THE WAREHOUSE GROUP LIMITED	
Results for announcement to the market	
Reporting Period	1 August 2016 to 30 July 2017
Previous Reporting Period	3 August 2015 to 31 July 2016

The information below supplements the information disclosed in the attached financial statements and management commentary. All figures are NZ$ unless otherwise stated.

	Amount (NZ$ 000s)	Percentage change
Revenue from ordinary activities - continuing operations	NZ$ 2,980,771	up 1.9 %
Profit from ordinary activities after tax attributable to shareholders - continuing operations	NZ$ 70,712	down (15.7)%
Net profit attributable to shareholders	NZ$ 20,429	down (73.9)%

Distributions	Amount per share	Imputed amount per share
Final dividend	6.00 cents	2.3333 cents

Distributions	Record date	Payment date
Final dividend	24 November 2017	07 December 2017

Asset Backing	July 2017	July 2016
Net asset backing per ordinary share	141.2 cents	148.2 cents
Net tangible asset backing per ordinary share	104.1 cents	98.7 cents

Accounting Standards

The Group has prepared its financial statements in accordance with New Zealand Equivalents to International Financial Reporting Standards (NZ IFRS).

Basis of Report

The market announcement is based on financial statements which have been audited. The independent audit report is provided together with the financial statements which accompany this announcement.

THE WAREHOUSE GROUP LIMITED	
Supplementary Information	
Reporting Period	1 August 2016 to 30 July 2017
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SUMMARY INCOME STATEMENT

(NZ $000)	2017	2016	% Change
The Warehouse	1,761,399	1,760,708	+ 0.0%
Warehouse Stationery	278,181	279,155	- 0.3%
Noel Leeming	810,705	752,137	+ 7.8%
Torpedo7	157,726	148,660	+ 6.1%
Other group operations	8,603	13,201	- 34.8%
Inter-segment eliminations	(35,843)	(29,179)	
RETAIL SALES	**2,980,771**	**2,924,682**	+ 1.9%
The Warehouse	84,531	89,376	- 5.4%
Warehouse Stationery	15,743	14,288	+ 10.2%
Noel Leeming	19,264	12,050	+ 59.9%
Torpedo7	2,675	3,380	- 20.9%
Other group operations	(14,376)	(7,929)	
RETAIL OPERATING PROFIT	**107,837**	**111,165**	- 3.0%
Gain on business disposals	-	9,950	
Gain on property disposals	11,455	5,533	
Restructuring costs	(12,060)	-	
Contingent consideration	-	675	
Equity earnings of associate	-	723	
EBIT (Earnings Before Interest and Tax)	**107,232**	**128,046**	- 16.3%
Net interest expense	(12,527)	(14,154)	
Income tax expense	(23,691)	(25,890)	
NET PROFIT AFTER TAX FROM CONTINUING OPERATIONS	**71,014**	**88,002**	- 19.3%
Loss from discontinued operations (net of tax)	(50,283)	(5,526)	+ 809.9%
Minority interests	(302)	(4,138)	
TAX PAID PROFIT AFTER MINORITIES	**20,429**	**78,338**	- 73.9%
ADJUSTED PROFIT FROM CONTINUING OPERATIONS	**68,185**	**69,157**	- 1.4%
ADJUSTED PROFIT INCLUDING DISCONTINUED OPERATIONS	**59,151**	**64,110**	- 7.7%
OPERATING MARGIN			
The Warehouse	4.8 %	5.1 %	- 30 bp
Warehouse Stationery	5.7 %	5.1 %	+ 60 bp
Noel Leeming	2.4 %	1.6 %	+ 80 bp
Torpedo7	1.7 %	2.3 %	- 60 bp
Retail Group	3.6 %	3.8 %	- 20 bp
TAX PAID PROFIT MARGIN	0.7 %	2.7 %	- 200 bp

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ADJUSTED PROFIT RECONCILIATION

	Total including Discontinued Operations		Continuing Operations	
(NZ $000)	2017	2016	2017	2016
NET PROFIT ATTRIBUTABLE TO SHAREHOLDERS OF THE PARENT	**20,429**	**78,338**	**70,712**	**83,864**
Less: Unusual items				
Gain on business disposals	-	9,950	-	9,950
Gain on property disposals	11,455	5,533	11,455	5,533
Financial Services intangible asset impairments	(40,061)	-	-	-
Business disposal and acquisition costs	(946)	(479)	-	-
Restructuring costs	(12,397)	-	(12,060)	-
Contingent consideration	-	675	-	675
Unusual items before taxation	**(41,949)**	**15,679**	**(605)**	**16,158**
Income tax relating to unusual items	264	(1,545)	169	(1,545)
Income tax expense related to depreciation adjustments on building disposals and prior year business acquisitions	2,963	3,708	2,963	3,708
Unusual items after taxation	**(38,722)**	**17,842**	**2,527**	**18,321**
Minority interest	-	(3,614)	-	(3,614)
ADJUSTED NET PROFIT	**59,151**	**64,110**	**68,185**	**69,157**
	-	-	-	-

Unusual Items

(a) The prior year gain on business disposals represents a gain on the sale of the business assets of Pet.co.nz ($4.750 million), and secondly a gain on the notional sale of the Group's 49% interest in The Warehouse Financial Services Limited (TWFSL) in September 2015 ($5.200 million). The notional gain and sale occurred when the Group's acquired the 51% majority shareholding in TWFSL from its joint venture partner.

