



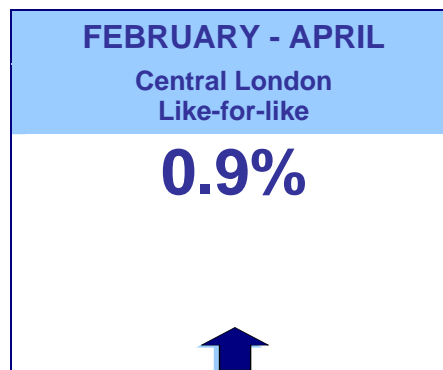
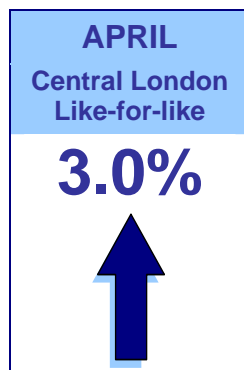
LONDON RETAIL SALES MONITOR APRIL 2005



Strictly Embargoed until 9:00 hrs – 16 May 2005

APRIL BRINGS UPLIFT IN LONDON SALES

- Retail sales in Central London during April were 3.0% higher, on a like-for-like basis, than in April 2004, compared with a 0.01% gain in March and a 0.4% fall in February. However, despite April's improvement, the average monthly gain so far this year is only 0.7%, against 4.8% for the same months of 2004.
- The three-month trend rate of growth in April rose to a 0.9% increase from a 0.1% decline in March for like-for-like sales in Central London.
- Easter holidays and increased visitor numbers boosted footfall. The main tourist spenders were again Middle Eastern and Russian, as the weak dollar discouraged US visitors. Instore restaurants and signature sales both benefited.
- The increase in London sales in April compares with a sharp fall for the UK as a whole. Drier, sunnier and warmer weather in London than in the rest of the UK – especially at weekends – together with many promotions, no doubt encouraged shopping.



Kevin Hawkins, LRC Director, comments:

“Retail sales in the capital showed some improvement in April, compared to the sharp drop over the UK as a whole. Warmer weather at weekends and extended Easter promotions encouraged general activity on the high street, with clothes sales benefiting, especially women's and children's fashions. An increase in Middle Eastern and Russian tourists also lifted footfall.

“Whilst many retailers in London will breathe a sigh of relief at these figures, the average monthly gain this year is still far below that of 2004. Big-ticket items are still suffering and the weak dollar continues to deter American tourists. London's retailers will be nervous about the coming months and feeling under pressure to stay out of negative territory.”

Helen Dickinson, Head of Retail, KPMG, comments:

“The like for like figures for April in London show an uplift of 3% on the previous year. This result gives rise to the largest difference between London and UK performance – which showed a decline of 4.7% - since the UK monitor began. It highlights the vulnerability of trading in central London to small changes in customer sentiment and shows what a bit of warm weather can do to encourage shoppers – particularly when timed with a lot of promotional activity.”

CENTRAL LONDON PERFORMANCE – APRIL 2005

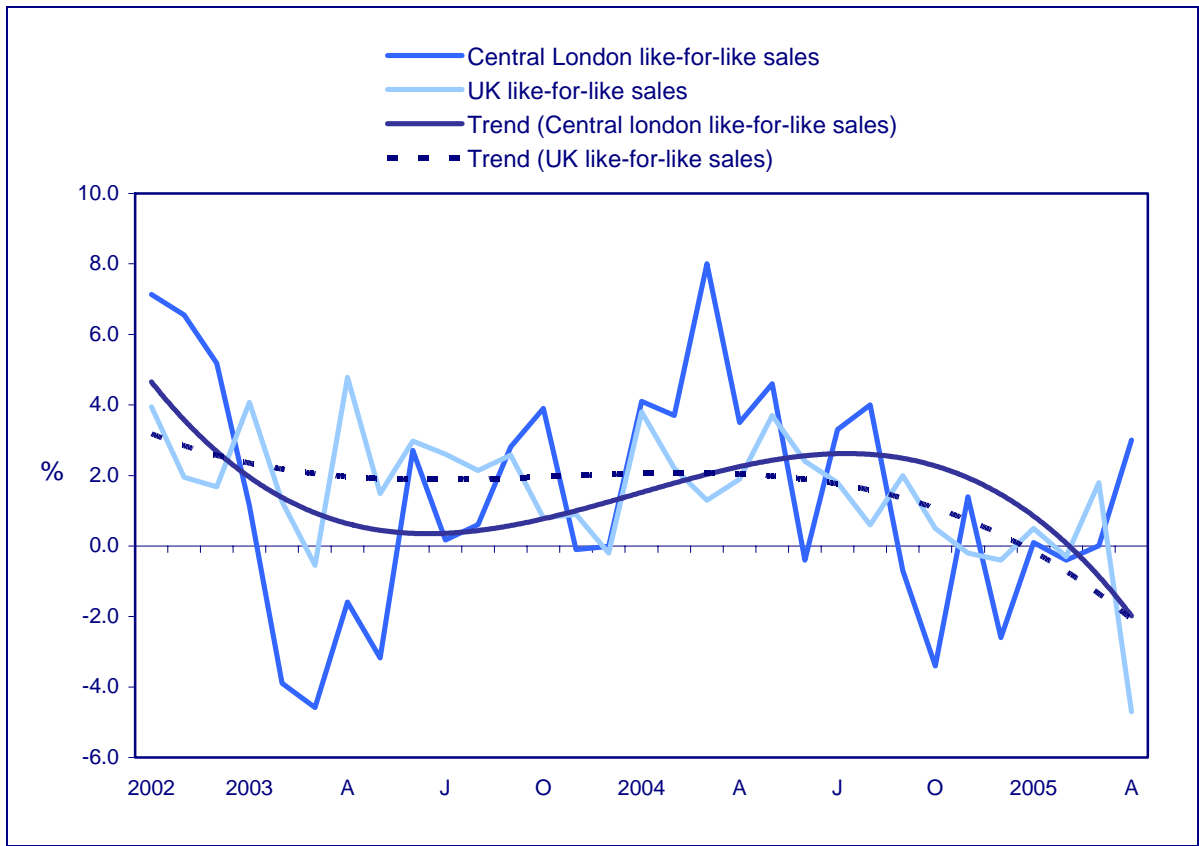
Joscelyne Hynard, Senior Analyst – Business Information Team

