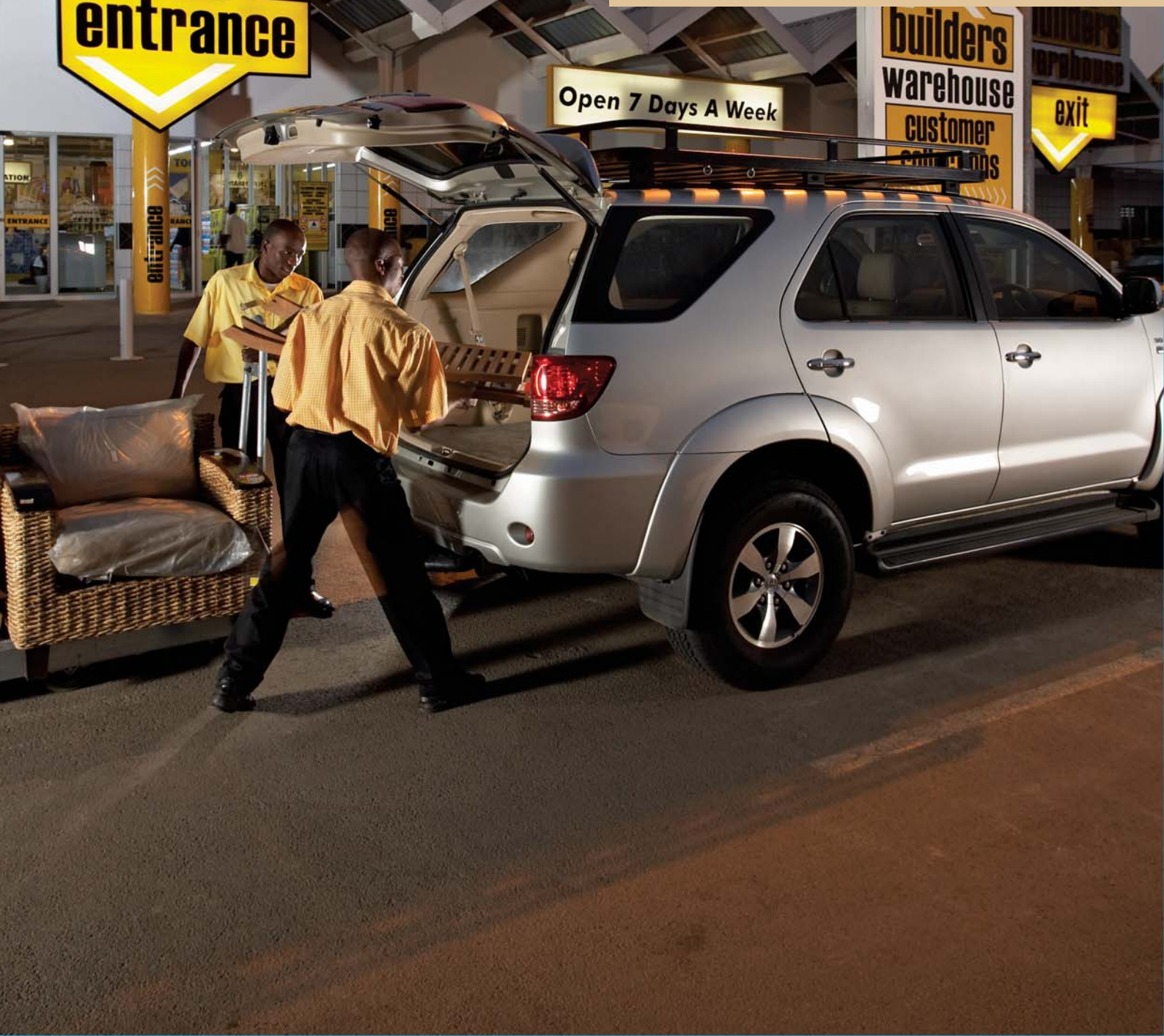


A large, illuminated sign for Builders Warehouse. The top part is a yellow house-shaped sign with the word "builders" in black lowercase letters. Below it, the word "Warehouse" is written in black uppercase letters on a white background. At the bottom, a yellow downward-pointing arrow contains the word "entrance" in black lowercase letters.

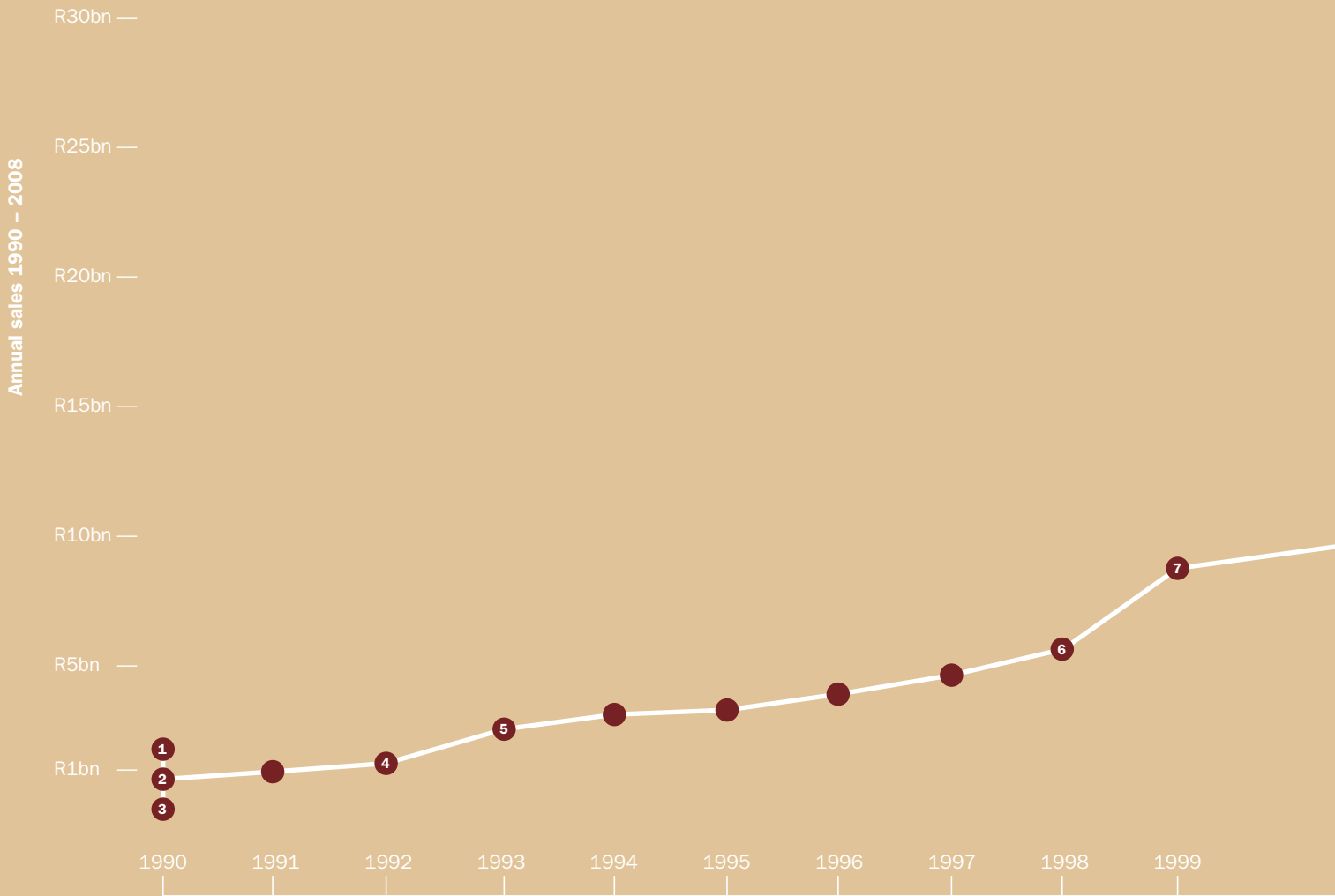
**builders**  
**Warehouse**  
**entrance**

