TFG

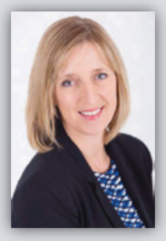
RESULTS PRESENTATION

FOR THE YEAR ENDED
31 MARCH 2017

AGENDA

Doug Murray
Chief Executive Officer

Anthony Thunström
Chief Financial Officer



Jane Fisher
Group Director

– Economy and retail environment	Doug Murray
– Business overview & review of the year	Doug Murray
– Financial review	Anthony Thunström
– TFG Financial Services	Jane Fisher
– RAG acquisition	Doug Murray
– Growth and outlook	Doug Murray

ECONOMY AND RETAIL ENVIRONMENT – SOUTH AFRICA

CPI	INTEREST RATE	GDP (Dec 2016)
6,1%	10,5%	0,3%
(March 2016: 6,3%)	(March 2016: 10,5%)	(Dec 2015: 1,3%)

- Impact of political uncertainty and corruption on the South African economy remains of deep concern
- South Africa's credit rating under further threat
- Consumer spending remains under pressure and impacted by difficult credit conditions (Affordability Regulations impact), unemployment, low consumer confidence
- Rand remains volatile
  - Depreciated around 10% in two weeks post recent cabinet reshuffle
- Outlook for SA economy:
  - Consumer spending growth forecast at 1,1% for 2017 (BER)
  - Interest rate expected to remain flat
  - Inflation outlook remains at upper end of target range (around 6%)
  - GDP growth revised downward to 0,6% for 2017 (BER) – previously 1,1%

ECONOMY AND RETAIL ENVIRONMENT – UK

CPI	INTEREST RATE	GDP (Dec 2016)
2,3%	0,25%	1,8%
(March 2016: 0,5%)	(March 2016: 0,5%)	(Dec 2015: 2,2%)

- Political and economic uncertainty relating to outcome of Brexit negotiations remains
- Rising inflation
- Interest rate outlook uncertain
  - Likely to remain flat in the short term but higher inflation could result in a rate hike
- Pound remains weak and volatile compared to pre-Brexit levels

BUSINESS OVERVIEW & REVIEW OF THE YEAR

BUSINESS OVERVIEW

AMERICAN SWISS
CHARLES & KEITH
hi
MAT & MAY
sportscene
TOTALSPORTS

UPPER MARKET: @home, @homelivingspace, DUESOUTH, Fabiani, G-STAR RAW, next, Phase Eight, WHISTLES

MID MARKET: colette, donna, FOSCHINI, MARKHAM, SODA BLOC, STERNS

VALUE MARKET: EXACT, FIX

TFG GROUP

- Diverse group with a successful portfolio of 22 leading fashion retail brands across various lifestyle and merchandise categories
- Broad product offering across various merchandise categories:
  - Clothing, jewellery, homeware & furniture, cellphones and cosmetics
- Diversification through:
  - Cash and credit sales
  - Geography – 3 328 outlets in 34 countries
  - Online product offering in addition to traditional store and concession product offering
  - Portfolio of brands

REVIEW OF THE YEAR

CHANGES IN GROUP STRUCTURE

- Phase Eight: fully comparable (12 months' trading included in both current and prior financial year)
  - Damsel in a Dress: 2 months' trading included in current year (acquired 3 February 2017)
- Whistles: 12 months' trading included in current year (acquired March 2016)
- G-Star Australia: no trading included in current year as effective date was 3 April 2017

CHANGES IN E-COMMERCE

- Launched online selling of Foschini cosmetics, Markham and Fabiani brands

CHANGES IN INTEREST RATE ENVIRONMENT

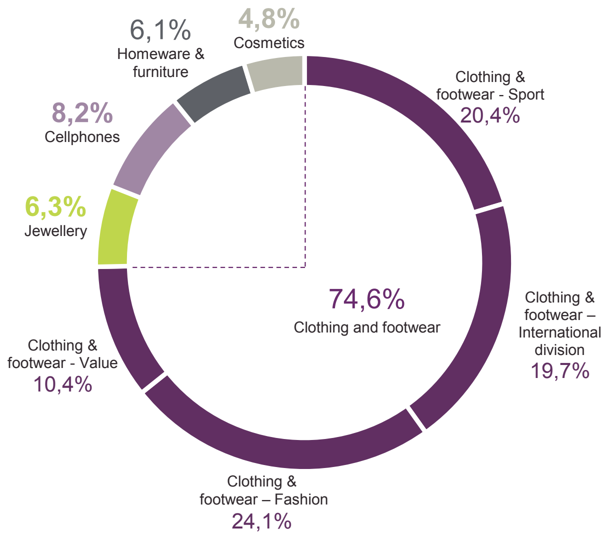
- TFG Africa:
  - Current year: no changes to interest rates
  - Prior year: repo rate increases in South Africa in July 2015 (25 bps), November 2015 (25 bps), January 2016 (50 bps) and March 2016 (25 bps)
- TFG International:
  - Interest rate in UK reduced from 0,5% to 0,25% on 4 August 2016

TURNOVER BY MERCHANDISE CATEGORY

Retail turnover by merchandise category	TFG GROUP March 2017 (Rm)	TFG AFRICA March 2017 (Rm)	TFG GROUP March 2016 (Rm)	TFG AFRICA March 2016 (Rm)	% change TFG GROUP	% change TFG AFRICA	% same store growth TFG AFRICA
Clothing	**17 578,7**	**12 942,8**	15 517,8	11 914,7	13,3	8,6	3,0
Jewellery	**1 490,5**	**1 490,5**	1 470,5	1 470,5	1,4	1,4	(0,8)
Cellphones	**1 927,7**	**1 927,7**	1 672,2	1 672,2	15,3	15,3	11,4
Homeware & furniture	**1 434,0**	**1 434,0**	1 354,0	1 354,0	5,9	5,9	(3,2)
Cosmetics	**1 117,8**	**1 117,8**	1 093,0	1 093,0	2,3	2,3	-
Total	**23 548,7**	**18 912,8**	21 107,5	17 504,4	11,6	8,0	2,8

- Growth in constant currency would have been 14,3% (vs 11,6% above)
- Clothing: strong performance in a tough market both in TFG Africa and TFG International
- Jewellery: continues to be a difficult retail area but still with positive turnover growth
- Cellphones: strong growth based on good product range
- Homeware & furniture: impacted by discounting within the market
- Cosmetics: also impacted by heavy discounting within the market

TURNOVER: MERCHANDISE CATEGORY CONTRIBUTION



- A strength of the Group is the diversification across different merchandise categories with further diversification within clothing
  - No major dependency on any particular category
- Merchandise category turnover split broadly in line with prior financial year
  - Increase in contribution of cellphones (2016: 7,9%),and Sport (2016: 18,8%) and International Division (2016: 17,1%) clothing & footwear

