



## Results for the 26 weeks to 26 December 2015

Peter Birtles | Group Managing Director and Chief Executive Officer  
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26th February 2016



# Contents

2015/16 1<sup>st</sup> Half Performance

2015/16 Full Year Outlook

Group Strategy

# Group Highlights

- Group Total Segment Sales up by 6.0%
- NPAT attributable to owners up by 33.6%
- Group Normalised NPAT down by 2.2%
- Interim dividend of 20.0 cps up by 8.1%

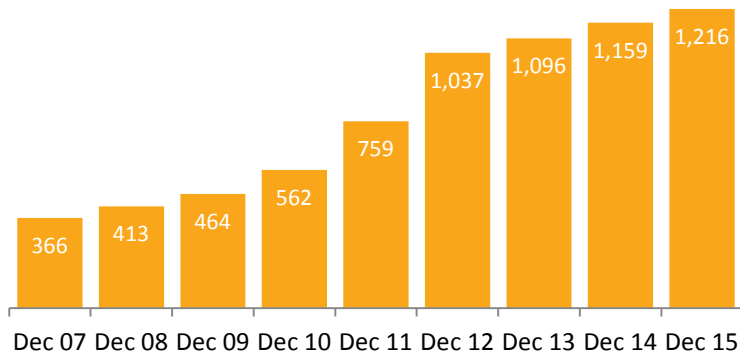
Sales LFL	15/16	14/15	13/14	12/13	11/12
SCA	3.9%	2.1%	2.3%	5.2%	3.5%
Leisure <sup>(1)</sup>	2.6%	(4.7%)	0.5%	2.6%	9.9%
Sports <sup>(2)</sup>	6.1%	6.1%	5.5%	8.3%	7.8%

(1) BCF and Rays, BCF only 11/12

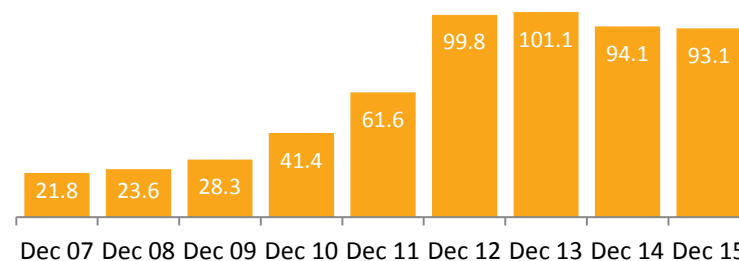
(2) Sports represents Rebel and Amart Sports only

- Solid underlying sales growth across the Group with the Auto, Leisure and Sports Divisions delivering total sales growth of 6.1%, 4.1% and 7.2% respectively
- Auto and Sports Divisions performing strongly with Segment EBIT growth of 10.2% and 9.5% respectively
- Leisure Division building sales momentum, but investment in competitive pricing, stock clearance and higher sourcing costs resulted in Segment EBIT declining by 40%
- Early performance of converted new format Rays stores is promising, collectively achieving targeted like for like sales increase
- Review of location suitability and first half underperformance of the older format Rays stores has resulted in \$20 million non-cash impairment of the Ray's Outdoors brand name
- \$3.9 million investment in start-up digital businesses and development of Group digital capability expensed in Group Costs
- \$53 million cash invested in future growth in new and refurbished stores
- Strong working capital management with operating cash flow of \$177 million, 26% higher than the prior comparative period

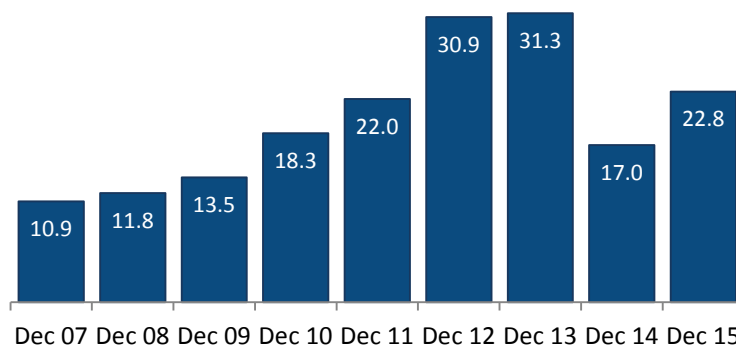
## Reported Sales (\$m)



