


FAST MOVING
FORWARD THINKING

IMPERIAL™

Integrated Annual Report ›› 2011


fast moving ››

Contents

Profile

Imperial is a diversified industrial services and retail group with activities spanning logistics, car rental and tourism, vehicle distribution and retail including allied financial services, as well as parts and industrial products distribution. The group's activities span South Africa, the rest of Africa, Europe, the UK and Australia.

Imperial is listed on the Johannesburg Stock Exchange (JSE), share code IPL, and the group is managed on a decentralised management philosophy that actively encourages entrepreneurship, innovation and industry-specific best practice.

Imperial employs more than 40 000 people, who are responsible for the growth and continued success of a group that began as a motor dealer in downtown Johannesburg in 1948.

forward thinking »

Scope and boundary

This report covers the activities of the Imperial group for the 12 months to 30 June 2011. The abridged financial statements on pages 94 to 127 that form part of this report are an extract of the audited financial statements. The non-financial or sustainability report has been prepared using the guidelines of the Global Reporting Initiative (GRI G3) and certain key aspects appear in this report. The complete audited financial statements, which comply with International Financial Reporting Standards (IFRS), and the sustainability report are available on www.imperial.co.za and the compact disc in this report.

In line with the recommendations of the King report on corporate governance in South Africa (King III), Imperial has endeavoured to integrate the financial and non-financial aspects of its reporting for a fuller understanding by all stakeholders. In the prior year, we provided a comprehensive overview of our people development initiatives, which has been updated on the website. In this report, and in response to stakeholder feedback, divisional disclosure has been expanded to give readers a better understanding of these businesses in their respective markets and a basis to measure progress against stated objectives.

This integrated report also provides stakeholders with:

- An overview of the Imperial group
- The chairman and management's review of governance and performance for the 2011 financial year
- Strategic objectives
- Remuneration and employment equity aspects

The directors are responsible for the content of this report and although all reasonable steps have been taken to ensure its accuracy, they can only provide reasonable assurance that reporting systems are accurate. During the year, the group further enhanced systems to monitor the accuracy, completeness and reliability of financial, operational, safety, health and environmental management information. We will continue to refine and improve these processes over time.

The abridged financial statements must be read in conjunction with the full annual financial statements available on the website and on the compact disc supplied with this report. The separate sustainability report combines the various safety, health and environmental issues dealt with throughout the integrated report and expands on them to give stakeholders a complete picture. A copy of the sustainability report is available on the website and on the compact disc supplied with this report.

Imperial has five operating divisions. These are independently managed and operate within authority limits set by the board and governance guidelines laid down by the board and executive committee. The divisions are governed by uniform authority limits and policies which are designed to apply to governance standards appropriate to their industries.

Each of our businesses has unique features, stakeholders and operating environments. Our philosophy is to empower local and divisional management who are best placed to identify and engage stakeholders on virtually all levels and to make decisions within agreed guidelines.

The group has used its best endeavours to ensure the report meets the material reporting needs of stakeholders. Our intention is to give readers a clearer understanding of our operations, the factors that drive them and the impact they have on the economic, social and physical environments in which we conduct our business.

In our opinion this report represents a balanced and reasonable picture of our organisation's economic, environmental and social performance, covering all material topics and indicators. According to the GRI G3 framework, we have elected to rate our sustainability reporting at level C as we include a number of performance indicators with at least one from each section and a number of management disclosures on these indicators.

The group has applied all material recommendations of King III and will implement improvements in the following areas:
- Reporting on stakeholder engagement
- Measurement of and setting targets relating to non-financial information through enhanced systems which are being implemented over the next 18 months
- Third-party assurance of sustainability data once the reporting systems facilitate this

The sustainability impacts included in this report include Imperial's businesses in Africa, Europe, the United Kingdom and Australia. Impacts related to entities not operationally controlled by the group have been excluded. For sustainability impacts, leased facilities are treated for reporting purposes as if the group owned them. Assets owned but not operated by the group have been excluded.

Materiality

In choosing the topics included in the report, we considered the requirements and expectations of external and internal stakeholders and prioritised material topics and indicators, relevant to significant stakeholders. Materiality was also determined on an operational basis to provide meaningful and transparent information to stakeholders, focusing on issues that are of concern to stakeholders and which are of significant strategic relevance to Imperial.

In determining materiality, we followed a stepped approach identifying key stakeholders and the issues relevant to them, identifying issues reported in the media in relation to Imperial and the industries in which it operates and identifying key issues relating to Imperial's financial and non-financial performance during the year.

Audit opinion

The auditors, Deloitte & Touche, have issued an unmodified audit opinion on the group's annual financial statements for the year ended 30 June 2011. The audit was conducted in accordance with International Standards on Auditing. A copy of their audit report is available for inspection at the company's registered office, and is incorporated in the full annual financial statements.

Any reference to future financial performance included in this integrated report has not been reviewed or reported on by the company's auditors.

Highlights

38%
HEPS 1 370 CENTS

29%
EPS 1 346 CENTS

21%
REVENUE R64 667 MILLION

38%
OPERATING PROFIT R4 526 MILLION

86%
CASH FLOW OPERATING ACTIVITIES R3 962 MILLION

Final dividend of 260 cents per share (2010: 200 cents)

Full year dividend of 480 cents per share (2010: 350 cents)

- Strong results despite tough trading conditions in certain markets
- Free cash flow to headline earnings ratio is 132%
- Distributorships had an outstanding year
- Recent acquisitions contributed strongly
- SA Logistics grew revenue but profit was impacted by certain non-recurring items
- European logistics strong – operating profit 27% up in Euro terms
- Automotive retail achieved an excellent operating margin of 2,9%
- Creation of a separate financial services division
- Excellent underwriting performance by Regent – up 46%
- Overall operating margin up to 7,0% from 6,2%
- ROE improved to 22,7%
- Staff training well embedded in operations with R116 million spend
- Strong balance sheet
- CSI spend totalled R36 million

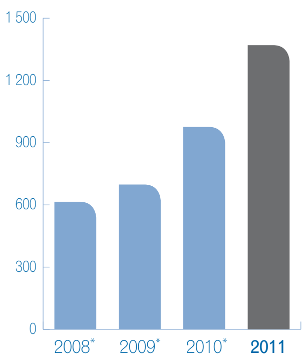
Key data

The comparatives in the 2010 column are for continuing operations.

	Growth %	2011 Rm	2010 Rm
Revenue	21	64 667	53 438
Profit from operations	38	4 526	3 288
Operating margin (%)		7,0	6,2
Headline earnings per share (cents)	40	1 370	976
Dividends per share (cents)	37	480	350
Closing price per share (cents)		12 125	8 580
Net asset value per share (cents)		6 137	5 529
Average net operating assets	2	17 538	17 163
Revenue to average net operating assets (times)		3,7	3,1
Revenue to average net working capital (times)		21,1	19,2
Net interest bearing debt		4 418	5 075
Net interest-bearing debt as a % of total shareholders' equity		33,9	42,5
Weighted average invested capital		18 180	18 606
Return on Invested Capital (%)		16,5	12,2
Weighted average cost of Capital (%)		10,1	10,5
Return on average ordinary shareholders' interest (headline) (%)		22,7	17,3
Free cash flow (including discontinued)	58	3 452	2 190
Free cash flow to headline earnings (including discontinued) (%)		132	119
Net capital expenditure	(18)	1 528	1 860
Statistics			
Staff training hours		1 379 615	935 945
Number of employees	14	40 898	35 968
Number of road related employee injuries		96	127
Number of employee fatalities		9	12
Environmental incidents		160	120
CO_2 emissions (tonnes)		1 010 925	937 838

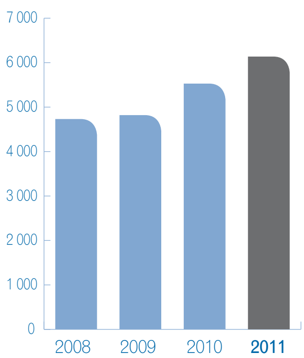
For definitions see page 51.

HEADLINE EARNINGS PER SHARE (cents)



*Continuing operations only

NET ASSET VALUE PER SHARE (cents)



Q & A

Question: How is Imperial tackling the shortage of skills?

Answer: Our holistic approach to skills development focuses on the full range of priorities, from school children in underprivileged communities to artisan training and senior leadership development. Over the past two years, we have spent R186 million on further developing our own people, of which R116 million was spent this year.

Question: How does the implementation of the new Companies Act and King III affect Imperial?

Answer: Imperial is committed to the highest standards of corporate governance. King III required no substantive change in the way we do business, while the recently enacted Companies Act will require a number of changes to the memorandum of incorporation and governance-related matters.

Question: How is Imperial dealing with the environmental and sustainability demands on business?

Answer: The board approved an all encompassing sustainability roadmap during December 2010. This roadmap deals with the key aspects of mobilisation, measurement, reporting and communication across our key sustainability focus areas and sets the group's medium and long-term sustainability strategy.

Thulani Gcabashe
Chairman

Imperial is today a streamlined business, focused on its core activities, and delivering on its strategic intentions for the benefit of all stakeholders.

The year to 30 June 2011 reflects an outstanding performance from a group delivering on its objectives. The benefits of extensive brand building and our high-profile involvement in the 2010 FIFA World Cup™ flowed through in the review period, putting Imperial firmly on the map, and also entrenching the Europcar, Hyundai and Kia brands in the South African market. Since 2008, and through the worst economic crisis in decades, Imperial has transformed itself into a group firmly focused on the changing needs of its customers and other stakeholders in the 21st century.

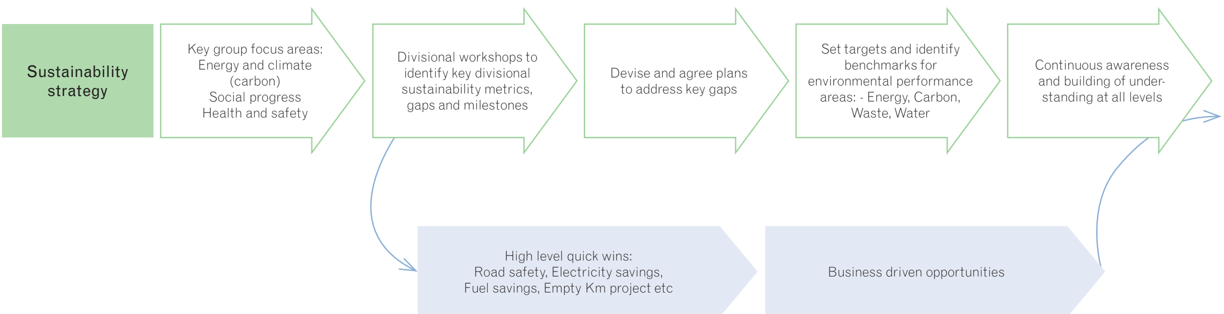
The year under review

Conditions improved in certain of our markets, most notably new vehicle sales in South Africa and logistics in Europe. Coupled with an intense focus on capital management, cash flow and efficiencies, Imperial recorded a strong performance for the year, illustrating both the resilience of this group and the benefits of diversifying into areas that complement our existing skills and require less capital. Following the restructuring of the group in recent years, Imperial is a streamlined business, focused on its core activities and strategic objectives for the benefit of all stakeholders. This is evident in rising dividends generated by prudent capital management and an increased focus on industries that offer higher returns and require less capital. Proof of our unfolding strategy also lies in the solid progress we are making in developing the full potential of our people, uplifting our communities while also protecting our environment.

Of concern for the long-term competitiveness of South Africa is the number of days lost to labour action during the course of the year. More days have been lost this year than the previous year which points to the need for a more constructive approach to resolving labour disputes.

Sustainability

This is Imperial's first integrated annual report, as defined by King III, which requires companies to integrate their financial and non-financial reporting to stakeholders. Although applying King III requires no fundamental change to the way we do business, we have made progress in ensuring that reporting standards in all areas are reliable and continue on the journey of fully applying King III.



In the prior year, we held a sustainability summit to clarify our strategy at group level, set targets, and develop the plan to reach these goals. This plan was approved by the board in December 2010, and excellent progress has already been made in a number of areas by building on earlier initiatives. Notably, during the year:

- More than 6 000 of our people received training – from learnerships to executive development programmes
- We again participated in the Carbon Disclosure Project (CDP), a non-governmental organisation representing 475 investors with assets of US$55 trillion and made good progress towards measuring the global carbon footprint for the group
- Innovative social and environmental initiatives are under way in several divisions
- As a major road user, Imperial's internal campaign focused on road safety, termed I-Pledge, the campaign was launched in July 2011 and will be extended beyond the group shortly
- SA Logistics won the Mail & Guardian Greening the future Award – "*Companies with Innovative Environmental Strategies that Improve Business Performance*"
- The group spent R36 million on CSI initiatives during the year
- Broader details of our initiatives appear in the separate sustainable development report
- Our risk management structures and systems were internally reviewed
- Constructed environmentally friendly logistics centre in the Western Cape.

We believe the lasting benefits of this strategy will really become evident in future, as initiatives gain traction. Recently, our early progress was highlighted when Imperial was admitted to the JSE's Socially Responsible Investment (SRI) index. The SRI is an independent measure of corporate social responsibility across the key indicators of governance, social and environmental structures and performance.

Our vision for the 21st century is to provide sustainable transportation that is affordable in every sense of the word: socially, environmentally and economically. Accordingly, a culture of integrated sustainability is being embedded across our business.

Our people

Our competitive edge depends on the depth and breadth of our talent. A robust skills pipeline is, therefore, central to our continued success. In addition, we need to match new employees to our distinctive entrepreneurial culture. We are making good progress in addressing skills shortages, particularly in the technology and engineering sectors, where skilled people are often hard to find. In the past two years, expenditure of R186 million on training and development has benefited over 6 000 of our people. 65% of this amount was spent on our black employees.

By investing in the continuous development and growth of our own employees, we are ensuring a steady supply of people at technical, management and leadership levels who match the company's culture and bring additional innovation and entrepreneurial skills to our brand.

We have two permanent technical training facilities and SA Logistics opened a dedicated management training centre during the year. Imperial also has relationships with leading tertiary institutions for comprehensive graduate, management and leadership training to meet our immediate and long-term objectives.

Black economic empowerment

Black economic empowerment (BEE) is a strategic imperative for our group, on which both our success and sustainability depend. Our commitment to transformation and empowerment is evident in the group improving its 2011 score in the annual Financial Mail survey of the 100 most empowered listed companies in South Africa although, disappointingly, our actual ranking slipped as other peer companies in our sector also made impressive improvements.

Tempest Car Hire achieved a level 2 BEE rating during the year, the first group company to do so, while Europcar maintained its level 3 rating. SA Logistics, which is rated at level 4, maintained its strong value-added supplier status.

We will continue to promote all facets of empowerment in our business, particularly the development, promotion and recruitment of black people in the group. We remain strongly committed to our BEE partners and to continue our healthy and fruitful relationship with Lereko, a BEE shareholder, and our staff empowerment vehicle, Ukhamba. The Ukhamba Trust, which owns 47,1% of Ukhamba Holdings, has 15 000 previously disadvantaged beneficiaries who are employees of the group. A further 6% of Ukhamba Holdings is owned by the Imperial and Ukhamba Community Development Trust which supports 7 500 learners in underprivileged areas across Gauteng.

Corporate governance

In line with guidance issued by the JSE, Imperial has applied King III principles during this financial year. While the group has already applied the substantive recommendations of King III, we have broadened the scope of the board transformation committee to encompass all aspects of sustainability. The new social, ethics and sustainability committee under the chairmanship of Mr Valli Moosa has been integrally involved in our related initiatives during the year.

Appreciation

The individual and collective contributions of Imperial's 40 000 committed people are the foundation on which our success rests. Equally, the executive team of Imperial under Hubert Brody has led by example in a seamless way across all our areas of operation. Their focus on sustainable growth has delivered results we are proud to present in this integrated report. On behalf of the board, I would like to thank each and every one of them.

Roy McAlpine retired from the board on 30 June 2011 after many years as an independent non-executive director. We thank him for his valuable contribution and wisdom over the years and wish him well in his retirement.

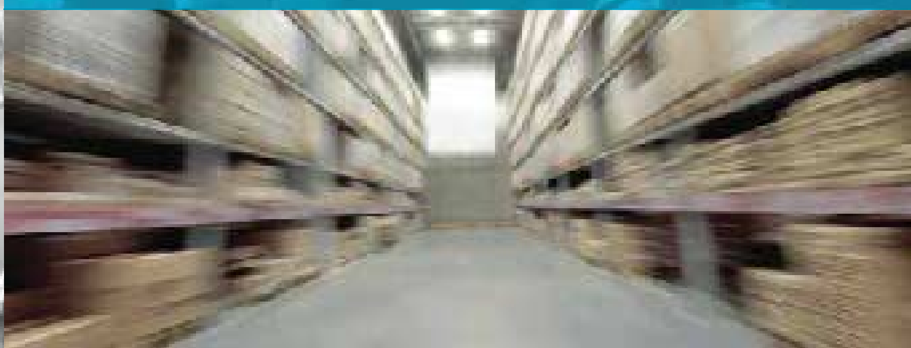
Subsequent to year-end, Santie Botha was appointed as an independent non-executive director. We believe her business acumen and marketing experience will add to the depth of skills on our board, and look forward to her contributions.

My fellow board members remain a source of great wisdom and counsel; they are the willing custodians of the strategy driving our growth and sustainability. We deeply appreciate this commitment.

Thulani S Gcabashe
Chairman
23 August 2011

adaptability ››

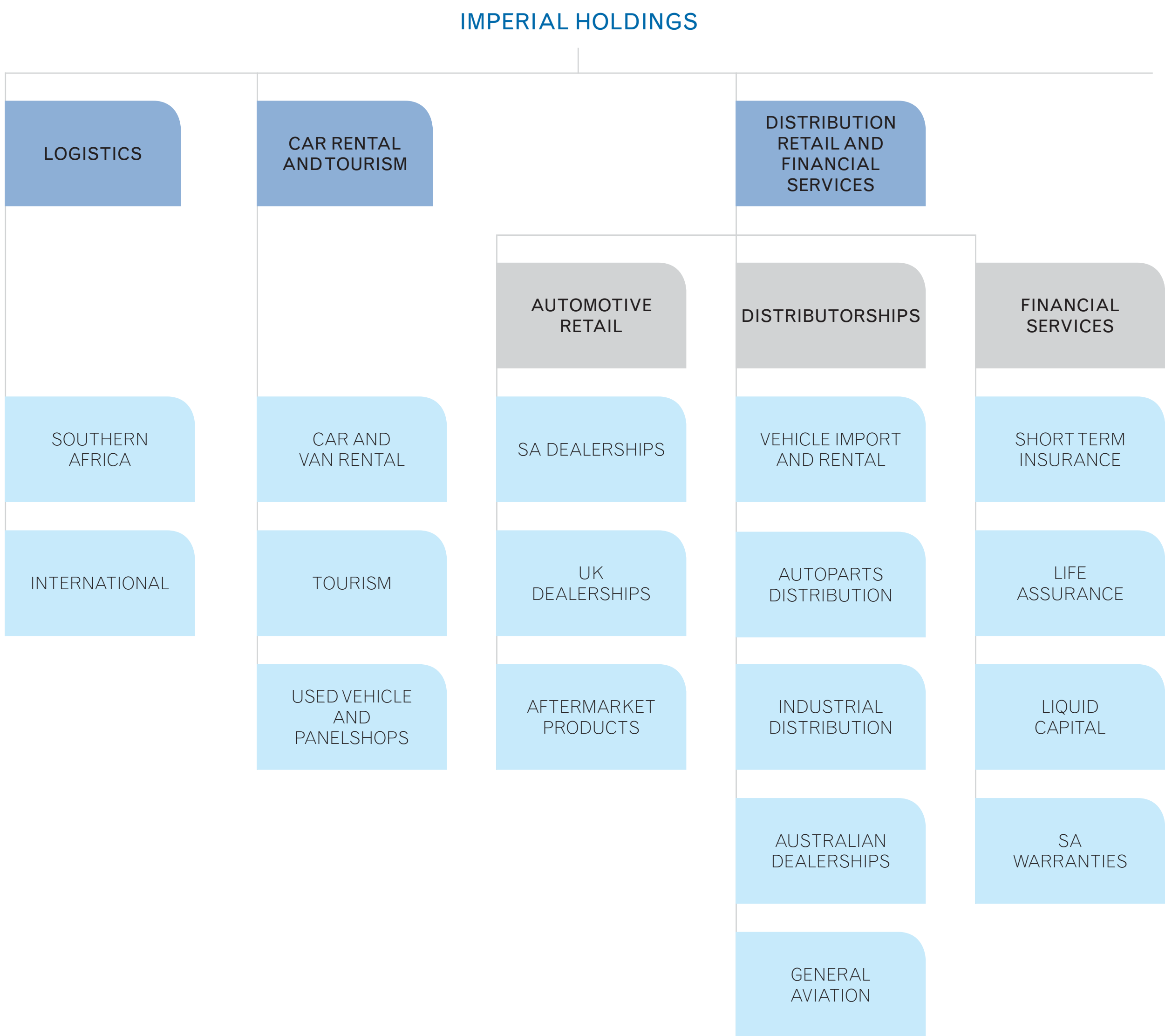
Adaptability is the demonstrated ability to change as the environment changes. Imperial has adapted to even the most subtle changes in our markets by rapidly reducing costs, controlling capital expenditures, recognizing opportunities and making timely investments. Our innate ability to react in such a fashion stems largely from our solid financial position, multitude of markets and access to capital.



The Imperial group is founded on three strategic pillars:

- Logistics
- Car rental and tourism
- Distribution and retailing of motor vehicles, industrial equipment and parts and related financial services.

All these operations are in growing markets, with considerable potential to expand into allied services and new appropriate geographies.



- Imperial employs over 40 000 people
- Our southern African transport fleet travelled over 460 million kilometres last year
- Over 6 800 trucks in our transport fleet and additional access to over 5 000 subcontractor vehicles
- Warehousing capacity of over 1 700 000m^2
- One in three car rental transactions in South Africa is done through Imperial
- Supply most vehicle brands in South Africa
- Leading aftermarket parts supplier in South Africa
- Operate 600 vessels in Europe, over 1 million tonnes combined load capacity
- Transport over 53 million tonnes per annum in Europe

The group's 40 000 employees are responsible for a range of vertically integrated businesses. These include distribution of vehicles, parts, industrial equipment and aircraft, over 200 new and used vehicle dealerships, transport, warehousing, specialised freight, supply chain solutions including multi-modal networks covering inland waterway, rail and road and ship chartering, car rental, tourism and financial services.

Imperial has been listed on the JSE since 1987 and had a market capitalisation on 23 August 2011 of approximately R23 billion. It operates according to a decentralised management structure that actively encourages entrepreneurship, innovation and industry best practice.

History

1948	Imperial started out as a Chrysler dealership in downtown Johannesburg
1973	Cancelled Chrysler agency and became Toyota dealers, adding trucks to our offering
1975	Started Imperial Truck Hire
1979	Launched Imperial Car Rental and started a transportation business
1987	Listing on the JSE Imperial Car Rental merged with Hertz
1989	Regent short-term insurance established Logistics diversified into warehousing
1991	Acquired Springbok Atlas and first Mercedes-Benz dealership
1992	Acquired Tanker Services
1993 – 1999	Various acquisitions of transport companies which were combined to form the SA Logistics business
1995	The formation of Associated Motor Holdings as an importer and distributor of vehicles Acquired the listed Saficon group to significantly expand the motor retail division
1996	Acquired the Renault and Daihatsu distribution rights Imperial Bank and Regent Life Assurance established
1998	Obtained Kia Distributorship Acquired European logistics arm from Thyssen Krupp Acquired Safair
1999	Acquired National Airways Corporation Acquired controlling interest in Brian Porter Holdings Limited to expand the motor retail division
2000	Developed supply chain services in the logistics division Acquired a controlling interest in listed diversified tourism company, Tourvest Obtained Hyundai distributorship
2001	Disposed of 50,1% of Imperial Bank to Nedbank Acquired Haniel Reederei Holding GmbH, largest operator of barges on Europe's inland waterways
2004	Launched Imperial Autoparts Ukhamba Holdings acquired 10,1% in Imperial in a BEE transaction involving all of Imperial's black staff and a community development trust
2005	Acquired Jurgens Caravans Lereko Mobility acquired 7,25% in Imperial Imperial entered the Australian car dealership market with the acquisition of nine Ford dealerships in Sydney
2006	The acquisition of a chain of truck dealerships and auto logistics businesses in the UK from RAC plc
2008	Unbundled leasing and capital equipment division as Eqstra Discontinued Safair and International Trucks distribution Disposal of Multipart Holdings in the UK, the parts and auto logistics arms of the RAC acquisition
2009	Disposed of Tourvest
2010	Disposed of remaining 49,9% of Imperial Bank to Nedbank Expanded automotive parts business with the acquisition of Midas Entered the vehicle tracking and fleet management industry with the acquisition of 25,5% of MiX Telematics Launched Imperial Fleet Management in a joint venture with WesBank Acquired Goscor to expand into industrial distribution
2011	Acquired E-Z-GO South Africa to extend product range in distributorships division Expanded African footprint in logistics with the acquisition of CIC Holdings and created a separate Africa logistics division Awarded distribution rights for Mitsubishi Acquired Edusport, leading sports and events management company Created new financial services division

We are a diversified, multinational industrial, retail and service group.

Our management system actively encourages acquisition, nurturing and growth of large and small entrepreneurial business units, and strives to maximise the synergies between them.

Imperial has a federal management system driven by certain unifying and controlling factors.

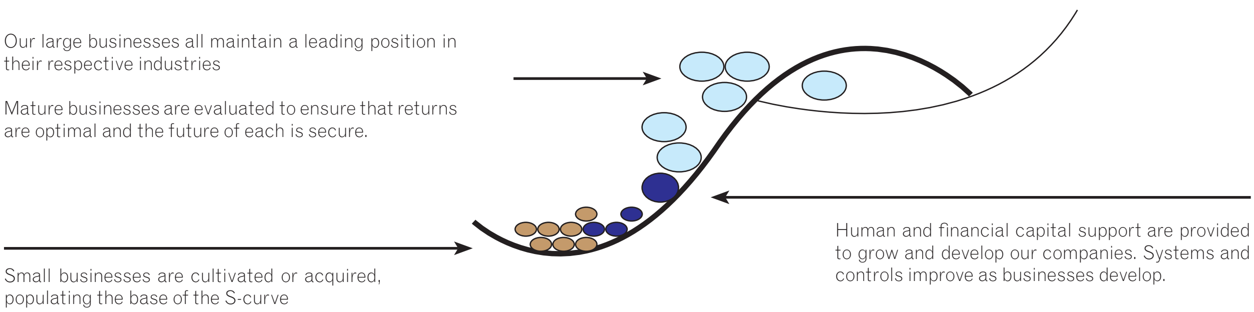
	Unifying factors
1	Commitment to people development
2	A performance culture
3	Social responsibility
4	Transparency through good communication
5	Service excellence
6	Group business loyalty
7	We rally around the group brand
8	Financial responsibility and capital efficiency
9	Nurturing and tolerance of entrepreneurial initiatives

	Controlling factors
1	Delegation of authority policies of the group
2	Internal financial covenants, limits and a comprehensive financial measurement system
3	An active executive board with oversight over all businesses
4	Peer reviews and post-acquisition review system
5	Divisional finance and risk review committees and boards
6	Internal audit and group risk functions
7	Reporting lines and common sense good governance
8	Social, ethics and sustainability committee

The executive committee of the group oversees all operational activities. It is constantly balancing the entrepreneurial spirit and nature of the group with sufficient and appropriate control and governance to form the framework within which our many leaders operate.

Business model and creating value

Our businesses operate at various stages of development and maturity as reflected on the sigmoid (S-curve) depicted below:



Imperial comprises many entrepreneurial units across its three broad pillars. There is a certain fabric of people and set of generic skills that runs across the group's businesses, ensuring deep exploration of value in each pillar and between them. Significant business relationships span the three pillars.

Each of the five divisions is discussed in more detail under the divisional reviews from page 52.

We continuously seek new businesses that fit the profile of our three pillars. For example, industrial products and automotive parts has been a recent major thrust, significantly enhancing our distribution and retailing pillar. As a result, we ensure our business mix is always relevant and that we continue to command strong positions in all the industries where we are active. Our businesses strive towards leadership in efficiency and profitability in their industries. We drive improving returns on capital in our operating units, realising that this is the ultimate generator of value for shareholders. In this respect, we ensure shareholder objectives and management incentives are well aligned.

When we acquire businesses, we maintain their entrepreneurial spirit and simultaneously mitigate the related acquisition risk by securing the existing management, often through ongoing minority management shareholdings being retained.

Our principles, step by step

Develop our people to be skillful, confident and self motivating

↓

Gain the respect of our customers, suppliers and principles

↓

Be the standard for quality service and reliability

↓

Stick to what we know or can learn

↓

Pursue financial best practice

... our positioning

A competitive logistics product range

Throughout South Africa	into Africa	throughout Europe	and into other markets

↕

Importation, retail and financial services

the right products	at a competitive price	to the right market	capturing maximum value in chain

↕

Car rental and tourism

Excellent service	to clearly defined client segments	at optimal asset utilisation

Delivering stakeholder value

Cash generation
Growth
Return on equity
Sustainability
Social contribution

Imperial Holdings Limited

Distribution of shareholders (listed ordinary shares)

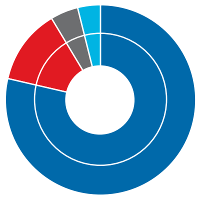
	Number of shareholders	Number of shares (000)	% of ordinary shares listed
Public shareholders	5 886	164 317	78,8
Non-public shareholders			
– Shareholder holding more than 10%	1	26 295	12,6
– Directors, their associates and employees	35	10 039	4,8
– Treasury stock	1	7 864	3,8
	5 923	208 826	100,0

Spread of holdings	Number of shareholders	%	Number of shares (000)	%
1 – 1 000	4 074	68,8	1 480	0,7
1 001 – 10 000	1 183	20,0	3 680	1,8
10 001 – 100 000	449	7,6	16 240	7,8
Over 100 000	217	3,7	187 424	89,7
	5 923	100,0	208 826	100,0

Shareholder type	Number of shares (000)	% of voting shares
Financial institutions, pension and provident funds	80 385	37,2
Unit trusts	52 250	24,2
Individuals	26 134	12,1
Directors and employees	10 039	4,6
Corporate holdings	32 154	14,9
Listed ordinary shares (net of treasury stock)	200 962	93,0
Deferred ordinary shares	15 013	7,0
Total voting shares in issue	215 975	100,0
Treasury stock	7 864	
Non-redeemable preference shares	4 540	
Total shares in issue	228 379	

Thirty five percent of Imperial's shares are held by foreign shareholders.

DISTRIBUTION OF SHAREHOLDERS (%)



- Public shareholders (78,8%)
- Shareholder holding more than 10% (12,6%)
- Directors, their associates and employees (4,8%)
- Treasury stock (3,8%)

Top 10 shareholders	Share class	Number of shares (000)	% of issued voting capital
Public Investment Corporation Limited	Ordinary	26 295	12,2
Abax Investments	Ordinary	8 356	3,9
Lynch Family Holdings	Ordinary	8 963	4,2
Ukhamba Holdings (Pty) Limited	Ordinary	7 743	3,6
Ukhamba Holdings (Pty) Limited	Deferred ordinary	15 013	7,0
Absa Capital Securities	Ordinary	7 015	3,2
Investec Asset Management	Ordinary	6 960	3,2
Lereko Mobility (Pty) Limited	Ordinary	5 865	2,7
Sanlam Investment Management	Ordinary	5 788	2,7
Prudential Portfolio Managers	Ordinary	7 950	3,7

SHAREHOLDER TYPE (%)

- Financial institutions,pension and provident funds (37,2%)
- Unit trusts (24,2%)
- Individuals (12,1%)
- Directors and employees (4,6%)
- Corporate holdings (14,9%)
- Deferred ordinary shares (7,0%)

Stock exchange performance	2011	2010
Number of shares in issue (million)	209	211
Number of shares traded (million)	241	272
Value of shares traded (Rand million)	26 937	22 964
Market price (cents per share)		
– Closing price	12 125	8 580
– High	13 245	10 750
– Low	8 450	5 650
Earnings yield %	11,3	11,4^
Price: earnings ratio (based on headline earnings)	8,9	8,8^

^ *Calculated using continuing headline earnings per share.*

People

Imperial relies on its employees to sustain its growth and contribution to society. Without their loyal support and the support of their families in turn, this group would have looked very different today. Over the years, we have steadily created work opportunities, reflected in our workforce growing from 1 720 in 1987 to over 40 000 in 2011.

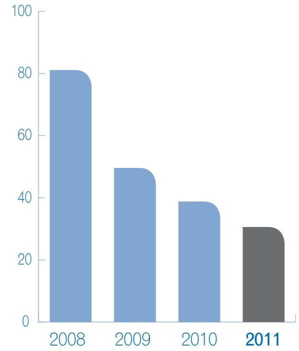
Our senior executives are among the best in their industries and the collective knowledge base in the group is a key success factor. As a result, we continue investing in our people at all levels as we recognise the importance of this in our success.

Assets

The group owns most of its strategic operational properties. We have a philosophy of constantly investing in our assets for further growth. Maintenance and replacement capital expenditure is closely monitored and deployed timeously. Expansion capital expenditure is driven by our strategy to grow our business but always mindful of enhancing returns on these investments. Our stockholding in our vehicle businesses is carefully monitored and detailed research on trends and buying patterns is done before new models are launched and vehicles ordered. Our major assets include:

- Rental fleet
- Transport fleet
- Ships/barges
- Buildings
- Inventories

NET DEBT/EQUITY (%)



Distribution and franchise rights

The group has a number of distribution and franchise rights, many of which compete with each other. They are independently managed under dedicated management teams as we value the relationships and partnerships we have developed with our principals and suppliers over a number of years. These relationships have been entrenched over time and are key to our success. Distribution and franchise agreements which govern these relationships are carefully managed in our group.

Customers

We have a vast customer base that includes government, blue-chip companies, non-governmental organisations and the general public. Satisfying our customers is a key success factor in the group. We aim to be the standard for quality service and reliability to our customers, thereby gaining their respect.

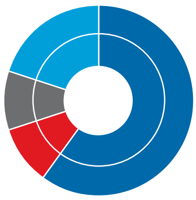
Financial position

The group has a strong financial position with an equity base exceeding R13 billion. Net debt is R4,4 billion with total assets of R37 billion. Our treasury activities are directed by the assets and liabilities committee (Alco) with a primary focus on liquidity, interest rate and foreign exchange risk management.

The group's liquidity position is strong with R8 billion in unutilised facilities and only 16% of debt is due within one year. Around 53% of our debt is at a fixed interest rate. In addition to its banking facilities, the group has good access to capital markets and has raised bonds in the South African and European capital markets.

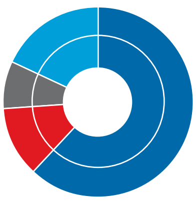
Value-added statement

VALUE ADDED
2011 (%)



- Employees (59%)
- Providers of capital (10%)
- Government (10%)
- Reinvested in the group (20%)

VALUE ADDED
2010 (%)



- Employees (62%)
- Providers of capital (12%)
- Government (8%)
- Reinvested in the group (18%)

for the year ended 30 June 2011

	2011 Rm	%	2010 Rm	%
Revenue	64 667		53 438	
Paid to suppliers for materials and services	49 933		41 263	
Total wealth created	14 734		12 175	
Wealth distribution				
Salaries, wages and other benefits (note 1)	8 713	59	7 515	62
Providers of capital	1 547	11	1 450	12
– Net financing costs	554	4	597	5
– Dividends, share buybacks and cancellations	993	7	853	7
Government (note 2)	1 543	10	1 054	9
Reinvested in the group to maintain and develop operations	2 931	20	2 156	17
– Depreciation, amortisation, impairments and recoupments	1 488		1 328	
– Future expansion	1 443		828	
	14 734	100	12175	100
Value-added ratios				
– Number of employees (continuing operations)	40 898		35 968	
– Revenue per employee (R000)	1 581		1 486	
– Wealth created per employee (R000)	360		339	
Notes				
1. Salaries, wages and other benefits				
Salaries, wages, overtime, commisions, bonuses and allowances	8 070		6 954	
Employer contributions	643		561	
	8 713		7 515	
2. Central and local governments				
SA normal taxation	1 131		734	
Secondary tax on companies	108		65	
Foreign taxation	151		116	
Rates and taxes	69		71	
Skills development levy	43		33	
Unemployment Insurance Fund	41		35	
	1 543		1 054	

We value our people and recognise that successful businesses are built on loyal, motivated and fulfilled employees. Equally important are the requirements of investors, customers, suppliers and other stakeholders.

