



**super group** 

# *Investor Presentation*

for the year ended  
30 June 2009





**PROJECTIONS, PRO FORMA INFORMATION AND FORWARD LOOKING STATEMENTS**

*This presentation may contain certain forward-looking statements concerning Super Group's operations, business strategy, financial condition, growth and plans and expectations. These statements include without limitation, those concerning the economic outlook, business climate and changes in market share. Such views involve both known and unknown risks, assumptions, uncertainties and other important factors that could materially influence the actual performance of the group. All forward-looking statements included are based on information available on the date hereof and neither Super Group nor its respective affiliates assume any duty to update any forward-looking statement. No assurance can be given that these will prove to be correct and no representation or warranty express or implied is given as to the accuracy or completeness of such views or as to any of the other information in the presentation. Super Group's future results may differ materially from past or current results and those projected in the forward-looking statements*

# Agenda

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- » The year at a glance
- » Business review
  - › Supply Chain Division
  - › Automotive Division
  - › Fleet Solutions Division
- » Review of discontinued businesses
  - › Retail Supply Chain Division
  - › Super Group Industrial Products (SGIP)
  - › Emerald Insurance
- » Financial results
- » The way forward



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*The year  
at a glance*



## *2009 in perspective*

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- » The trading environment characterised by:
  - › Unrelenting deterioration in economic conditions
  - › Substantial reduction in trading volumes as a result of the decline in consumer spend and the downturn in commodity markets
  - › Declining automotive and parts distribution activity
  - › Strengthening of the rand resulting in translation losses on foreign assets and losses on mark-to-market FEC's

## *2009 in perspective (cont'd)*

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- » Extremely tough year for Super Group, mainly due to:
  - › Trading loss by Super Group Industrial Products (SGIP) of R457 million
  - › Trading loss within Mica of R237 million
  - › Impairment against the investment in Hala, part of Supply Chain Division, of R67 million
  - › Trading loss reported by Emerald Insurance of R98 million
  - › Capital items provided for in discontinued operations amounting to R441 million
- » Super Group's trading profit from continuing operations is R605 million
- » Cash flow from operations amounted to R1 189 million

## *2009 in perspective (cont'd)*

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- » What has been done to address the major issues?
  - › Executive management changes
  - › Implementation of comprehensive strategic reorganisation plan
- » Strategy focuses on the Group's core Supply Chain, Fleet and Dealership businesses
- » Core businesses remain profitable and cash generative
- » The **two main focus areas** of the Group are currently:
  - › Recapitalisation of the Group
  - › Disposal of non-core businesses

## *New members of the Board*

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### **Peter Mountford (CEO)**

*CA (SA), MBA (UK)*

Joined Super Group in May 2008 as Divisional CEO of the core Supply Chain business. Served as CEO of the Consumer Logistics Division of Imperial Holdings for the six years prior to this. Chairman of the Logistics SA Forum, a Director of the Consumer Goods Council of South Africa and of the Road Freight Association. Appointed to the Super Group board as Chief Executive Officer (CEO) on 29 July 2009.



### **Jonty Jankovich-Besan (CFO)**

*CA (SA)*

Joined Super Group in October 2008. Prior to this worked at executive level in the telecommunications industry, most recently as Chief Financial Officer and board member of Cable & Wireless International (UK). Appointed to the Super Group board as Chief Financial Officer in December 2008.



### **David Rose (Independent Non-Executive Director)**

*CA (SA)*

A non-executive director and the audit committee chairman of Primserv Limited, and a non-executive director of Celcom Group Limited. Spent 41 years with Fisher Hoffman. Joined the board in December 2008.

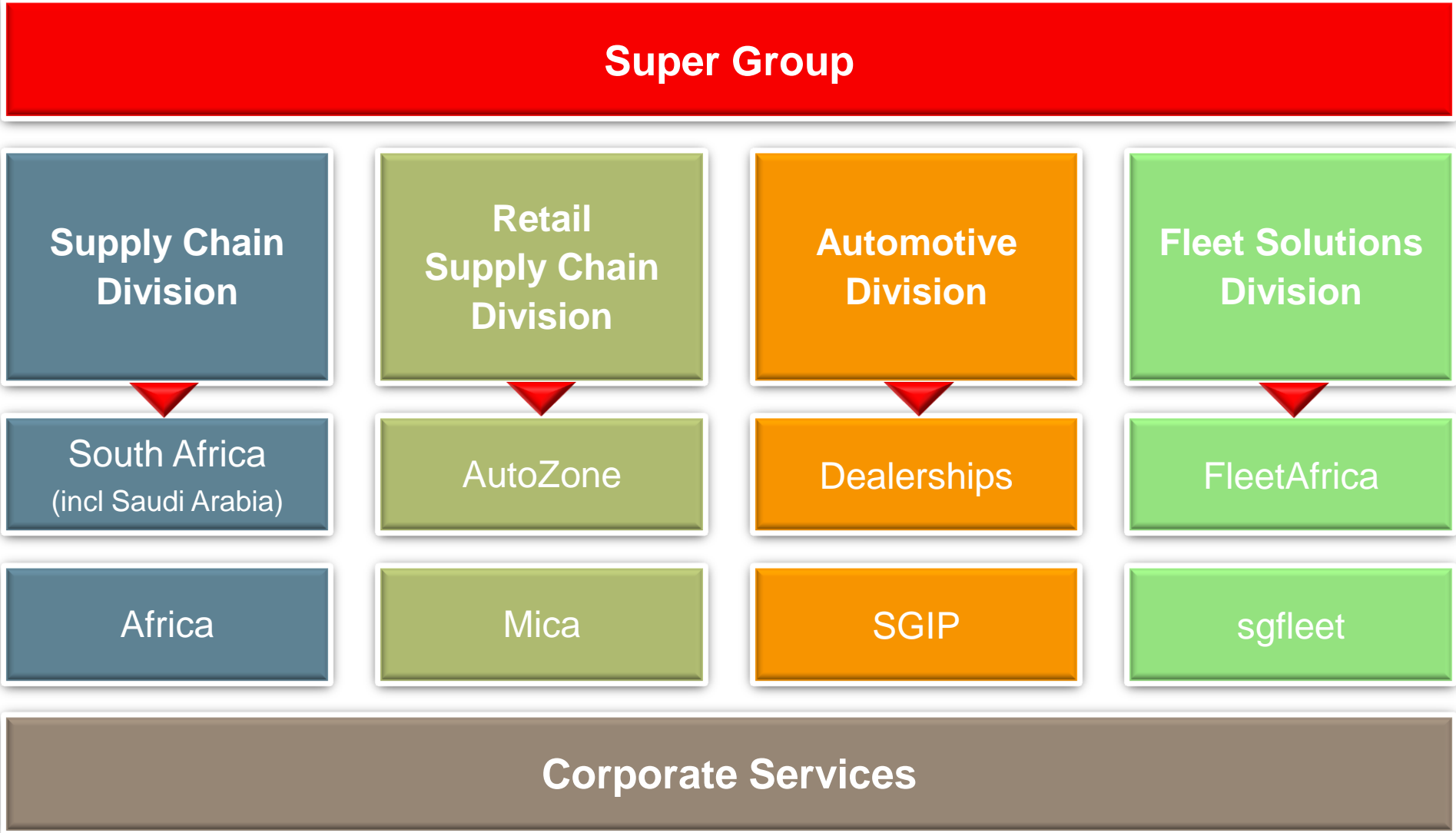


### **Valentine Chitalu (Independent Non-Executive Director)**








*ACCA (UK), M.Phil (UK)*

An entrepreneur in Zambia and Southern Africa specialising in private equity and empowerment. Holds several board positions in Zambia, South Africa, Australia and the United Kingdom and is Chairman of Zambian Breweries, MTN (Z) Limited and Albidon (Z) Limited. Joined the board in December 2008.

# Group structure pre restructuring



## Discontinued operations

	Closed	Disposed	Being disposed
Super Group Industrial Products (SGIP) <ul style="list-style-type: none"><li>Hermans Truck Accident Repairs</li><li>MMS Mobile Cranes</li><li>Commercial Vehicles - Powerstar</li><li>Cargolite</li></ul>		 	
Retail Supply Chain <ul style="list-style-type: none"><li>AutoZone</li><li>Mica</li></ul>			 
Corporate Services <ul style="list-style-type: none"><li>Emerald Insurance Group</li></ul>			

## Group structure post restructuring

**Super Group**

**Supply Chain Division**

South Africa  
(incl Saudi Arabia)

