



Raubex - FY23 Results

Key message: *The Beit Bridge project completion leaves a large hole in profits – significant revenue growth is required to replace this.*

- Raubex recently reported FY23 results. HEPS increased 32% on a 32% and 35% increase in revenue and operating profit. A final dividend of 76c was declared.
- **Materials Handling & Mining:** Bauba now contributes most of the divisions profit with production running at normalised levels after a working capital injection. The Namdeb contract was secured for 5 years.
- **Construction Materials:** Increased costs resulted in lower margins with commercial quarries increasing volumes, asphalt volumes declining slightly and bitumen volumes picking up towards YE.
- **Roads & Earthworks:** SANRAL work (mainly on N3) is going well, supported by private concession road work. The Senqu River Bridge will provide some replacement for the conclusion of the Beit Bridge project. R2bn in SANRAL work has been secured since Oct 2022. Margins will be under pressure with the completion of the high margin Beit Bridge project.
- **Infrastructure:** Commercial building and housing provides a robust order book base, with margins likely to fall with the completion of the Beit Bridge project. Renewable energy projects will only impact FY25 due to REIPP delays.
- The US\$172m Beitbridge Border Post project in Zimbabwe contributed meaningfully in FY23 (revenue approx. R1.6bn at a margin of 30%). The project was split between the Roads & Earthworks and Infrastructure divisions. The high margin was mostly due to currency gains. The completion of this project will create a profit hole in FY24 that will need substantially higher revenue to fill due to the high margin.
- The order book increased to R20.04bn (Feb 2022: R17.13bn), with a project burn rate of R50m/day. Order book growth prospects are from SANRAL and private renewable energy projects.
- The completion of the Beitbridge project will impact FY24, with group margin expected to drop from 8.3% in FY23 to 7.1% as replacement projects are likely to be at a lower margin. With replacement work still at relatively low margins, we decrease our Target Price to R30.00 (from R32.60).

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Rating:	Neutral
Price (14/06/2023):	R24.28
Target Price:	R30.00
Dividend yield:	4.6%
Total return:	28%
Market cap	R4.44bn
Shares in issue	180.7mn

Financial summary

ZARmn (year to February)	FY22A	FY23A	FY24E	FY25E	FY26E
Revenue	11578	15307	15995	17479	19129
EBITDA	1380	1925	1836	1991	2162
Net income	554	704	608	685	769
Headline EPS (diluted)	296	391	336	379	425
PE Ratio	13.1	7.3	7.3	6.4	5.7
Dividend	101	130	112	126	142
Dividend yield (%)	2.5%	1.1%	4.6%	5.2%	5.8%

Source: Factset, Company data, Chronux Research estimates

Figure 1 Financial summary

Financial year to February	FY22A	FY23A	FY24E	FY25E	FY26E
ZAR/AUD exchange rate	11.05	11.91	12.11	11.92	12.18
Per share data					
Earnings (diluted)	305	390	336	379	425
Headline earnings (diluted)	296	391	336	379	425
NAV	26.64	29.56	33.95	35.97	38.17
Dividend	101	130	112	126	142
Valuation ratios					
P/E ratio	13.1	7.3	7.3	6.4	5.7
EV/EBITDA	5.5	2.9	3.0	2.8	2.6
P/B	1.50	0.96	0.72	0.68	0.64
Dividend yield	2.5%	1.1%	4.6%	5.2%	5.8%
Income Statement (ZARmn)					
Sales	11,578	15,307	15,995	17,479	19,129
<i>Sales growth</i>		32.2%	4.5%	9.3%	9.4%
Cost of Goods Sold (COGS)	9,986	13,198	10,557	11,536	12,625
Gross Income	1,592	2,110	5,438	5,943	6,504
<i>Gross margin</i>	13.8%	13.8%	34.0%	34.0%	34.0%
SG&A Expense	(673)	(853)	(891)	(974)	(1,066)
Other Operating Income/Expense	26	19	0	0	0
EBITDA	1,380	1,925	1,836	1,991	2,162
<i>EBITDA margin</i>	11.9%	12.6%	11.5%	11.4%	11.3%
Depreciation & Amortisation	(434)	(649)	(694)	(741)	(792)
EBIT (Operating Income)	945	1,276	1,143	1,250	1,370
<i>EBIT margin</i>	8.2%	8.3%	7.1%	7.2%	7.2%
Nonoperating Income - Net	0	0	3	6	9
Net Interest Expense	(24)	(47)	(44)	(20)	4
Equity in Earnings of Affiliates	(6)	(7)	0	0	0
PBT	915	1,222	1,101	1,236	1,382
Income Taxes	(288)	(363)	(330)	(369)	(412)
<i>Tax rate</i>	31.5%	29.7%	29.9%	29.9%	29.8%
Consolidated Net Income	627	859	769	861	961
Minority Interest	(73)	(154)	(161)	(176)	(193)
Net Income	554	704	608	685	769
Cash flow statement (ZARmn)					
Changes in working capital	(579)	23	36	10	9
Cash from operating activities	566	1,591	1,498	1,611	1,762
Capital expenditure	(880)	(1,172)	(955)	(1,050)	(1,155)
Other	197	(7)	0	0	0
Investing cash flow	(683)	(1,179)	(955)	(1,050)	(1,155)
Changes in borrowings	(23)	169	(62)	(50)	(40)
Dividend paid	(173)	(245)	(293)	(278)	(312)
Other	(62)	(181)	0	0	0
Financing cash flow	(259)	(257)	(355)	(328)	(352)
Change in cash	(376)	155	188	234	255
Balance sheet (ZARmn)					
Total assets	10,025	11,343	11,826	12,413	13,084
Cash and equivalents	1,505	1,697	1,886	2,119	2,374
Other current assets	3,448	3,809	4,075	4,395	4,747
Non-current assets	5,072	5,837	5,865	5,898	5,963
Total liabilities	4,802	5,540	5,711	5,935	6,210
Long-term liabilities	1,425	1,542	1,412	1,306	1,221
Current liabilities	3,377	3,998	4,300	4,629	4,989
Total shareholders' funds	5,223	5,803	6,115	6,478	6,874
Net cash/(debt)	545	483	801	1,140	1,480

