

Appendix 4D

Half yearly report

Period ending on 30 January 2016

1. Name of entity

PREMIER INVESTMENTS LIMITED ABN 64 006 727 966

2. Reporting periods

Half-year ended ("Current period")	Half-year ended ("Previous corresponding period")
30 January 2016	24 January 2015

3. Results for announcement to the market

	\$A'000		
3.1 Revenues from ordinary activities	up	14.50%	to 569,062
3.2 Profit from ordinary activities after tax attributable to members	up	25.88%	to 71,537
3.3 Net profit for the period attributable to members	up	25.88%	to 71,537
3.4 Dividends (distributions)	Amount per security	Franked amount per security	
<i>Current period:</i>			
Interim dividend	23.0 cents	23.0 cents	
<i>Previous corresponding period:</i>			
Interim dividend	21.0 cents	21.0 cents	
Special dividend	9.0 cents	9.0 cents	
3.5 Record date for determining entitlements to the dividends	22 APRIL 2016		
3.6 Brief explanation of any of the figures reported above necessary to enable the figures to be understood:			
<p>Please refer to the attached consolidated half-year report and investors' presentation accompanying this report. The current half-year ended 30 January 2016 represents a period of 27 weeks, whereas the comparative half-year ended 24 January 2015 represented a period of 26 weeks.</p> <p>This half yearly report is to be read in conjunction with the most recent annual financial report.</p>			

4. NTA backing

	Current period	Previous corresponding Period
Net tangible asset backing per ordinary security	\$3.27	\$3.17

5. Control gained over entities having material effect

Name of entity (or group of entities) NOT APPLICABLE

Consolidated profit (loss) from ordinary activities and extraordinary items after tax of the controlled entity (or group of entities) since the date in the current period on which control was acquired	\$
Date from which such profit has been calculated	
Profit (loss) from ordinary activities and extraordinary items after tax of the controlled entity (or group of entities) for the whole of the previous corresponding period	\$

Loss of control of entities having material effect

Name of entity (or group of entities) NOT APPLICABLE

Consolidated profit (loss) from ordinary activities and extraordinary items after tax of the controlled entity (or group of entities) for the current period to the date of loss of control	\$
Date from which such profit has been calculated	
Consolidated profit (loss) from ordinary activities and extraordinary items after tax of the controlled entity (or group of entities) while controlled during the whole of the previous corresponding period	\$
Contribution to consolidated profit (loss) from ordinary activities and extraordinary items from sale of interest leading to loss of control	\$

6. Dividends (in the case of a trust, distributions)

Date the dividends (distribution) are payable

17 May 2016

Record date to determine entitlements to the dividends (distribution) (i.e., on the basis of proper instruments of transfer received by 5.00 pm if securities are not ⁺CHES approved, or security holding balances established by 5.00 pm or such later time permitted by SCH Business Rules if securities are ⁺CHES approved)

22 April 2016

Amount per security

	Amount per security	Franked amount per security at 30% tax	Amount per security of foreign source dividend
Interim dividend: Current period	23.0 cents	23.0 cents	Nil
Interim dividend: Previous corresponding period	21.0 cents	21.0 cents	Nil
Special dividend: Previous corresponding period	9.0 cents	9.0 cents	Nil

Half yearly report - interim dividends (distribution) on all securities

	Current period \$A'000	Previous corresponding period - \$A'000
Ordinary securities (<i>each class separately</i>)	36,037	46,890
Preference securities (<i>each class separately</i>)	-	-
Other equity instruments (<i>each class separately</i>)	-	-
Total	36,037	46,890

7. The dividend or distribution plans shown below are in operation.

The last date(s) for receipt of election notices for the dividend or distribution plans

N/A

Any other disclosures in relation to dividends (distributions).

DIVIDEND REINVESTMENT PLAN DOES NOT APPLY TO THE INTERIM DIVIDEND.

