



23 February 2012

## DAVID JONES ANNOUNCES 2Q12 LFL SALES OF -2.4%

- **2Q12 LFL Sales down 2.4%.**
- **2Q12 Total Sales down 3.1%** (\$598.5 mil in 2Q12 vs. \$617.6 mil in 2Q11).
- **1H12 LFL Sales down 6.1%.**
- **1H12 Total Sales down 6.6%** (\$1,012.9 mil in 1H12 vs. \$1,084.2 mil in 1H11).
- The Company experienced improving month-on-month trading performance throughout 2Q12 although challenging trading conditions continued throughout the quarter.
- The Company **reaffirms** its **1H12 PAT Guidance** of -15% to -20%.

David Jones Limited (DJS) today reported **Total Sales revenue of \$598.5 million** for the second quarter of the 2012 financial year (**2Q12**) (being the period 30 October 2011 to 28 January 2012). This represents a Total Sales decline of 3.1% on 2Q11.

The Company also reported that **Like-for-Like (LFL) Sales revenue for 2Q12** was **down 2.4%** on 2Q11.

Total 1H12 Sales were \$1,012.9 million, down 6.6% on 1H11 (\$1,084.2 million in 1H11) and 1H12 LFL Sales were down 6.1% on last year.

David Jones CEO, Paul Zahra said, "Whilst our Sales performance this quarter reflects the continuing challenging retail environment, there has been improvement in 2Q12 versus 1Q12.

"Trading conditions continue to reflect the uncertainty in the macro-economic environment with conservative consumer shopping continuing and no material signs that this is changing. Nonetheless we did see an improvement in December 2011 and January 2012 compared to October 2011 and November 2011, which in turn were better than August 2011 and September 2011.

"Sales on a state-by-state basis were consistent except for Queensland which showed signs of improvement as we cycled the January 2011 floods. Pleasingly there was an improvement in the performance of our high value demographic stores compared to 1Q12.

"The performance of our Beauty category was a highlight this quarter and despite the impact of cooler weather throughout 2Q12 (the lowest temperatures Australia wide in December since 2001) our better performing categories were Womenswear, Menswear, Footwear and Accessories, all of which delivered positive growth for the quarter, however this was partly driven by clearing excess inventory. Electricals continued to be the most challenging category.

"Clearance trading was pleasing, driven in part by our decision to limit category wide discounting during the pre-Christmas trading period.

"We are pleased with the good progress we are making in clearing our excess inventory and whilst we are confident that this will be cleared in FY12, as previously flagged this will have an impact on our GP Margin performance in both 1H12 and 2H12.

"We are also pleased with the performance of our newly refurbished stores, Chadstone (Vic), Marion (SA) and Warringah Mall (NSW) and have commenced the refurbishment of our Toowong Village (Qld) store," Mr Zahra said.

**DAVID JONES**

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The Company has also continued its increased investment in and focus on Customer Service and on 15 February 2012 the Company successfully launched its new Autumn/Winter collections.

**TOTAL & LFL SALES**

<b>PERIOD</b>	<b>TOTAL FY12 \$m</b>	<b>TOTAL FY11 \$m</b>	<b>Total % Change</b>	<b>LFL % Change</b>
First Quarter (1Q) of Financial Year	414.3	466.6	-11.2%	-11.0%
Second Quarter (2Q) of Financial Year	598.5	617.6	-3.1%	-2.4%
<b>First Half (1H) of Financial Year</b>	<b>1,012.9</b>	<b>1,084.2</b>	<b>-6.6%</b>	<b>-6.1%</b>

**LAUNCH OF 'BRIDAL AT DAVID JONES'**

On 20 February 2012 the Company launched Australia's first ever department store bridal boutique – 'Bridal at David Jones'.

According to IBIS World the Australian Bridal market will be valued at \$4.3 billion in 2012 and is expected to grow by 1.7% per annum (p.a.) over the next few years. David Jones is aiming to carve out a profitable share of the \$1 billion p.a. that brides, their partners and families spend each year on dresses, suits, shoes and accessories.

'Bridal at David Jones' offers an unparalleled assortment of bridal designers including Johanna Johnson, Steven Khalil, Lisa Gowing, Karen Willis Holmes, Collette Dinnigan, Lisa Ho, Akira Isagowa, Alex Perry and Carla Zampatti.

The suite is 650 square metres in size and is housed in the newly refurbished Level 7 of David Jones' flagship Elizabeth Street (NSW) store. It is staffed by four bridal experts all of whom have bridal gown design, fitting and retail experience.

David Jones is now the national destination for brides-to-be looking for a one-stop shop for their bridal needs. The new Bridal suite complements the recently refurbished Gift Registries in the Company's flagship CBD stores, which now offer personalised service, the use of product scanners to simplify creating a gift list and the David Jones Celebration Card.

**OUTLOOK**

Sales tracking for the first 3 weeks of 3Q12 has been broadly in line with 2Q12's performance.

The Company reaffirms its 1H12 Profit After Tax (PAT) Guidance of -15% to -20% and expects the current challenging retail conditions to continue throughout calendar 2012.

An update on 2H12 will be provided at the Company's 1H12 Results in late March 2012.

ENDS

**FOR FURTHER INFORMATION CONTACT:**

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***Note:** The Sales numbers quoted in this ASX Release are unaudited and have not been adjusted to take into account changes to the provisions for returns or lay-bys. These changes are required under Accounting Standards and will be reflected in the half year-end Sales figures in the Company's Income Statement. Any change is expected to be immaterial.*

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