

# Tiburon Research Group

## Market Overview & Valuation Snapshot – September 21, 2007

Market Snapshot	21-Sep-2007	1-Week	4-Week	8-Week	2004	2005	2006	2007 YTD
DJIA	13,820.19	2.8%	3.3%	4.2%	3.1%	-0.6%	16.3%	10.9%
S&P 500	1,525.75	2.8%	3.1%	4.6%	9.0%	3.0%	13.6%	7.6%
NASDAQ	2,671.22	2.7%	3.7%	4.3%	8.6%	1.4%	9.5%	10.6%
Russell 2000	813.11	3.8%	1.8%	4.5%	17.0%	3.3%	17.0%	3.2%
S&P Retail Index	486.35	1.0%	1.0%	0.5%	21.6%	-1.2%	9.4%	-2.6%
UST 10YR Note	4.63%	17	(0)	(16)	(4)	18	32	(8)
CCY JPY/USD	115.37	0.1%	-0.9%	-2.9%	-3.7%	14.3%	1.0%	-3.0%
CCY EUR/USD	0.7097	-1.5%	-3.0%	-3.2%	-8.1%	15.1%	-9.9%	-6.7%
CCY CAD/USD	1.0008	-2.9%	-4.9%	-5.7%	-7.8%	-3.4%	-0.4%	-13.7%
CCY MXN/USD	10.9529	-1.5%	-0.6%	-0.2%	-0.8%	-4.6%	1.8%	1.2%

Sector Performance	1-Week	4-Week	8-Week	2004	2005	2006	2007 YTD
Internet Retail	3.8%	14.8%	15.7%	41.0%	-11.9%	-24.3%	73.2%
Grocery	2.7%	0.7%	7.5%	4.0%	15.9%	19.2%	9.7%
Department Stores	2.6%	-1.8%	-2.0%	38.5%	27.8%	33.2%	-13.4%
Wholesale	2.2%	0.9%	-1.5%	38.2%	25.5%	31.7%	1.9%
Discount	1.8%	1.3%	-0.6%	9.4%	-6.2%	5.1%	2.4%
Specialty Apparel	1.4%	-0.8%	1.3%	39.3%	28.2%	23.1%	0.8%
Footwear	1.1%	2.0%	-0.3%	32.9%	2.4%	28.5%	22.4%
Restaurants	0.9%	5.5%	9.8%	28.1%	7.6%	29.1%	17.0%
Drugstore	0.1%	1.5%	4.6%	14.1%	15.9%	12.8%	11.3%
Specialty Hardlines	-0.8%	-1.2%	-0.9%	14.4%	4.0%	4.2%	-8.5%

Note: Sector performance above based upon TRG market cap weighted indexes (market caps as of September 14, 2007).

### TRG Quick Hits

- Attached you'll find our updated EPS models (PDF format). **CMG** and **HIBB** are included this week.
- We'll be attending the **PSS** analyst day on September 27<sup>th</sup> in NYC. Look for a pre-analyst day report early this week.
- Look for a **BBBY** data packet on Monday as the company reports EPS on Wednesday of this week.
- We wrote shortly after **American Eagle (AEO - \$25.80)** reported Q2 2007 earnings in mid-August that we thought it odd the company's *Unredeemed Gift Card Liability* growth rate dramatically decelerated. We then were left to believe that the company recognized gift card breakage in Q2 2007.

Now, they're admitting it (we don't understand why management did not view this accounting change as material enough to warrant disclosure on its Q2 2007 earnings press release and/or conference call). We estimate that this accounting change improved EPS by \$0.02 in Q2 2007. We're now lowering our numbers for 2H 2007 to \$0.48 and \$0.68 in Q3 2007 and Q4 2007, respectively. AEO's gift card note disclosure follows:

#### Gift Cards

On July 8, 2007, the Company discontinued assessing a service fee on inactive gift cards. As a result, the Company estimates gift card breakage and recognizes revenue in proportion to actual gift card redemptions as a component of net sales. The Company determines an estimated gift card breakage rate by continuously evaluating historical redemption data and the time when there is a remote likelihood that a gift card will be redeemed. The Company recorded \$4.8 million of revenue related to gift card breakage during the 13 weeks ended August 4, 2007. This amount included cumulative breakage revenue related to gift cards issued since the Company introduced its gift card program.

Note: This research note is a publication of Tiburon Research Group, Inc. This report is intended solely for clients of TRG.

# Tiburon Research Group

## Market Overview & Valuation Snapshot – September 21, 2007

### TRG Company EPS Outlook & Valuation Snapshot

Company	TRG 3-6 Month EPS Outlook	21-Sep-07 Close	Market Cap	Next Fiscal Yr Revenue	Next Fiscal Yr EBITDA	EV vs. EBITDA	Next Yr EPS	P/E Ratio
Wal-Mart (WMT)	Miss Consensus	\$44.23	182,581,440	404,479,864	29,228,220	7.5	\$3.32	13.3
Kohl's (KSS)	Miss Consensus	\$60.27	19,479,264	19,027,607	2,801,405	7.3	\$4.38	13.8
Yum Brands (YUM)	Neutral	\$34.28	18,854,000	10,466,385	1,957,439	10.6	\$1.80	19.1
Coach (COH)	Neutral	\$48.28	18,368,705	3,765,616	1,555,258	11.1	\$2.56	18.9
Macy's (M)	Miss Consensus	\$33.12	15,162,336	27,085,255	3,550,891	7.1	\$2.58	12.8
The Gap (GPS)	Beat Consensus	\$18.55	15,150,991	16,385,711	1,938,872	6.7	\$1.14	16.2
JC Penney (JCP)	Miss Consensus	\$66.48	14,977,944	21,476,149	2,713,958	6.1	\$6.09	10.9
TJX (TJX)	Neutral	\$30.09	14,242,169	19,545,998	1,880,140	7.7	\$2.12	14.2
Nordstrom (JWN)	Neutral	\$50.74	12,956,662	9,592,845	1,396,060	10.2	\$3.36	15.1
Bed Bath Bey (BBBY)	Miss Consensus	\$33.43	9,301,864	7,835,391	1,135,372	7.5	\$2.41	13.9
Abercrombie (ANF)	Miss Consensus	\$79.83	7,367,830	4,304,365	1,025,300	6.8	\$5.84	13.7
Darden (DRI)	Beat Consensus	\$43.82	6,406,484	6,267,710	851,432	8.3	\$3.09	14.2
Amer Eagle (AEO)	Miss Consensus	\$25.80	5,728,735	3,493,978	811,464	6.1	\$2.14	12.1
Urban Out (URBN)	Miss Consensus	\$22.30	3,784,533	1,718,354	327,902	10.8	\$1.00	22.4
Chipotle Mex (CMG)	Neutral	\$113.90	3,766,104	1,308,232	187,818	19.2	\$2.55	44.7
Ross Stores (ROST)	Miss Consensus	\$26.54	3,669,951	6,509,820	582,883	6.2	\$2.04	13.0
Wil-Sonoma (WSM)	Neutral	\$31.00	3,472,682	4,072,783	519,366	6.6	\$2.01	15.4
Brinker (EAT)	Miss Consensus	\$28.80	3,399,322	4,630,843	550,654	7.5	\$2.15	13.4
J.Crew Group (JCG)	Miss Consensus	\$45.30	2,890,412	1,473,007	230,590	12.8	\$1.70	26.6
Chico's (CHS)	Neutral	\$14.65	2,588,919	1,993,875	362,114	6.4	\$1.00	14.7
Ann Taylor (ANN)	Miss Consensus	\$32.46	2,057,282	2,680,798	373,084	5.2	\$2.42	13.4
Applebees (APPB)	Neutral	\$24.82	1,872,371	1,364,569	219,041	9.2	\$1.21	20.5
Cheesecake (CAKE)	Neutral	\$24.32	1,770,934	1,748,261	210,766	8.9	\$1.26	19.3
Guitar Ctr (GTRC)	Miss Consensus	\$57.76	1,748,742	2,443,674	189,356	10.1	\$2.68	21.5
Aeropostale (ARO)	Neutral	\$20.11	1,572,019	1,715,625	253,178	5.4	\$1.78	11.3
Bebe (BEBE)	Miss Consensus	\$15.07	1,433,413	731,781	133,382	7.8	\$0.89	16.9
Payless (PSS)	Neutral	\$21.70	1,425,690	3,696,874	376,272	3.5	\$1.94	11.2
Panera Bread (PNRA)	Beat Consensus	\$43.28	1,395,780	1,269,902	176,227	7.8	\$2.08	20.8
Zumiez (ZUMZ)	Beat Consensus	\$47.02	1,372,326	486,125	74,254	18.0	\$1.22	38.5
Gymboree (GYMB)	Beat Consensus	\$38.31	1,166,616	1,010,636	178,755	6.3	\$3.06	12.5
Cold Creek (CWTR)	Neutral	\$11.80	1,117,849	1,472,560	146,703	6.7	\$0.62	19.1
Pac Sun (PSUN)	Neutral	\$15.85	1,110,530	1,539,714	159,584	6.7	\$0.66	24.2
CKE Rest (CKR)	Neutral	\$16.10	1,052,006	1,580,167	165,920	8.0	\$0.85	19.0
Tween Brands (TWB)	Neutral	\$31.41	985,112	1,151,248	147,995	6.2	\$2.46	12.8
Talbots (TLB)	Miss Consensus	\$17.75	940,395	2,511,613	215,020	6.4	\$0.39	45.7
Hibbett Sports (HIBB)	Neutral	\$27.24	863,372	602,479	81,871	10.5	\$1.32	20.7
P.F. Chang's (PFCB)	Miss Consensus	\$32.35	845,273	1,296,343	126,289	7.4	\$1.48	21.9
Child Place (PLCE)	Miss Consensus	\$25.08	732,336	2,398,466	214,312	3.4	\$2.78	9.0
Cato Corp (CTR)	Neutral	\$21.75	700,133	905,754	89,337	5.9	\$1.44	15.1
Overstock (OSTK)	Neutral	\$27.74	657,133	824,757	10,848	59.3	(\$0.66)	
Pier 1 (PIR)	Neutral	\$6.08	535,040	1,479,307	(280)		(\$0.64)	
Cas Male (CMRG)	Miss Consensus	\$10.03	434,680	509,627	55,966	8.8	\$0.50	19.9
Chit Russe (CHIC)	Beat Consensus	\$16.93	432,426	854,570	109,155	3.2	\$1.70	10.0
Tues Morning (TUES)	Miss Consensus	\$9.85	410,006	1,021,473	74,475	6.1	\$0.77	12.9
Wet Seal (WTSLA)	Miss Consensus	\$3.95	408,825	700,024	54,693	5.9	\$0.40	9.8
New York Co (NWC)	Beat Consensus	\$6.59	401,687	1,372,804	108,255	3.7	\$0.57	11.5
Build A Bear (BBW)	Miss Consensus	\$17.78	363,210	511,715	70,369	4.9	\$1.16	15.3
Hot Topic (HOTT)	Neutral	\$8.11	359,670	786,807	80,945	3.8	\$0.48	17.0

EV = Enterprise Value = Current Market Cap + MRQ Debt – MRQ Cash.

