



# Hudaco

UNAUDITED INTERIM RESULTS  
FOR THE SIX MONTHS ENDED 31 MAY  
2017

- Turnover up 7% to R2,7 billion
- Operating profit up 9% to R269 million
- Comparable earnings per share up 10% to 483 cents
- Basic and headline earnings per share up 2% to 483 cents
- Net cash generated from operations R247 million
- Interim dividend up 6% to 180 cents per share

## CONSUMER-RELATED PRODUCTS

Distributor of automotive spares and accessories

Distributor of Makita power tools, Mercury marine engines, survey instrumentation, rivets and fasteners

Distributor of electronic security equipment, including intruder detection, access control, CCTV, fire detection, electric fencing and specialised products, as well as related consumables

Distributor of wireless networking, VoIP and video products and the provision of strong after-sales service and technical support

Distributor of automotive clutch kits and ignition leads, rotary oil and hydraulic seals

Distributor of professional mobile radio communication equipment and radio systems integrator

Distributor of maintenance free batteries and provider of custom designed energy solutions

Distributor of stand-by and solar batteries

Distributor of integrated security and life safety solutions, including CCTV, access control, fire detection, public address and perimeter detection products

Supplier of voice and data solutions, specialising in PBX, communication management software and telephone management

Distributor of bearings, chains, seals, electric motors, transmission and allied products

Distributor of Deutz diesel engines and Deutz spare parts and the provision of service support

Distributor of conveyor belting, industrial hose, fluid sealing and process control products

Distributor of specialised thermoplastic pipes, fittings and Keymak PVC hose

Distributor of filtration solutions, customised exhaust systems, kits and accessories

Distributor of electric cabling, plugs, sockets, electric feeder systems and crane materials

Distributor of engineering steels, solid, round, square, hexagonal and hollow bar steel

Manufacturer of hydraulic and pneumatic equipment

Manufacturer and repairer of hydraulic cylinders and repairer of drivetrain components

Manufacturer of ferrous and non-ferrous castings

Distributor of controllers, monitors and regulators of the speed of standard AC motors

Distributor of hydraulic pumps and motors

Manufacturer of conveyor drive pulleys, forgings and rollings

Distributor of electrical cable accessories

Manufacturer and assembler of hydraulic gear pumps

Distributor of plastic and stainless steel slat chains, modular belting and conveyor components and manufacturer of plastic engineering parts

Distributor of special steels and supplier of heat treatment solutions

Manufacturer and distributor of mining connectors and lighting systems

Distributor of geared motors, helical gearboxes, frequency inverters and electric motors

Manufacturer of end caps on pressure vessels and single pressed weld caps and the pressing and flanging of small conical sections

Distributor of pneumatic and process components

Hudaco Industries is a South African group specialising in the importation and distribution of high quality branded automotive after-market, industrial and electrical consumable products mainly in the southern African region. Hudaco businesses serve markets that fall into two primary categories:

- The automotive aftermarket, power tool, security and communication equipment businesses supply products into markets with a bias towards consumer spending.
- The mechanical and electrical power transmission, diesel engine, hydraulics and pneumatics, steel, thermoplastic fittings and bearings businesses supply engineering consumables mainly to mining and manufacturing customers.

Adding value by offering instant availability, advice and training etc. is an integral part of Hudaco's business model.

**Results**  
The group has delivered pleasing first half results under extremely difficult trading conditions in an economy that is under enormous pressure, with stagnant markets, ratings downgrades, the country falling into recession and the Rand being the most volatile currency in the world this year. We fortunately carried a healthy order book into the new year and this, together with improvement in certain sectors of the economy, gave us a strong start to the year. April, however, was a particularly poor month for us with the limited number of trading days and the announcement of the ratings downgrades, so we gave up a lot of the gains we had worked so hard to achieve. In May, trading was better and we matched our strong 2016 result.

Group sales at R2,7 billion for the half year are up 6,5% on 2016 and include R259 million from acquisitions made after December 2015. Operating profit increased 9,4% to R269 million, which gave us an operating margin of 10%, very respectable for the first six months, which include the holiday periods.

Comparable earnings per share increased 10% to 483 cents while basic and headline earnings per share are up 2% to 483 cents. In 2016 basic and headline earnings were boosted by a downward adjustment to the fair value of the vendor liability, which was not the case this year, hence the lower increase. The interim dividend has been increased to 180 cents per share. Our dividend policy, to be covered between 2,5 and 2,0 times by comparable earnings annually, remains unchanged.

