Mattress Firm Materials

5 October 2018

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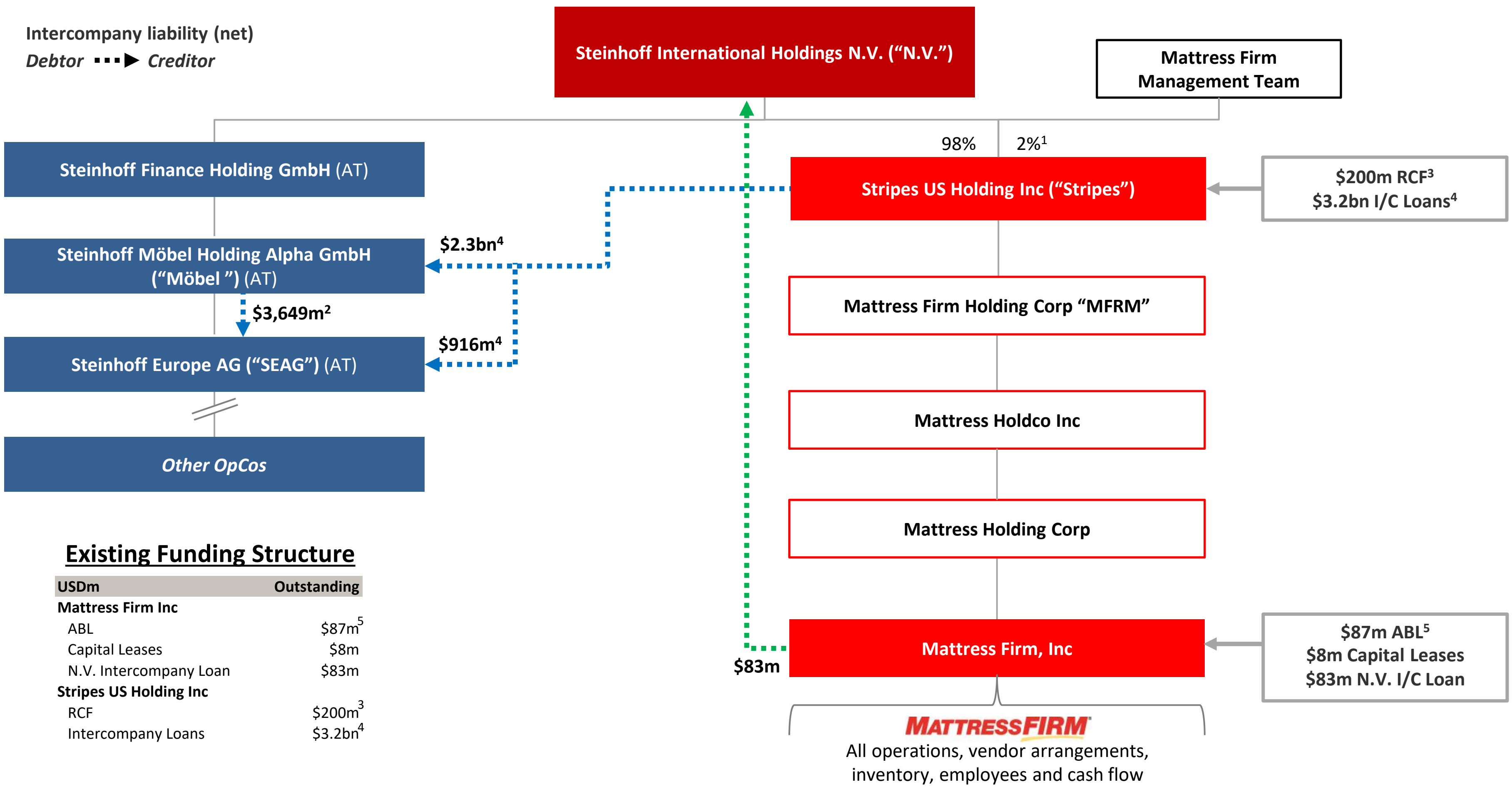
Mattress Firm within the Steinhoff Group



Existing Funding Structure

USDm	Outstanding
Mattress Firm Inc	
ABL	$87m[5]
Capital Leases	$8m
N.V. Intercompany Loan	$83m
Stripes US Holding Inc	
RCF	$200m[3]
Intercompany Loans	$3.2bn[4]

