

*CB Richard Ellis
European Retail Outlook
MAPIC, November 2009*

How Active Are Retailers in EMEA?

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More detailed information available ...

- European Retail Investment MarketView
- European Retail MarketView
- CEE Retail MarketView
- Global Retail MarketView
- Individual country reports

Global MarketView Prime Retail Rents
First Quarter 2008

Central & Eastern Europe Retail
Autumn 2008

European Retail Investment
First Half 2008

European Retail
Q3 2008

Consumer Spending Growth as % of GDP Growth, 2004-2008

Country	Consumer Spending Growth (%)	GDP Growth (%)
Belgium	1.5	1.5
Denmark	1.5	1.5
France	1.5	1.5
Germany	1.5	1.5
Italy	1.5	1.5
Japan	1.5	1.5
UK	1.5	1.5
USA	1.5	1.5
Australia	1.5	1.5
Canada	1.5	1.5
China	1.5	1.5
India	1.5	1.5
Indonesia	1.5	1.5
South Korea	1.5	1.5
Malaysia	1.5	1.5
Netherlands	1.5	1.5
Spain	1.5	1.5
Sweden	1.5	1.5
Singapore	1.5	1.5
Taiwan	1.5	1.5
Thailand	1.5	1.5
USA	1.5	1.5
South Africa	1.5	1.5
Brazil	1.5	1.5
Argentina	1.5	1.5
Chile	1.5	1.5
Colombia	1.5	1.5
Costa Rica	1.5	1.5
Ecuador	1.5	1.5
Hong Kong	1.5	1.5
Israel	1.5	1.5
Mexico	1.5	1.5
New Zealand	1.5	1.5
Peru	1.5	1.5
Philippines	1.5	1.5
Russia	1.5	1.5
Saudi Arabia	1.5	1.5
Sri Lanka	1.5	1.5
Turkey	1.5	1.5
Vietnam	1.5	1.5

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More detailed information available ...

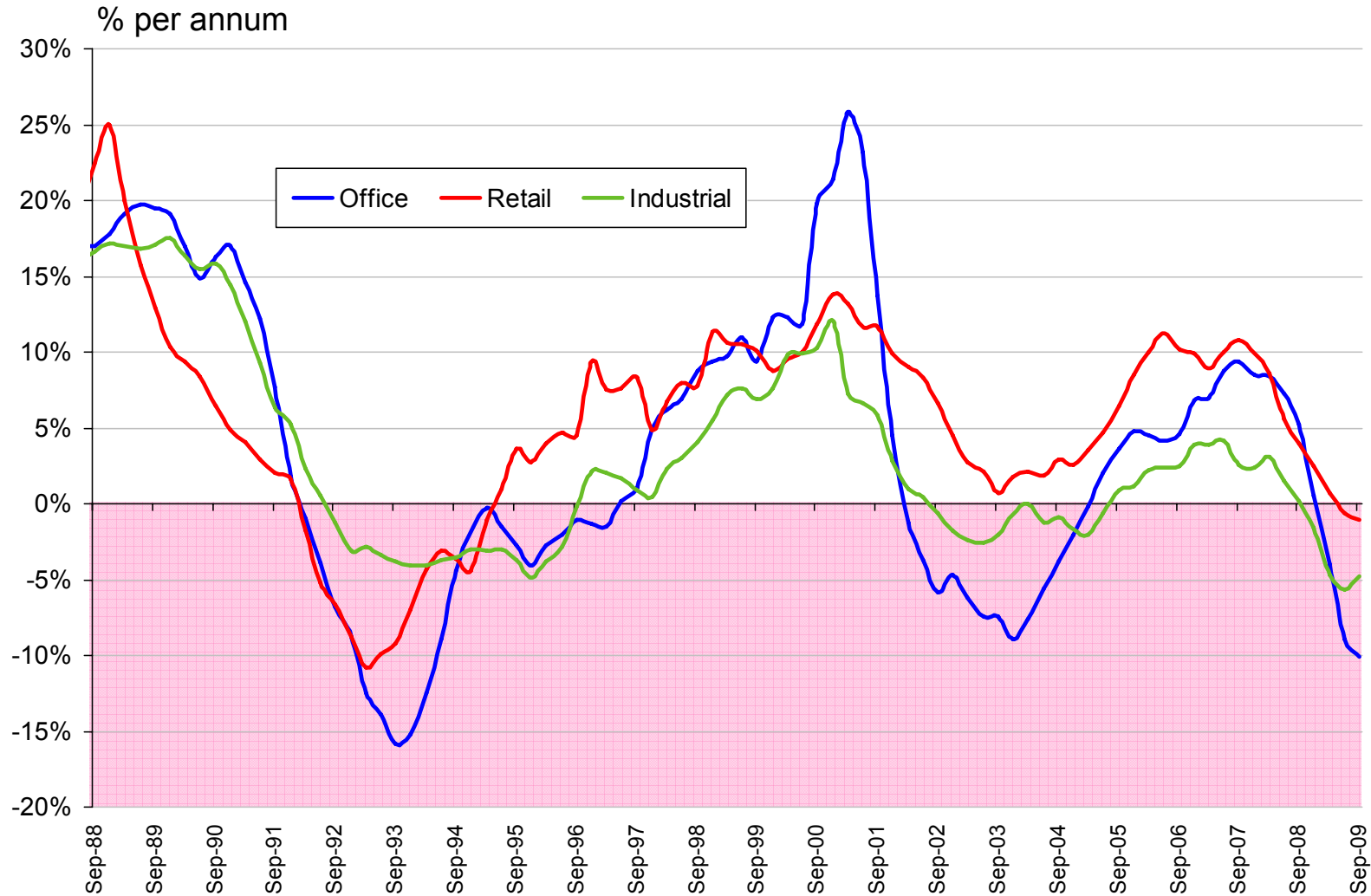


- “Global Emerging Markets Survey”
- “How Global is the Business of Retail”
- “Woolworths: What Happened Next?”
- “How Active are Retailers in EMEA?”

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Rental growth slowing dramatically

