


europapanelTM

the leader in consumer knowledge

Q1 2009

Consumer Index

Western Europe – Big 6



Welcome to the Q1 2009 edition of Consumer Index. We hope you find it interesting. Please do not hesitate to contact us if you have any questions or comments.

Tel: +44 (0) 208 9674560
info@europanel.com
www.europanel.com

GfK

tnsTM



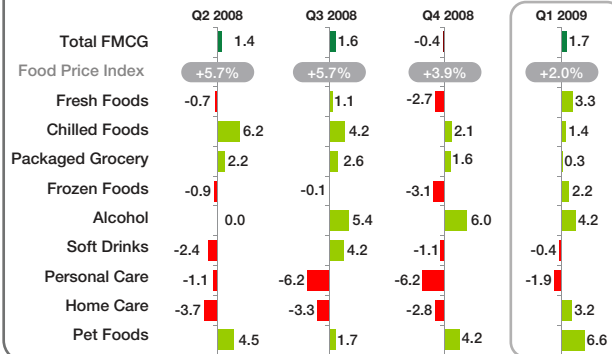
Q1 2009 Key Indicators

Year-on-Year % Change

GDP (Value)	-3.1%
Rate of Food Inflation (Value)	+2.0%
Rate of Unemployment	+12.7%
Frequency of FMCG Purchase	-2.1%
Average FMCG Basket Size (Value)	+2.5%

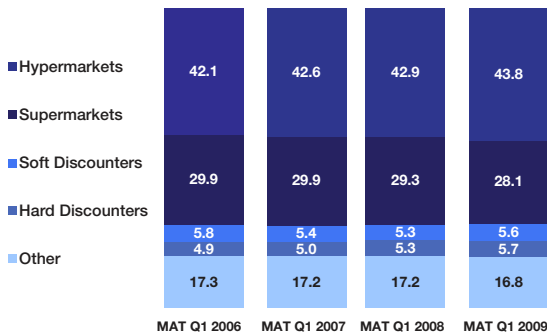
France - Category Trade

Year-on-Year % Change (Value)



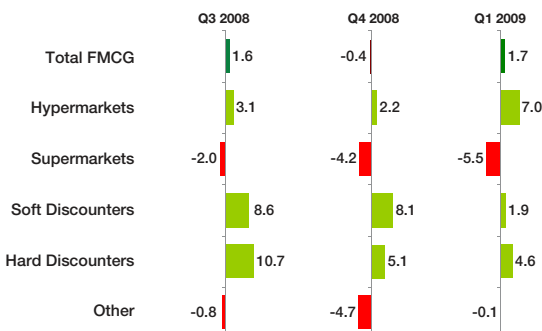
France - Trade Channels

FMCG Value Share



France - Trade Channels

Year-on-Year % Change (Value)



• Overall trends were adversely affected by a later Easter in 2009.

• Surprisingly, the first months of 2009 have marked a slowdown in Discounters' growth, especially Lidl whose market share only increased by 0.1pt in value (versus +0.3pt in 2008).

• Some of the leading retailers improved their performance, especially Leclerc (+0.7pt), Système U (+0.3pt) and Intermarché (+0.2pt). The first two retailers integrated Coop d'Alsace and Coop de Normandie respectively, which certainly pushed their growth thanks to an increase in their number of stores. The Carrefour Group is also doing better than in 2008 thanks to large efforts in communication.

• On the contrary, Auchan, Cora and Géant-Casino encountered difficulties.



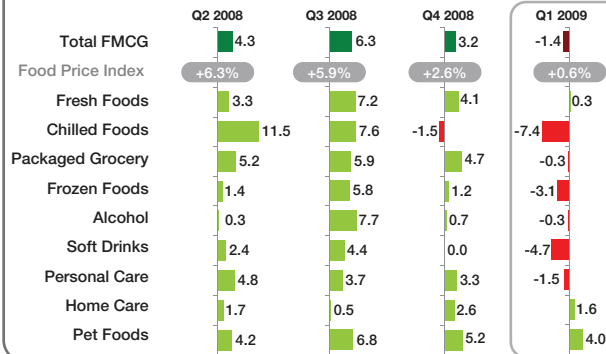
Q1 2009 Key Indicators

Year-on-Year % Change

GDP (Value)	-6.7%
Rate of Food Inflation (Value)	+0.6%
Rate of Unemployment	+1.8%
Frequency of FMCG Purchase	-2.1%
Average FMCG Basket Size (Value)	+1.1%

