

Steinhoff International Holdings N.V.
(Incorporated in the Netherlands)
(Registration number: 63570173)
Share Code: **SNH**
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PRESS RELEASE: STEINHOFF INTERNATIONAL - UPDATE ON DISPUTES WITH FORMER JOINT VENTURE PARTNER

Stellenbosch, 17 September 2017 - STEINHOFF INTERNATIONAL HOLDINGS N.V. ("Steinhoff" or the "Company") informs that in the course of a dispute with a former joint venture partner the company received a petition by OM Handels GmbH and MW Handels GmbH (OM & MW) for an annual accounts proceeding before the Enterprise Chamber of the Amsterdam Court of Appeal. OM & MW are owned by the previous joint venture partner. A hearing is scheduled for Thursday, 21 September 2017. The petition relates to the 30 September 2016 accounts.

Steinhoff's CEO Markus Jooste is confident that the petition will be dismissed: "The annual accounts of Steinhoff International were established according to all applicable rules and to our best knowledge. The 2016 annual accounts are correct and received an unqualified opinion by our financial auditors. The allegations brought in against Steinhoff are unfounded and rejected by Steinhoff."

The dispute (also referred to in a press release of 24 August 2017, in the 2017 bond prospectus and the 2015 listing prospectus) relates to the resolution of the redemption of a joint venture in a European retail venture which is currently pending for hearing in Germany. The petition covers the treatment of a joint investment. The company consolidated the investment (as prescribed and in compliance with IFRS), In order to strengthen his case, the opposing party is questioning the consolidation.

Steinhoff has appointed legal and external audit firms in Germany to investigate the matter independently. They have concluded that no evidence exists of any wrongdoing. Therefore, Steinhoff sees itself in a strong position and welcomes the opportunity to formally disprove these allegations.

Allegations of misinformation

Steinhoff shareholders are referred to the press release of 24 August 2017 in which the company rejected the allegations of dishonesty contained in some media statements which statements are devoid of any truth. Since publication of the press release referred to above, Steinhoff have received additional questions from analysts, investors and journalists. The company wishes to clarify certain of the misinformation in the market.

Allegations of qualified audit reports:

The Company strongly rejects any allegation that it has received qualified audit reports from its auditors on any of its subsidiaries. The group's annual audited financial statements which include an unqualified audit report are available on the Company's website.

Allegations connected with a stake of JD Consumer Finance business (JDFS)

The company points out that JDFS was sold to an independent third party during the 2016 financial year. The company does not have any further exposure to the credit book of JDFS.

Finally, Steinhoff informs that the dispute with the former JV Partner is currently the subject of ongoing legal proceedings. Steinhoff has made adequate provisions for the related liabilities which may result from these court cases.

Steinhoff will continue to inform its shareholders in an open, transparent information process about the legal proceedings.

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About Steinhoff International Holdings N.V.

Steinhoff is the world's third largest integrated household goods retailer by turnover, according to Möbelmarkt 2017, with more than 40 brands and 12 000 retail stores in more than 30 countries. Steinhoff retails, sources and manufactures household goods and general merchandise in Europe, the United Kingdom, the United States of America, Australasia and Africa. Retail operations are positioned towards price conscious (value) consumer segments, providing everyday products at affordable prices and serving customers at their convenience.

Our integrated retail divisions comprise:

- Household goods (furniture and homeware retail businesses)
- General merchandise focusing on clothing and footwear, accessories and homeware; and
- Automotive dealerships in South Africa which provide a broad range of new and pre-owned vehicles, parts, insurance, accessories and servicing.

Steinhoff employs approximately 130 000 employees and has a primary listing on the Frankfurt Stock Exchange and a secondary listing on the Johannesburg Stock Exchange with a current market capitalisation of approximately €17 billion.

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