



QUARTERLY REPORT

MACROECONOMIC & MARKET UPDATE

October 11, 2019



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GLOBAL RETAIL GROUP

Senior Team



Peter J. Solomon
*Founder and
Chairman*



Marc Cooper
*Chief Executive
Officer*



David Shiffman
*Managing Director,
Co-Head of Retail*



Cathy Leonhardt
*Managing Director,
Co-Head of Retail*



**Michael
Gottschalk**
*Managing Director,
Head of Consumer*



Scott Moses
*Managing Director
Head of Food
Retail &
Restaurants*



Jeffrey Derman
*Managing
Director*



**Gregory
Grambling**
Managing Director



Patrick Furlong
Director



Flore Gimello
Vice President

Additional Team Members

Eric Bormel, Sr. Associate

Addison Bakken, Associate

Peter Diamond, Associate

Gaurav Ghosh, Associate

Joshua Heft, Associate

Susan Wang, Associate

Brandon Yoshimura, Sr. Associate

We advise clients in all retail and consumer sectors, including:

**Branded Apparel,
Footwear & Accessories**

Consumer Products

**Department Stores /
Broadlines / Mass
Merchants**

Discount & Dollar

Drug Chain

E-Commerce

**Fitness / Performance
Apparel**

Grocery & Food Retail

Health, Wellness & Beauty

Home Improvement

Jewelry / Luxury

Off Price

Restaurants

Specialty Hardlines

Specialty Softlines

Sporting Goods/Outdoor

- We are a globally recognized strategic advisor to leading retail, consumer, apparel, footwear and e-commerce companies
- Unparalleled breadth and depth of industry knowledge, relationships and execution experience
- Strategy is to be the dominant retail centric advisory group
- Our expertise encompasses the convergence of retail, consumer, e-commerce and digital media
- Collaborative effort with our tech, media and telecom bankers to provide clients a unique cross-sector perspective and approach that leverages their knowledge, insights and sector relationships
- Provide M&A, restructuring and financing advisory services to clients ranging from multi-national, large-capitalization corporations to smaller, high-growth, privately-held companies

SELECTED RETAIL GROUP TRANSACTIONS

<p>PENDING</p>  <p>Has agreed to sell</p>  to LE TOTE <p>Serving as financial advisor to Hudson's Bay Company</p>	<p>PENDING</p> <p>\$170,000,000</p>  <p>Has been sold to</p> <p>Transform Holdco</p> <p>Serving as financial advisor to the Special Committee of Independent Directors</p>	<p>PENDING</p>  <p>Potential Asset Sales</p> <p>Serving as financial advisor to Fred's</p>	<p>PENDING</p>  <p>Strategic Alternatives</p> <p>Serving as restructuring advisor to Payless ShoeSource in its Chapter 11 bankruptcy proceedings</p>	<p>OCTOBER 2019</p> <p>five BELOW</p> <p>Has led the Series A financing round in</p>  <p>Served as financial advisor to Five Below</p>	<p>AUGUST 2019</p> <p>\$683,000,000</p> <p>BARNES & NOBLE</p> <p>Has agreed to be acquired by</p>  <p>Owner of</p> <p>Waterstones</p> <p>Served as financial advisor to Len Riggio, Founder, Chairman and 19% shareholder of Barnes & Noble</p>
<p>APRIL 2019</p> <p>\$300,000,000</p>  <p>Has acquired</p>  <p>Served as financial advisor to OpCapita</p>	<p>MARCH 2019</p> <p>\$35,000,000</p> <p>charming charlie</p> <p>Senior Secured Credit Facility provided by</p>  <p>Served as financial advisor to Charming Charlie</p>	<p>FEBRUARY 2019</p> <p>\$100,000,000</p> <p>GENESCO</p> <p>Has divested</p>  <p>Served as financial advisor to Genesco</p>	<p>DECEMBER 2018</p> <p>Martin's Count On Us!</p> <p>Has been sold to</p>  <p>Served as financial advisor to Martin's Super Markets</p>	<p>DECEMBER 2018</p> <p>BEST MARKET</p> <p>Has been sold to</p>  <p>Served as financial advisor to Best Market</p>	<p>DECEMBER 2018</p>  <p>Has sold 179 stores' pharmacy prescription files to</p>  <p>Served as financial advisor to Fred's</p>
<p>NOVEMBER 2018</p> <p>€3,250,000,000</p>  <p>Has sold select real estate assets to and formed a joint venture with</p>  <p>Served as financial advisor to Hudson's Bay Company</p>	<p>OCTOBER 2018</p> <p>\$113,000,000</p> <p>HIBBETT SPORTS</p>  <p>Served as financial advisor to Hibbett Sports</p>	<p>OCTOBER 2018</p> <p>SUPERVALU</p> <p>Has divested</p> <p>Shop'n Save to Schnucks</p> <p>Served as financial advisor to SUPERVALU</p>	<p>OCTOBER 2018</p> <p>\$160,000,000</p>  <p>Has acquired Senior Secured Credit Facility</p> <p>Served as financial advisor to Key Food</p>	<p>OCTOBER 2018</p> <p>Has divested</p>  <p>Served as financial advisor to V.F. Corporation</p>	<p>OCTOBER 2018</p> <p>\$437,000,000</p> <p>PERRY ELLIS</p> <p>Has been sold to a newly formed entity controlled by George Feldenkreis</p> <p>Served as financial advisor to the Special Committee of Perry Ellis</p>
<p>OCTOBER 2018</p> <p>BARE NECESSITIES</p> <p>Has been sold to</p>  <p>Served as financial advisor to Bare Necessities</p>	<p>SEPTEMBER 2018</p> <p>\$275,000,000</p> <p>Stein Mart</p> <p>Senior Secured Credit Facility</p> <p>Served as financial advisor to Stein Mart</p>	<p>AUGUST 2018</p> <p>\$2,500,000,000</p> <p>Varsity BRANDS</p> <p>Has agreed to be sold to</p>  <p>Served as co-financial advisor to Charlesbank Capital Partners and Partners Group</p>	<p>AUGUST 2018</p> <p>Charlesbank</p> <p>Has acquired the assets of</p> <p>THE ROCKPORT GROUP</p> <p>Served as financial advisor to Charlesbank</p>	<p>JUNE 2018</p> <p>\$558,000,000</p> <p>FINISH LINE</p> <p>Has been sold to</p>  <p>Served as financial advisor to the Special Committee of The Finish Line</p>	<p>MAY 2018</p> <p>DSW</p> <p>Has acquired the remaining outstanding equity interests of</p>  <p>Served as financial advisor to DSW</p>

SELECTED RETAIL GROUP TRANSACTIONS (CONT'D)

<p>MARCH 2018</p> <p>GR GROUPE ROCHER</p> <p>Has acquired</p> <p>ARBONNE</p> <p>Served as financial advisor to Groupe Rocher</p>	<p>MARCH 2018</p> <p>\$305,000,000</p> <p>APOLLO</p> <p>Has agreed to acquire</p> <p>QDOBA from Jack in the box</p> <p>Served as financial advisor to Apollo</p>	<p>FEBRUARY 2018 **</p> <p>\$788,000,000</p> <p>DUFREY</p> <p>Spin off of</p> <p>HUDSON GROUP Real Estate</p> <p>Co-Manager</p>	<p>FEBRUARY 2018</p> <p>FLIGHT CLUB</p> <p>Has merged with</p> <p>GOAT</p> <p>Served as financial advisor to Flight Club</p>	<p>NOVEMBER 2017</p> <p>SUPERMERCADO EL RANCHO</p> <p>Strategic investment by</p> <p>Albertsons</p> <p>Served as financial advisor to El Rancho</p>	<p>AUGUST 2017</p> <p>central grocers <i>Strack & Van Til</i></p> <p>Has sold select assets to</p> <p>SUPERVALU Indiana Grocery Group</p> <p>Served as financial advisor to Central Grocers</p>
<p>AUGUST 2017 **</p> <p>\$3,900,000,000</p> <p>\$1 billion Senior Notes \$2.9 billion First Lien Term Loan</p> <p>STAPLES</p> <p>Served as joint Lead Arranger and Bookrunner</p>	<p>JULY 2017</p> <p>marsh</p> <p>Has sold select assets to</p> <p>Kroger Fresh Encounter</p> <p>Served as financial advisor to Marsh Supermarkets</p>	<p>JUNE 2017 **</p> <p>\$325,000,000</p> <p>Senior Secured Credit Facilities</p> <p>Melissa & Doug</p> <p>Served as joint Lead Arranger and Bookrunner</p>	<p>MAY 2017</p> <p>\$446,000,000</p> <p>Nutraceutical</p> <p>Has been sold to</p> <p>HGGC</p> <p>Served as financial advisor to Nutraceutical International Corporation</p>	<p>APRIL 2017 **</p> <p>\$925,000,000</p> <p>TRUCK HERO</p> <p>\$675 million First Lien Term Loan \$250 million Second Lien Term Loan</p> <p>Served as joint Lead Arranger and Bookrunner</p>	<p>APRIL 2017 **</p> <p>\$840,000,000</p> <p>SUPERVALU</p> <p>\$525 million Term Loan B \$315 million Delayed-Draw Fungible Term Loan B</p> <p>Served as Co-Manager</p>
<p>APRIL 2017</p> <p>HAGGAR CLOTHING</p> <p>Centre Lane Partners and Grand Wealth (subsidiary of Yue Yuen Industrial (Holdings) Limited) have recapitalized Hagggar, resulting in Grand Wealth acquiring 100% of shares outstanding</p> <p>Served as financial advisor to Hagggar</p>	<p>MARCH 2017</p> <p>MODCLOTH</p> <p>Has been sold to</p> <p>Jet Walmart</p> <p>Served as financial advisor to ModCloth</p>	<p>MARCH 2017 **</p> <p>\$248,000,000</p> <p>KENNETH COLE</p> <p>\$30 million Revolving Credit Facility \$165 million Term Loan \$53 million Commercial Mortgage</p> <p>Served as financial advisor to Kenneth Cole Productions and Natixis provided real estate financing</p>	<p>FEBRUARY 2017</p> <p>\$174,200,000</p> <p>MBS</p> <p>Has been sold to</p> <p>BARNES & NOBLE education</p> <p>Served as financial advisor to MBS Textbook Exchange and owner Leonard Riggio</p>	<p>FEBRUARY 2017</p> <p>NASTY GAL</p> <p>Has been sold to</p> <p>boohoo.com</p> <p>Served as restructuring advisor to Nasty Gal on its Section 363 sale</p>	<p>JANUARY 2017</p> <p>FINISH LINE</p> <p>Has divested</p> <p>JackRabbit to CriticalPoint</p> <p>Served as financial advisor to The Finish Line</p>
<p>DECEMBER 2016 *</p> <p>\$950,000,000</p> <p>fred's Pharmacy</p> <p>Has agreed to acquire 865 stores and certain assets from</p> <p>Walgreens Boots Alliance RITE AID</p> <p>Provided a fairness opinion to the Board of Directors of Fred's Inc.</p>	<p>DECEMBER 2016</p> <p>Southeastern Grocers</p> <p>Has sold select pharmacy assets to</p> <p>CVS Health</p> <p>Served as financial advisor to Southeastern Grocers</p>	<p>NOVEMBER 2016</p> <p>Mi Pueblo FOOD CENTER</p> <p>Has been sold to</p> <p>CARDENAS KKR</p> <p>Served as financial advisor to Mi Pueblo</p>	<p>SEPTEMBER 2016</p> <p>\$145,000,000</p> <p>TSC TRACTOR SUPPLY CO.</p> <p>Has acquired</p> <p>petsense</p> <p>Served as financial advisor to Tractor Supply Company</p>	<p>SEPTEMBER 2016</p> <p>HSN</p> <p>Has divested</p> <p>chasing fireflies. TRAVELSMITH</p> <p>DISTINCTIVE APPAREL INC.</p> <p>Served as financial advisor to HSNi</p>	<p>AUGUST 2016</p> <p>\$196,600,000</p> <p>Skullcandy</p> <p>Has been sold to</p> <p>MILL ROAD CAPITAL</p> <p>Served as financial advisor to Skullcandy</p>

* Terminated transactions.

