Dedicated to Value

Reviewed Results
for the 26 weeks to 25\textsuperscript{th} December 2005

Presentation to Investors, Analysts and Media – February 2006

Agenda

- Financial & Operating Highlights
- Environment
- Operating & Financial Performance
- Strategy
- Risks & Prospects

ADDENDA – Additional data
Financial & Operating Highlights

Financial highlights

- Sales: R15916m, 14%
- Real Comparable Sales: R777m, 5.2%
- Trading Profit: R515m, 35%
- Headline Earnings: R481m, 28%
- Headline Earnings Before Acquisitions: 20%
Financial highlights

- **Headline EPS**: 28% (258.2 c)
- **Cash flow from Operations (Trading)**: 40% (33%)
- **Return on Sales**: 5.0%
- **Return on Equity**: 44%
- **Dividend**: 17% (130cps)

Operating Highlights

- Record first half sales of R15.9b, 6.4% of which was from 19 foreign stores in 9 countries.
- With estimated average deflation of 0.0%, real comparable store sales grew 5.2% and real sales before acquisitions grew 7.8%.
- Consumer credit sales comprised 2% of Group sales.
- Trading profit grew almost three times faster than sales to R801m
  - 83% of the full year trading profit to June 2005
  - 8% from foreign stores.
Operating Highlights (cont.)

- Pre and post interest operating profit margins increased to 4.9% and 5.0% respectively.
- Store network increased to 222 (882,205 m sq) with the opening of 9 new stores with estimated annual sales of > R1.0b
- Average sales per store R136m

Environment
Environment

• Retail market buoyed by:
  – Structural change in consumer economy
  – Benign interest rate outlook
  – High consumer confidence

• Massmart performance enhanced by:
  – Slight inflationary pressures
  – Consumer investment in durables & home improvement
  – Slight improvement in the position of lowest income consumers

• Gradual declining trend in robust retail sales growth (Stats SA)
Operating & Financial Performance

Inflation

- Group inflation for six months to December 2005:
  - General Merchandise * - 2.0%
  - Food + 1.4%
  - Liquor + 7.2%
  - Total 0%
- Inflation returned in Commodities
- Outlook for overall Group inflation remains benign, probably below +3.0% for year to June 2006 (this is Rand & oil dependant)

* General Merchandise includes Home Improvement
IFRS

• Reporting for the first time
• Standards primarily affecting Massmart:
  – Share-based payments
  – Business combinations (intangibles & impairment)
  – Effects of changes in exchange rates
• Also now consolidate Makro Zimbabwe, under Hyperinflation Accounting
• All prior year figures restated

Sales Growth Analysis

<table>
<thead>
<tr>
<th></th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Existing stores (comparable growth)</td>
<td>5.2</td>
</tr>
<tr>
<td>New stores</td>
<td>2.6</td>
</tr>
<tr>
<td>Acquisitions</td>
<td>7.5</td>
</tr>
<tr>
<td>Total sales growth</td>
<td>15.3</td>
</tr>
</tbody>
</table>

This sales growth figure excludes figures for Makro Zimbabwe

Acquisitions: Feds, De La Rey & Servistar
Sales

(Rm’s) 2005 2004 % Chg Comp. % Chg
Massdiscounters 4 196 3 966 5.8 -0.2
Masswarehouse 4 057 3 815 6.3 5.9
Massbuild 1 935 675 186.7 17.4
Masscash 5 728 5 488 4.4 7.7
Total 15 916 13 944 14.1 5.2

Non-SA Sales 6%
SA Sales 94%

Masswarehouse comparable sales exclude Makro Zimbabwe.
Masscash comparable sales for CBW & Jumbo only.

