



1st Quarter Sales to 1 May 2011

The directors of Briscoe Group Limited announce that unaudited sales for the first trading quarter ended 1 May 2011 were \$96.3 million, being 0.55% lower than the \$96.8 million reported for the same quarter of last year.

On a same store basis the Group's sales for the quarter were 0.68% above the first quarter for last year. The same store sales calculation excludes the four Living and Giving stores the Group has closed within the last twelve months and also the seven Christchurch based stores from February 22nd when the second earthquake struck that region.

Despite the relatively flat sales, the gross margin percentage and earnings before interest and tax (EBIT) generated for the first quarter are ahead of the performance for the same quarter last year.

Sales for the Group's homeware segment decreased by 1.31% to \$62.5 million, while sporting goods sales increased by 0.90% to \$33.8 million. On a same store basis, homeware sales decreased by 0.53% for the quarter while sporting goods sales were 2.92% ahead of last year.

Group Managing Director Rod Duke said, "The Christchurch earthquake adversely affected our sales performance and has resulted in one of our Briscoes Homeware stores ceasing to trade for the foreseeable future while it is demolished and rebuilt. All six of the other Christchurch based Group stores, however, are now fully operational and trading well after the initial disruption caused by the quake. Sales were also affected by ANZAC Day and Easter Monday falling on the same calendar day. Both of these days are historically very strong sale days for the Group so losing the ability to promote these days separately, certainly didn't help our total sales for the quarter.

"Notwithstanding this, we are happy with the result for this quarter given the competitiveness of the retail market and the continued unpredictability of sales levels. Briscoe Group has made a positive start to the current year with strong gross profit margins mitigating the softer sales and improving the bottom line performance in comparison to last year's first quarter."

Tuesday 10 May 2011

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