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Industry Observations – June 30, 2019

Internet and Multiline Retail Industry

Select Internet and Multiline Retail Industry Public Company Industry Data As of June 30, 2019

(USD in millions, except per share data)

Company Name	Ticker	Market Data					LTM Operating Data			Forward Estimates	
		Price at 06/30/19	% of 52 Week High	Equity Value	Enterprise Value	Debt / Total Capital	Total Assets	LTM Revenue	LTM EBITDA	CY 2019 Revenue Estimate	CY 2019 EBITDA Estimate
Internet and Catalog Retail											
Amazon.com, Inc.	AMZN	\$ 1,893.63	92.3%	\$ 932,294.2	\$ 964,279.2	58.8%	\$178,102.0	\$ 241,545.0	\$ 31,438.0	\$275,520.1	\$42,696.7
Expedia Group, Inc.	EXPE	\$ 133.03	95.2%	\$ 19,789.5	\$ 21,483.5	43.1%	\$ 20,963.0	\$ 11,324.0	\$ 1,303.0	\$12,122.7	\$2,239.9
Groupon, Inc.	GRPN	\$ 3.58	64.9%	\$ 2,034.2	\$ 1,759.2	51.9%	\$ 1,506.0	\$ 2,588.6	\$ 148.6	\$2,464.8	\$261.5
Stitch Fix, Inc.	SFIX	\$ 31.99	61.0%	\$ 3,227.2	\$ 2,935.6	0.0%	\$ 591.5	\$ 1,463.7	\$ 43.1	\$1,752.7	\$44.4
Netflix, Inc.	NFLX	\$ 367.32	87.5%	\$ 160,599.6	\$ 168,443.6	69.1%	\$ 30,171.3	\$ 17,630.3	\$ 1,955.4	\$20,196.6	\$3,200.3
Qurate Retail, Inc.	QRTE.A	\$ 12.39	49.5%	\$ 5,323.3	\$ 12,916.0	59.0%	\$ 17,797.0	\$ 13,925.0	\$ 1,953.0	\$13,668.3	\$1,963.6
Booking Holdings Inc.	BKNG	\$ 1,874.71	87.9%	\$ 81,158.7	\$ 86,321.7	57.8%	\$ 22,366.0	\$ 14,436.0	\$ 5,626.0	\$15,250.9	\$5,883.5
Shutterfly, Inc.	SFLY	\$ 50.55	54.8%	\$ 1,733.9	\$ 2,600.8	63.6%	\$ 1,945.9	\$ 2,086.8	\$ 216.6	\$2,166.5	\$327.1
TripAdvisor, Inc.	TRIP	\$ 46.29	67.1%	\$ 6,435.7	\$ 5,796.7	10.2%	\$ 2,395.0	\$ 1,613.0	\$ 247.0	\$1,683.6	\$474.1
Multiline Retail											
Big Lots, Inc.	BIG	\$ 28.61	56.8%	\$ 1,116.0	\$ 2,731.0	72.1%	\$ 3,045.6	\$ 5,265.9	\$ 405.7	\$5,349.81	\$353.7
Burlington Stores, Inc.	BURL	\$ 170.15	94.4%	\$ 11,292.2	\$ 14,651.9	92.6%	\$ 5,065.2	\$ 6,768.4	\$ 754.0	\$7,260.82	\$854.9
Dillard's, Inc.	DDS	\$ 62.28	65.7%	\$ 1,603.1	\$ 2,083.6	26.3%	\$ 3,779.0	\$ 6,509.9	\$ 469.0	\$6,454.14	\$443.9
Dollar General Corporation	DG	\$ 135.16	96.7%	\$ 34,914.9	\$ 45,509.9	62.3%	\$ 21,304.3	\$ 26,133.8	\$ 2,609.7	\$27,520.87	\$2,729.7
Dollar Tree, Inc.	DLTR	\$ 107.39	94.7%	\$ 25,513.6	\$ 35,120.1	64.2%	\$ 19,354.3	\$ 23,078.3	\$ 2,369.2	\$23,725.46	\$2,388.4
Nordstrom, Inc.	JWN	\$ 31.86	47.0%	\$ 4,927.2	\$ 9,343.2	88.2%	\$ 9,338.0	\$ 15,742.0	\$ 1,498.0	\$15,636.77	\$1,492.9
Kohl's Corporation	KSS	\$ 47.55	57.1%	\$ 7,704.3	\$ 13,194.3	52.6%	\$ 14,466.0	\$ 20,108.0	\$ 2,341.0	\$19,242.46	\$2,238.3
Macy's, Inc.	M	\$ 21.46	51.1%	\$ 6,628.4	\$ 13,798.4	55.6%	\$ 21,296.0	\$ 25,717.0	\$ 2,123.0	\$24,971.63	\$2,386.4
Target Corporation	TGT	\$ 86.61	95.8%	\$ 44,373.3	\$ 57,845.3	56.8%	\$ 40,619.0	\$ 76,202.0	\$ 6,813.0	\$78,088.62	\$6,732.3