Store Portfolio

<table>
<thead>
<tr>
<th></th>
<th>MDisc</th>
<th>MWare</th>
<th>Mbuild</th>
<th>MCash</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>July ’05</td>
<td>72</td>
<td>*14</td>
<td>62</td>
<td>65</td>
<td>213</td>
</tr>
<tr>
<td>Acquired</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Openings</td>
<td>4</td>
<td>-</td>
<td>2</td>
<td>2</td>
<td>8</td>
</tr>
<tr>
<td>Dec ’05</td>
<td>76</td>
<td>*14</td>
<td>64</td>
<td>68</td>
<td>222</td>
</tr>
</tbody>
</table>

* Includes two Makro Zimbabwe stores.
### Gross Profit

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>R2 401m</td>
<td>R2 003m</td>
</tr>
<tr>
<td>% of Sales</td>
<td>15.1%</td>
<td>14.4%</td>
</tr>
</tbody>
</table>

- Impact of higher margins in Builders Warehouse and Massbuild acquisitions
- Slightly higher GPs in Masscash and Masswarehouse
- Christmas trading boosts GPs, full-year figure likely to be lower (June 2005: 13.7%)

### Net Operating Costs

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>Costs</td>
<td>R1 623m</td>
<td>R1 428m</td>
</tr>
<tr>
<td>% of Sales</td>
<td>10.2%</td>
<td>10.2%</td>
</tr>
</tbody>
</table>

- Total increase of 13.7% before items below
- Figures include a Zimbabwe *monetary adjustment* i.t.o. Hyperinflation Accounting of +R7m (2004: -R104m)
- Adjusting for this, increase of 23%
- Before this and acquisitions, increase of 9%
Lease Smoothing

- Total pre-tax lease adjustment R14m (2004: R30m)
- Non-cash adjustment
- Massdiscounters adjustment turned positive this year
- Negative adjustments in Makro, Massbuild and Masscash
- Due to new stores, Builders Warehouse lease-smoothing adjustment (in Massbuild) will be more severe going forward
- Not a linear trend – will be a step increase with each new store

Forex Gains & Losses

<table>
<thead>
<tr>
<th>Rm’s</th>
<th>2005</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>Massdiscounters</td>
<td>(14)</td>
<td>(23)</td>
</tr>
<tr>
<td>Trident</td>
<td>1</td>
<td>-</td>
</tr>
<tr>
<td>Other</td>
<td>(5)</td>
<td>1</td>
</tr>
<tr>
<td>AC 133</td>
<td>1</td>
<td>(6)</td>
</tr>
<tr>
<td>Total</td>
<td>(17)</td>
<td>(28)</td>
</tr>
</tbody>
</table>
Changes in Exchange Rate

• IFRS has effectively de-linked the natural hedge accounting between certain foreign assets & liabilities

• In these cases, a translation gain could be accounted for in the Income Statement, while a translation loss may be accounted for in the Balance Sheet

• In Massdiscounters this increases the volatility of reported profits & losses on translation

Divisional PBIT

<table>
<thead>
<tr>
<th>(Rm’s)</th>
<th>Year to December</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2005</td>
<td>2004</td>
</tr>
<tr>
<td>MDD</td>
<td>351.9</td>
<td>299.8</td>
</tr>
<tr>
<td>Masswarehouse</td>
<td>167.6</td>
<td>107.5</td>
</tr>
<tr>
<td>Massbuild</td>
<td>146.2</td>
<td>73.2</td>
</tr>
<tr>
<td>Masscash</td>
<td>111.4</td>
<td>94.4</td>
</tr>
<tr>
<td>Total</td>
<td>777.1</td>
<td>574.9</td>
</tr>
</tbody>
</table>

PBIT = Profit before Interest & Tax
**Net Interest Paid**

(Rm’s)

<table>
<thead>
<tr>
<th>Division</th>
<th>2005</th>
<th>2004</th>
<th>Change</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Massdiscounters</td>
<td>8.2</td>
<td>(2.2)</td>
<td>10.4</td>
<td></td>
</tr>
<tr>
<td>Masswarehouse</td>
<td>10.8</td>
<td>3.4</td>
<td>7.4</td>
<td>60.9</td>
</tr>
<tr>
<td>Massbuild</td>
<td>1.3</td>
<td>1.5</td>
<td>-0.2</td>
<td>-13.3</td>
</tr>
<tr>
<td>Masscash</td>
<td>3.5</td>
<td>(0.3)</td>
<td>4.8</td>
<td></td>
</tr>
<tr>
<td>Corporate</td>
<td>(42.1)</td>
<td>(9.4)</td>
<td>32.7</td>
<td></td>
</tr>
<tr>
<td><strong>Total interest</strong></td>
<td>(18.3)</td>
<td>(7.0)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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**Divisional PBT**

(Rm’s)

