

**JUST GROUP LIMITED**  
ABN 97 096 911 410  
**AND CONTROLLED ENTITIES**

**CONCISE FINANCIAL REPORT  
FOR THE YEAR ENDED  
26 JULY 2008**

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## Directors' Report

The directors present their report together with the concise financial report of Just Group Limited (the "company"), and the consolidated financial report of the consolidated entity, being the company and its controlled entities, for the 52 weeks commencing 29 July 2007 to 26 July 2008.

### Directors

The names and details of the company's directors in office during the financial year and until the date of the report are as follows:

Solomon Lew	Chairman (appointed 22 September 2008)
Jason Murray	Managing Director
Glenys Shearer	Executive Director (appointed 22 September 2008)
Michael McLeod	Non-Executive Director (appointed 4 March 2008)
Terrence McCartney	Non-Executive Director (appointed 4 March 2008)
Mark Middeldorf	Non-Executive Director (appointed 22 September 2008)
Henry Lanzer	Non-Executive Director (appointed 22 September 2008)
Ian Pollard	Chairman (resigned 26 August 2008)
Laura Anderson	Non-Executive Director (resigned 26 August 2008)
Bronwyn Constance	Non-Executive Director (appointed 11 April 2008; resigned 26 August 2008)
Ian Dahl	Non-Executive Director (resigned 26 August 2008)
Susan Oliver	Non-Executive Director (resigned 26 August 2008)
Alison Watkins	Non-Executive Director (resigned 5 March 2008)
Janice Payne	Company Secretary

### Earnings per Share

	2008 CENTS	2007 CENTS
Basic earnings per share	24.40	29.85
Diluted earnings per share	24.40	29.85

### Dividends

Two fully franked dividends were paid during the financial year:

2007 Final Dividend	\$20,133,088 (10.0 cents per share) on 14 November 2007 (2007: 8.5 cents per share)
2008 Interim Dividend	\$21,139,742 (10.5 cents per share) on 22 May 2008 (2007: 9.5 cents per share).

The directors have not declared a final dividend for the 2008 year (2007: 10.0 cents per share).

### Operating and financial review

Just Group is a leading specialty fashion retailer in Australia and New Zealand, and has recently commenced operations in South Africa and the United States of America. Just Group has a portfolio of well recognised retail brands, offering latest fashion at value price points. Just Group currently has 7 unique brands trading from more than 900 stores across four countries. The emphasis is on a range of brands that provide diversification through breadth of target demographic and sufficiently broad appeal to enable a national footprint. Over 90% of Just Group's product range is designed, sourced and sold under its own brands. The Group continually invests in its brands to ensure they remain relevant to changing consumer tastes and at the forefront of their respective target markets. This investment includes national advertising campaigns and over five kilometres of store window displays, most of which are updated every two weeks.

### **Operating and financial review (continued)**

Net profit after income tax for the year ended 26 July 2008 was \$49.1 million (2007: \$63.9 million), which reflects a 23.1% decrease compared to last year. The 2008 result includes the costs associated with defending the takeover by Premier Investments Limited, which amounted to \$5.4m (net of tax). In addition, the 2007 year includes a gain on the sale of the company's strategic investment in Colorado Limited amounting to \$2.5m (net of tax). After adjusting for these non-recurring transactions and events, net profit after income tax for the 2008 financial year was \$54.6m (adjusted 2007 \$61.4m), which reflects a 11.2% decrease compared to last year.

The Group remains highly cash generative which allows continuous investment in the business and the ongoing reduction of debt. Total capital expenditure for the year was \$33.1 million (2007: \$26.9 million). The company completed an off-market share buy-back in May 2007 and the acquisition of Smiggle Pty Ltd in August 2007, which resulted in an increase to the company's gearing ratio, however it continues to maintain a sound capital structure that is well serviced by the profitability of its operations. All debt covenants have been satisfied throughout the year. The Group's core debt facility is due to expire in June 2009, and has been classified as a current liability in the financial statements. The Board believes the company will be able to refinance this debt during the next 12 months and has reasonable grounds to believe the company has sufficient funds to finance its operations throughout the year. The Group also maintains a working capital facility in the amount of \$20.0 million to manage the inter-month and intra-month fluctuations in cash flow inherent in the business which was unused at year end.

