STEINHOFF INTERNATIONAL

UNAUDITED RESULTS

FOR THE SIX MONTHS ENDED 31 DECEMBER 2014

REVENUE INCREASES 12% TO R65 BILLION*	HEADLINE EARNINGS IMPROVE 39% TO R6 BILLION*	HEADLINE EARNINGS PER SHARE INCREASE BY 7% TO 248 CENTS*	NET INTEREST-BEARING DEBT REDUCED 46% TO R16 BILLION#	PEPKOR TRANSACTION APPROVED BY SHAREHOLDERS

*FROM CONTINUING OPERATIONS
#COMPARED TO FY2014

OPERATIONAL REVIEW

International operations

**The group's international operations performed well, reporting market share gains and margin improvement in most countries.
The international retail operations continue to benefit from the group's growing purchasing power, group procurement initiatives and infrastructure.**

Retail activities: Household goods
The majority of the group's European retail operations are positioned in the discount and value market segments of the household goods market. These market segments continue to outperform the industry as a whole, supporting revenue growth and market share gains within the group's retail operations. In addition to price positioning, the group's country-specific national marketing strategies and investment in its store network, resulted in further market share gains. During the period under review, revenue attributable to the group's international retail activities increased by 12% to R41.1 billion (1H14: R36.7 billion).

Operating profit improved by 17% to R2.7 billion (1H14: R2.3 billion), mostly due to increased operating leverage and group procurement and logistics efficiencies.

In France, Conforama delivered excellent revenue growth both in-store and e-commerce. Growth in market share within Conforama Switzerland was led by the conversion and opening of three new stores, while the prudent approach and product rationalisation strategy in Italy supported a resilient performance. The group continued to capitalise on its investments in Spain, Portugal and Croatia. In Spain and Portugal, improved trading densities in established and new stores resulted in high double-digit growth. In line with the product range strategy, growth for the group as a whole was mostly achieved within the furniture, decoration and white goods (big, small and built-in appliances) product categories, resulting in improved margins.

Germany remains the largest European market in household goods, both in terms of per capita spend and market size. The group's retail operations are firmly positioned in the growing discount and value market segments and continue to benefit from both organic revenue growth and the operating leverage achieved as a result of the ambitious store rollout.

The Swiss operations reported good revenue and margin growth, benefitting from the new stores opened in the previous period. The Polish operations improved their performance, as a result of renewed focus on their smaller store formats and improved consumer confidence in this market.

The continued focus of the UK retail group on improving the quality of its trading estate is supporting much improved trading densities and growth in the underlying operations. In particular, the group's bedding retail business is benefiting from underlying growth and encouraging market share gains, while the furniture retail business continues to outperform the general market.

The supply chain reorganisation and successful new store concepts of the retail businesses in the Pacific Rim underpin strong revenue growth.

Manufacturing, Sourcing, Logistics and Corporate Services
This division includes the group's global supply chain activities consisting of European manufacturing, the global sourcing operations, central logistics and corporate income such as royalties, rebates earned on purchasing volume, treasury and other income.

In order for the group to continue to benefit from the ability to increase its central buying power and negotiate better supplier, shipping and distribution terms, many of the benefits that are derived by this division are passed on to the group's retail businesses that they serve. Notwithstanding this, the division increased revenue by 7% and operating profit by 8% as a result of increased efficiencies and good cost control.

European manufacturing performed exceptionally well during this period with improved product mix and larger volumes, thereby improving efficiencies and profitability. The sourcing and wholesale division continues to benefit from the additional intra-group volumes, reaching record levels during the six months under review.

The central logistics division has secured many internal contracts and will in future also manage the Swiss and Polish distribution and warehousing operations. The initiatives by this division continue to achieve synergistic savings and efficiencies achieved both centrally and within the retail operations.

Properties
The property segment comprises all properties managed centrally by Steinhoff corporate services. The industrial and retail properties in this segment are located in Europe, the UK and Africa.

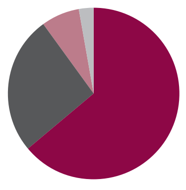
Operating profit increased by 30% to R1.7 billion (1H14: R1.3 billion) mainly as a result of the rentals now earned on the kika-Leiner properties acquired in June 2014.

African operations

The African operations are invested in three companies, independently listed on the Johannesburg Stock Exchange. Steinhoff has an 86% interest in JD Group Limited (JD), 45% in KAP Industrial Holdings Limited (KAP) and 18% in PSG Group Limited (PSG). The investment in KAP is treated as an equity accounted investment and PSG as a minority investment. The JD operations are fully consolidated.

