FAST MOVING
FORWARD THINKING

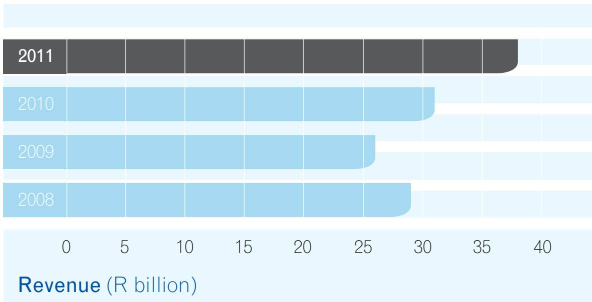
IMPERIAL™

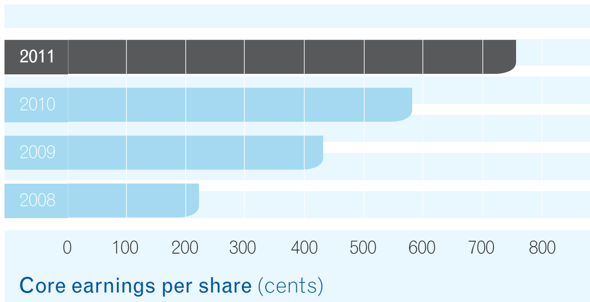
Imperial Holdings Limited »

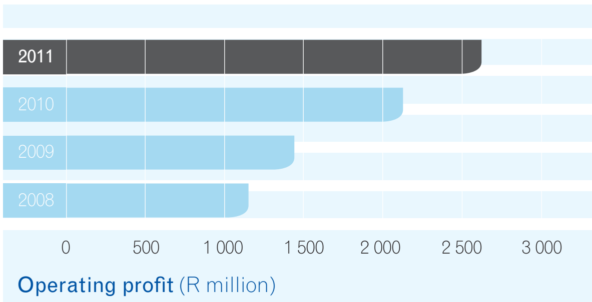
Unaudited interim results for the six months ended 31 December 2011

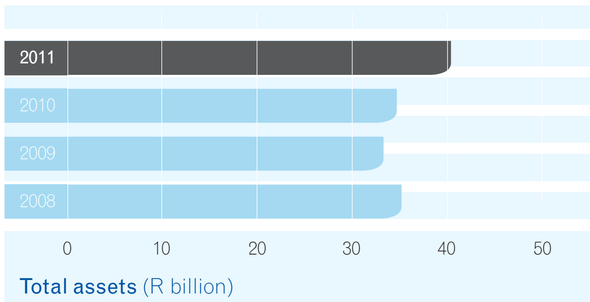
HIGHLIGHTS

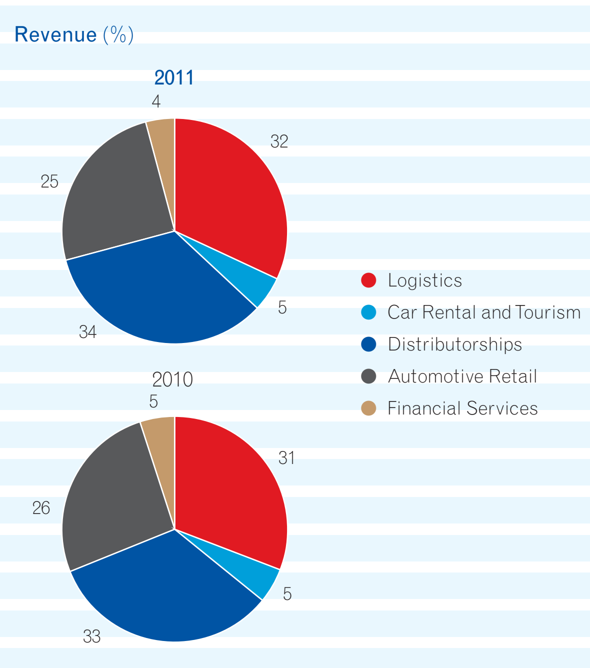
- Revenue **22%** higher to **R38 385 million**
- Operating profit improved **23%** to **R2 621 million**
- HEPS in line with last year at **727cps**
- Core EPS rose **30%** to **756 cps**
- An interim dividend up **36%** to **300 cps**

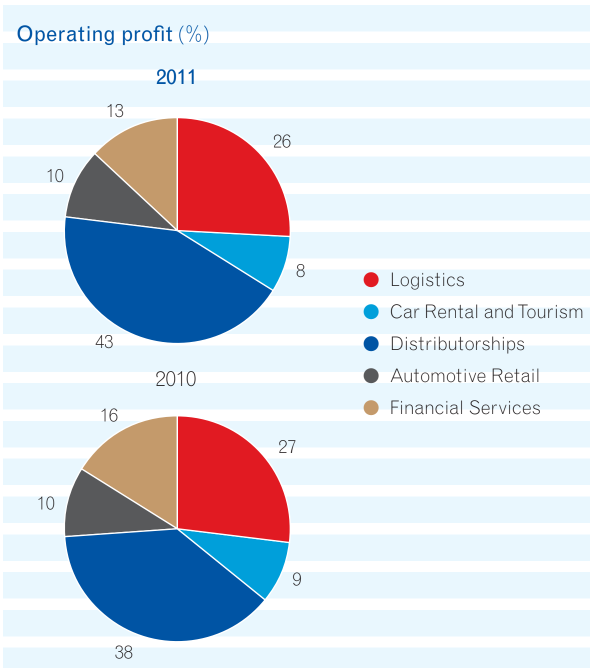












Overview of results

Imperial achieved an excellent first half result with strong revenue and profit growth. Revenue was 22% higher at R38,4 billion and operating profit increased by 23% to R2,6 billion. The annualised return on equity for the Group was 23% based on core earnings.

The Group benefited from a good new vehicle market and improved trading by the Logistics division. The Group's new vehicle unit sales in South Africa grew by 14%, which was in line with the growth in the industry. The Logistics division increased its revenue by 28% as both the southern African and the European divisions performed well in their respective markets.

The operating margin of 6,8% was in line with the prior period. The Distributorships division achieved an operating margin of 8,6% against 7,4% in the prior period and increased revenue by 23%. Automotive Retail also improved its margin to 2,6% from 2,5%, with revenue up 16%. The margin in the combined southern African and European logistics business declined to 5,7% from 6,1%, mainly due to the inclusion of the newly acquired consumer product distribution business, CIC Holdings Limited (CIC), for a full six months versus two months in the prior period. Due to the nature of the business, CIC does however generate strong returns on capital. The Car Rental and Tourism division margin dropped to 10,8% from 11,9%, caused by a more difficult used car market and a challenging trading environment for the Tourism businesses. In contrast, the Car Rental and Tourism division enjoyed a boost from the 2010 FIFA World Cup in the prior period.

The newly defined Financial Services division performed satisfactorily, achieving an operating profit of R344 million, which was in line with the prior period. The insurance businesses reported revenue growth of 9,4% and the underwriting margin improved due to a good performance from the life assurance unit. Insurance investment income fell short of the strong performance in the corresponding period, as a result of lower yields on interest-bearing investments and a flat equity market over the period. Operating profit from other financial services grew strongly from the combination of annuity income that includes service and maintenance plans, vehicle financing alliances and a growing range of value-added financial products.

Over the past number of years, the Group has pursued a strategy to add parts, components and industrial equipment businesses to its portfolio. This includes Midas, Jurgens, Beekman Canopies and the recent acquisitions of Turbo Exchange, Goscor and E-Z-GO. In total, across the Group including NAC, these businesses contributed turnover of R3,5 billion and operating profit of R237 million, 5% better than the prior period.