** Natixis, a PJ SOLOMON affiliate, acted as the underwriting party on this transaction.

Reflects sell-side / strategic advisory engagements.

TABLE OF CONTENTS

SECTION

I	Macroeconomic Update	5
II	Financial and M&A Markets Update	17
III	Retail Market Update	22
IV	Retail Trading and Operating Comparables Analysis	28

MACROECONOMIC UPDATE

CURRENT MACROECONOMIC SUMMARY

Positive Developments

- ✓ **China trade negotiations continued between Trump and Xi in Washington**
 - Talks provide an opportunity to improve trade terms, which were hampered in September by \$110 billion in new tariffs imposed on China and retaliatory tariffs on the U.S.
- ✓ **Federal Reserve cut rates an additional 25 bps in September after 25 bps decrease in July (first cut since 2008); most economists expect Fed to cut rates a total of 75 bps this year**
- ✓ **Federal Reserve will continue offering overnight repos through November 4, helping relieve funding pressure in money markets following a spike in rates in the middle of September**
- ✓ **S&P 500 hit all time high on 06/20/2019**
- ✓ **U.S. Real GDP increased +2.0% in Q2 2019 after +3.1% in Q1 2019**
 - Driven by rising exports, falling imports and higher inventory investment offsetting weaker gains in consumer spending
- ✓ **Labor market strength continues with low unemployment and positive wage growth**
 - In September 2019, U.S. employers added 136,000 jobs, as hiring continues to be strong in a record 108th straight month of gains
 - Unemployment rate fell to 3.5% in September, a 50-year low, in part due an increase in the Labor Force Participation Rate
 - Hourly wage growth increased at 2.9%, a slight pullback from previous months
- ✓ **U.S. retail sales increased 0.4% in August 2019, representing a 4.1% increase YoY**
 - The August increase suggests a potential rebound in consumer spending, easing fears of economy slowing in Q2 2019
- ✓ **Economic activity in the manufacturing sector expanded in September 2019, as PMI increased to 51.1, compared to August's 50.3, a ten-year low**
- ✓ **Loose monetary policy continues around the globe; several national banks have maintained zero or negative policy rates through Q2 2019**
 - ECB announced in September its plan to cut interest rates for deposits by 10 bps to (0.5%) and maintain them until inflation outlook improves

Continued Concerns

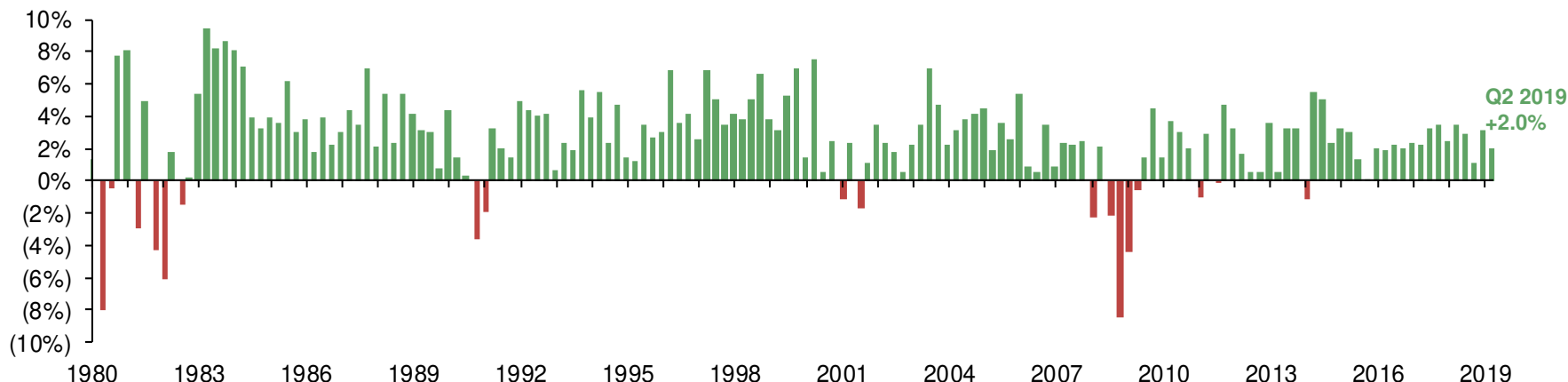
- ✗ **China Trade War, Brexit concerns and regional challenges continue to impact global sentiment**
 - U.K. business leaders voicing concerns over potentially leaving the EU without an agreement by the October 31 deadline
 - U.S. Consumer Confidence down to its lowest level in 21 months in August 2019 amid trade tensions and slowing growth prospects
 - Tensions between Iran and Saudi Arabia, heightened by the recent attacks on Saudi oil plants, providing uncertainty to the global oil market
- ✗ **Volatile global equity and credit markets, notwithstanding a 10-year bull market and valuations in many asset classes near all-time highs**
 - The Treasury Yield Curve has been inverted for more than 30 consecutive trading sessions, a strong historical signal for a recession
 - While VIX has been relatively calm in 2019, spikes throughout 2018 make the index worth monitoring
- ✗ **Consumer spending drastically increased in Q2 2019, rising by 4.3% in the quarter, the fastest since Q4 2017**
- ✗ **Chairman Powell warned that weak inflation could prove more persistent than previously anticipated**
- ✗ **The U.S. homeownership rate fell for the second consecutive time in more than two years in Q2 2019, dropping to 64.1% from 64.8% in Q4 2018**
- ✗ **Increasing the minimum wage to \$15 / hour could result in 1.3 million Americans losing their jobs according to a recent Government forecast**
- ✗ **Growth in the U.S. services sector fell to a three-year low in September, raising concerns about a broader economic slowdown**
- ✗ **The IMF expects global and U.S. growth of 3.3% and 2.2% in 2019, respectively, with each down 0.2% from January outlook**
 - The global outlook is its lowest expectation since the 2008 financial crisis
- ✗ **For the first 8 months of the fiscal year beginning October 1, 2018, the budget deficit totaled \$1.07 Trillion, its largest since 2012**
 - The increase mainly caused by increased military spending, entitlement programs, rising interest rates on government debt and low tax revenues earlier in the year
 - Tax revenue growth has lagged the broader economy while federal spending has steadily increased
- ✗ **Underfunded states, municipalities, pension liabilities and U.S. territories (e.g., Puerto Rico)**

U.S. REAL GDP INCREASED 2.0% IN Q2 2019

Federal Reserve has increased its GDP forecast for 2019 to 2.2%

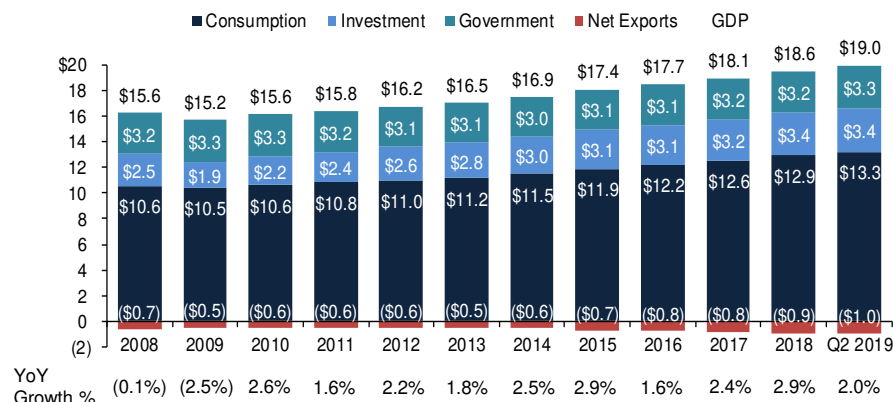
U.S. Real GDP Growth (Constant 2009 Dollars)

(Annualized Quarter over Quarter % Change)



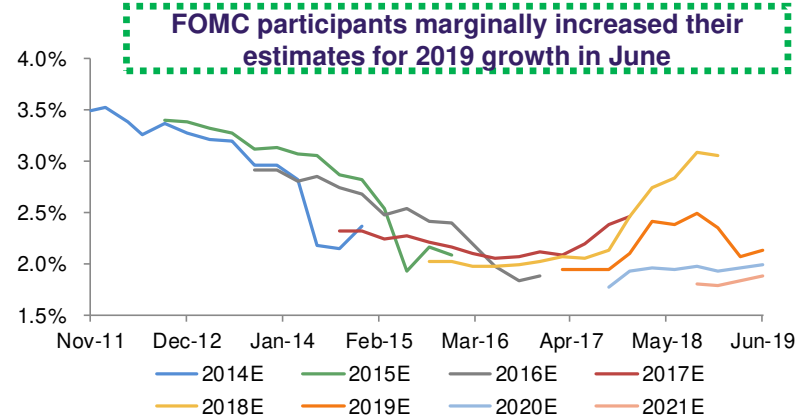
Source: Bureau of Economic Analysis as of October 2019.

U.S. Real GDP (Constant 2009 Dollars)



Source: Bureau of Economic Analysis as of October 2019.

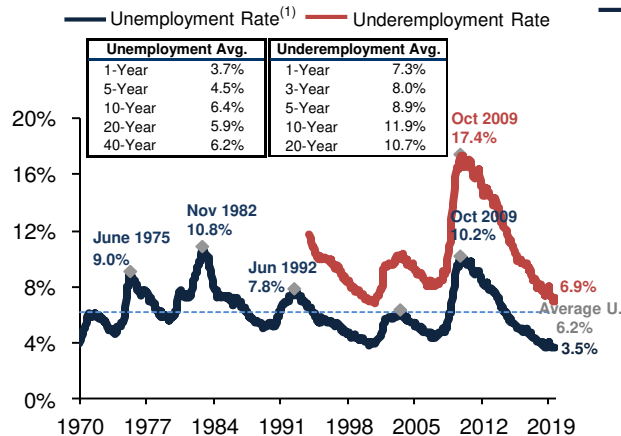
FOMC GDP Growth Projections Over Time



Source: FOMC as of October 2019 (June represents latest available data).

