

# FIVE-YEAR CONSOLIDATED SUMMARY OF PROFITS

for the year ended 31 August 2012

R'm	5-year compound annual growth %	2012	2011	2010	2009	2008
<b>Turnover</b>	6.6%	<b>15 437</b>	14 136	13 277	12 175	11 244
Cost of merchandise sold	5.9%	<b>(11 962)</b>	(10 879)	(10 373)	(9 657)	(9 021)
<b>Gross profit</b>	9.3%	<b>3 475</b>	3 257	2 904	2 518	2 223
Other income	9.8%	<b>801</b>	689	626	564	501
<b>Total income</b>	9.4%	<b>4 276</b>	3 946	3 530	3 082	2 724
Expenses	8.3%	<b>(3 265)</b>	(3 008)	(2 706)	(2 373)	(2 126)
Depreciation and amortisation	11.9%	<b>(172)</b>	(150)	(128)	(114)	(95)
Occupancy costs	7.0%	<b>(472)</b>	(423)	(390)	(339)	(303)
Employment costs	8.8%	<b>(1 582)</b>	(1 496)	(1 399)	(1 157)	(993)
Other costs	7.7%	<b>(1 039)</b>	(939)	(789)	(763)	(735)
<b>Operating profit</b>	13.6%	<b>1 011</b>	938	824	709	598
Adjustment for capital items		<b>(7)</b>	(6)	(14)	(7)	39
<b>Profit before financing costs</b>	12.3%	<b>1 004</b>	932	810	702	637
Net financing costs	3.4%	<b>(46)</b>	(34)	(39)	(55)	(51)
Financial income		<b>6</b>	8	10	14	19
Financial expense		<b>(52)</b>	(42)	(49)	(69)	(70)
<b>Profit before tax</b>	12.9%	<b>958</b>	898	771	647	586
Income tax expense	13.9%	<b>(270)</b>	(247)	(207)	(175)	(145)
<b>Profit for the year</b>	12.5%	<b>688</b>	651	564	472	441
Attributable to:						
Equity holders of the parent		<b>689</b>	651	565	472	441
Adjustment for impairment and loss/ (profit) on disposal		<b>5</b>	4	11	6	(41)
Insurance recovery income		<b>(1)</b>	–	–	–	–
<b>Headline earnings</b>	14.2%	<b>693</b>	655	576	478	400
Headline earnings per share (cents)						
– basic	20.9%	<b>273.5</b>	250.1	212.3	167.7	134.0
– diluted	21.6%	<b>273.4</b>	249.7	211.4	165.9	131.5
Earnings per share (cents)						
– basic	19.2%	<b>272.0</b>	248.3	208.6	165.6	148.0
– diluted	19.9%	<b>271.9</b>	248.0	207.7	163.8	145.2
Number of shares in issue (m)	(3.9%)	<b>276</b>	271	284	303	324
Weighted average number of shares (net of treasury shares) (m)	(5.5%)	<b>253</b>	262	271	285	298
Weighted average diluted number of shares (net of treasury shares) (m)	(6.0%)	<b>253</b>	263	272	288	304

# FIVE-YEAR CONSOLIDATED SUMMARY OF PROFITS

for the year ended 31 August 2012

US Dollars 'm	5-year compound annual growth %	2012	2011	2010	2009	2008
<b>Turnover</b>	4.4%	<b>1 930</b>	2 041	1 826	1 345	1 517
Cost of merchandise sold	3.7%	<b>(1 495)</b>	(1 574)	(1 427)	(1 067)	(1 217)
<b>Gross profit</b>	7.1%	<b>435</b>	467	399	278	300
Other income	7.4%	<b>100</b>	100	86	62	68
<b>Total income</b>	7.2%	<b>535</b>	567	485	340	368
Expenses	6.2%	<b>(410)</b>	(431)	(373)	(262)	(287)
Depreciation and amortisation	9.5%	<b>(22)</b>	(22)	(18)	(13)	(13)
Occupancy costs	4.7%	<b>(59)</b>	(61)	(54)	(37)	(41)
Employment costs	6.7%	<b>(199)</b>	(217)	(192)	(128)	(134)
Other costs	5.6%	<b>(130)</b>	(131)	(109)	(84)	(99)
<b>Operating profit</b>	11.1%	<b>125</b>	136	112	78	81
Adjustment for capital items		<b>(1)</b>	(1)	(2)	(1)	5
<b>Profit before financing costs</b>	9.7%	<b>124</b>	135	110	77	86
Net financing costs	0.0%	<b>(6)</b>	(5)	(6)	(6)	(6)
Financial income		<b>1</b>	1	1	2	3
Financial expense		<b>(7)</b>	(6)	(7)	(8)	(9)
<b>Profit before tax</b>	10.4%	<b>118</b>	130	104	71	80
Income tax expense	11.2%	<b>(34)</b>	(36)	(28)	(19)	(20)
<b>Profit for the year</b>	10.1%	<b>84</b>	94	76	52	60
Attributable to:						
Equity holders of the parent		<b>86</b>	94	78	52	60
Adjustment for impairment and loss/ (profit) on disposal		<b>1</b>	1	2	1	(6)
Insurance recovery income		<b>-</b>	-	-	-	-
<b>Headline earnings</b>	11.7%	<b>87</b>	95	80	53	54
Exchange rate: average rate		<b>8.00</b>	6.91	7.27	9.05	7.41

