

corporate profile

The Group

Foschini Limited has the following operating divisions:

Retail: Foschini, branded as Foschini, Donna-claire, Fashionexpress and Luella • Markham • Exact! • The Sports division, branded as Sportscene, Totalsports and DueSouth • The Jewellery division, branded as American Swiss, Matrix and Sterns • @home, branded as @home and @homelivingspace • TFG Apparel Supply Company and FG Financial Services.

External Financial Services "RCS Group": RCS Personal Loans • RCS Cards • RCS Private Label Cards and RCS Home Loans.

The retail divisions retail clothing, jewellery, accessories, cosmetics, sporting and outdoor apparel and equipment and homeware to the broad, middle-income group throughout southern Africa, mainly as a credit retailer. The ratio of cash sales to total turnover approximates 36%.

The external financial services division provides a range of broader financial services to customers of the group and to customers of unrelated retailers.

FOSCHINI

A destination of choice for women seeking fashionable, current apparel and footwear, offering good value, in an environment that is modern and friendly.

donna-claire

FASHION IN SIZES 16-28

Offering stylish fashion for larger sized women.

fashionexpress

A value fashion chain focusing on the value for money proposition.

Luella

A range of ladies footwear, handbags and accessories aimed at the middle to upper middle market.

exact!

Accessible fashion for everybody offering consistent quality and reassuring affordability with focused ranges that are easy to dress up or down.

STERN'S

— THE JEWELLER —

A trusted jeweller offering stylish jewellery for special occasions, with an emphasis on gentle sophistication, sincerity, emotional warmth and romance.

AMERICAN SWISS

YOU DESERVE IT

The leading contemporary jewellery retailer offering new and exciting merchandise for the aspirational, confident individual.

MATRIX

Sunglasses • Cell phones

Strong lifestyle orientation providing branded accessories aimed at a generally younger customer.

Markham™

Internationally inspired menswear of great quality and value, suitable for all occasions and daily experiences.

DUESOUTH

BE AN OUTSIDER

A modern, hi-tech, outdoor lifestyle and adventure destination offering a comprehensive and fashionable range of the latest brands and product innovation.

sportscene

Provides the street-wise active youth in search of a more defined identity, a unique blend of freesport brands and urban style in their own environment.

TOTALSPORTS

Top of mind sportswear destination giving the everyday athlete the inspiration to compete and perform by offering a range of international sports brands.

@home

THE HOMEWARE STORE

Fashionable merchandise covering the Eat, Sleep, Bath, Cook and Live categories for the discerning homeowner.

@homelivingspace

THE HOMEWARE STORE

Offering design-conscious consumers a comprehensive range of affordable contemporary furniture.

financial highlights and share performance

Financial Statistics and Targets

	Medium-term target	2008	2007
Operating margin (%)	24,0	24,8	26,1
ROE (%)	35,0	29,6	32,5
Current ratio (times)		2,3	3,1
Debt equity ratio (%)	40,0	36,2	18,8
Finance charge cover (times)		15,9	18,0
Number of stores	1 600	1 393	1 332
Square metres	500 000	403 601	380 615
Stock turn			
– jewellery		2,21	2,18
– @home		2,31	2,43
– other		3,21	3,20

Financial Highlights

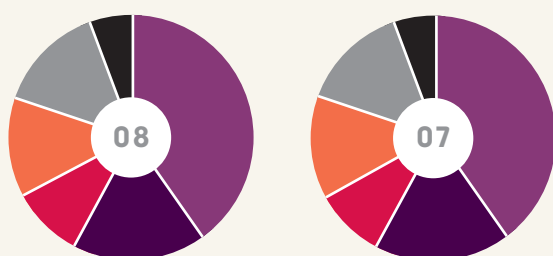
	% change	2008	2007
Retail turnover (Rm)	6,1	7 668,7	7 230,0
Operating profit before finance charges (Rm)	1,0	1 905,5	1 887,0
Profit before tax (Rm)	0,2	1 786,3	1 782,3
Headline earnings (Rm)	0,8	1 128,4	1 119,2
Profit attributable to equity holders of Foschini Limited (Rm)	0,8	1 128,4	1 119,2
Total shareholders' interest (Rm)	0,6	3 845,2	3 823,6
Earnings per ordinary share* (cents)	2,4	547,0	534,2
Headline earnings per ordinary share* (cents)	2,4	547,0	534,2
Tangible net asset value per ordinary share** (cents)	4,1	1 862,7	1 789,4
Dividend per share (cents) – interim	18,0	118,0	100,0
Dividend per share (cents) – final	–	170,0	170,0
Dividend per share (cents) – total	6,7	288,0	270,0
Market capitalisation (Rm)	(44,3)	9 261,6	16 618,4
Gross number of shares in issue (millions)		240,5	240,5
Net number of shares in issue (millions)		204,6	212,0
Closing US\$ conversion rate		8,14	7,30
Average US\$ conversion rate		7,15	7,06

