



**Mr Price Group Limited**  
Annual Results | March 2009

# Highlights

- Group revenue R8,9 billion – up **19%**
- Operating profit R827 million – up **16%**
- Diluted headline earnings per share 244.6 cents – up **16%**
- Dividends per share – up **15%**
- Cash sales maintained at **84%**
- Return on capital employed **53%**
- 16,855 people employed



# 2009 Highlights

	2009	2008	Growth
Retail sales (R'b)	8.6	7.2	19.3%
Comparable sales			11.4%
Weighted average trading space (net)			16.5%
RSP inflation			5.0%
Profit from operating activities (R'm)	827	716	15.5%
Operating margin (%)	9.6	9.9	

All divisions gained  
market share



# 2009 Highlights

Cents per share	2009	2008	Growth
Headline earnings	251.9	219.0	15.0%
- excluding STC impact	264.2	221.4	19.3%
Diluted headline earnings	244.6	210.8	16.0%
- excluding STC impact	256.5	213.1	20.4%
Dividends	133.0	116.0	14.7%



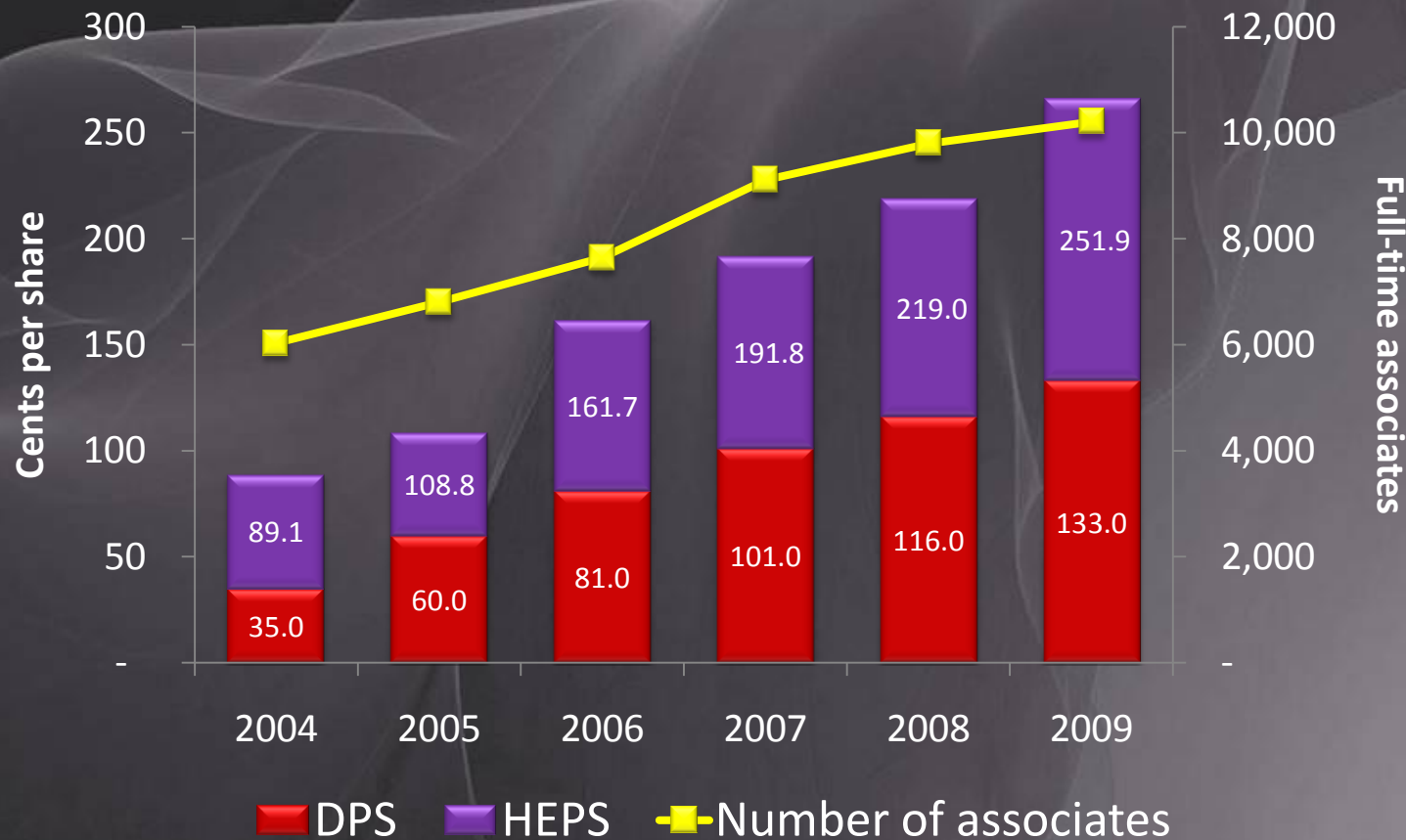
# Retail sales and operating profit



5 year CAGR — Retail sales: 20%    Operating profit: 23%



# Headline earnings and dividends per share



5 year CAGR – HEPS: 23%      DPS: 31%



# Cash generated from operating activities



# Balance Sheet

	2009	2008	Growth
Net inventories	1,002	909	10.3%
% sales growth			19.3%
Stock turn (times)	5,5	5,3	
Benefits of Redgold			
Trade and other payables	1,208	1,034	16.9%
Capital expenditure	234	260	-9.8%



# Trade Receivables

	2009	2008	Growth
Gross trade receivables (R'm)	669	542	23.3%
Total number of active accounts (000)	817	727	12.4%
Net bad debts as % credit sales *	3.2	4.1	
Net bad debts as % debtors *	6.6	8.6	
Impairment provision (% of debtors)	9.8	9.0	
Markov chain analysis	6.8	6.0	
Additional risk factors	3.0	3.0	

\* Excludes collection costs, movement in provision

Acceptance rate currently 40%



# Segmental Performance - Apparel

	2009	2008	Growth
Revenue (R'b)	6.1	4.9	23.0%
Comparable sales			16.2%
Unit sales			16.5%
Weighted average space growth			13.5%
RSP inflation			4.0%
Retail sales per m <sup>2</sup>	20,393	18,859	8.1%
