NAMIBIA BREWERIES LIMITED
FY19 Results Review
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Namibia Breweries Ltd

FY19 Results Review

Target Price	***4705***
Current Price (c)	4834

Year End 30 June	2017	2018	2019	F2020	F2021
Revenue (N$ m)	2,708	2,687	3,098	3,066	3,140
Operating Profit	611	613	652	635	624
HEPS (c)	230	194.6	288.6	286	304
HEPU growth (%)*	24	-9.1	48.3	-1.1	6.3
PE	16.4	21.6	16.7	16.9	15.9
DPS (c, ordinary)	84	286	221	104	110
DY	2.2	6.4	4.6	2.2	2.3
EV/EBITDA	13.8	12.0	10.7	10.2	9.7

Recommendation	HOLD
NSX Code	NBS
Market Cap (N$ m)	9,967
Shares in Issue (m)	206.5
Free float (%)	50
P/B (x)	5.1
52 week high	4900
52 week low	4503
Expected Total Return (%)	

Source: NBS, IJG
**HEPS and HEPS growth based on current calculation methodology and adjusts (removes) for deferred tax asset*

FY19 Results

Namibia Breweries (NBS) released results for the financial year ended 30 June 2019. The financial results have yet again surprised to the upside. Revenue increased by 15.3% y/y to N$3.09 billion. Basic EPS increased by 134.1% y/y to 450.8 cps, partially due to a deferred tax asset recognised by Heineken SA, which contributed N$334.7 million to NBS' profits. Normalising HEPS for the deferred tax asset recognition sees the HEPS growth rate drop to 48.3% y/y, which is still well above expectations. An increase in volumes shipped to SA drove top line growth. A dividend of 50cps was declared for 2H19, along with a 121.05cps special dividend, the second in as many years. This may become a regular feature as the need for investment into the associate declines.

Sales and Volumes

The increase in revenue stems from overall volume growth of 13.8%. The results note that this is due to a 3.9% increase in Namibian volumes and 45.5% growth in production volumes to South Africa. According to management, export volumes to international markets declined by 31%. Export volumes to international markets however only make up 2.6% of volumes, and the decline thus didn't have a significant impact on total revenue. Royalty income rose by 15.9%, indicating double digit growth in NBS products sold in SA.

Equity Profit from Associate

NBS recorded an equity profit of N$450.5 million from associate for FY19, ahead of expectations. N$334.7 million of this profit however stems from a deferred tax asset recognised by Heineken SA. The directors of Heineken SA have assessed that Heineken SA's assessed loss of N$1.3 billion is recoverable and have thus recognised a deferred tax asset arising from the assessed loss. This indicates a big change in expected profitability over the next couple of years. Management stated that plans to expand Sedibeng's capacity to 7.5 million hectolitres are still on track. Profits are likely to be reinvested or used to reduce debt over the next three years and as such no dividends are expected.

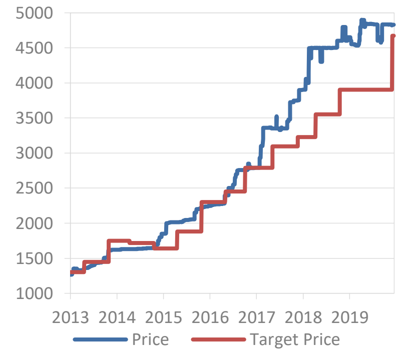
Operating Margin

Operating profit grew by 6.3%, well ahead of our expectations once again. Management continues its focus on managing costs and increasing efficiencies throughout the value chain. Operating expenses increased by 17.9% due to increased volumes. As a result, NBS' operating margin contracted to 21.0% from 22.8% in FY18. Raw materials and consumables costs increased by 30.1%. The majority of operating expenses grew more than IJG expected.

Conclusion

We have revised our target price for NBS to **N$47.05** and our recommendation to a **HOLD** following a change in how we model the different components of the business. The associate is now explicitly modelled. We derived an intrinsic value of N$29.15, for the domestic operations, and N$17.90 for the NBS holding in the associate. The combination of the two has resulted in a 33% increase to our target price. We model the associate on conservative growth rates and margins due to very limited financial information, but even then it is clear that the future upside potential is heavily skewed towards the contribution of the associate in the coming years.

NBS Share Price vs Target Price



Dividends

A final dividend of 50 cents per ordinary share was declared for the year ended 30 June 2019.

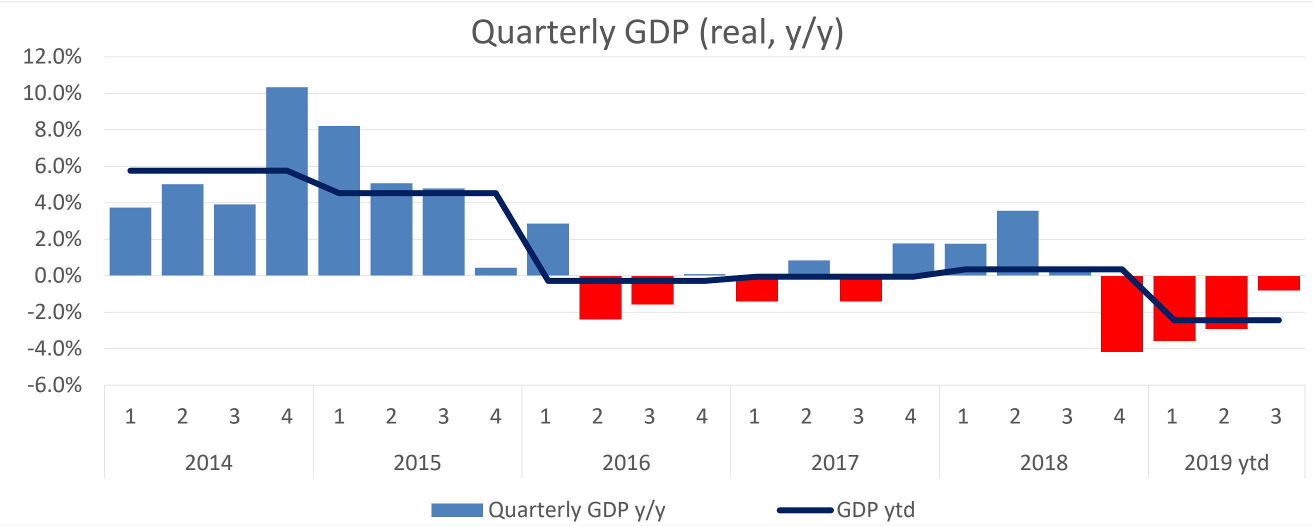
A special dividend of 121.05 cents per ordinary share was declared for the year ended 30 June 2019.

