

WHL

**WOOLWORTHS HOLDINGS LIMITED
2014 NOTICE OF ANNUAL GENERAL MEETING AND ABRIDGED GROUP RESULTS
FOR THE YEAR ENDED 29 JUNE 2014**



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AVAILABILITY OF THE INTEGRATED REPORT

Copies of the Integrated Report for the year ended 29 June 2014 may be obtained from the registered office of the company, Woolworths House, 93 Longmarket Street, Cape Town 8001, during normal business hours from 13 October 2014 to and including 26 November 2014, or may be viewed on the company's website www.woolworthsholdings.co.za.

AVAILABILITY OF THE AUDITED FINANCIAL STATEMENTS

Copies of the audited financial statements for the year ended 29 June 2014 may be obtained from the registered office of the company, Woolworths House, 93 Longmarket Street, Cape Town 8001, during normal business hours from 13 October 2014 to and including 26 November 2014, or may be viewed on the company's website www.woolworthsholdings.co.za.

CHAIRMAN'S LETTER TO SHAREHOLDERS

Dear Shareholder

On behalf of the Board you are invited to attend the 2014 Annual General Meeting to be held at 10:00 in the Auditorium, 1st Floor, Woolworths House, 93 Longmarket Street, Cape Town 8001 on 26 November 2014.

This document contains the detailed notice of the Annual General Meeting and relevant supporting documentation to assist you in your deliberations for voting at the meeting. The notice of the meeting is accompanied by explanatory notes, setting out the effects of all the proposed resolutions in the notice.

Attendance at the Annual General Meeting will allow you the opportunity to meet and question members of the Board regarding the Group's performance for the year ended 29 June 2014.

If you are unable to attend the Annual General Meeting, I would urge you to complete and submit the proxy form according to the instructions and return it to the address highlighted on the form.

We will again this year take all votes by way of a poll and shareholders present or represented by proxy will be entitled to votes equal to the number of shares held by such shareholder.

In addition to the routine business, I would like to highlight the following:

RE-ELECTION OF DIRECTORS RETIRING BY ROTATION

In line with our Memorandum of Incorporation, one-third of all directors are required to retire at the Annual General Meeting. The following directors will retire and offer themselves for re-election: Zarina Bassa, Stuart Rose and Simon Susman.

A formal assessment of the independence and performance of each of the retiring non-executive directors was carried out by the Nominations committee and in the case of Simon Susman reviewed by the Lead Independent Director. Zarina Bassa and Stuart Rose are considered to be independent and their performance is such that the committee supports their re-election.

Simon Susman previously held the position of Group Chief Executive Officer up until November 2010 and was classified as a non-independent director on his appointment as Chairman of the Board. Simon holds a sizeable shareholding in WHL shares which were considered material to his overall wealth. Over the past few years, Simon has diversified his share portfolio by selling WHL shares and at the end of June holds 5.5 million shares directly and indirectly held in the company.

King III principles state that it is preferable for a three-year cooling off period for a chief executive officer after which a director may be considered independent. International governance practice considers a five-year cooling off period more acceptable. Giving consideration to both King III and international governance practice and the number of WHL shares Simon Susman continues to hold, the Board believes it is appropriate for him to be classified as a non-independent director. The Board supports Simon Susman as a director and Chairman of the Board. The Lead Independent Director role, a position held by Tom Boardman, will continue to be in place to assist the Board in matters should a conflict of interest arise.

Mike Leeming and Chris Nissen have both served on the Board for ten years. Chris Nissen will retire from the Board at the conclusion of the Annual General Meeting. His contribution to the Board has been significant in overseeing the transformation process over the last ten years. The Board, at its discretion, has agreed to extend the tenure of Mike Leeming for an additional year. With the acquisition of David Jones, the Board has considered it necessary to maintain the continuity of the chairman of the Audit committee over the integration period of the acquisition. The Nominations committee is satisfied that Mike is independent.

ELECTION OF DIRECTORS APPOINTED SINCE THE LAST ANNUAL GENERAL MEETING

The Board made three new appointments since the last Annual General Meeting: Sam Ngumeni was appointed as an Executive Director on 12 February 2014 and Hubert Brody and Nombulelo Moholi were appointed as Independent Non-executive Directors on 1 July 2014.

In line with the JSE requirements and the Memorandum of Incorporation (MOI), these directors must stand for election by shareholders at this Annual General Meeting.

The Board is very pleased to have the skills, competencies and experience these directors bring and they will add significant value to the company. Hubert's appointment to the Audit committee is subject to shareholder approval in resolution 5.3. The brief biographies for these directors are included on pages 26 to 28 of the explanatory notes.

NON-EXECUTIVE DIRECTORS' FEES

The Board has considered the King III recommendation that non-executive directors' fees should comprise a base fee and an attendance fee per meeting. It is the Board's continuing belief that the fees paid to non-executives should recognise the responsibilities of the directors to provide input on an on-going basis throughout the year and not just confined to attendance at meetings. The Remuneration committee recommends an annual fee structure and has proposed an average increase of 8% to the fees. The fees were benchmarked with appropriate JSE listed companies. The details per committee are set out on page 24.

AMENDMENT TO AUTHORISED ORDINARY SHARE CAPITAL

At the general meeting held on 17 June 2014, the ordinary shares were converted from par value of 0.15 cents each to shares of no par value. In addition, the authorised ordinary share capital was increased by 11 billion ordinary shares. This was done in order to facilitate the rights offer. The terms of the rights offer were not known at that date and therefore flexibility was required to allow for the potential creation of more than 30% of our issued ordinary share capital. The terms of the rights offer have been determined and the number of shares which will be listed in order to fulfil the rights offer are known. Therefore it is appropriate we reduce the number of authorised shares to a more customary level. Special resolution 2 reduces the number from 12.4 billion shares to 2.4 billion shares.

Shareholder approval is also required to amend the MOI to reflect this, and special resolution 3 has been proposed for this purpose.

QUESTIONS

You are welcome to forward any questions you would like to address to the members of the Board, if unable to attend the meeting. You can send your questions to the Group Secretary at ThobekaSishuba-Mashego@woolworths.co.za and they will be answered on the day of the meeting.

All questions should be sent by 10 November 2014.



Simon Susman
Chairman

FINANCIAL HIGHLIGHTS
ON A 52:52 WEEK BASIS

REVENUE %

+14.4%

ADJUSTED PROFIT BEFORE TAX

+20.1%

HEADLINE EARNINGS PER SHARE

+9.0%

ADJUSTED HEADLINE EARNINGS PER SHARE

+17.1%

RETURN ON EQUITY

46.7%

REVIEW OF OPERATIONS

In line with industry practice, the Group operates on a 52-week retail calendar basis. To realign the calendar, the 2013 financial year included a 53rd week and the Group's earnings were approximately 2.0% higher last year as a result of this additional week. To aid comparison this commentary is based on pro-forma 52-week financial information for the prior period.

Group sales for the 52 weeks to 29 June 2014 increased 14.4% and adjusted profit before tax increased 20.1%. Headline earnings per share ("HEPS") increased by 9.0% to 365.2 cents per share and adjusted HEPS ("aHEPS") grew 17.1% to 398.0 cents per share. aHEPS excludes transaction costs of R182 million relating to the acquisition of David Jones Limited and the minority interest in Country Road Limited and the net impact of unrealised foreign exchange losses of R139 million – all stated before tax. June 2013 adjustments included transaction and integration costs of R77 million relating to the Witchery Group acquisition, unrealised foreign exchange gains of R67 million and store restructuring costs of R43 million (all stated before tax).

Earnings per share ("EPS") increased 10.5% to 367.3 cents.

WOOLWORTHS

CLOTHING AND GENERAL MERCHANDISE ("C&G M")

C&G M sales grew 9.0%. South African clothing sales (including Country Road Group's sales in South Africa) grew ahead of the market by 10.6% with a price movement of 8.8% with clothing sales in comparable stores growing 8.6% and general merchandise growing 7.1% (4.2% in comparable stores). Africa also performed well with the acquisition of the former franchise operations in Botswana, Namibia, Swaziland and Ghana adding scale to our operations in the sub-Saharan region.

Gross profit margin in C&G M grew 0.3% to 46.7% with sourcing gains offset to a degree by higher investment in entry price points and in-season promotions. Adjusted profit before tax grew 11.7% and return on sales increased 0.4% to 17.6%.

Store costs increased 12.6% with the addition of 4.0% of net footage. Other operating costs (excluding the impact of unrealised foreign exchange movements and last year's restructuring costs) were well controlled, growing by just 2.5%.

FOOD

Food sales grew ahead of the market at 14.8% with price movement of 7.9%. Our bigger store 'Supermarket' strategy continues to perform well and is encouraging our customers to complete their shop and spend more with us. Sales in comparable stores grew by 10.7%. Gross profit margin reduced 0.3% to 25.3% as a result of investment in price and increased promotions. Adjusted profit before tax grew 20.7% and return on sales improved 0.3% to 6.4%.

Store costs increased 12.6% with the addition of 8.1% net footage. Other operating costs (excluding the impact of unrealised foreign exchange movements and last year's restructuring costs) were well controlled, growing by 7.5%.

COUNTRY ROAD GROUP

With the inclusion of the Witchery Group for the full period (compared to three-quarters in the prior period) sales increased 20.3% in Australian dollar terms. Sales in comparable stores increased 8.0% and net space (excluding the acquisition) increased by 4.2% in Australasia. The launch of Witchery and Mimco in South Africa was well received and presents a significant new opportunity for growth of these premium brands.

Gross margins were maintained and operating costs were well controlled, resulting in a 46.9% increase in adjusted profit before tax from A\$64 million to A\$94 million. Earnings before interest and tax ("EBIT") margin increased by 2.0% to 11.5% and return on equity increased by 0.2% to 30.4%.

WOOLWORTHS FINANCIAL SERVICES

The business experienced growth in the average debtors book of 13.7%, with the impairment rate (including collection costs) increasing to 4.8% (June 2013: 3.0%), well below industry averages. Net interest income grew 17.7% with non-interest revenue up 13.2%. Operating costs were well controlled, up 7.2%. Profit before tax was flat as a result of the higher impairment charge although return on equity remains above the targeted 22.0% at 24.3% (June 2013: 27.6%).

OUTLOOK

On 1st August 2014 the acquisition of David Jones Limited ("David Jones") was completed, transforming the business into a leading southern hemisphere retailer with combined revenue of R58 billion from over 1150 stores across 15 countries. The Group's enlarged scale will drive sourcing economies, improving value for the customer and increasing overall profitability. The key initiatives are expected to deliver synergies of at least R1.3 billion (A\$130 million) per annum by year five.

Subsequent to the year end, we also acquired the 12% minority interests of the Country Road Group that we did not already own. This acquisition allows us to extract further benefits from the combination of services across our two wholly owned Australian subsidiaries.

We believe that economic conditions in South Africa will remain constrained, especially in the lower and middle income segments of the market where consumer debt levels remain under pressure. However the upper income segment in which we operate continues to show resilience. Trading for the first eight weeks of the new financial year has been positive.

In Australia, where consumer confidence remains cautious, there are signs of an improved retail market and we expect sales to be ahead of the market.

Any reference to future financial performance included in this statement has not been reviewed and reported on by the company's external auditors and does not constitute an earnings forecast.

