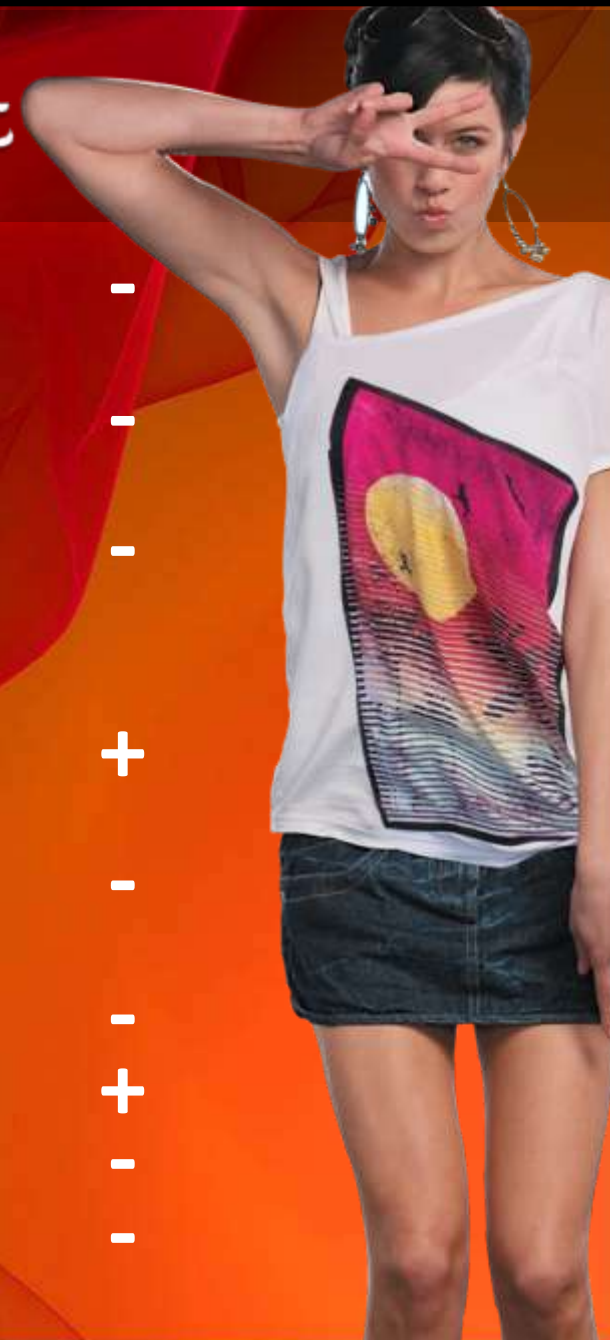




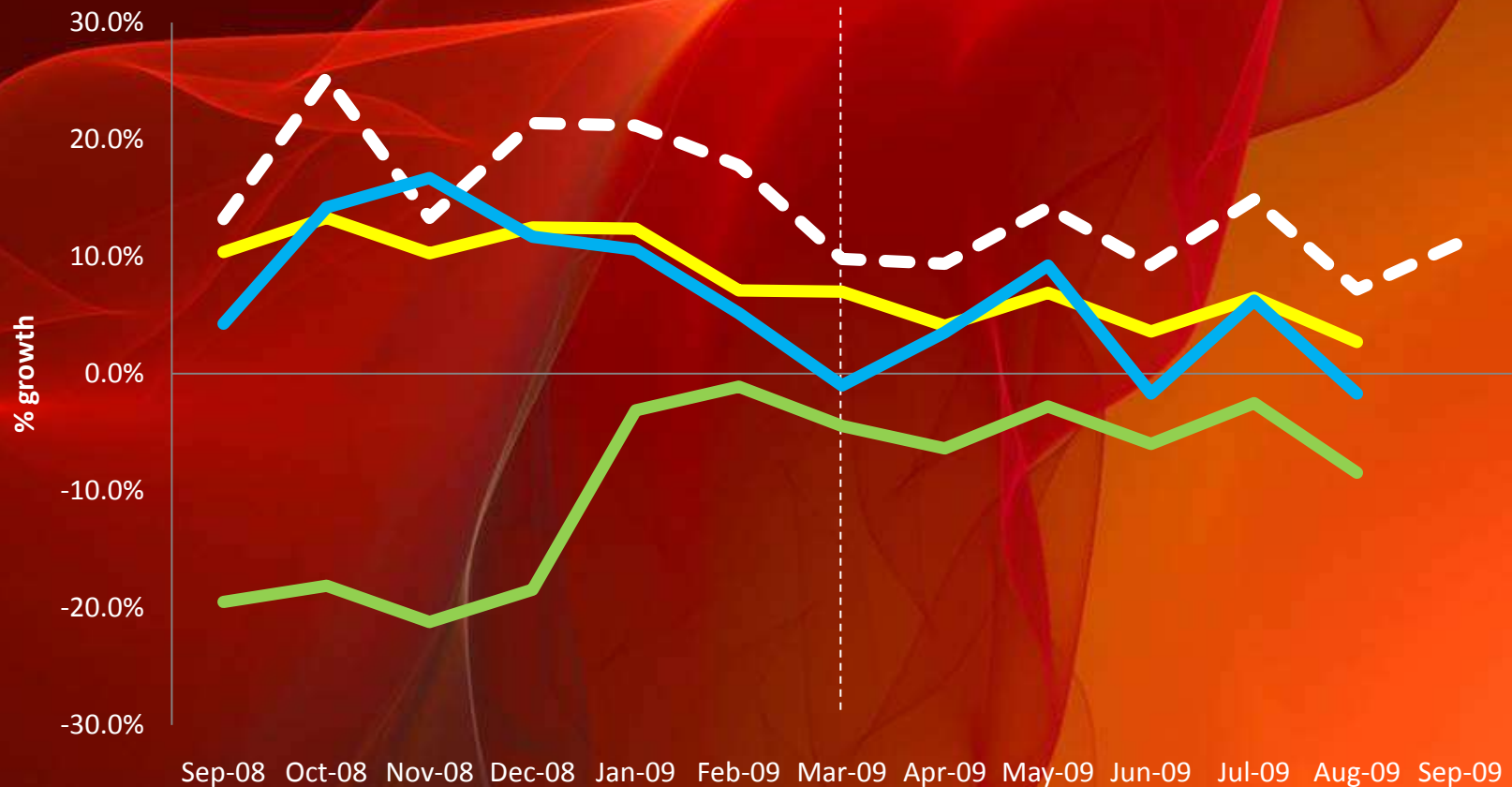
Mr Price Group Limited
Interim Results ♦ *September 2009*

Overview of Retail Environment

- Total consumer spending contracted sharply -
- Decline in retail sales in real terms for seven consecutive months -
- Household debt to disposable income at historically high levels -
- Consumer confidence fell in third quarter
 - High income group (> R5,000pm) confidence increased +
 - Low income group (< R5,000pm) confidence plunged -
- Cashflow 'freed up' by lower interest rates being used to reduce debt -
- Easing inflation and food prices +
- Volatile rand -
- Erratic trading patterns -



South African retail sales growth



● Retailers in household furniture, appliances and equipment

● Retailers in textiles, clothing, footwear and leather goods

● SA Retail Statistics

● Mr Price Group

2009 Highlights

- Retail sales growth exceeds RLC
- Continued gain in market share
- Improvement in operating margin despite under-performance of Miladys and Home divisions
- Strong performance of debtors book
- Working capital improvement aided by Project Redgold



2009 Highlights

	2009	2008	Growth
