

Super Retail
Group



RESULTS

FOR THE 26 WEEKS TO 28 DECEMBER 2019

ANTHONY HERAGHTY

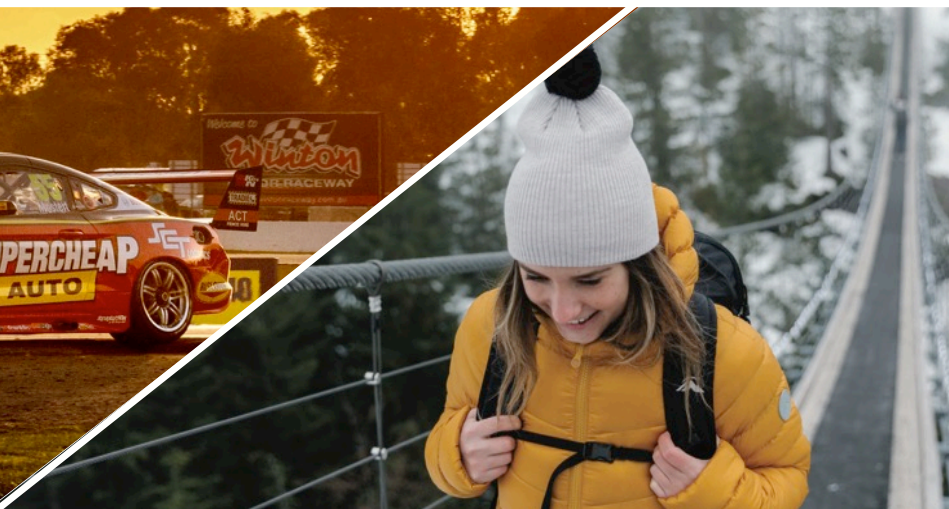
Group Managing Director and
Chief Executive Officer

DAVID BURNS

Chief Financial Officer

20 February 2020

The release of this presentation
has been authorised by the
Super Retail Group Limited Board





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Results overview

FINANCIAL PERFORMANCE

GROUP
SALES
\$1,443.5m

GROUP SALES
UP 2.9% ON PCP

SEGMENT
EBITDA
\$159.8m¹

SEGMENT EBITDA
DOWN 3.9% ON PCP

SEGMENT
EBIT
\$115.4m¹

SEGMENT EBIT
DOWN 7.3% ON PCP

OPERATING
CASHFLOW
\$239.1m¹

OPERATING CASHFLOW
UP 1.6% ON PCP

INTERIM
DIVIDEND
21.5
CENTS

INTERIM FULLY FRANKED
DIVIDEND OF 21.5 CENTS
PER SHARE

HIGHLIGHTS

Solid top line growth driven by 1.7% Group like-for-like sales growth.

H1 peak trading sales across all brands impacted by bushfires and drought, with outdoor businesses most affected.

Group gross margin improved in the second quarter and BCF margin stabilised in December.

Omni-retail execution has delivered 22% growth in Group online sales.
All four core brands increased their online marketshare.²

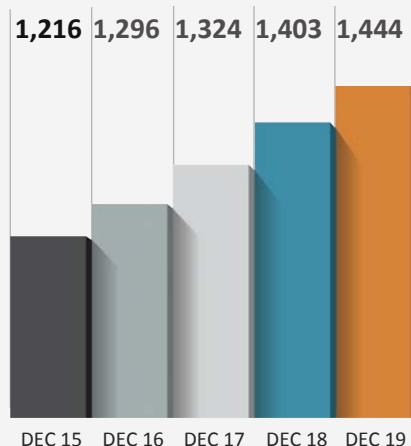
Focus on closeness to customer has resulted in higher average club member net promoter score (NPS) and 10.3% annual growth in active club members.

Strong cash flow generation supported a \$42.2m reduction in net debt versus pcp.¹
Interim dividend of 21.5 cents in line with previous comparative period.

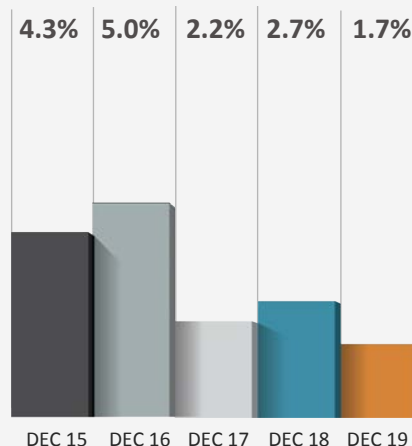
Track record of sales growth





THE GROUP HAS CONTINUED TO DELIVER SOLID TOP LINE GROWTH AND POSITIVE LIKE FOR LIKE SALES GROWTH IN A CHALLENGING RETAIL ENVIRONMENT

GROUP H1
SALES (\$M)



GROUP H1
LFL SALES GROWTH



	H1 SALES GROWTH	H1 LFL SALES GROWTH
	3.7%	2.4%
	3.6%	3.3%
	0.7%	(0.5%)
	(0.9%)	(7.0%)
Total Group	2.9%	1.7%

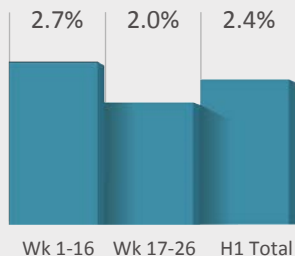
Impact of bushfires/drought on peak trade sales

PEAK SALES ACROSS ALL BRANDS ADVERSELY IMPACTED BY EXTREME WEATHER EVENTS



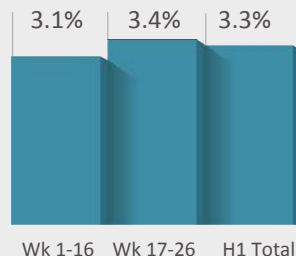
- Regional stores in NSW, Victoria and Queensland most affected
- Greatest impact on outdoor category

H1 LFL sales - SCA



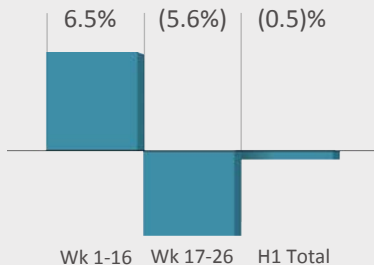
- Sales momentum in NSW, ACT and Victoria slowed post week 16 compared to rest of Australia

H1 LFL sales - Rebel



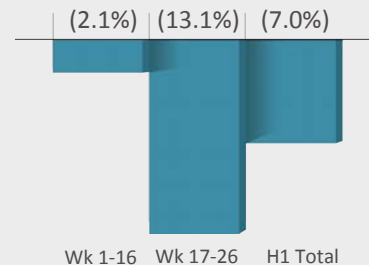
- Over 50 stores impacted by fire/drought
- Camping category most affected
- Stores not impacted delivered 3.0% LFL sales growth

