Results Highlights

Group gross transaction value (incl Magasin)  +3.2%
Like-for-like sales excl VAT  -1.5%
Like-for-like sales incl VAT  Flat
Group gross margin % increase  +20bps
  •  Debenhams gross margin (excl Magasin)  +30bps
  •  Magasin gross margin  +240bps
Headline profit before tax increase\(^{(a)}\)  +4.5%
Net debt reduction  £159.9m
Earnings per share\(^{(b)}\)  7.1p
Interim dividend per share  1.0p

\(^{(a)}\) After adding back £3.9m of amortisation on capitalised bank fees (H1 10: £3.1m) and before exceptional items of £nil (H1 10: £6.0m)
\(^{(b)}\) Based on total number of shares in issue as at 26 February 2011
Performance Track Record

Gross transaction value (LTM)\(^{(b)}\)

- £m
- H2 08: 2,300
- H1 09: 2,400
- H2 09: 2,500
- H1 10: 2,600
- H2 10: 2,700
- H1 11: 2,800

Market share\(^{(a)}\)

- %
- H2 08: 4.7%
- H1 09: 4.8%
- H2 09: 4.4%
- H1 10: 4.5%
- H2 10: 4.6%
- H1 11: 4.7%

Own bought mix (LTM)\(^{(a)}\)

- %
- H2 08: 70%
- H1 09: 72%
- H2 09: 74%
- H1 10: 76%
- H2 10: 78%
- H1 11: 80%

Gross margin % (LTM)\(^{(a)}\)

- Indexed
- H2 08: 96
- H1 09: 98
- H2 09: 100
- H1 10: 102
- H2 10: 104
- H1 11: 106

Profit before tax (LTM)\(^{(b)}\)

- £m
- H2 08: 70
- H1 09: 90
- H2 09: 110
- H1 10: 130
- H2 10: 150
- H1 11: 170

Net debt\(^{(b)}\)

- £m
- H2 08: 200
- H1 09: 300
- H2 09: 400
- H1 10: 500
- H2 10: 600
- H1 11: 700

(a) Excludes Magasin
(b) Includes Magasin
## Trading Results H1 11

<table>
<thead>
<tr>
<th>£m</th>
<th>Debenhams (excl Magasin)</th>
<th>Magasin</th>
<th>Group H1 11</th>
<th>Group H1 10</th>
<th>% change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gross transaction value</td>
<td>1,328.8</td>
<td>134.2</td>
<td>1,463.0</td>
<td>1,417.2</td>
<td>+3.2%</td>
</tr>
<tr>
<td>EBITDA before exceptionals</td>
<td>171.3</td>
<td>11.7</td>
<td>183.0</td>
<td>194.2</td>
<td>-5.8%</td>
</tr>
<tr>
<td>Operating profit before exceptionals</td>
<td>128.4</td>
<td>9.3</td>
<td>137.7</td>
<td>146.6</td>
<td>-6.1%</td>
</tr>
<tr>
<td>Interest</td>
<td>(12.4)</td>
<td>-</td>
<td>(12.4)</td>
<td>(26.1)</td>
<td>+52.5%</td>
</tr>
<tr>
<td>Profit before tax and exceptionals</td>
<td><strong>116.0</strong></td>
<td><strong>9.3</strong></td>
<td><strong>125.3</strong></td>
<td><strong>120.5</strong></td>
<td><strong>+4.0%</strong></td>
</tr>
<tr>
<td>Exceptional items</td>
<td>-</td>
<td>(6.0)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Profit before tax</td>
<td><strong>125.3</strong></td>
<td></td>
<td><strong>125.3</strong></td>
<td><strong>114.5</strong></td>
<td><strong>+9.4%</strong></td>
</tr>
<tr>
<td>Taxation</td>
<td>(33.8)</td>
<td>(34.4)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Profit after tax</td>
<td><strong>91.5</strong></td>
<td></td>
<td><strong>91.5</strong></td>
<td><strong>80.1</strong></td>
<td><strong>+14.2%</strong></td>
</tr>
<tr>
<td>Interim dividend per share</td>
<td>1.0p</td>
<td>-</td>
<td></td>
<td></td>
<td>+1.0p</td>
</tr>
<tr>
<td>Basic earnings per share</td>
<td>7.1p</td>
<td>6.2p</td>
<td></td>
<td></td>
<td>+0.9p</td>
</tr>
</tbody>
</table>
## Interest Charge