## Reported Total Segment EBIT (\$m)

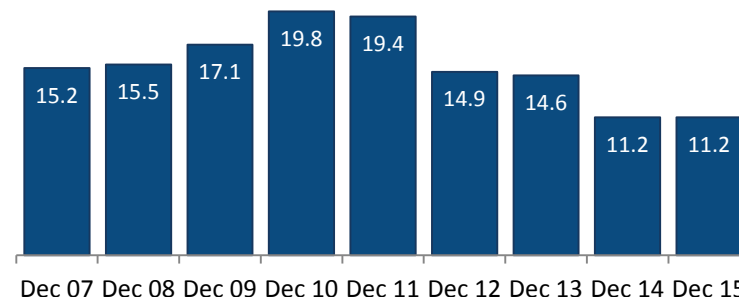


## Reported EPS (c)



- Historical EPS adjusted to take into account the bonus element in the 2011 entitlement offer

## Reported Post Tax ROC (%)



- Post Tax ROC adjustment due to capital calculation reclassification
- Dec 14 Post Tax ROC for continuing operations only



# Group Results

- Strong performance across all key metrics in the Auto and Sports divisions
- Leisure division has delivered solid sales growth however gross margin performance is below expectations
- Total Segment EBITDA decrease attributable to Leisure division performance and Group costs increase
- Increased Depreciation and Amortisation cost reflects Group multi channel investments in prior years and continued investment in store networks
- Operating Cash Flow strong at \$177.0 million an increase on pcg due to sound working capital management and payables timing benefits
- Net Debt improvement of \$40 million due to strong cash flows and effective cash management
- Dividend increased to 20.0 cps, representing 61% payout ratio of underlying profit

	2015/16 \$m	Change on PCP
Total Sales	1,215.5	6.0%
Total Segment EBITDA	124.9	(0.7%)
Total Segment EBIT	93.1	(3.4%)
Normalised NPAT	58.9	(2.2%)

Operating Cash Flow	177.0	\$36.3m
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Net External Debt	297.2	(\$40.0m)
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Dividend	20.0c	1.5c
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# Divisional Results

	2015/16		2014/15	
	Sales \$m	Segment EBIT \$m	Sales \$m	Segment EBIT \$m
<b>Auto Segment</b>	457.7	48.7	431.5	44.2
<b>Leisure Segment</b>	302.3	13.4	290.5	22.3
<b>Sports Segment</b>	452.0	42.6	421.5	38.9
<b>Group &amp; Unallocated</b>	3.5	(11.6)	3.6	(9.0)
<b>Total Segment Result</b>	1,215.5	93.1	1,147.1	96.4

Segment Result is net of non-controlling interests (EBIT only) and excludes impact of Ray's Outdoors brand name impairment in 2015/16 and excludes impact of discontinued operations (FCO Fishing Camping Outdoors) and business restructuring costs in 2014/15

# Auto Retailing



- Strong LFL sales growth momentum of 3.9% tracking ahead of 3% target
- Like for like sales growth was delivered in all business units with particular strong growth in the Auto maintenance business unit
- Sales growth driven by increase in transactions, units per transaction and average item value
- Gross margin improvement driven by focus on product range and promotions management, private brand development and sourcing initiatives to offset the impact of the weaker Australian Dollar
- Operating costs as a % of sales benefiting from leverage with like for like sales exceeding 3%
- Positive incremental contributions from the development of its fitment services and trade and online channels
- Seven new stores, one store closure (due to fire), 28 stores refurbished – 306 stores at December 2015

	2015/16 \$m	Change on PCP
<b>Sales</b>	457.7	6.1%
<b>LFL Sales growth</b>		3.9%
<b>Gross margin %</b>	44.3%	0.3%
<b>Segment EBITDA</b>	61.1	10.3%
<b>Segment EBITDA margin %</b>	13.3%	0.5%
<b>Segment EBIT</b>	48.7	10.2%
<b>Segment EBIT margin %</b>	10.6%	0.4%

