

Appendix 4D

Half yearly report

Period ended on 28 January 2017

1. Name of entity

PREMIER INVESTMENTS LIMITED ABN 64 006 727 966

2. Reporting periods

Half-year ended ("Current period")	Half-year ended ("Previous corresponding period")
28 January 2017	30 January 2016

3. Results for announcement to the market

\$A'000

3.1 Revenues from ordinary activities	up	4.26%	to	593,864
3.2 Profit from ordinary activities after tax attributable to members	up	0.46%	to	71,868
3.3 Net profit for the period attributable to members	up	0.46%	to	71,868
3.4 Dividends (distributions)		Amount per security		Franked amount per security
<i>Current period:</i>				
Interim dividend		26.0 cents		26.0 cents
<i>Previous corresponding period:</i>				
Interim dividend		23.0 cents		23.0 cents
3.5 Record date for determining entitlements to the dividends	28 APRIL 2017			
3.6 Brief explanation of any of the figures reported above necessary to enable the figures to be understood:				
<p>Please refer to the attached condensed consolidated half-year financial report and investors' presentation accompanying this report. The current half-year ended 28 January 2017 represents a period of 26 weeks, whereas the comparative half-year ended 30 January 2016 represented a period of 27 weeks.</p> <p>This half yearly report is to be read in conjunction with the most recent annual financial report for the year ended 30 July 2016.</p>				

4. NTA backing

	Current period	Previous corresponding Period
Net tangible asset backing per ordinary security	\$3.30	\$3.27

5. Control gained over entities having material effect

Name of entity (or group of entities) NOT APPLICABLE

Consolidated profit (loss) from ordinary activities and extraordinary items after tax of the controlled entity (or group of entities) since the date in the current period on which control was acquired	\$
Date from which such profit has been calculated	
Profit (loss) from ordinary activities and extraordinary items after tax of the controlled entity (or group of entities) for the whole of the previous corresponding period	\$

Loss of control of entities having material effect

Name of entity (or group of entities) NOT APPLICABLE

Consolidated profit (loss) from ordinary activities and extraordinary items after tax of the controlled entity (or group of entities) for the current period to the date of loss of control	\$
Date from which such profit has been calculated	
Consolidated profit (loss) from ordinary activities and extraordinary items after tax of the controlled entity (or group of entities) while controlled during the whole of the previous corresponding period	\$
Contribution to consolidated profit (loss) from ordinary activities and extraordinary items from sale of interest leading to loss of control	\$

6. Dividends (in the case of a trust, distributions)

Date the dividends (distribution) are payable

17 May 2017

Record date to determine entitlements to the dividends (distribution) (i.e., on the basis of proper instruments of transfer received by 5.00 pm if securities are not ⁺CHESS approved, or security holding balances established by 5.00 pm or such later time permitted by SCH Business Rules if securities are ⁺CHESS approved)

28 April 2017

Amount per security

	Amount per security	Franked amount per security at 30% tax	Amount per security of foreign source dividend
Interim dividend: Current period	26.0 cents	26.0 cents	Nil
Interim dividend: Previous corresponding period	23.0 cents	23.0 cents	Nil

Half yearly report - interim dividends (distribution) on all securities

	Current period \$A'000	Previous corresponding period - \$A'000
Ordinary securities (<i>each class separately</i>)	40,932	36,037
Preference securities (<i>each class separately</i>)	-	-
Other equity instruments (<i>each class separately</i>)	-	-
Total	40,932	36,037

7. The dividend or distribution plans shown below are in operation.

The last date(s) for receipt of election notices for the dividend or distribution plans

N/A

Any other disclosures in relation to dividends (distributions).

DIVIDEND REINVESTMENT PLAN DOES NOT APPLY TO THE INTERIM DIVIDEND.

