EDISON

Altron

FY25 results

Platform businesses drive FY25 upside

Software and comp services

9 June 2025

Altron reported EBITDA and operating profit before capital items and headline EPS well ahead of our forecasts for FY25. In the Platforms division, the strength of the FinTech and HealthTech businesses more than offset a weaker H2 for Netstar. The IT Services division beat our operating profit forecast even though Altron Digital Business (ADB) had a disappointing year. Management maintains its medium-term operating margin targets. We have revised our forecasts to reflect the H225 performance, with Platforms remaining at or above the targets for FY26/27. Due to the difficult trading environment for ADB, we forecast a slower margin progression for the IT Services division, resulting in a small downgrade to our FY26 HEPS from continuing operations before a return to growth of 19% in FY27. The imminent management buyout of Nexus removes the last discontinued business, leaving management to focus on the core business.

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	22.0	2.5
2/25	9,588.0	912.0	1.83	1.78	0.90	12.4	3.9
2/26e	9,961.0	934.5	1.67	1.68	0.81	13.6	3.6
2/27e	10,583.5	1,079.4	1.92	2.00	0.97	11.8	4.3

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.

Impressive profit growth in FY25

Altron grew revenue 3% on an underlying basis, while EBITDA increased 27% and operating profit increased 50%. This resulted in the operating margin (before capital items) increasing by 3.4pp to 10.1%. Headline EPS from continuing operations increased 73% y-o-y and was 23% above our forecast. Upside came from the FinTech and HealthTech businesses, as well as better than expected profitability in Altron Security and Altron Document Solutions (ADS). With a final dividend of ZAR0.5, the full year dividend of ZAR0.90 was ahead of our ZAR0.70 forecast. Adjusted net debt reduced 64% y-o-y to ZAR113m.

Moderating FY26 to reflect Netstar and ADB

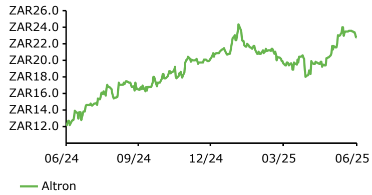
Factoring in the weaker performance in Australia for Netstar and the tougher trading environment for ADB, only partially offset by higher estimates for FinTech, HealthTech and ADS, we reduce our operating profit forecast for FY26 by 5%. This equates to year-on-year growth of 4%, which we forecast will accelerate to 18% in FY27. We have factored in the sale of Nexus from the end of June.

Valuation: Further upside potential

The stock has gained 22% since the interims last November. We have updated our sum-of-the-parts valuation to reflect our revised forecasts and rolled forward by a year. After a 30% holding company/South Africa discount, we arrive at a valuation of ZAR28.6/share (up from ZAR25), 25% above the current share price. In our view, evidence of continued progress towards medium-term operating margin targets, including a recovery in ADB margins, and completion of the Nexus disposal should support share price upside.

Price	**ZAR22.80**
Market cap	**ZAR8,692m**
Net cash/(debt) at end FY25	ZAR(113.0)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	15.9	14.7	88.5
52-week high/low		ZAR25.0	ZAR12.0

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

AGM	31 July

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Review of FY25 results

Revenue at the group level came in slightly lower than we forecast and was flat year-on-year. Taking into account the disposal of the ATM business in H124, underlying revenue was up 3% y-o-y. We discuss divisional performance in the next section. Despite the lower than expected revenue, EBITDA was 2% ahead of our forecast and up 27% y-o-y, with the margin increasing 4pp to 19.0%. Operating income before capital items grew 50% to ZAR972m with a margin of 10.1%, up 3.4pp y-o-y. The company reported capital items totalling ZAR120m, which mainly comprised write-downs of tangible fixed assets and capital rental devices. After net finance costs of ZAR89m and tax of ZAR150m (effective rate 20%), the company reported net income of ZAR390m. Group basic headline EPS of ZAR1.34 was 13% ahead of our forecast, with headline EPS from continuing operations of ZAR1.78 23% above our forecast and headline loss per share from discontinued operations of ZAR0.44 69% larger than expected. The company announced a final dividend of ZAR0.50, making a full year dividend of ZAR0.90 versus our ZAR0.70 forecast.