UNEMPLOYMENT AND INITIAL CLAIMS NEAR 50-YEAR LOWS; JOB OPENINGS AND THE QUIT RATE REMAIN ELEVATED; LABOR FORCE PARTICIPATION HAS INCREASED RECENTLY

U.S. Unemployment Rate ⁽¹⁾

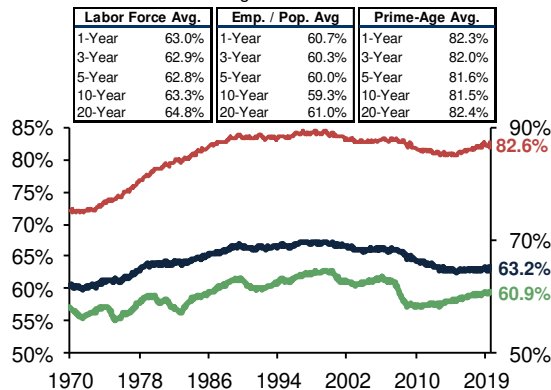


Source: BLS as of October 2019 (September represents latest available data).

(1) Unemployment represents U-3 rate. Underemployment represents U-6 rate and is defined as total unemployed, plus all marginally attached workers plus total employed part time for economic reasons, as a percent of all civilian labor force plus all marginally attached workers.

Labor Force Participation & Employment Rates

— Labor Force Participation Rate — Employment-to-Population Ratio ⁽²⁾ (Millions)
— Prime Age Labor Force



Source: BLS as of October 2019 (September represents latest available data).

(2) Defined as the civilian labor force as a percentage of the total civilian population; the civilian labor force is defined as those either unemployed or employed and excludes those who want a job and have looked for work in the past 12 months, but who are not currently looking.

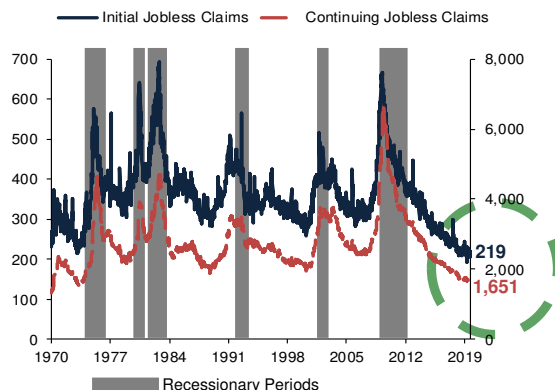
Job Openings



Source: BLS as of October 2019 (July represents latest available data).

Initial and Continuing Jobless Claims

(Thousands)

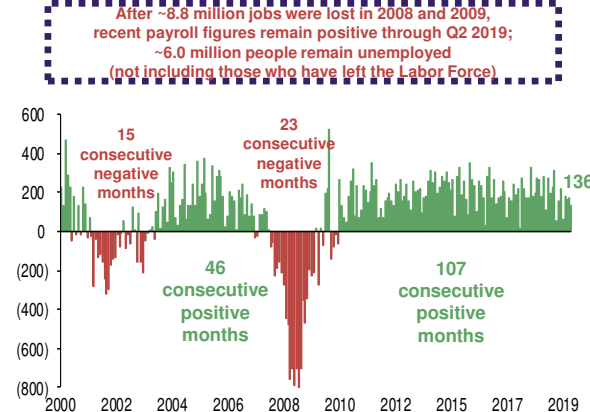


Source: BLS as of October 2019.

PJ

Change in Nonfarm Payrolls

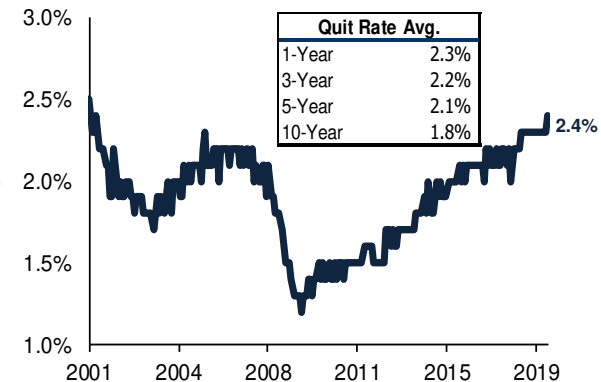
(Thousands)



Source: BLS as of October 2019 (September represents latest available data).

Quit Rate

(Percent of Employment)



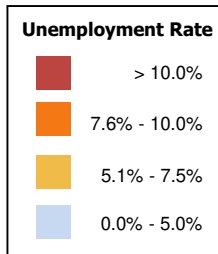
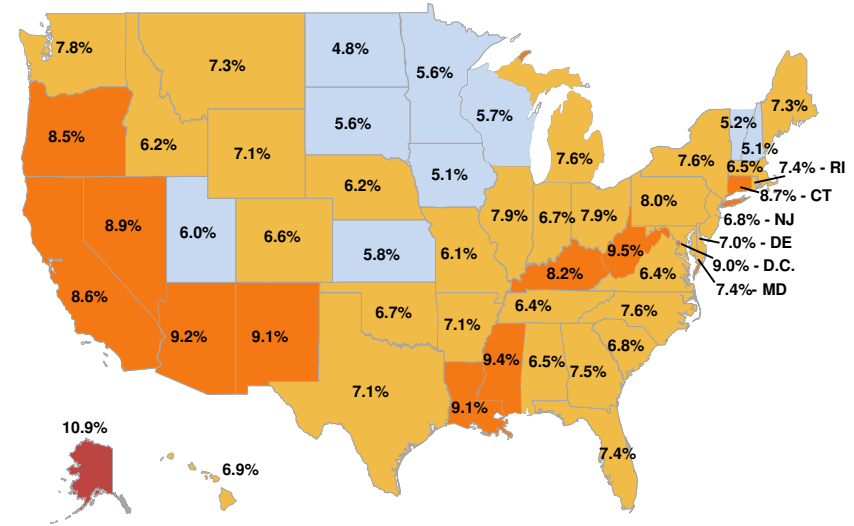
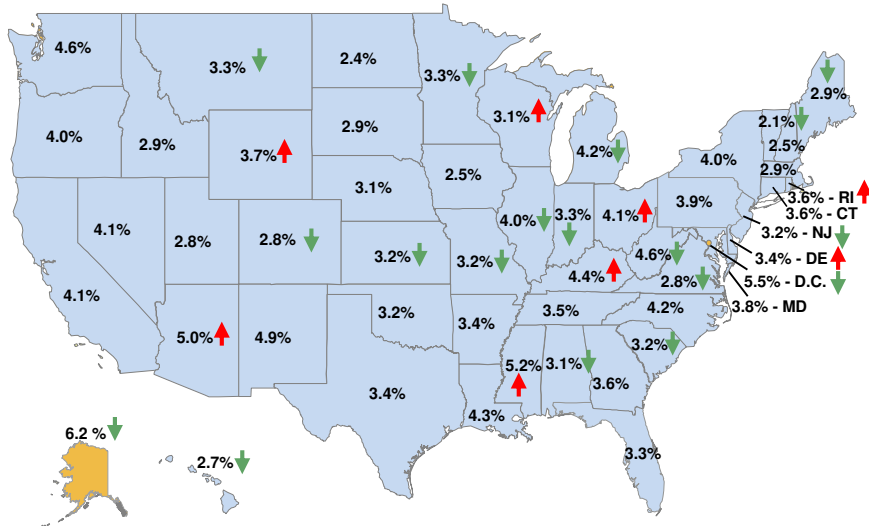
Source: BLS as of October 2019 (July represents latest available data).

WHILE UNEMPLOYMENT AND UNDEREMPLOYMENT⁽¹⁾ ARE LOWER THAN LONG-TERM AVERAGES, SOME STATES CONTINUE TO ENDURE ELEVATED UNDEREMPLOYMENT

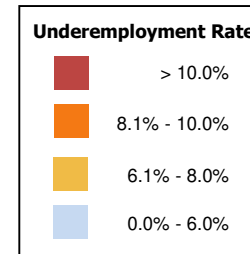
September unemployment decreased to 3.5% and underemployment decreased to 6.9%

Current U.S. Unemployment Rate: 3.5% ⁽²⁾

Current U.S. Underemployment Rate: 6.9% ⁽³⁾



Unemployment Avg.	
1-Year	3.7%
5-Year	4.5%
10-Year	6.4%
20-Year	5.9%
40-Year	6.2%



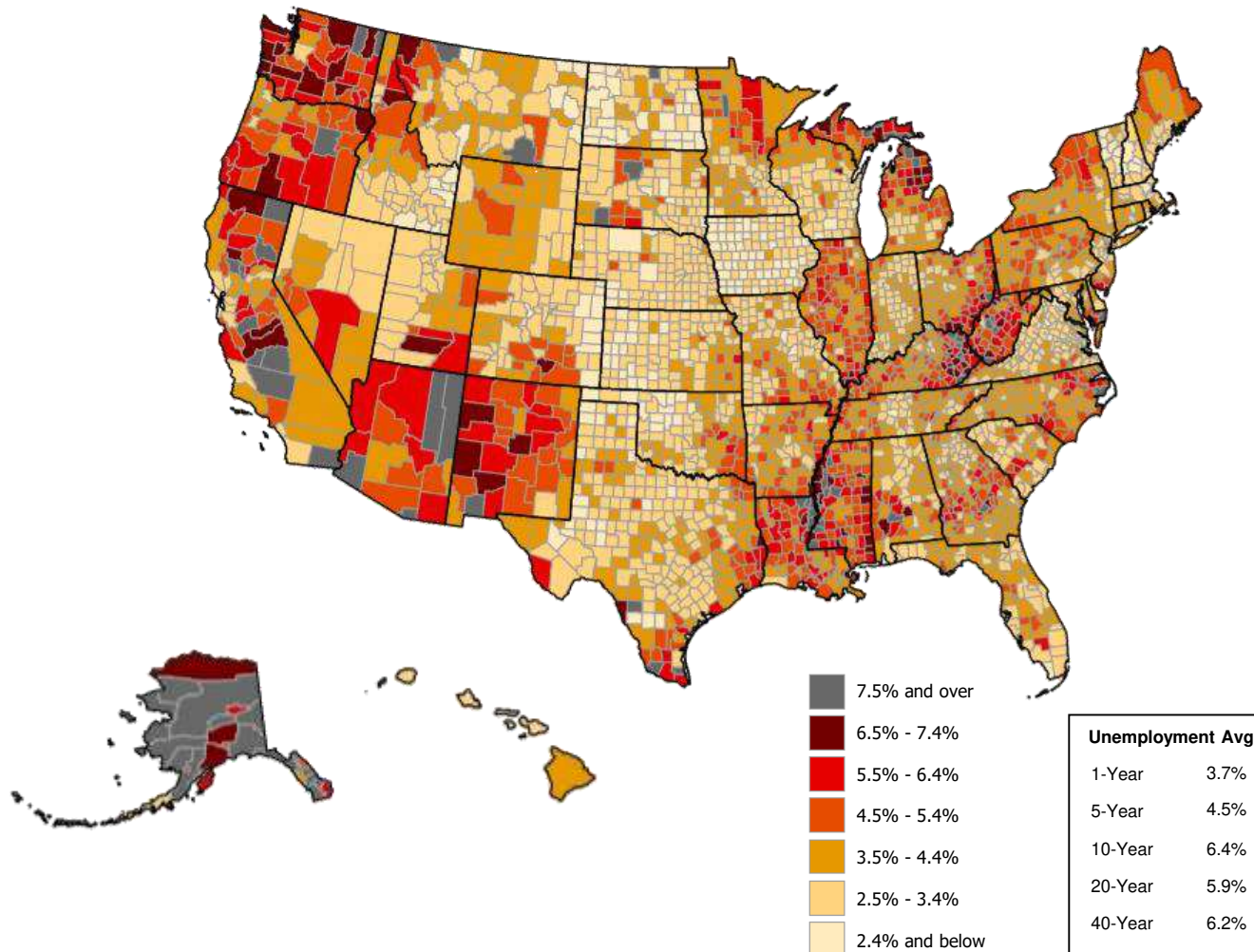
Underemployment Avg.	
1-Year	7.3%
3-Year	8.0%
5-Year	8.9%
10-Year	11.9%
20-Year	10.7%

Source: BLS as of October 2019.

