



ASX & MEDIA RELEASE

17 March 2016

First Half 2016 Results and New Myer progress update

Guidance revised and encouraging results from initiatives in New Myer transformation

- Full year 2016 NPAT guidance range revised to between \$66 million and \$72 million, (previously \$64 and \$72 million), excluding implementation costs associated with New Myer
- Positive customer response to new wanted brands and enhanced customer service that supports New Myer strategy

Myer Holdings Limited (MYR) today announced its results for the 26 weeks to 23 January 2016. In summary:

- Total sales up 1.8% to \$1,794.8 million, up 3.3% on comparable store sales basis
- Sales per square metre for the period increased by 4.1% to \$2,241 compared to prior period
- Sales growth averaging 5.6% in 12 Victorian and New South Wales Flagship and Premium stores, up 7.1% on a comparable store sales basis, reflecting the priority focus on these stores for implementation of New Myer initiatives
- Operating gross profit (OGP) of \$694.1 million with margin 187 basis points lower to 38.7%
- Cost of doing business (CODB) of \$555.5 million with margin improving by 135 basis points to 31.0%
- EBITDA of \$138.5 million with margin 52 basis points lower at 7.7%
- Net profit after tax (NPAT) of \$59.7 million down 4.0%
- Basic earnings per share (EPS) 7.9 cents (1H2015: 10.6 cents)
- Return on funds employed (ROFE) stabilised at 10.9%
- Interim dividend of 2.0 cents per share, fully franked, to be paid on 5 May 2016 (Record Date is 29 March 2016)

Myer Chief Executive Officer and Managing Director, Richard Umbers said: "Only months into the first year of our five year strategy, we are pleased with the early progress and positive customer response to initiatives delivered under the New Myer strategy, particularly in our Flagship and Premium stores.

"Our first wave of initiatives to deliver wanted brands, enhanced customer service and an improved omni-channel experience have helped deliver comparable store sales growth of 7.1 percent across 12 Victorian and New South Wales Flagship and Premium stores. This is a very encouraging result. We have a significant pipeline of further improvements and the team has a strong focus on execution," Mr Umbers said.

“Myer achieved a solid trading performance over Christmas and the Stocktake Sale period with a strong customer response to the Christmas Giftorium and new marketing campaigns.

“There has been significant progress in executing initiatives across each of our four strategic priorities of the New Myer strategy.”

Customer led offer

Mr Umbers said wanted brands had been a key focus during the first half: “In the past seven months we have rolled out more than 500 separate new brand destinations across our store network including leading brands such as Seed, French Connection, Nine West and Mimco.

“TOPSHOP TOPMAN has been successfully launched in six stores, with more stores scheduled in the coming months. The brand opened in Bondi in November 2015 and has generated a positive ‘halo’ effect on trading elsewhere in the store, in particular across adjacent youth businesses.

“Today we announce that leading Men’s brand Industrie will be introduced as an anchor brand to the men’s casual range across more than 30 stores from August 2016. In addition we are delighted to welcome Veronika Maine to our Womenswear offer, adding further impetus to our wanted brands strategy.

Wonderful experiences

“Myer has invested to lift customer service, by prioritising our Flagship and Premium stores, leading to well above-average sales growth and a significant improvement in our net promoter scores.

“Store management have led a program of low cost, high impact, targeted upgrades to their stores including improved visual merchandising, lighting, fitting rooms and other works.

“Myer has prioritised the allocation of team member hours to the busiest trading periods, taking advantage of the introduction of more flexible rostering,” Mr Umbers said.

Enhanced omni-channel

“The online business delivered strong revenue growth of 70 percent on the prior year with the growth in profitability exceeding sales growth. This impressive performance results from our focus to deliver an improved omni-channel experience including an expansion of the in-store iPad service, strong take up of Click and Collect and upgrades to the *myer.com.au* site.

“The recent launch of the Myer eBay store which includes over 20,000 products, further extends the reach of the Myer brand, with 7 out of 10 Australian online shoppers already using eBay,” Mr Umbers said.

Productivity step change

“Optimisation of the store footprint continues with our decision announced today not to proceed with two planned store openings at Coomera and Tuggerah and also our recent decision to exit our Brookside store in January 2017. Progress has also been made to sub-lease vacated floors at our Support Office.

“Active discussions continue with all our major property partners, on a whole of portfolio

basis, relating to total occupancy costs, space productivity, lease tenure and capital investments to support growth," Mr Umbers said.

