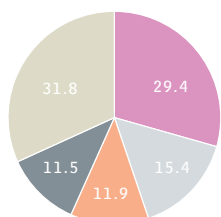


CASH VALUE ADDED STATEMENTS

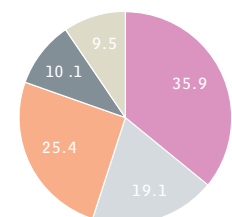
for the periods ended 30 june

	Notes to the annual financial statements	2003 Rm 52 weeks	2002 Rm 53 weeks	% change
<p>Cash value added is the wealth, expressed in cash terms, that the group has created by purchasing and marketing its merchandise. The statement below shows how this cash wealth created has been disbursed among the group's stakeholders.</p> <p>Cash generated</p> <p>Cash received from customers 2 487.5 2 119.0</p> <p>Cash payments outside the group to suppliers of materials, merchandise, facilities and services (1 454.4) (1 365.2)</p> <p>Wealth created through cash value added 1 033.1 753.8 37</p> <p>Cash utilised to</p> <p>Remunerate employees for their services 23.5 304.1 270.9 12</p> <p>Provide lessors with a return for the use of their premises 23.7 158.9 144.0 10</p> <p>Pay direct taxes to the state 32.3 123.0 191.5 (36)</p> <p> South Africa 123.2 189.6</p> <p> Elsewhere (0.2) 1.9</p> <p>Provide shareholders with cash dividends 32.4 118.7 76.2 56</p> <p>Cash disbursed among stakeholders 704.7 682.6 3</p> <p>Net cash retained (per cash flow statement) 328.4 71.2</p> <p>Reconciliation with cash generation</p> <p>Wealth created through cash value added (refer above) 1 033.1 753.8</p> <p>Less: Remunerate employees for their services (304.1) (270.9)</p> <p> Paid as rental to lessors (158.9) (144.0)</p> <p> Interest received (142.4) (84.2)</p> <p> Finance costs 0.5 0.2</p> <p>Cash generated from operations (per cash flow statement) 428.2 254.9 68</p> <p>State taxes summary</p> <p>Direct taxes (as above) 123.0 191.5</p> <p>Net value added tax 100.6 60.9</p> <p>Employees' tax 43.9 37.4</p> <p>Regional services council levies 4.0 3.3</p> <p>Municipal assessment rates and services 18.0 14.4</p> <p>Channelled through the group 289.5 307.5</p> <p>Paid in</p> <p> South Africa 286.8 303.8</p> <p> Elsewhere 2.7 3.7</p> <p>289.5 307.5</p>				

