

Press Release



Release Date: July 24, 2014

Contact Information: Director Shin Seong-phil and Assistant Deputy Director Jang Jin-ho, Distribution and Logistics Division (044-203-4386)

Sales Trends of Major Distributor for June 2014

The sales of supermarkets declined by 5.9% year-on-year and by 6.7% month-on-month in June 2014.

The overall sales decline is attributed to the weaker seasonal sales due to temperatures being lower than in the previous year, as well as there being less operating days on holidays (-1 day). Quarterly sales also declined for the ninth consecutive quarter since the 2nd quarter of 2012, but the pace of the sales decline has been slowed.

* Year-on-year sales growth/decline by quarter: (1Q 2012)0.1, (2Q 2012)-5.1, (3Q 2012)-3.8, (4Q 2012)-4.5, (1Q 2013)-8.4, (2Q 2013)-3.4, (3Q 2013)-4.3, (4Q 2013)-3.8, (1Q 2014) -3.3, (2Q 2014) -2.9

As the sales growth in May 2014 due to the seasonal demand in the so-called Month of Family has been normalized, overall sales has declined month-on-month in June 2014.

[Sales Growth Rate by Category]

Items (Unit: %)	Non-Foods						Foods	Total
	Home Appliances and Culture	Apparel	Household Supplies	Sports	General Merchandise	Subtotal		
Year-on-Year (Monthly)	0.5	-14.7	-7.8	-10.9	-13.3	-7.6	-4.5	-5.9
Year-on-Year (Quarterly)	5.7	-9.2	-4.9	-4.6	-8.8	-3.4	-2.5	-2.9
Month-on- Month	-7.1	-20.6	-1.8	-11.2	-10.1	-7.8	-4.3	-6.7

Sales of department stores also declined by 4.6% year-on-year, and by 14.1% month-on-month.

There was a particularly strong decline in the apparel category due to the worsened consumer confidence compared to the same period of the previous year, and the sales declined in most categories.

Year-on-year quarterly sales also declined, for the first time since the 3rd quarter of 2012.

* Year-on-Year Quarterly Sales Growth/Decline : (1Q 2012)-0.2, (2Q 2012)-1.4, (3Q 2012)-2.9, (4Q 2012)2.6, (1Q 2013)0.0, (2Q 2013)1.0, (3Q 2013)2.4, (4Q 2013)1.0, (1Q 2014) 1.1, (2Q 2014) -1.6

As the sales growth in May 2014 due to the seasonal demand in the so-called Month of Family has been normalized, the overall sales has declined month-on-month in June 2014.

[Sales Growth Rates by Product of Department Stores]

Items (Unit: %)	Non-foods								Foods	Total
	General Merchandise	Women's Formal Dress	Women's Casual	Men's Apparel	Kids & Sports	Household Supplies	Foreign Premium Brands	Subtotal		
Year-on-Year (Monthly)	-5.8	-3.6	-6.7	-12.4	-4.9	-1.3	-1.6	-5.1	-0.2	-4.6
Year-on-Year (Quarterly)	-3.7	-2.3	-4.7	-5.7	-0.6	2.3	2.2	-1.9	1.3	-1.6
Month-on-Month	-21.5	-10.0	-17.4	-10.7	-23.9	-1.9	-4.7	-14.9	-9.1	-14.1

Sales of convenience stores grew by 6.3% year-on-year, and declined by 0.5% month-on-month. While sales grew compared to the previous year thanks to the increase of stores and the increase of sales promotion events, overall sales slightly declined month-on-month due to the sharp sales decline in the category of general merchandise.

[Sales Growth Rates by Product of Convenience Stores]

Items (Unit: %)	Non-foods				Foods			Total
	Living Supplies	General Merchandise *	Tobacco & Other goods	Subtotal	Beverages and Processed Foods	Instant Foods (Some Perishable Goods)	Subtotal	
Year-on-Year (Monthly)	12.7	-0.2	4.3	4.6	8.6	1.1	7.7	6.3
Year-on-Year (Quarterly)	8.7	-2.9	4.7	4.4	10.8	3.6	9.9	7.5
Month-on-Month	1.0	-12.2	-1.3	-2.0	0.5	1.9	0.7	-0.5

* Books, magazines, lottery tickets and gift certificates

The sales of SSMs declined by 4.2% year-on-year and by 4.5% month-on-month in June 2014.

Sales continuously declined year-on-year due to the obligatory off-days on weekends and the increase in the number of SSMs with shorter operating hours. The sales decline is also attributed to price declines for vegetables and fruits.

In addition, sales declined month-on-month due to drops in the category of agricultural, fisheries and livestock products.

[Sales Growth Rates and Percentages of Sales by Product of SSM]

Items (Unit: %)	Non-foods			Foods				Total
	Living Supplies*	General Merchandise	Subtotal	Agricultural, Fisheries and Livestock Products	Perishable Goods	Processed Food	Subtotal	
Year-on-Year (Monthly)	-4.5	-10.1	-6.4	-3.9	-2.5	-4.7	3.9	-4.2
Year-on-Year (Quarterly)	-1.9	-7.1	-3.6	-2.7	0.5	-3.6	-2.3	-2.5
Month-on-Month	-1.6	0.5	-0.9	-7.9	-2.5	-3.0	-5.1	-4.5

* Detergents, toilet paper, and pads