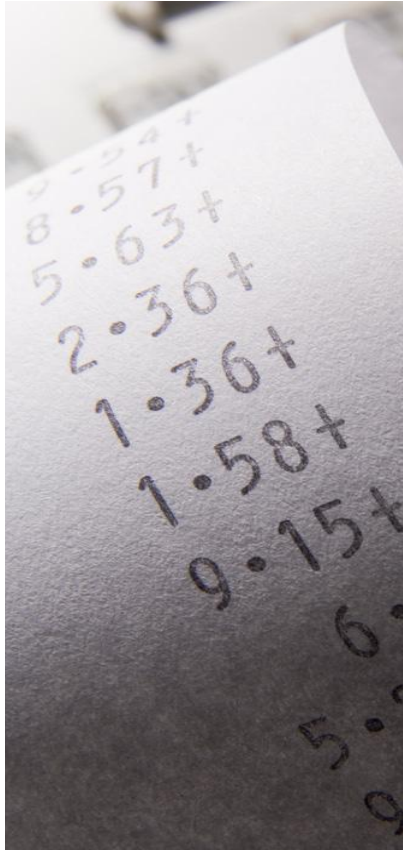


# Grant Thornton Retail Excellence Irish Retail Industry Productivity Review Q4 2016



FOOTWEAR  
FURNITURE & FLOORING  
HOT BEVERAGE  
GIFT & HOME  
GROCERY  
LADIES FASHION  
PHARMACY  
GARDEN CENTRES  
MENSWEAR  
JEWELLERY  
CONSUMER ELECTRONICS  
HOME APPLIANCES  
PHOTO (CAMERAS)  
COMPUTING

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## INTRODUCTION:

The Grant Thornton Retail Excellence Retail Productivity Review provides the most in-depth retail industry and sectoral analysis available today. The Review monitors overall industry performance and sectoral performance. The Review aggregates and analyses data from over 4,500 retail stores in Ireland. Retail Excellence collated data through on-line survey. GfK collated data through “plug-in” to retailer Epos.

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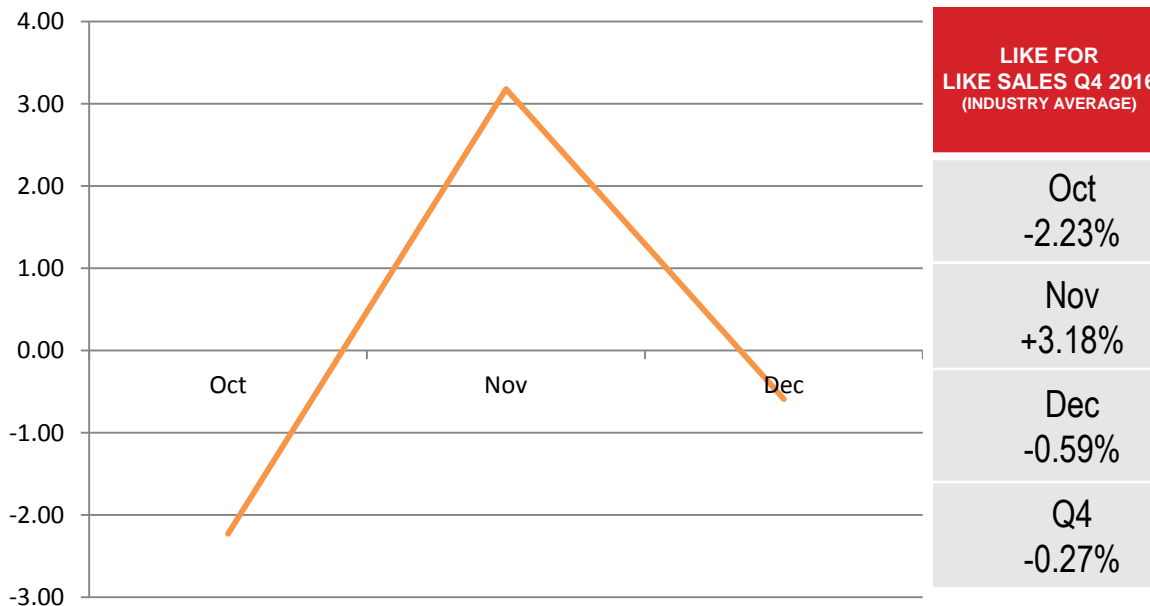
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# Retail Industry Like for Like Sales Q4 2016

**Retail Excellence CEO David Fitzsimons comments:** Quarter four 2016 proved one of the most volatile ever. Online migration to the UK due to weak sterling, a period of very clement weather and sentiment erosion due to Brexit and Trump were only some of the factors at play. The clement weather had a very positive impact on Agri and Garden sectors but proved the inverse for Ladies Fashion and Footwear sales. Online migration negatively impacted on Ladies Fashion sales and Consumer Electronics. One of the worst performing sectors was Jewellery which recorded a -7.39% decline over the period. One thing is certain, expect more consumer uncertainty!

Like for Like Sales Q4 2016 v's Q4 2015 (Industry Average)

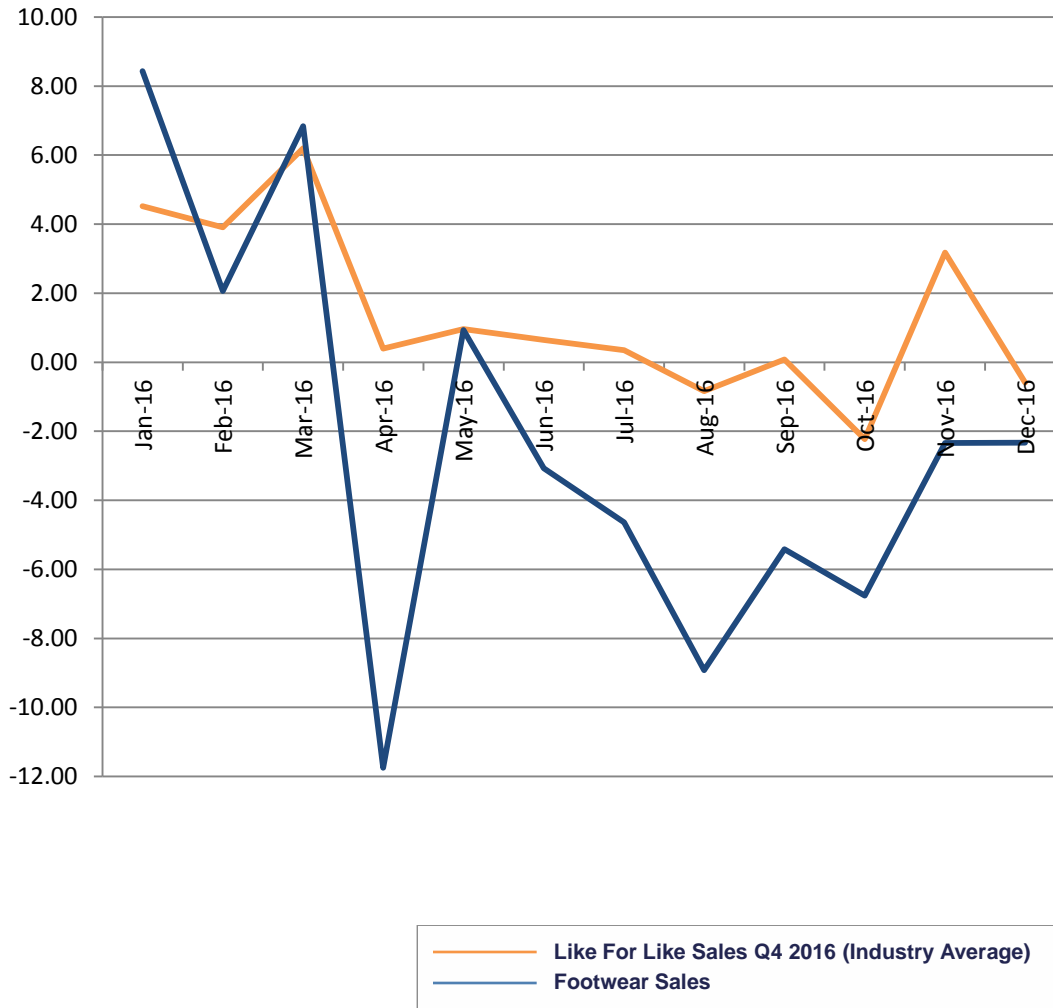


## LIKE FOR LIKE SALES Q4 2016 V Q4 2015

Industry Average	-0.27%
Footwear	-4.13%
Furniture & Flooring	-4.43%
Garden Centres	+18.36%
Gift & Homeware	+2.07%
Grocery	+1.56%
Hot Beverage	+1.32%
Jewellery	-7.39%
Ladies Fashion	-0.47%
Menswear	+2.35%
Pharmacy	+1.12%
Childrenswear	+4.39%
Agri Retail	+4.97%
Health Stores	+0.66%
Lingerie	-1.78%
Consumer Electronics (Brown Goods)	-3.00%
Home Appliances (Small)	-3.70%
IT   Computing	-15.00%
Digital Camera	-28.00%
Home Appliances (Major)	-0.50%

