

FIVE-YEAR REVIEW

	Definitions	2015 Rm	2014 Rm	2013 Rm	2012 Rm	2011 Rm
Extracts from statement of profit or loss						
Revenue		110 487	103 567	92 382	80 830	64 667
Operating profit		6 235	6 185	6 090	5 638	4 526
Net financing costs		(1 194)	(926)	(744)	(681)	(554)
Share of result of associates and joint ventures		32	76	86	46	34
Income tax expense		(1 213)	(1 330)	(1 405)	(1 382)	(1 272)
Tax rate (%)		26,6	27,2	28,1	29,3	30,7
Net profit attributable to non-controlling interests		332	355	392	408	346
Headline earnings		3 135	3 151	3 458	3 007	2 608
Extracts from statement of cash flows						
Cash generated by operations (before capital expenditure on rental assets, net financing costs and tax paid)		8 999	5 973	7 191	7 440	6 077
Cash flow from investing activities (including capital expenditure on rental assets)		(6 482)	(2 927)	(4 708)	(4 230)	(1 931)
Net debt (raised) repaid		(1 961)	(1 972)	(2 250)	(625)	959
Free cash flow	1	4 514	2 138	3 658	3 770	3 452
Extracts from statement of financial position						
Total assets		65 712	59 021	51 716	45 698	36 533
Operating assets	2	56 944	55 968	48 443	41 575	32 815
Operating liabilities	3	23 167	22 802	21 174	18 046	14 495
Net working capital	4	9 874	8 033	5 694	4 606	3 245
Net interest-bearing debt	5	14 493	11 882	9 165	6 642	4 418
Imperial owners' interest		18 868	17 540	16 241	14 666	11 974
Non-controlling interests		1 838	1 569	1 295	1 223	1 043
Ratios						
Efficiency						
Revenue to average net operating assets (times)	6	3,3	3,4	3,6	3,9	3,7
Revenue relating to sales of goods to average inventory (times)	7	4,5	4,8	4,7	4,5	5,3
Revenue to average net working capital (times)		12,3	15,1	17,9	20,6	21,1
Profitability						
Operating profit to average net operating assets (%)	8	18,6	20,5	24,0	26,9	25,8
Operating profit to average gross operating assets (%)		11,0	11,8	13,5	15,2	14,5
Operating margin (%)	9	5,6	6,0	6,6	7,0	7,0
Return on average shareholders' interest (%)	10	16,8	19,4	21,3	22,4	22,2
Return on invested capital (%)	11	11,8	13,0	16,2	16,3	16,5
Weighted average cost of capital (%)	12	8,8	9,1	8,8	9,7	10,1
Solvency						
Interest cover by operating profit (times)		5,2	6,7	8,2	8,3	8,2
Net interest-bearing debt to EBITDA (times)		1,7	1,4	1,1	0,9	0,7
Total equity to total assets (%)		29,3	30,7	33,9	34,8	35,6
Net interest-bearing debt as a percentage of total equity (%)		75,4	65,6	52,3	41,8	33,9
Liquidity						
Free cash flow to net profit for the year (times)		1,33	0,59	0,99	1,11	1,19
Free cash flow to headline earnings (times)	13	1,44	0,68	1,06	1,25	1,32
Unutilised facilities		9 372	6 703	5 880	6 045	8 000

