

Specialty Retail

Monthly Comp Store Sales Preview

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Specialty Retail July Comp Preview

Conclusion: While total July sales are expected to benefit from the calendar shift (high volume week shifts into Q2 - see Exs. 1 & 3), particularly for BTS-focused retailers, we look for generally lackluster July comp store sales following another month of weak mall traffic trends coupled with the negative impact of later school start dates and tax holidays (FL and TX most importantly). We continue to expect that the calendar-related issues will produce uncertainty regarding how to interpret early BTS trends (see Ex. 1-3). However, given lean inventory levels and conservative assumptions following the slow start to Q2 sales, we do not expect significant changes to our Q2 estimates for most specialty retailers. As the specialty retail group has significantly underperformed the market since reporting June comps (see Ex. 4), we think we could see some relief on indications that Q2 EPS estimates are achievable regardless of July sales results.

- **July Comp Preview.** July sales results may prove difficult to interpret given the calendar shift of a high volume BTS selling week into fiscal July and out of fiscal August. As adult retailers are not expected to get an overall sales lift from the calendar shift, we see the most risk to Q2 EPS for ANN, CHS, NWY and TLB.
- **Investment Approach.** We believe the recent sell-off in retail (specialty retail stocks have declined -15.9% since reporting June comps vs. a -5.6% move in the S&P 500) incorporates a more cautious outlook for H2 than we anticipate (please refer to the fairly optimistic spending plans conveyed by consumers in our Back-to-School Survey-see separate report published today) and as such, we recommend investors capitalize on selective quality retailers with discounted valuations like ANF, ANN, BBBY, CHS, MW, TIF and WSM. In addition, we continue to recommend, BEBE, LTD and WTSLA based on attractive risk/reward.

Please see addendum of this report for important disclosures.

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Summary of July Expectations

			Quarterly Comp Expectations		
<u>Company</u>	<u>TY Est.</u>	<u>LY Act.</u>	<u>Company</u>	<u>TY Est.</u>	<u>LY Act.</u>
ANF	(2-4)%	+3.0%	MW US (Q2)	+0.2%	+3.7%
AEO	+4-6%	+7.0%	MW Canada (Q2)	+4.0%	+7.3%
ANN	(3-5)%	+5.1%	NWY (Q2)	+2-4%	(4.0)%
BEBE	(2-4)%	+10.0%	TIF US (Q2)	+5-7%	+5.0%
CHS	(3-5)%	+4.9%	TIF Int'l (Q2)	+4-6%	+10.0%
GPS	(3-5)%	(4.0)%	TLB (Q2)	+0-2%	+1.3%
HOTT	(5-7)%	(7.2)%	URBN (Q2)	+3%	(7.0)%
LTD	(2)-0%	+7.0%	WSM (Q2)	(1.5)%	+1.2%
PSUN	+4-6%	(10.6)%	ZLC (Q4)	(3.0)%	+3.5%
WTSLA	(5-7)%	+6.4%			

Source: Company Reports and Cowen and Company

Exhibit 1: National Retail Federation Calendar for Back-to-School Season F2007 vs. F2006

		2007							2006								
		Wk	S	M	T	W	T	F	S	Wk	S	M	T	W	T	F	S
Q2	JULY	1	8	9	10	11	12	13	14	1	2	3	4	5	6	7	8
		2	15	16	17	18	19	20	21	2	9	10	11	12	13	14	15
		3	22	23	24	25	26	27	28	3	16	17	18	19	20	21	22
		4	29	30	31	1	2	3	4	4	23	24	25	26	27	28	29
Q3	AUG	1	5	6	7	8	9	10	11	1	30	31	1	2	3	4	5
		2	12	13	14	15	16	17	18	2	6	7	8	9	10	11	12
		3	19	20	21	22	23	24	25	3	13	14	15	16	17	18	19
		4	26	27	28	29	30	31	1	4	20	21	22	23	24	25	26
Q3	SEPT	1	2	3	4	5	6	7	8	1	27	28	29	30	31	1	2
		2	9	10	11	12	13	14	15	2	3	4	5	6	7	8	9
		3	16	17	18	19	20	21	22	3	10	11	12	13	14	15	16
		4	23	24	25	26	27	28	29	4	17	18	19	20	21	22	23
		5	30	1	2	3	4	5	6	5	24	25	26	27	28	29	30

■ Labor Day holiday denoted in grey

* Dividing the retail calendar into 52 weeks of seven days each, or 364 days, leaves an extra day each year to be accounted for. As a result, very five to six years a week is added to the fiscal calendar. During the last few years, this anomaly has occurred in FY1989, FY1995, FY2000, FY2006 and will occur in FY2012.

Source: Company Reports and Cowen and Company

Exhibit 2: Comparison of Tax Free Holidays – 2007 vs. 2006

State	Date	# Days	2007			2006				
			Fiscal July	Fiscal Aug	Fiscal Sept	Date	# Days	Fiscal July	Fiscal Aug	Fiscal Sept
Alabama	Aug 3-5	3	2	1	0	Aug 4-6	3	0	3	0
Connecticut	Aug 19-25	7	0	7	0	Aug 20-26	7	0	7	0
Florida	Aug 4-13	10	1	9	0	July 22-30	9	8	1	0
Georgia	Aug 2-5	4	3	1	0	Aug 3-6	4	0	4	0
Iowa	Aug 3-4	2	2	0	0	Aug 4-5	2	0	2	0
Louisiana	Aug 3-4	2	2	0	0					
Maryland	Aug 23-27	5	0	5	0	Aug 23-27	5	0	4	1
Massachusetts	August 11-12	2	0	2	0	Aug 12-13	2	0	2	0
Missouri	Aug 3-5	3	2	1	0	Aug 4-6	3	0	3	0
New Mexico	Aug 3-5	3	2	1	0	Aug 4-6	3	0	3	0
North Carolina	Aug 3-5	3	2	1	0	Aug 4-6	3	0	3	0
Oklahoma	Aug 3-5	3	2	1	0					
South Carolina	Aug 3-5	3	2	1	0	Aug 4-6	3	0	3	0
Tennessee	Aug 3-5	3	2	1	0	Aug 4-6	3	0	3	0
Texas	Aug 17-19	3	0	3	0	Aug 4-6	3	0	3	0
Virginia	Aug 3-5	3	2	1	0	Aug 4-6	3	0	3	0
Washington D.C.	Aug 4-12	9	1	8	0	Aug 5-13	9	0	9	0
Total # Days		68				Total # Days	62			
Fiscal July		25				Fiscal July	8			
Fiscal August		43				Fiscal August	53			
Fiscal September		0				Fiscal September	1			

Source: Company Reports and Cowen and Company

Exhibit 3: Estimated Q2 Sales Impact Owing to Calendar Shift

Company	Ticker	Average 2006 May Week	Average 2006 August Week	% Change	Incremental Benefit (Loss) to Q2 Related to Calendar Shift
Teen Retailers					
Abercrombie & Fitch	ANF	\$46.4	\$87.8	89%	\$41.4
American Eagle Outfitters	AEO	\$42.2	\$69.2	64%	\$27.0
Hot Topic	HOTT	\$11.5	\$18.2	59%	\$6.8
Pacific Sunwear	PSUN	\$21.3	\$42.2	98%	\$20.9
Wet Seal	WTSLA	\$9.3	\$12.8	37%	\$3.5
Adult Retailers					
Ann Taylor	ANN	\$54.4	\$37.3	-31%	(\$17.1)
bebe	BEBE	\$13.3	\$12.3	-7%	(\$1.0)
Chico's	CHS	\$35.3	\$28.1	-20%	(\$7.2)
Gap	GPS	\$290.0	\$287.5	-1%	(\$2.5)
Limited	LTD	\$179.9	\$159.7	-11%	(\$20.2)
New York & Company	NWY	\$24.9	\$19.2	-23%	(\$5.7)

Source: Company Reports and Cowen and Company

Exhibit 4: Specialty Retail Share Performance (as of August 3, 2007)