- (1) Includes unemployed workers who are actively looking for work, involuntarily part-time workers and marginally attached workers (those who desire and are available for a job but are not actively looking).
- (2) National unemployment rate (U-3) reflects September 2019; state unemployment rates reflect August 2019 (the latest available data); arrows demonstrate decreases (green) and increases (red) in a state's unemployment rate over the prior month.
- (3) National underemployment rate (U-6) reflects September 2019; state underemployment rates reflect 12-month average for period ending Q2 2019, the latest available data. State underemployment figures are updated quarterly.

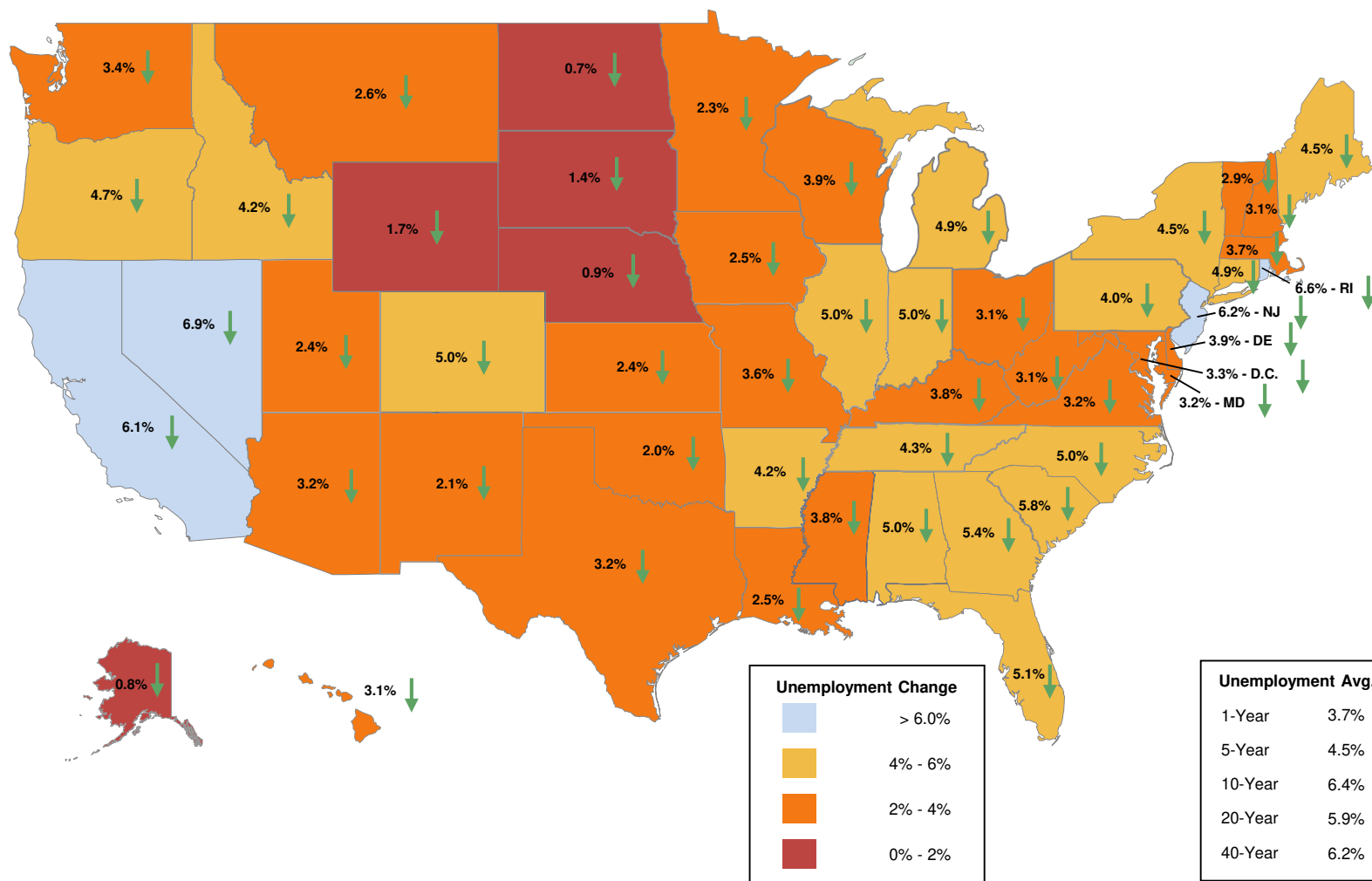
UNEMPLOYMENT BY COUNTY – 12-MONTH AVERAGE

Current U.S. Unemployment Rate: 3.5% ⁽¹⁾



EVERY STATE'S UNEMPLOYMENT RATE IS LOWER THAN IN 2012, IN SOME CASES SIGNIFICANTLY

U.S. Unemployment Rate Change Since 2012: 4.3% ⁽¹⁾

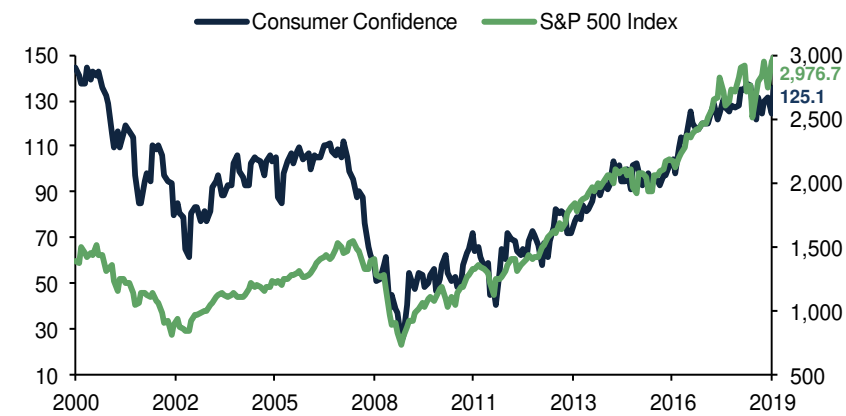


Source: BLS as of October 2019.

(1) National unemployment rate (U-3) reflects September 2019; state unemployment rates reflect August 2019 (the latest available data); arrows demonstrate decreases (green) and increases (black or white) in a state's unemployment rate over August 2012.

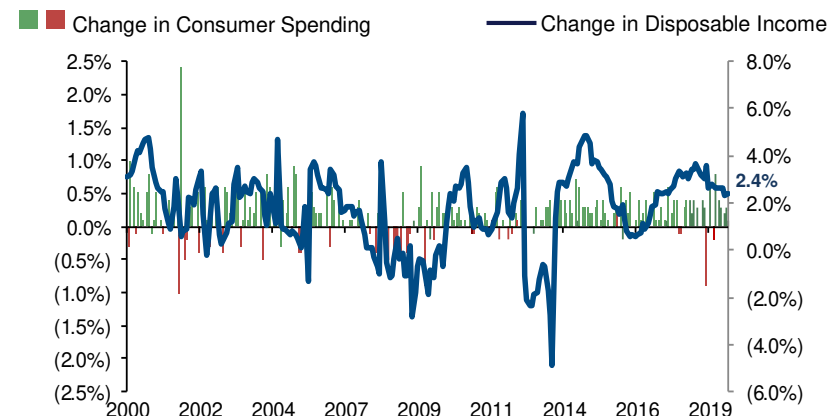
CONSUMER CONFIDENCE HAS DECLINED OVER THE PAST FEW MONTHS WHILE U.S. RETAIL SALES CONTINUE TO INCREASE, PARTICULARLY ONLINE, NOTWITHSTANDING A STRONG SAVINGS RATE

Consumer Confidence and S&P 500



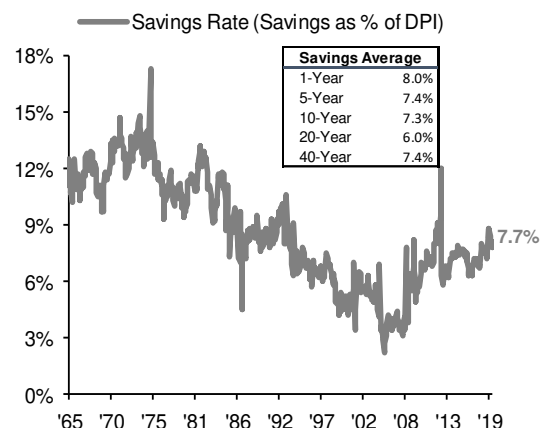
Source: Conference Board Consumer Confidence Index as of October 2019 (September represents the latest available data); S&P 500 Index as of September 2019.

U.S. Real Consumer Spending and Disposable Income



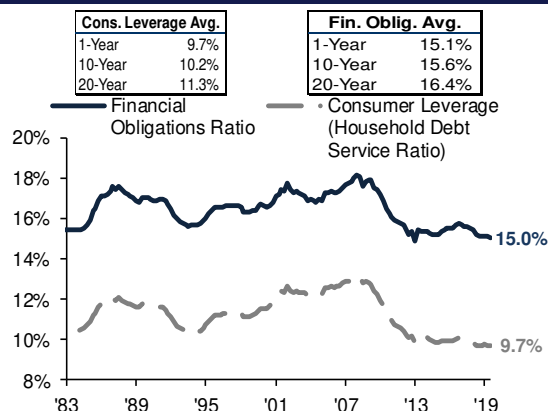
Source: BEA as of October 2019 (August represents latest available data).

Savings Rate



Source: Federal Reserve Bank of St. Louis as of October 2019 (August represents the latest available data). DPI is Disposable Personal Income.

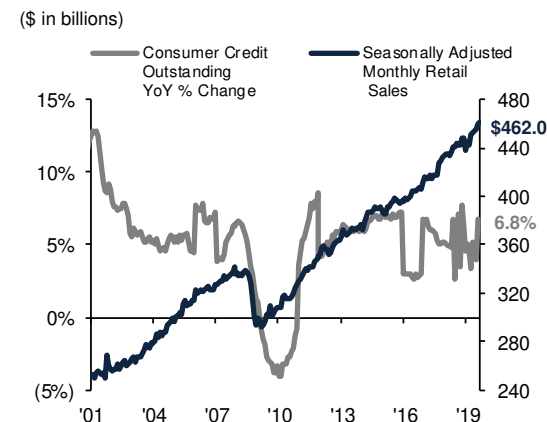
Cons. Lev. ⁽¹⁾ and Fin. Oblig. Ratio ⁽²⁾



Source: Federal Reserve Board as of October 2019 (Q2 '19 represents the latest available data).