8. Details of aggregate share of profits (losses) of associates and joint venture entities

Group's share of associates and joint venture entities:		Current period \$A'000	Previous corresponding period \$A'000
Name of Associate/Joint Venture entity	Ownership Interest	Entity Net Profit After Tax	Entity Net Profit After Tax
Breville Group Limited	27.5%	\$9,271	\$8,476

9. Foreign Entities – accounting standards used in compiling the report

Not applicable

10. Description of audit dispute or qualification

Not applicable

PREMIER INVESTMENTS LIMITED
ABN 64 006 727 966
AND CONTROLLED ENTITIES

CONSOLIDATED HALF-YEAR FINANCIAL REPORT
FOR THE 26 WEEK PERIOD 31 JULY 2016 TO
28 JANUARY 2017

This half-year report is to be read in
conjunction with the annual financial report
for the year ended 30 July 2016

PREMIER INVESTMENTS LIMITED AND CONTROLLED ENTITIES

**CONSOLIDATED HALF-YEAR FINANCIAL REPORT
FOR THE 26 WEEK PERIOD ENDED
28 JANUARY 2017**

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Corporate information

This half-year financial report covers the consolidated entity comprising Premier Investments Limited and its subsidiaries (the Group).

A description of the Group's operations and its principal activities is included in the review of results and operations and principal activities in the directors' report. The directors' report is unaudited and does not form part of the financial report.

Directors

Solomon Lew	Chairman and Non-executive Director
David Crean	Deputy Chairman and Non-executive Director
Mark McInnes	Executive Director
Timothy Antonie	Non-executive Director and Lead Independent Director
Lindsay Fox	Non-executive Director
Sally Herman	Non-executive Director
Henry Lanzer	Non-executive Director
Terrence McCartney	Non-executive Director
Michael McLeod	Non-executive Director
Gary Weiss	Non-executive Director

Company Secretary

Kim Davis

Registered office and principal place of business

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101 Collins Street
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Company website

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Company email

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Share register

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452 Johnston Street
Abbotsford Victoria 3067
Enquiries within Australia: 1300 850 505
Enquiries outside Australia: (+61 3) 9415 5000
Website: www.computershare.com.au

Auditors

Ernst & Young
8 Exhibition Street
Melbourne Victoria 3000

Solicitors

Arnold Bloch Leibler
Level 21
333 Collins Street
Melbourne Victoria 3000

Directors' Report

The directors present their report together with the financial report of the consolidated entity consisting of Premier Investments Limited and the entities it controlled, for the 26 week period 31 July 2016 to 28 January 2017 and independent review report thereon.

Directors

The names of the company's directors in office during the half-year and until the date of this report are as below. Directors were in office for this entire period unless otherwise stated.

Solomon Lew	Chairman and Non-executive Director
David Crean	Deputy Chairman and Non-executive Director
Mark McInnes	Executive Director
Timothy Antonie	Non-executive Director and Lead Independent Director
Lindsay Fox	Non-executive Director
Sally Herman	Non-executive Director
Henry Lanzer	Non-executive Director
Terrence McCartney	Non-executive Director
Michael McLeod	Non-executive Director
Gary Weiss	Non-executive Director

Earnings per share

	26 WEEKS ENDED 28 JANUARY 2017 CENTS	27 WEEKS ENDED 30 JANUARY 2016 CENTS
Basic earnings per share	45.69	45.70
Diluted earnings per share	45.29	45.36

Dividends

During the half-year the following fully franked dividend was paid and declared:

2016 Final Dividend: 25 cents per share paid on 18 November 2016.

The directors have recommended the following fully franked dividends:

2017 Interim Dividend: 26 cents per share payable on 17 May 2017.

Operating and financial review

Net profit after income tax for the 26 weeks ended 28 January 2017 was \$71.9 million (27 weeks ended 30 January 2016: \$71.5 million), which represents a 0.46% increase upon the prior period.

Premier Retail was the key contributor to the Group's operating results for the half-year. For the 26 weeks ended 28 January 2017, the retail segment reported revenue from the sale of goods of \$588.6 million, which is an increase of 4.19% on the first half of 2016, which represented a 27 week reporting period. The retail segment operates its portfolio of well recognised retail brands in Australia, New Zealand, Singapore, the United Kingdom, Malaysia and Hong Kong.

Directors' Report (continued)

Operating and financial review (continued)

The current reporting period, being 31 July 2016 to 28 January 2017, represents 26 weeks, whereas the comparative period, 26 July 2015 to 30 January 2016, represents 27 weeks.

The following table details certain key performance measures for the retail segment based upon a comparable 26 week period ended 30 January 2016:

	26 WEEKS ENDED 28 JANUARY 2017	COMPARABLE 26 WEEKS ENDED 30 JANUARY 2016	% CHANGE
	\$'000	\$'000	
Revenue from sale of goods	588,613	549,800	+7.06%
Profit from continuing operations before income tax	87,662	81,812	+7.15%

The investment segment (excluding the inter-group dividend) reported net profit before tax of \$9.95 million, an increase of 0.31% upon the prior period.

