

BRISCOE GROUP LIMITED	
Results for announcement to the market	
Reporting Period	Half-Year 26 January 2009 to 26 July 2009
Previous Reporting Period	Half-Year 28 January 2008 to 27 July 2008

	Amount (000s)	Percentage change
Sales revenue from ordinary activities	\$185,285	+1.8%
Profit from ordinary activities after tax attributable to shareholders	\$6,521	+111.0%
Net Profit attributable to shareholders.	\$6,521	+111.0%

Interim Dividend	Gross amount per share	Imputed amount per share
	2.00 cents	2.00 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

The directors of Briscoe Group Limited announce a net profit after tax (NPAT) of \$6.52 million for the half-year ended 26 July 2009. This compares to the \$3.09 million for the corresponding period a year ago and represents an increase of 111%. The result is in line with the advice given to the market on 21 August. The half-year results are unaudited.

The directors have declared a fully imputed interim dividend of 2.00 cents per share (last year interim 1.00 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 25 September 2009 and payment will be made on 2 October 2009.

The earnings were generated on sales of \$185.29 million compared to the \$181.95 million generated in the same period last year. Included in the NPAT is an asset impairment adjustment of \$827,627 in respect of four specialty stores within the Group's 58 store homeware segment. These stores have to date been unable to achieve acceptable levels of profitability in the highly competitive and unpredictable markets in which they operate. All other stores in the Group are trading well notwithstanding the challenges of the difficult retail market.

Gross margin percentage increased from 39.39% to 40.34% reflecting predominantly the benefits being obtained from the SAP system, which has now been fully operational across the entire Group for over twelve months. The system is proving effective in assisting us with automated replenishment, as well as to achieve better analysis and management of inventory. The increased ability to extract data quickly has enabled us to develop the process of reviewing our inventory ranges in a more timely and sophisticated manner and to make decisions that protect and improve margin.

In the period under review, homeware sales decreased 0.09% from \$126.14 million to \$126.03 million and sporting goods sales increased 6.17% from \$55.81 million to \$59.25 million.

On a same store basis, homeware sales decreased by 1.37%, while sporting goods sales increased by 6.17%.

Rod Duke, Group Managing Director, said: "We are really pleased to be able to report such a good recovery for the first half of the year. If you were to exclude the impairment adjustment as a one 'one-off' correction, NPAT would have been 138% higher than the half year performance of last year.

"The market continues to be very competitive with the level and frequency of discounting increasing, particularly throughout the homeware market. The challenge for us has been to drive profitability without the reliance on substantial top-line sales growth. The initiatives we have implemented around inventory management and cost control have protected our margin and enhanced profitability. For example, significantly reducing the size of our marketing function, further developing the profit centre structure within which our stores operate, introducing steering committees to the buying process and continuing to demand improved value on all cost lines have all contributed to a more efficient and effective cost base.

"We have deliberately limited the expansion of store numbers this year, choosing to focus on getting the best from our existing store network. Since July last year the Group has opened an additional four stores. Last year Briscoes Homeware opened a new store

in Masterton and Living & Giving opened stores at Atrium in Auckland City and Queensgate in Lower Hutt. In June this year Living & Giving opened a further store at Riccarton in Christchurch. During August settlement was made on the purchase of a property in Palmerston North and in due course we will relocate our existing Briscoes Homeware and Rebel Sport stores there.

"We will continue with a conservative approach in relation to any further expansion of Living & Giving stores until market conditions support profitable expansion in this highly discretionary area of the homeware segment."

Inventory levels at 26 July 2009 were \$64.89 million compared to \$65.21 million at the same time last year. The decrease of \$0.32 million reflects the continued focus the Group has had on its inventory control during a challenging period for retailers in which the Group opened an additional four stores.

Rod Duke, said: "We are optimistic about Group performance as we move through the second half of this year. Inventory is in great shape and we will continue to benefit from the operating efficiencies, albeit at a diminishing rate, generated from the cost reduction initiatives implemented progressively since early last year.