8. Details of aggregate share of profits (losses) of associates and joint venture entities

Group's share of associates and joint venture entities:		Current period \$A'000	Previous corresponding period \$A'000
Name of Associate/Joint Venture entity	Ownership Interest	Entity Net Profit After Tax	Entity Net Profit After Tax
Breville Group Limited	27.5%	\$8,476	\$8,154
Just Kor Fashion Group (Pty Ltd)	Current period: 0% Previous corresponding period: 50%	\$nil	\$311

9. Foreign Entities – accounting standards used in compiling the report

Not applicable

10. Description of audit dispute or qualification

Not applicable

PREMIER INVESTMENTS LIMITED
ABN 64 006 727 966
AND CONTROLLED ENTITIES

CONSOLIDATED HALF-YEAR FINANCIAL REPORT
FOR THE 27 WEEK PERIOD 26 JULY 2015 TO
30 JANUARY 2016

This half-year report is to be read in
conjunction with the annual financial report
for the year ended 25 July 2015

PREMIER INVESTMENTS LIMITED AND CONTROLLED ENTITIES

**CONSOLIDATED HALF-YEAR FINANCIAL REPORT
FOR THE 27 WEEK PERIOD ENDED
30 JANUARY 2016**

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Corporate information

This half-year financial report covers the consolidated entity comprising Premier Investments Limited and its subsidiaries (the Group).

A description of the Group's operations and its principal activities is included in the review of results and operations and principal activities in the directors' report. The directors' report is unaudited and does not form part of the financial report.

Directors

Solomon Lew	Chairman and Non-executive Director
David Crean	Deputy Chairman and Non-executive Director
Mark McInnes	Executive Director
Timothy Antonie	Non-executive Director and Lead Independent Director
Lindsay Fox	Non-executive Director
Sally Herman	Non-executive Director
Henry Lanzer	Non-executive Director
Michael McLeod	Non-executive Director
Gary Weiss	Non-executive Director

Company Secretary

Kim Davis

Registered office and principal place of business

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Company website

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Company email

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Share register

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452 Johnston Street
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Enquiries within Australia: 1300 850 505
Enquiries outside Australia: (+61 3) 9415 5000
Website: www.computershare.com.au

Auditors

Ernst & Young
8 Exhibition Street
Melbourne Victoria 3000

Solicitors

Arnold Bloch Leibler
Level 21
333 Collins Street
Melbourne Victoria 3000

Directors' Report

The directors present their report together with the financial report of the consolidated entity consisting of Premier Investments Limited and the entities it controlled, for the 27 week period 26 July 2015 to 30 January 2016 and independent review report thereon.

Directors

The names of the company's directors in office during the half-year and until the date of this report are as below. Directors were in office for this entire period unless otherwise stated.

Solomon Lew	Chairman and Non-executive Director
David Crean	Deputy Chairman and Non-executive Director
Mark McInnes	Executive Director
Timothy Antonie	Non-executive Director and Lead Independent Director
Lindsay Fox	Non-executive Director
Sally Herman	Non-executive Director
Henry Lanzer	Non-executive Director
Michael McLeod	Non-executive Director
Gary Weiss	Non-executive Director

Earnings per share

	27 WEEKS ENDED 30 JANUARY 2016 CENTS	26 WEEKS ENDED 24 JANUARY 2015 CENTS
Basic earnings per share	45.70	36.48
Diluted earnings per share	45.36	36.07

Dividends

During the half-year the following fully franked dividend was paid and declared:

2015 Final Dividend: 21 cents per share paid on 20 November 2015.

The directors have recommended the following fully franked dividends:

2016 Interim Dividend: 23 cents per share payable on 17 May 2016.

Operating and financial review

Net profit after income tax for the half-year ended 30 January 2016 was \$71.5 million (2015 half-year: \$56.8 million). The 25.9% increase in comparable net profit after income tax resulted mostly from an improvement in the retail segment (Premier Retail). The current reporting period, being 26 July 2015 to 30 January 2016, represents 27 weeks, whereas the comparative period, 27 July 2014 to 24 January 2015, represents 26 weeks.

As Premier's core business, Premier Retail was the key contributor to the Group's operating results for the half-year. The retail segment reported a 31.4% increase in profit before income tax. Retail segment income increased by 14.3%.

The investment segment (excluding the inter-group dividend) reported a 13.1% decrease in profit before tax.

Directors' Report (continued)

Rounding

The amounts contained in this report and in the financial report have been rounded to the nearest \$'000 (unless otherwise stated) under the option available to the Company under ASIC Class Order 98/0100. The company is an entity to which the Class Order applies.

Significant events after the reporting date

On 17 March 2016 the directors declared an interim ordinary dividend of 23 cents per share fully franked.

