

MYER

CEO's Business Update

Bernie Brookes

Myer AGM - 12th November 2010



FY2010 Results

1. Overview
2. Operating update

FY2011

3. Q1 Sales and outlook for 2011

Outlook beyond 2011

An international class retail business providing inspiration to everyone



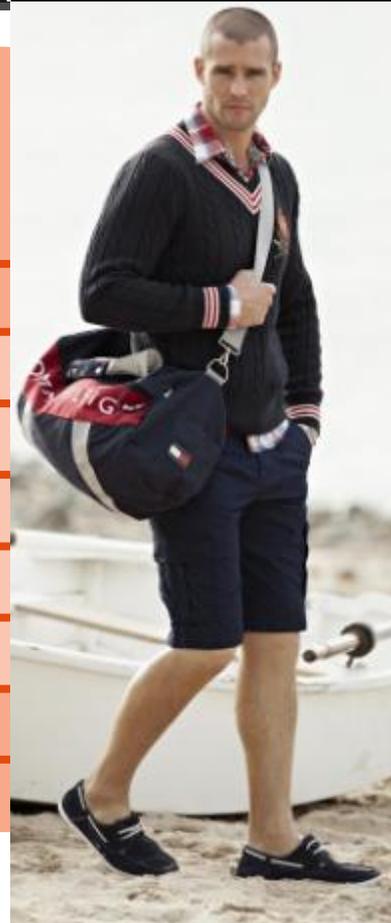
2010 Highlights: Record EBIT of \$271m

- Challenging retail environment for majority of FY2010
- Sales up 0.7% to \$3,284 million, up 0.5% on a like-for-like basis
- Operating gross profit margin up 45 basis points to 39.63%
- EBIT up 14.9% to \$271 million
- EBIT margin up 102 bps to 8.25%
- Net profit after tax up 55.1% to \$169 million
- Final dividend of 11.5c per share (fully franked) paid on 4 November 2010 taking FY2010 dividend to 22 cents



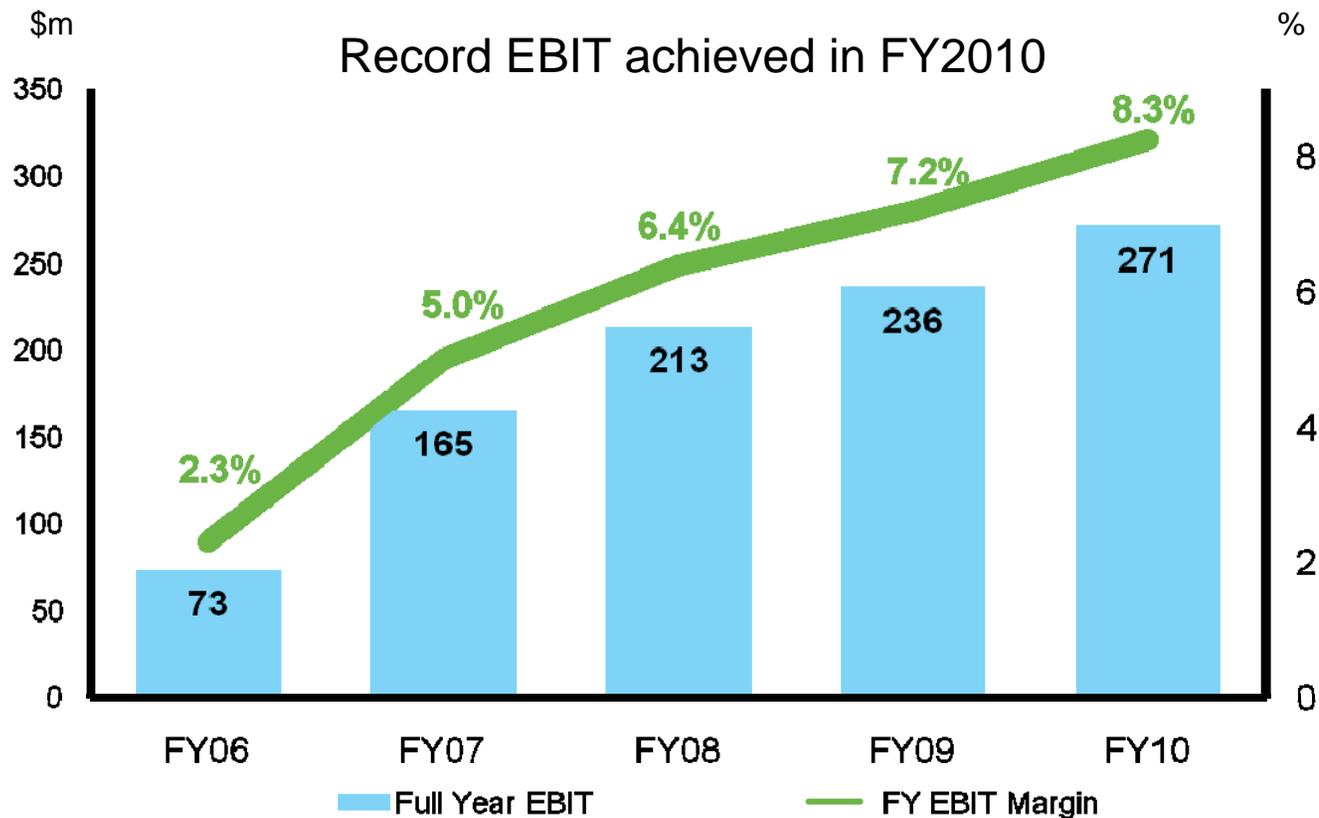
Positioned for growth – 15 new stores by 2014