<table>
<thead>
<tr>
<th></th>
<th>H1 11 £m</th>
<th>Full Year Guidance £m</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010 charge</td>
<td>£26.1m</td>
<td>£49.8m</td>
</tr>
<tr>
<td>Lower interest rates</td>
<td>(4.6)</td>
<td>(11.6)</td>
</tr>
<tr>
<td>Reduced net debt</td>
<td>(3.6)</td>
<td>(6.8)</td>
</tr>
<tr>
<td>Lloyds finance lease restructuring</td>
<td>(3.3)</td>
<td>(4.5)</td>
</tr>
<tr>
<td>Fees and facility cost</td>
<td>(2.2)</td>
<td>(2.2)</td>
</tr>
<tr>
<td><strong>2011 charge</strong></td>
<td><strong>£12.4m</strong></td>
<td><strong>£24.7m</strong></td>
</tr>
</tbody>
</table>
## Magasin Operating Performance

<table>
<thead>
<tr>
<th></th>
<th>£m</th>
<th>H1 11(^{(a)})</th>
<th>H1 10(^{(b)})</th>
<th>% change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross transaction value</td>
<td></td>
<td>134.2</td>
<td>88.2</td>
<td>52.2%</td>
</tr>
<tr>
<td>Gross margin</td>
<td></td>
<td>46.8</td>
<td>28.7</td>
<td></td>
</tr>
<tr>
<td>Gross margin rate</td>
<td></td>
<td>34.9%</td>
<td>32.5%</td>
<td></td>
</tr>
<tr>
<td>Costs</td>
<td></td>
<td>(35.1)</td>
<td>(23.8)</td>
<td></td>
</tr>
<tr>
<td>EBITDA</td>
<td></td>
<td>11.7</td>
<td>4.9</td>
<td>138.8%</td>
</tr>
<tr>
<td>Depreciation</td>
<td></td>
<td>(2.4)</td>
<td>(1.8)</td>
<td></td>
</tr>
<tr>
<td>Operating profit</td>
<td></td>
<td>9.3</td>
<td>3.1</td>
<td>200.0%</td>
</tr>
</tbody>
</table>

\(^{(a)}\) 26 weeks to 26 February 2011  
\(^{(b)}\) 16 weeks to 27 February 2010
Sales Growth H1 11

Note: excluding VAT
Market Share

<table>
<thead>
<tr>
<th>Category</th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Childrens</td>
<td>3.9%</td>
<td>4.1%</td>
</tr>
<tr>
<td>Mens</td>
<td>5.1%</td>
<td>5.1%</td>
</tr>
<tr>
<td>Womens</td>
<td>5.2%</td>
<td>5.2%</td>
</tr>
<tr>
<td>Health &amp; Beauty</td>
<td>28.1%</td>
<td>26.8%</td>
</tr>
</tbody>
</table>

Sources:
- Fashion - Kantar Worldpanel Fashion 24 weeks market share data to 20 February 2011 vs. 2010
- Health & Beauty - NPD Health and Beauty report 52 weeks to 26 February 2011
Margin Growth vs. Last Year

H1 11 vs. LY

<table>
<thead>
<tr>
<th>Own bought mix</th>
<th>bps</th>
</tr>
</thead>
<tbody>
<tr>
<td>+20</td>
<td></td>
</tr>
<tr>
<td>+10</td>
<td></td>
</tr>
<tr>
<td>+30</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Magasin impact</th>
<th>(10)</th>
</tr>
</thead>
<tbody>
<tr>
<td>20</td>
<td></td>
</tr>
</tbody>
</table>

