



SUMMARISED AUDITED GROUP
ANNUAL FINANCIAL STATEMENTS
FOR THE 52 WEEKS ENDED 26 FEBRUARY

2017

TURNOVER

↑ 7.0%

R77.5 billion

(2016: R72.4 billion)

HEPS

↑ 18.0%

264.35 cents

(2016: 224.04 cents)

TOTAL DIVIDEND

↑ 18.0%

176.30 cents

(2016: 149.40 cents)

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REVIEW OF OPERATIONS

KEY FINANCIAL INDICATORS

	52 weeks to 26 February 2017	52 weeks to 28 February 2016	% change
Turnover	R77.5 billion	R72.4 billion	7.0
Gross profit margin	18.0%	17.9%	
Trading expenses margin	17.1%	17.2%	
Trading profit	R1 773.8 million	R1 516.3 million	17.0
Trading profit margin	2.3%	2.1%	
Profit before tax (before capital items)	R1 761.5 million	R1 506.1 million	17.0
Profit before tax margin (before capital items)	2.3%	2.1%	
Basic earnings per share (EPS)	256.67 cents	219.11 cents	17.1
Headline earnings per share (HEPS)*	264.35 cents	224.04 cents	18.0
Diluted headline earnings per share (DHEPS)*	257.69 cents	219.90 cents	17.2
Total annual dividend per share	176.30 cents	149.40 cents	18.0

* Headline earnings per share and diluted headline earnings per share exclude capital items, which accounts for the difference in the year-on-year increase between EPS and HEPS.

Result summary

The Group delivered growth in headline earnings per share of 18.0% for the 2017 financial year, maintaining the positive momentum achieved over each of the past four years. Turnover growth of 7.0% reflects the difficult consumer environment in South Africa.

The Group progressed in a number of key areas over the year. A stronger gross profit margin and well-controlled costs demonstrate the value of the Group's increasingly centralised supply chain and greater operating efficiency in a low-growth environment. Labour costs in particular were contained well below inflation.

Profit before tax (before capital items) was up 17.0% year-on-year to R1 761.5 million, more than double the profit of four years ago. The profit before tax (before capital items) margin has improved from 1.2% in 2013 to 2.3% today. The Group's core South African operations delivered growth in profit before tax (before capital items) of 20.0%, with tough trading conditions in Zambia constraining growth in the Rest of Africa division.

The Group is now well advanced on its journey to restore the business to a sustainable profit margin, with a cost-effective and efficient engine and effective platforms for long-term growth.

Review of earnings performance

The Group modernised its control ownership structure in the first half of the year, with the unbundling of the Pick n Pay Holdings Limited RF Group. Although there were material non-recurring movements on certain individual categories of other trading income and trading expenses, the transaction had no impact on trading profit or headline earnings. Please refer to the table at the conclusion of this review of operations for further detail.

The financial review provided below, excludes the material non-recurring items included in trading profit related to the unbundling transaction.

TURNOVER

Group turnover increased 7.0% to R77.5 billion, with like-for-like turnover growth of 3.4%. On a constant currency basis, Group turnover was up 7.1%. Throughout the year, customers faced growing pressure on their household budgets, resulting from high food inflation, rising utility and transport costs, and stagnating real incomes. By buying better and running a more efficient business, the Group was able to provide meaningful support for customers, restricting its selling price inflation to 6.1% for the year, well below published food inflation of 11.0%.

MORE VALUE FOR CUSTOMERS

Customers across all socio-economic groups are consistently seeking lower prices and better value. The Group is much better placed to respond to customers' changing needs than it was four years ago. Brand Match has given Pick n Pay, and its customers, confidence in the competitiveness of its pricing across 2 000 branded grocery lines. In March 2017, the Group signalled its intention to accelerate progress in its turnaround, in particular through a commitment to lower prices across fresh, perishable and grocery lines. The Group

announced in March 2017 an investment of R500 million in lower prices, beginning with reductions in price across 1 300 grocery lines, with a particular focus on fresh meat, fruit and vegetables.

REWARDING LOYALTY

Pick n Pay's Smart Shopper programme, with 7 million active members in 2017, and 20 swipes at till every second, was once again recognised as South Africa's favourite loyalty programme. Responding to customer demand for more immediate support, the Group announced a more rewarding and more personal Smart Shopper programme in March 2017. It includes weekly personalised discounts for each Smart Shopper, tailored specifically to each customer on the basis of their actual shopping habits. The Group will continue to modernise and enhance the programme through ongoing innovation in both technology and reward, to ensure it remains relevant and fresh for customers.

STRONGER OFFER

The Group improved its fresh offer by broadening its range, delivering better freshness and longer shelf-life, and by running promotions on staple commodities, including through bulk buys and combination offers. Pick n Pay expanded its private label offer across convenience, perishable and grocery lines. Customers responded positively, and private label contributed 18.0% of total turnover. The Group delivered its best availability in over four years, with on-shelf stock availability consistently maintained at 96% over the year.

Boxer delivered strong turnover growth in a depressed and highly contested area of the market. The Boxer team was able to invest meaningfully in the price of basic commodities, while strengthening its fresh meat, fruit and vegetable offer over the year.

The Pick n Pay clothing business again delivered strong double-digit growth, as customers

sought long-lasting quality at great value. The Group's liquor business grew 15%, with solid market share growth across a number of key lines. The Group added 24 clothing stores and 46 liquor stores in 2017.

Online turnover growth remains strong, with more customers turning to the trusted convenience offered by Pick n Pay online. Online turnover in the Western Cape grew 30% year-on-year, driven by the success of the dedicated online picking warehouse situated at the Brackenfell Hypermarket near Cape Town. Following the success of this warehouse, the Group opened a second online warehouse, outside Johannesburg, in December 2016. Online shoppers in Gauteng will benefit from a broader range, improved availability and lower prices.

BETTER STORES

The Group refurbished 62 stores over the course of the year and closed 12 under-performing stores, including five franchise and four Boxer stores. The resulting disruption to trade had some negative impact on turnover growth. However, the improvement in the estate is a valuable investment in the future.

The Group now has 106 next generation supermarkets across its Pick n Pay and Boxer brands. These stores are now the model for all new and refurbished stores, and are providing customers with a better shopping experience and a stronger customer offer, particularly in fresh and convenience categories. Next generation stores also provide a more efficient and cost-effective operating model for the business.

WIDER REACH

The Group opened 68 new Pick n Pay company-owned stores and 25 new Boxer stores across all formats over the year, including 14 Pick n Pay Local convenience stores. This growth delivered on the Group's intention to open new stores in communities which it had not previously served, and to respond to the

growing demand for convenience. New stores contributed 3.6% to turnover growth.

