

## APPENDIX 4E :

### Preliminary Final Report of Just Group Limited for the Financial Year Ended 31 July 2004

ABN 97 096 911 410

*This Preliminary Final Report is provided to the Australian Stock Exchange (ASX) under ASX Listing Rule 4.3A.*

Current Reporting Period: Financial Year Ended 31 July 2004

Previous Corresponding Period: Financial Year Ended 26 July 2003

## Just Group Limited

### Results For Announcement To The Market For the Financial Year Ended 31 July 2004

#### Revenue and Net Profit/(Loss)

		<b>Percentage Change %</b>		<b>Amount \$'M</b>
Revenue from ordinary activities	Up	10.2	To	622
Profit/(loss) from ordinary activities after tax attributable to members	Up	76.8	To	40
Net profit/(loss) attributable to members	Up	76.8	To	40

#### Dividends (Distributions)

	<b>Amount per security</b>	<b>Franked amount per security</b>
Final dividend	3.5 cents	3.5 cents

Record date for determining entitlements to the dividend:

27<sup>th</sup> October 2004

#### CONSOLIDATED

	NOTES	53 WEEKS ENDED 31 JULY 2004 \$'000	52 WEEKS ENDED 26 JULY 2003 \$'000
Basic earnings per share (cents per share)	11	18.19	N/A
Diluted earnings per share (cents per share)	11	18.19	N/A

Note: Earnings per share comparatives have not been provided as 'AASB 1027- Earnings per Share' was not applicable to the consolidated entity in the previous financial year.

#### **Brief Explanation of Revenue, Net Profit/(Loss) and Dividends (Distributions)**

REFER TO PRESS RELEASE

## Just Group Limited

### Statement of Financial Performance For the Financial Year Ended 31 July 2004

CONSOLIDATED			
	NOTES	53 WEEKS ENDED 31 JULY 2004 \$'000	52 WEEKS ENDED 26 JULY 2003 \$'000
Revenue from ordinary activities	2	622,479	564,941
Changes in inventories of finished goods and work in progress and raw materials used		(260,655)	(249,901)
Employee expenses		(111,774)	(104,396)
Operating lease rental expense		(95,365)	(89,252)
Depreciation and amortisation	2	(24,837)	(24,777)
Borrowing costs	2	(9,643)	(8,926)
Auditors remuneration (audit and other services)		(460)	(277)
Insurance		(1,533)	(1,491)
Communications		(3,107)	(2,705)
Other expenses from ordinary activities		(55,438)	(48,304)
Profit from ordinary activities before income tax expense		59,667	34,912
Income tax expense relating to ordinary activities		(19,706)	(12,299)
Profit from ordinary activities after income tax expense		39,961	22,613
Net exchange difference on translation of financial report of foreign controlled entity		267	581
TOTAL REVENUES, EXPENSES AND VALUATION ADJUSTMENTS ATTRIBUTABLE TO MEMBERS AND RECOGNISED DIRECTLY IN EQUITY		267	581
TOTAL CHANGES IN EQUITY OTHER THAN THOSE RESULTING FROM TRANSACTIONS WITH OWNERS AS OWNERS		40,228	23,194

Just Group Limited

**Statement of Financial Position  
As At 31 July 2004**

	NOTES	2004 \$'000	2003 \$'000
<i>ASSETS</i>			
Current assets			
Cash assets		23,814	22,282
Receivables		799	301
Inventories		59,756	59,148
Other		2,101	2,298
Total current assets		86,470	84,029
<i>Non-current assets</i>			
Property, plant and equipment		44,156	38,210
Intangible assets		74,925	79,962
Deferred tax assets		7,822	6,902
Other financial assets		133	133
Total non-current assets		127,036	125,207
<b>TOTAL ASSETS</b>		<b>213,506</b>	<b>209,236</b>
<i>LIABILITIES</i>			
<i>Current liabilities</i>			
Payables		28,841	31,131
Interest bearing liabilities		131	11,713
Tax liabilities		9,965	5,795
Provisions		6,969	6,209
Other		4,725	1,320
Total current liabilities		50,631	56,168
<i>Non-current liabilities</i>			
Interest bearing liabilities		105,117	109,715
Deferred tax liabilities		1,465	1,590
Provisions		2,088	1,663
Other		2,828	3,267
Total non-current liabilities		111,498	116,235
<b>TOTAL LIABILITIES</b>		<b>162,129</b>	<b>172,403</b>
<b>NET ASSETS</b>		<b>51,377</b>	<b>36,833</b>
<i>EQUITY</i>			
Contributed equity	8	15,405	14,689
Foreign currency translation reserve		1,544	1,277
Retained profits	6	34,428	20,867
<b>TOTAL EQUITY</b>		<b>51,377</b>	<b>36,833</b>

