

## 2012

### A year of deep crisis, both in Spain and in Portugal

- **Retail sales in Spain: results of the year-to-year EURELIA/ RETAIL & TRADE MARKETING panel over the 3 past years**

<b>Year 2012</b>	<b>- 6,5 %</b>
Year 2011	- 4,0 %
Year 2010	- 1,9 %

The retailers of the Club EURELIA / RETAIL MARKETING & TRADE faced a very difficult year-end 2012, impacted by the VAT increase occurred in early September.

The reduced wages, the increased tax burden as well as the high unemployment rates affect consumption.

And more generally, the Spanish consumers - as the French ones - have dampened expenses: they save money, they wait for promotions and they compare prices on the internet to buy at the lowest prices.

The shopping center footfall declined every month of the year 2012 - compared with the same month 2011 -. Downtown stores proved more resilient than stores located outskirts.

It was observed by our retailers that the Northern regions - including the Basque Country - which had so far resisted better are now affected.

In contrast, touristic areas are "boosted" by foreign visitors: retail sales remain relatively dynamic there, for the home furnishing sector more especially.

Moreover, our retailers report that the each opening of a new project severely impacts the existing sites; as a consequence, their Real Estate Managers pay the highest attention to the viability of the total portfolio of stores as a whole, which obliges them to reduce the number of stores within a city or within a catchment area.

Globally, the retailers of the Club plan almost the same number of store closings for 2013 as in 2012. And of course, in this difficult period, all of them renegotiate their rents down.

Nevertheless, some of them manage to find equilibrium and go on with development plans.

At the same time, they engage in a process of renovating their store concept.

None of them gives up: adjustments are under process and each retailer is struggling his way out of the difficult year.

- **Retail sales in Portugal: results of the year-to-year EURELIA/RETAIL & TRADE MARKETING panel over the 3 past years**

<b>Year 2012</b>	<b>- 6,5 %</b>
Year 2011	- 9,7 %
Year 2010	+ 0,3 %

After a year of deep crisis in 2011, retail activity has slightly improved during the second semester 2012 although the situation remains difficult. The first figures in January 2013 confirm the improved trend; the footfall decrease in shopping malls has stabilized. The Portuguese consumer maximizes his spending according to his disposable income.

#### **Club EURELIA SPAIN - PORTUGAL in partnership with RETAIL MARKETING & TRADE Barcelona**

As a support structure to retail developments in more than 25 countries, the EURELIA European Federation of retailers has forged for over 20 years an exclusive partnership for its activities in Spain and Portugal, with RETAIL & TRADE MARKETING Barcelona.

Together, they operate the EURELIA Spain - Portugal / RETAIL TRADE & MARKETING Club of retailers, and provide their members (Fosco, Oro Vivo, Intersport, Sephora, FNAC, General Optica, Kiwoko, Cinesa, Claire's, Etam lingerie, Ale-Hop, Jysk ...) with unique databases and tools, based on the active data exchange between members: sales panels, site performance indices, a database of projects, etc.

Methodological note: the EURELIA /RETAIL TRADE & MARKETING monthly panels in Spain and Portugal observe the turnover variation of our retailers in the period N compared to the period N-1, on a comparable basis.