Mr Price Group Limited

UNAUDITED RESULTS FOR THE SIX MONTHS TO 30 SEPTEMBER 2006

• CONTINUING OPERATIONS
  - RETAIL SALES UP 23% TO R2,7 BILLION
  - OPERATING PROFIT UP 25% TO R209 MILLION

COMMENTARY

RESULTS

The results for the six months to 30 September 2006 included a number of factors that contributed to the large percentage increase in sales and profit of the group. The large trading roll over from the prior year and the effect of the acquisition of new divisions in the current year contributed to the increased sales. The results for the six months to 30 September 2006 were affected by the restructuring and write-offs that were required to complete the acquisition of the sheet streets and miladys divisions.

TRADE

The trading results for the group are reported in two main segments, Apparel and Home. The Apparel Division (Mr Price and Miladys) increased sales by 23% to R2,7 billion, with comparable sales increasing by 17% to R2,9 billion. This was underpinned by the successful repositioning of apparel retailing. The chain grew sales by 35% to R636 million with comparable sales increasing by 20% to R647 million. As at the last year end, comparable sales were up by 21% for the period. The retail store base in the Apparel division increased by 33% to 962 stores.

The Mr Price Sport division (Mr Price, Miladys and Mr Price Sport) increased sales by 17% and comparable sales increasing by 16%. The Sport division grew sales by 36% to R1,3 billion, with comparable sales increasing by 20% to R1,3 billion. This was underpinned by the successful repositioning of the apparel sport retailing. The sport division grew sales by 65% to R279 million with comparable sales increasing by 62% to R278 million.

The Home division (Mr Price Home and sheet streets) increased sales by 38% to R0,9 billion, with comparable sales increasing by 20% to R0,9 billion. This was underpinned by the successful repositioning of the home retailing. The home division grew sales by 49% to R141 million with comparable sales increasing by 14% to R124 million.

As at the last year end, comparable sales were up by 19% for the period. The retail store base in the Home division increased by 33% to 107 stores.

The Financial Services business, which includes the consumer finance and the hire purchase operations, grew by 48% to R33 million with comparable sales increasing by 60% to R31 million. At the last year end, comparable sales were up by 49% for the period. The retail store base in the financial services business increased by 33% to 166 stores.