Auditors' independence declaration

Attached on page 22 is a copy of the Auditors' Independence Declaration provided under section 307C of the *Corporations Act 2001* in relation to the review of the half-year report for the period 26 July 2015 to 30 January 2016. This auditors' declaration forms part of the Directors' Report.

Signed in accordance with a resolution of the Board of Directors.



Solomon Lew

Chairman

17 March 2016

**Interim Consolidated Statement of Comprehensive Income
For the Period 26 July 2015 to 30 January 2016**

CONSOLIDATED			
		27 WEEKS ENDED 30 JANUARY 2016	26 WEEKS ENDED 24 JANUARY 2015
	NOTES	\$'000	\$'000
Continuing operations			
Sale of goods	4	564,951	491,359
Other revenue	4	4,111	5,623
Total Revenue		569,062	496,982
Other income	4	534	3,602
Total Revenue and Other Income		569,596	500,584
Changes in inventories of finished goods, work in progress and raw materials used			
		(198,931)	(180,180)
Employee expenses		(137,780)	(118,752)
Operating lease rental expense		(102,961)	(97,215)
Depreciation, impairment and amortisation	5	(12,314)	(10,034)
Advertising and direct marketing		(6,662)	(7,617)
Finance costs	5	(2,515)	(2,798)
Other expenses		(18,587)	(13,789)
Total expenses		(479,750)	(430,385)
Share of profit of associates		8,476	8,465
Profit from continuing operations before income tax		98,322	78,664
Income tax expense	6	(26,785)	(21,833)
Net profit for the period attributable to owners		71,537	56,831
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Net (loss) gain on cash flow hedges		(14,600)	30,472
Foreign currency translation		(915)	415
Net movement in other comprehensive income of associates		416	2,608
Income tax on items of other comprehensive income	5	4,380	(9,142)
Other comprehensive (loss) income for the period, net of tax		(10,719)	24,353
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD ATTRIBUTABLE TO OWNERS, NET OF TAX		60,818	81,184
Earnings per share for profit from continuing operations attributable to the ordinary equity holders of the parent:			
Basic for profit for the year (cents per share)	9	45.70	36.48
Diluted for profit of the year (cents per share)	9	45.36	36.07

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

**Interim Consolidated Statement of Financial Position
As at 30 January 2016**

CONSOLIDATED			
		30 JANUARY 2016	25 JULY 2015
	NOTES	\$'000	\$'000
Current assets			
Cash and cash equivalents	11	288,382	281,572
Trade and other receivables		11,007	14,341
Inventories		112,627	111,814
Other financial instruments	12	15,069	30,795
Other current assets		9,156	6,309
Asset classified as held for sale	12	-	1,000
Total current assets		436,241	445,831
Non-current assets			
Property, plant and equipment		129,254	123,537
Intangible assets		854,738	854,711
Deferred tax assets		12,590	13,476
Investment in associate	13	213,748	209,477
Other financial instruments	12	3,061	1,771
Total non-current assets		1,213,391	1,202,972
TOTAL ASSETS		1,649,632	1,648,803
Current liabilities			
Trade and other payables		71,644	73,723
Interest-bearing liabilities		-	14
Other financial instruments	12	200	117
Provisions		16,864	16,097
Income tax payable		29,531	31,781
Other current liabilities		6,054	5,635
Total current liabilities		124,293	127,367
Non-current liabilities			
Interest-bearing liabilities		83,031	104,641
Deferred tax liabilities		61,019	64,285
Other financial instruments	12	-	10
Provisions		1,891	1,782
Other non-current liabilities		12,615	12,411
Total non-current liabilities		158,556	183,129
TOTAL LIABILITIES		282,849	310,496
NET ASSETS		1,366,783	1,338,307
EQUITY			
Contributed equity	14	608,615	608,615
Reserves		22,002	32,223
Retained earnings		736,166	697,469
TOTAL EQUITY		1,366,783	1,338,307

The above Statement of Financial Position should be read in conjunction with the accompanying notes

