

# MASSMART

## Corporate Profile










Reviewed Results for the six months to December 2009

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 290 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.

(Rm)	3 year CAGR %	Dec 2009	Dec 2008	Dec 2007	Dec 2006
Sales	10.1	24 154	22 758	20 123	18 106
EBITDA	4.6	1 295	1 474	1 310	1 131
HEPS (cents)	1.1	347	433	383	336
Dividend (cents)	8.6	252	252	223	197

- Sales R24 154m
- Trading Profit Before Tax R1 284m
- Headline Earnings R694m
- Number of Stores 290

### Massmart Holdings

Massdiscounters	Masswarehouse	Massbuild	Masscash
(General merchandise discounter)	(Warehouse club)	(Home improvement retailer and building materials supplier)	(Food wholesaler and buying association)
Sales R6 114m Trading PBT R434m	Sales R5 956m Trading PBT R393m	Sales R3 190m Trading PBT R166m	Sales R8 894m Trading PBT R291m
		  	 
92 stores	13 stores – RSA (excluding 2 Zimbabwe stores not consolidated)	88 stores	87 stores
General merchandise / FMCG – RSA, Botswana, Ghana, Malawi, Mauritius, Mozambique, Namibia, Nigeria, Tanzania, Uganda, Zambia	General merchandise / Food / Liquor	Home improvement supplies / Tools / Building materials - RSA, Mozambique	Food / Groceries / Liquor / Ethnic Cosmetics – RSA, Botswana, Lesotho, Mozambique, Namibia
			
10 stores Electrical appliances - RSA			464 members / 520 outlets Food / Groceries – RSA, Botswana, Lesotho, Namibia, Swaziland

### Strategy

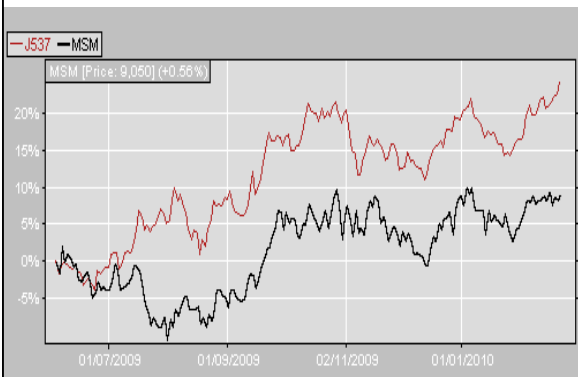
Since its founding in 1990, Massmart has pursued a strategy of aggressive organic and acquisitive growth, mitigating risk through:

- 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 (R150 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, 22 February 2010)

Share Price	R	91.30
26 wk high	R	92.57
26 wk low	R	72.75
Market Cap	Rb	18.4
Reuters		MSMJ.J
Bloomberg		MSM SJ

### For more information: Massmart Holdings

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### Executive Directors

**Grant Pattison**  
CEO

**Guy Hayward**  
CFO