

Consolidated Income Statement

FOR THE YEAR ENDED 31 DECEMBER 2019

Thousands of dollars	Note	2019	2018
Revenue	B1	22,307,079	21,731,342
Cost of goods sold – historical cost		(20,388,737)	(19,606,994)
Gross profit		1,918,342	2,124,348
Other income	B1	44,728	12,555
Other expense		-	(17,291)
Net foreign exchange gain/(loss)		3,654	(14,173)
Selling and distribution expenses		(1,122,243)	(1,061,236)
General and administration expenses		(207,224)	(224,234)
Results from operating activities		637,257	819,969
Finance costs		(120,995)	(51,872)
Finance income		1,239	2,670
Net finance costs	B2	(119,756)	(49,202)
Share of net profit of entities accounted for using the equity method	F3.2	4,231	10,133
Profit before income tax expense		521,732	780,900
Income tax expense	E1	(137,913)	(219,310)
Net profit		383,819	561,590
Profit attributable to:			
Equity holders of the parent entity		382,763	560,416
Non-controlling interest		1,056	1,174
Net profit		383,819	561,590
Basic and diluted earnings per share:			
Historical cost – cents per share – basic	B4	151.3	214.9
Historical cost – cents per share – diluted	B4	151.1	214.9

The Consolidated Income Statement is to be read in conjunction with the notes to the financial statements.

Consolidated Statement of Comprehensive Income

FOR THE YEAR ENDED 31 DECEMBER 2019

Thousands of dollars	Note	2019	2018
Profit for the period		383,819	561,590
Other comprehensive income			
Items that will not be reclassified to income statement:			
Actuarial gain/(loss) on defined benefit plans		3,648	(2,793)
Tax on items that will not be reclassified to income statement	E2.2	(1,094)	838
Total items that will not be reclassified to income statement		2,554	(1,955)
Items that may be reclassified subsequently to income statement:			
Foreign operations – foreign currency translation differences		11,006	52,618
Net change in fair value of net investment hedges		(1,200)	(6,612)
Effective portion of changes in fair value of cash flow hedges		4,463	10,442
Net change in fair value of cash flow hedges reclassified to income statement		(10,541)	(12,337)
Tax on items that may be reclassified subsequently to income statement		2,150	2,026
Total items that may be reclassified subsequently to income statement		5,878	46,137
Other comprehensive income for the period, net of income tax		8,432	44,182
Total comprehensive income for the period		392,251	605,772
Attributable to:			
Equity holders of the parent entity		391,195	604,598
Non-controlling interest		1,056	1,174
Total comprehensive income for the period		392,251	605,772

The Consolidated Statement of Comprehensive Income is to be read in conjunction with the notes to the financial statements.

Consolidated Balance Sheet

AS AT YEAR ENDED 31 DECEMBER 2019

Thousands of dollars	Note	2019	2018
Current assets			
Cash and cash equivalents		35,015	6,142
Receivables	C1	1,479,240	1,184,025
Inventories	C2	2,109,505	1,616,125
Other		34,234	65,293
Total current assets		3,657,994	2,871,585
Non-current assets			
Receivables	C1	8,709	8,081
Investments accounted for using the equity method	F3	154,902	147,442
Intangibles	C3	573,199	554,219
Property, plant and equipment	C4	3,702,452	2,889,863
Deferred tax assets	E2	177,758	184,160
Employee benefits	C7	3,988	1,721
Other		68,038	70,552
Total non-current assets		4,689,046	3,856,038
Total assets		8,347,040	6,727,623
Current liabilities			
Payables	C5	2,732,577	1,827,169
Interest-bearing liabilities	D1	221,460	150,421
Current tax liabilities		118,755	65,708
Employee benefits	C7	50,507	85,639
Provisions	C6	88,716	65,257
Total current liabilities		3,212,015	2,194,194
Non-current liabilities			
Payables	C5	21,325	41,686
Interest-bearing liabilities	D1	1,559,264	810,914
Employee benefits	C7	40,493	39,667
Provisions	C6	243,420	252,098
Total non-current liabilities		1,864,502	1,144,365
Total liabilities		5,076,517	3,338,559
Net assets		3,270,523	3,389,064
Equity			
Issued capital	D6	502,626	524,944
Treasury stock		(1,968)	(2,462)
Reserves		19,331	11,168
Retained earnings		2,737,021	2,842,357
Total parent entity interest		3,257,010	3,376,007
Non-controlling interest		13,513	13,057
Total equity		3,270,523	3,389,064

The Consolidated Balance Sheet is to be read in conjunction with the notes to the financial statements.