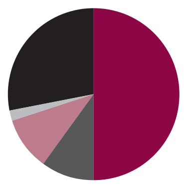
Revenue per geographical region

Continental Europe	63%
Southern Africa	26%
United Kingdom	8%
Pacific Rim	3%



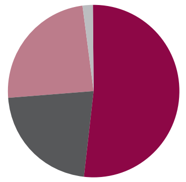
Total assets

Retail activities – International operations	50%
Retail activities – African operations	10%
Manufacturing, sourcing and logistics – International operations	10%
Manufacturing, sourcing and logistics – African operations	2%
Properties	28%



Revenue per segment

Retail activities – International operations	52%
Retail activities – African operations	22%
Manufacturing, sourcing and logistics – International operations	24%
Properties	2%



Retail activities: JD
JD's continuing operations reported revenue growth of 11% to R17.0 billion (1H14: R15.3 billion) while largely maintaining gross margins. Operating profit increased by 16% to R356 million compared to R306 million in the comparable period.

Within the Retail segment, furniture retail achieved growth in merchandise sales of 8% despite more stringent credit granting criteria being applied.

SteinBuild, the building materials and DIY retail operations, reported strong growth in merchandise sales as a result of buoyant market conditions. The performance of the consumer electronics and appliance retail operations experienced challenging trading conditions as a result of competitive pricing.

The Automotive segment reported 15% growth in sales to R8.8 billion (1H14: R7.6 billion). In line with this, operating profit increased by 15% to R266 million (1H14: R232 million).

As reported under Corporate activity, shareholders of JD approved the sale of the consumer finance business on 25 February 2015. The consumer finance business, excluding the insurance operations, are disclosed as discontinued operations and accounted for a loss of R1.5 billion for the period (1H14: R184 million profit).

Shareholders are referred to the JD Group results announcement which is available at: www.jdg.co.za

KAP
KAP continued its strategy to strengthen its position as a market leader in the industries that it serves in Africa.

Group revenue from continuing operations increased by 9% to R8.1 billion (1H14: R7.4 billion) while operating profit before capital items increased to R777 million (1H14: R720 million).

The operating profit of the Diversified Logistics segment increased by 10% to R430 million (1H14: R392 million) with margins widening slightly. The operating profit of the Diversified Industrial segment increased by 6% to R347 million (1H14: R328 million), with margins narrowing slightly as a result of competitive market conditions in the furniture components sector.

Headline earnings from continuing operations increased by 14% to R435 million (1H14: R381 million) while headline earnings per share from continuing operations increased by 14% to 18.5 cents (1H14: 16.2 cents).

Shareholders are referred to the KAP results announcement which is available at: www.kap.co.za

Extracted financial information from the unaudited interim results for the six months ended 31 December 2014. Shareholders are referred to the JD and KAP results announcements released on the JSE Limited's news service (SENS) and on the groups' websites (www.jdg.co.za/www.kap.co.za) for a comprehensive review of the JD/KAP results.

FINANCIAL REVIEW

Continuing operations

Revenue and operating profit before capital items
Group revenue for the six months ended 31 December 2014 (1H15) increased by 12% to R64.6 billion (1H14: R57.8 billion) while operating profit before capital items increased to R6.8 billion, representing a 16% increase on the prior period's R5.9 billion.

Turnover, after inter-segmental eliminations, earned in currencies other than the rand, as measured in euro, increased to €3.4 billion (1H14: €3.1 billion), a 7% increase. In line with the European strategy to focus on increasing margins, group margins increased by 40 basis points from 10.1% to 10.5%.

Net finance charges and taxation
Net finance charges reduced to R59 million (1H14: R889 million) due to the group's reduction in net interest-bearing debt from R30.0 billion at 30 June 2014 to R16.3 billion which translates into a net interest-bearing debt-to-equity ratio of 15% (FY2014: 34%) and interest earned on interest-bearing assets.

In line with the growth in profit before tax of 39% to R7.0 billion (1H14: R5.1 billion), the group's taxation charge increased to R752 million (1H14: R534 million).

Headline earnings and headline earnings per share (HEPS)
Headline earnings from continuing operations increased by 39% to R6.0 billion (1H14: R4.4 billion). HEPS increased from 232.8 cents to 248.4 cents while diluted HEPS increased to 225.2 cents (1H14: 210.0 cents), an increase of 7% compared to 1H14.

The weighted average number of shares in issue increased by 30%. The increase relates to the issue of shares towards the end of the comparative period (thereby affecting the weighting and comparability) as well as the 350 million share issuance relating to the foreign share placement and rights offer as described under Corporate activity.