<table>
<thead>
<tr>
<th>Division</th>
<th>2005</th>
<th>2004</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>MDD</td>
<td>360.1</td>
<td>297.6</td>
<td>21.0</td>
</tr>
<tr>
<td>Masswarehouse</td>
<td>178.4</td>
<td>110.9</td>
<td>60.9</td>
</tr>
<tr>
<td>Massbuild</td>
<td>147.5</td>
<td>74.7</td>
<td>97.5</td>
</tr>
<tr>
<td>Masscash</td>
<td>114.9</td>
<td>94.1</td>
<td>22.1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>800.9</td>
<td>577.3</td>
<td>38.7</td>
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</table>

PBT = Profit before Tax
Tax Charge

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>R234m</td>
<td>R164m</td>
</tr>
<tr>
<td>Total tax rate</td>
<td>30.8%</td>
<td>31.4%</td>
</tr>
<tr>
<td>Headline tax rate</td>
<td>31.2%</td>
<td>29.0%</td>
</tr>
</tbody>
</table>

- SA Corporate rate 29% (December 2004: 30%)
- STC 2.0% (2004: 0.1%). Higher due to distribution from share premium in the prior year

Stock & Creditors

<table>
<thead>
<tr>
<th></th>
<th>Dec 2005</th>
<th></th>
<th>Dec 2004</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rms</td>
<td>Days</td>
<td>Rms</td>
<td>Days</td>
</tr>
<tr>
<td>Net Stock (1)</td>
<td>3 547</td>
<td>54</td>
<td>3 263</td>
<td>58</td>
</tr>
<tr>
<td>Trade Creditors (1)</td>
<td>5 823</td>
<td>69</td>
<td>5 273</td>
<td>70</td>
</tr>
<tr>
<td>Provisions &amp; Accruals</td>
<td>1 498</td>
<td>-</td>
<td>1 162</td>
<td>-</td>
</tr>
</tbody>
</table>

1. Days calculated using historic cost of sales. (excludes Corp. and Makro Zimbabwe)
Debtors

<table>
<thead>
<tr>
<th></th>
<th>Dec 2005</th>
<th></th>
<th></th>
<th>Dec 2004</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rms</td>
<td>Days</td>
<td>Rms</td>
<td>Days</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade Debtors (1)</td>
<td>1 200</td>
<td>53</td>
<td>1 139</td>
<td>52</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Consumer Debtors (2)</td>
<td>274</td>
<td>183</td>
<td>268</td>
<td>213</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1. Days calculated using historic sales.
2. Massdiscounters HP & Revolving Credit.

Depreciation

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rm’s</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation</td>
<td>101</td>
<td>71</td>
</tr>
<tr>
<td>Replacement Capex</td>
<td>72</td>
<td>131</td>
</tr>
<tr>
<td>Investment Capex</td>
<td>114</td>
<td>148</td>
</tr>
</tbody>
</table>
Gearing

- Average net gearing of 17%
- Two R250m five-year loans signed during the period
- Depending upon Competition Tribunal approval of Moresport acquisition, may be raising permanent preference share capital:
  - R500m
  - Floating, linked to prime interest rate
  - Possibly in April?
Cash Earnings

HEPS – Headline Earnings per Share (cents)
Cash EPS – Cash from Operating Activities, before dividends paid

Returns (IFRS and Lease-smoothing from 2004 only)

ROCE - EBITA / Average Capital Employed
ROE - Headline Earnings / Average Shareholders Equity (ignoring previous goodwill & trademark write-offs)
Strategy

Competitive Growth Strategy

• Three major thrusts:
  – Build portfolio through acquisitive & organic growth, based on category expertise
  – Mitigate portfolio costs through internal collaboration & joint initiatives (not centralised)
  – Incentivise for alignment

• Implementing for 18 years – 15 major acquisitions, 39% organic growth

• Resulted in Massmart being:
  – 3rd largest retail business on African continent
  – 161st largest retailer in world (Deloitte)
  – 24th fastest growing of worlds largest 250 retailers over past 5 years (Deloitte)
Strategy implementation

• Specific plans and objectives for:
  – Real sales growth from existing outlets
  – Expansion into new categories & formats
  – New outlets
  – Relocation, right sizing & refurbishment of selected outlets
  – Selected acquisitions that conform to Massmart’s strategic & financial criteria
  – Net margin growth