- (1) Reflects the ratio of debt payments to disposable income. Debt payments include interest and principal payments on revolving and closed-end debt.
- (2) Reflects the ratio of debt payments, automobile lease payments, rental payments on tenant-occupied property, homeowners' insurance and property tax payments to disposable income.

Consumer Credit and Retail Sales

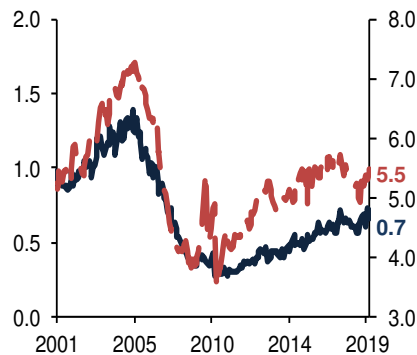


Source: Federal Reserve Board (Consumer Credit) and Census (Retail Sales) as of October 2019 (August represents the latest available data for Retail Sales and July for Consumer Credit).

HOME BUILDER CONFIDENCE HAS RECENTLY INCREASED AS MORTGAGE RATES DECREASED AND THE NUMBER OF MORTGAGE APPLICATIONS INCREASED

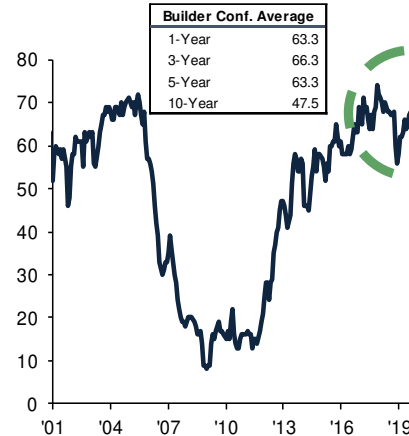
Home Sales

(millions of units)



Source: U.S. Department of Commerce; Bureau of The Census Construction Reports as of October 2019.

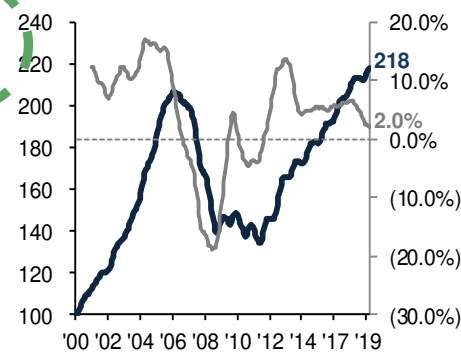
Homebuilder Confidence



Source: National Association of Home Builders as of October 2019.

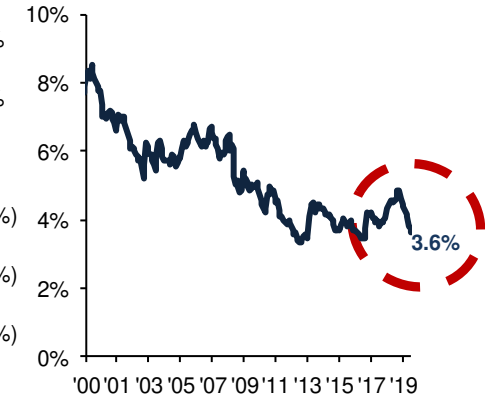
Home Prices

Case-Shiller Index — YoY % Change



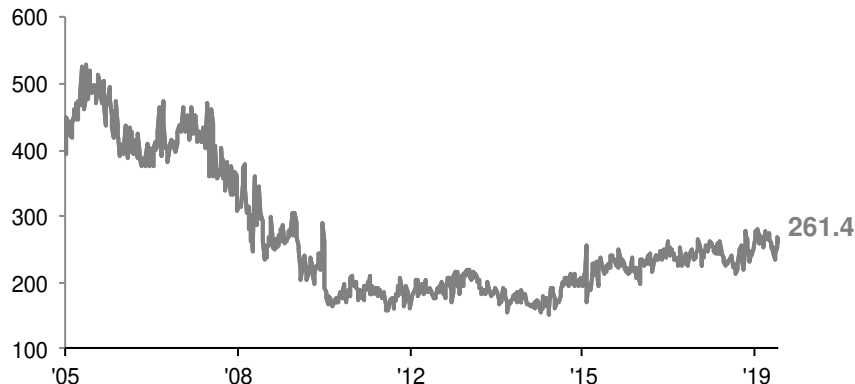
Source: S&P / Case-Shiller Composite-20 Home Price Index as of October 2019.

30-Yr Fixed Rate



Source: Freddie Mac as of October 2019.

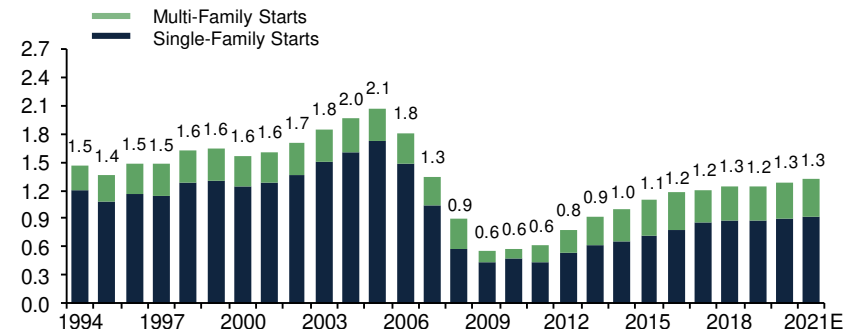
Mortgage Applications



Source: Mortgage Bankers Association as of October 2019.

Housing Starts

(millions of units)



Source: National Association of Home Builders (Housing Starts) as of October 2019.

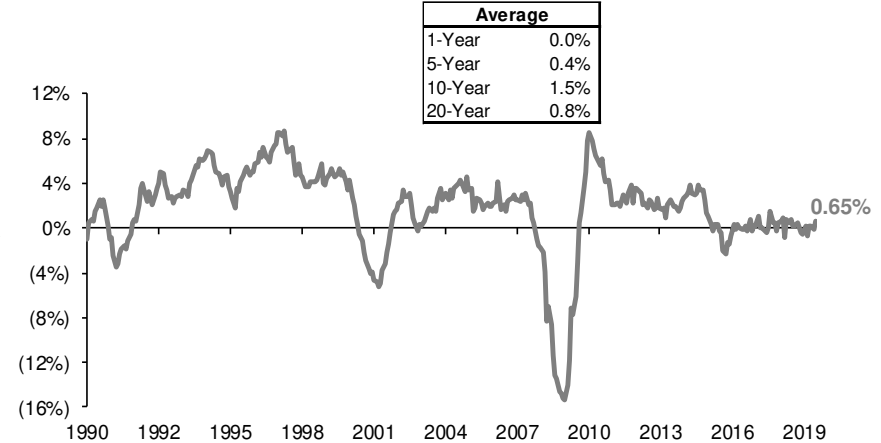
THE PMI AND CEO CONFIDENCE HAVE RECENTLY DECLINED WITH CAPACITY UTILIZATION AND DURABLE GOODS ORDERS

Purchasing Managers Index (PMI)



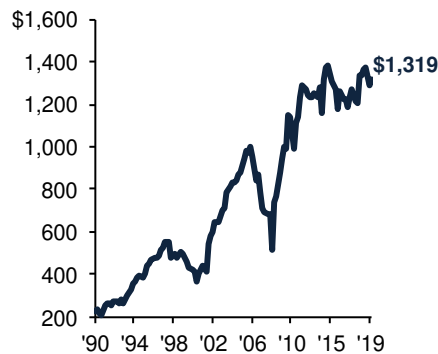
Source: ISM as of October 2019.

U.S. Industrial Production Growth Rate



Source: ISM as of October 2019.

After-Tax Corp. Profits



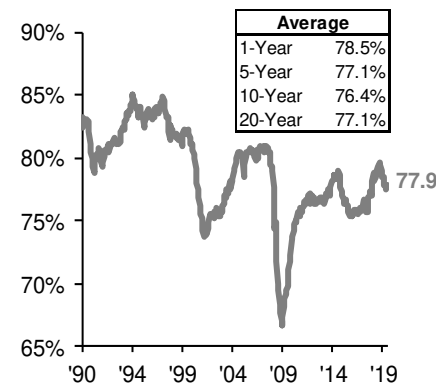
Source: BEA as of October 2019.

CEO Confidence Index



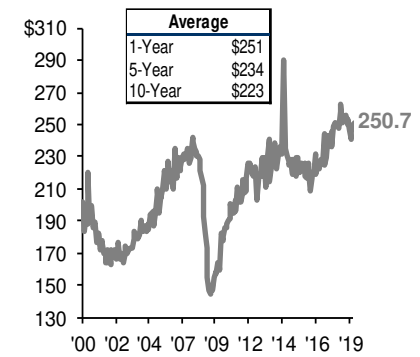
Source: CEO Magazine as of October 2019.

U.S. Capacity Utilization



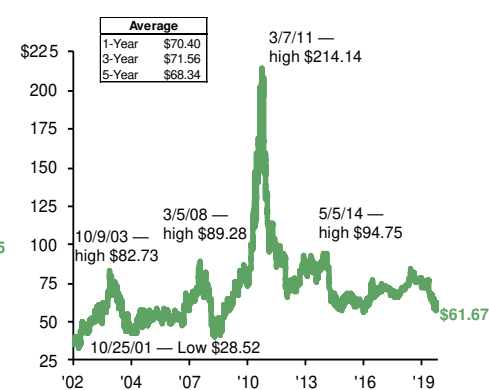
Source: Federal Reserve as of October 2019.
Figures include the manufacturing, mining and electric and gas utilities industries.

Durable Goods Orders



Source: U.S. Census Bureau as of October 2019.

Cotton (\$/Bushel)



Source: Capital IQ as of October 4, 2019.

