

20 NOVEMBER 2015

2015 ANNUAL GENERAL MEETING

MURAL HALL, MYER MELBOURNE

THE AGENDA

Chairman's address

CEO Update

Remuneration address

Formal business

Meeting concludes

NEW MYER....
....TO BRING THE LOVE OF
SHOPPING TO LIFE

through:

Passionate people

Inspiring brands

Wonderful experiences

Personal connections

Embracing change

A year of change



MYER

New Myer: Delivering tomorrow's Department Store

Exceptional foundations for success:

- **130 million** visits to Myer stores each year
- **More than 5 million** members of MYER one
- **Approximately 12,500** highly engaged and experienced team members
- **66** stores across a valuable national network, with over **23** located in prime CBD / flagship and premium locations
- **5%** share of \$63bn market in the categories that Myer competes: significant white space to capture
- Fast growing omni-channel business

MYER



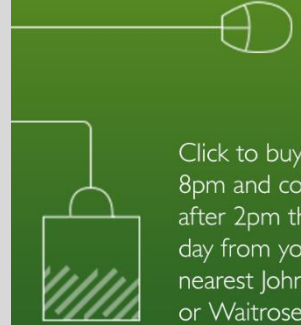
Department stores can thrive in the new retail environment

- Leading department stores have applied a clear strategy to respond to the new retail reality
 - Optimise assortment
 - Localise
 - Re-invent the in-store experience
 - Omni-channel
 - Re-purpose space

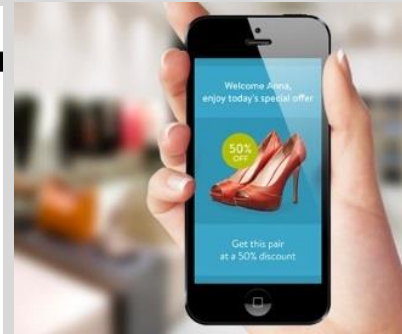
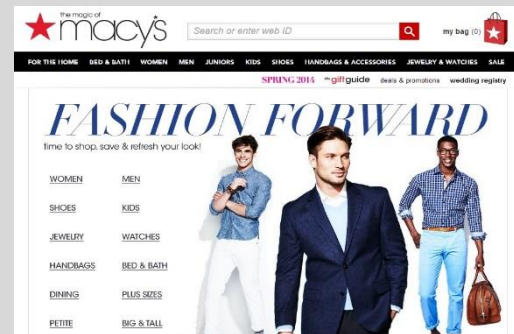
MYER



Click & collect



Click to buy before 8pm and collect after 2pm the next day from your nearest John Lewis or Waitrose*



FY2015 result supports the case for change

- Total sales +1.7% to \$3,195 million driven by new stores, refurbishments, and growth of online
- FY2015 comparable store sales up 1.1%
- 2H sales +1.9%, up 1.3% on a comparable stores sales basis
- OGP margin impacted by exchange rate, and higher inventory provisions
- CODB increased by 3.3% reflecting investment in new and refurbished stores and costs associated with omni channel growth
- NPAT (excluding Individually Significant Items)* \$77.5 million

FY2015 key operational highlights

- Strong performance in Cosmetics, Childrenswear, Entertainment, offset by Womenswear
- Strong customer response to refurbishments at Adelaide City, Macquarie, Miranda and Indooroopilly
- Opened new stores at Mt Gravatt and Joondalup, closed stores at Hurstville and Top Ryde
- New brand campaign and revitalised Christmas offering 'Giftorium'
- Continued strong growth in online business, with improved profitability. Click & Collect business grew by 183%
- Digital Myer Hub trial successfully launched at Parramatta in Q4 FY2015
- Progress made to change mix of permanent and casual team members to improve customer service

New Myer Target Metrics

SALES	Target average sales growth greater than 3% between 2016 - 2020
SALES / SQM	Target greater than 20% improvement by 2020
EBITDA	Target EBITDA growth ahead of sales growth by 2017
ROFE	Target ROFE greater than 15% by 2020

Q1* sales \$714.8 million, up 3.4%, in line with expectations FY16 underlying NPAT guidance unchanged

- Comparable store sales +3.9%, supported by 'Spring Clean' clearance in August
- Comparable store sales growth in 13 of the last 14 quarters
- Cosmetics business, now 14 consecutive quarters of sales growth
- Continued strong growth in online business, increasing take up of click and collect
- Continue to expect underlying FY2016 NPAT to be in the range of \$64 to \$72 million (excluding the impact of implementation costs associated with New Myer)

New Myer operational update

- More than 300 new brand installations since July 2015 including Seed Womens, Seed Kids, French Connection, Nine West, Giftorium
- Successfully launched TOPSHOP TOPMAN in Bondi store

New Myer is the strategic gear change required for the new retail environment



What are the attributes of our High Value customer?



