

FY21 Half Year Results



7 December 2020



Metcash

About Metcash

Our purpose

Championing
Successful
Independents

Our vision

-  Best store in town
-  Passionate about independents
-  A favourite place to work
-  Business partner of choice
-  Support thriving communities

Our values

We believe

Independence is worth fighting for; in treating our people, retailers and suppliers the way we like to be treated; and in giving back to the communities where we live and work.

Group update and Pillar results

Jeff Adams
Group Chief Executive Officer



Adapted to COVID-19 challenges

- Metcash is extremely proud of how its employees, suppliers and customers have responded to the evolving COVID-19 restrictions and the unprecedented demand across all Pillars
- Pillars adapted to strictly follow COVID Safe work practices, while meeting elevated levels of demand from customers and continuing to deliver key MFuture strategic initiatives
- Key priorities during this period were:
 - Health and safety of employees and customers
 - Ensuring supply chain to independent network continued to operate efficiently
 - Maintaining financial strength to support the network and invest in growth
- The Group quickly adapted to the evolving working environment and restrictions
 - Non-warehouse employees working remotely
 - Additional investment in safety equipment and social distancing for warehouse workers
 - Major DCs have been fully operational throughout the period
 - Implemented Click & Deliver to service Hardware DIY customers in metro Melbourne
 - Contactless receiving and despatch implemented in DCs

Adapted to COVID-19 challenges continued

- Metcash invested to support the independent retail network
 - Launched online retail offering for both Food and Liquor
 - Successful transition to new DC in South Australia
 - Continued investment in MFuture initiatives despite more challenging work environment and COVID restrictions
 - Financial support to those retailers impacted by trading restrictions
 - Incurred higher operating costs during the period to strictly follow COVID Safe work practices
- There continues to be a significant change in shopping behaviours with more customers shopping 'local'

Group highlights

- Significant growth in sales volumes across all Pillars
- Strong earnings growth with underlying Group EBIT up 30.4% to \$203.0m
- Group revenue increased 12.2% to \$7.1bn and 12.3% to \$8.1bn including charge-through sales
- Strong sales growth underpinned by investment in MFuture initiatives
 - Food – move to ‘shop local’ and the improved competitiveness of retailers resulted in an increase in both foot traffic and average basket size
 - Liquor – high levels of demand across the retail stores more than offset the adverse impact of trading restrictions on ‘on-premise’ customers
 - Hardware – elevated demand from DIY customers and a return to growth in Trade
- Underlying profit after tax increased 43.0% to \$129.6m
- Statutory profit after tax of \$125.1m (1H20: Loss of \$151.6m¹)
- Strong cash generation and efficient management of working capital
- Positive operating leverage supported through efficient management of costs while investing in COVID Safe work practices
- COVID related costs have been well managed and were ~\$8m in 1H21
- Continued investment in growth opportunities, including the acquisition of Total Tools (‘TTH’) and the Kollaras private label business
- Sales momentum has continued into 2H21 with strong growth in first five weeks
- Increase in interim dividend to [8.0] cents per share (1H20: 6.0 cents)



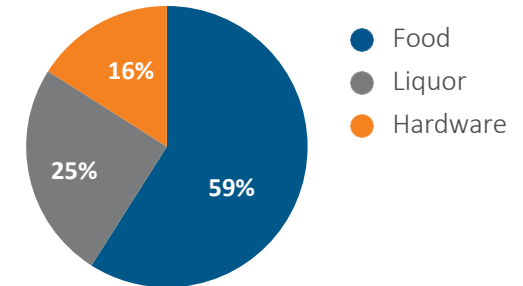
Strong earnings leverage – Revenue ↑ 12.3%; Earnings ↑ 30.4%

¹ Statutory loss after tax in 1H20 includes an impairment of goodwill and other assets of \$237.4m (post tax)