	Turnaround Phase 50 months to July 2010					Growth Phase 48 months to July 2014				
Financial Year	06	07	08	09	10	11	12	13	14	
Net new stores		1	4	0	0	2	3	4	6	
Chain	60	61	65	65	65	67	70	74	80	
Sales (\$bn)	3.17	3.29	3.32	3.26	3.28					
EBIT (\$m)	73	165	213	236	271					
EBIT to Sales	2.3%	5.0%	6.4%	7.2%	8.3%					
NPAT* (\$m)	n/a	73.2	95.8	108.7	168.7					



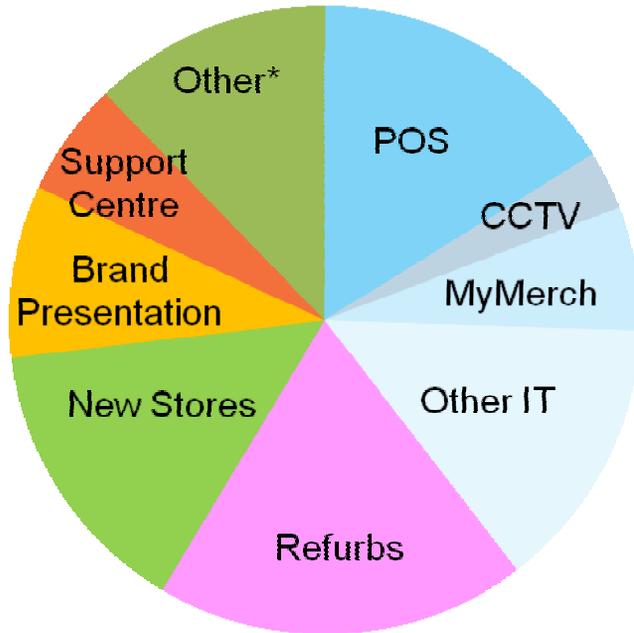
* Capital structure altered due to IPO in FY2010. Interest and tax have been adjusted to reflect proforma interest expense for capital structure post IPO

Five successive years of profit growth



In excess of \$540 million capital investment over past four years

Capital expenditure FY2007 - FY2010



- Significant investment in stores during past four years
- Investment of approximately \$180 million in IT projects including:
 - MyMerch
 - Point Of Sale
 - CCTV

