

Mr Price Group Limited  
(Incorporated in the Republic of South Africa)  
(Registration number 1933/004418/06) ISIN: ZAE000026951  
Share Code: MPC  
("Mr Price Group" or "the Group" or "the Company")

#### TRADING UPDATE FOR THIRD QUARTER (Q3 FY2015)

During the third quarter (28 September 2014 to 27 December 2014) of the financial year ending 28 March 2015, Mr Price Group recorded retail sales growth of 14.2% over the corresponding period in the prior year (29 September 2013 to 28 December 2013).

Retail sales growth was in line with that achieved for the first half of the current financial year (Q1 and Q2), and was a pleasing performance given:

- the high sales base in the prior year, particularly in the
- largest chain, Mr Price Apparel;
- the subdued retail environment for homewares, which are a more
- discretionary purchase; and
- the power outages in November and early December, which affected trading.

Salient features:

- comparable store sales grew by 9.6%
- retail selling price (RSP) inflation was 6.8%
- 77.9 million units were sold, an increase of 6.9%
- 30 stores were opened and 3 closed, resulting in weighted average trading space increasing by 4.8%
- cash sales growth (15.3%) continued to exceed that of credit (9.6%), and now constitute 81.9% of total sales (LY: 81.1%).

The Apparel Division (Mr Price, Mr Price Sport and Miladys), which represents 76.0% of Group sales (LY: 74.8%), achieved sales growth of 16.1% (comparable stores 11.1%), despite a sub-optimal performance from Miladys. RSP inflation was 5.7% and units sold increased by 9.9%. The division opened 21 stores and weighted average trading space was up by 6.7%.

The Home Division (Mr Price Home and Sheet Street) achieved sales growth of 8.7% (comparable stores 4.9%). RSP inflation was 10.6% and unit sales were down by 1.8%. The division opened 9 stores and increased weighted average trading space by 1.4%. Mr Price Home constitutes 69.1% of the Groups' homeware sales and their higher LSM (8-10) customers are less affected by the pressures of the current economic environment than Sheet Street's mid to upper LSM (5-8) customers.

Retail sales in Mr Price Home increased by 10.9% (comparable stores 7.4%). RSP inflation of 13.2% was due to input cost inflation of 7.2% and planned product mix changes 6.0% (an increased contribution of closing price points in certain categories and selling items such as crockery, glassware and napery in packs rather than as singles). As anticipated these factors impacted unit sales, which were 2.0% down.

Sheet Street constitutes 30.9% of group homeware sales and consumer spending in its target market was constrained. Retail sales increased by 4.0% (comparable stores 0.0%) and, despite limiting RSP inflation to 5.3%, unit sales declined by 1.2%.

Group sales growth in Q4 to date has been at a similar level to Q3.

The above-mentioned figures pertain to 'retail sales' and do not include 'other income', do not constitute an earnings forecast and have not been reviewed and reported on by the Company's external auditors.

Mr Price Group Limited is a high-growth, omni-channel, fashion value retailer:

- Targeting younger customers in the mid to upper LSM categories
- Retailing predominantly own-branded merchandise
- 1 142 stores located in 12 African countries and online channels offering full product assortments
- 28-year CAGR in HEPS 23% and DPS 25% (to March 2014)
- Ranked 36th on JSE based on market capitalization (at 12 January 2015)
- Included in MSCI Emerging Markets Index

Durban

15 January 2015

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RAND MERCHANT BANK (A division of FirstRand Bank Limited)