Source: Factset, Company data, Chronux Research estimates

Valuation

Sum-of-the-Parts: EBITDA Multiple

Figure 2 Sum-of-the-Parts Valuation – FY24 EBITDA

ZARm	Multiple range		Comment	FY24 EBITDA	EV/EBITDA Multiple	Enterprise Value
Materials Handling & Mining	2-4x	Low end		690	3.0x	2,069
Construction Materials	2-4x	Low end		257	3.0x	771
Roads & Earthworks	3-5x	Mid range as order book replacement required		375	4.0x	1,500
Infrastructure	3-5x	Mid range as order book replacement required		514	4.0x	2,058
				1,836	3.5x	6,398
Other assets		From balance sheet				27
Minorities		From balance sheet				-505
Net (debt)/cash		Assume 5% of order book is locked up				-519
Equity value						5,401
Number of shares ('m)						180.700
Valuation (ZAR per share)						29.89

Source: Company data, Chronux Research estimates

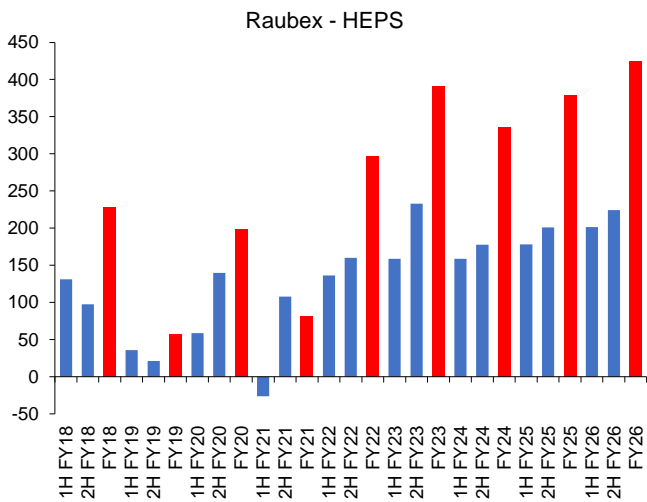
- We have reduced our exit multiples to a lower range due to the de-rating in general in the South African market. The Materials Handling & Mining exit multiple has also been reduced due to the high proportion of more volatile mining revenue.
- We do believe that there is order book replacement risk for Raubex, despite the outlook being favourable and road and construction activity in South Africa and Africa is starting to recover from a low base. The very high margin Beit Bridge project profits cannot be replicated, and significantly higher revenue is required to maintain the profitability of the group.
- We do expect HEPS to decline by 14% into FY24 as a result. Growth into FY25 should be driven by the start of renewable energy projects and SANRAL contracts.
- With replacement work still at relatively low margins, we decrease our Target Price to R30.00 (from R32.60).
- On a PE valuation, we would put Raubex on a normalised 8 times PE multiple in the long-term. Based on our current forecasts one needs to look forward to FY25 for this – a long time in the construction world.