Source: Disclosure Statement, Unaudited management accounts
100% shareholding unless otherwise stated

1. *N.V. owns 100% of the ordinary shares. The 2% represents economic interest of non-voting preferred stock*
2. *As at 30-Jun-18 EUR loan converted at 1.17 EUR/USD rate*
3. *Guaranteed by N.V. and SEAG*
4. *Guaranteed by certain Stripes subsidiaries*
5. *Considered fully drawn with $100m exposure due to borrowing base requirements and Letters of Commitment of $13m*
   As at Jun-18: Inventory at Cost of $270m and Net Orderly Liquidation Value of $176m according to third-party analysis, implies NOLV as % of cost of 65.1% (compared to projected average over next 6 months of 64.9%)

MATTRESSFIRM

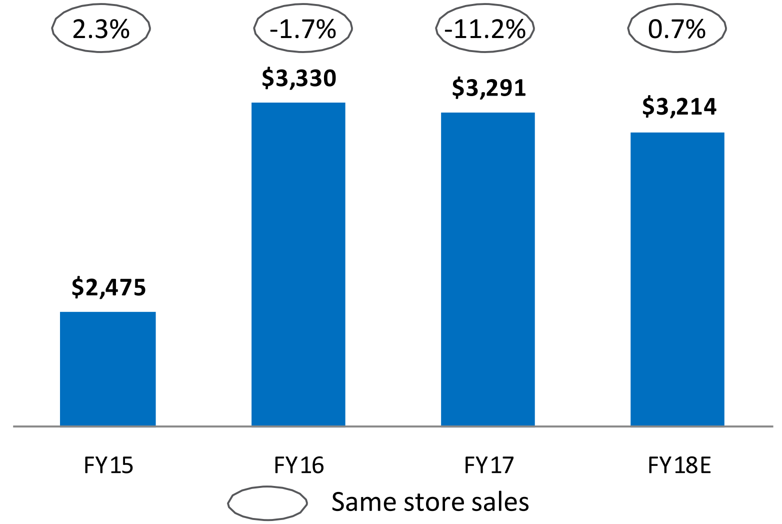
Business Update – Overview

Status quo financial performance has been challenged as a result of unanticipated impact of strategy implemented since 2016

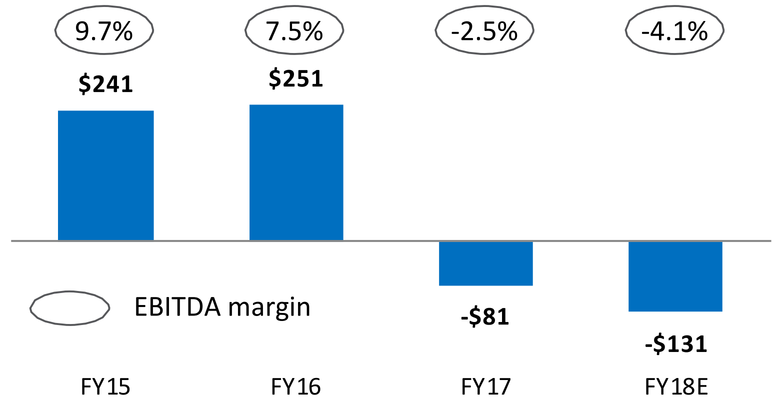
OVERVIEW

- Execution challenges of long-term strategic initiatives disrupted FY17 and FY18E results:
  - Accelerated rebranding of over 1,300 legacy Sleepy's and Sleep Train stores
  - Change in key suppliers
  - Insufficient presence in the high-end (~$2,500+) market segment
  - Ineffective brand marketing
- Execution of store rebranding exercise led to oversaturation of stores in certain areas

REVENUE ($M)



CORPORATE EBITDA ($M)[1]



Source: Unaudited management information and business plan (September 2018)

1. 2015 and 2016 represent Adjusted EBITDA excluding one-time and non-recurring items

2. Corporate EBITDA less Store/warehouse amortization corresponds to EBITDA. Store/warehouse amortization charges of $52m for FY18E resulting in EBITDA of -$183m

MATTRESSFIRM

Balance Sheet – Summary (31 July 2018)