The company closed the year with a net cash position of ZAR153m, well above our forecast for net debt of ZAR392m. Excluding cash held on behalf of merchants and net debt for discontinued operations, the company had a net debt position of ZAR113m at year-end, well below our ZAR488m forecast.

Exhibit 1: FY25 results highlights

ZAR m	FY24a	FY25e	FY25a	Diff	y-o-y
Revenues	9,603.0	9,770.5	9,588.0	-1.9%	-0.2%
EBITDA	1,436.0	1,782.5	1,822.0	2.2%	26.9%
EBITDA margin	15.0%	18.2%	19.0%	0.8pp	4.0pp
Normalised operating profit	677.0	903.1	998.0	10.5%	47.4%
Normalised operating margin	7.0%	9.2%	10.4%	1.2pp	3.4pp
Reported operating profit	615.0	849.1	852.0	0.3%	38.5%
Reported operating margin	6.4%	8.7%	8.9%	0.2pp	2.5pp
Normalised PBT	570.0	821.1	912.0	11.1%	60.0%
Reported PBT	508.0	767.1	766.0	-0.1%	50.8%
Normalised net income - continuing operations	402.2	568.2	717.7	26.3%	78.4%
Reported net income	(170.0)	423.3	390.0	-7.9%	-329.4%
Normalised basic EPS - continuing operations (ZAR)	1.06	1.50	1.89	25.9%	77.9%
Normalised diluted EPS - continuing operations (ZAR)	1.04	1.45	1.83	26.2%	76.9%
Headline basic EPS - continuing operations (ZAR)	1.03	1.45	1.78	23.1%	72.8%
Headline basic EPS - discontinued operations (ZAR)	(1.32)	(0.26)	(0.44)	68.5%	-66.4%
Headline basic EPS - group (ZAR)	(0.29)	1.19	1.34	13.1%	-570.7%
Headline diluted EPS - continuing operations (ZAR)	1.01	1.40	1.73	23.4%	71.9%
Headline diluted EPS - discontinued operations (ZAR)	(1.29)	(0.25)	(0.43)	68.8%	-66.8%
Headline diluted EPS - group (ZAR)	(0.29)	1.15	1.30	13.3%	-556.3%
Reported basic EPS (ZAR)	(0.45)	1.12	1.03	-8.1%	-328.7%
Dividend per share (ZAR)	0.58	0.70	0.90	28.4%	55.1%
Net debt - company adjusted*	313	488	113	-76.9%	-63.9%
Net debt - as reported	217	392	(153)	-139.0%	-170.5%

Source: Altron. Note: *Excludes cash held for merchants and net debt from discontinued operations.

Divisional analysis

In the following three tables, we summarise revenue, EBITDA and operating performance compared to FY24 and to our forecasts.

Exhibit 2: Divisional revenue performance

Revenue (ZARm)	FY24a	FY25e	FY25a	diff	y-o-y
IT Services					
Altron Digital Business	3,558	3,333	3,241	-2.7%	-8.9%
Altron Security	449	430	397	-7.7%	-11.6%
Altron Document Solutions	1,397	1,506	1,417	-5.9%	1.4%
	5,404	5,269	5,055	-4.1%	-6.5%
Own Platforms					
Netstar	2,074	2,317	2,277	-1.7%	9.8%
FinTech	1,099	1,181	1,282	8.5%	16.7%
Healthtech	374	398	397	-0.2%	6.1%
	3,547	3,896	3,956	1.5%	11.5%
Altron Arrow	802	754	669	-11.3%	-16.6%
Corporate/consolidation	(150)	(148)	(92)	-37.8%	-38.7%
Total revenue	9,603	9,770	9,588	-1.9%	-0.2%
Total adjusted revenue	9,270	9,770	9,588	-1.9%	3.4%