## Just Group Limited

### Statement of Cash Flows For the Financial Year Ended 31 July 2004

	NOTES	53 WEEKS ENDED 31 JULY 2004 \$'000	52 WEEKS ENDED 26 JULY 2003 \$'000
<i>CASH FLOWS FROM OPERATING ACTIVITIES</i>			
Cash receipts in the course of operations		621,424	565,547
Cash payments in the course of operations		(524,793)	(487,257)
Dividends received		1	1
Interest received		809	884
Borrowing costs paid		(12,262)	(8,203)
Income taxes paid		(16,463)	(11,843)
<b>NET CASH INFLOW FROM OPERATING ACTIVITIES</b>	<b>7</b>	<b>68,716</b>	<b>59,129</b>
<i>CASH FLOWS FROM INVESTING ACTIVITIES</i>			
Payment for investments		-	(2,904)
Payments for controlled entities and business operations		-	(2,339)
Proceeds from sale of plant and equipment		234	666
Payment for plant and equipment and leasehold premiums		(25,498)	(15,154)
<b>NET CASH USED IN INVESTING ACTIVITIES</b>		<b>(25,264)</b>	<b>(19,731)</b>
<i>CASH FLOWS FROM FINANCING ACTIVITIES</i>			
Dividends Paid	9	(26,400)	(14,132)
Payment for share buy-back	8	(427,869)	(37,274)
Proceeds from share issue		428,585	-
Proceeds from borrowings		52,936	60,000
Repayment of borrowings		(68,936)	(37,000)
Lease payments		(236)	(236)
<b>NET CASH OUTFLOW FROM FINANCING ACTIVITIES</b>		<b>(41,920)</b>	<b>(28,642)</b>
<b>NET INCREASE IN CASH HELD</b>		<b>1,532</b>	<b>10,756</b>
Cash at the beginning of the financial period		22,282	11,526
<b>CASH AT THE END OF THE FINANCIAL PERIOD</b>	<b>7</b>	<b>23,814</b>	<b>22,282</b>

**Notes to the Financial Statements  
For the Financial Year Ended 31 July 2004**

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**Notes to the Financial Statements  
For the Financial Year Ended 31 July 2004**

**1. Basis of Preparation**

This preliminary report has been prepared in accordance with the ASX Listing Rule 4.3A and the disclosure requirements of ASX Appendix 4E.

The accounting policies adopted in the preparation of the preliminary final report are consistent with the relevant Accounting Standards, Urgent Issues Group consensus views and the Corporations Act 2001.

**Details of changes in accounting policies:**

NONE

**2. Profit/(Loss) From Ordinary Activities**

	53 WEEKS ENDED 31 JULY 2004 \$'000	52 WEEKS ENDED 26 JULY 2003 \$'000
REVENUE FROM ORDINARY ACTIVITIES		
Revenue from sale of goods	619,821	562,150
<i>REVENUES FROM NON-OPERATING ACTIVITIES</i>		
<i>INTEREST</i> - Other persons	809	884
<i>DIVIDENDS</i> - Other companies	1	1
Amortisation of deferred income	1,124	898
Proceeds from sale of non-current assets	233	666
Royalty income	147	137
Net foreign exchange gain	-	205
Bad debts recovered	344	-
REVENUE FROM ORDINARY ACTIVITIES	622,479	564,941

Just Group Limited

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**Notes to the Financial Statements  
For the Financial Year Ended 31 July 2004**

EXPENSES AND LOSSES/(GAINS)	53 WEEKS ENDED 31 JULY 2004 \$'000	52 WEEKS ENDED 26 JULY 2003 \$'000
Profit from ordinary activities before income tax expense includes the following specific net gains and expenses		
<i>(A) EXPENSES</i>		
Costs of goods sold	260,655	249,901
Decrement in value of inventories	1,185	907
<i>DEPRECIATION OF NON CURRENT ASSETS</i>		
Plant and equipment	18,685	19,250
Plant and equipment under lease	191	190
<b>TOTAL DEPRECIATION OF NON CURRENT ASSETS</b>	<b>18,876</b>	<b>19,440</b>
<i>AMORTISATION OF NON CURRENT ASSETS</i>		
Goodwill	5,927	5,316
Premium on leaseholds	34	21
<b>TOTAL AMORTISATION OF NON CURRENT ASSETS</b>	<b>5,961</b>	<b>5,337</b>
<b>TOTAL DEPRECIATION AND AMORTISATION</b>	<b>24,837</b>	<b>24,777</b>
Bad debts	129	1,093
<i>BORROWING COSTS EXPENSED</i>		
Finance charges on capitalised leases	22	42
Bank loans and overdraft	9,621	8,884
<b>TOTAL BORROWING COSTS</b>	<b>9,643</b>	<b>8,926</b>
<i>(B) LOSSES/(GAINS)</i>		
Net loss/(gain) on disposal of plant and equipment	263	(170)