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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Publicly available information utilized in this publication has been obtained from sources deemed to be reliable. Houlihan does not guarantee the accuracy or completeness of the information provided within this publication. The material presented reflects information known to the authors at the time this publication was written and this information is subject to change.

Select Internet and Multiline Retail Public Company Valuation Metrics As of June 30, 2019

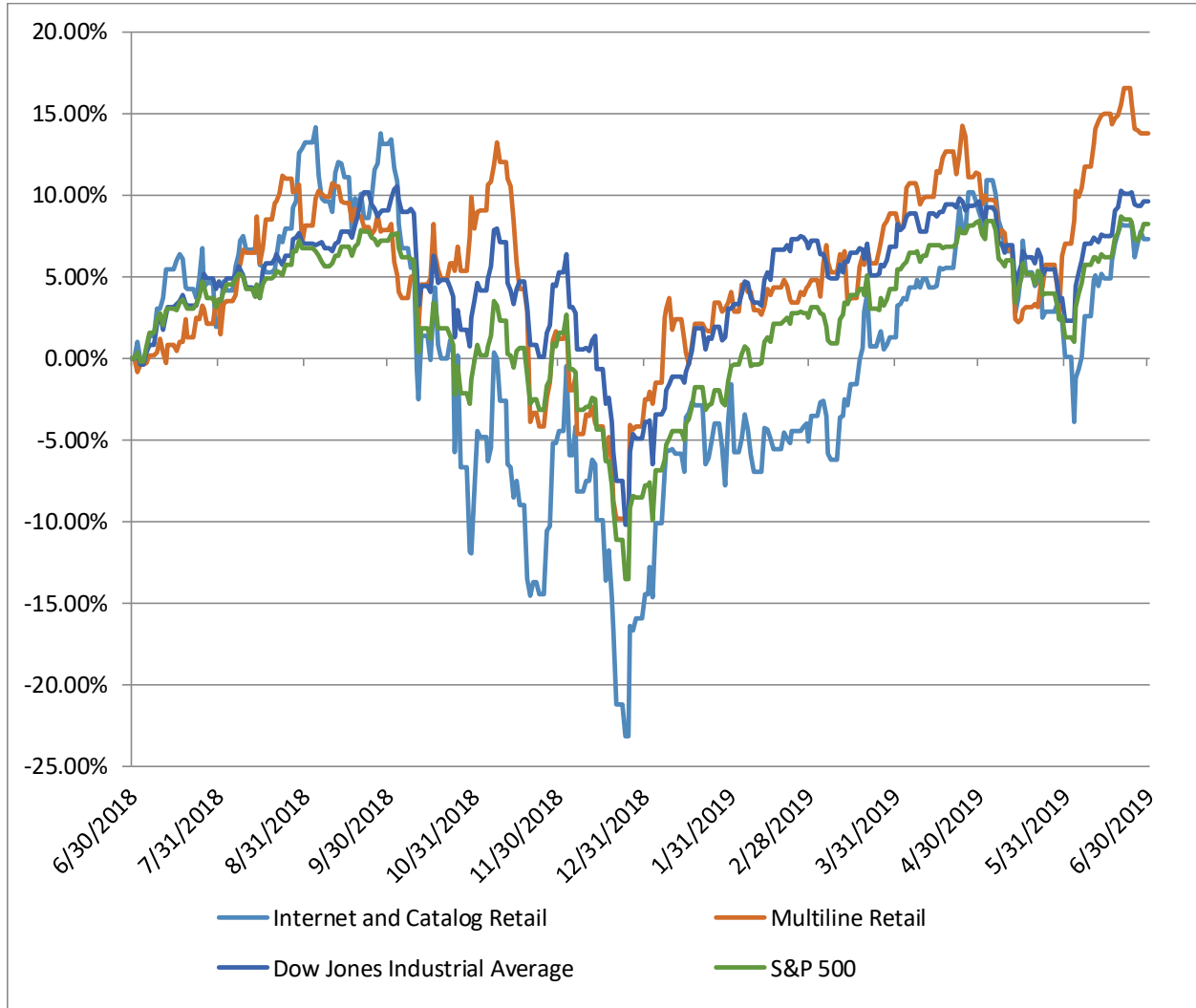
(USD in millions, except per share data)

