

Woolworths Holdings Limited
(Incorporated in the Republic of South Africa)
Registration number 1929/001986/06
Share code: WHL
Share ISIN: ZAE000063863
Bond company code: WHLI
Bond ISIN: ZAG000147133
(‘the Group’)

**TRADING UPDATE: 20 WEEKS ENDED 11 NOVEMBER 2018 AND TRADING STATEMENT:
26 WEEKS ENDED 23 DECEMBER 2018 AND 53 WEEKS ENDED 30 JUNE 2019**

TRADING UPDATE

Group sales for the first 20 weeks ended 11 November 2018 (‘current period’) increased by 2.7% compared to the 20 weeks ended 12 November 2017 (‘prior period’) prior period (and by 3.6% in constant currency).

In South Africa, Woolworths Fashion, Beauty and Home sales declined by 3.3%, with price movement of 4.0%. Comparable store sales were 3.9% lower, with net retail space growth of 0.5%. While sales for the first quarter ended 23 September 2018 were affected by a significantly smaller winter sale, regular sales in October, particularly in womenswear, have shown a positive trend.

Woolworths Food sales increased by 7.2%, with volume growth driven by low inflation (price movement was 1.0%) and higher levels of promotion. Comparable store sales increased by 5.0%, with net retail space growth of 1.5%.

The Woolworths Financial Services debtors book reflected positive year-on-year growth of 4.0% as at the end of October 2018. The annualised impairment rate for the four months ended 31 October 2018 was 3.9% (4 months ended 31 October 2017: 5.7%). The Group implemented IFRS 9 with effect from 1 July 2018.

David Jones sales momentum has continued into the new financial year, with sales increasing by 2.9% (and by 2.4% in comparable stores). Online sales have grown by 48.4%, and now contribute 5.2%, up from 3.6% of sales in the prior period. Net retail space grew by 2.7%, with 3.4% new space offset by 0.7% of space reductions and closures.

Country Road Group (CRG) sales increased by 3.4%, and by 0.5% in comparable stores. Online sales in CRG represent 20% of sales, with growth of 25% over the period. Net retail space grew by 4.3%.

TRADING STATEMENT

Shareholders are advised that earnings per share (EPS) is expected to be more than 100% (more than 505.9 cents) higher than the reported EPS for the 26-week period ended 24 December 2017 (2017 EPS: -505.9 cents), and more than 150% (more than 554.3 cents) higher than the reported EPS for the 52-week period ended 24 June 2018 (2018 EPS: -369.5 cents), due to the impairment of the carrying value of the David Jones assets in the prior period ended 24 December 2017.

Shareholders are advised that once the Group obtains reasonable certainty regarding the HEPS growth ranges for the 26 weeks ended 23 December 2018 and 53 weeks ended 30 June 2019, it will issue a further trading statement in order to provide guidance.

CONSTANT CURRENCY INFORMATION

The constant currency information contained in this announcement has been presented to illustrate the impact of changes in the Group's major foreign currency, the Australian dollar. In determining the constant currency turnover and concession sales' growth rate, turnover and concession sales denominated in Australian dollars for the current financial reporting period have been adjusted by application of the aggregated monthly average Australian dollar exchange rate for the prior comparable period. The foreign currency fluctuations of our rest of Africa operations are not considered material, and have therefore not been applied in determining the constant currency turnover and concession sales growth rate. The aggregated monthly average Australian dollar exchange rate is R10.30 for the current financial reporting period and R10.52 for the prior comparable period.

The constant currency information, which is the responsibility of the Group's directors, has been prepared for illustrative purposes only, and may not fairly present the Group's financial position, changes in equity, cash flows or results of operations.

The information contained in this announcement, including forecast financial information, has not been reviewed or reported on by the Group's external auditors.

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15 November 2018

Sponsor

RAND MERCHANT BANK (A division of FirstRand Bank Limited)