

# Retail Market Review United Kingdom Q1 2011

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# Economic Overview

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- Overall Q1 GDP growth came in at 0.5% following a decrease of 0.5% in Q4 2010. The effect of the abnormal weather conditions in December 2010 is estimated to have subtracted 0.5% from growth in the fourth quarter. GDP is estimated now to have returned to the level in the third quarter of 2010. Total services output increased by 0.9% in Q1 compared with a decrease of 0.6% in the previous quarter. The largest contribution to the growth was from business services and finance.
- Market expectations for interest rate hikes have strengthened following a further acceleration in the headline inflation rate and a third member of the MPC voting for higher rates. Although it is felt by some that the Committee will move as early as May given uncertainties about oil prices and the strength of the recovery, others expect the first rise to come in August (brought forward from November).
- As of February, the unemployment rate stood at 8.0% - up 0.1% over the quarter and 0.2% on the year. The number of people employed was 32,000 higher this quarter and up by 296,000 from last year. For the time being the CIPD still expects headline unemployment to reach 2.7 million by the end of 2011 and continue to rise into 2012.
- Consumer spending declined at a greater rate than previously thought in Q4 2010, revised to -0.3% from -0.1%. This was the biggest quarter-on-quarter fall in household expenditure since Q2 2009.
- Inflation has continued to accelerate, with the CPI rate hitting 4.0% in January, and with further sharp rises in commodity prices since then the headline rate will climb further in the coming months. Oxford Economics expects CPI inflation to average 4% in 2011, double the MPC target, although the bulk of the overshoot can still be explained by VAT and commodity prices. Commodity prices are expected to stabilise by mid-year, assuming there is no further escalation of political and social tensions in the Middle East, while the VAT increase will fall out of the inflation calculation in early-2012. Inflation is expected to drop below 2% in early-2012.
- House prices fell 1.4% in January followed by a 0.8% fall in February, to finish the month 1.7% lower than February 2010. With consumer confidence still relatively low and unemployment steadily rising, the figures reveal that the cost of an average home in England and Wales dropped 0.8% on January's figure.
- The annual rate of growth for 2011 was unrevised at 1.5% in the latest estimate.



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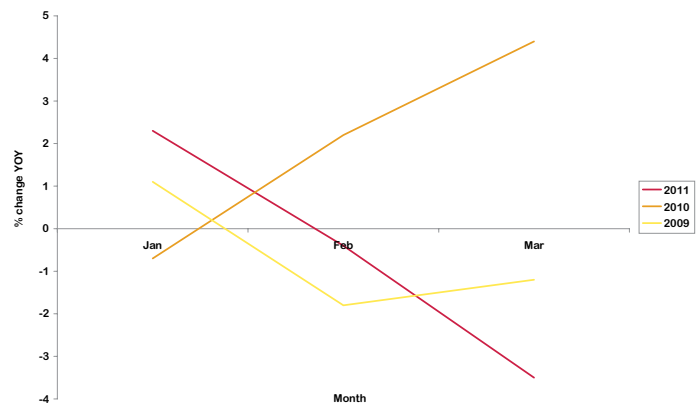
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# Retail Overview

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- According to the British Retail Consortium, UK retail sales in January were up 2.3% on a like-for-like basis from January 2010, when sales had fallen 0.7%. On a total basis, sales were 4.2% higher, against a 1.2% increase in January 2010. Pent-up demand after December's snow, pre-VAT rise purchases and clearance bargains boosted non-food sales at the start of the month. Sales then fell back, hit by consumer caution. Food sales growth slowed as people had less need to buy, having stocked up during the snow.
- In February, UK retail sales values were down 0.4% on a like-for-like basis from February 2010, when sales had risen 2.2%. On a total basis, sales were 1.1% higher, against a 4.5% increase in February 2010. Food sales picked up after a weaker January but non-food sales slowed sharply. Consumers' underlying uncertainty about jobs and incomes resurfaced, hitting clothing, footwear and homewares. Big-ticket purchases suffered most and were often promotion-led.
- In March, on a like-for-like basis, sales were 3.5% lower, against a 4.4% increase in March 2010. UK retail sales values were down 1.9% on a total basis from March 2010, when sales had risen 6.6%, boosted by Good Friday and Easter Saturday falling in the March trading period. This was the biggest drop in total sales since figures were first collected in 1995. Like-for-like food sales fell well below their year-earlier level and non-food sales showed an even larger decline. Consumers' underlying uncertainty about jobs and incomes, as well as the later Easter, hit both. Big-ticket home and furniture purchases suffered most and were often promotion-led.
- UK footfall was 1.8% up in January compared with 2010. The first week of the year saw footfall increase significantly year-on-year but the three weeks following all experienced negative year-on-year growth. February footfall was down 1.8% - with the exception of 2009, the footfall for February was the lowest for this month in the past 4 years. Footfall decreased by 2.3% in March. A decrease was seen in the first three weeks of the month with an increase during the last week. This was due to Mother's Day being on the Sunday; in addition the comparable week was set against Easter in 2010 where there was little or no trading on the Sunday.

Like-for-like retail sales growth – Q1 2009-2011



- With regard to Scottish Retail Sales, like-for-like sales in January were 0.7% up on those in December 2009, when they had risen 1.4%. Like-for-like sales in February were unchanged from those in November 2009. Sales on a like-for-like basis were 1.8% lower in March than the same month last year. More concern about public sector job cuts in Scotland following the government's spending review has made shoppers more cautious about spending. In March
- Non-food non-store sales (internet, mail-order and phone) growth fell back in January after picking up in November and December. Sales were 12.3% higher than a year ago, less than the 18.0% in December. Sales were 10.4% higher in February compared with a year ago, slower growth than the 12.3% in January and the smallest gain since August 2009.
- In Q1, retailers faced significant challenges as a result of the VAT rise in January coupled with rising inflation and fuel prices. As a result, the sector saw increasingly more retailers posting negative like-for-like sales growth.



