Altron

H126 results

Platforms offset IT Services weakness

Software and comp services

6 November 2025

Altron reported stable results despite the previously flagged weakness in Altron Digital Business (ADB). While revenue declined 1% y-o-y, EBITDA grew 4% and, helped by the change in depreciation policy at Netstar, operating profit before capital items increased 15%. Basic headline EPS (HEPS) from continuing operations was 22% higher year-on-year, supporting a 20% increase in the interim dividend to ZAR0.48. We have revised our forecasts to reflect a stronger performance in the Platforms business partially offset by a lower contribution from IT Services and Distribution. We lift our basic HEPS from continuing operations by 5.3% in FY26 and 1.0% in FY27.

Year end	Revenue (ZARm)	PBT (ZARm)	EPS (ZAR)	HEPS (ZAR)	DPS (ZAR)	P/E (x)	Yield (%)
2/24	9,603.0	570.0	1.04	1.03	0.58	16.9	3.3
2/25e	9,588.0	912.0	1.83	1.78	0.90	9.6	5.1
2/26e	9,591.0	1,034.2	1.92	1.95	0.95	9.1	5.4
2/27e	10,176.8	1,149.1	2.15	2.22	1.08	8.1	6.1

Note: Revenue, PBT and diluted EPS are for continuing operations. PBT and EPS are normalised, excluding amortisation of acquired intangibles and exceptional items. HEPS, basic continuing headline EPS.

Platforms strength offsets weaker IT demand

Platforms revenue was 12% higher y-o-y (Netstar +8%, FinTech +24%, Healthtech flat), while IT services declined 7% y-o-y (ADB -10%, Altron Security +2%, Altron Document Solutions -5%) and Distribution declined 23%. Platforms EBITDA growth of 14% more than offset IT Services (-41%) and Distribution (-46%) weakness. Operating profit before capital items was up 15% y-o-y, or up 1% stripping out the depreciation change in Netstar. The Nexus disposal completed on 1 August and was the sole remaining business within discontinued operations at the start of H1.

Medium-term growth from Platforms

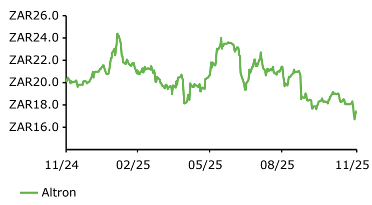
Management has upgraded its medium-term Platforms operating margin target from at least 19% to at least 22%, reflecting the Netstar depreciation change. The IT Services target of at least 7% is unchanged. We estimate that the Platforms target is achievable in the short term, but the IT Services target will take longer to achieve and will depend on the recovery of the ADB business. With a healthy balance sheet, management is prioritising organic growth, returning cash to shareholders and potentially growing the Platforms business with targeted acquisitions.

Valuation: Turnaround of ADB the key driver

Using a sum-of-the-parts valuation on our revised forecasts and after a 30% holding company/South Africa discount, we arrive at a valuation of ZAR25.6 per share (down from ZAR27.7), 46% above the current share price. In our view, evidence of continued progress towards medium-term operating margin targets, including a recovery in ADB revenue and margins, would be the key driver of share price upside.

Price	**ZAR17.54**
Market cap	**ZAR6,687m**
Net cash/(debt) at end H126	ZAR(76.0)m
Shares in issue	381.2m
Free float	35.7%
Code	AEL
Primary exchange	JSE
Secondary exchange	N/A

Share price performance



%	1m	3m	12m
Abs	(9.6)	(19.8)	(3.9)
52-week high/low		ZAR24.5	ZAR16.1

Business description

Altron is a South African provider of platforms and IT services. The company operates via three divisions: IT Services, Platforms and Altron Arrow. In FY25, 90% of revenue was generated in South Africa and annuity revenue made up 63% of total revenue.