- Last day to trade: 27 September 2019
- Payment date: 8 November 2019

Macro Environment

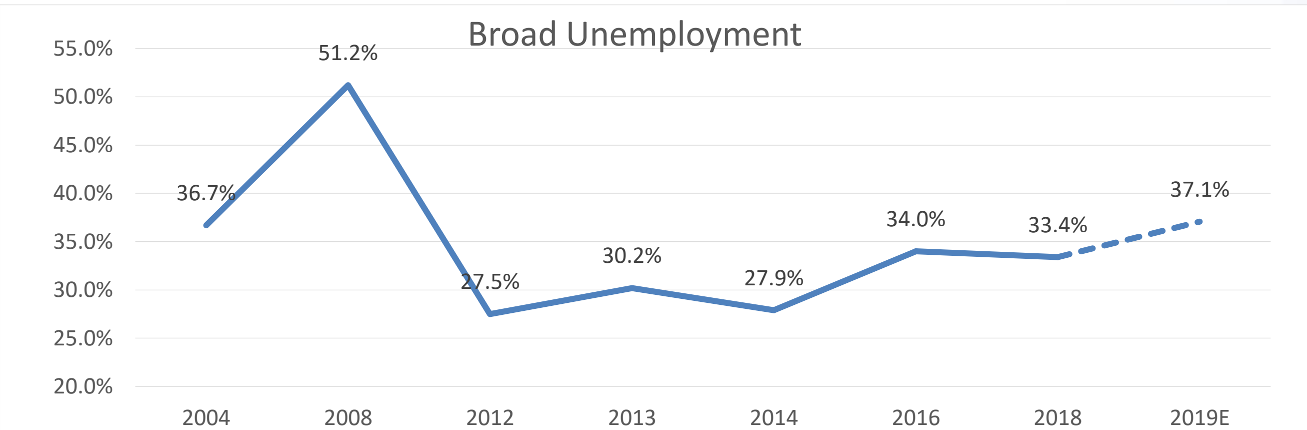
The Namibian Macro

The Namibian macroeconomic environment continued to languish as consumer demand remains under pressure, government spending is unable to stimulate economic activity, and investment remains elusive. The below figure shows that 8 of the last 14 quarters have posted negative real GDP growth on a year-on-year basis. This is despite relatively accommodative monetary policy in the country. The persistence of the current recession can be attributed to various factors, namely a loss of investor confidence due to pending regulation, a fiscal crisis, drought, and a downturn in the commodity super-cycle.



Source: NSA, IJG

The impact of the drought combined with a rapid decline in construction activity resulted in rising unemployment and decreased consumer activity. The construction industry in particular came under pressure as large projects came to completion and the fiscal crisis set in, leading to late payments to the industry, as well as state-funded projects being put on hold indefinitely. Along with the drought induced unemployment in the agriculture sector, the decrease in construction jobs contributed much of the initial spike in unemployment between 2014 and 2017. As demand dropped, second round effects played out in other industries within the country, resulting in further job losses despite the 2018 unemployment print benefitting from a decent rainfall year and thus there being fewer subsistence farmers among the unemployed.



Source: NSA, IJG

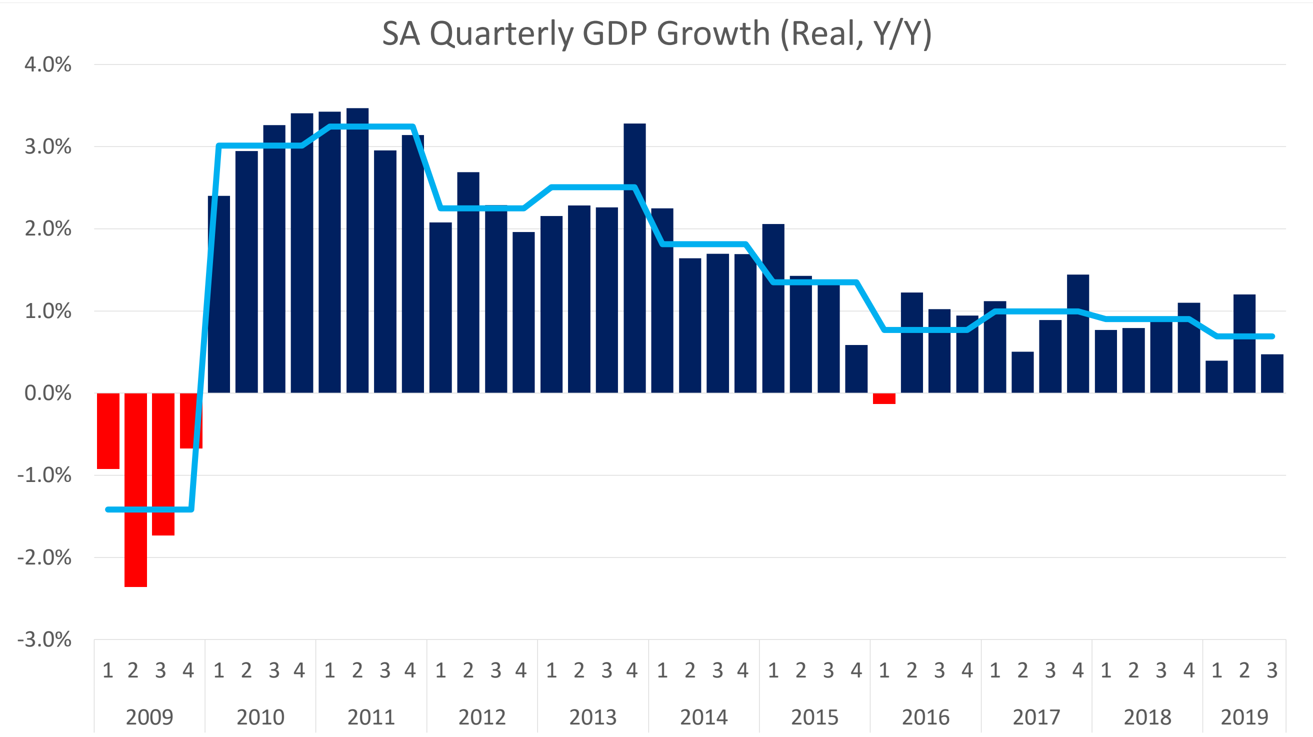
The impact of unemployment and a weak economy on consumer demand has previously been witnessed in Namibia Breweries' domestic volume sales, with declines of 3% in FY17 and 2% in FY18. The FY19 annual report however stated that Namibian beer volumes have started to grow again, by 3.9% in FY19, after more than two years of decline. Thus, while NBS has not been immune to the impact of weak consumer demand, domestic volumes seem to be bucking the trend in the overall economy which is sliding more rapidly than in either 2017 or 2018.

Going forward we do not expect to see a rapid turnaround in the domestic economy. As mentioned above, government stimulus remains off the table for the medium-term in our view and the detrimental impact of policy uncertainty on investment is likely to take time to reverse. Thus, the domestic economic climate is likely to remain an inhibiting factor with regards to domestic volume growth and pricing power over the medium-term in our view.