Cash disbursed and cash retained 2003



Cash disbursed and cash retained 2002



■ Employees ■ Shareholders
■ Lessors ■ Cash retained in group
■ State

SIX-YEAR REVIEW

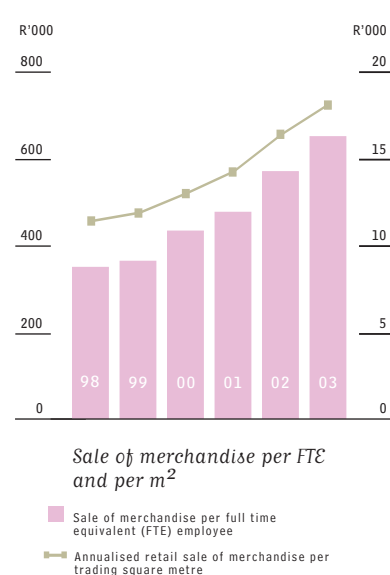
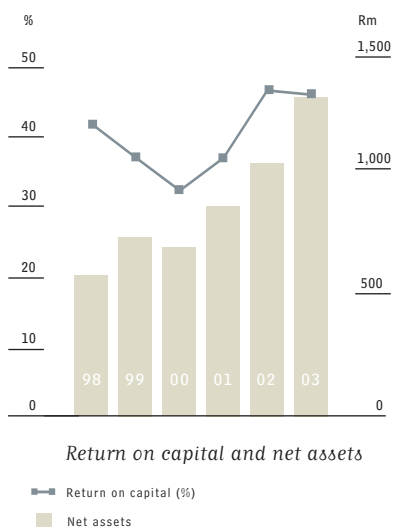
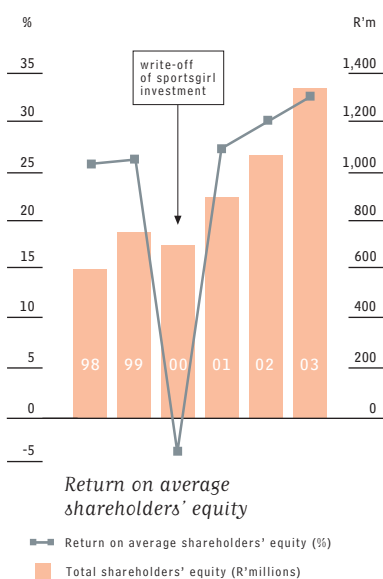
Year	Six-year compound growth %	Truworths International Limited Group			Truworths Limited		
		2003 Rm	2002 Rm	2001 Rm	2000 Rm	1999 Rm	1998 Rm
Number of weeks		52	53	52	52	52	52
INCOME STATEMENTS							
Sale of merchandise	12.6	2 306	1 984	1 595	1 417	1 247	1 132
Cost of sales	13.2	(1 141)	(949)	(759)	(677)	(599)	(541)
Gross profit		1 165	1 035	836	740	648	591
Expenses	9.8	(759)	(672)	(616)	(571)	(479)	(434)
Trading profit	17.2	406	363	220	169	169	157
Investment income		145	90	76	65	78	61
Profit before finance costs, exceptional items and taxation	16.7	551	453	296	234	247	218
Finance costs		(1)	–	–	(2)	(1)	(2)
Profit before exceptional items and taxation		550	453	296	232	246	216
Exceptional items		(1)	5	15	(194)	4	(2)
Profit before taxation	17.0	549	458	311	38	250	214
Taxation		(158)	(163)	(92)	(70)	(74)	(79)
Net profit/(loss) attributable to shareholders	19.4	391	295	219	(32)	176	135
CASH FLOW STATEMENTS							
Cash flow from operating activities							
Cash EBITDA	16.3	481	434	275	35	217	194
Working capital movements		(53)	(179)	(22)	(47)	(50)	(47)
Cash generated from/(utilised by) operations	19.5	428	255	253	(12)	167	147
Net interest received		142	84	68	55	72	59
Taxation paid		(123)	(192)	(92)	(72)	(82)	(76)
Cash inflow/(outflow) from operations	22.9	447	147	229	(29)	157	130
Dividends paid		(119)	(76)	(54)	(16)	(15)	(12)
Net cash retained/(utilised)		328	71	175	(45)	142	118
Net cash outflow from investing activities		(28)	(211)	(36)	(40)	(51)	(49)
Net cash inflow/(outflow) from financing activities		14	(46)	4	–	–	–
Net increase/(decrease) in cash and cash equivalents		314	(186)	143	(85)	91	69
Net cash inflow from discontinued operations		1	5	15	–	–	–
Cash and cash equivalents for the period		315	(181)	158	(85)	91	69
BALANCE SHEETS							
Assets							
Non-current assets		410	459	306	291	300	281
Current assets		1 431	961	1 017	801	820	663
Total assets	11.8	1 841	1 420	1 323	1 092	1 120	944
Equity and liabilities							
Total shareholders' equity		1 336	1 057	885	701	748	588
Non-current liabilities		121	136	149	161	167	168
Current liabilities		384	227	289	230	205	188
Total equity and liabilities		1 841	1 420	1 323	1 092	1 120	944

The Truworths International Limited group information has been disclosed for the 2001 to 2003 financial periods. The prior financial periods have been excluded as these periods include the effects of the discontinued operations of Sportsgirl. For the purposes of comparability the information in respect of the operating company Truworths Limited has been disclosed for the 1998 to 2000 financial periods. The compounded growth statistics are for a six-year period.