Rounding

The Company is a company of the kind specified in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*, dated 24 March 2016. In accordance with that ASIC instrument, amounts in the financial report have been rounded to the nearest thousand dollars unless specifically stated to be otherwise.

Significant events after the reporting date

On 20 March 2017 the directors declared an interim ordinary dividend of 26 cents per share fully franked.

Auditors' independence declaration

Attached on page 22 is a copy of the Auditors' Independence Declaration provided under section 307C of the *Corporations Act 2001* in relation to the review of the half-year report for the period 31 July 2016 to 28 January 2017. This auditors' declaration forms part of the Directors' Report.

Signed in accordance with a resolution of the Board of Directors.



Solomon Lew
Chairman
20 March 2017

Interim Consolidated Statement of Comprehensive Income For the Period 31 July 2016 to 28 January 2017

	CONSOLIDATED		
		26 WEEKS ENDED 28 JANUARY 2017	27 WEEKS ENDED 30 JANUARY 2016
	NOTES	\$'000	\$'000
Continuing operations			
Revenue from sale of goods	4	588,613	564,951
Other revenue	4	3,694	4,111
Total Revenue		592,307	569,062
Other income	4	1,557	534
Total Revenue and Other Income		593,864	569,596
Changes in inventories of finished goods		(211,750)	(198,931)
Employee expenses		(141,624)	(137,780)
Operating lease rental expense		(107,873)	(102,961)
Depreciation, impairment and amortisation	5	(12,954)	(12,314)
Advertising and direct marketing		(7,535)	(6,662)
Finance costs	5	(2,630)	(2,515)
Other expenses		(21,162)	(18,587)
Total expenses		(505,528)	(479,750)
Share of profit of associates		9,271	8,476
Profit before income tax		97,607	98,322
Income tax expense	6	(25,739)	(26,785)
Net profit for the period attributable to owners		71,868	71,537
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Net gain (loss) on cash flow hedges		1,775	(14,600)
Foreign currency translation		(1,649)	(915)
Net movement in other comprehensive income of associates		731	416
Income tax on items of other comprehensive income	5	(558)	4,380
Other comprehensive income (loss) for the period, net of tax		299	(10,719)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD ATTRIBUTABLE TO OWNERS		72,167	60,818
Earnings per share for profit from continuing operations attributable to the ordinary equity holders of the parent:			
Basic for profit for the year (cents per share)	9	45.69	45.70
Diluted for profit for the year (cents per share)	9	45.29	45.36

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Interim Consolidated Statement of Financial Position As at 28 January 2017

	NOTES	CONSOLIDATED	
		28 JANUARY 2017	30 JULY 2016
		\$'000	\$'000
Current assets			
Cash and cash equivalents	11	279,154	283,233
Trade and other receivables		24,584	16,461
Inventories		126,870	123,556
Other financial instruments	12	1,025	1,636
Other current assets		9,037	11,694
Total current assets		440,670	436,580
Non-current assets			
Property, plant and equipment	13	206,384	139,237
Intangible assets		854,917	854,816
Deferred tax assets		18,448	18,858
Investment in associate	14	218,387	213,392
Total non-current assets		1,298,136	1,226,303
TOTAL ASSETS		1,738,806	1,662,883
Current liabilities			
Trade and other payables		80,788	72,965
Other financial instruments	12	13,898	11,711
Income tax payable		30,927	31,953
Provisions		17,410	16,457
Other current liabilities		7,572	6,967
Total current liabilities		150,595	140,053
Non-current liabilities			
Interest-bearing liabilities	15	135,389	105,805
Deferred tax liabilities		57,267	57,311
Provisions		1,776	1,871
Other financial instruments	12	132	4,479
Other non-current liabilities		18,682	14,809
Total non-current liabilities		213,246	184,275
TOTAL LIABILITIES		363,841	324,328
NET ASSETS		1,374,965	1,338,555
EQUITY			
Contributed equity	16	608,615	608,615
Reserves		1,466	(2,434)
Retained earnings		764,884	732,374
TOTAL EQUITY		1,374,965	1,338,555

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

Interim Consolidated Statement of Cash Flows For the Period 31 July 2016 to 28 January 2017