$m	31-Jul-18
Goodwill	1,257
Other Intangible Assets	1,352
Land & Buildings	77[1]
Leasehold Improvements	132
Other	111
Property, Plant & Equipment	320
Ordinary / Other Non-Current Investments	23
TOTAL NON-CURRENT ASSETS	**2,952**
Net Inventories	249
Net Trade Receivables	41
Other	14
Prepayments	78
Bank Balances & Cash / Overdraft	(12)
Taxation Receivable	33
TOTAL CURRENT ASSETS	**403**
TOTAL ASSETS	**3,355**

$m	31-Jul-18
Long Term Borrowings	346
Onerous Lease Reserve	123
Other Long term Provisions	36
Long Term Provisons	159
Deferred Taxation Liability	85
Other Non-Current Liabilities	37
TOTAL NON-CURRENT LIABILITIES	**628**
Loans Due to Group Entities	3,271
Trade & Other Payables	365
Short Term Provisions	90
Short Term Equalization of Operating Lease Payments	19
Short Term Employee Benefits	17
Current Portion of Long Term Debt	4
TOTAL CURRENT LIABILITIES	**3,766**
TOTAL LIABILITIES	**4,394**

Source: Unaudited management information
As of 30-Sep-18, the Company had approximately $850m of Net Operating Losses
1. 50% interest in Hicksville property sold in August 2018 with net proceeds of $22m. The full book value of Hicksville was c. $75m

MATTRESSFIRM

Business Plan

Business Plan Overview

- Mattress Firm has been considering options to raise the required funding to implement its strategic plan

- In preparation, management developed a business plan during September 2018, including 3 year projections for FY18-20E. The FY19-20E projections assumed the Company engages in a restructuring process, which would enable it to refinance certain financial liabilities and restructure certain lease obligations. This would require up to $250m in DIP facilities ($100m DIP Term Loan and $150m DIP ABL) and $525m in exit financing commitments, including $400m exit financing loan and a $125m ABL facility

  – On 5 October 2018, Mattress Firm Inc., along with its U.S. subsidiaries, is taking steps to implement a pre-packaged plan of reorganisation that, among other things, provides Mattress Firm access to new financing to support its business and establishes an efficient and orderly process for closing certain underperforming store locations in the United States by filing voluntary chapter 11 cases in the United States Bankruptcy Court for the District of Delaware ("the Mattress Firm Filing")

  – The Mattress Firm Filing supports actions to strengthen its balance sheet, optimise its store footprint and is designed to accelerate the turnaround. Additional information regarding the Mattress Firm Filing and new financing commitments can be accessed by visiting Mattress Firm's restructuring website at www.mattressfirm.com/restructuring

Business Plan Overview

- The Business Plan incorporates management's turnaround initiatives, as well as improvements in store occupancy and other anticipated benefits achieved through a restructuring process, partially offset by estimated business disruption costs

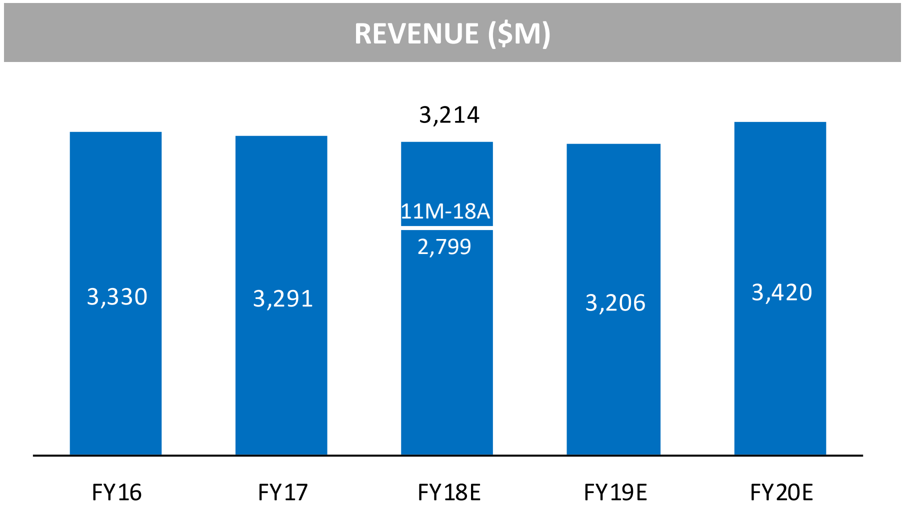
- Envisaged closure of a significant number of stores during the restructuring period as a result of restructuring of lease agreements
  - Expected this can be completed within a 45-60 day window
  - Estimated store closure costs of ~$97 million to exit up to 700 stores
  - Stores for closure identified using bottom-up qualitative and quantitative analysis

