

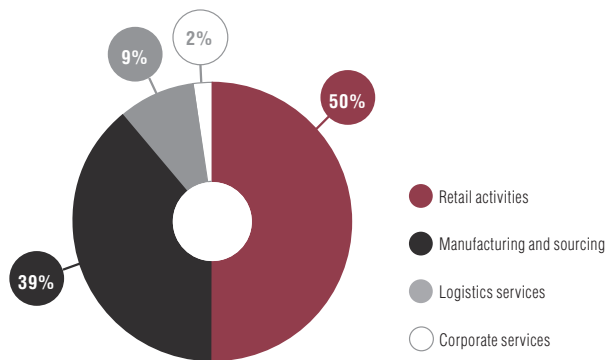
Steinhoff

International Holdings Ltd

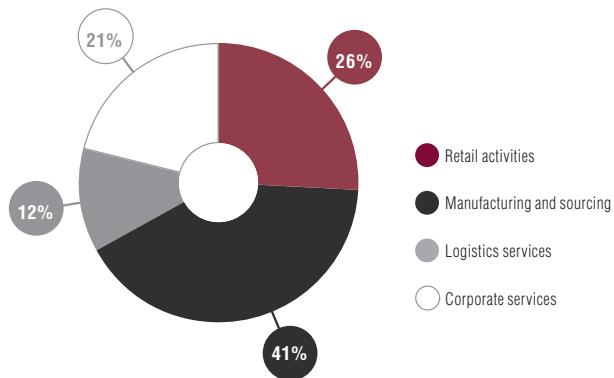


UNAUDITED INTERIM RESULTS FOR THE
SIX MONTH ENDED 31 DECEMBER 2009

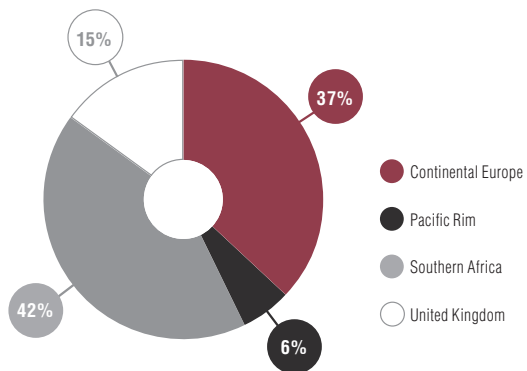
REVENUE PER SEGMENT



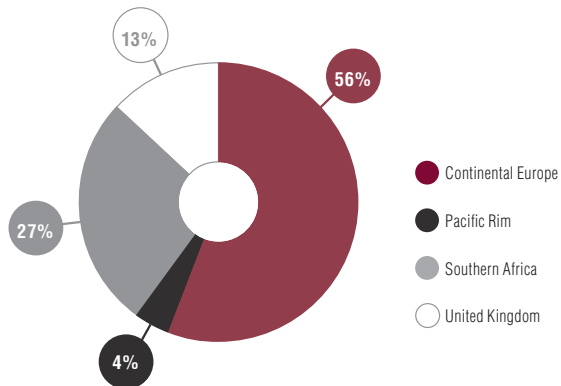
OPERATING PROFIT BEFORE CAPITAL ITEMS PER SEGMENT



REVENUE PER GEOGRAPHICAL REGION



NON-CURRENT ASSETS PER GEOGRAPHICAL REGION



HIGHLIGHTS

OPERATING MARGIN
increased to 10.1% (H1 09: 9.5%)

HEADLINE EARNINGS
increased 4% to R1 554m (H1 09: R1 499m)

Growth in
INTRA-GROUP SALES of 28%

NET CASH FLOW from operating
activities: R1.4bn (H1 09: R1.4bn)

NET GEARING at 36% (FY 09: 35%)

CONDENSED CONSOLIDATED INCOME STATEMENT

(Rm)	Notes	Six months ended 31 Dec 2009 Unaudited	Six months ended 31 Dec 2008 Unaudited	% change	Year ended 30 June 2009 Audited
Revenue		24 846	25 940	(4)	50 869
Operating profit before depreciation and capital items		2 987	3 012	(1)	6 127
Depreciation		(476)	(543)		(974)
Operating profit before capital items		2 511	2 469	2	5 153
Capital items	1	(41)	40		49
Earnings before interest, dividend income, associate earnings and taxation		2 470	2 509	(2)	5 202
Net finance charges		(509)	(609)		(1 001)
Dividend income		–	–		1
Earnings before associate earnings and taxation		1 961	1 900	3	4 202
Share of profit/(loss) of associate companies		21	(1)		6
Profit before taxation		1 982	1 899	4	4 208
Taxation		(248)	(165)		(581)
Profit for the period		1 734	1 734	–	3 627
Profit attributable to:					
Owners of the parent		1 579	1 598	(1)	3 379
Non-controlling interests		155	136		248
Profit for the period		1 734	1 734	–	3 627

