

NEW  
CLICKS HOLDINGS  

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LIMITED

interim group results  
for the six months ended 28 February 2007

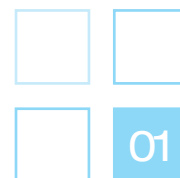


# contents

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1	Financial summary
2	Commentary
4	Consolidated balance sheet
5	Consolidated income statement
6	Consolidated changes in equity statement
8	Consolidated cash flow statement
10	Operational segmental balance sheet
12	Operational segmental income statement
14	Trading segmental analysis
16	Definitions
16	Contact details
17	Presentation

# financial summary



		Six months to 28 February 2007	Six months to 28 February 2006	Year to 31 August 2006
<b>Income Statement</b>				
Turnover	R'000	<b>5 601 363</b>	4 997 631	10 000 621
Gross profit	R'000	<b>1 113 798</b>	1 033 283	1 953 576
Headline earnings	R'000	<b>187 547</b>	139 530	251 612
<b>Balance Sheet</b>				
Ordinary shareholders' interest	R'000	<b>1 528 003</b>	1 533 988	1 593 949
Interest-bearing loans and borrowings	R'000	<b>209 178</b>	673 951	260 706
Total assets	R'000	<b>3 736 781</b>	3 492 859	3 684 407
<b>Cash Flow</b>				
Net cash inflow/(outflow) from operating activities before distributions	R'000	<b>531 731</b>	(358 698)	219 960
Net interest paid	R'000	<b>22 216</b>	29 956	60 003
Capital expenditure	R'000	<b>88 229</b>	63 743	162 315
Depreciation and amortisation	R'000	<b>49 630</b>	53 671	108 602
<b>Performance</b>				
Turnover growth	%	<b>12.1</b>	14.2	14.8
Comparable stores turnover growth	%	<b>14.1</b>	9.5	9.9
Gross profit growth	%	<b>7.8</b>	8.2	9.8
Gross profit margin	%	<b>19.9</b>	20.7	19.5
Operating profit margin	%	<b>5.0</b>	4.5	3.9
Inventory turn	times	<b>7.3</b>	6.8	6.9
Return on total assets	%	<b>9.4</b>	7.6	7.2
Return on shareholders' interest	%	<b>22.4</b>	17.7	16.7
Interest-bearing debt to shareholders' interest at period end	%	<b>13.7</b>	43.9	16.4
Interest-bearing debt, including cash, to shareholders' interest at period end	%	<b>0.9</b>	42.1	13.8
<b>Statistics</b>				
Number of permanent employees		<b>8 896</b>	9 087	9 058
Number of stores		<b>664</b>	663	664
	– company owned	<b>17</b>	15	15
	– franchised			
Weighted retail trading area	– company owned	<b>247 755</b>	244 945	237 575
	m <sup>2</sup>			
<b>Share Statistics</b>				
Headline earnings per share		<b>54.7</b>	40.8	73.1
	– undiluted			
	– diluted	<b>53.9</b>	40.2	71.0
Distribution per share		<b>15.0</b>	11.2	11.2
	– proposed/paid – June/July			
	– paid – December			22.0
Distribution cover		<b>3.6</b>	3.6	2.2
	times			
Net asset value per share		<b>453</b>	442	459
Net tangible asset value per share		<b>311</b>	304	320
Share price		<b>1 305</b>	1 065	1 035
	– closing			
	– high	<b>1 350</b>	1 075	1 121
	– low	<b>984</b>	795	780
Number of shares in issue (gross)	'000	<b>355 957</b>	376 738	355 488
Number of shares in issue (net of treasury shares)	'000	<b>337 651</b>	346 997	347 613
Weighted average number of shares in issue (net of treasury shares)	'000	<b>342 642</b>	341 662	344 337
Weighted average diluted number of shares in issue (net of treasury shares)	'000	<b>347 803</b>	346 723	354 365
Market capitalisation (gross)	R'000	<b>4 645 239</b>	4 012 260	3 679 301
Market capitalisation (net of treasury shares)	R'000	<b>4 406 346</b>	3 695 522	3 597 795

## Introduction

New Clicks has made marked progress over the past six months in its turnaround strategy to achieve sustainable performance, while at the same time investing in the growth of the business to ensure long-term competitiveness and shareholder value creation.

The group has produced a much improved operational and financial performance, with progress in certain areas being ahead of the objectives set by the board at the outset of the turnaround programme in early 2006.

## Financial performance

Group turnover increased by 12.1% to R5.6 billion, with weighted inflation measured at 1.0% for the period. Turnover for the retail businesses grew 14.2% and by 14.1% on a comparable store basis, against price inflation of 1.2%. UPD increased turnover by 11.3% with inflation at 0.5%.

Retail gross margin was impacted by one-off charges and declined by 130 basis points to 26.8%. The underlying trading gross margins, including shrinkage, are stable and management expects the retail margin for the full year to be in line with last year's 27.1%. UPD's total income, which comprises gross profit and other income (largely comprising logistics fees), was maintained at 8.6% of turnover for the period.

Operating expenses were well managed and growth was contained at 5.2%, well below the level of turnover growth.

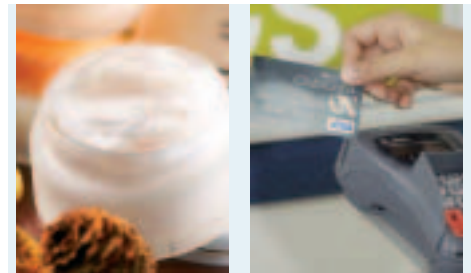
As a consequence of both the increased turnover and tight expense control, operating profit increased by 23.7%. Group operating margin increased from 4.5% to 5.0%.

Headline earnings increased by 34.4% to R187.5 million. Diluted headline earnings per share increased by 34.1% to 53.9 cents per share, in line with the forecast range provided in the group's trading statement on 12 April 2007.

The intense focus on working capital management has paid dividends. Inventory levels declined 0.8% over the corresponding period in 2006 and the days cost of sales in inventory improved from 65 to 57 days.

The group generated cash from operating activities of R532 million for the period and utilised R256 million to repurchase shares, R88 million for capital expenditure and R78 million for the payment of the 2006 final distribution to shareholders. A total of 22.2 million shares, representing 6.2% of the issued share capital, were repurchased in the market at an average price of R11.52 per share. At 28 February 2007 the group's cash and cash equivalents were R175 million, compared to a deficit of R431 million at the end of the first half of 2006.

The group has adopted return on assets managed (ROAM) as one of the key performance measurements for its component businesses. ROAM improved from 15.7% in February 2006 to 18.5% in February 2007. The group's return on equity (ROE) increased from 17.7% to 22.4%.