1H2016 Result

Sales grew by 1.8 percent to \$1,794.8 million, up 3.3 percent on a comparable stores sales basis, driven by the wanted brands and enhanced service strategies.

Operating gross profit was \$694.1 million with margin 187 basis points lower to 38.7%. The introduction of new wanted brands including concessions with a higher sales productivity but lower gross profit margin, combined with our focus on a more powerful and reduced range of Myer Exclusive Brands has resulted in a deterioration in the gross profit margin.

Our focus on product, price and markdown efficiencies has helped to mitigate the impact of the Australian dollar depreciation.

Cost of doing business was \$555.5 million with margin improving by 135 basis points to 31.0%. The narrower and more focused range which is now serving a more valuable customer, has enabled us to begin removing costs and delivering efficiencies across the business.

Interest was lower due to reduced debt. NPAT was down 4.0% to \$59.7 million, consistent with expectations at this early stage of the transformation.

Pleasingly, net operating cash flows improved by \$19 million as a result of effective working capital management including increased payables of \$54 million offset by higher inventory.

Inventory increased by \$33 million largely reflecting inflationary impacts as well as higher planned purchases towards the end of the period to support sales momentum and new season launch. Inventory by units increased by 2.0%.

In 1H2016, capital expenditure was \$27.8 million compared to \$47.6 million in 1H2015 which included net cash capex of \$10.0 million spent on new stores. Capital expenditure in 1H2016 largely reflects fit out costs associated with the wanted brands rollout and store refurbishment costs.

Net debt at the end of the period was \$7 million, representing a \$254 million reduction on the previous corresponding period, and a \$42 million reduction excluding the receipt of \$212 million from the Entitlement Offer in September 2015.

Dividend

Reflecting the strong operating cash flows during the period and the strength of the balance sheet, the Board has determined an interim dividend of 2.0 cents per share, fully franked, to be paid on 5 May 2016 (Record date is 29 March 2016).

The Board has also revised the dividend target payout ratio to between 50 and 80 percent of annual NPAT (previously 70 to 80 percent of annual NPAT). Future dividends will be determined after taking in to account earnings, cash flows, balance sheet strength and being mindful of Myer's capacity to fund the rollout of strategic initiatives.

Leadership

We continue to attract new talent to the organisation at all levels. The previously outlined program of Board renewal is continuing and a global search firm has been appointed to assist in the search for candidates with relevant experience.

Outlook*

During the second half we will accelerate the rollout of New Myer initiatives leading to increased costs and capex. The increase in capex will include our major refurbishment at Warringah.

As previously outlined, FY2016 is a transitional year in which significant investments are being made in our future growth. On the assumption that there will be no significant deterioration in consumer sentiment, Myer now expects NPAT for FY2016 to be between \$66 million and \$72 million (previously \$64 million to \$72 million) excluding the impact of implementation costs associated with New Myer.

FY2016 pre-tax implementation costs associated with New Myer are now expected to be in the range of \$20 million to \$30 million, (previously \$35 to \$45 million).

** FY2016 represents a 53 week period. The FY2016 NPAT guidance includes the impact of the 53rd week, which is expected to have a minimal impact on NPAT.*

-ends-

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Analyst and Investor briefing:

A briefing will be held for analysts and investors today at 10:00am (Melbourne time). This briefing will be webcast live at: <http://streamcast.com.au/myer/HY2016/> Viewers will need to register their name, email and company to access the webcast. An archive webcast of the briefing will be available afterwards at: www.myer.com.au/investor

Myer shares are traded on the Australian Securities Exchange (MYR). Myer has a Sponsored Level I American Depository Receipt program which trades in the United States on OTC Markets (MYRSY).

The financial information provided includes non-IFRS information which have not been audited or reviewed in accordance with Australian Accounting Standards but are based on the Half-Year Financial Report (Appendix 4D).

This information is presented to assist readers in making appropriate comparisons with prior periods and to assess the performance of Myer. The non-IFRS financial information includes total sales, sales per square metre, OGP margin, CODB, EBITDA, total funds employed, net debt, working capital, operating cash flow and free cash flow. These are measures frequently quoted in the industry and forms the basis upon which many investors, financiers and analysts are briefed.

