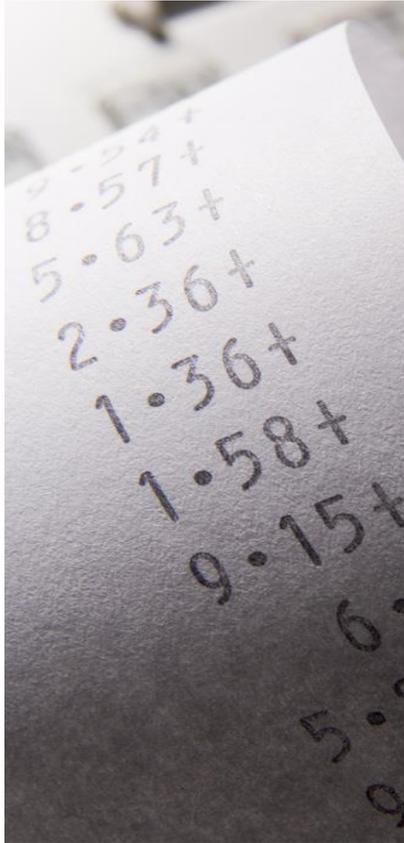


Grant Thornton Retail Excellence Irish Retail Industry Productivity Review Q4 2018



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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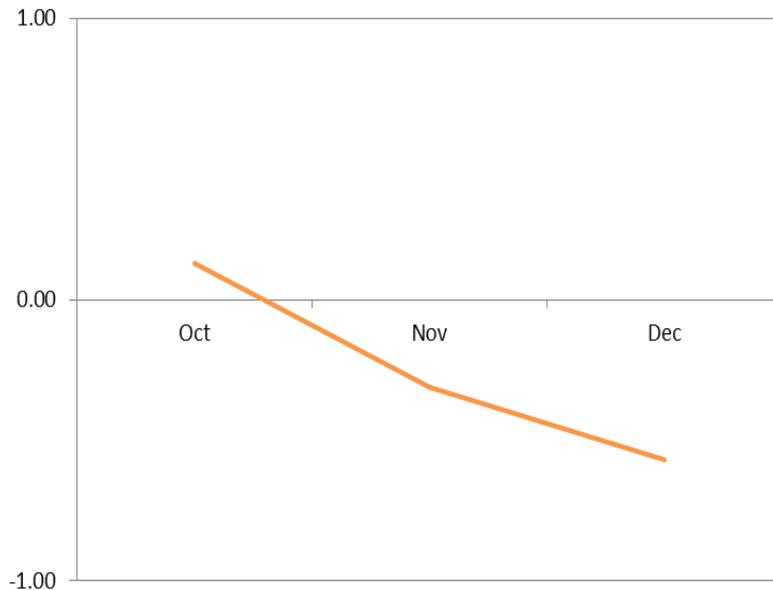
Retail Industry Like for Like Sales Q4 2018

Retail Excellence Group Chief Executive David Fitzsimons comments: Quarter 4 2018 proved a challenging one with revenue declines experienced in many sectors of the Irish Retail Industry. November experienced a decline of -0.31% against November 2017 proving that while Black Friday activity increased significantly, the majority of demand left the country to international websites. The most challenged sectors over the period included Footwear, Jewellery, Childrenswear, IT|Computing and Digital Cameras. The decline in Hot Beverage sales in December by -2.17% is indicative of footfall erosion principally caused by inclement weather patterns.

LIKE FOR LIKE SALES Q4 2018 vs Q4 2017

Industry Average	-0.21%
Footwear	-3.77%
Furniture & Flooring	+4.14%
Garden Centres	+8.89%
Gift & Homeware	+2.43%
Grocery	+2.64%
Hot Beverage	+0.98%
Jewellery	-2.25%
Ladies Fashion	-1.56%
Menswear	+0.92%
Pharmacy	-0.36%
Childrenswear	-3.60%
Agri Retail	+7.64%
Health Stores	+3.15%
Lingerie	+2.35%
Consumer Electronics (Brown Goods)	+1.00%
Home Appliances (Small)	+3.70%
IT Computing	-12.00%
Digital Camera	-29.00%
Home Appliances (Major)	+2.60%

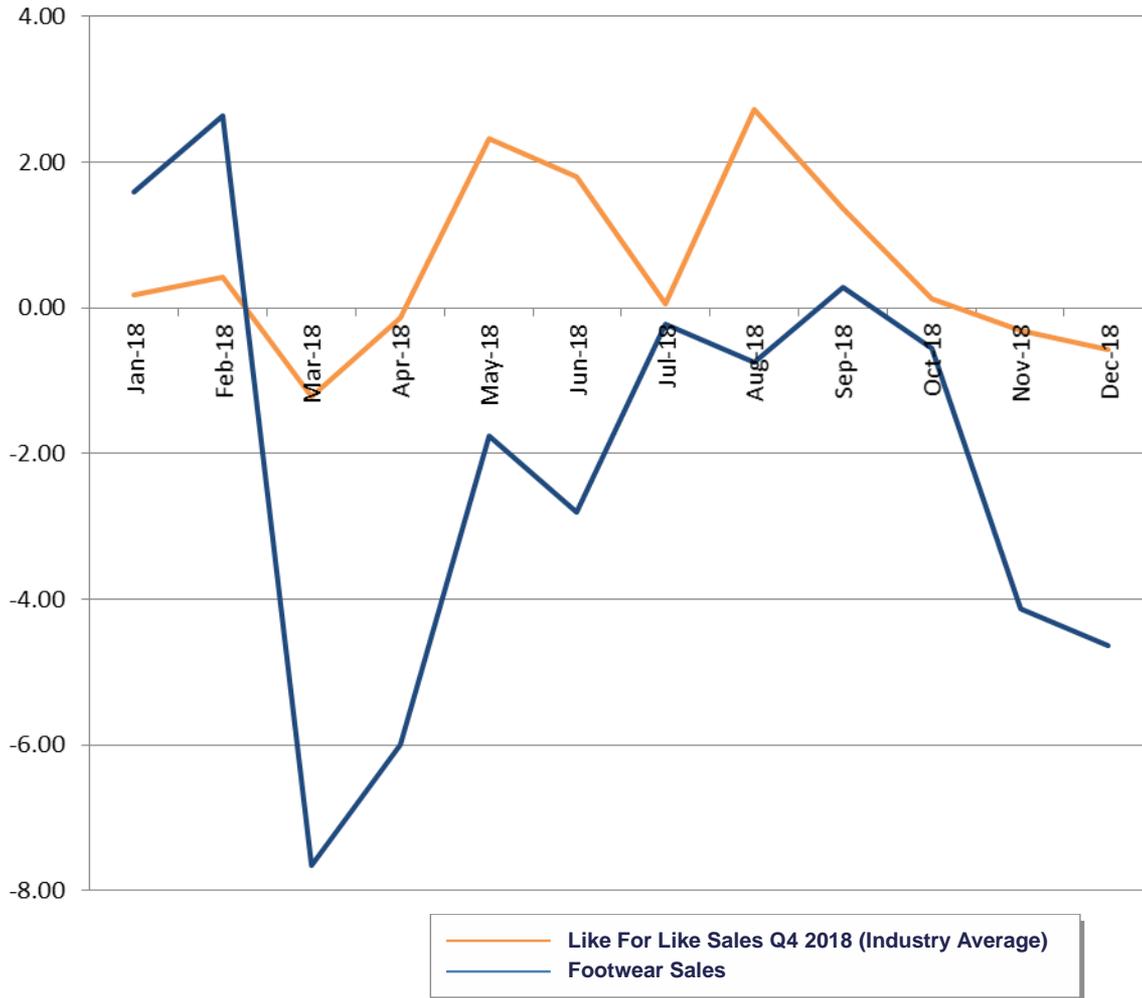
Like for Like Sales Q4 2018 vs Q4 2017 (Industry Average)



