



# Supermarkets



## RSA Overview

- Customer growth of 13.2%
- Shoprite positioning captured the shift in disposable income
- This is proven by the fact that some geographical divisions grew 30 – 40%
- Total Market share growth of 1.08%
- Like for like market share increase of 1.29%

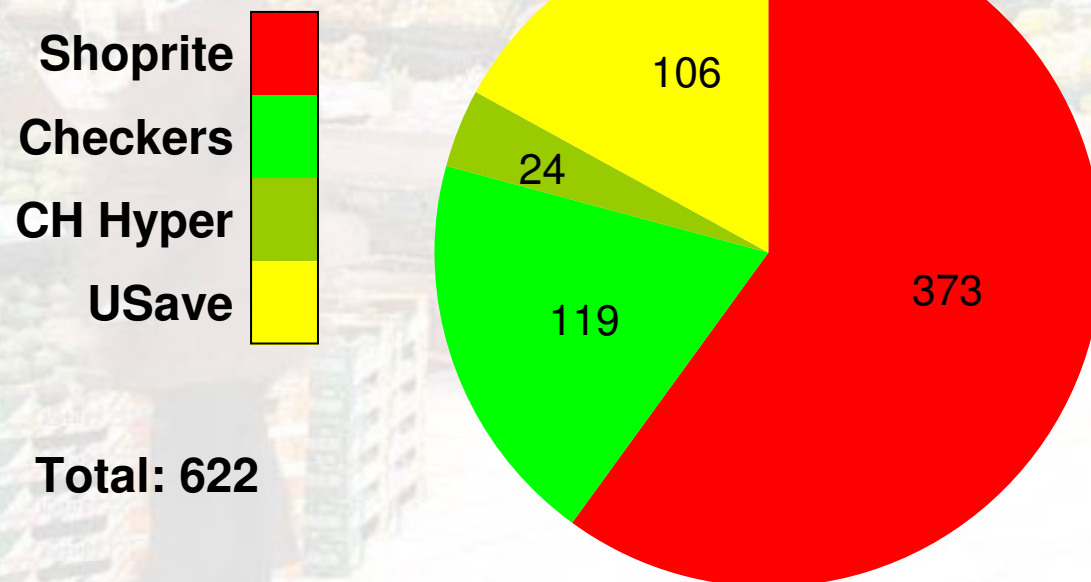
## RSA Overview

- Exceptional growth in food led to decreased Non Food participation
- This together with cost price pressure from China pressurised GP margins
- However, trading profit margins improved due to cost efficiencies from 3.8% to 4.4% despite being the lowest priced supermarket in SA

## Supermarkets opened in period

Brand	Total planned for 2007/2008 fiscal	Total opened until December 2007	Remainder
Shoprite	8	6	2
Checkers	8	3	5
Usave	18	8	10
<b>Total</b>	<b>34</b>	<b>17</b>	<b>17</b>