The Group opened 70 Pick n Pay franchise stores over the period, including 32 Pick n Pay Express stores on BP forecourts. There are now 111 Pick n Pay Express stores, more than double the number of two years ago. Our franchise partners continue to be a key growth opportunity for Pick n Pay and the Group strengthened its support of franchisees during the year by delivering more competitive prices, improving availability and by expanding its administrative and operational support.

GROSS PROFIT

Gross profit at R13.9 billion increased 7.5% on last year. The gross profit margin improved 0.1 percentage point to 18.0% of turnover, with progress across its procurement and supply chain channel.

As a greater proportion of goods were brought into its centralised supply chain, the Group improved the efficiency and cost-effectiveness of its distribution centres and lowered the cost per case delivered. The Group also improved its management of shrink and waste through a dedicated management programme and increased security measures.

Boxer in particular delivered a stronger gross profit margin performance, driven by greater participation of its butchery, fresh produce and value-added convenience categories.

STRONGER CENTRAL SUPPLY CHAIN

The Group increased its centralised supply to 60% of total volume, with 73% centralised supply in the Western Cape and 62% in the Inland region of South Africa (Gauteng and surrounds). The Group has achieved substantial progress in the centralisation of its grocery supply over the last few years, with groceries 87% centralised in the Western Cape and 68% in Inland. The Group brought an additional 140 suppliers into its centralised supply chain. This included 80 new wine suppliers and eight new suppliers from its own supplier development

REVIEW OF OPERATIONS continued

and business incubator initiatives. Issues out of Group distribution centres were up 20% year-on-year, with a 21% increase out of Longmeadow. More than 2.0 million cases were distributed every week out of this facility.

PROGRESS ON FRESH

The Group progressed on perishables during the year, establishing a new fresh distribution facility at its Philippi distribution centre in Cape Town, and completing the centralisation of its main dairy suppliers in KwaZulu-Natal. The Philippi and Longmeadow distribution centres have delivered a reduction in waste across all fresh categories, alongside ongoing improvements at store level.

MORE EFFICIENCY

The Group completed the implementation of its supply chain management system (SAP EWM) across all its distribution centres. This has improved operational efficiency, transport management and reporting capability across the supply chain channel. Progress on the central supply chain in the Western Cape enabled Pick n Pay to bring the management of its Philippi distribution centre in-house, which will realise further cost savings in the future. The Group has recently secured additional supply chain capacity in KwaZulu-Natal, to further its progress on centralisation in the region.

OTHER TRADING INCOME

Other trading income increased 12.6% to R1 093.3 million.

Franchise fee income is up 10.5% to R349.8 million, reflecting the 70 new franchise stores opened over the last 12 months and an improved franchise turnover performance.

Operating lease income increased 4.9% to R345.3 million, with a number of non-strategic head leases not renewed this year. Excluding this impact, operating lease income increased 7.4%, in line with annual escalations.

Commissions, dividends received and other income grew 22.3% to R398.2 million. Our value-added service business is maturing into an important part of our customer offer, with a solid performance across all categories of value-added services, including strong double digit growth in commission income from prepaid electricity, third party bill payments, ticketing and financial services. The Group launched a new money transfer service in partnership with the Commonwealth Bank of Australia this year. The service has been used by more than 100 000 customers in just five months. The service is integrated with our Smart Shopper loyalty programme, is entirely digitised, and enables a customer to execute a money transfer easily and quickly from any Pick n Pay till point.

TRADING EXPENSES

Trading expenses increased 6.7% to R13.3 billion, notwithstanding the addition of a net 86 company-owned stores over the year. This is a commendable performance in an inflationary environment, with like-for-like trading expenses up only 3.0% on the previous year.

Employee costs – increased 5.8% on last year to R6 414.0 million, and improved 0.1 percentage point to 8.3% of turnover. The like-for-like increase of 3.3% was supported by a more efficient store operating model and ongoing improvements in labour scheduling.

The Group concluded a new three-year wage agreement with its main labour union. It introduced a new category of staff with basic pay set at a competitive level. The Group also introduced a guaranteed minimum of 85 hours work per month for all employees. As well as delivering a fair and competitive package for employees, the new agreement will enable the Group to achieve further improvements in cost and labour productivity over the coming years.

The Group purchased shares to the value of R345.4 million under its share incentive schemes during the year, and delivered substantial wealth creation for 9 250 employees at all levels, who realised their share awards during the period. The increased take-up of employee share awards was driven by the higher share price over the year, as well as increased communication with employees during the unbundling of Pick n Pay Holdings Limited RF.

The success of the Group's employee share incentive schemes is testament to the values of Pick n Pay and the positive role the Group has played as a progressive and responsible employer. The Group created 4 500 new jobs during the year, principally through its store opening programme.

The Group remains committed to creating quality jobs across South Africa and beyond. The modernisation of the Group is key to achieving this goal, and to ensuring that the jobs created are sustainable. Improvements in productivity and cost-effectiveness enable the Group to be more competitive, offer better value, attract more customers and grow its footprint sustainably. It was against this background that Pick n Pay launched a voluntary severance programme (VSP) in March 2017, that is expected to be finalised by the end of April 2017. Participation in the scheme is entirely voluntary, and acceptance of applications is at the Group's discretion. The programme will enable Pick n Pay to remove positions that are no longer required as a result of improved ways of working. By becoming more efficient and offering better value, the Group will sell more products and open more stores, creating more sustainable jobs in a strong and forward-looking business.

Occupancy costs – are up 14.6% on last year to R2 678.9 million, and up 0.2 percentage points to 3.4% of turnover, driven by new stores. The like-for-like increase in occupancy costs of 7.2% is largely in line with annual escalations, however, this category of expense

continues to trend upwards, driven by high regulated increases in rates and increased security costs. Increased security measures have mitigated the cost of shrink and theft in the business.

Operations costs – are up 4.0% on last year to R2 961.7 million, with like-for-like operations costs up 1.5%. The biggest benefits this year came from well managed electricity and repairs and maintenance costs and tightly controlled depreciation and amortisation. Energy-saving initiatives and investment in better refrigeration and lighting has reduced energy usage by 14% over the last five years, contributing to well managed energy costs.

Merchandising and administration costs – grew 1.9% on last year to R1 201.6 million. The Group continues to tightly manage the cost of its professional, legal and other support services. This category of expense also includes fair value adjustments related to the Group's forward exchange contracts and foreign exchange differences. The strengthening of the South African rand over the year, saw the Group expense R29.9 million in foreign exchange and related fair value losses, compared to profits of R8.2 million in the prior year.

TRADING PROFIT

Trading profit increased by 17.0% to R1 773.8 million. The trading profit margin improved by 0.2 percentage points, from 2.1% to 2.3% of turnover.