# Leisure Retailing



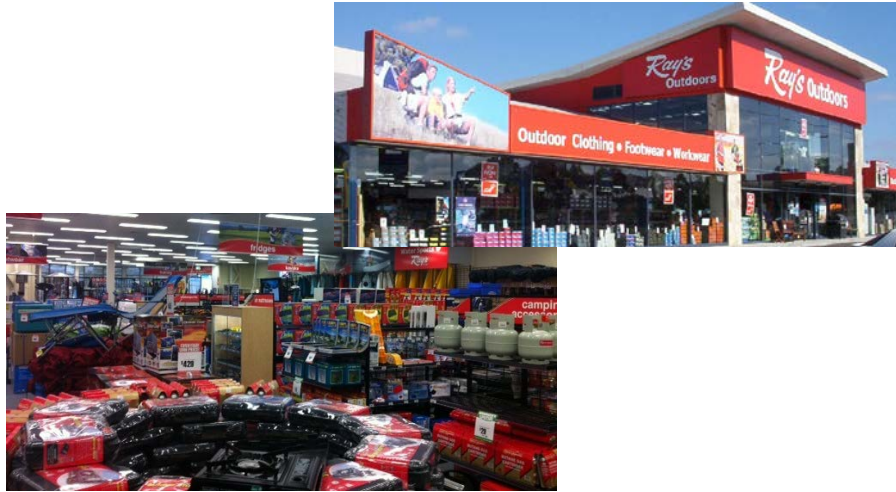
- Like for like sales increase of 2.6% with BCF at 3.1% and Rays at 1.0%
- BCF total sales growth of 6.2% driven by unit growth of 8.8% offset by a decline in average item value of 2.4%
- BCF growth achieved despite challenging demand conditions in QLD and WA markets with business gaining market share in all markets
- BCF gross margin decline of 3.6% due to competitive pricing strategy, range clearance and increase in unit sourcing costs of 2.3%
- Having built sales momentum BCF will focus on optimising range and pricing to lift gross margin
- Traditional Rays stores delivering negative LFL sales growth outside of clearance activity. Three trial stores collectively delivering target LFL uplift
- Rays experienced lower gross margins with clearance activity and constant fair value pricing strategy
- Operating costs as a % of sales increased due to loss of leverage with LFL sales growth below 3% and Rays transformation costs
- Four BCF stores were opened during the period. Two Rays stores were opened during the period to bring total stores to 121 BCF and 55 Rays

	2015/16 \$m	Change on PCP <sup>(1)</sup>
<b>Sales</b>	302.3	4.1%
<b>LFL Sales growth</b>		2.6%
<b>Gross margin %</b>	41.9%	(3.1%)
<b>Segment EBITDA</b>	21.6	(29.2%)
<b>Segment EBITDA margin %</b>	7.1%	(3.4%)
<b>Segment EBIT</b>	13.4	(39.9%)
<b>Segment EBIT margin %</b>	4.4%	(3.2%)

<sup>(1)</sup> FCO Fishing Camping Outdoors not included in Segment results, reported in discontinued operations, comparatives have been restated



# Ray's Transformation Plan



- The key challenge is to establish a sustainable profitable business model and to transition as efficiently as possible to this model
- The early performance of the three new format trial stores has been encouraging and a further five stores will be trialed in the second half
- Customer response to the new Rays format has been positive and further market analysis has confirmed the opportunity
- This analysis has identified that a greater number of existing stores will need to be relocated to be in the destination shopping locations of the business's target customers
- The Group is therefore reviewing its plans to transition the business to determine the most value creating option. These plans will be dependant on the ongoing performance of the trial stores
- The Division is working on a number of merchandising and marketing initiatives to lift the sales and margin performance of the traditional stores but it is expected that these will continue to underperform in the short term



# Sports Retailing



- Total Sales growth in Rebel and Amart Sports has been strong with total transaction growth of 5.1% and average transaction value growth of 3.4%
- Solid LFL growth across all major categories with particularly strong performance in footwear and apparel
- Gross margin improvement driven by range management and reduced clearance activity
- Operating cost to sales % benefitting from the strong like for like sales growth and integration of Workout World
- Good management of inventory with aged stock maintained at 5%
- During the period, three Rebel and two Amart Sports stores opened. Two Rebel stores and one Amart stores closed. Ten Workout World stores were converted to Rebel stores. 159 Rebel and Amart stores at December 2015
- Infinite Retail ownership increased from 50% to 95% in early November. Focus on fixing the loss making events and partner website business and to build the performance of the core Fangear online business