*Other includes Visual Merchandising and Facilities Management

Refurbished stores continue to outperform

- 2009 refurbishments at Sydney City, Geelong and Doncaster continue to deliver positive results
- Completed refurbishments of Northland, Blacktown and Castle Hill during FY2010
- Re-launched Canberra and Charlestown following refurbishments



Space optimisation to maximise returns

- Continued focus on space allocation, return per square metre, adjacencies and consumer friendly layout
- Exit of white goods and return to Myer ownership of music & DVD offer
- Re-allocation of space to expanding categories, such as furniture, creation of an 'Entertainment destination' – books, DVDs, gaming and toys



Improved Merchandise offering in 2010

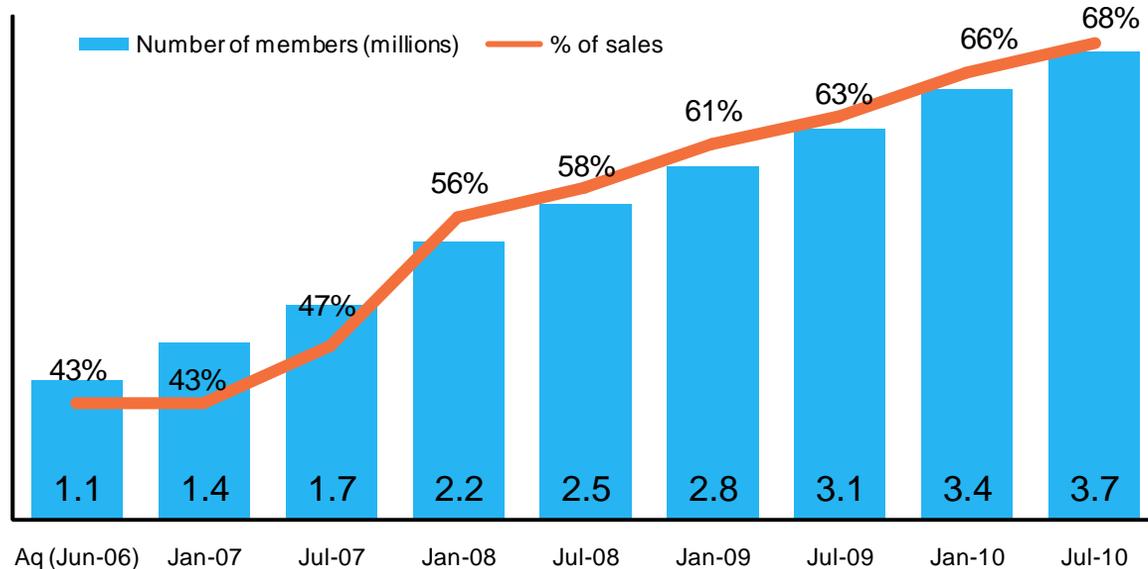
- Focus continues on being the destination for fashion with breadth and depth of range
- Growth in Myer Exclusive Brands continues to be driven by customer demand



MYER one a powerful marketing tool



MYER one membership and contribution to Myer sales



- 3.7 million primary card holders and over 5 million cards in circulation
- In excess of \$51 million in gift cards awarded in FY2010

Including sales by concessions

Targeted & relevant offers via MYER one

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4 ways to save at mystore

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4 reasons to rediscover mystore

Over the past year, Myer has introduced even more brands and products to its already great selection, and we've noticed that you haven't yet discovered all the new choices available in store. From everything new in fashion and accessories to books, toys and more, Myer has the very best products for your family at great prices. And right now, there are 4 more exciting reasons to rediscover **mystore**.

be rewarded with a fantastic choice of offers

We've put together a special selection of rewards just for you. This May, you're invited to save with these 4 **MYER one** offers! It's the perfect time to pick up everything you need for the season ahead and earn lots of Shopping Credits towards a **MYER one** Gift Card.