Retail sales	R4,3bn	R3,9bn	11%
Comparable sales			9%
Net weighted average trading space			6%
RSP inflation			8%
Profit from operating activities	R342m	R300m	14%
Operating margin	8.0%	7.7%	
Headline earnings per share	101.5c	88.2c	15%
Core headline earnings per share	93.9c	80.3c	17%
Dividend per share	46.2c	40.2c	15%



Retail sales and operating profit (Interim)



5 year CAGR – Retail sales: 20%

Operating profit: 26%



Headline earnings per share



5 year CAGR – Interim
Full

HEPS: 26%
HEPS: 23%

DPS: 28%
DPS: 31%



Market and social recognition

Business Times Top 100 Companies

- Share price performance
 - Over five years placed 23rd
 - Highest placed clothing retailer
- Return on equity placed 19th
- Placed in Top 100 for 19 successive years

Mail and Guardian Investing in the Future

- Corporate Award - Mr Price Group and RedCap Foundation
- Sports Development Award - Mr Price Mitchells Plain Soccer Development Programme



Financial Position

	2009	2008	Growth
Gross inventories	R1,1bn	R1,0bn	2%
% sales growth			11%
Stock turn (times)	5.8	5.4	
Benefits of Redgold			
Trade and other payables	R1,2bn	R1,1bn	16%
Capital expenditure	R79m	R115m	(32%)
Cash balances	R635m	R365m	74%