Figure 3 PE Valuation

	<u>2023A</u>	<u>2024E</u>	<u>2025E</u>
HEPS	391	336	379
RBX PE	6.2	7.2	6.4
TP Fwd PE	7.6	8.9	7.9

Source: Company data, Chronux Research estimates

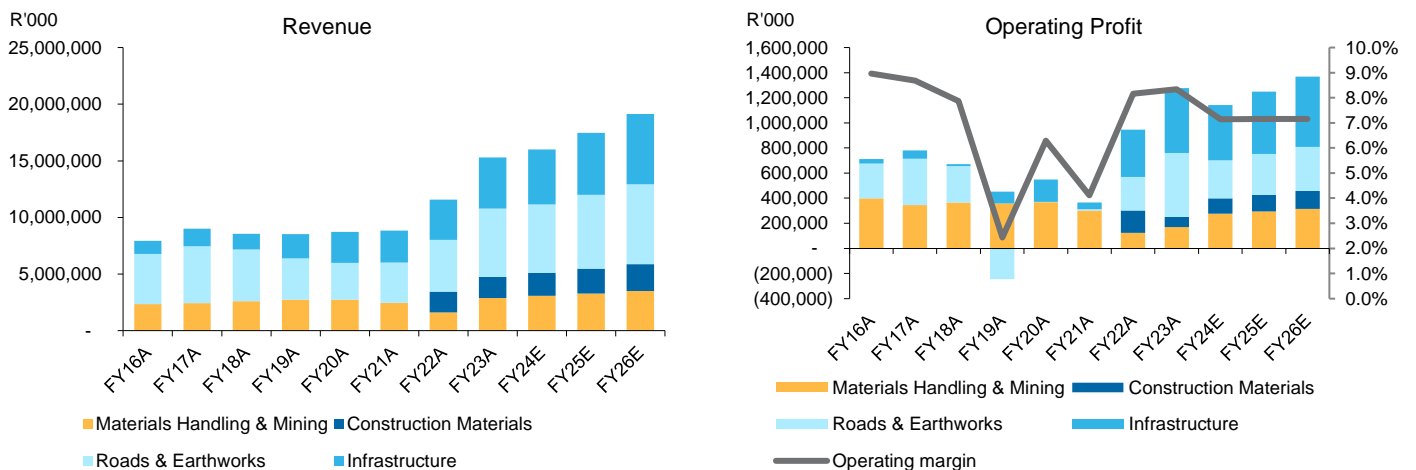
Figure 4 HEPS



Source: Company data, Chronux Research estimates

- While revenue is expected to grow in the forecast period, an expected decline in the operating margin as the Beit Bridge project is completed results in more modest operating profit growth.

Figure 5 Revenue and Operating Profit

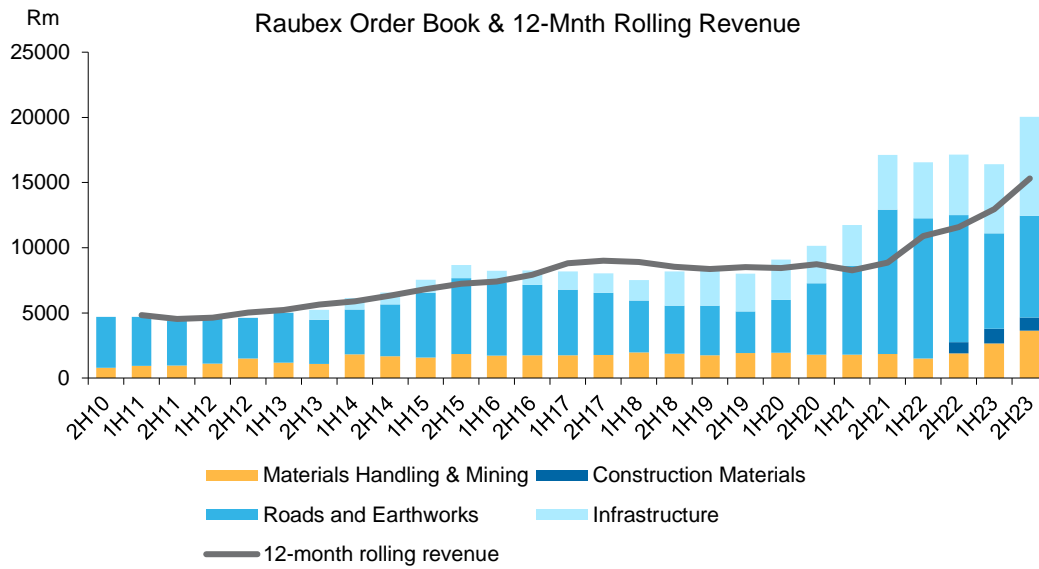


Source: Chronux Research

Order Book

- The order book has stalled over the past 2 years as delays to SANRAL tenders and the REIPP program has resulted in expected project wins not coming through. While the outlook remains positive with SANRAL coming back to the market and private sector renewable energy projects likely to grow substantially, Raubex does face some timing risk in replacing the current order book.

