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Industry Observations – December 31, 2018

Retail Industry

Select Retail Public Company Industry Data As of December 31, 2018

(USD in millions, except per share data)

Company Name	Ticker	Market Data					LTM Operating Data			Forward Estimates	
		Price at 12/31/18	% of 52 Week High	Equity Value	Enterprise Value	Debt / Total Capital	Total Assets	LTM Revenue	LTM EBITDA	CY 2018 Revenue Estimate	CY 2018 EBITDA Estimate
Department Stores											
Dillard's, Inc.	DDS	\$60.31	61.1%	\$1,600.87	\$2,474.70	31.9%	\$3,986.60	\$6,556.27	\$500.99	\$6,475.33	\$456.62
J. C. Penney Company, Inc.	JCP	\$1.04	21.9%	\$328.01	\$4,733.25	80.6%	\$8,415.00	\$12,001.00	\$749.00	\$11,713.88	\$596.57
Kohl's Corporation	KSS	\$66.34	79.7%	\$10,954.68	\$13,777.49	41.8%	\$14,118.00	\$19,474.00	\$2,479.00	\$19,588.49	\$2,430.71
Macy's, Inc.	M	\$29.78	70.9%	\$9,156.37	\$12,505.73	49.5%	\$20,361.00	\$25,141.00	\$2,638.00	\$24,936.78	\$2,395.98
Nordstrom, Inc.	JWN	\$46.61	68.8%	\$7,798.97	\$8,904.52	69.1%	\$8,709.00	\$16,079.00	\$1,612.00	\$16,400.78	\$1,672.01
Ross Stores, Inc.	ROST	\$83.20	79.7%	\$30,832.99	\$33,620.36	11.1%	\$6,235.77	\$14,943.96	\$2,423.02	\$15,887.08	\$2,535.65
The TJX Companies, Inc.	TJX	\$44.74	79.0%	\$55,170.92	\$60,561.79	29.8%	\$15,025.24	\$38,806.31	\$5,051.60	\$41,181.98	\$5,184.33
General Merchandising											
Big Lots, Inc.	BIG	\$28.92	44.9%	\$1,158.20	\$1,845.67	51.1%	\$2,133.02	\$5,286.78	\$347.74	\$5,323.73	\$329.16
Dollar General Corporation	DG	\$108.08	91.2%	\$28,412.54	\$33,800.73	31.4%	\$13,121.02	\$25,104.67	\$2,540.37	\$27,493.63	\$2,801.73
Dollar Tree, Inc.	DLTR	\$90.32	77.4%	\$21,493.45	\$27,782.68	38.8%	\$16,649.30	\$22,978.70	\$2,590.10	\$23,887.87	\$2,589.32
Macy's, Inc.	FDO	\$29.75	69.7%	\$7,729.73	\$12,505.73	49.5%	\$20,361.00	\$25,141.00	\$2,638.00	\$24,936.78	\$2,395.98
Five Below, Inc.	FIVE	\$102.32	75.2%	\$9,156.37	\$7,064.39	0.0%	\$849.74	\$1,461.71	\$213.49	\$1,901.96	\$285.20
Target Corporation	TGT	\$66.09	73.1%	\$34,487.98	\$50,700.95	55.6%	\$43,572.00	\$74,527.00	\$6,733.00	\$77,626.94	\$6,509.23
Tuesday Morning Corporation	TUES	\$1.70	41.5%	\$75.94	\$107.72	2.6%	\$359.33	\$1,019.50	\$17.72	\$1,021.95	\$19.20

Notes: LTM (latest twelve months); Enterprise Value (market capitalization less total cash and short-term investments plus short-term borrowings and total long-term debt);

EBITDA (earnings before interest, taxes, depreciation and amortization)

Source: Capital IQ

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Select Retail Public Company Industry Data As of December 31, 2018

(USD in millions, except per share data)

