

Retail Update Poland

A prime source of market intelligence for retail professionals

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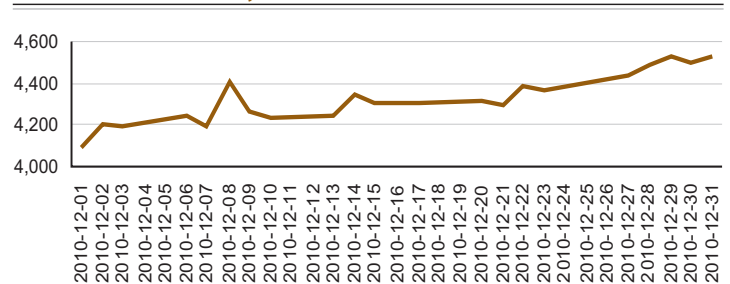
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WIG-Food Industry, December 2010



Source: Warsaw Stock Exchange, 2010

Most large grocery retailers operate more than one format

The dozen retailers operating more than one store format represented close to a third of the Polish grocery market in 2010 according to PMR's estimates. Thru the different format outlets such retailers can reach many market segments and work to fortify their brand positioning. Yet, such a strategy is not imperative to assure market leadership. Most multi-format retailers are looking to develop primarily by focusing on smaller shops. (...)

Continued on page 3 ►

Leading brands on stagnating energy drink market jockeying for position

The Polish energy drinks market has stagnated after several years of rapid growth. Furthermore, a legal dispute over the ownership rights to the leading brand, Tiger, could result in major changes in the balance of power in this subdivision of beverage retail in Poland. (...)

Continued on page 5 ►

Numbers in the news

1 (PLN bn) is the estimated value of the Zabka convenience store chain IPO which might take place in mid-2011. The proceeds from the stock exchange debut could be used to fund acquisitions.

No. 52/1 (401/402)

1.7 (PLN bn) worth of groceries could be sold online in Poland over the next five years.

No. 50 (399)

2 energy drinks bearing the Tiger logo are being sold in Poland as the result of a legal dispute over the ownership of the brand name.

No. 52/1 (401/402)

4 TK Maxx stores are to open in Poland in the second quarter of 2011.

No. 50 (399)

8 new Subway restaurants are to open in the near future in Poland.

No. 52/1 (401/402)

10 % is the expected annual increase in the sales of Amica, a prominent producer of white goods.

No. 51 (400)

13 % is the predicted year-on-year growth figure for retail sales in December 2010.

No. 52/1 (401/402)

14 new stores were opened in 2010 by the footwear producer Wojas.

No. 52/1 (401/402)

17 % of Poles believe that there are not enough 24-hour stores in Poland.

No. 51 (400)

24 Aldik Nova supermarkets will be taken over by the Emperia Holding retail group.

No. 52/1 (401/402)

30 new stores belonging to the Netto discount chain will open in 2011.

No. 51 (400)

35 % of respondents stated that they prefer to buy groceries at small stores located in residential areas, according to an ARC Rynek i Opinia survey.

No. 52/1 (401/402)

40 (PLN m) will be invested in 2011 by the confectionery producer Jutrzenka in organic growth.

No. 52/1 (401/402)

50 new Diverse clothing stores will open in Poland by late 2012.

No. 52/1 (401/402)

70 new Lidl discount stores opened on the Polish market in 2010, and a similar number will be launched in 2011.

No. 52/1 (401/402)

80 % of toys manufactured in Poland are exported.

No. 50 (399)

86 Douglas perfumeries were operating on the Polish market at the end of 2010.

No. 50 (399)

100 stores will be operating as part of the Dobrewina.pl chain within five years.

No. 52/1 (401/402)

140 online stores were offering grocery items in Poland at the end of 2010.

No. 50 (399)

170 (€ m) is the estimated amount invested in the CH Wilanow shopping centre, which is to be built in Warsaw by GTC and Polnord.

No. 51 (400)

200 (PLN) is expected to be spent per customer during one visit to an outlet store in 2011.

No. 51 (400)

240 (€ m) is the approximate total value of the Galeria Katowice project, which involves the construction of a shopping and office centre, along with new railway and bus stations.

No. 50 (399)

445 (€) per Pole was expected to be spent at Christmas in 2010, almost one-fifth more than the previous year's figure.

No. 50 (399)

300 stores belonging to the Eko chain will be operational in Poland by the end of 2011.

No. 52/1 (401/402)

500 (PLN m) is the expected sales revenue of Van Pur Lomza, a company created by the merger of the Royal Unibrew and Van Pur breweries.

No. 50 (399)

530 (PLN m) worth of cosmetics produced in Poland were sold abroad by L'Oreal in 2009.

No. 52/1 (401/402)

12,500 m² are to be added to the Magnolia Park shopping centre in Wrocław.

No. 50 (399)

300,000 (PLN) is the fine which the Polish Financial Supervisory Authority imposed on the Bomi retail group for failing to inform investors of its withdrawal of a letter of intent pertaining to a merger with Bac-Pol.