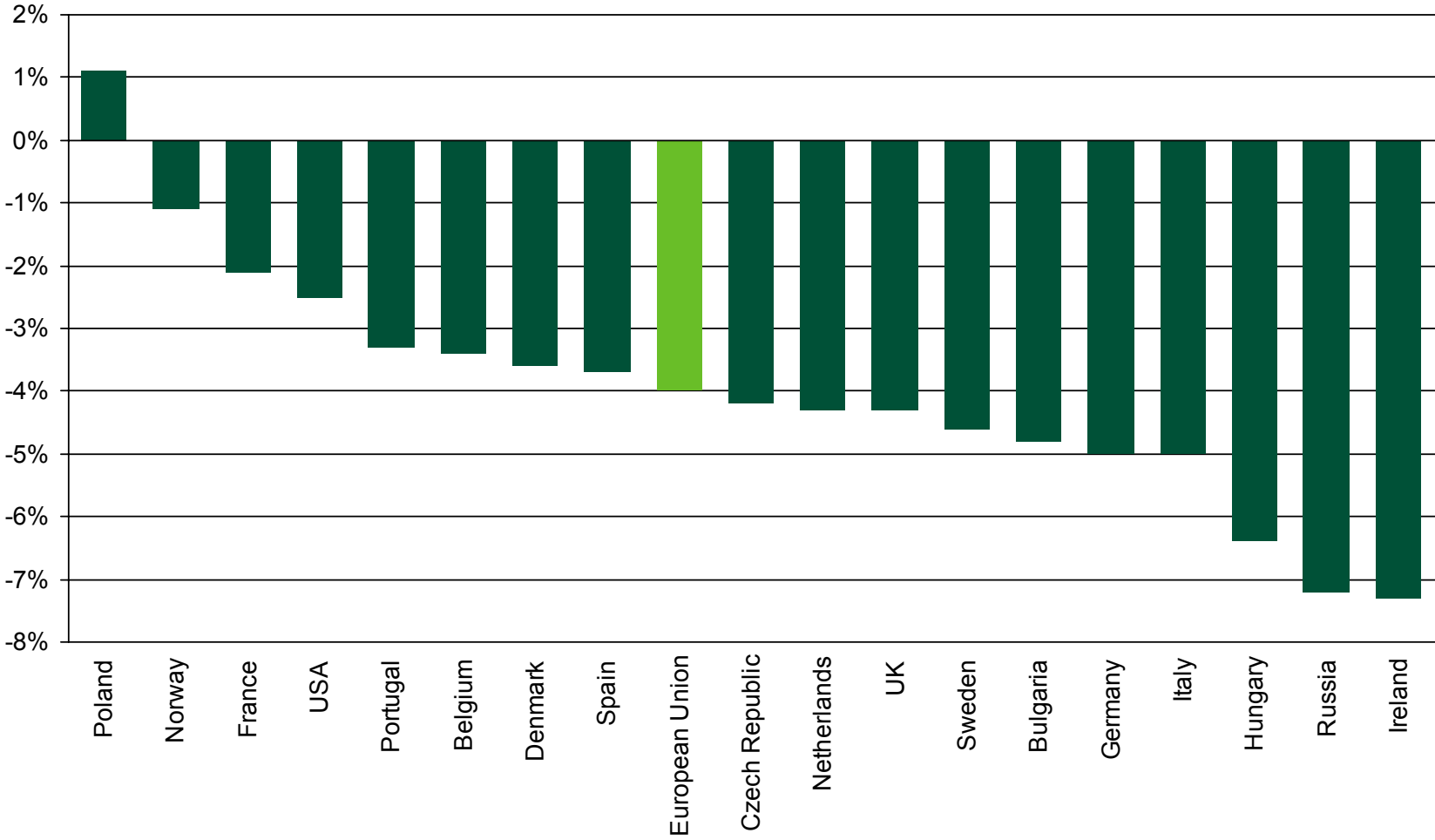
CB Richard Ellis EU-15 Rent Indices



Source: CB Richard Ellis

GDP Forecasts

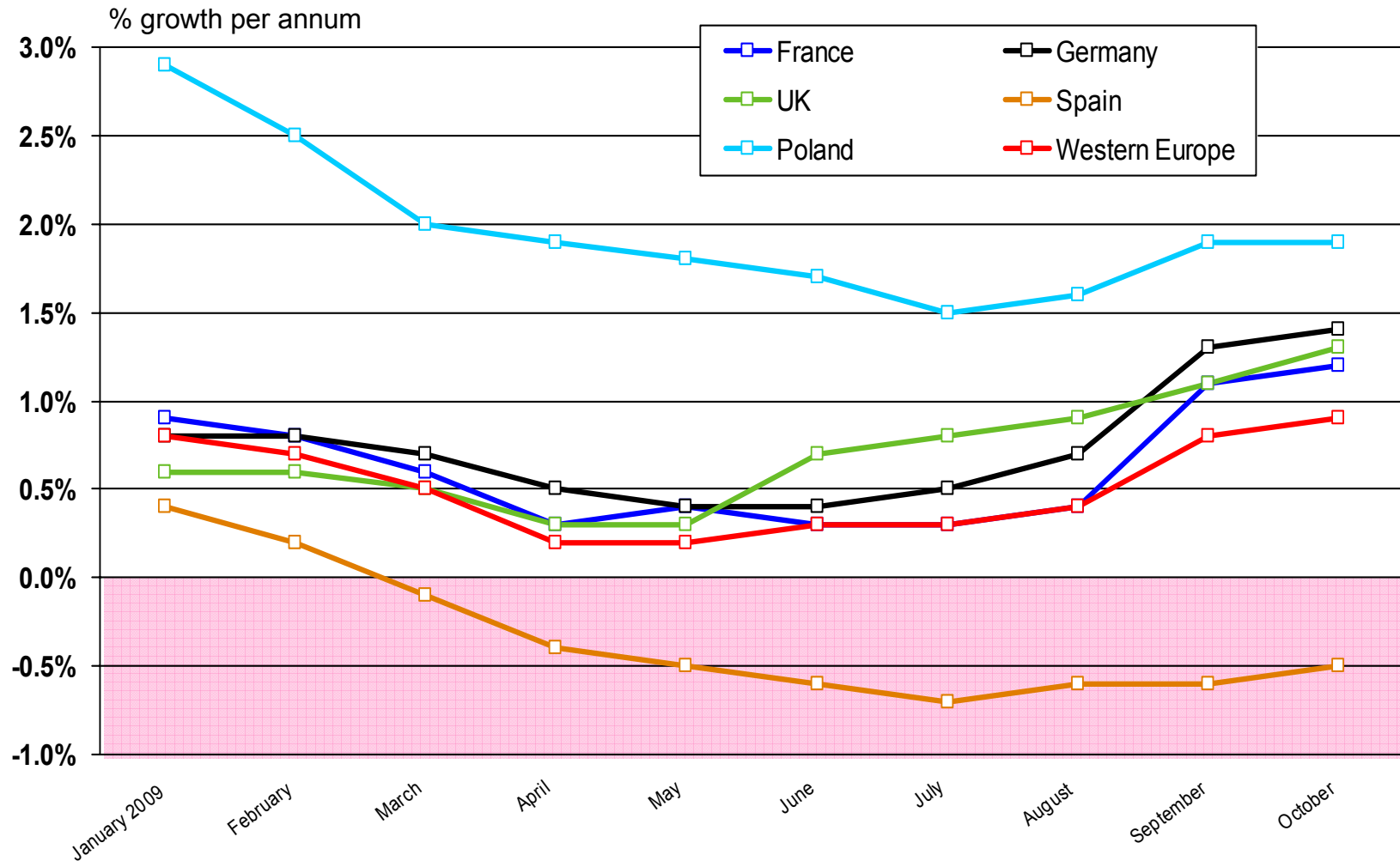
Consensus forecast for GDP growth 2009



Source: Consensus Economics (October 2009)

Changing economic sentiment

How forecasts for GDP growth in 2010 have changed over time



Source: Consensus Economics (October 2009)

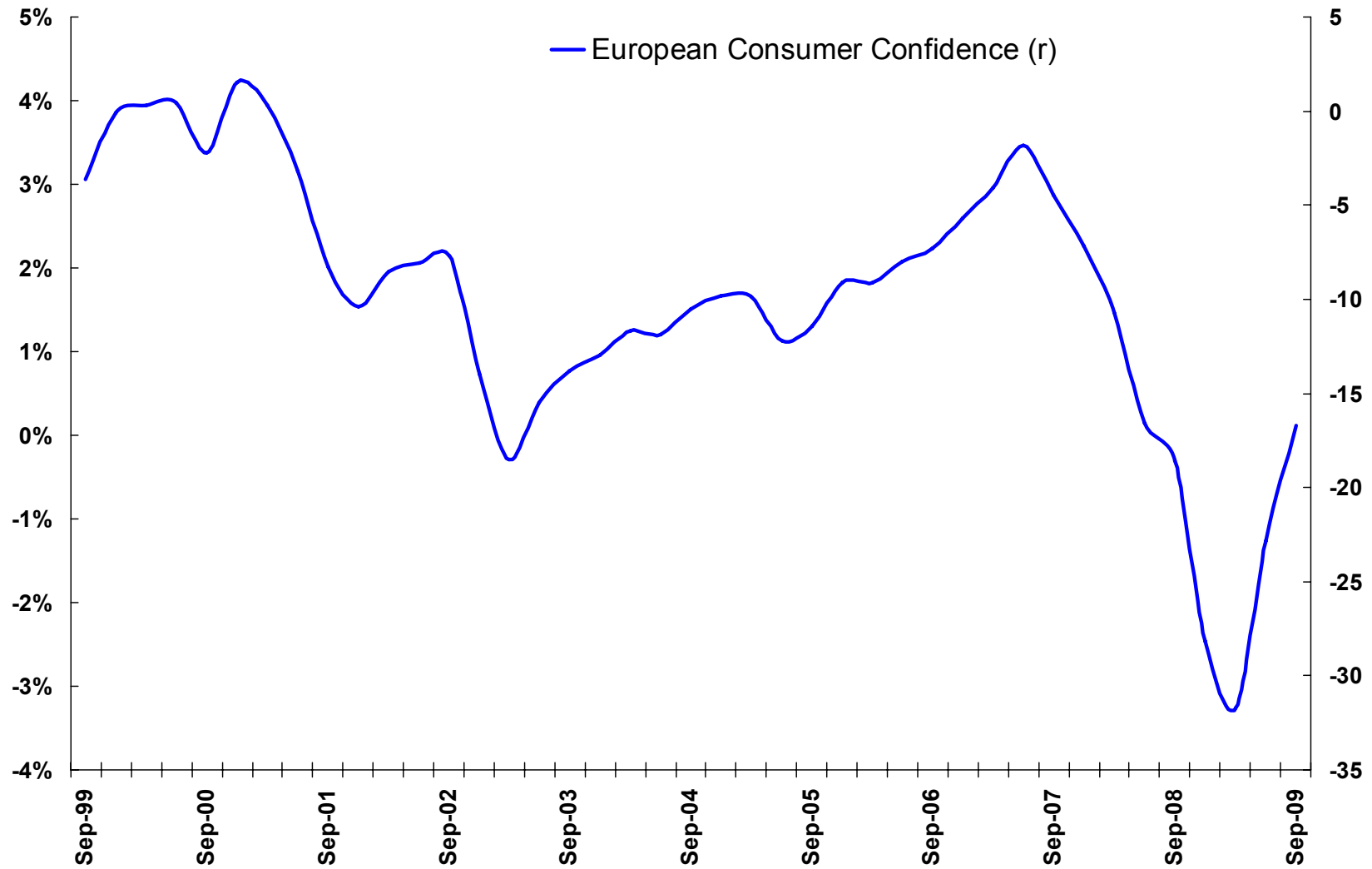
Unemployment has risen sharply

EU 15 Unemployment rate



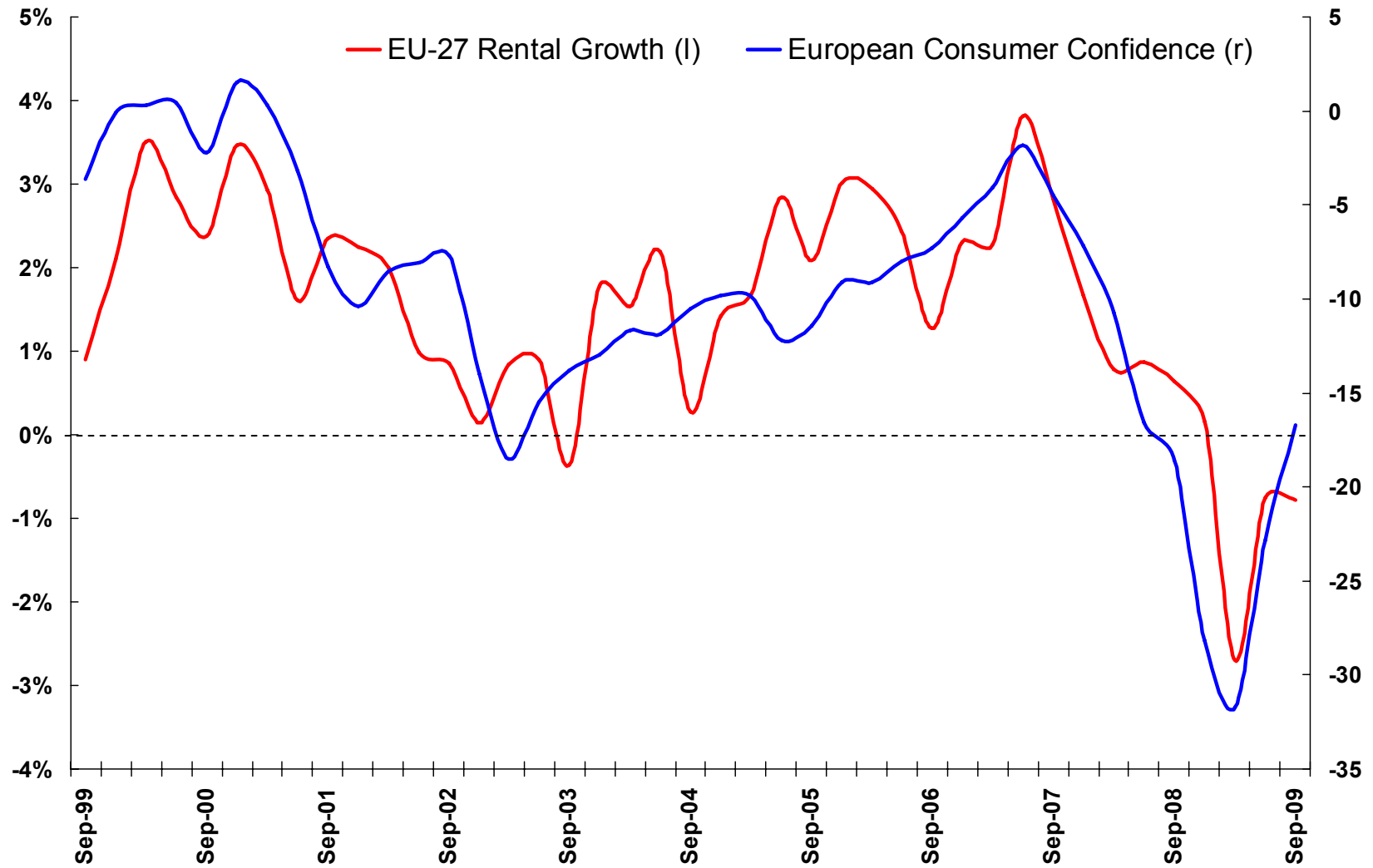
Source: Eurostat (September 2009)

Consumer confidence remains fragile ...



