mining downturn continued throughout 2014, with recovery anticipated to commence during 2016. The impact of a weak mining segment has been exacerbated by uncertainties created by the Ukrainian crisis.

Equipment Iberia operated amidst a continuing depressed construction sector. Revenue of R4 134 billion was down from last year as the large package deals delivered in 2013 were not repeated. The operating loss of R168 million to September included restructuring costs of R88.5 million. Macroeconomic indicators have, however, started showing a slow recovery of the regions´ economy but the construction sector continues to lag.

While power systems activity in both Spain and Portugal was down on the prior year, there are better prospects for the year ahead as evidenced by a steadily improving order book.

The restructuring of the Handling division was completed in December 2013 with the sale of The Netherlands Handling business. The remaining forklift operation in South Africa grew profits, with increased aftersales activity more than compensating for a weak new equipment market. The SEM business saw solid growth in Russia but faced increased competition in SA. The South African agricultural operation enjoyed record sales, though a decline in maize prices and a credit squeeze impacted sentiment and demand towards the end of the year. Mozambique doubled sales and moved into profit. Russia grew share in a depressed market, but volume shortfalls and higher stock impairment charges led to increased losses. The newly acquired Zambian agriculture business started trading in September and overall growth prospects in Agriculture remain encouraging.

Automotive and Logistics

	Revenue		Operating profit/(loss)		Net operating assets	
	Year ended 30 September		Year ended 30 September		30 September	
	2014 Rm	2013 Rm Restated*	2014 Rm	2013 Rm Restated*	2014 Rm	2013 Rm Restated*
Car rental southern Africa	**4 510**	4 069	**421**	317	**1 808**	1 863
Motor retail	**19 173**	17 465	**542**	421	**2 258**	3 290
– Southern Africa	**19 173**	17 465	**542**	421	**2 258**	1 942
– Australia						1 348
Fleet services southern Africa	**3 087**	2 895	**559**	484	**3 318**	3 191
Logistics	**4 367**	4 377	**122**	100	**1 761**	1 112
– Southern Africa	**3 709**	3 454	**174**	137	**1 618**	992
– Europe, Middle East and Asia	**658**	923	**(52)**	(37)	**143**	120
	31 137	28 806	**1 644**	1 322	**9 145**	9 456
Share of associate and joint venture loss			**(11)**	(4)		

**Restated for the treatment of IFRS 10 and discontinued operations.*

The division produced an exceptional result in difficult markets. These results exclude the Australian motor retail operations which were sold, effective 31 March 2014. The continued focus on improving margins and returns across the division has resulted in operating profit improving by 24% off a growth in revenue of 8.1%. Operating margin improved to 5.3% from 4.6% in the prior year. The division generated strong operating cash flows, which have been reinvested into leasing and rental assets, and growing the logistics business in southern Africa.

Avis Rent a Car southern Africa delivered an excellent result, improving operating profit by 33%. The business further improved fleet utilisation, grew rental day volumes and market share, and increased revenue per rental day. Used vehicle profits which were marginally better than the high levels achieved in the previous year, supported the result.

The southern African motor retail operations delivered a very good result, growing operating profit by 29% while the operating margin improved to 2.8% (FY13 2.4%). Overall vehicle sales volumes were ahead of market and the result was supported by improved after-sales volumes. The acquisition of Leach Toyota and Hino in Kuruman was effective 10 March 2014 and Jaguar Land Rover N4 Witbank was effective 1 July 2014.

Avis Fleet Services produced a pleasing result, further improving operating profit by 16% and improved the operating margin to 18.1% (FY13: 16.7%) The business maintained the financed fleet and benefited from further growth in the non-financed fleets and a strong used vehicle profit contribution.

The logistics business has seen further improvements on the back of focused management actions in southern Africa. Barloworld Transport has seen strong growth which supported the result, while the supply chain management business in southern Africa remains stable and is well positioned for growth. Certain niche acquisitions and fleet investments made towards the end of the year will only fully benefit operating profit in the year ahead. Unfortunately R20 million was provided against operating profit as a result of the Ellerines Holdings business rescue. Overall volumes and margins remain under pressure in the international businesses. The loss-making Far East airfreight business was exited on 1 November 2013 and further action is being taken to restore profitability in the remaining international operations. Currency weakness negatively impacted the net operating assets on translation.

Associates, including our Soweto motor retail and Sizwe BEE joint ventures, remain in the early stages of development.

