



ASX & MEDIA RELEASE

17 September 2001

**DAVID JONES ADVISES RE
SETTLEMENT PAYMENT FOR ELIZABETH CITY CENTRE**

David Jones Limited ('David Jones') today advised that a payment of \$2.8m has been made to extinguish a contingent liability and release David Jones and its subsidiary John Martin Retailers Limited from any future liability in respect of a guarantee associated with the assignment of a lease to Harris Scarfe at the Elizabeth City Centre in South Australia. The payment will be reflected in the forthcoming full year financial results.

The Chief Executive Officer of David Jones, Mr. Peter Wilkinson said today, " We have acted to protect the integrity of the David Jones brand, its custom and business and to remove any uncertainty as regards contingent liabilities."

In 1997 the David Jones' group of companies sold 5 department store businesses to Harris Scarfe (at Cairns and Townsville in Queensland, Kilkenny and Elizabeth City Centre in South Australia, and Campbelltown in Sydney). David Jones held no ongoing liability for the stores at Cairns, Townsville, and Kilkenny.

Contingent liabilities remained in respect to the Campbelltown store at Macarthur Square in Sydney, which was assigned by David Jones Limited and the Elizabeth City Centre store which was assigned by John Martin Retailers Limited.

David Jones announced in late July our return to Macarthur Square shopping centre. The store opened successfully on 13 September.

Mr. Wilkinson concluded by saying "there are no further contingent liabilities for David Jones in relation to Harris Scarfe."

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FOR FURTHER INFORMATION CONTACT

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