

<b>BRISCOE GROUP LIMITED</b>	
<b>Results for announcement to the market</b>	
Reporting Period	Half-Year 1 February 2010 to 1 August 2010
Previous Reporting Period	Half-Year 26 January 2009 to 26 July 2009

	Amount (000s)	Percentage change
Sales revenue from ordinary activities	\$190,115	+2.6%
Profit from ordinary activities after tax attributable to shareholders	\$6,636	+1.8%
Net Profit attributable to shareholders.	\$6,636	+1.8%

Interim Dividend	Gross amount per share	Imputed amount per share
	3.00 cents	3.00 cents

Audit	The abridged financial statements attached to this report have not been audited.
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Comments:	Refer to the section "Half Year Review" for commentary.
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## Half Year Review

Highlights for the 26 week period ended 1 August 2010:

- Total sales \$190.12 million, +2.61%
- Same store sales growth, +2.49%
- EBIT \$12.93 million, +41.85%
- NPAT (excluding one-off deferred tax adjustment) \$9.28 million, +42.31%
- Interim Dividend 3.00 cents per share, +50.00%

The directors of Briscoe Group Limited announce a net profit after tax (NPAT) of \$6.64 million for the half-year ended 1 August 2010. This compares to the \$6.52 million for the corresponding period a year ago and is in line with the advice given to the market on 6 August. The half-year results are unaudited.

The result includes a tax adjustment of \$2.64 million that the Group is required to book under New Zealand Equivalent to International Accounting Standard 12 as a result of the recent tax changes announced by the government. This deferred tax liability adjustment is a one-off, non-cash accounting entry which has no impact on Briscoe Group's underlying profitability, cash flows or dividend policy. Excluding this adjustment NPAT for the first-half period was \$9.28million or 42.3% higher than the first half result reported for last year.

The directors have declared a fully imputed interim dividend of 3.00 cents per share (last year interim 2.00 cent). This is consistent with Briscoe Group's policy of paying at least 60% of the Group's tax paid earnings as dividends. Books will close to determine entitlements at 5pm on 24 September 2010 and payment will be made on 1 October 2010.

The earnings were generated on sales of \$190.12 million compared to the \$185.29 million generated in the same period last year.

At the operating profit level, \$12.93 million of earnings before interest and tax, (EBIT) was generated for the six months to 1 August 2010. This compares to the \$9.12 million for the same period last year and represents an increase of 41.85%. In the first six months of last year the Group booked an impairment adjustment of \$828K for underperforming specialty stores. Adjusting for this, EBIT generated for the period ended 1 August 2010 represents an increase of 30.0%.

Gross margin percentage decreased slightly from 40.34% to 39.94% reflecting the impact of the later than normal start to winter and the continued competitiveness and tightening across the retail industry in general.

In the period under review, homeware sales increased 1.73% from \$126.03 million to \$128.22 million and sporting goods sales increased 4.47% from \$59.25 million to \$61.90 million.

On a same store basis, homeware sales increased by 1.56%, while sporting goods sales increased by 4.47%.

Rod Duke, Group Managing Director, said: "We are very pleased with this result for the first half of the year. If you were to exclude the one-off tax adjustment from this year and also the impairment adjustment made last year, our true comparable operating performance has been very strong at around 30% up on last year. Most retailers would be thrilled with that result in what continues to be a tough retailing environment.

“Customer confidence continues to be adversely affected by factors including; increasing unemployment, higher power prices, falling house sales, the introduction of the ETS and uncertainty over the net effect of the GST rate increase and personal tax cuts. Poor economic news from overseas also continues to erode consumer confidence in New Zealand and consumers have responded by paying down debt and only spending when true needs arise or when deals on offer are too good to miss.

“We continue to diversify our strategies to drive market share and protect profit in this environment. We have increased the aggression of our promotions which has predictably resulted in some margin erosion but delivered a sales increase over last year of 2.61%. We believe we will need to continue with the same level of aggression for the remainder of the year. Cost control is another important area of focus and both store expenses and support area expenses have been well managed and delivered significant savings in comparison to the first half of last year.

“We intend to complete several significant relocations and store upgrades by the end of the year. Our existing Briscoes Homeware and Rebel Sport stores in Palmerston North will relocate to new premises in early October. The Briscoes Homeware store at Salisbury Street in Christchurch is currently undergoing a major extension, which is due for completion mid-September and the Rebel Sport store situated in Wellington’s James Smith Building will be completely refurbished and relocated to the ground floor by November.”

Inventory levels at 1 August 2010 were \$68.65 million compared to \$64.89 million at the same time last year. The increase of \$3.76 million reflects the earlier landing of product directly imported by the Group and also some additional stock levels due to the sales slow-down experienced during the second quarter of the year.

Rod Duke, said: “We are cautiously optimistic about Group performance as we move through to the second half of this year. Inventory is in good shape and we will continue to benefit from operating efficiencies and the promotional initiatives implemented earlier this year. The uncertainty of the economic environment however, continues to make it difficult to accurately predict a result for the second half of this year. We believe we will see further uncertainty in consumer confidence which will result in continued difficult trading conditions for retailers.”

