

19 November 2007

2007

CEO/CFO COMPENSATION REPORT

Retail: Specialty Apparel Edition

Presented by:

HVS Executive Search

www.hvs-executivesearch.com



INTRODUCTION AND EXECUTIVE SUMMARY

In late 2006, the Securities and Exchange Commission (SEC) introduced revised regulations for executive compensation reporting in publicly held companies. As a result of these changes, reporting of compensation data for executive officers is required to be simple and straightforward. This allows those interested to better understand what executives earn in total compensation. HVS' 2007 Chief Executive Officer/Chief Financial Officer Compensation Report (Retail Edition) profiles detailed compensation information and trends as they pertain to these two positions. Whether you are a shareholder, investor, compensation committee director or just interested in retail executive compensation I am confident you will find this report of interest.

Sincerely,

A handwritten signature in black ink that reads "Brad Ellman". The signature is written in a cursive style with a large initial "B" and "E".

*Brad Ellman
Managing Director
bellman@hvs.com
516.248.8828 Extension 209*

ABOUT HVS

HVS Executive Search is the premiere Executive Search and Compensation Consulting firm specializing in the Retail, Hotel, Chain Restaurant and Gaming industries. We deliver superior value by focusing on the needs of our clients and bottom line results. Our professionals are located in New York, Las Vegas, London, Hong Kong, Moscow and New Delhi and give the firm worldwide exposure our clients demand. To that end, each HVS consultant is an expert in each of our core competencies and is dedicated to finding the solution that works best for you.

HVS Executive Search is a division of HVS, a fully integrated consulting firm focusing exclusively on the hospitality industry providing a wide range of services to owners, lenders and operators throughout the world. Founded in 1980, HVS is the world's leading specialist in hospitality consultancy. With more than 24 offices globally, HVS offers unparalleled international market expertise.

Table of Contents

| | |
|---|----|
| Retail CEO Overall Compensation Data - Public Companies..... | 5 |
| Retail CFO Overall Compensation Data - Public Companies | 7 |
| CEO Compensation Breakdown - By Component..... | 9 |
| CEO Compensation - As a Percentage of Base Salary..... | 10 |
| CEO Compensation - By Market Capitalization..... | 11 |
| CFO Compensation Breakdown - By Component..... | 12 |
| CFO Compensation - As a percentage of Base salary..... | 13 |
| CFO Compensation - By Market Capitalization..... | 14 |
| Highest Earning CEOs and CFOs..... | 15 |

Retail CEO Overall Compensation Data – Public Companies

| Company | Base Salary | Short-Term Incentive* | Long-Term Incentive** | Other Compensation*** | Total Compensation | Market Cap (Thousands)**** |
|-------------------------------|-------------|-----------------------|-----------------------|-----------------------|--------------------|----------------------------|
| Abercrombie & Fitch Co | \$1,494,231 | \$2,228,400 | \$14,144,851 | \$8,357,436 | \$26,224,918 | \$6,854,700 |
| Aeropostale Inc | \$945,389 | \$2,380,984 | \$1,727,247 | \$1,379,242 | \$6,432,862 | \$1,727,400 |
| Alloy Inc | \$420,000 | \$400,000 | \$189,821 | \$0 | \$1,009,821 | \$117,900 |
| American Eagle Outfitters Inc | \$1,019,231 | \$3,741,372 | \$10,494,902 | \$24,835 | \$15,280,340 | \$4,947,200 |
| AnnTaylor Stores Corporation | \$1,000,000 | \$1,495,000 | \$9,040,975 | \$142,715 | \$11,678,690 | \$1,928,200 |
| Bakers Footwear Group Inc | \$351,631 | \$39,375 | \$63,094 | \$35,419 | \$489,519 | \$19,500 |
| Bebe Stores Inc | \$500,000 | \$0 | \$250,813 | \$0 | \$750,813 | \$1,368,700 |
| Bernard Chau Inc | \$600,000 | \$0 | \$0 | \$0 | \$600,000 | \$22,430 |
| Big 5 Sporting Goods | \$440,308 | \$600,000 | \$178,888 | \$29,809 | \$1,249,005 | \$368,900 |
| Big Lots Inc | \$960,000 | \$1,632,000 | \$1,383,031 | \$14,559 | \$3,989,590 | \$2,428,300 |
| Bluefly Inc | \$500,000 | \$944,686 | \$4,673,992 | \$48,655 | \$6,167,333 | \$115,200 |
| Boss Holdings Inc | \$167,475 | \$0 | \$49,398 | \$1,581 | \$218,454 | \$17,600 |
| Brown Shoe Co. Inc | \$862,980 | \$986,000 | \$1,385,328 | \$1,043,026 | \$4,277,334 | \$897,400 |
| Buckle Inc | \$805,000 | \$1,232,031 | \$1,019,879 | \$131,882 | \$3,188,792 | \$1,293,800 |
| Cabela's | \$665,450 | \$1,825,500 | \$373,932 | \$15,157 | \$2,880,039 | \$1,327,200 |
| Cache' | \$716,346 | \$200,000 | \$536,458 | \$38,885 | \$1,491,689 | \$260,700 |
| Carter's Inc | \$812,000 | \$2,218,000 | \$849,172 | \$143,603 | \$4,022,775 | \$1,260,900 |
| Casual Male Retail Group Inc | \$712,500 | \$809,625 | \$191,500 | \$16,571 | \$1,730,196 | \$337,400 |
| Cato Corporation | \$912,500 | \$1,387,500 | \$292,340 | \$17,461 | \$2,609,801 | \$615,800 |
| Charlotte Russe Holding, Inc | \$612,206 | \$492,349 | \$1,746,758 | \$60,427 | \$2,911,740 | \$374,700 |
| Charming Shoppes Inc | \$1,250,000 | \$2,500,000 | \$4,452,825 | \$732,003 | \$8,934,828 | \$905,700 |
| Chicos FAS, Inc | \$996,153 | \$2,400,000 | \$2,038,513 | \$6,300 | \$5,440,966 | \$2,317,600 |
| Christopher & Banks Corp. | \$520,000 | \$0 | \$94,362 | \$11,436 | \$625,798 | \$451,900 |
| Citi Trends Inc | \$357,471 | \$282,225 | \$96,467 | \$10,200 | \$746,363 | \$270,300 |
| Claire's Stores Inc | \$800,000 | \$1,360,000 | \$1,874,474 | \$127,065 | \$4,161,539 | \$2,910,000 |
| Coach Inc | \$971,667 | \$1,931,673 | \$16,889,197 | \$422,146 | \$20,214,683 | \$13,491,000 |
| Coldwater Creek Inc | \$1,000,000 | \$323,720 | \$0 | \$2,496,014 | \$3,819,734 | \$830,500 |
| Deb Shops Inc | \$406,570 | \$0 | \$0 | \$6,868 | \$413,438 | \$395,100 |
| dELIA*s | \$600,000 | \$270,000 | \$5,363,439 | \$20,000 | \$6,253,439 | \$106,900 |
| Dick's Sporting Goods | \$662,500 | \$2,650,000 | \$7,739,441 | \$93,165 | \$11,145,106 | \$3,587,800 |
| Dollar Tree Stores, Inc | \$700,000 | \$497,541 | \$384,842 | \$45,911 | \$1,628,294 | \$3,615,900 |
| Dress Barn Inc | \$750,000 | \$750,000 | \$1,122,194 | \$149,876 | \$2,772,070 | \$952,300 |
| DSW Inc | \$455,666 | \$0 | \$40,626 | \$2,998 | \$499,290 | \$369,100 |
| Duckwall Alco Stores Inc | \$345,000 | \$0 | \$220,971 | \$64,657 | \$630,628 | \$140,400 |
| Eddie Bauer | \$980,000 | \$250,000 | \$2,260,487 | \$32,393 | \$3,522,880 | \$236,600 |
| Family Dollar Stores Inc | \$728,585 | \$857,537 | \$1,431,781 | \$99,360 | \$3,117,263 | \$3,689,100 |
| Finish Line, Inc | \$520,000 | \$83,234 | \$562,718 | \$14,116 | \$1,180,068 | \$165,700 |
| Foot Locker Inc | \$1,500,000 | \$1,547,582 | \$2,317,121 | \$308,200 | \$5,672,903 | \$2,193,400 |
| Footstar | \$670,000 | \$2,368,601 | \$383,883 | \$458,673 | \$3,881,157 | \$102,460 |
| Gaiam Inc | \$296,712 | \$0 | \$0 | \$0 | \$296,712 | \$442,700 |
| Gap Inc | \$0 | \$0 | \$137,126 | \$162,665 | \$299,791 | \$14,902,800 |
| Genesco Inc | \$720,000 | \$759,000 | \$1,801,731 | \$128,658 | \$3,409,389 | \$1,068,600 |
| GolfSmith | \$325,000 | \$0 | \$794,426 | \$6,357 | \$1,125,783 | \$95,400 |
| Guess Inc | \$1,000,000 | \$4,187,459 | \$603,532 | \$11,323,081 | \$17,114,072 | \$4,819,500 |
| Gymboree Corp | \$657,404 | \$1,290,000 | \$1,466,912 | \$20,345 | \$3,434,661 | \$1,038,700 |
| Hibbett Sporting Goods Inc | \$440,000 | \$360,510 | \$930,493 | \$33,561 | \$1,764,564 | \$727,600 |
| Hot Topic Inc | \$700,000 | \$0 | \$1,057,593 | \$2,041 | \$1,759,634 | \$348,000 |
| J Crew | \$203,800 | \$1,600,000 | \$397,637 | \$63,414 | \$2,264,851 | \$2,278,400 |
| Jones Apparel Group Inc | \$2,500,000 | \$0 | \$1,457,889 | \$64,627 | \$4,022,516 | \$2,125,500 |
| Jos. A Bank Clothiers Inc | \$1,084,272 | \$2,667,278 | \$0 | \$35,943 | \$3,787,493 | \$538,800 |
| Kenneth Cole Productions, Inc | \$1,000,000 | \$1,000,000 | \$1,548,890 | \$575,155 | \$4,124,045 | \$366,400 |
| Knot Inc. | \$343,333 | \$106,128 | \$313,731 | \$15,254 | \$778,446 | \$606,400 |
| Limited Brands Inc | \$1,823,269 | \$3,213,754 | \$2,446,000 | \$1,896,162 | \$9,379,185 | \$7,996,200 |
| Liz Claiborne, Inc | \$1,300,000 | \$400,000 | \$336,631 | \$29,918 | \$2,066,549 | \$2,899,600 |
| Maidenfrom Brands Inc | \$551,714 | \$703,750 | \$344,578 | \$58,975 | \$1,659,017 | \$314,500 |
| Men's Wearhouse, Inc | \$428,077 | \$134,000 | \$0 | \$814,747 | \$1,376,824 | \$2,189,900 |
| Mothers Work, Inc | \$506,479 | \$506,479 | \$306,669 | \$2,680 | \$1,322,307 | \$93,700 |