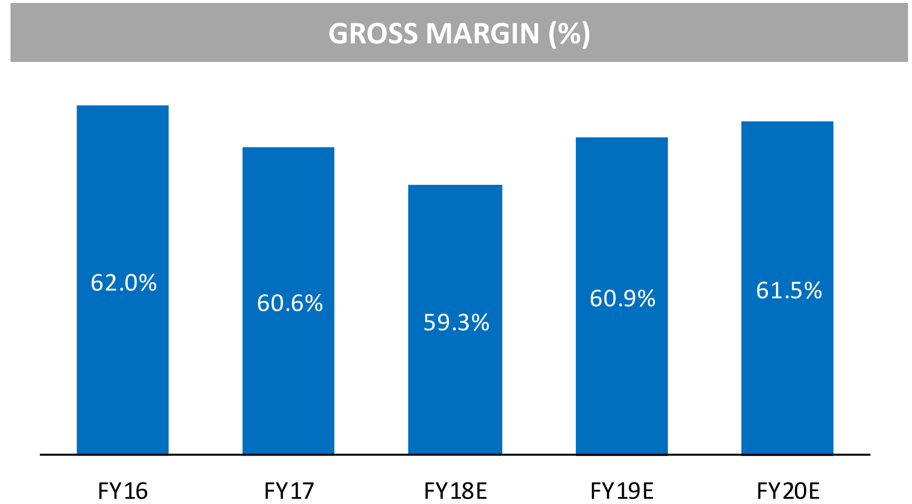
- Restructuring transaction costs of ~$60m and business disruption/sales margin impact of ~$25m during chapter 11 period

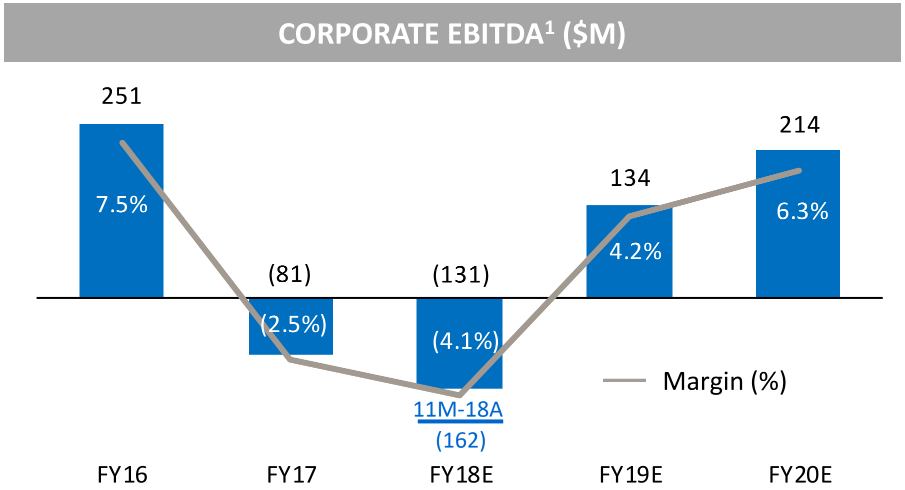
- As a result of the store closures and other operational changes, Corporate EBITDA is projected to reach +$200m by FY20E
  - Assumes 40% sales recapture to nearby stores (in-line with data from historical store closures)