Continuing and discontinued operations

Headline earnings
Shareholders are referred to the SENS announcement released by JD Group on 25 February 2015 whereby it was announced that JD Group shareholders voted in favour of the disposal of JD Group's consumer finance business, excluding the insurance operations. In terms of International Financial Reporting Standards (IFRS), the disposal group is classified as discontinued operations and was written down to its net realisable asset value of R4.7 billion on 31 December 2014, based on the purchase price formula in terms of the business sale agreement. Taking this into account, headline earnings from continuing and discontinued operations increased by 10% to R4.9 billion (1H14: R4.5 billion).

Cash and cash equivalents
Cash and cash equivalents increased to R18.4 billion as at 31 December 2014 (FY2014: R16.3 billion). This increase arose mainly as a result of the foreign share placement and rights offer, supported by strong cash generation during the period under review. As at 31 December 2014, the group had unutilised facilities amounting to R24.0 billion (FY2014: R19.3 billion) available for its continuing operations. Accordingly, the board is satisfied that the group is well capitalised to fund its continued growth.

Cash Flow
In terms of IFRS, the comparable period's cash flow includes KAP as it was consolidated, but during the current period KAP was accounted for as an equity accounted investment and therefore the cash flows are not comparable.

Taking into account the group's higher activity levels and seasonal trends inherent in its business, where December and January are peak trading months in Europe, working capital and cash generation remained satisfactory.

Debt
The majority of the group's assets and liabilities are situated in Europe. In translating these assets and liabilities into the group's reporting currency (rand), the closing exchange rate as at 31 December 2014 (being R14.01) was used, while the comparative period was translated at R14.50. This equates to a decrease of 3.4% and marginally affects the comparability of all assets and liabilities to the previous period. The board remains comfortable with the group's gearing and serviceability of its debt as set out in the following table.

	1H15 Rm	FY14 Rm
Interest-bearing long-term liabilities	45 330	55 580
Interest-bearing short-term liabilities	6 038	6 411
Bank overdrafts and short-term facilities	112	2 436
Less cash and cash equivalents	(18 434)	(16 341)
Gross debt less cash	33 046	48 086
Less interest-bearing assets and receivables	(16 702)	(18 042)
Net interest-bearing debt	16 344	30 044
Total equity	106 119	87 776
Net interest-bearing debt:equity	15%	34%
EBITDA	7 923	14 638
Finance charges	59	1 998
EBITDA interest cover (times)	134.3	7.3

Corporate activity

The group announced the following corporate transactions during the period under review:

On 1 August 2014 Steinhoff concluded a foreign share placement and renounceable rights offer of 350 million shares at an issue price of R52 per share to raise an amount of R17.9 billion, after expenses. The proceeds were used for general corporate purposes, including the repayment of certain overdrafts and other short-term debt facilities;

On 25 November 2014, it was announced that agreements had been reached in terms of which Steinhoff will acquire 92.34% of the issued share capital of Pepkor Holdings Proprietary Limited ("the Pepkor acquisition"). The purchase consideration amounts to an aggregate amount of approximately R62.8 billion and will be settled as follows: (i) the issue of 839 million Steinhoff shares ("consideration shares") at R57 per share; and (ii) a cash payment of R15 billion. Full details of the Pepkor acquisition are contained in a circular to Steinhoff shareholders dated 15 December 2014. Steinhoff shareholders approved the acquisition at a General Meeting held on 26 January 2015 and the first tranche of 609.1 million consideration shares was issued and listed on the JSE on 23 February 2015. The acquisition remains subject to the approval of the Anti-trust Authorities applicable to the jurisdictions in which both Pepkor and Steinhoff operate. Upon obtaining approval, the remainder of the purchase consideration will be settled and the acquisition implemented;

Holders of 42.6% of the 5% €390 million convertible bonds due 2016 elected to convert their bonds into equity, resulting in the issue of 61 million shares during the period. Further conversion notices have been received and therefore, it was resolved to call on the redemption of the remainder of the convertible bonds due 2016 on 3 March 2015;

On 25 February 2015, the shareholders of JD Group approved the sale of JD Group's financial services business to a joint venture company. Full details of this disposal are contained in a circular to JD Group shareholders dated 27 January 2015 and its effects as far as they concern Steinhoff, are dealt with as discontinued operations and explained under the Financial Review section of this announcement. JD Group's funding requirements will reduce significantly once this transaction becomes unconditional and can be implemented;

Steinhoff, in conjunction with a European incorporated holding company, ("Holdco") is at an advanced stage with Holdco's preparation for its listing on the Prime Standard of the Frankfurt Stock Exchange, accompanied by an inward listing on the JSE. The timing of such listing will be dependent on when the Pepkor acquisition becomes unconditional, the required Steinhoff shareholder support, cost considerations applicable to Holdco's jurisdiction of incorporation and prevailing market conditions.

