



HOULIHAN  
CAPITAL

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Industry Observations – June 30, 2020

Retail Industry

## Select Retail Public Company Industry Data As of June 30, 2020

(USD in millions, except per share data)

		Market Data					LTM Operating Data			Forward Estimates	
		Price at 06/30/20	% of 52 Week High	Equity Value	Enterprise Value	Debt / Total Capital	Total Assets	LTM Revenue	LTM EBITDA	CY 2020 Revenue Estimate	CY 2020 EBITDA Estimate
Company Name	Ticker										
Department Stores											
Dillard's, Inc.	DDS	\$25.79	29.7%	\$599.10	\$1,128.46	30.6%	\$3,342.35	\$5,666.85	\$61.22	\$5,012.07	-\$61.69
Kohl's Corporation	KSS	\$20.77	35.0%	\$3,276.19	\$9,128.67	61.6%	\$15,869.00	\$18,315.00	\$1,294.00	\$15,434.27	\$452.31
Macy's, Inc.	M	\$6.88	29.4%	\$2,130.53	\$9,126.27	76.1%	\$18,581.00	\$22,803.00	\$1,072.00	\$17,095.75	-\$1,301.43
Nordstrom, Inc.	JWN	\$15.49	35.7%	\$2,432.44	\$7,215.73	93.9%	\$9,969.00	\$14,200.00	\$968.00	\$12,334.72	\$38.65
Ross Stores, Inc.	ROST	\$85.24	68.7%	\$30,338.76	\$34,852.24	69.1%	\$10,728.05	\$14,085.10	\$1,505.57	\$12,417.10	\$751.51
The TJX Companies, Inc.	TJX	\$50.56	77.8%	\$60,564.67	\$76,173.35	77.7%	\$25,415.24	\$36,848.28	\$3,033.98	\$33,511.49	\$1,451.42
General Merchandising											
Big Lots, Inc.	BIG	\$42.00	93.5%	\$1,647.71	\$3,030.68	65.9%	\$3,321.79	\$5,466.53	\$328.17	\$5,936.75	\$501.06
Dollar General Corporation	DG	\$190.51	97.8%	\$47,955.53	\$58,484.19	64.2%	\$24,848.31	\$29,579.24	\$3,211.43	\$32,026.45	\$3,589.94
Dollar Tree, Inc.	DLTR	\$92.68	77.4%	\$21,986.70	\$31,518.62	61.5%	\$20,471.80	\$24,088.90	\$2,290.80	\$25,186.68	\$2,403.37
Five Below, Inc.	FIVE	\$106.91	77.5%	\$2,130.53	\$6,950.39	59.3%	\$1,932.73	\$1,682.87	\$179.93	\$1,812.24	\$178.25
Target Corporation	TGT	\$119.93	92.1%	\$59,966.86	\$73,291.89	59.9%	\$44,806.00	\$80,100.00	\$6,899.00	\$82,795.80	\$6,006.90

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

The material contained in this publication is meant to provide general information regarding valuation topics. This publication does not constitute investment advice with respect to the securities of any company discussed herein, is not intended to provide information upon which to base an investment decision, and should not be construed as such. Professional advice should be obtained before taking any action based on the information contained herein.

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 Retail Public Company Industry Data As of June 30, 2020

(USD in millions, except per share data)