No. 52/1 (401/402)

Most large grocery retailers operate more than one format

The dozen retailers operating more than one store format represented close to a third of the Polish grocery market in 2010 according to PMR's estimates. Through the various formats such retailers can reach many market segments and work to fortify their brand positioning. Yet, such a strategy is not imperative to assure market leadership. Most multi-format retailers are looking to develop primarily by focusing on smaller shops.

Multi-formatting still comprises an advantage on the Polish grocery market. The parallel development of various types of shops yields measurable benefits and greater operational flexibility, enabling retailers to reach many market segments to meet the needs of various consumer groups with differing buying agendas. It also works as a security mechanism in the event of changes in consumer preferences, as it permits retailers to balance operations in different areas. Additionally, it makes it easier to implement changes, testing new ideas in the realm of product assortment or marketing. As a consequence, a client may shop for different goods in various chains though in reality buying from the same retailer. This facilitates the transfer of good buying patterns and client affinity to retail brands (including knowledge of private brands) onto other formats. It also adeptly leverages the effects of scale in efforts to communicate with consumers. On the other hand, it can pose a threat in the event of bad market opinions and behaviours spilling over and contaminating the different format chains. A retailer who expands operations by additional formats, on the one hand, has the opportunity to develop and grow scale of operations but, on the other hand, has to face the challenges of managing new types of outlets.

More than half of the largest retailers own several formats

Most large grocery retailers in Poland control more than one type of distribution format. Today, from among the top 20 firms, 12 manage more than one format. The dozen hold more than 80% of the outlets owned by the top 20 players on the grocery retail market, with turnover accounting for two-thirds of revenues of the group.

Eko Holding, Bomi and Polska Grupa Supermarketów, and from among operators with foreign capital – Tesco and Carrefour. Only Tesco owns all of the shops of the various formats that it operates. The others lean wholly or partially on franchising, which is conducive to the multi-format idea.

At the same time, from among the largest operators on the Polish retail market, not many choose to concentrate only on one distribution channel. Among the ten leading firms – only three, including the grocery retail market leader, Jeronimo Martins Dystrybucja who only operates the Biedronka discount shops. In addition, Metro Group only has one grocery retail chain, and is active on the market through Makro Cash & Carry wholesale shops.

Acquisition – the quickest way to develop a new format

The establishment of a multi-format system is a drawn out process. One option is to set up from scratch. Among companies that recently have decided to go this route

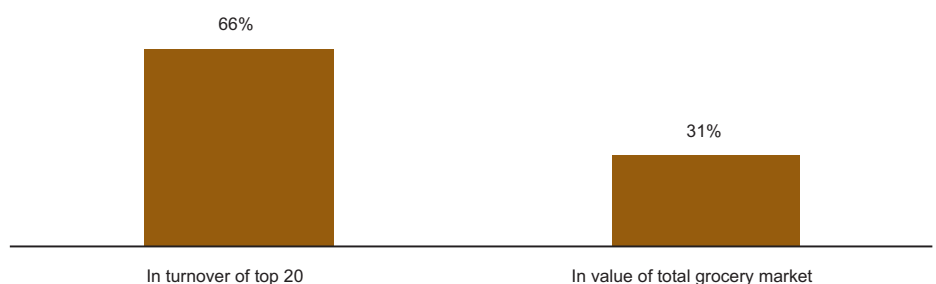
is Eko Holding, which in 2010 launched a third chain – Aligator convenience shops. In similar style, Alma Market used its concept of stands with traditional specialities in its supermarkets as a springboard for launching the Krakowski Kredens chain. Yet, plans do not always materialise, as in the case of Tesco's and Polomarket's intentions to open convenience chains.

The takeover of existing chains is a quicker and more efficient way of entering a new segment of retail trade. This approach to portfolio diversification has been taken by, for example, Bomi Group that manages currently several formats thanks to a series of mergers in 2007: Rast supermarkets as well as Rabat Pomorze chain – Siec 34 and eLDe. Tesco has also successfully grown into a multi-format player thanks to acquisitions – starting from Savia outlets, through Julius Meinl and Leader Price shops. E.Leclerc significantly broadened its resources mainly thanks to the take over of over 20 Billa supermarkets.

At the end of 2010, rumours surfaced on the market that the Zabka chain was up for sale. Among the four players mentioned as interested in taking over Zabka, beyond investment funds, were also leading retailers – Tesco and Carrefour. Such a transaction could pave the way for their rapid entry into a new format or for more dynamic development. While the Czech portion of Zabka has already been sold, the decision about the future of the Polish Zabka chain is likely to come in Q1 2011, in the opinion of the representatives of Penta Investments.

Carrefour is currently developing its chain of local stores through franchising under the Carrefour Express brand. The store count, however, is not yet impressive at below 100. The takeover of Zabka outlets would be a great opportunity to speed up the expansion. Importantly, Carrefour is experienced in the franchise system. Meanwhile Tesco already

Share of multi-format retailers in grocery sales in Poland (estimate), 2010



Source: PMR Publications, 2010

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disclosed plans in 2008 of building a chain of convenience stores under the Tesco Express banner. However, high property rental rates hindered the project – at the profit margins assumed by the retailer, stores would not have been profitable. Consequently, Tesco abandoned dreams of a convenience format in 2009 and 2010. The Zabka stores could be another chance for Tesco to revive this idea and enter the next segment of the Polish grocery market – so far not attended to by the company. If this were come to pass, Tesco would be one of the most diversified retailers in Poland, with hypermarkets, compact hypermarkets, supermarkets and convenience stores – to reach to a broad spectrum of Polish consumers. The question is whether the company would choose to operate the new stores under the franchise or agency system, in neither of which it has any experience.