The information provided is general only and does not purport to be complete. It should be read in conjunction with Myer's other periodic and continuous disclosure announcements. You should not rely on the information provided as advice for investment purposes, as it does not take into account your objectives, financial situation and needs. You should make your own assessment and take independent professional advice in relation to the information and any action taken on the basis of the information. The information may contain "forward-looking statements". Forward-looking statements can generally be identified by the use of words such as "may", "will", "expect", "intend", "plan", "estimate", "project", "should", "could", "would", "target", "aim", "assume", "forecast", "anticipate", "believe", "continue", "objectives", "outlook", "guidance" or their negative forms or other variations or similar expressions. Indications of plans, strategies, objectives, sales and financial performance including indications of and guidance on future earnings and financial position and performance are also forward-looking statements. Forward-looking statements are not guarantees of future performance, and involve known and unknown risks, uncertainties and other factors, many of which are outside Myer's control. Actual results or performance may differ materially from those expressed, anticipated or implied in this material. Do not place undue reliance on any forward-looking statements, which are current only as at the date of this release. Further information on important factors that could cause actual results to differ materially from those projected in such statements is contained in Myer's most recent Annual Report. Subject to law, Myer assumes no obligation to update, review or revise any information contained in this material.

Table 1: Profit & Loss Statement for the 26 weeks to 23 January 2016

| | 1H2016 23 Jan 2016 \$m | 1H2015 24 Jan 2015 \$m | Change vs. LY |
|--------------------------------------|---|---|----------------------|
| Total Sales Value | 1,794.8 | 1,763.4 | +1.8% |
| Concessions | 309.7 | 265.1 | +16.8% |
| Myer Exclusive Brands | 339.6 | 364.9 | (6.9%) |
| National Brands and other | 1,145.5 | 1,133.4 | +1.1% |
| Operating Gross Profit | 694.1 | 714.9 | (2.9%) |
| <i>Operating Gross Profit margin</i> | 38.67% | 40.54% | (187bps) |
| Cost of Doing Business | (555.5) | (569.6) | +2.5% |
| <i>Cost of Doing Business/Sales</i> | 30.95% | 32.30% | +135bps |
| EBITDA | 138.5 | 145.3 | (4.7%) |
| <i>EBITDA margin</i> | 7.72% | 8.24% | (52bps) |
| Depreciation and amortisation | (44.7) | (45.1) | +0.9% |
| EBIT | 93.8 | 100.2 | (6.4%) |
| <i>EBIT margin</i> | 5.22% | 5.68% | (46bps) |
| Interest | (8.5) | (11.4) | +25.4% |
| Net Profit Before Tax | 85.2 | 88.8 | (4.1%) |
| Tax | (25.6) | (26.6) | +3.8% |
| Net Profit After Tax (NPAT) | 59.7 | 62.2 | (4.0%) |

Table 2: Balance Sheet as at 23 January 2016

| | <i>As at 23 January 2016</i> | <i>As at 24 January 2015</i> |
|-----------------------------|------------------------------|------------------------------|
| | \$m | \$m |
| Inventory | 408 | 375 |
| Other Assets | 68 | 64 |
| Less Creditors | (502) | (474) |
| Less Other Liabilities | (196) | (202) |
| Property | 24 | 25 |
| Fixed Assets | 432 | 476 |
| Intangibles | 906 | 933 |
| Total Funds Employed | 1,140 | 1,197 |
| <i>Comprising of:</i> | | |
| Debt | 147 | 307 |
| Less Cash | (140) | (46) |
| Net Debt | 7 | 261 |
| Equity | 1,133 | 936 |
| | 1,140 | 1,197 |

Table 3: Cash flow for the 26 weeks to 23 January 2016

| | 1H2016 | 1H2015 |
|-------------------------------------|---------------|---------------|
| | \$m | \$m |
| EBITDA | 138 | 145 |
| Working capital movement | 74 | 48 |
| Operating cash flow | 212 | 193 |
| <i>Conversion</i> | <i>154%</i> | <i>133%</i> |
| Capex paid / acquisitions* | (28) | (48) |
| Free cash flow | 184 | 145 |
| Tax | (5) | (14) |
| Interest | (9) | (12) |
| Dividends | 0 | (32) |
| Net proceeds from Entitlement Offer | 212 | 0 |
| Net cash flow | 382 | 87 |

* Net of landlord contributions

Table 4: Other Statistics and Financial Ratios

| | 1H 2016 | 1H 2015 |
|---------------------------------|----------------|----------------|
| Return on Total Funds Employed* | 10.9% | 11.3% |
| Gearing | 0.6% | 21.8% |
| Net Debt/EBITDA* | 0.05x | 1.16x |
| Stock Turn | 3.4x | 3.5x |
| Creditor Days | 71 days | 73 days |

