



PREMIER INVESTMENTS LTD

2018 Half Year results overview
16 March 2018



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PREMIER INVESTMENTS LIMITED

1H18 OVERVIEW



- Group profit
 - Underlying net profit before tax \$110.5 million, up 9.9% on 1H17¹
 - Reported net profit after tax \$78.6 million, up 9.4% on 1H17
 - Increased record ordinary interim dividend of 29 cps fully franked, up 11.5% or 3 cps on 1H17 (1H17: 26 cps)

- Premier consolidated balance sheet remains strong
 - Cash on hand of \$185.5 million at end of 1H18
 - Inventories clean at half year end
 - Balance sheet at end of 1H18 shows investment in associate (Breville Group Limited) as \$221.3 million. The current market value of this investment \$447.4 million²
 - Investment in Myer Holdings Limited of \$54.8 million
 - Franking credit pool of \$221.2 million

Note:

1. PMV 1H18 underlying EBIT and underlying NPBT excludes costs incurred in relation to its investment in Myer Holdings Limited (\$0.9m) including preparation for legal action; costs incurred regarding the Melbourne Head Office move of Premier Retail to Premier Investments owned property scheduled for April 2018 of \$2.0m (Premier Investments \$1.8m; Premier Retail \$0.2m) and one-off costs investing in Smiggle Europe Expansion of \$0.3m, all included within 'Total expenses' in the statutory accounts. PMV 1H17 underlying EBIT and underlying NPBT excludes non-recurring costs of \$3.0m regarding the finalisation of the one-off litigation matter previously reported
2. Based on share price of \$12.51 on 14 March 2018.

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Premier Investments 1H18 overview

- Premier Retail contribution to Premier Investments performance:
 - Record 1st Half sales of \$630.1 million, up 7.0% on 1H17
 - Record 1st Half Underlying EBIT of \$102.5 million, up 10.2% on 1H17¹
 - Record 1st Half Underlying EBIT % to Sales of 16.3%, up 47 bps on 1H17¹
 - Record Underlying Net profit before tax of \$100.2 million, up 10.2% on 1H17¹
 - 1H18 LFL sales up 2.4% on 1H17 on a constant currency basis
 - Smiggle sales up 26.7% on a previous record 1H17 and up 60% over 2 years
 - Peter Alexander sales up 15.0% on a previous record 1H17
 - Online sales up 71.2% on 1H17, now exceeding 10% of the respective markets' total sales
 - Original 2020 Online Sales target of \$100 million expected to be achieved in calendar year 2018, two years ahead of original plan
 - Targeted capital investment program continues to drive future growth

Note:

1. Premier Retail 1H18 underlying EBIT and underlying NPBT excludes costs incurred regarding the Melbourne Head Office move of Premier Retail to Premier Investments owned property scheduled for April 2018 of \$0.2m and one-off costs investing in Smiggle Europe Expansion of \$0.3m, both included within 'Total expenses' in the statutory accounts. Premier Retail 1H17 underlying EBIT and underlying NPBT excludes non-recurring costs of \$3.0m regarding the finalisation of the one-off litigation matter previously reported.



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Premier Investments summarised consolidated income statement

\$m	1H18	1H17
Premier Retail EBIT – underlying	102.5	93.0
Premier Investments income from associate (BRG)	10.0	9.3
Premier Investments other revenue (Interest, Dividends, Rent & Other)	3.9	3.9
Premier Investments expenses (ex Premier Retail)	(3.2)	(3.0)
Underlying finance costs	(2.7)	(2.6)
Underlying net profit before tax	110.5	100.6
Expenses incurred on future head office property		
– Depreciation, relocation to date and other	(1.0)	-
– Finance costs	(1.0)	-
Expenses incurred in relation to investment in Myer Holdings Limited including preparation for legal action	(0.9)	-
Non-recurring costs (before tax)		
– Litigation matter	-	(3.0)
– Smiggle Europe expansion	(0.3)	-
Reported net profit before tax	107.3	97.6
Income tax expense	(28.7)	(25.7)
Reported net profit after tax	78.6	71.9

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Premier Investments summarised consolidated balance sheet

\$m	27 Jan 2018	29 Jul 2017
Assets		
Cash and cash equivalents	185.5	170.6
Inventories	140.1	140.8
Property, plant and equipment	223.2	214.4
Other assets	33.0	35.4
Deferred tax assets	36.7	35.8
Listed investment at fair value	54.8	67.7
Investment in associate	221.3	216.9
Intangible assets	855.4	855.1
Total assets	1,750.0	1,736.7
Liabilities		
Interest bearing loans and borrowings	146.6	173.5
Deferred tax liabilities	59.9	58.8
Trade payables, provisions and other liabilities	169.6	168.7
Total liabilities	376.1	401.0
Equity		
Contributed equity	608.6	608.6
Reserves	(27.8)	(30.1)
Retained earnings	793.1	757.2
Total equity	1,373.9	1,335.7



PREMIER RETAIL

Premier Retail delivers record sales and EBIT

- Record 1st Half sales of \$630.1 million, up 7.0% on 1H17
- Record 1st Half Underlying EBIT of \$102.5 million, up 10.2% on 1H17¹
- Record 1st Half Underlying EBIT % to Sales of 16.3%, up 47 bps on 1H17¹
- Record 1st Half Underlying Net profit before tax of \$100.2 million, up 10.2% on 1H17¹
- 1H18 LFL sales up 2.4% on a constant currency basis
- All key growth initiatives continue to deliver
 - Smiggle global sales up 26.7% to \$170.7 million delivering highest sales revenue of all brands within Premier Retail
 - Strong global LFL growth
 - 35 new stores opened globally in 1H18
 - Peter Alexander delivered a 15.0% increase in sales with strong LFL growth and the opening of 12 new stores during 1H18
 - Online sales up 71.2% on 1H17, now exceeding 10% of the respective markets' total sales. Original 2020 Online Sales target of \$100 million expected to be achieved in calendar year 2018, two years ahead of original plan
- Targeted capital investment program continues, with 331 capital investment initiatives across all brands and markets during 1H18, including 53 new stores

Note:

1. Premier Retail 1H18 underlying EBIT and underlying NPBT excludes costs incurred regarding the Melbourne Head Office move of Premier Retail to Premier Investments owned property scheduled for April 2018 of \$0.2m and one-off costs investing in Smiggle Europe Expansion of \$0.3m, both included within 'Total expenses' in the statutory accounts. Premier Retail 1H17 underlying EBIT and underlying NPBT excludes non-recurring costs of \$3.0m regarding the finalisation of the one-off litigation matter previously reported.