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- In terms of positive year-end like-for-like sales, Prada continued the impressive performance of luxury goods retailers outperforming the rest of the market with 20%+ growth. John Lewis and Waitrose flew the flag for the premium UK retailers with Waitrose in particular posting positive results in the face of rising food inflation and fuel prices. On an interim level, online retailers such as Asos and Ocado provided evidence of the continued growth of online food and fashion shopping. In addition, the positive performance of the likes of Sports Direct and the rent-to-own retail chain BrightHouse showed that, in the current climate, consumers are looking for bargains as well as alternative methods for purchasing larger items
- From a negative perspective, the appearance of clothing retailers including TJX Europe (which owns TK Maxx), Matalan and French Connection showed how rising cotton prices were impacting upon performance, particularly at the low-to-mid range retail level. Elsewhere poor performances at JJB Sports and Dixons Retail reflected the large-scale changes currently taking place within these organisations
- The number of companies predicting lower profits jumped in the first quarter of this year, taking the number of warnings to a two-year high. There were 75 profit warnings from listed companies in the first three months of 2011, up from just 51 in the fourth quarter of 2010. These are the highest figures since the first quarter of 2009, in the middle of the recession, which saw 117 warnings. However, support service firms, heavily reliant on Government spending, were responsible for the most profit downgrades.
- The number of retail insolvencies reached 448 in Q1 – an increase of 6% compared with Q4 2010. In addition, the number of retailers using CVAs to renegotiate their debts has jumped 15% over the last year, from 41 in 2009 to 47 in 2010.
- Consumers are currently experiencing a period of increased outgoings and reduced income. As a result there consumers are being increasingly careful about the amount of money they spend and what on. On the downside, this is likely to lead to a reduction in shopping frequency. However consumers are likely to make fewer shops count. With recent proof that shoppers like to spend through a downturn, the challenges currently being experienced in the UK retail sector will not pass without at least some opportunity. Going forward, it is therefore vital that the retail sector understands more closely the needs of the shopper.



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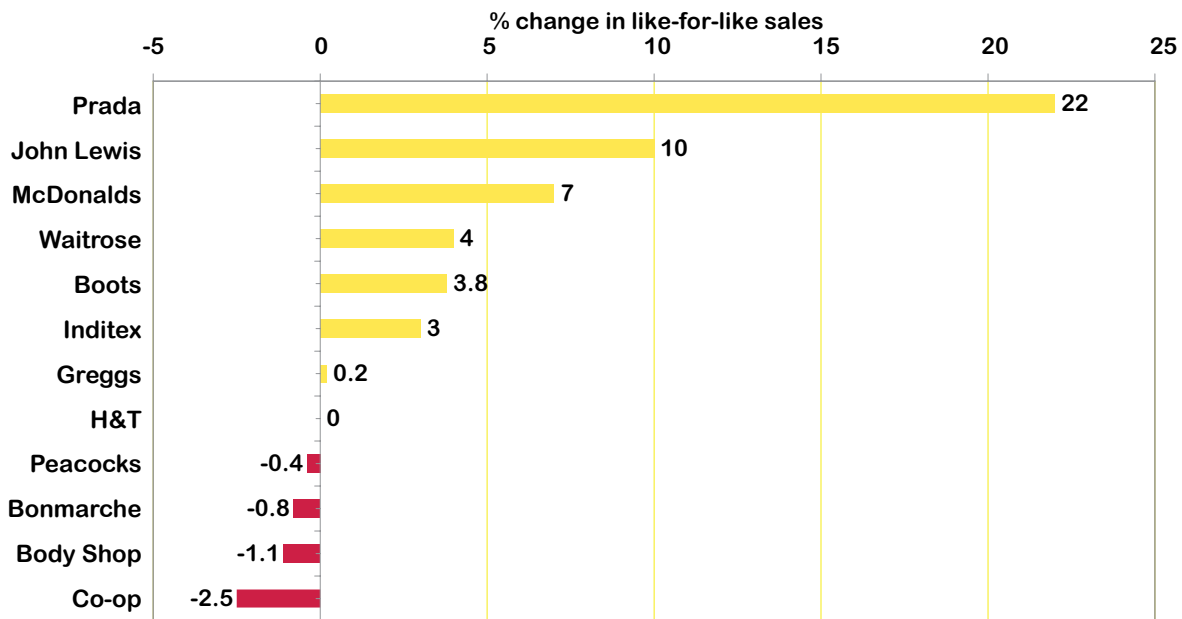


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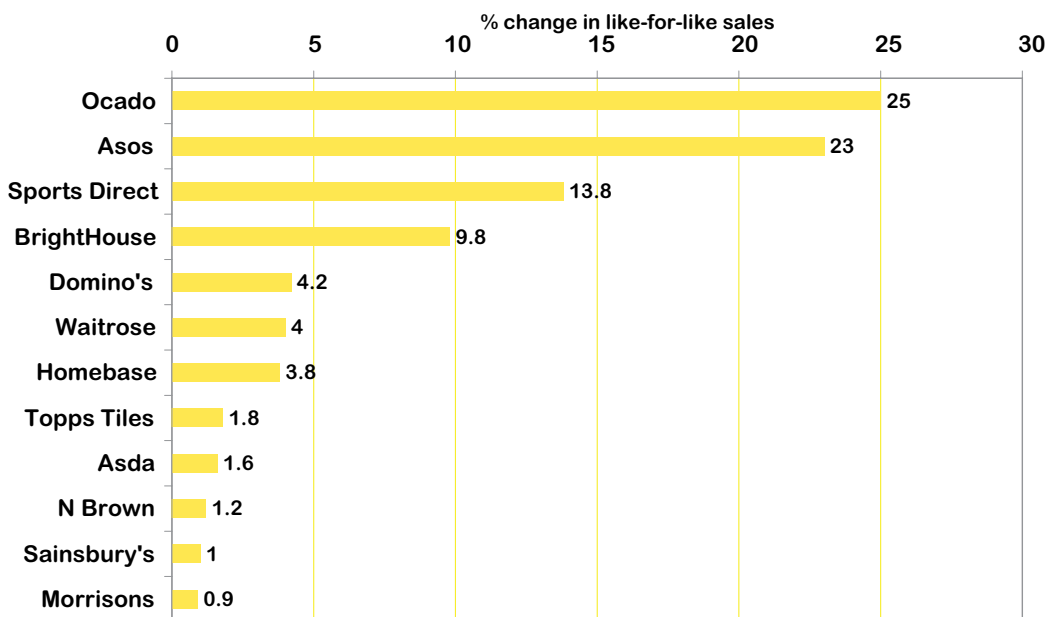
Q1 2011 Results