	2015/16 \$m	Change on PCP
Rebel, Amart Sports and Workout World		
<b>Sales</b>	438.5	7.5%
<b>LFL Sales growth<sup>(1)</sup></b>		6.1%
<b>Gross margin %</b>	46.1%	0.2%
<b>EBITDA</b>	55.9	14.5%
<b>EBITDA margin %</b>	12.7%	0.8%
<b>EBIT</b>	45.7	16.3%
<b>EBIT margin %</b>	10.4%	0.8%
Infinite Retail		
<b>EBIT Infinite Retail<sup>(2)</sup></b>	(3.1)	
<b>Segment EBIT</b>	42.6	9.4%

<sup>(1)</sup> Rebel and Amart Only

<sup>(2)</sup> Infinite Retail EBIT net of non-controlling interests

- Group and Unallocated includes:
  - Commercial Operations
    - Super Retail Commercial
    - Oceania Bicycles
  - Digital Businesses
    - Fixed Price Car Service
    - Youcamp
    - Aussie Outdoors
  - Group costs not allocated to segments
- Costs not allocated include public company activities, un-utilised DC space and investment in building the Group's digital capability
- Unutilised storage costs have increased with the opening of Brendale and the decommissioning of Lawnton distribution centres. The PCP includes transition costs for these activities. These costs will be eliminated over time by business growth or exiting surplus facilities
- Investment in the Group's digital initiatives have been expensed rather than capitalised due to the early development phases of the projects/investments and the uncertain return

	2015/16 \$m	Change on PCP
<b>Sales</b>	3.5	(2.8%)
<b><u>\$m</u></b>		
<b>Gross Profit</b>	(2.9)	1.0
<b>Segment EBITDA</b>	(11.4)	(2.7)
<b>Segment EBIT</b>	(11.6)	(2.6)
Comprising:		
<b>Public Company</b>	(2.8)	0.5
<b>Unutilised storage</b>	(4.1)	0.6
<b>Digital</b>	(3.9)	(3.9)
<b>Other Group costs</b>	(0.8)	0.2

# Group Cash Flow

- Strong underlying operating cash flow performance has funded investment in new stores and operational capital expenditures
- New and refurbished store investment of \$53.2m is fully funded out of operating cash flows. Store refurbishment returns continue to support the larger refurbishment programs in Auto, Sports and Leisure
- Investment in new and refurbished store capex is split:
  - \$13.0m in Auto
  - \$12.5m in Leisure
  - \$7.5m in Sports
- Other capital expenditure has reduced to a normalised level due to the completion of the investment in new distribution centres
- Investment in building digital capability has been expensed rather than capitalised
- Debt position has been reduced due to the strong cash flow performance and payables timing benefits

	2015/16 \$m	2014/15 \$m
Operating cash flow (pre store set up investment)	197.2	148.9
Store set up investment	(20.2)	(8.2)
Operating cash flow	177.0	140.7
Store fitout	(33.0)	(17.6)
Other Capex	(12.0)	(21.5)
Business acquisition	0.0	(1.5)
Investing Cash flow	(45.0)	(40.6)
Dividends & interest	(50.4)	(54.5)
Ext Debt (repay)/proceeds	(26.8)	1.2
Financing Cash flow	(77.2)	(53.3)
<b>Net Cash flow</b>	<b>54.8</b>	<b>46.8</b>

# Group Balance Sheet

- Inventory has been well controlled given the impact of currency inflation and the increase in private and exclusive brands
- Inventory units per store is below PCP
- SCA average \$ inventory per store is in line with December 2014
- Leisure average \$ inventory per store in line with December 2014 assisted by clearance programs in Rays and BCF
- Sports \$ inventory per store was 1.9% higher than December 2014 to support increase in sales and to take advantage of bulk purchase pricing
- Trade and other payables increased compared to December 2014 due to timing of both purchases and of payment cycles
- Increase in Property, Plant & Equipment primarily relates to ongoing capital expenditure in new and refurbished stores
- Net Debt improvement of \$40.0 million compared to December 2014 due to strong cash flows and effective cash management

	Dec 15 \$m	Jun 15 \$m
Inventory		
- Auto Retailing	211.8	183.3
- Leisure Retailing	178.8	153.8
- Sports Retailing	184.1	161.8
- Group & Unallocated	8.7	6.7
Total Inventory	583.4	505.6
Trade and other payables	(448.9)	(268.6)
Net inventory investment	134.5	237.0

Property, Plant and Equipment & Computer Software	326.9	311.2
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Net External Debt	297.2	378.9
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# Returns & Capital Ratios