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 2019 Revenue	TEV/LTM EBITDA	TEV/CY 2019 EBITDA
Internet and Catalog Retail											
Amazon.com, Inc.	AMZN	6.1%	30.1%	9.6%	25.0%	75.7%	13.0%	4.0x	3.5x	30.7x	22.6x
Expedia Group, Inc.	EXPE	2.5%	7.8%	5.2%	9.1%	21.0%	11.5%	1.9x	1.8x	16.5x	9.6x
Groupon, Inc.	GRPN	3.7%	-10.5%	8.5%	-7.4%	24.2%	5.7%	0.7x	0.7x	11.8x	6.7x
Stitch Fix, Inc.	SFIX	3.6%	14.5%	5.6%	25.5%	-4.1%	2.9%	2.0x	1.7x	68.2x	66.1x
Netflix, Inc.	NFLX	4.4%	21.7%	7.1%	27.0%	35.8%	11.1%	9.6x	8.3x	86.1x	52.6x
Qurate Retail, Inc.	QRTE.A	4.8%	11.0%	6.4%	23.2%	9.6%	14.0%	0.9x	0.9x	6.6x	6.6x
Booking Holdings Inc.	BKNG	13.7%	47.4%	18.0%	9.4%	9.8%	39.0%	6.0x	5.7x	15.3x	14.7x
Shutterfly, Inc.	SFLY	3.0%	-1.0%	3.5%	74.2%	29.0%	10.4%	1.2x	1.2x	12.0x	8.0x
TripAdvisor, Inc.	TRIP	5.3%	9.3%	8.0%	3.3%	47.9%	15.3%	3.6x	3.4x	23.5x	12.2x
	Mean	5.2%	14.5%	8.0%	21.0%	27.7%	13.7%	3.3x	3.0x	30.1x	22.1x
	Median	4.4%	11.0%	7.1%	23.2%	24.2%	11.5%	2.0x	1.8x	16.5x	12.2x
Multiline Retail											
Big Lots, Inc.	BIG	6.0%	21.1%	8.9%	0.5%	8.6%	7.7%	0.5x	0.5x	6.7x	7.7x
Burlington Stores, Inc.	BURL	8.8%	210.3%	13.9%	7.9%	8.1%	11.1%	2.2x	2.0x	19.4x	17.1x
Dillard's, Inc.	DDS	4.1%	9.8%	6.5%	0.8%	-6.0%	7.2%	0.3x	0.3x	4.4x	4.7x
Dollar General Corporation	DG	7.9%	25.1%	10.1%	9.0%	6.7%	10.0%	1.7x	1.7x	17.4x	16.7x
Dollar Tree, Inc.	DLTR	6.2%	-22.6%	7.7%	2.5%	-11.0%	10.3%	1.5x	1.5x	14.8x	14.7x
Nordstrom, Inc.	JWN	6.0%	59.7%	11.2%	0.4%	-6.5%	9.5%	0.6x	0.6x	6.2x	6.3x
Kohl's Corporation	KSS	6.3%	14.6%	8.3%	-0.6%	-3.9%	11.6%	0.7x	0.7x	5.6x	5.9x
Macy's, Inc.	M	4.5%	18.2%	7.0%	-0.4%	-9.0%	8.3%	0.5x	0.6x	6.5x	5.8x
Target Corporation	TGT	6.8%	27.0%	10.7%	4.0%	0.3%	8.9%	0.8x	0.7x	8.5x	8.6x
	Mean	6.3%	40.4%	9.4%	2.7%	-1.4%	9.4%	1.0x	1.0x	10.0x	9.7x
	Median	6.2%	21.1%	8.9%	0.8%	-3.9%	9.5%	0.7x	0.7x	6.7x	7.7x