Company Name	Ticker	Market Data					LTM Operating Data			Forward Estimates	
		Price at 12/31/18	% of 52 Week High	Equity Value	Enterprise Value	Debt / Total Capital	Total Assets	LTM Revenue	LTM EBITDA	CY 2018 Revenue Estimate	CY 2018 EBITDA Estimate
Clothing and Apparel											
Abercrombie & Fitch Co.	ANF	\$20.05	67.5%	\$1,320.19	\$1,168.92	20.7%	\$2,283.07	\$3,627.67	\$331.94	\$3,620.47	\$300.16
American Eagle Outfitters, Inc.	AEO	\$19.33	64.7%	\$3,410.43	\$3,186.56	0.0%	\$1,981.48	\$4,020.25	\$530.84	\$4,299.22	\$551.69
Ansell Limited	ANN	\$15.53	74.4%	\$2,060.69	\$2,274.24	26.3%	\$2,522.50	\$1,489.80	\$226.40	\$2,199.46	\$348.42
Ascena Retail Group, Inc.	ASNA	\$2.51	47.5%	\$485.10	\$1,569.09	62.1%	\$3,688.70	\$6,580.40	\$500.60	\$6,482.43	\$445.50
Destination XL Group, Inc.	DXLG	\$2.17	61.7%	\$107.31	\$188.79	52.3%	\$241.04	\$478.13	\$25.66	\$491.62	\$31.46
DSW Inc.	DSW	\$24.70	71.3%	\$1,984.63	\$1,906.50	0.0%	\$1,474.63	\$3,054.13	\$282.17	\$3,687.27	\$309.80
Express, Inc.	EXPR	\$5.11	43.7%	\$350.18	\$260.66	9.7%	\$1,194.27	\$2,167.13	\$144.56	\$2,097.80	\$107.68
Foot Locker, Inc.	FL	\$53.20	89.6%	\$6,005.76	\$6,029.75	4.8%	\$3,680.00	\$7,877.00	\$895.00	\$7,999.49	\$922.41
The Gap, Inc.	GPS	\$25.76	72.2%	\$9,825.74	\$9,500.34	26.6%	\$8,173.00	\$16,735.00	\$1,911.00	\$16,922.17	\$1,933.48
Guess?, Inc.	GES	\$20.77	77.1%	\$1,683.18	\$1,574.14	4.5%	\$1,624.15	\$2,564.73	\$183.28	\$2,717.84	\$218.69
L Brands, Inc.	LTD	\$25.76	44.6%	\$7,502.66	\$13,026.66	128.8%	\$7,829.00	\$13,208.00	\$2,113.00	\$13,366.80	\$1,939.05
Tilly's, Inc.	TLYS	\$10.86	42.7%	\$320.16	\$227.65	0.0%	\$292.69	\$592.18	\$47.79	\$630.26	\$55.40
Urban Outfitters, Inc.	URBN	\$33.20	63.2%	\$3,573.72	\$2,694.07	0.0%	\$2,197.04	\$3,910.79	\$487.48	\$4,119.59	\$530.11
Zumiez Inc.	ZUMZ	\$19.17	58.6%	\$489.43	\$472.10	0.0%	\$556.72	\$982.30	\$90.13	\$1,016.44	\$87.79

Notes: LTM (latest twelve months); Enterprise Value (market capitalization less total cash and short-term investments plus short-term borrowings and total long-term debt);

EBITDA (earnings before interest, taxes, depreciation and amortization)

Source: Capital IQ

Select Retail Public Company Valuation Metrics As of December 31, 2018

(USD in millions, except per share data)

Company Name	Ticker	LTM Operating Statistics						Trading Multiples			
		Return On Assets	Return On Equity	Return On Capital	Revenue Growth	EBITDA Growth	EBITDA Margin	TEV/ LTM Revenue	TEV/ CY 2018 Revenue	TEV/ LTM EBITDA	TEV/ CY 2018 EBITDA
Department Stores											
Dillard's, Inc.	DDS	4.3%	15.1%	7.2%	4.1%	3.5%	7.6%	0.3x	0.4x	4.6x	5.4x
J. C. Penney Company, Inc.	JCP	1.3%	-8.0%	2.0%	-5.5%	-9.5%	6.2%	0.4x	0.4x	6.2x	7.9x
Kohl's Corporation	KSS	6.7%	19.0%	10.0%	1.3%	8.5%	12.7%	0.7x	0.7x	5.6x	5.7x
Macy's, Inc.	M	5.1%	34.1%	9.6%	-0.5%	9.3%	10.5%	0.6x	0.5x	5.3x	5.2x
Nordstrom, Inc.	JWN	6.9%	45.4%	15.5%	6.5%	-1.9%	10.0%	0.6x	0.5x	5.8x	5.3x
Ross Stores, Inc.	ROST	21.8%	52.8%	38.2%	10.1%	8.2%	16.2%	2.0x	2.1x	12.3x	13.3x
The TJX Companies, Inc.	TJX	18.4%	62.5%	37.0%	12.9%	10.4%	13.0%	1.4x	1.5x	10.8x	11.7x
	Mean	9.2%	31.6%	17.1%	4.1%	4.1%	10.9%	0.9x	0.9x	7.2x	7.8x
	Median	6.7%	34.1%	10.0%	4.1%	8.2%	10.5%	0.6x	0.5x	5.8x	5.7x
General Merchandising											
Big Lots, Inc.	BIG	7.5%	26.5%	13.9%	1.6%	-11.1%	6.6%	0.3x	0.3x	4.9x	5.6x
Dollar General Corporation	DG	10.3%	30.1%	14.5%	7.5%	1.9%	10.1%	1.2x	1.2x	12.2x	12.1x
Dollar Tree, Inc.	DLTR	7.6%	25.0%	10.0%	6.8%	6.4%	11.3%	1.1x	1.2x	10.0x	10.7x
Macy's, Inc.	FDO	5.1%	34.1%	9.6%	-0.5%	9.3%	10.5%	0.6x	0.5x	5.3x	5.2x
Five Below, Inc.	FIVE	14.6%	28.2%	24.0%	25.9%	30.1%	14.6%	3.8x	3.7x	25.8x	24.8x
Target Corporation	TGT	6.3%	29.2%	11.0%	5.8%	-3.9%	9.0%	0.6x	0.7x	7.1x	7.8x
Tuesday Morning Corporation	TUES	-1.5%	-5.4%	-2.7%	4.1%	N/A	1.7%	0.1x	0.1x	6.7x	5.6x
	Mean	7.1%	23.9%	11.5%	7.3%	5.5%	9.1%	1.1x	1.1x	10.3x	10.3x
	Median	7.5%	28.2%	11.0%	5.8%	4.2%	10.1%	0.6x	0.7x	7.1x	7.8x