Own bought mix (% pts)

<table>
<thead>
<tr>
<th>Debenhams (excl Magasin)</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1 09</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Magasin</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1 10</td>
</tr>
<tr>
<td>H1 11</td>
</tr>
</tbody>
</table>
Direct Highlights

Gross transaction value £92.3m
Sales growth +82.4%
EBITDA +56.5%

GTV History

<table>
<thead>
<tr>
<th></th>
<th>H1 2009</th>
<th>H1 2010</th>
<th>H1 2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>% GTV excl Magasin</td>
<td>2.1%</td>
<td>3.8%</td>
<td>6.9%</td>
</tr>
<tr>
<td>£27.2m</td>
<td>£50.6m</td>
<td>£92.3m</td>
<td></td>
</tr>
</tbody>
</table>

Historical GTV:
- H1 2009: £50.6m
- H1 2010: £27.2m
- H1 2011: £92.3m
International Franchise Highlights

Gross transaction value £35.7m
Sales growth +8.5%
EBITDA +13.0%

GTV History

<table>
<thead>
<tr>
<th>Year</th>
<th>H1 2009</th>
<th>H1 2010</th>
<th>H1 2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Franchise stores</td>
<td>49</td>
<td>51</td>
<td>61</td>
</tr>
<tr>
<td>Countries</td>
<td>18</td>
<td>18</td>
<td>24</td>
</tr>
</tbody>
</table>
## Store Costs and Warehouse & Distribution

<table>
<thead>
<tr>
<th></th>
<th>£m</th>
<th>H1 11</th>
<th>H1 10</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Payroll</strong></td>
<td></td>
<td>152.4</td>
<td>145.9</td>
</tr>
<tr>
<td>% to sales</td>
<td></td>
<td>10.4%</td>
<td>10.3%</td>
</tr>
<tr>
<td><strong>Full year guidance</strong></td>
<td>Flat year on year % to sales</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Store rent UK GAAP</strong></td>
<td></td>
<td>85.5</td>
<td>77.1</td>
</tr>
<tr>
<td>IFRS adjustment</td>
<td></td>
<td>6.8</td>
<td>6.7</td>
</tr>
<tr>
<td><strong>Total store rent</strong></td>
<td></td>
<td>92.3</td>
<td>83.8</td>
</tr>
<tr>
<td>% to sales</td>
<td></td>
<td>6.3%</td>
<td>5.9%</td>
</tr>
<tr>
<td><strong>Full year guidance</strong></td>
<td>+ 30 – 40 bps</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total distribution</strong></td>
<td></td>
<td>37.6</td>
<td>28.9</td>
</tr>
<tr>
<td>% to sales</td>
<td></td>
<td>2.6%</td>
<td>2.0%</td>
</tr>
<tr>
<td>Guidance provided previously</td>
<td>+ 30 bps</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Full year guidance</strong></td>
<td>+ 60 bps</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Both years include Magasin
## Portfolio KPIs

<table>
<thead>
<tr>
<th>Year</th>
<th>Sq ft (k)</th>
<th>Dept stores</th>
<th>Small dept store/Desire</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010 Close</td>
<td>12,250</td>
<td>153</td>
<td>13</td>
<td>166</td>
</tr>
<tr>
<td>Dept stores</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Bath</td>
<td>83</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>• Stockroom conversions</td>
<td>16</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2011 H1 Close</td>
<td>12,349</td>
<td>154</td>
<td>13</td>
<td>167</td>
</tr>
<tr>
<td>Dept stores</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Fareham</td>
<td>19</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>• Wakefield</td>
<td>65</td>
<td></td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>2011 Close</td>
<td>12,433</td>
<td>155</td>
<td>14</td>
<td>169</td>
</tr>
</tbody>
</table>
**Capital Investment**