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Premier Retail performance

\$000	26 weeks to 27 Jan 2018	26 Weeks to 28 Jan 2017	Var LY
Sales	630,073	588,613	+7.0%
<i>LFL sales (constant currency)</i>	+2.4%	+2.1%	
Gross Profit	397,925	376,863	+5.6%
<i>Gross margin (%)</i>	63.2%	64.0%	-87 bps
Employee Expenses ¹	(143,360)	(141,151)	+1.6%
<i>% sales</i>	22.8%	24.0%	-123 bps
Rent ¹	(113,838)	(108,321)	+5.1%
<i>% sales</i>	18.1%	18.4%	-34 bps
Advertising & Direct Marketing ¹	(8,546)	(7,535)	+13.4%
<i>% sales</i>	1.4%	1.3%	+8 bps
Depreciation, Amortisation & Impairment ¹	(13,054)	(12,767)	+2.3%
<i>% sales</i>	2.1%	2.2%	-10 bps
Other Costs of Doing Business ¹	(17,384)	(15,381)	+13.0%
<i>% sales</i>	2.8%	2.6%	+15 bps
Other income	781	1,309	
Underlying EBIT	102,524	93,017	+10.2%
<i>% sales</i>	16.3%	15.8%	+47 bps
Borrowing costs	(2,316)	(2,072)	
Underlying Profit before tax	100,208	90,945	+10.2%

Note:

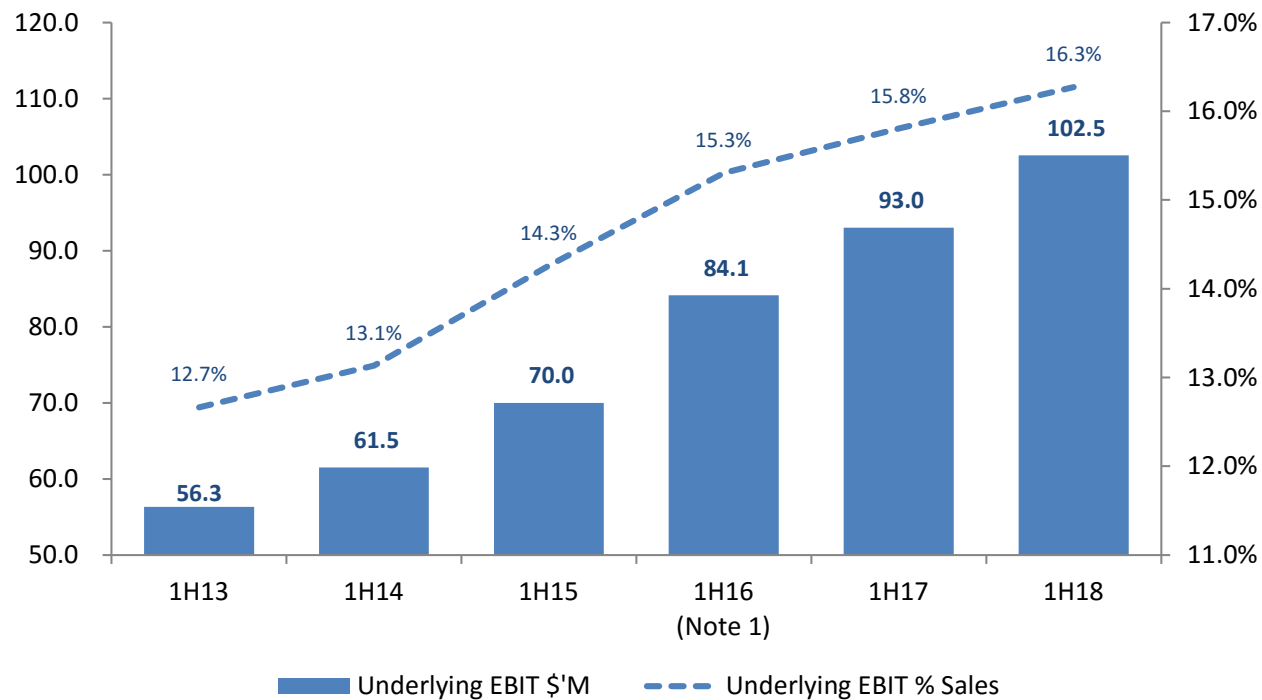
1. 1H18 total cost of doing business equates to 47.0% of sales (1H17 48.4%) excludes costs incurred regarding the Melbourne Head Office move of Premier Retail to Premier Investments owned property scheduled for April 2018 incurred during 1H18 of \$0.2m and one-off costs investing in Smiggle Europe Expansion incurred during 1H18 of \$0.3m, both included within 'Total expenses' in the statutory accounts. Premier Retail 1H17 underlying EBIT and underlying NPBT excludes non-recurring costs of \$3.0m regarding the finalisation of the one-off litigation matter previously reported.

