

Initiatives during 2007/08

- Completed roll-out of enhanced training procedures
- Improvements to repair service
- Further enhancements to store staff recruitment processes
- Continued improvement of in-store execution

- Continued to develop sourcing from rough diamond initiative
- Evolution of 'Journey' assortment
- Further designs added to Leo Diamond range
- Development of Peerless Diamond range in Jared
- Launch of Hearts Desire assortment in Jared
- Expansion of Le Vian range to all mall brands

- Further growth in Kay television impressions
- Jared advertising on national network television
- Enhancement of the Kay website
- Increased support for branded merchandise

- Net space increase of 10%
- 40 Kay off-mall openings
- Continued testing of Kay in outlet centres
- 19 Jared openings
- About 80% of new space in off-mall locations

- Additional resources invested in collection procedures

Initiatives planned for 2008/09

- Development of a new training programme for the Leo Diamond
- Improvements to off-site store staff training programmes and training programmes for future district managers
- Enhancements to in-store procedures

- Realign prices to reflect commodity cost increases
- Significantly increased proportion of merchandise sourced through rough diamond initiative
- Further development of exclusive brands
- Introduction of additional Le Vian ranges
- Increase distribution capacity

- Continue support of Kay brand
- Increase in Jared TV impressions
- Commencement of national radio advertising for Jared
- Further development of Kay e-commerce capabilities
- Enable Jared website for e-commerce
- Raise level of promotional activity

- Net new store space growth of about 5% planned
- 100th off-mall Kay to be opened
- 17 Jared openings expected
- All planned net new space in off-mall locations

- Improved information technology and systems support for credit collection