

# THE JUST GROUP



## Half Year Results FY2006

**Howard McDonald** Managing Director  
**Jason Murray** Chief Financial Officer

7 March 2006

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JACQUIE



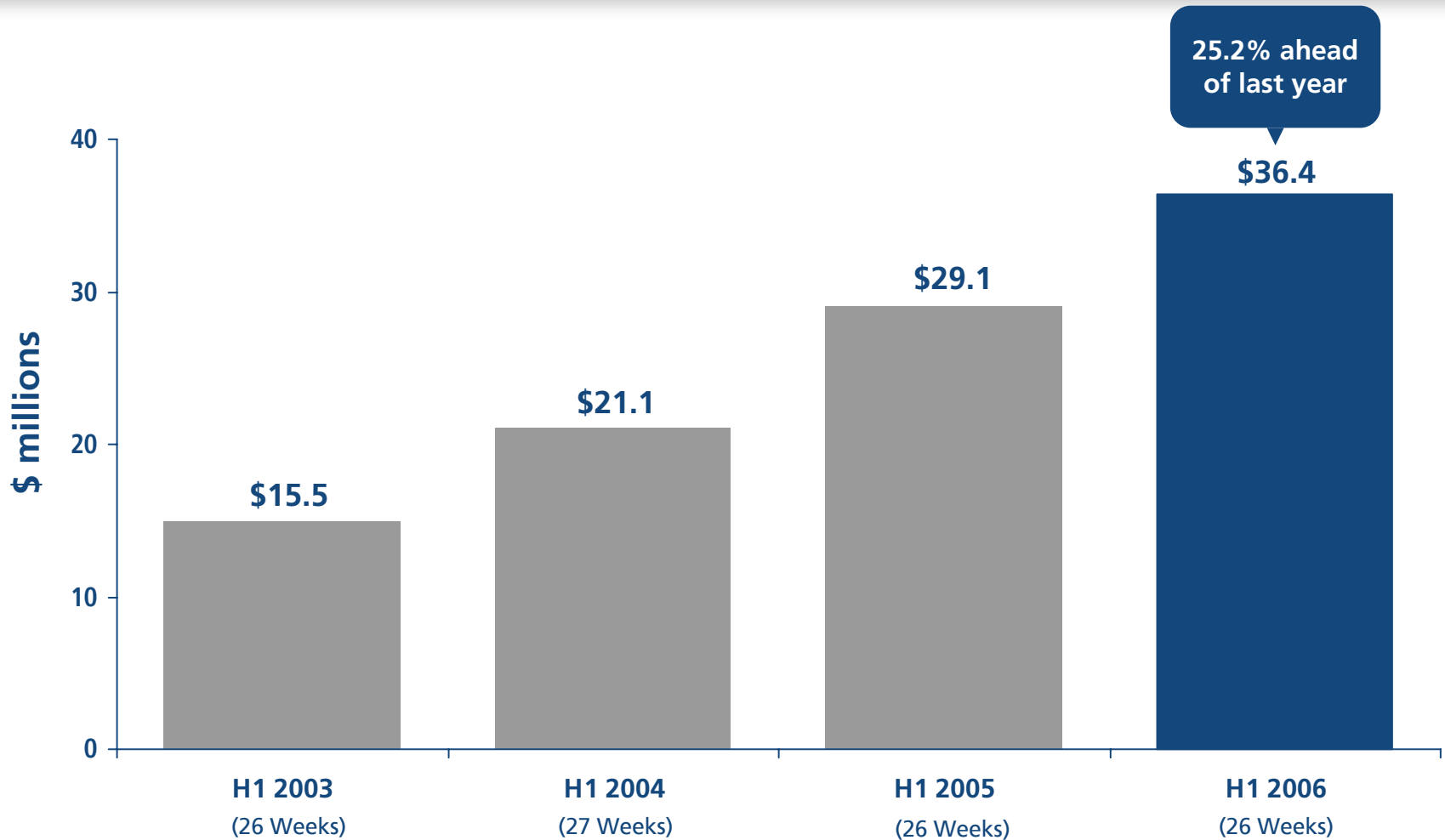
portmans

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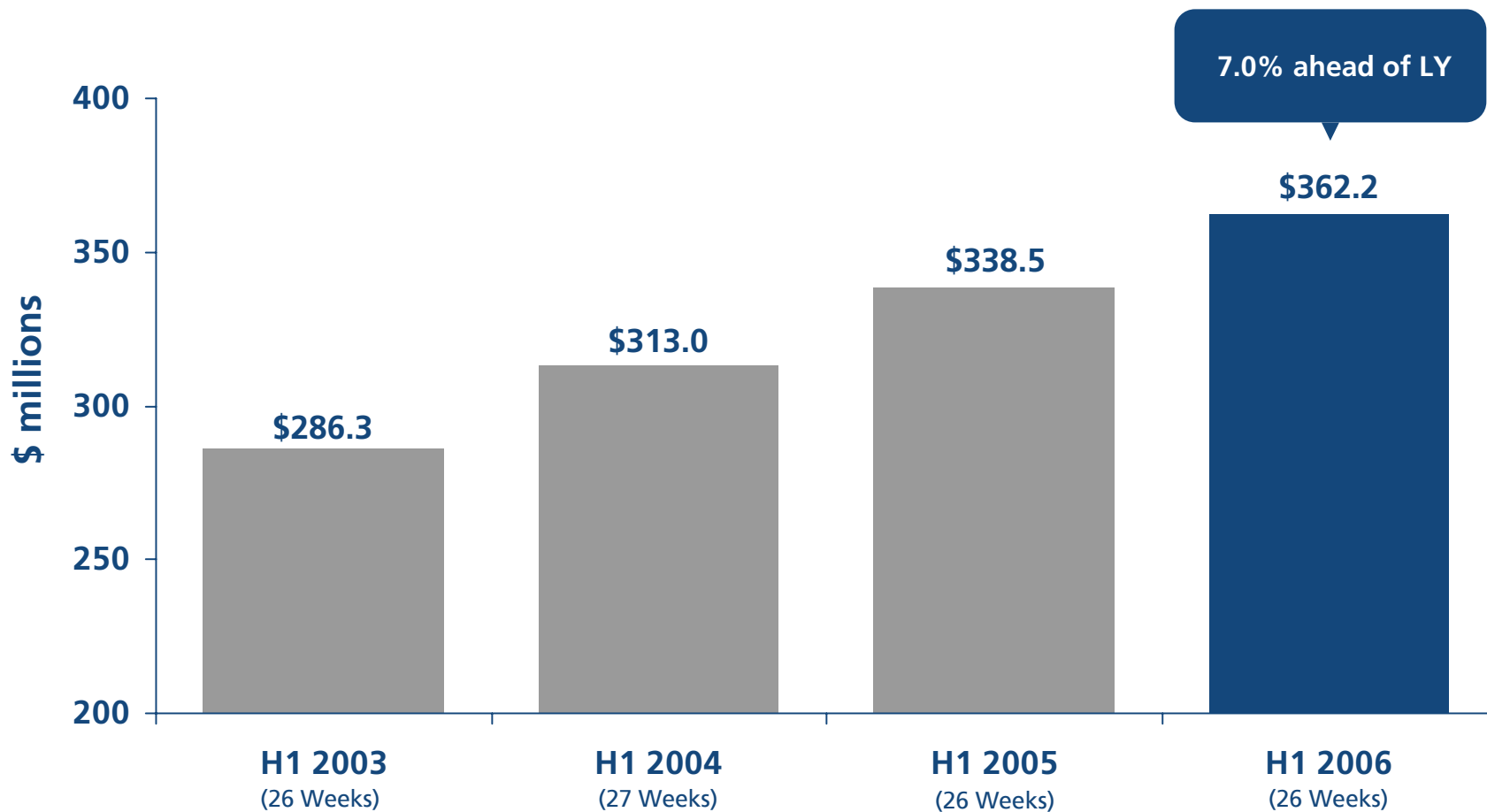
# Half Year Highlights

