



Afrimat – FY26 Trading Statement

Key message: A loss in 2H was driven mostly by the temporary ferrochrome smelter closures.

Date: 21 April 2026

Analyst

Rowan Goeller
082 801 2071

rowan@chronuxresearch.com

- Afrimat released a Trading Statement for FY26. HEPS is expected to increase by 27-37% to 91.8 – 99.1c.
- **Key takeaways from the Results:** The update infers a loss in 2H of 2-10c. We expect that this is caused mainly by Nkomati Anthracite not operating for the bulk of 2H as the ferrochrome smelters all shut down and the Industrial Minerals being impacted by the same closures. The 2H loss for Nkomati appears to be close to R100m. The cement business narrowed losses. The Aggregates business posted an improved performance with the Lafarge businesses contributing well into a slightly improved market. The iron ore business increased volumes sold but revenue was impacted by marginally lower iron ore prices and a stronger ZAR.
- The update was worse than expected but was impacted by what may be once-off issues due to the closure of all ferrochrome smelters in 2H. After the successful negotiations with Eskom to reduce electricity prices to sustainable levels the ferrochrome smelters are starting up again and this should result in a swing of profitability of approx. R300m in FY27.
- Local iron ore sales remain strong despite ongoing challenges at the only customer Arcelor Mittal SA. We do believe that these volumes are sustainable as they are going to the Vanderbijlpark works which are likely to remain open in any of the likely reconfiguration of AMSA. Export iron ore volumes should increase over the forecast period due to an improvement of rail performance and the expected allocation adjustment.
- The FY27 performance should improve substantially now that Nkomati is back to full operation with an expected operating profit swing of approx. R300m.
- Net debt levels are just under R2bn. This should represent the peak gearing levels and Afrimat is focused on reducing the debt burden as fast as possible. Debt service is comfortable even with the weak FY26 result.
- We adjust our Target Price to R56.00 (from R52.50).

Price (21/04/2026): R33.86
Target Price: R56.00
Dividend yield: 1.0%
Total return: 66%

Market cap R5.79bn
Shares in issue 153.5mn

Financial summary

ZARmn (year to February)	FY24A	FY25A	1H FY26	2H FY26	FY26E	FY27E	FY28E
Revenue	6083	8318	5330	5278	10608	11791	12811
EBITDA	3393	1093	748	502	1250	1576	1744
Net income	782	96	156	-9	147	470	666
Headline EPS (diluted)	561	71	101	-6	95	306	434
PE Ratio	12.0	95.3			38.0	11.8	8.3
Dividend	194	25	20	15	35	113	161
Dividend yield (%)		0.4%			1.0%	3.1%	4.4%

Source: Factset, Company data, Chronux Research estimates

Sponsored Research: Chronux Research is compensated by certain corporates to produce objective and impartial research. A Recommendation is not provided. Earnings forecasts and a Target Price are the independent view of the analyst, based on his/her view of all factors that could influence earnings and peer comparisons. Management has no editorial input.

Figure 1 Financial summary

Financial year to February	FY24A	FY25A	1H FY26	2H FY26	FY26E	FY27E	FY28E
ZAR/USD exchange rate	18.68	18.28	17.64	16.81	17.22	16.65	16.85
Iron ore price - fines spot China (\$/t)	121.00	105.00	100.00	104.00	102.00	95.00	90.00
Iron ore lump premium (\$/t)	15.00	15.00	25.00	21.00	23.00	15.00	15.00
Anthracite orice (R/t, contract)	1,933	2,600	2,600		2,600	2,678	2,758
Per share data							
Earnings (diluted)	514	62	102	(6)	96	306	434
Headline earnings (diluted)	561	71	101	(6)	95	306	434
NAV	28.48	28.75			28.24	30.02	32.77
Dividend	194	25	20	15	35	113	161
Valuation ratios							
P/E ratio	12.0	95.3			38.0	11.8	8.3
EV/EBITDA	6.0	10.6			5.7	4.5	4.1
P/B	2.09	2.10			1.21	1.14	1.05
Dividend yield		0.4%			1.0%	3.1%	4.4%
ROE	18.7%	2.5%			3.2%	9.6%	12.6%
ROCE	22.5%	7.6%			9.2%	14.2%	16.8%
Income Statement (ZARmn)							
Sales	6,083	8,318	5,330	5,278	10,608	11,791	12,811
<i>Sales growth</i>		36.7%	29.9%	25.2%	27.5%	11.1%	8.7%
Cost of sales	(4,002)	(6,818)	(4,289)	(4,412)	(8,701)	(9,460)	(10,202)
Gross Profit	2,081	1,500	1,041	866	1,907	2,331	2,609
<i>Gross margin</i>	34.2%	18.0%	19.5%	16.4%	18.0%	19.8%	20.4%
SG&A Expense	936	(1,203)	(646)	(640)	(1,286)	(1,429)	(1,553)
Other Operating Income/Expense	7	181	(15)	16	1	34	36
EBITDA	3,393	1,093	748	502	1,250	1,576	1,744
<i>EBITDA margin</i>	55.8%	13.1%	14.0%	9.5%	11.8%	13.4%	13.6%
Depreciation & Amortisation	(369)	(615)	(369)	(259)	(628)	(640)	(653)
EBIT (Operating Income)	3,023	478	380	243	622	936	1,091
<i>EBIT margin</i>	49.7%	5.7%	7.1%	4.6%	5.9%	7.9%	8.5%
Nonoperating Income - Net	0	0	0	0	0	0	0
Net Interest Expense	(41)	(176)	(114)	(219)	(333)	(297)	(188)
Equity in Earnings of Affiliates	2	0	0	0	0	0	0
PBT	2,984	302	266	23	289	638	903
Income Taxes	(325)	(189)	(93)	(52)	(145)	(138)	(194)
<i>Tax rate</i>	10.9%	62.4%	34.8%	225.7%	50.0%	21.6%	21.5%
Consolidated Net Income	789	114	173	(29)	144	501	709
Minority Interest	(7)	(18)	(17)	20	3	(31)	(43)
Net Income	782	96	156	(9)	147	470	666
Cash flow statement (ZARmn)							
Changes in working capital	44	(187)	0	0	(444)	(44)	(45)
Cash from operating activities	1,237	240	135	639	774	1,142	1,364
Capital expenditure	(695)	(593)	(220)	(420)	(640)	(590)	(641)
Other	49	(421)	5	40	45	55	55
Investing cash flow	(646)	(1,014)	(215)	(380)	(596)	(534)	(585)
Changes in borrowings	23	712	534	(194)	341	(500)	(500)
Dividend paid	(229)	(258)	(29)	(30)	(60)	(105)	(246)
Other	(159)	39	(468)	(0)	(468)	0	0
Financing cash flow	(366)	493	37	(224)	(187)	(605)	(746)
Change in cash	225	(281)	(44)	34	(9)	3	33
Balance sheet (ZARmn)							
Total assets	6,749	9,203	10,143	10,002	10,002	9,884	9,919
Cash and equivalents	505	301	489	214	214	217	250
Other current assets	1,550	2,360	3,166	3,145	3,145	3,272	3,404
Non-current assets	4,694	6,542	6,488	6,643	6,643	6,395	6,265
Total liabilities	2,185	4,815	5,610	5,411	5,411	5,010	4,613
Long-term liabilities	873	996	939	969	969	969	970
Current liabilities	1,312	3,819	4,672	4,442	4,442	4,041	3,643
Total shareholders' funds	4,563	4,388	4,533	4,590	4,590	4,874	5,306
Net debt/(cash)	52	1,558			1,986	1,483	950

Source: Factset, Company data, Chronux Research estimates

Valuation

- We value Afrimat using a Sum-of-the-Parts methodology. We value the mining assets (iron ore, anthracite, FMM) using a DCF for the life-of-mine. The Lafarge acquisition is included in Construction Materials. Our base year for EBITDA is FY27.

