

Notice of annual general meeting for the year ended 30 June 2006

Notice is hereby given that the annual general meeting of the shareholders of Steinhoff International Holdings Limited (the company) will be held at 08:00 in the main boardroom of the company, 28 Sixth Street, Wynberg, Sandton, on Monday, 4 December 2006, for the purpose of dealing with the business and considering and, if deemed fit, passing, with or without modification, the resolutions set out below:

Ordinary business

1. To adopt and approve the annual financial statements of the company for the year ended 30 June 2006 together with the report of the directors and the auditors thereon.
2. To reappoint Messrs Deloitte & Touche of Pretoria as auditors of the company as contemplated under section 270 of the Companies Act (the Act).
- 3.1 To ratify and approve remuneration and emoluments paid by the company to its directors during the year ended 30 June 2006 as set out in note 3.4 to read with note 41 to the annual financial statements (pages 89 and 146 to 149 thereof).
- 3.2 To re-elect the following directors (all eligible and available for reappointment):
 - 3.2.1 DE Ackerman;
 - 3.2.2 MJ Jooste;
 - 3.2.3 BE Steinhoff;
 - 3.2.4 NW Steinhoff; and
 - 3.2.5 JHN van der Merwe.
(*Curricula vitae* of the above directors are set out on pages 50 to 53).
- 3.3 To ratify the appointment of IM Topping as executive director (*curriculum vitae* – see page 51).
To transact any other business capable of being transacted at an annual general meeting.

Ordinary resolution number 1

- 4.1 Resolved that 300 000 000 ordinary shares of 0,5 cents each and 15 000 000 non-cumulative, non-redeemable, non-participating preference shares of 0,1 cent each in the authorised but unissued share capital of the company be and they are hereby placed under the control of the directors of the company as a general authority in terms of section 221(2) of the Act, but subject to the rules and requirements of the JSE Limited (JSE) (listing requirements), to allot and issue such shares to such person(s) and on such terms and conditions as the directors may determine.

Ordinary resolution number 2

- 4.2 Resolved that, subject to the listing requirements of the JSE relating to a general authority of directors to issue shares for cash, the directors of the company be and they are hereby authorised for a period of 15 (fifteen) months from the date of this meeting or until the date of the company's next annual meeting to issue up to 60 000 000 ordinary shares in the capital of the company for cash in accordance with the requirements set out in paragraph 5.52 of the listing requirements as follows:
 - 4.2.1 the relevant securities to be issued under such authority must be of a class already in issue;
 - 4.2.2 the securities must be issued to public shareholders as defined by the listing requirements and not to related parties;
 - 4.2.3 issues for cash may not exceed 15% of the issued number of securities in issue in any one financial year (and will in any event not exceed 60 000 000 ordinary shares as referred to above);
 - 4.2.4 the maximum discount at which such securities may be issued may not exceed 10% of the weighted average traded price of those securities during the 30 business days preceding the date on which the price of the issue is determined or agreed by the directors; and
 - 4.2.5 once the company has issued, on a cumulative basis within a financial year, 5% or more of the number of securities in issue prior to that issue, the company will publish an announcement containing the full details for the issue, including the average discount to the weighted average traded price over the 30-day period prior to the date the price was determined or agreed and the effect of the issue on net asset value, net tangible asset value and headline earnings per share.

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- 4.3 Subject to the renewal of the general authority proposed in terms of ordinary resolution number 2, and in terms of the requirements of the JSE, shareholders to grant a waiver of any pre-emptive rights to which ordinary shareholders may be entitled in favour of the directors for the allotment and issue of ordinary shares in the capital of the company for cash other than in the normal course by way of a rights offer or a clawback offer or pursuant to the company's share schemes or acquisitions utilising such securities as currency to discharge the purchase consideration.

The proposed resolution represents less than 5% of the issued and committed capital of the company.

A 75% majority of votes cast by those shareholders present or represented and voting at the general meeting will be required in order for paragraph 4.2 of ordinary resolution number 2 to become effective.

Ordinary resolution number 3

5. Resolved that, subject and in accordance with the requirements of the JSE, the company places and reserves 105 239 694 unissued ordinary shares in the company (which number constitutes less than 10% of the company's issued share capital) at the disposal of the directors for the continued implementation of the Steinhoff International Incentive Schemes.

Special resolution number 1

6. Resolved that, subject to paragraphs 5.72, 5.73 and 5.74 of the listing requirements, the board of directors be authorised, up to and including the date of the following annual general meeting, to approve as a general authority the purchase of its own shares by the company or a subsidiary provided that:
- 6.1 this authority shall not extend beyond 15 (fifteen) months from the date of this meeting or until the date of the company's next annual general meeting, whichever is the sooner;
- 6.2 this authority be limited to a maximum of 20% of the issued share capital of that class in one financial year;
- 6.3 repurchases shall not be made at a price more than 10% above the weighted average of the market value of the securities traded for the five business days immediately preceding the date of repurchase (on which the transaction was agreed), subject to the provisions of the Act, the requirements of the JSE and the articles of the company;
- 6.4 the repurchase of securities being implemented through the order book operated by the JSE trading system (open market) and without any prior understanding or arrangement with any counterparty;
- 6.5 the company will, at any point in time, appoint only one agent to effect the repurchase(s) on the company's behalf;
- 6.6 after such repurchase(s), at least 500 public shareholders, as defined in the listing requirements, continue to hold at least 20% of the company's issued shares;
- 6.7 such repurchase(s) does/do not occur during a prohibited period as defined in the listing requirements;
- 6.8 when 3% of the initial number, i.e. the number of shares in issue at the time that the general authority from shareholders is granted, is cumulatively repurchased and for each 3% in aggregate of the initial number acquired thereafter, an announcement shall be made in accordance with listing requirements; and
- 6.9 a certificate by the company's sponsor in terms of paragraph 2.12 of the listing requirements, confirming the statement by the directors regarding working capital referred to hereunder in this notice convening the meeting, be issued before commencement of repurchase.

