



QUICK TAKE

Weekly Store Openings and Closures Tracker #10: Sears Closing More Stores

Fung Global Retail & Technology tracks store openings and closures for a select group of US retailers.

- 1) This week, the Retail Dive reported that in addition to the 160 store closures already announced earlier this year, Sears Holdings will be closing 66 more stores—of which 49 are Kmart and 17 are Sears stores. No official comment has been issued by Sears yet.
- 2) Year-to-date 2017, the number of store closure announcements has increased 286% year over year, bringing the total count to 4,789, with more to surely follow.
- 3) In last week's edition of this report, we updated the number of stores that Dollar General is set to open in FY17 to 1,290, from the previously expected 1,000. The 290 new stores will be added by converting acquired store locations in 36 states from a multi-price point retailer.

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2017 Store Openings and Closures

What is happening this week?

After the frenzied store closing activity last week, this week looks to be relatively calmer for the retail industry. Some 66 stores have been added to the list of stores being closed, all belonging to Sears Holdings, under the brand names of Sears and Kmart. In the meantime, Dollar General will add 290 more stores after completing an approved acquisition of store locations from a small-box, multi-price point retailer in 36 states.

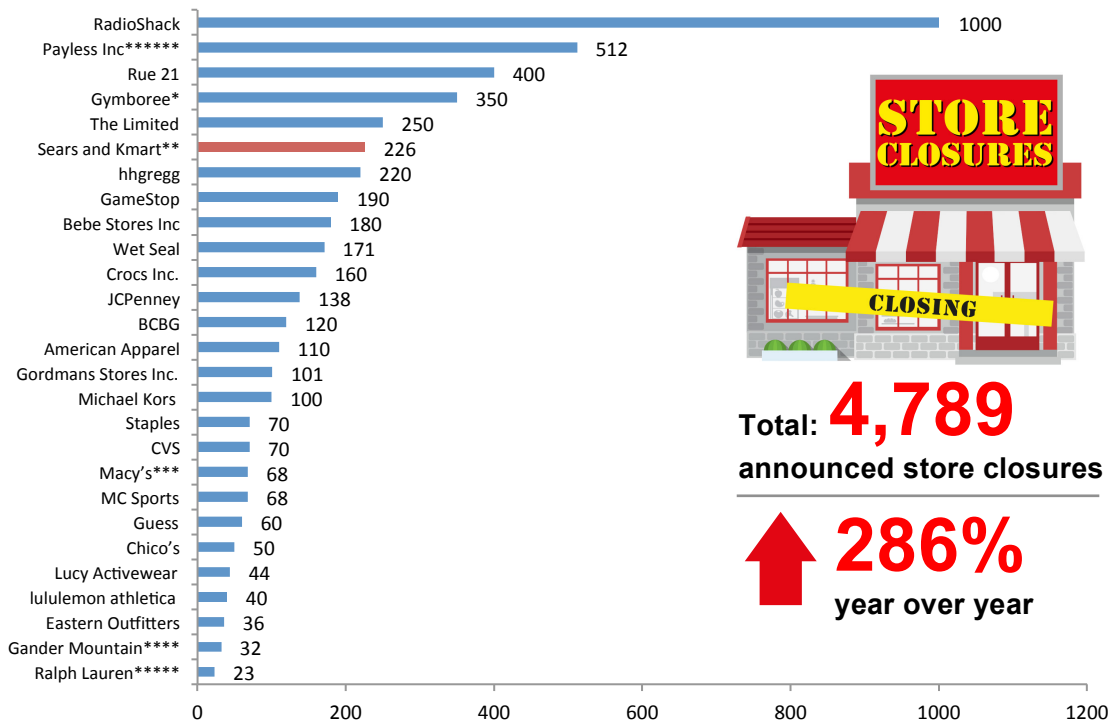
Sears Reportedly to be Closing 66 More Stores

49 Kmart and 17 Sears stores will likely be added to the latest round of closures for Sears Holdings, which has already announced 160 closings this year. The number of stores set to be shuttered now totals 226. The news was reported by Retail Dive, but no official comment has been made by Sears thus far.

