



Fact sheet – June to August 2014

Edcon is the largest non-food retailer in South Africa with a clothing and footwear market share of nearly twice that of its nearest competitor.

Key financials FY2014

Business overview

- As at 29 March 2014 there were 1403 stores owned by Edcon operating under some of the most recognisable retail store chain brands in southern Africa
- The key Edcon store chain brands rank number 1 or number 2 in the majority of our product lines, including clothing, footwear, mobile phones, cosmetics, stationery and books
- The majority of retail sales are generated in South Africa, which accounts for 89.1% of Edcon's total retail sales
- For the 52 weeks ended 29 March 2014, average space growth was 5.2 % when compared to financial year end 2013 with 138 new stores, including eight conversions
- Outside South Africa, Edcon also operates Namibia, Mozambique, Botswana, Lesotho, Swaziland, Zambia and Zimbabwe (with new space secured in Ghana for FY15)
- The Group's credit and financial services business provides consumer credit as well as other financial and insurance products to qualifying store card holders

Retail sales	Same store sales	Pro forma Adjusted EBITDA
+5.1% to R27.0bn	0.6%	-2.6% to R2.7bn
Gross profit	Profit margin	Cash sales growth
+4.4% to R9.8bn	36.5%	+15.3%

* All numbers are for the financial year ended 29 March 2014 (compared to 2013)

Next reporting date

Q1 FY 2015
21 August 2014

Listed debt

Amount (M)	Moody's Rating	S&P Rating	Coupon %	Maturity
R1,010			J+625bps	04/04/2016
€617	B3	B	9.5	01/03/2018
\$250	B3	B	9.5	01/03/2018
€425	Caa2	ccc	13.375	30/06/2019

Senior management



Jürgen Schreiber
Group CEO
Joined in 2011



Toon Clerkx
Group CFO
Joined in 2014



Urin Ferndale
Group COO
Joined in 1999
Appointed to current position in 2007



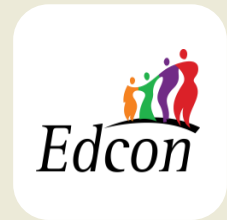
Garth Napier
Chief Executive – Discount Division
Joined in 2008
Appointed to current position in 2014



Birgitt Gebauer
Chief Executive – Edgars Department
Joined in 2013

Strategic developments

- Sale of private label store card portfolio to **Absa** including long term commitment to provide future retail credit to existing and new qualifying customers on 31 October 2012
- In negotiations with African Bank to become a second look credit provider to the group
- "Thank U" store card loyalty programme has well over **11 million** customers
- Improved product and sourcing strategies through increased use of **quick response** and **direct sourcing**
- New leading brands introduced including Topshop Topman, Tom Tailor, Dune, Lucky, T.M. Lewin, Lipsy, Salsa, River Island, GEOX, One Green Elephant, Doc Martins, Vince Camuto, Jessica Simpson, CR7, Ingot, La Senza and Accessorize, extending Edcon's strategy to be the destination for quality and fashionable merchandise for consumers
- Revenue from operations outside South Africa contribute **10.9% of total sales**
- The Edgars transformation programme, which is a critical part of the repositioning for the chain into the future, has concluded with 72 refurbished stores and store optimization and efficiencies across all stores



Edgars division

51% of total retail sales

Edgars



- Trading since 1929, currently 190 stores including mono-branded stores
- Leading retailer of clothing, footwear, textiles and accessories in southern Africa
- New third party brands complementing the proposition and positioning Edgars as the destination for fashionable international brands
- Average size – 3506 sqm
- LSM 6-10



Red Square



- Launched in 1996, currently 41 stores
- National speciality stores carrying international branded cosmetics, skincare products and fragrances
- Offers beauty and body treatments
- Average size – 151 sqm
- LSM 5-10



Boardmans



- Acquired in April 2004, currently 34 stores
- Fast-growing home living retail segment, focusing on bedroom, bathroom, kitchen and home décor
- Average size – 979 sqm
- LSM 7-10



Edgars Active



- Launched in 2005, currently 155 stores
- Sportswear chain, with a product range also available in Edgars department stores
- Average size – 405 sqm
- LSM 4-7



Shoe Gallery



- Launched in 2012, currently 6 stores
- Speciality shoe store
- Average size – 325 sqm
- LSM 5-10



Mono-branded stores

- Iconic international brands through exclusive licence
- Currently 52 mono-branded stores include Topshop, Topman, Tom Tailor, Dune, Lucky, T.M. Lewin, Lipsy, Salsa, River Island, Ingot, La Senza and Accessorize, which are also found in Edgars
- Average size – 674 sqm
- LSM 7-10

Discount division

39% of total retail sales

Jet



- Began trading in 1979, currently 363 stores
- Discount format catering for the whole family
- Jet Club is the largest loyalty club in the country with 1.3 million members
- Average size – 909 sqm
- LSM 4-7

Jet Mart



- Began trading in 2004, currently 131 stores
- Discount general merchandise format that includes home, DIY, appliances and beauty products
- Price-led strategy targeting consumers on limited budget
- Products include appliances, plastics, paint, stationery, clothing, music and health & beauty products
- Average size – 1848 sqm
- LSM 4-7

Legit



- Launched in 2001, currently 190 stores
- Specialty store focused on clothing, footwear and accessories
- Average size – 269sqm
- LSM 5-8

CNA

8% of total retail sales

- Began trading in 1896, acquired by Edcon in 2002 and currently 191 stores
- Leading national retailer of reading, writing, listening, digital, learning and communication consumables
- CNA has a strong brand equity, an excellent real estate portfolio and robust customer loyalty



Key contacts

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