Next events

FY26 results	May 2026

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Review of H126 results

Exhibit 1 summarises Altron's H126 results (for continuing operations down to normalised net income). While revenue showed a small year-on-year decline, EBITDA before capital items increased 4%, reflecting the strength of the Platforms business. Reported operating profit increased 7% y-o-y, with the depreciation policy change in Netstar providing a ZAR65m benefit offset by higher capital items totalling ZAR57m (H125: ZAR19m). Net finance costs reduced to ZAR35m (H125: ZAR41m) and the effective tax rate decreased by 1pp to 28%. Basic HEPS increased 18% y-o-y at the group level, with a 22% increase from continuing operations and an 88% larger loss from discontinued operations. Nexus was the only remaining business included in discontinued operations and was sold on 1 August. In H126, Nexus generated a net loss of ZAR34m and the group incurred a ZAR38m loss on disposal.

Company adjusted net debt of ZAR76m reduced substantially from the ZAR312m a year ago. In H126, the company repaid its revolving credit facility and post period-end put in place a new ZAR1bn facility.

Based on its policy of paying out 50% of HEPS from continuing operations, the company announced an interim dividend of ZAR0.48, +20% y-o-y.

Exhibit 1: Summary of H126 results

ZARm	H125	H126	y-o-y
Revenues	4,868	4,825	-1%
EBITDA	905	938	4%
EBITDA margin	*18.6%*	*19.4%*	*0.8pp*
Normalised operating profit	490	560	14%
Normalised operating margin	*10.1%*	*11.6%*	*1.5pp*
Reported operating profit	458	492	7%
Reported operating margin	*9.4%*	*10.2%*	*0.8pp*
Normalised PBT	449	525	17%
Reported PBT	417	457	10%
Normalised net income - continuing operations	309	371	20%
Reported net income	264	250	-5%
Normalised basic EPS - continuing operations (ZAR)	0.81	0.97	19%
Normalised diluted EPS - continuing operations (ZAR)	0.79	0.94	19%
Headline basic EPS - continuing operations (ZAR)	0.79	0.96	22%
Headline basic EPS - discontinued operations (ZAR)	(0.05)	(0.09)	88%
Headline basic EPS - group (ZAR)	0.74	0.87	18%
Headline diluted EPS - continuing operations (ZAR)	0.76	0.93	21%
Headline diluted EPS - discontinued operations (ZAR)	(0.05)	(0.09)	87%
Headline diluted EPS - group (ZAR)	0.72	0.84	17%
Reported basic EPS (ZAR)	0.70	0.66	-6%
Reported basic EPS - continuing operations (ZAR)	0.75	0.84	12%
Dividend per share (ZAR)	0.40	0.48	20%
Net debt/(cash) - as reported	200	(112)	-156%
Net debt - company adjusted*	312	76	-76%

Source: Altron, Edison Investment Research. Note: *Excludes cash held for merchants.

Divisional performance

The tables below show divisional performance for revenue, EBITDA before capital items and operating profit before capital items.

Exhibit 2: Divisional revenue (continuing operations)

Revenue (ZARm)	H125	H126	y-o-y
IT Services			
Altron Digital Business	1,619	1,461	-9.8%
Altron Security	247	252	2.0%
Altron Document Solutions	731	697	-4.7%
	2,597	2,410	-7.2%
Own Platforms			
Netstar	1,135	1,228	8.2%
FinTech	607	750	23.6%
Healthtech	201	201	0.0%
	1,943	2,179	12.1%
Altron Arrow	376	288	-23.4%
Corporate/consolidation	(48)	(52)	8.3%
Total revenue	4,868	4,825	-0.9%

Source: Altron

Exhibit 3: Divisional EBITDA before capital items (continuing operations)

EBITDA before capital items				EBITDA margin (before capital items)		
ZARm	H125	H126	y-o-y	H125	H126	y-o-y
IT Services						
Altron Digital Business	47	(32)	-168.1%	2.9%	-2.2%	-5.1pp
Altron Security	80	78	-2.5%	32.4%	31.0%	-1.4pp
Altron Document Solutions	30	46	53.3%	4.1%	6.6%	2.5pp
	157	92	-41.4%	6.0%	3.8%	-2.2pp
Own Platforms						
Netstar	489	540	10.4%	43.1%	44.0%	0.9pp
FinTech	232	274	18.1%	38.2%	36.5%	-1.7pp
Healthtech	55	67	21.8%	27.4%	33.3%	6.0pp
	776	881	13.5%	39.9%	40.4%	0.5pp
Altron Arrow	35	19	-45.7%	9.3%	6.6%	-2.7pp
Corporate/consolidation	(63)	(54)	-14.3%			
Total EBITDA	905	938	3.6%	18.6%	19.4%	0.8pp