REVIEW OF OPERATIONS (CONTINUED)

CHANGES TO THE BOARD OF DIRECTORS

After serving ten years as a Non-executive Director and Chairman of the Social and Ethics committee, Chris Nissen will retire from the Board at the conclusion of the November 2014 Annual General Meeting. His contribution to the Board has been significant in overseeing the successful implementation of the transformation process and the establishment of the Social and Ethics committee. The Board expresses its gratitude to Chris for his contribution to the business.

Other changes to the board of directors announced during the year were as follows:

Norman Thomson retired and Lindiwe Bakoro resigned from the Board at the conclusion of the Annual General Meeting on 26 November 2013 and Reeza Isaacs was appointed to the Board as Finance Director on the same date. Sam Ngumeni, the Group's Chief Operating Officer was appointed to the Board on 12 February 2014 and both Hubert Brody and Nambulelo Moholi were appointed to the Board as Non-executive Directors on 1 July 2014.

DIVIDEND

The directors declared a final gross cash dividend of 150.5 cents (127.9 cents net of dividend withholding tax) per ordinary share for the 52 weeks ended 29 June 2014. The dividend has been declared from income reserves and a dividend withholding tax of 15% was applicable to all shareholders who are not exempt. The company had no STC credits to be utilised to offset the 15% dividend withholding tax.

The dividend was paid on Monday, 15 September 2014.

A final gross cash dividend of 150.5 cents (127.9 cents net of dividend withholding tax) per preference share for the 52 weeks ended 29 June 2014 was paid to the beneficiaries of the Woolworths Employee Share Ownership Scheme on Monday, 15 September 2014.



ABRIDGED GROUP RESULTS

GROUP STATEMENT OF COMPREHENSIVE INCOME		52 weeks to 29 June 2014 Rm	Restated* 53 weeks to 30 June 2013 Rm	% change
	Notes			
Revenue		39 944	35 399	12.8
Turnover		39 707	35 227	12.7
Cost of sales		24 209	21 674	11.7
Gross profit		15 498	13 553	14.4
Other revenue		125	115	8.7
Expenses		11 680	10 199	14.5
Store costs	10.3	7 614	6 639	14.7
Other operating costs	10.3	4 066	3 560	14.2
Operating profit		3 943	3 469	13.7
Investment income		112	57	96.5
Finance costs		136	68	100.0
Profit before earnings from joint ventures and associate		3 919	3 458	13.3
Earnings from joint ventures		181	180	0.6
Earnings from associate		4	9	(55.6)
Profit before tax		4 104	3 647	12.5
Tax		1 114	1 009	10.4
Profit for the year		2 990	2 638	13.3
Other comprehensive income:				
Amounts that may be reclassified to profit or loss				
Net fair value adjustments on financial instruments, after tax		(182)	88	
Exchange differences on translation of foreign subsidiaries		177	92	
Amounts that may not be reclassified to profit or loss				
Post-retirement medical benefit liability-actuarial (loss)/gain, after tax	10.1	(6)	22	
Other comprehensive income for the year		(11)	202	
Total comprehensive income for the year		2 979	2 840	
Profit attributable to:				
Shareholders of the parent		2 990	2 638	
Non-controlling interests		2 888	2 597	
Total comprehensive income attributable to:		102	41	
Shareholders of the parent		2 979	2 840	
Non-controlling interests		2 868	2 770	
		111	70	
Reconciliation of headline earnings				
Earnings attributable to shareholders of the parent		2 888	2 597	11.2
BEE preference dividend		103	62	66.1
Basic earnings		2 785	2 535	9.9
(Profit)/loss on disposal of property, plant and equipment, intangible assets and investment properties		(35)	15	
Net impairment of property, plant and equipment and intangible assets		16	12	
Tax impact of adjustments		3	(8)	
Headline earnings		2 769	2 554	8.4
Abnormal foreign exchange related loss/(gain)		139	(67)	
Transaction and integration costs		182	77	
Restructuring costs		-	43	
Tax impact of adjustments		(72)	(15)	
Adjusted headline earnings		3 018	2 592	16.4
Earnings per share (cents)	2	367.3	337.9	8.7
Headline earnings per share (cents)		365.2	340.4	7.3
Adjusted headline earnings per share (cents)		398.0	345.5	15.2
Diluted earnings per share (cents)		362.7	331.3	9.5
Diluted headline earnings per share (cents)	2	360.6	333.8	8.0
Adjusted diluted headline earnings per share (cents)		393.0	338.7	16.0
Number of shares in issue (millions)		759.5	753.4	0.8
Weighted average number of shares in issue (millions)		758.2	750.3	1.1

* Certain comparative amounts shown do not correspond to the 2013 Annual Financial Statements and reflect adjustments made. Refer to note 10.

GROUP STATEMENT OF FINANCIAL POSITION

	Notes	At 29 June 2014 Rm	Restated** At 30 June 2013 Rm	Restated** At 25 June 2012 Rm
ASSETS				
Non-current assets				
Property, plant and equipment	3	8 192	6 773	5 015
Investment properties		3 404	2 683	2 225
Intangible assets	3	115	43	106
Investment in associate		2 946	2 440	1 219
Investment in joint ventures		2	60	51
Prepaid employment costs		799	713	616
Participation in export partnerships		–	–	13
Other loans		30	38	49
Deferred tax		106	83	89
		790	713	647
Current assets				
Inventories		14 077	5 367	5 054
Trade and other receivables		3 436	2 901	2 216
Derivative financial instruments		1 067	668	631
Tax		23	211	41
Cash and cash equivalents		9	5	1
		9 542	1 582	2 165
Non-current assets held for sale				
	9	–	63	–
TOTAL ASSETS				
		22 269	12 203	10 069
EQUITY AND LIABILITIES				
TOTAL EQUITY				
Equity attributable to shareholders of the parent	13	6 952	5 937	4 583
Non-controlling interests		6 629	5 652	4 476
		323	285	107
Non-current liabilities				
Interest-bearing borrowings		1 918	1 890	1 190
Operating lease accrual		623	705	25
Post-retirement medical benefit liability	10.1	614	487	457
Deferred tax		349	338	348
		332	360	360
Current liabilities				
Trade and other payables		13 399	4 376	4 296
Provisions		4 625	3 837	3 172
Derivative financial instruments		361	297	230
Tax		185	8	16
Interest-bearing borrowings		189	107	368
		8 039	127	510
TOTAL LIABILITIES				
		15 317	6 266	5 486
TOTAL EQUITY AND LIABILITIES				
		22 269	12 203	10 069
Net asset book value – per share (cents)				
		873	750	600
GROUP ANALYSIS				
Total assets				
Woolworths*		22 269	12 203	10 069
Country Road Group		8 986	7 507	6 972
Woolworths Treasury		4 500	3 901	1 156
Woolworths Financial Services		7 989	87	1 326
		794	708	615
Inventories				
Woolworths*		3 436	2 901	2 216
Country Road Group		2 433	2 200	1 835
		1 003	701	381
Total liabilities				
Woolworths*		15 317	6 266	5 486
Country Road Group		4 871	4 395	4 529
Woolworths Treasury		2 355	1 871	457
		8 091	–	500
Approved capital commitments				
Woolworths*		26 445	2 063	1 216
Country Road Group		1 786	1 703	1 043
Acquisition of David Jones Limited		955	360	173
Acquisition of Country Road Group non-controlling interests		21 604	–	–
		2 100	–	–

* Includes Woolworths Clothing and General Merchandise, Woolworths Food and Woolworths Logistics.

** Certain comparative amounts shown do not correspond to the 2013 Annual Financial Statements and reflect adjustments made. Refer to note 10.

ABRIDGED GROUP RESULTS (CONTINUED)

GROUP STATEMENT OF CASH FLOWS	Notes	52 weeks to 29 June 2014 Rm	Restated* 53 weeks to 30 June 2013 Rm
Cash flow from operating activities			
Cash inflow from trading		5 375	4 450
Working capital movements		(407)	(196)
Cash generated by operating activities		4 968	4 254
Interest income		104	48
Finance costs paid		(106)	(63)
Tax paid		(1 047)	(1 140)
Cash generated by operations		3 919	3 099
Dividends received from joint ventures		95	83
Dividends received from associate		62	–
Dividends to ordinary shareholders		(1 969)	(1 578)
Dividends to preference shareholders		(103)	(62)
Net cash inflow from operating activities		2 004	1 542
Cash flow from investing activities			
Net investment in property, plant and equipment, intangible assets and investment property		(1 314)	(781)
Acquisition of subsidiary, net of cash acquired		–	(1 490)
Acquisition of franchise operations	4	(396)	(67)
Other		18	26
Net cash outflow from investing activities		(1 692)	(2 312)
Cash flow from financing activities			
Shares repurchased	5	(71)	(192)
Share repurchase costs		(1)	(1)
Finance lease payments		(46)	(15)
Borrowings raised		55	872
Borrowings repaid		(94)	(607)
Costs associated with debt and equity raising		(169)	–
Acquisitions - non-controlling interest contribution		–	108
Net cash (outflow)/inflow from financing activities		(326)	165
Decrease in cash and cash equivalents		(14)	(605)
Net cash and cash equivalents at the beginning of the year		1 582	2 165
Effect of foreign exchange rate changes		98	22
Net cash and cash equivalents at the end of the year		1 666	1 582
GROUP ANALYSIS			
Cash inflow from trading		5 375	4 450
Woolworths		4 329	3 512
Country Road Group		1 046	938
Additions to property, plant and equipment, intangible assets and investment property (gross)		1 939	2 313
Woolworths		1 552	788
Country Road Group		387	1 525

* Certain comparative amounts shown do not correspond to the 2013 Annual Financial Statements and reflect adjustments made. Refer to note 10.