# Footwear Sales - Q4 2016

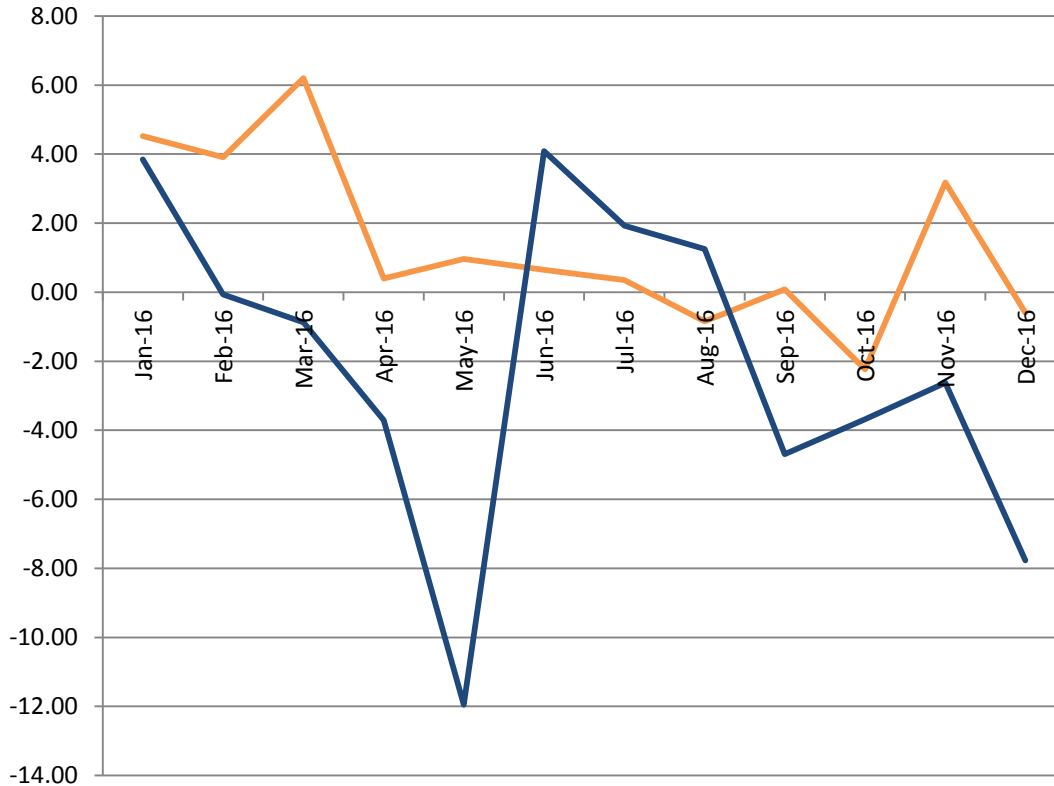
Comparable with Retail Industry Average



2016	FOOTWEAR SALES	LIKE FOR LIKE SALES Q4 2016 (INDUSTRY AVERAGE)
Oct	-6.76%	-2.23%
Nov	-2.34%	+3.18%
Dec	-2.33%	-0.59%
Q4	-4.13%	-0.27%

# Furniture & Flooring Sales - Q4 2016

Comparable with Retail Industry Average

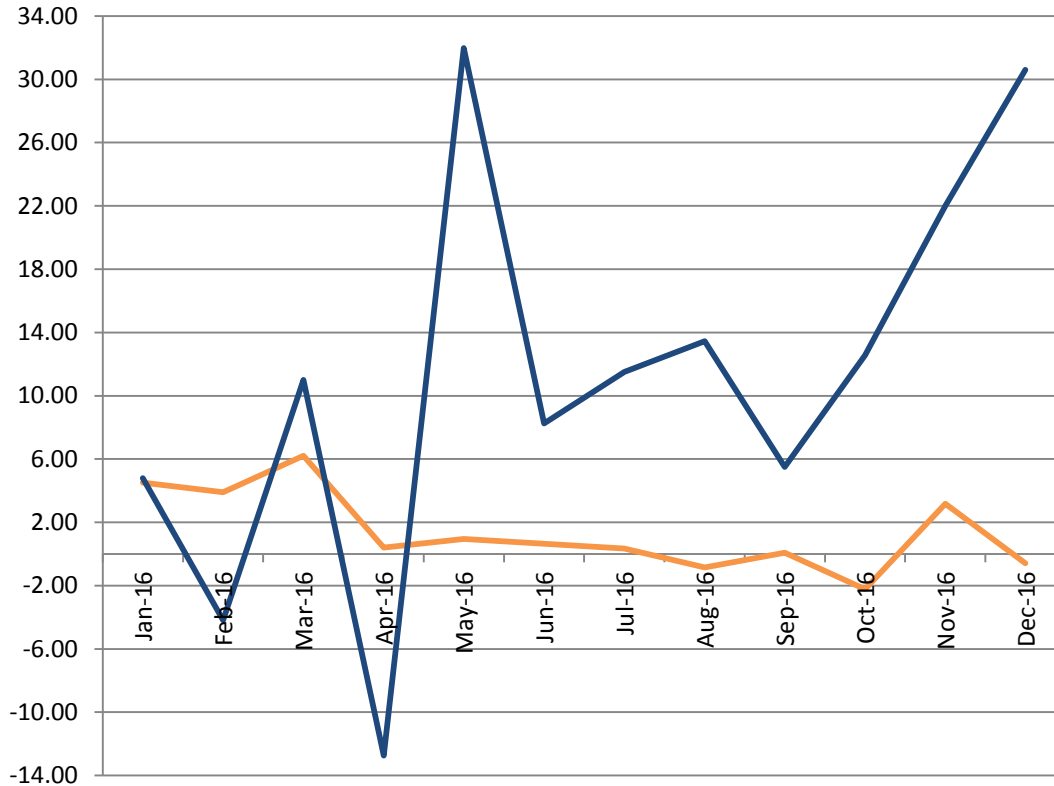


— Like For Like Sales Q4 2016 (Industry Average)  
— Furniture & Flooring Sales

2016	FURNITURE & FLOORING SALES	LIKE FOR LIKE SALES Q4 2016 (INDUSTRY AVERAGE)
Oct	-3.68%	-2.23%
Nov	-2.62%	+3.18%
Dec	-7.77%	-0.59%
Q4	-4.43%	-0.27%

# Garden Centre Sales - Q4 2016

Comparable with Retail Industry Average

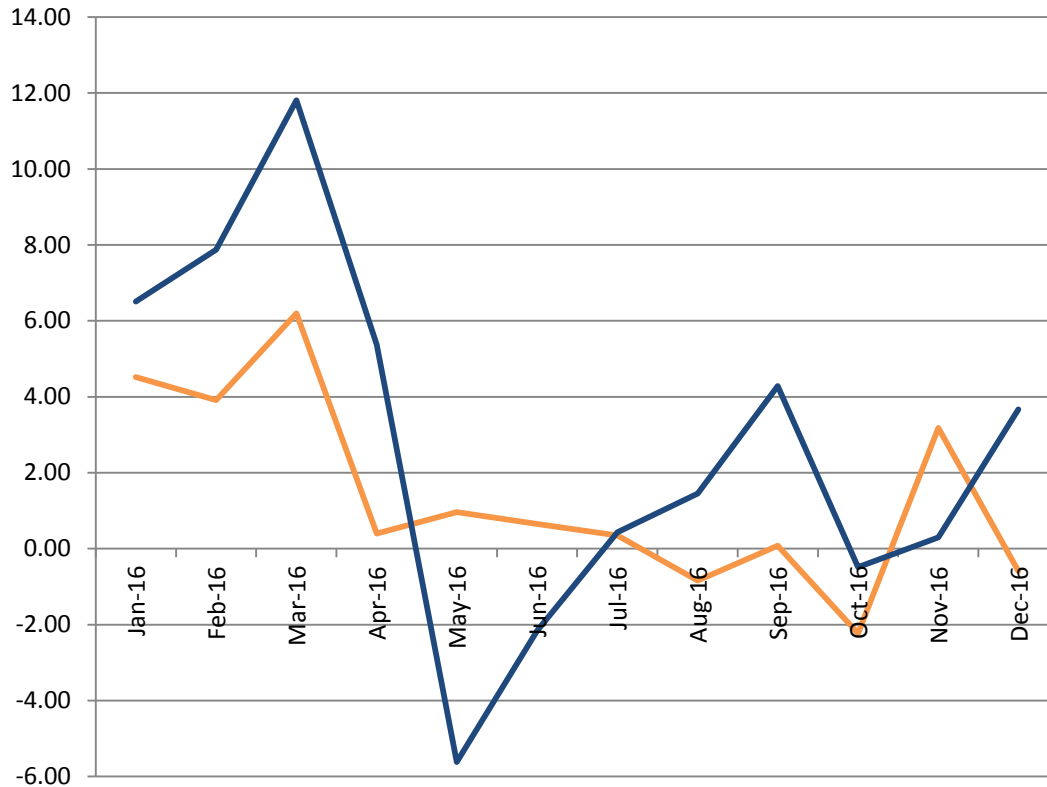


— Like For Like Sales Q4 2016 (Industry Average)  
— Garden Centre Sales

2016	GARDEN CENTRE SALES	LIKE FOR LIKE SALES Q4 2016 (INDUSTRY AVERAGE)
Oct	+12.55%	-2.23%
Nov	+22.01%	+3.18 %
Dec	+30.60%	-0.59%
Q4	+18.36%	-0.27%