**Interim Consolidated Statement of Cash Flows
For the Period 26 July 2015 to 30 January 2016**

CONSOLIDATED			
	NOTES	27 WEEKS ENDED 30 JANUARY 2016	26 WEEKS ENDED 24 JANUARY 2015
		\$'000	\$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers (inclusive of GST)		625,480	544,773
Payment to suppliers and employees (inclusive of GST)		(525,227)	(474,329)
Income taxes paid		(26,905)	(13,254)
Interest received		4,138	5,174
Borrowing costs paid		(2,606)	(3,043)
NET CASH FLOWS FROM OPERATING ACTIVITIES		74,880	59,321
CASH FLOWS USED IN INVESTING ACTIVITIES			
Proceeds from disposal of plant and equipment		204	-
Proceeds from disposal of asset classified as held for sale		1,000	-
Purchase of investments		(29)	(18,096)
Dividends received from associates		4,649	4,622
Payment for property, plant and equipment		(19,975)	(17,522)
Payment for trademarks		(40)	(29)
NET CASH FLOWS USED IN INVESTING ACTIVITIES		(14,191)	(31,025)
CASH FLOWS USED IN FINANCING ACTIVITIES			
Equity dividends paid		(32,840)	(31,143)
Proceeds from borrowings		48,069	36,000
Repayment of borrowings		(69,094)	(60,450)
Payment of finance lease liabilities		(14)	(28)
NET CASH FLOWS USED IN FINANCING ACTIVITIES		(53,879)	(55,621)
NET INCREASE (DECREASE) IN CASH HELD		6,810	(27,325)
Cash at the beginning of the financial period		281,572	313,308
CASH AT THE END OF THE FINANCIAL PERIOD	11	288,382	285,983

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

**Interim Consolidated Statement of Changes in Equity
For the period 26 July 2015 to 30 January 2016**

CONSOLIDATED							
	CONTRIBUTED EQUITY	CAPITAL PROFITS RESERVE	PERFORMANCE RIGHTS RESERVE	CASH FLOW HEDGE RESERVE	FOREIGN CURRENCY TRANSLATION RESERVE	RETAINED PROFITS	TOTAL
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At 26 July 2015	608,615	464	4,082	21,197	6,480	697,469	1,338,307
Net profit for the period	-	-	-	-	-	71,537	71,537
Other comprehensive loss	-	-	-	(10,220)	(499)	-	(10,719)
Total comprehensive income (loss) for the half-year	-	-	-	(10,220)	(499)	71,537	60,818
Transactions with owners in their capacity as owners							
Performance rights issue	-	-	498	-	-	-	498
Dividends Paid	-	-	-	-	-	(32,840)	(32,840)
Balance as at 30 January 2016	608,615	464	4,580	10,977	5,981	736,166	1,366,783
At 27 July 2014	608,615	464	3,281	(3,565)	2,334	687,400	1,298,529
Net profit for the period	-	-	-	-	-	56,831	56,831
Other comprehensive income	-	-	-	21,330	3,023	-	24,353
Total comprehensive income for the half-year	-	-	-	21,330	3,023	56,831	81,184
Transactions with owners in their capacity as owners							
Performance rights issue	-	-	423	-	-	-	423
Dividends Paid	-	-	-	-	-	(31,143)	(31,143)
Balance as at 24 January 2015	608,615	464	3,704	17,765	5,357	713,088	1,348,993

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

**Notes to the Consolidated Financial Statements
For the period ended 30 January 2016**

1 Corporate Information

The consolidated half-year financial report of Premier Investments Limited for the period ended 30 January 2016 was authorised for issue in accordance with a resolution of the directors on 17 March 2016. Premier Investments Limited is a for profit company incorporated in Australia and limited by shares, which are publicly traded on the Australian Securities Exchange (ASX).

2 Basis of preparation and accounting policies

i. Basis of preparation

The general purpose consolidated financial report for the period ended 30 January 2016 has been prepared in accordance with AASB 134 "Interim Financial Reporting" and the *Corporations Act 2001*.

This financial report does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the consolidated entity as the full financial report.

It is recommended that the half-year financial report be read in conjunction with the annual report for the 52 weeks ended 25 July 2015 and considered together with any public announcements made by Premier Investments Limited during the period ended 30 January 2016 in accordance with the continuous disclosure obligations of the ASX listing rules.

The financial report has been prepared on a historical cost basis, except for other financial instruments and assets classified as held for sale which have been measured at fair value.

