Directors' responsibility for the Company and Group annual financial statements

Pick n Pay Holdings Limited and its subsidiaries

The directors are responsible for the preparation and fair presentation of the Company and Group annual financial statements, comprising the directors' report, balance sheets at 28 February 2009, and the income statements, the statements of changes in equity and cash flow statements for the year then ended, a summary of significant accounting policies and the notes to the financial statements, in accordance with International Financial Reporting Standards and in the manner required by the Companies Act of South Africa.

The directors' responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of these financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

The directors' responsibility also includes maintaining adequate accounting records and an effective system of risk management as well as the preparation of the supplementary schedules included in these financial statements.

The directors have made an assessment of the Company's and Group's ability to continue as a going concern and have no reason to believe the business will not be a going concern in the year ahead.

The auditor is responsible for reporting on whether the annual financial statements are fairly presented in accordance with the applicable financial reporting framework.

Directors' approval

DIRECTORS' APPROVAL

The directors acknowledge and accept full responsibility for the preparation and integrity of the information presented in the Company and Group annual financial statements.

The Company and Group annual financial statements of Pick n Pay Holdings Limited, which have been prepared in accordance with the Companies Act of South Africa and comply with International Financial Reporting Standards, were approved by the Board of directors on 4 May 2009 and are signed on their behalf by:

Gareth Ackerman

Gareth Ackerman
Chairman

Raymond Ackerman
Director

Company Secretary's certificate

Pick n Pay Holdings Limited and its subsidiaries

COMPANY SECRETARY'S CERTIFICATE

In terms of section 268G(d) of the Companies Act 61 of 1973, as amended, I certify that Pick n Pay Holdings Limited has lodged with the Registrar of Companies all such returns as are required by the Companies Act, and that all such returns are true, correct and up to date.

Gary Lea
Company Secretary

4 May 2009

Independent auditor's report

Pick n Pay Holdings Limited and its subsidiaries

TO THE MEMBERS OF PICK N PAY HOLDINGS LIMITED

We have audited the Company and Group annual financial statements of Pick n Pay Holdings Limited, which comprise the balance sheets at 28 February 2009, and the income statements, the statements of changes in equity and cash flow statements for the year then ended, and the notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes, and the directors' report as set out on pages 111 to 123.

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and in the manner required by the Companies Act of South Africa. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion, the financial statements present fairly, in all material respects, the consolidated and separate financial position of Pick n Pay Holdings Limited at 28 February 2009, and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards, and in the manner required by the Companies Act of South Africa.

KPMG Inc.

Registered Auditor

Per **Patrick Farrand**

Chartered Accountant (SA)

Registered Auditor

Director

4 May 2009

MSC House

Mediterranean Street

Cape Town

8001

STRUCTURE AND FUNCTION

The Company, which is domiciled and incorporated in the Republic of South Africa and listed on the JSE Limited ("JSE"), the recognised securities exchange in South Africa, was formed with the sole purpose of holding a controlling interest in Pick n Pay Stores Limited. The Company is entitled to redistribute any dividend received from Pick n Pay Stores Limited.

GENERAL REVIEW

The Group income statement is presented on page 114 and reflects the Group's operational results.

The Group's headline earnings from continuing operations and dividends paid for the year are as follows:

Per share – cents	2009	% Increase	2008
Diluted headline earnings (note 3)	**113.92**	18.1	96.46*
Headline earnings (note 3)	**116.23**	15.1	100.94*
Dividends**	**82.97**	13.9	72.83

*Restated – please refer to note 31 of the Pick n Pay Stores Limited financial statements for details of the restatement of prior year figures.
**The dividend per share presented is the interim dividend paid in the current year and the final dividend declared after year-end, but in respect of current year profit.

RELATIVE SHARE VALUE

The directors consider that the ratio of the dividend paid per share for the year of Pick n Pay Holdings Limited (PIKWIK) of 82.97 cents, to that of Pick n Pay Stores Limited (PICKNPAY), 170.00 cents, determines the relative value of a Pick n Pay Holdings Limited share, which, based on these figures, is 48.8% (2008: 48.8%) of a Pick n Pay Stores Limited share.