CONDENSED CONSOLIDATED INCOME STATEMENT (CONTINUED)

(Rm)	Notes	Six months ended 31 Dec 2009 Unaudited	Six months ended 31 Dec 2008 Unaudited	% change	Year ended 30 June 2009 Audited
Average currency translation rate (rand:euro)		11.1500	12.4152	(10)	12.3503
Headline earnings per ordinary share (cents)		115.1	117.3	(2)	251.5
Diluted headline earnings per ordinary share (cents)		112.8	114.3	(1)	241.9
Basic earnings per ordinary share (cents)		113.9	120.2	(5)	254.7
Fully diluted earnings per ordinary share (cents)		111.6	117.1	(5)	244.7
Number of ordinary shares in issue (m)		1 402	1 280	10	1 280
Weighted average number of ordinary shares in issue (m)		1 350	1 278	6	1 283
Earnings attributable to ordinary shareholders (Rm)	2	1 537	1 537	–	3 267
Headline earnings attributable to ordinary shareholders (Rm)	3	1 554	1 499	4	3 226

The capitalisation share award on 7 December 2009, led to the restatement of comparative per share numbers, none of which resulted in a deviation of more than 1.4 cents.

ADDITIONAL INFORMATION

(Rm)	Six months ended 31 Dec 2009 Unaudited	Six months ended 31 Dec 2008 Unaudited	Year ended 30 June 2009 Audited
Note 1: Capital items			
Foreign currency translation reserve released on disposal of subsidiary	–	–	5
Impairments	(3)	–	(12)
(Loss)/profit on sale of investments and associate companies	(37)	–	1
Loss on scrapping of vehicle rental fleet	(3)	(3)	(6)
Profit on disposal of investment properties	–	19	18
Profit on disposal of property, plant and equipment	2	24	43
	(41)	40	49
Note 2: Earnings attributable to ordinary shareholders			
Earnings attributable to owners	1 579	1 598	3 379
Dividend entitlement on non-redeemable cumulative preference shares	(42)	(61)	(112)
	1 537	1 537	3 267
Note 3: Headline earnings attributable to ordinary shareholders			
Earnings attributable to owners	1 579	1 598	3 379
Adjusted for:			
Capital items (note 1)	41	(40)	(49)
Taxation effects of capital items	(24)	2	1
Remeasurements included in share of profit/(loss) of associate companies	–	–	7
Dividend entitlement on non-redeemable cumulative preference shares	(42)	(61)	(112)
	1 554	1 499	3 226

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(Rm)	Six months ended 31 Dec 2009 Unaudited	Six months ended 31 Dec 2008 Unaudited	% change	Year ended 30 June 2009 Audited
Profit for the period	1 734	1 734	–	3 627
Other comprehensive income/(loss)				
Actuarial gain/(loss) on defined benefit plans	12	(13)		(31)
Exchange differences on translation of foreign subsidiaries	(149)	(334)		(2 587)
Net value gain/(loss) on cash flow hedges	39	13		(49)
Deferred taxation	(18)	–		8
Other comprehensive loss for the period, net of taxation	(116)	(334)	(65)	(2 659)
Total comprehensive income for the period	1 618	1 400	16	968
Total comprehensive income attributable to:				
Owners of the parent	1 517	897	69	1 102
Non-controlling interests	101	503		(134)
Total comprehensive income for the period	1 618	1 400	16	968

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(Rm)	31 Dec 2009 Unaudited	31 Dec 2008 Unaudited	30 June 2009 Audited
ASSETS			
Non-current assets			
Property, plant and equipment, investment properties and biological assets	15 755	11 655	11 277
Intangible assets and goodwill	18 625	21 564	18 875
Investments and loans	2 924	1 694	2 368
Investments in associate companies	924	2 589	3 005
Deferred taxation assets	1 134	1 386	1 101
	39 362	38 888	36 626
Current assets			
Accounts receivable, short-term loans and other current assets	9 289	10 845	9 168
Inventories	5 051	5 318	4 757
Cash and cash equivalents	5 026	4 916	4 736
	19 366	21 079	18 661
Total assets	58 728	59 967	55 287