Source: Altron, Edison Investment Research

Exhibit 3: Divisional EBITDA performance

EBITDA before capital items						EBITDA margin (before capital items)		
ZARm	FY24a	FY25e	FY25a	diff	y-o-y	FY24a	FY25a	y-o-y
IT Services								
Altron Digital Business	193	116	109	-5.7%	-43.5%	5.4%	3.4%	-2.1pp
Altron Security	101	109	114	4.3%	12.9%	22.5%	28.7%	6.2pp
Altron Document Solutions	(74)	62	84	35.5%	-213.5%	-5.3%	5.9%	11.2pp
	220	287	307	7.0%	39.5%	4.1%	6.1%	2.0pp
Own Platforms								
Netstar	797	1,009	935	-7.3%	17.3%	38.4%	41.1%	2.6pp
FinTech	330	410	457	11.5%	38.5%	30.0%	35.6%	5.6pp
Healthtech	106	109	122	12.1%	15.1%	28.3%	30.7%	2.4pp
	1,233	1,528	1,514	-0.9%	22.8%	34.8%	38.3%	3.5pp
Altron Arrow	69	70	69	-1.7%	0.0%	8.6%	10.3%	1.7pp
Corporate/consolidation	(86)	(103)	(68)	-34.0%	-20.9%	57.3%	73.9%	
Total EBITDA	1,436	1,782	1,822	2.3%	26.9%	15.0%	19.0%	4.0pp
Total adjusted EBITDA	1,419	1,782	1,822	2.3%	28.4%	15.3%	19.0%	3.7pp

Source: Altron, Edison Investment Research

Exhibit 4: Divisional operating profit performance

Operating profit before capital items						Operating margin (before capital items)		
ZARm	FY24a	FY25e	FY25a	diff	y-o-y	FY24a	FY25a	y-o-y
IT Services								
Altron Digital Business	156	89	83	-6.3%	-46.8%	4.4%	2.6%	-1.8pp
Altron Security	72	80	86	7.1%	19.4%	16.0%	21.7%	5.6pp
Altron Document Solutions	(97)	41	61	48.8%	-162.9%	-6.9%	4.3%	11.2pp
	131	210	230	9.6%	75.6%	2.4%	4.5%	2.1pp
Own Platforms								
Netstar	222	296	255	-13.8%	14.9%	10.7%	11.2%	0.5pp
FinTech	289	371	423	14.0%	46.4%	26.3%	33.0%	6.7pp
Healthtech	102	107	120	12.3%	17.6%	27.3%	30.2%	3.0pp
	613	774	798	3.1%	30.2%	17.3%	20.2%	2.9pp
Altron Arrow	67	69	67	-3.2%	0.0%	8.4%	10.0%	1.7pp
Corporate/consolidation	(161)	(173)	(123)	-28.9%	-23.6%	107.3%	133.7%	
Total operating profit	650	880	972	10.5%	49.5%	6.8%	10.1%	3.4pp
Total adjusted operating profit	638	880	972	10.5%	52.4%	6.9%	10.1%	3.3pp

Source: Altron, Edison Investment Research

Platforms: Already above medium-term margin target

The Platforms business generated an operating margin of 20.2% in FY25, up 2.9pp y-o-y and above the company's medium-term target of at least 19%, due to the strong performance of the HealthTech and FinTech businesses.

Netstar: Good profit growth, but slower H2 than hoped for

Netstar generated revenue growth of 9.8% in FY25, with EBITDA growth of 17.3% and operating profit growth of 14.9%. The operating margin increased 0.5pp y-o-y to 11.2%. Growth in H225 was below our expectations (see discussion of Australian operations below) leading to revenue and profit below our forecasts. The business continued to drive subscriber growth, closing the year with 2.02m subscribers, up 16% y-o-y and 6% h-o-h. Consumer subscribers increased by 10% y-o-y, enterprise subscribers by 13% and OEM subscribers by 21%. The retention rate remained above 90% although churn increased to 19% (FY24: 16%) due to issues in the Australian business. The business has grown its network of fitment centre partnerships to more than 70 and has maintained a contract fulfilment rate above 90%. Pre-fitment rates also remained above the targeted 60% level. While performance in the South African business has been strong, in Australia the company saw a negative effect from the transition from 3G to 4G. This meant that customers needed to replace the devices in their cars, and this caused an elevated level of churn related to the availability of fitment services. The Australian business generated a ZAR16m operating loss for FY25. Management is focused on stabilising this business and returning it to growth, and has already improved access to fitment centres.