LIKE FOR LIKE SALES Q4 2018 (INDUSTRY AVERAGE)
+0.13% Oct
-0.31% Nov
-0.57% Dec
-0.21% Q4

Footwear Sales - Q4 2018

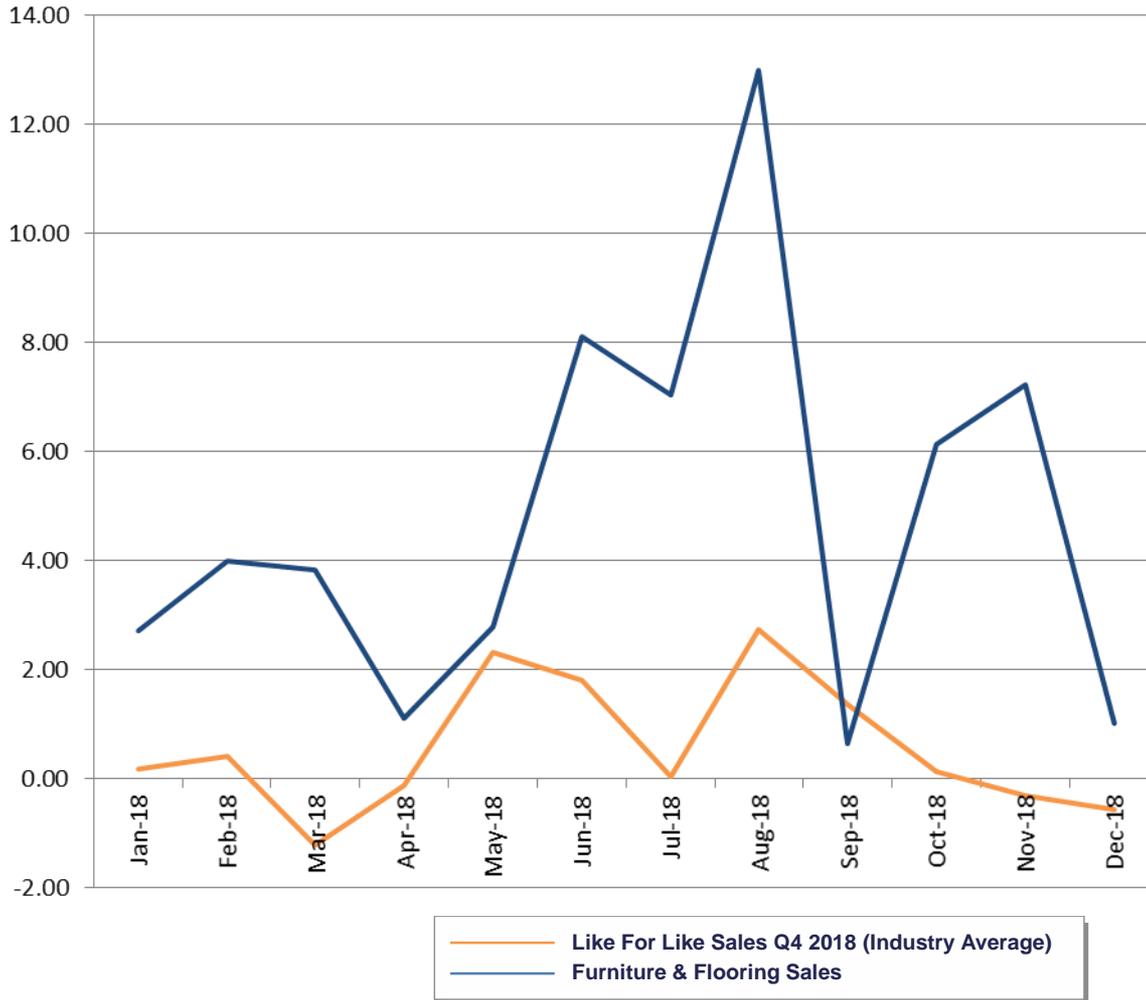
Comparable with Retail Industry Average



2018	FOOTWEAR SALES	LIKE FOR LIKE SALES Q4 2018 (INDUSTRY AVERAGE)
October	-0.56%	+0.13%
November	-4.13%	-0.31%
December	-4.64%	-0.57%
Q4	-3.77%	-0.21%

Furniture & Flooring Sales - Q4 2018

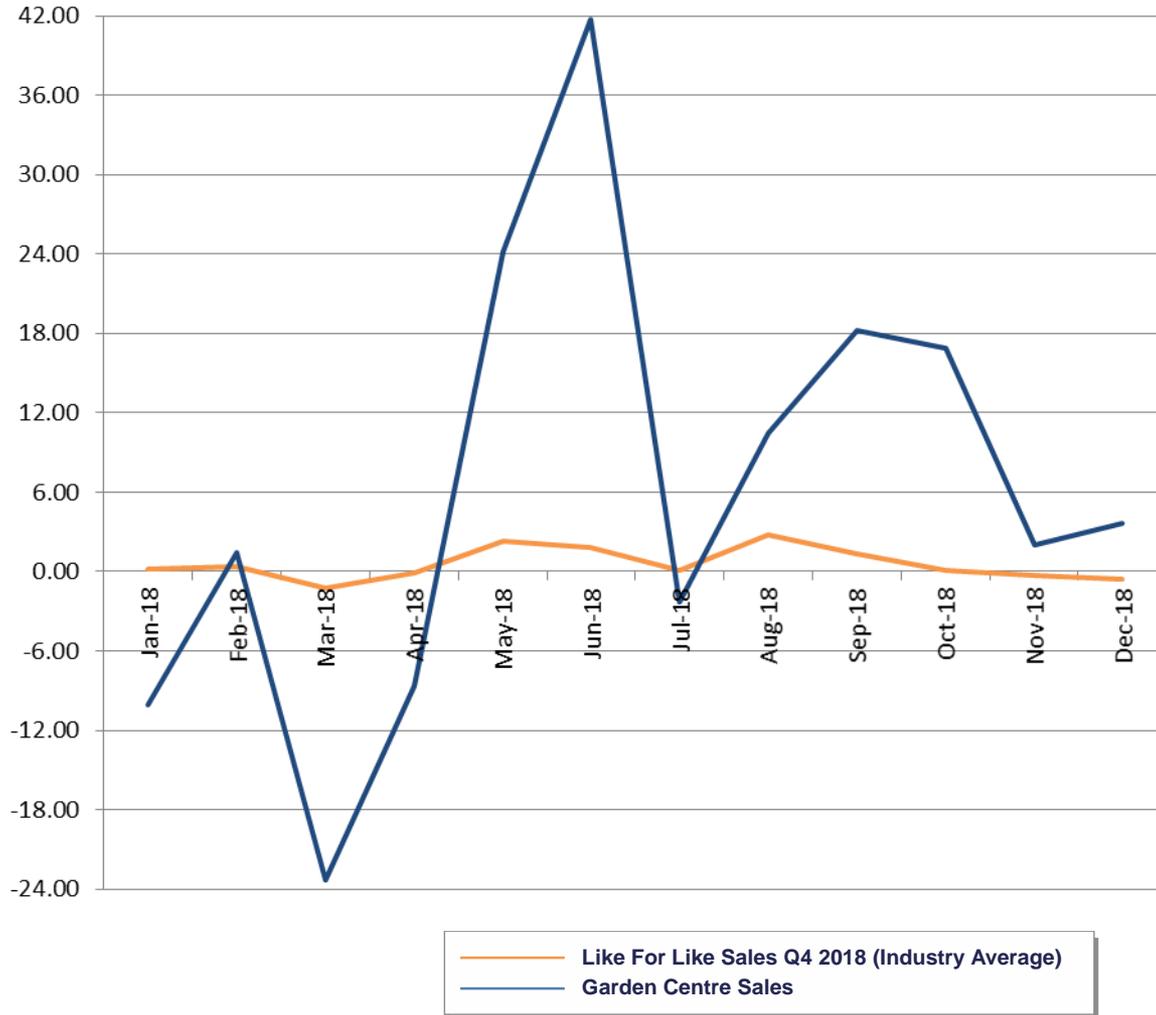
Comparable with Retail Industry Average



2018	FURNITURE & FLOORING SALES	LIKE FOR LIKE SALES Q4 2018 (INDUSTRY AVERAGE)
October	+6.14%	+0.13%
November	+7.22%	-0.31%
December	+1.02%	-0.57%
Q4	+4.14%	-0.21%

Garden Centre Sales - Q4 2018

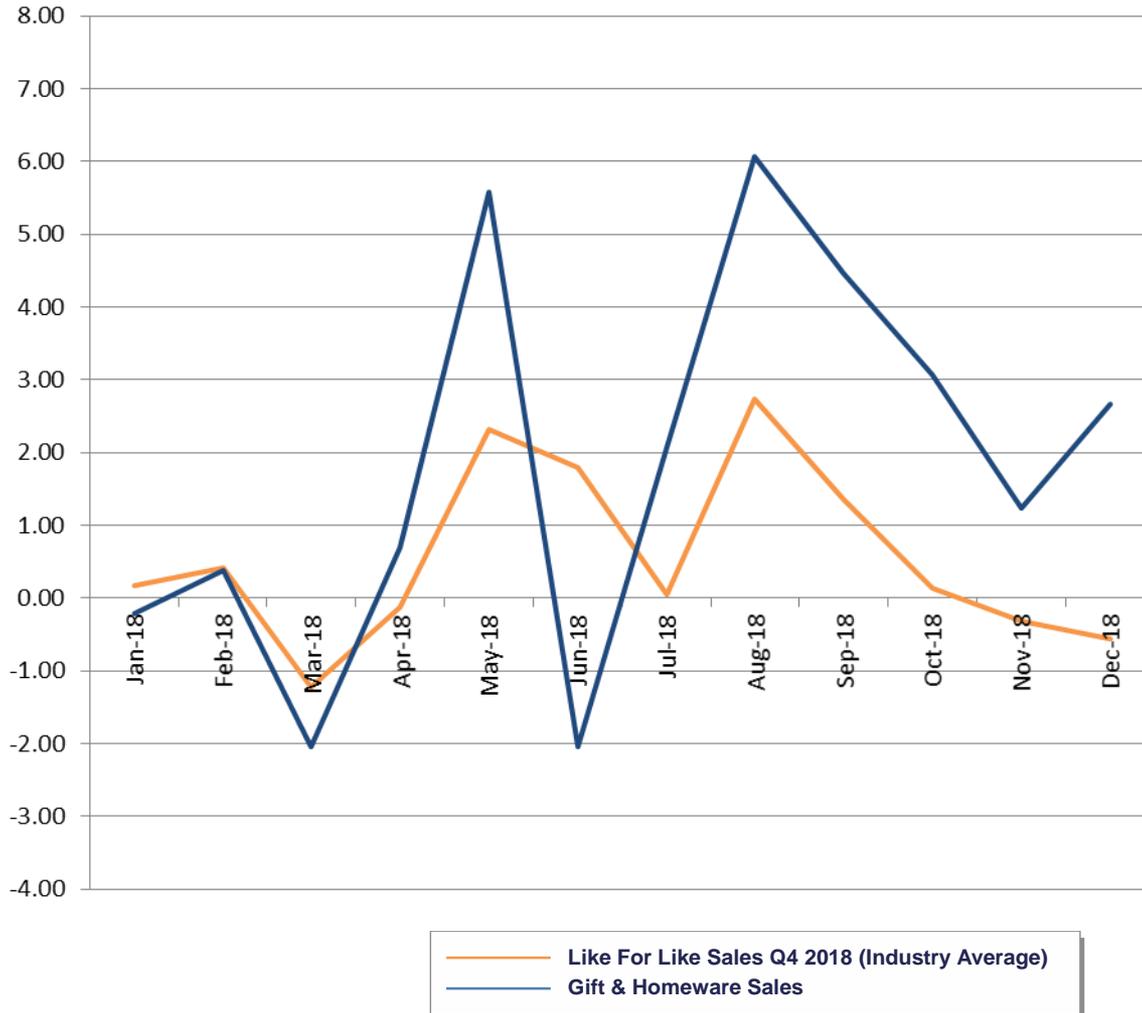
Comparable with Retail Industry Average



2018	GARDEN CENTRE SALES	LIKE FOR LIKE SALES Q4 2018 (INDUSTRY AVERAGE)
October	+16.91%	+0.13%
November	+2.00%	-0.31%
December	+3.63%	-0.57%
Q4	+8.89%	-0.21%