Consolidated Statement of Changes in Equity

FOR THE YEAR ENDED 31 DECEMBER 2019

Thousands of dollars	Issued capital	Treasury stock	Foreign currency translation reserve	Hedging reserve	Equity compensation reserve	Retained earnings	Total	Non-controlling interest	Total equity
Balance at 1 January 2019	524,944	(2,462)	33,094	(1,065)	(20,861)	2,842,357	3,376,007	13,057	3,389,064
Adjustment – Adoption of AASB 16 ⁽ⁱ⁾	-	-	-	-	-	(13,814)	(13,814)	-	(13,814)
Restated balance at 1 January 2019	524,944	(2,462)	33,094	(1,065)	(20,861)	2,828,543	3,362,193	13,057	3,375,250
Total comprehensive income for the year									
Profit for the year	-	-	-	-	-	382,763	382,763	1,056	383,819
Total other comprehensive income	-	-	9,806	(3,928)	-	2,554	8,432	-	8,432
Total comprehensive income for the year	-	-	9,806	(3,928)	-	385,317	391,195	1,056	392,251
Own shares acquired net of tax	-	(4,293)	-	-	1,288	-	(3,005)	-	(3,005)
Shares vested to employees	-	4,787	-	-	(4,787)	-	-	-	-
Expense on equity settled transactions	-	-	-	-	5,784	-	5,784	-	5,784
Shares bought back ⁽ⁱⁱ⁾	(22,318)	-	-	-	-	(237,839)	(260,157)	-	(260,157)
Dividends to shareholders	-	-	-	-	-	(239,000)	(239,000)	(600)	(239,600)
Balance at 31 December 2019	502,626	(1,968)	42,900	(4,993)	(18,576)	2,737,021	3,257,010	13,513	3,270,523
Balance at 1 January 2018	524,944	(1,210)	(12,912)	(1,196)	(25,403)	2,610,195	3,094,418	13,483	3,107,901
Adjustment – Adoption of AASB 15	-	-	-	-	-	(18,542)	(18,542)	-	(18,542)
Restated balance at 1 January 2018	524,944	(1,210)	(12,912)	(1,196)	(25,403)	2,591,653	3,075,876	13,483	3,089,359
Total comprehensive income for the year									
Profit for the year	-	-	-	-	-	560,416	560,416	1,174	561,590
Total other comprehensive income	-	-	46,006	131	-	(1,955)	44,182	-	44,182
Total comprehensive income for the year	-	-	46,006	131	-	558,461	604,598	1,174	605,772
Own shares acquired net of tax	-	(1,586)	-	-	476	-	(1,110)	-	(1,110)
Shares vested to employees	-	334	-	-	(334)	-	-	-	-
Expense on equity settled transactions	-	-	-	-	4,400	-	4,400	-	4,400
Dividends to shareholders	-	-	-	-	-	(307,757)	(307,757)	(1,600)	(309,357)
Balance at 31 December 2018	524,944	(2,462)	33,094	(1,065)	(20,861)	2,842,357	3,376,007	13,057	3,389,064

(i) Refer to Note A4 for further information.

(ii) 11,103,572 shares were bought back during the year ended 31 December 2019.

The Consolidated Statement of Changes in Equity is to be read in conjunction with the notes to the financial statements.

Consolidated Cash Flow Statement

FOR THE YEAR ENDED 31 DECEMBER 2019

Thousands of dollars	Note	2019	2018
Cash flows from operating activities			
Receipts from customers		30,419,330	29,832,846
Payments to suppliers, employees and governments		(29,385,609)	(28,949,935)
Shares acquired for vesting employee benefits		(4,293)	(1,586)
Dividends and disbursements received		450	400
Interest received		1,341	2,622
Interest and other finance costs paid		(113,130)	(52,000)
Income taxes paid		(73,830)	(235,843)
Net operating cash inflows	G5.2	844,259	596,504
Cash flows from investing activities			
Purchase of investment in associate		-	(115,353)
Purchase of businesses, net of cash acquired		-	(1,174)
Purchases of property, plant and equipment		(184,259)	(253,954)
Major cyclical maintenance		(48,011)	(38,516)
Purchases of intangibles		(48,421)	(60,350)
Proceeds from sale of property, plant and equipment, net of selling costs		141,744	43,774
Net investing cash outflows		(138,947)	(425,573)
Cash flows from financing activities			
Proceeds from borrowings		10,486,353	7,465,193
Repayments of borrowings		(10,556,076)	(7,378,557)
Repayment of lease principal		(109,540)	(212)
Payments for shares bought back		(260,157)	-
Dividends paid to non-controlling interest		(600)	(1,600)
Dividends paid	B5	(239,000)	(307,757)
Net financing cash outflows		(679,020)	(222,933)
Net increase/(decrease) in cash and cash equivalents		26,292	(52,002)
Effect of exchange rate changes on cash and cash equivalents		2,581	13,623
Increase/(decrease) in cash and cash equivalents		28,873	(38,379)
Cash and cash equivalents at the beginning of the period		6,142	44,521
Cash and cash equivalents at the end of the period	G5.1	35,015	6,142

The Consolidated Cash Flow Statement is to be read in conjunction with the notes to the financial statements.