

FOR IMMEDIATE RELEASE JULY 2008

DIY Multiples Market UK 2008-2012

New AMA report provides a major review of this important retailing sector

"The UK DIY multiples market was worth just over £7.2bn in 2007, a rise of 1% since 2006. Current expectations are that the market will decline reasonably significantly during 2008 and 2009, but will begin to recover from this difficult period, and experience growth 2010-2012 of 2-3% per annum."

A brief summary of the report is included on the following page.

Priced at £650, the report is currently available from AMA Research Ltd, Telephone 01242 235724 or e-mail at sales@amaresearch.com.

Editors Note:

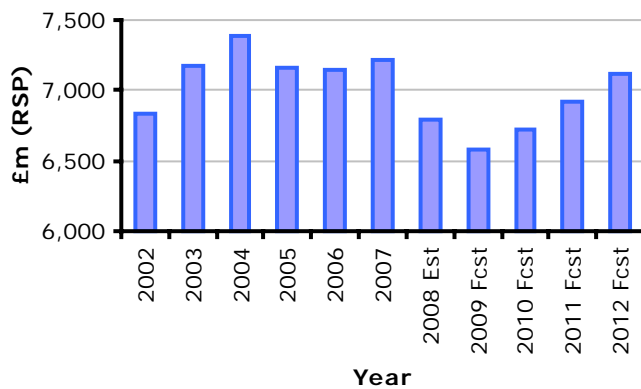
Attached is a summary of the report. Please use brief extracts if you wish, **but we would request that references to company market shares are not published without our prior permission.**

If you would like to receive an editorial review copy or would like to speak to an author of this report, please contact Keith Taylor or Chris Moore on (01242) 235724.

Please include our web address and telephone number on any review printed, it would also be appreciated if a copy of the review could be forwarded to AMA Research. Thank you.

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DIY Multiples Market - UK 2008-2012



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UK DIY Multiples Market 2002-2012 by Value £m RSP

The UK DIY multiples market has experienced a difficult time over the past few years, with 2005 and 2006 proving to be particularly difficult, as lower house price growth, falling consumer confidence and declining interest in home improvement took their toll on the market. 2007 saw the market recover somewhat, buoyed by favourable weather over the key Easter trading period, however the summer floods, followed by the deteriorating economic condition towards the end of the year stifled this growth.

A number of key external influences have had a significant impact upon the market over the last 2-3 years. The performance of the housing market, growing threat of competitive retail channels, growth of 'Get Someone In', changing customer profile and the increased emphasis placed on 'green' issues have all had an effect on the market in recent years.

The DIY market's close links to the housing market mean that the performance of the two is also linked. The current decline being experienced by the housing market is expected to have a detrimental effect on consumer confidence and on the DIY multiples, as RMI activity, new housebuilding and housing transactions have all fallen. This housing decline, coupled with the poor economic environment are expected to cause the DIY multiples market to decline by 6% in 2008. As consumer confidence recovers around 2010, the fortunes of the DIY multiples are also expected to recover, aided by strong brands, extensive store networks and large marketing budgets.

DIY multiples have had to adapt to the changing environment in which they now operate, and many have taken steps to maintain and expand their sales. Recent developments include adjusting their market position towards the 'home adornment' end of the market, attempting to appeal more to trade customers and expanding their product ranges to include more and more non-core products such as smaller electrical appliances and soft furnishings.

B&Q continue to be the dominant player in the market, with Homebase, Wickes and Focus their major competitors. Several smaller companies have struggled in recent years, with Budget DIY and Glynn Webb both entering administration, while others have been forced to close stores in an increasingly difficult trading environment.

Within the multiples' products, performance has varied significantly between different sectors. Sectors such as Lighting & Electrical Products have performed strongly, boosted by product innovation and a growing lamps market. Other sectors within DIY multiples have struggled, including Window & Floor Coverings, affected by the decline in popularity of laminate flooring and increased price competition.

AMA Research's report "**DIY Multiples Market – UK 2008-2012**" is available in hard copy or electronic format for £650 and can be ordered online at www.amaresearch.co.uk or by calling 01242 235724.