* based on the weighted average number of shares in issue

** based on the net actual number of shares in issue

Retail Turnover

● Foschini ● Markham ● Exact! ● Sports division
● Jewellery division ● @home



	2008 Rm	% change	2007 Rm
Foschini division	3 070,5	5,5	2 911,8
Markham	1 190,9	4,6	1 138,3
Exact!	707,2	3,6	682,6
Sports division	1 151,4	8,4	1 062,4
Jewellery division	1 090,7	6,7	1 022,5
@home	458,0	11,1	412,4
	7 668,7	6,1	7 230,0

Share Performance

	2008	2007	2006	2005	2004
Market price per share (cents)					
– at year-end	3 851	6 910	5 826	3 555	1 995
– highest	7 795	7 101	5 995	4 100	2 140
– lowest	3 590	4 040	5 825	1 775	1 070
– average	5 481	5 427	5 880	2 650	1 724
Number of shares in issue (millions)	240,5	240,5	240,5	240,5	240,5
Number of beneficial shareholdings	3 781	5 349	5 303	5 349	3 960
Price/earnings ratio at year-end	7,04	12,94	10,91	9,88	8,41
Dividend yield	7,5	3,5	3,1	3,5	3,2
Number of shares traded during the year (millions)	254,6	273,3	156,8	178,0	149,2
Volume traded/number of shares in issue (%)	105,9	113,6	65,2	74,0	62,0
Market capitalisation (R millions)	9 261,6	16 618,4	14 011,4	8 549,7	4 797,9

corporate structure

FOSCHINI
FOSCHINI LIMITED

DIRECTORATE
Foschini Limited

CHIEF EXECUTIVE OFFICER

OPERATING BOARD
Foschini Group of Companies

operations

Foschini

Foschini • Donna-claire
Fashionexpress • Luella

Markham

Exact!

