



ASX RELEASE

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Update on trading and discussions with potentially interested parties

The PAS Group Limited (ASX:PGR, **PAS** or **Company**) refers to the unsolicited on-market cash takeover offer made on 22 September 2015 by Australia Brands Investment, LLC (**ABI**) (the **Offer**) for all of the shares not already owned by ABI or its associates.

In order to keep Shareholders fully informed, and whilst it is not the normal practice to provide a quarterly trading update, the Board has decided, due to the takeover offer, to provide the first quarter unaudited results which are as follows:

\$'000	Q1 Results to 30 Sept 2015		
	This Year	Last Year	% Increase
Total Group			
Sales	72,102	59,618	20.9%
EBITDA	4,799	3,893	23.3%
Retail Comp Sales*			1.0%
Retail Comp Gross Profit			4.1%

*The above Retail Comp Sales % increase includes Metalicus which as previously communicated has taken longer to turnaround than anticipated.

Despite the positive results achieved in Q1, the Board remains cautious about the remainder of FY2016 given the ongoing level of consumer confidence in Australia.

As foreshadowed in PAS' Target's Statement responding to the ABI Offer, the Board has initiated discussions with a number of parties with a view to ascertaining their interest in making a competing offer for PAS. At the time of this announcement, the Board has not received any competing offers.

The Board continues to recommend that PAS shareholders reject ABI's Offer.

For further information, please contact:

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