



**WOOLWORTHS HOLDINGS LIMITED /
UNAUDITED INTERIM RESULTS FOR THE
26 WEEKS ENDED 25 DECEMBER 2016**



**WOOLWORTHS HOLDINGS LIMITED /
INTERIM RESULTS 2017 ANALYST PRESENTATION**

PRESENTATION OUTLINE

01 / *Review of the period*

02 / *Financial review*

03 / *Strategy update*

04 / *Outlook*

01/
**REVIEW OF
THE PERIOD**

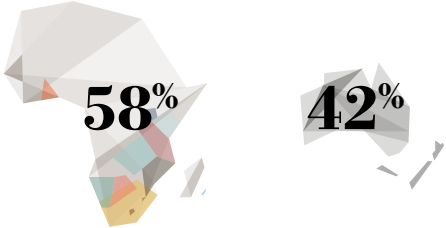
Ian Moir



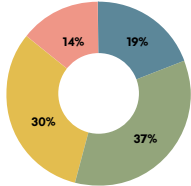
WOOLWORTHS HOLDINGS LIMITED INTERIM RESULTS 2017 ANALYST PRESENTATION

DIVERSIFIED EARNINGS BASE

Operating profit by geography



Turnover by segment

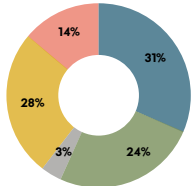


- Woolworths Clothing & GM
- Woolworths Food*
- David Jones*
- Country Road Group
- Woolworths Financial Services**

Operating profit by category

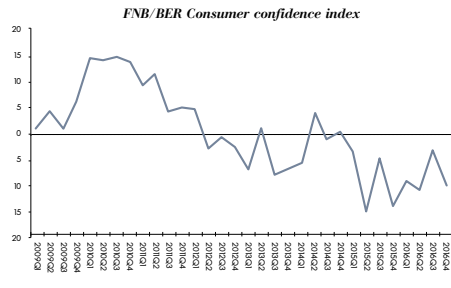


Operating profit by segment



* Turnover and concession sales ** 50% of PAT

SOUTH AFRICAN MACRO ENVIRONMENT

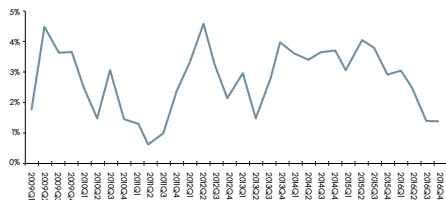


- 2016 was a tough year due to political uncertainty, low growth in disposable income, high inflation and softening labour market
- A gradual economic recovery is expected although pace of rebound likely to fall short of SA's potential growth rate (2017: 1.1%; 2018: 1.6%)
- Consumer confidence remains below the long-term average and expected to remain weak in the short term
- Upside of moderating inflation curtailed by tax increases, particularly for higher income consumers

WOOLWORTHS HOLDINGS LIMITED INTERIM RESULTS 2017 ANALYST PRESENTATION

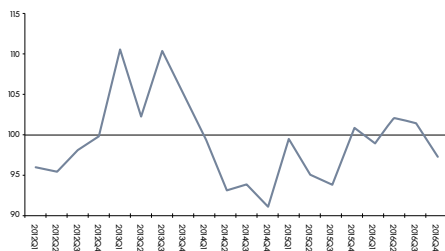
AUSTRALIAN MACRO ENVIRONMENT

GDP Growth (real GDP, % yoy)



- Growth relies on commodity prices and improvement in China's economy
- GDP growth expected to continue but at a rate lower than long-term average (2017: 2.8%; 2018: 3.2%)

Wespac-Melbourne Institute Consumer Sentiment Index



- Despite record low interest rates and rising property prices, consumer confidence is muted by employment skewed towards part time work, low wage growth and global uncertainty

FINANCIAL OVERVIEW

*Group turnover and
concession sales*

+6.7%
to R37.8 billion

*Adjusted profit
before tax*

-2.5%
to R3.3 billion

EPS

+36.0%
to 345.1 cps

*HEPS –
Diluted*

-4.1%
to 241.3 cps

*HEPS –
Adjusted diluted*

-2.4%
to 244.9 cps

*Interim dividend
maintained at*

133.0
cps

ROE

22.8%
from 24.6%

WOOLWORTHS HOLDINGS LIMITED INTERIM RESULTS 2017 ANALYST PRESENTATION

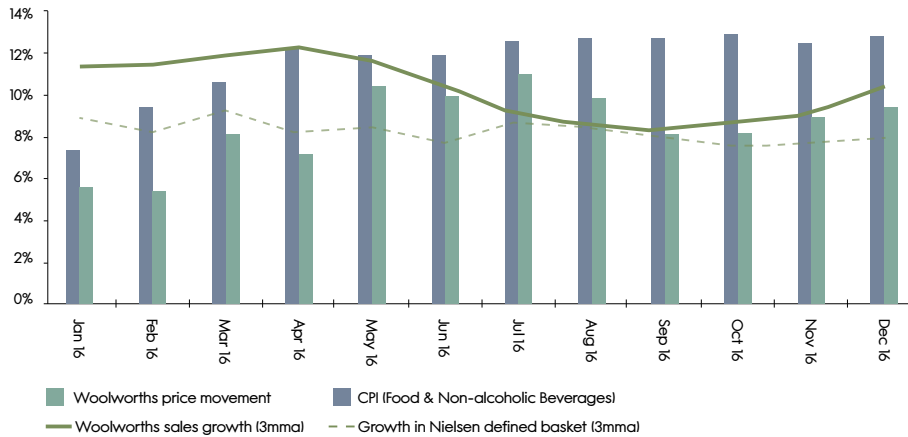
WOOLWORTHS

- Above market performance in both Woolworths Clothing & GM and Food
- Investment in price and promotional activity
- Good cost control
- **Clothing & GM**
 - Sales up **3.5%**, with comparable sales up **1.2%** and **2.9%** net new space
 - Impact on gross margin contained, despite rand weakness, down **0.4%**
- **Food**
 - Food sales up **9.5%**, with comparable sales up **5.6%** and **7.9%** net new space
 - Gross margin decreased by **0.4%** due to investment in price
- Despite impact of NCAA on growth, strong performance from **Woolworths Financial Services**
- Woolworths operating profit up **0.4%**



WOOLWORTHS FOOD

Woolworths vs market growth (3mma)



WOOLWORTHS HOLDINGS LIMITED INTERIM RESULTS 2017 ANALYST PRESENTATION

DAVID JONES

- A significant year of change
- Adjusted sales up by **4.0%**, impacted by timing of Boxing Day and prior period termination of Dick Smith electronics concession
- Gross profit margin improved by **0.8%**
- Operating margin maintained at **8.5%**, despite investment in transformation and initiatives



COUNTRY ROAD GROUP

- A difficult six months but now showing signs of improvement
 - Adjusted sales growth down **0.9%**
 - Performance improved in Q2 due to better product and merchandising across all brands
 - Gross margin down **0.4%** due to higher markdowns driven by the aggressive promotional activity in the market
- Politix acquired for A\$68m from 7 November 2016
- New CEO Scott Fyfe joined in January 2017



02/
FINANCIAL
REVIEW

Reeza Isaacs



GROUP INCOME STATEMENT

	Dec 2016 Rm	Dec 2015 Rm	% change	
Woolworths Clothing & GM	1 195	1 255	(4.8)	Challenging trading environment, high level of promotions; non-comp store costs
Woolworths Food	919	855	7.5	Solid top-line growth; price investment; good cost control
WFS (50% of PATI)	134	129	3.9	
Woolworths	2 248	2 239	0.4	Up 1.9% to A\$106m
David Jones	1 092	1 090	0.2	Highly promotional environment; includes Politix
Country Road Group	529	632	(16.3)	
Profit before interest and tax	3 869	3 961	(2.3)	Excludes Boxing Day EBIT of R81m
Net finance and other costs	(598)	(606)	(1.3)	
Adjusted profit before tax	3 271	3 355	(2.5)	
Adjustments	1 374	13		
Profit before tax	4 645	3 368	37.9	
Tax	(1 328)	(939)	41.4	
Profit after tax	3 317	2 429	36.6	
Effective tax rate	28.6%	27.9%		

