



27 August 2008

**PREMIER INVESTMENTS FULL YEAR 2008 RESULT AND
JUST GROUP UPDATE**

Premier Investments Limited ('Premier') has today released the full year financial results for the period ended 30 June 2008.

A final dividend of 18c per share has been declared. This has resulted in a substantial increase in the full year dividend to 29c per Premier share fully franked (2007: 18c).

The 2008 result reflects the impact of the successful sale of Premier's longstanding shareholding in Coles Group Limited in 2007 but does not incorporate any material impact from Premier's successful offer for Just Group.

The Chairman of Premier, Mr Solomon Lew, said "While I am very pleased with the 2008 result against a background of financial turmoil and economic uncertainty, the year should be viewed as a period of transition in the history of Premier – a year which has provided the platform for future growth."

"This is a very exciting time for Premier. At a time when many listed companies are confronting a difficult position, we have no net debt, substantial cash reserves to utilise for future growth and a quality shareholder base. We have also successfully positioned the company to benefit from the full ownership of a business with a substantial presence in the Australian retail sector with quality management, quality brands and an enviable property footprint. Premier is in a great position."

Mr Lew said, "The Premier Board is delighted that over 90% of Just Group shareholders have now accepted the Premier offer."

The offer for Just Group will formally close on Wednesday 3 September. Premier has initiated the process to achieve 100% ownership of Just Group shares through compulsory acquisition and also for the Just Group to be delisted from the Australian Securities Exchange ('ASX').

As Premier now has a relevant interest in 90% or more of Just shares an additional 15c cash per Just share will be paid to Just shareholders. This payment will be made on Friday 29 August. Just Group shareholders who have accepted the Premier offer and are registered shareholders of Premier at the record date for the final dividend (29 September) will also be entitled to receive Premier's final dividend of 18c per Premier share fully franked.

Consistent with the Premier Bidder's Statement the Just Group Board will be reconstituted, with a number of Just Group's previous directors having now resigned. Premier wishes to thank the outgoing Just Chairman and Directors for their service to the company and their cooperation in the transition to 100% ownership.

Premier has already commenced cooperative engagement with the Just Group senior management. It is Premier's intention to release detailed full year financial results for the Just Group before the end of September. At that time Premier will also update the market on its process in relation to a Strategic Review of Just.

The Premier Annual General Meeting will be held in Melbourne in the last week of November.

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Appendix 4E

Preliminary final report

Current Reporting Period: Year ended 30 June 2008

Previous Corresponding Period: Year ended 30 June 2007

Name of entity

| |
|---|
| PREMIER INVESTMENTS LIMITED ABN 64 006 727 966 |
|---|

All numbering used within this document refers to the numbering used in the guidelines issued by the Australian Stock Exchange under Rule 4.3A

1. Reporting periods

| | |
|--|---|
| Financial year ended ("Current period") | Financial year ended ("Previous corresponding period") |
| 30 June 2008 | 30 June 2007 |

2. For announcement to the market

| | Current period A\$'000 | Previous corresponding period A\$'000 | % Change Increase/(decrease) | Amount Increase/(decrease) A\$'000 |
|---|---------------------------|--|---------------------------------|--|
| Key information | | | | |
| 2.1 Revenues from ordinary activities | 64,377 | 844,696 | (92.38%) | (780,319) |
| 2.2 Profit from ordinary activities after tax attributable to members | 41,782 | 646,091 | (93.53%) | (604,309) |
| 2.3 Net profit for the period attributable to members | 41,782 | 646,091 | (93.53%) | (604,309) |

| 2.4 Dividends (distributions) | | | Amount per security | Franked amount per security |
|-------------------------------|-----------------|-------------|---------------------|-----------------------------|
| Final dividend | 2.5 Record Date | 29/09/ 2008 | 18.0 cents | 18.0 cents |
| | Date Payable | 14/10/2008 | | |
| Interim dividend | Paid | 11/04/2008 | 11.0 cents | 11.0 cents |

2.6 Explanation

Revenue, profit from ordinary activities and net profit for the 2007 financial year includes the effect of the disposal of Premier Investments Limited's interest in Coles Group Limited. As reported in the previous financial year revenues from ordinary activities included a profit on sale of the investment for \$791,061,000. The profit after income tax on the disposal of the investments resulted in an effect of \$611,085,000 on the 2007 results.