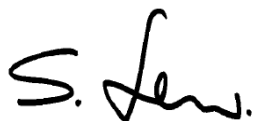
### **Significant events after the balance date**

On 8 August 2008, Premier Investments Limited obtained a controlling interest in the shares of Just Group Limited following an off-market takeover offer for all of the Group's shares that commenced on 31 March 2008. As a result of this change of control, the company's financing facilities and certain leases are subject to review events which may result in changes to the terms, conditions, fees and/or amounts payable under these agreements. The Group has been discussing these matters with the relevant parties and remains confident that there will be no material changes to the Group's financial position as presented in these financial statements as a result of the change of control.

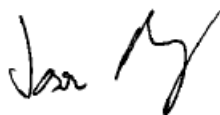
### **Rounding**

The amounts contained in this report and financial statements have been rounded off to the nearest thousand dollars under the option available to the company under Australian Securities and Investments Commission (ASIC) Class Order 98/0100. The company is an entity to which the Class Order applies.

Signed in accordance with a resolution of the board of directors.



Solomon Lew  
Chairman  
22 September 2008



Jason Murray  
Managing Director

**Income Statement**  
**For the Financial Year Ended 26 July 2008**

CONSOLIDATED			
	NOTES	52 WEEKS ENDED 26 JULY 2008 \$'000	52 WEEKS ENDED 28 JULY 2007 \$'000
Revenue from sale of goods	3	816,137	762,422
Other revenue	3	2,135	4,938
<b>Total Revenue</b>	<b>3</b>	<b>818,272</b>	<b>767,360</b>
Other income	3	3,547	4,211
<b>Total income</b>	<b>3</b>	<b>821,819</b>	<b>771,571</b>
Changes in inventories of finished goods and work in progress and raw materials used	4	(332,528)	(323,661)
Employee expenses		(160,103)	(142,047)
Operating lease rental expense		(145,719)	(132,842)
Depreciation, impairment and amortisation	4	(23,941)	(20,011)
Advertising and direct marketing		(20,354)	(17,917)
Borrowing costs	4	(11,188)	(6,929)
Auditor's remuneration (audit and other services)		(536)	(324)
Takeover defence costs		(7,176)	-
Other expenses		(47,956)	(37,318)
<b>Total expenses</b>		<b>(749,501)</b>	<b>(681,049)</b>
Share of profit/(loss) of associate	5	(1,287)	(210)
<b>Profit before income tax expense</b>		<b>71,031</b>	<b>90,312</b>
Income tax expense		(21,913)	(26,421)
<b>Profit after income tax expense</b>		<b>49,118</b>	<b>63,891</b>
Basic earnings per share (cents per share)	8	24.40	29.85
Diluted earnings per share (cents per share)	8	24.40	29.85
Dividends paid per share (cents per share)	7	20.50	18.00

The above Income Statement should be read in conjunction with the accompanying notes.