In aggregate, the Group's operating profit grew by 23%, and Core Earnings per Share (Core EPS) increased by 30%. The Group has decided to report a core earnings number in order to exclude significant non-operational items of income and expenditure from reported headline earnings. The table below summarises the reconciliation from HEPS to Core EPS:

Cps	December 2011	December 2010
HEPS	727	725
Amortisation on intangibles other than goodwill arising from business combinations	5	
Fair value gain on Lereko call option		(148)
Business acquisition costs	28	6
CGT on post acquisition earnings of associates disposed	1	
Headline earnings from discontinued operations	(5)	(2)
Core EPS	756	581

Net finance costs increased by 4% to R305 million on marginally higher debt during the period. Interest covered by operating profit has risen from 7,2 times to 8,4 times.

The increase in the non-controlling interests share of profit is largely attributable to the performance of the Distributorships division in which a number of non-controlling shareholders participate.

The effective tax rate at 30% was above the statutory rate of 28% because of the cost of secondary tax on companies and certain disallowed expenses.

The significant decrease in income from associates mainly relates to Ukhamba, which was negatively impacted by the impairment of its investment in Distribution and Warehousing Network Limited (DAWN). It also incurred a significant STC charge on the dividend paid out to its shareholders, of which Imperial Holdings' share of the STC amounted to R34 million. Mix Telematics, in which Imperial holds a 26,5% interest performed well and contributed R9 million. The contribution from smaller associates also increased from the prior year.

Balance sheet

Net debt to equity (excluding preference shares) at 39% was significantly lower than in December 2010 (48%), but higher than the 31% at June 2011. The Lehnkering acquisition became effective on 2 January 2012 when payment was made. After adjusting for the Lehnkering acquisition, the net debt to equity (excluding preference shares) would have increased to approximately 59%. After the acquisition, the net debt level is still below the target gearing range of 60% to 80% and leaves room for further expansion of the Group.

The Group's liquidity position is strong with R7 billion in unutilised facilities and only 18% of debt is due within one year. Forty-eight percent of the Group's debt is at a fixed interest rate.

Net working capital increased by R2 715 million from 30 June 2011. In June 2011, inventory levels were exceptionally low due to stock shortages, which have now been alleviated. The imported stock situation has improved significantly and Imperial's ability to satisfy demand for the majority of Group products has improved, reflecting various recent new product launches in the inventory mix. In addition, there has been an increased investment in stock and debtors to support higher revenue, especially in the automotive businesses. Debtors also include fair value adjustments for cash flow hedges which increased by R505 million.

Shareholders' equity increased due to the strong profits and the weakening of the Rand which resulted in gains on cash flow hedges accounted for through the statement of comprehensive income. In addition, equity increased by R305 million from the dividend declared by Ukhamba on the fair value adjustments on its Imperial shares.

On the back of strong vehicle sales, new business written on maintenance and warranty contracts generated through the Financial Services division, contributed to the robust growth of 22% in insurance, investment, maintenance and warranty contracts on the balance sheet.

Cash flow

Cash generated by operations before capital expenditure on rental assets was 14% lower than the prior period, which amounted to R1,8 billion. After financing costs, tax payments and capital expenditure on rental assets, net cash flow from operating activities decreased by 84%. This was mainly due to the increase in net working capital of R2 billion referred to above. Capital expenditure on rental assets was higher than in the corresponding period.

Net replacement and expansion capital expenditure excluding car rental vehicles was higher than the prior period, as trading conditions warranted renewed expansion and replacement. Capex in the second half is anticipated to be lower, as the majority of capex for the year has been spent in the current period.

A net R77 million was spent on the acquisition of subsidiaries and businesses.

Business conditions in Imperial's markets

Trading conditions in the automotive retail market continue to be favourable. The higher growth experienced in 2010 continued into the 2011 calendar year, with new vehicle sales up approximately 16%. Demand continues to be driven by low interest rates and increased appetite by banks for vehicle finance. The commercial vehicle market, which lags the upturn in passenger vehicle sales, has also reversed its negative trend and has shown good growth. The used car market is more difficult, partly because of stronger new car sales. New vehicle price increases could relieve some of the pressure in the used car market as the price gap between new and used vehicles widens.

Volumes in the Consumer Logistics market, which represents approximately 45% of the revenue of SA Logistics, remain under pressure, as volume throughput in some areas was lower. The construction sector is still weak, although volumes in steel, bulk food, chemicals and fuel were positive. Acquisitions and the inclusion of CIC for a full six-month period contributed positively to the performance of the SA Logistics division.

Despite the European debt crisis, the German economy remained solid, especially in the sectors and industries which we serve, i.e. mainly the steel, automotive manufacturing and export industries, which benefit from the weaker Euro. There are, however, initial signs of a slowdown in the steel industry.

Lower volumes in the international and local leisure car rental segments persist and competition is fierce in this industry. A difficult used car market also places pressure on car rental margins. The tourism business continues to operate in challenging market conditions with low inbound tourism volumes and the oversupply of coaches following the 2010 FIFA World Cup.

Strong vehicle sales, especially in the vehicle brands which Imperial distributes, benefit the Financial Services division. The majority of products sold generate a valuable annuity earnings stream. Insurance underwriting conditions, particularly in the short-term industry, were difficult and deteriorated significantly from the second half of the previous financial year. Investment markets were less favourable, with lower interest yields and flat equity markets.

Vehicle sales

In South Africa, the Group sold 55 800 new and 29 556 used vehicles in the financial period, respectively 14% and 5% more than the prior period. The national vehicle market grew by approximately 16% year-on-year for the six-month period to December 2011, according to NAAMSA.

The Australian and United Kingdom operations sold 5 463 new vehicles, which was 24% higher than the prior period, and 2 366 used vehicles, which was 25% higher.

Expansion of the Group during the year

Acquisitions during the period consisted of:

- 74,9% of Dettmar Bulk Reederei, a dry bulk shipping business operating on the Rhine and other areas;
- 70% of Datadot, a business that uses microdots as a security identification system used in the detection of theft. DataDots are most widely used to identify and protect motor vehicles, motor cycles, trailers, marine craft, home, business and personal assets;
- 75% of Safari Centre, a vehicle accessories and outdoor equipment business;
- 60% of IJ Snyman Transport, a logistics service provider to leading retail, FMCG and construction brands in Angola, DRC, Namibia, South Africa and Zambia;
- 80% of Kings Transport, which specialises in the break bulk sector of the logistics market;
- 60% of Segway SA, which imports and distributes electric personal transporters; and
- 60% of Synchronized Logistical Solutions, operating in the automotive logistics industry.

Acquisitions after the period consisted of:

- 100% of Lehnkering was acquired for an enterprise value of R2.8 billion (€270 million). Lehnkering is one of Europe's leading full-service specialist logistics companies that primarily serves the chemical, agricultural, petrochemical and steel industries. It offers a complete range of logistics solutions, including inland waterway shipping of gas, liquid and dry bulk cargo; road transportation, chemical warehousing and outsourced manufacturing services. The Lehnkering acquisition became effective on 2 January 2012. The acquisition was funded from new Euro-denominated banking facilities with a term of five years at a pre-tax interest rate of approximately 3,8%.

Divisional reports

Logistics

Southern African Logistics

R million	H1 2012	H1 2011	Change %	H2 2011	Change % on H2 2011
Revenue	**8 311**	6 502	27,8	**7 286**	14,1
Operating profit	**513**	436	17,7	**350**	46,6
Operating margin	**6,2%**	6,7%		**4,8%**	

Despite a challenging trading environment, which included strike action at several customers during July, the division recorded an impressive 17,7% growth in operating profit. Acquisitions made a positive contribution, with CIC, the consumer product distribution business, being the most significant. CIC was included for a full six months versus two months in the prior period and is performing in line with expectations.

