Dedicated to Value

Massmart Reviewed Results
for the 52 weeks to 28 June 2009

Presentation to Investors, Analysts and Media
August 2009

Agenda

- Group Financial Performance
- Divisional Financial Performance
- Highlights of the Operational Performance
- The Environment
- Vision for Growth 2012
- Long-term Growth
- Risks & Prospects

ADDENDUM – Additional financial data

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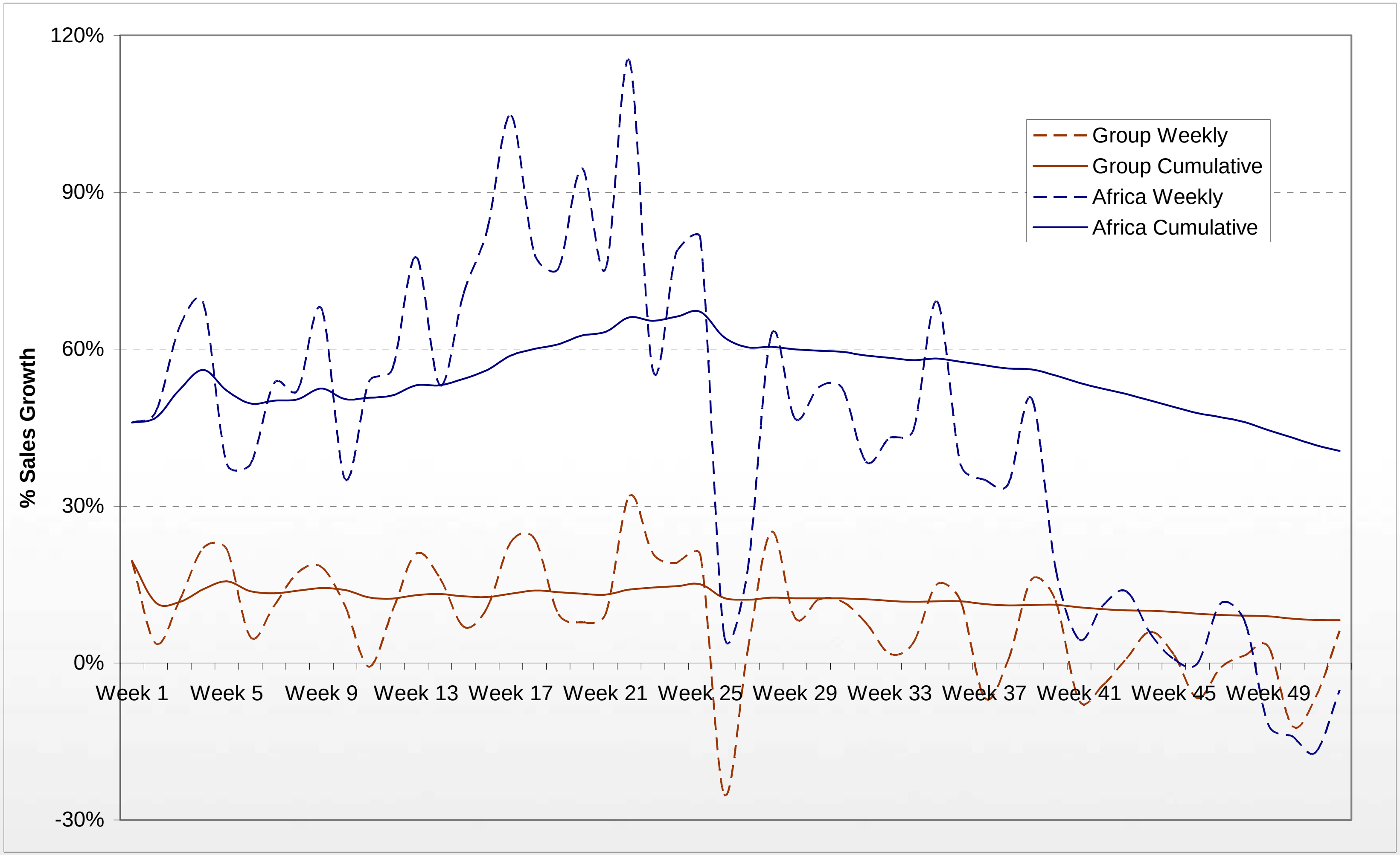
June 2009
Group Financial Performance

Key Points

- Great operating performance:
  - Held PBT margins in two Divisions: Makro & Masscash
  - Great Massdiscounters results, given the environment
  - Builders Warehouse gaining share & well positioned
  - Effective cost control
  - Robust working capital management
- Capital expenditure increased
- Dramatically lower sales growth in Q4
- Significantly weaker African currencies in Q4
- Note all income statement comparisons in this presentation are against the prior year's 52-week period

Group – Weekly & Cumulative Sales

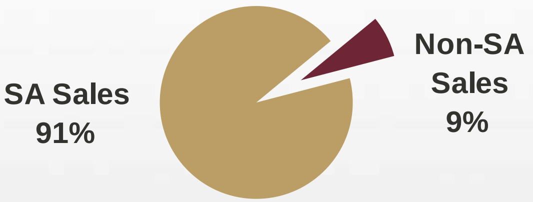


The dramatic slowdown in African Rand weekly sales in Q4 is readily apparent, as is the slowdown in South African sales at the same period

Sales

(Rm's)	2009	2008	*Total %Chg*	*Comp. %Chg*
Massdiscounters	11 206	10 130	*10.6*	*8.9*
Makro	11 102	9 912	*12.0*	*10.0*
Massbuild	5 605	5 563	*0.7*	*(3.7)*
Masscash	15 216	13 353	*13.9*	*11.6*
Total	**43 129**	**38 958**	***10.7***	***8.2***

- Real sales growth in Massdiscounters & Masscash
- Masscash & Makro assisted by Food inflation



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Sales Inflation

- Annual sales inflation to June 2009:
  - General Merchandise 6.4%
  - Home Improvement 8.1%
  - Food & Liquor 15.0%
  - Total 11.4%
- General Merchandise inflation – from Chinese inflation & weaker Rand for a period
- Food inflation declining (disinflation)

Store Portfolio

	Massdiscounters	Makro	Massbuild	Masscash	Total
June 08	90	*13	68	71	242
Acquired	-	-	3	9	12
Closed	(1)	-	(3)	(1)	(5)
Openings	4	-	3	-	7
June 09	**93**	***13**	**71**	**79**	**256**

- Massdiscounters: three new Game and one Dion Wired. One closure.
- Massbuild: one new Builders Warehouse, one Builders Express, four Trade Depot. Three closures (two Express, one Depot)
- Masscash: nine acquired. One sale

* Excludes two Makro Zimbabwe stores

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Trading Space

- Net new space 39 920m²
  - Opened and acquired 52 765m²
  - Closed 12 845m²
- Following re-measurement in Builders Warehouse, that Division's and the Group's opening space was increased by 34 744m²
- June 2009 trading space 1 087 459m²
- 3.8% net space growth (unweighted)

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Sales Growth Analysis

	%
Existing stores (comparable growth)	8.2
New stores	2.5
Total sales growth	**10.7**

- 8-week sales growth update to 23 Aug 2009:
  - 5.5% total and 1.3% comparable
  - Massdiscounters affected by strike & African currencies
  - Although sales growth are slightly higher than May-June 2009, no clear trends discernable

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Gross Profit

	2009	2008
Gross Profit	R7 778m	R7 177m
As % of Sales	*18.0%*	*18.4%*

- Steady gross margins in Masscash and Makro
- Lower gross margins in Massdiscounters and Massbuild
- Some portfolio effect – Massbuild sales at lower % participation as prior year

Operating Costs

	2009	2008
Operating Costs	R5 852m	R5 405m
As % of Sales	*13.6%*	*13.9%*

- Costs exclude Forex gains / losses and Other Income in both years
- 8.3% increase, lower than sales growth
- This includes:
  - Total IFRS 2 charges R133.5m (2008: R109.1m)
  - Pre-opening costs of R33.8m (2008: R51.5m)
- Adjusting for these: a 8.4% increase and 13.2% of sales
- Other Operating Costs only 1.5% higher – from focus on discretionary expenses

Employment Costs (51% of total costs)

	2009	2008
Employment Costs	R2 966m	R2 723m
As % of Sales	*6.9%*	*7.0%*

- Only 8.9% increase
- After adjusting for all IFRS 2 charges, 8.4% increase
- Labour scheduling area of focus
- 0.9% increase in staff (FTEs) despite 14 new and acquired stores (net)

Occupancy Costs (20% of total costs)

	2009	2008
Occupancy Costs	R1 136m	R952m
As % of Sales	*2.6%*	*2.4%*

- 19.2% increase
- 3.8% more space than June 2008
- Leases only 76% of this cost, and which is 14.3% higher than prior year
- Large increases in rates & services (+30%)
- Lease-smoothing policy makes annual increases lumpy (e.g. new Massdiscounters Cape RDC)
- New Gauteng RDC materially affected future lease commitments

Depreciation and amortisation (6% of total costs)

	2009	2008
Depreciation	R343m	R298m
As % of Sales	*0.80%*	*0.76%*

- 15.2% increase – from accelerating capital expenditure levels since 2006
- Expected to continue ahead of sales growth due to new stores and refurbishments

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Forex Gains & Losses (unrealised & realised)

Rm's	2009	2008
Massdiscounters	(106.6)	63.0
Other	4.6	23.0
IAS 39	23.6	(23.5)
Total	**(78.4)**	**62.5**

- Massdiscounters: net realised gains / unrealised losses arising from African operations' balance sheet translation
- Other: predominantly unrealised gains on translation of offshore monetary balances (non-African)
- IAS 39: net realised and unrealised losses on FECs

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Divisional Trading Profit before Interest

Rm's	June		
	2009	**2008**	**%**
Massdiscounters	680.1	627.9	*8.3*
Masswarehouse	713.0	616.0	*15.7*
Massbuild	222.6	368.0	*(39.5)*
Masscash	481.9	390.5	*23.4*
Trading Profit before Interest	**2 097.6**	**2 002.4**	***4.8***
Group PBIT growth including forex			***-2.1%***

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Net Interest Paid

Rm's	June		
	2009	**2008**	**%**
Massdiscounters	66.6	57.5	*15.7*
Masswarehouse	89.6	88.1	*1.7*
Massbuild	47.5	42.1	*12.8*
Masscash	47.7	36.8	*29.6*
Corporate	(300.0)	(284.2)	*(5.6)*
Total interest	**(48.6)**	**(59.7)**	***18.4***

- Divisions – good working capital management. Interest received higher despite lower interest rates
- Corporate – pays Divisions' interest & funds net Group position

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Divisional Trading Profit before Tax

Rm's	June		
	2009	**2008**	**%**
Massdiscounters	746.6	685.4	*8.9*
Masswarehouse	802.6	704.1	*14.0*
Massbuild	270.1	410.1	*(34.1)*
Masscash	529.6	427.3	*23.9*
Trading Profit before tax	**2 348.9**	**2 226.9**	***5.5***
Group PBT growth including forex			***-1.6%***

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Tax Charge

	2009	2008
Total tax	R620m	R633m
Tax rate	*32.6%*	*32.7%*

- IFRS 2 charges are not tax deductible, so the adjusted tax rate is 30.5% (2008: 31.1%)
- Includes STC on dividends 3.8% (2008: 3.4%). Higher this year due to 53rd week effect on final FY08 dividend