AUDIT, RISK AND COMPLIANCE COMMITTEE

We draw your attention to the Audit, Risk and Compliance committee section of the corporate governance review on pages 41 and 42 where we set out the responsibilities of the committee and how it has discharged these responsibilities during the year.

INVESTMENT

The Company's sole asset is its 50.8% (2008: 50.8%) direct shareholding in its subsidiary, Pick n Pay Stores Limited, and its main source of income is the dividend received from Pick n Pay Stores Limited. After taking into account the Pick n Pay Stores Limited treasury shares held by the Group, the Company's effective holding in Pick n Pay Stores Limited at year-end is 54.4% (2008: 54.7%).

DIVIDENDS PAID AND DECLARED

A cash dividend (number 53) of 57.65 cents per share was paid to shareholders on 17 June 2008.

A cash dividend (number 54) of 17.45 cents per share was paid to shareholders on 15 December 2008.

For further detail refer to note 4. The directors have declared a cash dividend (number 55) of 65.52 cents per share. The last day of trade in order to participate in the dividend (CUM dividend) will be Friday, 5 June 2009. Shares will trade EX dividend from the commencement of business on Monday, 8 June 2009 and the record date is Friday, 12 June 2009. The dividend will be paid on Monday, 15 June 2009. Share certificates may not be dematerialised or rematerialised between Monday, 8 June 2009 and Friday, 12 June 2009, both dates inclusive.

As dividend number 55 was declared on 21 April 2009 it will only be accounted for in the 2010 financial year. No liability for secondary tax on companies (STC) will be payable on this dividend as the Company will have sufficient STC credits to offset any liability.

Pick n Pay Holdings Limited and its subsidiaries

SHARE CAPITAL

There was no movement in the number of issued ordinary shares during the year, which remains at 527 249 082.

As at year-end, the Pick n Pay Employee Share Purchase Trust and a subsidiary company held 10 418 493 (2008: 11 228 333) and 1 708 203 (2008: 1 680 303) shares in the Company, respectively. These shares are reflected as treasury shares in the annual financial statements.

GOING CONCERN

These annual financial statements have been prepared on the going-concern basis.

The board has performed a formal review of the Group's ability to continue trading as a going concern in the foreseeable future and, based on this review, consider that the presentation of the financial statements on this basis is appropriate.

There are no pending or threatened legal or arbitration proceedings which have had or may have a material effect on the financial position of the Company or the Group.

SPECIAL RESOLUTIONS

On 11 June 2008 the Company's shareholders approved the following special resolution:

General authority to repurchase Company shares

It was resolved that the Company or any of its subsidiaries may, in accordance with sections 85 and 89 of the Companies Act, acquire issued shares of the Company or its holding company, upon such terms and conditions and in such amounts as the directors of the Company may determine from time to time. Acquisition of such shares is subject to the articles of association of the Company, the provisions of the Companies Act and the Listings Requirements of the JSE Limited ("JSE"), and provided further that acquisitions by the Company and its subsidiaries of shares in the Company may not, in the aggregate, exceed in any one financial year 5% of the Company's issued share capital.

Subsidiary companies special resolutions

On 11 June 2008, Pick n Pay Stores Limited passed the same special resolution as the Company.

100%-owned subsidiary companies, Bedworth Sentrum (Pty) Limited, Pick n Pay (Steeledale) (Pty) Limited and Pick n Pay (Steelpark) (Pty) Limited passed special resolutions in terms of section 228 of the Companies Act, to sell their only asset being investment property.

DIRECTORS AND SECRETARY

In terms of the Company's Articles of Association the directors listed on page 133 retire by rotation and they offer themselves for re-election. Information pertaining to the directors and the Company Secretary appear on page 15.

DIRECTORS' INTEREST IN SHARES

	2009	2008
	%	%
Beneficial	**0.2**	0.2
Non-beneficial	**51.1**	51.1
Total	**51.3**	51.3

The directors' interest in shares is their effective shareholding in the Company, excluding treasury shares.

BORROWINGS

The Company's overall level of borrowings is unchanged from the prior year.