**Balance Sheet**  
**As at 26 July 2008**

	CONSOLIDATED	
	2008 \$'000	2007 \$'000
<b>ASSETS</b>		
Current assets		
Cash and cash equivalents	23,650	38,134
Trade and other receivables	4,245	2,512
Inventories	60,471	61,250
Derivative financial instruments	585	-
Other	2,913	2,795
<b>Total current assets</b>	<b>91,864</b>	<b>104,691</b>
Non-current assets		
Trade and other receivables	2,420	1,256
Plant and equipment	72,381	62,751
Intangible assets	105,717	79,084
Deferred tax assets	13,028	8,782
Investment in an associate	369	1,959
Derivative financial instruments	635	-
Other financial assets	84	84
<b>Total non-current assets</b>	<b>194,634</b>	<b>153,916</b>
<b>TOTAL ASSETS</b>	<b>286,498</b>	<b>258,607</b>
<b>LIABILITIES</b>		
Current liabilities		
Trade and other payables	65,596	50,415
Interest bearing liabilities	119,203	144
Derivative financial instruments	3,692	1,825
Income tax payable	4,457	6,391
Provisions	12,032	10,680
Other	3,059	2,240
<b>Total current liabilities</b>	<b>208,039</b>	<b>71,695</b>
Non-current liabilities		
Interest bearing liabilities	327	121,651
Deferred tax liabilities	3,083	2,354
Provisions	988	886
Derivative financial instruments	62	-
Other	16,779	8,723
<b>Total non-current liabilities</b>	<b>21,239</b>	<b>133,614</b>
<b>TOTAL LIABILITIES</b>	<b>229,278</b>	<b>205,309</b>
<b>NET ASSETS</b>	<b>57,220</b>	<b>53,298</b>
<b>EQUITY</b>		
Contributed equity	13,726	13,720
Reserves	(7,583)	(3,406)
Retained profits	51,077	42,984
<b>TOTAL EQUITY</b>	<b>57,220</b>	<b>53,298</b>

The above Balance Sheet should be read in conjunction with the accompanying notes

**Cash Flow Statement**  
**For the Financial Year Ended 26 July 2008**

CONSOLIDATED			
	NOTES	52 WEEKS ENDED 26 JULY 2008 \$'000	52 WEEKS ENDED 28 JULY 2007 \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash receipts in the course of operations		817,848	759,862
Cash payments in the course of operations		(693,164)	(640,797)
Income taxes paid		(27,087)	(25,787)
Interest received	3	1,417	1,577
Borrowing costs paid		(13,288)	(5,095)
<b>NET CASH INFLOW FROM OPERATING ACTIVITIES</b>		<b>85,726</b>	<b>89,760</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Dividends received		-	2,436
Payments for investment in associate		-	(2,169)
Proceeds from sale of plant and equipment		171	317
Proceeds from disposal of available for sale investments		-	19,500
Acquisition of subsidiary	6	(24,333)	-
Payment for trademarks		(341)	-
Advances to associates		(1,164)	(1,256)
Payment for plant and equipment and leasehold premiums		(33,070)	(26,933)
<b>NET CASH OUTFLOW FROM INVESTING ACTIVITIES</b>		<b>(58,737)</b>	<b>(8,105)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Dividends paid	7	(41,273)	(37,656)
Share buy-back		-	(65,735)
Proceeds from borrowings		20,000	39,916
Repayment of borrowings		(20,000)	-
Lease payments		(200)	(30)
<b>NET CASH OUTFLOW FROM FINANCING ACTIVITIES</b>		<b>(41,473)</b>	<b>(63,505)</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>		<b>(14,484)</b>	<b>18,150</b>
Cash at the beginning of the financial period		38,134	19,984
<b>CASH AT THE END OF THE FINANCIAL PERIOD</b>		<b>23,650</b>	<b>38,134</b>

The above Cash Flow Statement should be read in conjunction with the accompanying notes.