Figure 2 Sum-of-the-Parts Valuation – FY27 EBITDA (Base Case)

ZARm	Multiple range	Comment	FY27 EBITDA	EV/EBITDA Multiple	Enterprise Value
Construction Materials	4-6x	Mid range multiple	828	4.0x	3,310
Industrial Minerals	4-6x	Mid range multiple	94	4.0x	378
Iron ore		DCF @ WACC (13.4%)			3,451
Anthracite - Nkomati		DCF @ 14%			1,962
Glenover - phosphate stockpile		DCF @ 16%			248
					9,349
Other assets		From balance sheet			182
Minorities		From balance sheet			-43
Net (debt)/cash		From balance sheet			-1,986
Tax loss (Lafarge, Nkomati)		R3bn Lafarge, R1bn Nkomati			1,120
Equity value					8,621
Number of shares ('m)					153,496
Valuation (ZAR per share)					56.16

Source: Company data, Chronux Research estimates

- We adjust our Target Price to R56.00 (from R52.50).
- On a PE basis Afrimat falls to a 10.7 times multiple in FY27 and 7.6 times in FY28. Based on the growth expected for existing and potential new acquisitions we do believe that a multiple of 7-9 times is justified.

Figure 3 PE Valuation

	<u>FY26A</u>	<u>FY27E</u>	<u>FY28E</u>
Diluted HEPS	95	306	434
AFT PE	34.6	10.7	7.6
TP exit PE	59.0	18.3	12.9

Source: Company data, Chronux Research

Construction Materials

- We use a 4 times EBITDA multiple to value this division due to the growth added by the Lafarge acquisition and the potential to turn the cement business around.
- Activity levels have picked up with multiple road projects active across the country.

Industrial Minerals

- We use a 4 times EBITDA multiple to value this division. Afrimat has well-placed quarries close to market with high-grade material.

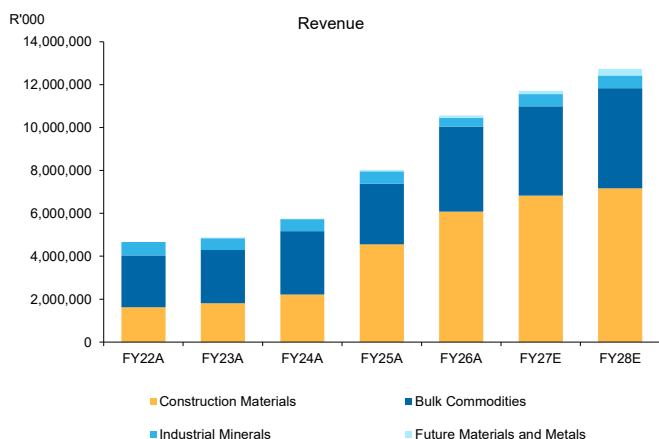
Bulk Commodities

- We value the iron ore operation (Demaneng and Jenkins) using a DCF methodology.

- **Iron Ore:** The Coza acquisition (Jenkins, Driehoekspan) provides more than 20 years of reserves for this expanded production – the iron ore division has moved from a limited-life small mine to a significant operation with reserves to maintain production for +20 years.
- **Nkomati:** Afrimat has greatly improved the geological model of the mine and, although mining conditions remain difficult, better mine planning should result in steadier production. Nkomati should deliver operating profit of >R300m per year with little variance (prices are set annually).
- **Glenover:** The Glenover acquisition contains several phases, with Phase 1 involving the sale of the high-grade phosphate stockpile. We value Phase 1 using a DCF valuation with a 16% discount rate.
- **Capex:** Maintenance capex of R300m is expected in FY26.

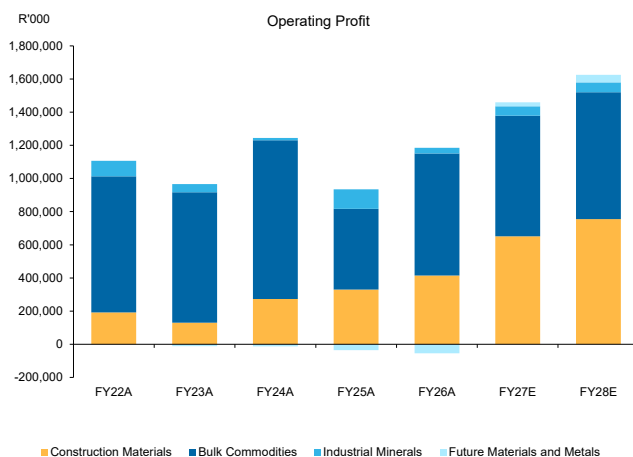
Group Forecast

Figure 4 Group Revenue



Source: Company data, Chronux Research

Figure 5 Group Operating Profit



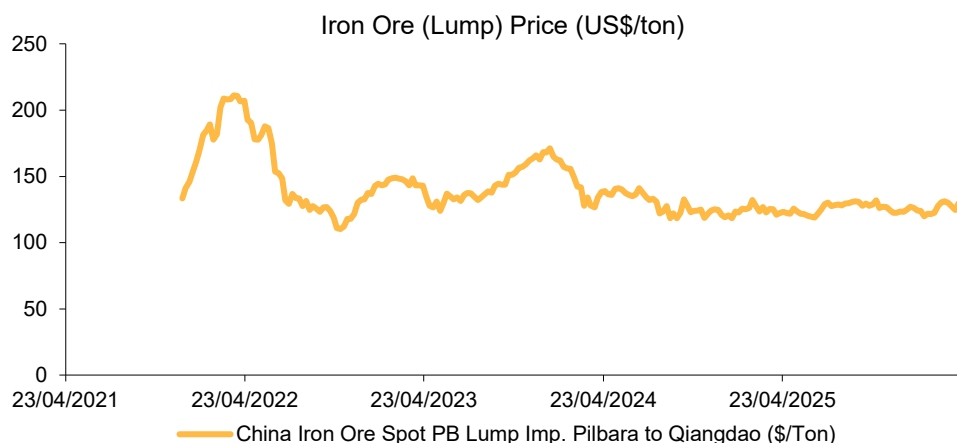
Source: Company data, Chronux Research

Iron Ore

Iron Ore forecasts

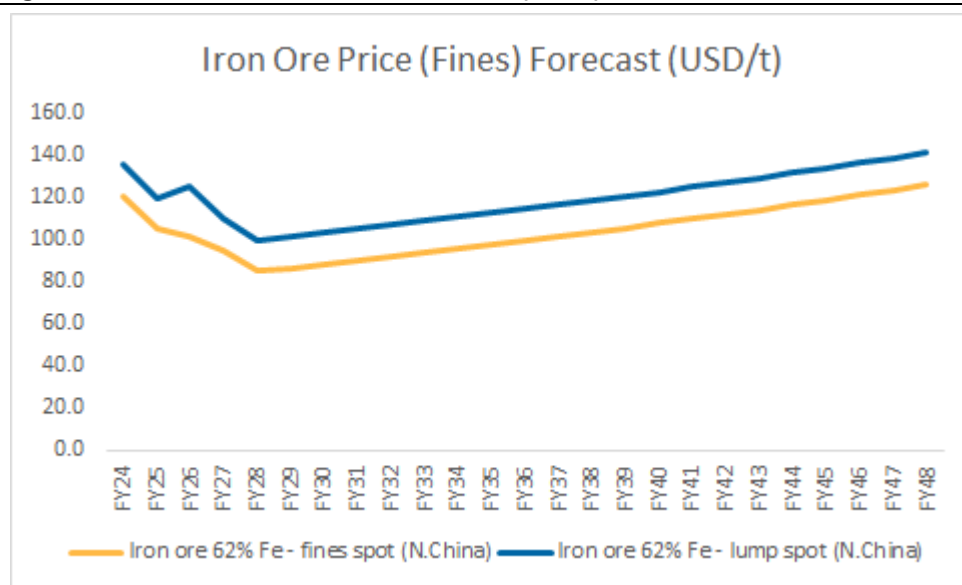
- We forecast iron ore prices to average US\$101 in FY26.

