

Shoprite H1 diluted HEPS up 8.6% to 370.2c

Shoprite (SHP) has reported an 8.6% rise in diluted headline earnings per share to 370.2c in the six months to December from a year-earlier period.



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SA's largest retailer and sector bellwether said on Tuesday, 24 February 2015, that turnover rose 12.5% to R57.469bn while trading profit was up 11.6% to R3.003bn.

Shoprite's South African supermarket unit, its largest division, lifted turnover by 12% to R42.867bn. This in turn generated a trading profit of R2.456bn which is 12.4% higher from last year.

The retailer said consumers have benefited from lower fuel prices which, according to some sources, should release as much as R20bn into the market should fuel prices remain at the current level.

Turnover growth in the non-South African supermarkets was affected by weakening currencies against the dollar, the sale of the Tanzanian operation and by the fire in Palanca, Angola.

An interim dividend of 143c was declared, up 8.3% from a year-earlier period.

Shoprite said its biggest concern moving into the second half of the financial year centred on Eskom's erratic load-shedding.

"It is not only influencing shopping patterns, but is also forcing businesses into substantial additional costs to provide their own back-up power systems."

Source: BDpro via I-Net Bridge

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