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## TRG Estimates vs. First Call Consensus (Listed in Market Cap Order)

21-Sep-07

Company	Current Fiscal Quarter					Next Fiscal Quarter					Next Fiscal Year				
	TRG EPS Est	First Call EPS Est	First Call EPS Hi-Lo	TRG Sales Est	First Call Sales Est	TRG EPS Est	First Call EPS Est	First Call EPS Hi-Lo	TRG Sales Est	First Call Sales Est	TRG EPS Est	First Call EPS Est	First Call EPS Hi-Lo	TRG Sales Est	First Call Sales Est
Wal-Mart (WMT)	0.62	0.63	0.62 - 0.68	92,036,761	91,791,200	0.95	1.01	0.96 - 1.07	107,855,311	107,442,200	3.32	3.39	3.16 - 3.60	408,834,864	407,789,300
Kohl's (KSS)	0.69	0.69	0.67 - 0.73	4,005,273	4,027,200	1.65	1.67	1.60 - 1.74	5,843,349	5,865,000	4.38	4.52	4.30 - 4.85	19,027,607	19,108,700
Yum Brands (YUM)	0.47	0.45	0.42 - 0.46	2,501,305	2,441,300	0.44	0.45	0.43 - 0.47	3,169,998	3,101,800	1.80	1.83	1.76 - 1.87	10,466,385	10,295,700
Coach (COH)	0.40	0.40	0.39 - 0.41	668,948	659,300	0.73	0.70	0.67 - 0.72	1,003,745	985,900	2.56	2.47	2.39 - 2.57	3,765,616	3,768,000
Macy's (M)	0.09	0.08	0.05 - 0.13	5,850,614	5,918,000	1.65	1.77	1.68 - 1.81	8,909,185	8,927,600	2.58	2.77	2.46 - 3.35	27,085,255	27,258,700
The Gap (GPS)	0.24	0.22	0.18 - 0.26	3,844,555	3,862,000	0.32	0.29	0.25 - 0.34	4,727,811	4,895,900	1.14	1.11	0.98 - 1.25	16,385,711	16,379,600
JC Penney (JCP)	1.34	1.29	1.28 - 1.33	5,000,047	4,985,000	2.26	2.39	2.22 - 2.49	6,708,406	6,589,300	6.09	6.30	5.75 - 6.50	21,476,149	21,694,700
TJX (TJX)	0.55	0.55	0.53 - 0.56	4,757,192	4,769,800	0.57	0.59	0.58 - 0.61	5,335,395	5,419,300	2.12	2.12	2.05 - 2.23	19,545,998	19,829,500
Nordstrom (JWN)	0.64	0.64	0.62 - 0.66	2,003,737	2,004,200	0.99	1.02	0.98 - 1.05	2,640,882	2,672,100	3.36	3.36	3.21 - 3.60	9,592,845	9,720,300
Bed Bath Bey (BBBY)	0.51	0.52	0.50 - 0.54	1,771,769	1,767,300	0.48	0.52	0.49 - 0.56	1,783,739	1,779,000	2.41	2.47	2.30 - 2.60	7,835,391	7,878,000
Aber & Fitch (ANF)	1.32	1.28	1.24 - 1.33	997,983	1,000,900	2.29	2.39	2.32 - 2.47	1,234,812	1,288,300	5.84	5.98	5.75 - 6.20	4,304,365	4,383,300
Darden (DRI)	0.47	0.50	0.47 - 0.54	1,376,756	1,398,300	0.85	0.82	0.73 - 0.86	1,520,765	1,585,300	3.09	3.15	3.01 - 3.27	6,267,710	6,931,700
Amer Eagle (AEO)	0.48	0.48	0.46 - 0.51	795,673	787,700	0.68	0.73	0.66 - 0.79	1,037,510	1,079,600	2.14	2.19	2.05 - 2.40	3,493,978	3,616,000
Urban Out (URBN)	0.23	0.24	0.22 - 0.28	375,346	374,200	0.24	0.27	0.24 - 0.35	424,851	436,800	1.00	1.12	1.00 - 1.25	1,718,354	1,772,500
Chipotle Mex (CMG)	0.56	0.53	0.47 - 0.61	279,803	278,200	0.47	0.49	0.45 - 0.58	283,300	285,300	2.55	2.49	2.22 - 2.69	1,308,232	1,320,000
Ross Stores (ROST)	0.33	0.35	0.33 - 0.37	1,489,372	1,497,500	0.65	0.66	0.62 - 0.70	1,684,675	1,690,900	2.04	2.18	2.05 - 2.26	6,509,820	6,647,900
Wil-Sonoma (WSM)	0.23	0.25	0.22 - 0.26	893,248	896,200	1.22	1.22	1.18 - 1.26	1,390,094	1,397,400	2.01	2.06	1.85 - 2.20	4,072,783	4,218,100
Brinker (EAT)	0.39	0.41	0.38 - 0.43	1,075,029	1,068,200	0.43	0.46	0.43 - 0.49	1,070,547	1,087,600	2.15	2.16	1.98 - 2.29	4,630,843	4,566,600
J Crew Grp (JCG)	0.36	0.37	0.35 - 0.39	316,761	315,000	0.36	0.40	0.38 - 0.42	393,118	405,000	1.70	1.83	1.74 - 1.90	1,473,007	1,507,100
Chico's (CHS)	0.18	0.19	0.17 - 0.22	431,050	454,000	0.18	0.16	0.12 - 0.21	481,276	499,300	1.00	1.05	0.94 - 1.19	1,993,875	2,126,400
Ann Taylor (ANN)	0.56	0.62	0.55 - 0.73	603,635	616,500	0.47	0.55	0.45 - 0.65	647,875	660,500	2.42	2.51	2.36 - 2.66	2,680,798	2,719,100
Applebee's (APPB)	0.25	0.26	0.24 - 0.28	320,720	324,300	0.22	0.26	0.23 - 0.31	317,286	326,000	1.21	1.34	1.26 - 1.50	1,364,569	1,371,700
Cheesecake (CAKE)	0.26	0.27	0.25 - 0.29	381,443	384,500	0.28	0.29	0.27 - 0.33	418,832	422,800	1.26	1.33	1.24 - 1.51	1,748,261	1,793,700
Guitar Ctr (GTRC)	0.33	0.35	0.30 - 0.39	533,723	535,900	1.18	1.25	1.18 - 1.30	705,341	706,600	2.68	3.17	3.03 - 3.38	2,443,674	2,503,700
Aeropostale (ARO)	0.48	0.46	0.44 - 0.49	430,039	423,600	0.70	0.76	0.72 - 0.81	531,462	565,000	1.78	1.80	1.69 - 1.90	1,715,625	1,775,800

\*Sales in thousands (000)

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21-Sep-07

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Bebe (BEBE)	0.19	0.18	0.16 - 0.21	164,052	166,100	0.30	0.28	0.23 - 0.32	216,097	222,000	1.01	1.07	1.00 - 1.15	813,655	887,700
Panera Bread (PNRA)	0.39	0.34	0.32 - 0.36	270,511	275,700	0.59	0.59	0.54 - 0.64	299,536	310,000	2.08	2.13	2.00 - 2.18	1,269,902	1,333,600
Zumiez (ZUMZ)	0.35	0.33	0.31 - 0.35	108,910	107,600	0.47	0.51	0.49 - 0.54	138,669	138,500	1.22	1.31	1.24 - 1.42	486,125	490,800
Gymboree (GYMB)	0.91	0.88	0.85 - 0.91	239,275	240,000	0.84	0.83	0.79 - 0.88	259,521	266,300	3.06	2.93	2.80 - 3.10	1,010,636	1,005,300
Cold Creek (CWTR)	0.14	0.14	0.11 - 0.17	307,702	302,900	0.16	0.20	0.17 - 0.22	414,015	425,700	0.62	0.76	0.64 - 0.94	1,472,560	1,521,200
Pac Sun (PSUN)	0.15	0.12	0.08 - 0.15	393,631	372,100	0.34	0.35	0.23 - 0.44	436,710	447,400	0.66	0.81	0.49 - 1.00	1,539,714	1,528,700
CKE Rest (CKR)	0.17	0.16	0.13 - 0.20	355,367	352,100	0.17	0.14	0.11 - 0.18	351,503	347,200	0.85	0.93	0.80 - 1.04	1,580,167	1,565,500
Tween Brands (TWB)	0.50	0.44	0.39 - 0.46	261,060	266,600	1.05	1.03	0.87 - 1.13	306,235	307,100	2.46	2.36	2.20 - 2.55	1,151,248	1,169,900
Talbots (TLB)	0.14	0.21	0.13 - 0.26	585,325	591,000	0.00	0.19	0.15 - 0.24	621,821	658,200	0.39	0.92	0.57 - 1.28	2,511,613	2,534,400
Hibbett Sports (HIBB)	0.28	0.24	0.21 - 0.29	140,528	135,500	0.40	0.44	0.39 - 0.50	155,666	162,900	1.32	1.42	1.28 - 1.58	602,479	628,700
PF Chang's (PFCB)	0.24	0.25	0.23 - 0.28	274,901	272,600	0.33	0.34	0.32 - 0.35	294,661	291,300	1.48	1.56	1.50 - 1.62	1,296,343	1,275,300
Child Place (PLCE)	0.98	0.98	0.87 - 1.02	580,043	588,800	1.54	1.79	1.65 - 1.84	668,927	692,900	2.78	2.85	2.50 - 3.08	2,398,466	2,412,700
Cato Corp (CTR)	0.12	0.13	0.11 - 0.15	194,611	199,400	0.23	0.23	0.21 - 0.25	226,260	228,000	1.44	1.58	1.50 - 1.63	905,754	949,200
Overstock (OSTK)	(0.41)	(0.37)	(0.45) - (0.27)	161,880	155,500	(0.17)	0.17	0.05 - 0.29	299,883	293,600	(0.66)	(0.54)	(0.91) - 0.00	824,757	807,700
Pier 1 (PIR)	(0.13)	(0.23)	(0.45) - (0.03)	381,158	375,100	(0.20)	0.04	(0.37) - 0.41	422,514	438,900	(0.64)	(0.26)	(0.83) - 0.86	1,479,307	1,523,900
Casual Male (CMRG)	0.03	0.03	0.00 - 0.06	112,194	113,800	0.25	0.34	0.30 - 0.36	147,653	157,000	0.50	0.65	0.59 - 0.73	509,627	536,200
Charlotte Russe (CHIC)	0.37	0.35	0.32 - 0.36	193,834	193,500	0.58	0.57	0.50 - 0.67	237,001	234,400	1.70	1.61	1.19 - 1.85	854,570	847,700
Tues Morning (TUES)	0.05	0.07	0.03 - 0.10	206,184	206,900	0.56	0.63	0.61 - 0.65	342,543	344,100	0.77	0.82	0.77 - 0.86	1,021,473	987,300
Wet Seal (WTSLA)	0.08	0.09	0.07 - 0.10	159,730	160,700	0.10	0.13	0.09 - 0.18	179,567	181,500	0.40	0.41	0.28 - 0.57	700,024	724,600
New York & Co (NWCY)	0.07	0.04	0.02 - 0.06	291,406	287,500	0.30	0.26	0.22 - 0.30	406,574	404,900	0.57	0.58	0.50 - 0.70	1,372,804	1,393,000
Build A Bear (BBW)	0.05	0.17	0.11 - 0.24	104,489	114,000	0.56	0.72	0.60 - 0.92	145,541	159,000	1.16	1.60	1.30 - 1.85	511,715	551,600
Hot Topic (HOTT)	0.14	0.15	0.13 - 0.18	195,558	194,400	0.27	0.28	0.19 - 0.32	232,211	235,400	0.48	0.53	0.28 - 0.79	786,807	778,900
Citi Trends (CTRN)	0.16	0.19	0.16 - 0.21	100,592	105,400	0.71	0.77	0.71 - 0.82	138,493	142,100	1.68	1.79	1.70 - 2.05	523,844	547,400
Cache (CACH)	(0.02)	(0.04)	(0.08) - (0.01)	60,996	58,900	0.39	0.44	0.35 - 0.50	85,983	82,900	0.71	0.78	0.62 - 0.90	312,080	295,300
Rest Hardware (RSTO)	(0.23)	(0.22)	(0.23) - (0.20)	181,098	183,300	0.39	0.54	0.41 - 0.59	240,061	249,300	(0.12)	0.07	(0.20) - 0.25	852,544	838,400

