



GfK Market-i

An Insight into February 2014 UK Retail Durable Sectors

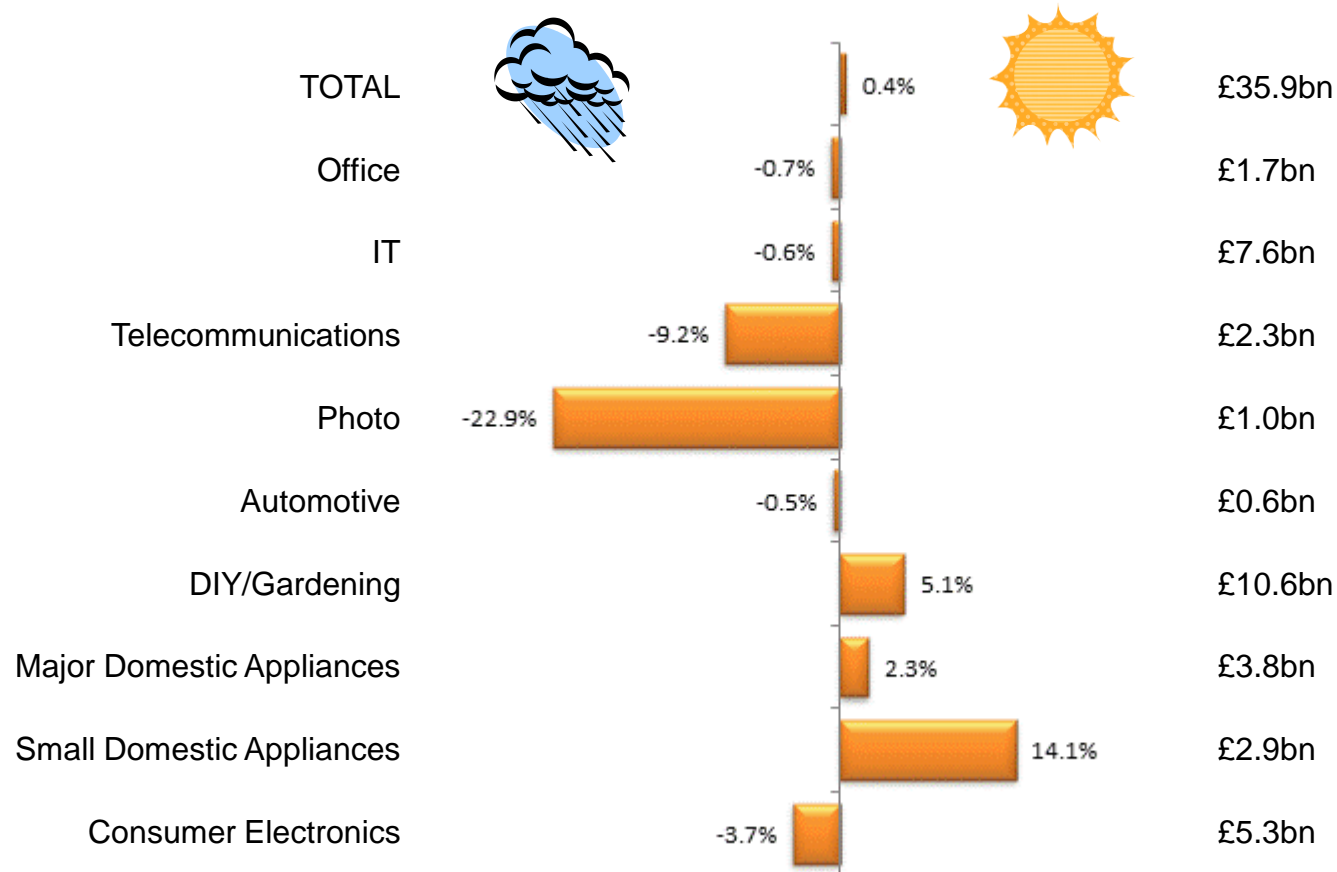
www.gfk.com/uk

- February 2014 sees the growth in the total durables market continue. Total market value grew 2.8% month on month, reaching £2.4bn compared to the same month last year.
- This confirmed the improved market situation for the digital categories that we saw in January 2014. Whilst there is still value decline in these over the last 12 months, it has become much less pronounced – in the case of the consumer electronics sector, this is now single rather than double digit.
- In the IT sector, the price erosion in media tablets continues to an extent that the product category experiences value decline, with average selling prices down £24 year on year. Volume growth in this key area remains impressive as penetration levels to adults are still relatively low and promise further growth to come.

Which Sectors Have Driven the Market Year on Year?

Year on Year % Growth in Value
(the latest moving annual total versus the previous moving annual total)

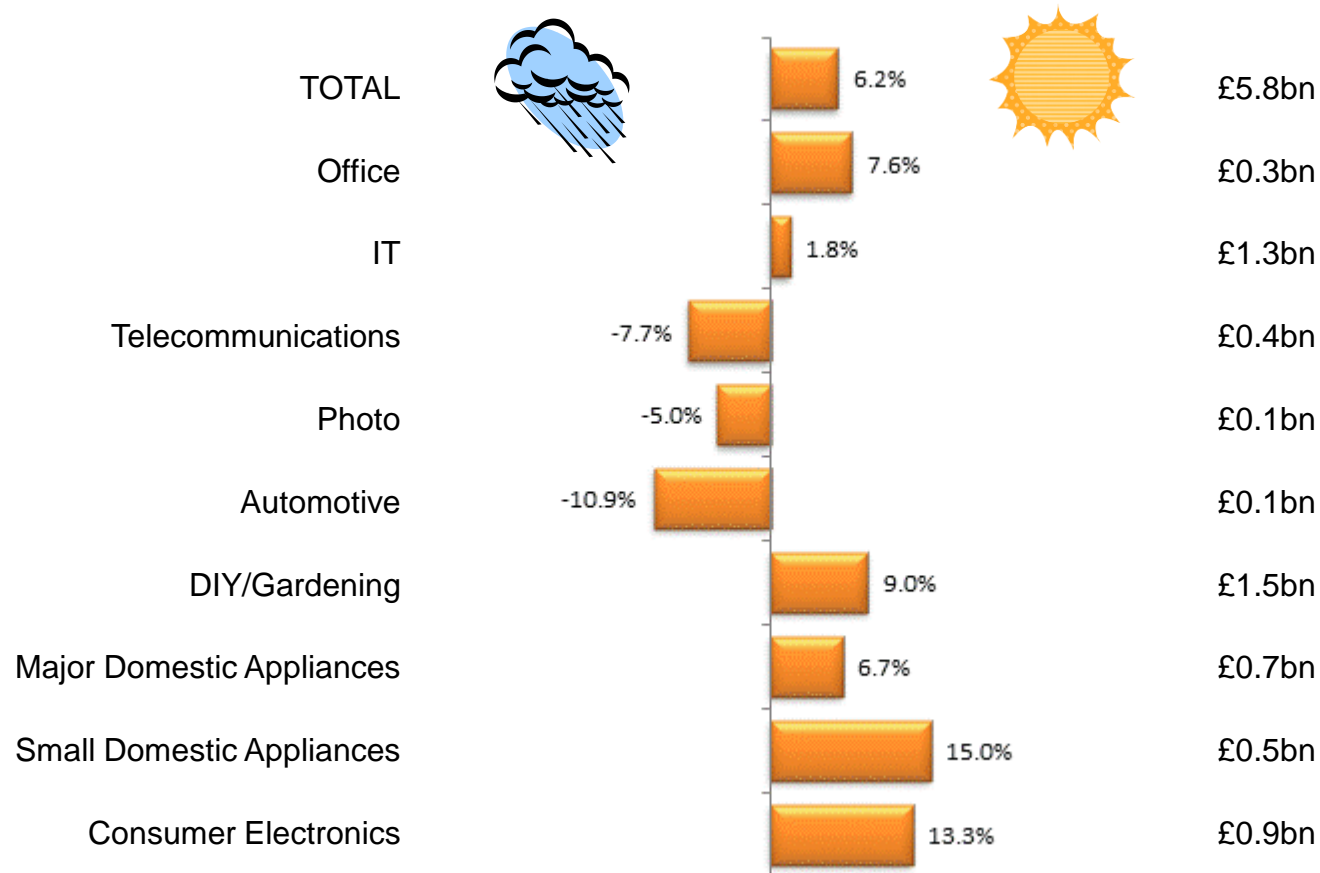
Market Value
Mar13-Feb14



Which Sectors Have Driven the Market Year to Date?