	CONSOLIDATED	
	26 WEEKS ENDED 28 JANUARY 2017	27 WEEKS ENDED 30 JANUARY 2016
NOTES	\$'000	\$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers (inclusive of GST)	652,853	625,480
Payment to suppliers and employees (inclusive of GST)	(545,310)	(525,227)
Income taxes paid	(26,407)	(26,905)
Interest received	3,690	4,138
Borrowing costs paid	(2,282)	(2,606)
NET CASH FLOWS FROM OPERATING ACTIVITIES	82,544	74,880
CASH FLOWS USED IN INVESTING ACTIVITIES		
Proceeds from disposal of property, plant and equipment	4	204
Proceeds from disposal of asset classified as held for sale	-	1,000
Purchase of investments	-	(29)
Dividends received from associates	5,007	4,649
Payment for property, plant and equipment	(81,328)	(19,975)
Payment for trademarks	(113)	(40)
NET CASH FLOWS USED IN INVESTING ACTIVITIES	(76,430)	(14,191)
CASH FLOWS USED IN FINANCING ACTIVITIES		
Equity dividends paid	(39,358)	(32,840)
Proceeds from borrowings	117,000	48,069
Repayment of borrowings	(87,416)	(69,094)
Payment of finance lease liabilities	-	(14)
NET CASH FLOWS USED IN FINANCING ACTIVITIES	(9,774)	(53,879)
NET (DECREASE) INCREASE IN CASH HELD	(3,660)	6,810
Cash at the beginning of the financial period	283,233	281,572
Net foreign exchange difference	(419)	-
CASH AT THE END OF THE FINANCIAL PERIOD	11	279,154
	279,154	288,382

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

**Interim Consolidated Statement of Changes in Equity
For the period 31 July 2016 to 28 January 2017**

CONSOLIDATED							
	CONTRIBUTED EQUITY	CAPITAL PROFITS RESERVE	PERFORMANCE RIGHTS RESERVE	CASH FLOW HEDGE RESERVE	FOREIGN CURRENCY TRANSLATION RESERVE	RETAINED PROFITS	TOTAL
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At 31 July 2016	608,615	464	6,346	(10,291)	1,047	732,374	1,338,555
Net profit for the period	-	-	-	-	-	71,868	71,868
Other comprehensive income (loss)	-	-	-	1,217	(918)	-	299
Total comprehensive income (loss) for the half-year	-	-	-	1,217	(918)	71,868	72,167
Transactions with owners in their capacity as owners							
Performance rights issue	-	-	3,601	-	-	-	3,601
Dividends Paid	-	-	-	-	-	(39,358)	(39,358)
Balance as at 28 January 2017	608,615	464	9,947	(9,074)	129	764,884	1,374,965
At 26 July 2015	608,615	464	4,082	21,197	6,480	697,469	1,338,307
Net profit for the period	-	-	-	-	-	71,537	71,537
Other comprehensive loss	-	-	-	(10,220)	(499)	-	(10,719)
Total comprehensive income (loss) for the half-year	-	-	-	(10,220)	(499)	71,537	60,818
Transactions with owners in their capacity as owners							
Performance rights issue	-	-	498	-	-	-	498
Dividends Paid	-	-	-	-	-	(32,840)	(32,840)
Balance as at 30 January 2016	608,615	464	4,580	10,977	5,981	736,166	1,366,783

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

**Notes to the Consolidated Financial Statements
For the period ended 28 January 2017**

1 Corporate information

The condensed consolidated half-year financial report of Premier Investments Limited for the period ended 28 January 2017 was authorised for issue in accordance with a resolution of the directors on 20 March 2017. Premier Investments Limited is a for profit company incorporated in Australia and limited by shares, which are publicly traded on the Australian Securities Exchange (ASX).

2 Basis of preparation and accounting policies

i. Basis of preparation

The general purpose consolidated half-year financial report for the period ended 28 January 2017 has been prepared in accordance with AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

This financial report does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the consolidated entity as the full financial report.

It is recommended that the half-year financial report be read in conjunction with the annual report for the 53 weeks ended 30 July 2016 and considered together with any public announcements made by Premier Investments Limited during the period ended 28 January 2017 in accordance with the continuous disclosure obligations of the ASX listing rules.

The financial report has been prepared on a historical cost basis, except for other financial instruments which have been measured at fair value.

