

**24 December 2012**

**Cancellation of Performance Share Rights**

Specialty Fashion Group Limited (ASX Code: SFH) wish to advise of the cancellation of 8,661,429 Performance Share Rights over fully paid ordinary shares granted under the Specialty Fashion Group Long Term Incentive Plan to employees. The share rights being cancelled are as a result of the exercise hurdles relating to these share rights not being achieved.

The following share rights over ordinary shares are cancelled:

1,146,429 share rights granted 29 September 2008  
6,815,000 share rights granted 7 January 2010  
50,000 share rights granted 5 March 2010  
650,000 share rights granted 1 October 2010

Subsequent to the cancellation SFH has 192,236,121 ordinary shares quoted on the ASX and nil share rights on issue.

**-- ends --**