The amounts contained in this report have been rounded to the nearest thousand dollars (\$'000) unless otherwise stated under the option available to the company under ASIC Class Order 98/0100. The company is an entity to which the Class Order applies.

ii. Significant accounting policies

Apart from the changes in accounting policies noted below, the accounting policies and methods of computation are the same as those adopted in the most recent financial report.

iii. Changes in accounting policies and disclosures

The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board that are relevant to their operations and are effective for the financial year beginning 26 July 2015. New and revised Standards and Interpretations effective for the current half-year that are relevant to the Group include:

- AASB 2015-3 Amendments to Australian Accounting Standards arising from the Withdrawal of AASB 1031 Materiality. The Standard completes the withdrawal of references to AASB 1031 in all Australian Accounting Standards and Interpretations, allowing that Standard to effectively be withdrawn.

The adoption of the amending Standard does not have any impact on the disclosures or the amounts recognised in the Group's consolidated financial report. The Group has not elected to early adopt any new Standards or amendments issued but not yet effective.

iv. Basis of consolidation

The consolidated financial reports comprise the financial statements of Premier Investments Limited and its subsidiaries as at 30 January 2016.

Notes to the Consolidated Financial Statements
For the period ended 30 January 2016

2 Basis of preparation and accounting policies (continued)

v. Comparatives

The current reporting period 26 July 2015 to 30 January 2016 represents 27 weeks and the comparative period is 27 July 2014 to 24 January 2015 representing 26 weeks.

When necessary, comparative figures have been adjusted to conform with changes in presentation in the current period.

3 Seasonality of operations

The financial performance of the consolidated entity is exposed to seasonality in the volume of sales; such that the Group's financial performance is historically weighted in favour of the period to 30 January. This seasonality is a reflection of the additional retail sales generated during the Christmas trading period each year.

Notes to the Consolidated Financial Statements
For the period ended 30 January 2016

	CONSOLIDATED	
	27 WEEKS ENDED 30 JANUARY 2016 \$'000	26 WEEKS ENDED 24 JANUARY 2015 \$'000
4 Revenue		
<i>REVENUE</i>		
Revenue from sale of goods	564,951	490,836
Revenue from sale of goods to associate	-	523
TOTAL REVENUE FROM SALE OF GOODS	564,951	491,359
<i>OTHER REVENUE</i>		
Membership program fees	155	200
Sundry Revenue	16	12
<i>Interest</i>		
Other persons	3,940	5,328
Associate	-	83
Total Interest	3,940	5,411
TOTAL OTHER REVENUE	4,111	5,623
TOTAL REVENUE	569,062	496,982
<i>OTHER INCOME</i>		
Gain on ineffective cash flow hedges	91	1,791
Insurance proceeds	-	159
Royalty and licence fees		
Other persons	37	65
Associate	-	145
Other	406	1,442
TOTAL OTHER INCOME	534	3,602
TOTAL REVENUE AND OTHER INCOME	569,596	500,584

Notes to the Consolidated Financial Statements
For the period ended 30 January 2016

	CONSOLIDATED	
	27 WEEKS ENDED 30 JANUARY 2016 \$'000	26 WEEKS ENDED 24 JANUARY 2015 \$'000
5 Expenses		
DEPRECIATION AND IMPAIRMENT OF NON-CURRENT ASSETS		
Depreciation of plant and equipment	12,026	9,890
Depreciation of plant and equipment under lease	12	24
Impairment of plant and equipment	262	82
TOTAL DEPRECIATION AND IMPAIRMENT OF NON-CURRENT ASSETS	12,300	9,996
AMORTISATION OF NON-CURRENT ASSETS		
Amortisation of leasehold premiums	14	38
TOTAL AMORTISATION OF NON-CURRENT ASSETS	14	38
TOTAL DEPRECIATION, IMPAIRMENT AND AMORTISATION	12,314	10,034
FINANCE COSTS		
Finance charges on capitalised leases	22	7
Discount charges on provisions	3	8
Interest charges on bank loans and overdraft	2,490	2,783
TOTAL FINANCE COSTS	2,515	2,798
OTHER EXPENSES		
Foreign exchange losses	155	244
Unrealised foreign exchange gains – loan to associate	-	(109)
Unrealised foreign exchange gains – investment in associate	-	(88)
Net loss on disposal of plant and equipment	144	22
DISCLOSURE OF TAX EFFECTS RELATING TO EACH COMPONENT OF OTHER COMPREHENSIVE INCOME		
Cash flow hedges	(4,380)	9,142
INCOME TAX ON ITEMS OF OTHER COMPREHENSIVE INCOME	(4,380)	9,142