- Total EPS from continuing operations has declined by 24% due to the inclusion of the impairment of the Ray's Outdoors brand name
- All bank debt funding is non-current at December 2015
- Fixed charge cover ratio is below target levels of 2 times
- Average net debt improved due to working capital improvements. The Group continues to operate within banking covenants
- Return on Capital remains below targeted level
- Effective AUD/USD rate for the period was 0.76, down from 0.91 in pcp. The AUD/USD hedge rate for next 12 months circa 0.73
- Effective tax rate for the period was 30.4% - full year 2015/16 rate expected to be 30.0%

	2015/16	2014/15
EPS - total	22.8c	17.0c
EPS - continuing operations	22.8c	27.8c
Fixed charge cover – normalised EBITDAL	1.88x	1.92x
Average Net Debt	\$400m	\$430m
	Dec 15	Jun 15
<b>Net Debt</b>		
Capital – continuing operations		
- Headline	28.1%	33.1%
- Adjusted <sup>(1)</sup>	55.5%	68.4%
Post Tax Return on Capital <sup>(2)</sup>	11.2%	10.6%

(1) Adjusted capital includes leases capitalised into debt at 6x annual charge

(2) Annualised based on Normalised Net Profit After Tax

# Segment Note 2015/16

For the period ended 26 December 2015	Auto \$m	Leisure \$m	Sports \$m	Total continuing operations \$m	Inter-segment eliminations/ unallocated \$m	Consolidated \$m
<b>Segment Revenue and Other Income</b>						
External segment revenue <sup>(1)</sup>	457.7	302.3	452.0	1,212.0	3.8	1,215.8
Inter segment sales	-	-	-	-	(0.3)	(0.3)
Other income	-	-	0.7	0.7	0.1	0.8
<b>Total segment revenue and other income</b>	<b>457.7</b>	<b>302.3</b>	<b>452.7</b>	<b>1,212.7</b>	<b>3.6</b>	<b>1,216.3</b>
<b>Segment EBITDA<sup>(2)</sup></b>	<b>61.1</b>	<b>21.6</b>	<b>53.6</b>	<b>136.3</b>	<b>(11.4)</b>	<b>124.9</b>
Segment depreciation and amortisation <sup>(3)</sup>	(12.4)	(8.2)	(11.0)	(31.6)	(0.2)	(31.8)
<b>Segment EBIT result</b>	<b>48.7</b>	<b>13.4</b>	<b>42.6</b>	<b>104.7</b>	<b>(11.6)</b>	<b>93.1</b>
Net finance costs <sup>(4)</sup>						(10.1)
<b>Total segment NPBT</b>						<b>83.0</b>
Segment income tax expense						(24.1)
<b>Normalised NPAT</b>						<b>58.9</b>
Other items not included in the total segment NPAT <sup>(5)</sup>						(14.0)
Loss from discontinuing operations						-
<b>Profit for the period attributable to:</b>						
Owners of Super Retail Group Limited						44.9
Non-controlling interests						(3.4)
<b>Profit for the period</b>						<b>41.5</b>

<sup>(1)</sup>Includes non-controlling interest (NCI) revenue of \$4.3 million.

<sup>(2)</sup>Adjusted for NCI operating expenses of \$2.6 million and the tax effected impairment charge for the Ray's Outdoors brand.

<sup>(3)</sup>Adjusted for NCI depreciation of \$0.8 million.

<sup>(4)</sup>Adjusted for NCI interest of nil.

<sup>(5)</sup>Includes tax effected impairment charge for the Ray's Outdoors brand.