# Current Supermarket Stores





## RSA Shoprite Overview

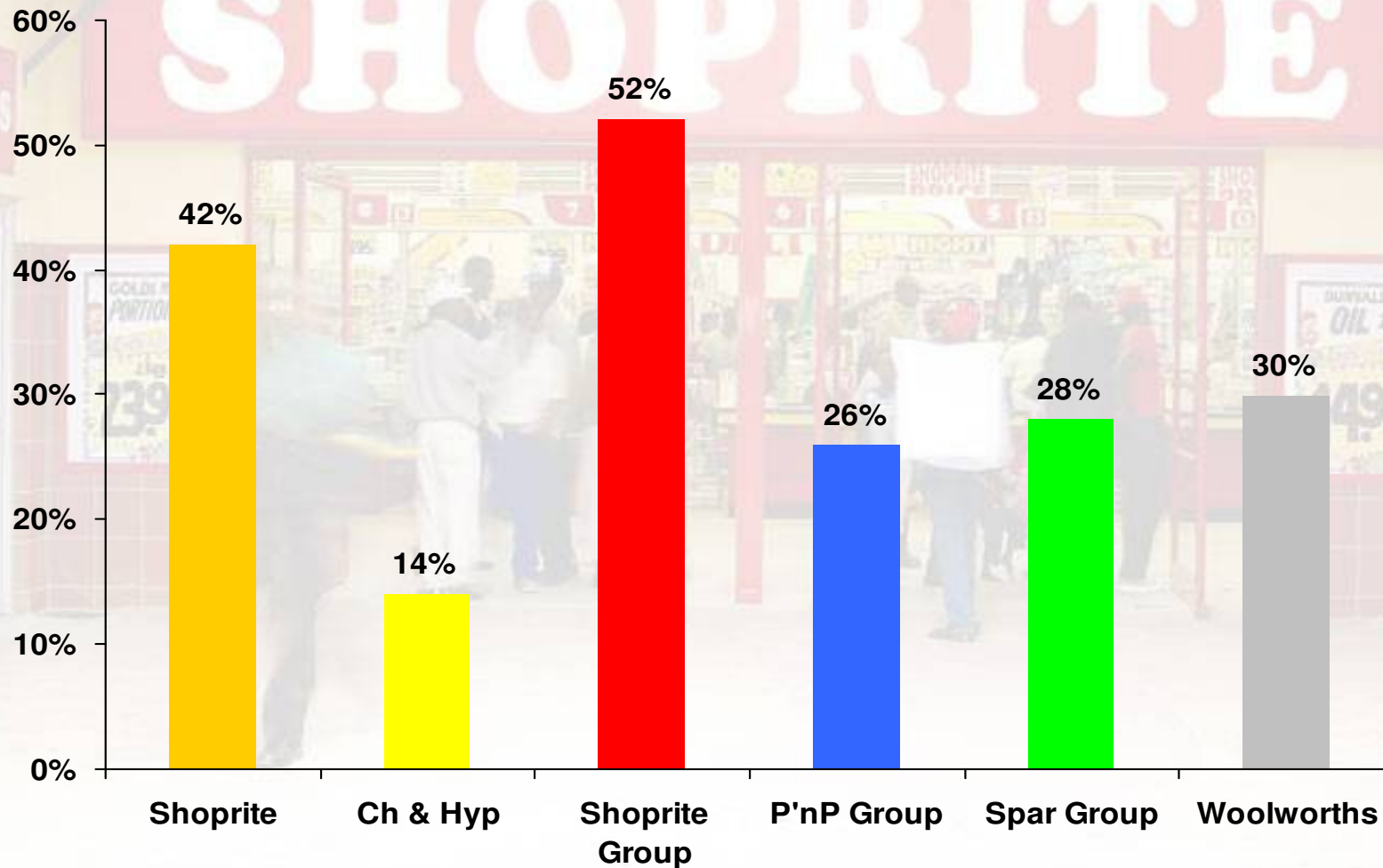
- Sales growth 27.3%
- Market leader: 301 stores RSA
- 6 new stores opened
- Grown customer base 15.55%

## Market Position – The Shoprite Price!

- 33 million customers per month
- More shoppers than any other supermarket – now more than 12 million individuals (AMPS 2007)
- Highest customer loyalty - 42% of Shoprite customers shop exclusively at Shoprite (Amps 2007)

# Any Food Shopping (multiple response) **SHOPRITE** HOLDINGS LTD

42% of all SA Adults shop at Shoprite whilst more than half of SA Adults shop at either Shoprite or Checkers