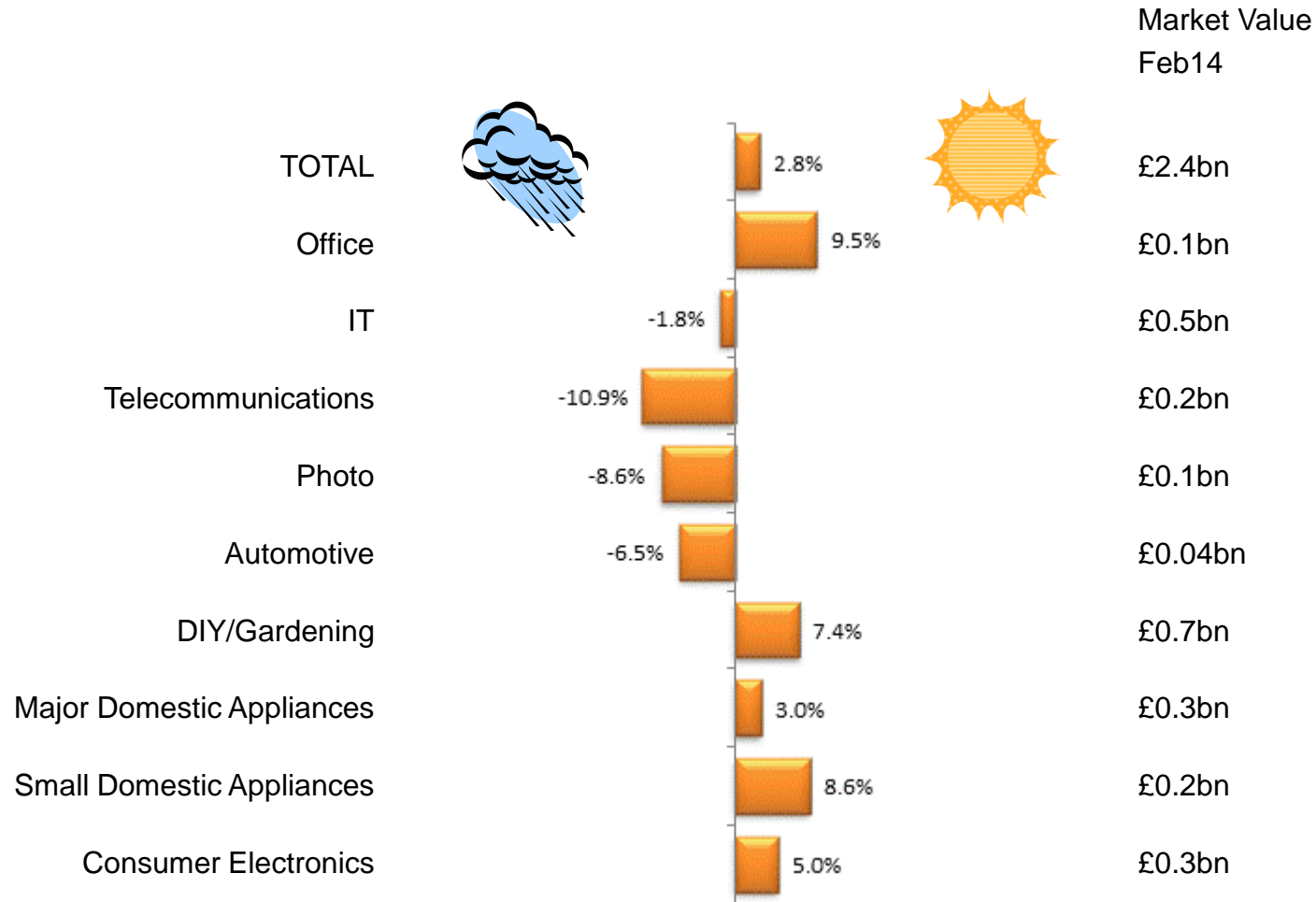
Year to Date % Growth in Value
(value so far this year versus the same period last year)

Market Value
Jan14-Feb14



Which Sectors Have Driven the Market Month on Month?

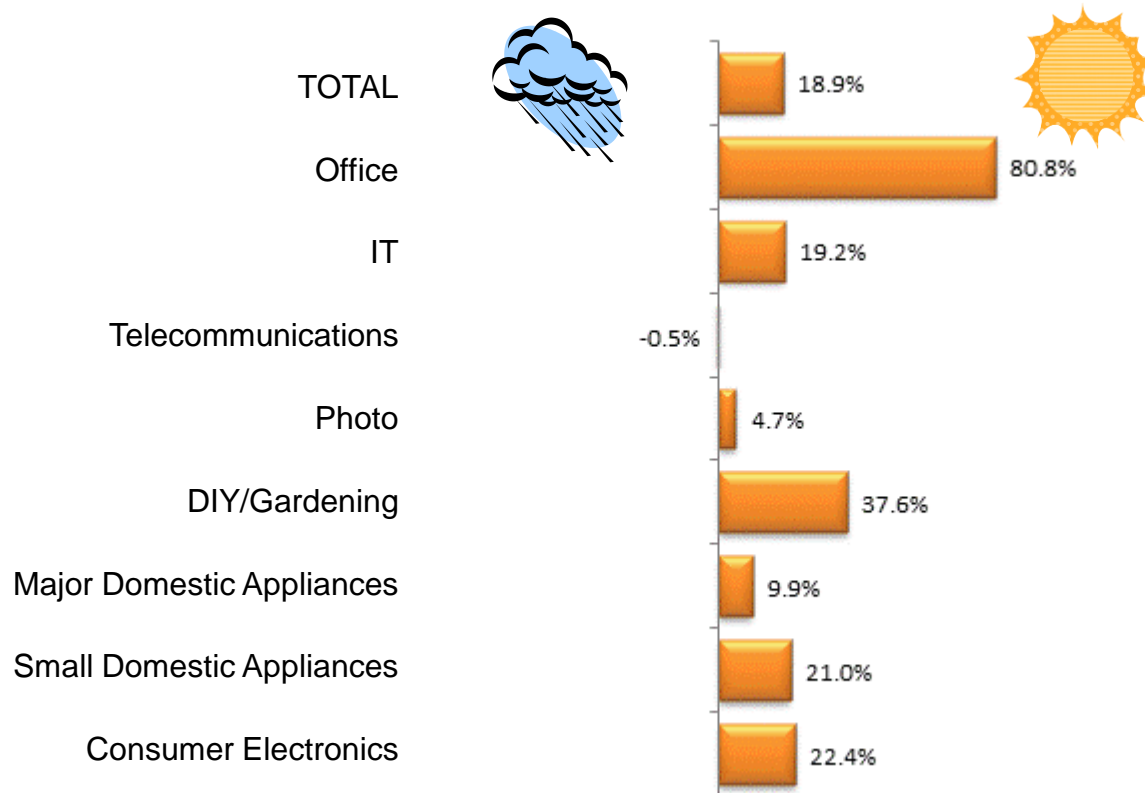
Month on Month % Growth in Value
(this month versus the same month last year)



How are Online Sales Performing Month on Month?