Stakeholders are defined as entities or individuals that can reasonably be expected to be significantly affected by the organisation's activities, products and services; and whose actions can reasonably be expected to affect the ability of the organisation to successfully implement its strategies and achieve its objectives.

Stakeholders in the group include investors, potential investors, providers of finance, employees, trade unions, customers, contractors, suppliers, franchisees, franchisors, motor manufacturers, media, communities, civil society, regulators and government departments. Our customers span virtually every facet of society and include central, provincial and local government; large, medium and small business; various industries and individuals across the world.

Our interaction with stakeholders reflects our unique culture and business model. We seek to maximise shareholder value over time through an intelligent regard for the interests of all stakeholders, from the communities associated with our operations to our business partners. Our divisions are well-equipped to communicate with stakeholders.

In recent years, we have enhanced our level of interaction with stakeholders, recognising that the success of our business is aligned to our stakeholders.

The group provides information to the public and its shareholders based on the guidelines of promptness, relevance, openness and substance over form. We strive for balance by reporting both the positive and negative aspects of group performance.

We identify stakeholders to be engaged primarily on the basis of their impact on the group or the group's impact on them. The frequency of our engagements depends on the type of stakeholder. Investors are engaged at regular scheduled intervals including results announcements, general meetings, one-on-one meetings and investor days. Shareholders also have the opportunity to question the board at annual general meetings. Customers and staff are engaged on an ad hoc basis and at regular scheduled meetings.

Our approach to stakeholder engagement favours personal interaction but where this is not possible other methods such as surveys and call centre based contact are used. This occurs in divisions with large individual customer bases such as car rental, insurance and motor retail.

Principles of corporate governance and structures

The board is committed to the principles of openness, integrity and accountability, and to providing timely, relevant and meaningful reporting to all stakeholders. The board ensures that the group's business is conducted to high standards of corporate governance, in line with local and internationally accepted corporate practice. These standards are entrenched in the group's established systems of internal control and by its procedures and policies governing corporate conduct, with particular emphasis on the importance of qualitative aspects of corporate governance. The group's operating divisions are autonomous: the group's philosophy is not to regulate every aspect of group behaviour through comprehensive policy documents, but rather to allow each division to formulate its own policies, appropriate to the industry and business environment in which it operates, subject to the guidance of the group executive committee and ultimately the board.

Imperial is committed to an open governance process such that all stakeholders are assured that its directors and managers at all levels are managing the group responsibly. The board subscribes to the principles of the Code of Corporate Practices and Conduct as set out in King III and aims to apply these principles in all its businesses unless otherwise indicated.

In accordance with guidance issued by the JSE, the group has applied the substantive recommendations of King III from its current financial year and has explained instances of non-application where appropriate in the report. The board is continually assessing its governance practices and procedures against King III and makes adjustments where necessary to accommodate organisational changes and international developments in the field of corporate governance.

The principles contained in King III are reflected in the group's corporate governance structures. These are reviewed from time to time to accommodate organisational changes and international developments in the field of corporate governance. It is the policy of the board and management to actively and continuously review and enhance the group's systems of control and governance to ensure the group's business is managed ethically and within prudently determined risk parameters that conform to internationally accepted standards of best practice.

In assessing practices implemented by the group, the board has balanced the following factors:
- Entrepreneurial freedom to take business risks and initiatives leading to satisfactory levels of performance and return on shareholders' investment in the company.
- Conformity to corporate governance standards, which can impose constraints on divisional management.

Imperial's governance structure

Board of directors

Non-executive directors	Executive directors
TS Gcabashe* (chairman)	HR Brody (chief executive)
SL Botha*, **	OS Arbee
T Dingaan	MP de Canha
S Engelbrecht*	RL Hiemstra
P Langeni*	AH Mahomed (deputy chief executive and financial director)
MJ Leeming*	GW Riemann (German)
MV Moosa	M Swanepoel
RJA Sparks*	* *Independent*
A Tugendhaft (deputy chairman)	***Appointed with effect 1 September 2011*
Y Waja*	*JR McAlpine retired on 30 June 2011*

Board committees

Executive committee	Audit committee	Risk committee	Remuneration and nomination committee	Social, ethics and sustainability committee	Assets and liabilities committee
HR Brody (chief executive) M Akoojee OS Arbee MP de Canha BJ Francis DD Gnodde RL Hiemstra AH Mahomed M Mosola M Swanepoel	MJ Leeming (chairman) P Langeni RJA Sparks Y Waja	Y Waja (chairman) H Adler OS Arbee HR Brody S Engelbrecht BJ Francis DD Gnodde R Haman RL Hiemstra MJ Leeming P Michaux G Rudman	TS Gcabashe (chairman) P Langeni RJA Sparks A Tugendhaft *JR McAlpine retired 30 June 2011*	MV Moosa (chairman) OS Arbee MP de Canha BJ Francis TS Gcabashe DD Gnodde P Langeni P Michaux M Mosola M Swanepoel A Tugendhaft RA Venter	HR Brody (chairman) RL Hiemstra MJ Leeming AH Mahomed R Mumford WF Reitsma M Swanepoel

Group internal audit executive	Group treasurer	Group legal adviser and company secretary	Group risk executive	Group head of sustainability
G Nzalo *BCom, CA(SA), CIA*	WF Reitsma *BTech Banking, MCom, FIBSA, FIFM*	RA Venter *BCom, LLB, LLM*	BJ Francis *BCompt (Hons), CIA*	R Sharfuddin *BCom*

The board of directors

The company has a unitary board structure with the chairman and majority of directors being non-executive.

Directors are appointed on the basis of skill, experience and their level of contribution to, and impact on, the activities of the group. The board decides on the appointment of directors based on recommendations from the remuneration and nomination committee. New directors are provided with formal induction material to facilitate their understanding of the group.

The board of directors determines the direction of the group by establishing strategic objectives and key policies. Board meetings are held at least quarterly with additional meetings called when necessary. The quorum for meetings is a majority of directors. In addition to directors, other senior executives are invited to attend meetings as required to ensure comprehensive reporting to the board.

The responsibilities of the board are clearly defined in a written board charter. The board has also adopted, and regularly reviews, a written policy governing the authority delegated to group management and matters retained for decision by the board.

The responsibilities of the board include issues of strategic direction, business plans and annual budgets, major acquisitions and disposals, changes to the board on recommendation from the remuneration and nomination committee and other matters with a material effect on the group or required by statute.

The board regularly performs assessments of its performance and of the performance of individual directors including the chairman.

The board comprises ten non-executive directors and seven executive directors. Seven of the non-executive directors, including the chairman, are independent.

At least one third of non-executive directors retire by rotation each year and stand for re-election at the annual general meeting in accordance with the articles of association. Directors who stand for re-election are appraised and their re-election recommended by the board. This year, Messrs S Engelbrecht, TS Gcabashe and A Tugendhaft retire and are standing for re-election. In addition, the appointment of directors appointed during the year is submitted to the annual general meeting for confirmation. This year, Mrs Santie Botha was appointed with effect from 1 September 2011 and her appointment is being submitted for confirmation.

Directors and management profiles

Non-executive directors

From left to right:

Thulani Sikhulu Gcabashe (53)*
BA (Botswana), MURP (Ball State Univ, USA), PED, IMD Lausanne

Thulani is the retired chief executive of Eskom and is now the executive chairman of BuiltAfrica Holdings and the chairman of MTN Zakhele. He currently serves as a director of Standard Bank Group, The Standard Bank of South Africa and the National Research Foundation and is a past trustee of the Freedom Park Trust. He is also a director of the Retail Motor Industry Association (RMI) and a director of the Passenger Rail Agency (PRASA). He was appointed to the board in January 2008 and as chairman in April 2008.

Santie Botha (47)*
BEcon, BEcon (Hons)

Santie is a past executive director of ABSA Bank and was executive director for marketing of the MTN group. She is currently the chancellor of the Nelson Mandela Metropolitan University, Port Elizabeth and a non-executive director of Tiger Brands. She was appointed to the board in September 2011.

Schalk Engelbrecht (65)*
BSc, MBL, AMP Insead

Schalk is the retired chief executive of AECI and is currently a non-executive director of that company. He was appointed as chief executive of AECI in 2003, having joined the AECI board as an executive director in 2002. He was the managing director of Chemical Services (Chemserve) before joining the AECI board. He was appointed to the board in June 2008.

From left to right:

Thembisa Dingaan (38)
BProc, LLB (Natal), LLM (Harvard), HDip Tax (Wits)

Thembisa is the chairman of Ukhamba Holdings, an empowerment shareholder in Imperial. She is currently a director of Skweyiya Investment Holdings & Identity Corporate Advisors, the Development Bank of Southern Africa, the Export Credit Insurance Corporation of South Africa (ECIC) and of Mustek Limited. She was appointed to the board in November 2009.

Phumzile Langeni (36)*
BCom (Acc)

Phumzile is the executive chairman of Afropulse Group, a woman-led investment, investor relations and corporate advisory house. Phumzile was previously an executive director of junior platinum miner, Anooraq Resources. She is the chairman of Astrapak and an independent non-executive director of Massmart Holdings Limited, Mineworker's Investment Company, Peermont Global and the Port Regulator. She was appointed to the board in June 2004.

Non-executive directors

From left to right:

Michael John Leeming (67)*
BCom, MCom, FCMA, FIBSA, AMP

Mike is a former executive director of Nedcor Limited. He has served as chairman of the Banking Council of South Africa and president of this country's Institute of Bankers. He is currently a non-executive director of the Altron Group, AECI, Woolworths and Real Africa Holdings. He was appointed to the board in November 2002.

Mohammed Valli Moosa (54)
BSc

Valli is a non-executive director of Sanlam, Sappi and Anglo Platinum. He is the non-executive chairman of Sun International and executive director of Lereko. He is the former president of the International Union for the Conservation of Nature. He is the former chairman of Eskom and served as a cabinet minister in the national government. He was appointed to the board in June 2005.

Roderick John Alwyn Sparks (52)*
BCom (Hons), CA(SA), MBA

Roddy is a former managing director of Old Mutual South Africa and Old Mutual Life Assurance Company (SA) and former chairman of Old Mutual Unit Trusts, Old Mutual Specialised Finance and Old Mutual Asset Managers (SA). He is a director of Worldwide African Investments and a non-executive director of Trencor and serves on the board of advisers of the UCT Graduate School of Business. He was appointed to the board in August 2006.

From left to right:

Ashley (Oshy) Tugendhaft (63)
BA, LLB

Oshy is the senior partner of Tugendhaft Wapnick Banchetti & Partners, a leading Johannesburg niche law firm and a non-executive director of African Bank Investments Limited and Pinnacle Technology Holdings Limited. He was appointed to the board in April 1998 and as deputy chairman in March 2008.

Younaid Waja (59)*
BCom, BCompt (Hons), CA(SA), HDip Tax Law

Younaid is a practicing tax and business consultant. He is a non-executive director and a subcommittee member of the: Public Investment Corporation Limited (PIC), Pareto Limited, Blue IQ Investment Holdings (Pty) Limited, Supplier Park Development Company (Pty) Limited and Telkom SA Limited, among others. He is a former vice-president of the Association for the Advancement of Black Accountants in Southern Africa (ABASA) and a former member of the Income Tax Special Court. He is also a former chairman of the Public Accountants and Auditors Board (PAAB), now the Independent Regulatory Board of Auditors (IRBA). He was appointed to the board in June 2004.

**Independent*

Executive directors



From left to right:

Hubert Rene Brody (47)
BAcc (Hons), CA(SA)

Hubert is the chief executive of Imperial. Hubert joined the group in April 2000 as chief financial officer of Imperial Bank. He was appointed chief executive of the motor division in 2003. He joined the executive committee in September 2004, was appointed to the board in August 2006 and as chief executive in July 2007.

Osman Suluman Arbee (52)
BAcc, CA(SA), HDip Tax

Osman is the CEO of the car rental division and chairman of the tourism, automotive retail and automotive parts distribution divisions. He is a director of Distribution and Warehousing Network (DAWN) Limited and Ukhamba Holdings (Pty) Limited, the group's empowerment partner. He joined the group and the executive committee in September 2004 and was appointed to the board in July 2007.

Manuel Pereira de Canha (61)

Manny is the chief executive of Associated Motor Holdings, responsible for the import and distribution of motor vehicles. He joined the group in 1994. He was appointed to the board in November 2002.




From left to right:

Recht Louis (Tak) Hiemstra (55)
BCompt (Hons), CA(SA)

Tak is the executive director, strategic development of the group. He is responsible for strategy and enterprise and business development. He is chairman of Distribution and Warehousing Network (DAWN) Limited and a director of Ukhamba Holdings (Pty) Limited, the group's empowerment partner. He joined the group in 1992 and was appointed to the board in August 1995.

Abdul Hafiz Mahomed (60)
BCompt (Hons), CA(SA), HDip Tax

Hafiz is the deputy chief executive and group financial director. He joined the group as financial manager in 1982 and was appointed to the board in March 1992.

Gerhard Wessel Riemann (65)

Gerhard is chief executive of Imperial Logistics International in Germany and responsible for logistics operations in Europe. He is a member of the Presidency and chairman of the logistics committee of Bundesverband des Deutschen Groß- und Außenhandels e.V, a board Member and Vice President of Afrika-Verein e.V and a member of the Presidency of Ost- und Mitteleuropa-Verein. He is also a member of the advisory boards of AAE Ahaus Alstätter Eisenbahn Holding AG and North Rhine-Westphalia Commerzbank AG and a member of the Commercial Advisory Board of Germanischer Lloyd AG. He joined the group and the board in January 2000.

Marius Swanepoel (50)
BCom Acc (Hons)

Marius is chief executive of Imperial Logistics in southern Africa. He joined the group in 1994 as financial director of Highway Carriers and was appointed chief executive of Imperial Logistics in southern Africa in October 2005. He was appointed to the executive committee in May 2007 and to the board in November 2009.

Executive committee members

The executive committee members are:

HR Brody	M Akoojee
OS Arbee	MP de Canha
BJ Francis	DD Gnodde
RL Hiemstra	AH Mahomed
M Mosola	M Swanepoel

Their profiles are listed on the previous page and below.


From left to right:

Mohammed Akoojee (32)
BCom Acc (Hons), CA(SA), CFA

Mohammed is the executive responsible for investor relations. He joined the group in 2009. He previously worked at Nedbank Securities as an investment analyst and at Investec in the corporate finance division. He is also a director of Distribution and Warehousing Network (DAWN) Limited. He was appointed to the executive committee in January 2011.

Berenice Joy Francis (35)
BCompt (Hons), CIA

Berenice is the executive responsible for risk, transformation and people development. She joined the group in 2008 and was appointed to the executive committee in June 2009.


From left to right:

David Drury Gnodde (53)
BCom, BCompt Hons, CA(SA)

David is chief executive of the Regent Insurance group which houses the insurance operations of Imperial. He was previously COO and an executive director of PPS and joined the Imperial group in 2009. He was appointed to the executive committee in June 2009.

Moeketsi Mosola (41)
BA Neuroscience and Human Biopsychology, MA Economics (Univ of Houston)

Moeketsi is chief executive of the tourism division. He was previously CEO of SA Tourism. He joined the group in 2009 and was appointed to the executive committee in July 2009.

Board committees and governance structure

The board has established a number of subcommittees, which operate within defined terms of reference laid down by the board in writing. Members of these committees are suitably qualified and experienced to meaningfully contribute to the workings of the committees on which they serve. All committees report to the board and operate in accordance with written terms of reference approved by the board.

The performance of each committee is regularly assessed in accordance with their terms of reference.

Executive committee

This committee is responsible for:

- Devising group strategy for recommendation to the board of directors and to implement the strategies and policies approved by the board
- Managing the day-to-day business and affairs of the group.

The members of this committee comprise executive directors as well as other members and are appointed by the board. The committee consists of 10 members and meets at least once a month.

Audit committee

The group audit committee consists only of independent non-executive directors, one of whom is appointed as chairman. The membership of the committee will be tabled at each annual general meeting for confirmation by shareholders. The quorum is the majority of members. The group internal audit executive and the external auditors attend meetings. The CEO and CFO attend all meetings and, in addition, members of executive management, including those involved in risk management and control, and finance attend meetings when appropriate. The committee meets at least four times per year.

The committee receives and deals appropriately with any complaints (internal or external) relating either to accounting practices and internal audit of the company or to the content or auditing of its financial statements, or to any related matter.

The statutory functions of the committee are also performed for each subsidiary company of Imperial Holdings Limited that has not appointed an audit committee, provided that the committee delegates the performance of such functions to subcommittees referred to as finance and risk review committees. The duties and operation of the committee are set out in the audit committee report on page 94.

Divisional finance and risk review committees have been constituted and these committees report significant issues to the group audit committee. Each divisional finance and risk review committee is chaired by an independent chairman with no operational role in the division.

Remuneration and nomination committee

This committee consists of the chairman of the board and other non-executive directors. It meets at least three times a year and the quorum for meetings is the majority of members. The duties and operation of the committee are set out in the abridged remuneration report on page 96.

Risk committee

The board is responsible for the total process of risk management in the group. The risk committee sets the group risk framework and strategy and ensures a robust risk management process is in place. The committee comprises both non-executive and executive members and is assisted by the group risk executive and divisional risk management sponsors who have been tasked with coordinating the risk management process. The committee is chaired by a non-executive director.

Assets and liabilities committee

The assets and liabilities committee (Alco) is responsible for implementing best practice asset and liability risk management policies. Its primary objective is to manage the liquidity, interest rate and exchange rate risk of the group within an acceptable risk profile.

Social, ethics and sustainability committee (previously the sustainability committee)

The committee's role has been substantially widened during the year from its previous transformation focus to encompass all aspects of sustainability.

The role of the committee is to perform statutory duties as contemplated in the Companies Act, No 71 of 2008. In addition and complementary to its statutory duties in terms of the Act the committee assists the company to discharge its social, ethics and sustainability responsibility with regard to the implementation of practices that are consistent with good corporate citizenship with particular focus on the following:

- The King III Code of Corporate Governance
- Imperial's sustainability commitments
- Broad-based Black Economic Empowerment (B-BBEE) requirements as described in the Department of Trade and Industry's Combined Generic Scorecard (excluding ownership targets) and associated Codes of Good Practice
- Imperial's transformation commitments as described in the group transformation strategy document and division specific B-BBEE plans
- Environmental commitments as described in Imperial's Environmental policy framework
- Corporate Social Investment (CSI) commitments as described in Imperial's CSI policy
- Imperial's Code of Ethics and Corporate Values

Transformation remains a key area, however, and the committee will continue to guide and assist Imperial in its quest to reflect the South African social fabric while positioning the organisation positively relative to the economy.

Subsidiary and divisional boards

In accordance with the decentralised nature of the group's operations, many subsidiary and divisional boards manage day-to-day affairs within their areas of responsibility, subject to board-approved authority limits. The Imperial Holdings board ratifies appointments to the boards of major subsidiaries.

Meeting attendance

The table details attendance of board and committee meetings during the year.

	Board: Regular meetings	Board: Annual strategy meeting	Executive committee	Assets and liabilities committee	Audit committee	Remuneration and nomination committee	Risk committee	Social, ethics and sustainability committee
Number of meetings during the year	4	1	15	4	4	4	4	4
Thulani Gcabashe	4	1				4		4
Hubert Brody	4	1	15	4			4	4
Osman Arbee	3	1	15				4	4
Manny de Canha	3	1	14				4	4
Thembisa Dingaan	4	1						
Schalk Engelbrecht	4	1					2/2	
Tak Hiemstra	4	1	14	4			4	
Phumzile Langeni	3				4	3		3
Mike Leeming	4	1		4	4		4	
Hafiz Mahomed	4	1	14	4				
Roy McAlpine	3	1				4		
Valli Moosa	4	1						4
Gerhard Riemann	4	1						
Roddy Sparks	4	1			4	4		
Oshy Tugendhaft	3	1				4		4
Younaid Waja	4	1			4		4	4
Marius Swanepoel	4	1	14	4				4
Mohammed Akoojee	2/2		7/7					
Berenice Francis	4		14				4	4
David Gnodde	4		14				4	4
Moeketsi Mosola	2		13					4

Roy McAlpine retired from the board on 30 June 2011.

At a glance
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Accountability and audit

Going concern

The group audit committee considers the facts and assumptions used in the assessment of the going-concern status of the group at financial year-end. This provides assurance to the directors in confirming their assessment that the annual financial statements are properly prepared on the going-concern basis.

Internal financial controls

The directors acknowledge that they are responsible for instituting internal control systems that provide reasonable assurance on safeguarding assets and preventing their unauthorised use or disposal, as well as maintenance of proper accounting records that give reasonable assurance on the reliability of financial information produced.

Internal audit

The internal audit department's responsibilities are defined in a written charter approved by the board.

Internal audit is an independent, objective assurance and consulting activity established to add value and improve the group's operations. It helps the group accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the adequacy and effectiveness of risk management, control and governance processes.

The internal audit activities of the group are coordinated by the group internal audit executive based at the corporate office, who reports to the chief executive and has unrestricted access to the group audit committee and its chairman. The group internal audit executive reports formally at all audit committee meetings during the year. The audit plan for the wider group developed using a risk based approach and is approved by the group audit committee. The group internal audit executive also attends and coordinates the activities of all divisional finance and risk review committees and attends all group risk committee meetings to ensure that internal audit work focuses on the risks identified through the relevant processes.

Based on the internal audit work performed in terms of the approved combined internal audit plan for the year, the scope of work, the results of tests, and the overall audit opinion ratings for the audited areas, together with feedback on follow up audits, internal audit concluded that nothing came to its attention to indicate that there was any material breakdown in the system of internal control in the group during the year to render the control environment ineffective.

From the results of the Risk Management Maturity Self Assessment conducted during the year, at divisional and group level, internal audit were satisfied with the roll-out, and implementation of risk management across the group, and the degree to which management had embraced risk management.

As recommended in King III, group internal audit documented a review of the group's internal financial controls and concluded that nothing came to its attention to indicate significant internal financial control design deficiencies or to indicate that such controls were ineffective during the period reviewed.

Financial reporting

Imperial Holdings has a comprehensive system for reporting financial results to the board each quarter and to the executive committee monthly. Each division prepares detailed monthly management accounts, budgets and a three-year plan approved by the board. Performance against budget is monitored and variances analysed. Profit and cash flow forecasts to the end of the year are reviewed and include an analysis of material changes. A comprehensive system enables management to monitor trends and measure productive use of capital. Accounting policies are disseminated throughout the group to ensure compliance.

Insider trading

No group director or employee with inside information about the group may deal, directly or indirectly, in Imperial Holdings' securities, which include allocations of and dealings in the group's share incentive schemes (the securities). The board has determined certain closed periods during which directors and other senior management officials of the group may not deal, directly or indirectly, in the securities. In addition, the group has adopted a policy requiring directors, executive committee members, the company secretary and directors of major subsidiaries to obtain permission from designated individuals before trading in the group's securities.

Sustainability, business integrity and ethics

The board has adopted a written code of ethics for the group.

Without satisfactory profits and a strong financial foundation, it would not be possible to fulfil our responsibilities to shareholders, employees, society, and those with whom we do business. However, our corporate actions are not governed solely by economic criteria, but also take into account social, environmental and political considerations.

The group is committed to the principles of sustainable development, striking an optimal balance between economic, environmental and social development. We strive to innovate and adopt best practice, wherever we operate, working in consultation with stakeholders.

Management and employees operate within a framework that requires complying with all applicable laws and maintaining the highest integrity in conducting the group's business.

Employment and labour rights

The group subscribes to the principle of fair labour practices at our workplaces, and our conditions of service comply with applicable laws and industry standards.

The group recognises representative trade unions and has established forums for communication.

Safety, health and environmental stewardship

We report regularly at executive and board level on our safety, health and environmental (SHE) performance. Senior executives and line management are accountable for the group's SHE issues and for allocating adequate financial and human resources within their operations to address these matters. We work to keep SHE at the forefront of workplace concerns.

Our objective is to prevent fatalities, work-related injuries and health impairment of our employees.

We recognise the need for environmental stewardship to minimise consumption of natural resources and waste generation, and to minimise the impact of our operations on the environment.

More detail on the group's principles of conduct, policies and practices appears in the sustainability report on the group website: www.imperial.co.za

In line with its policy of aligning group corporate governance with international best practice to safeguard the interests of stakeholders, Imperial has implemented an enterprise risk model to identify and assess relevant risks facing the group at strategic, business and process levels. The group's risk model is based on ISO 31000:2009 – Risk Management Principles and Guidelines.

The group and its divisions performed a maturity assessment on implementation of the process of risk management.

The following categories were assessed:
1) Risk governance – framework, strategy, policies, roles and responsibilities
2) Risk assessment – alignment of strategy and risk, tools and systems for risk identification, assessment and evaluation of risks
3) Risk quantification – having quantitative methods for attribution of risk in respect to adding/destroying value
4) Risk monitoring and reporting – completeness of reporting on key risk areas
5) Risk and control optimisation – providing risk and control information to improve business performance across enterprise to add value.

The overall conclusion was that a high level of success with implementing risk management had been achieved.

Risk is not only viewed from a negative perspective. The assessment process also identifies areas of opportunity, for example where effective risk management can be turned into a competitive advantage, or where taking certain risks could result in reward for the group. Any risk taken is considered within the group's risk appetite and tolerance which are reviewed and updated annually.

The decentralised structure of the group consists of many business units and therefore overall group risk is spread and minimised to within group tolerance levels. Risk management responsibility and accountability largely remain in divisional management structures, reporting to the divisional finance and risk review committees. The risk committee formalises, standardises and monitors this process by guiding management and assessing their effectiveness in implementing the approved risk management framework.

The board determines the level of acceptable risk and requires operations to manage and report accordingly. Material issues and circumstances that could affect the group's reputation and financial affairs constitute unacceptable risk.

Senior management is committed to the established system of internal control for managing risk, which requires transparency and clear accountability.

The system of internal control has been implemented in all key operations and is tailored to suit the specific circumstances of each business unit. It provides reasonable, rather than absolute, assurance that the group's business objectives will be achieved within prescribed risk tolerance levels. The associated risk areas and control processes are monitored and reported on across the group continuously. Internal audit aligns its procedures with the risks identified. Formal feedback is provided at every risk committee meeting.

King III describes risk management as the identification and evaluation of actual and potential areas of risk as they pertain to a company, followed by a procedure of termination, transfer, acceptance (tolerance) or mitigation of each risk. The group's risk management process therefore also uses internal controls as a measure to mitigate and control risk.

In reviewing risk management reports and internal control, the board has:
- Considered what the group's risks are and how they have been identified, evaluated and controlled
- Assessed the effectiveness of the related process of risk management and, particularly, reports of significant failings or weaknesses in the process
- Considered if the necessary action is being taken in time to rectify any significant failings or weaknesses
- Considered whether results from the review process indicate that more extensive monitoring is required.

Key inherent group risks

Imperial has identified key risk categories that affect the group as a whole in addition to the business- and industry-specific risks identified by operating divisions. The risk categories and strategies taken to mitigate these risks include:

Risk	Strategies Implemented
Low growth in the economy	• Focus on niche products and services in our current offerings • Agility in operating model • Internal growth and acquisition strategies
Labour disruptions Impact on efficiencies due to increasing labour disruptions in our own and customer industries	• Active participation in industrial labour councils • Agility and diversification of supply chain channels • Review of operational labour plans to ensure continuity of services • Diversification and spread of risk over industries
Currency volatility	• Established hedging policy • Diversification of business models to minimise the overall impact of currency risks
Impact on affordability of products if interest rates increase from 2012	• Monitoring credit trends and extension • Increase in innovative products and services focused on affordability and consumer market needs • Focus on annuity-based products and services
Failure to achieve group and national emissions targets	• Group-wide sustainability strategy implemented • Proactive involvement with industry and governmental bodies • Ongoing monitoring and reporting of key targets and initiatives at board level
Valuations of assets Effective control of asset values given the fleet and inventory holding of new and used assets that are core to the group's business model	• Active management and investment in optimising inventory and fleet levels • Regular review and application of latest accounting and business principles • Enhanced governance oversight • Active review and monitoring of the realisable value of assets
Reputation and brand perception	• Group-wide branding and marketing position strategy for the Imperial brand • Ongoing review of compliance to group ethics and legal requirements
Talent management Key to our success is our people, their commitment and knowledge of the business and industry and growing the base of skills within our country	• Identification of key current and future skills required and alignment with development programmes • Divisional and group wide training and upliftment programmes • Establishment of specialist training academies and skills development programmes • Coordinated transformation philosophy, policies and focused projects • Promotion and upliftment of internal candidates • Expansion of our current recruitment base
Acquisition risks Acquisitions in new business sectors and territories	• Clearly defined expansion areas • Strong group mandate structure relating to investments • Regular review of acquisition risks and criteria at executive level • Formalised post acquisition reviews
Third-party dependence and reliance Some of our businesses have exposure to or depend on key relationships and contracts	• Proactive relationship and contract management • Formalised and proactive management of service and product level expectations • Ongoing oversight and monitoring of contract renewals and negotiations
Regulatory and compliance Ensuring compliance with relevant legislation and regulations	• Centralisation of selected specialist areas where compliance risk is high • Proactive monitoring, input and operational implementation plans and frameworks on emerging legislation • Increased resource allocation to legal and compliance units

The board:

- Recognises that it is accountable for the process of risk management and system of internal control, which is regularly reviewed for effectiveness, and for establishing appropriate risk and control policies and communicating these throughout the group
- Is satisfied there is an ongoing process of identifying, evaluating and managing the significant risks faced by the group. This process has been in place for the review period and to the date of approving the annual financial statements, integrated report and abridged financial statements
- Is satisfied there is an effective system of internal controls and that group wide strategies are in place to mitigate the consequences and impact of significant risks faced by the group to an acceptable level.

Our strategy is to build a sustainable and logically structured organisation on the platforms of our three main streams of business. As an innovative and developing group, these business streams constantly offer new opportunities for vertical and horizontal expansion where the competencies of our group can be applied.

Since the group's restructuring in 2008, more emphasis has been placed on businesses which generate higher yields on capital and have defensive annuity income streams. As a result, four pertinent initiatives are being pursued. The strategic intent is to develop certain of these initiatives into new hubs from which further growth opportunities can follow. These are:

- Expanding our logistics business into Africa. The skills resident in our southern African and European logistics businesses have proven suited to the opportunities being pursued. Dedicated management has been assigned to this initiative and performance targets set that are appropriate for the risk profile in this geography. Our first significant step in this respect was the acquisition of CIC Holdings in 2010.
- The ongoing expansion of our European and southern African logistics businesses in markets where attractive opportunities continue to exist.
- The expansion of current and acquisition of new distribution businesses that require a similar set of skills to our auto distribution businesses which will serve to smooth cycles that result from motor retail and distribution.
- Expanding our motor-related financial services offering – this activity has now gained sufficient scale and importance in the context of our motor-retailing activities that its results are disclosed separately from the motor businesses where it originated. We believe the consistency in its results will demonstrate the success achieved in reducing our exposure to the natural cyclicality of the motor industry.

These expansions will be carried out through acquisition, partnerships and grassroots development. Acquisitions and partnerships are preferred where the group does not have the necessary skills and relationships. Grassroots development will be considered where the expansion initiative is sufficiently closely related that it forms a natural extension to an existing business.

Strict acquisition criteria are applied in assessing all new opportunities. These include:

- The acquisition or project should be earnings enhancing
- The cost of acquisition capital relating to the business should be met in early years and exceeded in later years
- We must have proven related expertise
- Asset light acquisitions are to be emphasised
- Forecast risk should be low with an acceptable safety buffer

The business environment in South Africa and other emerging markets is changing rapidly and this demands constant innovation and deliberation. Accordingly, innovation has been given a high priority in our strategic process and we recognise the importance of an open and independent mind in pursuing this objective.

Management and skills development

The shortage of appropriate technical and business skills in South Africa has been identified as a key risk. Accordingly, our training initiatives and recruitment policies are designed to train existing staff at all levels in general and business-specific skills; recruit personnel through bursary schemes; and use recruitment specialists to identify and attract the required talent.

Environmental responsibility

Group operations affect the environment in different ways, both directly through transport operations and indirectly through the products we distribute and sell.

We conduct our business in an environmentally responsible manner, ranging from the way we construct our facilities to the maintenance and operation of our transport fleets, and we are committed to a safe and healthy environment.

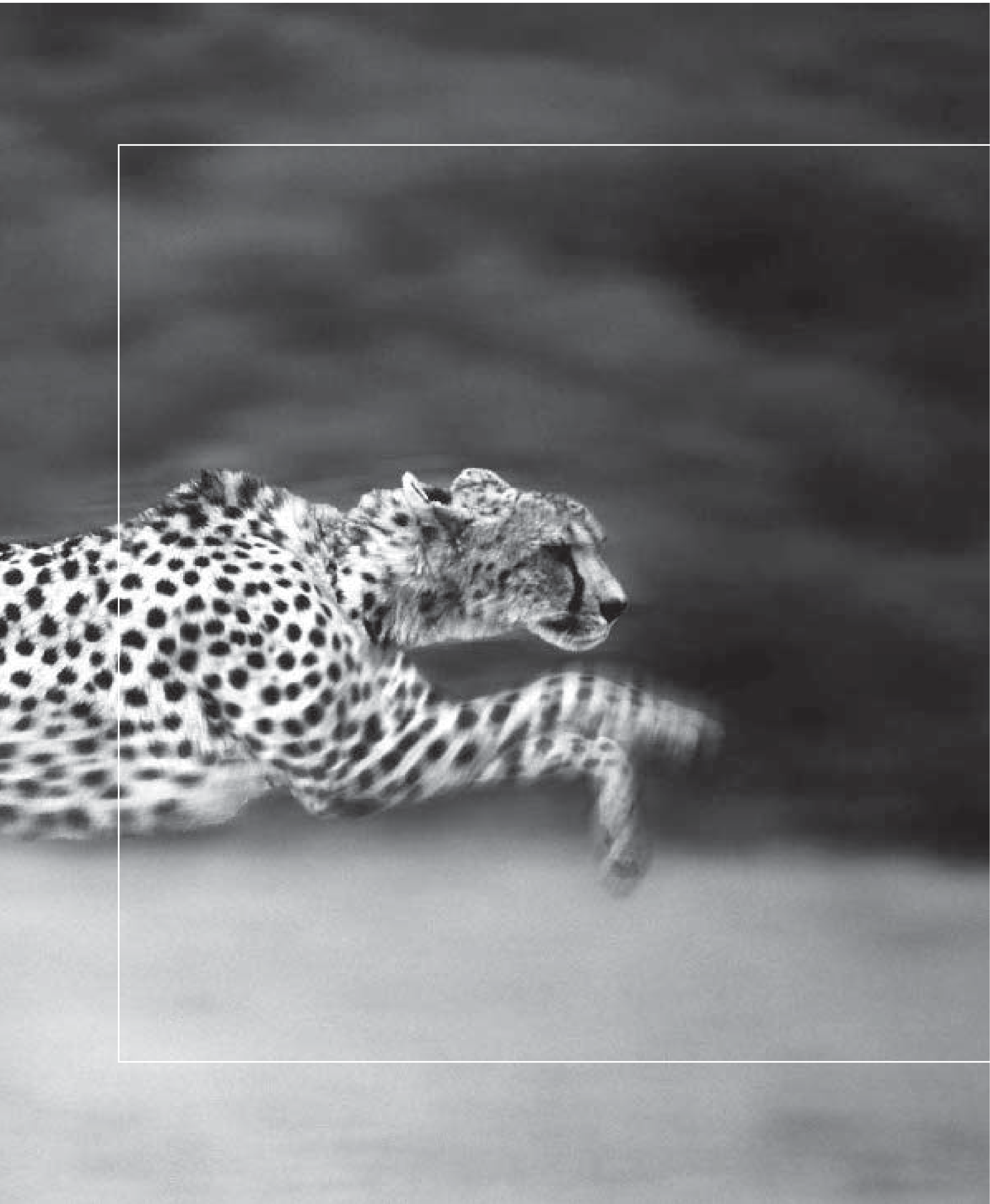
Each business unit is responsible for its own environmental policy, taking full cognisance of group principles and local circumstances. At group level, the executive committee takes operational responsibility for environmental matters, which includes reporting on and management of impacts. An executive is designated to drive this process, which is overseen by the social, ethics and sustainability committee. The committee also recommends group policy to the board. Environmental incidents, trends and related matters are reported to the executive committee and applicable divisional boards monthly and to the group board quarterly. Serious incidents are reported immediately.