Changes to the board and committee

Shareholders are advised that, with effect from 3 March 2015, the position of Dr. CH Wiese as non-executive director has changed from independent to non-independent, arising from the issue of shares relating to the acquisition of Pepkor (refer corporate activity). In addition the board has resolved to appoint CE Daun as an additional member of its nomination committee, with effect from 3 March 2015.

Outlook

The group continues to benefit from the growth experienced within the value and discount market segments. It remains competitive on price, owing to its well-established supply chain that is continuing to provide price advantages supported by the existing infrastructure and increased scale. The e-commerce strategy is proving successful and the group remains committed to mirror its in-store market share, online. The investment in new stores and new concept stores has continued during the period and is expected to further support growth.

The JD Group's retail businesses will continue to implement its operational restructuring initiatives to improve margins.

KAP management remains confident that their current growth will continue due to the continued strategic initiatives and focus, with strong operational execution.

The Pepkor acquisition is expected to be completed prior to the end of this financial year. This acquisition will increase the group's growth trajectory by enabling the group to expand its footprint and product offering in the growing value discount market. In addition, the supply chain of the combined group will benefit from the additional scale and expertise, especially in the many territories where the group's retail and sourcing operations overlap.

Len Konar — Independent Chairman
Markus Jooste — Chief Executive Officer

3 March 2015

Other notes

1. **Corporate governance**
   Steinhoff has embraced the recommendations of the King Report on Governance and strives to provide reports to shareholders that are timely, accurate, consistent and informative.
2. **Social responsibility**
   The group remains committed to behaving in a socially responsible manner and is conscious of its responsibilities in this regard.
3. **Human resources**
   A constructive working relationship is maintained with our group employees and the relevant unions. Ongoing skills and equity activities ensure compliance with current legislation.
4. **Related-party transactions**
   The company entered into various related-party transactions. These transactions are no less favourable than those arranged with third parties.
5. **Dividends**
   In terms of Steinhoff's dividend policy, Steinhoff declares dividends annually, the details of which are announced during September.
6. **Further events**
   No significant events have occurred, other than those highlighted in Corporate activity in the period between the reporting date and the date of this report.

STEINHOFF INVESTMENT HOLDINGS LIMITED

(Steinhoff Investments)
Registration number: 1954/001893/06
(Incorporated in the Republic of South Africa)
JSE Code: SHFF **ISIN:** ZAE000068367

Dividend to preference shareholders

Preference shareholders are referred to the above results of Steinhoff for a full appreciation of the consolidated results and financial position of Steinhoff Investments.

The board has declared a gross dividend of 384 cents per preference share on 3 March 2015, in respect of the period from 1 July 2014 to 31 December 2014 ("the dividend period"), payable on Monday, 20 April 2015, to those preference shareholders recorded in the books of the company at the close of business on Friday, 17 April 2015.

The dividend will be payable in the currency of South Africa. The dividend is subject to a local dividend tax rate of 15%, resulting in a net dividend of 326.4 cents per share, unless the shareholder is exempt from dividend tax or is entitled to a reduced rate in terms of the applicable double-tax agreement. The company's income tax reference number is: 9375046712. At the date of declaration, there were 15 000 000 preference shares in issue.

Anticipated dates:	2015
Last date to trade cum dividend	Friday, 10 April
Shares trade ex dividend	Monday, 13 April
Record date	Friday, 17 April
Payment date	Monday, 20 April

Share certificates may not be dematerialised or rematerialised between Monday, 13 April 2015, and Friday, 17 April 2015, both days inclusive.

On behalf of the board of directors.

Len Konar — Non-Executive Director
Piet Ferreira — Executive Director

3 March 2015

Administration

Steinhoff International Holdings Limited Registration number: 1998/003951/06 (Incorporated in the Republic of South Africa) ("Steinhoff" or "the company" or "the group") **JSE share code:** SHF **ISIN:** ZAE000016176
Registered office: 28 Sixth Street, Wynberg, Sandton 2090, Republic of South Africa **Tel:** +27 (11) 445 3000 **Fax:** +27 (11) 445 3094 **Directors:** D Konar• (chairman), MJ Jooste (chief executive officer), SF Booysen•, DC Brink•, CE Daun•*, HJK Ferreira, SJ Grobler, TLJ Guibert •#, AB la Grange, MT Lategan•, JF Mouton•, FJ Nel, HJ Sonn•, BE Steinhoff•*, PDJ van den Bosch•†, DM van der Merwe, CH Wiese• **Alternate directors:** JNS du Plessis, KJ Grové, A Krüger-Steinhoff•*, M Nel †Belgian #French *German •non-executive **Company secretary:** Steinhoff Africa Secretarial Services Proprietary Limited **Auditors:** Deloitte & Touche **Sponsor:** PSG Capital Proprietary Limited
Transfer secretaries: Computershare Investor Services Proprietary Limited, 70 Marshall Street, Johannesburg 2001

