

Notes to the Group annual financial statements continued

For the year ended 31 May 2013

	2013	2012
24. Earnings per share		
(a) Basic		
Basic earnings per share are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year.		
Profit from continuing operations attributable to equity holders of the Company (R'000)	424 841	443 597
Loss from discontinued operations attributable to equity holders of the Company (R'000)	—	(5 493)
Profit attributable to equity holders of the Company (R'000)	424 841	438 104
Weighted average number of ordinary shares in issue (thousands)	661 578	708 060
Basic earnings per share (cents per share)		
From continuing operations (cents per share)	64.22	62.65
From discontinued operations (cents per share)	—	(0.78)
	64.22	61.87

Notes to the Group annual financial statements continued

For the year ended 31 May 2013

24. Earnings per share (continued)

(b) **Headline**

Headline earnings are calculated applying the principles contained in SAICA circular 3/2012.

The weighted average number of ordinary shares used, is the same as that used for the basic earnings per share.

	2013			
	Profit before tax and non- controlling interest R'000	Tax R'000	Non- controlling interest R'000	Headline earnings R'000
Profit attributable to equity holders of the Company	604 509	(196 404)	16 736	424 841
Profit on disposal of property, plant and equipment	(789)	221	6	(562)
Profit on disposal of subsidiaries	(120)	—	—	(120)
Profit on disposal of joint ventures	(2 273)	—	166	(2 107)
Impairment of property, plant and equipment	3 408	(954)	—	2 454
Headline earnings				424 506
Weighted average number of ordinary shares in issue (thousands)				661 578
Headline earnings per share (cents per share)				64.17

Notes to the Group annual financial statements continued

For the year ended 31 May 2013

24. Earnings per share (continued)

(b) Headline (continued)

	2012			
	Profit before tax and non- controlling interest R'000	Tax R'000	Non- controlling interest R'000	Headline earnings R'000
Profit attributable to equity holders of the Company	613 911	(194 437)	18 630	438 104
Profit on disposal of property, plant and equipment	(90)	25	—	(65)
Loss on disposal of subsidiary	3 014	—	—	3 014
Loss on disposal of associate	3 025	—	—	3 025
Impairment of property, plant and equipment	12 787	(3 580)	—	9 207
Impairment of intangible asset	204	(57)	—	147
Impairment of goodwill	4 684	—	—	4 684
Profit on disposal of investment	(615)	115	139	(361)
Headline earnings				457 755
Weighted average number of ordinary shares in issue (thousands)				708 060
Headline earnings per share (cents per share)				64.65

Notes to the Group annual financial statements continued

For the year ended 31 May 2013

24. Earnings per share (continued)

(c) Diluted – basic and headline

Diluted earnings per share are calculated by adjusting the number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The only dilutive potential ordinary shares of the Company are the forfeitable shares granted. For this calculation an adjustment is made for the number of shares that would be issued on vesting under the forfeitable share plan.

There are no potential dilutive instruments relating to the discontinued operations.

	2013	2012
Basic earnings (R'000)	424 841	438 104
Issued number of ordinary shares (thousands)	661 578	708 060
Adjusted for forfeitable shares (thousands)	10 727	10 518
Weighted average number of ordinary shares for dilutive earnings (thousands)	672 305	718 578
Dilutive basic earnings per share (cents per share)	63.19	60.97
Headline earnings (R'000)	424 506	457 755
Weighted average number of ordinary shares for dilutive headline earnings (thousands)	672 305	718 578
Dilutive headline earnings per share (cents)	63.14	63.70
(d) Core		
Core earnings per share is calculated after adding back the amortisation of intangible assets as a consequence of the purchase price allocations completed in terms of IFRS 3(R) – <i>Business Combinations</i>		
Reconciliation between net profit for the period and core net profit for the period:		
Net profit for the period (R'000)	424 841	438 104
Amortisation on intangibles raised through business combinations net of tax and non-controlling interest (R'000)	12 675	17 693
Core net profit for the period (R'000)	437 516	455 797
Weighted average number of ordinary shares in issue (thousands)	661 578	708 060
Core earnings per share (cents per share)	66.13	64.37