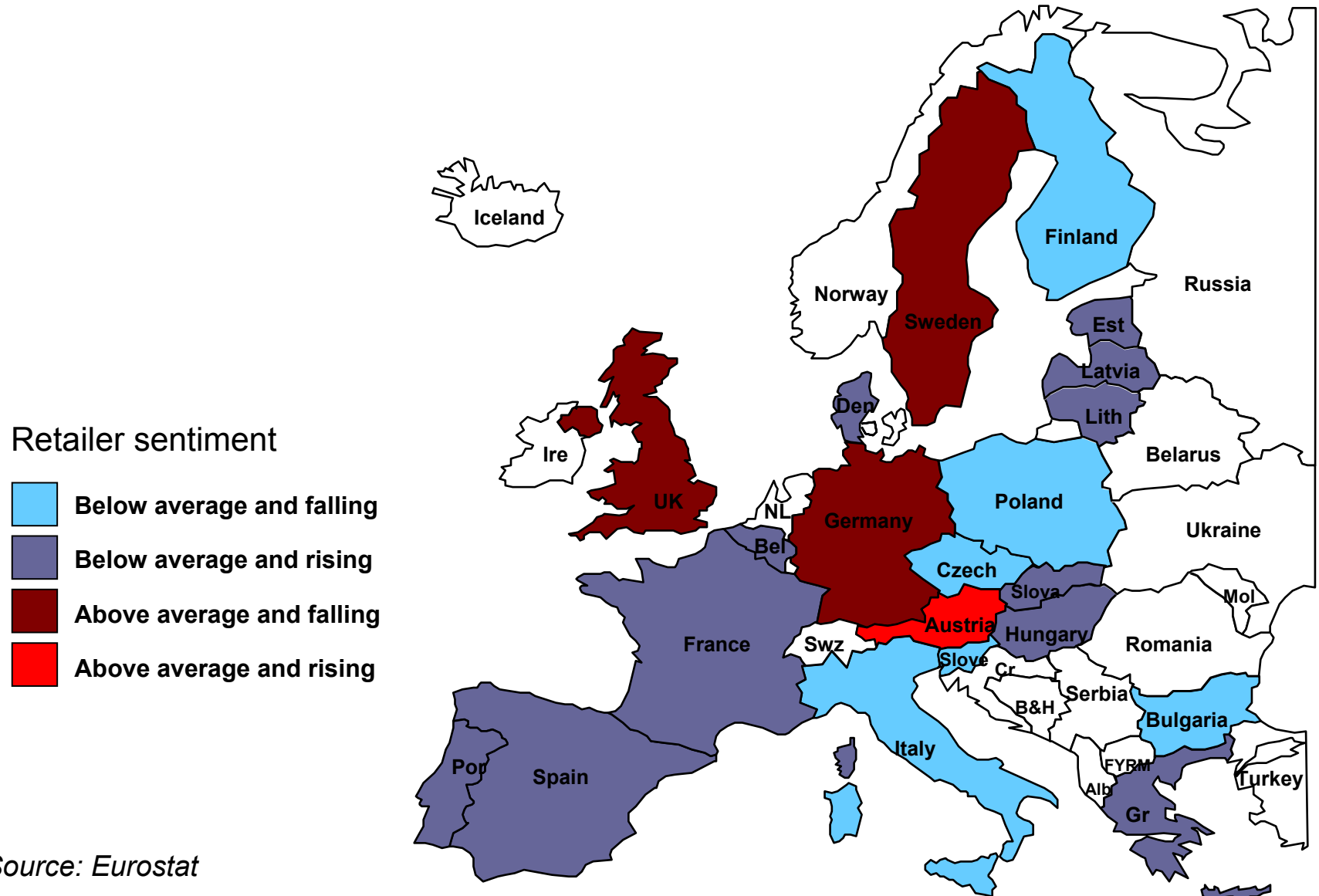
Source: Eurostat

... which is a key driver of rents



Source: Eurostat, CB Richard Ellis

European Retailer Sentiment, October 2009



Source: Eurostat

European Retail Themes



Peter Gold

Senior Director

Head of EMEA Cross Border Retail

CB Richard Ellis, London

HOW ACTIVE ARE RETAILERS IN EMEA?

CB RICHARD ELLIS | EMEA RESEARCH & CONSULTING



NOVEMBER 2009 | SPECIAL REPORT

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The latest in our
global series of
Special Reports
focusing on the
retail sector ...

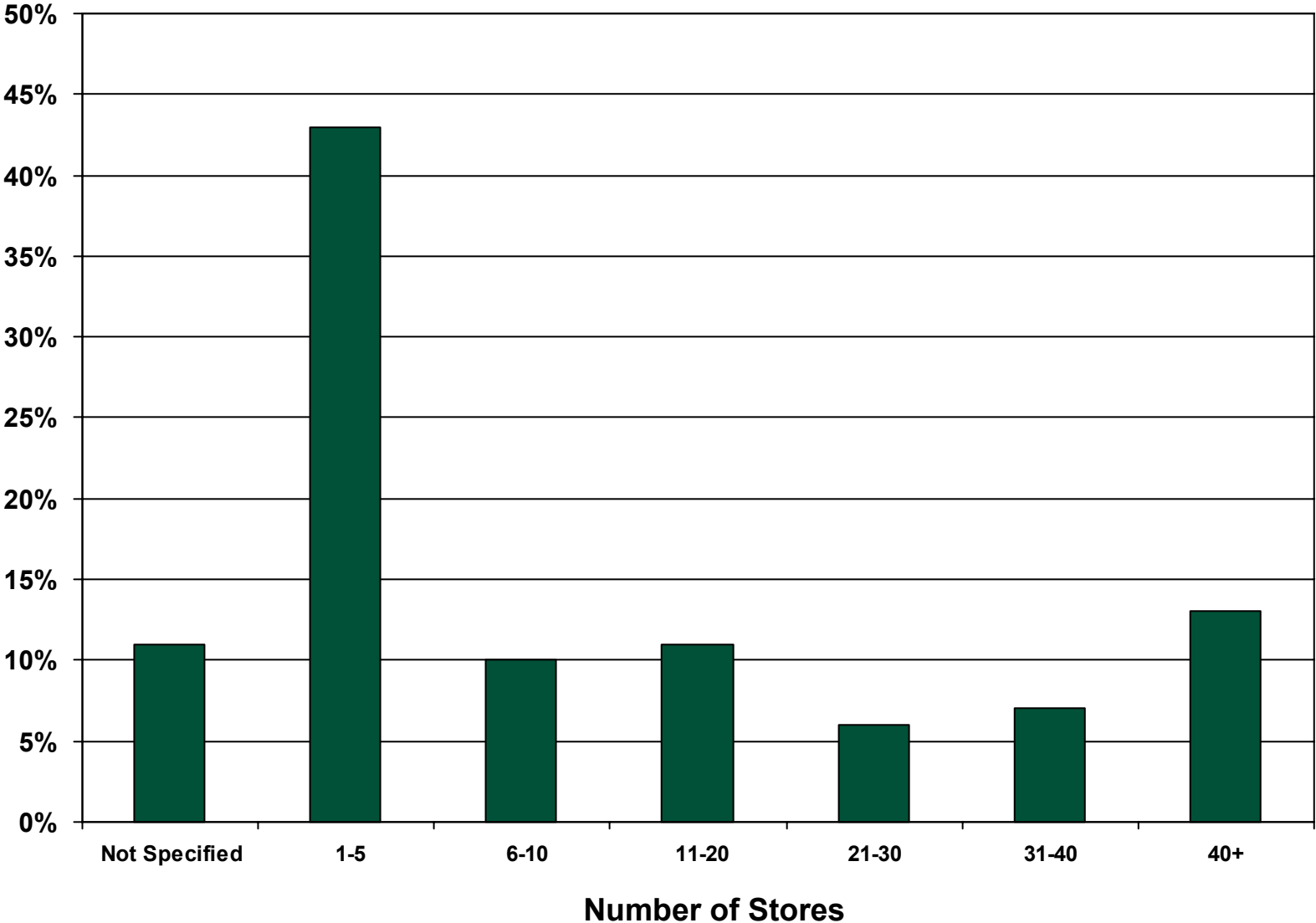
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The Survey

- **220 “formerly active” retailers**
- **18 different nationalities**
- **24 different sub-sectors across all types of retail**
- **200 still actively looking to expand**