Results overview by pillar

	1H21 \$m	1H20 \$m	Change %
Sales revenue (including charge-through sales)			
Food	4,795.9	4,381.1	9.5%
Liquor	2,039.1	1,784.2	14.3%
Hardware	1,258.9	1,044.2	20.6%
Total sales revenue (including charge-through sales)	8,093.9	7,209.5	12.3%
Less: Charge-through sales	(1,034.2)	(919.7)	12.4%
Total sales revenue (Statutory Accounts)	7,059.7	6,289.8	12.2%

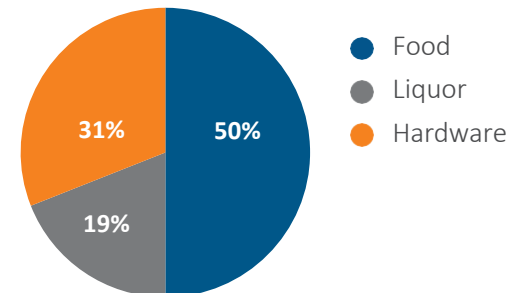
Sales revenue* (%)



*including charge-through sales¹

	1H21 \$m	1H20 \$m	Change %
Underlying EBIT			
Food	103.0	88.4	16.5%
Liquor	40.1	30.7	30.6%
Hardware	64.5	38.9	65.8%
Business Pillars	207.6	158.0	31.4%
Corporate	(4.6)	(2.3)	
Total EBIT	203.0	155.7	30.4%

Underlying EBIT(%)



1. Direct sales from suppliers to retailers, invoiced through Metcash

Food – sales

- Total Food sales (including charge-through) up 9.5% to \$4.8bn (+16.3% ex-Drakes¹ and 7-Eleven impact²)
- Supermarkets sales increased 14.6% to \$4.1bn (+18.3% ex-Drakes¹)
- Supermarket sales ex-tobacco increased 13.0% (+16.7% ex-Drakes¹)
- Key drivers of higher Supermarket sales:
 - Change in consumer behaviour continued to benefit network
 - More home cooking
 - Preference for local neighbourhood shopping
 - Success of MFuture in assisting retention of new and returning IGA customers
 - Transaction and basket size growth
 - Price inflation³ 2.1% (1H20: -0.1%)
- Strong growth in all states, particularly Victoria which can be partly attributed to stricter COVID restrictions
- Market share gains in the IGA retail network with LfL⁴ sales up +16.4%
- Teamwork score increased 50bps to 74.3% supported by growing range and new and returning suppliers being serviced through DCs (Monassen, Twisted Sister, Freedom Foods, L'Oreal)
- Net positive store openings (10 opened, 8 closed)⁵
- Convenience sales decreased 14.3% (ex 7-Eleven² +5.2%) with increased demand in rural and remote areas

	1H21 \$m	1H20 \$m	Change %
Revenue (including charge-through)			
Supermarkets	4,123.2	3,596.5	14.6%
Convenience ²	672.7	784.6	(14.3%)
Total revenue (including charge-through)	4,795.9	4,381.1	9.5%
Charge-through sales	(531.0)	(472.2)	12.5%
Total revenue as per Statutory Accounts	4,264.9	3,908.9	9.1%



IGA Rundle Mall, SA

1. Metcash ceased to supply Drakes in SA from 30 September 2019. Sales growth has been calculated by removing Drakes sales from the prior period 1 May 2019 to 30 September 2019
 2. The previous supply agreement with 7-Eleven concluded on 17 August 2020. Sales growth has been calculated by removing 7-Eleven sales from the prior period 18 August 2019 to 31 October 2019
 3. Excludes tobacco and produce
 4. Scan data from 1,144 stores
 5. Excludes store transfers in and out of banner group

Food – EBIT

- Total Food EBIT increased \$14.6m or 16.5% to \$103.0m
 - Strong growth in sales volumes
 - Higher contribution from joint venture stores
 - There was no benefit from resolution of onerous leases in 1H21 (1H20: benefit of ~\$6m)
- Strong EBIT growth achieved despite:
 - 1H20 including 5 months of sales to Drakes in SA versus no sales in 1H21
 - 1H21 only included ~3.5 months of 7-Eleven sales as the previous supply agreement with 7-Eleven ended on 17 August 2020
- While the Pillar has strictly followed COVID Safe working practices, the impact of those additional operating costs was not material
- Continued focus on operating costs helped offset the impact of cost inflation
- EBIT margin improved 10bps to 2.1% reflecting the positive operating leverage from higher sales volumes

