

11 December 2014

Lewis Stores
My Home
Best Home &
Electrical
Beares

Dear Shareholder

RE: NOTICE OF INTRA-GROUP FINANCIAL ASSISTANCE IN TERMS OF SECTION 45 OF THE COMPANIES ACT, 71 OF 2008

The Companies Act No. 71 of 2008 ("the Act") which came into force on 1 May 2011 includes the requirement in section 45(5) to provide written notice to its shareholders of resolutions adopted by the board of directors authorising the company to provide intra-group financial assistance. We confirm that no action is required by shareholders and this letter is for information purposes only.

We wish to notify you that the board of directors of Lewis Group Limited ("the company") has resolved, pursuant to the special resolution of shareholders adopted at the annual general meeting on 15 August 2014, and in accordance with the group's usual business practices, that the company provides the following financial assistance to its wholly-owned subsidiary, Lewis Stores Proprietary Limited ("Lewis Stores"):

- a guarantee in respect of Lewis Stores' performance obligations under a R150 million credit facility granted to Lewis Stores by Rand Merchant Bank.
- a guarantee in respect of Lewis Stores' performance obligations under a R100 million credit facility granted to Lewis Stores by ABSA.

The board is satisfied that immediately after providing the financial assistance, the company will satisfy the solvency and liquidity test, and that the terms of the financial assistance are fair and reasonable to the company.

Yours faithfully

A handwritten signature in black ink, appearing to be "Johan Enslin", written over a horizontal line.

JOHAN ENSLIN
CHIEF EXECUTIVE OFFICER
On behalf of the board of directors

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