- Record net profit of \$36.4m, up 25.2%
- EBITA of \$55.8m, up 20.9%
- Sales of \$362.2m, up 7.0%
- Fully franked interim dividend of 8.5 cents per share, an increase of 13.3%
- Cashflow from operating activities of \$41.6m, up 10.0%
- Increased gross margin, EBITA margin and improved stockturn
- 46 new stores opened (7 closed) bringing total to 768 stores
- Strong performance from Womens fashion business

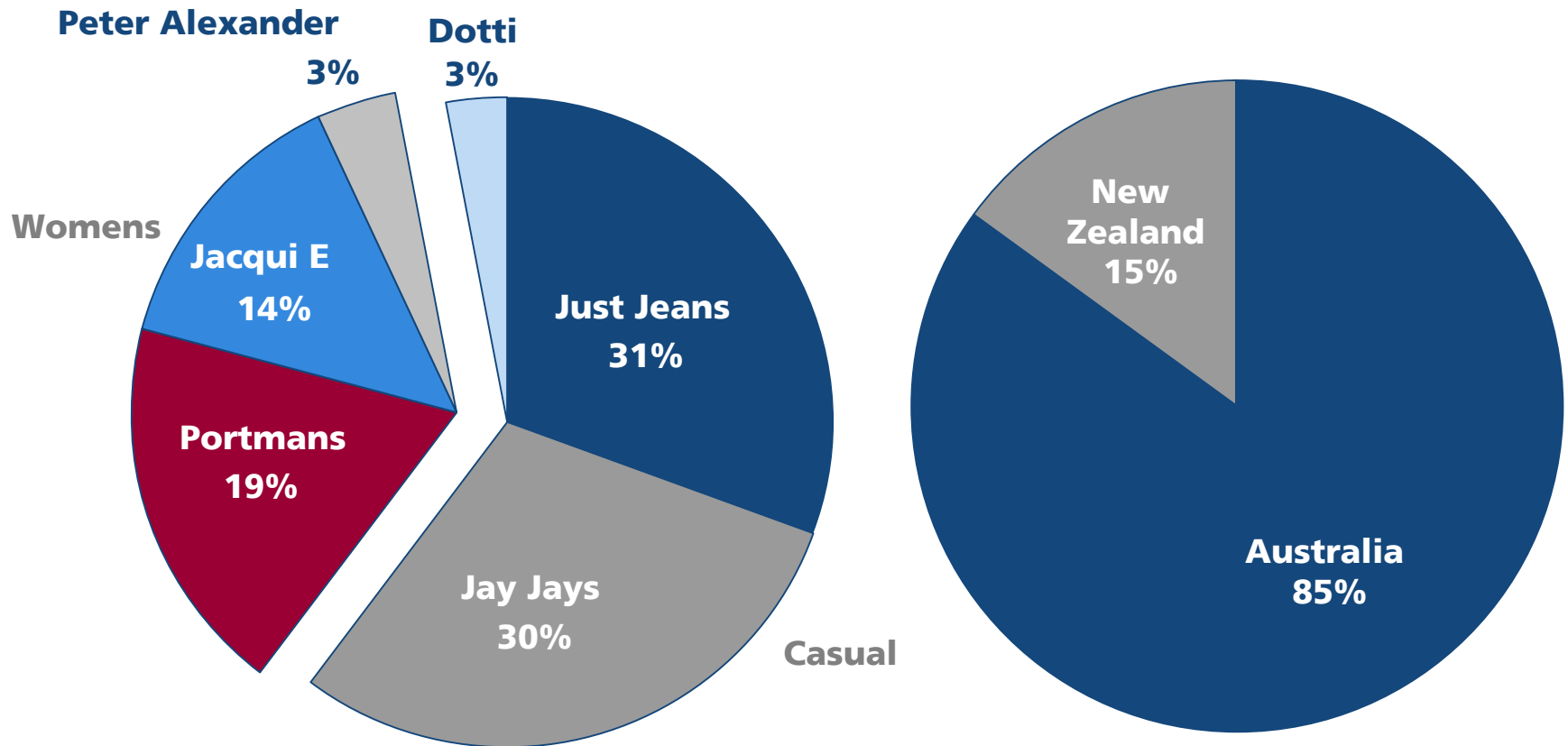
