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NEWS RELEASE

JUST ACQUIRES SMIGGLE

Just Group today announced that it has entered into a conditional agreement to acquire the stationery chain, Smiggle. Smiggle offers a range of fashionable, creative, great value products that appeal to teenagers. It currently has 18 stores in Australia and a distribution agreement with Australia Post.

Announcing the acquisition, Just's Managing Director, Mr Jason Murray, said that Smiggle represents a small, strategic acquisition that offers excellent growth opportunities. "While it is our first move outside apparel, it is an ideal fit with our existing brands, infrastructure and target demographic, and is consistent with our stated aim of acquiring fashion based retail assets that are relatively immature." said Mr Murray.

"Founded in 2003, Smiggle has established itself in the market and is now ready for its next phase of growth. Just is delighted to have acquired this excellent young brand and is very pleased that existing management will be continuing with the business under Just ownership." Mr Murray said.

"The business already has stores established in Victoria, New South Wales and Queensland. The focus will be on utilising our retail machine to roll out further stores. With the core customers being teenagers and the relatively small average store size (50-60sqm), we envisage that many sites will be available." said Mr Murray.

The total purchase price for 100% of the business will be at least \$29.0m, with \$23.2m payable upon completion of the transaction in late August 2007, and the balance subject to an earn out arrangement based on Smiggle's average earnings for 2009 and 2010.

This acquisition is expected to add at least 1 cent per share to earnings in each of 2008 and 2009 with continued sales and earnings growth in subsequent years as more stores are opened.

A briefing will be held by teleconference at 6:00pm today. Media/Investors/Analysts should call +61 (0)3 9221 4420 at this time. An information pack has been released with this announcement.

Just Group is Australasia's leading speciality fashion retailer. Its other brands are Just Jeans, Jay Jays, Portmans, Jacqui E, Dotti and Peter Alexander.

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