Corporate

	Revenue		Operating loss		Net operating assets/ (liabilities)	
	Year ended 30 September		Year ended 30 September		30 September	
	2014 Rm	2013 Rm Restated*	**2014 Rm**	2013 Rm Restated*	**2014 Rm**	2013 Rm Restated*
Southern Africa	**4**	10	**(24)**	(78)	**652**	543
Europe			**(74)**	(54)	**(1 944)**	(1 299)
	4	10	**(98)**	(132)	**(1 292)**	(756)

**Restated for the treatment of IFRS 10 and IAS 19.*

Corporate primarily comprises the operations of the headquarters and treasury in Johannesburg, the treasury in Maidenhead, United Kingdom, and the captive insurance company. In southern Africa the corporate operating loss has reduced mainly owing to lower charges and accruals for long-term incentives linked to the Barloworld share price. In Europe the higher operating loss is mainly due to the loss in the group's insurance cell captive as a result of higher claims during the year. The net operating assets (and liabilities) for corporate includes the UK pension fund deficit which has increased in the current year and has been affected on translation by the depreciation of the rand.

Dividend declaration

Dividend number 172

Notice is hereby given that final dividend number 172 of 214 cents (gross) per ordinary share in respect of the year ended 30 September 2014 has been declared subject to the applicable dividends tax levied in terms of the Income Tax Act (Act No. 58 of 1962)(as amended) ("the Income Tax Act").

In accordance with paragraphs 11.17(a)(i) to (x) and 11.17(c) of the JSE Listings Requirements the following additional information is disclosed:

- The dividend has been declared out of income reserves;
- Local dividends tax rate is 15% (fifteen per centum);
- There is no Secondary Tax on Companies (STC) credits utilised;
- Barloworld has 231 291 819 ordinary shares in issue;
- The Gross local dividend amount is 214 cents per ordinary share;
- The net dividend amount is 181.9 cents per share.

In compliance with the requirements of Strate and the JSE Limited, the following dates are applicable:

Dividend declared	Monday, 17 November 2014
Last day to trade cum dividend	Friday , 16 January 2015
Shares trade ex-dividend	Monday, 19 January 2015
Record date	Friday, 23 January 2015
Payment date	Monday, 26 January 2015

Share certificates may not be dematerialised or rematerialised between Monday, 12 January 2015 and Friday, 16 January 2015, both days inclusive.

On behalf of the board

LP Manaka
Group company secretary

Summarised consolidated income statement

for the year ended 30 September

	Notes	Audited 2014 Rm	2013 Rm Restated*	% change
Continuing operations				
Revenue		**62 101**	59 498	4
Operating profit before items listed below (EBITDA)		**6 170**	5 389	
Depreciation		**(2 198)**	(1 940)	
Amortisation of intangible assets		**(142)**	(136)	
Operating profit		**3 830**	3 313	16
Fair value adjustments on financial instruments		**(156)**	(47)	
Finance costs		**(1 117)**	(1 000)	
Income from investments		**39**	28	
Profit before exceptional items		**2 596**	2 294	13
Exceptional items	3	**(66)**	(79)	
Profit before taxation		**2 530**	2 215	
Taxation		**(837)**	(729)	
Profit after taxation		**1 693**	1 486	
Income from associates and joint ventures		**217**	185	
Net profit from continuing operations		**1 910**	1 671	
Discontinuing operations				
Profit from discontinued operations	6	**428**	46	
Net profit		**2 338**	1 717	
Net profit attributable to:				
Owners of Barloworld Limited		**2 143**	1 609	
Non-controlling interest in subsidiaries		**195**	108	
		2 338	1 717	
Earnings per share (cents)				
– basic		**1 012.3**	763.0	
– diluted		**1 007.5**	759.2	
Earnings per share from continuing operations (cents)				
– basic		**810.3**	739.9	
– diluted		**806.4**	736.2	
Earnings per share from discontinued operations (cents)				
– basic		**202.0**	23.1	
– diluted		**201.1**	23.0	

**Restated for the treatment of IFRS 10, IAS 19 and discontinued operations – refer to note 10.*

Summarised consolidated statement of comprehensive income

for the year ended 30 September

	Audited	
	2014 Rm	2013 Rm Restated*
Profit for the year	**2 338**	1 717
Items that may be reclassified subsequently to profit or loss:	**370**	1 691
Exchange gains on translation of foreign operations	**862**	1 680
Translation reserves realised on disposal of foreign joint venture and subsidiaries	**(510)**	(14)
Gain on cash flow hedges	**25**	33
Deferred taxation on cash flow hedges	**(7)**	(8)
Items that will not be reclassified to profit or loss:	**(497)**	(290)
Actuarial losses on post-retirement benefit obligations	**(617)**	(320)
Taxation effect	**120**	30
Other comprehensive (loss)/income for the year, net of taxation	**(127)**	1 401
Total comprehensive income for the year	**2 211**	3 118
Total comprehensive income attributable to:		
Owners of Barloworld Limited	**2 016**	3 010
Non-controlling interest in subsidiaries	**195**	108
	2 211	3 118