Adjustments	Dec 2016 Rm	Dec 2015 Rm
Profit on sale of Market Street net of related impairments	1 420	-
Acquisition and swap close-out costs	(52)	-
Forex gain	6	21
Integration and restructure costs	-	(8)
Total	1 374	13

WOOLWORTHS HOLDINGS LIMITED INTERIM RESULTS 2017 ANALYST PRESENTATION

WOOLWORTHS CLOTHING & GM

INCOME STATEMENT

	Dec 2016 Rm	Dec 2015 Rm	% change	
Turnover	7 238	6 994	3.5	1.2% growth in comp stores; price movement contained to 7.3%
Cost of sales	3 784	3 632	4.2	
Gross profit	3 454	3 362	2.7	Additional promotions and earlier sale, offsetting sourcing gains
Other revenue	6	11	(45.5)	
Expenses	2 265	2 119	6.9	Impacted by non-comp stores (comp store cost growth of 2.9%); other costs well controlled
Store costs	1 537	1 401	9.7	
Other operating costs	728	718	1.4	
Adjusted operating profit	1 195	1 254	(4.7)	
Gross profit margin – on turnover	47.7%	48.1%		
Operating profit margin – on turnover	16.5%	17.9%		

WOOLWORTHS FOOD

INCOME STATEMENT

	Dec 2016 Rm	Dec 2015 Rm	% change	
Turnover and concession sales	13 548	12 376	9.5	Stronger Q2; comp store sales up 5.6% with price inflation of 9.2%
Concession sales	(292)	(274)	6.6	
Turnover – own buy	13 256	12 102	9.5	
Cost of sales	9 943	9 031	10.1	Price investment and promotions, partially offset by supply chain efficiencies
Gross profit – own buy	3 313	3 071	7.9	
Concession and other revenue	58	56	3.6	
Expenses	2 452	2 272	7.9	
Store costs	1 751	1 588	10.3	Impacted by new space; comp store cost growth of 4.7%
Other operating costs	701	684	2.5	
Adjusted operating profit	919	855	7.5	
Gross profit margin – on turnover	25.0%	25.4%		
Operating profit margin – on turnover	6.9%	7.1%		

WOOLWORTHS HOLDINGS LIMITED INTERIM RESULTS 2017 ANALYST PRESENTATION

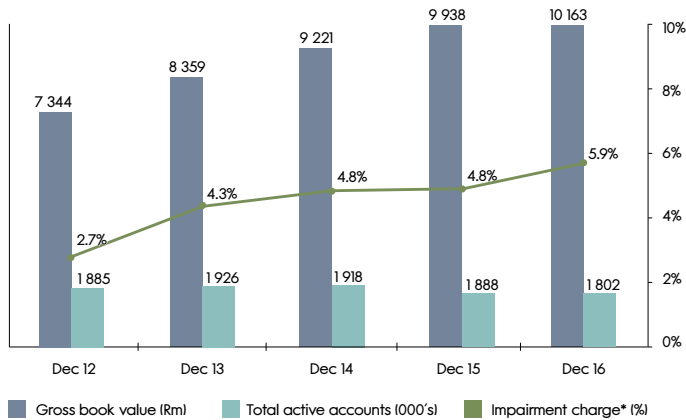
WOOLWORTHS FINANCIAL SERVICES

INCOME STATEMENT

Consolidated <i>pro-forma</i> income statement	Dec 2016 Rm	% to book	Dec 2015 Rm	% to book	% change	
Interest income	1 058	21.0	958	19.4	10.4	
Interest paid	313	6.2	274	5.5	14.2	
Net interest income	745	14.8	684	13.8	8.9	Impact of rate adjustments; differential in growth rates due to timing and application to book debt
Impairment charge	298	5.9	241	4.8	23.7	
Risk-adjusted margin	447	8.9	443	9.0	0.9	Higher charge offs; tougher collections environment
Non-interest revenue	384	7.6	374	7.6	2.7	
Operating costs	461	9.2	461	9.3	-	Well controlled; LY included WRewards launch and NCAA implementation costs
Profit before tax	370	7.4	356	7.2	3.9	
Average financial services assets	10 056		9 893		1.6	Closing book up 2.3%; NCAA impacting new business and CLIs
Return on equity	27.3%		28.4%			

WOOLWORTHS FINANCIAL SERVICES

BOOK PERFORMANCE



* Includes collection costs

WOOLWORTHS HOLDINGS LIMITED INTERIM RESULTS 2017 ANALYST PRESENTATION

DAVID JONES

INCOME STATEMENT

	Dec 2016 A\$m	Dec 2015 A\$m	% change	
Turnover and concession sales	1 143	1 149	(0.5)	Growth of 4.0% (comp sales up 0.5%) after adjusting for Boxing Day and Dick Smith
Concession sales	(383)	(391)	(2.0)	
Turnover – own buy	760	758	0.3	Improved concession rates and move to service model
Cost of sales	404	404	–	
Gross profit – own buy	356	354	0.6	Boxing Day shift and higher concession income
Concession and other revenue	95	91	4.4	
Gross profit	451	445	1.3	Includes Market Street rent and 3 new stores
Expenses	354	347	2.0	
Store costs	293	286	2.4	Well controlled; impacted by private label launch costs 1Y; will increase in H2 as transformation projects are executed
Other operating costs	61	61	–	
Department store adjusted operating profit	97	98	(1.0)	A\$129m including profit earned in other segments from the David Jones channel; Boxing Day impact
Financial services operating profit	9	9	–	
Operating profit before restructure costs	106	107	(0.9)	
Restructure costs	–	(3)		
Operating profit	106	104	1.9	
Gross profit margin	39.5%	38.7%		
Operating profit margin*	8.5%	8.5%		

* Department store operating profit as a percentage of turnover and concession sales

COUNTRY ROAD GROUP

INCOME STATEMENT

	Dec 2016 A\$m	Dec 2015 A\$m	% change	
Turnover	515	516	(0.2) *	0.9% decrease after adjusting for Boxing Day and excluding Politix; improved Q2 run rate
Cost of sales	203	201	1.0	
Gross profit	312	315	(1.0) *	Increased promotions and markdowns
Other revenue	1	2	(50.0)	
Expenses	262	256	2.3	Well controlled; includes Politix store and other operating costs
Store costs	186	184	1.1	
Other operating costs	76	72	5.6	
Adjusted operating profit	51	61	(16.4) *	Boxing Day impact
Gross profit margin				
– on turnover	60.6%	61.0%		
Operating profit margin				
– on turnover	9.9%	11.8%		

WOOLWORTHS HOLDINGS LIMITED INTERIM RESULTS 2017 ANALYST PRESENTATION

NET FINANCE AND OTHER COSTS

	Capital	Rate*	Dec 2016 Rm	Dec 2015 Rm	
ZAR long-term debt	R10.9bn	9.26%	498	443	Higher due to increase in SA base rates
AUD long-term debt	R3.3bn	4.04%	76	115	Lower due to proceeds on sale of Market Street, and favourable interest rates in Australia
Short-term facilities			17	36	
Net finance costs			591	594	
Other costs			7	12	
Net finance and other costs			598	606	