Trade Receivables

	2009	2008	Growth
Gross trade receivables	R742m	R610m	22%
Total number of active accounts	871k	760k	15%
Net bad debts as % credit sales *	3.8%	3.6%	
Net bad debts as % debtors *	7.4%	7.1%	
Impairment provision (% of debtors)	8.6%	8.4%	
Markov chain analysis	5.3%	5.4%	
Additional risk factors	3.3%	3.0%	

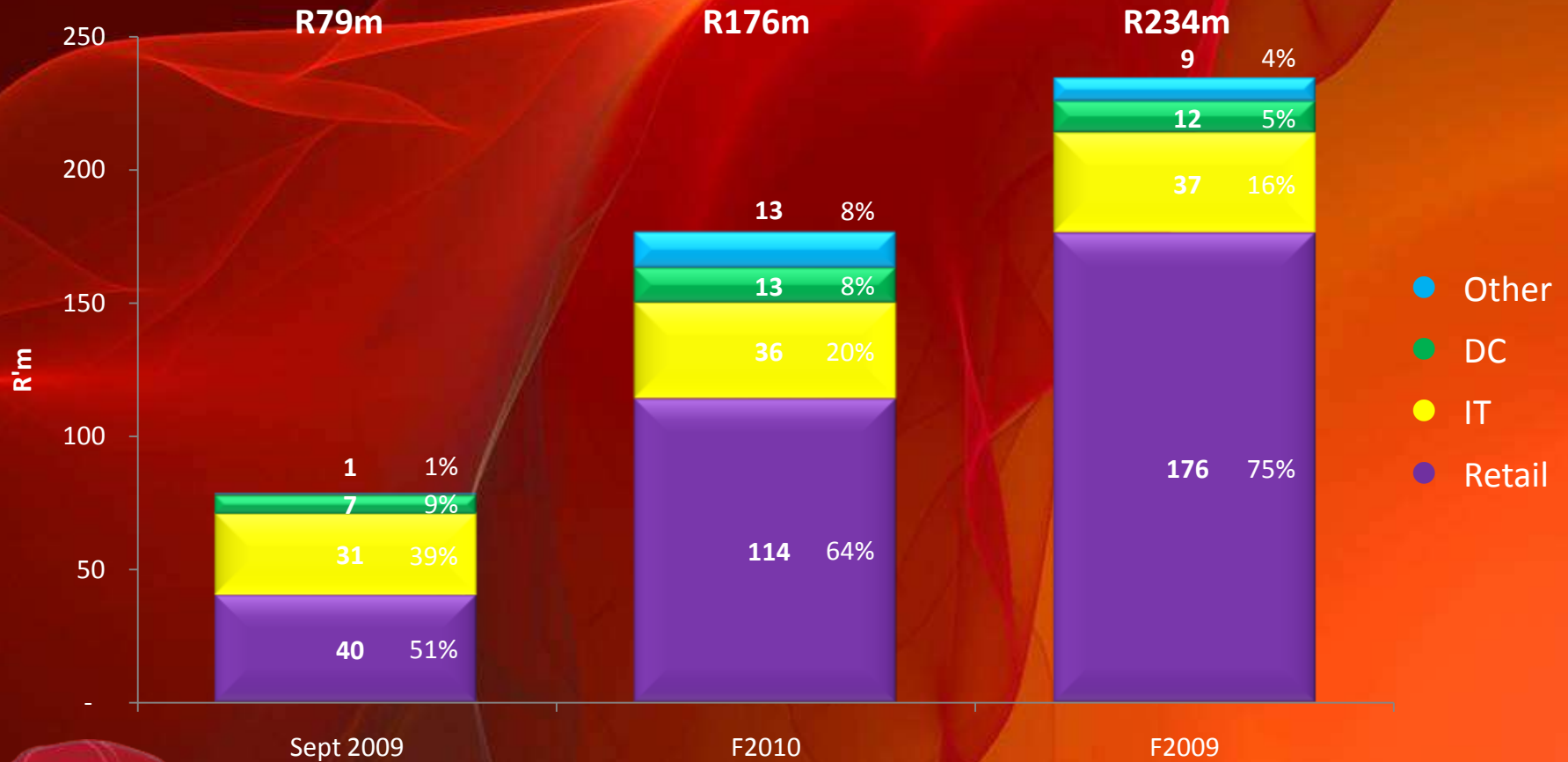
* Excludes collection costs, movement in provision