Operating margin (%)	14.0	13.8	
Number of stores	572	534	

**Apparel constitutes 69% of group sales**



# Mr Price

	2009	2008	Growth
Revenue (R'b)	4.6	3.7	24.5%
Comparable sales			20.3%
Unit sales			15.7%
Weighted average space growth			6.7%
RSP inflation			6.0%
Retail sales per m <sup>2</sup>	24,548	21,127	16.2%
Number of stores	326	315	



# Highlights

- Number of shoppers as measured by AMPS increased by 11.2%
- Per RLC, market share increased from 9.8% in March 2008 to 11.1% in March 2009
- Sales growth for RLC 6.3% compared with 22.7% achieved by Mr Price
- Sold in excess of 92 million units
- Increased stock turn from 6.8 to 7.3 times



# Mr Price Sport

	2009	2008	Growth
Revenue (R'm)	368.6	240.3	53.4%
Comparable sales			-4.2%
Unit sales			59.1%
Weighted average space growth			73.4%
RSP deflation			4.0%
Retail sales per m <sup>2</sup>	9,449	10,699	-11.7%
Number of stores	31	23	



# Miladys

	2009	2008	Growth
Revenue (R'b)	1,1	1,0	10.2%
Comparable sales			4.0%
Unit sales			7.0%
Weighted average space growth			10.8%
RSP inflation			1.1%
Retail sales per m <sup>2</sup>	15,361	15,440	-0.5%
Number of stores	215	196	



**MILADYS**  
STYLE OF A WOMAN

# Highlights

- Opened 20 new stores during the year (including René Taylor)
- Per RLC increased market share in both total ladieswear and outsize ladieswear during the year
- Increased share of outsize ladieswear from 14.6% in 2005 to 22.8% in 2009



# Segmental Performance - Home

	2009	2008	Growth
Revenue (R'b)	2.7	2.4	12.3%
Comparable sales			2.0%
Unit sales			3.0%
Weighted average space growth			21.3%
RSP inflation			6.3%
Retail sales per m <sup>2</sup>	13,825	14,953	-7.5%
Operating margin (%)	3.1	5.0	
Number of stores	382	362	

**Both chains continued to gain market share in challenging trading conditions**



# Mr Price Home

	2009	2008	Growth
Revenue (R'b)	1.9	1.6	13.4%
Comparable sales			2.5%
Unit sales			4.4%
Weighted average space growth			24.3%
RSP inflation			4.6%
Retail sales per m <sup>2</sup>	12,880	14,139	-8.9%
Number of stores	138	140	