Notes to the Consolidated Financial Statements
For the period ended 30 January 2016

	CONSOLIDATED	
	27 WEEKS ENDED 30 JANUARY 2016 \$'000	26 WEEKS ENDED 24 JANUARY 2015 \$'000

6 Income tax expense

A reconciliation between income tax expense and the product of accounting profit before tax multiplied by the Group's applicable income tax rate is as follows:

Accounting profit before income tax	98,322	78,664
At the Parent Entity's statutory income tax rate of 30% (2015: 30%)	29,497	23,599
Adjustments in respect of current income tax of previous years	-	(1,303)
Expenditure not allowable for income tax purposes	60	247
Effect of different rates of tax on overseas income	(1,401)	(537)
Income not assessable for income tax purposes	(2,543)	(309)
Other	1,172	136
Income tax expense reported in the Statement of Comprehensive Income	26,785	21,833

7 Segment information

Identification of reportable segments

The Group has identified its operating segments based on the internal reports that are reviewed and used by the chief operating decision maker in assessing the performance of the Group and in determining the allocation of resources. The operating segments are identified by management based on the nature of the business conducted. Discrete financial information about each of these operating businesses is reported to the chief operating decision maker on at least a monthly basis.

The reportable segments are based on aggregate operating segments determined by the similarity of the business conducted, as these are the sources of the Group's major risks and have the most effect on the rate of return.

Types of products and services

Retail

The retail segment represents the financial performance of a number of speciality retail fashion chains.

Investment

The investments segment represents investment in securities for both long-term and short-term gains and interest. This includes a significant investment in an associate, accounted for using the equity method of accounting.

Accounting policies

The accounting policies used by the Group in reporting segments internally is the same as those contained in note 2 of the most recent annual report and in the prior periods.

It is the Group's policy that if items of revenue and expense are not allocated to operating segments then any associated assets and liabilities are also not allocated to the segments. This is to avoid asymmetrical allocations within segments which management believe would be inconsistent.

Notes to the Consolidated Financial Statements
For the period ended 30 January 2016

7 Segment information (continued)

The following table presents revenue and profit information for reportable segments for the period ended 30 January 2016 and 24 January 2015.

	RETAIL		INVESTMENT		ELIMINATIONS		TOTAL	
	30 JANUARY 2016 \$'000	24 JANUARY 2015 \$'000	30 JANUARY 2016 \$'000	24 JANUARY 2015 \$'000	30 JANUARY 2016 \$'000	24 JANUARY 2015 \$'000	30 JANUARY 2016 \$'000	24 JANUARY 2015 \$'000
<i>REVENUE</i>								
Sale of goods	564,951	491,359	-	-	-	-	564,951	491,359
Other revenue	260	399	33,851	28,224	(30,000)	(23,000)	4,111	5,623
Other income	534	3,412	-	190	-	-	534	3,602
Total Segment income	565,745	495,170	33,851	28,414	(30,000)	(23,000)	569,596	500,584
Total revenue and other income per the statement of comprehensive income							569,596	500,584
Segment profit before income tax expense	88,408	67,261	39,914	34,403	(30,000)	(23,000)	98,322	78,664
Reconciliation of segment net profit before tax to net profit after tax								
Income tax expense							(26,785)	(21,833)
Net profit after tax per the statement of comprehensive income							71,537	56,831
	30 JANUARY 2016 \$'000	25 JULY 2015 \$'000	30 JANUARY 2016 \$'000	25 JULY 2015 \$'000	30 JANUARY 2016 \$'000	25 JULY 2015 \$'000	30 JANUARY 2016 \$'000	25 JULY 2015 \$'000
<i>ASSETS AND LIABILITIES</i>								
Segment assets	432,077	433,169	1,284,453	1,278,659	(72,263)	(72,756)	1,644,267	1,639,072
Segment liabilities	229,054	251,239	74,654	76,268	(26,224)	(26,742)	277,484	300,765
Capital expenditure	19,131	36,526	-	-	-	-	19,131	36,526

Notes to the Consolidated Financial Statements
For the period ended 30 January 2016