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Dividend

	2009	2008
Total dividend per Share (cents)	386	386

- Prior year dividend 17 cents higher due to 53rd week
- Despite this and 4.6% HEPS decline, are holding current dividend at same level as FY08
- Note that with x1.7 dividend cover (Group policy), the FY2010 dividend growth will be lower than headline earnings growth
- Will not adjust for non-cash / unrealised forex gains or losses

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Stock & Creditors

	June 2009		June 2008	
	Rms	*Days*	Rms	*Days*
Net Stock (1)	4 893	*50.5*	4 759	*53.5*
Trade Creditors (1)	6 128	*55.5*	5 928	*58.4*
Provisions & Accruals	955	-	962	-

- Stock levels similar to FY08 in Massdiscounters & Makro, but lower than FY08 in Masscash & Massbuild
- Creditors' terms unchanged

1. Days calculated using historic cost of sales (excludes Corporate).

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Debtors

	June 2009		June 2008	
	Rms	*Days*	Rms	*Days*
Gross Trade Debtors	1 112	*8.3*	1 296	*10.4*
Consumer Debtors	-	-	168	*112.5*

- Closely monitoring credit
- Massdiscounters' Consumer Debtors book sold 1st day of FY09

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Net Capital Expenditure

Rm's	**June 2009**	**June 2008**
Replacement Capex	346	263
Investment Capex	340	310
Total Capex	**686**	**573**
Depreciation & amortisation	*343*	*298*
Businesses acquired	199	-

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Group Gearing

- Group gearing, using net interest paid as a proxy, was 12.4% (2008: 20.4%)
- Making steady progress with selected property acquisitions – for both new sites and existing leased properties
- Likely capital expenditure for FY2010 of R763m, which includes R85m for Massdiscounters Gauteng RDC

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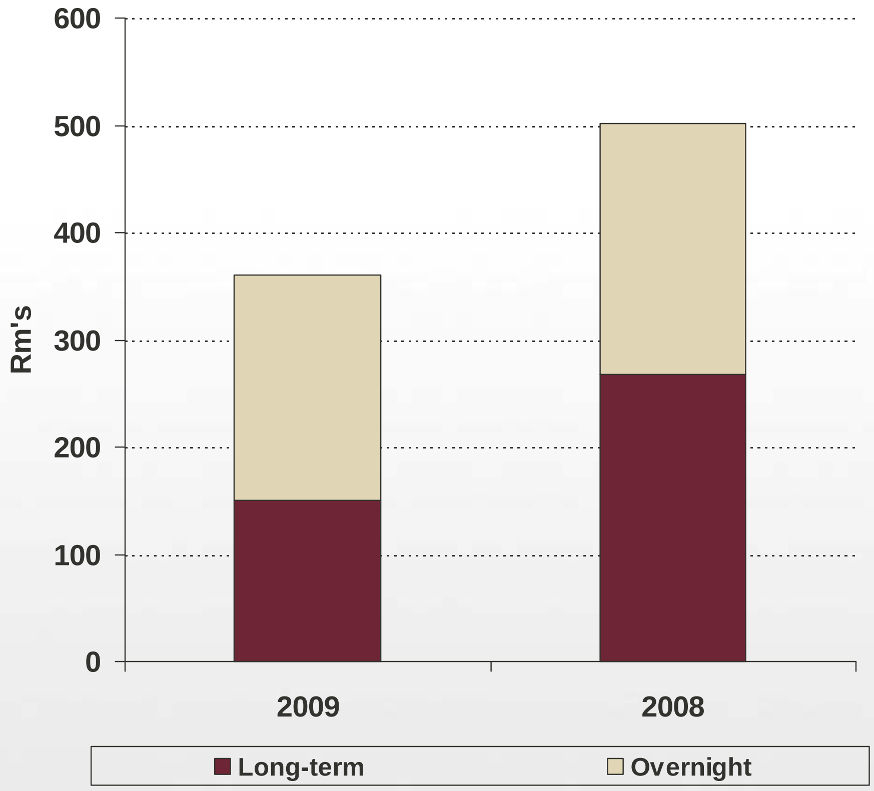
Group Gearing Profile

Rm's	June 2009	June 2008
Average net gearing	R360m	R502m

Long-term: two five-year amortising loans (from 2006). Fixed interest rates

Overnight: unsecured bank facilities. Floating interest rates



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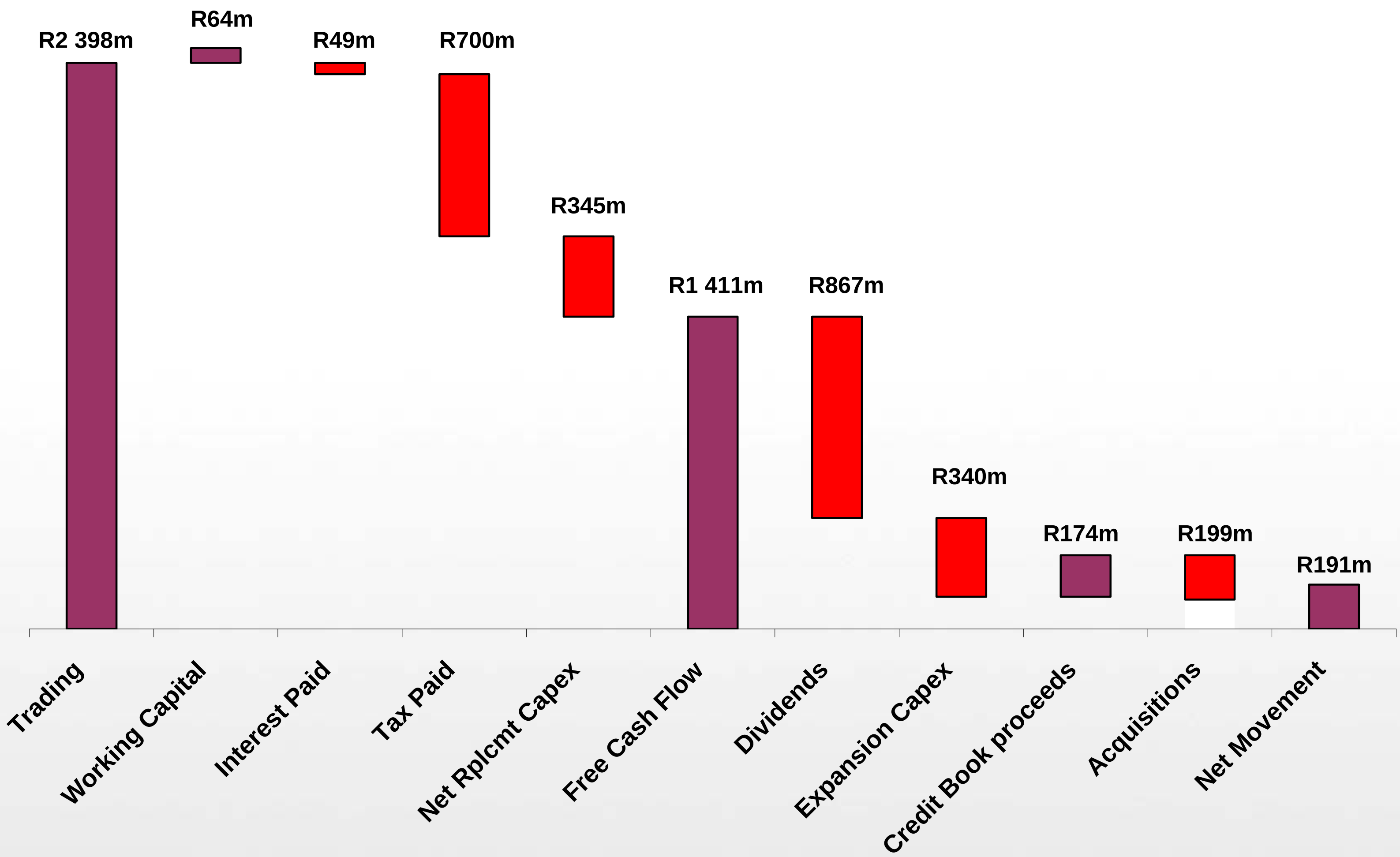
Average gearing is calculated by grossing-up Net Interest Paid

Cashflow Analysis



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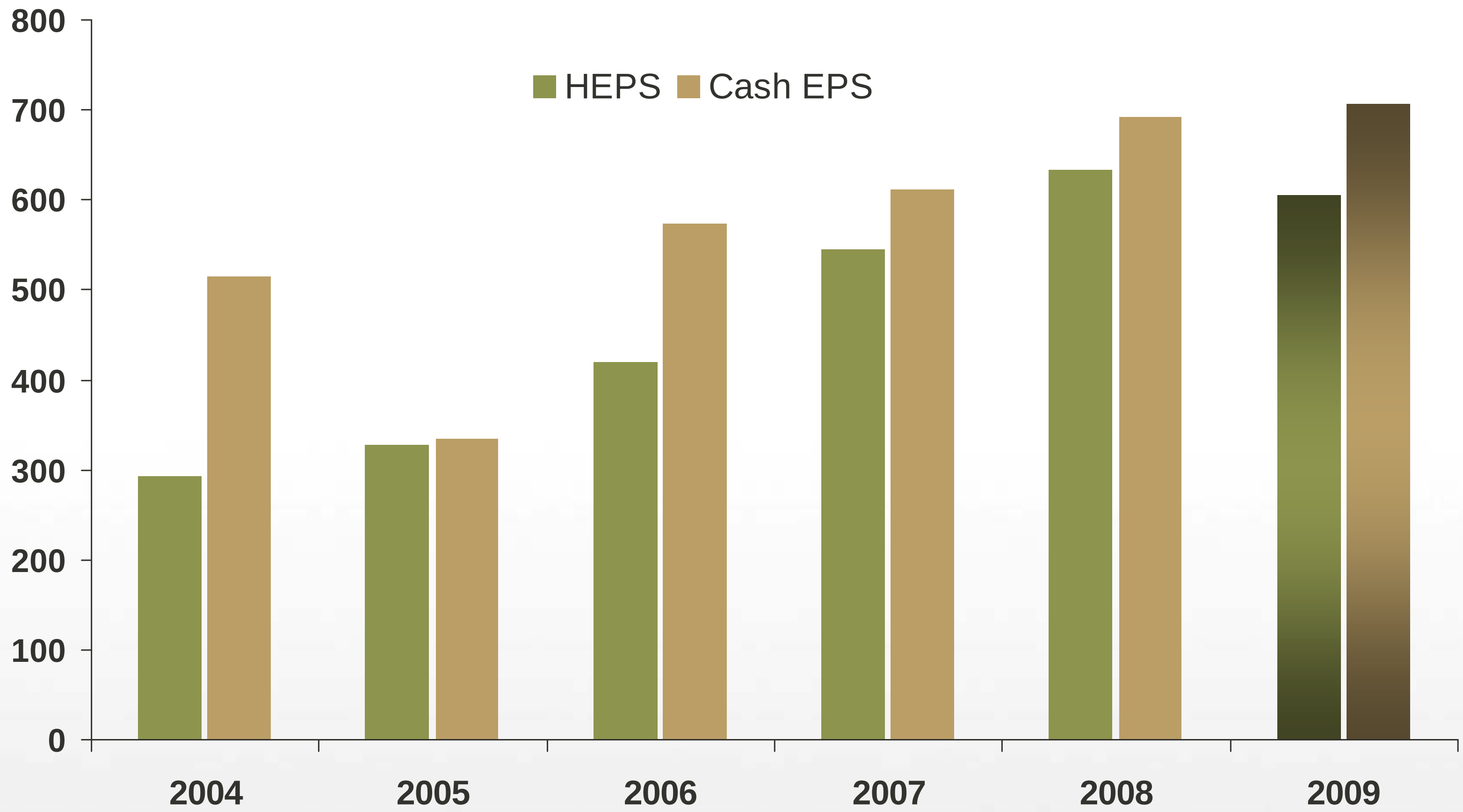
Cash Earnings



