

APPENDIX 4D

ASX Listing Rule 4.2A.3

MYER HOLDINGS LIMITED

ABN 14 119 085 602

INTERIM FINANCIAL REPORT

Current reporting period: 26 weeks ended 26 January 2013

Previous corresponding period: 26 weeks ended 28 January 2012

Results for announcement to the market				\$A'000
Total sales value from ordinary activities	up	1.7%	to	1,732,481
Profit attributable to members of Myer Holdings Limited	up	0.7%	to	87,923

Dividends		Amount per security	Franked amount per security
Current reporting period			
2013 interim dividend determined (payable 9 May 2013)		10.0 cents	10.0 cents
2012 final dividend (paid 14 November 2012)		9.0 cents	9.0 cents
Previous corresponding period			
2012 interim dividend (paid 10 May 2012)		10.0 cents	10.0 cents
2011 final dividend (paid 16 November 2011)		11.5 cents	11.5 cents
Record date for determining entitlements to the interim dividend			28 March 2013

Commentary on results for the period

For an explanation of the results refer to the ASX and media release.

Net tangible assets per ordinary security	26 January 2013	28 January 2012
Net tangible assets per ordinary security	(\$0.06)	(\$0.17)

Information on audit or review

The interim financial report of Myer Holdings Limited has been subject to review. The review report is included in the attached interim financial report.

MYER

INTERIM FINANCIAL REPORT **of Myer Holdings Limited**

ABN 14 119 085 602

For the half year ended 26 January 2013

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Directors' report

Your directors present their report on the consolidated entity consisting of Myer Holdings Limited and the entities it controlled at the end of, or during, the half year ended 26 January 2013.

Directors

The following persons were directors of Myer Holdings Limited during the whole of the half year and up to the date of this report:

Bernie Brookes	Managing director and Chief Executive Officer
Anne Brennan	Independent non-executive director
Peter Hay	Independent non-executive director
Rupert Myer	Independent non-executive director
Chris Froggatt	Independent non-executive director

Paul McClintock AO and Ian Morrice were appointed independent non-executive directors on 8 August 2012. Howard McDonald retired from the board on 10 October 2012 and was succeeded as Chairman by Paul McClintock AO at that time. Ian Morrice resigned from the board on 1 March 2013.

Review of operations

A review of the operations of the Group during the half-year and the results of these operations are contained in Myer's ASX and media release for the period accompanying this report.

Auditor's independence declaration

The auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 3.

Rounding of amounts

The company has taken advantage of Class Order 98/100, issued by the Australian Securities and Investments Commission, relating to the "rounding off" of amounts in the directors' report. Amounts in the directors' report have been rounded off to the nearest thousand dollars, or in certain cases, to the nearest dollar.

This report is made in accordance with a resolution of directors.



Paul McClintock AO
Chairman
Melbourne
13 March 2013



Auditor's Independence Declaration

As lead auditor for the review of Myer Holdings Limited for the half-year ended 26 January 2013, I declare that to the best of my knowledge and belief, there have been:

- a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- b) no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Myer Holdings Limited and the entities it controlled during the period.

A handwritten signature in black ink, appearing to read 'A. Mill', with a large, sweeping flourish underneath.

Andrew Mill
Partner
PricewaterhouseCoopers

Melbourne
13 March 2013

Consolidated income statement

	Half-year	
	2013	2012
	\$'000	\$'000
Total sales value (excluding GST)	1,732,481	1,704,014
Concession sales	(260,140)	(248,014)
Sale of goods (excluding GST)	1,472,341	1,456,000
Sales revenue deferred under customer loyalty program	(21,345)	(22,679)
Revenue from sale of goods (excluding GST)	1,450,996	1,433,321
Other operating revenue	62,760	60,154
Cost of goods sold	(814,628)	(809,434)
Other income	14,892	14,275
Operating gross profit	714,020	698,316
Selling expenses	(409,581)	(394,115)
Administration expenses	(162,941)	(161,347)
Earnings before interest and tax	141,497	142,854
Finance revenue	771	907
Finance costs	(14,910)	(17,989)
Net finance costs	(14,139)	(17,082)
Profit before income tax	127,359	125,772
Income tax expense	(38,208)	(37,732)
Profit for the half-year	89,151	88,040
Profit is attributable to:		
Owners of Myer Holdings Limited	87,923	87,322
Non-controlling interests	1,228	718
Earnings per share for profit attributable to the ordinary equity holders of the company:	Cents	Cents
Basic earnings per share	15.1	15.0
Diluted earnings per share	15.0	14.9

The above consolidated income statement should be read in conjunction with the accompanying notes.