The financial position is in good shape. Bank borrowings normally peak at the half year as we stock up for what is usually a busier second half. Notwithstanding this, and the fact that we paid dividends of R116 million and R80 million for acquisitions, net borrowings increased only R68 million in the half year to R973 million. Operations generated net cash of R247 million for the six months. Borrowings are still well within our self-imposed conservative guidelines and our available banking facilities and, unless we make further acquisitions, our usual strong second half cash generation should reduce debt by year end.

**Consumer-related products segment**  
Trading conditions are getting tougher as consumer confidence and disposable income come under pressure. This segment's contribution to group sales has benefitted from acquisition activity over the past few years and in this half it accounted for 50% of group sales and 62% of operating profit. There are now ten businesses in this segment and they diversify our opportunities and market segment mix. The automotive after-market is our biggest market sector and continues to perform well. Power tool sales were up thanks to letters of authority finally being approved for our new Makita MT series. Miro had a good six months and has integrated well into Hudaco. Our security and communications businesses have had a difficult start to the year.

Segment sales increased 8,5% to R1 343 million, of which R229 million was from acquisitions. Operating profit increased 10% to R177 million at an operating margin of 13%.

**Engineering consumables segment**  
There are 21 businesses which make up this segment. Although trading conditions were extremely tough in most of the markets we serve, there were some improvements. This tough environment continues to create aggressive pricing pressure. There were improvements from businesses supplying hydraulics, bearings, belting and electrical products. The other businesses in this sector struggled but even though they were down on the prior year, they produced acceptable returns on sales. The segment did very well to increase sales by 5% to R1 330 million, of which acquisitions contributed R30 million. Operating profit increased 9% to R107 million at an operating margin of 8%.

**Prospects**  
South Africa is still an extremely difficult place to do business and, in all likelihood, it will become even more difficult. Business confidence is lower now than it has been since the global economic crisis of 2008. We are concerned about the effect of the revised mining charter in that it has the potential to make the mining industry, together with much of its supply chain, "uninvestable", resulting in a further significant loss of jobs. The group's strategy over the past few years of reducing its exposure to the mining industry has proven to have been appropriate. Unless business confidence improves, we believe that trading conditions in the second half of 2017 will also be challenging.

Most of the businesses in the engineering consumables segment will struggle to get organic growth but they generally have a high market share and remain our "cash cows". We continue to manage the relationship between their sales, gross margins and expenses very closely. The cash they generate is used to fund acquisitions. The sectors in which they operate remain important for the group and their fortunes still have a significant impact on Hudaco's trading results.

There has been an important strategic shift in Hudaco's exposure into more resilient and/or growth markets over the past few years, so we believe the consumer-related segment will continue to perform relatively well even though we are seeing the pressure on the consumer as the country slides into recession. The acquisition of Miro in May 2016 is an example of this highly successful initiative and emphasis will continue to be placed on growing this segment.

Hudaco's business model, which is principally the sale of replacement parts with a high value added component; and its financial characteristics – high margin and strong cash flows with a limited requirement for investment in fixed assets, makes Hudaco resilient. It has delivered commendable results in tough times before and we expect that it will do so again now.

**Lawsuit against Bravura and certain associates**  
The legal case against Bravura and certain of its associates for up to R490 million is still continuing slowly. Hudaco has brought the action to recover, *inter alia*, secret profits made on the financing arrangements around the Hudaco BEE transaction that ran from August 2007 to February 2013.

**Directorate**  
As reported on SENS, Mark Thompson was appointed to the board as a non-executive director with effect from 20 June 2017 and Stuart Morris will retire on 30 June 2017.

**Declaration of interim dividend no 61**  
Interim dividend number 61 of 180 cents per share is declared payable on Monday, 14 August 2017 to ordinary shareholders recorded in the register at the close of business on Friday, 11 August 2017.

The timetable for the payment of the dividend is as follows:

|                                       |                        |
|---------------------------------------|------------------------|
| Last day to trade <i>cum</i> dividend | Monday, 7 August 2017  |
| Trading ex dividend commences         | Tuesday, 8 August 2017 |
| Record date                           | Friday, 11 August 2017 |
| Payment date                          | Monday, 14 August 2017 |

Share certificates may not be dematerialised or rematerialised between Tuesday, 8 August 2017 and Friday, 11 August 2017, both days inclusive. The certificated register will be closed for this period.

