

Retailers' Christmas Survey 2015 Wrapping up the festive season

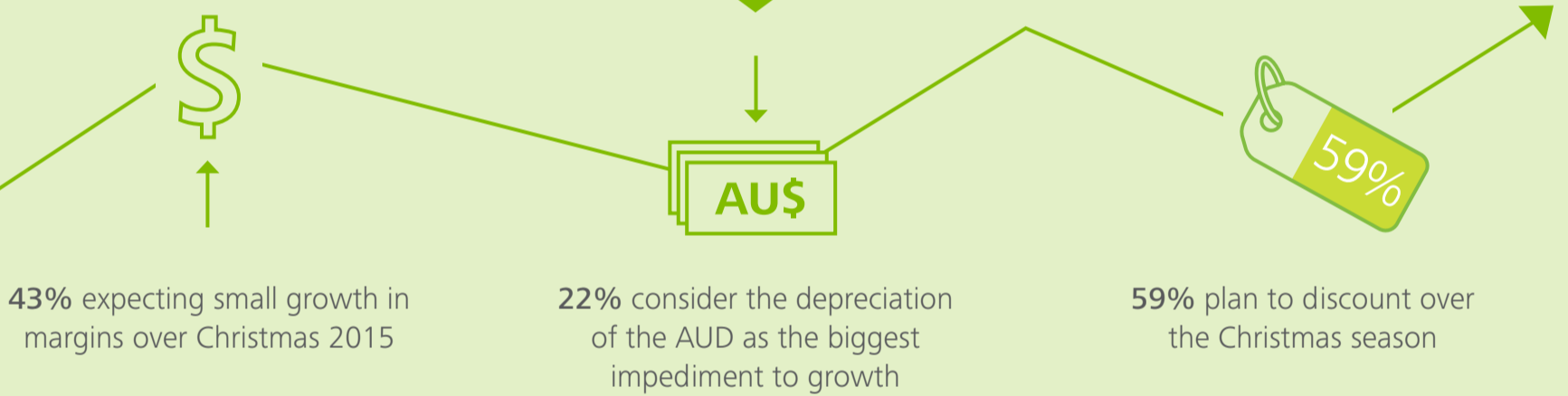
For the fourth consecutive year, during September and October, we surveyed a cross section of executives and senior management of leading Australian retailers. The survey analyses retailers' expectations, priorities and key trends for the Christmas period and for 2016.

Higher Christmas sales but margins squeezed



80% expect seasonal sales to be higher than 2014

Retailers need to balance margin pressures with customer demands, with 25% identifying customer service as key to success this Christmas



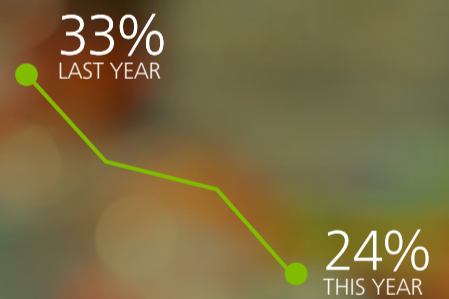
Online sales growth slows as market matures



Nearly half of retailers to earn 6% or more from online sales this Christmas



Cybersecurity rated as high or medium by a combined 77% of respondents



Omni-channel has fallen as a strategic priority as it becomes business as usual

High expectations for 2016



Retailers have a positive outlook for 2016 with 82% expecting earnings growth despite forecast flat conditions



Foreign invaders remain top of mind with 63% concerned about foreign competition



Almost half see opportunity in expansion overseas in 2016