There was also a significant improvement from the second half of the previous financial year with operating profit up 47%. The second half of last year was negatively impacted by the strike in February and the restructuring at The Cold Chain. The operations at The Cold Chain have been stabilised and continue to improve.

The inclusion of CIC, which generates good returns, resulted in a decline in operating margin as it operates at lower margins than the existing businesses. The operating margin was also negatively impacted by the strike at a number of customers in July.

Transport and Warehousing, which mainly services the manufacturing, mining, commodities and construction industries, performed well, despite inconsistent volumes and route imbalances.

The specialised freight business performed well as fuel and gas, food and chemical volumes continue to grow. This was offset to some extent by difficult market conditions in the cement industry, which impacted negatively on the business. New contract gains and the acquisition of 60% of 777 Logistics in the prior year also contributed to the positive performance.

The consumer logistics business operated in a challenging environment, with volume throughput in the manufacturing segment significantly lower than the prior period. This resulted in high utilisation of warehouses but low fleet utilisation. The Cold Chain is still not performing optimally, but has improved from the second half of last year. The division's performance was enhanced by contract gains and the acquisition of 80% of Kings Transport, which specialises in the break bulk sector of the logistics market.

Integration Services, which makes a valuable contribution to the intellectual capital of the division, produced good results with Volition, Imperial Air Cargo, e-Logics and the 34%-held associate, Pragma also performed well. The capabilities of these companies are used to offer integrated outsourced supply chain solutions, leveraging the logistics capability of various Imperial Logistics companies and divisions. Through this, many existing client relationships were strengthened and some new contracts gained. Megafreight performed well but we are currently in a dispute with our non-controlling shareholders who own 40%.

Imperial Logistics Africa was established in the prior period to focus on expanding Imperial's footprint in the region, which is a strong strategic imperative. The acquisition of CIC significantly increased the scope of operations on the continent and is performing well. The Namibian transport businesses were however under pressure. IJ Snyman Transport was acquired during the period and strengthens the business in Namibia, Zambia, Angola and the DRC.

Overview of results *(continued)*

Gross capital expenditure of R697 million was incurred. The net investment in the fleet is higher than the prior period, which is in line with the scheduled replacement cycle.

International Logistics

EURO million	H1 2012	H1 2011	Change %	H2 2011	Change % on H2 2011
Revenue	397	339	17,1	377	5,3
Operating profit	20	16	25,0	22	(9,1)
Operating margin	5,0%	4,7%		5,8%	

R million	H1 2012	H1 2011	Change %	H2 2011	Change % on H2 2011
Revenue	4 159	3 209	29,6	3 639	14,3
Operating profit	202	156	29,5	194	4,1
Operating margin	4,9%	4,9%		5,3%	

Imperial Logistics International continues to perform well and its results exceeded expectations. Despite the European debt crisis, the German economy remains solid, especially in the sectors and industries in which our operations are concentrated, namely, the steel, automotive manufacturing and export industries. Revenue grew across all major business units, assisted by new contract gains.

Imperial Reederei, the inland waterway shipping business, benefited from strong transport volumes in the chartering unit and in dry and liquid bulk goods. Increased freight rates, due to low water levels, contributed positively to revenue.

Panopa, which provides parts distribution and in-plant logistics services to automotive and steel manufacturers, performed well. Gillhuber's new business gains and the strong momentum in the automotive industry contributed positively.

The port operator, Neska, benefited from increased volumes at bulk and paper terminals while volumes at container terminals were not as buoyant. Rates at container and bulk terminals remained subdued. The bulk food transport businesses performed better than in the prior period.

The Lehnkering acquisition became effective on 2 January 2012 and is performing in line with expectations; it will make a significant contribution to this division in the second half.

Car Rental and Tourism

R million	H1 2012	H1 2011	Change %	H2 2011	Change % on H2 2011
Revenue	1 939	1 667	16,3	1 646	17,8
Operating profit	210	198	6,1	153	37,3
Operating margin	10,8%	11,9%		9,3%	

The above table excludes contributions from the sale of financial services products that are of an annuity nature, i.e. results derived from maintenance funds and JV alliances with financial institutions. These results are now reported under the newly created Financial Services division. Comparatives have been restated.

Despite difficult trading conditions during the period, the division produced satisfactory results. The prior year's results were boosted by the 2010 FIFA World Cup. Revenue growth was recorded in the car rental business with revenue days up by 11%; utilisation was good at 70% and revenue per day increased by 1%. The average rental fleet size was 11% up from last year, mainly due to higher demand. Both volumes and rates from the international and leisure business remain subdued.

The decline in the margin is mainly due to lower unit sales in Auto Pedigree and a challenging trading environment for the Tourism business.

Retail unit sales at Auto Pedigree were significantly lower with operating margins under severe pressure. Auto Pedigree continues to actively manage its stock position.

The panel business did not perform well during the period, but significant management and structural changes were made to the business.

The tourism business produced a pleasing improvement due to particularly good performances of Edusport and Grosvenor Tours. However, overall it continues to operate in challenging market conditions. Low inbound tourism volumes persist and the oversupply of coaches following the 2010 FIFA World Cup is putting further pressure on the charter business. Edusport, acquired in March 2011, performed well and benefited from arranging outbound tours for the Rugby World Cup in New Zealand.

Distributorships

R million	H1 2012	H1 2011	Change %	H2 2011	Change % on H2 2011
Revenue	13 590	11 043	23,1	10 904	24,6
Operating profit	1 162	816	42,4	1 028	13,0
Operating margin	8,6%	7,4%		9,4%	

The above table excludes contributions from the sale of financial services products that are of an annuity nature, i.e. results derived from maintenance funds and JV alliances with financial institutions. These results are now reported under the newly created Financial Services division. Comparatives have been restated.

The Distributorships division continued its exceptional performance, with operating profit up 42% from the prior period. Excluding the Australian operation, new vehicle registrations as reported to NAAMSA by Associated Motor Holdings (AMH) and Amalgamated Automobile Distributors (AAD) were 13% higher, compared to a market increase of approximately 16%. AMH experienced stock shortages which inhibited sales growth, although stock availability improved through the period. The successful launch of new models and the improvement in the new vehicle market over the past 12 months all contributed to growth in revenue and operating profit. The strongly growing vehicle parc of imported brands, which includes Hyundai, Kia, Daihatsu, Tata and Proton, has resulted in annuity revenue streams from after-sales parts and service becoming a much more significant contributor to results.

Margins improved due to the growth in sales volumes and effective cost control. Forward exchange contracts assisted with a volatile currency throughout the period.

The Australian dealerships performed well with new and used retail unit sales up 7% and 34% respectively.

In the Auto Parts division, Midas performed satisfactorily in a sluggish market. The engine parts businesses performed better than the prior period. 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 increased market share while maintaining a strong order book. The cleaning equipment associate also performed well.

E-Z-GO South Africa, a distributor of the leading brand of golf carts, is also performing in line with expectations and has seen strong demand for its products, especially in the short-term rental market.

The Graffiti Group continues to gain market share and is performing in line with expectations.

Over the years, the division has added a number of businesses that augment and are allied to Imperial's motor related activities. The contribution from these businesses – which include Car Find, KMSA, Graffiti, Bid 4 Cars and the recently acquired Segway and DataDot – continue to grow.

NAC performed better than in the prior period, with aircraft sales activities increasing, and the maintenance divisions also experienced a positive turnaround as costs were reduced significantly.

Automotive Retail

R million	H1 2012	H1 2011	Change %	H2 2011	Change % on H2 2011
Revenue	9 877	8 522	15,9	8 628	14,5
Operating profit	261	217	20,3	280	(6,8)
Operating margin	2,6%	2,5%		3,2%	

The above table excludes contributions from the sale of financial services products that are of an annuity nature, i.e. results derived from maintenance funds and JV alliances with financial institutions. These results are now reported under the newly created Financial Services division. Comparatives have been restated.