		Market Data					LTM Operating Data			Forward Estimates	
Company Name	Ticker	Price at	% of 52	Equity Value	Enterprise Value	Debt / Total Capital	Total Assets	LTM Revenue	LTM EBITDA	CY 2020	CY 2020
		06/30/20	Week High							Revenue Estimate	EBITDA Estimate
Clothing and Apparel											
Abercrombie & Fitch Co.	ANF	\$10.64	55.5%	\$663.68	\$1,875.12	70.8%	\$3,291.83	\$3,374.46	\$146.11	\$3,109.55	\$103.42
American Eagle Outfitters, Inc.	AEO	\$10.90	59.2%	\$1,803.95	\$3,063.77	69.5%	\$3,630.11	\$3,973.61	\$241.28	\$3,742.66	\$127.14
Ansell Limited	ANN	\$25.34	98.8%	\$3,256.66	\$3,807.03	31.1%	\$2,440.20	\$1,527.00	\$241.30	\$1,661.61	\$325.98
Ascena Retail Group, Inc.	ASNA	\$1.46	9.0%	\$14.53	\$1,745.74	96.5%	\$3,069.60	\$5,411.10	\$221.80	N/A	N/A
Destination XL Group, Inc.	DXLG	\$0.65	33.7%	\$33.22	\$304.34	94.6%	\$378.31	\$418.29	-\$0.16	N/A	N/A
Express, Inc.	EXPR	\$1.54	24.7%	\$99.27	\$1,114.11	83.3%	\$1,799.18	\$1,778.20	-\$45.88	\$1,462.23	-\$179.05
Foot Locker, Inc.	FL	\$29.16	60.9%	\$3,039.46	\$5,836.00	61.0%	\$6,796.00	\$7,103.00	\$576.00	\$6,343.16	\$290.44
The Gap, Inc.	GPS	\$12.62	63.5%	\$4,713.20	\$11,758.06	77.5%	\$12,710.00	\$14,784.00	\$936.00	\$13,111.40	-\$298.57
Guess?, Inc.	GES	\$9.67	41.0%	\$653.72	\$1,734.87	74.0%	\$2,346.75	\$2,401.67	\$156.33	\$2,045.94	\$20.91
L Brands, Inc.	LTD	\$14.76	53.1%	\$5,378.77	\$13,461.77	125.9%	\$9,439.00	\$11,939.00	\$1,449.00	\$10,401.59	\$854.00
Tilly's, Inc.	TLYS	\$5.67	44.5%	\$168.85	\$393.41	69.0%	\$516.19	\$566.29	\$21.29	\$544.38	-\$8.17
Urban Outfitters, Inc.	URBN	\$15.22	48.5%	\$1,488.17	\$2,467.13	54.5%	\$3,356.20	\$3,707.86	\$147.89	\$3,305.77	-\$25.76
Zumiez Inc.	ZUMZ	\$27.38	76.7%	\$696.30	\$813.16	44.1%	\$861.43	\$958.97	\$82.47	\$960.06	\$83.01

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 June 30, 2020

(USD in millions, except per share data)

		LTM Operating Statistics						Trading Multiples			
Company Name	Ticker	Return On Assets	Return On Equity	Return On Capital	Revenue Growth	EBITDA Growth	EBITDA Margin	TEV/ LTM Revenue	TEV/ CY 2020 Revenue	TEV/ LTM EBITDA	TEV/ CY 2020 EBITDA
Department Stores											
Dillard's, Inc.	DDS	-2.8%	-8.3%	-4.6%	-12.9%	-86.9%	1.1%	0.2x	0.2x	18.7x	-18.3x
J. C. Penney Company, Inc.	JCP	-1.3%	-95.5%	-1.7%	-17.6%	-35.5%	3.7%	0.6x	N/A	15.1x	N/A
Kohl's Corporation	KSS	1.6%	1.7%	2.0%	-8.9%	-44.7%	7.1%	0.5x	0.6x	6.9x	20.2x
Macy's, Inc.	M	1.2%	-69.9%	1.8%	-11.3%	-49.5%	4.7%	0.4x	0.5x	8.3x	-7.0x
Nordstrom, Inc.	JWN	1.9%	-11.8%	3.0%	-9.8%	-35.4%	6.8%	0.5x	0.6x	7.5x	186.7x
Ross Stores, Inc.	ROST	7.2%	30.7%	9.1%	-7.3%	-36.4%	10.7%	2.4x	2.8x	22.6x	46.4x
The TJX Companies, Inc.	TJX	5.6%	34.1%	7.2%	-6.9%	-39.7%	8.2%	2.0x	2.3x	24.0x	52.5x
	Mean	1.9%	-17.0%	2.4%	-10.7%	-46.9%	6.0%	0.9x	1.2x	14.7x	46.7x
	Median	1.6%	-8.3%	2.0%	-9.8%	-39.7%	6.8%	0.5x	0.6x	15.1x	33.3x
General Merchandising											
Big Lots, Inc.	BIG	3.7%	36.1%	4.8%	3.8%	-16.5%	6.0%	0.6x	0.5x	9.3x	6.0x
Dollar General Corporation	DG	7.3%	28.7%	9.0%	13.2%	23.1%	10.9%	2.0x	1.8x	18.1x	16.3x
Dollar Tree, Inc.	DLTR	5.1%	13.1%	6.2%	4.4%	-5.0%	9.5%	1.3x	1.3x	13.4x	13.1x
Five Below, Inc.	FIVE	4.3%	14.9%	4.9%	3.4%	-22.1%	10.7%	4.1x	3.8x	37.9x	39.0x
Target Corporation	TGT	6.3%	24.8%	10.0%	5.1%	1.2%	8.6%	0.9x	0.9x	10.4x	12.2x
Tuesday Morning Corporation	TUES	-4.1%	-25.7%	-5.5%	-6.2%	N/A	-1.0%	0.5x	N/A	-46.6x	N/A
	Mean	3.8%	15.3%	4.9%	3.9%	-3.9%	7.5%	1.5x	1.7x	7.1x	17.3x
	Median	4.7%	19.8%	5.5%	4.1%	-5.0%	9.1%	1.1x	1.3x	11.9x	13.1x