African Logistics

**Automotive Division**

Dealerships

**Fleet Solutions  
Division**

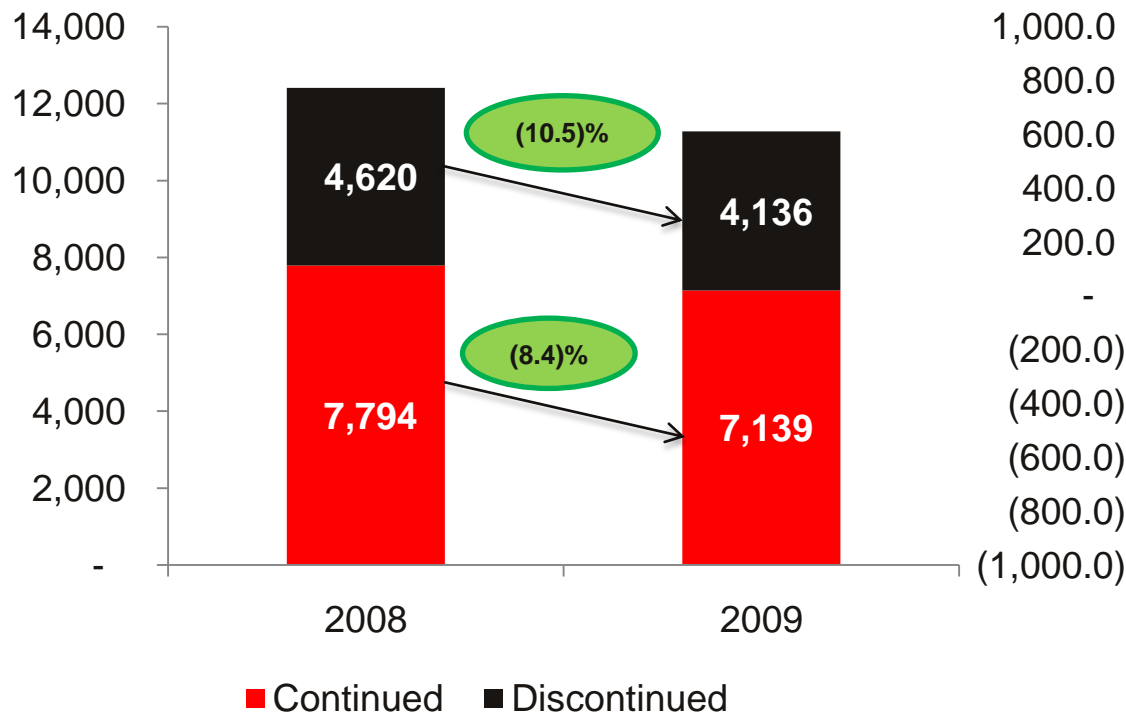
FleetAfrica

sgfleet

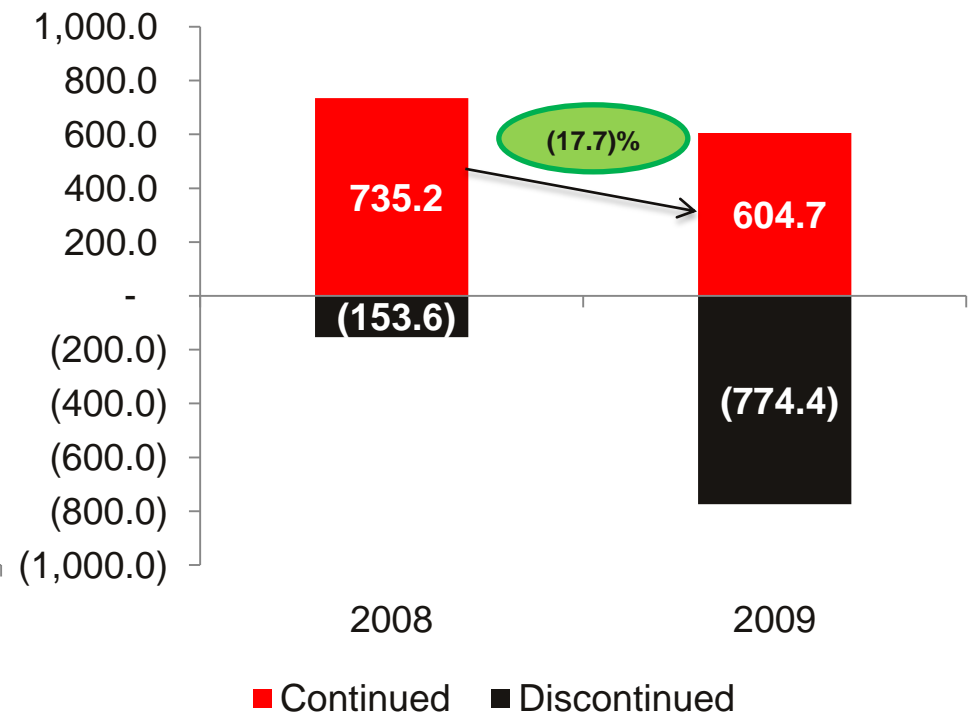
**Corporate Services**

# Financial performance for 2009

## Revenue (R'million)



## Trading profit / (loss) (R'million)



## Financial performance for 2009 (cont'd)

R'million	30 June 2009	30 June 2008
<b>Operating profit</b>	<b>(742)</b>	<b>523</b>
- Continuing operations	474	690
- Discontinued operations	(1 216)	(167)
<b>HEPS (cents)</b>	<b>(170.9)</b>	<b>11.9</b>
- Continuing operations	35.0	82.3
- Discontinued operations	(205.9)	(70.4)
<b>Net asset value per share (cents)</b>	<b>199.6</b>	<b>561.8</b>
<b>Net debt</b>	<b>3 006</b>	<b>3 775</b>
<b>Cash generated from operations</b>	<b>1 189</b>	<b>1 139</b>

## *Post 30 June 2009*

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### » Bank recapitalisation agreement of 26 July 2009:

- › Fully underwritten rights issue of R1.0 billion
- › Underwritten by the Group's lenders and Allan Gray
- › Term out of Group bank funding over 3 years
- › Issue of 2.2 billion shares at 45c

### » Alternative to underwritten rights offer:

- › R700 million through a fresh issue of new shares;
- › R300 million, through a rights offer to the existing shareholders; and
- › R350 million, in the form of a new term loan
- › Issue of 1.4 billion shares at 70c



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# *Business Review*



# Supply Chain Division



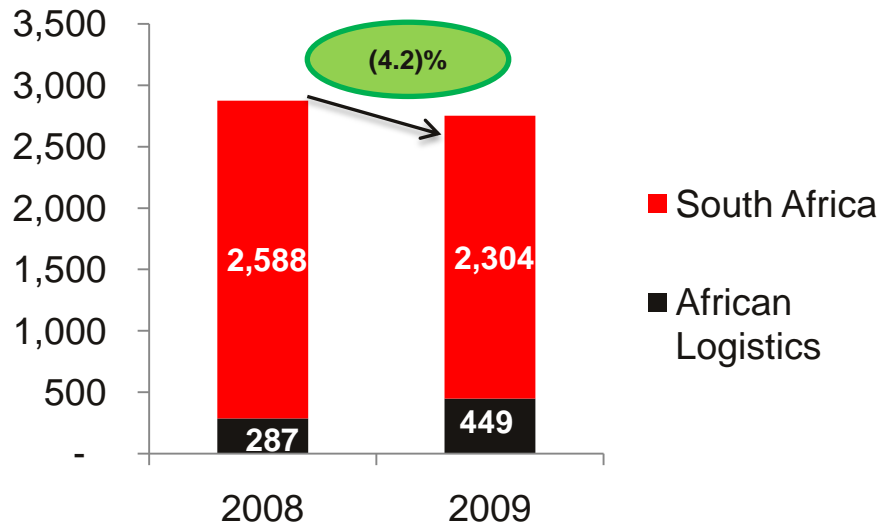
» South Africa



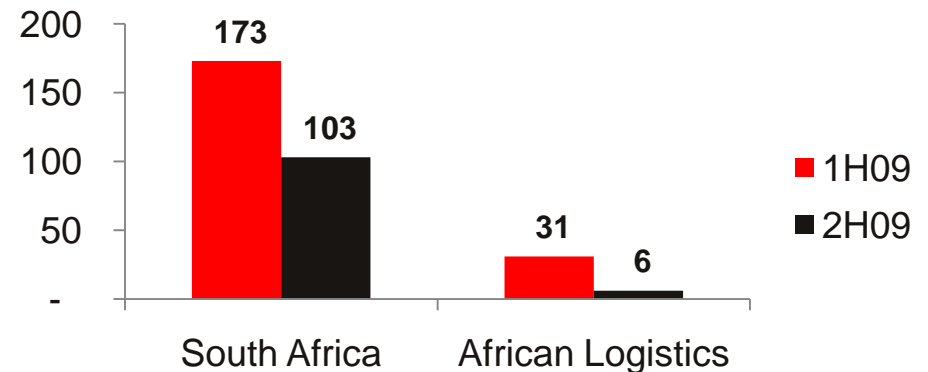
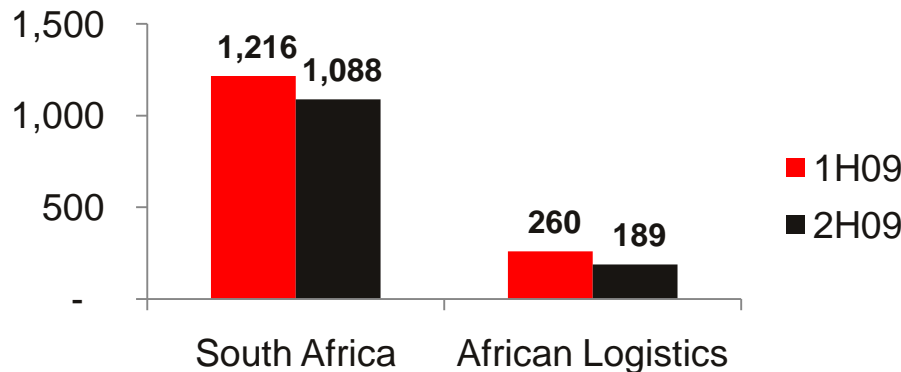
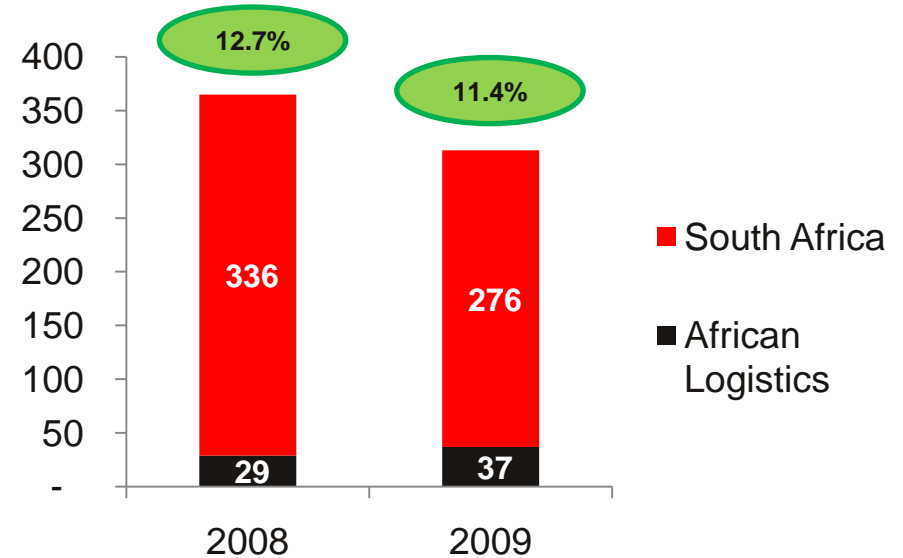
» African Logistics

# Supply Chain » Financial performance

## Revenue (R'million)



## Trading profit (R'million) and margin



## Supply Chain » Normalised trading profit

R'million	Change	30 June 2009	30 June 2008
<b>Operating profit - reported</b>	<b>(42.2)%</b>	<b>210</b>	<b>363</b>
- South Africa (incl Saudi Arabia)	(48.2)%	173	334
- African Logistics	27.6%	37	29
<b>Adjustments:</b>		<b>123</b>	<b>(39)</b>
- Hala (Saudi Arabia)		67	(41)
- Other capital items / impairments		37	2
- Fleet restructuring costs		19	-
<b>Normalised trading profit</b>	<b>2.8%</b>	<b>333</b>	<b>324</b>
- South Africa	0.3%	296	295
- African Logistics	27.6%	37	29
<b>Normalised trading profit margin</b>		<b>12.1%</b>	<b>11.3%</b>

## Supply Chain, South Africa » Review of operations (cont'd)

	Renewed contracts / terms	New contracts
<b>Supply Chain Partners:</b>		
Automotive	Mercedes-Benz DNI and Primary Transport, Goodyear	Scania, Hankook Tire International
FMCG and Staple Foods	Colgate Palmolive, Anchor and Premier Milling	Pepsi, Transpaco Nestlé Coffee, Arabian Packaging
VSc (Virtual Supply Chain)		Eskom, Transnet, BOC-Linde (Middle East & South America)
Freight	Nampak Liquid	Nampak Glass & Corrogated
<b>Micor</b>	Gautrain, Busby	Scania
<b>Sherwood</b>	SABMiller Export	Mubex (Mauritius Breweries)
<b>Convenience Supply Chain</b>	Cadbury, Tiger Brands, Nestlé, Pepsi, etc.	