Notes:

1. The ZAR five-year consolidated summary of profits was translated to USD using the average rate.

# FIVE-YEAR CONSOLIDATED STATEMENT OF FINANCIAL POSITION

at 31 August 2012

R'm	5-year compound annual growth %	2012	2011	2010	2009	2008
<b>Assets</b>						
Non-current assets		<b>1 490</b>	1 415	1 384	1 362	1 253
Property, plant and equipment	6.3%	<b>1 011</b>	950	889	830	734
Intangible assets		<b>306</b>	302	314	302	302
Goodwill		<b>104</b>	104	106	96	86
Deferred tax assets		<b>57</b>	53	52	88	73
Loans receivable		<b>12</b>	6	23	46	58
Current assets		<b>3 286</b>	2 840	2 727	2 819	2 332
Inventories	8.2%	<b>2 080</b>	1 802	1 571	1 422	1 371
Trade and other receivables	8.0%	<b>1 172</b>	999	869	908	808
Loans receivable		<b>4</b>	18	16	11	8
Cash and cash equivalents		<b>25</b>	18	152	410	101
Derivative financial assets		<b>5</b>	3	119	68	44
Total assets	3.6%	<b>4 776</b>	4 255	4 111	4 181	3 585
<b>Equity and liabilities</b>						
Equity	0.8%	<b>1 349</b>	965	1 142	1 126	1 141
Share capital		<b>3</b>	3	3	3	3
Share premium		<b>3</b>	–	–	–	121
Treasury shares		<b>(928)</b>	(703)	(511)	(488)	(463)
Share option reserve		<b>56</b>	41	25	25	24
Cash flow hedging reserve		<b>4</b>	2	–	–	–
Non-distributable reserves		<b>–</b>	(2)	(2)	(5)	–
Distributable reserve		<b>2 211</b>	1 623	1 626	1 589	1 456
Equity attributable to equity holders of the parent		<b>1 349</b>	964	1 141	1 124	1 141
Non-controlling interest		<b>–</b>	1	1	2	–
Non-current liabilities		<b>286</b>	265	297	317	371
Interest-bearing borrowings		<b>–</b>	–	17	37	62
Employee benefits		<b>106</b>	92	96	91	131
Deferred tax liabilities		<b>39</b>	47	69	83	80
Operating lease liability		<b>141</b>	126	115	106	98
Current liabilities		<b>3 141</b>	3 025	2 672	2 738	2 073
Trade and other payables	7.8%	<b>2 769</b>	2 432	2 290	2 408	1 828
Employee benefits		<b>110</b>	165	203	241	104
Provisions		<b>9</b>	5	6	6	8
Interest-bearing borrowings		<b>215</b>	375	117	30	54
Income tax payable		<b>37</b>	45	47	33	76
Derivative financial liabilities		<b>1</b>	3	9	20	3
Total equity and liabilities	3.6%	<b>4 776</b>	4 255	4 111	4 181	3 585