# Segment Note 2014/15

Restated <sup>(1)</sup> For the period ended 27 December 2014	Auto \$m	Leisure \$m	Sports \$m	Total continuing operations \$m	Inter-segment eliminations/ unallocated \$m	Consolidated \$m
<b>Segment Revenue and Other Income</b>						
External segment revenue <sup>(2)</sup>	431.5	290.5	421.5	1,143.5	5.1	1,148.6
Inter segment sales	-	-	-	-	(1.5)	(1.5)
Other income	0.2	-	0.2	0.4	0.6	1.0
<b>Total segment revenue and other income</b>	<b>431.7</b>	<b>290.5</b>	<b>421.7</b>	<b>1,143.9</b>	<b>4.2</b>	<b>1,148.1</b>
<b>Segment EBITDA<sup>(3)</sup></b>	<b>55.4</b>	<b>30.5</b>	<b>48.6</b>	<b>134.5</b>	<b>(8.7)</b>	<b>125.8</b>
Segment depreciation and amortisation <sup>(4)</sup>	(11.2)	(8.2)	(9.7)	(29.1)	(0.3)	(29.4)
<b>Segment EBIT result</b>	<b>44.2</b>	<b>22.3</b>	<b>38.9</b>	<b>105.4</b>	<b>(9.0)</b>	<b>96.4</b>
Net finance costs <sup>(5)</sup>						(11.6)
<b>Total segment NPBT</b>						<b>84.8</b>
Segment income tax expense <sup>(6)</sup>						(24.6)
<b>Normalised NPAT</b>						<b>60.2</b>
Other items not included in the total segment NPAT <sup>(7)</sup>						(5.4)
Loss from discontinuing operations						(21.2)
<b>Profit for the period attributable to:</b>						
Owners of Super Retail Group Limited						33.6
Non-controlling interests						(0.5)
<b>Profit for the period</b>						<b>33.1</b>

<sup>(1)</sup> Restated for discontinued operations relating to the Fishing Camping Outdoors business, which ceased operations prior to 27 June 2015.

<sup>(2)</sup> Includes NCI revenue of \$6.7 million.

<sup>(3)</sup> Adjusted for business restructuring costs for continuing operations of \$7.7 million and discontinuing operations of \$21.2 million; of which \$19.2 million related to provisions and \$2.0 million related to trading losses. Adjusted for NCI operating expenses of \$0.3 million.

<sup>(4)</sup> Adjusted for expenses pertaining to discontinued operations of \$0.5 million. Adjusted for NCI depreciation of nil.

<sup>(5)</sup> Adjusted for NCI interest of \$0.2 million.

<sup>(6)</sup> The 2014 segment income tax expense of \$24.7 excludes \$2.3 million relating to the tax effect of business restructuring costs with a value of \$7.7 million.

<sup>(7)</sup> Includes \$7.7 million of business restructuring costs, the related income tax effect of \$2.3 million.



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2015/16 1<sup>st</sup> Half Performance

2015/16 Full Year Outlook

Group Strategy

## Auto Retailing

- LFL sales growth in the first 8 weeks of H2 is circa 4%
- Full year Segment EBIT margin expected to show similar improvement on PCP to the 1<sup>st</sup> half
- SCA store development: 4 new stores, 29 refurbishments, extensions and relocations

## Leisure Retailing

- LFL sales growth in the first 8 weeks of H2 is circa 12%
- Full year Segment EBIT margin expected to show similar decline on PCP to the 1<sup>st</sup> half
- Plan to open no new stores, complete additional 8 BCF refurbishments and trial additional 5 Rays pilot stores

## Sports Retailing

- LFL Rebel and Amart Sports sales growth in the first 8 weeks of H2 circa 5.5%
- Full year Segment EBIT margins for the combined Rebel, Amart Sports and Workout World businesses are expected to show similar improvements on PCP to the 1<sup>st</sup> half
- Infinite Retail forecast full year EBIT loss of up to \$5 million net of NCI
- Plan to open 3 new Amart Sports stores and close the remaining 4 Workout World stores

## Group

- Group Costs forecast to be \$25 million including excess storage costs of \$10 million, digital investment of \$8 million and other group costs of \$7 million
- Planned full year capital expenditure circa \$85m to support new stores, refurbishment programs and general requirements

## 2015/16 – is a 53 week year

- Impact on sales – additional circa \$40m
- Impact on EBIT – insignificant
- Impact on Net Debt – increase of \$70m





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2015/16 1<sup>st</sup> Half Performance

2015/16 Full Year Outlook

Group Strategy

# Our Strategic Roadmap



## OUR VISION

Inspiring you to live your passion



## OUR PURPOSE

To provide solutions and engaging experiences that enable our customers to make the most of their leisure time