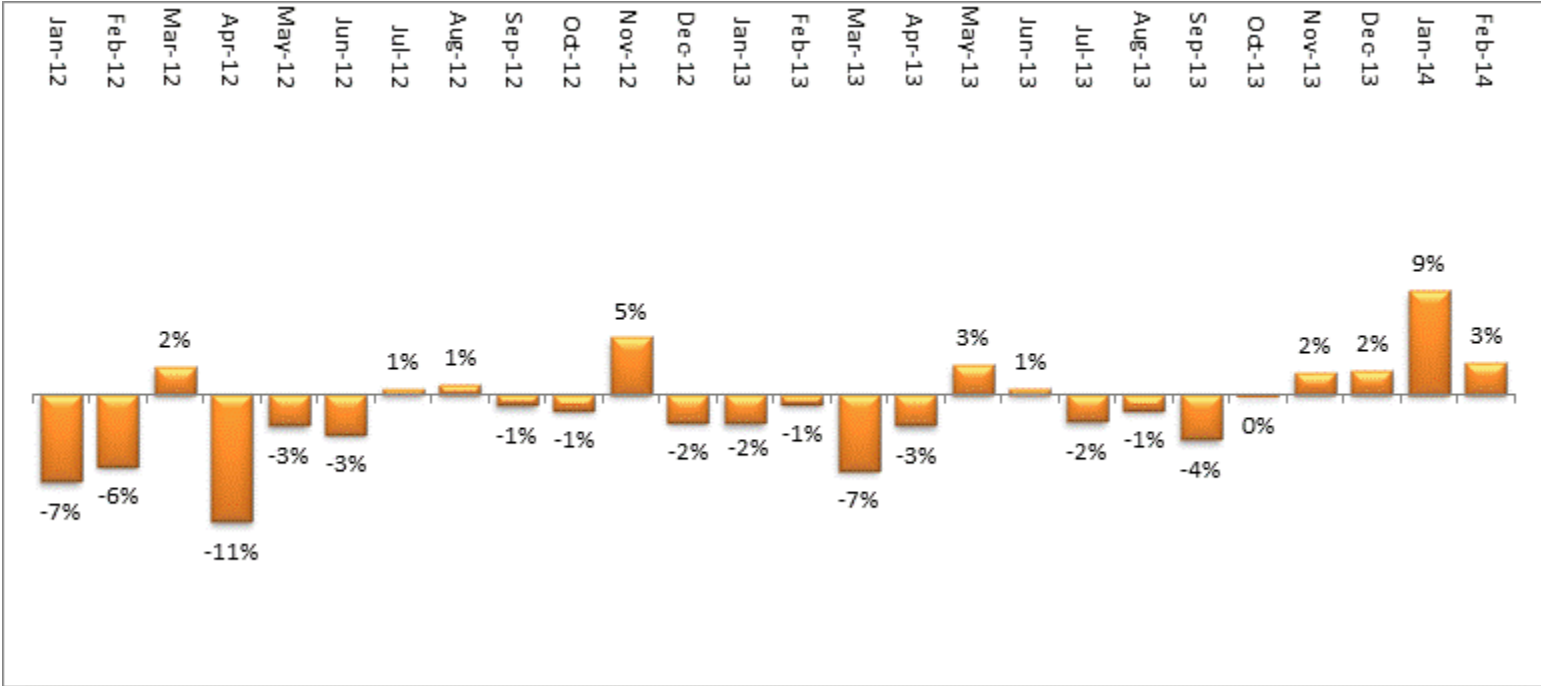


Month on Month % Growth in Online Sales
(this month versus the same month last year)



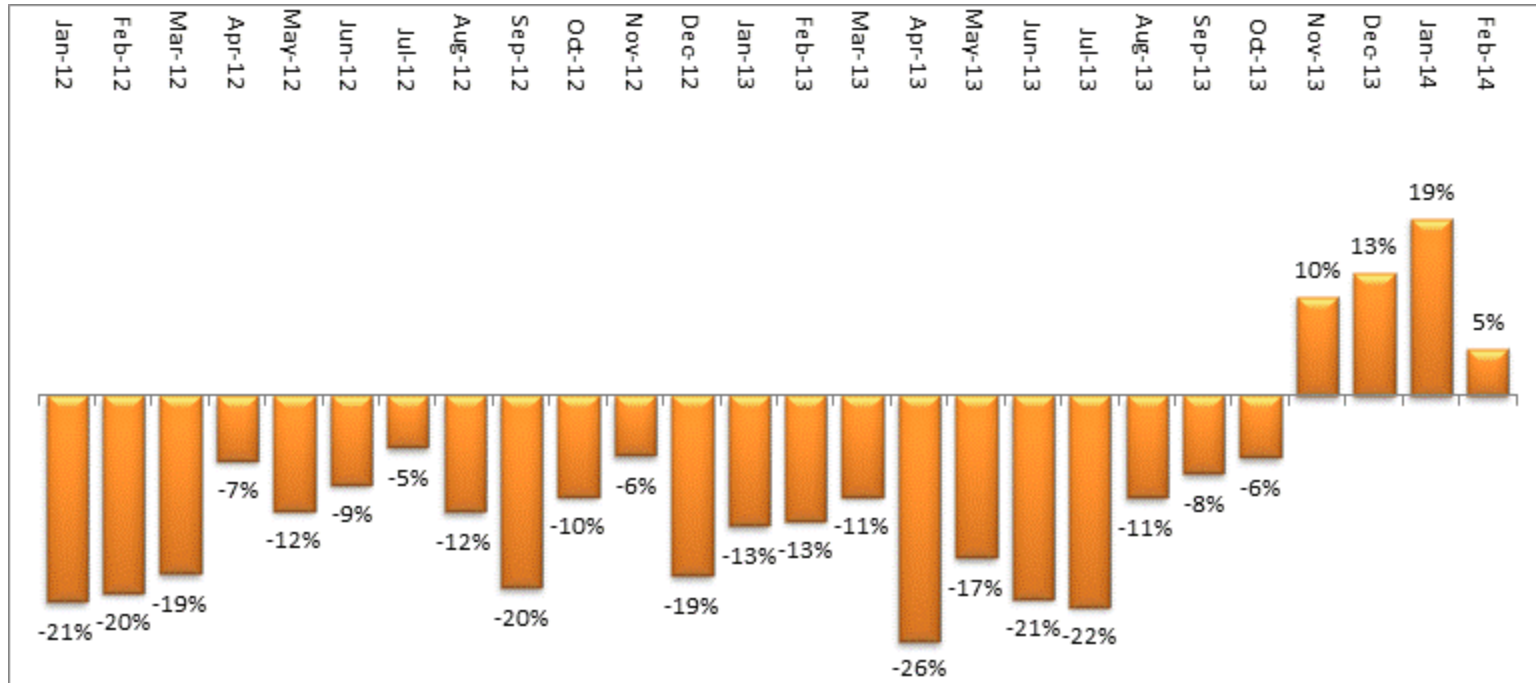
How Has the Total Durables Market Performed?

Month on Month % Growth in Total Market Value
(this month versus the same month last year)



How Has the Consumer Electronics Sector Performed?