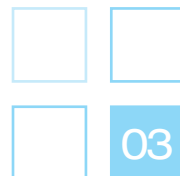
## Trading performance

### Retail

Clicks lifted turnover by 14.1% as the transition of the business to a health and beauty specialist continued, with the core categories of health growing 19.8% and beauty 17.0%. Comparable store growth was 14.7% and inflation for the period was 1.9%. Improved operating efficiencies contributed to a 31.0% growth in operating profit to R152 million. Clicks opened a further 14 pharmacies in the past six months and now has 124 dispensaries nationwide.

Discom has continued to refine its focus on the lower income market and increased turnover by 13.2% and by 12.3% on a like-for-like basis. Inflation for the period was 1.0%. The operating margin was impacted by a change in the product mix and certain one-off charges, which resulted in a 2.5% decline in operating profit to R20 million.

Strong DVD, gaming and local music sales lifted Musica's turnover by 14.8%, with same-store growth at 11.7%. The business experienced price deflation of 2.6% for the period. Non-music merchandise contributed 40% of turnover. Operating profit rose 18.4% to R37 million.



Turnover up <b>12.1%</b>	Operating profit up <b>23.7%</b>	Diluted headline EPS up <b>34.1%</b>	Return on equity <b>22.4%</b>
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The Body Shop increased turnover by 27.0%, driven by the success of the new in-store loyalty programme and the relaunched make-up range. Comparable store sales grew 17.9%. Operating profit for the period increased 23.5% to R7 million.

The group continues to capitalise on opportunities to expand its store footprint and opened 15 stores in the first half of the year, with a further 19 planned for the balance of the financial year.

#### Wholesale distribution

UPD increased turnover by 11.3%, in line with management's expectations. Expenses were well managed to 5.4% of turnover, which contributed to a 23.6% growth in operating profit to R65 million. In order to further improve operating efficiencies, UPD has invested R45 million in the automation of the ethical warehouse at its head office in Gauteng which will be completed at the end of May.

#### Prospects

As the group continues to focus on delivering sustainable performance, management's priorities are to entrench Clicks as a health and beauty specialist, establish leadership in healthcare supply and pharmacy management, and transform Musica

into an entertainment specialist.

Financial management is being enhanced through tight expense control, increased cash flow generation and by optimising the balance sheet structure to achieve an ROE of 30% in the medium term.

Trading since the end of February has been in line with forecasts. Modest levels of price inflation are expected for the remainder of the financial year.

#### Earnings forecast

In the absence of any deterioration in trading conditions or any other unforeseen factors, the directors expect the group's diluted headline earnings per share and diluted earnings per share for the year to 31 August 2007 to be between 30% and 40% higher than the last financial year. Shareholders are advised that these forecasts have not been reviewed or reported on by the group's auditors.

#### Distribution

The board of directors has approved an interim distribution of 15.0 cents per share (2006: 11.2 cents), comprising a cash dividend of 3.4 cents per share and a distribution out of share premium of 11.6 cents per share in lieu of a dividend (collectively "the distribution").

Shareholders are advised of the following salient dates relating to the distribution:

Last day to trade "cum" the distribution  
Friday, 15 June 2007

Shares trade "ex" the distribution  
Monday, 18 June 2007

Record date  
Friday, 22 June 2007

Payment to shareholders  
Monday, 25 June 2007

Share certificates may not be dematerialised or rematerialised between Monday, 18 June 2007 and Friday, 22 June 2007, both days inclusive.

By order of the Board

ALLAN SCOTT  
Company Secretary

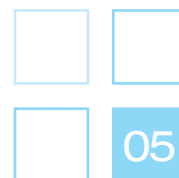
9 May 2007

# consolidated balance sheet

04

R'000	As at 28 February 2007	As at 28 February 2006	As at 31 August 2006
<b>Assets</b>			
Non-current assets	<b>1 301 579</b>	1 298 154	1 284 722
Property, plant and equipment	<b>731 901</b>	676 070	696 736
Investment property	<b>6 900</b>	6 900	6 900
Intangible assets	<b>394 395</b>	395 308	397 450
Goodwill	<b>83 950</b>	83 950	83 950
Deferred taxation assets	<b>23 489</b>	80 302	24 363
Loans receivable	<b>60 944</b>	55 624	75 323
Current assets	<b>2 435 202</b>	2 194 705	2 399 685
Inventories	<b>1 460 912</b>	1 472 402	1 443 161
Trade and other receivables	<b>713 909</b>	681 572	792 557
Income tax receivable	<b>20 634</b>	–	86 474
Loans receivable	<b>3 184</b>	–	1 481
Cash and cash equivalents	<b>195 446</b>	28 259	40 111
Derivative financial assets	<b>41 117</b>	12 472	35 901
<b>Total assets</b>	<b>3 736 781</b>	3 492 859	3 684 407
<b>Equity and liabilities</b>			
Equity	<b>1 528 003</b>	1 533 988	1 593 949
Share capital	<b>3 560</b>	3 765	3 555
Share premium	<b>765 253</b>	1 003 012	815 791
Share option reserve	<b>22 328</b>	17 327	20 037
Treasury shares	<b>(201 947)</b>	(249 678)	(69 624)
Non-distributable reserve	<b>638</b>	471	618
Distributable reserve	<b>938 171</b>	759 091	823 572
Non-current liabilities	<b>353 138</b>	293 448	325 785
Interest-bearing loans and borrowings	<b>113 256</b>	138 864	150 855
Employee benefits	<b>53 398</b>	17 555	28 116
Deferred tax liabilities	<b>86 281</b>	46 631	45 669
Operating lease liability	<b>100 203</b>	90 398	101 145
Current liabilities	<b>1 855 640</b>	1 665 423	1 764 673
Bank overdraft	<b>20 442</b>	458 968	47 000
Trade and other payables	<b>1 612 301</b>	1 015 359	1 490 386
Employee benefits	<b>71 481</b>	62 224	105 475
Provisions	<b>42 550</b>	44 520	41 416
Interest-bearing loans and borrowings	<b>75 480</b>	76 119	62 851
Income tax payable	<b>33 386</b>	8 233	17 545
<b>Total equity and liabilities</b>	<b>3 736 781</b>	3 492 859	3 684 407

