



**HOULIHAN
CAPITAL**

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Industry Observations – September 30, 2019

Retail Industry

Select Retail Public Company Industry Data As of September 30, 2019

(USD in millions, except per share data)

Company Name	Ticker	Market Data					LTM Operating Data			Forward Estimates	
		Price at 09/30/19	% 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
Department Stores											
Dillard's, Inc.	DDS	\$66.11	76.2%	\$1,651.64	\$2,268.60	31.0%	\$3,512.08	\$6,468.00	\$411.91	\$6,371.98	\$388.01
J. C. Penney Company, Inc.	JCP	\$0.89	45.4%	\$282.53	\$5,149.84	83.9%	\$8,260.00	\$11,693.00	\$596.00	\$10,818.79	\$452.79
Kohl's Corporation	KSS	\$49.66	59.6%	\$7,902.23	\$13,475.81	52.6%	\$14,542.00	\$19,968.00	\$2,260.00	\$19,174.50	\$2,207.20
Macy's, Inc.	M	\$15.54	40.5%	\$4,800.54	\$11,869.79	55.5%	\$20,741.00	\$25,682.00	\$1,999.00	\$24,850.12	\$2,281.93
Nordstrom, Inc.	JWN	\$33.67	49.7%	\$5,215.98	\$9,227.95	86.4%	\$9,935.00	\$15,546.00	\$1,458.00	\$15,466.07	\$1,475.81
Ross Stores, Inc.	ROST	\$109.85	99.1%	\$39,736.09	\$43,261.00	50.5%	\$9,151.95	\$15,433.51	\$2,398.00	\$15,905.25	\$2,490.52
The TJX Companies, Inc.	TJX	\$55.74	97.3%	\$67,385.91	\$82,116.50	68.1%	\$22,854.98	\$40,012.28	\$5,075.58	\$41,144.79	\$5,185.12
General Merchandising											
Big Lots, Inc.	BIG	\$24.50	54.3%	\$955.88	\$2,556.87	73.7%	\$3,192.30	\$5,296.16	\$463.56	\$5,330.28	\$341.23
Dollar General Corporation	DG	\$158.94	97.9%	\$40,858.44	\$52,975.01	61.9%	\$21,917.53	\$26,672.21	\$2,653.29	\$27,660.56	\$2,776.94
Dollar Tree, Inc.	DLTR	\$114.16	98.6%	\$27,013.08	\$37,307.96	63.6%	\$19,493.80	\$23,293.30	\$2,258.20	\$23,701.34	\$2,354.05
Five Below, Inc.	FIVE	\$126.10	85.1%	\$4,800.54	\$7,969.82	55.1%	\$1,659.42	\$1,697.67	\$240.10	\$1,889.86	\$276.56
Target Corporation	TGT	\$106.91	96.4%	\$54,623.37	\$69,784.85	53.8%	\$41,566.00	\$76,847.00	\$6,958.00	\$78,264.51	\$6,948.79
Tuesday Morning Corporation	TUES	\$1.57	46.9%	\$70.35	\$85.90	16.8%	\$370.52	\$1,007.25	\$15.60	\$1,012.61	\$18.20

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 September 30, 2019

(USD in millions, except per share data)