## Retailers posting year end like-for-like sales figures in Q1



## Retailers posting positive interim likes-for-like sales figures in Q1



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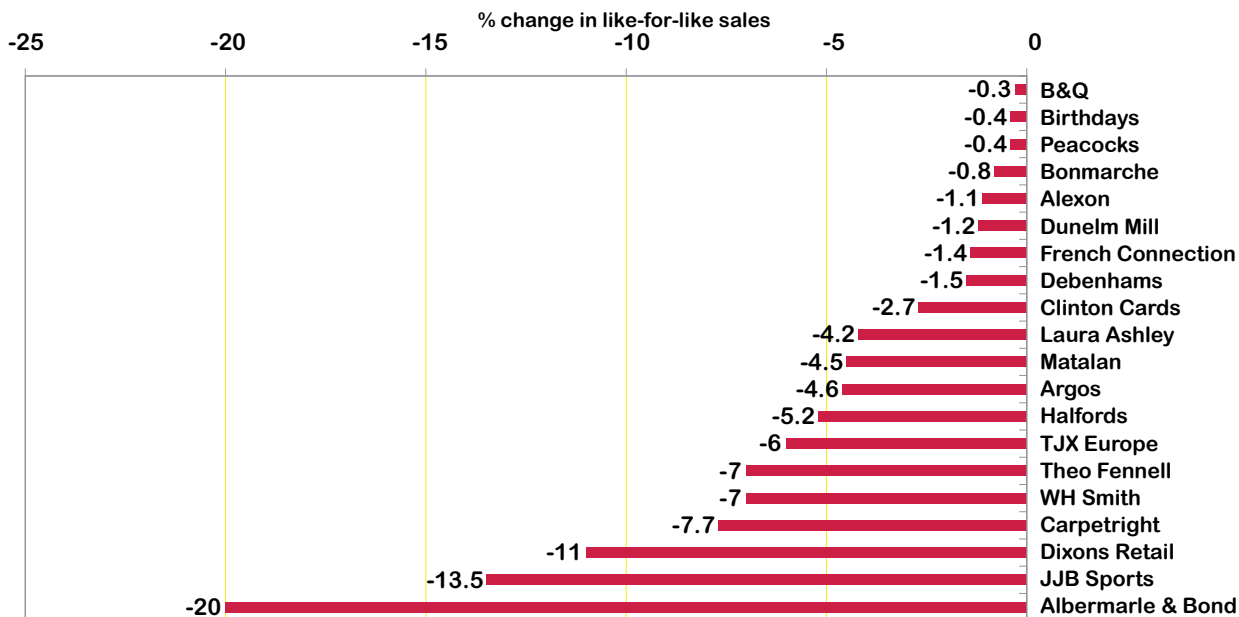
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# Retail Overview

Q1 2011 Results



## Retailers posting negative interim likes-for-like sales figures in Q1



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# Retailer Performance

## Sales Growth By Category

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### Clothing & Footwear

Retailer	Period	Results	Comments
Adidas	Year end 2010	Net profits up 131%	Propelled by World Cup sales, in 2011 it expected sales to rise at a 'mid to high single digit rate'
Alexon	25 weeks to 25 January	1.1% decline in like-for-like sales	In the 20 weeks to 18 December 2010 performance was considerably weaker with a decline in like-for-like sales of 4.7%
Barratts Priceless	February 1, 2009 to July 31, 2010	Sales of £218.5m	Pre-tax profits of £6.1m in the 18 months since the administration of the chains' former parent company, Stylo
Benetton	Year to December 31	Revenue in Europe fell by 2.8%	Net profit for 2010 came in at €102m (£89m) compared with €120m in 2009. Revenue was virtually unchanged at €2.1bn
Bonmarche	53 weeks to April 3	0.8% like-for-like sales drop	Total retail sales at the mature womenswear chain rose 2.9%
Burberry	3 months to December 31	27% increase in sales	Stores in the UK and on the east coast of the US suffered during the snow, but were 'delighted' with the performance of London's stores where almost a third of customers come from China. Shoppers from the Middle East, Russia, the rest of Europe and Brazil also helped to drive up sales
Crew Clothing	Year to 31 October	Tripled its profits	The chain, which has 54 UK shops, posted pre-tax profits of £2.56m
Deichmann	Year end 2010	Sales climbed 12.5%	The Germany-based retailer said that this was the biggest growth rate for 20 years
Foot Locker	Q4 2010	Revenue rose 5.1%	Quarterly profit more than doubled, helped by margin expansion and same-store sales growth
Gap	Q4 to January 29	International like-for-like sales dipped 1%	Warned that it expected operating margins to be squeezed in 2011 because of sourcing cost inflation driven by rising cotton prices
H&M	3 months to February 28th	Sales down 1%	Sales excluding VAT were up 9%. Sales in the period March 1st to March 29th 2011 were up by 3% in local currencies, compared to a very strong comparative period in 2010, following a 9% year-on-year sales rise in February
Hermes	Q4 2010	Sales up 25.3%	46% surge in net profits in 2010 and delivered its biggest operating margin since going public in 1993



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# Retail Performance

## Sales Growth By Category

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### Clothing & Footwear cont.

Retailer	Period	Results	Comments
Inditex	Year to January 31	Like-for-like sales rose by 3%	Up from flat performance in 2009. Sales worldwide surged 13%. Announced that it was looking to open between 460 and 500 stores this year to add to its 3,044 stores in 77 countries
JJB Sports	January 24 to March 13	Like-for-like sales slumped 13.5%	The sportswear retailer published its revised business plan and proposed financial arrangements
Laura Ashley	8 weeks to March 26	Like-for-like sales down 4.2%	Nearly doubled pre-tax profits to a record £19.3m for the year to 29 January - however the group issues a profit warning about current trading
Levi Strauss	Q4 2010	European sales up 4.2%	Boosted by retail store openings and the launch of the Levi's Curve ID fit system, which it will roll out to wholesale accounts
M&Co	8 weeks to December 24	Like-for-like sales rose 2.7%	This was despite being "significantly" impacted by snow in the run-up to Christmas
Matalan	19 weeks to 8 January	Like-for-like sales down 4.5%	
Moss Bros	Year to 29 January	Like for like sales rose 9.1%	Compared to a decline of 0.4% the same time a year earlier. Retail like-for-like sales were up 8.9% while hire sales increased 10.9%. Like for like sales in the first eight weeks of the new financial year have continued to improve on 2010/11, up 7.8%. Like for like gross profit rose 8.4%
Mothercare	12 weeks to March 26	Sales fell 2.4%	Announced a profit warning on the back of results
Next	Year to 31 January	Retail like for like sales down 4.0%	Profit before tax increased to £551.4m, up from £505.3m a year ago, led by catalogue arm Next Directory where profits jumped 21%. It now accounts for 27% of group sales and 40% of profits
Peacocks	53 weeks to April 3	Like-for-like sales down 0.4%	Group sales up 6.2%, sales during the year rose 7.4% to £526.8m driven by new store openings and a strong online performance



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# Retail Performance

## Sales Growth By Category

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### Clothing & Footwear cont.