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

(Rm)	31 Dec 2009 Unaudited	31 Dec 2008 Unaudited	30 June 2009 Audited
EQUITY AND LIABILITIES			
Capital and reserves			
Ordinary share capital and reserves	23 608	20 855	21 021
Preference share capital	1 042	1 042	1 042
	24 650	21 897	22 063
Non-controlling interests	2 942	3 479	2 861
Total equity	27 592	25 376	24 924
Non-current liabilities			
Deferred taxation liabilities	3 053	3 245	3 020
Interest-bearing long-term liabilities	12 816	12 809	12 704
Other long-term liabilities and provisions	898	1 392	963
	16 767	17 446	16 687
Current liabilities			
Interest-bearing short-term liabilities	6 069	5 475	5 178
Accounts payable, provisions and other current liabilities	8 300	11 670	8 498
	14 369	17 145	13 676
Total equity and liabilities	58 728	59 967	55 287
Net asset value per ordinary share (cents)	1 684	1 630	1 642
Gearing ratio (net) (%)	36	39	35
Closing exchange rate (rand:euro)	10.6400	13.2037	10.8265

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

(Rm)	Six months ended 31 Dec 2009 Unaudited	Six months ended 31 Dec 2008 Unaudited	Year ended 30 June 2009 Audited
Cash generated before working capital changes	2 953	2 942	5 871
Net changes in working capital			
(Increase)/decrease in inventories	(449)	165	541
Increase in receivables	(532)	(1 184)	(933)
Increase/(decrease) in payables	73	261	(1 545)
Cash generated from operations	2 045	2 184	3 934
Net finance charges	(474)	(549)	(884)
Dividends paid	(80)	(96)	(158)
Dividends received	-	-	1
Taxation paid	(123)	(161)	(309)
Net cash inflow from operating activities	1 368	1 378	2 584
Net cash outflow from investing activities	(811)	(1 418)	(3 987)
Net cash (outflow)/inflow from financing activities	(207)	(253)	1 702
Net increase/(decrease) in cash and cash equivalents	350	(293)	299
Effects of exchange rate changes on cash and cash equivalents	(60)	214	(558)
Cash and cash equivalents at beginning of period	4 736	4 995	4 995
Cash and cash equivalents at end of period	5 026	4 916	4 736

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(Rm)	Six months ended 31 Dec 2009 Unaudited	Six months ended 31 Dec 2008 Unaudited	Year ended 30 June 2009 Audited
Balance at beginning of the period	24 924	24 784	24 784
Changes in ordinary share capital and share premium			
Capital distribution	(112)	(761)	(761)
Deferred taxation on issue of treasury shares	2	–	–
Issue of shares as purchase consideration	922	–	–
Issue of shares in terms of the deferred delivery share scheme	–	11	11
Net utilisation/(purchases) of treasury shares	295	(24)	(33)
Changes in reserves			
Total comprehensive income for the period attributable to owners of the parent	1 517	897	1 102
Ordinary dividends	(6)	–	–
Preference dividends	(51)	(57)	(118)
Share-based payments	26	21	48
Other reserve movements	(6)	(4)	(1)
Changes in non-controlling interests			
Total comprehensive income for the period attributable to non-controlling interests	101	503	(134)
Dividends and capital distributions paid	(24)	(36)	(39)
Exchange differences on consolidation of foreign subsidiaries	6	32	24
Other transactions with non-controlling interests	(2)	10	41
Balance at end of the period	27 592	25 376	24 924

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)

(Rm)	Six months ended 31 Dec 2009 Unaudited	Six months ended 31 Dec 2008 Unaudited	Year ended 30 June 2009 Audited
Comprising:			
Ordinary share capital and share premium	4 825	3 727	3 718
Preference share capital and share premium	1 042	1 042	1 042
Distributable reserves	17 304	14 058	15 783
Actuarial gains reserve	18	34	24
Cash flow hedging and other fair value reserves	(11)	13	(50)
Convertible and redeemable bonds reserve	353	353	353
Foreign currency translation reserve	680	2 279	775
Share-based payment reserve	450	396	424
Statutory reserves	(11)	(5)	(6)
Non-controlling interests	2 942	3 479	2 861
	27 592	25 376	24 924