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Premier Retail 1H18 EBIT: strong growth continues

- 6 consecutive years of first half EBIT growth in the critical summer season
- 1H18 Underlying EBIT % to Sales up 47 bps on 1H17
- Key Gross Margin and CODB strategies delivering

Underlying EBIT – 6 Year History



Notes:

1. 1H16 excludes non-comparable 27th week which contributed \$6.6m in EBIT



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Gross Margin Strategies continue to deliver

- 1H18 results were achieved notwithstanding significant external headwinds in the apparel sector, with retailers continuing to discount deeper and for longer to remain competitive
- Key long term foreign currency hedging policies allowing for merchandise planning
- Direct sourcing initiatives continued to deliver benefits from new and existing suppliers
- Sourcing from new geographies continues
- Investing in better merchants, delivering better product
- Significant growth from higher margin brands Smiggle and Peter Alexander
- Ongoing focus on disciplined execution of markdown management to keep clean inventory position at end of 1H18

CODB Focus continues to deliver

- CODB **decreased by** 144 bps as a percentage of sales to 47.0% in 1H18¹
- Costs continue to be well controlled despite structural inflationary pressure
- Investment will continue in strategic growth initiatives, including Smiggle's international growth markets (Europe and Asia), Peter Alexander and Online

Note:

1. Refer page 9 for CODB details

CODB – Store Profitability Focus

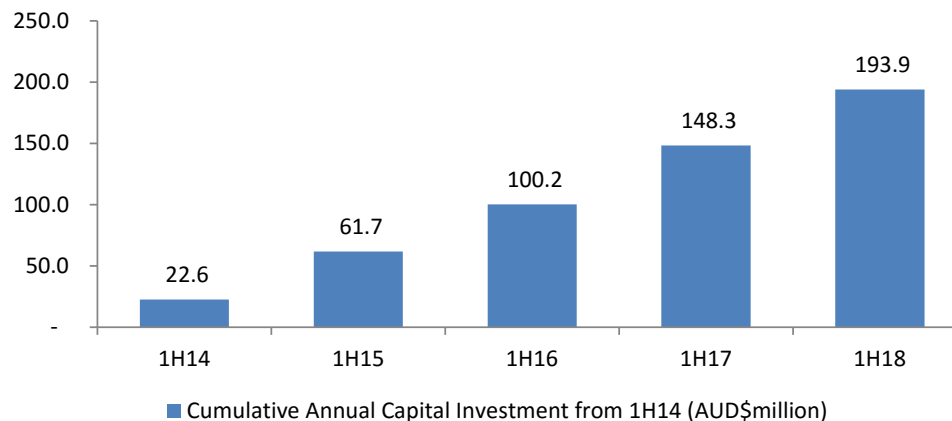
- Focus on strategic growth initiatives has resulted in the opening of 260 highly profitable new Smiggle and Peter Alexander stores globally in the last 5 years, with 190 of these new stores opened outside of Australia
- 10 stores closed during 1H18, a total of 82 stores closed over the last 5 years, as part of the ongoing program to close unprofitable stores
- As consumers continue to increase their online shopping, the focus continues on individual store profitability to drive shareholder returns. Where landlords do not continue to invest in overall shopping experiences and/or adjust their rent expectations in line with the performance of their own centres, and given the major shift in consumer behaviour, further store closures will be necessary
- Many landlords are offering other international and local fast fashion retailers significant capital and low rents to enter their centres during development. Unless those landlords offer Premier Retail the same capital and rent they are offering Premier Retail's competitors, then Premier Retail will escalate the closure of all brands in those centres. Premier can more efficiently allocate capital and achieve shareholder returns from investment in the online channel, further international expansion of our key brands or opening in other shopping centres where landlords respect the nature of Premier Retail's 7 brand portfolio
- As a direct result of unrealistic rent expectations, after over 30 years trading and generating over \$5m sales in FY17, Premier Retail closed its Just Jeans and Portmans Melbourne Flagship stores in the Bourke Street Mall in October 2017, as part of the ongoing program to close unprofitable stores

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Premier Retail investing in growth

- Investment in rapid growth of Smiggle continues in international markets
- Investment continues in Peter Alexander new stores, refurbishments, refits, upsizing and back-of-house
- Significant investment continues in all online platforms including the rapid international and local expansion of our online capability as consumer spending continues to increase online
- Targeted store upgrades and refurbishments continue in core brand network where landlords are also investing in improving the overall shopping experience
- In 1H18, 84.8% of capital investment in Australia and New Zealand stores has been funded via landlord contributions
- The group will continue to invest to underpin future growth

5 year Cumulative Capital Investment



Note:

Capital invested reflects the total of the group spend including any landlord contributions.

5

Premier Retail investing in growth

Premier Retail continues to invest in new stores, upgrades and refurbishments to deliver sustainable sales growth:

331 stores received capital investment, including a record 53 new stores (including 4 Myer Concessions) opened in 1H18



- 23 new stores opened in the United Kingdom
- 3 new stores opened in the Republic of Ireland
- 2 new stores opened in Malaysia
- 3 new stores opened in Hong Kong
- 4 new stores opened in Australia
- 2 stores relocated and refurbished in Australia
- 1 store refurbished in existing location in Australia
- 64 stores received VM fixture upgrades globally

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- 8 new stand-alone stores opened in Australia
- 4 new Myer concession stores opened in Australia
- 1 store refurbished in existing location in Australia
- 1 store relocated and refurbished in New Zealand
- 96 stores received VM fixture upgrades (70 Australia, 11 New Zealand, 15 Concession)
- 95 stores received store fixture upgrades (83 Australia, 12 New Zealand)



Smiggle Bracknell (UK) - Opened September 2017



Peter Alexander Sydney Airport T3 - Opened December 2017



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Premier Retail investing in growth