FinTech: An outstanding year

The FinTech business generated revenue growth of 16.7% in FY25, with EBITDA growth of 38.5% and operating profit growth of 46.4%. The operating margin increased 6.7pp y-o-y to 33.0%. Annuity revenue increased to 84% from 74% in FY24. The Collection and Payment Solutions business continues to be the main driver of growth, making up 73% of divisional revenue and growing 33% y-o-y. The business increased the value of debit orders processed in the year by 19% after expanding its service to the SME market. Credit Management Solutions (6% of revenue) saw 15% revenue growth in the year as the value of loans processed increased 16% and subscriptions increased 13%. Both Integrated Transaction Solutions (12% of revenue) and Card Personalisation and Issuance (9% of revenue) saw revenue declines, 28% and 2% respectively, mainly due to the shift from buying hardware to renting it.

HealthTech: Steady revenue and profit growth

The HealthTech business generated revenue growth of 6.1% in FY25, with EBITDA growth of 15.1% and operating profit growth of 17.6%. The operating margin increased 3pp y-o-y to 30.2%. Annuity revenue of 93% was marginally lower than the 95% reported in FY24. While the precise revenue split was not disclosed, revenue from practice management increased 3% y-o-y (862 net new practices signed up with 1.6x acquisition-to-churn ratio) while revenue from corporate customers increased 17% y-o-y (22 new corporates signed up). The business processed switching value of ZAR117bn, up 9% y-o-y. The business sees growth opportunities from its data-led partnerships with healthcare companies, banks, insurers and retailers, and its oncology platform, where it added 22 practices in the year.

IT Services: A mixed year

Altron Digital Business (ADB): Pressured by weak trading environment

FY25 revenue declined 8.9%; once normalised for the ATM disposal, revenue was flat year-on-year. H225 revenue was flat versus H125 and annuity revenue was maintained at 50%. The business has suffered from the effects of economic and political uncertainty, which has resulted in enterprise customers delaying IT investment. Two projects were delayed and moved into FY26 and two large customers have reduced their spend. The business also incurred non-recurring costs on some legacy projects. Despite the difficult trading environment, the foundational work on integrating the three IT services businesses is largely complete, positioning the business well to respond when the environment improves. As a result of the weaker than expected revenue performance, EBITDA declined 43.5% and operating profit declined 46.8%, resulting in a 1.8pp operating margin decline to 2.6%.

Altron Security: Operational efficiencies drive margin growth

The business had previously reported that capex constraints at one large customer had affected revenue, as had the increasing proportion of revenue treated on an agency rather than principal basis (ie net revenue accounted). The business took corrective action during the year, optimising the cost base and realigning its go-to-market activities into four pillars: identity security, data and crypto, certificate services and signing. While revenue declined 11.6% y-o-y, EBITDA increased 12.9% and operating profit increased 19.4%, resulting in 5.6pp operating margin expansion to 21.7%.

Altron Document Solutions (ADS): Underlying profit improvement

Brought back into continuing operations in 2024, ADS generated a small revenue increase of 1.4% but managed to turn an operating loss of ZAR97m in FY24 into operating profit of ZAR61m in FY25. In FY24, the operating loss included provisions totalling ZAR95m against obsolete stock, and trade and finance lease receivables. Stripping this out, the underlying loss in FY24 was ZAR2m. Annuity revenue increased from 36% to 44%. The business is focused on delivering an improved offering for the A4 printer market, AI-enabled intelligent document processing digital solutions, and flexible print infrastructure with ESG benefits.