Notes: LTM (latest twelve months); NTM (next twelve months); EBITDA (earnings before interest, taxes, depreciation and amortization); TEV (total enterprise value)

Source: Capital IQ

Select Retail Public Company Valuation Metrics As of December 31, 2018

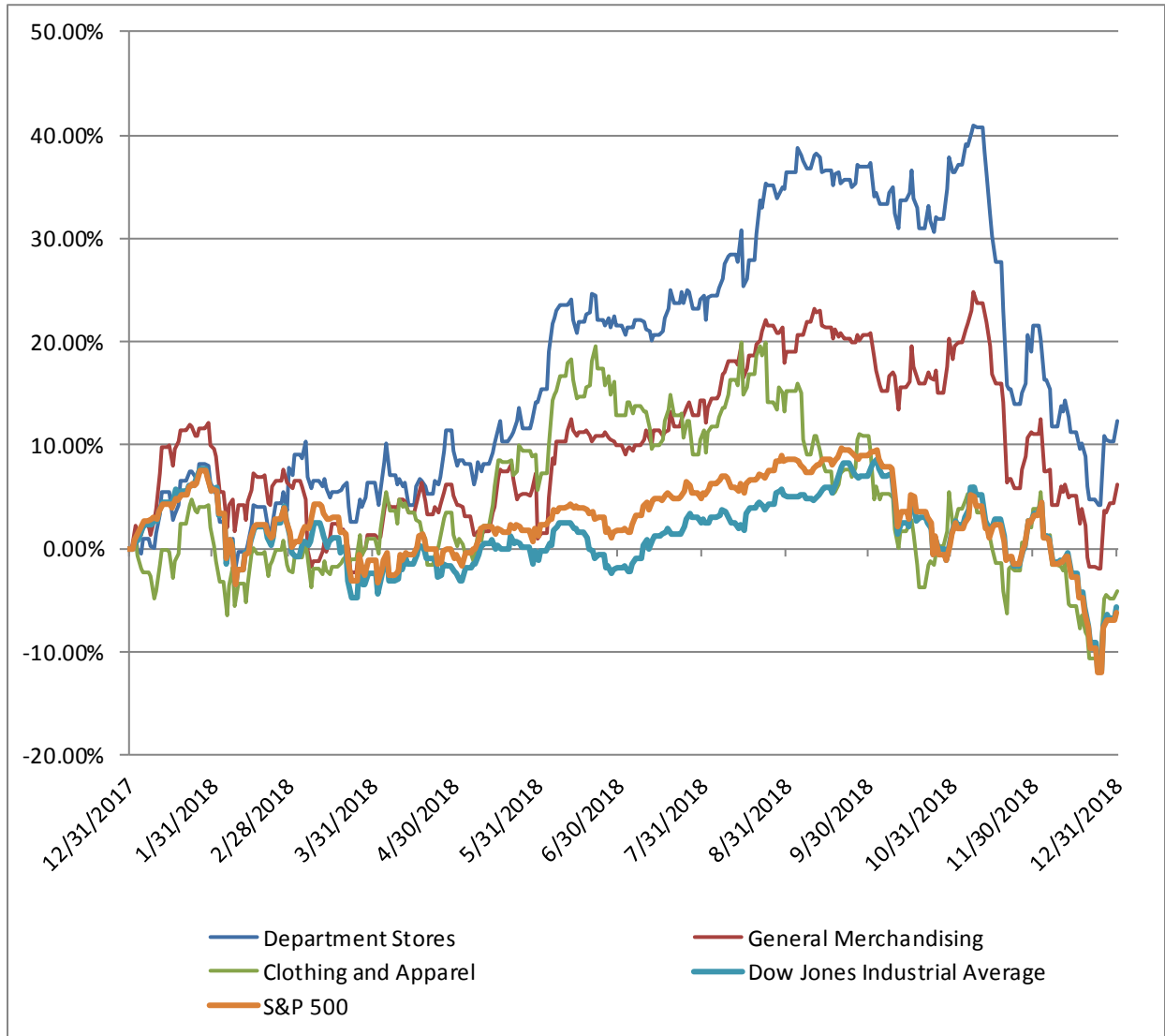
(USD in millions, except per share data)

