



Savills Research | Hanoi, Vietnam

Retail

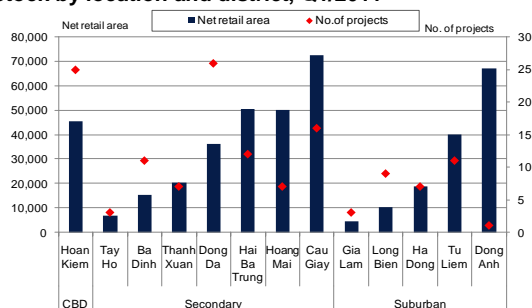
Q1/2011

Supply Trends

The total retail space reached approximately 440,000 sq m, an increase of 17% YoY, mainly contributed by electronic marts and shopping centres in secondary districts.

Three new electronic marts and five supermarkets are located outside the CBD area including Cau Giay and Tu Liem districts, which are newly developing areas with fast growing populations.

Stock by location and district, Q1/2011



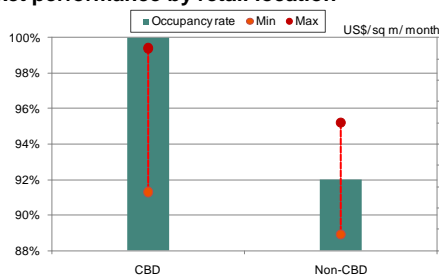
Source: Savills Research & Consultancy

Market performance

The average occupancy rate of Ha Noi's retail market was approximately 92%, a slight decrease of -1% q-o-q.

The market performance of retail buildings in the CBD is better than in the non-CBD. All retail buildings in the CBD had 100% occupancy rate.

Market performance by retail location



Source: Savills Research & Consultancy

Some retail buildings launched promotions and discounts in order to attract more tenants and occupy the retail space.

There is a trend of selling retail space for a long-term lease, 50 years or less, such as Mo Market Commercial Centre, Keangnam and Ha Dong Melinh Plaza. The price varies considerably depending on location and layout in each level of the shopping centres.

Demand Trends

The total retail sales of consumer goods and services in the two months of 2011 were up by 22.7% compared with the same period last year. These figures show that retail sales performed quite well in Q1/2011.

Ha Noi's CPI in March 2011 is estimated to increase by 2.4% over last month and approximately 13.5% compared with the same period last year. The high CPI may create pressure on consumer spending and affect the business of retailers.

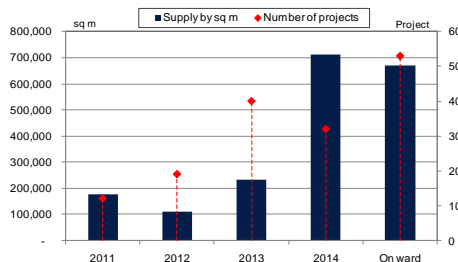
In 2010, the average retail sales of goods and services reached US\$1,600 per capita and GDP per capita achieved approximately US\$1,950.

The Vietnamese technical consumer goods market saw a 28% growth compared with 2009. This may result in higher demand for retail space from electronic retailers.

Outlook

In the next four years, approximately 1.2 million sq m of retail space from approximately 100 projects is expected to enter the market. Some new large-scale retail projects located in the non-CBD area may influence the market in terms of stock and market performance in the next coming years.

New supply by year, Q2-Q4/2011E - 2014E



Source: Savills Research & Consultancy

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