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 June 30, 2020

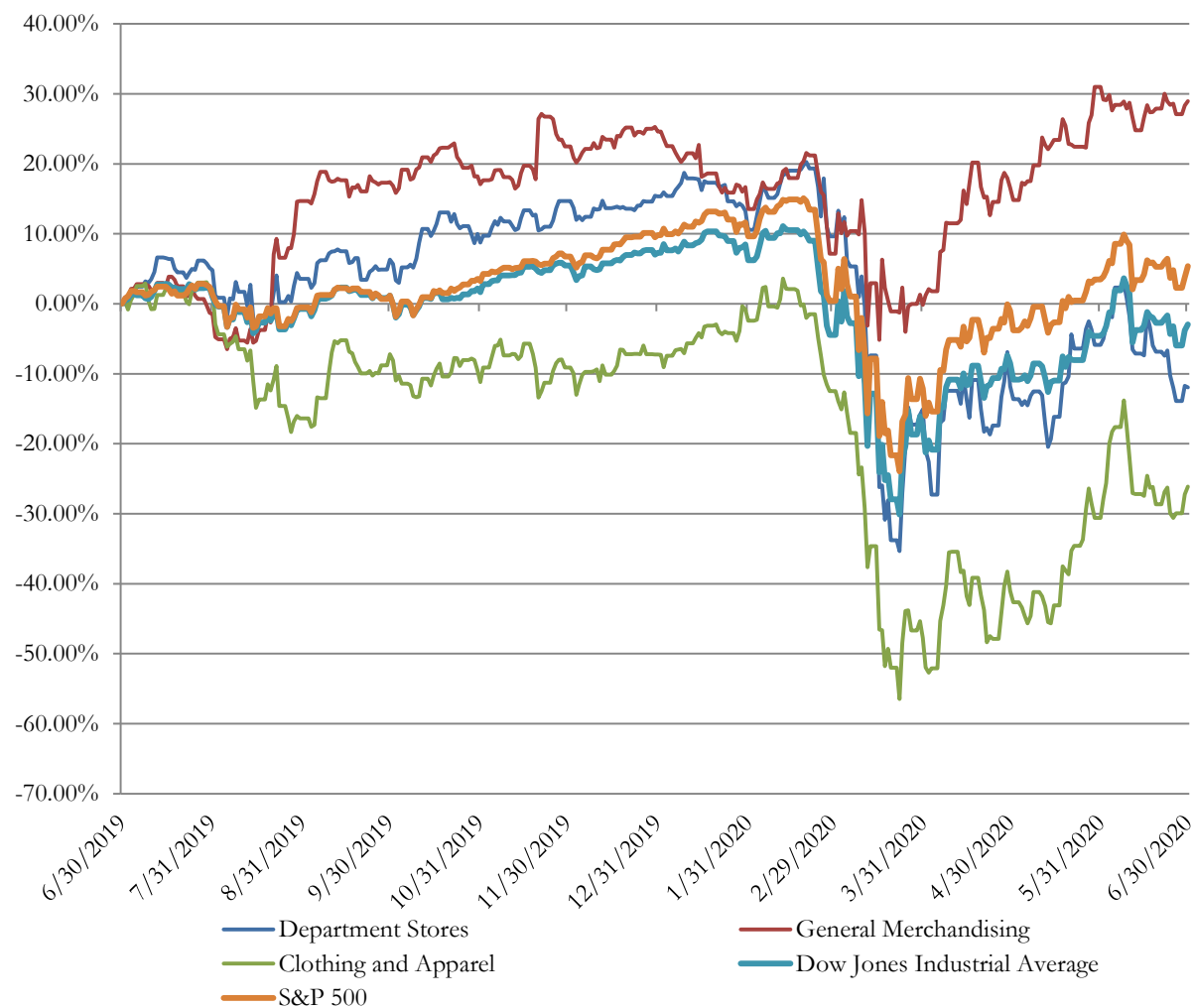
(USD in millions, except per share data)