HEPS – Headline Earnings per Share (cents)

Cash EPS – Cash from Operating Activities, before dividends paid, less Maintenance Capex

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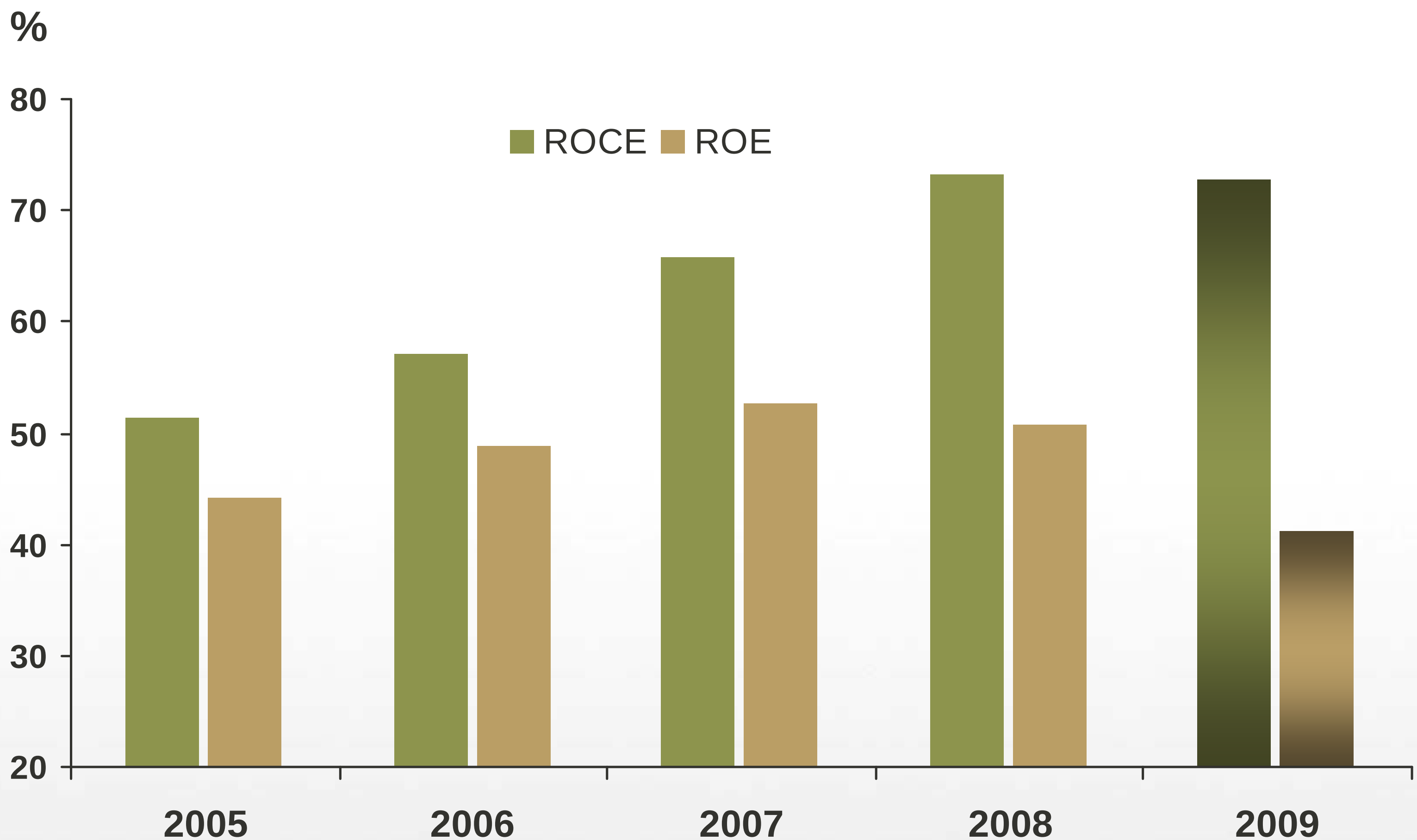
Returns



ROCE - EBITA / Average Capital Employed

ROE - Headline Earnings / Average Shareholders Equity

Thuthukani BEE Staff Issue

- Effective 1 October 2006. Remaining total Staff Scheme IFRS 2 charge R170m:
  - Still to be expensed over three years (six in total)
  - Estimated charge for 2010: R73m
  - Non-cash and no tax relief
- BEE Scheme Dividend: 75% in 2009 and 100% in 2010 (and thereafter) of ordinary dividend
- IFRS 2 charge & Scheme dividend affected Group HEPS by 33.5 cents (2008: 33.7 cents)
- First vesting (33%) in October 2010
- In 2009 (calendar) 11 030 participating employees received an average dividend of R3 422 each

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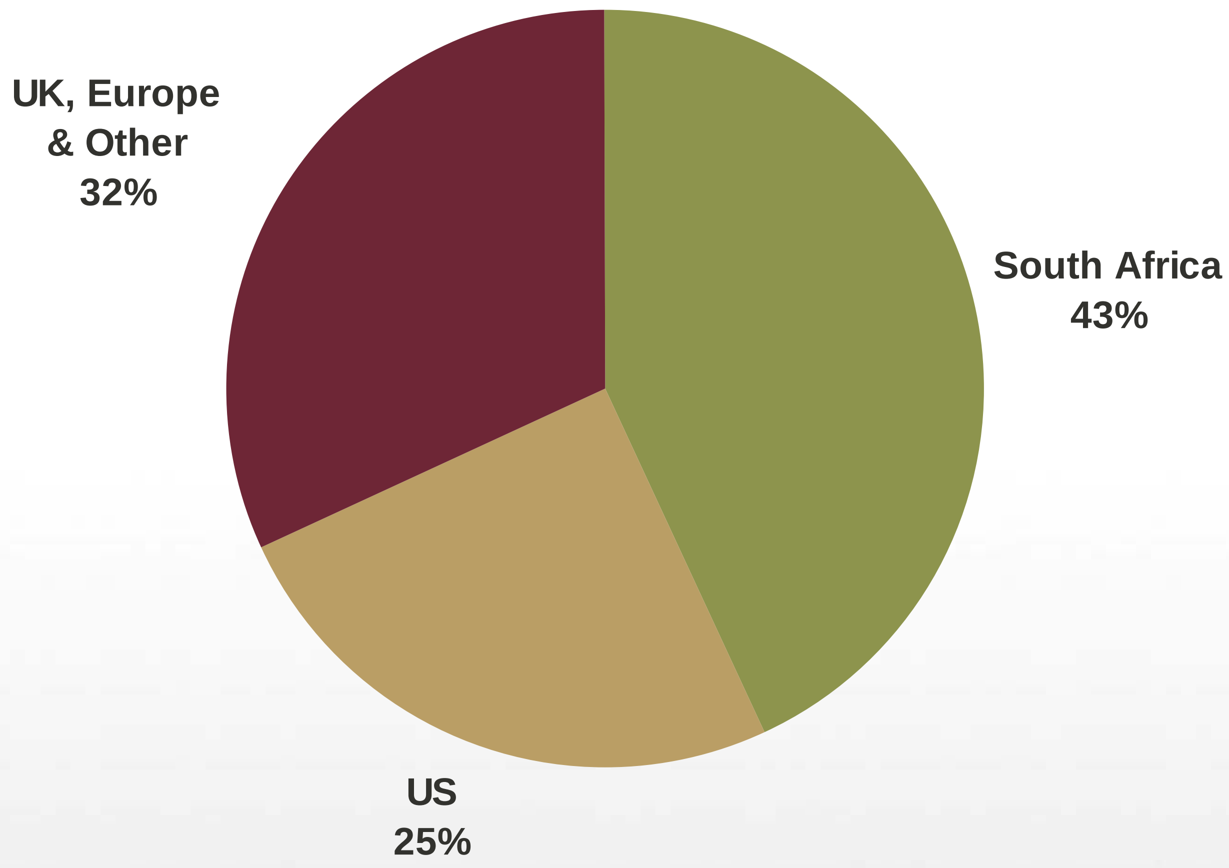
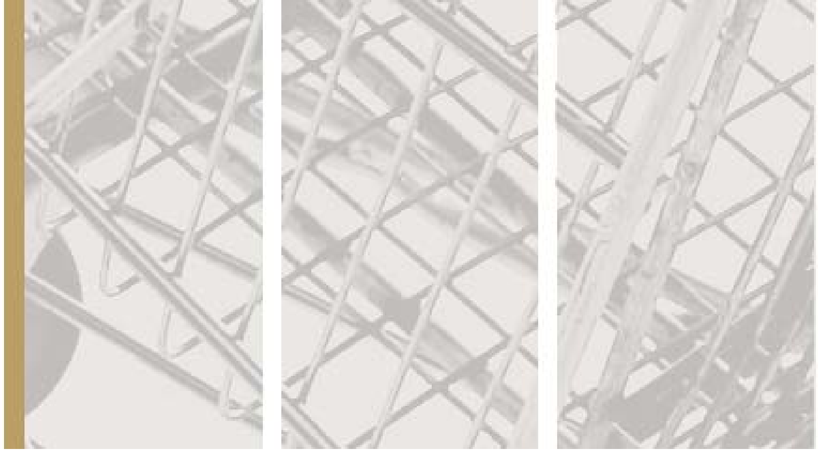
Massmart Shareholding – June 2009



Source: JPMorgan Cazenove.

Data shows % ownership, not managers' holdings

South African shareholdings in December 2008 41% and June 2008 33%



June 2009
Divisional Financial Performance

Massdiscounters

	2009	% change
Sales	R11 206m	*10.6%*
PBT excl Forex	R747m	*8.9%*
PBT margin	*6.7%*	

- Sales inflation 6.6%. Comparable sales +8.9%.
- Game SA: low sales growth and profit slightly below FY08
- Cape RDC operating ahead of expectations. New Gauteng RDC opening July 2010
- Consumer Credit division sold 1st day of FY09. Cash proceeds R174m. Negligible income statement effect. Game credit card relaunched
- Africa: total Rand sales +37.0% and local currency sales +26.9%
  - R107m forex loss (2008: R63m gain). Severe swing in H2
  - Repatriation of cash only a problem in one country
- Dion Wired: sales exceeded R290m and above 5% operating margin. National rollout plan