	12/29/06	4/11/07	5/9/07	6/6/07	7/11/07	8/3/07	2006	YTD 2007	since March 07 comps	since April 07 comps	since May 07 comps	since June 07 comps
AEO	\$31.21	\$30.07	\$28.98	\$27.01	\$26.03	\$23.50	103.7%	-24.9%	-21.8%	-18.9%	-13.0%	-9.7%
ANF	69.63	77.68	81.23	79.64	69.38	69.00	6.8%	-0.8%	-11.2%	-15.1%	-13.4%	-0.5%
ANN	32.84	39.00	36.80	37.00	35.37	29.20	-4.9%	-15.2%	-25.1%	-20.7%	-21.1%	-17.4%
BEBE	19.79	18.12	18.06	17.13	15.81	13.01	41.1%	-41.1%	-28.2%	-28.0%	-24.1%	-17.7%
CHIC	30.75	29.46	26.42	29.16	24.23	16.39	47.6%	-46.9%	-44.4%	-38.0%	-43.8%	-32.4%
CHS	20.69	27.01	26.55	26.06	22.45	17.99	-52.9%	-25.3%	-33.4%	-32.2%	-31.0%	-19.9%
GPS	19.50	18.62	18.43	18.36	18.67	16.44	10.5%	-13.8%	-11.7%	-10.8%	-10.5%	-11.9%
HOTT	13.34	10.94	10.92	10.84	10.64	8.28	-6.4%	-35.8%	-24.3%	-24.2%	-23.6%	-22.2%
LTD	28.94	27.11	28.01	26.38	27.53	22.81	29.5%	-27.1%	-15.9%	-18.6%	-13.5%	-17.1%
MW	38.26	46.83	43.82	52.78	51.10	47.68	30.0%	22.9%	1.8%	8.8%	-9.7%	-6.7%
NWY	13.08	14.67	13.75	11.57	11.27	8.97	-38.3%	-32.0%	-38.9%	-34.8%	-22.5%	-20.4%
PSUN	19.58	21.46	20.77	20.67	21.63	15.95	-21.4%	-17.2%	-25.7%	-23.2%	-22.8%	-26.3%
TIF	39.24	48.39	50.32	50.89	53.38	48.52	2.5%	26.9%	0.3%	-3.6%	-4.7%	-9.1%
TLB	24.10	24.59	20.62	21.35	24.55	20.85	-13.4%	-18.2%	-15.2%	1.1%	-2.3%	-15.1%
URBN	23.03	26.70	26.29	26.05	21.97	20.20	-9.0%	-9.8%	-24.3%	-23.2%	-22.5%	-8.1%
WTSLA	6.67	6.22	6.07	6.06	5.61	4.30	50.2%	-35.7%	-30.9%	-29.2%	-29.0%	-23.4%
ZLC	28.21	27.72	27.52	26.01	23.48	20.70	12.2%	-33.2%	-25.3%	-24.8%	-20.4%	-11.8%
							11.0%	-19.3%	-22.0%	-19.7%	-19.3%	-15.9%
BEBE	\$38.10	\$40.73	\$41.64	\$37.88	\$35.64	\$34.23	5.4%	-12.9%	-16.0%	-17.8%	-9.6%	-4.0%
CPWM	10.30	9.59	9.70	8.95	7.79	5.86	-39.9%	-47.1%	-38.9%	-39.6%	-34.5%	-24.8%
DWRI	4.93	5.85	6.26	6.20	6.05	5.96	-7.0%	6.4%	1.9%	-4.8%	-3.9%	-1.5%
PIR	5.95	7.85	7.67	7.48	8.01	5.84	-31.8%	-14.1%	-25.6%	-23.9%	-21.9%	-27.1%
TUES	15.55	14.25	13.74	13.76	12.63	10.91	-25.7%	-37.3%	-23.4%	-20.6%	-20.7%	-13.6%
WSM	31.44	36.02	35.23	33.16	31.58	29.84	-27.1%	-5.3%	-17.2%	-15.3%	-10.0%	-5.5%
							-21.0%	-18.4%	-19.9%	-20.3%	-16.8%	-12.7%
Apparel and Footwear Avg.							33.7%	3.0%	-7.9%	-9.4%	-10.3%	-11.6%
Broadlines Avg.							20.3%	-9.4%	-12.3%	-12.9%	-12.0%	-10.6%
Ecommerce Avg.							-21.4%	40.0%	25.9%	8.8%	6.0%	2.8%
S&P 500	1418.30	1438.87	1512.58	1517.38	1518.76	1433.06	13.6%	2.4%	-0.4%	-5.3%	-5.6%	-5.6%
S&P Retail	499.89	515.96	523.06	526.13	515.61	469.09	9.4%	-6.1%	-9.1%	-10.3%	-10.8%	-9.0%
MVR (Retail ETF)	186.98	201.56	201.84	200.55	195.79	172.37	15.6%	-8.6%	-14.5%	-14.6%	-14.1%	-12.0%

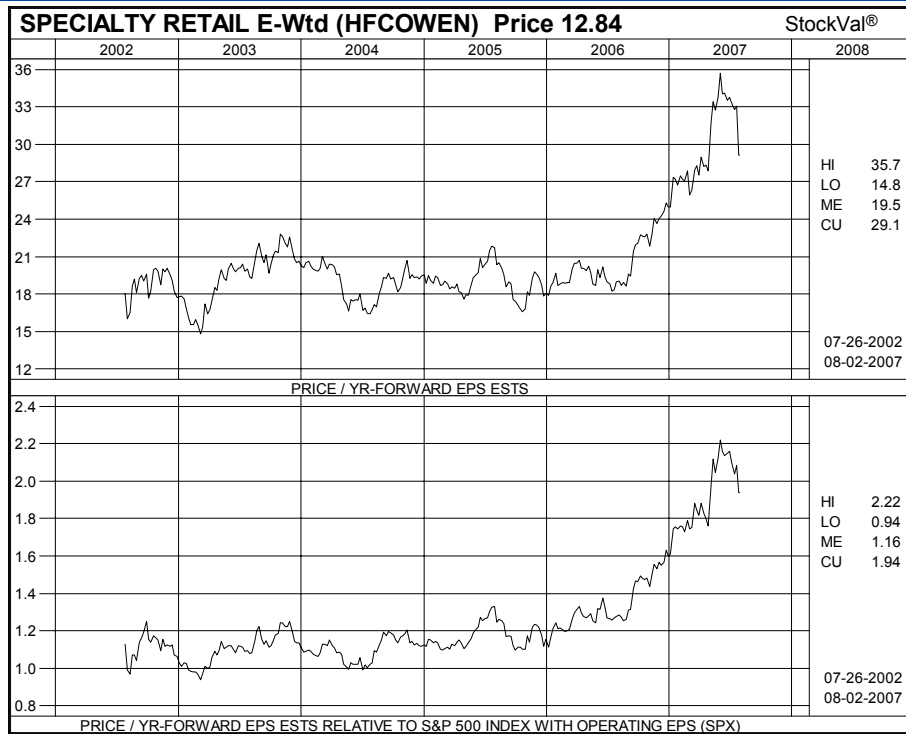
Source: Company Reports and Cowen and Company