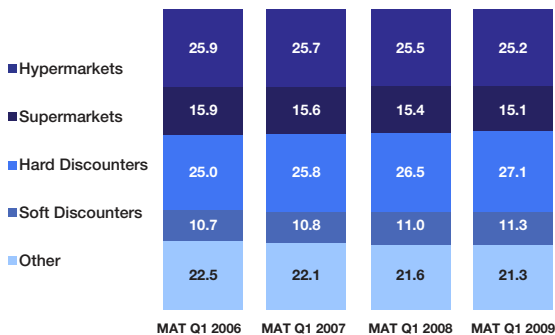
Germany - Category Trade

Year-on-Year % Change (Value)



Germany - Trade Channels

FMCG Value Share



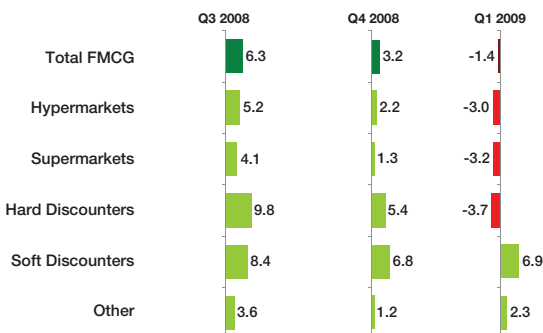
• Q1 2009 has witnessed the value decline of Total FMCG, Hypermarkets, Supermarkets and even Hard Discounters, due in particular to the late Easter this year.

• On the contrary, Soft Discounters experienced solid value growth, in particular Penny and Netto. Following the acquisition of Plus stores by the Edeka Group and Rewe Group, Netto, part of Edeka, acted very aggressively and became the 3rd discounter behind Aldi and Lidl. This encouraged other retailers to push promotions in order to maintain competition.

• Penny (under the Rewe umbrella) also took over more than 300 former Plus stores, which helped to grow its sales.

Germany - Trade Channels

Year-on-Year % Change (Value)





Q1 2009 Key Indicators

Year-on-Year % Change

GDP (Value)	-1.6% (Q4 08)
Rate of Food Inflation (Value)	+10.7%
Rate of Unemployment	+32.5%
Frequency of FMCG Purchase	+0.5%
Average FMCG Basket Size (Value)	+3.9%

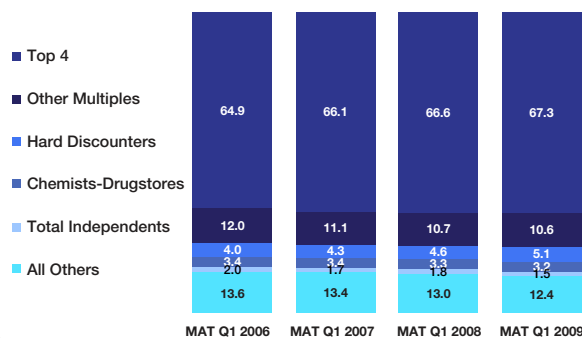
Great Britain - Category Trade

Year-on-Year % Change (Value)

	Q2 2008	Q3 2008	Q4 2008	Q1 2009
Total FMCG	6.0	6.8	5.5	5.4
Food Price Index	+8.0%	+12.2%	+10.4%	+10.7%
Fresh Foods	5.6	7.5	4.9	4.8
Chilled Foods	9.7	10.2	6.9	6.8
Packaged Grocery	4.9	8.4	7.8	7.1
Frozen Foods	6.6	7.2	7.4	6.8
Alcohol	1.2	3.9	3.5	3.0
Soft Drinks	3.9	2.7	0.4	0.1
Personal Care	9.5	3.2	2.4	2.9
Home Care	3.0	1.3	3.5	5.1
Pet Foods	8.6	6.8	7.7	6.1

Great Britain - Trade Channels

FMCG Value Share



- Asda has once again shown its strength as an everyday low price champion with another record share of 17.5% and year-on-year growth rate of 8.5%.

- Morrisons continued its consistent improvement with a share of 11.8% and growth of 7.2%.

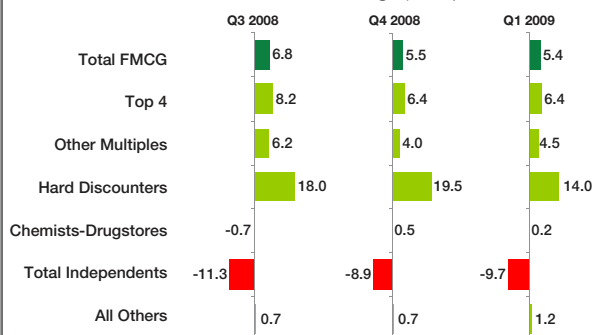
- Sainsbury's growth of 5.7% was in line with the grocery sector average, giving them a constant share of 16.1%.