South African Macro

The South African macroeconomic environment also poses headwinds to volume growth for Heineken SA (HSA) in our view. In many ways the South African economic outlook does not look vastly different to that of Namibia. Slow growth and growing unemployment have been a feature for the last ten years and thus far plans to course-correct from a policy perspective have been found lacking on the implementation front. The economic environment is thus not conducive to rapid growth although a relatively high population growth rate does provide some scope for sustained low single digit volume growth for the country as a whole.

It is of course in this environment that Heineken SA has managed to gain market-share and grow volumes significantly since FY16. We delve into this in more detail later in the report but view this as a strategic success rather than a conducive environment providing room for growth.



Source: Stats SA, IJG

South African and Namibian Beer Markets and Competition

The alcoholic beverage environment has been going through mild disruption globally, with spirits, ready-to-drink, and craft beer volumes growing at an elevated rate when compared to that of traditional beer. The rise of craft beer in South Africa shows that a significant proportion of consumers are switching to premium and super-premium beers and beverages.

Of increasing importance in the current environment is innovation and diversity. Brewers unwilling to innovate are likely to see market-share slipping as innovative brands grow along with changing consumer habits. Although it may seem obvious that Anheuser-Busch InBev (ABI) should dominate when it does come to diversity of offerings, HSA and NBS have more than kept pace on this front in our view through acquisitions of craft breweries or stakes in breweries, development of non-alcoholic and ready to drink products, as well as ciders.

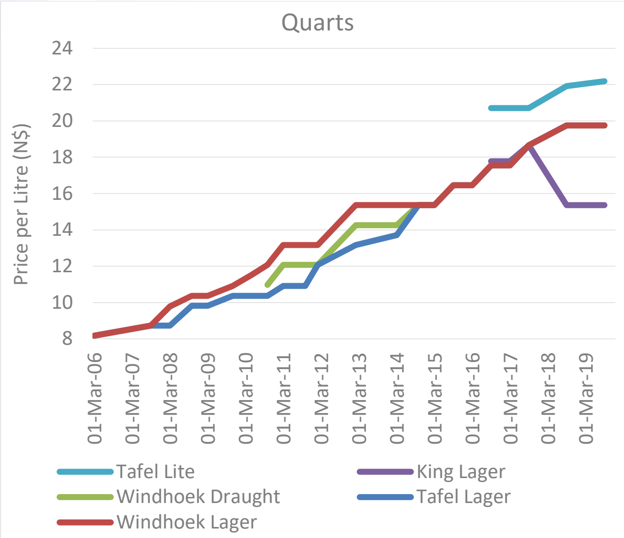
The recent success of Heineken South Africa (HSA) seems to stem from innovative packaging of Heineken itself in conjunction with distribution channels focussed on moving HSA products (versus the tendency to focus on spirits under the JV). NBS products have shown strong growth in the SA market as well but have lagged that of Heineken. Of course, having a variety of premium brands to offer a market that is acquiring more of a taste for aspirational beverages has been an advantage HSA has exercised over ABI in the SA market. The acquisitions of Soweto Gold, Stellenbrau and a minority stake in Jack Black have added further to the diverse offering of HSA. NBS have contributed the Tafel Radler and Windhoek Non-Alcoholic beer, as well as Camelthorn craft beers to the greater portfolio shared by the two companies.

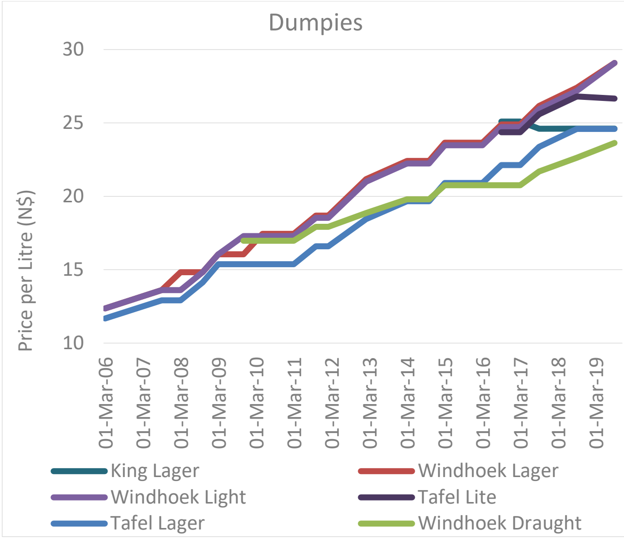
In brief we believe that the HSA and NBS product ranges are at least on par with those of ABI. While it is not clear that HSA and NBS have a superior product mix, we do not believe that a lack of innovation or diversity of products will leave them behind from a competition perspective. We thus assume that capturing market-share will become more difficult going forward as the rate of growth from distribution and innovative packaging slows. Winning incremental market-share in the premium space is likely to become more difficult with each increment gained as it has more to do with customer preferences than access to the product.

Pricing

From a pricing perspective the current economic headwinds have placed pressure on NBS. Price increases have not been easy to pass through with the half year increases (around March) being foregone for the last four years according to our data. Thus, price increases have taken place annually with some products not seeing price increases at all in September 2019. This is a reflection of the economic environment and increase in unemployment in Namibia more than increased competition in our view.

Quart prices have been the least changed over the last few increase cycles, supporting our view that it is the mainstream market that is being hardest hit by the recession. More premium products such as Windhoek Lager cans and dumpies have seen more regular price increases. The below graphs reflect the average change in prices for the NBS products over time. It is evident from these figures that price increases have slowed in the last 18-months. These figures are also prior to the “discounts allowed” that have been growing as a percentage of sales.