Exhibit 5: Specialty Apparel Retailers' 5-Year Average Forward P/E Multiples



Source: StockVal

Exhibit 6: Home Furnishing Retailers' 5-Year Average Forward P/E Multiples



Source: StockVal

Exhibit 7: Cowen and Company Specialty Retail Comp Table

Company	Ticker	Rating	Market Cap (\$MM)	Price 8/3/07	EPS*			P/E			3 Yr. Current Yr. Abs. P/E			3 Yr. Current Yr. Rel. P/E			Current Rel. P/E	LTM ROIC	EV/EBITDA		
					C2006A	C2007E	C2008E	2006	2007	2008	Low	High	Avg.	Low	High	Avg.			C2006A	C2007E	C2008E
Diversified																					
GAP INC	GPS	Neutral	13,467	16.45	\$0.93	\$0.88	\$1.10	17.7x	18.7x	14.9x	12.8x	21.7x	15.9x	72%	121%	87%	121%	12.7%	6.6x	6.9x	5.8x
LIMITED BRANDS	LTD	Outperform	9,281	22.85	\$1.68	\$1.57	\$1.85	13.6x	14.6x	12.3x	13.4x	19.9x	16.2x	71%	109%	89%	95%	11.7%	7.2x	7.3x	6.4x
average																					
Teen/Young Adult																					
ABERCROMBIE & FITCH	ANF	Outperform	6,375	69.07	\$4.55	\$5.27	\$6.00	15.2x	13.1x	11.5x	11.4x	22.1x	15.9x	54%	121%	88%	85%	20.7%	7.5x	6.3x	5.5x
AMERICAN EAGLE OUTFITTER	AEO	Neutral	5,317	23.57	\$1.70	\$1.96	\$2.25	13.9x	12.0x	10.5x	10.6x	21.3x	16.1x	58%	118%	88%	78%	25.3%	6.9x	6.1x	5.4x
CHARLOTTE RUSSE	CHIC	Neutral	419	16.39	\$1.61	\$1.58	\$1.94	10.2x	10.4x	8.5x	13.7x	37.2x	23.7x	67%	201%	131%	67%	11.6%	3.5x	3.4x	3.0x
HOT TOPIC INC	HOTT	Neutral	366	8.28	\$0.34	\$0.46	\$0.60	24.1x	17.9x	13.9x	14.7x	33.1x	22.0x	80%	183%	121%	116%	6.6%	5.0x	4.1x	3.3x
PACIFIC SUNWEAR	PSUN	Neutral	1,115	15.95	\$0.90	\$0.96	\$1.17	17.8x	16.6x	13.6x	10.3x	23.7x	15.5x	66%	132%	85%	108%	6.7%	6.8x	6.3x	5.2x
URBAN OUTFITTERS INC	URBN	Neutral	3,410	20.20	\$0.64	\$0.86	\$1.11	31.4x	23.6x	18.2x	17.5x	42.8x	30.9x	111%	228%	169%	153%	11.3%	14.8x	11.3x	9.1x
WET SEAL	WTSLSA	Outperform	453	4.30	\$0.14	\$0.24	\$0.36	30.1x	18.3x	12.0x	11.8x	59.5x	18.3x	77%	329%	108%	119%	7.0%	10.1x	6.8x	4.5x
average																					
Women's																					
ANN TAYLOR STORES	ANN	Outperform	1,999	29.22	\$1.98	\$2.15	\$2.65	14.7x	13.6x	11.0x	12.0x	29.1x	19.8x	67%	166%	110%	88%	9.5%	5.5x	5.2x	4.4x
BEBE STORES	BEBE	Outperform	1,236	13.01	\$0.85	\$0.90	\$1.08	15.3x	14.5x	12.0x	15.6x	41.8x	25.4x	94%	227%	139%	94%	18.3%	6.8x	6.1x	5.9x
CHICOS FAS	CHS	Outperform	3,184	18.03	\$0.97	\$0.94	\$1.20	18.7x	19.1x	15.0x	15.8x	43.1x	28.9x	98%	238%	159%	124%	14.2%	9.1x	8.8x	7.0x
NEW YORK & COMPANY	NWY	Neutral	544	8.94	\$0.79	\$0.84	\$1.05	11.3x	10.7x	8.5x	11.7x	22.3x	15.8x	68%	124%	90%	69%	10.3%	11.7x	10.3x	8.3x
TALBOTS INC	TLB	Neutral	1,125	20.86	\$0.59	\$0.77	\$1.30	35.3x	27.2x	16.0x	12.7x	32.0x	17.8x	69%	189%	99%	177%	3.8%	8.2x	6.8x	6.0x
average																					
Jewelry																					
TIFFANY & CO	TIF	Outperform	6,791	48.60	\$1.83	\$2.10	\$2.44	26.5x	23.2x	19.9x	16.6x	31.1x	21.5x	96%	151%	118%	150%	11.0%	13.3x	11.6x	10.1x
ZALE CORP	ZLC	Neutral	1,014	20.71	\$1.68	\$1.33	\$1.64	12.3x	15.5x	12.6x	10.7x	16.0x	13.5x	50%	89%	74%	50%	6.9%	6.0x	5.7x	3.6x
average																					
Men's																					
MENS WEARHOUSE	MW	Outperform	2,609	47.68	\$2.62	\$2.91	\$3.40	18.2x	16.4x	14.0x	12.6x	21.2x	16.0x	69%	116%	88%	106%	17.0%	9.0x	8.0x	7.0x
Home Furnishings																					
BED BATH & BEYOND	BBBY	Outperform	9,524	34.23	\$2.09	\$2.19	\$2.52	16.4x	15.7x	13.6x	15.9x	33.4x	21.6x	82%	161%	117%	82%	16.5%	8.3x	8.2x	7.3x
COST PLUS	CPWM	Neutral	129	5.86	(\$0.83)	(\$0.81)	(\$0.05)	NMF	NMF	NMF	12.9x	28.5x	19.0x	37%	175%	104%	37%	0.8%	23.3x	12.4x	5.1x
DESIGN WITHIN REACH	DWRI	Neutral	86	5.96	(\$0.48)	(\$0.03)	\$0.20	NMF	NMF	30.4x	20.9x	73.7x	41.4x	117%	NMF	227%	NMF	NMF	NMF	11.2x	5.3x
PIER 1 IMPORTS	PIR	Underperform	513	5.84	(\$1.30)	(\$1.39)	(\$0.83)	NMF	NMF	NMF	13.1x	48.0x	21.0x	64%	NMF	111%	NMF	-0.2%	NMF	NMF	NMF
TUESDAY MORNING CORP	TUES	Underperform	454	10.91	\$0.87	\$0.84	\$0.96	12.5x	13.0x	11.4x	10.9x	21.7x	16.5x	38%	111%	90%	38%	13.9%	6.5x	6.4x	5.7x
WILLIAMS-SONOMA	WSM	Outperform	3,358	29.89	\$1.76	\$1.78	\$2.10	17.0x	16.8x	14.2x	15.3x	27.3x	20.5x	85%	133%	112%	85%	8.0%	7.2x	7.1x	6.1x
average																					
Specialty Direct Retailers																					
CELEBRATE EXPRESS	BDAV	Neutral	78	9.89	\$0.02	\$0.09	\$0.12	587.1x	NMF	17.0x	17.0x	65.9x	35.0x	110%	NMF	194%	NMF	-2.2%	32.5x	NMF	NMF
S&P 500				1,433				16.3x	15.4x	14.3x	15.1x	22.5x	18.2x								
Dow Jones				13,463																	
Nasdaq				2,511																	

* Reflects OpEPS including the impact of stock options expense beginning in C06.

Source: Company Reports and Cowen and Company

Exhibit 8: Cowen and Company Specialty Retail Comp Table (cont'd)