	1H21 \$m	1H20 \$m	Change %
Total revenue ¹ (including charge-through)	4,795.9	4,381.1	9.5%
EBIT	103.0	88.4	16.5%
EBIT margin ²	2.1%	2.0%	10bps



Ritchies IGA, Rowville, VIC

1. Total revenue includes charge-through sales of \$531.0m (1H20: \$472.2m)
 2. EBIT margin: EBIT / Total revenue (including charge-through)

Food - MFuture initiatives



Store clarity

- New IGA brands and channel standards developed with retailer support
- First SupaValu large format store (Doonside, NSW) performing well. Second SupaValu store to open in Ballina, NSW in 2H21
- Increased marketing investment to further strengthen IGA brand presence



Store network

- Further strengthening of network underpinned by strong sales growth
- Positioned to continue benefiting from preference for shopping locally
- Retailers continuing to invest in stores through DSA program
 - Further 48 stores upgraded in 1H21 despite COVID restrictions, bringing total upgraded to 539
 - Average retail sales growth >15% ex benefit from COVID-19
 - Strong pipeline of stores to undergo DSA program with ~40% of network upgraded



Private label

- Community Co continues to be well supported by retailers and customers
- Increased investment to further accelerate growth opportunities
- Focus on value range to support customers adversely impacted by COVID-19
- New 'Discounter' range added in 1H21



Low cost operator

- New Distribution Centre in SA operational in Dec. 20 despite COVID-19 challenges
- New and re-entering suppliers supporting drive to be low cost distributor
- Continued focus on warehouse efficiency and cost-out initiatives
- Additional costs associated with COVID-19 not material in 1H21

Liquor – sales

- Total sales (including charge-through) increased 14.3% to \$2.0bn reflecting:
 - Strong demand in retail network, more than offset:
 - Adverse impact of COVID-19 trading restrictions on 'on-premise' customers
- Sales to IBA retail banner group increased 24.1%, with strong growth in Cellarbrations, The Bottle-O and IGA Liquor
 - Increased preference for local neighbourhood shopping
 - Home consumption substituting 'on-premise' consumption
 - Less overseas travel and duty-free shopping
 - Increase in the number of transactions and basket size
- Strong growth in IBA retail banner group with LfL¹ sales increasing 27%
- Percentage of sales through IBA bannered network ~51%
- 'On-premise' customers at various stages of recovery from trading restrictions
- Container Deposit Scheme in WA commenced on 1 October 2020

	1H21 \$m	1H20 \$m	Change %
Total revenue as per Statutory Accounts	2,035.5	1,781.0	14.3%
Charge-through sales	3.6	3.2	12.5%
Total revenue (including charge-through)	2,039.1	1,784.2	14.3%



IGA Liquor, Strathfieldsaye, VIC

1. Based on scan data from 573 stores

Liquor – EBIT

- EBIT increased \$9.4m or 30.6% to \$40.1m
 - Contribution from strong sales growth
 - Costs continued to be well managed despite additional expenditure related to COVID-19
- EBIT margin increased to 2.0% reflecting the positive operating leverage from higher sales volumes

	1H21 \$m	1H20 \$m	Change %
Total revenue ¹ (including charge-through)	2,039.1	1,784.2	14.3%
EBIT	40.1	30.7	30.6%
EBIT margin ²	2.0%	1.7%	30bps



- Total revenue includes charge-through sales of \$3.6m (1H20: \$3.2m)
- EBIT margin: EBIT / Total revenue (including charge-through)

Liquor - MFuture initiatives



Digital

- Continued rollout of 'Shop My Local' online offer – launched April 2020
- Continued integration of new POS program with conversion of majority of network expected by end of FY21. Enables:
 - e-Commerce integration
 - Loyalty program
 - Data digitalisation
- Launched trial of Cellarbrations branded e-Commerce site in Victoria