The division produced good growth in operating profit for the period. New passenger car sales rose 21%, ahead of the overall market growth of approximately 16%. 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 and impacted margins to some extent. Used car volumes were flat, as consumers continue to prefer well-priced entry-level new cars.

The commercial vehicle market was strong during the period, with a 16% 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.

Growth in parts and service revenues was encouraging during the period. The strong growth in new car sales over the last two years bodes well for the future growth of these revenue streams.

Imperial's truck dealerships in the UK performed well, aided by the diversification of brands. The business performed ahead of expectations despite a depressed market.

Beekman Canopies performed well, with sales up on the prior period. Sales volumes at Jurgens Ci also improved, albeit at a slower rate.

Financial Services

R million	H1 2012	H1 2011	Change %	H2 2011	Change % on H2 2011
Revenue					
Insurance	1 481	1 354	9,4	1 454	1,9
Other financial services	352	285	23,5	316	11,4
Total	1 833	1 639	11,8	1 770	3,6
OPERATING PROFIT					
Insurance					
Adjusted investment income, including fair value adjustments	80	143	(44,1)	63	27,0
Adjusted underwriting results	133	107	24,3	212	(37,3)
Total insurance operating profit	213	250	(14,8)	275	(22,5)
Net underwriting margin	9,0%	7,9%		14,6%	
Other financial services	131	95	37,9	140	(6,4)
Operating margin	*37,2%*	*33,3%*		*44,3%*	
Total operating profit	344	345	(0,3)	415	(17,1)
Operating margin	*18,8%*	*21,0%*		*23,4%*	

Note: The profit before tax of an insurance business is made up of the underwriting result and investment return. Policyholder investment returns include investment income and fair value gains for the benefit of policyholders. The above table reflects a reallocation of policyholder investment returns between the underwriting result and the investment return. The adjusted underwriting result and investment return more accurately reflect the performance from a shareholder point of view.

The comparatives have been restated for the inclusion of results from maintenance funds and JV alliances previously reported under other divisions.

The Financial Services division as a whole performed satisfactorily. The individual life business made a solid contribution to results, with gross premium written up 16% for the period. In the short-term insurance business, gross written premiums were up 7%, reflecting success achieved in the broadening of the product range.

The adjusted underwriting result was up 24% from R107 million to R133 million, despite much more challenging underwriting conditions, where the claims experience in the short-term business deteriorated significantly from the second half of the previous financial year.

Investment returns were lower year-on-year, reflecting the low interest rate environment and a largely flat equity market performance during the period. Regent's exposure to equity markets remains low.

LiquidCapital continues to perform well and generates valuable annuity earnings streams. The current positive cycle in the motor industry favours this unit, as increased vehicle volumes provide an opportunity for the sale of its broad range of financial products and services. These include service and maintenance plans, manufacturer warranties and roadside assistance. Penetration levels also continue to improve as new channels are developed. The joint venture alliances with financial institutions also continue to show good growth.

Imperial Fleet Management is experiencing improved activity and volumes are starting to gain traction.

Jurie Strydom who has been with the Group since January 2007 has been appointed as the CEO of the Regent Group.

Skills development and corporate social investment

The Group continues with its substantial investment in the development of employees at all levels.

To date, 160 senior executives have participated in a leadership development programme which was customised for Imperial's diversified and decentralised business model, focusing on its need for entrepreneurial and innovative leaders. The Group's formal development strategy includes the next level of management, and there are currently 90 participants enrolled in the programme.

A future talent pipeline is being nurtured through a graduate development programme which currently provides 150 university graduates with hands-on workplace experience and mentorship, providing insight into the Imperial culture and the practical skills required in business.

Ukhamba

Since its establishment, Ukhamba has generated significant value from its investments, of which 47% is owned by the Ukhamba Trust and 6% by the Ukhamba Community Development Trust. A portion of the value created was liquidated and paid out to Ukhamba's shareholders during December 2011. As a result, the Ukhamba Trust made a distribution of approximately R350 million to its 15 000 beneficiaries. The Imperial and Ukhamba Community Development Trust also received a payout of approximately R50 million and continues to promote effective learning and teaching at seven under privileged schools serving 7 500 learners in Gauteng.

I-Pledge campaign

Road safety has been identified as a social project in which the Imperial Group, with its vast presence on South Africa's roads, can make a difference. The Group launched its I-Pledge road safety campaign publicly in November 2011, after an internal campaign in which 25 500 of the Group's staff pledged their own commitment. The campaign is aimed at improving the behavior of all road users and attaining the goal of safer and friendlier roads in South Africa. I-Pledge has already made a meaningful impact on road safety in the areas in which its activities are concentrated. Valuable partnerships have been established with important role players in the field of road safety, including the Department of Transport.

Overview of results *(continued)*

Ordinary dividend
An interim ordinary dividend of 300 cents per share reflecting a 36% improvement (2011: 220 cents per share) has been declared.

Proposed change to STC and introduction of dividend tax
As a result of the proposed changes to secondary tax on companies (STC) and the introduction of taxation on dividends, the Board intends to pass on any savings in STC (subsequent to the proposed changes) to shareholders by increasing the dividend payment.

Strategic intentions
Since the Group's restructuring in 2008, more emphasis has been placed on businesses which generate higher returns on capital and have defensive annuity income streams. In pursuit of this strategy, the majority of expansion capital will be applied to:

- The further expansion of the European and southern African logistics businesses in markets where attractive opportunities continue to exist
- Expanding the Imperial logistics business into Africa. The skills resident in our southern African and European logistics businesses are well suited to the opportunities being pursued
- The expansion of current, and acquisition of new, distribution businesses that require a similar set of skills to that of Imperial's auto distribution businesses, which will serve to smooth cycles that result from motor retail and distribution
- Expanding the motor-related financial services offering – this activity has gained sufficient scale and importance in our automotive divisions. Its results are now disclosed separately from the motor businesses where it originated. The consistency in its results will demonstrate the success achieved in reducing the Group's exposure to the natural cyclicality of the car market

These growth initiatives take place organically and 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.

Imperial's growth into Africa will be driven by selective acquisitions and following the customer base into the continent. Due to the nature and size of the opportunities in Africa, Imperial's expansion will be cautious and will take place over a number of years.

Prospects
In the southern African logistics division, year-on-year growth will benefit partly from the low base in the second half of the prior year, which included strike action and the rationalisation of The Cold Chain. 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 resilience. Current transport volumes are, however, under pressure.

The Lehnkering acquisition and the favourable terms of the financing arrangements will make a positive impact on the results of the European logistics business. Despite the debt crisis in Europe, the German economy remains solid in the sectors and industries in which Imperial operates. However, there are initial signs of a slowdown in the steel industry.

Conditions in the car rental and tourism industry will continue to be tough, although some improvement can be expected in the used car market due to new car price increases. Difficult conditions in the tourism businesses are expected to persist.

The outlook for new vehicle sales is for a slowing rate of growth as the base is now substantially higher. We will benefit from the strong positioning of Imperial's imported brands, significantly 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. In the longer term, high consumer debt levels, possible interest rate hikes and any prolonged currency weakness all present potential headwinds in the new vehicle market.

The auto parts business has proven to be resilient through economic cycles and will benefit from a growing car parc. The lift truck and other businesses in the Goscor Group are also expected to perform well.

While underwriting conditions are unpredictable, earnings in the Financial Services division should be robust in the second half. The investment portfolio continues to be conservatively managed. LiquidCapital will continue to generate increasing annuity earnings due to new business being placed on its book in the current strong vehicle sales cycle.