Condensed consolidated income statement

	Six months ended 31 Dec 2014 Unaudited Rm	Six months ended 31 Dec 2013 Unaudited[1] Rm	% change	Year ended 30 June 2014 Audited Rm
Continuing operations				
Revenue	**64 615**	57 796	12	117 364
Operating profit before depreciation, amortisation and capital items	**7 923**	6 836	16	14 638
Depreciation and amortisation	**(1 115)**	(974)		(2 016)
Operating profit before capital items	**6 808**	5 862	16	12 622
Capital items	**66**	(19)		1 500
Earnings before finance charges, dividend income, equity accounted earnings and taxation	**6 874**	5 843	18	14 122
Net finance charge	**(59)**	(889)		(1 998)
Dividend income	**28**	3		3
Share of profit of equity accounted companies	**186**	112		290
Profit before taxation	**7 029**	5 069	39	12 417
Taxation	**(752)**	(534)		(1 954)
Profit for the period from continuing operations	**6 277**	4 535	38	10 463
(Loss)/profit for the period from discontinued operations	**(1 502)**	184		(600)
Profit for the period	**4 775**	4 719	1	9 863
Attributable to:				
Owners of the parent	**4 946**	4 611	7	10 090
Non-controlling interests	**(171)**	108		(227)
Profit for the period	**4 775**	4 719	1	9 863
From continuing operations				
Headline earnings per ordinary share (cents)[2]	**248.4**	232.8	7	461.7
Diluted headline earnings per ordinary share (cents)[2]	**225.2**	210.0	7	416.7
Basic earnings per ordinary share (cents)[2]	**251.5**	232.6	8	510.2
Diluted earnings per ordinary share (cents)[2]	**227.7**	209.8	9	455.2
From continuing and discontinued operations				
Headline earnings per ordinary share (cents)[2]	**203.6**	240.6	(15)	443.5
Diluted headline earnings per ordinary share (cents)[2]	**188.6**	216.2	(13)	402.0
Basic earnings per ordinary share (cents)[2]	**198.8**	239.6	(17)	496.8
Diluted earnings per ordinary share (cents)[2]	**184.7**	215.4	(14)	444.3
Number of ordinary shares in issue (m)	**2 518**	2 022	25	2 100
Weighted average number of ordinary shares in issue (m)	**2 431**	1 869	30	1 977
Earnings attributable to ordinary shareholders (Rm)	**4 832**	4 478	8	9 821
Headline earnings attributable to ordinary shareholders (Rm)	**4 947**	4 497	10	8 770
Average currency translation rate (rand:euro)	**14.1590**	13.5482	5	14.1106

Condensed consolidated statement of cash flows

	Six months ended 31 Dec 2014 Unaudited Rm	Six months ended 31 Dec 2013 Unaudited[3] Rm	Year ended 30 June 2014 Audited[3] Rm
Cash generated before working capital changes	**9 072**	9 048	19 039
Increase in inventories	**(2 334)**	(2 095)	(1 001)
Increase in vehicle rental fleet	**(398)**	(102)	(323)
(Increase)/decrease in receivables	**(1 120)**	(972)	2 431
Increase in payables	**1 163**	633	3 001
Changes in working capital	**(2 689)**	(2 536)	4 108
Cash generated from operations	**6 383**	6 512	23 147
Movement in instalment sale and loan receivables	**(815)**	(998)	(1 754)
Net dividends paid	**(3 849)**	(1 792)	(1 818)
Net finance income/(costs)	**223**	(780)	(1 842)
Taxation paid	**(897)**	(704)	(1 592)
Net cash inflow from operating activities	**1 045**	2 238	16 141
Net cash outflow from investing activities	**(5 736)**	(4 297)	(16 371)
Net cash inflow from financing activities	**7 373**	2 884	6 200
Net increase in cash and cash equivalents	**2 682**	825	5 970
Effects of exchange rate changes on cash and cash equivalents	**(589)**	873	1 122
Cash and cash equivalents at beginning of period	**16 341**	9 249	9 249
Cash and cash equivalents at end of period	**18 434**	10 947	16 341

Fair values of financial instruments

	Fair value as at 31 Dec 2014 Rm	Fair value as at 31 Dec 2013 Rm	Fair value as at 30 June 2014 Rm	Fair value hierarchy
Investments and loans	**4 868**	126	3 769	Level 1#
Investments and loans	**202**	214	206	Level 2*
Derivative financial assets	**518**	60	13	Level 2*
Interest-bearing loans and borrowings	**(1 682)**	(1 602)	(1 594)	Level 2*
Derivative financial liabilities	**(127)**	(239)	(197)	Level 2*

Valued using unadjusted quoted prices in active markets for identical financial instruments. This category includes listed shares and unit trusts.