NET INTEREST

Net interest paid of R92.5 million increased 65.0% on last year, as a result of increased gearing over the year. Net cash balances reflect the Group's ongoing investment in capital and inventory related to its store opening, refurbishment and centralisation programmes, and increased share buy-backs related to its employee share incentive schemes. Higher interest rates payable on overnight borrowings also had an impact on the total net interest bill over the period.

REVIEW OF OPERATIONS continued

LOSSES ON CAPITAL ITEMS

The Group incurred R46.3 million of capital losses. The losses include a R13.9 million impairment loss incurred by a subsidiary company in respect of its investment in Pick n Pay Holdings Limited RF, as a result of the unbundling transaction. The remaining R32.4 million relates to the impairment and disposal of assets mainly due to the Group's refurbishment programme, compared with R32.6 million in the prior year. Capital items are added back in the calculation of headline earnings.

PROFIT BEFORE TAX

Profit before tax is up 16.4% to R1 715.2 million, representing a margin improvement from 2.0% to 2.2%. Profit before tax excluding capital items, is up 17.0%, with the underlying margin improving from 2.1% to 2.3% of turnover.

REST OF AFRICA SEGMENT

Segmental revenue for the Rest of Africa division, in constant currency terms, increased 8.7%, with like-for-like revenue retraction of 0.4%. Reported segmental revenues were up 7.7% (like-for-like revenue retraction of 2.3%), with local currency weakness in Zambia having a negative impact on translation. Profit before tax for this division was down 0.3% to R225.5 million.

In Zambia, the impact of drought and related water and power outages, coupled with the low copper price, continued to dampen economic growth across the region. The team responded to the low growth environment with strong discipline on cost. Notwithstanding current economic headwinds, the Group remains positive of its long-term position and opportunity in the region.

The Group's franchise businesses in Namibia, Botswana, Swaziland and Lesotho continued to trade well. The Group opened its first new supermarket and liquor stores in Botswana in five years, and is looking forward to working with a new franchisee in Swaziland, who has bought six of the 10 Pick n Pay franchise

stores in the region, with plans for expansion and a revitalised offer.

The Group opened 12 new supermarkets outside South Africa during the year, three in Namibia, six in Zambia, one in Zimbabwe and two in Botswana. The Group plans to open its first stores in Ghana and Nigeria over the next two years.

Share of associate's income – the Group's associate in Zimbabwe, TM Supermarkets (TM), delivered a strong performance in a tough macroeconomic environment, characterised by liquidity constraints, rising unemployment and falling consumer confidence. The Group's share of TM's earnings grew 74.7% on last year to R80.2 million, representing growth in local currency terms of 71.8%. The team benefited from increased operational collaboration with Pick n Pay, and strong trade from the rebranded Pick n Pay stores in the region. TM was once again recognised as Retailer of the Year in Zimbabwe by the Confederation of Zimbabwe Retailers. TM Supermarkets now has 56 stores in Zimbabwe, 16 of which trade under the Pick n Pay banner.

TAX

The effective tax rate of 27.5% is marginally down on the 27.7% of last year, as a result of the Group's increased profitability, with no corresponding change in the level of non-deductible expenditure.

EARNINGS PER SHARE

Basic earnings per share (EPS) – increased 17.1% from 219.11 to 256.67 cents per share.

Headline earnings per share (HEPS) – increased 18.0% from 224.04 to 264.35 cents per share.

The difference between the growth in basic earnings per share and headline earnings per share relates to the effect of losses of a capital nature in the calculation of headline earnings. Capital losses of R37.2 million, net of tax, were taken into account in the calculation of headline earnings in the current period, against R23.3 million in the prior period.

Diluted headline earnings per share (DHEPS)

– increased 17.2% from 219.90 to 257.69 cents per share. DHEPS reflects the dilution effect of share options held by participants in the Group's employee share schemes.

The dilution increased marginally over the period due to the unbundling of Pick n Pay Holdings Limited RF, with employees that had previously held share options in Pick n Pay Holdings Limited RF (dilutive at PWK level) receiving replacement share options in Pick n Pay Stores Limited.

Review of financial position

The increase in the Group's assets reflects its ongoing investment in its turnaround strategy, including investment in its store opening and refurbishment programme, its centralised supply chain and systems infrastructure. The fair value of financial instruments held by the Group decreased year-on-year, in line with the increase in treasury shares, with the Group's investment in the equity of Pick n Pay Holdings Limited RF being replaced with unbundled treasury shares in Pick n Pay Stores Limited, to the same value.

WORKING CAPITAL

The financial calendar cut-off, in particular the timing of creditor payments over the financial year-end, had a substantive impact on the movement in the Group's reported working capital balances in 2017, against that of 2016. Further information is provided below.

INVENTORY

Inventory increased 16.4% on last year to R5 994.6 million, impacted by the 151 net new stores (excluding TM Supermarkets) opened over the last 12 months, and increased levels of centralisation in the short term. Removing the impact of new stores and inflation, inventory is up 5.2% year-on-year. The Group also increased its value of investment buys at year-end, to support customers ahead of supplier price increases. The Group is confident of the opportunity to reduce stock levels in the business through targeted

assortment management, keener forecast and replenishment and a stronger promotional calendar. This is a key focus area for the 2018 financial year.

TRADE AND OTHER RECEIVABLES

Trade and other receivables increased 3.6% on last year to R3 445.1 million, with 65 net new franchise stores added over the year. Franchise debt remains well controlled, with the impairment allowance at 3.5% of the value of the debtors book in line with last year.

TRADE AND OTHER PAYABLES

Trade and other payables is flat on last year at R10 490.2 million, largely due to the positive impact of the financial calendar cut-off in the prior year of R1.2 billion. On a comparable basis, trade and other payables increased 12.1% year-on-year.

CASH AND CASH EQUIVALENTS

	2017 Rm	2016 Rm
Cash balances	961.9	982.9
Bank overdraft and overnight borrowings	(1 800.0)	(100.0)
Cash and cash equivalents	(838.1)	882.9
Total borrowings	(133.2)	(529.6)
Net funding position	(971.3)	353.3

The timing of the Group's financial calendar cut-off can have a substantive impact on reported working capital and cash balances, depending on the timing of creditor payments over financial year-end. The decrease in funding from net working capital of R986.3 million, and the related decrease in cash balances at year-end, reflects the reversal of an estimated R1.2 billion positive calendar impact in 2016. The Group remains cash-generative, with cash generated before movements in working capital up 14% on last year. Net working capital funding increased by R230 million on a comparable basis.