Figure 6 Iron Ore Price



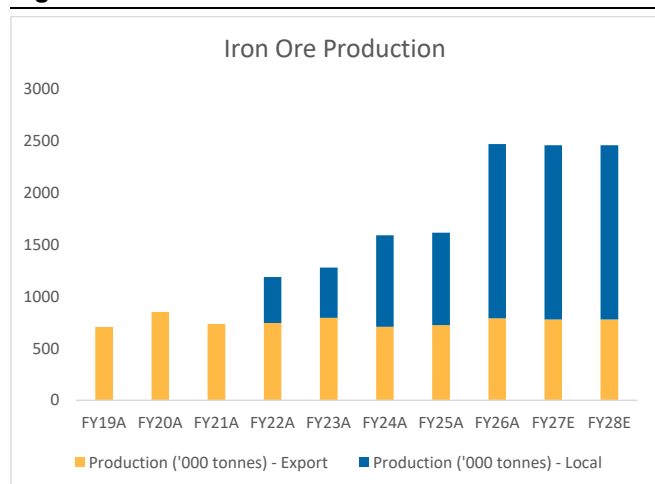
Source: Company data, Chronux Research

Figure 7 Iron Ore Fines Price Forecasts (US\$/t)



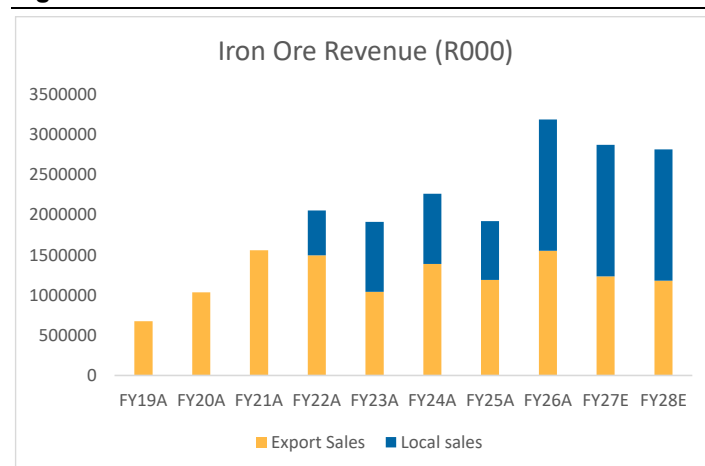
Source: Company data, Chronux Research

Figure 8 Iron Ore - Production



Source: Company data, Chronux Research

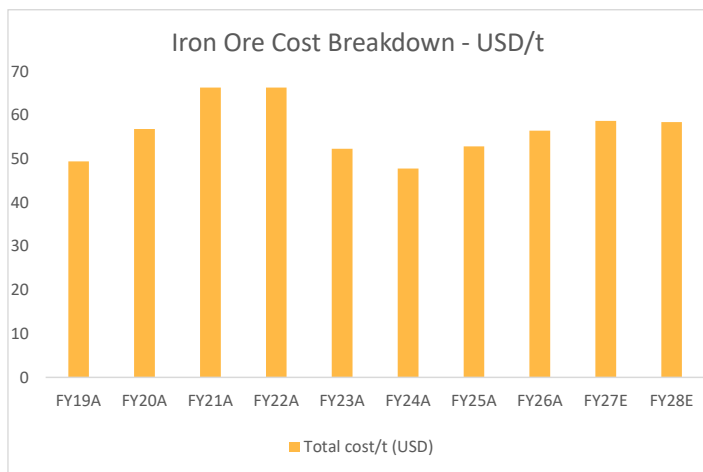
Figure 9 Iron Ore - Revenue



Source: Company data, Chronux Research

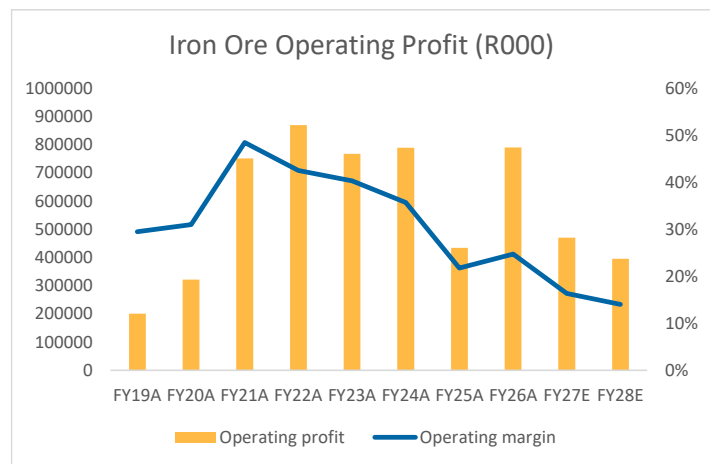
- We have been conservative on local sales going forward with the uncertainty around AMSA’s future production profile. Export volumes are expected to be flat in FY26 with a recovery in FY27 as Transnet is assumed to be able to improve its performance.
- The potential to gain more export capacity through allocation to smaller miners in 2027 could boost export volumes.