SEGMENTAL ANALYSIS

(Rm)	Six months ended 31 Dec 2009 Unaudited	Six months ended 31 Dec 2008 Unaudited	% change	Year ended 30 June 2009 Audited
Revenue				
Retail activities				
- Household goods and building supplies	10 099	10 152	(1)	21 660
- Automotive	5 796	5 550	4	10 202
Manufacturing and sourcing of household goods and related raw materials	12 560	12 256	2	23 791
Logistics services	2 934	3 043	(4)	5 776
Corporate services				
- Brand management	179	192	(7)	414
- Investment participation	133	92	45	254
- Properties	179	-		-
- Central treasury and other activities	146	258	(43)	251
	32 026	31 543	2	62 348
Intersegment eliminations	(7 180)	(5 603)	28	(11 479)
	24 846	25 940	(4)	50 869

SEGMENTAL ANALYSIS (CONTINUED)

(Rm)	Six months ended 31 Dec 2009 Unaudited	Six months ended 31 Dec 2008 Unaudited	% change	Year ended 30 June 2009 Audited
Operating profit before capital items				
Retail activities				
- Household goods and building supplies	598	522	15	1 379
- Automotive	122	125	(2)	283
Manufacturing and sourcing of household goods and related raw materials	1 128	1 221	(8)	2 560
Logistics services	335	289	16	677
Corporate services				
- Brand management	179	192	(7)	414
- Investment participation	133	92	45	254
- Properties	97	-		-
- Central treasury and other activities	160	305	(48)	324
	2 752	2 746	-	5 891
Intersegment eliminations	(241)	(277)		(738)
	2 511	2 469	2	5 153

SEGMENTAL ANALYSIS (CONTINUED)

(Rm)	31 Dec 2009 Unaudited	%	31 Dec 2008 Unaudited	%	30 June 2009 Audited	%
Total assets						
Retail activities						
- Household goods and building supplies	21 743	41	23 994	46	20 328	44
- Automotive	2 305	4	2 426	5	2 314	5
Manufacturing and sourcing of household goods and related raw materials	11 881	23	13 214	26	12 072	26
Logistics services	5 162	10	5 395	10	5 261	12
Corporate services						
- Brand management	3 458	7	4 265	8	3 837	8
- Investment participation	2 395	5	2 145	4	1 922	4
- Properties	4 891	9	–	–	–	–
- Central treasury and other activities	545	1	638	1	573	1
	52 380	100	52 077	100	46 307	100

RECONCILIATION OF TOTAL ASSETS PER STATEMENT OF FINANCIAL POSITION TO TOTAL ASSETS PER SEGMENTAL ANALYSIS

(Rm)	31 Dec 2009 Unaudited	31 Dec 2008 Unaudited	30 June 2009 Audited
Total assets per statement of financial position	58 728	59 967	55 287
Less: Cash and cash equivalents	(5 026)	(4 916)	(4 736)
Less: Investments in associate companies	(924)	(2 589)	(3 005)
Less: Investments in preference shares	(229)	(210)	(216)
Less: Interest-bearing investments and loans	(169)	(175)	(1 023)
Total assets per segmental analysis	52 380	52 077	46 307

GEOGRAPHICAL INFORMATION

(Rm)	Six months ended 31 Dec 2009 Unaudited	%	Six months ended 31 Dec 2008 Unaudited	%	Year ended 30 June 2009 Audited	%
Revenue						
Continental Europe	9 065	37	10 600	41	19 049	37
Pacific Rim	1 455	6	1 368	5	3 070	6
Southern Africa	10 504	42	10 175	39	19 349	38
United Kingdom	3 822	15	3 797	15	9 401	19
	24 846	100	25 940	100	50 869	100

(Rm)	31 Dec 2009 Unaudited	%	31 Dec 2008 Unaudited	%	30 June 2009 Audited	%
Non-current assets						
Continental Europe	22 199	56	20 012	51	17 202	47
Pacific Rim	1 375	4	1 433	4	1 262	3
Southern Africa	10 810	27	10 594	27	10 864	30
United Kingdom	4 978	13	6 849	18	7 298	20
	39 362	100	38 888	100	36 626	100

SELECTED EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS

STATEMENT OF COMPLIANCE

The consolidated interim financial information for the six months ended 31 December 2009, has been prepared in accordance with International Financial Reporting Standards (IFRS), the interpretations adopted by the International Accounting Standards Board (IASB), and the requirements of the South African Companies Act. These condensed interim financial statements are presented in compliance with IAS 34 - *Interim Financial Reporting*, and should be read in conjunction with the annual financial statements for the year ended 30 June 2009.