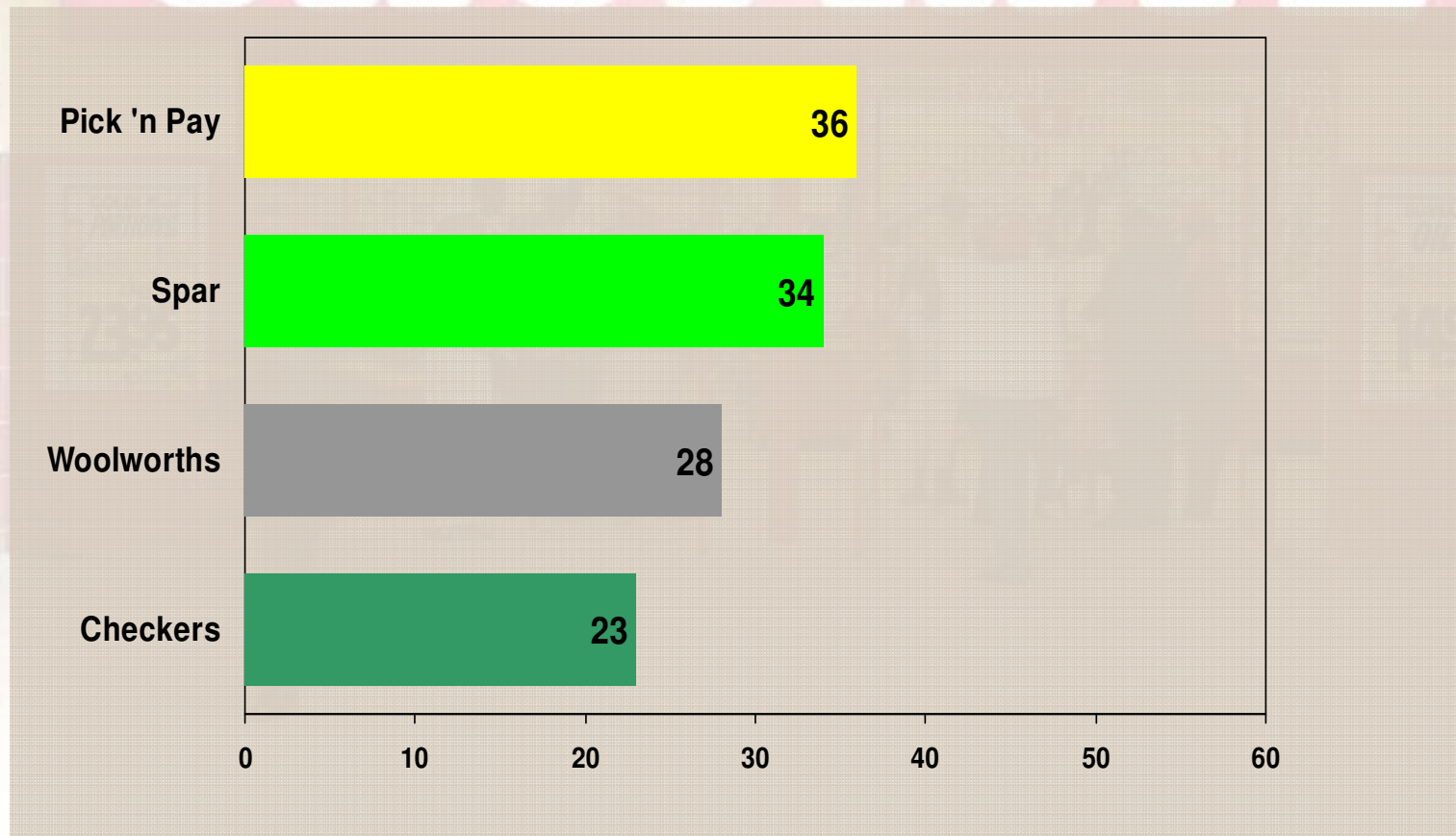


Source: AMPS (All Media and Products Survey) 2007

# 2<sup>nd</sup> Store of choice for competitors' main shoppers

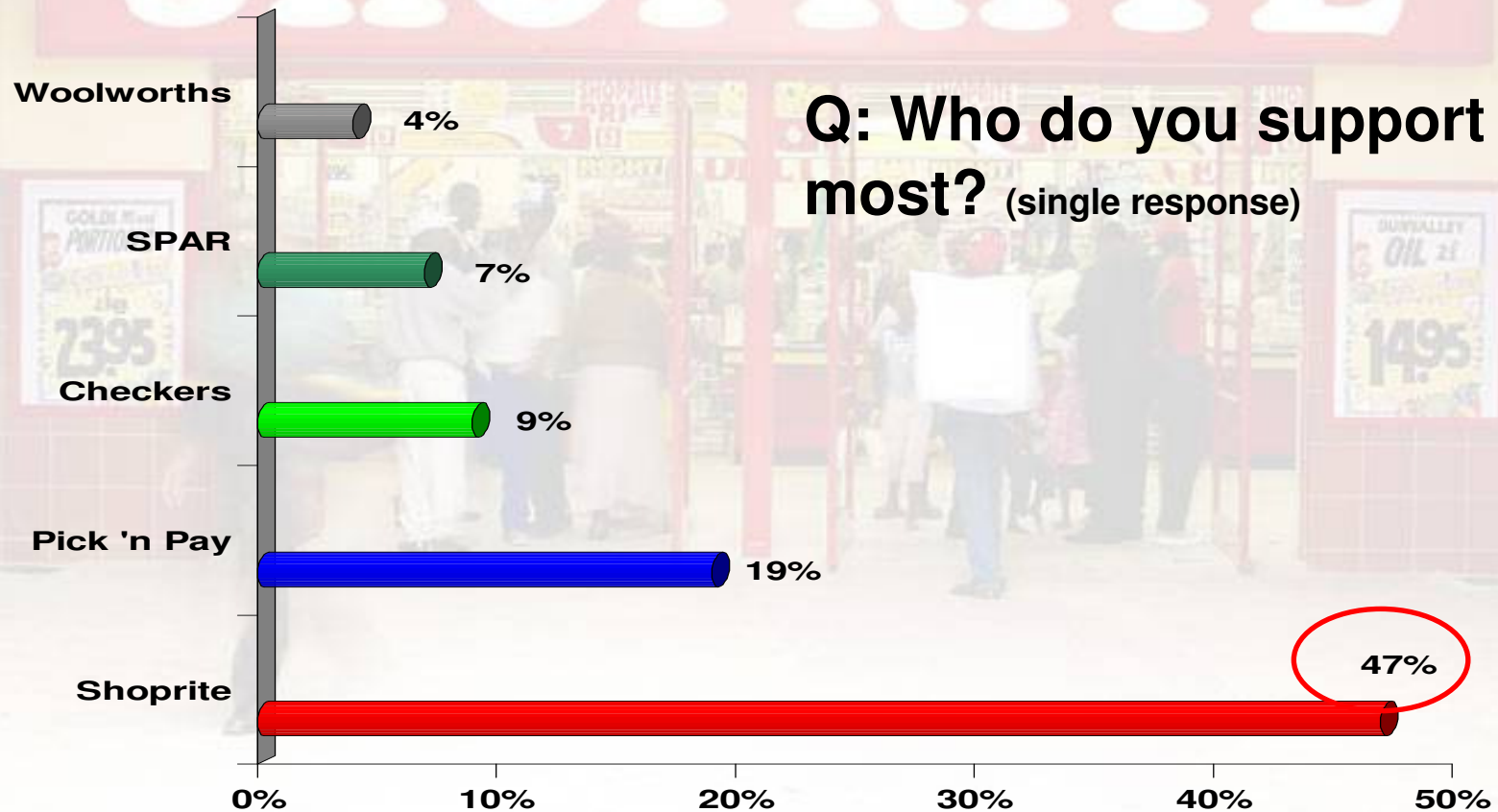


Shoprite is the most preferred 2<sup>nd</sup> shopping destination amongst its major competitors loyalist bulk shoppers



Source: AMPS (All Media and Products Survey) 2007

# Retailer support measured amongst the residents of eight informal settlements



# **U** SHOPRITE **save**

**PAY LESS AT U** SHOPRITE  
**save**



## Usave Number of Stores

	Jun 06	Jun 07 - Open	Jun 07 - Closed	Total
RSA	77	8	2	83
Non-RSA	22	1	0	23
Total	99	9	2	106

## Usave Overview

- Total sales growth 44.1% (GEB 28.2%)
- Customer Growth 22.5%
- ROI in excess of 25%
- GP% consciously reduced by 2% - resulted in positive profit growth
- Introduced full automated replenishment which reduced stockholding further
- 114 private labels allowed additional GP of 9.5%
- Implemented centralised perishable distribution to reduce in-store labour



# Checkers

ENTRY BY PERMISSION REQUIRED



## RSA Checkers Overview

- Sales growth 13.4%
- 3 new stores opened
- Basket size growth 6.7%