* Valued using techniques where all of the inputs that have a significant effect on the valuation are directly or indirectly based on observable market data. These inputs include published interest rate yield curves and foreign exchange rates.

Notes

[1] *The December 2013 figures have been re-presented for the discontinued operations.*

[2] *The rights issue announced on 2 July 2014, led to the restatement of December 2013 per share numbers, none of which resulted in a deviation of more than 1%.*

[3] *The cash flow has been re-presented to combine the secured and unsecured instalment sales receivables movement, previously disclosed separately under working capital and cash flows from operating activities. Additions to vehicle rental fleet which are financed through finance leases are now excluded from working capital movements as non-cash items.*

Notice

The preparation of these condensed financial statements was supervised by the financial director Frikkie (FJ) Nel CA(SA).

Condensed consolidated statement of financial position

	31 Dec 2014 Unaudited Rm	31 Dec 2013 Unaudited Rm	30 June 2014 Audited Rm
ASSETS			
Non-current assets			
Goodwill and intangible assets	**63 742**	66 934	66 116
Property, plant and equipment, investment property and biological assets	**54 799**	53 641	54 422
Investments in equity accounted companies	**4 235**	2 826	4 223
Investments and loans	**11 777**	6 999	10 399
Deferred taxation assets	**2 057**	926	1 390
Other long-term assets	**142**	3 164	70
	136 752	134 490	136 620
Current assets			
Inventories	**21 105**	20 890	18 455
Accounts receivable, short-term loans and other current assets	**26 496**	27 343	24 040
Cash and cash equivalents	**18 434**	10 947	16 341
Assets held for sale	**4 782**	–	6 865
	70 817	59 180	65 701
Total assets	**207 569**	193 670	202 321
EQUITY AND LIABILITIES			
Capital and reserves			
Ordinary stated share capital and reserves	**101 874**	72 308	82 854
Preference share capital	**2 881**	3 381	3 381
	104 755	75 689	86 235
Non-controlling interests	**1 364**	6 459	1 541
Total equity	**106 119**	82 148	87 776
Non-current liabilities			
Interest-bearing long-term liabilities	**45 330**	48 607	55 580
Deferred taxation liabilities	**10 879**	10 587	10 878
Other long-term liabilities and provisions	**2 810**	4 089	2 859
	59 019	63 283	69 317
Current liabilities			
Accounts payable, provisions and other current liabilities	**36 247**	35 430	36 185
Interest-bearing short-term liabilities	**6 038**	8 348	6 411
Bank overdrafts and short-term facilities	**112**	4 461	2 436
Liabilities held for sale	**34**	–	196
	42 431	48 239	45 228
Total equity and liabilities	**207 569**	193 670	202 321
Net asset value per ordinary share (cents)	**4 045**	3 576	3 946
Closing exchange rate (rand:euro)	**14.0070**	14.4990	14.5721

Additional information

	Continuing operations Rm	Discontinued operations Rm	Total Rm
31 December 2014			
Earnings/(loss) attributable to owners of the parent	**6 226**	**(1 280)**	**4 946**
Dividend entitlement on cumulative preference shares	**(114)**	**–**	**(114)**
Earnings/(loss) attributable to ordinary shareholders	**6 112**	**(1 280)**	**4 832**
Capital items			
Impairments	**1**	**308**	**309**
Profit on disposal of intangible assets and property, plant and equipment	**(70)**	**–**	**(70)**
Other	**3**	**–**	**3**
Total capital items	**(66)**	**308**	**242**
Taxation effects of capital items	**(24)**	**(86)**	**(110)**
Non-controlling interests' portion of capital items	**(1)**	**(31)**	**(32)**
Capital items of equity accounted companies (net of taxation)	**15**	**–**	**15**
Headline earnings/(loss)	**6 036**	**(1 089)**	**4 947**
31 December 2013			
Earnings attributable to owners of the parent	4 479	132	4 611
Dividend entitlement on cumulative preference shares	(133)	–	(133)
Earnings attributable to ordinary shareholders	4 346	132	4 478
Capital items			
Impairments	3	15	18
Loss on disposal of intangible assets	38	–	38
Loss on disposal and dilution of investments	17	–	17
Other	(39)	19	(20)
Total capital items	19	34	53
Taxation effects of capital items	(3)	(10)	(13)
Non-controlling interests' portion of capital items	(9)	(9)	(18)
Capital items of equity accounted companies (net of taxation)	(3)	–	(3)
Headline earnings	4 350	147	4 497
30 June 2014			
Earnings/(loss) attributable to owners of the parent	10 355	(265)	10 090
Dividend entitlement on cumulative preference shares	(269)	–	(269)
Earnings/(loss) attributable to ordinary shareholders	10 086	(265)	9 821
Capital items			
Impairments	76	78	154
Loss on disposal of intangible assets	45	–	45
Profit on disposal and dilution of investments	(1 651)	(94)	(1 745)
Other	30	10	40
	(1 500)	(6)	(1 506)
Loss on disposal of discontinued operations	–	229	229
Total capital items	(1 500)	223	(1 277)
Taxation effects of capital items	561	(251)	310
Non-controlling interests' portion of capital items	(11)	(65)	(76)
Capital items of equity accounted companies (net of taxation)	(8)	–	(8)
Headline earnings/(loss)	9 128	(358)	8 770