**H1 11**
- New stores: 9%
- Magasin: 9%
- Refits: 20%
- Systems: 22%
- Maintenance: 22%
- Warehouse: 8%
- Other: 10%

£46m

**FY 11 guidance**
- New stores: 13%
- Magasin: 6%
- Refits: 15%
- Systems: 18%
- Maintenance: 22%
- Warehouse: 20%
- Other: 6%

£120m
## Balance Sheet Highlights

<table>
<thead>
<tr>
<th>£m</th>
<th>H1 11</th>
<th>H1 10</th>
<th>FY 10</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-current assets</td>
<td>1,570</td>
<td>1,615</td>
<td>1,640</td>
</tr>
<tr>
<td>Stock</td>
<td>326</td>
<td>287</td>
<td>295</td>
</tr>
<tr>
<td>Other working capital</td>
<td>(425)</td>
<td>(411)</td>
<td>(421)</td>
</tr>
<tr>
<td>Net debt</td>
<td>(352)</td>
<td>(512)</td>
<td>(517)</td>
</tr>
<tr>
<td>Liabilities and charges</td>
<td>(483)</td>
<td>(452)</td>
<td>(494)</td>
</tr>
<tr>
<td>Shareholders’ funds</td>
<td>636</td>
<td>527</td>
<td>503</td>
</tr>
</tbody>
</table>
**Stock**

**Headline increase** +13.6%
- Chinese New Year 4.5%
- New stores 2.0%
- Direct expansion 3.5%
- Increased cost prices 6.0%
- Underlying stock density -2.4%

**Terminal stock** 2.5%

---

**Unit density at period end**
(excludes Magasin and the effect of Chinese New Year)

- **Direct**
- **Dept stores**

<table>
<thead>
<tr>
<th>Year</th>
<th>Units per sq ft</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>5.6</td>
</tr>
<tr>
<td>2009</td>
<td>5.0</td>
</tr>
<tr>
<td>2010</td>
<td>4.5</td>
</tr>
<tr>
<td>2011</td>
<td>4.0</td>
</tr>
</tbody>
</table>
## Operating Cash Flow

<table>
<thead>
<tr>
<th></th>
<th>H1 11</th>
<th>H1 10</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reported operating profit before exceptionals</td>
<td>137.7</td>
<td>146.6</td>
</tr>
<tr>
<td>Depreciation</td>
<td>41.7</td>
<td>43.3</td>
</tr>
<tr>
<td>Amortisation</td>
<td>3.6</td>
<td>4.3</td>
</tr>
<tr>
<td><strong>EBITDA before exceptionals</strong></td>
<td><strong>183.0</strong></td>
<td><strong>194.2</strong></td>
</tr>
<tr>
<td>Working capital</td>
<td>4.3</td>
<td>9.7</td>
</tr>
<tr>
<td>Proceeds from sale of fixed assets</td>
<td>12.6</td>
<td>-</td>
</tr>
<tr>
<td>Capital investment</td>
<td>(45.6)</td>
<td>(49.5)</td>
</tr>
<tr>
<td><strong>Operating cash flow before financing, interest, taxation and exceptionals</strong></td>
<td><strong>154.3</strong></td>
<td><strong>154.5</strong></td>
</tr>
<tr>
<td>Net debt</td>
<td>£352m</td>
<td>£512m</td>
</tr>
</tbody>
</table>
Performance Track Record

Gross transaction value (LTM)\(^{(b)}\)

£m

Market share\(^{(a)}\)

%

Own bought mix (LTM)\(^{(a)}\)

%

Gross margin \% (LTM)\(^{(a)}\) Indexed

Profit before tax (LTM)\(^{(b)}\)

£m

Net debt\(^{(b)}\)