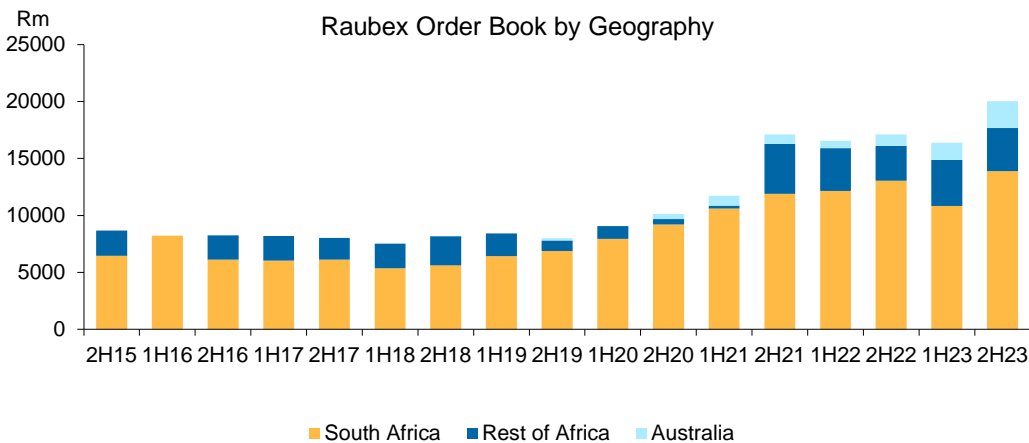
Figure 6 Order Book by Division



Source: Company data, Chronux Research estimates

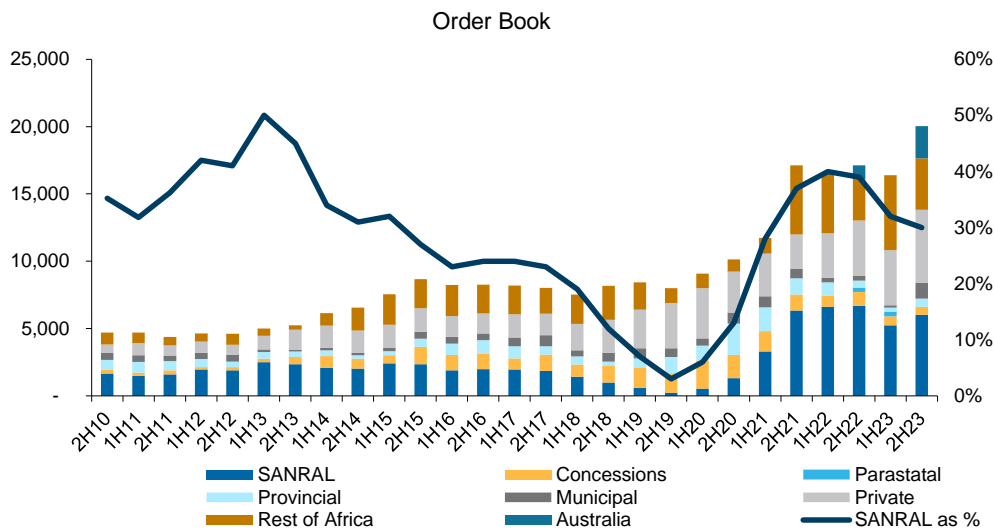
- A significant part of the increased order book was the US\$172m Beitbridge Border Project, as shown in the chart below (this falls into the Rest of Africa order book). This was completed in FY23 and replacement work at a similar high margin is unlikely.

Figure 7 Order Book by Geography



Source: Company data, Chronux Research estimates

- Raubex is bidding on several PPP's in South Africa, including a border upgrade on the South African side of Beitbridge. However, PPP's in South Africa typically take 2-3 years to reach financial close and it is unlikely that this will compensate for the Zimbabwean border project in time.

Figure 8 Order Book by Sector

Source: Company data, Chronux Research estimates

- SANRAL makes up 30% of the total order book. Raubex is looking to diversify away from SANRAL, and this exposure is likely to slowly decline over time. However, it remains an important part of the business and an active SANRAL also soaks up capacity – allowing margin expansion in the overall road sector.

Notes from the Results

Materials Handling & Mining

- Raubex now owns 65% of Bauba, having diluted after period end as the partner (Pelagic – a commodity trader) wants to own 35%. Pelagic looks after the logistics operations.
- Bauba operates at a 10-15% operating margin and should contribute approx. 70% of divisional earnings. Revenue for the year was R1.3bn at an 11% operating margin.
- The central pit is now exhausted and Bauba is moving to the N and S pits (Kookfontein). High grade chrome ore will be sold.
- The strategy is to look at small mining operations that can add work to SPH and B&E, both of which take significant risk on behalf of clients and owning the mining operation can mitigate that risk. This has been successful so far with the Bauba acquisition and both SPH and B&E are doing well.
- Raubex is not looking to become a junior mining company and is not looking to aggressively buy into the mining sector. Opportunities will be assessed if it adds value to the group.