Segmental analysis

	Six months ended 31 Dec 2014 Unaudited Rm	Six months ended 31 Dec 2013 Unaudited[1] Rm	% change	Year ended 30 June 2014 Audited Rm
Revenue – continuing operations				
Retail activities				
– International operations	**41 061**	36 654	12	73 262
– African operations	**16 989**	15 349	11	30 587
Manufacturing, sourcing, logistics and corporate services				
– International operations	**18 747**	17 561	7	33 381
Properties	**1 834**	1 295	42	2 911
	78 631	70 859	11	140 141
Inter-segmental revenue eliminations	**(14 016)**	(13 063)		(22 777)
	64 615	57 796	12	117 364
Operating profit before capital items – continuing operations				
Retail activities				
– International operations	**2 660**	2 279	17	4 579
– African operations	**351**	326	8	862
Manufacturing, sourcing, logistics and corporate services				
– International operations	**2 146**	1 991	8	4 451
– African operations	**186**	158	18	324
Properties	**1 651**	1 266	30	2 730
	6 994	6 020	16	12 946
Reconciliation between operating profit per income statement and operating profit per segmental analysis				
Operating profit before capital items per income statement	**6 808**	5 862		12 622
Add: KAP equity accounted earnings at 45%	**186**	158		324
	6 994	6 020		12 946

	31 Dec 2014 Unaudited Rm	%	31 Dec 2013 Unaudited Rm	%	30 June 2014 Audited Rm	%
Total assets						
Retail activities						
– International operations	**81 980**	50	76 911	50	79 958	49
– African operations	**16 579**	10	18 324	12	13 787	8
Manufacturing, sourcing, logistics and corporate services						
– International operations	**16 852**	10	16 892	11	19 419	12
– African operations	**4 085**	2	4 041	3	4 041	3
Properties	**45 629**	28	36 615	24	45 401	28
	165 125	100	152 783	100	162 606	100

Reconciliation of total assets per statement of financial position to total assets per segmental analysis

	31 Dec 2014 Unaudited Rm	31 Dec 2013 Unaudited Rm	30 June 2014 Audited Rm
Total assets per statement of financial position	**207 569**	193 670	202 321
Less: Cash and cash equivalents	**(18 434)**	(10 947)	(16 341)
Less: Investments in equity accounted companies	**(4 235)**	(2 826)	(4 223)
Add: 45% investment in KAP	**4 085**	4 041	4 041
Less: Investments and loans	**(11 777)**	(6 999)	(10 399)
Less: Short-term loans receivable	**(7 301)**	(4 955)	(5 928)
Less: Assets of discontinued operations and assets held for sale	**(4 782)**	(19 201)	(6 865)
Total assets per segmental analysis	**165 125**	152 783	162 606

Geographical information

	Six months ended 31 Dec 2014 Unaudited Rm	%	Six months ended 31 Dec 2013 Unaudited[1] Rm	%	Year ended 30 June 2014 Audited Rm	%
Revenue – continuing operations						
Continental Europe	**40 861**	63	36 821	64	73 850	63
Pacific Rim	**1 959**	3	1 669	3	4 094	3
Southern Africa	**17 035**	26	15 314	26	30 572	26
United Kingdom	**4 760**	8	3 992	7	8 848	8
	64 615	100	57 796	100	117 364	100

	31 Dec 2014 Unaudited Rm	%	31 Dec 2013 Unaudited Rm	%	30 June 2014 Audited Rm	%
Non-current assets						
Continental Europe	**109 709**	80	100 962	75	106 627	78
Pacific Rim	**2 090**	2	1 985	1	2 222	2
Southern Africa	**19 322**	14	25 487	19	17 730	13
United Kingdom	**5 631**	4	6 056	5	10 041	7
	136 752	100	134 490	100	136 620	100