## Seven-year Review

Staff load goods into a customer's car at Builders Warehouse in Zambezi, Pretoria. These stores trade until 19:00 on weekdays.



# Massmart since 1990: annual sales and major events affecting the Group



1990



- 1 Massmart founded
- 2 Makro was the founding entity of Massmart
- 3 Makro comprised 6 stores

1992



- 4 Acquired 378 Shield members on 1 March 1992

1993



- 5 Acquired 20 Dion stores on 31 May 1993

1998



- 6 Acquired 14 CCW stores on 1 June 1998

1999

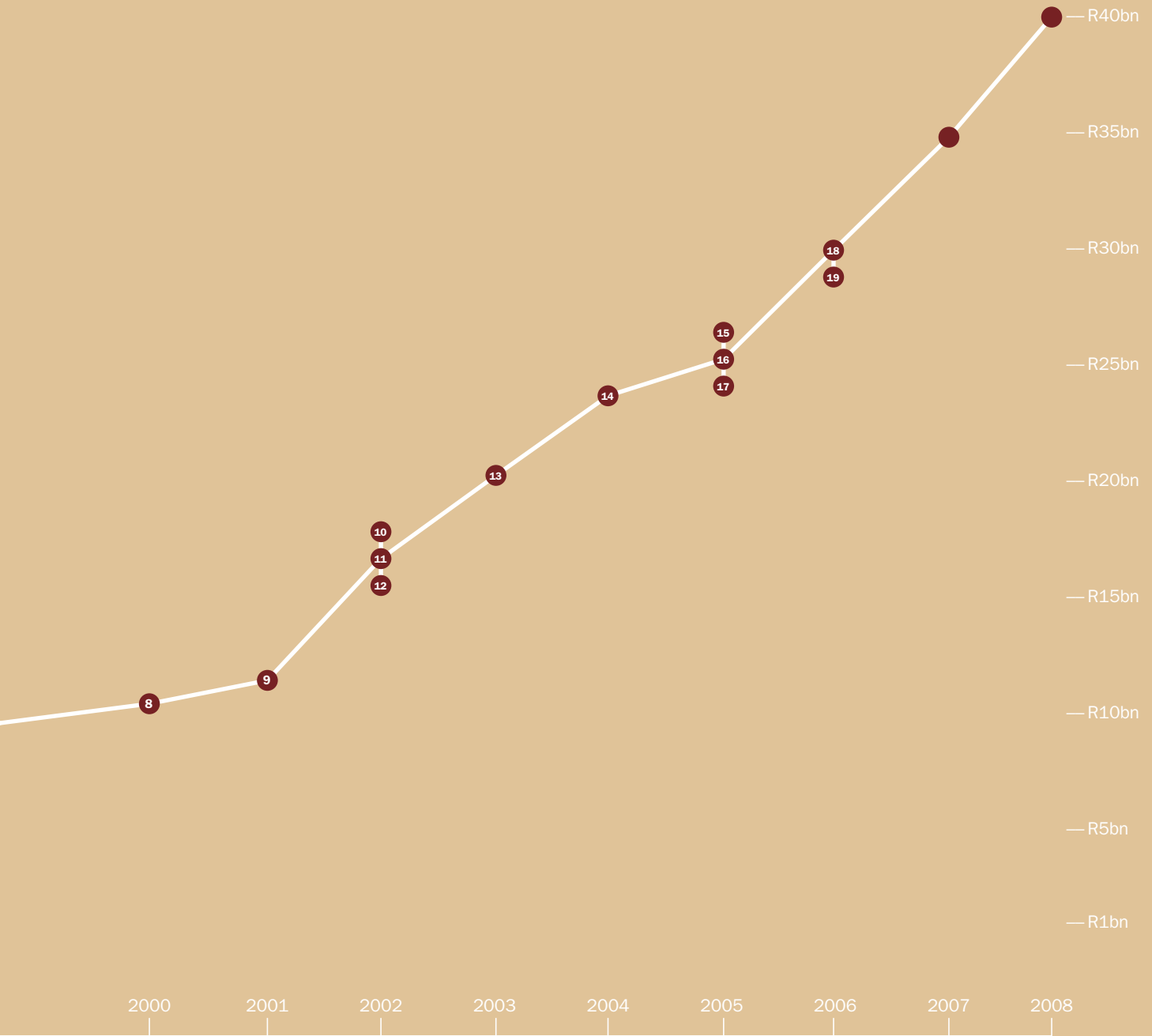


- 7 Acquired 26 Game stores on 1 July 1998

2000



- 8 Massmart listed on 4 July 2000 on the JSE Limited



2001



**9** Acquired 6 Jumbo stores on 1 April 2001

2002



**10** Acquired 22 Browns and Weirs stores on 1 July 2001

**11** Acquired Furnex on 1 January 2002

**12** In June 2002 Wooltru unbundled its 41% interest in Massmart

2003



**13** Acquired 5 Builders Warehouse stores on 28 February 2003

2004



**14** SHV's 31% shareholding in Massmart sold to local and international investors in January 2004

2005



**15** Acquired 3 De La Rey stores on 1 June 2005

**16** Acquired 14 Servistar stores on 1 June 2005

**17** Acquired 34 Federated Timbers stores on 1 June 2005

2006



**18** BEE general staff transaction announced

**19** Disposal of Furnex on 28 February 2006

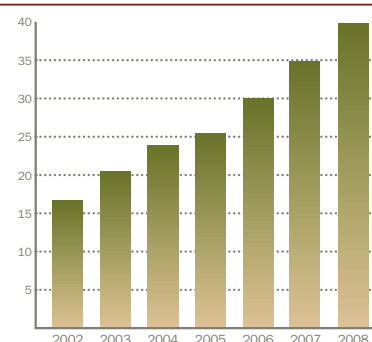
# Income statement

as at 30 June 2008

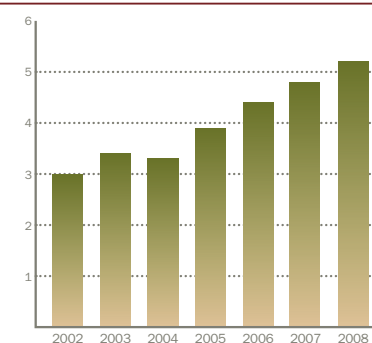
Definitions/Explanations	
	<b>Income statement (Rm)</b>
	<b>Continuing operations:</b>
	Sales
	Cost of sales
	Gross profit
	Other income
	Depreciation and amortisation costs
	Impairment of assets
This includes the IFRS 2 Share-based Payment expense.	Employment costs
	Occupancy costs
This includes the foreign exchange gains and losses.	Other operating costs
	Operating profit
The net amount of interest received and interest paid.	Net finance costs
	Exceptional items
	Profit before tax
	Taxation
	Profit for the year from continuing operations
	<b>Discontinued operation:</b>
	Profit/(loss) for the year
	Loss on disposal
	Profit for the year
	Attributable to:
	Equity holders of the parent
	Preference shareholders
