



2nd Quarter Sales to 27 July 2014

The directors of Briscoe Group Limited announce unaudited sales for the thirteen week period ended 27 July 2014 of \$116.7 million, an increase of 7.22% on the \$108.8 million reported for the second quarter of last year. The Group's homeware segment increased sales by 6.29% during this period and the sporting goods segment by 9.37%.

On a same store basis the Group's sales for the second quarter ended 27 July 2014 were 6.97% above the second quarter for last year. The same store sales calculation for the second quarter adjusts for the new Briscoes Homeware store opened by the Group at Kerikeri (October 2013) as well as for the three Living & Giving stores closed at Manukau (October 2013), Nelson (January 2014) and Lambton Quay, Wellington (January 2014).

On a same store basis, homeware sales increased by 5.93% for the quarter while sporting goods sales were 9.37% ahead of last year.

The July quarter sales figure takes unaudited Group sales for the half year to 27 July 2014 to \$231.5 million, an increase of 6.48% on the \$217.4 million reported for the first six months of last year. The Group's homeware segment increased sales by 5.34% during this period and the sporting goods segment by 8.80%.

Gross margin percentage will finish higher than for the first half of last year, reflecting the continued strength of the New Zealand dollar and ongoing improvements to the effectiveness of our marketing strategies. These factors are more than offsetting the high levels of competitiveness across the retailing sectors in which the Group operates.

On a same store basis the Group's sales for the half year ended 27 July 2014 were 6.28% ahead of the same period last year.

On a same store basis homeware sales increased by 5.03%, while sporting goods sales increased by 8.80% over the first half of last year.

Group Managing Director, Rod Duke said, "We are very pleased with the Group's performance across the first half of this financial year. Strong sales, improved margin performance, growth in our online channel and ongoing efficiencies throughout the Group have resulted in bottom line profit tracking ahead of last year despite the late start to winter which did slightly impact our 2nd quarter sales and gross margin percentage across the winter-dependent categories.

"In addition to the strong trading performance outlined above, Group Earnings Before

Interest and Tax for the first half of this year will benefit by \$1.3 million as a result of the finalisation of the Group's Business Interruption insurance claim lodged in relation to the February 2011 Christchurch earthquake. Including this insurance settlement we are expecting to report a record half year Net Profit After Tax of at least \$18 million. This would represent a 21% increase over last year's result of \$14.9 million."

The Group expects to announce its first half results on 4 September 2014.

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