Short-Term Incentive includes bonus and/or non-equity incentive plans.

**Long-Term Incentive includes stock awards, option awards, and other LTIP compensation. When value was given as number of shares, a Black-Scholes valuation was performed.

***Other Compensation includes aggregate increase in actuarial value of all defined benefit and actuarial plans and earnings on nonqualified deferred compensation during the year.

****Market Cap obtained from smartmoney.com on 10/30/2007.

Retail CEO Overall Compensation Data – Public Companies

| Company | Base Salary | Short-Term Incentive* | Long-Term Incentive** | Other Compensation*** | Total Compensation | Market Cap (Thousands)**** |
|---------------------------------|-------------|-----------------------|-----------------------|-----------------------|--------------------|----------------------------|
| New York & Company Inc | \$917,308 | \$738,936 | \$94,804 | \$106,039 | \$1,857,087 | \$396,600 |
| Nike Inc | \$1,144,231 | \$1,293,890 | \$6,532,662 | \$207,167 | \$9,177,950 | \$25,516,100 |
| Oakley Inc | \$600,000 | \$750,000 | \$1,013,983 | \$16,382 | \$2,380,365 | \$2,034,500 |
| Oxford Industires | \$771,154 | \$874,500 | \$83,523 | \$84,865 | \$1,814,042 | \$467,900 |
| Pacific Sunwear | \$1,040,000 | \$0 | \$1,439,947 | \$407,223 | \$2,887,170 | \$1,171,100 |
| Payless Shoesource | \$1,092,308 | \$2,784,527 | \$3,638,115 | \$299,550 | \$7,814,500 | \$1,242,400 |
| Phillips Van Heusen Corporation | \$992,436 | \$3,500,000 | \$1,659,629 | \$526,731 | \$6,678,796 | \$2,672,000 |
| Polo Ralph Lauren Corporation | \$1,000,000 | \$15,000,000 | \$2,516,021 | \$228,814 | \$18,744,835 | \$7,152,000 |
| Quicksilver inc. | \$880,000 | \$125,000 | \$3,167,076 | \$103,600 | \$4,275,676 | \$1,643,600 |
| Retail Ventures | \$1,044,711 | \$546,674 | \$5,932,137 | \$53,339 | \$7,576,861 | \$427,900 |
| Rocky Brands | \$475,000 | \$0 | \$21,302 | \$166,088 | \$662,390 | \$38,200 |
| Ross Stores Inc | \$993,791 | \$1,099,848 | \$5,863,291 | \$212,763 | \$8,169,693 | \$3,661,000 |
| Sharper Image | \$990,000 | \$0 | \$414,718 | \$30,344 | \$1,435,062 | \$45,300 |
| Shoe Pavillion Inc | \$380,594 | \$75,871 | \$89,993 | \$20,076 | \$566,534 | \$22,200 |
| Skechers USA, Inc | \$1,000,000 | \$1,494,455 | \$0 | \$35,941 | \$2,530,396 | \$1,142,000 |
| Stage Stores, Inc | \$1,000,000 | \$733,500 | \$620,421 | \$763,912 | \$3,117,833 | \$733,600 |
| Stein Mart, Inc | \$815,500 | \$0 | \$1,019,342 | \$542,302 | \$2,377,144 | \$274,300 |
| Steven Madden, Ltd | \$500,000 | \$450,000 | \$1,081,800 | \$29,585 | \$2,061,385 | \$471,900 |
| Syms | \$637,010 | \$0 | \$0 | \$4,317 | \$641,327 | \$202,310 |
| Talbots Inc | \$1,197,792 | \$359,300 | \$3,040,842 | \$395,433 | \$4,993,367 | \$828,200 |
| TJX Companies Inc | \$630,769 | \$0 | \$3,120,330 | \$39,885 | \$3,790,984 | \$12,631,700 |
| Tween Brands | \$1,050,000 | \$1,423,800 | \$2,510,661 | \$758,708 | \$5,743,169 | \$906,600 |
| United Retail Group Inc | \$629,083 | \$217,500 | \$225,389 | \$214,864 | \$1,286,836 | \$192,200 |
| Urban Outfitters, Inc | \$363,404 | \$105,000 | \$0 | \$30,530 | \$498,934 | \$4,029,300 |
| Volcom Inc | \$375,000 | \$281,500 | \$0 | \$22,300 | \$678,800 | \$1,018,100 |
| Wet Seal | \$662,500 | \$520,000 | \$885,214 | \$15,444 | \$2,083,158 | \$267,300 |
| Weyco Group, Inc | \$504,000 | \$226,800 | \$3,363 | \$610,232 | \$1,344,395 | \$378,400 |
| Williams-Sonoma | \$975,000 | \$0 | \$264,891 | \$389,494 | \$1,629,385 | \$3,367,000 |
| Wilsons The Leather Experts | \$608,077 | \$0 | \$850,915 | \$49,705 | \$1,508,697 | \$55,000 |
| Winmark Corp. | \$200,000 | \$100,000 | \$0 | \$7,167 | \$307,167 | \$106,800 |
| Wolverine World Wide Inc | \$720,673 | \$1,475,403 | \$1,075,215 | \$1,214,459 | \$4,485,750 | \$1,541,800 |
| Zumiez Inc | \$231,000 | \$209,875 | \$0 | \$6,972 | \$447,847 | \$1,281,200 |