Source: Altron

Exhibit 4: Divisional operating profit before capital items (continuing operations)

Operating profit before capital items				Operating margin (before capital items)		
ZARm	H125	H126	y-o-y	H125	H126	y-o-y
IT Services						
Altron Digital Business	34	(42)	-223.5%	2.1%	-2.9%	-5.0pp
Altron Security	66	70	6.1%	26.7%	27.8%	1.1pp
Altron Document Solutions	20	33	65.0%	2.7%	4.7%	2.0pp
	120	61	-49.2%	4.6%	2.5%	-2.1pp
Own Platforms						
Netstar	146	225	54.1%	12.9%	18.3%	5.5pp
FinTech	215	257	19.5%	35.4%	34.3%	-1.2pp
Healthtech	54	65	20.4%	26.9%	32.3%	5.5pp
	415	547	31.8%	21.4%	25.1%	3.7pp
Altron Arrow	35	18	-48.6%	9.3%	6.3%	-3.1pp
Corporate/consolidation	(93)	(77)	-17.2%			
Total operating profit	477	549	15.1%	9.8%	11.4%	1.6pp

Source: Altron

Platforms: Another strong performance

The Platforms division generated year-on-year revenue growth of 12.1%, with a 13.5% increase in EBITDA and a 31.8% increase in operating profit. The EBITDA margin expanded by 0.5pp to 40.4% and the operating margin by 3.7pp to 25.1%. The operating margin benefited from the change in depreciation policy at Netstar. Without that, operating profit would have increased 16% and the margin would have been 22.1%.

Netstar: Record EBITDA margin

Revenue increased 8.2% y-o-y, EBITDA 10.4% and operating profit 54.1%. Annuity revenue was 90% of the total (H125: 90%). The EBITDA margin expanded 0.9pp to 44.0%, its highest level yet. The operating margin expanded 5.5pp to 18.3%. During H126, the company decided to extend the useful economic life of certain tracking devices from three to five years, matching industry practice and the experience with its devices. This generated a ZAR65m benefit at the operating profit level; without this change, operating profit would have increased 9.6% y-o-y and the margin would have expanded to 13.0%.

Subscriber numbers grew 10.8% y-o-y and 4.0% h-o-h to 2.1m, with 81k net new subscribers in the period. Some of the original five-year contracts signed with Toyota completed in H1, resulting in a higher level of churn. The company continues to sign up new five-year contracts and plans to widen its reach to other original equipment manufacturers (OEMs).

The fleet tracking bureau that was opened in April 2024 is tracking more than 37k assets and, as it is now close to capacity, the company is planning to open a second bureau. With the experience gained from opening the first bureau, the second one should be operational in a matter of months.

Retention remained above 90%, as did the contract fulfilment rate, and pre-fitment conversion remained above 60%. Churn (ex-OEM) has reduced to 18% from 19% at the end of FY25, helped by improvements in the Australian business. The Australian business was still loss-making in H126, but management is targeting break-even for FY26.

The business experienced an attempted ransomware incident in June; systems were temporarily impacted before backups were used to reinstate the data. As Netstar refused to pay the ransom, in August, the hackers released the alleged data. The business notified the regulator and the affected parties, and is working with its cybersecurity insurer to manage the incident.

FinTech: Top contributor to operating profit

The FinTech division maintained its strong momentum during H126, mainly driven by the strength of the Payment and Collections business. Revenue increased 23.6% y-o-y, EBITDA 18.1% and operating profit 19.5%. The EBITDA margin declined 1.7pp to 36.5%, as additional on-the-ground sales people were hired to drive growth in the Payments and Collections business. The operating margin declined 1.2pp to 34.3%.