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- 1 new store opened in Australia
- 1 store refurbished in existing location in Australia
- 1 store relocated and refurbished in New Zealand



- 2 new stores opened in Australia
- 4 stores relocated and refurbished in Australia
- 3 stores refurbished in existing locations across Australia and New Zealand



- 2 new stores opened in Australia
- 5 stores relocated and refurbished in Australia
- 1 store refurbished in existing location in Australia

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- 1 new store opened in Australia
- 1 store relocated and refurbished in Australia
- 1 store refurbished in existing location in Australia

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- 1 store refurbished in existing location in Australia



Portmans Wagga Wagga – Opened October 2017



Just Jeans Armadale – Opened October 2017



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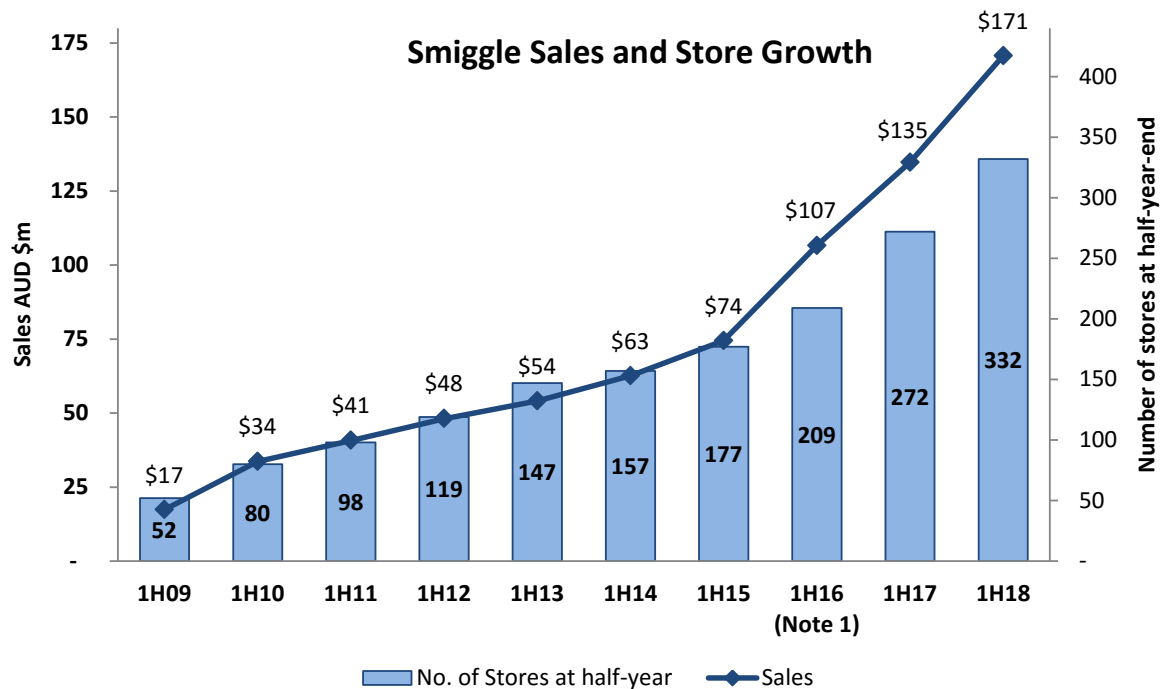
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Smiggle: Brand delivers record result

- Sales of \$170.7 million, up 26.7% on 1H17
- Another record half for the brand underpinned by strong global LFL growth and 35 new stores opened globally
- Smiggle expansion in Europe and Asia continues to deliver ahead of expectations, recording sales in excess of \$100 million in 1H18
- Smiggle entry into Continental Europe remains on track to open its first store in the Netherlands in Q2 FY19



Notes:

1. 1H16 excludes non-comparable 27th week of sales

Australia and New Zealand

- Another strong LFL and total sales performance in 1H18 across all channels
- Online continues to grow strongly through targeted investment in this highly profitable channel
- 4 new stores have opened in 1H18 and are trading ahead of expectations
- Store refurbishments in key flagship destinations continue to be highly successful, with further investments to continue
- There remains potential for additional 3-5 store openings over the next two years



Smiggle's 300th store , Midland Gate (WA) – Opened August 2017

Singapore

- Another strong LFL and total sales performance in 1H18
- Business in Singapore remains buoyant with strong demand from both locals and regional tourists; the regional travellers continue to provide insight on which markets the brand could enter next
- The opportunity exists for a further 2-3 store openings in Singapore

Hong Kong

- Following a successful launch into the market in May 2016 there are now 13 stores trading
- The brand has been well received by locals and tourists, including mainland Chinese, with encouraging sales results and strong momentum building
- 3 new stores have opened in 1H18, including another key flagship location, Harbour City in Tsim Sha Tsui
- Targeting one further store in 2H18 taking FY18 store growth to four
- Smiggle reaffirms the Hong Kong expansion plan to have 25-35 stores within five years of launch



Malaysia

- Following a successful launch into the market in April 2016 there are now 13 stores trading well ahead of expectations
- The brand has been well received by locals and tourists, with very encouraging sales results and strong momentum building
- Strong operational team in market, capably managed and lead by the Smiggle Singapore team
- 2 new stores opened in 1H18, with a further 2-4 stores to open in 2H18
- Store count will be 17-19 in less than three years, well ahead of previous guidance to open 15-25 stores over the next five years in Malaysia



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Smiggle: UK the largest market for Smiggle sales