	Minority interest
Earnings before interest, taxation, depreciation, amortisation and asset impairments.	EBITDA
Earnings before interest, taxation and asset impairments. We prefer using EBITA rather than operating profit as the latter includes the charge for asset impairments which can distort traditional trading ratios and returns.	EBITA
	Headline earnings
	<b>Annual growth (%)</b>
	Total sales
	Comparable sales
	Group sales inflation
	EBITA
Earnings before interest, taxation and asset impairments. We prefer using EBITA rather than operating profit as the latter includes the charge for asset impairments which can distort traditional trading ratios and returns.	Profit before tax

Six-year compound growth %	2008	2007 <sup>1</sup>	2006 <sup>2</sup>	2005 <sup>2</sup>	2004 <sup>1</sup>	2003	2002
15,6	39 783,6 (32 481,4)	34 807,6 (28 435,7)	29 963,6 (24 650,0)	25 381,5 (21 202,0)	23 787,7 (20 183,2)	20 369,5 (17 319,5)	16 709,2 (14 112,1)
18,8	7 302,2 161,2 (297,8) (4,7) (2 736,2) (962,7) (1 376,9)	6 371,9 157,1 (240,9) (26,3) (2 449,8) (846,0) (1 292,7)	5 313,6 117,0 (202,9) (5,4) (2 079,0) (740,5) (1 074,7)	4 179,5 135,6 (157,5) - (1 656,7) (644,0) (864,6)	3 604,5 107,9 (133,5) (74,6) (1 416,6) (563,7) (747,8)	3 050,0 81,8 (107,8) (49,5) (1 168,5) (408,8) (699,0)	2 597,1 68,9 (106,2) (39,7) (1 017,2) (366,0) (637,8)
26,9	2 085,1 (64,1) -	1 673,3 (44,4) -	1 328,1 (32,2) -	992,3 (20,2) -	776,2 (7,2) 5,0	698,2 (50,4) 6,7	499,1 (14,1) 5,2
26,6	2 021,0 (662,9)	1 628,9 (554,8)	1 295,9 (444,6)	972,1 (307,5)	774,0 (253,9)	654,5 (215,2)	490,2 (164,4)
26,9	1 358,1 - -	1 074,1 - -	851,3 3,7 (1,8)	664,6 (82,1) -	520,1 - -	439,3 - -	325,8 - -
	1 358,1	1 074,1	853,2	582,5	520,1	439,3	325,8
26,4	1 314,1 22,5 21,5	1 049,9 8,9 15,3	828,5 - 24,7	580,1 - 2,4	511,2 - 8,9	429,3 - 10,0	321,7 - 4,1
26,9	1 358,1	1 074,1	853,2	582,5	520,1	439,3	325,8
24,4	2 387,6	1 940,5	1 536,4	1 149,8	984,3	855,5	645,0
25,3	2 089,8	1 699,6	1 333,5	992,3	850,8	747,7	538,8
24,1	1 319,4	1 083,3	836,6	651,9	583,1	480,0	361,6
	14,3	16,2	18,1	6,7	16,8	21,9	44,4
	10,8	12,5	5,5	5,3	10,7	18,0	19,0
	7,5	4,9	0,0	(2,2)	(1,2)	10,0	9,0
	23,0	27,5	34,4	16,6	13,8	38,8	94,5
	24,1	25,7	33,3	25,6	18,3	33,5	98,7

