

DANKS HOLDINGS LIMITED

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Media release

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Seven Years Of Revenue Growth

Danks Holdings Limited today announced an 11.1% increase in revenue to \$449.7 million for the year ending 30 June 2003.

It is the seventh successive year of growth for Danks, despite a slow down in the second half, which was due to reduced consumer confidence across the entire retail sector and the effects of the drought, especially on our regional and rural customers.

Managing Director, Graeme Danks said "the key drivers of sales growth were, increased membership of the company's retail groups – HoME Timber & Hardware, Thrifty-Link Hardware, and Plants Plus Garden Centres; a 21% rise in timber and building product sales; a 30 per cent rise in sales of its exclusive JDS brand products and a 70% increase in our exclusive Plumbing range of products, Plumbworx".

"To achieve double-digit growth in a mature market under difficult conditions proves our strategies for sustainable growth are working," Mr Danks said.

During the year, Danks invested for future sales growth through a detailed internal process review to highlight core activities and seek greater efficiencies, focusing on products, merchandising and sell in of core product ranges

Danks also strengthened its position as the country's leading wholesale distributor by leasing a second larger warehouse in Sydney and an additional one in Perth, to significantly boost its distribution capacity.

Additional staff, with Specialist expertise, were recruited as well, to assist Group Retailers with the design and layout of the next evolution of hardware stores.

Mr Danks said store refits were at record levels with owners recognising the value in presenting hardware products in a contemporary retail environment.

"This level of capital investment and commitment to business improvements speaks well for the future profitability of Group Stores and their owners," he said.

After considerable investment and business consolidation, Danks delivered a net profit of \$5.210 million, matching last year.

The directors have declared a fully franked dividend of 30 cents for shareholders, making a total of 55 cents for the year, which is equal to the previous year.



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	2003	2002
Total Revenue \$m	449.7 m	404.8 m
Sales Revenue \$m	430.6 m	386.6 m
Pre-Tax Profit \$m	7.57 m	7.64 m
Net Profit \$m	5.21 m	5.25 m
EPS	80.1 c	80.7 c
Interim Dividend	25.0 c	25.0 c
Final Dividend	30.0 c	30.0 c

Danks commenced trading as John Danks & Son Pty Ltd in 1859 and currently operates six hardware Distribution Centres, at Braeside in Melbourne, which services the South Australian, Northern Territory, Victorian and Tasmanian markets, at Huntingwood and Wetherill Park in Sydney which services the Queensland and New South Wales markets, and also at Kewdale and Welshpool in Western Australia. Danks services the product and marketing requirements of HoME Timber & Hardware, Thrifty-Link Hardware and Plants Plus Garden Centres, a total of 700+ members, who are all independently owned and operated, plus over one thousand other independent retailers.

For further information:

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