- Another season of strong LFL and total sales growth
- 125 stores trading in the UK at the end of 1H18
- 23 new stores opened during 1H18, including the key locations of Manchester Trafford Centre, Southampton West Quay, Oxford Westgate and Glasgow Buchanan Galleries (Scotland)
- The UK was the brand's largest market for Smiggle sales in 1H18 and on track to surpass store numbers in the mature Australian market during 2H18
- Online sales have significantly outperformed the brand's most optimistic expectations. To maximise this unique and successful channel, investment will continue in people, technology and marketing, and as a result the brand will continue to adopt a prudent capital allocation policy towards any new Smiggle stores
- Global flagship site, London Oxford Street to open in May 2018. This site will provide key exposure to the brand internationally with Oxford Street's annual footfall of 194 million shoppers per annum (over 100 million of which are international visitors)
- Smiggle UK remains on track to open 30-40 stores in FY18
- Smiggle UK remains on track to deliver annual sales of \$200m by 2019



Manchester Trafford Centre – Opened October 2017



Oxford Street, London UK

Republic of Ireland

- Following a successful launch into the Republic of Ireland in April 2017, 5 stores were trading at the end of 1H18, well ahead of expectations
- The brand launched in Cork and Limerick ahead of the critical Christmas period and has been extremely well received by customers
- 3 new stores have opened in 1H18, 2 stores have already opened in 2H18, with a further flagship site to open in Q4 FY18
- Key flagship site, Grafton Street (Dublin) to open in Q4 FY18 providing further exposure to the brand internationally
- Reaffirm the market has potential for 15-20 stores within 3 years of launch



Ilac Centre (Dublin) – Opened December 2017

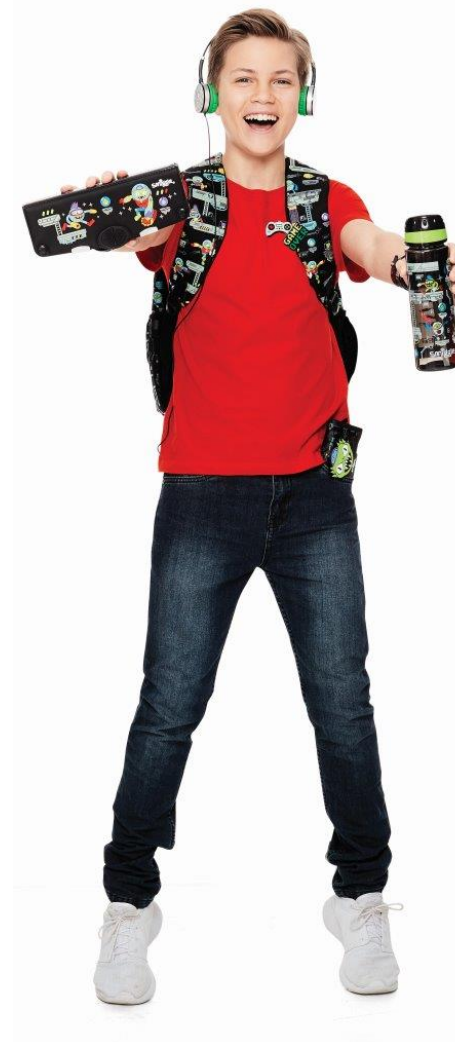
Smiggle to open first store in Continental Europe in Q2 FY19

- Continental Europe expansion remains on track
- First store in the Netherlands planned to open in Q2 FY19
- Smiggle reaffirms the opportunity to open 40-50 stores across the Netherlands and Belgium within 4-5 years of launch

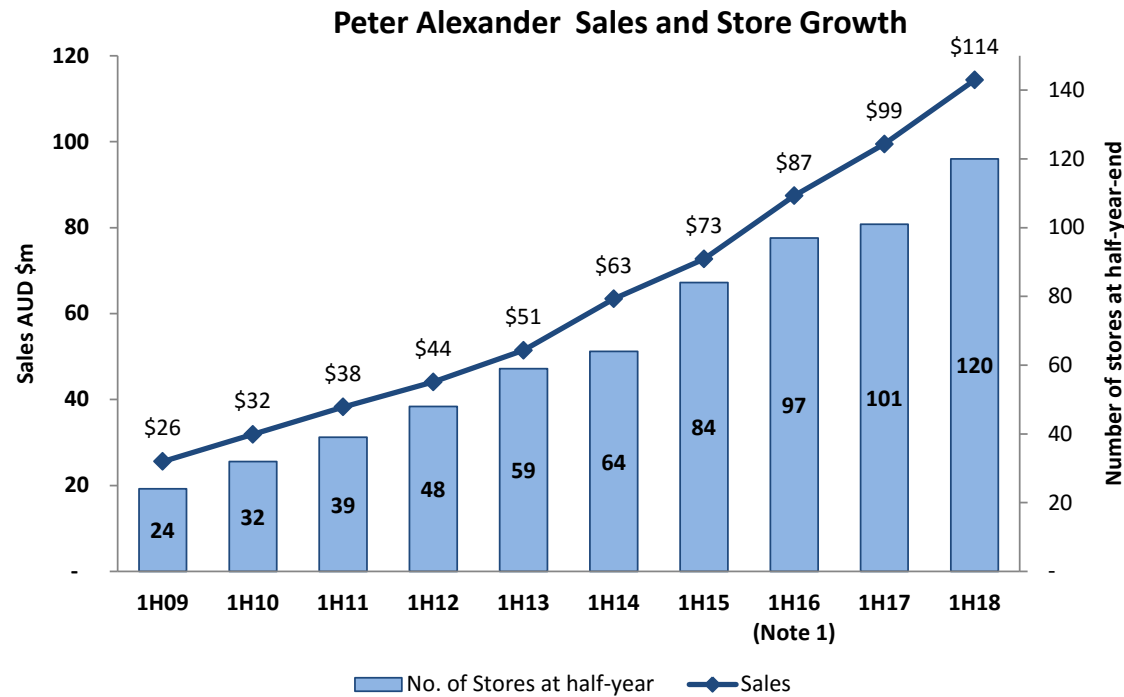
Why the Netherlands and Belgium?