**Statement of Changes in Equity  
For the Financial Year Ended 26 July 2008**

	CONSOLIDATED						
	CONTRIBUTED EQUITY \$'000	PERFORMANCE RIGHTS RESERVE \$'000	CASH FLOW HEDGE RESERVE \$'000	FOREIGN CURRENCY TRANSLATION RESERVE \$'000	FAIR VALUE RESERVE \$'000	RETAINED PROFITS \$'000	TOTAL \$'000
<i>At 29 July 2006</i>	15,405	1,670	-	(3,036)	2,457	80,799	97,295
Net profit for the period	-	-	-	-	-	63,891	63,891
Translation of overseas subsidiary	-	-	-	265	-	-	265
Disposal of available-for-sale investments	-	-	-	-	(2,457)	-	(2,457)
Amortisation of performance rights	-	607	-	-	-	-	607
After tax cost of on market share purchase	-	(2,583)	-	-	-	-	(2,583)
Reversal of amortisation of forfeited performance rights	-	(329)	-	-	-	-	(329)
Share buy-back	(1,685)	-	-	-	-	(64,050)	(65,735)
Dividends paid	-	-	-	-	-	(37,656)	(37,656)
<i>At 28 July 2007</i>	13,720	(635)	-	(2,771)	-	42,984	53,298
Net profit for the period	-	-	-	-	-	49,118	49,118
Translation of overseas subsidiary	-	-	-	(1,203)	-	-	(1,203)
Tax effect of share buy back costs	6	-	-	-	-	248	254
Amortisation of performance rights	-	1,499	-	-	-	-	1,499
After tax cost of on market share purchase	-	(2,674)	-	-	-	-	(2,674)
After tax gain/(loss) on cash flow hedges	-	-	(1,799)	-	-	-	(1,799)
Dividends paid	-	-	-	-	-	(41,273)	(41,273)
<i>At 26 July 2008</i>	13,726	(1,810)	(1,799)	(3,974)	-	51,077	57,220

The above statement of changes in equity should be read in conjunction with the accompanying notes.

**Notes to the Financial Statements**  
**For the Financial Year Ended 26 July 2008**

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9	Contingent Liabilities
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## **Notes to the Financial Statements**

### **For the Financial Year Ended 26 July 2008 (continued)**

#### **1. Corporate Information**

The concise financial report of Just Group Limited for the period ended 26 July 2008 was authorised for issue in accordance with a resolution of the directors on 22 September 2008.

Just Group is a leading specialty fashion retailer in Australia and New Zealand, with a portfolio of well recognised retail brands, offering latest fashion at value price points. Just Group Limited is the ultimate parent company of the group. Just Group Limited is a company limited by shares incorporated and domiciled in Australia.

#### **2. Statement of Significant Accounting Policies**

The concise report is prepared for the period commencing 29 July 2007 to 26 July 2008.

##### **(A) BASIS OF PREPARATION**

The concise financial report has been prepared in accordance with the Corporations Act 2001 and Accounting Standard AASB 1039: Concise Financial Reports. The concise financial report, including the financial statements and specific disclosures included in the concise financial report, has been derived from the full financial report of Just Group Limited.

The concise financial report has been prepared on the assumption that the Company is a going concern. The Company's financing facilities are confirmed until 26 June 2009, and as such have been presented in the Balance Sheet as a current liability. The Directors believe that the Company will be able to refinance these debt facilities on acceptable terms on or prior to this date, and therefore believe the Company will be able to meet its obligations for at least 12 months from the date of approving this financial report.

The concise financial report is presented in Australian dollars and all values are rounded to the nearest thousand dollars (\$'000) unless otherwise stated under the option available to the company under Australian Securities and Investments Commission (ASIC) Class Order 98/0100. The company is an entity to which the Class Order applies.

The accounting policies adopted are consistent with the most recent annual financial report for the 52 weeks ended 28 July 2007 with the exception of a change in the application of AASB 139; Financial Instruments: Recognition and Measurement and the adoption of AASB 7: Financial Instruments Disclosures.

##### *Derivative financial instruments and hedging*

During the 52 weeks ended 26 July 2008, the consolidated entity has elected to apply the provisions for hedge accounting as prescribed in AASB 139: Financial Instruments: Recognition and Measurement.

The consolidated entity uses derivative financial instruments (including forward currency contracts and foreign exchange options) to hedge its risks associated with foreign currency fluctuations. Such derivative financial instruments are initially recognised at fair value on the date on which the derivative contract is entered into and are subsequently revalued to fair value at subsequent reporting dates.

Derivatives are carried as assets when their fair value is positive and as liabilities when their fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives, except for those that qualify as cash flow hedges, are taken directly to profit or loss for the period.

For the purpose of hedge accounting, hedges are classified as cash flow hedges that hedge the exposure to variability in cash flows that is attributable either to a particular risk associated with a recognised asset or liability or to a highly probable forecast transaction.

