



Mr Price Group Limited

UNAUDITED GROUP RESULTS AND INTERIM CASH DIVIDEND DECLARATION FOR THE 26 WEEKS ENDED 28 SEPTEMBER 2013

This short form announcement is the responsibility of the Directors. It is a summary of the full announcement and does not contain full details. The full announcement and additional information contained in the presentation to the Investment Analysts Society, on which investment decisions should be based, are available, at no charge, on SENS, at the Mr Price Group Limited registered office (Monday to Friday, 08H00-16H30) and on the Group's website: www.mrpricegroup.com/InvestorRelations/ReportsResults.aspx.

HIGHLIGHTS

| 26 weeks ended | 2013 28 Sept | 2012 29 Sept | % change |
|---------------------------|-----------------|-----------------|-------------|
| Revenue (R'm) | 7 150 | 6 226 | 14.8 |
| Operating profit (R'm) | 1 013 | 825 | 22.8 |
| Operating margin (%) | 14.7 | 13.7 | |
| Earnings per share (c) | | | |
| - Basic | 303.8 | 247.8 | 22.6 |
| - Headline | 305.0 | 253.2 | 20.4 |
| - Diluted headline | 283.6 | 232.5 | 22.0 |
| Dividend per share (c) | 168.0 | 133.0 | 26.3 |
| Dividend payout ratio (%) | 55.1 | 52.5 | |

- Retail sales up 14.6% driven by strong increase in cash sales of 15.1% (79.2% of Group sales)
- Continued market share gains in a tough consumer environment
- Diluted headline earnings per share up 22.0%
- Dividend per share up 26.3%
- Cash flows from operations up 119.2%. Cash resources of R1.6 billion to fund future growth
- 3rd in 'Financial Mail Top Companies 2013' based on 5 year returns to shareholders

INTERIM CASH DIVIDEND DECLARATION

As previously communicated, the Company plans to more closely align the interim and annual dividend payout ratios over time. As a consequence, the increase in dividend per share at the interim stage is higher than the increase in headline earnings per share. No change to the annual payout ratio is expected.

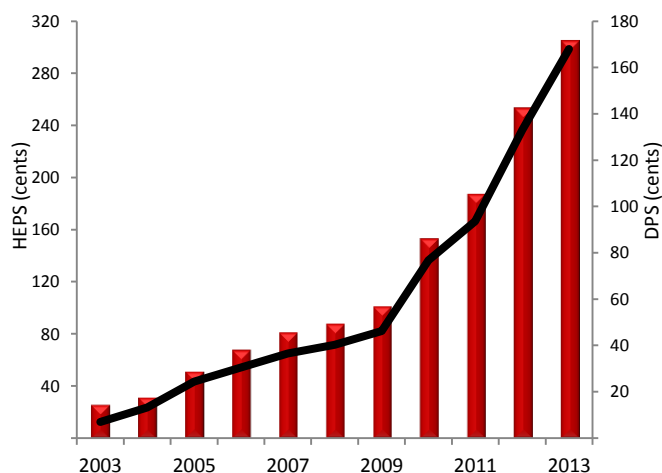
Notice is hereby given that the Board has declared an interim gross cash dividend of 168.0 cents per ordinary and B ordinary share. Shareholders that are not exempt from the withholding tax of 15% will receive a net dividend of 142.8 cents per share. The dividend has been declared from income reserves and no STC credits have been used. The tax reference number is 9285/130/20/0. The salient dates are as follows:

| | | |
|--|---------|-------------|
| Last date to trade 'cum' the dividend | Friday | 06 Dec 2013 |
| Date trading commences 'ex' the dividend | Monday | 09 Dec 2013 |
| Record date | Friday | 13 Dec 2013 |
| Payment date | Tuesday | 17 Dec 2013 |

Shareholders may not dematerialise or rematerialise their share certificates between Monday, 09 December 2013 and Friday, 13 December 2013, both dates inclusive.