GROUP STATEMENT OF CHANGES IN EQUITY

		Total				Restated Total	
Notes	Share- holders of the parent Rm	Non- controlling interests Rm	52 weeks to 29 June 2014 Rm	Share- holders of the parent Rm	Non- controlling interests Rm	53 weeks to 30 June 2013 Rm	
Shareholders' interest at the beginning of the year as previously reported	5 652	285	5 937	4 465	107	4 572	
Post-retirement medical benefit liability restatement	10.1	–	–	(9)	–	(9)	
Consolidation of trust	10.2	–	–	20	–	20	
Shareholders' interest at the beginning of the year as restated	5 652	285	5 937	4 476	107	4 583	
Movements for the year:							
Profit for the year		2 888	102	2 990	2 597	41	2 638
Other comprehensive income	10	(20)	9	(11)	173	29	202
Total comprehensive income for the year		2 868	111	2 979	2 770	70	2 840
Shares issued	5	246	–	246	337	–	337
Shares repurchased	5	(60)	–	(60)	(192)	–	(192)
Share repurchase costs		(1)	–	(1)	(1)	–	(1)
Dividends to shareholders		(1 999)	(73)	(2 072)	(1 640)	–	(1 640)
Share-based payments		169	–	169	239	–	239
Settlement of share-based payments through share issue	5	(246)	–	(246)	(337)	–	(337)
Non-controlling interest arising on business acquisitions		–	–	–	–	108	108
Shareholders' interest at the end of the year	6 629	323	6 952	5 652	285	5 937	
Dividend per ordinary share (cents)			251.5			234.0	
Dividend cover (based on headline earnings per share)			1.4			1.4	
Dividend per preference share (cents)			251.5			207.0	

ABRIDGED GROUP RESULTS (CONTINUED)

SEGMENTAL ANALYSIS	52 weeks to 29 June 2014 Rm	53 weeks to 30 June 2013 Rm	% change
Revenue			
Turnover	39 707	35 227	12.7
Woolworths Clothing and General Merchandise	11 505	10 764	6.9
Woolworths Food	19 694	17 469	12.7
Woolworths Logistics	418	561	(25.5)
Country Road Group	8 090	6 433	25.8
Other revenue and investment income	237	172	37.8
Woolworths Clothing and General Merchandise	18	14	28.6
Woolworths Food	73	74	(1.4)
Country Road Group	55	45	22.2
Woolworths Treasury	91	39	>100
Total Group	39 944	35 399	12.8
Gross profit			
Woolworths Clothing and General Merchandise	5 373	4 994	7.6
Woolworths Food	4 983	4 475	11.4
Woolworths Intragroup	133	100	33.0
Country Road Group	5 009	3 984	25.7
Total Group	15 498	13 553	14.4
Profit before tax-adjusted			
Woolworths Clothing and General Merchandise	2 029	1 856	9.3
Woolworths Food	1 259	1 060	18.8
Country Road Group	891	588	51.5
Woolworths Financial Services	181	180	0.6
Woolworths Treasury	15	16	(6.3)
Total Group – adjusted	4 375	3 700	18.2
Adjustments	(271)	(53)	
Profit on sale of investment properties	50	–	
Abnormal foreign exchange related (loss)/gain	(139)	67	
Transaction and integration costs	(182)	(77)	
Restructuring costs	–	(43)	
Profit before tax	4 104	3 647	12.5

NOTES

1. BASIS OF PREPARATION

These abridged Group Annual Financial Statements comply with IAS 34 Interim Financial Reporting.

Accounting policies used in the abridged Group Annual Financial Statements are consistent with the prior year, except for the changes in accounting policies disclosed in note 10, and are the same as those used to prepare the Group Annual Financial Statements. They have been prepared in compliance with International Financial Reporting Standards (IFRS) and interpretations adopted by the International Accounting Standards Board (IASB), South African Institute of Chartered Accountants (SAICA) and the Financial Reporting Standards Committee (FRSC), and the Companies Act of South Africa. The abridged Group Annual Financial Statements have been prepared under the supervision of the Group's Finance Director, Reeza Isaacs, CA(SA) and are the full responsibility of the directors.

2. EARNINGS PER SHARE

The difference between earnings per share and diluted earnings per share is due to the impact of unexercised options under the Group's share incentive schemes.

3. PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

During the financial year, the Group acquired property, plant and equipment at a cost of R1 338 million (2013: R937 million) and acquired intangible assets (including goodwill) at a cost of R601 million (2013: R1 376 million). This includes acquisitions related to business combinations (refer to note 4), as well as an R8 million goodwill adjustment arising from the finalisation of the business combination accounting for the acquisition of the Witchery Group.

4. ACQUISITION OF FRANCHISE OPERATIONS

During the year, the Group acquired nine previously franchised stores in South Africa and 33 in the rest of Africa, for a total purchase consideration of R425 million. In the prior year, eight previously franchised stores in the rest of Africa were acquired for a total purchase consideration of R67 million.

	2014 Rm	2013 Rm
Fair value of assets acquired at the date of acquisition		
Property, plant and equipment	18	13
Reacquired rights	67	–
Deferred tax liability	(19)	–
Goodwill arising on acquisition	359	54
Consideration	425	67
Amount payable	(29)	–
Cash outflow	396	67

Goodwill of R359 million (2013: R54 million) comprises the fair value of intangible assets that do not qualify for separate recognition, and represents growth and synergies expected to accrue from the acquisitions.

From the dates of acquisitions, R105 million of additional revenue has accrued, with no impact on profit before tax.

Had the acquisitions been effective from the beginning of the year, the directors consider that, on a pro-forma basis, the contribution to revenue for the 52 weeks ended 29 June 2014 would have been a further R99 million, with no impact on profit before tax.

NOTES (CONTINUED)

5. ISSUE AND REPURCHASE OF SHARES

During the year, 4 361 450 (2013: 7 265 192) ordinary shares totalling R246 million (2013: R337 million) were issued and allocated to employees and 723 060 (2013: 2 710 328) ordinary shares were purchased from the market and transferred to employees at a net cost of R52 million (2013: R151 million) in settlement under the Group's share incentive schemes.

288 026 (2013: 623 011) ordinary shares totalling R19 million (2013: R41 million) were purchased from the market by Woolworths (Proprietary) Limited and are held as treasury shares by the Group. 1 904 651 (2013: 1 066 402) ordinary shares totalling R46 million (2013: R23 million) were allocated to employees in terms of the Group's Restricted Share Plan.

6. CONTINGENT LIABILITIES

Group companies are party to legal disputes and investigations that have arisen in the ordinary course of business. Whilst the outcome of these matters cannot readily be foreseen, the directors do not expect them to have any material financial effect.

7. BORROWING FACILITIES

Unutilised banking facilities amounted to R3 181 million (2013: R3 025 million). There is no limit imposed by the Memorandum of Incorporation on the Group's authority to raise interest-bearing debt.

8. RELATED PARTY TRANSACTIONS

During the year the Group entered into related party transactions, the substance of which is similar to those explained in the Group's Annual Financial Statements.

9. NON-CURRENT ASSETS HELD FOR SALE

Two fixed properties, previously disclosed as non-current assets held for sale (within the Woolworths segment) were sold in the current financial year for R110 million.

	2014 Rm	2013 Rm
Investment properties	–	63
Non-current assets held for sale	–	63

10. CHANGE IN ACCOUNTING POLICY AND RESTATEMENT OF COMPARATIVE FIGURES

10.1 POST-RETIREMENT MEDICAL BENEFIT LIABILITY-ACTUARIAL (LOSS)/GAIN

In terms of the revised IAS 19: Employee Benefits, comparative figures have been restated to recognise actuarial gains and losses in other comprehensive income. The opening balance of the post-retirement medical benefit liability as at 25 June 2012 has been restated by R13 million (from R335 million as previously reported, to R348 million) and the liability as at 30 June 2013 has been further restated by R18 million (from R356 million as previously reported, to R338 million) representing the net gain during the 2013 financial year. As a result, the opening balance of the deferred tax asset as at 25 June 2012 has been restated by R4 million (from R 643 million as previously reported, to R647 million) and has been further restated at 30 June 2013 by R5 million (from R718 million as previously reported, to R713 million). The adjustments have no impact on earnings per share or headline earnings per share. The Group's policy is to perform an annual valuation at the end of the financial year.

10.2 CONSOLIDATION OF TRUST

In terms of IFRS 10: Consolidated Financial Statements, the Woolworths Trust, which was not previously consolidated, is now included as part of the Group. The consolidation resulted in a restatement of cash and equity at 25 June 2012 by R20 million, representing the net assets of the Woolworths Trust. There has been no movement in the net assets of the Trust for the financial year ending 30 June 2013, and no impact on previously reported earnings per share or headline earnings per share.

10.3 RECLASSIFICATION OF COMPARATIVE FIGURES

Marketing and administration expenses totalling R189 million previously disclosed in store costs have been included in other operating costs.

The adoption of other new standards becoming effective in the current year resulted in minor changes to accounting policies, which did not have a material impact on the financial position or performance of the Group.

11. APPROVAL OF ABRIDGED GROUP ANNUAL FINANCIAL STATEMENTS

The abridged Group Annual Financial Statements were approved by the board of directors on 27 August 2014.

12. EVENTS SUBSEQUENT TO THE REPORTING DATE

ACQUISITION OF DAVID JONES LIMITED

On 1 August 2014, Woolworths Holdings Limited ("WHL"), through its subsidiaries, Osiris Holdings Proprietary Limited and Vela Investments Proprietary Limited, acquired all of the ordinary shares of David Jones Limited ("David Jones") for a total value of R21.4 billion (A\$2.1 billion).

The acquisition was funded via a combination of cash on hand and South African Senior Debt Facilities of R10 billion, a A\$264 million (R2.5 billion) Australian Senior Debt Facility and a R9 billion Equity Bridge Facility. The Equity Bridge Facility will be repaid out of the proceeds of an underwritten, renounceable rights offer by WHL, expected to commence during September 2014.

ASSETS ACQUIRED AND LIABILITIES ASSUMED

WHL has measured David Jones' identifiable assets and liabilities at their acquisition-date fair value. The provisional values are presented below:

	Rm	A\$m
Non-current assets	11 164	1 121
Property, plant and equipment	9 972	1 002
Intangible assets	561	56
Deferred tax assets	631	63
Current assets	2 818	283
Inventories	2 309	232
Trade and other receivables	297	30
Tax	123	12
Cash and cash equivalents	89	9
Non-current liabilities	(854)	(86)
Long term provisions	(127)	(13)
Operating lease accrual	(243)	(24)
Deferred tax liability	(484)	(49)
Current liabilities	(4 122)	(415)
Trade and other payables	(2 951)	(297)
Provisions	(237)	(24)
Derivative financial instruments	(7)	(1)
Interest-bearing borrowings	(927)	(93)
Total identifiable net assets at fair value	9 006	903
Goodwill arising from acquisition	12 598	1 246
Purchase consideration	21 604	2 149
Loss on hedging instrument	221	–
Purchase consideration transferred	21 383	2 149
Cash and cash equivalents acquired	(89)	(9)
Cash outflow on acquisition	21 515	2 140

NOTES (CONTINUED)

Intangible assets arising from the acquisition of R12.6 billion comprise goodwill and the David Jones brand. Goodwill represents the value paid in excess of the provisional fair value of net assets (including the brand) and consists largely of synergies and economies of scale expected from strategic product and customer initiatives. Transaction costs, excluding debt commitment fees and raising costs, are estimated at R347 million. These include R182 million already expensed.

The fair values currently presented are provisional and as a result, all the required disclosures have not been included. These are subject to further review for a period of up to one year from the acquisition date, as prescribed by International Financial Reporting Standards. The Australian dollar values have been translated at the closing exchange rate at 1 August 2014 of A\$1:R9.95.

ACQUISITION OF NON-CONTROLLING INTERESTS IN SUBSIDIARIES

Country Road Limited

After the year end the Group also acquired the remaining 12.12% shares in Country Road Limited ("Country Road") for a cash consideration of A\$213 million (R2.1 billion). As a wholly owned subsidiary within the Group, Country Road will be delisted from the Australian Securities Exchange (ASX). Given its role in realising a substantial part of the synergy benefits arising from the acquisition of David Jones, achieving full ownership of Country Road was a logical next step and in line with the Group's longstanding desire to acquire 100% ownership. The acquisition was funded through new debt facilities raised from Australian banks.

The excess of the purchase price over the carrying value of the related non-controlling interest in Country Road, estimated at R1.9 billion, will be accounted for in retained profit.

Woolies (Zambia) Limited

On 29 July 2014, WHL concluded terms to acquire the remaining 49% shareholding in Woolies (Zambia) Limited not already owned by the WHL Group for a total cash consideration of R29 million.

Acquisition of franchise operations

Agreements to purchase a further four stores totalling R32 million are effective from dates subsequent to this report.