1000 bonus shopping credits

Simply spend \$100 or more and present your **MYER one** Card at Myer before Sunday 16 May 2010 to be rewarded with 1000 Bonus Shopping Credits* — that's half way to earning a **Gift Card**!

It couldn't be easier to be rewarded. So head in with your special vouchers and **MYER one** Card to discover the wonderful new choices and save!

It's your choice of rewards.
Yours sincerely,

Bonnie Brookes

Bonnie Brookes
CEO, Myer Pty Ltd

*P.S. Don't miss out on your special savings. These offers expire on 16 May 2010.

*Conditions of Offer: Offer available to the selected recipient of this mail piece only and is not transferable. \$100 spend must be reached in one transaction after savings and discounts. Shopping Credits will be allocated to the primary cardholder of the **MYER one** account. Your **MYER one** Card must be presented at the time of purchase. A total of 1000 Bonus Shopping Credits per participating appliance.

MYER one

save an additional 10%

on women's clothing

This offer valid in conjunction with other offers.
Simply present your **MYER one** Card with this voucher from Monday 3 until Sunday 16 May 2010. See back for terms and conditions.



save \$10

on every \$50 you spend on childrenswear

Simply present your **MYER one** Card with this voucher from Monday 3 until Sunday 16 May 2010. See back for terms and conditions.



save 30%

when you spend \$100 or more across homewares, furniture and travelgoods, including towels, towels, cookware, kitchenware, dinnerware, lounge furniture and more

Simply present your **MYER one** Card with this voucher from Monday 3 until Sunday 16 May 2010. See back for terms and conditions.



save \$20

on every \$100 you spend on small kitchen electrical appliances, electrical personal care, irons, microwaves, vacuum cleaners and whitegoods, including washing machines, dryers, dishwashers, fridges and freezers

Simply present your **MYER one** Card with this voucher from Monday 3 until Sunday 16 May 2010. See back for terms and conditions.



MYER one: significant competitive advantage



- Opportunities exist to capitalise on data analysis enabling improved merchandise offer, space planning and marketing
- MYER one Affiliates program continues to gather momentum with 600 affiliates including hotels, petrol stations, cafes, restaurants, retail outlets, wine, flowers, health insurance and travel
- Suite of insurance products launched in association with QBE