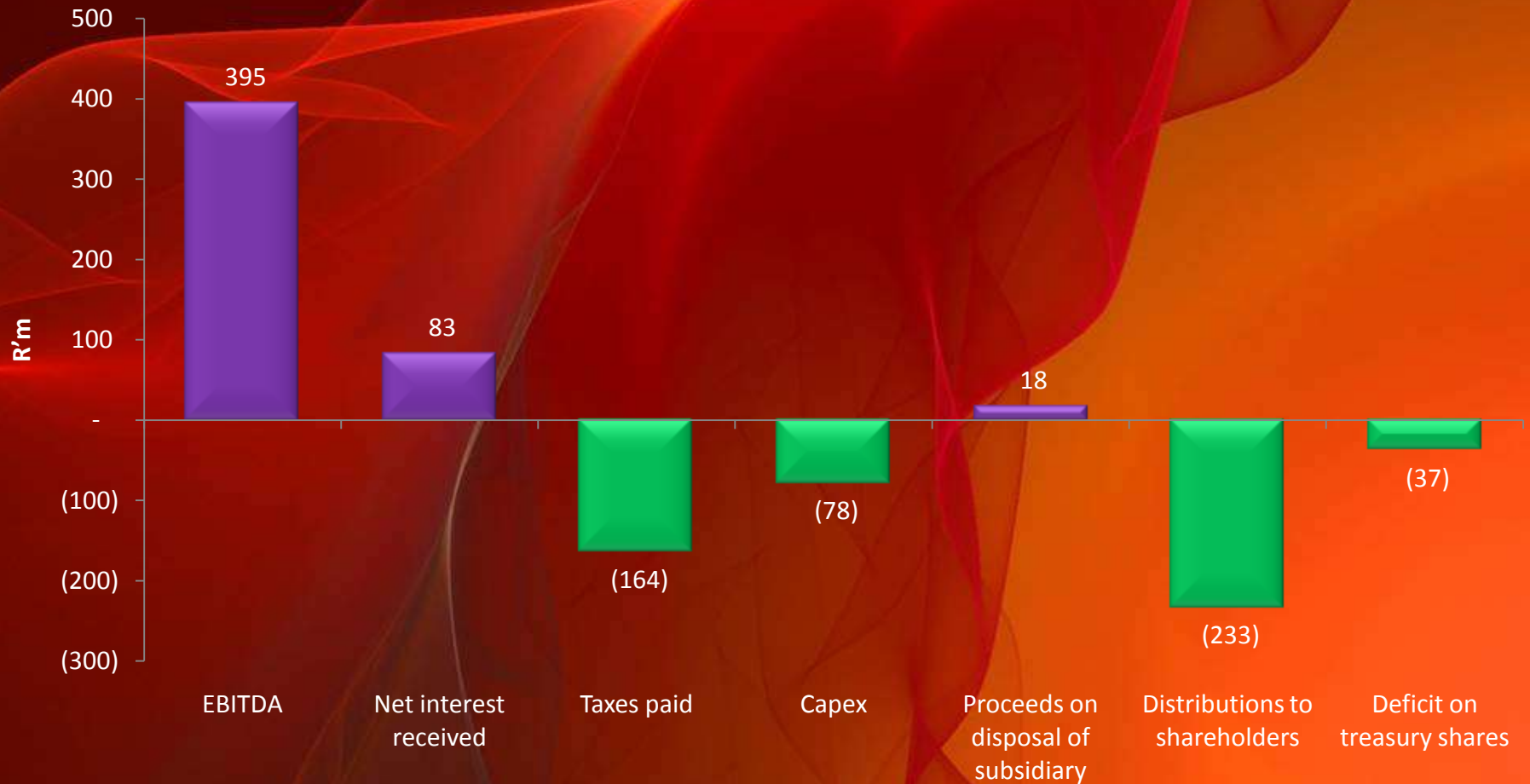
Cash sales of 83%



Capital expenditure



Cash flow



Cash generated from operations up 36%



Divisional Performance

Segmental Performance - Apparel

	2009	2008	Growth
Retail sales and other income	R3,1bn	R2,7bn	15%
Comparable sales			12%
Unit sales			8%
Weighted average space growth (net)			8%
RSP inflation			6%
Trading density	R20,989m²	R19,255m²	9%
Operating margin	12.6%	12.2%	
Number of stores	576	552	



