

**Form 603
Corporations Act 2001
Section 671B**

Notice of initial substantial holder

To : Adairs Limited
ACN: 147 375 451
ASX Code: ADH

1. Details of substantial holder

Name: IOOF Holdings Limited
ACN: 100 103 722

This notice is given by IOOF Holdings Limited on behalf of itself and its subsidiaries.

The holder became a substantial shareholder on: 05/12/2018

2. Previous and present voting power

The total number of votes attached to all the voting shares in the company or voting interest in the scheme that the substantial holder or an associate had a relevant interest in on the date the substantial holder is as follows:

Class of securities	Number of securities	Person's votes	Voting Power
Ordinary	8,481,234	8,481,234	5.113%

3. Details of present registered holders

The persons registered as holders of the securities are as follows:

Holder	Registered holder of securities	Person Entitled to be holder	Nature of relevant interest	Class & Number (Ord)	Person's votes
Perennial Value Management Limited (ACN 090 879 904)	NAB Asset Servicing		Investment Manager	2,439,629	2,439,629

Perennial Value Management Limited (ACN 090 879 904)	Citigroup		Investment Manager	4,305,322	4,305,322
Perennial Value Management Limited (ACN 090 879 904)	BNP		Investment Manager	1,736,283	1,736,283

4. Consideration

The consideration paid for each relevant interest and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Date	Person	Nature	Consideration	Class & number (ord)	Person's votes
7/09/2018	Perennial Value Management Limited (ACN 090 879 904)	Sold on market	-\$ 1,207,337.99	500,000	500,000
11/09/2018	Perennial Value Management Limited (ACN 090 879 904)	Sold on market	-\$ 136,982.07	58,009	58,009
12/09/2018	Perennial Value Management Limited (ACN 090 879 904)	Sold on market	-\$ 127,687.71	54,455	54,455
13/09/2018	Perennial Value Management Limited (ACN 090 879 904)	Sold on market	-\$ 16,893.59	7,204	7,204
14/09/2018	Perennial Value Management Limited (ACN 090 879 904)	Sold on market	-\$ 137,346.06	58,574	58,574
17/09/2018	Perennial Value Management Limited (ACN 090 879 904)	Sold on market	-\$ 676,952.94	289,899	289,899
18/09/2018	Perennial Value Management Limited (ACN 090 879 904)	Sold on market	-\$ 29,809.05	12,767	12,767
20/09/2018	Perennial Value Management Limited (ACN 090 879 904)	Sold on market	-\$ 1,526,016.85	654,637	654,637
21/09/2018	Perennial Value Management Limited (ACN 090 879 904)	Sold on market	-\$ 78,598.02	32,620	32,620
26/09/2018	Perennial Value Management Limited (ACN 090 879 904)	Sold on market	-\$ 97,730.55	37,817	37,817
27/09/2018	Perennial Value Management Limited (ACN 090 879 904)	Sold on market	-\$ 102,789.05	39,893	39,893
28/09/2018	Perennial Value Management Limited (ACN 090 879 904)	Sold on market	-\$ 1,101,799.50	425,947	425,947
15/10/2018	Perennial Value Management Limited (ACN 090 879 904)	Purchased on market	\$ 329,814.05	146,451	146,451
18/10/2018	Perennial Value Management Limited (ACN 090 879 904)	Sold on market	-\$ 290,953.34	135,834	135,834
30/10/2018	Perennial Value Management Limited (ACN 090 879 904)	Purchased on market	\$ 519,358.29	287,899	287,899
7/11/2018	Perennial Value Management Limited (ACN 090 879 904)	Purchased on market	\$ 291,018.32	156,118	156,118
12/11/2018	Perennial Value Management Limited (ACN 090 879 904)	Purchased on market	\$ 527.98	277	277
15/11/2018	Perennial Value Management Limited (ACN 090 879 904)	Purchased on market	\$ 3,829.49	2,261	2,261
16/11/2018	Perennial Value Management Limited (ACN 090 879 904)	Purchased on market	\$ 1,503,393.40	867,829	867,829

19/11/2018	Perennial Value Management Limited (ACN 090 879 904)	Purchased on market	\$ 463,686.14	268,556	268,556
20/11/2018	Perennial Value Management Limited (ACN 090 879 904)	Purchased on market	\$ 492,686.56	288,236	288,236
29/11/2018	Perennial Value Management Limited (ACN 090 879 904)	Purchased on market	\$ 322,812.94	177,801	177,801
30/11/2018	Perennial Value Management Limited (ACN 090 879 904)	Purchased on market	\$ 77,931.73	43,432	43,432
5/12/2018	Perennial Value Management Limited (ACN 090 879 904)	Purchased on market	\$ 1,994,627.88	1,108,774	1,108,774

5. Associates

Name & CAN	Nature of association
Not applicable	

6. Addresses

The addresses of persons named in this form are as follows:

Name	Address
IOOF Holdings Limited	Level 6, 161 Collins Street Melbourne Victoria 3000
Adairs Limited	2 International Court Scoresby VIC 3179
Perennial Value Management Limited	Level 27, 88 Phillip Street Sydney NSW 2000