TFG RESULTS PRESENTATION
FOR THE YEAR ENDED 31 MARCH 2017

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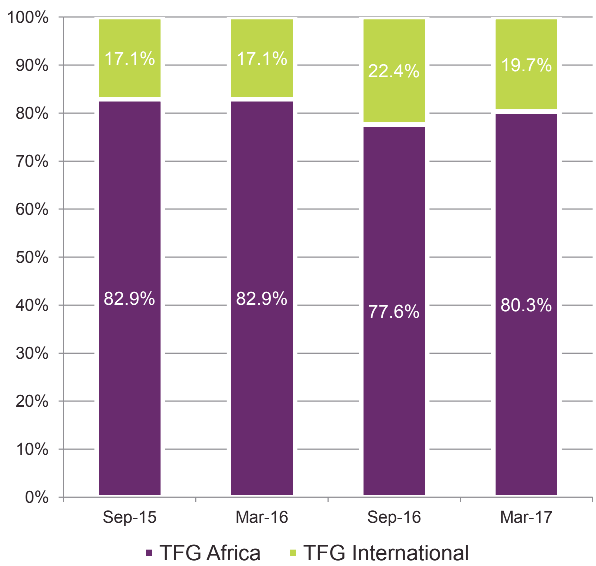
TURNOVER: GEOGRAPHIC CONTRIBUTION



- Increase in contribution from TFG International
  - Phase Eight: acquired January 2015
  - Whistles: acquired March 2016
- In constant currency, the March 2017 contribution would have been 21,6%
- Further acquisitions will lead to an increase in the international contribution
  - Damsel in a Dress
  - G-Star Australia
  - RAG Group

TFG RESULTS PRESENTATION
FOR THE YEAR ENDED 31 MARCH 2017

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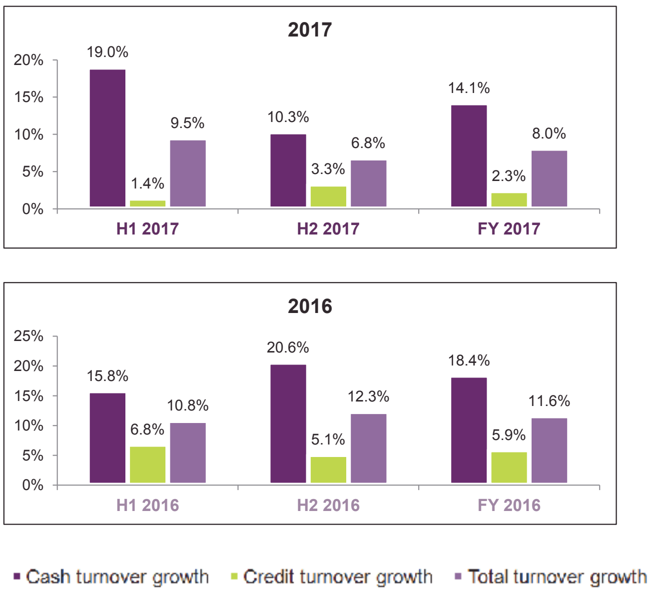
TURNOVER: CASH VS CREDIT TURNOVER

Retail turnover	TFG GROUP March 2017 (Rm)	TFG AFRICA March 2017 (Rm)	TFG GROUP March 2016 (Rm)	TFG AFRICA March 2016 (Rm)	% change TFG GROUP	% change TFG AFRICA
Cash sales	**14 294,3**	**9 658,4**	12 065,3	8 462,2	18,5	14,1
Credit sales	**9 254,4**	**9 254,4**	9 042,2	9 042,2	2,3	2,3
Total	**23 548,7**	**18 912,8**	21 107,5	17 504,4	11,6	8,0

- Cash turnover
  - Represents 60,7% (TFG Africa: 51,1%) of total turnover (March 2016: TFG Group 57,2%, TFG Africa 48,3%)
  - Strong growth at 18,5% (TFG Africa: 14,1%)
- Credit turnover
  - Growth impacted by the reduction in new accounts as a result of the Affordability Regulations (SA)

CASH VS CREDIT TURNOVER GROWTH (TFG AFRICA)



- H2 2017 growth slower than H1 2017
  - Shift of Easter weekend and school terms
  - Slow January & February

MARCH 2017: SALIENT FEATURES

Headline earnings growth (total)	**+10,1%**	(constant currency = 11,7%)
Headline earnings growth excluding acquisition costs	**+6,8%**	(constant currency = 8,3%)
HEPS (cents)	**1 099,2**	
HEPS growth (excl acquisition costs)	**+4,1%**	(constant currency = 5,7%)
Final dividend (cents per share)	**400,0**	
Growth in total distribution	**+4,2%**	

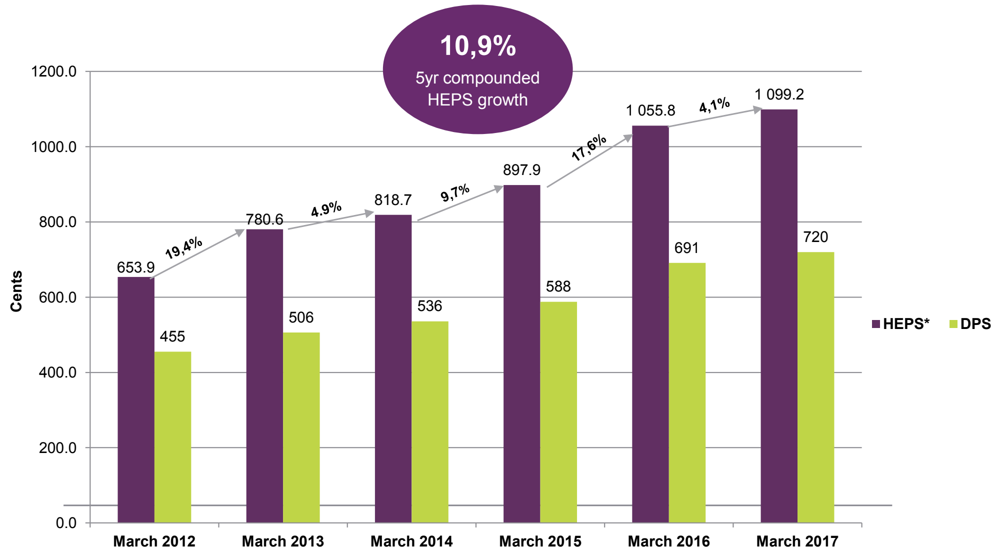
MARCH 2017: SALIENT FEATURES CONTINUED

	TFG GROUP March 2017	TFG GROUP March 2016
Net bad debt / closing debtors' book (TFG Africa)	**11,3%**	12,3%
Debt / equity - recourse	**53,6%**	55,6%
Debt / equity - total	**65,3%**	73,5%

FINANCIAL REVIEW: INCOME STATEMENT HIGHLIGHTS

	TFG GROUP March 2017	TFG AFRICA March 2017	TFG GROUP March 2016	TFG AFRICA March 2016	% change TFG GROUP	% change TFG AFRICA
Revenue (Rm)	**26 413,6**	**21 776,7**	23 746,4	20 143,3	11,2	8,1
Retail turnover (Rm)	**23 548,7**	**18 912,8**	21 107,5	17 504,4	11,6	8,0
Gross margin (%)	**49,7**	**46,4**	49,7	46,9		
Total trading expenses (Rm)	**10 757,2**	**8 263,3**	9 537,2	7 661,0	12,8	7,9
Net bad debt (Rm)	**896,1**	**896,1**	947,7	947,7	(5,4)	(5,4)
Operating margin (%)	**16,2**	**17,9**	17,0	18,2		
HEPS (excluding acquisition costs) (cents)	**1 099,2**		1 055,8		4,1%	