Company Name	Ticker	Market Data				Debt / Total Capital	LTM Operating Data			Forward Estimates	
		Price at 09/30/19	% of 52 Week High	Equity Value	Enterprise Value		Total Assets	LTM Revenue	LTM EBITDA	CY 2019 Revenue Estimate	CY 2019 EBITDA Estimate
Clothing and Apparel											
Abercrombie & Fitch Co.	ANF	\$15.60	50.9%	\$980.62	\$2,266.93	63.6%	\$3,407.00	\$3,591.85	\$311.29	\$3,625.43	\$249.51
American Eagle Outfitters, Inc.	AEO	\$16.22	64.5%	\$2,740.58	\$3,855.40	56.8%	\$3,359.16	\$4,175.08	\$519.62	\$4,302.94	\$527.23
Ansell Limited	ANN	\$18.49	96.4%	\$2,430.89	\$2,621.30	27.9%	\$2,376.90	\$1,499.00	\$237.00	\$2,251.44	\$372.43
Ascena Retail Group, Inc.	ASNA	\$0.26	5.6%	\$51.41	\$1,109.56	89.9%	\$2,699.80	\$5,493.40	\$203.40	\$5,046.70	\$0.00
Destination XL Group, Inc.	DXLG	\$1.69	48.0%	\$84.43	\$366.94	82.9%	\$423.72	\$474.44	\$25.90	\$478.67	\$27.74
Express, Inc.	EXPR	\$3.44	30.8%	\$231.40	\$1,291.95	68.5%	\$2,052.61	\$2,067.37	\$88.28	\$2,030.30	\$73.45
Foot Locker, Inc.	FL	\$43.16	63.5%	\$4,619.81	\$7,183.54	57.3%	\$6,720.00	\$7,984.00	\$885.00	\$8,075.21	\$905.28
The Gap, Inc.	GPS	\$17.36	55.3%	\$6,523.67	\$12,711.29	68.4%	\$14,043.00	\$16,423.00	\$1,989.00	\$16,375.83	\$1,661.20
Guess?, Inc.	GES	\$18.53	76.4%	\$1,215.80	\$2,280.25	68.8%	\$2,402.20	\$2,662.45	\$198.17	\$2,709.49	\$215.21
L Brands, Inc.	LTD	\$18.81	52.0%	\$4,507.95	\$12,852.95	111.2%	\$10,618.00	\$13,157.00	\$1,974.00	\$13,071.90	\$1,847.42
Tilly's, Inc.	TLYS	\$9.44	48.8%	\$279.20	\$465.39	62.2%	\$540.29	\$609.48	\$51.20	\$636.21	\$51.39
Urban Outfitters, Inc.	URBN	\$28.09	67.2%	\$2,752.13	\$3,678.73	48.8%	\$3,138.05	\$3,929.22	\$443.72	\$3,999.28	\$424.98
Zumiez Inc.	ZUMZ	\$31.68	94.6%	\$816.07	\$1,004.89	46.6%	\$882.26	\$994.71	\$96.34	\$1,022.17	\$98.07

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 September 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
Department Stores											
Dillard's, Inc.	DDS	3.4%	7.9%	5.0%	-0.5%	-20.3%	6.4%	0.4x	0.4x	5.5x	5.8x
J. C. Penney Company, Inc.	JCP	0.3%	-25.5%	0.4%	-6.6%	-24.7%	5.1%	0.4x	0.5x	8.6x	11.4x
Kohl's Corporation	KSS	6.0%	13.5%	7.9%	-2.1%	-8.8%	11.3%	0.7x	0.7x	5.9x	6.1x
Macy's, Inc.	M	4.2%	16.8%	6.5%	-0.4%	-15.2%	7.8%	0.5x	0.5x	6.0x	5.2x
Nordstrom, Inc.	JWN	5.4%	51.8%	10.6%	-2.6%	-11.2%	9.4%	0.6x	0.6x	6.2x	6.3x
Ross Stores, Inc.	ROST	17.1%	49.8%	25.2%	4.8%	-0.8%	15.5%	2.7x	2.7x	17.4x	17.4x
The TJX Companies, Inc.	TJX	14.3%	58.2%	21.9%	6.0%	2.1%	12.7%	1.9x	2.0x	15.1x	15.8x
	Mean	7.2%	24.6%	11.1%	-0.2%	-11.3%	9.7%	1.0x	1.0x	9.2x	9.7x
	Median	5.4%	16.8%	7.9%	-0.5%	-11.2%	9.4%	0.6x	0.6x	6.2x	6.3x
General Merchandising											
Big Lots, Inc.	BIG	5.6%	19.7%	8.1%	1.1%	28.4%	8.8%	0.5x	0.5x	5.9x	7.5x
Dollar General Corporation	DG	7.8%	24.8%	10.1%	8.5%	5.6%	9.9%	1.9x	1.9x	19.4x	19.1x
Dollar Tree, Inc.	DLTR	5.7%	-23.3%	7.1%	2.4%	-14.0%	9.7%	1.6x	1.6x	16.2x	15.8x
Five Below, Inc.	FIVE	9.9%	27.1%	12.3%	20.7%	14.0%	14.1%	4.4x	4.2x	31.4x	28.8x
Target Corporation	TGT	6.8%	27.3%	11.1%	3.3%	2.0%	9.1%	0.9x	0.9x	9.6x	10.0x
Tuesday Morning Corporation	TUES	-1.8%	-7.1%	-3.1%	0.1%	230.5%	1.5%	0.1x	0.1x	6.0x	4.7x
	Mean	5.7%	11.4%	7.6%	6.0%	44.4%	8.9%	1.6x	1.5x	14.8x	14.3x
	Median	6.3%	22.3%	9.1%	2.8%	9.8%	9.4%	1.2x	1.2x	12.9x	12.9x