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 Internet and Multiline Retail Public Company LTM Equity Performance
As of June 30, 2019



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

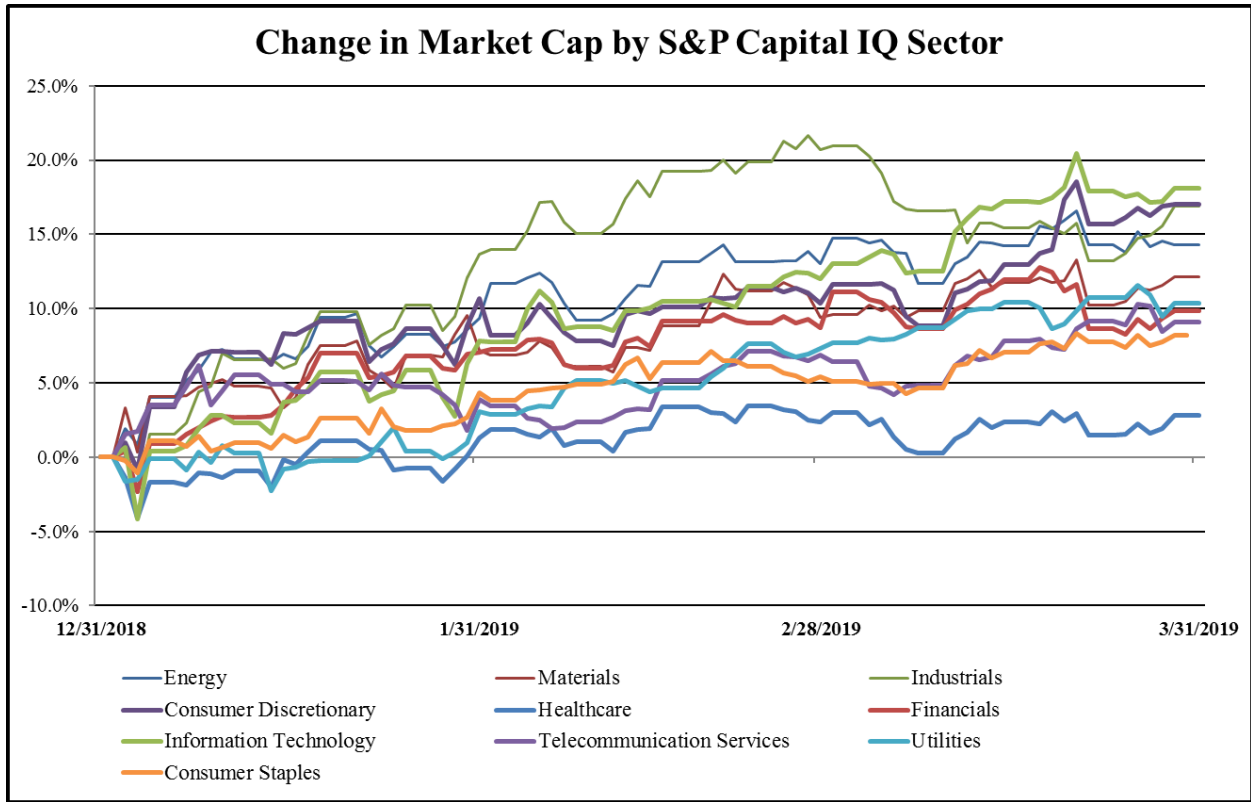
Recent M&A Activity in the Internet and Multiline Retail June 30, 2018 to June 30, 2019

