



Industry Update
Retail
Q1 2023

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Financial Performance

Size Profile, LTM Financials, Forward Estimates

(USD in millions, except per share data)

Company Name	Ticker	Size Profile			LTM Operating Data		Forward Estimates		
		Price at 03/31/23	% of 52 Week High	TEV	Total Assets	LTM Revenue	LTM EBITDA	2023 Est. Revenue	2023 Est. EBITDA
Department Stores									
Macy's, Inc.	M	\$17.49	64.1%	\$9,517	\$16,866	\$25,305	\$2,303	\$24,078	\$2,435
Kohl's Corporation	KSS	\$23.54	38.1%	\$9,631	\$14,345	\$18,098	\$1,076	\$16,828	\$1,454
Nordstrom, Inc.	JWN	\$16.27	55.0%	\$6,384	\$8,745	\$15,530	\$1,149	\$14,782	\$1,139
Dillard's, Inc.	DDS	\$307.68	73.6%	\$4,654	\$3,329	\$6,996	\$1,307	\$6,673	\$844
General Merchandising									
Target Corporation	TGT	\$165.63	65.0%	\$89,583	\$53,335	\$109,120	\$6,660	\$111,401	\$8,210
Dollar General Corporation	DG	\$210.46	80.3%	\$65,617	\$29,083	\$37,845	\$4,055	\$40,032	\$4,309
Dollar Tree, Inc.	DLTR	\$143.55	81.0%	\$43,807	\$23,022	\$28,332	\$3,044	\$30,286	\$2,885
Big Lots, Inc.	BIG	\$10.96	27.8%	\$2,283	\$3,691	\$5,468	-\$35	\$5,126	-\$3
Clothing and Apparel									
Bath & Body Works, Inc.	BBWI	\$36.58	62.9%	\$12,203	\$5,494	\$7,560	\$1,597	\$7,498	\$1,475
The Gap, Inc.	GPS	\$10.04	64.8%	\$7,921	\$11,386	\$15,616	\$441	\$15,168	\$908
Foot Locker, Inc.	FL	\$39.69	84.1%	\$6,421	\$7,907	\$8,759	\$859	\$8,371	\$692
American Eagle Outfitters, Inc.	AEO	\$13.44	73.9%	\$3,784	\$3,421	\$4,990	\$482	\$5,102	\$522
Urban Outfitters, Inc.	URBN	\$27.72	93.2%	\$3,220	\$3,683	\$4,795	\$331	\$4,992	\$423
Ansell Limited	ANN	\$17.79	88.9%	\$2,619	\$2,559	\$1,778	\$273	\$1,771	\$280
Guess?, Inc.	GES	\$19.46	78.9%	\$1,875	\$2,425	\$2,687	\$316	\$2,740	\$296
Abercrombie & Fitch Co.	ANF	\$27.75	72.1%	\$1,892	\$2,713	\$3,698	\$237	\$3,772	\$320
Express, Inc.	EXPR	\$0.79	19.6%	\$714	\$1,398	\$1,864	-\$3	\$1,960	-\$15
Zumiez Inc.	ZUMZ	\$18.44	44.8%	\$400	\$748	\$958	\$51	\$913	\$38
Tilly's, Inc.	TLYS	\$7.71	74.5%	\$360	\$476	\$672	\$25	\$649	\$6

