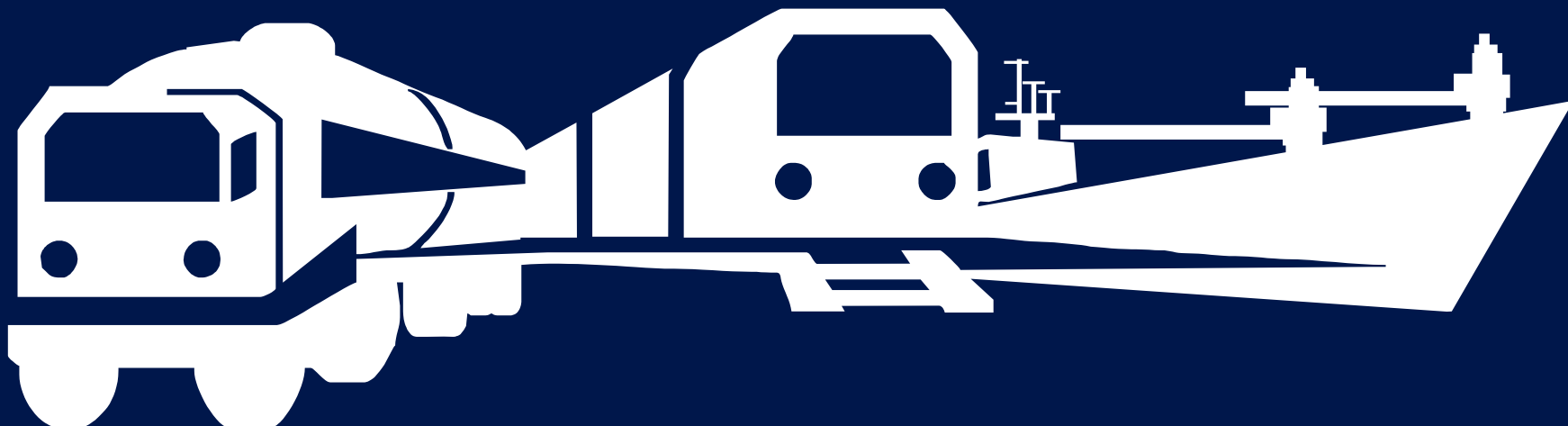




# **GRINDROD LIMITED**

UPDATED  
ADDITIONAL INFORMATION  
FOR ANALYSTS

for the year ended 31 December 2014



# MANAGEMENT SEGMENTAL BALANCE SHEETS AS AT 31 DECEMBER 2014



R000	FREIGHT SERVICES	SHIPPING	FINANCIAL SERVICES	GROUP	TOTAL GROUP
Fixed assets	3 378 133	6 913 272	187 143	64 940	10 543 488
Other assets	3 550 318	378 875	519 557	565 128	5 013 878
Current assets excluding cash	3 177 651	3 868 441	363 620	588 005	7 997 717
<b>TOTAL ASSETS</b>	<b>10 106 102</b>	<b>11 160 588</b>	<b>1 070 320</b>	<b>1 218 073</b>	<b>23 555 083</b>
Equity	5 945 280	5 492 472	653 035	4 659 521	16 750 308
Preference share capital	299 200	-	345 000	95 800	740 000
Net debt (including cash)	1 849 292	2 775 484	(133 953)	(3 574 571)	916 252
Non-current liabilities	116 055	79 243	51 758	63 012	310 068
Current liabilities	1 896 275	2 813 389	154 480	(25 689)	4 838 455
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>10 106 102</b>	<b>11 160 588</b>	<b>1 070 320</b>	<b>1 218 073</b>	<b>23 555 083</b>



## OTHER SEGMENTAL INFORMATION



R000	FREIGHT SERVICES	SHIPPING	FINANCIAL SERVICES	GROUP	SEGMENTAL ADJUSTMENTS	TOTAL GROUP
Depreciation and amortisation	321 538	411 492	3 809	15 847	(205 543)	547 143
Net interest	(58 700)	(27 667)	-	40 349	64 084	18 066
Preference dividend	23 893	-	20 028	15 173	-	59 094