*Short-Term Incentive includes bonus and/or non-equity incentive plans.

**Long-Term Incentive includes stock awards, option awards, and other LTIP compensation. When value was given as number of shares, a Black-Scholes valuation was performed.

***Other Compensation includes aggregate increase in actuarial value of all defined benefit and actuarial plans and earnings on nonqualified deferred compensation during the year.

****Market Cap obtained from smartmoney.com on 10/30/2007.

Retail CFO Overall Compensation Data – Public Companies

| Company | Base Salary | Short-Term Incentive* | Long-Term Incentive** | Other Compensation*** | Total Compensation | Market Cap (Thousands)**** |
|-------------------------------|-------------|-----------------------|-----------------------|-----------------------|--------------------|----------------------------|
| Abercrombie & Fitch Co | \$586,538 | \$479,150 | \$1,096,182 | \$225,177 | \$2,387,047 | \$6,854,700 |
| Aeropostale Inc | \$407,500 | \$513,697 | \$328,470 | \$70,272 | \$1,319,939 | \$1,727,400 |
| Alloy Inc | \$242,000 | \$75,000 | \$125,219 | \$0 | \$442,219 | \$117,900 |
| American Eagle Outfitters Inc | \$468,846 | \$703,001 | \$556,261 | \$273,117 | \$2,001,225 | \$4,947,200 |
| AnnTaylor Stores Corporation | \$391,000 | \$300,645 | \$288,828 | \$17,315 | \$997,788 | \$1,928,200 |
| Bakers Footwear Group Inc | \$196,650 | \$24,375 | \$40,534 | \$100 | \$261,659 | \$19,500 |
| Bebe Stores Inc | \$306,074 | \$0 | \$10,033 | \$0 | \$316,107 | \$1,368,700 |
| Bernard Chau Inc | \$198,000 | \$10,000 | \$0 | \$0 | \$208,000 | \$22,430 |
| Big 5 Sporting Goods | \$293,269 | \$185,000 | \$179,394 | \$20,139 | \$677,802 | \$368,900 |
| Big Lots Inc | \$371,209 | \$375,000 | \$149,953 | \$26,899 | \$923,061 | \$2,428,300 |
| Bluefly Inc | \$325,000 | \$395,204 | \$4,159,569 | \$590 | \$4,905,363 | \$115,200 |
| Boss Holdings Inc | \$167,475 | \$0 | \$13,267 | \$31,100 | \$211,842 | \$17,600 |
| Brown Shoe Co. Inc | \$581,538 | \$65,300 | \$44,588 | \$6,528 | \$697,954 | \$897,400 |
| Buckle Inc | \$240,000 | \$246,406 | \$179,069 | \$13,483 | \$678,958 | \$1,293,800 |
| Cabela's | \$319,630 | \$463,000 | \$110,019 | \$26,918 | \$919,567 | \$1,327,200 |
| Carter's Inc | \$375,000 | \$328,125 | \$391,758 | \$119,036 | \$1,213,919 | \$1,260,900 |
| Casual Male Retail Group Inc | \$546,250 | \$620,712 | \$153,200 | \$12,800 | \$1,332,962 | \$337,400 |
| Cato Corporation | \$480,768 | \$90,000 | \$9,517 | \$0 | \$580,285 | \$615,800 |
| Charlotte Russe Holding, Inc | \$324,154 | \$238,500 | \$873,379 | \$1,548 | \$1,437,581 | \$374,700 |
| Charming Shoppes Inc | \$436,796 | \$209,225 | \$415,350 | \$176,742 | \$1,238,113 | \$905,700 |
| Chicos FAS, Inc | \$547,116 | \$1,155,000 | \$815,405 | \$6,300 | \$2,523,821 | \$2,317,600 |
| Christopher & Banks Corp. | \$300,000 | \$0 | \$86,499 | \$4,200 | \$390,699 | \$451,900 |
| Citi Trends Inc | \$155,769 | \$0 | \$3,259 | \$0 | \$159,028 | \$270,300 |
| Claire's Stores Inc | \$475,000 | \$546,250 | \$77,175 | \$78,301 | \$1,176,726 | \$2,910,000 |
| Coach Inc | \$491,667 | \$366,537 | \$14,434,806 | \$79,668 | \$15,372,678 | \$13,491,000 |
| Coldwater Creek Inc | \$425,000 | \$307,153 | \$367,803 | \$103,237 | \$1,203,193 | \$830,500 |
| Deb Shops Inc | \$197,821 | \$25,000 | \$0 | \$2,195 | \$225,016 | \$395,100 |
| dELIA*s | \$300,000 | \$0 | \$462,481 | \$5,192 | \$767,673 | \$106,900 |
| Dick's Sporting Goods | \$458,654 | \$687,981 | \$894,378 | \$24,874 | \$2,065,887 | \$3,587,800 |
| Dollar Tree Stores, Inc | \$415,000 | \$206,643 | \$222,061 | \$43,088 | \$886,792 | \$3,615,900 |
| Dress Barn Inc | \$300,000 | \$180,000 | \$448,878 | \$53,949 | \$982,827 | \$952,300 |
| DSW Inc | \$377,885 | \$600,000 | \$247,798 | \$24,163 | \$1,249,846 | \$369,100 |
| Eddie Bauer | \$1,355,000 | \$0 | \$0 | \$39,536 | \$1,394,536 | \$236,600 |
| Family Dollar Stores Inc | \$465,774 | \$408,950 | \$1,011,069 | \$20,725 | \$1,906,518 | \$3,689,100 |
| Foot Locker Inc | \$500,000 | \$272,839 | \$626,045 | \$57,997 | \$1,456,881 | \$2,193,400 |
| Gaiam Inc | \$145,753 | \$60,000 | \$52,818 | \$8,396 | \$266,967 | \$442,700 |
| Gap Inc | \$710,096 | \$0 | \$694,373 | \$427,979 | \$1,832,448 | \$14,902,800 |
| Genesco Inc | \$350,000 | \$217,800 | \$450,073 | \$120,764 | \$1,138,637 | \$1,068,600 |
| GolfSmith | \$205,039 | \$0 | \$74,469 | \$6,600 | \$286,108 | \$95,400 |
| Guess Inc | \$147,500 | \$100,000 | \$131,565 | \$35,362 | \$414,427 | \$4,819,500 |
| Gymboree Corp | \$392,404 | \$669,500 | \$550,125 | \$17,858 | \$1,629,887 | \$1,038,700 |
| Hibbett Sporting Goods Inc | \$245,000 | \$135,152 | \$322,102 | \$3,373 | \$705,627 | \$727,600 |
| Hot Topic Inc | \$304,167 | \$80,850 | \$163,912 | \$401 | \$549,330 | \$348,000 |
| J Crew | \$505,300 | \$500,000 | \$378,004 | \$275,431 | \$1,658,735 | \$2,278,400 |
| Jones Apparel Group Inc | \$476,843 | \$150,000 | \$445,492 | \$24,207 | \$1,096,542 | \$2,125,500 |
| Jos. A Bank Clothiers Inc | \$376,080 | \$325,000 | \$0 | \$22,979 | \$724,059 | \$538,800 |
| Kenneth Cole Productions, Inc | \$405,719 | \$102,500 | \$181,088 | \$110,647 | \$799,954 | \$366,400 |
| Knot Inc. | \$296,417 | \$86,640 | \$244,245 | \$16,181 | \$643,483 | \$606,400 |
| Limited Brands Inc | \$975,962 | \$1,293,672 | \$798,923 | \$138,249 | \$3,206,806 | \$7,996,200 |
| Liz Claiborne, Inc | \$646,633 | \$0 | \$1,139,456 | \$57,897 | \$1,843,986 | \$2,899,600 |
| Maidenform Brands Inc | \$379,651 | \$356,562 | \$633,686 | \$15,683 | \$1,385,582 | \$314,500 |
| Men's Wearhouse, Inc | \$368,576 | \$140,958 | \$0 | \$1,745 | \$511,279 | \$2,189,900 |