# Record Profit after Tax



# Sales



# Sales Composition



# Segment Sales

SALES (\$m)	H1 2005 (26 Weeks)	H1 2006 (26 Weeks)	Change 05 to 06
Casualwear			
Just Jeans	117.8	111.5	-5.3%
Jay Jays	100.1	107.8	+7.6%
Dotti*	3.6	14.2	+294.4%
Urban Brands	5.5	0.1	-98.2%
<b>Total</b>	<b>227.0</b>	<b>233.6</b>	<b>+2.9%</b>

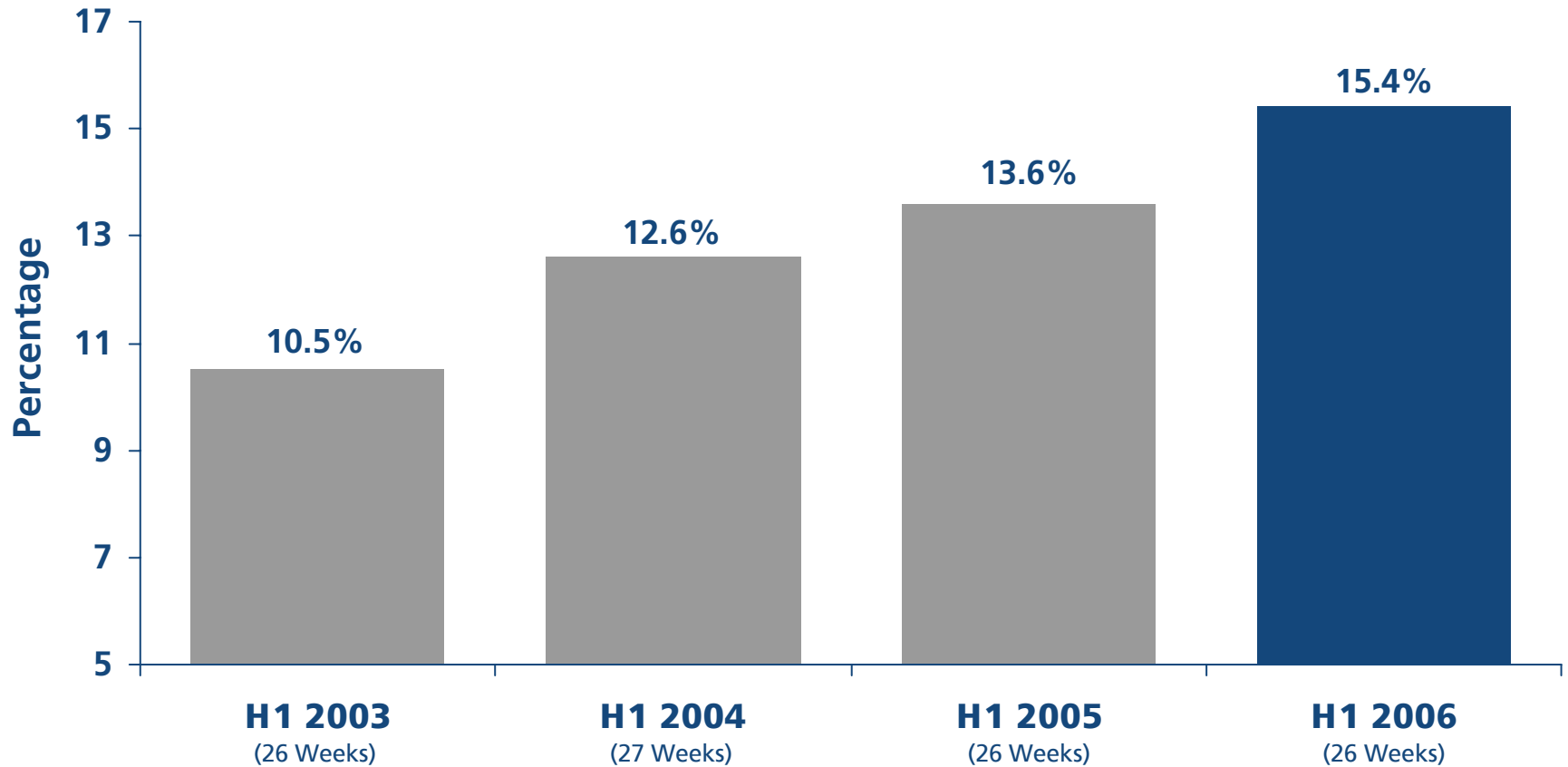
Womenswear			
Portmans	60.5	68.6	+13.4%
Jacqui E	43.8	49.5	+13.0%
Peter Alexander	7.2	10.5	+45.0%
<b>Total</b>	<b>111.5</b>	<b>128.6</b>	<b>+15.3%</b>

