



27 April 2016

Premier Investments announces new Employment Agreement with Premier Retail CEO, Mark McInnes

Premier Investments Limited (**Premier**) today announced that Premier Retail CEO, Mark McInnes, has re-committed himself to Premier by signing a new employment agreement.

Since Mr McInnes joined Premier in April 2011, the market capitalisation of Premier has increased by \$1.6 billion from \$0.9 billion to \$2.5 billion. In addition, during this same period, Premier shareholders have received a total of \$313 million in fully franked dividends. Despite the outstanding performance of Premier since Mr McInnes was first appointed as CEO, Mr McInnes has received no salary increase since his appointment as CEO until the increase provided for under this new employment agreement.

The new employment agreement is on substantially the same terms but includes an increase to Mr McInnes' base remuneration and maximum STI from \$2,000,000 each to \$2,500,000 for each.

Mr McInnes has indicated that he is committed to remaining in Melbourne for the foreseeable future and accordingly has recently purchased land and will now construct a new home in Melbourne. Mr McInnes is currently renting his home in Melbourne. In order to fund this purchase and construction, the Board has approved the sale of 800,000 Premier shares by Mr McInnes and has agreed to provide rental assistance for a maximum of three years.

Mr McInnes will continue to be entitled to 1,000,000 performance rights in Premier divided into four equal tranches. Each tranche of Performance Rights will be tested during April 2017, April 2018, April 2019 and April 2020. The key terms of these Performance Rights were voted on and approved by shareholders at the 2015 Annual General Meeting. Certain additional terms of the Performance Rights and any termination payments that might arise under the new employment agreement will be submitted to shareholders for approval, including treatment of Mr McInnes' performance rights on cessation of his employment and the exercise of Premier's discretion if Premier has not achieved a positive total

shareholder return in a relevant financial year, but circumstances otherwise justify such an award.

Premier has also agreed to reimburse Mr McInnes for any loss he suffers and to set aside his post-employment restrictions if shareholder approval is not obtained.

Upon election by Premier, Mr McInnes will be subject to post-employment restrictions for a maximum of two years commencing from the end of his 12 month notice period, subject to ongoing payment of his base remuneration.

Premier Chairman Solomon Lew said: “Over the past five years, Mark has led a first class team to deliver significant returns to Premier shareholders. The Board is delighted that Mark has today re-committed himself to a long term future with Premier and we look forward to his continued contribution and leadership.”

ENDS

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