



17 May 2001

The Manager Companies
Australian Stock Exchange
Sydney

David Jones Limited (DJS) today announces the following:

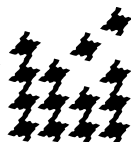
- Sales Results for the Third Quarter Financial Year 2000/2001
- Staff Restructure effective 1 July 2001

Copies of both announcements follow.

Total number of pages (including this page): 5

DAVID JONES

David Jones Limited A.C.N. 000 074 573
A.B.N. 75 000 074 573
86-108 Castlereagh Street, Sydney, NSW, 2000



ASX & MEDIA RELEASE

17 May, 2001

**DAVID JONES ANNOUNCES
INCREASE IN 3RD QUARTER SALES**

- Continued growth in market share
- Key women's apparel category remains a strong performer relative to the market
- Differentiated strategy continues to demonstrate validity in a difficult market

THE SALES RESULT

Leading Australian Department Store retailer David Jones Limited ('David Jones') today announced a 2.5% increase in third quarter sales to \$330.3m (2000 \$322.1m). This takes total sales for the year to date (39 weeks ending 28 April 2001) to \$1,161.9m, 9.0% higher than the previous corresponding period (2000 \$1,065.7m).

Chief Executive Officer, Mr. Peter Wilkinson said, "David Jones continued to gain marketshare and increase sales despite a highly competitive and challenging retail environment".

"Comparable store sales in the third quarter were marginally lower than last year. However, in the context of the current trading environment this is a solid result", he said.

THE COMPETITIVE ENVIRONMENT

Mr. Wilkinson said that, "a strong performance from women's apparel and cosmetics contributed to this result".

"We have built a portfolio of well known brands, a number of which are exclusive to David Jones, and this coupled with the service for which we are renowned has enabled us to outperform both the ABS clothing and soft goods sector and the department store sector apparel sales over the past year".

"This is despite increased competition from other retailers forced to discount dramatically to move inventory and retain sales".

"In addition, we have worked effectively on our cost base since the end of the half. Also, aged inventory levels remain under our 5% of total inventory benchmark".

"The first of our Foodchain stores continues to trade to expectations. We open the second store in Hawthorn (Melbourne) in mid June, with the first Sydney store opening in Parramatta in July".

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

	2000/2001 Ex GST	1999/2000* Excluding WST for comparison purposes	Variance
	\$M	\$M	%
13 Weeks ended 28 Oct 2000 (1 st Quarter)	338.6	292.7	+15.7
13 Weeks ended 27 Jan 2001 (2 nd Quarter)	<u>493.0</u>	<u>450.9</u>	+ 9.3
26 Weeks ended 27 Jan 2001 (1 st Half)	831.6	743.6	+11.8
13 Weeks ended 28 Apr 2001 (3rd Quarter)	<u>330.3</u>	<u>322.1</u>	+2.5
39 Weeks ended 28 Apr 2001 (Year to Date)	1161.9	1065.7	+9.0

(*1999/2000 figures have been adjusted for WST in order to provide a more accurate comparison to the 2000/2001 figures. A table with figures not adjusted for WST appears in the Editors Notes section of this release)

Comparable Stores – Like for Like (LFL)

	Variance to corresponding period
First Quarter	+2.7%
Second Quarter	-1.1 %
First Half	+0.4%
Third Quarter	-0.2%

OUTLOOK

“In terms of outlook, the next quarter is a particularly tricky one to gauge, as we will be trading against the GST phase in period and the pronounced short-term shift in purchasing patterns it caused“, Mr. Wilkinson said.

“We acknowledge that financial market commentators may have a difficult time analysing fourth quarter sales figures for the retail industry this year. The patchy nature of the current retail environment coupled with the fact that last year’s fourth quarter was so unusual, will make any sort of meaningful comparison difficult. Market share comparison could also be somewhat tricky“, he said.

Mr Wilkinson concluded by saying, “We expect the sales environment should begin to pick up coming into the Christmas period this year. The nature of our customer base and the strategy we continue to implement should see us benefit quickly from any upturn in the market”.

EDITORS NOTES

ADJUSTING FOR WHOLESALE SALES TAX – WST

Figures for FY 99/00 are reported excluding wholesale sales tax to provide a more valid comparison to FY 00/01. For reconciliation purposes figures not adjusted for WST are as below.

Sales Figures NOT Adjusted for WST

1999/2000 Not adjusted for WST

	\$M
13 Weeks ended 28 Oct 2000	306.4
13 Weeks ended 27 Jan 2001	<u>473.9</u>
26 Weeks ended 27 Jan 2001	780.3
13 Weeks ended 28 Apr 2001	<u>336.6</u>
39 Weeks ended 28 Apr 2001	1116.9

GST Information – ABS figures

The ABS requires sales figures to be submitted **inclusive** of GST. Accounting requirements state that DJS report sales figures to the market **exclusive** of GST. To assist calculation of “Total Customer Outlays”, we advise that the additional number for GST for the third quarter is \$32.0m. Year to date figure is \$113.1m.

Like for Like (‘LFL’) Comparison

The LFL figure for Q3 00/01 excludes Southland, Foodchain and DJs Online.

ENDS

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ASX AND MEDIA RELEASE

17 May, 2001

**DAVID JONES ADVISES
STAFF RESTRUCTURE EFFECTIVE JULY 2001**

Chief Executive Officer, Mr Peter Wilkinson, advised this morning that Chief Financial Officer, Mr Brian Hill has resigned and will be leaving the company in early July to pursue other opportunities. Mr Wilkinson said that, "although Mr Hill contributes positively to the business, his departure opens up a number of exciting opportunities for existing senior executives, and allows the company to take advantage of its vigorous skilling and human resources planning".

"I'm delighted to announce that Stephen Goddard will take over as CFO on Brian Hill's departure. Stephen, who has been with David Jones for four years as Operations Director, has substantial retail experience. He has undertaken a broad range of senior functional roles in the business strategy, administration and finance, new business development, logistics and information technology areas in his 15 years plus in the retailing arena", Mr Wilkinson said.

"Julie Coates, Human Resources Director for David Jones since mid 1999 will become Operations Director. Julie has over 10 years experience in senior operational roles within the retail industry, with particular expertise in the areas of human resources, organisational development and training, supply chain, logistics, information technology (business systems development), and new business development".

Mr. Wilkinson further advised that, "Teresa Gallo, currently General Manager Organisational Development will become Director Human Resources. Lawrie Turner, currently General Manager Information Technology has been promoted to Chief Information Officer reporting directly to me. Lawrie's move reflects the increased importance of technology systems to our business".

ENDS

FOR FURTHER INFORMATION CONTACT

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