

27 February 2009

Vita Group Limited Half Year Announcement

Vita Group Limited (ASX: VTG), today announced its results for the half year ended 31 December 2008. For the 6 months up to 31 December 2008 the Group reported a decline in trading results which were in line with previous guidance.

The table set out below summarises the Group's financial performance.

	Half-year ended 31 December 2008 \$000s	Half-year ended 31 December 2007 \$000s	Growth %
Total operating revenue	150,610	148,502	1.4%
Gross operating margin	53,691	54,829	(2.1%)
Earnings before interest, taxation, depreciation and amortisation	7,939	12,155	(34.7%)
Earnings before interest and taxation	5,407	9,407	(42.5%)
Net profit for the period attributable to members	3,654	6,250	(41.5%)
Earnings per share (cents)	2.59 cents	4.60 cents	(43.7%)

The 2008 results include two additional months of ownership of the Next Byte business compared to 2007. The decline in consumer confidence and slowdown in consumer spending associated with the global economic decline has made itself evident in the trading results of both the Mobiles and Computing businesses.

The impact of this slowdown has particularly been felt in the Next Byte business by increased retail competition in the Apple brand and weaker consumer demand. Fone Zone has performed in line with expectations supported by the store optimisation program. During the period, 22 underperforming stores were closed, 1 relocated and 1 new store opened.

Whilst the increased retail competition and the current economic conditions have slowed our growth strategy for Next Byte and contributed to the decision to close 2 underperforming stores, 3 new stores were opened during the period. Sales levels in the Education, Corporate and Government segments are holding firm but demand in the retail market is expected to remain weak for several months.

Given the reduction in revenue, we have implemented a number of cost reduction initiatives across the business aimed at reducing expenditure and personnel costs, particularly in support areas. These initiatives will help to offset the impact of the weaker top line result.

Vita Group reported earnings per share of 2.59 cents. To ensure the continued strength of the Group's Balance Sheet, no interim dividend for 2009 has been declared.

END.

About Vita Group

Vita Group is Australia's most exciting lifestyle electronics and telecommunications retailer.

Our three brands (Fone Zone, Next Byte and One Zero) – along with selected Telstra Shop locations* – operate in clearly defined segments and share commonality toward premium service and solution focused selling. We have built our brands on a solid, customer service foundation, each offering a unique retail experience for Australian consumers.

Released by

Courtney Tippett

Marketing Project Manager

Vita Group Limited

P: 07 3868 5946

E: courtney.tippett@vitagroup.com.au

Investor enquiries

David McMahon

Joint Chief Executive Officer

Vita Group Limited

M: 0419 444 444

E: david.mcmahon@vitagroup.com.au



Phone (07) 3868 6000
Fax (07) 3630 0670

Email info@vitagroup.com.au
Post PO Box 218 Albion Qld 4010

www.vitagroup.com.au
Vita Group Limited - ABN 62 113 178 519