Gift & Homeware Sales - Q4 2018

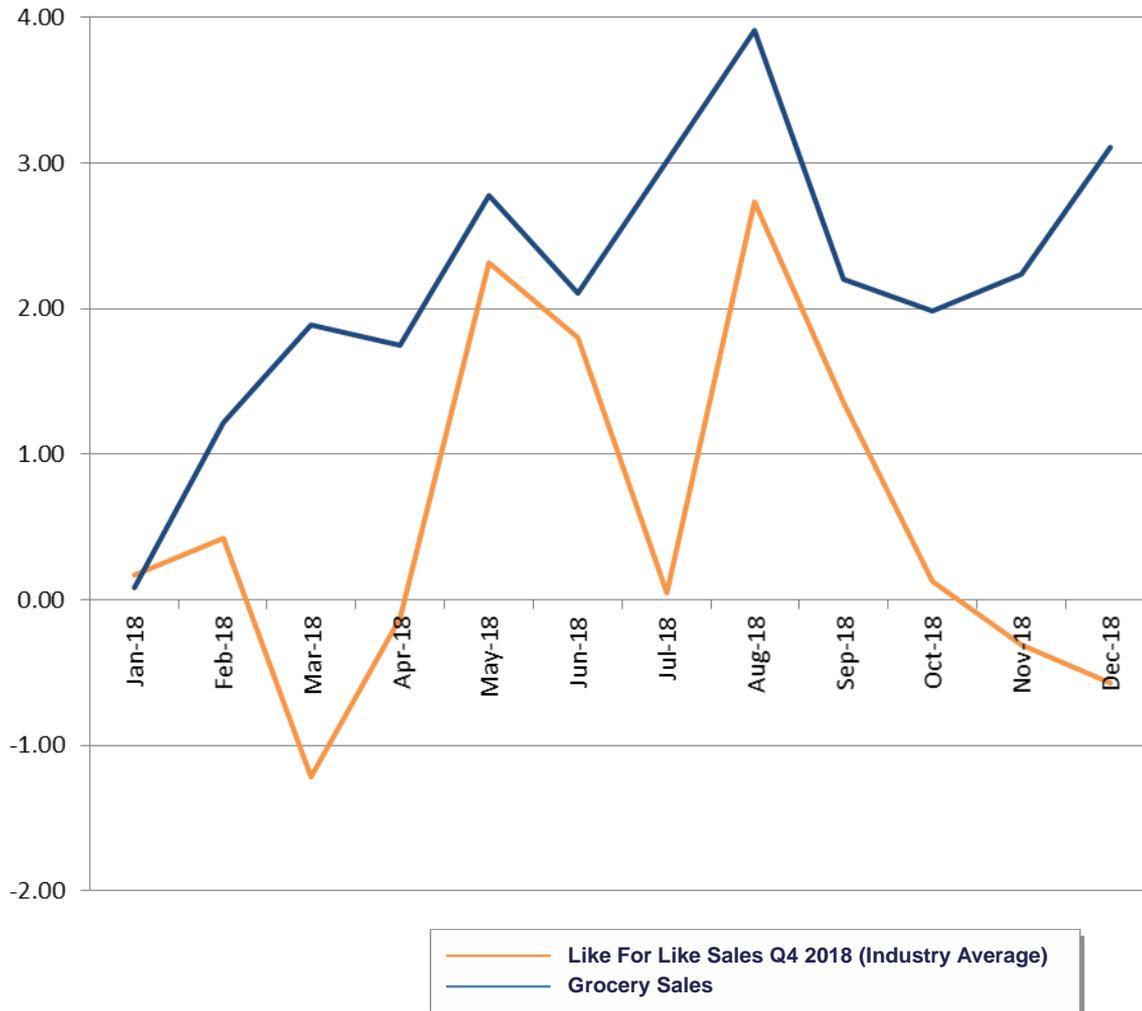
Comparable with Retail Industry Average



2018	GIFT & HOMEWARE SALES	LIKE FOR LIKE SALES Q4 2018 (INDUSTRY AVERAGE)
October	+3.06%	+0.13%
November	+1.24%	-0.31%
December	+2.66%	-0.57%
Q4	+2.43%	-0.21%

Grocery Sales - Q4 2018

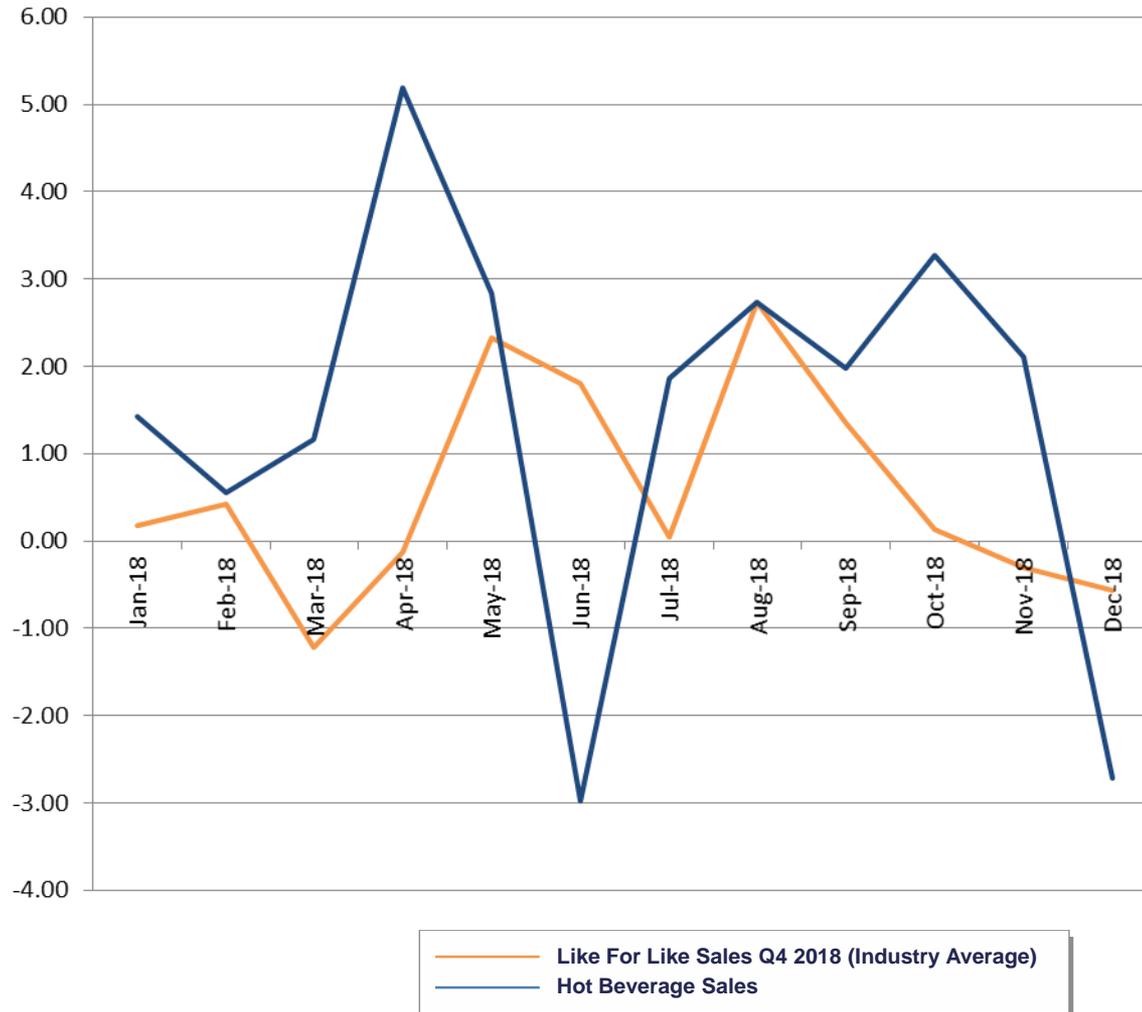
Comparable with Retail Industry Average



2018	GROCERY SALES	LIKE FOR LIKE SALES Q4 2018 (INDUSTRY AVERAGE)
October	+1.98%	+0.13%
November	+2.24%	-0.31%
December	+3.11%	-0.57%
Q4	+2.64%	-0.21%