• Additional emphasis
  – Simplify for efficiency, expense reduction & management leverage (ROEffort)

<table>
<thead>
<tr>
<th>Plans &amp; Objectives</th>
<th>Progress to December 2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Continued real sales growth from existing outlets</td>
<td>• 5.2%</td>
</tr>
<tr>
<td>Expansion into new categories &amp; formats</td>
<td>• New categories/products in GM &amp; HI</td>
</tr>
<tr>
<td></td>
<td>• Small Game stores</td>
</tr>
<tr>
<td></td>
<td>• Latest format Builders Warehouse</td>
</tr>
<tr>
<td>New outlets</td>
<td>• 9 new stores</td>
</tr>
<tr>
<td></td>
<td>• Estimated annualised sales &gt;R1.0b</td>
</tr>
<tr>
<td>Selected acquisitions that conform to Massmart’s strategic &amp; financial criteria</td>
<td>• Integration of HI businesses</td>
</tr>
<tr>
<td></td>
<td>• Moresport pending Competitions</td>
</tr>
<tr>
<td></td>
<td>• Tribunal ruling</td>
</tr>
<tr>
<td>Simplify structures &amp; processes to reduce expenses &amp; leverage management capability</td>
<td>• Integrated Tile Warehouse into BW</td>
</tr>
<tr>
<td></td>
<td>• Sold Furnex</td>
</tr>
</tbody>
</table>
“Vision for Growth 2008”
- Report Back

“Vision for Growth 2008” is about…..

- Refined organisation & management structure (focussed leadership & reporting)
  - Executive Committee now 11 people
  - Average age 41, 25 degrees, average 14 years trading experience, 100 years service with Massmart/subsidiaries
Leadership structure (February 2006)

- **CEO & Dep. Chair.**
- **COO**
- **Dep. CEO**
- **CFO**

**Directors**
- CEO & Dep. CEO & Dep.
- Makro
- Massdisc
- MD: Jumbo
- MD: Shield
- MD: Fumex

**Execucom**
- All shared services

**Divisions Manage:**
- Focused Retail/Wholesale Business Units
- Responsibility: Day to day operating performance

**Group Manages:**
- Strategy, Portfolio, Capital allocation, Human Capital, IR, Performance, Governance, Audit
- Responsibility: Delivering strategic value to shareholders

**Channel Manages:**
- Forums: GM, Food, TIP, Masscell, FD’s, HR, Cost
- Responsibility: Value creation through inter divisional collaboration

**Services Manages:**
- Treasury, Audit, Forex, Salaries
- Responsibility: Value creation through lower cost shared services

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“Vision for Growth 2008” is about…..

- Refined organisation & management structure (focussed leadership & reporting)
- Refined market focus (profitable sales)
  - Low return high risk business curtailed
  - Concluded largest ever market research into GM, HI, C&C markets (market positioning chains, customer awareness perceptions brands, shopping frequency, attractors & reppellors, strengths & weaknesses)
“Vision for Growth 2008” is about......

- Refined organisation & management structure (focussed leadership & reporting)
- Refined market focus (profitable sales)
- Merchandise & marketing innovation (real comparable growth & pricing power)

- Store portfolio optimisation (penetrating markets & sweating assets)
  - Store development decision support system implemented (Vantage)
  - All “old group” store development opportunities identified
  - Home improvement opportunities clarified by March ’06
“Vision for Growth 2008” is about…..

- Refined organisation & management structure (focused leadership & reporting)
- Refined market focus (profitable sales)
- Merchandise & marketing innovation (real comparable growth & pricing power)
- Store portfolio optimisation (penetrating markets & sweating assets)
- 3 year Growth Vectors (expanding footprint)

Growth Vectors (Progress to December ’05)

- **Africa (cautious progress)**
  - 2008 target – 5 Game (R0.5b)
  - 2006 H1 – Game Nigeria
  - Present commitment – 3 Game
- **FMCG wholesaling (slow growth for cash & returns)**
  - 2008 target 5 CBW & 1 Jumbo stores (R0.75b)
  - 2006 H1 – 1 CBW & 1 Jumbo
  - Present commitment – 2 CBW
- **Home improvement (growth for market leadership)**
  - 2008 target – 7 BW, 2 De La Rey, 9 Servistar (R1.5b)
  - 2006 H 1 – 1 BW
  - Present commitment – 3 BW, 2 De La Rey, 2 Servistar
Growth Vectors (Progress to December '05)