Retailer Expansion Plans

Proposed Store Acquisitions to Dec 2010

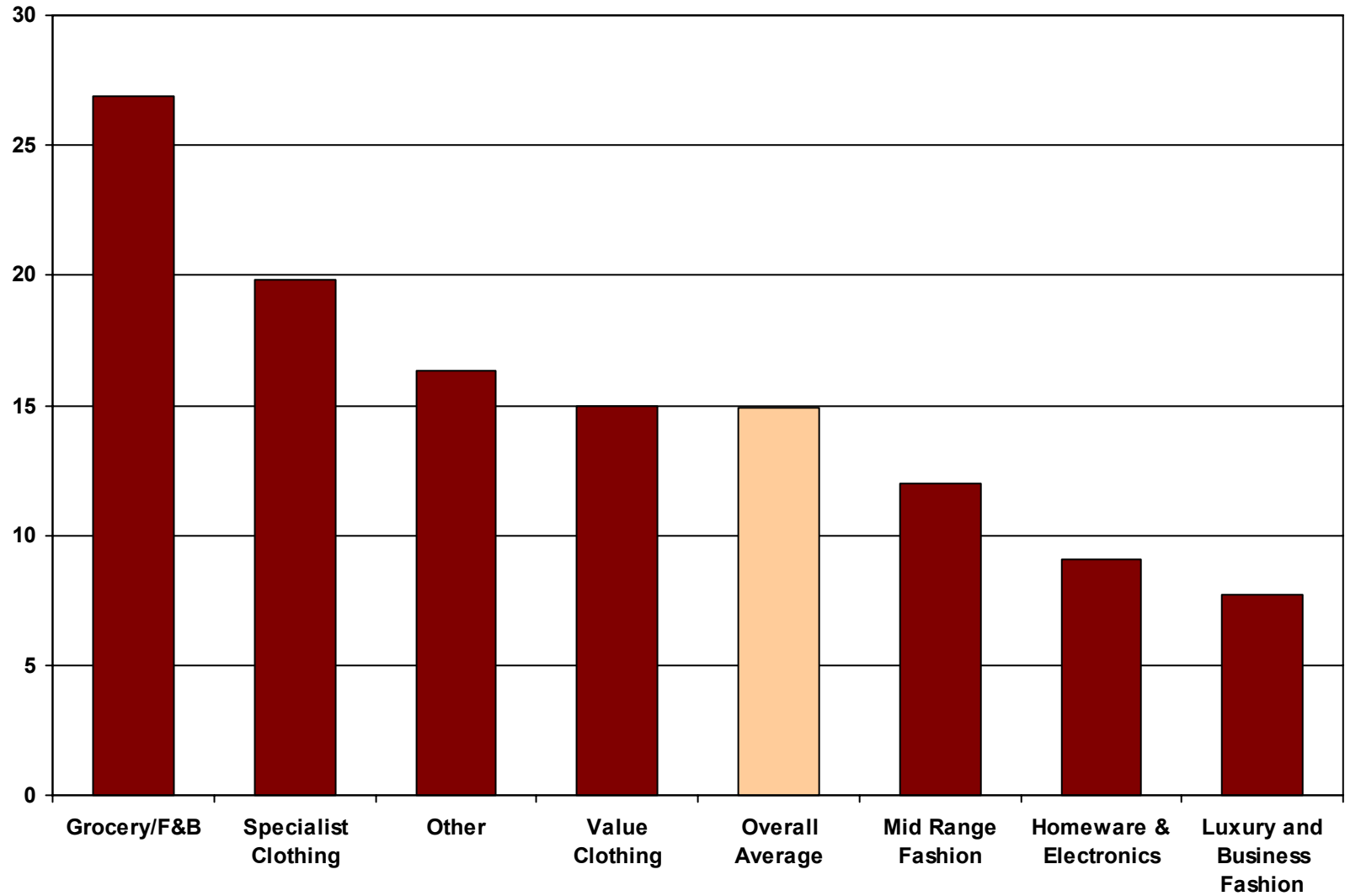


Retailer groups

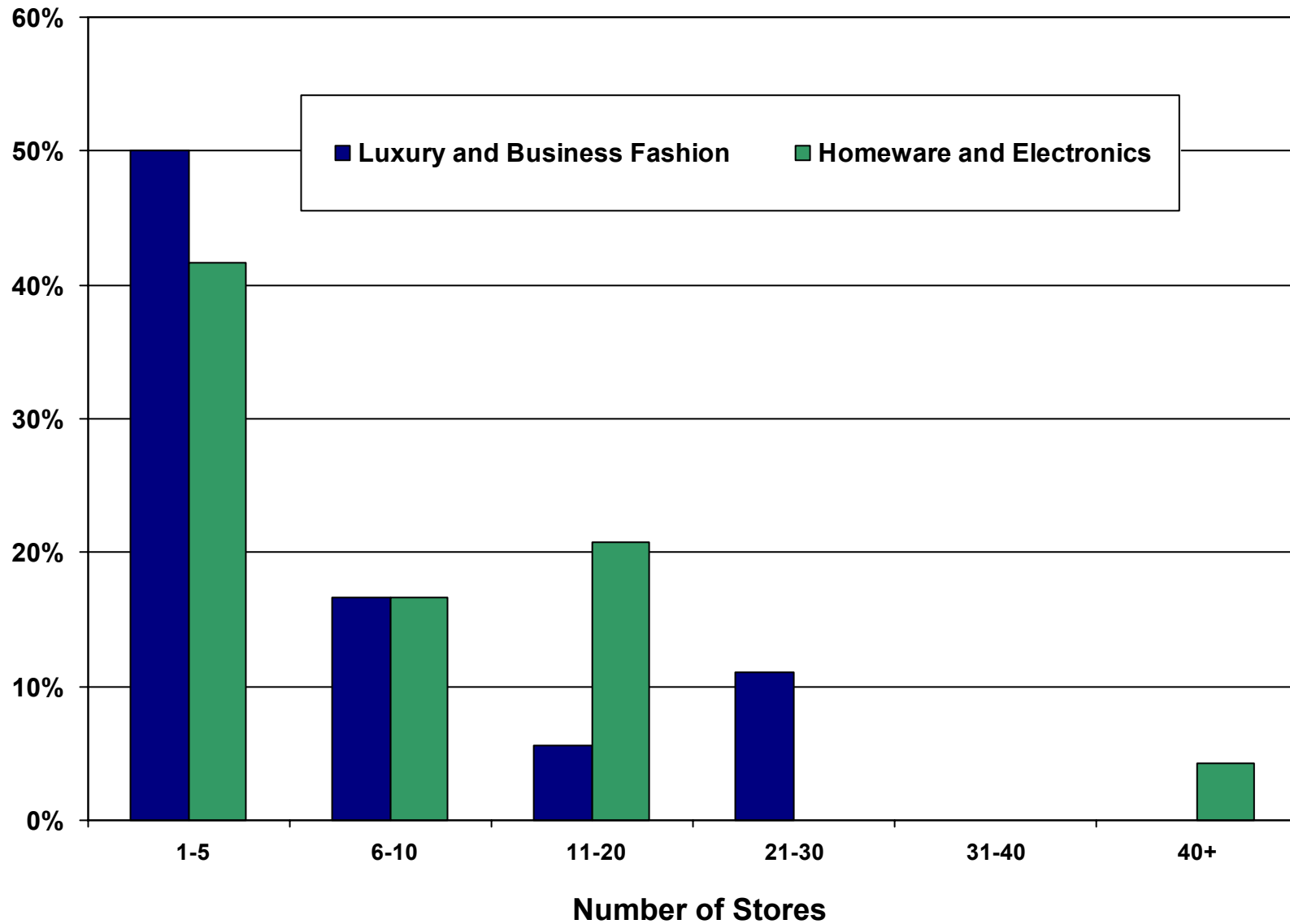
- **Luxury and Business Fashion**
Luxury clothing, jewellery and business clothing retailers.
- **Mid Range Fashion**
Fashion and casual fashion retailers.
- **Value Clothing**
Value and discount clothing and denim retailers.
- **Specialist Clothing**
Footwear, underwear, sportswear, childrenswear and accessories retailers.
- **Grocery, Food and Beverages (F&B)**
Fast food, supermarkets, restaurants and coffee retailers.
- **Homeware & Electronics**
Electronics, DIY retailers, dept stores and furniture retailers.
- **Other**
Chemists, pet stores, books, music and dvd retailers.

Acquisition Index by Sector

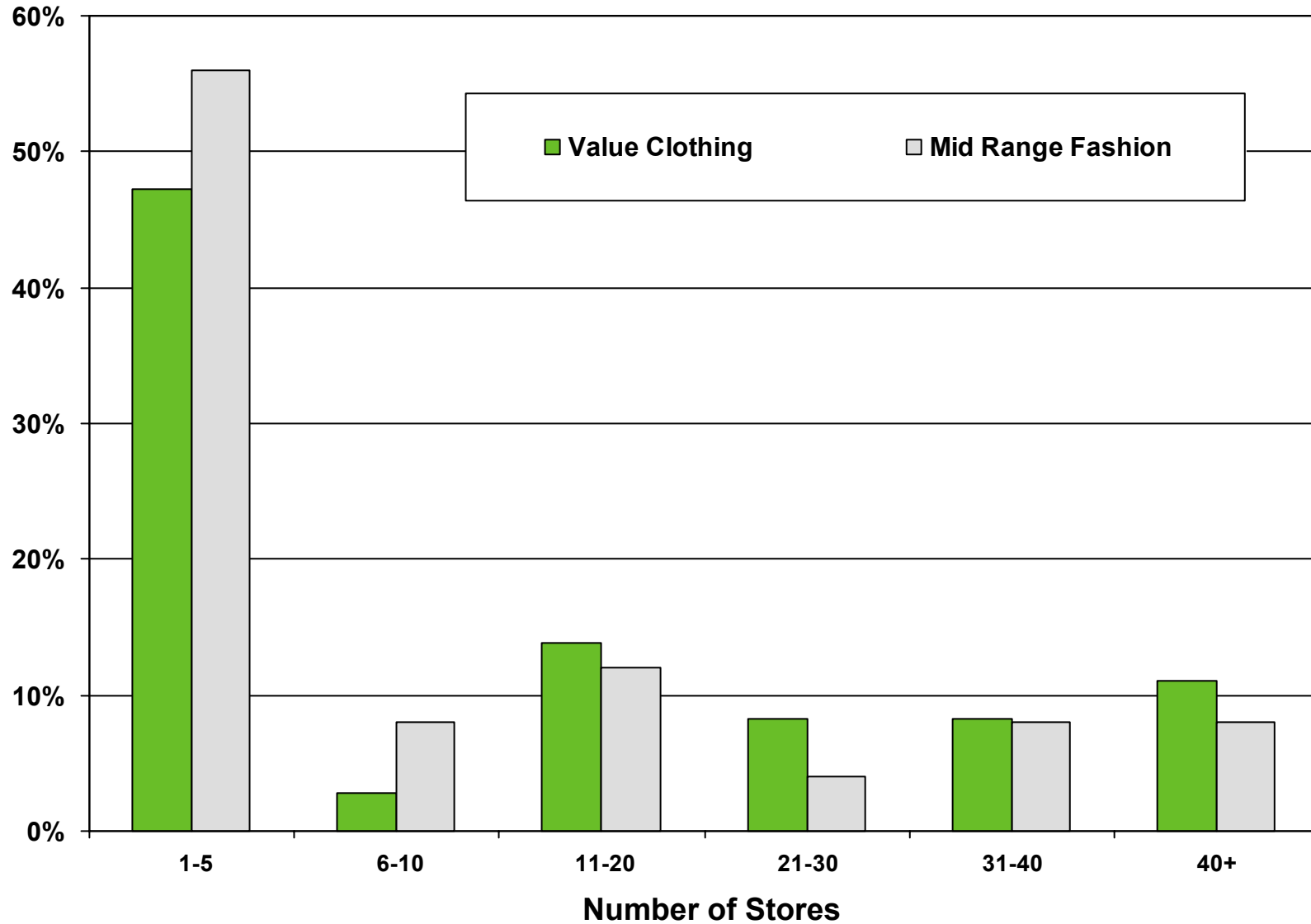
Indicating relative levels of intended expansion