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Investing in the future						
Cost of new acquisitions		1 076	911	776	2 241	1 178
Expansion capital expenditure		2 515	1 957	1 682	1 125	687
Net replacement capital expenditure		2 004	1 642	1 395	1 467	841
Capital commitments		2 289	2 285	935	1 112	1 007
Statistics						
Total new and used vehicles and motorcycles sold		211 412	208 740	206 462	198 131	168 661
Number of transport fleet vehicles (owned)		7 133	5 676	6 431	6 312	6 030
Number of vehicles for hire (car rental only)		14 917	15 356	17 602	16 599	17 026
Number of employees		51 361	51 671	51 007	47 699	40 898
Employee costs		15 647	14 576	12 824	10 703	8 713
Wealth created per employee		475	444	412	380	360
Total taxes and levies paid	14	1 496	1 748	1 438	1 572	1 543
Share performance						
Basic headline earnings per share (cents)		1 624	1 625	1 805	1 566	1 370
Basic core earnings per share (cents)		1 754	1 815	1 872	1 623	1 234
Dividends per share (cents)		795	820	820	680	480
Earnings yield (%)	15	8,8	8,1	8,6	9,1	11,3
Price earnings ratio (times)	16	11,4	12,3	11,6	11,0	8,9
Net asset value per share (cents)	17	9 696	9 037	8 324	7 479	6 137
Market prices (cents)						
- Closing		18 550	20 000	20 968	17 200	12 125
- High		20 634	22 290	22 600	17 729	13 245
- Low		16 418	16 080	17 150	9 420	8 450
Total market capitalisation at closing prices	18	37 616	41 563	43 788	36 093	25 320
Value of shares traded		34 159	43 446	51 766	30 099	26 937
Value traded as a percentage of average capitalisation (%)		86	102	130	98	124
Exchange rates used						
Rand to euro						
- average		13,37	14,07	11,43	10,38	9,49
- closing		13,55	14,51	13,04	10,39	9,55
Rand to US dollar						
- average		11,44	10,38	8,84	7,75	7,06
- closing		12,15	10,62	10,01	8,20	6,70
Rand to British pound						
- average		18,02	16,87	13,85	12,27	11,15
- closing		19,11	18,11	15,22	12,87	10,85
Rand to Nigerian naira						
- average		0,06	0,06			
- closing		0,06	0,06			
Rand to Botswana pula						
- average		1,20	1,17	1,09	1,05	1,07
- closing		1,23	1,21	1,16	1,07	1,03
Rand to Australian dollar						
- average		9,54	9,52	9,06	7,99	6,80
- closing		9,40	9,96	9,01	8,40	6,57

Definitions:

1. Free cash flow – calculated by adjusting the cash flow from operating activities to exclude the expansion capital expenditure on rental assets and deducting replacement capital expenditure on other assets.
2. Operating assets – all assets less loans receivable, tax assets, cash and cash equivalents and assets classified as held for sale.
3. Operating liabilities – all liabilities less all interest-bearing borrowings, tax liabilities and liabilities directly associated with assets classified as held for sale.
4. Net working capital – consists of inventories, trade and other receivables, provisions for liabilities and other charges and trade and other payables.
5. Net interest-bearing debt – include total interest-bearing borrowings plus non-redeemable preference shares less cash resources.
6. Revenue to average net operating assets (times) – calculated by dividing revenue with average net operating assets.
7. Revenue relating to sales of goods to average inventory (times) – revenue relating to sales of goods divided by average inventory.
8. Operating profit to average net operating assets (%) – operating profit divided by average net operating assets.
9. Operating margin (%) – operating profit divided by revenue.
10. Return on average ordinary shareholders' interest (%) – net profit attributable to owners of Imperial divided by average shareholders' interest (calculated by using the opening and closing balances) attributable to Imperial Holdings' shareholders.
11. Return on invested capital (%) – return divided by invested capital. Return is calculated using profit after taxation and share of non-controlling interests, increased by the after tax effects of net finance costs and exceptional items. Invested capital is a 12-month average of shareholders' equity plus preference shares plus debt (interest-bearing borrowings long-term and short-term minus long-term loans receivable) minus non-financial services cash and cash equivalents.
12. Weighted average cost of capital (%) – calculated by multiplying the cost of each capital component by its proportional weight and then summing, therefore: WACC = (after tax cost of debt % multiplied by average debt weighting) + (cost of equity multiplied by average equity weighting).
13. Free cash flow to headline earnings ratio – free cash flow divided by headline earnings.
14. Total taxes and levies paid – made up of SA normal tax, secondary tax on companies, foreign tax, rates and taxes, skills development and unemployment insurance fund levies.
15. Earnings yield (%) – the headline earnings per share divided by the closing price of a share.
16. Price earnings ratio (times) – the closing price of a share divided by the headline earnings per share.
17. Net asset value per share – equity attributable to owners of Imperial divided by total ordinary and preferred ordinary shares in issue net of shares repurchased (the deferred ordinary shares only participate to the extent of their par value of 0,04 cents).
18. Total market capitalisation at closing prices (Rm) – total ordinary shares in issue before treasury shares multiplied by the closing price per share.