\* H1 2005 comprises 14 weeks for Dotti

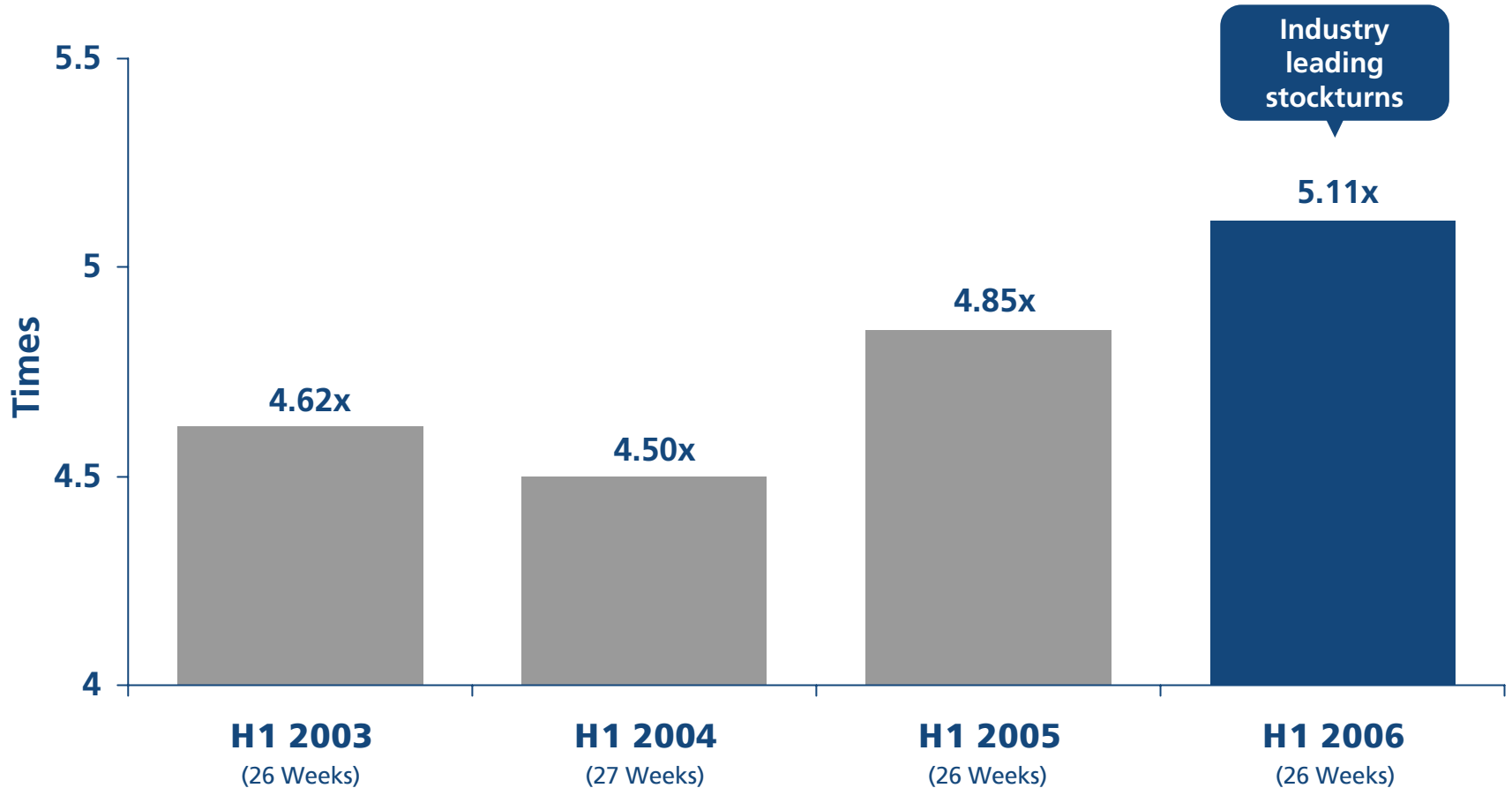
# EBITA Summary

EBITA (\$m)	H1 2005 (26 weeks)	H1 2006 (26 weeks)	Change 05 to 06
Casualwear	31.3	33.8	+8.0%
Womenswear	14.8	22.0	+48.6%
<b>Total</b>	<b>46.1</b>	<b>55.8</b>	<b>+20.9%</b>