\*Sales in thousands (000)

## TRG Behind the Numbers (Listed in Market Cap Order)

21-Sep-07

	Wal-Mart (WMT)	Kohl's (KSS)	Yum Brands (YUM)	Coach (COH)	The Gap (GPS)	Macy's (M)	JC Penney (JCP)	TJX (TJX)	Nordstrom (JWN)	Bed Bath Bey (BBBY)	Aber & Fitch (ANF)	Darden (DRI)
Current Price	\$44.23	\$60.27	\$34.28	\$48.28	\$18.55	\$33.12	\$66.48	\$30.09	\$50.74	\$33.43	\$79.83	\$43.82
MRQ Dil Shares	4,128,000	323,200	550,000	380,462	816,765	457,800	225,300	473,319	255,354	278,249	92,294	146,200
Market Cap	182,581,440	19,479,264	18,854,000	18,368,705	15,150,991	15,162,336	14,977,944	14,242,169	12,956,662	9,301,864	7,367,830	6,406,484
MRQ Debt/Pref	42,200,000	1,355,847	2,242,000	3,100	514,000	10,307,000	3,810,000	812,300	1,500,256	0	0	670,500
MRQ Cash	6,563,000	265,477	341,000	1,185,816	2,738,000	249,000	2,180,000	533,800	179,033	770,090	410,580	47,300
2003 Revenues	256,329,000	10,282,094	8,380,000	1,321,106	15,854,000	15,264,000	17,513,000	13,327,938	6,448,678	4,477,981	1,707,810	4,794,700
2004 Revenues	281,488,000	11,700,619	9,011,000	1,651,704	16,267,000	15,776,000	18,096,000	14,860,746	7,131,388	5,147,678	2,021,252	4,977,600
2005 Revenues	308,945,000	13,402,217	9,349,000	2,035,085	16,023,000	22,390,000	18,781,000	15,955,943	7,722,860	5,809,562	2,784,711	5,353,600
2006 Revenues	344,992,000	15,544,184	9,561,000	2,612,456	15,943,000	26,970,000	19,903,000	17,404,637	8,560,698	6,617,429	3,318,158	5,567,100
2007 Revenues	375,159,072	17,009,822	10,261,302	3,206,123	15,815,366	26,572,799	20,448,453	18,513,966	8,987,984	7,175,099	3,779,743	5,909,219
2008 Revenues	404,479,864	19,027,607	10,466,385	3,765,616	16,385,711	27,085,255	21,476,149	19,545,998	9,592,845	7,835,391	4,304,365	6,267,710
2003 Comp Sales	4.1%	-1.6%	0.0%	16.9%	7.0%	-0.9%	0.8%	1.0%	4.3%	6.3%	-9.0%	
2004 Comp Sales	3.3%	0.3%	3.0%	18.2%	0.0%	2.6%	4.9%	5.0%	8.5%	4.5%	2.0%	
2005 Comp Sales	3.6%	3.6%	4.0%	20.7%	-5.0%	1.3%	2.9%	2.0%	6.0%	4.6%	26.0%	
2006 Comp Sales	2.1%	5.9%	-0.1%	22.3%	-7.0%	4.4%	3.7%	4.0%	7.5%	4.9%	2.0%	
2007 Comp Sales	1.6%	2.1%	-2.0%	14.9%	-3.4%	-0.9%	2.0%	2.7%	5.9%	1.8%	-1.5%	
2008 Comp Sales	1.6%	2.0%	2.0%	9.9%	1.5%	1.2%	2.0%	1.7%	2.5%	2.0%	0.6%	
2003 EPS	\$2.03	\$1.59	\$1.01	\$0.62	\$1.09	\$1.86	(\$3.05)	\$1.16	\$0.88	\$1.31	\$2.06	\$1.34
2004 EPS	\$2.41	\$2.04	\$1.21	\$0.86	\$1.21	\$1.93	\$1.76	\$1.21	\$1.38	\$1.65	\$2.28	\$1.78
2005 EPS	\$2.68	\$2.43	\$1.27	\$1.19	\$1.23	\$3.16	\$4.26	\$1.41	\$1.98	\$1.92	\$3.66	\$2.16
2006 EPS	\$2.71	\$3.31	\$1.46	\$1.69	\$0.93	\$1.80	\$4.97	\$1.55	\$2.55	\$2.09	\$4.59	\$1.35
2007 EPS	\$2.97	\$3.81	\$1.64	\$2.12	\$0.97	\$1.92	\$5.43	\$1.57	\$2.92	\$2.10	\$5.11	\$2.77
2008 EPS	\$3.32	\$4.38	\$1.80	\$2.56	\$1.14	\$2.58	\$6.09	\$2.12	\$3.36	\$2.41	\$5.84	\$3.09
2008 EPS P/E	13.3	13.8	19.1	18.9	16.2	12.8	10.9	14.2	15.1	13.9	13.7	14.2
2003 EBITDA	19,031,000	1,198,038	1,481,000	445,404	2,590,000	2,110,000	1,133,000	1,252,375	584,686	723,988	420,719	633,500
2004 EBITDA	21,485,000	1,482,219	1,590,500	589,960	2,700,000	2,233,000	1,646,000	1,325,333	824,289	889,905	498,350	687,500
2005 EBITDA	23,317,400	1,755,789	1,613,000	779,822	2,341,000	3,114,000	1,949,000	1,361,886	1,010,499	990,282	680,406	761,300
2006 EBITDA	25,871,000	2,203,100	1,746,000	1,074,284	1,659,000	3,538,000	2,277,000	1,622,524	1,194,406	1,022,356	804,246	773,700
2007 EBITDA	26,931,338	2,469,322	1,866,826	1,328,971	1,784,092	3,367,153	2,512,778	1,759,497	1,266,891	1,038,282	915,599	801,460
2008 EBITDA	29,228,220	2,801,405	1,957,439	1,555,258	1,938,872	3,550,891	2,713,958	1,880,140	1,396,060	1,135,372	1,025,300	851,432
EV vs. 2008 EBITDA	7.5	7.3	10.6	11.1	6.7	7.1	6.1	7.7	10.2	7.5	6.8	8.3
2003 EBIT %	5.92%	9.25%	12.89%	30.68%	12.08%	9.17%	4.27%	7.61%	5.18%	14.28%	19.33%	9.11%
2004 EBIT %	6.15%	10.20%	12.68%	32.67%	12.82%	9.50%	7.11%	7.04%	7.85%	15.39%	19.20%	9.90%
2005 EBIT %	6.04%	10.57%	12.24%	35.12%	10.71%	9.55%	8.40%	6.57%	9.51%	15.13%	19.77%	10.54%
2006 EBIT %	5.92%	11.68%	13.25%	38.03%	7.08%	8.43%	9.49%	7.29%	10.63%	14.00%	19.53%	10.30%
2007 EBIT %	5.55%	11.84%	13.22%	38.52%	7.82%	7.70%	10.22%	7.50%	10.97%	12.32%	19.05%	10.07%
2008 EBIT %	5.63%	11.93%	13.69%	38.38%	8.42%	7.98%	10.53%	7.62%	11.34%	12.32%	18.80%	10.15%

\*Italics indicate TRG estimate. Most EPS numbers and estimates include non-recurring charges and discontinued operations. Most historical/estimated EBITDA/EBIT% numbers exclude non-recurring charges.

(1) CTR EBIT % includes credit operations.

(2) JWN EBIT % & EBITDA excludes credit revenue but includes credit operational expenses (embedded in SG&A).

(3) OSTK EPS is GAAP (excludes tax) and includes deemed dividends and amortization of stock-based compensation.

(4) RSTO EPS in FY 2006/FY 2007 is GAAP (excludes tax).