Sub-formats: a different route to diversification

Instead of buying or developing a new format from scratch some companies are attempting to diversify outlets they operate with-

in one segment by introducing sub-formats. Zabka Polska, in addition to Zabka, launched Freshmarket, a chain of convenience delicatessens with a broader assortment of fresh foods and a menu of warm stacks and beverages. ITM differentiates its Intermarche supermarkets into two sub-formats: smaller with the Contact logo and larger (of over 750 m²) operating under the Super banner. Carrefour and Tesco among their largest outlets are focused on hypermarkets and compact hypermarkets akin to large supermarkets. Several retailers in addition to classic supermarkets also develop delicatessen supermarkets under separate brands. In addition to Stokrotka outlets, Emperia owns Delima chain, while Polska Grupa Supermarketów has the Delica delicatessens in addition to Top Market supermarkets. Bomi Group, beyond Bomi delicatessens manages the Rast supermarket chain.

Retailers interested primarily in smaller outlets

Observing recent investments in retail distribution formats, it is clear that retailers are

focusing on smaller shops. This is a consequence of several factors. Firstly, the hypermarket segment in Poland is close to saturated and problems with securing attractive locations and administrative barriers additionally make it difficult to open such outlets and prolong the investment process. In addition, consumers are noticeably coming to prefer shopping in friendlier, comfortable shops. Constant lack of time and the complementary convenience trend mean that increasingly more is purchased in smaller shops that are located closer to where consumers live or work – which fuels retailers' interest in developing smaller retail outlets.

This article is based on the PMR report: "Grocery retail Poland, 2010. Market analysis and development forecast 2011-2013".

Dominika Kubacka

Retail Analyst

PMR Publications

dominika.kubacka@pmrpublications.com

Leaders in more than one retail format in Poland, 2010

| Retailers | Retail chains | Formats | Form of ownership |
|----------------------------|------------------------|--|---------------------------|
| Emperia Holding | Stokrotka* | Supermarkets | Company owned / Franchise |
| | Delima* | Delicatessen supermarkets | |
| | Groszek | Convenience shops | |
| | Milea* | Small delicatessens | |
| | Lewiatan | Small general grocery shops and supermarkets | |
| Eurocash | Euro Sklep | Small general grocery shops | Franchise |
| | Społem Tychy* | Small general grocery shops (primarily) | |
| | Abc | Convenience shops | |
| | Delikatesy Centrum | Supermarkets | |
| Tesco | IGA | Small general grocery shops | Company owned |
| | Nasze Sklepy | Small general grocery shops | |
| | Tesco | Hypermarkets | |
| Carrefour | Tesco | Supermarkets | Company owned / Franchise |
| | Savia | Supermarkets | |
| | Carrefour | Hypermarkets | |
| Bomi | Carrefour Market | Supermarkets | Company owned / Franchise |
| | Carrefour Express | Neighbourhood and convenience shops | |
| Eko Holding | Bomi, Rast | Supermarkets and delicatessen supermarkets | Company owned / Franchise |
| | eLDe and Siec 34 | Small general grocery shops | |
| Polska Grupa Supermarketow | Eko | Supermarkets | Company owned / Franchise |
| | Rabat Detal | Small general grocery shops | |
| Schwarz group | Aligator | Convenience shops | Company owned |
| | Top Market | Supermarkets | |
| Auchan | Delica | Delicatessen supermarkets | Franchise |
| | Minuta 8 | Convenience shops | |
| E.Leclerc | Kaufland | Hypermarkets | Company owned |
| | Lidl | Discount shops | |
| Zabka Polska | Auchan | Hypermarkets | Company owned |
| | Simply Market | Supermarkets | |
| Alma Market | E.Leclerc | Hypermarkets | Franchise |
| | E.Leclerc (incl.Billa) | Supermarkets | |
| Alma Market | Zabka | Convenience shops | Agency outlets |
| | Freshmarket | Convenience delicatessens | |
| Alma Market | Alma | Delicatessen supermarkets | Company owned |
| | Krakowski Kredens | Specialty shops with traditional foods | |

Note: only accounts for retailers operating in more than one grocery retail format;

Franchise operators include also other forms of association of independent retailers operating in Poland

* Chains which will remain under the control of Emperia following the entry into force of investment agreement of 21 December 2010 with Eurocash; in the case of Milea, outlets held by Maro Markety were not sold, the other, managed by Detal Konzept, were taken over by Eurocash.

Source: PMR Publications, 2011

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Leading brands on stagnating energy drink market jockeying for position

The Polish energy drinks market has stagnated after several years of rapid growth. Furthermore, a legal dispute over the ownership rights to the leading brand, Tiger, could result in major changes in the balance of power in this sub-division of beverage retail in Poland.