Company Name	Ticker	LTM Operating Statistics						Trading Multiples			
		Return On Assets	Return On Equity	Return On Capital	Revenue Growth	EBITDA Growth	EBITDA Margin	TEV/ LTM Revenue	TEV/ CY 2018 Revenue	TEV/ LTM EBITDA	TEV/ CY 2018 EBITDA
Clothing and Apparel											
Abercrombie & Fitch Co.	ANF	4.0%	4.9%	6.3%	8.7%	58.2%	9.2%	0.3x	0.3x	3.3x	3.9x
American Eagle Outfitters, Inc.	AEO	11.9%	22.8%	18.4%	9.7%	10.7%	13.2%	0.8x	0.7x	5.7x	5.8x
Ascena Retail Group, Inc.	ASNA	2.4%	-4.9%	4.0%	0.3%	-5.8%	7.6%	0.2x	1.0x	3.2x	6.5x
Ansell Limited	ANN	4.9%	10.1%	6.0%	8.4%	8.4%	15.2%	1.4x	0.2x	9.0x	3.5x
Destination XL Group, Inc.	DXLG	-1.0%	-14.0%	-1.7%	5.1%	12.0%	5.4%	0.4x	0.4x	6.7x	6.0x
DSW Inc.	DSW	8.9%	3.9%	13.6%	10.6%	12.3%	9.2%	0.6x	0.5x	6.0x	6.2x
Express, Inc.	EXPR	3.0%	6.2%	5.3%	1.4%	-1.8%	6.7%	0.1x	0.1x	1.8x	2.4x
Foot Locker, Inc.	FL	11.9%	13.1%	16.7%	2.5%	-10.4%	11.4%	0.7x	0.8x	6.0x	6.5x
The Gap, Inc.	GPS	10.5%	28.8%	18.8%	7.9%	-1.8%	11.4%	0.6x	0.6x	5.1x	4.9x
Guess?, Inc.	GES	4.6%	-0.6%	7.8%	14.9%	38.1%	7.1%	0.6x	0.6x	8.7x	7.2x
L Brands, Inc.	LTD	12.2%	NM	20.7%	7.4%	-8.0%	16.0%	1.0x	1.0x	6.0x	6.7x
Tilly's, Inc.	TLYS	5.4%	12.7%	8.6%	3.4%	-11.2%	8.1%	0.3x	0.4x	4.2x	4.1x
Urban Outfitters, Inc.	URBN	11.1%	15.5%	16.8%	9.9%	21.3%	12.5%	0.8x	0.7x	6.2x	5.1x
Zumiez Inc.	ZUMZ	7.4%	10.2%	11.0%	11.3%	31.2%	9.2%	0.4x	0.5x	4.0x	5.4x
	Mean	6.9%	8.4%	10.9%	7.3%	10.9%	10.1%	0.6x	0.6x	5.4x	5.3x
	Median	6.4%	10.1%	9.8%	8.2%	9.5%	9.2%	0.6x	0.5x	5.9x	5.6x

Notes: LTM (latest twelve months); NTM (next twelve months); EBITDA (earnings before interest, taxes, depreciation and amortization); TEV (total enterprise value)

Source: Capital IQ

Retail Public Company LTM Equity Performance As of December 31, 2018



Note: The indices are derived from the equity performance of the previously listed companies. Source: Capital IQ

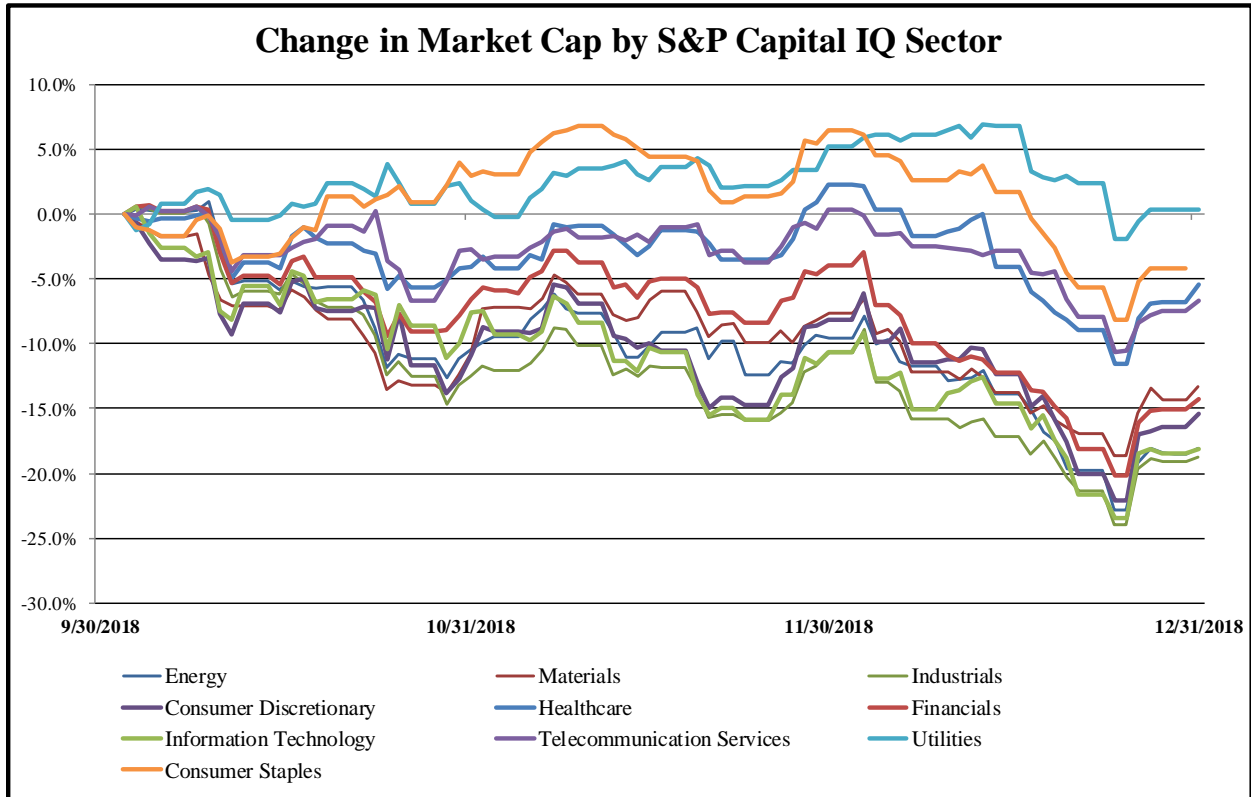
Recent M&A Activity in the Retail Industry December 31, 2017 to December 31, 2018