Friday 10 September 2010

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<p align="center"><b>BRISCOE GROUP LIMITED</b>  <b>CONSOLIDATED INCOME STATEMENT</b>  <b>for the 26 week period ended 1 August 2010</b></p>
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	Period ended 1 August 2010 \$000	Period ended 26 July 2009 \$000
Sales revenue	190,115	185,285
Cost of goods sold	(114,177)	(110,538)
<b>Gross profit</b>	<b>75,938</b>	<b>74,747</b>
Other operating income	61	56
Store expenses	(39,796)	(41,586)
Administration expenses	(23,273)	(24,102)
<b>Operating profit</b>	<b>12,930</b>	<b>9,115</b>
Net finance income	626	621
<b>Profit before income tax</b>	<b>13,556</b>	<b>9,736</b>
Income tax expense	(6,920)	(3,215)
<b>Net profit attributable to shareholders</b>	<b>6,636</b>	<b>6,521</b>

<p align="center"><b>BRISCOE GROUP LIMITED</b>  <b>CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME</b>  <b>for the 26 week period ended 1 August 2010</b></p>
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	Period ended 1 August 2010 \$000	Period ended 26 July 2009 \$000
Net Profit attributable to shareholders	6,636	6,521
<b>Other comprehensive income:</b>		
Fair value (gain)/loss recycled to income statement	980	(3,253)
Fair value gain/(loss) taken to the cashflow hedge reserve	(1,040)	(3,651)
Deferred tax on fair value hedge taken to income statement	(294)	976
Deferred tax on fair value transfers to cashflow hedge reserve	312	1,095
<b>Total other comprehensive income</b>	<b>(42)</b>	<b>(4,833)</b>
<b>Total comprehensive income attributable to shareholders</b>	<b>6,594</b>	<b>1,688</b>

<p align="center"><b>BRISCOE GROUP LIMITED</b>  <b>CONSOLIDATED STATEMENT OF CHANGES IN EQUITY</b>  <b>for the 26 week period ended 1 August 2010</b></p>
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	Share Capital \$000	Cashflow Hedge Reserve \$000	Share Options Reserve \$000	Retained Earnings \$000	Total Equity \$000
<b>Balance at 25 January 2009</b>	40,625	3,261	486	77,178	121,550
Net profit attributable to shareholders	-	-	-	6,521	6,521
<b>Other comprehensive income:</b>					
Fair value loss/(gain) recycled to income statement	-	(3,253)	-	-	(3,253)
Fair value (loss)/gain taken to the cashflow hedge reserve	-	(3,651)	-	-	(3,651)
Deferred tax on fair value hedge taken to income statement	-	976	-	-	976
Deferred tax on fair value transfers to cashflow hedge reserve	-	1,095	-	-	1,095
Total comprehensive income for the period	-	(4,833)	-	6,521	1,688
Dividends paid	-	-	-	(7,425)	(7,425)
Share options charged to income statement	-	-	145	-	145
Transfer for share options lapsed and forfeited	-	-	-	-	-
<b>Balance at 26 July 2009</b>	40,625	(1,572)	631	76,274	115,958
Net profit attributable to shareholders	-	-	-	14,505	14,505
<b>Other comprehensive income:</b>					
Fair value loss/(gain) recycled to income statement	-	4,707	-	-	4,707
Fair value (loss)/gain taken to the cashflow hedge reserve	-	(2,864)	-	-	(2,864)
Deferred tax on fair value hedge taken to income statement	-	(1,412)	-	-	(1,412)
Deferred tax on fair value transfers to cashflow hedge reserve	-	859	-	-	859
Total comprehensive income for the period	-	1,290	-	14,505	15,795
Dividends paid	-	-	-	(4,243)	(4,243)
Share options charged to income statement	-	-	111	-	111
Transfer for share options lapsed and forfeited	-	-	(162)	162	-
<b>Balance at 31 January 2010</b>	40,625	(282)	580	86,698	127,621
Net profit attributable to shareholders	-	-	-	6,636	6,636
<b>Other comprehensive income:</b>					
Fair value loss/(gain) recycled to income statement	-	980	-	-	980
Fair value (loss)/gain taken to the cashflow hedge reserve	-	(1,040)	-	-	(1,040)
Deferred tax on fair value hedge taken to income statement	-	(294)	-	-	(294)
Deferred tax on fair value transfers to cashflow hedge reserve	-	312	-	-	312
Total comprehensive income for the period	-	(42)	-	6,636	6,594
Dividends paid	-	-	-	(10,608)	(10,608)
Share options charged to income statement	-	-	172	-	172
Transfer for share options lapsed and forfeited	-	-	-	-	-
<b>Balance at 1 August 2010</b>	40,625	(324)	752	82,726	123,779

