

Trading Statement

Distribution and Warehousing Network Limited

(Incorporated in the Republic of South Africa)

(Registration number 1984/008265/06)

Share code: DAW & ISIN code: ZAE000018834

("DAWN" or "the Company" or "the Group")

TRADING STATEMENT

In compliance with section 3.4 (b) of the Listings Requirements of the JSE Limited, a listed company

is required to publish a trading statement as soon as it becomes reasonably certain that the financial

results for the period to be reported on next will show a 20% or more difference from the previous

corresponding period.

Following a year-end change from June to March in the previous reporting period, shareholders are

advised that for the 12 months ended 31 March 2016:

. Headline earnings per share ("HEPS") will be 210% to 220% lower than those achieved for

the nine months ended 31 March 2015. This translates to a headline loss per share of

between -78,8 cents and -82,5 cents compared to the headline loss per share of -25,5 cents

for the comparative nine months ended 31 March 2015. This was largely due to once-off

asset write-downs in a number of businesses, necessitated by the current economic

environment as well as the poor performance of certain DAWN businesses. Not all of the

once-off asset write-downs can be added back in the headline earnings add-back and

accordingly have had a negative impact on the headline loss per share calculation. All

impairments were added back for the headline earnings calculation.

. Earnings per share ("EPS") will be -260% to -270% lower than those achieved for the nine

months ended 31 March 2015, largely due to the once off net gain on the Grohe transaction

included in the comparative period as well as the once-off impairments and asset write-

downs in the current period for the same reasons as mentioned above. This translates to a

loss per share of between -329,3 to -342,0 cents compared to the EPS of 204,7 cents for the

comparative nine months ended 31 March 2015.

As outlined in the operational update of 3 May 2016, the implementation of the turnaround strategy

for F2016 was severely impacted during the second six months of the financial year to 31 March

2016, largely by:

1. a loss in Grohe DAWN Watertech (GDW), in which DAWN holds a 49% shareholding, which

had a direct impact on earnings at the associate investment level, as well as an indirect

impact on the Building Trading segment of DAWN, being GDW's largest customer;

2. a slow-down in Government spend and payments which impacted the Infrastructure

segment of DAWN;

3. difficult trading conditions and currency losses in the group's rest of Africa operations; and

4. other loss-making and underperforming non-core business units.

Due to the substantial nature of the once-off impairments and asset write-downs, the publication of

the Group's results has been moved into July 2016. The exact reporting date will be announced as

soon as it has been finalised.

The financial results on which this trading statement has been based, have not yet been reviewed

nor reported on by DAWN's auditors. Further information will be provided in the formal results

announcement.

30 June 2016

Johannesburg

Sponsor: Deloitte & Touche Sponsor Services (Pty) Ltd

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