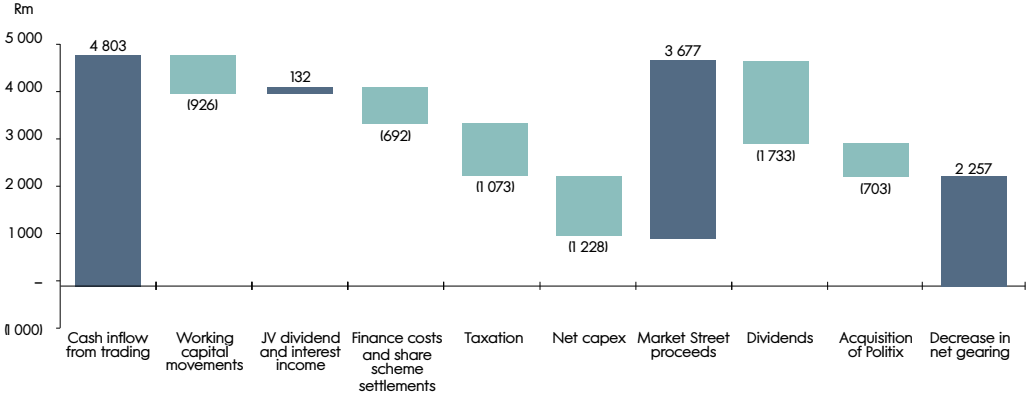
* Partially hedged all-in rate including amortisation of upfront costs

GROUP BALANCE SHEET

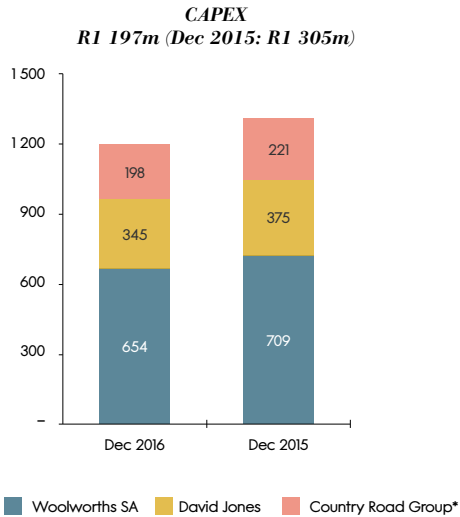
	Dec 2016 Rm	Dec 2015 Rm	% change	Constant currency % change	
Assets					
Property, plant and equipment and investment properties	13 892	16 986	(18.2)	(12.0)	Sale of Market Street; new stores and transformation projects
Intangible assets	17 891	18 505	(3.3)	5.3	
Investments in JVs and associate	1 025	957	7.1	7.1	Impacted by space growth (incl. 3 new stores in DJ), inflation and Boxing Day shift in Australia
Inventories	7 999	7 299	9.6	15.7	
Accounts receivable, tax, deferred tax and loans	4 127	4 837	(14.7)	(9.7)	
Cash	2 725	1 525	78.7	84.4	
Total assets	47 659	50 109	(4.9)	1.9	
Equity and liabilities					
Shareholders' funds	18 959	19 078	(0.6)	11.3	
Borrowings	14 180	15 950	(11.1)	(8.9)	
Other non-current liabilities and deferred tax	2 647	3 186	(16.9)	(11.0)	
Accounts payable, provisions and tax	11 873	11 895	(0.2)	4.8	
Total equity and liabilities	47 659	50 109	(4.9)	1.9	
Net gearing	11 455	14 425	(20.6)	(18.8)	Net gearing lower – proceeds on Market Street sale partly offset by Politix acquisition and settlement of debt

WOOLWORTHS HOLDINGS LIMITED INTERIM RESULTS 2017 ANALYST PRESENTATION

CASH GENERATION FOR 26 WEEKS ENDED 25 DECEMBER 2016



CAPITAL EXPENDITURE



* Excluding Politix acquisition

DEPRECIATION AND AMORTISATION

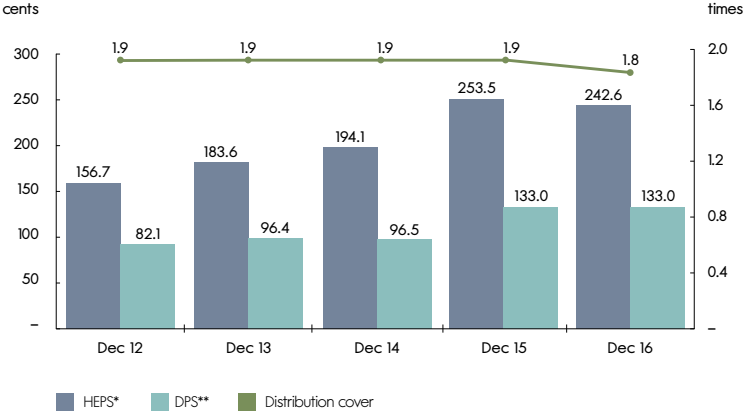
	Dec 2016	Dec 2015	% change
Woolworths SA (Rm)	439	410	7
David Jones (A\$m)	34	30	13
Country Road Group (A\$m)	18	15	20
Total Group (Rm)	991	845	17

CAPEX FOR FY2017

Woolworths SA	R2.0bn
David Jones	A\$120m
Country Road Group	A\$42m

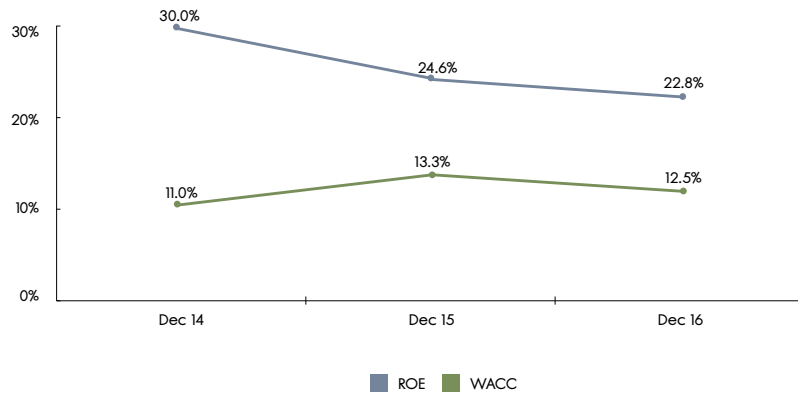
WOOLWORTHS HOLDINGS LIMITED INTERIM RESULTS 2017 ANALYST PRESENTATION

EARNINGS AND DISTRIBUTION



* HEPS based on weighted average number of shares
** DPS based on closing number of shares

RETURN ON EQUITY



03/
**STRATEGY
UPDATE**

Ian Moir



WOOLWORTHS FOOD

- Continue to improve **value perception** by investing in price and highlighting Woolworths superior quality attributes (“The Difference”)
- Continue to drive **quality** and **innovation**, including a number of first-to-market innovations
- Increased our catalogue to deliver a “**complete shop**” to our customers
- Continue to invest in **processes, systems** and **infrastructure** to support the aspiration of becoming a big Food business by 2020:
 - Successfully implemented a **replenishment system**, automating the generation of supplier and store orders
 - Continue to implement a suite of **merchandising systems**, optimising the ranges by store and improving store space utilisation
 - Invest in **supply chain capability and capacity**, to increase the Cape Town Food distribution campus capacity by 30%

WOOLWORTHS HOLDINGS LIMITED INTERIM RESULTS 2017 ANALYST PRESENTATION

WOOLWORTHS CLOTHING & GM

- Become the **Beauty destination** with new market leading brands including Chanel, La Mer, Bobbi Brown, Estée Lauder and Clinique
- Continue to lead the market in **quality** and **innovation**
- Continue to drive **fashionability** through clearly segmenting offer with private label brands
- Launch **new private label brands** and continue to build upon the repositioning of **Woolworths classic and premium classic** merchandise under the David Jones label
- Continue to **strengthen value perception**