Condensed consolidated statement of comprehensive income

	Six months ended 31 Dec 2014 Unaudited Rm	Six months ended 31 Dec 2013 Unaudited Rm	Year ended 30 June 2014 Audited Rm
Profit for the period	**4 775**	4 719	9 863
Other comprehensive income/(loss)			
Items that will not be reclassified subsequently to profit or loss:			
Actuarial loss on defined benefit plans	**(83)**	(67)	(145)
Deferred taxation	**19**	12	43
	(64)	(55)	(102)
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign subsidiaries	**(3 087)**	5 633	5 959
Net value gain/(loss) on cash flow hedges and other fair value reserves	**992**	(29)	(124)
Deferred taxation	**(182)**	14	32
Other comprehensive (loss)/income of equity accounted companies, net of deferred taxation	**(15)**	10	1
	(2 292)	5 628	5 868
Other comprehensive (loss)/income for the period	**(2 356)**	5 573	5 766
Total comprehensive income for the period	**2 419**	10 292	15 629
Total comprehensive income attributable to:			
Owners of the parent	**2 589**	10 185	15 844
Non-controlling interests	**(170)**	107	(215)
Total comprehensive income for the period	**2 419**	10 292	15 629

Condensed consolidated statement of changes in equity

	Six months ended 31 Dec 2014 Unaudited Rm	Six months ended 31 Dec 2013 Unaudited Rm	Year ended 30 June 2014 Audited Rm
Balance at beginning of the period	**87 776**	66 768	66 768
Changes in ordinary stated share capital			
Net shares issued	**20 260**	7 009	10 685
Net movement in treasury shares	**(6)**	5	21
Changes in preference share capital			
Redemption of preference shares	**(500)**	(378)	(496)
Net utilisation of treasury shares	**–**	262	380
Changes in reserves			
Total comprehensive income for the period attributable to owners of the parent	**2 589**	10 185	15 844
Equity portion of convertible bonds redeemed and issued net of deferred taxation	**(51)**	(2)	351
Ordinary dividends	**(3 749)**	(1 516)	(1 516)
Preference dividends	**(217)**	(99)	(152)
Share-based payments	**191**	175	431
(Premium)/discount on introduction and recognition of non-controlling interests	**–**	(22)	228
Other reserve movements	**3**	(43)	346
Changes in non-controlling interests			
Total comprehensive (loss)/income for the period attributable to non-controlling interests	**(170)**	107	(215)
Dividends and capital distributions paid	**(8)**	(198)	(208)
Net shares bought from/sold to non-controlling interests	**–**	(56)	(1 768)
Released on derecognition of subsidiary	**–**	–	(2 814)
Other transactions with non-controlling interests	**1**	(49)	(109)
Balance at end of the period	**106 119**	82 148	87 776
Comprising:			
Ordinary stated share capital	**40 761**	16 815	20 507
Preference share capital	**2 881**	3 381	3 381
Distributable reserves	**47 615**	39 968	46 637
Convertible and redeemable bonds reserve	**1 379**	858	1 430
Foreign currency translation reserve	**10 696**	13 499	13 784
Share-based payment reserve	**1 202**	811	1 011
Other reserves	**221**	357	(515)
Non-controlling interests	**1 364**	6 459	1 541
	106 119	82 148	87 776

Selected explanatory notes

Statement of compliance

The condensed consolidated interim financial information for the six months ended 31 December 2014, has been prepared and presented in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards (IFRS), the SAICA Financial Reporting Guide as issued by the Accounting Practices Committee and the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council, the information required by IAS 34 – *Interim Financial Reporting*, the Listings Requirements of the JSE Limited and the Companies Act, 71 of 2008, as amended, of South Africa. The consolidated interim financial information should be read in conjunction with the annual financial statements for the year ended 30 June 2014.

Basis of preparation

The condensed interim financial statements are prepared in millions of South African rands (Rm) on the historical-cost basis, except for certain assets and liabilities which are carried at amortised cost, and certain financial instruments which are stated at their fair value.

Accounting policies

The accounting policies adopted in the preparation of the condensed interim financial information are consistent with those of the annual financial statements for the year ended 30 June 2014 except during the period under review, the group adopted all the IFRS and interpretations that were effective and deemed applicable to the group. None of these standards and interpretations had a material impact on the results.

Effect of restatement of prior period

The 31 December 2013 per share numbers have been restated for the bonus element of the rights issue announced on 2 July 2014. The effect of this restatement was a decrease in the respective earnings per share figures for the period ended 31 December 2013 of between 1.7 cents per share and 2.4 cents per share. Please refer to note 2.

Effect of re-presentation of prior period

The prior period figures in the income statement have been re-presented to disclose the discontinued operations: KAP and the financial services division of JD.

The effect of the above re-presentation was a decrease in the earnings per share figures from continuing operations for the six months ended 31 December 2013 of between 5.6 cents per share and 7.8 cents per share. Revenue from continuing operations and profit from continuing operations for the six months ended 31 December 2013 decreased by R9 627 million and R184 million, respectively.