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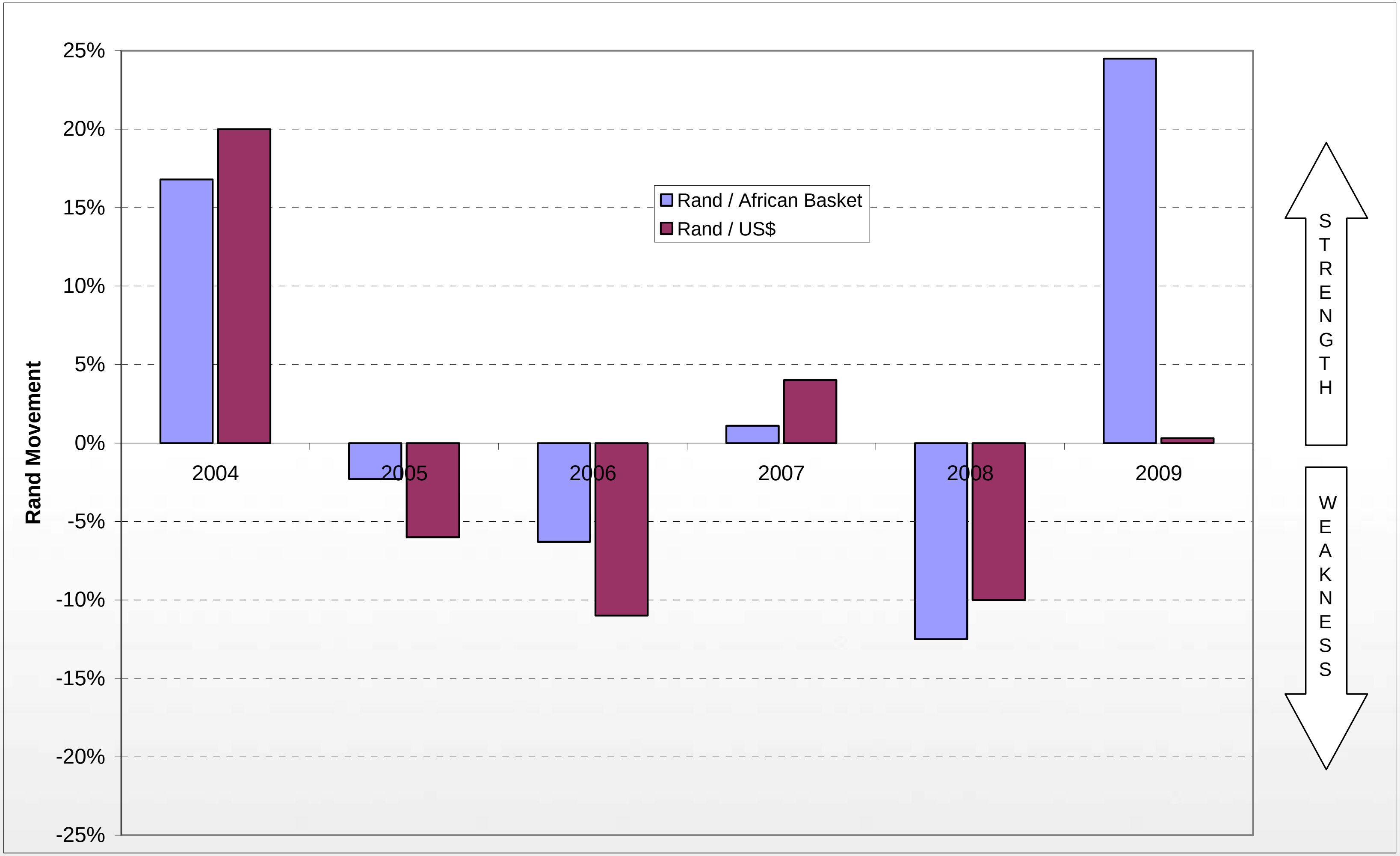
In FY09, ZAR/US$ as Proxy for Africa broke down



Since 2004 (IFRS introduction), the ZAR / US$ movement has been a good proxy for ZAR to Massdiscounters' African currency exposures. This stopped in FY09

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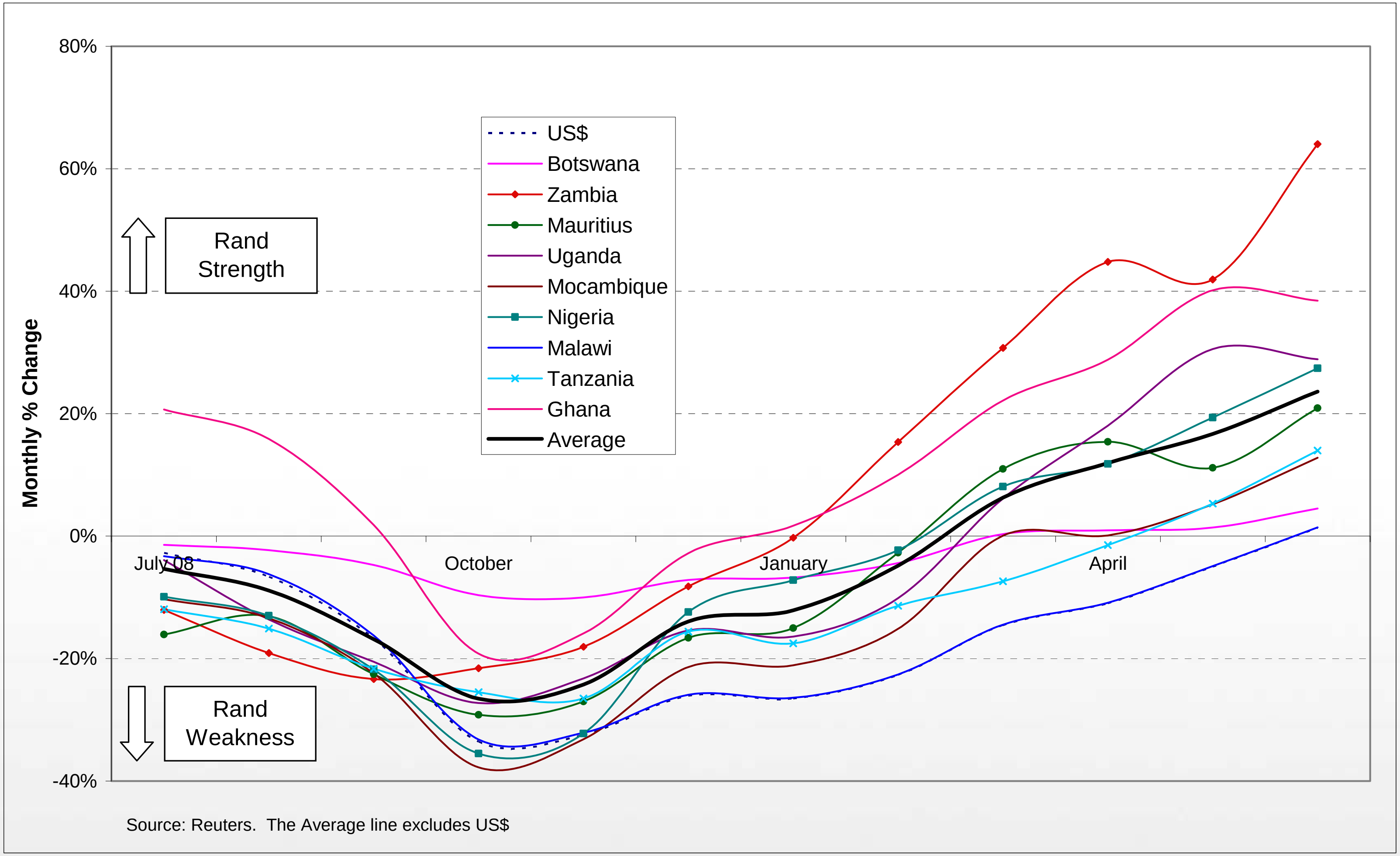
Graph shows annual change of closing spot rates at each June financial year-end

African Currencies – Year to June 2009



Massdiscounters' African currency basket weakened by 23% in Q4 and by 43% from December 2008

Graph shows monthly change in closing spot rates compared to prior year, i.e. August 08 vs. August 09

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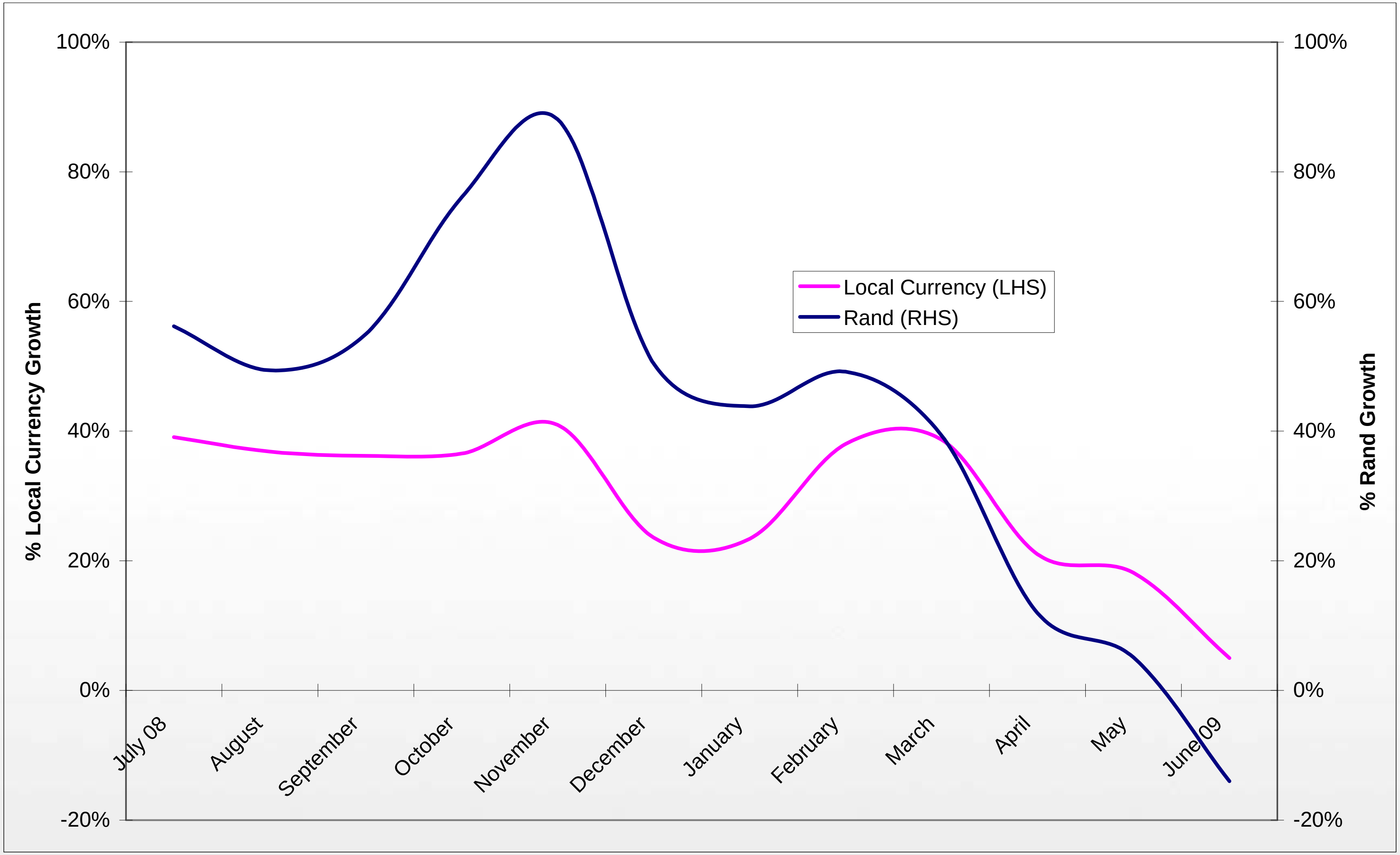
Massdiscounters Africa - Local & Rand Weekly Sales



Graph shows the weekly sales % growth of Massdiscounters' African stores in Rand and local currencies. Note the effect of the stronger Rand in Q4. Still seeing some growth in local currencies.