- Tesco's growth rate was marginally behind the sector at 4.3%, resulting in a share figure of 30.4% (compared with 30.8% last year), influenced by stronger consumer purchasing of the economically-priced Value range.

- Discounters (Aldi, Lidl, Netto) continued to enjoy strong growth with shopper spending up 13%, giving them a combined share of 5.9% compared with 5.5% last year. However there are some signs of a slowdown in this rate of growth, suggesting that the major multiples are becoming more successful in containing this long-term challenge....

Great Britain - Trade Channels

Year-on-Year % Change (Value)





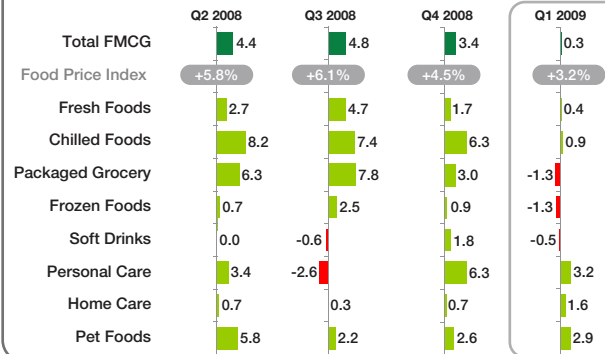
Q1 2009 Key Indicators

Year-on-Year % Change

GDP (Value)	-3.0% (Q4 08)
Rate of Food Inflation (Value)	+2.4%
Rate of Unemployment	+7.8% (Q4 08)
Frequency of FMCG Purchase	-4.8%
Average FMCG Basket Size (Value)	+1.6%

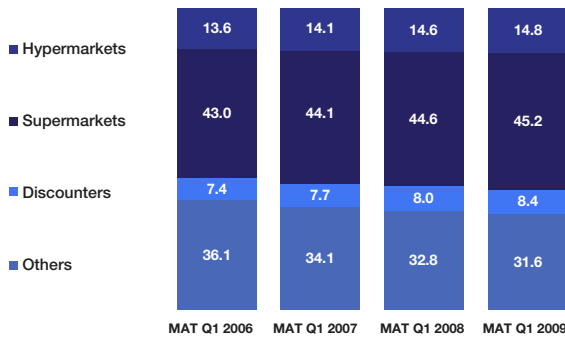
Italy - Category Trade

Year-on-Year % Change (Value)



Italy - Trade Channels

FMCG Value Share



- FMCG value was stable thanks to price but general consumer behaviour continued to be affected by the economic situation: a declining GNP, increasing unemployment and the increase in people receiving government support.

Italy - Trade Channels

Year-on-Year % Change (Value)



- FMCG consumption was quite stable considering that the trend was affected by an early Easter in Q1 2008.

- Expenditure is kept under strict control and we see a significant growth of Private Label and Discounters.

Netherlands Q1 2009



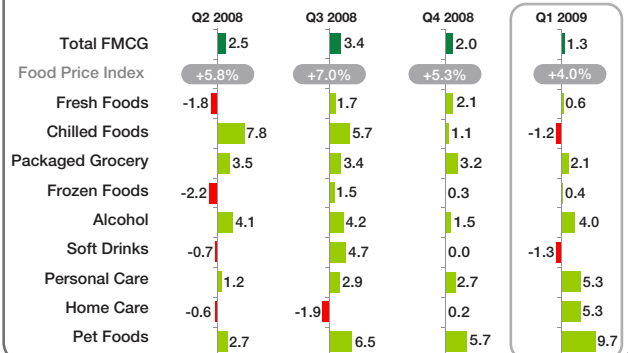
Q1 2009 Key Indicators

Year-on-Year % Change

GDP (Value)	-4.5%
Rate of Food Inflation (Value)	+3.0%
Rate of Unemployment	-3.5%
Frequency of FMCG Purchase	-0.8%
Average FMCG Basket Size (Value)	+1.4%

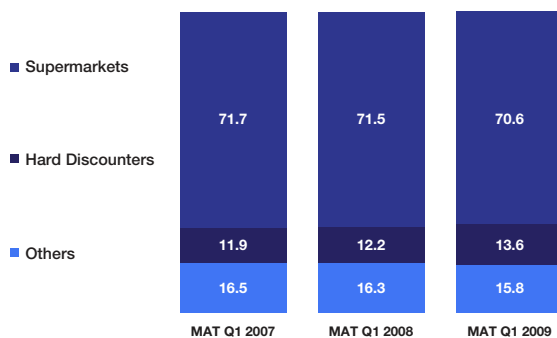
Netherlands - Category Trade

Year-on-Year % Change (Value)