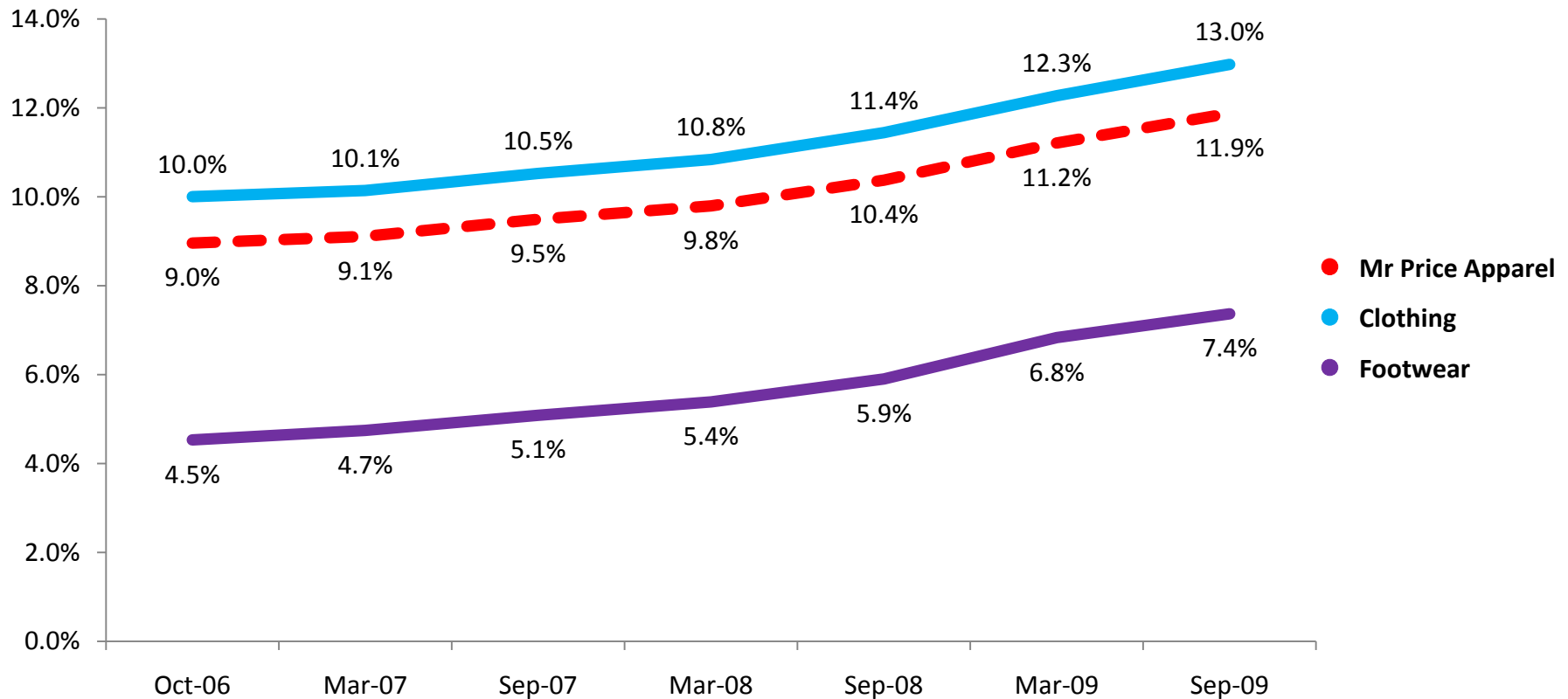
Apparel constitutes 71% of group sales

Mr Price

	2009	2008	Growth
Retail sales and other income	<i>R2,4bn</i>	<i>R2,0bn</i>	21%
Comparable sales			18%
Unit sales			11%
Weighted average space growth (net)			7%
RSP inflation			9%
Trading density	<i>R25,897m²</i>	<i>R22,415m²</i>	16%
Number of stores	328	320	



RLC – Market Share



Highlights

- Per AMPS survey performed in 2009, increase of 24% in number of shoppers, with increase in AMPS universe of 0.7%
- The AMPS survey also noted a 39% increase in number of black shoppers
- In our target market, per Bateleur research:
 - For third year running, Mr Price has the highest brand affinity of apparel retailers
 - Have retained position as most frequented clothing chain
 - RT and Red have been identified as the two most well known house brands in South Africa



Mr Price Sport

	2009	2008	Growth
Retail sales and other income	R195m	R166m	17%
Comparable sales			10%
Unit sales			2%
Weighted average space growth (net)			8%
RSP inflation			15%
Trading density	R9,781m⁻²	R9,513m ⁻²	3%
Number of stores	32	29	