Product responsibility

The health and safety of customers are of paramount importance to Imperial. Individual businesses in the group that deal directly with customers have policies to preserve customer health and safety. Due to the decentralised nature of the group's business, each unit is responsible for formulating and applying a policy appropriate to the environment in which it operates. Certain business units do not have customer health and safety policies, primarily those whose operations do not involve direct interaction with customers. Where appropriate, customer health and safety policies and procedures are communicated to customers.

mobility ››

Mobility stems from having flexibility, both financially and operationally. Financial flexibility is attained when there is liquidity and access to capital. Operational flexibility is derived from having global infrastructure that allows us to deploy assets at minimal cost as required. These elastic positions have allowed Imperial to make timely decisions that enhance our earnings potential.



We have combined the traditional chief executive officer's review with the report of the financial director for a more comprehensive view of Imperial's performance.

Q & A

Question: What are the group's focus areas going forward?

Answer: Logistics remains a key growth area in southern Africa, the rest of Africa and Europe. Simultaneously, we are capitalising on our strengths in well understood, asset-light sectors such as automotive and industrial product distribution, financial services and tourism to build a higher yielding group with a balance between motor and non-motor assets.

Question: What is the highlight of the financial results for the year ending 30 June 2011?

Answer: The group achieved outstanding growth of 38% in operating profit and a return on equity of 22,7% in an economic and trading environment that was in certain instances very difficult. Notwithstanding some headwinds the overall performance was very satisfactory.

Question: What is Imperial's growth philosophy?

Answer: All our divisions target strong growth and high returns on capital. Acquisitive growth is governed by stringent criteria which ensure sufficient returns and an adequate margin for error.

From left to right:
Hubert Brody
Chief executive officer

Hafiz Mahomed
Deputy chief executive and financial director

Highlights

- Revenue 21% higher to R64 667 million
- Headline earnings up 38% to 1 370 cents per share
- Operating profit up 38% to R4 526 million
- Free cash flow conversion ratio is 132%
- Net debt/equity ratio of 34%
- Return on equity improved to 22,7%
- Final dividend of 260 cents per share – total annual dividend of 480 cents per share (2010: 350 cents per share)
- Excellent progress with board-approved sustainability strategy
- More than 6 000 people trained during the year
- Risk management exposures reconsidered and confirmed
- The I-Pledge road safety campaign was launched
- Total gross acquisitions of R1 178 million

The year to 30 June 2011 has been another important period in Imperial's evolution. Four years ago, we initiated a restructuring to position our group for continued growth in a global environment, which preceded the strongest downturn in the global economy in decades. The restructuring assisted in ensuring that the group remained robust through the period of global financial turmoil.

Building on good growth in the prior year, results for the 2011 financial year have demonstrated the market-leading strength of certain of our business units while others were more subdued due to challenging conditions. Our streamlined, more asset light business mix and focus on returns contributed handsomely to the strong result that was achieved.

During the process of re-alignment over the previous number of years, we focused intensely on costs, streamlining operations and defining acceptable performance and tolerance levels. We set very clear parameters for our operating subsidiaries, focusing on operating profit growth and return on invested capital. More recently, we established a new division to reflect our unified approach and common vision in managing financial services.

Our new corporate identity – the Spirit of Entrepreneurship – has made our group and its scale more visible. It continues to enhance the dynamic energy in the group and galvanise our people, particularly those trading under different brands.

Business conditions in our markets

Trading conditions in the automotive retail market rebounded strongly in 2010. The recovery has continued into 2011, albeit at a slower rate as the prior year base increased. Demand is being stimulated by historic low interest rates, low vehicle inflation, increase in the number of entry level models, increased appetite by banks for vehicle finance and pent-up demand as motorists extended their vehicle replacement cycles during the economic crisis. The commercial vehicle market, which lags the upturn in passenger vehicle sales, has also reversed its negative trend. However, the used car market is depressed, partly because of stronger new car sales.

Volumes in the consumer logistics market, which represents approximately 42% of the revenue of southern African logistics were sluggish in the second half. Construction related sectors were still weak, although volumes in bulk food, chemicals and fuel were positive. The transport workers strike in February was disruptive.

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The German economy, where Imperial Logistics International derives most of its income, continued to show good growth in the second half. A relatively weak Euro and strong demand for German manufactured goods, particularly in the steel and automotive sectors where the bulk of our customer base operates, contributed to this.

Low demand in the international and local leisure travel sector, the sluggish used car market and low rental rates across the car rental Industry affected our car rental and tourism division adversely.

The recovery in vehicle sales has been beneficial to our newly created financial services division which creates a valuable annuity stream to support future earnings. Insurance underwriting conditions were favourable in the second half, particularly in the short-term industry. Investment markets were less favourable with lower interest rates and volatile equity markets.

Vehicle sales

In South Africa, the group sold 96 453 new (including 11 477 new vehicles sold to outside dealers) and 54 746 used vehicles in the financial year, respectively 21% and 4% more than the prior year. The national new vehicle market grew by 20% year on year.

The Australian and United Kingdom operations sold 9 140 new vehicles, which was 11% higher than the prior period and 3 841 used vehicles, which was 9% higher.

Overview of results

Summarised income statement

30 June

	2011 Rm	2010 Rm	% change
Revenue	64 667	53 438	21
Operating profit	4 526	3 288	38
Foreign exchange (losses) gains and forex derivatives	(51)	11	
Exceptional (losses) gains and property recoupments	(39)	109	
Amortisation of intangible assets arising on business combinations	(15)	–	
Impairment reversals on share scheme loans	–	24	
Gain on early settlement of European bond	–	27	
Fair value gain on Lereko call option	279	78	
Net financing costs	(554)	(597)	(7)
Income from associates and joint ventures	34	174	(80)
Income tax expense	(1 272)	(911)	40
After-tax profit	2 908	2 203	32
Discontinued operations	–	59	
Net profit for the period	2 908	2 262	29
Attributable to Imperial shareholders	2 562	2 021	27
Attributable to minorities	346	241	44

The group achieved an outstanding result amid tough trading conditions in certain of our markets. Revenue was up 21% and operating profit increased by 38% to R4,5 billion. The return on equity reached 22,7% while cash generated by operations increased 49%. Trading conditions in our SA logistics division were challenging, while the European logistics division performed well in a strong German economy. Acquisitions made a positive contribution and were earnings enhancing.

The operating margin increased to 7,0% from 6,2% with the main contributor being the distributorships division which achieved a margin of 8,4% against 5,4% in the prior year. Revenue in the distributorships division increased by 30%. Automotive Retail increased revenue by 10% and grew its margin to a strong 2,9% from 2,2%. The margin in our combined southern African and European logistics business declined to 5,5%, mainly due to the inclusion of CIC Holdings Limited (CIC) and operational difficulties in the Cold Chain (which is an important unit in the consumer logistics division). Due to the nature of its business, CIC earns lower margins but generates strong returns on capital. The transport workers strike in February was also disruptive. The car rental and tourism division margin declined due to the benefits from the 2010 FIFA World Cup™ which boosted the performance in the prior year, pressure on rental rates, a sluggish used car market, losses in the newly acquired panel business and a drop in the tourism and coach business contributed to this decline.

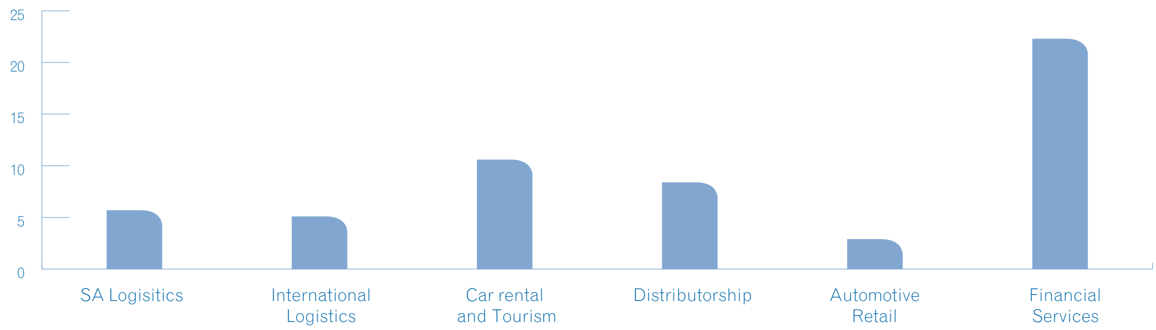
The acquisition of Midas, which only contributed for seven months in the previous period, and CIC, which was acquired in the first half of this financial year, contributed strongly to the results of the distributorships and SA logistics division respectively.

In line with a more unified management approach across the spectrum of financial products in the group, we now report all financial services as a single divisional segment. This includes the Regent Insurance group, Liquid Capital and a number of other financial services operations that primarily originate business in our motor vehicle operations. This division contributed strongly with operating profit up 9,2% to R760 million. The underwriting margin improved significantly, largely due to a better claims experience, while insurance investment income fell short of the strong performance in the corresponding period due to lower interest rates. The equity portfolio remains conservatively managed with downside protections in place. Operating profit from other financial services grew strongly on annuity income from service and maintenance plans and vehicle financing due to the increasing sales of value added products over the past number of years.

In aggregate, both the group's operating profit and Headline Earnings per Share (HEPS) increased by 38%. Below the operating line, the most significant difference from the corresponding previous period which impacted HEPS was the fair value adjustment from the Lereko BEE structure of R279 million (147 cps) compared to R78 million (42 cps) in the prior period. Last year, the net impact to headline earnings from once off items including the fair value gain on the Lereko BEE structure was R54 million (29 cps). Imperial Bank contributed R175 million (94 cps) in the prior period which did not recur as a result of the sale of our shareholding in the bank. Amortisation of intangible assets arising on business combinations amounting to R15 million (8 cps) impacted negatively in the current period.

The interest charge reduced by 7,2% to R554 million due to lower interest rates and lower debt. The increase in minorities' share of profit is largely attributable to the strong performance of the distributorships division and new acquisitions where a number of minority shareholders participate. Our interest covered by operating profit has increased substantially to 8,2 times.

OPERATING MARGIN – 2011
(%)



The results of discontinued operations are not disclosed separately as they are no longer material to the group's results, contributing only R7 million of attributable profit for the year.

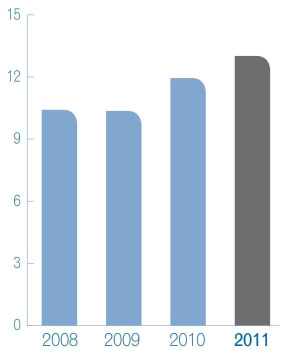
The effective tax rate at 31% was above the statutory rate of 28% because of the cost of secondary tax on companies, non-deductible expenses and deferred tax impairments, partly offset against the revaluation of the Lereko call option.

The significant decrease in income from associates relates primarily to the sale of our shareholding in Imperial Bank. Imperial Bank contributed R175 million in the prior period. Mix Telematics, in which we hold a 25,6% interest, contributed R17 million and the contribution from smaller associates increased from the prior year. Renault had a solid year but its profits will only be recognised once prior losses have been recouped.

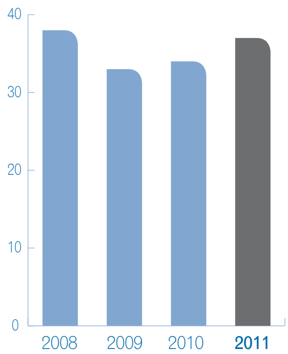
For continuing operations the return on invested capital (ROIC) is up from last year's 12,2% to 16,5%, and this compares favourably to the group's weighted average cost of capital (WACC) at 10,1%. Increased ROIC is due to the improved operating margin and improved asset efficiency shown by revenue to net operating assets rising from 3,1 to 3,7 times. The four-year improvement in the asset turn from 3,3 times in 2008 to the current 3,7 times is due to the ongoing focus on asset utilisation in the group.

For continuing operations the return on equity improved from 17,3% to 22,7%.

TOTAL SHAREHOLDERS EQUITY (R billion)



TOTAL ASSETS
(R billion)



Financial position and cash flow

Summarised statement of financial position

at 30 June

	2011 Rm	Re-presented 2010 Rm
ASSETS		
Intangible assets	1 823	1 006
Investments in associates and joint ventures	770	1 190
Property, plant and equipment	6 550	5 983
Transport fleet and vehicles for hire	5 684	5 636
Non-current financial assets, investments and loans	2 657	2 227
Net deferred tax assets	112	2
Net working capital	3 245	2 882
Cash resources	3 531	3 199
Net assets classified as held for sale		485
Final instalment on sale of Imperial Bank Limited		477
Total assets	24 372	23 087
EQUITY AND LIABILITIES		
Capital and reserves		
Attributable to Imperial Holdings' shareholders	11 973	11 140
Non-controlling interests	1 043	806
Total shareholders' equity	13 016	11 946
Liabilities		
Non-redeemable, non-participating preference shares	441	441
Retirement benefit obligations	233	222
Interest-bearing borrowings	7 508	7 833
Insurance, investment, maintenance and warranty contracts	2 465	2 124
Non-current financial liabilities	323	312
Net current tax liabilities	386	209
Total liabilities	11 356	11 141
Total equity and liabilities	24 372	23 087

Intangible assets increased by 81% to R1,8 billion mainly due to the CIC acquisition.

Investment in associates and joint ventures reduced as the call option of Lereko Mobility has been reclassified to equity.

In September 2010 Lereko settled its debt funding by selling a portion of its Imperial shares, leaving 5,9 million shares as its only asset. There is a strong likelihood that these shares will be delivered back to Imperial in settlement of its call option receivable. Lereko has as a result been consolidated and the Imperial shares owned by it treated as treasury shares.

Net working capital was well managed and increased by R363 million on revenue growth of R11,2 billion and after acquisitions. The net working capital turn improved from 19,2 to 21,1 times.

Shareholders' equity was decreased by the repurchase of some 1,5 million shares for R156 million and Imperial shares owned by Lereko, which are now treated as treasury stock amounting to R665 million.

The group raised R2 billion in September 2010 by issuing a fixed-rate seven-year corporate bond for R1,5 billion (IPL6) and a five-year floating rate bond for R500 million (IPL5) at spreads of approximately 200bps over the appropriate risk-free rates. The issues provided long-term liquidity and were used to settle IPL3 and IC01 of R2 billion which matured. The group's liquidity position is strong with R8 billion in unutilised facilities and only 16% of debt is due within one year. Around 53% of the group's debt is at a fixed interest rate resulting in an average borrowing cost of approximately 8%.

Net debt to equity (excluding preference shares) at 30% was lower than the 39% at June 2010 and 48% at December 2010. The current gearing level is below our target range of 60% to 80%, which leaves significant room for expansion of the group.

Moodys has maintained our investment grade ratings for our bond and commercial paper programmes as follows:

- Domestic short-term credit rating P-1.za
- Domestic long-term credit rating A2.za
- International scale rating Baa3
- Imperial Capital domestic ratings P-1.za and A1.za

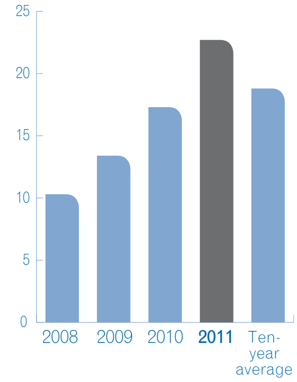
The group has a debt covenant for a syndicated loan and certain banking facilities. This covenant requires the group to maintain a target net debt/earnings before interest, taxation, depreciation and amortisation (Ebitda) of below 3.5:1, which ratio is currently 1.3:1.

Summarised cash flow statement

30 June

	2011 Rm	2010 Rm	
Cash generated by operations before working capital	6 375	4 723	35,%
Net working capital movements	(298)	30	
Cash generated by operations before capital expenditure	6 077	4 753	27,9%
Net finance cost and tax paid	(1 784)	(1 733)	
Cash flow from operating activities	4 293	3 020	42,2%
Proceeds from Imperial Bank sale	477	1 374	
Net acquisition of subs and businesses	(943)	(415)	
Expansion capex (including car rental assets)	(687)	(963)	
Net replacement capex (including rental assets)	(841)	(830)	
Net movement in associates and JVs	78	(271)	
Net movement in equities and loans	(15)	(778)	
Cash flows from financing activities	(1 395)	(887)	
Net decrease in net debt	967	250	
Free cash flow – total operations	3 452	2 190	57,6%
Free cash conversion	132%	119%	

RETURN ON EQUITY (%)



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The summarised cash flow statement has been revised to reallocate car rental capital expenditure from operating activities to investing activities and to show the overall debt repayment.

Despite the increase in net working capital of R298 million, due to higher trade receivables and inventories resulting from increased revenue of R11,2 billion, cash generated from operations before capital expenditure was 28% higher. After financing costs and tax payments, net cash flow from operating activities increased by 42%.

The final instalment on the sale of Imperial Bank of R477 million was received during the period and a net R943 million was spent on acquiring subsidiaries and businesses, of which CIC formed the major part.

Capital expenditure on rental assets was significantly lower than in the prior period as we de-fleeted a large number of car rental vehicles in the second half of this financial year. Net expansion and replacement capital expenditure excluding car rental vehicles were higher than in the prior period as economic circumstances and trading conditions warranted renewed expansion.

R1,4 billion was spent on financing activities, of which R983 million was for dividends paid and R156 million for share buybacks. R205 million was spent on hedging cost for the share appreciation rights scheme.

Free cash flow improved from R2,2 billion to R3,4 billion.

Dividends

A final ordinary dividend of 260 cents per share (2010: 200 cents per share) has been declared. This brings the full dividend for the year to 480 cents per share (2010: 350 cents per share), an increase of 37%.

Expansion of the group during the year

Acquisitions during the period included:

- 100% of CIC, a distributor of fast-moving consumer goods in southern Africa including Namibia, Botswana, Zambia, Mozambique, Zimbabwe, Tanzania, Malawi, DRC, Angola and South Africa
- 80% of EWC Express, which trades in the parcel and express delivery sector of the logistics market
- 50,1% of Commerce Edge SA, a procurement training company
- 100% of Danmar Autobody, a manufacturer-approved panelbeater and vehicle repair facility in the Johannesburg area
- 100% of E-Z-GO South Africa, a distributor of the leading brand of golf carts for the golfing and commercial markets
- 60% of Graffiti Designs, a leading vehicle branding and digital print company
- 60% of 777 Logistics, a fuel and chemicals bulk tanker business
- 74,9% of Edusport, a leading sports, educational and incentives group tour operator, with particular strength in project management of large events
- 75% of Turbo Exchange, a distributor and refurbisher of turbo chargers.

In the aggregate, acquisitions finalised over the past two years, assuming they were included for a 12-month period, would have added approximately R7 billion of annual revenue to the group.

Strategic focus

The group's strategy remains to focus on its three core pillars, namely Logistics, Vehicle Rental and Tourism, as well as Vehicle Distribution and Retail including ancillary Financial Services. The group's strong capital position will support the expansion of our SA Logistics business into the African continent and further growth and diversification of our domestic and international logistics businesses. Our objective of optimising our vehicle operations will lead to selected acquisitions and greenfield investments in automotive related fields. In the tourism division, we will focus on seeking further opportunities which match our skills base and can add value to our existing car rental and coach touring businesses.

Over the past number of years the group pursued a strategy to add parts, components and industrial equipment businesses to its portfolio. This includes Jurgens, Beekman and the recent acquisitions of Midas, Turbo Exchange, Goscor and E-Z-GO. In total across the group, inclusive of NAC, such businesses represent R6 billion of revenue and R410 million operating profit. We will continue to pursue opportunities in these segments due to their asset-light nature and good returns on capital. Some of the key financial indicators from this cluster of businesses are shown below:

	2011 Rm	2010 Rm	% change
Revenue	6 023	4 567	32%
Operating profit	410	199	106%
Operating margin (%)	*6,8*	*4,4*	
Net operating assets	1 560	1 208	29%
Asset turn (times)	3,86	3,78	

Note: The prior year includes Midas for seven months.

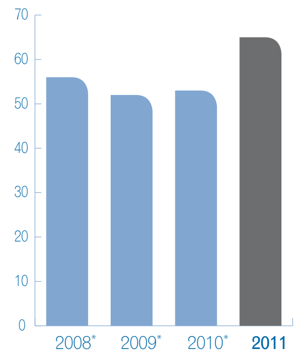
Stringent criteria guide our acquisitive growth. Acquisitions must be earnings enhancing, and we must have a high level of confidence in the potential of the sector. In addition, there must be a safety margin or value buffer in the cost or structure of acquisitions and targets should meet the weighted average cost of capital for the specific business area in the early years, and then exceed it. Imperial must have related proven expertise in the area of each acquisition.

All acquisitions are subject to a formal post-acquisition review process.

Non-financial performance at a glance

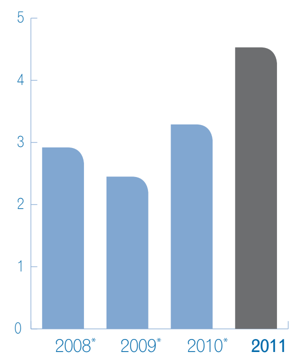
	2011	2010
People employed	40 898	35 968
Salaries paid (Rm)	8 713	7 515
Training expenditure (Rm)	116	70
Donations to social responsibility causes (Rm)	36	16
Distance travelled by our road fleet excluding rental vehicles (million kilometres)	463	426
Employee fatalities	9	12
Road accidents involving our fleet	1 050	1 211
Environmental incidents	160	120
Electricity purchased (million kW/h)	155	160
Fuel consumed (million litres)	248	232
Biofuel consumed (million litres)	1,3	0,7
CO_2 emissions (tonnes)	1 010 925	937 838

REVENUE (R billion)



Continuing operations only

OPERATING PROFIT (R billion)



Continuing operations only

Performance against previous commitments

Performance objectives set for management and individual businesses are aligned to the broad performance objectives of the group. Group performance is shown below:

Management commitment	Delivery to date
Deliver shareholder value through capital management, sustainable cash generation and growth	For 2011: • ROE improved from 17,3% to 22,7% • HEPS growth of 38% • Free cash flow ratio of 132%
Acquisitive growth in our chosen areas of expansion	• Acquisition of CIC, in line with our African logistics expansion strategy • New acquisitions over past two years have added some R7 billion to annual revenue • The group's strategy of adding parts, components and industrial equipment businesses to its portfolio is now contributing around 9% to operating profit
Enhance earnings by return on invested capital exceeding weighted average cost of capital	• ROIC of 16,5% – above our hurdle of 4% above our WACC
Enhance the product range in all areas to ensure maximum benefit is received from the value chain	• Awarded the Mitsubishi and Lamborghini distribution rights • Creation of a new financial services division to sharpen our focus on this opportunity • Volition has expanded our logistics offering into advanced supply chain management • Acquisition of Midas has made us a leading player in the aftermarket autoparts industry • Acquisition of CIC has strengthened our offering in areas such as consumer product distribution in Africa and merchandising • Acquisition of E-Z-GO and Goscor have expanded our product offering in distribution
Participate in community development through various targeted programmes	• The Imperial and Ukhamba Community Development Trust continues to promote effective learning serving 7 500 learners in Gauteng

Management commitment	Delivery to date
Maintain a robust talent pipeline with emphasis on the previously disadvantaged through training and human resource development	• Imperial's expenditure on skills and details of programmes is outlined on page 48
Establish carbon footprint measurement and develop appropriate solutions to reduce this	• The group participates in the annual carbon disclosure project and specific initiatives to address this are in place in logistics and car rental. The car rental division obtained third-party assurance for its carbon footprint
Increased focus on road safety and reduction in accidents	• Increased focus on driver training and safety initiatives in divisions, particularly Logistics • Launch of I-Pledge campaign – a road safety campaign aimed at creating behavioural change in, firstly, our staff and then the public at large
Continue entrenching the group's new branding	• More than 200 trucks rebranded with Imperial branding and a number of operations rebranded to Imperial • Group branding widely used in marketing and promotion of group products

Skills development and social investments

In the 2011 year Imperial spent R116 million on skills development and training. We currently have over 5 000 learnerships throughout the group of which 450 trainees are enrolled at the group's Cape Town and Germiston based Technical Training Academies in order to become skilled artisans. In addition the group identified 1 250 employees for basic skills empowerment opportunities in Adult Basic Education, Computer basics and training towards obtaining a drivers licence.

To date 120 senior executives participated in a leadership development programme with a leading business school, which was customised for Imperial's diversified and decentralised business model with its need for entrepreneurial and innovative leaders. The programme is continuing and more leaders in the group will participate in it.

A future talent pipeline is being nurtured through a graduate development programme which currently provides 108 university graduates with hands-on workplace experience and mentorship in respect of the Imperial culture and the practical skills required in business.

The Imperial and Ukhamba Community Development Trust, continues to promote effective learning and teaching at seven under privileged schools serving 7 500 learners in Gauteng

Appreciation

Imperial has made impressive progress in recent years, demonstrating the calibre and commitment of our people. We have built a group that is focused, financially sound and correctly positioned in our chosen markets. We thank all our employees for contributing to these results.

We also deeply appreciate the continued support of our suppliers, customers, partners and the public sector as well as the input of our colleagues on the executive committee and members of the board.

Prospects

The group is well positioned to take advantage of growth opportunities in its target markets, although trading conditions will continue to be difficult in a number of our focus areas.

The logistics market continues to grow as customers outsource more of their activities to logistics specialists and expectations are that the industry will grow at a multiple of GDP growth. Given Imperial's infrastructure, network and representation in diverse sectors, it is ideally positioned to capitalise on the opportunities presented by the logistics industry. Recent strike action in industries wherein our customers operate resulted in a continued challenging environment while consumer logistics volumes were also under some pressure. The acquisition of CIC provides an ideal platform to take advantage of the growth opportunities in the rest of Africa, which is a key focus for the group.

In Germany, trade volumes remain robust despite the uncertainty in weaker European economies. The rate of growth in our European logistics business could however start slowing down due to the higher base created by the recent strong performance. We are positive on the medium term prospects of our European logistics business. It is well positioned in attractive niches in the logistics industry in Germany and acquisitions could be a further growth driver.

In a competitive car rental market, we are focused on improving brand awareness and rental rates, while optimising our fleet size and utilization rates. We expect a continuation of very difficult conditions in the industry. Results from our tourism operations will continue to be affected by global economic conditions and the strong rand.

The outlook for our new financial year is for a slowing rate of growth in new vehicle sales as the base is now substantially higher. High consumer debt levels and possible interest rate hikes present potential headwinds in the new vehicle market. This will be offset by the strong positioning of our imported brands, improved product supply and the benefits that flow from parts and service revenue streams as the car parc of these brands grew strongly over the recent past. Used vehicle demand is expected to remain depressed as the price differential between the cost of a new and used vehicles is very small.

The Autoparts business is less susceptible to declining new vehicle sales and should continue to perform solidly as initiatives in expanding its product range and geographic footprint bear fruit. Our industrial distribution businesses should continue to perform well. The order book in the lift truck business in the Goscor Group remains strong and our key brands, Tennant, Crown, E-Z-GO and Doosan continue to gain market share.

Financial services earnings should be robust in the year ahead, while the investment results will be muted due to a low interest rate cycle and uncertain equity markets. Regent will focus on growing revenues by expanding other distribution channels to achieve revenue growth. Liquid Capital will generate valuable stable annuity earnings due to the new business that is being placed on its book during the current strong vehicle sales cycle.

Our balance sheet remains strong despite significant organic and acquisitive growth during the period under review. We are therefore well positioned to take advantage of attractive acquisition opportunities as they arise.

The global economy finds itself in extremely volatile and uncertain conditions. These conditions may affect the group. However, management continues to focus on our key strategies and on further improving the group's return on capital. Given current conditions, we believe that it will be challenging to achieve meaningful growth in the year ahead.

Hubert Brody
Chief executive officer
23 August 2011

Hafiz Mahomed
Financial director

The historical review is shown for four years. Prior to this the group included the leasing and capital equipment and aviation divisions. The aviation division was discontinued and the leasing and capital division was unbundled. The four year review reflects a better comparison of the group as it is now constituted. Accordingly the information is disclosed for continuing operations only.

	Definitions	2011 Rm	2010 Rm	2009 Rm	2008 Rm
Extracts from income statement					
Revenue		64 667	53 438	52 219	55 927
Operating profit		4 526	3 288	2 453	2 992
Net financing costs		(554)	(597)	(923)	(807)
Income from associates and joint ventures		34	174	107	278
Income tax expense		(1 272)	(911)	(502)	(707)
Tax rate (%)		*30,7*	*31,0*	*32,1*	*38,5*
Profits attributable to non-controlling interests		(346)	(241)	(160)	(162)
Headline earnings attributable to ordinary shareholders (excluding discontinued)		2 608	1 811	1 294	1 142
Headline earnings attributable to ordinary shareholders (including discontinued)		2 608	1 841	1 327	1 333
Extracts from cash flow statement					
Cash generated by operations (before capital expenditure on rental assets, net financing costs and taxation paid)		6 077	4 376	4 649	3 633
Cash flow from investing activities (including capital expenditure on rental assets)		(1 931)	(1 883)	(1 276)	(2 423)
Net debt raised (repaid) (including discontinued)		967	250	3 108	3 014
Free cash flow (including discontinued)	1.	3 452	2 190	3 016	2 316
Extracts from statement of financial position					
Total assets (including discontinued operations)		36 533	34 223	33 315	37 932
Total assets (excluding discontinued operations)		36 533	32 999	32 365	33 492
Operating assets	2.	32 815	29 506	28 677	30 276
Operating liabilities	3.	14 495	12 750	11 107	11 984
Net working capital	4.	3 245	2 882	2 693	4 190
Net interest-bearing debt	5.	4 418	5 075	5 580	8 892
Imperial Holdings' shareholders Interest		11 973	11 140	9 774	9 605
Non-controlling interests		1 043	806	587	811
Contingent liabilities		61	201	256	595
Ratios					
Efficiency					
Revenue to average net operating assets (times)	6.	3,7	3,1	2,9	3,3
Revenue relating to sales of goods to average inventory (times)	7.	5,3	4,9	4,6	4,1
Revenue to average net working capital (times)		21,1	19,2	15,2	14,3
Profitability					
Operating profit to net operating assets (%)	8.	13,8	10,8	13,7	17,8
Operating margin (%)	9.	7,0	6,2	4,7	5,3
Return on average ordinary shareholders' interest (headline) (%)	10.	22,7	17,3	13,4	10,3
Return on invested capital (%)	11.	16,5	12,2	11,5	9,6
Weighted average cost of capital (%)	12.	10,1	10,5	10,9	11,2
Solvency					
Interest cover by operating profit (times)		8,2	5,5	2,7	3,7
Net debt to EBITDA (times) (including preference shares)		1,3	1,8	1,5	2,2
Total shareholders' equity to total assets excluding discontinued (%)		35,6	34,9	32,0	31,1
Net interest-bearing debt as a % of total shareholders' equity		33,9	42,5	53,9	85,4
Liquidity					
Free cash flow to headline earnings (including discontinued) (%)	13.	132	119	227	174
Unutilised banking facilities		8 000	6 358	10 209	11 685

	Definitions	2011 Rm	2010 Rm	2009 Rm	2008 Rm
Investing in the future					
Cost of new acquisitions		943	389	351	490
Expansion capital expenditure		687	963	640	1 595
Net replacement capital expenditure		841	830	1 037	1 017
Capital commitments		1 007	882	544	509
Staff training hours		1 379 615	935 945	325 943	704 786
Statistics					
Total new and used vehicles retailed		154 824	138 398	116 353	163 025
Number of transport fleet vehicles		6 789	6 559	6 774	6 335
Distance travelled by transport fleet (million kilometres)		489	426	419	463
Number of vehicles for hire (car rental and tourism only)		17 026	18 015	14 792	14 262
Number of employees		40 898	35 968	34 353	36 760
Staff costs (Rm)		8 713	7 515	7 236	6 623
Wealth created per employee (Rm)		360	339	320	293
Total taxes and levies paid (Rm)	14.	1 543	1 054	706	1 049
Share Performance					
Headline earnings per share (cents)		1 370	976	698	615
Dividends per share (cents)		480	350	200	245
Earnings yield (%)	15.	11,3	11,4	12,0	11,7
Price earnings ratio (times)	16.	8,9	8,8	8,4	8,6
Dividends yield (%)		4,0	4,1	3,4	4,6
Net asset value per share (cents)	17.	6 137	5 529	4 820	4 732
Market prices (cents)					
– closing		12 125	8 580	5 830	5 275
– high		13 245	10 750	6 700	14 849
– low		8 450	5 650	3 957	4 800
Total market capitalisation at closing prices (Rm)	18.	25 320	18 095	12 367	11 190
Value of shares traded (Rm)		26 937	22 964	14 258	23 801
Value traded as a percentage of average capitalisation (%)		124	151	121	117
Exchange rates used					
Rand to Euro					
– average		9.49383	10.59240	12.34965	10.76285
– closing		9.55000	9.39390	10.87650	12.31950
Rand to US dollar					
– average		7.06489	7.59948	9.05373	7.31880
– closing		6.70000	7.65850	7.73490	7.82000
Rand to Botswana Pula					
– average		1.07226	1.13700	1.24012	1.18539
– closing		1.03200	1.08329	1.14941	1.15848
Rand to Australian dollars					
– average		6.80385	6.70843	6.66988	6.56948
– closing		6.56600	6.55590	6.34330	7.65790

Definitions

1. *Free cash flow – calculated by adjusting the cash flow from operating activities to exclude the expansion capital expenditure on rental assets and deducting replacement capital expenditure on other assets.*
2. *Operating assets – all assets less loans receivable, taxation assets, cash and cash equivalents and assets held for sale.*
3. *Operating liabilities – all liabilities less all interest bearing borrowings, taxation liabilities and liabilities directly associated to assets classified as held for sale.*
4. *Net working capital – consists of inventories, trade and other receivables, provisions for liabilities and other charges and trade and other payables.*
5. *Net interest bearing debt – include total interest bearing borrowings plus non-redeemable preference shares less cash resources.*
6. *Revenue to net operating assets (times) – calculated by dividing revenue with average net operating assets.*
7. *Revenue relating to sales of goods to inventory (times) – revenue relating to sales of goods divided by average inventory.*
8. *Operating profit to net operating assets (%) – operating profit per the income statement divided by net operating assets.*
9. *Operating margin (%) – operating profit per the income statement divided by revenue.*
10. *Return on average ordinary shareholders' interest (headline) (%) – headline earnings divided by average shareholders' interest (calculated by using the opening and closing balances) attributable to imperial holdings' shareholders.*
11. *Return on invested capital (%) – return divided by invested capital. Return is calculated using profit after tax and minorities, increased by the after tax effects of net finance and exceptional items. Invested capital is a thirteen month average of shareholders equity plus preference shares plus debt (interest bearing borrowings long term and short term minus long-term loans receivable) minus non-financial services cash and cash equivalents.*
12. *Weighted average cost of capital (%) – calculated by multiplying the cost of each capital component by its proportional weight and then summing, therefore: WACC = (after tax cost of debt % x debt weighting) + (cost of equity x average equity weighting)*
13. *Free cash flow to headline earnings ratio – free cash flow divided by headline earnings.*
14. *Total taxes and levies paid – made up of SA normal taxation, secondary tax on companies, foreign taxation, rates and taxes, skills development and unemployment insurance fund levies.*
15. *Earnings yield (%) – the headline earnings per share divided by the closing price of a share.*
16. *Price earnings ratio (times) – the closing price of a share divided by the headline earnings per share.*
17. *Net asset value per share – shareholders' equity excluding minorities divided by total ordinary shares in issue net of treasury shares. (the deferred ordinary shares only participate to the extent of their par value of 0,04 cents.)*
18. *Total market capitalisation at closing prices (Rm) – total ordinary shares in issue before treasury shares multiplied by the closing price.*

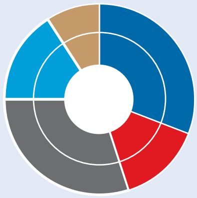
IN THIS SECTION:

Divisional contribution

NET OPERATING ASSETS – 2011 (%)

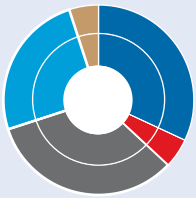
- Logistics (37%)
- Car rental and tourism (13%)
- Distributorships (29%)
- Automotive retail (14%)
- Financial services (7%)

NET OPERATING ASSETS – 2010 (%)



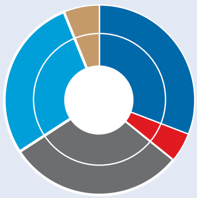
- Logistics (31%)
- Car rental and tourism (14%)
- Distributorships (30%)
- Automotive retail (16%)
- Financial services (9%)

REVENUE – 2011 (%)



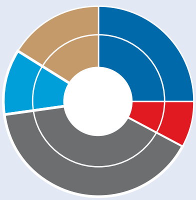
- Logistics (32%)
- Car rental and tourism (5%)
- Distributorships (33%)
- Automotive retail (25%)
- Financial services (5%)

REVENUE – 2010 (%)



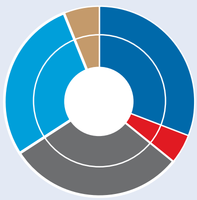
- Logistics (31%)
- Car rental and tourism (5%)
- Distributorships (30%)
- Automotive retail (28%)
- Financial services (6%)

OPERATING PROFIT – 2011 (%)



- Logistics (25%)
- Car rental and tourism (8%)
- Distributorships (40%)
- Automotive retail (11%)
- Financial services (16%)

OPERATING PROFIT – 2010 (%)



- Logistics (31%)
- Car rental and tourism (11%)
- Distributorships (27%)
- Automotive retail (10%)
- Financial services (21%)

Logistics

The logistics division operates predominantly in two key markets, southern Africa and Europe.