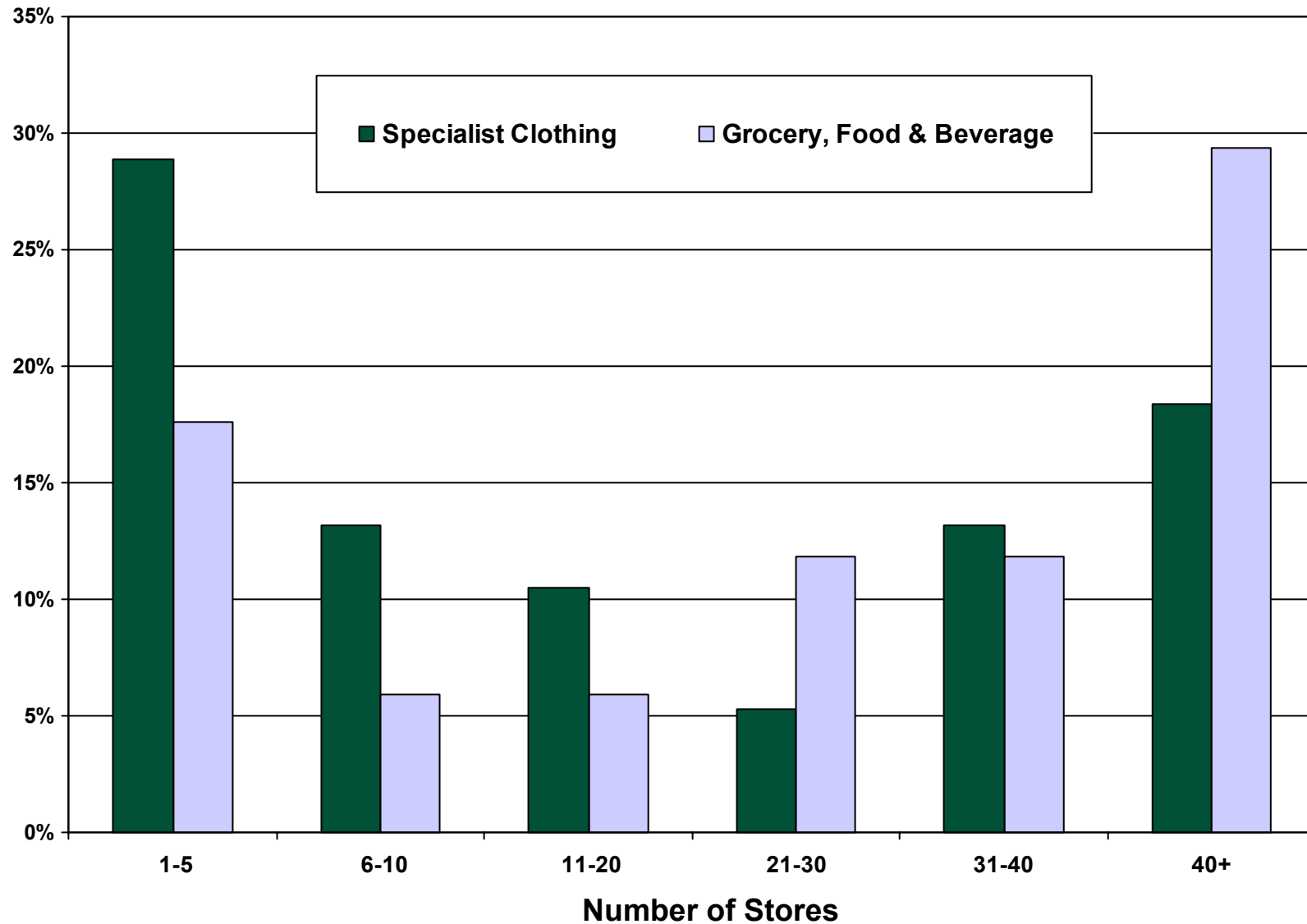
Retailer Expansion Plans by Sector



Retailer Expansion Plans by Sector

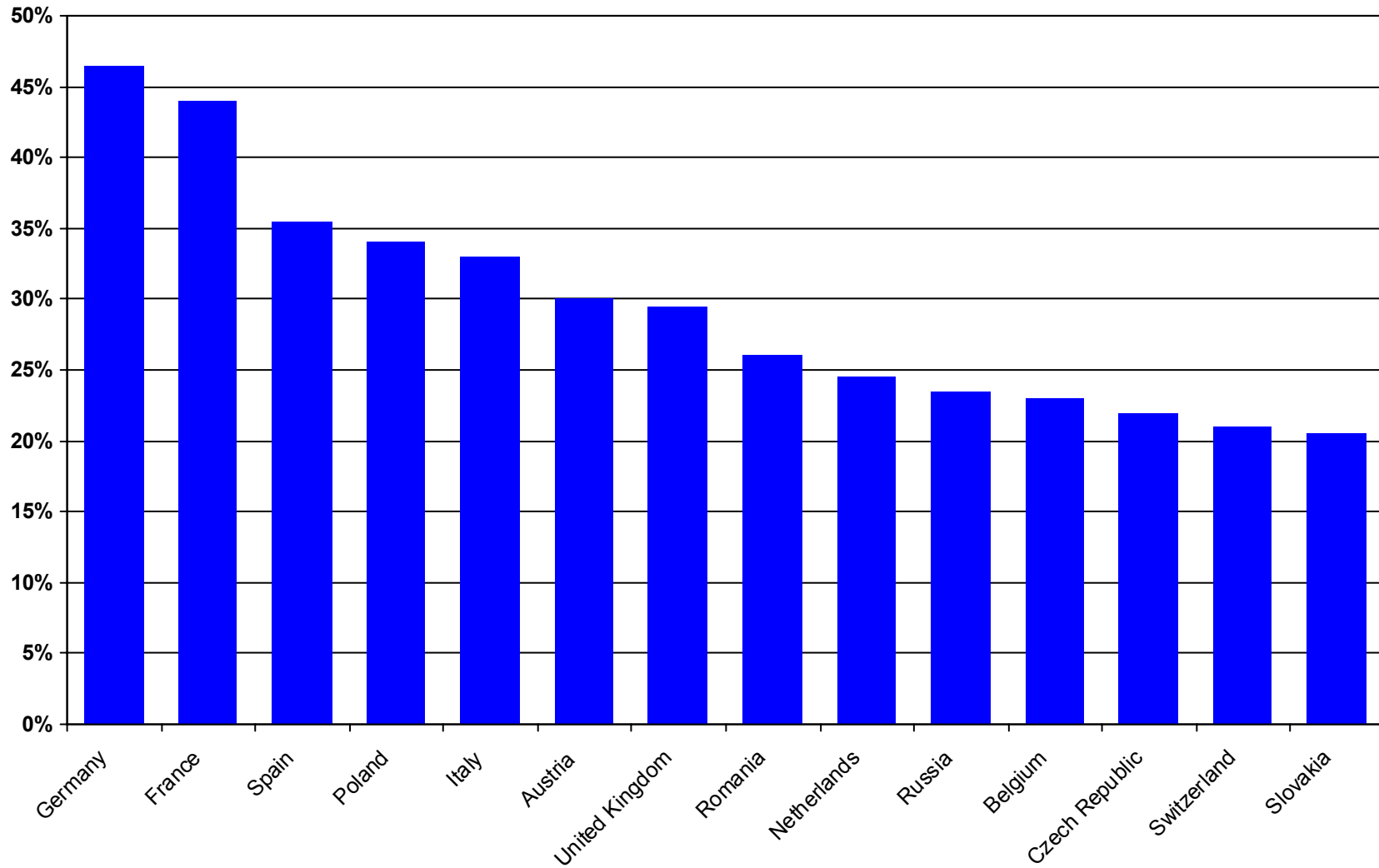


Retailer Expansion Plans by Sector

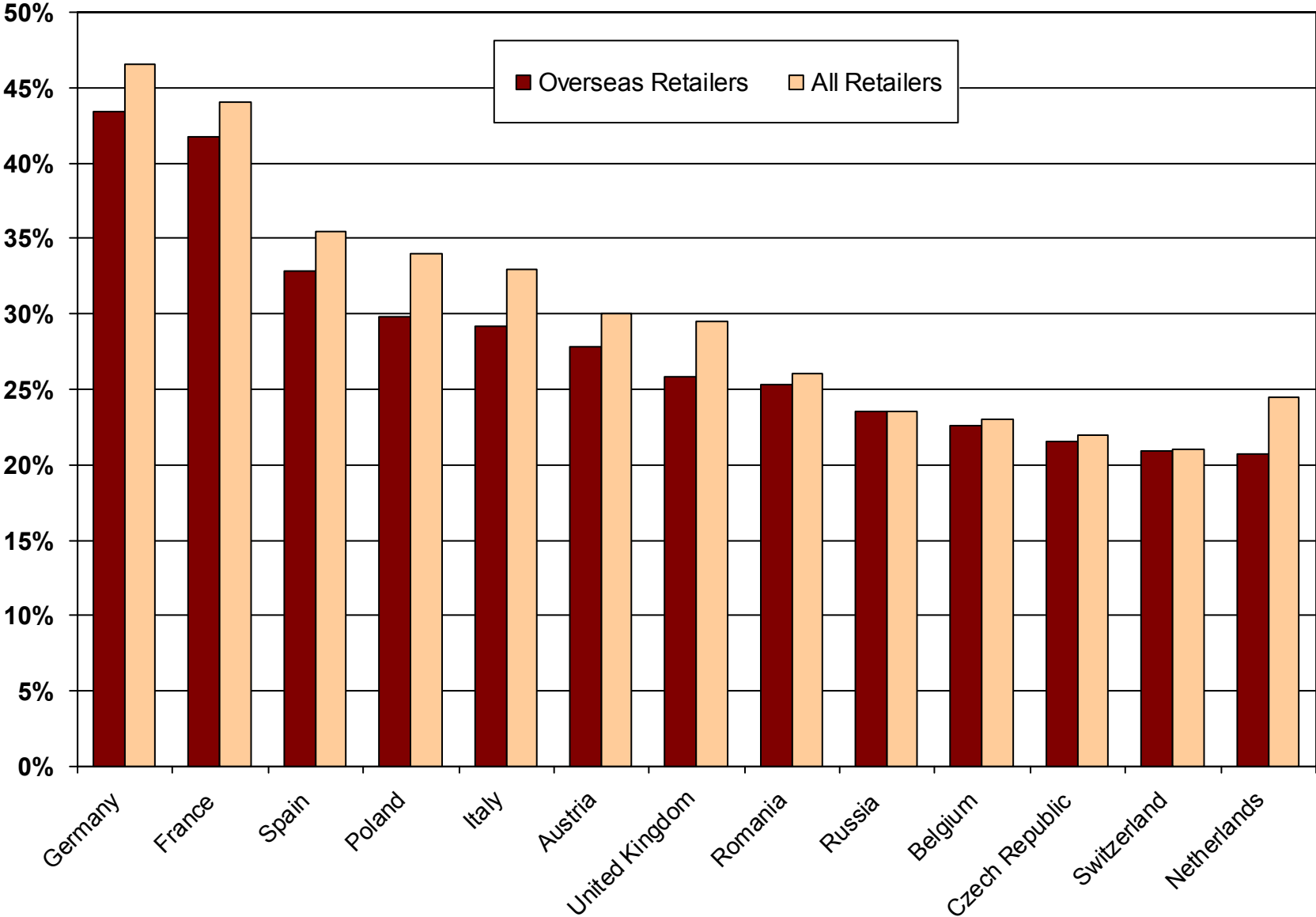


Countries where retailers are looking to expand

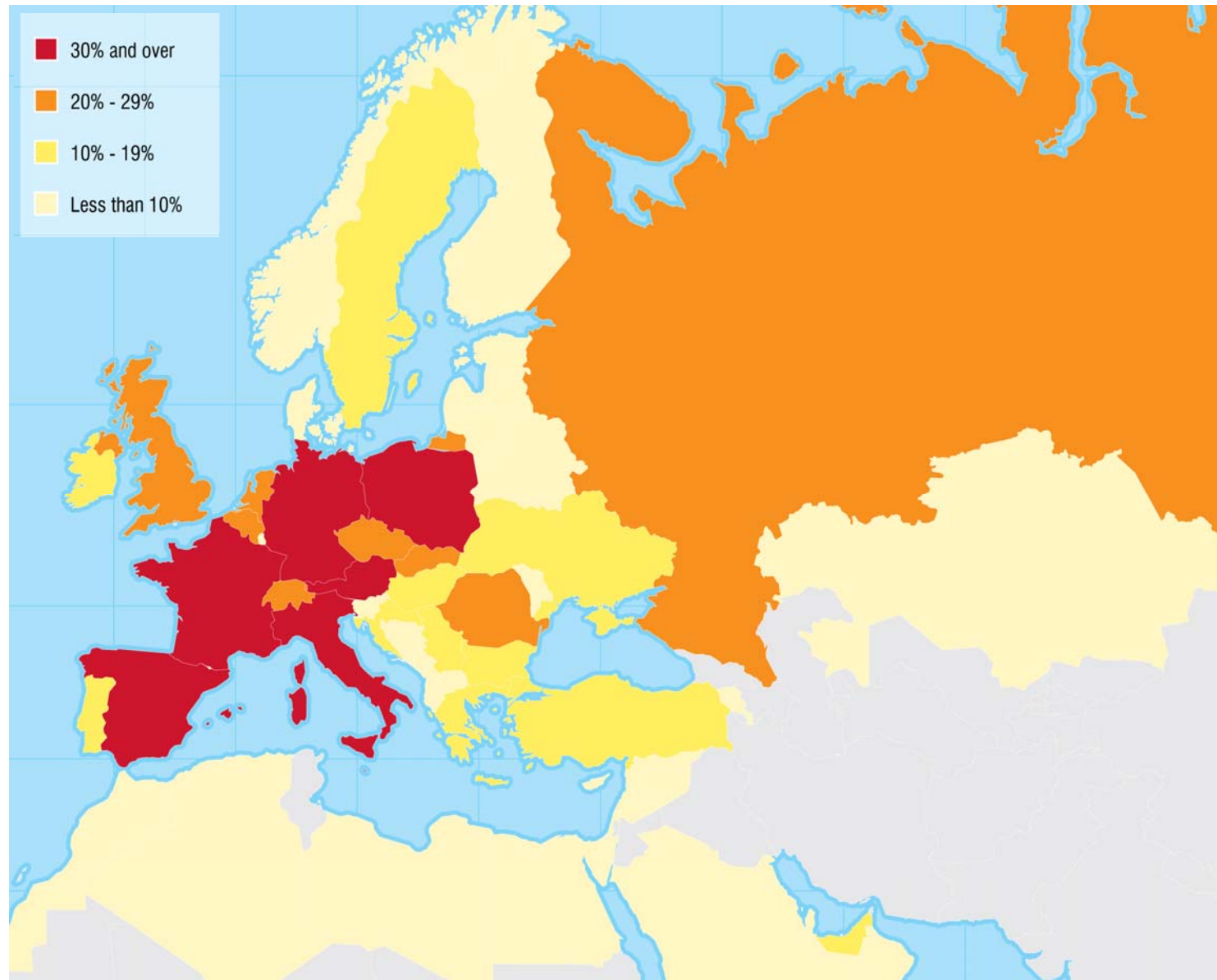
Proportion of all 200 retailers targeting each country