£m

(a) Excludes Magasin

(b) Includes Magasin
First Half Highlights

- Pleasing first half performance in spite of weather impact
- Continued gross margin gains
- Market share gains in key categories including women’s casualwear
- Strong performance from Direct
- Good sales and margin growth from Magasin
- Dividend reinstated with immediate effect
H1 Review: Debenhams Sales Analysis

Own Bought Sales by Category

H1 11
- Womens: 16.8%
- Mens: 14.1%
- Accessories: 14.1%
- Health & beauty: 24.0%
- Lingerie: 5.7%
- Home & gift: 13.2%
- Food services: 3.2%
- Sports: 0.6%
- Childrens: 7.9%

H1 10
- Womens: 17.4%
- Mens: 14.4%
- Accessories: 13.7%
- Health & beauty: 22.8%
- Lingerie: 5.8%
- Home & gift: 14.1%
- Food services: 3.2%
- Sports: 0.7%
- Childrens: 7.9%

Own Bought Mix

<table>
<thead>
<tr>
<th>Period</th>
<th>Own Bought</th>
<th>Concessions</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1 11</td>
<td>82.1%</td>
<td>17.9%</td>
</tr>
<tr>
<td>H1 10</td>
<td>81.4%</td>
<td>18.6%</td>
</tr>
<tr>
<td>FY10</td>
<td>80.2%</td>
<td>19.8%</td>
</tr>
</tbody>
</table>

Own bought  Concessions
H1 Review: Magasin du Nord

• Strong performance in H1
  o Like-for-like sales in constant currency +9.3%
  o Gross margin increase +240 bps
  o Gaining market share
  o Better understanding of seasonal trends
• Closing food at Lyngby
• Target margin growth remains 600bps in 3 yrs from point of acquisition
• Opportunity to increase sales through online
H1 Review: Managing Gross Margins

- Group gross margin +20 bps
  - Debenhams +30 bps
  - Magasin du Nord +240 bps

- Spring/Summer 2011 LFL prices increased by c. 8% (incl VAT)

- Autumn/Winter 2011 LFL prices expected to rise by c. 10%-11% (incl VAT)
  - Wide variations between product categories

- Signs of resilience in mid-market vs. value market

- Fashion, newness, exclusivity and versatility are key
### H1 Review: Managing Gross Margins

<table>
<thead>
<tr>
<th>Pressures on gross margin from....</th>
<th>....have been offset by</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Commodity prices</td>
<td>• Growth in own bought sales</td>
</tr>
<tr>
<td>• VAT increase</td>
<td>• Range architecture</td>
</tr>
<tr>
<td>• Freight costs</td>
<td>• Country sourcing</td>
</tr>
<tr>
<td>• Labour costs</td>
<td>• Casualwear expansion</td>
</tr>
<tr>
<td></td>
<td>• Pack sizes</td>
</tr>
<tr>
<td></td>
<td>• Stock/markdown management</td>
</tr>
<tr>
<td></td>
<td>• Magasin du Nord</td>
</tr>
</tbody>
</table>

### Looking forward...

- Commodity prices to fall?
- Price elasticity → volume declines → spare capacity

*Falling commodity prices could be positive for both consumers and retailers in terms of pricing.*
H1 Review: Investing for Future Growth - Improving the Store Experience

• Five refits completed in first half
• Recent performance of refitted stores
  o Average sales increase 5.7%
  o Average ROCE 18.5%
• Strong growth in health & beauty
• Six refits to be completed in second half
• Planning to accelerate programme next year with 20 refits
H1 Review: Investing for Future Growth - Distribution Infrastructure

• New distribution facility at Sherburn
  o 667,000 sq ft
  o Fully operational end November 2011
  o Dual running costs c£10m for FY 11 and FY 12 (£5m in H1 11)
  o Provides capacity for growth until 2018-20

• Peterborough DC to be converted to service online/Direct fulfilment
  o Better utilisation of stock
  o Improved availability and improved customer service
  o Some distribution cost benefits
  o Opportunity to widen online product categories
H1 Review: Investing in Raising Consumer Perceptions “Brand Marketing Campaign”