**Notes to the Financial Statements**  
**For the Financial Year Ended 31 July 2004**

**3. Commentary on Results**

REFER TO PRESS RELEASE

**4. Fundamental Errors**

NONE

**5. Extraordinary Items**

NONE

**6. Retained Profits**

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	2004 \$'000	2003 \$'000
Opening balance	20,867	12,386
Net profit attributable to members of the company	39,961	22,613
Dividend paid	(26,400)	(14,132)
CLOSING BALANCE	34,428	20,867

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**Notes to the Financial Statements  
For the Financial Year Ended 31 July 2004**

**7. Notes to the Statements of Cash Flows**

(a) *Reconciliation of Cash*

Cash on hand and in banks are stated at nominal value. For the purposes of the Statement of Cash Flows, cash includes cash on hand and in bank, and money market investments readily convertible to cash, net of outstanding bank overdrafts. Interest earned is recognised as income as it accrues.

(b) *Businesses Acquired*

On 7 August 2002 Urban Brands Pty Ltd, a Just Group subsidiary company, purchased the 'Mooks' and 'M-One-11' retail stores and their associated assets. On 13 May 2003, Urban Brands Pty Ltd purchased the 'Stussy' retail stores and their associated assets.

	2004 \$'000	2003 \$'000
Cash consideration	-	2,339
<b>OUTFLOW OF CASH</b>	<b>-</b>	<b>2,339</b>
<i>Fair value of net assets acquired:</i>		
Inventories	-	872
Plant and equipment	-	805
Other	-	44
	-	1,721
Creditors and accruals	-	370
Employee provisions	-	41
	-	411
Fair value of net assets	-	1,310
Goodwill on acquisition	-	1,029
<b>CASH CONSIDERATION</b>	<b>-</b>	<b>2,339</b>

**Notes to the Financial Statements  
For the Financial Year Ended 31 July 2004**

**7. Notes to the Statements of Cash Flows**

(c) *Non-Cash Financing and Investing Activities*

Finance lease transactions:

During the financial period, the consolidated entity acquired plant and equipment with an aggregate value of \$99,940 (2003: \$nil) by means of finance lease.

(d) *Financing Facilities*

	2004 \$'000	2003 \$'000
<b>Working Capital Facility</b>		
Used	-	-
Unused	30,500	25,000
	30,500	25,000
<b>Finance Facility</b>		
Used	105,000	115,000
Unused*	35,000	-
	140,000	115,000
<b>Leasing Facility</b>		
Used	248	362
Unused	-	-
	248	362
<b>Total facilities</b>		
Used	105,248	115,362
Unused	65,500	25,000
<b>TOTAL</b>	<b>170,748</b>	<b>140,362</b>

\* The unused portion of the finance facility may only be used to fund permitted acquisitions in accordance with the bank subscription agreement.

(e) *Cash Balances Not Available for Use*

NOT APPLICABLE
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**Notes to the Financial Statements  
For the Financial Year Ended 31 July 2004**

**7. Notes to the Statements of Cash Flows (continued)**

- (f) *Reconciliation of Profit From Ordinary Activities After Related Income Tax to Net Cash Flows From Operating Activities*

	53 WEEKS ENDED 31 JULY 2004 \$'000	52 WEEKS ENDED 26 JULY 2003 \$'000
Operating profit after tax	39,961	22,613
<i>Non cash-flows in operating profit:</i>		
Amortisation	5,961	5,337
Depreciation	18,876	19,440
(Profit)/Loss on sale of non-current assets	263	(170)
Finance lease – interest	22	42
Other	194	481
<i>Changes in assets and liabilities net of the effects of the purchase of subsidiaries:</i>		
Increase/(decrease) in employee entitlements	1,185	(609)
Increase/(decrease) in deferred taxes payable	(125)	(714)
Increase/(decrease) in trade creditors and accruals	(2,287)	3,859
Increase/(decrease) in income taxes payable	4,170	3,423
Increase/(decrease) in deferred income	2,325	1,037
(Increase)/decrease in trade and sundry debtors	(498)	2,932
(Increase)/decrease in prepayments	197	6,279
(Increase)/decrease in inventories	(608)	(2,598)
(Increase)/decrease in future income tax benefit	(920)	(2,223)
<b>NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>	<b>68,716</b>	<b>59,129</b>