Dollar General Expanding Retail Footprint

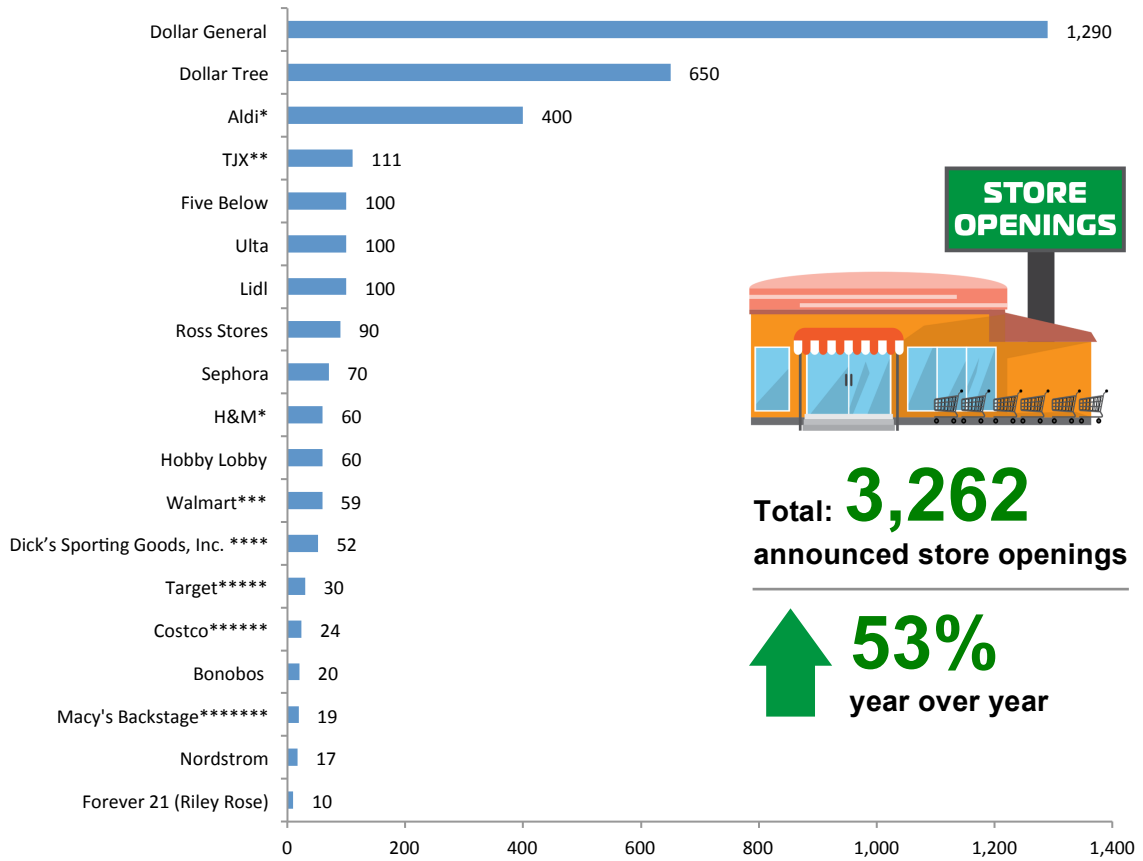
Pursuant to the report on Dollar General’s revised store count guidance last week, its management has now shed more light on the situation. The discounter received approval from the Federal Trade Commission in April for the proposed acquisition of 322 stores in 36 states from a small-box, multi-price point retailer. Approximately 290 stores will reemerge under the Dollar General banner, and the retailer revised its store opening count guidance for 2017 to 1,290, up from the 1,000 announced earlier in the year.

Year-to-Date 2017 Major US Store Closure Announcements



* Reported by the Wall Street Journal on May 4, 2017, with no official comment.
 ** Closing 164 Kmart and 62 Sears stores.
 *** Part of 100-store closure announcement made in 2016.
 **** The number of store closures could reach 80 based on the recent management announcement.
 ***** Closing remaining stores included in the 50-store closure plan announced in June 2016.
 ***** Payless will close an additional 296 stores if negotiations with landlords are unsuccessful.
 Source: Company reports/Fung Global Retail & Technology