## TRG Behind the Numbers (Listed in Market Cap Order)

21-Sep-07

	Amer Eagle (AEO)	Urban Out (URBN)	Chipotle Mex (CMG)	Ross Stores (ROST)	Wm Sonoma (WSM)	Brinker (EAT)	J. Crew Grp (JCG)	Chico's (CHS)	Ann Taylor (ANN)	Applebee's (APPB)	Cheesecake (CAKE)	Guitar Ctr (GTRC)
Current Price	\$25.80	\$22.30	\$113.90	\$26.54	\$31.00	\$28.80	\$45.30	\$14.65	\$32.46	\$24.82	\$24.32	\$57.76
MRQ Dil Shares	222,044	169,710	33,065	138,280	112,022	118,032	63,806	176,718	63,379	75,438	72,818	30,276
Market Cap	5,728,735	3,784,533	3,766,104	3,669,951	3,472,682	3,399,322	2,890,412	2,588,919	2,057,282	1,872,371	1,770,934	1,748,742
MRQ Debt/Pref	0	0	4,073	150,000	28,238	826,918	175,000	0	0	144,666	197,170	170,498
MRQ Cash	759,725	241,492	156,217	196,547	58,039	74,409	119,672	287,142	114,371	7,964	90,902	13,624
2003 Revenues	1,435,436	548,361	315,520	3,920,583	2,754,368	3,541,005	689,965	768,499	1,587,708	989,909	773,835	1,275,059
2004 Revenues	1,881,241	827,750	470,721	4,239,990	3,136,931	3,749,539	804,216	1,066,882	1,853,583	1,111,634	969,232	1,513,172
2005 Revenues	2,321,962	1,092,107	627,695	4,944,179	3,538,947	4,151,291	953,188	1,404,575	2,073,146	1,216,650	1,182,053	1,782,499
2006 Revenues	2,794,409	1,224,717	822,930	5,570,210	3,727,513	4,376,904	1,152,100	1,646,482	2,342,907	1,337,921	1,315,325	2,029,966
2007 Revenues	3,148,758	1,463,190	1,073,544	6,029,220	3,958,789	4,393,487	1,311,922	1,801,443	2,446,270	1,307,793	1,530,025	2,292,447
2008 Revenues	3,493,978	1,718,354	1,308,232	6,509,820	4,072,783	4,630,843	1,473,007	1,993,875	2,680,798	1,364,569	1,748,261	2,443,674
2003 Comp Sales	-6.6%	12.9%	24.4%	1.0%	4.0%	2.3%	-2.5%	16.1%	5.3%	5.2%	0.7%	7.0%
2004 Comp Sales	21.4%	21.6%	13.3%	-1.0%	3.5%	2.5%	16.4%	12.9%	3.6%	3.8%	3.9%	9.0%
2005 Comp Sales	16.0%	10.9%	10.2%	6.0%	4.9%	1.5%	13.4%	14.3%	0.1%	-0.9%	1.7%	5.8%
2006 Comp Sales	12.0%	-6.0%	13.7%	4.0%	0.3%	-2.7%	13.0%	2.1%	2.8%	-0.9%	-0.6%	3.7%
2007 Comp Sales	3.5%	2.6%	9.8%	0.7%	0.4%	0.3%	5.6%	-3.9%	-1.9%	-1.3%	0.9%	0.6%
2008 Comp Sales	2.0%	1.9%	6.5%	0.8%	1.4%	1.5%	3.0%	1.3%	2.0%	1.2%	1.0%	1.5%
2003 EPS	\$0.28	\$0.30	(\$0.34)	\$1.47	\$1.32	\$0.98		\$0.57	\$1.42	\$1.10	\$0.71	\$1.47
2004 EPS	\$0.95	\$0.54	\$0.24	\$1.13	\$1.60	\$1.15		\$0.78	\$0.88	\$1.33	\$0.82	\$2.29
2005 EPS	\$1.26	\$0.77	\$1.43	\$1.36	\$1.81	\$1.62		\$1.06	\$1.13	\$1.27	\$1.10	\$2.67
2006 EPS	\$1.70	\$0.69	\$1.28	\$1.70	\$1.79	\$1.85		\$0.93	\$1.98	\$1.08	\$1.02	\$0.01
2007 EPS	\$1.87	\$0.83	\$2.02	\$1.83	\$1.84	\$1.91	\$1.43	\$0.86	\$1.99	\$1.09	\$1.08	\$2.40
2008 EPS	\$2.14	\$1.00	\$2.55	\$2.04	\$2.01	\$2.15	\$1.70	\$1.00	\$2.42	\$1.21	\$1.26	\$2.68
2008 EPS P/E	12.1	22.4	44.7	13.0	15.4	13.4	26.6	14.7	13.4	20.5	19.3	21.5
2003 EBITDA	193,236	105,716	11,659	455,208	354,321	482,940	16,000	186,774	238,085	193,759	107,593	92,669
2004 EBITDA	430,979	187,961	33,586	390,311	421,593	493,948	74,703	264,562	196,224	213,431	135,436	131,992
2005 EBITDA	539,317	245,477	62,139	419,624	481,789	499,957	114,658	347,165	240,844	216,617	174,918	166,922
2006 EBITDA	674,823	219,702	100,187	497,785	457,532	524,491	159,139	329,009	329,727	208,013	161,725	167,525
2007 EBITDA	730,508	271,867	148,461	531,638	476,853	532,027	196,140	318,882	321,151	210,512	183,214	174,364
2008 EBITDA	811,464	327,902	187,818	582,883	519,366	550,654	230,590	362,114	373,084	219,041	210,766	189,356
EV vs. 2008 EBITDA	6.1	10.8	19.2	6.2	6.6	7.5	12.8	6.4	5.2	9.2	8.9	10.1
2003 EBIT %	9.28%	14.72%	-1.09%	9.52%	9.25%	8.90%	-3.92%	21.30%	10.79%	15.42%	10.25%	5.65%
2004 EBIT %	19.28%	18.86%	2.50%	6.97%	9.88%	8.38%	4.68%	21.42%	6.34%	15.06%	10.26%	7.25%
2005 EBIT %	19.84%	18.88%	5.43%	6.58%	10.13%	7.46%	8.52%	21.24%	7.09%	13.32%	10.98%	7.74%
2006 EBIT %	21.00%	13.39%	8.01%	7.00%	8.65%	7.66%	10.90%	15.77%	9.55%	10.63%	8.26%	6.44%
2007 EBIT %	19.85%	13.85%	9.79%	6.81%	8.41%	8.06%	12.36%	12.63%	8.29%	10.71%	7.76%	5.69%
2008 EBIT %	19.93%	14.60%	10.28%	6.85%	8.73%	7.97%	12.84%	13.00%	8.92%	10.59%	7.70%	5.78%

\*Italics indicate TRG estimate. Most EPS numbers and estimates include non-recurring charges and discontinued operations. Most historical/estimated EBITDA/EBIT% numbers exclude non-recurring charges.

(1) CTR EBIT % includes credit operations.

(2) JWN EBIT % & EBITDA excludes credit revenue but includes credit operational expenses (embedded in SG&A).

(3) OSTK EPS is GAAP (excludes tax) and includes deemed dividends and amortization of stock-based compensation.

(4) RSTO EPS in FY 2006/FY 2007 is GAAP (excludes tax).

## TRG Behind the Numbers (Listed in Market Cap Order)

21-Sep-07

	Aeropostale (ARO)	Bebe (BEBE)	Payless (PSS)	Panera Bread (PNRA)	Zumiez (ZUMZ)	Gymboree (GYMB)	Cold Creek (CWTR)	Pac Sun (PSUN)	CKE (CKR)	Tween Brands (TWB)	Talbots (TLB)	Hibbett (HIBB)
Current Price	\$20.11	\$15.07	\$21.70	\$43.28	\$47.02	\$38.31	\$11.80	\$15.85	\$16.10	\$31.41	\$17.75	\$27.24
MRQ Dil Shares	78,171	95,117	65,700	32,250	29,186	30,452	94,733	70,065	65,342	31,363	52,980	31,695
Market Cap	1,572,019	1,433,413	1,425,690	1,395,780	1,372,326	1,166,616	1,117,849	1,110,530	1,052,006	985,112	940,395	863,372
MRQ Debt/Pref	0	0	203,200	0	0	0	0	0	288,187	0	442,137	5,778
MRQ Cash	203,996	392,703	329,400	20,700	33,422	34,023	133,478	42,264	19,611	72,040	8,160	9,872
2003 Revenues	734,868	372,257	2,662,400	363,702	117,857	549,272	518,844	1,041,456	1,413,420	598,681	1,594,790	320,964
2004 Revenues	964,212	509,527	2,656,200	479,139	153,583	589,019	590,310	1,229,762	1,519,881	675,834	1,697,843	377,534
2005 Revenues	1,204,347	579,073	2,665,700	640,275	205,589	667,492	779,663	1,391,473	1,518,347	757,936	1,808,606	440,269
2006 Revenues	1,413,208	670,912	2,796,700	828,972	298,177	791,638	1,054,611	1,447,204	1,562,340	883,683	2,231,033	512,094
2007 Revenues	<i>1,548,519</i>	<i>731,781</i>	<i>3,181,171</i>	<i>1,062,683</i>	<i>398,344</i>	<i>890,450</i>	<i>1,256,484</i>	<i>1,495,145</i>	<i>1,551,763</i>	<i>1,004,225</i>	<i>2,352,746</i>	<i>544,441</i>
2008 Revenues	<i>1,715,625</i>	<i>813,655</i>	<i>3,696,874</i>	<i>1,269,902</i>	<i>486,125</i>	<i>1,010,636</i>	<i>1,472,560</i>	<i>1,539,714</i>	<i>1,580,167</i>	<i>1,151,248</i>	<i>2,511,613</i>	<i>602,479</i>
2003 Comp Sales	6.6%	9.5%	-3.3%	0.2%	4.3%	1.0%	NR	13.1%	NR	-13.0%	-3.8%	5.3%
2004 Comp Sales	8.7%	25.7%	-0.8%	2.7%	9.6%	2.0%	NR	7.3%	7.4%	4.0%	1.7%	5.7%
2005 Comp Sales	3.5%	6.1%	2.4%	7.8%	14.2%	9.0%		3.2%	1.0%	5.0%	2.6%	5.6%
2006 Comp Sales	2.0%	2.9%	3.5%	4.1%	13.0%	11.8%	8.0%	-4.7%	4.8%	6.0%	0.7%	3.8%
2007 Comp Sales	<i>-0.8%</i>	<i>-1.7%</i>	<i>2.2%</i>	<i>2.1%</i>	<i>9.8%</i>	<i>2.7%</i>	<i>-0.5%</i>	<i>2.3%</i>	<i>1.8%</i>	<i>1.4%</i>	<i>-2.4%</i>	<i>1.0%</i>
2008 Comp Sales	<i>2.3%</i>	<i>2.5%</i>	<i>3.0%</i>	<i>2.6%</i>	<i>4.2%</i>	<i>2.5%</i>	<i>1.1%</i>	<i>2.2%</i>	<i>2.0%</i>	<i>2.0%</i>	<i>2.0%</i>	<i>2.0%</i>
2003 EPS	\$0.62	\$0.38	\$0.25	\$1.00	\$0.17	\$0.85	\$0.15	\$1.02	(\$0.92)	\$0.67	\$1.78	\$0.55
2004 EPS	\$0.98	\$0.71	\$0.55	\$1.25	\$0.28	\$0.69	\$0.32	\$1.38	\$0.30	\$1.19	\$1.70	\$0.70
2005 EPS	\$1.00	\$0.79	\$1.07	\$1.65	\$0.47	\$1.19	\$0.44	\$1.67	\$2.51	\$1.60	\$1.72	\$0.98
2006 EPS	\$1.32	\$0.81	\$1.87	\$1.84	\$0.73	\$2.15	\$0.59	\$0.56	\$0.36	\$1.95	\$0.59	\$1.17
2007 EPS	<i>\$1.54</i>	<i>\$0.89</i>	<i>\$1.47</i>	<i>\$1.84</i>	<i>\$0.99</i>	<i>\$2.60</i>	<i>\$0.52</i>	<i>\$0.27</i>	<i>\$0.69</i>	<i>\$1.92</i>	<i>(\$0.01)</i>	<i>\$1.14</i>
2008 EPS	<i>\$1.78</i>	<i>\$1.01</i>	<i>\$1.94</i>	<i>\$2.08</i>	<i>\$1.22</i>	<i>\$3.06</i>	<i>\$0.62</i>	<i>\$0.66</i>	<i>\$0.85</i>	<i>\$2.46</i>	<i>\$0.39</i>	<i>\$1.32</i>
2008 EPS P/E	11.3	15.0	11.2	20.8	38.5	12.5	19.1	24.2	19.0	12.8	45.7	20.7
2003 EBITDA	100,714	65,047	122,000	68,242	11,646	67,331	37,234	173,376	97,865	71,074	244,183	40,512
2004 EBITDA	158,665	118,879	184,300	87,136	17,866	58,059	67,308	221,698	132,763	90,193	227,224	49,361
2005 EBITDA	157,778	120,181	219,800	114,106	27,583	93,603	92,453	260,434	154,576	110,517	242,275	61,841
2006 EBITDA	188,310	125,009	251,000	135,758	42,943	139,433	122,755	157,924	140,840	128,219	218,569	72,670
2007 EBITDA	<i>223,174</i>	<i>133,382</i>	<i>300,453</i>	<i>149,463</i>	<i>59,228</i>	<i>157,692</i>	<i>123,633</i>	<i>117,298</i>	<i>159,355</i>	<i>123,542</i>	<i>177,258</i>	<i>71,320</i>
2008 EBITDA	<i>253,178</i>	<i>150,472</i>	<i>376,272</i>	<i>176,227</i>	<i>74,254</i>	<i>178,755</i>	<i>146,703</i>	<i>159,584</i>	<i>165,920</i>	<i>147,995</i>	<i>215,020</i>	<i>81,871</i>
EV vs. 2008 EBITDA	5.4	6.9	3.5	7.8	18.0	6.3	6.7	6.7	8.0	6.2	6.4	10.5
2003 EBIT %	12.00%	14.16%	0.97%	13.73%	6.33%	7.53%	3.91%	12.31%	1.82%	7.74%	10.45%	9.60%
2004 EBIT %	14.73%	20.62%	3.38%	12.91%	7.82%	4.74%	8.09%	13.82%	4.34%	9.53%	8.37%	10.44%
2005 EBIT %	11.25%	18.05%	4.85%	12.67%	9.75%	9.61%	8.43%	14.18%	5.96%	10.95%	8.41%	11.75%
2006 EBIT %	11.20%	15.69%	5.81%	11.05%	10.88%	13.98%	7.96%	5.90%	5.02%	10.98%	4.35%	12.06%
2007 EBIT %	<i>12.07%</i>	<i>15.11%</i>	<i>6.09%</i>	<i>8.40%</i>	<i>11.36%</i>	<i>14.28%</i>	<i>5.90%</i>	<i>3.56%</i>	<i>6.09%</i>	<i>8.76%</i>	<i>1.69%</i>	<i>10.83%</i>
2008 EBIT %	<i>12.31%</i>	<i>15.30%</i>	<i>6.96%</i>	<i>8.04%</i>	<i>11.90%</i>	<i>14.20%</i>	<i>6.16%</i>	<i>4.71%</i>	<i>6.20%</i>	<i>9.24%</i>	<i>2.59%</i>	<i>11.28%</i>