SA Logistics is the largest logistics and supply chain management provider in southern Africa, offering integrated solutions to a diverse range of customers through over 100 operating entities active in 14 African countries.

International Logistics provides complete logistics solutions including contract logistics, warehousing, inland waterway shipping and related value-added services across major European markets.

Below is a summary of the performance of the combined logistics division:

Key financial indicators for the logistics division

	% growth	2011 Rm	2010 Rm
Revenue	24	20 636	16 686
Profit from operations	7	1 136	1 061
Operating margin (%)		5,5	6,4
Net operating assets	26	6 837	5 405
Revenue to net operating assets (times)		3,0	3,1
Weighted average invested capital	7	5 718	5 329
Return on Invested Capital (%)		12,3	14,4
Weighted average cost of Capital (%)		10,2	10,9
Net capital expenditure	21	795	658
Statistics			
Number of transport fleet vehicles owned	4	6 789	6 559
Number of barges owned		120	105
Kilometres travelled by transport fleet (million kilometres)		463	426
Fuel consumed (million litres)		252	228
CO_2 emissions (tonnes)		817 196	761 296
Environmental incidents		159	120
Total volume in litres of spillages of:		77 272	159 085
– Chemicals		23 075	32 013
– Oil		5 868	16 224
– Fuel		7 056	103 087
– Other		41 273	7 761
Number of employees	22	22 119	18 162
Road accidents		105	98
Number of road related injuries (employees only)		70	79
Number of road related fatalities (employees only)		5	8
Number of road related fatalities (3rd party only)		46	51
Number of non-road related injuries		122	125
Number of non-road related fatalities		1	0

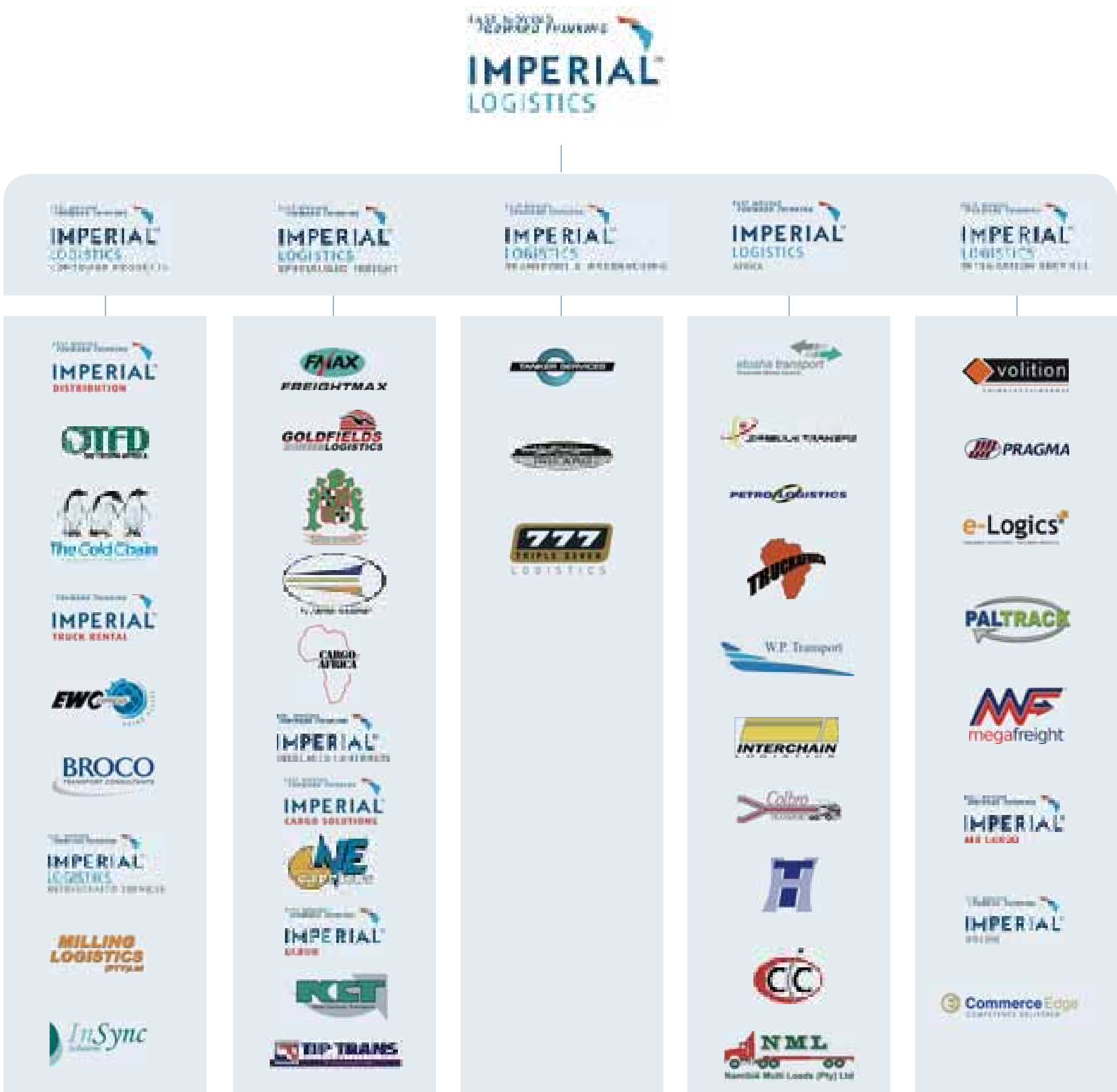
SA Logistics and International Logistics are discussed individually in more detail.

SA Logistics

Highlights

- Significant contract gains and renewals
- Acquisition of 100% of CIC Holdings, a leading Fast Moving Consumer Goods (FMCG) distribution business across Africa
- Acquisition of 80% of EWC Express, trading in the parcel and express delivery sector of the logistics market
- Acquisition of 65% of Loubser Transport, a line haul transportation business
- Acquisition of 60% of 777 Logistics, a fuel and chemicals bulk tanker business
- Acquisition of 50,1% of Commerce Edge SA, a procurement training company
- Winner of the Mail and Guardian *Greening the Future* awards.

Marius Swanepoel
CEO of SA Logistics


IMPERIAL LOGISTICS
IMPERIAL LOGISTICS
IMPERIAL LOGISTICS
IMPERIAL LOGISTICS
IMPERIAL LOGISTICS AFRICA
IMPERIAL LOGISTICS
IMPERIAL DISTRIBUTION
The Cold Chain
IMPERIAL TRUCK RENTAL
EWC
BROCO
IMPERIAL LOGISTICS
MILLING LOGISTICS
InSync
FREIGHTMAX
GOLDFIELDS LOGISTICS
CARGO AFRICA
IMPERIAL
IMPERIAL CARGO SOLUTIONS
IMPERIAL
RCT
TIP TRANS
777 TRIPLE SEVEN LOGISTICS
alusha transport
PETRO LOGISTICS
TRUCKAFRICA
W.P. Transport
INTERCHAIN
Colbro
NML
Namibia Multi Loads (Pty) Ltd
volition
PRAGMA
e-Logics
PALTRACK
megafreight
IMPERIAL
IMPERIAL
Commerce Edge

CONTRIBUTION TO REVENUE BY INDUSTRY (%)

FMCG/Retail	46%
Petrochemicals	13%
Paper/Packaging	10%
Mining and Minerals	8%
Construction	7%
Agriculture	6%
Chemicals	5%
Other	5%

Divisional overview

SA Logistics is a leading logistics and supply chain management company in South Africa, with significant operations in the rest of Africa. It is a multi-branded business with five core divisions, managed on a decentralised basis with exposure to diverse markets, industries, countries and clients.

- SA Logistics houses more than 100 operating entities
- Outside South Africa, it operates in key countries: Namibia, Botswana, Zambia, Mozambique, Zimbabwe, Tanzania, Malawi, DRC, Angola
- Approximately 19 000 employees
- 5 500 owned vehicles with access to 4 700 sub-contractor vehicles and warehousing capacity of approximately 750 000m^2
- Strong presence with over 40 years of moving business and industry in southern Africa
- With the acquisition of CIC Holdings, now has access to some 20 warehouses across southern Africa

Operating units

Consumer Products: provides an integrated supply chain solution to a wide range of FMCG, retail and agriculture businesses in southern Africa. It distributes to top-end retail, mid-market trade and smaller retail environments, and offers express food distribution, selling and merchandising services.

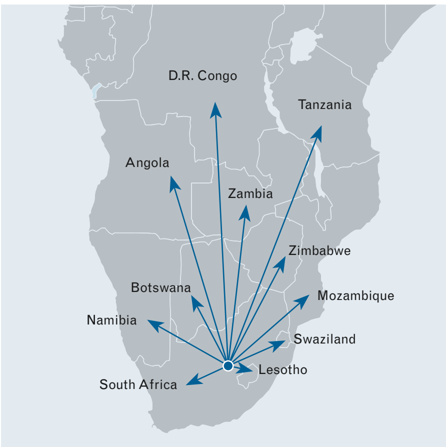
Transport and Warehousing: delivers full-spectrum logistics and supply chain services throughout South Africa and neighbouring countries. Services include long-haul transport, local distribution, cargo consolidation, warehousing and logistics, 4PL solutions, cross-border transport and end-to-end logistics supply chain management solutions including road and rail.

Specialised Freight: operates a large modern tanker fleet based in South Africa, providing dedicated, specialised transport services to various industries throughout Africa. It is the leader in the petrochemical, industrial chemical, cementitious powders, fuel, liquid petroleum gas and food-grade products industries. This division has unrivalled expertise in managing health, safety, environment and quality requirements.

Current footprint in Africa

DEPOTS / OFFICES:
Beitbridge
Bulawayo
Francistown
Gaborone
Harare
Kitwe
Lumbumbashi
Lusaka
Mutare
Windhoek

● CIC OPERATIONS



Africa: has extensive, established operations that span 14 countries across the continent. It manages total cargo flow and end-to-end logistics, including transportation, warehousing and distribution, sub-routing, cross-docking and hinterland inter-modal services. Expansion plans include establishing operations in West Africa, as well as the Great Lakes region. The acquisition of CIC Holdings has significantly increased the scope of operations by providing the ideal platform and network to take advantage of the fast-growing consumer market in Africa.

Integration services: offers consulting and advisory services across the entire supply chain. The division provides business process management services covering operations planning, inventory optimisation, procurement, traffic compliance, engineering logistics and physical asset management services. This analysis, design, implementation and operational efficiency offering is enhanced with advanced information technology and tailored software solutions and infrastructure.

Market conditions

Volumes in the consumer logistics market, which represent around 55% of the revenue of SA Logistics, were sluggish in the second half. Construction related sectors were still weak but volumes in bulk, chemicals, fuel, gas and food were positive. The transport workers strike in February was disruptive.

Logistics is the most outsourced service globally for companies that prefer to focus on core business. Many South African organisations, however, still conduct their transport and warehousing in-house, which creates opportunities for logistics service providers. As such, expectations are that the industry will grow at around 2 – 2,5 times GDP growth. Given Imperial's infrastructure and network, it is ideally positioned to capitalise on growth opportunities presented by the logistics industry.

The logistics industry in the rest of Africa offers equally exciting growth prospects. Economic growth in the region should drive significant growth in the logistics industry. This will be driven by infrastructure developments, mining, urbanisation and an emerging middle class with significant buying power.

Results

	2011 Rm	2010 Rm	Change %	H2 2011 Rm	H2 2010 Rm	Change % on H2 2010	H1 2011 Rm	Change % H2 on H1 2011
Revenue	13 788	10 308	33,8	7 286	5 194	40,3	6 502	12,1
Operating profit	786	763	3,0	350	396	(11,6)	436	(19,7)
Operating margin (%)	5,7	7,4		4,8	7,6		6,7	

The division faced a challenging trading environment in the current year, particularly in the second half when consumer volumes decreased in certain instances and a strike in February had a material impact on profitability across all business units. The Cold Chain, which is an important unit in our consumer products division, experienced operational problems after restructuring the business, and recorded lower volume throughput in the second half, resulting in losses. These factors were to some extent offset by the acquisition of CIC, effective from 1 November 2010, as well as significant contract gains.

The operating margin was lower than in the prior year mainly due to the strike in February, losses at The Cold Chain and the inclusion of CIC's results for eight months. Due to the nature of its operations, CIC operates at lower margins than our current mix of businesses but is able to generate good returns.

The Consumer Logistics business was affected by a sluggish consumer market in the second half as well as the disappointing performance of The Cold Chain. Manufacturing volumes in our customer base were also depressed. The division's performance was however enhanced by contract gains and the acquisition of 80% of EWC Express.

Our Transport and Warehousing business, which mainly services the manufacturing, agriculture, FMCG, mining and construction industries, performed satisfactorily, despite inconsistent volume growth. New contract gains contributed to results.

The Specialised Freight business produced good results as volumes grew in the food and chemicals businesses and volumes were gained in the liquid petroleum gas markets. New contract gains and the acquisition of 777 Logistics also contributed to performance.

Imperial Logistics Africa was established in the period by combining the businesses that operate on the continent outside South Africa into one management and strategic structure to focus on expanding our footprint in the region. The division performed in line with expectations, although the strong rand impacted on revenue streams. The acquisition of 100% of CIC made a significant contribution to this division and significantly increased the scope of our operations on the continent. The expansion of our Africa operations remains a strong strategic imperative for the group.

Integration Services produced satisfactory results with Volition, and Imperial Air Cargo performing well. Pragma, a 36% associate, also increased its contribution from the prior year. The division continues to make a valuable contribution to the intellectual capital of the group, specifically by assisting other divisions to expand and integrate client solutions.

Gross capital expenditure of R919 million was incurred. The net investment in the fleet is slightly higher than the prior year.

Risk and opportunities

Risks

- Interest rate increases
- Low economic growth
- Lacklustre consumer demand
- Lack of infrastructure investment
- Labour disruptions

Opportunities

- New business gains from existing clients
- New contract gains (trend to outsourcing)
- Acquisitions
- Africa expansion
- Rail opportunities

Environmental initiatives

SA Logistics is on a sustainability-focused growth path that balances people, planet and profit – a factor that contributes to the group being a leader in logistics and supply chain management.

SA Logistics' investment in environmental sustainability over recent years began to demonstrate tangible results during the year. Examples include Imperial Cargo's 'green logistics' landmark headquarters in the Western Cape and South Africa's first Euro V vehicles now operating in the Imperial Logistics Refrigerated Services' fleet.

Skills development and transformation

Broad-based black economic empowerment (B-BBEE) is a strategic imperative for SA Logistics. In December 2010, an independent certification agency verified the company as a level 4 contributor with a 125% procurement recognition level according to the B-BBEE codes. This status has improved steadily since 2007, reflecting the company's commitment to transformation. SA Logistics officially qualifies as a value-added supplier.

SA Logistics continues to develop its talent pipeline through a variety of management and leadership development programmes, graduate and on-the-job development through sector-specific programmes, bursary schemes, apprenticeships, skills programmes and learnerships.

SA Logistics employs 50 full-time driver trainers and, during the past financial year, 108 graduates were employed in internships; 56 learners enrolled for apprenticeships and 300 employees completed management development programmes.

Training and development initiatives are conducted in partnership with accredited, outsourced education providers. Notably, SA Logistics is a registered training partner for the Chartered Institute of Management Accounting and is undertaking the industrial engineering professional development programme in conjunction with the Engineering Council of South Africa.

SA Logistics also fully complies with the legislative framework for skills development and participates actively in a range of SETAs (Sector Education and Training Authorities).

R55 million was spent on skills development initiatives during the year.

The annual target for enterprise development is 3% of our profit after tax. By year-end, the division had achieved this target. There were three significant initiatives which included financial support to BEE parties.

Strategic objectives

The division continues to target a number of key areas:

- Satisfying our customers' needs and providing cost-effective solutions
- Growth in revenue – organic and acquisitive
- Improving operating profit margin
- Strict working capital and balance sheet management
- Long-term return on invested capital – minimum of 4% above cost of capital.

Outlook

Key macro and performance drivers

Macro drivers ››

- GDP growth
- Interest rates
- Consumer spending
- Infrastructure efficiency
- Fuel price

Performance drivers ››

- Cost control and efficiencies
- Strict asset management/fleet utilisation
- Return on invested capital
- Working capital efficiency
- Integration of logistics services
- Broadening service offerings to clients

The logistics market continues to grow as customers outsource more of their activities to logistics specialists and expectations are that the industry will grow at multiples of GDP growth. Given Imperial's infrastructure and network, it is ideally positioned to capitalise on growth opportunities presented by the logistics industry, while its exposure to diverse industries, markets, countries and clients offers good resilience to inherent risks.

Expansion into Africa is a priority and will continue gaining momentum, specifically through the activities of Imperial Logistics Africa. CIC will also play a key role in our African expansion into the fast-growing FMCG sector. CIC has an extensive and complementary footprint in the Southern African Development Community (SADC) which will enhance growth opportunities, especially those being presented by the movement of our existing customer base into the rest of Africa.

The division is also focused on establishing itself in the inter-modal terminal management area at strategic locations throughout South Africa and SADC. This will include rail opportunities. The road/rail imbalance in South Africa increases logistics costs and is being addressed as it impacts on the country's competitiveness.

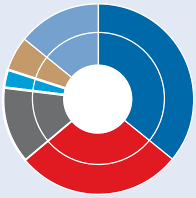
International logistics

Highlights

- Significant contract gains
- Near-record transport volumes achieved
- Satisfying financial performance for the year – record profit achieved in Euro

Gerhard Riemann
CEO of International Logistics

CONTRIBUTION TO REVENUE BY INDUSTRY (%)



Steel/metal manufacturing	36%
Automotive	28%
Paper/packaging	13%
Logistics/trade/services	3%
Mechanical engineering	6%
Chemist/energy/commodities	14%

International Logistics provides holistic and tailor-made logistics solutions for clients that mainly operate in the following industries in the German and broader European economies:

- Agricultural products
- Automotive
- Chemicals
- Energy
- Food
- Mechanical engineering and plant construction
- Pulp and paper
- Steel/metal/aluminium
- Trade

Divisional overview

Logistics services are provided along the client's entire supply chain, making Imperial a strategic partner. The business combines own transport capacities with chartered vehicles for superior service and enhanced returns. Given its focus on customer satisfaction, International Logistics holds one of the top three positions in many of its niche markets. It operates through four key divisions: Imperial Reederei, neska, Panopa and Brouwer Shipping.

Operating units

Imperial Reederei Group: is one of the leading inland waterway shipping companies in Europe. It consists of 22 operating companies in Germany, Netherlands, Belgium, Luxemburg, France and Austria. The group has access to a fleet of some 600 vessels with a total load capacity of 1 million tonnes and transports about 53 million tonnes of dry and liquid bulk materials on all major European inland waterways and coastal areas. Materials transported range from coal, iron ore, bulk and steel to construction materials, agricultural products and project cargo. The liquid bulk division carries mainly chemicals and mineral oils. The fleet comprises:

Dry Cargo Shipping
- 10 push boats with 75 push barges
- 5 motor cargo vessels and 25 contracted vessels
- 2 convoys

Liquid Bulk Shipping
- 40 double-hull and 20 chartered single-hull tankers
- 3 bunker boats

Chartering and Short-Sea Shipping
- European-wide chartering and liner-services
- Biggest fleet of approximately 400 sub-contracted inland water vessels in Europe.

Panopa Group: is a leading logistics service provider in the steel and automotive industry. It has also successfully diversified into the spare-parts logistics industry and operates two large multi-user warehouses that deliver spare parts globally to a number of blue-chip customers. Activities include consulting and planning, warehouse management, order picking and sequencing, partial processing and preliminary assembly as well as transport and freight forwarding.

In terms of transport volume, Panopa handles around:
- 300 000 tonnes of rail shipments per year
- 1,6 million tonnes of truck freight per year

and operates about 600 000m² of storage capacity.

Panopa's automotive division dispatches around 5,1 million racks each year from 40 locations in Germany, UK, France, Portugal, Austria, Poland, Czech Republic and Hungary. Its steel division moves around 8 million tonnes of steel products per year, while the spare parts logistics cover over 117 000 different spare parts stemming from 513 000 orders per year resulting in 1,8 million line items being handled.

neska intermodal: operates bulk and container ports and terminals in the main industrial centres along Germany's inland waterways.

It uses all means of transport, between Western European seaports and its container terminals along the Rhine. It is also playing an increasing role in environmentally efficient dedicated railway trains for intermodal container transport from its terminals all over Europe.

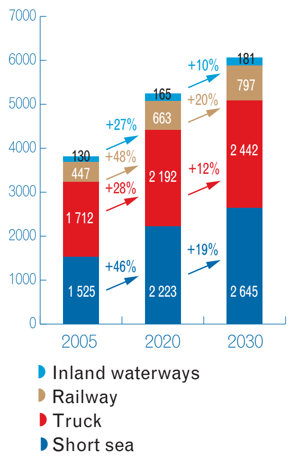
neska has a total storage capacity of some 960 000m² and manages the transshipment of:

- 1,4 million containers
- 1,6 million tonnes of paper and forestry products
- 1 million tonnes of refractory
- 1 million tonnes of ferroalloys and minerals
- 900 000 tonnes of aluminium
- 600 000 tonnes of steel
- 300 000 tonnes of coal
- 130 000 tonnes of sand and gravel

Brouwer Shipping and Chartering: an associate which is involved in the arrangement of cargo handlings service worldwide including domestic transports. Its activities include:

- Worldwide shipment of grain, feed, steel, coke, coal, timber and scrap
- Pipe- Project- and Heavy-lift cargoes
- Operating and handling of time charters
- Clearance and agency in all German ports

SHIPPING AND CHARTERING (tonnes)



(Source: TEN connect 2009/EU-Commission)

Market conditions

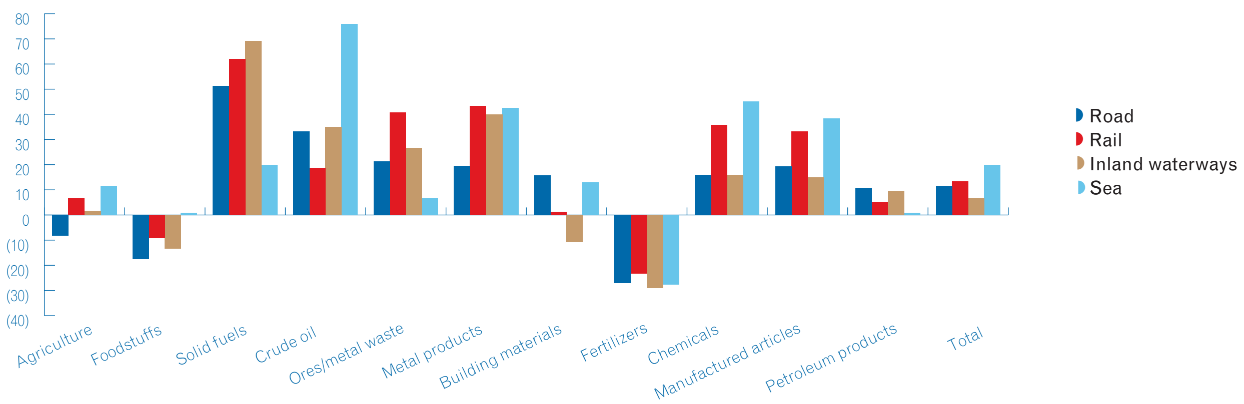
The pace of economic recovery in Germany exceeded expectations. By the end of this year the gross domestic product (GDP) is expected to return to 2007 levels. The uncertainty surrounding debt troubled countries in Europe does however pose a risk to the future growth of the European economy. A weaker Euro will help the German export oriented industries to remain stable despite these turbulences.

The European logistics market represents a total value of €930 billion and Germany represents approximately 23% of this. Europe's trade volume (excluding regional trade flows) is about 39% of world trade (WTO analysis from 2011), followed by Asia with 31% and North America with 16%. The Top 10 logistics service providers in the European market have a combined market share of approximately 12%. The market is therefore highly fragmented and presents significant consolidation opportunities.

Total volume in the European Union (in tonne km) is projected to grow by 37% from 2005 until 2020. The transport modes with the highest projected growth are short sea shipping at 46% and rail transport at 48%. Inland water shipping is projected to grow by 27% and trucking by 28%. The lower expected growth rates for inland water shipping and trucking are due to ever-increasing volumes being transported on longer distances – (Source: TEN connect 2009 / EU-Commission).

A study funded by the European Commission and arranged by the leading research institutes of European member states revealed that for some goods, such as solid fuels, chemicals, ores and metal products, relatively high growth rates can be expected in the next twenty years compared to other products. Inland water transportation will benefit from this.

RELATIVE GROWTH IN TONNES 2005 – 2030



(Source: TEN connect 2009/EU-Commission)

Results

International logistics (EUR)

	2011 Rm	2010 Rm	Change %	H2 2011 Rm	H2 2010 Rm	Change % on H2 2010	H1 2011 Rm	Change % H2 on H1 2011
Revenue	716	604	18,5	377	312	20,8	339	11,2
Operating profit	38	30	26,7	22	18	22,2	16	37,5
Operating margin (%)	5,3	5,0		5,8	5,8		4,7	

International logistics (ZAR)

	2011 Rm	2010 Rm	Change %	H2 2011 Rm	H2 2010 Rm	Change % on H2 2010	H1 2011 Rm	Change % H2 on H1 2011
Revenue	6 848	6 378	7,4	3 639	3 126	16,4	3 209	13,4
Operating profit	350	298	17,4	194	167	16,2	156	24,4
Operating margin (%)	5,1	4,7		5,3	5,3		4,9	

International Logistics achieved an outstanding result on the back of a strong German economy. Revenue growth was experienced across all major business units. New contracts were gained and near record volume growth contributed to the increase in revenue despite lacklustre freight rates.

Imperial Reederei, our inland waterway shipping business, benefited from good transport volumes, especially in dry bulk goods. Two major steel furnaces for which we perform shipping services operated at full capacity while one was undergoing maintenance in the prior period. Rates have still not recovered to the pre-crisis level.

Panopa, which provides parts distribution and in-plant logistics services to automotive and steel manufacturers, performed well. Gillhuber's extended business and a major turnaround in the automotive and steel industries in Germany contributed positively. The parts logistics business is also performing well and the warehouse in Herten is fully occupied and being planned for expansion.

The port operator, neska, performed well due to increased volumes at container, bulk and paper terminals. The good performance was achieved despite the additional start up costs and weak demand at the newly completed Krefeld Container Terminal.

Due to much improved economic conditions and a more positive outlook, capital expenditure for the period was higher when compared to the prior period.

Risks and opportunities

Risks

- Change in transport flows
- Weather conditions
- Low economic growth in Europe
- Impact of European countries' debt concerns

Opportunities

- Drive for efficiency in logistics supply chain
- Environmentally friendly logistics solutions
- Exposed to industries with good medium- to long-term growth prospects
- Trend to outsourcing
- New contract gains and acquisitions
- Growth into new markets (Eastern Europe and South America)

Environmental initiatives

In Europe, topics such as energy efficiency and green logistics are high on the agenda. Compared to rail and road transport, inland vessels are the most environmentally sound means of transporting bulk goods. However, cargo cannot simply be shifted to other means of transport. Rather, the focus is on intelligently networking all carriers. By expanding its neska intermodal division, for example, International Logistics has steered new flows of commodities to its terminals. Each day, trailers from Scandinavia are loaded from rail to road vehicles at these terminals, from which they only have to cover the final leg to their destination by truck. Transport over the main distance of several hundred kilometres is thus via rail. This is considerably more cost effective and environmentally friendly.

As a further example, the Cologne branch of neska is a specialist in storage and handling of animal feed. TÜV Rheinland recently certified neska to the internationally recognised GMP+ standard (GMP or good manufacturing practice is based on quality management in line with DIN EN ISO 9001:2008). neska accordingly meets requirements for trade, collection, storage and transshipment of animal feed.

Health and safety

International Logistics is firmly committed to health and safety at work. During the year, Imperial Logistics International received a Sicher mit System (systematic safety) certificate, issued by the Institution for Statutory Accident Insurance and Prevention for Trade and Merchandise Distribution. Panopa complies with systematic and effective health and safety protection requirements. At present, its machine and plant construction and steel logistics divisions are certified to the German NLF/ILO-OSH 2001 standard and the OHSAS 18001:2007 international standard for occupational safety management systems. The automobile logistics division received certification in 2011.

The certification process takes several months and involves an audit of the company's health and safety processes. Certificates are initially issued for a three-year period, after which the company can apply for recertification for another three years.

Transformation

Black economic empowerment is a model specific to South Africa. However, integrating people from different cultures is equally important in Europe. Firstly, the labour market in Europe is open now to all people living in the European Union. Secondly, based on demographic development, it is vital to gain access to skilled workforces outside particular home markets. Especially in Germany, which is still our largest market, it will become increasingly difficult to replace a rapidly retiring workforce and we will need to recruit people from neighbouring countries. On our vessels and trucks, we already employ staff from a number of countries, especially from the Netherlands and Eastern Europe. Consequently, support functions are also performed by people from different nationalities. To ensure seamless integration of these cultures, we focus on diversity training and cultural awareness.

Skills development initiatives

The availability of skilled staff is crucial for the success of our business. International Logistics supports skills development on different levels. The division organises and pays for language training where required. Qualified staff also receive support for studies at the logistics college in Bremen, Germany or in becoming certified accountants. In Poland, Panopa has developed a degree in logistics at bachelor and master's levels, in conjunction with the University of Poznan. To date, many Panopa staff have received these qualifications.

The most important skills-development initiative is training new recruits after school. One of Germany's unique success factors is the so-called Duales System of programmes for young people to gain professional knowledge and experience. Young staff undergo two to three years' training on the job for three days a week, while attending school lessons on the other two days. The programme culminates in recognised examinations. As a result, young people receive comprehensive theoretical and practical knowledge simultaneously at the beginning of their careers. Imperial is very active in Germany in training staff this way

Strategic objectives

- Maximise our position in the current niches and market segments we operate in
- Diversify our business into other industries, reducing potential concentration risk
- Take advantage of the potential presented by the trend to outsourcing
- Pursue acquisitions in areas where we currently operate mainly through consolidation and diversification
- Follow our customer base into other geographies, eg Eastern Europe, South America, etc.

Outlook

Key macro and performance drivers

Macro drivers ❯❯

- GDP growth
- Global trade growth
- Consumer spending
- Business and industrial activity
- Fuel price

Performance drivers ❯❯

- Cost control and efficiencies
- Strict asset management
- Working capital efficiency
- Return on invested capital

The short- to medium-term prospects of International Logistics are positive. The future performance of this division will be driven by several factors, including:

- Organic growth – which will be a function of the German economy especially for the export-driven sectors
- Global trend to outsourcing
- Fleet expansion and continued investment in our current facilities
- Regional expansion, eg. exploit inland waterway channels in other areas of Europe like the Danube
- Acquisitions in areas where we currently have expertise that either strengthen or diversify our position in the market
- Expand geographically to become less dependent on economic development in Central Europe and follow our customer base into other geographies.

Car rental and tourism

Highlights

- Voted Africa's leading car rental company for the fourth consecutive year by Airports Company of South Africa (ACSA)
- Level 3 B-BBEE rating for Europcar and level 2 for Tempest
- Europcar was the lead sponsor of Green Office Week for South Africa
- Acquisition of Edusport, established sports and events business, further entrenching Imperial as a leading provider of tourism services, incentive tours and events management
- Acquisition of Danmar Group, a group of four panelshops two of which are Mercedes-Benz approved. This will provide a wider footprint in Gauteng.

Osman Arbee
CEO of car rental division and chairman of tourism, motor dealership and automotive parts distribution divisions

Moeketsi Mosola
CEO of tourism division

Divisional overview

This division is an integrated operation that enhances our value chain: vehicles are bought, rented to customers, repaired and sold to maximise profit and enhance margins. The vehicle rental business services the corporate, government, leisure, insurance replacement and inbound tourism markets. We have 165 locations throughout southern Africa and prime positions at all major airports as well as extensive web accessibility.

The tourism division services the same target market with business and leisure products from a fleet of 165 coaches operated by a team of experts in their field.

Car rental division
- Car rental
- Used car sales
- Panelshops

Tourism division
- Tour operations
- Transport
- Sports and events

Operating units

Car rental division

Car rental

Operations

- One of the largest and most modern vehicle fleets in South Africa
- Average fleet size of 16 000 vehicles
- Ten fully-fledged depots for servicing, washing and cleaning vehicles
- Call centre manages up to 3 000 calls per day.

Our core car rental divisions are Europcar and Tempest Car Hire.

Europcar: is a multi-channel car rental business operating in South Africa, Botswana, Namibia, Swaziland and Lesotho. Through our high-performance culture, it delivers car rental solutions that are personal and simple to every market we serve.

Tempest Car Hire: is a leading, low-cost car rental brand in South Africa, focused on the price-sensitive market and offering mainly economy and compact vehicles.

The car rental business is segmented by business channels – corporate, government, international, leisure and replacement. This allows for a focused approach to managing customers' requirements including sales activity, pricing, product offering and service delivery.

Imperial's niche rental businesses include Europcar Van Rental, Europcar Chauffeur Drive and the Maui/Britz franchise (camper homes and 4X4 vehicles). Holiday Autos is a broking business specialising in local and international outbound car rental markets, while Gage Car Hire is a car rental broker specialising in the insurance vehicle replacement market.

Used car sales

Auto Pedigree: is the largest used car dealer network in South Africa and a trusted consumer brand, operating from 66 branches. Imperial's strategy is to dispose of the majority of vehicles from its car rental fleet into the retail market through this business by offering affordable, low-mileage vehicles and related value-added services such as online finance and insurance. Complementary businesses include:

- AA Autobay – facilitates private-to-private sale of vehicles through its website and branches throughout South Africa.
- Imperial Auto Auction – specialising in auctioning motor vehicles.

Panelshops

The panelshops provide a repair service for the car rental fleet, to the rest of the group and external customers including leading insurance companies.

Imperial Auto Body: comprises four major structural repair shops, four speed-repair shops and a salvage administration unit, which serve the car rental businesses.

Danmar Autobody: the new acquisition has a proven reputation in the panel-beating industry and significant benefits are expected once this business is integrated into the group. Danmar and Proteam have five branches in Gauteng, and are approved service providers for major manufacturers including Mercedes-Benz, Land Rover, Jaguar, Toyota, VW, Hyundai, Kia, Nissan, Ford/Mazda, Chevrolet, Isuzu, Opel, Daihatsu and TATA. This division has a state of the art Assessment Centre in Fourways where customers can drop off accident damaged vehicles and collect a rental car from Europcar.

Tourism division

Tour operations

Springbok Atlas: is an inbound tour operator, based in South Africa and Namibia, focused on consolidating and selling packaged tours to a wide range of international wholesale buyers.

Grosvenor Tours: is focused on luxury tailor-made travel and specialist business (specifically meetings, incentives, conferences and events).

Eastgate Safaris: provides game viewing vehicles.

Transport

Springbok Atlas Charter: has a fleet of 165 coaches operating from branches in all major centres in South Africa and Namibia. The fleet spans luxury and semi-luxury touring coaches, smaller coaches and minibuses.

Sports and events

Edusport: was acquired with effect from March 2011. Edusport Travel has become South Africa's leading sports, educational and incentives group tour operator, with particular expertise in the management of large events.

Market conditions

Car rental industry

The car rental market has faced significant competitive pressure in recent years, with rental days increasing steadily while revenue per day is lagging inflation significantly. The oversupply of vehicles in this market subsequent to the 2010 FIFA World Cup™ has put car rental rates under pressure and affected margins. However volume growth is being recorded in all markets, except the leisure and international segments. Rates in the international inbound and leisure rental markets have been most affected.

Used car market

The combination of a strong currency, stable interest rates and a number of new entry-level vehicles has supported the current competitiveness of the new vehicle market while putting pressure on used vehicle sales.