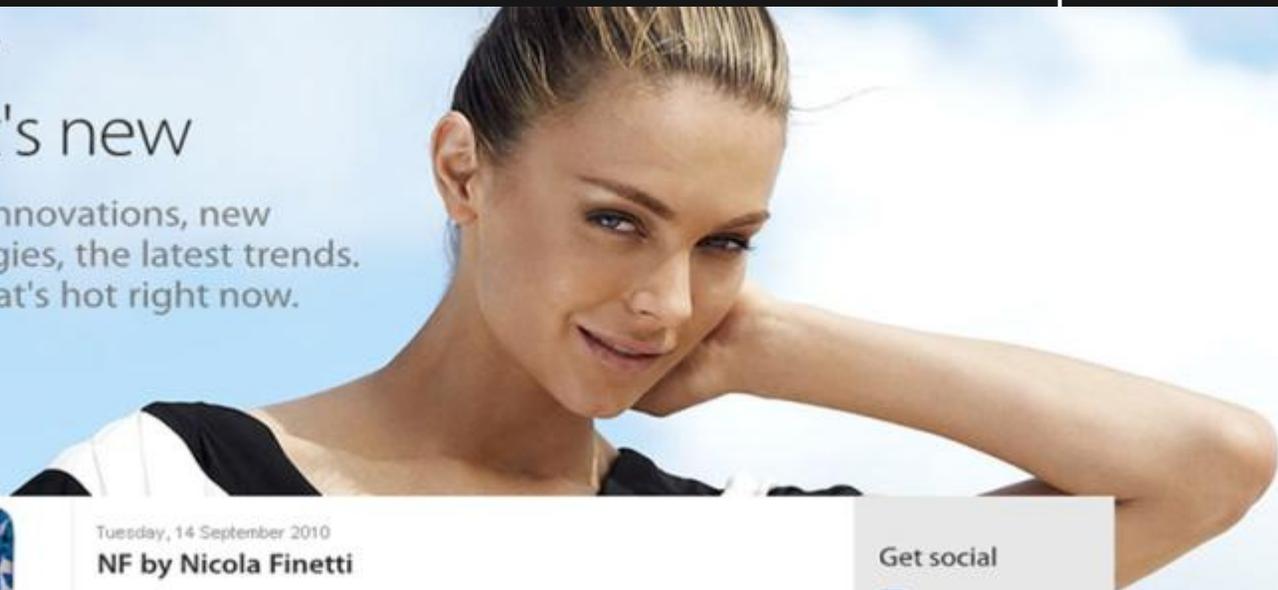


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Home / What's New

What's new

Product innovations, new technologies, the latest trends. Learn what's hot right now.



Tuesday, 14 September 2010

NF by Nicola Finetti

Introducing the latest collection from NF by Nicola Finetti, Exclusive to Myer this luxurious range features tops, skirts, pants and dresses, in both prints and solids, with each garment exploring a different shape adding that touch of something special.

[Find out more](#)



Tuesday, 14 September 2010

Benefit Girl Meets Pearl

Introducing 'Girl Meets Pearl', Benefit's new dewy highlighter, a light, luxurious liquid pearl primer guaranteed to put a spring in your step and add a rosy, radiant glow to your daily cosmetic routine.

Get social

- Facebook
- Twitter
- YouTube

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- Beauty
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- Electrical
- Toys

- Catalogues
- Store Finder
- What's On
- Buy Gifts Online

- Corporate Sales
- Investors
- Careers
- Insurance
- Bridal & Gift Registry
- MYER one
- Cards

Site Search

discover
interactive tv ad
Watch it now

In excess of 8,200 SKUs currently online



Wednesday, 15 September 2010

The Caged Sandel

Dress up a buckled military pair in black for a night out, or work back a coloured or neutral flat, pair with shorts and an over-sized tees for an effortless nautical weekend look.

> [Find out more](#)



Wednesday, 15 September 2010

Estelle Summer Range

Colourful and reminiscent of delicate Spring blooms, the latest prints and pop hues of the Estelle range are sure to put a 'spring in your step'

> [Find out more](#)



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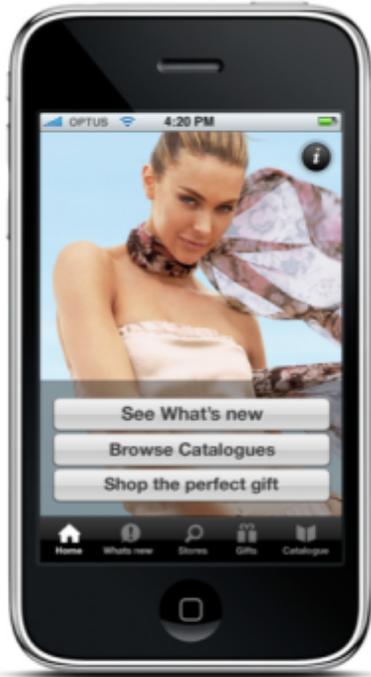


Colourful and reminiscent of delicate Spring blooms, the latest prints and pop hues of the Estelle range are sure to put a 'spring in your step'. While soft flowing ruffles and delicate details add a feminine touch for dressing up this Spring, flowing stretch knit linings and stretch shantung fabrics provide form flattering silhouettes, allowing you to step out with confidence and enjoy all the glamour of the spring racing season. Flattering necklines and waist detailing look great without sacrificing comfort or fashionability.

Available in sizes 14 - 24 Estelle interprets the latest fashion colours and styles for every size and shape this Summer.



iPhone app and Emporium iPad app



Store Information



Gift Shop



Catalogue Offers



Fashion Gallery



Embracing the digital evolution

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MYER Spring Racing Carnival Launch 2010 Myer Fashion Style Guide

my tv Judy Coomber Myer Director, Apparel

This video player shows a fashion show or event. The MYER logo is in the top left corner. A navigation menu is on the left side. The video title is 'Spring Racing Carnival Launch 2010 Myer Fashion Style Guide'. A 'my tv' logo and the name 'Judy Coomber Myer Director, Apparel' are overlaid at the bottom of the video frame.

