

Steinhoff International Holdings N.V.

(Incorporated in the Netherlands)

(Registration number: 63570173)

Share Code: **SNH**

ISIN: **NL0011375019**

Steinhoff – Restatement of financial statements of subsidiary companies

Steinhoff International Holdings N.V. (the “Company”)

The Company is providing the following update further to:

- Its announcement dated 5 December 2017 in which the Company announced that PwC had been approached to undertake an investigation into certain accounting irregularities resulting from the concerns raised by Deloitte; and
- its announcement dated 13 December 2017 in which the Company confirmed that, in terms of section 2:362 (6) of the Dutch Civil Code, the 2016 consolidated financial statements of the Company will need to be restated and can no longer be relied upon.

The update is made on the basis of the information that has been made available and analysed to date.

The internal review of the accounting irregularities by the management team and the PwC investigation are progressing and, whilst all involved are working as expeditiously as possible, the timeline for completion remains uncertain. The group is mindful of its obligations to keep the market and other interested parties informed of any material developments arising out of and the results of the review when in a position to do so. In the meantime, the group continues to work with its external auditors to seek to conclude the audit of the Company's 2017 consolidated financial statements as soon as reasonably practicable.

In addition, the Company continues to consider whether any other prior years' financial statements will need to be restated. In this regard:

- After careful consideration and taking into account the requirements of International Financial Reporting Standards (IFRS) guidelines and the advice of various advisors, the Company wishes to confirm that the audited 2017 consolidated financial statements of the Company will be accompanied by the restated 2016 consolidated financial statements. In addition, the consolidated statements of financial position will be accompanied by a restated comparative 2015 statement of financial position of Steinhoff International Holdings Proprietary Limited, the former listed holding company of the group (then called Steinhoff International Holdings Limited), that will provide additional insight into the cumulative and consolidated opening balances in the 2016 restated consolidated statement of financial position. Due to the restatements, the 2016 and 2015 financial statements of Steinhoff International Holdings Proprietary Limited can no longer be relied upon. Furthermore, whilst the internal review and investigation into the accounting irregularities have not yet concluded, the restatement of the financial statements of Steinhoff International Holdings Proprietary Limited for years prior to 2015 is likely to be required and investors in Steinhoff are advised to exercise caution in relation to such statements.
- In addition, the Company wishes to confirm that the accounting irregularities which are the subject of the internal review and PwC investigation also affect the consolidated financial statements of Steinhoff Investment Holdings Limited by virtue of

its ownership of certain European subsidiaries until 1 April 2016. Accordingly, the 2016 and 2015 financial statements of Steinhoff Investment Holdings Limited will need to be restated and can no longer be relied upon. Furthermore, whilst the internal review and investigation into the accounting irregularities have not yet concluded, the restatement of the financial statements of Steinhoff Investment Holdings Limited for years prior to 2015 is likely to be required and investors in Steinhoff are advised to exercise caution in relation to such statements.

- On the contrary, given current information, the Company does not believe that the restatements will apply to Steinhoff Services Limited (issuer of listed bonds on the JSE).

Shareholders and other investors in Steinhoff are advised to exercise caution when dealing in the securities of the Group.

Sponsor: PSG Capital

Stellenbosch: 2 January 2018