(USD in millions)

Close Date	Target	Acquirer	Target Company Primary Industry	Implied Enterprise Value
2/11/2019	Substantially all of the Assets of Sears Holdings Corporation	ESL Investments, Inc.	Department Stores	\$5,200.00
3/8/2019	Nutrisystem, Inc.	Tivity Health, Inc.	Internet and Direct Marketing	\$1,340.68
1/4/2019	Stadium Goods	Farfetch Limited	Internet and Direct Marketing	\$250.00
5/15/2019	VEGAS.com, LLC	MGG Investment Group, LP	Internet and Direct Marketing	\$45.00
4/1/2019	Original, Inc.	World Co., Ltd.	Internet and Direct Marketing	\$37.52
12/3/2018	FOH Online Corp.	Bendon Limited	Internet and Direct Marketing	\$14.15
4/16/2019	Bangor Mall	Namdar Realty Group LLC; Mason Asset Management Inc.;	Department Stores	\$12.60
11/8/2018	CafePress Inc.	Snapfish, LLC	Internet and Direct Marketing	\$5.51
11/6/2018	Greenlight Technologies Inc.	Leafbuyer Technologies, Inc.	Internet and Direct Marketing	\$3.00
4/30/2019	Certain Assets of Geotech Supply Co., LLC	Rollins, Inc.	Internet and Direct Marketing	\$3.00
4/19/2019	SavinstUltra	Cyber Apps World Inc.	Internet and Direct Marketing	\$2.88
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
3/12/2019	Substantially All of the Assets of Modern Robotics Inc.	BOXLIGHT, Inc.	Internet and Direct Marketing	\$0.97
7/6/2018	Certain Assets of Mouth Foods, Inc.	Innovative Food Holdings, Inc.	Internet and Direct Marketing	\$0.51
6/20/2019	Brandroot LLC	BrandBucket Inc.	Internet and Direct Marketing	NA
6/19/2019	Jewel Commerce LLC	Capital One Financial Corporation	Internet and Direct Marketing	NA
6/13/2019	Old School Harley-Davidson	N/A	Internet and Direct Marketing	NA
6/12/2019	CBDforSell.com	International Spirits & Beverage Group, Inc.	Internet and Direct Marketing	NA
6/6/2019	Mini Pharmacy Enterprises, Inc.	Angeles Equity Partners, LLC	Internet and Direct Marketing	NA
6/1/2019	Graphics and More	Trevo, Inc.	Internet and Direct Marketing	NA
5/13/2019	E-conolight LLC/Cree Canada Corp./Cree Europe S.r.l a S.U.	IDEAL Industries, Inc.	Internet and Direct Marketing	NA
4/24/2019	The Sportsman's Shop Inc.	BSN Sports, LLC	Internet and Direct Marketing	NA
4/15/2019	Master Minded Distribution	SHO Products, LLC	Internet and Direct Marketing	NA
4/15/2019	HotelTonight, Inc.	Airbnb, Inc.	Internet and Direct Marketing	NA