Retailer	Period	Results	Comments
Primark	6 months to 5 March	Underlying sales up 3%	Half of last full year's 6% growth – although total sales up by 11%. The discount fashion chain has warned of a “noticeable slowdown” in UK consumer demand since the start of 2011, with its weakest underlying sales growth for at least five years
Puma	3 months to December 31	Like-for-like sales up by nearly a third	Warned that the rising cost of materials and labour will impact its bottom line
Reiss	Year to January 31 <u>2010</u>	Sales up 5.4%	Pre-tax losses widened to £2m but operating profit rose to £4.3m
Sports Direct	13 weeks to January 23	Retail sales up 13.8%	Gross profit increased 9.6% to £149m, driven by the core UK sports retail division
Supergroup	Q3 to January 30	91.8% increase in retail sales	Brings the figure for the nine months to £115.8m – an 81.7% increase. Total group sales rose 86.9% to £81.7m during the quarter and over the nine-month period leaped 74.7%
Ted Baker	Year to January 29	14% increase in sales	24% increase in pre-tax profits. The retail division saw sales rise 11.9% in the year to £152.7 million after it expanded trading space by 5%. Also enjoyed strong sales in the US, which were up 30% compared to an 8% increase in the UK and Europe region
Timberland	Q4 2010	Revenue rose 32.3% in Europe	European results reflect growth across the region, led by Germany, Scandinavia, and the Benelux region, driven by strong performance in men's, women's and kids' footwear
TJX Europe	Q4 ending January 29 <sup>th</sup>	Like-for-like sales down 6%	52% fall in full year profits made up of 307 TK Maxx stores and 24 HomeSense outlets; TJX European sales for the 12 months dropped 3%
VF Corporation	Year to December 31	Profits rose 24%	Profits at the parent company behind brands 7 For All Mankind, Vans and Lee, rose to \$713.2m (£439.1m)
West Coast Capital	Year to January 31 <u>2010</u>	£7.6m pre-tax profit	Turned a £40m loss into a £7.6m pre-tax profit. Separate results for West Coast Capital Holdings, which includes Sir Tom Hunter's property investments and a 12% stake in House of Fraser, show it posted a £6.3m profit in the 12 months to March 30 as property values stabilised, compared with an £83m pre-tax loss in 2009



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# Retail Performance

## Sales Growth By Category



### Department Stores

Retailer	Period	Results	Comments
Harrods	Year to 31 January	Reached £1bn in sales	At the height of the January sales, the store was taking £20,000 a minute
House of Fraser	5 weeks to 8th January	Sales up 8.5%	Margins were up 30bps and House Brand growth was over 50%. Online sales performed exceptionally well and were up 120% with an over 50% increase in brands offered, helped by services such as Buy and Collect
John Lewis	52 weeks to 29 January	Like-for-like sales rose 10%	Sales across the John Lewis group rose 10.6% to £8.21bn. Profits rose by 20% but warned that 2011 could be more difficult. 5 weeks to 4th March saw like-for-like sales rise 0.5%

### DIY

Retailer	Period	Results	Comments
B&Q	13 weeks to 29 January	Like-for-like sales decreased by 0.3%	Reflected adverse weather in December which temporarily disrupted the delivery and installation of kitchens, and a weak market in the UK & Ireland
Homebase	Eight weeks to 26 February	Like-for-like sales rose 3.8%	Growth in "big ticket" items was driven by bathrooms and bedroom furniture
Kingfisher	Year ended 29 January	Like-for-like sales down 0.9%	Profits up 19%, sales fell 0.5% but rose 0.5% at constant currency. Retail profit rose 15%, or over 16% at constant currency. International sales were up 34% to £171m
Wickes	Year ending December 31	Like-for-likes up 0.2%	Like-for-like sales in January for Wickes' core products up 12%, kitchen and bathroom up 15%



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# Retail Performance



## Sales Growth By Category: Electronics

### Electronics

Retailer	Period	Results	Comments
Apple UK	3 months to 25 December	Profits up 71%	Record profits and revenue. The company sold 4.1 million Macs during the quarter, a 23% rise year-on-year, and 16.2 million iPhones, a leap of 86%. iPod sales fell 7% to 19.5 million units. Apple sold 7.3 million iPads
Carphone Warehouse Europe	Q3 2010	UK like-for-like sales up 2.3%	CWE said "the online launch at Best Buy UK has gone well, adding to the strong customer satisfaction with our 'Big Box' stores, where our planned roll-out continues"
Comet	November 1 to January 8	Like-for-like sales down 7.3%	Snow impacted sales with demand for televisions particularly weak. For the group as a whole, the snow knocked at least 2% off sales
Dixons Retail	11 weeks to March 26	Like for like sales down 11%	<b>Like for like sales were down 2% in the year to 26 March</b>

### Food & Drink

Retailer	Period	Results	Comments
Domino's	Q1 2011	Like-for-like sales grew 4.2%	Fuelled by a 62.9% leap in online sales, which now account for 39.3% of all its deliveries
Greggs	52 weeks ending 1 January	Like-for-like sales up 0.2%	Profits up almost 8% - sales for the 10 weeks ended 12 March up 3.8% and 0.4% like for like
McDonalds	year to January 1	Like-for-like sales growth of 0.2%	Pre-tax profits of £52.5m, up 7.9%
Starbucks	Q1 ended January 2	International like-for-like sales up 5%	Profit for the quarter jumped almost 44%



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# Retail Performance

## Sales Growth By Category

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### Gifts / Cards / Confectionary

Retailer	Period	Results	Comments
Birthdays	26 weeks ended 30th January	Like for like sales 0.4% down	Irish branch of the Birthdays business was liquidated after turning in full year losses in excess of £1 million
Build A Bear Workshop	2010 fiscal year	European like-for-like sales down 5%	Total revenues increased by 1.4%. Excluding the impact of foreign exchange, net retail sales increased 0.1%
Clinton Cards	26 weeks ended 30th January	Like for like sales 2.7% down	Total revenue in the period from the Clinton brand was £178.3m compared to £191.1m from 26 fewer stores than last year. Spend per head increased by 1.1%
Thorntons	28 weeks to 8 January	Like-for-like sales fell 5.2%	Pre-tax profits fell 8.5%. Revenue rose by 4.8% to £133.5m
Toys R Us	Q4	International sales declined 3.1% on a like-for-like basis	Net income dropped more than 10%. Net sales increased 2%

### Grocery

Retailer	Period	Results	Comments
Asda	Q4 2010	Like-for-like sales increased by 1.6%	Equivalent to a 2.6% rise including VAT
The Co-operative Group	Year to January 1	Like-for-like revenues down 2.5%	Overall group sales were up 9.1% to £13.7bn. Food sales rose 4.8% to £7.5bn as the group benefited from integrating the Somerfield supermarket chain. Underlying profits surged 48%
Morrisons	12 months to 31 January	Like-for-like sales, excluding fuel and VAT, rose 0.9%	13% increase in underlying pre-tax profits of £869 million. As part of its online development, the only one of the "Big Four" grocers not to have a significant internet business revealed it had invested £32 million in a 10% stake of a New York-based online grocer
Sainsbury's	10 weeks to March 19	Like-for-like sales grew 1% excluding fuel	This compares with growth of 3.6% over the 14 weeks to January 8
Waitrose	52 weeks to 29 January	Like-for-like sales excluding petrol rose 4%	Surpassed £5bn in sales for a year for the first time ever. 5 weeks to 4th March saw like-for-like sales rise 5.1%