# consolidated income statement



R'000	Six months to 28 February 2007	Six months to 28 February 2006	% change	Year to 31 August 2006
Revenue	<b>5 844 773</b>	5 213 964		10 461 712
Turnover	<b>5 601 363</b>	4 997 631	12.1%	10 000 621
Cost of merchandise sold	<b>4 487 565</b>	3 964 348	13.2%	8 047 045
Gross profit	<b>1 113 798</b>	1 033 283	7.8%	1 953 576
Other income	<b>238 324</b>	212 565	12.1%	449 721
Expenses	<b>1 073 128</b>	1 020 267	5.2%	2 015 950
Depreciation and amortisation	<b>47 138</b>	51 074	(7.7%)	103 382
Occupancy costs	<b>165 972</b>	154 827	7.2%	316 924
Employment costs	<b>475 256</b>	464 653	2.3%	942 364
Other operating costs	<b>383 379</b>	348 556	10.0%	647 658
Impairment of property, plant and equipment	<b>–</b>	182		3 159
Loss on disposal of property, plant and equipment	<b>1 383</b>	975		1 209
Goodwill impairment	<b>–</b>	–		1 254
Operating profit before financing costs	<b>278 994</b>	225 581	23.7%	387 347
Net financing costs	<b>(22 216)</b>	(29 956)	(25.8%)	(57 219)
Financial income	<b>5 086</b>	3 768		11 370
Financial expense	<b>(27 302)</b>	(33 724)		(68 589)
Profit before tax	<b>256 778</b>	195 625	31.3%	330 128
Income tax expense	<b>70 614</b>	56 916	24.1%	84 138
Profit for the period	<b>186 164</b>	138 709	34.2%	245 990
Adjustment for:				
Impairment of property, plant and equipment	<b>–</b>	129		3 159
Loss on disposal of property, plant and equipment	<b>1 383</b>	692		1 209
Goodwill impaired	<b>–</b>	–		1 254
Headline earnings	<b>187 547</b>	139 530	34.4%	251 612
Headline earnings per share (cents)				
– undiluted	<b>54.7</b>	40.8	34.1%	73.1
– diluted	<b>53.9</b>	40.2	34.1%	71.0
Earnings per share (cents)				
– undiluted	<b>54.3</b>	40.6	33.7%	71.4
– diluted	<b>53.5</b>	40.0	33.8%	69.4
Shares in issue ('000)	<b>355 957</b>	376 738	(5.5%)	355 488
Weighted average number of shares ('000)	<b>342 642</b>	341 662	0.3%	344 337
Weighted average diluted number of shares ('000)	<b>347 803</b>	346 723	0.3%	354 365

# consolidated changes in equity statement

06

R'000	Number of shares ('000)	Share capital	Share premium	Share option reserve
<b>Balance at 31 August 2005</b>	<b>340 519</b>	<b>3 703</b>	<b>964 077</b>	<b>14 414</b>
Shares issued in respect of options	6 478	62	39 060	-
Share issue expenses written off	-	-	(125)	-
Total recognised income and expenses for the period	-	-	-	2 913
Foreign currency translation reserve	-	-	-	-
Share option reserve	-	-	-	2 913
Profit for the period	-	-	-	-
Distributions to shareholders	-	-	-	-
<b>Balance as at 28 February 2006</b>	<b>346 997</b>	<b>3 765</b>	<b>1 003 012</b>	<b>17 327</b>
Shares issued in respect of options	5 682	60	35 401	-
Share issue expenses written off	-	-	(64)	-
Treasury shares cancelled	-	(270)	(182 990)	-
Treasury shares purchased	(5 066)	-	-	-
Total recognised income and expenses for the period	-	-	-	2 710
Foreign currency translation reserve	-	-	-	-
Share option reserve	-	-	-	2 710
Profit for the period	-	-	-	-
Distributions to shareholders	-	-	(39 568)	-
<b>Balance at 31 August 2006</b>	<b>347 613</b>	<b>3 555</b>	<b>815 791</b>	<b>20 037</b>
Shares issued in respect of options	469	5	3 123	-
Share issue expenses written off	-	-	(9)	-
Net cost of treasury shares purchased	(10 431)	-	-	-
Treasury shares purchased	(22 226)	-	-	-
Take up of share options	11 795	-	-	-
Total recognised income and expenses for the period	-	-	-	2 291
Foreign currency translation reserve	-	-	-	-
Share option reserve	-	-	-	2 291
Profit for the period	-	-	-	-
Distributions to shareholders	-	-	(53 652)	-
<b>Balance at 28 February 2007</b>	<b>337 651</b>	<b>3 560</b>	<b>765 253</b>	<b>22 328</b>

## NOTES

### Change in comparatives

R78.5 million was reclassified from trade and other payables to inventory. This represented goods in transit paid for in advance. In addition, an amount of R93.5 million was eliminated from both trade and other receivables and trade and other payables, representing intragroup balances not fully eliminated on consolidation.

In the 2006 annual financial statements, certain amounts relating to the 2005 balance sheet were reclassified. This has had a consequent impact on the presentation of the 2006 interim cash flow statement. An amount of R17.5 million was reclassified from trade and other payables to non-current employee benefits and R15.7 million was reclassified from trade and other receivables to non-current loans receivable (R15.4 million) and derivative financial assets (R0.3 million).



R'000	Treasury shares	Non-distributable reserve	Distributable reserve	Total
<b>Balance at 31 August 2005</b>	<b>(249 678)</b>	<b>508</b>	<b>683 915</b>	<b>1 416 939</b>
Shares issued in respect of options	-	-	-	39 122
Share issue expenses written off	-	-	-	(125)
Total recognised income and expenses for the period	-	(37)	138 709	141 585
Foreign currency translation reserve	-	(37)	-	(37)
Share option reserve	-	-	-	2 913
Profit for the period	-	-	138 709	138 709
Distributions to shareholders	-	-	(63 533)	(63 533)
<b>Balance as at 28 February 2006</b>	<b>(249 678)</b>	<b>471</b>	<b>759 091</b>	<b>1 533 988</b>
Shares issued in respect of options	-	-	-	35 461
Share issue expenses written off	-	-	-	(64)
Treasury shares cancelled	226 838	-	(43 578)	-
Treasury shares purchased	(46 784)	-	-	(46 784)
Total recognised income and expenses for the period	-	147	107 281	110 138
Foreign currency translation reserve	-	147	-	147
Share option reserve	-	-	-	2 710
Profit for the period	-	-	107 281	107 281
Distributions to shareholders	-	-	778	(38 790)
<b>Balance at 31 August 2006</b>	<b>(69 624)</b>	<b>618</b>	<b>823 572</b>	<b>1 593 949</b>
Shares issued in respect of options	-	-	-	3 128
Share issue expenses written off	-	-	-	(9)
Net cost of treasury shares purchased	(132 323)	-	(47 525)	(179 848)
Treasury shares purchased	(256 091)	-	-	(256 091)
Take up of share options	123 768	-	(47 525)	76 243
Total recognised income and expenses for the period	-	20	186 164	188 475
Foreign currency translation reserve	-	20	-	20
Share option reserve	-	-	-	2 291
Profit for the period	-	-	186 164	186 164
Distributions to shareholders	-	-	(24 040)	(77 692)
<b>Balance at 28 February 2007</b>	<b>(201 947)</b>	<b>638</b>	<b>938 171</b>	<b>1 528 003</b>