* Calculated on a rolling 12 months basis

Table 5: Shares and Dividends

| | 1H 2016 | 1H 2015 |
|--------------------|----------------|----------------|
| Shares on Issue | 821.3 million | 585.7 million |
| Basic EPS* | 7.9 cents | 10.6 cents |
| Dividend per Share | 2.0 cents | 7.0 cents |

* Calculated on weighted average number of shares of 751.1 million (1H2015: 585.7 million)

17 MARCH 2016

MYER HOLDINGS INTERIM RESULTS TO 23 JANUARY 2016

RICHARD UMBERS
CEO AND MANAGING DIRECTOR

GRANT DEVONPORT
CHIEF FINANCIAL OFFICER

THE AGENDA

1H2016 Highlights

1H2016 Financial Overview

New Myer Progress

Outlook

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New Myer is on track

- Encouraging results from initiatives in New Myer transformation
- Positive customer response to new wanted brands
- Enhanced customer service in priority stores delivered positive results
- FY2016 NPAT guidance revised to between \$66 and \$72 million (previously \$64 to \$72 million)

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Delivering encouraging early results

- Total sales +1.8%, +3.3% on a comparable store basis
- Sales per square metre* +4.1% for 1H2016
- Comparable store sales +7.1% in 12 NSW and Victorian Flagship and Premium stores
- Operating gross profit margin impacted by mix, cost price inflation and AUD depreciation
- CODB / sales improved by 135 basis points
- NPAT down 4.0% to \$59.7 million
- Interim dividend 2.0 cents per share, fully franked

* See Appendix

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New Myer is coming to life

- *Wanted brands*
 - Introduced >500 separate new wanted brand destinations including TOPSHOP TOPMAN now in six stores
 - Industrie and Veronika Maine announced as new brands
- *Wonderful experiences*
 - Strong customer response to customer service investment
- *Omni channel*
 - Growth in online business in excess of 70%, with profitability growth outpacing sales growth
- *Productivity*
 - Decision to not proceed with two planned stores
 - Announced exit of Brookside store

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Result provides evidence strategy is working

- Sales benefited from wanted brands and enhanced service strategy
- Comparable store sales +3.3%
- OGP margins impacted by mix, cost increases, AUD depreciation, in part mitigated by markdown efficiencies, focus on price and product
- Savings in CODB from a number of initiatives
- Interest lower due to reduced debt
- NPAT down 4.0% to \$59.7 million
- Result supports interim dividend of 2.0 cents

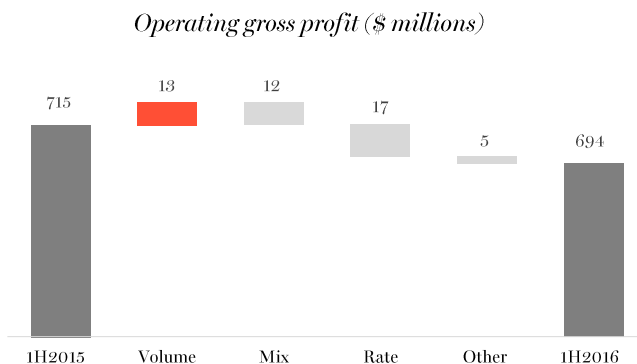
| \$ MILLIONS | 1H2016 | 1H2015 | CHANGE |
|--------------------|---------|---------|-----------|
| Sales | 1,794.8 | 1,763.4 | +1.8% |
| OGP | 694.1 | 714.9 | (2.9%) |
| OGP margin (%) | 38.7 | 40.5 | (187 bps) |
| CODB | (555.5) | (569.6) | +2.5% |
| CODB margin (%) | 31.0 | 32.3 | +135 bps |
| EBITDA | 138.5 | 145.3 | (4.7%) |
| EBITDA margin | 7.7% | 8.2% | (52 bps) |
| Depreciation | (44.7) | (45.1) | +0.9% |
| EBIT | 93.8 | 100.2 | (6.4%) |
| Interest | (8.5) | (11.4) | +25.4% |
| Tax | (25.6) | (26.6) | +3.8% |
| NPAT | 59.7 | 62.2 | (4.0%) |
| Dividend per share | 2 cents | 7 cents | |

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OGP reflects mix, AUD depreciation and cost price increases