• Opportunities under research – Game RSA, smaller format Game, reposition Dion (exploit when proven)
  – 2008 target 4 L Games, 22 S Games (R1.35b)
  – 2006 H 1 – 1 L Game, 2 S Games
  – Present commitment – 3 L Games, 10 S Games

“Vision for Growth 2008” is about…..

• Refined organisation & management structure (focussed leadership & reporting)
• Refined market focus (profitable sales)
• Merchandise & marketing innovation (real comparable growth & pricing power)
• Store portfolio optimisation (penetrating markets & sweating assets)
• 3 year Growth Vectors (expanding footprint)
• Acquisitions
  – Moresport pending
“Vision for Growth 2008” is about…..

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- Store portfolio optimisation (penetrating markets & sweating assets)
- 3 year Growth Vectors (expanding footprint)
- Acquisitions (enhancing portfolio)
- Margin improvement (enhancing productivity)

Progress towards targeted PBT ROS

<table>
<thead>
<tr>
<th>(%)</th>
<th>Target</th>
<th>**H1 ‘06</th>
<th>International benchmark</th>
</tr>
</thead>
<tbody>
<tr>
<td>M’discounters</td>
<td>7.0%</td>
<td>8.6%</td>
<td>Walmart ex food 7.4%</td>
</tr>
<tr>
<td>M’warehouse</td>
<td>4.0%</td>
<td>4.4%</td>
<td>Metro AG C&amp;C 5.0%</td>
</tr>
<tr>
<td>M’build</td>
<td>8.0%</td>
<td>7.6%</td>
<td>Home Depot/B&amp;Q 10.0%</td>
</tr>
<tr>
<td>M’cash</td>
<td>3.0%</td>
<td>2.0%</td>
<td>N/A 3.0%</td>
</tr>
<tr>
<td>Group</td>
<td>*5.8%</td>
<td>5.0%</td>
<td>*6.2</td>
</tr>
</tbody>
</table>

* Proforma using H1 2006 sales
** Sales & profit weighting towards H1 makes this higher than full year
“Vision for Growth 2008” is about.....

- Refined organisation & management structure (focused leadership & reporting)
- Refined market focus (profitable sales)
- Merchandise & marketing innovation (real comparable growth & pricing power)
- Store portfolio optimisation (penetrating markets & sweating assets)
- 3 year Growth Vectors (expanding footprint)
- Acquisitions (enhancing portfolio)
- Margin improvement (enhancing productivity)
- Collaboration (whole > sum of parts)

Business Model

Holdings

- Strategy
- Portfolio
- Capital allocation
- Performance
- Exec. Dev

Channel collaboration

- Procurement (Forums)
- Coordinated retailing (Positioning, Pricing & Promotion)

Shared services

- Non differentiating services rendered at lower cost to Divisions
- Human Capital management

Divisional growth

- Differentiated competitive offerings
- Dominant in complementary product categories
- Multiple target markets & regional reach
- Favorable cash characteristics
- Sound organic growth
- Strict acquisition criteria
“Vision for Growth 2008” is about.....

- Refined organisation & management structure (focused leadership & reporting)
- Refined market focus (profitable sales)
- Merchandise & marketing innovation (real comparable growth & pricing power)
- Store portfolio optimisation (penetrating markets & sweating assets)
- 3 year Growth Vectors (expanding footprint)
- Acquisitions (enhancing portfolio)
- Margin improvement (enhancing productivity)
- Collaboration (whole > sum of parts)
- BEE (alignment with national imperative)
  - Accelerating progress with all 7 dimensions (DTI)
  - Code provided clarity

“Vision for Growth 2008” is about.....

