



For Immediate Distribution

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## DAVID JONES ANNOUNCES NEW INDOOROOPILLY(QLD) STORE

- David Jones has entered into a 20-year Agreement for Lease with Commonwealth Superannuation Corporation (CSC) to open a **brand new, full-line, 14,200 sq.m David Jones department store in Indooroopilly Shopping Centre** in Queensland.
- The Indooroopilly catchment is a high value, high growth demography and the new Indooroopilly David Jones store is expected to generate **Sales of at least \$40m p.a. and EBIT of at least \$5m p.a. by Year 2**. The fit-out will be funded jointly by the landlord, suppliers and David Jones.
- The new David Jones store will anchor the \$450m development of a new fashion wing at the south-east end of the existing Indooroopilly Shopping Centre which will comprise:
  - ~120 additional specialty stores: and
  - an additional ~900 car spaces (taking the total to ~4700 car spaces post redevelopment).
- **Indooroopilly Shopping Centre was chosen as the site for the new David Jones store as:**
  - it is located in the growing South West Brisbane corridor which has the best demographic profile in metropolitan Brisbane;
  - it has a catchment extending ~8 kms north and more than 30 kms south west;
  - it has strong demography - the number of high income earners in the catchment is ~35,000 persons\*;
  - suburbs in the Main Trade Area have median house prices above \$800,000\*\*;
  - the total Department Store Type Merchandise market is valued at ~\$2.7 billion\*;
  - the trade area DSTM is expected to continue growing at 5.6% p.a.\*;
  - it has convenient public transport facilities and access to adequate car parking.
- DA approval for the Indooroopilly development has been obtained. Construction will commence in first quarter of calendar 2012 with the **new David Jones store expected to open in the first quarter of calendar 2014**.

David Jones Limited (DJS) today announced that it has entered into a binding agreement with the owners of Indooroopilly Shopping Centre (Commonwealth Superannuation Corporation (CSC)) to open a brand new 14,200 square metre (sq.m), full-line David Jones department store in the Centre as part of a new \$450 million redevelopment and expansion.

Indooroopilly Shopping Centre is located in the high value, growing South West Brisbane corridor. This catchment extends 8 kilometres (kms) north and more than 30 kms south-west and is the largest regional centre servicing the high growth South West Corridor of Brisbane.

David Jones CEO Paul Zahra said, "We are delighted to be establishing a presence in Indooroopilly Shopping Centre. It has the best demographic profile in metropolitan Brisbane and is a centre we have wanted to be present in for some time as we believe its high growth, high value demography is a perfect fit for our customer offering."

## DAVID JONES

David Jones Limited A.C.N. 000 074 573  
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**INDOOROOPILLY – LARGE CATCHMENT, ATTRACTIVE MARKET**

David Jones Group Executive of Retail Development and Procurement, Antony Karp said “We have for some time recognised that Queensland is a market which represents growth opportunities for our Company and in which David Jones is under-represented. The Indooroopilly trade area DSTM is expected to continue growing at 5.6% p.a. and has more than 35,000 high-income earners (people earning above \$78,000 p.a.) in its catchment.

“The total Trade Area Population is approximately (~)430,000 and the median house prices in the surrounding suburbs of St Lucia, Chelmer, Brookfield and Pullenvale are above \$800,000 (compared to the Brisbane median price of \$500,000\*\*).

“The total Department Store Type Merchandise (DSTM) market in the Indooroopilly catchment is valued at ~\$2.7 billion p.a. which is 55% larger than the average DSTM catchment.

“All of these factors make Indooroopilly an excellent location for a new David Jones department store,” Mr Karp said.

**OVERVIEW OF THE INDOOROOPILLY SHOPPING CENTRE DEVELOPMENT**

Development Approval and Owner Approval for development has been obtained to add a new fashion wing to the south-eastern end of the existing Indooroopilly Shopping Centre.

The development will include the construction of a new, full-line David Jones department store over two levels which will anchor the new fashion wing and will be surrounded by ~120 specialty stores. DA approval has been obtained and construction will commence in the first quarter of 2012.

The centre’s car park will be expanded to cater to the new wing through the creation of a further 900 spaces taking the total (post development) to over 4,700 car parking spaces. In addition, it is proposed that improved traffic flow and access to the Centre will be provided by an upgraded and improved access road and a new entry from Grosvenor Road.

**INDOOROOPILLY SHOPPING CENTRE MEETS ALL OF DAVID JONES’ BENCHMARKS**

Indooroopilly Shopping Centre has Gross Lettable Area of ~86,780 sq.m and is ranked the seventh largest shopping centre in Queensland\*\*\*. Moving Annual Turnover of the centre in 2011 is \$535.3 million making it the fourth highest revenue generating shopping centre in Queensland\*\*\*. On completion Indooroopilly Shopping Centre is expected to be ~30% larger in terms of Gross Lettable Area with a similar level increase in Moving Annual Turnover.

The new Indooroopilly David Jones store is expected to meet David Jones’ new store benchmarks (namely, Sales of at least \$40 million p.a. and EBIT of at least \$5 million p.a. by Year 2).

The cost of constructing and fitting out the new department store will be shared by the landlord, suppliers and David Jones.

**COMPETITIVE CONTEXT**

Indooroopilly Shopping Centre is the largest of three regional centres servicing the South West Corridor of Brisbane and is the predominant fashion offering in the region. Despite having three shopping centres servicing it, the South West Brisbane corridor has very low department store penetration levels, which means there is significant opportunity for a new department store entrant in the major centre of Indooroopilly. It also provides the Company with the opportunity to fully leverage the newly refurbished Toowong David Jones store, which is a smaller format store.

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Mr Karp said, "Given that department store penetration in the South West Brisbane corridor is currently 3.25% (significantly lower than the average experience across our major suburban stores of 7.2%) we believe there are substantial incremental sales available in the region which we will capture through both our new Indooroopilly store and our refurbished Toowong store."

**CONCLUSION**

Mr Zahra said, "We are delighted to be opening a new David Jones store in Indooroopilly. It is the sixth, new, high value store we have in our pipeline (in addition to Highpoint (Vic), Macquarie (NSW), Sunshine Plaza (Qld), Whitford (WA) and Pacific Fair (Gold Coast, Qld)). These new stores provide significant growth for our Company as well as a solid platform from which to expand our core business, leverage our multi-channel retail strategy, grow our customer base and deliver attractive financial returns to our shareholders."

ENDS

*Source:*

\*Mapinfo Dimasi

\*\* Real Estate Institute Queensland

\*\*\*Big Guns 2011

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