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# Retail Performance

## Sales Growth By Category

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### Health & Beauty

Retailer	Period	Results	Comments
Body Shop	Fourth quarter	Like-for-like sales down 3%	Like-for-like sales for the year 2010 down 1.1%
Boots	December 2010	UK like-for-like sales grew 3.8%	Fragrances, electrical beauty – hairdryers etc – and non-prescription healthcare products did particularly well, helping sales rise 2.8% over the past three months
Holland & Barrett	December 2010	Like-for-like sales up 2.3%	The three months leading up to December 31st 2010 saw LFL trading increase 1.6% compared to the same period one year before. The business also announced that it grew its natural beauty category by 16.8% year-on-year in 2010, while the sports nutrition category was up 14.4%
Lush	December 2010	UK retail sales up 6.8%	
Superdrug	5 weeks ending January 1	Like-for-like sales up 1.7%	Figures include VAT, The Perfume Shop's shop-in-shop concessions, and its NHS services

### Homewares

Retailer	Period	Results	Comments
Carpetright	13 weeks to January 29	Like-for-like sales down 7.7%	Issued a profit warning as it continued to struggle against tough trading conditions. Group sales fell 6.4%
DFS	26 weeks to January 29	Sales rose 1.8%	A sharp slowdown on the 4.2% rise seen in the first quarter
Dunelm Mill	26 weeks to 1st January	Like-for-like sales down 1.2%	Total sales for the half grew by 8.5% as the Group continues to grow and improve the quality of its store portfolio through opening new superstores, refitting existing superstores to incorporate the latest customer offer and relocating existing under-sized stores. Like-for-like sales fall of 4.2% in its second quarter over the Christmas period
Ikea	12 months to August 31	Sales rose by 1.3%	Group net profits increased by 6.1%. Strongest increases included kitchens and storage, both up by 11%, dining (9%) and children's (4%)
Topps Tiles	26 weeks to April 2	Expects like-for-likes to have increased by about 1.8%	Total revenues for the year-to-date likely to be down 2.5%



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# Retail Performance

## Sales Growth By Category

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### Jewellery

Retailer	Period	Results	Comments
Aurum Holdings	5 weeks to January 9	Like-for-like sales up by 14.5%	Goldsmiths was the best-performing individual brand, with sales up 19% during the Christmas trading period, while Mappin & Webb enjoyed an 11% rise. The results were boosted by a particularly strong performance from online sales, with these soaring by 53% after the group launched new websites for both Mappin & Webb and Goldsmiths, with enhanced product ranges
Richemont	Q3 2010	Retail sales increased 43%	Total sales jump of 23%. The company distributes Cartier, Van Cleef & Arpels and Jaeger LeCoultre. Growth at constant exchange rates was even among its jewellery maisons and specialist watchmakers, where sales increased 20% and 21% respectively
Signet	9 weeks to January 1	UK like-for-like sales fell by 1.7%	Sales at the H Samuel, Ernest Jones and Leslie Davis jewellery chains fell by 4.2% on a like-for-like basis. Total sales at Signet rose by 8.1% over the nine-week period covering Christmas due to a strong performance at its 1,330 shops in the US
Theo Fennell	December 2010	Like-for-like sales down 7%	It said "adverse weather conditions significantly reduced footfall to the stores from high end UK clients and International clients, many of whom were unable to arrive in London for the Christmas period"

### Luxury Goods

Retailer	Period	Results	Comments
LVMH	Full year 2010	Revenue growth of 19%	Posted an increase of 38% in profit from recurring operations
Mulberry	Full year 2010	Pre-tax profits grew by 16.5%	Profits over the year to March 31 "are expected to exceed market expectations"
PPR	Full year 2010	Operating profits up 24%	Net profit rose 1.4% to €965m (£805m) and revenues increased 7.5%. Fourth quarter sales in the luxury division rose 23%, or 14% at constant exchange rates, to €1.15bn (£0.97bn), as shoppers bought luxury goods in the run up to Christmas
Prada	Year to January 31	Like-for-like retail sales rose by 22%	European sales grew by 18% - total sales exceeded €2bn (£1.7bn), a rise of 31% on the previous year



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# Retail Performance

## Sales Growth By Category



### Music / Books / DVDs / Games

Retailer	Period	Results	Comments
Game	5 weeks to 8th January	Like-for-like sales at UK stores fell 0.5%	Group like for like sales down 2.1%, total sales down 4.1%. The market value of UK pc and video games entertainment software, console hardware, console/pc gaming accessories dropped 11% from January 2010 to January 2011
Games Workshop	6 months to 30 November	Sales down 4%	Sales over the Christmas period were unlikely to help make up the shortfall
HMV	5 weeks to 1 January	Like-for-like sales down 10.2%	The struggling high street chain has issued two profits warning in 2011
WH Smith	8 weeks to 22 January	Like-for-like sales down by 7%	Over 21 weeks LFL sales down 6%. Excluding Entertainment, LFL sales were down 3% for both periods. Gross margin improved ahead of expectations with costs tightly managed to reflect the trading conditions

### Other

Retailer	Period	Results	Comments
Albermarle & Bond	Half year to December 31	Retail like-for-likes fell 20%	High gold price hindered jewellery sales
Asos	3 months to December 31	UK sales up 23%	Total retail sales for the online fashion retailer jumped 59%
Argos	8 weeks to 26 February	Like-for-like sales fell 4.6%	Total sales down 3.1%. Prompted the chain's owner Home Retail Group to lower its profit forecast for the year. The group said it now expected pre-tax profit to be between £250m and £255m. In January it had forecast profit to be "around the mid-point of our previously guided range of £250-275m"
BrightHouse	13 weeks to December 31	Like-for-like sales up 9.8%	Total group revenue at the rent-to-own retailer rose 14% boosted by strong demand for electrical products. It said it also expects "robust growth" this year
Cash Converters	6 months to December 31	UK retail sales grew 14.1%	Profits across the group, which operates in the UK and Australia, grew 42.2%. The pawnbroker said it expects to exceed its full-year profit target



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### Other cont.