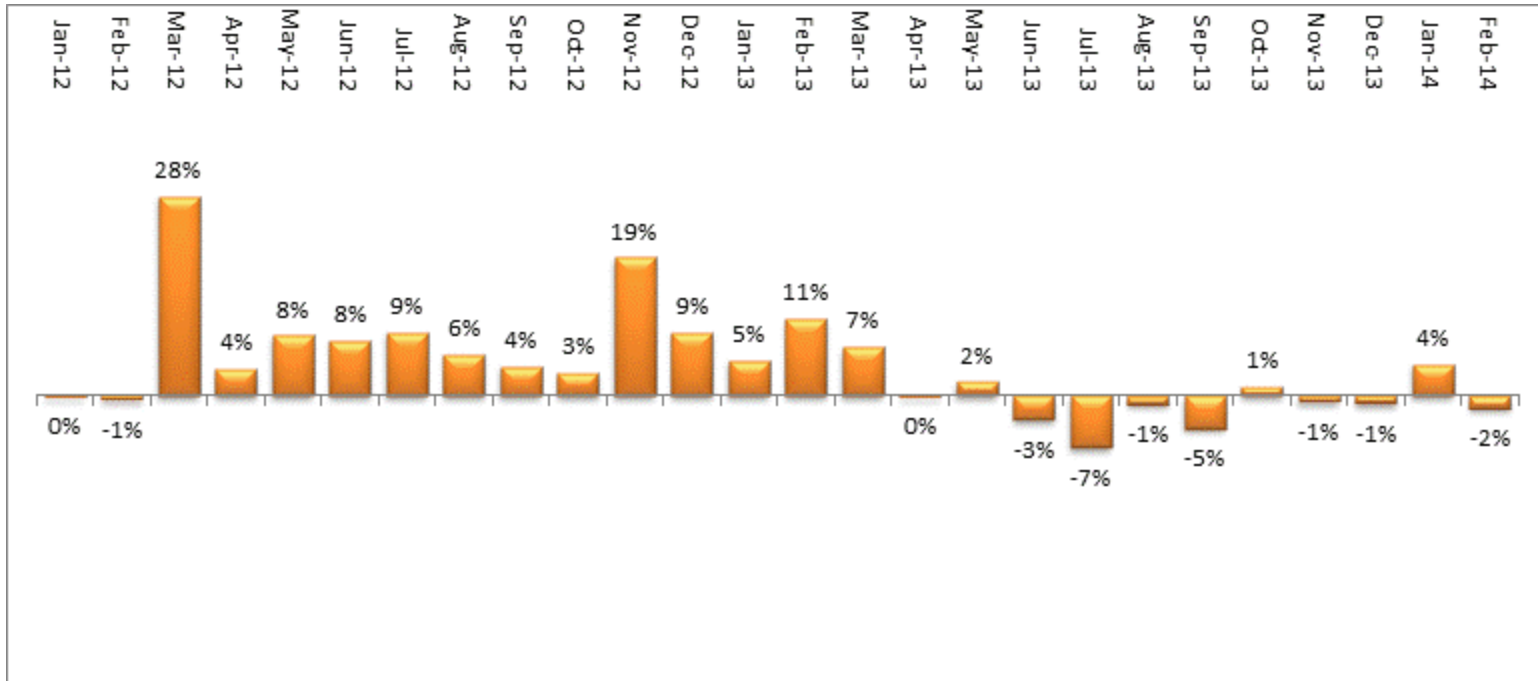
Month on Month % Growth in Sector Value
(this month versus the same month last year)



The consumer electronics sector has performed far better in recent months. A substantial part of this improvement is coming from the introduction of some new video games consoles in the last quarter of 2013. The February 2014 value growth rate is 5% compared to February 2013 including video games consoles. When these are stripped out the more traditional consumer electronics sector declines 2%. Whilst still in decline, this figure is far better than what we have seen in the recent past. The key drivers for this improvement are large screen televisions, sound bars and many other audio categories which have been enhanced by the addition of wireless technology.

How Has the IT Sector Performed?

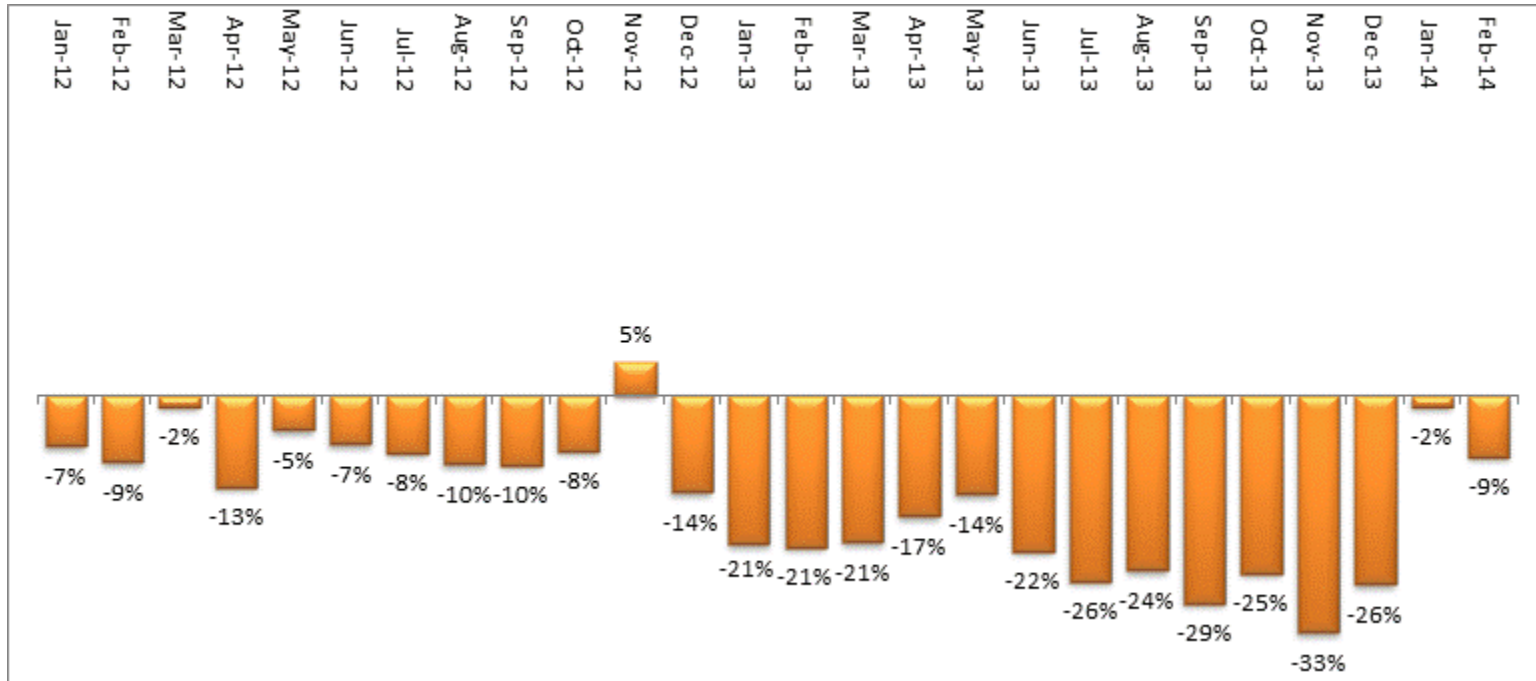
Month on Month % Growth in Sector Value
(this month versus the same month last year)



February saw strong growth in the IT sector for storage, networking and desk computing. However these gains were offset by continuing declines in mobile computing and a 4% decrease in the value attributable to media tablets (the largest product group in the IT sector).

How Has the Photo Sector Performed?