PRODUCTS AND EXPERIENCES
TO SUIT LIFESTYLE



SUCCESSFUL,
FAMILY IS IMPORTANT



WANTS INSPIRATION,
HELP TO MANAGE LIFE



WANTS TO BE UP TO
DATE WITH FASHION



QUALITY IS IMPORTANT,
BUT SO ARE BRANDS



TECHNOLOGY:
SHOPS ONLINE, SOCIAL,
MOBILE

We have hit the ground running



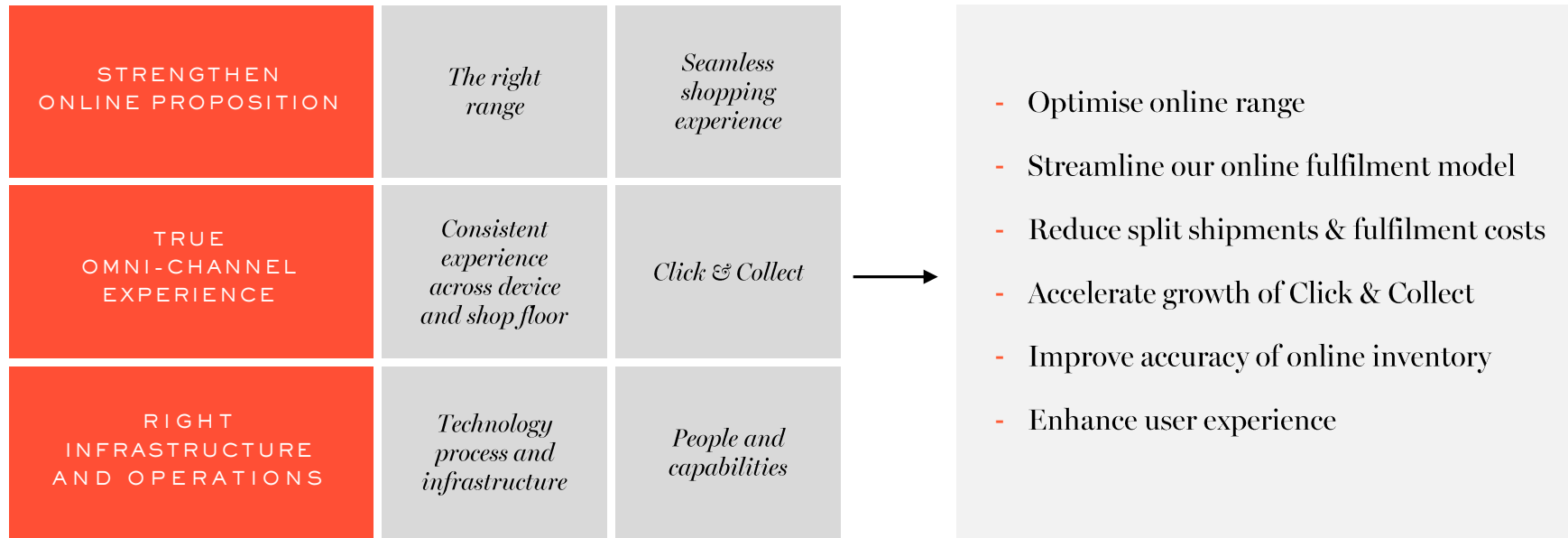
We have identified key areas to prioritise investment & improve experiences across priority stores

		ACTIONS
A	VISUAL MERCHANDISE	Elevate visual merchandise in Flagship and Premium stores including fixture upgrades and presentation differentiation, digital technology and inspirational cross-merchandising
B	DWELL SPACES	Dedicated dwell spaces in Flagship and Premium stores, including beauty bars , restaurants and pop-up food concepts
C	FITTING ROOMS	Premium fitting rooms in Flagship and Premium stores, including personal shopping suites and stylist services
D	MYER HUB ROLLOUT	Comprehensive Myer Hub rollout in Flagship and Premium stores, including digital services and Click & Collect
E	FACILITIES UPGRADE	Upgraded facilities, including in-store wi-fi across selected stores and enhanced lighting
F	DIFFERENTIATED CUSTOMER SERVICE	Improved customer service and MYER one loyalty program , supported by a new recruitment and training strategy

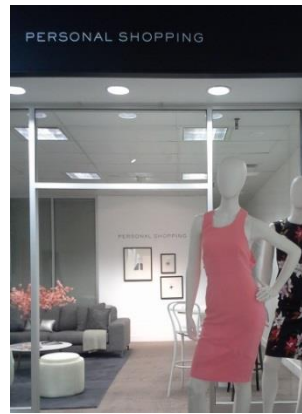
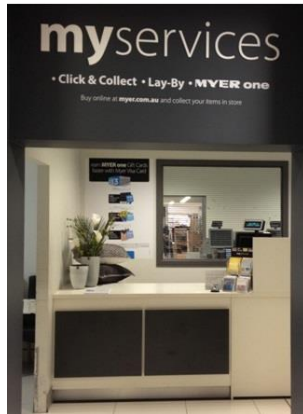
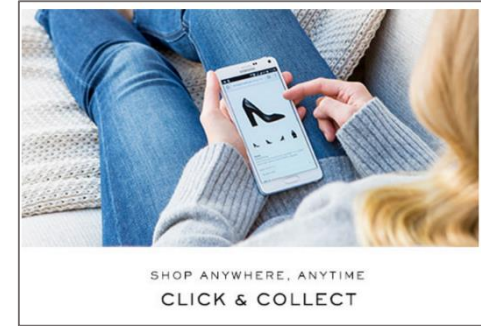


