



2019 Q1

Retail Market Report

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01 Trends in Major Distribution Channels

- Macroeconomics and Consumption Trends
- Trends in Major Distribution Channels

02 Trends in Major Districts

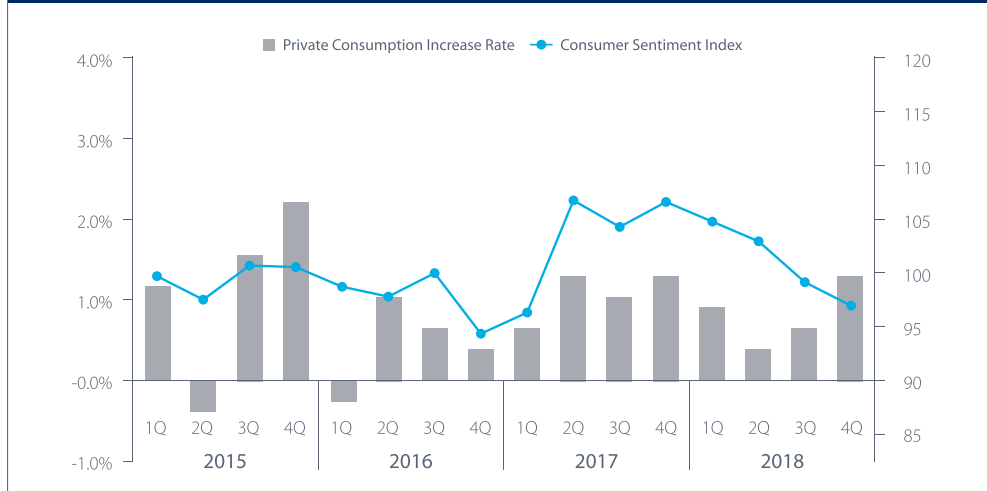
- Trends Overview in Major Districts in Seoul
- Trends in Major Districts



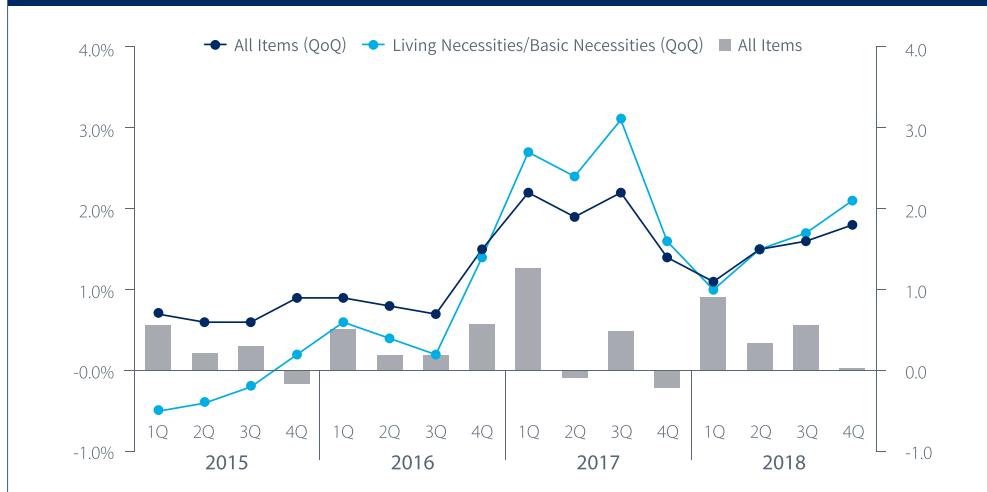
01 Trends in Major Distribution Channels

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Graph 1. Consumer Trends Survey



Graph 2. Consumer Price Index Rate

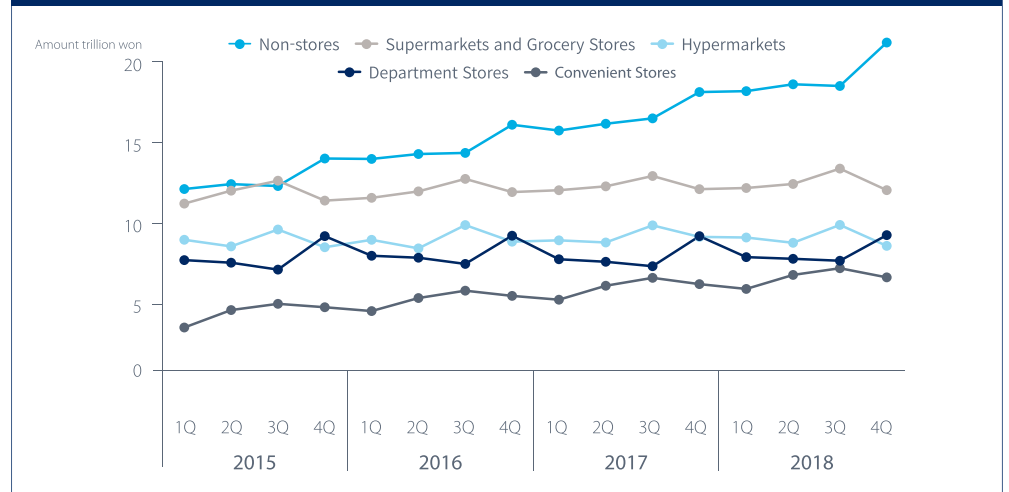


- According to the Bank of Korea, private consumption recovered moderately in 2018. Despite the drop in the consumer sentiment index due to concerns over the economic slowdown in Q4 2018, private consumption growth was 1.0%.
- Actual consumer price inflation, excluding managed prices, is close to 2%, according to the Bank of Korea. Consumer price inflation continued to rise in 2018, reaching 1.8% in Q4 2018.

Graph 3. Retail Sales Amount

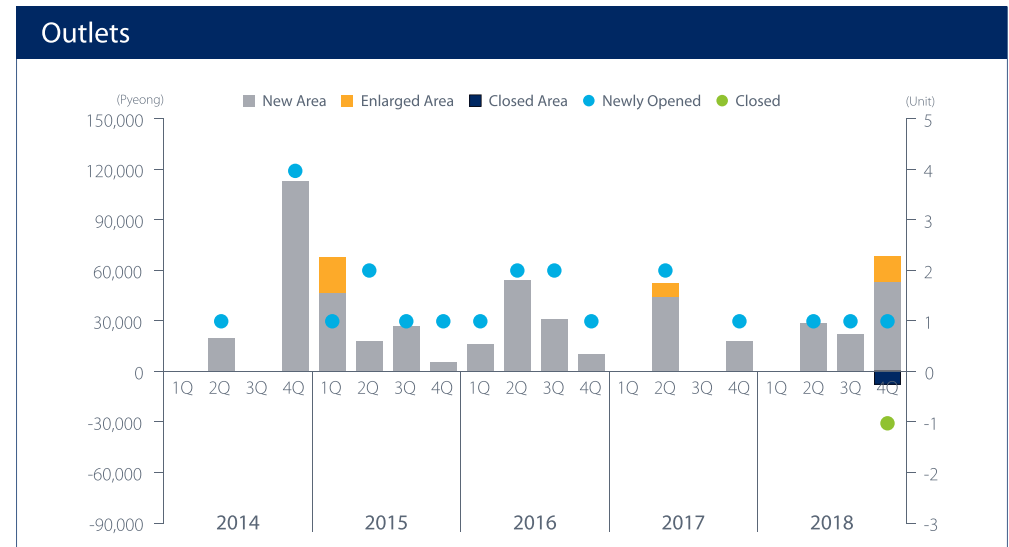


Graph 4. Retail Sales Amount by Retailer Type



- Total retail sales for this quarter amounted to 122 trillion won, increasing by 4.5% YoY.
- Total sales of non-stores, which have recently grown at a rapid pace, amounted to almost 19 trillion won due to increased online shopping, home shopping and delivery. Total retail sales of hypermarkets declined QoQ due to limited launches of new branches and increased online shopping.

01-2. Trends in Major Distribution Channels



- Since Shinsegae Department Store Daegu opened in Q4 2016, no new department stores were launched for 8 consecutive quarters (2017-2018). However, Lotte Department Store's Ansan branch has completed a new building on the site of a former parking lot and hotel.
- Lotte Department Store Incheon Terminal, where Shinsegae Department Store Incheon closed in December 2018, will resume operations in early January 2019 after renovation is complete.
- The total number of department stores is expected to decrease in Q1 2019, because Lotte Department Store's Incheon and Bupyeong branches are scheduled for closure in accordance with the Fair Trade Commission's ruling. Lotte Young Plaza Daegu is also scheduled for closure.