Company	Ticker	Market Cap (\$MM)	Price 08/03/07	Short Pos. (mm)	Float (mm)	Shares Outstand.	Avg. Daily Vol. (000s)	Annual Dividends	Share Repurchase Balance	Pricing								
										52 week		Date of High	% From High	% From Low	2005 % chg	2006 % chg	YTD % chg	
										High	Low							
Diversified																		
GAP INC	GPS	13,467	16.45	17.6	577.7	818.7	7,210	\$0.32	\$200 mm	21.39	16.25	10/31/06	-23.1%	1.2%	-16.5%	10.5%	-15.6%	
LIMITED BRANDS	LTD	9,281	22.85	29.0	347.7	406.2	4,292	\$0.60	\$1.0 B	32.60	22.84	11/15/06	-29.9%	0.0%	-2.9%	29.5%	-21.0%	
average														-26.5%	0.6%	-9.7%	20.0%	-18.3%
Teen/Young Adult																		
ABERCROMBIE & FITCH	ANF	6,375	69.07	4.9	86.4	92.3	2,060	\$0.70	4,670 mm sh	84.92	53.06	4/26/07	-18.7%	30.2%	38.8%	6.8%	-0.8%	
AMERICAN EAGLE OUTFITTER	AEO	5,317	23.57	10.3	199.7	225.6	3,933	\$0.38	25,500 mm sh	34.80	21.39	1/18/07	-32.3%	10.2%	-2.4%	103.7%	-24.5%	
CHARLOTTE RUSSE	CHIC	419	16.39	3.1	25.3	25.5	613	NA	NA	33.93	16.33	1/24/07	-51.7%	0.4%	106.2%	47.6%	-46.7%	
HOT TOPIC INC	HOTT	366	8.28	5.9	44.0	44.2	1,048	NA	\$0.00	14.45	8.16	12/14/06	-42.7%	1.5%	-17.1%	-6.4%	-37.9%	
PACIFIC SUNWEAR	PSUN	1,115	15.95	11.1	69.6	69.9	1,902	NA	\$50.5 mm	23.11	13.12	4/12/07	-31.0%	21.6%	11.9%	-21.4%	-18.5%	
URBAN OUTFITTERS INC	URBN	3,410	20.20	20.3	115.9	168.8	3,437	NA	6,780 mm sh	27.75	13.65	4/03/07	-27.2%	48.0%	14.0%	-9.0%	-12.3%	
WET SEAL	WTSLA	453	4.30	9.8	84.3	105.2	1,233	NA	3,000 mm sh	7.60	4.21	12/13/06	-43.4%	2.1%	95.6%	50.2%	-35.5%	
average														-35.3%	16.3%	35.3%	24.5%	-25.2%
Women's																		
ANN TAYLOR STORES	ANN	1,999	29.22	4.9	63.8	68.4	1,858	NA	\$99 mm	45.15	29.15	10/31/06	-35.3%	0.2%	60.3%	-4.9%	-11.0%	
BEBE STORES	BEBE	1,236	13.01	6.3	93.2	95.0	1,063	\$0.20	NA	26.86	12.91	10/25/06	-51.6%	0.8%	-22.0%	41.1%	-34.3%	
CHICOS FAS	CHS	3,184	18.03	14.1	174.1	176.6	2,864	NA	\$0 mm	27.94	17.26	4/30/07	-35.5%	4.5%	93.0%	-52.9%	-12.9%	
NEW YORK & COMPANY	NWY	544	8.94	2.9	25.0	60.9	451	NA	NA	16.20	8.76	3/21/07	-44.8%	2.1%	28.3%	-38.3%	-31.7%	
TALBOTS INC	TLB	1,125	20.86	10.8	23.0	53.9	840	\$0.52	\$0 mm	31.00	19.50	10/18/06	-32.7%	7.0%	2.2%	-13.4%	-13.4%	
average														-40.0%	2.9%	32.4%	-13.7%	-20.6%
Jewelry																		
TIFFANY & CO	TIF	6,791	48.60	9.4	135.4	139.7	1,581	\$0.46 *	\$670.00	56.79	29.63	7/06/07	-14.4%	64.0%	19.8%	2.5%	23.9%	
ZALE CORP	ZLC	1,014	20.71	7.3	48.8	49.0	516	NA	\$0 mm	31.72	20.57	11/16/06	-34.7%	0.7%	-15.8%	12.2%	-26.6%	
average														-24.6%	32.4%	2.0%	7.3%	-1.4%
Men's																		
MENS WEARHOUSE	MW	2,609	47.68	4.7	49.6	54.7	708	\$0.24	\$40.0 mm	56.64	31.28	7/17/07	-15.8%	52.4%	38.2%	30.0%	24.6%	
average														-23.1%	44.6%	45.8%	7.2%	17.0%
Home Furnishings																		
BED BATH & BEYOND	BBBY	9,524	34.23	12.8	263.1	278.2	2,975	NA	\$412 mm	43.32	32.85	2/23/07	-21.0%	4.2%	-9.2%	5.4%	-10.2%	
COST PLUS	CPWM	129	5.86	5.2	17.6	22.1	458	NA	1,075 mm sh	14.34	5.75	11/16/06	-59.1%	1.9%	-46.6%	-39.9%	-43.1%	
DESIGN WITHIN REACH	DWRI	86	5.96	0.3	13.7	14.4	19	NA	NA	6.85	4.71	5/14/07	-13.0%	26.5%	-63.6%	-7.0%	20.9%	
PIER 1 IMPORTS	PIR	513	5.84	15.5	77.8	87.8	1,549	NA	\$107 mm	9.06	5.61	6/18/07	-35.5%	4.1%	-55.7%	-31.8%	-1.8%	
TUESDAY MORNING CORP	TJES	454	10.91	5.9	30.0	41.6	471	\$0.80	NA	19.02	10.88	12/15/06	-42.6%	0.3%	-31.7%	-25.7%	-29.8%	
WILLIAMS-SONOMA	WSM	3,358	29.89	10.9	91.4	112.4	1,535	\$0.46	5,919 mm sh	36.95	28.29	4/03/07	-19.1%	5.7%	23.1%	-27.1%	-4.9%	
average														-31.7%	7.1%	-30.6%	-21.0%	-11.5%
Specialty Direct Retailers																		
CELEBRATE EXPRESS	BDAY	78	9.89	0.0	5.5	7.9	42	NA	NA	13.75	8.03	8/22/06	-28.1%	23.2%	-28.9%	-14.2%	-14.6%	
S&P 500											1,556	1,261	7/16/07	-7.9%	13.6%	3.0%	13.6%	1.0%
Dow Jones											14,022	11,043	7/17/07	-4.0%	21.9%	-0.6%	16.3%	8.0%
Nasdaq											2,725	2,048	7/19/07	-7.8%	22.6%	1.4%	9.5%	4.0%

Share repurchase balance reflects most recently reported quarterly data.

* TIF has an annual dividend rate of \$0.48. Effective in Q207 the dividend was increased, so actual rate for 2007 is \$0.46.

Source: Company Reports and Cowen and Company

Historical Monthly Comps

ANF																
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Q1	Q2	Q3	Q4
2007	-6.0%	-6.0%	7.0%	-15.0%	-5.0%	2.0%							-4.0%			
2006	33.0%	5.0%	0.0%	17.0%	3.0%	-4.0%	3.0%	6.0%	10.0%	-3.0%	-3.0%	-1.0%	6.0%	0.0%	5.0%	-3.0%
2005	17.0%	19.0%	21.0%	16.0%	29.0%	38.0%	22.0%	24.0%	21.0%	31.0%	23.0%	29.0%	19.0%	30.0%	25.0%	28.0%
2004	2.0%	1.0%	-1.0%	0.0%	1.0%	-5.0%	-9.0%	-5.0%	2.0%	11.0%	2.0%	10.0%	0.0%	-5.0%	1.0%	4.0%
2003	3.0%	-4.0%	-10.0%	-3.0%	-7.0%	-5.0%	-11.0%	-11.0%	-1.0%	-14.0%	-13.0%	-13.0%	-6.0%	-8.0%	-9.0%	-11.0%
2002	-14.0%	-9.0%	2.0%	-13.0%	-9.0%	-5.0%	-3.0%	-3.0%	-10.0%	-3.0%	-13.0%	0.0%	-6.0%	-5.0%	-5.0%	-4.0%
2001	0.0%	6.0%	-4.0%	6.0%	-2.0%	-4.0%	-14.0%	-10.0%	-18.0%	-20.0%	-5.0%	-10.0%	2.0%	-7.0%	-15.0%	-9.0%
2000	4.0%	-10.0%	-13.0%	1.0%	-14.0%	-4.0%	-2.0%	-3.0%	-2.0%	-4.0%	-8.0%	-11.8%	-8.0%	-6.0%	-3.0%	-9.0%

A&F Adult																
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Q1	Q2	Q3	Q4
2007	-8.0%	-4.0%	4.0%	-13.0%	-8.0%	2.0%							-4.0%			
2006	25.0%	-6.0%	-9.0%	7.0%	-3.0%	-10.0%	1.0%	2.0%	4.0%	-6.0%	-5.0%	-6.0%	-4.0%	4.0%	1.0%	-6.0%
2005	13.0%	14.0%	19.0%	14.0%	28.0%	34.0%	15.0%	13.0%	15.0%	20.0%	10.0%	19.0%	16.0%	26.0%	16.0%	18.0%
2004	-1.0%	0.0%	-4.0%	-2.0%	1.0%	-8.0%	-9.0%	-9.0%	0.0%	8.0%	-2.0%	4.0%	-2.0%	-6.0%	-2.0%	4.0%

abercrombie (kids)																
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Q1	Q2	Q3	Q4
2007	-2.0%	-4.0%	11.0%	-18.0%	3.0%	6.0%							-2.0%			
2006	73.0%	31.0%	18.0%	47.0%	21.0%	9.0%	5.0%	7.0%	17.0%	0.0%	0.0%	6.0%	30.0%	11.0%	8.0%	2.0%
2005	27.0%	35.0%	30.0%	31.0%	48.0%	68.0%	53.0%	56.0%	58.0%	76.0%	52.0%	59.0%	32.0%	57.0%	62.0%	59.0%
2004	1.0%	-3.0%	-1.0%	-1.0%	0.0%	-8.0%	-15.0%	-8.0%	-4.0%	12.0%	5.0%	19.0%	-1.0%	-9.0%	-3.0%	16.0%

Hollister																
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Q1	Q2	Q3	Q4
2007	-5.0%	-9.0%	8.0%	-17.0%	-4.0%	2.0%							-5.0%			
2006	34.0%	15.0%	6.0%	23.0%	5.0%	-1.0%	5.0%	9.0%	15.0%	-1.0%	-2.0%	3.0%	13.0%	3.0%	8.0%	0.0%
2005	22.0%	26.0%	21.0%	16.0%	24.0%	35.0%	24.0%	29.0%	19.0%	34.0%	32.0%	36.0%	21.0%	29.0%	27.0%	34.0%
2004	9.0%	8.0%	11.0%	8.0%	5.0%	8.0%	0.0%	8.0%	13.0%	23.0%	13.0%	22.0%	9.0%	4.0%	13.0%	19.0%

