

Definitions

Employment costs	Includes the IFRS 2 share-based payment expense
Net finance costs	Interest paid less interest received
EBITDA	Earnings before interest, taxation, depreciation, amortisation and asset impairments
EBITDAR	Earnings before interest, taxation, depreciation, amortisation, asset impairments and occupancy costs
Trading profit before interest and taxation	Earnings before interest, taxation, asset impairments, the BBBEE IFRS 2 charge, foreign exchange movements, loss on disposal of business and assets classified as held for sale and Walmart-related costs
Comparable sales	Sales figures quoted for stores that have traded, and will trade, for all 12 months of the current and prior year
FTEs (full-time equivalents)	Includes all permanent associates and the permanent equivalent of temporary associates and contracted workers
Trading space (m²)	Trading space excludes parking, yard, warehouse space, office space and receiving areas
Regional distribution centre space (m²)	Distribution centre space excludes parking and yard space

Formulas

Sales per store (R000)	$\frac{\text{Sales}}{\text{Number of stores}}$	
Sales per FTE (R000)	$\frac{\text{Sales}}{\text{FTEs}}$	
Sales per trading m² (R000)	$\frac{\text{Sales}}{\text{Trading m}^2}$	
Net asset turn	The Group defines net assets as total equity and interest-bearing LT liabilities	
	$\frac{\text{Sales}}{\text{Net assets}}$	
Gross margin (%)	$\frac{\text{Gross profit}}{\text{Sales}}$	
Operating margin (%)	$\frac{\text{Operating profit}}{\text{Sales}}$	
Trading profit before interest and taxation margin (%)	$\frac{\text{Trading profit before interest and taxation}}{\text{Sales}}$	
EBITDA margin (%)	$\frac{\text{EBITDA}}{\text{Sales}}$	
Effective tax rate (%)	$\frac{\text{Taxation expense}}{\text{Profit or loss before taxation}}$	
 <i>The tax rate reconciliation can be found on in the Chief Financial Officer's review</i>		
Return on average shareholders' equity (%)		Includes the IFRS 2 share-based payment expense
Return on capital employed (%)	$\frac{\text{Operating profit before asset impairments}}{\text{Average of opening and closing capital employed balances}}$	The Group defines capital employed as the average of opening and closing equity
Return on invested capital (%)	$\frac{\text{Adjusted operating profit}}{\text{Average invested capital}}$	Adjusted operating profit includes finance income and adds back depreciation, amortisation and occupancy costs. Average invested capital is average total assets of continuing operations plus average accumulated depreciation and amortisation less average accounts payable less average accrued liabilities plus occupancy costs x8
Debt : Equity (%)	$\frac{\text{Average debt}}{\text{Average of opening and closing equity attributable to equity holders of the parent}}$	Debt comprises non-current interest-bearing liabilities
Cash earnings cover	$\frac{\text{Operating cash flow per share}}{\text{Headline earnings per share}}$	
Net cash to total equity (%)	$\frac{\text{Cash and cash equivalents, net of borrowings}}{\text{Total equity at the end of the financial year}}$	

Formulas

Current ratio	$\frac{\text{Current assets}}{\text{Current liabilities}}$	
Quick ratio	$\frac{\text{Current assets excluding inventory}}{\text{Current liabilities}}$	
Inventory days	$\frac{\text{Inventory}}{\text{Total cost of sales}} \times \text{number of days traded in the financial year}$	
Inventory turn	$\frac{\text{Total cost of sales}}{\text{Inventory}}$	
Debtor days	$\frac{\text{Trade debtors excluding VAT}}{\text{Total sales}} \times \text{number of days traded in the financial year}$	
Payable days	$\frac{\text{Trade payables excluding VAT}}{\text{Total cost of sales}} \times \text{number of days traded in the financial year}$	
Asset turn	$\frac{\text{Sales}}{\text{Total assets}}$	
Total liabilities to total equity	$\frac{\text{Current and non-current liabilities}}{\text{Total equity}}$	
Headline earnings per share	$\frac{\text{Headline earnings}}{\text{Weighted average number of shares in issue}}$	
Diluted headline earnings per share	$\frac{\text{Headline earnings}}{\text{Diluted weighted average number of shares in issue}}$	
Attributable earnings per share	$\frac{\text{Earnings attributable to the equity holders of the parent}}{\text{Weighted average number of shares in issue}}$	
Dividends/distribution per share	$\frac{\text{Distribution to shareholders}}{\text{Total number of shares in issue}}$	
Cash generated from operations before working capital movements per share	$\frac{\text{Cash generated from operations before working capital movements}}{\text{Weighted average number of shares in issue}}$	
Operating cash flow per share	$\frac{\text{Net cash flow from operating activities}}{\text{Current liabilities}}$	
Net asset value per share	$\frac{\text{Closing equity attributable to equity holders of the parent}}{\text{Weighted average number of shares in issue}}$	
		Net cash flow from operating activities, excludes dividends paid.
Dividend cover	$\frac{\text{Headline earnings per share}}{\text{Interim and final dividend per share}}$	