Tourism

The depressed international economic environment continues to affect the inbound tourism industry. This has been exacerbated by the strength of the rand which makes South Africa an expensive destination for international tourists.

Results

	2011 Rm	2010 Rm	Change %	H2 2011 Rm	H2 2010 Rm	Change % on H2 2010	H1 2011 Rm	Change % H2 on H1 2011
Revenue	3 313	2 941	12,6	1 646	1 497	10,0	1 667	(1,3)
Operating profit	351	382	(8,1)	153	213	(28,2)	198	(22,7)
Operating margin (%)	10,6	13,0		9,3	14,2		11,9	

The above table excludes contributions from the sale of financial services products that are of an annuity nature, i.e. results derived from JV alliances with financial institutions are excluded. These results are now reported under the newly created financial services division. Comparatives have been re-presented

The division had to contend with extremely difficult trading conditions during this year. Revenue growth was recorded in the car rental business with revenue days up by 11%. Revenue per day decreased by 2 %. Both volumes and rates of international and leisure businesses were lower than the prior year.

The average rental fleet size was up 10% from last year, due mainly to higher rental days and the delayed de-fleeting of vehicles in the middle of the year. Retail unit sales at Auto Pedigree were lower in a difficult used car market with operating margins also depressed. While the car rental fleet size has now been normalised, we are actively managing our stock position at Auto Pedigree.

Danmar Autobody was acquired on 1 October 2010 to provide scale and broaden the footprint in Gauteng for our panelshop business. While the acquisition has taken longer to bed down than anticipated, the panelshop business should start making a more meaningful contribution in the future.

The global recession continues to affect our touring operations as international inbound volumes remain under pressure. Tourism revenue and operating profit in the prior year were also boosted by the 2010 FIFA World Cup™.

Risk and opportunities

Car rental, used car sales and panelshops

Risks ››

- Rising costs (new car prices, infrastructure, labour, parts)
- Pricing fluctuations in the car rental industry
- Increased competition from public transport, online brokers and new entrants
- Organised crime
- Exchange rate and interest rate fluctuations
- Regulatory restrictions
- Weak economic growth in southern Africa (and Europe) affecting local and international travel

Opportunities ››

- Market share growth
- Improved intra-group synergies
- Effective yield management
- Commercial vehicle rental
- New revenue sources and markets through growth and value-added services
- Leveraging Europcar international network
- Targeting new tourism markets for South Africa

Tourism

Risks »

- Weak economic growth
- Rand strength
- Fuel increases
- New competitors

Opportunities »

- Expansion beyond ZAR-denominated destinations in southern Africa
- Cost efficiency
- Semi-luxury coach/bus market
- New contracts
- Business tourism and conferencing
- Low cost transport groups
- Emerging markets

Key financial indicators for the car rental and tourism division

	Growth %	2011 Rm	2010 Rm
Revenue	13	3 313	2 941
Profit from operations	(8)	351	382
Operating margin (%)		10,6	13,0
Net operating assets	9	2 522	2 323
Revenue to net operating assets (times)		1,3	1,3
Revenue relating to sales of goods to inventory (times)		3,0	2,9
Weighted average invested capital	37	2 594	1 899
Return on invested capital (%)		9,7	14,5
Weighted average cost of capital (%)		9,3	10,0
Net capital expenditure	(63)	365	997
Statistics			
Number of new and used vehicles sold		8 646	9 218
Number of vehicles for hire		17 026	18 015
Number of employees	16	3 058	2 647
Number of used car dealerships		66	68

Skills development and transformation

We have successfully run a self-funded learnership for 22 unemployed graduates, and a new learnership for 48 unemployed graduates started on 28 February 2011.

Good progress has been made with succession and employment equity planning, and nine candidates who were identified for promotion attended management development and supervisory development programmes during the year.

Europcar is a level 3 B-BBEE contributor, while Tempest has achieved level 2 accreditation – the first company in the Imperial group to achieve this target.

Strategic objectives

- Continue to build on the global Europcar brand
- Improve return on invested capital
- Maximise our positioning in commercial vehicle rental
- Grow unit sales and market share in Auto Pedigree's specific target market
- Improve contribution from panelshops to divisional results
- Grow coach transport into more diverse markets

Outlook

Key macro and performance drivers

Macro drivers ❯❯

- SA and international economic growth
- Consumer spending
- Interest rates
- Exchange rates
- New vehicle supply and pricing
- Differential between new and used car pricing
- Licensing and toll fees
- Fuel price

Performance drivers ❯❯

- New contract gains
- Price escalations and yield management
- Customer service
- Cost control, fleet utilisation and efficiencies
- Financial services and value-added products
- Focus on new markets and clients

In a competitive car rental market, we are focused on improving brand awareness and rental rates, while optimising the size of our fleet. We will benefit from improved efficiencies and new contracts. The successful integration of the Chauffeur Drive and van rental divisions under the Europcar banner are also important objectives. We expect the business conditions to remain difficult in the car rental market.

We are actively managing our stock position at Auto Pedigree, but the market will continue to be affected by favourable new car prices and the current oversupply of used cars.

Car rental panelshops are now running efficiently after completing a consolidation phase. The Danmar acquisition has progressed, and the focus now shifts to increasing revenue and reducing costs.

Results from our tourism operations will continue to be affected by global economic conditions and the strong rand.

Distributorships

Highlights

- Exceptional performance all round with operating profit doubling
- Significant market share gains in new vehicle market with well-established brands like Hyundai and Kia
- Imperial was awarded distribution rights for Mitsubishi passenger and light commercial vehicles effective 1 July 2011
- Awarded Lamborghini distribution rights effective 1 March 2011
- Entrenched as the leading aftermarket auto parts business
- New acquisition in the Autoparts distribution business – 75% of Turbo Exchange, a leading distributor and refurbisher of turbochargers
- Expanded division by:
  - Acquisition of 100% of E-Z-GO South Africa, distributor of the leading brand of golf carts
  - Acquisition of 60% of Graffiti, a leading vehicle branding and digital print company
- NAC, having relinquished the Hawker/Beechcraft distributorship, obtained exclusive dealership for Piper aircraft in sub-Saharan Africa as well as dealerships and distribution arrangements for Falcon jets, Kodiak Quest, Nextant 400XT and Netjet Flight Options.

Manny de Canha
CEO of Associated Motor Holdings

Daan van der Linde
CEO of Imperial parts division

Divisional overview

This division comprises a number of individual businesses that import and distribute a range of passenger and light commercial vehicles, automotive products (including a leading aftermarket auto parts distributor), industrial equipment and motorcycles on behalf of local and international principals. NAC, which offers a comprehensive range of general aviation services to the fixed-wing and helicopter markets (including new and pre-owned sales, maintenance, parts, chartering, flight operations and pilot training), is also housed in this division.

The division also comprises a number of individual brands, many of which compete strongly with each other. While they are reported together under this division, they are independently managed under separate dedicated management teams.

Distributorships

Vehicle import/ distribution/ retail/ allied services	Autoparts distribution	Industrial distribution	Aircraft distribution	Joint ventures	Australian dealerships
• Hyundai • Kia • Daihatsu • Bentley • Lamborghini	MIDAS GROUP ALERT ENGINE PARTS Turbo Exchange TIP TRANS	DOOSAN crown TENNANT EZGO	Bell Helicopter ROBINSON HELICOPTERS Piper	• Renault • TATA • Chery	MITSUBISHI MOTORS Ford

Operating units

Vehicle and motorcycle import, distribution and retail

- Imports and distributes motor vehicles into southern Africa through a vertically integrated supply chain which includes allied services to enhance returns through the value chain. Vehicles are distributed to own and independent dealers across South Africa.
- This division represents leading brands such as Hyundai and Kia, plus various others brands that complement and widen the offering available to customers.
- 110 dealerships complement the import operation with a comprehensive retail network through which represented brands are sold. This allows the business to be close to the market and provide customers with a comprehensive after-sales service that spans financial services, vehicle service, parts supply and accessories.
- Imports a variety of motorcycle brands, including Kawasaki, Aprilia and Triumph, and related accessories, including Arai helmets, and parts.

Autoparts distribution: is active in the vehicle aftermarket, focused on wholesaling and distributing parts and accessories for vehicles outside their manufacturer warranty and service programmes. The division offers a wide range of products across general spares, accessories, engine parts and outdoor lifestyle-orientated products. The largest contributors to this business are the Midas Group and Alert Engine Parts. Midas acquires parts and accessories both locally and internationally which are sold to the aftermarket, mainly for vehicles no longer under manufacturers' warranties. It operates some 400 retail outlets, workshops and fitment centres either as owner or franchisor as well as distribution centres and warehouses. Alert is one of the largest distributors of engine components to the southern African automotive aftermarket, through its house brands from top quality suppliers to those from original vehicle manufacturers. Turbo Exchange, leading distributor and refurbisher of turbochargers, is a recent addition to the division.

Industrial distribution: The Goscor Group was acquired as part of Imperial's strategy to grow its business in other industries that complement its skills in distribution. Goscor's primary business involves the import, distribution and rental of forklifts, cleaning equipment and specialised welding, tooling and powered products. Goscor also provides after-sales parts and service for represented brands, including Crown, Doosan, Bendi and Tenant.

E-Z-GO, a distributor of the leading brand of golf carts, was acquired during the period. Its products are used on over 40% of golf courses in South Africa. The need for its products by industrial users, especially in the healthcare and hospitality industries, offers good growth potential.

Also included in this division is Graffiti, a specialist in outdoor media such as hot-air balloons, vehicles and truck branding plus all forms of wrapping for the advertising industry.

Aircraft distribution: NAC offers a full range of general aviation services, including new and used aircraft sales, maintenance, flight operations, pilot training and chartering for a wide range of fixed-wing and helicopter products. NAC is an authorised dealer or distributor for Bell and Robinson Helicopters, Piper, Diamond, Tecnam, Pacific Aerospace, Daher-Socata, Dassault Falcon, Embraer, Kodiac Quest, Nextant 400XT and Netjets. It relinquished the sole distributorship rights to Hawker and Beechcraft during the year, but remains an authorised service centre for these brands.

Joint ventures: Renault, Tata and Chery motor vehicles are distributed through joint venture arrangements with Renault SAS France, Tata Motors India and The Bidvest Group, respectively.

Australian dealerships: six Ford dealerships in Australia with a market share of around 45% of Ford products in the Sydney market. We also have a Mitsubishi dealership and a Ford parts distribution centre in Australia.

Market conditions

The South African vehicle market has improved in 2011 by 20% over 2010. Improved bank appetite for financing and minimal price increases for new vehicles over the past 12 months (other than carbon emissions tax) has also buoyed sales. Affordable, quality entry-level models have contributed to growth in new vehicle sales as consumers recognise the value for money presented by these brands. The growth in new vehicle sales has been to the detriment of the used car market, which is currently depressed.

The South African car parc (registered vehicles) is around eight million vehicles with an estimated average age of 14 years. Vehicles older than five years are often lost by OEMs (original equipment manufacturers) to the secondary market. The auto parts business captures this market and continues to benefit from the ageing car parc in South Africa and does not rely on new vehicle sales for growth.

Trading conditions in the industrial distribution division showed steady improvement compared to the prior year. This was characterised by pockets of strong growth in certain sectors in which Goscor trades, but was muted by continued weakness in the construction and engineering sectors. Goscor traded strongly, with the lift truck business in particular showing strong growth on the back of a recovery in the forklift markets in SA, combined with market share gains.

Aircraft sales remain under pressure due to lack of demand and bank funding for this asset class. The declining values of used aircraft and the strong rand/dollar exchange rate are placing further pressure on this market.

Results

	2011 Rm	2010 Rm	Change %	H2 2011 Rm	H2 2010 Rm	Change % on H2 2010	H1 2011 Rm	Change % H2 on H1 2011
Revenue	21 947	16 892	29,9	10 904	9 489	14,9	11 043	(1,3)
Operating profit	1 844	914	101,8	1 028	631	62,9	816	26,0
Operating margin (%)	8,4	5,4		9,4	6,6		7,4	

The above table excludes contributions from the sale of financial services products that are of an annuity nature, i.e. results derived from sale of maintenance products, JV alliances with financial institutions and other financial related products are excluded. These results are now reported under the newly created financial services division. Comparatives have been re-presented.

Excluding our Australian operation, new vehicle registrations as reported to NAAMSA by Associated Motor Holdings (AMH) and Amalgamated Automobile Distributors (AAD) were 24% higher, compared to a market increase of 20%. The successful launch of new models, increased sales to car rental companies and the improvement in the new vehicle market over the past 12 months all contributed to growth in revenue and operating profit. Our imported brands have also strengthened their market positions significantly. The growing vehicle parc of our imported brands, particularly Hyundai and Kia, bodes well for aftermarket activities in these brands.

Margins improved due to growth in sales volumes, an increased dealer network and throughput, effective cost control and a stable currency. Annuity revenue streams from after-sales parts and service business are also becoming a much more significant contributor to results.

In Australia, new retail unit sales increased by 4% while used vehicle sales were up 14%. The business remains profitable despite disruptions to sales caused by upgrading facilities and the lack of new product.

Renault continues to perform well and has recorded a marked improvement in sales volumes after new product launches. Prior-year losses are still being recouped and therefore Renault did not contribute to the division.

In the autoparts segment, Midas contributed for the full 12-month period against seven months in the prior year. Midas continues to perform well and has positioned Imperial as the leader in this segment, while creating a base to enter adjacent parts and component markets. The engine parts businesses performed satisfactorily. The recent acquisition of 75% of Turbo Exchange was a valuable addition to the division.

The Goscor Group performed very well, trading ahead of expectations. Crown and Doosan performed well and increased their market share while maintaining a strong order book. The cleaning equipment unit performed well. Graffiti, acquired early in the period, produced solid results, driven by new contracts, the 2010 FIFA World Cup and increased capacity.

During the year, E-Z-GO South Africa, a distributor of the leading brand of golf carts was acquired. E-Z-GO also provides fleet management solutions, after-sales service and spare parts for its product range. The need for its products by industrial users, especially in the healthcare and hospitality industries, offers good growth potential. The business is performing in line with expectations.

Earnings from NAC continued to decline as aircraft sales came under pressure, both from lower demand and lack of availability of bank funding for this asset class. However, significant cost savings were achieved in the maintenance divisions while flight operations and the charter businesses improved. NAC now offers a more suitable range of products for the general aviation market after relinquishing the Hawker Beechcraft distributorship and acquiring rights to Piper and other well-priced products.

Risks and opportunities

Risks ❯❯

- Interest rate increases
- Exchange rate volatility
- Availability of consumer credit
- Increased competition
- Relationship with principals

Opportunities ❯❯

- Expand value-added product sales (parts , service and value added products)
- Expand product range
- Increase industry diversification
- Maximise profit throughout the value chain

Key financial indicators for the distributorships division

	Growth %	2011 Rm	2010 Rm
Revenue	30	21 947	16 892
Profit from operations	102	1 844	914
Operating margin (%)		8,4	5,4
Net operating assets	5	5 447	5 178
Revenue to net operating assets (times)		4,0	3,3
Revenue relating to sales of goods to inventory (times)		4,4	3,5
Weighted average invested capital	18	5 961	5 046
Return on invested capital (%)		22,2	16,1
Weighted average cost of capital (%)		10,0	11,0
Net capital expenditure	18	342	290
Statistics			
Number of new vehicles sold		65 428	56 103
Number of used vehicles sold		31 455	28 054
Number of aircraft sold		45	73
Number of employees	17	7 931	6 805
Number of dealerships		85	89

Skills development and transformation

The division continued its strong focus on training, education and skills development for employees, especially in meeting key transformation objectives. Highlights include:

- Sponsorship for employees completing part-time degree courses through Southern Business School. At present, 120 students are being trained and developed through this school and receive a degree if all requirements are met over a three-year period
- Participation of selected trainee managers in the Imperial management development programme
- Ongoing development of essential technical skills through apprentice training. AMH currently has 135 apprentices
- Ongoing in-depth product training through the division's importers
- More than 1 000 employees attended cultural diversity training to sensitise them to differences in culture, race, language etc in the workplace
- To better manage subordinates, all line managers attended basic human resources management training.

B-BBEE remains a key focus area in the division and while current ratings in individual business units range from level 4 to level 8, every effort is being made to improve on this.

Strategic objectives

- Finding alternative finance for entry-level car buyers to grow the South African vehicle ownership market
- Expand value-added product sales
- Expand product range in auto parts and industrial distribution businesses
- Grow market share in the South African vehicle market
- Add more brands to the current distribution network
- Identify acquisition opportunities in new areas of distribution and services related to existing activities.

Outlook

Key macro and performance drivers

Macro drivers ❯❯

- Economic growth
- Bank credit extension
- Interest rates
- Emerging middle class
- Ageing car parque
- Exchange rates

Performance drivers ❯❯

- Vehicle sales and network throughput
- New models
- Brand awareness
- Cost containment and overhead absorption
- Sales of value-added products
- Working capital management

The outlook for the second half of 2011 and into 2012 is for a slowing rate of growth in new car sales as the base in the prior year is substantially higher. High consumer debt levels and possible interest rate hikes could present headwinds in the new vehicle market. This will be offset by the strong positioning of our imported brands, improved product supply and the benefits that flow from other revenue streams like parts and service as the car parc of these brands continues to grow.

The autoparts business is less susceptible to declining new vehicle sales and should continue to perform solidly as initiatives to expand its product range and geographic footprint bear fruit.

Trading conditions for NAC are expected to remain challenging with no turnaround expected in the short term.

The industrial distribution businesses should continue to perform well. The order book in the lift truck business in the Goscor Group remains strong and our key brands, Tennant, Crown, E-Z-GO and Doosan continue to gain market share.

Automotive retail

Highlights

- Excellent operating performance – operating profit up 44%
- Substantially improved operating margin
- Excellent asset management
- Level 4 BEE rating for major brands – Mercedes-Benz, Volkswagen and Toyota as well as Jurgens Ci and Beekman Canopies
- Jurgens Ci and Beekman Canopies performed well

Philip Michaux
CEO of Automotive Retail

Divisional overview

The automotive retail division comprises 111 dealerships in South Africa and the United Kingdom, the Beekman Canopies and Jurgens Ci operations. It employs 6 364 people.

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IMPERIAL
AUTOMOTIVE RETAIL

South African dealerships		UK dealerships	Non-OEM products
Passenger and light commercial	Commercial South Africa	Commercial United Kingdom	Accessory and leisure

Operating units

South African dealerships

- Activities span the sale of new and used motor vehicles with related financial services, sale of parts and vehicle servicing, with a workforce of 4 445
- 86 franchised dealers cover all major OEM brands – Alfa/Fiat, Audi, BMW, Chevrolet, Chrysler, Dodge, Ford, Freightliner, FUSO, Hino, Honda, Hyundai, Isuzu, Jaguar, Jeep, Land Rover, Lexus, MAN, Mazda, Mercedes-Benz, Mini, Mitsubishi, Nissan, Opel, Renault, Suzuki, Toyota, UD Trucks, Volkswagen and Volvo
- Within this dealership base are 16 stand-alone commercial vehicle dealerships

United Kingdom dealerships

- Activities span the sale of new and used commercial vehicles and vans with related financial services, parts and servicing, with a team of 860
- 25 franchised dealers cover major brands:
  > Medium, heavy and extra-heavy commercial vehicles – DAF, Hino and MAN (service only)
  > Light commercial vehicles – Ford, Isuzu, Nissan and Volkswagen.

Non-Original Equipment Manufacturers (Non-OEM)

Beekman Canopies

- Leader in fibreglass canopies and related products for over 30 years with one of the widest ranges, including luxury and steel canopies
- One of two major canopy manufacturers in South Africa
- Main production facility in Bellville, Cape Town. Second production facility at the Jurgens plant in Ga-Rankuwa.
- The Beekman operations employ 197 full-time staff.

Jurgens Ci

- Jurgens Ci is the only large-scale caravan manufacturer in South Africa. It also manufactures luggage trailers, off-road trailers, canvas tents and fibreglass canopies. The business is supported by a robust parts and accessory business which imports camping-related products, distributed through its independent dealer network
- Major brands include Jurgens, Jurgens Safari, Sprite, Gypsy, Howling Moon, WJ Motor Homes and Campworld
- Independent dealer network consists of 35 dealers under the Campworld banner
- Manufacturing operations are in Ga-Rankuwa with the canvas operation in Pinetown
- A subsidiary in Australia produces Jurgens caravans from kits exported by Jurgens South Africa
- The Jurgens division employs 862 people.

Market conditions

Conditions were better in the motor industry in the year to June 2011 compared to the prior period. The exceptional rate of growth recorded in the new car market in the past 18 months is now slowing as replacement demand has largely been met. Inflation risks and potential interest rate hikes could pose headwinds although bank-approval rates for finance applications continue to improve.

While better pricing and value have been key drivers of new vehicle sales, similar trends have not been evident in the used car market, which has been sluggish in recent months.

The rising price of fuel is also playing a role in vehicle purchasing decisions, and transport costs will increasingly become a factor for Gauteng residents when tolls are introduced to local freeways.

Results

	2011 Rm	2010 Rm	Change %	H2 2011 Rm	H2 2010 Rm	Change % on H2 2010	H1 2011 Rm	Change % H2 on H1 2011
Revenue	17 150	15 543	10,3	8 628	7 829	10,2	8 522	1,2
Operating profit	497	345	44,1	280	176	59,1	217	29,0
Operating margin (%)	2,9	2,2		3,2	2,2		2,5	

The above table excludes contributions from the sale of financial services products that are of an annuity nature, i.e. results derived from JV alliances with financial institutions are excluded. These results are now reported under the newly created financial services division. Comparatives have been re-presented.

The division produced excellent growth in operating profit for the year, reflecting the benefits of right-sizing operations in prior years and the buoyant new vehicle market over the past 12 months. The operating margin improved strongly to 2,9% from 2,2% in the prior year and 2,5% in the first half of F2011.

New passenger car sales in the division rose 24%, in line with growth in this segment of the vehicle market. There was a notable shift in the mix to entry-level vehicles, reflecting continued pressure on consumer debt levels and disposable income. As a result, the mid-priced and luxury vehicle markets were less buoyant.

The narrowing gap between new and used vehicle prices affected used vehicle sales, with volumes flat year on year in a generally sluggish market.

The commercial vehicle market also improved during the period, with a 11% rise in unit sales across all brands mirroring increased activity, particularly in the logistics and construction sectors, although the latter is still at a low level of activity.

Current trends indicate that passenger and light commercial vehicle volumes will continue to improve for the rest of the calendar year, albeit at a slower growth rate.

In the UK, the truck dealerships have settled down after rationalisation and cost reductions in the prior period. The business performed ahead of expectations despite a market that remained depressed.

Beekman Canopies' performed well, with sales up on last year. Sales volumes at Jurgens Ci also improved markedly. Initiatives are under way to increase throughput in this division by cross-marketing.

Key financial indicators for the automotive retail division

	Growth %	2011 Rm	2010 Rm
Revenue	10	17 150	15 543
Profit from operations	44	497	345
Operating margin (%)		2,9	2,2
Net operating assets	(1)	2 631	2 668
Revenue to net operating assets (times)		6,5	5,8
Revenue relating to sales of goods to inventory (times)		7,4	7,7
Weighted average invested capital		2 924	3 099
Return on Invested Capital (%)		12,2	7,5
Weighted average cost of Capital (%)		9,7	10,1
Net capital expenditure	(4)	78	81
Number of new and used vehicles sold		49 143	44 766
Number of new vehicles sold		30 563	25 641
Number of used vehicles sold		18 580	19 125
Number of employees	3	6 364	6 153
Number of dealerships		113	109

Risks and opportunities

Risks

- Interest rate increases
- Low economic and employment growth
- Declining consumer spend and credit appetite
- Increase in infrastructure costs
- Lack of credit availability

Opportunities

- Supported by well-known brands
- Growing middle class in South Africa
- Group business and improved intergroup synergies
- Expand camping-related product sales in SA
- Acceptance of Jurgens products in the Australian market
- Growth in sale of vehicles to full maintenance lease business

Skills development and transformation

- Automotive Retail supports the Imperial management development programme, with over 100 of its employees having completed this training to date
- Apprentice training is critical to the continued success of this division – currently over 380 apprentices are working in divisional dealerships. Initiatives to improve the quality of industry training and the number of apprentices are detailed in the sustainability report
- Individual dealerships also support their respective franchise training requirements, including product training as well as job-specific skills training.

Most of our franchises have a BEE rating of level 4, a commendable achievement given that the bulk of their expenditure is with OEMs. Good progress has been made with transformation, an area that has received much focus in recent years.

Strategic objectives

The division's strategy is to capitalise on opportunities presented by the existing dealer network. Given the strength of the Imperial brand, 43 dealerships were rebranded to reflect the group identity during the year. Dealerships in turn will focus on maximising returns on invested capital through performance targets and continued cost management. Beekman Canopies is focusing on the Gauteng market to improve its share to more appropriate levels. Jurgens is investigating opportunities in camping-related accessories, the potential of expanding its dealer network and better utilisation of its steelworks plant.

Some of the key strategic targets include:

- Being the industry leader in financial performance – return on invested capital and operating margins
- Achieving market share growth
- Retaining good working relationship with OEMs
- Improve used to new vehicle sales ratio to target of 0,7:1
- Continue apprentice programmes to ensure quality supply of technicians
- Move to single dealer management system to achieve economies of scale and improve reporting
- Increase parts and accessory sales in Jurgens
- Beekman to improve distribution model.

Outlook

Key macro and performance drivers

Macro drivers ❯❯

- GDP growth
- Availability of bank finance
- Interest rates
- New vehicle supply and pricing
- Exchange rates
- Fuel price

Performance drivers ❯❯

- New vehicle sales – fleet and full maintenance leasing
- Sale of value added products
- Customer service index
- Cost control and efficiencies
- Asset management

Conditions in the vehicle market are likely to moderate in the remainder of 2011 and into 2012. With a streamlined network of dealerships and a well-balanced portfolio, the focus will be on organic growth and optimising synergies between the key components of vehicle sales, related financial services and parts and service. While the vehicle market's rate of growth is expected to slow somewhat, this division is well positioned to take advantage of any growth opportunities presented by the market.

Financial services

Highlights

- Creation of a separate focused financial services division in the Imperial group
- Regent improved its adjusted underwriting result by an impressive 46%
- Liquidcapital now has some 400 000 vehicles under management

David Gnodde
CEO of Regent Insurance Group

David Smith
CEO of Liquidcapital

Divisional overview

Due to the more unified approach across the group to managing financial services and their growing contribution, we have created a separate division, which includes our life and short-term insurance business, Regent, and Liquidcapital, a business that offers a broad range of financial services and products to the motor trade and motoring public.

The sale of financial services products is core to Imperial's strategy of maximising profit through the value chain of selling a vehicle. Given Imperial's strong distribution and retail network capability, it is well positioned to capitalise on this opportunity. This new division also includes Imperial's premium finance business and joint ventures with financial institutions, which provide financing for vehicles.

In addition to financial services in the motor industry, Regent sells a wide range of life and short-term insurance products into the broader South African market.

Financial Services

- Regent
  - Regent Insurance Company Limited
  - Regent Life Assurance Company Limited
- Other financial services

Operating units

Regent: offers a comprehensive and competitive range of products and services to the commercial and retail markets. This business has a focused strategy, empowered leadership and an entrepreneurial approach.

In the short-term market, Regent's offering spans commercial and individual cover with a range of products to meet the needs of customers. It also underwrites extended warranties and manages significant warranty funds through SA Warranties.

Regent's life business offers products for both individuals and groups. It continues to expand its product offering and has entered the fast growing emerging market, mainly selling funeral policies.

Regent also operates in Lesotho and Botswana and owns 100% of Cedar Employee Benefits. Cedar provides pension and medical aid broker services.

Other financial services: financial services products are sold through all our motor businesses, including Auto Pedigree. It is a growing part of our motor-related activities and a focus area across the group. LiquidCapital is the major contributor to the segment.

LiquidCapital is positioned as the one-stop-shop for the provision of financial services and products in the motor industry providing a full suite of value-added financial products and vehicle financing solutions. Its products include service and maintenance plans, manufacturer warranties, business process outsourcing, roadside assistance and demonstrator financing. Vehicle financing solutions are mainly housed in joint venture alliances with financiers.

LiquidCapital operates primarily through two sales channels being the Imperial and independent dealer network and through its call centres. LiquidCapital is also developing a consumer facing direct channel which is showing pleasing growth.

In the contract maintenance and associated vehicle management arena, LiquidCapital develops and administers its own products and currently has around 400 000 active contracts under management. LiquidCapital also manages a demonstration fleet of some 7 000 vehicles on behalf of various customers.

Mix Telematics, an associate engaged in vehicle tracking and fleet management, is also included in this division.

Our motor retail and distribution businesses (Automotive Retail, AMH and Auto Pedigree) have joint ventures with financial institutions. These are also reported in this division. In addition, LiquidCapital through its sizable telemarketing operations provides and extremely valuable sales channel through which Regent products are sold.

Market conditions

The short-term market remains competitive, with all insurers aggressively aiming to increase their customer bases. This in turn is putting pressure on underwriting margins. The claims cycle in our segment of the market is, however, currently favourable with loss ratios well below average. In the short-term market, claims are generally cyclical and depend on exogenous factors such as weather and crime trends.

The life market in which Regent participates is also becoming increasingly competitive. There is an encouraging level of demand for Regent's products and the focus is on growth, premium collection and retention.

The current positive cycle in the motor industry favours LiquidCapital as increased vehicle volumes provide an opportunity for the sale of its broad range of financial products and services and penetration levels are impressive. The majority of LiquidCapital's products generate a valuable annuity earnings stream which provides to some extent an earnings hedge for the cyclical nature of retail vehicle sales.

Results

	2011 Rm	2010 Rm	Change %	H2 2011 Rm	H2 2010 Rm	Change % on H2 2010	H1 2011 Rm	Change % H2 on H1 2011
Revenue								
Insurance	2 808	2 694	4,2	1 454	1 345	8,1	1 354	7,4
Other financial service	601	569	5,6	316	299	5,7	285	10,9
Total	3 409	3 263	4,5	1 770	1 644	7,7	1 639	8,0
Operating profit								
Insurance								
Adjusted investment income, including fair value adjustments	206	275	(25,1)	63	110	(42,7)	143	(55,9)
Adjusted underwriting result	319	218	46,3	212	122	73,8	107	98,1
Total insurance operating profit	525	493	6,5	275	232	18,5	250	10,0
Net underwriting margin (%)	*11,4*	8,1		*14,6*	9,1		*7,9*	
Other financial services	235	203	15,6	163	119	36,9	72	127,3
Operating margin (%)	*39,1*	35,7		*51,7*	39,9		*25,2*	
Total operating profit	760	696	9,2	438	351	24,8	322	36,0
Operating margin (%)	22,3	21,3		24,8	21,4		19,6	

The individual life business made a solid contribution to results, with gross written premiums up 16% for the year. In the short-term insurance business, gross written premiums collected were flat year on year, reflecting the termination of poor quality business.

Regent had an excellent year as reflected in its adjusted underwriting result, which improved 46% from R218 million to R319 million. The primary driver behind the underwriting result was an improved claims experience and operational cost management in the short-term business.

Investment returns were lower year on year, reflecting the lower interest rate environment. Regent's exposure to the equity markets remained low, with built-in downside protection.

LiquidCapital has benefited from its exposure to the motor industry, which has shown strong growth especially in the entry-level segment of the market where our distributorships division is well positioned. The growth in the number of new maintenance plans written on the back of the strong new vehicle market provides a valuable annuity earnings underpin to our future profits.

Key financial indicators for the financial services division

	Growth %	2011 Rm	2010 Rm
Profit from operations	9	760	696
Adjusted investment income	(25)	206	275
Adjusted underwriting result	46	319	218
Other financial services	16	235	203
Operating margin (%)		22,3	21,3
Net operating assets	(21)	1 279	1 613
Revenue to net operating assets (times)		2,7	2,0
Weighted average invested capital	(7)	1 783	1 924
Return on invested capital (%)		29,4	26,5
Weighted average cost of capital (%)		12,4	12,8
Return on embedded value - Life assurance (%)		20,8	27,1
Solvency ratio - Short term (%)		46,4	43,9
Capital adequacy ratio - Life assurance		4,2	2,1
Net capital expenditure	(218)	(33)	28
Statistics			
Number of employees		1 045	1 040
Number of policies sold			
– Short term policies		368 795	395 060
– Life policies		90 189	108 953

Risks and opportunities

Risks

- Increased competition
- Policy lapse rates

Opportunities

- Further expansion of sales channels and penetration levels
- Leverage relationships with group companies
- Extend presence in the emerging market
- Continue to launch innovative products

Skills development

Ongoing skills development is a prerequisite in the financial services sector, both to comply with new regulations and standards, and to ensure we continue to meet the changing needs of our industry.

Regent has maintained its focus on leadership development, with 69 employees participating in management development programmes, and 16 employees attending executive programmes run in conjunction with a leading business school. In addition, the company supports intermediaries in complying with new industry standards and conducts ongoing product and process training. Specific development needs, such as adult basic education and training (ABET) or driver training, are run in parallel with these programmes.

LiquidCapital established a training centre with a team of trainers and coaches dedicated to enhancing skills in the telemarketing division. During the period, training and coaching were provided to the call centres. Twelve senior managers were selected to attend the MDP programme and six directors attended the group's management development programme as well as various ad-hoc training sessions.

LiquidCapital is a Level 4 B-BBEE contributor. Regent is making good progress with its transformation initiatives and is targeting a Level 4 B-BBEE rating.

Strategic objectives

- Continue improving operating efficiencies
- Develop the life insurance business in the emerging market
- Increase market share by providing value for money, affordable financial products and services to our customer base
- Finding alternative finance for entry-level car buyers to grow the South African vehicle ownership market.

Outlook

Key macro and performance drivers

Macro drivers ››

- Economic growth
- Interest rates
- Motor vehicle sales
- Regulatory trends
- Consumer disposable income
- Underwriting cycle

Performance drivers ››

- Distribution channels and retention of clients
- Assumed risk and reinsurance
- Economies of scale
- Innovation

Regent will focus on growing revenues while containing expenditure growth. It will also continue to focus on opportunities to expand its distribution channels.

LiquidCapital will continue to develop new products and partnerships to create new sources of revenue and growth. It will continue to generate increasing annuity earnings due to new business being placed on its book in the current strong vehicle sales cycle.

Financial services earnings should be robust in the year ahead, while the investment results will be subdued due to a low interest rate cycle and uncertain equity markets.

capability ››

In this section: **ABRIDGED ANNUAL FINANCIAL STATEMENTS**

The directors of the company are responsible for the maintenance of adequate accounting records and the preparation and integrity of the annual financial statements and related information. The annual financial statements have been prepared in accordance with International Financial Reporting Standards, the AC 500 standards issued by the Accounting Practices Board and in the manner required by the South African Companies Act, 2008.

The directors are also responsible for the systems of internal control. These are designed to provide reasonable, but not absolute, assurance as to the reliability of the financial statements, and to adequately safeguard, verify and maintain accountability for assets, and to prevent and detect material misstatements and losses. The systems are implemented and monitored by suitably trained personnel with an appropriate segregation of authority and duties. Nothing has come to the attention of the directors to indicate that any material breakdown in the functioning of these controls, procedures and systems has occurred during the year under review.

The annual financial statements are prepared on the going concern basis. Nothing has come to the attention of the directors to indicate that the group will not remain a going concern for the foreseeable future.

The abridged annual financial statements, which have been prepared using information required by IAS 34: *Interim Financial Reporting*, set out on pages 94 to 127 are an extract of the audited consolidated annual financial statements. These consolidated annual financial statements are electronically available on the compact disc attached and on the group website at www.imperial.co.za.

The group's independent external auditors, Deloitte & Touche have confirmed that the abridged annual financial statements are derived from the audited consolidated annual financial statements and their unmodified report appears on page 93.

The abridged annual financial statements were approved by the board of directors and are signed on their behalf by:

TS Gcabashe
Chairman

HR Brody
Chief executive

AH Mahomed
Financial director

Preparer of financial statements

These abridged annual financial statements have been prepared under the supervision of R Mumford CA(SA).

R Mumford
General manager group finance

23 August 2011

Report of the independent auditor to the shareholders of Imperial Holdings Limited on the abridged annual financial statements

The accompanying abridged annual financial statements set out on pages 94 to 127, which comprise the consolidated statement of financial position as at 30 June 2011, the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of cash flows and consolidated statement of changes in equity for the year then ended, and related abridged consolidated notes, are derived from the audited consolidated annual financial statements of Imperial Holdings Limited for the year ended 30 June 2011. We expressed an unmodified audit opinion on those consolidated annual financial statements in our report dated 23 August 2011. Those consolidated annual financial statements, and the abridged annual financial statements, do not reflect the effects of events that occurred subsequent to the date of our report on those financial statements.