RUEHL																
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Q1	Q2	Q3	Q4
2007	18.0%	-12.0%	6.0%	-6.0%	-3.0%	0.0%							-3.0%			
2006							36.0%	28.0%	21.0%	8.0%	0.0%	3.0%		24.0%	20.0%	6.0%

AEO																
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Q1	Q2	Q3	Q4
2007	17.0%	6.0%	20.0%	-10.0%	5.0%	8.0%							6.0%			
2006	11.3%	6.0%	4.0%	19.0%	11.0%	11.0%	7.0%	11.0%	19.0%	8.0%	14.0%	13.0%	9.0%	10.0%	13.0%	14.0%
2005	22.0%	32.4%	29.2%	20.0%	17.1%	28.0%	17.1%	11.8%	13.0%	17.3%	1.7%	9.8%	27.2%	21.1%	14.0%	7.8%
2004	0.9%	15.0%	7.5%	7.1%	10.6%	7.6%	20.2%	23.9%	22.7%	29.2%	22.7%	32.8%	9.3%	13.8%	26.8%	28.6%
2003	2.2%	-7.8%	-9.3%	-1.7%	0.4%	-5.7%	-10.1%	-10.4%	-3.0%	-18.1%	-6.0%	-5.7%	-6.5%	-5.5%	-10.3%	-4.7%
2002	6.2%	-2.4%	-1.3%	-14.1%	-7.7%	-3.9%	-5.4%	-6.9%	-10.1%	-3.5%	-6.5%	5.3%	-6.1%	-5.5%	-7.0%	-4.6%
2001	5.9%	-4.5%	5.3%	22.7%	0.2%	9.0%	8.2%	2.1%	-9.6%	7.2%	-9.6%	0.5%	8.2%	4.6%	2.6%	-2.1%
2000	9.6%	8.8%	-0.3%	5.8%	-1.0%	-5.3%	-1.5%	9.1%	7.4%	2.6%	13.4%	11.8%	3.9%	-2.9%	6.8%	11.3%

ANN																
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Q1	Q2	Q3	Q4
2007	-10.2%	-2.9%	6.1%	-12.8%	-4.6%	-8.4%							-3.3%			
2006	10.9%	5.6%	0.8%	10.9%	12.0%	12.5%	5.1%	1.9%	5.8%	-0.5%	-4.3%	-5.3%	5.6%	10.3%	2.6%	-6.2%
2005	-3.6%	-5.4%	-1.7%	-3.0%	-7.1%	-1.2%	-3.5%	3.7%	-2.7%	1.2%	12.9%	1.5%	-3.9%	-3.9%	0.2%	6.8%
2004	3.7%	15.3%	12.0%	9.6%	9.9%	11.9%	-2.1%	-4.5%	1.4%	6.2%	-8.3%	-1.5%	11.9%	7.0%	1.4%	-4.0%
2003	-10.3%	-8.6%	-8.2%	-3.2%	9.4%	-0.2%	7.6%	8.2%	6.9%	3.9%	9.6%	26.2%	-8.5%	5.3%	6.2%	15.5%
2002	14.6%	-0.6%	3.5%	-2.7%	-5.2%	-1.2%	7.4%	-7.6%	2.3%	0.2%	-10.3%	-14.6%	0.1%	-0.2%	-1.1%	-12.3%
2001	-14.3%	-6.1%	-6.0%	1.2%	-9.6%	-12.3%	-17.4%	-3.5%	-13.9%	-11.8%	0.8%	-2.4%	-3.5%	-12.9%	-10.6%	2.1%
2000	2.8%	1.7%	-0.7%	-1.4%	3.1%	4.1%	1.6%	3.7%	1.3%	-3.4%	-2.9%	-0.3%	-0.5%	3.1%	0.2%	-4.3%

Ann Taylor																
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Q1	Q2	Q3	Q4
2007	-13.0%	2.4%	8.9%	-8.2%	-3.2%	-3.3%							0.9%			
2006	15.7%	9.8%	5.7%	7.6%	10.4%	6.3%	1.4%	6.9%	9.6%	1.5%	-3.4%	-4.2%	7.4%	6.4%	6.1%	-6.2%
2005	-7.2%	-11.5%	-3.3%	-1.8%	-6.3%	-2.7%	-10.3%	5.6%	4.0%	2.2%	18.6%	2.3%	-4.9%	-6.1%	3.7%	9.8%
2004	-1.5%	12.7%	0.2%	3.0%	-1.6%	6.7%	-3.1%	-8.0%	-5.1%	-0.4%	-16.3%	-7.4%	4.2%	0.8%	-4.2%	-10.1%
2003	-9.6%	-8.0%	-9.2%	-6.8%	9.7%	-2.5%	8.6%	6.6%	0.8%	-0.2%	7.3%	28.8%	-8.1%	4.9%	1.9%	14.4%
2002	16.2%	-0.5%	-0.6%	-4.4%	-4.4%	-1.4%	9.0%	-8.7%	0.4%	-2.2%	-11.7%	-19.1%	-2.1%	0.3%	-2.9%	-14.6%
2001		-9.9%	-5.9%	0.0%	-15.0%	-16.1%	-21.3%	-8.2%	-16.5%	-13.8%	-2.1%	-5.2%	-4.8%	-17.2%	-13.5%	0.0%

Ann Taylor Loft																
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Q1	Q2	Q3	Q4
2007	-12.5%	-10.6%	0.4%	-17.4%	-8.4%	-13.9%							-9.0%			
2006	8.4%	4.2%	-2.6%	13.4%	14.0%	18.5%	8.3%	-1.0%	1.4%	-3.4%	-7.7%	-8.1%	4.7%	14.2%	-0.9%	-9.0%
2005	-0.3%	1.2%	0.0%	-4.8%	-8.7%	-0.8%	1.2%	1.9%	-8.5%	1.7%	10.2%	1.6%	-1.5%	-3.2%	-2.5%	5.5%
2004	16.1%	20.8%	31.6%	20.5%	29.6%	20.9%	1.4%	2.7%	10.2%	13.1%	0.8%	6.3%	24.8%	18.1%	9.2%	3.2%
2003	-12.2%	-9.4%	-6.4%	5.7%	10.6%	2.1%	5.0%	7.1%	17.1%	14.1%	14.9%	25.4%	-2.8%	5.7%	13.4%	20.0%
2002	11.8%	-2.1%	17.1%	0.5%	-8.5%	-0.6%	4.8%	-5.4%	4.9%	4.5%	-7.6%	-4.1%	5.9%	-1.5%	1.7%	-7.1%
2001		12.2%	-6.0%	11.5%	10.8%	-1.0%	-3.9%	11.8%	-1.5%	-5.1%	9.6%	5.3%	4.9%	1.5%	0.6%	8.1%

BEBE																
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Q1	Q2	Q3	Q4
2007	0.8%	-2.2%	0.1%	-9.0%	-3.0%	-5.4%							12.8%	5.5%	-0.4%	
2006	9.8%	1.6%	4.1%	5.7%	1.6%	3.5%	10.0%	12.5%	15.3%	8.2%	5.8%	4.0%	17.3%	2.2%	4.7%	3.5%
2005	29.3%	25.3%	30.6%	31.2%	40.3%	31.4%	25.0%	16.9%	12.3%	2.1%	4.2%	1.1%	12.5%	27.3%	28.5%	34.2%
2004	4.8%	24.2%	20.5%	10.0%	10.2%	6.7%	9.7%	9.2%	17.6%	30.6%	23.2%	28.0%	6.8%	7.1%	16.7%	9.0%
2003	6.9%	-15.2%	-10.5%	1.2%	4.2%	3.3%	5.2%	7.9%	7.1%	4.9%	9.1%	7.0%	-10.3%	-8.1%	-11.0%	2.9%
2002	-17.1%	-4.9%	-3.5%	-12.4%	-7.3%	-3.9%	-9.1%	-17.6%	-2.0%	-4.7%	-15.1%	-5.0%	2.6%	-7.9%	-8.2%	-7.9%
2001	-1.5%	-2.8%	-1.8%	3.3%	7.9%	9.0%	11.0%	8.9%	-10.2%	-10.6%	-10.3%	-4.6%	-12.2%	-1.2%	-2.0%	6.7%
2000	-2.5%	0.2%	-10.1%	-8.9%	-20.0%	-16.5%	-15.7%	-8.5%	-12.8%	-3.4%	1.7%	-1.8%	12.2%	10.1%	-4.4%	-15.2%