Source: Capital IQ

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Valuation Metrics

Return Profile, Trading Multiples

Company Name	Ticker	Return Profile					Trading Multiples		
		Return on Assets	Return on Equity	Revenue Growth	EBITDA Margin	EBITDA Growth	5-yr Beta	TEV / LTM Revenue	TEV / LTM EBITDA
Department Stores									
Macy's, Inc.	M	6.1%	30.6%	0.1%	9.1%	-22.5%	1.8x	0.4x	4.3x
Kohl's Corporation	KSS	1.1%	-0.5%	-6.9%	5.9%	-57.3%	1.7x	0.5x	9.2x
Nordstrom, Inc.	JWN	3.9%	37.1%	5.0%	7.4%	3.8%	2.2x	0.4x	5.6x
Dillard's, Inc.	DDS	21.3%	58.5%	5.6%	18.7%	-0.1%	0.9x	0.7x	3.7x
	Mean	8.1%	31.4%	1.0%	10.3%	-19.0%	1.7x	0.5x	5.7x
	Median	5.0%	33.8%	2.5%	8.2%	-11.3%	1.8x	0.5x	5.0x
General Merchandising									
Target Corporation	TGT	4.6%	23.1%	2.9%	6.1%	-43.1%	1.0x	0.8x	13.4x
Dollar General Corporation	DG	7.5%	40.9%	10.6%	10.7%	4.9%	0.3x	1.7x	16.2x
Dollar Tree, Inc.	DLTR	6.4%	19.6%	7.6%	10.7%	20.2%	0.7x	1.5x	14.3x
Big Lots, Inc.	BIG	-3.1%	-23.8%	-11.1%	-0.6%	N/A	2.0x	0.4x	-65.6x
	Mean	3.8%	15.0%	2.5%	6.7%	-6.0%	1.0x	1.1x	-5.4x
	Median	5.5%	21.4%	5.3%	8.4%	4.9%	0.8x	1.2x	13.9x

Source: Capital IQ

Valuation Metrics (cont.)

