



## Sales to 30 July 2017

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The directors of Briscoe Group Limited announce unaudited sales for the half year to 30 July 2017 of \$280.3 million, an increase of 4.44% on the \$268.4 million reported for the first six months of last year. The Group's homeware segment increased sales by 4.56% during this period and the sporting goods segment by 4.23%.

On a same store basis the Group's sales for the half year ended 30 July 2017 were 4.43% ahead of the same period last year. The same store calculation adjusts for new Rebel Sport stores opened by the Group at Westgate, Northwest Auckland (March 2016) and Petone (April 2017), the new Briscoes Homeware store opened at Westgate (March 2016) and also four store closures being the Lower Hutt Rebel Sport and Briscoes Homeware stores (April 2017), and two Living & Giving stores at Queensgate, Wellington (November 2016) and Albany in Auckland (July 2016). Adjustment has also been made for the Briscoes Homeware store at Wairau Park in Auckland which was closed during May, June and July last year due to fire damage.

On a same store basis, homeware sales increased by 5.01% for the 26 week period while sporting goods sales were 3.43% ahead of last year.

Group sales for the thirteen week second quarter ended 30 July 2017 increased 2.60% to \$138.9 million from the \$135.4 million reported for last year's second quarter. The Group's homeware segment increased sales by 0.84% during this period and the sporting goods segment by 6.19%.

On a same store basis the Group's sales for the second quarter ended 30 July 2017 were 3.03% ahead of the same period last year.

On a same store basis homeware sales increased by 1.58%, while sporting goods sales increased by 5.96% over the second quarter of last year.

Group Managing Director, Rod Duke said, "This second quarter has proved to be challenging for us across a number of fronts. The late start to winter and warmer temperatures generally, particularly for Auckland and the rest of the North Island, during key promotional campaigns, subdued the significant sales growth experienced by our homeware segment in the first quarter of this year. Seasonal product throughout the electrical and manchester categories were impacted. In addition we believe the switch of discretionary income from general retail to hospitality during the Great British and Irish Lions' tour also impacted homeware sales during the second quarter. As for the first quarter, we traded some homeware gross profit percentage to ensure the competitiveness of our promotions.

“We are very pleased with the increase in sales recorded for the sporting goods segment for this second quarter as we look to optimise gross profit dollars and consolidate sporting goods sales which we have grown significantly over recent years.

“Overall we are satisfied with the positive sales and profit growth achieved for the second quarter and our bottom line continues to track ahead of last year despite the high levels of competitiveness across the retailing sectors in which we operate.

“Sales growth through our online channel is also pleasing, growing at around 40% compared to last year and now representing more than 7% of the total Group sales.

“We are expecting to report a record Net Profit After Tax (NPAT) for the half year of no less than \$28 million.”

The Group expects to announce its first half results on 11 September 2017.

Thursday 3 August 2017

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