REVIEW OF OPERATIONS continued

The Group paid R753.5 million in dividends to shareholders (up 27.8% on last year), invested R1.9 billion in improving the quality of its estate, invested R345.4 million in its employee share incentive schemes and repaid R445.1 million of long-term structured debt. These important outlays, together with increased inventory balances in line with the Group's plan to improve on-shelf availability across the business, resulted in increased gearing over the 2017 year and an increased interest bill.

CAPITAL INVESTMENT

Capital expenditure related to the Group's capital investment programme at R1.9 billion, was in line with last year. The Group continues to commit the majority of its capital investment on expansion and refurbishment in order to improve the customers' shopping experience. The Group plans to invest a further R1.8 billion in its store opening and store improvement programme next year. The Group is confident of its ability to meet its investment requirements through internal cash-generation and cost-effective short-term borrowings. The Group's liquidity position remains strong, with 25% of available borrowing facilities utilised at year-end.

The Group delivered return on capital employed of 31.3% (2016: 29.3%). The net asset value per share increased from 910.0 cents per share to 979.5 cents per share.

SHAREHOLDER DISTRIBUTION

The Board declared a final dividend of 146.40 cents per share, bringing the total annual dividend for the year to 176.30 cents per share, 18.0% up on last year and maintaining a dividend cover of 1.5 times headline earnings per share.

The unbundling of Pick n Pay Holdings Limited RF Group

The unbundling of the Pick n Pay Holdings Limited RF Group had no impact on trading profit or headline earnings. The material non-recurring items related to the unbundling transaction are detailed overleaf.

Summary of non-recurring items included in trading profit:

	As reported 52 weeks to 26 February 2017 Rm	Non- recurring items 52 weeks to 26 February 2017 Rm	Excluding non- recurring items 52 weeks to 26 February 2017 Rm	% of turnover	% change	As reported 52 weeks to 28 February 2016 Rm	% of turnover
Revenue	79 117.8	412.3	78 705.5		7.1	73 477.3	
Turnover	77 486.1		77 486.1		7.0	72 445.1	
Cost of merchandise sold	(63 549.4)		(63 549.4)			(59 474.8)	
Gross profit	13 936.7		13 936.7	18.0	7.5	12 970.3	17.9
Other trading income	1 505.6	412.3	1 093.3	1.4	12.6	971.3	1.3
Dividend <i>in specie</i>	412.3	412.3	–			–	
Franchise fee income	349.8		349.8	0.5	10.5	316.7	0.4
Operating lease income	345.3		345.3	0.4	4.9	329.1	0.5
Commissions, dividends received and other income	398.2		398.2	0.5	22.3	325.5	0.4
Trading expenses	(13 668.5)	(412.3)	(13 256.2)	17.1	6.7	(12 425.3)	17.2
Employee costs	(6 619.8)	(205.8)	(6 414.0)	8.3	5.8	(6 060.6)	8.4
Occupancy	(2 678.9)		(2 678.9)	3.4	14.6	(2 337.6)	3.2
Operations	(2 961.7)		(2 961.7)	3.8	4.0	(2 848.1)	3.9
Merchandising and administration	(1 408.1)	(206.5)	(1 201.6)	1.5	1.9	(1 179.0)	1.6
Trading profit	1 773.8	–	1 773.8	2.3	17.0	1 516.3	2.1

Other trading income – includes a dividend *in specie* of R412.3 million, representing the value of the Pick n Pay Stores Limited shares (now held as treasury shares) received by the Group on the unbundling of Pick n Pay Holdings Limited RF (PWK).

Employee costs – the Group operates an employee share incentive scheme where eligible employees were granted share options in PWK. These share options were cancelled and replaced with Pick n Pay Stores Limited share options, in terms of the shareholder approval received at the extraordinary general meeting held on 25 July 2016.

Employee costs include the share-based payment expense related to the increase in the market value of PWK share options prior to the unbundling, as well as the cancellation and replacement cost of these options.

Merchandising and administration costs – include a net fair value loss of R206.5 million in respect of the Group's investment in Pick n Pay Holdings Limited RF. This fair value movement was as a result of the increased market value of PWK shares prior to the unbundling, and the subsequent write-off of the investment on the receipt of the dividend *in specie* distribution.

REVIEW OF OPERATIONS *continued*

The dividend *in specie*, increased share-based payment costs and related fair value adjustments detailed above, had no impact on trading profit or headline earnings.

Losses on capital items – include an impairment loss incurred by a subsidiary company in respect of its investment in Pick n Pay Holdings Limited RF of R13.9 million. The loss is added back for the purposes of calculating headline earnings per share.

Accelerating the turnaround

Fifty years ago this year, Raymond Ackerman bought three small stores in Cape Town, and began to pursue his goal: to fight high prices and bring South Africans the best prices and best service of any retailer in South Africa. The Group's turnaround plan has essentially been about returning Pick n Pay to its roots as a discounter and consumer champion.

Over each of the past four years, the Group has improved its customer offer, modernised its stores, centralised its supply chain, and firmly controlled its costs. The result has been eight consecutive periods of double-digit

profit growth, and an improvement in trading profit margin to 2.3%.

However, conditions for consumers have become progressively more challenging. Customers at all levels are demanding consistently lower prices and better value. This is a worldwide phenomenon, and is firmly evident in South Africa. In a low-growth economy, competition for hard-pressed and cost-conscious customers is going to be the new normal. Pick n Pay is determined to succeed in this new normal by accelerating the pace of its plan, in particular by reducing its costs further in order to create additional headroom to deliver lower prices and better value for customers.

The Group has made a strong start on this accelerated plan at the beginning of the 2018 financial year with the introduction of permanently lower prices on 1 300 lines and a modernised Smart Shopper loyalty scheme. It will build on this throughout the year as it accelerates progress towards a better Pick n Pay – better for customers, better for colleagues and better for shareholders.

Gareth Ackerman
Chairman

18 April 2017

Richard Brasher
Chief Executive Officer

DIVIDEND DECLARATION

PICK N PAY STORES LIMITED – TAX REFERENCE NUMBER: 9275/141/71/2

Number of ordinary shares in issue: 488 450 321

Notice is hereby given that the directors have declared a final gross dividend (number 98) of 146.40 cents per share out of income reserves.

The dividend declared is subject to dividend withholding tax at 20%.

The tax payable is 29.28000 cents per share, resulting in shareholders who are not exempt from dividends tax with a net dividend of 117.12000 cents per share.

DIVIDEND DATES

The last day of trade in order to participate in the dividend (CUM dividend) will be Tuesday, 6 June 2017.

The shares will trade EX dividend from the commencement of business on Wednesday, 7 June 2017 and the record date will be Friday, 9 June 2017. The dividends will be paid on Monday, 12 June 2017.

