



3rd Quarter Sales to 31 October 2010

The directors of Briscoe Group Limited today announced unaudited sales for the thirteen week period to 31 October 2010 of \$89.8 million, an increase of 6.51% on the \$84.3 million reported for the third quarter of last year.

On a same store basis the Group's sales for the third quarter were 6.11% ahead of the same period last year.

Homeware sales increased by 6.16% to \$61.5 million while sporting goods sales increased by 7.27% to \$28.2 million for the quarter. On a same store basis, homeware sales increased by 5.58%, while sporting goods sales increased by 7.27%.

Total Group store numbers decreased to 88 from 90 during the quarter with the closure of two Living & Giving stores at Northlands, in Christchurch and Newmarket, following the expiry of the leases for these properties.

The October quarter sales figure takes unaudited Group sales for the year-to-date (i.e. for the period 1 February 2010 to 31 October 2010) to \$279.9 million, an increase of 3.83% on the first nine months of last year. Homeware sales increased 3.13% for this period, while sporting goods sales increased 5.33%.

Rod Duke, Group Managing Director, said, "This third quarter certainly started better than it finished. Solid sales and gross profit numbers in August and September were converted into strong increases over last year on the bottom line. Despite September results being impacted by the Christchurch earthquake we saw a significant late rally in sales leading up to the 1 October increase to GST. During October, however, we have experienced further tightening of sales and margin.

"As we begin the crucial final quarter we remain cautiously optimistic in our outlook. The recent cuts to personal tax rates should help boost the potential for increased retail sales however, the extent to which this is offset by increases in fuel, power and general living costs, remains to be seen.

"We remain confident that the Group's full year tax paid profit (excluding the \$2.6 million tax adjustment booked at half year as a result of the recent tax changes to building depreciation) will be ahead of the \$21.03 million reported for last year. This will of course be heavily influenced by the strength or otherwise of the retail market over the Christmas period."

Friday 5 November 2010
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