4/11/2019	Iconery, Inc.	Heartbeat Technologies, Inc.	Internet and Direct Marketing	NA
3/31/2019	Wallapop, U.S. Operations	Ambatana Inc.	Internet and Direct Marketing	NA
3/28/2019	Five Star Food Service, Inc.	Freeman Spogli & Co. Incorporated	Internet and Direct Marketing	NA
3/11/2019	Sam's Club in Jamestown	Runnings Supply, Inc.	General Merchandise Stores	NA
3/11/2019	Apex Dental Materials, Inc.	Inter-Med, Inc.	Internet and Direct Marketing	NA
3/7/2019	Vincent Auto Solutions, LLC	Copart, Inc.	Internet and Direct Marketing	NA
3/5/2019	Room 77, Inc.	HotelPlanner.com	Internet and Direct Marketing	NA
2/28/2019	Fresh Finds, LLC/Harriet Carter Gifts, Inc.	Amerimark Interactive	Internet and Direct Marketing	NA
2/13/2019	Financial & Office Systems, Inc.	SmartSource LLC	Internet and Direct Marketing	NA
2/12/2019	SOR Technology, LLC	International Cruise & Excursions, Inc.	Internet and Direct Marketing	NA
2/6/2019	MyJane, Inc.	ManifestSeven	Internet and Direct Marketing	NA
1/30/2019	J.E.S. Restaurant Equipment, Inc.	BJ Beltram, Inc.	Internet and Direct Marketing	NA
1/17/2019	Tal Consolidated Inc.	Ram Distribution Group LLC	Internet and Direct Marketing	NA
1/14/2019	Cardpool, Inc.	N/A	Internet and Direct Marketing	NA
1/8/2019	EMS Safety Services, Inc.	Health & Safety Institute, Inc.	Internet and Direct Marketing	NA
1/8/2019	The Drama Book Shop, Inc.	N/A	Internet and Direct Marketing	NA
1/3/2019	CM Promotions Inc.	Geiger Bros.	Internet and Direct Marketing	NA
1/2/2019	Washabaugh Entity A LLC	Belnick Incorporated	Internet and Direct Marketing	NA
12/31/2018	Maker Box	Printed Solid Inc.	Internet and Direct Marketing	NA
12/31/2018	Art.com Inc.	Walmart Inc.	Internet and Direct Marketing	NA
12/29/2018	BuyIpeDirect.com	Ipe Woods USA, LLC	Internet and Direct Marketing	NA
12/12/2018	Lax Shop, LLC	N/A	Internet and Direct Marketing	NA
12/6/2018	FoodyDirect.com, Inc.	Goldbely, Inc.	Internet and Direct Marketing	NA
12/4/2018	ReadyRefresh	Century Springs Bottling Co., Inc.	Internet and Direct Marketing	NA
11/29/2018	The 4 Less Corp.	MedCareers Group, Inc. (nka:The 4 Less Group Inc.)	Internet and Direct Marketing	NA
11/28/2018	Tikes Bikes	WeeBikeShop Inc	Internet and Direct Marketing	NA
11/20/2018	SkyAuction.com, Inc.	uBid Holdings, Inc.	Internet and Direct Marketing	NA
11/14/2018	Surprise Ride Inc.	Fat Brain Toys, LLC	Internet and Direct Marketing	NA