- **Payment and Collection Solutions:** 74% of divisional revenue, revenue growth of 27% y-o-y. Customer numbers increased 42% y-o-y to 4,866, driving the number of debit orders processed up 43% to 20m and the value of debit orders processed up 32% to ZAR18.2bn.
- **Integrated Transaction Solutions:** 11% of divisional revenue, revenue growth of 33% y-o-y. Despite the shift in strategy to renting out rather than selling devices, the business saw a 157% increase in devices sold to 8,500 as well as a 138% increase in devices rented to 20,798. The number of transactions processed fell by 2%, while the value of transactions processed increased 36% to ZAR105.6bn.
- **Card Personalisation and Issuance:** 10% of divisional revenue, revenue growth of 5% y-o-y. The number of devices sold fell 43% y-o-y to 51, with the number of devices maintained increasing 4% to 354. The total number of customers fell 8% to 45.
- **Credit Management Solutions:** 5% of divisional revenue, revenue growth of 7% y-o-y. The value of loans processed increased 81% y-o-y, the number of branches increased 11% to 4,730 and the number of credit enquiries was down 8% to 3,190.

Healthtech: Profit growth on flat revenue

The enterprise side of the business saw similar issues as elsewhere in the business, with a lower level of project income from the mining, manufacturing and automotive sectors. The private practice side of the business performed well, adding 1,082 net new practices at a rate of 1.5x new practices per each churned practice. Overall, revenue was flat year-on-year, with double-digit growth in licence revenue and annuity revenue increasing to 99% from 92% a year ago.

The business launched its customer-facing oncology app during H126. The cost of developing the oncology platform has been capitalised (ZAR10.5m to date). Spend in previous years was expensed as at that point it did not meet the criteria for capitalisation. This helped boost the EBITDA margin to 33.3% (+6pp y-o-y) and the operating margin to 32.3% (+5.5pp y-o-y), with operating profit up 21% y-o-y.

IT Services: ADB weakness weighs on performance

The IT Services division saw a 7.2% revenue decline year-on-year, with a 41.4% decline in EBITDA and a 49.2% decline in operating profit. The EBITDA margin declined by 2.2pp to 3.8% and the operating margin by 2.1pp to 2.5%.

Altron Digital Business: Responding to tough trading environment

As we previously wrote, ADB had a tough half year, with orders drying up during Q126 due to the uncertain political and economic environment in South Africa. This improved somewhat in Q226 but still resulted in a revenue decline of 9.8% y-o-y for H126. EBITDA declined 168% to a loss of ZAR32m and operating profit declined 223% to a loss of ZAR42m. Management has taken action to reduce the cost base, with cuts to headcount made that should result in annualised cost savings of ZAR150m. Of this, c ZAR50m is expected to flow through in H226. There are some signs of improvement in the South African economy – Eskom has managed nearly 200 days without load-shedding, Transnet is in the midst of a five-year infrastructure upgrade plan and South Africa has been removed from the Financial Action Task Force grey list – although how quickly end demand will show signs of recovery is harder to predict.

Over the last year, the business developed an **AI Factory**. This has brought together more than 800 models to support customers who want to adopt AI within their businesses. The business has five launch customers and believes it is South Africa's first such initiative. It will use local expertise and offers data sovereignty to those customers that require it. While under development, the c ZAR20m of costs incurred were reported at the head office level, but now that it is up and running, the AI Factory sits within ADB.

Altron Security: Stable performance

The business saw growth in software and managed services offset by lower integration and professional services revenue. Revenue increased 2.0% y-o-y, EBITDA declined 2.5% and operating profit increased 6.1%. Annuity revenues increased to 87% from 84% a year ago. The EBITDA margin declined 1.4pp to 31.0%, reflecting a higher proportion of revenue accounted for on a principal rather than agency basis compared to H125. The operating margin increased 1.1pp to 27.8% due to lower depreciation than a year ago. Management sees good opportunities in digital identity management.

Altron Document Solutions: Mix dampened revenue growth, supported margins

Revenue declined 4.7% y-o-y, reflecting a higher proportion of lower-priced entry level A3 and A4 machines. Reflecting the higher-margin nature of these machines and efforts to increase remote and self-service capabilities, EBITDA increased 53.3% and operating profit 65.0%. The EBITDA margin expanded 2.5pp to 6.6% and the operating margin expanded 2.0pp to 4.7%. The business is focused on improving its entry level A3 and A4 machines, providing AI-enabled intelligent document processing solutions and supplying refurbished models to suit those with ESG requirements.