Sports Division

Sportscene • Totalsports
DueSouth

Jewellery Division

American Swiss
Sterns • Matrix

@home

@home • @homelivingspace

TFG Apparel Supply Company

FG Financial Services

RCS Group*

RCS Personal Loans
RCS Cards
RCS Private Label Cards
RCS Home Loans

services

Group Finance and Administration

Group Audit Services

Foschinidata

Group Logistics

Human Resources

Group Services

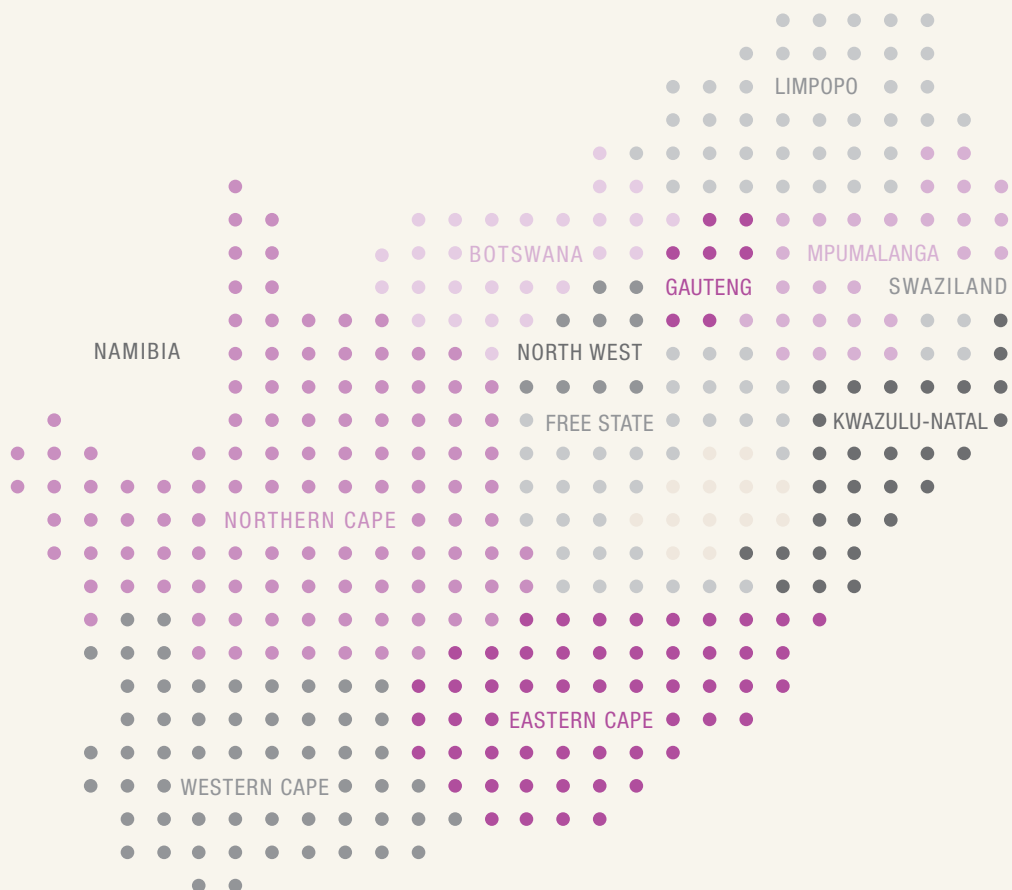
Group Property

* All divisions are wholly owned, with the exception of the external financial services division, in which The Standard Bank of South Africa Limited (SBSA) has a minority share.



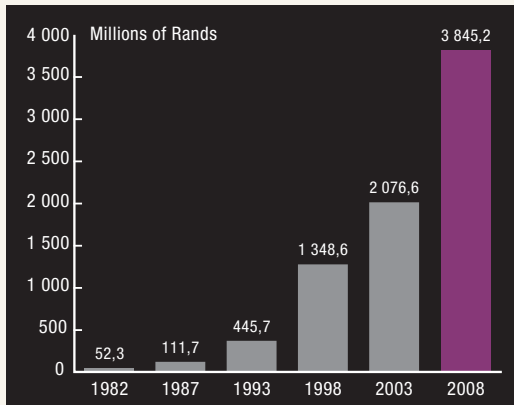
turnover and stores by geographic regions

Foschini Limited	2008		2007	
	Number of stores	Turnover Rm	Number of stores	Turnover Rm
Botswana	4	33,6	5	29,6
Eastern Cape	102	561,9	100	544,6
Free State	104	455,6	95	411,8
Gauteng	364	2 403,4	326	2 217,6
KwaZulu-Natal	153	945,2	149	905,3
Limpopo	89	420,5	86	389,6
Mpumalanga	92	410,4	95	387,7
Namibia	48	196,2	47	182,7
North West	75	215,9	75	329,1
Northern Cape	48	354,8	49	198,4
Swaziland	4	10,3	4	9,7
Western Cape	310	1 660,9	301	1 623,9
	1 393	7 668,7	1 332	7 230,0

