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TEPAV RETAIL CONFIDENCE INDEX (TEPE)

PRESS RELEASE

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POSITIVE TREND IN TEPE CONTINUES

A. After meeting 2011 with an upward trend, TEPE stood at 2.9 in February 2011. TEPE therefore increased by 2.1 points of month-on-month and by 13.3 points year-on-year.

Figure-1. TEPE (February 2010 – February 2011)

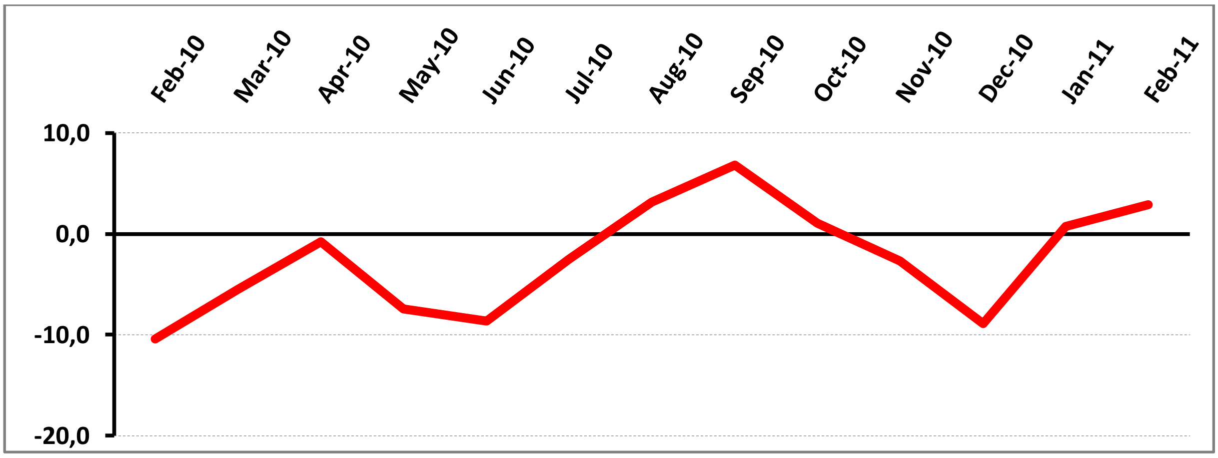


Table-1. TEPE

%	January	February	March	April	May	June	July	August	September	October	November	December
2008	---	---	---	---	-19.6	-23.8	-20.6	-7.8	-9.4	-20.7	-27.2	-30.8
2009	-29.5	-26.0	-17.1	-9.8	-10.1	-8.8	-6.8	-5.1	-4.9	-10.3	-9.9	-19.2
2010	-17.5	-10.4	-5.5	-0.8	-7.4	-8.7	-2.5	3.2	6.8	1.1	-2.7	-8.9
2011	0.8	2.9										

B. In February 2011 expectations for the next three months improved by 18.1 points compared to the previous month. 49.6% of TEPE survey participants expect improvement in business activities in the next three months whereas 19.4 percent expect a deterioration in business activities. This implies an improvement by 34.7 points compared to February 2010.

Figure-2. TEPE – Expectations for the next three months (%increase-%decrease)