# Supply Chain » Prospects

## Situation

## Business attractiveness

## Super Group competency

### South Africa

- Sources of competitive advantage
  - » Strategic assets (e.g. Super Park)
  - » IP and technology
  - » Skills and expertise
- Available capacity to take on contracts at improved efficiencies
- Favourable growth and return prospects (organic and acquisitive)
- Market recovery as economy improves in 2010 (high GDP correlation)
- Multiple opportunities exist for organic and acquisitive growth
- 22 years of experience and expertise
- This is what we do best



**Core focus area for investment and growth**

### African Logistics

- Scale business with dominance of certain key corridors (Zambia)
- Renewed fleet profile – reduced future capital needs
- Favourable growth and return prospects in the region as sub-Saharan Africa grows in attractiveness
- Growth within the SADC region (high medium-term potential)
- Highly geared to commodity recovery and aid/donor funding
- Upside in Zimbabwe
- We know long-distance trucking and we know the region



**Core business opportunity with medium-term upside**

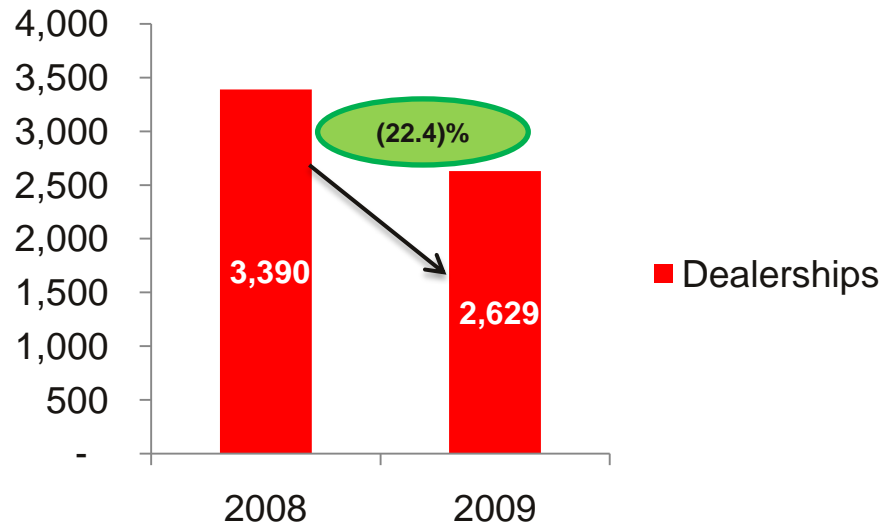
# *Automotive Division*



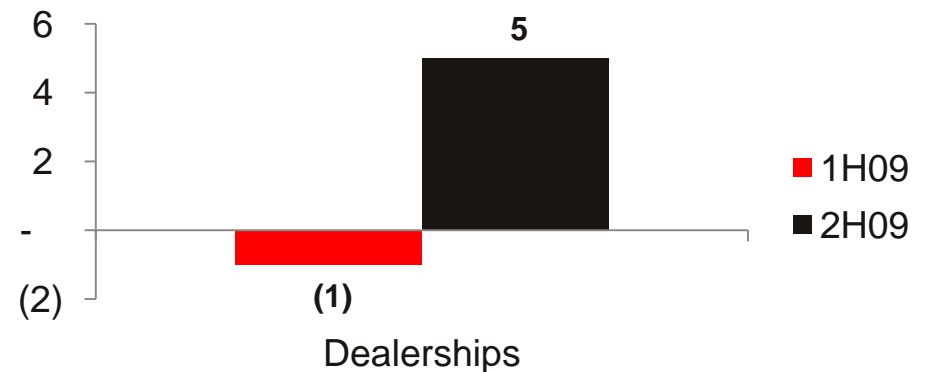
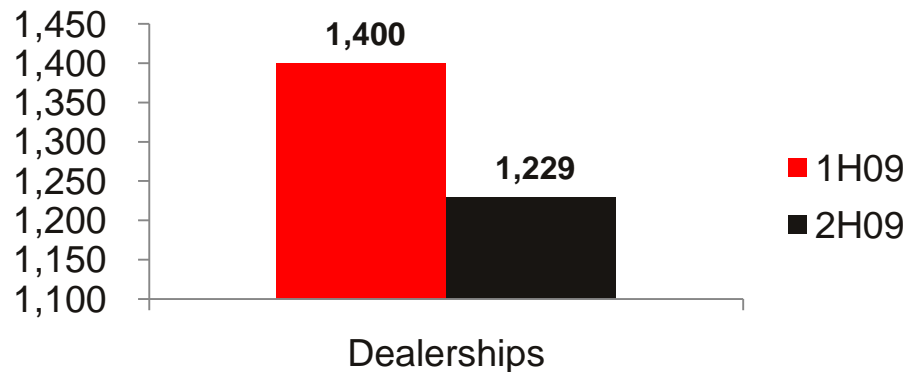
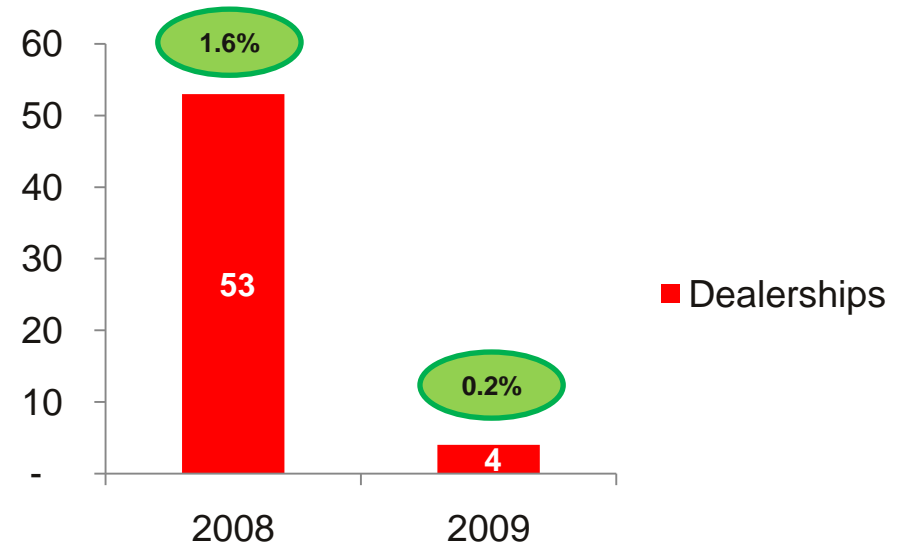
» Dealerships

# Automotive: Dealerships » Financial performance

## Revenue (R'million)



## Trading profit (R'million) and margin



## Dealerships » Normalised trading profit

R'million	Change	30 June 2009	30 June 2008
Operating profit	(122.8)%	(9.9)	43.4
<b>Adjustments:</b>		<b>27.3</b>	<b>10.0</b>
Impairments		14.4	10.0
Once off costs on closures		12.9	-
<b>Normalised trading profit</b>	<b>(67.4)%</b>	<b>17.4</b>	<b>53.4</b>
<b>Normalised trading profit margin</b>		<b>0.7%</b>	<b>1.6%</b>

	Dealerships	Units sold
Passenger brand	18	8 019
Commercial brand	3	2 379
Motorcycle brand	1	747

## *Dealerships » Review of operations*

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- » Tough trading conditions prevail despite interest rate cuts
- » Recorded NAAMSA sales for F2009 of 436,696 motor vehicles, compared to 623,056 motor vehicles for the same period last year (a drop of 29.9%)
- » Results impacted by impairments, once off costs and losses made on discontinued dealerships
- » Closed four underperforming dealerships (Nissan Fourways, 2 small Honda dealers, including motorcycles and Egoli Car Rental)
- » Brand new, state of the art showroom and workshops completed in Glenanda – Rand Stadium dealership transferred to this site
- » No new dealerships opened or acquired
- » Benefits seen from cost cutting initiatives (headcount, inventory and vehicle costs)

## Dealerships » Prospects

### Dealerships

#### Situation

- Challenging trading conditions in new vehicles expected to continue into 2010
- Improved gross profit margins expected
- Operations have been rationalised, cost base reduced
- Used vehicle market buoyant – inventory difficult to source
- New Consumer Protection Act and Second Hand Goods Act to impact business

#### Business attractiveness

- Short-term outlook challenging, but stable, as vehicle sales remain under pressure
- Gradual recovery in the medium-term
- Forecasted cash generation remains positive

#### Super Group competency

- Invested in core product ranges and strong brands
- Focused and lean business structures