The abridged annual financial statements do not contain all the disclosures required by International Financial Reporting Standards and the requirements of the Companies Act of South Africa. Reading the abridged annual financial statements, therefore, is not a substitute for reading the audited consolidated annual financial statements of Imperial Holdings Limited.

Directors' responsibility for the abridged annual financial statements

The directors are responsible for the preparation of the abridged annual financial statements in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards (IFRS), the AC 500 standards as issued by the Accounting Practices Board and the information as required by International Accounting Standard (IAS) 34 – *Interim Financial Reporting*.

Auditors' responsibility

Our responsibility is to express an opinion on the abridged annual financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810, *Engagements to Report on Summary Financial Statements*.

Opinion

In our opinion, the abridged annual financial statements derived from the audited annual financial statements of Imperial Holdings Limited for the year ended 30 June 2011 are consistent, in all material respects, with those financial statements, in accordance with the framework concepts and the measurement and recognition requirements of IFRS, the AC 500 standards as issued by the Accounting Practices Board and the information as required by IAS 34 – *Interim Financial Reporting.*

Deloitte & Touche
Per MJ Comber
Partner

23 August 2011

Buildings 1 and 2, Deloitte Place
The Woodlands Office Park Woodlands Drive
Sandton

National Executive: GG Gelink (Chief Executive), AE Swiegers (Chief Operating Officer), GM Pinnock (Audit), DL Kennedy (Risk Advisory), NB Kader (Tax & Legal Services), L Geeringh (Consulting), L Bam (Corporate Finance), JK Mazzocco (Human Resources), CR Beukman (Finance), TJ Brown (Clients), NT Mtoba (Chairman of the Board), M J Comber (Deputy Chairman of the Board)

A full list of partners and directors is available on request.

Report of the audit committee

for the year ended 30 June 2011

The audit committee has pleasure in submitting this report, as required by the South African Companies Act, No 71 of 2008 (the Act).

Functions of the audit committee

The audit committee has adopted formal terms of reference, delegated by the board of directors, as its audit committee charter.

The committee is satisfied that, in respect of the financial year, it has performed all the functions required to be performed by an audit committee as set out in the Companies Act, 2008 and the committee's terms of reference.

The audit committee has discharged the functions in terms of its charter and ascribed to it in terms of the Act as follows:

- Reviewed the interim, preliminary and year-end financial statements and integrated annual report, culminating in a recommendation to the board to adopt them. In the course of its review the committee:
  - took appropriate steps to ensure the annual financial statements were prepared in accordance with International Financial Reporting Standards (IFRS), AC500 standards issued by the Accounting Practices Board or its successor, and in the manner required by the Act;
  - considered and, when appropriate, made recommendations on internal financial controls;
  - dealt with any concerns or complaints on accounting policies, internal audit, the auditing or content of annual financial statements, and internal financial controls; and
  - reviewed matters that could have a significant impact on the organisation's financial statements.
- Reviewed external audit reports on the annual financial statements.
- Reviewed the board approved internal audit charter.
- Reviewed and approved the internal audit plan.
- Reviewed internal audit and risk management reports and, where relevant, made recommendations to the board.
- Evaluated the effectiveness of risk management, controls and governance processes.
- Satisfied itself that the external auditors, Deloitte & Touche, are independent of the group and that the appointment of Mr MJ Comber as the designated auditor and IFRS adviser is in compliance with the Auditing Profession Act, 2005 and the Listings Requirements of the JSE Limited.
- Approved audit fees and engagement terms of the external auditor.
- Determined the nature and extent of allowable non-audit services and approved contract terms for non-audit services by the external auditor.

Members of the audit committee and attendance at meetings

The audit committee consists of the non-executive directors listed below. All members act independently as described in the Act. During the year under review, four meetings were held.

The audit committee, appointed by the board in respect of the year ended 30 June 2011, comprised Mr MJ Leeming (chairman), Ms P Langeni, Mr RJA Sparks and Mr Y Waja, all of whom are independent non-executive directors of the company.

Internal audit

The audit committee has oversight of the group's financial statements and reporting process, including the system of internal financial control. It is responsible for ensuring the group's internal audit function is independent and has the necessary resources, standing and authority in the organisation to discharge its duties. The committee oversees cooperation between internal and external auditors, and serves as a link between the board of directors and these functions. The head of internal audit reports functionally to the chair of the committee and administratively to the chief executive.

Based on the internal audit work performed in terms of the approved combined internal audit plan for the year, the scope of work, the results of tests, and the overall audit opinion ratings for the audited areas, together with feedback on follow up audits, internal audit concluded that nothing came to its attention to indicate that there was any material breakdown in the system of internal control in the group during the year to render the control environment ineffective.

From the results of the risk management maturity self assessment conducted during the year, at divisional and group level, internal audit were satisfied with the roll-out, and implementation of risk management across the group, and the degree to which management had embraced risk management.

As recommended in King III, group internal audit documented a review of the group's internal financial controls and concluded that nothing came to its attention to indicate significant internal financial control design deficiencies or to indicate that such controls were ineffective during the period reviewed.

Attendance

The internal and the external auditors attended and reported at all meetings of the audit committee. The group risk management function was also represented. Executive directors and relevant senior managers attended meetings by invitation.

Confidential meetings

Audit committee agendas provide for confidential meetings between committee members and the internal and external auditors.

Independence of the external auditor

During the year the audit committee reviewed a representation by the external auditor and, after conducting its own review, confirmed the independence of the auditor.

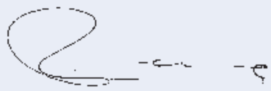
Expertise and experience of financial director and the finance function

As required by the JSE Listings Requirement 3.84(h), the audit committee has satisfied itself that the financial director, Mr AH Mahomed has appropriate expertise and experience.

In addition, the committee satisfied itself that the composition, experience and skills set of the finance function met the group's requirements.

Discharge of responsibilities

The committee determined that during the financial year under review it had discharged its legal and other responsibilities as outlined in terms of its terms of reference. The board concurred with this assessment.



MJ Leeming
Chairman

23 August 2011

Abridged remuneration report

for the year ended 30 June 2011

Role of the remuneration and nomination committee and terms of reference

The remuneration and nomination committee (the committee) is responsible to assist the board to ensure that:

- The company remunerates directors and executives fairly and responsibly.
- The disclosure of directors' remuneration is accurate and transparent.
- The board has the appropriate composition for it to execute its duties effectively.
- Directors are appointed through a formal process.
- Induction and ongoing training and development of directors take place.
- Formal succession plans for the board, chief executive officer and senior management appointments are in place.

The duties of the committee include providing the board with advice and guidance regarding:

- The establishment and implementation of remuneration policies in relation to the remuneration of non-executive directors, executive directors and other executives.
- Approval of the general composition of remuneration packages and the criteria for and amounts of bonus and incentive awards of executives.
- Significant changes to the group pension and provident funds and medical aid schemes.
- The administration of share-based incentive schemes.
- Increases to non-executive directors' fees.
- The development and implementation of formal succession plans for the board, chief executive officer and senior management appointments.
- The establishment of a formal process for the appointment of directors and the identification of suitable members of the board.

Membership of the committee

The members of the committee during the year were Mr TS Gcabashe (chairman), Ms P Langeni, Mr JR McAlpine, Mr RJA Sparks and Mr A Tugendhaft, all of whom are non-executive directors. Mr McAlpine retired as a member of the committee and as a member of the board on 30 June 2011.

The chief executive officer and group financial director attend committee meetings and assist the committee in its deliberations, except when issues relating to their own remuneration are discussed. No director is able to decide his or her own remuneration.

The committee had four meetings during the past financial year.

Remuneration policy

Principles of executive remuneration

Imperial's remuneration policy is formulated to attract and retain high-calibre executives and motivate them to develop and implement the company's business strategy in order to optimise long-term shareholder value. It is the intention that this policy should conform to best practice. The policy is framed around the following key principles:

- Total rewards are set at levels that are responsible and competitive within the relevant market.
- Total incentive-based rewards are earned through the achievement of demanding growth and return targets consistent with shareholder interests over the short-, medium-, and long-term.
- Incentive plans, performance measures, and targets are structured to operate soundly throughout the business cycle.
- The design of long-term incentive schemes is prudent and does not expose shareholders to unreasonable financial risk.

Elements of executive remuneration

Executives' remuneration comprises the following four principal elements:

- Base salary
- Annual incentive bonus
- Long-term incentive schemes, both share and cash-based
- Other benefits

The committee seeks to ensure an appropriate balance between the fixed and performance-related elements of executive remuneration and between those aspects of the package linked to short-term financial performance and those linked to longer-term shareholder value creation. The policy relating to each component of remuneration is summarised below.

Base salary

The base salary of each executive is subject to annual review and is set to be responsible and competitive with reference to external market practice in similar companies, which are comparable in terms of size, market sector, business complexity and international scope. Company performance, individual performance and changes in responsibilities are also taken into account when determining annual base salaries.

Incentive bonuses

All executives are eligible to receive a performance related annual bonus. The bonus is non-contractual and not pensionable. The committee reviews bonuses annually and determines the level of the bonus based on performance criteria set at the start of the performance period. The criteria differ depending on the position of each executive and the division in which they operate and include:

- Headline earnings per share and divisional operating profit growth targets
- Return on invested capital targets
- Black economic empowerment
- Discretionary elements

In respect of certain key individuals, long-term retention arrangements have been entered into, linked to individual and business performance, which arrangements mature between 2011 and 2013.

Share incentive schemes

Three long-term share incentive plans were approved by shareholders on 18 April 2008. Participation in the schemes by executives is based on criteria set by the committee. The schemes embody the following elements:

The Share Appreciation Rights Scheme (SAR)

Selected participants receive annual grants of share appreciation rights, which are conditional rights to receive Imperial shares equal to the value of the difference between the exercise price and the grant price. Vesting of rights is subject to performance conditions being met. The performance conditions and performance period are determined by the board on an annual basis in respect of each new grant of rights. The performance targets employed in the SAR issued to date are the achievement of specified targets set by the committee for growth in the company's headline earnings per share (HEPS), relative to the growth in HEPS for a selected peer group of 20 JSE listed companies and the return on invested capital (ROIC) of Imperial Holdings compared to its weighted average cost of capital, over a three year performance period.

For each grant of SAR, 50% of the SAR awards are subject to the achievement of the HEPS performance condition and 50% of the SAR awards are subject to the achievement of the ROIC performance condition.

The targets and measuring terms relating to each issue are detailed in a letter of grant and are independently reviewed prior to vesting. After vesting, the rights may be exercised by a participant within a predetermined period and upon exercise by a participant, the relevant employer company will settle the value of the difference between the exercise price and the grant price by delivering Imperial shares that will be purchased on the open market, alternatively, as a fall back provision only, by the issue of new shares or lastly by settling the value in cash.

The Conditional Share Plan (CSP)

The CSP is utilised in exceptional circumstances only. Employees receive grants of conditional awards. Vesting of the conditional awards is subject to performance conditions. The performance conditions for the CSP will be based on individual targets set by the board. If the performance conditions are satisfied, the conditional awards will vest. If the performance conditions are not met, the conditional awards will lapse. No allocations have been made in terms of this scheme to date.

for the year ended 30 June 2011

The Deferred Bonus Plan (DBP)

Qualifying senior employees are permitted to use a portion of the after-tax component of their annual bonus to acquire Imperial shares (bonus shares). On the condition that the participant remains in the employ of the group and retains the bonus shares over a fixed three year period, a matching award of Imperial shares is made on vesting. A participant remains the owner of the bonus shares for the duration of the three year period and enjoys all shareholder rights in respect of the bonus shares. Bonus shares can be disposed of by the participant at any stage, but the matching award is not made to the extent that the bonus shares are sold during the period. Bonus shares are matched by delivering an equal number of matching Imperial shares that will be purchased on the open market, alternatively, as a fall back provision only, by the issue of new shares or lastly by settling the value in cash.

Eligibility

Any senior employee with significant managerial or other responsibility, including any director holding salaried employment or office in the group, is eligible to participate in the SAR, CSP and DBP. Non-executive directors may not participate in any of the share incentive schemes.

A total of 18 503 389 share appreciation rights remain unexercised in terms of the SAR scheme at an average price of R63,15 per share. A total of 819 637 DBP rights have been allocated of which 596 565 have been taken up and remain unvested. No rights have been allocated in terms of the CSP.

Retirement schemes

Executives participate in contributory retirement schemes which include pension and provident funds established by the group.

Other benefits

Executive directors are remunerated on a cost to company basis and as part of their package are entitled to a car allowance or a fully maintained car, provident fund contributions, medical insurance, death and disability insurance. The provision of these benefits is considered to be market competitive for executive positions.

Other matters affecting remuneration of executives

External appointments

Executives are not permitted to hold external directorships or offices, other than those of a personal nature, without the approval of the board.

Non-executive directors

Fees payable to non-executive directors are proposed by the executive committee, reviewed by the remuneration and nomination committee and recommended to the board, which in turn makes recommendations to shareholders after consideration of reference to the fees paid by comparable companies, responsibilities taken by the non-executive directors and considerations relating to the retention and attraction of high-calibre individuals.

Directors' fees for the past year

For the past financial year, each of the non-executive directors received directors' fees and fees for services on committees as follows:

– Chairman	R346 000 (2010: R231 000)
– Deputy chairman	R173 250 (2010: R119 000)
– Board member	R173 250 (2010: R154 000)
– Assets and liabilities committee	R 61 000 (2010: R 57 000)
– Audit committee chairman	R181 500 (2010: R161 250)
– Audit committee member	R 91 000 (2010: R 81 000)
– Risk committee	R 63 000 (2010: R 57 000)
– Remuneration and nomination committee	R 61 000 (2010: R 57 000)
– Social, ethics and sustainability committee	R 61 000 (2010: R 57 000)

Chairmen of boards and committees receive a chairman's fee in addition to a members fee.

Unless otherwise stated, the chairmen of committees received a chairman's fee of one and a half times a member's fee in addition to their member's fee.

Executive directors receive no directors' or committee fees for their services as directors in addition to their normal remuneration as employees.

Directors' fees for the new year

At the annual general meeting on 1 November 2011, members will be requested to approve the following non-executive directors' remuneration by special resolution in terms of section 66(9) of the Companies Act, 2008 (Act 71 of 2008), as amended, granting authority to pay fees for services as directors, which shall be valid with effect from 1 July 2011 until the next annual general meeting of the company as follows:

– Chairman	R368 500
– Deputy chairman	R185 000
– Board member	R185 000
– Assets and liabilities committee	R 65 000
– Audit committee	R106 700
– Audit committee chairman	R212 300
– Risk committee	R 67 000
– Remuneration and nomination committee	R 65 000
– Social, ethics and sustainability committee	R 65 000

Chairmen of boards and committees receive a chairman's fee in addition to a member's fee. Unless otherwise stated, chairmen of committees receive a chairman's fee of one and a half times a normal member's fee in addition to their member's fee. Non-executive directors also receive fees for services on divisional boards and financial and risk review committees. In arriving at the proposed fees, cognisance was taken of market trends and the increased responsibilities of non-executive directors in terms of new legal, governance and JSE requirements.

Directors' and prescribed officers' remuneration

The table below provides an analysis of the emoluments paid to executive and non-executive directors and prescribed officers of the company for the year ended 30 June 2011.

Name	Salary R'000	Bonus R'000	Retirement and medical contri-butions R'000	Other benefits (Note 1) R'000	Directors' fees R'000	Sub-sidiaries associates and sub-committee fees R'000	2011 Total R'000	2010 Total R'000
Non-executive directors								
T Dingaan (note 2)					173	385	558	252
S Engelbrecht					173	63	236	154
TS Gcabashe					519	213	732	585
P Langeni					173	270	443	401
MJ Leeming					173	444	617	553
JR McAlpine					173	215	388	351
V Moosa					173	153	326	297
RJA Sparks					173	339	512	379
A Tugendhaft					346	122	468	387
Y Waja					173	480	653	577
Sub-total					2 249	2 684	4 933	3 936

Notes

1. Other benefits – These include the fringe benefit value of company cars and motor car allowances and long-term retention payments.
2. R385 000 paid by Ukhamba Holdings in respect of its chairman's fees.

for the year ended 30 June 2011

Name	Salary R'000	Bonus R'000	Retirement and medical contri-butions R'000	Other benefits (Note 1) R'000	Directors' fees R'000	Sub-sidiaries/ associates and sub-committee fees R'000	2011 Total R'000	2010 Total R'000
Executive directors								
OS Arbee	3 338	3 400	550	1 204			8 492	7 059
HR Brody	4 901	3 950	796	90			9 737	9 281
MP de Canha	3 511	3 800	568	277			8 156	7 521
RL Hiemstra	3 371	3 400	551	170			7 492	6 922
AH Mahomed	4 359	3 850	711	308			9 228	8 797
GW Riemann (note 2)	4 242	6 597	1 147	269	277		12 532	12 810
M Swanepoel	3 198	3 150	640	244			7 232	6 537
Sub-total	26 920	28 147	4 963	2 562	277		62 869	58 927
Total all directors	26 920	28 147	4 963	2 562	2 526	2 684	67 802	
Total all directors – June 2010	25 628	26 435	5 074	1 483	2 120	2 123		62 863
Prescribed officers (note 3)								
DD Gnodde	2 723	3 000	424	56			6 203	
P Michaux	2 091	2 620	387	46			5 144	
Total prescribed officers	4 814	5 620	811	102			11 347	
Grand total	31 734	33 767	5 774	2 664	2 526	2 684	79 149	

Notes

1. Other benefits – These include the fringe benefit value of company cars and motor car allowances and long-term retention payments.

2. Overseas based – GW Riemann is employed in Germany and his salary is paid in Euros, based on the market conditions in that country.

3. Disclosure for prescribed officers in terms of the Companies Act, 2008 for the full financial year. Prescribed officers are persons, not being directors, but who either alone or with others exercise executive control and management of the whole or a significant portion of the business of the company. Although King III recommends that the remuneration of the top three earners who are not directors should be disclosed, this recommendation has substantially been incorporated in the Act by the prescribed officer disclosure and for this reason no further disclosure has been made in addition to that prescribed in the Act.

Directors' and prescribed officers' service contracts

Directors' and prescribed officers' contracts are all terminable on one month's notice, with the exception of that of GW Riemann, who is employed on a fixed-term contract that terminates on 30 June 2012.

Non-executive directors' appointments are made in terms of the company's memorandum of incorporation and are initially confirmed at the first annual general meeting of shareholders following their appointment, and thereafter by rotation.

Incentive schemes

Executive directors and prescribed officers participate in the incentive schemes, designed to recognise the contributions of senior staff to the growth in the company's equity. Within limits imposed by shareholders, rights are allocated to directors and senior staff. The equity linked compensation benefits for executive directors and prescribed officers are set out below.

Participation in bonus rights scheme

All rights in terms of the bonus rights scheme expired without vesting.

Participation in the share appreciation rights scheme

Name	Commencement date	Price on commencement date (R)	Number of rights*	Number of rights remaining	Vesting date
Directors					
OS Arbee	5 June 2008	49,46	369 031	369 031	15 September 2011
	18 June 2009	55,32	91 507	91 507	15 September 2012
	2 June 2010	96,71	56 333	56 333	16 September 2013
	14 June 2011**	116,59	23 377	23 377	7 September 2014
HR Brody	5 June 2008	49,46	529 904	529 904	15 September 2011
	18 June 2009	55,32	154 700	154 700	15 September 2012
	2 June 2010	96,71	92 540	92 540	16 September 2013
	14 June 2011**	116,59	35 750	35 750	7 September 2014
MP de Canha	5 June 2008	49,46	369 033	369 033	15 September 2011
	18 June 2009	55,32	100 186	100 186	15 September 2012
	2 June 2010	96,71	60 275	60 275	16 September 2013
	14 June 2011**	116,59	25 011	25 011	7 September 2014
RL Hiemstra	5 June 2008	49,46	369 031	369 031	15 September 2011
	18 June 2009	55,32	93 590	93 590	15 September 2012
	2 June 2010	96,71	56 306	56 306	16 September 2013
	14 June 2011**	116,59	23 377	23 377	7 September 2014
AH Mahomed	5 June 2008	49,46	506 850	506 850	15 September 2011
	18 June 2009	55,32	143 761	143 761	15 September 2012
	2 June 2010	96,71	85 996	85 996	16 September 2013
	14 June 2011**	116,59	33 223	33 223	7 September 2014
M Swanepoel	5 June 2008	49,46	369 032	369 031	15 September 2011
	18 June 2009	55,32	83 578	83 578	15 September 2012
	2 June 2010	96,71	53 323	53 323	16 September 2013
	14 June 2011**	116,59	23 377	23 377	7 September 2014
Prescribed officers					
DD Gnodde	18 June 2009	55,32	26 118	26 118	15 September 2012
	2 June 2010	96,71	18 140	18 140	16 September 2013
	14 June 2011**	116,59	18 297	18 297	7 September 2014
P Michaux	5 June 2008	49,46	157 262	157 262	15 September 2011
	18 June 2009	55,32	49 915	49 915	15 September 2012
	2 June 2010	96,71	30 750	30 750	16 September 2013
	14 June 2011**	116,59	12 200	12 200	7 September 2014

** The number of rights that will eventually vest is subject to the achievement of performance conditions linked to HEPS targets relative to a peer group of 20 JSE listed companies and ROIC targets relative to weighted cost of capital, and could be fewer than the number granted.*

*** The value at commencement date of the SAR rights awarded on 14 June 2011 was R36,14 per share, as contemplated in terms of section 30(6)(e) of the Companies Act, 2008.*

for the year ended 30 June 2011

Participation in the deferred bonus plan

Name	Allocation date	Number of shares committed to the plan†	Balance available to be taken up	Vesting date
Directors				
OS Arbee	5 June 2008	18 424		15 September 2011 to 2013
	18 June 2009	10 545		15 September 2012
	2 June 2010	6 961		16 September 2013
	14 June 2011‡		11 671	7 September 2014
HR Brody	5 June 2008	36 804		15 September 2011 to 2013
	18 June 2009	15 280		15 September 2012
	2 June 2010	9 858		16 September 2013
	14 June 2011‡		16 526	7 September 2014
MP de Canha	5 June 2008	30 967		15 September 2011 to 2013
	18 June 2009	11 545		15 September 2012
	2 June 2010	7 448		16 September 2013
	14 June 2011‡		12 486	7 September 2014
RL Hiemstra	5 June 2008	30 749		15 September 2011 to 2013
	18 June 2009	10 785		15 September 2012
	2 June 2010	6 958		16 September 2013
	14 June 2011‡		11 671	7 September 2014
AH Mahomed	5 June 2008	40 435		15 September 2011 to 2013
	18 June 2009	14 200		15 September 2012
	2 June 2010	9 161		16 September 2013
	14 June 2011‡		15 358	7 September 2014
M Swanepoel	5 June 2008	29 884		15 September 2011 to 2013
	18 June 2009	9 631		15 September 2012
	2 June 2010	6 589		16 September 2013
	14 June 2011‡		11 671	7 September 2014
Prescribed officers				
DD Gnodde	2 June 2010	15 206		16 September 2013
	14 June 2011‡		9 135	7 September 2014
P Michaux	5 June 2008	16 502		15 September 2011 to 2013
	18 June 2009	4 867		15 September 2012
	2 June 2010	3 167		16 September 2013
	14 June 2011‡		5 251	7 September 2014

† *The number of shares committed to the plan depends on the amount of after tax bonus committed by each executive and the share price prevailing when bonus shares are acquired.*

‡ *The value at commencement date of the DBP rights awarded on 14 June 2011 was R103,77 per share, as contemplated in terms of section 30(6)(e) of the Companies Act, 2008.*

Directors' and prescribed officers' interests in shares

Director/prescribed officer	2011 Beneficial number of shares	2011 Non-beneficial number of shares	2010 Beneficial number of shares	2010 Non-beneficial number of shares
Non-executive directors				
MJ Leeming		4 928		928
RJA Sparks	40 000		40 000	
Y Waja	927		927	
	40 927	4 928	40 927	928
Executive directors				
OS Arbee	36 266		21 547	
HR Brody	64 942		45 118	
MP de Canha	1 107 812		1 046 904	
RL Hiemstra	48 492		32 633	
AH Mahomed	63 796		40 899	
M Swanepoel	46 104		36 192	
	1 367 412		1 223 293	
Prescribed officers				
DD Gnodde	15 206			
P Michaux	24 536			
	39 742			
Total	1 448 081	4 928	1 264 220	928

The complete remuneration report approved by the remuneration and nomination committee forms part of the audited annual financial statements, which are available on www.imperial.co.za and the compact disc that accompanies the integrated report.

Consolidated statement of financial position

at 30 June

	Notes	2011 Rm	Re-presented 2010 Rm	Re-presented 2009 Rm
ASSETS				
Intangible assets	2	1 823	1 006	901
Investments in associates and joint ventures	3	770	1 190	2 334
Property, plant and equipment	4	6 550	5 983	5 976
Transport fleet	5	3 627	3 399	3 483
Vehicles for hire	6	2 057	2 237	1 653
Deferred tax assets		661	658	645
Investments and loans	7	2 413	2 021	1 136
Non-current financial assets	8	244	206	203
Inventories	9	7 589	6 809	5 592
Tax in advance		138	126	154
Trade and other receivables	10	7 130	6 165	5 633
Cash resources		3 531	3 199	4 655
Assets classified as held for sale			747	950
Final instalment on sale of Imperial Bank Limited			477	
Total assets		36 533	34 223	33 315
EQUITY AND LIABILITIES				
Capital and reserves				
Share capital	11	9	10	10
Shares repurchased	12	(220)	(1 816)	(1 816)
Other reserves		111	433	280
Retained earnings		12 073	12 513	11 300
Attributable to Imperial Holdings' shareholders		11 973	11 140	9 774
Non-controlling interests		1 043	806	587
Total shareholders' equity		13 016	11 946	10 361
Liabilities				
Non-redeemable, non-participating preference shares	13	441	441	441
Retirement benefit obligations		233	222	256
Interest-bearing borrowings	14	6 302	4 709	7 655
Insurance, investment, maintenance and warranty contracts	15	2 465	2 124	2 162
Deferred tax liabilities		549	656	652
Non-current financial liabilities	16	323	312	157
Provisions for liabilities and other charges	17	1 358	1 042	996
Trade and other payables	18	10 116	9 050	7 536
Current tax liabilities		524	335	501
Current portion of interest-bearing borrowings	14	1 206	3 124	2 139
Liabilities directly associated with assets classified as held for sale			262	459
Total liabilities		23 517	22 277	22 954
Total equity and liabilities		36 533	34 223	33 315

Consolidated income statement

for the year ended 30 June

	Notes	2011 Rm	Re-presented 2010 Rm
Revenue		64 667	53 438
Net operating expenses		(58 646)	(48 771)
Profit from operations before depreciation and recoupments		6 021	4 667
Depreciation, amortisation, impairments and recoupments		(1 495)	(1 379)
Operating profit		4 526	3 288
Recoupments from sale of properties, net of impairments		7	51
Amortisation of intangible assets arising on business combinations		(15)	
Foreign exchange (losses) gains		(33)	49
Fair value losses on foreign exchange derivatives		(18)	(38)
Impairment reversals of share scheme loans			24
Gain on early settlement of European bond			27
Fair value gain on Lereko call option		279	78
Exceptional items	19	(46)	58
Profit before net financing costs		4 700	3 537
Finance cost including fair value gains and losses	20	(697)	(761)
Finance income	20	143	164
Income from associates and joint ventures		34	174
Profit before tax		4 180	3 114
Income tax expense	21	(1 272)	(911)
Profit from continuing operations		2 908	2 203
Discontinued operations			59
– Trading profit from operations			29
– Fair value profit on discontinuation			30
Net profit for the year		2 908	2 262
Net profit attributable to:			
Equity holders of Imperial Holdings Limited		2 562	2 021
Non-controlling interests		346	241
		2 908	2 262
Earnings per share	22		
Basic earnings per share (cents)			
Continuing operations		1 346	1 015
Discontinued operations			32
		1 346	1 047
Headline earnings per share (cents)			
Continuing operations		1 370	976
Discontinued operations			16
		1 370	992
Preferred ordinary shares (cents)			
– Basic			535

Consolidated statement of comprehensive income

for the year ended 30 June

	2011 Rm	Re-presented 2010 Rm
Net profit for the year	2 908	2 262
Other comprehensive income:		
Exchange gains (losses) arising on translation of foreign operations	26	(184)
Fair value gain on Lereko Mobility call option		244
Movement in hedge accounting reserves	35	22
– Movement in hedge accounting reserves	39	22
– Share of other associates and joint ventures hedging reserve	(4)	
Fair value gains on available for sale financial assets		(21)
– Fair value gains on available for sale financial assets		15
– Share of other associates and joint ventures valuation reserve		(37)
Income tax relating to components of other comprehensive income		1
Total comprehensive income for the year	2 969	2 323
Total comprehensive income attributable to:		
Equity holders of Imperial Holdings Limited	2 618	2 085
Non-controlling interests	351	238
	2 969	2 323

Consolidated statement of cash flows

for the year ended 30 June

	Notes	2011 Rm	2010 Rm
Cash flows from operating activities			
Cash receipts from customers		64 275	53 617
Cash paid to suppliers and employees		(58 198)	(48 864)
Cash generated by operations before net capital expenditure on rental assets*	23a	6 077	4 753
Expansion capital expenditure – rental assets#		(157)	(521)
Net replacement capital expenditure – rental assets#		(174)	(367)
– Expenditure		(1 900)	(1 489)
– Proceeds		1 726	1 122
Cash generated by operations^		5 746	3 865
Net financing costs		(563)	(658)
Tax paid		(1 221)	(1 075)
		3 962	2 132
Cash flows from investing activities			
Acquisition of subsidiaries and businesses		(943)	(389)
Disposal of subsidiaries and businesses			(26)
Expansion capital expenditure – excluding rental assets		(530)	(442)
– Property		(225)	(149)
– Transport fleet		(305)	(293)
Net replacement capital expenditure – excluding rental assets	23b	(667)	(463)
– Intangible assets		(34)	(31)
– Plant and equipment		(408)	(234)
– Transport fleet		(225)	(198)
Proceeds from sale of Imperial Bank Limited		477	1 374
Net movement in other associates and joint ventures		78	(271)
Net movement in investments, loans and non-current financial instruments		(15)	(778)
		(1 600)	(995)
Cash flows from financing activities			
Hedge cost premium paid		(205)	(5)
Repurchase of ordinary shares for hedging of share schemes			(200)
Repurchase of ordinary shares		(156)	
Cost incurred on cancellation of shares repurchased		(8)	
Dividends paid		(983)	(653)
Change in non-controlling interests		(51)	(29)
Repayment of IPL 3 and IC 01 corporate bonds		(2 026)	
Proceeds from the issuance of IPL 5 and IPL 6 corporate bonds		2 034	
Decrease in other interest-bearing borrowings		(225)	(697)
		(1 620)	(1 584)
Net increase (decrease) in cash and cash equivalents		742	(447)
Cash and cash equivalents at beginning of year		2 184	2 631
Cash and cash equivalents at end of year		2 926	2 184
Analysis of cash generated by operations			
* Cash generated by operations before net capital expenditure on rental assets			
– Continuing operations			4 443
– Discontinued operations			310
			4 753
#Net capital expenditure on rental assets			
– Continuing operations			(955)
– Discontinued operations			67
			(888)
^Cash generated by operations			
– Continuing operations			3 488
– Discontinued operations			377
			3 865

Consolidated statement of changes in equity

for the year ended 30 June

	Share capital Rm	Shares repurchased Rm	Share-based payment reserve Rm	Hedging reserve Rm
Balance at 30 June 2009	10	(1 816)	(146)	(103)
Net attributable profit for the year				
Exchange losses arising on translation of foreign operations				
Revaluation of Lereko Mobility call option				
Movement in hedge accounting reserve				18
Net unrealised losses on investments				
Total comprehensive income for the year				18
Movement in statutory reserves				
Non-controlling interests arising on acquisition and disposal of businesses				
Net decrease in non-controlling interests				
Share-based equity reserve utilisation			(57)	
Movement in share-based equity reserve			134	
Repurchase and cancellation of 2 123 775 ordinary shares				
Dividend of 120 cents per ordinary share in September 2009				
Dividend of 267,5 cents per preferred ordinary share in September 2009				
Dividend of 150 cents per ordinary share in March 2010				
Dividend of 267,5 cents per preferred ordinary share in March 2010				
Non-controlling interests share of dividends				
Balance at 30 June 2010	10	(1 816)	(69)	(85)
Net attributable profit for the year				
Total other comprehensive income				35
Total comprehensive income for the year				35
Movement in statutory reserves				
Share-based equity reserve transferred to retained earnings on vesting			30	
Share-based equity reserve utilisation including hedging cost			(205)	
Share-based equity reserve charged to the income statement			122	
Consolidation of 5 864 944 Imperial shares held by Lereko Mobility as shares repurchased		(665)		
Repurchase and cancellation of 16 000 000 ordinary shares from wholly owned subsidiary	(1)	2 000		
Share cancellation expenses				
Reserve reallocation		261		
Repurchase and cancellation of 1 465 719 ordinary shares from open market				
Dividend of 200 cents per ordinary share in September 2010				
Dividend of 267,5 cents per preferred ordinary share in September 2010				
Dividend of 220 cents per ordinary share in March 2011				
Non-controlling interests arising on acquisition of businesses				
Net decrease in non-controlling interests				
Non-controlling interests share of dividends				
Balance at 30 June 2011	9	(220)	(122)	(50)

Other reserves							
Statutory reserve Rm	Foreign currency translation reserve Rm	Premium paid on purchase of non-controlling interests Rm	Valuation reserve Rm	Retained earnings Rm	Attributable to Imperial Holdings' shareholders Rm	Non-controlling interests Rm	Total Rm
227	210		92	11 300	9 774	587	10 361
				2 021	2 021	241	2 262
	(177)				(177)	(7)	(184)
			244		244		244
					18	4	22
			(21)		(21)		(21)
	(177)		223	2 021	2 085	238	2 323
38				(38)			
						69	69
		(26)			(26)	(3)	(29)
					(57)		(57)
					134	(2)	132
				(200)	(200)		(200)
				(214)	(214)		(214)
				(39)	(39)		(39)
				(278)	(278)		(278)
				(39)	(39)		(39)
						(83)	(83)
265	33	(26)	315	12 513	11 140	806	11 946
				2 562	2 562	346	2 908
	21				56	5	61
	21			2 562	2 618	351	2 969
20				(20)			
				(30)			
					(205)		(205)
					122	(4)	118
			(309)	309	(665)		(665)
				(1 999)			
				(8)	(8)		(8)
				(261)			
				(156)	(156)		(156)
				(368)	(368)		(368)
				(39)	(39)		(39)
				(430)	(430)		(430)
						51	51
		(36)			(36)	(15)	(51)
						(146)	(146)
285	54	(62)	6	12 073	11 973	1 043	13 016

Segment information – financial position

at 30 June

	Group 2011 Rm	Group 2010 Rm	Logistics 2011 Rm	Logistics 2010 Rm	Car Rental and Tourism 2011 Rm	Car Rental and Tourism^ 2010 Rm
BUSINESS SEGMENTATION						
Assets						
Intangible assets	1 823	1 006	1 191	536	85	29
Investments, associates and joint ventures	2 548	2 362	99	88	7	9
Property, plant and equipment	6 550	5 983	1 858	1 680	436	310
Transport fleet	3 627	3 399	3 673	3 452		
Vehicles for hire	2 057	2 237			1 713	1 894
Non-current financial assets	244	206				
Inventories	7 589	6 809	254	87	398	343
Trade and other receivables	7 130	6 165	4 233	3 490	309	237
Cash in financial services businesses	1 247	1 339				
Operating assets	32 815	29 506	11 308	9 333	2 948	2 822
Deferred tax assets	661	658				
Loans to associates and other investments	635	849				
Tax in advance	138	126				
Cash resources	2 284	1 860				
Assets classified as held for sale		747				
Final instalment on sale of Imperial Bank Limited		477				
Total assets per statement of financial position	36 533	34 223				
Liabilities						
Retirement benefit obligations	233	222	233	222		
Insurance, investment, maintenance and warranty contracts	2 465	2 124				
Trade and other payables and provisions	11 474	10 092	4 213	3 687	426	499
Non-current financial liabilities	323	312	25	19		
Non-interest-bearing liabilities	14 495	12 750	4 471	3 928	426	499
Non-redeemable, non-participating preference shares	441	441				
Interest-bearing borrowings	7 508	7 833				
Deferred tax liabilities	549	656				
Current tax liabilities	524	335				
Liabilities directly associated with assets classified as held for sale		262				
Total liabilities per statement of financial position	23 517	22 277				
GEOGRAPHIC SEGMENTATION						
Operating assets	32 815	29 506	11 308	9 333	2 948	2 822
– South Africa	26 811	24 795	7 377	6 383	2 904	2 769
– Rest of Africa	1 454	755	962	285	44	53
– Rest of world	4 550	3 956	2 969	2 665		
Non-interest-bearing liabilities	14 495	12 750	4 471	3 928	426	499
– South Africa	12 101	10 805	2 792	2 595	409	469
– Rest of Africa	605	279	370	58	17	30
– Rest of world	1 789	1 666	1 309	1 275		
Interest-bearing borrowings	7 508	7 833	2 541	2 235	1 429	1 278
– South Africa	4 227	4 861	1 833	1 624	1 449	1 287
– Rest of Africa	320	219	239	126	(20)	(9)
– Rest of world	2 961	2 753	469	485		
Gross capital expenditure	3 843	3 511	1 155	1 003	1 540	1 852
– South Africa	3 383	3 160	830	710	1 529	1 826
– Rest of Africa	103	129	89	101	11	26
– Rest of world	357	222	236	192		
Gross capital expenditure	3 843	3 511	1 155	1 003	1 540	1 852
Less: Proceeds on disposal	(2 315)	(1 651)	(360)	(345)	(1 175)	(855)
Net capital expenditure	1 528	1 860	795	658	365	997

** Financial services was previously named Insurance and now also includes the financial services businesses from Distributorships, Car Rental and Tourism, Automotive Retail and Head Office and Eliminations.*
^ These segments have been re-presented taking the financial services aspects out of these divisions and including them within the Financial Services division.