# EBITA Margin



# Inventory Stockturn



\*Annualised

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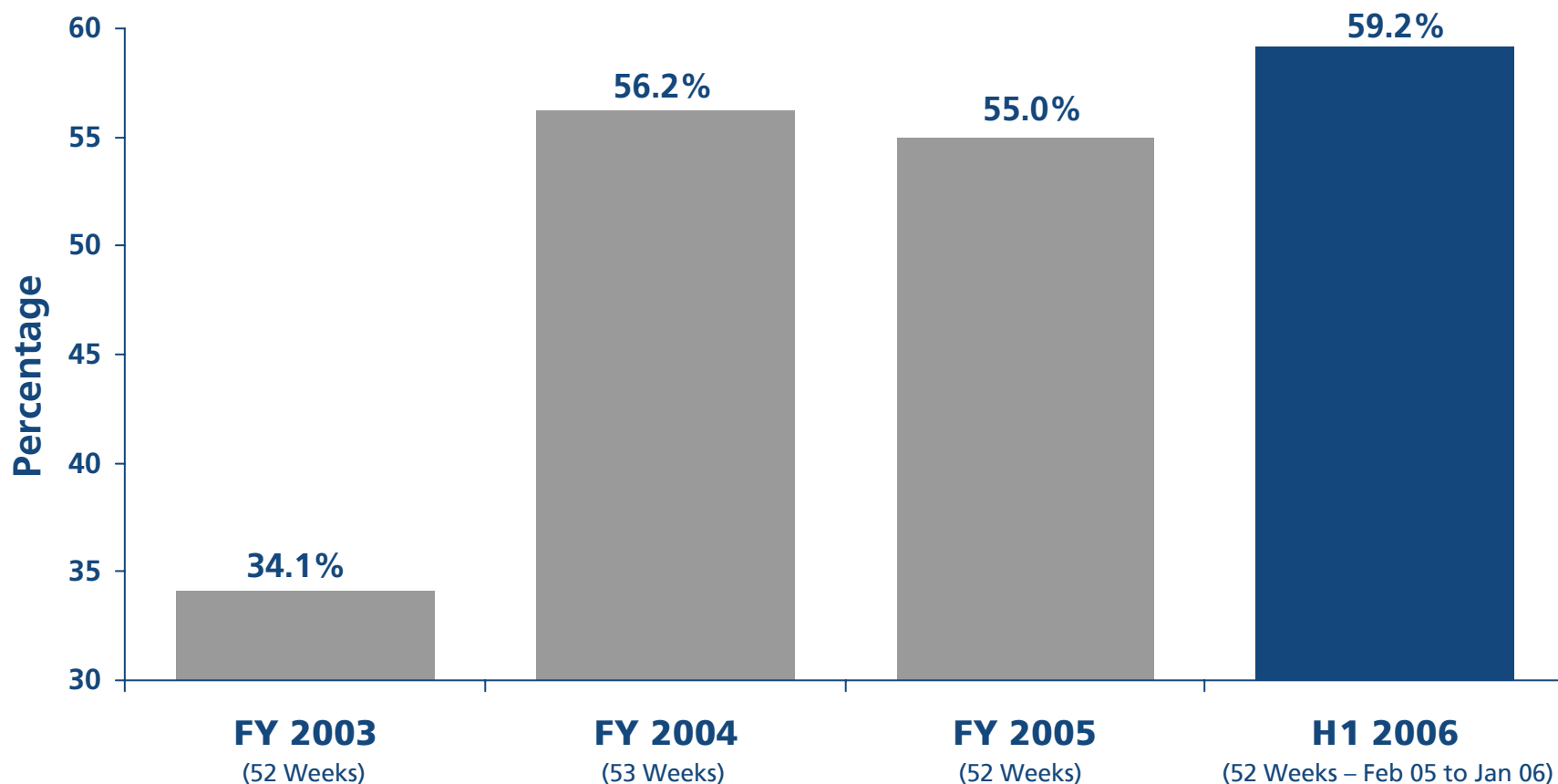
JACQUIE



portmans

dotti

# Return on Capital Employed



\*ROCE defined as EBITA / (Total Assets less cash and non-interest bearing liabilities)

# Store Numbers

	Total Jan 06	Total Jul 05	Change	VIC	NSW ACT	QLD NT	SA	WA	NZ
Just Jeans	<b>284</b>	284	<b>0</b>	56	84	56	17	27	44
Jay Jays	<b>222</b>	212	<b>10</b>	44	65	44	15	18	36
Jacqui E	<b>98</b>	94	<b>4</b>	27	24	16	6	6	19
Portmans	<b>118</b>	107	<b>11</b>	29	37	20	7	10	15
Peter Alexander	<b>6</b>	5	<b>1</b>	3	3	-	-	-	-
Dotti	<b>39</b>	25	<b>14</b>	12	9	7	2	4	5
Levis	-	1	<b>(1)</b>	-	-	-	-	-	-
<b>Total*</b>	<b>767</b>	<b>728</b>	<b>39</b>	<b>171</b>	<b>222</b>	<b>143</b>	<b>47</b>	<b>65</b>	<b>119</b>

\* Plus 1 group store

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JACQUI·E



portmans



# Just Jeans

- Sales 5.3% below last year, however on budget
- Gross margin improvement
- Stock levels well controlled
- Strong performance in New Zealand
- Denim prices hierarchy fully effective from \$50 to \$150
- New store fitout well received
- New consumer loyalty program launched in February 06 after twelve month trial
- Seven7 brand and Blend brand re-launched in February 06
- New advertising campaigns launched for Winter



# Jay Jays

- Sales growth of 7.6% with improved gross margin
- Difficult first quarter trading with strengthening performance through second quarter
- Ready to renew growth path
- Underpinned by very sharp price points and volume basics range
- Excellent performance in New Zealand
- Brand being tested in South Africa with no material capital at risk
- New advertising launched in March 06

JayJays

2 for  
\$ 25

2 for  
\$ 25

2 for  
\$ 25



TOP IT  
UP!

