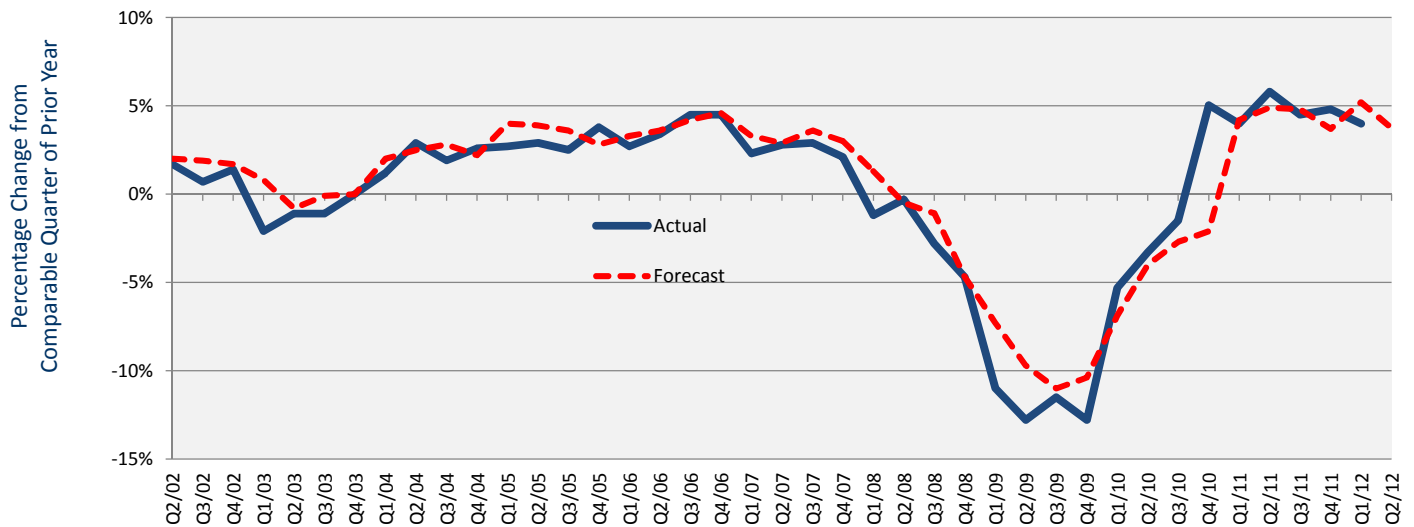


MAFSI businessbarometer

The industry's definitive non-food sales/trend indicator

Q1/12 Report

Overall Sales Per Quarter



Q1/12 MAFSI Business Barometer Reports Moderate Growth

Q2/12 Forecast Notches Down to 3.7%

Overall sales for Q1/12 (compared to Q1/11) increased by 4.0% which was less than the forecast of 5.2%. Although this quarter growth was more moderate, it nevertheless marked the sixth quarter of expansion after a three year recession.

On a regional basis, growth ranged from 5.7% in the West, 4.8% in the South, 3.8% in the Midwest, 3.4% in Canada, to 2.6% in the Northeast.

By product categories, sales increased by 5% in equipment, 3.3% in tabletop, 2.5% in supplies, and -1.9% in furnishings.

MAFSI reps have lowered their sights to 3.7% forecast for Q2/12 which is considerably less than the forecast of 6.6% for all of 2012.

In spite of the recent slower growth, the future remains bright with 59% of reps quoting more and 50% reporting greater consultant activity.

We appear to be in an "economic soft patch" of slow growth, fostered by stubborn unemployment, a depressed housing sector, continued European concerns, and thin increases in retail sales. We are sticking with our 6.6% forecast for 2012, but it will take a real strong second half for it to be realized.

Written/compiled by Michael R. Posternak

MAFSI Business Confidence Index for 2nd Quarter 2012
Apr 1 - Jun 30 compared to 2nd Quarter 2011

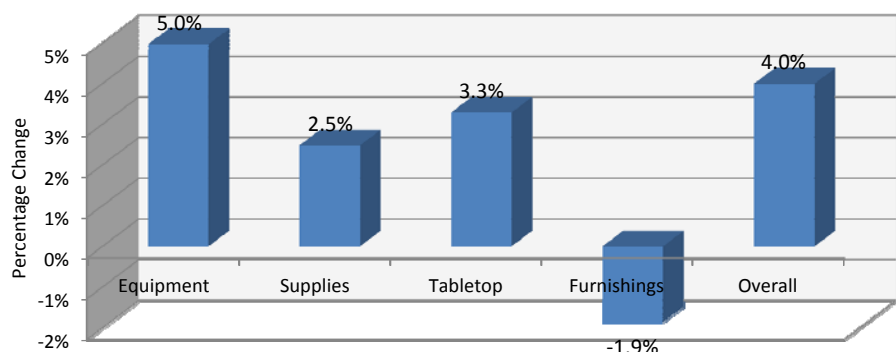
All Regions
3.7%

MAFSI Business Confidence Index for 2012
Compared to 2011

Overall
6.6%

1st Quarter 2012 Overall Sales

Jan 1 - Mar 31 compared to 1st Quarter 2011



MAFSI businessbarometer

Projected 2nd Quarter 2012 Sales Percentage Change

Apr 1 - Jun 30 compared to 2nd Quarter 2011

Northeast
3.3%

South
4.8%

Midwest
3.9%

West
3.2%

Canada
3.3%

Projected 2012 Overall Sales Percentage Change Forecast

Compared to Overall Sales for 2011

Northeast
5.0%

South
7.8%

Midwest
6.4%

West
7.4%

Canada
6.6%

1st Quarter 2012 Overall Sales Percentage Change

Jan 1 - Mar 31 compared to 1st Quarter 2011