(USD in millions)

Close Date	Target	Acquirer	Target Company Primary Industry	Implied Enterprise Value
3/3/2018	1,032 Gas Stations And Convenience Stores In Texas And	7-Eleven, Inc.; SEI Fuel Services, Inc.	Automotive Retail	\$3,305.58
6/22/2018	Relish Labs LLC	The Kroger Co.	Specialty Stores	\$700.00
8/20/2018	Garcadia Auto, LLC	Garff Enterprises, Inc.; Garff Ventures, LLC; Garff	Automotive Retail	\$566.67
6/18/2018	The Finish Line, Inc.	JD Sports Fashion plc	Apparel Retail	\$464.45
11/20/2018	Road Ranger LLC/Reopco Inc	Enex S.A.	Automotive Retail	\$289.00
11/30/2018	ZWB Holdings, Inc./Rynn's Luggage Corporation	SP Plus Corporation	Apparel Retail	\$275.00
3/15/2018	Lazydays RV SuperCenter, Inc.	Andina Acquisition Corp. II (nka:Lazydays Holdings, Inc.)	Automotive Retail	\$255.70
11/30/2018	InMotion Entertainment Group, LLC	WH Smith PLC	Computer and Electronics Retail	\$198.00
7/17/2018	Retail Fuel & Jiffy Mart Convenience Store Assets In	Global Partners LP	Automotive Retail	\$134.00
11/4/2018	CITY GEAR, LLC	Hibbett Sporting Goods, Inc.	Apparel Retail	\$113.00
4/9/2018	Grossinger MotorCorp, Inc.	AutoCanada Inc.	Automotive Retail	\$86.00
11/29/2018	Pollock Investments Inc.	Landsberg Orora	Distributors	\$82.50
4/2/2018	Thompson and Company of Tampa, Inc.	Scandinavian Tobacco Group A/S	Specialty Stores	\$62.00
10/19/2018	Brand assets of Brookstone Inc.	Bluestar Alliance, LLC	Specialty Stores	\$56.35
4/17/2018	30 Convenience Store and Gasoline Station Properties	Getty Realty Corp.	Automotive Retail	\$52.00
4/2/2018	26 Retail Fuel Outlets of 7-Eleven, Inc.	Sunoco LP	Automotive Retail	\$50.00
8/15/2018	Arizona based La-Z-Boy Furniture Galleries Stores of	La-Z-Boy Incorporated	Homefurnishing Retail	\$40.00
4/11/2018	Advanced Sports, Inc.	Ideal Bike Corporation	Distributors	\$40.00
4/18/2018	Fenix Parts, Inc.	Stellex Capital Management LP	Distributors	\$37.34
12/18/2018	Mercedes Benz of Seattle	Swickard Auto Group	Automotive Retail	\$37.20
3/19/2018	Business and Certain Assets of Collins & Company, Inc.	Patrick Industries, Inc.	Home Improvement Retail	\$36.50
8/31/2018	Jennifer Convertibles, Inc.	Morris Holdings Limited	Homefurnishing Retail	\$35.00
7/24/2018	10 Company-Operated Gas Stations and Convenience	Global Partners LP	Automotive Retail	\$32.00
1/22/2018	Vitamin World (V.I.), Inc.	Feihe International, Inc.	Specialty Stores	\$28.00
1/2/2018	Grieco Ford Fort Lauderdale	Grieco Automotive Group	Automotive Retail	\$22.50
4/25/2018	Falmouth Shopping Center	N/A	Department Stores	\$21.00