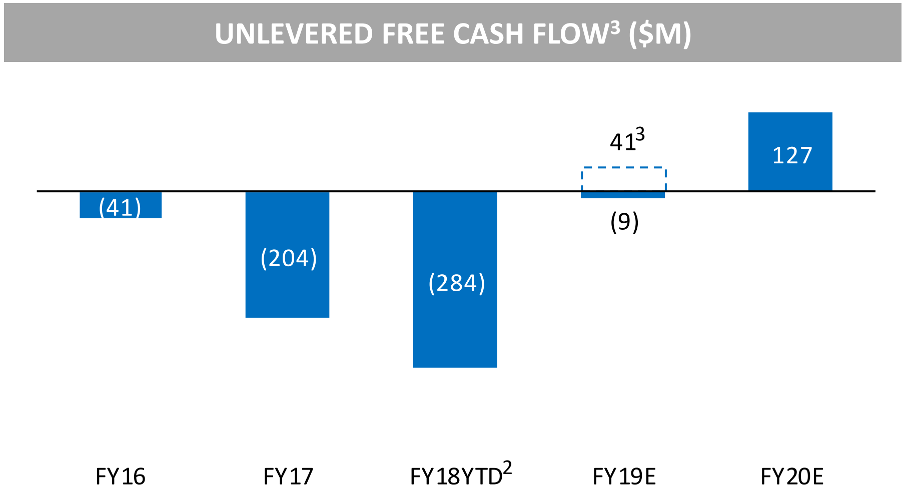
- Incremental operational funding of up to $185m would have been required if the restructuring process were to have begun as late as March 2019 (excludes recapitalisation / process costs)

Business Plan Overview







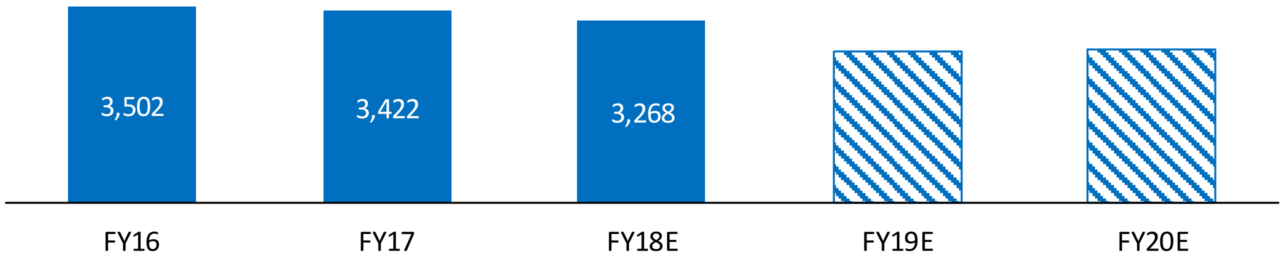


Source: Unaudited management information and business plan (September 2018)

1. *Corporate EBITDA less Store/warehouse amortization corresponds to EBITDA. Store/warehouse amortization charges of $52m for FY18E, $18m for FY19E and $14m for FY20E, resulting in EBITDA of ($183m) , $116m, $200m respectively*
2. *FY18YTD corresponding to the first 11 months of FY18*
3. *UFCF before reorganization transaction, excluding assumed business disruption costs of $50m*

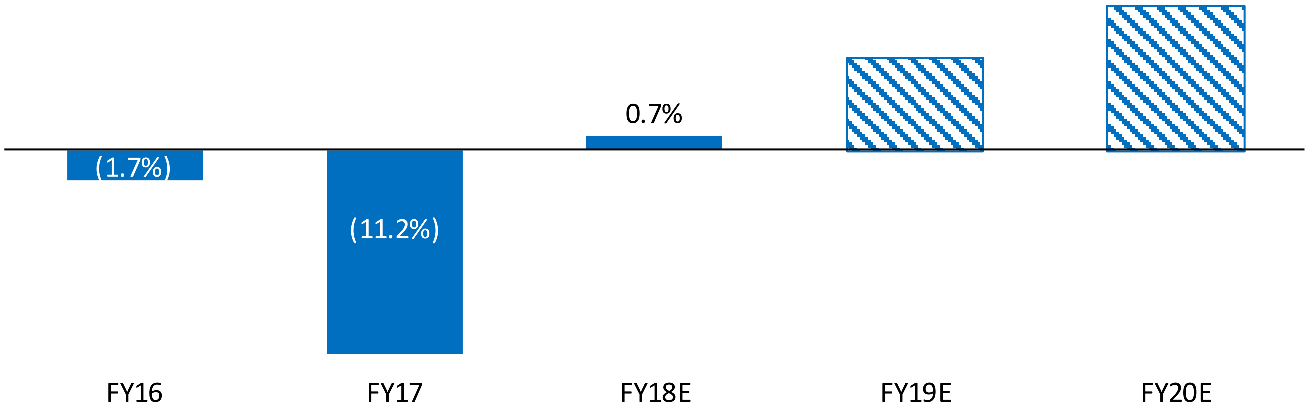
Business Plan Overview

NUMBER OF STORES



Closures drive store numbers down significantly in FY19E, before net growth returns in FY20E, leaving store profile ~16% reduced