Share certificates may not be dematerialised or rematerialised between Wednesday, 7 June 2017 and Friday, 9 June 2017, both dates inclusive.

On behalf of the Board of directors

Debra Muller

Company Secretary

18 April 2017

GROUP STATEMENT OF COMPREHENSIVE INCOME

for the period ended

	Notes	52 weeks 26 February 2017 Rm	52 weeks 28 February 2016 Rm
Revenue	2	79 117.8	73 477.3
Turnover	2	77 486.1	72 445.1
Cost of merchandise sold		(63 549.4)	(59 474.8)
Gross profit		13 936.7	12 970.3
Other trading income	2	1 505.6	971.3
Trading expenses		(13 668.5)	(12 425.3)
Employee costs		(6 619.8)	(6 060.6)
Occupancy		(2 678.9)	(2 337.6)
Operations		(2 961.7)	(2 848.1)
Merchandising and administration		(1 408.1)	(1 179.0)
Trading profit		1 773.8	1 516.3
Finance income	2	126.1	60.9
Finance costs		(218.6)	(117.0)
Share of associate's income		80.2	45.9
Profit before tax before capital items		1 761.5	1 506.1
Losses on capital items		(46.3)	(32.6)
Loss on sale of property, plant and equipment		(20.4)	(24.0)
Impairment loss on property, plant and equipment		(5.9)	–
Impairment loss on intangible assets		(6.1)	(8.6)
Impairment loss on available-for-sale financial instruments		(13.9)	–
Profit before tax		1 715.2	1 473.5
Tax		(471.7)	(408.1)
Profit for the period		1 243.5	1 065.4
Other comprehensive income, net of tax			
Items that will not be reclassified to profit or loss		1.5	14.8
Remeasurement in retirement scheme assets		2.1	20.5
Tax on remeasurement in retirement scheme assets		(0.6)	(5.7)
Items that may be reclassified to profit or loss		(96.9)	59.4
Foreign currency translations		(64.4)	58.1
Fair value gain on available-for-sale financial instruments		(32.5)	1.3
Total comprehensive income for the period		1 148.1	1 139.6
		Cents	Cents
Basic earnings per share	3	256.67	219.11
Diluted earnings per share	3	250.20	215.05
Headline earnings per share	3	264.35	224.04
Diluted headline earnings per share	3	257.69	219.90

GROUP STATEMENT OF FINANCIAL POSITION

	Notes	As at 26 February 2017 Rm	As at 28 February 2016 Rm
ASSETS			
Non-current assets			
Property, plant and equipment		5 583.6	4 950.9
Intangible assets		984.3	1 004.9
Operating lease assets		198.3	171.6
Financial instruments at fair value through profit or loss		13.7	232.1
Available-for-sale financial instruments		–	46.4
Investment in associate		309.7	285.5
Participation in export partnerships		–	14.1
Loans		85.1	96.4
Retirement scheme assets		95.3	90.8
Deferred tax assets		218.0	225.1
		7 488.0	7 117.8
Current assets			
Inventory		5 994.6	5 152.0
Trade and other receivables		3 445.1	3 326.2
Cash and cash equivalents		961.9	982.9
Derivative financial instruments		–	6.0
		10 401.6	9 467.1
Non-current asset held for sale			
		212.8	–
Total assets		18 102.4	16 584.9
EQUITY AND LIABILITIES			
Equity			
Share capital	4	6.0	6.0
Treasury shares		(554.3)	(63.5)
Fair value reserve		–	32.5
Retained earnings		4 652.1	3 882.9
Foreign currency translation reserve		(24.5)	39.9
Total equity		4 079.3	3 897.8
Non-current liabilities			
Borrowings		84.0	83.0
Operating lease liabilities		1 398.6	1 239.6
Deferred tax liabilities		14.6	9.5
		1 497.2	1 332.1
Current liabilities			
Trade and other payables		10 490.2	10 500.6
Share-based payment liability		–	124.6
Bank overdraft and overnight borrowings		1 800.0	100.0
Borrowings		49.2	446.6
Current tax liabilities		174.8	183.0
Provisions		–	0.2
Derivative financial instruments		11.7	–
		12 525.9	11 355.0
Total equity and liabilities		18 102.4	16 584.9
Number of shares in issue – thousands	4	488 450.3	488 450.3
Weighted average number of shares in issue – thousands	3	482 237.5	478 873.4
Diluted weighted average number of shares in issue – thousands	3	494 709.6	487 894.0
Net asset value – cents per share (property value based on directors' valuation)		979.5	910.0

GROUP STATEMENT OF CHANGES IN EQUITY

for the period ended

	Share capital Rm	Treasury shares Rm	Fair value reserve Rm	Retained earnings Rm	Foreign currency translation reserve Rm	Total equity Rm
At 1 March 2015	6.0	(60.1)	31.2	3 302.9	(18.2)	3 261.8
Total comprehensive income for the period	–	–	1.3	1 080.2	58.1	1 139.6
Profit for the period	–	–	–	1 065.4	–	1 065.4
Remeasurement in retirement scheme assets	–	–	–	14.8	–	14.8
Foreign currency translations	–	–	–	–	58.1	58.1
Fair value gain on available-for-sale financial instruments	–	–	1.3	–	–	1.3
Transactions with owners	–	(3.4)	–	(500.2)	–	(503.6)
Dividends paid	–	–	–	(589.5)	–	(589.5)
Share purchases	–	(126.2)	–	–	–	(126.2)
Net effect of settlement of employee share options	–	122.8	–	(87.2)	–	35.6
Share-based payment expense	–	–	–	176.5	–	176.5
At 28 February 2016	6.0	(63.5)	32.5	3 882.9	39.9	3 897.8
Total comprehensive income for the period	–	–	(32.5)	1 245.0	(64.4)	1 148.1
Profit for the period	–	–	–	1 243.5	–	1 243.5
Remeasurement in retirement scheme assets	–	–	–	1.5	–	1.5
Foreign currency translations	–	–	–	–	(64.4)	(64.4)
Fair value gain on available-for-sale financial instruments	–	–	26.6	–	–	26.6
Reclassification to profit or loss	–	–	(59.1)	–	–	(59.1)
Transactions with owners	–	(490.8)	–	(475.8)	–	(966.6)
Dividends paid	–	–	–	(753.5)	–	(753.5)
B share capital issued	–	–	–	–	–	–
Shares received upon unbundling	–	(412.3)	–	–	–	(412.3)
Share purchases	–	(345.4)	–	–	–	(345.4)
Net effect of settlement of employee share options	–	266.9	–	(259.5)	–	7.4
Share-based payment expense	–	–	–	537.2	–	537.2
At 26 February 2017	6.0	(554.3)	–	4 652.1	(24.5)	4 079.3