CORPORATE GOVERNANCE

All corporate governance structures referred to on pages 40 to 45 also apply to Pick n Pay Holdings Limited.

SUBSEQUENT EVENTS

There have been no facts or circumstances of a material nature that have arisen between the financial year-end and the date of this report.

Income statements

for the year ended 28 February 2009

Pick n Pay Holdings Limited and its subsidiaries

	Notes	GROUP 2009 Rm	GROUP 2008 Rm Restated*	COMPANY 2009 Rm	COMPANY 2008 Rm
Continuing operations					
Revenue	1	**50 135.8**	42 677.6	**395.7**	356.4
Turnover		**49 862.1**	42 474.3	—	—
Cost of merchandise sold		**(40 404.7)**	(34 216.2)	—	—
Gross profit		**9 457.4**	8 258.1	—	—
Other trading income	1	**201.8**	158.3	—	0.4
Trading expenses		**(7 958.9)**	(6 894.3)	—	—
Employee costs		**(4 624.0)**	(4 050.3)	—	—
Occupancy		**(1 071.2)**	(971.4)	—	—
Operations		**(1 414.1)**	(1 198.0)	—	—
Merchandising and administration		**(849.6)**	(674.6)	—	—
Loss on sale of equipment and vehicles		**(13.7)**	(4.4)		—
Trading profit		**1 686.6**	1 517.7	—	0.4
Interest received		**71.9**	45.0	—	—
Interest paid		**(107.5)**	(79.2)	—	—
Profit on sale of property		**68.7**	—	—	—
Profit on sale of stores		**15.1**	47.0	—	—
Operating profit		**1 734.8**	1 530.5	—	0.4
Dividends received		—	—	**395.7**	356.0
Impairment of investment in associate		—	(9.1)	—	—
Profit before tax		**1 734.8**	1 521.4	**395.7**	356.4
Tax		**(568.0)**	(556.4)	—	(0.1)
Profit for the year from continuing operations		**1 166.8**	965.0	**395.7**	356.3
Loss for the year from discontinued operation		**(118.5)**	(31.3)	—	—
Profit for the year		**1 048.3**	933.7	**395.7**	356.3
Profit for the year attributable to:					
Equity holders of the Company		**571.9**	518.7	**395.7**	356.3
Minority shareholders		**476.4**	415.0	—	—
		1 048.3	933.7	**395.7**	356.3
Earnings/(losses) per share – cents					
Basic	3	**111.11**	101.18		
Continuing operations		**123.66**	104.57		
Discontinued operation		**(12.55)**	(3.39)		
Diluted	3	**108.78**	96.58		
Continuing operations		**121.20**	99.92		
Discontinued operation		**(12.42)**	(4.34)		

*Please refer to note 31 of Pick n Pay Stores Limited's financial statements for details of the restatement of prior year figures.

Balance sheets

as at 28 February 2009

Pick n Pay Holdings Limited and its subsidiaries

	Notes	GROUP 2009 Rm	GROUP 2008 Rm Restated*	COMPANY 2009 Rm	COMPANY 2008 Rm
Assets					
Non-current assets					
Intangible assets		**1 093.6**	1 155.9	**—**	—
Property, equipment and vehicles		**2 937.0**	2 802.5	**—**	—
Investments		**0.2**	0.2	**—**	—
Interest in subsidiary	5	**—**	—	**128.0**	128.0
Loans		**129.0**	121.6	**0.4**	0.9
Operating lease asset		**19.3**	10.9	**—**	—
Participation in export partnerships		**57.9**	61.5	**—**	—
Deferred tax		**99.8**	105.8	**—**	—
		4 336.8	4 258.4	**128.4**	128.9
Current assets					
Inventory		**3 334.5**	3 028.5	**—**	—
Trade and other receivables		**1 769.5**	1 243.9	**0.8**	—
Cash and cash equivalents		**1 072.8**	663.2	**—**	—
Assets held for sale – discontinued operation		**62.6**	—	**—**	—
		6 239.4	4 935.6	**0.8**	—
Total assets		**10 576.2**	9 194.0	**129.2**	128.9
Equity and liabilities					
Capital and reserves					
Share capital	6	**6.6**	6.6	**6.6**	6.6
Share premium		**120.8**	120.8	**120.8**	120.8
Treasury shares	7	**(54.4)**	(54.4)	**—**	—
Accumulated profits		**675.3**	431.2	**—**	0.2
Foreign currency translation reserve		**150.0**	204.7	**—**	—
Attributable to equity holders of the Company		**898.3**	708.9	**127.4**	127.6
Minority interest		**797.5**	632.3	**—**	—
Total shareholders' equity		**1 695.8**	1 341.2	**127.4**	127.6
Non-current liabilities					
Long-term debt		**678.1**	681.3	**—**	—
Retirement scheme obligations		**8.2**	49.0	**—**	—
Operating lease liability		**658.5**	626.9	**—**	—
		1 344.8	1 357.2	**—**	—
Current liabilities					
Short-term debt		**38.3**	36.4	**—**	—
Trade and other payables		**7 315.9**	6 209.7	**1.8**	1.2
Tax		**181.4**	249.5	**—**	0.1
		7 535.6	6 495.6	**1.8**	1.3
Total equity and liabilities		**10 576.2**	9 194.0	**129.2**	128.9