Netherlands - Trade Channels

FMCG Value Share

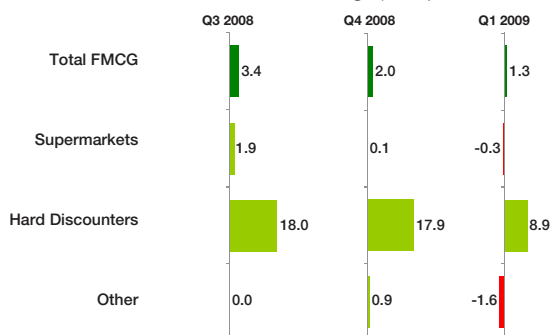


• Overall trends were adversely affected by a later Easter in 2009.

• Hard discounters (particularly Aldi and Lidl) are still showing large increases. This can be explained by an increase in the number of customers (particularly as a fall in consumer confidence encourages consumers to switch to hard discounters) but also by a higher average spend per shopper. Discounters have also extended their range of fresh products.

Netherlands - Trade Channels

Year-on-Year % Change (Value)



• The fall in confidence in the economy puts the "other channels" (specialist shops) under pressure. The number of shoppers going to traditional stores (e.g. bakers, butchers, green grocers and florists) is falling.

• Within Supermarkets, Albert Heijn continues to develop positively (partly thanks to the conversion of 59 C1000 shops to Albert Heijn as well as its loyal group of customers). The middle segment (medium priced supermarkets) suffers from the growth of the hard discounters.



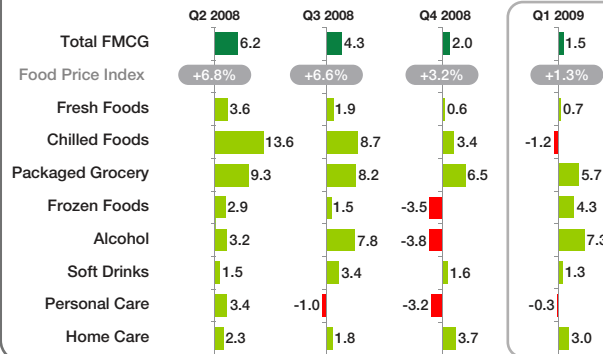
Q1 2009 Key Indicators

Year-on-Year % Change

GDP (Value)	-0.8% (Q4 08)
Rate of Food Inflation (Value)	+1.3%
Rate of Unemployment	+78.4%
Frequency of FMCG Purchase	+4.3%
Average FMCG Basket Size (Value)	-4.6%

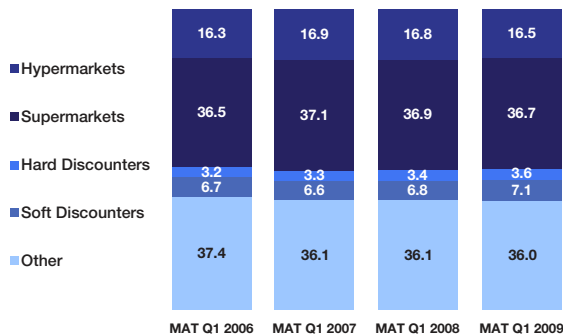
Spain - Category Trade

Year-on-Year % Change (Value)



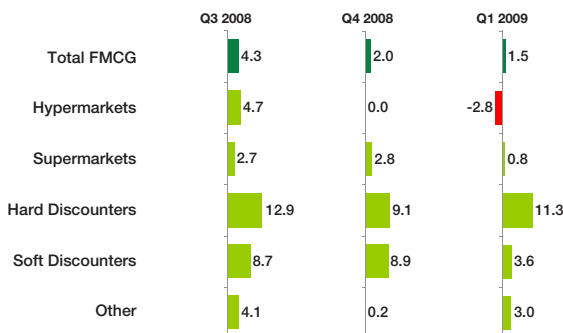
Spain - Trade Channels

FMCG Value Share



Spain - Trade Channels

Year-on-Year % Change (Value)



- Overall trends were adversely affected by a later Easter in 2009.

- The trend observed of consumers visiting stores more often in Q4 2008 is even stronger in Q1 2009 as consumers search for deals and tend to spend less per trip.

- Hard Discounters is the only channel to have performed strongly, a performance partly explained by the introduction of branded products but the channel has also recruited new buyers.