*Short-Term Incentive includes bonus and/or non-equity incentive plans.

**Long-Term Incentive includes stock awards, option awards, and other LTIP compensation. When value was given as number of shares, a Black-Scholes valuation was performed.

***Other Compensation includes aggregate increase in actuarial value of all defined benefit and actuarial plans and earnings on nonqualified deferred compensation during the year.

****Market Cap obtained from smartmoney.com on 10/30/2007.

Retail CFO Overall Compensation Data – Public Companies

| Company | Base Salary | Short-Term Incentive* | Long-Term Incentive** | Other Compensation*** | Total Compensation | Market Cap (Thousands)**** |
|----------------------------------|-------------|-----------------------|-----------------------|-----------------------|--------------------|----------------------------|
| Mothers Work, Inc | \$425,000 | \$425,000 | \$76,667 | \$0 | \$926,667 | \$93,700 |
| New York & Company Inc | \$586,058 | \$300,426 | \$53,046 | \$45,302 | \$984,832 | \$396,600 |
| Nike Inc | \$623,461 | \$429,135 | \$1,133,058 | \$100,709 | \$2,286,363 | \$25,516,100 |
| Oakley Inc | \$275,000 | \$145,000 | \$139,817 | \$1,175 | \$560,992 | \$2,034,500 |
| Pacific Sunwear | \$568,615 | \$57,200 | \$341,359 | \$16,725 | \$983,899 | \$1,171,100 |
| Payless Shoesource | \$395,192 | \$699,248 | \$198,559 | \$411,282 | \$1,704,281 | \$1,242,400 |
| Phillips Van Heusen Corp | \$419,712 | \$637,500 | \$210,150 | \$83,188 | \$1,350,550 | \$2,672,000 |
| Polo Ralph Lauren Corporation | \$625,000 | \$656,250 | \$157,251 | \$345,749 | \$1,784,250 | \$7,152,000 |
| Quicksilver inc. | \$300,000 | \$198,000 | \$684,071 | \$5,300 | \$1,187,371 | \$1,643,600 |
| Retail Ventures | \$513,750 | \$200,000 | \$247,662 | \$39,749 | \$1,001,161 | \$427,900 |
| Rocky Brands | \$280,000 | \$0 | \$14,201 | \$36,849 | \$331,050 | \$38,200 |
| Ross Stores Inc | \$452,310 | \$367,054 | \$307,113 | \$36,154 | \$1,162,631 | \$3,661,000 |
| Shoe Pavillion Inc | \$100,637 | \$0 | \$88,213 | \$0 | \$188,850 | \$22,200 |
| Skechers USA, Inc | \$500,000 | \$198,891 | \$117,319 | \$23,860 | \$840,070 | \$1,142,000 |
| Stage Stores, Inc | \$457,115 | \$243,685 | \$164,830 | \$249,428 | \$1,115,058 | \$733,600 |
| Stein Mart, Inc | \$349,733 | \$0 | \$225,872 | \$202,832 | \$778,437 | \$274,300 |
| Steven Madden, Ltd | \$425,000 | \$350,000 | \$432,720 | \$90,173 | \$1,297,893 | \$471,900 |
| Syms | \$171,068 | \$0 | \$0 | \$3,279 | \$174,347 | \$202,310 |
| Talbots Inc | \$403,869 | \$86,600 | \$695,345 | \$131,020 | \$1,316,834 | \$828,200 |
| TJX Companies Inc | \$627,596 | \$668,120 | \$1,172,692 | \$93,641 | \$2,562,049 | \$12,631,700 |
| Tween Brands | \$123,750 | \$125,000 | \$34,485 | \$916 | \$284,151 | \$906,600 |
| United Retail Group Inc | \$538,000 | \$156,020 | \$158,065 | \$114,059 | \$966,144 | \$192,200 |
| Urban Outfitters, Inc | \$406,654 | \$85,000 | \$0 | \$3,435 | \$495,089 | \$4,029,300 |
| Volcom Inc | \$300,000 | \$225,000 | \$0 | \$900 | \$525,900 | \$1,018,100 |
| Wet Seal | \$382,212 | \$175,000 | \$420,840 | \$18,112 | \$996,164 | \$267,300 |
| Weyco Group, Inc | \$293,000 | \$117,200 | \$3,363 | \$43,663 | \$457,226 | \$378,400 |
| Williams-Sonoma | \$621,212 | \$0 | \$1,894,376 | \$60,820 | \$2,576,408 | \$3,367,000 |
| Wilson's The Leather Experts Inc | \$244,616 | \$0 | \$103,035 | \$6,832 | \$354,483 | \$55,000 |
| Winmark Corp. | \$200,000 | \$100,000 | \$204,147 | \$7,878 | \$512,025 | \$106,800 |
| Wolverine World Wide Inc | \$367,404 | \$498,210 | \$371,996 | \$214,327 | \$1,451,937 | \$1,541,800 |
| Zumiez Inc | \$220,000 | \$198,000 | \$174,264 | \$9,514 | \$601,778 | \$1,281,200 |

*Short-Term Incentive includes bonus and/or non-equity incentive plans.

**Long-Term Incentive includes stock awards, option awards, and other LTIP compensation. When value was given as number of shares, a Black-Scholes valuation was performed.