- Introduction of wanted brands with increased concession mix led to:
 - higher sales productivity
 - lower gross profit margin
- Australian dollar depreciation, cost price inflation impacted margin
- Focus on reduced range of MEBs further impacted gross profit margin as we exit less relevant brands
- Impact partly mitigated by focus on product, price, markdowns



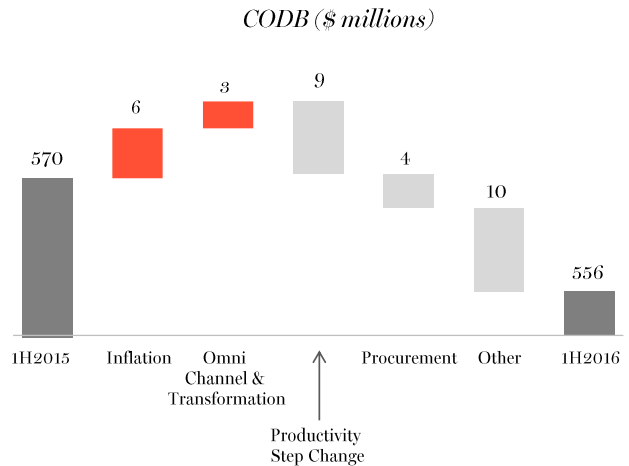
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Robust actions taken to manage CODB

Cost inflation pressure and increased costs to support omni-channel growth and transformation mitigated by efficiency initiatives:

- Productivity Step Change:
 - Support Office consolidation
 - Headcount reduction at end of FY15
 - Benefits from store rationalisation
- Procurement savings - IT contracts, travel, outgoings
- Other CODB savings – business wide efficiency measures



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Strength in operating cash flows supports interim dividend

- Improved working capital with currency and inflationary impacts on inventory and lower provisions offset by increased payables
- Capex reflects phasing of New Myer projects
- Tax payments lower due to instalment rates
- Excluding Entitlement Offer (\$212m net proceeds), net debt \$42m lower than last year

| \$ MILLIONS | 1H2016 | 1H2015 |
|---|------------|------------|
| EBITDA | 138 | 145 |
| Working capital movement | 74 | 48 |
| Operating cash flow | 212 | 193 |
| Conversion | 154% | 133% |
| Cash capex paid/acquisitions* | (28) | (48) |
| Free cash flow | 184 | 145 |
| Tax | (5) | (14) |
| Interest | (9) | (12) |
| Dividends | 0 | (32) |
| Net cash flow before Entitlement Offer | 170 | 87 |
| Net proceeds from Entitlement Offer | 212 | 0 |
| Net cash flow | 382 | 87 |
| Net debt | 7 | 261 |

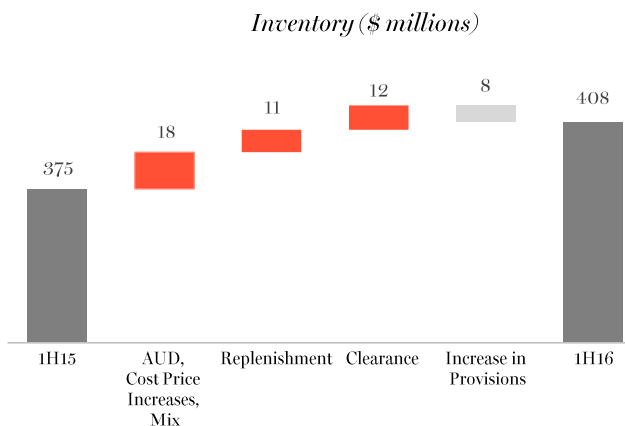
* Net of landlord contributions

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Inventory position largely reflects inflationary impact of purchases

- Inventory value up 9%
- Inflationary impact on stock value from AUD depreciation
- Improved availability through Stock Replenishment to support strong growth in key categories
- Inventory provisions increased reflective of increase in stock value and brand rationalisation strategy



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Capex investment to accelerate in 2H2016

- Capex phasing is consistent with New Myer
 - Early stage investment in wanted brands rollout
 - Seed funding for key technology projects
 - Peak trading period blackout
- Changed capex priorities vs. 1H2015
 - No new stores
 - Change in focus on refurbishments
 - Website stabilisation completed

| \$ MILLIONS | 1H2016 | 1H2015 |
|--------------------------|-------------|-------------|
| Customer Led Offer | 16.7 | 6.4 |
| Wonderful Experiences | 4.1 | 9.8 |
| Omni Channel Shopping | 2.9 | 12.6 |
| Productivity Step Change | 4.1 | 18.8 |
| Total capex paid | 27.8 | 47.6 |