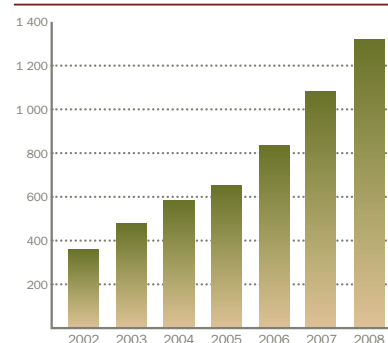
Sales (Rbn)



Operating margin (%)



Headline earnings (Rm)



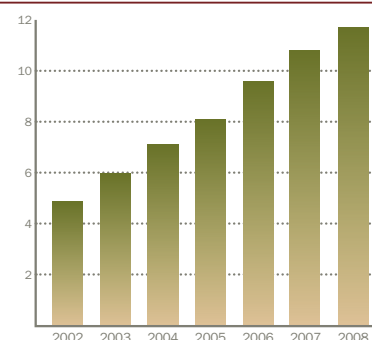
# Balance sheet and cash flow

as at 30 June 2008

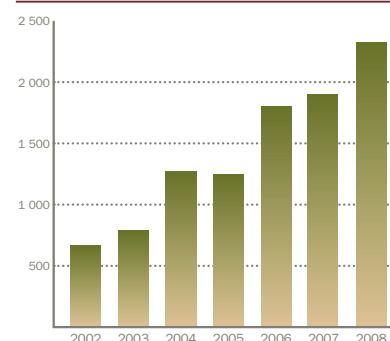
Definitions/Explanations	
	<b>Balance sheet (Rm)</b>
	<b>Assets:</b>
	Non-current assets
	Current assets
	Inventory
	Assets classified as held for sale
Inventory has been included in the subtotal of 'Current assets'.	Total assets
	<b>Equity and liabilities</b>
	Total equity
	Non-current liabilities
	Current liabilities
	Trade and other payables
Trade and other payables has been included in the subtotal of 'Current liabilities'.	Total equity and liabilities
	<b>Cash flow (Rm)</b>
	Operating cash before working capital movements
	Working capital movements
	Cash generated from operations
	Net interest paid
	Investment income
	Taxation paid
	Dividends received
	Dividends paid
	<b>Net cash flow from operating activities</b>
	Investment to maintain operations
	Investment to expand operations
	Other
	<b>Net cash flow from investing activities</b>
	<b>Net cash flow from financing activities</b>
	Net (decrease)/increase in cash and cash equivalents
	Foreign exchange losses taken to FCTR
	Cash and cash equivalents for the period
The opening cash flow in 2005 does not agree to the closing cash flow in 2004 due to the results being restated for IFRS from 2005. The difference is due to the opening cash flow of Makro Zimbabwe being consolidated as a result of IFRS.	Cash and cash equivalents at the beginning of the period
	Cash and cash equivalents at the end of the period

Six-year compound growth %	2008	2007 <sup>1</sup>	2006 <sup>2</sup>	2005 <sup>2</sup>	2004 <sup>1</sup>	2003	2002
20,9	3 840,5	3 448,2	3 034,1	2 769,6	1 789,5	1 483,3	1 230,1
13,4	7 892,8	7 401,4	6 584,3	5 363,6	5 319,8	4 559,8	3 714,8
15,7	4 758,6	4 027,3	3 221,0	2 677,0	2 356,5	2 236,7	1 981,9
	167,6	-	-	-	-	-	-
15,8	11 900,9	10 849,6	9 618,4	8 133,2	7 109,3	6 043,1	4 944,9
11,7	2 766,5	2 264,8	1 952,4	1 559,0	1 461,5	1 319,1	1 426,7
23,8	1 015,9	1 122,2	1 133,8	744,5	774,7	838,8	281,9
16,6	8 118,5	7 462,6	6 532,2	5 829,7	4 873,1	3 885,2	3 236,3
15,9	7 380,0	6 755,7	5 875,7	5 001,7	4 437,8	3 684,2	3 042,7
15,8	11 900,9	10 849,6	9 618,4	8 133,2	7 109,3	6 043,1	4 944,9
24,9	2 394,9	1 926,4	1 543,6	1 136,5	1 015,2	848,9	629,8
	(73,2)	(28,3)	260,4	110,5	255,3	(63,6)	38,9
23,1	2 321,7	1 898,1	1 804,0	1 247,0	1 270,5	785,3	668,7
	(64,1)	(44,4)	(32,7)	(22,0)	(5,5)	(50,4)	(14,1)
	47,7	53,6	34,6	35,2	19,0	11,0	1,1
	(668,1)	(531,6)	(487,4)	(337,5)	(124,2)	(77,5)	(90,9)
	2,2	2,5	3,2	-	-	-	-
	(709,9)	(565,1)	(402,8)	(416,4)	(218,7)	(166,6)	(90,7)
	929,5	813,1	918,9	506,3	941,1	501,8	474,1
	(268,3)	(152,9)	(178,5)	(256,1)	(136,3)	(83,6)	(76,3)
	(309,6)	(317,9)	(184,1)	(157,6)	(263,3)	(216,6)	(73,1)
	(320,3)	(220,0)	(96,9)	(696,8)	(35,7)	(208,8)	(47,2)
28,8	(898,2)	(690,8)	(459,5)	(1 110,5)	(435,3)	(509,0)	(196,6)
	(222,7)	(288,4)	506,0	(22,6)	(39,8)	30,8	(233,9)
	(191,4)	(166,1)	965,4	(626,8)	466,0	23,6	43,6
	4,6	(1,5)	6,1	5,4	(4,2)	(10,5)	7,9
	(186,8)	(167,6)	971,5	(621,4)	461,8	13,1	51,5
	1 208,7	1 376,3	404,8	1 026,2	563,4	550,3	498,8
	1 021,9	1 208,7	1 376,3	404,8	1 025,2	563,4	550,3

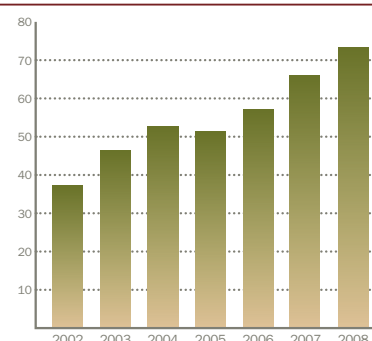
Total assets (Rbn)



Cash generated from operations (Rm)



