

PRESS RELEASE

2 June 2009

NQR UPDATE

NQR Administrator, Mr John Lindholm, of Ferrier Hodgson, announced today the pending closure of three more stores from the Not Quite Right (NQR) discount grocery retail chain.

The Wonthaggi, Moe and Forest Hill stores will close on Sunday June 14 – or earlier if stock runs out. The stores will be holding a closing down sale in their final days.

Mr Lindholm said the closures are expected to be the last during the Voluntary Administration process. A total of 32 employees will lose their jobs in the closures (Wonthaggi – 11; Moe – 12; Forest Hill – 9).

“The Administrators have concluded their review of store performance and are confident that there will not be the need for any further store closures during the Administration. All other jobs – including at head office – are confirmed for the duration of the Administration,” Mr Lindholm said. “It is disappointing the closures will cost jobs, but they will leave NQR in a stronger position for restructuring and enhance the prospect of selling the balance of the business.”

Mr Lindholm said that the consolidation of the business will leave the NQR chain in a more stable condition for the future. He said there has been strong interest from potential purchasers of the NQR business and that he is confident of announcing a sale before the end of the month.

Mr Lindholm said that he planned to continue trading the remaining NQR outlets on a business-as-usual basis whilst marketing the business for sale.

The closure of the Wonthaggi, Moe and Forest Hill stores brings the total number of NQR stores closed during the administration to five. Mr Lindholm announced the closure of stores at Warrnambool and St Albans last week. Following today’s announcement, the total number of redundancies is 63. The closures leave the NQR business with 20 stores and about 340 employees.

Mr Lindholm and Ferrier Hodgson partner James Stewart were appointed joint Voluntary Administrators of NQR on Monday (25/5/09).

ENDS**FOR MEDIA ENQUIRIES:**

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