Construction Materials

- Bitumen supply in South Africa is a problem, with refineries not looking like they will open again. Tosas has been importing bitumen to make up the shortfall, with other importers also in the market. It is likely to oil companies will start to import bitumen themselves to supply local market demand as they have storage facilities.
- Bitumen stocks were increased in 1H FY23 and then reduced to year-end. The outlook for FY24 looks good as SANRAL contracts start to consume bitumen.

- Asphalt demand has seen an uptick with more growth expected. Adverse weather and floods impacted KZN demand in FY23 – volumes should increase into FY24.

Roads & Earthworks

- SANRAL is starting to tender and award projects on a regular basis, and this has brought some normality back to the roads business. The new SANRAL CEO does seem to be doing a good job so far.
- Raubex is well placed for R9bn of SANRAL tenders, with SANRAL getting through the backlog of projects. The 5 cancelled projects have been re-awarded. There is still more than R20bn of projects to come to market, mainly on the N2/N3 roads.
- The order book is full for FY24, although still at relatively low margins. New work will be bid at higher margins.
- Chinese contractors that have secured SANRAL work are late in mobilising.
- Private road work with toll concessions is expected to increase as the concessions near the end of life and required work is done before handover.

Infrastructure

- While the REIPP has stalled, the private sector is very active in renewable energy. Raubex is focusing on solar and wind opportunities, with the private sector more attractive (less prescriptive procurement rules, especially local content).
- The construction opportunity is typically 20-25% of project value. Margins are typically double digit for renewable energy projects. Raubex is the preferred bidder for 3 wind farms for the private sector – these could add to the FY25 order book only though.
- There are currently no renewable projects in the FY24 order book, although FY25 should see an increase in REIPP and private projects.
- General contracting is seeing an uptick in commercial building after a slow two years. The housing market is busy and student accommodation a growth sector.
- Government has committed to PPP's in border posts, but these remain imminent (as they have for years).

Rest of Africa

- Zambia continues to pay the amount owed to Raubex in small increments. R33m was received in FY22. R47.3m was received in FY23.
- Beitbridge – revenue was R1.5-1.6bn in FY23 at a margin of 30% (operating profit R550m). The margin on this project is very high but does include currency gains (the project was bid at R15/US\$).
- Replacement work includes the Senqu bridge in Lesotho (R600m) and Namdeb (R1.3bn over 5 years).

Australia

- The Australian business continues to perform well. Operating margins of high single digits are expected going forward.
- A slowdown in infrastructure spend is anticipated in Australia.