* Net of landlord contributions

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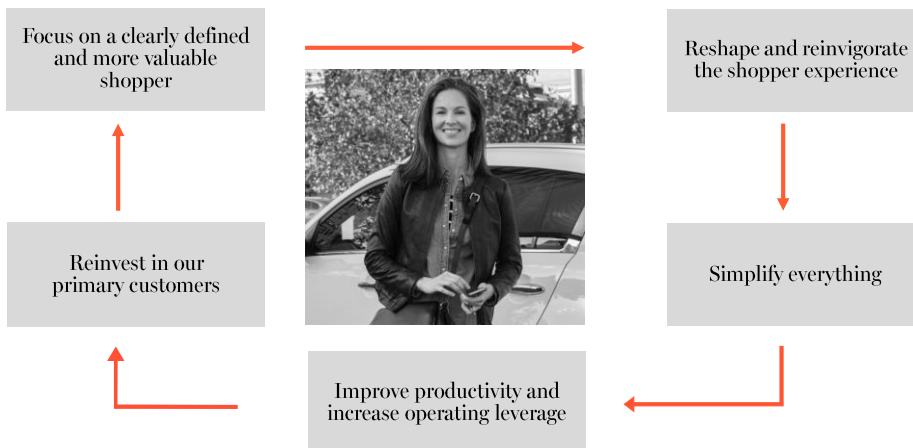
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New Myer: A sharper and more focused offer to serve a more valuable customer driving productivity and growth



Delivered across four clear strategic priorities

| 1 | CUSTOMER LED OFFER | 2 | WONDERFUL EXPERIENCES | 3 | OMNI-CHANNEL SHOPPING | 4 | PRODUCTIVITY STEP CHANGE |
|---|---------------------------|---|------------------------------|---|-------------------------------------|---|---------------------------------|
| - | Cluster optimisation | - | Elevated Visual Merchandise | - | Strengthen online proposition | - | Store network optimisation |
| - | Category optimisation | - | Dwell spaces | - | Omni-channel experience | - | Flagship store emphasis |
| - | Brand optimisation | - | Improved fitting rooms | - | Right infrastructure and operations | - | Right sizing support office |
| - | Channel optimisation | - | Enhanced Myer Hub | | | - | Cost focus and efficiency focus |
| - | Localisation | - | Signature service | | | | |
| - | Supplier collaboration | - | Trained and capable staff | | | | |
| | | - | Targeted customer engagement | | | | |
| UNDERPINNED BY ORGANISATIONAL CAPABILITY | | | | | | | |
| - | Efficient operating model | - | Execution focused culture | - | Technology, processes, systems | - | Strengthened balance sheet |

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We are undertaking the biggest brand overhaul in recent history

- Over 500 separate new wanted brand installations successfully rolled out since August 2015
- Including: Seed, Nine West, French Connection, TOPSHOP TOPMAN, Mimco, Jack & Jones,
- Renewed focus on Australian designer: Aje, White Suede, Skin & Threads, TY-LR, Morrison, sass & bide
- Significant number of brand exits and a focus on a narrower and more powerful range of Myer Exclusive Brands
- New leading Australian fashion brands joining Myer:
 - Veronika Maine to be introduced from May 2016
 - Industrie to be introduced from August 2016

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TOPSHOP TOPMAN is a demonstration of New Myer

- Exclusive Australian department store home
- Strong alignment to all primary customer segments
- Launched at Bondi with positive 'halo' sales and traffic uplift across whole of store
- Significant destinations now at Chadstone, Adelaide, Joondalup, Macquarie, Melbourne
- Plans for a further six TOPSHOP TOPMAN installations by August 2016

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Giftorium 2015 was bigger and better

- Space increased 12% to 17,000m² across 65 stores
 - Space growth predominantly in Flagship and Premium stores
- 2 million merchandise units
- 3,800 Christmas casuals including ~1,000 trained gifticians
- Strong personalisation theme
 - Over 420,000 jars of personalised Nutella sold in 8 weeks