Imperial's balance sheet remains strong despite significant organic and acquisitive growth during the period under review, and the Group is well positioned to take advantage of attractive acquisition opportunities as they arise.

While the current economic environment will continue to be challenging, Imperial's businesses should continue performing well in most of their markets.

The strong performance of the first half of the 2012 financial year is expected to continue into the second half.

By order of the Board

T S Gcabashe	**H R Brody**	**A H Mahomed**
Chairman	Chief Executive	Financial Director

Declaration of dividends for the six months ended 31 December 2011

Preference shareholders and ordinary shareholders

Notice is hereby given that:

- a preference dividend of 338,425 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 300 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:

	2012
Last day to trade cum preference dividend and cum ordinary dividend	Thursday, 15 March
Preference and ordinary shares commence trading ex preference dividend and ex ordinary dividend respectively	Friday, 16 March
Record date	Friday, 23 March
Payment date	Monday, 26 March

Share certificates may not be dematerialised/rematerialised between Friday, 16 March 2012 and Friday, 23 March 2012, both days inclusive.

On Monday, 26 March 2012, 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 March 2012 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 March 2012.

On behalf of the Board

RA Venter
Group Company Secretary
22 February 2012

Condensed consolidated income statement

for the six months ended	Unaudited December 2011 Rm	Unaudited December 2010 Rm	% change	Audited June 2011 Rm
Revenue	38 385	31 360	22	64 667
Net operating expenses	(34 930)	(28 497)		(58 646)
Profit from operations before depreciation and recoupments	3 455	2 863		6 021
Depreciation, amortisation, impairments and recoupments	(834)	(737)		(1 495)
Operating profit	2 621	2 126	23	4 526
Recoupments from sale of properties, net of impairments	(38)	26		7
Amortisation of intangible assets arising on business combinations	(13)			(15)
Foreign exchange gains (losses)	9	(24)		(33)
Fair value losses on foreign exchange derivatives	(9)	(16)		(18)
Business acquisition costs	(53)			
Fair value gain on Lereko call option		279		279
Exceptional items	3	(19)		(46)
Profit before net financing costs and associates	2 520	2 372	6	4 700
Net finance cost including fair value gains and losses	(305)	(294)		(554)
Income from associates and joint ventures	(17)	19		34
Profit before tax	2 198	2 097	5	4 180
Income tax expense	(664)	(555)		(1 272)
Net profit for the period	1 534	1 542		2 908
Net profit attributable to:				
Equity holders of Imperial Holdings Limited	1 350	1 379		2 562
Non-controlling interests	184	163		346
	1 534	1 542		2 908

Condensed consolidated statement of comprehensive income

for the six months ended	Unaudited December 2011 Rm	Unaudited December 2010 Rm	Audited June 2011 Rm
Net profit for the period	1 534	1 542	2 908
Other comprehensive income:			
Exchange gains (losses) arising on translation of foreign operations	199	(148)	26
Realisation of available for sale investment by Ukhamba	(23)		
Movement in hedge accounting reserves	594	(310)	35
– Movement in hedge accounting reserves	576	(305)	39
– Share of associates and joint ventures hedging reserve	18	(5)	(4)
Income tax relating to components of other comprehensive income		(1)	
Total comprehensive income for the period	2 304	1 083	2 969
Total comprehensive income attributable to:			
Equity holders of Imperial Holdings Limited	2 040	957	2 618
Non-controlling interests	264	126	351
	2 304	1 083	2 969

Earnings per share information

for the six months ended	Unaudited December 2011 Rm	Unaudited December 2010 Rm	% Change	Audited June 2011 Rm
Headline earnings reconciliation				
Net attributable profit	1 350	1 379		2 562
Profit on sale of property, plant and equipment	(19)	(44)		(60)
Impairment of assets	46	2		24
Exceptional items	(3)	19		46
Exceptional items – included in income from associates and joint ventures	48			17
Gain on sale of available for sale investments	(23)			
Tax	3	12		15
Non-controlling interests	(6)			4
Headline earnings – basic and diluted	1 396	1 368		2 608
Earnings per share (cents)				
– Basic	703	731	(4)	1 346
– Diluted	666	695	(4)	1 266
Headline earnings per share (cents)				
– Basic	727	725		1 370
– Diluted	688	690		1 289
Core earnings reconciliation				
Headline earnings – basic and diluted	1 396	1 368		2 608
Amortisation on intangibles arising on business combinations, other than goodwill	13			15
Fair value gain on Lereko call option		(279)		(279)
Business acquisition costs	53	11		15
Headline earnings from discontinued operations	(9)	(4)		(7)
CGT on post acquisition earnings of associates disposed	2			1
Tax	(3)			(4)
Core earnings – basic and diluted	1 452	1 096		2 349
Core earnings per share (cents)				
– Basic	756	581	30	1 234
– Diluted	716	552	30	1 161
Additional information				
Net asset value per share (cents)	7 052	5 557	27	6 137
Number of ordinary shares (million)				
– in issue				
• total shares	209,8	210,3		208,8
• net off shares repurchased and Lereko Mobility	196,1	196,6		195,1
– weighted average	192,0	188,6		190,3
– weighted average for diluted earnings	202,8	198,4		202,3
Number of other shares in issue (million)				
– Deferred ordinary	14,1	15,0		15,0
Dividends per ordinary share (cents)	300	220	36	480

Details of net finance cost and exceptional items

for the six months ended	Unaudited December 2011 Rm	Unaudited December 2010 Rm	Audited June 2011 Rm
Net finance cost			
Net interest paid	305	303	563
Foreign exchange loss (gain) on monetary items	106	(97)	62
Fair value (gain) loss on interest swaps	(106)	88	(71)
	305	294	554
Exceptional items			
Impairment of goodwill	(31)	(18)	(52)
Net profit (loss) on disposal and rationalisation of investments in subsidiaries, associates and joint ventures	8	(1)	6
Fair value adjustments on Aviation disposal assets	26		
	3	(19)	(46)

Condensed consolidated statement of financial position

at 31 December	Unaudited December 2011 Rm	Re-presented Unaudited December 2010 Rm	Audited June 2011 Rm
ASSETS			
Intangible assets	**1 921**	1 741	1 823
Investments in associates and joint ventures	**759**	787	770
Property, plant and equipment	**6 970**	6 357	6 550
Transport fleet	**3 999**	3 626	3 627
Vehicles for hire	**2 587**	2 558	2 057
Deferred tax assets	**766**	686	661
Investments and loans	**2 604**	2 539	2 413
Non-current financial assets	**259**	239	244
Inventories	**9 295**	6 725	7 589
Tax in advance	**192**	60	138
Trade and other receivables	**8 860**	7 446	7 130
Cash resources	**2 203**	1 985	3 531
Total assets	**40 415**	34 749	36 533
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital and premium	**22**	9	9
Shares repurchased	**(220)**	(220)	(220)
Other reserves	**818**	(51)	111
Retained earnings	**13 209**	11 188	12 073
Attributable to Imperial Holdings' shareholders	**13 829**	10 926	11 973
Non-controlling interests	**1 125**	882	1 043
Total shareholders' equity	**14 954**	11 808	13 016
Liabilities			
Non-redeemable, non-participating preference shares	**441**	441	441
Retirement benefit obligations	**250**	209	233
Interest-bearing borrowings	**8 099**	7 696	7 508
Insurance, investment, maintenance and warranty contracts	**2 825**	2 318	2 465
Deferred tax liabilities	**548**	624	549
Non-current financial liabilities	**243**	380	323
Trade and other payables and provisions	**12 195**	10 661	11 474
Current tax liabilities	**860**	612	524
Total liabilities	**25 461**	22 941	23 517
Total equity and liabilities	**40 415**	34 749	36 533
Capital commitments	**437**	525	1 007
Contingent liabilities	**57**	49	61