"The uncertainty of the economic environment continues to make it difficult to accurately predict a result for the second half of this year. While we are confident of exceeding the \$8.5 million NPAT we achieved for last year's second half, the percentage increase is likely to be considerably less than the increase achieved for the first half of this year."

Wednesday 9 September 2009

<p align="center">BRISCOE GROUP LIMITED CONSOLIDATED INCOME STATEMENT for the 26 week period ended 26 July 2009</p>
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	26 week period ended 26 July 2009 \$000	26 week period ended 27 July 2008 \$000
Sales revenue	185,285	181,952
Cost of goods sold	(110,538)	(110,282)
Gross profit	74,747	71,670
Other operating income	56	61
Store expenses	(41,586)	(42,011)
Administration expenses	(24,102)	(26,075)
Operating profit	9,115	3,645
Net finance income	621	798
Profit before income tax	9,736	4,443
Income tax	(3,215)	(1,352)
Net profit attributable to shareholders	6,521	3,091

<p align="center">BRISCOE GROUP LIMITED CONSOLIDATED BALANCE SHEET as at 26 July 2009</p>

	26 July 2009 \$000	27 July 2008 \$000
EQUITY		
Share capital	40,625	40,625
Share options reserve	631	556
Cashflow hedge reserve	(1,572)	355
Retained earnings	76,274	70,561
Total equity	115,958	112,097
LIABILITIES		
Non-current liabilities		
Employee benefits	417	343
Total non-current liabilities	417	343
Current liabilities		
Trade and other payables	42,925	35,848
Employee benefits	5,086	4,173
Provisions	18	25
Derivative financial instruments	2,217	19
Total current liabilities	50,246	40,065
TOTAL LIABILITIES	50,663	40,408
TOTAL EQUITY AND LIABILITIES	166,621	152,505
ASSETS		
Non-current assets		
Property, plant and equipment	42,506	48,820
Intangible assets	2,160	3,117
Deferred tax	2,788	1,457
Total non-current assets	47,454	53,394
Current assets		
Cash and bank balances	51,774	29,113
Trade and other receivables	2,343	2,375
Inventories	64,886	65,206
Taxation receivable	161	1,895
Derivative financial instruments	3	522
Total current assets	119,167	99,111
TOTAL ASSETS	166,621	152,505
 Net Tangible Assets per Security (cents)	 53.64	 51.37

<p align="center">BRISCOE GROUP LIMITED CONSOLIDATED STATEMENT OF CASH FLOWS for the 26 week period ended 26 July 2009</p>

	26 week period ended 26 July 2009 \$000	26 week period ended 27 July 2008 \$000
OPERATING ACTIVITIES		
Receipts from customers	185,814	183,442
Rent received	56	61
Interest received	740	803
Operating cash inflows	186,610	184,306
Payments to suppliers & employees	(178,797)	(186,748)
Interest paid	(2)	(5)
Net GST paid	(6,289)	(6,193)
Income tax paid	(4,508)	(903)
Operating cash outflows	(189,596)	(193,849)
Net cash outflows from operating activities	(2,986)	(9,543)
INVESTMENT ACTIVITIES		
Proceeds from sale of property, plant and equipment	16	-
Investing cash inflows	16	-
Purchase of property, plant and equipment	(702)	(989)
Purchases of intangible assets	(24)	(208)
Investing cash outflows	(726)	(1,197)
Net cash outflows from investing activities	(710)	(1,197)
FINANCING ACTIVITIES		
Dividends paid	(7,425)	(9,547)
Financing cash outflows	(7,425)	(9,547)
Net cash outflows from financing activities	(7,425)	(9,547)
Net increase (decrease) in cash held	(11,121)	(20,287)
Cash at beginning of period	63,291	49,361
Foreign cash balance cash flow hedge adjustment	(396)	39
Cash at end of period	51,774	29,113

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	3.07	1.46
Diluted EPS	3.01	1.43

Dividends Paid / Payable

	Date Paid	Cents per share (fully imputed)
Final Dividend for the year ending 25 January 2009	1 May 2009	3.50
Interim Dividend for the year ending 31 January 2010	2 October 2009	2.00