

2 June 2008

JUST GROUP REJECTS PREMIER'S OFFER

- **Independent Expert concludes offer is not fair, not reasonable**
- **Offer materially undervalues Just Group**
- **Just Group well positioned for growth**

The Special Board Committee of Just Group Limited ("Just Group") has released its Target's Statement in response to Premier Investments Limited's ("Premier") takeover offer. The Special Board Committee unanimously recommends that shareholders **REJECT** Premier's opportunistic and unsolicited takeover offer. Just Group's Target's Statement sets out the key reasons for this recommendation.

The Independent Expert's Report from Lonergan Edwards, contained in Just Group's Target's Statement, values Just Group at between \$4.78 and \$5.28 per share. Lonergan Edwards has indicated that Premier's offer is "**neither fair nor reasonable**". Its assessment of the value of Premier's offer consideration of between \$3.97 and \$4.23 per share is significantly lower than its assessed control value of Just Group shares, which has a mid-point of \$5.03 per share.

Dr Ian Pollard, Just Group's Chairman, said: "Premier's opportunistic offer **materially undervalues the company**. It does not adequately recognise the value of Just Group's strongly performing business, our leading market positions in the fast fashion retail sector and our excellent growth prospects.

"Just Group has an exceptional management team, with outstanding experience and skills in retailing, that has delivered seven years of continuous sales and profit growth and excellent financial returns. Looking forward, **Just Group continues to be well positioned for strong future growth**," said Dr Pollard

A directors' forecast for the year to 26 July 2008 has been included in Just Group's Target's Statement. Pro forma earnings per share ("EPS") are expected to be 33.4 cents⁽¹⁾, an increase of 14 per cent over the adjusted 2007 financial year.

Dr Pollard highlighted Just Group's growth potential, saying "Recent trading across the Just Group portfolio supports our 2008 pro forma forecast⁽¹⁾. We have also undertaken a review of Just Group's strategic plan. As a result, we have increased our 2010 profit goal from at least 38.4 cents EPS to at least 40 cents EPS. If achieved, this will represent double digit EPS growth on average for the remaining two years of our strategic plan."

"The Premier offer is structured to suit Premier's objectives, not the interests of Just Group shareholders. **Each member of Just Group's Special Board Committee who holds Just Group shares intends to reject Premier's materially inadequate offer and we urge all Just Group shareholders to do the same**," Dr Pollard said.

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1. Based on Just Group Directors' Pro-forma Forecast for financial year 2008. The Directors' Pro-forma Forecast differs to the expected reported results of Just Group in financial year 2008 as the Directors' Pro-forma Forecast has been adjusted for non-recurring items and certain timing differences in order to present the underlying performance of Just Group on a consistent basis. See Section 3 of Just Group's Target's Statement for full details.