Condensed consolidated statement of cash flows

for the six months ended	Unaudited December 2011 Rm	Re-presented Unaudited December 2010 Rm	Audited June 2011 Rm
Cash flows from operating activities			
Cash generated by operations before movements in working capital	3 842	3 011	6 375
Net working capital movements	(2 021)	(895)	(298)
Cash generated by operations before net capital expenditure on rental assets	1 821	2 116	6 077
Expansion capital expenditure – rental assets	(671)	(207)	(157)
Net replacement capital expenditure – rental assets	(174)	(321)	(174)
– Expenditure	(1 022)	(1 283)	(1 900)
– Proceeds	848	962	1 726
Cash generated by operations	976	1 588	5 746
Net financing costs	(305)	(303)	(563)
Tax paid	(501)	(241)	(1 221)
	170	1 044	3 962
Cash flows from investing activities			
Net acquisition of subsidiaries and businesses	(77)	(930)	(943)
Expansion capital expenditure – excluding rental assets	(346)	(342)	(530)
Net replacement capital expenditure – excluding rental assets	(655)	(372)	(667)
Proceeds from the sale of Imperial Bank Limited		477	477
Dividend received from Ukhamba	387		
Net movement in other associates and joint ventures	(37)	50	78
Net movement in investments, loans and other non-current financial instruments	(173)	(195)	(15)
	(901)	(1 312)	(1 600)
Cash flows from financing activities			
Hedge cost premium paid		(160)	(205)
Purchase of ordinary shares			(156)
Cost incurred on cancellation of shares repurchased		(8)	(8)
Dividends paid	(620)	(494)	(983)
Change in non-controlling interests	(137)	19	(51)
Repayment of IPL 3 and IC 01 corporate bonds		(2 026)	(2 026)
Proceeds from the issuance of IPL 5 and IPL 6 corporate bonds		2 034	2 034
Net decrease in other interest-bearing borrowings	89	(281)	(225)
	(668)	(916)	(1 620)
Net (decrease) increase in cash resources	(1 399)	(1 184)	742

Condensed consolidated statement of changes in equity

for the six months ended	Share capital and premium Rm	Shares re-purchased Rm	Other reserves Rm	Retained earnings Rm	Attribu-table to Imperial Holdings' share-holders Rm	Non-controlling interests Rm	Total share-holders' equity Rm
Balance at 30 June 2010 – Audited	10	(1 816)	433	12 513	11 140	806	11 946
Total comprehensive income for the period			(422)	1 379	957	126	1 083
Share-based equity reserve transferred to retained earnings on vesting			29	(29)			
Share-based equity reserve utilisation including hedging cost			(157)		(157)		(157)
Share-based equity reserve charged to the income statement			62		62	1	63
Dividends paid				(407)	(407)		(407)
Consolidation of 5 864 944 Imperial shares held by Lereko Mobility as shares repurchased		(665)			(665)		(665)
Purchase and cancellation of 16 000 000 ordinary shares from wholly owned subsidiary	(1)	2 000		(2 007)	(8)		(8)
Reserve reallocation		261		(261)			
Non-controlling interests arising on business combination						21	21
Net increase in non-controlling interests			4		4	15	19
Non-controlling interests share of dividends						(87)	(87)
Balance at 31 December 2010 – Unaudited	9	(220)	(51)	11 188	10 926	882	11 808
Total comprehensive income for the period			478	1 183	1 661	225	1 886
Movement in statutory reserves			20	(20)			
Share-based equity reserve transferred to retained earnings on vesting			1	(1)			
Share-based equity reserve utilisation including hedging cost			(48)		(48)		(48)
Share-based equity reserve charged to the income statement			60		60	(5)	55
Dividends paid				(430)	(430)		(430)
Transfer of reserves on consolidation of 5 864 944 Imperial shares held by Lereko Mobility			(309)	309			
Purchase and cancellation of 1 465 719 ordinary shares from open market				(156)	(156)		(156)
Non-controlling interests arising on business combination						30	30
Net decrease in non-controlling interests			(40)		(40)	(30)	(70)
Non-controlling interests share of dividends						(59)	(59)
Balance at 30 June 2011 – Audited	**9**	**(220)**	**111**	**12 073**	**11 973**	**1 043**	**13 016**
Total comprehensive income for the period			690	1 350	2 040	264	2 304
Movement in statutory reserves			4	(4)			
Share-based equity reserve transferred to retained earnings on vesting			8	(8)			
Share-based equity reserve utilisation including hedging cost			(12)		(12)		(12)
Share-based equity reserve charged to the income statement			63		63		63
Issue of 115 060 ordinary shares	13				13		13
Dividends paid				(507)	(507)		(507)
Dividend declared by Ukhamba on unrecognised fair value adjustments on Imperial shares				305	305		305
Non-controlling interests arising on business combination						(7)	(7)
Net decrease in non-controlling interests			(46)		(46)	(62)	(108)
Non-controlling interests share of dividends						(113)	(113)
Balance at 31 December 2011 – Unaudited	22	(220)	818	13 209	13 829	1 125	14 954

Notes to the condensed consolidated financial statements

Basis of preparation

The condensed 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 31 December 2011 and the AC500 standards issued by the Accounting Practices Board or its successor. The results are presented in accordance with IAS 34 – *Interim Financial Reporting* and comply with the Listings Requirements of the JSE Limited. These financial statements do not include all the information required for full annual financial statements and should be read in conjunction with the consolidated financial statements as at and for the year ended 30 June 2011.

These condensed consolidated financial statements have not been reviewed or audited by the Group's auditors.

These condensed consolidated financial statements were approved by the Board of Directors on 21 February 2012.

Accounting policies

The accounting policies adopted and methods of computation used in the preparation of the condensed consolidated financial statements are in terms of IFRS and are consistent with those of the annual financial statements for the year ended 30 June 2011, except where the Group has adopted new or revised accounting standards. The Group has adopted the required new or revised accounting standards in the current period, none of which had a material impact on the Group's results.

Core earnings

The Group has decided to report a core earnings number, which excludes significant non-operational items of income and expenditure from reported headline earnings.

Discontinued operations

Discontinued operations are immaterial to the Group. Their results are included in the income statement and under Head Office and Eliminations on the segment report. The impact on the trading result is insignificant and fair value adjustments of R26 million have been included in exceptional items.

Re-presentation of the comparative information

New financial services segment

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

Since 30 June 2011, a Financial Services division has been 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*.

At 31 December 2010, 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 includes all of the above operations. These reallocations have been re-presented for the prior period.

None of this has had an impact on the Group's earnings.

The financial services segment results in the following changes:

	2010 Rm
Statement of financial position	
Insurance and investment contracts*	1 096
Deferred revenue transferred	1 222
Insurance, investment, maintenance and warranty contracts – as re-presented	2 318
Trade and other payables*	11 883
Deferred revenue transferred	(1 222)
Trade and other payables – as re-presented	10 661
Group income statement	
No impact	
Group statement of cash flows	
Cash generated by operations before movements in working capital*	2 820
Transfer of the net movement in deferred revenue to movements in insurance funds	191
Cash generated by operations before movements in working capital – as re-presented	3 011
Net movement in working capital*	(704)
Transfer of the net movement in deferred revenue to movement in insurance funds	(191)
Net movement in working capital – as re-presented	(895)

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 period.