+ See chapter 19 for defined terms.

3. Balance Sheet

Please refer to the attached unaudited financial statements for the year ended 30 June 2008.

4. Income Statement

Please refer to the attached unaudited financial statements for the year ended 30 June 2008.

5. Statement of Change in Equity

Please refer to the attached unaudited financial statements for the year ended 30 June 2008.

6. Cash Flow Statement

Please refer to the attached unaudited financial statements for the year ended 30 June 2008.

7. Dividends

Date the dividend is payable

14/10/2008

Record date to determine entitlements to the dividend (distribution) (ie, on the basis of registrable transfers received by 5.00 pm if +securities are not CHESS approved, or security holding balances established by 5.00 pm or such later time permitted by SCH Business Rules if +securities are +CHESS approved)

29/09/2008

Amount per security

| | Amount per security | Franked amount per security at 30% tax | Amount per security of foreign source dividend |
|-------------------------------------|---------------------|--|--|
| Final dividend: Current year | 18.0 cents | 18.0 cents | Nil |
| Previous year | 9.0 cents | 9.0 cents | Nil |

Total dividend per security (interim *plus* final)

| | Current year | Previous year |
|------------------------|--------------|---------------|
| Ordinary securities | 29.0 cents | 18.0 cents |
| Preference +securities | Nil | Nil |

+ See chapter 19 for defined terms.

Preliminary final report - final dividend on all securities

| | Current period \$A'000 | Previous corresponding period - \$A'000 |
|------------------------|---------------------------|--|
| Ordinary securities | 16,234 | 8,116 |
| Preference +securities | - | - |
| Total | 16,234 | 8,116 |

Section 12 of this report outlines the impact of additional Premier Investments Limited shares to be issued as part of the acquisition of Just Group Limited.

8. Dividend reinvestment plans

The +dividend plans shown below are in operation.

| |
|----------------|
| Not Applicable |
|----------------|

The last date(s) for receipt of election notices for the +dividend plans

| |
|--|
| |
|--|

9. Net tangible assets per security

| | Current period | Previous corresponding period |
|---|----------------|----------------------------------|
| Net tangible asset backing per +ordinary security | \$8.98 | \$9.13 |

10. Control gained over entities having material effect

There were no gain or loss of control of any entities during the year ended 30 June 2008.

11. Details of aggregate share of profits (losses) of associates and joint venture entities

Not Applicable

+ See chapter 19 for defined terms.

12. Other significant information

On the 31 March 2008 Premier Investments Limited ("Premier") announced an offer to acquire all the issued shares in Just Group Limited ("Just"). Under the terms of the offer made by way of Bidders Statement dated 19th May 2008 as supplemented and varied, Premier offered \$2.095 cash per Just shares plus 0.25 Premier shares for each Just share. Just shareholders who accept the offer and are registered shareholders of Premier at the record date for the final dividend will be entitled to receive Premier's final dividend of 18 cents per Premier share fully franked. In addition, as Premier now has a relevant interest in Just shares of 90% or more an additional \$0.15 cash per share will be paid to Just shareholders. Premier has announced that the offer will close on 3 September 2008. As at 30 June 2008 Premier had received acceptances for less than 1% of the issued Just shares. As at the date of this report, Premier has received acceptances for 90.797% of the issued Just shares.

As at the date of this report, Premier has received acceptances for more than 90% of the issued Just shares. Premier will compulsorily acquire any shares in Just for which it has not received acceptances. The effect of acquiring 100% of Just is that Premier will pay approximately \$447,834,600 cash under the terms of the takeover offer. In addition, approximately 49,871,000 ordinary shares will be issued by Premier.

