

MASSMART

Corporate Profile










Reviewed Results for the six months to December 2010

Massmart is a managed portfolio of four divisions, each focused on high-volume, low-margin, low-cost distribution of mainly branded consumer goods for cash, in 14 countries in sub-Saharan Africa comprising 308 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.

	3 year CAGR %	Dec 2010	Dec 2009	Dec 2008	Dec 2007
Sales (Rm)	10.8	27,376	24,154	22,758	20,123
EBITDA (Rm)	2.4	1,407	1,295	1,474	1,310
HEPS (cents)	-1.5	366	347	433	383
Dividend (cents)	4.2	252	252	252	223

Massmart Holdings

- Sales R27,376m
- Trading Profit Before Tax R1,356m
- Headline Earnings R740m
- Number of Stores 308

Massdiscounters	Masswarehouse	Massbuild	Masscash
(General merchandise discounter)	(Warehouse club)	(Home improvement retailer and building materials supplier)	(Food wholesaler and buying association)
Sales R6,994m Trading PBT R487m	Sales R6,593m Trading PBT R422m	Sales R3,783m Trading PBT R210m	Sales R10,006m Trading PBT R237m
		  	 
97 stores	14 stores	80 stores	105 stores (79 wholesale / 26 retail)
General merchandise / FMCG – RSA, Botswana, Ghana, Malawi, Mauritius, Mozambique, Namibia, Nigeria, Tanzania, Uganda, Zambia	General merchandise / Food / Liquor – RSA (2 Zimbabwe stores not consolidated)	Home improvement supplies / Tools / Building Materials – RSA, Mozambique	Food / Groceries / Liquor / Ethnic Cosmetics – RSA, Botswana, Lesotho, Mozambique, Namibia, Swaziland
			
12 stores Electrical appliances - RSA			602 members / 660 outlets Food / Groceries – RSA, Botswana, Lesotho, Namibia, Swaziland

Strategy

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

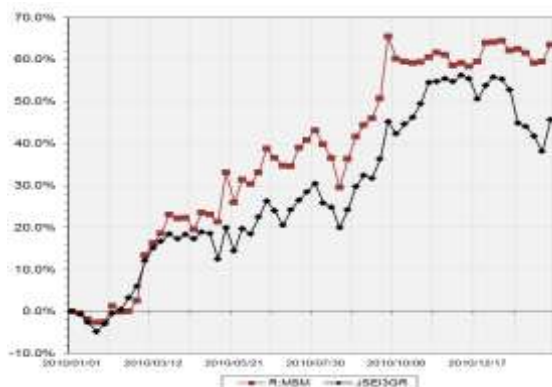
- Adhering to product categories and business models in which the Group has proven expertise
- Strict new store development and acquisition criteria
- Effective integration practices
- Conservative accounting and governance practices

Competitive advantage is sustained through strategic, market and operational focus in each of the divisions 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 or divisional performance.

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 (R156 million)
- High cash generation

- Diversification across geographic, consumer and product markets
- Merchandise leadership in five general merchandise categories and liquor, with a dominant defensive food profile



Share Data

(Monday, 21 February 2011)

Share Price	R	147.50
52 wk high	R	153.16
52 wk low	R	84.75
Market Cap	Rb	30.1
Reuters		MSMJ.J
Bloomberg		MSM SJ

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