
MEDIA RELEASE

THE WAREHOUSE GROUP LIMITED

Third Quarter Sales Update

Auckland, 9 May 2008 – The Directors of The Warehouse Group Limited reported sales for the third quarter ended 27 April 2008 of \$394.6 million, down 4.3% on the corresponding period last year.

Group sales for the financial year to date were \$1.34 billion, down 1.4% on the same period last year.

The Red Sheds achieved third quarter sales of \$337.6 million down 3.5% on the comparable period, and year to date sales of \$1.19 billion, 0.8% down on last year. Same store sales for the quarter was down 3.5% but cycled against a very strong third quarter last year (+5.8% F07).

“Consumer demand has softened since the end of January with a marked slow down in demand for high ticket items, and a slow start to the autumn/winter season with mild weather experienced across the country. We remain confident however that we have a strong seasonal offer in apparel and winter home products for when the weather cools,” Managing Director, Ian Morrice said.

Warehouse Stationery had third quarter sales of \$57.0 million down 8.5% on the comparable period, and year to date sales of \$153.7 million, down 6.1% on last year. Same store sales for the quarter was down 7.4% (+7.2% F07 same period last year).

Commenting on Warehouse Stationery result Mr Morrice said, “The third quarter was up against a very buoyant quarter last year. Product availability is improving but has continued to affect overall sales performance.”

The full year result for the financial year ending 27 July 2008 will be released on Friday, 12 September 2008.

ENDS

Background: The Warehouse Group Limited

The Warehouse Group Limited had sales of \$NZ1.761 billion and an after tax profit of \$NZ97.2 million for the year ended 29 July 2007 after adjusting for the sale of investments. The Warehouse Group comprises 85 Warehouse NZ stores and 43 Warehouse Stationery stores. The Warehouse Group directly employs more than 8,000 people in New Zealand.

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THE WAREHOUSE GROUP LIMITED THIRD QUARTER SALES FOR THE 13 WEEKS ENDED 27 APRIL 2008

1.0 Sales summary

THIRD QUARTER SALES (28 JANUARY 2008 to 27 APRIL 2008)	THIRD QUARTER			
	2007/08		2006/07	
	Sales (NZ\$ Million)	Sales (NZ\$ Million)	Change in sales	Change in same store sales
The Warehouse	337.6	350.0	- 3.5 %	- 3.5 %
Warehouse Stationery	57.0	62.3	- 8.5 %	- 7.4 %
Total Group	394.6	412.3	- 4.3 %	

YTD SALES (30 JULY 2008 TO 27 APRIL 2008)	YEAR TO DATE			
	2007/08		2006/07	
	Sales (NZ\$ Million)	Sales (NZ\$ Million)	Change in sales	Change in same store sales
The Warehouse	1,190.5	1,200.0	- 0.8 %	- 0.9 %
Warehouse Stationery	153.7	163.6	- 6.1 %	- 4.0 %
Total Group	1,344.2	1,363.6	- 1.4 %	

2.0 Store numbers

	2007/08		2006/07	
	Start Q3	End Q3	Start Q3	End Q3
The Warehouse	85	85	85	85
Warehouse Stationery	43	43	43	43

3.0 Store changes during the quarter

	Replacement stores	New location stores	Extended stores
The Warehouse	-	-	Blenheim
Warehouse Stationery	-	-	-

4.0 Retail space

Square metres	2007/08		2006/07	
	Start Q3	End Q3	Start Q3	End Q3
The Warehouse	462,540	465,058	461,746	461,746
Warehouse Stationery	57,960	57,960	59,648	59,648