- Lotte opened a new Premium Outlet in Giheung, Gyeonggi Province, in Q4 2018. It has a total gross floor area of approximately 56,000 pyeong (185,124m²). IKEA will open its Giheung branch nearby, following the trend set by Lotte Outlet's Goyang and Gwangmyeong branches.
- Lotte Outlet Uijeongbu, which was opened 2 years ago, has pulled out from Uijeongbu in Gyeonggi Province. Meanwhile, the NC Department Store is expected to open later in 2019 in nearby.
- The 3 large outlet mall chains have no current plans to open new outlets in 2019. Instead, Small- and medium-sized outlet distributors will supply their new outlets

Lotte Department Store Ansan



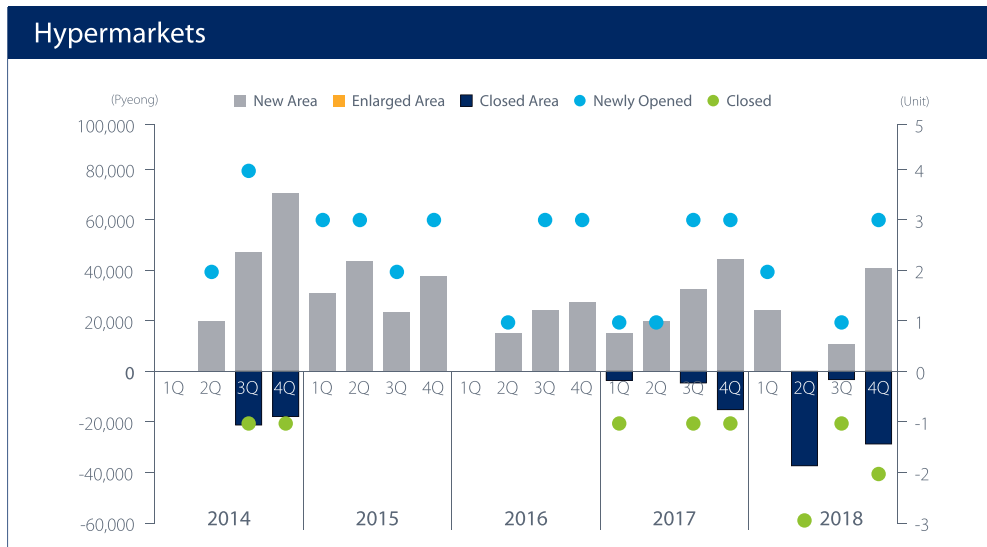
- Lotte Department Store's Ansan branch completed a new building on the site of a former parking lot and hotel. This branch is designed as a customized, regional lifestyle store. The main existing on-site building has been reconstructed as a fashion center.
- In most Korean department stores, the cosmetics and women's apparel departments are found on the first and second floors. In this store, however, these floors are occupied by the children's and fully automated self-service departments. Two of the six floors in the Ansan branch are created as spaces for customers, rather than as sales department.

Lotte Premium Outlets Giheung

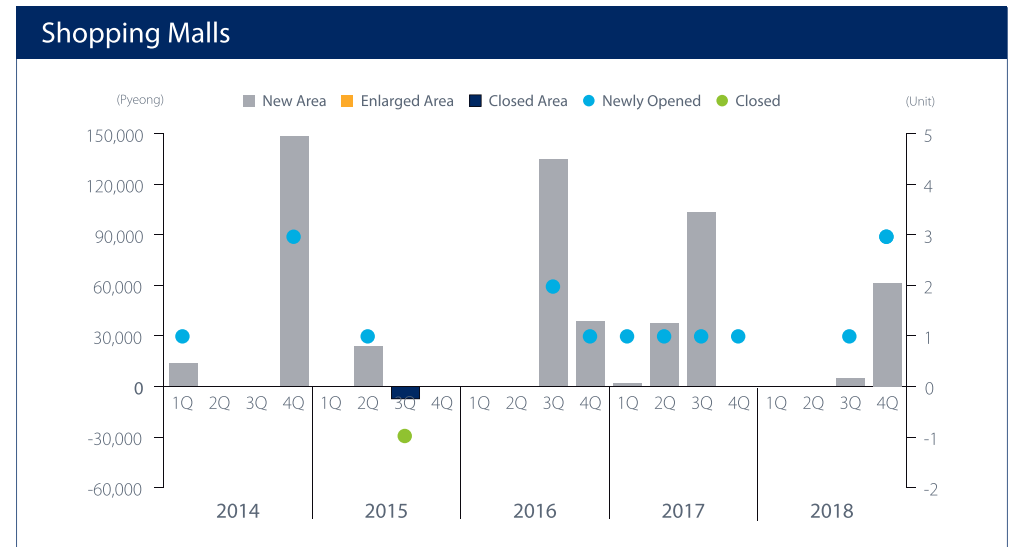


- Lotte Premium Outlet Giheung is located within 1.7km of Giheung IC. The store's concept as a "shopping playground amidst nature" takes advantage of the area's excellent natural surroundings.
- The Giheung outlet used the slope in the area's natural landscape in its construction. This makes it convenient for customers to travel from the second basement level to the second floor. The Giheung outlet differentiates itself from other outlets by having a Yes24 used bookstore, Forest Adventure Playground, Pet Park, and Flow House. Lotte Premium Outlet Giheung is the first outlet mall to include these features among its retail distributors.

01-2. Trends in Major Distribution Channels



- Three new stores, including warehouse stores, were opened in the large-scale hypermarket in Q4 2018. This is a positive development, as no new hypermarket stores have been opened since Q1 2018. Lotte Mart's new Geumcheon and E-Mart Uiwang branches were launched as apartment complex stores.
- Although Starfield City was originally planned as an E-mart Town, the construction has since been converted to a shopping mall complex. So far, only E-mart Traders, a warehouse-type store, has opened new stores.
- Two large hypermarkets shut down in Q4 2018. Homeplus closed its Gimhae and Bucheon Joondong stores in Q3 2018 and Q4 2018 respectively. The other is E-Mart Incheon.



- Three shopping malls were opened in southern Gyeonggi Province in Q4 2018. These are Avenue France Gwangmyeong, AK& Giheung, and Starfield City Wirye.
- Starfield City Wirye is Shinsegae's first shopping mall complex combining an E-Mart Town and Starfield.
- Hoban opened its Avenue France Gwangmyeong branch in the sales facility of its Avenue France Pangyo/Gwanggyo building complex.
- After the positive performance of its first AK& store in Hongdae in Q3 2018, Aekyung opened its second branch in Giheung in Q4 2018. Aekyung is planning to open shopping malls rather than large department stores in the future. Aekyung's Sejong shopping mall is scheduled to open in Q1 2019.

E Mart Uiwang



- The Uiwang branch is the first E-mart store to open in 30 months. It is a future-oriented offline warehouse discount store, and does not include E-Mart Traders.
- This hypermarket operates as a paperless and futuristic digital store. Electronic price indicators are used instead of paper price tags, and digital signage is used instead of posters and banners. It also has an intelligent service guidance robot.
- E-mart Uiwang includes a variety of affiliated specialty stores, such as Pierrot Shopping and Electro-Mart, in half its square area.

Starfield City Wirye



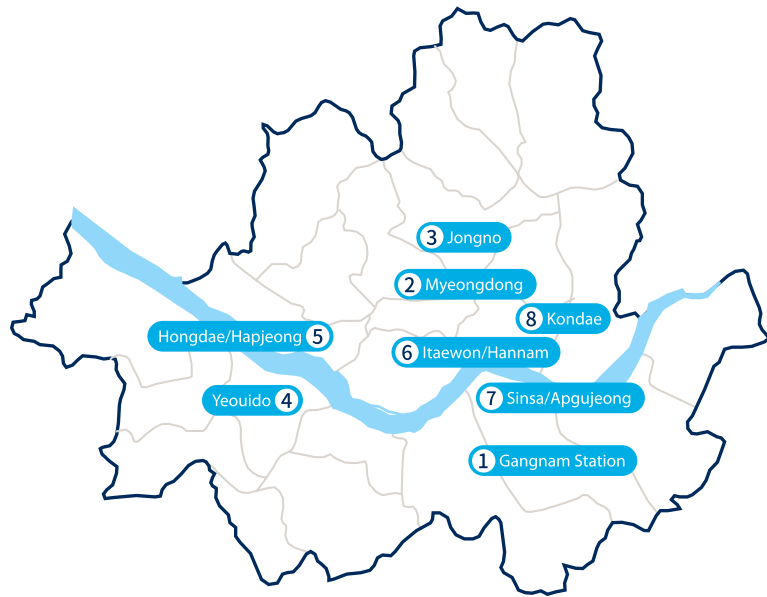
- Located in Wirye new town, Starfield City is a modern and contemporary lifestyle and leisure hub.
- Facilities for children are among the most notable features in Starfield City. Due to the relatively high proportion of young children in Wirye new town, Starfield City has many kid-friendly facilities. The most notable of which are the kids' zone on the second floor where the core brand is located, and Starfield Kids, modeled after the concept of Starfield Coex Library.



02 Trends in Major Districts

- Trends Overview in Major Districts in Seoul
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02. Trends Overview in Major Districts in Seoul

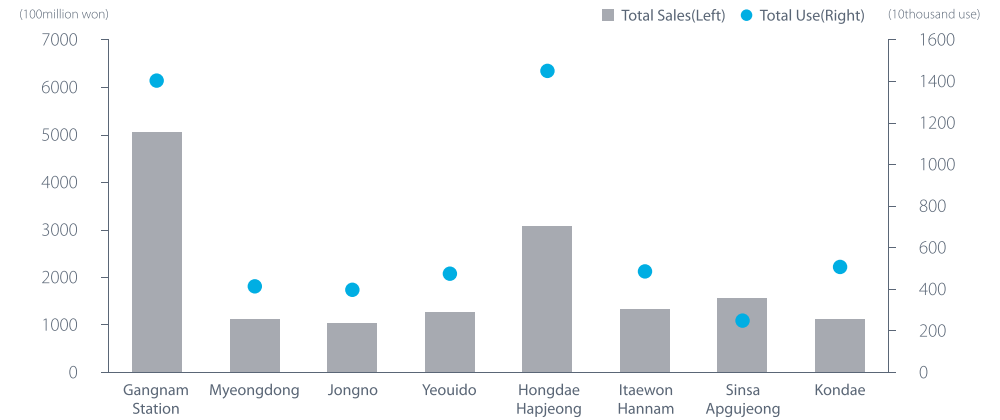


(Figures compared to Q4 2017)

Districts	①	②	③	④	⑤	⑥	⑦	⑧
Total Sales	+6.3%	-0.7%	+0.4%	+9.3%	-1.9%	+1.1%	+8.6%	+8.9%
Total No of Stores	+2.5%	-0.5%	-0.9%	+1.6%	+1.3%	+3.1%	+1.6%	+2.0%

- The Gangnam Station District has the largest sales volume in Seoul. The overall sales in this district grew by 6.3% YoY, most notably in its services, and food and beverages sectors.
- In the Hongdae/Hapjeong District, the service sector showed a YoY increase in sales. The overall growth of the service sector is due to the increasing number of stores. However, the food and beverage sector, accounting for a large portion of sales in the Hongdae/Hapjeong District, is sluggish. Total sales in this district fell by 1.9% YoY.
- In the Myeongdong District, the downturn in the goods and food and beverage sectors continued. As a result, the total sales volume in this district declined slightly YoY. On the other hand, the service sector increased its sales and store numbers.
- In the Itaewon/Hannam District, sales in the goods and services sector grew by 1.1% YoY. The total sales and store number trends were different for each sub-district in Itaewon/Hannam. Specifically, the food and beverage sector was stagnant in specific sub-districts.
- Sales growth in the Yeouido District was the highest among Seoul's top commercial districts. Its sales increased by 9% YoY due to the growth in the services and food and beverage sectors.
- The Sinsa/Apgujeong District had a sales growth of 8% YoY in Seoul, where the unit price of sales is high. Overall, the goods and food and beverage sectors showed prominent growth. The service sector showed different sales figures in the different sub-districts.