Improved
Customer
Experience
(Net Promoter
Score) &
Productivity

Omni-channel customers can shop where they like, when they like & how they like



Rolling out steady improvements in omni-channel

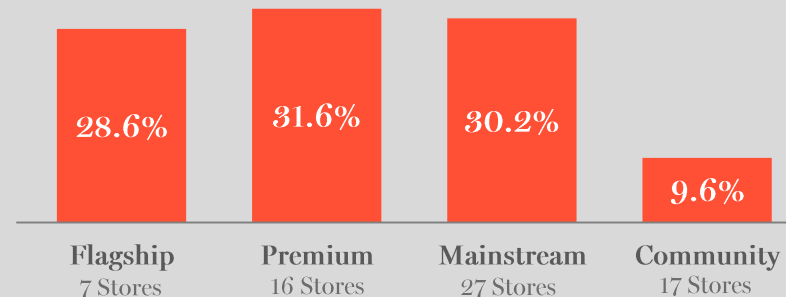


MYER

Our store portfolio is a valuable asset

- High EBIT contributing stores are secured with long term leases
- Lease obligations are concentrated over high EBIT contributing stores
- Lower performing stores have significantly lower lease liabilities and shorter average lease lengths
- Myer will actively manage its store portfolio to align with its primary customers and improve overall productivity
 - a. Selected landlord discussions have commenced
 - b. Recent closures ahead of lease expiry with relatively low cost to exit
 - c. Potential rationalisation of c.20% of footprint

FY2015 STORE CONTRIBUTION BY CLUSTER



Note: Store Contribution percentage is equal to Store EBITDA excluding central support office costs for department stores only

FY2015 LEASE COMMITMENTS BY CLUSTER*



* Department stores only ** Excluding Top Ryde (closed July 2015)

Myer Way of Working: how we will deliver New Myer

THE PEOPLE STRATEGY

Talented and capable
people...

MYER WAY OF WORKING

Behaving in the
right ways...

THE NEW MYER CUSTOMER STRATEGY

With a clear strategy
and plan of action...

TECHNOLOGY STRATEGY AND NEW “LEAN” PROCESSES

Supported by good
systems and
processes...

METRICS THAT MATTER (MYER SCORECARD)

Achieving successful
outcomes.

Focus on service

- Training team members
- Employment of new digital service tools
- Roster optimisation
- Empowerment of Store Managers
- Appointed GMs for Melbourne and Sydney stores to focus on service
- Appointed GM for Community Stores to improve localisation for these stores



Giftorium II: Bigger and Better



A sharper and more focused offer to serve a more valuable customer driving productivity and growth

- Strong international evidence that department stores can thrive in new retail environment
- New Myer provides framework for a modern interpretation of Myer's best attributes
- Will re-focus our business on re-invigorating and simplifying our offer to our primary customers
- We will use capital more effectively
- We are ready to deliver the new strategy, financially and operationally
- We have the right team in place to set a new sustainable, profitable future for Myer

MYER



The financial information includes non-IFRS information which has not been specifically audited in accordance with Australian Accounting Standards but has been extracted from the Financial Statements in the Annual Report 2015. Q1 FY2016 numbers are unaudited. The information provided is general information only and does not purport to be complete. It should be read in conjunction with Myer's other periodic and continuous disclosure announcements. Myer does not make any representation or warranty, express or implied, as to the fairness, accuracy, correctness or completeness of the information, opinions and conclusions contained in this presentation. This information is subject to change without notice. Subject to applicable law, Myer does not undertake to update any information. To the maximum extent permitted by law, Myer and its related bodies corporate and affiliates and each of their respective directors, officers, employees or agents, disclaim any liability (including, without limitation, any liability arising out of fault or negligence) for any loss or damage arising from any use of this information, including any error or omission, or otherwise arising in connection with it. This material may include "forward-looking statements". Forward-looking statements can generally be identified by the use of words such as "may", "will", "expect", "intend", "plan", "estimate", "anticipate", "believe", "continue", "objectives", "outlook", "guidance" and similar expressions. Indications of plans, strategies and objectives, sales and financial performance are also forward-looking statements. These statements are based on present economic and operating conditions, and on a number of assumptions regarding future events that, at today's date, are expected to take place. Forward-looking statements are not guarantees of future performance, and involve known and unknown risks, uncertainties and other factors, many of which are outside Myer's control. As such, Myer's actual results may differ materially from the results or forward-looking statements expressed or anticipated in this material. Readers are cautioned not to place undue reliance on forward-looking statements, which are current only as at today's date

20 NOVEMBER 2015

2015 ANNUAL GENERAL MEETING

MURAL HALL, MYER MELBOURNE