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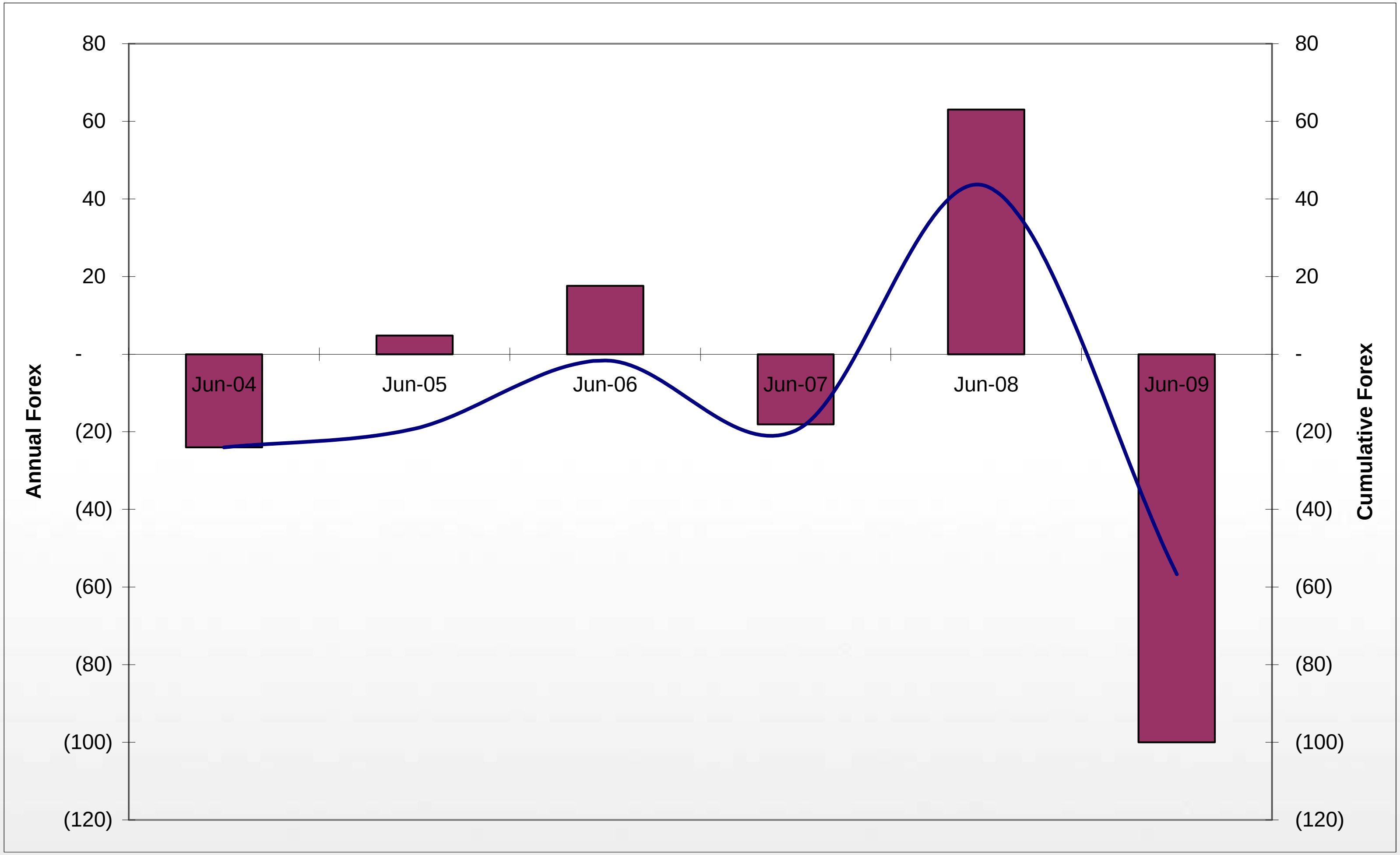
Massdiscounters Annual & Cumulative Forex



Cumulative unrealised & realised forex losses in Massdiscounters African stores are not material – only a R57m cumulative loss since 2004 (introduction of IFRS)

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Makro

	2009	% change
Sales	R11 102m	*12.0%*
PBT	R803m	*14.0%*
PBT margin	*7.2%*	

- Sales inflation 13.4%. Comparable sales +10.0%
- Sales growth typical of environment – high Liquor, steady Food, and low General Merchandise
- Food sales growth slowing with deflation in Oil and Wheat
- Gross margins steady. Great cost control
- Solid working capital performance. Automated replenishment applied to all categories by June 2009
- Secured sites for new stores in Gauteng and Cape Town. Good progress on a further two sites

Massbuild

	2009	% change
Sales	R5 605m	*0.7%*
PBT	R270m	*(34.1%)*
PBT margin	*4.8%*	

- New Divisional CEO & FD making a big impact
- Sales inflation 11.4%. Comparable sales -3.7%
- Sales reflect decline in residential building activity. But good growth in home maintenance categories (e.g. paint, garden)
- Gross margins lower – pricing & promotional activity. Great cost control
- Inventory 6% lower than FY08. In-stock levels up. Automated replenishment in more than 60% sales
- Trade Depot to focus on contractors & low-cost residential market

Masscash

	2009	*% change*
Sales	R15 216m	*13.9%*
PBT	R530m	*23.9%*
PBT margin	*3.5%*	

- Sales inflation 14.0%. Comparable sales +11.6%. Inflation slowing. Deflation in some commodities
- New BATSA model adversely affected total & comparable sales by 4.9% (this effect annualises in September)
  - Adjusting for this: volume growth in total & comparable sales
- Great operating performance
- In-store IT system rollout 33% complete
- Cambridge Food acquired December 2008. Annualised total Retail Cash & Carry sales now R2bn
- Competition Tribunal hearings underway for PE-based wholesaler Finro

2nd half Operating Performance

	1st half	2nd half	Year
Total Sales growth	+13.1%	*+8.2%*	*+10.7%*
Comparable Sales growth	+11.9%	*+4.5%*	*+8.2%*
Group Expense growth	+11.8%	*+4.9%*	*+8.3%*
Increase in PBT excluding Forex	+5.9%	*+5.8%*	*+5.9%*
Increase in Inventories	*+4.4%*	*+2.8%*	*+2.8%*

Good operating performance:

- Low sales growth
- Great expense control
- PBT excl Forex approx same % growth as 1st half
- Effective inventory management

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Core Growth

Group Sales	R43.1bn	*+10.7%*
Group Profit before Tax excluding Forex	R1.98bn	*+5.8%*

Group “core” profit growth of 5.8% arrived at after:

- Comparing to prior year 52-week period
- Excluding the foreign exchange movements from both years

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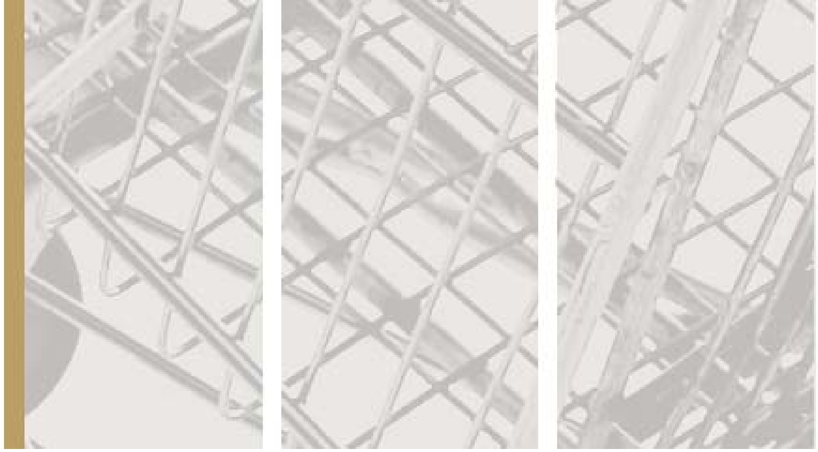
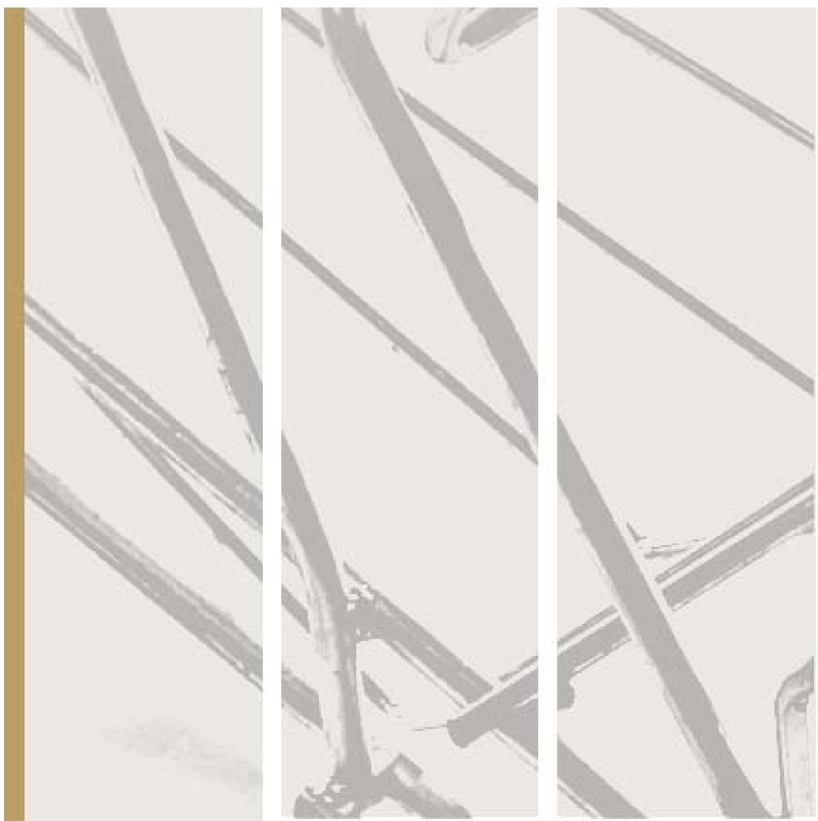


Highlights of the Operational Performance



Operational Highlights

- Negative volumes for the year with 8.2% comparable sales with 11.4% product inflation.
- Significant slow-down in the last eight weeks of the financial year, ending the year at 0% comparable sales growth.
- Despite the 4.5% comparable sales in the second half, we still managed to grow Trading Profit by 3.9%, versus 7.1% in the first half off 11.9% comparable sales growth.
- “Discount” Divisions increased sales by 12.4% and Trading Profits 14.4%.
- “Category Killer” Division demonstrating cyclical performance.
- Strong cash flows – cash generated by operations up 6%.
- Inventories well controlled despite slowing sales – only up 2.8%.
- Pricing was aggressive in all formats.
- In-stock performance at historical highs.