MYER Discover Spring Racing

Bright complementing colours are the order of Cup Day. Mix and match a standout pattern ensemble with your bright coloured accessories in popastic shades.

- 2012/2013 New in: Flower necklace \$105.00
- 2012/2013 New in: Hat \$119.00
- 2012/2013 New in: Hair One-Click \$105.00
- 2012/2013 New in: Hat \$119.00
- 2012/2013 New in: Hat \$119.00
- 2012/2013 New in: Hat \$119.00

This product page features a woman in a purple top. Below her is a grid of six product images with their names and prices. The MYER logo is in the top left.

YouTube dressing for cup day

Dressing for Melbourne Cup Day '10 - Myer Spring Racing Carnival

MyerMystere 110 videos

This YouTube player shows a video titled 'Dressing for Melbourne Cup Day '10 - Myer Spring Racing Carnival'. The channel name is 'MyerMystere' with 110 videos. The video shows two men in formal attire.

MYER my how to guide

Surviving of the races is as simple as not leaving home with a few essentials and an air of elegance.

Take these day covers to the races with you and you'll receive all the best types of attention.

Compacts: The best way for elegant colour on the cheeks is to use compact powder at all times. Start by patting on your compact with a cushion applicator and blend in the air.

Hollywood Fashion Tape: This invisible tape will hold hairpieces for hours. Use it on any hairstyle and you're done.

This page features a woman's face and images of makeup products like compact powder and hair tape. The MYER logo is in the top left.

facebook MYER

MYER Entertainment, exclusive online offers, and a look into MYER'S 2010/2011 new season & Spring range. Sign up to check it out here: <http://bit.ly/2011spring>

MYER Spring Business 2010/2011 Preview & Collection

MYER Page Likes & Fans

This is a screenshot of the MYER Facebook page. It shows the profile picture, cover photo, and several posts with images of clothing and accessories. The MYER logo is at the bottom.

Google dresses for the races

About 328,000 results (0.12 seconds)

Spring Carnival Dresses: www.myer.com.au/Spring/fashion Get your dresses ready for the Spring racing carnival. More info

Up to 70% Off Dresses: bandsexclusive.com.au/races-dress Huge Range of Races Dresses to Reduced Prices. Daily Sales Events

Spring Racing Fashion: www.Mathers.com.au New Season Shoes Instant Floe For The Best in Fashion On The Field

Women's Clothing Online: Dresses, Party Dress, Races Dresses: www.gishcelebrityfashion.com.au/clothing/dresses - Cached

Dresses for the races | Compare Dresses for the races Prices: www.getprice.com.au Compare Dresses for the races price and read Dresses for the races reviews before you buy. Find the best deal on Getprice.com.au

Dresses for the races | Clothes & Accessories | Gumtree Brisbane: brisbane.gumtree.com.au/Stuff-for-Gale-clothes-accessories-womens-clothes-Dresses-for-the-races-W5GGAd62226917152 - Cached

This is a screenshot of Google search results for 'dresses for the races'. It shows several sponsored and organic search results with titles, URLs, and snippets of text. The Google logo is at the top.