Retailer	Period	Results	Comments
H&T	Year to December 31	Like-for-like sales of non-reclaimed goods flat	Profits will be higher than City expectations after a record-breaking year for its pawnbroking business
Halfords	39 weeks to December 31	Like-for-like sales down 5.2%	Total retail sales were down 4.7%. Autocentres like-for-like sales level
Jessops	six week period to January 9	3% rise in like-for-like sales	Like-for-like sales throughout the final quarter of 2010 rose by 5.3%. The chain, which secured its survival with a rescue deal in September 2009, said it maintained deliveries in the extreme weather by ensuring all stores were fully stocked and hiring local firms with smaller vans to reach customers
N Brown	19 weeks to January 8	like-for-like sales rose 1.2%	The snowy conditions that blighted the UK meant that shoppers were careful to order their Christmas presents early. This meant that sales were strongest over the first week of December
Ocado	12 weeks to 20 February	Sales up 25%	Ocado has said it plans to make big increases in capacity to meet burgeoning demand
Original Factory Shop	6 weeks to December 26	Like-for-like sales up 5%	The group, which operates more than 160 stores across the UK, racked up its highest-ever sales in a day on December 23, only to smash this figure by 8% the following day. It sold more than 100,000 pairs of wellington boots over the Christmas period - an average of a pair every nine seconds - as the snowy weather caused an unprecedented surge in orders
Pets Corner	3 months to the end of December	Like-for-like sales up 8.8%	Rise in turnover of just under 30% to £5.8m with profit before tax increasing to £1.14m - a jump of 105% quarter on quarter
Blacks	6 months to December 31	Like-for-like sales up 10.2%	Outdoor business increased like-for-like sales by 1.2%. Total sales in December for the Outdoor business were up 12.9%



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# Retailer Performance

## Retailer Expansions

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Retailer	Comments
99p Stores	The 99p Stores chain has unveiled massive expansion plans that will see it grow from 138 shops to 600 over the next decade. It could also be about to be sold for between £60-£80m
Adidas	Adidas is trialling a new women-only store format, which could be rolled out worldwide if successful
Adnams	Adnams plans to kick-start the expansion of its Cellar & Kitchens chain
Albermarle & Bond	Albermarle & Bond has 25 stores scheduled to open in its full financial year
B&Q	B&Q is to spend £35m improving its online business
Best Buy	Best Buy UK has reconfirmed plans to open five stores this year, pouring cold water on claims it is in trouble. Best Buy's original stated aim was for 80 UK stores, but a year down the line, it has opened only six
Boots	Boots the Chemist is to open its second drive-through pharmacy in the UK at British Land's St James Retail Park in Northampton
BrightHouse	BrightHouse plans to create "clusters" of shops to create local economies of scale for delivery and repair of rented goods
Burberry	Luxury brand Burberry has snapped up a series of high-profile London leases that will see it create a "Burberry super flagship" department store format to showcase its entire product offer
Caffe Nero	Caffe Nero has refinanced its £140m debts and looks to step up expansion plans with a target of 50 UK openings this year
Cash Converters	The pawnbroker is looking to expand in Scotland and has acquired a licence to develop in the country, where there are currently 10 franchised stores. It said there is the potential to open 60 stores in the region
Clas Ohlson	Clas Ohlson is expanding its Swedish DIY store format on UK high streets. It has already opened 11 outlets in Britain, and sees the potential for hundreds more
Co-operative Group	The Co-operative Group plans to open 350 more branches by 2013
Cotton Traders	Cotton Traders is to create 350 jobs by opening 40 shops nationwide over the next three years
CSL	Northern furniture retailer CSL is to make its southern debut at a former Borders shop near Brent Cross in north London



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# Retail Performance

## Retail Expansions

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Retailer	Comments
Costa Coffee	Whitbread will press ahead with plans to expand Costa's UK chain to at least 3,000 outlets by the end of 2014-15
Debenhams	Debenhams is looking out of town for expansion and is negotiating terms on two locations at out-of-town retail parks outside the M25. It has also opened its first pop-up shop, after signing a six-month lease on a unit on Newburgh Street, near Carnaby Street in London's West End. It is in 'advanced discussions' on a number of additional store openings
DFS	DFS is on the expansion path under Advent International, its new private equity owner, as it reported improved sales despite near paralysis in the housing market. Ian Filby, the chief executive, said that he wanted to "raise the bar in terms of ambition". DFS has had a good recession, absorbing market share of collapsed rivals, including MFI and ScS
Dixons Retail	Dixons is understood to be opening a second Black store to be located in central London in the second half of this year, following the launch of its trend and fashion-led trial shop in December last year. Dixons has also announced a profit warning following a continued decline in sales but plans to focus on opening larger "megastores" and more two-in-one outlets that combine Currys and PC World. Dixons is currently overhauling its business - with a focus on high customer service and new stores
Domino's Pizza	Domino's Pizza is to open up to 43 stores at motorway services operated by Moto
EAT	EAT, the sandwich bar chain, plans to double in size over after being bought by Lyceum Capital in a £65m deal. It has 110 stores but its new owners and management expect to have more than 200 stores within four years
Fonehouse	Mobile phone retailer Fonehouse is ramping up the roll-out of its new store format as it plans to triple its store count by early next year
Foyles	Bookseller Foyles is to open its first shop outside London for 70 years, in Bristol's Cabot Circus
Go Outdoors	Go Outdoors plans to open 10 stores a year for the next two years, including Manchester, York and Stoke. It is negotiating selling a stake of about 20% to private equity firms to fund the 27-store outdoor clothing and equipment chain's expansion plans
Greggs	Will open about 80 stores in 2011 as it ramps up its expansion programme. In addition, 160 shops are earmarked for refurbishment, including 60 that will be converted to the new shop design. Customers across many parts of the country will soon be able to enjoy their food in Greggs stores featuring seating, soft lighting and dark wood fittings as 60 new concept stores, which created double digit sales growth when introduced in some parts of London, are rolled out nationwide