## OUR GOALS

To be one of the 5 largest Australasian retail companies

To achieve the highest Team Member engagement across the retail industry

To achieve higher customer engagement ratings than our competitors

To provide returns to our shareholders that exceed the ASX 200 by 5%



## OUR FINANCIAL TARGETS

To deliver compound annual growth in EPS of greater than 15%

To grow return on capital to greater than 15%



## OUR VALUES

Passion

Openness

Integrity

Care

Discipline



## OUR STRATEGIC PILLARS

Customer  
understanding  
and insight

Solutions that  
engage and  
inspire our  
customers

Leading private  
and exclusive  
brands

Agile &  
efficient supply  
chain

Engaged and  
capable team

Strong and  
efficient  
foundations



## OUR DELIVERY

Auto

Leisure

Sports

Commercial

## Customer Understanding and Insight

Use customer insight to maximise customer lifetime value

Generate and share insights to improve the customer experience

Identify opportunities to leverage and monetise our data

- Auto club membership now at over 1.4 million – 1.1 million active; club members represent circa 32% of sales
- BCF/Rays club membership now at 3.3 million – 1.4 million active; club members represent circa 70% of sales
- Rebel/Amart Sports club membership now at 3.2 million – 1.5 million active; club members represent 48% of sales

## Leading Private and Exclusive Brands

Develop and manage a differentiated private brand portfolio

Increase private brand sales and penetration at accretive margin

Partner of choice for exclusive distribution of global brands

- Auto private and exclusive brand sales at circa 42% of sales – target is 50%
- Leisure private and exclusive brand sales at circa 36% of sales – target is 40%
- Sports private and exclusive brand sales at circa 14% of sales – target is 25%

## Solutions that Engage and Inspire our Customers

Achieve higher customer satisfaction ratings in our markets

Provide product solutions how, when and where the customer wants

Leading customer experience using physical and digital environments

Profitably acquire our target share of the online market

Introduce innovative solutions that build customer engagement

Attract new customers and grow the value of our active member base

Develop interactive communities based around leisure passions

- Driving customer endorsement – delivering improvement in Net Promoter Score
- Continued significant investment in new stores and store refurbishments with circa 25 new stores and 80 refurbishments in FY 16
- Rollout of Supercheap Auto Trade Direct business
- Extension of Supercheap Auto service offering; battery fitment, windscreen repairs, etc.
- Extended trial of new Rays format
- Development of Rebel FIT format
- Continued development of online offer, content and fulfilment (channel growing at over 50% over prior comparative period in FY 16 year to date)
- Improved multi channel integration – stock on hand information now available through website
- Development of Fixed Price Car Service, Youcamp and Fangear digital businesses



## Agile and Efficient Supply Chain

Deliver in line with business and customer expectations

Operate supply chain at best practice global cost benchmark

Optimise inventory working capital while meeting customer expectations

- Targeting reduction in supply chain costs of \$20m, net working capital reduction of between \$75 and \$100 million and in stock levels of greater than 96.5%
- Continued implementation of forecasting, replenishment and allocation management systems
- Logistics initiatives including optimising multi-user DC network, productivity improvements and freight optimisation
- Greater use of international store ready and offshore logistics hubs
- Development of multi channel fulfilment capability

## Engaged and Capable Team

Build leadership capability to engage and empower

Attract the talent to deliver business strategies

Build team capability to deliver engaging solutions

Attract and retain a diverse and inclusive team

Strive to achieve no lost time injuries

- Culture focus on customer centricity, collaboration and agility
- Engagement focus on team and individual leadership, reward and recognition, and communication
- Safety focus on active leadership, risk management, reporting, education, wellbeing program
- Capability and succession focus on learning and development programs, performance management and succession planning systems, learning management system
- Diversity focus on attraction and recruitment, flexibility, internal development

# Delivering our Financial Targets

5 Year Target	Store Numbers	LFL Growth	EBIT Margin	Pre Tax ROC % *
Auto	350	>3% PA	12%	> 50%
Leisure	220	>3% PA	11%	> 30%
Sports	250	>4% PA	11%	> 30%

\* excludes acquired goodwill and brand names

## Opportunities

- Growing store numbers to over 800
- Delivering LFL growth of 3% to 4%
- Eliminate Group transformation costs
- Deliver \$20m saving in supply chain costs
- Grow private brand to hit divisional targets
- Developing digital businesses to over 15% of sales
- Reposition Rays
- Amart Sports scale and profitability in new markets
- Workout World integration into Rebel
- Group costs efficiencies targeting \$10m
- Achieve \$75m to \$100m working capital savings
- Range management and sourcing initiatives
- Effective change management

## Challenges

- Lower domestic growth
- Consumer confidence
- Weakening Australian dollar
- Competitive intensity
- Investment in in-store customer experience
- Investment in digital capability

Compared to 2014/15 base