Return on capital employed (%)



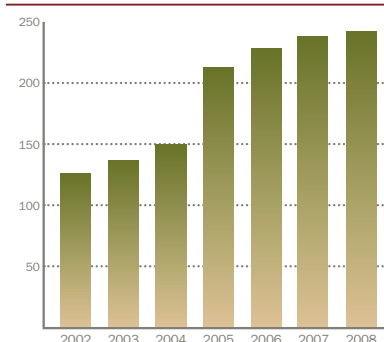
# Stores and productivity measures

as at 30 June 2008

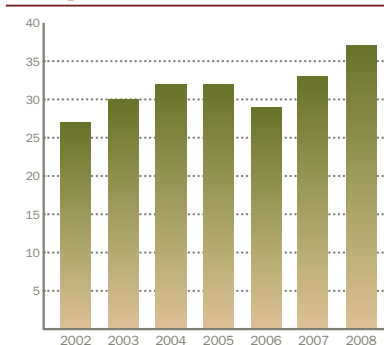
Definitions/Explanations	Ratios/indicators
	<b>Operating statistics</b> Depreciation and amortisation costs as a % of sales Impairment costs as a % of sales Employment costs as a % of sales Occupancy costs as a % of sales Total expenses as a % of sales
	<b>Number of stores by chain</b> Game Dion/Dion Wired Massdiscounters Makro Masswarehouse Builders Warehouse Builders Trade Depot Builders Express Massbuild CBW Jumbo Masscash
Number of stores includes the two Makro Zimbabwe stores from 2005, the date from which the results have been consolidated due to IFRS, and excludes them from 2007, the date from which the results have been deconsolidated.	<b>Total number of stores</b>
FTEs includes all permanent employees and the permanent equivalent of temporary employees and contracted workers. Number of FTEs includes the Makro Zimbabwe employees from 2005, the date from which the results have been consolidated due to IFRS, and excludes them from 2007, the date from which the results have been deconsolidated.	FTE (full-time equivalents)
Trading space excludes parking, yard and warehouse space.	Trading space (m <sup>2</sup> )
Trading space includes the trading space from the two Makro Zimbabwe stores from 2005, the date from which the results have been consolidated due to IFRS, and excludes them from 2007, the date from which the results have been deconsolidated.	Sales per store (R000)
Sales / Number of stores. For June 2005, sales per store excludes Federated Timbers, De La Rey and Servistar for the one month of trading. Sales for Shield, Furnex and Cell-Shack are always excluded as they do not have stores.	Sales per FTE (R000)
Sales / FTEs. For June 2005, sales per FTE excludes Federated Timbers, De La Rey and Servistar for the one month of trading.	Sales per trading m <sup>2</sup> (R000)
Sales / Trading m <sup>2</sup> . For June 2005, sales per trading m <sup>2</sup> excludes Federated Timbers, De La Rey and Servistar for the one month of trading. Sales for Shield, Furnex and Cell-Shack are always excluded as they do not have a trading area.	

Six-year compound growth %	2008	2007 <sup>1</sup>	2006 <sup>2</sup>	2005 <sup>2</sup>	2004 <sup>1</sup>	2003	2002
	(0,7)	(0,7)	(0,7)	(0,6)	(0,6)	(0,5)	(0,6)
	-	(0,1)	-	-	(0,3)	(0,2)	(0,2)
	(6,9)	(7,0)	(6,9)	(6,5)	(6,0)	(5,7)	(6,1)
	(2,4)	(2,4)	(2,5)	(2,5)	(2,4)	(2,0)	(2,2)
	(13,5)	(14,0)	(13,7)	(13,1)	(12,3)	(11,9)	(13,0)
	84	82	70	61	56	55	54
	6	8	10	11	11	11	11
	90	90	80	72	67	66	65
	13	12	14	14	12	13	12
	13	12	14	14	12	13	12
	22	21	20	15	8	6	-
	28	28	31	33	-	-	-
	18	15	14	14	-	-	-
	68	64	65	62	8	6	-
	65	65	62	58	57	46	43
	6	7	7	7	6	6	6
	71	72	69	65	63	52	49
11,5	242	238	228	213	150	137	126
8,5	24 308	24 436	22 412	20 277	17 565	16 763	14 882
11,3	1 012 784	994 277	973 116	877 878	648 923	586 030	533 334
	155 434	136 895	122 509	143 122	136 662	129 007	114 881
	1 635	1 422	1 337	1 421	1 354	1 216	1 123
	37	33	29	32	32	30	27

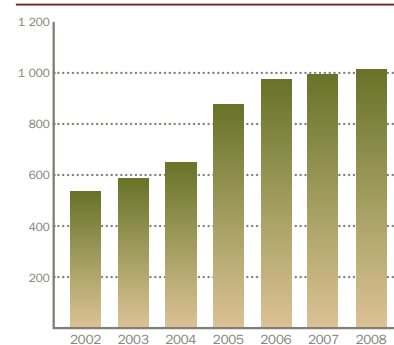
Number of stores



Sales per m<sup>2</sup> (R000)



Trading space (000m<sup>2</sup>)