	CONSOLIDATED	
	27 WEEKS ENDED 30 JANUARY 2016 \$'000	26 WEEKS ENDED 24 JANUARY 2015 \$'000
8 Dividends paid		
<u>a) Dividend declared and paid during the period</u>		
Final fully franked dividend for the financial year ended 25 July 2015: 21 cents per share (2014: 20 cents per share)	32,840	31,143
<u>b) Dividends proposed and not recognised as a liability</u>		
Interim fully franked dividend for the period ended 30 January 2016: 23 cents per share (2015: 21 cents per share)	36,037	32,823
Special fully franked dividend for the period ended 30 January 2016: nil (2015: 9 cents per share)	-	14,067
Total Dividends proposed and not recognised as a liability	36,037	46,890

9 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:

Net profit after tax	71,537	56,831
	Number of shares '000	Number of shares '000
Weighted average number of ordinary shares used in calculating:		
- basic earnings per share	156,523	155,797
- diluted earnings per share	157,714	157,564

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 Consolidated Financial Statements
For the period ended 30 January 2016**

10 Impairment testing

Intangible assets – Goodwill and Brand Names

After initial recognition, goodwill and indefinite-life brand names acquired in a business combination are measured at cost less any accumulated impairment losses. Goodwill and brand names are not amortised but are subject to impairment testing on an annual basis or whenever there is an indication of impairment. Goodwill and brand names were subject to a full annual impairment test as at 25 July 2015. A review of indicators of impairment relating to goodwill and brand names was performed as at 30 January 2016. As a result of this review, no indicators of impairment were identified that would require a full impairment test to be performed as at 30 January 2016.

The financial statements for the 52 weeks ended 25 July 2015 detail the most recent annual impairment tests undertaken for both brand names and goodwill. The Group's impairment tests for goodwill and brand names are based on value in use calculations. The key assumptions used to determine the recoverable amounts for the cash-generating units to which brand names and goodwill relate, are disclosed in these financial statements.

Property, plant and equipment

Property, plant and equipment items are subject to impairment testing at each reporting period. As at 30 January 2016, an impairment expense of \$262,000 has been recognised (2015: \$82,000).

CONSOLIDATED		
	30 JANUARY 2016	25 JULY 2015
	\$'000	\$'000

11 Cash and cash equivalents

Reconciliation of cash and cash equivalents:

Cash at bank and in hand	38,420	35,099
Short-term deposits	249,962	246,473
Balance at end of the period	288,382	281,572

12 Financial instruments

Fair value of financial assets and liabilities

The Group measures financial instruments, such as derivatives, at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place in either the principal market for the asset or liability, or, in the absence of a principal market, the most advantageous market for the asset or liability, which is accessible to the Group.

The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. The group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Notes to the Consolidated Financial Statements
For the period ended 30 January 2016

12 Financial instruments (continued)

Fair value of financial assets and liabilities (continued)

The Group uses various methods in estimating the fair value of a financial instrument. These methods, based on the lowest level input that is significant to the fair value measurement as a whole, comprise:

- Level 1: The fair value is calculated using quoted prices in active markets.
 Level 2: The fair value is estimated using inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).
 Level 3: The fair value is estimated using inputs for the asset or liability that are not based on observable market data.

The fair value of financial instruments as well as the methods used to estimate the fair value are summarised in the table below:

CONSOLIDATED				
	QUOTED MARKET PRICE	VALUATION TECHNIQUE – MARKET OBSERVABLE INPUTS	VALUATION TECHNIQUE – NON MARKET OBSERVABLE INPUTS	TOTAL
	LEVEL 1 \$'000	LEVEL 2 \$'000	LEVEL 3 \$'000	TOTAL \$'000
30 January 2016				
<u>Financial Assets</u>				
Derivative financial assets	-	18,130	-	18,130
	-	18,130	-	18,130
<u>Financial Liabilities</u>				
Derivative financial liabilities	-	200	-	200
	-	200	-	200
25 July 2015				
<u>Financial Assets</u>				
Asset classified as held for sale	-	-	1,000	1,000
Derivative financial assets	-	32,566	-	32,566
	-	32,566	1,000	33,566
<u>Financial Liabilities</u>				
Derivative financial liabilities	-	127	-	127
	-	127	-	127

There were no transfers between Level 1, Level 2 and Level 3 during the period.

At the reporting date, the fair value of cash and cash equivalents, trade and other receivables and trade and other payables approximates their carrying values. The carrying value of interest-bearing liabilities approximates the fair value, being the amount at which the liability could be settled in a current transaction between willing parties.