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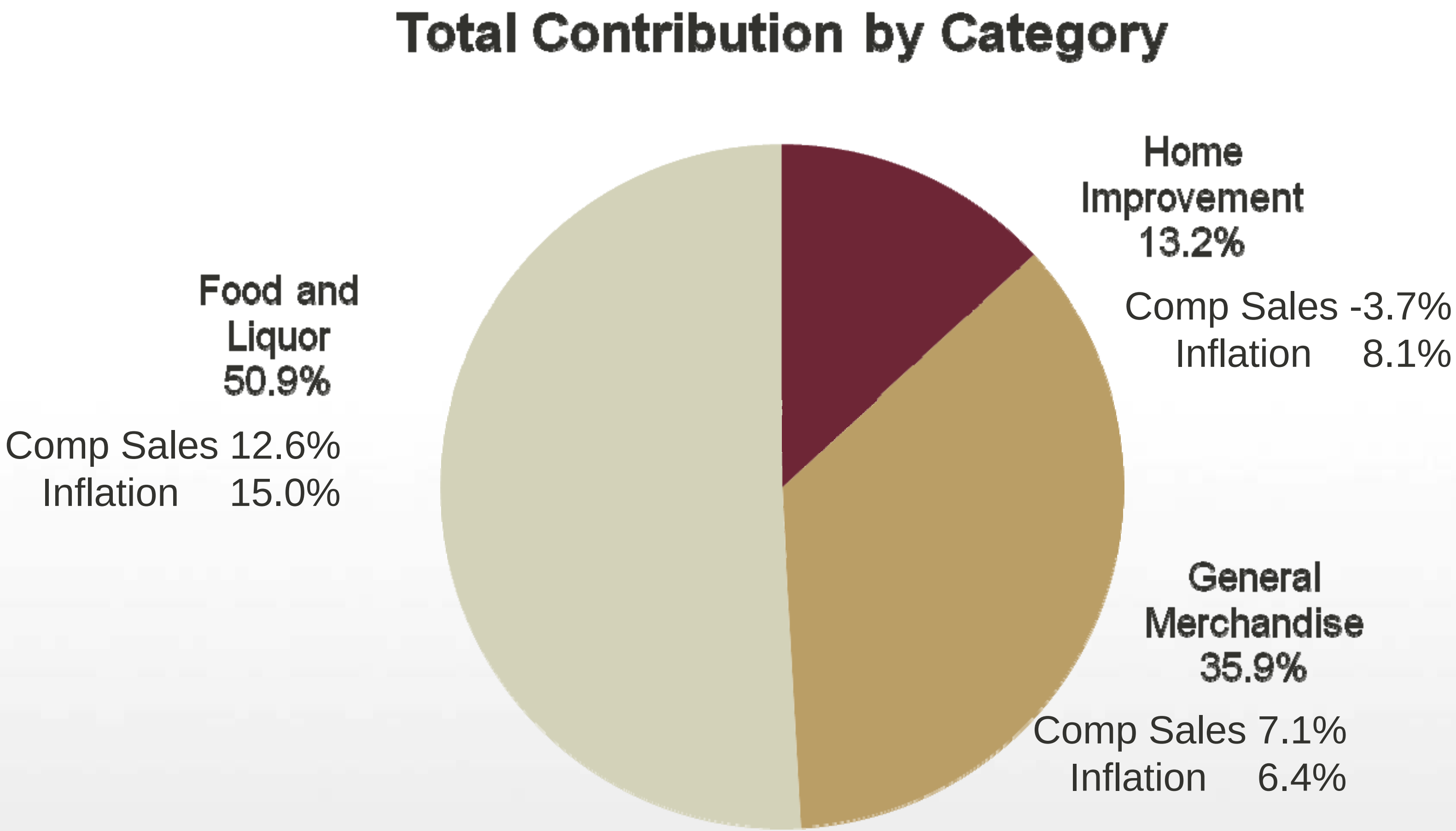
Contribution and Performance by category



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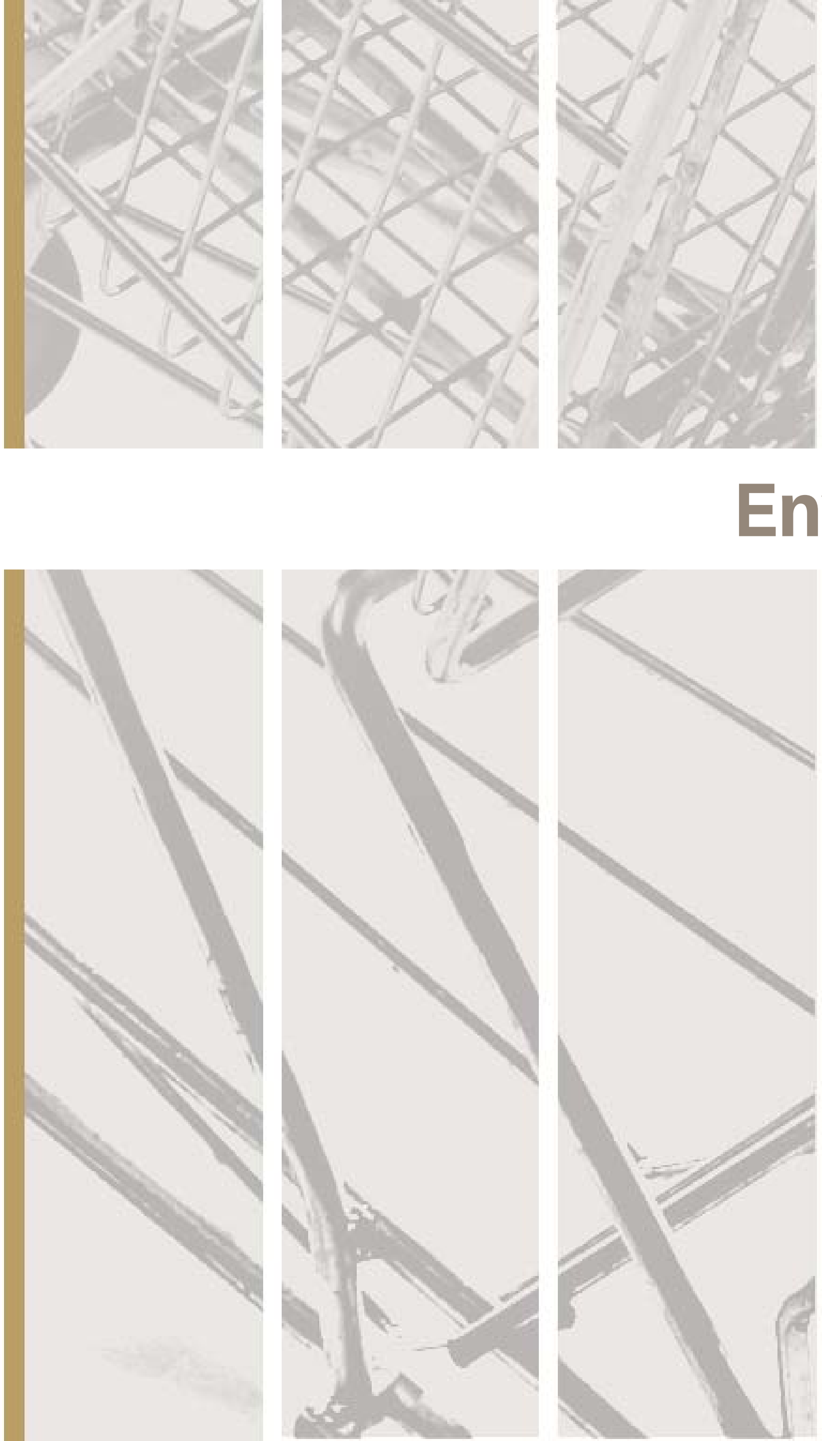
Category definition

Category	Leading Sub-category
Home Improvement	Paint, Adhesives & Allied Bricks & Building Mixes Hardware Tool
General Merchandise	Audio Visual Major appliances Computers, printers & peripherals House wares Sport and Outdoor
Food & Liquor	Commodities Groceries Cigarettes Maize Beer Quarts



Environment

Environment – Economic SA

- Recession now a reality
  - Synchronised SA cyclical down-turn and global economy led recession.
  - Real retail sales still negative and becoming more so.
  - Credit card sales growth still negative, but signs the bad debts are improving.
  - Car sales poor – repossessions still high.
  - Residential property market still under pressure - prices and plans negative.

- Overall CPI on a steady decline
  - Food inflation down to 10.2%. Current view is that it won't go into deflation.
  - GM inflation rising, but will probably decline once weak Rand imports have moved through the system.
  - Home improvement inflation steadier but rising slightly.

- Interest rates declining fast but not much more room to go
  - Consumers have been using benefits of lower interest rates to settle debt.
  - Middle-income consumers will be debt-cautious for some time.

Environment – Economic Africa

- Impact of global recession varies country by country – so far generally less than one might have predicted.
- Currencies have de-linked from the US Dollar – and generally weakened.
- Some evidence that Africa GDP growth pattern is synchronised with China GDP growth albeit at a lower level.
- China activity in Africa seems to continue.
- Financing of Trade Deficit key to repatriations. Some improvement since half-year evident.
- Shortage of suitable properties.

Environment – Competition Commission

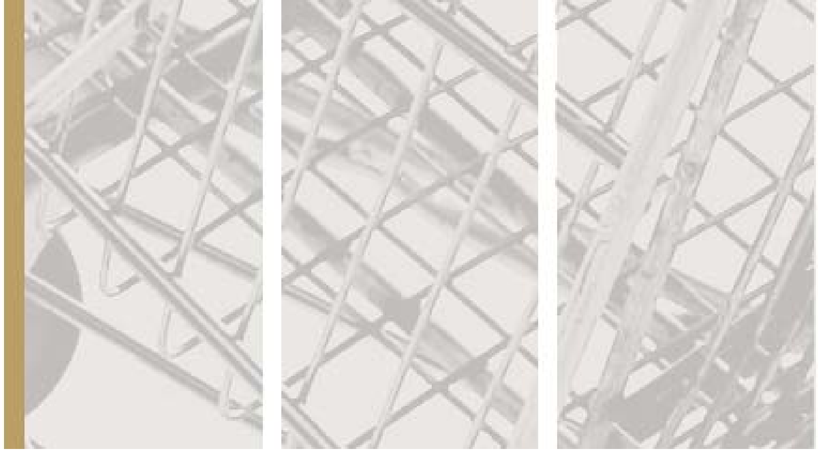
- Competition Commission investigation underway.
- Four allegations
  1. Market Concentration – rebates, discounts, slotting fees etc
  2. Long Leases with exclusivity clauses
  3. Category Captains
  4. Information Sharing
- No allegations of “prohibitive acts”.
- Investigation under “rule of reason” section.
- First meeting held with me – introductory . The process may take 18 months.
- Next meeting scheduled for September/October.
- Our View
  - Without prejudging the Commission’s finding on these practices, none have any significant bearing on food prices or their stability.
  - The Food distribution industry is one of the more competitive industries in South Africa.