Distribution: Altron Arrow margins up despite revenue decline

Management had expected a revenue decline in FY25 due to the current downturn in the electronics distribution market but had targeted to maintain operating margins. Revenue declined 16.6% in FY25 while operating profit was flat, resulting in the operating margin expanding from 8.4% in FY24 to 10.0% in FY25. This was achieved partly through disciplined cost control (opex was down 20%) but also through the focus on innovation, which creates a stickier product. Altron Arrow recently signed a partnership via Asus to provide Nvidia-powered solutions. Management estimates that the industry could be approaching the bottom of the downturn.

Discontinued operations: Management buyout proposed for Nexus

Nexus is the only remaining business in discontinued operations. Revenue declined 52% in FY25, with Nexus down 48% on an underlying basis (FY24 included a contribution from since sold Altron Rest of Africa). The EBITDA loss reduced from ZAR451m to ZAR155m, reflecting the high level of provisions taken in FY24. The net loss from discontinued operations reduced from ZAR534m to ZAR201m, although was larger than our ZAR106m forecast.

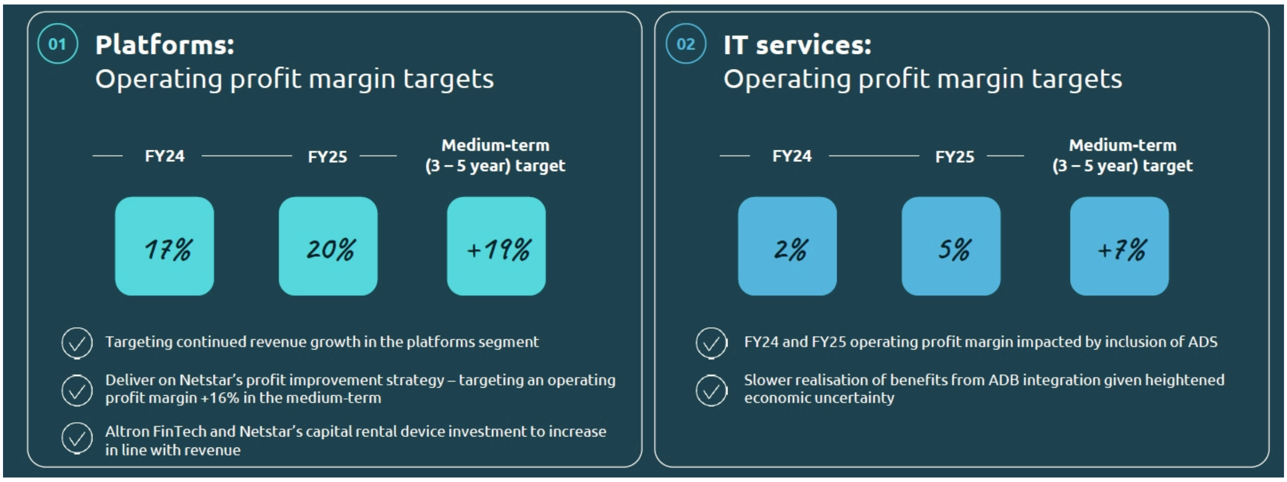
Post year-end, the company announced that it agreed a management buyout of Nexus. The acquirers will assume all company-related debt and any potential recoveries from the City of Tshwane legal process will remain with Altron. Other than the repayment of intercompany loans, the transaction is not expected to generate any proceeds for Altron. The transaction is subject to the fulfilment of conditions precedent, with a target of these being met by 30 June 2025.

Outlook and changes to forecasts

The company reiterated its medium-term (three- to five-year) targets in the exhibit below. We note that the 16% operating margin target for Netstar may take several years to achieve, after the margin was depressed in FY25 due to a weaker performance in Australia. Likewise, a slower expansion of the margin in IT Services in FY25 makes it likely that the 7% target will take several years to achieve.

Management expects the trading environment to remain constrained, which may affect Altron's growth in FY26. The group effective tax rate is expected to normalise to the statutory tax rate (ie from 20% rate in FY25 towards 27%) as tax losses are used up. The company maintains its dividend policy of paying out at least 50% of HEPS from continuing operations.