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 September 30, 2019

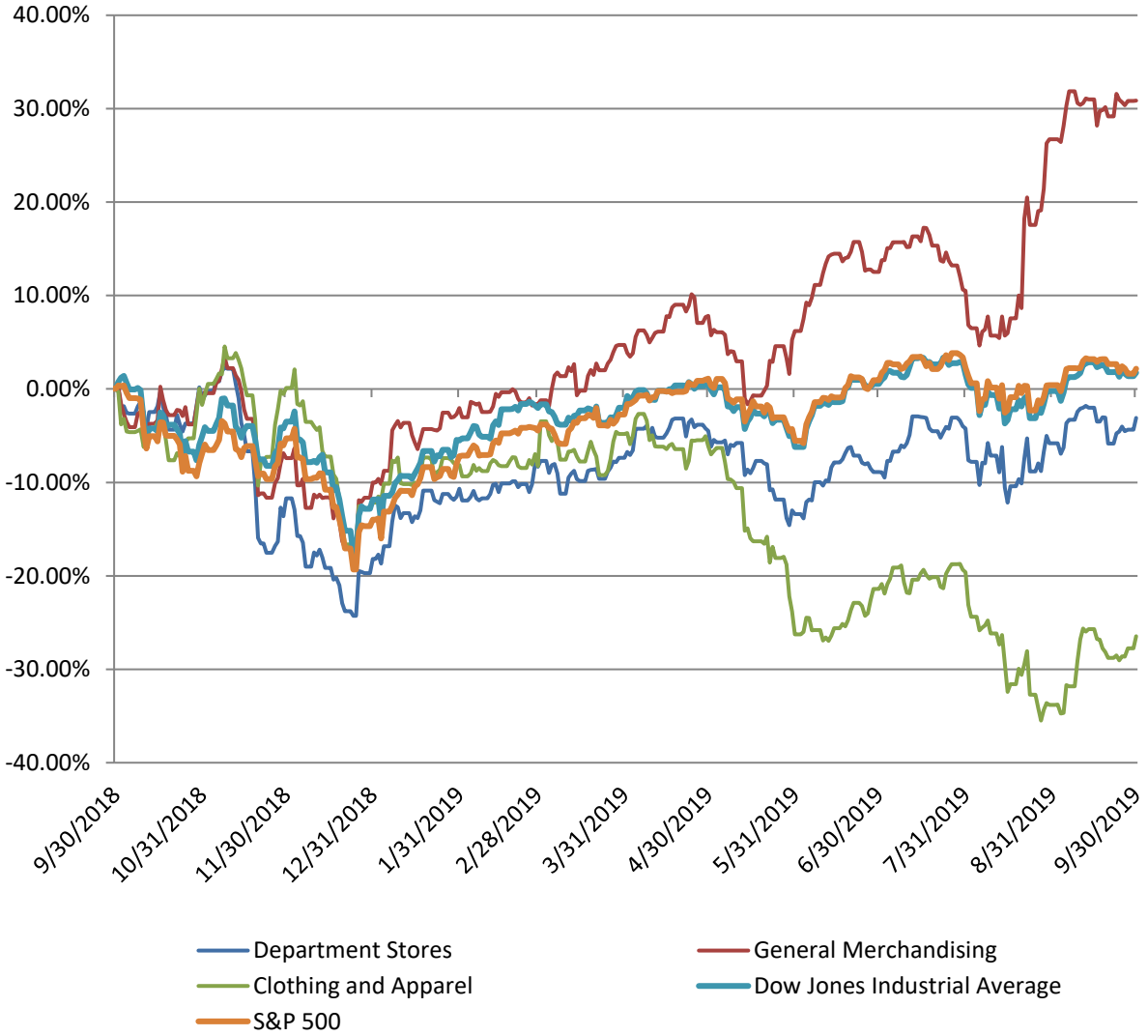
(USD in millions, except per share data)