Proportion of Retailers Targeting a Country

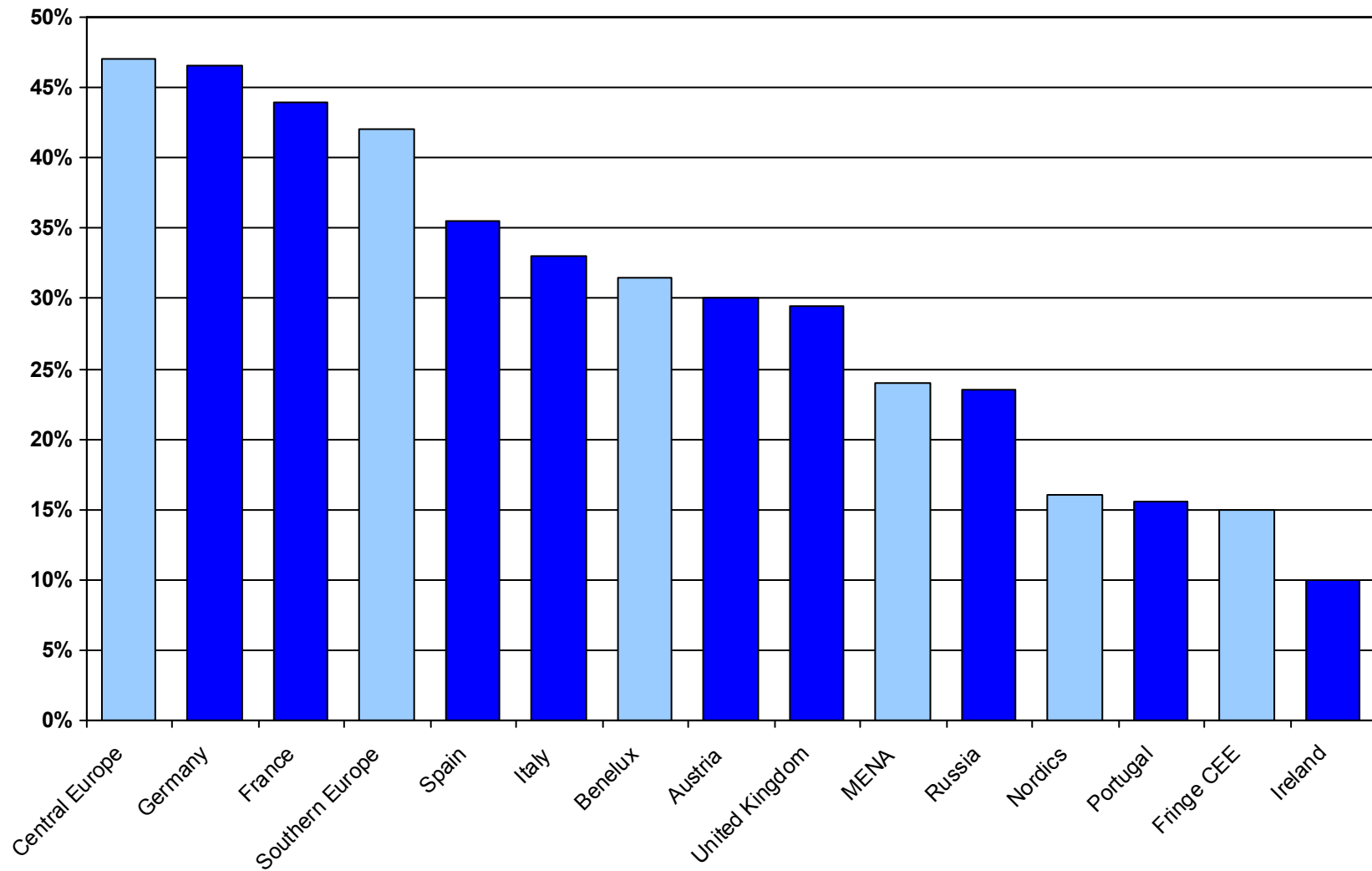


Strong focus on the core, mature markets

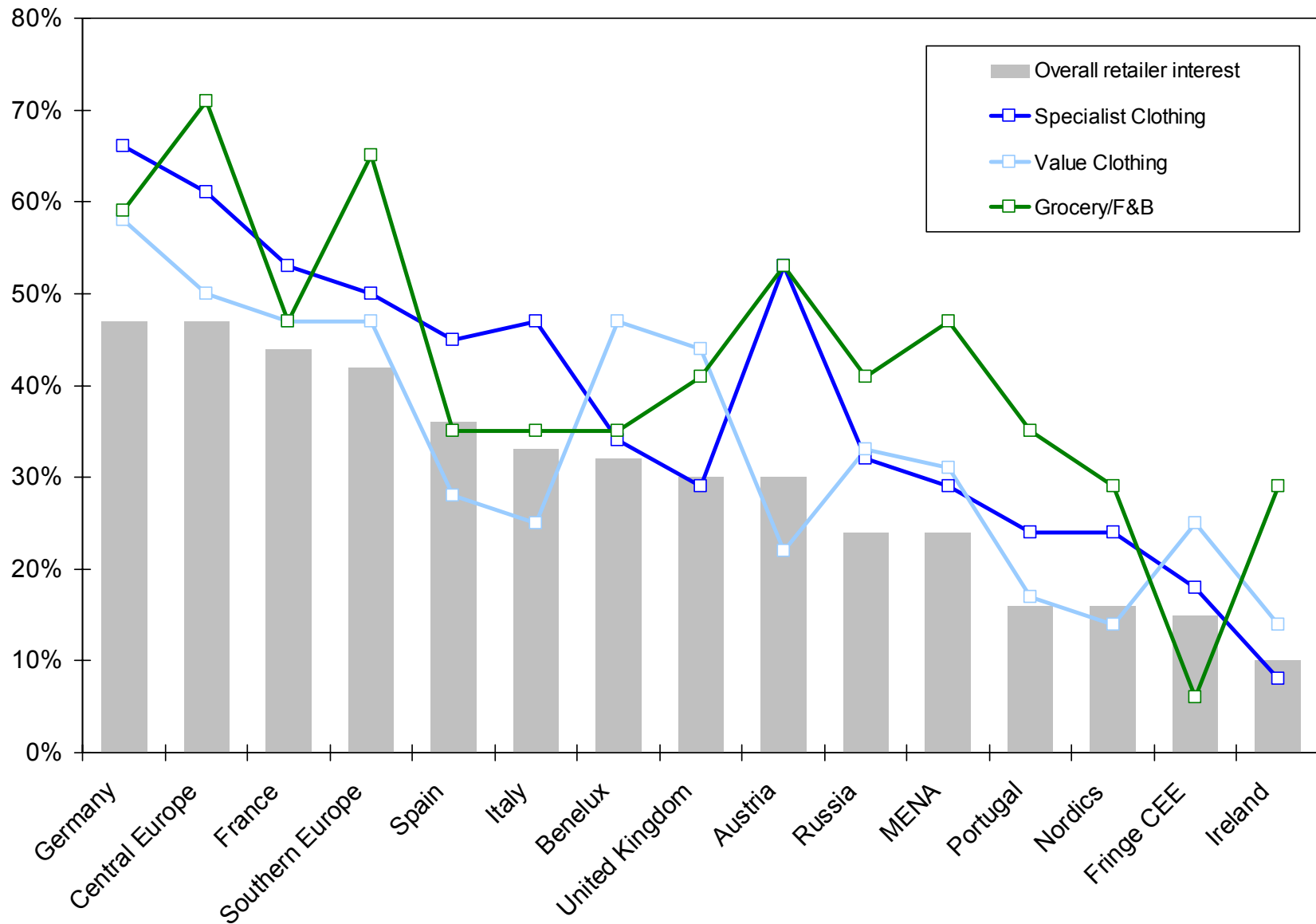


Target markets – with country groupings

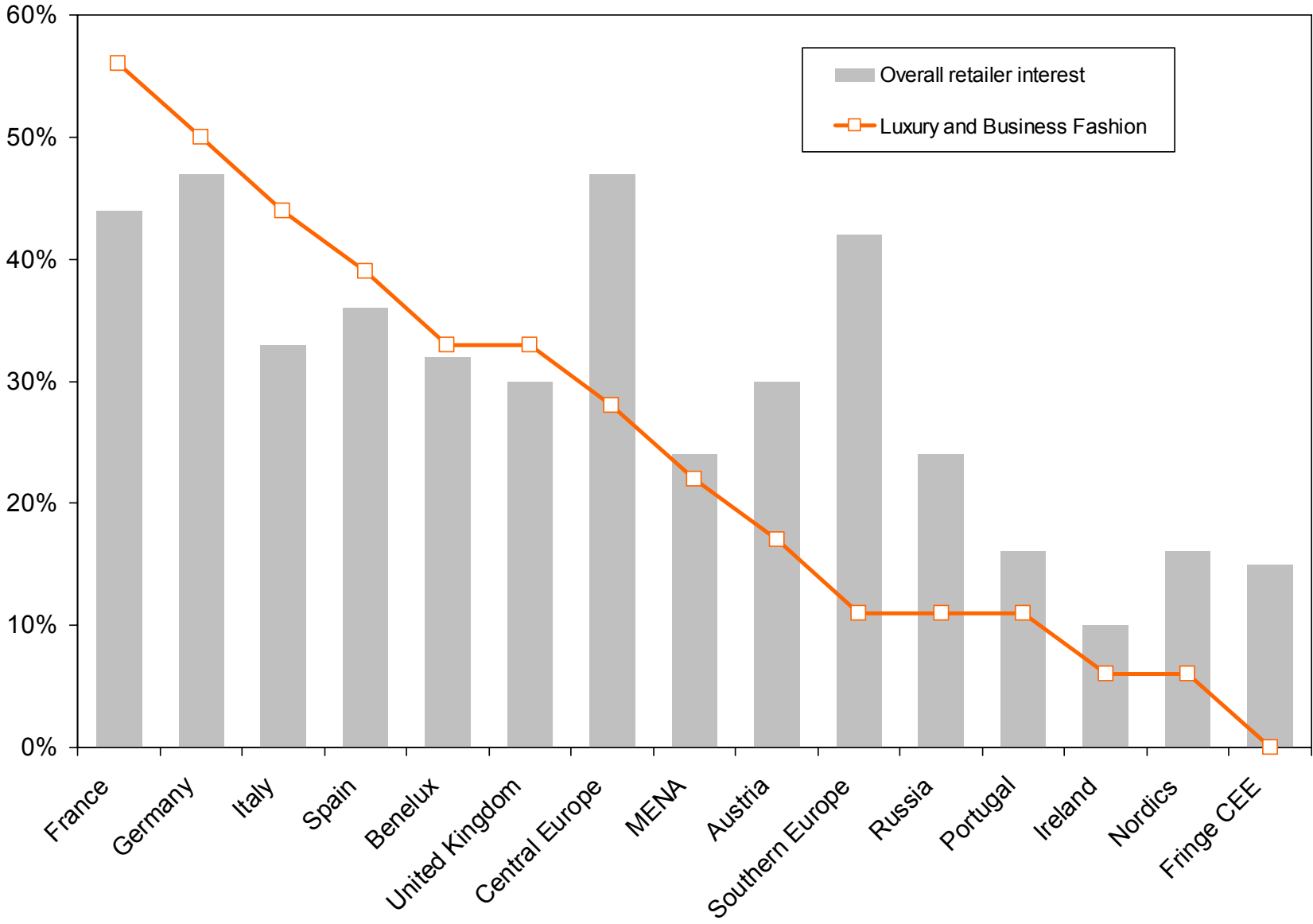
Proportion of all 200 retailers targeting each country/region