**Restated for the treatment of IFRS 10, IAS 19 and discontinued operations – refer to note 10.*

Summarised consolidated statement of financial position

at 30 September

	Notes	Audited 2014 Rm	2013 Rm Restated*
ASSETS			
Non-current assets		**17 287**	16 023
Property, plant and equipment		**12 614**	11 356
Goodwill		**1 661**	1 820
Intangible assets		**1 380**	1 399
Investment in associates and joint ventures		**720**	571
Finance lease receivables		**123**	115
Long-term financial assets		**94**	108
Deferred taxation assets		**695**	654
Current assets		**26 719**	24 213
Vehicle rental fleet		**2 307**	2 081
Inventories		**11 814**	11 688
Trade and other receivables		**8 357**	7 687
Taxation		**79**	62
Cash and cash equivalents		**4 162**	2 695
Assets classified as held for sale	6		371
Total assets		**44 006**	40 607
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital and premium		**316**	316
Other reserves		**4 517**	4 094
Retained income		**12 049**	11 035
Interest of shareholders of Barloworld Limited		**16 882**	15 445
Non-controlling interest		**604**	462
Interest of all shareholders		**17 486**	15 907
Non-current liabilities		**9 700**	9 611
Interest-bearing		**6 921**	7 285
Deferred taxation liabilities		**377**	421
Provisions		**182**	267
Other non-current liabilities		**2 220**	1 638
Current liabilities		**16 820**	14 983
Trade and other payables		**11 263**	10 780
Provisions		**1 046**	995
Taxation		**116**	240
Amounts due to bankers and short-term loans		**4 395**	2 968
Liabilities directly associated with assets classified as held for sale	6		106
Total equity and liabilities		**44 006**	40 607

**Restated for the treatment of IFRS 10, IAS 19 and discontinued operations – refer to note 10.*

Summarised consolidated statement of changes in equity
at 30 September

	Share capital and premium Rm	Other reserves Rm	Retained income Rm	Attributable to Barloworld Limited shareholders Rm	Non-controlling interest Rm	Interest of all shareholders Rm
Balance at 1 October 2012 (Restated)	309	2 433	10 181	12 923	298	13 221
Total comprehensive income for the year		1 655	1 355	3 010	108	3 118
Transactions with owners, recorded directly in equity						
Other reserve movements		6	21	27	142	169
Dividends			(522)	(522)	(86)	(608)
Treasury shares issued	3			3		3
Shares issued in current year	4			4		4
Balance at 30 September 2013 (Restated)	316	4 094	11 035	15 445	462	15 907
Total comprehensive income for the year		**370**	**1 646**	**2 016**	**195**	**2 211**
Transactions with owners, recorded directly in equity						
Other reserve movements		**52**	**7**	**59**	**39**	**98**
Dividends			**(639)**	**(639)**	**(92)**	**(731)**
Balance at 30 September 2014	**316**	**4 517**	**12 049**	**16 882**	**604**	**17 486**

Summarised consolidated statement of cash flows

for the year ended 30 September

	Notes	Audited 2014 Rm	2013 Rm Restated*
CASH FLOWS FROM OPERATING ACTIVITIES			
Operating cash flows before movements in working capital		**6 302**	5 924
(Increase)/decrease in working capital		**(470)**	539
Cash generated from operations before investment in leasing and rental assets		**5 832**	6 463
Net investment in fleet leasing and equipment rental assets		**(2 143)**	(1 636)
Net investment in vehicle rental fleet		**(736)**	(572)
Cash generated from operations		**2 953**	4 255
Finance costs		**(1 125)**	(1 022)
Realised fair value adjustments on financial instruments		**(162)**	(54)
Dividends received from investments, associates and joint ventures		**197**	221
Interest received		**39**	28
Taxation paid		**(947)**	(821)
Cash inflow from operations		**955**	2 607
Dividends paid (including non-controlling interest)		**(742)**	(598)
Cash retained from operating activities		**214**	2 009
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of subsidiaries, investments and intangibles	4	**(323)**	(775)
Proceeds on disposal of subsidiaries, investments and intangibles	5	**1 316**	105
Net investment in leasing receivables		**(15)**	22
Acquisition of other property, plant and equipment		**(1 323)**	(818)
Replacement capital expenditure		**(476)**	(339)
Expansion capital expenditure		**(847)**	(479)
Proceeds on disposal of property, plant and equipment		**276**	117
Net cash used in investing activities		**(69)**	(1 349)
Net cash inflow before financing activities		**145**	660
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds on share issue			4
Shares repurchased for equity-settled share-based payment		**(34)**	(32)
Non-controlling equity loans			6
Purchase of non-controlling interest		**(4)**	(125)
Proceeds from long-term borrowings		**3 651**	1 614
Repayment of long-term borrowings		**(3 987)**	(1 748)
Increase/(decrease) in short-term interest-bearing liabilities		**1 535**	(339)
Net cash from/(used in) financing activities		**1 161**	(620)
Net increase in cash and cash equivalents		**1 306**	40
Cash and cash equivalents at beginning of year		**2 695**	2 476
Effect of foreign exchange rate movement on cash balance		**131**	208
Effect of cash balances classified as held for sale		**29**	(29)
Cash and cash equivalents at end of year		**4 162**	2 695
Cash balances not available for use due to reserving restrictions		**58**	189