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
Clothing and Apparel											
Abercrombie & Fitch Co.	ANF	3.2%	7.0%	4.3%	-0.9%	-9.5%	8.7%	0.6x	0.6x	7.2x	9.1x
American Eagle Outfitters, Inc.	AEO	8.3%	21.5%	10.5%	5.0%	-2.8%	12.4%	1.0x	0.9x	7.8x	7.3x
Ascena Retail Group, Inc.	ASNA	-2.1%	-164.8%	-3.6%	-1.3%	-42.4%	3.7%	0.2x	1.2x	6.3x	7.0x
Ansell Limited	ANN	5.2%	7.6%	6.3%	0.6%	4.7%	15.8%	1.7x	0.2x	10.9x	N/A
Destination XL Group, Inc.	DXLG	-0.1%	-18.9%	-0.2%	-0.1%	21.7%	5.5%	0.8x	0.8x	14.7x	13.2x
Express, Inc.	EXPR	0.1%	-2.2%	0.1%	-5.0%	-42.1%	4.3%	0.6x	0.6x	14.7x	17.6x
Foot Locker, Inc.	FL	8.4%	20.8%	10.4%	1.2%	-2.3%	11.1%	0.9x	0.9x	8.0x	7.9x
The Gap, Inc.	GPS	8.0%	26.9%	11.0%	-0.4%	2.5%	12.1%	0.8x	0.8x	6.5x	7.7x
Guess?, Inc.	GES	3.9%	2.5%	5.7%	6.1%	14.8%	7.4%	0.9x	0.8x	12.0x	10.6x
L Brands, Inc.	LTD	9.5%	NM	13.4%	0.8%	-9.7%	15.0%	1.0x	1.0x	7.0x	7.0x
Tilly's, Inc.	TLYS	4.4%	13.7%	5.9%	1.9%	-17.5%	8.4%	0.7x	0.7x	8.6x	9.1x
Urban Outfitters, Inc.	URBN	7.8%	18.3%	10.1%	2.6%	-5.0%	11.3%	0.9x	0.9x	8.4x	8.7x
Zumiez Inc.	ZUMZ	6.2%	14.0%	7.9%	1.6%	7.0%	9.7%	1.0x	1.0x	10.2x	10.2x
	Mean	4.8%	-4.5%	6.3%	0.9%	-6.2%	9.6%	0.9x	0.8x	9.4x	9.6x
	Median	5.2%	10.7%	6.3%	0.8%	-2.8%	9.7%	0.9x	0.8x	8.4x	8.9x

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 September 30, 2019



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

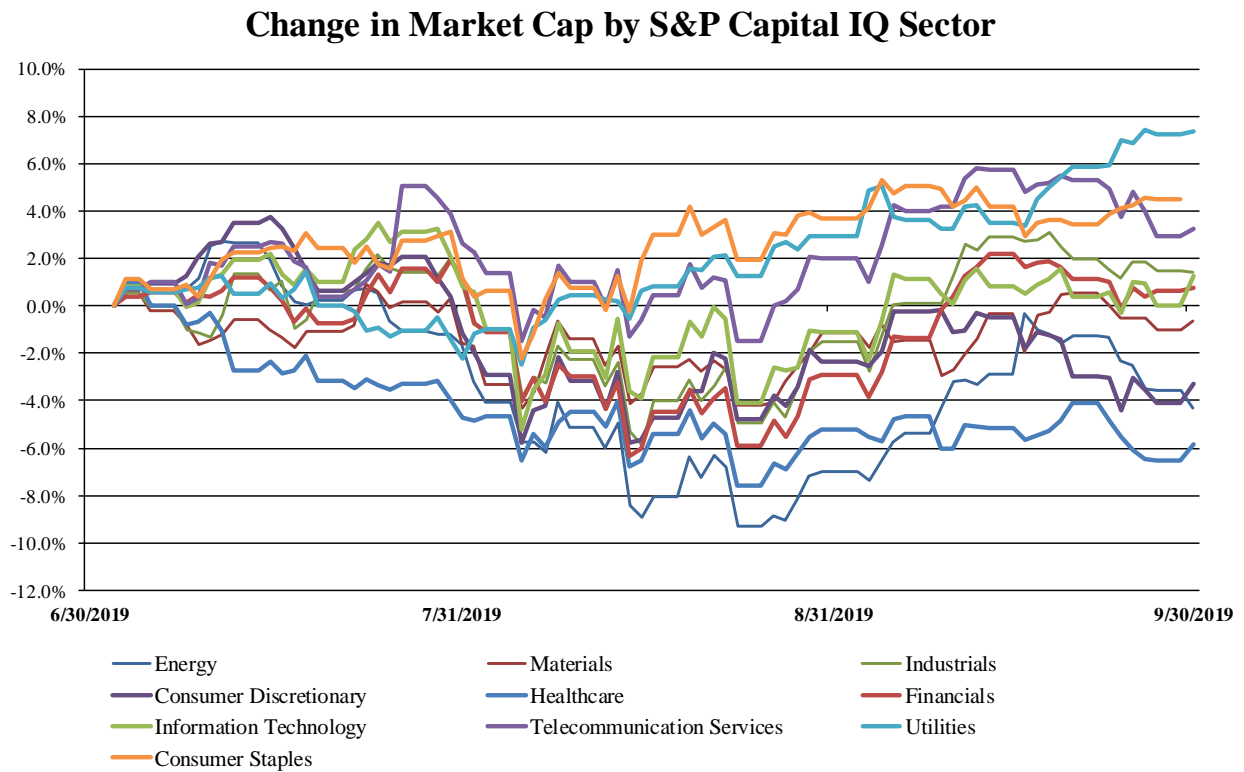
Recent M&A Activity in the Retail Industry September 30, 2018 to September 30, 2019