		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 2020 Revenue	TEV/ LTM EBITDA	TEV/ CY 2020 EBITDA
Company Name	Ticker										
Clothing and Apparel											
Abercrombie & Fitch Co.	ANF	-0.1%	-19.0%	-0.2%	-6.1%	-55.4%	4.3%	0.6x	0.6x	13.0x	18.1x
American Eagle Outfitters, Inc.	AEO	1.2%	-9.5%	1.4%	-3.1%	-52.6%	6.1%	0.8x	0.8x	13.2x	24.1x
Ascena Retail Group, Inc.	ASNA	-1.5%	-195.6%	-2.2%	4.0%	-24.6%	4.1%	0.3x	2.3x	7.9x	11.7x
Ansell Limited	ANN	5.4%	10.1%	6.6%	2.3%	0.2%	15.8%	2.3x	N/A	14.5x	N/A
Foot Locker, Inc.	FL	3.6%	8.5%	4.1%	-11.1%	-36.5%	8.1%	0.8x	0.9x	9.8x	20.1x
The Gap, Inc.	GPS	1.8%	-27.4%	2.2%	-10.4%	-49.4%	6.3%	0.8x	0.9x	12.4x	-39.4x
Guess?, Inc.	GES	2.3%	-7.3%	2.9%	-8.5%	-12.8%	6.5%	0.7x	0.8x	10.5x	83.0x
L Brands, Inc.	LTD	5.3%	NM	6.9%	-9.8%	-29.1%	12.1%	1.0x	1.3x	8.4x	15.8x
Tilly's, Inc.	TLYS	0.1%	3.0%	0.1%	-6.4%	-58.5%	3.8%	0.7x	0.7x	17.7x	-48.2x
Urban Outfitters, Inc.	URBN	0.7%	-0.2%	0.8%	-6.4%	-69.5%	4.0%	0.6x	0.7x	16.1x	-95.8x
Zumiez Inc.	ZUMZ	4.2%	10.9%	4.7%	-2.7%	-10.4%	8.6%	0.9x	0.8x	9.9x	9.8x
	Mean	2.1%	-22.7%	2.5%	-5.3%	-36.2%	7.2%	0.9x	1.0x	12.1x	-0.1x
	Median	1.8%	-3.8%	2.2%	-6.4%	-36.5%	6.3%	0.8x	0.8x	12.4x	13.7x

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

Source: Capital IQ

## Retail Public Company LTM Equity Performance As of June 30, 2020



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

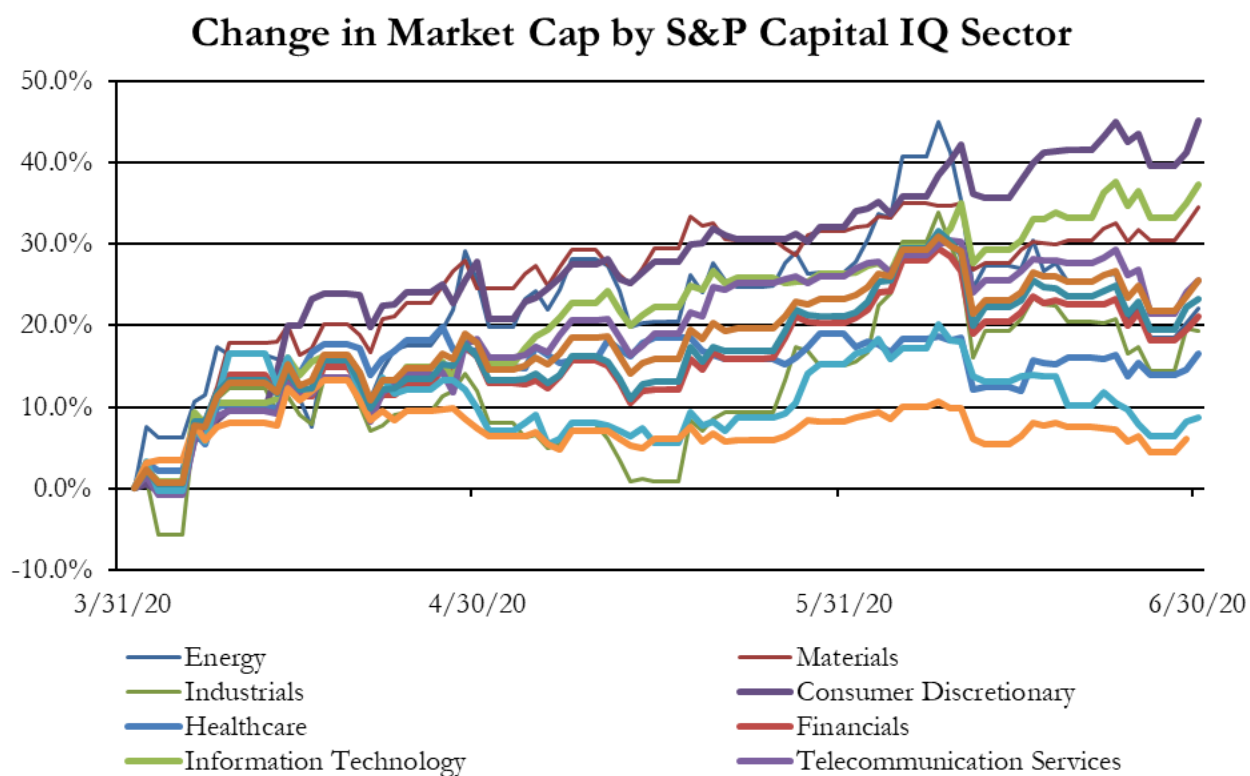
## Recent M&A Activity in the Retail Industry YTD as of June 30, 2020

