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News Release

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AUSSIE CONSUMER CONFIDENCE REMAINS HIGH, HOWEVER, DEBT REDUCTION STILL MAJOR FOCUS

- **Discretionary spending on the decline**
- **Global warming tops Australians' list of major concerns**

Australia, 25 June 2007 – Australians are riding a continuing wave of economic confidence in the midst of a general softening of consumer sentiment globally, according to the results of the latest Global Consumer Confidence Study released today by The Nielsen Company.

The Nielsen Company recorded a Global Consumer Confidence Index of 97 in its April 2007 survey, down slightly by two points from 99 in October 2006, however, the Australian index remained steady on 117, 20 points above the global average and eighth highest globally.

The survey polled 26,486 internet users in 47 markets¹ around the world, including over 500 individuals in Australia, about their job prospects, the state of their personal finances, what they do with their spare cash, and their major concerns.

“While there have been a few recent hikes in fuel prices and a couple of hick-ups in the stock market in the past six months, it appears that steady interest rates and a buoyant economy are keeping Australians’ confidence levels up,” comments Megan Treston, Director, Retail Client Service, The Nielsen Company.

¹ **47 Markets Covered:** Argentina, Australia, Austria, Belgium, Brazil, Canada, Chile, China, Czech Republic, Denmark, Egypt, Estonia, Finland, France, Germany, Greece, Hong Kong, Hungary, India, Indonesia, Ireland, Italy, Japan, Korea, Latvia, Lithuania, Malaysia, Mexico, Netherlands, New Zealand, Norway, Philippines, Poland, Portugal, Russia, Thailand, Singapore, South Africa, Spain, Sweden, Switzerland, Taiwan, Turkey, UAE, United Kingdom, US and Vietnam.

With the country's unemployment rate hitting a 32 year low, it was no surprise that 84 percent of Australians perceived job prospects in the 12 months ahead to be strong, up four percentage points on the previous six months and a massive 32 points above the global average.

Consumer spending

But while almost three-quarters (73%) of those surveyed said the state of their personal finances was good or excellent, only around half (54%) said that, considering the cost of things today and their own personal finances, it was a good time to buy the things they wanted and needed.

Asked how they were most likely to spend their spare cash, the overwhelming majority of Australians indicated they were working hard to reduce their debt levels, with nearly half (44%) saying that once they had covered their essential living expenses they would put any spare cash towards paying off debts, credit cards and loans. The latest Nielsen survey results also showed a drop in intended discretionary spending, particularly in the area of out of home entertainment. (See chart 1).

“Australians are continuing to put their hard-earned cash towards debt reduction,” says Treston. “We have historically ranked high in this area and are one of the most likely countries to list debt reduction as a key financial priority.”

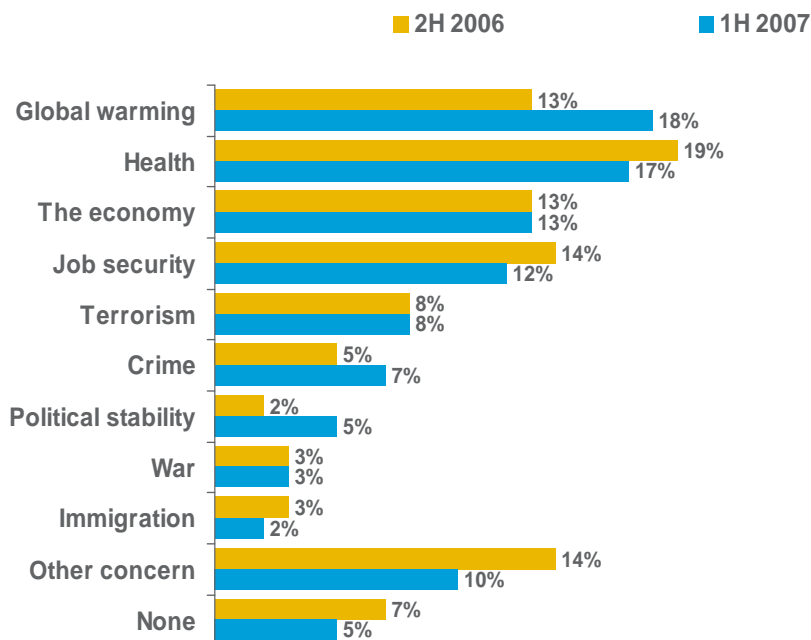
Major concerns

With increasing awareness and media coverage of environmental topics like carbon footprints and emissions, the Nielsen survey highlighted a heightened concern around the effects of global warming on the environment, with global warming the number one concern amongst Australians in the six months to May 2007. This was an increase of five percentage points in the past six months, and the first time in the five year history of the Nielsen survey that global warming was the biggest concern for Australians. (See Chart 2).

Chart 1: How Australians utilise their spare cash



Chart 2: Australians' major concerns over the next six months





The Consumer Confidence Survey

The Nielsen Online Consumer Confidence and Opinion Survey is the largest half-yearly survey of its kind, aimed at gauging current confidence levels, spending habits/intentions and current major concerns of consumers across the globe. The Nielsen Consumer Confidence Index is developed based on consumers' confidence in the job market, status of their personal finances and their readiness to spend. The latest survey, conducted in the last two weeks of April, polled about 26,486 internet users in 47 markets from Europe, Asia Pacific, North America and the Middle East.

About The Nielsen Company

The Nielsen Company is a global information and media company with leading market positions and recognised brands in marketing information (ACNielsen), media information (Nielsen Media Research), business publications (Billboard, The Hollywood Reporter, Adweek), trade shows and the newspaper sector (Scarborough Research). The privately held company has more than 42,000 employees and is active in more than 100 countries, with headquarters in Haarlem, the Netherlands, and New York, USA. For more information, please visit, www.nielsen.com.

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