Information and statement

- The following general information is reflected in the annual report:
 - directors and management of the company and its subsidiaries (as set out on pages 19, 28, 37, and 50 to 53)
 - major shareholders of the company (refer to page 63)
 - directors' interest in the company's securities (refer to pages 68 and 148 to 151)
 - share capital of the company (refer to note 22 and 24 to the annual financial statements on pages 112 to 115 and 117 to 118)
- The directors, whose names are given on pages 50 to 53 of this annual report, collectively and individually accept full responsibility for the information given in this notice and certify that to the best of their knowledge and belief there are no facts that have been omitted which would make any statement false or misleading and that all reasonable enquiries to ascertain such facts have been made;
- There have been no material changes in the financial or trading position of the group since the publication of the financial results for the year ended 30 June 2006;
- The directors are not aware of any information on any legal or arbitration proceedings, including any proceedings that are pending or threatened, that may have had, in the previous 12 (twelve) months, a material effect on the group's financial position.

Reason for and effect of the special resolution

The authority required will be granted to the directors to repurchase shares of the company subject to the Act and the requirements of the JSE. The board does not intend to use such power unless prevailing circumstances (including the tax dispensation and market conditions) warrant such a step. All required certificates and relevant statements shall be issued. The effect thereof will be that the directors will have the authority to implement a general repurchase of shares in accordance with the provisions of the Act and listing requirements.

The directors are of the opinion, after considering the effect of a maximum repurchase of shares, that:

- the company will be able, in the ordinary course of business, to pay its debt;
- the assets of the company, fairly valued in accordance with IFRS, will be in excess of the liabilities of the company;
- the company will have adequate capital for a period of 12 (twelve) months after the date of this notice; and
- the working capital of the company will be adequate for a period of 12 (twelve) months after the date of this notice.

Ordinary resolution number 4

General authority to distribute share capital and/or reserves to shareholders:

7. Resolved that the directors be authorised, by way of a general authority, to distribute to shareholders of the company any share capital and reserves of the company in terms of section 90 of the Act and Article 56A of the company's articles of association and in terms of the listing requirements, provided that paragraphs 6.1 and 6.2 above will apply *mutatis mutandis* to the distribution of share capital and reserves of the company.

Reason for and effect of this ordinary resolution

The reason for this resolution is to grant to the board of directors of the company a general authority for the distribution of share capital by the company to its shareholders. Such general authority will, subject to the requirements of the Act and the JSE, provide the board with the flexibility to distribute any surplus capital of the company to its shareholders.

The provisions set out under the reason and effect for special resolution number 1 will apply *mutatis mutandis* to this resolution. Shareholders are further referred to the "Information and statement" under special resolution number 1, which applies *mutatis mutandis* to this resolution.

Distribution of share premium account

Notice is hereby given, in accordance with the general authority granted to the directors of the company in terms of Article 56A of the company's articles of association and the resolution passed at the annual general meeting of the company held on 25 November 2005, that as announced on 11 September 2006 a cash distribution from share premium (in lieu of a dividend) of 37,5 cents per share (2005: 30 cents per share) has been declared and is payable, pro rata, to shareholders recorded in the books of the company at the close of business on Friday, 10 November 2006.

Ordinary resolution number 5

8. Resolved that the board of directors be and is hereby authorised in terms of Article 26.2 of the articles of association of the company to create and issue convertible debentures, debenture stock, bonds or other convertible instruments in respect of 90 000 000 ordinary shares in the capital of the company, subject to such conversion and other terms and conditions as it may determine in its sole and absolute discretion, but subject further at all times to the rules and requirements of the JSE.

A 75% majority of votes cast by those shareholders present or represented and voting at the general meeting will be required in order for paragraph 8 of ordinary resolution number 5 to become effective.

Authority

9. Subject to the passing of special resolution number 1 and ordinary resolutions numbers 1, 2, 3, 4 and 5 contained in the notice convening this annual general meeting, any director or secretary of the company, for the time being, be and is hereby authorised to take all such steps and sign all such documents and to do all such acts, matters and things for and on behalf of the company as may be necessary to give effect to the special and ordinary resolutions passed at this general meeting.

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Voting

Each shareholder, whether present in person or by proxy, is entitled to attend and vote at the general meeting. A form of proxy in which is set out the relevant instructions for its completion is enclosed for use by any shareholder who is unable to attend the general meeting but wishes to be represented thereat. If you have dematerialised your shares with a Central Securities Depository Participant (CSDP) or broker, you must arrange with them to provide you with the necessary authorisation to attend the general meeting or you must instruct them as to how you wish to vote in this regard. This must be done in terms of the agreement entered into between you and the CSDP or broker. Any shareholder who completes and lodges a form of proxy will not be precluded from attending and voting at the general meeting to the exclusion of the proxy appointed by him.

Each shareholder is entitled to appoint one or more proxies (who need not be shareholders of the company) to attend, speak and vote in his/her stead. On a show of hands every shareholder who is present in person or by proxy shall have one vote and, on a poll, every shareholder present in person or by proxy shall have one vote for each share held by him/her. The forms of proxy should be completed and forwarded to reach the offices of the company's transfer secretaries or the company secretary at the address given below by not later than 17:00 on Thursday, 30 November 2006.

By order of the board



SJ Grobler
Company secretary

3 November 2006

Registered office

28 Sixth Street
Wynberg
Sandton
2090
(PO Box 1955, Bramley, 2018)