(USD in millions)

Close Date	Target	Acquirer	Target Company Primary Industry	Implied Enterprise Value
5/15/2020	Mission Pennsylvania II LLC	N/A	Specialty Stores	\$10.60
5/18/2020	27 former Art Van Furniture, Inc. stores	Realty Acquisitions, Inc.	Specialty Stores	\$6.90
5/14/2020	Field & Stream Store in Kalamazoo, Michigan of DICK'S	Sportsman's Warehouse Holdings, Inc.	Specialty Stores	\$2.40
5/28/2020	Asien's Appliance, Inc.	1847 Holdings LLC	Home Improvement Retail	\$1.92
4/13/2020	Assets of Rapid-American Corp.	Insurance Liquidation Investors, LLC	General Merchandise Stores	\$1.27
4/22/2020	Levee Street Holdings, LLC	NewLeaf Brands Inc. (nka:Mydecine Innovations Group Inc.)	Distributors	\$0.89
6/30/2020	Ghar Inc.	N/A	Internet and Direct Marketing	\$0.29
4/1/2020	Zoom North America, LLC	Zoom Corporation	Distributors	\$0.18
4/1/2020	Boston Organics LLC	GrubMarket, Inc.	Internet and Direct Marketing	N/A
4/17/2020	Kentuckiana Mack Sales and Service, Inc.	McMahon Truck Centers	Distributors	N/A
4/27/2020	Westport Appliance Repair Service, LLC	All Cape Appliance, Inc.	Home Improvement Retail	N/A
3/31/2020	Dealership Assets of Taylor Motor Company and Auto Credit	America's Car-Mart, Inc.	Automotive Retail	N/A
3/31/2020	Efuego Corp.	TSI Holdings Co., Ltd.	Internet and Direct Marketing	N/A
5/22/2020	Freestone Autoplex Group	Foundation Automotive Corp.	Automotive Retail	N/A
5/1/2020	Cousins RV, LLC	RV Retailer, LLC	Automotive Retail	N/A
5/22/2020	Retail Pro Associates, Inc.	CBD Unlimited, Inc.	Distributors	N/A
6/18/2020	Magnussen Lexus of Fremont (nka:Lexus of Fremont)	Swickard Auto Group	Automotive Retail	N/A
6/19/2020	Office Furniture Segment of Senetics of Honolulu	Infinium Interiors Inc.	Specialty Stores	N/A
6/30/2020	Byers Kia (nka:Celebration Kia)	N/A	Automotive Retail	N/A
6/30/2020	Core U.S. operations of S.P. Richards Company	N/A	Distributors	N/A
6/30/2020	L&R Distributors, Inc.	Platinum Equity, LLC; Platinum Equity Small Cap Fund	Distributors	N/A
6/30/2020	Henry Brown Chevrolet and Henry Brown Chrysler Dodge	Jerry Seiner Dealerships Inc	Automotive Retail	N/A
6/26/2020	Build-Rite Lumber & Supply, Inc.	R.P. Lumber Co., Inc.	Home Improvement Retail	N/A
6/26/2020	Malchow's Home Furnishings	Montgomery's	Homefurnishing Retail	N/A
6/26/2020	Compassionate Care Foundation, Inc.	Acreage Holdings, Inc.	Distributors	N/A
6/25/2020	Downeast Outfitters, Inc.	Malouf Inc.	Apparel Retail	N/A
6/24/2020	Ashley Stewart Holdings, Inc.	Monroe Capital Management Advisors, LLC	Apparel Retail	N/A
6/24/2020	Certain Assets of Hollingsworth Oil Company, Inc.	Tri Star Energy, LLC	Automotive Retail	N/A
6/23/2020	Brandless, Inc.	Clarke Capital Partners; Ikonifi	Internet and Direct Marketing	N/A
6/23/2020	AirportParkingReservations.com, Inc./ParkSleepFly,	MAG USA	Internet and Direct Marketing	N/A
6/20/2020	Tim Short Mazda Dealership	Integrity Automotive Group	Automotive Retail	N/A
