

Mr Price Group Limited
 Registration number 1933/004418/06
 Incorporated in the Republic of South Africa
 ISIN: ZAE 000026951
 JSE share code: MRP
 ("Mr Price" or "the company" or "the group")

TRADING UPDATE TO 26 AUGUST 2017

Shareholders are advised that, in the first four months (18 weeks to 5 August 2017) of the financial year ending 31 March 2018, retail sales grew by 6.2% to R6.5bn as follows:

	Total Sales	Comparable Store Sales	Units	RSP Inflation
Apparel Segment				
MRP	9.0%	7.0%	6.2%	3.0%
MRP Sport	2.1%	-4.5%	0.3%	1.8%
Miladys	13.5%	12.3%	3.6%	9.5%
	8.7%	6.4%	5.6%	3.2%
Home Segment				
MRP Home	-2.1%	-4.1%	-2.8%	1.0%
Sheet Street	1.7%	0.5%	-2.9%	4.8%
	-1.0%	-2.7%	-2.8%	2.1%
Group	6.2%	4.0%	3.5%	2.9%

As reported at the year-end results presentation in May 2017, given the current low growth economy and resultant poor retail environment, the most significant near-term opportunity is to regain lost market share in the two divisions, MRP Apparel and Miladys, which underperformed in the previous financial year. Despite intensified competitor promotional activity, our focused efforts are proving successful. The combined South African sales growth of MRP Apparel and Milady's from April to June 2017 was 10.1%, which compares favourably to Type D retailers (textiles, clothing, footwear and leather goods), as reported by STATS SA, which grew 4.8% over the same period.

With their improved trading and inventory performance, these two divisions are expected to contribute positively to the group's anticipated improvement in gross profit margin for the first half ending 30 September 2017.

The merchandise offers in MRP Sport and the homewares chains are a more discretionary buy. Despite constrained consumers reducing their spend in these categories, our level of execution and value proposition remains strong.

Online sales were 6.4% higher. MRP Sport and MRP Home growth tracked physical store sales growth, while MRP Apparel recorded growth of 20.1%.

Group cash sales increased 6.3%, constituting 82.6% (LY: 82.4%) of total sales and credit sales increased 5.4%. Weighted average trading space was 2.6% higher.

Other income grew by 3.4%, to R372.0m. Debtors' interest and fees grew 7.7% and insurance revenue 18.0%. The temporary slowdown in cellular revenue growth (-8.1%) resulting from a focus on process improvements and product mix changes is expected to have a positive impact on profitability.

Total retail sales and other income grew 6.0% to R6.9bn.

Retail sales for the three-week period from 6 to 26 August 2017, not included in the analysis above, were up 6.8% and comparable store sales 4.8%. Divisional performance was similar to the table reflected above.

The information contained in this announcement has not been reviewed and reported on by the company's external auditors.

Durban
1 September 2017

Sponsor
RAND MERCHANT BANK (A division of FirstRand Bank Limited)