Legal battle over the market leader

In contrast to other European countries, the leader on the Polish energy drinks market is FoodCare, the producer of the Tiger and N-Gine brands, rather than Red Bull, the producer of the beverage of the same name. Tiger is now the most popular brand in this area of the Polish beverage market, with a share of around 37%. The dispute over the rights to the Tiger brand name has continued for two years, but it was only at the end of 2010 that the court in Gdansk ordered the bailiff to effect a distress order on the drink to protect Dariusz Michalczewski's claim. The court has, however, suspended the ruling which ordered FoodCare to stop the production and sale of products bearing the Tiger logo after the company's appeal.

Mr Michalczewski, a former professional boxer, had licensed the company in 2003 to use his Tiger trademark and his image to promote the drink. The licence was withdrawn in 2008, when the boxer's lawyers reported that FoodCare had removed Michalczewski's image from the label and modified the drink formula, without notifying him. Mr Michalczewski (and his "Equal Opportunities" foundation) also claims that the creation of a new energy drink brand, N-Gine (promoted by the F1 driver Robert Kubica), produced by FoodCare might have a detrimental effect on the sales of Tiger.

The foundation has signed an agreement with Maspex, a large Polish food concern, under which the latter is licensed to produce an energy drink under the Tiger brand name. As a result, there are two drinks which bear this name on the Polish market: FoodCare's Tiger Black and Tiger Energy Drink produced by Maspex. FoodCare has announced that it has taken legal action against Maspex

during which it will demand compensation, as the Tiger Energy Drink logo and packaging is very similar to that of Tiger Black. The company's CEO has also admitted that the 2-3 week cessation of Tiger production and sales caused a loss of several million zloty. On the other hand, the lawyer representing Dariusz Michalczewski and his foundation insists that Mr. Michalczewski will not agree that two products under the same brand name are being sold simultaneously.

The Polish energy drinks market is thought to be worth more than PLN 700m in 2010, and it is thought that the figure could increase to as much as PLN 1bn over the next few years. Tiger is the most popular brand

in this arena, having outperformed the global leader, Red Bull. Tiger's share in terms of value was 37% in 2009, whereas Red Bull held around 26%. Poland is, therefore, the only European country in which Red Bull is not the frontrunner on the energy drinks market. FoodCare insists that its position was achieved by means of substantial investments in the brand and not only Dariusz Michalczewski's image. The company also emphasises that the licence to use the image does not give Mr. Michalczewski ownership rights to the brand itself.

Low price: key to success

Polish consumers are still very price-sensitive, and FoodCare's success on the Polish energy drinks market has been assisted by the lower price of Tiger in comparison with those of its competitors. According to the PMR report *'Private label in Poland 2010. Market analysis and development forecast 2010-2012*, in September 2010 the two FoodCare brands, N-Gine and Tiger, were the cheapest products among branded energy drinks.

The market for this category of beverages was growing rapidly a few years ago: in 2007 sales value increased by 83% year on year, whereas in terms of volume, sales increased by 150%. The disparity between value and volume growth rates reflected the price re-

Energy drinks sales value in Poland (PLN m), December 2008–November 2009–December 2009–November 2010



Source: Nielsen, 2010

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Retail price of 250 ml package of selected energy drinks in Poland (PLN), September 2010

| Brand | Producer | Price |
|----------|-----------|-------|
| N-Gine | FoodCare | 2.79 |
| Tiger | FoodCare | 3.09 |
| Bullit | Bullit | 3.09 |
| Burn | Coca-Cola | 3.49 |
| Red Bull | Red Bull | 4.99 |

Source: PMR Publications, 2010

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ductions adopted by the producers. Some of the forecasts at the end of 2009 assumed that the Polish energy drinks market would grow by 40% by 2013. However, market value between December 2009 and November 2010 increased by around 6.6% in comparison with the corresponding period a year before, according to Nielsen. FoodCare expected a 2% growth rate in 2010, and Red Bull predicted the first ever reduction.

The producers decided to launch a number of new products in order to boost sales. Some of them decided to add new flavours (lemon and cherry varieties of the R20 drink, produced by Hoop, along with Coca-Cola's Burn with added fruit juices) or offered new formulae, such as Herbapol Lublin's Green-Up, composed of natural ingredients. Condensed versions of drinks in smaller packages, the so-called "energy shots", were introduced by Coca-Cola, Red Bull, FoodCare and Ustronianka, which sells a drink known as Riders. Energy shots, however, failed to increase sales to a greater extent. According to Ustronianka's CEO, quoted by portalspozywczy.pl, they have taken some clients away from regular energy drinks and attracted few new customers. In the autumn of 2010, Red Bull also launched a 330 ml plastic bottle on the Polish market, in addition to cans and glass bottles. Poland was the first country in which the new kind of packaging was rolled out.

