



NEWS RELEASE

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Aussies' purchasing power bolstered in lead up to Christmas

- ***Almost three in four Aussies (72%) optimistic about the state of their personal finances over the next 12 months***
- ***Over half believe it is now an ideal time to buy things they want and need***
 - ***Debt reduction and saving still high priorities but out of home entertainment also important***

Sydney, 21 December 2006: In the lead up to the festive season, Australian consumers look set to drive up retail spending figures, with almost three in four (72%) optimistic about the state of their personal finances over 2007, and 58 percent saying it is now a good time to buy things they want and need – 15 points higher than the global average. These are the latest findings from leading market research and information company ACNielsen.

Released today, these and other findings were part of the twice-yearly global ACNielsen Online Consumer Opinion Survey, the largest of its kind, which polled around 25,408 people in 46 countries and more than 500 Australian participants on their perception of the local economy, job prospects, spending habits and major concerns.

The optimistic outlook that Australian consumers have regarding their personal finances over the next year, resulted in a three point gain in our Consumer Confidence Index versus the previous six months. At 117, Australians are the sixth most confident nation globally and 18 points above the global average of 99 (*refer to Chart 1*).

However, the survey also revealed that while Australian consumers appear to have a higher propensity to spend over the New Year – the focus on reducing debt and saving is higher than ever.

Close to half (47%) of Aussies will be spending their spare cash on servicing debts, loans and credit cards – the fourth highest in the world behind Chile, Mexico and Canada, while around two in five (41%) will be pouring their spare dollars into savings accounts – up three points from six months ago (*refer to Chart 2*).

Despite this, 38 percent of consumers say they will be allocating their spare funds into out of home entertainment – up three points from the previous six months and four points higher than the global average. While almost one in three (31%) will be investing in home improvements – a five point jump from June 2006.

“2006 in many respects has been a tough year for Australian consumers. We’ve had to take on the impact of numerous interest rises, inflationary price pressures and high fuel costs,” says Ben Dixon, Executive Director, ACNielsen Australia.

“However, it is encouraging to see that despite all of these economic pressures, the majority of Aussies are still optimistic about their financial position for the year ahead. It should be noted that the robust level of confidence will still be underpinned by a great degree of caution, as consumers will try and pre-empt any further economic volatility by using their spare cash to service debt and save for the future.”

Chart 1: ACNielsen Consumer Confidence Index (November 2006)