WOOLWORTHS

- Embed **connected retail experience** for customers
 - **Single view of customer** across all channels, providing robust data, better customer segmentation and improving customer engagement and personalisation
 - Continue to innovate **WRewards programme**, including additional reward when paying with WFS card
 - Launch new integrated **Woolworths and Financial Services app**
 - Continue to roll out **free in-store WiFi**
- **Drive online sales**
 - Continue to drive online sales – currently >30% growth
 - New Clothing & GM **dark store** opened in November 2016 building better availability and fulfilment
 - Offer market leading **beauty brands online**
 - Improve online customer journey with better **site capability and speed**
- Continue to **build the brand in Africa**

COUNTRY ROAD GROUP

- Clearly defined **customer-led strategies** for each brand
- **Improve core business** in design and merchandising
- **Enhanced loyalty programmes** across CRG brands
- **Digital initiatives** to deliver online sales contribution of 20% by 2020 for all brands
- **Optimise channel mix** to balance store and online growth
- Improve performance of **CRG brands in David Jones** stores
- Continue to optimise **value chain** (effective store profiling and critical path management, end-to-end stock visibility and improved allocation)
- Leverage **Group sourcing** to maximise margins
- Introduce **Politix into David Jones** stores
- **New CEO** Scott Fyfe joined in January 2017



DAVID JONES

- **Improve core business performance**
 - Continue refining **brand and product assortment**
 - **New merchandise, planning and finance systems** to go live in Q4 FY2017
 - Leverage **customer data and insights** enabled by Customer Relationship Management (CRM) system launched in September 2016
- **Increase focus on digital initiatives**
 - New **Head of Digital** appointed
 - **Website re-platform** to enhance online performance, to go live in Q1 FY2018
- Optimise **store portfolio** with new stores and formats and drive profitability with improved space planning and space rationalisation
- **Key initiatives:**
 - Improve performance of **private label brands**
 - Transform the **Food** offer and in-store experience
 - **Refurbish Elizabeth Street** to create a world-class department store
 - **Relocation of head office** to new regional head office in Melbourne

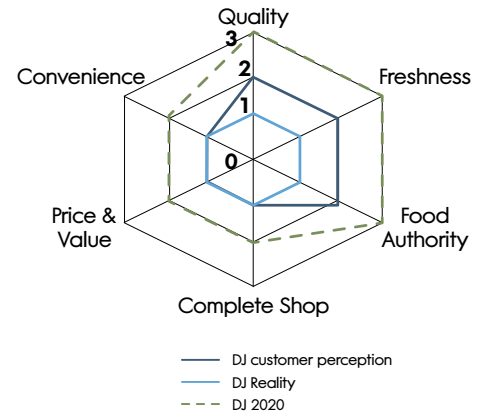
WOOLWORTHS HOLDINGS LIMITED INTERIM RESULTS 2017 ANALYST PRESENTATION

DAVID JONES PRIVATE LABEL

- **Introduced WSA brands** and **re-launched David Jones private label**, installing over 100 pads
- Poor initial execution, but **many lessons learnt**, and **improvements being implemented**
- WSA brands and David Jones private label **beginning to perform well**
e.g. RE: is the largest denim brand in David Jones
- **Gross margins** projected to meet original expectations
- **Optimise space allocation** between CRG and WSA brands across tiers (including the launch of Politix)
- With improvements adopted, **increased footage** across B to D tier stores to be rolled out

DAVID JONES FOOD

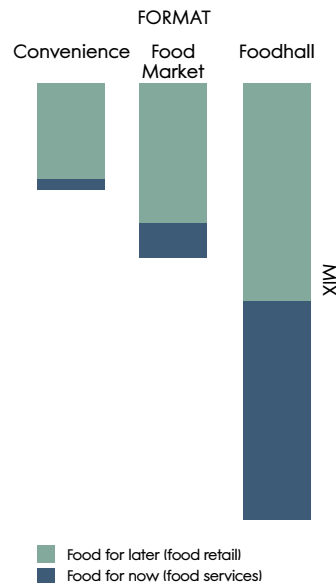
- Bring our customers **the best of the world** with a premium private label product, excellent food services and expert advice
- Offer **best in class product** and support the **best of Australian food**
 - Curate and edit number of lines
 - Drive exclusivity as a point of difference
- **Be proudly David Jones** by owning and developing product
 - Private label contribution to increase from 24% to 70% by 2020
 - Reduce number of brands from 76% to 30%



WOOLWORTHS HOLDINGS LIMITED INTERIM RESULTS 2017 ANALYST PRESENTATION

DAVID JONES FOOD

- **Introduce 3 different formats**, each with a differing mix of “food for now” and “food for later”
- Develop **strategic partnerships** including Neil Perry and Inspired Food (In2Food)
- Underpinned by **Group skills, experienced management team and world class systems and processes**
- Capital investment: A\$75m – A\$100m over next 3 years
- A\$5m deficit in FY2017, achieving profitability by FY2019



DAVID JONES ELIZABETH STREET REFURBISHMENT

- **Market Street building sold for A\$360m**
- Approximately **A\$170m to be invested** (FY2017: 10%; FY2018: 60%; FY2019: 30%) to create a world-class department store
- The **best of fashion and food** in the southern hemisphere
 - New store design
 - All categories maintained with better space utilisation
 - Fine dining restaurant by Neil Perry
 - New concept food market
 - Enhanced theatre, experiences and services
- Disruption to trade to be minimised
- **Relocation of head office** to new regional head office in Melbourne is on track for completion in 2018

04/
OUTLOOK

Ian Moir



OUTLOOK

- **South Africa**

- Global political uncertainty and domestic political and economic headwinds expected to continue in the short term
- Some relief expected from rand improvement, moderating inflation and better rainfall
- Pressure on consumer persists; upper income consumer remains more resilient but likely facing tax increases
- Clothing & GM price movement expected to be 6%-7% in H2
- Food price movement expected to be 7%-8% in H2
- WFS book growth and impairments expected to be in line with FY2016

- **Australia**

- Modest GDP growth and slight improvement in consumer confidence expected
- Aggressive promotional activity expected to continue
- We expect growth for the Group in the second half in each market to be in line with the growth in the first half

WOOLWORTHS HOLDINGS LIMITED INTERIM RESULTS 2017 ANALYST PRESENTATION

MEDIUM-TERM TARGETS

	Medium-term target FY2020
OPERATING PROFIT MARGIN	
WOOLWORTHS CLOTHING & GM	18%
WOOLWORTHS FOOD	7%
DAVID JONES*	10%
COUNTRY ROAD GROUP	12%
RETURN ON EQUITY	
WOOLWORTHS FINANCIAL SERVICES	22%

* Department store operating profit as a percentage of turnover and concession sales

**ADDITIONAL
INFO**

TRADING SPACE

	Dec 2016 000m ²	Dec 2015 000m ²	% change	Projected Jun 2017 000m ²	% change*	Projected Jun 2018 000m ²	% change	Projected Jun 2019 000m ²	% change
Woolworths Clothing & GM	463	450	2.9	468	2.0	490	4.7	504	2.9
South Africa	421	408	3.2	426	1.9	445	4.5	457	2.7
Rest of Africa	42	42	-	42	2.4	45	7.1	47	4.4
Woolworths Food	233	216	7.9	244	8.9	258	5.7	270	4.7
South Africa	225	209	7.7	235	8.3	249	6.0	260	4.4
Engen	3	2	50.0	3	50.0	3	-	3	-
Rest of Africa	5	5	-	6	20.0	6	-	7	16.7
David Jones	478	460	3.9	479	1.7	489	2.1	507	3.7
Country Road Group**	124	116	6.9	124	5.1	126	1.6	128	1.6
Australasia	102	102	-	102	-	103	1.0	104	1.0
South Africa	16	14	14.3	16	-	17	6.3	18	5.9
Polifix	6	-	-	6	100.0	6	-	6	-