Store network

- Strong focus on further improving network competitiveness (range, price, brand differentiation, store quality) to retain customers gained through COVID-19 period
- Continued investment in store refreshes and cool room upgrades
- Retailer confidence reflected in addition of 111 new stores in 1H21



On-premise

- 'On-premise' customers at various stages of recovery from COVID-19 restrictions
- Financial support provided to impacted customers delivering strong loyalty
- Private and exclusive label offer extended to 'on-premise' customers



Private & Exclusive label

- Developed and commenced execution of growth plan to leverage acquisition of Kollaras private label brand portfolio
- Focus on driving growth through increased quality, improved retailer margins and value for customers
- Manufacturing of Kollaras SKUs now under ALM stewardship
- Working with suppliers to expand portfolio of exclusive brands

Hardware – sales

- Total sales (including charge-through) increased 20.6% to \$1.3bn, with significant growth in DIY sales
- Excluding acquisitions¹, total sales increased 16.2%
- Strong DIY sales underpinned by:
 - Change in consumer behaviour related to COVID-19
 - Benefit from investment in MFuture initiatives
 - Strong performance from Sapphire stores
 - Loyalty membership up 13% to 1.15m
 - Significant growth in online sales (+104%)
 - Transactions up 26%, average basket size up 13%
- Retail LfL sales² increased 13.2% (DIY +35%, Trade +4%)
- Higher margin DIY sales increased to ~40% of sales mix (1H20: ~36%)
- Growth in Trade sales supported by Government stimulus and renovation activity
- Significant uplift in teamwork score through success of ‘shopper led range’ with HTH now >70%

	1H21 \$m	1H20 \$m	Change %
Total revenue as per Statutory Accounts	759.3	599.9	26.6%
Charge-through sales	499.6	444.3	12.4%
Total revenue (including charge-through)	1,258.9	1,044.2	20.6%



Mitre 10 Versatile, WA

1. Acquisitions include Total Tools Holdings and in FY20 G.Gay & Co, Keith Timber and Wormersley's

2. Based on scan data from 233 independent retail and corporate/JV stores (represents >50% of sales)

Hardware – EBIT

- EBIT increased \$25.6m or 65.8% to \$64.5m, reflecting:
 - Significant increase in sales volumes
 - Increased weighting of higher margin DIY in sales mix
 - Acquisitions¹ contributed \$8.5m to earnings (TTH Sept/Oct of \$4.8m)
 - Increased contribution from joint ventures / company-owned stores
 - Costs well managed
- Increase in IHG wholesale EBIT margin to 3.2% reflecting higher proportion of DIY in sales mix (1H20: 2.9%)
- Total IHG EBIT margin 5.1%

	1H21 \$m	1H20 \$m	Change %
Total revenue ² (including charge-through)	1,258.9	1,044.2	20.6%
EBIT	64.5	38.9	65.8%
EBIT margin ³	5.1%	3.7%	140bps



TM&H Mitre 10 MOE, VIC

- Acquisitions include Total Tools Holdings and in FY20 G.Gay & Co, Keith Timber and Wormersley's
- Total revenue includes charge-through sales of \$499.6m (1H20: \$444.3m)
- EBIT margin: EBIT/Total revenue (including charge-through)

Hardware - MFuture initiatives



Sapphire Program

- Modernises store look, delivers greater range and space to growing consumer categories
- Expected to complete a further 40 stores in FY21 to bring total Sapphire stores to 130
- Targeting ~200 stores completed by end of 2022
- Average retail sales uplift following store upgrade >17%
- Strategy in place for retailer retention of customers gained through COVID-19



Build Trade

- Total Tools acquisition – largest professional tool retail network in Australia
- On track for 40 'Trade only' stores by 2022 with 20 completed to date
- Continued to progress 'Whole of House' strategy with new supply and install partners added in 1H21
- Accelerating Trade technology rollout to add value for builder and support 'Whole of House' strategy