Return Profile, Trading Metrics

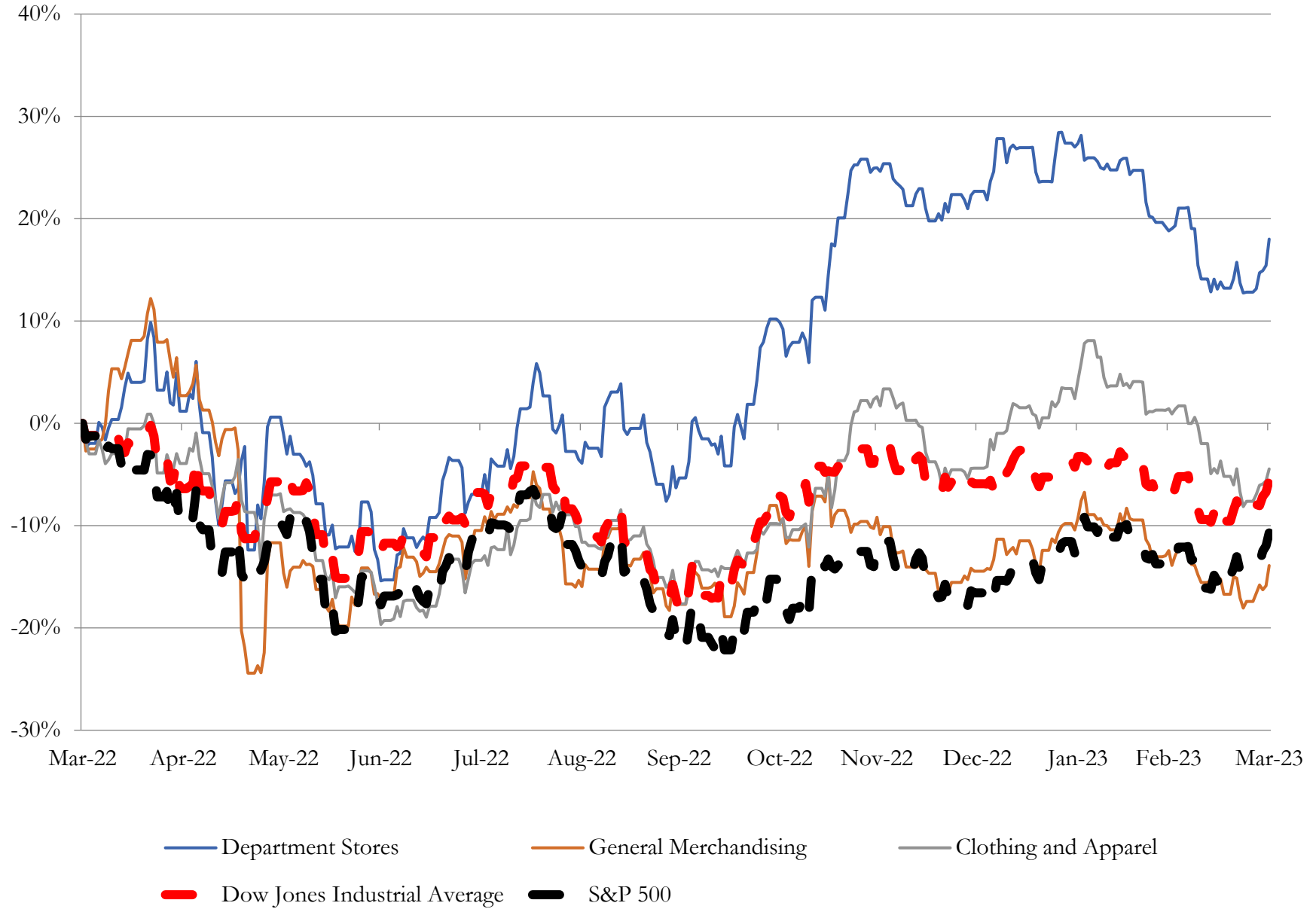
Company Name	Ticker	Return Profile					Trading Multiples		
		Return on Assets	Return on Equity	Revenue Growth	EBITDA Margin	EBITDA Growth	5-yr Beta	TEV / LTM Revenue	TEV / LTM EBITDA
Clothing and Apparel									
Bath & Body Works, Inc.	LTD	14.9%	N/A	-4.1%	21.1%	-32.7%	0.0x	1.7x	8.1x
The Gap, Inc.	GPS	-0.5%	-8.2%	-6.3%	2.8%	-68.1%	1.9x	0.5x	18.9x
Foot Locker, Inc.	FL	5.1%	10.5%	-2.3%	9.8%	-30.2%	1.2x	0.8x	7.7x
Ansell Limited	ANN	5.7%	9.4%	-15.3%	15.3%	-19.4%	0.5x	1.5x	9.5x
American Eagle Outfitters, Inc.	AEO	4.7%	8.3%	-0.4%	9.7%	-37.8%	1.5x	0.8x	8.0x
Urban Outfitters, Inc.	URBN	3.9%	9.0%	5.4%	6.9%	-34.8%	1.5x	0.7x	9.5x
Abercrombie & Fitch Co.	ANF	2.3%	1.3%	-0.4%	6.4%	-50.8%	1.5x	0.5x	8.0x
Guess?, Inc.	GES	6.4%	25.9%	3.7%	11.8%	-13.2%	1.9x	0.7x	6.0x
Express, Inc.	EXPR	-3.1%	190.3%	-0.3%	-0.2%	N/A	1.7x	0.4x	-228.7x
Zumiez Inc.	ZUMZ	2.3%	4.8%	-19.0%	5.3%	-72.4%	1.5x	0.4x	8.3x
Tilly's, Inc.	TLYS	1.4%	5.5%	-13.3%	3.8%	-75.8%	1.8x	0.5x	13.9x
Destination XL Group, Inc.	DXLG	11.6%	91.2%	8.1%	13.5%	-3.5%	1.4x	0.7x	5.0x
	Mean	4.6%	31.6%	-3.7%	8.9%	-39.9%	1.4x	0.8x	-10.5x
	Median	4.3%	9.0%	-1.4%	8.3%	-34.8%	1.5x	0.7x	8.0x

