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Our **strong financial position**  
makes us well placed for the  
longer term.  
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## Making the most of our strengths

Retail markets have already become tough, and the likelihood is that they will remain so for some time to come. The Group's profits have not been immune to these difficult market conditions, but Home Retail remains well placed for continued longer-term success. Our aim is to deliver out-performance relative to our retail markets. We have done so in the past, and expect to continue to do so in the future.

Argos and Homebase have distinctive brand appeal and clear customer propositions. They both gain significant leverage from a shared infrastructure, delivering cost efficiency and multiple channels to market. Our market-leading scale gives us tremendous sourcing and supply chain advantages, allowing us to offer our customers value for money across a broad range of products.

We continue investing to expand our customer reach and to develop new product ranges and services that meet changing customer requirements. And in these particularly challenging economic times, our strong financing position makes us particularly well placed to come through the cycle for significant longer-term benefit.

1<sup>st</sup>

Home Retail Group is the UK's **leading** home and general merchandise retailer.