- Refined organisation & management structure (focused leadership & reporting)
- Refined market focus (profitable sales)
- Merchandise & marketing innovation (real comparable growth & pricing power)
- Store portfolio optimisation (penetrating markets & sweating assets)
- 3 year Growth Vectors (expanding footprint)
- Acquisitions (enhancing portfolio)
- Margin improvement (enhancing productivity)
- Collaboration (whole > sum of parts)
- BEE (alignment with national imperative)
- Governance (stakeholder protection)
  - Compliant
  - JSE Sustainability index
Risks & Prospects

Risks
• External
  – Economic growth / Consumer confidence
  – Lower or falling inflation
  – R/$ volatility
  – Labour costs
• Internal
  – Strategic & operating integration of acquisitions
  – Maintaining control of a large, complex, trading business
  – Weaker Rand impact on direct or indirect imports (30% purchases)
  – Attracting, developing & retaining leadership/management competence & experience
Massmart’s 2006 Prospects

We are confident of:
- The sustained health of South African consumer economy
- Massmart’s leadership, portfolio, unique approach to high volume low cost distribution
- The growth prospects of the new home improvement division
- A record R495m capex programme
- Budgeted sales growth >R30b
- Improved margins
- Full year EPS growth higher than 2005

Data and illustrations provided by

MASSMART
Massmart’s 2006 Prospects

We are confident of:

- The sustained health of South African consumer economy *(2006 Budget, Government expenditure)*
- Massmart’s leadership, portfolio, unique approach to high volume low cost distribution
- The growth prospects of the new home improvement division
- A record R495m capex programme
- Budgeted sales growth >R30b
- Improved margins
- Full year EPS growth higher than 2005 *(may be lower than H1 06)*

Dedicated to Shareholder Value

www.massmart.co.za
Headline Tax Rate Reconciliation

<table>
<thead>
<tr>
<th>%</th>
<th>Standard tax rate</th>
<th>Disallowed expenses</th>
<th>Exempt income</th>
<th>Foreign income</th>
<th>Prior year</th>
<th>STC</th>
<th>Other</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>29.0</td>
<td>1.4</td>
<td>-1.8</td>
<td>0.4</td>
<td>-0.2</td>
<td>2.0</td>
<td>0.4</td>
<td></td>
<td>31.2</td>
</tr>
</tbody>
</table>

Analysis of Tax Charge

<table>
<thead>
<tr>
<th>R'm</th>
<th>Current tax</th>
<th>Deferred tax</th>
<th>Foreign tax</th>
<th>Foreign deferred tax</th>
<th>Income Statement Charge</th>
</tr>
</thead>
<tbody>
<tr>
<td>222.0</td>
<td>(4.4)</td>
<td>18.4</td>
<td>(2.4)</td>
<td></td>
<td>233.6</td>
</tr>
</tbody>
</table>
## Capital Expenditure

<table>
<thead>
<tr>
<th>(Rm’s)</th>
<th>Dec 05</th>
<th>Dec 04</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land &amp; buildings</td>
<td>6</td>
<td>55</td>
</tr>
<tr>
<td>Leasehold improvements</td>
<td>33</td>
<td>32</td>
</tr>
<tr>
<td>PPE</td>
<td>99</td>
<td>158</td>
</tr>
<tr>
<td>Computers</td>
<td>26</td>
<td>19</td>
</tr>
<tr>
<td>Motor vehicles</td>
<td>11</td>
<td>7</td>
</tr>
<tr>
<td><strong>Sub-total</strong></td>
<td>175</td>
<td>271</td>
</tr>
<tr>
<td>Goodwill</td>
<td>10</td>
<td>8</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>185</td>
<td>279</td>
</tr>
</tbody>
</table>

## Headline Earnings Reconciliation

<table>
<thead>
<tr>
<th></th>
<th>Rm’s</th>
</tr>
</thead>
<tbody>
<tr>
<td>Attributable earnings</td>
<td>515.1</td>
</tr>
<tr>
<td>Profit on fixed asset disposals</td>
<td>(0.6)</td>
</tr>
<tr>
<td><strong>Headline earnings</strong></td>
<td>514.5</td>
</tr>
</tbody>
</table>
Number of Shares

(000's)

At 26 June 2005 199 641
Shares issued 100
At 25 December 2005 199 741

Weighted-average for period 199 293
Fully-diluted weighted average 206 006

Targets

Group Annual ROS > 4.5%
Int-bearing Debt : Equity < 30%
Return on Capital Employed > 45%
Return on Equity > 30%

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