# consolidated cash flow statement

08

R'000	Six months to 28 February 2007	Six months to 28 February 2006	Year to 31 August 2006
<b>Cash effects of operating activities</b>			
Cash generated by operations (refer note 1)	326 140	287 991	505 930
Working capital changes (refer note 2)	175 254	(594 839)	(154 666)
Cash generated/(utilised) by operations	501 394	(306 848)	351 264
Interest received	5 086	3 768	11 370
Interest paid	(27 302)	(33 724)	(71 373)
Taxation received/(paid)	52 553	(21 894)	(71 301)
Cash inflow/(outflow) from operating activities before distributions	531 731	(358 698)	219 960
Distributions paid to shareholders	(77 692)	(63 533)	(102 323)
Net cash effects of operating activities	454 039	(422 231)	117 637
<b>Cash effects of investing activities</b>			
Investment in property, plant and equipment to maintain and expand operations	(88 229)	(63 743)	(156 336)
Investment in intangible assets	-	-	(5 979)
Acquisition of additional goodwill	-	-	(1 254)
Proceeds on disposal of property, plant and equipment	5 106	3 066	20 688
Decrease in loan receivables	12 676	12 518	41 338
Net cash effects of investing activities	(70 447)	(48 159)	(101 543)
<b>Cash effects of financing activities</b>			
Proceeds from the issue of share capital	3 128	39 122	74 583
Share issue expenses	(9)	(125)	(189)
Purchase of treasury shares	(256 091)	-	(46 784)
Proceeds from disposal of treasury shares	76 243	-	-
Interest-bearing loans and borrowings repaid	(24 970)	(45 724)	(97 001)
Net cash effects of financing activities	(201 699)	(6 727)	(69 391)
Net increase/(decrease) in cash and cash equivalents	181 893	(477 117)	(53 297)
Cash and cash equivalents at beginning of period	(6 889)	46 408	46 408
Cash and cash equivalents at end of period	175 004	(430 709)	(6 889)

R'000	Six months to 28 February 2007	Six months to 28 February 2006	Year to 31 August 2006
<b>Notes to the cash flow statement</b>			
1. Operating profit before working capital changes			
Operating profit before financing costs	<b>278 994</b>	225 581	387 347
Adjusted for:			
Depreciation and amortisation	<b>49 630</b>	53 671	108 602
Equity-settled share option costs	<b>2 291</b>	2 913	5 623
Derivative fair value movement	<b>(4 696)</b>	(223)	(8 323)
Goodwill impairment	–	–	1 254
Impairment of property, plant and equipment	–	182	3 159
Disposal of property, plant and equipment	<b>1 383</b>	975	1 209
Operating lease accrual	<b>(942)</b>	4 892	15 639
Unrealised foreign exchange gain	<b>(520)</b>	–	(8 580)
	<b>326 140</b>	287 991	505 930
2. Working capital changes			
Decrease/(increase) in inventories	<b>(17 751)</b>	(32 312)	(3 071)
Decrease/(increase) in trade and other receivables	<b>78 648</b>	(201 217)	(312 202)
Acquisition of derivative financial instruments	–	–	(3 965)
Increase/(decrease) in trade and other payables	<b>121 935</b>	(354 777)	120 397
(Decrease)/increase in employee benefits	<b>(8 712)</b>	(8 963)	44 849
Increase/(decrease) in provisions	<b>1 134</b>	2 430	(674)
	<b>175 254</b>	(594 839)	(154 666)

# operational segmental balance sheet

10

R'000	Retail		Distribution	
	As at 28 February 2007	As at 28 February 2006	As at 28 February 2007	As at 28 February 2006
<b>Assets</b>				
Non-current assets	<b>1 356 963</b>	1 400 797	<b>(55 384)</b>	(102 643)
Property, plant and equipment	<b>633 642</b>	608 030	<b>98 259</b>	68 040
Investment property	–	–	<b>6 900</b>	6 900
Intangibles	<b>392 090</b>	395 308	<b>2 305</b>	–
Goodwill	–	–	<b>83 950</b>	83 950
Deferred taxation assets	<b>22 452</b>	79 340	<b>1 037</b>	962
Intragroup loans	<b>247 835</b>	262 495	<b>(247 835)</b>	(262 495)
Loans receivable	<b>60 944</b>	55 624	–	–
Current assets	<b>1 606 654</b>	1 486 970	<b>981 553</b>	804 163
Inventories	<b>1 191 158</b>	1 198 635	<b>274 349</b>	276 660
Trade and other receivables	<b>183 182</b>	275 217	<b>679 137</b>	499 890
Income tax receivables	<b>20 634</b>	–	–	–
Loans receivable	<b>3 184</b>	–	–	–
Cash and cash equivalents	<b>167 379</b>	646	<b>28 067</b>	27 613
Derivative financial assets	<b>41 117</b>	12 472	–	–
<b>Total segment assets</b>	<b>2 963 617</b>	2 887 767	<b>926 169</b>	701 520
<b>Equity and liabilities</b>				
Equity	<b>1 408 966</b>	1 473 554	<b>123 632</b>	63 327
Share capital	<b>3 560</b>	3 765	–	–
Share premium	<b>765 253</b>	1 003 012	–	–
Share option reserve	<b>22 328</b>	17 327	–	–
Treasury shares	<b>(201 947)</b>	(249 678)	–	–
Non-distributable reserve	<b>638</b>	471	–	–
Distributable reserve	<b>819 134</b>	698 657	<b>123 632</b>	63 327
Non-current liabilities	<b>340 582</b>	272 593	<b>12 556</b>	20 855
Interest-bearing loans and borrowings	<b>107 050</b>	119 344	<b>6 206</b>	19 520
Employee benefits	<b>53 398</b>	17 555	–	–
Deferred taxation liabilities	<b>79 931</b>	45 296	<b>6 350</b>	1 335
Operating lease liability	<b>100 203</b>	90 398	–	–
Current liabilities	<b>1 214 069</b>	1 141 620	<b>789 981</b>	617 338
Bank overdraft	<b>20 442</b>	458 968	–	–
Trade and other payables	<b>995 479</b>	508 055	<b>765 232</b>	600 839
Employee benefits	<b>65 398</b>	62 224	<b>6 083</b>	–
Provisions	<b>42 550</b>	44 520	–	–
Interest-bearing loans and borrowings	<b>73 070</b>	72 172	<b>2 410</b>	3 947
Income tax payable	<b>17 130</b>	(4 319)	<b>16 256</b>	12 552
<b>Total segment equity and liabilities</b>	<b>2 963 617</b>	2 887 767	<b>926 169</b>	701 520