H1 LFL sales - BCF



- Australian LFL sales declined 9.5% with NSW and Victoria most heavily impacted

H1 LFL sales - Macpac

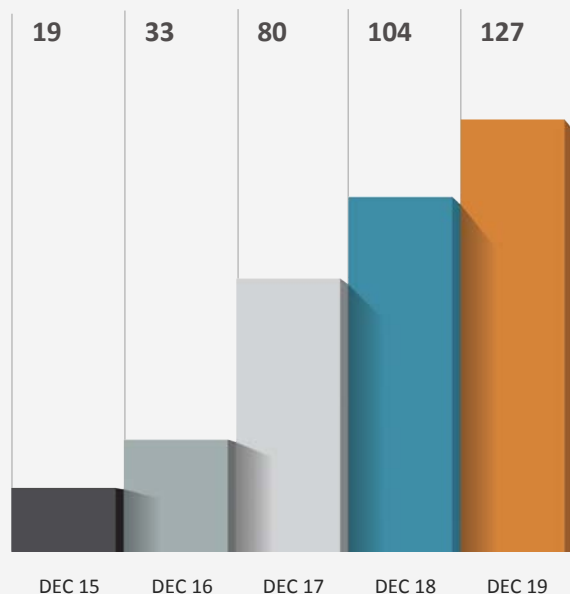


Online sales growth of 22%





EACH OF THE BRANDS INCREASED ONLINE MARKET SHARE¹

FIRST HALF ONLINE SALES (\$M)

4 YR CAGR 60%



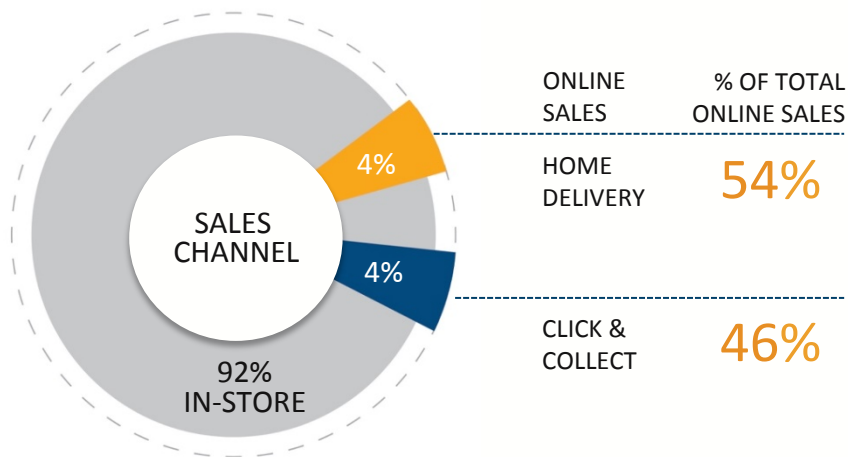
BRAND PERFORMANCE

	1H ONLINE SALES (\$M)	ONLINE SALES GROWTH VS PCP
	37.2	24%
	59.3	21%
	23.7	22%
	6.6	27%
Total Group	126.8	22%

Customer behaviour supports omni-retail focus

96% OF SALES LEVERAGE THE STORE NETWORK

GROUP SALES BY CHANNEL¹

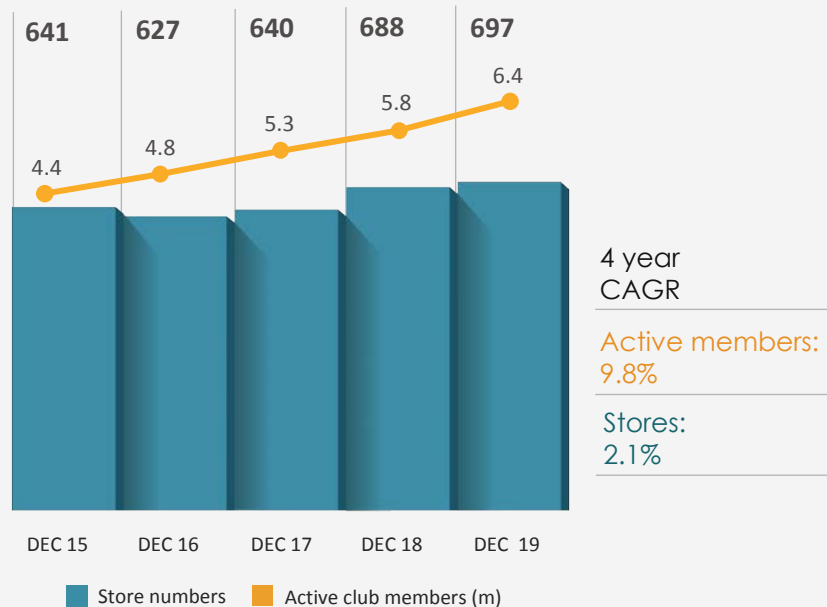


BRAND SALES BY CHANNEL¹

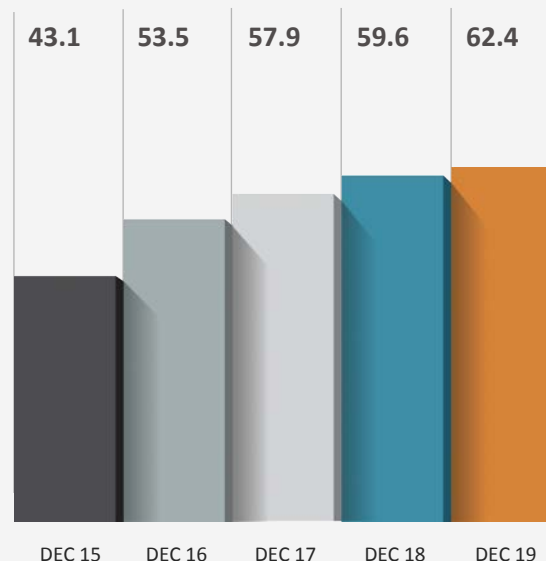
	In-store	Click & Collect	Home Delivery
SUPERHEAP AUTO	94%	4%	2%
rebel	90%	3%	7%
BCF	93%	5%	2%
macpac	90%	nm ²	10%
TOTAL GROUP	92%	4%	4%