The financial report is presented in Australian dollars and all values are rounded to the nearest thousand dollars (\$'000), unless otherwise stated, as the Company is a kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*, dated 24 March 2016.

ii. Significant accounting policies

Apart from the changes in accounting policies noted below, the accounting policies and methods of computation are the same as those adopted in the most recent financial report.

iii. Changes in accounting policies and disclosures

The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board that are relevant to their operations and are effective for the financial year beginning 31 July 2016. New and revised Standards and Interpretations effective for the current half-year that are relevant to the Group include:

- AASB 2014-4 Clarification of Acceptable Methods of Depreciation and Amortisation: The Standard amends AASB 116 *Property Plant and Equipment* and AASB 138 *Intangible Assets* to provide additional guidance on how depreciation or amortisation should be calculated.
- AASB 2015-1 Amendments to Australian Accounting Standards – Annual Improvements to Australian Accounting Standards 2012 – 2014 cycle: The Standard amends a number of pronouncements as a result of the IASB's 2012 – 2014 annual improvements cycle.
- AASB 2015-2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101: The Standard amends AASB 101 *Presentation of Financial Statements* to provide clarification regarding the disclosure requirements in AASB 101.

The adoption of the amending Standards does not have any impact on the disclosures or the amounts recognised in the Group's consolidated half-year financial report. The Group has not elected to early adopt any new Standards or amendments issued but not yet effective.

Notes to the Consolidated Financial Statements
For the period ended 28 January 2017

2 Basis of preparation and accounting policies (continued)

iv. **Basis of consolidation**

The consolidated financial reports comprise the financial statements of Premier Investments Limited and its subsidiaries as at 28 January 2017.

v. **Comparatives**

The current reporting period 31 July 2016 to 28 January 2017 represents 26 weeks and the comparative period is 26 July 2015 to 30 January 2016 representing 27 weeks.

When necessary, comparative figures have been adjusted to conform to changes in presentation in the current period.

3 Seasonality of operations

The financial performance of the consolidated entity is exposed to seasonality in the volume of sales, such that the Group's financial performance is historically weighted in favour of the period to 28 January. This seasonality is a reflection of the additional retail sales generated during the Christmas trading period each year.

Notes to the Consolidated Financial Statements
For the period ended 28 January 2017

	CONSOLIDATED	
	26 WEEKS ENDED 28 JANUARY 2017 \$'000	27 WEEKS ENDED 30 JANUARY 2016 \$'000
4 Revenue		
<i>REVENUE</i>		
Revenue from sale of goods	588,613	564,951
TOTAL REVENUE FROM SALE OF GOODS	588,613	564,951
<i>OTHER REVENUE</i>		
Membership program fees	128	155
Sundry revenue	21	16
Interest – Other persons	3,545	3,940
TOTAL OTHER REVENUE	3,694	4,111
TOTAL REVENUE	592,307	569,062
<i>OTHER INCOME</i>		
Gain on ineffective cash flow hedges	-	91
Foreign exchange gains	432	-
Royalty and licence fees – Other persons	23	37
Other	1,102	406
TOTAL OTHER INCOME	1,557	534
TOTAL REVENUE AND OTHER INCOME	593,864	569,596

Notes to the Consolidated Financial Statements
For the period ended 28 January 2017

	CONSOLIDATED	
	26 WEEKS ENDED 28 JANUARY 2017 \$'000	27 WEEKS ENDED 30 JANUARY 2016 \$'000
5 Expenses		
DEPRECIATION AND IMPAIRMENT OF NON-CURRENT ASSETS		
Depreciation of property, plant and equipment	12,338	12,026
Depreciation of property, plant and equipment under lease	-	12
Impairment of property, plant and equipment	602	262
TOTAL DEPRECIATION AND IMPAIRMENT OF NON-CURRENT ASSETS	12,940	12,300
AMORTISATION OF NON-CURRENT ASSETS		
Amortisation of leasehold premiums	14	14
TOTAL AMORTISATION OF NON-CURRENT ASSETS	14	14
TOTAL DEPRECIATION, IMPAIRMENT AND AMORTISATION	12,954	12,314
FINANCE COSTS		
Finance charges on capitalised leases	-	22
Discount charges on provisions	-	3
Interest charges on bank loans and overdraft	2,630	2,490
TOTAL FINANCE COSTS	2,630	2,515
OTHER EXPENSES		
Loss on ineffective cash flow hedges	190	-
Foreign exchange losses	-	155
Net loss on disposal of property, plant and equipment	241	144
DISCLOSURE OF TAX EFFECTS RELATING TO EACH COMPONENT OF OTHER COMPREHENSIVE INCOME		
Cash flow hedges	558	(4,380)
INCOME TAX ON ITEMS OF OTHER COMPREHENSIVE INCOME	558	(4,380)