Source: Capital IQ

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LTM Equity Performance

Major Indexes



Source: Capital IQ

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Recent M&A Activity

Last Twelve (12) Months as of March 31, 2023

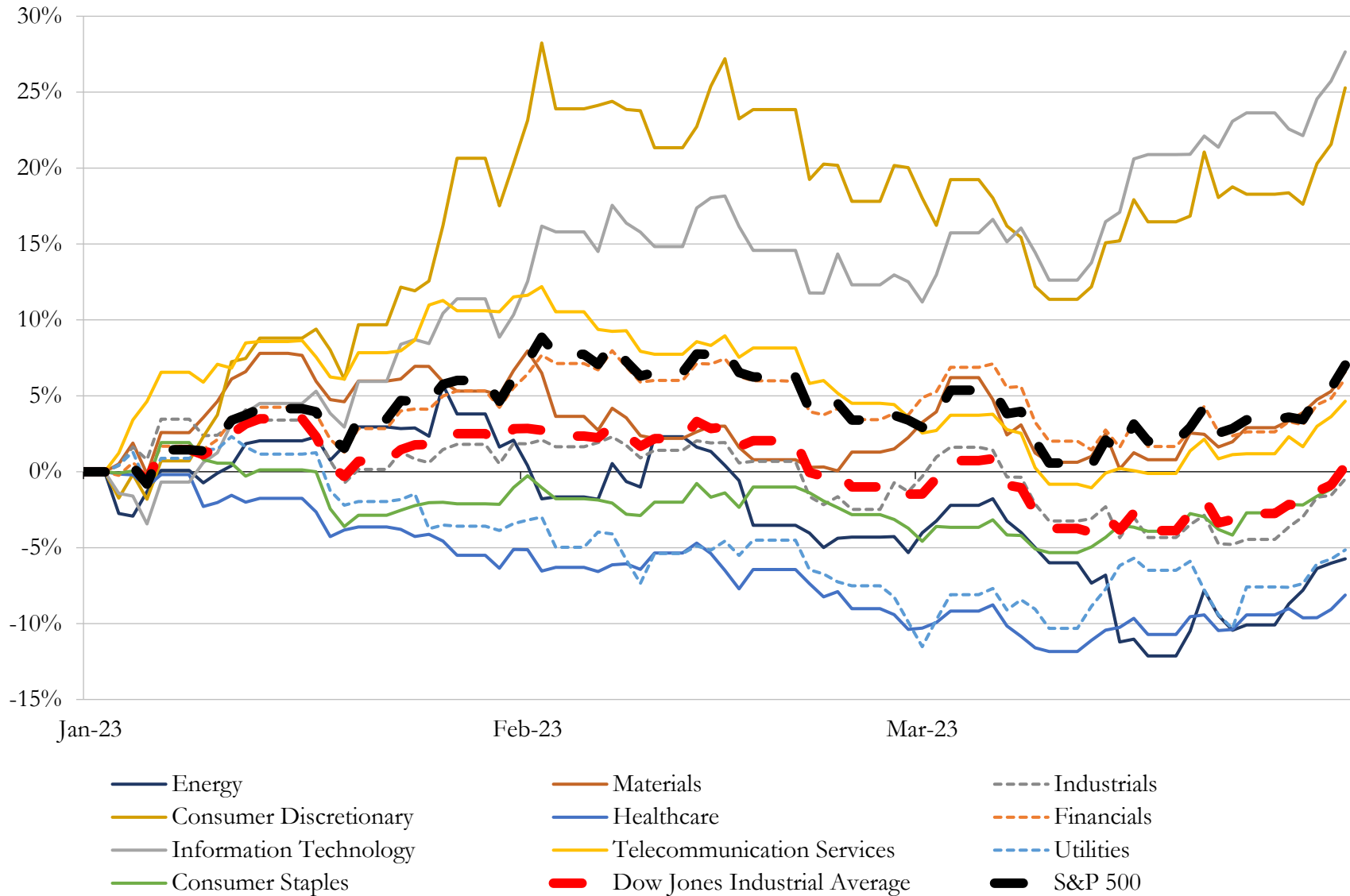
(USD in millions)