# Returns, profitability and share information

as at 30 June 2008

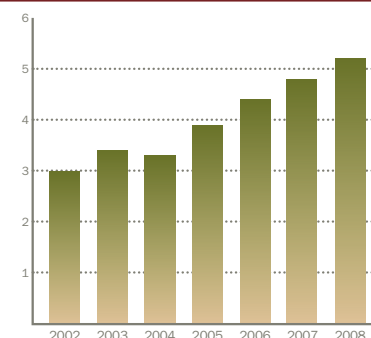
Definitions/Explanations	
	<b>Productivity ratios</b>
Sales / Net assets. The Group defines net assets as capital reserves and interest-bearing LT liabilities.	Net asset turn
Gross profit / Sales	Gross margin (%)
Operating profit / Sales	Operating margin (%)
EBITA / Sales	EBITA margin (%)
EBITDA / Sales	EBITDA margin (%)
Taxation / Profit before tax (Refer to note 8 on page 124 of the financial section for the effective tax rate workings.)	Effective tax rate (%)
	<b>Profitability and gearing ratios</b>
Headline earnings / Average of opening and closing capital and reserves balances	Return on average shareholders' equity (%)
EBITA / Average of opening and closing capital employed balances. The Group defines capital employed as capital and reserves and interest-bearing LT liabilities.	Return on capital employed (%)
Debt comprises non-current interest-bearing liabilities / Capital and reserves	Long-term debt: equity (%)
Operating cash flow per share / Headline earnings per share	Cash earnings cover
	<b>Solvency and liquidity ratios</b>
Cash and cash equivalents, net of borrowings / Total equity at the end of the year	Net cash to total equity (%)
Current assets / Current liabilities	Current ratio
Current assets excluding inventory / Current liabilities	Quick ratio
Inventory / Total cost of sales	Inventory days
Total cost of sales / Inventory	Inventory turn
Trade payables / Total cost of sales	Payable days
Sales / Total assets	Asset turn
Current and non-current liabilities / Total equity	Total liabilities to total shareholders' equity
	<b>Per share performance (cents)</b>
Headline earnings / Weighted average number of shares in issue	Headline earnings
Headline earnings / Diluted weighted average number of shares in issue	Diluted headline earnings
Earnings attributable to the equity holders of the parent/ Weighted average number of shares in issue	Attributable earnings
Distribution to shareholders	Dividends/distribution
Cash generated from operations before working movements / Weighted average number of shares in issue	Cash generated from operations before working capital movements
Net cash flow from operations, after working capital movements, excluding exceptional items and after adding back the dividend paid / Weighted average number of shares in issue	Operating cash flow
Capital and reserves / Total number of shares in issue	Net asset value
Headline earnings per share / Interim and final dividend per share	Dividend cover
	<b>Stock exchange information</b>
As at 30 June	Shares in issue (millions)
As at 30 June	Shares traded (millions)
As at 30 June	Percentage of shares traded (%)
As per the JSE	Earnings yield (%)
	Dividend yield (%)
	Market capitalisation (Rm)
	Share price South African (cents):
	High
	Low
	Closing

Six-year compound growth %	2008	2007 <sup>1</sup>	2006 <sup>2</sup>	2005 <sup>2</sup>	2004 <sup>1</sup>	2003	2002
	13	13	12	12	14	13	10
	18,4	18,3	17,7	16,5	15,2	15,0	15,5
	5,2	4,8	4,4	3,9	3,3	3,4	3,0
	5,3	4,9	4,5	3,9	3,6	3,7	3,2
	6,0	5,6	5,1	4,5	4,1	4,2	3,9
	32,8	34,1	34,3	31,6	32,8	32,9	33,6
	53,0	52,3	48,9	44,2	42,8	35,4	27,6
	73,3	66,1	57,1	51,4	52,7	46,3	37,3
	9,8	18,0	27,3	9,2	14,1	19,1	16,7
	1,2	1,3	1,6	1,4	2,0	1,4	1,6
	36,9	53,4	70,5	26,0	70,1	42,7	38,6
	1,0	1,0	1,0	0,9	1,1	1,2	1,1
	0,4	0,5	0,5	0,5	0,6	0,6	0,5
days	53	52	48	46	43	47	51
	6,8	7,1	7,7	7,9	8,6	7,7	7,1
days	58	60	60	60	60	56	61
	3,3	3,2	3,1	3,1	3,3	3,4	3,4
	3,3	3,8	3,9	4,2	3,9	3,6	2,5
	23,9	663,0	540,4	419,3	327,6	293,1	242,4
	23,6	647,2	530,9	408,3	316,4	282,7	235,6
	26,3	660,4	523,7	415,3	291,5	256,9	216,8
	36,0	386,0	320,0	210,0	183,0	159,0	97,0
	24,8	1 203,5	961,0	773,7	571,1	510,3	428,6
	19,3	823,8	687,5	662,5	463,6	583,0	337,5
	11,3	1 359,8	1 113,5	946,0	762,0	717,8	653,0
	1,7	1,7	2,0	2,0	2,0	2,5	3,0
	201,2	201,1	201,0	199,6	199,2	198,6	197,8
	254,1	235,9	233,3	188,1	256,6	86,1	40,2
	126,3	117,3	116,0	94,2	128,8	43,4	20,3
	10,7	5,9	9,5	6,5	7,9	10,3	12,1
	6,3	3,6	4,8	4,1	4,9	4,6	4,5
	12 371,5	17 694,4	8 819,7	8 937,9	6 489,6	4 170,3	2 670,6
	9 724	9 997	6 408	5 370	3 359	2 222	1 550
	5 910	4 185	4 185	3 145	2 080	1 275	930
	6 149	8 800	4 387	4 477	3 258	2 100	1 350

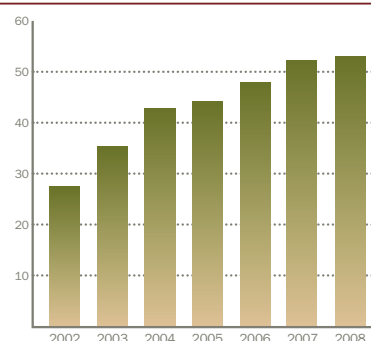
## Notes

- <sup>1</sup> These amounts have been restated due to SAICA's reinterpretation of IAS 17 Leases.
- <sup>2</sup> These amounts have been restated due to SAICA's reinterpretation of IAS 17 Leases. These amounts exclude amounts relating to the discontinued operation (Furnex).
- <sup>3</sup> The above results have been restated for Circular 9 Transactions Giving rise to Adjustments to Revenue/Purchases.