13. CONVERSION TO STATED CAPITAL

In terms of the Companies Act of South Africa and schedule 26 of the JSE Listing Requirements, WHL applied to amend the company's listing to reflect a conversion of the company's ordinary shares from par value ordinary shares to shares of no par value and to increase the company's authorised share capital by 11 000 million ordinary shares of no par value. This change was effective from 18 June 2014.

The authorised share capital of the company before and after the conversion and increase in authorised share capital is as follows:

Before the conversion and increase:

1 410 600 000 authorised ordinary shares of 0.15 cents each and 89 400 000 unlisted authorised preference shares of 0.15 cents each.

After the conversion and increase:

12 410 600 000 authorised ordinary shares of no par value and 89 400 000 unlisted authorised preference shares of 0.15 cents each.

14. AUDIT OPINION

These abridged Group Annual Financial Statements have not been audited but have been correctly extracted from the audited Group Annual Financial Statements, upon which EY have issued an unqualified report that is available for inspection at the company's registered office.

15. IMPACT OF THE 53RD WEEK IN THE PRIOR YEAR

In line with industry practice, the Group operates on a 52-week retail calendar basis. To realign the calendar, the 2013 financial year included a 53rd week and the Group's earnings were approximately 2.0% higher last year as a result of this additional week. To aid comparison, this commentary is based on pro-forma 52-week financial information for the prior period.

GROUP STATEMENT OF COMPREHENSIVE INCOME	52 weeks to 29 June 2014 Audited Rm	Restated 53 weeks to 30 June 2013 Audited Rm	53rd week adjustments Rm	Restated 52 weeks to 23 June 2013 Pro-forma Rm	Change on prior period 53 weeks %	Change on prior period 52 weeks %
Turnover	39 707	35 227	(532)	34 695	12.7	14.4
Cost of sales	24 209	21 674	(347)	21 327	11.7	13.5
Gross profit	15 498	13 553	(185)	13 368	14.4	15.9
Other revenue	125	115	-	115	8.7	8.7
Expenses	11 680	10 199	(128)	10 071	14.5	16.0
Store costs	7 614	6 639	(81)	6 558	14.7	16.1
Other operating costs	4 066	3 560	(47)	3 513	14.2	15.7
Operating profit	3 943	3 469	(57)	3 412	13.7	15.6
Investment income	112	57	-	57	96.5	96.5
Finance costs	136	68	-	68	100.0	100.0
Profit before earnings from joint ventures and associate	3 919	3 458	(57)	3 401	13.3	15.2
Earnings from joint ventures	181	180	-	180	0.6	0.6
Earnings from associate	4	9	-	9	(55.6)	(55.6)
Profit before tax	4 104	3 647	(57)	3 590	12.5	14.3
Tax	1 114	1 009	(16)	993	10.4	12.2
Profit for the year	2 990	2 638	(41)	2 597	13.3	15.1
Earnings per share (cents)	367.3	337.9		332.4	8.7	10.5
Headline earnings per share (cents)	365.2	340.4		334.9	7.3	9.0
Adjusted headline earnings per share (cents)	398.0	345.5		340.0	15.2	17.1
Diluted earnings per share (cents)	362.7	331.3		325.9	9.5	11.3
Diluted headline earnings per share (cents)	360.6	333.8		328.4	8.0	9.8
Adjusted diluted headline earnings per share (cents)	393.0	338.7		333.4	16.0	17.9
SEGMENTAL ANALYSIS						
Profit before tax – adjusted						
Woolworths Clothing and General Merchandise	2 029	1 856	(40)	1 816	9.3	11.7
Woolworths Food	1 259	1 060	(17)	1 043	18.8	20.7
Country Road Group	891	588	-	588	51.5	51.5
Woolworths Financial Services	181	180	-	180	0.6	0.6
Woolworths Treasury	15	16	-	16	(6.3)	(6.3)
Total Group – adjusted	4 375	3 700	(57)	3 643	18.2	20.1

NOTES (CONTINUED)

Notes

1. The accounting policies adopted by the Group in the prior year audited Group Annual Financial Statements, which have been prepared in accordance with IFRS, have been used in preparing the prior year pro-forma 52-week comparative information.
2. The turnover and other information for the one-week period from 24 June to 30 June 2013 have been extracted from the Group's accounting records.
3. The 53rd week adjustments are calculated with reference to actual turnover and cost of sales for the 53rd week, expenses based on an assessment of management information and an effective tax rate of 27.7%.
4. The calculation of earnings per share and headline earnings per share for the pro-forma 52-week comparative period is based on the weighted average number of shares in issue during the prior year.
5. This information is the responsibility of the directors. The Group's external auditors issued an assurance report on the pro-forma 52-week information. A copy of their report is available at the Group's registered office.



NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 2014 Annual General Meeting of shareholders of the company will be held at 10:00 in the Auditorium, 1st Floor, Woolworths House, 93 Longmarket Street, Cape Town 8001, on 26 November 2014 to consider and if thought fit, to pass with or without amendment the following ordinary and special resolutions as well as such other matters as may be required to be dealt with at the Annual General Meeting in terms of the Companies Act, 71 of 2008 ("Companies Act").

1. ORDINARY RESOLUTION NUMBER 1 – ADOPTION OF THE ANNUAL FINANCIAL STATEMENTS

"Resolved that the Annual Financial Statements of the company and the Group Annual Financial Statements for the year ended 29 June 2014, including the reports of the Audit committee, the directors and independent auditors, be and are hereby received and adopted."

2. ORDINARY RESOLUTION NUMBER 2 – REAPPOINTMENT OF AUDITOR

"Resolved on recommendation of the Audit committee, that EY is hereby reappointed as external auditor of the company until the conclusion of the next Annual General Meeting of the company."

3. ORDINARY RESOLUTION NUMBER 3 – RE-ELECTION OF DIRECTORS

The following directors retire in accordance with the company's Memorandum of Incorporation and, being eligible, offer themselves for re-election, each by way of a separate vote, be and are hereby re-elected as a director.

3.1 "Resolved that Ms Zarina Bassa be and is hereby re-elected as a director of the company."

3.2 "Resolved that Sir Stuart Rose be and is hereby re-elected as a director of the company."

3.3 "Resolved that Mr Simon Susman be and is hereby re-elected as a director of the company."

Brief biographies in respect of each director offering himself/herself for re-election are set out on pages 26 and 27.

4. ORDINARY RESOLUTION NUMBER 4 – ELECTION OF DIRECTOR

The following directors were appointed since the last Annual General Meeting and in accordance with the Companies Act and the company's Memorandum of Incorporation, and being eligible, offer themselves for election, each by way of a separate vote, be and are hereby elected as directors.

4.1 "Resolved that Mr Hubert Brody be and is hereby elected as a director of the company."

4.2 "Resolved that Mrs Nombulelo Moholi be and is hereby elected as a director of the company."

4.3 "Resolved that Mr Sam Ngumeni be and is hereby elected as a director of the company."

Brief biographies in respect of each director offering herself/himself for election are set out on pages 26 to 28.

5. ORDINARY RESOLUTION NUMBER 5 – ELECTION OF AUDIT COMMITTEE MEMBERS

"Resolved that the following independent non-executive directors, each by way of separate vote, be and are hereby elected as members of the company's Audit committee until the conclusion of the next Annual General Meeting of the company:

5.1 Mr Peter Bacon.

5.2 Ms Zarina Bassa*.

5.3 Mr Hubert Brody**.

5.4 Mr Andrew Higginson.

5.5 Mr Mike Leeming."

* Subject to her appointment as a director in ordinary resolution 3.1.

** Subject to his appointment as a director in ordinary resolution 4.1.

6. NON-BINDING ADVISORY RESOLUTION NUMBER 6 – APPROVAL OF REMUNERATION POLICY

"Resolved by way of a non-binding advisory note that the company's remuneration policy, as included in the Integrated Report, be and is hereby approved in terms of the King Report on Corporate Governance for South Africa 2009".

7. SPECIAL RESOLUTION NUMBER 1 – REMUNERATION FOR THE NON-EXECUTIVE DIRECTORS

"Resolved that the remuneration payable to non-executive directors for the period 1 January 2015 to 31 December 2015, details of which are set out on page 24 of the explanatory notes, be and is hereby approved."

8. SPECIAL RESOLUTION NUMBER 2 – DECREASE IN THE NUMBER OF AUTHORISED BUT UNISSUED ORDINARY SHARES

"Resolved that the existing authorised share capital of the company, divided into 12 410 600 000 ordinary shares of no par value and 89 400 000 preference shares of 0.15 cents each, be and is hereby decreased by 10 000 000 000 ordinary shares of no par value, such that, pursuant to such decrease, the authorised share capital of the company shall comprise 2 410 600 000 ordinary shares of no par value and 89 400 000 preference shares of 0.15 cents each."

9. SPECIAL RESOLUTION NUMBER 3 – AUTHORISATION FOR THE AMENDMENT OF THE COMPANY'S MEMORANDUM OF INCORPORATION

"Resolved that, subject to the passing of special Resolution number 2 and registration with the Companies and Intellectual Property Commission to the extent required, the company's Memorandum of Incorporation be and is hereby amended by deleting article 5 in its entirety and the substitution thereof with the following new article 5: "Capital"

The total number of authorised shares in the capital of the Company is constituted by 2 410 600 000 ordinary shares of no par value and 89 400 000 convertible, redeemable, non-cumulative participating preference shares of 0.15 cents each."

10. SPECIAL RESOLUTION NUMBER 4 – GENERAL AUTHORITY TO REPURCHASE SHARES

“Resolved that the company and its subsidiaries be and are hereby granted a general authority in terms of the Listings Requirements of the JSE Limited (“JSE”) for the acquisition by the company and/or its subsidiaries of securities (as that term is defined in the Companies Act), issued by the company, on such terms and conditions as the directors may deem fit, subject to compliance with the provisions of Section 48 read with Section 46 of the Companies Act; provided that:

- 10.1 all such acquisitions shall be implemented through the order book operated by the JSE trading system and done without any prior understanding or arrangement between the company and the counter-party, reported trades being prohibited;
- 10.2 such general authority has been given by the company’s Memorandum of Incorporation;
- 10.3 such general authority shall be valid only until the next Annual General Meeting of the company or the expiry of a period of 15 months from the date of passing of this resolution, whichever occurs first;
- 10.4 such acquisitions may not be made at a price greater than 10% above the weighted average of the market value for the securities on the JSE for the five business days immediately preceding the date on which the transaction for the acquisition is effected;
- 10.5 any such general repurchases are subject to exchange control regulations and approval at that point in time;
- 10.6 when the company has cumulatively repurchased 3% of the initial number (the number of that class of securities in issue at the time that this general authority is granted) of the relevant class of securities, and for each 3% in aggregate of the initial number of that class acquired thereafter, a press announcement must be made containing the details required in terms of the Listings Requirements of the JSE in respect of such acquisitions;
- 10.7 no repurchase of securities shall be effected during a prohibited period as contemplated in the Listings Requirements of the JSE unless the company or its subsidiaries have in place a repurchase programme where the date and quantities of securities to be traded during the relevant period are fixed (not subject to any variation) and full details of the programme have been submitted to the JSE in writing;
- 10.8 the board of directors shall have authorised the acquisition, the company shall have passed the solvency and liquidity test in terms of Section 4 of the Companies Act and from the time that the solvency and liquidity test was done, no material changes to the financial position of the Group shall have occurred;
- 10.9 the company only appoints one agent to effect any acquisitions on its behalf;
- 10.10 the aggregate of such acquisitions undertaken

by the company may not, at the beginning of the financial year, exceed 5% of the company’s issued share capital of that class in any one financial year; and

- 10.11 the aggregate of such acquisitions by subsidiaries of the company may not result in such subsidiaries holding more than 10% of the company’s issued share capital.”