**Restated for the treatment of IFRS 10, IAS 19 and discontinued operations – refer to note 10.*

1. Basis of preparation

The summary consolidated financial statements are prepared in accordance with the requirements of the JSE Limited Listings Requirements for preliminary reports, and the requirements of the Companies Act applicable to summary financial statements. The Listings Requirements require preliminary reports to be prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards (IFRS) and the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by Financial Reporting Standards Council and to also, as a minimum, contain the information required by IAS 34 Interim Financial Reporting. The accounting policies applied in the preparation of the consolidated financial statements from which the summary consolidated financial statements were derived are in terms of International Financial Reporting Standards and are consistent with those accounting policies applied in the preparation of the previous consolidated annual financial statements, except for the adoption of the following amended or new standards and interpretations as detailed in note 11.

	Audited	
	2014 Rm	2013 Rm Restated*
2. Reconciliation of net profit to headline earnings		
Net profit attributable to Barloworld shareholders	**2 143**	1 609
Adjusted for the following:		
(Profit)/loss on disposal of subsidiaries and investments (IFRS 10)	**(530)**	43
Profit on disposal of properties (IAS 16)	**(77)**	(18)
Impairment of goodwill (IFRS 3)	**208**	71
Reversal of impairment of investments in associates and joint ventures (IAS 28)	**2**	
Impairment of plant and equipment (IAS 16) and intangibles (IAS 38) and other assets	**94**	23
Loss on sale of plant and equipment excluding rental assets (IAS 16)		6
Taxation effect of remeasurements		(1)
Non-controlling interest in remeasurements	**27**	(2)
Headline earnings	**1 867**	1 731
Headline earnings from continuing operations	**1 813**	1 645
Headline earnings from discontinued operations	**54**	86
Weighted average number of ordinary shares in issue during the year (000)		
– basic	**211 669**	211 011
– diluted	**212 680**	211 953
Headline earnings per share (cents)		
– basic	**882.5**	820.8
– diluted	**877.7**	817.1
Headline earnings per share from continuing operations (cents)		
– basic	**856.5**	779.6
– diluted	**852.1**	776.1
Headline earnings per share from discontinued operations (cents)		
– basic	**26.0**	41.2
– diluted	**25.6**	41.0

**Restated for the treatment of IFRS 10, IAS 19 and discontinued operations – refer to note 10.*

		Audited	
		2014 Rm	2013 Rm Restated*
3.	**Exceptional items**		
	Profit/(loss) on acquisitions and disposal of investments and subsidiaries	**161**	(43)
	Impairment of goodwill	**(208)**	(31)
	Impairment of investments	**(2)**	
	Profit on disposal of property	**77**	18
	Impairment of property, plant and equipment, intangibles and other assets	**(94)**	(23)
	Gross exceptional loss from continuing operations	**(66)**	(79)
	Taxation (charge)/benefit on exceptional items	**(5)**	1
	Net exceptional loss from continuing operations	**(71)**	(78)
	Gross exceptional profit from discontinued operations		(40)
	Net exceptional loss before non-controlling interest	**(71)**	(118)
	Non-controlling interest on exceptional items	**(27)**	2
	Net exceptional loss	**(98)**	(116)
4.	**Acquisition of subsidiaries, investments and intangibles**		
	Inventories acquired	**(63)**	(218)
	Receivables acquired	**(5)**	(113)
	Payables, taxation and deferred taxation acquired	**36**	138
	Borrowings net of cash	**30**	353
	Property, plant and equipment, non-current assets, goodwill and non-controlling interest	**(100)**	(488)
	Total net assets acquired	**(101)**	(328)
	Goodwill arising on acquisitions	**(38)**	(37)
	Intangibles arising on acquisition in terms of IFRS 3 Business Combinations	**(42)**	(132)
	Total purchase consideration	**(181)**	(497)
	Investment and intangible assets acquired	**(142)**	(278)
	Cash amounts paid to acquire subsidiaries, investments and intangibles	**(323)**	(775)
	During the year the group acquired various businesses of which none was individually material.		