# Gift & Homeware Sales - Q4 2016

Comparable with Retail Industry Average

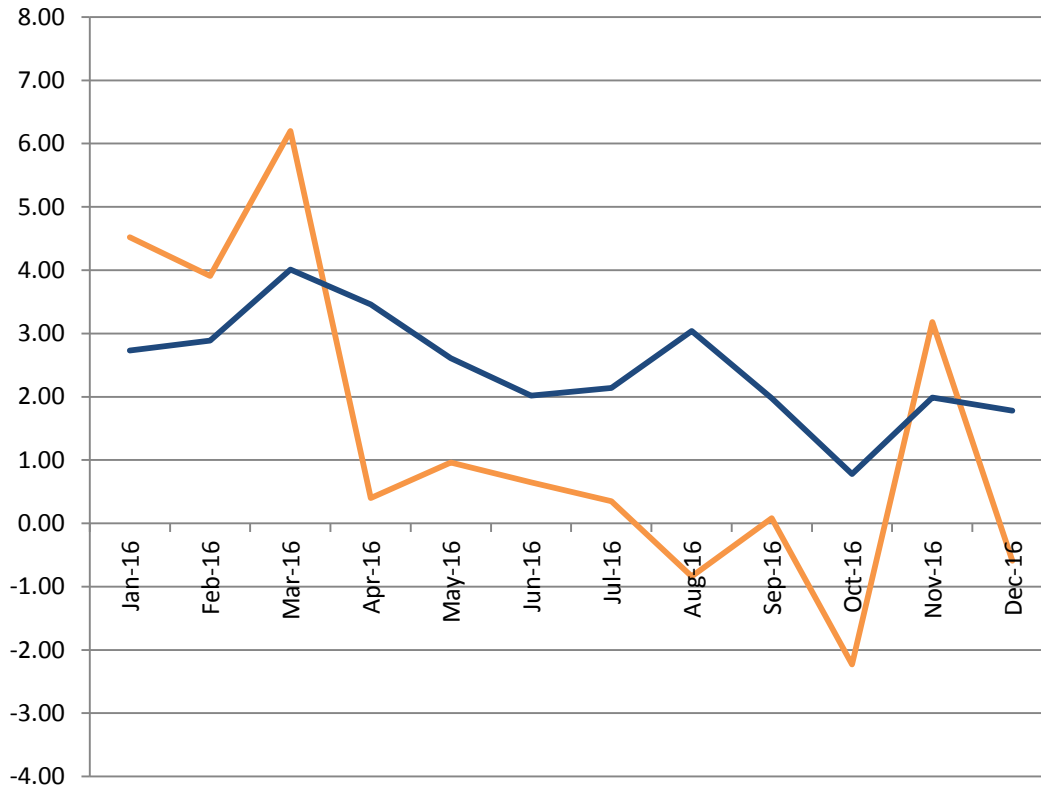


— Like For Like Sales Q4 2016 (Industry Average)  
— Gift & Homeware Sales

2016	GIFT & HOMEWARE SALES	LIKE FOR LIKE SALES Q4 2016 (INDUSTRY AVERAGE)
Oct	-0.49%	-2.23%
Nov	+0.30%	+3.18%
Dec	+3.67%	-0.59%
Q4	+2.07%	-0.27%

# Grocery Sales - Q4 2016

Comparable with Retail Industry Average



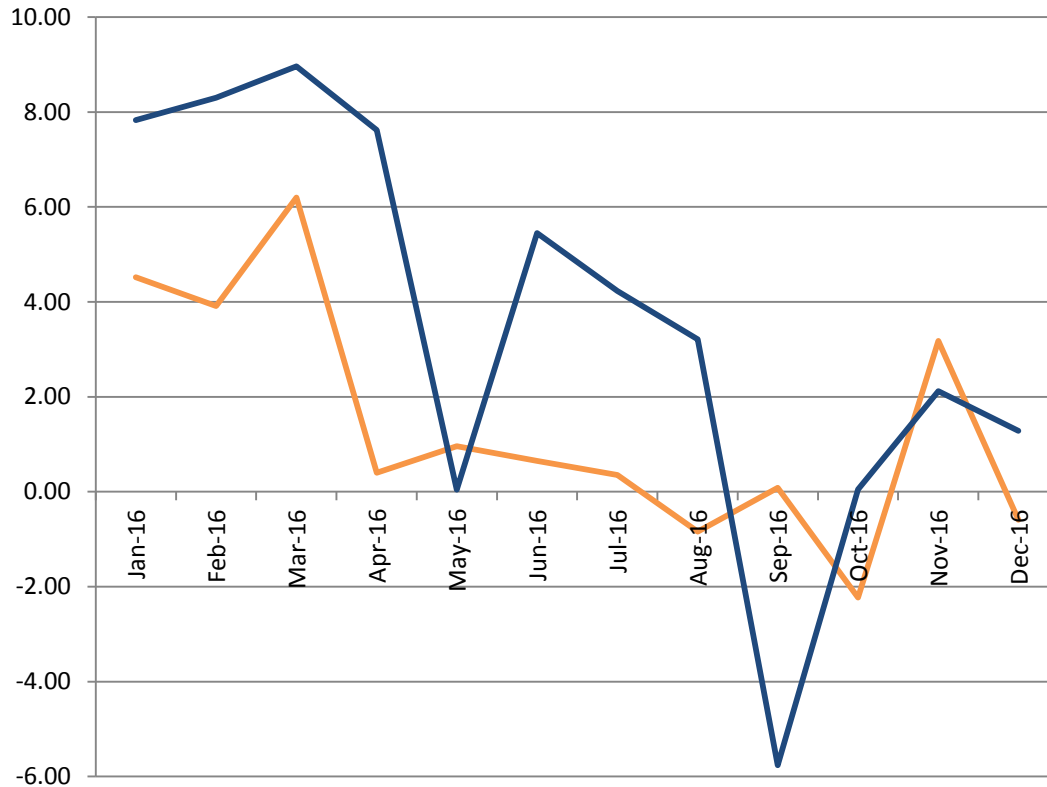
— Like For Like Sales Q4 2016 (Industry Average)  
— Grocery Sales

2016	GROCERY SALES	LIKE FOR LIKE SALES Q4 2016 (INDUSTRY AVERAGE)
Oct	+0.78%	-2.23%
Nov	+1.99%	+3.18%
Dec	+1.78%	-0.59%
Q4	+1.56%	-0.27%



# Hot Beverage Sales - Q4 2016

Comparable with Retail Industry Average

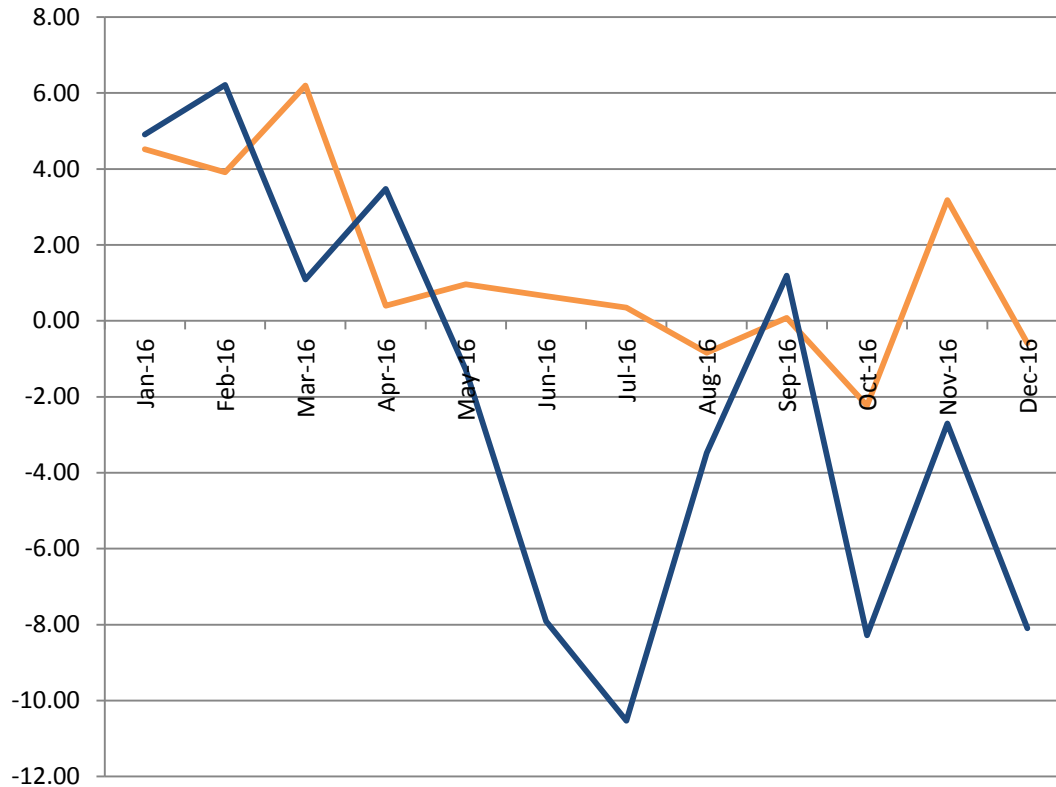


— Like For Like Sales Q4 2016 (Industry Average)  
— Hot Beverage Sales

2016	HOT BEVERAGE SALES	LIKE FOR LIKE SALES Q4 2016 (INDUSTRY AVERAGE)
Oct	0.05%	-2.23%
Nov	+2.12%	+3.18%
Dec	+1.28%	-0.59%
Q4	+1.32%	-0.27%