6/18/2020	Sea to Sky Rentals, LLC	Vacasa LLC	Internet and Direct Marketing	N/A
6/17/2020	Traverse Bay Marine, Inc.	Walstrom Marine, Inc.	Automotive Retail	N/A
6/17/2020	Ghostly International	Secretly Group, Inc.	Internet and Direct Marketing	N/A
6/16/2020	Automotive Distributing Company LLC	Meyer Distributing, Inc.	Distributors	N/A
6/15/2020	Miller Enterprises-Miller Auto Center, Inc.	Gilleland Chevrolet Cadillac, Inc.	Automotive Retail	N/A
6/12/2020	Giant Vapes LLC	AVAIL Vapor LLC	Internet and Direct Marketing	N/A
6/12/2020	All Assets of T. F. Louderback, Inc.	Harbor Distributing, LLC	Distributors	N/A
6/9/2020	Top Drawer Merch, LLC	Empire Distribution, Inc.	Distributors	N/A
6/4/2020	Original One Parts, LLC	Kinderhook Industries, LLC	Distributors	N/A
6/3/2020	Rosenthal Chevrolet in Alexandria (nka:Bill Page Chevrolet in	N/A	Automotive Retail	N/A
6/1/2020	NCAMK, LLC	N/A	Automotive Retail	N/A
6/1/2020	Duke's Sporting Goods	H+W Sports	Specialty Stores	N/A
5/31/2020	Reno Dodge and Fernley Chrysler Dodge Jeep RAM	Dolan Auto Group	Automotive Retail	N/A
5/30/2020	Assets of Kim Supply Inc.	Kleen Rite Corp.	Distributors	N/A
5/28/2020	Scott Pure Water, LLC	Quench USA, Inc.	Home Improvement Retail	N/A
5/27/2020	Brasher Motor Co Of Weimar Inc (nka:Cavender Auto	Cavender Management, Inc.	Automotive Retail	N/A
5/27/2020	Bobby Layman Cadillac Gmc, Inc.	Performance Columbus, LLC	Automotive Retail	N/A
5/21/2020	H & M Lumber Company Inc	Central Network Retail Group, LLC	Home Improvement Retail	N/A
5/20/2020	Vitalize, LLC	Najafi Companies	Internet and Direct Marketing	N/A
5/19/2020	Desert Autoplex RV	Lazydays Holdings, Inc.	Automotive Retail	N/A
5/13/2020	Staten Island Honda in New York (nka:Honda of Staten	N/A	Automotive Retail	N/A
5/13/2020	New York Bus Sales, LLC	Girardin Blue Bird	Automotive Retail	N/A
5/12/2020	Inventory and Assets of 27 stores in US	Loves Furniture, Inc.	Homefurnishing Retail	N/A
5/5/2020	North Coast Subaru	N/A	Automotive Retail	N/A
5/5/2020	WOW! Chevrolet of Woodbury	N/A	Automotive Retail	N/A
4/29/2020	Bill Buck Chevrolet, Inc. (nka:Jenkins Chevrolet of Venice)	Jenkins Auto Group	Internet and Direct Marketing	N/A
4/28/2020	Waco-based Assets Of Tipton International Inc.	Washington County Tractor, Inc.	Automotive Retail	N/A
4/26/2020	Retail Business of InStep Running and Walking Centers LLC	Performance Running Outfitters LLC	Apparel Retail	N/A
4/24/2020	Atlanta Classic Cars, Inc	Krause Auto Group	Automotive Retail	N/A
4/24/2020	Denil Wall Olds Cadillac LLC (nka:Bergstrom Subaru-Green	Bergstrom Corporation	Automotive Retail	N/A
4/13/2020	One Kings Lane, Inc.	CSC Generation, Inc.	Internet and Direct Marketing	N/A
4/4/2020	Dream Catcher Yachts	West Coast Yachts Inc.	Automotive Retail	N/A
3/31/2020	Five stores in Mississippi	N/A	Automotive Retail	N/A
3/25/2020	RFJ Auto Partners, Inc.	Northwest Motorsport, Inc.	Automotive Retail	N/A

