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Island Pacific Merchandising Suite upgrade

Major retailer takes on the cornerstone product in Island Pacific's solution suite

The Board of 3Q Holdings (ASX:TQH) today advised that the Company had signed an agreement to upgrade its Island Pacific Merchandising software to its latest version 4.0 at Urban Outfitters, a global retailer with locations in the United States, Canada and Europe.

Island Pacific Merchandising Suite (IPMS) is a key product in the suite of 3Q Holdings' wholly owned US and European based subsidiary, Island Pacific. Island Pacific will be implementing several new features included in its latest Release 4.0 including a Web 2.0 user interface and a new Deals and Promotions module which will provide Urban Outfitters the capability to deliver more complex pricing schemes to deliver the best value proposition to their customers.

Davy Rosen, Chief Executive Officer of Island Pacific commented: "Not only will our solution allow Urban Outfitters to continue to grow and expand its brands internationally, but we also believe the new user interface will enable a better, and hence more productive, user experience. We are very pleased to be extending our partnership with Urban as they expand across the globe and across channels."

John Devine, Executive Director of IT at Urban said "We have been using Island Pacific's merchandising software from when we had only five stores and it has been a stable and functional platform for us in a time of tremendous growth. We are delighted that looking ahead Urban Outfitters can remain confident in Island Pacific as an innovative service provider and reliable core merchandising system."

Island Pacific continues to develop and deploy high value and innovative software solutions that enable retailers to manage the entire scope of their operations and to understand, create, manage and fulfil consumer demand. These operations include core merchandising, point-of-sale, customer relationship management, vendor relationship management, demand forecasting, planning, replenishment, allocation, promotional and event planning.

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About Urban Outfitters

Urban Outfitters, Inc. is an innovative specialty retail company which offers a variety of lifestyle merchandise to highly defined customer niches through Urban Outfitters stores in the United States, Canada, and Europe, two web sites and a catalog; Anthropologie stores, a web site, catalog and Leifsdottir, Anthropologie's newly launched wholesale concept; Free People Wholesale, which sells its

product to approximately 1,700 specialty stores and select department stores; Free People stores, a web site and catalog; and Terrain garden center.

About 3Q Holdings

3Q Holdings Limited (ASX: TQH) has been listed on the ASX in its current form since 28 December 2005. It originally acquired 100% of QQQ Systems, a software company that provides software applications to the retail industry in Australia and New Zealand – with both point of sale (POS) and head office solutions into a wide range of retail clients operating in the fashion, electronics, furniture, general merchandise and discount variety industries.

In March 2006 the company acquired the San Diego based Applied Retail Solutions business (ARS). ARS has been providing software and services to mid-sized and large retailers in the United States since 1987. Its core product "Island Pacific Store" provides a Post to Host solution in market segments such as apparel, footwear, entertainment, discount and variety, giving TQH an excellent entry into the US retail software and services market.

New Zealand based AdvanceRetail Technology was acquired by TQH in March 2007, and is a leading retail solutions provider with offices in Auckland, Sydney and Brisbane and representation in Malaysia, China and Singapore – giving it a high quality customer base in Australia, New Zealand and Asia. The company has a range of strategic alliances through which the Company takes its products and services to market, including industry leaders that include SAP, Microsoft and IBM.

In December 2007 the company acquired Island Pacific, which provides access to market leading retail merchandising, store operations, CRM, and multi-channel software solutions internationally. With offices in the United States and the United Kingdom, TQH not only has better access to those markets, but has the advantage of a springboard into the broader European markets. Island Pacific was founded in 1978 and has developed a reputation for delivering high-quality, high-reliability software to the retail industry. The company is headquartered in Irvine, California.