
MEDIA RELEASE

THE WAREHOUSE GROUP LIMITED

First Quarter Sales Update

Auckland, 7 November 2008 – The Directors of The Warehouse Group Limited reported sales for the first quarter ended 26 October 2008 of \$366.6 million, down 2.1% on the corresponding period last year.

The Warehouse first quarter sales were down 1.6% to \$322.4 million, same store sales were down 2.3%. Adjusting for the Labour Day, same store sales were down 1.6%.

Managing Director Ian Morrice said, “As expected, trading conditions have been difficult but sales were on plan for the quarter with margins being held at levels similar to last year.”

“There has been a slowdown in consumption and volumes on some categories, particularly appliances and larger ticket items such as outdoor furniture and other discretionary products. We continue to see positive sales results in our apparel, entertainment and consumables offer which is very encouraging in the current environment.”

Warehouse Stationery’s first quarter sales were down 5.6% to \$44.2 million, same store sales were down 4.4%. During the quarter a new store of 311m² was opened in Mt Maunganui.

Mr Morrice commented “whilst sales of core stationery categories were relatively flat on Q1 last year, pressure on larger ticket business machines and furniture categories has impacted our overall sales in Warehouse Stationery.”

The company reaffirmed that it expected the consumer spending and trading conditions to remain subdued for some time.

Second quarter results will be released with the 2009 interim financial results on Thursday, 12 March 2009.

ENDS

Background: The Warehouse Group Limited

The Warehouse Group Limited had sales of \$NZ1.74 billion and an after tax profit of \$NZ80.9 million for the year ended 27 July 2008 after adjusting for unusual items. The Warehouse Group comprises 85 Warehouse stores and 44 Warehouse Stationery stores. The Warehouse Group directly employs more than 8,000 people in New Zealand.

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THE WAREHOUSE GROUP LIMITED FIRST QUARTER SALES FOR THE 13 WEEKS ENDED 26 OCTOBER 2008

1.0 Sales summary

FIRST QUARTER SALES (28 JULY 2008 to 26 OCTOBER 2008)	FIRST QUARTER			
	2008/09		2007/08	
	Sales (NZ\$ Million)	Sales (NZ\$ Million)	Change in sales	Change in same store sales
The Warehouse	322.4	327.7	- 1.6 %	- 2.3 %
Warehouse Stationery	44.2	46.8	- 5.6 %	- 4.4 %
Total	366.6	374.5	- 2.1 %	

YTD SALES	YEAR TO DATE			
	2008/09		2007/08	
	Sales (NZ\$ Million)	Sales (NZ\$ Million)	Change in sales	Change in same store sales
The Warehouse	322.4	327.7	- 1.6 %	- 2.3 %
Warehouse Stationery	44.2	46.8	- 5.6 %	- 4.4 %
Total	366.6	374.5	- 2.1 %	

2.0 Store numbers

	2008/09		2007/08	
	Start Q1	End Q1	Start Q1	End Q1
The Warehouse	85	85	85	85
Warehouse Stationery	43	44	43	43

3.0 Store changes during the quarter

	Replacement stores	New location stores	Extended stores
The Warehouse	-	-	-
Warehouse Stationery	-	Mt Maunganui	-

4.0 Retail Space

Square metres	2008/09		2007/08	
	Start Q1	End Q1	Start Q1	End Q1
The Warehouse	465,530	465,530	462,196	462,540
Warehouse Stationery	56,532	56,317	58,165	57,960