

# definitions

The definitions below should be read in conjunction with the accounting policies set out in the financial statements on pages 66 to 71.

## **Normalised Profit**

Normalised profit is the profit attributable to shareholders determined in accordance with International Financial Reporting Standards, but excludes the effects of share-based payments (IFRS 2) in respect of share awards and options granted at the date of listing (refer pages 4 and 5). For 2004 and prior years, the profit is determined in accordance with South African Generally Accepted Accounting Practice.

## **Return on average shareholders equity**

Normalised profit attributable to ordinary shareholders as a percentage of average shareholders' equity.

## **After-tax return on average capital employed**

After-tax return for capital is the normalised profit attributable to ordinary shareholders plus finance costs paid to providers of capital less the attributable tax on finance costs.

Capital employed is shareholders' interest and interest-bearing debt.

The after-tax return on average capital employed is the after-tax return for capital as a percentage of the average capital employed for the year.

## **After-tax return on average assets managed**

After-tax return is the normalised profit before interest and taxation less taxation and the attributable tax on finance costs.

The after-tax return on average assets managed is the after-tax return as a percentage of the average total assets.

## **Gross margin**

Gross profit as a percentage of merchandise sales.

## **Normalised operating margin**

Normalised operating profit before exceptional items as a percentage of revenue.

## **Inventory turn**

Cost of merchandise sales divided by the closing inventory.

## **Average age of the debtors book**

Trade receivables divided by the current year's credit revenue.

## **Normalised financing cover**

Normalised profit before finance costs and taxation divided by the finance costs.

## **Gearing ratio**

Interest-bearing debt, reduced by cash and cash equivalents, divided by shareholders' equity.

## **Current ratio**

Current assets divided by current liabilities.

## **Cash conversion ratio**

Cash generated from operations divided by the normalised operating profit

## **Normalised earnings per share**

Normalised profit attributable to ordinary shareholders divided by the weighted average number of shares in issue.

## **Normalised headline earnings per share**

Normalised headline earnings divided by the weighted average number of shares in issue.

## **Cash flow per share**

Cash generated from operations divided by the weighted average shares in issue.

## **Net asset value per share**

The net asset value divided by the number of shares in issue, after deducting treasury shares, at the end of the year.

## **Normalised price-earnings ratio**

The closing price on the JSE Ltd divided by the normalised earnings per share.

## **Dividends per share for the financial year**

The dividends declared in respect of the financial year expressed as cents per share. Note that this will not correlate to the dividends reflected in the financial accounts since dividends are only recorded on declaration.