Notes to the Consolidated Financial Statements
For the period ended 28 January 2017

	CONSOLIDATED	
	26 WEEKS ENDED 28 JANUARY 2017 \$'000	27 WEEKS ENDED 30 JANUARY 2016 \$'000

6 Income tax expense

A reconciliation between income tax expense and the product of accounting profit before tax multiplied by the Group's applicable income tax rate is as follows:

Accounting profit before income tax	97,607	98,322
At the Parent Entity's statutory income tax rate of 30% (2016: 30%)	29,282	29,497
Adjustments in respect of current income tax of previous years	(1,324)	-
Expenditure not allowable for income tax purposes	891	60
Effect of different rates of tax on overseas income	(2,054)	(1,401)
Income not assessable for income tax purposes	(2,331)	(2,543)
Other	1,275	1,172
Income tax expense reported in the Statement of Comprehensive Income	25,739	26,785

7 Segment information

Identification of reportable segments

The Group has identified its operating segments based on the internal reports that are reviewed and used by the chief operating decision maker in assessing the performance of the Group and in determining the allocation of resources. The operating segments are identified by management based on the nature of the business conducted. Discrete financial information about each of these operating businesses is reported to the chief operating decision maker on at least a monthly basis.

The reportable segments are based on aggregate operating segments determined by the similarity of the business conducted, as these are the sources of the Group's major risks and have the most effect on the rate of return.

Types of products and services

Retail

The retail segment represents the financial performance of a number of speciality retail fashion chains.

Investment

The investments segment represents investment in securities for both long-term and short-term gains and interest. This includes a significant investment in an associate, accounted for using the equity method of accounting.

Accounting policies

The accounting policies used by the Group in reporting segments internally is the same as those contained in note 2 of the most recent annual report and in the prior periods.

It is the Group's policy that if items of revenue and expense are not allocated to operating segments then any associated assets and liabilities are also not allocated to the segments. This is to avoid asymmetrical allocations within segments which management believe would be inconsistent.

Notes to the Consolidated Financial Statements
For the period ended 28 January 2017

7 Segment information (continued)

The following table presents revenue and profit information for reportable segments for the periods ended 28 January 2017 and 30 January 2016.

	RETAIL		INVESTMENT		ELIMINATIONS		TOTAL	
	28 JANUARY 2017 \$'000	30 JANUARY 2016 \$'000						
<i>REVENUE</i>								
Sale of goods	588,613	564,951	-	-	-	-	588,613	564,951
Other revenue	184	260	39,510	33,851	(36,000)	(30,000)	3,694	4,111
Other income	1,557	534	-	-	-	-	1,557	534
Total Segment revenue and other income	590,354	565,745	39,510	33,851	(36,000)	(30,000)	593,864	569,596
Total revenue and other income per the statement of comprehensive income							593,864	569,596
Segment profit before income tax expense	87,662	88,408	45,945	39,914	(36,000)	(30,000)	97,607	98,322
Reconciliation of segment net profit before tax to net profit after tax								
Income tax expense							(25,739)	(26,785)
Net profit after tax per the statement of comprehensive income							71,868	71,537
<i>ASSETS AND LIABILITIES</i>								
Segment assets	466,624	446,874	1,348,505	1,283,894	(76,323)	(67,885)	1,738,806	1,662,883
Segment liabilities	268,043	270,091	126,108	76,106	(30,310)	(21,869)	363,841	324,328
Capital expenditure	27,914	42,677	58,328	-	-	-	86,242	42,677

Notes to the Consolidated Financial Statements
For the period ended 28 January 2017

	CONSOLIDATED	
	26 WEEKS ENDED 28 JANUARY 2017 \$'000	27 WEEKS ENDED 30 JANUARY 2016 \$'000

8 Dividends paid

a) Dividend declared and paid during the period

Final fully franked dividend for the financial year ended 30 July 2016: 25 cents per share (2015: 21 cents per share)	39,358	32,840
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b) Dividends proposed and not recognised as a liability

Interim fully franked dividend for the period ended 28 January 2017: 26 cents per share (2016: 23 cents per share)	40,932	36,037
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9 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:

Net profit after tax	71,868	71,537
	Number of shares '000	Number of shares '000
Weighted average number of ordinary shares used in calculating:		
- basic earnings per share	157,312	156,523
- diluted earnings per share	158,696	157,714

There have been no other conversions to, calls of, or subscriptions for ordinary shares or issues of potential ordinary shares since the reporting date and before the completion of this half-year financial report.