# NET DEBT BREAKDOWN AS AT 31 DECEMBER 2014



R million	Including Financial Services	Excluding Financial Services
	Net Debt	Net Debt
Loans and advances to bank customers	4 307	-
Liquid assets and short-term negotiables	990	-
Short-term loans	156	156
Bank and cash	7 405	3 368
Recoverables on cancelled ships	301	301
Non-current assets held for sale	18	18
Long-term loans	(2 626)	(2 263)
Deposits from bank customers	(7 810)	-
Current portion of long-term loans	(1 574)	(652)
Short term borrowings and overdraft	(581)	(581)
Non-current liabilities held for sale	(43)	(431)
<b>Net debt</b>	<b>543</b>	<b>304</b>



# MANAGEMENT SEGMENTAL BALANCE SHEETS AS AT 31 DECEMBER 2013



R000	FREIGHT SERVICES	SHIPPING	FINANCIAL SERVICES	GROUP	TOTAL GROUP
Fixed assets	2 943 187	6 412 649	169 187	63 449	9 588 472
Other assets	2 646 986	261 213	428 579	16 447	3 353 225
Current assets excluding cash	2 224 842	2 539 655	350 878	2 354 604	7 469 979
<b>TOTAL ASSETS</b>	<b>7 815 015</b>	<b>9 213 517</b>	<b>948 644</b>	<b>2 434 500</b>	<b>20 411 676</b>
Equity	4 587 006	5 084 491	605 055	1 120 239	11 396 791
Preference share capital	299 200	-	250 000	190 800	740 000
Net debt (including cash)	1 093 548	2 091 132	(47 886)	508 897	3 645 691
Non-current liabilities	123 638	43 087	20 082	31 476	218 283
Current liabilities	1 711 623	1 994 807	121 393	583 088	4 410 911
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>7 815 015</b>	<b>9 213 517</b>	<b>948 644</b>	<b>2 434 500</b>	<b>20 411 676</b>

\* Restated as Trading businesses have now been included in the Freight Services and Shipping divisions.



## OTHER SEGMENTAL INFORMATION 2013



R000	FREIGHT SERVICES	SHIPPING	FINANCIAL SERVICES	GROUP	SEGMENTAL ADJUSTMENTS	TOTAL GROUP
Depreciation and amortisation	262 718	344 236	1 682	9 688	(155 212)	463 112
Net interest	(82 869)	(63 753)	(7 635)	2 182	59 145	(92 930)
Preference dividend	22 141	-	18 700	14 513	-	55 354

\* Restated as Trading businesses have now been included in the Freight Services and Shipping divisions.



# NET DEBT BREAKDOWN AS AT 31 DECEMBER 2013



## Including Financial Services

R million	Net Debt
Loans and advances to bank customers	3 675
Liquid assets and short-term negotiables	1 044
Short-term loans	-
Bank and cash	6 076
Recoverables on cancelled ships	236
Non-current assets held for sale	393
Long-term loans	(3 056)
Deposits from bank customers	(8 015)
Current portion of long-term loans	(858)
Short term borrowings and overdraft	(429)
Non-current liabilities held for sale	(1 658)
Net debt	<b>(2 592)</b>





**Additional information for analysts - Segmental Income statement**  
for the twelve months ended 31 December 2014

# SEGMENTAL ANALYSIS



	Unaudited 31 December 2014 <sup>^</sup> R000	Audited 31 December 2013 <sup>^</sup> R000
<b>Revenue</b>		
Freight Services	5 653 512	5 853 538
Shipping	22 106 063	18 472 198
Financial Services	376 912	370 790
Group	4 580 465	7 438 466
Segmental adjustments**	32 716 952 (18 804 470)	32 134 992 (16 472 966)
Freight Services	(1 754 497)	(2 047 699)
Shipping	(17 049 551)	(14 422 037)
Financial Services	-	-
Group	(422)	(3 260)
	13 912 482	15 662 026
<b>Earnings before interest, taxation, depreciation and amortisation</b>		
Freight Services	1 053 611	1 175 217
Shipping	638 913	690 455
Financial Services	175 210	156 138
Group	(42 750)	(260 695)
Segmental adjustments**	1 824 984 (658 973)	1 761 115 (874 425)
Freight Services	(407 823)	(601 402)
Shipping	(251 791)	(272 052)
Financial Services	-	-
Group	641	(971)
	1 166 011	886 690
<b>Operating profit/(loss) before interest and taxation</b>		
Freight Services	732 073	912 499
Shipping	227 421	346 219
Financial Services	171 401	154 456
Group	(58 597)	(270 383)
Segmental adjustments**	1 072 298 (453 430)	1 142 791 (719 213)
Freight Services	(298 393)	(519 754)
Shipping	(155 882)	(198 681)
Financial Services	-	-
Group	845	(778)
	618 868	423 578
<b>Share of associate companies' profit/(loss) after taxation</b>		
Freight Services	79 538	30 625
Group	3 607	(7 275)
Segmental adjustments**	83 145	23 350
	-	-
	83 145	23 350
<b>Profit/(loss) attributable to ordinary shareholders</b>		
Freight Services	613 269	659 083
Shipping	223 765	852 384
Financial Services	111 979	92 254
Group	52 178	(426 549)
	1 001 191	1 177 172