## Just Group Limited

### Notes to the Financial Statements For the Financial Year Ended 31 July 2004

#### 8. Contributed Equity

NOTES	2004 \$'000	2003 \$'000
<i>(A) ISSUED AND PAID UP CAPITAL</i>		
Ordinary shares paid in full	15,405	14,689
<p>Ordinary shares have the right to receive dividends as declared and in the event of winding up the company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held. Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the company.</p>		
2004		
	NUMBER OF SHARES	\$'000
<i>(B) MOVEMENTS IN SHARES ON ISSUE</i>		
Ordinary shares on issue at beginning of financial year	14,689,141	14,689
Preference shares on issue at beginning of financial year	-	-
Shares issued prior to public float	143,142	716
Shares converted on a 14.69766999 for 1 basis	203,167,717	-
Shares issued at public float	202,973,761	426,245
Employee gift offer	773,500	1,624
Shares bought back	(203,747,261)	(427,869)
Total shares on issue at end of the financial year	218,000,000	15,405

In April 2004 the company converted its 14,832,283 current shares on issue to 218,000,000 by applying a factor of 14.69766999. The company then floated on the Australian Stock Exchange on 7 May issuing a total of 203,747,261 shares at a price on \$2.10. Shares were bought back from exiting shareholders and management shareholders.

In 2003, 37,200,000 \$1.00 preference shares and 74,142 \$1.00 ordinary shares were bought back for \$1.00 each. No shares have been reserved for issue under the Performance Rights Plan as disclosed in note 18.

## Just Group Limited

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### 9. Details Relating to Dividends (Distributions)

#### a) Dividends paid during the year

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	2004 \$'000	2003 \$'000
<i>DIVIDENDS PAID DURING THE YEAR</i>		
Interim Ordinary Franked Dividend paid 28 January 2004 (1.35 cents per share)	20,000	-
Interim Ordinary Franked Dividend paid 23 March 2004 (0.43 cents per share)	6,400	-
Interim Ordinary Franked Dividend paid 3 July 2003 (0.48 cents per share)	-	7,037
Interim Preference Dividend paid 3 July 2003 (0.19 cents per share)	-	7,095
	26,400	14,132

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#### b) Dividend proposed

	<b>Amount per security</b>	<b>Franked amount per security</b>
Final dividend	3.5 cents	3.5 cents
Record date for determining entitlements to the dividend:	27 <sup>th</sup> October 2004	

#### c) Dividend reinvestment plan

A dividend reinvestment plan was not available to shareholders during the financial period.

## Just Group Limited

### Notes to the Financial Statements For the Financial Year Ended 31 July 2004

#### 10. Franking Credits

	53 WEEKS ENDED 31 JULY 2004 \$'000	52 WEEKS ENDED 26 JULY 2003 \$'000
The amount of franking credits available for the subsequent financial period are:		
Franking account balance as at the end of the financial period at 30% (2003: 30%)	23,977	21,102
Franking credits that will arise from the payment of income tax payable as at the end of the financial period	9,762	6,244
<b>TOTAL</b>	<b>33,739</b>	<b>27,346</b>

The tax rate at which paid dividends have been franked is 30% (2003: 30%).

#### 11. Earnings per share

The earnings and weighted average number of ordinary and potential ordinary shares used in the calculations of earnings per share are as follows:

		2004
EARNINGS PER SHARE		
Earnings		\$39,961,000
Weighted average number of ordinary shares and potential ordinary shares	Number of Shares	219,731,347

None of the performance rights as detailed in Note 18 have a dilutive effect for the purposes of the calculation of diluted earnings per share.

Note: Earnings per share comparatives have not been provided as 'AASB 1027- Earnings per Share' was not applicable to the consolidated entity in the previous financial year.