11. SPECIAL RESOLUTION NUMBER 5 – FINANCIAL ASSISTANCE TO RELATED OR INTER-RELATED COMPANIES OR CORPORATIONS

“Resolved that, to the extent required in terms of, and subject to the provisions of, Section 45 of the Companies Act, as amended and the requirements (if applicable) of the company’s Memorandum of Incorporation and the Listings Requirements of the JSE Limited, the provision by the company at any time and from time to time during the period of two years commencing on the date of the adoption of this special resolution, of direct or indirect financial assistance (whether by way of loan, guarantee, the provisions of security or otherwise), to any related or inter-related company or corporation of the company, on such terms and conditions as the directors (or any one or more persons authorised by the directors from time to time for such purpose) may deem fit, be and is hereby approved.”

12. SPECIAL RESOLUTION NUMBER 6 – ISSUE OF SHARES OR OPTIONS AND GRANT OF FINANCIAL ASSISTANCE IN TERMS OF THE COMPANY’S SHARE-BASED INCENTIVE SCHEMES

“Resolved that, to the extent required in terms of, and subject to the provisions of, Sections 41, 42, 44 and 45 of the Companies Act, as amended and the requirements (if applicable) of the company’s Memorandum of Incorporation and the Listings Requirements of the JSE Limited:

- 12.1 the issue by the company of shares or securities convertible into shares, or the grant by the company of options for the allotment or subscription of shares or other securities of the company or the grant of any other rights exercisable for securities of the company; and/or
- 12.2 the provision by the company of direct or indirect financial assistance (whether by way of loan, guarantee, the provision of security or otherwise) in connection with the subscription of any option or any securities issued or to be issued by the company or by a related or inter-related company or for the purchase of any securities of the company or of a related or inter-related company, at any time and from time to time during the period of two years commencing on the date of the adoption of this special resolution, to the Woolworths Holdings Share Trust or to a director, future director, prescribed officer or future prescribed officer of the company or to a person

NOTICE OF ANNUAL GENERAL MEETING (CONTINUED)

related or inter-related to the company or to a director or prescribed officer of the company or to their respective nominees, in accordance with the provisions of the Woolworths Holdings Share Trust and/or in accordance with the provisions of any other share-based incentive scheme established by the company, be and is hereby approved."

EXPLANATORY NOTES

The reasons for and the effect of the resolutions contained in this notice are set out in the explanatory notes forming part of this notice of Annual General Meeting read with the Chairman's letter to shareholders.

IDENTIFICATION

In terms of Section 63(l) of the Companies Act, before any person may attend or participate in the Annual General Meeting, that person must present reasonably satisfactory identification and the person presiding at the Annual General Meeting must be reasonably satisfied that the right of the person to participate in and vote at the Annual General Meeting, either as a shareholder, or as a proxy for a shareholder, has been reasonably verified. Forms of identification include valid identity documents, driver's licences and passports.

RECORD DATE

The directors have determined that the record date on which a shareholder must be registered in the company's share register in order to:

- receive notice of the Annual General Meeting is Friday 10 October 2014; and
- participate in and vote at the Annual General Meeting is Friday 14 November 2014.

Therefore the last day to trade in order to be able to participate at the Annual General Meeting is Friday 7 November 2014.

VOTING REQUIREMENTS

Each ordinary resolution to be considered at the Annual General Meeting requires the support of more than 50% of the voting rights exercised on the resolution in order to be adopted.

Each special resolution to be considered at the Annual General Meeting requires the support of at least 75% of the voting rights exercised on that resolution in order to be adopted.

The Trustees of the Woolworths Employee Share Ownership Trust ("Trust"), as the owner of the unlisted convertible, redeemable, non-cumulative, participating preference shares in the company, will consult with the beneficiaries under the Trust on the resolutions which will be considered at the Annual General Meeting in order to ascertain the views of such beneficiaries on the manner in which the Trust should exercise its voting rights, as preference shareholder, in respect of such resolutions.

On a show of hands, every shareholder, present in person or represented by proxy, shall have one vote only. On a poll, every shareholder, present in person or by proxy, shall have one vote for every share held or represented.

Any ordinary shareholder who holds dematerialised ordinary shares in the company and has not selected "own name" registration, should contact his Central Securities Depository Participant ("CSDP") or broker in the manner and time stipulated in such shareholder's agreement with his CSDP or broker in order to furnish him with such shareholder's voting instruction and, in the event that such shareholder wishes to personally attend the Annual General Meeting, in order to obtain the necessary authority to do so.

PROXIES

Any ordinary shareholder who holds certificated ordinary shares in the company or who holds dematerialised ordinary shares in the company through a CSDP or broker and who has selected "own name" registration and any preference shareholder, may attend, participate in and vote at the Annual General Meeting or at any adjournment thereof, or may appoint any other person or persons (none of whom need be a shareholder) as a proxy or proxies, to attend, participate in and vote or abstain from voting at the Annual General Meeting or at any adjournment thereof, in such ordinary or preference shareholder's stead.

A proxy form is enclosed for use by such ordinary shareholder and by the preference shareholders. Such proxy form, duly completed, must be forwarded to reach the transfer secretaries of the company, Computershare Investor Services (Proprietary) Limited, 70 Marshall Street, Johannesburg 2001 or be posted to them at PO Box 61051, Marshalltown 2107, or emailed to them at proxy@computershare.co.za, to be received by no later than 10:00 on Monday 24 November 2014.

ELECTRONIC COMMUNICATION

Woolworths shareholders or their proxies may participate in (but not vote at) the Annual General Meeting by way of a webcast. If you wish to do so, you must contact the Company Secretary and identify yourself to the satisfaction of the Company Secretary to obtain the webcast access details.

Woolworths shareholders participating in this manner will still have to appoint a proxy to vote on their behalf at the General Meeting. Access by means of electronic communication will be at the expense of the Woolworths shareholder.

By order of the Board.



Thobeka Sishuba-Mashego

Group Secretary
Cape Town
27 August 2014

ANNUAL GENERAL MEETING EXPLANATORY NOTES RELATING TO THE BUSINESS TO BE CONDUCTED AT THE ANNUAL GENERAL MEETING

1. ADOPTION OF ANNUAL FINANCIAL STATEMENTS

A summary of the audited Annual Financial Statements is set out on pages 8 to 18. The full Annual Financial Statements are published in the Annual Financial Statements report available on the website, www.woolworthsholdings.co.za, or can be requested from the Group Secretary at ThobekaSishuba-Mashego@woolworths.co.za.

2. REAPPOINTMENT OF AUDITOR

EY has indicated their willingness to continue as external auditors of the company for the 2015 financial year and ordinary resolution number 2 proposes the reappointment of the firm as the company's external auditor until the conclusion of the next Annual General Meeting.

The Audit committee, at their meeting on 25 August 2014, reviewed the independence of the external auditors. The committee was satisfied that EY was independent of the Group. In addition, the external auditors confirmed that they had complied with the ethical requirements regarding independence and were considered independent with respect to the Group as required by the codes endorsed and administered by the Independent Regulatory Board for Auditors, the South Africa Institute of Chartered Accountants and the International Federation of Accountants. The committee is also satisfied that the audit firm is accredited to appear on the JSE List of Accredited Auditors. Accordingly the committee has nominated, for approval, EY as external auditors for the 2014 financial year.

3. RE-ELECTION OF DIRECTORS

In accordance with the company's Memorandum of Incorporation (MOI), one-third of all directors are required to retire at each Annual General Meeting and may offer themselves for re-election. Accordingly, Zarina Bassa, Stuart Rose and Simon Susman, in accordance with article 26.1 of the company's MOI, will retire at the Annual General Meeting.

The Nominations committee reviewed the composition of the Board against corporate governance, sustainability and transformation requirements and has recommended the re-election of the three directors listed above.

Accordingly, the Board recommends to shareholders the re-election of Zarina Bassa, Stuart Rose and Simon Susman by way of a series of votes, each of which is on the candidacy of a single individual to fill a single vacancy, as required under Section 68(2) of the Companies Act, as amended ("Companies Act").

A brief biography in respect of each retiring director offering himself/herself for re-election is set out on pages 26 and 27.

ELECTION OF DIRECTORS

Messrs. Hubert Brody and Sam Ngumeni and Mrs Nombulelo Moholi were appointed since the last Annual General Meeting. In accordance with the company's MOI, directors appointed during the year shall retain office only until the next Annual General Meeting of the company and shall then retire and be eligible for re-election.

The company wishes to propose that the directors named above be elected as directors of the company. It also proposes that, subject to his appointment as a director, Mr Brody be appointed as a member of the Audit committee.

A brief biography in respect of each retiring director offering himself/herself for election is set out on pages 26 to 28.

4. ELECTION OF AUDIT COMMITTEE MEMBERS

In terms of Section 94(2) of the Companies Act, the Audit committee must be elected by the shareholders at each Annual General Meeting.

In terms of the Companies Act Regulations, at least one-third of the members of the company's Audit committee at any particular time must have academic qualifications or experience in economics, law, corporate governance, finance, accounting, commerce, industry, public affairs or human resource management.

The Nominations committee, at a meeting held on 25 August 2014, satisfied itself that the members of the Audit committee comply with the requirements of the Companies Act and King III in that they:

- are independent non-executive directors as contemplated in King III and the JSE Listings Requirements;
- are suitably qualified and experienced to be members of the Audit committee;
- collectively possess skills and the relevant experience which are appropriate to the company's size and circumstances, as well as its industry; and
- have an understanding of International Financial Reporting Standards, South African Statements of Generally Accepted Accounting Practice and other financial and sustainability reporting standards, regulations and guidelines applicable to the company.

A brief biography of each member of the Audit committee is set out on pages 26 and 27.

The report from the Audit committee can be found in the Annual Financial Statements and is available on the website, www.woolworthsholdings.co.za.

5. APPROVAL OF REMUNERATION POLICY

In terms of King III, companies are required to table their remuneration policy to shareholders for a non-binding advisory vote at the Annual General Meeting. This vote enables shareholders to express their views on remuneration policies adopted in the remuneration of executive directors.

The company's remuneration policy, which is included in the Integrated report, deals with, among others, the company's policy towards remuneration, reward as percentage of total remuneration and strategy and guidelines on the various components making up the remuneration packages of the company.

This report may also be accessed on the website at www.woolworthsholdings.co.za.

ANNUAL GENERAL MEETING EXPLANATORY NOTES RELATING TO THE BUSINESS TO BE CONDUCTED AT THE ANNUAL GENERAL MEETING (CONTINUED)

Ordinary resolution number 6 is of an advisory nature only, and failure to pass this resolution will therefore not have any legal consequences relating to existing arrangements. However, the Board will take the outcome of the vote into consideration when considering the company's remuneration policy.

6. REMUNERATION FOR THE NON-EXECUTIVE DIRECTORS

Section 66(9) read with Section 66(8) of the Companies Act, requires that remuneration paid by a company to its directors for their service as directors may only be paid in accordance with a special resolution approved by the shareholders of the company within the previous two years.

