SPAR GROUP RESULTS 2012

AGENDA

- Financial overview
- Retail performance
- Distribution update
- Looking forward
- Questions

SPAR International

• Retail turnover	€ 30bn
• Stores	12 136
• Countries	35

Size of Operation

Retail

Turnover	R 66 bn
Stores	1 725

Wholesale & distribution

Turnover	R 43.2 bn
DC's (7)	227 000m²
Cases despatched	195.1m

Financial Overview

R million

	2011	2012	% Change
Turnover	38 459	43 166	12.2
PBT	1 404	1 510	8.1
PAT	953	1 059	11.2
HEPS	557.1	616.3	10.6
Dividend (cents)	377	430	14.1

Financial Overview

Turnover (Rm)

	2011	2012	% Change
SPAR/TOPS	34 556	38 540	11.5
Build it	3 903	4 626	18.5
TOTAL	38 459	43 166	12.2
Liquor sales (TOPS/SPAR)	2 605	3 081	18.3

Financial Overview

Gross margins

	Turnover Rm	2011	2012
Normal business	42 232	7.8	7.7
Retail division	780	15.1	15.6
Imports – Build it	154	19.9	18.6
Group	43 166	8.1	8.0

Financial Overview

Expenses

	Expenses Rm	% Increase
SPAR / Tops	2 069	10.9
Retail division	150	16.3
Build it	97	37.0
Group	2 316	12.1

Cash Flow

	Rm
Cash flow from trading	1 685
Working capital changes	622
	2 307
Capex	(166)
Acquisition – Retail Store	(9)
Tax	(488)
Dividends	(671)
Loans/shares	(113)
Net cash inflow	860

Retail Performance

Retail Turnover (Rbn)

	2011	2012	% Incr.
SPAR	48.1	53.7	11.5
TOPS	4.2	5.0	21.2
Build it	6.4	7.5	17.0
	58.7	66.2	12.8

Retail Stores

	2011	2012	Net Change
SUPERSPAR	275	295	20
SPAR	446	439	(7)
KWIKSPAR	138	134	(4)
	859	868	9
Sqm 000's	925	955	3.2%
Remodels	126	147	

Retail Stores

	2011	2012	Net Change
SPAR	859	868	9
TOPS	501	538	37
Build it	269	281	12
Savemor	11	17	6
Pharmacy	6	21	15
TOTAL	1 646	1 725	79

DISTRIBUTION

<u>SOUTH RAND</u>

60 000m²

<u>NORTH RAND</u>

33 600m²

KZN DRY

39 500m²

KZN PERISHABLES

10 000m²

WESTERN CAPE

33 500m²

EASTERN CAPE

24 000m²

LOWVELD

18 000m²

IMPORTS WAREHOUSE

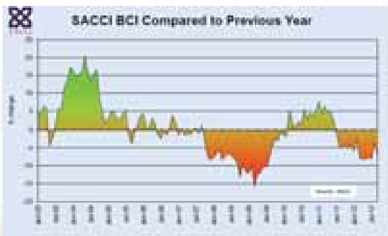
10 000m²

Looking forward…

- Trading environment
- Key issues

Trading Environment

- **Business confidence**
- **Economy**
  - **- consumer spend**
  - **- food inflation**
- **Competition**



Key issues

Retail

- Growth
  - existing stores
  - new sites

SPAR

Key issues

New Stores

	2012	Projected 2013
SUPERSPAR	295	10
SPAR	439	13
KWIKSPAR	134	3
	868	26
Sqm	955	3.2%
TOPS	538	33
Build it	281	22
Savemor	17	12
Pharmacy	21	12
Total	*1 725*	*105*

SPAR

Key issues

Retail

- Growth
  - existing stores
  - new sites
  - Africa

Mozambique


Premier
SUPERSPAR
ATENDIMENTO EXCELENTE
SPAR


SPAR

Key issues

Retail

- Growth
  - existing stores
  - new sites
  - Africa
- Marketing

Key issues

Retail

- Growth
  - existing stores
  - new sites
  - Africa
- Marketing
- Retail profitability

Key issues

Retail

- Growth
  - existing stores
  - new sites
  - Africa
- Marketing
- Retail profitability
- Retail division

SPAR

Key issues

Wholesale

- Warehouse facilities
- Supply chain optimisation
- Lean organisation
- DC systems modernisation

SPAR

QUESTIONS

SPAR

tops! at SPAR

Pharmacy at SPAR

Build it
Making home building simple

Save Mor