Premier's results in this preliminary final report do not include the effect of the results from the business of Just. AASB 3 "Business Combinations" requires disclosure of such information for each business combination effected after the reporting date but before the financial report is authorised for issue, unless such disclosure would be impracticable. Premier believes that such disclosure is impracticable. As at the date of this report, Just has not released its audited results and Premier does not have access to such financial information.

At the date of this report, Premier has acquired 90.787% of Just, under the terms of the offer and approximately 45,238,100 Premier shares will be issued as part consideration for acceptances received. The holders of these shares will be entitled to receive the fully franked dividend of 18 cents per shares. This will reduce the cash held by Premier by \$8,142,860, being the additional amount payable by way of dividend on those shares on the 14th October 2008. Premier has not received, as at the date of this report, acceptances for 18,528,647 Just shares. As Premier will compulsorily acquire these shares if acceptances are not received by the close of the offer period on 3rd September 2008, Premier will issue approximately 4,631,900 shares as part consideration for the Just shares it compulsorily acquires. These shares will not be issued in time to participate in the fully franked dividend payable on 14 October 2008.

13. Foreign Entities – accounting standards used in compiling the report

Not applicable

+ See chapter 19 for defined terms.

14. Commentary

During the financial year ended 30 June 2008, Premier Investments Limited has maintained its cash balance for future investments. As a result, Premier has announced a net profit after income tax of \$41,782,000. The Premier Board has adopted a dividend policy to pay fully franked dividends representing at least 65% of reported net profit in any given year. As such, Premier has announced that it has raised its dividend to 29 cents per share from 18 cents per share (11.0 c interim and 18.0c final, both fully franked) for 2008.

On the 31 March 2008 Premier announced a takeover offer for Just Group Limited. For details of this offer shareholders should refer to the attached financial statements together with Company announcements made since that date.

For future acquisitions Premier intends to invest only in sectors in which it has substantial experience and skills, being the retail, wholesaling, distributing and retail property sectors. Its geographic investment focus will primarily be Australia but may also extend internationally for specific opportunities. Premier will consider the full range of possible investment structures, including minority and controlling stakes in listed and unlisted companies, full acquisitions and joint ventures.

Net tangible asset backing per share at balance date is \$8.98 (2007 \$9.13) after taking account of all deferred tax liabilities in the event of the sale of the share portfolio at its balance date value.

15. Compliance statement

This report should be read in conjunction with the attached financial statements for the year ended 30th June 2008. The attached financial statements are in the process of being audited.

Sign here: Date 27 August 2008
Company Secretary

Print name: KIM DAVIS

+ See chapter 19 for defined terms.

PREMIER INVESTMENTS LIMITED

ITEM 3: BALANCE SHEET AS AT 30 JUNE 2008

| | Note | Consolidated | |
|---------------------------------------|-------|----------------|------------------|
| | | 2008 \$'000 | 2007 \$'000 |
| ASSETS | | | |
| Current Assets | | | |
| Cash and cash equivalents | 13(a) | 790,341 | 1,174,951 |
| Trade and other receivables | 4 | 6,634 | 13,103 |
| Prepayments | | 24 | 1,837 |
| Total Current Assets | | 796,999 | 1,189,891 |
| Non-Current Assets | | | |
| Investments | 5 | 36,727 | 80,898 |
| Plant and equipment | 6 | - | - |
| Total Non-Current Assets | | 36,727 | 80,898 |
| TOTAL ASSETS | | 833,726 | 1,270,789 |
| LIABILITIES | | | |
| Current Liabilities | | | |
| Trade and other payables | 7 | 2,179 | 541 |
| Interest-bearing loans and borrowings | 8 | 79 | 250,000 |
| Income tax payable | | 19,483 | 176,241 |
| Provisions | 9 | 135 | 97 |
| Total Current Liabilities | | 21,876 | 426,879 |
| Non-Current Liabilities | | | |
| Deferred tax liabilities | 2 | 2,040 | 19,959 |
| Total Non-Current Liabilities | | 2,040 | 19,959 |
| TOTAL LIABILITIES | | 23,916 | 446,838 |
| NET ASSETS | | 809,810 | 823,951 |
| EQUITY | | | |
| Contributed equity | 10 | 205,149 | 205,149 |
| Reserves | 11 | 877 | 38,762 |
| Retained earnings | 12 | 603,784 | 580,040 |
| TOTAL EQUITY | | 809,810 | 823,951 |

The accompanying notes form an integral part of this Balance Sheet.