Total amount and use of Credit Card by major districts

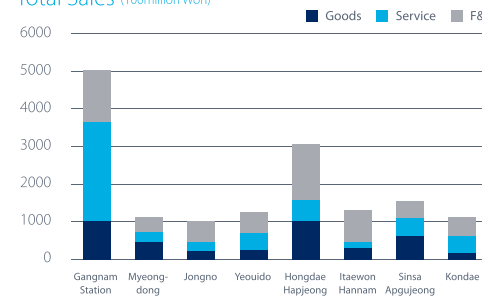


Price per Use is calculated by dividing the total sales of the commercial area by the total number. Figures in parentheses are the increase/decrease of price compared to Q4 2017.

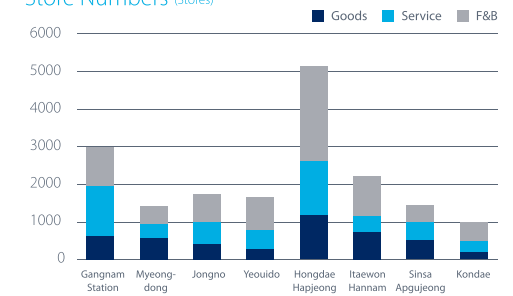
	Gangnam Station	Myeongdong	Jongno	Yeouido	Hongdae/Hapjeong	Itaewon/Hannam	Sinsa/Apgujeong	Kondae
Price per Use (1000 won)	36.2 (▲1.7)	27.8 (▲1.2)	26.9 (▲0.7)	27.2 (▼0.8)	21.5 (-)	27.4 (▲0.9)	62.7 (▲0.5)	22.4 (▲1.0)

Sectors Mixed By Districts

Total Sales (100million Won)

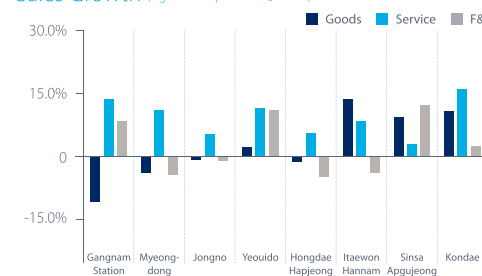


Store Numbers (Stores)

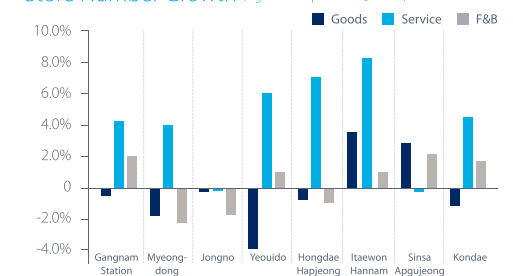


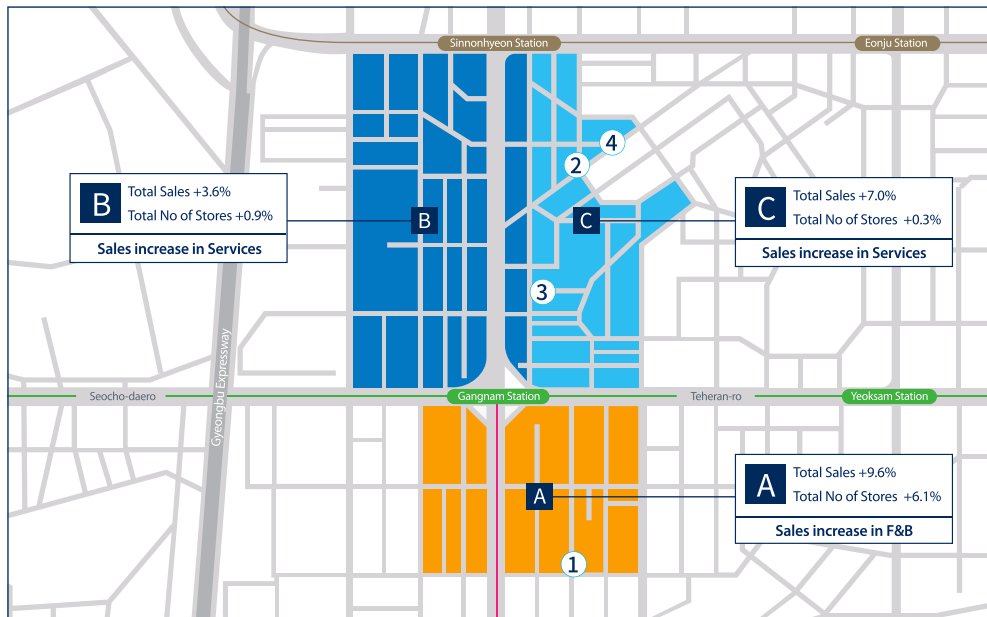
Growth in Sales and Store Numbers by districts

Sales Growth (Figures compared to Q4 2017)

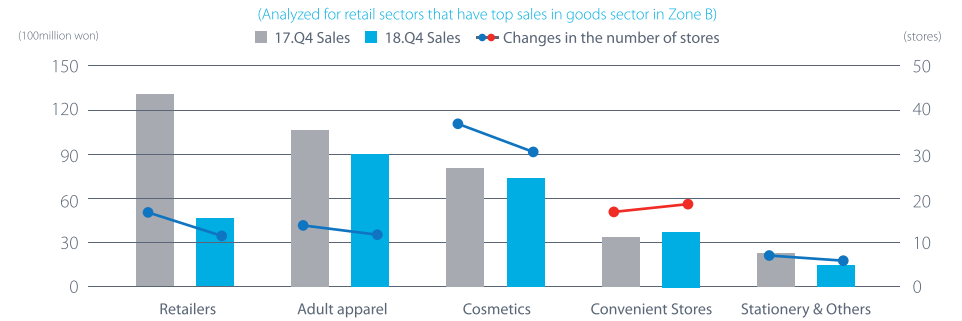


Store Number Growth (Figures compared to Q4 2017)



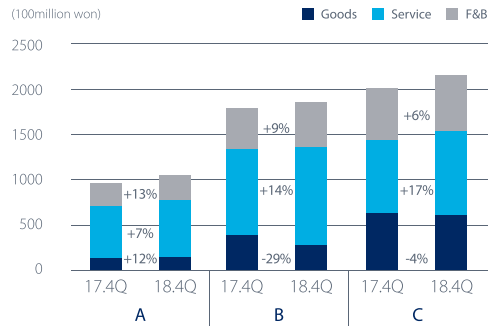


Goods Sector Analysis for Zone B in Gangnam Station District

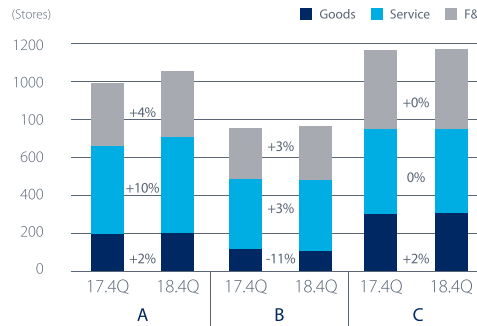


- Zone B in the Gangnam Station District is stagnating due to a large drop in sales and a decrease in the number of goods stores.
- Retailers (selling household goods and food) recorded a 64% YoY drop in their sales. Even in the fashion and cosmetics, where sales margins are usually high, both the sales and store numbers have declined.
- Convenience stores' sales grew by 10% YoY, making this the only sales growth in the goods sector.

Sales Growth by Retail Types

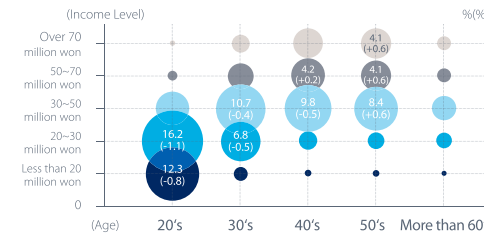


Store Growth by Retail Types



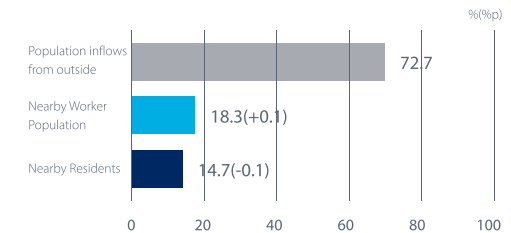
- Zone A experienced overall growth, as its total sales grew by 9.6% and number of stores grew by 6.1%. The service sector, which accounts for a large portion of sales in the Zone A, grew by 7% YoY in total sales and 10% YoY in number of stores.
- Medical and educational services are Zone B's main retail sectors. Sales in the Zone B increased 3.6% YoY due to growth in these services. However, both sales in the goods sector and number of stores decreased when compared to Q4 2017.
- Zone C had a 7.0% YoY sales growth. In this zone, the sales growth rate of the service sector was the highest. There was, however, negligible change in the overall number of stores.

Sales breakdown by age and income level



- While customers in the Gangnam Station District are usually in their 20s-30s, sales to older consumers have increased in 2018. When compared to Q4 2017, Gangnam Station District's sales to those in their 40s-50s with incomes of 50 million won or more had increased.