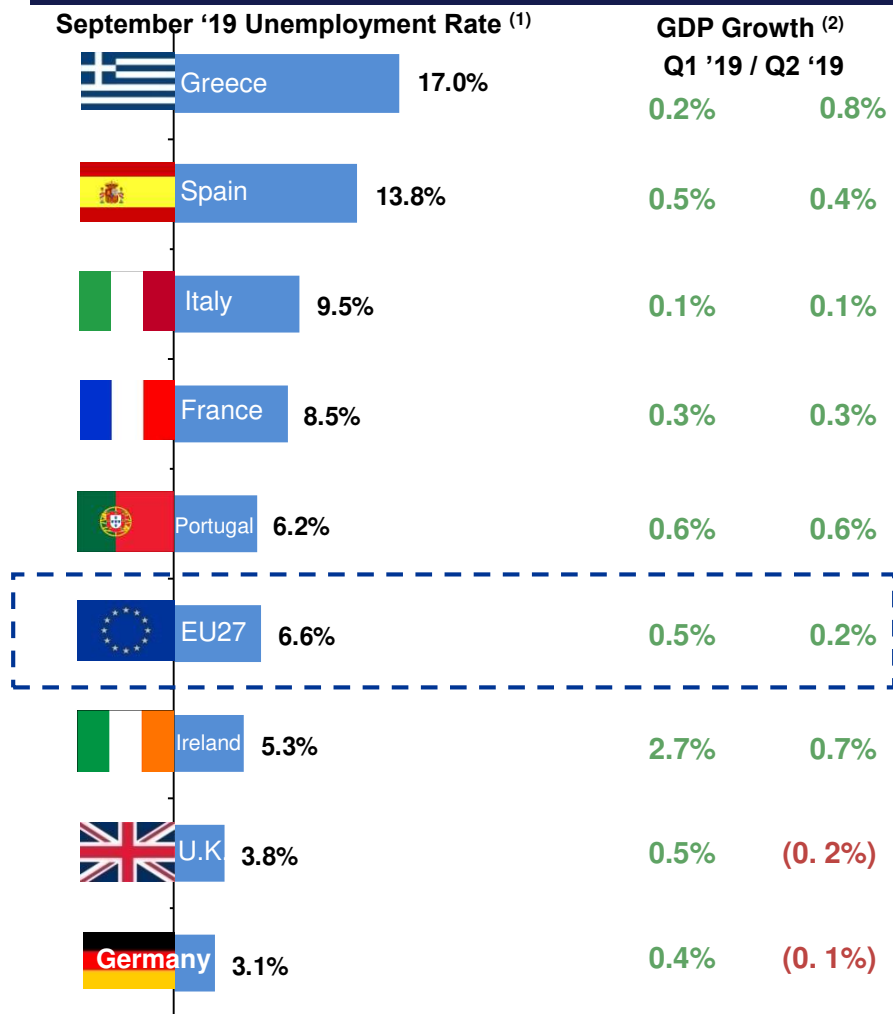
USD / CNY



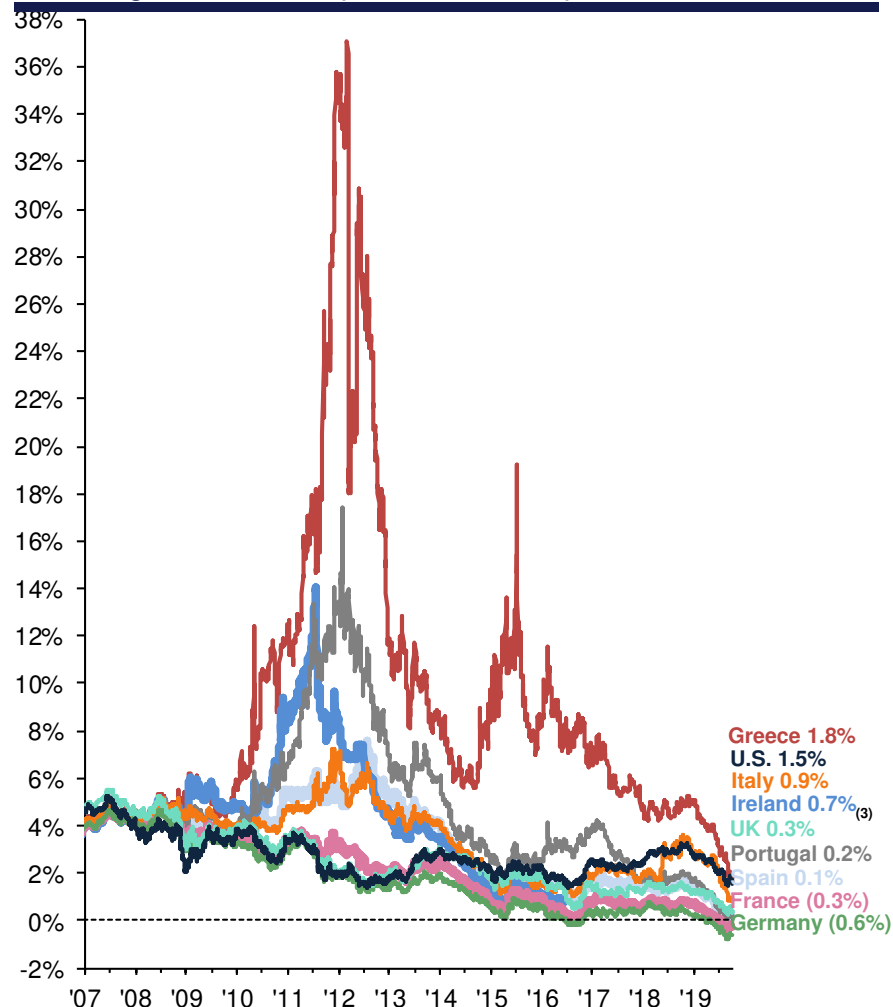
Source: Capital IQ as of October 4, 2019.

NOTWITHSTANDING BREXIT CONCERNS, EUROZONE BOND YIELDS HAVE FALLEN TO RECORD LOWS AMID MODERATE GDP GROWTH

Euro-Zone Unemployment and GDP Growth



Sovereign Credit Yields (10-Yr Benchmark)



Source: Eurostat, Hellenic Statistic Authority and Bloomberg as of October 2019.

(1) Greece and U.K. data represent June 2019, Portugal represent August 2019 (the latest available); Eurostat defines unemployed persons as persons aged 15 to 74 who are without work, are available to start work within the next two weeks and have actively sought employment at some time during the previous four weeks.

(2) Represents percentage change compared with the previous quarter. (3) Ireland data available till June 2016

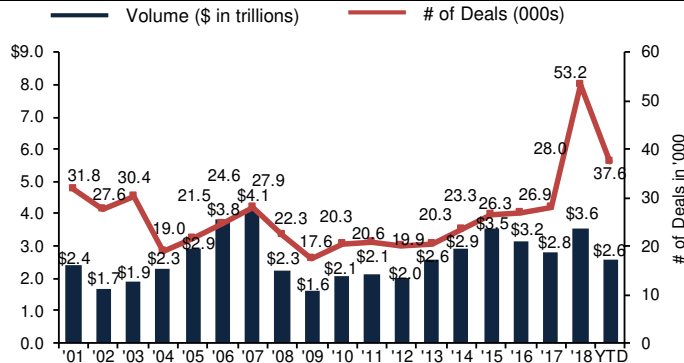
FINANCIAL AND M&A MARKETS UPDATE

U.S. M&A ACTIVITY HAS REMAINED STRONG THROUGH Q3 2019, WITH \$1.5 TRILLION IN VOLUME YEAR-TO-DATE, THOUGH LBO ACTIVITY HAS BEEN LESS ROBUST THAN PREVIOUS YEARS

Global Announced M&A Volume (Inflation Adjusted)

Global M&A as a % of GDP ⁽¹⁾

2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
4.0%	4.8%	6.0%	5.9%	3.1%	2.3%	2.8%	2.6%	2.5%	2.6%	3.5%	4.5%	4.0%	3.4%	4.3%



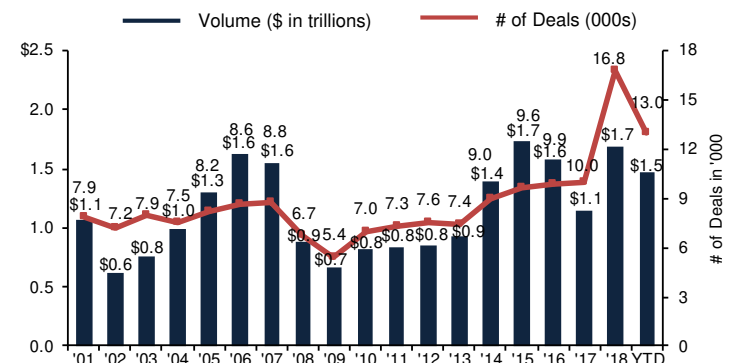
of Deals with a Value > \$1.0 Billion

313	234	247	342	386	503	597	311	214	362	326	364	351	470	513	484	505	563	341
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U.S. Announced M&A Volume (Inflation Adjusted)

U.S. M&A as a % of GDP ⁽¹⁾

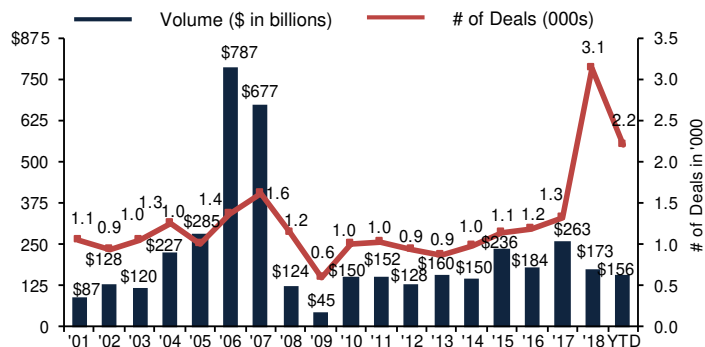
2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
6.1%	7.7%	9.4%	8.8%	5.1%	3.9%	4.7%	4.9%	4.8%	5.2%	7.6%	9.1%	8.2%	5.8%	8.3%



of Deals with a Value > \$1.0 Billion

158	80	102	126	156	212	244	100	68	145	117	164	151	219	236	233	227	252	163
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Global Announced LBO Volume (Inflation Adjusted)



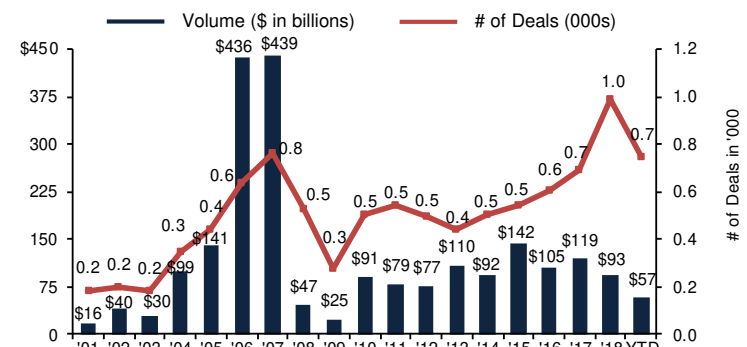
of Deals with a Value > \$1.0 Billion

11	23	21	49	53	91	107	26	8	36	36	37	29	39	50	47	39	49	32
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LBO Volume as % of M&A Volume (%)

4%	8%	6%	10%	10%	19%	16%	5%	3%	7%	7%	6%	8%	5%	7%	6%	9%	5%	6%
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U.S. Announced LBO Volume (Inflation Adjusted)



of Deals with a Value > \$1.0 Billion

3	7	6	24	22	46	55	12	4	27	18	22	18	26	30	30	18	26	14
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LBO Volume as % of M&A Volume (%)

2%	7%	4%	10%	11%	27%	28%	5%	4%	11%	9%	9%	12%	7%	8%	7%	10%	6%	4%
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Source: Capital IQ as of October 2019.