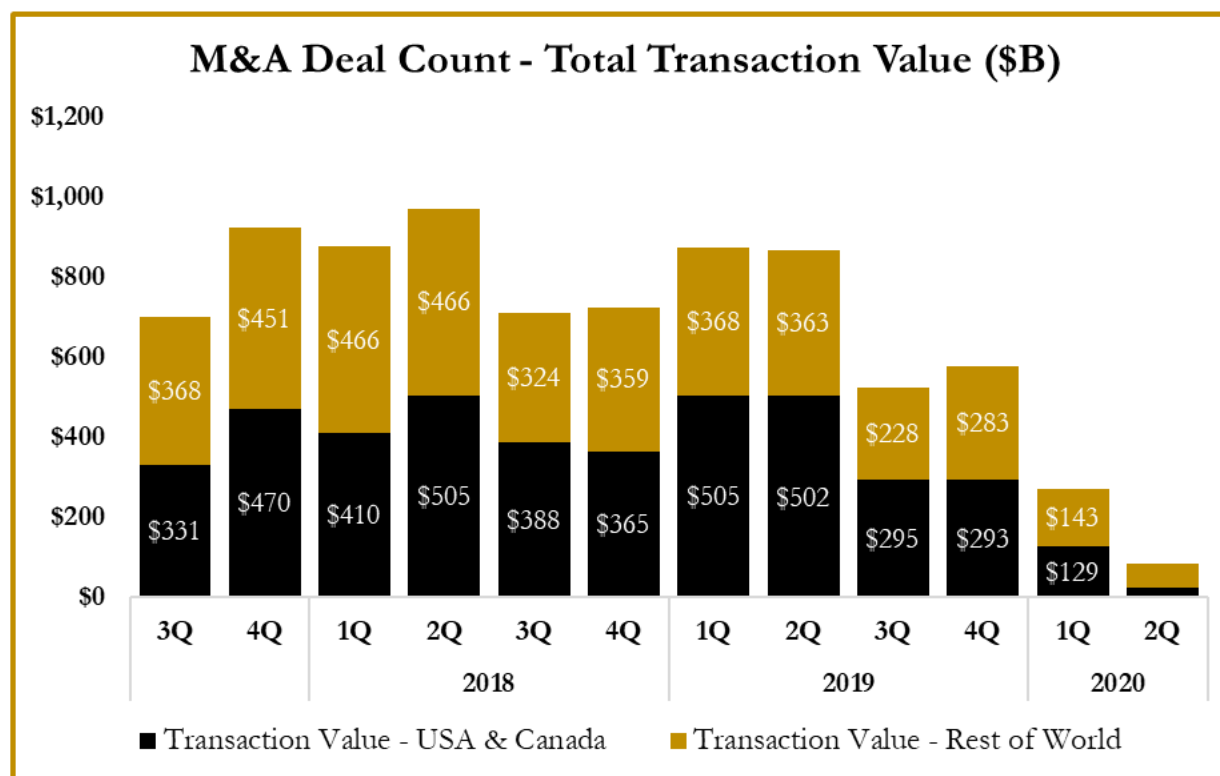
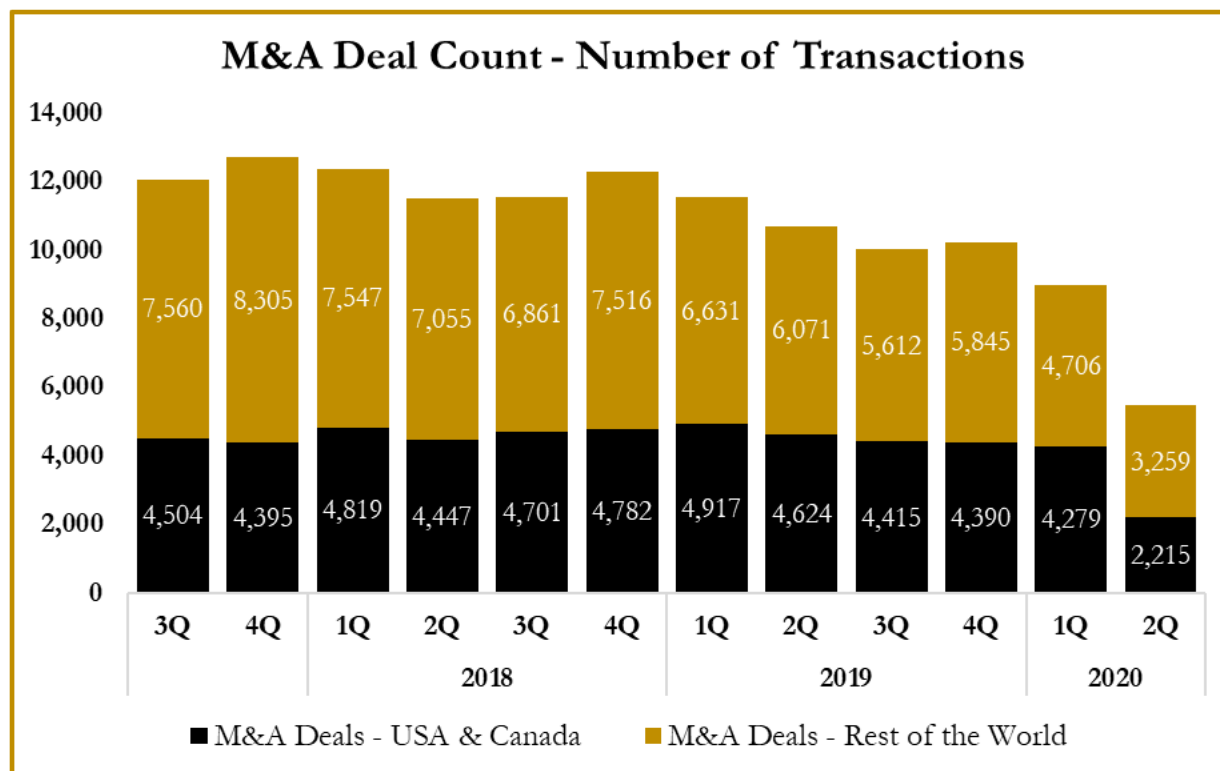
Source: Capital IQ