Customer growth outpacing store growth

ACTIVE CLUB MEMBERS HAVE INCREASED TO OVER 6.4 MILLION



CLUB MEMBER NPS¹



Growing loyalty

CLUB MEMBERSHIP, CLUB MEMBER NPS AND % SALES FROM CLUB MEMBERS INCREASED ACROSS ALL BRANDS



VIP 1.70M active¹ club members ↑ 13%

63% NPS² ↑ from 60%

40% - sales from active club members ↑ from 38%

VIP 2.75M active¹ club members ↑ 8%

60% NPS² ↑ from 57%

65% - sales from active club members ↑ from 62%

VIP 1.52M active¹ club members ↑ 8%

64% NPS² ↑ from 58%

82% - sales from active club members ↑ from 79%

VIP 0.47M active¹ club members ↑ 34%

67% NPS^{2,3}

69% - sales from active club members ↑ from 65%



GROUP HIGHLIGHTS

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AASB 16 Impact on Financial Statements

Group results

\$m	1H 2019/20 Pre AASB 16 ¹	1H 2018/19 Pre AASB 16	Change %
Total sales	1,443.5	1,403.2	2.9%
Total segment EBITDA	159.8	166.2	(3.9%)
Segment D&A	(44.4)	(41.7)	6.5%
Total segment EBIT	115.4	124.5	(7.3%)
Normalised NPAT	74.1	81.6	(9.2%)
Other items not included in normalised NPAT	12.7	9.9	28.3%
Profit attributable to owners (pre AASB 16)	61.4	71.7	(14.4%)
AASB 16 adjustment	4.0	n/a	n/a
Profit attributable to owners (statutory)	57.4	71.7	(19.9%)

(1) Pro forma as if AASB 16 did not apply to enable a more meaningful comparison with the pcg

(2) For detail on impact of AASB on consolidated income statement refer to the Appendix

First half EBIT margin drivers

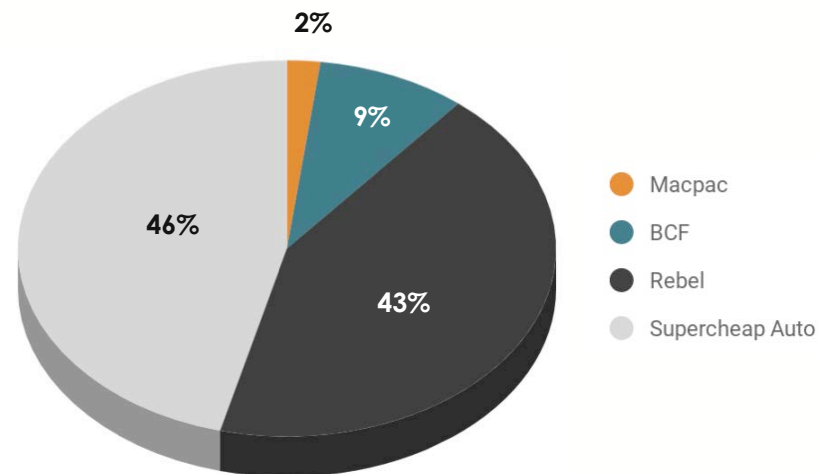
FOCUS ON DELIVERING HIGHER GROSS MARGIN AND COST SAVINGS FROM BUSINESS SIMPLIFICATION TO OFFSET HIGHER LABOUR AND RENTAL COSTS

First half EBIT margins impacted by labour costs and reduced operating leverage	<ul style="list-style-type: none">• EBIT margins declined by 90bps from 8.9% in pcq to 8.0% primarily due to:<ul style="list-style-type: none">- increase in store based wages due to new stores, additional hours and impact of EA- less cost fractionalisation due to lower peak trading sales; and- higher depreciation charges reflecting ongoing investment in omni retail
Strong gross margin delivery in second quarter	<ul style="list-style-type: none">• Higher levels of promotional activities in the first quarter successfully generated top line growth but adversely impacted margins• Group gross margin expanded in the second quarter• BCF gross margin stabilised in December• Positive gross margin momentum bodes well for the second half
Rent inflation offset by cost management	<ul style="list-style-type: none">• CODB reduction initiatives offset rent increase and transition costs relating to new support offices in Sydney and Brisbane• Procurement and technology led business simplification projects have delivered cost efficiencies• Supply chain costs per unit have decreased year on year

Segment results

\$m	1H 2019/20		1H 2018/19	
Segment	Sales	EBIT ¹	Sales	EBIT
Supercheap Auto	550.7	57.3	530.8	57.1
Rebel	542.8	53.7	523.9	54.4
BCF	283.5	12.1	281.4	15.4
Macpac	66.5	2.3	67.1	7.5
Group and Unallocated		(10.0)		(9.9)
Total	1,443.5	115.4	1,403.2	124.5

FIRST HALF EBIT CONTRIBUTION (BY BRAND)



Supercheap Auto



- Total sales growth of 3.7% driven by like-for-like sales growth and contribution from new stores
- Like-for-like sales growth of 2.4% driven by growth in average transaction value
- Auto maintenance delivered the strongest category growth. Like-for-like sales growth was achieved in all categories except tools and outdoors which continues to experience strong competition.
- Gross margin momentum improved in the second quarter
- Segment EBITDA increased by 1.6% to \$75.5m. EBITDA growth was dampened by higher store labour costs, driven by increased investment in hours and increased wage costs
- Segment EBIT increased by 0.4% to \$57.3m and was impacted by higher depreciation and amortisation expenses
- Online sales grew by 24%
- Active Club Plus membership increased to 1.70m and club members represented 40% of total sales
- SCA opened 3 new stores and closed 1 store with 325 stores at period end

\$m	1H 2019/20 Pre AASB 16 ¹	1H 2018/19 Pre AASB 16	Change on PCP
Sales	550.7	530.8	3.7%
LFL sales growth			2.4%
Segment EBITDA	75.5	74.3	1.6%
EBITDA margin %	13.7%	14.0%	(0.3%)
Segment EBIT	57.3	57.1	0.4%
Segment EBIT margin %	10.4%	10.8%	(0.4%)

- Total sales growth of 3.6% driven by like-for-like sales growth
- Like-for-like sales growth of 3.3% was supported by transaction growth and increased units per sale driving higher average transaction value
- Footwear and hardgoods were the strongest performing categories
- Rebel delivered strong sales and gross margin performance in the second quarter
- Segment EBITDA increased by 0.3% to \$68.4m. EBITDA growth was dampened by higher store labour costs, driven by increased investment in hours and increased wage costs
- Segment EBIT declined by 1.3% to \$53.7m due to an increase in D&A reflecting increased investment in omni-retail capability
- Online sales grew by 21%
- Active club membership increased to 2.75m and club member sales represented 65% of Rebel sales
- Rebel closed 1 store resulting in 160 stores at period end

\$m	1H 2019/20 Pre AASB 16 ¹	1H 2018/19 Pre AASB 16	Change on PCP
Sales	542.8	523.9	3.6%
LFL sales growth			3.3%
Segment EBITDA	68.4	68.2	0.3%
EBITDA margin %	12.6%	13.0%	(0.4%)
Segment EBIT	53.7	54.4	(1.3%)
Segment EBIT margin %	9.9%	10.4%	(0.5%)