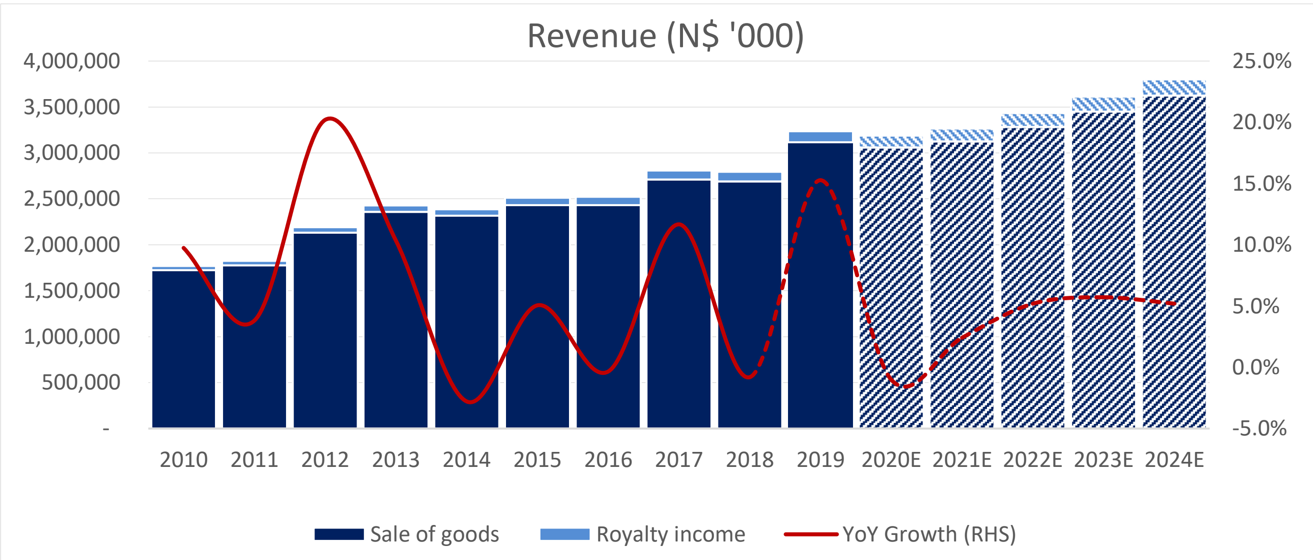




Source: Stats SA, IJG

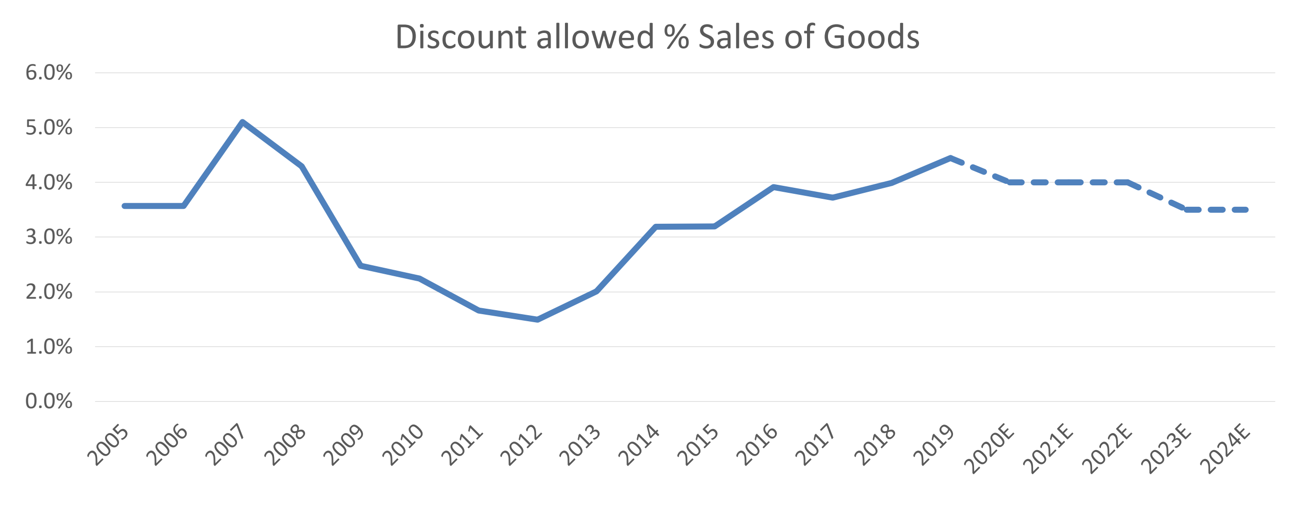
Revenue and Volumes

NBS grew revenues by 15.3% to N$3.097bn in FY19, as Namibian volumes grew by 3.9% and volumes exported to South Africa grew by 44.8%. Total volumes produced increased by 13.8% in FY19 versus a contraction of 5.5% in FY18. Total volumes produced by NBS have grown by 4.9% per year over the last 5 years while revenue has grown by 6.0% per year. The ability to pass through inflationary price adjustments has thus been limited by the economic climate and pressure on disposable incomes, illustrating the discount culture NBS management continue to refer to.



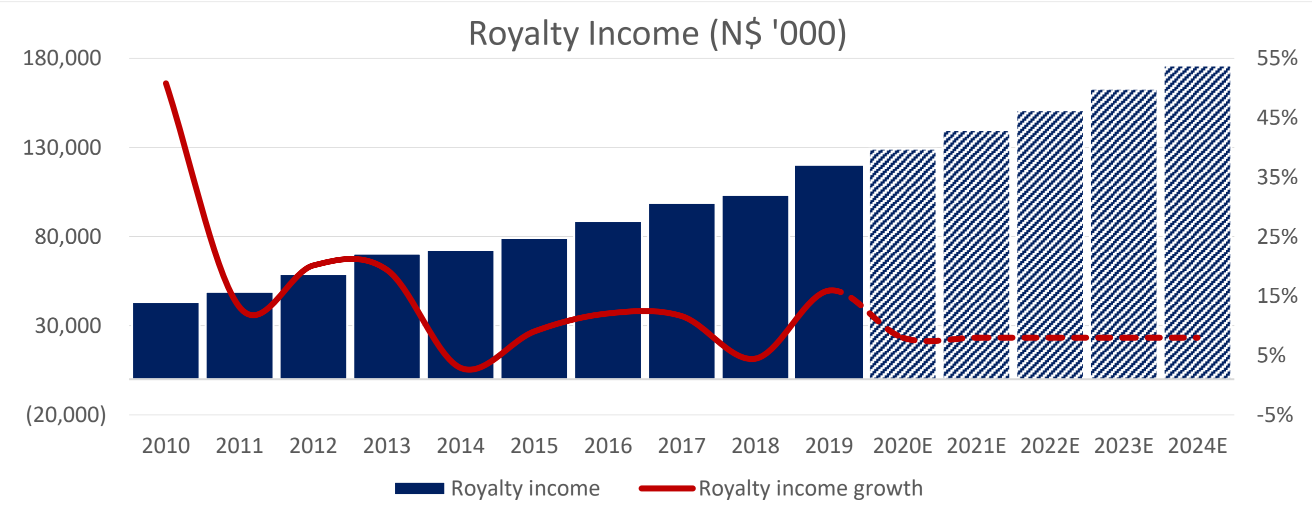
Source NBS, IJG

We do not see a compelling argument in favour of domestic volume growth accelerating much from here. It is however possible that somewhat of a trough in domestic volumes was reached in FY18. It will be encouraging to shareholders that we have seen volume growth at a time where we see unemployment rising further. Of further encouragement will be the fact that during the last four financial years revenue growth, net of discount allowed, has exceeded volume growth, as beer prices have been adjusted upwards. These price increases have not kept pace with inflation after allowing for discounts but point to some resilience in the business given the contractions seen in the economy and increase in unemployment.