(USD in millions)

Close Date	Target	Acquirer	Target Company Primary Industry	Implied Enterprise Value
7/26/2019	Liberty Expedia Holdings, Inc.	Expedia Group, Inc.	Internet and Direct Marketing	\$18,162.99
2/11/2019	Substantially all of the Assets of Sears Holdings	ESL Investments, Inc.	Department Stores	\$5,200.00
9/25/2019	Shutterfly, Inc.	Apollo Global Management, LLC (nka:Apollo Global	Internet and Direct Marketing	\$2,750.56
3/8/2019	Nutrisystem, Inc.	Trivity Health, Inc.	Internet and Direct Marketing	\$1,340.68
1/16/2019	Spring Communications Holding, Inc	Prime Communications, L.P.	Computer and Electronics Retail	\$736.90
8/6/2019	Barnes & Noble, Inc.	Elliott Management Corporation; Elliott Associates, L.P.;	Specialty Stores	\$684.79
5/6/2019	Maurices Incorporated	OpCapita L.L.P.; OpCapita Consumer Opportunities Fund	Apparel Retail	\$300.00
11/20/2018	Road Ranger LLC/Reopco Inc	Enex S.A.	Automotive Retail	\$289.00
8/15/2019	Reverb Holdings, Inc.	Etsy, Inc.	Internet and Direct Marketing	\$275.00
11/30/2018	ZWB Holdings, Inc./Rynn's Luggage Corporation	SP Plus Corporation	Apparel Retail	\$275.00
7/1/2019	Portfolio of 54 Convenience Retail Stores & Gas Station &	EG America LLC	Automotive Retail	\$270.00
1/4/2019	Stadium Goods	Farfetch Limited	Internet and Direct Marketing	\$250.00
11/30/2018	InMotion Entertainment Group, LLC	WH Smith PLC	Computer and Electronics Retail	\$198.00
7/9/2019	Safco Dental Supply LLC	PNC RiverArch Capital	Internet and Direct Marketing	\$175.00
1/23/2019	Eight Travel Centers	TA Operating LLC	Automotive Retail	\$137.81
7/10/2019	Buddy's Newco LLC	Liberty Tax, Inc. (nka:Franchise Group, Inc.)	Computer and Electronics Retail	\$122.00
2/28/2019	Bill Estes Auto Group	Asbury Automotive Group, Inc.	Automotive Retail	\$121.00
11/4/2018	CITY GEAR, LLC	Hibbett Sporting Goods, Inc.	Apparel Retail	\$113.00
8/23/2019	North America and Latin America Florist Businesses	Nexus Capital Management LP	Specialty Stores	\$110.86
2/2/2019	Hat World, Inc. and Certain assets of GCO Canada and	Ames Watson Capital LLC	Apparel Retail	\$101.00
11/28/2018	Pollock Investments Inc.	Landsberg Orora	Distributors	\$82.50
10/19/2018	Brand assets of Brookstone Inc.	Bluestar Alliance, LLC	Specialty Stores	\$56.35
12/31/2018	Dealership in Tulsa, Oklahoma	Roundtree Automotive Group, LLC	Automotive Retail	\$46.00
5/15/2019	VEGAS.com, LLC	MGG Investment Group, LP	Internet and Direct Marketing	\$45.00
6/17/2019	ampCNG, LLC	American Natural Gas, LLC	Automotive Retail	\$41.00
4/1/2019	Original, Inc.	World Co., Ltd.	Internet and Direct Marketing	\$37.52
12/18/2018	Mercedes Benz of Seattle	Swickard Auto Group	Automotive Retail	\$37.20
7/1/2019	Trade and Assets of Jaguar Land Rover Motor Vehicle	Lithia Motors, Inc.	Automotive Retail	\$36.76
