

MASSMART

Corporate Profile

Audited Results for the half year to December 2004

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 ten countries in Southern Africa. The Group is led by a small corporate office, which directs and controls strategic and operating performance through three 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.

- Sales R13 929
- PBT R569m
- Headline Earnings R443m
- Number of Stores 170

(Rm)	2004 HY to Dec	3 year CAGR %	2004 FY to June	2003 FY to June	2002 FY to June	2001 FY to June
Sales	13 929	27.2	23 788	20 370	16 709	11 568
EBITDA	691.4	43.4	1062.1	856	645	360
HEPS (cents)	223.0	42.6	318.8	242	183	110
Dividend (cents)	111.0	64.1	159	97	61	36

Massmart Holdings Limited

Massdiscounters

(Retail Discounters)

Sales R3 966m
PBT R310m



61 stores
General Merchandise – RSA, Botswana,
Namibia, Mauritius, Mozambique, Uganda,
Zambia



11 stores
General Merchandise - RSA

Masswarehouse

(Wholesale and Retail Warehouse Clubs)

Sales R4 292m
PBT R215m



14 stores
General Merchandise / Food / Liquor -
RSA, Zimbabwe



19 outlets
DIY / Building Materials / Tiles - RSA

Masscash

(Wholesale Cash & Carry and Buying
Groups)

Sales R5 671m
PBT R99m



65 outlets
Food / Cosmetics / Liquor – RSA, Lesotho,
Namibia, Botswana



1169 members / 1612 outlets
Food / Furniture / Appliances – RSA,
Botswana, Namibia, Swaziland

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

Investment Proposition

- Proven record of successful organic and acquisitive growth
- Additional value created through inter-divisional collaboration
- Proven record of comparable store growth
- High average sales per store (R137 million)
- High cash generation and high cash dividend growth

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.

- Diversification across geographic, consumer and product markets
- Merchandise leadership in five general merchandise categories and liquor, with a dominant defensive food profile
- Retail credit only 2% of total sales



Share Data

(Tuesday, 22 February 2005)

Share Price	R	45.50
52 wk high	R	52.50
52 wk low	R	27.00
Market Cap	Rb	8.9
Reuters		MSMJ.J
Bloomberg		MSM SJ

For more information:

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