TFG GROUP EARNINGS & DISTRIBUTIONS



* Excludes acquisition costs

REVENUE

	TFG GROUP March 2017 (Rm)	TFG AFRICA March 2017 (Rm)	TFG GROUP March 2016 (Rm)	TFG AFRICA March 2016 (Rm)	% change TFG GROUP	% change TFG AFRICA
Retail turnover	**23 548,7**	**18 912,8**	21 107,5	17 504,4	11,6	8,0
Interest income	**1 736,9**	**1 735,9**	1 533,0	1 533,0	13,3	13,2
Other revenue	**1 128,0**	**1 128,0**	1 105,9	1 105,9	2,0	2,0
Group total	**26 413,6**	**21 776,7**	23 746,4	20 143,3	11,2	8,1

- Retail turnover
  - TFG Africa growth: 8,0%
  - TFG International growth: 45,0% GBP growth (28,7% ZAR growth)
  - Further breakdown of turnover was provided earlier in Review of the Year
- Interest income
  - Interest income from debtor's book up 12,8%
    - Impact of repo rate increases in the prior year
    - Gross book growth of 2,9%
    - 88,7% of balances remain interest-bearing (March 2016: 89,0%)
- Other revenue
  - Comprises publishing income, insurance income and income from mobile one2one airtime
  - Will be dealt with separately in Financial Services section

GROSS PROFIT

	TFG GROUP March 2017	TFG AFRICA March 2017	TFG GROUP March 2016	TFG AFRICA March 2016	% change TFG GROUP	% change TFG AFRICA
Gross profit (Rm)	**11 703,5**	**8 784,6**	10 494,4	8 211,5	11,5	7,0
Gross margin (%)	**49,7**	**46,4**	49,7	46,9		

- TFG Africa gross margin mix impacted by strongly improved cellular sales (+15,3%)
- Gross margins broadly consistent in all merchandise categories except for clothing

TRADING EXPENSES

	TFG GROUP March 2017 (Rm)	TFG AFRICA March 2017 (Rm)	TFG GROUP % to turnover March 2017	TFG GROUP March 2016 (Rm)	TFG AFRICA March 2016 (Rm)	TFG GROUP % to turnover March 2016	% change TFG GROUP	% change TFG AFRICA
Depreciation and amortisation	**(540,3)**	**(437,6)**	**2,3**	(464,7)	(347,1)	2,2	16,3	26,1
Employee costs	**(3 669,8)**	**(2 837,9)**	**15,6**	(3 210,8)	(2 595,5)	15,2	14,3	9,3
Occupancy costs	**(2 431,8)**	**(2 019,0)**	**10,3**	(2 043,2)	(1 758,7)	9,7	19,0	14,8
Other net operating costs	**(3 219,2)**	**(2 072,7)**	**13,7**	(2 870,8)	(2 012,0)	13,6	12,1	3,0
Trading expenses before net bad debt	**(9 861,1)**	**(7 367,2)**	**41,9**	(8 589,5)	(6 713,3)	40,7	14,8	9,7
Net bad debt	**(896,1)**	**(896,1)**	**3,8**	(947,7)	(947,7)	4,5	(5,4)	(5,4)
Total trading expenses	**(10 757,2)**	**(8 263,3)**	**45,7**	(9 537,2)	(7 661,0)	45,2	12,8	7,9

- International expense movement distorted as a result of inclusion of Whistles
- TFG Africa
  - Expenses before bad debt growing at 9,7%
  - Depreciation: 9,7% movement excluding impact of prior year useful life change
  - Employee costs growth at 9,3%
    - Annual salary and promotional increases approx 7,5%

- TFG Africa (continued)
  - Total occupancy costs up 14,8%
    - Normal lease escalations average 7%, balance is new stores and impact of higher average rental space
    - Midrand DC and Maitland factory
  - Other net operating costs increased by 3,0%
    - Cost saving initiatives continue
  - Branch level comp expense growth 5,6%

FINANCE COST

	TFG GROUP March 2017 (Rm)	TFG AFRICA March 2017 (Rm)	TFG GROUP March 2016 (Rm)	TFG AFRICA March 2016 (Rm)	% change TFG GROUP	% change TFG AFRICA
Finance cost	**(607,4)**	**(526,8)**	(509,0)	(409,5)	19,3	28,6

- Level of finance cost in line with management's expectation
  - 4 interest rate increases in the previous financial year (South Africa)
  - Interest rate decrease in UK from 0,5% to 0,25% (August 2016)
  - Increased level of term funding
  - Political uncertainty results in higher interest rate spreads

STOCK

	TFG GROUP March 2017 (Rm)	TFG GROUP March 2016 (Rm)	% change
Stock	**5 511,2**	5 116,1	7,7

- Stock levels well controlled
- January & February turnover slower than expected
- Build up of stock for Easter in April
- TFG Africa merchandise inflation 7,2%

TRADE RECEIVABLES

	TFG GROUP March 2017 (Rm)	TFG GROUP March 2016 (Rm)	% change
Trade receivables - retail	**7 000,7**	6 695,0	4,6

- Detail on the performance of our receivables will be provided by Jane Fisher

BORROWINGS

	TFG GROUP March 2017 (Rm)	TFG GROUP March 2016 (Rm)
Interest-bearing debt	**7 749,2**	8 165,7
Less: Cash	**(878,5)**	(888,8)
Net borrowings TFG Group	**6 870,7**	7 276,9
Less: TFG International net borrowings (non-recourse)	**(1 237,7)**	(1 770,1)
TFG Africa borrowings	**5 633,0**	5 506,8
TFG Africa (recourse debt) gearing	**53,6%**	55,6%
TFG Group gearing	**65,3%**	73,5%

- Continued focus on working capital and cash flow optimisation
- TFG International: reduced net borrowings (in GBP and ZAR) due to positive cash flows and a lower exchange rate
- Reduction in gearing levels

FREE CASH FLOW

	TFG GROUP March 2017 (Rm)	TFG GROUP March 2016 (Rm)
Operating profit before acquisition costs and finance costs (EBIT)	**3 811,2**	3 596,1
Add back: depreciation and amortisation	**540,3**	464,7
EBITDA	**4 351,5**	4 060,8
Less: taxation*	**(1 012,7)**	(1 006,3)
Operating profit before depreciation and amortisation after taxation	**3 338,8**	3 054,5
Less: capex	**(883,5)**	(901,0)
Less: working capital movement	**(1 156,5)**	(1 509,4)
Free cash flow	**1 298,8**	644,1

** Effective tax rate used*

- Free cash flow doubled during the year
  - Close focus on ROCE resulted in capex being pulled back, reduced working capital and improved capital management