3/4/2019	Janie and Jack Retail Chain of Gymboree Group Inc.	The Gap, Inc.	Apparel Retail	\$35.00
7/2/2019	Six-Property Portfolio of Mobil-Branded Convenience and	Getty Realty Corp.	Automotive Retail	\$24.50
2/5/2019	Wholesale Business Assets of Advanced Sports	BikeCo, LLC	Specialty Stores	\$23.02
7/31/2019	Ganja Gold Inc.	Integrated Cannabis Company, Inc.	Distributors	\$22.62
5/31/2019	Assets of Z Gallerie, LLC	DirectBuy, Inc.; KKR Credit Advisors (US) LLC	Homefurnishing Retail	\$20.30
8/1/2019	Central Marine Services, Inc.	OneWater Marine Holdings, LLC	Automotive Retail	\$19.42
10/30/2018	Wholesale Inc./Wholesale Express LLC	RumbleON, Inc.	Automotive Retail	\$19.00
8/27/2019	41 Buddy's Home Furnishings Stores of A Team Leasing,	Buddy's Newco LLC	Homefurnishing Retail	\$18.60
8/2/2019	Provide Creations, Inc.	PlanetArt	Internet and Direct Marketing	\$18.10
10/1/2018	Assets and Liabilities of PG Professional Golf	Acushnet Holdings Corp.	Distributors	\$18.00
3/8/2019	Most of the Business of Things Remembered, Inc.	Enesco, LLC	Specialty Stores	\$17.50
3/4/2019	Lowe's Home Improvement in Hendersonville, TN	Retail Value Inc.	Home Improvement Retail	\$16.10
8/5/2019	Four Boat Dealerships in Florida and Georgia	SunTrust Equity Funding, LLC	Automotive Retail	\$16.00
2/28/2019	Substantially All of the Assets of Samuels Jewelers, Inc.	Wells Fargo Bank, National Association, Investment Arm	Apparel Retail	\$16.00
12/3/2018	FOH Online Corp.	Bendon Limited	Internet and Direct Marketing	\$14.15
9/25/2019	Simply Mac, Inc.	Cool Holdings, Inc.	Computer and Electronics Retail	\$12.68
4/16/2019	Bangor Mall	Namdar Realty Group LLC; Mason Asset Management	Department Stores	\$12.60
10/5/2018	BICOM NY, LLC	At The Beach, LLC	Automotive Retail	\$11.75
2/19/2019	Lorenzo Nissan	N/A	Automotive Retail	\$11.00
5/1/2019	Substantially All Assets of Caribe Boat Sales and Marina,	OneWater Marine Holdings, LLC	Automotive Retail	\$10.90
3/20/2019	Hixson Automotive of Monroe, L.L.C.	Banner Ford LLC	Automotive Retail	\$10.50
12/17/2018	Strobes-R-Us, Inc.	Spartan Motors, Inc.	Automotive Retail	\$10.40
2/1/2019	Substantially all of the Assets of Ocean Blue Yacht Sales,	OneWater Marine Holdings, LLC	Automotive Retail	\$10.00
2/21/2019	Performance Chevrolet Inc (nka:Future Chevrolet of	Future Nissan Of Folsom, Inc.	Automotive Retail	\$9.10
5/16/2019	Optical Business Assets of Shopko Stores Operating Co.,	Shoptikal LLC	Specialty Stores	\$8.60
11/8/2018	CafePress Inc.	Snapfish, LLC	Internet and Direct Marketing	\$5.51
4/10/2019	Membership Based Trade Group Of Promotional Products	AIM Smarter, LLC	Distributors	\$5.00
1/29/2019	Certain Convenience Store Locations of Speedway LLC	Sunoco LP	Automotive Retail	\$5.00