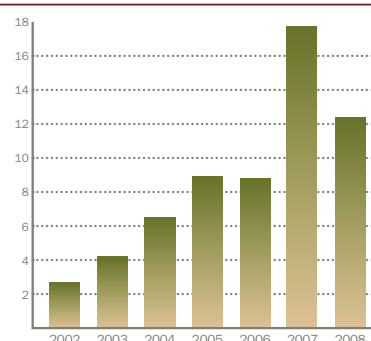
## Operating margin (%)



## Return on equity (%)



## Market capitalisation (Rbn)



# Income statement, balance sheet and cash flow in US Dollars

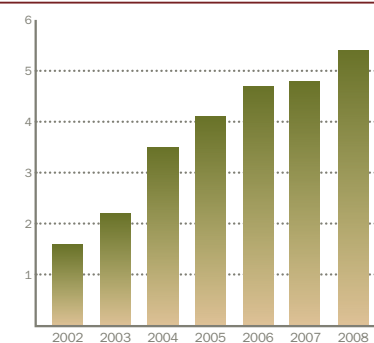
as at 30 June 2008

Definitions/Explanations	
	<b>Income statement (\$m)</b>
	<b>Continuing operations:</b>
	Sales
	Cost of sales
	Gross profit
	Other income and expenses
	Operating profit
	Finance costs
	Exceptional items
	Profit before tax
	Taxation
	Profit for the year from continuing operations
	<b>Discontinued operation:</b>
	Profit/(loss) for the year
	Loss on disposal
	Profit for the year
	Attributable to:
	Equity holders of the parent
	Preference shareholders
	Minority interest
	Headline earnings
	<b>Balance sheet (\$m)</b>
	Total equity
	Net cash/(borrowings)
	Total assets
	Inventories
	Trade and other payables
	<b>Cash flow (\$m)</b>
	Cash generated from operations
	Net cash flow from operating activities
	Net cash flow from investing activities

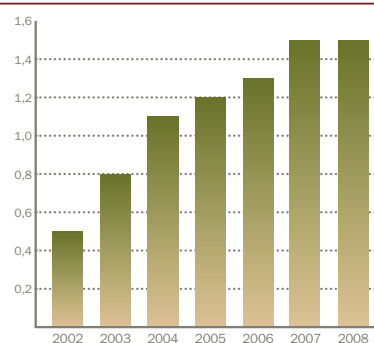
In 1999 the convertible debentures of R410 million have been included in shareholders' equity. These debentures were converted to ordinary shares on 1 January 2000.

Six-year compound growth %	US Dollar (\$m)						
	2008	2007 <sup>1</sup>	2006 <sup>2</sup>	2005 <sup>2</sup>	2004 <sup>1</sup>	2003	2002
22,1	5 443,8 (4 444,6)	4 821,0 (3 938,5)	4 667,2 (3 839,6)	4 087,2 (3 414,2)	3 477,7 (2 950,8)	2 248,3 (1 911,6)	1 643,0 (1 387,6)
25,5	999,2 (713,9)	882,5 (650,8)	827,7 (620,8)	673,0 (513,2)	526,9 (413,5)	336,7 (259,6)	255,4 (206,3)
34,1	285,3 (8,8) –	231,8 (6,1) –	206,9 (5,0) –	159,8 (3,3) –	113,4 (1,1) 0,7	77,1 (5,6) 0,7	49,1 (1,4) 0,5
33,8	276,5 (90,7)	225,6 (76,8)	201,9 (69,3)	156,5 (49,5)	113,0 (37,1)	72,2 (23,8)	48,2 (16,2)
34,1	185,8	148,8	132,6	107,0	75,9	48,4	32,0
	– –	– –	0,6 (0,3)	(13,2) –	– –	– –	– –
	185,8	148,8	132,9	93,8	75,9	48,4	32,0
33,6	179,8 3,1 2,9	145,4 1,2 2,1	129,0 – 3,8	93,4 – 0,4	74,6 – 1,3	47,3 – 1,1	31,6 – 0,4
34,1	185,8	148,8	132,9	93,8	75,9	48,4	32,0
31,5	180,5	151,3	130,3	105,0	85,2	53,0	35,6
16,3	343,5 128,3	311,0 167,9	254,3 184,0	226,0 60,1	225,5 161,7	163,5 71,1	139,1 54,1
20,6	1 494,3	1 506,9	1 285,9	1 208,5	1 121,3	762,1	486,3
20,5	597,5	559,3	430,6	397,8	371,7	282,1	194,9
20,7	926,7	938,3	785,5	743,2	700,0	464,6	299,2
30,0	317,7 127,2	262,9 112,6	281,0 143,1	200,8 81,5	185,7 137,6	86,7 55,4	65,8 46,6
36,1	(122,9)	(95,7)	(71,6)	(178,8)	(63,6)	(56,2)	(19,3)

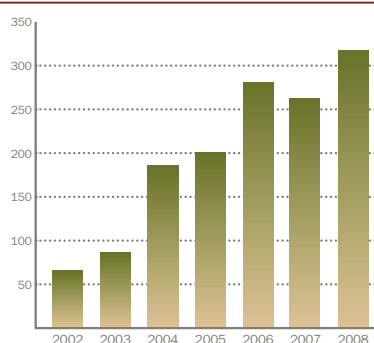
Sales (US\$bn)



Total assets (US\$bn)



Cash generated from operations (US\$m)



# Profitability and share performance in US Dollars

as at 30 June 2008

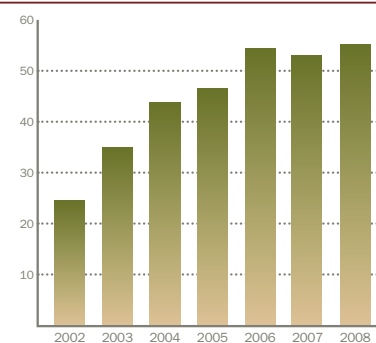
Definitions/Explanations	
	<b>Ratios/indicators</b>
	<b>Profitability and gearing ratios</b>
Headline earnings / Average of opening and closing capital and reserves balances	Return on average shareholders' equity (%)
EBITA / Average of opening and closing capital employed balances. The Group defines capital employed as capital reserves and interest-bearing LT liabilities.	Return on capital employed (%)
Debt comprises non-current interest-bearing liabilities / Capital and reserves	Long-term debt: equity (%)
	<b>Liquidity ratios</b>
Current assets / Current liabilities	Current ratio
Inventory / Total cost of sales	Inventory days
	<b>Per share performance (cents)</b>
Headline earnings / Weighted average number of shares in issue	Headline earnings
Headline earnings / Diluted weighted average number of shares in issue	Diluted headline earnings
Earnings attributable to the equity holders of the parent/ Weighted average number of shares in issue	Attributable earnings
Distribution to shareholders	Dividends/distribution
Cash generated from operations before working movements / Weighted average number of shares in issue	Cash generated from operations before working capital movements
Net cash flow from operations, after working capital movements, excluding exceptional items and after adding back the dividend paid / Weighted average number of shares in issue	Operating cash flow
Capital and reserves / Total number of shares in issue	Net asset value
Headline earnings per share / Interim and final dividend per share	Dividend cover
	<b>Stock exchange information</b>
	Market capitalisation (\$m)
	<b>Exchange rates (Rand/US\$)</b>
	At year-end
	Average for the year