RATIOS

Year	Number of weeks	Six-year compound growth % or average (Av.)	Truworths International Limited Group			Truworths Limited		
			2003	2002	2001	2000	1999	1998
			52	53	52	52	52	52
Returns								
Return on average shareholders' equity	(%)	Av. 23.0	32.7	30.4	27.3	(4.4)	26.3	25.9
Return on capital	(%)	Av. 40.2	46.1	46.7	37.0	32.3	37.0	41.8
Asset reinvestment rate †	:1	Av. 1.3	1.0	1.2	1.3	1.3	1.1	1.7
Return on invested capital (ROIC)	(%)	Av. 19.1	21.4	21.7	20.1	17.3	17.8	16.0
Weighted average cost of capital (WACC)	(%)	Av. 17.3	14.1	16.5	16.4	18.5	19.9	18.3
ROIC vs. WACC	(%)		7.3	5.2	3.7	(1.2)	(2.1)	(2.3)
Productivity								
Sale of merchandise								
per full-time equivalent (FTE) employee	(R'000)	11.0	644	564	471	428	359	345
Sale of merchandise per store	(R'000)	8.4	8 007	7 321	5 974	5 535	5 262	4 922
Annualised retail sale of merchandise per trading square metre	(R)	7.9	18 120	16 428	14 329	13 082	11 965	11 497
Net asset turn	(times)		1.7	1.9	1.8	2.0	1.7	1.9
Net assets per FTE employee	(R'000)		373	300	261	212	215	179
Gross margin	(%)	Av. 51.9	50.5	52.2	52.4	52.2	52.0	52.2
Trading margin	(%)	Av. 14.9	17.6	18.3	13.8	11.9	13.6	13.9
Operating margin	(%)	Av. 20.2	23.9	22.8	18.6	16.5	19.8	19.3
EBITDA margin	(%)	Av. 23.3	26.8	25.8	21.6	19.9	23.3	22.3
Basic earnings per FTE employee	(R'000)		109	84	65	(10)	51	41
Stock turn	(times)		6.7	6.1	5.2	5.5	4.5	3.7
Effective taxation rate	(%)		28.8	35.6	29.6	184.2	29.6	36.9
Solvency and liquidity								
Net cash to shareholders' equity	(%)	Av. 26.6	33.3	12.3	35.1	21.8	31.8	25.0
Current ratio	:1	Av. 3.7	3.7	4.2	3.5	3.5	4.0	3.5
Total liabilities to shareholders' equity	(%)	Av. 47.9	37.8	34.3	49.5	55.8	49.7	60.5

† Excluding No. 1 Mostert Street and its related depreciation.