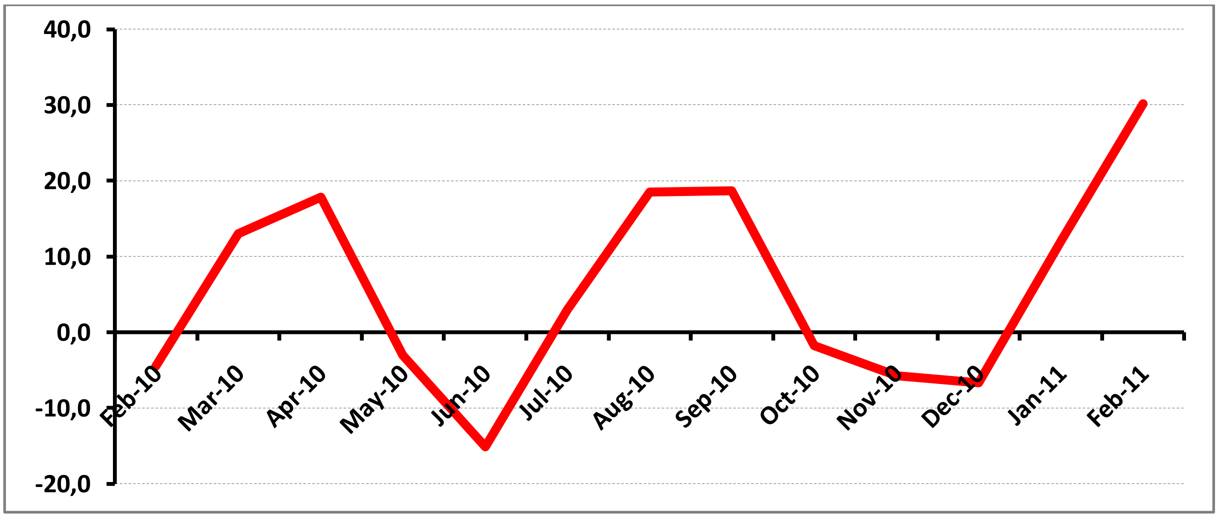


Table-2. TEPE – Expectations for the next three months (%increase-%decrease)

%	January	February	March	April	May	June	July	August	September	October	November	December
2008	---	---	---	---	-26.3	-39.0	-21.6	4.9	0.9	-31.5	-44.0	-53.2
2009	-40.1	-27.6	-24.0	-1.3	-11.9	-7.5	-3.2	5.7	15.1	-13.7	-14.9	-31.3
2010	-18.7	-4.5	13.0	17.8	-3.1	-15.1	3.0	18.5	18.6	-1.8	-5.7	-6.7
2011	12.1	30.2										

C. The difference between the participants who declared a year-on-year improvement in business activities and who declared a year-on-year deterioration in business activities increased by 31.8 points compared to January 2010 and decreased by 4 points compared to January 2011.

Figure-3. TEPE – Year-on-year change in business activities (%increase- %decrease)

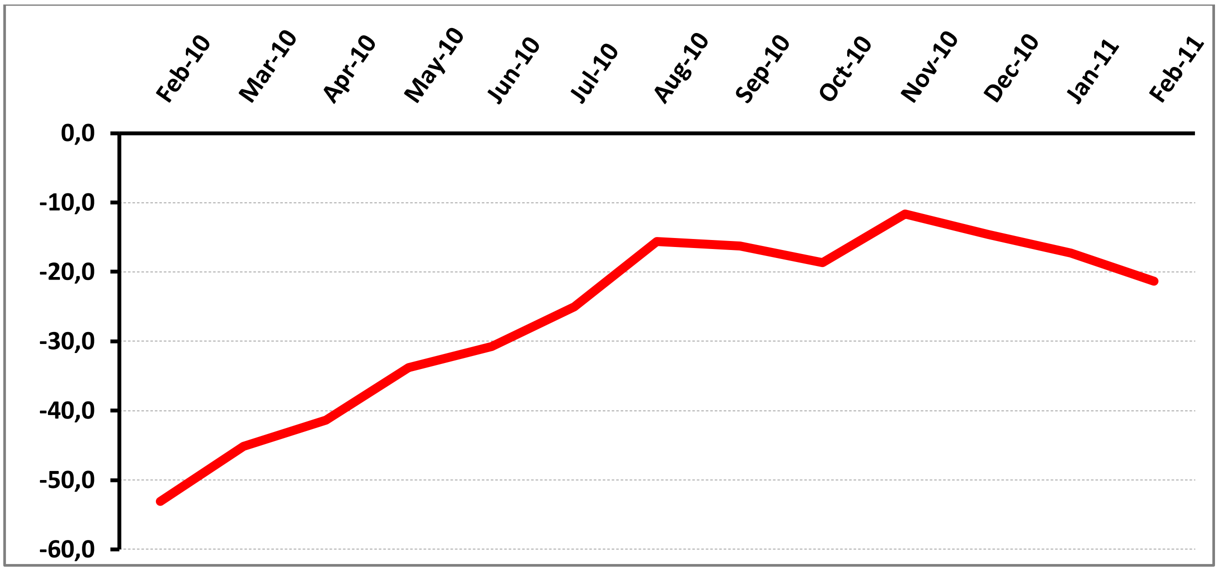


Table-3. TEPE – Year-on-year change in business activities (%increase- %decrease)