CAPEX

	TFG GROUP March 2017 (Rm)	TFG GROUP March 2016 (Rm)
Stores	**438,9**	426,6
IT	**222,8**	310,0
International division	**140,8**	117,6
Other	**81,0**	46,8
Total	**883,5**	901,0

- Majority of capex relates to investment in new stores
  - This is in line with our Growth strategic pillar
- We continue to invest in our IT retail systems
- Approximately 60% of total capex spend relates to expansion of the Group
  - Remaining 40% relates to maintenance of existing assets
- New manufacturing capacity in Caledon
  - Total value R53 million

PRESTIGE: CALEDON FACTORY

- Completed December 2016
- Manufacturing commenced early January 2017
- Official launch 31 May 2017

- The plant is one of the most modern of its kind in South Africa
- Equipped with the latest sewing machine technology globally available
- Purpose-built for Quick Response

TFG RESULTS PRESENTATION
FOR THE YEAR ENDED 31 MARCH 2017

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PRESTIGE: CALEDON FACTORY CONTINUED

- Solar panels supply one-third of the plant's energy requirements
- All machinery energy and air-efficient
- The above, together with rain water harvesting, has reduced Prestige's energy requirement and carbon footprint

By FY 2020
- Employment ⬆ to 500 employees
- Output ⬆ to 2,5 mil units

TFG RESULTS PRESENTATION
FOR THE YEAR ENDED 31 MARCH 2017

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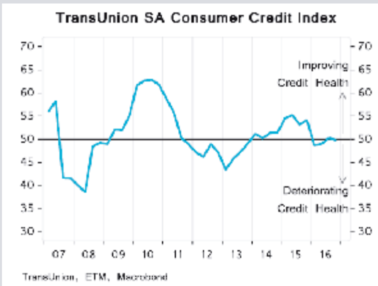
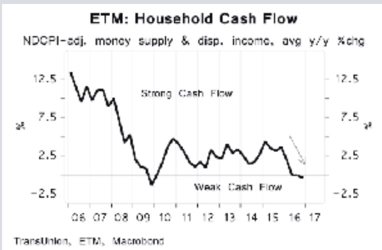
TFG FINANCIAL SERVICES: INDUSTRY REVIEW

- Leading indicators hinted at improved economic growth prospects before March cabinet reshuffle
- Overall consumer credit health appears to have stabilised
  - Consumer credit index just under 50
  - Household cash flow at weakest level since 2009
- Positive long-term macroeconomic growth conditions are required for significant improvement to consumer credit index





TFG FINANCIAL SERVICES: CREDIT PERFORMANCE

	March 2017 (Rm)	March 2016 (Rm)	% change
Interest income	**1 703,8**	1 510,7	12,8
Net bad debt	**(896,1)**	(947,7)	(5,4)
Credit costs	**(235,8)**	(242,9)	(2,9)
EBIT	**571,9**	320,1	78,7

- Interest income growth of 12,8% (March 2016: +12,9%)
  - Gross book growth of 2,9% (March 2016: +7,4%)
  - No repo rate increases during the current financial year but 125bps up since the start of the prior financial year
- Net bad debt decreased by 5,4% (March 2016: -7,4%)
  - Growth in bad debt write off slows to 10,2% (March 2016: +11,4%)
  - Strong recoveries growth at 18,7% in spite of challenging economic environment (March 2016: +36,0%)
  - Effective collections results in a lower impairment charge
- Credit costs decreased by 2,9% (March 2016: +10,2%)
  - Improved efficiency results in 9,2% reduction in collections costs (March 2016: -7,3%)
  - Mailing costs reduced by 16,7% following a migration to electronic statements (March 2016: +12,8%)

TFG FINANCIAL SERVICES: CREDIT BOOK

Key debtors statistics	March 2017	March 2016	% change
Number of active accounts ('000)	**2 422,8**	2 560,7	(5,4)
Credit sales as a % of total retail sales (TFG Africa only)	**48,9**	51,7	
Net debtors' book (Rm)	**7 000,7**	6 695,0	4,6

- Active accounts reduce by 5,4% as affordability regulations and challenging economic environment impact application volumes (March 2016: -4,4%)
- Credit turnover growth rate of 2,3% (March 2016: +5,9%), improving in H2 as affordability regulations become comparative:
  - 1st half: +1,4% (1st half March 2016 financial year: +6,8%)
  - 2nd half: +3,3% (2nd half March 2016 financial year: +5,1%)
- Credit turnover growth from the Africa outlets (Namibia, Botswana, Swaziland and Lesotho) improves to 15,4% (March 2016: +15,2%)
- Net debtors' book growth for the year slows to 4,6%, due to lower new account growth, as well as an improved payment behaviour (March 2016: +8,0%)

TFG FINANCIAL SERVICES: CREDIT STATISTICS

Key debtors statistics	March 2017	March 2016
Overdue values % to debtors' book	**13,9**	14,0
% able to purchase	**81,8**	81,0
Net bad debt write off as a % of credit transactions	**8,2**	8,0
Net bad debt write off as a % of debtors' book	**13,9**	13,4
Net bad debt as a % of debtors' book	**11,3**	12,3
Doubtful debt provision as a % of debtors' book	**11,8**	13,2

- Effective collections strategy results in lower overdue portion of debtors balances, while also increasing the % able to purchase ratio
- Net bad debt write off as a % of debtors' book and as a % of credit transactions increases due to lower credit turnover growth, contributing to modest debtors' book growth
- Net bad debt as a % of the debtors' book decreases following strong collections and recoveries performance resulting in lower levels of provisioning required

TFG FINANCIAL SERVICES: CUSTOMER VALUE ADDED PRODUCTS

	March 2017 (Rm)	March 2016 (Rm)	% change
Publishing net income	**180,6**	182,1	(0,8)
Insurance net income	**196,0**	198,1	(1,1)
Mobile one2one airtime net income	**67,4**	57,4	17,4
Total	**444,0**	437,6	1,5
Number of new product / service launches	**4**	3	

- Despite a challenging economic environment, coupled with constraining regulatory impacts, the portfolio performance stabilised
- Publishing income
  - TFG remains the biggest publishing house
  - FitLife was successfully launched and a joint venture with Bona magazine was established
  - Expansion of distribution channels which includes selected retail stores (Pick 'n Pay, Spar, Shoprite Checkers, Clicks, CNA)
  - Total publications increases to 15
- Insurance income
  - Existing products rebranded with enhanced value propositions to meet changing customer needs
  - Two new products successfully launched (TFG retrenchment plan and Fraud Alert)
  - Total insurance products increases to 15
- One2one
  - Significant improvement in supplier service delivery coupled with bundling of new products
  - Positive growth amidst fierce competition

TFG FINANCIAL SERVICES: REGULATION

Regulation	Update
Affordability Regulations	Legal proceedings against the dti and NCR are ongoing. Matter is set down to be heard at the High Court on 7 August 2017.
Proposed Debt Forgiveness	A portfolio committee Bill will be drafted on this. The NCRF has made submissions to the relevant portfolio committee. An impact assessment will have to be done before the Bill is approved.
Proposed Extended NCR Powers	It has been proposed that the NCR will be given additional powers e.g. power to impose fines.
National Credit Act	TFG operates a substantial, diversified publishing and insurance business. On the basis of numerous internal and external legal reviews, and despite a recent NCT ruling against another retailer, we are confident that our portfolio of products is completely compliant with the NCA.