Six-year compound growth %	2008	2007 <sup>1</sup>	2006 <sup>2</sup>	2005 <sup>2</sup>	2004 <sup>1</sup>	2003	2002
	55,2	53,5	54,3	46,5	43,8	35,0	24,6
	76,1	67,2	63,2	54,3	54,1	45,7	33,6
	9,8	18,0	27,3	9,2	14,1	19,1	16,7
	1,0	1,0	1,0	0,9	1,1	1,2	1,1
	49	52	41	43	46	54	51
30,9	90,7	74,8	65,3	52,8	42,9	26,8	18,0
30,6	88,6	73,5	63,6	51,0	41,3	26,0	17,9
33,4	90,4	72,5	64,7	46,9	37,6	23,9	16,0
43,7	52,8	44,3	32,7	29,5	23,2	10,7	6,0
31,8	164,7	133,1	120,5	92,0	74,6	47,3	31,4
26,0	112,7	95,2	103,2	74,7	85,2	37,3	28,1
15,9	170,7	154,7	126,5	113,2	113,2	82,3	70,3
	–	1,7	2,0	2,0	2,0	2,5	3,0
	1 554,2	2 457,6	1 179,1	1 328,1	1 023,6	525,9	262,6
	7,96	7,20	7,48	6,73	6,34	7,93	10,17
	7,31	7,22	6,42	6,21	6,84	9,06	10,17

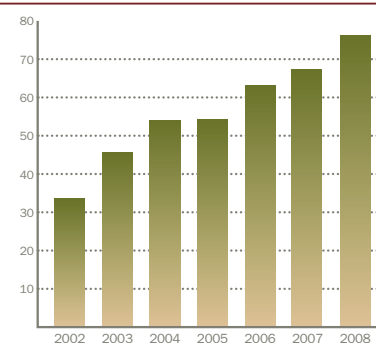
## Notes

- <sup>1</sup> These amounts have been restated due to SAICA's reinterpretation of IAS 17 *Leases*.
- <sup>2</sup> These amounts have been restated due to SAICA's reinterpretation of IAS 17 *Leases*. These amounts exclude amounts relating to the discontinued operation (Furnex).
- <sup>3</sup> The above results have been restated for Circular 9 *Transactions Giving rise to Adjustments to Revenue/Purchases*.

## Return on equity (%)



## Return on capital employed (%)



# Massmart in the headlines

## Financial Mail

### Massmart sales weather slowdown

21 November 2007

Johannesburg – General merchandise retail giant Massmart says the SA retail environment has tightened as higher rates squeeze consumers. CEO Grant Pattison said that despite higher interest rates and the implementation of the National Credit Act affecting consumers, its cash-based model is proving to be relatively resilient. Pattison was speaking at the company's annual general meeting, held at Massmart's head office in Sunninghill, north of Johannesburg. He said that for the first 21 weeks of financial 2008, total sales had increased by 12.7%. Sales growth has slowed down from the same period in financial 2007, where growth at the 21-week mark was 16.7%. Growth in comparable store sales had also slowed slightly to 10.6%, compared with 12.6% in financial 2007.

## Business Report

### Massmart profit shines despite power cuts

29 February 2008

RETAILER Massmart said yesterday power cuts had not seriously affected its trade, but it was difficult to estimate the effect of future failures without a clearer idea of their extent. The company said last month's power outages had cost it an estimated R103 000 for every two-hour power cut suffered by the group as a whole. Power outages had, however, cost the group only 0,2% of its trading hours. Chief financial officer Guy Hayward said during the discount retailer's financial results presentation yesterday that it was probably the best-positioned retail sector player to trade successfully through the outages. The group will spend an extra R12m on generators for the 28 stores that did not already have them.

## Financial Mail

### Proven format pays off

7 March 2008

For the first time in 37 consecutive financial half-years, Massmart was unable to announce real sales growth exceeding 8%. Instead the retailer achieved modest real growth of 3,1%, in a year when there were no acquisitions. Sales grew from R18bn to R20bn, while profit before interest and tax was up to R1,2bn, from R1bn. That said, the benefit of long-term strategic planning and prudent management is evident for the interim period to end-December. CEO Grant Pattison has evidently taken the baton from Mark Lamberti at full speed. The newest leg of the business, Massbuild, acquired De la Rey, Federated Timbers and Servistar, a home-improvement chain, three years ago. It is now a star, growing sales by 16% to R2,9bn, up from R2,5bn, and R1,9bn in 2005. "We are gaining market share, which may mask some of the slowdown in that sector," says Massmart chief financial officer Guy Hayward.

## Business Report

### Massmart delivers in tough times

21 August 2008

In an environment dominated by rising food and fuel prices and higher interest rates, retailer Massmart on Thursday announced what it termed "strong" overall results for the year ending June. Massmart chief executive officer Grant Pattison in a statement said: "Given the current economic environment we are cautious about the year ahead, but are confident in our business model and the South African consumer economy." The group's four high-volume, low-cost, low-margin distribution divisions showed a balanced performance. Masswarehouse and Masscash produced strong profit growth whilst Massdiscounters and Massbuild grew profits near their rate of sales growth.

## Fin24

### Massmart shows resilience

21 August 2008

South African wholesale and retail chain group Massmart (MSM) on Thursday reported a 14% rise in headline earnings per share to 663c for the 53-week period to June 29 compared with the 52-week period a year ago. A final dividend of 163c was declared – up from 12c a year ago – and brings the total distribution for the year to 386c per share. The group's sales rose 14% to R39.784bn and trading profit increased 23% to R2.157bn.

"...the benefit of long-term strategic planning and prudent management is evident for the interim period to end-December. CEO Grant Pattison has evidently taken the baton from Mark Lamberti at full speed."

SASHA PLANTING FINANCIAL MAIL