# Jewellery Sales - Q4 2016

Comparable with Retail Industry Average

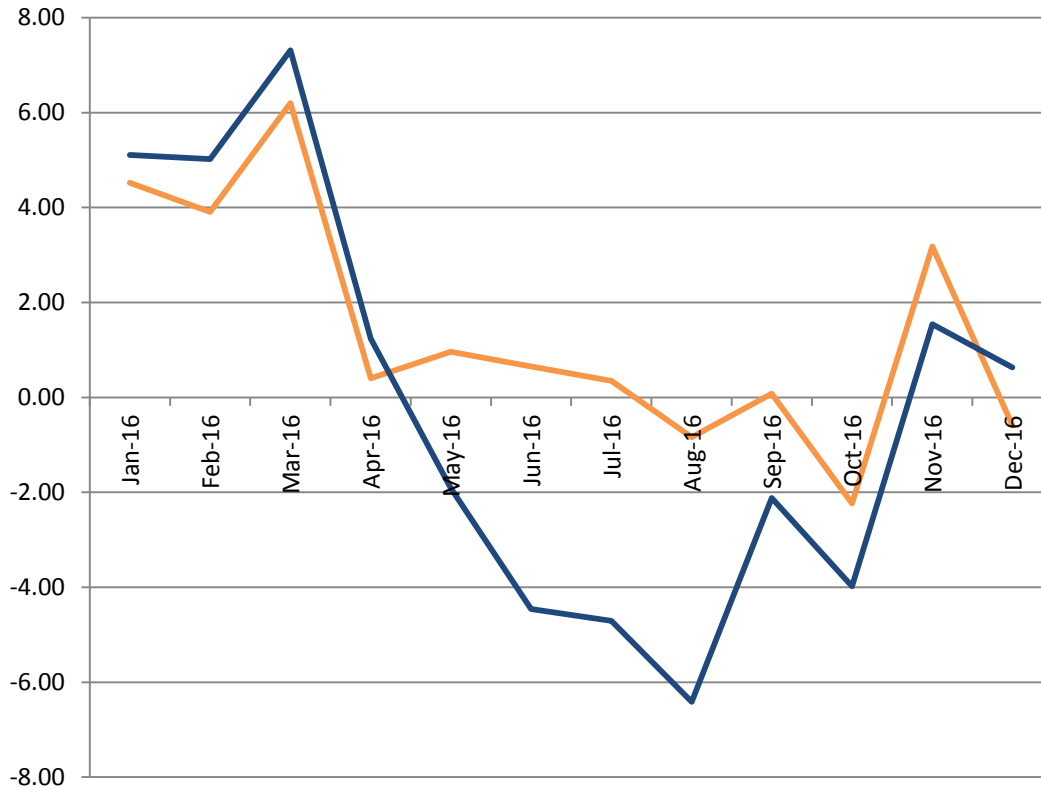


— Like For Like Sales Q4 2016 (Industry Average)  
— Jewellery Sales

2016	JEWELLERY SALES	LIKE FOR LIKE SALES Q4 2016 (INDUSTRY AVERAGE)
Oct	-8.28%	-2.23%
Nov	-2.70%	+3.18%
Dec	-8.10%	-0.59%
Q4	-7.39%	-0.27%

# Ladies Fashion Sales - Q4 2016

Comparable with Retail Industry Average

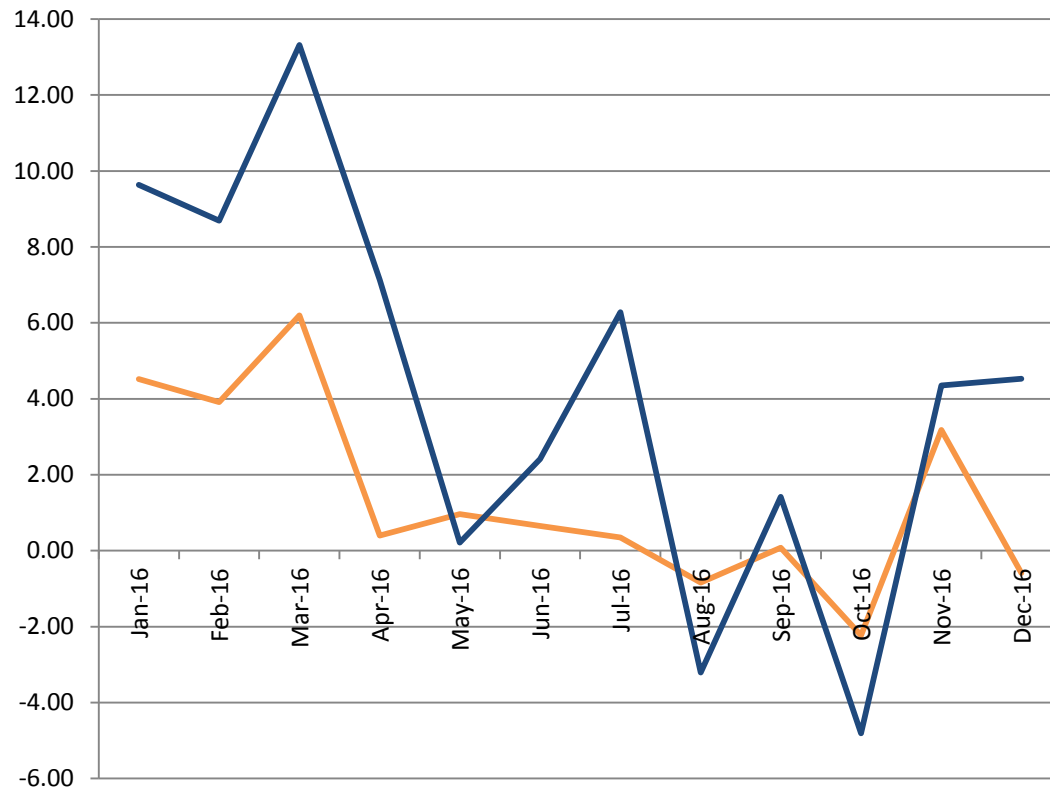


— Like For Like Sales Q4 2016 (Industry Average)  
— Ladies Fashion Sales

2016	LADIES FASHION SALES	LIKE FOR LIKE SALES Q4 2016 (INDUSTRY AVERAGE)
Oct	-3.98%	-2.23%
Nov	+1.54%	+3.18%
Dec	+0.63%	-0.59%
Q4	-0.47%	-0.27%