Hot Beverage Sales - Q4 2018

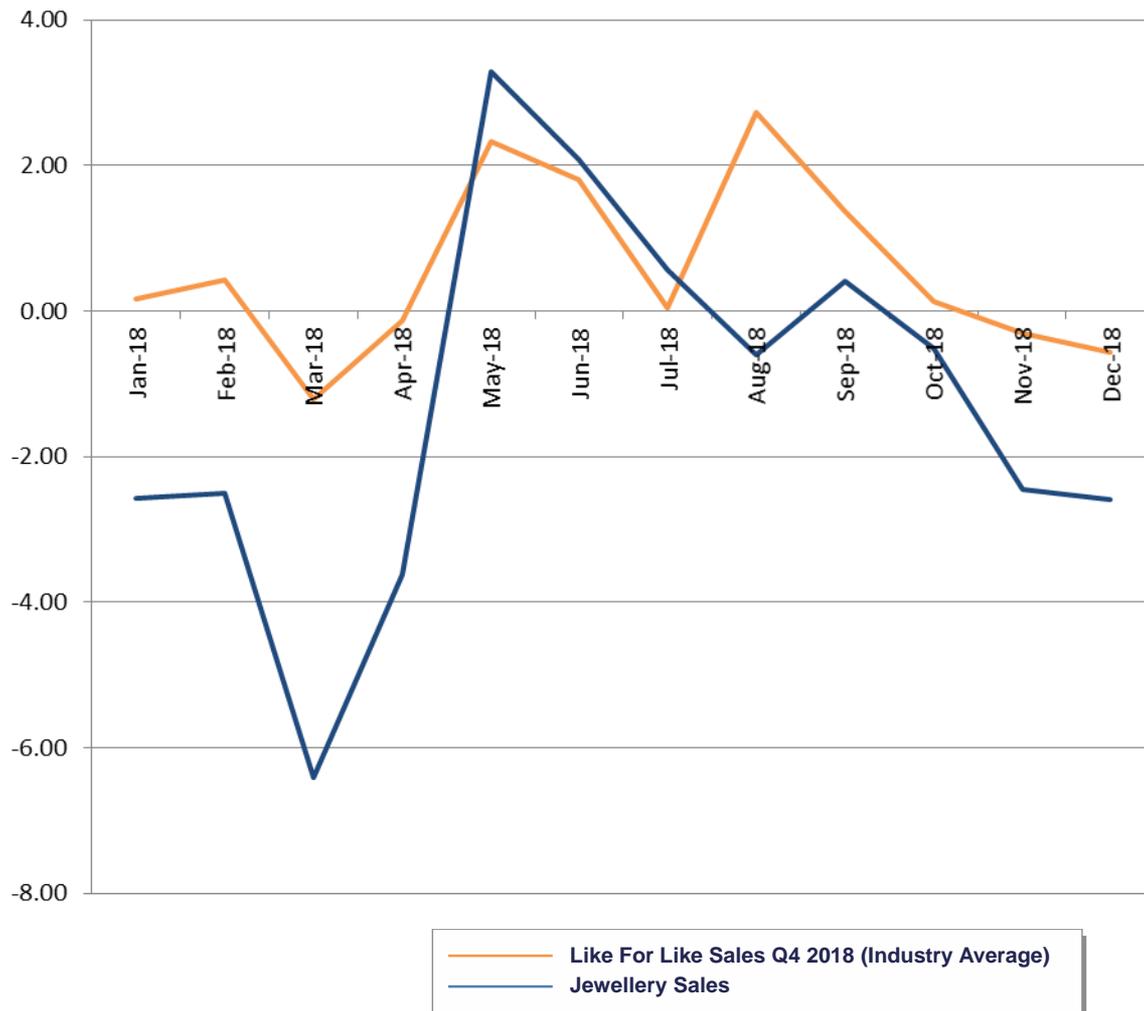
Comparable with Retail Industry Average



2018	HOT BEVERAGE SALES	LIKE FOR LIKE SALES Q4 2018 (INDUSTRY AVERAGE)
October	+3.27%	+0.13%
November	+2.11%	-0.31%
December	-2.17%	-0.57%
Q4	+0.98%	-0.21%

Jewellery Sales - Q4 2018

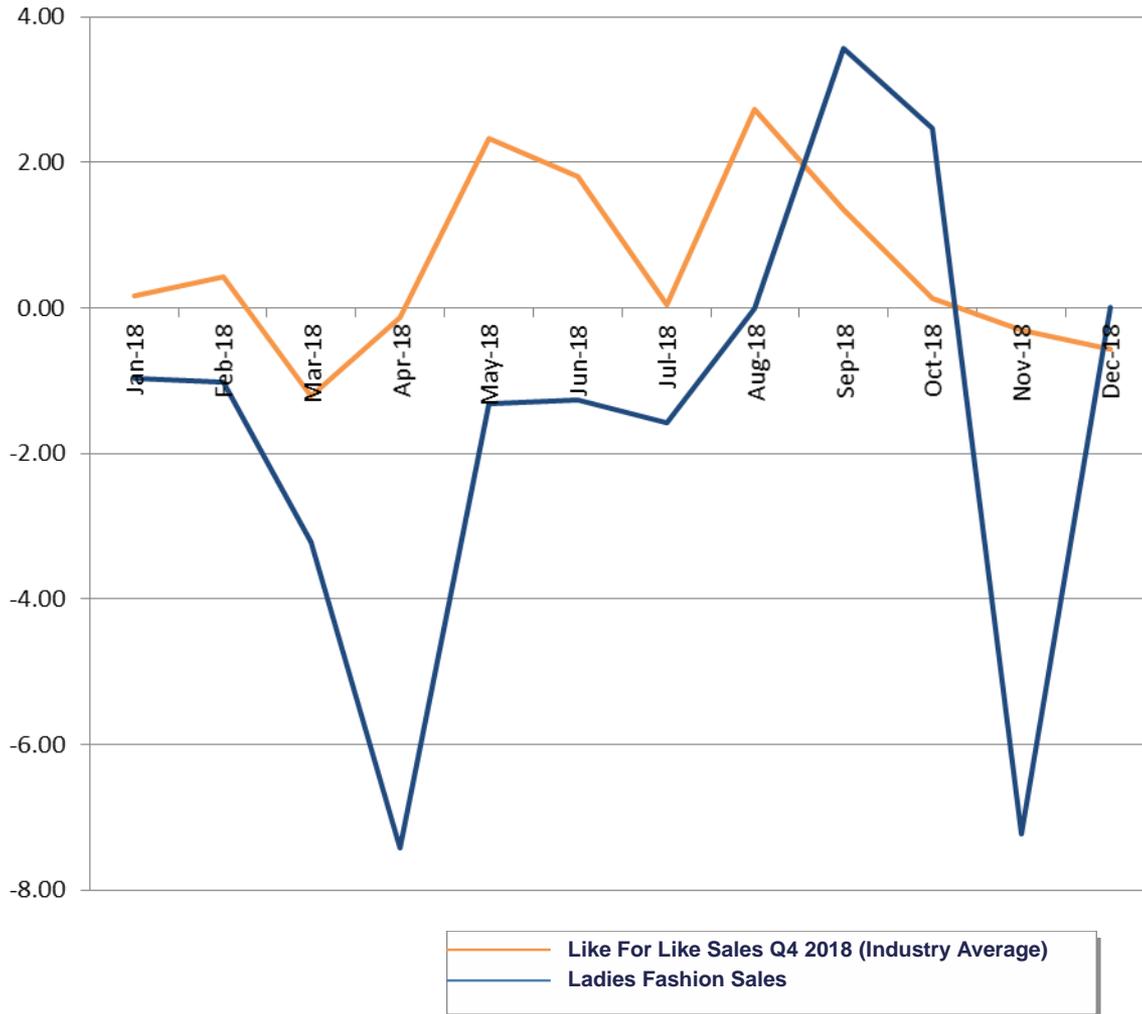
Comparable with Retail Industry Average



2018	JEWELLERY SALES	LIKE FOR LIKE SALES Q4 2018 (INDUSTRY AVERAGE)
October	-0.52%	+0.13%
November	-2.45%	-0.31%
December	-2.59%	-0.57%
Q4	-2.25%	-0.21%

Ladies Fashion Sales - Q4 2018

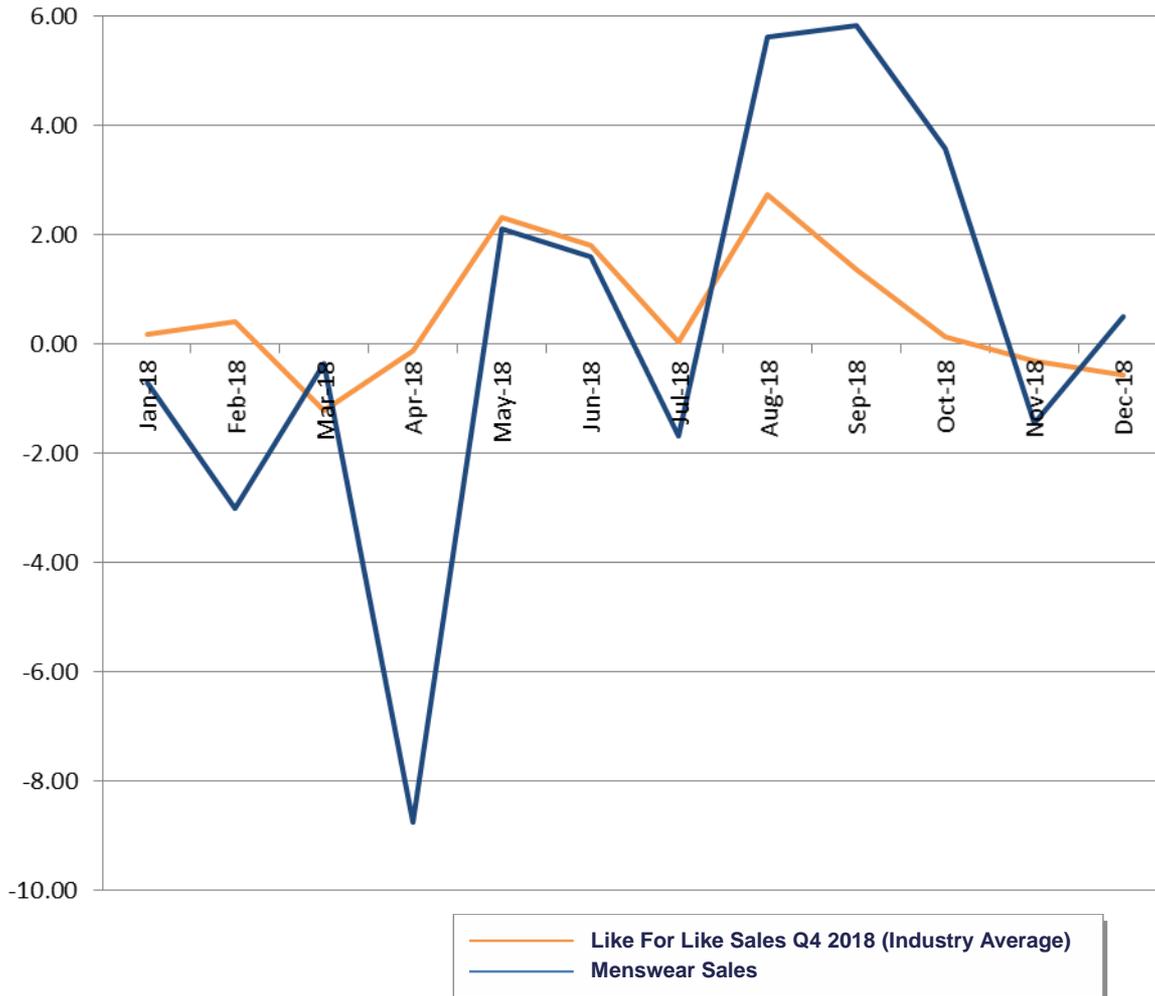
Comparable with Retail Industry Average



2018	LADIES FASHION SALES	LIKE FOR LIKE SALES Q4 2018 (INDUSTRY AVERAGE)
October	+2.46%	+0.13%
November	-7.23%	-0.31%
December	+0.01%	-0.57%
Q4	-1.56%	-0.21%