BASIS OF PREPARATION

The condensed interim financial statements are prepared in millions of South African rands (Rm) on the historical-cost basis, except for certain assets and liabilities which are carried at amortised cost, and derivative financial instruments and biological assets which are stated at their fair value.

ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the condensed interim financial information are consistent with those of the annual financial statements for the year ended 30 June 2009, except for the adoption of the new standards and interpretations which are now effective. IFRS 3 - *Business Combinations* and IAS 1 - *Presentation of Financial Statements* have impacted the interim financial information. For a full list of standards and interpretations which have been adopted we refer you to the 30 June 2009 annual financial statements.

COMMENTARY: REVIEW OF RESULTS

We are pleased to report another set of solid results despite a challenging consumer environment and volatile economies. The majority of our businesses have gained market share and increased operating profit margin. We are comfortable that our underlying businesses have adapted well to the changed economic environment and remain competitive to continue to deliver the group's targeted growth.

RETAIL ACTIVITIES: HOUSEHOLD GOODS

United Kingdom

The UK retail businesses increased revenues in the seasonally weaker first half of the financial year. This forms a good base and the businesses are well positioned for further market share increases.

The excellent sales performance of our largest furniture business, Harveys, in the first half of the year has slowed in recent weeks due to the adverse weather conditions. However, the business is still running ahead of last year.

The two major bed fascias, Bensons and Sleepmasters, had a good first half with growth in both sales and profit. Gross margin in both businesses is strong with a good balance of sales across the product sectors: divans, mattresses and frames.

Continental Europe

The retail business in Continental Europe delivered another set of commendable results. The prior year store layout and format changes are delivering benefits with year-on-year turnover growth achieved in these stores. Revenue continues to benefit from consumers trading down. Stable demand within the value segment has improved efficiencies and margins. Industry consolidation and the marked consumer shift to value offerings has led to opportunities to increase the national store network.

The group continues to invest in successful retailers across the continent. The improvement in consumer sentiment led to increased interest in our exclusive studio concepts.

The group continues to examine the eastern European region for continued penetration of a dedicated large format value retail offering. Consumer sentiment and spending patterns remain depressed in this territory. However, the group capitalised on the weak economy and property market and secured promising future retail sites.

Pacific Rim

Positive consumer sentiment in Australia has resulted in growth within the furniture and household goods sector. Despite this, intense competitive pressure has forced discounting and this pressure has been felt most acutely by Freedom, Snooze and BayLeatherRepublic have both capitalised on stores traffic through better conversion and higher average sales values in a destination big ticket environment.

Southern Africa

Market conditions remained extremely competitive for Pennypinchers and Timbercity during this period. Revenue remained under pressure and was below expectations for the period. These businesses were able to reduce overheads and improve margins despite continued pressure on the building and construction industry.

RETAIL ACTIVITIES: AUTOMOTIVE

The period under review remained particularly challenging for the South African automotive industry. New vehicle volumes for the industry as a whole contracted by nearly 23% year-on-year in the second half of 2009. Although demand improved the industry contraction is mainly as a result of the lack of credit available to new vehicle buyers. Notwithstanding these conditions, the Unitrans Automotive division achieved operating profit of R122 million, a 2% decrease on the previous half-year. The pre-owned vehicle sales, parts and services delivered strong performances.

MANUFACTURING AND SOURCING

United Kingdom

The manufacturing performance was ahead of expectations in both sales and profit, although the divisional results were mixed. On the positive side, the foam conversion operation showed a strong recovery and the upholstery division continues to benefit from being an integrated part of the Harveys retail supply chain. However, Relyon was unable to capitalise fully on increased factory demand, but is progressing well on rectifying this shortfall.

Continental Europe

The consolidation in the industry continues to benefit Steinhoff's manufacturing operations in Europe. The renewed focus on flagship manufactured brands such as Puris and Hukla, has resulted in record written sales at the renowned Cologne furniture fair in Germany.

The depreciating Polish zloty has further enhanced the eastern European manufacturing operations, which continue to benefit from the operational efficiencies and increased productivity of the Polish factories. This is as a result of the successful integration into one central organisation based in Rzepin.

International Sourcing

The relatively stable exchange rate between the euro and the US dollar during the period continues to stimulate trade in the far East and this division has reported volume growth in excess of 60%. The supplier rationalisation programme and quality expertise within the division have resulted in excellent customer service levels. Management is increasingly challenged by capacity constraints within this rapidly growing division and higher shipping rates.