**Focused on profit recovery**

# Fleet Solutions Division



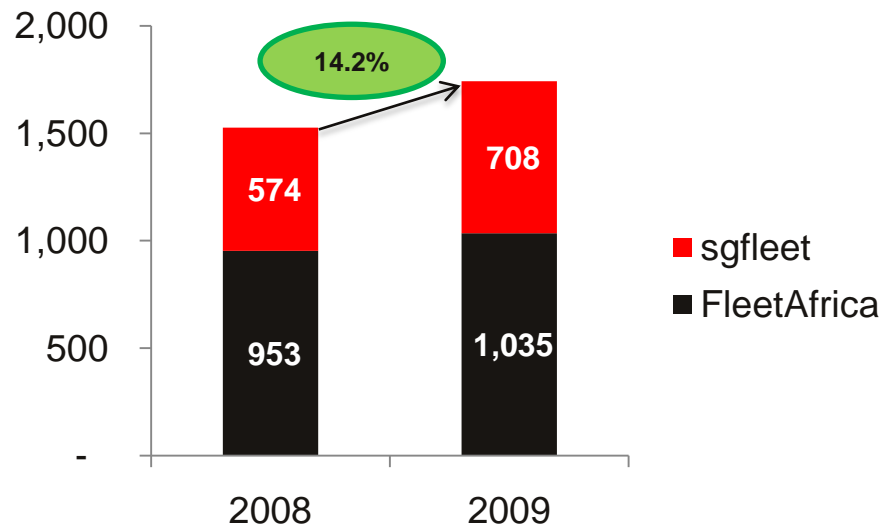
» FleetAfrica



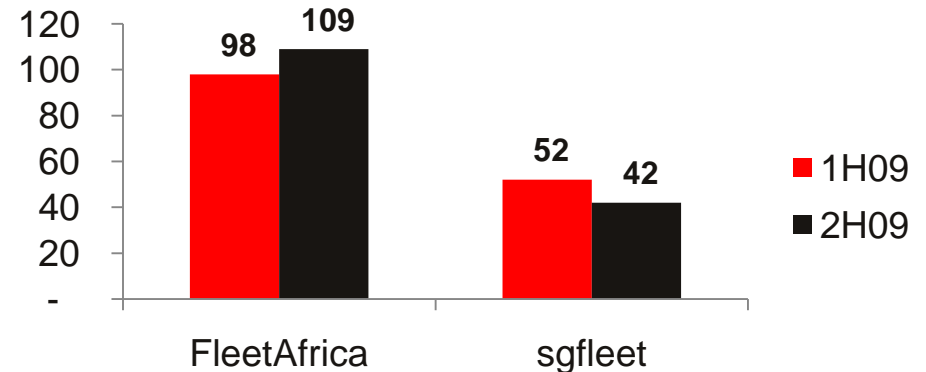
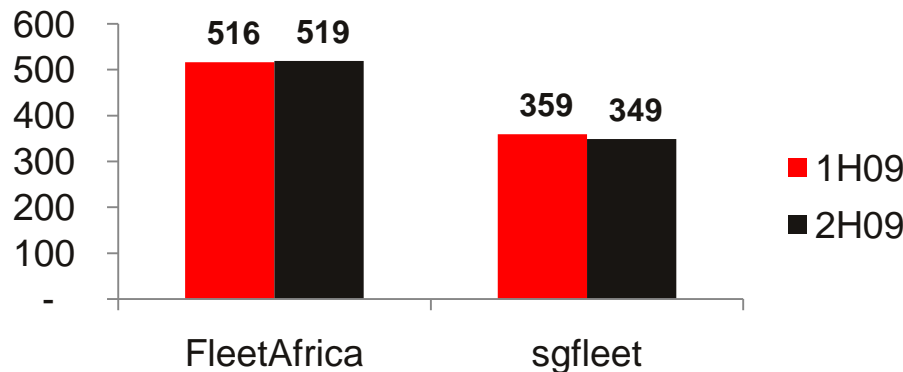
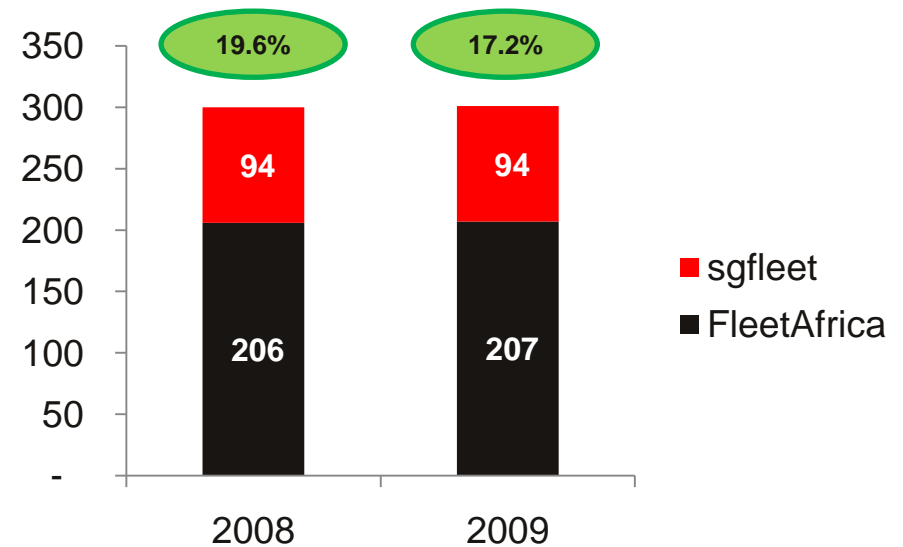
» sgfleet (Australia)

# Fleet Solutions » Financial performance

## Revenue (R'million)



## Trading profit (R'million) and margin



## Fleet Solutions » Trading profit

R'million	Change	30 June 2009	30 June 2008
<b>Operating profit</b>	<b>(5.0)%</b>	<b>283</b>	<b>298</b>
- FleetAfrica	(7.8)%	190	206
- sgfleet	1.1%	93	92
<b>Capital adjustments</b>		<b>18</b>	<b>2</b>
- FleetAfrica (impairment of intangibles)		17	-
- sgfleet		1	2
<b>Trading profit</b>	<b>0.3%</b>	<b>301</b>	<b>300</b>
- FleetAfrica	0.5%	207	206
- sgfleet	-	94	94

## *FleetAfrica » Review of operations*

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- » Satisfactory performance
- » New management team since November 2008
- » Improved vehicle disposal and utilisation strategy
- » Cost saving as well as restructuring initiatives being implemented
- » Improved residual risk management resulted in increased depreciation charges
- » Reduced working capital with improved free cash flow
- » Eastern Cape Provincial Government contract extended to January 2010
- » Funding solutions being explored for new business

## *sgfleet* » *Review of operations*

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- » Successful year, which included:
  - › Renewal of several client contracts and awarded a large Australian State Government contract
  - › New off-balance sheet funding structure for its UK subsidiary
  - › Changing brand to “sgfleet” well received
  - › Strengthened funding relationships with banks
- » Gained market share despite:
  - › Economic challenges such as increased fuel prices in the first half of the year; and
  - › The decline in the mining boom in the second half
- » Adoption of a more conservative approach to residual value provisioning
- » Trading profit flat in Australian Dollar terms

# Fleet Solutions » Prospects

## Situation

## Business attractiveness

## Super Group competency

### Fleet Africa

- Growth beyond existing large contracts challenging
- CoJ renewal in 2012
- Post Office out on tender
- Margin pressure as contracts mature and fixed overhead platform becomes costly
- Winning new contracts challenging - current structure
- Opportunity remains for an unbundled empowered entity
- Requires strong balance sheet



**Restructure balance sheet with financial partner / "4PL" type model**

### sgfleet

- Consolidation of multiple acquisitions to build a scale platform
- Gaining market share in a competitive market with strong players
- Group balance sheet important to ongoing business success
- Outsourcing trend still favourable
- New product development very attractive (PC & FBT intelligence)
- Medium-term economic recovery
- Growing understanding of region and business model



**Balance sheet ring-fenced  
Manage for medium-term growth**



*Review of discontinued businesses*

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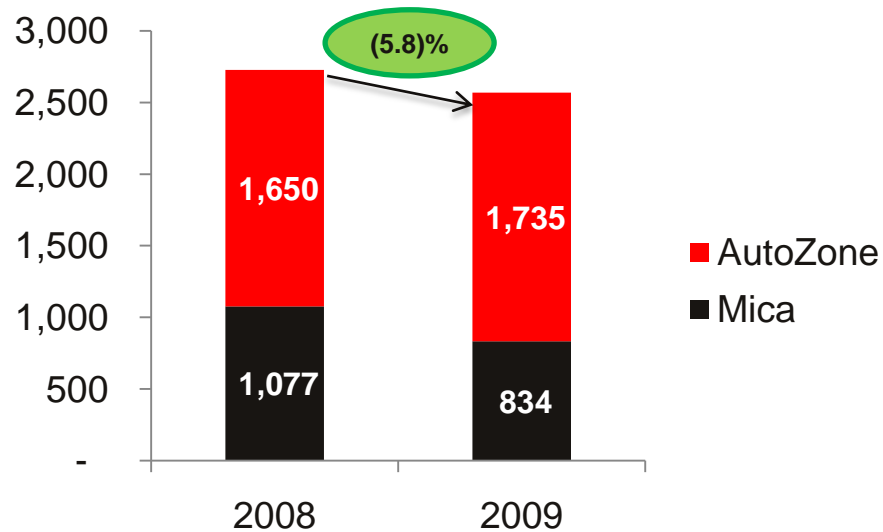