Menswear Sales - Q4 2018

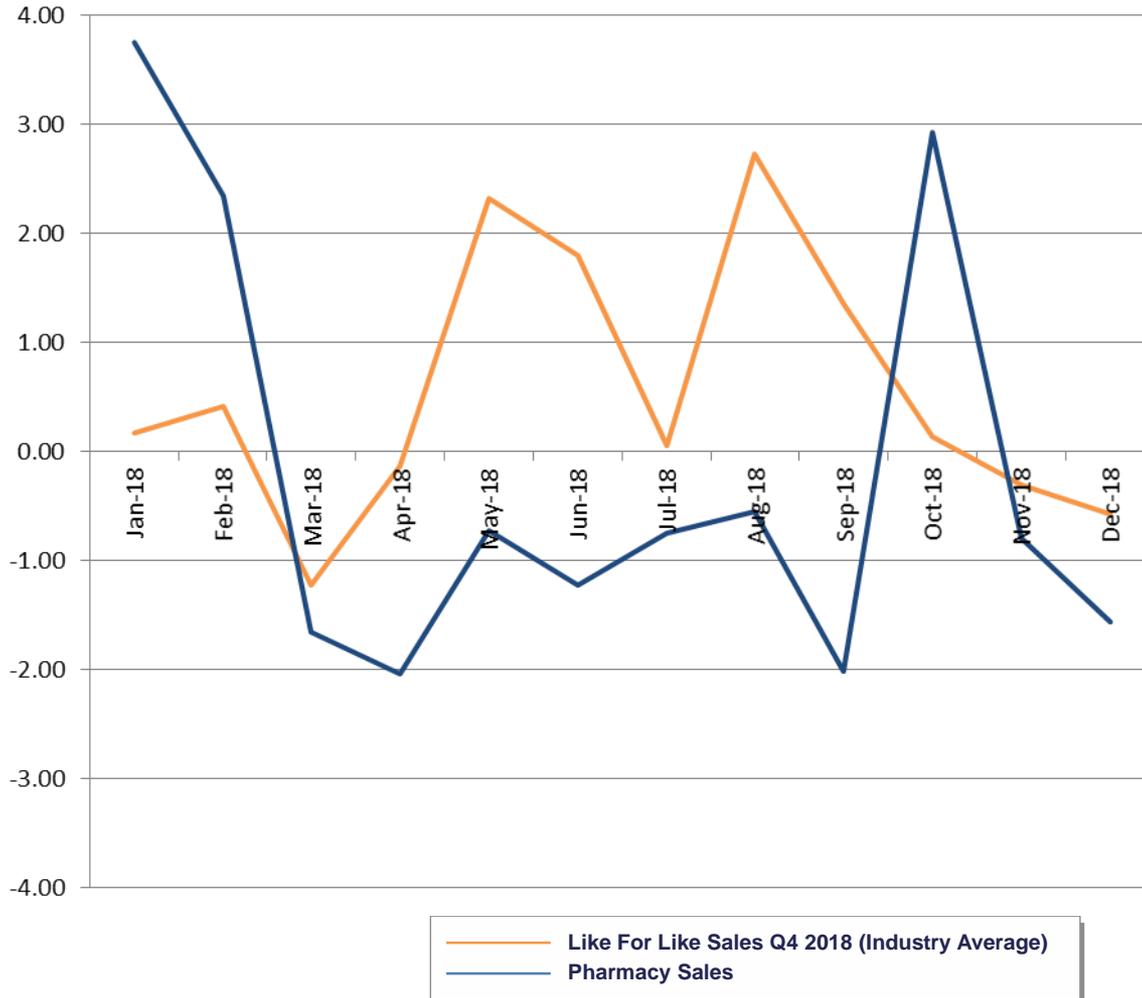
Comparable with Retail Industry Average



2018	MENSWEAR SALES	LIKE FOR LIKE SALES Q4 2018 (INDUSTRY AVERAGE)
October	+3.58%	+0.13%
November	-1.44%	-0.31%
December	+0.51%	-0.57%
Q4	+0.92%	-0.21%

Pharmacy Sales - Q4 2018

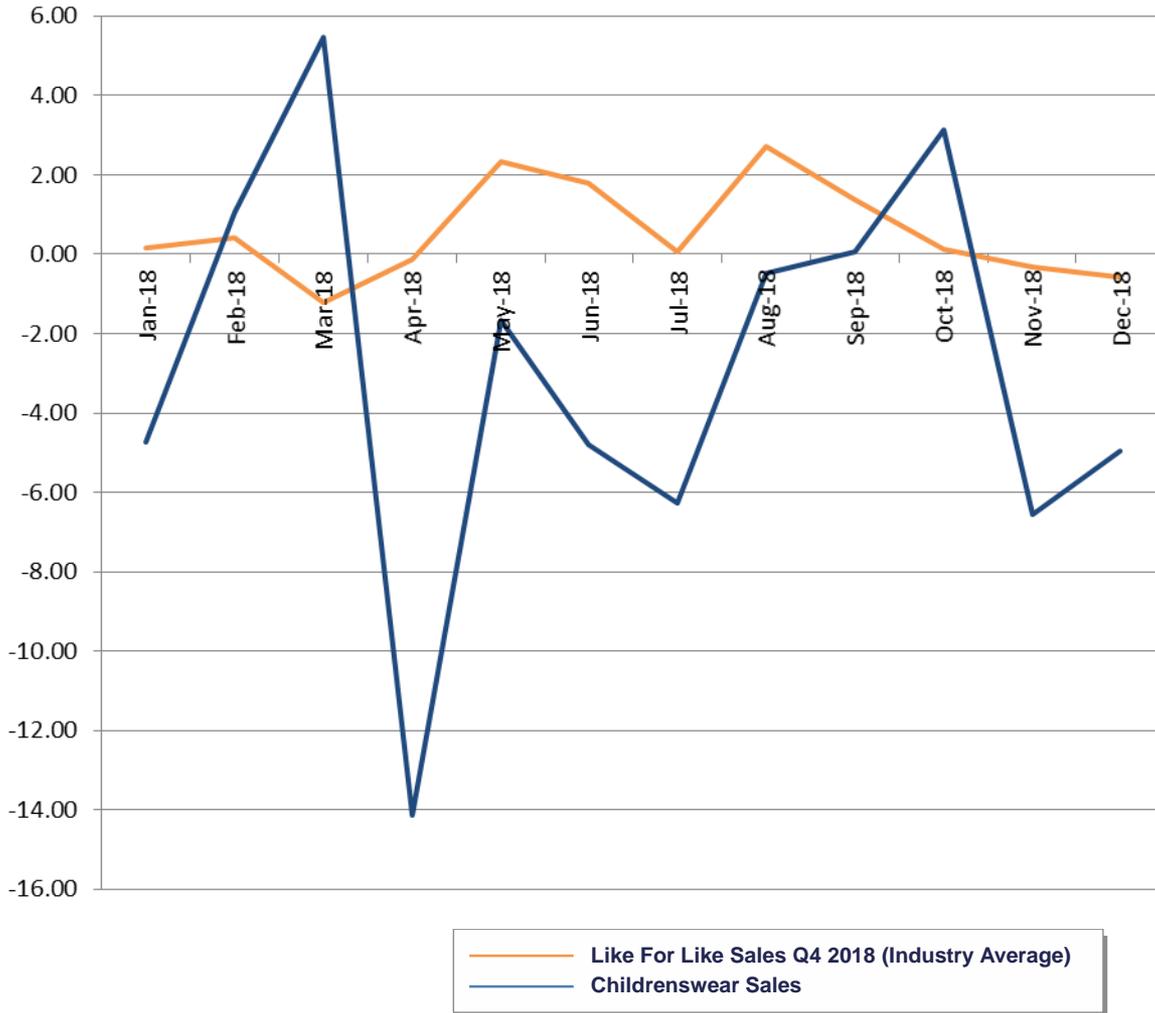
Comparable with Retail Industry Average



2018	PHARMACY SALES	LIKE FOR LIKE SALES Q4 2018 (INDUSTRY AVERAGE)
October	+2.93%	+0.13%
November	-0.79%	-0.31%
December	-1.56%	-0.57%
Q4	-0.36%	-0.21%