Close Date	Target	Acquirer	Implied TEV
Jan-23	Poshmark, Inc.	NAVER Corporation	\$1,048
Aug-22	Blue Nile, Inc.	Sterling Jewelers Inc.	\$398
Mar-23	Assets of Transit Energy Group, LLC	GPM Transportation Company, LLC; GPM Southeast, LLC; GPM	\$383
Apr-22	PGW Auto Glass, LLC	OEP Capital Advisors, L.P.	\$361
Oct-22	Orscheln Farm and Home LLC	Tractor Supply Company	\$274
Apr-22	Operations in Mexico and The United States of Jafra S.A.	Betterware de México, S.A.P.I. de C.V.	\$255
Mar-23	Volta Inc.	Shell USA, Inc.	\$250
Jun-22	Union Supply Company, Inc.	ARAMARK Correctional Services, LLC	\$243
Apr-22	Interbond Corporation of America (nka:Interbond Of America, Inc.)	Aaron's Retail Solutions, LLC	\$230
Sep-22	Fulcrum Building Group, Inc.	Builders FirstSource, Inc.	\$122
Aug-22	Broad Arrow Group, Inc.	Hagerty, Inc.	\$122
Aug-22	Certain Assets of Enjoy Technology, Inc.	Asurion, LLC	\$110
Jun-22	Assets under Tires Now Operations and Certain Assets under Internal Tire	American Tire Distributors, Inc.	\$105
Mar-22	20 Service Stations in Arkansas, Virginia and Kentucky	N/A	\$89
Nov-22	International Auto Processing, Inc.	Ports America, Inc.	\$72
May-22	Bob's Stores, LLC/Eastern Mountain Sports, LLC	GoDigital Media Group	\$70
Feb-23	Carson Toyota, Inc.	Fletcher Jones Automotive Group	\$49
Apr-22	Denison Yacht Sales, Inc.	OneWater Marine Inc.	\$48
Dec-22	CarLotz, Inc.	Shift Technologies, Inc.	\$46
Apr-22	Two Travel Center Locations in Virginia and Kentucky	TravelCenters of America Inc.	\$45
May-22	Mel Dawson, Inc.	Renewable Energy Group, Inc.	\$40
Jul-22	Business IT Source, Inc.	Computacenter plc	\$35
Oct-22	International Wholesale Tile, LLC	Victoria PLC	\$29
Jul-22	Backyard & Pool Superstore LLC	Maytronics Ltd.	\$27
May-22	Assets of Mohawk Rubber Sales Of New England, Inc.	Myers Industries, Inc.	\$26
Apr-22	Enovation Brands, Inc	Italian Wine Brands S.p.A.	\$26
May-22	Mercedes-Benz of West Chester	Piazza Auto Group	\$21
Apr-22	Cygnnet Online LLC	Grove, Inc. (nka:Upexi, Inc.)	\$18
May-22	Certain Automotive Dealer Marketplace Assets of Fair Financial Corp.	Shift Technologies, Inc.	\$18
Aug-22	Ernest Tubb Record Shop, LLC	Creative Investments	\$18