In terms of the Listings Requirements of the JSE Limited regarding the Dividends Tax the following additional information is disclosed:

- The dividend has been declared from income reserves;
- The dividend withholding tax rate is 20%;
- The net local dividend amount is 144 cents per share for shareholders liable to pay the Dividends Tax and 180 cents per share for shareholders exempt from the Dividends Tax;
- Hudaco Industries Limited has 34 153 531 shares in issue (which includes 2 507 828 treasury shares); and
- Hudaco Industries Limited's income tax reference number is 9400/159/71/2.

**Results presentation**  
Hudaco will host presentations on the financial results in Johannesburg and Cape Town on Friday, 30 June 2017 and Monday, 3 July 2017, respectively. Anyone wishing to attend should contact Janine Yon at 011 657 5007.

The slides, which form part of the presentation, will be available on the company's website from Friday, 30 June 2017.

For and on behalf of the board

|  |                                      |
|--|--------------------------------------|
| <b>RT Vice</b><br>Independent non-executive chairman | <b>GR Dunford</b><br>Chief executive |
| 29 June 2017   |                                      |

**Nedbank Corporate and Investment Banking**  
Sponsor

These results are available on the internet: [www.hudaco.co.za](http://www.hudaco.co.za)

| COMPANY INFORMATION                          |   |  |  |
|--|---|--|--|
| <b>Hudaco Industries Limited</b>             | <b>Registered office</b>  | <b>Directors</b>   |  |
| Incorporated in the Republic of South Africa | 1st Floor, Building 9<br>Greenstone Hill Office Park<br>Emerald Boulevard,<br>Greenstone Hill, Edenvale | RT Vice ( <i>Chairman</i> ) *<br>GR Dunford ( <i>Chief executive</i> )<br>CV Amols ( <i>Financial director</i> ) |  |
| Registration number: 1985/004617/06          | Tel +27 11 657 5000   | SJ Connelly*<br>N Mandindi*<br>SG Morris*<br>D Naidoo*<br>MR Thompson*   |  |
| JSE share code: HDC                          | Email: <a href="mailto:info@hudaco.co.za">info@hudaco.co.za</a>   | * Non-executive  |  |
| ISIN code: ZAE000003273                      |   | <b>Group secretary</b><br>R van Zyl  |  |
| <b>Transfer secretaries</b>                  | Computershare Investor Services<br>Proprietary Limited<br>PO Box 61051<br>Marshalltown, 2107            | <b>Sponsor</b><br>Nedbank Corporate and Investment Banking   |  |

## GROUP STATEMENT OF FINANCIAL POSITION

| R million                                     | 31 May 2017  | 31 May 2016  | 30 Nov* 2016 |
|---|--------------|--------------|--------------|
| <b>ASSETS</b>                                 |              |              |              |
| Non-current assets                            | 1 726        | 1 611        | 1 611        |
| Property, plant and equipment                 | 260          | 262          | 256          |
| Investment in joint venture                   | 8            | 5            | 7            |
| Goodwill                                      | 1 344        | 1 240        | 1 243        |
| Intangible assets                             | 69           | 75           | 68           |
| Deferred taxation                             | 45           | 29           | 37           |
| <b>Current assets</b>                         | <b>2 537</b> | <b>2 562</b> | <b>2 619</b> |
| Inventories                                   | 1 552        | 1 612        | 1 508        |
| Trade and other receivables                   | 902          | 858          | 1 046        |
| Taxation                                      | 19           | 38           | 18           |
| Bank deposits and balances                    | 64           | 54           | 47           |
| <b>TOTAL ASSETS</b>                           | <b>4 263</b> | <b>4 173</b> | <b>4 230</b> |
| <b>EQUITY AND LIABILITIES</b>                 |              |              |              |
| Equity  | 2 186        | 1 941        | 2 130        |
| Equity holders of the parent                  | 2 120        | 1 890        | 2 065        |
| Non-controlling interest                      | 66           | 51           | 65           |
| <b>Non-current liabilities</b>                | <b>1 003</b> | <b>1 119</b> | <b>869</b>   |
| Amounts due to bankers                        | 775          | 900          | 710          |
| Amounts due to vendors of businesses acquired | 209          | 197          | 148          |
| Deferred taxation                             | 19           | 22           | 11           |
| <b>Current liabilities</b>                    | <b>1 074</b> | <b>1 113</b> | <b>1 231</b> |
| Trade and other payables                      | 719          | 760          | 898          |
| Bank overdraft                                | 262          | 307          | 242          |
| Amounts due to vendors of businesses acquired | 60           | 34           | 76           |
| Taxation                                      | 33           | 12           | 15           |
| <b>TOTAL EQUITY AND LIABILITIES</b>           | <b>4 263</b> | <b>4 173</b> | <b>4 230</b> |