Figure 10 Iron Ore - Cost breakdown



Source: Company data, Chronux Research

Figure 11 Iron Ore – Operating Profit



Source: Company data, Chronux Research

Figure 12 Iron Ore Model

		FY19A	FY20A	FY21A	FY22A	FY23A	FY24A	FY25A	FY26A	FY27E	FY28E
Production (ktpm) - Export		60.0	71.0	61.5	62.2	66.3	59.1	60.5	66.0	65.0	65.0
Production (ktpm) - Local					36.9	40.4	73.5	74.1	140.0	140.0	140.0
Production ('000 tonnes) - Export		707.1	852.2	737.8	746.0	795.5	709.7	726.4	792.0	780.0	780.0
Production ('000 tonnes) - Local					443.0	484.5	882.2	889.6	1680.0	1680.0	1680.0
Production ('000 tonnes)		707.1	852.2	737.82	1189.0	1280.0	1591.9	1616.0	2472.0	2460.0	2460.0
<i>Production increase</i>		<i>207%</i>	<i>21%</i>	<i>-13%</i>	<i>61%</i>	<i>8%</i>	<i>24%</i>	<i>2%</i>	<i>53%</i>	<i>0%</i>	<i>0%</i>
ZAR/USD		13.75	14.77	16.35	14.89	17.00	18.68	18.28	17.22	16.65	16.85
<i>% change</i>		<i>5%</i>	<i>7%</i>	<i>11%</i>	<i>-9%</i>	<i>14%</i>	<i>10%</i>	<i>-2%</i>	<i>-6%</i>	<i>-3%</i>	<i>1%</i>
Sales											
Export		527	852	738	746	795	710	726	792	780	780
<i>% change</i>		<i>276%</i>	<i>62%</i>	<i>-13%</i>	<i>1%</i>	<i>7%</i>	<i>-11%</i>	<i>2%</i>	<i>9%</i>	<i>-2%</i>	<i>0%</i>
Domestic		180	0	0	443	485	882	890	1680	1680	1680
<i>% change</i>		<i>100%</i>	<i>-100%</i>	<i>#DIV/0!</i>	<i>#DIV/0!</i>	<i>9%</i>	<i>82%</i>	<i>1%</i>	<i>89%</i>	<i>0%</i>	<i>0%</i>
Export Sales											
Iron ore 62% Fe - fines spot (N.China)	US\$/t	77.00	93.00	144.00	145.00	97.00	121.00	105.00	102.00	95.00	90.00
Lump premium		35.00	29.00	34.00	49.00	15.00	15.00	15.00	23.00	15.00	15.00
Iron ore 62% Fe - lump spot (N.China)	US\$/t	112.00	122.00	178.00	194.00	112.00	136.00	120.00	125.00	110.00	105.00
Fines adjustment (FE content, SI,Al)		0%	0%	0%	0%	0%	0%	0%	15%	15%	15%
Lump adjustment (FE content, SI,Al)		0%	0%	0%	0%	0%	0%	0%	15%	15%	15%
Adjusted fines - 62% Fe and other (Si)	US\$/t	77.00	93.00	144.00	145.00	97.00	121.00	105.00	117.30	109.25	103.50
Adjusted lump - 65.3% Fe and other (Si)	US\$/t	112.00	122.00	178.00	194.00	112.00	136.00	120.00	143.75	126.50	120.75
Sth Africa to China		24.00	22.00	25.00	30.00	25.00	20.00	20.00	15.00	20.00	20.00
Rail, siding & port cost	ZAR/t	215	235	235	235	235	244	254	264	275	286
Transport	ZAR/t	55	55	55	55	55	55	57	59	62	64
One mine costs	ZAR/t	410	530	510	620	500	500	510	520	531	541
	<i>Fixed (60%)</i>		318	306	372	300	300	306	312	318	325
	<i>Variable (40%)</i>		212	204	248	200	200	204	208	212	216
On mine costs	USD/t		35.88	31.20	41.64	29.41	26.77	27.91	30.20	31.88	32.11
Balancing cost		30	30	300	280	50	500	700	600	600	600
Sales ('000t)		707	852	738	746	795	710	726	792	780	780
Lump	70%	495	597	516	522	557	497	509	554	546	546
Fines	30%	212	256	221	224	239	213	218	238	234	234
Lump ore - revenue		762328	1074931	1502984	1508614	1060410	1261802	1115185	1372680	1149701	1111224
Fines ore - revenue		224614	351178	521099	483245	393596	481128	418194	480046	425539	408205
Revenue pre shipping		986942	1426109	2024083	1991860	1454006	1742930	1533380	1852726	1575240	1519429
Shipping cost		233366	276914	301562	333273	338141	265084	265520	204623	259673	262934
Marketing cost (5% of CFR price)		78955	114089	161927	159349	72700	87147	76669	92636	78762	75971
Revenue post shipping		674621	1035106	1560594	1499238	1043165	1390699	1191190	1555466	1236805	1180524
Reported Revenue		682198	1037513	1551661	1487559	1034560					
Revenue/t (ZAR)		954	1215	2115	2010	1311	1960	1640	1964	1586	1513
Revenue/t (USD)		69	82	129	135	77	105	90	114	95	90
<i>% change</i>			<i>19%</i>	<i>57%</i>	<i>4%</i>	<i>-43%</i>	<i>36%</i>	<i>-14%</i>	<i>27%</i>	<i>-16%</i>	<i>-6%</i>
Rail, siding & Port cost		152027	200267	173388	175318	186937	173453	184643	209360	214435	223012
Transport		38891	46871	40580	41032	43751	39034	41552	47114	48257	50187
On-mine profit		483704	787968	1346626	1282888	812476	1178212	964996	1298992	974113	907324
On-mine costs		311124	477232	597637	671432	437513	709709	878988	887198	881871	890149
Operating profit		172580	310736	748989	611457	374963	468503	86008	411794	92242	17176
Reported operating profit		201329	321665	751539	604821	369321					

Source: Company data, Chronux Research estimates

Figure 13 Iron Ore Model

<u>Local sales</u>		FY19A	FY20A	FY21A	FY22A	FY23A	FY24A	FY25A	FY26A	FY27E	FY28E
Sales					443.0	484.5	882.2	889.6	1680.0	1680.0	1680.0
Reported revenue					557099	872127					
Revenue					557099	872127	874578	733884	1638000	1638000	1638000
Revenue/t (ZAR)					1258	1800	991	825	975	975	975
Revenue/t (USD)					84	106	53	45	57	59	58
% change						25%	-50%	-15%	25%	3%	-1%
Reported operating profit					264820	398578					
Operating profit					264820	398578	521711	155672	378000	378000	378000
Margin					48%	46%	60%	21%	23%	23%	23%
Total cost					292279	473549	352867	578211	1260000	1260000	1260000
Total cost/t (ZAR)					660	977	400	650	750	750	750
Total cost/t (USD)					44.31	57.48	21.42	35.57	43.54	45.06	44.50
% change						30%					
Total Iron Ore											
Total reported revenue		682,198	1,037,513	1,551,661	2,044,658	1,906,687	2,211,166	1,995,991	3,193,466	2,874,805	2,818,524
Total Revenue					2056337	1915292	2265277	1925074	3193466	2874805	2818524
Total cost		480869	715848	800122	1175017	1138788	1422118	1561632	2403673	2404563	2423348
Total cost/t (ZAR)		680	840	1084	988	890	893	966	972	977	985
Total cost/t (USD)		49.45	56.87	66.33	66.36	52.32	47.84	52.88	56.45	58.72	58.45
% change						-21%	-9%	11%	7%	4%	0%
Reported operating profit		201329	321665	751539	869641	767899	789048	434359	789794	470242	395176
Operating profit					881320	776504	843159	241680	789794	470242	395176
Operating margin		30%	31%	48%	43%	40%	36%	22%	25%	16%	14%