On behalf of the board
NG Payne Chairman Durban
SI Bird Chief Executive Officer 12 November 2013

EARNINGS AND DIVIDENDS



Per share information:
● Headline earnings ● Dividend

10 YEAR COMPOUND ANNUAL GROWTH RATE - HEPS : 28.3% DPS : 37.6%



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Mr Price Group Limited
Directors

Registration Number: 1933/004418/06 · Incorporated in the Republic of South Africa · ISIN: ZAE000026951 · JSE Code: MPC
LJ Chiappini* (Honorary Chairman), SB Cohen* (Honorary Chairman), NG Payne* (Chairman), SI Bird (Chief Executive Officer), MM Blair (Chief Financial Officer), K Getz*, MR Johnston*, RM Motanyane*, D Naidoo*, MJD Ruck*, WJ Swain*, M Tembe*, N Abrams*[^], TA Chiappini-Young*[^], SA Ellis*[^]
* Non-executive director, [^] Alternate director
Rand Merchant Bank (a division of FirstRand Bank Limited)
Computershare Investor Services (Pty) Ltd

Sponsor
Transfer Secretaries

MR PRICE GROUP LIMITED: UNAUDITED GROUP RESULTS FOR THE 26 WEEKS ENDED 28 SEPTEMBER 2013

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

| R'm | 2013 28 Sept 26 weeks | 2012 29 Sept 26 weeks | % change |
|---|-----------------------------|-----------------------------|-------------|
| Revenue | 7 150 | 6 226 | 14.8 |
| Retail sales | 6 892 | 6 015 | 14.6 |
| Other income | 228 | 186 | 22.6 |
| Retail sales and other income | 7 120 | 6 201 | 14.8 |
| Costs and expenses | 6 107 | 5 376 | 13.6 |
| Cost of sales | 4 015 | 3 532 | 13.7 |
| Selling expenses | 1 603 | 1 404 | 14.2 |
| Administrative and other operating expenses | 489 | 440 | 11.2 |
| Profit from operating activities | 1 013 | 825 | 22.8 |
| Net finance income | 31 | 22 | 40.4 |
| Profit before taxation | 1 044 | 847 | 23.2 |
| Taxation | 297 | 242 | 22.5 |
| Profit attributable to shareholders | 747 | 605 | 23.5 |
| <i>Other comprehensive income:</i> | | | |
| Currency translation adjustments | 2 | - | |
| Total comprehensive income | 749 | 605 | 23.8 |
| Earnings per share (cents) | | | |
| - basic | 303.8 | 247.8 | 22.6 |
| - headline | 305.0 | 253.2 | 20.4 |
| - diluted basic | 282.5 | 227.5 | 24.2 |
| - diluted headline | 283.6 | 232.5 | 22.0 |
| Dividend per share (cents) | 168.0 | 133.0 | 26.3 |
| Dividend payout ratio (%) | 55.1 | 52.5 | |

SEGMENTAL REPORTING

For management purposes, the Group is organised into business units based on their products and services, and has three reportable segments as follows:

- The Apparel segment retails clothing, sportswear, footwear, sporting equipment and accessories;
- The Home segment retails homewares; and
- The Central Services segment provides services to the trading segments including information technology, internal audit, human resources, group real estate and finance.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss. Net finance income and income taxes are managed on a group basis and are not allocated to operating segments.

| Retail sales and other income | | | |
|---|-------|-------|------|
| Apparel | 5 161 | 4 435 | 16.4 |
| Home | 1 957 | 1 760 | 11.2 |
| Central Services | 2 | 6 | |
| Total | 7 120 | 6 201 | 14.8 |
| Profit from operating activities | | | |
| Apparel | 866 | 728 | 19.0 |
| Home | 226 | 178 | 27.0 |
| Central Services | (79) | (81) | |
| Total | 1 013 | 825 | 22.8 |
| Segment assets | | | |
| Apparel | 2 664 | 2 208 | 20.7 |
| Home | 784 | 664 | 18.1 |
| Central Services | 2 117 | 1 413 | |
| Total | 5 565 | 4 285 | 29.9 |

NOTES

1. The results at September 2013 and 2012 are unaudited. The results at March 2013 were audited by Ernst & Young Inc. The results have been prepared under the supervision of Mr MM Blair, (CA) SA, Chief Financial Officer.
2. The accounting policies and estimates applied are in compliance with IFRS including IAS 34 Interim Financial Reporting and are consistent with those applied in the 2013 annual financial statements. All new and revised Standards and Interpretations that became effective during the period were adopted and did not lead to any significant changes in accounting policies. The financial statements have been prepared in accordance with the Companies Act of South Africa.
3. There have been no adverse changes to the contingent liabilities and guarantees provided by the Company as disclosed in the 2013 annual financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