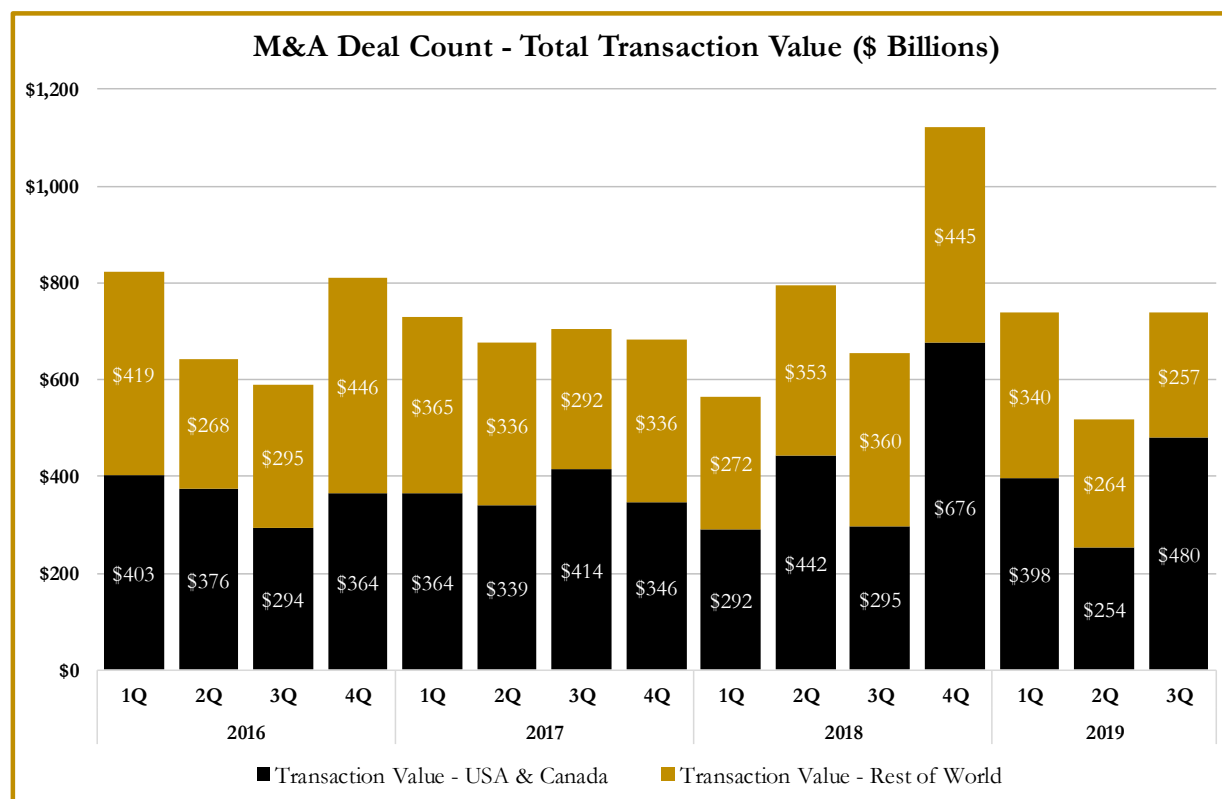
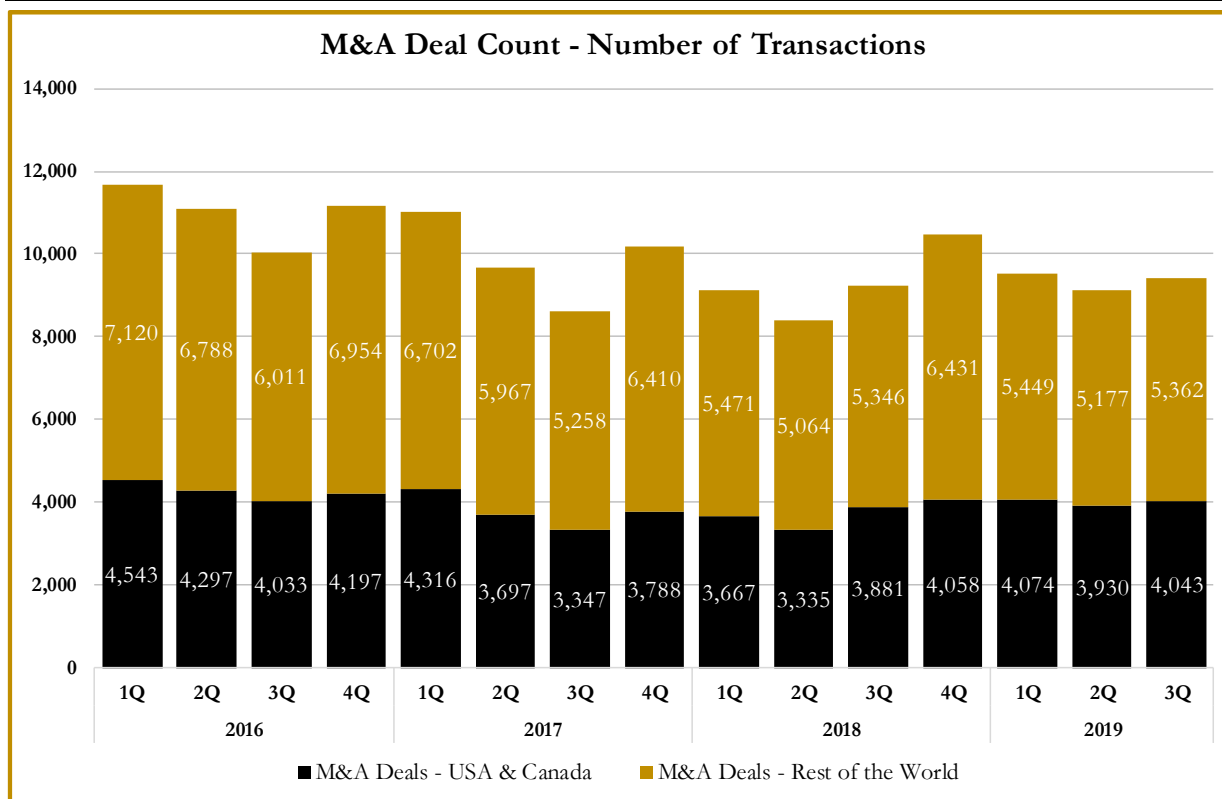
Source: Capital IQ