Competitors could benefit from leader's difficulties

Despite the fact that rapid growth on the energy drinks market in Poland is a thing of the past, new players are entering this market area. In the second half of 2010 PepsiCo debuted in Poland with its new brand, Adrenaline Mountain Dew, and Las Vegas Power Energy Drink began to sell its Las Vegas beverage. On the other hand, FoodCare also had plans to rival global brands such as Red Bull and Burn on the European market and to become the runner-up on this market by the end of



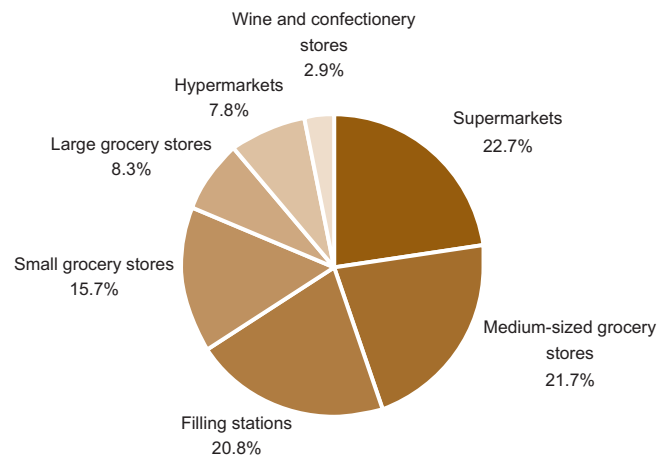
Consumers in Poland have bought over 112 million litres of energetic and isotonic drinks from December 2009 to November 2010, whose value amounted to around PLN 863m. As compared with the previous 12 months, the volume increased by 8.8%, while the value grew by 6%. By way of comparison, value of the coffee market and that of carbonated drinks have seen increases by 0.7% and 0.5%, respectively.

Energetic drinks account for more than 82% of the volume of energetic and isotonic beverages sold in Poland and the proportion remains unchanged since December 2008-November 2009. In the energetic drinks subdivision a trend of developing flavours other than "standard" has been observed.

Around 70% of turnover from isotonic and energetic drinks was generated by small-format retail (stores of under 300 m²). The most common places of purchase of this category of beverages are small and medium-sized stores along with filling stations. The latter channel was the one that posted the most substantial increase of share: 2.7 p.p. year on year. Supermarkets (300-2,500 m²) are the most important sales channel of isotonic and energetic drinks – 22.7% of the sales value during the period in question, i.e. 1.2 p.p. more than over previous 12 months.

Piotr Wojtas, Client Executive, AC Nielsen Polska

Breakdown of isotonic and energy drink sales value by channel in Poland, December 2009-November 2010



Source: Nielsen, 2010

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2011. The legal turmoil over the ownership of the Tiger brand could, however, render these plans null and void. It may also be an opportunity for other players to increase their market shares in Poland at the expense of FoodCare, particularly if production is halted again as a result of court orders.

Mateusz Malicki
Senior Business Editor
PMR Publications
mateusz.malicki@pmrpublications.com

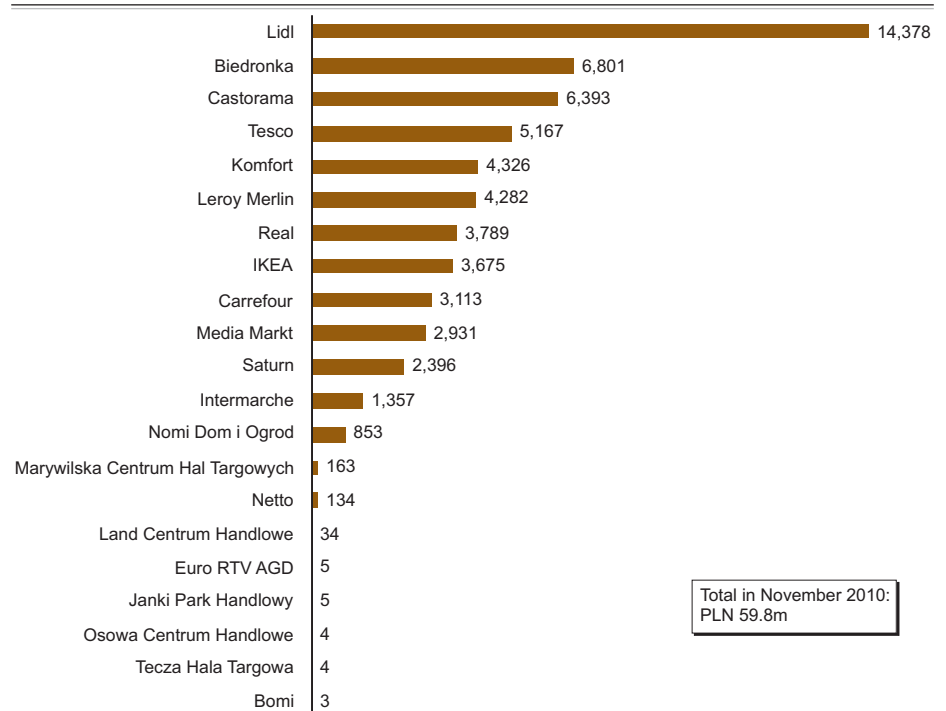
Retailers on TV in November

In November 2010, retailers spent more than PLN 59.8m on television advertising in Poland, according to TNS OBOP, over 28% less than the amount spent in October 2010 (PLN 83.4m).