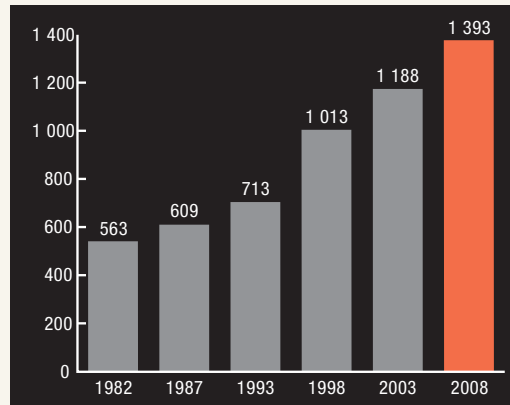




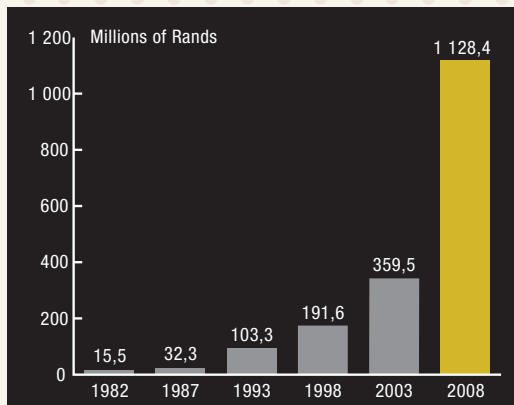
five yearly review 1982 – 2008



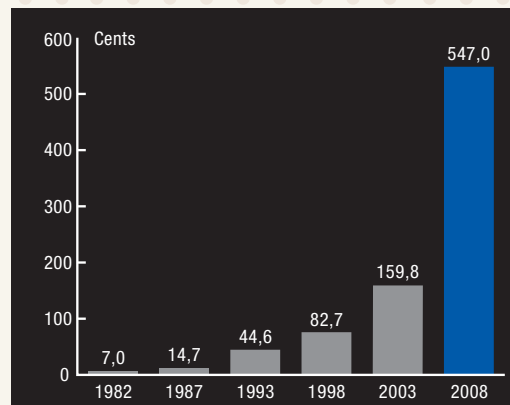
Equity attributable to equity holders of Foschini Limited



Number of stores



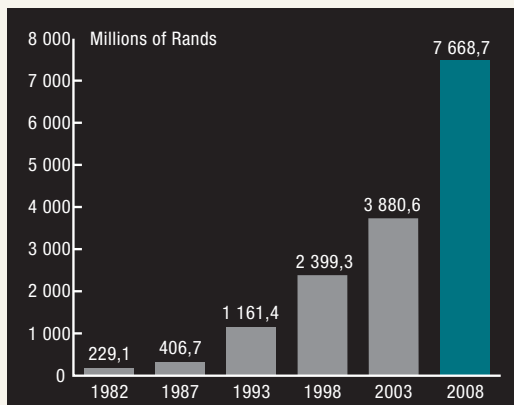
Attributable earnings



Earnings per share*

* Comparative figures have been restated in terms of the increased number of shares in issue resulting from sub-divisions and capitalisation issues. Where applicable, earnings are shown before extraordinary/exceptional items.

From 2000, earnings are based on the weighted average number of shares in issue.



Retail turnover

group statistics

Foschini Limited and its subsidiaries

Years ended	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
Profitability										
Retail turnover (Rm)	7 668,7	7 230,0	6 432,1	5 279,3	4 410,0	3 880,6	3 289,9	2 980,5	2 646,5	2 514,3
Operating profit before finance charges (Rm)	1 905,5	1 887,0	1 567,3	1 204,8	814,6	582,0	348,5	202,7	333,7	337,8
Profit attributable to equity holders of Foschini Limited (Rm)	1 128,4	1 119,2	986,9	767,0	516,9	359,5	199,9	116,0	233,3	211,2
Headline earnings (Rm)	1 128,4	1 119,2	986,9	767,0	523,4	364,8	203,0	119,1	233,3	211,2
Balance sheet										
Non-current assets (Rm)	2 171,8	2 160,4	1 536,5	1 497,9	1 096,6	754,7	965,5	1 107,7	805,6	800,8
Current assets (Rm)	4 902,6	4 623,3	4 311,8	3 422,1	2 794,1	2 630,6	2 120,6	1 781,3	1 797,2	1 517,6
Total assets (Rm)	7 074,4	6 783,7	5 848,3	4 920,0	3 890,7	3 385,3	3 086,1	2 889,0	2 602,8	2 318,4
Total shareholders' interest (Rm)	3 845,2	3 823,6	3 267,9	2 496,8	2 291,4	2 077,0	1 830,1	1 775,1	1 755,7	1 544,3
Minority interest (Rm)	290,9	181,3	88,9	16,0	10,1	5,1	8,6	–	–	–
Non-current liabilities (Rm)	846,5	1 282,4	1 064,2	1 038,6	554,5	514,7	625,2	599,3	376,2	324,7
Current liabilities (Rm)	2 091,8	1 496,4	1 427,3	1 368,6	1 034,7	788,5	622,2	514,6	470,9	449,4
Total equity and liabilities (Rm)	7 074,4	6 783,7	5 848,3	4 920,0	3 890,7	3 385,3	3 086,1	2 889,0	2 602,8	2 318,4
Cash flow statement										
Cash flows from operating activities (Rm)	(44,4)	99,3	(97,3)	86,7	289,9	288,3	121,4	66,1	159,0	271,9
Cash flows from investing activities (Rm)	(52,2)	(112,7)	51,5	(165,7)	(187,3)	(155,1)	(166,6)	(370,2)	43,6	(45,3)
Cash flows from financing activities (Rm)	90,9	20,0	72,1	86,0	(100,6)	(132,8)	46,7	352,2	(83,8)	(236,4)
Net (decrease) increase in cash (Rm)	(5,7)	6,6	26,3	7,0	2,0	0,4	1,5	48,1	118,8	(9,8)
Cash at the beginning of the year (Rm) #	69,1	62,5	36,2	29,2	27,2	26,8	175,3	127,2	8,4	18,2
Cash at the end of the year (Rm) #	63,4	69,1	62,5	36,2	29,2	27,2	176,8	175,3	127,2	8,4