GROUP STATEMENT OF CASH FLOWS

for the period ended

	52 weeks 26 February 2017 Rm	52 weeks 28 February 2016 Rm
Cash flows from operating activities		
Trading profit	1 773.8	1 516.3
Adjusted for dividend income	(18.0)	–
Adjusted for non-cash items	1 356.7	1 220.0
Amortisation	160.6	162.5
Depreciation	820.9	778.4
Equity-settled share-based payment expense	537.2	176.5
Cash-settled share-based payment expense	(124.6)	13.0
Movement in net operating lease liabilities	132.3	79.3
Movement in provisions	(0.2)	(0.8)
Fair value loss on financial instruments at fair value through profit or loss	242.8	11.1
Dividend <i>in specie</i> received upon unbundling	(412.3)	–
Cash generated before movements in working capital	3 112.5	2 736.3
Movements in working capital	(986.3)	728.7
Movements in trade and other payables	(28.1)	1 610.9
Movements in inventory	(839.3)	(492.4)
Movements in trade and other receivables	(118.9)	(389.8)
Cash generated from trading activities	2 126.2	3 465.0
Interest received	126.1	60.9
Interest paid	(218.6)	(117.0)
Cash generated from operations	2 033.7	3 408.9
Dividends received	18.0	–
Dividends paid	(753.5)	(589.5)
Tax paid	(469.2)	(335.8)
Cash generated from operating activities	829.0	2 483.6
Cash flows from investing activities		
Investment in intangible assets	(134.0)	(85.7)
Investment in property, plant and equipment	(1 736.0)	(1 623.1)
Investment in financial instruments at fair value	(6.7)	(16.1)
Purchase of operations	1.8	(87.6)
Proceeds on disposal of property, plant and equipment	49.8	40.0
Loans repaid	11.3	4.2
Participation in export partnership	14.1	9.3
Retirement obligation	(2.4)	(0.2)
Cash utilised in investing activities	(1 802.1)	(1 759.2)
Cash flows from financing activities		
Borrowings raised	48.7	–
Repayment of borrowings	(445.1)	(254.7)
Share purchases	(345.4)	(126.2)
Proceeds from employees on settlement of share options	8.0	0.3
Cash utilised in financing activities	(733.8)	(380.6)
Net (decrease)/increase in cash and cash equivalents	(1 706.9)	343.8
Net cash and cash equivalents at beginning of period	882.9	524.5
Foreign currency translations	(14.1)	14.6
Net cash and cash equivalents at end of period	(838.1)	882.9
Consisting of:		
Cash and cash equivalents	961.9	982.9
Bank overdraft and overnight borrowings	(1 800.0)	(100.0)

NOTES TO THE FINANCIAL INFORMATION

1. BASIS OF PREPARATION AND ACCOUNTING POLICIES

The summarised audited Group financial statements for the period ended 26 February 2017 are prepared in accordance with the requirements of the JSE Listings Requirements for abridged reports, and the requirements of the Companies Act applicable to summarised financial statements. The Listings Requirements require abridged reports to be prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards (IFRS) and the SAICA *Financial Reporting Guides* as issued by the Accounting Practices Committee and Financial Pronouncements as issued by the Financial Reporting Standards Council and to also, as a minimum, contain the information required by IAS 34 *Interim Financial Reporting*.

The summarised Group financial statements do not include all the information required by IFRS for full financial statements and should be read in conjunction with the 2017 audited Group annual financial statements. The accounting policies applied in the preparation of the audited Group annual financial statements, from which the summary Group financial statements were derived, are in terms of IFRS and are consistent with the accounting policies applied in the preparation of the previous audited Group annual financial statements. During the year, various new and revised accounting standards became effective, but their implementation had no impact on the results of either the current or prior year.

These summarised Group financial statements are not audited but are extracted from audited information. The audited Group annual financial statements were audited by Ernst & Young Inc., who expressed an unmodified opinion thereon. The audited Group annual financial statements and the auditor's report thereon are available for inspection at the Company's registered office. The directors take full responsibility for the preparation of these summarised Group financial statements and the financial information has been correctly extracted from the underlying audited Group annual financial statements. These summarised Group financial statements have been prepared by the Finance Division under the supervision of the Chief Finance Officer, Mr Bakar Jakoet CA(SA).

2. REVENUE

	52 weeks 26 February 2017 Rm	52 weeks 28 February 2016 Rm
Turnover	77 486.1	72 445.1
Finance income	126.1	60.9
Bank balances and investments	81.4	30.0
Trade and other receivables	40.3	27.3
Staff loans and other	4.4	3.6
Other trading income	1 505.6	971.3
Dividend <i>in specie</i> received upon unbundling (note 7)	412.3	–
Franchise fee income	349.8	316.7
Operating lease income	345.3	329.1
Commissions, dividends received and other income	398.2	325.5
	79 117.8	73 477.3

3. BASIC, HEADLINE AND DILUTED EARNINGS PER SHARE

		52 weeks 26 February 2017 Cents per share	52 weeks 28 February 2016 Cents per share
	% change		
Basic	17.1	256.67	219.11
Diluted	16.3	250.20	215.05
Headline	18.0	264.35	224.04
Diluted headline	17.2	257.69	219.90

	Rm	Rm
3.1 Basic and headline earnings		
Reconciliation between basic and headline earnings:		
Profit for the period	1 243.5	1 065.4
Profit attributable to forfeitable share plan shares	(5.7)	(16.2)
Basic earnings for the period	1 237.8	1 049.2
Adjustments:	37.2	23.3
Loss on sale of property, plant and equipment	20.4	24.0
Tax effect of loss on sale of property, plant and equipment	(5.7)	(6.8)
Impairment loss on property, plant and equipment	5.9	–
Tax effect of impairment loss on property, plant and equipment	(1.7)	–
Impairment loss on intangible assets	6.1	8.6
Tax effect of impairment loss on intangible assets	(1.7)	(2.5)
Impairment loss on available-for-sale financial instruments	13.9	–
Adjustments attributable to forfeitable share plan shares	(0.2)	0.4
Headline earnings	1 274.8	1 072.9

NOTES TO THE FINANCIAL INFORMATION continued

3. BASIC, HEADLINE AND DILUTED EARNINGS PER SHARE continued

	52 weeks 26 February 2017 000's	52 weeks 28 February 2016 000's
3.2 Number of ordinary shares		
Number of ordinary shares in issue (note 4.1)	488 450.3	488 450.3
Weighted average number of shares (excluding treasury shares)	482 237.5	478 873.4
Diluted weighted average number of ordinary shares in issue	494 709.6	487 894.0
Reconciliation of weighted average number of shares to diluted weighted average number of shares:		
Weighted average number of shares (excluding treasury shares)	482 237.5	478 873.4
Dilutive effect of share awards	12 472.1	9 020.6
Diluted weighted average number of ordinary shares in issue	494 709.6	487 894.0

The outstanding forfeitable shares, granted in terms of the employee share scheme, that have not met performance hurdles, had no dilutive impact on the weighted average number of shares for the current and prior period.