**Restated for the treatment of IFRS 10, IAS 19 and discontinued operations – refer to note 10.*

	Audited 2014 Rm	2013 Rm Restated*
5. Proceeds on disposal of subsidiaries, investments and intangibles		
Inventories disposed	**826**	90
Receivables disposed	**160**	182
Payables, taxation and deferred taxation balances disposed and settled	**(384)**	(159)
Borrowings net of cash	**(180)**	(56)
Property, plant and equipment, non-current assets, goodwill and intangibles	**878**	48
Net assets disposed	**1 301**	105
Less: Non-cash translation reserves realised on disposal of foreign subsidiaries	**(413)**	(14)
Profit on disposal	**456**	14
Net cash proceeds on disposal of subsidiaries	**1 343**	105
Bank balances and cash in subsidiaries disposed	**(44)**	
Proceeds on disposal of investments and intangibles	**17**	
Cash proceeds on disposal of subsidiaries, investments and intangibles	**1 316**	105

The net cash proceeds on disposal of subsidiaries relates to the disposal of Fern Tree Gully, during October 2013, Flynt Logistics Operations during November 2013 and Handling Holland during December 2013. The proceeds on disposal of the remaining portion of Motor Retail Australia were received in April 2014. Additional proceeds of R3.2 million were received in June 2014.

**Restated for the treatment of IFRS 10, IAS 19 and discontinued operations – refer to note 10.*

		Audited	
		2014 Rm	2013 Rm Restated*
6.	**Assets classified as held for sale and discontinued operations**		
	Following the disposal of the Automotive Australia business on 31 March 2014 it has been classified as a discontinued operations.		
	Results from discontinued operations are as follows:		
	Revenue	**2 783**	5 508
	Operating profit before items listed below (EBITDA)	**96**	166
	Depreciation	**(10)**	(20)
	Operating profit	**86**	145
	Net finance costs and dividends received	**(8)**	(21)
	Profit before exceptional items	**78**	124
	Exceptional items		(40)
	Profit before taxation	**78**	84
	Taxation	**(24)**	(38)
	Net profit of discontinued operations before profit on disposal	**54**	46
	Profit on disposal of discontinued operations (including realisation of translation reserve)	**369**	
	Taxation effect of disposal	**5**	
	Profit from discontinued operations per income statement	**428**	46
	The cash flows from the discontinued operations are as follows:		
	Cash flows from operating activities	**198**	143
	Cash flows from investing activities	**1 179**	(8)
	Cash flows from financing activities	**(889)**	(95)
	The major classes of assets and liabilities comprising the disposal group and other assets classified as held for sale are as follows:		
	Property, plant and equipment		105
	Goodwill		22
	Investment classified as held for sale		30
	Inventories		103
	Trade and other receivables		80
	Deferred tax asset		2
	Cash balances		29
	Assets of disposal group held for sale		371
	Trade and other payables		(95)
	Other current and non-current liabilities		(11)
	Total liabilities associated with assets classified as held for sale		(106)
	Net assets classified as held for sale		265
	Per business segment:		
	Automotive and Logistics		223
	Equipment and Handling		42
	Total group		265

The September 2013 assets held for sale relate to the net assets of the Ferntree Gully motor dealership in Australia, the Handling Holland dealership and the Flynt Logistics operations and were sold in the period.

**Restated for the treatment of IFRS 10, IAS 19 and discontinued operations – refer to note 10.*

	Audited 2014 Rm	2013 Rm Restated*
7. Dividends		
Ordinary shares		
Final dividend No 170 paid on 20 January 2014: 195 cents per share (2013: No 168 – 150 cents per share)	**413**	320
Interim dividend No 171 paid on 17 June 2014: 106 cents per share (2013: No 169 – 96 cents per share)	**226**	202
	639	522
Paid to non-controlling interest	**92**	86
	731	608
Dividends per share (cents)	**320**	291
– interim (declared May)	**106**	96
– final (declared November)	**214**	195
8. Contingent liabilities		
Bills, lease and hire-purchase agreements discounted with recourse, other guarantees and claims	**1 720**	1 668
Buyback and repurchase commitments not reflected on the statement of financial position	**262**	288

The group has given guarantees to the purchaser of the coatings Australian business relating to environmental claims. The guarantees are for a maximum period of eight years up to July 2015 and are limited to the sales price received for the business. Freeworld Coatings Limited is responsible for the first AUD5 million of any claim in terms of the unbundling arrangement.