%	January	February	March	April	May	June	July	August	September	October	November	December
2008	---	---	---	---	-60.1	-60.7	-61.5	-47.6	-55.5	-57.1	-62.7	-68.1
2009	-73.4	-73.2	-64.6	-66.4	-56.8	-35.3	-39.6	-42.5	-60.1	-52.1	-43.6	-48.9
2010	-47.7	-53.1	-45.2	-41.4	-33.9	-30.8	-25.0	-15.6	-16.3	-18.7	-11.7	-14.6
2011	-17.3	-21.3										

D. In February 2011 EU-27 Retail Index stood at -1.6 indicating a month-on-month decrease by 1 point and a year-on-year increase by 3.1 points. As in January 2011, EU Retail Index stood below the TEPE in February 2011.

Figure-4. Comparison of TEPE and EU-27 Retail Index AB-27 (February-2010, February-2011)

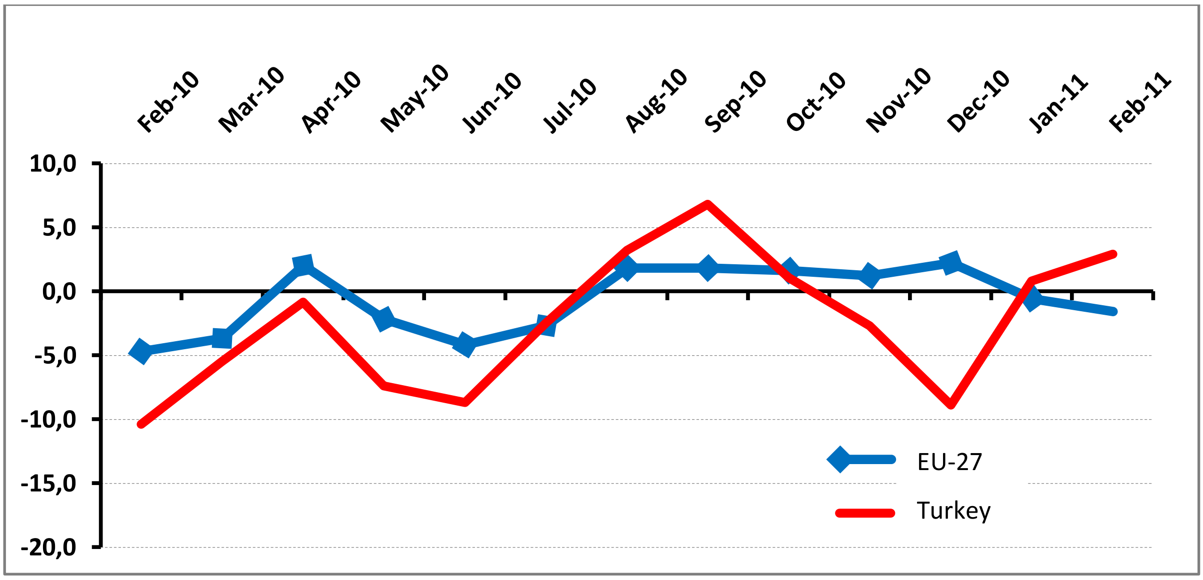
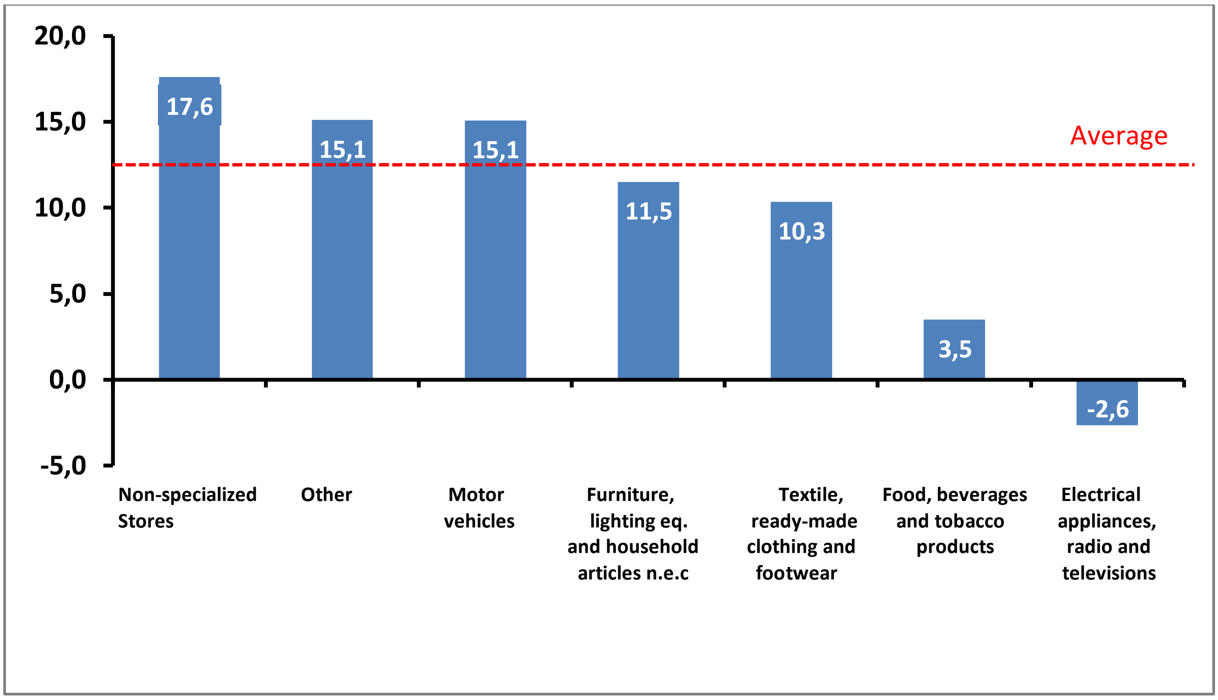