Source: Company data, Chronux Research estimates

Iron Ore DCF Valuations

Figure 14 Iron Ore DCF Model

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25
	FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34	FY35	FY36	FY37	FY38	FY39	FY40	FY41	FY42	FY43	FY44	FY45
Production (ktpm) - Export	59.1	60.5	66.0	65.0	65.0	65.0	65.0	65.0	65.0	65.0	65.0	65.0	65.0	65.0	65.0	65.0	65.0	65.0	65.0	65.0	65.0	65.0	65.0	65.0	65.0
Production (ktpm) - Local	73.5	74.1	140.0	140.0	140.0	140.0	140.0	140.0	140.0	140.0	140.0	140.0	140.0	140.0	140.0	140.0	140.0	140.0	140.0	140.0	140.0	140.0	140.0	140.0	140.0
Production ('000 tonnes) - Export	709.7	726.4	792.0	780.0	780.0	780.0	780.0	780.0	780.0	780.0	780.0	780.0	780.0	780.0	780.0	780.0	780.0	780.0	780.0	780.0	780.0	780.0	780.0	780.0	780.0
Production ('000 tonnes) - Local	882.2	889.6	1680.0	1680.0	1680.0	1680.0	1680.0	1680.0	1680.0	1680.0	1680.0	1680.0	1680.0	1680.0	1680.0	1680.0	1680.0	1680.0	1680.0	1680.0	1680.0	1680.0	1680.0	1680.0	1680.0
Production ('000 tonnes)	1591.9	1616.0	2472.0	2460.0	2460.0	2460.0	2460.0	2460.0	2460.0	2460.0	2460.0	2460.0	2460.0	2460.0	2460.0	2460.0	2460.0	2460.0	2460.0	2460.0	2460.0	2460.0	2460.0	2460.0	2460.0
ZAR/USD	18.7	18.3	17.2	16.6	17.1	17.5	17.9	18.4	18.8	19.3	19.8	20.3	20.8	21.3	21.8	22.4	22.9	23.5	24.1	24.7	25.3	26.0	26.6	27.3	28.0
Sales																									
Export	709.7	726.4	792.0	780.0	780.0	780.0	780.0	780.0	780.0	780.0	780.0	780.0	780.0	780.0	780.0	780.0	780.0	780.0	780.0	780.0	780.0	780.0	780.0	780.0	780.0
Domestic	882.2	889.6	1680.0	1680.0	1680.0	1680.0	1680.0	1680.0	1680.0	1680.0	1680.0	1680.0	1680.0	1680.0	1680.0	1680.0	1680.0	1680.0	1680.0	1680.0	1680.0	1680.0	1680.0	1680.0	1680.0
Export																									
Iron ore 62% Fe - fines spot (N.China)	US\$/t	121.0	105.0	102.0	95.0	85.0	86.7	88.4	90.2	92.0	93.8	95.7	97.6	99.6	101.6	103.6	105.7	107.8	110.0	112.2	114.4	116.7	119.0	121.4	123.8
Lump premium	US\$/t	15.0	15.0	23.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0
Iron ore 62% Fe - lump spot (N.China)	US\$/t	136.0	120.0	125.0	110.0	100.0	101.7	103.4	105.2	107.0	108.8	110.7	112.6	114.6	116.6	118.6	120.7	122.8	125.0	127.2	129.4	131.7	134.0	136.4	138.8
Fines adjustment (FE content, SI, AI)	0%	0%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%	
Lump adjustment (FE content, SI, AI)	0%	0%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%	
Adjusted fines - 62% Fe and other (SI)	US\$/t	121.0	105.0	117.3	109.3	97.8	99.7	101.7	103.7	105.8	107.9	110.1	112.3	114.5	116.8	119.2	121.5	124.0	126.5	129.0	131.6	134.2	136.9	139.6	142.4
Adjusted lump - 65.3% Fe and other (SI)	US\$/t	136.0	120.0	143.8	126.5	115.0	117.0	118.9	121.0	123.1	125.2	127.3	129.5	131.8	134.1	136.4	138.8	141.2	143.7	146.2	148.8	151.4	154.1	156.9	159.7
Sth Africa to China		20.0	20.0	15.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0
Rail, siding & port cost	ZAR/t	244.4	254.2	264.3	274.9	277.7	280.4	283.2	286.1	288.9	291.8	294.7	297.7	300.7	303.7	306.7	309.8	312.9	316.0	319.2	322.4	325.6	328.8	332.1	335.5
Transport	ZAR/t	55.0	57.2	59.5	61.9	62.5	63.1	63.7	64.4	65.0	65.7	66.3	67.0	67.7	68.3	69.0	69.7	70.4	71.1	71.8	72.5	73.3	74.0	74.7	75.5
On-mine costs	ZAR/t	500.0	510.0	520.2	530.6	535.9	541.3	546.7	552.1	557.7	563.2	568.9	574.6	580.3	586.1	592.0	597.9	603.9	610.0	616.2	622.4	628.6	634.9	641.0	647.4
Fixed (60%)		300.0	306.0	312.1	318.4	321.5	324.8	328.0	331.3	334.6	337.9	341.3	344.7	348.2	351.7	355.2	358.7	362.3	365.9	369.6	373.3	377.0	380.8	384.6	388.5
Variable (40%)		200.0	204.0	208.1	212.2	214.4	216.5	218.7	220.9	223.1	225.3	227.6	229.8	232.1	234.4	236.8	239.2	241.6	244.0	246.4	248.8	251.2	253.6	256.0	258.4
On mine costs	USD/t	26.8	27.9	30.2	31.9	31.4	31.0	30.5	30.1	29.6	29.2	28.8	28.3	27.9	27.5	27.1	26.7	26.3	25.9	25.6	25.2	24.8	24.4	24.1	23.7
Balancing cost		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Sales ('000t)		710	726	792	780	780	780	780	780	780	780	780	780	780	780	780	780	780	780	780	780	780	780	780	780
Lump	70%	497	509	554	546	546	546	546	546	546	546	546	546	546	546	546	546	546	546	546	546	546	546	546	546
Fines	30%	213	218	238	234	234	234	234	234	234	234	234	234	234	234	234	234	234	234	234	234	234	234	234	234
Lump ore - revenue		1261802	1115185	1037802	1149701	1071312	1116763	1164199	1253585	1319324	1375626	1434366	1495748	1559788	1626644	1694400	1769305	1845378	1924802	2007225	2093430	2184706	2280908	2377659	2480576
Fines ore - revenue		481128	418194	480246	425339	390264	408021	426586	445995	462288	487504	509896	532876	557122	582471	608974	636882	666551	696938	727603	760709	796342	835099	869342	908998
Revenue pre shipping		265084	265520	204623	259673	266165	272819	279639	286630	293796	301141	308669	316386	324296	332403	340713	349231	357962	366911	376084	385466	395123	405001	415126	425504
Shipping cost		87147	76669	92636	78762	73079	76239	79539	82985	86584	90341	94266	98364	102643	107113	111781	116656	121748	127066	132620	138422	144481	150811	157422	164328
Revenue post shipping		1399699	1191190	1555466	1236805	1122333	1175726	1231666	1290089	1351294	1415346	1482377	1552253	1623429	1697124	1773124	1852235	1934527	2020024	2107740	2197822	2290320	2385203	2482444	2582097
Revenue (ZAR)		1960	1640	1964	1596	1439	1507	1579	1654	1732	1815	1900	1990	2085	2183	2286	2394	2507	2625	2748	2878	3013	3154	3302	3457
Revenue (USD)		105	90	114	95	84	86	88	90	92	94	96	98	100	102	105	107	109	112	114	116	119	122	124	127
Rail, siding & port cost		173453	184643	209360	214435	219579	216745	220933	223142	225373	227627	229903	232202	234524	236870	239238	241631	244047	246488	248952	251442	253956	256496	259061	261652
Transport		38934	41552	47114	48257	48739	49227	49719	50216	50718	51225	51738	52256	52778	53306	53838	54377	54921	55470	56024	56585	57151	57722	58299	58871
On-mine profit		1178212	964996	1298992	974113	857014	907754	960955	1016731	1075202	1136463	1200735	1268906	1342266	1421568	1502047	1571227	1652709	1745383	1838724	1935051	2038916	2141686	2255832	2374191
On-mine costs		354855	370482	411982	411387	418010	422100	426412	430676	434983	439333	443726	448163	452645	457171	461743	466360	471024	475724	480462	485236	490149	495051	500001	505001
Operating profit		823358	594513	886994	562726	439004	485564	534543	586055	640219	697161	757010	819902	885982	955397	1028304	1104867	1185255	1269648	1358233	1451204	1548767	1651135	1758531	1871189
Total cost		567341	596677	668473	676593	683328	690162	697063	704034	711074	718185	725367	732621	739947	747346	754820	762388	769992	777692	785468	793323	801256	809269	817362	825533
Total cost (ZAR)		799	821	844	867	876	885	894	903																

Nkomati

- Nkomati mines high grade anthracite, which is in high demand from South Africa's ferro alloy producers. The ferrous metals producers are dependent upon high grade anthracite with low impurities, such as low volatile matter (<9%), low sulphur (<1.0%) and low phosphorus (<0.03%) to produce quality ferro steel and ferro chrome. Glencore is a key local customer, with anthracite prices set on an annual basis giving some stability to pricing.
- Nkomati's anthracite has the lowest sulphur impurities (<0.5%) of all anthracite producers in South Africa, while its phosphorus levels are on par (<0.03%) with the best producing mines. The combination of very low sulphur and phosphorous content of Nkomati's deposit makes it sought after and positions the mine as a key supplier to the local market.

