

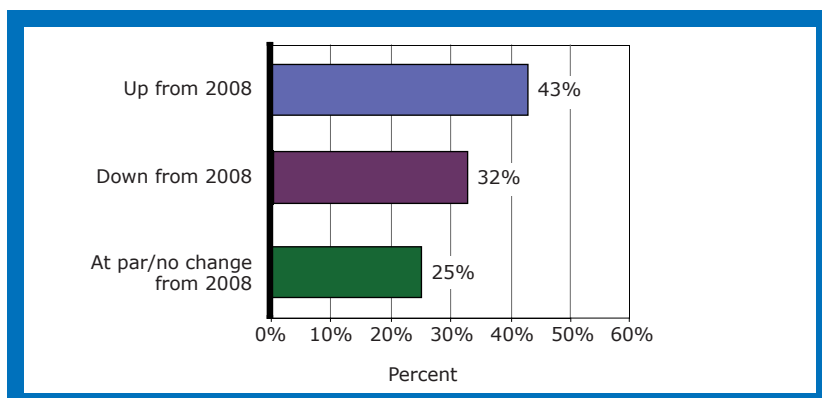
Giftware Retailer Optimism Shows Significant Increase – Almost Seven In Ten Giftware Retailers Reported That Sales Increased Or Held Steady In The Fourth Quarter Compared To The Same Period A Year Ago. Over 80% of Giftware Retailers Expect First Quarter 2010 Sales To Be Higher Or On Par With First Quarter 2009

The following results are key findings of a *Retail News* and Canadian Gift & Tableware Association survey of 383 giftware retailers concerning retail conditions during the Fourth Quarter of 2009. The survey was conducted between January 4 and January 8, 2010.

FOURTH QUARTER SALES

Compared to the fourth quarter 2008, fourth quarter 2009 sales were:

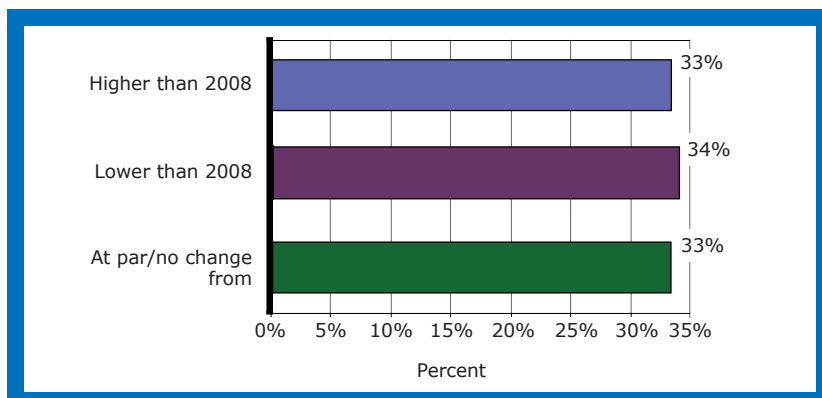
Almost seven in ten giftware retailers (68%) reported that Fourth Quarter 2009 sales were higher or on par with Fourth Quarter 2008. Over four in ten giftware retailers (43%) reported that sales were up while one in three giftware retailers (32%) reported that sales were lower. One quarter (25%) reported that Fourth Quarter 2009 sales were on par with Fourth Quarter 2008.



FOURTH QUARTER INVENTORIES

Compared to the fourth quarter 2008, fourth quarter 2009 inventories were:

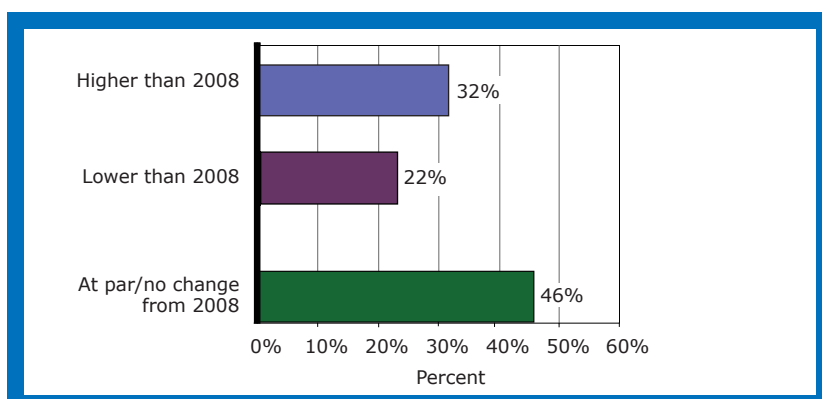
Almost seven in ten (66%) giftware retailers reported that inventories were lower or on par with Fourth Quarter 2008. Just over one third of giftware retailers (34%) reported that inventory levels were lower than last year while one third (33%) reported that inventory levels were higher. The remaining 33% reported that Fourth Quarter 2009 inventories were on par with Fourth Quarter 2008.



FOURTH QUARTER MARGINS

Compared to the fourth quarter 2008, fourth quarter 2009 margins were:

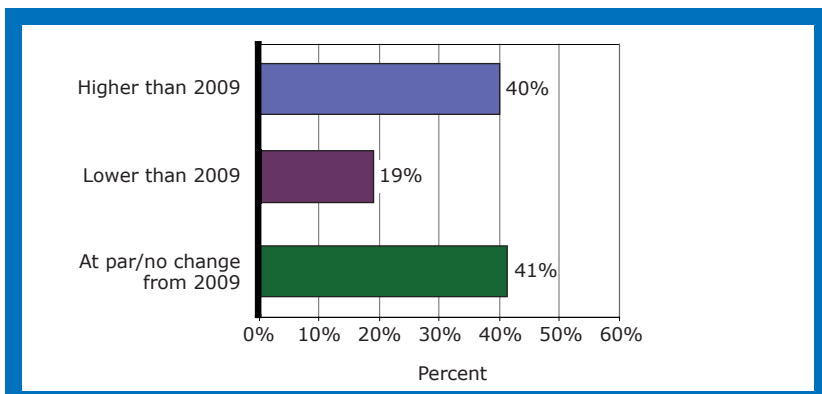
Almost eight in ten (78%) giftware retailers reported that margins were higher or on par with Fourth Quarter 2008 margins, an improvement of five percentage points from last quarter. One in three giftware retailers (32%) reported that Fourth Quarter 2009 margins were higher than Fourth Quarter 2008. Just over one in five giftware retailers (22%) reported that Fourth Quarter 2009 margins were lower than last year, while 46% reported that Fourth Quarter 2009 margins were on par with last year.



FIRST QUARTER OUTLOOK

Compared to the first quarter 2009, I feel that my first quarter 2010 sales will be:

Over eight in ten (81%) giftware retailers reported that they expect First Quarter 2010 sales to be higher or on par with First Quarter 2009. Four in ten (40%) stated that they expect First Quarter 2010 sales to be higher than the same period a year ago. Slightly more than four in ten giftware retailers (41%) expect their First Quarter 2010 sales to be about the same as a year ago, while less than one in five (19%) expect their First Quarter 2010 sales to be lower.



Retail News and the CGTA would like to thank the storeowners who generously contributed their information and insight. The \$250 prizewinner for responding to the survey is David Bradford of Wheaton's in Berwick, Nova Scotia. Individual responses are strictly confidential. If you have any questions contact Tom Foran tforan@cgta.org.