Source: NBS, IJG

Discounts allowed have increased by 29.0% to N$138.4 million in FY19. Discounts allowed amounted to 4.4% of sales-of-goods, the highest rate seen since 2008. We believe that the discounting trend will continue for the next few years and we have used a rate of 4.0% of sales-of-goods for the next three years in our revenue projections.



Source: NBS, IJG

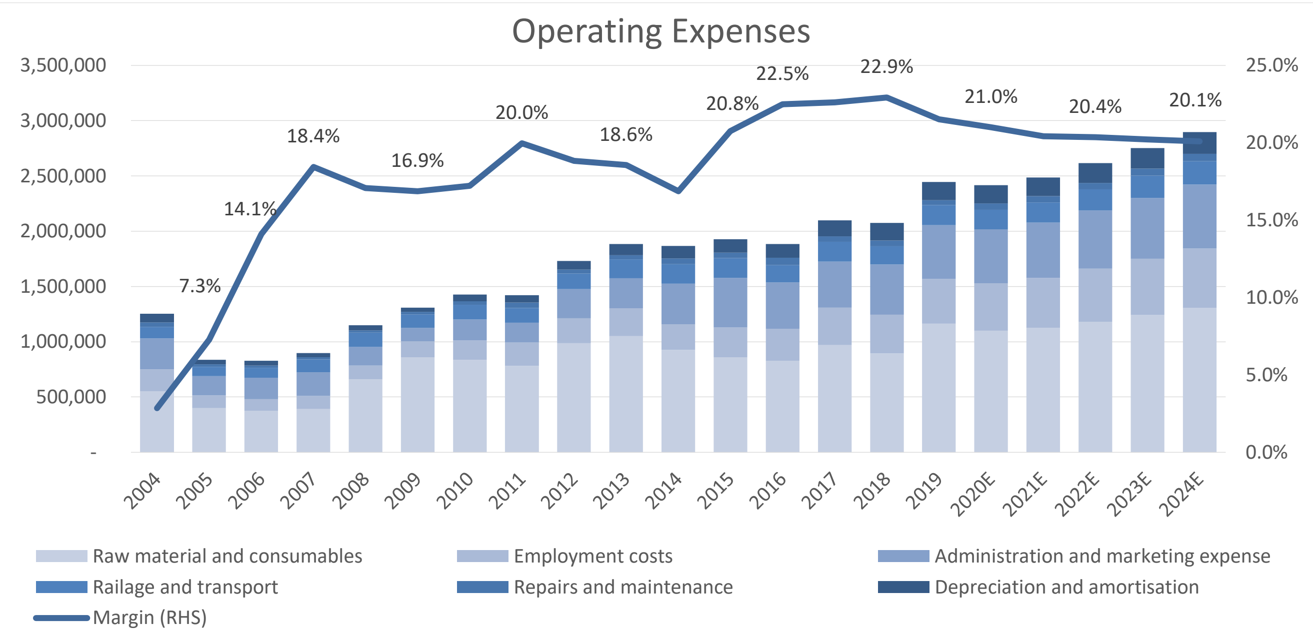
Royalty income grew by 15.9% to N$119.8 million in FY19, above our expectations and roughly in line with growth in sale-of-goods. N$105.7 million worth of the total royalty income accrued from the associate during the year. We expect royalty income to continue to grow despite the expected decrease in volumes sold to the associate as the associate produces more NBS product. The increase in royalties from the associate of 9.8% indicate an increase in NBS products produced by the associate in addition to the volumes shipped from the Namibia plant. For revenue forecasting purposes we expect an 8% y/y growth in royalties over the next five years, below the 10.6% y/y growth experienced over the last five years.

Going forward we expect to see volumes shipped to SA drop by around 20% in FY20 and 10% in FY21. By our calculation volumes shipped to SA in FY19 were roughly double the contractually obligated shipment of 450,000 hectolitres. In our revenue forecast for the next five years we assume that these volumes remain around 55% higher than this contractual level. This is based on the demand growth in the SA market and the fact that NBS has invested in upgrades which allow for higher production volumes. We expect overall volume growth to remain relatively flat on average over the next five-year period but decrease by 4.7% in FY20 and 0.8% in FY21. While these expectations may seem conservative versus historic rates they are based on the expected decrease in volumes shipped to SA over the next two years as well as general economic headwinds in both SA and domestic markets. That is to say that our expectations lean towards a cautious, rather than optimistic view. These expectations form the basis of our valuation of the domestic business.

As noted previously, overall volume growth has averaged 4.9% p.a. over the last five years (2014 to 2019). This seems to be due to a large drop in volumes in the base year. Piecing volume information together from the financials for the last 14 years it does not seem to us as though there has been any growth in overall volumes sold between 2013 and 2019. This is based on highly variable disclosures regarding volumes and volume growth in the financials over this period. This reinforces our cautious stance in the previous paragraph.

Operational Performance

Operating expenses increased by 17.9% to N$2.446 billion in FY19, exceeding revenue growth of 15.3%. As a result operating profit grew by a modest 6.3% in FY19, and the operating margin compressed to 21.5% from 22.9% in FY18. While a decrease, this was still above our expected operating margin for NBS for the year. Over the last ten years, however, operating profits have been growing at close to 10% y/y versus 7.1% y/y growth in revenues. Thus operational performance has been steadily improving over this period as is evident in the margin growth figure below.