Childrenswear Sales - Q4 2018

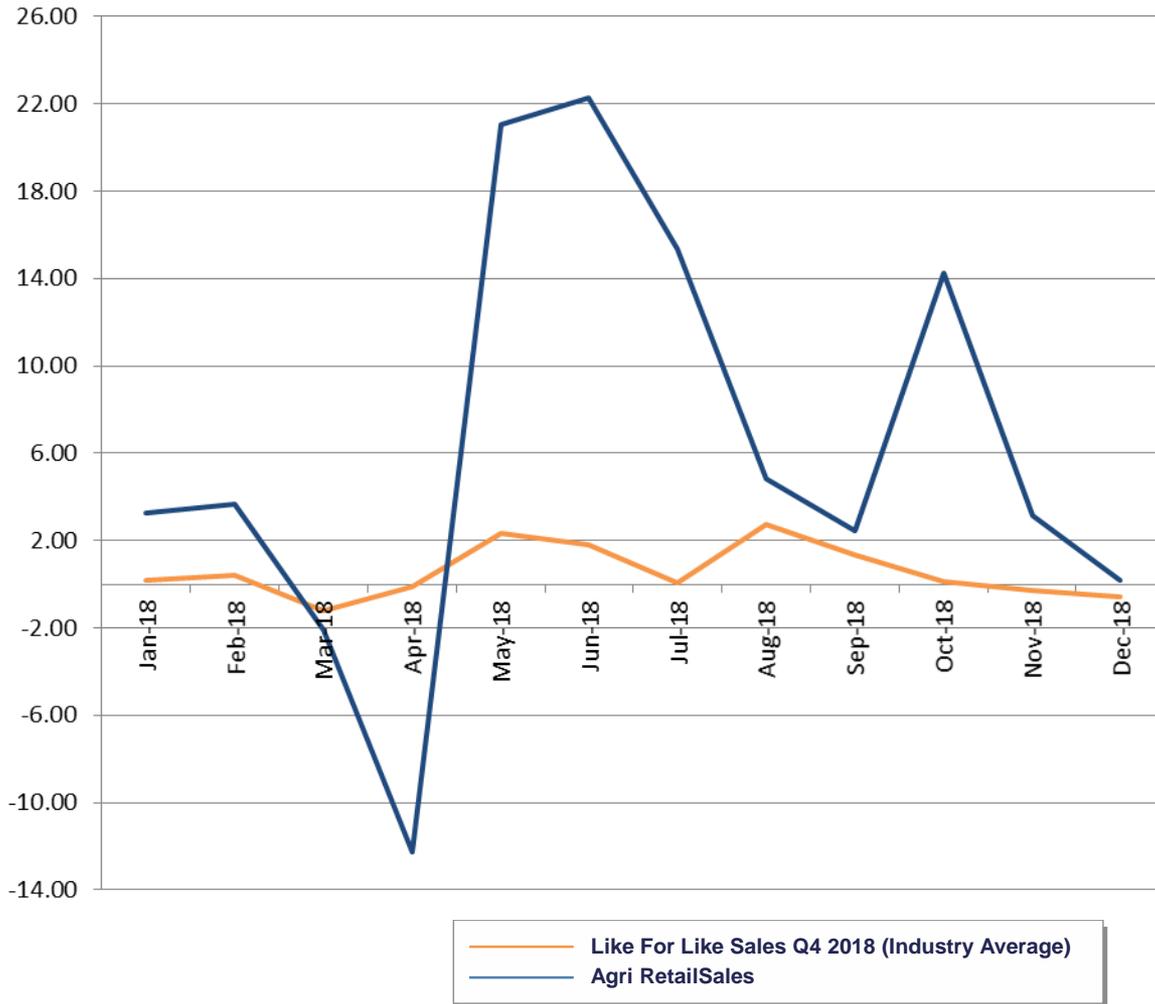
Comparable with Retail Industry Average



2018	CHILDRENSWEAR SALES	LIKE FOR LIKE SALES Q4 2018 (INDUSTRY AVERAGE)
October	+3.14%	+0.13%
November	-6.55%	-0.31%
December	-4.95%	-0.57%
Q4	-3.60%	-0.21%

Agri Retail Sales - Q4 2018

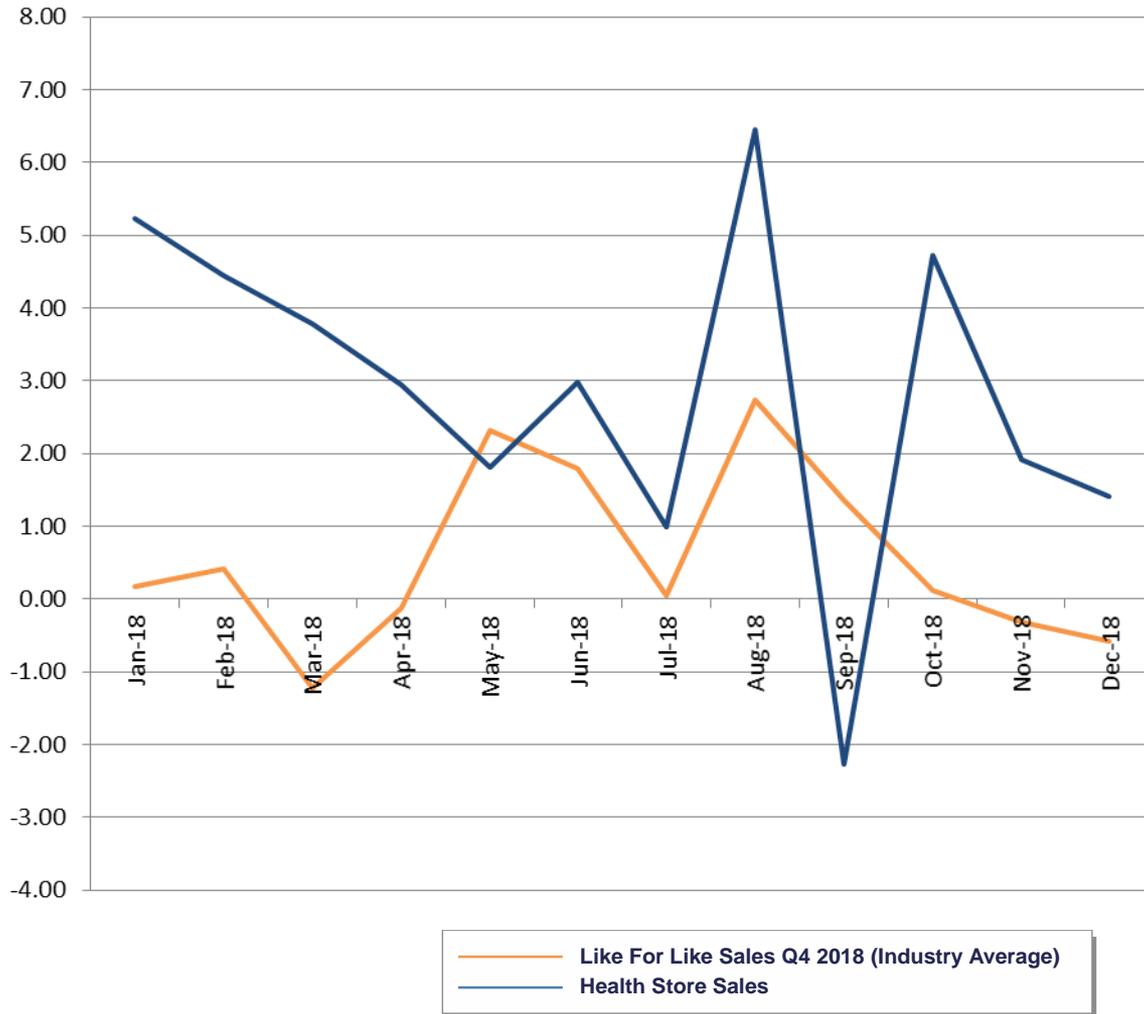
Comparable with Retail Industry Average



2018	AGRI RETAIL SALES	LIKE FOR LIKE SALES Q4 2018 (INDUSTRY AVERAGE)
October	+14.24%	+0.13%
November	+3.17%	-0.31%
December	+0.19%	-0.57%
Q4	+7.64%	-0.21%