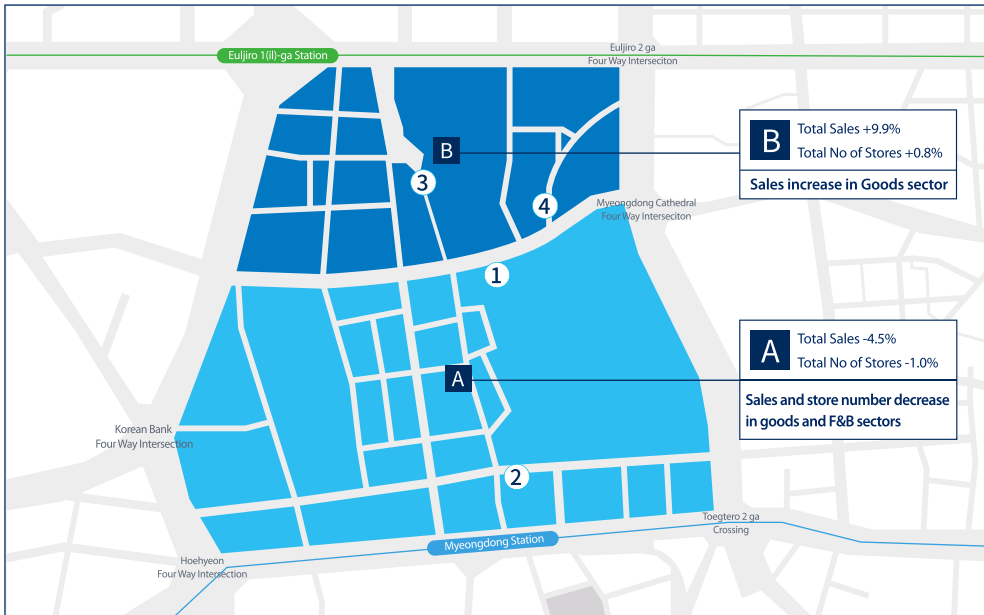
Sales Rate by Major Target Consumers



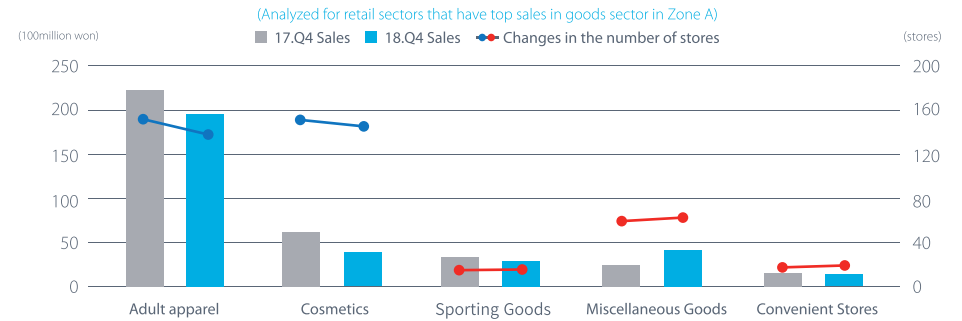
- In terms of sales rate by major target consumers, 72.7% of sales in the Gangnam Station District were made by the external inflows. When compared to Q4 2017, there is little change in the sales rate by major target consumers in Q4 2018.

Sales Transactions

Zone	Date	Site Area (Pyeong)	Gross Floor Area (Pyeong)	Number of Floor	Year of Completion	Total Transaction Amount (100 Mil won)	Tenant Types	
①	A	2018.3Q	82	339	5/B1	1994	75	Goods, Service
②	C	2018.1Q	127	59	2/B1	1991	143	F&B, Service
③	C	2018.1Q	100	515	4/B3	1974	99	F&B
④	C	2018.2Q	109	193	5/B1	2013	86	Service

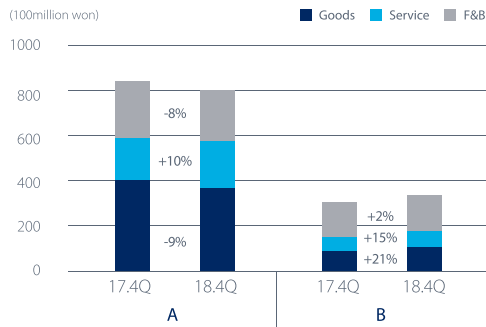


Goods Sector Analysis for Zone A in Myeongdong District

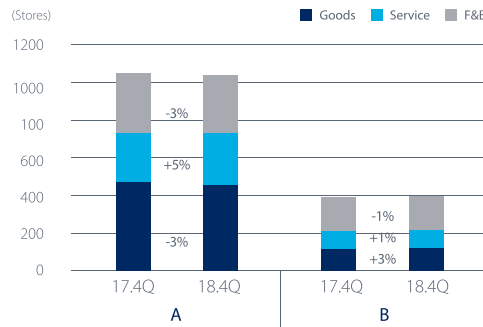


- The stagnation of the adult apparel and cosmetics sectors is becoming more severe in Zone A.
- Although sales in the adult apparel amounted to 22 billion won in Q4 2017, it fell to about 19.4 billion won in Q4 2018. Due to the decreasing number of stores, sales in the fashion sector are sluggish.
- The cosmetics sector also posted a 37% YoY drop in sales. This is not entirely surprising, as Myeongdong District has a larger number of cosmetics stores and lower volume of cosmetics sales than the other commercial districts.

Sales Growth by Retail Types

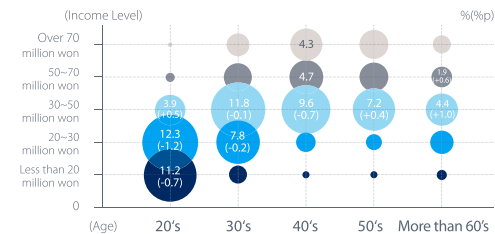


Store Growth by Retail Types

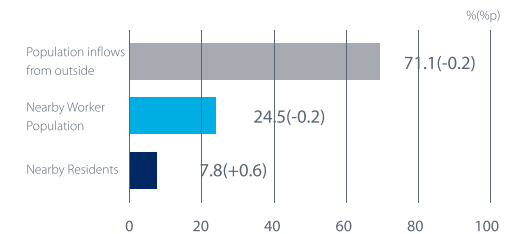


- Zone A has an overall high number of retailers in the goods sector. Compared to Q4 2017, the sales and number of stores in the Zone A decreased by 4.5% and 1% respectively. This shows that the Zone A is stagnating.
- Zone B has a relatively high proportion of food-related retailers because it services the office workers from the nearby business districts. Sales in the Zone B rose by 9.9% YoY, and its number of stores also increased.
- There has also been an increase in the sales and number of stores in the goods and services sector.

Sales breakdown by age and income level



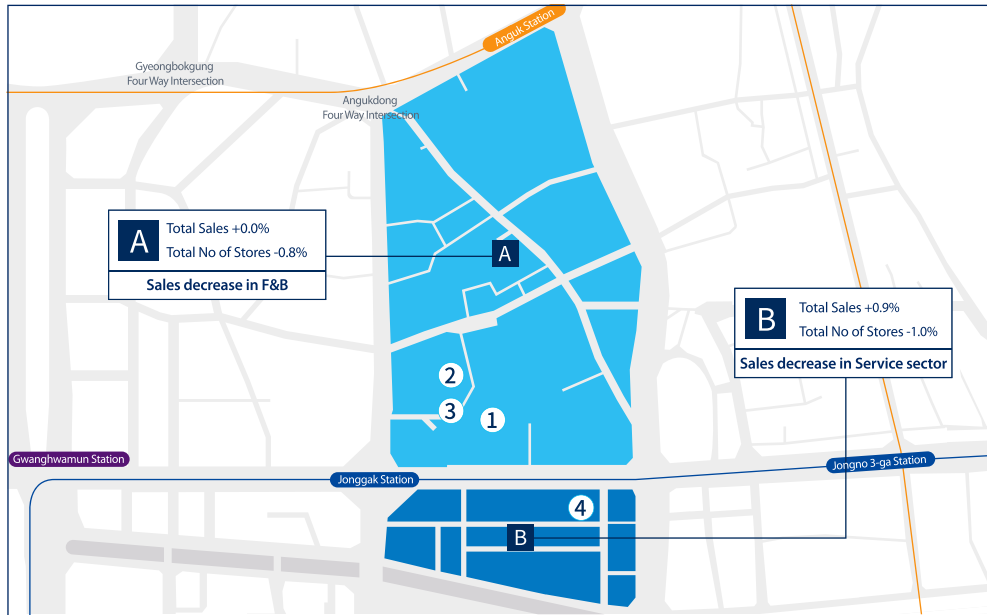
Sales Rate by Major Target Consumers



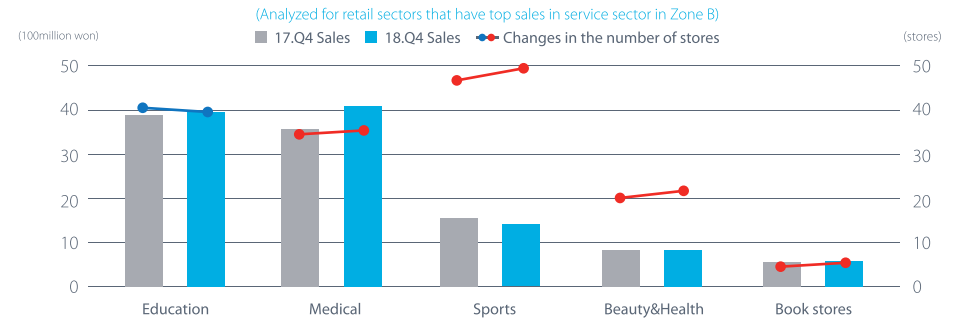
- The distribution of customers in the Myeongdong District is more varied than in the other commercial districts. Major consumers are in their 30s-50s and their incomes are approximately 30-50 million won.
- While a high proportion of sales have been made by the external inflows, sales by the nearby resident population within the district slightly increased YoY.

