



Truworths International Ltd

Incorporated in the Republic of South Africa

Registration number: 1944/017491/06

JSE code: TRU

NSX code: TRW

ISIN: ZAE000028296

REPURCHASE OF SHARES

1. INTRODUCTION

Truworths International Ltd (“Truworths International” or “the company”) herewith announces the repurchase of a further 13 524 763 of its own shares by way of open market transactions on the securities exchange operated by the JSE Ltd (“JSE”) since the announcement published on 21 October 2008. Of these shares, 2 382 976 (costing R 66 168 185) were acquired in the financial period ended 28 June 2009, 808 000 (costing R 33 817 733) were acquired in the financial period ended 27 June 2010, 5 796 000 (costing R 394 958 068) were acquired in the financial period ended 26 June 2011, 1 196 000 (costing R 82 557 173) were acquired in the financial period ended 1 July 2012 and 3 341 787 (costing R 316 085 662) were acquired during the period 21 September 2012 to 8 March 2013.

The repurchase transactions were executed in accordance with the general authority originally granted to the directors by special resolution of shareholders of the company taken at the annual general meeting held on 8 November 2007 which authority was subsequently renewed at the annual general meetings held on 6 November 2008, 5 November 2009, 4 November 2010, 10 November 2011 and 8 November 2012 (“the repurchase”).

The shares repurchased constitute 3% of the 450 825 442 shares of the company in issue on 8 November 2007, being the date of the annual general meeting when the original authority to conduct the repurchase was granted. The repurchase has been effected by Truworths Investments (Pty) Ltd, Truworths Investments Two (Pty) Ltd, Truworths Investments Three (Pty) Ltd and Truworths Investments Four (Pty) Ltd, all wholly-owned subsidiaries of Truworths International, which subsidiaries intend holding the shares as treasury stock for long-term investment purposes. As at 8 March 2013, 41 191 496 shares were held as treasury stock.



2. AUTHORISED REPURCHASE LIMITS

In terms of the special resolution and the Listings Requirements of the JSE:

- (a) the general authority limits repurchases to a maximum of 20% of the company's shares in issue at the time the authority is granted, per financial year; and
- (b) no repurchase may be made at a price more than 10% above the weighted average of the market price of the company's shares on the JSE for the five business days immediately preceding the date of such repurchase.

A maximum of 92 362 005 shares, being 20% of the 461 810 026 shares in issue on 8 November 2012, being the date of the company's most recent annual general meeting, may be repurchased until the next annual general meeting, scheduled for 7 November 2013, in terms of the said general authority.

3. IMPLEMENTATION

Total number of shares repurchased	13 524 763
Total price of shares repurchased	R 893 586 821
Highest price paid per share	9 632 cents
Lowest price paid per share	2 409 cents
Average price paid per share	6 607 cents
Shares which may still be repurchased until the next annual general meeting scheduled for 7 November 2013 in terms of the general authority:	
Number	90 171 122
Percentage	19.5
Actual number of shares in issue on 1 July 2012, the date of the company's most recent financial year end	461 810 026
Actual number of shares in issue on 30 December 2012, the date of the company's most recent financial half-year end	462 889 265

The repurchase was effected as market conditions allowed over the period 17 October 2008 to 8 March 2013, including during certain "prohibited periods" at financial year and half-year end prior to the announcement of the company's annual and interim results in terms of prohibited period mandates announced by the company on SENS from time to time.

The repurchase was effected through the order book operated by the JSE trading system without any prior understanding or arrangement between the company and the counter parties.



4. OPINION OF THE DIRECTORS

The directors of Truworths International have considered the impact of the repurchase and are of the opinion that for a period of 12 months after the date of this announcement:

- 4.1 the company and the group (the company and its subsidiaries) will in the ordinary course of their business be able to pay their debts;
- 4.2 the consolidated assets of the company and the group will exceed the consolidated liabilities of the company and the group respectively, such assets and liabilities being fairly valued and recognised and measured in accordance with the accounting policies used in the financial statements;
- 4.3 the issued capital and reserves of the company and the group will be adequate for the purposes of the company and the group's business; and
- 4.4 the company and the group's working capital will be sufficient for their requirements.