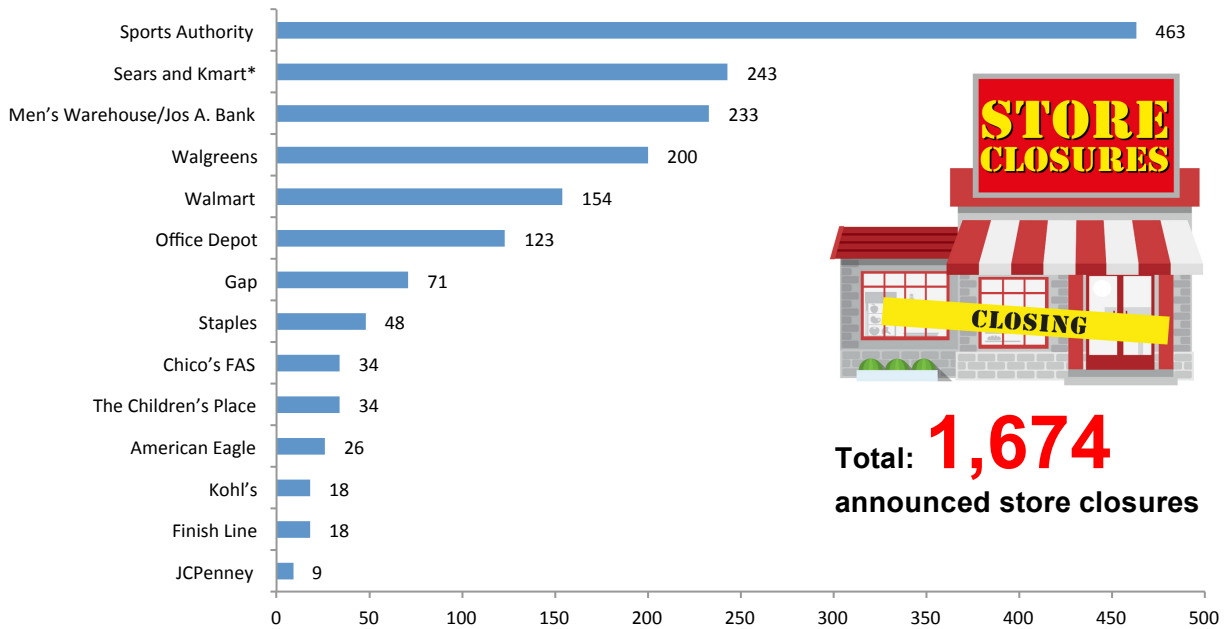
Year-to-Date 2017 Major US Store Opening Announcements



* By the end of 2018.
 ** Net store openings.
 *** Includes new, expanded and relocated stores.
 **** 43 Dick's Sporting Goods stores and 9 Golf Galaxy stores.
 ***** All new openings are small-format stores.
 ***** Adjusted to calendar year from fiscal year reporting.
 ***** Will be opened within existing full-line Macy's stores.
 Source: Company reports/Fung Global Retail & Technology

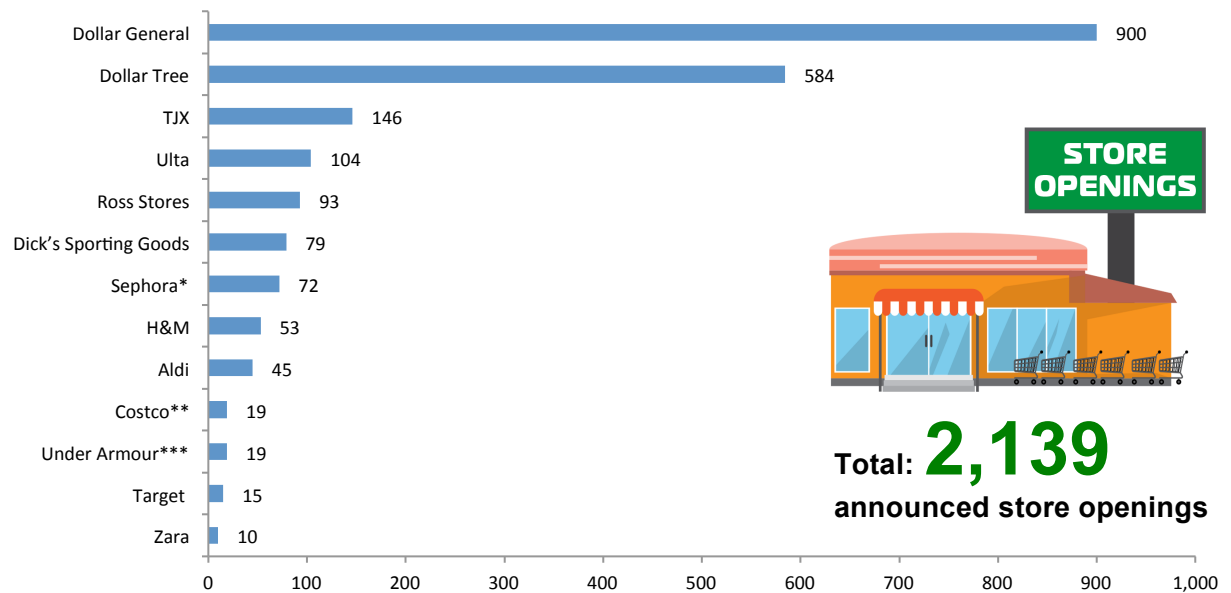
2016 Store Openings and Closures

2016 Major US Store Closures



* Closing 206 Kmart and 37 Sears stores.
 Source: Company reports/Fung Global Retail & Technology

2016 Major US Store Openings



* Net store number between December 2015 and March 2017. Includes 55 new stores in JCPenney and 17 standalone Sephora stores.
 ** Adjusted from fiscal year figures.
 *** Net number of stores in North America.
 Source: Company reports/Fung Global Retail & Technology



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