- Combined personal stationery market of USD\$1.7 billion*
- A high percentage of English spoken, coupled with high levels of shopping centre penetration in both countries
- The brand's presence in the UK with a highly successful online business continues to give valuable insight into interest from other European countries, with significant orders placed from both the Netherlands and Belgium
- Exciting opportunity to expand into Continental Europe whilst leveraging the high calibre management and infrastructure already in place in the UK and Ireland

*source: Conlumino report, Nov 2015, Stationery & Cards Retailing in Netherlands, Forecast 2017; Conlumino report, Nov 2015, Stationery & Cards Retailing in Belgium, Forecast 2017



Peter Alexander performing strongly



Notes:

1. 1H16 excludes non-comparable 27th week of sales



Peter Alexander performing strongly

- Sales up 15.0% on 1H17 with strong total and LFL sales in both Australia and New Zealand
- The brand continued to be a destination for key gifting events, with Christmas & Father's Day delivering strong double digit growth
- 8 new stores opened: Hurstville, Sydney Airports Terminal 2 and Terminal 3, Wollongong, Rockhampton, Rockingham, Midland Gate and Adelaide Harbour Town - all trading ahead of expectations
- 4 new Myer concessions opened in 1H18: Myer Bendigo, Myer Southland, Myer Eastland and Myer Canberra
- Airport locations currently trading well. Melbourne Terminal 4 confirmed to open in 2H18
- Online has continued to deliver exceptional growth with consistent growth across all key categories and strong uptake on new categories of P.A. Plus and Bath & Body



Peter Alexander 2020 Growth Plan ahead of expectations

- 2020 Growth Plan progressing well ahead of expectations, with annual sales expected to exceed \$250m by FY20
- 7 new stores confirmed to open in 2H18:
 - 4 full price: Mandurah, Norwood, Balgowlah & Green Hills
 - 1 Myer concession: Myer Hobart
 - 1 airport: Melbourne Terminal 4
 - 1 outlet: Uni Hill Factory Outlet
- Key merchandise initiatives starting to deliver strong results:

P.A. Plus size expansion

- Outstanding sales in 1H18
- Category expected to double in sales in FY18

Bath & Body

- Positive response to the product ranged during Christmas
- Reaffirms our confidence in this new category for the brand
- Full range to launch in stores & online in April 2018

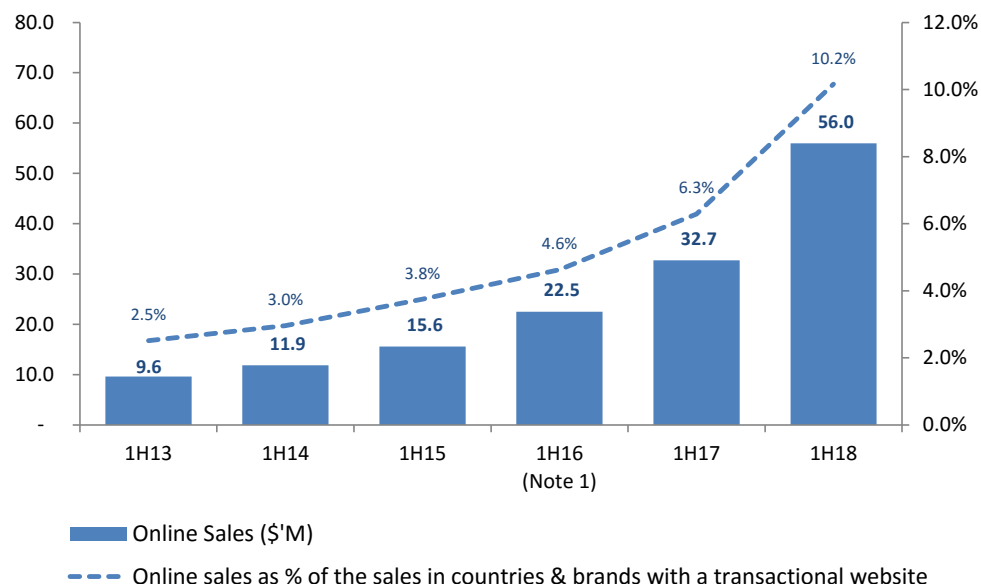
Childrenswear expansion

- P.A. Play: a range of casual play, daywear & gifting in production
- Launching online in April 2018
- Peter Alexander pilot super store to open at Green Hills, NSW in July 2018. 300m² store with one third of the space dedicated to Childrenswear including P.A Play range
- Pilot standalone Peter Alexander Junior store to open at Highpoint Shopping Centre (Victoria) in May 2018, featuring the new P.A. Play collection along with the full range of Children's sleepwear and an extended baby gifting offer



Online – now expects to deliver \$100 million annual sales, 2 years ahead of original 2020 plan

- Online sales up 71.2% on 1H17 to \$56.0 million
- Online sales 10.2% of the respective markets' sales in 1H18
- Investment continues in technology, people and new marketing initiatives to deliver a world class platform and customer experience
- 2013 investment in centralised and specifically customised Australian Distribution Centre servicing 100% order fulfilment of 100% of Premier Retail products in Australia
- Online channel continues to deliver significantly higher EBIT margin than the Group average
- All global sites continuing to deliver strong growth
- Online now expected to deliver the original 2020 sales target of \$100m in calendar 2018, 2 years ahead of schedule



Note:

1. 1H16 excludes non-comparable 27th week of sales

Smiggle achieves significant growth

- Record half for Smiggle with global sales of \$170.7m up 26.7% on 1H17 (total sales up 60% over 2 years)
- 35 new stores opened globally in 1H18 - more than one new Smiggle store opened around the globe per week for the fifth consecutive half
- Online success in both Australia and UK is significantly ahead of expectations and through ongoing targeted investment in people, technology and marketing has become a key driver of revenue and profit
- Smiggle entry into Continental Europe remains on track to open its first store in the Netherlands in Q2 FY19
- Advanced research continues in high value markets of size and scale with a further update in FY18 results
- John Cheston (Managing Director: Smiggle) continues to lead a strong and capable management team growing a truly unique global brand

Peter Alexander performing strongly

- Peter Alexander sales up 15.0% on 1H17 to \$114.4m with strong total and LFL sales growth
- Peter Alexander's 2020 growth plan progressing ahead of expectations – **annual sales expected to exceed \$250m by FY20**
 - 7 stores to open in 2H18 puts the brand on target to deliver 40 new stores over the next 3 years
 - Peter Alexander Bath & Body and extended Childrenswear range to launch in April 2018
 - Continued expansion of P.A. Plus sizes following strong sales performance of the category
 - Continued investment and growth from online
- Strong and focused management team led by Judy Coomber (Managing Director: Peter Alexander and Dotti) and Peter Alexander (Creative Director: Peter Alexander)

Online strategy delivering

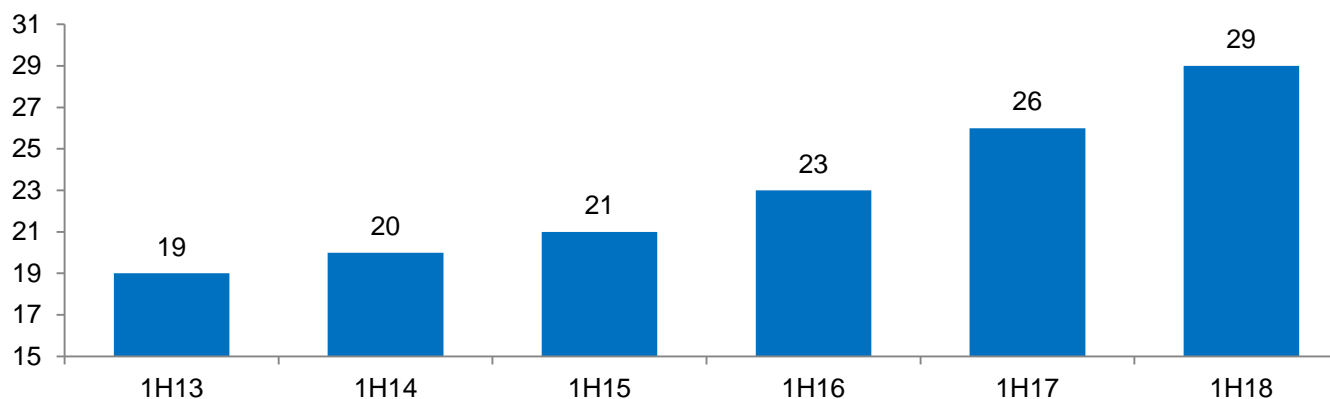
- Sales for the half up 71.2% on 1H17 to \$56.0m
- Online sales 10.2% of the respective markets' sales in 1H18
- Online channel extremely profitable with EBIT margin significantly above group average
- Significant investment continues in technology, people and marketing to deliver world class platform and online customer experience to maximise growth
- Strong and focused management team led by Georgia Chewing (Group General Manager: Internet and Marketing) continuing to grow and innovate the business
- **Online now expected to deliver the original 2020 sales target of \$100m in 2018, two years ahead of plan**



DIVIDEND

- The Premier Board has declared an increased record interim dividend of 29 cps fully franked, up 11.5% on 1H17 (1H17 Interim: 26 cps)
- The interim ordinary dividend will be payable on 15 May 2018 with record date of 1 May 2018

**Premier Investments
Interim Ordinary Dividends per Share (cents)
Fully Franked**





PREMIER RETAIL

Appendix A: BRAND BY BRAND PERFORMANCE

Highlights

- Record half with sales growth of 26.7% on 1H17 to \$170.7m (total sales up 60% over 2 years)
- Record half underpinned by strong global LFL growth
- 35 stores opened globally with 60% of stores now outside of Australia
- Online has significantly outperformed expectations and Smiggle will continue to invest in people, technology and marketing to maximise this unique customer channel
- Smiggle expansion in Europe and Asia continues to deliver ahead of expectations, recording sales in excess of \$100 million in the 1H18 season
- Smiggle entry into Continental Europe remains on track with first store to open in the Netherlands in Q2 FY19

Overview of Results

Sales	\$170.7m
Var LY	+26.7%

Store movements	Jul 17	Open	Close ¹	Jan 18
Australia	129	4	-	133
New Zealand	23	-	-	23
Singapore	20	-	-	20
UK	102	23	-	125
Malaysia	11	2	-	13
Hong Kong	10	3	-	13
Ireland	2	3	-	5
	297	35	-	332



Notes:

1. Store movements table reflects permanent store closures only, and does not include temporary store closures

Highlights

- Peter Alexander sales up 15.0% to \$114.4m with strong total and LFL sales growth
- Peter Alexander's 2020 growth plan progressing ahead of expectations: **annual sales expected to exceed \$250m by FY20**
 - 7 stores to open in 2H18 puts the brand on target to deliver 40 new stores over the next 3 years
 - Peter Alexander Bath & Body and extended Childrenswear range to launch in April 2018
 - Continued expansion of P.A. Plus size following strong sales performance of the category
 - Continued investment and growth from online

Overview of Results

Sales	\$114.4m			
Var LY	+15.0%			
Store movements	Jul 17	Open	Close ¹	Jan 18
Australia	80	8	-	88
New Zealand	14	-	1	13
Myer Concession	15	4	-	19
	109	12	1	120

Notes:

1. Store movements table reflects permanent store closures only, and does not include temporary store closures



Highlights

- Turnaround continues to gain momentum under a revitalised Portmans leadership team following the appointment of Linda Levy as the new Group General Manager of Portmans in April 2017
- LFL sales were stronger than overall sales, with LFL Sales up 19.8% in Q2 and up 33.4% in January. The first 6 weeks of 2H18 have started strongly
- 2 stores were closed in 1H18 as part of the ongoing program to close unprofitable stores, including the Melbourne flagship Bourke Street Mall store
- Georgia Fowler continues as the brand ambassador
- Focus on disciplined execution of markdown management in a highly competitive market leaving a clean inventory position at end of 1H18

Overview of Results

Sales	\$62.3m			
Var LY	+5.8%			
Store movements	Jul 17	Open	Close¹	Jan 18
Australia	90	1	2	89
New Zealand	13	-	-	13
	103	1	2	102

Notes:

1. Store movements table reflects permanent store closures only, and does not include temporary store closures



Highlights

- Turnaround continues to gain momentum under a revitalised Jacqui E leadership team following the appointment of Nicole Naccarella as the new Group General Manager of Jacqui E in June 2017
- LFL sales were up 6.8% in Q2 and up 16.1% in January. The first 6 weeks of 2H18 have started strongly
- Rachel Hunter continues as the brand ambassador
- Focus on disciplined execution of markdown management in a highly competitive market leaving a clean inventory position at end of 1H18

Overview of Results

Sales	\$36.4m			
Var LY	+1.9%			
Store movements	Jul 17	Open	Close¹	Jan 18
Australia	77	-	-	77
New Zealand	20	-	-	20
	97	-	-	97

Notes:

1. Store movements table reflects permanent store closures only, and does not include temporary store closures



Highlights

- After delivering strong 4.7% sales growth in 1H17, sales in 1H18 of \$107.3m were down 3.6% on a LFL basis. Pleasingly, Just Jeans led by Group General Manager Matthew McCormack has returned to positive LFL sales for the first 6 weeks of the new season
- 3 stores were closed in 1H18 as part of the ongoing program to close unprofitable stores, including the Melbourne flagship Bourke Street Mall store
- Just Jeans has a strong, distinctive and competitive market position
- Differentiation through the international branded denim business where investment in width of range, in-stock of sizes and personal service continues to deliver a great competitive advantage

Overview of Results

Sales	\$107.3m
Var LY	-6.1%

Store movements	Jul 17	Open	Close ¹	Jan 18
Australia	197	2	3	196
New Zealand	45	-	-	45
	242	2	3	241

Notes:

1. Store movements table reflects permanent store closures only, and does not include temporary store closures



Highlights

- Jay Jays, led by Group General Manager Linda Whitehead, delivered positive LFL Sales for the half
- 3 stores were closed in 1H18 as part of the ongoing program to close unprofitable stores
- Jay Jays has a strong, distinctive and competitive market position
- Focus on disciplined execution of markdown management in a highly competitive market leaving a clean inventory position at end of 1H18

Overview of Results

Sales	\$86.0m			
Var LY	-2.3%			
Store movements	Jul 17	Open	Close¹	Jan 18
Australia	176	2	3	175
New Zealand	34	-	-	34
	210	2	3	209

Notes:

1. Store movements table reflects permanent store closures only, and does not include temporary store closures



Highlights

- Appointment of Judy Coomber to role of Managing Director Peter Alexander and Dotti, recognising Judy's experience and track record of delivering results throughout her career. Together with the return of Deanna Moylan to the group as Dotti Group General Manager in March 2018 reporting to Judy, their combined deep experience in women's fast fashion aims to set the brand up for the future. Dotti expects a turnaround in performance as early as 1H19
- 1 store was closed in 1H18 as part of the ongoing program to close unprofitable stores
- LFL sales were stronger than overall sales
- Successful implementation of new direct sourcing channel continues to enhance margin
- Chadstone Flagship store continues to trade well above expectations

Overview of Results

Sales	\$53.1m			
Var LY	-7.8%			
Store movements	Jul 17	Open	Close²	Jan 18
Australia	98	1	1	98
New Zealand	21	-	-	21
	119	1	1	119

Notes:

1. Store movements table reflects permanent store closures only, and does not include temporary store closures



B Appendix

Overview of Premier's non-IFRS financial information

- IFRS financial information is financial information that is presented in accordance with all relevant accounting standards
- Non-IFRS financial information is financial information that is presented other than in accordance with all relevant accounting standards. For example: EBIT, underlying, non-comparable 27th week, like for like sales, cash generated, one-off, non-recurring
- Any non-IFRS financial information is clearly labelled to differentiate it from reported/IFRS financial information
- Premier provides reconciliations on the face of the slides and in the footnotes of the presentation in order to allow the reader of the presentations to clearly reconcile between the IFRS and non-IFRS financial information
- Premier management believes that the presentation of additional non-IFRS information in its results presentations provides readers of these documents with a greater understanding into the way in which management analyses the business as well as meaningful insights into the financial condition or Premier's overall performance
- The Australian Securities and Investments Commission (ASIC) acknowledges the relevance of non-IFRS financial information in providing "meaningful insight" as long as it does not mislead the reader

Forward looking statements

- Any forward looking statements contained in this document have been based on expectations at the date of this document about future events. The forward looking statements included in this document may be identified by use of the forward looking words such as believe, aim, expect, planned or other similar words. Similarly, statements that describe Premier's objectives, plans, goals or expectations are, or may be, forward looking statements. Nothing contained in this document is, or may be relied on as, a promise or representation as to the accuracy or likelihood of fulfilment of any forward looking statements, except to the extent required by law. You are therefore cautioned not to place undue reliance on any such forward looking statements
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