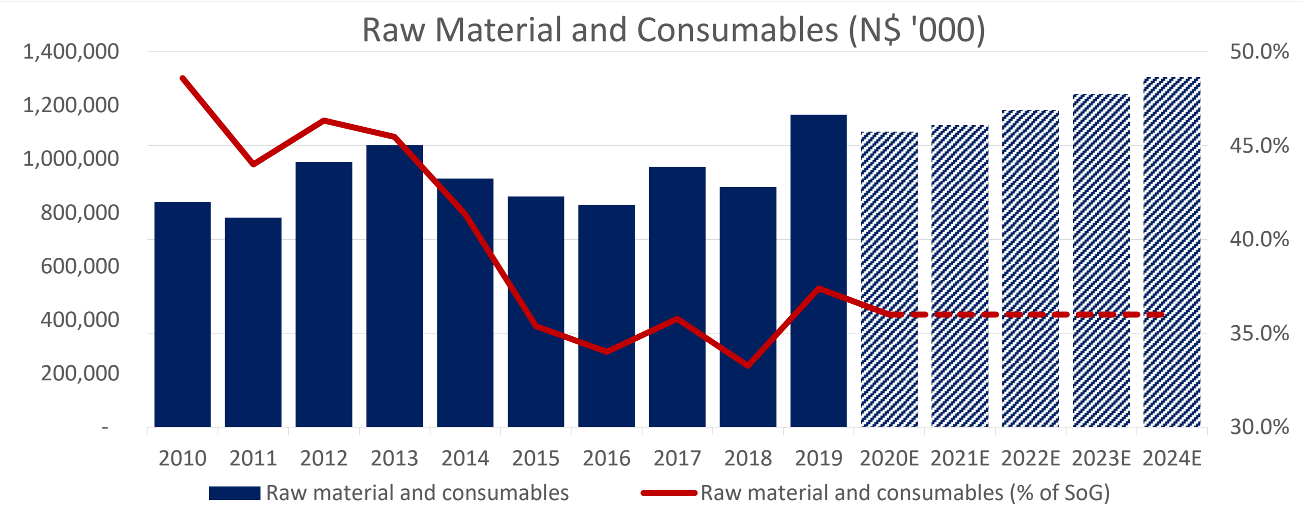
Source: NBS, IJG

Over the last 5 years sales-of-goods (SoG) has increased by an annualised rate of 6.1%. The below table shows the annualised rates of growth for different components of cost-of-sales (CoS). This shows that a large contributor to widening margins over the period has been a slower growth rate in raw materials and consumables costs. Railage and transport and repairs and maintenance costs have also contributed to expanding margins although they are much smaller components of CoS.

Operating expenses	*% of CoS FY19*	*Annualised Growth (last 5yrs)*
Raw material and consumables	37.4%	4.7%
Employment costs	12.9%	11.7%
Administration and marketing expense	15.6%	5.7%
Railage and transport	5.8%	0.9%
Repairs and maintenance	1.4%	-3.5%
Depreciation and amortisation	5.3%	8.2%

Source: NBS, IJG

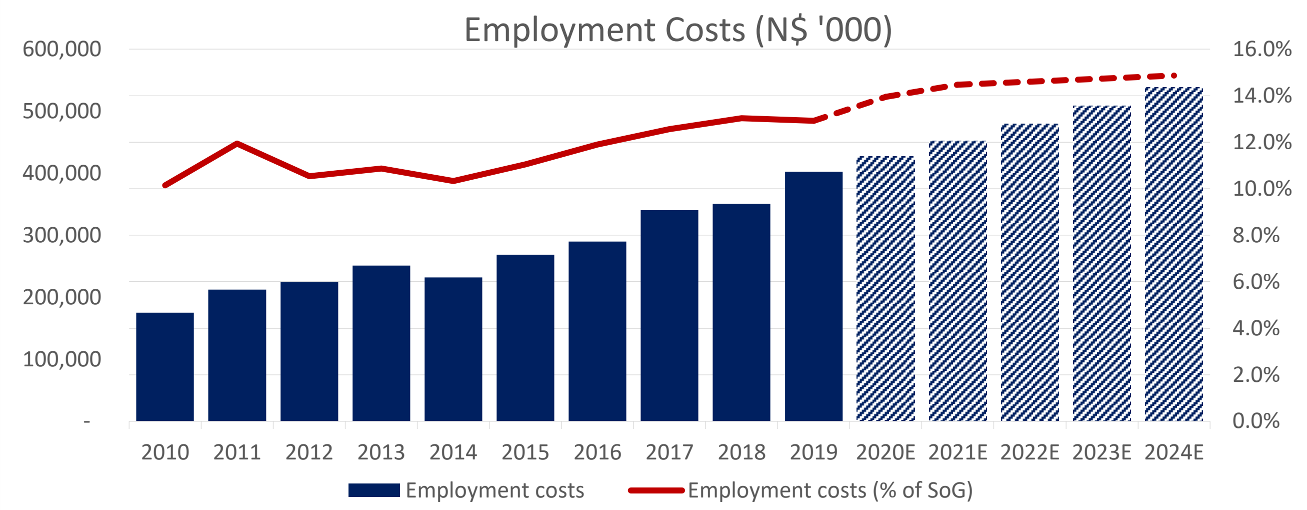
Raw materials and consumables costs as a percentage of SoG really started decreasing in 2014, falling from around 45% of SoG in 2013 to below 35% in 2016 and 2018. Much of this saving has come from managing wastage. In 2015 a 26% reduction in beer wastage was recorded. Further cost reductions were realised due to favourable prices of raw materials and packaging materials in the subsequent year.



Source: NBS, IJG

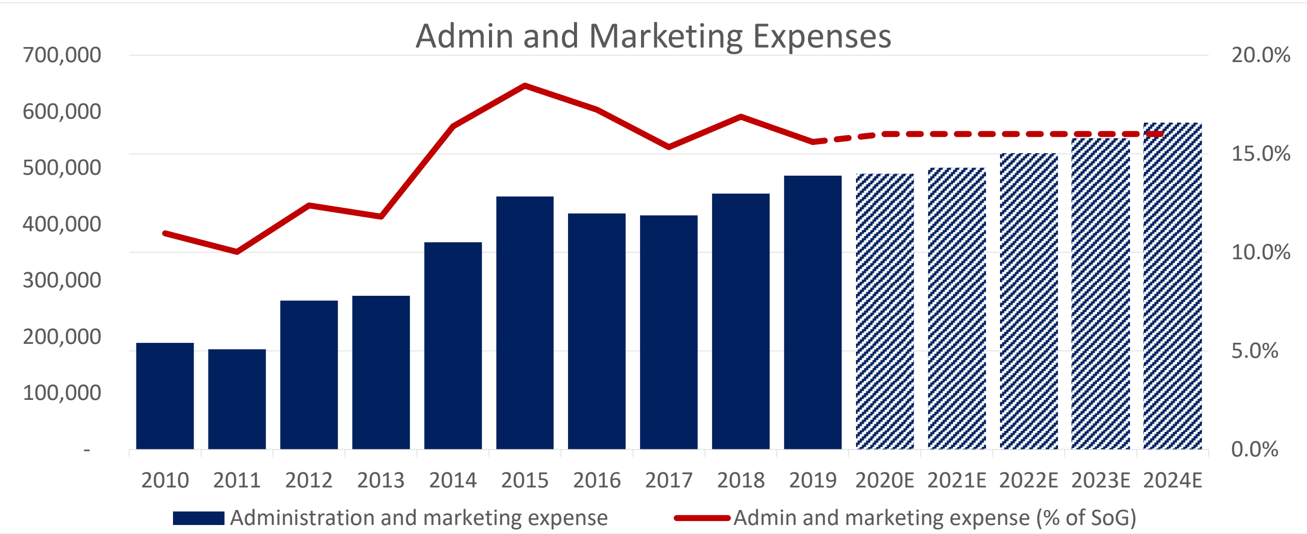
For FY19 raw materials and consumables costs rose by 30.1% to N$1.165 billion. This increase far surpassed the growth in volumes and SoG due to cost increases in raw materials. Raw materials as a percentage of SoG spiked to 37.4% in FY19 from 33.3% in FY18. Climate impacts are stated to be the main driver of this increase as it led to farmers retaining stock or just not producing as much as prior years. The reduced harvest also saw a reduction in quality malting barley being produced.