<p style="text-align: center;"><b>BRISCOE GROUP LIMITED</b>  <b>CONSOLIDATED BALANCE SHEET</b>  as at 1 August 2010</p>
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	1 August 2010 \$000	26 July 2009 \$000
<b>EQUITY</b>		
Share capital	40,625	40,625
Share options reserve	752	631
Cashflow hedge reserve	(324)	(1,572)
Retained earnings	82,726	76,274
<b>Total equity</b>	<b>123,779</b>	<b>115,958</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Employee benefits	430	417
<b>Total non-current liabilities</b>	<b>430</b>	<b>417</b>
<b>Current liabilities</b>		
Trade and other payables	30,446	42,925
Provisions	26	18
Employee benefits	4,561	5,086
Taxation payable	137	-
Derivative financial instruments	432	2,217
<b>Total current liabilities</b>	<b>35,602</b>	<b>50,246</b>
<b>TOTAL LIABILITIES</b>	<b>36,032</b>	<b>50,663</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>159,811</b>	<b>166,621</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	41,682	42,506
Intangible assets	845	2,160
Deferred tax	81	2,788
<b>Total non-current assets</b>	<b>42,608</b>	<b>47,454</b>
<b>Current assets</b>		
Cash and cash equivalents	46,390	51,774
Trade and other receivables	2,121	2,343
Inventories	68,649	64,886
Taxation receivable	-	161
Derivative financial instruments	43	3
<b>Total current assets</b>	<b>117,203</b>	<b>119,167</b>
<b>TOTAL ASSETS</b>	<b>159,811</b>	<b>166,621</b>
 <b>Net Tangible Assets per Security (cents)</b>	 <b>57.95</b>	 <b>53.64</b>

<p align="center"><b>BRISCOE GROUP LIMITED</b>  <b>CONSOLIDATED STATEMENT OF CASH FLOWS</b>  <b>for the 26 week period ended 1 August 2010</b></p>
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	Period ended 1 August 2010 \$000	Year ended 26 July 2009 \$000
<b>OPERATING ACTIVITIES</b>		
Receipts from customers	190,572	185,814
Rent received	61	56
Interest received	517	740
<b>Operating Cash Inflows</b>	<b>191,150</b>	<b>186,610</b>
Payments to suppliers & employees	(179,318)	(178,797)
Interest paid	(2)	(2)
Net GST paid	(5,404)	(6,289)
Income tax paid	(8,028)	(4,508)
<b>Operating Cash Outflows</b>	<b>(192,752)</b>	<b>(189,596)</b>
<b>Net cash (outflows) from operating activities</b>	<b>(1,602)</b>	<b>(2,986)</b>
<b>INVESTING ACTIVITIES</b>		
Proceeds from sale of property, plant and equipment	5	16
<b>Investing Cash Inflows</b>	<b>5</b>	<b>16</b>
Purchase of property, plant and equipment	(747)	(702)
Purchase of intangible assets	(77)	(24)
<b>Investing Cash Outflows</b>	<b>(824)</b>	<b>(726)</b>
<b>Net cash (outflows) from investing activities</b>	<b>(819)</b>	<b>(710)</b>
<b>FINANCING ACTIVITIES</b>		
<b>Financing Cash Inflows</b>	<b>-</b>	<b>-</b>
Dividends paid	(10,608)	(7,425)
<b>Financing Cash Outflows</b>	<b>(10,608)</b>	<b>(7,425)</b>
<b>Net cash (outflows) from financing activities</b>	<b>(10,608)</b>	<b>(7,425)</b>
<b>Net (decrease) in cash and cash equivalents</b>	<b>(13,029)</b>	<b>(11,121)</b>
Cash and cash equivalents at beginning of period	59,250	63,291
Foreign cash balance cash flow hedge adjustment	169	(396)
<b>Cash and cash equivalents at end of period</b>	<b>46,390</b>	<b>51,774</b>



### Earnings per Security (EPS)

Calculation of basic and fully diluted EPS in accordance with IAS 33: Earnings Per Share

	Current half-year (cents per share)	Previous corresponding half-year (cents per share)
Basic EPS	3.13	3.07
Diluted EPS	3.05	3.01

### Dividends Paid / Payable

	Date Paid / To be paid	Cents per share (fully imputed)
Final Dividend for the period ended 31 January 2010	31 March 2010	5.00
Interim Dividend for the period ended 30 January 2011	1 October 2010	3.00

### Segment Information

For the period ended 1 August 2010	Homeware \$000	Sporting goods \$000	Eliminations / Unallocated \$000	Total Group \$000
Sales Revenue	128,216	61,899		190,115
Earnings Before Interest and tax	9,853	2,546	531	12,930

For the period ended 26 July 2009	Homeware \$000	Sporting Goods \$000	Eliminations / Unallocated \$000	Total Group \$000
Sales Revenue	126,033	59,252		185,285
Earnings Before Interest and tax	8,084	494	537	9,115