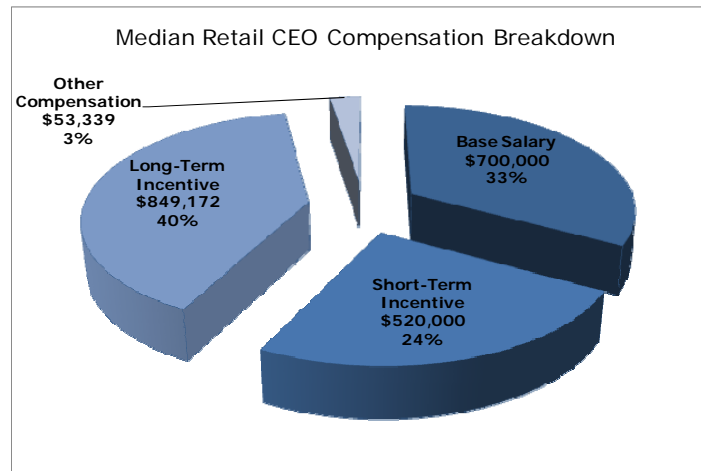
***Other Compensation includes aggregate increase in actuarial value of all defined benefit and actuarial plans and earnings on nonqualified deferred compensation during the year.

****Market Cap obtained from smartmoney.com on 10/30/2007.

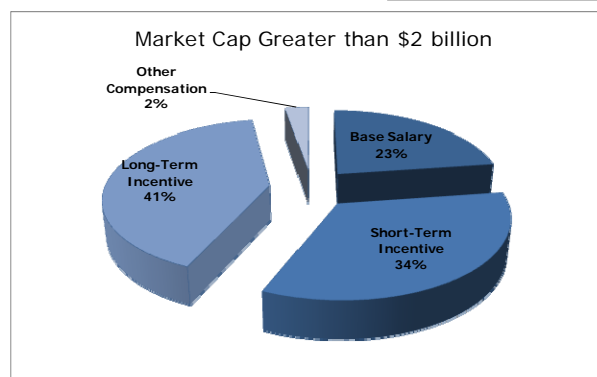
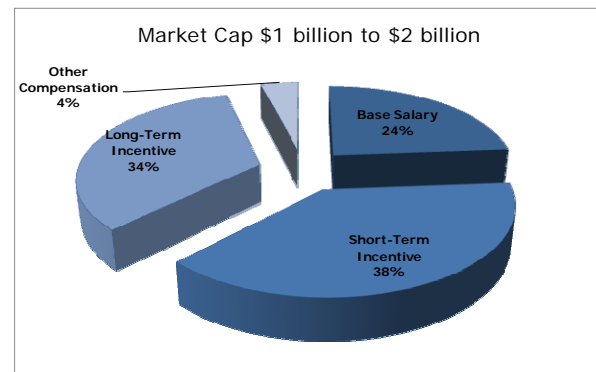
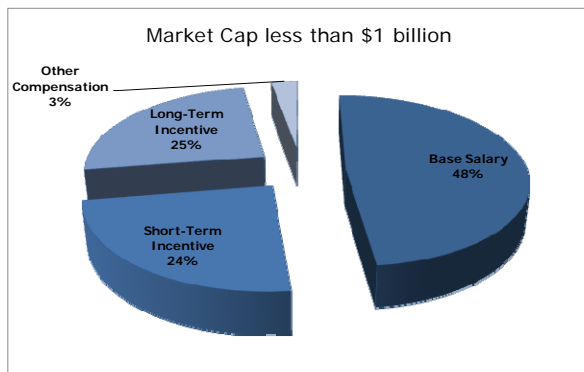
CEO Compensation Breakdown – By Component

When analyzing each Chief Executive Officer’s total compensation, we calculated the median dollar amounts for each component; base salary, short and long-term incentives and other compensation.

The largest portion of CEO compensation was in Long-Term Incentive representing 40% or \$849,172 of total compensation. Base Salary was the second largest component with 33% or \$700,000. Short-Term Incentive was 24% of total compensation or \$520,000. Other compensation made up the remaining 3%.



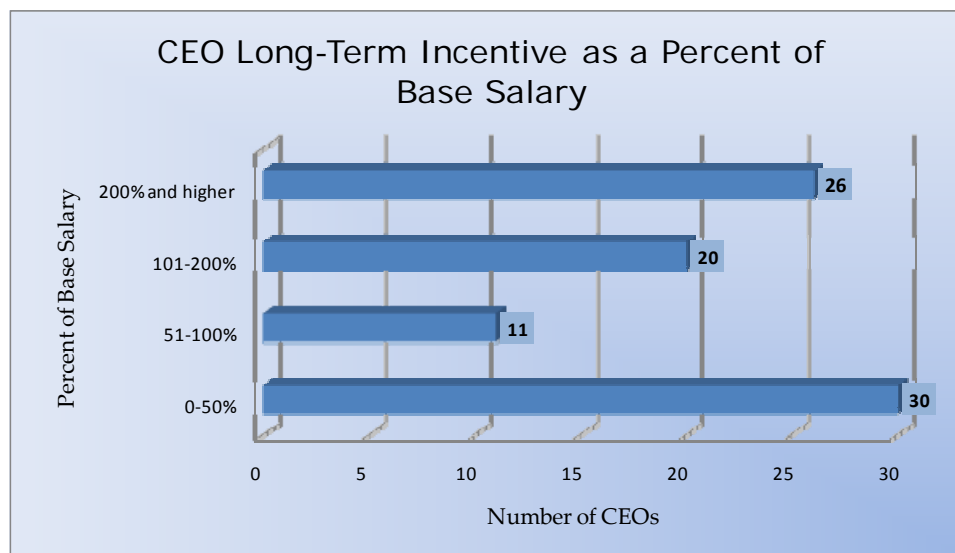
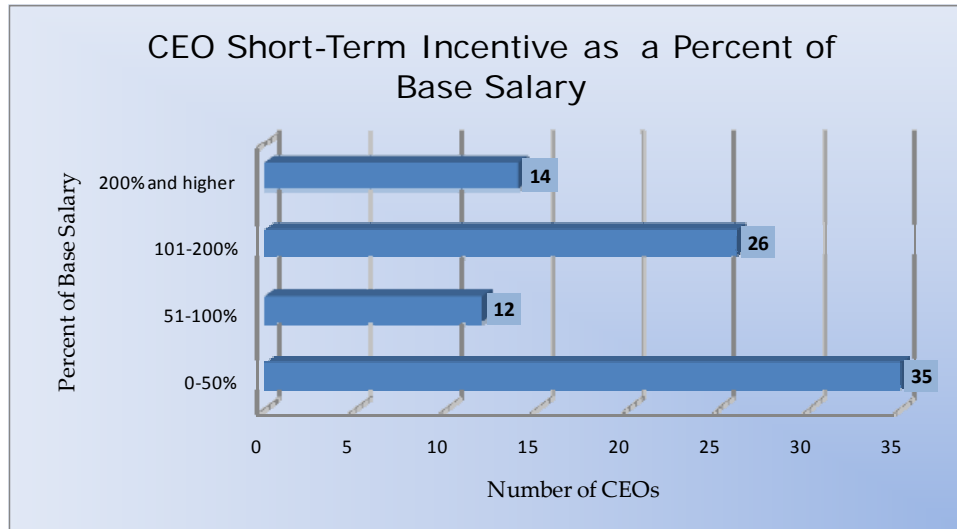
We also reviewed median compensation by component as it relates to size of the organization. Our findings indicate a correlation between size of company and the type of payouts received. For example, CEO’s working for smaller companies (market capitalization less than \$1 billion) received the largest portion of compensation in the form of base salary. The majority of CEO’s serving at larger companies (market capitalization greater than \$2 Billion) received a smaller portion of their compensation as base salary. The balance of compensation was nearly split between short and long-term incentives.