Our expectations are for raw materials and consumables costs to average around 36% of SoG. We view this as a conservative estimate as the average ratio has been 34.6% in the four years prior to FY19 and these levels can be at least partly attributed to reduced wastage. Worth noting is that increasing this ratio in our forecasts to 37% (in line with FY19) brings the operating margin down to below 20%, all else equal.



Source: NBS, IJG

Employment costs increased by 14.9% to N$402.6 million in FY19 after relatively mundane growth of 3.0% in FY18. Employment costs have grown at an average rate of 11.7% p.a. over the last five years, versus 5.6% p.a. for operating costs as a whole. As a result employment costs to SoG now stands at 12.9% in FY19 versus an average of around 11% between 2010 and 2015. Employment costs are becoming a driver of operating expenses and factoring in a relatively conservative 6% growth rate in this cost going forward sees employment costs whittle away at the operating margin.



Source: NBS, IJG

Admin and marketing expenses grew by a modest 7.0% in FY19 to N$486.0 million, making it the second largest component of operating expenses. Over the last five years this cost item has grown by 5.7% p.a. which is reasonable in our view given the introduction of new products over the period and the initial marketing that goes with such innovation. Admin and marketing expenses to SoG stood at 15.6% in FY19, down from 16.9% in FY18. In general this ratio of cost to sales has increased from the low teens prior to 2014 to the high teens over the last six years. Going forward we expect admin and marketing costs to average 16% to SoG as innovation continues to play a role in maintaining or growing market-share going forward.

For the smaller cost items included in operating expenses we use a similar methodology of cost to sales ratios to extrapolate the expected contribution to operating expenses. Fluctuations in railage and transport costs are largely linked to shipment of volumes to SA and modelled according to our expectations laid out previously.

We expect the operating margin to decrease to 21.0% in FY20 from 21.5% in FY19, and to average 20.3% over the forecast horizon. This is due to our estimates of increasing employment costs and higher raw materials and consumables costs in relation to sales-of-goods. These expectations are some 250bps lower than peak operating margins seen in FY18 but we suspect more realistic over the longer term. Once again our expectations err on the side of caution as we feel that the Namibian operations are mature and that room for growth is housed in the investment in associate rather than the Namibian operations.

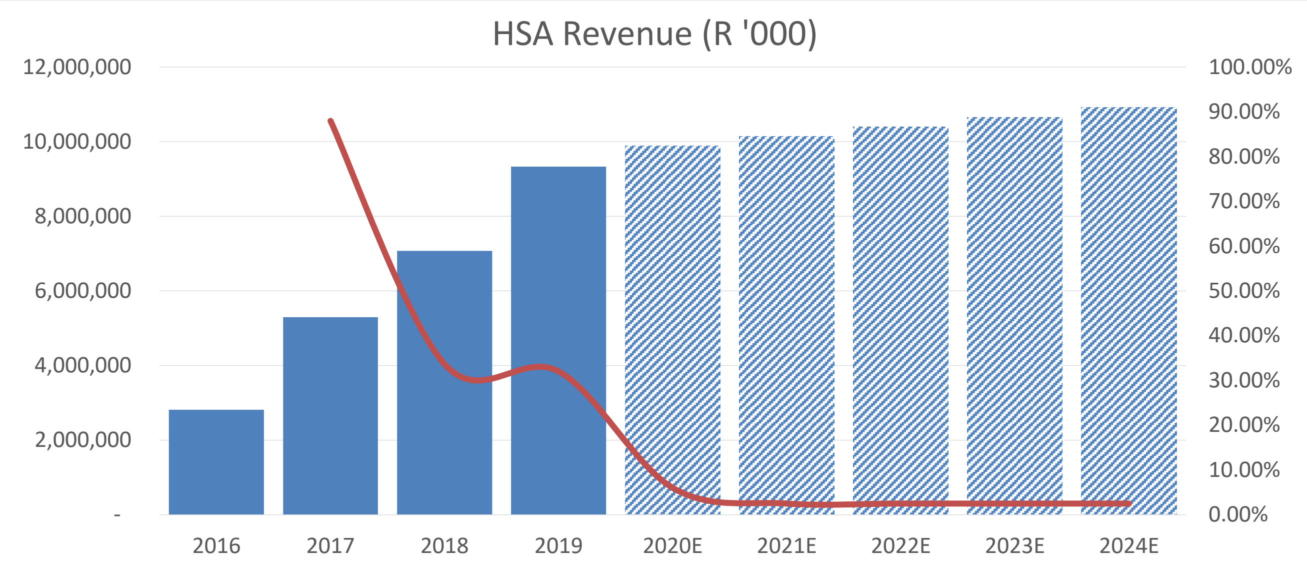
30% operating margins are possible in the beer world but scale and Reinheidsgebot related limitations on brewery output are the main barriers to achieving this margin at the NBS operations in our view. This is also the basis for our view that Sedibeng will not achieve 30% operating margins in the next five years at least as Heineken also takes longer to brew than many SAB/ABI products such as Castle Lager. However, Sedibeng’s cider production should boost margins to well over 22% with time.

HSA and Sedibeng

The Sedibeng Brewery and Heineken SA have gained much momentum since the dissolution of the JV with Diageo. The company made an operating profit as at 31 June 2018 and now a net profit for the period ending 31 June 2019. The path leading to the present profitability started with assembly of a focussed sales and distribution force and was bolstered by marketing spend and capacity increases. The plant has grown in output to roughly 6.5m hectolitres with further capacity increases still to come. Production volumes have maintained momentum after growing to the 4.4m hectolitres produced in CY17. The plant has grown to one of the largest in Africa and enabled HSA to gain market-share in South Africa.

The ready-to-drink manufacturing facilities at Sedibeng have been converted to cater for growing cider demand in SA. The appetite for Strongbow seems to have been stronger than HSA anticipated, with South Africa one of the largest cider markets by country, in the world. In fact, the SA cider market, dominated by Distell, is the second largest in the world after the UK. Heineken is the largest cider producer in the world at present, servicing the declining European market, but looking for growth in Sub-Saharan Africa. Cider may constitute up to 25% of the volumes produced at Sedibeng down the line, which will play a meaningful role in generating higher operating margins for HSA.

While cider production has boosted the operations, it is through growth in the premium beer segment that HSA’s fortunes were really turned around. A shakeup of the sales and distribution functions and teams played a major role in this, as did packaging. Much of the volume growth stems from the 650ml one-way Heineken bottles in shrink packs with Amstel and Windhoek Lager also posting strong growth. Despite market-share gains HSA remains a follower on price and SAB/ABI still set the trends in the mainstream beer market with regards to packaging as well. HSA’s growth post 2016 has proven more robust than we expected, and the company has successfully capitalised on the SAB/ABI merger and the cracks that this created in the South African beer market.