- Total sales increased by 0.7% to \$283.5 million
- Like-for-like sales decreased by 0.5% primarily due to the impact of extreme weather events in the peak trading period
- BCF stores not impacted by fire/drought delivered 3.0% like-for-like sales growth for the period
- Levels of competition and promotional intensity remain high, but margin stabilised late in the second quarter
- Segment EBITDA and Segment EBIT were both lower than pcpc as a result of the like-for-like sales decline
- Online sales grew by 22%
- Active club membership increased to 1.52m and club member sales represented 82% of BCF sales
- BCF opened 4 stores and closed 1 store, resulting in 139 stores at period end

\$m	1H 2019/20 Pre AASB 16 ¹	1H 2018/19 Pre AASB 16	Change on PCP
Sales	283.5	281.4	0.7%
LFL sales growth			(0.5%)
Segment EBITDA	22.1	24.8	(10.9%)
EBITDA margin %	7.8%	8.8%	(1.0%)
Segment EBIT	12.1	15.4	(21.4%)
Segment EBIT margin %	4.3%	5.5%	(1.2%)

- Sales fell by 0.9% as a result of a 7.0% decline in like-for-like sales
- In Australia, like-for-like sales decreased by 9.5% as a result of the impact of summer bushfires on peak trading, with Victoria and NSW worst affected. New Zealand like-for-like sales fell by 2.9%.
- Cost inflation driven by depreciation of NZD against USD reduced gross margin. Sales in the period were impacted by a change in promotional strategy due to margin pressures and a delay in price increases.
- Segment EBIT decreased to \$2.3 million and EBIT margin declined due to lower sales and gross margin
- Online sales grew by 27%
- Active club membership increased to 0.47m and club members represented 69% of Macpac sales
- Click and collect operational in all Australian stores
- Macpac opened 3 stores, resulting in 73 stores at period end

\$m	1H 2019/20 Pre AASB 16 ¹	1H 2018/19 Pre AASB 16	Change on PCP
Sales	66.5	67.1	(0.9%)
LFL sales growth			(7.0%)
Segment EBITDA	3.7	8.7	(57.5%)
EBITDA margin %	5.6%	13.0%	(7.4%)
Segment EBIT	2.3	7.5	(69.3%)
Segment EBIT margin %	3.5%	11.2%	(7.7%)

Group & unallocated

- Group and unallocated includes:
 - Corporate costs not allocated to segments
 - Commercial operations
 - Omni-retail development
- Total costs of (\$10.0m) (EBIT) in line with guidance provided in January trading update
- Corporate costs \$0.4 million lower than pcg
- Un-utilised distribution centre costs \$0.1m higher than pcg
- Omni-retail and digital costs reflect the focus of the Group on developing its omni-retailing capability

\$m	1H 2019/20 Pre AASB 16 ¹	1H 2018/19 Pre AASB 16	Change on PCP
EBIT	(10.0)	(9.9)	(0.1)
Comprising:			
Corporate costs	(5.4)	(5.8)	0.4
Un-utilised distribution centre costs	(1.9)	(1.8)	(0.1)
Digital and omni-retail development	(2.7)	(2.3)	(0.4)

Group balance sheet

- Inventory has increased by \$3.2m from December 2018 and reflects ongoing focus on ensuring in-stock availability in peak trading period
- Supercheap Auto inventory has increased due to currency movements and new stores
- Rebel inventory per store has increased reflecting both currency movements and decision to improve in-store availability
- BCF inventory per store has increased due to currency and lower sales delivery in the period
- Macpac inventory in line with pcg notwithstanding network expansion
- Net inventory has decreased by \$16.3m compared to December 2018
- Net debt has decreased by \$42.2m to \$251.8m compared to December 2018
- Statutory net debt reflects AASB 16 implementation

\$m	Statutory Dec 19 ¹	Pro Forma Dec 19 pre AASB 16 ²	Jun 19 Pre AASB 16
Inventory			
Supercheap Auto	212.5	212.5	200.9
Rebel	207.1	207.1	181.1
BCF	158.8	158.8	135.6
Macpac	42.7	42.7	42.6
Total Inventory	621.1	621.1	560.2
Trade & other payables	(543.2)	(546.3)	(360.0)
Net inventory investment	77.9	74.8	200.2
Property, plant and equipment & computer software	355.6	362.3	369.2
Net external debt	1,184.5	251.8	386.7

Group cash flow

- Strong operating cash flow of \$239.1m (pre AASB 16)
- The overall profile of the Group's capital expenditure reflects continued investment in omni-retail capabilities while moderating spend on new stores and store refurbishment
- Investment in store capex is split: \$2.3m in Supercheap Auto, \$1.6m in Rebel, \$3.4m in BCF and \$1.3m in Macpac
- Other capital expenditure includes investments in omni-retailing capabilities, data, cyber, networking, core information systems, order management system and inventory planning and execution projects

\$m	1H 2019/20 Statutory	1H 2019/20 Pre AASB 16 ¹	1H 2018/19 Pre AASB 16
Operating cash flow (pre store set up investment)	349.3	247.8	248.3
Store set up investment	(8.7)	(8.7)	(12.9)
Operating cash flow	340.6	239.1	235.4
Stores	(8.6)	(8.6)	(9.4)
Other Capex	(29.2)	(29.2)	(31.0)
Payment of Subsidiaries/JV	(0.1)	(0.1)	(0.4)
Investing Cash flow	(37.9)	(37.9)	(40.8)
Dividends & interest	(84.7)	(66.2)	(67.1)
Finance Leases	(84.6)	(1.6)	(1.7)
External debt repayment	(84.0)	(84.0)	(78.0)
Financing Cash flow	(253.3)	(151.8)	(146.8)
Net Cash flow	49.4	49.4	47.8

Impact of AASB 16 on balance sheet, earnings and cash flow

Approach to AASB 16	<ul style="list-style-type: none"> The Group has adopted AASB 16 from 30 June 2019 with retrospective adjustments
Balance sheet	<ul style="list-style-type: none"> The adjustments arising from the new leasing rules are recognised in the opening balance sheet on 30 June 2019 Recognition of right of use asset and lease liability Right of use asset – initial increase of \$843.4m at 30 June 2019 (\$847.6m at 28 December 2019) Lease liability – initial increase of \$930.1m at 30 June 2019 (\$938.2m at 28 December 2019)
Profit and Loss	<ul style="list-style-type: none"> Segment EBITDA increased by \$99.5m and Segment EBIT increased by \$12.7m as a result of operating lease expenses being replaced by depreciation and finance costs Overall impact on first half FY20 NPAT – decrease of \$4.0 million Earnings per share decreased by 2.0c per share in the first half as a result of the adoption of AASB 16
Cash flow	<ul style="list-style-type: none"> Increase in first half operating cashflows of \$101.5 million reflecting lower operating lease expenses Increase in first half cashflows from financing activities of \$101.5 million reflecting lease principal repayments (\$83.0m) and interest paid (\$18.5m) No net impact on cashflows

