

MYER

Media Release

For immediate release – Wednesday 21st January 2009

MYER SALES AND PROFIT GUIDANCE

FIRST HALF YEAR SALES DOWN 3.8% - AHEAD OF EXPECTATIONS

EBIT GUIDANCE FOR FIRST HALF YEAR 1% TO 6% GROWTH

In view of significant interest in the retail environment in Australia, the Board of Myer believes that further guidance would be helpful to the market.

Sales in the first half of FY2009 to 24 January 2009 are expected to be down 3.8%.

Sales were down 4.8% in Q1 and down 3.1% in Q2, highlighting an improvement during the peak Christmas and Stocktake Sale period.

Like-for-like sales for the half are expected to be down 3.9%.

Earnings before interest and tax are expected to increase between 1% and 6% in the first half of FY 2009.

Myer is expected to finish the half-year with approximately \$180 million cash on deposit. Debt remains at \$645 million plus \$245 million listed notes, with all banking covenants comfortably exceeded, and no debt repayment due until 2012.

Myer Chief Executive Bernie Brookes is pleased with the result given the challenging trading environment.

“Myer’s turnaround strategy remains on track. Our focus in the turnaround phase has been on increasing our return on sales, driving operational improvements and investing in our store portfolio. Against this backdrop, and combined with difficult trading conditions, this sales result is encouraging and indicates that our market share has grown” said Mr Brookes.

“We are coming out of the Christmas and Stocktake Sale period with a clean inventory position, and tight inventory control remains a key priority. We have an intense focus on all aspects of costs”.

“However, we expect difficult trading conditions to continue, especially in the third quarter, and we will continue to emphasise our value proposition to our customers,” said Mr Brookes.

Myer will announce half-year sales results in late February and half-year profit results in late March.

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For further information;

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