Exhibit 5: Medium-term outlook



Source: Altron

We have revised our forecasts to reflect weaker demand for ADB in light of the current economic climate. We have reduced our forecasts for Netstar to reflect the weaker performance in H225, although we continue to forecast strong growth in revenue and profits. This is partially offset by upgrades to our FinTech, HealthTech and ADS estimates. Overall, this results in a 5% reduction in our forecast for operating profit before capital items in FY26 with the margin unchanged at 10.1%. We have factored in a 27% tax rate (compared to 20% in FY25) and we reduce headline EPS from continuing operations by 4.2% in FY26.

We have factored in the sale of Nexus at the end of June. As well as the trading results of Nexus for four months, our group net income forecast includes a loss on disposal of Nexus (zero proceeds less the net assets of the business at end FY25).

We continue to forecast Platform operating margins at or above the target level during FY26 and FY27 (19.2% and 20.3% respectively) and we forecast IT Services margins of 5.3% in FY26 and 6.2% in FY27.

Exhibit 6: Changes to forecasts

	FY26e	FY26e			FY27e	
ZAR m	Old	New	Change	y-o-y	New	y-o-y
Revenues	10,518.9	9,961.0	-5.3%	3.9%	10,583.5	6.2%
EBITDA	2,065.9	2,007.0	-2.8%	10.2%	2,270.5	13.1%
EBITDA margin	19.6%	20.1%	0.5pp	1.1pp	21.5%	1.3pp
Operating profit before capital items	1,062.3	1,009.1	-5.0%	3.8%	1,177.4	16.7%
Operating margin before capital items	10.1%	10.1%	0.0pp	0.0pp	11.1%	1.0pp
Normalised operating profit	1,068.0	1,030.5	-3.5%	3.3%	1,175.4	14.1%
Normalised operating margin	10.2%	10.3%	0.2pp	-0.1pp	11.1%	0.8pp
Reported operating profit	1,031.0	988.5	-4.1%	16.0%	1,155.4	16.9%
Reported operating margin	9.8%	9.9%	1.1pp	9.8%	10.9%	9.8%
Normalised PBT	960.0	934.5	-2.7%	2.5%	1,079.4	15.5%
Reported PBT	923.0	892.5	-3.3%	16.5%	1,059.4	18.7%
Normalised net income - continuing operations	673.3	658.4	-2.2%	-8.3%	756.7	14.9%
Reported net income	531.0	444.4	-16.3%	13.9%	749.4	68.6%
Normalised basic EPS - continuing operations (ZAR)	1.78	1.73	-2.9%	-8.6%	1.99	14.9%
Normalised diluted EPS - continuing operations (ZAR)	1.72	1.67	-2.6%	-8.6%	1.92	14.9%
Headline basic EPS - continuing operations (ZAR)	1.75	1.68	-4.2%	-5.9%	2.00	19.4%
Headline basic EPS - discontinued operations (ZAR)	(0.29)	(0.47)	62.5%	7.4%	0.00	-100.0%
Headline basic EPS - group (ZAR)	1.46	1.21	-16.9%	-9.6%	2.00	65.1%
Headline diluted EPS - continuing operations (ZAR)	1.70	1.63	-4.0%	-5.9%	1.94	19.4%
Headline diluted EPS - discontinued operations (ZAR)	(0.28)	(0.46)	62.8%	7.4%	0.00	-100.0%
Headline diluted EPS - group (ZAR)	1.41	1.18	-16.7%	-9.6%	1.94	65.1%
Reported basic EPS (ZAR)	1.40	1.17	-16.9%	13.5%	1.97	68.6%
Dividend per share (ZAR)	0.85	0.81	-4.0%	-9.6%	0.97	19.4%
Net debt - company adjusted*	534	125	-76.6%	10.9%	4	-97.2%
Net debt - as reported	438	(141)	-132.1%	-8.0%	(262)	86.5%

