
Woolworths Holdings Ltd Annual Results

25 August 2016

Woolworths Holdings Ltd (WHL) today announced results for the year ended 28 June 2016, including David Jones full year results for the first time.

Group sales (including concession sales) increased 16.4% to R72.1bn despite challenging trading conditions in both South Africa and Australasia. Adjusted pre-tax profit* was up 14.7% to R6.04bn and headline earnings increased by 31.8% to R4.3bn. Adjusted headline earnings per share grew by 8.9% to 456.6c. The Board has declared a final dividend of 180cps giving a total dividend for the year of 313cps, an increase of 26.7%.

Commenting on the results, WHL Group CEO Ian Moir said, "Our Group has performed well against difficult global and local economic conditions and an increasingly tough retail trading environment. This year's performance demonstrates the continued benefits of our strategy to be the leading retailer in the Southern hemisphere. The transformation of David Jones continues to deliver and we are benefitting from the increased size and scale of the Group."

Woolworths Clothing and General Merchandise sales grew 8.2% and 4.4% in comparable stores, despite sales being impacted in the last quarter by a late winter. The turnaround in womenswear and kids clothing continued and we saw gains from our switch in sourcing from China to SADC.

Woolworths Food, with its focus on quality, freshness and innovation, continues to gain market share. Sales grew by 11.9% and by 6.6% in comparable stores. The Foods business has delivered growth ahead of the market every month since September 2011. With food inflation putting pressure on our customers and the recent drought in Southern Africa impacting supply and price of raw materials, we continued to invest in price and breadth so as to offer a complete shop at competitive prices.

Woolworths Financial Services grew its debtor's book by 8.1% despite the impact of the introduction of the new credit regulations under the NCCA. The Financial Services offer was repositioned within the WRewards programme to deliver a simpler, richer programme and incentivise customers to use their WFS cards as tender. This has yielded encouraging results in a credit environment that remains under pressure. The book's impairment rate was up slightly to 5.7%.

Country Road Group, including sales in South Africa, increased sales by 5.5% as a result of increased space, including the new concession areas within David Jones stores. However, an unseasonably warm winter and range issues impacted performance, requiring higher markdowns and promotions and resulting in comparable sales being down 3.9%.

David Jones sales increased by 8.4%, on a pro forma basis, well ahead of the market. Comparable sales increased by 7.0%. Transformation continues with private label products rolling out in phases, the online shopping channel gaining traction and with single view of customer across the business nearing completion. The rollout of our new merchandise systems are tracking to plan and progressing well.

The implementation of the premium food strategy in Australasia under the David Jones brand has also commenced, initially with food service (café and food to go) whilst fresh produce and prepared meal catalogues are built.

The new David Jones store in Wellington, New Zealand has now officially opened and earlier this month we announced the sale of Market Street in Sydney for AUD\$ 360m (R3.7bn) with our intention to invest up to AUD\$200m to create a world class department store at the adjacent Elizabeth Street property. We also announced the relocation of the David Jones head office from Sydney to Melbourne and its co-location on a new campus with Country Road Group.

ENDS

Notes to editors:

* Prior year profits included costs of David Jones acquisition. Actual pre-tax profit increased 36.1% to R6.03bn; headline earnings by 31.8% to R4.35bn and HEPS by 23.2% to 455.6cps

The related SENS announcement, please visit: <http://www.woolworthsholdings.co.za/media/sens.asp>

Please note the correct store logos for Woolworths, David Jones and Country Road stores here:
http://www.woolworthsholdings.co.za/whl_mini_2014/broadcasts.asp

For additional information please visit: <http://www.woolworthsholdings.co.za/default.asp>

About WHL

Woolworths Holdings Limited ('WHL') Group is a leading southern hemisphere retail group, with its head office in South Africa, listed on the JSE Limited Securities Exchange (JSE) since 1997. It is one of the top 40 JSE-listed companies and had a market capitalisation of R100.5 billion (\$6.75bn) at 28 June 2015. 40% of revenue (including concession sales) is generated in Australasia. The Group consists of three major operating divisions:

MEDIA RELEASE



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- Woolworths South Africa (Woolworths or WSA) based in South Africa and operating across 11 countries in sub-Saharan Africa
 - David Jones (David Jones or DJ) based and trading in Australia and New Zealand
 - Country Road Group (Country Road Group or CRG) based in Australia and trading in Australia, New Zealand and South Africa.
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