SAME STORE SALES GROWTH

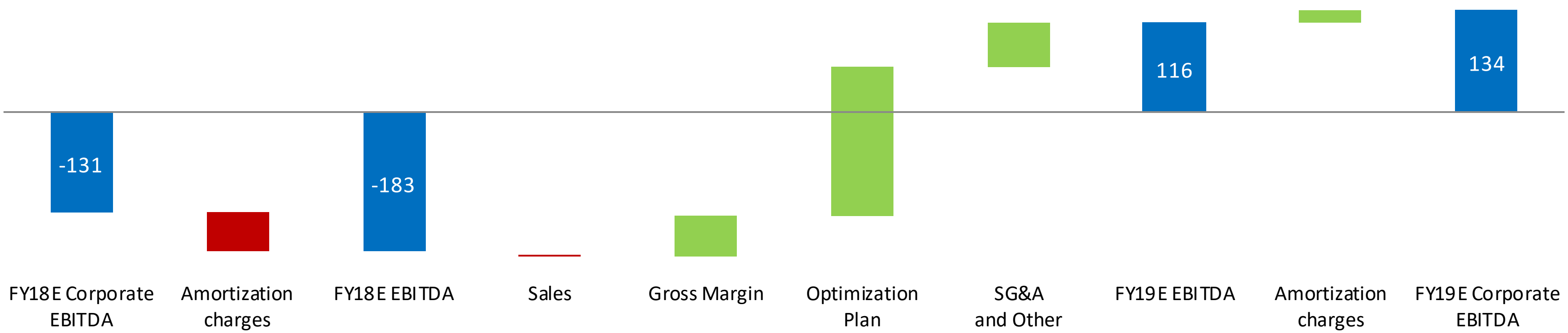


Same store sales growth of c.5% in FY19E and c.8% in FY20E

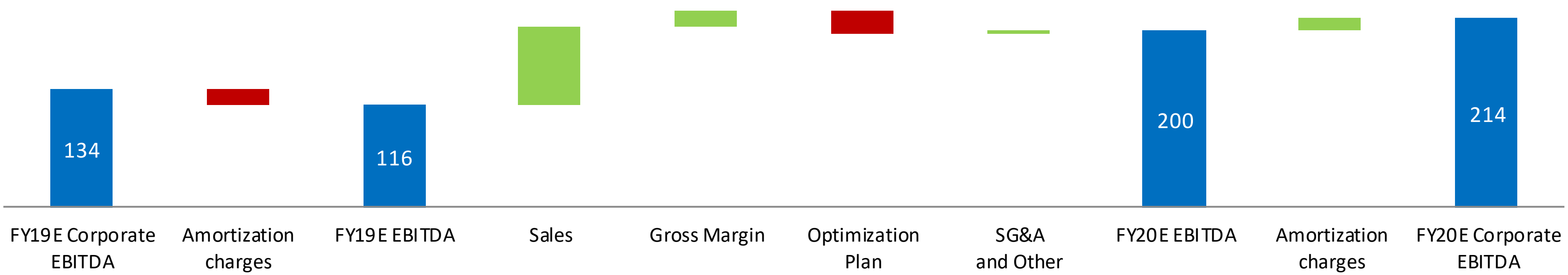
Source: Unaudited management information and business plan (September 2018)

EBITDA Bridges FY18E-20E

EBITDA[1] BRIDGE: FY18E TO FY19E ($M)



EBITDA[1] BRIDGE: FY19E TO FY20E ($M)



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MATTRESSFIRM

FY18LE (Latest Estimate)

	FY18LE
Sales	$3,164m
Gross Margin	58.8%
Corporate EBITDA	($142m)
Margin	*(4.5%)*
EBITDA[1]	($195m)
Number of Stores	3,241
Same Store Sales Growth	(2.2%)

Source: Unaudited management information as at 4 October 2018

1. Corporate EBITDA less Store/warehouse amortization corresponds to EBITDA. Store/warehouse amortization charges of $52m for FY18E