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# Retailer Performance

## Retailer Expansions

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Retailer	Comments
H&M	H&M said it would open around 250 new stores in 2011 - with the UK highlighted as one of three markets set for the largest expansion
H&T	H&T plans to open 40 more pawnbrokers over the next two years to make the most of the growing demand for loans and the increasing number of people looking to sell gold through its stores
Hobbycraft	Arts and crafts retailer Hobbycraft plans to more than double its number of stores in one of the largest out-of-town expansions since before the downturn with a further 80 out-of-town stores due to open
Homebuyer Centre	The first Homebuyer Centre - acting on behalf of buyers and charging a fee only if they broker a discount on a property's selling price - opened in November last year and between 40 and 50 high street branches are intended by the end of 2011
HSBC	HSBC has plans to double the number of branches it has in Scotland to 12 with a £9m investment
John Lewis	John Lewis has earmarked £250m to invest in new shop openings this year and plans to more than double in size over the next ten years
JoJo Maman Bébé	Maternitywear and kidswear retailer JoJo Maman Bébé is hunting for more UK stores as it prepares to make its international online debut
Joules	The 41 store clothing retailer has hired Rothschild to advise on its growth and the potential sale of a minority stake
Kingfisher	Kingfisher wants to add about 300 stores in its existing markets to take the total to 1,115
Ladbrokes	Ladbrokes will add a net 30 outlets to its estate this year
McDonald's	McDonald's plans to add 10-15 outlets in the UK this year
Morrisons	<ul style="list-style-type: none"> <li>Morrisons has bought online baby products retailer for £70m in the first step in developing the grocer's retail operation</li> <li>William Morrison plans to step up its supermarket openings over the next three years to 2.5m sq ft, equivalent to 83 supermarkets</li> <li>Morrisons is entering the home delivery market and has invested £32m in a 10% stake in US online platform Fresh Direct to gain expertise</li> </ul>
Next	Next said that it expected to open at least 440,000 sq ft in 2011, of which 240,000 sq ft will be in the form of 15 new Home stores. It also plans to spend around £18m of the makeover of a number of its stores. It has also said that clothing prices could rise by up to 10% for autumn 11 and that businesses must adapt to a fundamentally changed retail landscape dominated by inflation and lower consumer expenditure



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# Retailer Performance

## Retailer Expansions

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Retailer	Comments
Phase Eight	Phase Eight is poised for rapid expansion in the UK and overseas following the sale of a majority stake to private equity firm TowerBrook Capital Partners for about £80m
Pret A Manger	The coffee and sandwich chain intends to open more than 30 shops this year - mainly in the UK
Primark	Primark plans to accelerate expansion plans from the autumn and another six stores in the pipeline this financial year will take its total to 220 by mid-September
Sainsbury's	Sainsbury's plans to create 20,000 jobs over the next three years - targeting growth in the north, Scotland and Wales. It is also to launch a nationwide chain of sandwich shops which could exceed over 1,000 outlets
Samsung	Electronics giant Samsung, worldwide sponsor of the London 2012 Olympics, is to open a raft of new stores in the capital ahead of the games
SCS	Sofa retailer SCS is pushing ahead with store expansion plans despite a slowdown in trading
Spar	Midlands-based AF Blakemore & Son is to create the largest Spar franchise company in the UK with more than 1,000 stores
Springfield	The Spanish menswear chain which has four standalone stores in the UK, has set its sights set on further international expansion
Subway	The sandwich group - with 33,749 sites across the globe - has overtaken McDonald's (32,737 sites) as the world's largest restaurant chain
Supergroup	Supergroup is looking for 20 stores in 2011 with Nottingham, Leeds, York and Bluewater on the shopping list
Supermarkets	Tesco will add 292 stores this year, Sainsbury's will add 130, Asda 184 and Morrisons 19 whilst Waitrose have announced plans for 39 stores
The Sting	The Sting is hunting for more stores following its UK debut last summer
Thorntons	Plans to "to change the size and shape" of its 371 company-owned high street stores and will concentrate on expanding its 229 franchises and a growing online business
Topshop	Philip Green plans to nearly double the size of flagship banner Topshop through international expansion within the next five years
USC	Branded young fashion chain USC is to invest millions in rejigging and refurbishing its entire store portfolio
VF Corporation	US-based VF Corporation, the parent company of brands such as Lee, Wrangler, Seven for all Mankind, The North Face and Vans, has vowed to increase revenues by \$5bn (£3.1bn) over the next five years and focus on expansion in international markets
WHSmith	WH Smith will open 30 more travel stores by the end of August - it has also bought 22 shops and intellectual property from collapsed books chain British Bookshops & Stationers for £1.05m



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# Retail Performance

## New Entrants

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Retailer	Comments
Asda Living	Asda Living will open its first Lifestyle format store in a shopping centre at the Trinity Walk scheme in Wakefield
Aurora Fashions	Aurora Fashions has opened its first dual-branded Oasis and Warehouse store in the UK in Cheltenham
Chelsea Girl	After more than two decades on the shelf, fashion retailer River Island is to bring back the once popular Chelsea Girl brand. A “pop-up” Chelsea Girl shop has opened in Selfridges along with a new Chelsea Girl range in stores across the UK
Coffee Republic	The high-street chain Coffee Republic, which collapsed into administration two years ago, aims to reinvent itself with Terence Conran-designed interiors, a fresh expansion programme and a revamped franchise structure under new Middle Eastern owners
Fashion Rocks	Fashion Rocks, the music-meets-fashion event part-backed by fashion entrepreneurs Angus Morrison and David Douglas, has opened its first retail store in Meadowhall
Green Cauldron Coffee	Green Cauldron Coffee plans to invest £12.5m opening 50 coffeehouses across Britain over the next five years
G-Star	Young fashion brand G-Star is in talks to open flagship franchise stores in London’s Oxford Street, Glasgow and Manchester
Havaianas	Brazilian flip-flop brand Havaianas is to ramp up its retail presence in Europe, after opening its second European standalone store in Valencia in Spain
Hunter Boot	The iconic Wellington boot brand Hunter Boot is poised to enter the UK retail market
Mackintosh	Luxury and heritage brand Mackintosh has opened its first standalone store in Mayfair in London
Morrisons	Revealed it would open three convenience stores, around 3,000 sq ft in size, in July under the name M Local. The shops will be located in Morrisons’ heartland in the north of England, in neighbourhoods around the M62 motorway
Patagonia	Californian outdoor brand Patagonia is to open its first UK company-owned store in Covent Garden this summer
Premier Sports Retail	Chris Ronnie the former chief executive of JJB Sports has set up Premier Sports Retail aimed at buying footwear or clothing stores
Sainsbury's	Sainsbury’s is considering rolling out its Fresh Kitchen sandwich shop if its first site on London’s Fleet Street proves successful
Timeout	US-based jeans retailer Timeout has appointed CWM to help it to find shops of between 1,500 sq ft and 2,500 sq ft in the UK
Victoria’s Secret	Victoria’s Secret is planning a move in to the UK next year with its first UK store set to open on Bond Street
Waitrose	Waitrose has announced that it is rolling out a chain of smaller convenience stores called Little Waitrose. Its first store has opened on Old Brompton Road, Knightsbridge as a trial