RATIOS

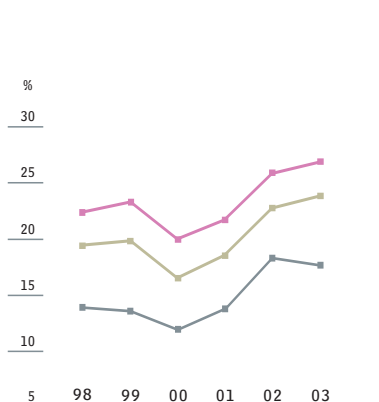
Year	Six-year compound growth %	Truworths International Limited Group			Truworths Limited		
		2003	2002	2001	2000	1999	1998
Number of weeks		52	53	52	52	52	52
Key debtor statistics *							
Number of active customer accounts	(000's)	780	737	729	709		
Arrear accounts: overdue accounts as a % of total debtors	(%)	14	13	15	18		
Net bad debts: credit sale of merchandise	(%)	2.5	2.2	3.7	4.7		
Credit:cash sales mix	(%)	72:28	72:28	75:25	77:23		
Net bad debts as a % of gross debtors' book	(%)	5.1	4.7	8.0	10.0		
Bad debt provision as a % of gross debtors' book	(%)	5.9	5.6	5.6	4.9		
Cost of credit	(Rm)	3	18	37	—**		
Operating statistics							
Total number of FTE employees		3 578	3 520	3 386	3 310	3 474	3 281
Total number of stores, excluding franchise stores		269	257	255	246	230	224
Total trading area, excluding franchise stores	(m ²)	127 072	121 170	115 414	109 402	104 221	98 419
Total number of franchise stores		19	14	12	10	7	6
Total expenses	(Rm)	759	672	616	571	479	434
Depreciation costs	(Rm)	67	58	48	48	44	35
Employment costs	(Rm)	304	271	240	216	197	174
Occupancy costs	(Rm)	177	159	146	132	118	102
Other operating costs	(Rm)	211	184	182	175	120	123
Total expenses as a % of sale of merchandise	(%)	32.9	33.9	38.6	40.3	38.4	38.3
Depreciation costs as a % of sale of merchandise	(%)	2.9	2.9	3.0	3.4	3.5	3.1
Employment costs as a % of sale of merchandise	(%)	13.2	13.7	15.0	15.2	15.8	15.4
Occupancy costs as a % of sale of merchandise	(%)	7.7	8.0	9.2	9.3	9.5	9.0
Other operating costs as a % of sale of merchandise	(%)	9.1	9.3	11.4	12.4	9.6	10.8
Annual growth (%)							
Sale of merchandise		16.2	24.4	12.6	13.6	10.2	12.6
Trading profit		11.8	65.0	38.1	††	7.6	9.0
Profit before finance costs, exceptional items and taxation		21.6	53.0	32.1	††	13.3	13.0
Profit before taxation		19.9	47.3	††	††	16.8	16.3
Net profit attributable to shareholders		32.5	34.7	††	††	30.4	14.4

The Truworths International Limited group information has been disclosed for the 2001 to 2003 financial periods. The prior financial periods have been excluded as these periods include the effects of the discontinued operations of Sportsgirl. For the purposes of comparability the information in respect of the operating company Truworths Limited has been disclosed for the 1998 to 2000 financial periods. The compounded growth statistics are for a six-year period.

* Information has only been provided for the last four periods as information prior to this would not be meaningful, due to change in strategies and focus.

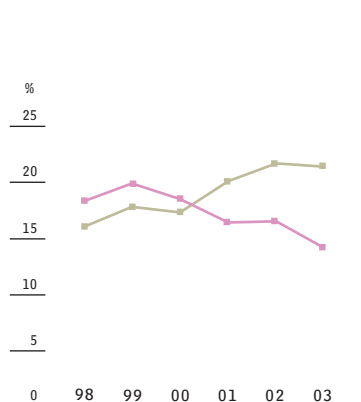
** This information is not available.

†† % change not meaningful



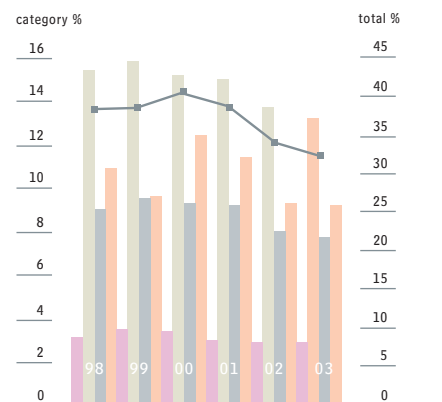
Profit margin comparison

— Operating margin
— Trading margin
— EBITDA margin



ROIC vs WACC

— ROIC — WACC



Expenses as a % of sale of merchandise

— Depreciation costs — Employment costs — Occupancy costs — Other operating costs — Total costs