*Please refer to note 31 of Pick n Pay Stores Limited's financial statements for details of the restatement of prior year figures.

Statements of changes in equity

for the year ended 28 February 2009

Pick n Pay Holdings Limited and its subsidiaries

	Notes	Share capital Rm	Share premium Rm	Treasury shares Rm	Share-based payment reserve Rm	Accu-mulated profits Rm	Foreign currency trans-lation reserve Rm	Minority interest Rm	**Total Rm**
GROUP									
At 1 March 2007 – as previously stated		6.6	120.8	(60.6)	38.4	326.8	105.6	477.8	**1 015.4**
Prior year adjustments*					(38.4)	9.3	(10.6)	(30.7)	**(70.4)**
At 1 March 2007 – as restated		6.6	120.8	(60.6)	—	336.1	95.0	447.1	**945.0**
Issue of share capital – Pick n Pay Stores Limited						38.3	(4.5)	46.1	**79.9**
Total recognised income and expense for the year		—	—	—	—	518.7	114.5	506.6	**1 139.8**
Profit for the year*						518.7		415.0	**933.7**
Gains and losses recognised directly in equity:									
Foreign currency translation*							114.5	91.6	**206.1**
Dividends paid	4					(356.1)			**(356.1)**
Dividends paid by subsidiary to minorities								(258.8)	**(258.8)**
Share repurchases	7			(9.9)					**(9.9)**
Subsidiary's share repurchases						(161.0)		(128.7)	**(289.7)**
Take-up of share options	7			16.1		(1.0)			**15.1**
Take-up of subsidiary's share options						17.1		13.6	**30.7**
Share options expense*						45.2			**45.2**
Impact of movement in treasury shares						(6.1)	(0.3)	6.4	**—**
At 29 February 2008		6.6	120.8	(54.4)	—	431.2	204.7	632.3	**1 341.2**
Total recognised income and expense for the year		—	—	—	—	571.9	(53.9)	431.5	**949.5**
Profit for the year						571.9		476.4	**1 048.3**
Gains and losses recognised directly in equity:									
Foreign currency translation							(53.9)	(44.9)	**(98.8)**
Dividends paid	4					(395.9)			**(395.9)**
Dividends paid by subsidiary to minorities								(321.9)	**(321.9)**
Share repurchases	7			(4.6)					**(4.6)**
Subsidiary's share repurchases						(9.3)		(7.7)	**(17.0)**
Take-up of share options	7			4.6					**4.6**
Take-up of subsidiary's share options						44.1		36.7	**80.8**
Share options expense						32.2		26.9	**59.1**
Impact of movement in treasury shares						1.1	(0.8)	(0.3)	**—**
At 28 February 2009		**6.6**	**120.8**	**(54.4)**	**—**	**675.3**	**150.0**	**797.5**	**1 695.8**
COMPANY									
At 1 March 2007		6.6	120.8	—	—	—	—	—	**127.4**
Total recognised income and expense for the year									
Profit for the year						356.3			**356.3**
Dividends paid						(356.1)			**(356.1)**
At 29 February 2008		6.6	120.8	—	—	0.2	—	—	**127.6**
Total recognised income and expense for the year									**—**
Profit for the year						395.7			**395.7**
Dividends paid						(395.9)			**(395.9)**
At 28 February 2009		**6.6**	**120.8**	**—**	**—**	**—**	**—**	**—**	**127.4**

*Please refer to note 31 of the Pick n Pay Stores Limited's financial statements for details of the restatement of prior year figures, noting that where appropriate minority interests have been taken into account.

