

SEGMENTAL ANALYSIS

FOR THE YEAR ENDED 31 AUGUST

R'000	Retail (Note 34)	
	2018	Restated* 2017
Statement of financial position		
Property, plant and equipment	1 584 924	1 307 706
Intangible assets	451 205	440 280
Goodwill	6 529	6 529
Inventories	2 926 887	2 531 317
Trade and other receivables	530 207	393 303
Cash and cash equivalents	1 482 311	680 170
Other assets	1 508 413	1 416 002
Total assets	8 490 476	6 775 307
Employee benefits – non-current	225 686	192 637
Operating lease liability	202 139	193 026
Trade and other payables	3 015 322	2 592 058
Employee benefits – current	374 671	356 278
Other liabilities	2 092 737	1 650 895
Total liabilities	5 910 555	4 984 894
Net assets	2 579 921	1 790 413
Statement of comprehensive income		
Turnover	21 062 952	19 015 139
Gross profit	6 056 384	5 436 817
Other income	1 022 930	920 438
Total income	7 079 314	6 357 255
Expenses	(5 374 753)	(4 870 989)
Depreciation and amortisation	(285 124)	(252 327)
Occupancy costs	(926 270)	(793 245)
Employment costs	(2 852 239)	(2 621 601)
Other costs	(1 311 120)	(1 203 816)
Operating profit	1 704 561	1 486 266
Ratios		
Increase in turnover	(%) 10.8	13.5
Selling price inflation	(%) 1.4	4.9
Comparable stores turnover growth	(%) 5.5	8.0
Gross profit margin	(%) 28.8	28.6
Total income margin	(%) 33.6	33.4
Operating expenses as a percentage of turnover	(%) 25.5	25.6
Increase in operating expenses	(%) 10.3	12.8
Increase in operating profit	(%) 14.7	13.7
Operating profit margin	(%) 8.1	7.8
Inventory days	71	69
Trade debtor days	5	6
Trade creditor days	44	44
Number of stores	837	795
as at 31 August 2017/2016	795	689
opened	56	120
closed	(14)	(14)
Number of pharmacies	510	473
as at 31 August 2017/2016	473	400
new/converted	42	74
closed	(5)	(1)
Total leased area	(m ²) 418 638	378 672
Weighted retail trading area	(m ²) 324 643	293 479
Weighted annual sales per m ²	(R) 64 446	64 167
Number of permanent employees	14 557	14 135

* The segmental analysis for the year ended 31 August 2017 has been restated due to a change in the composition of reporting segments. Clicks Direct Medicines was previously included in Distribution and is now included in Retail due to a change in management reporting. This has resulted in an increase in turnover of R121.6 million, R24.0 million in total assets and R15.4 million in total liabilities for the Retail segment whilst turnover was increased by R13.8 million, total assets was decreased by R3.6 million and total liabilities was increased by R4.9 million for the Distribution segment. The intragroup elimination for turnover was increased by R135.4 million and the elimination relating to total assets and total liabilities was increased by R20.3 million.

Distribution (Note 34)		Intragroup elimination		Total operations	
2018	Restated* 2017	2018	Restated* 2017	2018	2017
258 478	226 229	–	–	1 843 402	1 533 935
25 556	17 323	–	–	476 761	457 603
96 981	96 981	–	–	103 510	103 510
1 367 417	1 264 251	(66 968)	(41 774)	4 227 336	3 753 794
2 481 132	2 428 142	(679 808)	(608 726)	2 331 531	2 212 719
41 504	20 303	–	–	1 523 815	700 473
2 030 279	1 503 303	(2 480 970)	(1 960 224)	1 057 722	959 081
6 301 347	5 556 532	(3 227 746)	(2 610 724)	11 564 077	9 721 115
19 721	16 594	–	–	245 407	209 231
–	–	–	–	202 139	193 026
3 869 561	3 496 699	(686 448)	(613 575)	6 198 435	5 475 182
43 545	38 182	–	–	418 216	394 460
458 562	458 303	(2 479 287)	(1 960 332)	72 012	148 866
4 391 389	4 009 778	(3 165 735)	(2 573 907)	7 136 209	6 420 765
1 909 958	1 546 754	(62 011)	(36 817)	4 427 868	3 300 350
13 376 110	12 334 386	(5 199 374)	(4 540 424)	29 239 688	26 809 101
141 316	188 094	(20 591)	(934)	6 177 109	5 623 977
840 267	721 936	(146 050)	(119 369)	1 717 147	1 523 005
981 583	910 030	(166 641)	(120 303)	7 894 256	7 146 982
(619 269)	(581 318)	141 447	118 902	(5 852 575)	(5 333 405)
(34 852)	(30 900)	–	–	(319 976)	(283 227)
(2 679)	(2 604)	1 288	1 053	(927 661)	(794 796)
(242 606)	(224 237)	–	–	(3 094 845)	(2 845 838)
(339 132)	(323 577)	140 159	117 849	(1 510 093)	(1 409 544)
362 314	328 712	(25 194)	(1 401)	2 041 681	1 813 577
8.4	11.4	14.5	25.0	9.1	10.9
2.9	5.8	–	–	1.9	5.3
–	–	–	–	5.5	8.0
1.1	1.5	–	–	21.1	21.0
7.3	7.4	–	–	27.0	26.7
4.6	4.7	–	–	20.0	19.9
6.5	2.7	–	–	9.7	11.2
10.2	19.6	–	–	12.6	15.4
2.7	2.7	–	–	7.0	6.8
38	38	–	–	67	65
55	57	–	–	38	40
87	86	–	–	69	68
–	–	–	–	837	795
–	–	–	–	795	689
–	–	–	–	56	120
–	–	–	–	(14)	(14)
–	–	–	–	510	473
–	–	–	–	473	400
–	–	–	–	42	74
–	–	–	–	(5)	(1)
–	–	–	–	418 638	378 672
–	–	–	–	324 643	293 479
–	–	–	–	64 446	64 167
510	538	–	–	15 067	14 673

The intragroup turnover elimination for the year comprises R5 090.8 million (2017: R4 496.3 million) of sales from Distribution to Retail and R108.6 million (2017: R44.1 million) of sales from Retail to Distribution.