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# Retail Performance

Administrations / Closures

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Retailer	Comments
Allied Carpets	Allied Carpets Retail has gone into administration after selling 24 of its stores to Savana Trading. Allied Carpets Retail was owned by the retail-restructuring firm Hilco
Bennetts	The Norfolk-based electrical retailer - with 14 stores across the country - has called in administrator PKF and 228 jobs are to be axed
British Bookshops	Bargain bookseller British Bookshops has collapsed into administration, becoming the first retail casualty of 2011
Birthdays Ireland	Clinton Cards is to place its Birthdays Ireland chain into liquidation
Easy Living	Sofas UK, which trades as Easy Living Furniture, has become one of the latest victims of the consumer downturn and has been put into administration. The retailer, which has 20 shops in southern England employing 150 people, is now in the hands of administrators
Henleys Clothing	Young fashion brand Henleys has shut its 18 stores blaming poor trading and difficult leases for its demise. Its wholesale business is unaffected
JJB Sports	JJB Sports' creditors have approved the struggling sports retailer's CVA proposal. The CVA, which was passed without modification, will see JJB close 43 unprofitable stores by April 2012, place a further 46 under review until April 2013, reduce rent by 45% on stores affected and move to monthly rent payments
Oddbins	Oddbins is to go into administration after a proposed company voluntary arrangement was rejected by creditors
The Officers Club	The Officers Club has gone into administration for the second time in just over two years with Blue Inc having swooped to acquire 46 of its stores. The remaining 56 stores and the warehouse function have been closed with immediate effect



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# Retailer Performance

## Disposals / Acquisitions

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Retailer	Comments
Alexon	The fashion retailer is looking to exit/re-gear 20 shops across the UK
All Saints	All Saints' sale deal with M1, a Beirut-based business co-founded by the likely next Lebanese Prime Minister, has collapsed. However US investment firms Goode Partners and MSD Capital are understood to have stepped up their interest in buying the young fashion chain
American Golf	The UK's largest specialist golf retailer with 83 stores is in £80m sale talks
Asda	The OFT has cleared the £778m acquisition of Netto's UK stores by Asda to allow the conversion of 147 stores to Asda supermarkets. Asda has sold 39 out of the 47 Netto stores it had to dispose of as part of the acquisition. It has sold stores to Morrisons, Iceland and independent chain Haldanes
Bargain Booze	Bargain Booze is considering a sale at around £90m for the chain of 640 off licences
Blacks	The UK's largest outdoors retailer - which has 306 UK/Ireland stores - has terminated takeover talks
Bonmarché	The Peacock Group is reported to be exploring options for Bonmarché, which could lead to a sale of the older womenswear chain
Carpetright	Furnishings giant Carpetright is to shut seven of its Irish stores after sales halved in the last three years
Coffee Nation	Whitbread has bought self-serve coffee bar business Coffee Nation for £59.5m. The group bought the business through its coffee shop chain Costa and plans to launch a new brand, Costa Express, to target the self-serve coffee bar sector
Fenchurch	JD Sports Fashion has rescued streetwear brand Fenchurch from administration - but has made all of its staff redundant
Focus DIY	Focus has sold six stores in Aberystwyth, Clevedon, Gillingham, Stamford, Torquay and Woking to Asda for an undisclosed sum
Game	Game Group will close about 90 shops as part of its strategy to treble online and digital sales to £300m by 2013
Gap	Gap is to close 200 of its 900 stores worldwide by 2013. Only a handful of Gap's UK stores are expected to close as it focuses on its outlet operation
GIVe	Fashion entrepreneur George Davies has admitted defeat with his latest womenswear fashion venture, Give. Davies has closed down five of his eight Give outlets and now aims to rebrand the three remaining stores to sell childrenswear
Grant & Cutler	Bookseller Foyles has acquired Grant & Cutler, the largest foreign language bookshop in the UK



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# Retail Performance

Disposals / Acquisitions

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Retailer	Comments
Hamleys	Hamleys has been put up for sale by Landsbanki
Hed Kandi	Music and lifestyle retailer Hed Kandi has shut its two stores less than a year after opening
HMV	Said in a trading update that it was in talks with its lenders to avoid breaching debt covenants at the end of the financial year. It also dismissed the closure of shops via a company voluntary arrangement, saying this is "not an option"
Hugo Boss	Moss Bros is to sell its 15 Hugo Boss franchised stores to Hugo Boss UK for £16.5m
Iceland	Iceland is reorganising its corporate structure in preparation for a sale of the 800 store chain with the most likely bidder being the chief executive Malcolm Walker
Jaeger	Harold Tillman has put Jaeger the British clothes retailer up for sale after receiving several approaches for the company he saved from collapse
JD Sports Fashion	JD Sports Fashion has bought Irish sports fashion retailer Champion
Jones The Bootmaker	Jones The Bootmaker is set to be snapped up by Dutch group Macintosh Retail Group in a deal which is believed to value the footwear chain at £40m
Lloyds Banking Group	Lloyds Banking Group plans to speed up the sale of 600 branches and overhaul management
LVMH	LVMH, the luxury goods group behind Louis Vuitton and Marc Jacobs, is to take control of accessories giant Bulgari
Morrisons	Morrisons is to acquire 16 former Netto UK stores from Asda, a total of 120,000 sq ft of additional selling space, at a cost of £28.1m
Mothercare	Mothercare is targeting UK cost savings of £5m over three years as leases on 75% of its high street outlets expire enabling it to switch to cheaper out-of-town stores
O2	O2 is to close 40 of its 493 stores this year and instead invest in its best performing shops. 39 of the affected shops will be closed by April and the last one by August
Ollie & Nic	Ollie & Nic the handbags chain with 11 shops has been sold by the administrators to Onyx Retail
Phones 4U	Private equity house BC Partners has bought mobiles specialist Phones4U for an undisclosed sum from Providence Equity. It is ramping up its store expansion programme under its new owners to take advantage of customers who prefer to buy phones in shops rather than online



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# Retail Performance

Disposals / Acquisitions

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Retailer	Comments
Prezzo	Italian restaurant chain Prezzo has bought six leasehold properties from Caffè Uno Brasseries
Suits You	Peter Lucas and Arafa Holding, the former owners of collapsed menswear chain Suits You, have acquired 12 of its 66 stores via their menswear supply business, Baird Group, and relaunched them as Suit Direct
Tesco	Philip Clarke, the incoming chief executive of Tesco, is examining the group's property strategy in a move that some analysts believe could herald a further multi-billion-pound disposals programme
TJ Hughes	TJ Hughes, the discount department store, has been refinanced and sold to a restructuring specialist, thought to be Endless
Waterstones	Tim Waterstone may be poised to buy back the chain that bears his name after he and his business partners entered into exclusive talks with HMV Group
World of Sofas	World of Sofas the 12 strong retail chain has been bought out of administration by management

For further information please contact:



**Stephen Toal**

0161 244 7735

stoal@savills.com

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