\$15

# Dotti

- Improving sales performance, ahead of budget
- Increased gross margin with the brand now profitable
- 14 stores opened in the half, bringing total to 39
- Critical scale starting to be achieved
- Aggressive store roll out to accelerate
- Continuing focus on fast fashion aimed at 17 year old girls
- Advertorials in Cleo/Cosmo building brand awareness
- Excellent performance in New Zealand

# doti

BUY 2  
\$30.00

BUY 2  
\$30.00

SALE

(i:bi:tnik)  
BEATNIK  
BY (i:bi:tnik)

doti



# Portmans

- Sales growth of 13.4% with gross margin improvement
- Best summer result ever achieved in brand's history
- Career dressing underpinning the result
- Strong performance in New Zealand
- Strong brand positioning supported by effective television advertising

portmans

THE NEW  
SUIT



# Jacqui E

- Sales growth of 13.1% with improved gross margin
- Core demographic (32 year old women) remains the most resilient consumers
- New store design being successfully rolled out
- Focus on lifting brand to next level in terms of product offer and image
- Record result in New Zealand
- Kirsty Hume the new face of Jacqui E



# Peter Alexander

- Record sales growth of 45.0% with continuing investment into the brand
- Catalogue sales strong with over 125,000 active customers
- 40% of direct sales through the internet
- All new retail stores exceeding budgeted sales and profitability
- Launching in New Zealand in March 06



# Operational Improvements

- Better labour scheduling
- Faster lead times
- Simpler processes
- Greater staff engagement



# Key Operating Metrics

	H1 2004	H1 2005	H1 2006	Change 05 to 06
No. Weeks	27	26	26	
Sales (\$m)	313.0	338.5	362.2	+7.0%
Gross Profit (\$m) *	176.9	193.7	210.0	+8.4%
EBITDA (\$m)	48.2	53.7	64.0	+19.2%
EBITA (\$m)	39.5	46.1	55.8	+20.9%
EBIT (\$m)	36.2	46.0	55.6	+20.9%
NPAT (\$m)	21.1	29.1	36.4	+25.2%
GP (%) *	56.5%	57.2%	58.0%	+75bp
EBITA Margin (%)	12.6%	13.6%	15.4%	+177bp
Annualised Stockturns *	4.50x	4.85x	5.11x	+0.26x
Net Debt (\$m)	108.5	66.3	48.5	-17.8
Interest Cover (x)	8.4x	12.2x	17.3x	+5.1x

\* Prior periods adjusted to reflect revised inventory absorption costing applied in H1 2006

# Other Financial Highlights

## Strong Cashflow

- Operating cashflow increased 10.0% from \$37.8m to \$41.6m

## Inventory Efficient

- Inventories only up 3.5% despite sales growing by 7.0%

## Dividends Up

- Fully franked dividend of 8.5 cents being a 13.3% increase over last year

## Net Debt Down

- Net debt now \$48.5m being \$16.5m down on FY05. Interest cover of 17.3 times

# Impact of Adopting Equivalents to International Reporting Standards

EBITA	H1 2005 (\$m)	H1 2006 (\$m)	Change
AGAAP	47.2	55.5	17.6%
AIFRS	46.1	55.8	20.9%

NPAT			
AGAAP	28.0	34.1	21.8%
AIFRS	29.1	36.4	25.2%

## Key drivers:

- No amortisation of goodwill
- Recognition of derivative financial instruments
- Recognition of share based payments
- Recognition of fixed lease escalation clauses

\* Retained earnings decreased by \$1.0m as at July 2004 and increased \$1.6m as at July 2005

# Current Trading and Outlook

- Portfolio well positioned to deliver good second half result
- Winter period expected to be ahead of previous corresponding period
- Continuing strong investment supporting all our brands

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