Cash flow statements

for the year ended 28 February 2009

Pick n Pay Holdings Limited and its subsidiaries

	Note	GROUP 2009 Rm	GROUP 2008 Rm Restated*	COMPANY 2009 Rm	COMPANY 2008 Rm
Cash flows from operating activities					
Trading profit		**1 686.6**	1 517.7	**—**	0.4
Loss on sale of equipment and vehicles		**13.7**	4.4	**—**	—
Depreciation and amortisation		**615.8**	481.9	**—**	—
Share options expense		**59.1**	45.2	**—**	—
Net operating lease obligations		**33.4**	31.5	**—**	—
Cash generated before movements in working capital		**2 408.6**	2 080.7	**—**	0.4
Movements in working capital		**220.8**	(489.6)	**(0.2)**	0.3
Increase in trade and other payables		**1 158.4**	487.5	**0.6**	0.3
Increase in inventory		**(415.2)**	(704.9)	**—**	—
Increase in trade and other receivables		**(522.4)**	(272.2)	**(0.8)**	—
Cash generated by/(utilised in) trading activities		**2 629.4**	1 591.1	**(0.2)**	0.7
Interest received		**71.9**	45.0	**—**	—
Interest paid		**(107.5)**	(79.2)	**—**	—
Cash generated by/(utilised in) operations		**2 593.8**	1 556.9	**(0.2)**	0.7
Dividends received		**—**	—	**395.7**	356.0
Dividends paid	4	**(717.8)**	(614.9)	**(395.9)**	(356.1)
Tax paid		**(567.8)**	(504.0)	**(0.1)**	—
Net cash from/(used in) operating activities – continuing operations		**1 308.2**	438.0	**(0.5)**	0.6
Net cash (used in)/from operating activities – discontinued operation		**(56.1)**	8.5	**—**	—
Total net cash from/(used in) operating activities		**1 252.1**	446.5	**(0.5)**	0.6
Cash flows from investing activities					
Intangible asset additions		**(66.1)**	(157.4)	**—**	—
Property additions		**(52.3)**	(107.5)	**—**	—
Proceeds on disposal of property		**78.0**	50.6	**—**	—
Equipment and vehicle additions		**(884.1)**	(587.0)	**—**	—
Proceeds on disposal of equipment and vehicles		**21.8**	—	**—**	—
Loans (advanced)/repaid		**(7.6)**	(12.6)	**0.5**	(0.6)
Net cash (used in)/from investing activities – continuing operations		**(910.3)**	(813.9)	**0.5**	(0.6)
Net cash from/(used in) investing activities – discontinued operation		**68.9**	(9.3)	**—**	—
Total net cash (used in)/from investing activities		**(841.4)**	(823.2)	**0.5**	(0.6)
Cash flows from financing activities					
Debt (repaid)/raised		**(1.3)**	484.2	**—**	—
Issue of shares		**—**	79.9	**—**	—
Share repurchases		**(21.6)**	(299.6)	**—**	—
Proceeds from employees on settlement of share options		**31.3**	45.8	**—**	—
Net cash from financing activities – continuing operations		**8.4**	310.3	**—**	—
Net cash from financing activities – discontinued operation		**—**	—	**—**	—
Total net cash from financing activities		**8.4**	310.3	**—**	—
Net increase/(decrease) in cash and cash equivalents		**419.1**	(66.4)	**—**	—
Cash and cash equivalents at 1 March		**663.2**	709.1	**—**	—
Effect of exchange rate fluctuations on cash and cash equivalents		**(9.5)**	20.5	**—**	—
Cash and cash equivalents at 28 February		**1 072.8**	663.2	**—**	—

*Please refer to note 31 of the Pick n Pay Stores Limited's financial statements for details of the restatement of prior year figures.