Twenty-one trading entities advertised on television in November, three fewer than in October, of which nine were grocery retailers, eight retailers of non-food items and five retail centres or department stores. Five companies which appeared on air in November had not advertised during the previous month: most of them were operators of retail premises, but the newcomers included the Bomi delicatessen chain and the DIY retailer Nomi Dom i Ogród.

The leader in terms of spending on TV advertising in October 2010 was, for the third month in a row, Lidl, with PLN 14.4m, a month-on-month reduction of almost 37.3%. Biedronka, another discount chain, was the runner-up in November, as it had been during the previous two months. The retailer spent PLN 6.8m, i.e. 31.4% less than the October amount. Third place was taken by the Castorama DIY chain, with a figure of PLN 6.4m, over 25% less than the amount spent in October. Of the retailers who were on air in October, only five increased their TV advertising budgets in November. The most substantial increase was reported for Komfort, a purveyor of

Spending on television advertising by retail chains and shopping centres (PLN '000), November 2010



Source: TNS OBOP, 2010

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carpets and floors: from PLN 70,000 in October to PLN 4.3m a month later. On the other hand, the most sizeable reduction in spending on TV advertising was

that of Euro RTV AGD, an electronic appliance retailer: 75.7% in comparison with October.

A D V E R T I S I N G

Consumer confidence index in December

Consumer confidence index: 87.20 pts., -0.98 pts.
 Propensity-to-buy index: 91.92 pts., -4.56 pts.
 Economic climate index: 80.12 pts., +4.40 pts.

In December 2010 the Consumer Confidence Index (the CCI) fell by almost one point, in comparison with November, to 87.2 points, according to research carried out by Ipsos. It is, however, still higher than the figure reported for the corresponding month in 2009 (84.84 points). Ipsos emphasises that Poles are among the less optimistic nations of the 24 surveyed. The fact that the index is below 100 points means that there are still more pessimists than optimists among Polish consumers. The modest fall in the CCI in December 2010 was a result of two different trends which offset each other: the improvement in the Economic Climate index and a fall in the Propensity-to-buy index.

The Economic Climate index rose by 4.4 points, to 80.1. Ipsos emphasises that the rise could be regarded as a good sign, although the index is still more than 10 pts. lower than its July 2010 level, when the highest value in two years was observed. The increase reflects a more positive assessment of economic developments over the last 12 months, in addition to a slight improvement in expectations with regard to the future of the Polish economy. However, only 12% of the respondents think that there was an improvement in the coun-

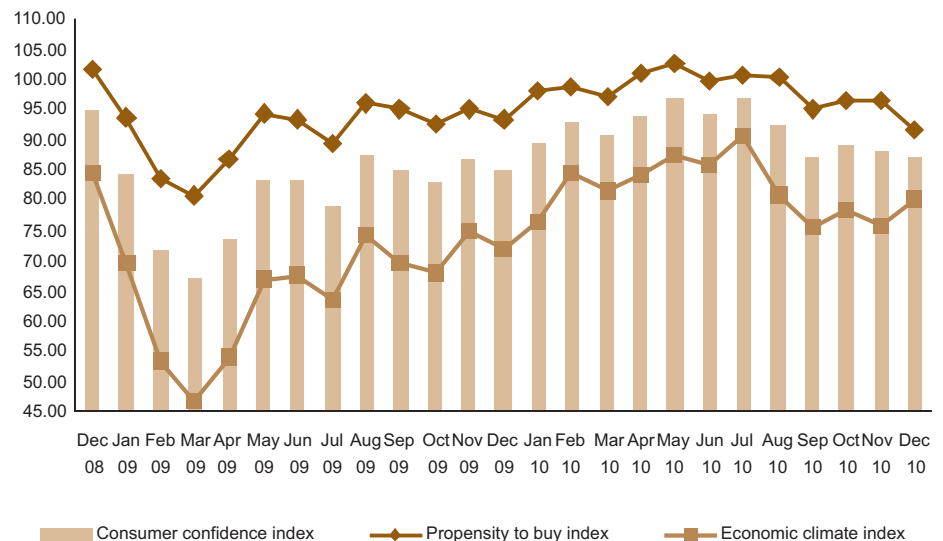
try's economic situation, whereas 39% saw a deterioration over the past year. A similar proportion, 41%, are convinced that the situation in Poland will remain unchanged over the coming year, and 32% predict a deterioration.

The pessimistic moods are supported by information about the growing public debt and possible budget cutbacks.

The Propensity-to-buy index fell by around 4.6 points to 91.9. The decline was prompted by increased fears that the household economic situations will deteriorate in 2011. The proportion of those who think that the time is not right for the purchase of durable goods increased in December.

The consumer confidence index (the CCI) can range from 0 to 200 points. The calculation of this index is based on the answers given to five questions asked in an Ipsos survey. The survey was carried out between 3 and 10 December on a random representative quantitative sample of 1,011 Poles of 15 or more years of age.

