

Strong operating cash generation in difficult trading environment

Cash generated from operations up 20% to

R4 469 million

Operating profit (after BEE transaction charges) decreased 25% to

R1 994 million

Strong trading performance from Automotive in difficult market

R1 334 million

reduction in net borrowings and lengthening of debt maturity profile

Decisive action taken to reduce cost base

HEPS from continuing operations down
43%

Total dividend of
110 cents per share for the year

Clive Thomson, CEO of Barloworld, said:

"Equipment southern Africa delivered a solid operating performance while the automotive division performed exceptionally well in a very difficult year for the industry. The southern African handling and logistics businesses returned satisfactory results.

However challenging trading conditions prevailed in our international operations and restructuring charges of R139 million, principally in Iberia were incurred to realign our cost base with lower activity levels. Negative financial instrument adjustments due to the strengthening of the rand and higher net finance costs also impacted the group's profits for the year.

The overall trading environment in the second half remained difficult. However we retained our focus on expense and working capital management which resulted in strong cash flow for the year.

While we anticipate that 2010 will be another challenging year, sentiment has improved, and we believe that the company is well placed to capitalise on the expected upturn when it occurs."

16 November 2009