Divisional Forecast

Figure 9 Divisional Forecast

	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Revenue	8,846,454	11,577,951	15,307,479	15,995,272	17,479,360	19,129,379
Materials Handling & Mining	2,452,181	1,611,100	2,877,958	3,067,355	3,269,862	3,486,426
Contracting	992,853	1,114,360	1,147,042	1,238,805	1,337,910	1,444,943
Sale of ore		21,569	1,359,851	1,427,844	1,499,236	1,574,198
Commercial quarry aggregates gypsum	1,107,148	433,359	369,602	399,170	431,104	465,592
Plant hire	352,180	41,537	-	-	-	-
Property sales & rentals		275	1,463	1,536	1,613	1,694
Construction Materials		1,842,024	1,877,175	2,052,010	2,216,171	2,393,465
Contracting		40,557	14,789	15,972	17,250	18,630
Commercial quarry aggregates gypsum		878,980	629,331	679,677	734,052	792,776
Bitumen emulsion products and services		521,630	682,264	750,490	810,530	875,372
Asphalt supply		400,857	550,791	605,870	654,340	706,687
Roads & Earthworks	3,549,996	4,576,198	6,037,985	6,037,985	6,521,024	7,042,706
Contracting	2,930,578	4,576,198	6,037,985	6,037,985	6,521,024	7,042,706
Bitumen emulsion products and services	296,156	-	-	-	-	-
Asphalt supply	323,262	-	-	-	-	-
Infrastructure	2,844,277	3,548,629	4,514,361	4,837,922	5,472,303	6,206,783
Contracting	2,741,607	3,477,619	4,458,811	4,776,817	5,405,088	6,132,846
- South Africa & Africa	1,643,370	1,837,540	1,934,951	2,051,048	2,461,258	2,953,509
- Australia	1,098,237	1,640,079	2,523,860	2,725,769	2,943,830	3,179,337
Property sales rentals and development	102,670	71,010	55,550	61,105	67,216	73,937
Revenue growth	1%	31%	32%	4%	9%	9%
Materials Handling & Mining	-11%	-34%	79%	7%	7%	7%
Contracting	-15%	12%	3%	8%	8%	8%
Sale of ore			6205%	5%	5%	5%
Commercial quarry aggregates gypsum	0%	-61%	-15%	8%	8%	8%
Plant hire	-26%	-88%	-100%			
Property sales & rentals			432%	5%	5%	5%
Construction Materials		2%		9%	8%	8%
Contracting			-64%	8%	8%	8%
Commercial quarry aggregates gypsum			-28%	8%	8%	8%
Bitumen emulsion products and services			31%	10%	8%	8%
Asphalt supply			37%	10%	8%	8%
Roads & Earthworks	10%	29%	32%	0%	8%	8%
Contracting	23%	56%	32%	0%	8%	8%
Bitumen emulsion products and services	-49%					
Asphalt supply	15%					
Infrastructure	3%	25%	27%	7%	13%	13%
Contracting	8%	27%	28%	7%	13%	13%
- South Africa & Africa	-18%	12%	5%	6%	20%	20%
- Australia	100%	49%	54%	8%	8%	8%
Property sales rentals and development	-50%	-31%	-22%	10%	10%	10%
Operating profit	364,456	945,316	1,276,139	1,142,631	1,249,970	1,369,651
Materials Handling & Mining	301,811	124,124	168,589	276,062	294,288	313,778
Construction Materials		178,720	81,511	123,121	132,970	143,608
Roads & Earthworks	10,439	267,205	510,859	301,899	326,051	352,135
Infrastructure	52,206	375,267	515,180	441,549	496,661	560,129
- South Africa & Africa	(22,070)	197,799	267,819	168,972	202,278	242,196
- Australia	74,276	177,468	247,361	272,577	294,383	317,934
Other						
Operating margin	4.1%	8.2%	8.3%	7.1%	7.2%	7.2%
Materials Handling & Mining	12.3%	7.7%	5.9%	9.0%	9.0%	9.0%
Construction Materials		9.7%	4.3%	6.0%	6.0%	6.0%
Roads & Earthworks	0.3%	5.8%	8.5%	5.0%	5.0%	5.0%
Infrastructure	1.8%	10.6%	11.4%	9.1%	9.1%	9.0%
- South Africa & Africa	-1.3%	10.8%	13.5%	8.0%	8.0%	8.0%
- Australia	6.8%	10.8%	9.8%	10.0%	10.0%	10.0%
Operating profit growth	-34%	159%	35%	-10%	9%	10%
Materials Handling & Mining	-17.9%	-58.9%	35.8%	63.7%	6.6%	6.6%
Construction Materials		#DIV/0!	-54.4%	51.0%	8.0%	8.0%
Roads & Earthworks	235.7%	2459.7%	91.2%	-40.9%	8.0%	8.0%
Infrastructure	-70.7%	618.8%	37.3%	-14.3%	12.5%	12.8%

Source: Company data, Chronux Research estimates

Figure 10 Income Statement - Forecast

Raubex Group Limited	02/2014	02/2015	02/2016	02/2017	02/2018	02/2019	02/2020	02/2021	02/2022	02/2023	02/2024	02/2025	02/2026
Sales	6325	7245	7926	9006	8542	8519	8735	8846	11578	15307	15995	17479	19129
Cost of Goods Sold (COGS) incl. D&A	5465	6259	6802	7765	7419	7795	7648	7840	10021	13239	10557	11536	12625
Gross Income	860	986	1123	1241	1123	724	1087	1006	1557	2069	5438	5943	6504
SG&A Expense	346	387	454	479	507	526	528	611	633	824	891	974	1066
Other Operating Expense	0	0	0	0	0	0	0	0	0	1	0	0	0
EBIT (Operating Income)	514	599	669	762	616	197	559	396	924	1244	4547	4969	5438
Nonoperating Income - Net	62	65	82	73	101	91	13	80	85	145	92	102	114
Interest Expense	43	58	85	90	75	58	71	78	65	112	136	122	111
Unusual Expense - Net	0	-	5	127	3	49	54	55	22	49	0	0	0
Income Taxes	155	179	192	209	188	64	145	139	288	363	330	369	412
Equity in Earnings of Affiliates	0	0	0	1	0	-1	0	-1	-8	-7	0	0	0
Consolidated Net Income	380	428	469	410	453	117	301	203	625	859	4173	4580	5030
Minority Interest	24	28	24	38	29	59	49	45	73	154	161	176	193
Net Income	356	400	445	372	424	58	252	158	552	704	4012	4404	4837
Discontinued Operations	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Income available to Common	356	400	445	372	424	58	252	158	552	704	4012	4404	4837
Per Share													
EPS (recurring)	1.88	2.10	2.36	2.51	2.35	0.51	1.59	1.08	3.12	4.08	3.37	3.80	4.27
EPS (diluted)	1.88	2.10	2.34	2.02	2.34	0.32	1.38	0.87	3.04	3.89	3.36	3.79	4.25
Earnings Persistence	82.97	79.72	87.47	88.70	92.52	92.49	84.14	78.48	77.43	84.64			
Dividends per Share	0.65	0.71	0.78	0.90	0.78	0.34	0.22	0.53	1.01	0.22	1.12	1.26	1.42
EBITDA													
EBITDA	799	936	1043	1139	980	588	1024	860	1361	1894	1836	1991	2162

All figures in millions of South African Rand except per share items.