# Retail Supply Chain Division

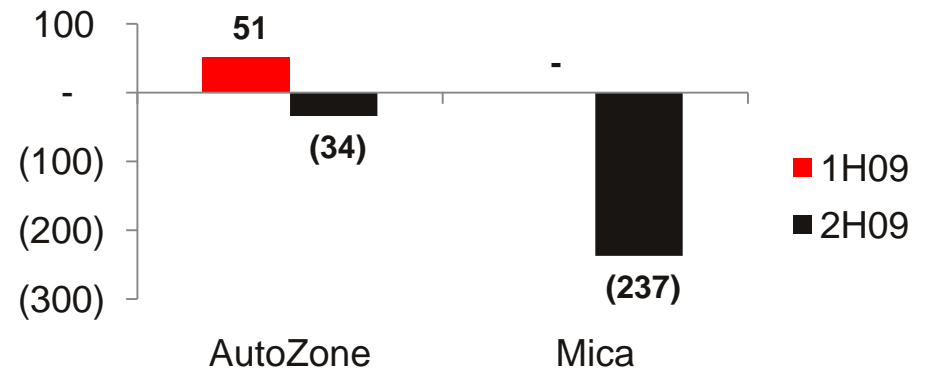
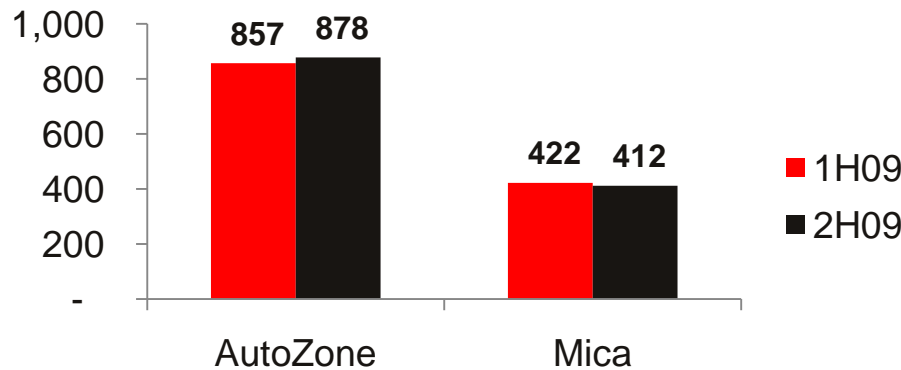
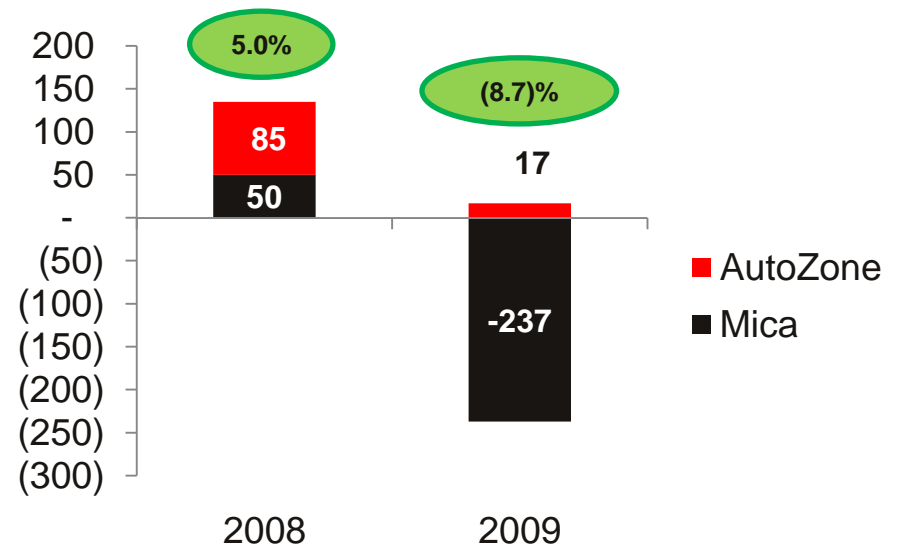


# Retail Supply Chain » Financial performance

## Revenue (R'million)



## Trading profit (R'million) and margin



## Retail Supply Chain » Normalised trading results

R'million	Change	30 June 2009	30 June 2008
<b>Operating (loss) / profit</b>	<b>(478.5)%</b>	<b>(510)</b>	<b>135</b>
- AutoZone	(240.0)%	(119)	85
- Mica	(884.0)%	(391)	50
<b>Capital adjustments (Detail on next slides)</b>		<b>290</b>	<b>-</b>
- AutoZone		136	-
- Mica		154	-
<b>Trading (loss) / profit</b>	<b>(263.0)%</b>	<b>(220)</b>	<b>135</b>
- AutoZone	(80.0)%	17	85
- Mica	(574.0)%	(237)	50
<b>Once-off costs (Mica)</b>		<b>100</b>	<b>-</b>
- Onerous leases		40	-
- Restructuring costs		11	-
- Working capital write-downs		49	-
<b>Normalised trading loss for Mica</b>	<b>(374.0)%</b>	<b>(137)</b>	<b>50</b>

## *AutoZone » Review of operations*

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- » Competitive trading environment, pressure on margins (impact of R21 million)
- » Two stores closed during the year, no new stores opened
- » Trading profit and margin impacted mainly by:
  - › Once off restructuring costs (downsizing a number of departments, change to Legacy IT system, etc) of R7.5 million
  - › Increase in depreciation of 23% (R5.4 million) as a result of Despatcher implementation
  - › Stronger rand impacted results
- » De-installing of the Manugistics Inventory Optimization software platform created over stock problems for 9 months of the year

## *Mica » Review of operations*

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- » Severely impacted by change from failed drop-shipment to rebate model
  
- » Further impacted by:
  - › Down turn in residential property market
  
  - › Management, operational and systems administration challenges
  
- » Trading loss of R237 million exacerbated by:
  - › Bad debt and stock provisions – R49 million
  
  - › Losses from associates – R10 million
  
- » Significant capital item adjustments, mainly as a result of the impairment of goodwill and Mica trademark – R129 million

## Retail Supply Chain » Disposals

	AutoZone	Mica
Method of disposal	Sale of shares	Sale of brand Sale of corporate stores
Purchaser/(s)	RMB Corvest	Various purchasers: <ul style="list-style-type: none"> <li>• 3<sup>rd</sup> Parties</li> <li>• Mica members</li> </ul>
Consideration	R435 million (R35 million deferred)	Total realisation of approximately R50 million
Based on	Highest offer received	Various methods
Conditions precedent	Approval by: <ul style="list-style-type: none"> <li>• Shareholders</li> <li>• Competition Commission</li> </ul>	Approval by: <ul style="list-style-type: none"> <li>• Competition Commission</li> </ul>

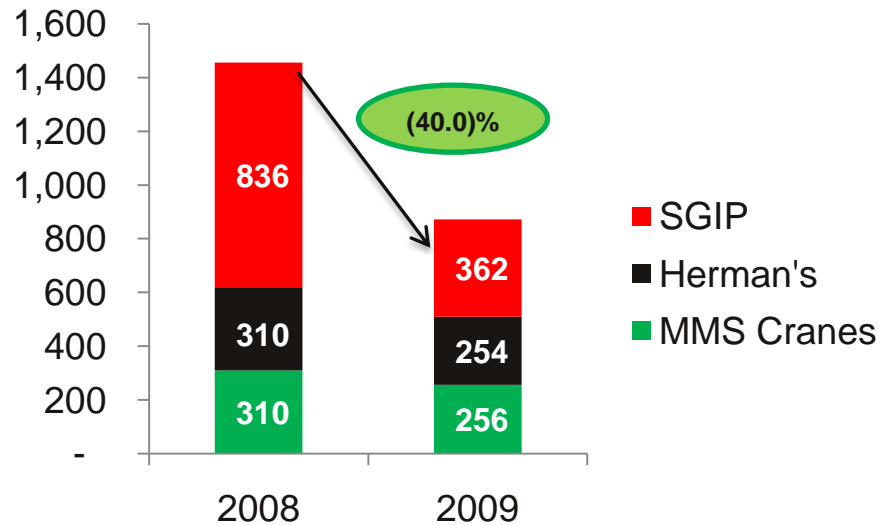
*Automotive  
Division*



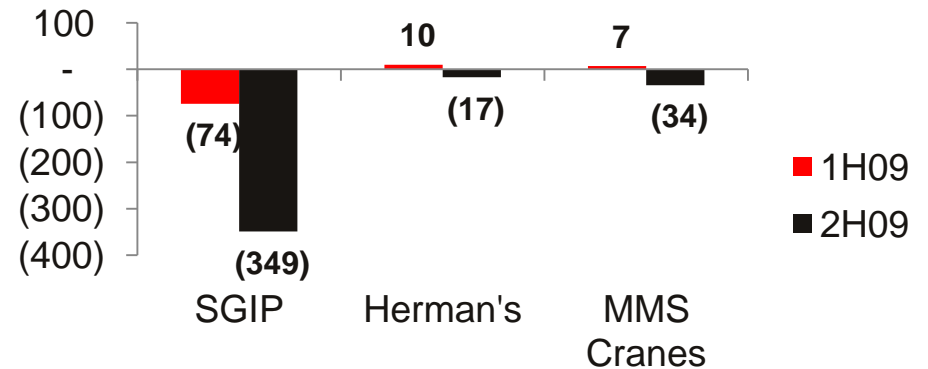
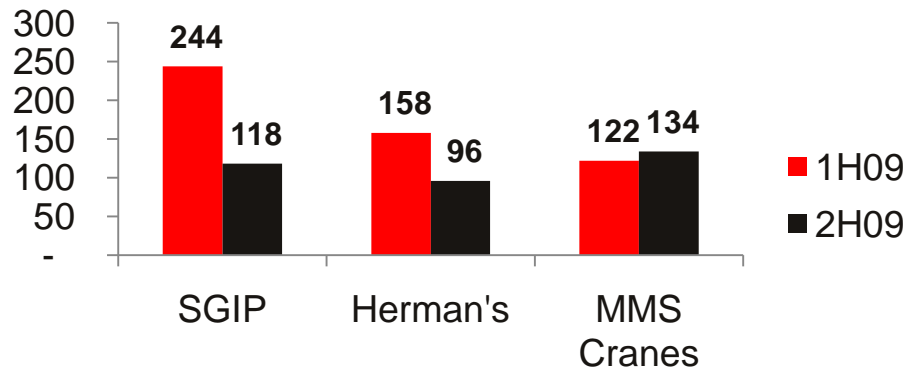
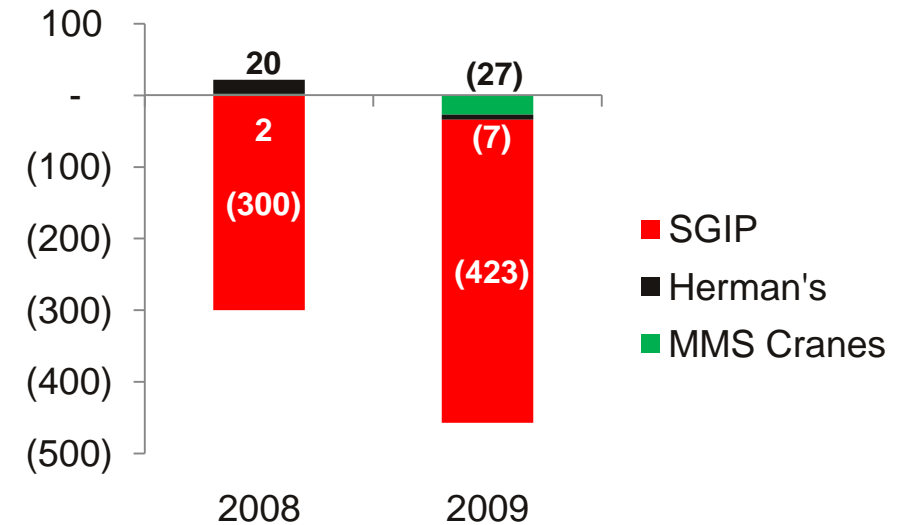
» Super Group Industrial Products