PREMIER INVESTMENTS LIMITED

ITEM 4: INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2008

| | Note | Consolidated | |
|---|------|----------------|----------------|
| | | 2008 \$'000 | 2007 \$'000 |
| Continuing operations | | | |
| Dividends | | 2,481 | 30,132 |
| Finance revenue | 1(a) | 61,896 | 20,456 |
| Net gain on disposal of investments | | - | 791,061 |
| Other income | 1(a) | - | 3,047 |
| Revenue | | 64,377 | 844,696 |
| Finance costs | 1(b) | (1,792) | (16,630) |
| Other expenses | | (3,106) | (1,999) |
| Profit before income tax | | 59,479 | 826,067 |
| Income tax expense | 2 | (17,697) | (179,976) |
| Profit from continuing operations after income tax | | 41,782 | 646,091 |
| Net profit for the period | | 41,782 | 646,091 |
| Profit attributable to members of the parent | | 41,782 | 646,091 |
| Earnings per share (cents per share) | | | |
| -basic and diluted for profit for the year | | 46.32 | 716.39 |
| -basic and diluted for profit from continuing operations | | 46.32 | 716.39 |

The accompanying notes form an integral part of this Income Statement.

PREMIER INVESTMENTS LIMITED

ITEM 5: STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2008

| CONSOLIDATED | Contributed equity \$'000 | Reserves \$'000 | Retained earnings \$'000 | Total equity \$'000 |
|---|---------------------------------|--------------------|--------------------------------|---------------------------|
| At 1 July 2006 | 205,149 | 381,208 | (49,819) | 536,538 |
| Net gains on investments | - | 43,553 | - | 43,553 |
| Net deferred income tax on investments | - | (12,979) | - | (12,979) |
| Transferred to income statement upon sale of investments (net of income tax) | - | (373,020) | - | (373,020) |
| Total income and expense recognised directly in equity | 205,149 | 38,762 | (49,819) | 194,092 |
| Profit for the period | - | - | 646,091 | 646,091 |
| Total income/expense | 205,149 | 38,762 | 596,272 | 840,183 |
| Equity dividends | - | - | (16,232) | (16,232) |
| At 30 June 2007 | 205,149 | 38,762 | 580,040 | 823,951 |
| At 1 July 2007 | 205,149 | 38,762 | 580,040 | 823,951 |
| Net loss on investments | - | (54,018) | - | (54,018) |
| Net deferred income tax on investments | - | 16,133 | - | 16,133 |
| Total income and expense recognised directly in equity | 205,149 | 877 | 580,040 | 786,066 |
| Profit for the period | - | - | 41,782 | 41,782 |
| Total income/expense | 205,149 | 877 | 621,822 | 827,848 |
| Equity dividends | - | - | (18,038) | (18,038) |
| At 30 June 2008 | 205,149 | 877 | 603,784 | 809,810 |

The accompanying notes form an integral part of this Statement of Changes in Equity.