	Distributor-ships 2011 Rm	Distributor-ships^ 2010 Rm	Automotive Retail 2011 Rm	Automotive Retail^ 2010 Rm	Financial Services* 2011 Rm	Financial Services* 2010 Rm	Head Office and Elimi-nations 2011 Rm	Head Office and Elimi-nations^ 2010 Rm
	394	286	119	127	29	26	5	2
	62	46	7	(11)	2 230	2 096	143	134
	2 289	2 088	1 654	1 731	124	123	189	51
							(46)	(53)
	263	124			498	603	(417)	(384)
					244	206		
	4 619	4 359	2 112	1 826	230	219	(24)	(25)
	1 383	1 361	748	698	478	434	(21)	(55)
					1 247	1 339		
	9 010	8 264	4 640	4 371	5 080	5 046	(171)	(330)
	33	21			2 432	2 099		4
	3 513	3 065	2 009	1 703	1 369	1 334	(56)	(196)
	17						281	293
	3 563	3 086	2 009	1 703	3 801	3 433	225	101
	9 010	8 264	4 640	4 371	5 080	5 046	(171)	(330)
	8 093	7 525	4 043	3 844	4 684	4 684	(290)	(410)
	49	56			396	362	3	(1)
	868	683	597	527			116	81
	3 563	3 086	2 009	1 703	3 801	3 433	225	101
	3 400	2 939	1 663	1 450	3 630	3 283	207	69
	34	32			171	150	13	9
	129	115	346	253			5	23
	2 002	2 863	772	1 023	(916)	(448)	1 680	882
	1 337	2 340	685	946	(916)	(448)	(161)	(888)
	101	102						
	564	421	87	77			1 841	1 770
	726	516	222	239	185	37	15	(136)
	688	503	188	222	182	36	(34)	(137)
					3	1		1
	38	13	34	17			49	
	726	516	222	239	185	37	15	(136)
	(384)	(226)	(144)	(158)	(218)	(9)	(34)	(58)
	342	290	78	81	(33)	28	(19)	(194)

At a glance

Overview of Imperial

Management report

Financial reports

Segment information – income statement

for the year ended 30 June

	Total Group 2011 Rm	Continuing Operations 2010 Rm	Logistics 2011 Rm	Logistics 2010 Rm	Car Rental and Tourism 2011 Rm	Car Rental and Tourism^ 2010 Rm
BUSINESS SEGMENTATION						
Revenue						
– Sales of goods	38 182	30 433	2 294	855	1 162	998
– Rendering of services	23 849	20 474	18 209	15 673	2 071	1 905
– Gross premiums received	2 558	2 471				
– Other	78	60	72	59	5	1
	64 667	53 438	20 575	16 587	3 238	2 904
Inter-segment revenue			61	99	75	37
	64 667	53 438	20 636	16 686	3 313	2 941
Operating expenses including cost of sales	58 931	49 082	18 782	14 921	2 485	2 163
Investment income	(209)	(214)				
Fair value (gains) losses on investments	(76)	(97)				
Depreciation, amortisation and impairments	1 528	1 396	743	725	477	397
Recoupments (excluding properties)	(33)	(17)	(25)	(21)		(1)
Operating profit	4 526	3 288	1 136	1 061	351	382
Recoupments from sale of properties, net of impairments	7	51	37	31		
Amortisation of intangible assets arising on business combinations	(15)		(15)			
Foreign exchange (losses) gains	(33)	49	(6)	2		(1)
Fair value (losses) gains on foreign exchange derivatives	(18)	(38)				
Impairment reversals of share scheme loans		24				
Gain on early settlement of European bond		27				
Fair value gain on Lereko call option	279	78				
Profit before net financing costs and exceptional items	4 746	3 479	1 152	1 094	351	381
Net financing costs including fair value gains and losses	(554)	(597)	(216)	(195)	(141)	(88)
Income from associates and joint ventures	34	174	17	18	1	1
Profit before tax and exceptional items	4 226	3 056	953	917	211	294
Income tax excluding tax on exceptional items	(1 271)	(764)	(360)	(244)	(61)	(82)
Profit after tax before exceptional items	2 955	2 292	593	673	150	212
GEOGRAPHIC SEGMENTATION						
Revenue	64 667	53 438	20 636	16 686	3 313	2 941
– South Africa	50 330	41 838	11 333	9 783	3 171	2 769
– Rest of Africa	3 120	1 106	2 455	525	142	172
– Rest of world	11 217	10 494	6 848	6 378		
Operating profit	4 526	3 288	1 136	1 061	351	382
– South Africa	3 922	2 730	644	702	324	337
– Rest of Africa	239	182	142	61	27	45
– Rest of world	365	376	350	298		
Net financing costs	554	597	216	195	141	88
– South Africa	474	501	194	177	138	82
– Rest of Africa	27	27	17	13	3	6
– Rest of world	53	69	5	5		

* *Financial services was previously named Insurance and now also includes the financial services businesses from Distributorships, Car Rental and Tourism, Automotive Retail and Head Office and Eliminations.*

^ *These segments have been re-presented taking the financial services aspects out of these divisions and including them within the Financial Services division.*

	Distributor-ships 2011 Rm	Distributor-ships^ 2010 Rm	**Automotive Retail 2011 Rm**	Automotive Retail^ 2010 Rm	**Financial Services* 2011 Rm**	Financial Services* 2010 Rm	**Head Office and Elimi-nations 2011 Rm**	Head Office and Elimi-nations^ 2010 Rm
	19 656	15 148	15 013	13 453			57	(21)
	1 466	955	1 496	1 395	589	502	18	44
					2 558	2 471		
				1			1	(1)
	21 122	16 103	16 509	14 849	3 147	2 973	76	22
	825	789	641	694	262	290	(1 864)	(1 909)
	21 947	16 892	17 150	15 543	3 409	3 263	(1 788)	(1 887)
	19 986	15 893	16 545	15 103	2 848	2 792	(1 715)	(1 790)
					(253)	(261)	44	47
	124	2			(76)	(99)		
	(7)	79	99	94	133	135	(48)	(34)
		4	9	1	(3)		(7)	
	1 844	914	497	345	760	696	(62)	(110)
			(2)	(1)		6	(28)	15
	5	6	1		(1)	(1)	(32)	43
	(26)	3					8	(41)
								24
								27
							279	78
	1 823	923	496	344	759	701	165	36
	(199)	(214)	(109)	(134)			111	34
	18	(8)		(10)	18	14	(20)	159
	1 642	701	387	200	777	715	256	229
	(466)	(194)	(109)	(56)	(203)	(189)	(72)	1
	1 176	507	278	144	574	526	184	230
	21 947	16 892	17 150	15 543	3 409	3 263	(1 788)	(1 887)
	19 120	14 315	15 410	13 838	3 155	3 033	(1 859)	(1 900)
	268	178			254	230	1	1
	2 559	2 399	1 740	1 705			70	12
	1 844	914	497	345	760	696	(62)	(110)
	1 813	878	461	322	692	617	(12)	(126)
	1	(3)			68	79	1	
	30	39	36	23			(51)	16
	199	214	109	134			(111)	(34)
	169	190	105	131			(132)	(79)
	7	7						1
	23	17	4	3			21	44

1. Basis of preparation

The abridged consolidated financial statements have been prepared in accordance with the recognition and measurement criteria of International Financial Reporting Standards (IFRS) and its interpretations adopted by the International Accounting Standards Board (IASB) in issue and effective for the group at 30 June 2011 and the AC 500 standards issued by the Accounting Practices Board or its successor. This abridged consolidated information has been prepared using the information required by IAS 34 – *Interim Financial Reporting*, and complies with the Listings Requirements of the JSE Limited. These abridged annual financial statements do not include all the information required for full annual financial statements and should be read in conjunction with the annual financial statements as at and for the year ended 30 June 2011 as published in the attached compact disc and on the website: www.imperial.co.za.

These abridged annual financial statements were approved by the board of directors on 23 August 2011.

Accounting policies

The accounting policies adopted, and methods of computation used, in the preparation of the abridged annual financial statements are in terms of IFRS and are consistent with those of the annual financial statements for the year ended 30 June 2010 except for the adoption of new or revised accounting standards, interpretations and restatements which are described below.

New and amended accounting standards

The group adopted the new and amended accounting standards and interpretations that became applicable during the current reporting period.

None of these has had a significant impact on the group's accounting policies and methods of computation, and they have not impacted the 30 June 2010 statement of financial position.

Consolidation of Lereko Mobility (Pty) Limited

The preferred ordinary shares in Imperial Holdings Limited and Eqstra Holdings Limited held by Lereko Mobility converted into ordinary shares on 30 September 2010. Part of these shares were sold on the open market and the proceeds were used to settle Lereko Mobility's funding obligations to third parties. It is likely that the remaining shares will be delivered to Imperial Holdings Limited and Eqstra Holdings Limited to settle Lereko Mobility's vendor funding obligations to Imperial Holdings Limited and Eqstra Holdings Limited, respectively. As it is likely that the remaining Imperial Holdings Limited shares will revert back to Imperial, these shares are treated as shares repurchased.

Ordinary shares cancelled

Imperial Corporate Services (Pty) Limited, a wholly owned subsidiary of Imperial Holdings Limited, held 23 864 456 shares as treasury shares.

Sixteen million of these shares were sold to Imperial Holdings Limited and subsequently cancelled. As an intra-group transaction this had no significant financial effect on the group's results, financial position or cash flows other than transaction costs that are normally incurred in transactions of this nature.

The group acquired 1 465 719 shares in the open market with a value of R156 million and were cancelled out of retained earnings.

Discontinued operations

Discontinued operations are now immaterial to the group. Their results are now included in continuing operations in the income statement and under head office and eliminations on the segment report and this impact is insignificant.

Re-presentation of the comparative information

Combined statement of comprehensive income

In the prior year a combined statement of comprehensive income was reported and this has now been re-presented into a separate income statement and a statement of comprehensive income.

New financial services segment

The group sells financial services products in a number of its segments.

A new financial services division is being reported combining the results of insurance operations, the sale of warranty and maintenance products, income from joint ventures on the sale of financial services, cell captive arrangements and factoring of premium finance operations. This qualifies as a reportable segment in terms of IFRS 8 – *Operating Segments*.

Previously these operations were reported in the car rental and tourism, distributorships, automotive retail, insurance and head office segments.

The insurance segment has been renamed financial services and now includes all of the above operations. These reallocations have been re-presented for the prior year.

None of this has had an impact on group earnings.

The new financial services segment results in the following reclassifications:

Consolidated statement of financial position	2010 Rm	2009 Rm
Insurance and investment contracts*	1 093	1 356
Deferred revenue reallocated	1 031	806
Insurance, investment, maintenance and warranty contracts – as re-presented	2 124	2 162
Trade and other payables*	10 081	8 342
Deferred revenue reallocated	(1 031)	(806)
Trade and other payables – as re-presented	9 050	7 536

In terms of IAS 1 – *Presentation of Financial Statements*, these re-presentations require that the 2009 statement of financial position be presented showing the impact with related notes. The notes that have been impacted are notes 15 and 18 on the abridged annual financial statements, these notes include the revised 2009 financial information. All other notes for 2009 remain the same.

Consolidated income statement and consolidated statement of comprehensive income

No impact.

Consolidated statement of cash flows

There is no impact on the consolidated statement of cash flows except for note 23a detailed below.

	2010 Rm
Net movement in insurance funds*	(257)
Reallocation in deferred income	225
Net movement in insurance, investment, maintenance and warranty contracts – as re-presented	(32)
Increase in trade payables*	1 312
Reallocation in deferred income	(225)
Increase in trade payables and provisions – as re-presented	1 087

* *As previously reported.*

The above reclassification had no impact on cash generated by operations.

The deferred revenue relates to obligations to provide services for warranty and maintenance products that extend beyond the end of the financial year.

for the year ended 30 June 2011

1. Basis of preparation continued

30 June 2010 Segmental information – financial position	Total Rm	Logistics Rm	Car Rental and Tourism Rm	Distributorship Rm	Automotive Retail Rm	Financial Services Rm	Head Office and Eliminations Rm
Operating assets							
Operating assets*	29 506	9 333	2 835	8 947	4 381	3 891	119
Reallocation of financial services			(13)	(683)	(10)	1 155	(449)
Operating assets – as re-presented	29 506	9 333	2 822	8 264	4 371	5 046	(330)
Operating liabilities							
Operating liabilities*	12 750	3 928	499	3 878	1 707	2 243	495
Reallocation of financial services				(792)	(4)	1 190	(394)
Operating liabilities – as re-presented	12 750	3 928	499	3 086	1 703	3 433	101
Segmental information – income statement							
Profit before tax and exceptional items*	3 056	917	307	946	206	506	174
Reallocation of financial services			(13)	(245)	(6)	209	55
Profit before tax and exceptional items – as re-presented	3 056	917	294	701	200	715	229

** As previously reported.*

Events subsequent to year-end

In terms of the Ukhamba Black Economic Empowerment transaction, 901 617 deferred ordinary shares were converted to ordinary shares with effect from 1 July 2011. These shares will be listed on the JSE Limited.

There were no other material events that require disclosure that have occurred subsequent to the financial position date.

Operational segmental reporting

For management purposes, the group is organised into five major operating divisions – Logistics, Car Rental and Tourism, Distributorships, Automotive Retail and Financial Services. These divisions are the basis on which the group reports its primary segment information.

This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

The segment profit includes revenue, operating costs and other income, net financing costs and the share of income from associates and tax. Central administration costs and group eliminations are dealt with under Head Office and Eliminations.

1. Basis of preparation continued

The principal services and products of each of these divisions are as follows:

Logistics – provides complete logistics solutions including transportation, warehousing, inland waterway shipping, container handling and related value-added services.

Car Rental and Tourism – vehicle rental operations span the domestic, corporate and leisure sectors as well as inbound tourism, with extensive support services. Tourism operations include inbound tour operations and niche tourism services.

Distributorships – this segment imports and distributes a range of passenger, commercial vehicles, automotive products, industrial equipment, motorcycles and light aircraft.

Automotive Retail – consists of a large network of motor vehicle and commercial vehicle dealerships in South Africa and representing most of the major original equipment manufacturers (OEMs). Also manufactures and sells caravans and canopies.

Financial Services – comprises the insurance operations which are focused on a range of short-, medium- and long-term insurance and assurance products that are predominantly associated with the automotive market, the sale of warranty and maintenance products, income from joint ventures on the sale of financial services, cell captive arrangements and factoring of premium finance operations.

2. Intangible assets

	Cost Rm	Accumulated amortisation and impairments Rm	Net book value Rm
At 30 June 2011			
– Goodwill	2 162	559	1 603
– Computer software	318	255	63
– Other intangibles	228	71	157
	2 708	885	1 823
At 30 June 2010			
– Goodwill	1 390	507	883
– Computer software	275	224	51
– Other intangibles	115	43	72
	1 780	774	1 006

3. Investments in associates and joint ventures

	2011 Rm	2010 Rm
Listed shares at cost	177	176
Unlisted shares at cost	211	220
Share of post-acquisition reserves (net of impairments)	108	75
Goodwill written off	(3)	(22)
Carrying value of shares	493	449
Indebtedness by associates and joint ventures	277	354
Call option (Lereko Mobility)		387
	770	1 190
Valuation of shares		
Listed shares at market value	227	200
Unlisted shares at directors' valuation	302	268

The directors' valuation has been established by reference to the group's share of the net assets of the associates and joint ventures.

for the year ended 30 June 2011

		Cost Rm	Accumulated depreciation and impairments Rm	Net book value Rm
4.	**Property, plant and equipment**			
	At 30 June 2011			
	– Land, buildings and leasehold improvements	5 850	676	5 174
	– Equipment and furniture	2 565	1 563	1 002
	– Motor vehicles	325	130	195
	– Aircraft	267	88	179
		9 007	2 457	6 550
	At 30 June 2010			
	– Land, buildings and leasehold improvements	5 475	572	4 903
	– Equipment and furniture	2 253	1 373	880
	– Motor vehicles	271	113	158
	– Aircraft	51	9	42
		8 050	2 067	5 983

		2011 Rm	2010 Rm
5.	**Transport fleet**		
	Cost	6 485	6 039
	Accumulated depreciation and impairments	2 858	2 640
		3 627	3 399
6.	**Vehicles for hire**		
	Cost	2 592	2 722
	Accumulated depreciation and impairments	535	485
		2 057	2 237
7.	**Investments and loans**		
	Investments		
	– Listed at market value	1 409	1 082
	– Unlisted at fair value	637	831
		2 046	1 913
	Loans – at amortised cost	367	108
		2 413	2 021
8.	**Non-current financial assets**		
	Reinsurance debtors – held at amortised cost	244	206
9.	**Inventories**		
	New vehicles	3 559	3 247
	Used vehicles	2 559	2 310
	Spares, accessories and finished goods	1 066	965
	New and used aircraft	84	119
	Fast moving consumer goods	146	
	Fuel and oil	55	57
	Merchandise	65	63
	Work in progress	55	48
		7 589	6 809

	2011 Rm	2010 Rm
10. Trade and other receivables		
Trade receivables	6 817	6 020
– Gross receivables	7 227	6 405
– Doubtful debt provision	(410)	(385)
Prepayments and other receivables	311	129
Derivative financial instruments – hedging instruments	2	16
	7 130	6 165
11. Share capital		
Authorised share capital		
394 999 000 (2010: 394 999 000) ordinary shares of 4 cents each	15	15
50 000 000 (2010: 50 000 000) deferred ordinary shares of 4 cents each	2	2
15 000 000 (2010: 15 000 000) preferred ordinary shares of 4 cents each	1	1
1 000 (2010: 1 000) redeemable preference shares of 4 cents each		
40 000 000 (2010: 40 000 000) non-redeemable, non-participating preference shares of 4 cents each	2	2
	20	20
Issued share capital		
208 826 352 (2010: 210 892 364) ordinary shares of 4 cents each	8	8
15 012 609 (2010: 15 895 699) deferred ordinary shares of 4 cents each	1	1
Nil (2010: 14 516 617) preferred ordinary shares of 4 cents each		1
4 540 041 (2010: 4 540 041) non-redeemable, non-participating preference shares of 4 cents each (see note 13)		
	9	10

Directors' authority to issue ordinary shares and non-redeemable preference shares

The directors have been given general authority until the next annual general meeting to issue not more than five million ordinary shares and issue not more than five million non-redeemable, non-participating preference shares at their discretion.

Group share schemes

Total rights authorised and currently allocated in terms of group share schemes	Number of shares 2011	Number of shares 2010
Imperial Bonus Rights Scheme		209 000
Share Appreciation Rights Scheme	18 503 389	17 645 806
Deferred Bonus Plan	223 072	323 030
	18 726 461	18 177 836

11. Share capital continued

Directors' and prescribed officers' interests in issued share capital

At year-end the aggregate shareholdings of the directors and prescribed officers in the issued ordinary share capital of the company are detailed below.

Director/prescribed officer	2011 Beneficial number of shares	2011 Non-beneficial number of shares	2010 Beneficial number of shares	2010 Non-beneficial number of shares
Non-executive directors				
MJ Leeming		4 928		928
RJA Sparks	40 000		40 000	
Y Waja	927		927	
	40 927	4 928	40 927	928
Executive directors				
OS Arbee	36 266		21 547	
HR Brody	64 942		45 118	
MP de Canha	1 107 812		1 046 904	
RL Hiemstra	48 492		32 633	
AH Mahomed	63 796		40 899	
M Swanepoel	46 104		36 192	
	1 367 412		1 223 293	
Prescribed officers				
DD Gnodde	15 206			
P Michaux	24 536			
	39 742			
	1 448 081	4 928	1 264 220	928

As a result of the implementation of the Lereko Mobility BEE transaction MV Moosa being a shareholder of Lereko Mobility holds a beneficial interest in 537 804 ordinary shares (2010: 1 331 145 preferred ordinary shares).

	2011 Rm	2010 Rm
12. Shares repurchased		
23 864 456 (2010: 23 864 456) ordinary shares	(1 816)	(1 816)
Purchase of 2 123 775 ordinary shares at R94,20 each to hedge share scheme obligations		(200)
Cancellation of 2 123 775 ordinary shares at R94,20 each		200
Cancellation of 16 000 000 ordinary shares at R125,00 each	2 000	
Valuation reserve reallocation relating to the share cancellation	261	
7 864 456 (2010: 23 864 456) ordinary shares	445	(1 816)
Consolidation of 5 864 944 Imperial shares held by Lereko Mobility as shares repurchased	(665)	
13 729 400 (2010: 23 864 456) ordinary shares	(220)	(1 816)
13. Non-redeemable, non-participating preference shares		
Non-redeemable, non-participating preference shares at cost	441	441

4 540 041 preference shares were issued during the 2007 financial year and are listed on the JSE Limited under specialist securities – preference shares sector.

These shares are entitled to a preference dividend being 75% of the prime interest rate. The company is obligated to pay any arrear dividends within five years from the proceeds raised by issuing new ordinary shares within six months prior to such payment. Because of the cumulative nature of these preference shares they are classified as debt with no repayment terms.

The coupon is payable semi-annually on 1 April and 1 October and annually this amounts to R32 million (2010: R36 million) based on current rates of interest as included as part of financing cost.

	2011 Rm	2010 Rm
14. Interest-bearing borrowings		
Long term		
– Loans secured by mortgage bonds over fixed property	89	58
– Liabilities under capitalised finance leases	131	144
– Instalment sale creditors secured by assets	97	66
– Corporate bonds	6 477	6 448
– *Listed on the Bond Exchange of South Africa*		
– Held at fair value – IC 02 – maturing in May 2012	518	522
– Held at amortised cost – IPL 4 – maturing in March 2014	1 531	1 530
– Held at amortised cost – IPL 5 – maturing in September 2015	499	
– Held at amortised cost – IPL 6 – maturing in September 2017	1 535	
– Held at amortised cost – IPL 3		1 008
– Held at amortised cost – IC 01		1 018
– *Listed on the gilt edged and fixed interest market of the London Stock Exchange*		
– Held at amortised cost – Eurobond – maturing in April 2013	825	798
– Held at fair value – Eurobond – maturing in April 2013	1 569	1 572
– Unsecured loans	109	102
	6 903	6 818
Short term		
– Unsecured loans, call borrowings and bank overdrafts	605	1 015
Total borrowings	7 508	7 833
Less : Current portion of interest-bearing borrowings	1 206	3 124
Long-term borrowings	6 302	4 709

Summary of long-term borrowings by currency and year of redemption or repayment	2016 and onwards Rm	2 015 Rm	2 014 Rm	2 013 Rm	2 012 Rm	2 011 Rm	2010 Rm
SA rand	2 041	6	1 569	93	714	4 423	4 894
British pound					82	82	74
Euro	86	22	24	2 447	63	2 642	2 644
Australian dollar					345	345	221
Other	3	4	3	4	2	16	
	2 130	32	1 596	2 544	1 206	7 508	7 833

The impact of a 1% increase in interest rates will have an annualised R10 million (2010: R4 million) effect on group after-tax profit and equity.

	2011 Rm	Re-presented 2010 Rm	Re-presented 2009 Rm
15. Insurance, investment, maintenance and warranty contracts			
Long-term insurance funds	557	559	525
Short-term insurance funds	479	534	831
Deferred income	1 429	1 031	806
	2 465	2 124	2 162

for the year ended 30 June 2011

	2011 Rm	2010 Rm
16. Non-current financial liabilities		
Cross currency and interest rate swap instruments	288	256
Contingent consideration	17	39
Loans payable	18	17
	323	312
17. Provisions for liabilities and other charges		
Leave pay	306	263
Bonuses	236	232
Warranty and after sales	137	
Insurance claims	208	167
Other	471	380
	1 358	1 042

	2011 Rm	Re-presented 2010 Rm	Re-presented 2009 Rm
18. Trade and other payables			
Trade payables and accruals	9 879	8 833	7 379
Deferred income	140	98	38
Derivative financial instruments	97	119	119
	10 116	9 050	7 536

	2011 Rm	2010 Rm
19. Exceptional items		
Impairment of goodwill	(52)	(108)
Profit on disposal of Imperial Bank Limited		131
Profit on disposal of other associates and joint ventures	6	22
Profit on disposal of investments in subsidiaries		13
Gross exceptional items	(46)	58
Tax expense	(1)	(147)
Net exceptional items	(47)	(89)
Attributable to non-controlling interests	1	(10)
Attributable to Imperial Holdings' shareholders	(46)	(99)
20. Financing cost		
Non-financial services businesses		
Interest paid on financial liabilities not at fair value through profit or loss	559	618
Capitalised to property, plant and equipment		(8)
Interest paid on financial liabilities designated as fair value through profit or loss	147	187
Foreign exchange loss (gain) on monetary items	62	(222)
Fair value (gains) losses arising from interest-bearing borrowings and interest rate swap instruments	(71)	186
	697	761
Finance income on financial assets not fair valued through profit or loss	(143)	(164)
	554	597

	2011 %	2010 %
21. Income tax expense		
Reconciliation of tax rates:		
Profit before tax, excluding income from associates and joint ventures – effective tax rate	30,7	31,0
Tax effect of:		
– Foreign tax rate differential	(0,4)	0,1
– Tax assets (not recognised) recognised	(1,1)	1,9
– Disallowable charges/capital losses	(2,4)	(3,9)
– Exempt/capital income	3,9	4,3
– Secondary tax on companies	(2,6)	(2,2)
– Capital gains tax	(0,6)	(5,6)
– Prior year over provision	0,5	2,4
	28,0	28,0

	2011 Rm	2010 Rm
22. Earnings per share		
Ordinary shares		
Basic earnings per share is calculated by dividing the profit attributable to ordinary shareholders of Imperial Holdings by the weighted average number of ordinary shares in issue during the year.		
Net profit attributable to equity holders of Imperial Holdings	2 562	2 021
Attributable to preferred ordinary shareholders		(78)
Attributable to ordinary shareholders	2 562	1 943
Weighted average number of ordinary shares (million)	190,3	185,7
Basic earnings per share (cents)	1 346	1 047
For diluted earnings per share, the weighted average number of ordinary shares in issue is adjusted for the dilutive effect of the deferred and preferred ordinary shares and potential shares under the share schemes.		
Weighted average number of ordinary shares (million)	190,3	185,7
Adjusted for the weighted average potential shares to be issued (million)	12,0	18,3
Weighted average number of ordinary shares for diluted earnings (million)	202,3	204,0
Diluted earnings per share (cents)	1 266	991
Headline earnings and diluted headline earnings per share are calculated as follows:		
Net profit attributable to ordinary shareholders	2 562	1 943
Impairment of assets	24	39
Profit on disposal of assets	(60)	(98)
Exceptional items	46	(88)
Exceptional items included in income from associates and joint ventures	17	4
Tax	15	31
Non-controlling interests	4	10
Headline earnings	2 608	1 841
Add back earnings attributable to preferred ordinary shareholders		78
Diluted headline earnings	2 608	1 919
Weighted average number of ordinary shares (million)	190,3	185,7
Basic headline earnings per share (cents)	1 370	992
Weighted average number of ordinary shares for diluted earnings (million)	202,3	204,0
Diluted headline earnings per share (cents)	1 289	941
Preferred ordinary shares		
Fixed amount attributable to preferred ordinary shares (cents)		535

for the year ended 30 June 2011

		2011 Rm	Re-presented 2010 Rm
23 (a)	**Cash generated by operations before net capital expenditure on rental assets**		
	Profit before net financing costs	4 700	3 564
	Continuing operations		3 537
	Discontinued operations		27
	Adjustments for non-cash and other movements		
	Amortisation of intangible assets, net of recoupments	57	52
	Depreciation of property, plant and equipment	395	376
	Depreciation of transport fleet, net of recoupments	498	477
	Depreciation of vehicles for hire, net of recoupments	565	475
	Depreciation of property, plant and equipment - discontinued operations		1
	Exceptional items	46	(88)
	Profit on disposal of property, plant and equipment	(36)	(83)
	Fair value gains on investments	(76)	(97)
	Impairment of assets	24	39
	Foreign exchange losses (gains)	15	(14)
	Fair value adjustments	(2)	5
	Impairment reversal – share trust loan		(26)
	Impairment of non-current financial assets		44
	Fair value gain on early settlement of European bond		(27)
	Fair value gain on Lereko call option	(279)	(78)
	Recognition of share-based payments	122	134
	Net movement in insurance, investment, maintenance and warranty contracts	345	(32)
	Increase in retirement benefit obligations	1	1
	Cash generated by operations before changes in working capital	6 375	4 723
	Working capital movements		
	Increase in inventories	(346)	(875)
	Increase in trade and other receivables	(392)	(182)
	Increase in trade and other payables and provisions	440	1 087
		6 077	4 753
23 (b)	**Net replacement capital expenditure – excluding rental assets**		
	Expenditure		
	Intangible assets	(43)	(35)
	Plant and equipment	(558)	(394)
	Transport fleet	(473)	(429)
		(1 074)	(858)
	Proceeds on disposals		
	Intangible assets	9	4
	Plant and equipment	150	160
	Transport fleet	248	231
		407	395
	Net expenditure		
	Intangible assets	(34)	(31)
	Plant and equipment	(408)	(234)
	Transport fleet	(225)	(198)
		(667)	(463)

		2011 Rm	2010 Rm
24.	**Dividends**		
	Ordinary shares		
	Interim		
	– In the current year a dividend of 220 cents per share was paid on 28 March 2011	445	
	– In the prior year a dividend of 150 cents per share was paid on 29 March 2010		284
	Final		
	– A dividend of 260 cents per share is payable on 26 September 2011	521	
	– In the prior year a dividend of 200 cents per share was paid on 27 September 2010		374
	Preferred ordinary shares		
	Interim		
	– In the prior year a dividend of 267,5 cents per share was paid on 25 March 2010		39
	Final		
	– A dividend of 267,5 cents was paid on 23 September 2010		39
	Secondary tax on companies (STC) is payable at a rate of 10% upon payment of these dividends, less any STC credits available.		
25.	**Commitments and contingent liabilities**		
	Capital commitments	1 007	882
	Contingent liabilities	61	201

At a glance
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Subsidiaries and businesses acquired	Nature of business	Operational segment	Date acquired	Interest acquired (%)	Purchase consideration transferred Rm
CIC Holdings Limited	FMCG industry	Logistics	November 2010	100	724
E-Z-GO Golf Carts	Golf carts distribution	Distributorships	September 2010	100	101
EWC Express SA (Pty) Limited	Express logistics	Logistics	October 2010	80	44
Danmar Autobody	Panelshops	Car Rental	October 2010	100	92
Graffiti Designs (Pty) Limited	Signage and advertising	Distributorships	July 2010	60	41
Individually immaterial business combinations					150
					1 152

Reasons for the acquisitions

CIC Holdings Limited, a previously JSE Limited listed entity, was acquired to expand our logistics business into the rest of Africa.
E-Z-GO Golf Carts was acquired to expand our distribution business.
EWC Express was acquired as a strategic entry into the parcel and express logistics market.
Danmar Autobody was acquired to increase market share in the panelshops industry.
Graffiti Designs was acquired to enter into the vehicle signage business.

Impact of the acquisitions on the results of the group	Total Rm	CIC Holdings Limited Rm	E-Z-GO Golf Carts Rm	EWC Express SA (Pty) Limited Rm	Danmar Autobody Rm	Graffiti Designs (Pty) Limited Rm	Individually immaterial acquisitions Rm
From the dates of acquisition, the acquired businesses contributed:							
Revenue	2 761	1 761	48	130	106	126	590
Attributable profit	70	45	5	5	(8)	9	14
Had all the acquisitions been consolidated from 1 July 2010 the income statement would have included:							
Revenue	3 860	2 645	56	173	162	126	698
Attributable profit	99	59	8	5	(6)	9	24

Fair value of assets acquired and liabilities assumed at date of acquisition:	Total Rm	CIC Holdings Limited Rm	E-Z-GO Golf Carts Rm	EWC Express SA (Pty) Limited Rm	Danmar Autobody Rm	Graffiti Designs (Pty) Limited Rm	Individually immaterial acquisitions Rm
Assets							
Intangible assets	201	170					31
Investments, loans, associates and joint ventures	29	29					
Property, plant and equipment	126	38	1	2	57	4	24
Transport fleet	160			15			145
Vehicles for hire	46		30				16
Deferred tax assets	14	9					5
Inventories	232	183	17		2	1	29
Trade and other receivables	539	313	1	31		18	176
Loans due by group companies	35	16				7	12
Cash resources	130	80		4		1	45
	1 512	838	49	52	59	31	483
Liabilities							
Deferred tax liabilities	(43)	(33)		(1)			(9)
Interest-bearing borrowings	(267)	(58)		(24)	(1)	(5)	(179)
Non-current financial liabilities	(2)						(2)
Trade and other payables and provisions	(645)	(414)	(3)	(24)	(4)	(10)	(190)
Current tax liabilities	(7)	(4)					(3)
	(964)	(509)	(3)	(49)	(5)	(15)	(383)
Acquirees' carrying amount at acquisition	548	329	46	3	54	16	100
Less: Non-controlling interests	(51)	(6)		(1)		(7)	(37)
Net assets acquired	497	323	46	2	54	9	63
Purchase consideration transferred	1 152	724	101	44	92	41	150
– Cash	1 073	724	101	24	92	41	91
– Contingent consideration	79			20			59
Fair value of previously held interest	26						26
Excess of purchase price over net assets acquired (intangibles)	681	401	55	42	38	32	113

There were no fair value gains or losses recognised on remeasuring the equity interest before the business combinations.

The trade and other receivables acquired had gross contractual amounts of R549 million of which R10 million was doubtful. None of the goodwill is expected to be deductible for tax purposes. Non-controlling interests have been calculated based on their proportionate share in net assets.

Details of contingent consideration

The contingent considerations require the group to pay the vendors an additional total amount of R79 million over three years if the entities' net profit after tax exceeds certain earnings targets. Acquisition-related costs amounting to R15 million have been excluded from the purchase consideration and have been recognised as an expense in the year within 'Net operating expenses' in the income statement.

Summary of global workforce	2011	2010
– South African including foreign nationals	34 757	30 528
– Non-South African	6 141	5 440
	40 898	35 968

Summary of employment equity report in terms of section 22 of the Employment Equity Act

Occupational levels	Male				Female				Foreign nationals		Total 2011	Total 2010
	A	C	I	W	A	C	I	W	Male	Female		
Permanent staff												
Top management	5	4	8	177	5	1	5	17	2	1	225	222
Senior management	18	9	35	398	6	3	18	111	6		604	606
Professionally qualified and experienced specialists and mid-management	168	128	245	1 220	106	63	94	697	12	1	2 734	2 311
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	2 006	736	657	2 673	396	249	198	1 318	30	8	8 271	7 591
Semi-skilled and discretionary decision making	8 258	1 702	590	1 208	1 230	671	350	1 578	138	6	15 731	13 918
Unskilled and defined decision making	4 348	569	80	98	1 057	114	6	17	29	1	6 319	4 978
	14 803	3 148	1 615	5 774	2 800	1 101	671	3 738	217	17	33 884	29 626
Non-permanent staff	306	50	15	334	49	26	5	42	46		873	902
	15 109	3 198	1 630	6 108	2 849	1 127	676	3 780	263	17	34 757	30 528

Note: A = African; C = Coloured; I = Indian; W = White

The above summary is in aggregation of all South African operating entities.