TFG FINANCIAL SERVICES: STRATEGY

Focus	Approach
Customer	– Designing credit products / features that are appealing to customers – Optimise account acquisition strategies through new channels and enabling partners – Evolve and improve the ease and convenience of opening of new accounts – Systems development to offer an expanded set of value added products to cash rewards base
Group Analytics	– Expand the customer insights offering for the trading divisions, by using the power of data and analytics to optimise business strategies – Project underway looking at the use of merchandise analytics to optimise product mix, both from a buying point of view and allocation to stores – Creating a single view of a customer, which seamlessly integrates all information at any touch point and enables more personalised and relevant communication
Accounting and Reporting	– Significant resources invested in understanding the impact of and in preparation for the implementation of IFRS9

INTRODUCTION AND RATIONALE

INTRODUCTION

- TFG Retailers ("TFG Australia"), a wholly-owned Australian subsidiary of TFG, has entered into an agreement to acquire the entire issued share capital of the Retail Apparel Group ("RAG")
  - Shares acquired from private equity group Navis Capital, Stephen Leibowitz (non-operational, founder of RAG) and certain members of management
  - The management team of RAG have all entered into new employment contracts with TFG to ensure operational continuity going forward. These contracts include appropriate short term and long term incentives.

STRATEGIC RATIONALE

- RAG's product and value positioning are well aligned with TFG's current multi-brand offering
  - Further broadens TFG's international expansion into its chosen geographies
  - RAG's established store and online channels provide a strong platform for the expansion of TFG's brands into Australasia
  - Enhanced geographic diversification for TFG, providing earnings and currency hedge while entrenching its position in Australia

TFG RESULTS PRESENTATION
FOR THE YEAR ENDED 31 MARCH 2017

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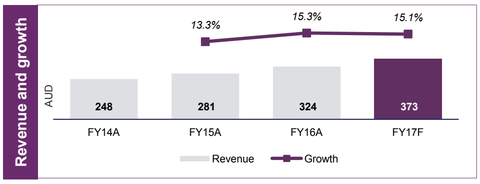
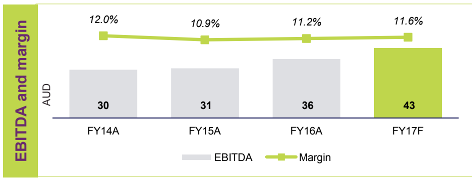
OVERVIEW OF RETAIL APPAREL GROUP

WHY RAG?

- Strong management team with extensive retail experience
- Leading speciality menswear player in the Australian market
- Consistent growth in sales and profitability within the Australian market – track record of growing sales at a faster rate than the retail sector as a whole (14,3% compound average revenue growth and 10,7% compound average EBITDA growth over the past 3 years) while successfully increasing its market share
- Scalable business model with scope for further expansion and market share growth
- Strong earnings enhancement anticipated from continued roll-outs and optimisation of its operating brands
- Differentiated low risk product strategy
- Digital marketing and online channels
- Excellent sourcing and distribution network and potential sourcing synergies with TFG menswear
- Strong alignment with TFG's multi-brand business model - focus on menswear and athleisure





__Note__: Financial information is based on June year end and extracted from RAG audited financial statements for historic years and management forecasts for June 2017, which have not been audited or reviewed

OVERVIEW OF RETAIL APPAREL GROUP

- **Established in 1987, RAG has since grown to become a leading speciality menswear apparel retailer in Australia**
- **The group houses a balanced portfolio of core and emerging retail apparel brands and has established itself as a leading player in the mid to value, fashion conscious segment in its local market**

Brand name	TAROCASH	yd.	CONNOR	Johnny Bigg	ROCKWEAR
Fashion focus	Leading on-trend menswear apparel brand	Leading fashionable younger menswear brand	One of the fastest growing on-trend menswear brands	On-trend big and tall menswear retailer	Differentiated on-trend women's athleisurewear
Price points	Mid-market	Mid-market	Value	Mid-market	Value
					

OVERVIEW OF RETAIL APPAREL GROUP

- Through its customer centred approach, RAG has grown its national footprint to a network of 400 stores, strategically positioned to capture its target market
- 80% of stores are located in shopping centres, with the remainder in city centres, neighbourhood centres and factory outlets

TAROCASH

CONNOR

TFG RESULTS PRESENTATION
FOR THE YEAR ENDED 31 MARCH 2017

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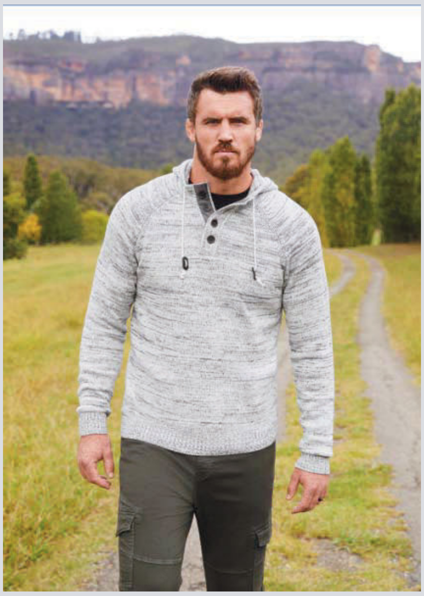
JOHNNY BIG



TFG RESULTS PRESENTATION
FOR THE YEAR ENDED 31 MARCH 2017

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YD.

ROCKWEAR

ACQUISITION CONSIDERATION

PURCHASE PRICE

- Capped at the lower of 7 x RAG's audited normalised EBITDA for year ending June 2017 and AUD302,5 million, calculated on a debt free, cash free basis

PAYMENT MECHANISM

- Payment to be settled in cash on completion, being the later of:
  - 26 June 2017; and
  - the fulfilment or waiver of all conditions precedent
- On completion 95% of the amount will be payable to the Sellers, adjusted for estimated net debt and for estimated normalised net working capital requirements ("Adjustment Amounts")
  - Remaining c.5% to be transferred into an escrow account
- Following the finalisation of RAG's audited financial statements for the year ending June 2017 and confirmation of the actual Adjustment Amounts, the proportions in which TFG Australia and the Sellers become entitled to the amount in escrow will be determined