CEO Compensation – As a Percentage of Base Salary

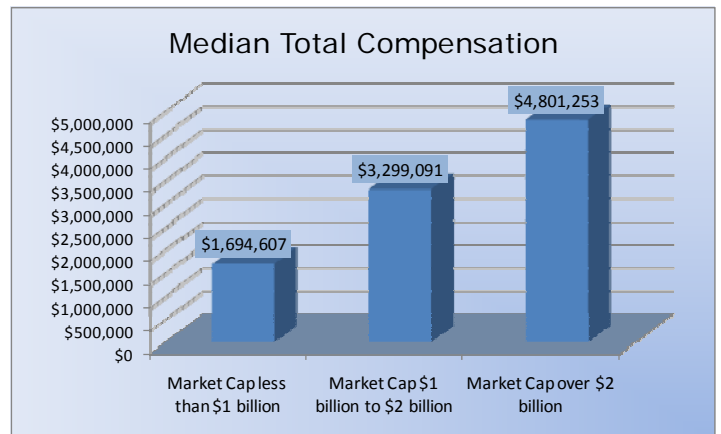
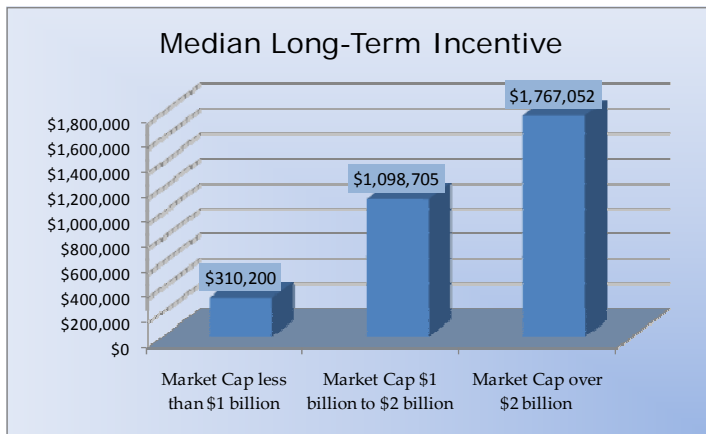
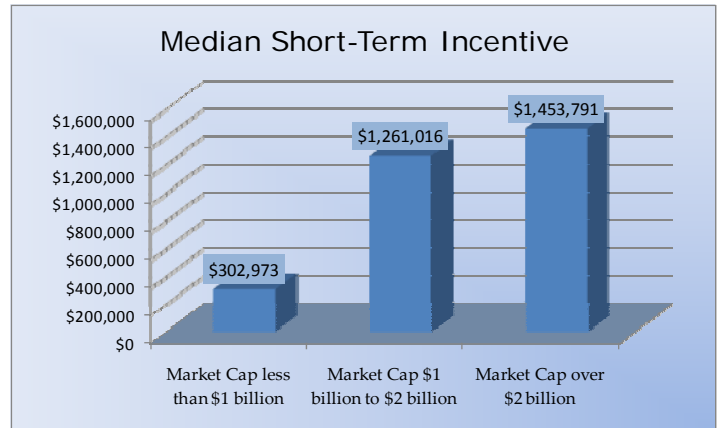
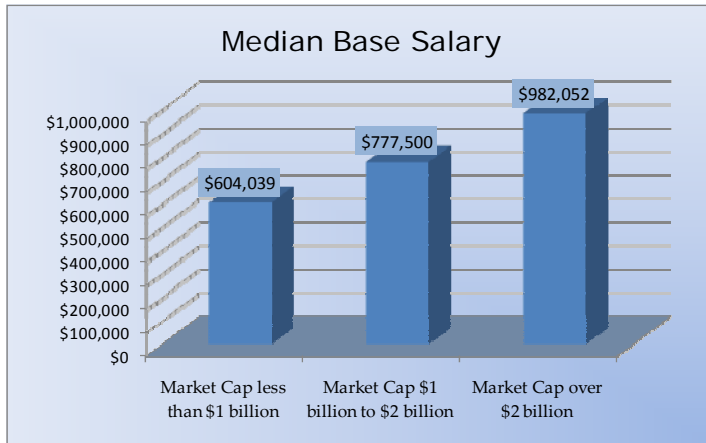
In addition to studying Chief Executive Officer pay by component we also analyzed short and long-term incentives as a percentage of base salary. Of the 87 retail CEOs included in the study 35 received short-term incentives of less than 50% (as a percentage of base salary), 12 received between 51% and 100%, 26 between 101% and 200% and 14 greater than 200%.

Conversely, long-term incentives indicated results heavily weighted towards the high and low ranges; 30 CEO's received less than 50% (as a percentage of base salary) and 26 greater than 200%. 11 received between 51% and 100%, 20 between 101% and 200%.



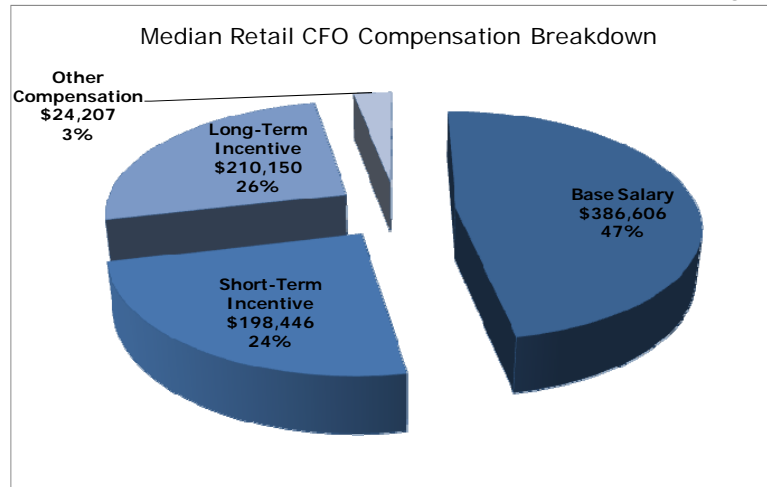
CEO Compensation - By Market Capitalization

To determine if there was a correlation between pay and size of the organization HVS compared CEO compensation to company market capitalization. We separated the peer group into three segments (Market cap of Less than \$1 billion, \$1 billion - \$2 Billion and Greater than \$2 Billion). The charts below indicate a strong correlation between pay and market capitalization:

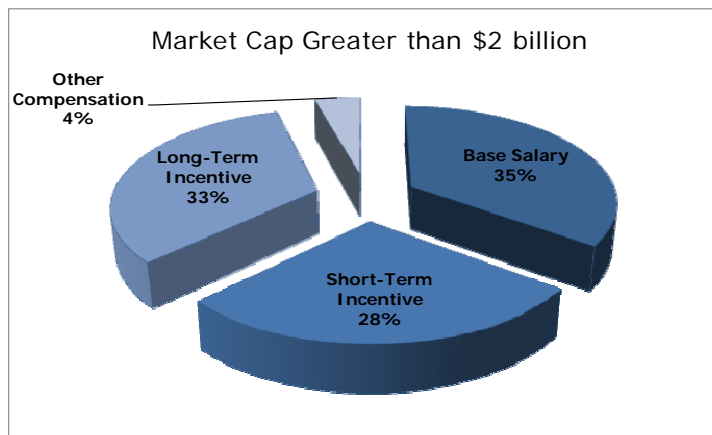
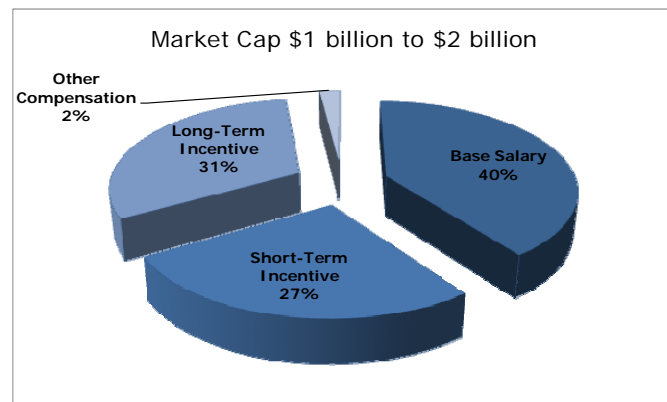
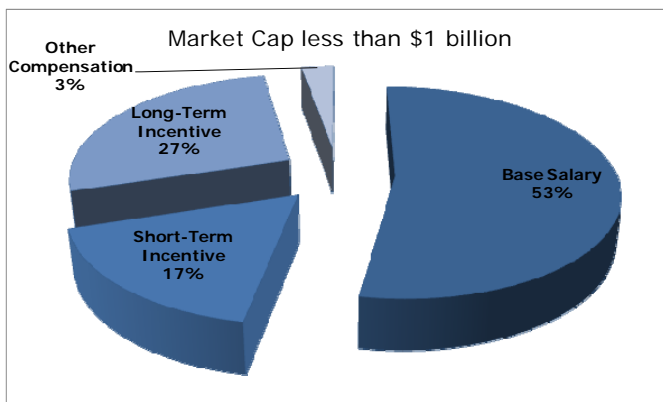


CFO Compensation Breakdown – By Component

We reviewed Chief Financial Officer’s total compensation in the same manner as our CEO analysis. The largest portion of CFO compensation was in salary. Salary represented 47% of a CFO’s total compensation or \$386,606. Long-Term was the second largest component of total compensation at 26% or \$210,150. Short-Term made up 24% or a median of \$198,446. Other compensation made up the remaining 3%.



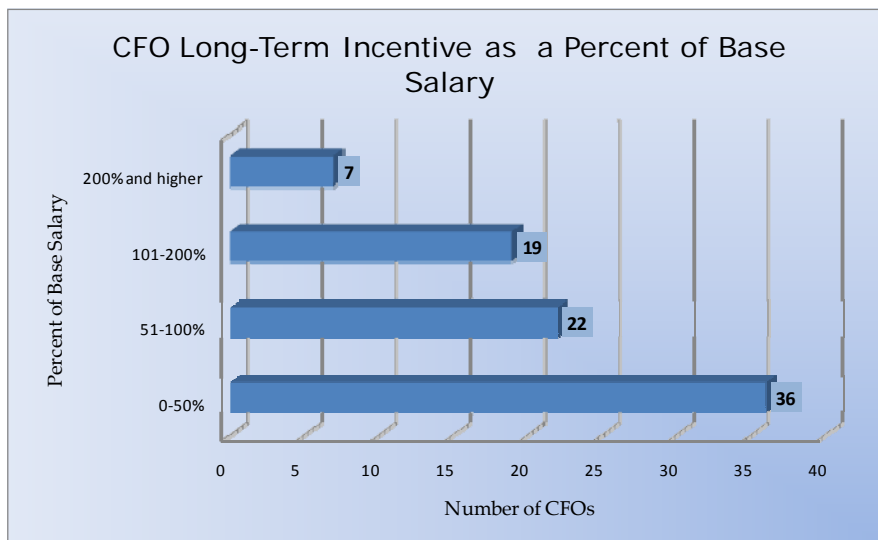
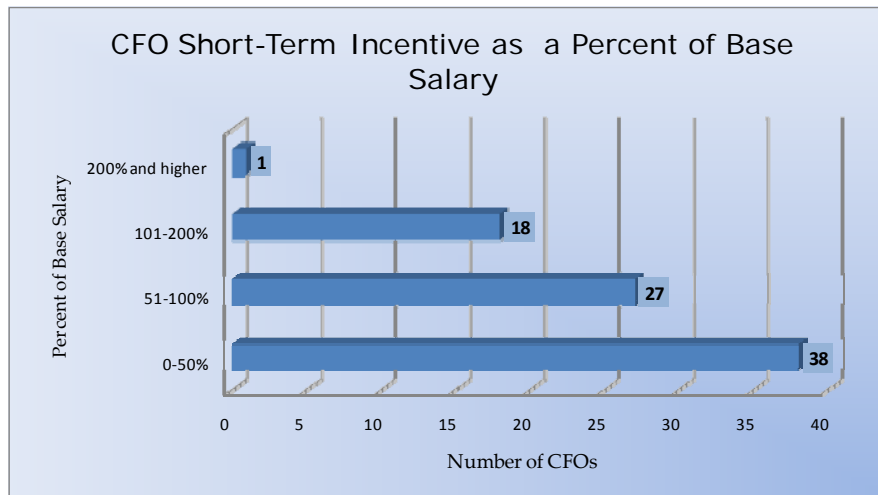
As with our CEO comparisons CFOs findings indicate a strong correlation when comparing median compensation by component as it relates to size of the organization. CFO’s working for smaller companies (market capitalization less than \$1 billion) received the largest portion of compensation in the form of base salary. The majority of CFO’s serving at larger companies (market capitalization greater than \$2 Billion) had compensation closely split between salary, short and long-term incentives.