Southern Africa

The decline in the South African construction and furniture markets continues to negatively impact on the group's timber and raw material operations. Despite the pressure on the industry, the timber and raw material operations performed to expectations. The group remains well positioned to take advantage of growth when the industry recovers.

LOGISTICS SERVICES

Southern Africa

Unitrans Logistics reported an exceptional performance, with growth in operating profit of 16%. Once again, the contractual nature and service-driven business model proved successful. The Freight and Logistics division delivered a strong performance on the back of increased supply-chain and warehousing service contracts, while the Sugar and Agriculture division reported a substantial improvement. Growing volumes and additional work from the existing customer base within the Fuel and Chemical division led to another good performance. Double digit growth in both revenues and operating profit was achieved by the Passenger division, as a result of a better mix of business, new long-term commuter contracts, and a healthy margin in the tourism business.

Continental Europe, United Kingdom, Pacific Rim

The group's focus on logistical expertise, and its existing warehouse footprint in Europe and the Pacific Rim, continues to benefit group operations and alliance retail partners.

PERFORMANCE

The growth experienced within the group's European retail operations led to further integration with intercompany sales increasing by 28% to R7 180 million. The success of the vertically integrated business model is now more prominent as intragroup volumes are increasing.

REVENUE

Foreign revenue reported in euro amounted to €1 285 million. The average exchange rate used for converting euro income and expenditure to rand was R11.15:€1 compared to R12.42:€1 in respect of the comparative period (10% change).

The strengthening of the group's reporting currency offsets the underlying growth within the group's businesses when translated and measured in rand.

Revenue growth in Europe exceeded expectations, especially within the European retail operations. Manufacturing and sourcing operations again delivered growth in constant currency; however, most of the growth within the manufacturing and sourcing division was absorbed by group retail operations and is therefore eliminated from consolidated turnover for the group.

Unitrans in southern Africa again delivered a solid performance while the timber and raw material divisions showed no revenue growth as a result of these businesses' dependency on the currently subdued construction industry in South Africa.

OPERATING MARGIN

The group's operating margin increased to 10.1% (H1 09: 9.5%) for the period. The increased margin earned in a volatile currency environment further reflects the group's sound financial management, the balance brought about by the diversity of its global operations and the efficiency brought about by the group's vertically integrated business model in Europe.

NET FINANCE CHARGES

Net finance charges decreased by 16% to R509 million (H1 09: R609 million) reflecting the benefits to the group of the low interest rate environment prevailing in Europe, and also sound cash and working capital management.

TAXATION

The group has previously utilised the available taxation losses within the UK and as a result the UK profits have attracted current tax for the first time since the acquisition of the UK retail operations in June 2005. Management anticipates that the average group tax rate should not exceed 15% of pre-tax income in the foreseeable future.

PROFIT AFTER TAX

Profit after tax for the period was virtually unchanged despite the impact of the stronger rand (up 10%) when translating euro-denominated earnings into the group's reporting currency.

NON-CONTROLLING INTERESTS

Non-controlling interests' (minority shareholders') share of profits increased to R155 million (H1 09: R136 million) mainly as a result of the increased profits earned by the partially owned retail operations in Continental Europe.

HEADLINE EARNINGS PER SHARE (HEPS) AND EARNINGS PER SHARE (EPS)

HEPS decreased by 2% to 115.1 cents per share, and EPS decreased by 5% to 113.9 cents per share, mainly as a result of translating euro profits (up 11.2%) to the reporting currency (rand). The R41 million capital loss largely comprised the loss on disposal of the group's associate investment in Amalgamated Appliance Holdings Limited (AMAP).

ASSETS

The group's total assets as at 31 December 2009 amounted to R58 728 million (FY09: R55 287 million) and net asset value per share increased to 1 684 cents (FY09: 1 642 cents). The majority of the group's assets are situated in Europe. These assets were converted at a closing rate of R10.64:€1 compared to R13.20:€1 in respect of the comparative period (a 19% decline) and R10.83:€1 compared to the previous financial year end (a 2% decline).

WORKING CAPITAL

The group continues to support strong retailers, backed by credit insurance, resulting in growth in sales and margins, particularly in the manufacturing and sourcing division. Stock levels increased moderately as a result of the severe weather experienced in the northern hemisphere after Christmas into the first two weeks of January 2010, and stock-build strategies.

The group continues to use working capital investments to support its growth into new territories.