8/31/2018	Substantially All of the Assets of Summit Stoneworks, LLC	L.A.R.K. Industries, Inc.	Home Improvement Retail	\$19.50
10/30/2018	Wholesale Inc./Wholesale Express LLC	RumbleON, Inc.	Automotive Retail	\$19.00
8/13/2018	Wholesale Wine Business of Truett-Hurst, Inc.	Precept Wine, LLC	Distributors	\$18.33
10/1/2018	Assets and Liabilities of PG Professional Golf	Acushnet Holdings Corp.	Distributors	\$18.00
11/15/2018	FOH Online Corp.	Bendon Limited	Internet and Direct Marketing	\$14.15
3/31/2018	11 franchise stores in the Maryland market	Party City Holdco Inc.	Specialty Stores	\$14.00
4/16/2018	Mining Boys, Inc.	CarSmarrt, Inc.	Computer and Electronics Retail	\$12.00
2/28/2018	Seven Stores	N/A	Homefurnishing Retail	\$11.50
2/20/2018	Ramona Flea Market	United Flea Markets, LLC	General Merchandise Stores	\$11.25
5/16/2018	Nissan of Bradenton	Garber Automotive Group	Automotive Retail	\$9.05
11/8/2018	CafePress Inc.	Snappfish, LLC	Internet and Direct Marketing	\$5.51
9/5/2018	Brian Harris Chevrolet Dealership	Ralph Sellers Motor Company, L.L.C.	Automotive Retail	\$4.70
4/24/2018	Lone Star Western & Casual LLC	BootBarn Inc.	Apparel Retail	\$4.40
1/30/2018	Earth Sports, LLC	Camping World Holdings, Inc.	Specialty Stores	\$3.50
9/17/2018	Two JS LLC	Medicine Man Technologies, Inc.	Specialty Stores	\$3.05
6/20/2018	Business Interests of Petface Ltd	LeisureGrow Products Ltd	Distributors	\$2.48
8/3/2018	Marvin Leeds Marketing Services Inc.	Warpaint London PLC	Distributors	\$2.16
9/14/2018	Heavygardens.com	GrowGeneration Corp.	Internet and Direct Marketing	\$1.69
11/8/2018	Online Distribution Platform of KushCo Holdings, Inc.	Smoke Cartel, Inc.	Internet and Direct Marketing	\$1.62
10/26/2018	Advance Auto store in Niagara	B Sharp Realty	Automotive Retail	\$1.52
6/29/2018	Assets of Sigel's Beverages, L.P.	Twin Liquors L.P.	Distributors	\$1.42
2/2/2018	Fashion To Figure	New York & Company, Inc. (nka:RTW Retailwinds, Inc.)	Apparel Retail	\$1.40
10/1/2018	Assets of Rosebuds Bakery, LLC	Lineage Grow Company Ltd.	Specialty Stores	\$1.20
9/18/2018	Coastal Med Tech, Inc.	Protech Home Medical Corp.	Specialty Stores	\$0.88
8/7/2018	Hamburg Trading Company	WNY Gasoline LLC	Automotive Retail	\$0.83
3/23/2018	Apex Resources Inc.	Sumunity Group Inc.	Distributors	\$0.70
8/14/2018	The Caravel Group, LLC	M Line Holdings, Inc.	Distributors	\$0.65
4/11/2018	Vacation.Rentals of Vacarent, LLC	Donuts Inc.	Internet and Direct Marketing	\$0.50
10/22/2018	Mom's Silver Shop, Inc.	Sunstock, Inc.	Distributors	\$0.24
6/5/2018	Cosmo Ventures Inc.	N/A	Internet and Direct Marketing	\$0.04