Source: Capital IQ

5 Change in Market Capitalization by Sector

Last Three (3) Months as of March 31, 2023

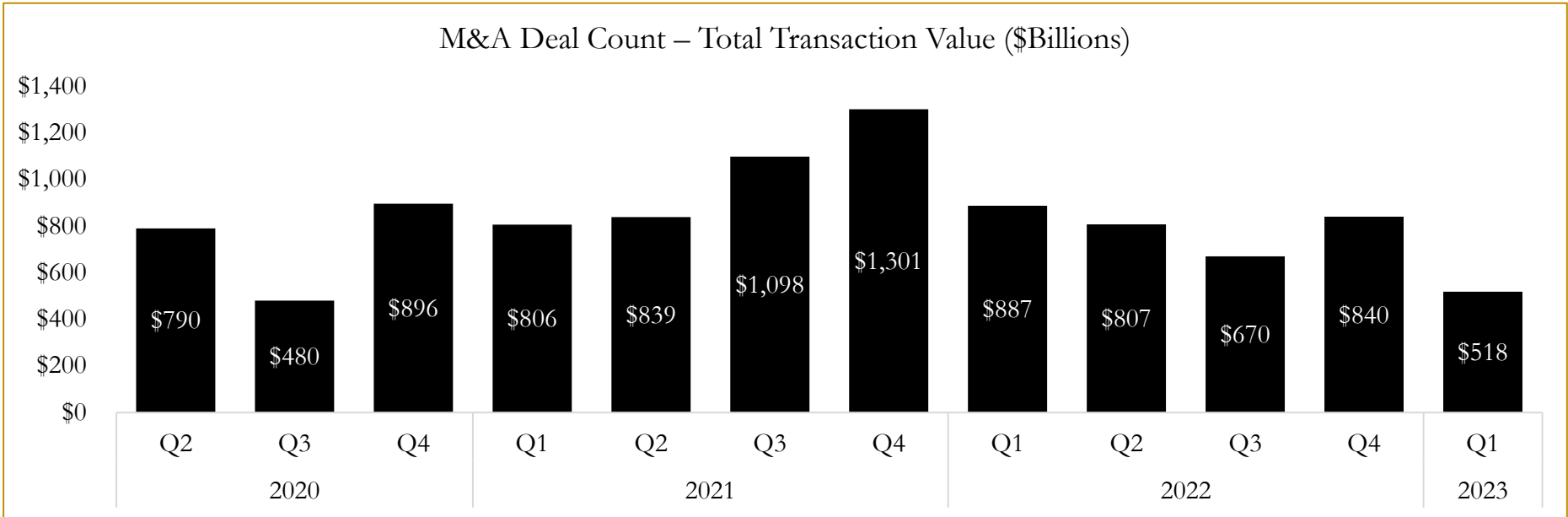
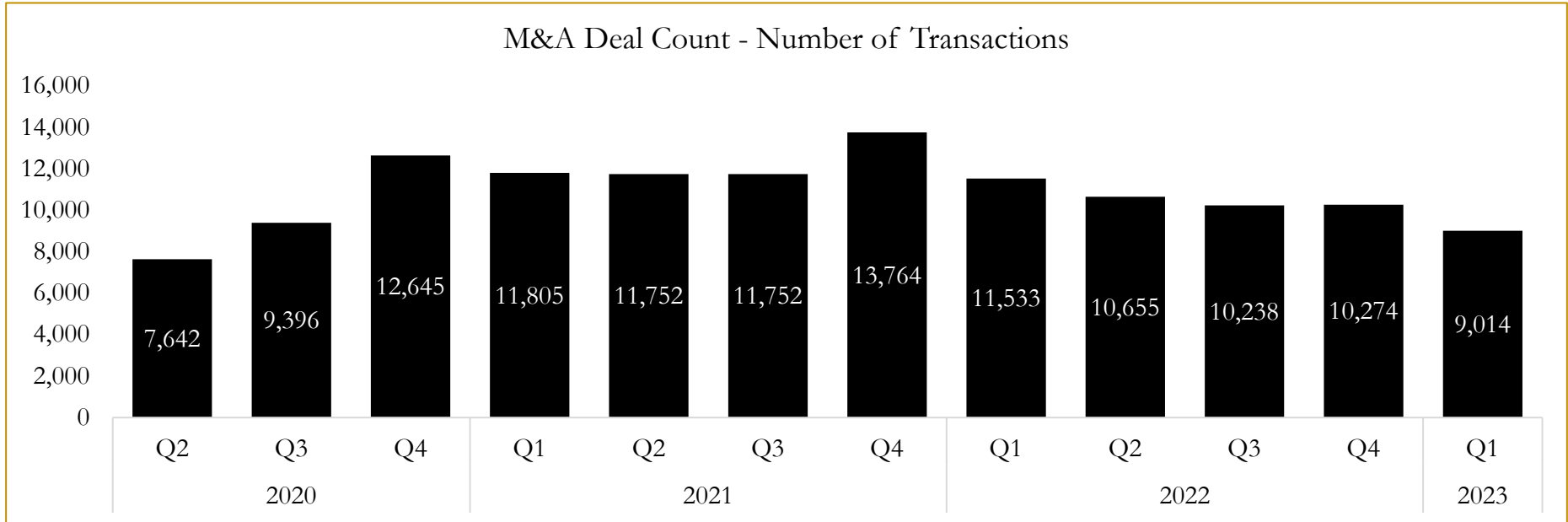


Source: Capital IQ

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M&A Deal Flow Statistics

Last Three (3) Years as of March 31, 2023



Source: Capital IQ

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.

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.

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