Environment – Industrial Action

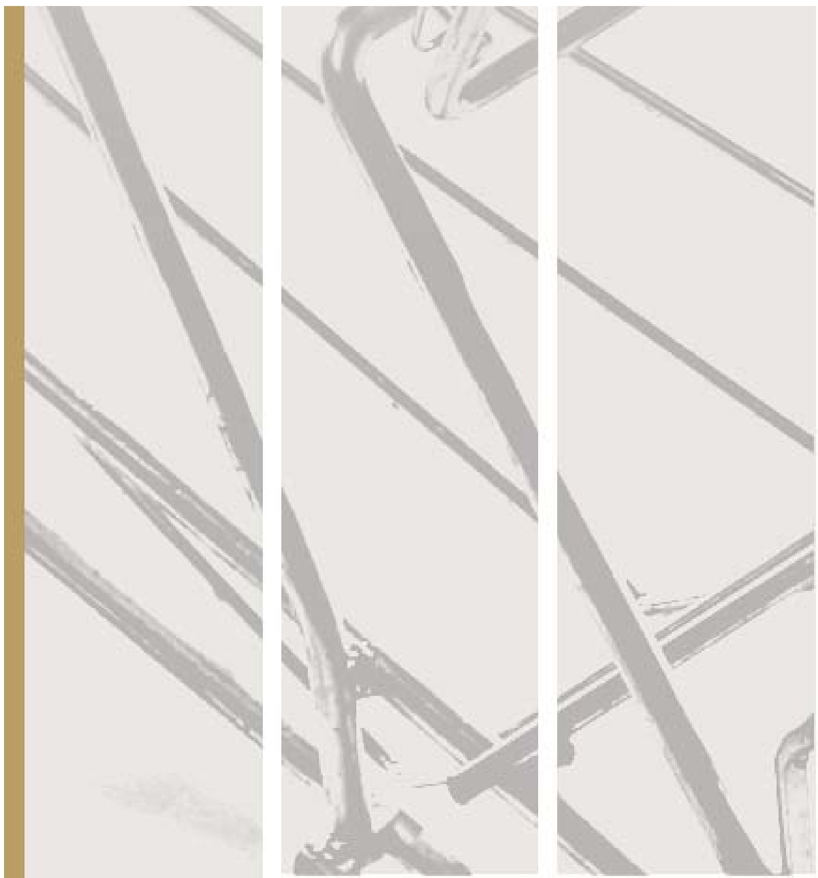
- Spurred on by new political power, Union leadership is becoming more demanding.
- Unions seem intent to go on strike.
- Management felt that the wage demands were unreasonable and unaffordable given recession, inflation and relative competitiveness of current wages.
- Makro and Game used all available laws, regulations and processes.
- So far we have kept wage increases below 9%, in an environment where double digit settlements have been the norm.
- Latest update:
  - Makro settled and everyone back to work – no noticeable effect on trading.
  - Game Africa and Dion Wired settled.
  - Game SA permanent employees still out. Lock-out declared. 51% of employees accepted offer. Some trading effect in Johannesburg.
  - Masscash all settled except Jumbo, negotiations underway.
  - Massbuild. Trade Depot settled. Builders Warehouse only has 25% Union representation. Increase implemented for all non-unionised employees. Negotiations still on-going with Union.

Environment - Competitive Retail

- April and June 2009 SA Retail declines the worst in a decade.
- Performance across categories very varied.
- Food: volumes held and sales boosted by inflation. Masscash performance strong relative to other food players.
- General Merchandise: second hardest hit by interest rates and recession. Given the performance in Furniture Retailers and Category Killers, Massmart gained market share through value positioning. Massdiscounters' performance best in class – although boosted by Africa.
- Home Improvement: Residential Housing activity down +/- 20%. Many competitors going out of business. Massbuild performance relatively strong.
- Many listed retailers have shown negative comparable store sales performance – even at the nominal level.
- Over-supply of Shopping Centres, particularly small ones, becoming a reality. Space is becoming more readily available – no improvement in rentals.
- Our suppliers are relatively stable, with limited insolvencies.



Vision for Growth 2012



Update on Vision for Growth 2012

- Leadership and Transformation
- Growth of the core business
- New stores (expanding footprint)
- New formats and categories
- Acquisitions
- Sustainability

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Vision for Growth 2012

- **Leadership and Transformation**
  - Full 2009 Massmart Corporate University program.
  - Have put a total of 90 individuals through our Graduate Development program. Most were offered and accepted jobs.
  - Appointed Jay Currie as Retail Director Masscash and Llewellyn Steeneveldt as Group Commercial Executive.

- **Growth of the Core Business**
  - Significant progress on Supply Chain. Game Cape RDC. Game and Makro space planning. Makro and Builders Warehouse replenishment. Masscash single system in 33% of stores.
  - Private Label. Launched new brands Simple Choice, Grip, Locktite. Re-launched Trojan and Garden Master and updated Garden Master. Group Participation now at 8.5% of sales.
  - Financial Services. Game re-launched store card with RCS. Good initial success. Builders Warehouse evaluating launching their own card (outsourced).

Vision for Growth 2012

- **Stores opened 2009 (including store acquisitions)**
  - Net 14 stores (7 opened, 4 closed, 1 sold, 12 acquired):
    - 2 Game, 1 Dion Wired
    - 0 Makro
    - 0 Wholesale Cash and Carry
    - 8 Retail Cash and Carry
    - 1 Builders Warehouse, 0 Builders Express, 2 Builders Trade Depot

Vision for Growth 2012

- **Trading space planned growth (including store acquisitions):**
  - 2010 – 7.0%
  - 2011 – 5.0%
  - 2012 – 5.4%
- **New stores – 3 years (including store acquisitions)**
  - Net 62 stores (68 opened, 6 closed):
    - 13 Game, 7 Dion Wired
    - 3 Makro
    - 1 Wholesale Cash and Carry
    - 34 Retail Cash and Carry
    - 3 Builders Warehouse, 3 Builders Express, -2 Trade Depot
  - 171,000 m², R7.7bn annualised turnover

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Vision for Growth 2012

- **New Formats and Categories**
  - Team evaluating Furniture, Grocery, Pharmacy etc.
- **Acquisitions**
  - Will focus on Retail Cash and Carry.
  - We are happy to acquire store sites for all formats. (examples: Trade Depot, Builders Express).
  - We remain open to other strategically compliant mid-sized acquisitions.
  - Have made a small acquisition in Food and Building Materials in Mozambique. Looking for other opportunities in Africa.
- **Sustainability**
  - Maintain current focus.

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Targeted ROS (PBT / Sales)

(%)	**FY09**	***FY Medium-term Target***
Massdiscounters	6.7%	*8.0%*
Masswarehouse	7.2%	*7.0%*
Massbuild	4.8%	*7.0%-9.0%*
Masscash	3.5%	*3.0%*
IFRS 2 & Net Corporate Interest	-0.8%	*-0.5%*
Group	4.6%	**5.5%*

- Proforma using June 2009 full-year sales mix
  Excluding foreign exchange translation movements

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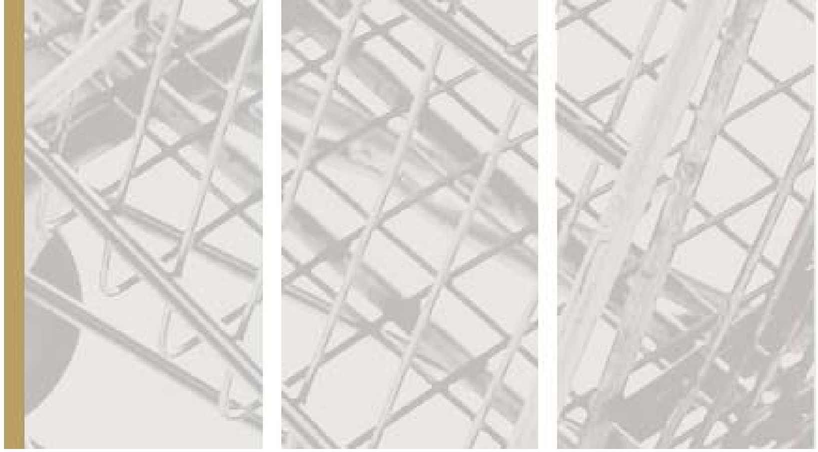
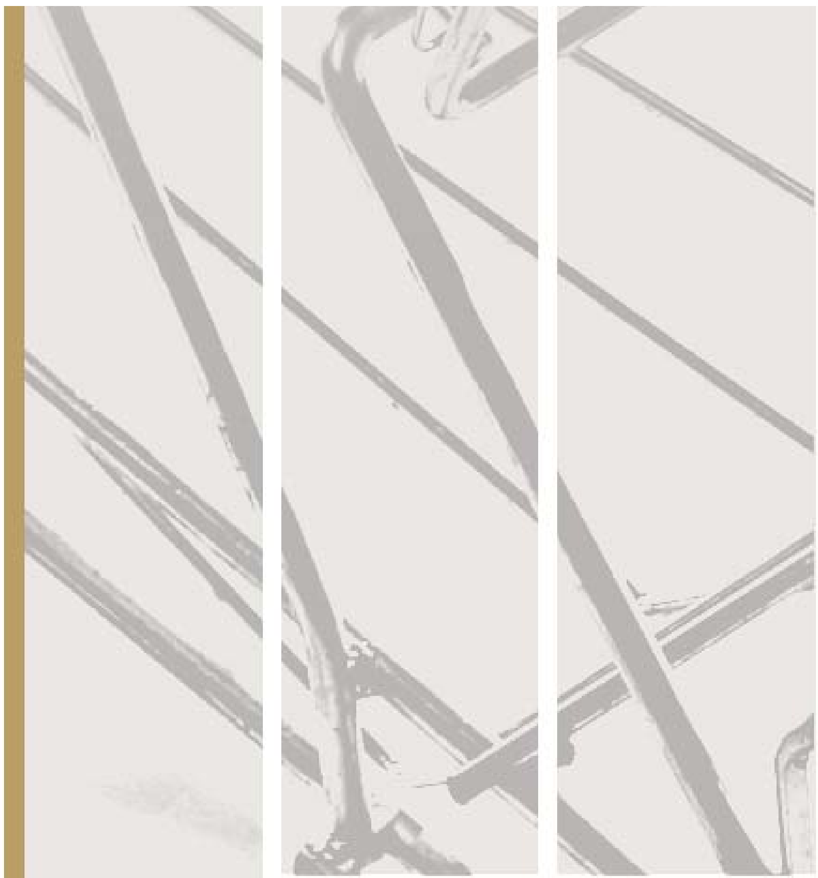


Long-term Growth



Long-Term Growth

- **Massdiscounters**
  - Significant competitive operating improvements post RDC and space planning.
  - Africa has the potential to be 50% of the size of the South African business.
  - Dion Wired has the potential to be a fully fledged 20-30 store national chain.
- **Masswarehouse**
  - Can see the potential of a further 4 stores in South Africa.
  - Potential for at least 4 African stores - lots of work to do.
  - Potential for additional Warehouse stores focused on other categories.
- **Massbuild**
  - Several years of store growth in all formats.
  - Many operating improvement opportunities visible.
  - Significant market share gain potential as competitors exit.
  - Africa potential in all formats.
- **Masscash**
  - Retail Cash and Carry could be as big as Cash and Carry.
  - Cash and Carry to migrate to franchising model – Banner Plus.
  - Africa potential for Retail Cash and Carry – South Africa first.

Risks & Prospects

Massmart’s 2010 Prospects

- **Recession likely to remain?**
  - Most likely for the next 2 quarters. Question over first 2 quarters of 2010.
  - Effect of interest rate cuts should be apparent by Christmas.
  - With the consumer stabilising - real question is about job losses as business earnings come under pressure.
  - Response of the Commercial Banks is key to the recovery.

- **Comparable Sales have stabilised but are negative real.**
  - Ended 2009 Financial Year flat.
  - First 8 weeks comparable sales growth of 1.3%, total 5.5%.
  - Cost growth momentum between 7% and 9%.

- **First half likely to see profits decline**
  - Christmas usually good, but we have not had a Christmas recession in the New South Africa.
  - If the recovery in some developed markets is real, and there is a 6 month lag, then there is some evidence for recovery in the second half.
  - Will Food go into deflation? At the moment it does not look so.
  - Are focussed on margin and cost control.

Massmart's 2010 Prospects

- **Massmart Operating Assumptions**
  - We will continue to respond to the most recent trends and not bet on some view of the future.
  - Food inflation will decline to single digits but remain relatively high through to June 2010.
  - General Merchandise inflation will remain high for a few months but decline as the effect of the strong Rand flows through. Volumes will pick-up when consumers have restructured their debt positions.
  - Home Improvement will remain under pressure until we see a turnaround in residential property statistics. Banks are beginning to signal their intent to grow their home loan books.
  - Cash remains a premium and we will be very disciplined in Working Capital and Maintenance Capital.
  - We will continue to invest for growth where the returns are clear.
- **Opportunities lie in taking market share where competitors are weak.**
- **We will wait patiently for the Consumer recovery.**

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Risks

- **External**
  - "Second dip economic effect".
  - Rising unemployment.
  - Sufficient funding being made available to sustain business activity.
  - Food deflation.
  - Residential property market not recovering in the short term.
  - Future economic policy.
- **Internal**
  - Keeping expense inflation below CPI.
  - Maintaining employee morale.
  - Distraction caused by Competition Authorities.