The fees for the non-executive directors have been recommended by the Remuneration committee to the Board for their approval, after considering input from the executive directors.

The proposed fees are for the calendar year effective 1 January 2015 to 31 December 2015. The fees have been based on benchmarking with other retailers (our peer group, consisting of direct and indirect competitors) and other listed JSE companies.

The Remuneration committee is satisfied that the non-executive directors' remuneration is relative to the remuneration paid to non-executive directors of similar sized public listed companies in South Africa for their services as directors.

Special resolution number 1 is required to obtain the approval of the company, in general meeting, of remuneration payable to non-executive directors for the period 1 January 2015 to 31 December 2015, details of which are set out in the table below:

	Actual for the period 1 January 2014 to 31 December 2014	Proposed for the period 1 January 2015 to 31 December 2015
Chairman	R1 000 000	R1 075 000
Lead Independent Director	R300 000	R322 500
UK Director	£43 000	£46 225
SA Director	R250 000	R268 750
Chairman Audit	R224 000	R246 400
Member Audit	R112 000	R123 200
Chairman Remuneration	R182 000	R195 650
Member Remuneration	R91 000	R97 825
Chairman Risk and Compliance	R145 000	R175 000
Member Risk and Compliance	R73 000	R87 500
Chairman Social and Ethics	R145 000	R155 875
Member Social and Ethics	R73 000	R78 475
Chairman Nominations	R89 000	R95 675
Member Nominations	R54 000	R58 050
Chairman Sustainability	R145 000	R155 875
Member Sustainability	R73 000	R78 475
Hourly rate for additional service	R3 600	R3 900

7. DECREASE IN THE NUMBER OF AUTHORISED BUT UNISSUED WOOLWORTHS ORDINARY SHARES

In accordance with the Companies Act and the company's MOI, the numbers of authorised shares of each class, and the preferences, rights, limitations and other terms associated with each class of shares may only be changed by a special resolution.

At the General Meeting held on 17 June 2014, shareholders approved the changes to the authorised share capital of the company from 1 410 600 000 ordinary shares of no par value and 89 400 000 preference shares of 0.15 cents each to 12 410 600 000 ordinary shares of no par value and 89 400 000 preference shares of 0.15 cents each to allow for sufficient flexibility for the purposes of implementing a rights offer. It was noted, that the Board agreed to reduce the number of authorised ordinary shares to a more customary level once the details of the rights offer were determined.

The details of the rights offer have been determined and the Board wishes to reduce the number of authorised ordinary shares to a more customary level. Approval is therefore required to reduce the authorised ordinary shares by 10 000 000 000 ordinary shares to 2 410 600 000 ordinary shares of no par value.

8. AUTHORISATION FOR THE AMENDMENT OF THE COMPANY'S MOI

The Companies Act and the Company's MOI require that shareholders approve any amendments to the MOI. Article 5 of the MOI has been substituted in its entirety reflecting the decrease in the Company's authorised shares and share capital.

9. GENERAL AUTHORITY TO REPURCHASE SHARES

Special resolution number 4 seeks to provide a general approval and authority in terms of the JSE Listings Requirements for the acquisition by the company and/or its subsidiaries of securities (as that term is defined in the Companies Act), issued by the company.

The directors consider that such general authority should be put in place in order to facilitate the repurchase of the company's securities should an opportunity to do so, which is in the best interests of the company and its shareholders, present itself during the ensuing year.

The directors undertake that the company will not commence a general repurchase of the maximum number of securities in terms of the general authority, unless the directors, after considering the effect of such maximum repurchase, are satisfied that for a period of 12 months after the date of the general repurchase:

- the company and the Group will be able, in the ordinary course of business, to pay its debts;
- the assets of the company and the Group, fairly valued in accordance with International Financial Reporting Standards, will exceed the liabilities of the company and the Group;

- the company and the Group's ordinary share capital, reserves and available working capital will be adequate for ordinary business purposes;
- the working capital of the company and the Group will be adequate for ordinary business purposes; and
- upon entering the market to proceed with the acquisition, the company's sponsor has confirmed the adequacy of the company's and the Group's working capital for the purposes of undertaking a repurchase of securities, in accordance with the Listings Requirements of the JSE.

9.1 DISCLOSURE IN TERMS OF SECTION 11.26 OF THE JSE LISTINGS REQUIREMENTS

The JSE Listings Requirements require the following disclosures, which are disclosed in the Annual Financial Statements and this report as below:

- Directors and management set out on pages 26 to 28
- Major shareholders set out on page 29
- Directors' interests in securities disclosed in the Annual Financial Statements
- Share capital of the company set out on page 29

9.2 LITIGATION STATEMENT

The directors are not aware of any legal or arbitration proceedings, including proceedings that are pending or threatened, that may have or had in the previous 12 months, a material effect on the Group's financial position.

9.3 MATERIAL CHANGE

Other than the facts and developments reported in the Integrated Report and Annual Financial Statements, there have been no material changes in the financial position of Woolworths Holdings Limited and its subsidiaries since the date of the audit report and the date of the notice of the Annual General Meeting.

9.4 DIRECTORS' RESPONSIBILITY STATEMENT

The directors collectively and individually accept full responsibility for the accuracy of the information pertaining to this special resolution and certify that to the best of their knowledge and belief, there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that this special resolution contains all the information required by law and the JSE Listings Requirements.

10. FINANCIAL ASSISTANCE TO RELATED OR INTER-RELATED COMPANIES OR CORPORATIONS

Section 45 of the Companies Act authorises the company to provide direct or indirect financial assistance to any one or more related or inter-related companies or corporations.

Section 45 of the Companies Act further provides that the particular financial assistance must be provided only pursuant to a special resolution of the shareholders, adopted within the previous two years, which approved

such assistance either for the specific recipient, or generally for a category of potential recipients, and the specific recipient falls within that category and the board of directors must be satisfied that:

- immediately after providing the financial assistance, the company would satisfy the solvency and liquidity test; and
- the terms under which the financial assistance is proposed to be given are fair and reasonable to the company.

11. ISSUE OF SHARES OR OPTIONS AND GRANT OF FINANCIAL ASSISTANCE IN TERMS OF THE COMPANY'S SHARE-BASED INCENTIVE SCHEMES

The Companies Act has established additional requirements for the allotment and issue of shares or the grant of options in respect of shares or the provision of financial assistance for the purposes of the various share incentive schemes previously established and adopted by the company. To the extent that the existing authorities granted by shareholders to the company in respect of the implementation and administration of such share incentive schemes may not meet these new and additional requirements as contemplated in the Companies Act, the directors consider it prudent that shareholders be requested to provide the approvals as now required by the Companies Act in order to ensure that the company is in a position to comply with its obligations under such schemes.

Special resolution number 6 is, accordingly, being proposed to grant the requisite authority and approval in terms of the Companies Act, to the extent necessary, having regard to the relevant requirements of the Companies Act, for the company to issue shares, grant options to, or purchase shares on the market for, directors, former directors, future directors, prescribed officers and future prescribed officers, in order to ensure that the company is in a position to comply with its obligations under such schemes in terms of the various incentive schemes previously established and adopted by the company.

NON-EXECUTIVE DIRECTORS PROFILES

SIMON SUSMAN (64)

CHAIRMAN

NON-INDEPENDENT NON-EXECUTIVE DIRECTOR

Other directorships include:

Trent Limited, Allied Electronics Corporation Limited, Business Against Crime, Chairman of Conservation International (SA) Centre for Biodiversity and Chairman of the Advisory Board of the University of Stellenbosch Business School.

Simon joined Woolworths in 1982 after working at clothing and food retailer, Marks and Spencer plc in London. At Woolworths he has led the retail operations, food and clothing groups and was appointed to the Board in 1995. He became the Chief Executive Officer in 2000. He was appointed on the 18 November 2010 as a Non-executive Director and Deputy Chairman. He was appointed on the 17 November 2011 as Chairman. He is the Chairman of the Nominations and Sustainability committees, and a member of the Remuneration, Risk and Compliance and Social and Ethics committees.

PETER BACON (67) (BRITISH)

INDEPENDENT NON-EXECUTIVE DIRECTOR

FELLOW OF THE INSTITUTE OF HOSPITALITY (FIH)

Other directorships include:

Atlantic Leaf Properties Limited, The Elgin Wine Company, Sun International Limited and National Sea Rescue Institute (Chairman).

Peter was previously with the Sun International Group of companies for 34 years. He was Chief Executive of Sun International's South African operations from 1993 and Group Chief Executive for the last four years of his employment with the group. He joined the Board in 2006. He is a member of the Audit and Remuneration committees.

ZARINA BASSA (50)

INDEPENDENT NON-EXECUTIVE DIRECTOR

BACC, POSTGRADUATE DIPLOMA IN ACCOUNTING, CA(SA)

Other directorships include:

Songhai Capital, Kumba Iron Ore, Vodacom South Africa, Sun International, Oceana Group, Financial Services Board and Yebo Yethu.

Previous board roles include chairing the Public Accountants' and Auditors' Board, the Auditing Standards Board, the Accounting Standard Board, the JSE's GAAP Monitoring Panel, the South African Institute of Chartered Accountants and Vice President of ABASA. Prior to joining ABSA in 2002 she was a partner at Ernst & Young. She joined the Board in 2011. She is a member of the Audit, Risk and Compliance and Nominations committees.

TOM BOARDMAN (64)

INDEPENDENT NON-EXECUTIVE DIRECTOR

LEAD INDEPENDENT DIRECTOR

BCOM, CA(SA)

Other directorships include:

Nedbank Limited, Nedbank Group, Nedbank Private Wealth International, African Rainbow Minerals, Investment AB Kinnevik, Athena Capital and Royal Bafokeng Holdings.

Tom Boardman was Chief Executive of Nedbank Group Limited from December 2003 to February 2010. He was previously Chief Executive and an executive director of BoE Limited, one of South Africa's leading private and investment banking companies which was acquired by Nedbank in 2002. He was the founding shareholder and Managing Director of retail housewares chain Boardmans which he sold to Pick 'n Pay in 1986. Prior to this he was Managing Director of Sam Newman Limited and worked for the Anglo American Corporation for three years. He is Chairman of a private equity company, Athena Capital, and is also Chairman of a Mauritian-based financial services company, AFB, with operations in Ghana and Kenya. He is a director of The Peace Parks Foundation and is the Chairman of The David Rattray Foundation and serves as a trustee on a number of other charitable foundations.

HUBERT BRODY (50)

INDEPENDENT NON-EXECUTIVE DIRECTOR

CA(SA), EXECUTIVE MANAGEMENT PROGRAMME (UCT)

Other directorships include:

Imperial Holdings, Comair and Mix Telemati.

Hubert was previously the Chief Executive Officer of Imperial Holdings. In addition he was the Chairman of Imperial Bank, Regent Group and sat as Chairman on a number of the group's divisional and supervisory boards. He joined the Board on 1 July 2014. He is a member of the Audit and Risk and Compliance committees.