Consolidated statement of comprehensive income

	Half-year	
	2013	2012
	\$'000	\$'000
Profit for the half-year	89,151	88,040
Other comprehensive income		
Items that may be reclassified to profit and loss:		
Cash flow hedges	662	893
Exchange differences on translation of foreign operations	(83)	136
Income tax relating to components of other comprehensive income	-	32
Other comprehensive income for the half-year, net of tax	579	1,061
Total comprehensive income for the half-year	89,730	89,101
Total comprehensive income for the half-year is attributable to:		
Owners of Myer Holdings Limited	88,476	88,397
Non controlling interests	1,253	704
	89,730	89,101

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

Consolidated balance sheet

	as at 26 January 2013 \$'000	as at 28 July 2012 \$'000	as at 28 January 2012 \$'000
Current assets			
Cash and cash equivalents	179,774	38,058	122,058
Receivables	22,955	17,712	17,868
Inventories	363,072	385,702	391,451
Total current assets	<u>565,801</u>	<u>441,472</u>	<u>531,377</u>
Non current assets			
Property, plant and equipment	506,314	515,482	523,346
Deferred tax assets	16,416	21,115	38,020
Intangible assets	931,905	936,149	946,852
Other	3,619	3,975	4,233
Total non current assets	<u>1,458,255</u>	<u>1,476,721</u>	<u>1,512,451</u>
Total assets	<u>2,024,056</u>	<u>1,918,193</u>	<u>2,043,828</u>
Current liabilities			
Trade and other payables	456,865	397,137	480,285
Derivative financial instruments	1,840	2,490	3,174
Current tax liabilities	19,257	15,191	22,903
Provisions	91,959	85,957	85,606
Other	29,218	2,094	2,609
Total current liabilities	<u>599,139</u>	<u>502,869</u>	<u>594,577</u>
Non current liabilities			
Borrowings	422,038	421,193	420,362
Derivative financial instruments	2,022	1,785	151
Provisions	15,167	15,439	45,804
Deferred income	69,315	69,821	65,496
Other	1,853	29,406	32,906
Total non current liabilities	<u>510,395</u>	<u>537,644</u>	<u>564,719</u>
Total liabilities	<u>1,109,534</u>	<u>1,040,513</u>	<u>1,159,296</u>
Net assets	<u>914,522</u>	<u>877,680</u>	<u>884,532</u>
Equity			
Contributed equity	519,800	519,776	519,776
Retained profits	398,777	363,357	369,650
Reserves	(13,395)	(14,800)	(13,187)
Capital and reserves attributable to owners of Myer Holdings Limited	<u>905,182</u>	<u>868,333</u>	<u>876,239</u>
Non-controlling interests	9,340	9,347	8,293
Total equity	<u>914,522</u>	<u>877,680</u>	<u>884,532</u>

The above consolidated balance sheet should be read in conjunction with the accompanying notes.

Consolidated statement of changes in equity

	Contributed Equity \$'000	Reserves \$'000	Retained Earnings \$'000	Non- controlling interests \$'000	Total \$'000
Balance as at 30 July 2011	519,479	(15,120)	349,396	7,575	861,330
Total comprehensive income for the half-year	-	1,061	87,322	718	89,101
Transactions with owners in their capacity as owners:					
Contributions of equity, net of transaction costs	297	-	-	-	297
Dividends provided for or paid	-	-	(67,068)	-	(67,068)
Employee share options	-	1,246	-	-	1,246
Tax credit relating to employee share options	-	(374)	-	-	(374)
	<u>297</u>	<u>872</u>	<u>(67,068)</u>	<u>-</u>	<u>(65,899)</u>
Balance as at 28 January 2012	519,776	(13,187)	369,650	8,293	884,532
Balance as at 28 July 2012	519,776	(14,800)	363,357	9,347	877,680
Total comprehensive income for the half-year	-	554	87,923	1,253	89,730
Transactions with owners in their capacity as owners:					
Contributions of equity, net of transaction costs	24	-	-	-	24
Dividends provided for or paid	-	-	(52,502)	(1,260)	(53,762)
Employee share options	-	851	-	-	851
	<u>24</u>	<u>851</u>	<u>(52,502)</u>	<u>(1,260)</u>	<u>(52,888)</u>
Balance as at 26 January 2013	519,800	(13,395)	398,777	9,340	914,522

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Consolidated statement of cash flows