**Space growth will be slower in 2010  
and focus will be on trading densities**



# Highlights

- Continued growth in market share per RLC
- Per AMPS, grew the number of shoppers compared with AMPS universe which was flat
- Gain mostly from increase in number of black shoppers
- Sold 35 million units



# Sheet Street

	2009	2008	Growth
Revenue (R'm)	819	747	9.7%
Comparable sales			0.9%
Unit sales			0.1%
Weighted average space growth			13.1%
RSP inflation			9.7%
Retail sales per m <sup>2</sup>	16,621	17,143	-3.0%
Number of stores	244	222	



**sheet street**

lots of linen for less!

# Highlights

- Opened 24 stores
- New store revamp and wrap continues to be successful, with stores delivering increased sales growth % post revamp and achieving ROCE targets

# Mr Price International

## Year End Stores

	Mr Price	Mr Price Home	Sheet Street
Zambia	1		
Ghana	1		
Tanzania	1	1	
Mozambique	1	1	2
Kenya	2	1	1
Mauritius	1	1	
Saudi Arabia		3	
<b>Total</b>	<b>7</b>	<b>7</b>	<b>3</b>

10 new franchise stores opened



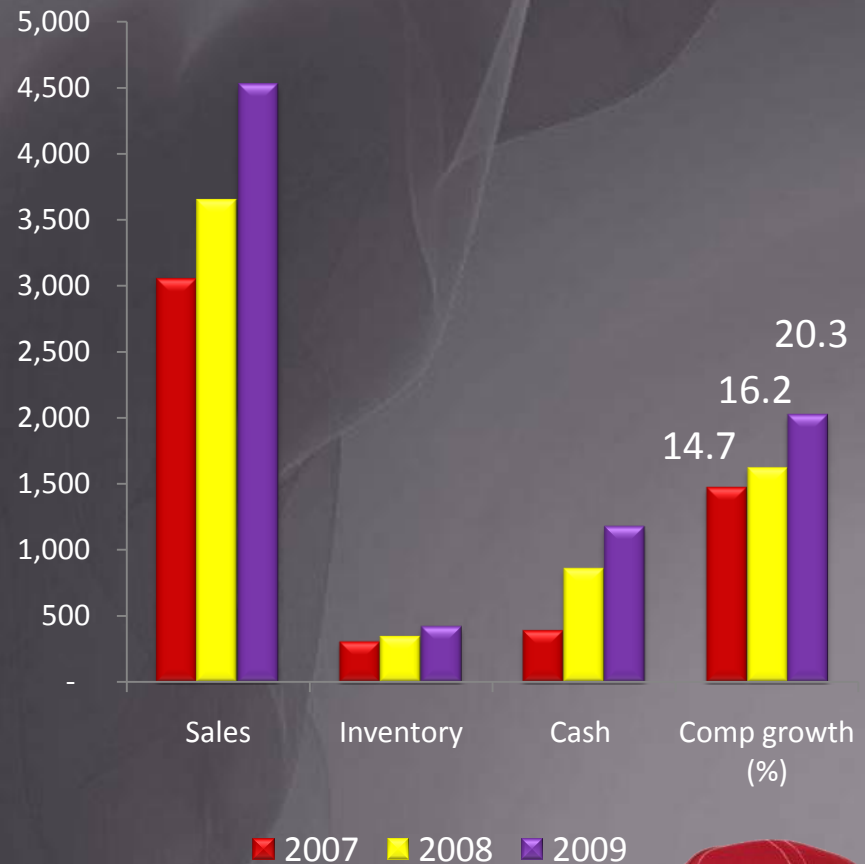
# Project Redgold

- **Phase 1:**
  - 90% rolled out in Mr Price
  - 1/3<sup>rd</sup> complete in other divisions
- **Phase 2:**
  - Includes product lifecycle management and location planning
  - Will be completed in Mr Price during 2010 and then rolled out to other divisions



# Project Redgold (continued)

- Proven to be very successful in Mr Price
- In 2010 Mr Price will build on gains made to date
- Other divisions will start to experience benefits through improved comparable sales growths and stock turns



# Looking forward

- Expect an even tighter economic environment
- RLC statistics are proving that we are capturing market share as consumers shop for value during tougher economic conditions



# “Thank You”