* From June 2016

** Includes 22 940m² CRG brand concessions in David Jones stores

WOOLWORTHS HOLDINGS LIMITED INTERIM RESULTS 2017 ANALYST PRESENTATION

STORE LOCATIONS

	Dec 2016	Dec 2015	Growth	Projected Jun 2017	Growth*	Projected Jun 2018	Growth	Projected Jun 2019	Growth
Woolworths Clothing & GM	286	282	4	284	(1)	293	9	297	4
South Africa	219	217	2	218	(2)	225	7	227	2
Rest of Africa	67	65	2	66	1	68	2	70	2
Woolworths Food	416	409	7	420	10	441	21	443	2
South Africa**	322	317	5	324	3	337	13	339	2
Engen	72	67	5	74	6	82	8	82	-
Rest of Africa	22	25	(3)	22	1	22	-	22	-
David Jones	42	39	3	43	3	46	3	49	3
Country Road Group***	748	647	101	744	84	773	29	782	9
Australasia	580	559	21	575	7	581	6	587	6
South Africa	92	88	4	93	1	96	3	99	3
Pollitix	76	-	76	76	76	96	20	96	-

* From June 2016

** Of which 167 are standalone Food stores

*** Includes 168 CRG brand concessions in David Jones stores. CRG brand concessions may extend over multiple pads

WOOLWORTHS FINANCIAL SERVICES

CONTRIBUTION TO SALES

% of sales spent on Woolworths cards	Dec 2016	Dec 2015
Clothing & GM	21.8%	23.5%
Food	10.2%	10.6%
Aggregate Woolworths card contribution	14.4%	15.4%
Credit card	1.8%	1.4%
Aggregate Woolworths and credit card contribution	16.2%	16.8%

WOOLWORTHS HOLDINGS LIMITED INTERIM RESULTS 2017 ANALYST PRESENTATION

DAVID JONES

INCOME STATEMENT (IN RANDS)

	Dec 2016 Rm	Dec 2015 Rm	% change
Turnover and concession sales	12 059	11 427	5.5
Concession sales	(4 041)	(3 877)	4.2
Turnover – own buy	8 018	7 550	6.2
Cost of sales	4 269	4 006	6.6
Gross profit – own buy	3 749	3 544	5.8
Concession and other revenue	1 002	895	12.0
Gross profit	4 751	4 439	7.0
Expenses	3 754	3 398	10.5
Store costs	3 101	2 806	10.5
Other operating costs	653	592	10.3
Department store adjusted operating profit	997	1 041	(4.2)
Financial services operating profit	95	83	14.5
Operating profit before restructure costs	1 092	1 124	(2.8)
Restructure costs	–	(34)	
Operating profit	1 092	1 090	0.2

DAVID JONES

BALANCE SHEET

	Dec 2016 A\$m	Dec 2015 A\$m	% change
Assets			
Property, plant and equipment	838	1 028	(18.5)
Goodwill and brands	1 344	1 344	-
Intangible assets	43	21	>100
Inventories	281	229	22.7
Accounts receivable, tax and deferred tax	162	152	6.6
Cash	41	47	(12.8)
Total assets	2 709	2 821	(4.0)
Non-current and current non-interest bearing liabilities	(645)	(618)	4.4
Capital employed	2 064	2 203	(6.3)
Period-end exchange rate (R/A\$)	10.1	11.1	

WOOLWORTHS HOLDINGS LIMITED INTERIM RESULTS 2017 ANALYST PRESENTATION

COUNTRY ROAD GROUP

INCOME STATEMENT (IN RAN\$)

	Dec 2016 Rm	Dec 2015 Rm	% change
Turnover	5 430	5 117	6.1
Cost of sales	2 143	1 991	7.6
Gross profit	3 287	3 126	5.2
Other revenue	15	17	(11.8)
Expenses	2 773	2 511	10.4
Store costs	1 966	1 803	9.0
Other operating costs	807	708	14.0
Adjusted operating profit	529	632	(16.3)

COUNTRY ROAD GROUP

BALANCE SHEET

	Dec 2016 A\$m	Dec 2015 A\$m	% change
Assets			
Property, plant and equipment	184	174	5.7
Intangible assets	197	136	44.9
Inventories	143	133	7.5
Accounts receivable, tax and deferred tax	75	68	10.3
Cash	42	19	>100
Total assets	641	530	20.9
Non-current and current non-interest bearing liabilities	(178)	(152)	17.1
Capital employed	463	378	22.5
Period-end exchange rate (R/A\$)	10.1	11.1	

WOOLWORTHS HOLDINGS LIMITED INTERIM RESULTS 2017 ANALYST PRESENTATION

DISCLAIMER

Shareholders are advised that the information in this presentation has not been reviewed and reported on by Woolworths Holdings' external auditors and it does not constitute a profit forecast.

Woolworths Holdings has acted in good faith and has made every reasonable effort to ensure the accuracy and completeness of the information contained in this presentation, including all information that may be defined as 'forward-looking statements' within the meaning of United States securities legislation.

Forward-looking statements are not statements of fact, but statements by the management of Woolworths Holdings based on its current estimates, projections, expectations, beliefs and assumptions regarding the group's future performance.

No assurance can be given that forward-looking statements will prove to be correct and undue reliance should not be placed on such statements.

The risks and uncertainties inherent in the forward-looking statements contained in this presentation include, but are not limited to: changes to IFRS and the interpretations, applications and practices subject thereto as they apply to past, present and future periods; domestic business and market conditions; changes in the domestic regulatory and legislative environments; changes to domestic operational, social, economic and political risks; and the effects of both current and future litigation.

Woolworths Holdings does not undertake to update any forward-looking statements contained in this presentation and does not assume responsibility for any loss or damage whatsoever and howsoever arising as a result of the reliance by any party thereon, including, but not limited to, loss of earnings, profits, or consequential loss or damage.



WHL

**WOOLWORTHS HOLDINGS LIMITED /
UNAUDITED INTERIM RESULTS FOR
THE 26 WEEKS ENDED 25 DECEMBER 2016**

COMMENTARY

Group sales increased by 6.7% to R37.8 billion despite difficult trading conditions in both South Africa and Australia. Earnings per share increased by 36.0%, which includes the A\$172 million (R1 762 million) profit on disposal by David Jones of its Market Street property in Sydney. Adjusted diluted HEPS declined by 2.4%.

WOOLWORTHS

CLOTHING AND GENERAL MERCHANDISE

Clothing and General Merchandise sales grew by 3.5%, a good result in a tough and promotional market. Price movement was held to 7.3%, despite the impact of a weaker rand on imported product. Comparable sales grew by 1.2%.

Gross margin declined by 0.4% to 47.7%, impacted by the higher promotional activity. Store costs increased by 9.7% and comparable store costs increased by 2.4%. 2.9% of additional space was added. Other operating costs increased by 1.4%. Adjusted profit before tax declined by 4.8% to R1 195 million.

FOOD

Food sales grew by 9.5%, with comparable sales up 5.6%. Price movement of 9.2% remains high due to the impact of the drought. We continue to grow ahead of the market.

Gross margin decreased by 0.4% to 25.0% as a result of our investment in lower prices and increased levels of promotion. Store costs increased by 10.3% and comparable store costs increased by 4.7%. 7.9% of additional space was added. Other operating costs were 2.5% up on last year. Adjusted profit before tax increased by 7.5% to R919 million.

WOOLWORTHS FINANCIAL SERVICES (WFS)

Woolworths Financial Services grew its debtors book by 1.6% on an average year-on-year basis. The annualised impairment rate for the six months ended 31 December 2016 was 5.9% (31 December 2015: 4.8%). Profit after tax increased by 3.9%.