R'000	Intragroup elimination		Total	
	As at 28 February 2007	As at 28 February 2006	As at 28 February 2007	As at 28 February 2006
<b>Assets</b>				
Non-current assets	–	–	<b>1 301 579</b>	1 298 154
Property, plant and equipment	–	–	<b>731 901</b>	676 070
Investment property	–	–	<b>6 900</b>	6 900
Intangibles	–	–	<b>394 395</b>	395 308
Goodwill	–	–	<b>83 950</b>	83 950
Deferred taxation assets	–	–	<b>23 489</b>	80 302
Intragroup loans	–	–	–	–
Loans receivable	–	–	<b>60 944</b>	55 624
Current assets	<b>(153 005)</b>	(96 428)	<b>2 435 202</b>	2 194 705
Inventories	<b>(4 595)</b>	(2 893)	<b>1 460 912</b>	1 472 402
Trade and other receivables	<b>(148 410)</b>	(93 535)	<b>713 909</b>	681 572
Income tax receivables	–	–	<b>20 634</b>	–
Loans receivable	–	–	<b>3 184</b>	–
Cash and cash equivalents	–	–	<b>195 446</b>	28 259
Derivative financial assets	–	–	<b>41 117</b>	12 472
Total segment assets	<b>(153 005)</b>	(96 428)	<b>3 736 781</b>	3 492 859
<b>Equity and liabilities</b>				
Equity	<b>(4 595)</b>	(2 893)	<b>1 528 003</b>	1 533 988
Share capital	–	–	<b>3 560</b>	3 765
Share premium	–	–	<b>765 253</b>	1 003 012
Share option reserve	–	–	<b>22 328</b>	17 327
Treasury shares	–	–	<b>(201 947)</b>	(249 678)
Non-distributable reserve	–	–	<b>638</b>	471
Distributable reserve	<b>(4 595)</b>	(2 893)	<b>938 171</b>	759 091
Non-current liabilities	–	–	<b>353 138</b>	293 448
Interest-bearing loans and borrowings	–	–	<b>113 256</b>	138 864
Employee benefits	–	–	<b>53 398</b>	17 555
Deferred taxation liabilities	–	–	<b>86 281</b>	46 631
Operating lease liability	–	–	<b>100 203</b>	90 398
Current liabilities	<b>(148 410)</b>	(93 535)	<b>1 855 640</b>	1 665 423
Bank overdraft	–	–	<b>20 442</b>	458 968
Trade and other payables	<b>(148 410)</b>	(93 535)	<b>1 612 301</b>	1 015 359
Employee benefits	–	–	<b>71 481</b>	62 224
Provisions	–	–	<b>42 550</b>	44 520
Interest-bearing loans and borrowings	–	–	<b>75 480</b>	76 119
Income tax payable	–	–	<b>33 386</b>	8 233
Total segment equity and liabilities	<b>(153 005)</b>	(96 428)	<b>3 736 781</b>	3 492 859

# operational segmental income statement

12

R'000	Retail			Distribution		
	Six months to 28 February 2007	Six months to 28 February 2006	% change	Six months to 28 February 2007	Six months to 28 February 2006	% change
Segmental revenue	<b>4 070 031</b>	3 575 126		<b>2 165 428</b>	1 935 761	
Turnover	<b>3 951 405</b>	3 460 801	14.2%	<b>2 045 730</b>	1 837 521	11.3%
Cost of merchandise sold	<b>2 892 525</b>	2 487 270	16.3%	<b>1 989 568</b>	1 777 769	11.9%
Gross profit	<b>1 058 880</b>	973 531	8.8%	<b>56 162</b>	59 752	(6.0%)
Other income	<b>118 626</b>	114 325	3.8%	<b>119 698</b>	98 240	21.8%
Segment expenses	<b>962 170</b>	915 540	5.1%	<b>110 958</b>	104 727	5.9%
Depreciation and amortisation	<b>44 588</b>	49 629	(10.2%)	<b>2 550</b>	1 445	76.5%
Occupancy costs	<b>159 662</b>	149 390	6.9%	<b>6 310</b>	5 437	16.1%
Employment costs	<b>418 967</b>	415 301	0.9%	<b>56 289</b>	49 352	14.1%
Other operating costs	<b>337 570</b>	300 140	12.5%	<b>45 809</b>	48 416	(5.4%)
Impairment of property, plant and equipment	-	182		-	-	
Loss on disposal of property, plant and equipment	<b>1 383</b>	898		-	77	
Segment result	<b>215 336</b>	172 316	25.0%	<b>64 902</b>	53 265	21.8%

R'000	Intragroup elimination		Total		
	Six months to 28 February 2007	Six months to 28 February 2006	Six months to 28 February 2007	Six months to 28 February 2006	% change
Segmental revenue	<b>(395 772)</b>	(300 691)	<b>5 844 773</b>	5 213 964	
Turnover	<b>(395 772)</b>	(300 691)	<b>5 601 363</b>	4 997 631	12.1%
Cost of merchandise sold	<b>(394 528)</b>	(300 691)	<b>4 487 565</b>	3 964 348	13.2%
Gross profit	<b>(1 244)</b>	–	<b>1 113 798</b>	1 033 283	7.8%
Other income	–	–	<b>238 324</b>	212 565	12.1%
Segment expenses	–	–	<b>1 073 128</b>	1 020 267	5.2%
Depreciation and amortisation	–	–	<b>47 138</b>	51 074	(7.7%)
Occupancy costs	–	–	<b>165 972</b>	154 827	7.2%
Employment costs	–	–	<b>475 256</b>	464 653	2.3%
Other operating costs	–	–	<b>383 379</b>	348 556	10.0%
Impairment of property, plant and equipment	–	–	–	182	
Loss on disposal of property, plant and equipment	–	–	<b>1 383</b>	975	
Segment result	<b>(1 244)</b>	–	<b>278 994</b>	225 581	23.7%
Net financing costs			<b>(22 216)</b>	(29 956)	(25.8%)
Financial income			<b>5 086</b>	3 768	
Financial expenses			<b>(27 302)</b>	(33 724)	
Profit before taxation			<b>256 778</b>	195 625	31.3%
Income tax expense			<b>70 614</b>	56 916	24.1%
Profit for the period			<b>186 164</b>	138 709	34.2%
Adjustment for:					
Impairment of property, plant and equipment			–	129	
Loss/(profit) on disposal of property, plant and equipment			<b>1 383</b>	692	
Goodwill impaired			–	–	
Headline earnings			<b>187 547</b>	139 530	34.4%