Polish consumer confidence index and its two components, December 2008-December 2010



Source: Ipsos, 2010

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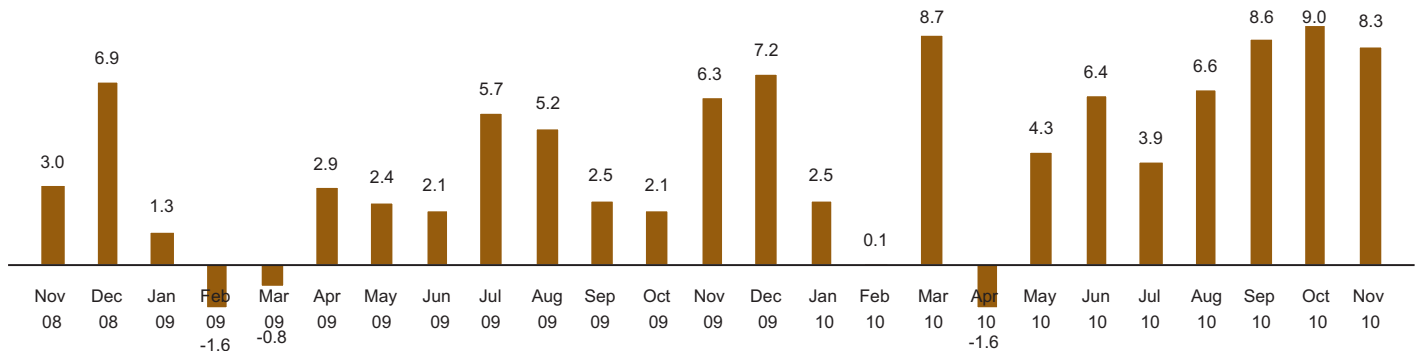
A D V E R T I S I N G

Retail data sheet

Retail sales: y-o-y % change

Retail sales at current prices increased by 8.3% in November 2010 compared to November 2009. At constant prices, sales grew by 6.1% y-o-y.

Retail sales in Poland (% y-o-y), November 2008-November 2010



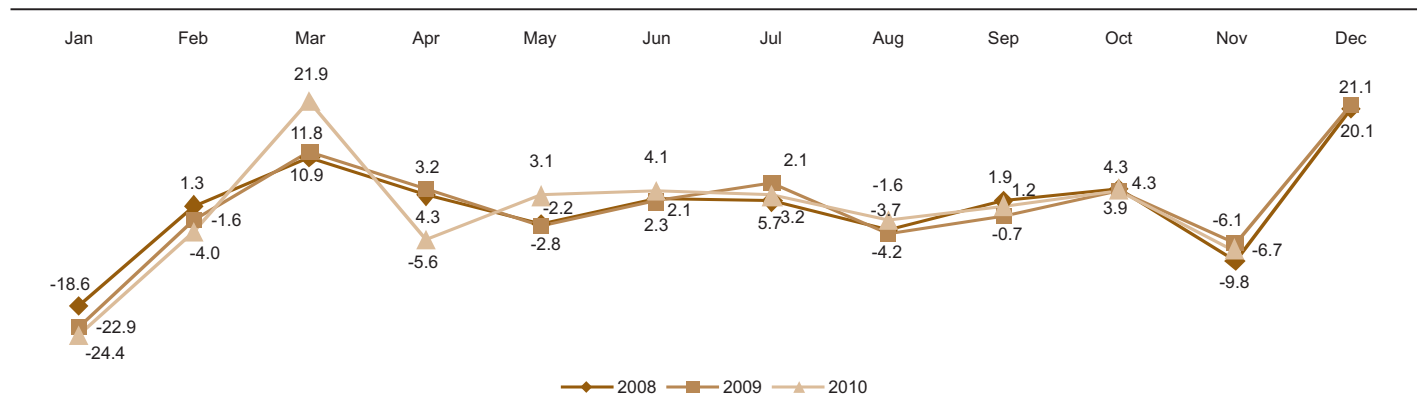
Note: current prices
Source: GUS, 2010

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Retail sales: m-o-m % change

Retail sales decreased by 6.7% in November 2010 compared to October 2010.