# SGIP » Financial performance

## Revenue (R'million)



## Trading (loss) / profit (R'million)



## SGIP » Trading loss

R'million	30 June 2009	30 June 2008
<b>Operating (loss)</b>	<b>(601)</b>	<b>(292)</b>
- SGIP	(553)	(314)
- Herman's Truck Accident Repairs	(12)	20
- MMS Cranes	(36)	2
<b>Capital adjustments</b>	<b>144</b>	<b>14</b>
- SGIP	130	14
- Herman's Truck Accident Repairs	5	-
- MMS Cranes	9	-
<b>Trading (loss)</b>	<b>(457)</b>	<b>(278)</b>
- SGIP	(423)	(300)
- Herman's Truck Accident Repairs	(7)	20
- MMS Cranes	(27)	2

## *SGIP » Review of operations*

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- » Decision was taken in mid December 2008 to dispose of the businesses within SGIP
- » Powerstar business and assembly operations in the process of being sold
- » Both Herman's Truck Accident Repairs and MMS Cranes were sold end of June 2009
- » Exit strategy of the remaining underlying businesses:
  - › Debtors collections
  - › Disposal of residual stock
  - › Repayment of remaining creditors
  - › Disposition/cancellation of overhead costs as they relate to contracts/discontinued operations
- » Management are confident that adequate provisions have been made

*Corporate  
Services*



## *Emerald Insurance*

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<b>R'million</b>	<b>Change</b>	<b>30 June 2009</b>	<b>30 June 2008</b>
<b>Revenue (Premium income)</b>	59.3%	<b>696</b>	437
<b>Operating loss</b>	(845.5)%	<b>(104)</b>	(11)
Capital items		<b>5</b>	-
<b>Trading loss - reported</b>	(800.0)%	<b>(99)</b>	(11)
- South Africa		<b>(21)</b>	(25)
- Mauritius		<b>(78)</b>	14

## *Emerald Insurance» Review of operations*

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- » Super Group, post 30 June 2009, reached an agreement with Santam Limited to buy Emerald Insurance South Africa for an amount equal to the net asset value of the business as at the effective date (to be determined)
- » This deal is subject to shareholder, Registrar of Short Term Insurance, JSE, SRP and Competition Commission approval
- » Offshore insurance business (Emerald Mauritius) experienced an unusual number of large claims during the latter part of the year
- » Emerald Mauritius is being wound up and no new business is being signed



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# *Financial Results*

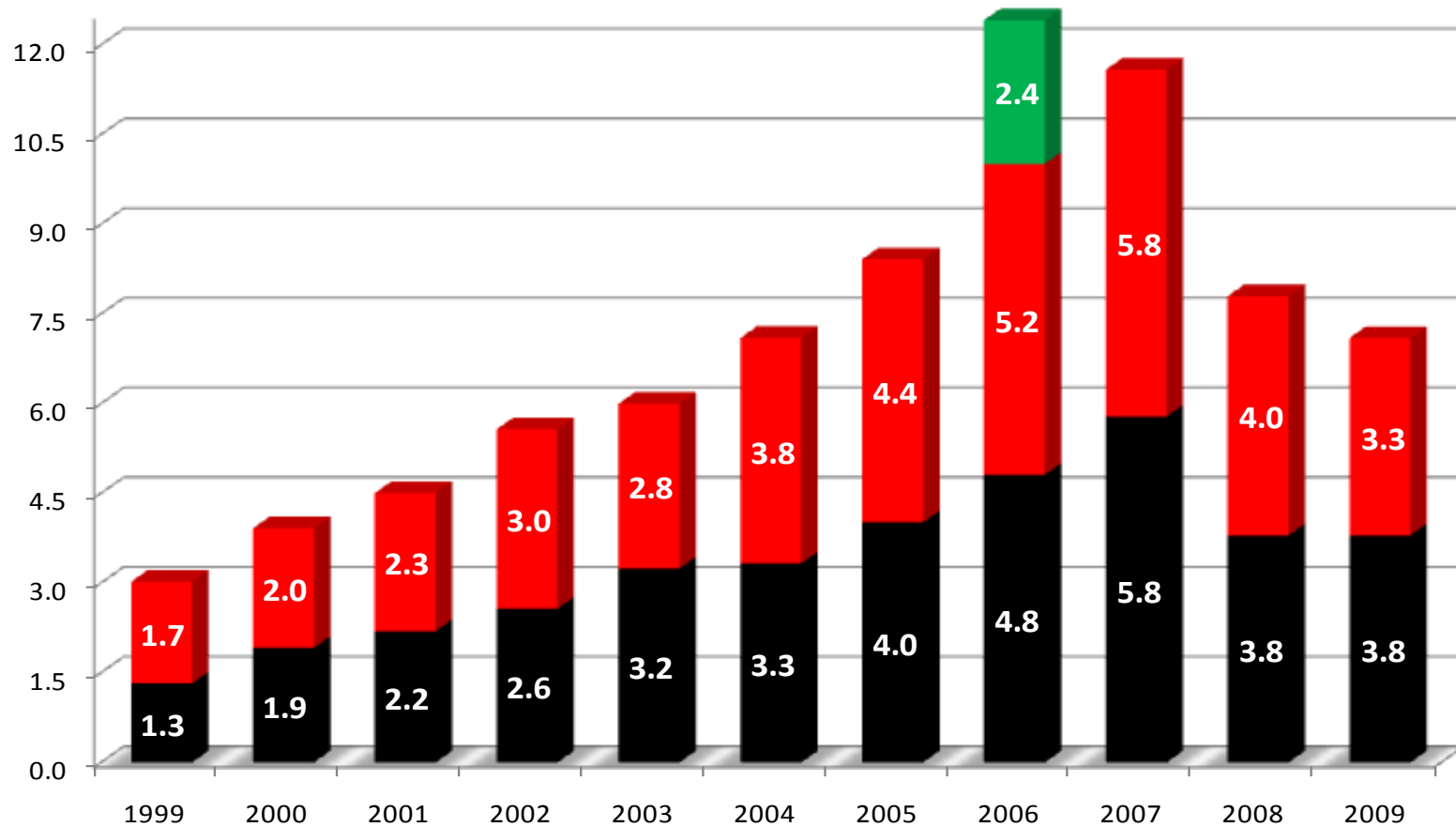


## *Financial headlines*

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- » Capital structure and debt restructuring achieved through a signed recapitalisation
- » HEPS from continuing operations is 35c
- » Net debt reduced by R769 million to R3 006 million
- » Cash generated from operations of R1.2 billion
- » Working capital release of R100 million
- » Continuing operations maintained margins in challenging trading conditions
- » Significant fair value adjustments of R441million on discontinuing operations, bringing carrying values in line with expected proceeds

