

ASX & MEDIA RELEASE

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Q3 FY2016 total sales up 2.1%, up 3.4% on a comparable store basis

Myer Holdings Limited (MYR) today announced its Q3 FY2016 sales and new executive appointments to further strengthen customer focus, and build on the initial achievements of the New Myer strategy.

Q3 sales performance for the 13 weeks to 23 April 2016

- Total Q3 FY2016 sales up 2.1% to \$675.5 million, up 3.4% on a comparable store basis
- Year to date (YTD) total sales up 1.9% to \$2,470.3 million, up 3.3% on a comparable store basis
- Q3 FY2016 sales per square metre up 5.1%, YTD sales per square metre up 4.4% compared to the prior corresponding period

"These results build on our first half performance. We believe they further demonstrate that New Myer is moving in the right direction and that our customers are responding well to the New Myer strategy," said Myer CEO and Managing Director Richard Umbers.

"The entire Myer team remains strongly focused on delivering our strategic priorities. The momentum in the execution of New Myer is continuing with the rollout of a significant number of new and expanded wanted brands and refurbished brand destinations as well as further improvements to customer service," said Mr Umbers.

New executive appointments to further strengthen customer focus

"It is increasingly clear that the New Myer's customer-focused strategy combined with brand and service initiatives are translating into improved performance so it is critical that we now take further steps to build on this early momentum," said Mr Umbers.

"I am therefore pleased to announce today that Daniel Bracken will take on the new title of Chief Merchandise and Customer Officer, and Deputy CEO. In this new role Daniel will take on additional responsibility for all aspects of the New Myer customer experience and for ensuring the customer perspective is at the forefront of all of our decision-making and execution.

"I am also pleased to announce the appointment of Michael Scott to the newly created role of Executive General Manager Brand and Marketing," said Mr Umbers.

Mr Scott has more than 15 years of experience in marketing and brand management across local and international brands including Virgin Australia, McDonald's Australia, McDonald's United Kingdom, Coles Myer, Nike, and his own consulting agency which worked with brands including Cycling Australia, Publicis Mojo, and Subaru.

"During his career, Michael has been involved with a number of well-known brand transformations and his insights and skills will be instrumental in driving our marketing strategy during our own journey to New Myer," said Mr Umbers.

"We're extremely pleased that Michael will be joining our executive team at this important time on the journey to New Myer, bringing his significant international and retail experience to Myer," said Mr Umbers.

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Mr Scott said: "It's an exciting time to be joining Myer which is a much-loved Australian brand embarking on a significant program of change."

Mr Scott will commence at Myer on 1 June 2016 and will report to the CEO.

Outlook

As previously outlined, FY2016 is a transitional year in which significant investments are being made in our future growth. In the second half we are accelerating the rollout of New Myer initiatives leading to increased costs and capex which includes our major refurbishment at Warringah, which is due to reopen before Christmas 2016.

In recent weeks, the unseasonably warm start to winter has contributed to subdued sales of winter product. The 2016 Federal election campaign occurs during a key trading period and Myer is anticipating an impact on consumer sentiment during this period but it is difficult to quantify. At this time, Myer believes it is well placed to manage the business through this period of uncertainty and therefore continues to expect NPAT for FY2016 to be between \$66 million and \$72 million excluding the impact of implementation costs associated with New Myer.

Myer continues to expect FY2016 pre-tax implementation costs associated with New Myer to be in the range of \$20 million to \$30 million.

Ends

For further information please contact:

Investors: Davina Gunn, General Manager Investor Relations, +61 (0) 400 896 809

Media: Mel Ward, General Manager Corporate Affairs & Media, +61 (3) 8667 7596, +61 (0) 438 101 078

Supporting Data

- Average SLA in Q3 FY2016 was 791,653 sqm (Q32015: 815,407 sqm).
- Average SLA in YTD FY2016 was 797,864 sqm (YTD FY2015: 817,916 sqm).
- FY2016 represents a 53 week period. The FY2016 NPAT guidance includes the impact of the 53rd week, which is expected to have a minimal impact on NPAT.

Myer shares are traded on the Australian Securities Exchange (MYR). Myer has a Sponsored Level I American Depository Receipt program which trades in the United States on OTC Markets (MYRSY).

The financial information provided includes non-IFRS information which have not been audited or reviewed in accordance with Australian Accounting Standards.

This information is presented to assist readers in making appropriate comparisons with prior periods and to assess the performance of Myer. The non-IFRS financial information includes total sales, sales per square metre, OGP margin, CODB, EBITDA, total funds employed, net debt, working capital, operating cash flow and free cash flow. These are measures frequently quoted in the industry and forms the basis upon which many investors, financiers and analysts are briefed.

The information provided is general only and does not purport to be complete. It should be read in conjunction with Myer's other periodic and continuous disclosure announcements. You should not rely on the information provided as advice for investment purposes, as it does not take into account your objectives, financial situation and needs. You should make your own assessment and take independent professional advice in relation to the information and any action taken on the basis of the information. The information may contain "forward-looking statements". Forward-looking statements can generally be identified by the use of words such as "may", "will", "expect", "intend", "plan", "estimate", "project", "should", "could", "would", "target", "aim", "assume", "forecast", "anticipate", "believe", "continue", "objectives", "outlook", "guidance" or their negative forms or other variations or similar expressions. Indications of plans, strategies, objectives, sales and financial performance including indications of and guidance on future earnings and financial position and performance are also forward-looking statements. 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. Actual results or performance may differ materially from those expressed, anticipated or implied in this material. Do not place undue reliance on any forward-looking statements, which are current only as at the date of this release. Further information on important factors that could cause actual results to differ materially from those projected in such statements is contained in Myer's most recent Annual Report. Subject to law, Myer assumes no obligation to update, review or revise any information contained in this material.