Source: NBS, IJG

HSA revenue growth has surpassed our expectations numerous times over the last three financial years. As is evident from the figure above we do expect revenue growth to moderate as volume increases become more incremental. We also prefer to err on the side of caution with regards to revenue growth due to HSA being a much smaller player than the dominant player in the market, SA economic fundamentals remaining weak, and expected rapid changes in the market due to changing consumer preferences and innovation in the market. That said, it remains very likely that these conservative targets will be surpassed in FY20 and beyond, it just remains difficult to estimate by how much, justifying the need for a margin of safety being built into the valuation.

Valuation

Bloomberg Peer Review							
Brewery	**3Yr Growth in Dividends**	**Dividend Yield**	**P/E**	**P/B**	**P/S**	**ROE**	**EV/EBITDA**
Societe de Limonaderies et Brasseries	(24.26)	3.03	57.01	0.75	0.37	1.30	6.36
Sechaba Breweries Holdings Ltd	5.93	6.45	13.12	8.86	12.71		13.03
Distell Group Holdings Ltd		3.89	19.49	2.45	1.07	7.71	14.61
Societe Des Boissons du Maroc	9.05	4.65	24.77	5.86	2.95	23.26	9.96
Societe Frigorifique et Brasserie de Tunis SA	11.97	3.51	20.66	4.26	3.24	21.49	11.71
Namibia Breweries Ltd	**26.59**	**4.56**	**16.78**	**5.10**	**3.22**	**26.90**	**10.72**
Phoenix Beverages Ltd	10.65	2.44	14.34	2.80	1.20	20.38	9.63
Tanzania Breweries Ltd	(5.11)	4.81	24.26	5.12	3.02	21.71	
Societe Brasseries du Cameroun	(7.06)	4.67	12.65	2.05	0.94	15.51	
Nigerian Breweries PLC	(16.53)	4.42	24.61	2.57	1.29	10.19	7.40
Delta Corp Ltd/Zimbabwe	(57.42)	4.77		1.02			3.32
East African Breweries Ltd	9.10	4.42	17.12	17.59	1.84	123.95	7.31
Mean	(3.37)	4.30	22.26	4.87	2.89	27.24	9.41
Median	5.93	4.49	19.49	3.53	1.84	20.94	9.80
	positive	**positive**	**positive**	**negative**	**negative**	**positive**	**negative**

The valuation of NBS is somewhat complicated by the presence of the associate and the lack of detailed financial information available for this entity. The recent positive surprise from the HSA operations confirms our view that the valuation of the associate has become increasingly important to the NBS valuation as a whole as this is where future growth will come from. We have thus relooked at our valuation methodology with the aim of including realistic expectations for the future performance of the associate. We have built dual free cash flow valuations which separate out the associate contributions to earnings from the Namibian operations (including the exports to South Africa), thus valuing the Namibian operations and HSA separately. The valuation for the Namibian operations is subject to less assumptions than the HSA operations due to the detailed financial history available. The HSA valuation is subject to more assumptions which make the valuation potentially less reliable.

The assumptions which are shared by both models are:

- Both are based on free cash flows or estimated free cash flows.
- A cost of equity of 14.45%:
  - 10-year average risk-free rate of 9.45%
  - 1.0 Beta
  - Equity risk premium of 5.0%
- A long-term sustainable growth rate of 9.0%.

Employing a free cash flow to equity model to value the equity of NBS ex HSA derived an intrinsic value of N$6.02 billion or N$29.15per share. This translates to a forward P/E ratio of 14.1x on adjusted HEPS (adjusted for the HSA contribution to earnings) and a forward EV/EBITDA ratio of 6.0x. We find this to be a reasonable valuation given the mature nature of the domestic business.

To value the holding in the associate we employed a free cash flow to firm model based on a number of assumptions:

- We forecast five years of revenue from the current year HSA revenue of N$9.33 billion at an extremely conservative growth rate of 2.5%. This conservative growth rate reflects our reluctance to forecast growth in market-share or price due to the rapid gains in market-share over the last two years and the fact that HSA is a price follower in an environment where SAB/ABI will be aggressive on price and actively pursuing regaining market-share.

- We assume that HSA will be able to grow operating margins to 20% over our five-year forecast period. We believe that 25% is probable but would rather err on the side of caution here too.

- We assume a reasonable amount of debt in the business due to self-funding, with interest costs at around 10.0%.

The resultant FCFF model output indicates an intrinsic value of N$3.70 billion is attributable to NBS' share of 25% in HSA, N$17.90 per share. This translates to a modelled forward P/E ratio of 22.3x and a modelled forward EV/EBITDA ratio of 7.1x. We see this as reasonable as the growth expected from HSA achieving an operating margin of 20% by the end of the forecast period sees these metrics improving rapidly going forward. We believe that this valuation for the associate is conservative and justifiably so due to the lack of detailed financial information available.

Combining the outputs from these models results in a target price of **N$47.05** for NBS. This is a large upward revision in our target price and as a result we **upgrade** our recommendation to **HOLD**.

N$'000	2018	2019	2020E	2021E	2022E	2023E
Revenue	2,687,174	3,097,583	3,066,138	3,140,144	3,303,144	3,491,969
Operating expenses	(2,074,089)	(2,445,672)	(2,431,288)	(2,516,354)	(2,656,691)	(2,805,488)
Operating Profit	**613,085**	**651,911**	**634,850**	**623,791**	**646,453**	**686,481**
Finance Costs	(43,325)	(42,455)	(24,188)	(10,483)	(1,389)	-
Finance Income	32,623	26,607	13,482	123	7,665	37,352
Equity loss from JV-ongoing operations	-					
Equity loss from associate-ongoing operations	(33,441)	115,849	165,335	207,628	270,599	298,195
Equity loss from JV-deferred tax asset write back (/down)	-	334,693	-	-	-	-
Profit before income tax	**568,942**	**1,086,605**	**789,480**	**821,059**	**923,329**	**1,022,027**
Income Tax Expense	(171,256)	(155,486)	(199,726)	(196,298)	(208,873)	(231,626)
Profit attributable to ordinary shareholders	**397,686**	**931,119**	**589,754**	**624,761**	**714,455**	**790,401**
Shares in issue (‘000)	206 529	206 529	206 529	206 529	206 529	206 529
Earnings per share (c)						
Basic EPS	193	451	286	303	350	383
HEPS	195	289	286	303	350	383
Dividend per share (c)						
Interim	46	50	52	55	60	66
Final	46 +194	50 + 121	52	55	60	66
Total	286	221	104	110	120	132

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