

# SHOPRITE



(Reg. No. 1936/007721/06) | (ISIN: ZAE 000012084) | (JSE Share code: SHP) **HOLDINGS LTD**  
(NSX Share code: SRH) | (LuSE Share code: SHOPRITE) | ("the Group")

## UNAUDITED GROUP RESULTS FOR THE 6 MONTHS ENDED DECEMBER 2016

### FINANCIAL HIGHLIGHTS

|   | %<br>change | Dec<br>2016   | Dec<br>2015 |
|---|-------------|---------------|-------------|
| Sale of merchandise (Rm)                      | 14.0        | <b>71 297</b> | 62 519      |
| Trading profit (Rm)                           | 19.2        | <b>3 907</b>  | 3 279       |
| Operating profit (Rm)                         | 9.4         | <b>3 662</b>  | 3 346       |
| Profit before income tax (Rm)                 | 10.2        | <b>3 509</b>  | 3 185       |
| Income tax expense (Rm)                       | 8.5         | <b>1 068</b>  | 984         |
| Profit for the period (Rm)                    | 10.9        | <b>2 441</b>  | 2 201       |
| Attributable to owners of the parent (Rm)     |             | <b>2 438</b>  | 2 198       |
| Attributable to non-controlling interest (Rm) |             | <b>3</b>      | 3           |
| Basic headline earnings per share (cents)     | 15.6        | <b>462.5</b>  | 400.2       |
| Basic earnings per share (cents)              | 10.6        | <b>455.0</b>  | 411.5       |
| Dividend per share (cents)                    | 15.4        | <b>180.0</b>  | 156.0       |

### PIETER ENGELBRECHT, CHIEF EXECUTIVE

Shoprite produced an excellent set of results for the six months to December 2016, which included a successful festive trading period. Total turnover grew 14% from R62.519 billion to R71.297 billion while trading profit was 19.2% higher at R3.907 billion. Group results were boosted by a very strong performance by our Non-RSA operations which grew turnover by 32.3% to R12.877 billion. At constant currencies this represents growth of 51.7%.

The rise in trading profit above turnover growth was the result of increased marketing activity, strict cost control across the spectrum, improved planning involving all the various disciplines in the business, and the Group's ability to achieve ongoing supply line efficiencies. These factors combined enabled the Group to increase the trading margin from 5.2% to 5.5% while continuing to provide the best value at highly competitive prices.

The widespread drought and its impact on agricultural production, coupled with the high replacement cost of basic food imports, caused internal inflation to increase from 2.7% a year ago to 7.4%, the highest level in several years. To assist price sensitive consumers and support low prices with value we continued to subsidise those basic foods most affected by price escalations.

To sustain growth both within South Africa and beyond its borders, the Group opened a net 147 new stores during the past 12 months and at the end of the reporting period was trading from 2 653 outlets. This enabled it to create, to our immense satisfaction, 7 144 additional jobs bringing its total staff complement to more than 143 000.

### DECLARATION OF ORDINARY DIVIDEND

The board has declared an interim dividend of 180 cents (2015: 156 cents) per ordinary share, payable to shareholders on Monday, 20 March 2017. The dividend has been declared out of income reserves. The last day to trade cum dividend will be Tuesday, 14 March 2017. As from Wednesday, 15 March 2017, all trading of Shoprite Holdings Ltd shares will take place ex dividend. The record date is Friday, 17 March 2017. Share certificates may not be dematerialised or rematerialised between Wednesday, 15 March 2017, and Friday, 17 March 2017, both days inclusive.

In terms of the Dividends Tax, the following additional information is disclosed:

1. The local Dividends Tax rate is 15%.
2. The net local dividend amount is 153 cents per share for shareholders liable to pay Dividends Tax and 180 cents per share for shareholders exempt from paying Dividends Tax.
3. The issued ordinary share capital of Shoprite Holdings Ltd as at the date of this declaration is 574 453 281 ordinary shares.
4. Shoprite Holdings Ltd's tax reference number is 9775/112/71/8.

### ABOUT THIS ANNOUNCEMENT

This short-form announcement is the responsibility of the directors of Shoprite Holdings Ltd. It is only a summary of the information in the condensed consolidated interim financial statements and does not contain full or complete details. Any investment decisions by investors and/or shareholders should be based on consideration of the condensed consolidated interim financial statements published on SENS and [www.shopriteholdings.co.za](http://www.shopriteholdings.co.za) as a whole.

The condensed consolidated interim financial statements have been released on the Stock Exchange News Service (SENS) and are available for viewing on [www.shopriteholdings.co.za](http://www.shopriteholdings.co.za). Copies of the condensed consolidated interim financial statements may be requested from the company secretary ([cosec@shoprite.co.za](mailto:cosec@shoprite.co.za), tel +27 (0)21 980 4284) at PO Box 215, Brackenfell, 7561, South Africa.

By order of the board

**CH Wiese**  
Chairman

**PC Engelbrecht**  
Chief Executive

Cape Town  
20 February 2017