# trading segmental analysis

14

For the six months to 28 February 2007 R'000	Total		Clicks		Discom		Musica	
	2007	2006	2007	2006	2007	2006	2007	2006
<b>Balance sheet</b>								
Property, plant and equipment*	<b>738 801</b>	682 970	<b>182 671</b>	180 299	<b>53 740</b>	58 142	<b>46 641</b>	35 482
Intangibles (capitalised software development)	<b>20 089</b>	20 353	–	–	–	–	–	–
Inventories	<b>1 460 912</b>	1 472 402	<b>827 072</b>	794 215	<b>204 648</b>	243 466	<b>149 976</b>	150 849
Other assets	<b>1 516 979</b>	1 317 134	–	–	–	–	–	–
<b>Total assets</b>	<b>3 736 781</b>	3 492 859	<b>1 009 743</b>	974 514	<b>258 388</b>	301 608	<b>196 617</b>	186 331
<b>Income statement</b>								
Turnover	<b>5 601 363</b>	4 997 631	<b>2 810 631</b>	2 463 073	<b>612 243</b>	541 078	<b>480 175</b>	418 257
Operating profit/(loss)	<b>280 377</b>	226 738	<b>152 174</b>	116 126	<b>19 961</b>	20 481	<b>36 661</b>	30 973
<b>Ratios</b>								
Increase in turnover %	<b>12.1</b>	14.2	<b>14.1</b>	7.3	<b>13.2</b>	10.1	<b>14.8</b>	18.5
Increase in operating profit %	<b>23.7</b>	8.5	<b>31.0</b>	(7.4)	<b>(2.5)</b>	37.2	<b>18.4</b>	34.4
Operating profit margin %	<b>5.0</b>	4.5	<b>5.4</b>	4.7	<b>3.3</b>	3.8	<b>7.6</b>	7.4
Inventory days	<b>57</b>	65	<b>77</b>	86	<b>89</b>	125	<b>88</b>	104
Inventory turn	<b>7.3</b>	6.8	<b>6.3</b>	6.1	<b>5.6</b>	4.4	<b>6.0</b>	5.1
Return on assets managed %	<b>18.5</b>	15.7	<b>27.9</b>	22.3	<b>14.7</b>	13.2	<b>37.6</b>	33.8
Number of stores								
– company owned	<b>664</b>	663	<b>314</b>	308	<b>175</b>	183	<b>143</b>	141
– franchised	<b>17</b>	15	<b>16</b>	14	<b>1</b>	1	<b>–</b>	–
Weighted trading area m <sup>2</sup>	<b>247 755</b>	244 945	<b>165 488</b>	173 655	<b>58 076</b>	51 197	<b>22 342</b>	18 264
Weighted annual sales per m <sup>2</sup>	<b>R 29 771</b>	26 373	<b>31 703</b>	26 476	<b>19 679</b>	19 728	<b>40 118</b>	42 748
Number of permanent employees	<b>8 896</b>	9 087	<b>5 178</b>	5 319	<b>1 735</b>	1 827	<b>682</b>	676

\*Property, plant and equipment includes investment property




The Body Shop		Style Studio		UPD		Group Services		Intragroup elimination	
2007	2006	2007	2006	2007	2006	2007	2006	2007	2006
<b>11 313</b>	11 846	<b>1 045</b>	1 213	<b>105 159</b>	74 940	<b>338 232</b>	321 048	-	-
-	-	-	-	-	-	<b>20 089</b>	20 353	-	-
<b>7 964</b>	8 738	<b>1 498</b>	1 367	<b>274 349</b>	276 660	-	-	<b>(4 595)</b>	(2 893)
-	-	-	-	<b>546 661</b>	349 920	<b>1 118 728</b>	1 060 749	<b>(148 410)</b>	(93 535)
<b>19 277</b>	20 584	<b>2 543</b>	2 580	<b>926 169</b>	701 520	<b>1 477 049</b>	1 402 150	<b>(153 005)</b>	(96 428)
<b>44 057</b>	34 691	<b>4 299</b>	3 552	<b>2 045 730</b>	1 837 521	-	150	<b>(395 772)</b>	(300 691)
<b>7 425</b>	6 013	<b>498</b>	629	<b>64 902</b>	52 516	-	-	<b>(1 244)</b>	-
<b>27.0</b>	5.4	<b>21.0</b>	50.6	<b>11.3</b>	28.9	-	-	<b>31.6</b>	34.9
<b>23.5</b>	8.0	<b>(20.8)</b>	-	<b>23.6</b>	29.1	-	-	-	-
<b>16.9</b>	17.3	<b>11.6</b>	17.7	<b>3.2</b>	2.9	-	-	-	-
<b>84</b>	125	<b>140</b>	175	<b>25</b>	28	-	-	-	-
<b>10.3</b>	7.4	<b>5.4</b>	5.2	<b>14.9</b>	13.9	-	-	-	-
<b>67.2</b>	60.7	<b>35.6</b>	46.3	<b>12.9</b>	14.1	-	-	-	-
<b>29</b>	28	<b>3</b>	3	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
<b>1 584</b>	1 564	<b>265</b>	265	-	-	-	-	-	-
<b>51 919</b>	41 404	<b>30 282</b>	25 020	-	-	-	-	-	-
<b>84</b>	66	<b>8</b>	11	<b>500</b>	498	<b>709</b>	690	-	-