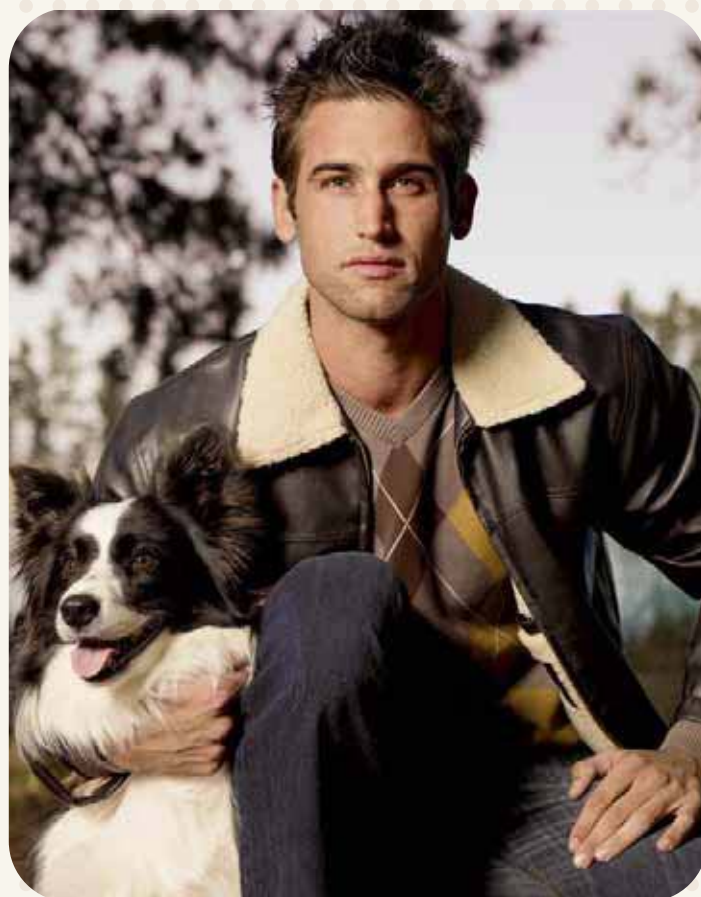
The figures from 1999 to 2002 comprise cash and cash equivalents, whereas those from 2003 onwards comprise cash only.