# Menswear Sales - Q4 2016

Comparable with Retail Industry Average

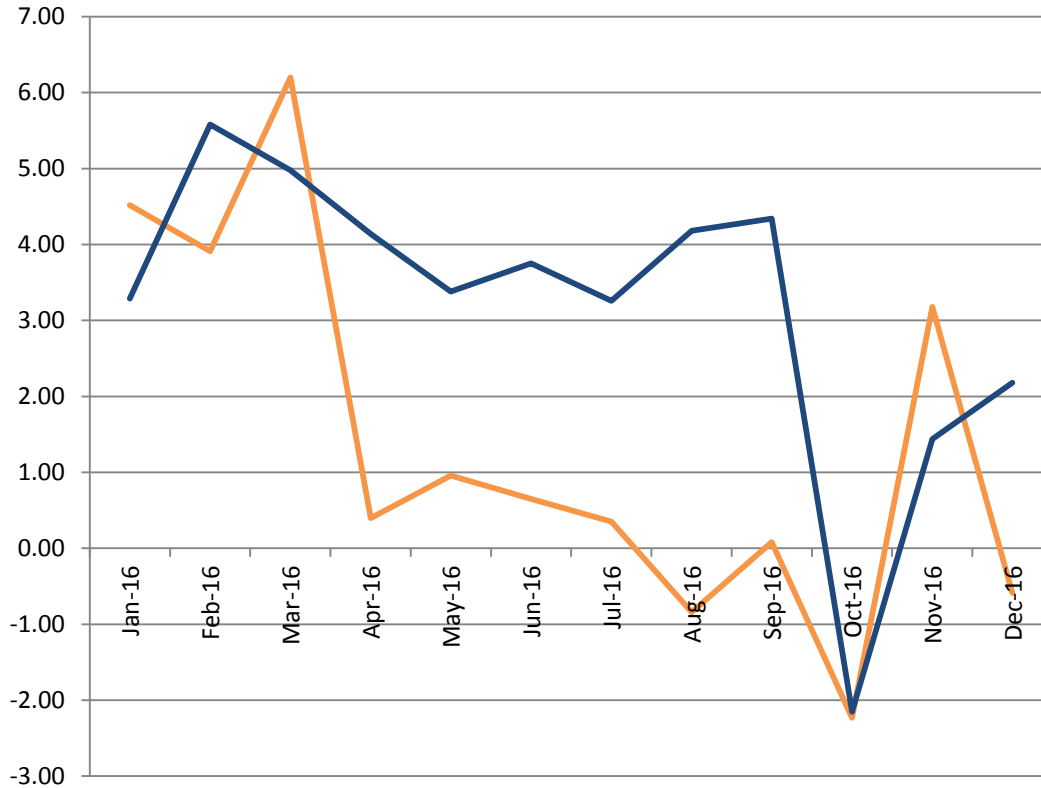


— Like For Like Sales Q4 2016 (Industry Average)  
— Menswear Sales

2016	MENSWEAR SALES	LIKE FOR LIKE SALES Q4 2016 (INDUSTRY AVERAGE)
Oct	-4.81%	-2.23%
Nov	+4.35%	+3.18%
Dec	+4.53%	-0.59%
Q4	+2.35%	-0.27%

# Pharmacy Sales - Q4 2016

Comparable with Retail Industry Average

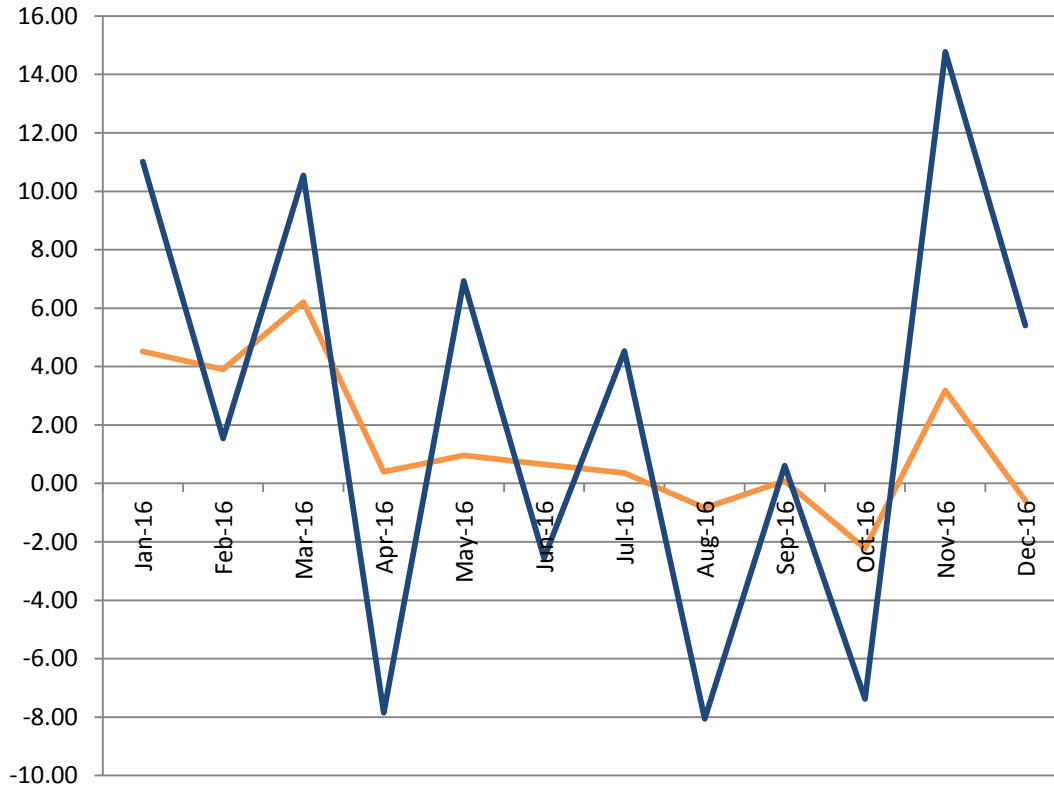


— Like For Like Sales Q4 2016 (Industry Average)  
— Pharmacy Sales

2016	PHARMACY SALES	LIKE FOR LIKE SALES Q4 2016 (INDUSTRY AVERAGE)
Oct	-2.15%	-2.23%
Nov	+1.44%	+3.18%
Dec	+2.18%	-0.59%
Q4	+1.12%	-0.27%

# Childrenswear Sales - Q4 2016

Comparable with Retail Industry Average

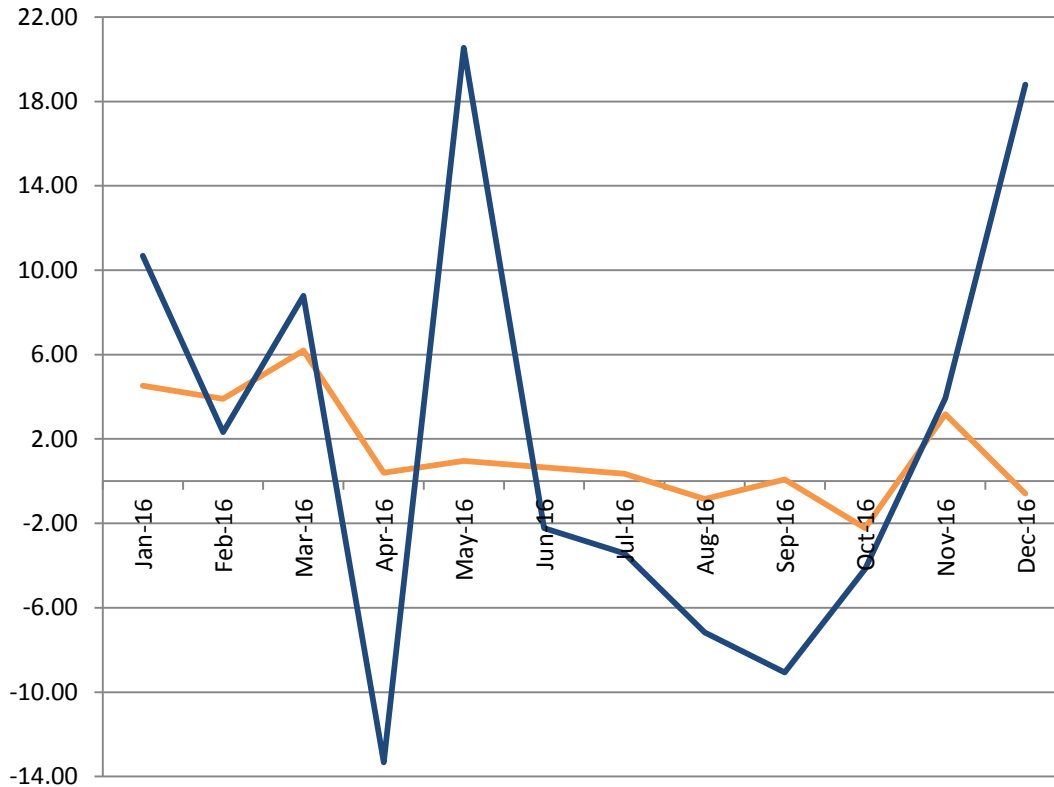


— Like For Like Sales Q4 2016 (Industry Average)  
— Childrenswear Sales

2016	CHILDRENSWEAR SALES	LIKE FOR LIKE SALES Q4 2016 (INDUSTRY AVERAGE)
Oct	-7.38%	-2.23%
Nov	14.77%	+3.18%
Dec	+5.41%	-0.59%
Q4	+4.39%	-0.27%