Ongoing focus on talent

- High performers club: 317 members today generating 60% more sales per hour vs. non-members (targeting 1,000 members by 2012)
- Graduate program continues to gain momentum
- Kaylee Albronda (pictured) awarded National Retail Association's Young Retailer of the year 2010
- "Myer for Me" program offered to all Team Members offering rewards, benefit packages, lifestyle and health initiatives



Inspirational People Awards

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- Acknowledges and rewards the hard work of team members
- 21 award categories covering Stores, Support Office, Regional Distribution Centers
- Presentation of the 'my BIG idea' Award for innovation



Update on current initiatives

- Focus on newness and fashionability
- Improved online offering as part of a broad digital focus
- New stores at Top Ryde (NSW) and Robina (QLD) now trading
- Myer Melbourne – progressive opening of 7 floors by mid November 2010



Top Ryde – first of 15 new stores

- Two level store at Top Ryde (NSW) opened on 4 August 2010
- Top Ryde City spans 78,000m², with 290 retailers and >3,000 parking spaces located in one of the fastest growing regions in Australia
- Trading in line with expectations



Robina – taking the network to 67 stores

- Two level store at Robina (QLD) opened on 28 October 2010
- Robina Town Centre turnover expected to exceed \$700 million
- Two level store including Cosmetics, Womenswear, Accessories, Footwear, Intimate Apparel, Menswear, Electrical, Homewares, Childrenswear, Youth and General Merchandise



Refurbished Charlestown relaunched



Refurbished Canberra relaunched



Myer Melbourne - a world class department store



- Total rebuild in a single store over nine levels in Melbourne's centre (plus Mural Hall and dedicated event and promotional space)
- Basement, ground and five floors now trading
- Range of services and amenities to provide unique shopping experience



The Atrium

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Designer Footwear and Handbags, Level 1

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Womenswear, Level 1

MYER
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Womenswear, Personal Shopping, Level 1

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Contemporary Footwear, Level 2

MYER
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Brunetti's Cafe, Level 3

MYER
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Menswear, Level 4

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Ongoing focus on improving customer service

Our Sales and Service Improvement Program called “Priority One” to invest additional hours in stores.

Key initiatives:

- Navigation and signage
- Point of sale location and number of registers
- Promotions and associated ticketing
- Selling-focused service models and rostering
- Improved induction
- Service and selling skills development
- Competency framework



Q1 Sales and Outlook for 2011 and beyond

Q1 2011 Sales

- Q1 Sales down 1.53% to \$706 million
- Comparable store sales down 1.74%*
- Excluding Entertainment, group sales were up 0.10%
- Credible result notwithstanding that the consumer remained cautious