DAVID JONES

David Jones' sales grew by 4.0% and comparable sales by 0.5% (in A\$) after adjusting for the timing of the Boxing Day sale (a material event), which falls into the second half of this financial year, as well as by last year's termination of the Dick Smith electronics concession. This negatively impacted sales growth by 2.7% and 1.6% respectively.

Gross profit margin improved by 0.8% to 39.5%. Costs were well controlled, with total expenses increasing by 1.1%. Adjusted profit before tax increased by 2.9% to A\$105 million.

COUNTRY ROAD GROUP

Country Road Group sales were 0.9% lower than the prior period after adjusting for the Boxing Day sale and the inclusion of sales from the new acquisition Politix, which affected sales growth by -1.1% and +1.8% respectively.

Sales performance was impacted by high levels of promotional activity in the market.

Higher markdowns and promotions resulted in gross profit margin declining by 0.4% to 60.6%, while costs were well controlled, increasing by 2.3%. Adjusted profit before tax declined by 16.7% to A\$50 million.

The acquisition of Politix complements our portfolio of iconic brands in Country Road and provides opportunity to extend the brand into David Jones.

OUTLOOK

Economic and market conditions are expected to remain difficult into the second half of the financial year. The environment in both markets is expected to continue to be highly promotionally driven. We expect growth for the Group in the second half in each market to be in line with the growth in the first half.

David Jones is continuing on its transformational journey with good progress being made on our key transformational initiatives.

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

CHANGES TO THE BOARD OF DIRECTORS

The Board advises that Thina Siwendu, an independent non-executive director and Chairman of the Social and Ethics Committee, has resigned from the Board with effect from 15 February 2017. Her resignation follows her appointment as a full-time judge of the Gauteng Local Division of the High Court, Johannesburg.

The Board expresses its deep gratitude to Thina for her significant contribution, particularly for her instrumental role as Chairman of the Social and Ethics Committee. In this capacity, Thina steered the evolution of the committee as it evolved to oversee and contribute to the Group's corporate citizenship credentials. She did this in a very personal and pragmatic manner. We wish her great success with her new responsibilities.

Nombulelo Moholi, an independent non-executive director, will assume the role of Chairman of the Social and Ethics Committee.

S N Susman

Chairman
Cape Town, 15 February 2017

I Moir

Group Chief Executive Officer

DIVIDEND DECLARATION

Notice is hereby given that the Board of Directors have declared an interim gross cash dividend per ordinary share (dividend) of 133.0 cents (113.05 cents net of dividend withholding tax), for the 26 weeks ended 25 December 2016, thereby maintaining the dividend as per the prior period. The dividend has been declared from income reserves and therefore does not constitute a distribution of 'contributed tax capital' as defined in the Income Tax Act, 58 of 1962. A dividend withholding tax of 15% will be applicable to all shareholders who are not exempt.

The issued share capital at the declaration date is 1 047 355 308 ordinary shares.

The salient dates for the dividend will be as follows:

Last day of trade to receive a dividend	Tuesday, 7 March 2017
Shares commence trading "ex" dividend	Wednesday, 8 March 2017
Record date	Friday, 10 March 2017
Payment date	Monday, 13 March 2017

Share certificates may not be dematerialised or rematerialised between Wednesday, 8 March 2017 and Friday, 10 March 2017, both days inclusive. Ordinary shareholders who hold dematerialised shares will have their accounts at their CSDP or broker credited or updated on Monday, 13 March 2017. Where applicable, dividends in respect of certificated shares will be transferred electronically to shareholders' bank accounts on the payment date. In the absence of specific mandates, dividend cheques will be posted to shareholders.

Chantel Reddiar

Group Company Secretary
Cape Town, 15 February 2017

INTERIM GROUP STATEMENT OF COMPREHENSIVE INCOME

52 weeks to 26 Jun 2016 Rm	Notes	26 weeks to 25 Dec 2016 Rm	26 weeks to 27 Dec 2015 Rm	% change	
66 978	Revenue	35 262	32 939	7.1	
72 137	Turnover and concession sales	37 819	35 458	6.7	
(7 133)	Concession sales	(3 586)	(3 447)	4.0	
65 004	Turnover	34 233	32 011	6.9	
38 618	Cost of sales	20 329	18 821	8.0	
26 386	Gross profit	13 904	13 190	5.4	
1 926	Other revenue	988	907	8.9	
21 343	Expenses	11 182	10 265	8.9	
15 640	Store costs	8 167	7 438	9.8	
5 703	Other operating costs	3 015	2 827	6.7	
6 969	Operating profit	3 710	3 832	(3.2)	
-	Profit on sale of property, net of impairment	1 420	-	-	
-	Profit on sale of property	1 762	-	-	
-	Impairment due to sale of property	342	-	-	
48	Investment income	41	21	95.2	
1 234	Finance costs	660	615	7.3	
5 783	Profit before earnings from joint ventures and associate	4 511	3 238	39.3	
249	Earnings from joint ventures	134	129	3.9	
1	Earnings from associate	-	1	(100.0)	
6 033	Profit before tax	4 645	3 368	37.9	
1 680	Tax	1 328	939	41.4	
4 353	Profit for the period	3 317	2 429	36.6	
	Other comprehensive income:				
	Amounts that may be reclassified to profit or loss				
(104)	Fair value adjustments on financial instruments, after tax	(140)	206		
3 748	Exchange differences on translation of foreign subsidiaries	(2 363)	3 543		
	Amounts that may not be reclassified to profit or loss				
7	Post-retirement medical benefit liability – actuarial gain, after tax	-	-		
3 651	Other comprehensive income for the period	(2 503)	3 749		
8 004	Total comprehensive income for the period	814	6 178		
4 353	Profit attributable to:	3 317	2 429		
4 344	Shareholders of the parent	3 315	2 422		
9	Non-controlling interests	2	7		
8 004	Total comprehensive income attributable to:	814	6 178		
7 988	Shareholders of the parent	813	6 163		
16	Non-controlling interests	1	15		
	Reconciliation of headline earnings				
4 344	Basic earnings attributable to shareholders of the parent	3 315	2 422	36.9	
22	Net (profit)/loss on disposal of property, plant and equipment and intangible assets	(1 758)	6		
(7)	Profit on disposal of associate	-	(7)		
7	Impairment of property, plant and equipment and intangible assets	350	1		
(8)	Tax impact of adjustments	423	(2)		
4 358	Headline earnings	2 330	2 420	(3.7)	
13	Unrealised foreign exchange (gains)/losses	(6)	(21)		
-	Transaction and swap close-out costs	52	8		
(4)	Tax impact of adjustments	(11)	4		
4 367	Adjusted headline earnings	2 365	2 411	(1.9)	
454.2	Earnings per share (cents)	2	345.1	253.7	36.0
455.6	Headline earnings per share (cents)		242.6	253.5	(4.3)
456.6	Adjusted headline earnings per share (cents)		246.2	252.6	(2.5)
451.0	Diluted earnings per share (cents)	2	343.3	252.0	36.2
452.5	Diluted headline earnings per share (cents)		241.3	251.7	(4.1)
453.4	Adjusted diluted headline earnings per share (cents)		244.9	250.8	(2.4)
960.1	Number of shares in issue (millions)		961.1	956.3	0.5
956.5	Weighted average number of shares in issue (millions)		960.5	954.5	0.6

