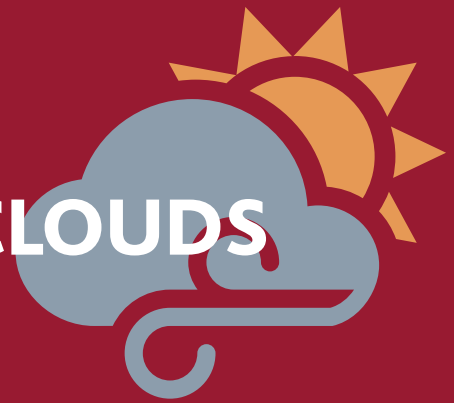


RETAILERS SEE SUNSHINE THROUGH REGULATORY CLOUDS



THE 2017 RETAIL COMPASS SURVEY OF CFOs SURVEYED 100 CHIEF FINANCIAL OFFICERS AT LEADING U.S. RETAILERS.



RETAILERS RIDE HIGH POST-HOLIDAY



67%

of retailers expect an **increase in total stores sales** in 2017



Retail CFOs predict a **10.7%** increase in **online sales**

THE HIGHEST PROJECTION IN SURVEY HISTORY



2016



2017

CFOs expect a

4.9%

sales bump overall

UP FROM 3.4% IN 2016



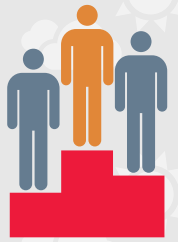
THE FORECAST FOR DEAL ACTIVITY IS BRIGHT

46% expect retail **M&A activity will increase**



11% plan to **invest more capital** in M&A

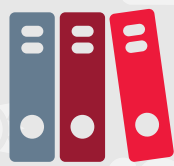
38% say **competition and consolidation** is their biggest concern this year



REGULATORY UNCERTAINTIES CLOUD THE PICTURE



70% expect **cybersecurity regulation to increase** in 2017



54% are at least slightly concerned about the **new lease accounting standards**



45% have taken or will take action in response to the proposed **Dept. of Labor Overtime Rule**



70% plan to **automate or simplify compensation** in response to the **federal minimum wage hike**

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