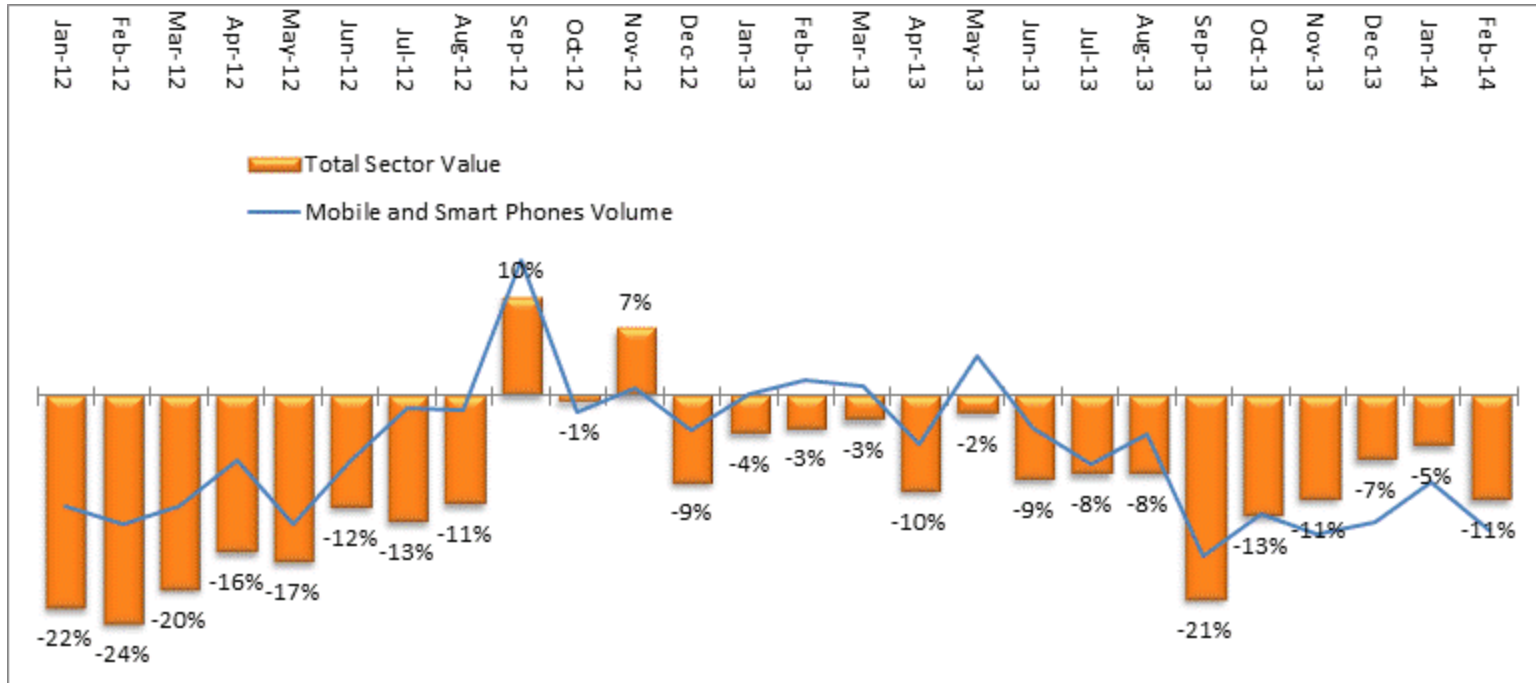
Month on Month % Growth in Sector Value
(this month versus the same month last year)



Although the overall photo sector is still in decline, there have been some signs of improvement. Compact system cameras and premium compact cameras are both enjoying growth. Furthermore, accessories such as bags and tripods are also back in growth in February. The first quarter of 2013 was a difficult period for the market so we expect more positive comparisons in early 2014, but it will be when we report on quarter two data that we will see if there is a sustained recovery.

How Has the Telecommunications Sector Performed?

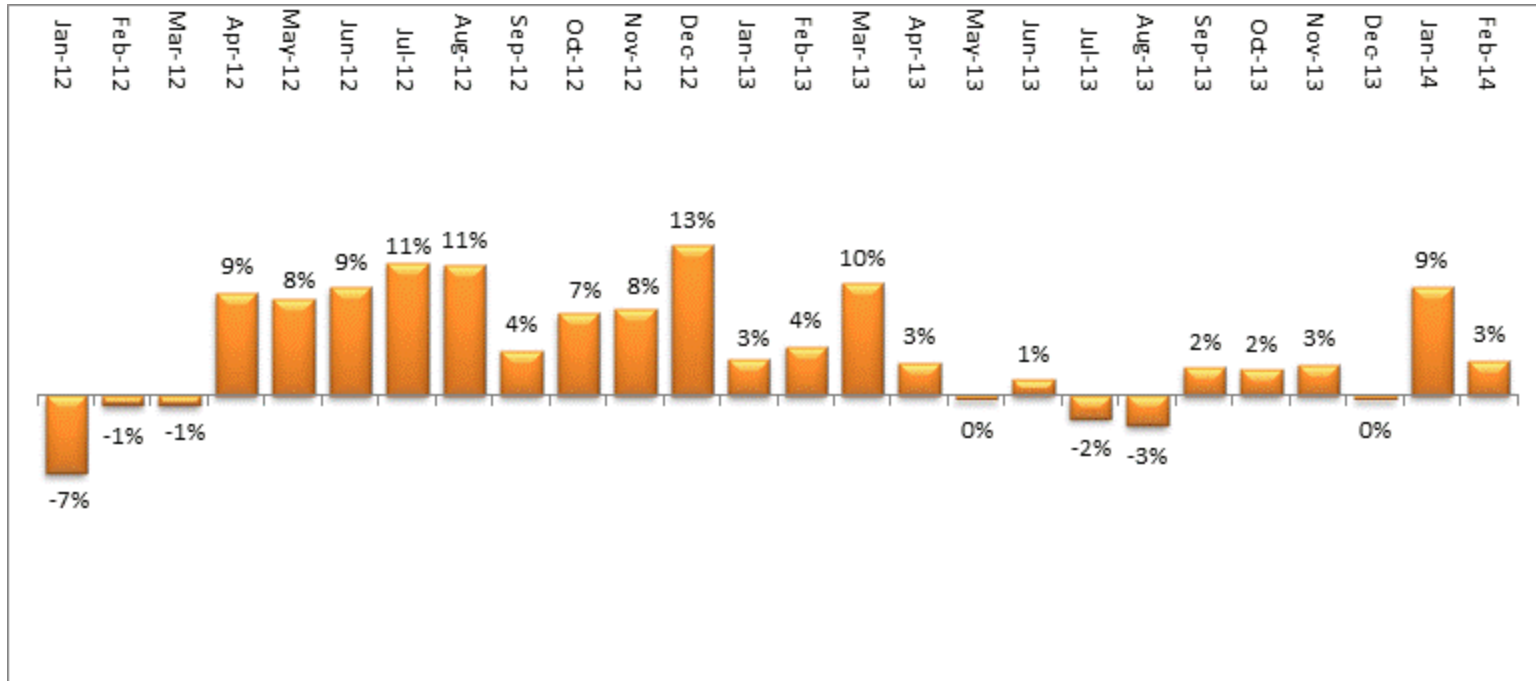
Month on Month % Growth in Sector Value
(this month versus the same month last year)



The number of chargers sold in the UK each month has grown by nearly 30% year on year. With a variety of charging options open to consumers, and with extending battery life becoming a key priority for both manufacturers and customers alike, we have seen diversification in the market to meet the needs of the user.

How Has the Major Domestic Appliances Sector Performed?

