

# MASSMART

## Corporate Profile

## Reviewed Results for the period to December 2007

Massmart is a managed portfolio of nine wholesale and retail chains, each focused on high-volume, low-margin, low-cost distribution of mainly branded consumer goods for cash, in 14 countries in sub-Saharan Africa through 4 divisions comprising 243 stores. The Group is the third largest distributor of consumer goods in Africa, the leading retailer of general merchandise, liquor and home improvement equipment and supplies, and the leading wholesaler of basic foods.

- Sales R20 123m
- Trading Profit Before Tax R1 286m
- Headline Earnings R763m
- Number of Stores 243

### Massmart Holdings

(Rm)	3 year CAGR %	2007 period to Dec	2006 period to Dec	**2005 period to Dec	*2004 period to Dec
Sales	13.0	20 123	18 106	15 521	13 944
EBITDA	26.6	1 310	1 131	868	646
HEPS (cents)	23.6	383	336	257	203
Dividend (cents)	26.2	223	197	130	111

\* Not restated for IFRS

\*\* Includes continuing operations only

### Massdiscounters

(General merchandise retail discounters)  
Sales R5 384m  
Trading PBT R463m



84 stores

General merchandise / non-perishable groceries – RSA, Botswana, Namibia, Mauritius, Mozambique, Uganda, Zambia, Nigeria, Malawi, Tanzania, Ghana



4 Dion Stores/ 3 Dion Wired Stores  
General Merchandise - RSA

### Masswarehouse

(Warehouse club discounter)

Sales R5 108m  
Trading PBT R368m



13 stores – RSA (2 Zimbabwe stores not consolidated)

General merchandise / Food / Liquor

### Massbuild

(Home improvement retailer)

Sales R2 897m  
Trading PBT R238m



67 Stores

Home improvement supplies / Tools / Building materials - RSA

### Masscash

(Food wholesaler and buying association)  
Sales R6 734m  
Trading PBT R217m



72 outlets

Food / Groceries / Liquor / Ethnic Cosmetics – RSA, Lesotho, Namibia, Botswana



630 members / 1 411 outlets  
Food / Groceries – 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 (R142 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 flows 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 1.2% of total sales

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### Share Data

(Monday, 25 February 2008)

Share Price	R	67.14
26 wk high	R	97.24
26 wk low	R	68.15
Market Cap	Rb	13.5
Reuters		MSMJ.J
Bloomberg		MSM SJ

### For more information: Massmart Holdings

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CFO