Grow retail network

- Company-owned retail network core to ensuring a strong independent model
- Two acquisitions (three sites) in 1H21 (Brennan's in NSW and Finlayson's in QLD)
- Retail network of 102 stores
- Retail store network contributed ~40% of total sales in 1H21 and represents ~15% of store network



Digital & Trade technology

- Click & Deliver added to Click & Collect offer in VIC and TAS. Nation-wide rollout to be completed in 2H21
- Loyalty program expanded to enable customers to earn and redeem points at any network store. Rollout in 2H21
- New Trade website launched
 - Highlights strength and heritage in Trade
 - Provides platform for all Trade technology
 - Delivers greater efficiencies for Trade customers
- Total SKUs available online increased to ~16,000 (FY20: ~14,000)

New distribution centre in SA

- Opened new 68,000m² purpose built DC at Gepps Cross in December 2020 despite COVID-19 related challenges
- Replaces aged, range constrained and inefficient existing facility and unlocks potential for higher teamwork scores and greater efficiencies for the retail network in South Australia
- Facility accommodates dry grocery, perishables, freezer and liquor in one DC
- Supplies over 200 independent supermarkets in SA & NT including Foodland and IGA brands
- Awarded '5 star' Green rating
- Features 2,500 solar panels capable of powering chilled operations
- Utilises new safety equipment such as 'A safe' barriers and 'wheel lock' docking systems to ensure segregation of pedestrians, assets and MHE across the site
- Long term lease of 15 years
- Metcash capital investment of ~\$15m – mainly racking, shelving and IT



Profit & Loss

	1H21 \$m	1H20 \$m	Change %
Sales revenue	7,059.7	6,289.8	12.2%
EBITDA	280.9	234.7	19.7%
Depreciation and amortisation	(77.9)	(79.0)	1.4%
EBIT	203.0	155.7	30.4%
Net finance costs	(21.3)	(27.0)	21.1%
Profit before tax and NCI	181.7	128.7	41.2%
Tax	(51.7)	(37.6)	37.5%
Non-controlling interests	(0.4)	(0.5)	-
Underlying profit after tax	129.6	90.6	43.0%
Future restructure costs (post tax)	(1.2)	(4.8)	-
Total Tools acquisition costs (post tax)	(3.3)	-	-
Impairment of goodwill and other assets (post tax)	-	(237.4)	-
Reported profit/(loss) after tax	125.1	(151.6)	-
EPS based on underlying profit after tax	12.7c	10.0c	27.0%
ROFE ¹	30.4%	26.1%	430bps

1. ROFE based on underlying EBIT (calculated on a rolling 12 months basis from 1 November 2019 to 31 October 2020) and the average of opening and closing funds employed.