# FIVE-YEAR CONSOLIDATED STATEMENT OF FINANCIAL POSITION

at 31 August 2012

US Dollars 'm	5-year compound annual growth %	2012	2011	2010	2009	2008
<b>Assets</b>						
Non-current assets		175	201	188	175	161
Property, plant and equipment	2.7%	119	134	121	107	95
Intangible assets		36	43	43	39	39
Goodwill		12	15	14	12	11
Deferred tax assets		7	8	7	11	9
Loans receivable		1	1	3	6	7
Current assets		387	401	370	363	301
Inventories	4.6%	245	255	213	183	177
Trade and other receivables	4.5%	138	140	118	117	104
Loans receivable		–	3	2	1	1
Cash and cash equivalents		3	3	21	53	13
Derivative financial assets		1	–	16	9	6
Total assets	0.0%	562	602	558	538	462
<b>Equity and liabilities</b>						
Equity	(2.7%)	158	137	155	144	147
Share capital		–	–	–	–	–
Share premium		–	–	–	–	16
Treasury shares		(110)	(99)	(69)	(63)	(60)
Share option reserve		7	6	3	3	3
Cash flow hedging reserve		–	–	–	–	–
Non-distributable reserves		–	–	–	(1)	–
Distributable reserve		261	230	221	205	188
Equity attributable to equity holders of the parent		158	137	155	144	147
Non-controlling interest		–	–	–	–	–
Non-current liabilities		35	38	40	42	48
Interest-bearing borrowings		–	–	2	5	8
Employee benefits		13	13	13	12	17
Deferred tax liabilities		5	7	9	11	10
Operating lease liability		17	18	16	14	13
Current liabilities		369	427	363	352	267
Trade and other payables	4.1%	326	344	311	309	236
Employee benefits		13	23	28	31	13
Provisions		1	1	1	1	1
Interest-bearing borrowings		25	53	16	4	7
Income tax payable		4	6	6	4	10
Derivative financial liabilities		–	–	1	3	–
Total equity and liabilities	0.0%	562	602	558	538	462
<b>Exchange rate: closing rate</b>		<b>8.48</b>	7.07	7.37	7.77	7.75

Notes:

1 The ZAR five-year consolidated statement of financial position was translated to USD using the closing rate.

# FIVE-YEAR CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 31 August 2012

R'm	5-year aggregate effect	2012	2011	2010	2009	2008
<b>Cash effects of operating activities</b>						
Operating profit before working capital changes	4 694	<b>1 235</b>	1 075	837	825	722
Working capital changes	(203)	<b>(162)</b>	(105)	(203)	490	(223)
Cash generated by operations	4 491	<b>1 073</b>	970	634	1 315	499
Interest received	56	<b>6</b>	8	9	14	19
Interest paid	(206)	<b>(39)</b>	(29)	(35)	(43)	(60)
Taxation paid	(1 145)	<b>(276)</b>	(272)	(175)	(229)	(193)
Cash inflow from operating activities before distributions	3 196	<b>764</b>	677	433	1 057	265
Distributions paid to shareholders	(1 226)	<b>(337)</b>	(296)	(245)	(191)	(157)
Net cash effects of operating activities	1 970	<b>427</b>	381	188	866	108
<b>Cash effects of investing activities</b>						
Investment in property, plant and equipment and intangible assets to maintain operations	(439)	<b>(84)</b>	(70)	(86)	(110)	(89)
Investment in property, plant and equipment and intangible assets to expand operations	(637)	<b>(172)</b>	(146)	(120)	(114)	(85)
Proceeds from disposal of business	316	<b>-</b>	-	-	-	316
Acquisition of business, net of cash acquired	(44)	<b>-</b>	(10)	(22)	(10)	(2)
Acquisition of remaining interest in subsidiaries	(3)	<b>-</b>	-	(3)	-	-
Proceeds from disposal of property, plant and equipment	44	<b>3</b>	2	2	2	35
Decrease in loans receivable	61	<b>5</b>	15	19	15	7
Net cash effects of investing activities	(702)	<b>(248)</b>	(209)	(210)	(217)	182
<b>Cash effects of financing activities</b>						
Proceeds from the issue of share capital	-	<b>-</b>	-	-	-	-
Purchase of treasury shares	<b>(1 831)</b>	<b>(12)</b>	(552)	(322)	(338)	(607)
Proceeds from disposal of treasury shares	<b>106</b>	<b>2</b>	3	15	42	44
Interest-bearing borrowings raised/(repaid)	<b>70</b>	<b>(161)</b>	243	71	(44)	(39)
Net cash effects of financing activities	<b>(1 655)</b>	<b>(171)</b>	(306)	(236)	(340)	(602)
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(387)</b>	<b>8</b>	(134)	(258)	309	(312)

