

## All you need to know about Massmart

- Massmart is a multi-format retailer founded in 1990 and listed on the JSE in 2000
- It has 376 stores of which 33 stores are outside South Africa
- It has four divisions: Massdiscounters (Game and DinoWired); Masswarehouse (Makro); Masscash (Jumbo Cash & Carry, Cambridge Food, CBW and Shield buying group); Massbuild (Builders Warehouse, Builders trade depot, Builders express and Builders Superstore)
- In 2010 US retailer Wal-Mart expressed a non-binding interest in acquiring an equity stake in Massmart
- Shareholders and competition authorities approved Walmart's 51% purchase of Massmart in 2011 for R16.5bn
- Three government departments were opposed to the deal citing public interest, the matter was taken to the Competition Appeal Court, which ruled in Massmart's favour in 2012
- Massmart created a supplier development fund in 2012 to help small suppliers can access to its supply chain
- To date the supplier development programme has helped list 162 smallholder farmers, 19 developing wine brands, and 5 SME manufacturing suppliers whose product range includes paint, adhesives, pottery and cosmetics. These are all now available across Massmart stores
- Massmart has also helped South African suppliers get their products listed in Walmart stores. The developing wine programme has already seen Bayede! wines and Seven Sisters wines being made available in China and the US respectively
- Massmart's interim results for the 26 weeks to June 2013, showed a total sales increase of 8.9%, while comparable sales increased by 5.5%. Sales in Massmart's African businesses represented 7.6% of total sales and increased by 10.7%
- Growth in Africa, outside of South Africa, continues to be a priority for Massmart, particularly Food Retail expansion. Following the successful opening of a Builders Warehouse in Francistown, Botswana, Massmart has four more Builders stores planned for Mozambique and Zambia and have secured sites in Kenya and Angola for Game. We have developed a new food format which we will be trialling in West Africa before the end of the year and continue to look at east Africa as well.