The group insures its debtors and its exposure to other retailers in which Steinhoff might be financially interested, either as a result of participating investments, studio/retail concepts development or other expansion projects.

DEBT

At 31 December 2009, the group had net interest bearing debt of R10.05 billion (FY 09: R8.83 billion) resulting in a net debt:equity ratio of 36% (FY 09: 35%). All material debt facilities with maturities falling within the current calendar year, including the €235 million syndicated loan, have been appropriately re-financed (refer Corporate Activity). At 31 December 2009, the group had cash and cash equivalents and confirmed unutilised borrowing facilities of R8.9 billion (FY 09: R8.6 billion).

CASH FLOW

The group's net cash flow generated from operations amounted to R2.05 billion, in line with the comparative period (H1 09: R2.18 billion). Cash generation is determined after taking into account a net increase in working capital of R908 million (H1 09: R758 million).

The group's cash flow from operating activities was maintained at R1.4 billion which underscores the quality of earnings and management's priority to continue delivering profitable growth.

CORPORATE ACTIVITY

The group concluded, or is in the process of concluding, the following corporate activities:

- the agreement concluded on 31 July 2009 in terms of which Hemisphere International Properties BV was constituted as a wholly-owned subsidiary of Steinhoff. Details of this transaction were disclosed in the Directors' Report for the year ended 30 June 2009;
- Steinhoff's national long-term rating (as reviewed by FitchRatings in December 2009) is A-(zaf). The outlook for the long-term rating is stable; and
- Steinhoff Europe AG launched the syndication of its refinancing of the €235 million 3-year syndicated loan facility during December 2009. The transaction closed successfully and received strong support in the banking market, raising an oversubscription that allowed the group to increase the facility to €340 million, maturing 31 March 2013, at competitive terms;
 - The new facility will replace the €235 million syndicated facility maturing the end of July 2010;
 - The new facility attracted new lending banks in addition to the existing core group of banks with eleven international banks joining the group of three Mandated Lead Arrangers and Coordinators; and
 - The transaction was led and coordinated by the three bookrunners: Citibank International plc, Commerzbank AG and The Royal Bank of Scotland plc.

DISTRIBUTION OF STEINHOFF

It is the group's policy to declare distributions once a year after its financial year-end 30 June.

BOARD COMMITTEES

The Board wishes to inform shareholders that it has amended the composition of certain of the Board committees and the following changes will be effective as from date hereof. Dr Steve Booysen has been elected as chairman of the Audit Committee replacing Mr Dave Brink, who will remain a member of this committee. In addition, Dr Steve Booysen will chair the Group Risk Advisory Committee. Furthermore, Mr Dave Brink has been elected to chair the Human Resources and Remuneration Committee in place of Mr Dirk Ackerman who retired at the end of 2009.

OUTLOOK

The strengthening of the rand against the euro continues to put pressure on the group's rand reported earnings and the current spot-rates are already well below the average conversion rate applied for the period under review. Rand strength will impact the group's full year rand reported earnings if the growth in euro profits does not outperform the effect of the change in the average rand translation rate.

In line with the group's business model of increasing the group's retail footprint, corporate opportunities and strategic partnerships are continuously evaluated, both in Europe and in southern Africa.

The group's vertically integrated business model remains a key competitive advantage and, together with its flexibility of supplementing own produced goods with third party sourced products, continues to result in market share gains. The buying-down trends in consumer spending patterns continue to benefit the group's mass-market discount positioning and bodes well for a stable performance in the remainder of the financial year. The strategy employed to dedicate floor space to higher positioned brands in the store networks of retail partners continues to deliver promising results.

On behalf of the Board of Directors

D KONAR
NON-EXECUTIVE CHAIRMAN
2 March 2010

MJ JOOSTE
CHIEF EXECUTIVE OFFICER

STEINHOFF INVESTMENT HOLDINGS LIMITED

("Steinhoff Investments")

Registration number: 1954/001893/06

(Incorporated in the Republic of South Africa)

JSE Code: SHFF

ISIN: ZAE000068367

Preference shareholders are referred to the above results of Steinhoff for a full appreciation of the consolidated results and financial position of Steinhoff Investments.

DECLARATION OF DIVIDEND NUMBER 9 TO PREFERENCE SHAREHOLDERS

The board of Steinhoff Investments has resolved to declare a dividend of 402 cents per preference share in respect of the period from 1 July 2009 up to and including 31 December 2009 (the dividend period), payable on Monday, 26 April 2010, to those preference shareholders recorded in the books of the company at the close of business on Friday, 23 April 2010. This dividend has been determined on the basis of 75% of the prime bank overdraft lending rate of Absa Bank Limited prevailing over the dividend period, applied to the nominal value plus premium (R100.00 per preference share, in the aggregate).