Source: Company Reports and Cowen and Company

Historical Monthly Comps

CHS																
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Q1	Q2	Q3	Q4
2007	-3.5%	-4.3%	5.2%	-7.3%	-2.9%	-7.3%							-1.6%			
2006	14.6%	5.7%	8.4%	5.4%	7.2%	5.1%	4.9%	-2.6%	2.1%	-4.1%	-0.4%	-2.0%	6.6%	5.7%	-1.2%	-2.0%
2005	8.2%	9.2%	7.8%	15.5%	13.6%	18.8%	14.0%	14.0%	15.8%	17.9%	11.8%	16.4%	10.8%	15.7%	16.0%	14.6%
2004	19.5%	28.0%	18.9%	16.0%	17.9%	10.9%	13.7%	3.6%	5.2%	9.3%	8.6%	18.6%	20.1%	14.1%	6.1%	12.9%
2003	8.1%	5.0%	12.4%	4.7%	11.7%	16.5%	15.7%	19.4%	22.2%	20.6%	16.3%	24.3%	7.8%	14.6%	20.9%	20.5%
2002	22.4%	10.7%	11.7%	16.8%	13.6%	15.0%	4.9%	13.7%	21.7%	18.1%	11.3%	12.6%	13.2%	11.6%	18.2%	11.0%
2001	44.8%	27.9%	23.7%	32.5%	16.3%	15.6%	21.0%	16.5%	1.1%	6.5%	18.7%	14.2%	27.7%	17.4%	16.8%	17.9%
2000	12.1%	18.3%	39.7%	29.8%	47.4%	28.0%	28.4%	37.2%	36.3%	44.3%	18.5%	34.2%	30.9%	34.3%	39.1%	32.2%

GPS																
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Q1	Q2	Q3	Q4
2007	0.0%	-4.0%	6.0%	-16.0%	-3.0%	-5.0%							-4.0%			
2006	1.0%	-11.0%	-13.0%	-3.0%	-6.0%	-6.0%	-4.0%	-7.0%	-3.0%	7.0%	-8.0%	-8.0%	-9.0%	-5.0%	-5.0%	-7.0%
2005	-7.0%	-3.0%	-4.0%	-5.0%	-8.0%	0.0%	-4.0%	-9.0%	-6.0%	-5.0%	-4.0%	-9.0%	-4.0%	-3.0%	-7.0%	-6.0%
2004	3.0%	12.0%	8.0%	3.0%	6.0%	-2.0%	-5.0%	-1.0%	-3.0%	3.0%	-4.0%	-1.0%	7.0%	0.0%	-1.0%	-3.0%
2003	16.0%	8.0%	9.0%	20.0%	10.0%	10.0%	9.0%	4.0%	13.0%	1.0%	6.0%	1.0%	12.0%	10.0%	6.0%	3.0%
2002	-16.0%	-17.0%	-12.0%	-24.0%	-9.0%	-6.0%	-8.0%	-2.0%	-2.0%	11.0%	9.0%	5.0%	-17.0%	-7.0%	2.0%	8.0%
2001	-12.0%	-11.0%	-8.0%	-2.0%	-10.0%	-7.0%	-12.0%	-17.0%	-17.0%	-17.0%	-25.0%	-11.0%	-7.0%	-9.0%	-17.0%	-16.0%
2000	11.0%	4.0%	-11.0%	7.0%	-2.0%	-2.0%	-1.0%	-14.0%	-8.0%	-2.0%	-1.0%	-6.0%	-2.0%	-2.0%	-8.0%	-6.0%

Gap North America																
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Q1	Q2	Q3	Q4
2007	-6.0%	-5.0%	4.0%	-14.0%	-7.0%	-9.0%							-4.0%			
2006	3.0%	-7.0%	-13.0%	-2.0%	-5.0%	-4.0%	-13.0%	-11.0%	-5.0%	-4.0%	-7.0%	-9.0%	-8.0%	-6.0%	-7.0%	-8.0%
2005	-6.0%	-2.0%	-1.0%	-9.0%	-9.0%	3.0%	-8.0%	-7.0%	-3.0%	-3.0%	-5.0%	-10.0%	-4.0%	-4.0%	-4.0%	-7.0%
2004	5.0%	4.0%	5.0%	2.0%	10.0%	-3.0%	-3.0%	-1.0%	-2.0%	5.0%	-1.0%	1.0%	4.0%	1.0%	0.0%	-1.0%
2003	8.0%	11.0%	5.0%	23.0%	8.0%	8.0%	12.0%	1.0%	12.0%	1.0%	4.0%	-1.0%	13.0%	9.0%	5.0%	2.0%
2002	-23.0%	-24.0%	-13.0%	-25.0%	-16.0%	-7.0%	-18.0%	-4.0%	-3.0%	1.0%	7.0%	2.0%	-20.0%	-13.0%	-2.0%	4.0%
2001	-4.0%	-5.0%	-5.0%	-2.0%	-5.0%	-9.0%	-10.0%	-17.0%	-18.0%	-17.0%	-24.0%	-10.0%	-4.0%	-8.0%	-17.0%	-16.0%
2000	+4.6%	0.0%	-15.0%	9.0%	1.0%	1.0%	10.0%	-6.0%	-4.0%	3.0%	5.0%	-1.0%	-4.0%	4.0%	-2.0%	0.0%

Banana Republic																
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Q1	Q2	Q3	Q4
2007	14.0%	0.0%	8.0%	-13.0%	3.0%	6.0%							-2.0%			
2006	-6.0%	-11.0%	-7.0%	1.0%	3.0%	-4.0%	0.0%	2.0%	3.0%	2.0%	-1.0%	2.0%	-5.0%	-1.0%	3.0%	3.0%
2005	7.0%	-6.0%	-1.0%	-6.0%	-7.0%	-6.0%	7.0%	-6.0%	-7.0%	-8.0%	-5.0%	-5.0%	-4.0%	-3.0%	-7.0%	-5.0%
2004	-1.0%	30.0%	25.0%	12.0%	8.0%	11.0%	-10.0%	0.0%	6.0%	3.0%	-3.0%	-2.0%	21.0%	4.0%	3.0%	-1.0%
2003	11.0%	-3.0%	-5.0%	11.0%	2.0%	7.0%	5.0%	8.0%	12.0%	11.0%	14.0%	10.0%	1.0%	5.0%	11.0%	9.0%
2002	-7.0%	-10.0%	-4.0%	-13.0%	-1.0%	-6.0%	-6.0%	0.0%	-2.0%	6.0%	3.0%	4.0%	-9.0%	-5.0%	1.0%	5.0%
2001	-9.0%	-10.0%	-9.0%	-4.0%	-9.0%	1.0%	-3.0%	-12.0%	-12.0%	-15.0%	-12.0%	-3.0%	-8.0%	-4.0%	-13.0%	-7.0%
2000	0.0%	3.0%	3.0%	8.0%	-3.0%	1.0%	0.0%	-1.0%	-5.0%	-1.0%	-6.0%	-3.0%	5.0%	0.0%	-2.0%	-5.0%

Old Navy																
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Q1	Q2	Q3	Q4
2007	-1.0%	-6.0%	10.0%	-20.0%	-3.0%	-7.0%							-5.0%			
2006	0.0%	-14.0%	-15.0%	-6.0%	-8.0%	-6.0%	0.0%	-8.0%	-3.0%	-11.0%	-10.0%	-10.0%	-11.0%	-5.0%	-7.0%	-9.0%
2005	-13.0%	-1.0%	-9.0%	0.0%	-8.0%	0.0%	-5.0%	-11.0%	-7.0%	-6.0%	-2.0%	-10.0%	-4.0%	-4.0%	-8.0%	-6.0%
2004	3.0%	16.0%	11.0%	3.0%	4.0%	-2.0%	-2.0%	-1.0%	-6.0%	4.0%	-5.0%	-1.0%	9.0%	0.0%	-1.0%	-4.0%
2003	27.0%	8.0%	17.0%	20.0%	13.0%	11.0%	9.0%	6.0%	16.0%	-4.0%	7.0%	2.0%	16.0%	11.0%	6.0%	4.0%
2002	-14.0%	-12.0%	-12.0%	-27.0%	-4.0%	-4.0%	6.0%	0.0%	-2.0%	24.0%	15.0%	9.0%	-18.0%	-1.0%	6.0%	14.0%
2001	-23.0%	-17.0%	-13.0%	2.0%	-16.0%	-7.0%	-19.0%	-19.0%	-18.0%	-18.0%	-33.0%	-14.0%	-9.0%	-14.0%	-18.0%	-20.0%
2000	+24.26%	9.0%	-13.0%	4.0%	-7.0%	-7.0%	-17.0%	-26.0%	-14.0%	-11.0%	-4.0%	-13.0%	-3.0%	-10.0%	-18.0%	-12.0%