*Previously reported

	Total Rm 2010	Logistics Rm 2010	Car Rental and Tourism Rm 2010	Distri-butor-ships Rm 2010	Auto-motive Retail Rm 2010	Financial Services Rm 2010	Head Office and Elimi-nations Rm 2010
Segmental information – Financial position							
Operating assets							
Operating assets*	32 526	11 316	3 466	9 028	4 387	3 957	372
Transfer of financial services			(19)	(630)	(17)	1 279	(613)
Operating assets – as re-presented	32 526	11 316	3 447	8 398	4 370	5 236	(241)
Operating liabilities							
Operating liabilities*	13 568	4 319	476	4 132	1 470	2 272	899
Transfer of financial services			(5)	(893)	(7)	1 444	(539)
Operating liabilities – as re-presented	13 568	4 319	471	3 239	1 463	3 716	360
Segmental information – Income statement							
Profit before tax and exceptional items*	2 116	506	131	827	160	251	241
Transfer of financial services				(134)	(2)	101	35
Profit before tax and exceptional items – as re-presented	2 116	506	131	693	158	352	276

*Previously reported

Subsequent events

On 2 January 2012, the Group acquired 100% of the issued shares in Lehnkering Holding GmbH (Lehnkering), a company incorporated in Germany. Lehnkering provides the Group with an ideal opportunity to expand into global emerging markets which are served by German exports. The purchase price was funded from a new Euro facility established specifically for the acquisition. The details of this acquisition are outlined under the heading "Business combinations (including subsequent acquisitions)".

Preparer of financial statements

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

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.

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 and commercial vehicles, automotive products, industrial equipment, motorcycles and light aircrafts.

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). It also manufactures and sells caravans and canopies.

Financial Services – comprises 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.

Business combinations (including subsequent acquisitions)

As all the individual acquisitions are immaterial to the Group, the disclosures have been made in total.

Subsidiaries and businesses acquired	Total of individual immaterial acquisitions concluded Rm	Lehnkering acquisition subsequent to December 2011 Rm
Total purchase cosideration transferred	118	1 883

Reason for the acquisition

These businesses were acquired to expand and diversify our distribution businesses and our logistics businesses within South Africa, rest of Africa and Europe.

Fair value of assets acquired and liabilities assumed at date of acquisition:	Total of individual immaterial acquisitions concluded Rm	Lehnkering acquisition subsequent to December 2011 Rm
Assets		
Intangible assets	7	5
Investments, loans, associates and joint ventures	4	
Property, plant and equipment	35	1 035
Transport fleet	104	
Non-current financial assets		52
Deferred tax assets	2	
Inventories	147	107
Tax in advance	1	
Trade and other receivables	102	974
Loans due by group entities	3	
Cash resources	7	249
	412	2 422
Liabilities		
Retirement benefit obligations		293
Deferred tax liabilities	17	
Interest-bearing borrowings	199	1 169
Loans due to group entities	26	
Trade and other payables and provisions	163	927
Current tax liabilities	2	101
	407	2 490
Acquirees' carrying amount at acquisition	5	(68)
Less: Non-controlling interests	7	
Net assets acquired	12	(68)
Purchase consideration transferred	118	1 883
– Cash	82	1 883
– Contingent consideration	48	
– Fair value of other assets transferred	5	
– Fair value of previously held interest	(17)	
Excess of purchase price over net assets acquired	106	1 951

Trade and other receivables acquired had gross contractual amounts of R114 million, of which R12 million were doubtful. None of the goodwill is expected to be deductible for tax purposes. Non-controlling interests has been calculated based on their proportionate share in net assets.

Details of contingent consideration

The contingent consideration requires the Group to pay the vendors an additional total amount of R48 million over three years if the entities' net profit after tax exceeds certain earnings targets.

Acquisition costs

Acquisition costs amounting to R53 million has been recognised as an expense in the period. This includes acquisition costs relating to Lehnkering which has been acquired after the reporting period, of R51 million.

Lehnkering acquisition subsequent to December 2011

In respect of this acquisition, the Group has translated the Euro-based balance sheet at a closing rate of R10,5178 and the income statement at an average rate of R10,7789. The purchase price, assets acquired and liabilities assumed are still provisional and work is still being done to finalise them. This may impact the excess of the purchase price over the net assets acquired. In addition, the total intangible assets will need to be split into their components between goodwill and other intangible assets. Other intangible assets will have to be amortised over their useful lives.

Impact of the acquisitions on the results of the Group	Total of individual immaterial acquisitions concluded Rm	Lehnkering acquisition subsequent to December 2011 Rm
From the dates of acquisition, the acquired businesses contributed:		
Revenue	379	
Attributable profit	6	
Had all the acquisitions been consolidated from 1 July 2011, the income statement would have included:		
Revenue	386	2 874
Attributable profit	7	84

The attributable profits for Lehnkering disclosed above, amounting to R84 million, include costs which are once-off in nature and are not expected to occur again in the future, amounting to R10 million.

Segmental information – Financial position

at 31 December	Group 2011 Rm	Group 2010 Rm	Logistics 2011 Rm	Logistics 2010 Rm	Car Rental and Tourism 2011 Rm
Business segmentation					
Assets					
Intangible assets	1 921	1 741	1 265	1 144	84
Investments, associates and joint ventures	2 701	2 702	118	116	7
Property, plant and equipment	6 970	6 357	1 998	1 740	440
Transport fleet	3 999	3 626	4 050	3 680	
Vehicles for hire	2 587	2 558			2 119
Non-current financial assets	259	239			
Inventories	9 295	6 725	296	309	416
Trade and other receivables	8 860	7 446	5 341	4 327	290
Cash resources in financial services businesses	973	1 132			
Operating assets	37 565	32 526	13 068	11 316	3 356
Deferred tax assets	766	686			
Loans to associates and other investments	662	624			
Tax in advance	192	60			
Cash resources	1 230	853			
Total assets per statement of financial position	40 415	34 749			
Liabilities					
Retirement benefit obligations	250	209	250	209	
Insurance, investment, maintenance and warranty contracts	2 825	2 318			
Trade and other payables and provisions	12 195	10 661	4 886	4 078	330
Non-current financial liabilities	243	380	131	32	
Non-interest-bearing liabilities	15 513	13 568	5 267	4 319	330
Non-redeemable, non-participating preference shares	441	441			
Interest-bearing borrowings	8 099	7 696			
Deferred tax liabilities	548	624			
Current tax liabilities	860	612			
Total liabilities per statement of financial position	25 461	22 941			
Geographic segmentation					
Operating assets	37 565	32 526	13 068	11 316	3 356
– South Africa	30 660	27 159	8 437	7 825	3 316
– Rest of Africa	1 795	1 479	1 276	973	40
– Rest of world	5 110	3 888	3 355	2 518	
Non-interest-bearing liabilities	15 513	13 568	5 267	4 319	330
– South Africa	12 680	11 357	3 217	2 758	314
– Rest of Africa	773	724	534	493	16
– Rest of world	2 060	1 487	1 516	1 068	
Interest-bearing borrowings	8 099	7 696	3 601	2 973	1 778
– South Africa	4 493	4 732	2 691	2 304	1 812
– Rest of Africa	419	278	337	172	(34)
– Rest of world	3 187	2 686	573	497	
Gross capital expenditure	2 894	2 467	851	693	1 182
– South Africa	2 627	2 261	618	528	1 174
– Rest of Africa	87	33	79	30	8
– Rest of world	180	173	154	135	
Gross capital expenditure	2 894	2 467	851	693	1 182
Less: Proceeds on disposal	(1 048)	(1 225)	(147)	(202)	(523)
Net capital expenditure	1 846	1 242	704	491	659

* *Head Office and Eliminations includes discontinued operations.*

† *Financial Services was previously named Insurance and now 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.*

