

FOR IMMEDIATE RELEASE

Hastings retail sector positive

Despite a challenging Christmas period, core retail sales (excluding automotive) in the Hastings District for the year ending December 2009 remained positive with growth of 1.5%

Hastings retail has seen continued quarterly growth since September 2007 (or for 9? consecutive quarters) unlike the remainder of the national sector which has only returned to positive growth for the first time since (date).....

As a region, Hawke's Bay had growth of 1.3%, slightly below the national average of 2%. Both Hastings and Napier districts had growth of 1.5% while Wairoa and Central Hawkes Bay sales fell to -0.9%.

Hastings City Marketing's President Sandra Hazlehurst says the results are particularly pleasing as retailers have shown growth yet again in what was a very patchy retail period. "Christmas sales were buoyant however the unseasonable weather and later start to summer impacted fashion sales in particular."

Interest in Hastings from national retailers remains high with Kathmandu opening its Hastings store at the end of March. Kathmandu has been assessing the market and trying to find the right location for over two years now. It's fantastic they're finally here!" "National tenants in particular have quite specific site requirements so well located stores with wide shop frontages are highly sought after" say Ms Hazlehurst."

Food-based businesses also see the opportunities in Hastings with national franchise LJS Seafood and rapidly expanding Kapai Salad Bar from Wellington both looking for local operators.

Envy Shoes closes their Emerson Street store in Napier and opens in Heretaunga Street West, Hastings late March / April.

On a regional level, food and liquor sales and the hospitality sector were well above the national average with hospitality showing growth of 14.1% compared to the

national result of -1.1%. “Hawkes Bay has an enviable reputation based on our bountiful food and wine industry with visitors really embracing the local culture and events based around this. Tourism certainly helps to boost this sector.”

By contrast, regional automotive sales had negative growth for the quarter of -18.0% compared to the national average of -10.2%. The general economic slowdown and reduction in capital expenditure from the rural sectors are likely to be the key contributing factors.

Hastings continues to be the economic powerhouse of Hawkes Bay providing over half the region’s employment and generating more than 55% of the region’s economy.

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