Figure 15 Nkomati Model

ZAR000's	1H22	2H22	FY22A	1H23	2H23	FY23E	1H24	2H24	FY24A	1H25	2H25	FY25A	1H26	2H26	FY26A	1H27	2H27	FY27E	1H28	2H28	FY28E
Production ('000tpm)	16.1	50.6	33.3	55.0	55.0	55.0	36.8	62.2	49.5	40.0	28.0	34.0	35.0	0.0	17.5	30.0	60.0	45.0	70.0	70.0	70.0
Yield	56%	56%	56%	56%	56%	56%	52%	65%	65%	65%	65%	65%	65%	65%	65%	65%	65%	65%	65%	65%	65%
Local Sales ('000tpm)	9.0	28.3	18.3	30.8	30.8	30.8	19.0	40.5	32.2	26.0	18.2	22.1	22.8	0.0	11.4	19.5	39.0	29.3	45.5	45.5	45.5
Local Sales ('000t)	54	166	220	185	185	370	114	272	386	156	109	265	137	0	137	234	351	351	273	273	546
% change													-13%	-100%	-49%	-14%	#DIV/0!	157%	133%	17%	56%
Export sales - ships										2	0	2	2	4	6	2	3	5	2	3	5
Export sales - ('000t)										42	18	60	62	118	180	60	90	150	60	90	150
% change										49%	200%	-3%	-24%	541%	200%	-3%	-17%	0%	0%	0%	0%
Export price (R/t)										2300	2300	2300	2300	2300	2300	2300	2300	2300	2300	2300	2300
Anthracite price (R/t)	1129		1656	1865		1552	2163		1933	2250		2600	2600		2600	2678		2678	2758		2758
Total Sales ('000t)										198	128	325	198	118	317	177	324	501	333	363	696
% change										0%	-7%	-3%	-11%	-7%	-3%	-11%	174%	58%	88%	12%	39%
Reported revenue	60,924	303,128	364,052	344,631	229,037	573,668	246,557	500,093	746,650	471,588	357,492	829,080	497,194	271,706	768,900	451,326	833,652	1,284,978	891,027	960,027	1,851,054
Revenue	60924	303128	364052	344631	229037	573668	246557	500093	746650	471588	357492	829080	497226	271674	768900	451326	833652	1284978	891027	960027	1851054
Reported OP	-107,876	58,445	-49,431	20,567	-813	19,754	-21,114	189,841	168,727	51,416	1,111	52,527	41,592	-95,415	-53,823	67,699	189,297	256,996	178,205	192,005	370,211
Operating profit	-107876	58445	-49431	20567	-813	19754	-21114	189841	168727	51416	-1765	49651	42264	-96087	-53823	67699	189297	256996	178205	192005	370211
Operating margin	-177.1%	19.3%	-13.6%	6.0%	-0.4%	3.4%	-8.6%	38.0%	22.6%	10.9%	-0.5%	6.0%	8.5%	-35.4%	-7.0%	15.0%	22.7%	20.0%	20.0%	20.0%	20.0%
PBT	-107876	58445	-49431	20567	-813	19754	-21114	189841	168727	51416	-1765	49651	42264	-96087	-53823	67699	189297	256996	178205	192005	370211
Tax	-30205	16365	-13841	5759	-228	5531	-5912	53155	47244	14396	-494	13902	11834	-26904	-15070	18956	53003	71959	49898	53762	103659
PAT	-77671	42080	-35590	14808	-585	14223	-15202	136686	121483	37020	-1271	35749	30430	-69183	-38753	48743	136294	185037	128308	138244	266552
Profit/ton (ZAR/t)			-225			53			437						-394			732			678

Source: Company data, Chronux Research estimates

Figure 16 Nkomati DCF Model

Nkomati Mine		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21
ZAR000's	FY22	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34	FY35	FY36	FY37	FY38	FY39	FY40	FY41	FY42	FY43
Production ('000tpm)	33.3	55.0	49.5	34.0	17.5	45.0	45.0	45.0	45.0	45.0	45.0	45.0	45.0	45.0	45.0	45.0	45.0	45.0	45.0	45.0	45.0	45.0
Yield	56%	56%	65%	65%	65%	65%	65%	65%	65%	65%	65%	65%	65%	65%	65%	65%	65%	65%	65%	65%	65%	65%
Sales ('000tpm)	18.3	30.8	32.2	22.1	11.4	29.3	29.3	29.3	29.3	29.3	29.3	29.3	29.3	29.3	29.3	29.3	29.3	29.3	29.3	29.3	29.3	29.3
Sales ('000t)	220	370	386	265.2	136.5	351	351	351	351	351	351	351	351	351	351	351	351	351	351	351	351	351
Anthracite price (R/t)	1656	1552	1933	2600	2600	2678	2812	2952	3100	3255	3418	3589	3768	3957	4154	4362	4580	4809	5050	5302	5567	5846
Revenue	364052	573668	746650	827520	768900	1284978	986976.9	1036326	1088142	1142549	1199677	1259660	1322643	1388776	1458214	1531125	1607681	1688065	1772469	1861092	1954147	2051854
Operating profit	-49431	19754	168727	49651.2	-53823	256996.6	197395.4	207265.1	217628.4	228509.8	239935.3	251932.1	264528.7	277755.1	291642.9	306225	321536.3	337613.1	354493.7	372218.4	390829.4	410370.8
Operating margin	-14%	3%	23%	6%	-7%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%
PBT	-49431	19754	168727	49651	-53823	256996	197395.4	207265.1	217628.4	228509.8	239935.3	251932.1	264528.7	277755.1	291642.9	306225	321536.3	337613.1	354493.7	372218.4	390829.4	410370.8
Tax	-13841	5531	47244	13902	-15070	71959	55271	58034	60936	63983	67182	70541	74068	77771	81660	85743	90030	94532	99258	104221	109432	114904
PAT	-35590	14223	121483	35749	-38753	185037	142125	149231	156692	164527	172753	181391	190461	199984	209983	220482	231506	243081	255235	267997	281397	295467
Free cash flow																						
Operating profit	-49431	19754	168727	49651	-53823	256996	197395	207265	217628	228510	239935	251932	264529	277755	291643	306225	321536	337613	354494	372218	390829	410371
Tax	-13841	5531	47244	13902	-15070	71959	55271	58034	60936	63983	67182	70541	74068	77771	81660	85743	90030	94532	99258	104221	109432	114904
Depreciation&Amortisation	65309	66615	67947	151126	154148	157231	160376	163583	166855	170192	173596	177068	180609	184221	187906	191664	195497	199407	203395	207463	211612	215844
Expansion capex																						
Maintenance capex	4%	-14562	-22947	-23866	-33101	-30756	-51389	-38479	-41453	-43526	-45702	-47987	-50386	-52906	-55551	-58329	-61245	-64307	-67523	-70899	-74444	-78166
FCF	15156	57891	159564	153774	84639	290689	263021	271361	280022	289017	298362	308072	318164	328654	339560	350901	362696	374966	387732	401017	414843	429237
DCF @ WACC (Rm)		1,961,775																				
WACC		14.0%																				