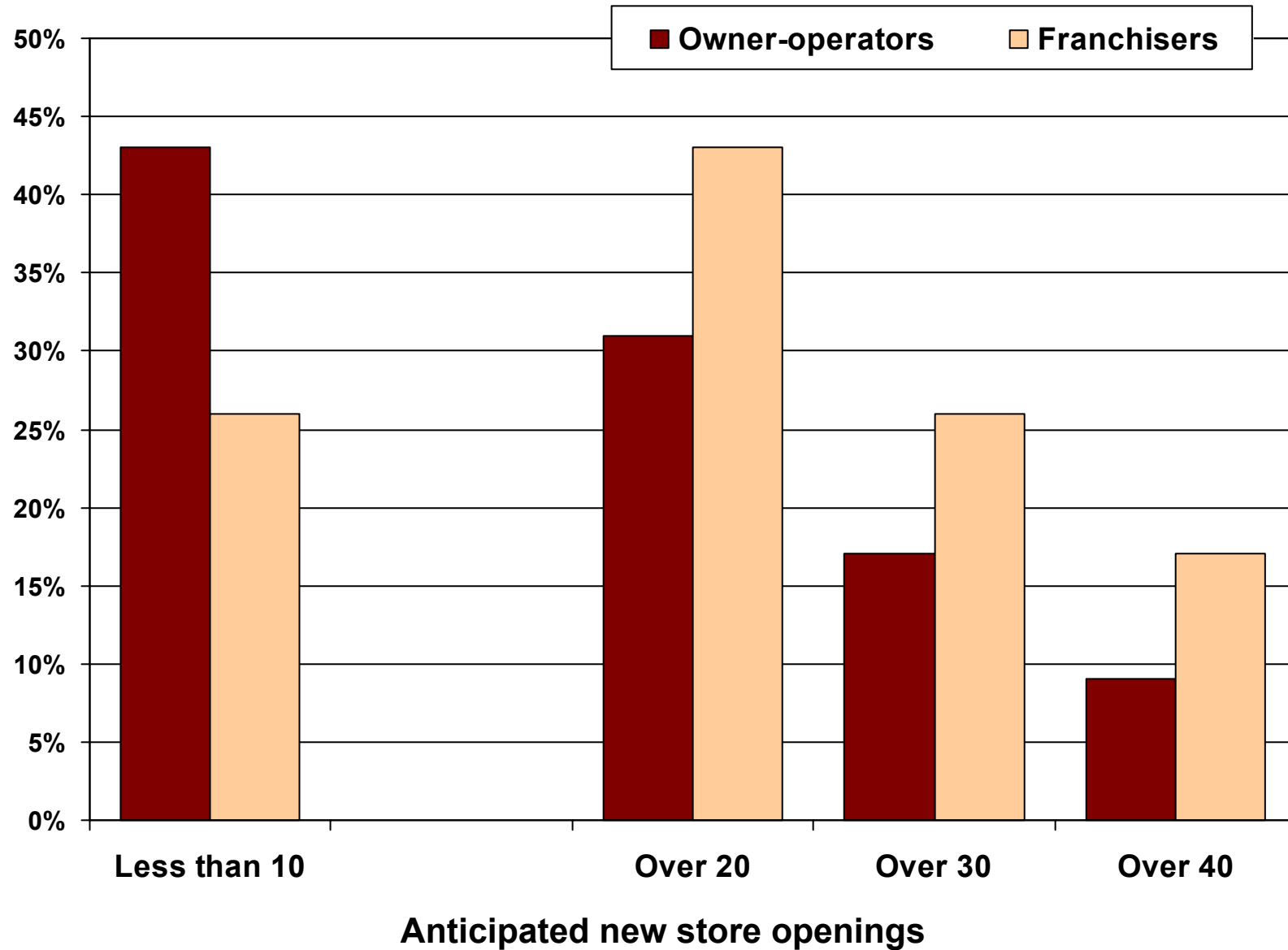
“Growth” sectors are more active everywhere



Luxury sector is very “core focussed”