Returns and capital ratios

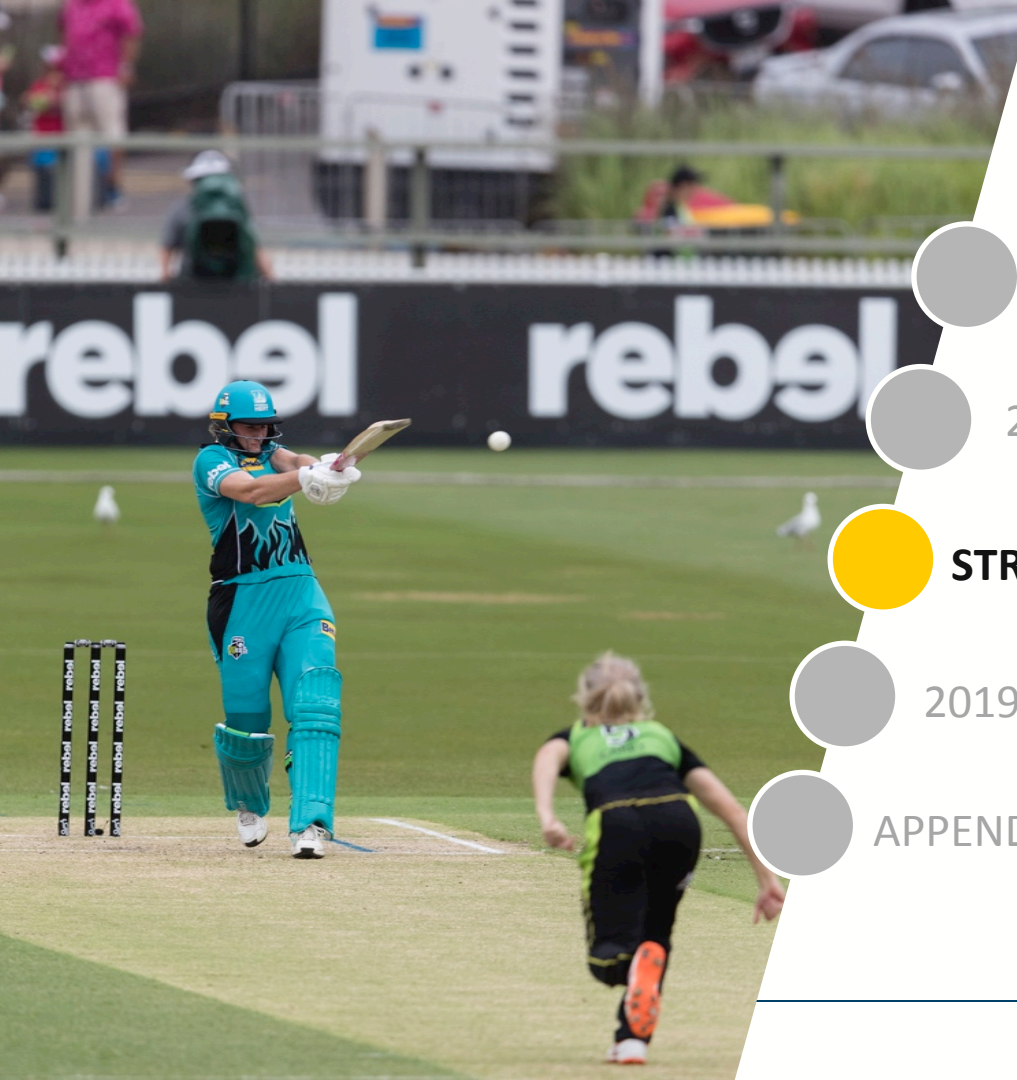
- Normalised EPS of 37.5 cents was 9.2% lower than pcg
- Basic EPS (Pre AASB 16) of 31.1 cents was 14.3% lower than pcg
- Normalised fixed charge cover ratio of 2.1 approaching target of 2.2 times
- Debt facilities are operating comfortably in compliance with financial covenants
- Return on Capital of 14.4% remains above WACC
- Effective AUD/USD rate for the period was 0.686 down from 0.735 in pcg. The AUD/USD hedge rate for next 12 months is circa 0.702

	Pro Forma 1H 2019/20 Pre AASB16 ³	1H 2018/19 Pre AASB 16
Normalised EPS ¹	37.5c	41.3c
Basic EPS (Pre AASB 16) ²	31.1c	36.3c
	12 mths to Dec 19	12 mths to Jun 19
Reported Annualised Post Tax Return on Capital (ROC) ¹	14.4%	13.3%
Fixed charge cover – normalised EBITDAL	2.1x	2.1x
Net Debt / EBITDA - normalised	0.8x	1.2x
Average Net Debt	\$431m	\$448m

(1) Based on normalised net profit after tax

(2) Statutory Basic EPS for 1H 2019/20 was 29.1 cents

(3) Pro forma as if AASB 16 did not apply to enable a more meaningful comparison



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Our strategy

THE THREE PRIMARY VALUE LEVERS



5 STRATEGIC DRIVERS



**GROW THE CORE
4 BRANDS**



**LEVERAGE CLOSENESS
TO OUR CUSTOMER**



**CONNECTED OMNI-
RETAIL SUPPLY CHAIN**



**SIMPLIFY THE
BUSINESS**



**EXCEL IN OMNI-
RETAIL EXECUTION**

Strategy execution



GROW THE CORE 4 BRANDS



LEVERAGE CLOSENESS TO OUR CUSTOMER



CONNECTED OMNI-RETAIL SUPPLY CHAIN



SIMPLIFY THE BUSINESS



EXCEL IN OMNI-RETAIL EXECUTION

Current Focus Areas

- | | | | | |
|--|---|---|--|--|
| <ul style="list-style-type: none"> • All 4 core brands have increased online marketshare¹ • New concept Rebel Doncaster store opening in March • Macpac Miranda store opening in Q4 • 5-year organic brand strategies and private brand review in train | <ul style="list-style-type: none"> • 6.4m active club members • Improved average club member NPS • Investment in analytical insight & customer strategy leadership in place • Initial pricing strategy implementation delivering positive results | <ul style="list-style-type: none"> • Reduced supply chain cost per unit • Macpac Australian DC commenced operation • Group sourcing optimisation and 5 year supply chain strategy in train | <ul style="list-style-type: none"> • Organisation-first KPIs in place for all Senior Leadership team • 5 year IS strategy in train | <ul style="list-style-type: none"> • 22% growth in online sales • Record Black Friday online sales • Improved conversion rates across all brands • Introduced click & collect in all Macpac Australian stores. NZ roll out to commence in H2 |
|--|---|---|--|--|