ACQUISITION CONSIDERATION CONTINUED

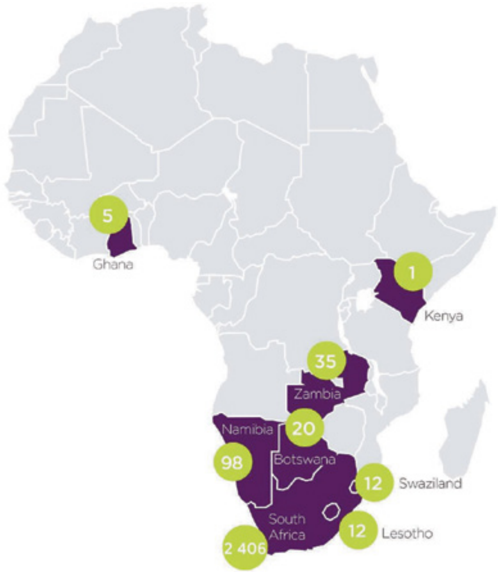
SOURCE OF FUNDS

- TFG will use a combination of its own funds and a short-term bridge facility provided by Rand Merchant Bank, to provide TFG Australia with the required funding to enable it to pay the purchase price due in terms of the acquisition
- Intention that the bridge facility be refinanced with longer term funding at an appropriate time
- Intention to retain the flexibility to potentially issue new ordinary shares to refinance all or part of the bridge facility, whether by way of a vendor consideration placing or otherwise
- The expected purchase price has been hedged

REMAINING CONDITIONS PRECEDENT

- South African Reserve Bank approval
- Australian Foreign Investment Review Board approval
- Certain of RAG's lessors providing consent to the change in ownership of RAG

GROWTH: AFRICA



- Overall space growth in Africa of 4,4% for the year

REST OF AFRICA

- Rest of Africa 183 outlets in 7 countries
  - 9 outlets opened during the year
  - 2 outlets closed during the year
- 9,9% turnover growth
  - 3,4% same store turnover growth
- Target for 2022: approximately 250 - 300 stores

SOUTH AFRICA

- 197 outlets opened during the year
- 77 outlets closed during the year
- The above includes 37 former Fashion Express outlets converted to other brands in the Group

GROWTH: INTERNATIONAL

- UK and international roll-out continued
  - 125 new outlets opened during the year
    - Includes 3 new countries
  - 49 closures during the year
- Performance for the year:
  - Revenue = £251,8 million (March 2016 = £173,7 million) – growth of 45,0%
  - Operational EBITDA = £30,0 million (March 2016 = £26,0 million) – growth of 15,1%
  - Currently trading out of 739 outlets in 26 countries
- Strategy & outlook:
  - Continued focus on current successful strategic objectives
  - Continued implementation of clearly defined turnaround strategy for Whistles
  - Full integration of RAG

GROWTH: INTERNATIONAL CONTINUED

DAMSEL IN A DRESS

- Acquired Damsel in a Dress on 3 February 2017
  - Premium UK-based womenswear brand selling occasion wear for the 40+ bold, modern and confident woman
  - Established in 2010
  - Currently trading online via its own website as well as through 34 concession outlets
  - Purchase price: £2 million
  - Will be managed within TFG International and will trade as a sub-brand of Phase Eight

G-STAR RAW AUSTRALIA

- Acquisition of 14 existing, profitable G-Star RAW mono brand stores in Australia concluded
  - Effective date 3 April 2017

OUTLOOK & GUIDANCE FOR 2018

- Uncertainty in global and local markets remain
- Credit sales: anticipate stronger credit turnover growth with annualisation of the credit regulations.
  - This should however not be allowed to mask the underlying impact that these regulations have on the long-term credit prospects of our Group
  - Await outcome of legal action against NCR / dti
- Good cash sales growth expected on the back of several years of strong cash sales growth
- Gross margin to be maintained
  - Product inflation anticipated to be flat or negative
- Space growth
  - In excess of 260 outlets planned for 2018
    - TFG Africa - approximately 150 new outlets
    - TFG International – approximately 110 new outlets
- Continued focus on key strategic initiatives with particular focus on:
  - Superior customer experiences
  - Cost control
  - Working capital management
  - Capital optimisation
- International:
  - Focus on integration of RAG
  - Further expansion opportunities
- The Group's turnover growth, in constant currency, for the 1st seven weeks of the 2018 financial year, is in line with management's expectations in the upper single digits across both TFG International and TFG Africa

TFG RESULTS PRESENTATION
FOR THE YEAR ENDED 31 MARCH 2017

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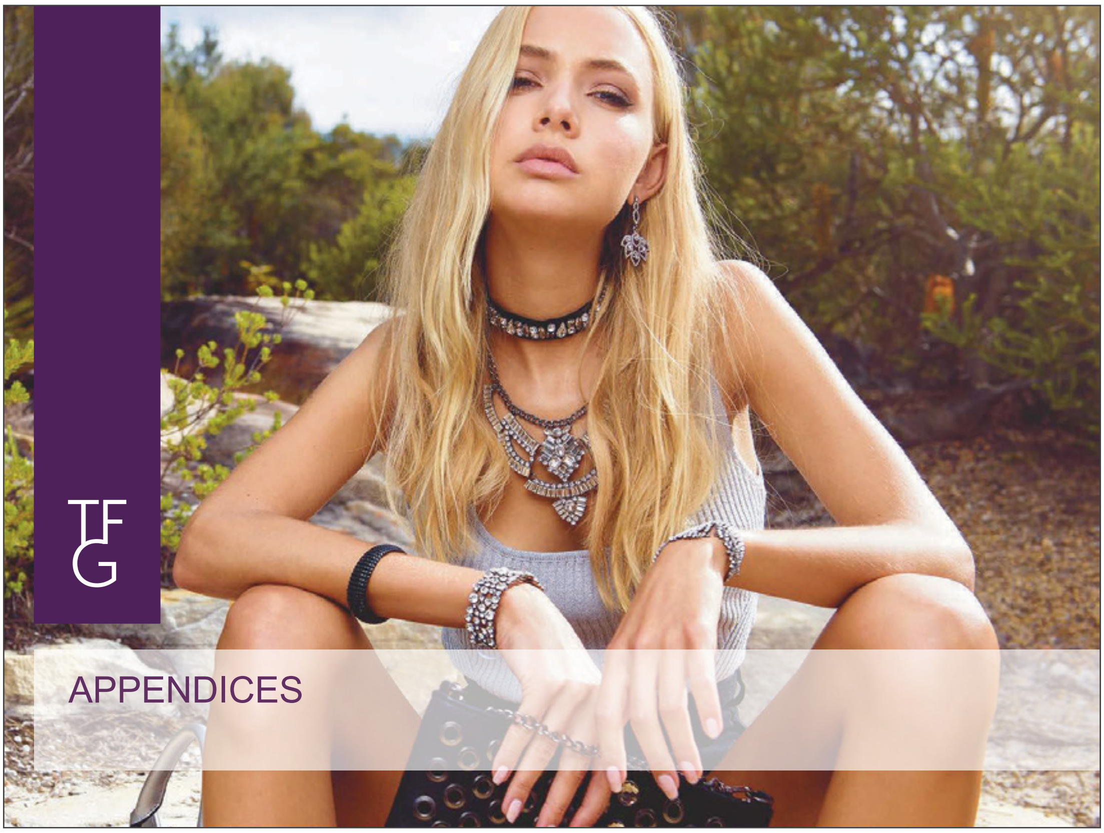
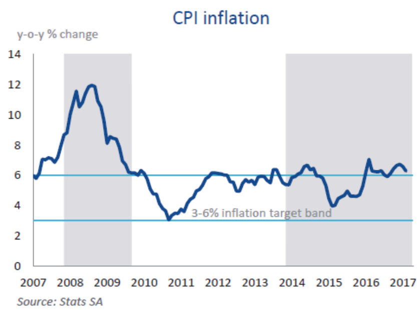
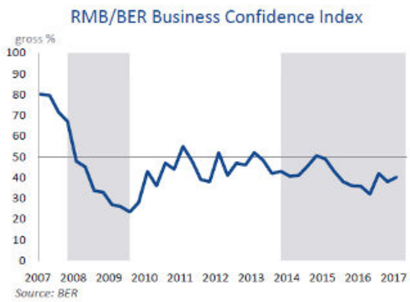
DISCLAIMER