Prior to the company entering the open market to commence any repurchases pursuant to the general mandate granted by the company's shareholders at the annual general meetings held in each year from 2007 to 2012, the company's sponsor, One Capital Sponsor Services (Pty) Ltd (formerly Barnard Jacobs Mellet Corporate Finance (Pty) Ltd), advised the JSE that they were satisfied that the opinion by the company's directors, as to the sufficiency of the group's working capital, had been formulated after due and careful enquiry.

5. JSE LISTING

As the repurchase has been effected by wholly-owned subsidiaries of the company, the shares repurchased have neither been cancelled, nor has their listing on the JSE been terminated.

6. FINANCIAL EFFECTS

The directors of Truworths International are responsible for the preparation of the below unaudited pro-forma financial information, which has been compiled for the purposes of illustrating the effect of the repurchase on the company's earnings, headline earnings, net asset value and net tangible asset value per share at the most recent reporting date. Due to their nature, the unaudited pro-forma financial effects may not be a fair reflection of the company's financial position after the implementation of the repurchase or of the company's future earnings.



The reported earnings and net asset value per share and numbers of shares in issue, as reflected in the unaudited interim results for the 26 weeks ended 30 December 2012, as well as what these metrics would have been on a pro-forma basis had they been calculated both before and after the repurchase, are as follows:

Metrics	Reported at 30 December 2012	Before repurchase B	After repurchase A	% change B to A
In cents per share:				
Basic earnings	331.3	325.8	332.4	2.0
Diluted basic earnings	324.8	319.6	325.9	2.0
Headline earnings	331.3	325.8	332.4	2.0
Diluted headline earnings	324.8	319.6	325.9	2.0
Net asset value	1 567.6	1 695.0	1 525.0	(10.0)
Tangible net asset value	1 521.6	1 650.2	1 478.7	(10.4)
Numbers in millions:				
Weighted average shares	423.5	434.2	420.7	(3.1)
Pro-forma shares	423.9	435.2	421.7	(3.1)

Notes and assumptions:

- The metrics set out in the “Reported” column are as reflected in the company’s unaudited interim results for the 26 weeks ended 30 December 2012 and incorporate the financial effects of the 11 333 880 shares repurchased for a consideration of R 684 161 057 over the period from 17 October 2008 to 6 November 2012.
- The illustrative metrics set out in the “Before” column have been calculated by adjusting the “Reported” metrics to reflect what these would have been at 30 December 2012 had none of the 11 333 880 shares repurchased over the period from 17 October 2008 (when the previous 3% threshold was achieved) until 6 November 2012, been repurchased.
- The illustrative financial effects of the repurchase reflected in the “After” column are calculated at 30 December 2012. These calculations assume the 3 341 787 shares (forming part of the 13 524 763 shares constituting the subject matter of this announcement) repurchased since 2 July 2012 (i.e. the first day of the interim period ended 30 December 2012) until 8 March 2013 were repurchased on 2 July 2012 and that after-tax interest income on the group’s cash resources was reduced at the rate of 3.49% (nominal annual compounded monthly, net of tax), calculated on the total price of such shares repurchased.



- For the purposes of calculating the earnings and headline earnings per share metrics reflected in the “Before” column, the weighted average number of shares actually in issue at 30 December 2012, increased by 10 725 251, being the weighted average of the 11 333 880 shares repurchased over the period since 17 October 2008 until 6 November 2012, has been used.
- For the purposes of calculating the net asset value and tangible net asset value per share metrics reflected in the “Before” column, the pro-forma number of shares in issue, being the actual number of shares in issue at 30 December 2012 had the said 11 333 880 shares not been repurchased, has been used.
- For the purposes of calculating the earnings and headline earnings per share metrics reflected in the “After” column, the weighted average number of shares actually in issue at 30 December 2012, reduced by 2 799 512, being the weighted average of the 3 341 787 shares repurchased during the reporting period ended 30 December 2012 and thereafter until 8 March 2013, has been used.
- For the purposes of calculating the net asset value and tangible net asset value per share metrics reflected in the “After” column, the pro-forma number of shares in issue, being the actual number of shares in issue at 30 December 2012 reduced by the 2 190 883 shares repurchased after the 30 December 2012 reporting date until 8 March 2013, has been used.

7. SOURCE OF FUNDS

The repurchase was funded from the group’s cash resources.

Cape Town

12 March 2013

Sponsor in South Africa: One Capital

Sponsor in Namibia: Old Mutual Investment Services (Namibia) (Pty) Ltd