Performance measures/ratios										
Turnover growth (%)	6,1	12,4	21,8	19,7	13,6	18,0	10,4	12,6	5,3	4,8
Operating margin (%)	24,8	26,1	24,3	22,8	18,5	15,0	10,6	6,8	12,6	13,4
Debt equity ratio (%)	36,2	18,8	16,2	12,7	4,0	8,6	17,1	15,1	3,0	–
Total liabilities to shareholders' interest (times)	0,76	0,73	0,76	0,96	0,69	0,63	0,68	0,63	0,48	0,50
Current ratio (times)	2,3	3,1	3,0	2,5	2,7	3,3	3,4	3,5	3,8	3,4
Headline earnings per ordinary share (HEPS) (cents)*	547,0	534,2	463,0	359,6	237,1	162,2	87,9	50,1	100,1	91,2
Change in HEPS (%)	2,4	15,4	28,8	51,7	46,2	84,5	75,4	(50,0)	9,8	10,2
Dividends declared per ordinary share (DPS) (cents)	288,0	270,0	220,0	164,0	94,0	56,0	31,0	18,0	35,0	17,1
Tangible net asset value per ordinary share (cents)	1 862,7	1 789,4	1 523,4	1 165,0	1 039,1	917,8	803,4	731,6	752,9	667,0
Market capitalisation (Rm)	9 261,6	16 618,4	14 011,4	8 549,7	4 797,9	2 573,3	1 681,1	1 190,5	3 196,1	2 917,4

Notes

When an accounting policy has been changed, comparative figures have been restated in accordance with the new policy.

* Up to 1999, comparative figures were restated in terms of the increased number of shares in issue resulting from sub-divisions and capitalisation issues. From 2000, this figure has been calculated using the weighted average number of shares in issue, without restatement of prior year figures.



Foschini Limited and its subsidiaries

Years ended	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
Statistics										
Number of ordinary shares in issue (millions)	240,5	240,5	240,5	240,5	240,5	240,5	240,5	240,5	235,0	231,5
Number of ordinary shares on which headline earnings per share is calculated (millions)	206,3	209,5	213,1	213,3	220,7	224,9	231,0	237,9	233,2	231,5
Net number of ordinary shares on which net asset value per share is calculated (millions)	204,6	212,0	212,6	211,9	218,4	223,6	226,3	240,5	233,2	231,5
Number of stores	1 393	1 332	1 273	1 233	1 197	1 188	1 185	1 207	1 088	1 069
Floor area (gross square metres)	403 601	380 615	354 747	334 662	323 459	317 381	310 166	309 188	272 152	260 371



definitions

Credit transactions – RCS Group

Comprises all loan advances and card purchases for the year under review

Credit transactions – retail

VAT inclusive credit retail turnover and income from sundry credit services

Current ratio

Current assets divided by current liabilities

Debt equity ratio

Interest-bearing debt reduced by preference share investment and cash, expressed as a percentage of capital and reserves

Doubtful debt provision as a % of debtors' book

Provision for doubtful debts expressed as a percentage of gross receivables

Gross square metres

Comprises the total leased store area including stockrooms

Headline earnings

Net income attributable to ordinary shareholders adjusted for the effect, after tax, of exceptional items

Headline earnings per ordinary share

Headline earnings divided by the weighted average number of shares in issue for the year

LSM

Refers to the SAARF Universal Living Standards Measure which is a unique means of segmenting the South African market by dividing the population into 10 LSM groups, 1 (lowest) to 10 (highest).

Refer table below

Market capitalisation

The market price per share at the year-end multiplied by the number of ordinary shares in issue at the year-end

Net bad debt and provision movement

VAT-exclusive bad debts including provision movement, net of recoveries

Net bad debt write-off – retail

VAT-inclusive bad debts, net of recoveries and excluding movement in provision

Net bad debt write-off – RCS Group

VAT-exclusive bad debts, net of recoveries and excluding movement in provision

Net bad debt write-off as a % of credit transactions

Net bad debt write-off expressed as a percentage of credit transactions

Net bad debt write-off as a % of debtors' book

Net bad debt write-off expressed as a percentage of gross receivables

Same store

Stores which have traded for the full current and previous financial years out of the same trading area

Tangible net asset value per ordinary share

Total net asset value, after minorities, excluding goodwill and intangible assets, divided by the net number of ordinary shares in issue at the year-end

Operating margin

Operating profit before finance charges expressed as a percentage of retail turnover

