



For Immediate Distribution

7 February 2011

DAVID JONES ANNOUNCEMENT ON SASS & BIDE

David Jones Limited (DJS) today announced that it will end its supply arrangement with Australian brand sass & bide following its decision not to acquire a stake in the brand.

The sass & bide Autumn/Winter 2011 Collection is currently available at David Jones and thereafter David Jones will cease to carry the brand.

Having partnered with sass & bide for over 10 years, David Jones has excellent knowledge of the business, its financial performance and its growth prospects.

David Jones CEO Paul Zahra said, "We did the calculations and could not justify the price paid for the business, particularly given the lack of growth in our sass & bide business with sales and gross profit in FY10 at approximately FY05 levels.

"It was a matter of financial discipline for us and ultimately this investment was not in the interests of our shareholders.

"We have a clear business strategy, which includes entering into department store exclusive supply arrangements with the best national and international brands and to ensure that our brand portfolio remains fresh and relevant. As a result, we are constantly adding to our portfolio – most recently we announced the addition of 30 new brands – as well as deleting brands.

"We are not in the business of acquiring brands simply to secure distribution. Our expertise lies in operating department stores, not in embarking upon a specialty stand-alone store expansion program," Mr Zahra said.

Sass & bide contributes around 0.5% of David Jones' sales.

Mr Zahra said, "We carefully reviewed our brand portfolio last year and it was clear that the sales from sass & bide's exit will be readily replaced with the many other brands in our portfolio, including designers who will be on show at our Autumn/Winter Collections Launch being held tomorrow night."

ENDS

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