## GROUP STATEMENT OF COMPREHENSIVE INCOME

| R million   | Six months ended 31 May 2017 | % change   | Six months ended 31 May 2016 | Year* ended 30 Nov 2016 |
|---|------------------------------|------------|------------------------------|-------------------------|
| <b>Turnover</b>   | <b>2 671</b>                 | <b>6,5</b> | <b>2 507</b>                 | <b>5 534</b>            |
| – Ongoing operations  | 2 412                        | (2,3)      | 2 469                        | 5 252                   |
| – Operations acquired after December 2015                                 | 259                          |            | 38                           | 282                     |
| <b>Cost of sales</b>  | <b>1 684</b>                 |            | <b>1 605</b>                 | <b>3 536</b>            |
| <b>Gross profit</b>   | <b>987</b>                   |            | <b>902</b>                   | <b>1 998</b>            |
| <b>Operating expenses</b>   | <b>718</b>                   |            | <b>656</b>                   | <b>1 359</b>            |
| <b>Operating profit</b>   | <b>269</b>                   | <b>9,4</b> | <b>246</b>                   | <b>639</b>              |
| – Ongoing operations  | 240                          | (0,8)      | 242                          | 598                     |
| – Operations acquired after December 2015                                 | 29                           |            | 4                            | 41                      |
| Adjustment to fair value of amounts due to vendors of businesses acquired |                              |            | 12                           | 19                      |
| <b>Profit before interest</b>   | <b>269</b>                   | <b>4,3</b> | <b>258</b>                   | <b>658</b>              |
| Finance costs   | 52                           |            | 48                           | 100                     |
| <b>Profit before taxation</b>   | <b>217</b>                   | <b>3,4</b> | <b>210</b>                   | <b>558</b>              |
| Taxation  | 62                           |            | 57                           | 148                     |
| <b>Profit after taxation</b>  | <b>155</b>                   | <b>1,3</b> | <b>153</b>                   | <b>410</b>              |
| Income from joint venture   | 2                            |            | 1                            | 3                       |
| <b>Profit for the period</b>  | <b>157</b>                   | <b>1,7</b> | <b>154</b>                   | <b>413</b>              |
| <b>Other comprehensive income</b>   | <b>3</b>                     |            | <b>(1)</b>                   | <b>(8)</b>              |
| Movement on fair value of cash flow hedges                                | 3                            |            | (3)                          | (8)                     |
| Exchange gain on translation of foreign operations                        |                              |            | 2                            |                         |
| <b>Total comprehensive income for the period</b>                          | <b>160</b>                   | <b>4,9</b> | <b>153</b>                   | <b>405</b>              |
| Profit attributable to:   |                              |            |                              |                         |
| – Equity holders of the parent  | 153                          | 2,3        | 149                          | 388                     |
| – Non-controlling shareholders  | 4                            |            | 5                            | 25                      |
|   | 157                          | 1,7        | 154                          | 413                     |
| Total comprehensive income attributable to:                               |                              |            |                              |                         |
| – Equity holders of the parent  | 155                          | 5,1        | 148                          | 381                     |
| – Non-controlling shareholders  | 5                            |            | 5                            | 24                      |
|   | 160                          | 4,9        | 153                          | 405                     |