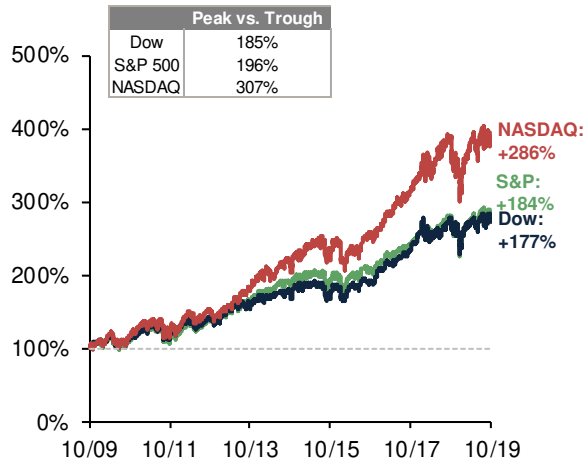
Note: Inflation adjusted volume numbers are adjusted to the CPI-U Index.

(1) Global and U.S. GDP figures at current prices per the International Monetary Fund.

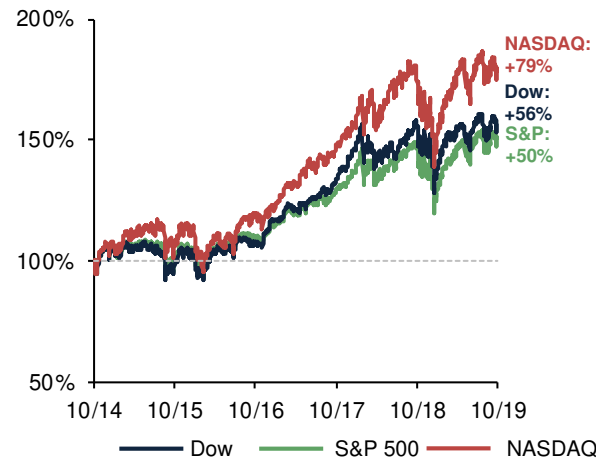
AFTER A Q4 2018 DECLINE, U.S. EQUITY MARKETS HAVE REBOUNDED SIGNIFICANTLY IN 2019, WITH THE DOW, S&P AND NASDAQ ALL HITTING RECORD HIGHS BEFORE RECENTLY RETRENCHING

Equity Market Performance

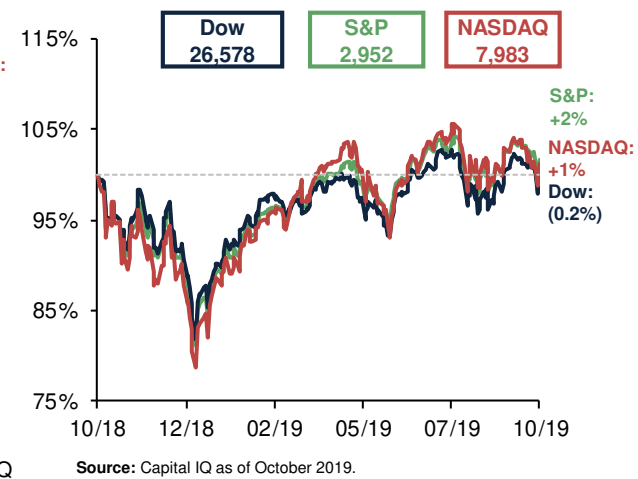
10 Year



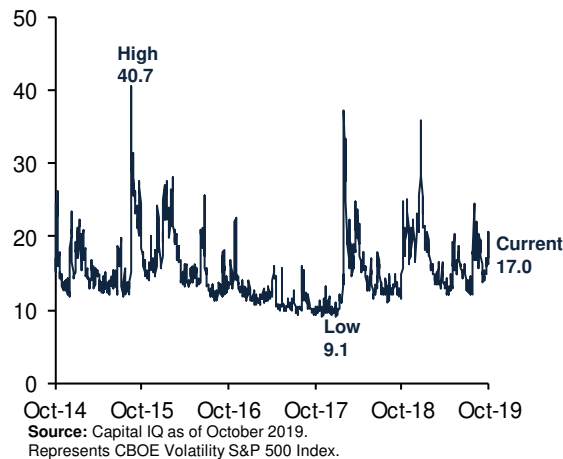
5 Year



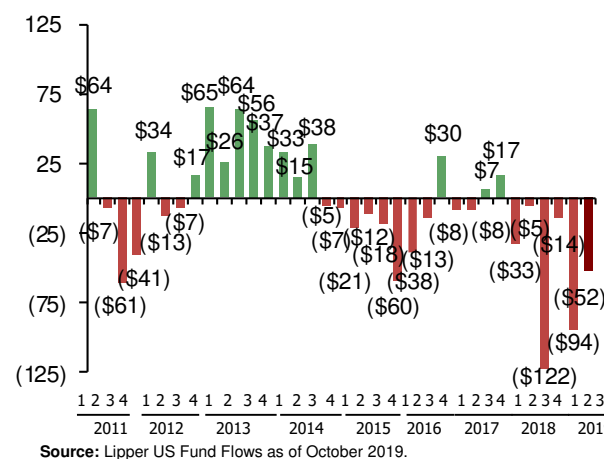
LTM



VIX S&P Volatility Index



Equity Mutual Fund Flows



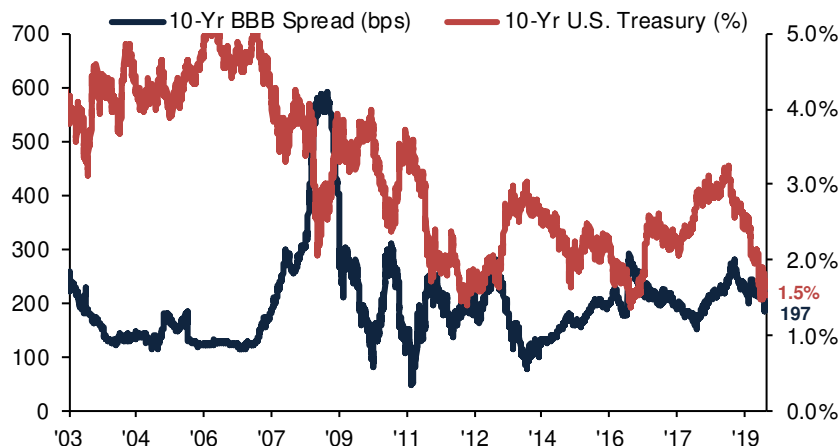
IPO Volume and # of Deals



ALL-IN BBB YIELDS HAVE MEANINGFULLY DECLINED, TO THE LOWEST POINT IN NEARLY THREE YEARS

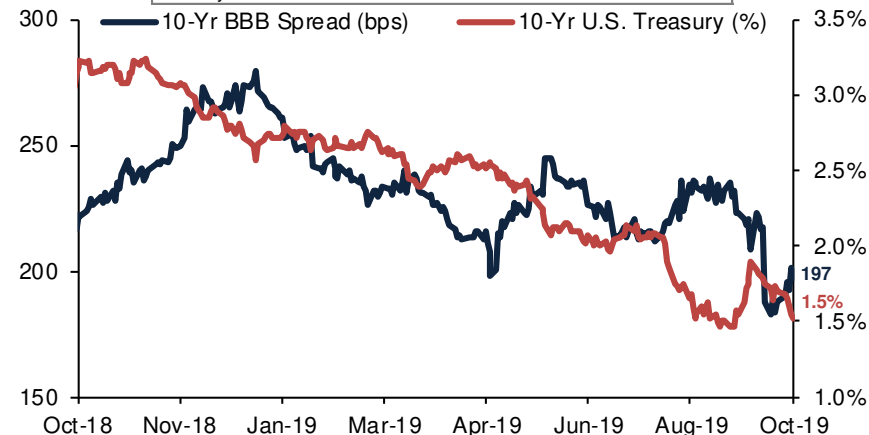
10-Year BBB Spread Over Treasuries (15 Years)

Average	15-Yr	10-Yr	5-Yr	1-Yr
BBB Spread	203 bps	192 bps	206 bps	233 bps
Treasury	3.0%	2.4%	2.3%	2.4%



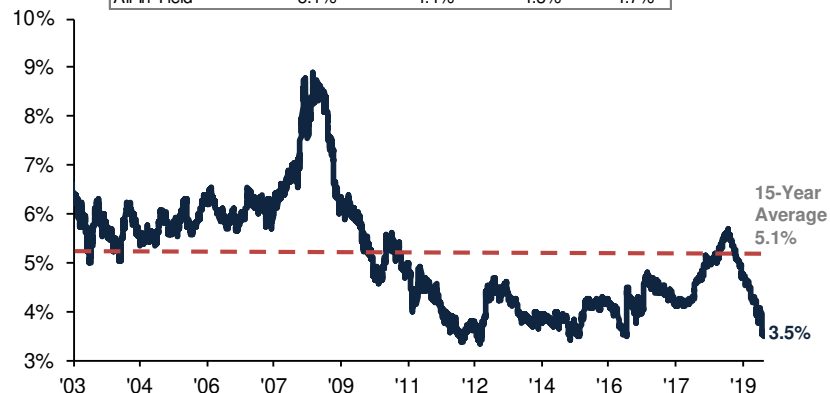
10-Year BBB Spread Over Treasuries (LTM)

Average	LTM	9M	6M	3M
BBB Spread	233 bps	228 bps	221 bps	217 bps
Treasury	2.4%	2.2%	2.0%	1.8%



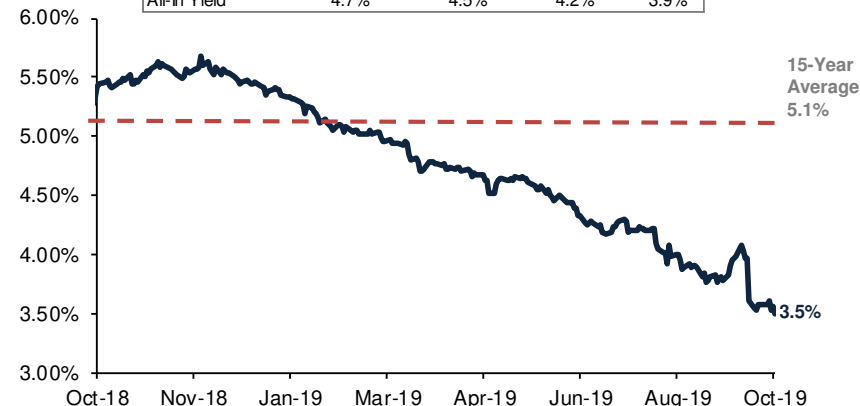
10-Year BBB All-In Yield (15 Years)

Average	15-Yr	10-Yr	5-Yr	1-Yr
All-In Yield	5.1%	4.4%	4.3%	4.7%



10-Year BBB All-In Yield (LTM)

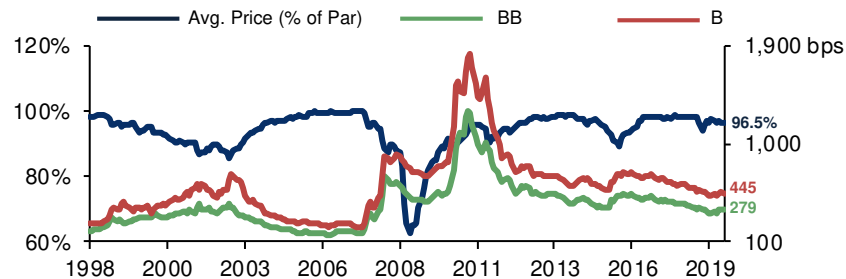
Average	LTM	9M	6M	3M
All-In Yield	4.7%	4.5%	4.2%	3.9%



