



14 February 2000

**DAVID JONES INCREASES SALES BY  
11.8 % DESPITE DIFFICULT MARKET CONDITIONS**

Premier Australian Department Store David Jones Limited ('David Jones') today announced an 11.8% increase in sales for the 26 weeks ended 27 January 2001, to \$831.6 million (2000 \$743.6m). Sales for the second quarter increased 9.3%, to \$493.0 million (2000 \$450.9m).

"The second quarter of financial year 2000/2001 has been an incredibly difficult one for the retail industry" Peter Wilkinson CEO of David Jones Limited said today. "We saw reflected for the first time in the November Australian Bureau of Statistics ('ABS') figures the sudden and severe effect on consumer behaviour brought about by a highly unusual chain of economic events in the calendar year 2000."

"While David Jones also found the trading conditions tough, I am pleased to say that our strategy demonstrated itself to be robust enough to allow us to act quickly and decisively."

**Sales Figures Adjusted for Wholesale Sales Tax ('WST')**

(\*1999/2000 Adjusted for WST to provide a more accurate comparison)

	<b>2000/2001 Ex GST<sup>1</sup></b>	<b>1999/2000</b>	<b>Variance</b>
	<b>\$M</b>	<b>\$M</b>	<b>%</b>
<b>26 Weeks ended 27 January 2001</b>	<b>831.6</b>	<b>743.6</b>	<b>+11.8</b>
13 Weeks ended 28 October 2000	338.6	292.7	+15.7
13 Weeks ended 27 January 2001	493.0	450.9	+ 9.3

**Sales Figures NOT Adjusted for WST**

	<b>2000/2001 Ex GST<sup>1</sup></b>	<b>1999/2000</b>	<b>Variance</b>
	<b>\$M</b>	<b>\$M</b>	<b>%</b>
<b>26 Weeks ended 27 January 2001</b>	<b>831.6</b>	<b>780.3</b>	<b>+6.6</b>
13 Weeks ended 28 October 2000	338.6	306.4	+10.5
13 Weeks ended 27 January 2001	493.0	473.9	+ 4.0

**DAVID JONES**

David Jones Limited A.C.N. 000 074 573  
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86-108 Castlereagh Street, Sydney, NSW, 2000

**COMPARABLE STORES – LFL<sup>2</sup>**

<b>First Half</b>	<b>+ 0.4%</b>
First Quarter	+ 2.7%
Second Quarter	- 1.1%

“The benefits of having a well defined, well established, and well executed brand strategy in place have been obvious to us throughout this period”, Mr. Wilkinson said.

“David Jones has continued to gain market share. In fact very much against the trend in the market our apparel offer, particularly women’s apparel and accessories, remained a strong performer for us. In addition the key category of Homewares also performed well.”

“Our Gross Profit percentage has increased slightly over last year as we further the implementation of our brand and supplier relationship strategy. Aged Stock as at the end of January remains at less than 5% of our total inventory and is being well managed.”

“We have introduced another 50 new brands already this financial year, which adds to the 103 new brands introduced in the previous year. Many of these brands are either totally exclusive to us in Australia or at least exclusive to us as a Department Store. Our customers have continued to show their support for these initiatives such as the introduction of Armani Collezioni, Burberry, and Sisley”, Mr. Wilkinson said.

“Exceptional customer service remains a key feature of the David Jones strategy. Regular external surveys tell us that our already high standards of customer service continue to improve.”

Mr Wilkinson concluded by saying that, “indications are that the third and fourth quarters will be extremely challenging”. “It goes without saying that the David Jones management team remains strongly focused on revenue, costs and inventory management during this complex period.”

“We have acted swiftly to strategically introduce elements to the winter 2000 product and marketing schedule that will assist us to work through what continues to be a run of difficult trading conditions.”

**HIGHLIGHTS SECOND QUARTER 2000/2001**

- **First Foodchain store opened at Brighton in Melbourne in November 2000.**

“While it is early days for *Foodchain by David Jones* we’re delighted with the performance so far. Our customers have demonstrated their affinity with the concept by shopping strongly across all categories within the store”, Executive Director Stephen Goddard, said.

- **First Christmas for David Jones Online.**

*David Jones Online* commenced operations in October. The strategic rollout commenced with an offer for Christmas 2000 that consisted of cosmetics, fragrances, gifts and hampers. Executive Director in charge of Online, Stephen Goddard said that, “the business met all key performance targets such as fulfillment and delivery time, and average order size”. “We’ve now commenced adding additional categories to the site”, Mr Goddard said.

- **Completion of the property sale and leaseback** of the Sydney CBD and Melbourne CBD stores in December 2000.

## NOTES

### **<sup>1</sup> GST Information**

ABS statistics are stated inclusive of GST. Accounting Requirements require David Jones to report sales figures ex of GST in its announcements. To assist commentators to calculate "Total Customer Outlays", the additional number for GST for the First Half is \$81.1m. This is comprised of a First Quarter figure of \$33.2m and a Second Quarter figure of \$47.9m.

### **<sup>2</sup> Like for Like ('LFL') Comparison**

The LFL figure for Q2 00/01 excludes Aherns, Southland and the Harbourtown outlet store. The David Jones store at Chadstone in Melbourne opened in December 1999.

**ENDS**

### **FOR FURTHER INFORMATION CONTACT**

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