Preference shareholders and ordinary shareholders

Notice is hereby given that:

- a preference dividend of 336,575 cents per preference share has been declared payable, by the board of Imperial, to holders of non-redeemable, non-participating preference shares; and
- an ordinary dividend in an amount of 260 cents per ordinary share has been declared payable, by the board of Imperial, to holders of ordinary shares.

The company has determined the following salient dates for the payment of the preference dividend and ordinary dividend:

	2011
Last day for preference shares and ordinary shares, respectively to trade cum preference dividend and cum ordinary dividend	Friday, 16 September
Preference and ordinary shares commence trading ex preference dividend and ex ordinary dividend, respectively	Monday, 19 September
Record date	Friday, 23 September
Payment date	Monday, 26 September

Share certificates may not be dematerialised/rematerialised between Monday, 19 September 2011 and Friday, 23 September 2011, both days inclusive.

On Monday, 26 September 2011, amounts due in respect of the preference dividend and the ordinary dividend will be electronically transferred to the bank accounts of certificated shareholders who utilise this facility. In respect of those who do not, cheques dated 26 September 2011 will be posted on or about that date. Shareholders who have dematerialised their shares will have their accounts, held at their CSDP or broker, credited on Monday, 26 September 2011.

On behalf of the board

RA Venter
Group company secretary
23 August 2011

Imperial Holdings Limited
(Incorporated in the Republic of South Africa)
(Registration number: 1946/021048/06)
ISIN: ZAE000067211
JSE share code: IPL
("Imperial" or "the company")

Notice is hereby given that the twenty-third annual general meeting of shareholders will be held on Tuesday, 1 November 2011 at 09:00 in the boardroom of Imperial Holdings Limited, Imperial Place, Jeppe Quondam, 79 Boeing Road East, Bedfordview, Gauteng, or any adjournment or postponement thereof, to transact the following business and resolutions with or without amendments approved at the meeting.

The minutes of the meeting held on 3 November 2010 will be available for inspection at the registered office of the company until 16:00 on Monday, 31 October 2011 and up to 30 minutes immediately preceding the meeting.

This document is important and requires your immediate attention

If you are in any doubt about what action you should take, consult your broker, Central Securities Depositary Participant (CSDP), banker, financial adviser, accountant or other professional adviser immediately.

If you have disposed of all your shares in Imperial, please forward this document together with the enclosed form of proxy to the purchaser of such shares or the broker, banker or other agent through whom you disposed of such shares.

Registered and corporate office

Imperial Place, Jeppe Quondam, 79 Boeing Road East, Bedfordview, Gauteng (PO Box 3013, Edenvale, 1610), South Africa.

Included in this document are the following:

- The notice of annual general meeting setting out the resolutions to be proposed at the meeting, together with explanatory notes. There are also guidance notes if you wish to attend the meeting or to vote by proxy.
- A proxy form for completion, signature and submission to the share registrars by shareholders holding Imperial ordinary shares in certificated form or recorded in sub-registered electronic form in "own name".

Reference in this notice of annual general meeting to the term "MOI", including references to a provision in the company's MOI, in this notice of annual general meeting (including all of the relevant ordinary and special resolutions contained herein) is used throughout to refer to the company's memorandum of association and its memorandum of incorporation (which now form the company's MOI, as aforesaid).

Record date

The record date for the purpose of determining which shareholders of the company are entitled to receive notice of the twenty-third annual general meeting was Friday, 23 September 2011.

The record date for purposes of determining which shareholders of the company are entitled to participate in and vote at the annual general meeting is Friday, 28 October 2011.

Accordingly, only shareholders who are registered in the register of members of the company on Friday, 28 October 2011 will be entitled to attend, speak and vote at the twenty-third annual general meeting.

Electronic participation in the annual general meeting

Notice is hereby given that the twenty-third annual general meeting of shareholders of the company will be held on Tuesday, 1 November 2011 at 09:00 in the boardroom of Imperial Holdings Limited, Imperial Place, Jeppe Quondam, 79 Boeing Road East, Bedfordview, Gauteng. Shareholders or their proxies may participate in the meeting by way of a teleconference and, if they wish to do so:

- must contact the company secretary (by email at the address rventer@ih.co.za no later than 16:00 on Monday, 31 October 2011 in order to obtain a pin number and dial-in details for that conference call;
- will be required to provide reasonably satisfactory identification; and
- will be billed separately by their own telephone service providers for their telephone call to participate in the meeting.

1. Ordinary resolution number 1 – approval of the financial statements

"Resolved that the audited consolidated and company annual financial statements of Imperial for the year ended 30 June 2011, including the directors' report, the audit committee report and the auditors' report, be adopted."

Percentage voting rights

The minimum percentage of voting rights that is required for this resolution to be adopted is 50% (fifty percent) of the voting rights plus 1 (one) vote to be cast on the resolution.

2. Ordinary resolution number 2 – appointment of the auditors

"Resolved that Deloitte & Touche be appointed as auditors of the company and Mr MJ Comber as designated partner until the date of the next annual general meeting."

The audit committee has recommended the reappointment of Deloitte & Touche as auditors of the company with Mr MJ Comber as designated partner.

Percentage voting rights

The minimum percentage of voting rights that is required for this resolution to be adopted is 50% (fifty percent) of the voting rights plus 1 (one) vote to be cast on the resolution.

3. Ordinary resolution number 3 – appointment of the members of the audit committee

"Resolved that the following independent non-executive directors, be elected as members of the company's audit committee by a separate resolution in respect of each reappointment:

3.1 Mr MJ Leeming
3.2 Ms P Langeni
3.3 Mr RJA Sparks
3.4 Mr Y Waja

A brief curriculum vitae of each of the directors offering themselves for election as members of the audit committee is contained on pages 24 to 25 of the integrated report.

The board has reviewed the expertise, qualification and relevant experience of the appointed audit committee members and recommends that each of these directors be re-elected.

Percentage voting rights

The minimum percentage of voting rights that is required for each of resolutions 3.1 to 3.4 to be adopted is 50% (fifty percent) of the voting rights plus 1 (one) vote to be cast on each resolution.

4. **Ordinary resolution number 4 – confirmation of newly appointed directors and reappointment of retiring directors**

4.1 "Resolved that the appointment of Mrs SL Botha, who has been appointed during the year, be authorised and confirmed in terms of the MOI;

4.2 Resolved that the re-election of the following directors, who retire by rotation in terms of the MOI, but being eligible and offering themselves for re-election, be authorised and confirmed by a separate vote with respect to each re-election:

4.2.1 Mr S Engelbrecht
4.2.2 Mr TS Gcabashe
4.2.3 Mr A Tugendhaft"

A brief Curriculum Vitae of each of the director being confirmed in terms of resolution 4.1 and of the directors offering themselves for re-election in terms of resolution 4.2 is contained on pages 24 to 25 of the integrated report.

The performance and contribution of each of the above directors offering themselves for re-election has been reviewed by the board and the board recommends that each of these directors be re-elected.

Percentage voting rights

The minimum percentage of voting rights that is required for each of resolutions in 4.1 and 4.2.1 to 4.2.3 to be adopted is 50% (fifty percent) of the voting rights plus 1 (one) vote to be cast on each resolution.

5. **Ordinary resolution number 5 – confirmation of the group's remuneration policy**

"Resolved that, as a non-binding advisory vote, as recommended in the King Code of Governance for South Africa 2009, commonly referred to as King III, the group's remuneration policy as set out in the abridged remuneration report on pages 96 to 98 of the integrated report be hereby confirmed."

6. **Special resolution number 1 – directors' fees**

"Resolved that in terms of section 66(9) of the Companies Act, 2008 (Act 71 of 2008), as amended, the company be and is hereby authorised, by a separate vote in respect of each item, to remunerate its directors for their services as directors and/or pay any fees related thereto on the following basis and on any other basis as may be recommended by the remuneration committee and approved by the board of directors, provided that the aforementioned authority shall be valid with effect from 1 July 2011 until the next annual general meeting of the company as follows:

6.1	Chairman*	R368 500
6.2	Deputy chairman*	R185 000
6.3	Board member	R185 000
6.4	Assets and liabilities committee	R 65 000
6.5	Audit committee chairman*	R212 300
6.6	Audit committee	R106 700
6.7	Risk committee	R 67 000
6.8	Remuneration and nomination committee	R 65 000
6.9	Social, ethics and sustainability committee	R 65 000

6.10 Chairmen of committees not mentioned in 6.1 to 6.9 above receive a chairman's fee of one and a half times a normal member's fee in addition to their member's fee."

**Paid in addition to a member's fee.*

Reason and effect

The reason for special resolution number 1 is for the company to obtain the approval of shareholders by way of special resolution for the payment of remuneration to its non-executive directors in accordance with the requirements of the Companies Act.

The effect of special resolution number 1 is that the company will be able to pay its non-executive directors for the services they render to the company as directors without requiring further shareholder approval until the next annual general meeting.

Percentage voting rights

The minimum percentage of voting rights that is required for this resolution to be adopted is 75% (seventy-five percent) of the voting rights to be cast on the resolution.

7. **Special resolution number 2 – general authority to repurchase company shares**

"Resolved that, the company, or a subsidiary of the company, be and is hereby authorised, by way of a general authority, to acquire ordinary shares of 4 cents each (ordinary shares) issued by the company (including the conclusion of derivative transactions which may result in the purchase of shares), in terms of the provisions of sections 46 and 48 of the Companies Act of 2008 (Act 71 of 2008), as amended and in terms of the Listings Requirements of the JSE Limited (the Listings Requirements), it being recorded that the Listings Requirements currently require, inter alia, that the company may make a general repurchase of securities only if:

- any such repurchase of ordinary shares is effected through the order book operated by the JSE trading system and done without any prior understanding or arrangement between the company and the counterparty (reported trades are prohibited);
- authorised by the company's MOI;
- the general authority shall be valid until the next annual general meeting of the company, provided that it shall not extend beyond 15 months from the date of this special resolution number 2;
- when the company has cumulatively repurchased 3% of the number of ordinary shares in issue on the date of passing of special resolution number 2, and for each 3% thereof, in aggregate acquired thereafter, an announcement is published as soon as possible and not later than 08:30 on the business day following the day on which the relevant threshold is reached or exceeded, and the announcement complies with the requirements of the Listings Requirements;
- at any time, only one agent is appointed to effect any repurchase on the company's behalf;
- the company or its subsidiary does not repurchase securities during a prohibited period unless the company has a repurchase programme in place where the dates and quantities of securities to be traded during the relevant period are fixed (not subject to any variation) and full details of the programme have been disclosed in an announcement over SENS prior to the commencement of the prohibited period;
- a resolution by the board of directors that they authorised the repurchase, and that the company has satisfied the solvency and liquidity test as defined in the Companies Act and that since the solvency and liquidity test was done, there have been no material changes to the financial position of the group;
- any general repurchase by the company of its own ordinary shares shall not, in aggregate in any one financial year exceed 20% of the company's issued ordinary shares as at the date of passing of this special resolution number 2; and
- in determining the price at which the ordinary shares are repurchased by the company or its subsidiary in terms of this general authority, the maximum price at which such shares may be repurchased will not be greater than 10% above the weighted average of the market value for such ordinary shares for the five business days immediately preceding the date of repurchase of such shares.

A general repurchase of the company's shares shall not be effected before the JSE Limited has received written confirmation from the company's sponsor (the sponsor), in terms of paragraph 2.12 of the Listings Requirements, in respect of the directors' working capital statement. Furthermore, the company will consult the sponsor before:

- it repurchases more than 10% in terms of its general authority;
- it executes a repurchase which will result in the accumulated rand value of the repurchases from the date of the last authority being greater than 10% of the shareholders' equity at the date that the authority was obtained; or
- it repurchases securities and the financial position of the group has changed materially from the date when the sponsor first issued its written confirmation, in order for the sponsor to review the validity of its letter issued when the general authority was granted.

The company will only transact in derivative transactions relating to the repurchase of securities if, with regard to the price of the derivative:

- the strike price of any put option written by the company less the value of the premium received by the company for that put option may not be greater than the fair value of a forward agreement based on a spot price not greater than 10% above the weighted average of the market value for the securities for the five business days immediately preceding the date on which the transaction is effected;
- the strike price of any call option purchased by the company may be greater than 10% above the weighted average of the market value for the securities for the five business days immediately preceding the date on which the transaction is effected at the time of entering into the derivative agreement, but the company may not exercise the call option if it is more than 10% "out of the money"; and
- the price of the forward agreement may be greater than 10% above the weighted average of the market value for the securities for the five business days immediately preceding the date on which the transaction is effected but limited to the fair value of a forward agreement calculated from a spot price not greater than 10% above the weighted average of the market value for the securities for the five business days immediately preceding the date on which the transaction is effected.

The directors of the company confirm that no repurchase will be implemented in terms of this authority unless, after each such repurchase:
- the company and its subsidiaries (the group) will be able to pay its debts as they become due in the ordinary course of business for a period of 12 months after the date of the notice of the annual general meeting;
- the assets of the company and the group will be in excess of the liabilities of the company and the group for the period of 12 months after the date of the approval of the notice of annual general meeting. For this purpose, the assets should be recognised and measured in accordance with the accounting policies used in the latest audited consolidated annual financial statements which comply with the Act;
- the share capital and reserves of the company and the group will be adequate for ordinary business purposes for a period of 12 months after the date of the notice of the annual general meeting; and
- the working capital of the company and the group will be adequate for ordinary business purposes for a period of 12 months after the date of the notice of the annual general meeting.

and the directors have passed a resolution authorising the repurchase, resolving that the company or the subsidiary, as the case may be, has satisfied the solvency and liquidity test as defined in the Companies Act and resolving that since the solvency and liquidity test had been applied, there have been no material changes to the financial position of the group."

Pursuant to, and in terms of, paragraph 11.23 and 11.26 of the Listings Requirements, the directors of the company hereby state that:
- the intention of the company and its subsidiaries is to utilise the general authority to repurchase, if at some future date the cash resources of the company are in excess of its requirements; and
- the method by which the company and any of its subsidiaries intend to repurchase its securities and the date on which such repurchase will take place, has not yet been determined.

The Listings Requirements require the following disclosures, some of which appear elsewhere in the integrated report of which this notice forms part:

• Directors and management	pages 24 to 27
• Major shareholders	page 18
• Share capital of the company	page 119
• Directors' interest in securities	page 120

Litigation statement
In terms of section 11.26 of the Listings Requirements, the directors, whose names are given on pages 24 to 26 of the integrated report of which this notice forms part, are not aware of any legal or arbitration proceedings, including proceedings that are pending or threatened, that may have or have had in the recent past, being at least the previous 12 months, a material effect on the group's financial position.

Directors' responsibility statement
The directors, whose names are given on pages 24 to 26 of the integrated report, collectively and individually accept full responsibility for the accuracy of the information pertaining to this resolution and certify that to the best of their knowledge and belief there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that this resolution contains all information required by law and the Listings Requirements.

No material changes to report
Other than the facts and developments reported on in the integrated report, there are no material changes in the affairs or financial position of the company and its subsidiaries that have occurred subsequent to the 30 June 2011 year end.

Reason and effect
The reason for and effect of special resolution 2 is to authorise the company and/or its subsidiaries by way of a general authority to acquire their own issued shares on such terms, conditions and in such amounts as determined from time to time by the directors of the company subject to the limitations set out above and in compliance with section 48 of the Act.

Statement of board's intention
The board has considered the impact of a repurchase of up to 10% (ten percent) of the company's shares, being within the maximum permissible under a general authority in terms of the JSE Listings Requirements. Should the opportunity arise and should the directors deem it in all respects to be advantageous to the company to repurchase such shares, it is deemed appropriate that the company or a subsidiary be authorised to repurchase the company's shares.

Percentage voting rights

The minimum percentage of voting rights that is required for this resolution to be adopted is 75% (seventy five percent) of the voting rights to be cast on the resolution.

8. Special resolution number 3 – Authority to do a specific repurchase of treasury shares

"Resolved that the board of directors of the company be hereby authorised, by way of general authority, to approve the specific purchase in terms of sections 46 and 48 of the Companies Act, 2008 (Act 71 of 2008), as amended by Imperial of its own ordinary shares held as treasury stock by Imperial Corporate Services (Pty) Limited, a wholly owned subsidiary of Imperial of up to 7 864 456 Imperial ordinary shares in one transaction or successive transactions, at a price not less than 10% below the 30 day volume weighted average price (VWAP) of Imperial ordinary shares on the trading day before any repurchase in terms of this authority is implemented.

As soon as any repurchase is implemented, an announcement will be published on SENS stating the date of the repurchase, the price of the repurchase per share and the number of shares being repurchased."

The specific repurchase of company shares may only be effected subject to the following:

- the company's MOI authorises same;
- the company or its subsidiaries do not repurchase securities during a prohibited period unless the company has a repurchase programme in place where the dates and quantities of securities to be traded during the relevant period are fixed (not subject to any variation) and full details of the programme have been disclosed in an announcement over SENS prior to the commencement of the prohibited period.
- The board of the company is of the opinion that, after considering the effect of the specific purchase:
  - the company and all its subsidiaries (group) will be able to pay their debts as they become due in the ordinary course of business for a period of 12 months after the date of the specific purchase;
  - the assets of the company and the group will be in excess of the liabilities of the company and the group for a period of 12 months after the date of the approval of the specific repurchase. For this purpose, the assets should be recognised and measured in accordance with the accounting policies used in the latest audited consolidated annual financial statements which comply with the Act;
  - the share capital and the reserves of the company and the group will be adequate for ordinary business purposes for a period of 12 months after the date of the specific purchase;
  - the working capital of the company and the group will be adequate for ordinary business purposes for a period of 12 months after the date of approval of the specific purchase.
- The directors have passed a resolution authorising the repurchase, resolving that the Company has satisfied the solvency and liquidity test as defined in the Companies Act and resolving that since the solvency and liquidity test had been applied, there have been no material changes to the financial position of the group.

The specific repurchase will have no financial effect on the group or its shareholders, other than in respect of transaction costs that are normally incurred in transactions of this nature, namely securities transfer tax (R2,16 million) and represents 0,0009% of Imperial's market capitalisation of R23 billion, as at 23 August 2011. As this repurchase is intra-group, no significant cash will flow outside of the group and the financial effects have therefore not been disclosed as they are insignificant.

The repurchase will be effected in one transaction or in a series of transactions in aggregate no more than 7 864 456 shares.

An application will be made to the JSE for the delisting of the treasury shares as and when the shares are repurchased and cancelled.

The additional information required to be disclosed in terms of paragraph 11.23 of the JSE Listings Requirements, is contained under special resolution number 2.

Reason and effect

The reason for and effect of special resolution 3 is to grant the company the necessary authority in terms of sections 46 and 48 of the Act, to undertake a specific purchase of ordinary shares of four cents each in the issued share capital of the company from Imperial Corporate Services (Pty) Limited, which is a wholly owned subsidiary of Imperial.

Percentage voting rights

The minimum percentage of voting rights that is required for this resolution to be adopted is 75% (seventy-five percent) of the voting rights to be cast on the resolution. In terms of the Listings Requirements and the provisions of the Act, Imperial Corporate Services (Pty) Limited will be excluded from voting on the special resolution of shareholders required to authorise the specific repurchase, and any associates of Imperial Corporate Services (Pty) Limited.

9. Ordinary resolution number 6 – authority to issue ordinary shares

"Resolved that, in terms of the JSE Limited Listings Requirements and the Companies Act, 2008 (Act 71 of 2008), as amended the authorised but unissued ordinary shares be and are hereby placed under the control of the directors by way of a general authority that shall remain valid until the next annual general meeting and the directors authorised to allot and issue those shares at their discretion, which authority shall include the authority to issue any option/convertible securities that are convertible into ordinary shares, provided that the aggregate number of ordinary shares able to be allotted and issued in terms of this resolution, shall be limited to 5% of the issued share capital at 30 June 2011."

Percentage voting rights

The minimum percentage of voting rights that is required for this resolution to be adopted is 50% (fifty percent) of the voting rights plus 1 (one) vote to be cast on the resolution.

10. Ordinary resolution number 7 – authority to issue shares for cash

"Resolved that, the directors of the company be and are hereby authorised by way of a general authority, to allot and issue any of the company's unissued shares placed under their control for cash, as they in their discretion may deem fit, without restriction, subject to the provisions of the Listings Requirements of the JSE Limited (the JSE), and subject to the proviso that the aggregate number of ordinary shares able to be allotted and issued in terms of this resolution, shall be limited to 5% of the issued share capital at 30 June 2011, provided that:

- the approval shall be valid until the date of the next annual general meeting of the company, provided it shall not extend beyond 15 months from the date of this resolution;
- a paid press announcement giving full details, including the impact on net asset value and earnings per share, will be published after any issue representing, on a cumulative basis within any one financial year, 5% or more of the number of shares in issue prior to such issue;
- the general issue of shares for cash in the aggregate in any one financial year may not exceed 5% of the applicant's issued share capital (number of securities) of that class. For purposes of determining whether the aforementioned 5% has been or will be reached, the securities of a particular class will be aggregated with the securities that are compulsorily convertible into securities of that class and, in the case of the issue of compulsorily convertible securities, aggregated with the securities of that class into which they are compulsorily convertible. The number of securities of a class which may be issued shall be based on the number of securities of that class in issue at the date of such application less any securities of the class issued during the current financial year, provided that any securities of that class to be issued pursuant to a rights issue (announced and irrevocable and underwritten) or acquisition (concluded up to the date of application) may be included as though they were securities in issue at the date of application;
- in determining the price at which an issue of shares will be made in terms of this authority the maximum discount permitted will be 10% of the weighted average traded price of such shares, as determined over the 30 trading days prior to the date that the price of the issue is agreed between the issuer and the party subscribing for the securities. The JSE should be consulted for a ruling if the securities have not traded in such 30 business day period;
- any such issue will only be made to public shareholders as defined in paragraphs 4.25 to 4.27 of the Listings Requirements of the JSE and not to related parties; and
- any such issue will only be securities of a class already in issue or, if this is not the case, will be limited to such securities or rights that are convertible into a class already in issue."

For listed entities wishing to issue shares for cash, it is necessary for the board not only to obtain the prior authority of the shareholders as may be required in terms of the MOI, but it is also necessary to obtain the prior authority of shareholders in accordance with the Listings Requirements of the JSE. The reason for this resolution is accordingly to obtain a general authority from shareholders to issue shares for cash in compliance with the Listings Requirements of the JSE.

Percentage voting rights

In terms of the JSE Limited Listings Requirements, the minimum percentage of voting rights that is required for this resolution to be adopted is 75% (seventy-five percent) of the voting rights to be cast on the resolution.

11. **Ordinary resolution number 8 – authority to issue non-redeemable preference shares**

"Resolved that, in terms of the JSE Limited Listings Requirements and the Companies Act, 2008 (Act 71 of 2008), as amended (the Act), the authorised but unissued non-redeemable cumulative, non-participating preference shares be and are hereby placed under the control of the directors and the directors are authorised to allot and issue those shares at their discretion, provided that no more than 5 000 000 (five million) non-redeemable preference shares in aggregate may be issued in terms of this authority."

Percentage voting rights

The minimum percentage of voting rights that is required for this resolution to be adopted is 50% (fifty percent) of the voting rights plus 1 (one) vote to be cast on the resolution.

12. **Special resolution number 4 – authority to provide financial assistance**

"Resolved that in terms of section 45(3)(a)(ii) of the Companies Act, 2008 (Act 71 of 2008) (the Act), as a general approval, the board of the company may from time to time authorise the company to provide any direct or indirect financial assistance, as defined in section 45(1) of the Act, to any related or inter-related company or corporation as contemplated in section 45(2) of the Act, for such amounts and on such terms and conditions as the board of the company may determine, provided that the aforementioned approval shall be valid until the date of the next annual general meeting (AGM) of the company."

Reason

Imperial is a listed holding company with a large number of subsidiary companies which together comprise the Imperial group of companies. Imperial is not an operating company and all operations in the Imperial group are conducted by subsidiary companies of Imperial.

Imperial is from time to time, as an essential part of conducting its business, required to provide financial assistance to its subsidiary companies including related and inter related companies in the form of operational loan funding, credit guarantees and general financial assistance as contemplated in section 45 of the Act.

In terms of the Act, which became effective on 1 May 2011, companies are required to obtain the approval of their shareholders by way of special resolution in order to provide financial assistance to subsidiaries and Imperial seeks approval for the board of the company until the next annual general meeting to authorise the provision by the company of financial assistance to any related or inter related company as contemplated in section 45(2) of the Act. This means that the company is authorised to grant loans to its subsidiaries and to guarantee the debts of its subsidiaries. The financial assistance will be provided as part of the day to day operations of the company in the normal course of its business and in accordance with its MOI and the provisions of the Act.

Effect

Special resolution 4 will grant the directors of the company the authority until the next annual general meeting to authorise the provision by the company of financial assistance to any related or inter related company as contemplated in section 45(2) of the Act. This means that the company is authorised to grant loans to its subsidiaries and to guarantee the debts of its subsidiaries.

Compliance with section 45(3)(b)

The directors of Imperial will, in accordance with section 45(3)(b) of the Act, ensure that financial assistance is only provided if the requirements of that section are satisfied, *inter alia*, that immediately after providing the financial assistance, the company would satisfy the solvency and liquidity test set out in section 4(1) of the Act.

Percentage voting rights

The minimum percentage of voting rights that is required for this resolution to be adopted is 75% (seventy-five percent) of the voting rights to be cast on the resolution.

13. **To transact such other business as may be transacted at an annual general meeting of shareholders.**

Voting and proxies

A shareholder entitled to attend and vote at the general meeting is entitled to appoint one or more proxies to attend, speak and vote in his/her stead. A proxy need not be a member of the company. For the convenience of registered certificated shareholders or shareholders who have dematerialised their shares with own name registration, a form of proxy is attached hereto. Duly completed forms of proxy must be lodged at the registered office of the company or at the transfer secretaries at the addresses below by no later than 09:00 on Friday, 28 October 2011.

Every person present and entitled to vote at the general meeting shall, on a show of hands, have one vote only, and on a poll, shall have one vote for every ordinary share held or represented.

Section 63(1) of the Act requires that meeting participants provide satisfactory identification.

Shareholders' rights regarding proxies in terms of section 58 of the Act are as follows:

(1) At any time, a shareholder of a company may appoint any individual, including an individual who is not a shareholder of that company, as a proxy to:
- (a) participate in, and speak and vote at, a shareholders meeting on behalf of the shareholder; or
- (b) give or withhold written consent on behalf of the shareholder to a decision contemplated in section 60.

(2) A proxy appointment:
- (a) must be in writing, dated and signed by the shareholder; and
- (b) remains valid for:
  - (i) one year after the date on which it was signed; or
  - (ii) any longer or shorter period expressly set out in the appointment, unless it is revoked in a manner contemplated in subsection (4)(c), or expires earlier as contemplated in subsection (8)(d).

(3) Except to the extent that the memorandum of incorporation of a company provides otherwise:
- (a) a shareholder of that company may appoint two or more persons concurrently as proxies, and may appoint more than one proxy to exercise voting rights attached to different securities held by the shareholder;
- (b) a proxy may delegate the proxy's authority to act on behalf of the shareholder to another person, subject to any restriction set out in the instrument appointing the proxy; and
- (c) a copy of the instrument appointing a proxy must be delivered to the company, or to any other person on behalf of the company, before the proxy exercises any rights of the shareholder at a shareholders' meeting.

(4) Irrespective of the form of instrument used to appoint a proxy:
- (a) the appointment is suspended at any time and to the extent that the shareholder chooses to act directly and in person in the exercise of any rights as a shareholder;
- (b) the appointment is revocable unless the proxy appointment expressly states otherwise; and
- (c) if the appointment is revocable, a shareholder may revoke the proxy appointment by:
  - (i) cancelling it in writing, or making a later inconsistent appointment of a proxy; and
  - (ii) delivering a copy of the revocation instrument to the proxy, and to the company.

(5) The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's authority to act on behalf of the shareholder as of the later of:
- (a) the date stated in the revocation instrument, if any; or
- (b) the date on which the revocation instrument was delivered as required in subsection (4)(c)(ii).

(6) A proxy is entitled to exercise, or abstain from exercising, any voting right of the shareholder without direction, except to the extent that the instrument appointing the proxy otherwise provides.

Shareholders who have dematerialised their shares and have not selected own name registration must advise their Central Securities Depository Participant (CSDP) or broker of their voting instructions should they be unable to attend the general meeting but wish to be represented thereat. Dematerialised shareholders without own name registration should contact their CSDP or broker with regard to the cut-off time for their voting instructions. If, however, such members wish to attend the general meeting in person, then they will need to request their CSDP or broker to provide them with the necessary letter of representation in terms of the custody agreement entered into between the dematerialised shareholder and their CSDP or broker.

By order of the board

RA Venter
Company secretary

23 August 2011

Imperial Holdings Limited
(Incorporated in the Republic of South Africa)
(Registration number: 1946/021048/06)
ISIN: ZAE000067211
Share Code: IPL
("Imperial" or "the company")

If you are a dematerialised shareholder, other than with "own name" registration, do not use this form. Dematerialised shareholders' (other than with "own name" registration) should provide instructions to their appointed CSDP or broker in the form stipulated in the custody agreement entered into between the shareholder and their CSDP or broker.

An ordinary shareholder entitled to attend and vote at the annual general meeting to be held in the boardroom of Imperial Holdings Limited, Imperial Place, Jeppe Quondam, 79 Boeing Road East, Bedfordview, Gauteng on Tuesday, 1 November 2011 at 09:00 (the AGM), is entitled to appoint a proxy to attend, speak or vote thereat in his/her stead. A proxy need not be a shareholder of the company.

All forms of proxy must be lodged at the transfer secretaries, Computershare Investor Services (Proprietary) Limited, 11th Floor, 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107) to be received by no later than 09:00 on Friday, 28 October 2011.

I/We (*Please print name in full*) ______________________________

of (*address*) ______________________________

being an ordinary shareholder(s) of the company holding ______________ ordinary shares in the company do hereby appoint

1. ______________________________ or failing him/her

2. ______________________________ or failing him/her

3. the chairman of the AGM

as my/our proxy to vote for me/our behalf at the AGM (and any adjournment thereof) for the purpose of considering and, if deemed fit, passing with or without modifications, the following resolution to be considered at the AGM.

		Number of votes (one per share)		
		In favour of	Against	Abstain
1.	Ordinary resolution number 1 – Financial statements			
2.	Ordinary resolution number 2 – Appointment of auditors			
3.	Ordinary resolution number 3 – Appointment of audit committee			
	Ordinary resolution number 3.1 – Reappointment MJ Leeming			
	Ordinary resolution number 3.2 – Reappointment P Langeni			
	Ordinary resolution number 3.3 – Reappointment RJA Sparks			
	Ordinary resolution number 3.4 – Reappointment Y Waja			
4.	Ordinary resolution number 4 – Appointment of directors			
	Ordinary resolution number 4.1 – Confirmation SL Botha			
	Re-election of directors Ordinary resolution number 4.2.1 – Reappointment S Engelbrecht			
	Ordinary resolution number 4.2.2 – Reappointment TS Gcabashe			
	Ordinary resolution number 4.2.3 – Reappointment A Tugendhaft			
5.	Ordinary resolution number 5 – Confirmation of remuneration policy			
6.	Special resolution number 1 – Directors' fees			
	6.1 Chairman R 368 500			
	6.2 Deputy chairman R 185 000			
	6.3 Board member R 185 000			
	6.4 Assets and liabilities committee R 65 000			
	6.5 Audit committee chairman R 212 300			
	6.6 Audit committee R 106 700			
	6.7 Risk committee R 67 000			
	6.8 Remuneration and nomination committee R 65 000			
	6.9 Social, ethics and sustainability committee R 65 000			
	6.10 Chairmen of committees			
7.	Special resolution number 2 – General authority to repurchase company shares			
8.	Special resolution number 3 – Authority for a specific repurchase of treasury shares			
9.	Ordinary resolution number 6 – Authority over unissued ordinary shares			
10.	Ordinary resolution number 7 – Authority to issue shares for cash			
11.	Ordinary resolution number 8 – Authority over unissued preference shares			
12.	Special resolution number 4 – Authority to provide financial assistance			

Insert an X in the appropriate block. If no indications are given, the proxy will vote as he/she deems fit. Each shareholder entitled to attend and vote at the meeting may appoint one or more proxies (who need not be a shareholder of the company) to attend, speak and vote in his/her stead.

Please read the notes on the reverse side hereof.

Signed at ______________ on ______________ 2011

Signature ______________________________

Assisted by (where applicable) ______________________________

Notes to the form of proxy

1. A shareholder may insert the names of a proxy or the names of two alternative proxies of the shareholder's choice in the space provided, with or without deleting "the chairman of the meeting", but any such deletion must be initialled by the shareholder. The person whose name appears first on the proxy and which has not been deleted shall be entitled to act as proxy to the exclusion of those whose names follows.

2. The authority of a person signing a proxy in a representative capacity must be attached to the proxy unless that authority has already been recorded with the company's transfer secretaries.

3. Proxies must be lodged at or posted to the company's transfer secretaries, Computershare Investor Services (Proprietary) Limited, 11th Floor, 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107), to be received by no later than 09:00 on Friday, 28 October 2011.

4. The completion and lodging of this proxy shall not preclude the relevant shareholder from attending the meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof.

5. The chairman of the meeting may reject or accept a proxy which is completed other than in accordance with these instructions, provided that he is satisfied as to the manner in which a shareholder wishes to vote.

Corporate information

Directors

Non-executive

TS Gcabashe* (chairman) BA (Botswana), MURP (Ball State Univ, USA), PED, IMD Lausanne
SL Botha*, BEcon, BEcon (Hons)
T Dingaan, BProc, LLB, LLM, H Dip (Tax)
S Engelbrecht*, BSc, MBL, MDP Insead
P Langeni*, BCom (Accounting)
MJ Leeming*, BCom, MCom, FCMA, FIBSA, AMP
MV Moosa, BSc
RJA Sparks*, BCom (Hons) , CA(SA), MBA
A Tugendhaft (deputy chairman), BA, LLB
Y Waja*, BCom, CA(SA)

* *Independent*

Executive

HR Brody (chief executive), BAcc (Hons), CA(SA)
OS Arbee, BAcc, CA(SA), H Dip Tax
MP de Canha
RL Hiemstra, BCompt (Hons), CA(SA)
AH Mahomed (deputy chief executive), BCompt (Hons), CA(SA), H Dip Tax
GW Riemann (German)
M Swanepoel, BCom Acc (Hons)

Executive committee

HR Brody (chairman), M Akoojee, OS Arbee, MP de Canha, BJ Francis, DD Gnodde, RL Hiemstra, AH Mahomed, M Mosola, M Swanepoel

Audit committee

MJ Leeming (chairman), P Langeni, RJA Sparks, Y Waja

Remuneration and nomination committee

TS Gcabashe (chairman), P Langeni, RJA Sparks, A Tugendhaft

Risk committee

Y Waja (chairman), H Adler, OS Arbee, HR Brody, BJ Francis, DD Gnodde, R Haman, RL Hiemstra, MJ Leeming, P Michaux, G Rudman

Social, ethics and sustainability committee

MV Moosa (chairman), OS Arbee, MP de Canha, BJ Francis, TS Gcabashe, DD Gnodde, P Langeni, P Michaux, M Mosola, M Swanepoel, A Tugendhaft, RA Venter

Assets and liabilities committee

HR Brody (chairman), RL Hiemstra, MJ Leeming, AH Mahomed, R Mumford, WF Reitsma, M Swanepoel

Group internal audit executive

G Nzalo, BCom, CA(SA), CIA

Group Treasurer

WF Reitsma, BTech Banking, MCom, FIBSA, FIFM

Group legal adviser and company secretary

RA Venter, BCom, LLB, LLM

Group risk executive

BJ Francis, BCompt (Hons), CIA

Name and registration number

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1946/021048/06

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Johannesburg
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Marshalltown
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Telephone +27 (0) 11 370 5000
Facsimile +27 (0) 11 370 5487

Head of sustainability

R Sharfuddin
Telephone +27 (0) 11 372 6500
Email: rsharfuddin@ih.co.za

Website

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Email

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JSE information

Ordinary share code: IPL
ISIN: ZAE000067211
Preference share code: IPLP
ISIN: ZAE000088076

Shareholders' diary

Final distribution: September 2011
Annual general meeting: November 2011
Interim results released: February 2012
Interim distribution: April 2012
Final results released: August 2012

BASTION GRAPHICS

FAST MOVING FORWARD THINKING

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