

Noni B Limited
2008 Annual General Meeting
Address by joint managing director, David Kindl

Thanks James.

The decision to restructure La Voca was very difficult for all of us. It was managed internally with great care and sensitivity to ensure that the people involved were treated with respect and fairness.

Four stores were converted to Noni B, with the remaining leases either surrendered or reassigned for a consideration of over \$0.5 million. To minimise the financial impact, we introduced a number of rewards and incentives to retain staff until closure and to sell remaining stock. All obligations to our business partners were fulfilled.

I am pleased to report that we have been able to accommodate many members of the La Voca team in the Noni B business. We are selling the small quantity of stock that remains through Noni B stores.

I would like to thank the La Voca and Noni B teams, as well as our product suppliers, shopping centre managers and other business partners for their support during this process.

The La Voca experience has not dampened our desire to continue to expand. While, in the current slow market, we are focusing fully on the profitability of the Noni B business, we are also alert to any growth opportunities that the downturn may provide.

With our strong and successful business model and strong balance sheet, we are well placed to take advantage of these opportunities. We will also continue to open new stores, where the market warrants and we can obtain appropriate leases. We believe there is potential for at least 250 Noni B stores in Australia.

I would like to thank our retiring CFO and company secretary, Simon Der Stepanian, for his legacy in managing Noni B's finance and administration so efficiently for some 15 years. He has maintained tight financial controls and high standards of corporate governance as we progressed from a private family business to an ASX-listed company and as continuing growth presented new challenges. We are very grateful to you, Simon.

I have assumed responsibility for finance and administration and intend to continue these disciplines, and where possible tighten them further in response to the current economic situation. I am pleased to announce that, to assist with this, we have appointed a new financial controller, Ann Phillips, who joined Noni B on Monday this week.

As Bob mentioned, Noni B's financial position is strong and we generate positive cash flow, and we aim to maintain this enviable position.

James referred to our excellent management information system, and this is enabling us to keep our fingers on the pulse of the business from day to day, so we can be proactive in winning our share of the women's fashion dollar.

We would like to thank our retiring chairman for his wisdom, guidance and support during his ten years with Noni B. Bob, we would not have achieved so much without you and we are very grateful for your contribution.

We welcome Lynn as our new chairman and look forward to a successful working relationship.

This brings me to Alan, who retired as managing director at the beginning of April. He has created this business and our success is a great testament to his vision, hard work and inspiring leadership. James and I are excited to accept the challenge of continuing his success into the future.

We have a strong brand and reputation and a great platform on which to base further growth. We believe we have the best people in the business. James and I are excited by the opportunities before us, yet mindful of our responsibilities to you, our shareholders, and I can assure you we are focused and determined to continue Noni B's growth as a leading retailer of women's fashion.

I will now hand back to Bob.