|   |         |     |         |         |
|---|---------|-----|---------|---------|
| Earnings per share (cents)  |         |     |         |         |
| – Basic   | 483     | 2,3 | 472     | 1 226   |
| – Headline  | 483     | 2,3 | 472     | 1 222   |
| – Comparable  | 483     | 9,8 | 440     | 1 171   |
| Diluted earnings per share (cents)  |         |     |         |         |
| – Basic   | 473     | 0,4 | 471     | 1 222   |
| – Headline  | 473     | 0,4 | 471     | 1 219   |
| – Comparable  | 473     | 7,7 | 439     | 1 168   |
| Calculation of headline earnings  |         |     |         |         |
| Profit attributable to equity holders of the parent                       | 153     | 2,3 | 149     | 388     |
| Adjusted for:   |         |     |         |         |
| Profit on disposal of plant and equipment                                 |         |     |         | (1)     |
| Headline earnings   | 153     | 2,3 | 149     | 387     |
| Calculation of comparable earnings  |         |     |         |         |
| Headline earnings   | 153     | 2,3 | 149     | 387     |
| Adjusted for:   |         |     |         |         |
| Adjustment to fair value of amounts due to vendors of businesses acquired |         |     | (12)    | (19)    |
| Non-controlling interest  |         |     | 2       | 2       |
| Comparable earnings   | 153     | 9,8 | 139     | 370     |
| Dividends   |         |     |         |         |
| – Per share (cents)   | 180     |     | 170     | 525     |
| – Amount (Rm)   | 57      |     | 54      | 166     |
| Shares in issue (000)   |         |     |         |         |
|   | 31 646  |     | 31 646  | 31 646  |
| – Total (000)   | 34 154  |     | 34 154  | 34 154  |
| – Held by subsidiary (000)  | (2 508) |     | (2 508) | (2 508) |
| Weighted average shares in issue  |         |     |         |         |
| – Total (000)   | 31 646  |     | 31 646  | 31 646  |
| – Diluted (000)   | 32 287  |     | 31 708  | 31 732  |

## SEGMENT INFORMATION

| R million                                     | Turnover                     |            |                              |                         | Operating profit             |            |                              |                         | Average net operating assets |             |                              |                         |
|---|------------------------------|------------|------------------------------|-------------------------|------------------------------|------------|------------------------------|-------------------------|------------------------------|-------------|------------------------------|-------------------------|
|   | Six months ended 31 May 2017 | % change   | Six months ended 31 May 2016 | Year* ended 30 Nov 2016 | Six months ended 31 May 2017 | % change   | Six months ended 31 May 2016 | Year* ended 30 Nov 2016 | Six months ended 31 May 2017 | % change    | Six months ended 31 May 2016 | Year* ended 30 Nov 2016 |
| <b>Consumer-related products</b>              | 1 343                        | 8,5        | 1 238                        | 2 802                   | 177                          | 10,0       | 160                          | 405                     | 1 510                        | 18,9        | 1 270                        | 1 337                   |
| – Ongoing operations                          | 1 114                        | (7,2)      | 1 200                        | 2 553                   | 154                          | (1,5)      | 156                          | 372                     | 1 154                        | (5,3)       | 1 219                        | 1 185                   |
| – Operations acquired after December 2015     | 229                          |            | 38                           | 249                     | 23                           |            | 4                            | 33                      | 356                          |             | 51                           | 152                     |
| <b>Engineering consumables</b>                | 1 330                        | 4,6        | 1 271                        | 2 739                   | 107                          | 9,3        | 98                           | 255                     | 1 709                        | (2,8)       | 1 759                        | 1 732                   |
| – Ongoing operations                          | 1 300                        | 2,3        | 1 271                        | 2 706                   | 101                          | 2,9        | 98                           | 247                     | 1 649                        | (6,3)       | 1 759                        | 1 711                   |
| – Operations acquired after December 2015     | 30                           |            |                              | 33                      | 6                            |            | 8                            |                         | 60                           |             |                              | 21                      |
| <b>Total operating segments</b>               | <b>2 673</b>                 | <b>6,5</b> | <b>2 509</b>                 | <b>5 541</b>            | <b>284</b>                   | <b>9,7</b> | <b>258</b>                   | <b>660</b>              | <b>3 219</b>                 | <b>6,3</b>  | <b>3 029</b>                 | <b>3 069</b>            |
| Head office, shared services and eliminations | (2)                          |            | (2)                          | (7)                     | (15)                         |            | (12)                         | (21)                    | 125                          |             | 3                            | 72                      |
| <b>Total group</b>                            | <b>2 671</b>                 | <b>6,5</b> | <b>2 507</b>                 | <b>5 534</b>            | <b>269</b>                   | <b>9,4</b> | <b>246</b>                   | <b>639</b>              | <b>3 344</b>                 | <b>10,3</b> | <b>3 032</b>                 | <b>3 141</b>            |
| * Audited                                     |                              |            |                              |                         |                              |            |                              |                         |                              |             |                              |                         |