#### 12. Net Tangible Assets Per Security

	2004 ¢ PER SHARE	2003 ¢ PER SHARE
Net tangible assets per security	(10.80)	(19.78)

\* based upon 218m shares

**Notes to the Financial Statements  
For the Financial Year Ended 31 July 2004**

**13. Details of Entities Over Which Control Has Been Gained or Lost**

CONTROL GAINED OVER ENTITIES

NONE

LOSS OF CONTROL OF ENTITIES

NONE

**14. Details of Associates and Joint Venture Entities**

NONE

**15. Contingent Liabilities and Contingent Assets**

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CONTINGENT LIABILITIES	2004 \$'000	2003 \$'000
Bank Guarantees	1,589	1,151

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**Notes to the Financial Statements  
For the Financial Year Ended 31 July 2004**

**16. Segment Information**

*(A) BUSINESS SEGMENTS*

The consolidated entity operates in one industry segment, being the retailing of apparel.

*(B) GEOGRAPHIC SEGMENTS*

	AUSTRALIA		NEW ZEALAND		ELIMINATIONS		CONSOLIDATED	
	2004	2003	2004	2003	2004	2003	2004	2003
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Sales revenue	537,610	485,063	82,211	77,087	-	-	619,821	562,150
Other revenue	24,036	2,385	244	406	21,622	-	2,658	2,791
Total revenue	561,646	487,448	82,455	77,493	21,622	-	622,479	564,941
Segment assets	206,855	190,123	18,786	18,806	12,135	(307)	213,506	209,236

**17. Subsequent Events**

On 11 August 2004, Just Group Ltd (previously Just JJS Pty Ltd) entered into a conditional agreement to acquire the trading assets of the Dotti Fashion business. Dotti is a retailer of women's fashion apparel, targeting the teenage market. In October 2004, 10 stores will be acquired for a total consideration of approximately \$5 million, and will be entirely funded from operating cashflows.

**Notes to the Financial Statements  
For the Financial Year Ended 31 July 2004**

**18. Other Significant Information**

As disclosed in the prospectus, the company adopted a long term incentive plan known as performance rights plan (PRP). The PRP provides a remuneration element designed to attract and retain key senior employees and link rewards with the company's long term performance and maximisation of shareholder wealth.

The initial grant under the PRP to senior executives was made on 28 July 2004. All offers are made subject to the terms of the PRP rules, which confer various powers to the board to add to or vary any of the plan rules, subject to the requirements of the ASX.

An offer under the PRP grants an individual the right to a certain number of ordinary shares in the company. This right may vest and be convertible into shares, conditional on the satisfaction of the 'Total Shareholder Return' performance condition. Under the terms of the PRP, no shares have been allocated before 31 July 2004. No employees, other than those listed below are eligible to participate in the plan at the date of this report. Holders of performance rights are not entitled to vote or receive dividends or other distributions.

The actual number of shares, if any, finally provided to participants will depend on the extent to which the performance condition has been met. It is possible for each participant to be allocated either no shares (if the performance condition is not met) or anywhere between 50% to 200% of their initial offered amount, depending on the level of achievement against the performance condition. Once allocated, performance shares are subject to restriction on disposal.

Pricewaterhouse Coopers Securities (PWC) has performed an independent valuation of rights granted to executives under the PRP. PWC have used an option pricing model utilising monte carlo simulation and have assessed the market value of a right at grant date 2004 to be \$1.01

	VESTED NUMBER	GRANTED NUMBER	TERMS AND CONDITIONS FOR EACH GRANT	
			FIRST VESTING DATE	LAST VESTING DATE
<i>SPECIFIED DIRECTORS</i>				
Howard McDonald	Nil	102,381	Sept 05	Sept 07
<i>SPECIFIED EXECUTIVES</i>				
Anita Muller	Nil	16,190	Sept 05	Sept 07
Jason Murray	Nil	28,571	Sept 05	Sept 07
Jacqueline Naylor	Nil	35,238	Sept 05	Sept 07
Janice Payne	Nil	19,048	Sept 05	Sept 07
Glenys Shearer	Nil	30,476	Sept 05	Sept 07
Wai Tang	Nil	21,905	Sept 05	Sept 07
<b>TOTAL</b>		<b>253,809</b>		

**Notes to the Financial Statements  
For the Financial Year Ended 31 July 2004**

**19. Information on Audit or Review**

This preliminary final report is based on accounts to which one of the following applies.

- The accounts have been audited.  The accounts have been subject to review.  
 The accounts are in progress of being audited or subject to review.  The accounts have not yet been audited or reviewed.

**Description of dispute or qualification if the accounts have been audited or subjected to review.**

NONE