Source: Company data, Chronux Research estimates

Divisional Forecast

Figure 17 Divisional Forecast

ZAR000's	FY22A	FY23A	FY24A	FY25A	FY26A	FY27E	FY28E
Revenue	4,680,078	4,908,238	6,083,280	8,317,766	10,608,278	11,790,855	12,810,809
Construction Materials	1,626,221	1,809,333	2,212,760	4,552,667	6,082,371	6,831,433	7,167,970
Aggregates				3,541,008	3,895,109	4,206,718	4,543,255
Cement				1,011,659	2,187,263	2,624,715	2,624,715
Industrial Minerals	632,544	553,889	554,546	575,149	402,604	563,646	591,828
Bulk Commodities	2,408,710	2,480,355	2,957,816	2,825,071	3,962,366	4,159,783	4,669,577
<i>Iron Ore</i>	<i>2,044,658</i>	<i>1,906,687</i>	<i>2,211,166</i>	<i>1,995,991</i>	<i>3,193,466</i>	<i>2,874,805</i>	<i>2,818,524</i>
- Iron ore - Export	1,487,559	1,034,560					
- Iron ore - Local	557,099	872,127					
- Nkomati	364,052	573,668	746,650	829,080	768,900	1,284,978	1,851,054
Future Materials and Metals		25,215	31,266	68,054	108,000	164,000	308,000
Services	12,603	39,446	326,892	296,825	52,937	71,994	73,434
Revenue growth	26.7%	4.9%	23.9%	36.7%	27.5%	11.1%	8.7%
Construction Materials	2.0%	11.3%	22.3%	105.7%	33.6%	12.3%	4.9%
Aggregates					10.0%	8.0%	8.0%
Cement					116.2%	20.0%	0.0%
Industrial Minerals	23.0%	-12.4%	0.1%	3.7%	-30.0%	40.0%	5.0%
Bulk Commodities	52.0%	3.0%	19.2%	-4.5%	40.3%	5.0%	12.3%
<i>Iron Ore</i>	<i>31.8%</i>	<i>-6.7%</i>	<i>16.0%</i>	<i>-9.7%</i>	<i>60.0%</i>	<i>-10.0%</i>	<i>-2.0%</i>
- Iron ore - Export	-4.1%	-30.5%					
- Iron ore - Local		56.5%					
- Nkomati	1011.5%	57.6%	30.2%	11.0%	-7.3%	67.1%	44.1%
Future Materials and Metals			24.0%	117.7%	58.7%	51.9%	87.8%
Services							
Operating profit	1,108,911	961,561	1,152,365	477,735	622,348	935,653	1,091,111
Construction Materials	192,480	129,603	273,448	330,554	415,218	651,790	755,168
Aggregates				550,182	642,693	504,806	545,191
Cement				-219,628	-227,475	146,984	209,977
Industrial Minerals	94,427	49,387	13,803	116,704	34,221	56,365	59,183
Bulk Commodities	820,210	787,653	957,775	486,886	735,971	727,238	765,387
<i>Iron Ore</i>	<i>869,641</i>	<i>767,899</i>	<i>789,048</i>	<i>434,359</i>	<i>789,794</i>	<i>470,242</i>	<i>395,176</i>
- Iron ore - Export	604,821	369,321					
- Iron ore - Local	264,820	398,578					
- Nkomati	-49,431	19,754	168,727	52,527	-53,823	256,996	370,211
Future Materials and Metals		-11,437	-12,851	-34,980	-54,000	24,600	46,200
Services	1,794	6,355	-79,810	113,098	50,000	45,904	46,822
Centralised shared services				-534,527	-559,062	-570,243	-581,648
Margin	23.7%	19.6%	18.9%	5.7%	5.9%	7.9%	8.5%
Construction Materials	11.8%	7.2%	12.4%	7.3%	6.8%	9.5%	10.5%
Aggregates				15.5%	16.5%	12.0%	12.0%
Cement				-21.7%	-10.4%	5.6%	8.0%
Industrial Minerals	14.9%	8.9%	2.5%	20.3%	8.5%	10.0%	10.0%
Bulk Commodities	34.1%	31.8%	32.4%	17.2%	18.6%	17.5%	16.4%
<i>Iron Ore</i>	<i>42.5%</i>	<i>40.3%</i>	<i>35.7%</i>	<i>21.8%</i>	<i>24.7%</i>	<i>16.4%</i>	<i>14.0%</i>
- Iron ore - Export	40.7%	35.7%					
- Iron ore - Local	47.5%	45.7%					
- Nkomati	-13.6%	3.4%	22.6%	6.3%	-7.0%	20.0%	20.0%
Future Materials and Metals		-45.4%	-41.1%	-51.4%	-50.0%	15.0%	15.0%
Services							
Centralised shared services							
Operating profit growth	4.7%	-13.3%	19.8%	-58.5%	30.3%	50.3%	16.6%
Construction Materials	83.5%	-32.7%	111.0%	20.9%	25.6%	57.0%	15.9%
Industrial Minerals	70.2%	-47.7%	-72.1%	745.5%	-70.7%	64.7%	5.0%
Bulk Commodities	-9.6%	-4.0%	21.6%	-49.2%	51.2%	-1.2%	5.2%
<i>Iron Ore</i>	<i>15.7%</i>	<i>-11.7%</i>	<i>2.8%</i>	<i>-45.0%</i>	<i>81.8%</i>	<i>-40.5%</i>	<i>-16.0%</i>
- Iron ore - Export	-19.5%	-38.9%					
- Iron ore - Local		50.5%					
- Nkomati		-140.0%	754.1%	-68.9%	-202.5%	-577.5%	44.1%
Future Materials and Metals			12.4%	172.2%	54.4%	-145.6%	87.8%

Source: Company data, Chronux Research estimates

Figure 18 Income Statement - Forecast

Afrimat Limited	02/2016	02/2017	02/2018	02/2019	02/2020	02/2021	02/2022	02/2023	02/2024	02/2025	02/2026	02/2027	02/2028
Sales	1970	2228	2457	2966	3304	3694	4680	4908	6083	8318	10608	11791	12811
Cost of Goods Sold (COGS) incl. D&A	1363	1476	1709	2055	2260	2235	3022	3278	4068	6859	8701	9460	10202
Gross Income	607	752	748	912	1044	1459	1658	1630	2015	1458	1907	2331	2609
SG&A Expense	290	346	392	439	458	571	650	744	862	1107	1286	1429	1553
Other Operating Expense	0	5	0	-7	-8	-7	-8	-11	-14	-33	-1	-34	-36
EBIT (Operating Income)	317	401	356	479	594	896	1015	897	1168	384	622	936	1091
Nonoperating Income - Net	23	40	27	16	24	-4	101	80	18	123	69	-13	-3
Interest Expense	18	36	53	59	37	27	39	41	55	197	403	284	185
Unusual Expense - Net	2	3	6	18	8	-4	11	1	19	6	6	6	6
Income Taxes	91	123	79	117	108	265	291	269	325	189	145	138	194
Equity in Earnings of Affiliates	-4	1	0	2	0	0	0	0	2	-2	0	0	0
Consolidated Net Income	224	279	245	304	465	604	775	665	789	114	138	495	703
Minority Interest	2	2	0	3	3	3	2	4	7	18	-3	31	43
Net Income	222	278	246	301	463	601	773	661	782	96	141	464	660
Discontinued Operations	0	0	0	0	0	0	0	0	0	0	6	6	6
Net Income available to Common	222	278	246	301	463	601	773	661	782	96	135	458	654
Per Share													
EPS (recurring)	1.55	1.96	1.82	2.29	3.42	4.33	5.52	4.51	5.23	0.65	0.97	3.09	4.38
EPS (diluted)	1.54	1.94	1.79	2.20	3.38	4.35	5.47	4.50	5.14	0.62	0.96	3.06	4.34
Earnings Persistence	93.24	72.97	80.23	90.93	89.56	78.24	73.03	81.39	84.68	75.98			
Dividends per Share	0.57	0.70	0.62	0.81	1.17	1.48	1.86	1.50	1.94	0.25	0.35	1.13	1.61
EBITDA													
EBITDA	403	502	480	626	771	1105	1328	1276	1558	1023	1250	1576	1744

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

Afrimat Limited	02/2016	02/2017	02/2018	02/2019	02/2020	02/2021	02/2022	02/2023	02/2024	02/2025	02/2026	02/2027	02/2028
Rental Expense	63	82	77	138	176	148	383	493	545	769			
Stock Option Comp Exp (Net of Tax)	3	5	4	5	11	14	21	25	26	27			
Foreign Currency Translation Gains/Losses	-	-	-	1	6	-18	16	40	17	17			
Tax Rate	28.5	30.6	24.2	28.0	18.9	30.5	27.3	28.8	29.2	62.1	28.0	28.0	28.0
Headline EPS	1.57	1.96	1.81	2.34	3.48	4.42	5.43	4.58	5.67	0.72	0.96	3.09	4.38
Headline EPS (diluted)	1.54	1.94	1.79	2.33	3.44	4.32	5.29	4.51	5.61	0.71	0.95	3.06	4.34

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

Afrimat Limited	02/2016	02/2017	02/2018	02/2019	02/2020	02/2021	02/2022	02/2023	02/2024	02/2025	02/2026	02/2027	02/2028
Price / Sales	1.8	2.0	1.6	1.4	1.2	1.7	2.0	1.6	1.6	1.1	0.5	0.5	0.4
Price / Earnings	15.5	15.5	16.1	13.5	8.3	10.0	11.9	11.8	12.0	95.3	38.0	11.8	8.3
Price / Book Value	3.4	3.5	3.3	2.9	2.3	2.7	3.1	2.1	2.1	2.1	1.2	1.1	1.0
Price / Tangible Book Value	3.9	3.9	4.3	3.4	2.6	3.0	3.3	2.2	2.2	2.2	1.3	1.2	1.1
Price / Cash Flow	10.9	10.7	19.8	10.0	5.8	8.0	12.8	8.0	7.7	38.5			
Price / Free Cash Flow	18.5	16.0	48.6	12.9	7.5	10.6	68.2	44.8	17.6	-			
Dividend Yield (%)	2.4	2.3	2.1	2.7	4.1	3.3	2.8	2.8	3.1	0.4	1.0	3.1	4.4
Enterprise Value / EBIT	10.9	10.8	12.3	9.1	6.7	6.9	9.4	8.9	8.0	28.2	11.5	7.6	6.5
Enterprise Value / EBITDA	8.6	8.7	9.1	7.0	5.2	5.6	7.2	6.3	6.0	10.6	5.7	4.5	4.1
Enterprise Value / Sales	1.8	2.0	1.8	1.5	1.2	1.7	2.0	1.6	1.5	1.3	0.7	0.6	0.6
EBIT / Interest Expense (Int. Coverage)	17.2	11.1	6.8	8.2	15.9	33.7	26.3	22.0	21.2	1.9	1.5	3.3	5.9