	Half-year	
	2013	2012
	\$'000	\$'000
Cash flows from operating activities		
Receipts from customers (inclusive of goods and services tax)	1,677,536	1,662,973
Payments to suppliers and employees (inclusive of goods and services tax)	(1,420,597)	(1,443,390)
	<u>256,940</u>	<u>219,583</u>
Other income	15,495	15,110
Interest paid	(14,199)	(9,095)
Tax paid	(29,528)	(39,708)
Net cash inflow from operating activities	<u>228,707</u>	<u>185,890</u>
Cash flows from investing activities		
Payments for property, plant and equipment	(29,784)	(31,174)
Payments for intangible assets	(6,629)	(4,080)
Lease incentives received	2,591	7,800
Interest received	561	715
Net cash outflow from investing activities	<u>(33,261)</u>	<u>(26,739)</u>
Cash flows from financing activities		
Borrowing costs	-	(95)
Repayments of employee share loans	9	1
Proceeds from the issue of shares	24	297
Payments of costs of Initial Public Offering	-	(7,502)
Dividend paid	(53,762)	(67,068)
Net cash outflow from financing activities	<u>(53,730)</u>	<u>(74,367)</u>
Net increase in cash and cash equivalents	141,716	84,784
Cash and cash equivalents at the beginning of the half-year	38,058	37,274
Cash and cash equivalents at end of the half-year	<u>179,774</u>	<u>122,058</u>

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

Notes to financial statements

1 Basis of preparation of half year report

This condensed consolidated interim financial report for the half-year reporting period ended 26 January 2013 has been prepared in accordance with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Act 2001. This condensed consolidated interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 28 July 2012 and any public announcements made by Myer Holdings Limited during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001. The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

2 Segment information

Description of segments

Management has determined the operating segments based on the reports reviewed by the Chief Executive Officer that are used to make strategic decisions about the allocation of resources. The Chief Executive Officer considers the business based on total store and product portfolio, and has identified that the Group operates in Australia in the department store retail segment. The Group also undertakes activities outside of the department store retail segment, being the sass & bide retail business, however as this segment represents less than 10% of the total Group's operations it has not been disclosed as a separate reportable segment.

Seasonality of operations

The financial performance of the Group is exposed to seasonality in sales volumes, and as such the revenue and profit is historically weighted in favour of the first half of the financial year. The Christmas trading period is the main driver of the seasonality.

3 Equity securities issued

	2013 Shares	2012 Shares	2013 \$'000	2012 \$'000
Opening balance	583,384,551	583,147,884	558,107	557,635
Options exercised at \$1.27 per ordinary share	-	36,667	-	47
Shares issued to Employee Share Scheme Trust at market value during the period	-	200,000	-	425
	583,384,551	583,384,551	558,107	558,107
Treasury shares				
Opening balance	(25,200)	(306,405)	(38,331)	(38,156)
Shares issued to Employee Share Scheme Trust	-	(200,000)	-	(425)
Shares allocated on exercise of options at \$0.01	-	316,809	-	3
Shares allocated on exercise of options at \$1.27	-	120,396	-	153
Shares allocated on exercise of options at \$2.14	11,000	44,000	24	94
Closing balance of Treasury shares	(14,200)	(25,200)	(38,307)	(38,331)
Closing balance	583,370,351	583,359,351	519,799	519,776

4 Dividends

	Half-year	
	2013 \$'000	2012 \$'000
(a) Ordinary shares		
Dividends provided for or paid during the half-year	52,502	67,068

(b) Dividends not recognised at the end of the half-year

In addition to the above dividends, since the end of the half-year the directors have recommended the payment of an interim dividend of 10.0 cents per fully paid ordinary share (2012 - 10.0 cents), fully franked based on tax paid at 30%. The record date for this dividend is 28 March 2013. The aggregate amount of the proposed dividend expected to be paid on 9 May 2013, but not recognised as a liability at the end of the half-year, is

58,337	58,336
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5 Subsequent events

Subsequent to 26 January 2013, the Directors have determined an interim dividend as outlined in the dividend note. The financial effect of the interim dividend has not been recognised in the interim financial statements for the half year ended 26 January 2013 and will be recognised in subsequent financial statements.

Directors' declaration

In the directors' opinion:

(a) the financial statements and notes set out on pages 4 to 9 are in accordance with the Corporations Act 2001, including:

- (i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
- (ii) giving a true and fair view of the consolidated entity's financial position as at 26 January 2013 and of its performance for the half year ended on that date; and

(b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the directors.



Paul McClintock AO
Chairman
Melbourne
13 March 2013



Independent auditor's review report to the members of Myer Holdings Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Myer Holdings Limited, which comprises the balance sheet as at 26 January 2013, the income statement, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, selected explanatory notes and the directors' declaration for Myer Holdings Limited (the consolidated entity). The consolidated entity comprises both Myer Holdings Limited (the company) and the entities it controlled during that half-year.

Directors' responsibility for the half-year financial report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 26 January 2013 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Myer Holdings Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

PricewaterhouseCoopers, ABN 52 780 433 757

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Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Myer Holdings Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 26 January 2013 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

PricewaterhouseCoopers

PricewaterhouseCoopers



Andrew Mill
Partner

Melbourne
13 March 2013