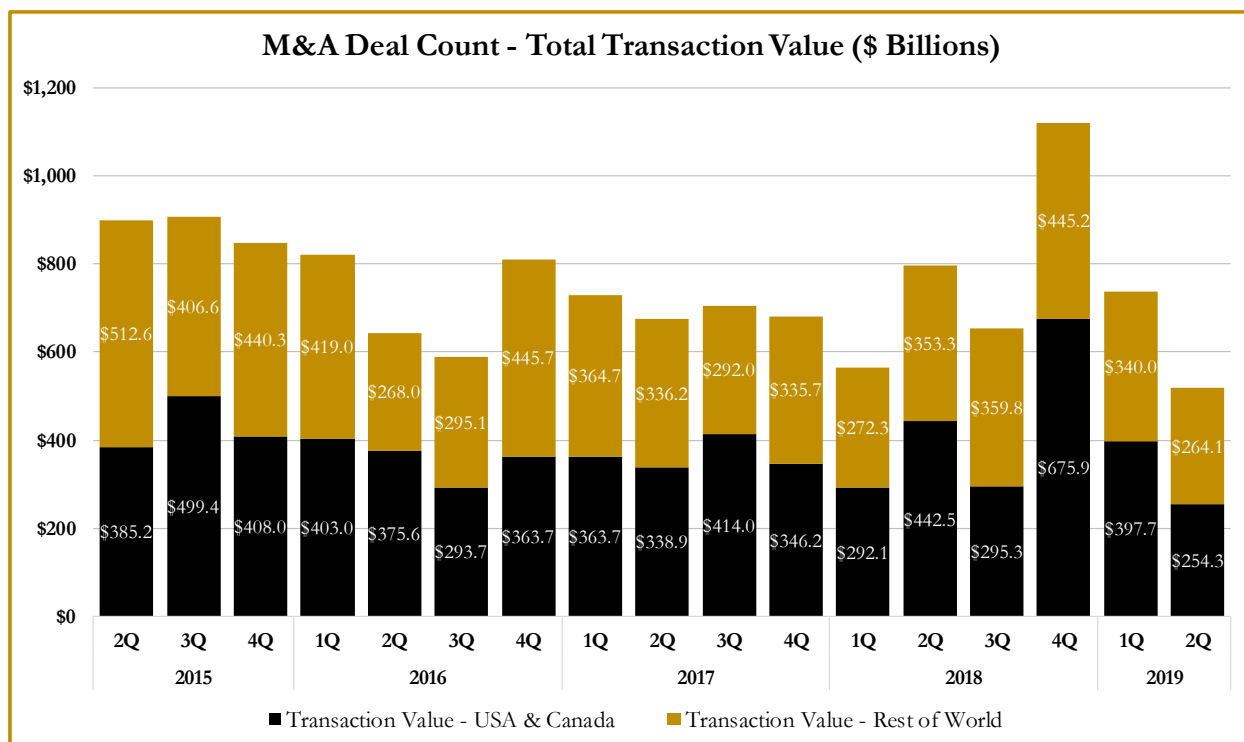
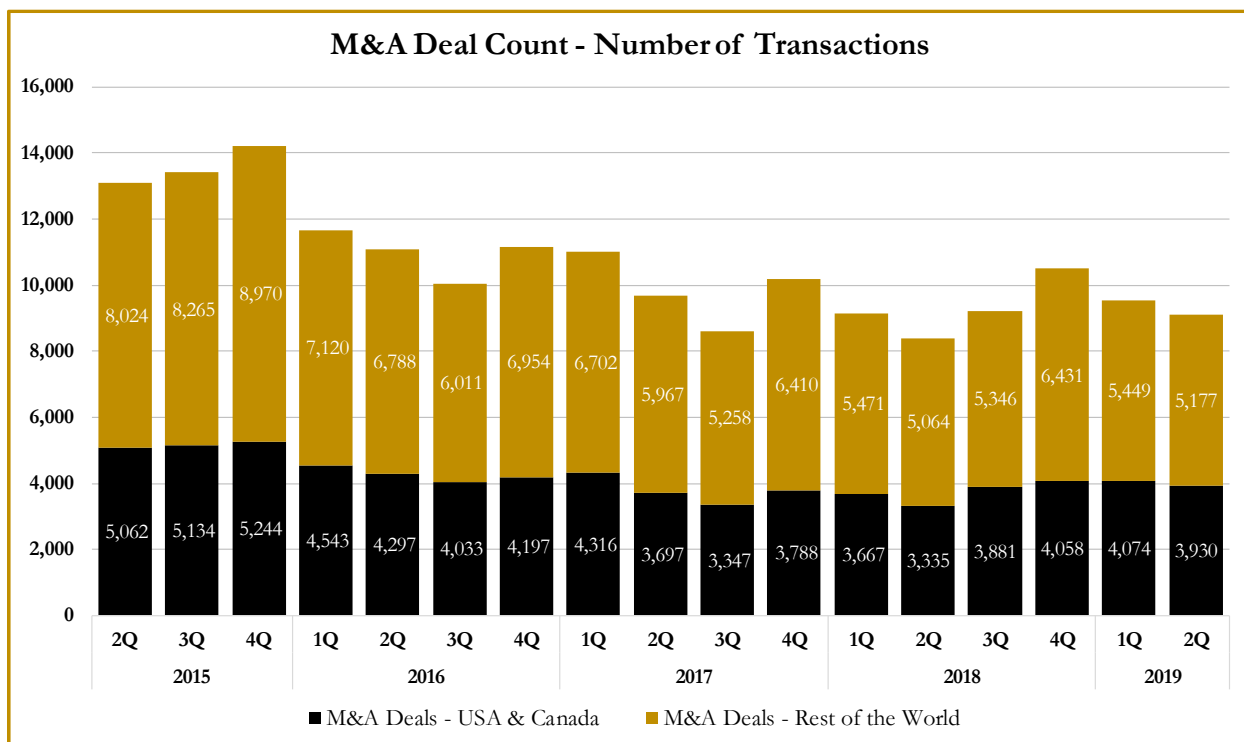
Source: Capital IQ