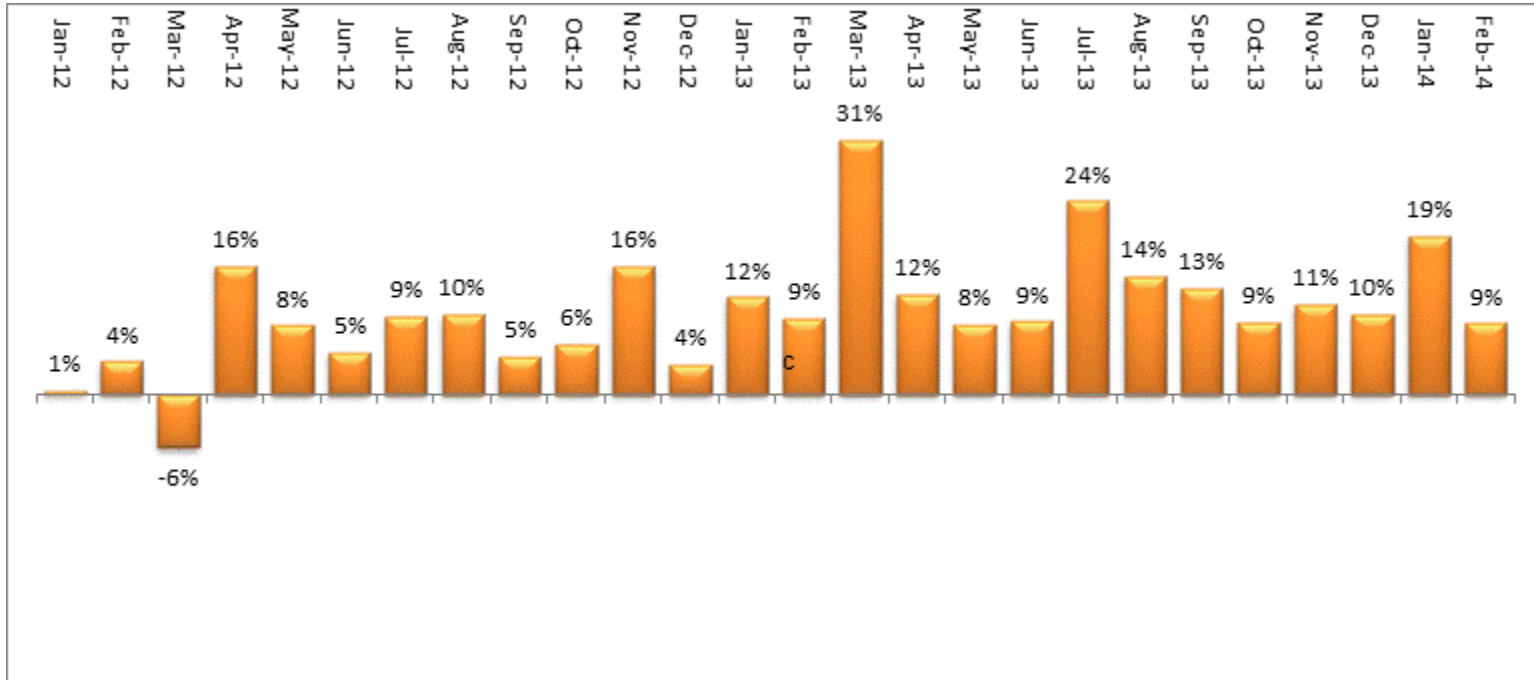
Month on Month % Growth in Sector Value
(this month versus the same month last year)



Washing machines, the largest product category in the major domestic appliances sector, grows 2% compared to February last year. Meanwhile, hobs grow 3% month on month whilst hoods decline 2%.

How Has the Small Domestic Appliances Sector Performed?

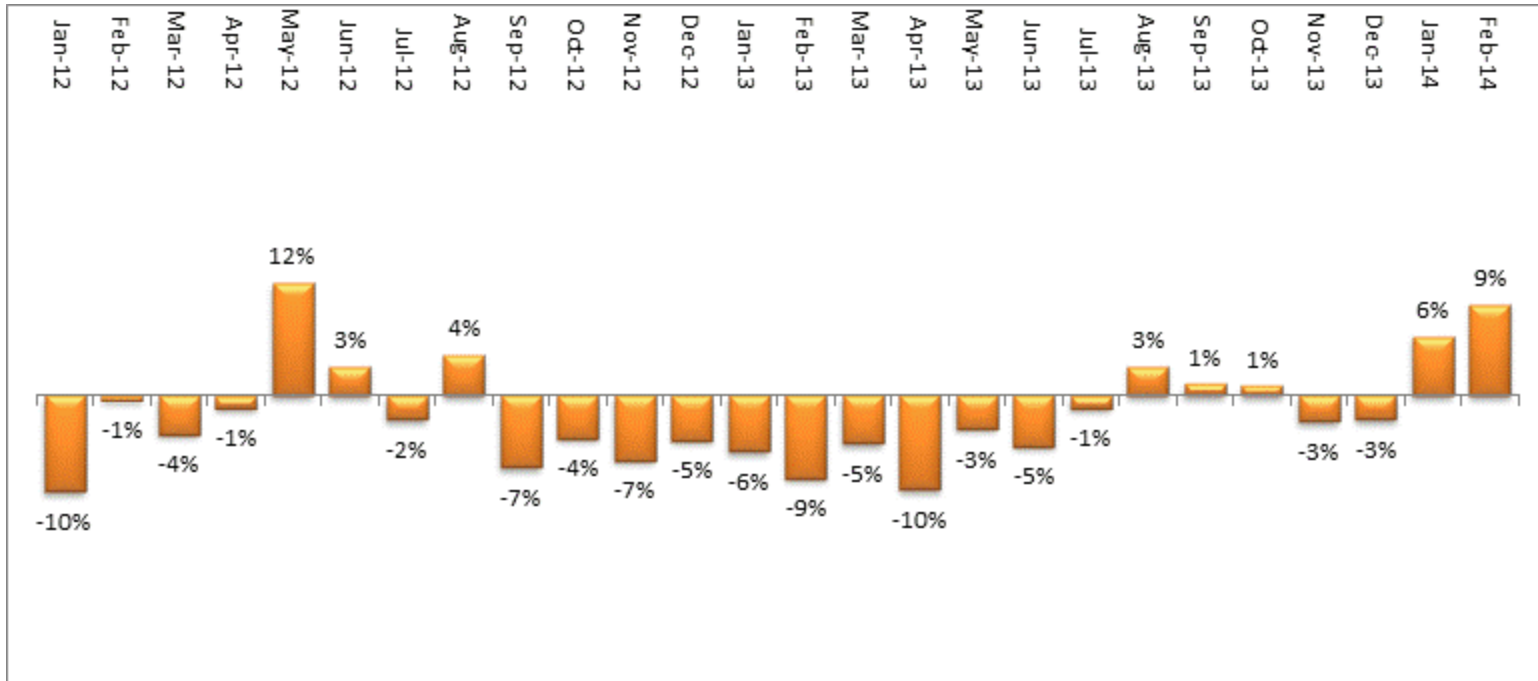
Month on Month % Growth in Sector Value
(this month versus the same month last year)



The biggest value driver of month on month growth in February is vacuum cleaners, up 9% compared to February last year. Elsewhere there are mixed results with shavers growing 8% and deep fryers declining 5% month on month.

How Has the Office Sector Performed?