ANDREW THOMAS HIGGINSON (57) (BRITISH)

INDEPENDENT NON-EXECUTIVE DIRECTOR

BSC (HONS) TOWN AND COUNTRY PLANNING 2.1, HONORARY DOCTORATE. BIRMINGHAM CITY UNIVERSITY, FELLOW CHARTERED INSTITUTE OF MANAGEMENT ACCOUNTANTS

Other directorships include:

Morrisons plc, BSkyB Group plc and Brown plc

Andrew Higginson held Executive Board positions in listed UK retail businesses for 22 years, 15 of those years as an Executive Director of Tesco plc, the world's third largest retailer (measured by sales). He retired as an Executive from Tesco in August 2012 and now holds a number of non-executive directorships. He was recently appointed Chairman-elect of UK food retailer, Morrisons plc. He joined the Board in 2012. He is a member of the Audit, Risk and Compliance and Remuneration committees.

MIKE LEEMING (70)

INDEPENDENT NON-EXECUTIVE DIRECTOR

B.COM, M.COM, FCMA, FIBSA, AMP (HARVARD)

Other directorships include:

Allied Electronics Corporation Limited and Imperial Holdings Limited and Premium Properties Limited.

Mike was previously the Chief Operating Officer at Nedcor and has an in-depth knowledge of financial services as well as manufacturing. He joined the Board in 2004. He is the Chairman of the Audit and Risk and Compliance committees and a member of the Nominations committee.

NOMBULELO MOHOLI (54)

INDEPENDENT NON-EXECUTIVE DIRECTOR

B.SC. ENGINEERING, SEP (STANDARD BUSINESS SCHOOL, USA), SMMP (HARVARD)

Other directorships include:

Old Mutual Emerging Markets, Anglo American Platinum and Nedbank's Eyethu Community Trust (Chairman).

Nombulelo has more than 24 years' experience in the Information Communication and Technology industry. She was the Group Chief Executive Officer for Telkom from 2011 until March 2013. She joined the Board on 1 July 2014. She is a member of the Remuneration and Social and Ethics committees.

CHRIS NISSEN (56)

INDEPENDENT NON-EXECUTIVE DIRECTOR

BA (HONS), MA

Other directorships include:

Ascension Properties Limited (Chairperson) and Cape Empowerment Trust (Chairperson).

Chris was previously the Chairperson of South Atlantic Fishing (SAFCO) and he has been a director of Sea Harvest Corporation and JCI. He has been extensively involved in the development and upliftment of communities both as a Minister in the Presbyterian Church and as a community leader, serving in a number of capacities including Chairperson of the Western Cape ANC. He has executive experience in a number of industries and as a non-executive director has proactively led transformation at a number of listed companies. He joined the Board in 2004. He is the Chairman of the Social and Ethics committee and a member of the Nominations and Sustainability committees.

STUART ROSE (SIR) (65) (BRITISH)

INDEPENDENT NON-EXECUTIVE DIRECTOR

Other directorships include:

Ocado plc, Fat Face Limited and The Oasis Healthcare Group Limited.

Sir Stuart has strong international retail experience.

He started his career in retail at Marks & Spencer in 1971, where he remained until 1989, before going on to become Chief Executive at a number of well-known UK retailers including Argos plc, Booker plc and Arcadia Group plc. He re-joined Marks & Spencer in 2009 as Chief Executive and retired as Chairman on 4 January 2011. He joined the Board in 2011. He was also a director of Land Securities Group plc from 2003-2013. He is a member of the Remuneration, Risk and Compliance and Sustainability committees.

THINA SIWENDU (48)

INDEPENDENT NON-EXECUTIVE DIRECTOR

BA SOCIAL SCIENCE (HONS), LLB

Other directorships include:

DLA Cliffe Dekker Hofmeyr Inc. and Chemical Specialities Limited and a member of the United Nations Global Compact – Local Advisory Network (SA).

Thina is an attorney with 19 years' legal experience and has held directorships for various companies both listed and un-listed in the banking, property, portfolio investment, aviation and public sector companies. In 1996 Thina formed her own legal firm, Thina Siwendu & Associates. Her firm merged with DLA Cliffe Dekker Hofmeyr Inc. in February 2012. Thina has been a senior research fellow at the Centre for Corporate Governance in Africa at the University of Stellenbosch since 2007. She is a member of the South African Law Reform Commission (2013) and was recently appointed as Acting Judge in the Gauteng Local Division of the High Court of South Africa. She joined the Board in 2009. She is a member of the Risk and Compliance and Social and Ethics committees.

EXECUTIVE DIRECTORS AND GROUP SECRETARY PROFILES

IAN MOIR (55) (AUSTRALIAN)

EXECUTIVE DIRECTOR AND GROUP CHIEF EXECUTIVE OFFICER

MBA, MA (ECON)

Other directorships include: Country Road, WFS, WPL and Woolworths Holdings (Mauritius) Limited.

Ian was appointed to the board of Country Road on 23 October 1998. He was formerly Chief Operating Officer of the company before being appointed Chief Executive Officer in November 2000. He was previously Executive Director and Chief Operating Officer of Woolmark. He was appointed to the Board in January 2010 and was appointed the Group Chief Executive Officer in November 2010. He is a member of the Risk and Compliance, Sustainability and Social and Ethics committees.

REEZA ISAACS (45)

EXECUTIVE DIRECTOR AND GROUP FINANCE DIRECTOR

BCOM, CA(SA)

Other directorships include: WFS, WPL and Woolworths Holding (Mauritius) Limited.

Reeza joined Woolworths in June 2013 as Deputy Chief Financial Officer, and was appointed Finance Director in November 2013. He was previously the senior partner for the Western Cape Ernst & Young office and a partner from 1999. Reeza has worked across multiple business sectors, including manufacturing, retail, oil, gas, asset management and insurance and with a wide variety of entities, including listed, private and owner-managed entities. He served as the lead partner for several of Ernst & Young's largest Cape Town clients, including Engen, Coronation, Woolworths, Metropolitan Life, Sanlam and Truworths. He is a member of the Risk and Compliance committee.

SAM NGUMENI (46)

EXECUTIVE DIRECTOR AND CHIEF OPERATING OFFICER

MBA, BCOM

Other directorships include: WFS

Sam was appointed as the Chief Operating Officer in March 2012, and is responsible for human resources, transformation, information technology, supply chain and logistics. Sam has been with Woolworths for 13 years, mainly in financial services, and has more than 16 years of retail credit experience. Sam was previously the Chief Executive Officer for WFS, where he spearheaded the successful joint venture between the Barclays Africa Group and Woolworths. He was appointed to the Board in February 2014. He is a member of the Risk and Compliance committee.

ZYDA RYLANDS (49)

EXECUTIVE DIRECTOR AND MANAGING DIRECTOR: FOOD

BCOM (HONS), CA(SA)

Other directorships include: Country Road Limited, WPL, National Urban Reconstruction and Housing Agency and the Centre for Justice and Crime Prevention.

Zyda joined Woolworths in 1996 and worked in the finance and store operation teams. She was appointed the People and Transformation Director of WPL in 2005 and was appointed to the Board in August 2006. She was appointed as the Chief Operating Officer: Support Services in 2008. Zyda is currently the Managing Director for Foods and was appointed in this role in 2010. She serves as a trustee of the Trauma Centre for Survivors of Violence and Torture. Zyda served as Chairperson of the Audit Committee for Parliamentary Services, as a non-executive director of the Black Management Forum and non-executive director of the Open Society Foundation for South Africa. She is a member of the Risk and Compliance and Sustainability committees.

THOBEKA SISHUBA-MASHEGO (43)

GROUP SECRETARY

BCOM (MASTERS IN TAXATION) AND POSTGRADUATE MASTERS DEGREE IN ADVANCED COMPANY LAW

Thobeka joined Woolworths in 2012 as Group Director: Company Secretariate. She is responsible for all aspects of corporate governance, including risk and legal, and is a member of the executive team.

SHAREHOLDING DISCLOSURES

STATED CAPITAL

AUTHORISED

Ordinary shares – 12 410 600 000 shares of no par value

Unlisted, convertible, redeemable,
non-cumulative participating preference shares – 89 400 000 of 0.15 cents each

ISSUED

Ordinary shares – 847 004 975 shares of no par value

Unlisted, convertible, redeemable,
non-cumulative participating
preference shares – 89 192 746 of 0.15 cents each

Further details of the stated capital and the movements for the period under review are disclosed in note 11 of the Company Annual Financial Statements.

Public and non-public shareholders	Number of share-holders	Percentage of total	Number of shares	Percentage of total
Public shareholders	29 020	99.9	748 933 593	88.4
Non-public shareholders				
Directors and their associates	11	0.1	13 002 021	1.5
E-Com Investments 16 (Proprietary) Limited	1	–	43 763 861	5.2
Woolworths (Proprietary) Limited	1	–	40 497 604	4.8
Woolworths Holdings Share Trust*	1	–	719 430	0.1
Woolworths Employee Share Ownership Trust	1	–	88 466	–
Total shareholders	29 035	100.0	847 004 975	100.0

* Excludes shares held by directors in share trusts.

According to the company's register of shareholders, read in conjunction with the company's register of disclosure of beneficial interests made by registered shareholders acting in a nominee capacity, the following shareholders held, directly and indirectly, beneficially in excess of 5% of any class of the issued stated capital at 29 June 2014.

Major beneficial shareholders	Number of shares	2014 Percentage of shares	2013 Percentage of shares
Government Employees Pension Fund	137 800 295	16.3	16.0
E-Com Investments 16 (Proprietary) Limited	43 763 861	5.2	5.2
GIC Asset Management Pte Ltd	43 122 759	5.1	–

Directors of the company hold direct and indirect beneficial interests of 13 002 021 ordinary shares (2013: 15 962 052) and 1 725 000 unlisted, convertible, redeemable, non-cumulative participating preference shares (2013: 1 725 000), in the company.

SHAREHOLDER CALENDAR 2014

2014

June	Financial year end – 29 June
July	Trading update
August	Annual results and announcement of final dividend – 27 August
September	Final dividend payment Publication and posting of Integrated Report and Notice of Annual General Meeting
November	Annual General Meeting and trading update

2015

January	Trading update
February	Interim results and announcement of interim dividend
March	Interim dividend payment
June	Financial year end – 28 June
July	Trading update
August	Annual results and announcement of final dividend
September	Final dividend payment Publication and posting of Integrated Report and Notice of Annual General Meeting
November	Annual General Meeting and trading update

ADMINISTRATION

WOOLWORTHS HOLDINGS LIMITED

Registration number 1929/001986/06
Tax reference number 9300/149/71/4
JSE Share code: WHL
ISIN: ZAE000063863

GROUP SECRETARY

Thobeka Sishuba-Mashego
Email: ThobekaSishuba-Mashego@woolworths.co.za

REGISTERED OFFICE

Woolworths House
93 Longmarket Street
Cape Town 8001, South Africa

POSTAL ADDRESS

PO Box 680
Cape Town 8000, South Africa

CONTACT DETAILS

Tel: +27 (21) 407 9111

INVESTOR RELATIONS

Email: InvestorRelations@woolworths.co.za

WEBSITE

www.woolworthsholdings.co.za

PRINCIPAL BANKERS

The Standard Bank of South Africa Limited

AUDITORS

Ernst & Young Inc.