# Agri Retail Sales - Q4 2016

Comparable with Retail Industry Average

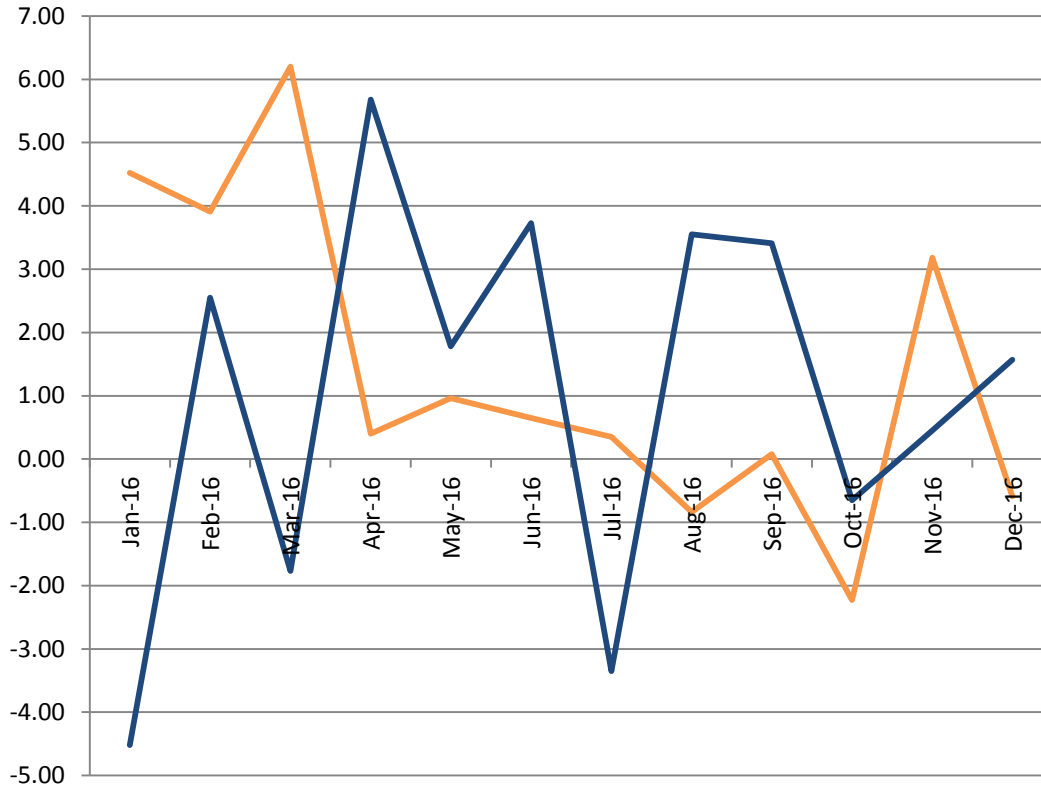


— Like For Like Sales Q4 2016 (Industry Average)  
— Agri RetailSales

2016	AGRI RETAIL SALES	LIKE FOR LIKE SALES Q4 2016 (INDUSTRY AVERAGE)
Oct	+4.16%	-2.23%
Nov	+3.93%	+3.18%
Dec	+18.80%	-0.59%
Q4	+4.97%	-0.27%

# Health Store Sales - Q4 2016

Comparable with Retail Industry Average



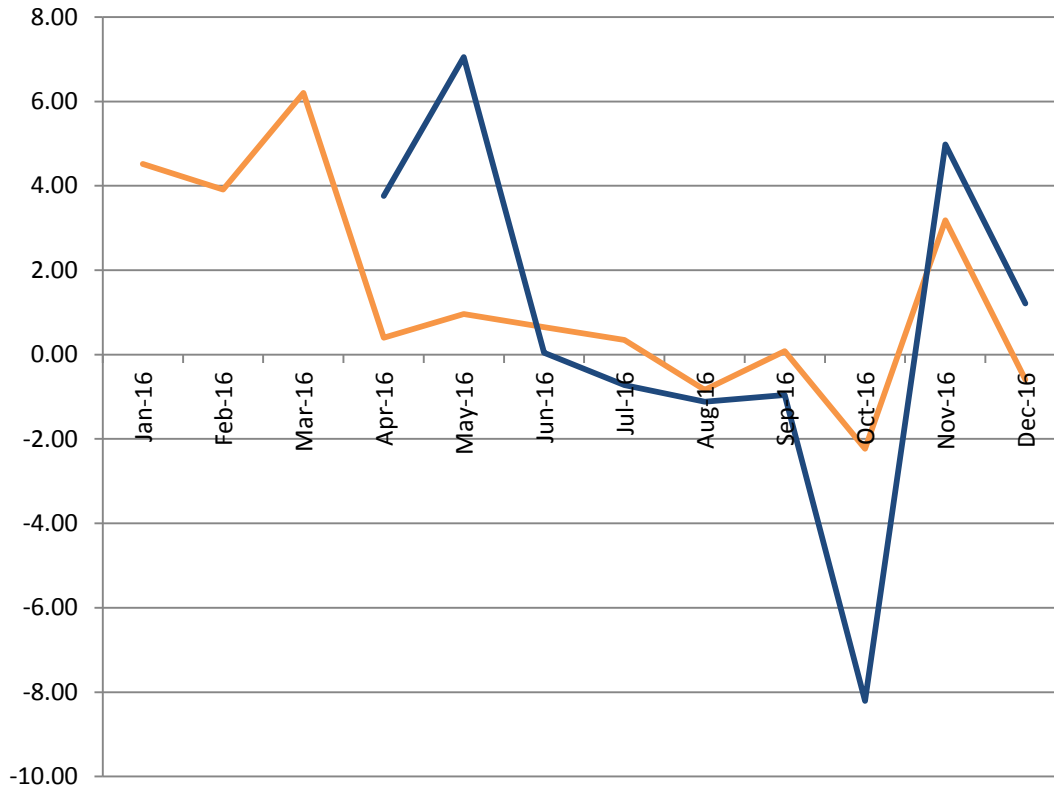
— Like For Like Sales Q4 2016 (Industry Average)  
— Health Store Sales

2016	HEALTH STORE SALES	LIKE FOR LIKE SALES Q4 2016 (INDUSTRY AVERAGE)
Oct	-0.65%	-2.23%
Nov	+0.45%	+3.18%
Dec	+1.57%	-0.59%
Q4	+0.66%	-0.27%



# Lingerie Sales - Q4 2016

Comparable with Retail Industry Average



— Like For Like Sales Q4 2016 (Industry Average)  
— Lingerie Sales

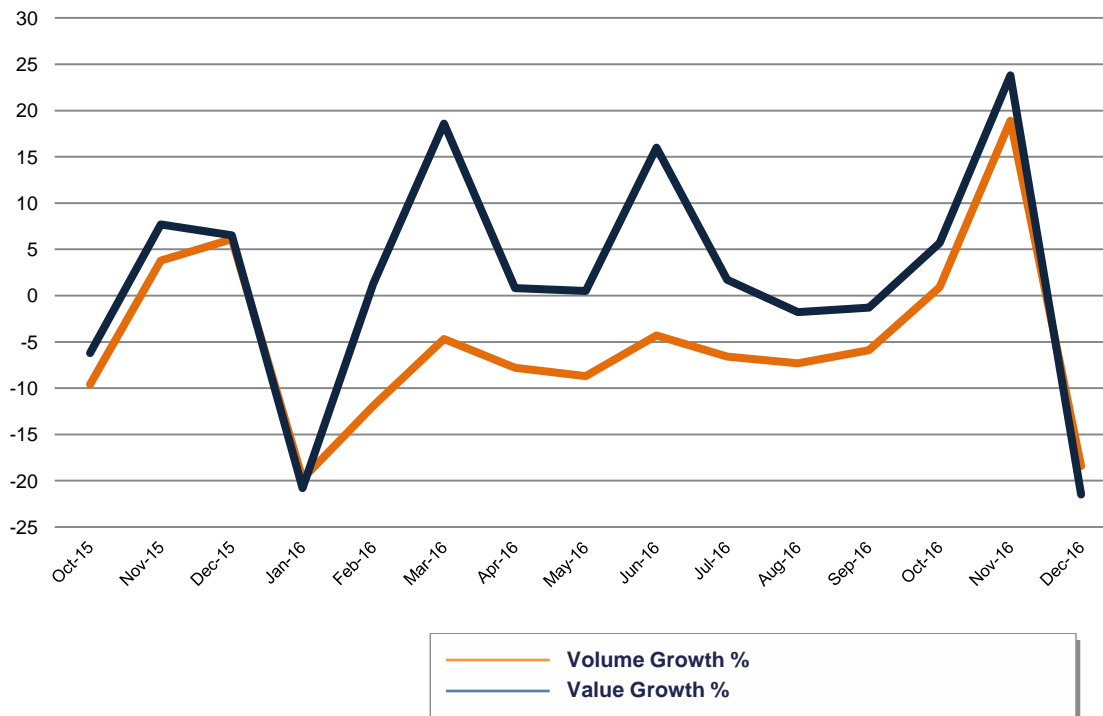
2016	LINGERIE SALES	LIKE FOR LIKE SALES Q4 2016 (INDUSTRY AVERAGE)
Oct	-8.21%	-2.23%
Nov	+4.98%	+3.18%
Dec	+1.21%	-0.59%
Q4	-1.78%	-0.27%

# Consumer Electronics (Brown Goods) Sales - Q4 2016

Value and Volume performance Year on Year - Figures include: Audio Systems, DVD Players, Flat TV & Radio Devices (Table Top), Headphones, Docking Speakers, Loudspeakers

Commentary from Nick Simon, CE Account Director, GfK:

While Q3 had reached breakeven, the quarter ending December 2016 figure of -3% was actually quite encouraging, as the December monthly figures only include 4 weeks versus 2015's 5 weeks (a necessary adjustment every five years). The quarter was characterized by a very strong Black Friday effect in November, but some products grew consistently over the three months, in particular UHD TVs and Headphones/Headsets. Q4 confirmed the very good year enjoyed by Audio HIFI and wireless speakers, although both of which gave a strong impression of having had sales brought forward to November.



