

Imperial Logistics Limited  
(Incorporated in the Republic of South Africa)  
Registration number: 1946/021048/06  
ISIN: ZAE000067211  
Share code: IPL

("Imperial Logistics" or the "Company" or the "Group")

#### TRADING STATEMENT FOR THE 12 MONTHS ENDED 30 JUNE 2019

Shareholders are referred to the SENS announcement of 3 June 2019 in which our guidance for the 12 months to 30 June 2019 was as follows:

It is anticipated that Imperial Logistics' continuing operations (excluding Motus and Consumer Packaged Goods ('CPG') as discontinued operations) will deliver:

- Higher revenue than the prior year
- Lower operating profit and Headline Earnings per Share ('HEPS') than the prior year, negatively impacted by weaker operational performances in South Africa and International divisions, once-off trading costs in the International division and once-off costs associated with business rationalisation and restructure.

Imperial Logistics is currently finalising its results for the year ended 30 June 2019 and expects revenue, operating profit and HEPS from continuing operations to be in line with the aforementioned guidance.

As contemplated in the JSE Listings Requirements, Basic Earnings per Share ('EPS') and Basic HEPS for the year ended 30 June 2019 ('F2019'), excluding Motus and CPG as discontinued operations, compared to 30 June 2018 ('F2018'), are expected to be within the ranges provided in the table below:

	30 June 2018 Restated*	30 June 2019 Expected range
Continuing HEPS (cents)	585	533 to 551 (down 9% to 6%)
Continuing EPS (cents)	519	(35) to (17) (down more than 100%)

\* Prior year restated to exclude CPG

The primary reasons for the changes are:

- weaker operational performances in the South Africa and International divisions, negatively impacted by challenging trading conditions, once-off trading costs in the International division and once-off costs associated with business rationalisation and restructure.

Basic EPS and Basic HEPS for the year ended 30 June 2019 for the group in total (including Motus and CPG) compared to 30 June 2018, are expected to be within the ranges provided in the table below:

	30 June 2018 Published	30 June 2019 Expected range
HEPS cents (total)	1570	391 to 434 (down 75% to 72%)
EPS cents (total)	1681	1757 to 1793 (up 5% to 7%)

The primary reasons for the changes, in addition to those mentioned above, are:

- total EPS and HEPS include Motus for 12 months in F2018 and for 4 months in F2019;
- provisions for closure costs and impairment of R1.2 billion to R1.4 billion post-tax relating to the decision to exit the CPG business in South Africa, which reflects in the total group number, classified as a discontinued operation for the financial year ending 30 June 2019, the bulk of which relates to exit of leases, staff retrenchments and goodwill; and
- the impairment of certain historic goodwill to the value of c. R1.1 billion (c. 14% of total goodwill and intangible assets) driven by significant deterioration in macro-economic conditions in all three divisions, which includes a depressed growth outlook, uncertainty and higher WACC rates. These factors have resulted in the reduction in the value in use of certain of our cash generating units, leading to the goodwill impairment. The affected businesses are however, still cash generative and profitable. The remaining goodwill relates mainly to operations which are in growing markets and industries, are cash flow generating with low capital requirements, and which exceed our targeted hurdle rates.

Imperial Logistics will release its results for the year ended 30 June 2019 on 27 August 2019.

The forecast financial information in this trading statement is based on information available at the time of publication and has not been reviewed or reported on by the Group's auditors.

Bedfordview  
15 August 2019

Sponsor: Merrill Lynch South Africa (Pty) Limited