PREMIER INVESTMENTS LIMITED

ITEM 6: CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2008

| | Note | Consolidated |
|---|-----------|--------------|
| | | |
| | | |
| | 2008 | 2007 |
| | \$'000 | \$'000 |
| Cash flows from operating activities | | |
| Receipts from customers | - | - |
| Payments to suppliers and employees | (1,920) | (2,003) |
| Dividends received | 2,481 | 30,132 |
| Interest received | 67,811 | 8,058 |
| Interest paid | - | (16,709) |
| Income tax paid | (176,241) | - |
| Net cash flows from (used in) operating activities | 13(c) | (107,869) |
| | | 19,478 |
| Cash flows from investing activities | | |
| Purchase of investments | (8,782) | - |
| Proceeds from the disposal of investments | - | 1,137,080 |
| Proceeds from the termination of derivatives | - | 3,047 |
| Net cash flows from (used in) investing activities | | (8,782) |
| | | 1,140,127 |
| Cash flows from financing activities | | |
| Equity dividends paid | (18,038) | (16,232) |
| Repayment of borrowings | (250,000) | - |
| Net cash flows used in financing activities | | (268,038) |
| | | (16,232) |
| Net increase (decrease) in cash and cash equivalents | | (384,689) |
| | | 1,143,373 |
| Cash and cash equivalents at beginning of period | | 1,174,951 |
| | | 31,578 |
| Cash and cash equivalents at end of period | 13(a) | 790,262 |
| | | 1,174,951 |

The accompanying notes form an integral part of this Cash Flow Statement.

PREMIER INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS AT 30 JUNE 2008

| | Note | Consolidated |
|---|----------------|----------------|
| | 2008 \$'000 | 2007 \$'000 |
| 1. Revenues and Expenses | | |
| (a) Revenue | | |
| Dividends | 2,481 | 30,132 |
| Finance revenue | 61,896 | 20,456 |
| Net gain on disposal of investments | - | 791,061 |
| Net gain on termination of derivatives | - | 3,047 |
| | 64,377 | 844,696 |
| Breakdown of finance revenue: | | |
| Bank interest revenue | 61,896 | 20,456 |
| | 61,896 | 20,456 |
| (b) Finance costs | | |
| Bank interest expense | | |
| Other entities | 1,471 | 16,463 |
| Amortisation of loan facility fees | 321 | 167 |
| | 1,792 | 16,630 |

PREMIER INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS AT 30 JUNE 2008

| Note | Consolidated | |
|---|-----------------|----------------|
| | 2008 \$'000 | 2007 \$'000 |
| 2. Income Tax | | |
| The major components of income tax expense are: | | |
| Income Statement | | |
| <i>Current income tax</i> | | |
| Current income tax charge | 17,697 | 179,976 |
| | 17,697 | 179,976 |
| Statement of Changes in Equity | | |
| <i>Deferred income tax related to items charged or credited directly to equity</i> | | |
| Unrealised gain (loss) on available for sale investments | (16,133) | 12,979 |
| | (16,133) | 12,979 |
| A reconciliation between tax expense and the product of accounting profit before income tax multiplied by the Group's applicable income tax rate is as follows: | | |
| Accounting profit before tax from continuing operations | 59,479 | 826,067 |
| Accounting profit before income tax | 59,479 | 826,067 |
| At the Group's statutory income tax rate of 30% (2007: 30%) | 17,843 | 247,820 |
| Adjustments in respect of current income tax | | |
| Rebateable dividends | (1,063) | (12,914) |
| Non-deductible (assessable) items | 917 | (54,930) |
| Aggregate Income tax expense | 17,697 | 179,976 |
| Recognised deferred tax assets and liabilities | | |
| Deferred tax liabilities | | |
| Potential capital gains tax on financial investments | 92 | 16,225 |
| Other debtors | 1,948 | 3,734 |
| | 2,040 | 19,959 |

PREMIER INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS AT 30 JUNE 2008

| Note | Consolidated | |
|---|----------------|----------------|
| | 2008 \$'000 | 2007 \$'000 |
| 3. Dividends Paid and Proposed | | |
| a) Dividends paid during the year | | |
| i) Current year interim | | |
| Franked dividends (11 cents per share) (2007: 9 cents) | 9,922 | 8,116 |
| ii) Previous year final | | |
| Franked dividends (9 cents per share) (2007: 9 cents) | 8,116 | 8,116 |
| b) Dividends proposed and not recognised as a liability | | |
| Franked dividend (18 cents per share) (2007: 9 cents) | 16,234 | 8,116 |
| c) Franking credit balance | | |
| The amount of franking credits available for the subsequent financial year are: | | |
| - franking account balance as at the end of the financial year at 30% (2007:30%) | 236,875 | 67,301 |
| - franking debits that will arise from the payment of dividends as at the end of the financial year | (6,957) | (3,478) |
| | 229,918 | 63,823 |
| 4. Trade and Other Receivables | | |
| Other debtors | 6,634 | 13,103 |
| Total trade and other receivables, net | 6,634 | 13,103 |