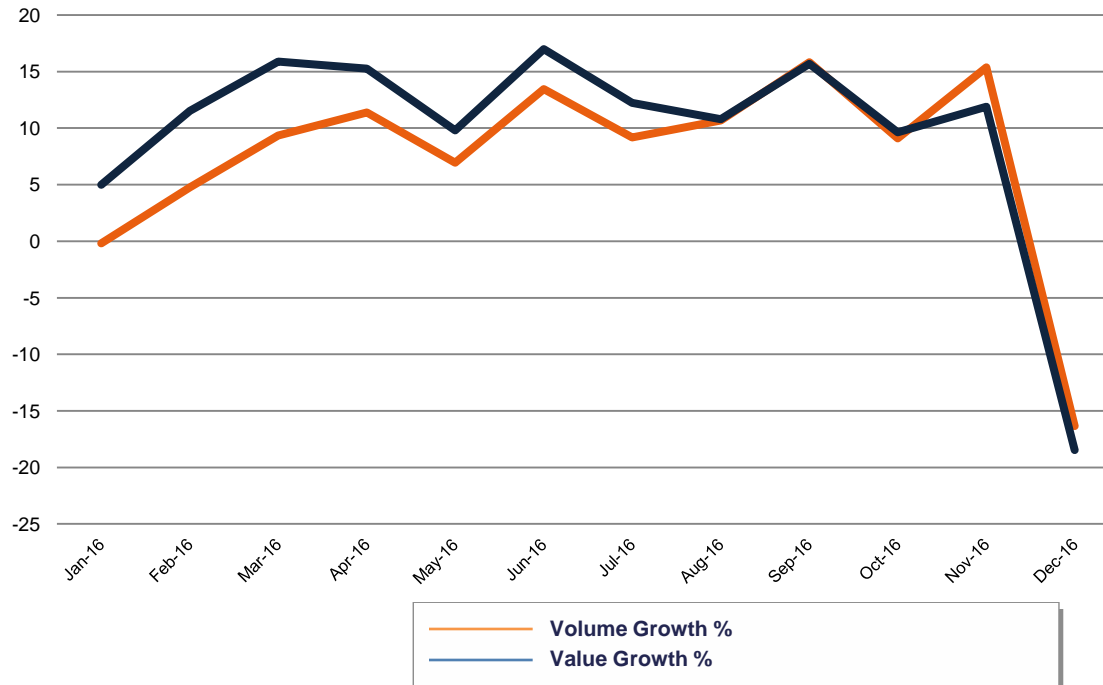
2016	Value Performance (Vs. 2015)	Volume Performance (Vs. 2015)
Oct	+6.00%	+1.00%
Nov	+24.00%	+19.00%
Dec	-21.00%	-18.00%
Q4	-3.00%	-5.00%

# Home Appliances (Major Appliances) Sales - Q4 2016

Value and Volume performance Year on Year (includes washing machines, tumble dryers, dishwashers, cooling, freezers, cooking, hobs, hoods and microwaves)

## Commentary from Richard Allen, Senior Account Manager GfK:

Major appliances remains in a healthy position despite the seemingly large year on year declines in December. This sizeable drop comes down to the weekly mapping with December 2015 comprised of 5 weeks versus just 4 weeks in 2016. Cooling was the top performer over the quarter with growth of 1% thanks primarily to American style side by side fridge freezers which finished the quarter 13% up in value despite the December low. Premium appliances have improved across a number of categories, encouraging signs for future growth, with heat pump dryers (+4% in Q4) and range cookers (+1%) also finishing the quarter on a positive note. Outside of high end products, integrated appliances are on the rise with products such as single ovens and built in dishwashers leading the way, both 5% up in Q4. Total integrated sales have grown 1% in Q4 compared to a marginal decline for freestanding products. With this trend seen across a number of European countries of late it could be set to continue in 2017.



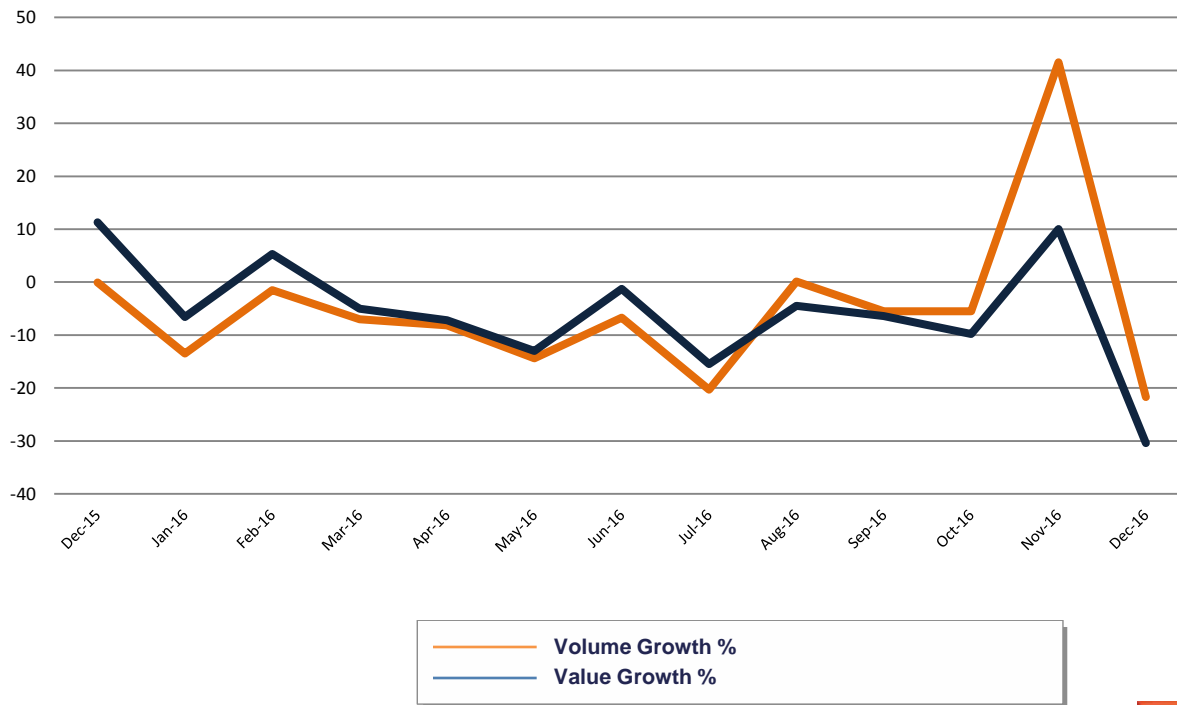
2016	Value Performance (Vs. 2015)	Volume Performance (Vs. 2015)
Oct	+9.60%	+9.10%
Nov	+11.90%	+15.40%
Dec	-18.50%	-16.30%
Q4	-0.50%	+1.10%

# Information Technology (IT) Sales - Q4 2016

Value and Volume performance Year on Year. Figures include Mobile Computing PCs, Desk Computing PCs and Tablets

## Commentary from Amy Cooper, IT Account Manager, GfK:

The final three months of 2016 showed +1% volume growth for the quarter, driven by Black Friday sales causing a strong November. December's figures were in line with expectations (remembering that it is comparing 4 weeks of 2016 against 5 weeks of 2015), reflecting the increasing importance of Black Friday as an event in 2016's shopping calendar. November's value grew 10% in comparison to November 2015, however this was volume-driven as opposed to higher prices, as prices declined YoY by 22% across the above categories combined. Promotional activity appears to be becoming more aggressive as Black Friday grows in significance. Media Tablets saw the strongest volume uplift in November, +55%, in line with devices popular for gifting over the Christmas period. Additionally, of all of the above categories, YoY price drop was the largest within Media Tablets declining -29% in November YoY. November also saw growth within Desk PCs, particularly AIOs driving the majority of Desk PC volume growth. AIO volume growth in fact continued into December, +14% YoY, alongside a 22% average price drop.



