

**ASX Announcement**

**3 April 2018**

**Update on Specialty Fashion Group's Structural Review Process**

As previously disclosed, Specialty Fashion Group Limited (ASX: SFH) ("the Group") has been undertaking a comprehensive structural review and assessment of all options and opportunities to improve shareholder value. In the course of that review, the Group has received a number of confidential, non-binding indicative proposals for a change of control of the Group or the acquisition of certain brands.

The Group confirms that an offer has been received by Anchorage Capital Partners for the acquisition of City Chic and Autograph for A\$100 million in cash. The proposal is expressed as being binding and is valid until Friday 6 April 2018, however, the SFG Independent Review Committee ("IRC") notes that there are a range of outstanding issues that are yet to be agreed with Anchorage and the offer is subject to a number of conditions. Given this, the IRC does not believe that agreement will be reached within the required timeframe within the offer.

The IRC continues to consider all options to improve shareholder value, including divestment of brands, whole of company options and a potential capital raising, and shareholders should note that there is no certainty that any proposal will result in a binding transaction.

The Group will keep shareholders fully informed in accordance with its continuous disclosure obligations.

**ENDS**

**INVESTOR ENQUIRIES:**

Tim Fawaz  
Chief Financial Officer  
+61(2) 8303 5601

**About Specialty Fashion Group**

Specialty Fashion Group is the largest specialty retailer of women's fashion in Australasia, through Millers, Katies, Crossroads, Autograph, City Chic and Rivers.