## GROUP STATEMENT OF CASH FLOWS

| R million   | Six months ended 31 May 2017 | Six months ended 31 May 2016 | Year* ended 30 Nov 2016 |
|---|------------------------------|------------------------------|-------------------------|
| Cash generated from trading                               | 317                          | 287                          | 708                     |
| (Increase) decrease in working capital                    | (70)                         | (29)                         | 41                      |
| <b>Cash generated from operations</b>                     | <b>247</b>                   | <b>258</b>                   | <b>749</b>              |
| Fair value adjustment of cash flow hedges                 | 3                            | (3)                          | (8)                     |
| Taxation paid   | (52)                         | (83)                         | (174)                   |
| <b>Net cash from operating activities</b>                 | <b>198</b>                   | <b>172</b>                   | <b>567</b>              |
| Net investment in new operations                          | (90)                         | (135)                        | (165)                   |
| Net investment in property, plant and equipment           | (18)                         | (16)                         | (30)                    |
| <b>Net cash from investing activities</b>                 | <b>(108)</b>                 | <b>(151)</b>                 | <b>(195)</b>            |
| Increase (decrease) in non-current amounts due to bankers | 65                           | 100                          | (90)                    |
| Finance costs paid  | (42)                         | (44)                         | (87)                    |
| Dividends paid  | (116)                        | (115)                        | (173)                   |
| <b>Net cash from financing activities</b>                 | <b>(93)</b>                  | <b>(59)</b>                  | <b>(350)</b>            |
| (Increase) decrease in net bank overdraft                 | (3)                          | (38)                         | 22                      |
| Foreign exchange translation gain                         |                              | 1                            | (1)                     |
| Net bank overdraft at beginning of the period             | (195)                        | (216)                        | (216)                   |
| <b>Net bank overdraft at end of the period</b>            | <b>(198)</b>                 | <b>(253)</b>                 | <b>(195)</b>            |

## GROUP STATEMENT OF CHANGES IN EQUITY

| R million                               | Share capital and premium | Non-distributable reserves | Retained income | Equity holders of the parent | Non-controlling interest | Equity |
|---|---------------------------|----------------------------|-----------------|------------------------------|--------------------------|--------|
| <b>Balance at 1 December 2016</b>       | 55                        | 64                         | 1 965           | 2 084                        | 65                       | 2 149  |
| Comprehensive income for the period     |                           |                            | 155             | 155                          | 5                        | 160    |
| Movement in equity compensation reserve |                           | 12                         |                 | 12                           |                          | 12     |
| Dividends                               |                           |                            | (112)           | (112)                        | (4)                      | (116)  |
| <b>Balance at 31 May 2017</b>           | 55                        | 76                         | 2 008           | 2 139                        | 66                       | 2 205  |
| Less: Shares held by subsidiary company |                           |                            | (19)            | (19)                         |                          | (19)   |
| <b>Net balance at 31 May 2017</b>       | 55                        | 76                         | 1 989           | 2 120                        | 66                       | 2 186  |
| <b>Balance at 1 December 2015</b>       | 55                        | 75                         | 1 733           | 1 863                        | 51                       | 1 914  |
| Comprehensive income for the period     |                           |                            | 148             | 148                          | 5                        | 153    |
| Movement in equity compensation reserve |                           | 8                          |                 | 8                            |                          | 8      |
| Dividends                               |                           |                            | (110)           | (110)                        | (5)                      | (115)  |
| <b>Balance at 31 May 2016</b>           | 55                        | 83                         | 1 771           | 1 909                        | 51                       | 1 960  |
| Less: Shares held by subsidiary company |                           |                            | (19)            | (19)                         |                          | (19)   |
| <b>Net balance at 31 May 2016</b>       | 55                        | 83                         | 1 752           | 1 890                        | 51                       | 1 941  |
| <b>Balance at 1 December 2015</b>       | 55                        | 75                         | 1 733           | 1 863                        | 51                       | 1 914  |
| Comprehensive income for the year       |                           | (7)                        | 388             | 381                          | 24                       | 405    |
| Movement in equity compensation reserve |                           | (4)                        | 7               | 3                            |                          | 3      |
| Dividends                               |                           |                            | (163)           | (163)                        | (10)                     | (173)  |
| <b>Balance at 30 November 2016</b>      | 55                        | 64                         | 1 965           | 2 084                        | 65                       | 2 149  |
| Less: Shares held by subsidiary company |                           |                            | (19)            | (19)                         |                          | (19)   |
| <b>Net balance at 30 November 2016*</b> | 55                        | 64                         | 1 946           | 2 065                        | 65                       | 2 130  |