Cashflows

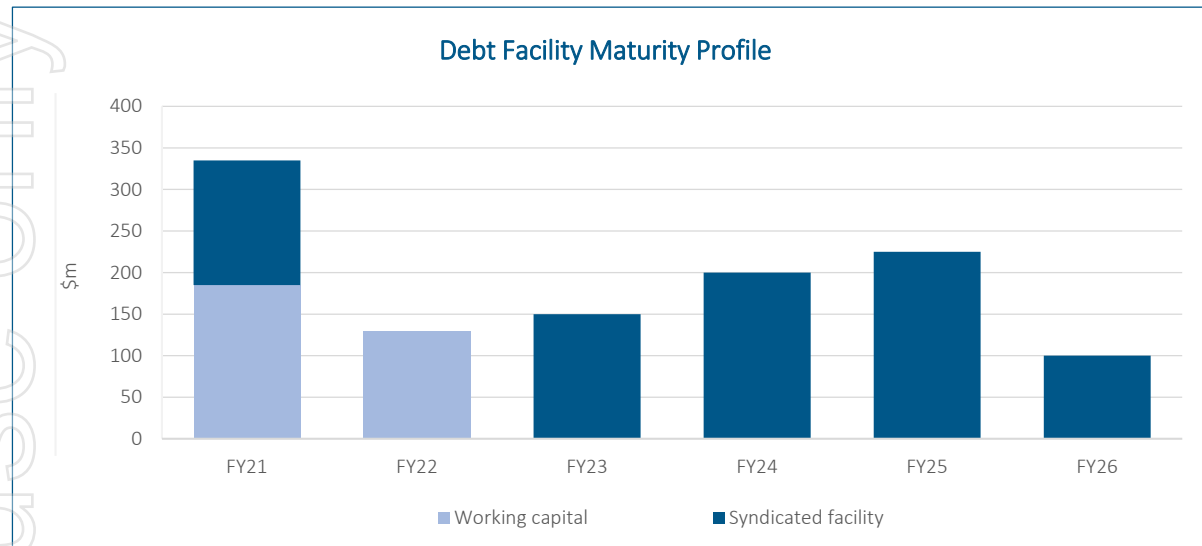
	1H21 \$m	1H20 \$m
Net cash from operating activities	314.9	88.8
Net cash used in investing activities	(102.1)	(29.8)
Capital expenditure	(30.4)	(30.5)
Acquisitions of businesses	(101.1)	(23.2)
Receipts from subleases	22.2	21.4
Proceeds from sale of assets/businesses and net loan movements	7.2	2.5
Dividends paid	(66.5)	(63.6)
Payments for lease liabilities	(70.1)	(50.9)
Proceeds from equity raising	13.5	-
Other financing activities	(3.9)	(4.3)
Reduction / (increase) in net debt	85.8	(59.8)
Cash realisation ratio (CRR) ¹	151.8%	52.4%

¹ Cash realisation ratio (CRR) = Cash flow from operations/underlying NPATDA (depreciation and amortisation not tax effected)

Balance Sheet

	31 October 2020 \$m	30 April 2020 \$m	31 October 2019 \$m
Trade receivables and prepayments	1,660.9	1,559.0	1,526.2
Inventories	1,109.1	1,032.2	1,061.0
Trade payables and provisions	(2,445.5)	(2,181.9)	(2,333.6)
Net working capital	324.5	409.3	253.6
Intangible assets	666.7	581.8	586.4
Property, plant and equipment	217.1	214.0	204.9
Equity accounted investments	76.9	77.6	78.4
Customer loans and assets held for sale	48.1	56.3	61.2
Capital investments	1,008.8	929.7	930.9
Total funds employed	1,333.3	1,339.0	1,184.5
Lease receivables	275.0	292.7	288.1
Right-of-use assets	471.0	485.4	517.2
Lease provisions	(56.1)	(58.1)	(71.6)
Lease liabilities	(856.9)	(886.1)	(904.5)
Lease balances	(167.0)	(166.1)	(170.8)
Net cash/(debt)	172.5	86.7	(95.3)
Tax, put options and derivatives	30.3	112.0	110.4
Net Assets / Equity	1,369.1	1,371.6	1,028.8

Net debt/cash



- Net cash of \$172.5m (FY20: \$86.7m)
- Average net cash of \$57m (FY20: Average net debt ~\$345m)
- Refinanced \$225m of debt facilities due to mature August 2021. Maturity of new facilities: September 2024 (\$125m) and September 2025 (\$100m)
- Cancelled \$150m of syndicated debt facilities in November 2020
- Average tenor of debt facilities 2.0 years
- Balanced debt maturity profile

	1H21 \$m	FY20 \$m
Net debt		
Gross debt	-	(188.4)
Cash and cash equivalents	172.5	275.1
Net cash	172.5	86.7

Debt metrics and ratios

Weighted average maturity of debt facilities	2.0 years	1.8 years
Weighted average cost of debt ¹	2.5%	2.8%
% Fixed debt	-	68%
Interest coverage ²	32.1x	25.9x
Gearing ratio ³	NA	NA
Underlying EBITDAR coverage ⁴	4.1x	3.8x
Gross debt coverage ⁵	-	0.5x