## Notes to the Financial Statements For the Financial Year Ended 26 July 2008 (continued)

### 2. Statement of Significant Accounting Policies

#### (A) BASIS OF PREPARATION (CONTINUED)

Hedges that meet the strict criteria for hedge accounting are accounted for as follows;

##### *Cash flow hedges*

Cash flow hedges are hedges of the Group's exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability that is a firm commitment and that could affect profit or loss. The effective portion of the gain or loss on the hedging instrument is recognised directly in equity, while the ineffective portion is recognised in profit or loss.

Amounts taken to equity are transferred out of equity and included in the measurement of the hedge transaction (finance costs or inventory purchases) when the forecast transaction occurs.

The Group tests each of the designated cash flow hedges for effectiveness on an ongoing basis both retrospectively and prospectively using the ratio offset method. If the testing falls within the 80% - 125% range, the hedge is considered to be highly effective and continues to be designated as a cash flow hedge.

At balance date, the Group measures ineffectiveness using the ratio offset method. For foreign currency cash flow hedges if the risk is over hedged, the ineffective portion is taken immediately to other income/expense in the income statement.

If the forecast transaction is no longer expected to occur, amounts recognised in equity are transferred to the income statement.

If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover, or if its designation as a hedge is revoked (due to being ineffective), amounts previously recognised in equity remain in equity until the forecast transaction occurs.

#### (B) COMPARATIVES

The current reporting period 29 July 2007 to 26 July 2008 represents 52 weeks and the comparative reporting period 30 July 2006 to 28 July 2007 also represents 52 weeks.

**Notes to the Financial Statements**  
**For the Financial Year Ended 26 July 2008 (continued)**

	CONSOLIDATED	
	52 WEEKS ENDED 26 JULY 2008 \$'000	52 WEEKS ENDED 28 JULY 2007 \$'000
<b>3. Revenue</b>		
<i>REVENUE</i>		
Revenue from sale of goods	812,805	759,616
Revenue from sale of goods to associate	3,332	2,806
Revenue from sale of goods	816,137	762,422
<b>OTHER REVENUE</b>		
Membership program fees	718	879
<i>Interest</i>		
Other persons	1,145	1,577
Associate	272	46
Wholly-owned controlled entity	-	-
Total Interest	1,417	1,623
Dividends	-	2,436
TOTAL OTHER REVENUE	2,135	4,938
TOTAL REVENUE	818,272	767,360
<b>OTHER INCOME</b>		
Amortisation of deferred income	3,142	2,678
Gain on disposal of financial assets	-	477
Realised foreign exchange gain	96	144
Other	309	912
TOTAL OTHER INCOME	3,547	4,211
TOTAL INCOME	821,819	771,571

**Notes to the Financial Statements**  
**For the Financial Year Ended 26 July 2008 (continued)**

	CONSOLIDATED	
	52 WEEKS ENDED 26 JULY 2008 \$'000	52 WEEKS ENDED 28 JULY 2007 \$'000

**4. Expenses and Losses**

Profit before income tax expense includes the following specific net losses and expenses:

<b>EXPENSES</b>		
Costs of goods sold	332,528	323,661
<b>DEPRECIATION AND IMPAIRMENT OF NON-CURRENT ASSETS</b>		
Depreciation of plant and equipment	23,195	19,523
Depreciation of plant and equipment under lease	130	38
Impairment of plant and equipment	439	271
<b>TOTAL DEPRECIATION AND IMPAIRMENT OF NON-CURRENT ASSETS</b>	<b>23,764</b>	<b>19,832</b>
<b>AMORTISATION OF NON-CURRENT ASSETS</b>		
Amortisation of leasehold premiums	177	179
<b>TOTAL AMORTISATION OF NON-CURRENT ASSETS</b>	<b>177</b>	<b>179</b>
<b>TOTAL DEPRECIATION, IMPAIRMENT AND AMORTISATION</b>	<b>23,941</b>	<b>20,011</b>
<b>BORROWING COSTS EXPENSED</b>		
Finance charges on capitalised leases	57	20
Interest charges on bank loans and overdraft	10,813	6,909
Provision for discount adjustments on deferred acquisition purchase price	318	-
<b>TOTAL BORROWING COSTS</b>	<b>11,188</b>	<b>6,929</b>
Bad debts	14	60
Performance rights expense	1,499	278
Realised foreign exchange loss	210	-
Unrealised foreign exchange loss – loan to associate	283	-
Unrealised foreign exchange loss – investment in associate	303	-
Cash flow hedge ineffectiveness	259	-
Unrealised foreign exchange loss- financial instruments not in designated hedging relationship	3,330	1,825
Net loss on disposal of plant and equipment	116	193