Gap Int'l																
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Q1	Q2	Q3	Q4
2007	1.0%	2.0%	-5.0%	-5.0%	0.0%	0.0%							-3.0%			
2006	7.0%	-14.0%	-16.0%	-3.0%	-13.0%	-14.0%	-6.0%	0.0%	-6.0%	-8.0%	-8.0%	-8.0%	-11.0%	-11.0%	-6.0%	-6.0%
2005	-8.0%	-8.0%	1.0%	-12.0%	-2.0%	1.0%	4.0%	-6.0%	-13.0%	-9.0%	0.0%	-3.0%	-6.0%	1.0%	-10.0%	0.0%
2004	-2.0%	-1.0%	-6.0%	-5.0%	-3.0%	-11.0%	-14.0%	-10.0%	-10.0%	-9.0%	-5.0%	-8.0%	-5.0%	-10.0%	-10.0%	-7.0%
2003	17.0%	17.0%	6.0%	19.0%	17.0%	13.0%	7.0%	4.0%	3.0%	7.0%	1.0%	-3.0%	13.0%	12.0%	5.0%	-2.0%
2002	-11.0%	-21.0%	-13.0%	-19.0%	-20.0%	-7.0%	-11.0%	-6.0%	4.0%	6.0%	2.0%	5.0%	-17.0%	-12.0%	2.0%	6.0%
2001	-15.0%	-16.0%	-6.0%	-14.0%	-6.0%	-6.0%	-11.0%	-13.0%	-10.0%	-13.0%	-7.0%	-12.0%	-11.0%	-8.0%	-12.0%	-11.0%
2000	+24.26%	18.0%	-6.0%	6.0%	4.0%	-2.0%	1.0%	-10.0%	-12.0%	7.0%	-11.0%	-7.0%	3.0%	1.0%	-5.0%	-10.0%

HOTT																
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Q1	Q2	Q3	Q4
2007	6.6%	-2.7%	3.4%	-9.1%	-6.1%	-4.0%							-2.3%			
2006	-0.7%	-8.4%	-12.7%	-6.5%	-6.0%	-3.4%	-7.2%	-6.0%	-7.3%	-7.2%	-4.3%	-5.1%	-9.6%	-5.5%	-6.8%	-5.3%
2005	-2.5%	0.2%	5.3%	-4.1%	-1.9%	-3.3%	-5.0%	-7.1%	-5.6%	-5.7%	0.0%	-6.2%	0.9%	-3.5%	-6.2%	-3.8%
2004	4.7%	7.6%	3.9%	0.7%	-0.5%	-0.4%	-5.0%	-8.7%	1.1%	-3.8%	-8.0%	-6.2%	4.0%	-2.1%	-4.2%	-6.0%
2003	13.7%	4.0%	-3.1%	9.0%	3.2%	3.5%	8.7%	11.8%	9.0%	11.2%	7.3%	10.1%	2.6%	5.2%	10.8%	8.5%
2002	-3.1%	-1.4%	1.2%	-2.0%	2.5%	2.1%	-2.2%	5.3%	5.9%	8.1%	4.7%	10.6%	-0.5%	0.6%	6.3%	9.7%
2001	13.3%	10.0%	9.6%	4.2%	1.5%	1.8%	3.8%	9.7%	0.6%	-4.4%	3.4%	6.1%	8.0%	2.4%	2.2%	3.8%
2000	30.5%	31.2%	19.6%	24.3%	19.7%	25.4%	19.7%	18.0%	20.1%	8.0%	17.0%	8.1%	24.1%	21.8%	15.3%	11.2%

Source: Company Reports and Cowen and Company

Historical Monthly Comps

LTD*														Q1	Q2	Q3	Q4
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec					
2007	11.0%	3.0%	8.0%	-1.0%	2.0%	3.0%							4.0%				
2006	0.0%	5.0%	2.0%	9.0%	7.0%	3.0%	7.0%	9.0%	12.0%	9.0%	12.0%	4.0%	5.0%	5.0%	10.0%	8.0%	
2005	9.0%	-4.0%	-7.0%	-4.0%	-1.0%	0.0%	1.0%	-3.0%	-2.0%	-4.0%	5.0%	3.0%	-5.0%	0.0%	-3.0%	3.0%	
2004	23.0%	5.0%	15.0%	2.0%	3.0%	19.0%	0.0%	-2.0%	-5.0%	14.0%	-5.0%	2.0%	8.0%	9.0%	1.0%	2.0%	
2003	2.0%	-1.0%	-4.0%	3.0%	1.0%	5.0%	2.0%	-2.0%	8.0%	-2.0%	1.0%	6.0%	-1.0%	3.0%	2.0%	8.0%	
2002	7.0%	2.0%	9.0%	0.0%	5.0%	5.0%	2.0%	1.0%	6.0%	3.0%	-2.0%	0.0%	4.0%	4.0%	4.0%	0.0%	
2001	5.0%	0.0%	-4.0%	-1.0%	-6.0%	-3.0%	-6.0%	-4.0%	-10.0%	-6.0%	-7.0%	-1.0%	-2.0%	-5.0%	-7.0%	-2.0%	
2000	9.0%	6.0%	4.0%	14.0%	7.0%	6.0%	5.0%	6.0%	10.0%	8.0%	3.0%	0.0%	8.0%	9.0%	8.0%	3.0%	

VSS														Q1	Q2	Q3	Q4
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec					
2007	7.0%	2.0%	8.0%	-4.0%	5.0%	8.0%							2.0%				
2006	3.0%	5.0%	7.0%	12.0%	16.0%	6.0%	13.0%	18.0%	19.0%	14.0%	14.0%	10.0%	8.0%	11.0%	17.0%	10.0%	
2005	12.0%	1.0%	1.0%	-3.0%	0.0%	0.0%	7.0%	-2.0%	-6.0%	-3.0%	3.0%	4.0%	0.0%	2.0%	-4.0%	3.0%	
2004	26.0%	12.0%	21.0%	11.0%	10.0%	6.0%	6.0%	8.0%	13.0%	16.0%	0.0%	4.0%	15.0%	7.0%	13.0%	5.0%	
2003	11.0%	5.0%	-2.0%	0.0%	1.0%	7.0%	8.0%	8.0%	4.0%	4.0%	8.0%	-5.0%	1.0%	6.0%	5.0%	4.0%	
2002	11.0%	7.0%	10.0%	6.0%	5.0%	6.0%	4.0%	3.0%	16.0%	6.0%	0.0%	5.0%	8.0%	5.0%	8.0%	5.0%	
2001	-3.0%	-6.0%	-9.0%	-6.0%	-4.0%	0.0%	-5.0%	-4.0%	-10.0%	-1.0%	9.0%	10.0%	-7.0%	-3.0%	-5.0%	10.0%	
2000	14.0%	14.0%	5.0%	26.0%	18.0%	11.0%	7.0%	4.0%	11.0%	8.0%	-2.0%	-6.0%	14.0%	12.0%	8.0%	-4.0%	

BBW														Q1	Q2	Q3	Q4
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec					
2007	19.0%	2.0%	15.0%	-2.0%	-3.0%	-4.0%							5.0%				
2006	-2.0%	4.0%	1.0%	8.0%	12.0%	8.0%	16.0%	13.0%	16.0%	14.0%	16.0%	5.0%	4.0%	11.0%	15.0%	9.0%	
2005	30.0%	3.0%	10.0%	2.0%	5.0%	15.0%	2.0%	1.0%	0.0%	2.0%	4.0%	1.0%	5.0%	9.0%	1.0%	1.0%	
2004	33.0%	8.0%	13.0%	1.0%	1.0%	55.0%	-4.0%	8.0%	7.0%	11.0%	2.0%	11.0%	7.0%	20.0%	9.0%	12.0%	
2003	-6.0%	-3.0%	-10.0%	9.0%	3.0%	3.0%	5.0%	2.0%	3.0%	3.0%	6.0%	16.0%	-2.0%	4.0%	3.0%	16.0%	
2002	1.0%	-8.0%	-3.0%	-13.0%	-4.0%	-3.0%	0.0%	-2.0%	2.0%	-4.0%	-1.0%	0.0%	-8.0%	-2.0%	-1.0%	-1.0%	
2001	1.0%	-3.0%	-5.0%	-12.0%	-11.0%	-6.0%	-11.0%	-15.0%	-18.0%	-13.0%	-19.0%	-9.0%	-8.0%	-9.0%	-16.0%	-10.0%	
2000	17.0%	11.0%	-5.0%	15.0%	3.0%	4.0%	3.0%	2.0%	8.0%	4.0%	-5.0%	-1.0%	6.0%	3.0%	5.0%	-2.0%	

La Senza														Q1	Q2	Q3	Q4
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec					
2007		1.0%	9.0%	4.0%	4.0%	2.0%							5.0%				

* LTD consolidated comparable figures include the divested Limited Stores and Express divisions for the months prior to July 2007.