4. SHARE CAPITAL

	52 weeks 26 February 2017 Rm	52 weeks 28 February 2016 Rm
4.1 Ordinary share capital		
Authorised		
800 000 000 (2016: 800 000 000) ordinary shares of 1.25 cents each	10.0	10.0
Issued		
488 450 321 (2016: 488 450 321) ordinary shares of 1.25 cents each	6.0	6.0
	000's	000's
The number of shares in issue at end of period is made up as follows:		
Treasury shares held by the Group	6 531.8	1 752.4
Shares allocated under the forfeitable share plan	9 336.5	7 923.0
Shares held outside the Group	472 582.0	478 774.9
	488 450.3	488 450.3

The Company can issue new shares to settle the Group's obligations under its employee share schemes, but issues in this regard are limited, in aggregate, to 5% of total issued share capital or 24 422 516 (2016: 24 422 516) shares. To date, 10 743 000 (2016: 10 743 000) shares have been issued, resulting in 13 679 516 (2016: 13 679 516) shares remaining for this purpose.

The holders of ordinary shares are entitled to receive dividends as declared and are entitled to one vote per share at meetings of the Company.

4. SHARE CAPITAL continued

	52 weeks 26 February 2017 Rm	52 weeks 28 February 2016 Rm
4.2 B share capital		
Authorised		
1 000 000 000 (2016: nil) unlisted, non-convertible, non-participating, no par value B shares	–	–
Issued		
259 682 869 (2016: nil) unlisted, non-convertible, non-participating, no par value B shares	–	–

The Pick n Pay Holdings Limited RF Group included the ultimate holding company, Pick n Pay Holdings Limited RF, an investment company listed on the JSE (a Stock Exchange in South Africa). The Company was formed with the sole purpose of holding a controlling interest in Pick n Pay Stores Limited (and thereby creating the Pick n Pay Stores Group), resulting in a pyramid control structure.

During the period under review, a new class of shares was created as a result of the unbundling of the Pick n Pay Holdings Limited RF Group, as approved by shareholders on 25 July 2016. 259 682 869 (2016: nil) B shares were issued to existing controlling shareholders of Pick n Pay Holdings Limited RF, and are stapled to such ordinary shares and cannot be traded separately from each other. Stapled ordinary shares, together with B shares, are subject to restrictions upon disposal. Refer to note 7 for further information.

The holders of B shares are entitled to the same voting rights as holders of ordinary shares, but are not entitled to any rights to distributions by the Company or any other economic benefits.

5. TREASURY SHARES

	52 weeks 26 February 2017 Rm	52 weeks 28 February 2016 Rm
At beginning of period	63.5	60.1
Share purchases	345.4	126.2
Take-up of share options by employees	(266.9)	(122.8)
Shares received upon unbundling (note 7)	412.3	–
At end of period	554.3	63.5
	000's	000's
The movement in the number of treasury shares held is as follows:		
At beginning of period	9 675.4	8 671.9
Shares purchased during the period	4 332.7	2 220.2
Shares sold during the period pursuant to the take-up of share options by employees	(4 016.5)	(2 344.7)
Shares allocated under forfeitable share plan	1 417.0	1 128.0
Shares received upon unbundling (note 7)	4 459.7	–
At end of period	15 868.3	9 675.4
Comprises:		
Shares allocated under forfeitable share plan	9 336.5	7 923.0
Shares held by the Group	6 531.8	1 752.4

NOTES TO THE FINANCIAL INFORMATION continued

6. OPERATING SEGMENTS

	South Africa Rm	Rest of Africa Rm	Total operations Rm
52 weeks to 26 February 2017			
Total segment revenue	75 635.8	4 315.7	79 951.5
External revenue	75 635.8	3 482.0	79 117.8
Direct deliveries*	–	833.7	833.7
Segment external turnover	74 026.2	3 459.9	77 486.1
Profit before tax**	1 489.7	225.5	1 715.2
Other information			
Statement of comprehensive income			
Finance income	119.6	6.5	126.1
Finance costs	217.6	1.0	218.6
Depreciation and amortisation	948.0	33.5	981.5
Impairment loss on intangible assets	6.1	–	6.1
Impairment loss on property, plant and equipment	5.9	–	5.9
Impairment loss on available-for-sale financial instrument	13.9	–	13.9
Share of associate's income	–	80.2	80.2
Statement of financial position			
Total assets	16 474.5	1 627.9	18 102.4
Total liabilities	13 617.9	405.2	14 023.1
Investment in associate	–	309.7	309.7
Additions to non-current assets	1 792.5	93.7	1 886.2
52 weeks to 28 February 2016			
Total segment revenue	70 312.7	4 005.6	74 318.3
External revenue	70 312.7	3 164.6	73 477.3
Direct deliveries*	–	841.0	841.0
Segment external turnover	69 300.6	3 144.5	72 445.1
Profit before tax**	1 247.4	226.1	1 473.5
Other information			
Statement of comprehensive income			
Finance income	52.8	8.1	60.9
Finance costs	116.7	0.3	117.0
Depreciation and amortisation	911.6	29.3	940.9
Impairment loss on intangible assets	8.6	–	8.6
Share of associate's income	–	45.9	45.9
Statement of financial position			
Total assets	15 261.3	1 323.6	16 584.9
Total liabilities	12 402.9	284.2	12 687.1
Investment in associate	–	285.5	285.5
Additions to non-current assets	1 773.6	17.7	1 791.3

* Direct deliveries are issues to franchisees directly by Group suppliers, these are not included in revenue on the statement of comprehensive income.

** Segmental profit before tax is the reported measure used for evaluating the Group's operating segments performance. On an overall basis the segmental profit before tax is equal to the Group's reported profit before tax. The Rest of Africa segment's segmental profit before tax comprises the segment's trading result and directly attributable costs only. No allocations are made for indirect or incremental cost incurred by the South Africa segment relating to the Rest of Africa segment.

7. RELATED PARTIES

During the period, in the ordinary course of business, certain companies within the Group entered into transactions with each other. These inter-group transactions are eliminated on consolidation.