A joint venture has received tax assessments relating to prior years which it is contesting. It is the present opinion of local management, after consulting with advisers, that the possibility of a material outflow of resources in connection with these assessments is considered to be remote.

	Audited 2014 Rm	2013 Rm Restated*
9. Commitments		
Capital expenditure commitments to be incurred:	**2 918**	2 262
Contracted – Property, plant and equipment	**674**	718
Contracted – Vehicle Rental Fleet	**1 251**	1 021
Approved but not yet contracted	**993**	523
Operating lease commitments	**3 154**	2 224
Finance lease commitments	**1 252**	872

Capital expenditure will be financed by funds generated by the business, existing cash resources and borrowing facilities available to the group.

**Restated for the treatment of IFRS 10, IAS 19 and discontinued operations – refer to note 10.*

10. Comparative information

In terms of IFRS 10, an investor controls (and therefore should consolidate) an investee when the investor has power over the investee, is exposed, or has rights to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. An investee can either be a separate legal entity or a deemed separate entity. The cell captives do not meet the criteria to be classified as a separate entity. As a result Barloworld will not consolidate the cell captives from the 2014 financial year and will disclose the cell captives as investments in terms of IAS 39. The cells are actively managed on a fair value basis. The movement in the investment will go through the income statement and will be disclosed in the "Operating profit line". These changes are retrospective and the prior year numbers have been restated accordingly. The operating profit was reduced as follows: September 2013: R6 million and September 2012: R5 million but the net impact on headline earnings was zero.

Amendments to IAS 19 require that all actuarial gains and losses in respect of defined benefit post-employment plans are recognised in other comprehensive income. In addition, the standard no longer requires the expected return on plan assets to be recognised in profit or loss, rather a net interest income/expense is recognised on the net asset or liability. Plan administration expenses are recognised as operating expenses. All other remeasurements relating to plan assets are also recognised in other comprehensive income. These changes are retrospective and the prior year numbers have been restated accordingly. September 2013 operating profit was reduced by R64 million (September 2012: R58 million), net finance cost increased by R39 million (September 2012: R47 million) and the net after tax impact on headline earnings was a reduction of R83 million (September 2012: R58 million).

In addition, the prior year numbers were further restated to disclose the Australian automotive business as a discontinued operations. The business was sold effective 31 March 2014.

10. Comparative information continued

Summarised consolidated income statement

Rm	30 Sept 2013 Previously stated	30 Sept 2013 Discontinued operations	30 Sept 2013 IFRS 10/ IAS 19	**30 Sept 2013 Restated**
Revenue	65 102	(5 508)	(96)	**59 498**
Operating profit before items listed below (EBITDA)	5 623	(165)	(69)	**5 389**
Depreciation	(1 960)	20		**(1 940)**
Amortisation of intangible assets	(136)			**(136)**
Operating profit	3 527	(145)	(69)	**3 313**
Fair value adjustments on financial instruments	(47)			**(47)**
Net finance costs and dividends received	(942)	21	(51)	**(972)**
Profit before exceptional items	2 538	(124)	(120)	**2 294**
Exceptional items	(119)	40		**(79)**
Profit before taxation	2 419	(84)	(120)	**2 215**
Taxation	(804)	38	37	**(729)**
Profit after taxation	1 615	(46)	(83)	**1 486**
Income from associates and joint ventures	185			**185**
Net profit from continuing operations	1 800	(46)	(83)	**1 671**
Discontinued operations				
Profit from discontinued operations		46		**46**
Net profit for the period	1 800		(83)	**1 717**
Net profit attributable to:				
Owners of Barloworld Limited	1 692		(83)	**1 609**
Non-controlling interest in subsidiaries	108			**108**
	1 800		(83)	**1 717**
Earnings per share (cents)				
– basic	801.9		(38.9)	**763.0**
– diluted	798.3		(39.1)	**759.2**
Earnings per share from continuing operations (cents)				
– basic	801.9	(23.1)	(38.9)	**739.9**
– diluted	798.3	(23.0)	(39.1)	**736.2**
Profit per share from discontinued operations (cents)				
– basic		23.1		**23.1**
– diluted		23.0		**23.0**
Condensed consolidated statement of comprehensive income statement				
Items that will not be reclassified to profit or loss:	(377)		87	**(290)**
Actuarial losses on post-retirement benefit obligations	(430)		112	**(318)**
Taxation effect	53		(24)	**29**