Source: Factset, Company data, Chronux Research estimates

Figure 19 Balance Sheet and Cash Flow - Forecast

	02/2016	02/2017	02/2018	02/2019	02/2020	02/2021	02/2022	02/2023	02/2024	02/2025	02/2026	02/2027	02/2028
Assets													
Cash & Short-Term Investments	118	245	112	192	168	871	292	290	655	301	214	217	250
Short-Term Receivables	298	335	401	449	481	701	803	749	785	1182	1709	1778	1850
Inventories	133	163	242	261	261	279	568	461	614	1101	1435	1493	1554
Other Current Assets	6	7	-	-	-	-	-	-	-	-	0	0	0
Total Current Assets	554	750	755	902	909	1851	1664	1500	2054	2584	3359	3489	3653
Net Property, Plant & Equipment	763	1058	1418	1470	1572	2247	2696	3326	3898	5665	5680	5910	6148
Total Investments and Advances	19	33	54	60	72	81	92	122	148	163	0	0	0
Long-Term Note Receivable	141	247	8	0	-	-	-	-	-	-	3	6	6
Intangible Assets	150	148	300	222	210	216	213	260	235	256	255	266	276
Deferred Tax Assets	21	30	55	34	32	60	361	261	198	248	198	159	127
Other Assets	0	0	0	0	0	0	20	213	215	287	509	61	-286
Total Assets	1648	2266	2591	2687	2795	4455	5046	5681	6749	9203	10005	9890	9925
Liabilities & Shareholders' Equity													
ST Debt & Curr. Portion LT Debt	105	351	255	282	157	647	496	146	347	1743	2316	1828	1342
Accounts Payable	164	145	202	181	194	264	382	400	547	1127	2062	2145	2231
Income Tax Payable	3	9	11	4	11	11	7	16	15	8	27	28	29
Other Current Liabilities	119	250	282	219	237	341	290	440	403	931	38	39	41
Total Current Liabilities	391	754	751	686	599	1263	1174	1003	1312	3809	4442	4041	3643
Long-Term Debt	47	95	272	236	139	301	149	166	210	194	200	200	200
Provision for Risks & Charges	76	96	130	141	153	239	265	291	280	280	289	301	313
Deferred Tax Liabilities	108	114	208	215	216	394	450	367	363	394	386	374	363
Other Liabilities	0	0	0	0	0	0	0	5	20	138	94	94	94
Total Liabilities	623	1059	1361	1277	1106	2197	2039	1832	2185	4815	5411	5010	4613
Common Equity	1018	1199	1219	1398	1682	2250	2998	3835	4541	4356	4547	4831	5262
Total Shareholders' Equity	1018	1199	1219	1398	1682	2250	2998	3835	4541	4356	4547	4831	5262
Accumulated Minority Interest	7	8	10	11	7	8	9	14	22	32	43	43	43
Total Equity	1025	1207	1229	1410	1689	2258	3007	3849	4563	4388	4590	4874	5306
Total Liabilities & Shareholders' Equ	1648	2266	2591	2687	2795	4455	5046	5681	6749	9203	10002	9884	9919
Per Share													
Book Value per Share	7.20	8.81	8.93	10.30	12.46	16.35	21.70	25.91	30.04	28.62	29.91	31.75	34.57
Tangible Book Value per Share	6.15	7.73	6.73	8.67	10.90	14.78	20.16	24.15	28.48	26.93	28.24	30.02	32.77
Operating Activities													
Net Income / Starting Line	315	402	324	422	573	869	1066	935	1113	302	590	546	756
Depreciation, Depletion & Amortization	82	101	124	146	177	209	297	379	390	639	628	640	653
Other Funds	-78	-134	-114	-70	-42	-205	-280	-259	-246	-328	0	0	0
Funds from Operations	319	368	334	498	709	874	1083	1056	1257	613	1217	1186	1409
Changes in Working Capital	1	38	-133	-87	-32	-106	-346	-68	-20	-373	-444	-44	-45
Net Operating Cash Flow	320	406	201	410	677	768	737	987	1237	240	774	1142	1364
Investing Activities													
Capital Expenditures	-131	-135	-119	-94	-154	-190	-604	-811	-695	-742	-640	-590	-641
Net Assets from Acquisitions	-4	-280	-38	-9	-27	-1	-15	-29	-7	-381	0	0	0
Sale of Fixed Assets & Businesses	14	27	27	14	34	54	26	21	69	100	55	55	55
Purchase/Sale of Investments	-2	-116	-68	0	6	-17	-9	-25	-12	9	0	0	0
Other Funds	0	0	0	0	0	-283	0	23	0	0	-11	0	0
Net Investing Cash Flow	-123	-504	-197	-89	-141	-437	-601	-820	-646	-1014	-596	-534	-585
Financing Activities													
Cash Dividends Paid	-76	-88	-96	-86	-136	-160	-214	-266	-227	-255	-60	-105	-246
Change in Capital Stock	-60	-18	-14	-31	-29	-13	-16	465	-32	-23	-16	0	0
Issuance/Reduction of Debt, Net	-23	293	180	-165	-250	124	-37	-485	23	815	341	-500	-500
Other Funds	0	38	-25	-3	-3	-2	-3	118	-124	-20	-4527	0	0
Net Financing Cash Flow	-158	225	45	-286	-426	-60	-284	-175	-366	493	-4261	-605	-746
Exchange Rate Effect	-	-	-	0	-	-	-	-	-	-	0	0	0
Net Change in Cash	39	127	49	36	110	270	-148	-8	225	-281	-4083	3	33
Free Cash Flow													
Free Cash Flow per Share	1.31	1.90	0.60	2.31	3.82	4.17	0.98	1.20	3.57	-3.27	0.87	3.60	4.71
Free Cash Flow Yield (%)	5.4	6.2	2.1	7.7	13.4	9.4	1.5	2.2	5.7	-5.4	2.4	10.0	13.0

Source: Factset, Company data, Chronux Research estimates

Disclaimer:

This report is not investment, financial, accounting or tax advice and is provided for information purposes only. In preparing this report we did not take your specific needs and investment objectives into account. Any prices or quotations provided are indicative only and may not be used or relied on for any purposes, including valuation purposes. Opinions expressed in this communication may change without any notice. This communication is not a solicitation to buy or sell any product. To the extent permitted by the law, Chronux Research Pty. Ltd. and/or the author(s) accept no responsibility or liability (in negligence or otherwise) for loss or damage resulting from the use of or relating to any error in the information provided. This information has been prepared in good faith and is based on information obtained from third party sources. Any modelling, scenario analysis past or simulated past performance (including back-testing) contained in this information is no indication of future performance. Analysts at Chronux Research might own direct exposure to companies they cover. This product may not be eligible for distribution in all jurisdictions and is directed at institutional investors who have professional experience as defined by the applicable law and/or regulation in the relevant jurisdiction. It is not for retail investors and may not be distributed into any jurisdiction where the information is not permitted. This communication is for the intended recipient only and if you have received this communication in error or in an unlawful manner the report must be destroyed, and the author notified immediately. These disclaimers and exclusions shall be governed and construed in accordance with South African law. If any provisions of these disclaimers and exclusions shall be unlawful, void or for any reason unenforceable then that provision shall be deemed severable and shall not affect the validity and enforceability of the remaining provisions. © Chronux Research Pty. Ltd. All rights of Chronux Research Pty. Ltd are reserved.