- Customer growth 6.3%
- Hyper store growth lagging

## Checkers

- Now 2<sup>nd</sup> most loyal shopper count after Shoprite, 32% of Checkers shoppers shop exclusively at Checkers (AMPS 2007)
- More than 13 million customers per month
- More than 5 million individuals
- Continuing to enhance our leadership in key categories:
  - Wine
  - Cheese
  - Meat

# Checkers Positioning

- Still is that we simply give you real reasons why we are different, so that you can put us to the test

Better for you, every day!

**REASON**  
53

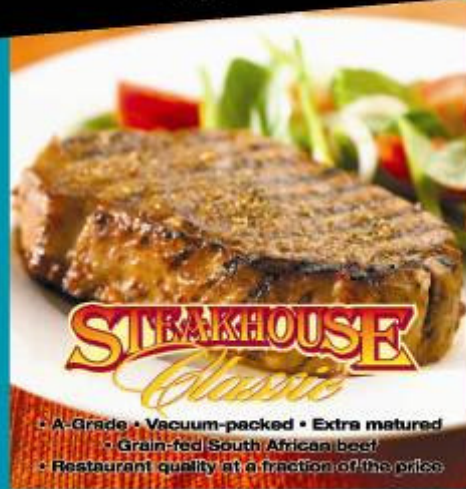
A qualified  
pharmacist  
in this store



Better for you, every day!

**REASON**  
28

Exclusive  
Steakhouse  
Classic Range



Better for you, every day!

**REASON**  
36

Wines from  
more than 70  
leading estates



Better for you, every day!

**REASON**  
42

More than  
400  
cheeses



Better for you, every day!

**REASON**  
19

Fresh rolls  
baked 5  
times a day



Better for you, every day!

**REASON**  
45

Fresh produce  
sourced from  
over 700 suppliers,  
delivered 6 days  
a week



## Future

- Higher Inflation
- Value of the Rand
- Out run our competitors



**Questions**