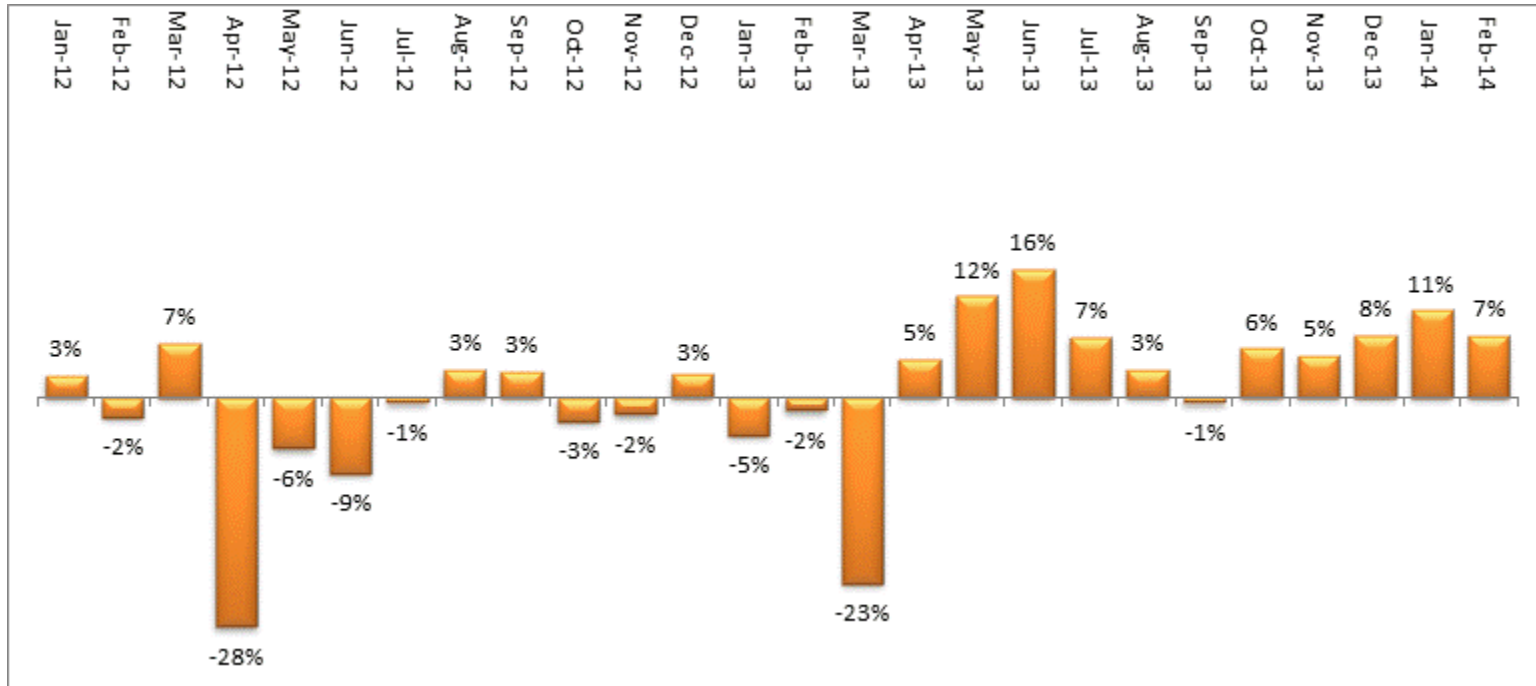
Month on Month % Growth in Sector Value
(this month versus the same month last year)



Within the stationery segment there are varied results comparing February 2014 to the same period last year. Graphite pencils and ball point pens grow 14% and 13% respectively whilst fountain pens and office paper both decline by 2%.

How Has the DIY/Gardening Sector Performed?

Month on Month % Growth in Sector Value
(this month versus the same month last year)

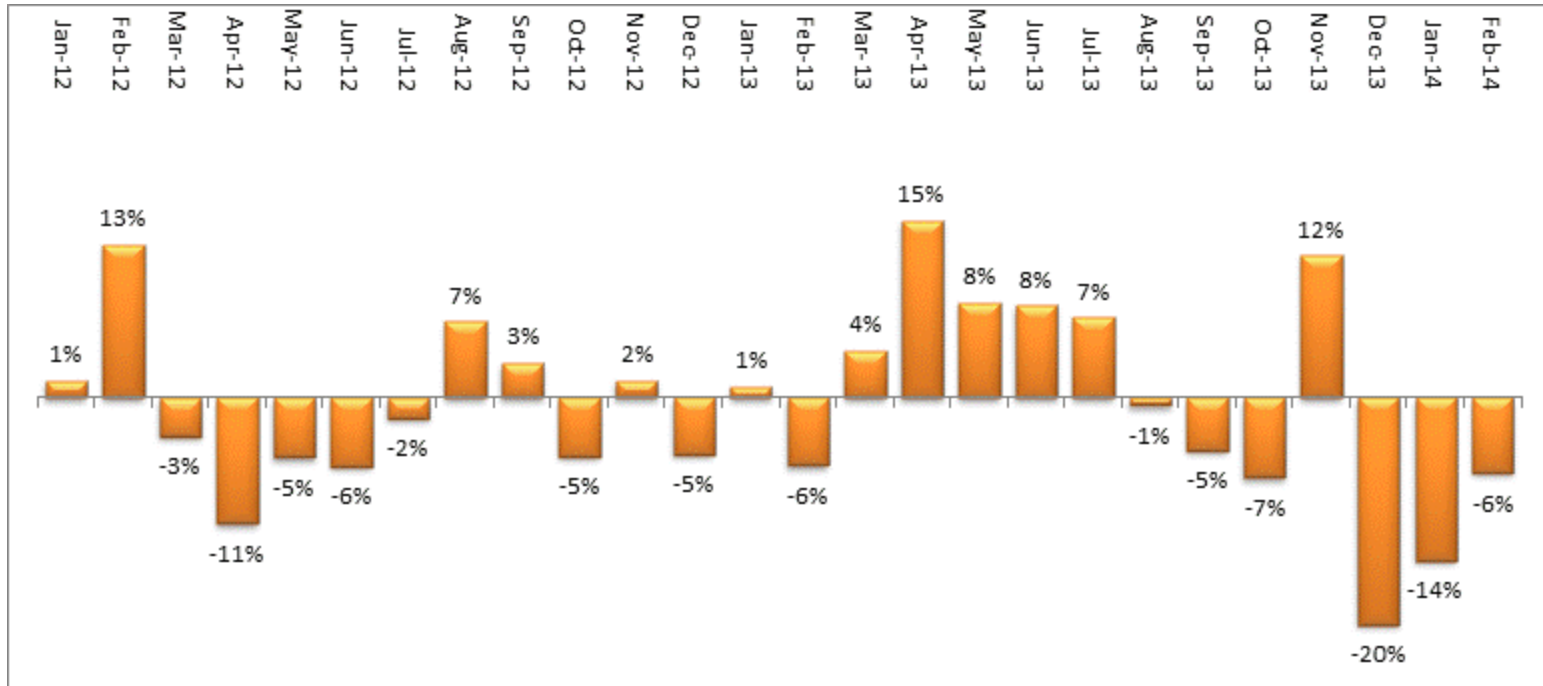


February 2014 sees the positive trend in the decorating segment continue with emulsion and gloss paints growing 6% and 8% respectively. Paint brushes – a related purchase – grow 4% month on month.

How Has the Automotive Sector Performed?



Month on Month % Growth in Sector Value
(this month versus the same month last year)



After a very wet start to the year in January, February 2014 recovered slightly to report a much lower 6% value decline compared to February 2013, with the de-icer product category continuing to suffer the most due to the continued milder weather.

For Further Insight and Enquiries:

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Useful Information

Distribution Channels Tracked

Product Categories Tracked

Distribution Channels Tracked in the UK



Accurately tracking a universe of 67,000 shops via live electronic point of sale data delivered by the retailer on a weekly or monthly basis.