Mr Price Sport

- Action taken in previous year yielding results
- Per Bateleur research: ranks first in spontaneous awareness, significant achievement given the newness of the brand
- Gross margin percentage improved through lower markdowns
- Division exceeded its internal targets
- Now at 32 stores with three more planned to year end



Miladys

	2009	2008	Growth
Retail sales and other income	<i>R500m</i>	<i>R534m</i>	(6%)
Comparable sales			(11%)
Unit sales			(9%)
Weighted average space growth (net)			11%
RSP inflation			4%
Trading density	<i>R14,209m⁻²</i>	<i>R15,639m⁻²</i>	(9%)
Number of stores	216	203	



Highlights

- Internal issues affecting trade have been identified, and corrective action taken
- Customers resisted winter assortments that were too basic and focussed on price rather than fashion
- Product cycles and lead times have been reduced and introduced a more responsive culture in the business
- Cosmetics launched in two stores in August 2009



Segmental Performance - Home

	2009	2008	Growth
Retail sales and other income	<i>R1,3bn</i>	<i>R1,2bn</i>	1%
Comparable sales			4%
Unit sales			(4%)
Weighted average space growth (net)			3%
RSP inflation			11%
Trading density	<i>R13,669m⁻²</i>	<i>R14,194m⁻²</i>	(4%)
Operating margin	0.4%	1.9%	
Number of stores	375	375	

**Home segment constitutes
29% of group sales**



Mr Price Home

	2009	2008	Growth
Retail sales and other income	<i>R861m</i>	<i>R866m</i>	(1%)
Comparable sales			6%
Unit sales			(6%)
Weighted average space growth (net)			2%
RSP inflation			11%
Trading density	<i>R12,717m⁻²</i>	<i>R13,219m⁻²</i>	(4%)
Number of stores	136	141	



Highlights

- RLC stats demonstrate Mr Price Home has increased market share since September 2008, and maintained market share since March 2009
- Per Bateleur research: even in difficult trading conditions, Mr Price Home has the highest affinity amongst homeware retailers
- Mr Price Home named "Top Homeware Retailer" for second consecutive year per Sunday Times
- Drive to regain our dominant value position
- Management focus remains on improving and communicating the value proposition and reducing overheads



Sheet Street

	2009	2008	Growth
Retail sales and other income	R392m	<i>R374m</i>	5%
Comparable sales			(1%)
Unit sales			(4%)
Weighted average space growth (net)			7%
RSP inflation			9%
Trading density	R16,419m⁻²	<i>R16,995m⁻²</i>	(4%)
Number of stores	239	234	



Highlights

- Per RLC Sheet Street has maintained its market share over the last year
- Bateleur market research revealed that Sheet Street is second most frequented Home textiles retailer in South Africa and has the second highest brand affinity, a significant improvement on January 2008 survey
- Increased focus on value going forward



Mr Price International

	Mr Price	Mr Price Home	Sheet Street
Zambia	1	1	
Ghana	1		
Tanzania	1	1	
Mozambique	2	1	1
Kenya	2	2	1
Mauritius	1	1	
Malawi	1		
Uganda	1		
Saudi Arabia		3	
Total	10	9	2



Mr Price International

- Tests to date have been successful
- Strong demand for our merchandise offer
- Extensive market research underway to:
 - Identify most attractive markets
 - Select appropriate business model
 - Streamline business and logistics processes
- Significant growth opportunity for the group



Economic outlook

- Number of leading indicators suggest that economy bottomed out during second and third quarters + -
- Consumers still in precautionary mode – suggests a slower recovery -
- Easing inflation rate and food prices +
- Electricity increases well above inflation -
- Interest rate cycle pointing upwards -
- Rand volatility -
- Bank lending less conservative +
- SA has large infrastructural spending programmes +
- Wage inflation / unemployment data? + -



Prospects

- Tough trading environment expected to continue well into 2010
- Focus on cash with a tightly managed credit facility has been successful in good and bad trading conditions
- Focus will be on internal efficiencies, trading densities, operating margins, Project Redgold, selective space growth and cost control
- Well placed to gain further market share and benefit from a recovering economy



The background of the slide features a dynamic, abstract design. It consists of several overlapping, flowing lines in shades of red and orange, creating a sense of movement and energy. The lines are more concentrated on the left side and fade out towards the right. The overall color palette is warm, with a gradient from deep red to bright orange.

“Thank You”