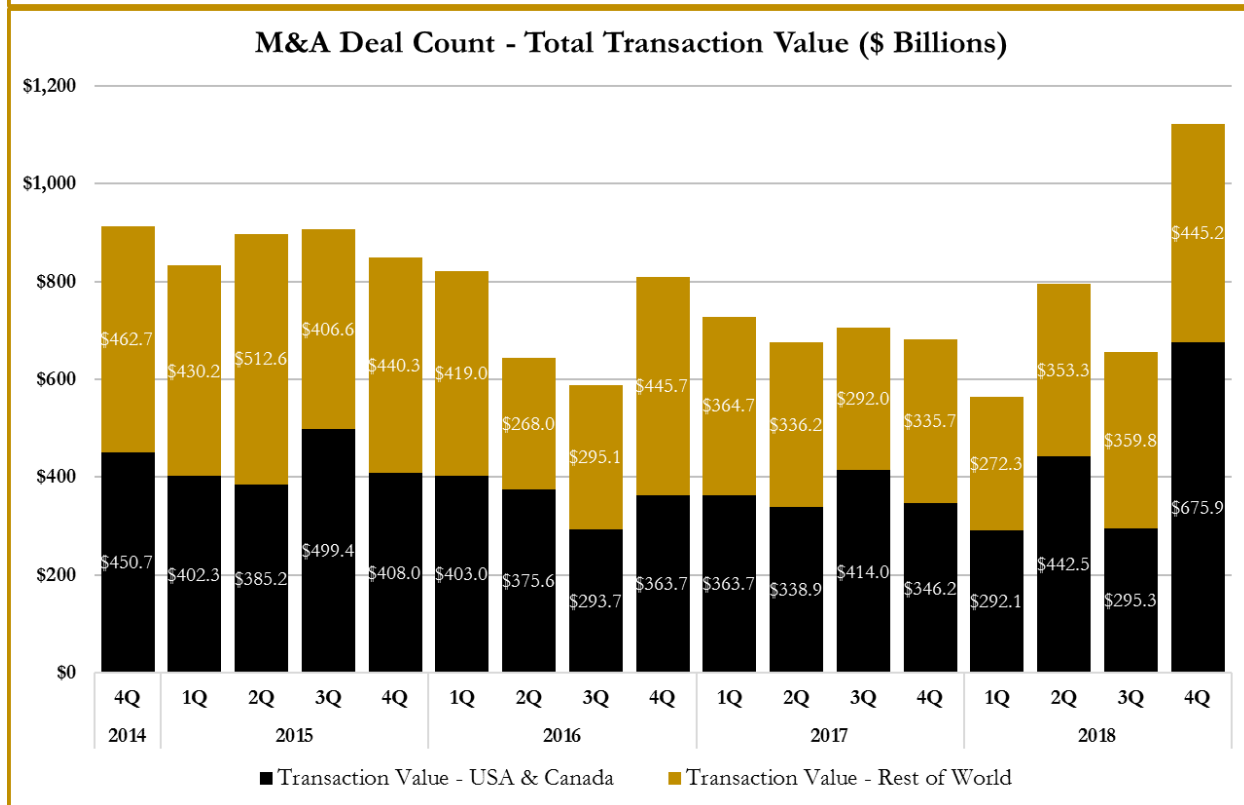
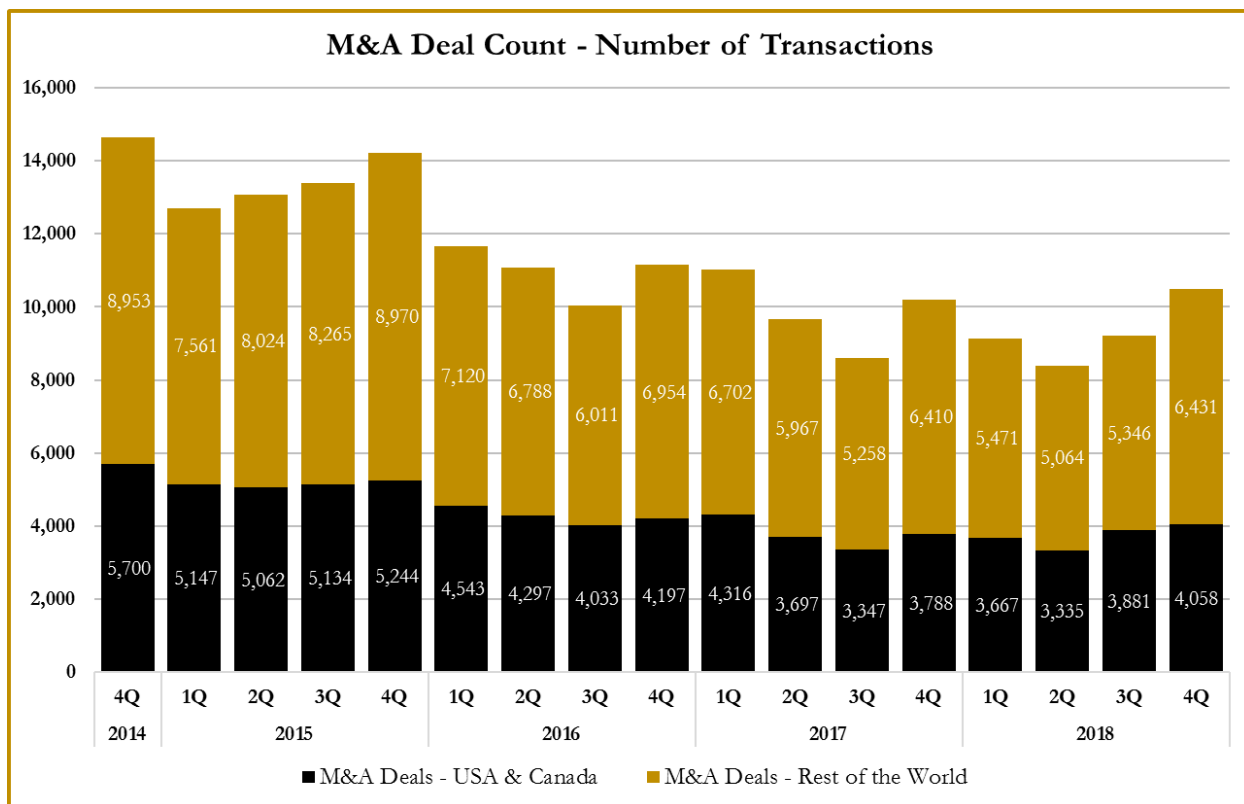
Source: Capital IQ