<sup>^</sup> Trading businesses have now been included in the Freight Services and Shipping divisions.

\*\* Joint venture earnings are reviewed together with subsidiaries by the key decision maker. Segmental adjustments relating to joint ventures are necessary to reconcile to IFRS presentation.





**Additional information for analysts - Segmental Income statement**  
for the six months ended 30 June 2014

	Unaudited 30 June 2014 R000
<b>Revenue</b>	
Freight Services	2 569 792
Shipping	10 816 309
Financial Services	188 663
Group	3 690 849
Segmental adjustments**	17 265 613 (9 019 712)
Freight Services	(808 714)
Shipping	(8 210 998)
Financial Services	-
Group	-
	<b>8 245 901</b>
<b>Earnings before interest, taxation, depreciation and amortisation</b>	
Freight Services	544 991
Shipping	271 659
Financial Services	142 139
Group	(13 890)
Segmental adjustments**	944 899 (340 197)
Freight Services	(260 558)
Shipping	(79 639)
Financial Services	-
Group	-
	<b>604 702</b>
<b>Operating profit/(loss) before interest and taxation</b>	
Freight Services	395 489
Shipping	71 677
Financial Services	140 419
Group	(19 967)
Segmental adjustments**	587 618 (236 703)
Freight Services	(208 022)
Shipping	(28 681)
Financial Services	-
Group	-
	<b>350 915</b>
<b>Share of associate companies' profit/(loss) after taxation</b>	
Freight Services	19 431
Group	3 607
Segmental adjustments**	23 038 -
	<b>23 038</b>
<b>Profit/(loss) attributable to ordinary shareholders</b>	
Freight Services	470 434
Shipping	182 382
Financial Services	94 931
Group	(54 091)
	<b>693 656</b>

\*\* Joint venture earnings are reviewed together with subsidiaries by the key decision maker. Segmental adjustments relating to joint ventures are necessary to reconcile to IFRS presentation.

## FREIGHT SERVICES CONTRIBUTION BY BUSINESS UNIT



Please note that these KPIs are as per Management Structure (JV's proportionally consolidated line by line and e.g. revenue will be higher than revenue in the legal structure (where JVs are added as a one line item )

Freight Services	2014	2013
Revenue	5 654	5 854
EBITDA	1 054	1 175
Operating income	732	913
Attributable income	613	659
Operating Margins	13%	16%

Port, Terminals and Rail	2014	2013
Revenue	2 905	2 398
EBITDA	778	847
Operating income	624	733
Earnings before NTI <sup>1</sup>	402	488
Attributable income	569	551
Operating margin	22%	31%

Logistics	2014	2013
Revenue	2 749	3 456
EBITDA	276	328
Operating income	108	180
Earnings before NTI <sup>1</sup>	92	103
Attributable income	44	108
Operating margin	4%	5%

<sup>1</sup>Earnings before non-trading items (NTI)



