




3Q Holdings Limited
ABN 42 089 058 293

M&Co selects 3Q's Island Pacific SmartPlanning

 3Q signs business to the value of \$1.73m

Sydney, 14 August 2015: 3Q Holdings Ltd today announced that its subsidiary in the UK, Island Pacific UK Limited, a leading provider of global software solutions and services to the retail industry, announced it has signed a major deal with M&Co for the deployment of its Island Pacific SmartPlanning suite.

M&Co is one of the largest, privately-owned fashion retailers in the UK and has been selling quality clothing for over 50 years. Originally a small family business of only 6 shops in Glasgow owned by the McGeoch family in the 1960s, M&Co, as they are now known, has over 250 stores worldwide. You'll find them on local high streets across the UK, from the Shetland Isles in the most northerly part of Scotland to Penzance on the edge of the south west coast of England. Malta, Dubai, UAE, Bulgaria, and in everyone's home via their online channels.

Island Pacific's SmartPlanning Suite of solutions was selected by M&Co following a highly competitive pitch. Island Pacific SmartPlanning is a sophisticated, intuitive and integrated support tool that helps with merchandising across all channels, from planning right through to assortment, allocation, and replenishment of stock. Island Pacific SmartPlanning provides the tools to carry out strategic high-level pre-season and in-season plans across merchandise and channels. It drives full planning lifecycle management, strategic budget planning, cross-channel and store planning, export capabilities, integrated reporting and much more. Its integrated allocation and replenishment modules allow the distribution process to be streamlined across channels making the process faster and more efficient and the management of stock replenishment, using dynamic calculations that can be amended based on past trends and future sales projections

Bryce Howie IT & Logistics Director M&Co said, "The Company's goal is to increase profit and increase customer satisfaction, by effectively fulfilling demand, increasing margin and satisfying customer demand as effectively and efficiently as possible in an omnichannel environment. In order to achieve this we were looking for a complete integrated, flexible, merchandise planning and allocation system offering the whole merchandising process across all channels. We were impressed by the offering from Island Pacific both in the functionality of the product, and the approach and quality of its team. Island Pacific's proven track record of customer satisfaction and return on investment were key considerations in our decision. We look forward to partnering with Island Pacific to achieve our goals and building on Island Pacific's reputation for developing innovative and leading-edge retail solutions."

Stephanie Minn Head of Merchandising M&Co said "Our key priority as a business is to drive sales and maximise profit. Delivering the right product assortment, to the right place in line with the customer's demand is key to increasing the profitability of the inventory. We feel the Island Pacific SmartPlanning suite gives the planning team the right tools and processes to set their strategies and budgets, as well as assort more effectively, to ensure that the correct product offering is sent to stores to achieve the maximum rate of sale and sell through - ultimately minimising the need for markdown. We felt that Island Pacific understood our needs and would partner with us to deliver a solution that is efficient, effective and most importantly add significant benefits to M&Co. trading position."

Mr. Mike Dotson Managing Director, Island Pacific UK, said, "we feel very much that our company cultures and understanding of the goals, aims and processes were very much in synergy. We are delighted that Island Pacific SmartPlanning has been selected to support such a leading fashion



retailer. We look forward to working together to ensure that the Island Pacific solution provides M&Co with a cost effective, best in class solution that will not only deliver against their current needs but also, importantly, provide significant flexibility for the future.

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About 3Q Holdings

3Q Holdings originally acquired 100% of Island Pacific Australia Pty Limited, a software company that provides software applications to the retail industry in Australia and New Zealand – with both point of sale (POS) and head office solutions into a wide range of retail clients operating in the fashion, electronics, furniture, general merchandise and discount variety industries.

In March 2006 the company acquired the San Diego based Applied Retail Solutions business (ARS), now known as Island Pacific Store (IP Store). IP Store has been providing software and services to mid-sized and large retailers in the United States since 1987. Its core product "Store" provides a Post to Host solution in market segments such as apparel, footwear, entertainment, discount and variety, giving 3Q an excellent entry into the US retail software and services market.

New Zealand based AdvanceRetail Technology was acquired by 3Q in March 2007, and is a leading retail solutions provider with offices in Auckland, Sydney and Brisbane and representation in Malaysia, China and Singapore – giving it a high quality customer base in Australia, New Zealand and Asia.

In December 2007 the company acquired Island Pacific, which provides access to market leading retail merchandising, store operations, CRM, and multi-channel software solutions internationally. With offices in the United States and the United Kingdom, 3Q not only has better access to those markets, but has the advantage of a springboard into the broader European markets. Island Pacific was founded in 1978 and has developed a reputation for delivering high-quality, high-reliability software to the retail industry. The company is headquartered in Irvine, California.

In May 2013 the company acquired UK based Intelligent Retail, Founded in 2004, Intelligent Retail was the first company in the UK to design a multichannel retail solution specifically around the needs of independent retailers - encompassing in-store PoS systems, eCommerce, mail order, telephone orders, as well as online marketplaces. The company's award-winning "Connect" software is used today by around 600 customers throughout the UK and Ireland providing retailers with both a comprehensive in-store solution as well as an online "Connect eCommerce" webstore. In 2014 Intelligent Retail was launched in Australia and New Zealand.

About M&Co

From their very first products 50 years ago M&Co have focused on quality, never compromising for price. Specialising in Womenswear, Menswear, Kidswear and Homeware, M&Co take inspiration from the world around them and the lives of their customers to create exclusively-designed ranges.

M&Co deliver contemporary products in a compelling environment, where service and quality are paramount.

M&Co has grown organically from a small family business of just 6 stores and now amounts to almost 300. Between 2005 and 2007, the store portfolio was expanded and upgraded, and Mackays successfully re-branded to the more contemporary M&Co fascia. M&Co are well known locally in



some areas as the only large retailer in town. They offer quality and value for money and the type of fantastic customer service that other city centre stores and online retailers do not deliver.