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Trading and operating update

Trading update

- Group like-for like sales growth

	H1 (weeks 1-26)	H2 (weeks 27-33)	Year to date (weeks 1-33)
Supercheap Auto	2.4%	3.1%	2.6%
Rebel	3.3%	5.8%	3.8%
BCF	(0.5%)	(8.0%)	(2.1%)
Macpac	(7.0%)	(0.4%)	(5.8%)

- Supercheap Auto and Rebel have traded well in the first seven weeks of the second half, with like-for-like sales growth accelerating in both businesses
- Macpac small format stores have achieved positive LFL sales growth in the second half. The Group maintains expectations that, assuming normal weather conditions, Macpac second half EBIT will be higher than the \$5.5m delivered in the pcg
- The performance of BCF continues to reflect subdued demand in the camping and outdoors category following an unprecedented summer bushfire season. Trading remained soft in the key month of January, which typically contributes the majority of second half BCF earnings.
- Group and unallocated costs are expected to be lower in the second half than in the first half

Store development program for the second half

- Supercheap Auto: open one new store, refurbish six stores and undertake two relocations
- Rebel: expand three stores, refurbish one store and undertake one relocation
- BCF: refurbish one store
- Macpac: open one new store, refurbish two stores and undertake one relocation

Trading and operating update continued

Enterprise Agreement

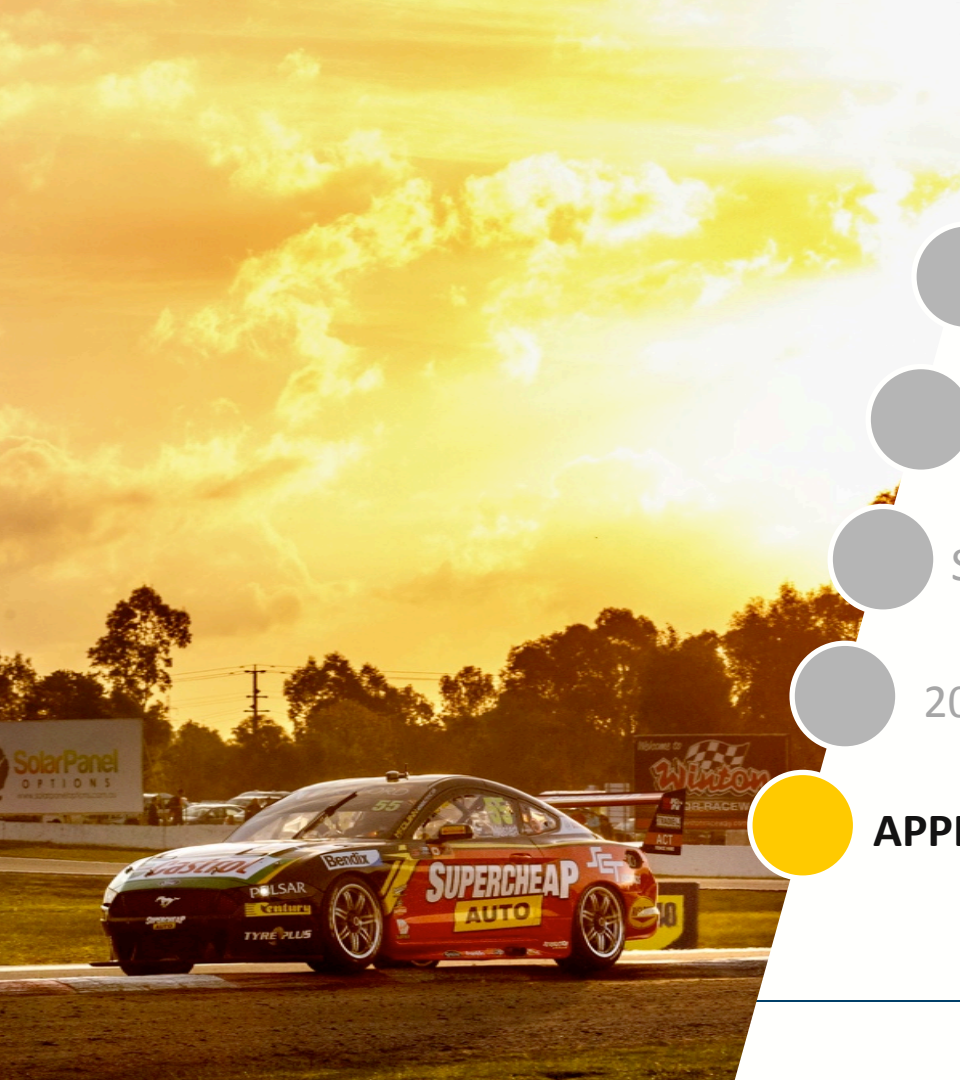
- The Enterprise Agreement (EA) for retail and clerical team members was approved by the Fair Work Commission in February 2020
- The Group previously flagged that wage inflation resulting from the EA is expected to have an incremental EBITDA impact of approximately \$9 million in its first year of operation
- In anticipation of the approval of the EA, the Group activated higher penalty rates for all eligible team members in April 2019 and recognised the base rate for all team members from mid December 2019
- As a result, approximately one third of the estimated wage inflation impact has already been absorbed by the Group, with the remainder to be incurred over the course of calendar year 2020

Team Member Underpayment Remediation

- The Group has updated its total estimate for team member back payments from \$53.2 million as at 29 December 2018 to \$61.2 million as at 28 December 2019, excluding execution costs.
- The estimate increase of \$8.0 million since December 2018 has resulted in a \$9.5 million after tax expense in the current six month period.
- The movement in this estimate has two elements. The total amount of retail manager and set-up team member underpayments is lower than initially estimated. Offsetting this decrease is the identification of additional team members also impacted by overtime underpayments. Costs to execute the remediation of \$3.1 million after tax have been incurred in the period.
- Total costs to execute the remediation including the prior period were \$8.6 million after tax.

