

THE FOSCHINI GROUP LIMITED  
Registration number 1937/009504/06  
Share code: TFG - TFGP  
ISIN: ZAE000148466 - ZAE000148516  
("TFG")

#### CASH FRACTION APPLICABLE TO THE SCRIP DISTRIBUTION

Shareholders are referred to the announcements released on the Stock Exchange News Service ("SENS") on 26 May 2016 and 11 July 2016 respectively, wherein shareholders were advised that TFG declared a final distribution for the year ended 31 March 2016 by way of the issue of fully paid ordinary shares of 1,25 cents each as a capitalisation issue or scrip distribution payable to ordinary shareholders recorded in the register on the record date, being Friday 22 July 2016 ("scrip distribution").

As an alternative to receiving the scrip distribution, ordinary shareholders will be entitled, in respect of all or part of their shareholding, to elect to receive a gross cash dividend of 385,0 cents per ordinary share in lieu of the scrip distribution, which will be paid only to those ordinary shareholders who elect to receive the cash dividend in respect of all or part of their shareholding, on or before 12h00 on 22 July 2016 ("cash dividend alternative").

The ratio applicable to the scrip distribution entitlement was announced on SENS on 11 July 2016, being 2.93148 shares for every 100 ordinary TFG shares held on the record date, being Friday, 22 July 2016.

Where the application of the ratio gives rise to a fraction of a new ordinary share, such fraction will be rounded down to the nearest whole number, resulting in the allocation of whole ordinary shares and a cash payment of a fraction.

In accordance with the requirements of the JSE Limited, the cash payment has been determined with reference to the volume weighted average price of an ordinary TFG share traded on the JSE on Wednesday, 20 July 2016 (being the day on which a TFG ordinary share began trading 'ex' the entitlement to receive the scrip distribution or cash dividend alternative), discounted by 10%.

Shareholders are accordingly advised that the applicable cash payment per fractional entitlement is R128.61.

Example of scrip distribution entitlement:

This example assumes that a shareholder holds 100 ordinary shares at the close of business on the record date and does not elect to receive the cash dividend alternative in respect of all or part of their shareholding.

New ordinary share entitlement =  $100 \times 2.93148\% = 2.93148$  new ordinary shares

(then apply the Rounding Provision described above)

= 2 scrip distribution shares in respect of the 100 ordinary shares held;  
and a cash payment for the fractional entitlement based on the R128.61  
noted above of  $0.93148 \times R128.61 = R119.79$ .

Cape Town

21 July 2016

Sponsor:

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