There are no other debtors which are past due or impaired

PREMIER INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS AT 30 JUNE 2008

| | Note | Consolidated |
|--|----------------|----------------|
| | 2008 \$'000 | 2007 \$'000 |
| 5. Investments | | |
| Shares in companies quoted on prescribed stock exchange at fair value | 36,727 | 80,898 |
| Total Investments | 36,727 | 80,898 |

Investments represent the definition of available-for-sale financial assets as per AASB 139
"Financial Instruments: Recognition & Measurements"

Available-for-sale financial investments consist of investments in ordinary shares, and therefore have no
fixed maturity date or coupon rate.

| | | |
|--|-----|-----|
| 6. Plant & Equipment | | |
| Plant & equipment - at cost | 4 | 4 |
| Accumulated depreciation | (4) | (4) |
| Total property, plant & equipment, net | - | - |

| | | |
|--------------------------------|-------|-----|
| 7. Trade and Other Payables | | |
| Trade payables | 2,179 | 541 |
| Total trade and other payables | 2,179 | 541 |

| | | |
|--|----|---------|
| 8. Interest-Bearing Loans and Borrowings (Current) | | |
| Bank overdraft | 79 | - |
| Secured | | |
| Bills payable | - | 250,000 |
| Total current interest-bearing loans and borrowings | 79 | 250,000 |

PREMIER INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS AT 30 JUNE 2008

| Note | Consolidated | |
|---|----------------|----------------|
| | 2008 \$'000 | 2007 \$'000 |
| 9. Provisions | | |
| Employee entitlements | 135 | 97 |
| Total current other provisions | 135 | 97 |
| 10. Contributed Equity | | |
| Issued and paid up capital | | |
| Ordinary shares fully paid | 205,149 | 205,149 |
| | <u>No.</u> | <u>No.</u> |
| Movements in issued shares for the year: | | |
| On issue at start | 90,187 | 90,187 |
| Movements for the year | - | - |
| On issue at end | 90,187 | 90,187 |
| 11. Reserves | | |
| Reserve comprise: | | |
| Asset revaluation | 413 | 38,298 |
| Capital profits | 464 | 464 |
| Total reserves | 877 | 38,762 |
| Capital profit | | |
| i) Nature and purpose of reserve: | | |
| The capital profits reserve is used to accumulate realised capital profits. | | |

PREMIER INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS AT 30 JUNE 2008

| | Note | Consolidated |
|--|----------------|----------------|
| | 2008 \$'000 | 2007 \$'000 |
| 11. Reserves (Continued) | | |
| Asset revaluation | | |
| i) Nature and purpose of reserve | | |
| The asset revaluation reserve is used to record increments and decrements in the value of non-current assets. | | |
| ii) Movements in reserve: | | |
| Opening balance | 38,298 | 377,920 |
| Increment (Decrement) on revaluation of investments | (54,018) | 43,553 |
| Transferred to income statement upon sale of investments | - | (370,196) |
| Net deferred income tax movement on investments | 16,133 | (12,979) |
| Closing balance | 413 | 38,298 |
| Cash flow hedge | | |
| i) Nature and purpose of reserve: | | |
| This reserve records the portion of the gain or loss on a hedging instrument in a cash flow hedge that is determined to be an effective hedge. | | |
| ii) Movements in reserve: | | |
| Opening balance | - | 2,824 |
| Transferred to income statement upon termination of derivatives | - | (2,824) |
| | - | - |
| 12. Retained Earnings | | |
| Balance at 1 July | 580,040 | (49,819) |
| Net profit for the year | 41,782 | 646,091 |
| Dividends | (18,038) | (16,232) |
| Balance at 30 June | 603,784 | 580,040 |