**Notes to the Financial Statements**  
**For the Financial Year Ended 26 July 2008 (continued)**

**5. Segment Information**

(A) BUSINESS SEGMENTS

The consolidated entity operates in one industry segment, being the retailing of apparel.

(B) GEOGRAPHIC SEGMENTS

	AUSTRALIA		NEW ZEALAND		UNITED STATES		ELIMINATIONS		CONSOLIDATED	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
<i>REVENUE</i>										
Sale of goods	709,940	653,666	105,878	108,756	319	-	-	-	816,137	762,422
Other revenue and income	4,551	8,493	1,131	656	-	-	-	-	5,682	9,149
Segment income	714,491	662,159	107,009	109,412	319	-	-	-	821,819	771,571
<i>RESULT</i>										
Segment result	68,076	81,777	7,026	7,589	(2,415)	-	(1,656)	946	71,031	90,312
Income tax expense									(21,913)	(26,421)
Net profit for the year									49,118	63,891
<i>ASSETS AND LIABILITIES</i>										
Segment assets	263,656	238,997	43,851	30,109	4,895	-	(25,904)	(10,499)	286,498	258,607
Segment liabilities	(223,361)	(202,458)	(24,696)	(12,931)	(1,174)	-	19,953	10,080	(229,278)	(205,309)
<i>OTHER SEGMENT INFORMATION</i>										
Share of loss of associate	(1,287)	(210)	-	-	-	-	-	-	(1,287)	(210)
Investment in associate	369	1,959	-	-	-	-	-	-	369	1,959
Capital expenditure	24,404	23,609	5,991	3,324	2,675	-	-	-	33,070	26,933
Depreciation and amortisation	19,985	16,813	3,435	2,927	82	-	-	-	23,502	19,740
Impairment loss recognised	439	271	-	-	-	-	-	-	439	271

**Notes to the Financial Statements**  
**For the Financial Year Ended 26 July 2008 (continued)**

**6. Business Combinations**

**ACQUISITION OF SMIGGLE PTY LIMITED**

On 27 August 2007, the Group acquired 100% of the voting shares of Smiggle Pty Ltd, a private company based in Australia specialising in the retail of fashion stationery products. The transaction has been accounted for using the acquisition method of accounting.

The minimum purchase consideration for Smiggle Pty Ltd is \$29.0 million. The total cost of the combination in August 2007 was \$24,655,000 including costs of \$126,000. The balance of the consideration is subject to an earn out agreement based on the average earnings of Smiggle Pty Ltd for 2009 and 2010, of which \$5.8m (fair value \$4.65m) has been recognised upon acquisition.

The fair value of the assets and liabilities of Smiggle Pty Ltd as at the date of acquisition are:

NET ASSETS ACQUIRED	RECOGNISED ON ACQUISITION (FAIR VALUE) \$'000	CARRYING VALUE \$'000
Property, plant and equipment	1,615	2,131
Cash and cash equivalents	322	322
Trade and other receivables	532	532
Inventories	1,523	1,523
Other	-	383
Intangible assets	26,260	26,511
	30,252	31,402
Trade and other payables	960	960
Interest bearing liabilities	85	85
Provisions	28	28
Deferred acquisition purchase price payable	4,650 *	5,800
	5,723	6,873
Net assets acquired	24,529	24,529
Costs associated with acquisition	126	
	24,655	
Cost of the combination:		
Cash	24,529	
Costs associated with the acquisition	126	
	24,655	
The cash outflow on the acquisition to date is as follows:		
Net cash acquired with the subsidiary	322	
Cash paid	(24,655)	
Net cash outflow	(24,333)	

From the date of acquisition, Smiggle Pty Ltd has contributed \$2,978,260 to the net profit after tax of the consolidated entity.