- Comparable stores turnover growth** – Sales growth expressed as a percentage of growth for stores that have been operating for the full period during the current and previous financial periods.
- Diluted headline earnings per share** – Headline earnings divided by the weighted average diluted number of shares in issue for the period.
- Distribution cover** – Undiluted headline earnings for the period divided by the distribution per share for the period.
- Distribution per share** – Distribution per share is the actual interim cash dividend and capital distribution paid and/or the final cash dividend and capital distribution declared, expressed as cents per share.
- Gross profit margin** – Gross profit expressed as a percentage of turnover.
- Headline earnings** – Profit for the period adjusted for the after tax effect of goodwill impairment and certain other capital items.
- Headline earnings per share** – Headline earnings divided by the weighted average number of shares in issue for the period.
- Interest-bearing debt to shareholders' interest at period end** – Interest-bearing debt (including bank overdraft) at the end of the period divided by shareholders' interest at the end of the period.
- Inventory days** – Number of days sales that closing inventory at period end comprises, calculated on a cost basis.
- Inventory turn** – Annualised turnover for the period divided by closing inventory at period end.
- Market capitalisation** – The market price per share at period end multiplied by the number of shares in issue at period end.
- Net asset value per share** – Net assets at period end divided by the number of shares in issue at period end.
- Net tangible asset value per share** – Net assets at period end, less intangible assets such as goodwill and trademarks, divided by the number of shares in issue at period end.
- Operating profit** – Operating profit before financing costs, as reported in the consolidated income statement, adjusted to exclude goodwill impairment, impairment of property, plant and equipment and profit/loss on disposal of property, plant and equipment.
- Operating profit margin** – Operating profit expressed as a percentage of turnover.
- Return on assets managed (ROAM)** – Annualised operating profit/loss expressed as a percentage of average property, plant and equipment, inventory, investment properties, intangible assets (excluding goodwill and trademarks) and trade and other receivables for the period. Trade and other receivables are not allocated to retail business units.
- Return on shareholders' interest (ROE)** – Annualised headline earnings for the period expressed as a percentage of the average ordinary shareholders' interest for the period.
- Return on total assets (ROA)** – Annualised headline earnings for the period expressed as a percentage of the average total assets for the period.
- Shareholders' interest** – Ordinary share capital and share premium (reduced by the cost of treasury shares) and other reserves comprising equity.
- Treasury shares** – Ordinary shares in New Clicks Holdings Limited acquired by a group company in terms of an approved share repurchase programme or held by the New Clicks Holdings Share Trust.
- Weighted average number of shares** – The number of shares in issue, increased by shares issued during the period and reduced by treasury shares purchased or shares cancelled during the year, weighted on a time basis for the period during which they have participated in the income of the group.
- Weighted average diluted number of shares** – The weighted average number of shares adjusted for the effects of all dilutive potential ordinary shares.

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**NEW  
CLICKS HOLDINGS  
LIMITED**

interim results  
for the six months ended 28 February 2007

outline of presentation



- review of the period      David Kneale
- financial results          Keith Warburton
- trading performance      Michael Harvey  
   David Kneale
- summary & prospects      David Kneale
- questions





□ □ review of the period



- turnover growth of 12.1%
- operating profit up 23.7%
- inventory days improve from 65 to 57
- R182m cash generated after R256m buybacks
- diluted headline EPS up 34.1% to 54 cps
- interim distribution of 15 cps, up 33.9%
- ROE increases from 17.7% to 22.4%



continued focus on operational excellence

priorities	action to date
clear targets	return on assets managed (ROAM) in place
clear accountabilities	business unit structure with scorecards in use
get the basics right	less stock better availability
improving cash efficiency	better stock turns improved supplier funding
process compliance	improving

building for the future

- strengthening management depth
- Clicks – new store blueprint in pilot
- UPD – automation of ethical warehouse
- Musica – growth through transition to entertainment
- Discom – clear focus on lower income target market



financial results  
Keith Warburton

turnover

R'm	Feb 2007	Feb 2006	% change	same store % growth	% inflation
Clicks	2 811	2 463	14.1	14.7	1.9
Discom	612	541	13.2	12.3	1.0
Musica	480	418	14.8	11.7	(2.6)
The Body Shop	44	35	27.0	17.9	3.9
other	4	4	21.0		
total – retail	3 951	3 461	14.2	14.1	1.2
UPD	2 046	1 838	11.3		0.5
intragroup turnover	(396)	(301)	31.6		
total group	5 601	4 998	12.1		1.0



retail gross profit margin

	Feb 2007	Feb 2006
retail gross profit (R'm)	1 059	973
% of turnover	26.8%	28.1%

- one-off charges primarily related to supplier reconciliations & preparing for migration to "moving average cost" basis of inventory valuation
- underlying trading margins, including shrinkage, stable
- anticipate full year margin in line with last year



distribution income

R'm	Feb 2007	Feb 2006
UPD		
gross profit	56	60
other income	120	98
total income	176	158
% of turnover	8.6%	8.6%

- logistics fees in other income per IFRS
- total income % stable





operating expenditure

R'm	Feb 2007	Feb 2006	% change
Clicks	657	624	5.4
Discom	161	160	0.5
Musica	123	114	8.2
The Body Shop	18	15	21.9
other	3	2	
UPD	111	105	5.9
<b>total group</b>	<b>1 073</b>	<b>1 020</b>	<b>5.2</b>

... expense growth below turnover growth

operating profit

R'm	Feb 2007	Feb 2006	% change
Clicks	152	116	31.0
Discom	20	20	(2.5)
Musica	37	31	18.4
The Body Shop	7	6	23.5
UPD	65	53	23.6
intragroup & other	(1)	1	
<b>total operating profit</b>	<b>280</b>	<b>227</b>	<b>23.7</b>



inventory

	days in stock*		inventory (R'm)		
	Feb 2007	Feb 2006	Feb 2007	Feb 2006	% change
Clicks	77	86	827	794	4.1
Discom	89	125	204	243	(15.9)
Musica	88	104	150	151	(0.6)
The Body Shop	84	125	8	9	(8.9)
other			2	1	9.6
total Retail	81	94	1 191	1 198	(0.6)
UPD	25	28	274	277	(0.8)
intragroup inventory	-	-	(4)	(3)	
total inventory	57	65	1 461	1 472	(0.8)

\* at cost price

cash generation & utilisation

R'm	H1 2007	H2 2006	H1 2006
cash equivalents at beginning	(7)	(431)	46
cash generated / (utilised)	182	424	(477)
cash generated / (utilised) before capex, divs & b/backs	604	608	(350)
capital expenditure	(88)	(98)	(64)
distributions paid	(78)	(39)	(63)
treasury buybacks	(256)	(47)	-
cash equivalents at end	175	(7)	(431)

... R1.2bn cash generated in last 12 months

return on equity

%	Feb 2007	Feb 2006
ROAM (pre tax)	18.5	15.7
ROA (post tax)	9.4	7.6
gearing (times)*	X 2.38	X 2.33
ROE	= 22.4	= 17.7
*average s/h funds : total assets	42.0	42.9

... ROE improvement driven by improving ROAM



financial priorities & targets

- improved profitability
  - ongoing tight expense control
- improved asset turnover
  - continued increase in inventory turns
  - effective working capital management

... improving ROAM



□ □ financial priorities & targets *(continued)*



- cash generation through improved ROAM
- balance sheet structure
  - shareholders' funds: 35-40% of assets



medium-term target of 30% ROE



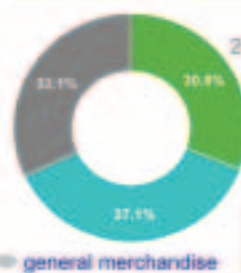
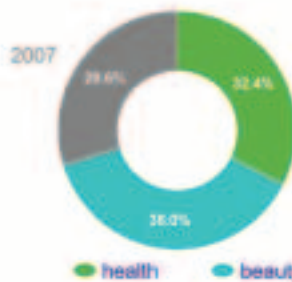
trading performance