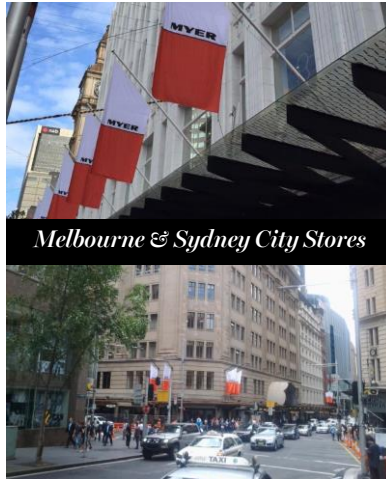
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Improved service model drives store performance

- ✓ Doorman
- ✓ Concierge on ground floor
 - ✓ Badges & grooming
- ✓ Shop & drop and parcel pickup
 - ✓ Bespoke marketing
- ✓ General Managers greet customers
 - ✓ Marvelists on each floor
 - ✓ Double Feedback ASAP
 - ✓ Smiles on Tiles
- ✓ Personal Shoppers & Fitting Room Service
 - ✓ Service Excellence
 - ✓ International Tourism
- ✓ 84,000 additional hours in 1H2016



- ✓ Above average sales growth
- ✓ Above average productivity growth
- ✓ Number of transactions +4.4%
- ✓ Average transaction value +4.6%
- ✓ NPS +9.2%



'Department Store of the Year'
at the recent Roy Morgan Customer Satisfaction Awards

MYER

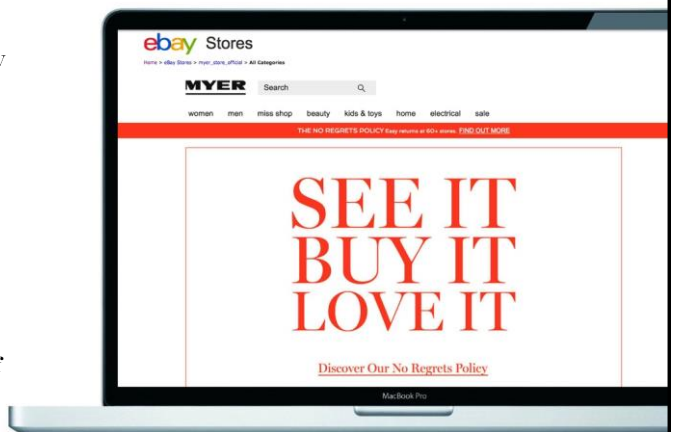
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Online sales growth +70% via *myer.com.au* and in-store iPads

- Online business saw profitability growth above sales growth
- Focus on improving service enhanced by technology
 - Over 2,500 in-store iPads
 - Shoe runner team member app
 - Strong take up of Click & Collect
 - Digital catalogues now shoppable
- eBay store with 20,000 items



Awarded "Top Department Store Retailer in recognition of outstanding achievement in digital retail" by Power Retail



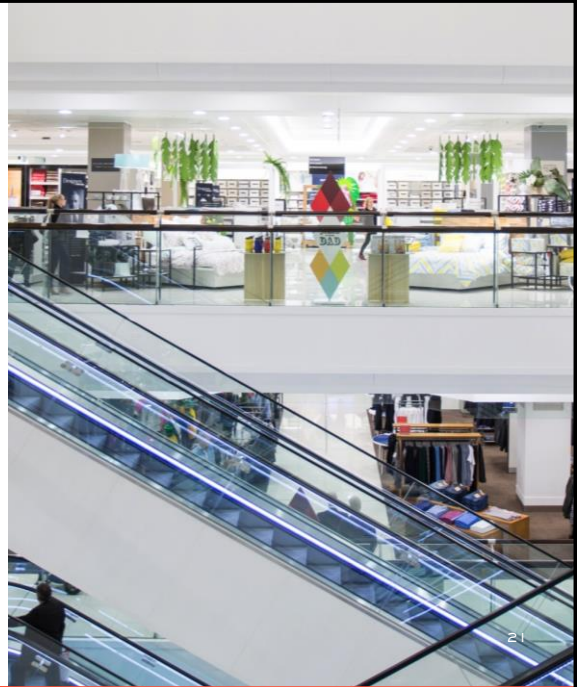
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New Myer: A more productive network

- Exit from Brookside in January 2017
- Planned stores at Coomera and Tuggerah will not proceed
- Two floors vacated at Support Office
- Active discussions continue with all major property partners, on a whole of portfolio basis

