



OPTIMISM AROUND ECONOMY AND BUSINESS IMPROVEMENT CONTINUES TO RISE AMONG CANADIAN SMALL BUSINESSES

STAPLES Canada Quarterly Index finds that roughly half of Canada's small businesses think conditions are good and will get even better as the year draws to a close

Toronto, ON – September 29, 2009 – As 2009 comes to an end, the future is starting to look a bit brighter according to small business owners and entrepreneurs across the country. The STAPLES Canada Small Business National Quarterly Index, released today, reveals that Canadian small business owners are more optimistic about the economy and their own businesses than they were three to six months ago. Results from the survey, conducted by Angus Reid Strategies, seem to confirm the Bank of Canada's recent declaration of the end of the recession and the return of growth to the economy. The survey also reveals a rise in optimism that economic conditions in Canada will continue to improve over the next three months as well.

"While we aren't out of the woods yet, we are beginning to see positive changes in our country's economy, a shift that many entrepreneurs recognize as well," says Citi Economist Dana Peterson. "Confidence is strengthening but at a measured pace; however, it is a long, slow and steady rise, as we've anticipated for some time. Small business owners will likely continue to modify their businesses as structural adjustments in key sectors unfold. Nonetheless, the nascent recovery presents strategic opportunities for growth near-term."

Findings of the survey include:

- Nearly half (45%) of Canadian small business owners now feel that current economic conditions are "good" or "very good" – up from 31% who felt that way in Q1 2009;
- Atlantic Canada has been a bright spot in actual business growth over the past three months, with significantly more (about 20%) small businesses in the Maritimes reporting gains than those in Ontario and the West;
- Optimism for further improvement in the economy over the next three months is very strong, with almost half (47%) expecting things to get better before the year is out;

- Despite the optimism, roughly half of Canada's small businesses (52%) say they are still cutting costs and/or payroll to cope with current pressures.

"We are pleased to know that small business owners continue to remain confident about their operations as well as the economy overall," says Steve Matyas, president of STAPLES Canada. "We recognize how hard entrepreneurs work to keep their businesses running, particularly in such difficult economic times. These survey findings are a good omen for the entire supply chain – there is faith in a 'rising tide to float all boats.'"

About the Quarterly Index

The STAPLES Canada Small Business National Quarterly Confidence Index study was conducted by Angus Reid Strategies through online interviews with owners and executives of small businesses (up to 50 full-time employees) across Canada. 666 interviews were completed in total between August 4 and 11, 2009.

The STAPLES Canada Small Business National Quarterly Confidence Index will be conducted quarterly in order to gauge:

- Shifting perceptions of the Canadian economy;
- The self-confidence and optimism of Canadian small businesses; and
- Any changes in how Canadian small businesses are adjusting to economic conditions.

By conducting a quarterly poll, STAPLES is able to establish key indices on the status of Canadian small businesses. They can also monitor changes in their confidence in the economy, their success, their view of the business opportunities they have and any steps they are taking to rise above the economy.

For more information on how STAPLES Canada helps small businesses, please visit staples.ca and click on **Business Services**.

About STAPLES Canada

Founded in Toronto in 1991, STAPLES Canada Inc. is Canada's largest supplier of office supplies, business machines, office furniture and business services for the small business and home office customer. The company is an everyday low price retailer. The chain operates stores in all provinces across Canada under the banners STAPLES® Business Depot and Bureau en Gros^{MC}. Marketing Magazine's Marketing/Leger 2008 Corporate Reputation Survey ranked STAPLES Canada/Bureau en Gros number one among Canada's top 100 companies surveyed in Canada. The company has over 13,500 employees serving customers through more than 300 office superstores, catalogue, and e-commerce. STAPLES Canada/Bureau en Gros is committed to making shopping easy by offering customers three ways to shop: online, by catalogue and in-store. More information is available at www.staples.ca.

About Staples

Staples, the world's largest office products company, is committed to making it easy for customers to buy a wide range of office products, including supplies, technology, furniture, and business services. With 2008 sales of \$23 billion and 91,000 associates worldwide, Staples serves businesses of all sizes and consumers in 27 countries throughout North and South America, Europe, Asia and Australia. In July 2008, Staples acquired Corporate Express, one of the world's leading suppliers of office products to businesses and institutions. Staples invented the office superstore concept in 1986 and is headquartered outside Boston. More information about Staples (Nasdaq: SPLS) is available at www.staples.com.

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