Coronavirus (COVID-19)

- A significant proportion of the Group's products are sourced from China, across all brands
- The Group currently only sources from two factories located in the city of Wuhan in the province of Hubei, which supply products to Rebel and Macpac
- There is no expectation of a material impact on availability of product in the short term given current inventory levels
- The Group will continue to monitor ongoing developments in China and undertake appropriate contingency planning



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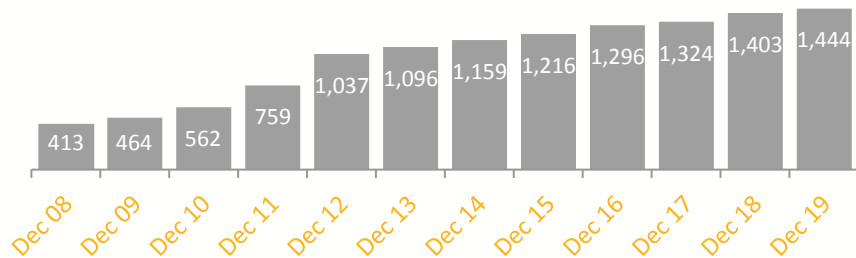
Performance Trends

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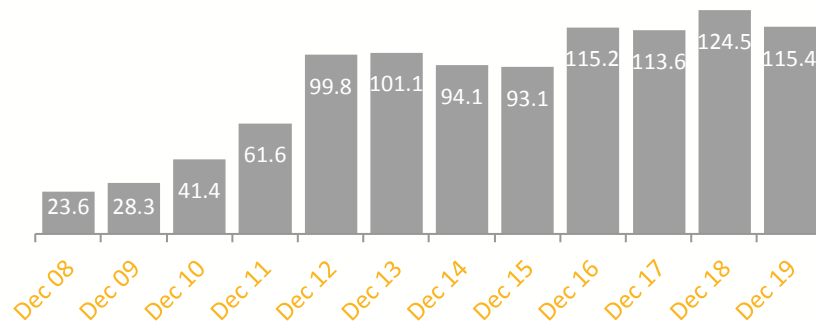
AASB 16 Impact on Financial Statements

Performance trends

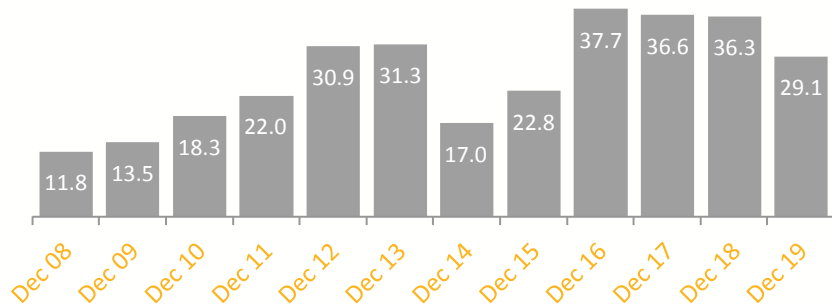
Reported Sales (\$m)



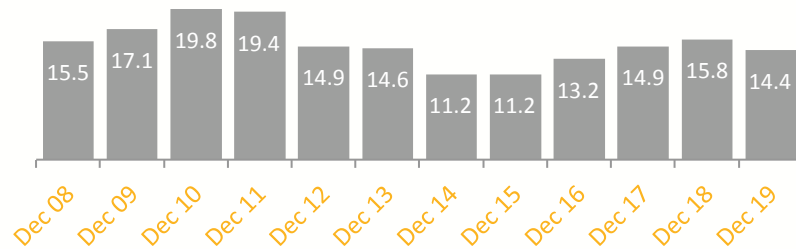
Reported Total Segment EBIT (\$m)



Reported EPS (c)



Reported Post Tax ROC (%)



Segment note

2019/20

For the period ended 28 December 2019	SCA \$m	Rebel \$m	BCF \$m	Macpac \$m	Total continuing operations \$m	Inter-segment eliminations/ unallocated \$m	Consolidated \$m
Segment Revenue and Other Income							
External segment revenue	550.7	542.8	283.5	66.5	1,443.5	-	1,443.5
Other income	-	0.1	-	-	0.1	-	0.1
Total segment revenue and other income	550.7	542.9	283.5	66.5	1,443.6	-	1,443.6
Segment EBITDA⁽¹⁾	75.5	68.4	22.1	3.7	169.7	(9.9)	159.8
Segment depreciation and amortisation ⁽²⁾	(18.2)	(14.7)	(10.0)	(1.4)	(44.3)	(0.1)	(44.4)
Segment EBIT result	57.3	53.7	12.1	2.3	125.4	(10.0)	115.4
Net finance costs ⁽³⁾							(9.4)
Total segment NPBT							106.0
Segment income tax expense ⁽⁴⁾							(31.9)
Normalised NPAT							74.1
AASB 16 adjustment							(4.0)
Other items not included in the total segment NPAT ⁽⁵⁾							(12.7)
Profit for the period							57.4
Profit for the period attributable to:							
Owners of Super Retail Group Limited							57.4
Non-controlling interests							-
Profit for the period							57.4

⁽¹⁾ Adjusted for \$13.5 million of team member underpayment remediation, \$4.5 million remediation costs, \$0.5 million of equity accounted Autoguru losses and provision reversals of \$0.5 million.

⁽²⁾ Adjusted for \$86.8 million of depreciation on right-of-use property assets as a result of applying AASB 16 Leases.

⁽³⁾ Adjusted for \$18.5 million of interest charges on right-of-use property assets as a result of applying AASB 16 Leases.

⁽⁴⁾ Segment income tax expense of \$31.9 million excludes \$4.0 million relating to the tax effect of team member underpayment remediation, \$1.4 million relating to the tax effect of remediation costs, \$0.1 million related to the tax effect of provision reversals and \$1.8 million relating to the tax effect of the impact of applying AASB 16 Leases.

⁽⁵⁾ Includes \$13.5 million of team member underpayment remediation, \$4.5 million of remediation costs, \$0.5 million of equity accounted Autoguru losses and provision reversals of \$0.5 million and the related income tax effect of \$5.3 million.

Segment note

2018/19

For the period ended 29 December 2018	SCA \$m	Rebel \$m	BCF \$m	Macpac \$m	Total continuing operations \$m	Inter-segment eliminations/ unallocated \$m	Consolidated \$m
Segment Revenue and Other Income							
External segment revenue ⁽¹⁾	530.8	523.9	281.4	67.1	1,403.2	-	1,403.2
Inter segment sales	-	-	-	-	-	-	-
Other income	0.1	1.1	0.1	-	1.3	0.1	1.4
Total segment revenue and other income	530.9	525.0	281.5	67.1	1,404.5	0.1	1,404.6
Segment EBITDA⁽²⁾	74.3	68.2	24.8	8.7	176.0	(9.8)	166.2
Segment depreciation and amortisation	(17.2)	(13.8)	(9.4)	(1.2)	(41.6)	(0.1)	(41.7)
Segment EBIT result	57.1	54.4	15.4	7.5	134.4	(9.9)	124.5
Net finance costs							(11.0)
Total segment NPBT							113.5
Segment income tax expense ⁽³⁾							(31.9)
Normalised NPAT							81.6
Other items not included in the total segment NPAT ⁽⁴⁾							(9.9)
Profit for the period							71.7
Profit for the period attributable to:							
Owners of Super Retail Group Limited							71.7
Non-controlling interests							-
Profit for the period							71.7

⁽¹⁾ Includes non-controlling interest (NCI) revenue of nil.

