

MASSMART

Corporate Profile

Massmart is a managed portfolio of wholesale and retail chains, each focused on high volume, low margin, low cost distribution of predominantly branded food, liquor and general merchandise for cash, in eight countries in Southern Africa. The Group is led by a small corporate office, which directs and controls strategic and operating performance through four divisions, each comprising those chains with similar target markets and business models.

The Group is the third largest distributor of consumer goods in sub-Saharan Africa, the leader in general merchandise and liquor and the fourth largest in food.

- Interim Sales R10.6bn
- Trading Profit R430m
- Headline Earnings R287m
- Number of Stores 132

Massmart Holdings Limited

Massdiscounters

(Retail Discounters)

Sales R3 346m
PBT R181m



55 outlets

General Merchandise – RSA, Botswana, Namibia, Mauritius



11 stores

General Merchandise - RSA

Masswarehouse

(Wholesale and Retail Warehouse Clubs)

Sales R2 855m
PBT R94m



15 outlets

General Merchandise / Food / Liquor - RSA, Zimbabwe

Interim Results Overview

(Rm)	Interim to Dec. 2002	4 year CAGR %	2002 FY to June	2001 FY to June	2000 FY to June	1999 FY to June
Sales	10 555	30	16 709	11 568	10 358	8 766
EBITDA	481.5	53	645.0	360.0	265.0	190.3
HEPS (cents)	145.4	48	183	110	77	34
Dividend (cents)	48	155 (2 yr)	61	36	9.4	

Masscash

(Wholesale Cash & Carry)

Sales R2 951m
PBT R102m



45 outlets

Food / Liquor – RSA, Lesotho, Namibia



6 outlets

Cosmetics / Food - RSA

Masstrade

(Wholesale Buying Groups)

Sales R1 402m
PBT R38m



411 members / 556 outlets

Food – RSA, Botswana, Namibia, Swaziland



392 members / 510 outlets

Furniture / Appliances - RSA

Strategy

Since its founding in 1990, Massmart has pursued a strategy of aggressive organic and acquisitive growth, mitigating risk through:

- Adhering to product categories and business models in which the Group has proven expertise
- Strict new store development and acquisition criteria
- Effective integration practices
- Conservative accounting and governance practices

Competitive advantage is sustained through strategic, market and operational focus in each of the chains enhanced by inter chain collaboration in procurement, cost reduction, retail positioning and executive development. This approach results in higher returns and cash flow than could otherwise be achieved. Significant investment is made in the attraction and retention of talented leaders, managers and functional experts whose remuneration is directly linked to group, divisional or chain performance.

Investment Proposition

- Influential market positions in food, home appliances, office equipment and supplies, liquor, sports and outdoor equipment, DIY and home electronics
- Proven record of aggressive organic expansion and acquisitive growth
- Sustained record of earnings growth ahead of revenue growth

- Diversification across geographic, consumer and product markets
- High food component providing defensive profile
- Consumer credit only 2% of total sales
- High cash earnings



Share Data

(24 February 2003)

Share Price	R	19.50
53 wk high	R	19.95
53 wk low	R	10.75
Market Cap	Rm	3,858
Reuters		MSMJ.J
Bloomberg		MSM SJ

For more information:

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