Distribution: Profitable despite weaker demand

The Altron Arrow joint venture saw a 23.4% decline in revenue year-on-year, due to weaker end demand from South African corporates. The decline was all due to lower hardware sales (-24% y-o-y to ZAR280m) while software revenue was flat at ZAR8m. After opex was cut by 20% y-o-y, EBITDA declined 45.7%, with a margin of 6.6%, and operating profit declined 48.6%, with a margin of 6.3%. Altron Arrow was instrumental in securing NVIDIA infrastructure and software for the AI Factory. The business has seen limited impact from US tariffs.

Outlook and changes to forecasts

Medium-term strategy update

The current management team originally launched its medium-term strategy in March 2023. This was focused on setting up the foundations for growth, in particular improving profitability at Netstar and Altron Systems Integration (which is now ADB). It has made considerable progress at a group level, with FY25 operating profit from continuing operations reaching ZAR972m compared to ZAR506m in FY23. It now views the company as being in a phase of accelerated growth, moving into the transformative phase from FY27. This could include acquisitions, which would be made if they expanded geographic presence or filled technology gaps.

Exhibit 5: Altron's growth strategy

Source: Altron

In terms of financial targets, in the medium term (three to five years) management is targeting Platforms operating margins (before capital items) of at least 22%, with at least 18% from Netstar, and at least 7% for IT Services. On our revised forecasts, we see the Platforms target as achievable in the near term, whereas the IT Services target is heavily dependent on the recovery of ADB profitability.

In terms of capital allocation, the first priority is organic investment, followed by returns to shareholders in the form of dividends. With cash of ZAR511m and a ZAR1bn debt facility in place, the company has the resources to make targeted acquisitions for the Platforms business.

Changes to forecasts

We have updated our forecasts to reflect H126 performance and made the following changes:

- **IT Services:** we have trimmed revenue in each of the three businesses. ADB operating profit is lower in FY26 but unchanged in FY27, due to cost-cutting. Operating profit for Altron Security is slightly higher in both years and ADS is broadly unchanged.
- **Platforms:** we have trimmed revenue in Netstar and Healthtech, which is more than offset by higher FinTech revenue. Netstar operating profit is slightly higher in FY26 but slightly reduced in FY27, as we expect the business to maintain EBITDA margins at the current level in order to reinvest in the business. Higher revenue drives higher FinTech operating profit in both years.
- **Distribution:** we have trimmed our revenue forecast, which results in a c 40% reduction in operating profit.

Overall, this results in an increase in FY26 operating profit of 3.7% and a decrease of 2.7% in FY27. We have reduced our net finance cost assumptions in both years, which results in an increase in HEPS from continuing operations of 5.3% in FY26 and 1.0% in FY27.