Source: Edison Investment Research. Note: *Excludes net cash in discontinued operations and 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	9,961	10,584
Costs	(6,472)	(6,790)	(7,194)	(8,167)	(7,766)	(7,954)	(8,313)
EBITDA	1,033	1,140	1,251	1,436	1,822	2,007	2,271
Normalised operating profit	371	518	621	677	998	1,031	1,175
Amortisation of acquired intangibles	0	(20)	(22)	(27)	(26)	(22)	0
Exceptionals/capital items	(23)	(213)	(59)	(35)	(120)	(20)	(20)
Share-based payments	0	0	0	0	0	0	0
Reported operating profit	348	285	540	615	852	989	1,155
Net Interest	(179)	(146)	(142)	(109)	(89)	(96)	(96)
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	935	1,079
Profit Before Tax (reported)	128	142	401	508	766	893	1,059
Reported tax	(34)	(63)	(105)	(121)	(150)	(240)	(286)
Profit After Tax (norm)	111	209	356	425	743	682	781
Profit After Tax (reported)	94	79	296	387	616	653	773
Minority interests	12	(9)	(17)	(23)	(25)	(23)	(24)
Discontinued operations	12,048	(174)	(283)	(534)	(201)	(185)	0
Net income (normalised)	123	200	339	402	718	658	757
Net income (reported)	12,154	(104)	(4)	(170)	390	444	749
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	1.67	1.92
EPS - basic reported (ZAR)	32.70	(0.28)	(0.01)	(0.45)	1.03	1.17	1.97
EPS headline basic (ZAR)	1.35	0.37	0.29	(0.29)	1.34	1.21	2.00
Dividend (ZAR)	1.44	0.30	0.35	0.58	0.90	0.81	0.97
Revenue growth (%)	1.7%	5.7%	6.5%	13.7%	-0.2%	3.9%	6.2%
EBITDA Margin (%)	13.8%	14.4%	14.8%	15.0%	19.0%	20.1%	21.5%
Normalised Operating Margin (%)	4.9%	6.5%	7.4%	7.0%	10.4%	10.3%	11.1%
BALANCE SHEET							
Fixed Assets	3,793	3,965	4,013	4,561	4,519	4,746	4,951
Intangible Assets	1,623	1,918	2,105	2,258	2,327	2,422	2,516
Tangible Assets	1,719	1,476	1,346	1,575	1,651	1,783	1,894
Investments & other	451	571	562	728	541	541	541
Current Assets	6,592	5,404	5,649	4,802	4,593	4,490	4,785
Stocks	833	972	1,023	971	822	834	853
Debtors	2,497	1,961	2,055	2,185	2,379	2,472	2,626
Cash & cash equivalents	1,454	757	740	1,140	1,017	1,005	1,126
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)	(3,293)	(3,334)
Creditors	(2,319)	(1,853)	(1,964)	(2,321)	(2,398)	(2,424)	(2,465)
Tax and social security	(28)	(77)	(103)	(127)	(116)	(116)	(116)
Short-term borrowings	(710)	(244)	(62)	(708)	(647)	(647)	(647)
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	4,331	4,791
CASH FLOW							
Op Cash Flow before WC and tax	968	440	346	187	817	979	1,175
Working capital	393	(44)	194	579	184	(78)	(133)
Exceptional & other	859	672	755	845	735	767	850
Tax	(226)	(94)	(50)	(131)	(104)	(245)	(286)
Net operating cash flow	1,994	974	1,245	1,480	1,632	1,422	1,606
Capex	(484)	(396)	(473)	(567)	(708)	(751)	(805)
Acquisitions/disposals	309	(76)	(76)	27	12	0	0
Net interest	(165)	(127)	(127)	(104)	(64)	(95)	(96)
Equity financing	0	0	0	0	0	0	0
Dividends	(220)	(442)	(152)	(170)	(285)	(344)	(338)
Other	(432)	(408)	(361)	(304)	(221)	(245)	(245)
Net Cash Flow	1,002	(475)	56	362	366	(12)	122
Opening net debt/(cash)	1,336	453	811	563	313	113	125
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	125	4
Closing net debt/(cash) – as reported	(142)	341	173	217	(153)	(141)	(262)

Source: Altron, Edison Investment Research. Note: *Excludes net cash in discontinued operations and cash held for merchants.

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