# FIVE-YEAR CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 31 August 2012

US Dollars 'm	5-year aggregate effect	2012	2011	2010	2009	2008
<b>Cash effects of operating activities</b>						
Operating profit before working capital changes	613	<b>154</b>	156	115	91	97
Working capital changes	(38)	<b>(20)</b>	(15)	(28)	56	(31)
Cash generated by operations	575	<b>134</b>	141	87	147	66
Interest received	8	<b>1</b>	1	1	2	3
Interest paid	(27)	<b>(5)</b>	(4)	(5)	(5)	(8)
Taxation paid	(149)	<b>(35)</b>	(39)	(24)	(25)	(26)
Cash inflow from operating activities before distributions	407	<b>95</b>	99	59	119	35
Distributions paid to shareholders	(162)	<b>(42)</b>	(44)	(34)	(21)	(21)
Net cash effects of operating activities	245	<b>53</b>	55	25	98	14
<b>Cash effects of investing activities</b>						
Investment in property, plant and equipment and intangible assets to maintain operations	(57)	<b>(11)</b>	(10)	(12)	(12)	(12)
Investment in property, plant and equipment and intangible assets to expand operations	(84)	<b>(22)</b>	(21)	(17)	(13)	(11)
Proceeds from disposal of business	43	<b>-</b>	-	-	-	43
Acquisition of business, net of cash acquired	(5)	<b>-</b>	(1)	(3)	(1)	-
Proceeds from disposal of property, plant and equipment	5	<b>-</b>	-	-	-	5
Decrease in loans receivable	9	<b>1</b>	2	3	2	1
Net cash effects of investing activities	(89)	<b>(32)</b>	(30)	(29)	(24)	26
<b>Cash effects of financing activities</b>						
Proceeds from the issue of share capital	-	<b>-</b>	-	-	-	-
Purchase of treasury shares	(245)	<b>(2)</b>	(80)	(44)	(37)	(82)
Proceeds from disposal of treasury shares	13	<b>-</b>	-	2	5	6
Interest-bearing borrowings raised/(repaid)	17	<b>(19)</b>	36	10	(5)	(5)
Net cash effects of financing activities	(215)	<b>(21)</b>	(44)	(32)	(37)	(81)
<b>Net (decrease)/increase in cash and cash equivalents</b>	(59)	<b>-</b>	(19)	(36)	37	(41)
<b>Exchange rate: average rate</b>		<b>8.00</b>	6.91	7.27	9.05	7.41

## Notes:

1. The ZAR five-year consolidated statement of cash flows was translated to USD using the average rate.

# SUSTAINABILITY INDICATORS

		5-year compound annual growth %	2012	2011	2010	2009	2008
<b>Economic</b>							
Turnover	R'm	6.6%	15 437	14 136	13 277	12 175	11 244
Comparable stores' turnover growth	%		5.5	6.9	11.2	13.2	9.2
Gross profit margin	%		22.5	23.0	21.9	20.7	19.8
Operating margin	%		6.6	6.6	6.2	5.8	5.3
Headline earnings	R'm		692	655	576	478	400
Diluted headline earnings per share	cents	21.6%	273.4	249.7	211.4	165.9	131.5
Return on shareholders' interest	%	19.4%	59.9	62.2	50.8	42.3	32.8
Return on total assets	%		15.3	15.7	13.9	12.3	10.5
Net asset value per share	cents		533	382	429	407	393
Distributions per share	cents		152.0	125.0	106.2	84.0	61.1
Distribution cover	times		1.8	2.0	2.0	2.0	2.2
Capital expenditure	R'm	10.5%	256	226	231	234	176
Depreciation and amortisation			181	158	137	122	103
Growth in trading space	%		4.7	5.3	4.1	4.9	(19.5)
Number of stores			595	590	561	540	519
Retail trading density	R/m <sup>2</sup>		48 607	46 911	44 588	40 567	36 869
In-store dispensaries			306	283	251	207	157
In-store clinics			116	104	93	105	97
<b>Market share**</b>							
– Clicks: retail pharmacy	%		16.2	15.4	13.1	11.1	9.0
– UPD: private pharmaceutical market	%		24.3	23.1	22.7	23.6	26.4
<b>Clicks ClubCard</b>							
– Active members	m		3.9	3.4	3.1	2.7	2.5
– Annual growth in membership	%		14.7	9.7	14.8	6.7	12.4
– Contribution to sales	%		77.1	76.7	74.8	70.0	–
<b>Clicks private label and exclusive products</b>							
– Percentage of total sales	%		18.4	18.2	17.8	17.6	16.3
– Percentage of front shop sales	%		24.2	24.2	23.0	22.4	21.6
<b>Social</b>							
Permanent staff			8 063	8 262	8 064	7 585	7 122
Staff turnover	%		21.7	19.4	19.8	26.1	21.2
Pharmacy turnover	%		37.3	23.0	34.0	53.0	–
Percentage employee participation in share ownership scheme			97.4	95.8	–	–	–
<b>Employment equity*</b>							
– Black staff as a % of total staff	%		85.3	84.8	84.7	84.3	84.2
– Black senior and top management	%		22.0	20.4	17.8	11.5	18.0
– Black directors	%		44.0	40.0	40.0	33.0	36.0
– Women as a % of total staff	%		63.3	63.0	62.7	62.0	62.0
– Women senior and top management	%		36.0	35.5	34.7	32.0	36.0
<b>Skills development**</b>							
– Total expenditure	R'm		40.0	47.0	56.0	39.7	26.7
– Skills development as a % of basic payroll	%		2.8	3.4	4.4	4.3	3.6
– Number of employees trained			4 687	4 356	4 527	4 523	2 607
Preferential procurement**	%		65.6	75.0	54.0	48.0	46.0
Enterprise development spend**	R'm		48.2	33.7	28.6	8.6	7.6
Corporate social investment spend*	R'm		6.0	9.0	9.8	14.4	9.8
Transformation rating**	Level		3	3	5	5	6
– Total expenditure	R'm		40.0	47.0	56.0	39.7	26.7
Employees covered by medical aid	%		18.2	16.7	18.2	22.3	21.2
Employees covered by retirement benefits	%		99.2	95.0	91.6	92.2	97.9
Employees covered by collective bargaining agreements			40	42	39	47	39