Pick n Pay Holdings Limited and its subsidiaries

Except as presented below, the accounting policies and notes to the annual financial statements and consolidated annual financial statements for Pick n Pay Holdings Limited are identical to those disclosed for Pick n Pay Stores Limited on pages 62 to 107.

	GROUP 2009 Rm	GROUP 2008 Rm Restated	COMPANY 2009 Rm	COMPANY 2008 Rm
1. REVENUE				
Revenue as previously reported		47 466.9		
Prior year adjustments:				
Discontinued operation (note 31.1, page 107)		(2 950.4)		
Changes in accounting policy (note 31.2, page 107)		(1 838.9)		
Revenue as restated	**50 135.8**	42 677.6	**395.7**	356.4
Comprising:				
Turnover	**49 862.1**	42 474.3	**—**	—
Interest received	**71.9**	45.0	**—**	—
Dividends received	**—**	—	**395.7**	356.0
Other trading income	**201.8**	158.3	**—**	0.4
Franchise fee income	**166.4**	120.6	**—**	—
Property lease income	**35.4**	37.3	**—**	—
Administration fee income	**—**	0.4	**—**	0.4

2. DIRECTORS' EMOLUMENTS AND DIRECTORS' INTEREST IN SHARES

2.1 Directors' emoluments

For emoluments paid to directors, refer to note 3.1 of the Pick n Pay Stores Limited annual financial statements.

No share options are held by directors. The following share options in the Company are held by directors of Pick n Pay Stores Limited:

1997 Share Option Scheme

	Year granted	Option grant price R	Balance held at 1 March 2008	Granted during the year	Forfeited during the year	Balance held at 28 February 2009	Available for take-up
Directors – Pick n Pay Stores Limited							
Nick Badminton	2002	3.80	800	—	—	**800**	Now
Dennis Cope	2009	11.33	—	800	—	**800**	Now
David Robins	2004	5.10	180 000	—	—	**180 000**	Now
	2004	5.10	240 000	—	(240 000)	**—**	—
	2005	8.30	400	—	—	**400**	Now
			420 400	—	(240 000)	**180 400**	

2. DIRECTORS' EMOLUMENTS AND DIRECTORS' INTEREST IN SHARES *(continued)*

2.2 Directors' direct interest in shares

The following shares are held by directors of the Company and of Pick n Pay Stores Limited:

	Balance held at 1 March 2008 000's	Additions during the year 000's	Average purchase price per share R	Disposals during the year 000's	Average selling price per share R	**Balance held at 28 February 2009 000's**	Beneficial/ non-beneficial interest
Directors – Pick n Pay Holdings Limited							
Raymond Ackerman*	635.2	481.2	13.49	(18.4)	—	**1 098.0**	Beneficial
Gareth Ackerman**	2 919.3	81.2	12.20	—	—	**3 000.5**	Non-beneficial
Raymond Ackerman/ Wendy Ackerman/ Gareth Ackerman***	259 996.0	101.5	12.00	—	—	**260 097.5**	Non-beneficial
Hugh Herman	130.0	—	—	—	—	**130.0**	Beneficial
Directors – Pick n Pay Stores Limited							
Nick Badminton	880.6	—	—	—	—	**880.6**	Beneficial
Dennis Cope	200.0	—	—	—	—	**200.0**	Beneficial
David Robins	706.3	—	—	—	—	**706.3**	Beneficial

*The disposal for the year was a donation for no consideration.

**The non-beneficial interest represents the holding by the Burrumbuck Trust of which Gareth Ackerman is a trustee.

***The non-beneficial interest represents the holding by the Ackerman Family Trust of 254.9 million shares and 5.2 million shares held by the Mistral Trust, of which these directors are trustees.