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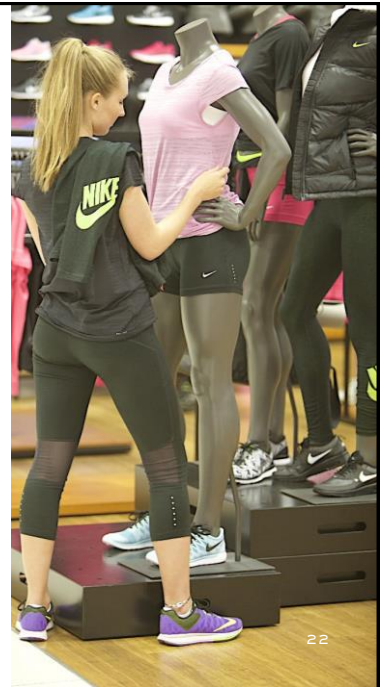
Where we prioritised investment, we saw the best results

- We said we would focus strategic priorities on Flagship and Premium stores:

| | |
|--------------------|--------------------------|
| CUSTOMER LED OFFER | WONDERFUL EXPERIENCES |
| OMNI CHANNEL | PRODUCTIVITY STEP CHANGE |

- In 12 NSW & Victoria Flagship and Premium stores:
 - + 7.1% comparable store sales growth
 - + 5.9% NPS
 - +4.4% Average transaction value

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Target metrics are already moving in the right direction

| | NEW MYER TARGET METRICS | 1H2016 |
|-------------------|---|------------------------------|
| SALES | Target average sales growth greater than 3% between 2016 - 2020 | +1.8% |
| SALES / SQM | Target greater than 20% improvement by 2020 | +4.1% |
| EBITDA | Target EBITDA growth ahead of sales growth by 2017 | Sales +1.8% EBITDA (4.7%) |
| ROFE ¹ | Target ROFE greater than 15% by 2020 | 10.9% |

¹ROFE is calculated on a rolling 12 months basis as at January 2016
See Appendix for further details on target metric calculations

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FY2016 Outlook revised

- During the 2H2016, we will accelerate the rollout of New Myer leading to increased costs and capex
- FY2016 is a transitional year in which significant investments are being made in our future growth.
- Assuming no significant deterioration in consumer sentiment, Myer now expects NPAT for FY2016 to be between \$66 million and \$72 million (previously \$64 to \$72 million) excluding implementation costs
- FY2016 pre-tax implementation costs associated with New Myer now expected to be between \$20 and \$30 million, (previously between \$35 to 45 million)

MYER



...TO BRING THE LOVE OF
SHOPPING TO LIFE

through:

Passionate people

Inspiring brands

Wonderful experiences

Personal connections

Embracing change

MYER

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17 MARCH 2016

MYER HOLDINGS INTERIM RESULTS TO 23 JANUARY 2016

RICHARD UMBERS
CEO AND MANAGING DIRECTOR

GRANT DEVONPORT
CHIEF FINANCIAL OFFICER

Appendix: Target metrics defined

| | NEW MYER TARGET METRICS | DEFINITION |
|-------------|---|---|
| SALES | Target average sales growth greater than 3% between 2016 - 2020 | Start point for target metric is FY2015 (26 July 2015) |
| SALES / SQM | Target greater than 20% improvement by 2020 | Sales per square metre is calculated on a rolling 12 months basis using average selling leasable area (SLA). Start point for target metric is July 2015 of \$3,910 / m ² . On a 12 month rolling basis, sales /m2 were up 2.1% compared to July 2015. For the 1H2016, growth on 1H2015 was 4.1%. Average SLA in 1H2016 was 800,999 sqm (1H2015 was 819,171 sqm) |
| EBITDA | Target EBITDA growth ahead of sales growth by 2017 | Start point for target metric is FY2015 (26 July 2015) |
| ROFE | Target ROFE greater than 15% by 2020 | Start point for target metric is FY2015 ROFE calculated on a rolling 12 months basis of 10.7% |

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Disclaimer

Myer shares are traded on the Australian Securities Exchange (MYR). Myer has a Sponsored Level I American Depository Receipt program which trades in the United States on OTC Markets (MYRSY).

The financial information provided includes non-IFRS information which have not been audited or reviewed in accordance with Australian Accounting Standards but are based on the Half-Year Financial Report (Appendix 4D).

This information is presented to assist readers in making appropriate comparisons with prior periods and to assess the performance of Myer. The non-IFRS financial information includes total sales, sales per square metre, OGP margin, CODB, EBITDA, total funds employed, net debt, working capital, operating cash flow and free cash flow. These are measures frequently quoted in the industry and forms the basis upon which many investors, financiers and analysts are briefed.

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