## Financial overview » Revenue – Continuing operations (R'bn)



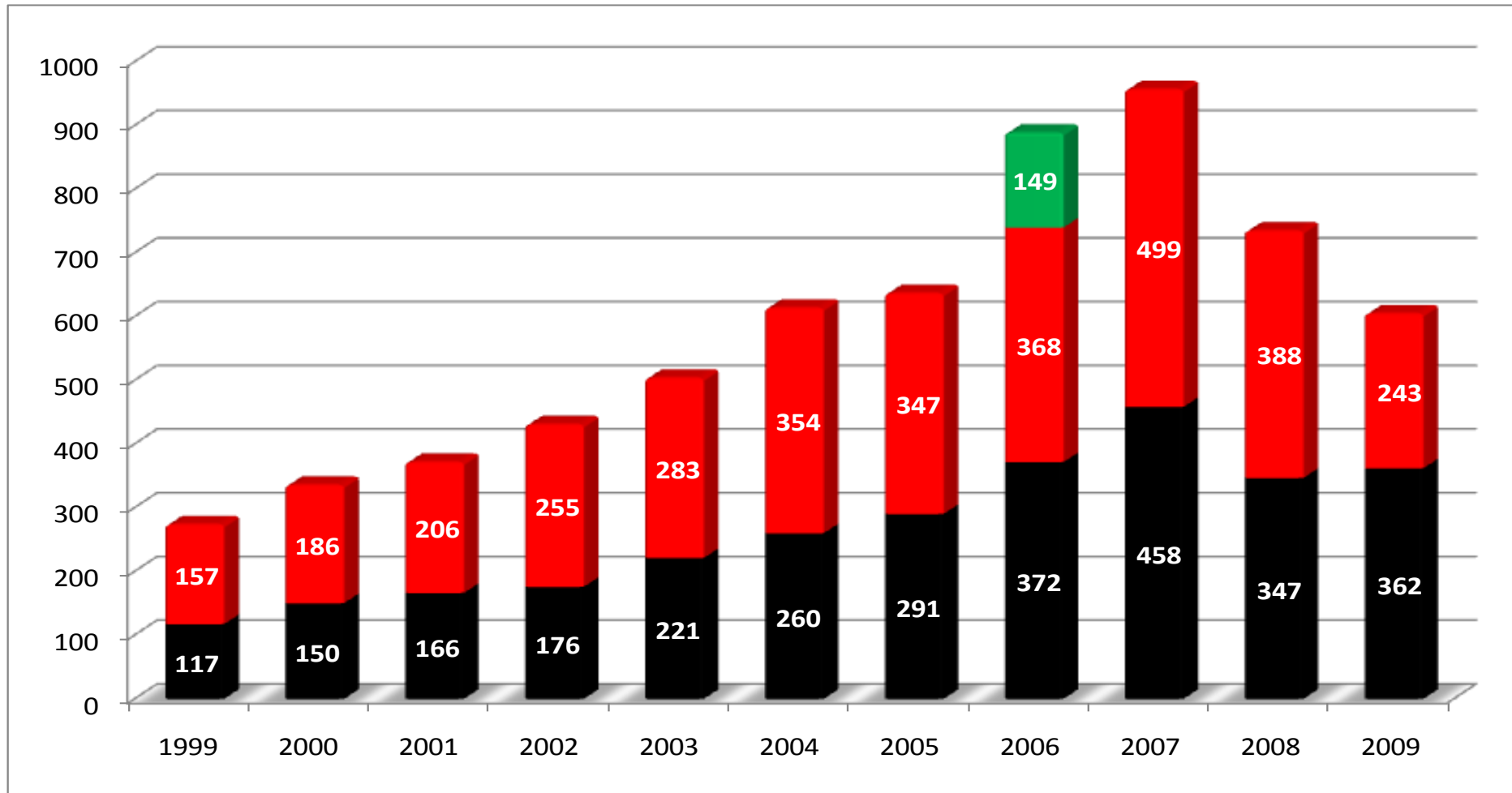
15 month period ended 30 June 2006


First 6 months ended 31 December 2008

\* Restated 2008 to reflect continuing operations

Second 6 months ended 30 June 2009

## Financial overview » Trading profit – Continuing operations (R'm)



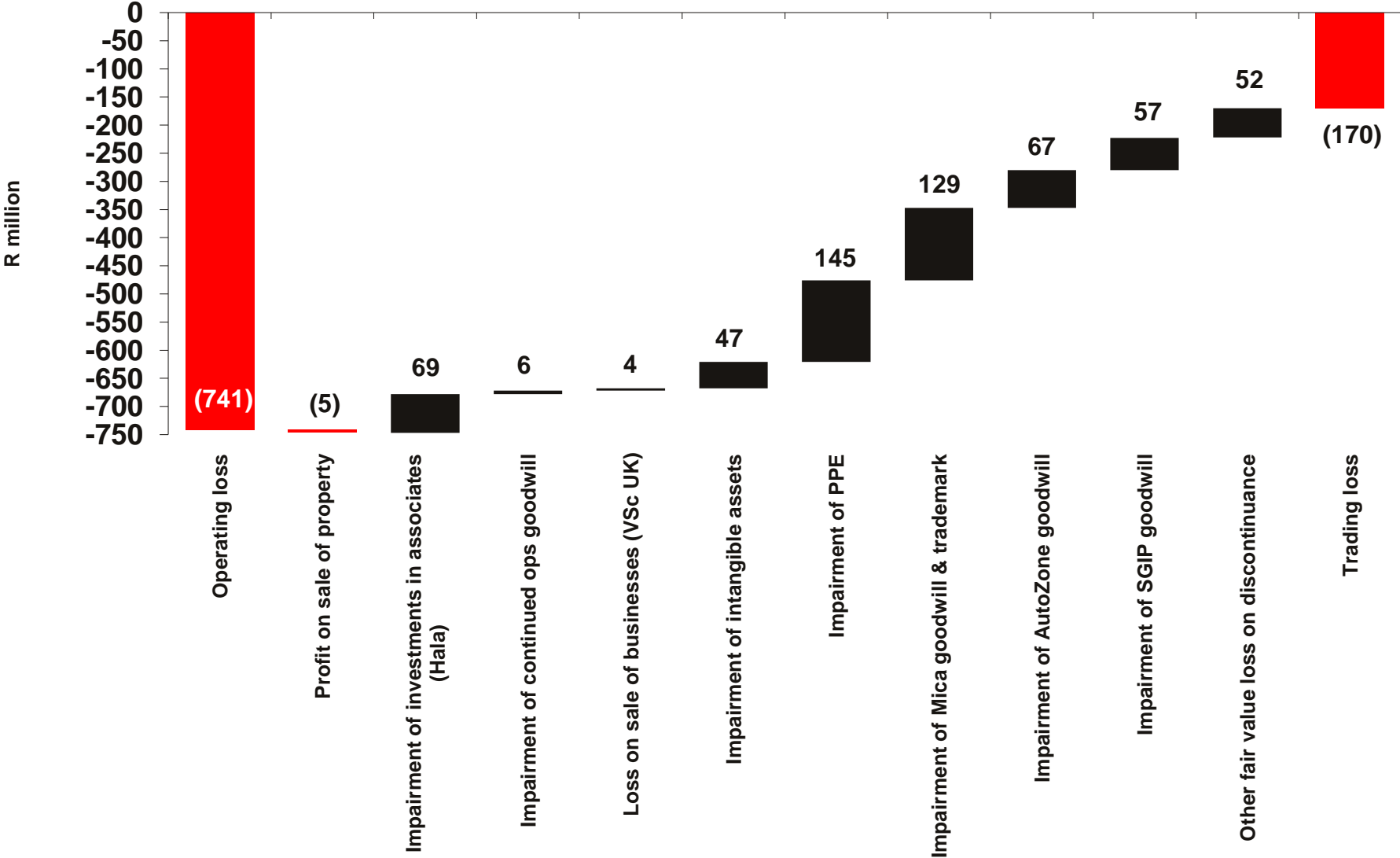
 15 month period ended 30 June 2006

 First 6 months ended 31 December 2008

\* Restated 2008 to reflect continuing operations

 Second 6 months ended 30 June 2009

# Reconciliation of capital items



## Capital item analysis by business

R'million	30 June 2009	30 June 2008
<b>Operating (loss)/profit – reported</b>	<b>(741.7)</b>	<b>523.2</b>
<b>Capital adjustments - Continuing:</b>	<b>130.8</b>	<b>44.8</b>
• Supply Chain South Africa	103.6	1.8
• FleetAfrica	16.9	-
• sgfleet (Australia)	0.9	1.5
• Dealerships	14.4	9.9
• Corporate office	(5.0)	31.6
<b>Capital adjustments - Discontinued:</b>	<b>441.0</b>	<b>13.7</b>
• SGIP	130.3	13.7
• Hermans and MMS Cranes	14.4	-
• AutoZone	136.7	-
• Mica	154.3	-
• Emerald Insurance	5.3	-
<b>Trading (loss)/profit</b>	<b>(169.7)</b>	<b>581.7</b>

## Financial results » Consolidated income statement

R'million	30 June 2009 Reviewed	30 June 2008 Audited	% change
<b>Operating (loss) / profit</b>	(741.7)	523.2	nm
<b>Net finance charges</b>	(550.9)	(494.0)	(11.5)
- Continuing operations	(383.2)	(370.2)	(3.5)
- Discontinued operations	(167.7)	(123.8)	(35.5)
<b>Mark-to-market fair value adjustments</b>	(47.9)	16.8	385.1
<b>Share of (loss)/profit from associates</b>	6.6	2.3	200.0
- Discontinued Mica	(9.5)	(6.8)	(39.7)
- Discontinued Emerald Insurance	16.1	9.1	76.9
<b>Income tax expenses</b>	(6.8)	(42.0)	nm
- Continuing operations	1.5	(72.6)	nm
- Discontinued operations	(8.3)	30.6	nm
<b>(Loss)/profit after taxation</b>	(1 340.7)	6.3	nm

## Financial results » Consolidated income statement (cont'd)

R'million	2009 Reviewed	2008 Audited	% Change
<b>(Loss)/profit after taxation</b>	<b>(1 340.7)</b>	<b>6.3</b>	<b>nm</b>
<b>Attributable to minority shareholders</b>	<b>(12.3)</b>	<b>(22.4)</b>	<b>45.1</b>
- <i>Continuing operations</i>	(15.0)	(15.5)	3.2
- <i>Discontinued operations</i>	2.7	(6.9)	139.1
<b>Attributable to equity holders of Super Group</b>	<b>(1 353.0)</b>	<b>(16.1)</b>	<b>nm</b>
Headline earnings per share	(170.9)	11.9	nm
Headline earnings per share from continuing operations	35.0	82.3	(57.5)

## Financial results » Balance sheet

ASSETS (R'million)	2009 Reviewed	2008 Audited	% Change
Property, plant and equipment	1 242	957	29.8%
Full maintenance lease assets	1 693	2 027	(16.5)%
Intangible assets	125	251	(50.2)%
Goodwill	1 286	1 575	(18.4)%
Investments in associates	43	70	(38.6)%
Investments and other non-current assets	45	230	(80.4)%
Deferred tax assets	230	178	29.2%
Assets held for sale	2 285	668	242.1%
Current assets	1 879	4 774	(60.6)%
» <i>Inventories</i>	390	1 311	(70.2)%
» <i>Trade and other receivables</i>	1 305	2 274	(42.6)%
» <i>Insurance related assets</i>	-	346	(100.0)%
» <i>Cash and cash equivalents</i>	184	843	(78.2)%
<b>Total assets</b>	<b>8 828</b>	<b>10 730</b>	<b>(17.7)%</b>