	GROUP	
	2009 Cents per share	2008 Cents per share Restated*
3. BASIC, HEADLINE AND DILUTED EARNINGS/(LOSSES) PER SHARE		
Basic (note 3.1)	**111.11**	101.18
Continuing operations	**123.66**	104.57
Discontinued operation	**(12.55)**	(3.39)
Headline (note 3.1)	**104.09**	97.54
Continuing operations	**116.23**	100.94
Discontinued operation	**(12.14)**	(3.40)
Diluted basic (note 3.2)	**108.78**	96.58
Continuing operations	**121.20**	99.92
Discontinued operation	**(12.42)**	(3.34)
Diluted headline (note 3.2)	**101.91**	93.11
Continuing operations	**113.92**	96.46
Discontinued operation	**(12.01)**	(3.35)

*Please refer to note 31 of Pick n Pay Stores Limited financial statements for details of the restatement of prior year figures.

Pick n Pay Holdings Limited and its subsidiaries

		GROUP 2009 Rm	GROUP 2008 Rm Restated*
3.	**BASIC, HEADLINE AND DILUTED EARNINGS/(LOSSES) PER SHARE** *(continued)*		
3.1	**Basic and headline earnings per share**		
	The calculation of basic earnings (profit for the year) per share and headline earnings per share is based on:		
	Basic earnings (profit for the year)	**571.9**	518.7
	Headline earnings	**535.8**	500.1
	and:	**Number of shares 000's**	Number of shares 000's
	The weighted average number of ordinary shares in issue during the year	**514 732.0**	512 644.5
		Rm	Rm
	Reconciliation between basic and headline earnings:		
	Basic earnings (profit for the year)	**571.9**	518.7
	Adjustments:	**(36.1)**	(18.6)
	Loss on sale of equipment and vehicles	**7.5**	2.4
	Loss on sale of equipment and vehicles – discontinued operation	**2.1**	—
	Profit on sale of property	**(37.5)**	—
	Profit on sale of stores	**(8.2)**	(26.1)
	Impairment of investment in associate	**—**	5.1
	Headline earnings	**535.8**	500.1
		Number of shares 000's	Number of shares 000's
	Movement in the weighted average number of ordinary shares in issue comprises:		
	At 1 March	**512 644.5**	508 670.3
	Net sale of treasury shares by the share trust, pursuant to the take-up of share options	**2 087.5**	3 974.2
	At 28 February	**514 732.0**	512 644.5

		GROUP 2009 Rm	GROUP 2008 Rm Restated*
3.2	**Diluted basic and headline earnings per share**		
	The calculation of diluted basic earnings per share and diluted headline earnings per share is based on:		
	Diluted basic earnings	**566.1**	501.6
	Diluted headline earnings	**530.3**	483.6
	and:	**Number of shares 000's**	Number of shares 000's
	The diluted weighted average number of ordinary shares in issue during the year	**520 391.5**	519 331.9

*Please refer to note 31 of Pick n Pay Stores Limited financial statements for details of the restatement of prior year figures.

	GROUP 2009 Rm	GROUP 2008 Rm Restated*
3. BASIC, HEADLINE AND DILUTED EARNINGS/(LOSSES) PER SHARE *(continued)*		
3.2 Diluted basic and headline earnings per share *(continued)*		
Reconciliation between basic and diluted basic earnings:		
Basic earnings (profit for the year)	**571.9**	518.7
Debenture interest after tax	**—**	0.5
Pick n Pay Stores Limited's dilution effect	**(5.8)**	(17.6)
Diluted basic earnings	**566.1**	501.6
Headline earnings adjustments (note 3.1)	**(36.1)**	(18.6)
Pick n Pay Stores Limited's dilution effect	**0.3**	0.6
Diluted headline earnings	**530.3**	483.6
	Number of shares 000's	Number of shares 000's
Reconciliation of the weighted average number of ordinary shares in issue for diluted earnings per share:		
Weighted average number of ordinary shares in issue (note 3.1)	**514 732.0**	512 644.5
Outstanding options	**5 659.5**	6 687.4
Weighted average number of ordinary shares in issue for purposes of calculating diluted earnings per share	**520 391.5**	519 331.9
Refer to note 6 for the number of shares in issue.		