1. Weighted average cost of debt over the period (excludes line fees)

2. Underlying EBITDA/Net Interest Expense (pre AASB16)

3. Net Debt/(Shareholders Equity + Net Debt)

4. Underlying EBITDAR/(Net Interest Expense + Net Rent Expense) (pre AASB16)

5. Gross Debt/Underlying EBITDA (pre AASB16)

Total Tools

- Acquisition of 70% stake in Total Tools Holdings ('TTH') completed 1 September 2020
- Purchase price ~\$57m based on normalised earnings excluding COVID-19 related uplift
- 1H21 includes two months trading from TTH
 - Sales of \$18.6m and EBIT of \$4.8m
- Network at end of 1H21 comprised 84 independently owned stores and 2 company-owned stores
- \$40m debt facility will be utilised to acquire an ownership interest in select stores
 - Post the half year TTH acquired 4 independent stores with ownership interest of 60%
 - A further 8 independent stores expected to be acquired by end of CY20
- Put and call options are in place to acquire remaining minority interest in both TTH and company-owned stores
- Operational and merchandise synergies expected in 2H21
- Mark Laidlaw, former Hardware CEO, appointed as Chair of TTH Board
- Brad Soller, retiring Metcash Group CFO, to remain on TTH Board
- Paul Dumbrell to continue as TTH CEO

Accounting

- Metcash will consolidate 100% of TTH earnings, notwithstanding its 70% ownership. TTH will consolidate 100% of its majority-owned independent stores
- A put option liability of \$68.9m has been recognised based on the expected purchase consideration to acquire the remaining 30% ownership, exercisable from late 2023
- The put option liability will be remeasured to fair value each half year
- TTH sales revenue only includes franchise fees, sales of owned brand products and sales by corporate retail stores

Dividend

- FY21 interim dividend of 8.0 cents per share, fully franked (1H20: 6.0 cents)
 - Ex-dividend date: 22 December 2020
 - Record date: 23 December 2020
 - Payment date: 29 January 2021
- Dividend payout ratio ~60% of underlying profit after tax for 1H21, in line with current policy

Group outlook



Outlook

Group

- Strong start to 2H21 with sales momentum continuing in all Pillars in the first five weeks of 2H21
- Subject to an adverse change in government restrictions, trading is expected to benefit from more people travelling domestically over the Christmas/New Year period and our retail network's strong representation in regional/rural areas
- 2H21 will cycle the negative impact of bushfires in 2H20
- 2H21 however, includes the cycling of significantly higher sales volumes in the Food and Hardware pillars in March and April 2020

Food

- Food sales in the first five weeks of 2H21 up 2.4% (+12.1% ex 7-Eleven impact¹), with Supermarkets sales up 12.1% (+8.4% ex-tobacco)
- 2H21 will be negatively impacted by the previous supply agreement to 7-Eleven that concluded in August 2020
- MFuture initiatives are expected to further improve the competitiveness of the retail network and assist in the retention of new and returning customers gained through the COVID-19 period
- Continued strong focus on costs to help offset the impact of inflation and other cost pressures, including those related to COVID Safe work practices

1. The previous supply agreement with 7-Eleven concluded on 17 August 2020. Sales growth has been calculated by removing 7-Eleven sales from the prior period 1 November 2019 to 29 November 2019

Outlook

Liquor

- Liquor sales in the first five weeks of 2H21 up 16.9% with continued elevated demand in the retail network more than offsetting the adverse impact of COVID-19 restrictions on 'on-premise' customers. 'On-premise' customers have started to recover in States with easing restrictions
- Sales to the IBA retail banner group in the first five weeks increased 22.6%
- Focus on progressing the MFuture initiatives, particularly private label and online while continuing to support customers adversely impacted by COVID-19 restrictions

Hardware

- Hardware sales in the first five weeks up 25.3% (+19.3% ex-TTH) with sustained strong demand in DIY and Trade sales continuing to track positively
- Continuing to focus on progressing the MFuture growth initiatives across Trade, DIY and digital and retaining customers gained through COVID-19 period
- 2H21 includes a full six months of Total Tools trading, including the 4 stores acquired and anticipated acquisition of a majority interest in a further 8 stores