THIS ANNOUNCEMENT CONTAINS CERTAIN FORWARD-LOOKING STATEMENTS WITH RESPECT TO THE FINANCIAL CONDITION AND RESULTS OF OPERATIONS OF THE FOSCHINI GROUP LIMITED AND ITS SUBSIDIARIES, WHICH BY THEIR NATURE INVOLVE RISK AND UNCERTAINTY BECAUSE THEY RELATE TO EVENTS AND DEPEND ON CIRCUMSTANCES THAT MAY OCCUR IN THE FUTURE.

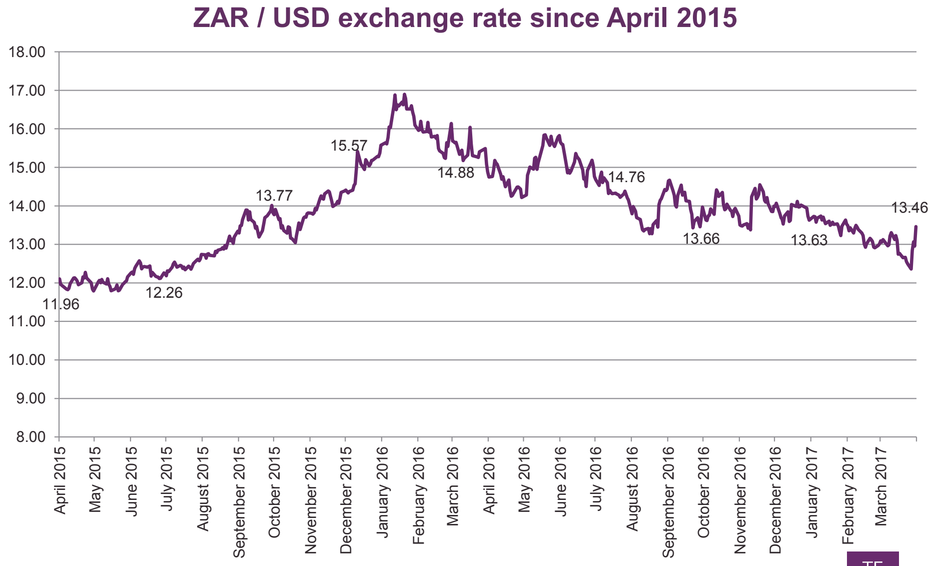


TRADING ENVIRONMENT – SOUTH AFRICA



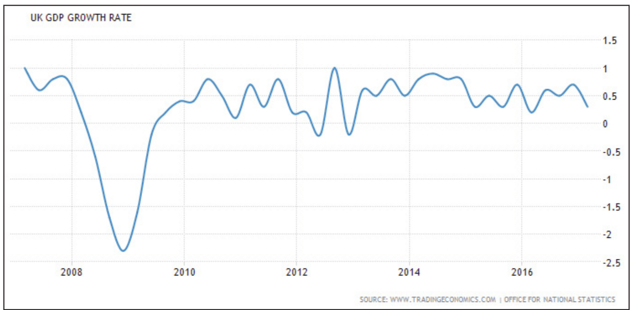


TRADING ENVIRONMENT – SOUTH AFRICA

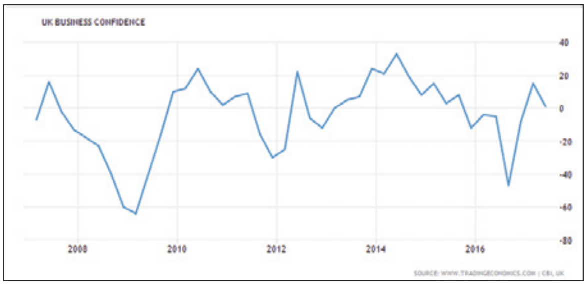


Source: SARB

TRADING ENVIRONMENT - UK

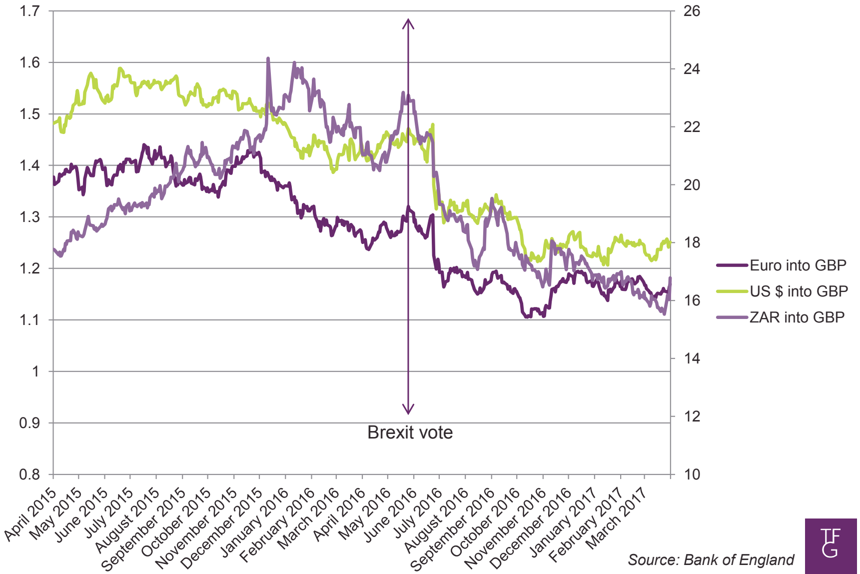


TRADING ENVIRONMENT - UK



TRADING ENVIRONMENT - UK

GBP exchange rate since April 2015



Source: Bank of England

TFG MISSION AND VALUES

MISSION
To be the leading fashion lifestyle retailer in Africa whilst growing our international footprint by providing innovative products, creative customer experiences and by leveraging our portfolio of diverse brands to differentiate our offering. Our talented and engaged people will always be guided by our values, social conscience and customer-centric mindset.

VALUES
TFG believes that teamwork coupled with professionalism in all aspects of retailing will continue to be the foundation for the future.