(b) Property disposals during the year related to 3 store (2016: 3) properties and surplus land sold for a combined consideration of $79.304 million (2016: $37.426 million) and realising a pre-tax profit of $11.455 million (2016: $5.533 million)

(c) The Group has recognised impairment costs as a result of the Group's planned exit as a Financial Services credit card issuer. The recoverable amount of assets and recognition and measurement of liabilities of the Financial Services Group segment were reassessed at balance date based on management's best estimate of the expected net proceeds to be realised as part of the sale process. The Group had previously fully impaired all goodwill attributed to the segment when it released its 2017 half year results following a review by the Board of forecast strategies and the length of time required to achieve profitability.

(d) In January 2017 the announced plans to restructure the Groups operating model which largely impacted teams in the Group's support offices. The objective of the restructure was to integrate operating structures and executive leadership across the segments and strengthen the Group's shared support functions. Redundancy costs represent over 50 percent of the expense. The remaining costs include contracted transition costs relating to changes to the number of roles that qualify for the Group's incentive schemes, transition costs and asset write-off costs incurred to integrate systems and processes.

(e) Adjustments to the amount of contingent consideration payable or paid are treated as gains and losses in the income statement. The prior year gain represents the lower than estimated final deferred payment relating to the Insight acquisition (acquired September 2012).

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GLOSSARY OF TERMS USED IN THIS RELEASE

"Reported" information is per the audited financial statements

"Gross Profit" equates to Retail sales less retail cost of goods sold

"EBIT" refers to Earnings before interest and tax from continuing operations

"Operating Profit" refers to EBIT from continuing operations less unusual items

"Unusual items" refers to profits from the disposal of properties, direct costs relating to the acquisition of subsidiaries and changes in the value of contingent consideration recognised in the income statement.

"CODB" refers to costs of doing business and equates to the difference between gross profit and operating profit

"NPAT" refers to Net Profit after tax and minority interests

"Retail operating profit" refers to operating profit excluding the financial services business

"Adjusted NPAT or Adjusted Profit" refers to NPAT adjusted for the after tax effect of unusual items.

"Trading EBITDA" refers to Earnings before interest, tax, depreciation, amortisation and unusual items from both continuing and discontinued operations

THE WAREHOUSE GROUP LIMITED	
Supplementary Information	
Reporting Period	1 May 2017 to 30 July 2017
Previous Reporting Period	2 May 2016 to 31 July 2016

Quarterly Retail Sales information:

Fourth quarter sales (1 May 2017 to 30 July 2017)	Sales 2017 ($ Million)	Sales 2016 ($ Million)	Change in sales	Change in same store sales
The Warehouse	394.6	390.4	+ 1.1 %	- 0.6 %
Warehouse Stationery	67.3	68.8	- 2.2 %	- 2.6 %
Noel Leeming (NLG)	197.7	191.7	+ 3.1 %	+ 0.9 %
Torpedo7	36.9	38.2	- 3.4 %	- 4.0 %

Year to date sales (1 August 2016 to 30 July 2017)	Sales 2017 ($ Million)	Sales 2016 ($ Million)	Change in sales	Change in same store sales
The Warehouse	1,761.4	1,760.7	+ 0.0 %	+ 1.2 %
Warehouse Stationery	278.2	279.2	- 0.3 %	- 0.3 %
Noel Leeming (NLG)	810.7	752.1	+ 7.8 %	+ 6.4 %
Torpedo7	157.7	148.7	+ 6.1 %	+ 5.6 %

Store Numbers	The Warehouse		Noel Leeming		Warehouse Stationery		Torpedo7	
	2017	2016	2017	2016	2017	2016	2017	2016
Start Quarter 4	92	93	77	75	68	67	12	11
End Quarter 4	92	92	77	75	69	66	12	11

Store footprint (Square Metres)	The Warehouse		Noel Leeming		Warehouse Stationery		Torpedo7	
	2017	2016	2017	2016	2017	2016	2017	2016
Start Quarter 4	502,500	501,143	73,591	71,927	72,890	72,214	10,826	10,109
End Quarter 4	501,807	499,547	73,591	71,927	73,216	71,169	10,826	10,109

Store changes during the quarter	New Store	Replacement stores	Store Closure	Store Extension/ Reduction
The Warehouse	-	-	-	1
Warehouse Stationery	1	1	-	-
Noel Leeming	-	-	-	-
Torpedo7	-	-	-	-