**Notes to the Consolidated Financial Statements
For the period ended 28 January 2017**

10 Impairment testing

Intangible assets – Goodwill and Brand Names

After initial recognition, goodwill and indefinite-life brand names acquired in a business combination are measured at cost less any accumulated impairment losses. Goodwill and brand names are not amortised but are subject to impairment testing on an annual basis or whenever there is an indication of impairment. Goodwill and brand names were subject to a full annual impairment test as at 30 July 2016. A review of indicators of impairment relating to goodwill and brand names was performed as at 28 January 2017. As a result of this review, no indicators of impairment were identified that would require a full impairment test to be performed as at 28 January 2017.

The financial statements for the 53 weeks ended 30 July 2016 detail the most recent annual impairment tests undertaken for both brand names and goodwill. The Group's impairment tests for goodwill and brand names are based on value-in-use calculations. The key assumptions used to determine the recoverable amounts for the cash-generating units to which brand names and goodwill relate, are disclosed in the 30 July 2016 financial statements.

Property, plant and equipment

Property, plant and equipment items are subject to impairment testing at each reporting period. As at 28 January 2017, an impairment expense of \$602,000 has been recognised (2016: \$262,000).

CONSOLIDATED		
	28 JANUARY 2017 \$'000	30 JULY 2016 \$'000

11 Cash and cash equivalents

Reconciliation of cash and cash equivalents:

Cash at bank and in hand	33,928	29,551
Short-term deposits	245,226	253,682
Balance at end of the period	279,154	283,233

12 Financial instruments

Fair value of financial assets and liabilities

The Group measures financial instruments, such as derivatives, at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place in either the principal market for the asset or liability, or, in the absence of a principal market, the most advantageous market for the asset or liability, which is accessible to the Group.

The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. The group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Notes to the Consolidated Financial Statements
For the period ended 28 January 2017

12 Financial instruments (continued)

Fair value of financial assets and liabilities (continued)

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: The fair value is calculated using quoted prices in active markets for identical assets or liabilities.
- Level 2: The fair value is estimated using inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).
- Level 3: The fair value is estimated using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The following table provides the fair value measurement hierarchy of the Group's financial assets and liabilities:

CONSOLIDATED				
	QUOTED MARKET PRICE	VALUATION TECHNIQUE – MARKET OBSERVABLE INPUTS	VALUATION TECHNIQUE – NON MARKET OBSERVABLE INPUTS	TOTAL
	LEVEL 1 \$'000	LEVEL 2 \$'000	LEVEL 3 \$'000	\$'000
28 January 2017				
<u>Financial Assets</u>				
Derivative financial assets	-	1,025	-	1,025
	-	1,025	-	1,025
<u>Financial Liabilities</u>				
Derivative financial liabilities	-	14,030	-	14,030
	-	14,030	-	14,030
30 July 2016				
<u>Financial Assets</u>				
Derivative financial assets	-	1,636	-	1,636
	-	1,636	-	1,636
<u>Financial Liabilities</u>				
Derivative financial liabilities	-	16,190	-	16,190
	-	16,190	-	16,190

There have been no transfers between Level 1, Level 2 and Level 3 during the period.

Derivative financial instruments are used by the Group in the normal course of business in order to hedge exposure to fluctuations in foreign exchange rates and interest rates, in accordance with the Group's financial risk management policies. The majority of the Group's inventory purchases are denominated in US Dollars, and in order to protect against exchange rate movements, the Group has entered into forward exchange contracts to purchase US Dollars.

Foreign exchange contracts are measured based on observable spot exchange rates, the yield curves of the respective currencies as well as the currency basis spread between the respective currencies.

Notes to the Consolidated Financial Statements
For the period ended 28 January 2017

12 Financial instruments (continued)

Fair value of financial assets and liabilities (continued)

Interest rate swaps are measured based on forward interest rates from observable yield curves at the end of the respective reporting period, and contract interest rates, which have been discounted at a rate that incorporates the credit risk of the counterparties.