\*Italics indicate TRG estimate. Most EPS numbers and estimates include non-recurring charges and discontinued operations. Most historical/estimated EBITDA/EBIT% numbers exclude non-recurring charges.

(1) CTR EBIT % includes credit operations.

(2) JWN EBIT % & EBITDA excludes credit revenue but includes credit operational expenses (embedded in SG&A).

(3) OSTK EPS is GAAP (excludes tax) and includes deemed dividends and amortization of stock-based compensation.

(4) RSTO EPS in FY 2006/FY 2007 is GAAP (excludes tax).

## TRG Behind the Numbers (Listed in Market Cap Order)

21-Sep-07

	PF Chang's (PFCB)	Child Place (PLCE)	Cato Corp (CTR)	Overstock (OSTK)	Pier 1 (PIR)	Cas Male (CMRG)	Clt Russe (CHIC)	Tues Morning (TUES)	Wet Seal (WTSLA)	New York Co. (NWy)	Build Bear (BBW)	Hot Topic (HOTT)
Current Price	\$32.35	\$25.08	\$21.75	\$27.74	\$6.08	\$10.03	\$16.93	\$9.85	\$3.95	\$6.59	\$17.78	\$8.11
MRQ Dil Shares	26,129	29,200	32,190	23,689	88,000	43,338	25,542	41,625	103,500	60,954	20,428	44,349
Market Cap	845,273	732,336	700,133	657,133	535,040	434,680	432,426	410,006	408,825	401,687	363,210	359,670
MRQ Debt/Pref	100,510	72,225	0	79,257	184,000	61,997	0	56,500	5,299	28,500	0	0
MRQ Cash	9,469	83,118	170,316	93,026	121,872	5,902	87,514	10,303	93,399	27,749	17,205	49,071
2003 Revenues	539,917	797,938	731,770	238,945	1,806,092	339,305	449,035	822,646	517,870	961,780	213,672	572,039
2004 Revenues	706,941	1,157,548	773,809	494,635	1,825,343	365,047	511,259	897,841	435,582	1,040,028	301,662	656,468
2005 Revenues	809,153	1,668,736	821,639	799,316	1,776,701	421,383	681,504	931,827	500,807	1,130,544	361,809	725,142
2006 Revenues	937,606	2,017,713	862,813	788,150	1,623,216	467,512	744,444	911,107	564,324	1,193,193	437,072	751,558
2007 Revenues	1,101,377	2,152,170	857,878	768,660	1,504,613	485,359	854,570	957,247	620,630	1,276,345	467,227	746,735
2008 Revenues	1,296,343	2,398,466	905,754	824,757	1,479,307	509,627		1,021,473	700,024	1,372,804	511,715	786,807
2003 Comp Sales	5.1%	4.0%	-7.0%		-2.2%		2.7%	3.4%	-16.4%	5.3%	-15.9%	7.4%
2004 Comp Sales	3.0%	16.0%	0.0%		-5.8%		0.3%	-1.7%	-13.0%	7.2%	18.1%	-2.9%
2005 Comp Sales	1.2%	9.0%	1.0%		-7.1%		15.3%	-4.0%	44.7%	3.2%	-0.2%	-3.4%
2006 Comp Sales	-0.3%	10.0%	-2.0%		-11.3%		1.5%	-7.9%	6.1%	-2.6%	-6.5%	-6.6%
2007 Comp Sales	-1.7%	-0.8%	-2.3%		-2.4%		1.8%	-1.4%	-0.1%	1.1%	-8.2%	-3.0%
2008 Comp Sales	-0.5%	2.1%	1.3%		2.3%			0.8%	2.0%	2.0%	-2.7%	1.4%
2003 EPS	\$0.94	\$0.84	\$0.88	(\$0.73)	\$1.28	\$0.10	\$0.72	\$1.29	(\$1.62)	\$0.31	\$0.43	\$0.96
2004 EPS	\$0.98	\$1.55	\$1.11	(\$0.26)	\$0.71	(\$0.03)	\$0.70	\$1.50	(\$5.99)	\$0.33	\$1.07	\$0.83
2005 EPS	\$1.40	\$2.27	\$1.41	(\$1.29)	(\$0.32)	\$0.14	\$1.50	\$1.46	(\$1.19)	\$1.02	\$1.35	\$0.49
2006 EPS	\$1.24	\$2.82	\$1.62	(\$4.73)	(\$2.60)	\$0.98	\$1.47	\$0.87	(\$0.18)	\$0.77	\$1.44	\$0.30
2007 EPS	\$1.33	\$2.09	\$1.32	(\$1.38)	(\$1.46)	\$0.36	\$1.70	\$0.69	\$0.32	\$0.45	\$1.08	\$0.35
2008 EPS	\$1.48	\$2.78	\$1.44	(\$0.66)	(\$0.64)	\$0.50		\$0.77	\$0.40	\$0.57	\$1.16	\$0.48
2008 EPS P/E	21.9	9.0	15.1	(42.2)	(9.5)	19.9		12.9	9.8	11.5	15.3	17.0
2003 EBITDA	66,449	82,787	66,874	(8,877)	253,189	24,606	51,026	109,274	(34,714)	75,204	25,275	96,170
2004 EBITDA	88,881	123,357	73,070	(592)	180,173	16,186	55,471	115,661	(81,982)	127,315	49,418	88,007
2005 EBITDA	98,074	156,985	86,270	(5,609)	45,769	29,590	92,214	115,051	26,446	129,291	60,295	67,755
2006 EBITDA	99,350	211,003	91,016	(52,688)	(111,034)	41,678	94,184	75,191	38,621	111,870	69,787	63,873
2007 EBITDA	108,563	175,651	79,554	(1,745)	(54,868)	47,099	109,155	66,530	43,006	88,666	64,004	67,266
2008 EBITDA	126,289	214,312	89,337	10,848	(280)	55,966		74,475	54,693	108,255	70,369	80,945
EV vs. 2008 EBITDA	7.4	3.4	5.9	59.3	(2,130.9)	8.8		6.1	5.9	3.7	4.9	3.8
2003 EBIT %	8.27%	4.58%	6.20%	-5.04%	10.44%	5.05%	6.22%	12.08%	-12.14%	6.36%	5.82%	13.25%
2004 EBIT %	8.45%	6.42%	6.81%	-0.99%	5.73%	1.73%	5.37%	11.59%	-23.91%	10.25%	11.43%	9.65%
2005 EBIT %	7.55%	6.24%	8.03%	-2.66%	-1.86%	4.00%	8.66%	10.78%	2.92%	9.20%	11.80%	4.88%
2006 EBIT %	5.86%	7.24%	8.12%	-11.18%	-10.75%	5.69%	7.80%	6.42%	4.65%	6.65%	10.84%	3.32%
2007 EBIT %	4.78%	4.74%	6.59%	-4.20%	-7.18%	6.16%	7.98%	5.05%	4.69%	3.94%	7.33%	3.23%
2008 EBIT %	4.60%	5.47%	7.08%	-1.78%	-3.40%	7.41%		5.36%	5.21%	4.87%	7.07%	4.29%

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(3) OSTK EPS is GAAP (excludes tax) and includes deemed dividends and amortization of stock-based compensation.

(4) RSTO EPS in FY 2006/FY 2007 is GAAP (excludes tax).

