



Myer Holdings Limited
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IMPORTANT INFORMATION

**VOTE FOR ALL RESOLUTIONS TO SECURE AN
INDEPENDENT, CONFLICT-FREE MYER**

**DON'T RISK PREMIER'S APPARENT CONTROL AGENDA –
IGNORE PREMIER'S GREEN PROXY FORM**

**VOTE FOR ALL RESOLUTIONS TO PROTECT YOUR
INVESTMENT IN MYER**

Dear fellow shareholder,

I am writing to you in response to a second letter you may have received from Mr Lew at Premier Investments, which deeply concerns and alarms the Myer Board. The letter is designed to influence you to vote against what is in the best interests of all Myer shareholders by selling fear and undermining every aspect of the Company's strategy, management team and the Board for the interests of only one shareholder – Premier.

DON'T BE MISLED! MR LEW'S ACTIONS DON'T LIE!

Consider the following...

1. Mr Lew is asking you to vote against me as your New Chairman when the Premier Board approached me to take the role of Chairman at Premier in the past. I chose to refuse that approach. Why is Mr Lew trying to block me from acting as Myer's Chairman when I was considered good enough to lead the Premier Board?
2. Mr Lew is asking you to vote against three recently appointed Myer directors with the track record and experience to drive a complex transformation – why would he do that when he's been saying that the Myer Board needs directors with the exact skills he is now voting against? Disruption and self-interest is the only answer.
3. Mr Lew is asking you to vote against an important takeover protection resolution when he's putting up the same protection at Premier's own AGM next month. Why is it good enough for Premier but not good enough for you?

4. Mr Lew is asking you to vote for a completely fractured Board by throwing out three new and highly skilled directors who have no other motive but to work hard for you. He is trying to insert three directors that are related, proposed or affiliated parties to Mr Lew and Premier and who will create significant board disunity at a critical stage of Myer's transformation. How could this highly damaging scenario be of any benefit to shareholders or help to grow shareholder value?
5. To suggest that Myer should allow Premier onto its Board is as absurd as suggesting that if Coles owned shares in Woolworths, Coles nominees should be allowed into the Woolworths boardroom – how can the significant risks of such an idea be justified in any way?
6. Mr Lew wants 43% of non-executive board positions for a 10.77% shareholding. There are no so-called 'protocols' that can explain how such a conflicted Board could ever be expected to work effectively and efficiently. Almost half the Board would have to be routinely excluded from many board discussions because of confidentiality and conflict issues. How is this of any benefit to anyone but Premier?
7. Mr Lew's public campaign of hostility is devoid of a superior strategic plan for Myer. Mr Lew and Premier's apparent plan is to take effective control of the Board and the Company without paying for it. His plans otherwise appear self-interested, partially revealed or secret. His hostility, disruption and criticism appear intended to drive the share price down. This may be in Premier and Mr Lew's broader interests, but it is in our view against the interests of Myer shareholders.
8. Premier positions itself as a retail saviour with "magic wand" solutions for Myer but the facts about Premier's Australian retail apparel businesses don't lie. The truth is that the majority of Premier's retail businesses have delivered lower sales growth than Myer in each of the last three financial years. The Board does not believe that Mr Lew or his unnamed nominee directors are capable of driving better performance at Myer and they have announced no strategy to do so.
9. Premier brings to the table self-interest, conflict and an old "rag trading" mentality that will continue to have less and less relevance to the Australian retailing landscape. In addition to traditional retailing, the Myer Board and management have superior skills in online and omni channel retailing, and in loyalty, digital marketing and data analytics.

Vote "FOR" our new Myer directors – a vote for change without the destabilisation, conflict and secret agendas advocated by Mr Lew

The Board is recommending that you vote "FOR" me as Chairman, for JoAnne Stephenson as Chair of the Audit, Finance and Risk Committee and "FOR" Julie Ann Morrison as our newest retail specialist on the Board. A "FOR" vote will deliver the director skills that the business needs without fracturing the Board.

Vote "FOR" all resolutions to protect against the significant risk of Premier taking control of Myer without paying for it

Mr Lew is asking you to vote against an important takeover protection resolution when he's putting up the same protection at Premier's own AGM next month. The renewal in the constitution of the proportional takeover protection mechanism has been proposed so that any potential bidder has to make a takeover offer for all of your Myer shares, not just a proportion of them. One reason why Premier might oppose this resolution is to position them to grab control without making an offer for all your shares.

This presents the significant risk that you could be locked into a stock you can't easily trade as a minority shareholder with almost no prospect of another bidder for Myer. This usually has the effect of making a company's share price drop.

VOTE "FOR" ALL RESOLUTIONS TO STOP PREMIER'S APPARENT GRAB FOR CONTROL

Your Myer Board urges you to VOTE "FOR" ALL RESOLUTIONS.

REMEMBER! Your Myer Board has a fiduciary duty to act in your best interests – Premier does not!

Rather than be misled by Premier's hostile campaign designed to destabilise Myer and oust directors with the skills and commitment to work hard for you, we are asking shareholders to visit their local Myer store and see for themselves the progress made on our New Myer strategy.

We know that we have more work to do but we believe you will be impressed by what you find.

We also ask that you take a look at the update on the New Myer strategy presented on 1 November so that you can see the progress we're making in very tough times for the retail industry and how we are positioned to successfully deliver Myer's transformation. You can find that at <http://investor.myer.com.au/Investor-Centre/>.

PLEASE ACT NOW to protect your investment by voting FOR ALL RESOLUTIONS.

To ensure a conflict-free Board that will act in the interests of ALL shareholders and to ensure the maintenance of important takeover protection mechanisms **IGNORE THE GREEN PROXY FORM**. Please complete and return MYER'S OFFICIAL WHITE PROXY FORM that has been sent to you by Link Market Services with your Notice of Meeting.

You can vote online, by fax or by returning your official Myer proxy form as set out on the form no later than 11am Melbourne time on Wednesday 22 November 2017.

If you have any questions please call Myer's shareholder information line on 1300 820 260 or email us at Myer.InvestorRelations@myer.com.au.

Your Board values your support to help it focus on rebuilding our much loved Myer.

Sincerely



Garry Hounsell
Deputy Chair
Myer Holdings Limited