• New ad campaign focuses on Designers at Debenhams, our unique selling proposition

• Includes TV, print, digital, social media, store windows, instore collateral

• Re-balancing brand and promotional advertising
Debenhams TV

• Online videos available via websites, apps and YouTube
• 73 different videos have been shown to date
• Since launch have been 300,000 views watching equivalent of 283 days of content
• 25% of views are via YouTube
• Customers who view Debenhams TV videos convert at double the rate of those who do not
Feel Fabulous Print Campaign
Feel Fabulous Print Campaign
Feel Fabulous Print Campaign
Business Priorities: Focus on Self-Help Levers

Multi-Channel Strategy
• Increasing access points for customers

Product Strategy
• Widening the product portfolio and improving gross margins

Space Strategy
• Extending and improving the reach of the brand

Deleveraging the balance sheet
• Reducing our financing costs, reinstating the dividend
**Multi-Channel Strategy: Access Points**

**Self-service kiosks**
- Improves availability for customers instore
- Extends ranging, especially for smaller stores

**Instore online shops**
- Trialling by end of year

**Debenhams.com**
- Better marketing
- Improved navigation
- Debenhams TV

**Mobile**
- Apps for iPhone, Android and Nokia smartphones
- Beauty Club app launching in Q3
- Mobile site under development

**International**
- Debenhams.ie
- International delivery extended from 7 to 40 countries by year end
Multi-Channel Strategy: Technology & Logistics

**Universal stock file**
- Development of universal stock file to allow fulfilment from any location, facilitating improved availability
- US department store experience demonstrates faster stock turns

**Website technology**
- Main UK website will transition to Websphere 7 in 2012
- Enables development of additional local language/local currency websites

**Logistics investment**
- Sherburn DC will be operational by end of this calendar year
- Peterborough DC to be converted to online fulfilment centre allowing for more efficient service at lower cost
Multi-Channel Strategy: Our Future Vision

Multiple channels

- Stores
- International
- Touchscreens
- Websites
- Instore online shop
- Mobile
- Telephone ordering
- TV

Wider product range

Universal stock file

Single view of customer
Product Strategy

Improve Cash Margin
- **H1 2011 sales mix:** 82.1% own bought, 17.9% concessions
- **Target sales mix:** 85% own bought, 15% concessions

Designers at Debenhams
- **New designers:** Edition
- **New categories:** Diamond, men’s J Jeans
- **Ongoing rollout of recent launches**

Market share opportunities
- **Women’s casualwear**
- **Women’s footwear**
- **Childrenswear**

Online category expansion
- **Focus on wedding gift list opportunities**
- **Products that are relevant to department stores**
- **Low risk entry into gifting, furniture, lighting, electricals, curtains, media**
**Space Strategy**

**UK/RoI Stores**
- 161 stores in current portfolio
- Contracted pipeline: 4
- Stores under discussion: more than 30
- Refits: 42 stores to refit including Oxford St, 20 refits in FY 12

**Magasin du Nord**
- 6 stores
- Potential for c3 more department stores and some smaller stores in Denmark
- Expand Magasin brand out of Denmark

**International**
- 61 international franchise stores in 24 countries
- Plans for 100 over next 5 years
- M&A opportunities
- Exploring green field start up for owned assets
Outlook

• Planning for no real change in consumer confidence or within the macroeconomy
• Stable performance in early weeks of H2 so far; improvement from H1 exit run rate
• Some encouraging signs that commodity prices may fall, could be positive for retailers and consumers in terms of pricing
• Continue to focus on self-help levers and cash margin
  o Multi-channel
  o Refits
  o Gross margin expansion
  o Products
  o Deleveraging
Summary: six consecutive halves of growth

“We believe that our investment in our infrastructure and our focus on self-help levers will serve us well, particularly when consumer confidence improves.”