Michael Harvey & David Kneale



CLICKS category performance

R'm	Feb 2007	Feb 2006	% change
health	912	759	19.8
beauty	1 068	914	17.0
general merchandise	831	790	5.1
	<b>2 811</b>	<b>2 463</b>	<b>14.0</b>



CLICKS health

- currently 124 dispensaries
  - 14 opened this year
- drugstore model proving effective
  - existing stores with dispensaries +21.3%
  - existing stores without dispensaries +7.9%
- categories:
  - prescription +15.1%
  - OTC +21.9%
  - front shop health +24.2%
  - baby +27.9%



CLICKS health (continued)

- front shop health market share up from 32% to 37%\*
- 8%\*\* of retail pharmacy market
- 56% of prescription sales from ClubCard holders
- centralised patient database



\* per AC Nielsen

\*\* per IMS

□ □ **CLICKS** + beauty



- skin & bath +23.3%
- cosmetics +18.2%
  - launch of fine fragrance in top 20 stores
- ethnic hair +21%
- private label & exclusive brands gaining traction – sales up 30.7%
- market share maintained at 26%



□ □ **CLICKS** + general merchandise



- confectionery +16.5%
- electrical & hi-tech +15.5%
- homewares +12.9%
- negatively impacted by
  - photographic -20.5%
  - direct marketing -19.6%
- private label & exclusive brands sales up 19.4%





 **CLICKS**  store performance



- 5.6% increase in till transactions to 34.4 million
- ClubCard customers - till transactions +8.6%  
other customers - till transactions +2.7%
- availability at 90%
  - target of 93% by August 2007



 **CLICKS**  operational efficiency



- strengthened management team
- 74% of goods from central distribution
- enhanced measurement & research capability
- monitoring customer perceptions
- reviewing all in-store processes

... building operational excellence



□ □ **CLICKS** + strategic focus



- enhancing health & beauty specialisation
  - new store look & layout in pilot



□ □ **CLICKS** + new store layout in pilot







**CLICKS**   strategic focus

- enhancing health & beauty specialisation
  - new store look & layout in pilot
- building pharmacy profitability & authority
  - pharmacist availability
  - dispensing fee regulations
- increasing differentiation & gross margins
  - private label now 15.6% of sales
  - 21 000 credit card holders
- broadening customer base
  - 15 new stores this year





□ □ DiSCOM performance

- turnover up 13.2%
  - comparable store turnover up 12.3%
  - FMCG up 17.4%
  - lifestyle up 5.6%
- operating margin impacted by
  - change in mix
  - one-off charges
- 5 stores opened, 9 closed





### strategic focus

- clear focus on lower to middle income groups
- convenient store locations for target market
- priorities
  - 20 stores closing or converting to Clicks
  - restore sales mix
  - improve stock turns



**MUSICA**  
LISTEN WITH YOUR SOUL

performance

- turnover growth of 14.8% driven by
  - local music +18.5%
  - DVD +41.1%
  - gaming +43.0%

□ 40% of sales now non-music

□ Megastores – mixed performance

□ entertainment market share up from 19% to 22%\*

\*based on supplier data

... entertainment strategy successful



strategic focus

- continued focus on entertainment
  - additional space for DVD & gaming



 entertainment chart wall



 strategic focus

- continued focus on entertainment
  - additional space for DVD & gaming
- airtime on sale in all stores from June
- broadening access to the brand
  - 2 stores opened during period
  - further 8 planned for H2





□ □  Eastgate Mall store





## The Body Shop

- turnover up 27.0%
  - comparable stores up 17.9%
- highlights
  - make-up range relaunched
  - 'Love Your Body' loyalty programme success
  - commission scheme introduced
- 3 new stores planned for H2



 performance

- turnover growth of 11.3%
- market share up from 23.7% to 25.2%\*
- expenses well-managed to 5.9% growth
- operating margin up from 2.9% to 3.2%
- RONA increased from 27.6% to 29.6%

\*per IMS

... focus on volume & efficiency



 strategic focus

- more diversified revenue base
  - 46% independent pharmacies
  - 19% Clicks
- continue to improve operating efficiencies
  - automation of Lea Glen ethical warehouse complete in May
- add value to independent pharmacy
  - development of UPD's banner group

... driving return on assets







summary & prospects  
David Kneale

strategy – no change



- a specialist retail group  
..... best for range, value & trusted
- focus on  
..... health, beauty, entertainment & homeware
- operating through multiple formats
- organised to be cost effective & efficient

... focus on delivery

medium-term goals

we said	progress
<b>delighting our customers</b> <ul style="list-style-type: none"> <li><input type="checkbox"/> clear plans in each business</li> <li><input type="checkbox"/> deepen presence in healthcare</li> <li><input type="checkbox"/> 34 new stores planned</li> </ul>	<ul style="list-style-type: none"> <li>on track</li> <li>on track</li> <li>on track</li> </ul>
<b>motivated &amp; competent people</b> <ul style="list-style-type: none"> <li><input type="checkbox"/> appointed Group HR director</li> <li><input type="checkbox"/> launched employee wellness programme</li> </ul>	<ul style="list-style-type: none"> <li>done</li> <li>well received</li> </ul>
<b>improving ROE</b> <ul style="list-style-type: none"> <li><input type="checkbox"/> adopted ROAM measurement</li> <li><input type="checkbox"/> emphasising cash generation</li> </ul>	<ul style="list-style-type: none"> <li>done</li> <li>ongoing</li> </ul>

priorities

- continue transition of Clicks to health & beauty specialist
- build UPD & Clicks pre-eminence in healthcare supply & pharmacy management
- continue transition of Musica into entertainment specialist
- build organisational capability to deliver sustained performance
- efficient capital & cash management



prospects

- trading continues in line with forecasts
- modest inflation
- diluted headline earnings per share & earnings per share expected to be up by 30% - 40% for the full year



... laying the foundations for sustained performance



thank you

retail store footprint

handout only

	Aug 2006	opened	closed	Feb 2007	stores planned H2 2007
Clicks	308	8	(2)	314	7
Discom	179	5	(9)	175	1
Musica	145	2	(4)	143	8
The Body Shop	29	-	-	29	3
Style Studio	3	-	-	3	-
<b>total</b>	<b>664</b>	<b>15</b>	<b>(15)</b>	<b>664</b>	<b>19</b>

(company owned stores only)