Car Rental and Tourism^ 2010 Rm	Distri-butorships 2011 Rm	Distri-butorships^ 2010 Rm	Automotive Retail 2011 Rm	Automotive Retail^ 2010 Rm	Financial Services 2011 Rm	Financial Services† 2010 Rm	Head Office and Eliminations* 2011 Rm	Head Office and Eliminations*^ 2010 Rm
68	418	374	129	127	29	31	(4)	(3)
6	140	45	(2)		2 426	2 386	12	149
422	2 437	2 185	1 766	1 734	129	118	200	158
							(51)	(54)
2 239	320	190			582	600	(434)	(471)
					259	239		
360	6 075	4 175	2 259	1 700	301	183	(52)	(2)
352	1 961	1 429	864	809	549	547	(145)	(18)
					973	1 132		
3 447	11 351	8 398	5 016	4 370	5 248	5 236	(474)	(241)
	33	29			2 792	2 286		3
470	4 034	3 210	1 826	1 463	1 365	1 430	(246)	10
1							112	347
471	4 067	3 239	1 826	1 463	4 157	3 716	(134)	360
3 447	11 351	8 398	5 016	4 370	5 248	5 236	(474)	(241)
3 392	10 309	7 543	4 318	3 853	4 836	4 868	(556)	(322)
55	68	79			412	368	(1)	4
	974	776	698	517			83	77
471	4 067	3 239	1 826	1 463	4 157	3 716	(134)	360
457	3 895	3 064	1 452	1 247	3 978	3 562	(176)	269
14	38	54			179	154	6	9
	134	121	374	216			36	82
1 843	2 711	2 527	1 257	1 233	(987)	(621)	(261)	(259)
1 843	1 975	1 924	1 145	1 119	(987)	(621)	(2 143)	(1 837)
	117	106					(1)	
	619	497	112	114			1 883	1 578
1 264	258	69	157	95	474	378	(28)	(32)
1 262	249	48	140	78	474	377	(28)	(32)
2						1		
	9	21	17	17				
1 264	258	69	157	95	474	378	(28)	(32)
(635)	(39)	(17)	(22)	(26)	(313)	(309)	(4)	(36)
629	219	52	135	69	161	69	(32)	(68)

Segmental information – Income statement

for the six months ended 31 December	Total Group 2011 Rm	Total Group 2010 Rm	Logistics 2011 Rm	Logistics 2010 Rm	Car Rental and Tourism 2011 Rm
Business segmentation					
Revenue					
– Sales of goods	23 245	18 712	1 959	881	575
– Rendering of services	13 708	11 421	10 419	8 694	1 301
– Gross premiums received	1 374	1 188			
– Other	58	39	59	39	
	38 385	31 360	12 437	9 614	1 876
Inter-segment revenue			33	97	63
	38 385	31 360	12 470	9 711	1 939
Operating expenses including cost of sales	(35 062)	(28 683)	(11 360)	(8 762)	(1 480)
Investment income	97	106			
Fair value gains on investments	35	80			
Depreciation, amortisation and impairments	(847)	(755)	(406)	(366)	(250)
Recoupments (excluding properties)	13	18	11	9	1
Operating profit	2 621	2 126	715	592	210
Recoupments from sale of properties, net of impairments	(38)	26		26	
Amortisation of intangible assets arising on business combinations	(13)		(11)		
Foreign exchange gains (losses)	9	(24)	3	(4)	
Fair value (losses) gains on foreign exchange derivatives	(9)	(16)			
Business acquisition costs	(53)		(51)		
Fair value gain on Lereko call option		279			
Profit before net financing costs and exceptional items	2 517	2 391	656	614	210
Net finance cost including fair value gains and losses	(305)	(294)	(108)	(115)	(66)
Income from associates and joint ventures	(17)	19	14	7	
Profit before tax and exceptional items	2 195	2 116	562	506	144
Income tax excluding tax on exceptional items	(664)	(555)	(187)	(155)	(41)
Profit after tax before exceptional items	1 531	1 561	375	351	103
Geographic segmentation					
Revenue	38 385	31 360	12 470	9 711	1 939
– South Africa	29 154	24 961	6 462	5 675	1 865
– Rest of Africa	2 201	1 179	1 849	827	74
– Rest of world	7 030	5 220	4 159	3 209	
Operating profit	2 621	2 126	715	592	210
– South Africa	2 245	1 869	431	379	196
– Rest of Africa	135	99	82	57	14
– Rest of world	241	158	202	156	
Net financing costs	305	294	108	115	66
– South Africa	255	256	97	107	66
– Rest of Africa	14	10	10	6	
– Rest of world	36	28	1	2	

** Head Office and Eliminations includes discontinued operations.*

† Financial Services was previously named Insurance and now 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.

Car Rental and Tourism^ 2010 Rm	Distri-butorships 2011 Rm	Distri-butorships^ 2010 Rm	Automotive Retail 2011 Rm	Automotive Retail^ 2010 Rm	Financial Services 2011 Rm	Financial Services† 2010 Rm	Head Office and Eliminations* 2011 Rm	Head Office and Eliminations*^ 2010 Rm
613	12 037	9 785	8 667	7 403			7	30
1 038	889	671	821	728	314	283	(36)	7
					1 374	1 188		
						1	(1)	(1)
1 651	12 926	10 456	9 488	8 131	1 688	1 472	(30)	36
16	664	587	389	391	145	167	(1 294)	(1 258)
1 667	13 590	11 043	9 877	8 522	1 833	1 639	(1 324)	(1 222)
(1 241)	(12 349)	(10 167)	(9 570)	(8 258)	(1 582)	(1 429)	1 279	1 174
				1	136	128	(39)	(23)
					35	80		
(231)	(80)	(61)	(46)	(48)	(78)	(73)	13	24
3	1	1						5
198	1 162	816	261	217	344	345	(71)	(42)
	(44)				6			
	(2)							
	(18)	(5)	1			(1)	23	(14)
(1)	12	(3)					(21)	(12)
	(2)							
								279
197	1 108	808	262	217	350	344	(69)	211
(67)	(108)	(128)	(52)	(59)			29	75
1	15	13	1		9	8	(56)	(10)
131	1 015	693	211	158	359	352	(96)	276
(37)	(329)	(189)	(59)	(45)	(78)	(95)	30	(34)
94	686	504	152	113	281	257	(66)	242
1 667	13 590	11 043	9 877	8 522	1 833	1 639	(1 324)	(1 222)
1 574	11 830	9 702	8 675	7 714	1 694	1 521	(1 372)	(1 225)
93	139	141			139	118		
	1 621	1 200	1 202	808			48	3
198	1 162	816	261	217	344	345	(71)	(42)
173	1 135	804	243	205	305	315	(65)	(7)
25	1				39	30	(1)	(13)
	26	12	18	12			(5)	(22)
67	108	128	52	59			(29)	(75)
67	90	113	50	57			(48)	(88)
	3	4					1	
	15	11	2	2			18	13

The results announcement is available on the Imperial website: **www.imperial.co.za**

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Imperial Holdings Limited
Registration number: 1946/021048/06
Ordinary share code: IPL ISIN: ZAE000067211
Preference share code: IPLP ISIN:ZAE000088076

Non-executive directors:
TS Gcabashe (Chairman), SL Botha, T Dingaan, S Engelbrecht, P Langeni, MJ Leeming, MV Moosa, RJA Sparks, A Tugendhaft (Deputy chairman), Y Waja

Executive directors:
HR Brody (Chief Executive), OS Arbee, MP de Canha, RL Hiemstra, AH Mahomed, GW Riemann (German), M Swanepoel

Other executive committee members:
M Akoojee, BJ Francis, P Michaux, M Mosola

Company Secretary:
RA Venter

Business address and registered office:
Imperial Place, Jeppe Quondam, 79 Boeing Road East, Bedfordview, 2007

Share transfer secretaries:
Computershare Investor Services (Pty) Limited, 70 Marshall Street, Johannesburg, 2001

Sponsor:
Merrill Lynch SA (Pty) Limited, 138 West Street, Sandown Sandton, 2196

BASTION GRAPHICS