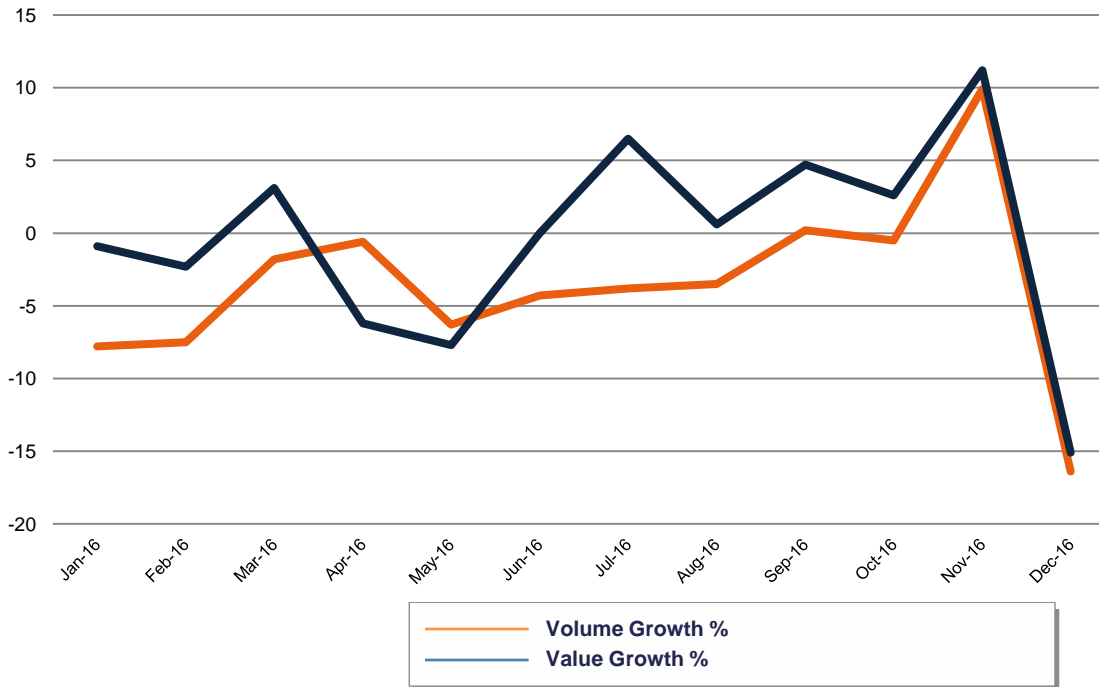
2016	Value Performance (Vs. 2015)	Volume Performance (Vs. 2015)
Oct	-10.00%	-6.00%
Nov	+10.00%	+42.00%
Dec	-30.00%	-22.00%
Q4	-15.00%	+1.00%

# Home Appliances (Small Appliances) Sales - Q4 2016

Value and Volume performance Year on Year (includes irons, kettles, toasters, food preparation, shavers , hair dryers and hair stylers, hot beverage makers and vacuum cleaners)

Commentary from Helen Warner, Senior Account Manager, SDA, GfK:

Quarter 4 shows a volume decline of 5.4% compared to Q4 2015, however the dates are not entirely comparable as there is one less week in December 2016 reporting compared to December 2015. Taking this into account we can say it has been a positive quarter for Small Domestic Appliances. Premium brands in the hair dryers category continue to drive value, as volume declines by 9.6% but value gains by a huge 81.6%! Food preparation continues to be the worst performing segment as the success of blenders with a take away cup isn't repeated in Christmas 2016. Vacuum cleaners is the best performing market in volume showing a 8.6% growth for the quarter, it is the two most premium segments which see large growth here, handsticks grow by over 75% and Robots gain by almost 150% compared to Q4 2015



2016	Value Performance (Vs. 2015)	Volume Performance (Vs. 2015)
Oct	+2.60%	-0.50%
Nov	+11.20%	+9.90%
Dec	-15.10%	-16.40%
Q4	-3.70%	-5.40%

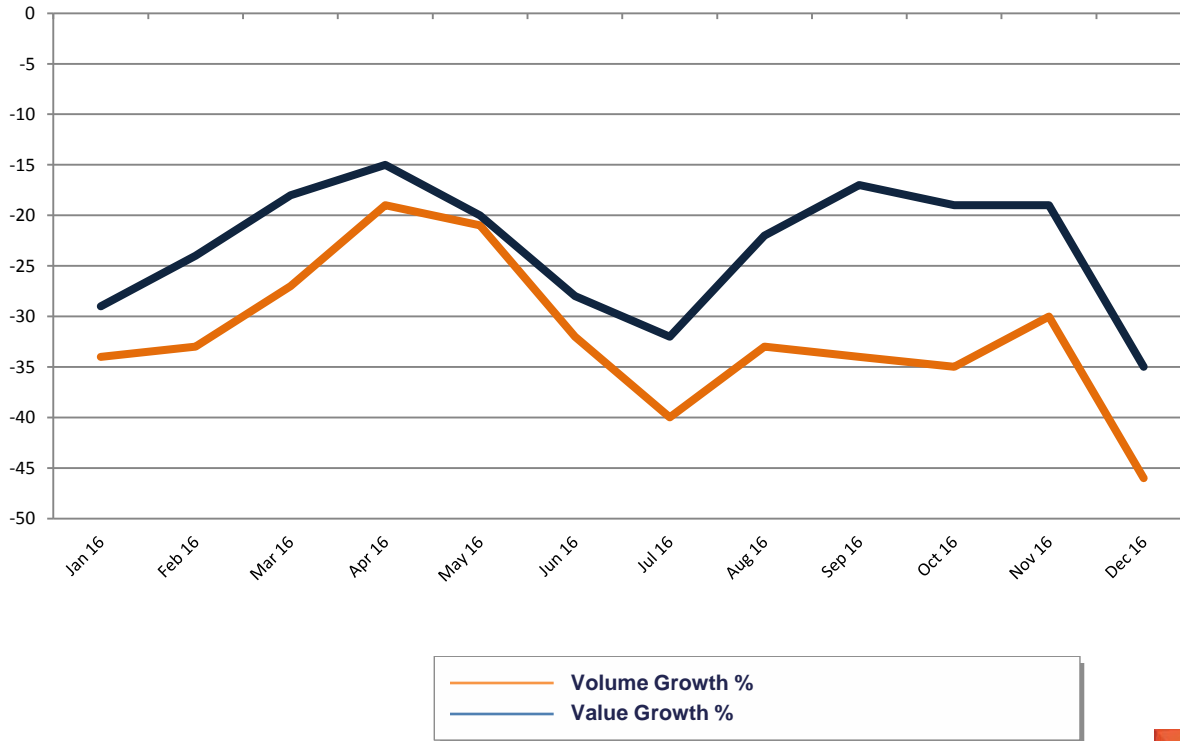
# Digital Camera Sales - Q4 2016

Value and Volume performance Year on Year - Figures include: Fixed Lens, Bridge, CSC and SLR

Commentary from Flavia Brenha, Photo, GfK:

With a value decline of 40% in Q4 of 2016, the Photo sector's decline rate has worsened on the last quarter. The drop is more prominent in the volume department, driven by compact cameras. The good news is that the camera sector is becoming more niche, with the more premium segments gaining in importance. Compact Premium for example, that have helped the Fixed Lens segment, increased 35% in value and 19% in volume. Compact System Cameras (CSC) also helped to increase the market in value terms with a growth rate of 48%.

*\*December YoY growth rates will be affected as we are comparing a 5 weeks December in 2015 with 4 weeks in 2016.*



2016	Value Performance (Vs. 2015)	Volume Performance (Vs. 2015)
Oct	-19.00%	-35.00%
Nov	-19.00%	-30.00%
Dec	-35.00%	-46.00%
Q4	-28.00%	-40.00%

# About Retail Excellence, Grant Thornton & GfK

## ABOUT Retail Excellence

Retail Excellence is the largest retail industry trade body in Ireland. Retail Excellence aim to enhance the consumer's retail experience by developing top class retail standards and skills, and promoting a vibrant and competitive world class retail industry in Ireland.

Retail Excellence involves over 1,600 leading retail companies who operate over 13,000 stores in the Irish market.

Retail Excellence is a not for profit organisation which invests in innovative and exciting learning, market intelligence, HRM supports, Government representation and member networking initiatives.

Retail Excellence collected this data via on-line survey response.

## ABOUT GRANT THORNTON

Grant Thornton are leading Irish retail industry advisors and exclusive financial and accounting partners of Retail Excellence Ireland.

Grant Thornton is the fastest growing professional services firm in Ireland comprising over 1000 people operating from offices in Dublin, Belfast, Cork, Galway, Kildare, Limerick and Longford.

The firm's Retail team has the expertise and knowledge to provide specific solutions to their retail clients. By identifying the key drivers of value creation crucial to the success of any retail business Grant Thornton can work with clients to maximise their business potential. Services include annual audits, regular business reviews, quarterly management accounts, bank financing applications, independent business reviews, franchise/supplier agreement negotiations, benchmarking and projections.

## ABOUT GfK

GfK is one of the world's largest research companies. 11,500 GfK experts are working to discover new insights about the way people live, think and shop, in over 100 markets, every day.

GfK is constantly innovating to use the latest technologies and the smartest methodologies to give its clients the clearest understanding of the most important people in the world: their customers. That knowledge empowers GfK's clients to make the right decisions, and position their businesses for the future.

### How do GfK gather this data?

- Data is collected via EPOS systems so minimal time commitment is involved in supplying data
- Sales data is gathered confidentially and no individual retailer's data is ever disclosed
- Exclusive lines/models are suppressed
- Reports are provided to participating retailers free of charge