Sales Transactions

①	Zone	Date	Site Area (Pyeong)	Gross Floor Area (Pyeong)	Number of Floor	Year of Completion	Total Transaction Amount (100 Mil won)	Tenant Types
①	A	2018.2Q	42	236	5/B1	1950	165	F&B, Service
②	A	2018.3Q	109	353	4/B1	1936	300	F&B, Service
③	B	2018.4Q	11	26	3	1969	35	F&B
④	B	2018.4Q	12	15	2	1958	12	Goods

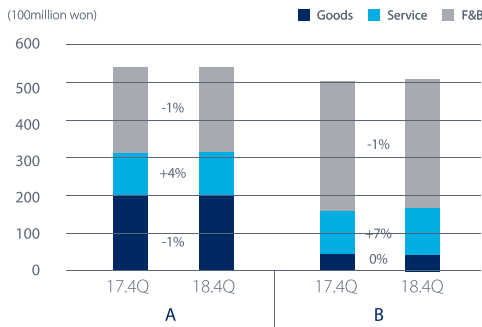


Service Sector Analysis for Zone B in Jongno District

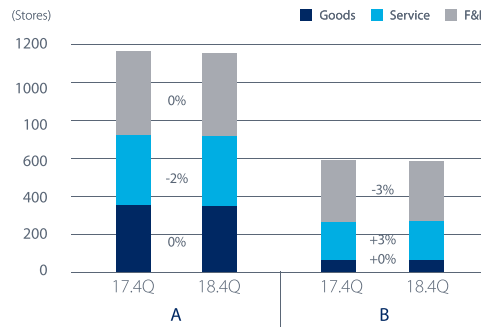


- In Zone B of the Jongno District, education and medical services achieved the largest portion of sales within the service sector. Sales in the education sector rose slightly from 3.8 billion won in Q4 2017 to around 3.9 billion won in Q4 2018.
- The medical services experienced steep sales growth, as its sales increased by 15% YoY. There was also a slight increase in the number of stores in Zone B.
- As the Zone B is adjacent to the business district, the number of leisure-centric enterprises (such as sports shops and bookstores) has also increased.

Sales Growth by Retail Types

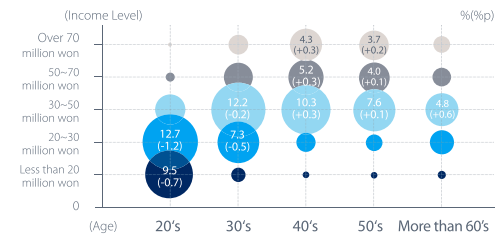


Store Growth by Retail Types



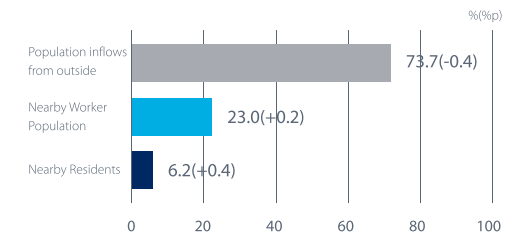
- Sales in Zone A were less volatile in Q4 2018 than in Q4 2017. The number of stores in the Zone A decreased by 0.8%. The sales and number of stores in the goods and food and beverage sectors have also decreased. These decreases warrant the further observation of these sectors.
- Sales in Zone B rose by 0.9% YoY due to the increase of sales in the service sector. The sales and number of stores in the service sector grew by 7%, and 3% respectively.

Sales breakdown by age and income level



- Although the Jongno District's major consumers are in their 20s-30s, consumers in this age group have decreased YoY. In contrast, sales to consumers in their 40s have increased YoY.
- While sales by the external inflows declined slight YoY, sales to the nearby resident and working populations have increased.

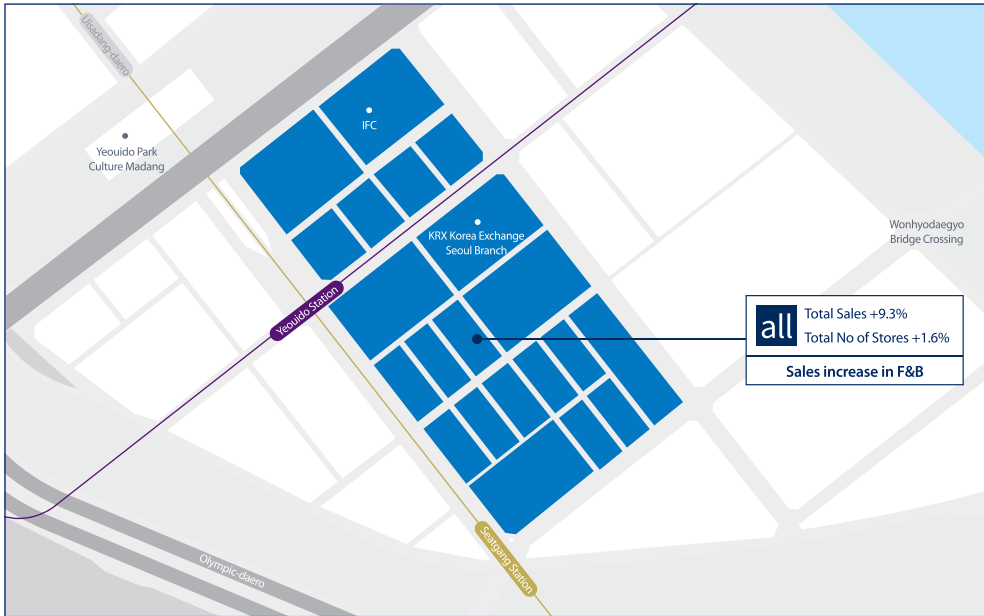
Sales Rate by Major Target Consumers



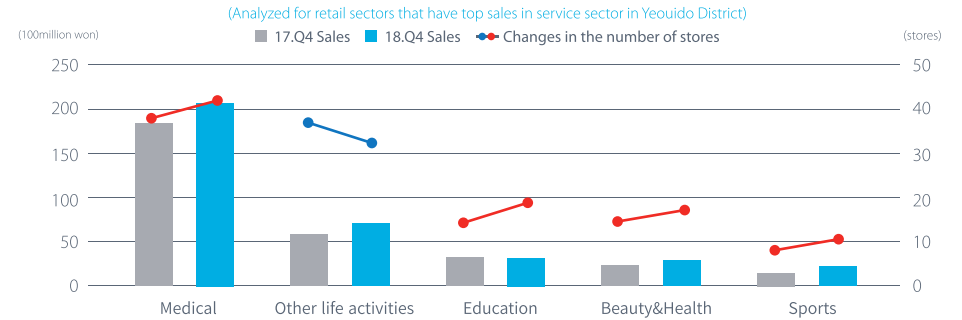
Sales Transactions

No.	Zone	Date	Site Area (Pyeong)	Gross Floor Area (Pyeong)	Number of Floor	Year of Completion	Total Transaction Amount (100 Mil won)	Tenant Types
①	A	2017.2Q	24	57	3	1967	124	F&B
②	A	2017.3Q	28	17	1	1950	17	F&B
③	A	2018.3Q	32	15	1	1950	16	Goods (Single-family house)
④	B	2017.1Q	42	244	6/B1	1983	11	Service

02-4. Trends in Major Districts : Yeouido District

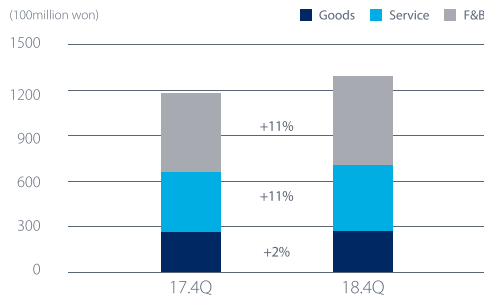


Service Sector Analysis for Yeouido District

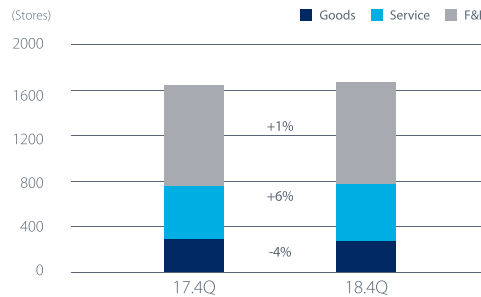


- Healthcare services accounted for a large proportion of sales in the service sector in Yeouido, with medical sales growing by 13% YoY. It should be noted that culture- and leisure-related shops in the services sector are also experiencing a boom in the district. As a new legislation has reduced the maximum weekly working hours from 68 to 52, workers from the nearby financial and banking centers have become increasingly interested in leisure activities. The increase in the number of culture- and leisure-related retailers in Yeouido shows that the district is responding to this trend.
- For example, sales of indoor and outdoor sporting goods in the Yeouido District increased by 48% YoY, and sales of beauty- and health-related goods and services increased by 25% YoY in Q4 2018

Sales Growth by Retail Types

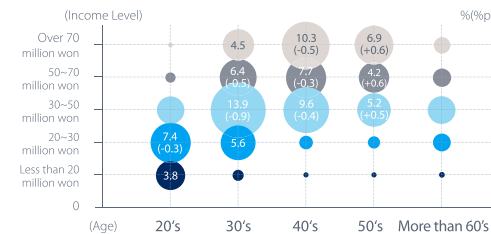


Store Growth by Retail Types

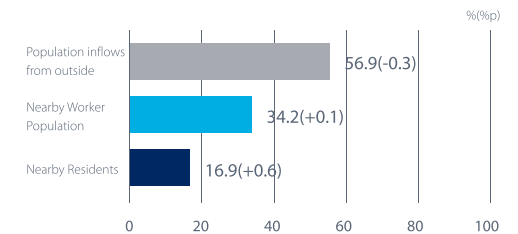


- Yeouido District's total sales increased by 9.3% YoY, and its number of stores increased by 1.6% YoY. Most of the district's major retailers are in the food and beverage, and service sectors.
- In particular, sales in the service sector grew by 11.5% and its number of stores increased by 6%. These figures show that the service sector is also growing more rapidly than the other sectors in Yeouido.