10. Comparative information continued

Summarised consolidated statement of financial position

Rm	30 Sept 2013 Previously stated	30 Sept 2013 IFRS 10/ IAS 19	**30 Sept 2013 Restated**
ASSETS			
Non-current assets	15 997	26	**16 023**
Property, plant and equipment	11 356		**11 356**
Goodwill	1 820		**1 820**
Intangible assets	1 399		**1 399**
Investment in associates and joint ventures	571		**571**
Finance lease receivables	115		**115**
Long-term financial assets	82	26	**108**
Deferred taxation assets	654		**654**
Current assets	24 365	(152)	**24 213**
Vehicle rental fleet	2 081		**2 081**
Inventories	11 688		**11 688**
Trade and other receivables	7 698	(11)	**7 687**
Taxation	62		**62**
Cash and cash equivalents	2 836	(141)	**2 695**
Assets classified as held for sale	371		**371**
Total assets	40 733	(126)	**40 607**
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital and premium	316		**316**
Other reserves	4 084	10	**4 094**
Retained income	10 977	58	**11 035**
Interest of shareholders of Barloworld Limited	15 377	68	**15 445**
Non-controlling interest	462		**462**
Interest of all shareholders	15 839	68	**15 907**
Non-current liabilities	9 708	(97)	**9 611**
Interest-bearing	7 285		**7 285**
Deferred taxation liabilities	404	17	**421**
Provisions	294	(27)	**267**
Other non-current liabilities	1 725	(87)	**1 638**
Current liabilities	15 080	(97)	**14 983**
Trade and other payables	10 787	(7)	**10 780**
Provisions	1 079	(84)	**995**
Taxation	246	(6)	**240**
Amounts due to bankers and short-term loans	2 968		**2 968**
Liabilities directly associated with assets classified as held for sale	106		**106**
Total equity and liabilities	40 733	(126)	**40 607**

10. Comparative information continued

Condensed consolidated statement of cash flows

Rm	30 Sept 2013 Previously stated	30 Sept 2013 IFRS 10/ IAS 19	**30 Sept 2013 Restated**
Cash flow from operating activities			
Operating cash flows before movements in working capital	5 936	(12)	**5 924**
Increase in working capital	535	4	**539**
Cash generated from operations before investment in rental assets	6 471	(8)	**6 463**
Net investment in fleet leasing and equipment rental assets	(1 636)		**(1 636)**
Net investment in vehicle rental fleet	(572)		**(572)**
Cash utilised in operations	4 263	(8)	**4 255**
Realised fair value adjustments on financial instruments	(55)	1	**(54)**
Finance costs and investment income	(771)	(2)	**(773)**
Taxation paid	(837)	16	**(821)**
Cash outflow from operations	2 600	7	**2 607**
Dividends paid (including non-controlling interest)	(598)		**(598)**
Net cash applied to operating activities	2 002	7	**2 009**
Net cash applied to investing activities	(1 349)		**(1 349)**
Acquisition of subsidiaries, investments and intangibles	(775)		**(775)**
Proceeds on disposal of subsidiaries, investments, intangibles and loans repaid	105		**105**
Net investment in leasing receivables	22		**22**
Acquisition of property, plant and equipment	(818)		**(818)**
Proceeds on disposal of property, plant and equipment	117		**117**
Net cash outflow before financing activities	653	7	**660**
Net cash from financing activities	(620)		**(620)**
Ordinary shares issued	4		**4**
Shares repurchased for forfeitable share plan	(32)		**(32)**
Purchase of non-controlling interest	(125)		**(125)**
Non-controlling equity loans	6		**6**
Increase in interest-bearing liabilities	(473)		**(473)**
Net decrease in cash and cash equivalents	33	7	**40**
Cash and cash equivalents at beginning of period	2 624	(148)	**2 476**
Effect of foreign exchange rate movements	208		**208**
Effect of cash balances held for sale	(29)		**(29)**
Cash and cash equivalents at end of period	2 836	(141)	**2 695**

11. Accounting policies

The group adopted the following new and amended Standards and new Interpretations during the current year:

- IFRS 10 Consolidated Financial Statements (May 2011)
- IFRS 11 Joint Arrangements (May 2011)
- IFRS 12 Disclosure of Interest in Other Entities (May 2011)
- IAS 27 Separate Financial Statements (May 2011)
- IAS 28 Investments in Associates and Joint Ventures (May 2011)
- Consolidated Financial Statements, Joint Arrangements and Disclosure of Interest in Other Entities: Transition Guidance (Amendments to IFRS 10, IFRS 11 and IFRS 12) (June 2012)
- IFRS 13 Fair Value Measurement (May 2011)
- IAS 19 Employee Benefits (June 2011)
- IFRS 7 Disclosures – Offsetting Financial Assets and Financial Liabilities
- IFRS 1 Government Loans (March 2012)
- Annual improvements to IFRS's 2009 – 2011 cycle (May 2012) effective September 2014
- Annual improvements to IFRS's 2011 – 2013 cycle (Dec 2013) effective September 2014
- Annual improvements to IFRS's 2010 – 2012 cycle (Dec 2013) effective September 2014

12. Related party transactions

There has been no significant change in related party relationships since the previous year.

Other than in the normal course of business, there have been no other significant transactions during the year with associate companies, joint ventures and other related parties.

13. Audit opinion

These summary consolidated financial statements for the year ended 30 September 2014 have been audited by Deloitte & Touche. The auditor also expressed an unmodified opinion on the annual financial statements from which these summary consolidated financial statements were derived. A copy of the auditor's report on the consolidated financial statements is available for inspection at the company's registered office, together with the financial statements identified in the auditor's report.

The auditor's report does not necessarily report on all the information contained in this preliminary report. Shareholders are therefore advised that in order to obtain a full understanding of the nature of the auditor's engagement, they should obtain a copy of the auditor's report together with the accompanying financial information from the issuer's registered office.

14. Preparer of financial statements

These summarised consolidated financial statements have been prepared under the supervision of SY Moodley BCom CA(SA), Group General Manager: Finance

15. Operating segments (audited)

	Revenue		Operating profit/(loss)		Fair value adjustments on financial instruments		Operating profit/(loss) including fair value adjustments		Net operating assets/ (liabilities)	
	2014 Rm	2013 Rm Restated*	2014 Rm	2013 Rm Restated*	2014 Rm	2013 Rm Restated*	2014 Rm	2013 Rm Restated*	2014 Rm	2013 Rm Restated*
Equipment and Handling	30 960	30 682	2 284	2 123	(161)	(54)	2 123	2 069	14 845	12 628
Automotive and Logistics	31 137	28 806	1 644	1 322	1	4	1 645	1 326	9 145	9 456
Corporate	4	10	(98)	(132)	4	3	(94)	(129)	(1 292)	(756)
Total group	62 101	59 498	3 830	3 313	(156)	(47)	3 674	3 266	22 698	21 328

**Restated for the treatment of IFRS 10, IAS 19 and discontinued operations – refer to note 10.*

Salient features
for the year ended 30 September

	Audited	
	2014	2013 Restated*
Financial		
Group headline earnings per share (cents)	**883**	821
Continuing headline earnings per share (cents)	**857**	780
Dividend per share (cents)	**106**	291
Continuing operating margin (%)	**6.2**	5.6
Continuing net asset turn (times)	**2.4**	2.6
Continuing EBITDA/interest paid (times)	**5.5**	5.4
Net debt/equity (%)	**40.9**	47.5
Group return on net operating assets (RONOA) (%)	**18.8**	18.0
Group return on ordinary shareholders' funds (%)	**11.6**	12.2
Net asset value per share including investments at fair value (cents)	**7 941**	7 266
Number of ordinary shares in issue, including BEE shares (000)	**231 292**	231 292
Non-financial – continuing operations#		
Energy consumption (GJ)	**2 953 038**	2 779 570
Greenhouse gas emissions (tCO_2e) – Scope 1 and 2	**273 986**	260 422
Water consumption (ML)	**785**	832
Number of employees	**19 616**	19 182
LTIFR†	**1.23**	0.99
Work-related fatalities	**3**	3
Corporate social investment (R million)	**17**	17
B-BBEE rating (level)+	**2**	2

	Closing rate		Average rate	
Exchange rates (Rand)	**2014**	2013	**2014**	2013
United States Dollar	**11.30**	10.06	**10.57**	9.28
Euro	**14.27**	13.62	**14.35**	12.18
British Sterling	**18.32**	16.30	**17.56**	14.48

* *Restated for the treatment of IFRS 10, IAS 19 and discontinued operations – refer to note 10.*
\# *Deloitte & Touche have issued an unmodified limited assurance report on the non-financial salient features included above, in accordance with International Standard 3000 on Assurance Engagements Other Than Audit or Reviews of Historical Financial Information.*
† *Lost-time injuries multiplied by 200 000 divided by total hours worked.*
\+ *Audited and verified by Empowerdex.*

BASTION GRAPHICS

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