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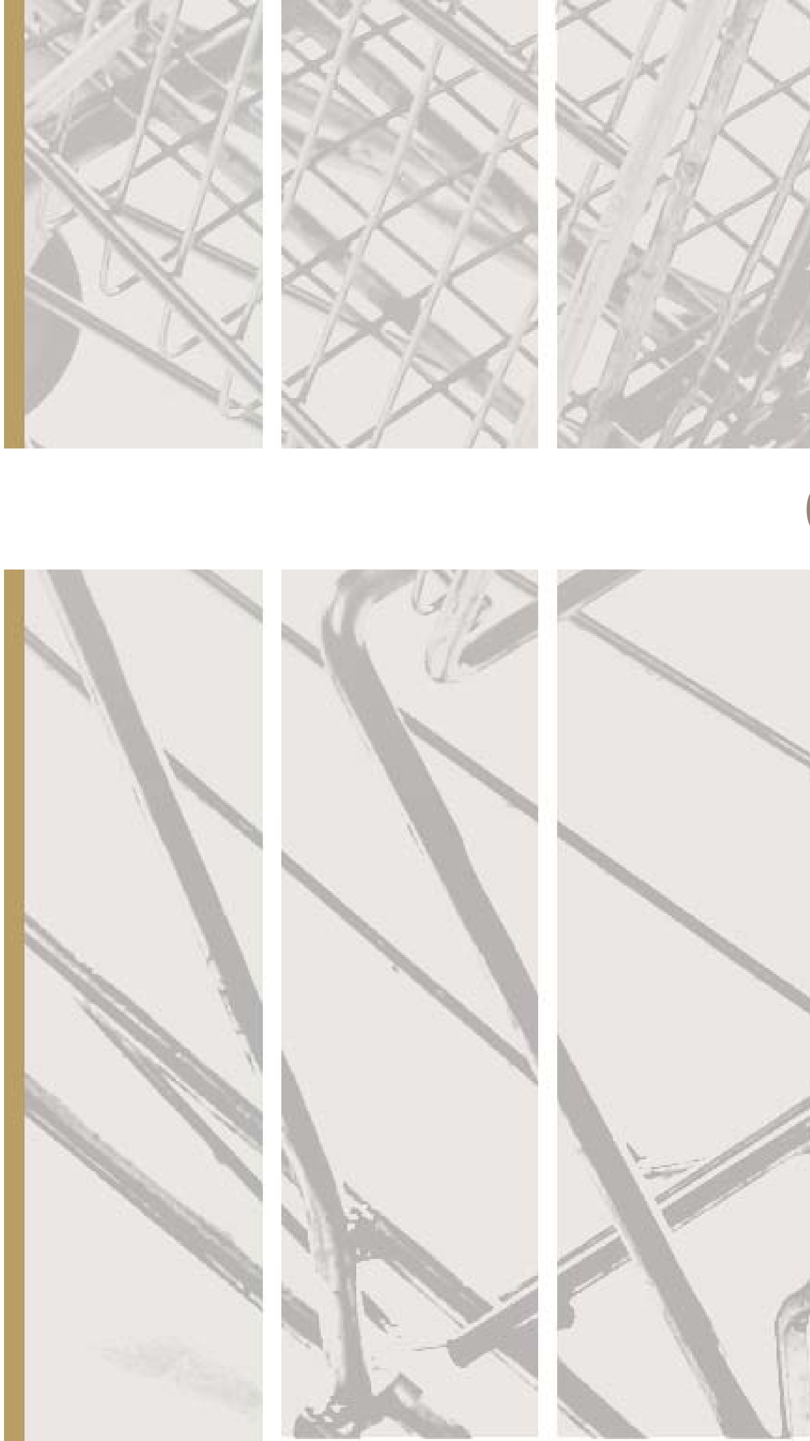


Conclusion

Conclusion

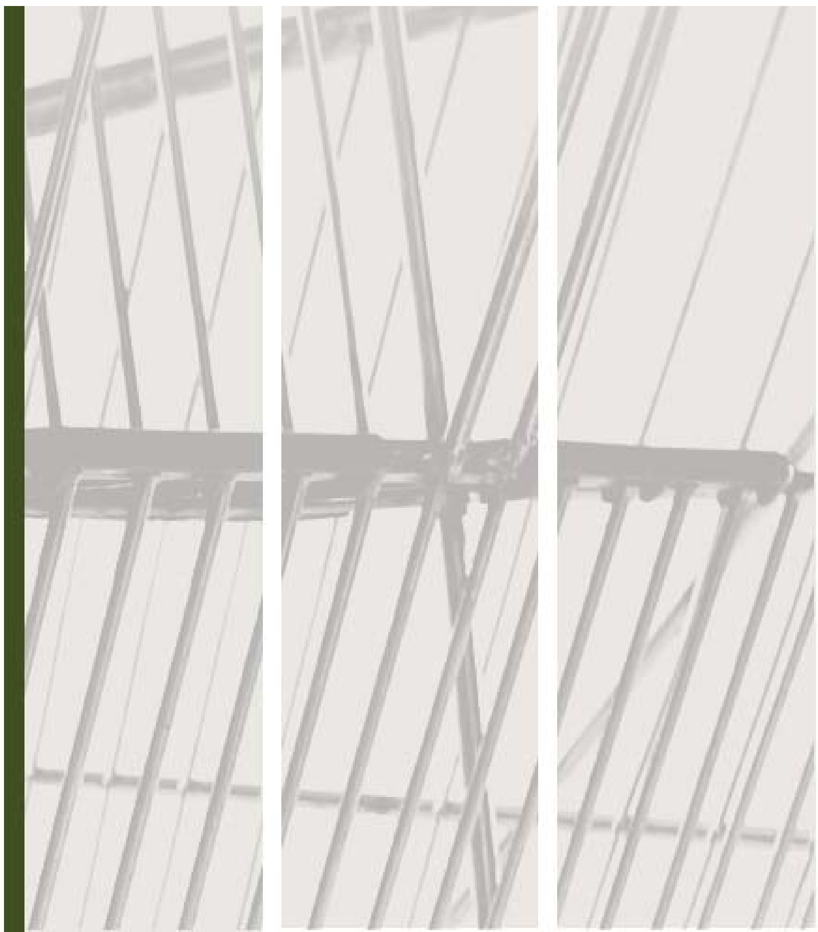
- Satisfactory Group profit performance, showing a slightly more cyclical result.
- Disciplined operating performance, particularly in the second half.
- Strong cash generation performance from disciplined working capital management leveraging investment in Supply Chain.
- Growth plan still in place, but will be managed with due consideration of cash management.
- Performance to FY2010 dependent on the timing of economic recovery.

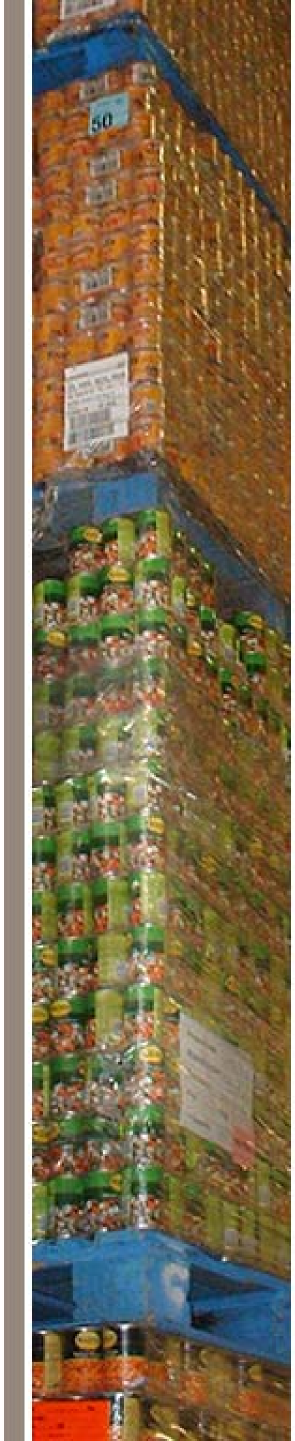
Dedicated to Value

Dedicated to Shareholder Value

www.massmart.co.za

Additional Financial Data





Headline Tax Rate Reconciliation

%	June 2009	June 2008
Standard tax rate	28.0	28.0
Disallowed expenses	3.0	2.5
Exempt income	(1.9)	(1.2)
Foreign income	1.2	1.0
Prior year	0.1	0.7
STC	3.8	3.4
Other	(1.6)	(1.7)
Group tax rate	**32.6**	**32.7**

Analysis of Tax Charge

Rm's	June 2009	June 2008
SA tax	490.1	480.1
STC	72.0	67.8
Deferred tax	20.2	35.6
Foreign tax	49.1	40.2
Foreign deferred tax	(11.0)	9.1
Income Statement Charge	**620.4**	**632.8**

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Capital Expenditure

Rm's	June 2009	June 2008
Land & buildings	127.3	5.0
Leasehold improvements	66.2	59.9
PPE	314.8	368.3
Computers	136.8	106.2
Motor vehicles	27.8	22.7
Sub-total	672.9	562.1
Goodwill & trademarks	21.8	15.8
Total	**694.7**	**577.9**

2010 Budget Capex R763m

Headline Earnings Reconciliation

Rm	June 2009	June 2008
Attributable earnings	1 210.9	1 256.6
Impairment of assets	1.6	4.7
Loss on fixed asset disposals	1.7	3.8
Profit on sale of Consumer Book	(7.0)	-
Tax effects on adjustments	(0.1)	(3.2)
Headline earnings	**1 207.1**	**1 261.9**

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Number of Shares

	(000's)
At June 2008	201 195
Shares issued	108
At June 2009	201 303
Weighted-average for period	199 533
Fully-diluted weighted average	204 054

The weighted-average number of shares is ±537 000 higher than June 2008 due to more shares having been issued to the Massmart Employee Share Trust.

IAS 33 requires the fully-diluted weighted-average shares calculation to be based on the extent to which the BEE shares are in-the-money. This must take into account the strike price, the associated IFRS 2 charge and average annual share price for the past financial year. This calculation produces the additional 4.5m shares that are included in the fully-diluted weighted-average no. of shares.

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Targets

Group Annual ROS	> 5.5%
Int-bearing Debt : Equity	< 30%
Return on Capital Employed	> 45%
Return on Equity	> 35%

(ROCE = EBITA / Average capital employed, excluding goodwill and deferred tax assets)

(ROE = Headline Earnings / Average shareholders equity, excluding goodwill and deferred tax assets)

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Group Forex Exposures & Effect

Main Types of Exposure	Exchange Rate?	Disclosure of Resulting Forex Gain or Loss?
Foreign balance sheets	At Spot	*Fixed Assets, Stock & Equity*: no Income Statement effect, instead forex movement shown in Balance Sheet *Debtors, Cash & Creditors*: forex gain or loss shown in Income Statement Spot rate = higher volatility
Foreign income statements	At Average	No separate forex gain / loss, just higher or lower Rand-denominated foreign earnings Average rate = lower volatility
FECs on imports	At Spot	FEC premium shown in *Cost of Sales* not as forex loss *Stock* is shown at the FEC rate

FEC = Foreign Exchange Contract, being forward cover contracts on imports