COVID-19

- There continues to be a high level of uncertainty as to the potential impact on our businesses of any changes to COVID-19 related restrictions and resulting changes in consumer behaviour

Appendices

- 1 Financial history
- 2 Bannered store numbers



1. Financial history

	1H21	1H20	1H19 ¹	1H18 ¹	1H17 ¹	1H16 ¹
Financial Performance						
Sales revenue (\$m)	7,059.7	6,289.8	6,189.2	6,054.8	5,743.7	5,698.5
EBIT (\$m)	203.0	155.7	158.1	156.3	132.1	140.7
Net finance costs (\$m)	(21.3)	(27.0)	(14.5)	(15.2)	(16.9)	(19.8)
Underlying profit after tax (\$m)	129.6	90.6	100.3	99.1	82.8	86.9
Reported profit/(loss) after tax (\$m)	125.1	(151.6)	95.8	93.0	74.9	122.0
Operating cash flows (\$m)	314.9	88.8	120.3	161.4	130.6	3.1
Cash realisation ratio ² (%)	151.8%	52.4%	93.7%	127.3%	114.2%	2.6%
Financial Position						
Shareholder's equity (\$m)	1,369.1	1,028.8	1,212.8	1,633.9	1,538.4	1,275.2
Net cash/(debt) (\$m)	172.5	(95.3)	(85.2)	14.0	(197.6)	(435.3)
Gearing ratio ³ (%)	NA	8.5%	6.6%	-	11.4%	25.4%
Return on funds employed ⁴ (%)	30.4%	26.1%	24.9%	21.4%	17.0%	14.4%
Share Statistics						
Fully paid ordinary shares (m)	1,022.4	909.3	909.3	975.6	975.6	928.4
Weighted average ordinary shares (m)	1,021.5	909.3	947.9	975.6	941.3	928.4
Underlying earnings per share (cents)	12.7	10.0	10.6	10.2	8.8	9.4
Reported earnings/(loss) per share (cents)	12.2	(16.7)	10.1	9.5	8.0	13.1
Dividends declared per share (cents)	8.0	6.0	6.5	6.0	—	—

1. 1H16 to 1H19 financials are reported on a pre-AASB16 basis

2. Cash flows from operations / Underlying NPAT + Depreciation and Amortisation (depreciation and amortisation not tax effected)

3. Net Debt / (Shareholders' Equity + Net Debt)

4. Underlying EBIT (calculated on a rolling 12 month basis from 1 November 2019 to 31 October 2020) / Average Funds employed

2. Bannered store numbers

	October 2020	April 2020
Pillar		
Supermarkets	1,612	1,623
Campbells	16	16
Liquor	2,790	2,679
Hardware	730	650
Total	5,148	4,968

	Supermarkets	Campbells	Liquor	Hardware	Total
Store movement					
Number of stores at April 2020	1,623	16	2,679	650	4,968
Stores opened / joined banner group during the period	30	-	319	90	439
Stores closed / left banner group during the period	(41)	-	(208)	(10)	(259)
Number of stores at October 2020	1,612	16	2,790	730	5,148

2. Bannered store numbers

	October 2020	April 2020
Supermarkets		
Supa IGA	324	323
IGA	785	789
IGA-Xpress	221	225
Total IGA bannered stores	1,330	1,337
Friendly Grocer/Eziway	282	286
Total Supermarkets	1,612	1,623
Liquor		
Cellarbrations	553	543
Bottle-O & Bottle-O Neighbourhood	248	232
IGA Liquor	474	471
Porters	27	26
Thirsty Camel (NSW/ACT, QLD, TAS, SA/NT)	152	141
Big Bargain	45	47
Other	1,291	1,219
Total Liquor	2,790	2,679
Hardware		
Mitre 10	330	321
Home Timber & Hardware	153	168
True Value Hardware and Thrifty-Link	161	161
Total Tools	86	NA
Total Hardware	730	650

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