PREMIER INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS AT 30 JUNE 2008

| | Note | Consolidated |
|--|----------------|----------------|
| | 2008 \$'000 | 2007 \$'000 |
| 13. Notes to the Statement of Cash Flows | | |
| a) For the purposes of the statement of cash flows, cash and cash equivalents comprise the following at 30 June | | |
| Cash at bank | - | 282 |
| Short term deposits | 790,341 | 1,174,669 |
| Bank overdraft | (79) | - |
| | 790,262 | 1,174,951 |
| b) Cash at bank earns interest at floating rates based on daily bank deposit rates. Short term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the group, and earn interest at the respective short term deposit rates. At year end the average rate was 7.47% (2007: 6.28%). | | |
| c) Reconciliation of net cash flow from operations to net profit after income tax: | | |
| Net profit after income tax | 41,782 | 646,091 |
| Adjustments: | | |
| Net profit on disposal on investments | - | (791,061) |
| Net profit on termination of derivatives | - | (3,047) |
| Changes in assets and liabilities: | | |
| Decrease (Increase) in prepayments | 1,813 | (104) |
| Decrease (Increase) in receivables | 6,470 | (12,938) |
| Increase in creditors | 572 | 513 |
| Increase (Decrease) in current tax liability | (156,758) | 176,241 |
| Increase in provisions | 38 | 49 |
| Increase (Decrease) in deferred tax liability | (1,786) | 3,734 |
| Net cash flow from (used in) operating activities | (107,869) | 19,478 |

PREMIER INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS AT 30 JUNE 2008

| Note | Consolidated |
|------|----------------|
| | 2008 \$'000 |
| | 2007 \$'000 |

14. Contingent Liabilities and Events After the Balance Sheet Date

On the 31 March 2008 Premier Investments Limited ("Premier") announced an offer to acquire all the issued shares in Just Group Limited ("Just"). Under the terms of the offer made by way of Bidders Statement dated 19th May 2008 as supplemented and varied, Premier offered \$2.095 cash per Just shares plus 0.25 Premier shares for each Just share. Just shareholders who accept the offer and are registered shareholders of Premier at the record date for the final dividend will be entitled to receive Premier's final dividend of 18 cents per Premier share fully franked. In addition, as Premier now has a relevant interest in Just shares of 90% or more an additional \$0.15 cash per share will be paid to Just shareholders. Premier has announced that the offer will close on 3 September 2008. As at 30 June 2008 Premier had received acceptances for less than 1% of the issued Just shares. As at the date of this report, Premier has received acceptances for 90.797% of the issued Just shares.

As at the date of this report, Premier has received acceptances for more than 90% of the issued Just shares. Premier will compulsory acquire any shares in Just for which it has not received acceptances. The effect of acquiring 100% of Just is that Premier will pay approximately \$447,834,600 cash under the terms of the takeover offer. In addition, approximately 49,871,000 ordinary shares will be issued by Premier.

Premier's results in this preliminary final report do not include the effect of the results from the business of Just. AASB 3 "Business Combinations" requires disclosure of such information for each business combination effected after the reporting date but before the financial report is authorised for issue, unless such disclosure would be impracticable. Premier believes that such disclosure is impracticable. As at the date of this report, Just has not released its audited results and Premier does not have access to such financial information.

At the date of this report, Premier has acquired 90.787% of Just, under the terms of the offer and approximately 45,238,100 Premier shares will be issued as part consideration for acceptances received. The holders of these shares will be entitled to receive the fully franked dividend of 18 cents per shares. This will reduce the cash held by Premier by \$8,142,860, being the additional amount payable by way of dividend on those shares on the 14th October 2008. Premier has not received, as at the date of this report, acceptances for 18,528,647 Just shares. As Premier will compulsory acquire these shares if acceptances are not received by the close of the offer period on 3rd September 2008, Premier will issue approximately 4,631,900 shares as part consideration for the Just shares it compulsorily acquires. These shares will not be issued in time to participate in the fully franked dividend payable on 14 October 2008.