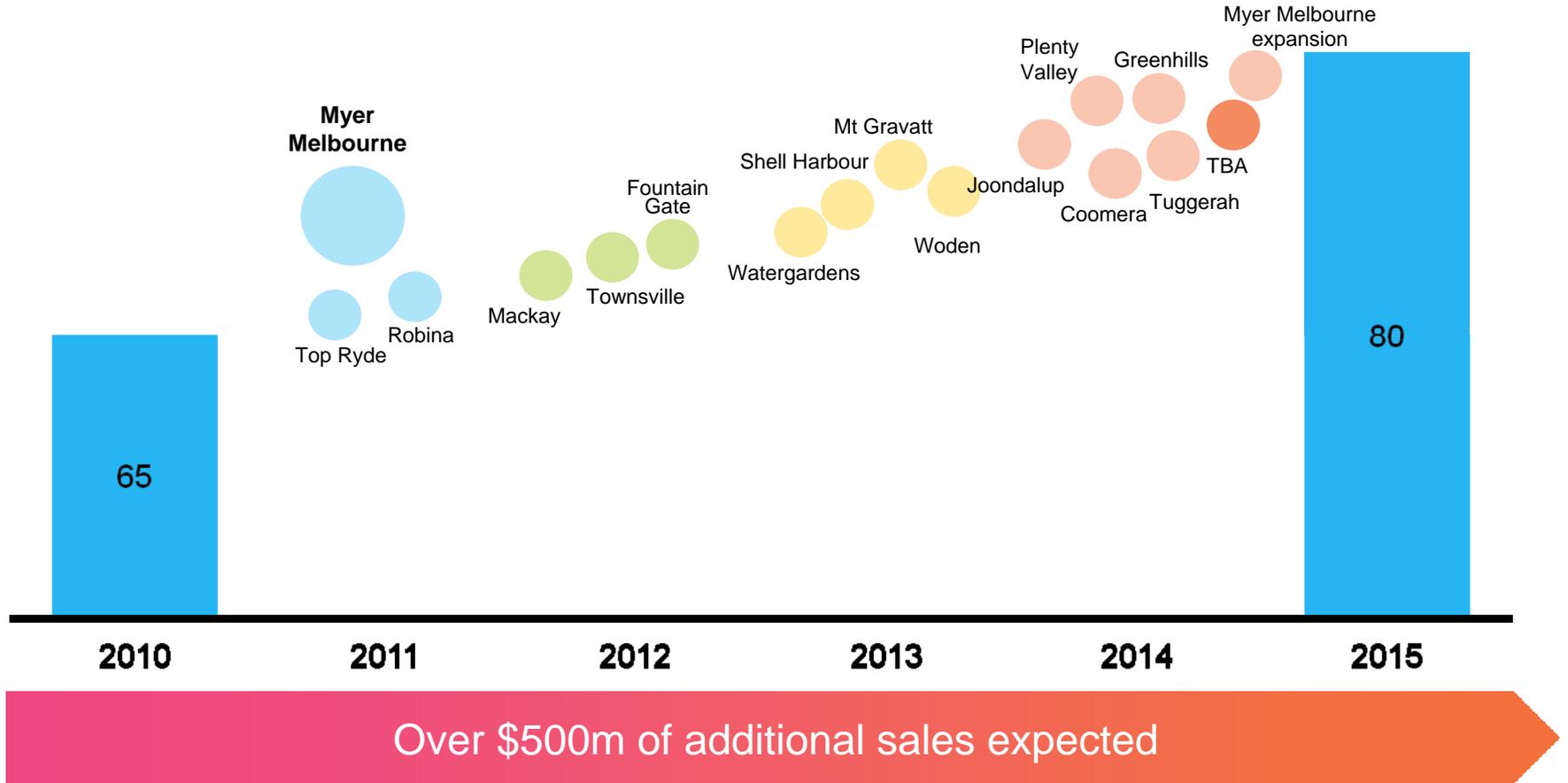
2011 Growth Phase Initiatives

- Full benefits of Myer's turnaround phase still to be seen
- NPAT guidance of 5-10% improvement on prior year remains unchanged

* In the new like for like sales calculation, Myer excludes stores that are impacted by refurbishments or major centre disruptions during the disruption period only.



Store rollout to drive growth beyond 2011



Transformed iconic Australian retailer

Competitive advantage

- Iconic retailer
- Comprehensive product offering
- National store footprint
- Leading retail loyalty program

Transformed platform

- Focus on execution
- World class supply chain
- Performance-based culture

Growth strategy

- Comparable and new store growth
- Gross margin expansion
- Operating leverage

Improving
shareholder
returns

Experienced and committed management team

This release includes “forward-looking statements” within the meaning of securities laws of applicable jurisdictions. Forward-looking statements can generally be identified by the use of forward-looking words such as “may”, “will”, “expect”, “intend”, “plan”, “estimate”, “anticipate”, “believe”, “continue”, “objectives”, “outlook”, “guidance” or other similar words, and include statements regarding certain plans, strategies and objectives of management and expected financial performance. These forward-looking statements involve known and unknown risks, uncertainties and other factors, many of which are outside the control of Myer, and its officers, employees, agents or associate. Actual results, performance or achievements may vary materially from any projections and forward looking statements and the assumptions on which those statements are based. Readers are cautioned not to place undue reliance on forward-looking statements and Myer assumes no obligation to update such information.

Where statements and numbers that reference the prospectus were not specifically disclosed in the prospectus, they are derived from the calculations that supported the numbers that were disclosed. Myer’s FY2010 is a 53 week period for statutory reporting purposes (ended 31 July 2010), compared to FY2009, which was a 52 week period. For comparative purposes, this presentation includes financials on a 52 week proforma basis for FY2010 consistent with the prospectus and FY2009 unless stated. Sales are including concession sales.