INTERIM GROUP STATEMENT OF FINANCIAL POSITION

At 26 June 2016 Rm		Notes	At 25 Dec 2016 Rm	At 27 Dec 2015 Rm
	ASSETS			
37 001	Non-current assets		34 346	38 356
15 324	Property, plant and equipment	3	13 814	16 878
78	Investment properties	3	78	78
18 965	Intangible assets	3	17 891	18 505
978	Investment in joint ventures		1 025	957
8	Participation in export partnerships		6	15
83	Fair value lease adjustment		71	86
41	Other loans		38	44
72	Derivative financial instruments	6	21	171
1 452	Deferred tax		1 402	1 622
10 340	Current assets		13 313	11 723
7 117	Inventories		7 999	7 299
1 312	Trade and other receivables		1 552	1 501
90	Derivative financial instruments	6	100	530
296	Tax		937	868
1 525	Cash and cash equivalents		2 725	1 525
2 049	Non-current assets held for sale	3	-	30
49 390	TOTAL ASSETS		47 659	50 109
	EQUITY AND LIABILITIES			
19 853	TOTAL EQUITY		18 959	19 078
19 826	Equity attributable to shareholders of the parent		18 931	19 017
27	Non-controlling interests		28	61
18 559	Non-current liabilities		14 225	18 738
15 703	Interest-bearing borrowings		11 578	15 552
2 264	Operating lease accrual and fair value lease adjustment		2 052	2 129
387	Post-retirement medical benefit liability		398	385
187	Provisions		190	380
12	Derivative financial instruments	6	-	4
6	Deferred tax		7	288
10 978	Current liabilities		14 475	12 293
9 107	Trade and other payables		9 473	9 741
863	Provisions		801	1 004
135	Operating lease accrual and fair value lease adjustment		64	141
265	Derivative financial instruments	6	148	84
393	Tax		1 387	925
215	Overdrafts and interest-bearing borrowings		2 602	398
29 537	TOTAL LIABILITIES		28 700	31 031
49 390	TOTAL EQUITY AND LIABILITIES		47 659	50 109
2 065	Net asset book value - per share (cents)		1 970	1 989
	GROUP ANALYSIS			
49 390	Total assets		47 659	50 109
11 940	Woolworths*		13 991	13 024
29 250	David Jones		25 288	29 064
7 208	Country Road Group		7 340	7 023
971	Woolworths Financial Services		1 018	951
21	Treasury**		22	47
7 117	Inventories		7 999	7 299
3 279	Woolworths*		3 728	3 277
2 345	David Jones		2 831	2 542
1 493	Country Road Group		1 440	1 480
29 537	Total liabilities		28 700	31 031
5 672	Woolworths*		7 023	6 945
6 534	David Jones		5 802	6 625
1 850	Country Road Group		1 695	2 071
15 481	Treasury		14 180	15 390
3 902	Approved capital commitments		2 023	2 113
2 066	Woolworths*		1 008	1 105
1 330	David Jones		728	642
506	Country Road Group		287	366

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

** Comparative information has been restated for the change in the composition of reportable segments; consequently R47 million of assets previously reported within the Woolworths segments have been reclassified to Treasury.

INTERIM GROUP STATEMENT OF CASH FLOWS

52 weeks to 26 June 2016 Rm	Notes	26 weeks to 25 Dec 2016 Rm	26 weeks to 27 Dec 2015 Rm
	Cash flow from operating activities		
8 940	Cash inflow from trading	4 803	5 118
(311)	Working capital movements	(926)	(117)
8 629	Cash generated by operating activities	3 877	5 001
40	Investment income received	41	20
(1 168)	Finance costs paid	(655)	(592)
(1 536)	Tax paid	(1 073)	(962)
5 965	Cash generated by operations	2 190	3 467
162	Dividends received from joint ventures	87	63
7	Dividends received from associate	-	7
(2 464)	Dividends to ordinary shareholders	(1 733)	(1 442)
3 670	Net cash inflow from operating activities	544	2 095
	Cash flow from investing activities		
(2 829)	Net investment in property, plant and equipment, intangible assets and investment properties	(1 228)	(1 432)
-	Proceeds on disposal of property	3 677	-
-	Acquisition of subsidiary, net of cash acquired	(703)	-
20	Other	4	15
(2 809)	Net cash inflow/(outflow) from investing activities	1 750	(1 417)
	Cash flow from financing activities		
(34)	Settlement of share-based payments through share purchase	(37)	(25)
(1)	Share purchase costs	-	-
(12)	Finance lease payments	(5)	(5)
190	Borrowings raised	4 264	295
(384)	Borrowings repaid	(5 315)	(412)
(85)	Acquisition of non-controlling interests in subsidiaries	-	-
(326)	Net cash outflow from financing activities	(1 093)	(147)
535	Increase in cash and cash equivalents	1 201	531
891	Net cash and cash equivalents at the beginning of the period	1 497	891
71	Effect of foreign exchange rate changes	27	103
1 497	Net cash and cash equivalents at the end of the period	2 725	1 525
	GROUP ANALYSIS		
8 629	Cash generated by operating activities	3 877	5 001
4 906	Woolworths	2 542	2 701
2 508	David Jones	857	1 696
1 215	Country Road Group	478	604
2 825	Additions to property, plant and equipment, intangible assets and investment properties (gross)	1 900	1 305
1 186	Woolworths	654	709
1 093	David Jones	345	375
546	Country Road Group	901	221

INTERIM GROUP STATEMENT OF CHANGES IN EQUITY

Total 52 weeks to 26 June 2016 Rm	Notes	Share- holders of the parent Rm	Non- controlling interests Rm	Total 26 weeks to 25 Dec 2016 Rm	Share- holders of the parent Rm	Non- controlling interests Rm	Total 26 weeks to 27 Dec 2015 Rm
14 297		19 826	27	19 853	14 251	46	14 297
4 353		3 315	2	3 317	2 422	7	2 429
3 651		(2 502)	(1)	(2 503)	3 741	8	3 749
8 004		813	1	814	6 163	15	6 178
2 849	4	104	–	104	2 545	–	2 545
(2 534)	4	(79)	–	(79)	(2 500)	–	(2 500)
(2 716)		(1 733)	–	(1 733)	(1 442)	–	(1 442)
(47)		–	–	–	–	–	–
19 853		18 931	28	18 959	19 017	61	19 078
313.0				133.0			133.0
1.45				1.80			1.90

INTERIM SEGMENTAL ANALYSIS

52 weeks to 26 June 2016 Rm		Notes	26 weeks to 25 Dec 2016 Rm	26 weeks to 27 Dec 2015 Rm	% change
REVENUE					
65 004	Turnover		34 233	32 011	6.9
13 701	Woolworths Clothing and General Merchandise		7 238	6 994	3.5
24 956	Woolworths Food		13 256	12 102	9.5
515	Woolworths Logistics		291	248	17.3
15 185	David Jones		8 018	7 550	6.2
10 647	Country Road Group		5 430	5 117	6.1
1 974	Other revenue and investment income		1 029	928	10.9
27	Woolworths Clothing and General Merchandise		6	11	(45.5)
115	Woolworths Food		58	56	3.6
2 112	David Jones		1 110	985	12.7
43	Country Road Group		19	19	-
28	Treasury		24	16	50.0
(351)	Intragroup	9	(188)	(159)	18.2
66 978	Total Group		35 262	32 939	7.1
GROSS PROFIT					
6 616	Woolworths Clothing and General Merchandise		3 454	3 362	2.7
6 370	Woolworths Food		3 313	3 071	7.9
6 902	David Jones		3 749	3 544	5.8
6 313	Country Road Group		3 287	3 126	5.2
185	Intragroup	9	101	87	16.1
26 386	Total Group		13 904	13 190	5.4
PROFIT BEFORE TAX					
2 306	Woolworths Clothing and General Merchandise		1 195	1 255	(4.8)
1 826	Woolworths Food		919	855	7.5
248	Woolworths Financial Services		134	129	3.9
1 814	David Jones		1 078	1 076	0.2
1 016	Country Road Group		517	622	(16.9)
(1 164)	Treasury		(572)	(582)	(1.7)
6 046	Total Group-adjusted		3 271	3 355	(2.5)
(13)	Adjustments		1 374	13	
(13)	Unrealised foreign exchange gains/(losses)		6	21	
-	Transaction and swap close-out costs		(52)	(8)	
-	Profit on sale of property		1 762	-	
-	Impairment due to sale of property		(342)	-	
6 033	Total Group		4 645	3 368	37.9
2 295	Woolworths Clothing and General Merchandise		1 200	1 274	(5.8)
1 824	Woolworths Food		920	857	7.4
248	Woolworths Financial Services		134	129	3.9
1 814	David Jones		2 493	1 068	>100
1 016	Country Road Group		498	622	(19.9)
(1 164)	Treasury		(600)	(582)	3.1

NOTES

1. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

The interim Group financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and its interpretations adopted by the International Accounting Standards Board (IASB), IAS 34: Interim Financial Reporting, the South African Institute of Chartered Accountants (SAICA) Financial Reporting Guides as issued by the Accounting Practices Committee, Financial Pronouncements as issued by the Financial Reporting Standards Council (FRSC), the requirements of the Companies Act of South Africa and the JSE Limited Listings Requirements.