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

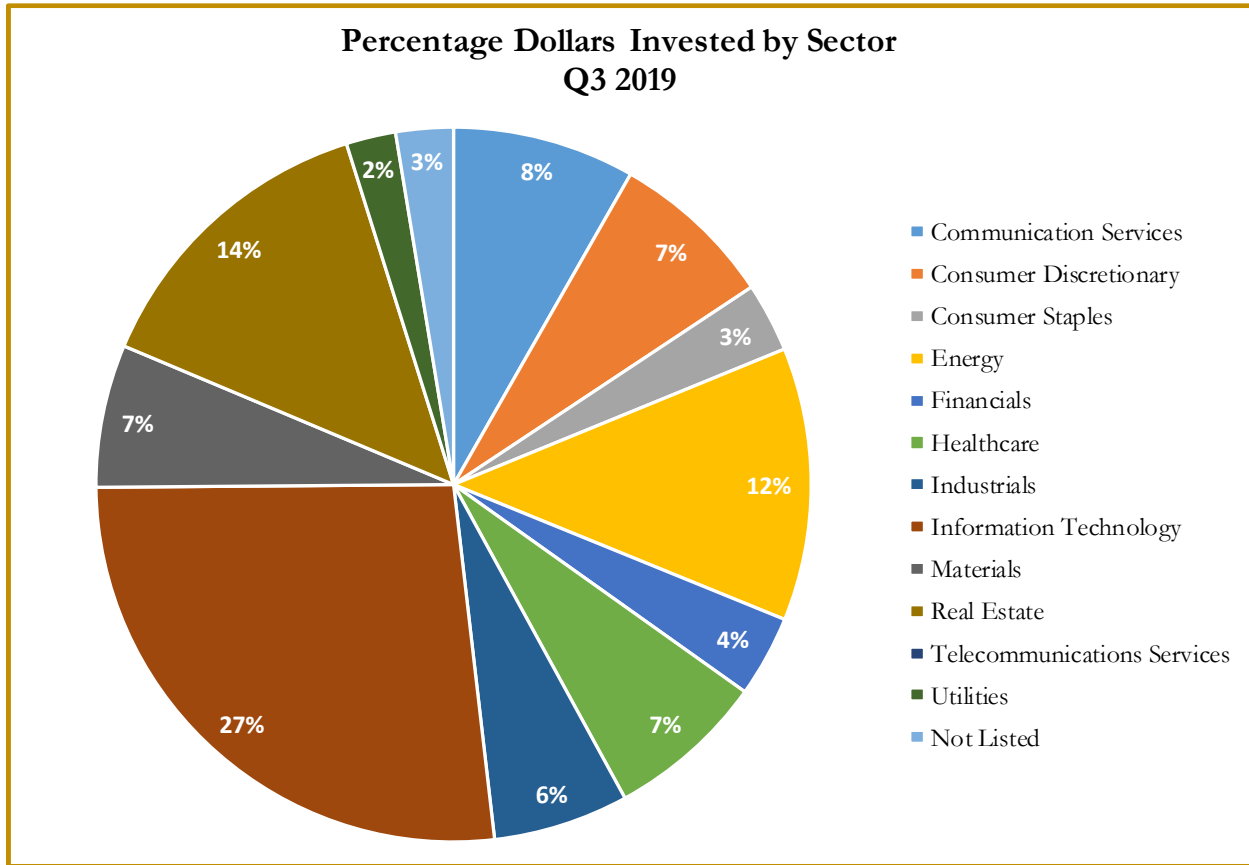


Note: The indices are derived from the equity performance of the S&P Capital IQ Sectors. Source: Capital IQ

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



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





About Houlihan Capital

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.

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Through our Investment Banking Group, we offer sell side/buy side advisory, private placement and capital raises.

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