## S&P Capital IQ - Sector Last 3 Month Equity Performance As of June 30, 2020

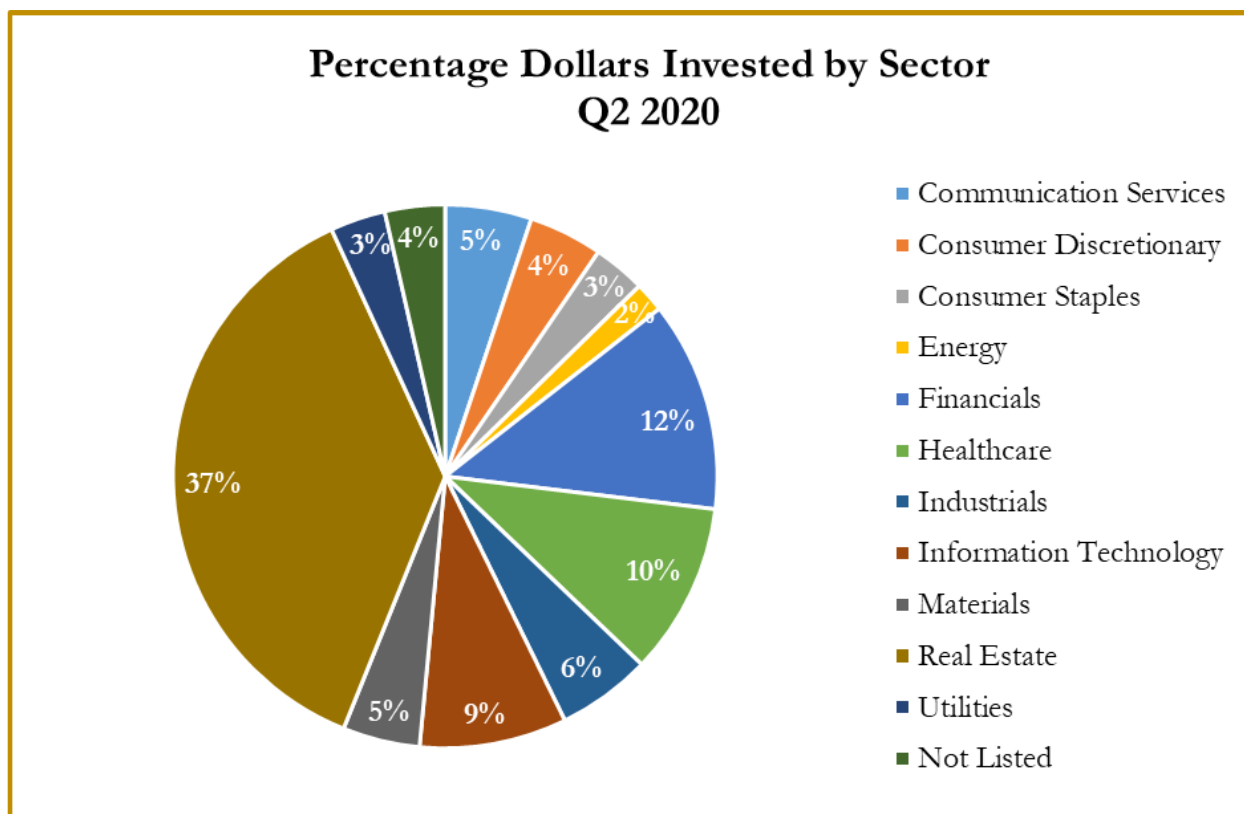


Note: The indices are derived from the equity performance of the S&P Capital IQ Sectors. Source: Capital IQ

### M&A Deal Flow Statistics by S&P Capital IQ Sector As of June 30, 2020



M&A Deal Flow Statistics by S&P Capital IQ Sector  
As of June 30, 2020





## 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.

## Valuation & Financial Advisory

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.

## Litigation Support

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

**For additional information about our  
industry expertise and services, visit:**

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<b>Andrew Smith</b> asmith@houlihancapital.com 312.450.8610	<b>Paul Clark</b> pclark@houlihancapital.com 312.450.8656	<b>Michael Norton</b> mnorton@houlihancapital.com 312.450.8628	<b>Monica Blocker</b> mblocker@houlihancapital.com 312.450.8699
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