⁽²⁾ Adjusted for \$11.5 million of compensatory interest and remediation costs associated with prior years' wages underpayment, \$1.3 million of equity accounted Autoguru losses and net loss on divestment of Youcamp \$0.6 million.

⁽³⁾ Segment income tax expense of \$31.9 million excludes \$3.5 million relating to the tax effect of compensatory interest and remediation costs associated with prior years' wages underpayment.

⁽⁴⁾ Includes \$8.6 million of compensatory interest, \$2.9 million of remediation costs associated with set up team's wages underpayment, \$1.3 million of equity accounted Autoguru losses and net loss on divestment of Youcamp \$0.6 million and the related income tax effect of \$3.5 million.

AASB 16 Leases impact on Consolidated Income Statement

AASB 16 Leases impact on Consolidated Income Statement (Non IFRS)

	28-Dec-19 Statutory \$m	28-Dec-19 AASB16 Adjustment \$m	28-Dec-19 Pre-AASB16 \$m	29-Dec-18 Pre-AASB16 Statutory \$m
Revenue from continuing operations	1,443.5	-	1,443.5	1,403.2
Other income from continuing operations	0.1	-	0.1	1.4
Total revenues and other income	1,443.6	-	1,443.6	1,404.6
Expenses				
Cost of sales of goods	(794.0)	-	(794.0)	(773.2)
Other expenses from ordinary activities				
- selling and distribution	(193.3)	-	(193.3)	(187.8)
- marketing	(51.2)	-	(51.2)	(51.7)
- occupancy	(102.0)	(12.7)*	(114.7)	(103.9)
- administration	(192.5)	-	(192.5)	(175.5)
Net finance costs	(27.9)	18.5	(9.4)	(11.0)
Share of net loss of associates and joint ventures	(0.5)	-	(0.5)	(1.4)
Total expenses	(1,361.4)	5.8	(1,355.6)	(1,304.5)
Profit before income tax	82.2	5.8	88.0	100.1
Income tax expense	(24.8)	(1.8)	(26.6)	(28.4)
Profit for the period	57.4	4.0	61.4	71.7

*Occupancy expense movement is a reduction in depreciation and amortisation of \$86.8m and an increase in rental expense of \$9.5m.

AASB 16 Leases impact on Fixed Charge Cover Ratio (Non IFRS)

Profit attributable to Owners of Super Retail Group	57.4	4.0	61.4	71.7
Add: Taxation expense	24.8	1.8	26.6	28.4
Net finance costs	27.9	(18.5)	9.4	11.0
Depreciation and amortisation	131.2	(86.8)	44.4	41.7
EBITDA	241.3	(99.5)	141.8	152.8
Rental expense	26.2	99.5	125.7	113.8
EBITDAR	267.5	-	267.5	266.6
Net finance costs	27.9	(18.5)	9.4	11.0
Rental expense	26.2	99.5	125.7	113.8
Fixed charges	54.1	81.0	135.1	124.8
Fixed charge cover ratio	4.94	-	1.98	2.14
Net Debt to EBITDA ratio	4.91	-	1.78	1.92

AASB 16 Leases impact on Consolidated Balance Sheet (1 of 3)

AASB 16 Leases impact on Consolidated Balance Sheet (Non IFRS)

	28-Dec-19 Statutory	28-Dec-19 AASB16 Adjustment	28-Dec-19 Pre-AASB16	29-Jun-19 Pre-AASB16 Statutory
	\$m	\$m	\$m	\$m
ASSETS				
Current assets				
Cash and cash equivalents	57.1	-	57.1	7.5
Trade and other receivables	49.5	2.1	51.6	37.6
Inventories	621.1	-	621.1	560.2
Current tax asset	7.4	-	7.4	1.9
Derivative financial instruments	-	-	-	2.8
Total current assets	735.1	2.1	737.2	610.0
Non-current assets				
Property, plant and equipment	244.1	5.6	249.7	254.8
Right-of-use assets	847.6	(847.6)	-	-
Intangible assets	891.3	1.1	892.4	894.2
Other financial assets	6.4	-	6.4	6.9
Total non-current assets	1,989.4	(840.9)	1,148.5	1,155.9
Total assets	2,724.5	(838.8)	1,885.7	1,765.9

AASB 16 Leases impact on Consolidated Balance Sheet (2 of 3)

AASB 16 Leases impact on Consolidated Balance Sheet (Non IFRS)

	28-Dec-19 Statutory \$m	28-Dec-19 AASB16 Adjustment \$m	28-Dec-19 Pre-AASB16 \$m	29-Jun-19 Pre-AASB16 Statutory \$m
LIABILITIES				
Current liabilities				
Trade and other payables	543.2	3.1	546.3	360.0
Borrowings	-	3.4	3.4	3.4
Lease liabilities	191.9	(191.9)	-	-
Provisions	106.7	0.5	107.2	107.3
Derivative financial instruments	5.5	-	5.5	6.2
Total current liabilities	847.3	(184.9)	662.4	476.9
Non-current liabilities				
Trade and other payables	-	39.5	39.5	39.1
Borrowings	303.4	2.1	305.5	390.8
Lease liabilities	746.3	(746.3)	-	-
Deferred tax liabilities	7.2	27.5	34.7	23.4
Provisions	24.2	0.6	24.8	19.7
Total non-current liabilities	1,081.1	(676.6)	404.5	473.0
Total liabilities	1,928.4	(861.5)	1,066.9	949.9
NET ASSETS	796.1	22.7	818.8	816.0

AASB 16 Leases impact on Consolidated Balance Sheet (3 of 3)

AASB 16 Leases impact on Consolidated Balance Sheet (Non IFRS)

	28-Dec-19 Statutory \$m	28-Dec-19 AASB16 Adjustment \$m	28-Dec-19 Pre-AASB16 \$m	29-Jun-19 Pre-AASB16 Statutory \$m
EQUITY				
Contributed equity	542.3	-	542.3	542.3
Reserves	5.4	-	5.4	8.2
Retained earnings	248.4	22.7	271.1	265.9
Capital and reserves attributable to owners of Super Retail Group Limited	796.1	22.7	818.8	816.4
Non-controlling interests	-	-	-	(0.4)
TOTAL EQUITY	796.1	22.7	818.8	816.0