## TRG Behind the Numbers (Listed in Market Cap Order)

21-Sep-07

	Citi Trends (CTRN)	Cache (CACH)	Rest Hard (RSTO)	Cost Plus (CPWM)	Shrp Image (SHRP)	Rocky Shoes (RCKY)	Kirkland's (KIRK)	Bombay (BBAO.OB)	Linens N' (ex-LIN)	J Jill (ex-JILL)	Stride Rite (SRR)	Wild Oats (OATS)
Current Price	\$23.22	\$18.00	\$3.12	\$4.52	\$4.36	\$10.56	\$1.53	\$0.06	Acquired 02.14.2006 Apollo \$1.3B	Acquired 05.03.2006 TLB \$517M	Acquired 08.17.2007 PSS (CBI) \$900M	Acquired 08.28.2007 WFMI \$565M
MRQ Dil Shares	14,249	16,672	38,798	22,086	15,137	5,474	19,501	36,353				
Market Cap	330,862	300,096	121,050	99,829	65,997	57,805	29,837	2,181				
MRQ Debt/Pref	0	0	106,497	168,403	801	102,739	12,911	78,559	917,168	10,892	54,200	147,926
MRQ Cash	57,596	66,012	2,739	3,192	38,872	1,446	2,465	3,816	16,963	56,002	21,340	38,080
2003 Revenues	157,198	216,256	438,508	801,566	647,511	106,165	369,158	596,435	2,395,272	376,904	550,124	969,204
2004 Revenues	203,442	247,300	525,823	908,560	760,003	132,249	394,429	576,087	2,661,469	434,867	558,324	1,048,164
2005 Revenues	289,804	266,345	581,657	970,441	668,993	296,023	415,092	565,074	2,694,742	449,712	588,164	1,123,957
2006 Revenues	381,918	278,992	712,810	1,040,309	525,251	263,491	446,828	536,325	2,819,336	476,265	706,755	1,183,022
2007 Revenues	442,487	282,361	748,258	1,022,983	431,750	277,953	411,353	472,776	2,816,338			1,245,559
2008 Revenues	523,844	312,080	852,544	1,048,692	447,222	292,333	415,144	416,810	2,944,839			1,374,629
2003 Comp Sales	5.7%	3.0%	5.2%	2.7%	15.3%		-0.2%	13.0%	1.3%	NR	4.7%	2.4%
2004 Comp Sales	3.0%	5.0%	7.8%	0.9%	-1.1%		-5.0%	-12.0%	1.8%	11.1%	6.9%	1.4%
2005 Comp Sales	16.7%	4.0%	-0.3%	-2.6%	-16.0%		-6.9%	-1.8%	-5.9%	-1.2%	5.2%	3.8%
2006 Comp Sales	8.2%	6.0%	5.8%	-3.3%	-25.4%		-6.6%	-5.4%	-0.7%	2.5%	3.4%	1.9%
2007 Comp Sales	1.3%	2.0%	-8.8%	-4.8%	-8.0%		-10.4%	-4.6%	-3.7%			2.4%
2008 Comp Sales	2.0%	2.6%	2.4%	1.6%	6.0%		1.6%	1.0%	1.4%			2.0%
2003 EPS	\$0.54	\$0.75	(\$0.08)	\$1.46	\$1.38	\$1.32	\$0.92	\$0.28	\$1.62	\$0.35	\$0.64	\$0.05
2004 EPS	\$0.67	\$0.83	\$0.04	\$1.26	\$0.71	\$1.74	\$0.34	(\$0.34)	\$1.32	\$0.42	\$0.66	(\$1.37)
2005 EPS	\$1.08	\$0.83	(\$0.83)	\$0.75	(\$1.07)	\$2.33	\$0.01	(\$1.29)	\$0.79	\$0.07	\$0.66	\$0.11
2006 EPS	\$1.51	\$0.53	\$0.08	(\$1.02)	(\$4.00)	\$0.86	(\$0.01)	(\$1.46)	\$0.00	\$0.21	\$0.92	(\$0.69)
2007 EPS	\$1.33	\$0.46	(\$0.35)	(\$1.51)	(\$4.16)	\$0.90	(\$0.67)	(\$0.98)	\$0.00			\$0.32
2008 EPS	\$1.68	\$0.71	(\$0.12)	(\$1.03)	(\$3.17)	\$1.13	(\$0.39)	(\$0.74)	\$0.00			\$1.16
2008 EPS P/E	13.8	25.3	(27.0)	(4.4)	(1.4)	9.3	(4.0)	(0.1)				0.0
2003 EBITDA	14,241	24,300	16,146	78,106	53,575	13,060	40,816	33,757	195,314	28,768		36,518
2004 EBITDA	17,412	29,100	20,022	73,953	42,242	16,432	23,745	(660)	182,608	33,999	53,028	21,623
2005 EBITDA	29,017	29,787	22,147	63,454	(1,315)	32,994	15,524	(11,882)	156,156	25,371	56,806	41,049
2006 EBITDA	38,275	29,648	32,324	11,138	(61,331)	25,102	20,832	(20,146)	37,461	33,498	75,881	47,952
2007 EBITDA	39,297	22,068	16,164	(6,192)	(76,022)	23,614	4,915	(12,113)	23,203			56,194
2008 EBITDA	49,439	29,556	29,303	13,575	(49,370)	25,454	9,799	(2,821)	69,330			71,078
EV vs. 2008 EBITDA	5.5	7.9	7.7	19.5	(0.6)	6.3	4.1	(27.3)				1.5
2003 EBIT %	6.49%	8.28%	-0.43%	6.78%	5.74%	8.95%	8.53%	2.77%	5.18%	3.35%	7.02%	0.89%
2004 EBIT %	6.16%	8.44%	0.78%	5.29%	2.79%	9.85%	2.96%	-3.15%	3.81%	3.53%	7.24%	-0.60%
2005 EBIT %	7.91%	7.51%	0.44%	3.59%	-4.25%	9.48%	0.05%	-5.35%	2.44%	0.58%	7.43%	1.31%
2006 EBIT %	7.84%	6.67%	1.49%	-2.15%	-16.93%	7.53%	0.62%	-7.10%	-3.18%	1.57%	8.53%	1.85%
2007 EBIT %	6.14%	3.77%	-0.68%	-4.23%	-23.21%	6.49%	-3.69%	-6.51%	-3.91%			2.27%
2008 EBIT %	6.61%	5.43%	0.62%	-2.48%	-17.12%	6.79%	-2.89%	-5.09%	-2.47%			3.02%

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# Tiburon Research Group

## Market Overview & Valuation Snapshot – September 21, 2007

	Close 21-Sep-07	1-Week	4-Week	8-Week	2004	2005	2006	2007 YTD
<b>Retail Specialty Apparel:</b>								
Jos A Bank (JOSB)	\$36.48	13.5%	22.5%	7.9%	53.0%	53.4%	-15.5%	24.3%
Cache (CACH)	\$18.00	10.7%	9.4%	17.6%	29.8%	-3.9%	45.7%	-28.7%
Eddie Bauer Holdings (EBHI)	\$8.95	9.3%	-0.9%	-26.8%		-44.4%	-39.6%	-1.2%
Dress Barn (DBRN)	\$17.32	8.9%	-3.3%	-5.7%	17.4%	119.4%	20.8%	-25.8%
Mother's Work (MWRK)	\$18.65	8.4%	2.9%	-21.9%	-44.4%	-6.2%	208.2%	-52.7%
bebe (BEBE)	\$15.07	6.7%	6.1%	4.9%	133.6%	-22.0%	41.1%	-23.9%
J. Crew Group (JCG)	\$45.30	6.0%	-12.8%	-7.8%			92.8%	17.5%
Tween Brands (TWB)	\$31.41	4.8%	7.7%	-19.0%	44.9%	15.3%	41.5%	-21.3%
Men's Wearhouse (MW)	\$49.99	4.2%	-5.3%	-0.5%	27.8%	38.2%	30.0%	30.7%
Cato Corp (CTR)	\$21.75	3.8%	2.0%	2.6%	40.6%	11.6%	6.8%	-5.1%
Hot Topic (HOTT)	\$8.11	3.6%	0.9%	-15.6%	-41.6%	-17.1%	-6.4%	-39.2%
The Gap (GPS)	\$18.55	3.1%	0.2%	4.3%	-9.0%	-16.5%	10.5%	-4.9%
The Buckle (BKE)	\$38.78	2.9%	5.4%	12.5%	33.2%	9.3%	57.7%	14.4%
Aeropostale (ARO)	\$20.11	2.8%	-13.5%	-23.2%	61.0%	-10.6%	17.4%	-2.3%
Charming Shops (CHRS)	\$8.90	2.3%	-2.8%	-12.0%	71.0%	40.3%	2.9%	-34.2%
Guess (GES)	\$47.95	1.9%	-3.5%	3.4%	4.0%	183.7%	78.2%	51.2%
Casual Male (CMRG)	\$10.03	1.4%	-9.6%	-2.1%	-21.5%	12.5%	112.9%	-23.1%
Pac Sunwear (PSUN)	\$15.85	1.3%	8.6%	-12.5%	5.5%	11.9%	-21.4%	-19.1%
Amer Eagle (AEO)	\$25.80	1.0%	-0.2%	4.2%	187.2%	-2.4%	103.7%	-17.3%
Coach (COH)	\$48.28	0.7%	7.3%	6.0%	49.4%	18.2%	28.9%	12.4%
Abercrombie (ANF)	\$79.83	0.7%	-1.1%	17.1%	90.0%	38.8%	6.8%	14.6%
The Limited (LTD)	\$23.10	0.5%	-1.5%	-4.1%	27.7%	-2.9%	29.5%	-20.2%
Ann Taylor (ANN)	\$32.46	0.3%	0.1%	-0.6%	-17.2%	60.3%	-4.9%	-1.2%
Unit Ret Grp (URGI)	\$13.58	0.2%	47.4%	24.4%	46.3%	203.7%	6.6%	-3.1%
Wilson's Leather (WLSN)	\$1.78	0.0%	2.3%	-14.0%	12.7%	-6.9%	-43.8%	-12.7%
Zumiez (ZUMZ)	\$47.02	-0.4%	1.3%	31.5%		140.1%	36.7%	59.2%
Gymboree (GYMB)	\$38.31	-1.2%	-9.6%	6.3%	-25.6%	82.5%	63.1%	0.4%
Charlotte Russe (CHIC)	\$16.93	-1.3%	-6.4%	-7.5%	-26.9%	106.2%	47.6%	-44.9%
Urban Out (URBN)	\$22.30	-1.4%	-2.2%	14.9%	139.7%	14.0%	-9.0%	-3.2%
Talbots (TLB)	\$17.75	-3.0%	-23.5%	-23.4%	-11.5%	2.2%	-13.4%	-26.3%
Child Place (PLCE)	\$25.08	-3.0%	-11.4%	-31.6%	38.5%	33.5%	28.5%	-60.5%
Chico's FAS (CHS)	\$14.65	-3.8%	-15.1%	-23.9%	23.2%	93.0%	-52.9%	-29.2%
Christopher & Bank (CBK)	\$12.31	-4.1%	-13.4%	-20.6%	-5.5%	1.8%	-0.6%	-34.0%
Coldwater Creek (CWTR)	\$11.80	-5.6%	-31.2%	-38.5%	320.9%	48.3%	20.5%	-51.9%
Wet Seal (WTSLA)	\$3.95	-6.8%	-13.9%	-19.6%	-77.0%	95.6%	50.2%	-40.8%
<b>Sub-sector Market Cap Weighted:</b>		<b>1.4%</b>	<b>-0.8%</b>	<b>1.3%</b>	<b>39.3%</b>	<b>28.2%</b>	<b>23.1%</b>	<b>0.8%</b>
<b>Retail Department:</b>								
Macy's (M)	\$33.12	9.7%	4.2%	-10.2%	22.6%	14.8%	15.0%	-13.1%
Gottschalk's (GOT)	\$4.65	7.1%	-17.4%	-42.3%	152.6%	-5.2%	36.2%	-59.5%
JC Penney (JCP)	\$66.48	3.5%	1.0%	-3.2%	57.5%	34.3%	39.1%	-14.1%
Dillard's (DDS)	\$21.06	2.9%	-20.2%	-29.4%	63.2%	-7.6%	40.9%	-39.8%
Nordstrom (JWN)	\$50.74	2.7%	3.9%	15.6%	36.2%	60.1%	31.9%	2.8%
Saks (SKS)	\$16.58	0.4%	-3.4%	-9.2%	-3.5%	16.2%	5.7%	-7.0%
Stage Stores (SSI)	\$18.85	0.3%	10.0%	4.4%	48.8%	7.6%	2.0%	-7.0%
Sears Holdings (SHLD)	\$131.32	-2.7%	-10.1%	-3.6%		16.8%	45.4%	-21.8%
<b>Sub-sector Market Cap Weighted:</b>		<b>2.6%</b>	<b>-1.8%</b>	<b>-2.0%</b>	<b>38.5%</b>	<b>27.8%</b>	<b>33.2%</b>	<b>-13.4%</b>

Note: Sub-sector market cap weightings as of September 14, 2007.