| R'm | 2013 28 Sept | 2013 30 March | 2012 29 Sept |
|---------------------------------------|-----------------|------------------|-----------------|
| Assets | | | |
| Non-current assets | 1 025 | 927 | 796 |
| Property, plant and equipment | 681 | 660 | 584 |
| Intangible assets | 195 | 105 | 108 |
| Long-term receivables and prepayments | 7 | 8 | 9 |
| Defined benefit fund asset | 20 | 20 | 15 |
| Deferred taxation assets | 122 | 134 | 80 |
| Current assets | 4 540 | 3 970 | 3 489 |
| Inventories | 1 324 | 1 236 | 1 117 |
| Trade and other receivables | 1 631 | 1 513 | 1 342 |
| Cash and cash equivalents | 1 585 | 1 221 | 1 030 |
| Total assets | 5 565 | 4 897 | 4 285 |
| Equity and liabilities | | | |
| Equity attributable to shareholders | 3 342 | 3 316 | 2 800 |
| Non-current liabilities | 205 | 206 | 199 |
| Lease obligations | 184 | 185 | 183 |
| Deferred taxation liabilities | 4 | 5 | 1 |
| Post retirement medical benefits | 17 | 16 | 15 |
| Current liabilities | 2 018 | 1 375 | 1 286 |
| Trade and other payables | 1 957 | 1 276 | 1 240 |
| Current portion of lease obligations | 43 | 38 | 36 |
| Taxation | 18 | 61 | 10 |
| Total equity and liabilities | 5 565 | 4 897 | 4 285 |

STATEMENT OF CHANGES IN EQUITY

| | 2013 28 Sept | 2013 30 March | 2012 29 Sept |
|--|-----------------|------------------|-----------------|
| Total equity attributable to shareholders - beginning of period | 3 316 | 2 780 | 2 780 |
| Total comprehensive income for the period | 749 | 1 545 | 605 |
| Treasury share transactions | (88) | (184) | (56) |
| Recognition of share-based payments | 31 | 63 | 23 |
| Dividend to shareholders | (666) | (888) | (552) |
| Total equity attributable to shareholders - end of period | 3 342 | 3 316 | 2 800 |

CONSOLIDATED STATEMENT OF CASH FLOWS

| | 2013 28 Sept | 2013 30 March | 2012 29 Sept |
|---|-----------------|------------------|-----------------|
| Cash flows from operating activities | | | |
| Operating profit before working capital changes | 1 013 | 2 127 | 848 |
| Working capital changes | 453 | (386) | (109) |
| Net interest received | 175 | 317 | 146 |
| Taxation paid | (302) | (607) | (274) |
| Net cash inflows from operating activities | 1 339 | 1 451 | 611 |
| Cash flows from investing activities | | | |
| Net receipts in respect of long-term receivables | 2 | 2 | 1 |
| Additions to and replacement of intangible assets | (105) | (49) | (30) |
| Property, plant and equipment | | | |
| - replacement | (59) | (173) | (83) |
| - additions | (65) | (116) | (49) |
| - proceeds on disposal | 23 | 1 | - |
| Net cash outflows from investing activities | (204) | (335) | (161) |
| Cash flows from financing activities | | | |
| Net purchase of shares by staff share trusts | (70) | (100) | (46) |
| Deficit on treasury share transactions | (36) | (113) | (23) |
| Dividend to shareholders | (666) | (888) | (552) |
| Net cash outflows from financing activities | (772) | (1 101) | (621) |
| Change in cash and cash equivalents | 363 | 15 | (171) |
| Cash and cash equivalents at beginning of the period | 1 221 | 1 201 | 1 201 |
| Exchange gains | 1 | 5 | - |
| Cash and cash equivalents at end of the period | 1 585 | 1 221 | 1 030 |

SUPPLEMENTARY INFORMATION

| | 2013 28 Sept | 2013 30 March | 2012 29 Sept |
|--|-----------------|------------------|-----------------|
| Weighted average number of shares in issue (000) | 245 845 | 244 980 | 244 059 |
| Number of shares in issue (000) | 245 639 | 245 772 | 243 746 |
| Net asset value per share (cents) | 1 360 | 1 349 | 1 149 |
| Reconciliation of headline earnings (R'm) | | | |
| Attributable profit | 747 | 1 537 | 605 |
| Loss on disposal/impairment of property, plant and equipment | 4 | 27 | 14 |
| Taxation adjustment | (1) | (7) | (1) |
| Headline earnings | 750 | 1 557 | 618 |
| Capital expenditure (R'm) | | | |
| - expended during the period | 229 | 338 | 162 |
| - authorised or committed at period end | 412 | 549 | 202 |
| Number of stores | 1 041 | 1 029 | 989 |