PASSIONATE ABOUT SERVICE
We passionately and truly believe that the customer comes first

RESILIENCE
We have the courage of our convictions and the boldness to constructively challenge

INTEGRITY
Our word is our honour, we are honest and ethical

DIGNITY AND RESPECT
We treat everyone the way we want to be treated

EMPOWERMENT
We embrace diversity and create equal opportunity for all in a supportive environment

EXCELLENT PERFORMANCE
We are accountable and drive performance in a creative and innovative way

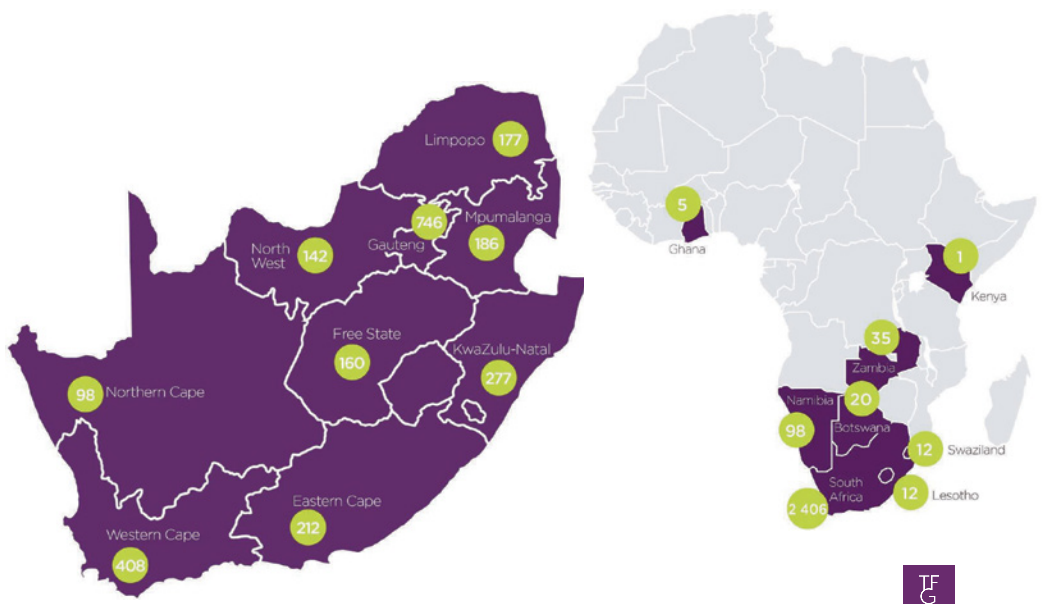
PRIDE²

FOOTPRINT : TFG GROUP

3 328 OUTLETS IN 34 COUNTRIES:

- TFG Africa: 8 countries
  - South Africa: 2 406 outlets
  - Rest of Africa: 183 outlets in 7 countries
- TFG International: 26 countries
  - Phase Eight: 600 outlets
  - Whistles: 139 outlets

TFG FOOTPRINT: AFRICA



TFG FOOTPRINT: INTERNATIONAL

	Stores	Concessions	Total outlets
UK & Ireland	152	377	529
Germany	2	47	49
Switzerland	10	29	39
Bahrain	-	1	1
Kuwait	-	2	2
Qatar	-	1	1
Singapore	-	5	5
Sweden	1	8	9
Spain	-	14	14
Netherlands	-	8	8
Australia	-	16	16
Hong Kong	6	2	8
Mexico	-	13	13
Saudi Arabia	-	7	7
United Arab Emirates	-	9	9
Estonia	-	1	1
Belgium	-	4	4
USA	-	9	9
Norway	1	-	1
Malaysia	-	1	1
Latvia	-	2	2
Italy	-	4	4
Japan	-	2	2
Iran	-	3	3
Macau	-	2	2

Stores   Concessions   Total outlets

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	March 2017 Reviewed Rm	March 2016 Audited Rm
ASSETS		
Non-current assets		
Property, plant and equipment	**2 469,0**	2 335,7
Goodwill and intangible assets	**4 675,9**	5 577,8
Participation in export partnerships	**–**	8,2
Deferred taxation asset	**483,6**	527,2
	7 628,5	8 448,9
Current assets		
Inventory	**5 511,2**	5 116,1
Trade receivables – retail	**7 000,7**	6 695,0
Other receivables and prepayments	**771,0**	592,9
Concession receivables	**246,1**	347,2
Participation in export partnerships	**–**	6,2
Cash	**878,5**	888,8
	14 407,5	13 646,2
Total assets	**22 036,0**	22 095,1
EQUITY AND LIABILITIES		
Equity attributable to equity holders of The Foschini Group Limited	**10 515,3**	9 896,7
Non-controlling interest	**4,2**	4,0
Total equity	**10 519,5**	9 900,7
LIABILITIES		
Non-current liabilities		
Interest-bearing debt	**4 442,2**	5 026,3
Put option liability	**74,7**	48,1
Cash-settled share incentive scheme	**6,8**	8,5
Operating lease liability	**255,7**	238,2
Deferred taxation liability	**337,9**	435,4
Post-retirement defined benefit plan	**233,1**	217,3
	5 350,4	5 973,8
Current liabilities		
Interest-bearing debt	**3 307,0**	3 139,4
Trade and other payables	**2 751,3**	3 046,7
Operating lease liability	**15,2**	10,8
Taxation payable	**92,6**	23,7
	6 166,1	6 220,6
Total liabilities	**11 516,5**	12 194,4
Total equity and liabilities	**22 036,0**	22 095,1

CONDENSED CONSOLIDATED INCOME STATEMENT

	Year ended 31 March 2017 Reviewed Rm	Year ended 31 March 2016 Audited Rm	% change
Revenue	**26 413,6**	23 746,4	
Retail turnover	**23 548,7**	21 107,5	11,6
Cost of turnover	**(11 845,2)**	(10 613,1)	
Gross profit	**11 703,5**	10 494,4	
Interest income	**1 736,9**	1 533,0	
Other income	**1 128,0**	1 105,9	
Trading expenses	**(10 757,2)**	(9 537,2)	
Operating profit before acquisition costs and finance costs	**3 811,2**	3 596,1	6,0
Acquisition costs	**–**	(65,9)	
Finance costs	**(607,4)**	(509,0)	
Profit before tax	**3 203,8**	3 021,2	
Income tax expense	**(851,3)**	(863,9)	
Profit for the year	**2 352,5**	2 157,3	9,0
Attributable to:			
Equity holders of The Foschini Group Limited	**2 351,4**	2 155,6	
Non-controlling interest	**1,1**	1,7	
Profit for the year	**2 352,5**	2 157,3	
Earnings per ordinary share (cents)			
Total			
Basic	**1 108,0**	1 041,5	6,4
Headline	**1 099,2**	1 024,0	7,3
Diluted (basic)	**1 098,6**	1 031,9	6,5
Diluted (headline)	**1 089,9**	1 014,5	7,4
Weighted average ordinary shares in issue (millions)	**212,2**	207,0	

@home
THE HOMEWARE STORE

@homelivingspace
THE HOMEWARE STORE

AMERICAN SWISS

CHARLES & KEITH

colette
by colette hayman

donna

DUESOUTH

EXACT

Fabiani.

THE FIX

FOSCHINI

G-STAR RAW

hi

MARKHAM

MAT & MAY

next

Phase Eight

SODA BLOC.

sportscene

STERNS
1896

TOTALSPORTS

WHISTLES

TFG