All major distribution channels are covered:

- Computer Shops
- Pure Players
- Telecommunications Specialists
- Supermarket and Cash & Carry Stores
- Variety Chains
- Mail Order Houses
- Department Stores
- Book Stores
- Stationers and Consumable Specialists
- DIY Superstores, DIY Specialists and Garden Centres
- Kitchen Specialists
- Car Accessories Retailers, Car Dealers and Car Audio Specialists
- Electrical Specialists
- Photo Specialists
- Chemists
- Jewellers
- Tyre Specialists

Product Categories Tracked



Automotive

Anti-Freeze
Brake Cleaners
Carburettor Cleaners
Car De-Icer
Chrome/Aluminium Cleaners
Contact Spray/Rust Releasers
Engine Cleaners/Degreasers
Engine Oils
Engine and Petrol Additives
Exhaust Repair/Maintenance
General Cleaners
Glass Cleaners/Rain Repellents
Paint Care Products
Plastic/Synthetic Cleaners
Screen Wash
Technical Lubricants
Temporary Tyre Repair
Tyre Cleaners
Upholstery Cleaners
Wheel Cleaners

Major Domestic Appliances

Cookers and Ovens
Fridges/Fridge Freezers
Dishwashers
Freezers
Hobs
Hoods
Microwave Ovens
Spin Dryers
Tumble Dryers
Washing Machines

DIY/Gardening

ALERT DETECTORS
AXES AND ACCESSORIES
BENCHTOP MINI TOOLS
BENCHTOP TOOLS
BOLT CUTTERS
CHISELS/BOLSTERS
COMPACT FLUORESCENT LAMPS
DECORATIVE GARDEN PRESERVES
DECORATIVE EQUIPMENT
DECORATIVE PLASTER
DIY ADHESIVE TAPES
DIY ADHESIVES
DRILLS AND BRACES
ELECTRIC CROW BARS
ELECTRIC DRILLS
ELECTRIC GLUE GUNS
ELECTRIC HEAT GUNS
ELECTRIC POWER FILES
ELECTRIC SCRAPERS
ELECTRIC LASER LEVELS
ELECTRIC ANGLE GRINDERS
ELECTRIC PLANERS
ELECTRIC ROUTERS
ELECTRIC SANDERS
ELECTRIC SAWS
ELECTRIC TACKERS
ELECTRIC PAINT ROLLERS
ELECTRIC ROTARY HAMMERS
DIY RULERS
SCREW DRIVERS
SEALANTS
SEALERS AND WATERPROOFERS
SHOWERS
SOCKETS AND RATCHETS
SOIL CONDITIONER
SPECIAL HAND TOOLS
SPECIAL PAINTS
ELECTRIC SCREW DRIVERS
ELECTRIC SPRAY GUNS
ELECTRIC WALLPAPER STRIPPERS
EMULSION PAINT
FERTILIZERS
FILLERS
FLUORESCENT LAMPS
GARDEN HAND TOOLS
GARDEN HAND SHEARS
GRIPPING TOOLS
GROWING MEDIA
HALOGEN LAMPS
HAMMERS
HAND LAWNMOWERS
HAND FILES
HAND PLANERS
HAND SAWS
HOUSEHOLD INSECTICIDES
HIGH PRESSURE CLEANERS
HOSE END ATTACHMENTS
HOSES AND STORAGE
INCANDESCENT LAMPS
INTRUDER SECURITY
KNIVES AND BLADES
LAWN SEED
LAWN SPREADER
LED LAMPS
LEVELS
STAPLE GUNS
TILE ADHESIVES
TILE GROUT
TILES
TOOLSETS AND STORAGE
TRIM PAINT
TRIMMERS/BRUSHCUTTERS
VARNISH
WALL COVERINGS

MARKING OUT TOOLS
MEASURING TAPES
METAL PAINTS
MINI TOOLS
MOULDINGS AND COVINGS
MULTI TOOLS
WOOD FINISH
OUTDOOR BARBEQUES
PAINT BRUSHES
PAINTING AIDS
PAINT AND VARNISH REMOVER
PLANT AUXILIARY PRODUCTS
PLANT PROTECTION
PLIERS
POWERED CHAIN SAWS
POWERED LAWNMOWERS
POWERED SCARIFIERS
POWERED BLOW VACS
POWER TOOL ACCESSORIES
POWERED GRASS SHEARS
POWERED HEDGE TRIMMERS
POWERED SHREDDERS
PRIMERS/UNDERCOATS
PRUNING SAWS
PU FOAM
PUMPS
RENOVATION CLEANERS
RIVETERS
WALL DECORATIONS
WATER TIMERS
WILD BIRD CARE
WOOD FILLERS
WOOD STAIN
WOOD TREATMENT
WORKBENCHES
WRENCHES

Product Categories Tracked



Office

Binding Systems
Laminating Accessories
Calculators
Laminating Systems
Lettering Machinery
Office Adhesives
Repositionable Notes
Shredders
Office Adhesive Tapes
Ballpoint Pens
Laser Cartridges
Inkjet Cartridges
Coated Paper
Colour Felpens
Colouring Pencils
Compasses

Office Paper
Pencil Cases
Correction Products
Crayons
Fountain Pens
Graphite Pencils
Highlighters
Markers
Mechanical Pencils
OHP Pens
Rollerballs
Staplers
Writing Felpens
Scissors
Stationery Accessories

Small Domestic Appliances

Blood Pressure Monitors
Bread Makers
Digital Thermometers
Food Steamers
Fun Cooking
Mini Ovens
Air Conditioners
Air Treatment
Bakeware
Can Openers
Juice Extractors
Coffee Grinders
Hot Beverage Makers
Deep Fryers
Dental Care Products
Electric Blankets
Electric Heating
Electric Knives

Electric Beauty
Food Preparation
Hair Dryers
Hair Styling
Hair Clippers
Ice Cream Makers
Irons
Kettles
Pans
Personal Scales
Pots
Pressure Cookers
Rice Cookers
Sandwich Toasters
Shavers
Toasters
Steam Cleaners
Vacuum Cleaners

IT

Desktop Computers
Mobile Computers
Media Tablets
Monitors
Printers
Multifunctional Devices
Data/Video Projectors
Facsimiles
Scanners
Web Cameras
Communication Cards
CD/DVD Writers
Keying Devices
PC/Mini Speakers
Pointing Devices
TV Cards/Tuners
Storage Devices
Communication Devices
Power Management
Software
Gaming and Leisure Devices
Electronic Assistants

Telecommunications

Fixed Line Telephones
Headsets
Mobile Phone Accessories
Mobile Phone Handsets
Mobile Phone Tariffs
Smart Phones

Consumer Electronics

CD Recording Media
Video Tapes
DVD Recording Media
CRT Televisions
TV Recorders
Video Recorders
Portable Televisions
Panel Televisions
Set Top Boxes
DVD Players/Recorders
Digital TV Accessories
Battery Chargers
Dry Batteries
USB Memory
Camcorders
MD Players/Recorders
Turntables
Loudspeakers
CD Players/Recorders
Audio Home Systems

Amplifiers
Receivers
Tuners
Radio Recorders
Portable Radios
Clock Radios
Dictation Systems
Headphones
Headphone Stereors
Universal Remote Controls
Digital Portable Audio Players
Digital Portable Video Players
Car Audio
Car Speakers
Car Navigation
Car Vision
Videogames Consoles
Camcorder Powerpacks
Torches
MP3 Accessories

Photo

Imaging Accessories
Binoculars
Non-Digital Cameras
Interchangeable Lenses
Digital Cameras
Films
Memory Cards
Image Displays