**Notes to the Consolidated Financial Statements
For the period ended 30 January 2016**

12 Financial instruments (continued)

Fair value of financial assets and liabilities (continued)

Derivative financial instruments

Derivative financial instruments are used by the Group in the normal course of business in order to hedge exposure to fluctuations in foreign exchange rates in accordance with the Group's financial risk management policies. The majority of the Group's inventory purchases are denominated in US Dollars, and in order to protect against exchange rate movements, the Group has entered into forward exchange contracts to purchase US Dollars.

These contracts are hedging highly probable forecasted purchases and they are timed to mature when payments are scheduled to be made. The forecast purchases are expected to occur between 1 and 18 months from 30 January 2016.

Derivative financial instruments are initially recognised in the statement of financial position at cost and subsequently remeasured to their fair value. Accordingly, the carrying amounts of forward exchange contracts approximate their fair values at the reporting date.

Forward currency contracts are measured based on observable spot exchange rates, the yield curves of the respective currencies as well as the currency basis spread between the respective currencies.

13 Investment in associate

Premier Investments Limited holds 27.5% (25 July 2015: 27.5%) of Breville Group Limited, a company incorporated in Australia whose shares are quoted on the Australian Securities Exchange. Premier accounts for its investment in Breville Group Limited using the equity method of accounting.

Premier's share of profit after tax of its associate for the period was \$8,476,000 (24 January 2015: \$8,465,000). Dividends received from investment in associate for the half-year amounted to \$4,649,000 (24 January 2015: \$4,622,000).

	CONSOLIDATED	
	30 JANUARY 2016 \$'000	25 JULY 2015 \$'000

14 Contributed equity

Ordinary shares – issued	608,615	608,615
Total contributed equity	608,615	608,615

	NUMBER OF SHARES '000	NUMBER OF SHARES '000
<i>Movements in issued shares during the period:</i>		
Balance at start of the period	156,380	155,714
Shares issued during the period (i)	304	666
Balance at end of the period	156,684	156,380

(i) 304,386 shares (2015: 665,201) were issued in relation to the performance rights plan.

Notes to the Consolidated Financial Statements
For the period ended 30 January 2016

15 Commitments and contingencies

As at 30 January 2016, Just Group Limited has bank guarantees totalling \$5,776,054 (2015: \$3,139,466) and outstanding letters of credit of \$565,192 (2015: \$386,389).

16 Events after the reporting date

On 17 March 2016 the directors declared an interim ordinary dividend of 23 cents per share fully franked.

Directors' Declaration

In accordance with a resolution of the Directors of Premier Investments Limited we state that:

In the opinion of the directors:

- (a) The financial statements and notes of the consolidated entity for the half-year ended 30 January 2016 are in accordance with the *Corporations Act 2001*, including:
 - (i) Giving a true and fair view of the financial position as at 30 January 2016 and the performance for the period ending on that date of the consolidated entity;
 - (ii) Complying with Accounting Standard AASB 134 Interim Financial Reporting and the *Corporations Regulations 2001*.
- (b) There are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

On behalf of the board



Solomon Lew

Chairman

17 March 2016



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Auditor's Independence Declaration to the Directors of Premier Investments Limited

As lead auditor for the review of Premier Investments Limited for the half-year ended 30 January 2016, I declare to the best of my knowledge and belief, there have been:

- a) no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- b) no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Premier Investments Limited and the entities it controlled during the financial period.

Ernst & Young

A handwritten signature in black ink, appearing to read 'Rob Perry', written over a light grey rectangular background.

Rob Perry
Partner
17 March 2016

Report on the Half-Year Financial Report

We have reviewed the accompanying consolidated half-year financial report of Premier Investments Limited, which comprises the consolidated statement of financial position for the period 26 July 2015 to 30 January 2016, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal controls as the directors determine are necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position for the period 26 July 2015 to 30 January 2016 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Premier Investments Limited and the entities it controlled during the half-year, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We have given to the directors of the company a written Auditor's Independence Declaration, a copy of which is included in the Directors' Report.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Premier Investments Limited is not in accordance with the *Corporations Act 2001*, including:

- a) giving a true and fair view of the consolidated entity's financial position for the period 26 July 2015 to 30 January 2016 and of its performance for the half-year ended on that date; and
- b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Ernst & Young



Rob Perry
Partner
Melbourne
17 March 2016