Raubex Group Limited	02/2014	02/2015	02/2016	02/2017	02/2018	02/2019	02/2020	02/2021	02/2022	02/2023	02/2024	02/2025	02/2026
Rental Expense	33	40	47	53	40	36	38	48	73	85			
Stock Option Comp Exp (Net of Tax)	20	20	14	7	0	5	6	8	12	4			
Foreign Currency Translation Gains/Losses	5	-1	6	-24	-9	2	-16	-14	11	55			
Tax Rate	29.0	29.4	29.1	33.8	29.4	35.1	32.5	40.5	31.2	29.6	30.0	30.0	30.0
Headline EPS	1.87	2.09	2.34	2.02	2.29	0.32	1.62	0.82	2.97	3.93	3.37	3.80	4.27
Headline EPS (diluted)	1.84	2.06	2.32	2.00	2.29	0.32	1.61	0.81	2.95	3.91	3.36	3.79	4.25

All figures in millions of South African Rand except per share items.

Raubex Group Limited	02/2014	02/2015	02/2016	02/2017	02/2018	02/2019	02/2020	02/2021	02/2022	02/2023	02/2024	02/2025	02/2026
Price / Sales	0.7	0.5	0.4	0.5	0.5	0.4	0.4	0.5	0.6	0.3	0.3	0.3	0.2
Price / Earnings	11.4	9.7	6.8	12.0	9.7	58.3	15.1	26.2	13.1	7.3	7.3	6.4	5.7
Price / Book Value	1.3	1.1	0.8	1.2	1.0	0.8	0.9	0.9	1.5	1.0	0.7	0.7	0.6
Price / Tangible Book Value	1.7	1.5	1.0	1.5	1.3	1.1	1.2	1.2	1.9	1.2	0.8	0.8	0.7
Price / Cash Flow	6.8	6.7	3.7	4.6	4.9	5.5	6.5	3.7	12.9	3.2			
Price / Free Cash Flow	32.7	53.2	11.4	8.3	10.2	17.4	438.3	5.9	-	11.8			
Dividend Yield (%)	3.0	3.4	4.9	3.7	3.4	1.8	1.0	2.3	2.5	1.1	4.6	5.2	5.8
Enterprise Value / EBIT	7.7	6.9	4.8	5.8	6.5	16.9	7.7	9.4	8.2	4.4	1.2	1.1	1.0
Enterprise Value / EBITDA	5.0	4.4	3.1	3.9	4.1	5.7	4.2	4.3	5.5	2.9	3.0	2.8	2.6
Enterprise Value / Sales	0.6	0.6	0.4	0.5	0.5	0.4	0.5	0.4	0.7	0.4	0.3	0.3	0.3
EBIT / Interest Expense (Int. Coverage)	12.1	10.4	7.9	8.5	8.2	3.4	7.9	5.1	14.2	11.1	33.5	40.8	49.2