	GROUP AND COMPANY 2009 Cents	GROUP AND COMPANY 2008 Cents
4. DIVIDENDS		
Number 53 – declared 21 April 2008 – paid 17 June 2008	**57.65**	52.35
Number 54 – declared 20 October 2008 – paid 15 December 2008	**17.45**	15.18
Total dividends paid for the year – Company	**75.10**	67.53
	Rm	Rm
Total value of dividends paid by the Company	**395.9**	356.1
Dividends paid by a subsidiary to minorities	**321.9**	258.8
Total dividends paid by the Group	**717.8**	614.9
For further details, including dividends declared after 28 February 2009, refer to the directors' report and shareholders' information.		

	COMPANY 2009 Rm	COMPANY 2008 Rm
5. INVESTMENT IN SUBSIDIARY		
Pick n Pay Stores Limited – at cost		
257 345 334 (2008: 257 345 334) ordinary shares	**128.0**	128.0
Comprising:		
Initial investment	**24.7**	24.7
Capitalisation share awards received in years 1997 to 2001	**103.3**	103.3
Market value	**7 977.7**	7 977.7

*Please refer to note 31 of Pick n Pay Stores Limited financial statements for details of the restatement of prior year figures.

Pick n Pay Holdings Limited and its subsidiaries

	GROUP AND COMPANY 2009 Rm	2008 Rm
6. SHARE CAPITAL		
Authorised		
800 000 000 ordinary shares of 1.25 cents each	**10.0**	10.0
Issued		
527 249 082 ordinary shares of 1.25 cents each	**6.6**	6.6
	000's	000's
Number of shares in issue at 28 February is made up as follows:		
Treasury shares held by the share trust (note 7)	**10 418.5**	11 228.3
Treasury shares held by a subsidiary company (note 7)	**1 708.2**	1 680.3
	12 126.7	12 908.6
Shares held outside the Holdings Group	**515 122.4**	514 340.5
At 28 February	**527 249.1**	527 249.1

118.7 million of the unissued shares remain under the control of the directors until the next annual general meeting.

1997 Employee Share Option Scheme

The directors are authorised to utilise up to 17.5% of the issued share capital for the scheme.

		Number of options 000's	Number of options 000's
Movement in the number of options granted but not taken up are as follows:			
At 1 March		**11 803.4**	15 210.0
New options granted*		**787.0**	708.8
Options taken up**		**(1 111.3)**	(4 115.4)
At 28 February		**11 479.1**	11 803.4
Options granted may be taken up during the following financial years:			
Year	Average grant price		
2010	R5.42	**11 479.1**	
Percentage of issued shares		**2.2%**	2.2%
Options available for granting under current authorisation		**80 789.5**	80 465.2
*Average price of options granted during the year		**R11.32**	R13.25
**Average price of options taken up during the year		**R3.45**	R3.69
The Employee Share Purchase Trust, which administers the 1997 Share Option Scheme, holds the following number of ordinary shares:			
As a hedge against shares granted or to be granted by that scheme reflected as treasury shares		**10 418.5**	11 228.3
On behalf of share purchase scheme participants		**525.2**	546.9
		10 943.7	11 775.2

		GROUP 2009 Rm	GROUP 2008 Rm
7.	**TREASURY SHARES**		
	Treasury shares comprise Pick n Pay Holdings Limited shares held by a subsidiary company and the share trust		
	At 1 March	**54.4**	60.6
	Share repurchases	**4.6**	9.9
	Take-up of share options	**(4.6)**	(16.1)
	At 28 February	**54.4**	54.4
		Number of shares 000's	Number of shares 000's
	The movement in the number of treasury shares is as follows:		
	At 1 March	**12 908.6**	16 300.5
	Shares purchased during the year	**330.4**	650.6
	Shares sold during the year, pursuant to the take-up of share options	**(1 112.3)**	(4 042.5)
	At 28 February	**12 126.7**	12 908.6
	Comprises:		
	Shares held by share trust	**10 418.5**	11 228.3
	Shares held by a subsidiary company	**1 708.2**	1 680.3
	Average purchase price of shares purchased during the year	**R13.92**	R15.22
	Average purchase price of shares held at year-end	**R4.49**	R4.21