S&P Capital IQ - Sector Last 3 Month Equity Performance
As of December 31, 2018

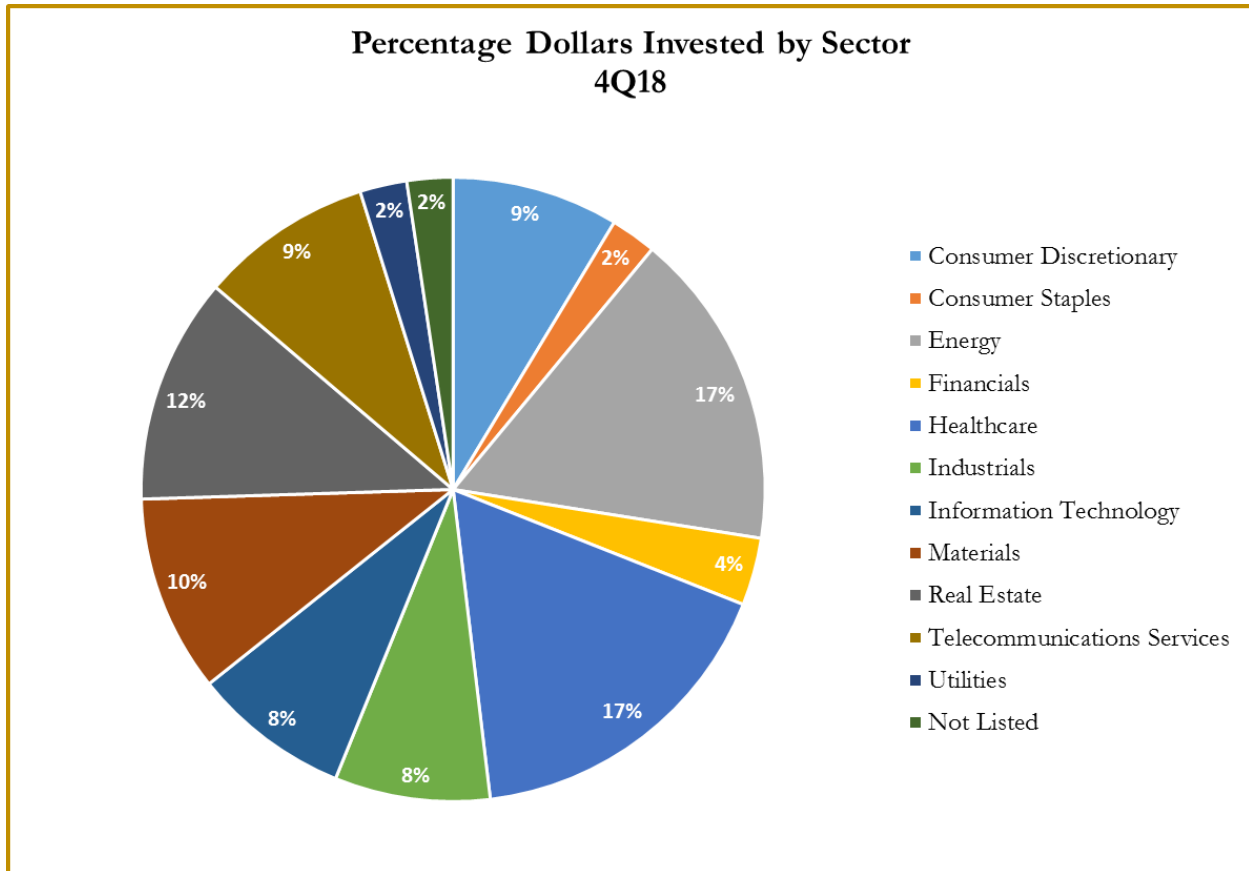


Note: The indices are derived from the equity performance of the S&P Capital IQ Sectors. Source: Capital IQ

M&A Deal Flow Statistics by S&P Capital IQ Sector As of December 31, 2018



M&A Deal Flow Statistics by S&P Capital IQ Sector
As of December 31, 2018





About Us

Houlihan Capital is a leading, solutions-driven valuation, financial advisory and boutique investment banking firm. We pride ourselves on being thought leaders in an ever-changing landscape.

Houlihan Capital is SOC-compliant, a FINRA and SIPC member and committed to the highest levels of professional ethics and standards.

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We provide an array of services that include enterprise valuations, portfolio valuation, valuation of carried interest, transaction opinions, tax and financial reporting compliance, purchase price allocations, and a wide variety of consulting services through our Financial Advisory Group.

Investment Banking

Through our Investment Banking Group, we offer sell side/buy side advisory and capital raises. Through our Special Situations desk, we provide services that fit outside the archetypal verticals, including liquidity solutions, transactional advisory, and secondary market advisory and trading.

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Our team provides support for a wide variety of situations including commercial and shareholder disputes, derivatives and structured finance litigation, and fraudulent conveyance.

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www.houlihancapital.com

Andrew Smith

asmith@houlihancapital.com
312.450.8610

Paul Clark

pclark@houlihancapital.com
312.450.8656

Michael Norton

mnorton@houlihancapital.com
312.450.8628

Monica Blocker

mblocker@houlihancapital.com
312.450.8699
