First dividend

In the first reporting period, South32 re-
ported a 19 percent improve-
ment in earnings, rising to R6.25 billion from
R5.3 billion for the corresponding period last year.

The company declared an increase of 3.6 cents a share to sharehold-
ers, its first interim dividend of 85 percent of profits after tax.

Buoyed by the stronger coal and manganese prices, South32 lifted half-yearly underlying earnings from continuing operations to R4.79 billion (R3.6 billion) to continue the corresponding period last year.

Stronger coal and manganese prices have lifted South32’s half-year underlying earnings from continuing operations to R4.79 billion. In the corresponding period, the company reported a 19 percent improvement in earnings, rising to R6.25 billion from R5.3 billion for the same period last year.

At end-December, South32’s cash and cash equivalents were R45.1 billion, an increase of R14.1 billion from R30.9 billion at the end of June 2017. The company’s net cash position was R859 million, compared to R2.1 billion the previous year.

At end-December, South32’s net debt was R4.2 billion, compared to R5.3 billion at the end of June 2017. The company’s net debt-to-equity ratio was 30 percent, compared to 42 percent the previous year.

At December 31, South32 has a strong balance sheet with cash and cash equivalents of R45.1 billion, compared to R30.9 billion at the end of June 2017. The company’s net cash position was R859 million, compared to R2.1 billion the previous year.

At end-December, South32’s net debt was R4.2 billion, compared to R5.3 billion at the end of June 2017. The company’s net debt-to-equity ratio was 30 percent, compared to 42 percent the previous year.

The company declared an increase of 3.6 cents a share to shareholders, its first interim dividend of 85 percent of profits after tax.

South32 on opportunistic commodity rebranding trail

Half-year earnings reach R479m

Skonde Hlajambo

Eager to capitalise on a re-
bound in commodity prices, South32 South Africa Billiton spin-off mining company wants to “opportunist-
ically” boost manganese output, which it believes it can do without increasing capital spending.

A major attraction of manganese is to be used for lithium-ion batteries, which are in demand as demand is expected to expand in the coming years.

According to the company, manganese is used in lithium-ion batteries to produce cathode material for lithium-ion battery cells, which are used for electric vehicles and renewable energy storage systems.

South32’s manganese operations include the Doğubayazıt mine in Turkey and the Louis Dreyfus Brothers (SDB) mine in South Africa.

The company is expected to produce up to 150,000 tonnes of manganese oxide in 2023, up from 100,000 tonnes in 2022.

In addition, the company plans to expand its operations in Turkey, where it has a production capacity of 175,000 tonnes per year.

South32 is also looking at opportunities to enter the lithium market, which is expected to grow significantly in the coming years.

The company is in talks with potential partners to develop a lithium project in South Africa, and it is also exploring opportunities in other countries, including India and Chile.

South32’s manganese operations include the Doğubayazıt mine in Turkey and the Louis Dreyfus Brothers (SDB) mine in South Africa.

The company is expected to produce up to 150,000 tonnes of manganese oxide in 2023, up from 100,000 tonnes in 2022.

In addition, the company plans to expand its operations in Turkey, where it has a production capacity of 175,000 tonnes per year.

South32 is also looking at opportunities to enter the lithium market, which is expected to grow significantly in the coming years.

The company is in talks with potential partners to develop a lithium project in South Africa, and it is also exploring opportunities in other countries, including India and Chile.