Retail sales in Central London during April showed a 3.0% year-on year increase after a 0.01% gain in March and a 0.4% fall in February. Trade thus remained weaker than a year ago: sales in April 2004 were up 3.5% year-on-year. For the first 4 months of 2005, the average monthly increase was only 0.7%, well below the 4.8% growth for the same months of 2004.

Easter holidays, warm weekends and more tourists boosted footfall and widespread promotions also helped to attract shoppers. Instore restaurants and signature sales both benefited. Spending by Middle Eastern and Russian visitors continued to grow, but the weak dollar again discouraged US tourists.

Sales were mixed across stores and sectors, but in general smaller purchases were more favoured than larger furniture and home equipment. The warmer weather helped to boost sales of women’s fashions and accessories. Fine fragrances and premium cosmetics held up and childrenswear benefited from Easter holidays extending into April.

% INCREASE YEAR-ON-YEAR IN RETAIL SALES VALUE



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	2003		2004		2005	
	Central London Like-for-like	UK Like-for-like	Central London Like-for-like	UK Like-for-like	Central London Like-for-like	UK Like-for-like
January	1.1	4.1	4.1	3.8	0.1	0.5
February	-3.9	1.3	3.7	2.2	-0.4	-0.3
March	-4.6	-0.5	8.0	1.3	0.01	1.8
April	-1.6	4.8	3.5	1.9	3.0	-4.7
May	-3.2	1.5	4.6	3.7		
June	2.7	3.0	-0.4	2.4		
July	0.2	2.6	3.3	1.8		
August	0.6	2.1	4.0	0.6		
September	2.8	2.6	-0.7	2.0		
October	3.9	0.8	-3.4	0.5		
November	-0.1	0.9	1.4	-0.2		
December	-0.01	-0.2	-2.6	-0.4		
Average (2005 = YTD)	-0.2	1.9	2.1	1.6	0.7	-0.7

MEDIA ENQUIRIES

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The April 2005 London RSM covers the four weeks from 3-30 April 2005 and provides the most up-to-date reflection of recent retail performance in London.

The May 2005 London RSM will be published on 13 June 2005. The data is collected and collated for the BRC by KPMG.

NOTES

The London Retail Sales Monitor (LRSM) measures changes in the actual value of retail sales from a sample of retailers. The LRSM measures the value of spending and hence does not adjust for price changes. If prices are rising, sales volumes will increase by less than sales values. In times of price deflation, sales volumes will increase by more than sales values.

Retailers report the value of their sales and sales in the equivalent week a year ago. These figures are reported both in total and on a 'like-for-like' basis. The percentage increase in the value of sales on a 'like-for-like' basis removes the effect of the expansion of retail floorspace by the retailers concerned on their sales total. Due to the sample being biased towards large retailers, the 'like-for-like' increase usually provides a more accurate guide to general spending patterns, though it will be biased downwards as an estimate of the growth rate for retail as a whole.

Seasonal adjustment is not normally needed because the figures compare sales this month with the comparable period last year. However, changes in the timing of Bank Holidays and Easter can create distortions, which should be considered in the interpretation of the data.

In its role as administrator of the London Retail Sales Monitor, KPMG is responsible for the aggregation of the retail sales data provided by the retailers on a monthly basis. This data consists of the relevant current month's sales data and comparative sales figures for the same period in the prior year. The accuracy of the data is entirely the responsibility of the retailers providing it. The administrator role has been performed by KPMG since 2 November 2003. The commentary from KPMG is intended to be of general interest to readers but is not advice or a recommendation and should not be relied upon without first taking professional advice. Anyone choosing to rely on it does so at their own risk. KPMG will accept no responsibility or liability in connection with its administration of the LRSM and its aggregation work to any party other than the LRC and its parent company the BRC.

Central London includes the following areas: Oxford Street, New Oxford Street, Tottenham Court Road, Soho, Covent Garden, Knightsbridge, Kensington High Street and parts of Chelsea.

Greater London is everything within the M25 including Central London, it therefore **excludes** Bluewater and Lakeside.