Exhibit 6: Changes to forecasts

	FY26e	FY26e			FY27e	FY27e		
ZARm	Old	New	Change	y-o-y	Old	New	Change	y-o-y
Revenues	9,759.1	9,591.0	-1.7%	0.0%	10,387.8	10,176.8	-2.0%	6.1%
EBITDA	1,905.1	1,898.0	-0.4%	4.2%	2,187.8	2,144.8	-2.0%	13.0%
EBITDA margin	19.5%	19.8%	0.3pp	0.8pp	21.1%	21.1%	0.0pp	1.3pp
Operating profit before capital items	1,043.4	1,082.4	3.7%	11.4%	1,244.4	1,211.3	-2.7%	11.9%
Operating margin before capital items	10.7%	11.3%	0.6pp	1.1pp	12.0%	11.9%	-0.1pp	0.6pp
Normalised operating profit	1,065.6	1,104.2	3.6%	10.6%	1,244.7	1,219.1	-2.1%	10.4%
Normalised operating margin	10.9%	11.5%	0.6pp	1.1pp	12.0%	12.0%	0.0pp	0.5pp
Reported operating profit	1,023.6	1,015.2	-0.8%	19.2%	1,224.7	1,199.1	-2.1%	18.1%
Reported operating margin	10.5%	10.6%	1.8pp	9.8%	11.8%	11.8%	1.3pp	9.8%
Normalised PBT	969.6	1,034.2	6.7%	13.4%	1,148.7	1,149.1	0.0%	11.1%
Reported PBT	927.6	945.2	1.9%	23.4%	1,128.7	1,129.1	0.0%	19.5%
Normalised net income - continuing operations	723.4	756.5	4.6%	5.4%	837.1	846.3	1.1%	11.9%
Reported net income	499.0	619.2	24.1%	58.8%	822.1	831.3	1.1%	34.2%
Normalised basic EPS - continuing operations (ZAR)	1.90	1.98	4.6%	5.0%	2.20	2.22	1.1%	11.9%
Normalised diluted EPS - continuing operations (ZAR)	1.84	1.92	4.6%	5.1%	2.13	2.15	1.1%	11.9%
Headline basic EPS - continuing operations (ZAR)	1.85	1.95	5.3%	9.3%	2.20	2.22	1.0%	13.7%
Headline basic EPS - discontinued operations (ZAR)	(0.49)	(0.09)	-82.0%	-79.8%	0.00	0.00	N/A	-100.0%
Headline basic EPS - group (ZAR)	1.36	1.86	37.2%	38.6%	2.19	2.22	1.1%	19.2%
Headline diluted EPS - continuing operations (ZAR)	1.80	1.89	5.3%	9.3%	2.13	2.15	1.0%	13.7%
Headline diluted EPS - discontinued operations (ZAR)	(0.48)	(0.09)	-82.0%	-79.8%	0.00	0.00	N/A	-100.0%
Headline diluted EPS - group (ZAR)	1.32	1.80	37.2%	38.6%	2.13	2.15	1.1%	19.2%
Reported basic EPS (ZAR)	1.31	1.62	24.1%	58.2%	2.16	2.18	1.1%	34.2%
Dividend per share (ZAR)	0.90	0.95	5.3%	5.1%	1.06	1.08	1.0%	13.7%
Net debt - company adjusted*	190	121	-36.4%	6.7%	173	84	-51.5%	-30.5%
Net debt - as reported	(76)	(145)	90.2%	-5.0%	(93)	(182)	95.4%	25.3%

Source: Edison Investment Research *Adjusted to exclude cash held for merchants.