# Tiburon Research Group

## Market Overview & Valuation Snapshot – September 21, 2007

	Close 21-Sep-07	1-Week	4-Week	8-Week	2004	2005	2006	2007 YTD
<b>Retail Specialty Hardlines:</b>								
Jo-Ann Stores (JAS)	\$21.53	11.6%	-13.5%	-10.0%	35.0%	-57.2%	108.5%	-12.5%
West Marine (WMAR)	\$12.73	8.7%	-7.6%	-14.7%	-10.0%	-43.5%	23.5%	-26.3%
Hibbett Sports (HIBB)	\$27.24	7.2%	9.7%	6.5%	33.9%	60.5%	7.2%	-10.8%
Best Buy (BBY)	\$46.76	6.1%	6.2%	5.8%	13.7%	9.8%	13.1%	-4.9%
Restoration Hardware (RSTO)	\$3.12	5.4%	-11.4%	-26.9%	21.9%	4.9%	41.4%	-63.3%
Cost Plus (CPWM)	\$4.52	4.1%	-9.6%	-36.3%	-21.6%	-46.6%	-39.9%	-56.1%
Auto Zone (AZO)	\$113.91	3.6%	-7.6%	-10.6%	7.2%	0.5%	26.0%	-1.4%
Ethan Allen (ETH)	\$33.86	3.3%	2.7%	-2.0%	-4.4%	-8.7%	-1.1%	-6.2%
Haverty's (HVT)	\$10.75	2.6%	-2.5%	-5.0%	-6.8%	-30.3%	14.8%	-27.4%
Office Depot (ODP)	\$19.56	2.1%	-19.9%	-24.2%	3.9%	80.9%	21.6%	-48.8%
Shrp Image (SHRP)	\$4.36	2.1%	-7.6%	-50.7%	-42.1%	-48.3%	-5.0%	-52.9%
Guitar Center (GTRC)	\$57.76	2.0%	-1.7%	0.3%	61.4%	-5.1%	-9.1%	27.1%
Cabela's (CAB)	\$24.83	1.2%	1.5%	21.9%	13.7%	-27.0%	45.4%	2.9%
Barnes & Noble (BKS)	\$35.44	0.9%	-1.0%	3.8%	-1.8%	32.2%	-6.9%	-10.8%
Dick's Sporting (DKS)	\$69.27	0.6%	10.4%	26.4%	44.5%	-5.4%	47.4%	41.4%
Design Within Reach (DWR)	\$4.99	0.4%	-1.2%	-14.6%	21.3%	-63.6%	-7.0%	1.2%
Staples (SPLS)	\$22.47	0.3%	-4.4%	-2.9%	23.5%	1.1%	17.6%	-15.8%
Bed Bath & Beyond (BBBY)	\$33.43	0.0%	-5.2%	-3.6%	-8.1%	-9.2%	5.4%	-12.3%
Office Max (OMX)	\$31.85	-0.3%	-11.4%	-3.8%	-4.5%	-19.2%	95.8%	-35.9%
Lowe's (LOW)	\$30.62	-0.6%	1.4%	10.3%	4.0%	15.7%	-6.5%	-1.7%
Advance Auto Parts (AAP)	\$33.58	-1.3%	-3.9%	-4.2%	7.3%	49.2%	-18.2%	-5.6%
AC Moore (ACMR)	\$17.20	-1.9%	-9.7%	-6.0%	49.6%	-49.5%	48.9%	-20.6%
PetsMart (PETM)	\$32.94	-2.0%	-3.4%	1.7%	49.3%	-27.8%	12.5%	14.1%
Big Five Sports (BGFV)	\$20.00	-2.6%	-6.7%	-10.3%	39.1%	-24.9%	11.6%	-18.1%
Home Depot (HD)	\$34.47	-3.4%	-0.6%	-6.2%	20.4%	-5.3%	-0.8%	-14.2%
Pier 1 (PIR)	\$6.08	-3.6%	-3.0%	-13.5%	-9.9%	-55.7%	-31.8%	2.2%
Borders Grp (BGP)	\$14.19	-3.8%	-10.2%	-13.7%	15.9%	-14.7%	3.1%	-36.5%
Williams-Sonoma (WSM)	\$31.00	-5.7%	-1.6%	0.9%	0.8%	23.1%	-27.1%	-1.4%
La Z Boy (LZB)	\$9.02	-7.2%	-9.5%	-12.3%	-26.7%	-11.8%	-12.5%	-24.0%
Radio Shack (RSH)	\$21.94	-7.3%	-9.4%	-23.8%	7.2%	-36.0%	-20.2%	30.8%
Kirkland's (KIRK)	\$1.53	-10.5%	-1.3%	-34.3%	-30.4%	-51.4%	-15.9%	-69.5%
Circuit City Grp (CC)	\$8.51	-13.6%	-25.0%	-32.2%	54.4%	44.4%	-16.0%	-55.2%
<b>Sub-sector Market Cap Weighted:</b>		<b>-0.8%</b>	<b>-1.2%</b>	<b>-0.9%</b>	<b>14.4%</b>	<b>4.0%</b>	<b>4.2%</b>	<b>-8.5%</b>
<b>Retail Discount:</b>								
Kohl's (KSS)	\$60.27	6.0%	2.3%	-2.6%	9.4%	-1.2%	40.8%	-11.9%
Retail Ventures (RVI)	\$11.12	5.5%	-9.0%	-13.1%	49.5%	75.2%	53.1%	-41.6%
Big Lots (BIG)	\$31.24	5.4%	13.1%	14.8%	-14.6%	-1.0%	90.8%	36.3%
Wal-Mart (WMT)	\$44.23	2.1%	1.1%	-3.7%	-0.4%	-11.4%	-1.3%	-4.2%
99 Cents Only (NDN)	\$10.93	1.8%	-10.1%	-10.8%	-40.7%	-35.3%	16.3%	-10.2%
Target (TGT)	\$65.65	1.8%	4.1%	5.7%	35.2%	5.9%	3.8%	15.1%
Costco (COST)	\$60.72	1.3%	-1.6%	3.7%	30.2%	2.2%	6.9%	14.8%
Fred's Stores (FRED)	\$10.43	0.0%	-4.3%	-14.8%	-43.9%	-6.5%	-26.0%	-13.4%
Dollar General (DG)	\$21.98	0.0%	0.0%	0.0%	-1.0%	-8.2%	-15.8%	36.9%
BJ's Wholesale (BJ)	\$34.12	-0.1%	-0.5%	-0.1%	26.9%	1.5%	5.2%	9.7%
Ross Stores (ROST)	\$26.54	-0.3%	-5.0%	-9.3%	9.1%	0.1%	1.4%	-9.4%
Dollar Tree (DLTR)	\$41.61	-0.7%	6.0%	7.1%	-4.3%	-16.8%	25.7%	38.2%
Stein Mart (SMRT)	\$8.40	-0.8%	-2.6%	-21.5%	107.0%	6.4%	-26.9%	-36.7%
TJX Co (TJX)	\$30.09	-2.4%	-2.1%	10.2%	14.0%	-7.6%	22.8%	5.5%
Family Dollar (FDO)	\$27.13	-5.1%	-3.6%	-10.3%	-13.0%	-20.6%	18.3%	-7.5%
<b>Sub-sector Market Cap Weighted:</b>		<b>1.8%</b>	<b>1.3%</b>	<b>-0.6%</b>	<b>9.4%</b>	<b>-6.2%</b>	<b>5.1%</b>	<b>2.4%</b>

Note: Sub-sector market cap weightings as of September 14, 2007.

Note: This research note is a publication of Tiburon Research Group, Inc. This report is intended solely for clients of TRG.

# Tiburon Research Group

## Market Overview & Valuation Snapshot – September 21, 2007

	Close 21-Sep-07	1-Week	4-Week	8-Week	2004	2005	2006	2007 YTD
<b>Retail Footwear:</b>								
Decker's Outdoor (DECK)	\$108.45	14.4%	12.7%	0.6%	129.2%	-41.2%	117.1%	80.9%
Brown Shoe (BWS)	\$21.57	7.4%	-5.8%	0.7%	-21.4%	42.2%	68.8%	-54.8%
Genesco (GCO)	\$47.60	6.9%	-6.7%	-5.4%	105.8%	24.6%	-3.8%	27.6%
Sketchers (SKX)	\$22.14	6.2%	10.1%	4.3%	59.0%	18.2%	117.4%	-33.5%
Timberland (TBL)	\$20.54	5.3%	2.5%	-13.8%	20.4%	3.9%	-3.0%	-35.0%
DSW Shoes (DSW)	\$28.11	5.1%	-12.3%	-12.0%		9.3%	47.1%	-27.1%
Wolverine (WWW)	\$27.41	4.6%	-0.7%	0.9%	54.2%	7.2%	27.0%	-3.9%
Shoe Carnival (SCVL)	\$16.88	3.6%	-13.4%	-26.0%	-26.6%	68.6%	44.2%	-46.6%
K-Swiss (KSWS)	\$22.67	1.4%	-8.5%	-4.8%	20.8%	11.4%	-5.2%	-26.3%
Steven Madden (SHOO)	\$18.93	0.9%	-28.2%	-36.9%	-7.5%	55.0%	80.1%	-46.1%
Foot Locker (FL)	\$16.34	0.2%	-2.9%	-14.2%	14.8%	-12.4%	-7.0%	-25.5%
Nike (NKE)	\$57.26	0.1%	5.8%	3.3%	32.5%	-4.3%	14.1%	15.6%
Stride Rite (SRR)	\$20.49	0.0%	0.0%	1.5%	-1.8%	21.4%	11.2%	35.9%
Payless Shoe (PSS)	\$21.70	-0.2%	-16.8%	-20.2%	-8.2%	104.1%	30.8%	-33.9%
Baker's Footwear (BKRS)	\$3.70	-1.3%	-11.3%	-42.9%	31.0%	51.5%	-41.2%	-59.1%
Crocs (CROX)	\$56.86	-1.8%	-3.6%	2.6%			105.7%	163.2%
<b>Sub-sector Market Cap Weighted:</b>		<b>1.1%</b>	<b>2.0%</b>	<b>-0.3%</b>	<b>32.9%</b>	<b>2.4%</b>	<b>28.5%</b>	<b>22.4%</b>
<b>Retail Restaurants:</b>								
CBRL Group (CBRL)	\$41.24	12.9%	4.7%	6.0%	9.3%	-16.0%	27.3%	-7.9%
Chipotle Mexican Grill (CMG)	\$113.90	7.7%	10.7%	39.8%			159.1%	99.8%
Yum! Brands (YUM)	\$34.28	5.5%	3.6%	7.8%	37.2%	-0.6%	25.4%	16.6%
Sonic (SONC)	\$24.18	5.1%	7.2%	19.2%	48.9%	-3.2%	21.8%	1.0%
Brinker Intl (EAT)	\$28.80	3.9%	-4.4%	6.7%	5.8%	10.2%	17.0%	-4.5%
Intl House Pancakes (IHP)	\$67.58	3.7%	4.0%	5.4%	8.9%	12.0%	12.3%	28.2%
Darden Restaurants (DRI)	\$43.82	3.3%	3.5%	4.3%	31.8%	40.2%	3.3%	9.1%
CEC Entertainment (CEC)	\$28.11	3.1%	-6.3%	-8.1%	26.5%	-14.8%	18.2%	-30.2%
Wendy's Intl (WEN)	\$33.71	2.5%	2.6%	0.5%	0.1%	40.8%	19.8%	1.9%
Papa John's Intl (PZZA)	\$25.38	2.2%	-7.7%	-9.0%	3.2%	72.2%	-2.2%	-12.5%
California Pizza Kit (CPKI)	\$18.88	2.2%	0.2%	0.0%	14.2%	39.0%	4.2%	-15.0%
Texas Roadhouse (TXRH)	\$12.25	2.1%	-4.8%	-4.5%	37.5%	5.2%	-14.7%	-7.6%
Landry's Rest (LNY)	\$28.61	2.0%	1.4%	12.5%	13.0%	-8.1%	12.7%	-4.9%
Jack in the Box (JBX)	\$62.46	1.8%	-5.1%	-2.2%	72.6%	-5.3%	74.7%	2.3%
P.F. Chang's (PFCB)	\$32.35	1.6%	-6.7%	-0.7%	10.8%	-11.9%	-22.7%	-15.7%
Bob Evans Farms (BOBE)	\$32.02	1.5%	-5.6%	-2.7%	-19.5%	-11.8%	48.4%	-6.4%
Domino's Pizza (DPZ)	\$17.18	1.4%	-3.2%	-11.9%	27.1%	36.0%	15.7%	-38.6%
CKE Restaurants (CKR)	\$16.10	1.1%	-5.1%	-6.6%	127.1%	-6.9%	36.2%	-12.5%
Cheesecake Factory (CAKE)	\$24.32	0.2%	-4.1%	-0.2%	10.6%	15.2%	-34.2%	-1.1%
RARE Hospitality Intl (RARE)	\$38.03	0.1%	0.8%	42.3%	30.4%	-4.6%	8.4%	15.5%
Applebee's Intl (APPB)	\$24.82	-0.2%	-0.1%	1.3%	0.8%	-14.6%	9.2%	0.6%
McDonald's (MCD)	\$54.80	-1.2%	9.3%	12.4%	29.1%	5.2%	31.5%	23.6%
Triarc Companies (TRY)	\$13.20	-2.2%	-14.1%	-10.0%	10.0%	28.8%	29.9%	-39.3%
Panera Bread (PNRA)	\$43.28	-2.8%	-2.9%	8.8%	2.0%	62.9%	-14.9%	-22.6%
Ruby Tuesday (RT)	\$19.31	-5.9%	-16.2%	-16.0%	-8.5%	-0.7%	6.0%	-29.6%
<b>Sub-sector Market Cap Weighted:</b>		<b>0.9%</b>	<b>5.5%</b>	<b>9.8%</b>	<b>28.1%</b>	<b>7.6%</b>	<b>29.1%</b>	<b>17.0%</b>
<b>Retail Drugstore:</b>								
Long's Drug (LDG)	\$49.97	0.9%	-5.5%	4.0%	11.4%	32.0%	16.5%	17.9%
Walgreens (WAG)	\$45.41	0.3%	0.7%	1.9%	5.5%	15.4%	3.7%	-1.0%
CVS Corp (CVS)	\$37.83	0.0%	2.8%	7.7%	24.8%	17.2%	17.0%	22.4%
Rite Aid (RAD)	\$4.94	-1.2%	-3.1%	-8.2%	-39.4%	-4.9%	56.3%	-9.2%
<b>Sub-sector Market Cap Weighted:</b>		<b>0.1%</b>	<b>1.5%</b>	<b>4.6%</b>	<b>14.1%</b>	<b>15.9%</b>	<b>12.8%</b>	<b>11.3%</b>