The dividend is payable in the currency of South Africa.

	2010
Last date to trade <i>cum</i> dividend	Friday, 16 April
Shares trade <i>ex</i> dividend	Monday, 19 April
Record date	Friday, 23 April
Payment date	Monday, 26 April

Share certificates for preference shares may not be dematerialised or rematerialised between Monday, 19 April 2010 and Friday, 23 April 2010, both dates inclusive.

On Monday, 26 April 2010, the preference dividend will be electronically transferred to the bank accounts of preference shareholders. Preference shareholders who have dematerialised their shares will have their accounts credited on Monday, 26 April 2010.

PROPOSED TAXATION AMENDMENTS

We refer to previous communication in our 2009 annual results, released on 8 September 2009, regarding the conversion of Secondary Tax on Companies (STC) to Dividends Tax.

During the recent 2010 budget speech of the Minister of Finance of South Africa, it was indicated that although all the relevant taxation treaties had been renegotiated, a number of issues required further refinement. It appears that the completion of the Dividends Tax system may be postponed until 2011.

Accordingly, preference shareholders are advised that, until such time as all the legislative amendments are refined, finalised and promulgated and legal opinion obtained, it remains impossible to determine exactly what the impact will be on the cumulative non-redeemable non-participating preference shares issued by Steinhoff Investments.

A further announcement in this regard will be made once the final detailed legislation is published and duly considered.

DIRECTORATE

Preference shareholders are advised that Mr Dirk Ackerman retired from the board with effect 1 March 2010 and Dr Steve Booysen has been appointed as a non-executive director with the effective date hereof.

On behalf of the Board of Directors

D KONAR
NON-EXECUTIVE DIRECTOR
2 March 2010

HJK FERREIRA
EXECUTIVE DIRECTOR

OTHER NOTES

1. CORPORATE GOVERNANCE

Steinhoff has embraced the recommendations of the King report on Corporate Governance and strives to provide reports to shareholders that are timely, accurate, consistent and informative. Appropriate committee membership changes have been affected.

2. SOCIAL RESPONSIBILITY

Steinhoff continues to be recognised for its corporate social investment activities. The group remains committed to related initiatives and is conscious of needs in this regard. A number of social responsibility projects are continuing.

3. HUMAN RESOURCES

A constructive working relationship is maintained with the relevant unions. Ongoing skills and equity activities continue to ensure compliance with current legislation.

Plans continue in terms of initiatives embarked upon that contribute to broader skills development and sourcing appropriately qualified staff on an ongoing basis.

4. RELATED PARTY TRANSACTIONS

The group entered into various related party transactions. These transactions are no less favourable than those arranged with third parties.

5. FURTHER EVENTS

No significant events have occurred in the period between the reporting date and the date of this report.

For more detail on the group's listed associate company, shareholders are referred to the results and/or corporate announcements and financial information of:

– KAP International Holdings Limited – 2 March 2010 – www.kapinternational.com

ADMINISTRATION

STEINHOFF INTERNATIONAL HOLDINGS LIMITED

(“Steinhoff” or “the company” or “the group”)

Registration number: 1998/003951/06
(Incorporated in the Republic of South Africa)

JSE share code: SHF **ISIN code:** ZAE000016176

Registered office: 28 Sixth Street, Wynberg, Sandton, 2090, Republic of South Africa

Tel: +27 (11) 445 3000 **Fax:** +27 (11) 445 3094

Directors: D Konar● (chairman), MJ Jooste (chief executive officer), SF Booysen●, DC Brink●, YZ Cuba●, CE Daun●*, HJK Ferreira, SJ Grobler, JF Mouton●, FJ Nel, FA Sonn●, BE Steinhoff●*, IM Topping#, DM van der Merwe

Alternate directors: JNS du Plessis, KJ Grové, A Krüger-Steinhoff●*, AB la Grange
#British *German ●non-executive

Company secretary: SJ Grobler

Auditors: Deloitte & Touché

Sponsor: PSG Capital (Proprietary) Limited

Transfer secretaries: Computershare Investor Services (Proprietary) Limited
70 Marshall Street, Johannesburg, 2001

www.steinhoffinternational.com

To view results on mobile www.steinhoff.mobi



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