PSUN														Q1	Q2	Q3	Q4
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec					
2007	-7.7%	-5.7%	14.1%	-16.5%	6.4%	4.5%							-1.2%				
2006	4.9%	-3.1%	-10.9%	14.0%	-2.6%	-2.7%	-10.6%	-9.4%	-2.4%	-7.1%	-3.8%	-3.2%	-1.8%	-5.5%	-6.7%	-4.3%	
2005	8.1%	10.5%	4.8%	-6.4%	0.4%	4.5%	4.0%	2.6%	5.3%	7.9%	3.0%	1.0%	3.0%	3.2%	4.6%	2.2%	
2004	12.4%	14.1%	12.4%	11.4%	7.8%	7.0%	6.0%	3.7%	9.8%	8.5%	2.7%	5.4%	12.7%	6.8%	6.6%	5.1%	
2003	20.4%	14.8%	9.5%	16.9%	13.2%	13.4%	15.1%	15.6%	18.5%	4.6%	11.7%	12.0%	13.1%	13.9%	13.8%	12.0%	
2002	0.4%	-1.0%	7.5%	-6.7%	3.1%	10.5%	7.2%	12.9%	4.4%	18.6%	11.7%	16.1%	0.6%	7.3%	11.7%	15.6%	
2001	3.8%	-1.1%	-4.1%	-4.1%	-9.8%	-7.4%	-5.3%	0.6%	-7.1%	-1.1%	-2.3%	4.1%	-3.3%	-7.3%	-2.2%	1.7%	
2000	11.9%	9.8%	9.8%	1.6%	0.5%	-0.1%	-4.4%	-2.5%	10.7%	4.3%	5.1%	5.7%	7.0%	-1.4%	3.3%	5.2%	

Pacific Sunwear														Q1	Q2	Q3	Q4
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec					
2007	-7.3%	-3.5%	16.4%	-16.3%	7.4%	5.7%							0.5%				
2006	5.1%	-4.0%	-11.9%	14.6%	-2.2%	-2.0%	-10.2%	-8.9%	-1.2%	-6.1%	-2.6%	-2.1%	-2.2%	-5.0%	-6.0%	-3.4%	
2005	8.2%	10.7%	4.9%	-6.4%	0.5%	4.9%	4.3%	3.2%	5.3%	8.8%	2.7%	1.5%	3.0%	3.5%	5.1%	2.4%	
2004	12.7%	14.8%	13.5%	12.4%	8.3%	7.5%	6.1%	3.9%	10.6%	8.3%	2.3%	5.0%	13.6%	7.2%	6.8%	4.8%	
2003	18.7%	10.0%	6.8%	16.0%	12.5%	12.5%	14.4%	15.2%	17.8%	3.4%	11.4%	11.9%	10.4%	13.2%	13.2%	11.9%	
2002	0.8%	-0.4%	8.4%	-6.9%	3.0%	10.5%	7.8%	13.1%	4.1%	18.0%	10.3%	15.0%	1.2%	7.4%	11.6%	14.3%	
2001	4.6%	-2.9%	-5.3%	-4.4%	-10.3%	-7.7%	-5.2%	0.4%	-7.9%	-1.2%	-2.1%	4.1%	-4.4%	-7.5%	0.4%	-2.5%	
2000	11.9%	9.2%	9.6%	1.2%	0.7%	0.0%	-4.8%	-2.8%	10.2%	3.9%	4.1%	5.3%	6.6%	-1.4%			

d.e.m.o.														Q1	Q2	Q3	Q4
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec					
2007	-9.5%	-14.7%	-4.3%	-18.8%	-2.6%	-7.5%							-12.1%				
2006	3.2%	0.8%	-3.9%	9.5%	-5.0%	-8.5%	-13.4%	-14.1%	-9.4%	-12.2%	-10.0%	-9.4%	1.0%	-9.2%	-11.9%	-9.6%	
2005	6.9%	9.1%	4.3%	-6.4%	-0.6%	0.5%	1.1%	-3.1%	4.0%	2.7%	4.9%	-2.3%	3.2%	0.4%	1.0%	0.5%	
2004	10.7%	10.3%	3.5%	2.9%	3.0%	1.5%	4.7%	2.0%	3.9%	10.0%	6.3%	8.3%	6.0%	3.0%	4.8%	7.5%	
2003	32.8%	49.0%	35.1%	24.9%	20.1%	23.1%	22.0%	20.3%	24.2%	14.1%	13.9%	12.7%	36.5%	21.9%	19.9%	12.6%	
2002	-2.7%	-5.5%	-0.9%	-5.6%	3.9%	10.3%	3.2%	10.3%	7.0%	23.4%	25.5%	25.8%	-3.7%	6.0%	12.5%	27.0%	
2001	13.6%	22.6%	13.1%	1.0%	-3.3%	-2.7%	-5.7%	2.6%	0.9%	-1.0%	-5.0%	4.1%	11.7%	-4.0%	1.0%		
2000	12.8%	23.0%	15.1%	13.3%	-3.5%	-1.2%	2.9%	4.9%	18.1%	10.1%	20.9%	10.8%	16.5%	-0.3%			

WTSLA														Q1	Q2	Q3	Q4
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec					
2007	3.6%	5.0%	10.9%	-9.6%	1.9%	0.7%							2.7%				
2006	51.4%	29.3%	16.2%	17.0%	-8.3%	-4.0%	6.4%	8.7%	5.8%	7.5%	5.5%	1.3%	20.0%	-2.2%	7.5%	3.1%	
2005	8.2%	16.4%	36.3%	35.7%	56.9%	59.3%	50.9%	48.3%	44.9%	46.6%	51.5%	38.5%	29.8%	55.9%	46.6%	44.6%	
2004	-21.4%	-10.4%	-21.1%	-16.8%	-7.8%	-10.1%	-14.7%	-14.8%	-8.0%	-15.5%	-19.5%	-11.8%	-17.2%	-10.9%	-12.6%	-11.9%	
2003	-25.1%	-31.5%	-27.1%	-16.9%	-25.0%	-15.0%	-12.3%	-10.7%	-10.0%	-9.7%	-6.7%	-7.3%	-25.5%	-19.8%	-10.2%	-9.9%	
2002	6.9%	20.5%	10.6%	-4.7%	7.3%	5.6%	-8.3%	-12.0%	-7.3%	-9.1%	-9.7%	-19.4%	8.2%	1.6%	-9.6%	-18.1%	
2001	23.3%	6.3%	0.8%	9.3%	7.3%	-0.6%	4.4%	12.4%	3.2%	-4.6%	1.3%	10.2%	3.5%	3.4%	4.4%	7.0%	
2000								0.6%	6.2%	15.5%	16.0%	10.2%	-4.6%	-2.9%	6.8%	14.6%	

Source: Company Reports and Cowen and Company

Addendum

STOCKS MENTIONED IN IMPORTANT DISCLOSURES

Ticker	Company Name
AEO	American Eagle Outfitters
ANF	Abercrombie & Fitch
ANN	AnnTaylor Stores
BBBY	Bed, Bath & Beyond
BEBE	bebe Stores
CHS	Chico's FAS
GPS	Gap
HOTT	Hot Topic
LTD	Limited Brands
MW	Men's Wearhouse
NWY	New York & Co
PSUN	Pacific Sunwear of California
TIF	Tiffany & Co.
TLB	Talbots
URBN	Urban Outfitters
WSM	Williams-Sonoma
WTSLA	Wet Seal
ZLC	Zale Corporation

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(a) Assumptions: Time horizon is 12 months; S&P 500 is flat over forecast period.

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Sell (d)	3.7%	0.0%

(a) As of 06/30/2007. (b) Corresponds to "Outperform" rated stocks as defined in Cowen and Company, LLC's rating definitions (see above). (c) Corresponds to "Neutral" as defined in Cowen and Company, LLC's ratings definitions (see above). (d) Corresponds to "Underperform" as defined in Cowen and Company, LLC's ratings definitions (see above). Note: "Buy," "Hold" and "Sell" are not terms that Cowen and Company, LLC uses in its ratings system and should not be construed as investment options. Rather, these ratings terms are used illustratively to comply with NASD and NYSE regulations.

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