Definitions

CATEGORIES UNIVERSE:

FMCG: Fast Moving Consumer Goods (includes foods, personal care and home care; excludes clothes, white goods etc...)

Total FMCG is not necessarily the sum of the categories shown below it.

Categories:

- **Fresh Foods:** fresh fish, fresh meat, fresh poultry/game, fresh fruit, vegetables, salads
- **Chilled Foods:** chilled deli products, chilled dairy products, chilled bakery products
- **Packaged Grocery:** bread, biscuits, canned goods, hot beverages, packet breakfast, pickles, sauces, condiments, savoury carbohydrates and snacks, home cooking ingredients, take home confectionery and savouries
- **Soft Drinks:** carbonated soft drinks, chilled drinks and mineral water
- **Home Care:** softeners, detergents and rinse conditioners
- **Personal Care:** bathroom toiletries, hair care, healthcare, oral care, other toiletries

TRADE CHANNELS:

	Hypermarkets	Supermarkets	Hard Discounters	Soft Discounters	Others
France	Selling area > 2500m2	Selling area: 400m2 to 2500m2 (excluding hard discounters)	Lidl, Aldi, Norma, Colruyt	Ed, Leader Price, Netto, Le Mutant	
Great - Britain	Top 4 multiples: Tesco, Asda, Sainsbury's, Morrison		Lidl, Aldi, Netto	no soft discounters	
Germany	Small hypermarkets: 800m2 - 1500m2 Medium hypermarkets: 1500m2 - 5000m2 Large hypermarkets: > 5000m2	Selling area from 400m2 to 800m2	Aldi, Lidl, Norma	Penny, Plus Netto	
Italy	Selling area > 2500m2 Assortment must include Grocery, white and brown Domestic Appliances, Clothing and Footwear	Selling area: 400m2 to 2500 m2 (excluding hard discounters)	Lidl, Eurospar, Dico, Penny		
Netherlands	No Hypermarkets	All retailers excluding hard discounters	Aldi, Lidl, Detailconsult Fm	no soft discounters	
Spain	Selling area > 2500m4	Selling area: 400m2 to 2500m2 (excluding hard discounters)	Aldi, Lidl, Plus Familia (Eroski group)	Dia, Maxi Dia, Dia Market	

Source & Methodology

METHODOLOGY:

- A consumer panel is a permanent, syndicated and representative sample of consumers, who provide ongoing details of the fast moving consumer goods they purchase. Using the scanning methodology, each panel member records the details of every item they purchase.
- Sample sizes in number of households: GB: 25,000; Germany: 30,000; France: 20,000; Italy: 8,000; Spain: 8,000; Netherlands: 6,000
- Category, channel data and Average Basket size data are based on local currency.
- Other value indicators are based on Euro.

KEY INDICATORS :

Panel data indicators

- **Frequency of FMCG purchase:** Frequency of purchasing FMCG during the quarter compared with the same quarter the previous year.
- **FMCG Average Basket Size:** Average amount spent per trip in FMCG during the quarter compared with the same quarter the previous year.

Eurostat data indicators:

- **Food price index :** Harmonized Indices of Consumer Prices (HICPs) are produced and published using a common index reference period (2005=100).
- **Unemployment :** Unemployed persons comprise persons aged 15 to 74 who were without work during the reference week, were currently available for work and were either actively seeking work in the past four weeks or had already found a job to start within the next three months.
- **Constant Price GDP** (based on Euro currency): Gross domestic product (GDP) at market prices is the final result of the production activity of resident producer units (ESA 1995, 8.89). It is defined as the value of all goods and services produced less the value of any goods or services used in their creation. Data are calculated as chain-linked volumes (i.e. data at previous year's prices, linked over the years via appropriate growth rates). Growth rates with respect to the previous quarter (Q/Q-1) are calculated from calendar and seasonally adjusted figures while growth rates with respect to the same quarter of the previous year (Q/Q-4) are calculated from raw data.

KEY COUNTRY FACTS:

Source: CIA World Fact Book

Country	Individual Population (in 000's)	Number Of Households (in 000's)	GDP per Capita (2008 est.)
France	60.470	26.130	\$32.700
Germany	82.315	38.477	\$34.800
Great Britain	60.600	25.000	\$37.400
Italy	57.993	21.686	\$31.000
Netherlands	16.358	7.190	\$41.300
Spain	44.474	16.340	\$36.500

The Europanel Consumer Index is part of the Consumer Index series

 Worldpanel - Asia	 Lider en conocimiento del consumidor Worldpanel - Latin America	 the leader in consumer knowledge Eastern Europe Western Europe US JPI
--	---	---