Note: Sub-sector market cap weightings as of September 14, 2007.

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# Tiburon Research Group

## Market Overview & Valuation Snapshot – September 21, 2007

	Close 21-Sep-07	1-Week	4-Week	8-Week	2004	2005	2006	2007 YTD
<b>Retail Wholesale:</b>								
Warnaco Group (WRNC)	\$39.35	15.6%	15.4%	10.5%	35.4%	23.7%	-5.0%	55.0%
Volcom (VLCM)	\$41.26	8.8%	3.4%	8.5%		79.0%	-13.1%	39.5%
True Religion (TRLG)	\$17.20	8.2%	-4.8%	-9.9%	419.2%	90.1%	-0.6%	12.3%
Liz Claiborne (LIZ)	\$34.95	6.6%	0.7%	3.8%	19.0%	-15.1%	21.3%	-19.6%
Heelys (HLYS)	\$8.25	3.8%	-13.4%	-62.3%			52.9%	-74.3%
Quicksilver (ZQK)	\$14.62	3.4%	10.4%	17.0%	68.0%	-7.1%	13.8%	-7.2%
VF Corp (VFC)	\$83.93	2.5%	1.6%	-2.7%	28.1%	-0.1%	48.3%	2.3%
Under Armour (UA)	\$63.11	1.5%	-3.6%	22.3%		194.7%	31.7%	25.1%
Phillips-Van Heusen (PVH)	\$53.08	0.5%	-8.1%	5.3%	52.2%	20.0%	54.8%	5.8%
Columbia Sportswear (COLM)	\$56.72	0.3%	-4.3%	-11.3%	9.4%	-19.9%	16.7%	1.8%
Jones Apparel (JNY)	\$20.70	-0.2%	8.3%	-17.8%	3.8%	-16.0%	8.8%	-38.1%
Polo Ralph Lauren (RL)	\$78.45	-1.6%	0.1%	-11.9%	47.9%	31.8%	38.3%	1.0%
Kenneth Cole (KCP)	\$20.01	-3.6%	-4.6%	-6.1%	5.0%	-17.4%	-5.9%	-16.6%
<b>Sub-sector Market Cap Weighted:</b>		<b>2.2%</b>	<b>0.9%</b>	<b>-1.5%</b>	<b>38.2%</b>	<b>25.5%</b>	<b>31.7%</b>	<b>1.9%</b>
<b>Retail Grocery:</b>								
Kroger (KR)	\$28.54	5.0%	4.2%	8.4%	-5.2%	7.6%	22.2%	23.7%
Whole Foods (WFMI)	\$45.03	3.8%	1.1%	25.1%	42.0%	62.3%	-39.4%	-4.0%
Safeway (SWY)	\$33.02	1.3%	0.2%	6.1%	-9.9%	19.9%	46.1%	-4.5%
Wild Oats (OATS)	\$18.52	0.0%	0.3%	28.2%	-31.9%	37.1%	19.0%	28.8%
SuperValu (SVU)	\$39.85	-0.8%	-6.7%	-5.1%	20.7%	-5.9%	10.1%	11.5%
<b>Sub-sector Market Cap Weighted:</b>		<b>2.7%</b>	<b>0.7%</b>	<b>7.5%</b>	<b>4.0%</b>	<b>15.9%</b>	<b>19.2%</b>	<b>9.7%</b>
<b>Internet Retail:</b>								
Blue Nile (NILE)	\$99.98	15.9%	15.1%	32.3%	34.7%	45.9%	-8.5%	171.0%
Overstock (OSTK)	\$27.74	14.8%	22.7%	55.8%	247.3%	-59.2%	-43.9%	75.6%
1-800 Flowers (FLWS)	\$11.39	6.3%	10.7%	19.1%	-24.1%	-23.6%	-4.0%	84.9%
Amazon (AMZN)	\$91.30	4.0%	15.2%	8.6%	-15.8%	6.5%	-16.3%	131.4%
Red Envelope (REDE)	\$5.42	3.2%	8.4%	-1.6%	-26.6%	-14.6%	-32.5%	-23.2%
Ebay (EBAY)	\$39.00	3.1%	14.4%	19.7%	80.1%	-25.7%	-30.4%	29.7%
Bluefly (BFLY)	\$0.90	0.0%	0.0%	0.0%	-42.7%	-51.7%	14.3%	-29.7%
<b>Sub-sector Market Cap Weighted:</b>		<b>3.8%</b>	<b>14.8%</b>	<b>15.7%</b>	<b>41.0%</b>	<b>-11.9%</b>	<b>-24.3%</b>	<b>73.2%</b>

Note: Sub-sector market cap weightings as of September 14, 2007.

## TRG July 27, 2007 Post-Market Meltdown 25

Company	Share Price		Long Stock
	27-Jul-07	21-Sep-07	% Up/(Down)

### 6 Outperformers:

Wal-Mart (WMT)	\$45.94	\$44.23	-3.7%
Kohl's (KSS)	\$61.89	\$60.27	-2.6%
Nordstrom (JWN)	\$43.91	\$50.74	15.6%
Panera Bread (PNRA)	\$39.79	\$43.28	8.8%
Gymboree (GYMB)	\$36.03	\$38.31	6.3%
Zumiez (ZUMZ)	\$35.77	\$47.02	31.5%
Simple Average of Group:			9.3%

As of 09/21/2007:

4 of 6 recommended long positions have made money.

4 of 6 recommended short positions have made money.

Return calculated using the original share price as the capital investment.

Company	Share Price		Short Stock
	27-Jul-07	21-Sep-07	% Up/(Down)

### 6 Underperformers:

J.C. Penney (JCP)	\$68.70	\$66.48	3.2%
Bed Bath & Beyond (BBBY)	\$34.69	\$33.43	3.6%
Abercrombie & Fitch (ANF)	\$68.15	\$79.83	-17.1%
Urban Outfitters (URBN)	\$19.41	\$22.30	-14.9%
J. Crew Group (JCG)	\$49.13	\$45.30	7.8%
Coldwater Creek (CWTR)	\$19.20	\$11.80	38.5%
Simple Average of Group:			3.5%

Company	Share Price		Long Stock
	27-Jul-07	21-Sep-07	% Up/(Down)

### 5 Outperformers Honorable Mention:

Aeropostale (ARO)	\$26.17	\$20.11	-23.2%
Cache (CACH)	\$15.31	\$18.00	17.6%
Charlotte Russe (CHIC)	\$18.30	\$16.93	-7.5%
Hot Topic (HOTT)	\$9.61	\$8.11	-15.6%
Ross Stores (ROST)	\$29.25	\$26.54	-9.3%
Simple Average of Group:			-7.6%

As of 09/21/2007:

1 of 5 recommended honorable mention long positions have made money.

7 of 8 recommended honorable mention short positions have made money.

Return calculated using the original share price as the capital investment.

Company	Share Price		Short Stock
	27-Jul-07	21-Sep-07	% Up/(Down)

### 8 Underperformers Honorable Mention:

Ann Taylor (ANN)	\$32.66	\$32.46	0.6%
Bebe (BEBE)	\$14.37	\$15.07	-4.9%
Casual Male (CMRG)	\$10.25	\$10.03	2.1%
Citi Trends (CTRN)	\$33.70	\$23.22	31.1%
Macy's (M)	\$36.90	\$33.12	10.2%
Children's Place (PLCE)	\$36.65	\$25.08	31.6%
Talbots (TLB)	\$23.18	\$17.75	23.4%
Wet Seal (WTSLA)	\$4.91	\$3.95	19.6%
Simple Average of Group:			14.2%

Overall Long/Short Portfolio Performance (Simple Average): 6.1%

Versus

S&P 500 Index: —————> 1,458.95    1,525.75    4.6%

S&P Retail Index: —————> 483.99    486.35    0.5%