Sales breakdown by age and income level



Sales Rate by Major Target Consumers

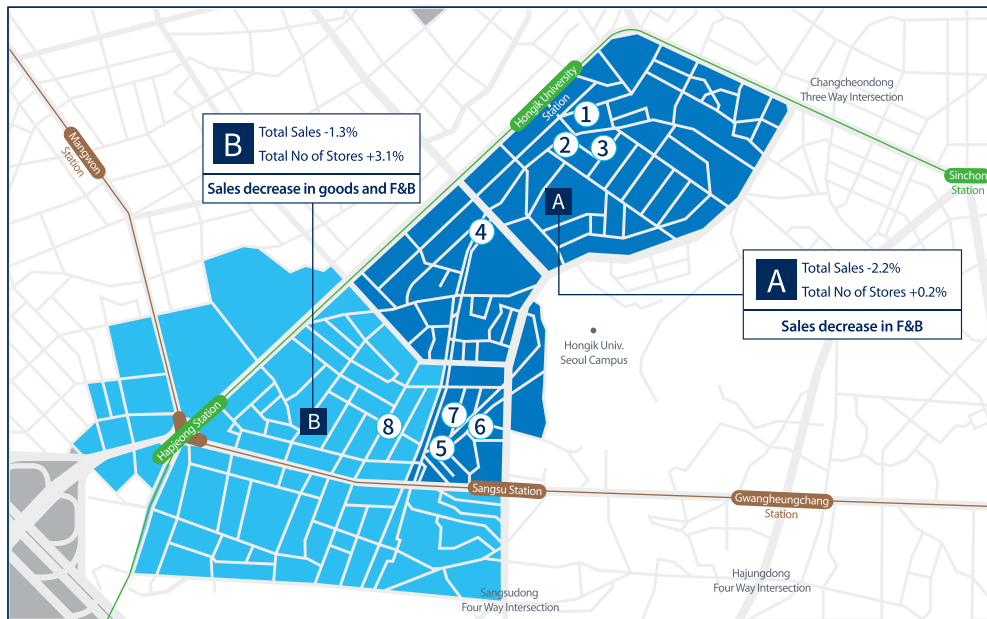


- Owing to its proximity to the financial and banking centers, Yeouido serves the highest number of office workers out of all the major districts in Seoul. Sales in this district are generally made from consumers who command high incomes and who are over the age of 40.
- Compared to Q4 2017, sales to residents and workers from the nearby business district decreased slightly

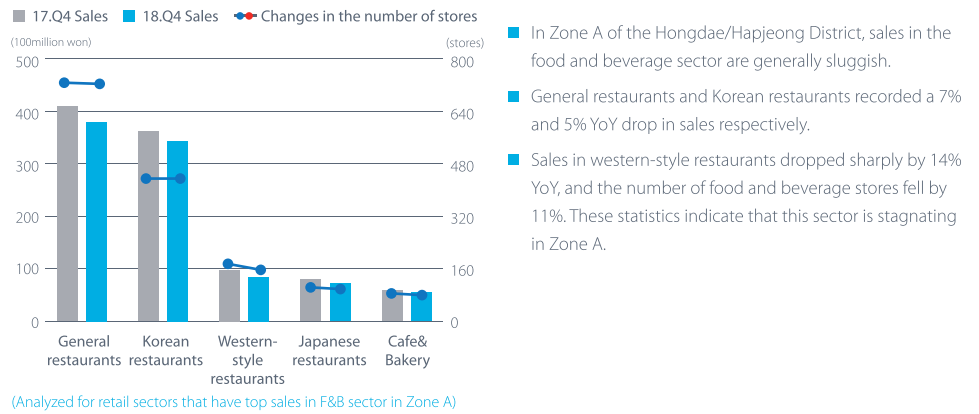


- This 630,000m2 mixed-use center comprises two office towers, a retail complex, a luxury hotel, and a large car park with in-house support facilities. It is scheduled to open in the second half of 2020.
- Hyundai Department Store is expected to occupy a space of 89,100m2 within Parc.1 when it opens. Hyundai plans to collaborate with Amazon Web Services (AWS) to operate this futuristic distribution store with advanced technology.
- The Fairmont Hotel will open in Parc.1 as Korea's first luxury hotel brand. Its rooftop terrace restaurant, ballroom, and other facilities will all be fitted with state-of-the-art technology.
- The Yeouido District, currently dominated by International Finance Center Seoul (IFC Seoul), is expected to experience a new ripple effect when Parc.1 is complete.

02-5. Trends in Major Districts : Hongdae/Hapjeong District

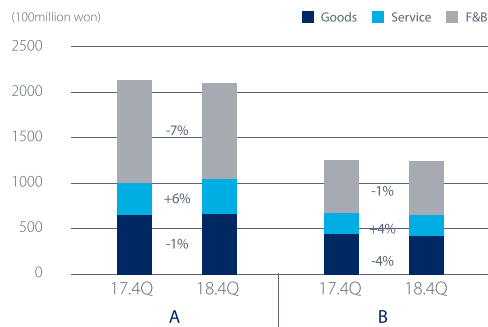


Food and Beverage Sector Analysis for Zone A in Hongdae/Hapjeong District



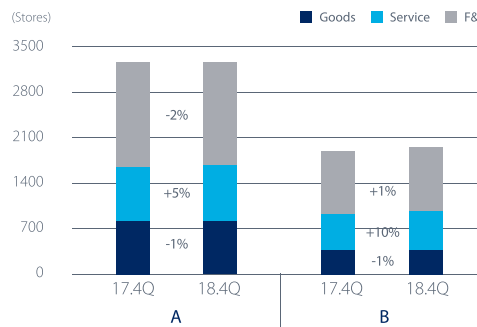
- In Zone A of the Hongdae/Hapjeong District, sales in the food and beverage sector are generally sluggish.
- General restaurants and Korean restaurants recorded a 7% and 5% YoY drop in sales respectively.
- Sales in western-style restaurants dropped sharply by 14% YoY, and the number of food and beverage stores fell by 11%. These statistics indicate that this sector is stagnating in Zone A.

Sales Growth by Retail Types

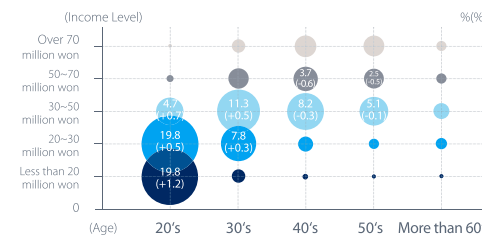


- Sales in Zone A fell by 2.2% YoY. Sales and the number of stores in the food and beverage sector, in particular, fell by 6.6% and 2.0% YoY respectively. However, sales and the number of stores in Zone A's service sector increased by 6.2% and 5.2% YoY respectively.
- Sales in the goods and food and beverage sectors in Zone B fell by 1.3%. But sales and the number of stores in the service sector increased by 4.2% and 9.8% respectively. This shows that the service sector in Zone B is growing.

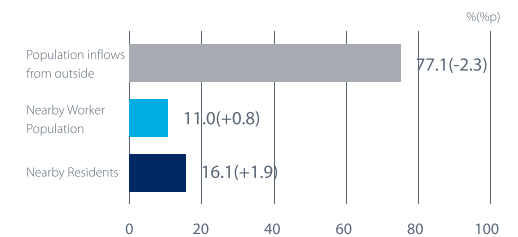
Store Growth by Retail Types



Sales breakdown by age and income level



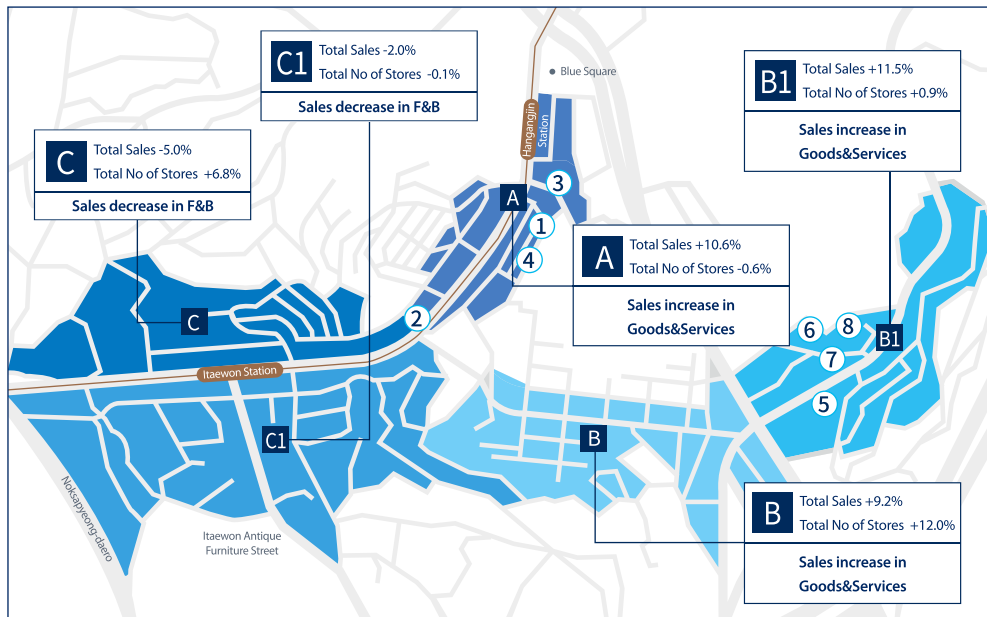
Sales Rate by Major Target Consumers



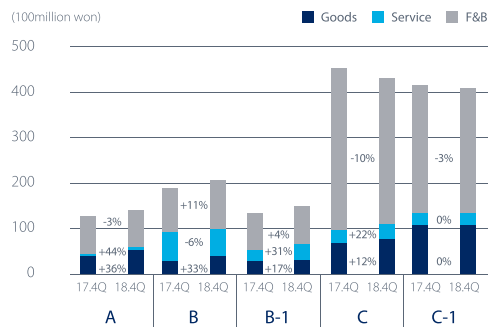
- Hongdae/Hapjeong District's major consumers are in their 20s-30s. Their income level is generally less than 50 million. The YoY increase in sales to these consumers suggests that the district is evolving to service an even younger market.
- Sales by customers living and working outside the district decreased, while sales by the nearby resident population increased.