Table-4. EU-27

%	January	February	March	April	May	June	July	August	September	October	November	December
2008	---	---	---	---	-1.7	-4.8	-13.9	-13.2	-12.4	-16.3	-18.8	-29.0
2009	-25.9	-22.1	-18.8	-17.1	-11.9	-13.7	-14.1	-8.8	-8.0	-10.5	-5.2	-10.9
2010	-5.2	-4.7	-3.7	2.0	-2.2	-4.2	-2.7	1.8	1.8	1.6	1.2	2.2
2011	-0.6	-1.6										

E. Analysis of the performance of sub-sectors reveal that in February 2011, non-specialized stores, motor vehicles sector and other sectors performed better than the rest of the sectors. On the other hand, furniture and lighting equipments n.e.c.; textile and readymade clothing, and food, beverages and tobacco products and others sector performed worse than the average. In the examined period performance of the electrical household articles, radio and televisions sector weakened compared to the previous year.

Figure-5. Year-on-year change in TEPE, February 2011 (points)



F. Detailed results of the TEPE survey questions reveal a strong recovery in almost all indicators compared to the same period in the year before. Expectation for sales and for orders placed with suppliers in particular improved considerably month-on-month. Expectations for sales, employment and orders placed with suppliers reveal that retailers are hopeful about the future.

Table-5. Detailed results by TEPE questions (%)

Questions	Index 02/2010	Index 01/2011	Index 02/2011	Month-on-Month Change 02/2011	Year-on-Year Change 02/2011
How has your business activity developed over the past three months? It has...	-55.7	-26.3	**-36.9**	-10.6	18.8
Do you consider the volume of inventories you currently hold to be...? [1]	28.9	16.5	**15.5**	-1.0	13.4
How do you expect your orders placed with suppliers to change over the next 3 months? They will...	-21.8	0.3	**17.6**	17.3	39.4
How do you expect your business activity (sales) to change over the next 3 months? It will...	-4.5	12.1	**30.2**	18.1	34.7
How do you expect your firm's total employment to change over the next 3 months? It will...	-13.9	9.1	**12.7**	3.6	26.6
How do you expect the prices you charge to change over the next 3 months? They will…	-5.0	13.8	**15.5**	1.7	20.5
How has your business activity developed this year compared to the same period in the last year? It has...	-53.1	-17.3	**-21.3**	-4.0	31.8
Do you expect an increase in the number of your stores next year?	2.5	14.4	**6.5**	-7.9	4.0

[1] Positive inventory level indicates that current level of inventory stands below the normal.
The (-) values in Table-5 implies that negative expectations are more dominant than positive expectations.