



## **2<sup>nd</sup> Quarter Sales to 31 July 2011**

The directors of Briscoe Group Limited announce unaudited sales for the thirteen week period ended 31 July 2011 of \$97.8 million, an increase of 4.83% on the \$93.3 million reported for the second quarter of last year. The Group's homeware segment increased sales by 4.17% during this period and the sporting goods segment by 6.34%.

On a same store basis the Group's sales for the second quarter ended 31 July 2011 were 8.07% above the second quarter for last year. The same store sales calculation for the second quarter adjusts for the eight Living & Giving stores the Group has closed within the last twelve months and also for the Briscoes Homeware Salisbury Street store in Christchurch which has recently been demolished as a result of damage sustained from the second earthquake on February 22<sup>nd</sup>. The same store sales calculation differs from that used for the first quarter in which an adjustment was made to exclude all Christchurch stores from the calculation due to the level of disruption and lost trading days experienced due to the February earthquake.

On a same store basis, homeware sales increased by 8.87% for the quarter while sporting goods sales were 6.34% ahead of last year.

The July quarter sales figure takes unaudited Group sales for the half year to 31 July 2011 to \$194.1 million, an increase of 2.09% on the \$190.1 million reported for the first six months of last year. The Group's homeware segment increased sales by 1.46% during this period and the sporting goods segment by 3.40%.

On a same store basis the Group's sales for the half year ended 31 July 2011 were 4.42% ahead of the same period last year.

On a same store basis homeware sales increased by 4.35%, while sporting goods sales increased by 4.56% over the first half of last year.

Group Managing Director, Rod Duke said, "Pressure on gross profit margin has remained strong during this second quarter reflecting competitive market pressures and tight inventory control to ensure optimal stock levels are met. Despite the late start to winter and the subsequent impact on heating and apparel sales, we are very pleased with the overall sales performance delivered on the back of a very strong promotional programme.

"Notwithstanding the continued tough operating conditions, Group EBIT has tracked above last year during this first half and we expect this to be reflected in our results for the half year. Sales and gross profit will be up on last year and costs have been well

managed during this first six months. The Group's Net Profit After Tax for the half year is anticipated to be at least \$10.2 million which would represent a 10% increase over last year's adjusted \$9.3 million half year result or a 57% increase over last year's actual reported \$6.6 million result which reflected the tax adjustment the Group was required to book in that period."

The Group expects to announce its first half results on 9 September 2011.

Friday 5 August 2011

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