Retail sales in Poland (% m-o-m), 2008-2010



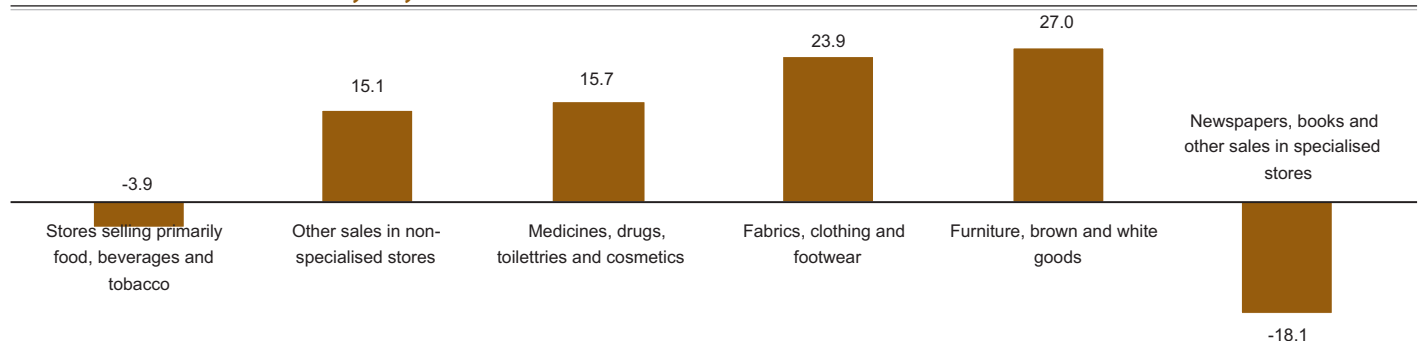
Note: current prices
Source: GUS, 2010

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Retail sales by branch specialisation

In November 2010, the most marked improvement was seen, again, in the category of furniture, brown and white goods (27% y-o-y at constant prices). The second highest increase (23.9% y-o-y) was seen in fabrics, clothing and footwear. Sales of newspapers and books declined by 18.1% year on year, while those of stores selling food, beverages and tobacco fell by 3.9%.

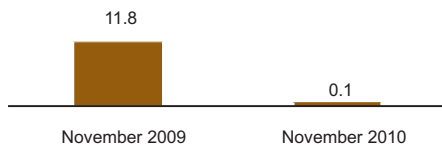
Retail sales in October (% y-o-y), 2010



Note: constant prices
Source: GUS, 2010

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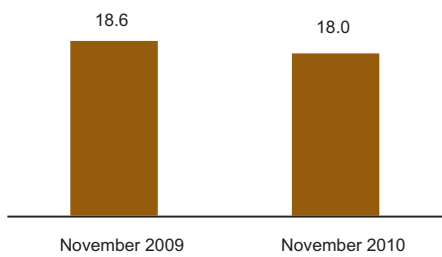
Retail sales in stores selling primarily food, beverages and tobacco in Poland (% y-o-y), November 2009 and November 2010



Note: current prices
Source: GUS, 2010



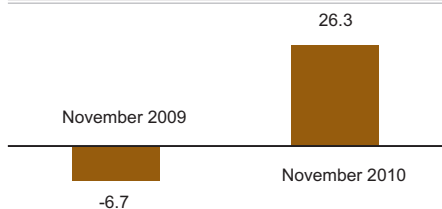
Retail sales of medicines, drugs, toiletries and cosmetics in Poland (% y-o-y), November 2009 and November 2010



Note: current prices
Source: GUS, 2010



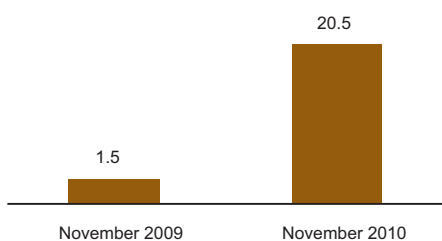
Retail sales of furniture, radio and television equipment and household appliances in Poland (% y-o-y) November 2009 and November 2010



Note: current prices
Source: GUS, 2010



Retail sales of fabrics, clothing and footwear in Poland (% y-o-y), November 2009 and November 2010



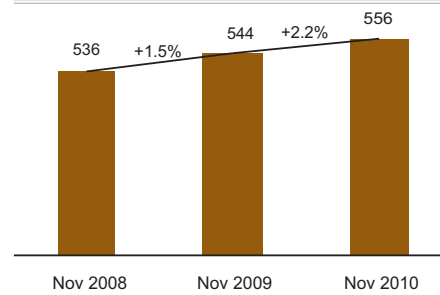
Note: current prices
Source: GUS, 2010



Average employment in the retail sector

In November 2010, the retail sector employed a total of 556,000 people, which was 2,000 more than in the previous month. This also represents an increase of 12,000 workers compared with the situation 12 months ago.

Average employment in retail sector in Poland ('000), November 2008, 2009, 2010



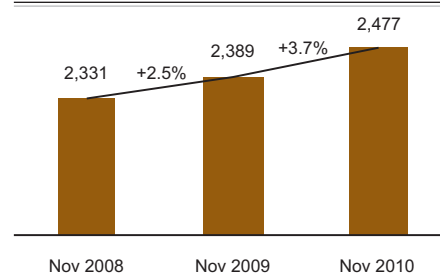
Source: GUS, 2010



Salaries in the retail sector

In November 2010, the average gross monthly salary in the retail sector grew by 3.7% (nominal growth) in relation to the corresponding period of 2009, to stand at PLN 2,477. On month-on-month basis, the average gross monthly salary in November 2010 increased by 0.8%.

Salaries in retail sector in Poland (PLN), November 2008, 2009, 2010



Note: Numbers represent average gross salary in a given month.
Source: GUS, 2010



Upcoming events

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Gdańsk, Poland 16-18 February 2011

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Translation: Argos Ltd. www.argostranslations.com
Marketing: tel. /48/ 12 618 90 20, marketing@pmrcorporate.com
Customer service: tel. /48/ 12 618 90 30, moreinfo@pmrcorporate.com