# FLEET OVERVIEW (OWNED AND LONG-TERM CHARTERED SHIPS)



Contracted in at 31.12.2014		Bulk carriers			Tankers		Total
		Handysize	Supramax	Capesize	Medium-range	Small	
2015	Number (average)	15,9	4,6	2,0	9,5	4,5	36,5
	Cost (US\$/day)	10 000	12 900	21 900	14 600	12 800	12 600
2016	Number (average)	15,8	7,7	2,0	9,5	4,5	39,5
	Cost (US\$/day)	10 100	12 700	21 800	14 900	13 000	12 700
2017	Number (average)	15,5	9,0	1,7	9,5	4,5	40,2
	Cost (US\$/day)	10 500	12 800	22 300	15 200	13 300	12 900
<b>Current fleet</b>		<b>16,5</b>	<b>3,0</b>	<b>2,0</b>	<b>9,5</b>	<b>4,5</b>	<b>35,5</b>
<b>Net number of ships to deliver</b>							
	2015	-	3,0	-	-	-	3,0
	2016	(1,0)	3,0	-	-	-	2,0
	2017	-	-	(1,0)	-	-	(1,0)
<b>Fleet at end of 2017</b>		<b>15,5</b>	<b>9,0</b>	<b>1,0</b>	<b>9,5</b>	<b>4,5</b>	<b>39,5</b>

Charter option extensions and purchase options on 1 handysize bulk carrier and 1 capesize bulk carrier are not included in the above numbers as they are not contracted.



# CONTRACT COVER



Contracted out at 31.12.2014		Bulk carriers			Tankers		Total
		Handysize	Supramax	Capesize	Medium-range	Small	
2015	Number (average)	2,8	4,7	1,0	2,7	1,8	13,0
	Revenue (US\$/day)	7 500	11 900	49 200	17 500	10 200	14 800
2016	Number (average)	1,5	5,8	-	0,5	-	7,8
	Revenue (US\$/day)	8 600	12 100	-	14 400	-	11 600
2017	Number (average)	0,7	4,2	-	-	-	4,9
	Revenue (US\$/day)	8 600	11 800	-	-	-	11 400

Contract profits	% of fleet fixed	Charters (US\$ million)	Ship sales (US\$ million)	Total
2015	38	7,6	1,1	8,7
2016	22	(1,3)	-	(1,3)
2017	13	(1,4)	-	(1,4)

Note: Variable volume contracts have been included at forecast volumes.



# ANALYSIS OF 2014 EARNINGS : SHIPPING



	Bulk carriers			Tankers			2014	2013	%
	Handysize	Supramax	Capesize	Medium-range	Small	Chemical	Total	Total	
Average number of owned/long-term chartered ships	16,5	1,2	2,4	9,8	4,5	1,0	35,4	35,4	-
Average daily revenue (US\$)	8 600	8 800	25 500	13 100	9 200	18 800	11 300	12 100	(7)
Average daily cost (US\$)	10 000	15 400	22 600	14 000	12 600	17 200	12 600	13 000	(3)
Profit (US\$ million)	<b>(8,7)</b>	<b>(2,8)</b>	<b>2,6</b>	<b>(3,1)</b>	<b>(5,7)</b>	<b>0,5</b>	<b>(17,2)</b>	<b>(10,7)</b>	<b>(61)</b>
<i>(US\$ million)</i>									
				Profit from ship operating activities			24	24	-
					Marine fuels		6	8	(25)
				Profit from ship sales/charter terminations			19	24	(21)
					Overheads		(23)	(24)	4
					Profit share on earnings		(1)	(2)	50
					Funding costs/taxation		8	2	300
					Foreign exchange		2	5	(60)
				Profit before FCTR's/Revaluations/Impairments			18	26	(31)
				Profit on revaluation of Carbon business			11	-	100
					Release of FCTR's		-	62	(100)
					Impairments		(8)	-	(100)
							21	88	(76)



# ANALYSIS OF 2014 REVENUE : SHIPPING



	2014							2013	
	MR Tankers	Chemical	Small	Handysize	Panamax	Capesize	Handymax	Total Tankers and Drybulk R000	Total Tankers and Drybulk R000
Average no. of owned/long-term ships	9.80	1.00	4.50	16.50	-	2.40	1.20		
Average daily revenue (US\$)	13 100	18 800	9 200	8 600	-	25 500	8 800		
Days	365	365	365	365	365	365	365		
Average exchange rate	10.88	10.88	10.88	10.88	10.88	10.88	10.88		
ZAR	510	75	164	564	-	243	42	1 598	1 486
Ship operating revenue								3 010	2 498
Ship sales								366	306
Other revenue adjustments								614	342
Marine fuels								16 518	13 839
Total Shipping revenue								22 106	18 472