Sales Transactions

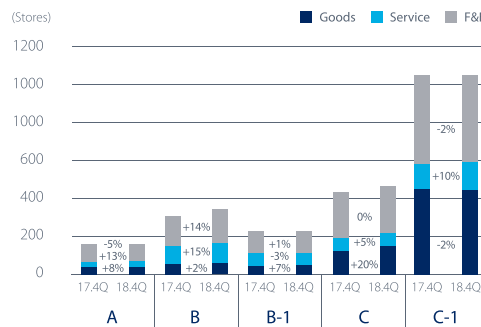
	Zone	Date	Site Area (Pyeong)	Gross Floor Area (Pyeong)	Number of Floor	Year of Completion	Total Transaction Amount (100 Mil won)	Tenant Types
①	A	2018.1Q	39	102	4/B1	1992	50	F&B, Service
②	A	2018.2Q	44	78	2/B1	1990	33	F&B
③	A	2018.4Q	47	79	3/B1	1989	33	F&B, Service
④	A	2018.4Q	76	141	4	2009	55	F&B, Goods, Service
⑤	A	2018.4Q	49	41	2	2015	20	F&B
⑥	A	2018.2Q	41	76	4	1971	28	F&B, Service
⑦	A	2018.2Q	39	73	4	1971	28	F&B, Goods
⑧	B	2018.2Q	30	51	4	2010	18	F&B



Sales Growth by Retail Types

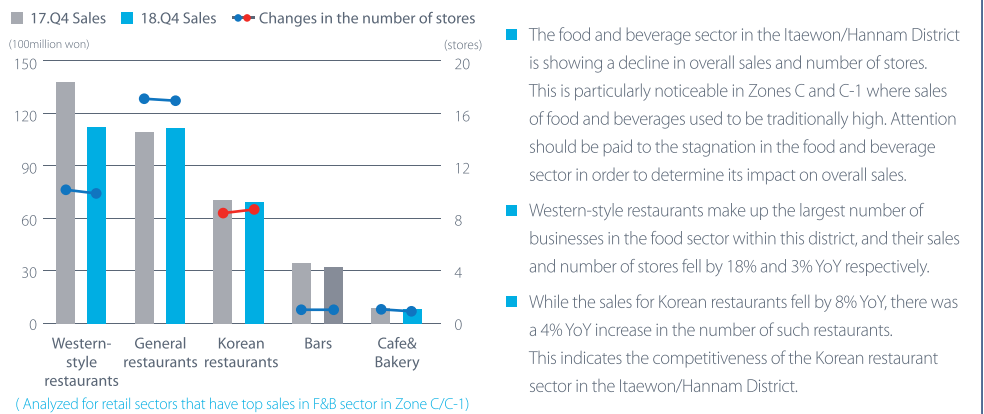


Store Growth by Retail Types

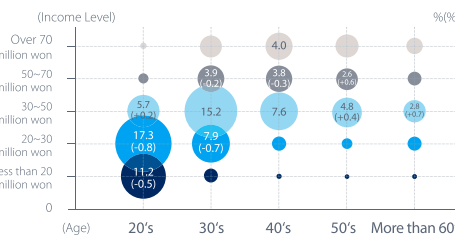


- Sales in Zone A increased by 10.6% YoY. Sales in the goods and service sectors experienced the most significant increase.
- Zone B shows an overall growth because the sales and number of stores increased by 9.2% and 12.0% YoY respectively in the food and beverage, and goods sectors.
- Sales growth in Zone B-1 is centered on the goods and service sectors, as its sales increased by 11.5% YoY. Although most of the Itaewon/Hannam District's sales center on the food and beverage sector, its sale performance was unremarkable in Zones C and C-1. This indicates the stagnation of the food and beverage sector in Zones C and C-1.

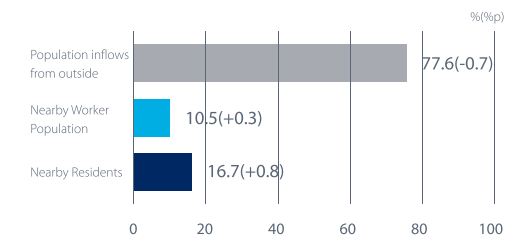
Food and Beverage Sector Analysis for Zone C/C-1 in Itaewon/Hannam District



Sales breakdown by age and income level



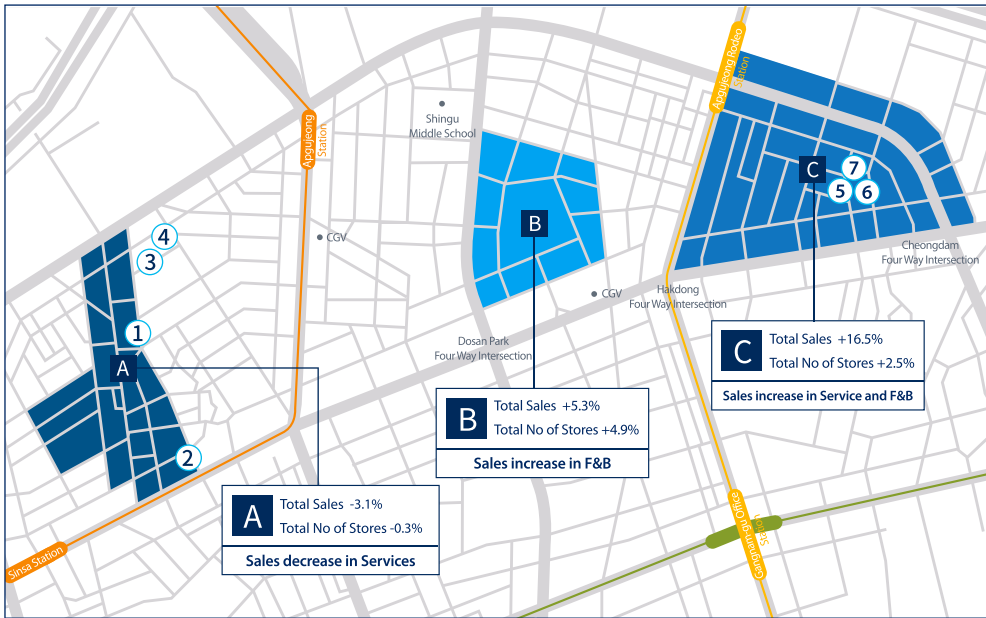
Sales Rate by Major Target Consumers



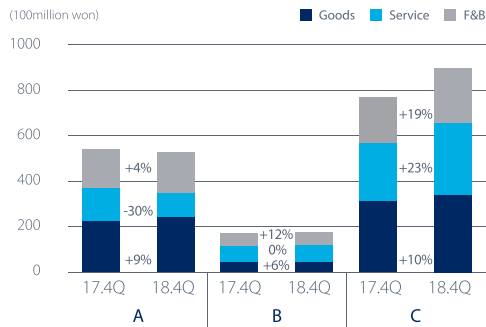
- Compared to Q4 2017, there were fewer consumers in their 20s-30s with incomes of less than 30 million won in the Itaewon/Hannam District. In contrast, sales to consumers with high incomes over the age of 50 increased during the same period.
- While sales by the external inflows decreased YoY, the proportion of sales to the population nearby increased.

Sales Transactions

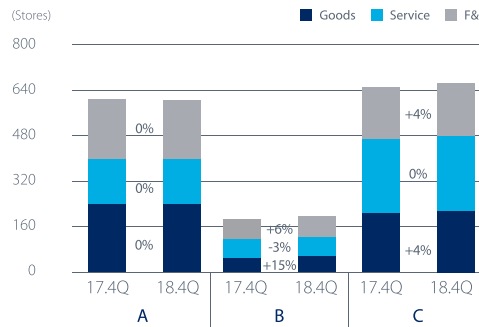
Zone	Date	Site Area (Pyeong)	Gross Floor Area (Pyeong)	Number of Floor	Year of Completion	Total Transaction Amount (100 Mil won)	Tenant Types	
①	A	2018.2Q	92	86	2/B1	1957	53	Goods
②	A	2018.3Q	167	598	4/B2	1987	205	F&B
③	A	2018.4Q	100	281	4/B1	1978	134	F&B, Service
④	A	2018.4Q	49	110	4/B1	1991	35	Goods
⑤	B-1	2018.3Q	120	231	4/B1	1980	110	F&B, Goods
⑥	B-1	2018.3Q	36	46	2/B1	1988	30	Goods
⑦	B-1	2018.4Q	66	149	4/B1	1988	59	F&B, Goods
⑧	B-1	2018.4Q	144	84	2/B1	1965	69	F&B



Sales Growth by Retail Types

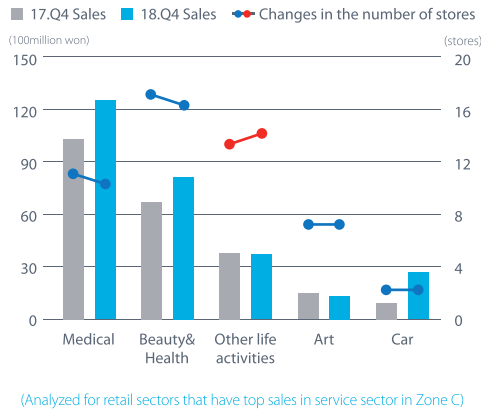


Store Growth by Retail Types



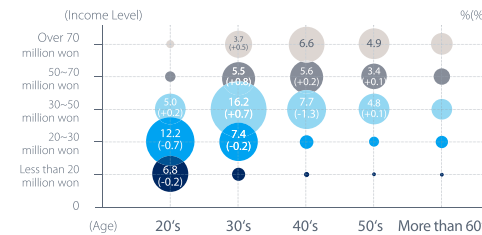
- Sales in Zone A fell by 3.1% YoY, with the service sector showing a particularly high rate of decline. In the medical services, sales were sluggish as they fell by 46% YoY.
- In Zone B, the goods, and food and beverage sectors grew, with their sales and number of stores increasing by 5.3% and 4.9% YoY respectively.
- Sales in Zone C increased by 16.5% YoY, with its overall sales in the goods and service, and food and beverage sectors increasing significantly.