DEFINITIONS

- 1. Annualised retail sale of merchandise**
Represents sale of merchandise (excluding sales to franchise stores) adjusted for stores that opened during the period and therefore did not trade for the full financial period and for stores that closed during the period. Sale of merchandise in respect of stores opened during the period, is annualised to reflect a full period's sales effect.
- 2. Asset reinvestment rate**
Represents capital expenditure divided by depreciation.
- 3. Basic earnings per FTE employee**
Net profit attributable to shareholders, divided by the number of full-time equivalent employees in service at the end of the period.
- 4. Cash "EBITDA"**
Cash flow from trading plus dividends received.
- 5. Cash flow from trading**
Profit before finance costs, exceptional items and taxation adjusted for dividends and interest received and all non-cash items.
- 6. Cost of credit**
Comprises interest received on customer accounts and financial services income, less net bad debt (which includes movement on bad debt provision), collection and other direct costs incurred in providing credit.
- 7. Cost of sales**
Comprises the historical cost of inventory sold, and includes adjustments for markdowns and shrinkage.
- 8. Current ratio**
Current assets divided by current liabilities.
- 9. Dividend cover**
Basic earnings per share divided by dividends declared per share.
- 10. Dividend yield**
Dividends declared per share divided by the period end share price on the JSE Securities Exchange South Africa ("JSE").
- 11. Earnings yield**
Basic earnings per share divided by the period end share price on the JSE.
- 12. EBITDA margin**
Profit before finance costs, exceptional items, taxation and depreciation divided by sale of merchandise.
- 13. Full-time equivalent ("FTE") employees**
A calculated number determined by converting the actual number of part-time employees into a lesser number of full-time equivalent employees (through dividing the aggregate working hours of all part-time employees by standard working hours), and adding this latter number to the actual number of full-time employees.
- 14. Gross margin**
Gross profit divided by sale of merchandise.
- 15. Market capitalisation**
The period end share price on the JSE multiplied by the number of shares in issue at the end of the period.
- 16. Period end share price/net asset value per share**
The period end share price on the JSE divided by the net asset value per share, expressed as a ratio.
- 17. Net assets**
The total of property, fixtures, vehicles, plant, equipment and software, investments, loans and net current assets, less non-current liabilities at the end of the period.
- 18. Net asset turn**
Sale of merchandise divided by closing net assets.
- 19. Net asset value per share**
Net assets divided by the number of shares in issue (adjusted for treasury shares held) at the end of the period.
- 20. Net cash to shareholders' equity**
Cash and cash equivalents, net of borrowings divided by total shareholders' equity at the end of the period.
- 21. Operating margin**
Profit before finance costs, exceptional items and taxation divided by sale of merchandise.

DEFINITIONS

22. Price earnings ratio

The period end share price on the JSE divided by headline earnings per share for the period.

23. Return on average shareholders' equity

The current period's net profit attributable to shareholders divided by the average of the current and prior period's total shareholders' equity.

24. Return on invested capital

Profit before taxation adjusted for operating leases, less depreciation subsequently calculated on the "capitalised" operating leases, less the adjusted taxation charge, divided by the sum of the net assets and newly capitalised operating leases.

25. Return on capital

The current period's profit before finance costs, exceptional items and taxation divided by the average of the current and prior period's total net assets.

26. Sale of merchandise

Represents sale of merchandise through retail outlets, together with sale of merchandise to franchisees, but excludes value added and general sales tax.

27. Stock turn

Cost of sales for the period divided by inventories on hand at the end of the period.

28. Store expenses

All costs directly linked to the retail store operations.

29. Trading margin

Trading profit divided by sale of merchandise.

30. Weighted average cost of capital

The risk free rate at the end of the period as defined by the RSA (R150) long-term bond yield adjusted by a risk premium appropriate for the group.

31. Weighted average number of shares in issue

The number of shares in issue at the beginning of the period, increased by shares issued during the period, and decreased by share repurchases, weighted on a time basis for the period during which they were in issue. In the case of shares issued pursuant to a share capitalisation award in lieu of dividends, the participation of such shares is deemed to be from the date of issue.

32. Weighted average price per share traded

The total value of shares traded divided by the total volume of shares traded for the period on the JSE.