The interim Group financial statements have been prepared under the supervision of the Group Finance Director, Reeza Isaacs CA(SA) and are the full responsibility of the directors.

Accounting policies applied in the preparation of these interim Group financial statements are consistent with those applied in the preparation of the Group Annual Financial Statements for the 52-week period ended 26 June 2016, and are consistent with the prior period, except for the changes in accounting policy disclosed in note 5. The interim Group financial statements have been prepared on the historical cost and going concern bases, except where otherwise indicated. The presentation and functional currency is the South African rand, rounded to the nearest million, except where otherwise indicated.

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 (refer to note 4).

3. PROPERTY, PLANT AND EQUIPMENT, INTANGIBLE ASSETS AND INVESTMENT PROPERTIES

The Group acquired property, plant and equipment at a fair value of R976 million (2015: R1 041 million) and acquired intangible assets at a fair value of R924 million (2015: R264 million). This included acquisitions related to business combinations (refer to note 10).

The Market Street building in Sydney, Australia, amounting to R2 049 million (A\$182.0 million), and previously reclassified as a non-current asset held for sale, was disposed of in the period.

4. ISSUE AND PURCHASE OF SHARES

1 328 464 (2015: 1 499 258) ordinary shares totalling R104 million (2015: R131 million) were issued and allocated to employees in terms of the Group's share incentive schemes.

432 469 (2015: 256 743) ordinary shares totalling R37 million (2015: R25 million) were purchased from the market by Woolworths Proprietary Limited and are held as treasury shares by the Group. 103 152 (2015: 350 014) ordinary shares totalling R7 million (2015: R15 million) were allocated to employees in terms of the Group's Restricted Share Plan.

In the prior period, 24 361 954 ordinary shares totalling R2 414 million were issued and allocated to employees in terms of the Group's Black Economic Empowerment Employee Share Ownership Scheme, which reached maturity on 30 June 2015.

5. CHANGE IN ACCOUNTING POLICY

The adoption of certain new standards, which became effective in the current period, has resulted in minor changes to accounting policies and disclosure, none of which have a material impact on the financial position or performance of the Group.

6. FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying value of trade and other receivables, trade and other payables and borrowings approximate their fair values.

In terms of IFRS 13: Fair value measurement, the Group's derivative financial instruments are measured at fair value and determined to be level two under the fair value hierarchy using inputs that are observable for the asset or liability, either directly or indirectly.

7. 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.

8. BORROWING FACILITIES

Unutilised banking and debt facilities amount to R13 089 million (2015: R7 966 million). In terms of the Memorandum of Incorporation, the Group has unlimited borrowing powers.

NOTES (CONTINUED)

9. RELATED-PARTY TRANSACTIONS

The Group entered into related-party transactions, the substance of which is disclosed in the Group's 2016 Annual Financial Statements. Intragroup adjustments relate to the sale of concession goods between segments and supply chain distribution adjustments.

10. ACQUISITION OF POLITIX

On 7 November 2016, Woolworths Holdings Limited (WHL), through its subsidiary, Country Road Group Proprietary Limited (ICRG), acquired the net assets of Politix for a total value of R703 million (A\$68.0 million). The acquisition was funded through internal sources.

Assets acquired and liabilities assumed

WHL has measured the identifiable assets and liabilities of Politix at their acquisition-date fair values. The provisional values are presented below:

	Rm	A\$m
Non-current assets	280	27
Property, plant and equipment	52	5
Intangible assets	228	22
Current assets	44	5
Inventories	36	4
Trade and other receivables	8	1
Non-current liabilities	7	1
Fair value lease adjustment	7	1
Current liabilities	29	3
Trade and other payables	12	1
Provisions	17	2
Total identifiable net assets at fair value	288	28
Goodwill arising on acquisition	415	40
Cash outflow on acquisition	703	68

Goodwill of R415 million (A\$40.2 million) and the Politix brand amounting to R228 million (A\$22.0 million) have been recognised. Goodwill represents the value paid in excess of the fair value of net assets and consists largely of synergies and economies of scale expected from strategic initiatives. Transaction costs of R19 million (A\$1.8 million) have been expensed in the current period and are included in other operating costs.

From the date of acquisition, R97 million of additional revenue and R14 million profit before tax has accrued. Had the acquisition been effective from the beginning of the period, the directors consider that, on a pro-forma basis, the contribution to revenue and profit before tax for the 26 weeks ended 25 December 2016 would have been a further R348 million and R57 million respectively.

As a result of the acquisition, leases were determined to be either favourable or unfavourable in comparison to market-related rentals, and accordingly, have been disclosed separately as assets or liabilities on the statement of financial position. These will unwind over the duration of the leases through the statement of comprehensive income.

The fair values are provisional and are subject to further review for a period of up to one year from acquisition date, and as a result, not all of the required disclosures are contained herein.

The Australian dollar values have been translated at the closing exchange rate at 7 November 2016 of A\$:R10.3.

11. EVENTS SUBSEQUENT TO THE REPORTING DATE

No event material to the understanding of these interim Group financial statements has occurred between the end of the financial period and the date of approval.

12. APPROVAL OF INTERIM GROUP FINANCIAL STATEMENTS

The interim Group financial statements were approved by the Board of Directors on 15 February 2017.

13. AUDIT OPINION

These interim Group financial statements have not been reviewed or audited.

DIRECTORATE AND STATUTORY INFORMATION

NON-EXECUTIVE DIRECTORS

Simon Susman (Chairman), Patrick Allaway (Australian), Peter Bacon (British), Zarina Bassa, Tom Boardman (Lead Independent Director), Hubert Brody, Andrew Higginson (British), Gail Kelly (Australian), Nombulelo Moholi, Lord Rose (British), Thina Siwendu

EXECUTIVE DIRECTORS

Ian Moir (Group Chief Executive Officer) (Australian), Reeza Isaacs, Sam Ngumeni, Zyda Rylands

GROUP COMPANY SECRETARY

Chantel Reddiar

JSE SHARE CODE

WHL

ISIN

ZAE000063863

REGISTERED ADDRESS

Woolworths House, 93 Longmarket Street, Cape Town, 8001
PO Box 680, Cape Town, 8000

REGISTRATION NUMBER

1929/001986/06

TAX NUMBER

9300/149/71/4

JSE SPONSOR

Rand Merchant Bank (A division of FirstRand Bank Limited)

TRANSFER SECRETARIES

Computershare Investor Services Proprietary Limited
15 Biermann Avenue, Rosebank, 2196

HIGHLIGHTS

*Group turnover and
concession sales*

+6.7%
to R37.8 billion

EPS

+36.0%
to 345.1 cps

HEPS

-4.3%
to 242.6 cps

*HEPS –
Adjusted diluted*

-2.4%
to 244.9 cps

*Interim dividend
maintained at*

133.0
cps

*Return
on equity*

22.8%