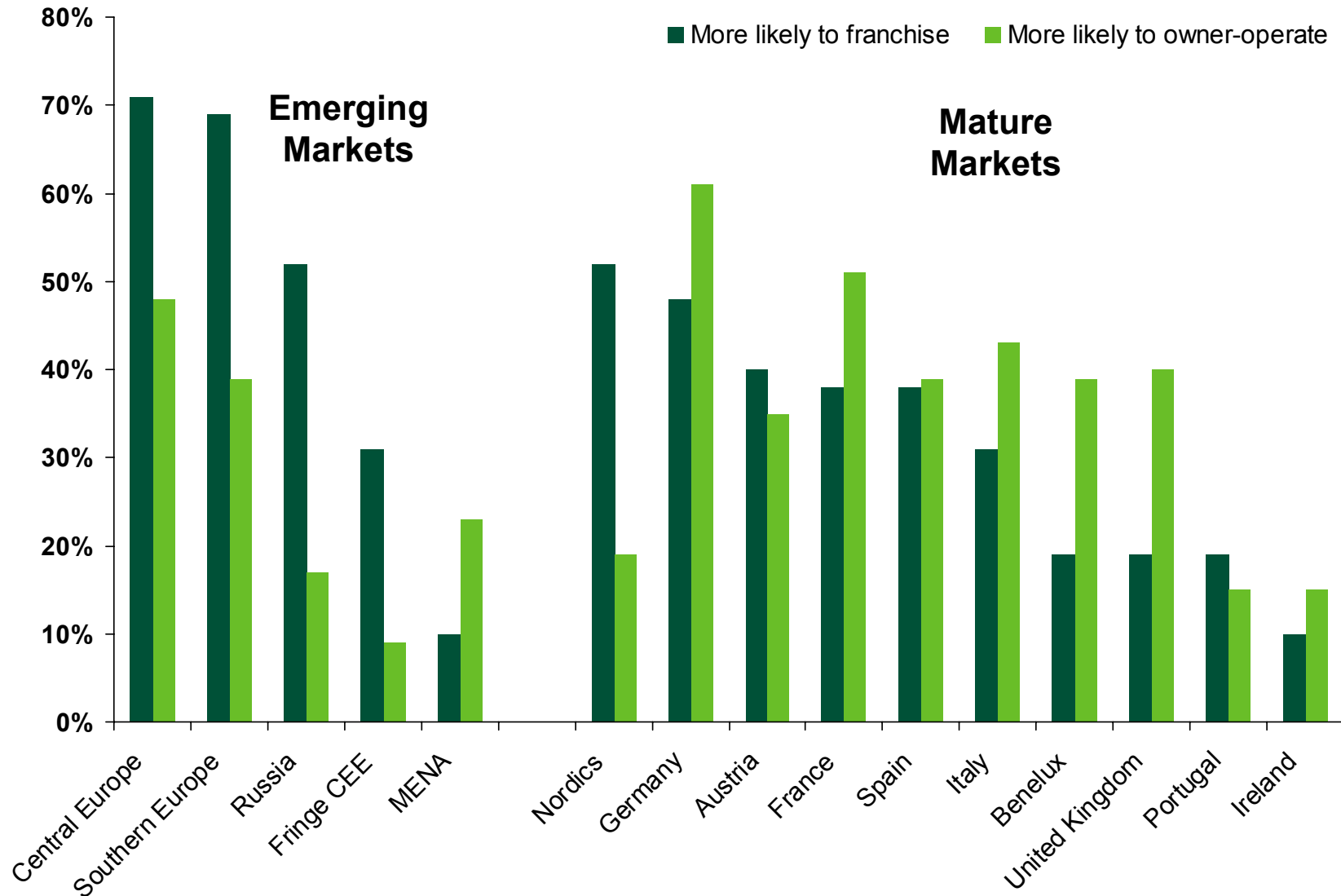


Number of intended acquisitions by operating model



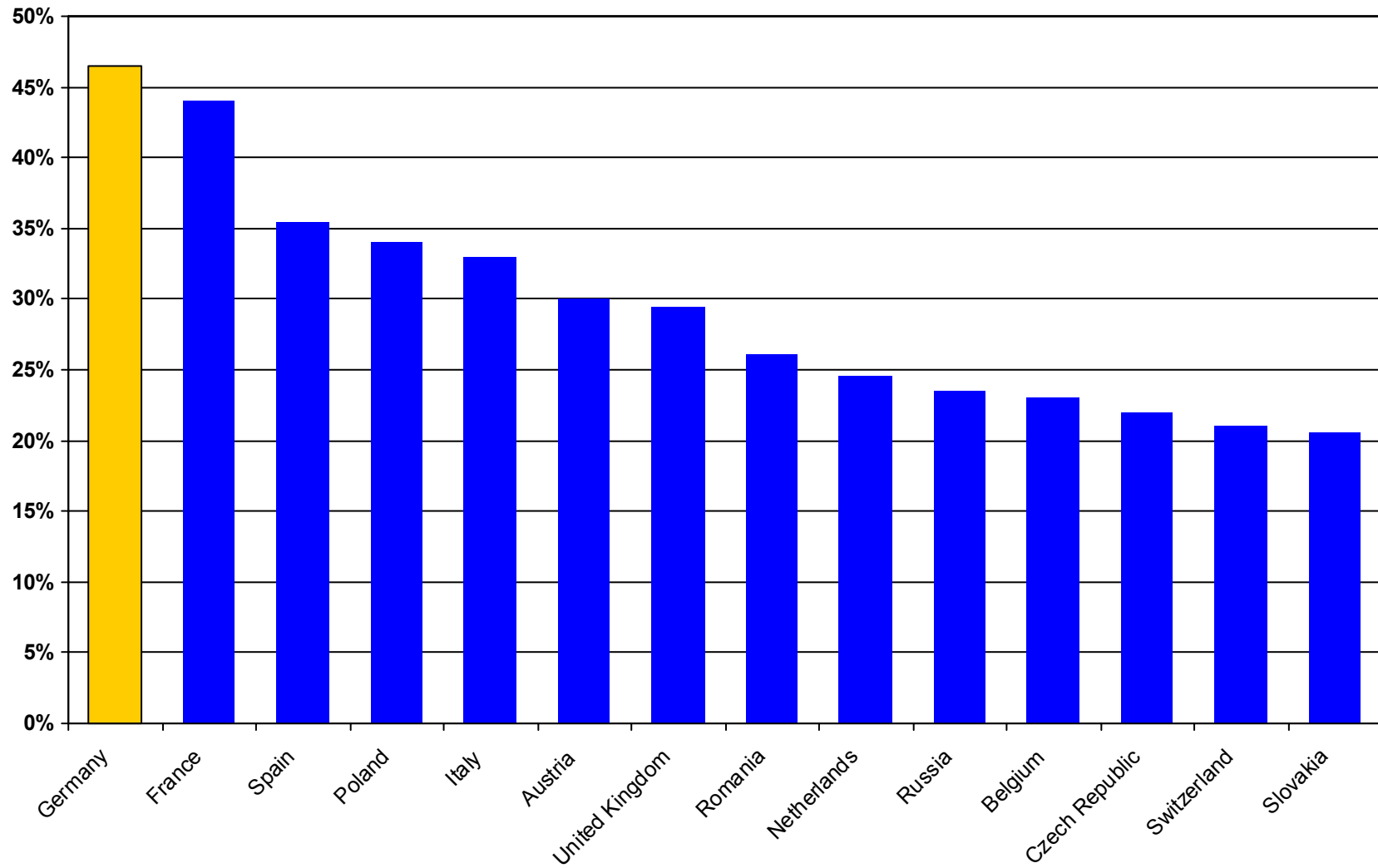
Likely operating model by target market

Proportion of retailers using each model targeting a particular market



Countries where retailers are looking to expand

Proportion of active retailers targeting each country



Germany



Karsten Burbach

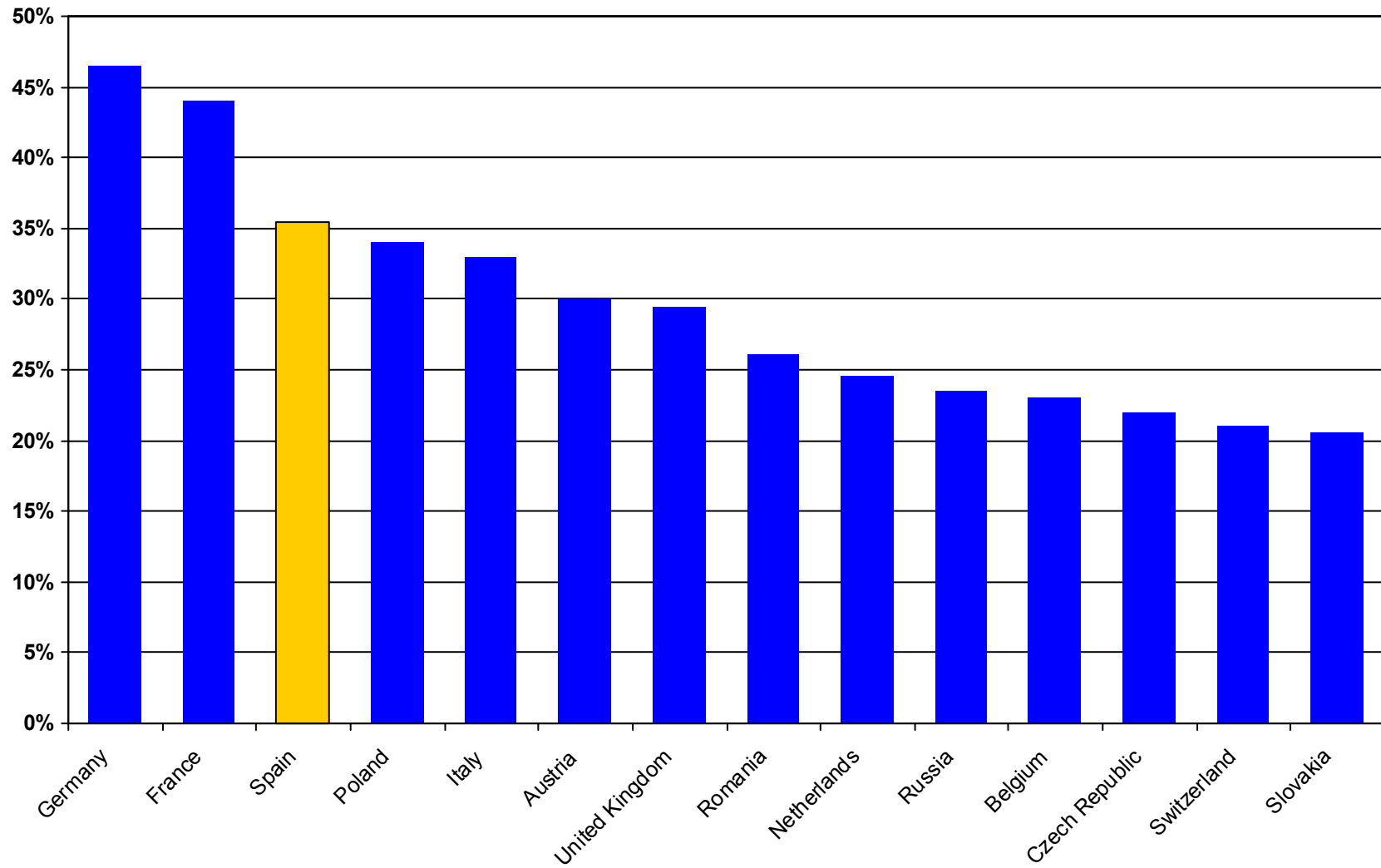
Senior Director

Head of Retail, Germany

CB Richard Ellis, Frankfurt

Countries where retailers are looking to expand

Proportion of active retailers targeting each country





Alex Barbany

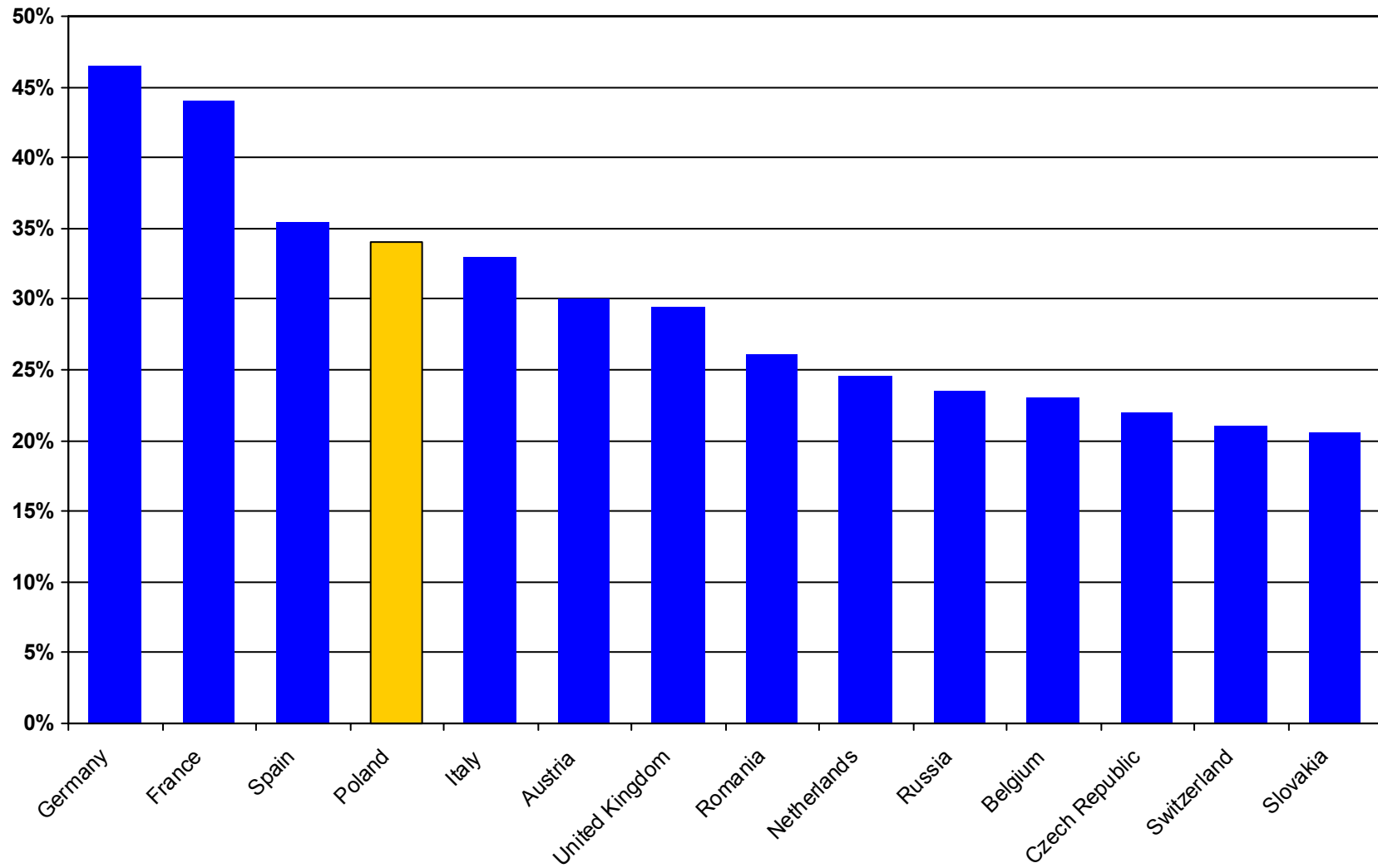
Director

Head of Retail, Spain

CB Richard Ellis, Barcelona

Countries where retailers are looking to expand

Proportion of active retailers targeting each country



Poland



Magda Fraczak

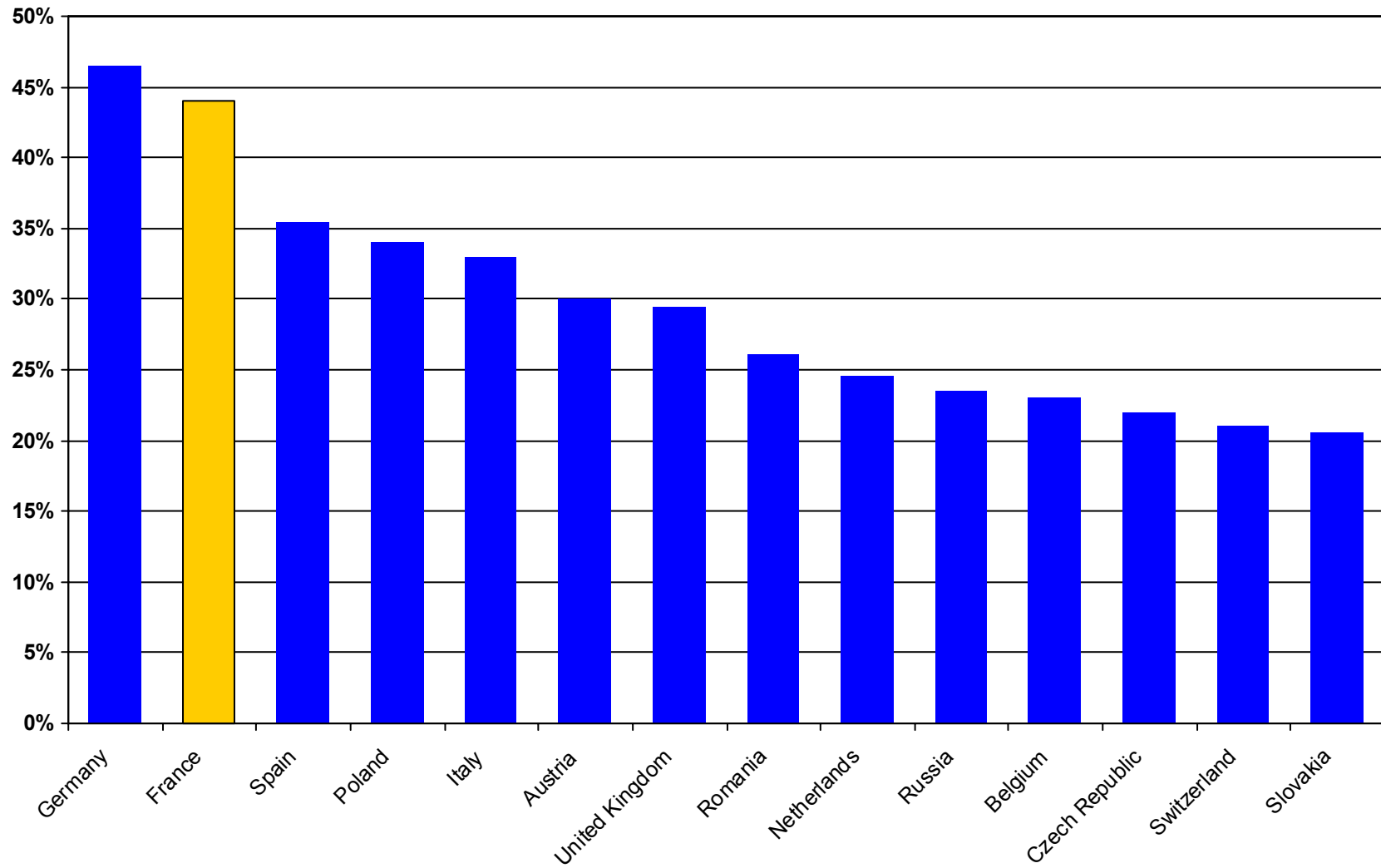
Director

Head of Retail, Poland

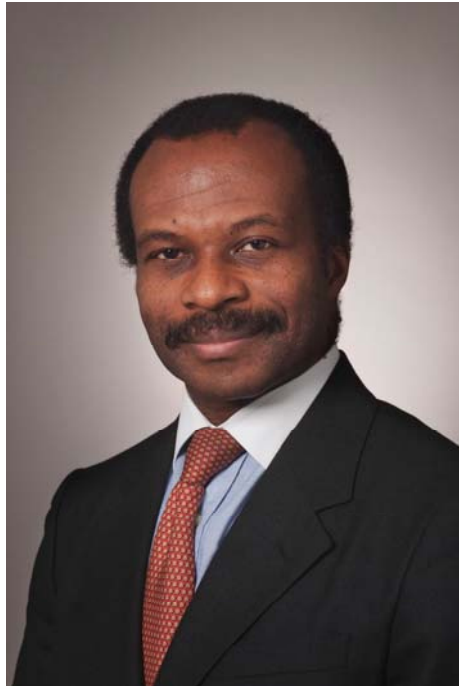
CB Richard Ellis, Warsaw

Countries where retailers are looking to expand

Proportion of active retailers targeting each country



France



Chris Igwe

Head of Retail, France

CB Richard Ellis, Paris

North America



Annette Healey

Senior Vice President

Retail Services

CB Richard Ellis, New York



Dominic Stead

Executive Director

Client Development, Asia

CB Richard Ellis, Hong Kong

Conclusions

- **A challenging time for retailers**
- **Consumers will remain cautious, even as the economy recovers as we move through 2010**
- **“Flight to quality” will persist for a while**
- **Emerging markets will recover their attraction**
- **Reduced development pipeline could limit entry**
- **For some, this is a time of opportunity**

For more information

For further details of any of our retail or research activities around the world, please contact:

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