Health Store Sales - Q4 2018

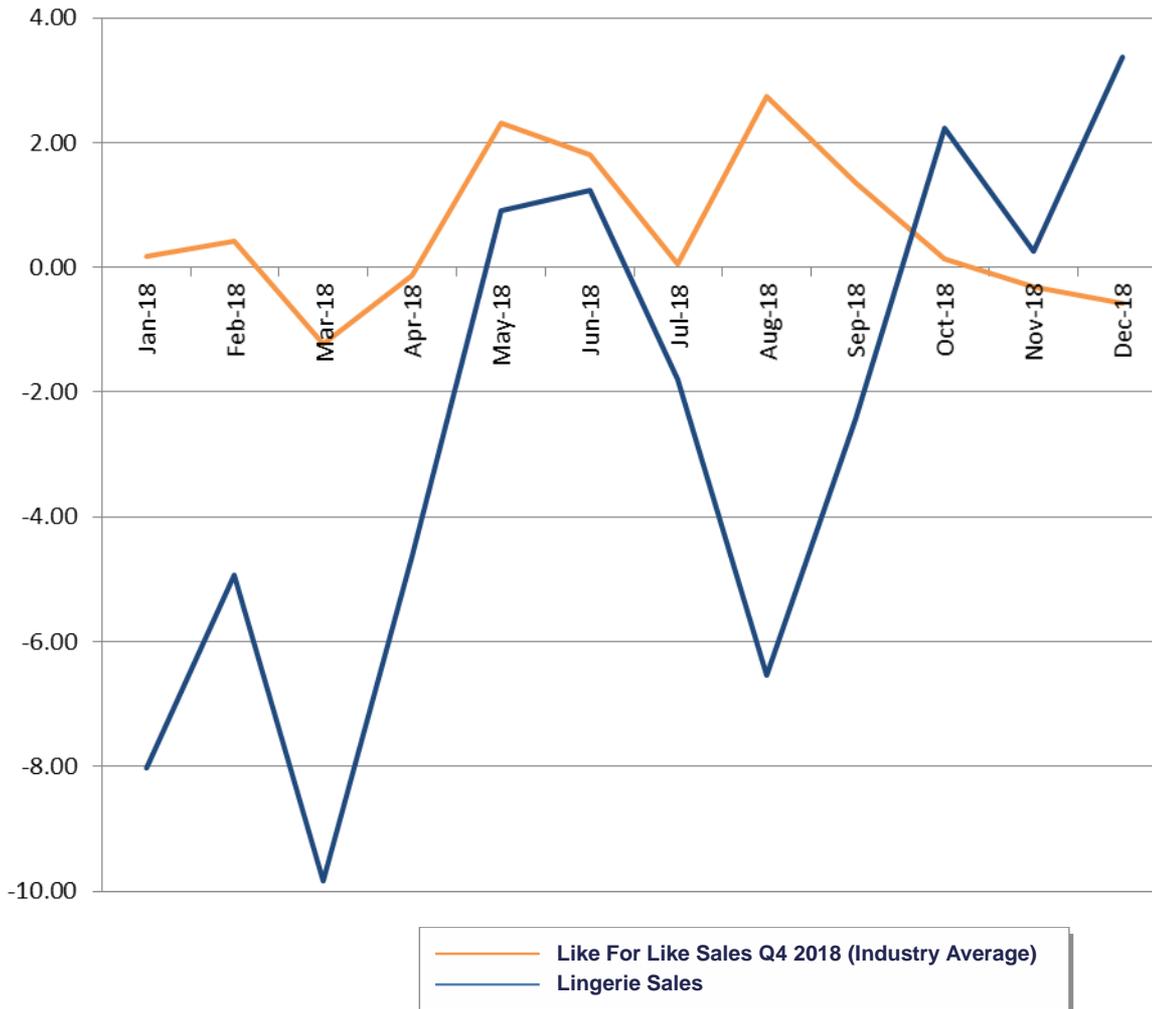
Comparable with Retail Industry Average



2018	HEALTH STORE SALES	LIKE FOR LIKE SALES Q4 2018 (INDUSTRY AVERAGE)
October	+4.73%	+0.13%
November	+1.92%	-0.31%
December	+1.42%	-0.57%
Q4	+3.15%	-0.21%

Lingerie Sales - Q4 2018

Comparable with Retail Industry Average



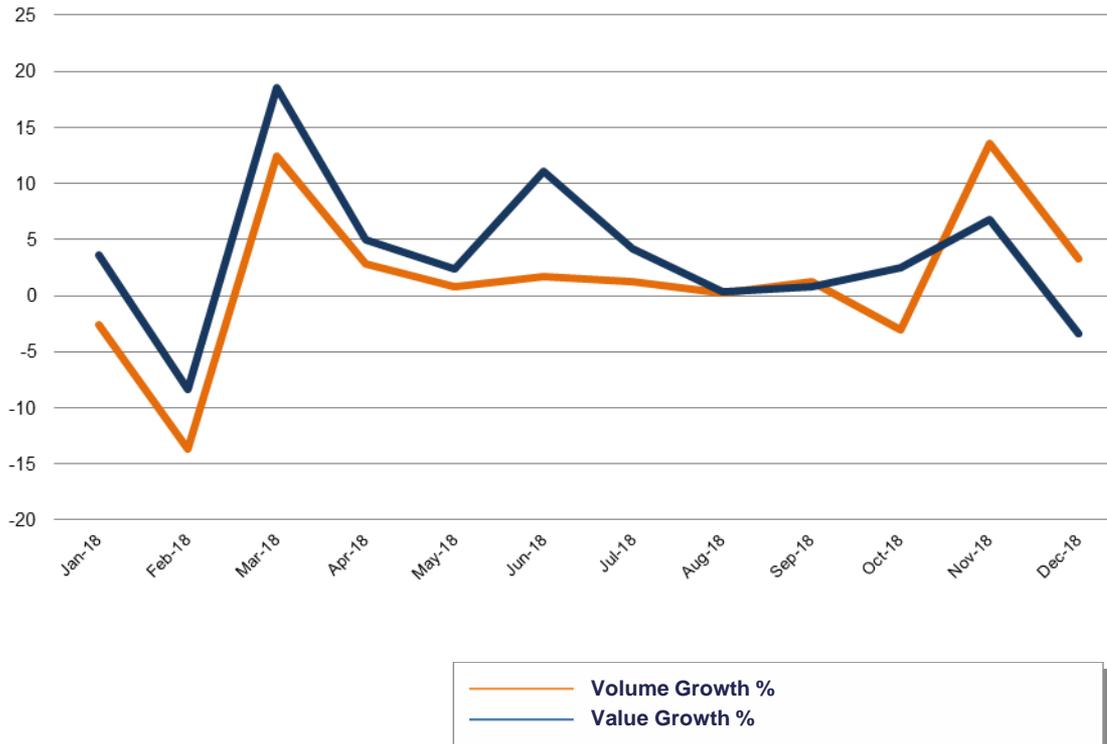
2018	LINGERIE SALES	LIKE FOR LIKE SALES Q4 2018 (INDUSTRY AVERAGE)
October	+2.24%	+0.13%
November	+0.26%	-0.31%
December	+3.37%	-0.57%
Q4	+2.35%	-0.21%

Consumer Electronics (Brown Goods) Sales - Q4 2018

Value and Volume performance Year on Year - Figures include: Audio Systems, DVD Players, Portable Media Players (MP3/4), Flat TV & Radio Devices (Table Top), Headphones, Docking Speakers, Loudspeakers

Commentary from Nick Simon, CE Insight Director, GfK:

It is some time since volume sales enjoyed more growth than their value equivalent, but this has been the case in the last two months of 2018, particularly in November, although the cheaper products on offer provided sufficient stimulation to give a comfortable 7% increase for market turnover. As always the impetus was provided by a minority of products. Voice activation enjoyed a very significant share of Audio systems having barely registered a year ago while OLED enjoyed greater prominence in an ever more dominant 4K TV sector (up 50% year on year). Otherwise, Headphones/Headsets (up 44%) and Soundbars (+11%) were the only two products to increase value in the quarter versus 2017.



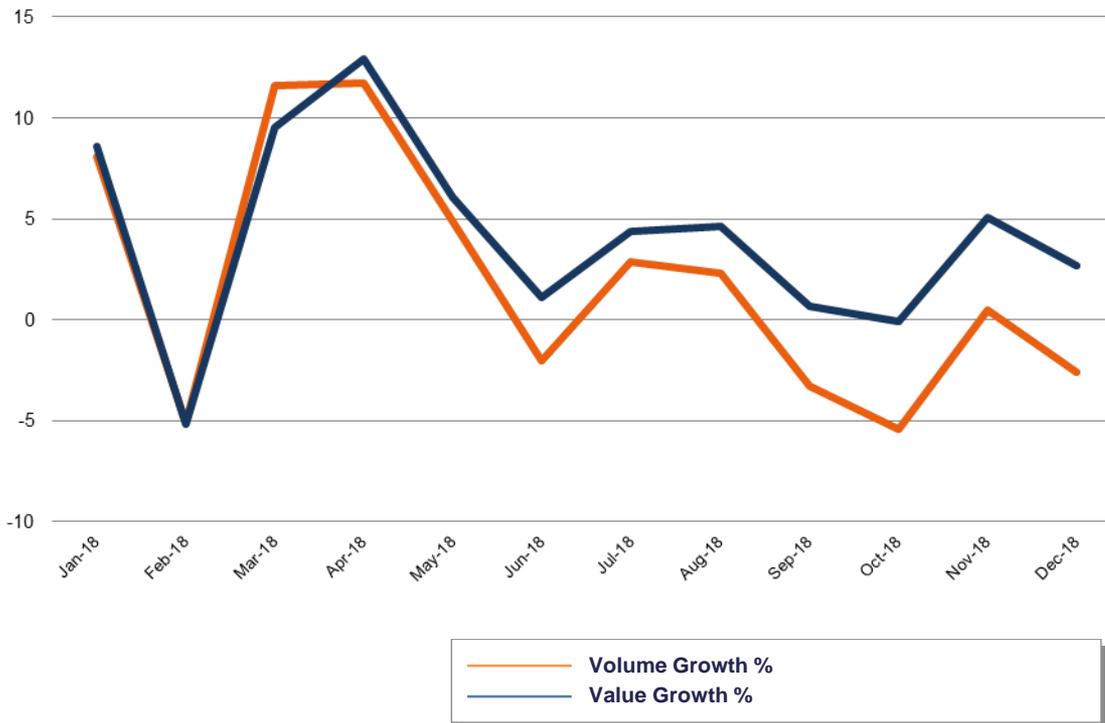
2018	Value Performance (Vs. 2017)	Volume Performance (Vs. 2017)
October	+3.00%	-3.00%
November	+7.00%	+14.00%
December	-3.00%	+3.00%
Q4	+1.00%	+3.00%

Home Appliances (Major Appliances) Sales - Q4 2018

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

Commentary from **Bethan Fleming**, Client Insight Manager, GfK :

Q4 was mixed for major appliances as October and December saw some of the biggest volume declines of the year. In contrast, growth in November came through all categories except microwaves and freezers, with total integrated sales vastly outperforming against freestanding (+9% v +3% in value). The best performing areas during this quarter were hoods, hobs and cooking. Within cooking, range cookers (61cm+ freestanding cookers) saw the biggest increase with growth at +23%, compared to built-in ovens which were up almost 7%. The worst performing category was Tumble dryers which fell by more than 6% in value. The average selling price grew by 5% during Q4, with the average major appliance now costing €342.