\* Deferred purchase price payable is classified as other non-current liabilities in the consolidated balance sheet.

**Notes to the Financial Statements**  
**For the Financial Year Ended 26 July 2008 (continued)**

		CONSOLIDATED	
	NOTE	2008 \$'000	2007 \$'000

**7. Dividends**

a) Dividends paid during the year

Final 2007 Franked Dividend paid 12 September 2007 10.0 cents per share (2006: 8.5 cents)		20,133	18,530
Interim 2008 Franked Dividend paid 22 May 2006 10.5 cents per share (2007: 9.5 cents)		21,140	19,126
<b>TOTAL DIVIDENDS PAID</b>		<b>41,273</b>	<b>37,656</b>

b) Dividend proposed

Final 2008 franked dividend payable nil (2007: 10.0 cents per share)		-	20,133
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**8. Earnings Per Share**

The earnings and weighted average number of ordinary and potential ordinary shares used in the calculations of earnings per share are as follows:

	2008 \$'000	2007 \$'000
Net profit after tax	49,118	63,891

	NUMBER OF SHARES	NUMBER OF SHARES
Weighted average number of ordinary shares used in calculating basic and diluted earnings per share	201,330,882	214,072,482

The performance rights do not have a dilutive effect for the purposes of the calculation of the diluted earnings per share.

There have been no other conversions to, calls of, or subscriptions for ordinary shares or issues of potential ordinary shares since the reporting date and before the completion of this financial report.

## **Notes to the Financial Statements**

### **For the Financial Year Ended 26 July 2008 (continued)**

#### **9. Contingent Liabilities**

The consolidated entity has bank guarantees totalling \$2,939,397 (2007: \$1,571,748).

The company acts as guarantor for the NZ\$20.0 million bank loans that have been drawn by its subsidiary, Kimbyr Investments Limited. The company has not provided for this financial guarantee as it believes Kimbyr Investments Limited will be able to meet the terms and repayment dates of the loan.

Under the terms of the shareholder agreement Just Kor Fashion Group (Pty) Ltd, the company's associate operating in South Africa, has the right to call on each shareholder for additional funding of up to ZAR15.0 million each. The company has not provided for this obligation in this financial report.

#### **10. Subsequent Events**

On 8 August 2008, Premier Investments Limited obtained a controlling interest in the shares of Just Group Limited following an off-market takeover offer for all of the Group's shares that commenced on 31 March 2008.

At the date of this report, the directors and management of Just Group Limited have identified the following consequences resulting from this change of control on the future financial performance and operations of the company:

- i.* review events were triggered in relation to the company's financing facilities which may give rise to increased financing costs, withdrawal of facilities or changes to terms
- ii.* certain leases require landlord consent to a change of control

The Group has been discussing these matters with the relevant parties and remains confident that there will be no material changes to the Group's financial position as presented in the financial statements as a result of the change of control.


## Directors' Declaration

In accordance with a resolution of the directors of Just Group Limited we state that:

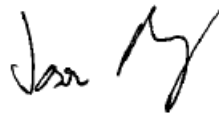
- (a) In the directors' opinion the attached financial statements and notes thereto comply with Accounting Standard AASB 1039: Concise Financial Reports; and
- (b) the attached financial statements and notes thereto have been derived from the full financial report of the company.

Signed in accordance with a resolution of the directors.

On behalf of the Directors.



Solomon Lew  
Chairman  
22 September 2008



Jason Murray  
Managing Director