CFO Compensation – As a Percentage of Base Salary

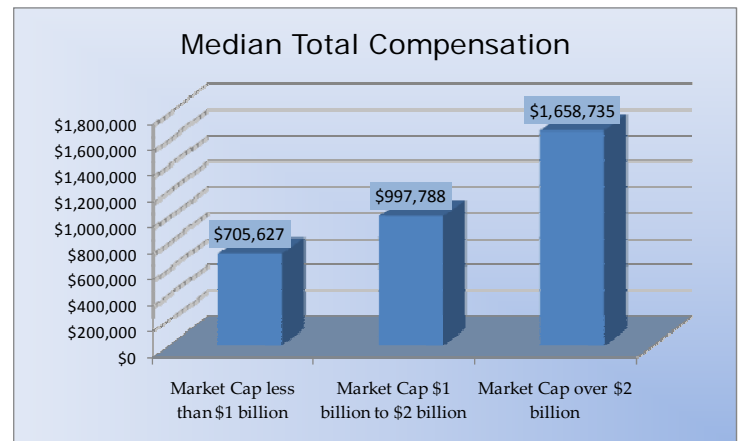
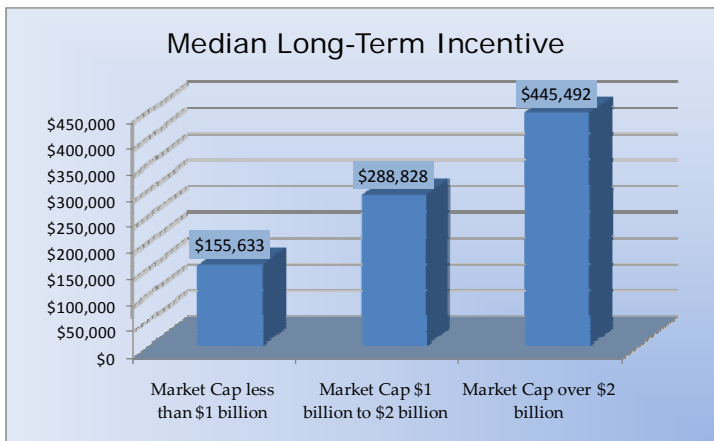
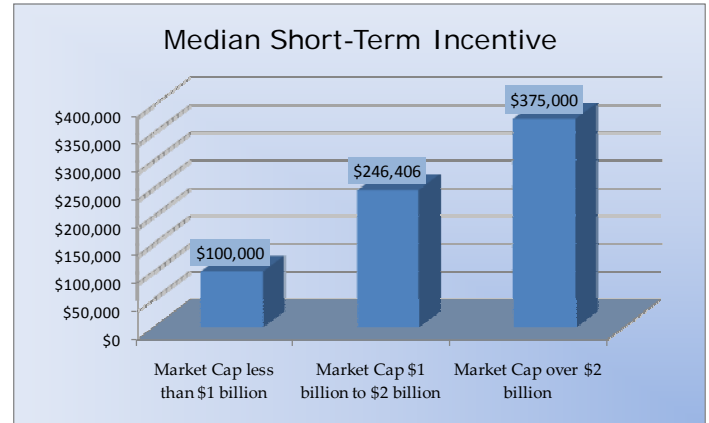
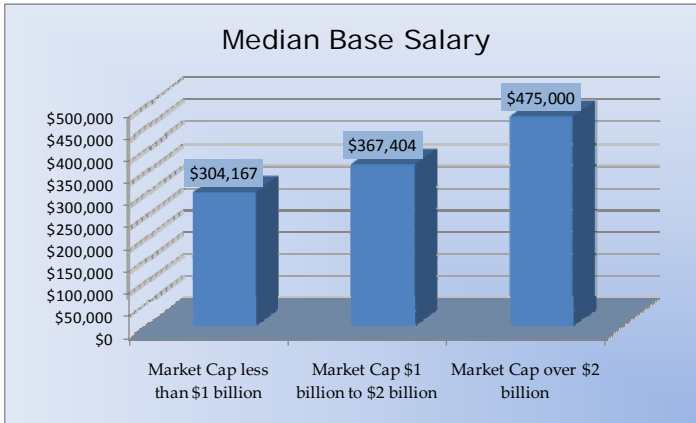
Of the 84 retail CFOs included in the study 38 received short-term incentives of less than 50% (as a percentage of base salary), 27 received between 51% and 100%, 18 between 101% and 200% and 1 greater than 200%.

Long-term incentives followed a similar pattern with a majority of CFO's (36) receiving less than 50% (as a percentage of base salary). 22 received between 51% and 100%, 19 between 101% and 200% and 7 greater than 200%.



CFO Compensation - By Market Capitalization

To determine if there was a correlation between pay and size of the organization HVS compared CFO compensation to company market capitalization. To analyze the effect that company size has on CFO compensation we separated the peer group into three segments; Market cap of Less than \$1 billion, \$1 billion - \$2 Billion and Greater than \$2 Billion. Our CFO analysis indicated a strong correlation between pay and size of company.



Highest Earning CEOs by Compensation Component

| Top Base Salaries | |
|---------------------|-------------|
| Company | Salary |
| Jones Apparel Group | \$2,500,000 |
| Limited Brands Inc | \$1,823,269 |
| Foot Locker Inc | \$1,500,000 |
| Charming Shoppes | \$1,250,000 |
| Talbots Inc | \$1,197,792 |

| Top Short-Term Incentive | |
|---------------------------|---------------|
| Company | S-T Incentive |
| Polo Ralph Lauren | \$15,000,000 |
| Guess Inc | \$4,187,459 |
| American Eagle Outfitters | \$3,741,372 |
| Phillips Van Heusen | \$3,500,000 |
| Limited Brands Inc | \$3,213,754 |

| Top Long-Term Incentive | |
|---------------------------|---------------|
| Company | L-T Incentive |
| Coach | \$16,889,197 |
| American Eagle Outfitters | \$10,494,902 |
| AnnTaylor Stores | \$9,040,975 |
| Dick's Sporting Goods | \$7,739,441 |
| Nike | \$6,532,662 |

| Top Total Compensation | |
|---------------------------|--------------------|
| Company | Total Compensation |
| Coach | \$20,214,683 |
| Polo Ralph Lauren | \$18,744,835 |
| Guess Inc | \$17,114,072 |
| American Eagle Outfitters | \$15,280,340 |
| AnnTaylor Stores | \$11,678,690 |

Highest Earning CFOs by Compensation Component

| Top Total Compensation | |
|------------------------|--------------------|
| Company | Total Compensation |
| Coach | \$15,372,678 |
| Bluefly | \$4,905,363 |
| Limited Brands | \$3,206,806 |
| Chicos FAS | \$2,523,821 |
| Abercrombie & Fitch | \$2,387,047 |

| Top Base Salaries | |
|-------------------|-------------|
| Company | Salary |
| Eddie Bauer | \$1,355,000 |
| Limited Brands | \$975,962 |
| Gap Inc | \$710,096 |
| Liz Claiborne | \$646,633 |
| Polo Ralph Lauren | \$625,000 |

| Top Short-Term Incentive | |
|---------------------------|---------------|
| Company | S-T Incentive |
| Limited Brands | \$1,293,672 |
| Chicos FAS | \$1,155,000 |
| American Eagle Outfitters | \$703,001 |
| Payless Shoesource | \$699,248 |
| Dick's Sporting Goods | \$687,981 |

| Top Long-Term Incentive | |
|-------------------------|---------------|
| Company | L-T Incentive |
| Coach | \$14,434,806 |
| Bluefly | \$4,159,569 |
| Liz Claiborne | \$1,139,456 |
| Nike | \$1,133,058 |
| Abercrombie & Fitch | \$1,096,182 |

EXECUTIVE SEARCH OFFICES

New York

Brad Ellman
Managing Director (Retail)
372 Willis Avenue
Mineola, NY 11501
(516) 248-8828 Phone
(516) 742-1905 Fax
bellman@hvs.com

Keith Kefgen (President)
kkefgen@hvs.com

David Mansbach (Restaurant/Hotel)
dmansbach@hvs.com

Howard Krieger (Gaming/Hotel)
hkrieger@hvs.com

Hong Kong

Mark Keith
1-2F, 24 Sai Kung Tai Street
Sai Kung, Hong Kong
(852) 2791 5868 Phone
(852) 27915966 Fax
mkeith@hvs.com

London

Christopher Mumford
7-10 Chandos Street
Cavendish Square
London W1G 9DQ
(44) 20 7878-7740 Phone
(44) 20 7878-7799 Fax
cmumford@hvs.com

Moscow

Tatiana Veller
B. Dmitrovka Ul. 30/1
Bldg. 1, Office 3
Moscow, 107031
(7) 495 6603653 Phone
tveller@hvs.com

New Delhi

Manav Thadani
6th floor, Tower - C
Building No. 8
DLF Cyber City, Phase II
Gurgaon 122 002
India
(91) 124 461 6000 Phone
(91) 124 461 6001 Fax
mthadani@hvs.com