JSE SPONSOR

Rand Merchant Bank
(A division of FirstRand Bank Limited)
1 Merchant Place
Cnr Fredman Drive and Rivonia Road
Sandton 2194, South Africa
PO Box 786273
Sandton 2146, South Africa

TRANSFER SECRETARIES

Computershare Investor Services (Proprietary) Limited
70 Marshall Street
Johannesburg 2001, South Africa
PO Box 61051
Marshalltown 2107, South Africa

Tel: (+27 11) 370 5000

Fax: (+27 11) 370 5487

Email: woolworths@computershare.co.za

CONTACT INFORMATION

For any further information you might require and feedback on our Notice report, please contact:

GROUP COMPANY SECRETARY

ThobekaSishuba-Mashego@woolworths.co.za

INVESTOR RELATIONS

InvestorRelations@woolworths.co.za

or visit our Group websites:
www.woolworthsholdings.co.za
www.woolworths.co.za
www.countryroad.com.au

In line with our Good Business Journey, this is printed on Sappi Camelot Cartridge paper – fully recyclable.

FORM OF PROXY

(Incorporated in the Republic of South Africa)
 (Registration number 1929/001986/06)
 Share code: WHL ISIN: ZAE000063863
 ("Woolworths" or "the company")



For use only by:

- holders of certificated ordinary shares in the company;
- holders of dematerialised ordinary shares in the company held through a Central Securities Depository Participant (CSDP) or broker and who have selected "own name" registration; and
- the holder of the convertible, redeemable, non-cumulative participating preference shares in the company ("preference shares"),

at the Annual General Meeting of shareholders of the company to be held in the Auditorium, 1st Floor Woolworths House, 93 Longmarket Street, Cape Town, 8001 at 10:00 on 26 November 2014 and at any adjournment thereof ("Annual General Meeting").

If you are a shareholder referred to above, and are entitled to attend and vote at the Annual General Meeting, you can appoint a proxy or proxies to attend, vote and speak in your stead at the Annual General Meeting. A proxy need not be a shareholder of the company.

If you are an ordinary shareholder and have dematerialised your ordinary shares through a CSDP (and have not selected "own name" registration in the sub-register maintained by a CSDP), do not complete this form of proxy but instruct your CSDP to issue you with the necessary authority to attend the Annual General Meeting, or if you do not wish to attend, provide your CSDP with your voting instructions in terms of your custody agreement entered into with it.

I/We (full names in block letters) _____
 of (Address) _____
 Telephone number (____) _____ Cellphone number _____ being a holder/s of _____
 ordinary/preference shares in the company (delete whichever is inapplicable), hereby appoint (see note 1)

1. _____ of _____ failing him/her
2. _____ of _____ failing him/her
3. the Chairman of the Company, or failing him the Chairman of the Annual General Meeting, as my proxy to attend, speak and on a poll to vote or abstain from voting on my/our behalf, as indicated below, at the Annual General Meeting and/or at any adjournment thereof.

Resolution	For	Against	Abstain
1. Ordinary resolution 1 – adoption of the Annual Financial Statements			
2. Ordinary resolution 2 – re-appointment of auditor			
3. Ordinary resolution 3 – re-election of directors			
3.1 Ms Zarina Bassa			
3.2 Sir Stuart Rose			
3.3 Mr Simon Susman			
4. Ordinary resolution 4 – election of directors			
4.1 Mr Hubert Brody			
4.2 Mrs Nombulelo Mohali			
4.3 Mr Sam Ngumeni			
5. Ordinary resolution 5 – election of Audit committee members			
5.1 Mr Peter Bacon			
5.2 Ms Zarina Bassa			
5.3 Mr Hubert Brody			
5.4 Mr Andrew Higginson			
5.5 Mr Mike Leeming			
6. Non-binding advisory resolution 1 – approval of remuneration policy			
7. Special resolution 1 – remuneration for the non-executive directors			
8. Special resolution 2 – decrease in number of authorised ordinary shares			
9. Special resolution 3 – amendments to Memorandum of Incorporation			
10. Special resolution 4 – general authority to repurchase shares			
11. Special resolution 5 – financial assistance to related or inter-related companies or corporations			
12. Special resolution 6 – issue of shares or options and grant of financial assistance in terms of the company's share based incentive schemes			

Insert an "X" in the relevant spaces above according to how you wish your votes to be cast. However, if you wish to cast your votes in respect of a lesser number of shares than you own in the company, insert the number of shares which you desire to vote (see note 2).

This proxy shall be valid only for the Annual General Meeting of shareholders of the company to be held on Wednesday, 26 November 2014 and any adjournment thereof.

Signed at _____ this _____ day of _____ November 2014

Signature _____

Assisted by me (if applicable) _____

Please read the notes on the reverse side hereof.

NOTES:

A Woolworths shareholder is entitled to appoint one or more proxies (none of whom need be a shareholder of Woolworths) to attend, speak and vote or abstain from voting in the place of that shareholder at the Annual General Meeting.

1. A Woolworths shareholder may therefore insert the name of a proxy or the names of two alternative proxies of the Woolworths shareholder's choice in the space provided, with or without deleting the words "the Chairman of the Company, or failing him the Chairman of the Annual General Meeting". The person whose name appears first on this form of proxy and who is present at the Annual General Meeting will be entitled to act as proxy to the exclusion of those whose names follow.
2. A Woolworths shareholder's instructions to the proxy must be indicated by the insertion of an "X" in the appropriate box or if a Woolworths shareholder wishes the proxy to cast votes in respect of a lesser number of shares than the Woolworths shareholder owns, the requisite number of shares should be inserted in the appropriate box. Failure to comply with the above will be deemed to authorise and instruct the Chairman of the Company or failing him the Chairman of the Annual General Meeting, if he is the authorised proxy, to vote in favour of the resolutions concerned at the Annual General Meeting, or any other proxy to vote or abstain from voting at the Annual General Meeting as he deems fit, in respect of the Woolworths shareholder's total holding.
3. The completion and lodging of this form of proxy will not preclude a Woolworths shareholder from attending the Annual General Meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof, should such Woolworths shareholder wish to do so.
4. In case of joint holders, the vote of the most senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint holders, for which purpose seniority will be determined by the order in which the names appear on the company's register of shareholders in respect of the joint holding.
5. The Chairman of the Annual General Meeting may reject or accept any form of proxy which is completed and/or received, otherwise than in accordance with these notes.
6. Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity must be attached to this form of proxy unless previously recorded by the Company's Transfer Secretaries or waived by the Chairman of the Annual General Meeting.
7. Any alteration or correction to this form of proxy must be initialled by the signatory/ies.
8. Forms of proxy must be lodged with or posted to the company, c/o Computershare Investor Services Proprietary Limited, 70 Marshall Street, Johannesburg 2001 (PO Box 61051, Marshalltown 2107), to be received by no later than 10:00 on Monday, 24 November 2014.
9. If the Annual General Meeting is adjourned or postponed, forms of proxy submitted for the Annual General Meeting will remain valid in respect of any adjournment or postponement of the Annual General Meeting, unless the contrary is stated on such form of proxy.
10. The appointment of a proxy or proxies:
 - a. is suspended at any time and to the extent that a Woolworths shareholder chooses to act directly and in person in the exercise of any rights as a Woolworths shareholder;
 - b. is revocable, in which case a Woolworths shareholder may revoke the proxy appointment by:
 - (i) cancelling it in writing or making a later inconsistent appointment of a proxy; and
 - (ii) delivering a copy of the revocation instrument to the proxy and to the Company's Transfer Secretaries, Computershare Investor Services Proprietary Limited, 70 Marshall Street, Johannesburg 2001 (PO Box 61051, Marshalltown 2107);
 - c. if the instrument appointing a proxy or proxies has been delivered to the company's Transfer Secretaries, as long as that appointment remains in effect, any notice that is required by the Companies Act, 2008, as amended, or the company's Memorandum of Incorporation to be delivered by the company to the Woolworths shareholder must be delivered by the company to:
 - (i) the Woolworths shareholder; or
 - (ii) the proxy or proxies, if the Woolworths shareholder has directed the company to do so in writing and paid any reasonable fee charged by the company for doing so.

SUMMARY OF THE RIGHTS OF A WOOLWORTHS SHAREHOLDER TO BE REPRESENTED BY PROXY:

For purposes of this summary, the term "shareholder" shall have the meaning ascribed thereto in section 57(l) of the Companies Act.

Shareholders' rights regarding proxies in terms of section 58 of the Companies Act include, inter alia, to at any time appoint any individual, including an individual who is not a shareholder of that company, as a proxy to participate in, and speak and vote at, a shareholders' meeting on behalf of the shareholder.

A proxy appointment:

- must be in writing, dated and signed by the shareholder, and
- remains valid for:
 - one year after the date on which it was signed; or
 - any longer or shorter period expressly set out in the appointment, unless it is revoked in a manner contemplated in section 58(4)(c); or expires earlier as contemplated in section 58(8)(d) of the Companies Act.

Except to the extent that the Memorandum of Incorporation of the company provides otherwise:

- a shareholder of that company may appoint 2 (two) or more persons concurrently as proxies, and may appoint more than one proxy to exercise voting rights attached to the different securities held by the shareholder;
- a proxy may delegate the proxy's authority to act on behalf of the shareholder to another person, subject to any restriction set out in the instrument appointing the proxy; and
- a copy of the instrument appointing a proxy must be delivered to the company, or to any other person on behalf of the company, before the proxy exercises any rights of the shareholder at a shareholders' meeting.

Irrespective of the form of instrument used to appoint a proxy:

- the appointment is suspended at any time and to the extent that the shareholder chooses to act directly and in person in the exercise of any rights as a shareholder;
- the appointment is revocable unless the proxy appointment expressly states otherwise; and
- if the appointment is revocable, a shareholder may revoke the proxy appointment by: (i) cancelling it in writing, or making a later inconsistent appointment of a proxy and (ii) delivering a copy of the revocation instrument to the proxy and to the company.

The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's authority to act on behalf of the shareholder as of the later of the date:

- stated in the revocation instrument, if any; or
- upon which the revocation instrument is delivered to the proxy and the relevant company as required in section 58(4)(c)(ii) of the Companies Act.

Should the instrument appointing a proxy or proxies have been delivered to the relevant company, as long as that appointment remains in effect, any notice that is required by the Companies Act or the relevant company's memorandum of incorporation to be delivered by such company to the shareholder must be delivered by such company to:

- the shareholder; or
- the proxy or proxies if the shareholder has in writing directed the relevant company to do so and has paid any reasonable fee charged by the company for doing so.

A proxy is entitled to exercise, or abstain from exercising, any voting right of the relevant shareholder without direction, except to the extent that the Memorandum of Incorporation of the relevant company or the instrument appointing the proxy provide otherwise.

If a company issues an invitation to shareholders to appoint one or more persons named by such company as a proxy, or supplies a form of instrument for appointing a proxy:

- such invitation must be sent to every shareholder who is entitled to receive notice of the meeting at which the proxy is intended to be exercised;
- the invitation or form of proxy must bear a reasonably prominent summary of the rights established by section 58 of the Companies Act, contain adequate space to enable a shareholder to write in the name, and if so desired an alternative name, of a proxy chosen by the shareholder and provide adequate space for the shareholder to indicate whether the appointed proxy is to vote in favour of or against any resolution or resolutions to be put at the meeting, or abstain from voting;
- the company must not require that the proxy appointment be made irrevocable; and
- the proxy appointment remains valid only until the end of the relevant meeting at which it was intended to be used, unless revoked as contemplated in section 58(5) of the Companies Act.

WOOLWORTHS

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