SAARF Living Standards Measure (LSM)*	Population 2007	% Population 2003	% Population 2005	% Population 2006	% Population 2007	Average monthly household income (R) 2007
LSM 1	1 287 000	9,5	7,6	6,1	4,1	1 058
LSM 2	3 034 000	13,1	12,2	12,2	9,8	1 261
LSM 3	3 366 000	14,4	13,0	12,6	10,8	1 613
LSM 4	4 290 000	14,0	14,9	14,9	13,8	2 022
LSM 5	4 516 000	12,8	13,5	13,5	14,5	2 903
LSM 6	5 379 000	13,2	14,5	14,4	17,3	4 723
LSM 7	2 885 000	6,5	7,1	7,8	9,3	7 579
LSM 8	2 096 000	5,9	5,2	5,7	6,7	10 015
LSM 9	2 359 000	5,5	6,4	6,7	7,6	13 507
LSM 10	1 898 000	5,1	5,5	6,0	6,1	20 278

* Source: SAARF AMPS 2005 – 2007

directorate

executives



A D Murray (51)

o ^
BA, CA
Appointed in 2007
Joined the group in 1985



R Stein (58)

^
BComm, CA(SA)
Appointed in 1999
Joined the group in 1996

committees

Audit Committee

S E Abrahams (Chairman) • E Osrin • D M Nurek • N H Goodwin

Remuneration Committee

E Osrin (Chairman) • Prof. F Abrahams • D M Nurek • C J Ginsburg (Consultant)

Risk Committee

D M Nurek (Chairman) • E Osrin • D M Polak • R Stein • A D Murray

Nominations Committee

E Osrin (Chairman) • D M Nurek • S E Abrahams • A D Murray

Transformation Committee

E Osrin (Chairman) • Prof. F Abrahams • A D Murray • R Stein • G S Naidoo (Group Human Resources Director)

* Member of the Audit Committee

+ Member of the Remuneration Committee

Member of the Risk Committee

o Member of the Nominations Committee

^ Member of the Transformation Committee

non-executives



F Esrin (75)

*+ # 0 ^
Chairman
Appointed in 1978



D M Nurek (58)

*+ # 0
Deputy Chairman
Appointed in 1990
Also a director of Aspen Pharmacare Holdings Limited, Distell Group Limited, JCI Limited, Lewis Group Limited, New Clicks Holdings Limited, Randgold and Exploration Company Limited, Sun International Limited and Trencor Limited



S F Abrahams (69)

* 0
FCA, CA(SA)
Appointed in 1998
Also a director of Investec PLC, Investec Limited, Super Group Limited and Phumelela Gaming and Leisure Limited



Prof. F Abrahams (45)

+ ^
BEcon(Hons), MComm, DComm
Appointed in 2003
Also a director of Lewis Group Limited and New Clicks Holdings Limited



W V Cuba (53)

BSc(Survey), BSc(Info.Systems),
MBA
Appointed in 1998
Also a director of Mustek Limited and Kelly Group Limited



N H Goodwin (68)

*
Appointed in 1989



M Lewis (49)

BA(Econ) (Hons)
Appointed in 1989



D M Polak (59)

Appointed in 1996

operating board



B J Curry (46)

Managing Director – Foschinidata
Joined the group in 1988

H B Godfrey (53)

Managing Director – @home
Joined the group in 1994

M Mendelsohn (49)

Managing Director – Sports division
Joined the group in 1982

*D B Gedye (49) **

Managing Director – Markham
Joined the group in 1979
* appointed 1 May 2008

A R Bisogno (50)

Managing Director – Foschini division
Joined the group in 1978

A D Murray (51)

BA, CA
CEO
Joined the group in 1985

R Stein (58)

BComm, CA(SA)
Group Financial Director
Joined the group in 1996

executive management



S A Annenberg (47)

General Manager – Exact!
Joined the group in 1985

S F Fagle (49)

Managing Director – TFG Apparel
Supply Company
Joined the group in 1998

A Kleinman (49)

BSc, MBA
Managing Director – Jewellery division
Joined the group in 1984

K Westvig (37)

BBusSc
Managing Director – RCS Group
Joined the group in 1994

P S Meiring (52)

Managing Director – FG Financial Services
Joined the group in 1983

S S Naidoo (40)

BSocSc (Hons), MA(Ind.Psych.)
Group Human Resources Director
Joined the group in 2005