Exhibit 7: Financial summary

ZAR m	2021	2022	2023	2024	2025	2026e	2027e
Year end 28 February	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS
INCOME STATEMENT							
Revenue	7,505	7,930	8,445	9,603	9,588	9,591	10,177
Costs	(6,472)	(6,790)	(7,194)	(8,167)	(7,766)	(7,693)	(8,032)
EBITDA	1,033	1,140	1,251	1,436	1,822	1,898	2,145
Normalised operating profit	371	518	621	677	998	1,104	1,219
Amortisation of acquired intangibles	0	(20)	(22)	(27)	(26)	(22)	0
Exceptionals/capital items	(23)	(213)	(59)	(35)	(120)	(67)	(20)
Share-based payments	0	0	0	0	0	0	0
Reported operating profit	348	285	540	615	852	1,015	1,199
Net Interest	(179)	(146)	(142)	(109)	(89)	(70)	(70)
Joint ventures & associates (post tax)	(41)	3	3	2	3	0	0
Exceptionals	0	0	0	0	0	0	0
Profit Before Tax (norm)	151	375	482	570	912	1,034	1,149
Profit Before Tax (reported)	128	142	401	508	766	945	1,129
Reported tax	(34)	(63)	(105)	(121)	(150)	(239)	(282)
Profit After Tax (norm)	111	209	356	425	743	771	862
Profit After Tax (reported)	94	79	296	387	616	706	847
Minority interests	12	(9)	(17)	(23)	(25)	(15)	(16)
Discontinued operations	12,048	(174)	(283)	(534)	(201)	(72)	0
Net income (normalised)	123	200	339	402	718	757	846
Net income (reported)	12,154	(104)	(4)	(170)	390	619	831
Basic average number of shares outstanding (m)	372	372	377	379	380	381	381
EPS - diluted normalised (ZAR)	0.33	0.53	0.88	1.04	1.83	1.92	2.15
EPS - basic reported (ZAR)	32.70	(0.28)	(0.01)	(0.45)	1.03	1.62	2.18
EPS headline basic (ZAR)	1.35	0.37	0.29	(0.29)	1.34	1.86	2.22
Dividend (ZAR)	1.44	0.30	0.35	0.58	0.90	0.95	1.08
Revenue growth (%)	1.7%	5.7%	6.5%	13.7%	-0.2%	0.0%	6.1%
EBITDA Margin (%)	13.8%	14.4%	14.8%	15.0%	19.0%	19.8%	21.1%
Normalised Operating Margin (%)	4.9%	6.5%	7.4%	7.0%	10.4%	11.5%	12.0%
BALANCE SHEET							
Fixed Assets	3,793	3,965	4,013	4,561	4,519	4,888	5,245
Intangible Assets	1,623	1,918	2,105	2,258	2,327	2,432	2,536
Tangible Assets	1,719	1,476	1,346	1,575	1,651	1,915	2,168
Investments & other	451	571	562	728	541	541	541
Current Assets	6,592	5,404	5,649	4,802	4,593	3,913	4,144
Stocks	833	972	1,023	971	822	769	818
Debtors	2,497	1,961	2,055	2,185	2,379	2,380	2,525
Cash & cash equivalents	1,454	757	740	1,140	1,017	584	621
Other (including assets held for sale)	1,808	1,714	1,831	506	375	180	180
Current Liabilities	(3,753)	(2,917)	(3,274)	(3,331)	(3,316)	(2,727)	(2,833)
Creditors	(2,319)	(1,853)	(1,964)	(2,321)	(2,398)	(2,283)	(2,389)
Tax and social security	(28)	(77)	(103)	(127)	(116)	(116)	(116)
Short-term borrowings	(710)	(244)	(62)	(708)	(647)	(222)	(222)
Lease liabilities	(108)	(117)	(111)	(85)	(95)	(95)	(95)
Other (including liabilities held for sale)	(588)	(626)	(1,034)	(90)	(60)	(11)	(11)
Long-Term Liabilities	(1,766)	(2,098)	(2,088)	(1,955)	(1,612)	(1,612)	(1,612)
Long-term borrowings	(602)	(854)	(851)	(649)	(217)	(217)	(217)
Lease liabilities	(971)	(896)	(788)	(741)	(733)	(733)	(733)
Other long-term liabilities	(193)	(348)	(449)	(565)	(662)	(662)	(662)
Net Assets	4,866	4,354	4,300	4,077	4,184	4,462	4,944
CASH FLOW							
Op Cash Flow before WC and tax	968	440	346	187	817	1,049	1,219
Working capital	393	(44)	194	579	184	(63)	(88)
Exceptional & other	859	672	755	845	735	677	676
Tax	(226)	(94)	(50)	(131)	(104)	(240)	(282)
Net operating cash flow	1,994	974	1,245	1,480	1,632	1,423	1,525
Capex	(484)	(396)	(473)	(567)	(708)	(745)	(793)
Acquisitions/disposals	309	(76)	(76)	27	12	0	0
Net interest	(165)	(127)	(127)	(104)	(64)	(70)	(70)
Equity financing	0	0	0	0	0	0	0
Dividends	(220)	(442)	(152)	(170)	(285)	(371)	(380)
Other	(432)	(408)	(361)	(304)	(221)	(245)	(245)
Net Cash Flow	1,002	(475)	56	362	366	(8)	37
Opening net debt/(cash)	1,336	453	811	563	313	113	121
FX	29	(3)	11	4	(5)	0	0
Other non-cash movements	(148)	120	181	(116)	(161)	0	0
Closing net debt/(cash) – company adjusted*	453	811	563	313	113	121	84
Closing net debt/(cash) – as reported	(142)	341	173	217	(153)	(145)	(182)

Source: Altron, Edison Investment Research *Adjusted to exclude cash held for merchants and cash held by discontinued operations.

EDISON

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