## Financial results » Balance sheet (cont'd)

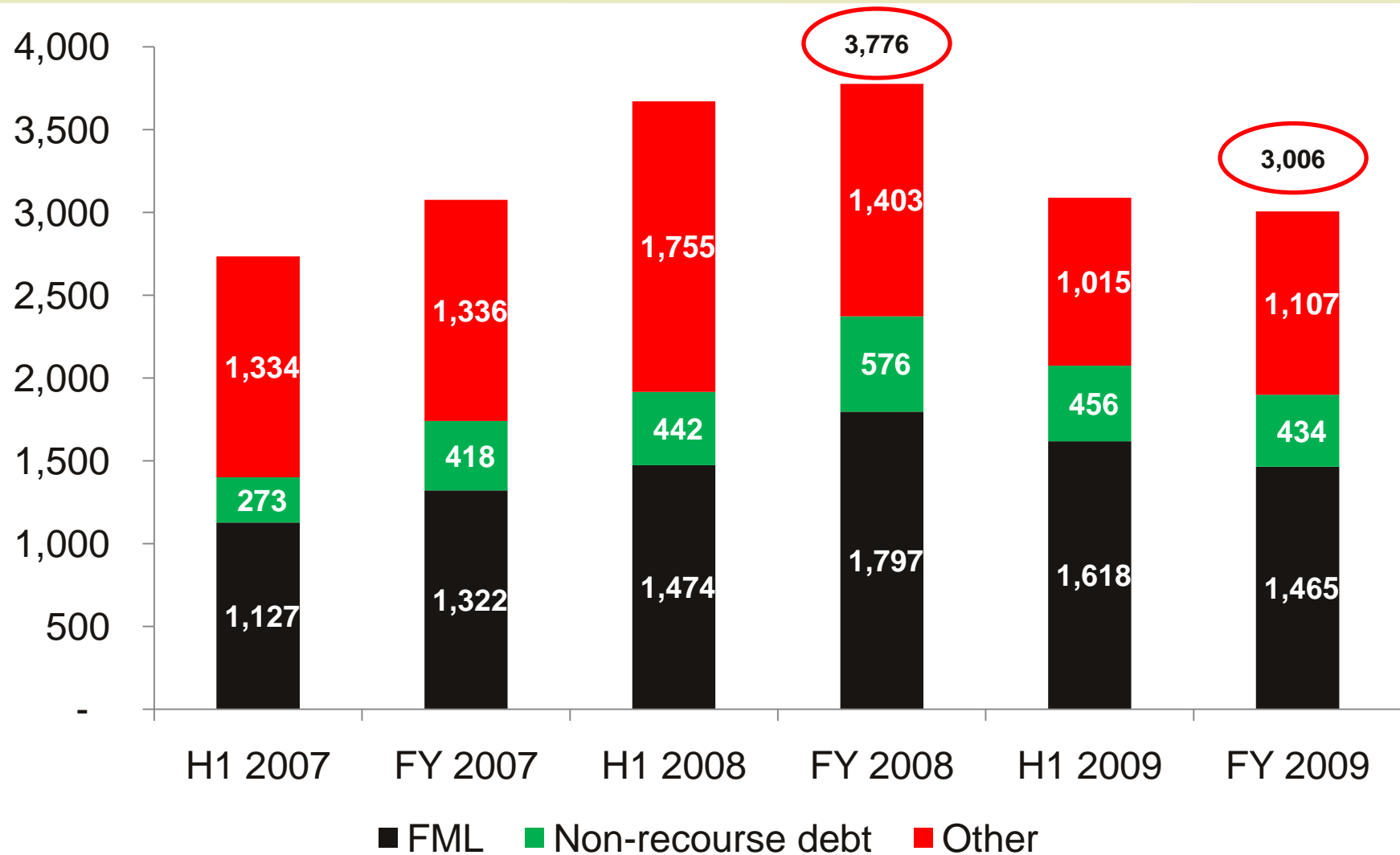
<b>EQUITIES AND LIABILITIES (R'million)</b>	<b>2009 Reviewed</b>	<b>2008 Audited</b>	<b>% Change</b>
<b>Capital and reserves</b>	1 188	2 265	(47.5)%
» <i>Capital and reserves attributable to equity holders</i>	994	2 007	(50.5)%
» <i>Minority interest</i>	194	258	(24.8)%
<b>Liabilities</b>			
Fund reserves	269	342	(21.4)%
Deferred tax liabilities	188	209	(10.1)%
Interest-bearing borrowings	1 961	2 337	(16.1)%
Property borrowings – assets held for sale	-	485	(100.0)%
Full maintenance lease borrowings	1 433	1 797	(20.3)%
Other liabilities associated with assets held for sale	1 942	-	100.0%
Other current liabilities	1 847	2 793	(33.9)%
Insurance related payables	-	502	(100.0)%
<b>Total equity and liabilities</b>	<b>8 828</b>	<b>10 730</b>	<b>(17.7)%</b>

## Interest-bearing borrowings

**Absolute value of interest bearing borrowings declined by R769m, however, as a result of assets being written off and the poor performance, equity declined by R1.1bn**

R'million	30 June 2009 Reviewed	30 June 2008 Audited
Corporate bond	412	414
Securitisation	258	256
Property borrowings	425	429
Other borrowings	333	528
	1 428	1 627
FML borrowings › South Africa	1 188	1 543
Gross South African borrowings	2 616	3 170
Australian borrowings	434	576
FML borrowings › Australia / UK	277	254
	3 327	4 000
Net cash resources	(321)	(225)
Net debt	3 006	3 775

## Financial results » Interest-bearing debt



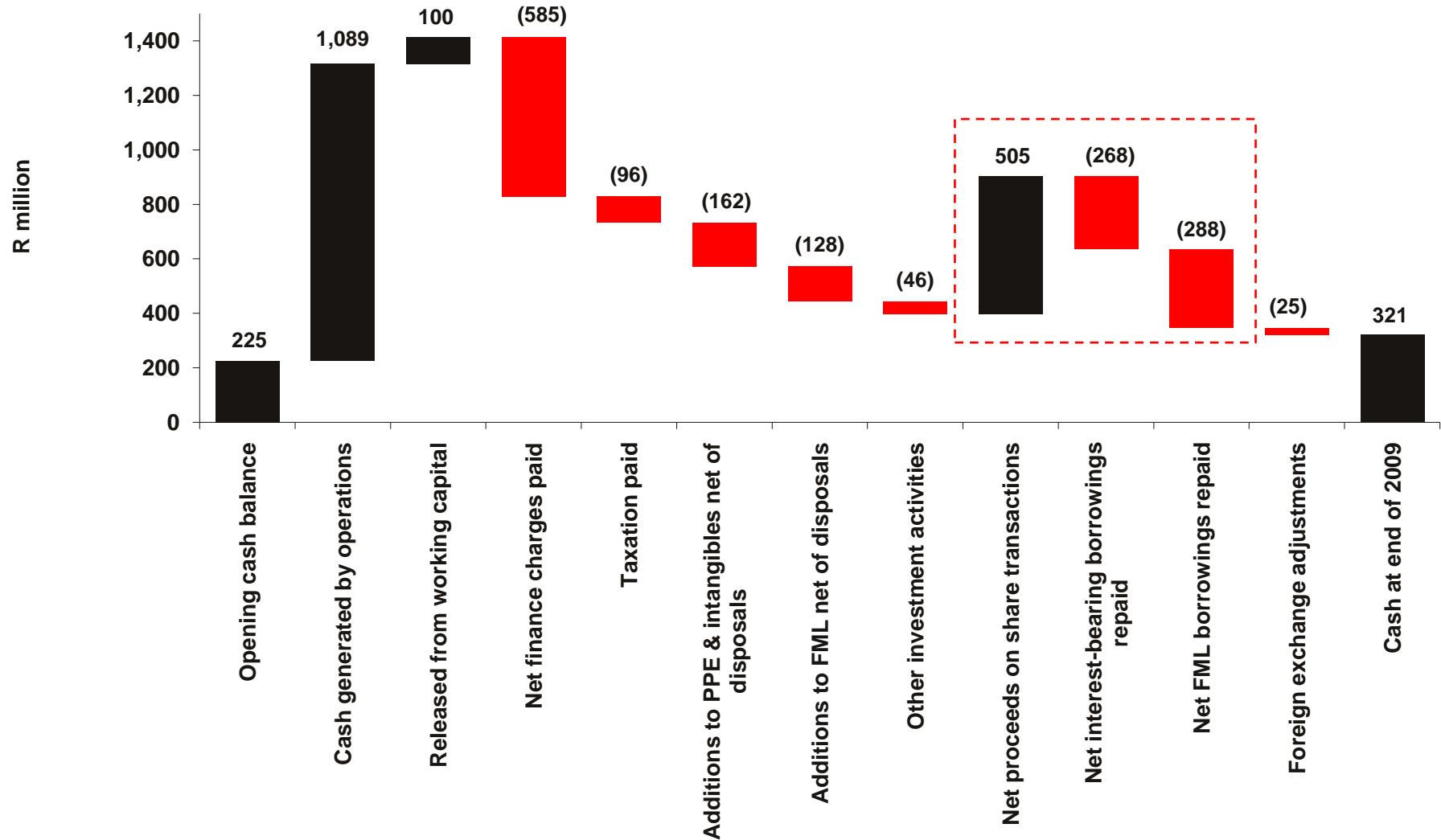
## Financial ratios

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	30 June 2009 Reviewed	30 June 2008 Audited
<b>Net debt / equity ratio*</b>	<b>120%</b>	<b>72%</b>
<b>Interest cover for continuing operations</b>		
Trading profit before depreciation, amortisation and recoupments less capital items / net finance charges	<b>1.9</b>	<b>2.2</b>
Target ratios to be defined once the recapitalisation has been finalised		

\* Excludes FML and ring-fenced Australian borrowings

## Financial results » Cash flow



## *Pro forma financial analysis – Adjusted for the R1bn Recap*

<b>R'000</b>	<b>30 June 2009 Reviewed</b>	<b>Proposed Capital Structure</b>
Equity*	1 188	2 128
Net Debt	3 006	2 065
Net Debt – excluding FML debt and Australian debt	1 298	357
Net debt / equity ratio#	120%	18%
Interest cover (times)	1.9	2.3
Pro - forma HEPS continuing (cents)	35	9
Tangible NAV (cents)	(84)	19
Shares in issue (million)	498	2,720

\* Capitalisation estimated at R940m (cash, net of fees)

# Excludes FML and ring-fenced borrowings

Note: Calculations exclude impact of disposal proceeds



**super group** 

*The way  
forward*



# The refocusing plan for Super Group

## 1. Recapitalising the business and restructuring of debt

- » Creates financial 'breathing space' for implementation of a value-maximising strategy
- » Allows Group to take prudent view on balance sheet requirements given current macro-economic and credit market situation

## 2. Focusing the recovery and growth effort within our area of core competence

- » Ensures that scarce capital and talent is focused on core business areas that can best deliver superior returns on invested capital, while simultaneously creating a sustainable platform for future growth

## 3. Maximising value from medium-term unbundling opportunities

- » Extracts value from specific businesses that are not candidates for immediate disposal but which will be unbundled at a future date
- » Ensures that fair value is gained for these assets

## 4. Freeing up resources and reducing risk via short-term disposals

- » Generates additional cash resources to reinvest in value creating areas of the core business
- » Ensures that loss-making businesses are stemmed and risks contained

## 5. Creating the new organisation focused on delivery and performance

- » Ensures successful execution of the plan and realisation of results for shareholders
- » Facilitates a new organisational culture of controls, delivery and performance to drive longer-term value creation within the chosen core business

## Conclusion

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- » We will focus on:
  - › Organically expanding Super Group's core businesses
  - › Keep overheads low by amalgamating certain divisional functionalities
  - › Focus on cash generation from operations
  - › Concentrate on improving net working capital
  - › Optimise asset utilisation
  
- » The Group's core businesses are expected to show improved profitability
  
- » Initiatives being implemented across the business, position Super Group to improve market share in its core operations



**super group** 

*Thank you*



*Questions?*