# SUSTAINABILITY INDICATORS

		5-year compound annual growth %	2012	2011	2010	2009	2008
<b>Environmental</b>							
Carbon emissions (CO <sub>2</sub> )**	metric tons		<b>116 020</b>	120 048	121 685	–	–
<b>Additional information</b>							
<b>Working capital management</b>							
<b>Inventory days</b>							
Trade debtor days			<b>63</b>	60	55	54	55
Trade creditor days			<b>46</b>	46	42	46	44
Effective tax rate	%		<b>61</b>	57	52	64	52
			<b>28.2</b>	27.5	26.8	27.0	24.7
<b>Solvency and liquidity</b>							
Current ratio	times		<b>1.0</b>	0.9	1.0	1.0	1.1
Interest-bearing debt to shareholders' interest	%		<b>15.9</b>	38.9	11.7	6.0	10.1
Interest-bearing debt, including cash, to shareholders' interest	%		<b>14.0</b>	37.1	(1.7)	(30.5)	1.3
<b>Share-related information</b>							
Number of shares in issue (gross)	m		<b>276.1</b>	270.7	284.0	302.8	324.1
Number of shares in issue (net of treasury shares)	m		<b>253.0</b>	253.0	266.3	276.3	290.3
Weighted average number of shares in issue (net of treasury shares)	m		<b>253.2</b>	262.1	271.1	285.2	298.2
Weighted average diluted number of shares in issue (net of treasury shares)	m		<b>253.3</b>	262.5	272.3	288.3	303.8
<b>Share price</b>							
– closing	cents		<b>5 750</b>	4 170	3 750	2 030	1 550
– high	cents		<b>6 065</b>	4 706	3 799	2 099	1 799
– low	cents		<b>3 659</b>	3 500	1 960	1 192	1 185
<b>Market capitalisation (gross)</b>							
Market capitalisation (net of treasury shares)	R'm	25.1%	<b>15 877</b>	11 286	10 650	6 148	5 024
Percentage of shares traded	'm	24.0%	<b>349.2</b>	466.3	306.4	222.3	300.3
Volume of shares traded	%		<b>138.0</b>	177.9	113.0	77.9	100.7
Free float (including treasury shares)			<b>91.0</b>	93.2	93.5	91.1	89.4
Price earnings ratio	times		<b>21.0</b>	16.7	17.7	12.2	11.8
<b>FTSE/JSE Africa share indices</b>							
All Share Index		4.3%	<b>35 389</b>	31 006	27 254	24 929	27 702
General Retailers Index		14.9%	<b>63 520</b>	45 547	34 216	24 277	24 909
Food and Drug Retailers Index		29.2%	<b>85 326</b>	58 993	51 349	34 405	27 580
<b>Economic information</b>							
<b>Inflation rate</b>							
CPI	%		<b>5.0</b>	5.3	3.5	7.7	11.6
<b>Prime overdraft rate</b>							
– closing	%		<b>8.5</b>	9.0	10.0	10.5	15.5
– average	%		<b>8.9</b>	9.1	10.3	13.3	14.7
<b>Exchange rates</b>							
<b>Rand/US Dollar</b>							
– closing			<b>8.48</b>	7.07	7.37	7.77	7.75
– average			<b>8.00</b>	6.91	7.27	9.05	7.41

\* Indicators have been internally assured

\*\* Indicators have been externally assured, current year indicators are in the process of being externally assured

Global Reporting Initiative (GRI) Index: An analysis of the group's performance against the GRI indicators is available on the Clicks Group website. While the group has not formally adopted the GRI guidelines as a reporting tool to assess and measure sustainability, management is following an incremental approach to reporting under the GRI, and plans to increase its compliance over time.