The Pick n Pay Holdings Limited RF Group included the ultimate holding company, Pick n Pay Holdings Limited RF, an investment holding company listed on the JSE (a Stock Exchange in South Africa). The Company was formed with the sole purpose of holding a controlling interest in Pick n Pay Stores Limited (and thereby creating the Pick n Pay Stores Group), resulting in a pyramid control structure.

During the period under review, at the General Meeting held on 25 July 2016, shareholders approved the unbundling of the Pick n Pay Holdings Limited RF Group in order to remove the existing pyramid control structure. As a result of the unbundling, related party transactions occurred. This included a dividend *in specie* share distribution by Pick n Pay Holdings Limited RF, of R412.3 million, to entities within the Pick n Pay Stores Group who at the time held shares in Pick n Pay Holdings Limited RF. The dividend *in specie* consisted of shares in Pick n Pay Stores Limited. It also included the creation and issuance of a new class of unlisted voting shares (B shares) in Pick n Pay Stores Limited (refer to note 4.2). These shares were issued to existing controlling shareholders of Pick n Pay Holdings Limited RF so as to retain the control structure of the Group as before the unbundling. Refer to the review of operations for further information on the non-recurring items recorded in these annual financial statements as a result of the unbundling of the Pick n Pay Holdings Limited RF Group.

In addition, as part of the unbundling, Pick n Pay Holdings Limited RF was purchased by Pick n Pay Stores Limited for a purchase price of R5.1 million. Pick n Pay Holdings Limited RF thereby became a wholly owned subsidiary of the Stores Group.

Other than those reported on above, related parties are unchanged from those reported on at 28 February 2016. For further information please refer to note 27 of the 2017 audited Group annual financial statements and note 8 of the 2017 audited Company annual financial statements.

NOTES TO THE FINANCIAL INFORMATION continued

8. FINANCIAL INSTRUMENTS

All financial instruments held by the Group are measured at amortised cost, with the exception of derivative financial instruments, financial assets at fair value through profit or loss and available-for-sale financial instruments.

	52 weeks 26 February 2017 Rm	52 weeks 28 February 2016 Rm
Derivative financial instruments		
Forward exchange contracts – level 2	(11.7)	6.0
Financial assets at fair value through profit or loss		
Investment in Pick n Pay Holdings Limited RF – level 1	–	218.5
Investment in Guardrisk Insurance Company Limited – level 2	13.7	13.6
Available-for-sale financial instruments		
Investment in Pick n Pay Holdings Limited RF – level 1	–	46.4

The fair value of financial instruments that are not traded in active markets are determined by using valuation techniques. If all significant inputs required to fair value an instrument are observable, the instruments are included in level 2.

In the prior period, the fair value of the investment in Pick n Pay Holdings Limited RF shares was derived from quoted market prices in an active securities market.

The carrying value of all other financial instruments approximate their fair value.

There have been no transfers between level 1, level 2 and level 3 of the fair value hierarchy during the year.

9. COMMITMENTS

	52 weeks 26 February 2017 Rm	52 weeks 28 February 2016 Rm
Authorised capital expenditure		
Contracted for	275.1	395.9
Property	26.5	78.8
Furniture, fittings, equipment and vehicles	230.1	211.5
Intangible assets	18.5	105.6
Not contracted for	1 524.9	1 783.1
Property	30.4	27.5
Furniture, fittings, equipment and vehicles	1 404.9	1 694.9
Intangible assets	89.6	60.7
Total commitments	1 800.0	2 179.0

10. SUBSEQUENT EVENTS

Voluntary severance programme (VSP) – March 2017

Pick n Pay formalised and communicated a voluntary severance programme (VSP) during March 2017. Participation in the scheme is entirely voluntary, and acceptance of applications is at the Group's discretion. The VSP and financial consequences thereof are expected to be finalised by end of April 2017.

NUMBER OF STORES

	28 February 2016	Opened	Closed	Converted openings	Converted closings	26 February 2017
COMPANY-OWNED						
Pick n Pay	596	68	(3)	–	–	661
Hypermarkets	20	–	–	–	–	20
Supermarkets	226	11	–	–	–	237
Local	17	14	–	–	–	31
Clothing	134	24	(2)	–	–	156
Liquor	196	19	(1)	–	–	214
Pharmacy	3	–	–	–	–	3
Boxer	208	25	(4)	–	–	229
Supermarkets	136	11	(3)	–	–	144
Build	24	7	–	–	–	31
Liquor	27	7	–	–	–	34
Punch	21	–	(1)	–	–	20
Total company-owned	804	93	(7)	–	–	890
FRANCHISE						
Pick n Pay						
Supermarkets	289	13	(3)	–	–	299
Family	269	13	(3)	–	–	279
Mini-markets	19	–	–	–	–	19
Daily	1	–	–	–	–	1
Spaza	1	5	–	–	–	6
Express	79	32	–	–	–	111
Clothing	17	–	–	–	–	17
Liquor	163	20	(2)	–	–	181
Total franchise	549	70	(5)	–	–	614
Total Group stores	1 353	163	(12)	–	–	1 504
TM Supermarkets	57	1	(2)	–	–	56
Total with TM Supermarkets	1 410	164	(14)	–	–	1 560
AFRICAN FOOTPRINT						
– included in total stores above	130	12	(2)	–	–	140
Pick n Pay company-owned	11	6	–	–	–	17
Boxer company-owned	5	–	–	–	–	5
Pick n Pay franchise	57	5	–	–	–	62
TM Supermarkets associate	57	1	(2)	–	–	56
AFRICAN FOOTPRINT						
– by country	130	12	(2)	–	–	140
Botswana	10	2	–	–	–	12
Lesotho	3	–	–	–	–	3
Namibia	35	3	–	–	–	38
Swaziland	14	–	–	–	–	14
Zambia	11	6	–	–	–	17
Zimbabwe	57	1	(2)	–	–	56

CORPORATE INFORMATION

PICK N PAY STORES LIMITED

Registration number: 1968/008034/06
JSE share code: PIK
ISIN: ZAE000005443

BOARD OF DIRECTORS

Executive

Richard Brasher (CEO)
Richard van Rensburg (Deputy CEO)
Aoubakar (Bakar) Jakoet (CFO)
Suzanne Ackerman-Berman
Jonathan Ackerman

Non-executive

Gareth Ackerman (Chairman)
David Robins

Independent non-executive

Alex Mathole*
Audrey Mothupi
David Friedland
Jeff van Rooyen
Hugh Herman
Lorato Phalatse

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* Appointed on 24 October 2016.

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Ernst & Young Inc.

ATTORNEYS

Edward Nathan Sonnenberg

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First National Bank

COMPANY SECRETARY

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PROMOTION OF ACCESS TO INFORMATION ACT

Information Officer – Penny Gerber
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ENGAGE WITH US ON