Food and Beverage Sector Analysis for Zone C/C-1 in Itaewon/Hannam District

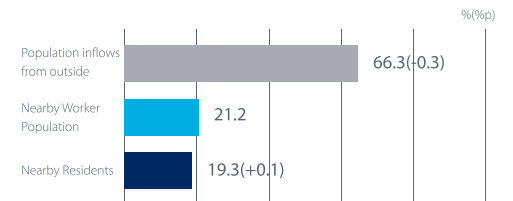


- Zone C in the Sinsa/Apgujeong District is known for its medical care, and beauty and health businesses with in the service sector. Sales in these areas are traditionally high in Zone C. Medical sales grew by 22% YoY, while beauty- and health-related sales grew by 21% YoY. This shows that sales in the major sectors are increasing.
- However, the decreased YoY sales in the life and etc. and arts sectors indicate the polarization of the service sector between the wellness-related businesses and the culture-related ones.

Sales breakdown by age and income level



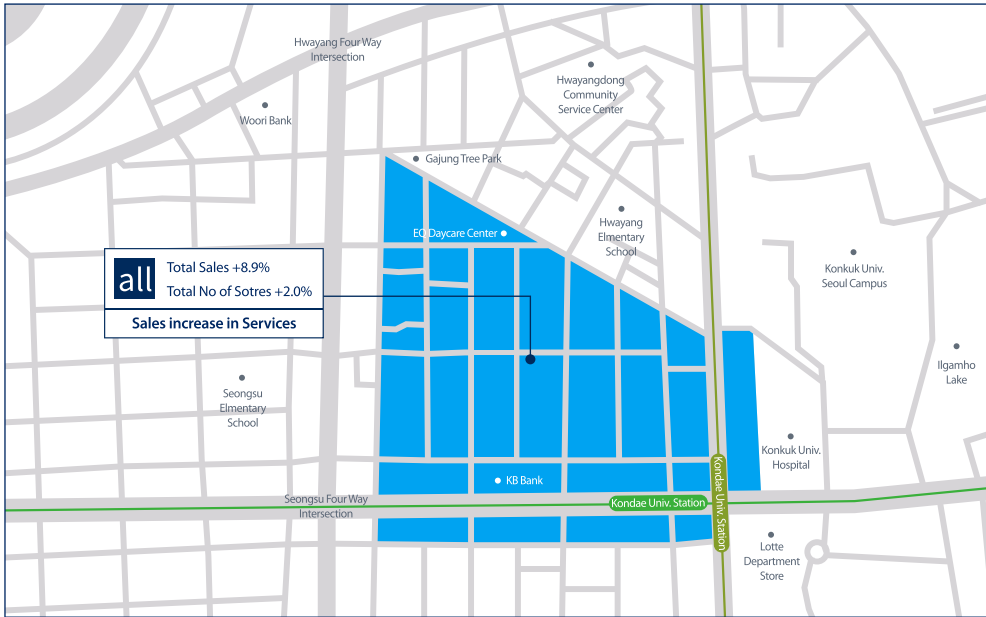
Sales Rate by Major Target Consumers



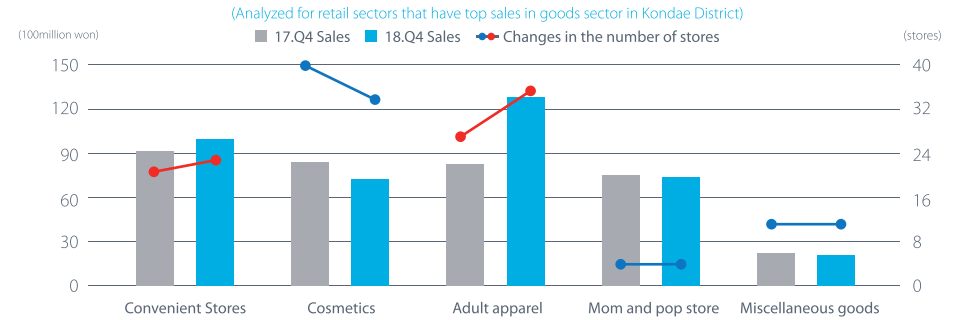
- Major consumers in the Sinsa/Apgujeong District are in their 30s and have incomes of 30-50 million won. Compared to the same period last year, sales to consumers whose incomes were more than 50 million had increased.
- In terms of sales by major target consumers, there is a slight decrease in sales to people outside the district.

Sales Transactions

	Zone	Date	Site Area (Pyeong)	Gross Floor Area (Pyeong)	Number of Floor	Year of Completion	Total Transaction Amount (100 Mil won)	Tenant Types
①	A	2018.3Q	59	47	4/B1	1987	150	F&B, Goods
②	A	2018.4Q	36	150	2/B1	1996	28	F&B
③	A	2018.4Q	157	84	5/B1	1988	122	F&B, Service
④	A	2018.4Q	86	-	5/B1	1990	72	F&B
⑤	C	2018.1Q	216	743	5/B2	1992	145	Service
⑥	C	2018.2Q	102	287	4/B1	1998	94	F&B
⑦	C	2018.4Q	81	60	2/B1	1978	79	F&B

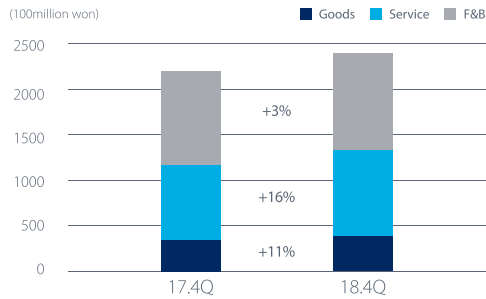


Goods Sector Analysis for Kondae District

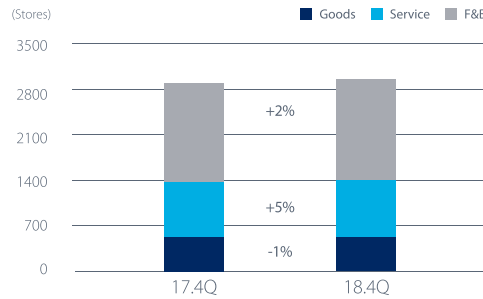


- While the food and beverage sectors in the Kondae District have traditionally received the most sales, its fashion apparel sector has also recorded an increase in sales recently. This is due to the introduction of new concept fashion stores such as Common Ground.
- Adult apparel sales totaled 5.1 billion won, increasing by 55% from the same period last year in Q4 2018.
- Also, the growth rate of sales in adult apparel is accelerating, with the number of stores increasing by 30% from the previous year.
- Sales of mom and pop stores, and shops selling cosmetics and miscellaneous goods (excluding clothing) fell sharply YoY. It should be noted, however, that sales growth rates tend to be different even within the same goods sector.

Sales Growth by Retail Types

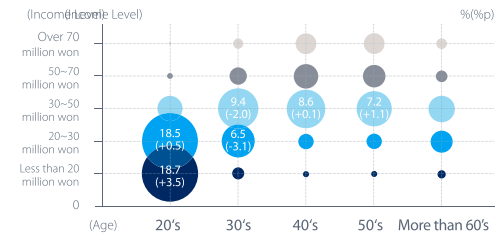


Store Growth by Retail Types



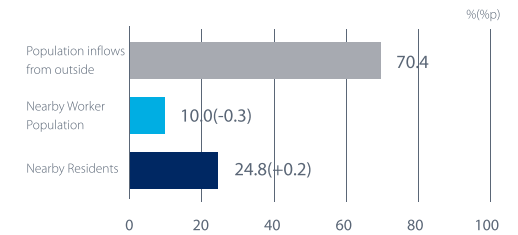
- The sales and number of stores in the Kondae District increased by 8.9% and 2.0% YoY respectively, indicating the overall growth of the district.
- The increased sales and growing number of services and food and beverage stores shows that these sectors are booming in Kondae.
- Sales in the medical service sector rose by 20% YoY, and sales in the café and bakery businesses increased by 17% YoY.

Sales breakdown by age and income level



- Kondae District is one of the major university districts in Seoul. Its primary consumers are in their 20s and have incomes of approximately 30 million won.
- As a very high proportion of the district's sales are made to such consumers, its sales per unit price level is estimated to be among the lowest in Seoul's major districts.
- Sales to consumers outside the district accounts for the largest portion of its sales, and sales to the nearby resident population increased slightly YoY.

Sales Rate by Major Target Consumers



- Seongsu Yeonbang, a multicultural space built on a new concept of production, distribution and consumption, opened in January 2019.
- [1st Floor – Ddinggul Store] At the lifestyle brand store occupying this floor, consumers can shop for locally-made small fashion brand items and lifestyle products.
- [2nd Floor – Farm Fresh Factory] Supplies foodstuffs to the 1st floor restaurant, and distributes food and beverages to other stores as well as online delivery platforms.
- [3rd Floor – Heavenly House] Features a cafeteria, as well as an entertainment space where lectures and cultural events take place.

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