At the reporting date, the fair values of cash and cash equivalents, trade and other receivables and trade and other payables approximate their carrying values. The carrying value of interest-bearing liabilities approximates the fair value, being the amount at which the liability could be settled in a current transaction between willing parties.

13 Property, Plant and equipment

During the period ended 28 January 2017, the Group entered into a real estate agreement to acquire a property in Melbourne, Australia. Settlement of the purchase price occurred on 29 December 2016. As at 28 January 2017, the Group recognised an asset in relation to the land and buildings acquired with a cost of \$58,327,500 in relation to the settlement of the purchase price of the acquired property.

14 Investment in associate

Premier Investments Limited holds 27.5% (30 July 2016: 27.5%) of Breville Group Limited, a company incorporated in Australia whose shares are quoted on the ASX. Premier accounts for its investment in Breville Group Limited using the equity method of accounting.

Premier's share of profit after tax of its associate for the period was \$9,271,000 (30 January 2016: \$8,476,000). Dividends received from investment in associate for the half-year amounted to \$5,007,000 (30 January 2016: \$4,649,000).

15 Interest bearing liabilities

Additional interest bearing liabilities

The Group obtained an additional bank borrowing in the amount of \$50 million during the half-year ended 28 January 2017. The borrowing is secured by a mortgage over the Group's newly acquired land and buildings in Melbourne, Australia, with a cost price of \$58.3 million. The proceeds from the loan were used to facilitate settlement of the property's purchase price. The borrowing is repayable in full at the end of 5 years.

Notes to the Consolidated Financial Statements
For the period ended 28 January 2017

	CONSOLIDATED	
	28 JANUARY 2017 \$'000	30 JULY 2016 \$'000
16 Contributed equity		
Ordinary shares – issued	608,615	608,615
Total contributed equity	608,615	608,615
	NUMBER OF SHARES '000	NUMBER OF SHARES '000
<i>Movements in issued shares during the period:</i>		
Balance at start of the period	157,164	156,380
Shares issued during the period (i)	268	784
Balance at end of the period	157,432	157,164

(i) 267,505 shares (2016: 784,386) were issued in relation to the performance rights plan.

17 Commitments and contingencies

As at 28 January 2017, Just Group Limited has bank guarantees and outstanding letters of credit totalling \$6,502,190 (30 July 2016: \$5,206,702).

18 Events after the reporting date

On 20 March 2017 the directors declared an interim ordinary dividend of 26 cents per share fully franked.

Directors' Declaration

In accordance with a resolution of the Directors of Premier Investments Limited we state that:

In the opinion of the directors:

- (a) The financial statements and notes of the consolidated entity for the half-year ended 28 January 2017 are in accordance with the *Corporations Act 2001*, including:
 - (i) Giving a true and fair view of the financial position as at 28 January 2017 and the performance for the period ending on that date of the consolidated entity;
 - (ii) Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.
- (b) There are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

On behalf of the board



Solomon Lew

Chairman

20 March 2017



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Auditor's Independence Declaration to the Directors of Premier Investments Limited

As lead auditor for the review of Premier Investments Limited for the half-year ended 28 January 2017, I declare to the best of my knowledge and belief, there have been:

- a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- b) no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Premier Investments Limited and the entities it controlled during the financial period.

Ernst & Young

A handwritten signature in black ink, appearing to read 'Rob Perry', with a long horizontal flourish extending to the right.

Rob Perry
Partner
20 March 2017



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Report on the Half-Year Financial Report

We have reviewed the accompanying consolidated half-year financial report of Premier Investments Limited, which comprises the consolidated statement of financial position for the period 31 July 2016 to 28 January 2017, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal controls as the directors determine are necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position for the period 31 July 2016 to 28 January 2017 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Premier Investments Limited and the entities it controlled during the half-year, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We have given to the directors of the company a written Auditor's Independence Declaration, a copy of which is included in the Directors' Report.



Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Premier Investments Limited is not in accordance with the *Corporations Act 2001*, including:

- a) giving a true and fair view of the consolidated entity's financial position for the period 31 July 2016 to 28 January 2017 and of its performance for the half-year ended on that date; and
- b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Ernst & Young

A handwritten signature in black ink, appearing to read 'Rob Perry', with a long horizontal flourish extending to the right.

Rob Perry
Partner
Melbourne
20 March 2017