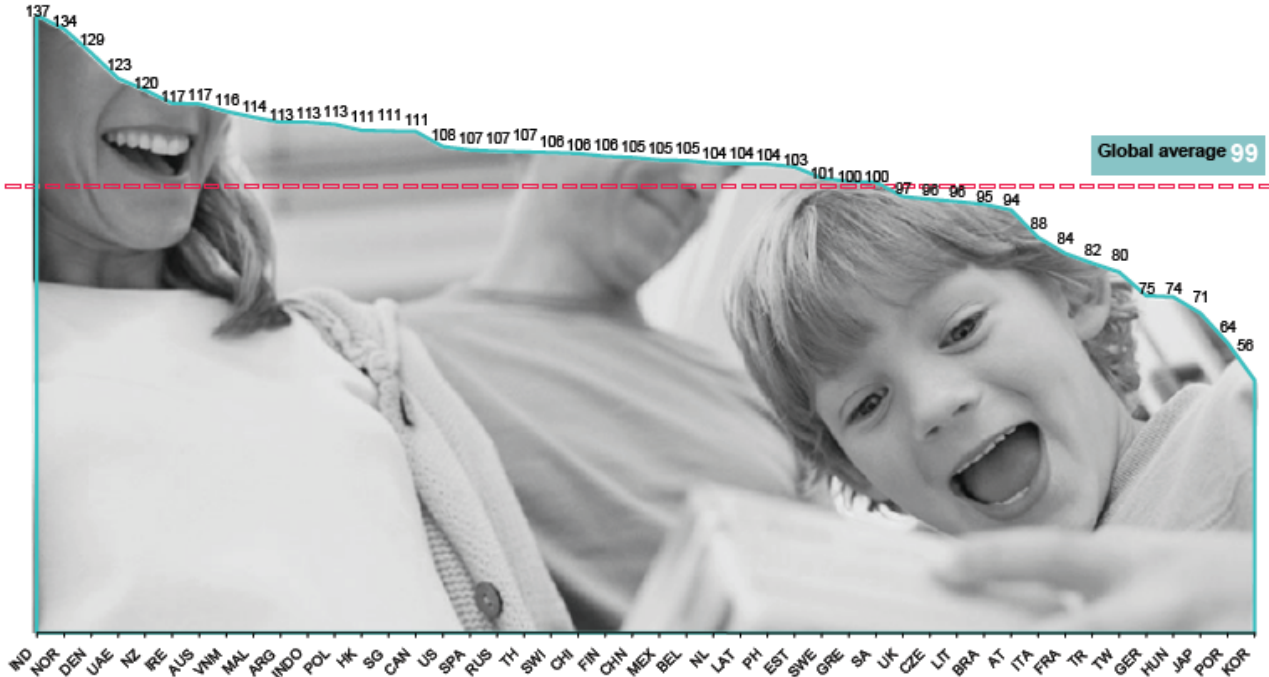
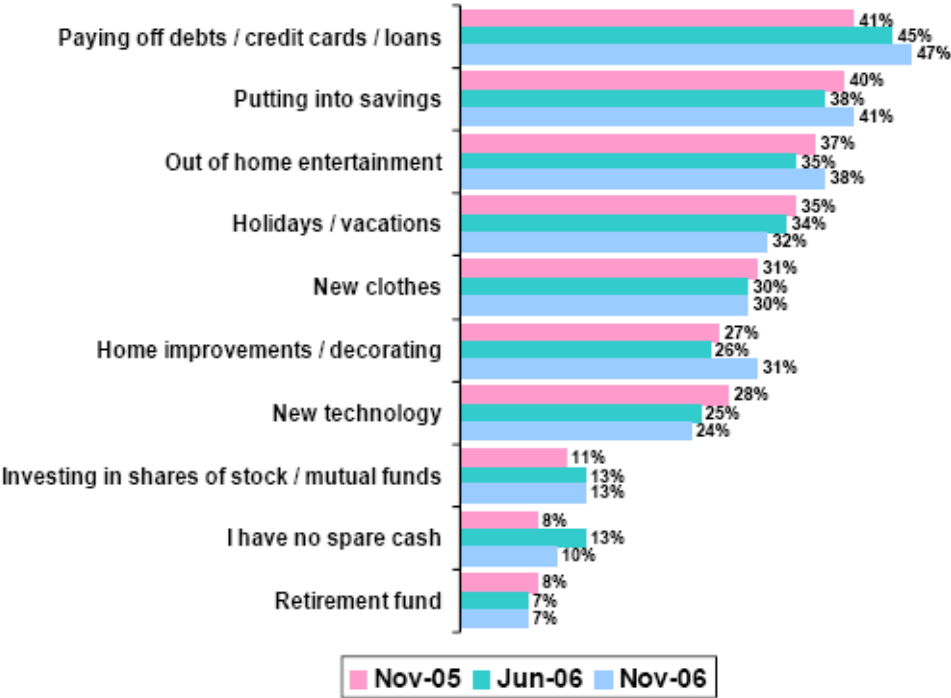


Chart 2: How do you utilise your spare cash after covering essential living expenses? (Australia)



Base: All respondents

The ACNielsen Online Consumer Confidence and Opinions Survey is the largest half-yearly survey of its kind aiming at gauging current confidence levels, spending habits/intentions and current major concerns of consumers across the globe. The ACNielsen Consumer Confidence Index is developed based on consumers' confidence in the job market, status of their personal finance and their readiness to spend. The latest survey, conducted in late October/early November 2006, polled around 25,408 Internet users in 46 markets from Europe, Asia Pacific, North America, the Baltics and the Middle East.

About ACNielsen

ACNielsen, a VNU business, is the world's leading marketing information provider. Offering services in more than 100 countries, the unit provides measurement and analysis of marketplace dynamics and consumer attitudes and behaviour. Clients rely on ACNielsen's market research, proprietary products, analytical tools and professional service to understand competitive performance, to uncover new opportunities and to raise the profitability of their marketing and sales campaigns.

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