S&P Capital IQ - Sector Last 3 Month Equity Performance
As of June 30, 2019

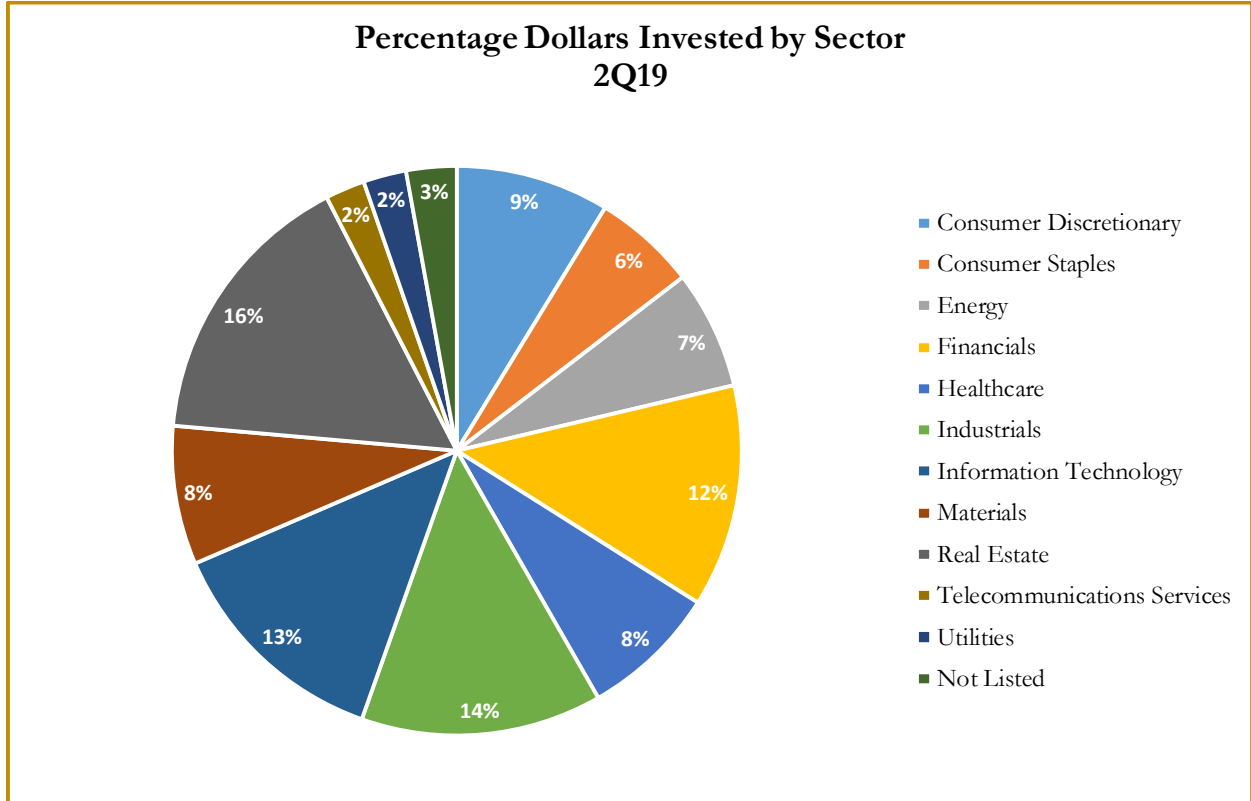


Note: The indices are derived from the equity performance of the S&P Capital IQ Sectors. Source: Capital IQ

M&A Deal Flow Statistics by S&P Capital IQ Sector
As of June 30, 2019



M&A Deal Flow Statistics by S&P Capital IQ Sector
As of June 30, 2019





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