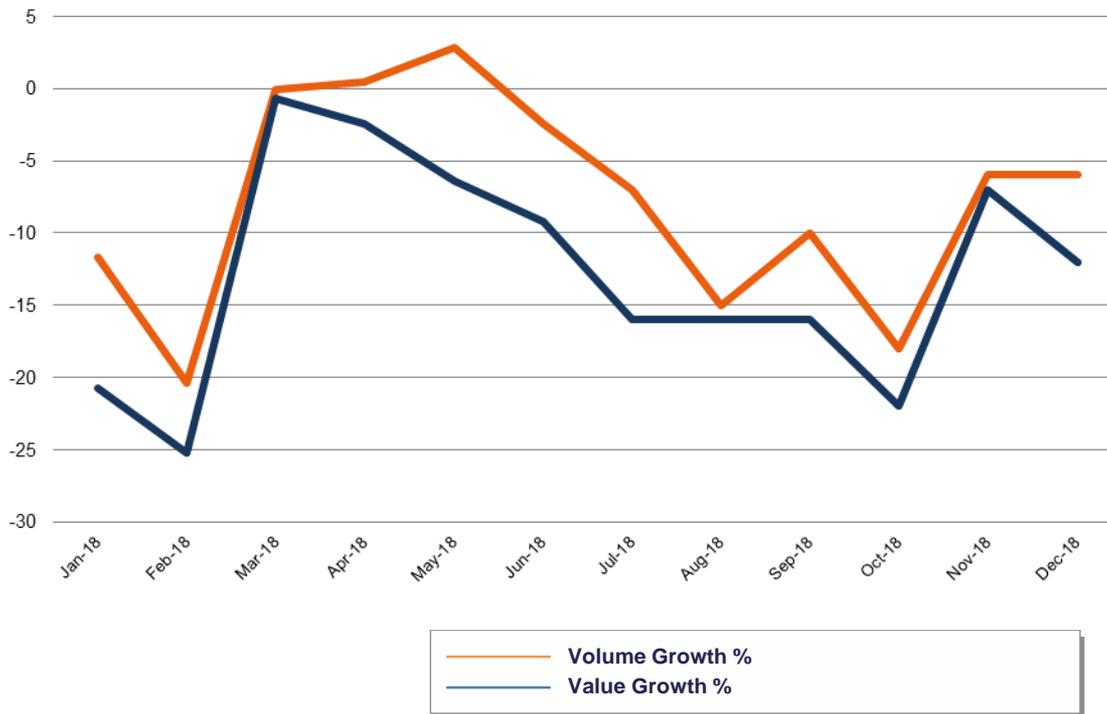
2018	Value Performance (Vs. 2017)	Volume Performance (Vs. 2017)
October	-0.10%	-5.40%
November	+5.10%	+0.50%
December	+2.70%	-2.60%
Q4	+2.60%	-2.40%

Information Technology (IT) Sales - Q4 2018

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

Commentary from Harry Wolverson, Client Insights Manager, GfK :

After a dip in Oct at the beginning of Q4, we saw declines lessen for Nov 18 during the promotional Black Friday/Cyber Monday period, with both value & volume improving to -7% & -6% respectively. Desktops & Notebooks drove this increase in Nov, with Desktop up 20% & Notebooks up 6.7%. The biggest winners under notebooks for Q4 were gaming devices, which saw 16.7% growth in terms of volume. However ASP for gaming dropped by 10.5%, which suggests that gaming products were key discount items during this promotional time. December saw volume growth remain at -6% while value share dropped. ASP declined for Dec across all categories, bar computing tablets at +17.6%, which suggests further promotion activity in the run up to Christmas has contributed to this.



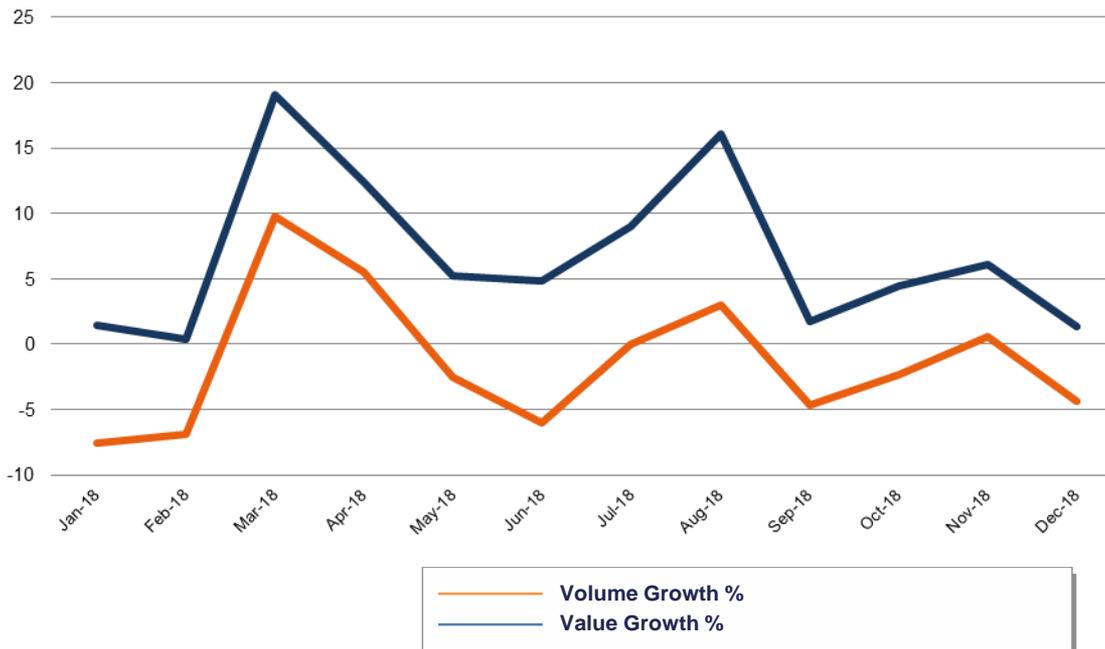
2018	Value Performance (Vs. 2017)	Volume Performance (Vs. 2017)
October	-22.00%	-18.00%
November	-7.00%	-6.00%
December	-12.00%	-6.00%
Q4	-12.00%	-8.00%

Home Appliances (Small Appliances) Sales - Q4 2018

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 Collins, Client Insight Director, GfK:

Q4 saw Small Domestic Appliances grow by 3.7% in value, but with only one month of slight growth the quarter recorded a decline of 2.3% in volume. The largest value decline came from hair dryers which was down 6.4% despite a growth in volume as average prices fell by €5 compared to Q4 2017. Consumers attention fell onto hair stylers which recorded an impressive value growth of 44% year on year and an increase in the average price tag of €16 driven by new entrances to the market. Vacuum cleaners volume fell by 8.1% but rising prices meant value declined by just 0.2%, the best performing segments were handsticks, uprights and robots. In the kitchen, food preparation continues to struggle down 3.8% in value as personal blending continues to fall from the peak seen in 2015. Meanwhile, hot beverage makers enjoyed an 8% value growth, as full automatic machines record double digit growth every month in the second half of 2018.



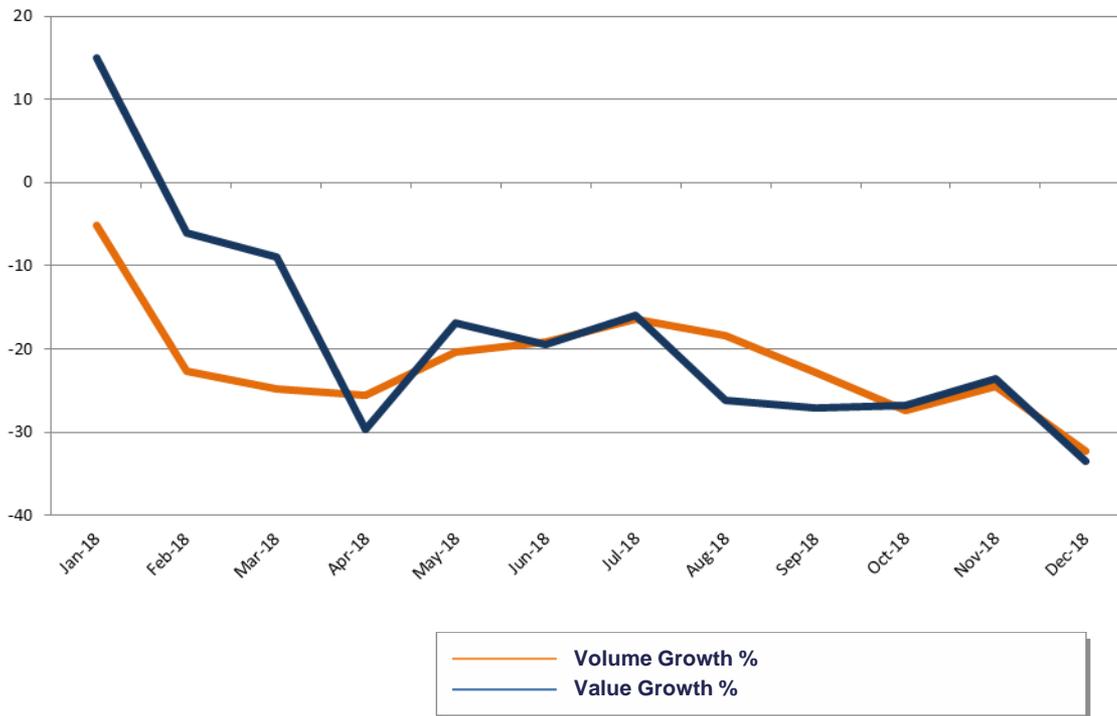
2018	Value Performance (Vs. 2017)	Volume Performance (Vs. 2017)
October	+4.50%	-2.30%
November	+6.10%	+0.60%
December	+1.40%	-4.40%
Q4	+3.70%	-2.30%

Digital Camera Sales - Q4 2018

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

Commentary from Sharanya Kanagarajh, Photo, GfK:

The digital cameras market suffered a further decline of 29% in value in Q4 in comparison to Q4 2017. The year itself wasn't so fruitful and the largest decline has come from SLR cameras and Fixed Lens Bridge Cameras, accelerating to -40% and -41% respectively for Q4. However SLRs have still remained as the largest segment of the camera market in Q4 at 34%. We have seen that Compact System Cameras (CSC) have increased gradually over the initial three quarters of the year, but in the last quarter has seen a slight decline of approx. 5% in comparison to Q3. The total Average Selling Price (ASP €) was unaffected in Q4 in comparison to Q3.



2018	Value Performance (Vs. 2017)	Volume Performance (Vs. 2017)
October	-27.00%	-27.00%
November	-23.00%	-24.00%
December	-33.00%	-32.00%
Q4	-29.00%	-29.00%

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 1,800 leading retail companies who operate over 13,000 stores in the Irish market.

Retail Excellence is a not for profit organisation which invests in inFebative 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 investing 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