Source: Factset, Company data, Chronux Research estimates

Figure 11 Balance Sheet and Cash Flow - Forecast

	02/2014	02/2015	02/2016	02/2017	02/2018	02/2019	02/2020	02/2021	02/2022	02/2023	02/2024	02/2025	02/2026
Assets													
Cash & Short-Term Investments	871	937	970	1104	1084	963	1014	1892	1505	1697	1886	2119	2374
Short-Term Receivables	1403	1634	1742	1829	1779	1745	1892	1651	2417	2488	2732	3012	3322
Inventories	420	438	482	524	601	698	587	689	975	1278	1317	1357	1398
Other Current Assets	17	23	78	58	20	28	242	61	56	43	26	27	27
Total Current Assets	2711	3033	3272	3514	3484	3434	3733	4293	4953	5506	5961	6515	7121
Net Property, Plant & Equipment	1842	2172	2336	2364	2410	2536	2828	2679	3420	4004	4227	4464	4716
Total Investments and Advances	0	11	51	49	112	43	97	119	465	628	9	9	9
Long-Term Note Receivable	0	129	114	101	82	54	108	157	14	4	0	0	0
Intangible Assets	764	795	829	851	948	1038	1028	1025	1000	1002	812	658	533
Deferred Tax Assets	38	43	42	41	40	95	132	156	115	171	171	171	171
Other Assets	0	91	82	73	65	67	55	58	32	27	455	405	344
Total Assets	5354	6273	6727	6994	7140	7266	7982	8487	10000	11343	11635	12222	12893
Liabilities & Shareholders' Equity													
ST Debt & Curr. Portion LT Debt	288	428	411	388	365	299	359	430	465	586	559	559	559
Accounts Payable	570	802	819	909	717	548	463	644	938	1092	3541	3870	4230
Income Tax Payable	19	27	18	79	85	39	44	33	68	117	117	117	117
Other Current Liabilities	506	368	528	569	852	1172	1213	1479	1906	2202	83	83	83
Total Current Liabilities	1382	1625	1777	1945	2019	2058	2079	2586	3377	3998	4300	4629	4989
Long-Term Debt	430	672	682	563	411	363	894	747	950	1033	903	798	713
Provision for Risks & Charges	35	54	66	75	83	106	108	110	135	135	135	135	135
Deferred Tax Liabilities	266	312	310	312	342	292	280	268	245	317	317	317	317
Other Liabilities	0	77	59	150	87	120	107	102	75	56	56	56	56
Total Liabilities	2113	2740	2894	3044	2942	2938	3468	3812	4782	5540	5711	5935	6210
Common Equity	3186	3423	3704	3797	4041	4065	4256	4403	4796	5298	5449	5635	5839
Total Shareholders' Equity	3186	3423	3704	3797	4041	4065	4256	4403	4796	5298	5449	5635	5839
Accumulated Minority Interest	55	111	129	152	157	262	257	271	422	505	666	842	1035
Total Equity	3241	3533	3833	3950	4198	4327	4514	4674	5218	5803	6115	6478	6874
Total Liabilities & Shareholders' Equ	5354	6273	6727	6994	7140	7266	7982	8487	10000	11343	11826	12413	13084
Per Share													
Book Value per Share	17.14	18.27	19.85	21.05	22.24	22.37	23.54	24.35	26.64	29.56	33.95	35.97	38.17
Tangible Book Value per Share	13.03	14.03	15.41	16.33	17.02	16.66	17.85	18.68	21.08	23.96	29.44	32.32	35.21
Operating Activities													
Net Income / Starting Line	534	607	662	619	641	181	446	342	913	1222	805	870	971
Depreciation, Depletion & Amortization	283	335	372	375	364	388	462	460	434	646	694	741	792
Other Funds	-175	-162	-169	-88	-171	-132	-110	-273	-202	-299	0	0	0
Funds from Operations	643	780	865	906	834	437	798	529	1145	1568	1498	1611	1762
Changes in Working Capital	-33	-195	-47	79	13	179	-208	592	-579	23	0	0	0
Net Operating Cash Flow	610	585	817	984	846	616	590	1120	566	1591	1498	1611	1762
Investing Activities													
Capital Expenditures	-483	-511	-550	-441	-441	-421	-582	-417	-696	-1153	-955	-1050	-1155
Net Assets from Acquisitions	-115	-215	-53	-26	-123	-117	-18	0	-84	-156	0	0	0
Sale of Fixed Assets & Businesses	53	40	49	89	100	60	116	102	187	64	0	0	0
Purchase/Sale of Investments	0	-11	-40	2	-38	-37	-14	-1	-110	-73	0	0	0
Other Funds	0	0	0	0	0	0	0	180	0	0	0	0	0
Net Investing Cash Flow	-546	-696	-593	-375	-502	-515	-497	-136	-703	-1317	-955	-1050	-1155
Financing Activities													
Cash Dividends Paid	-121	-131	-136	-160	-164	-82	-80	-43	-137	-192	-293	-278	-312
Change in Capital Stock	0	0	-47	-120	0	0	-15	0	-42	-68	0	0	0
Issuance/Reduction of Debt, Net	100	341	-7	-156	-182	-140	129	-9	15	236	-62	-50	-40
Other Funds	-10	-33	-6	-35	-15	-13	-38	-24	-36	-27	0	0	0
Net Financing Cash Flow	-31	177	-196	-471	-360	-235	-56	-112	-238	-118	-355	-328	-352
Exchange Rate Effect	3	0	3	-4	-4	12	6	5	-3	37	0	0	0
Net Change in Cash	36	66	32	134	-20	-121	44	877	-379	192	188	234	255
Free Cash Flow													
Free Cash Flow per Share	0.67	0.39	1.41	2.96	2.23	1.07	0.05	3.86	-0.71	2.42	3.01	3.11	3.36
Free Cash Flow Yield (%)	3.1	1.9	8.8	12.1	9.8	5.8	0.2	16.9	-1.8	8.5	12.3	12.7	13.8

Source: Factset, Company data, Chronux Research estimates

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