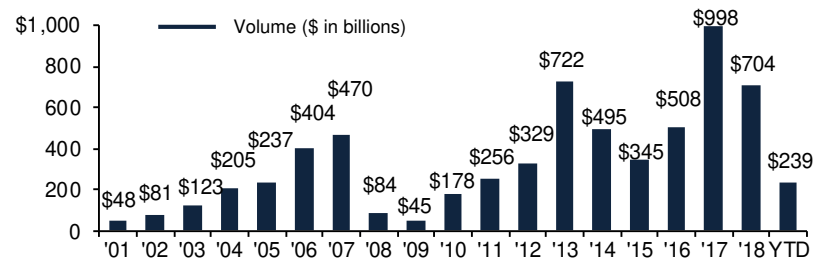
SPREADS CONTINUE TO TIGHTEN RELATIVE TO LONG-TERM AVERAGES

Leveraged Loan Update

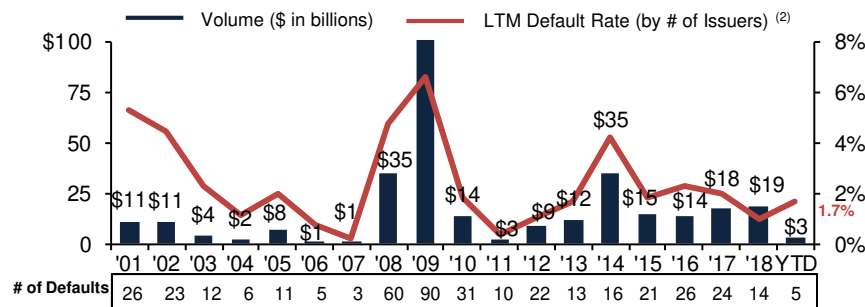
Leveraged Loan Average Price and BB and B Spreads ⁽¹⁾



Institutional Leveraged Loan New-Issue Activity (Inflation Adjusted)

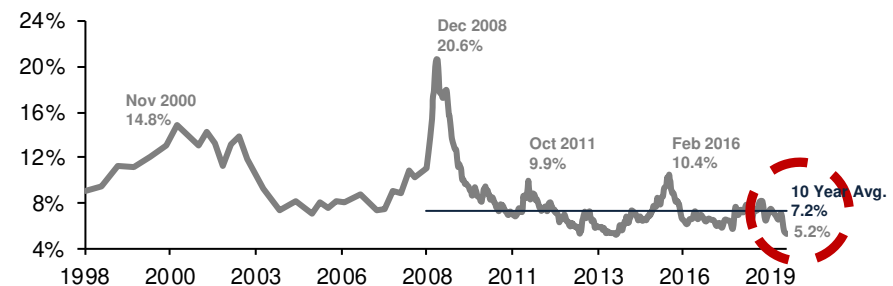


Leveraged Loan Defaults (Inflation Adjusted)

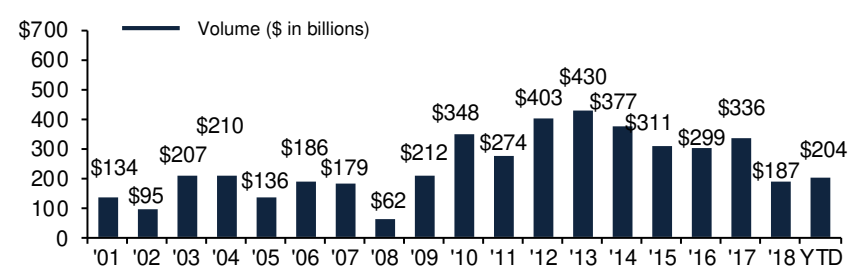


High-Yield Bond Update

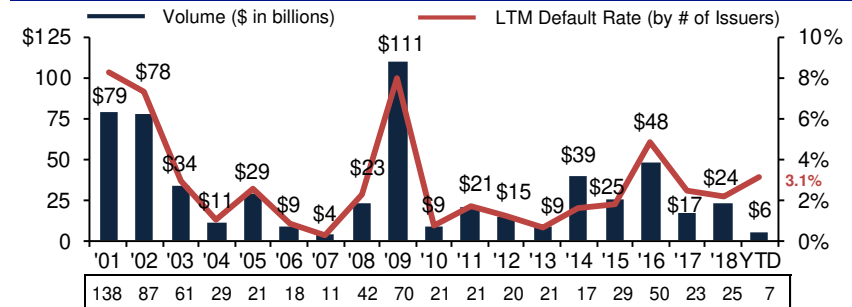
Average High-Yield Bond Yields



High-Yield Bond New-Issue Activity (Inflation Adjusted)



High-Yield Bond Defaults (Inflation Adjusted)



Source: Wall Street research and market indices as of October 2019.

Note: Inflation adjusted volume numbers are adjusted to the CPI-U Index.
 (1) BB and B data represent spreads to worst over comparable treasuries.
 (2) Represents par-weighted default rates.

RETAIL MARKET UPDATE

RETAIL SECTOR NEWS UPDATE

Recent Events

- 10/10/2019: **Nerd Street Gamers**, an esports infrastructure company, announced a Series A financing led by Five Below. **PJ SOLOMON** acted as advisor
- 10/8/2019: **Shiseido**, a large Japanese personal care company, acquired **Drunk Elephant** for \$845m
- 10/07/2019: **Voortman Bakery**, a premium cookie manufacturer backed by **Swander Pace Capital**, is working with Houlihan Lokey on a sale process
- 10/07/2019: **Sequential Brands**, New York-based Brand Management company, engages an investment bank to review strategic alternatives
- 10/05/2019: **Go Global Retail**, a consumer brand investment platform, announced plans to acquire the assets of **ModCloth** from **Walmart**
- 10/04/2019: **Walmart** is rumored to be reviewing alternatives for **Jetblack**, its text-based concierge shopping unit
- 10/04/2019: **Barneys New York** is attracting a consortium of fashion executives who are assembling a \$220m offer
- 10/03/2019: **Lakeshirts**, a Minnesota-based apparel company, is rumored to be evaluating a potential sale
- 10/03/2019: **J. Knipper and Company**, pharmaceutical service provider, has had a majority stake sold to **Court Square Capital Partners**
- 09/30/2019: Eight **Field & Stream**, an outdoor equipment retailer, stores to be acquired by **Sportsman's Warehouse** for \$28m
- 09/30/2019: **Food52**, a New York City-based home goods and media company, sold a majority interest to VC fund **TCG** for \$83m
- 09/30/2019: **Forever 21** filed for Chapter 11 bankruptcy protection
- 09/26/2019: **Fomento Económico Mexicano**, a beverage and retail company, has signed a non-binding agreement to acquire a minority stake in New York-based **Jetro Restaurant Depot** for \$750m

Food Retail & Restaurants

Retail

Recent Events (Cont.)

- 09/25/2019: **Footlocker**, athletic shoe and apparel retailer, invested \$3M in **NTWRK**, a leading youth e-commerce and content platform
- 09/20/2019: **Fitbit**, a fitness accessory, is rumored to be for sale
- 09/19/2019: **Ascena Brands**, the women's clothing retailer, is rumored to be exploring the potential sale of **Lane Bryant** and **Catherines**
- 09/18/2019: **RM Williams**, an Australian boot brand, is rumored to be for sale by current owner, **L Catterton Asia**
- 09/18/2019: **Brand Collective**, an Australian apparel and shoes retailer owned by **Anchorage Capital Partners**, is seeking a new owner, preferably a new private equity partner
- 09/18/2019: **Fairway Market**, the New York City-based grocery chain backed by **Brigade Capital Management** and **Goldman Sachs**, is in an auction process
- 09/18/2019: **Grupo Nutresa**, a Colombia-based food producer, has acquired Minnesota-based **Cameron's Coffee and Distribution Company** for \$113m
- 09/16/2019: **Staples'** German business has been acquired by Netherlands-based **Office Centre** for a rumored €12-14m
- 09/13/2019: **Chinos Holdings**, the denim division of New York-based apparel group **J. Crew**, announced that it has filed an S-1 for an initial public offering; to be renamed **Madewell Group** prior to the completion of this offering
- 09/10/2019: **Herschel**, backpack and accessory retailer, is rumored to be on the market and looking at potential buyers
- 09/09/2019: **Fred's**, the discount and pharmaceutical retailer, filed for Chapter 11 bankruptcy and filed a motion seeking approval for a proposed DIP financing up to \$35M. **PJ SOLOMON** is advising
- 09/06/2019: **Sugarfina**, a high-end candy shop chain, filed for Chapter 11 bankruptcy

RETAIL SECTOR NEWS UPDATE

Recent Events

- 09/04/2019: Lumber Liquidators investor **F9** to open talks on strategic alternatives, including potential sale / combination with **Cabinets to Go**
- 09/03/2019: **Levi Strauss** to buy all operating assets related to the **Levi's** and **Dockers** brands from **The Jeans Company** for around \$35M
- 09/01/2019: **Carlyle Group** is considering the sale of high-end fashion brand **Golden Goose**
- 09/01/19: **Hudson's Bay Company** is preparing its exit from the Netherlands by the end of 2019
- 08/31/2019: **Savage X Fenty**, the DTC lingerie brand, has secured \$50M in funding from **Marcy Venture Partners** and **Avenir Growth Capital**
- 08/23/2019: **Callaway Golf Co.** is rumored to be divesting its stake in **TopGolf** more quickly than previously believed
- 08/28/2019: **Hudson's Bay Company** and **Le Tote** have entered into an agreement for **Le Tote** to acquire **Lord + Taylor**. *PJ SOLOMON is advising*
- 08/28/2019: **Farfetch**, a DTC luxury fashion brand, will not be acquiring NYC-based bankrupt department store **Barneys New York** despite prior reports
- 08/26/2019: **Boll & Branch**, DTC bedding retailer, raises \$100M from **L Catterton**
- 08/19/2019: **Tailored Brands**, a men's clothing retailer, announced the sale of its corporate apparel business for \$62M in **LDC**-backed MBO
- 08/14/2019: **Driven Brands**, an automotive aftermarket services provider, owner **Roark Capital** is mulling a \$2B sale, reports say
- 8/13/2019: **Puma** has been rumored to be a potential take-over target by U.S. and Asian strategics following its exit from **Kering**

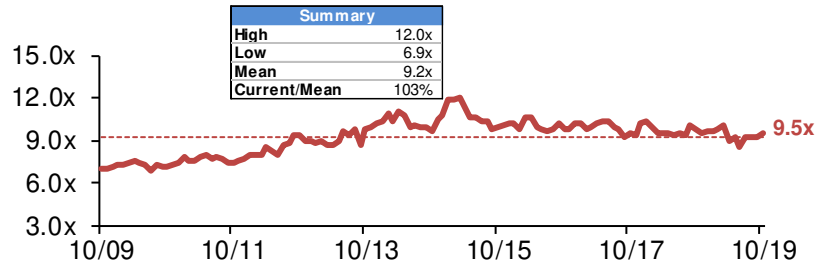
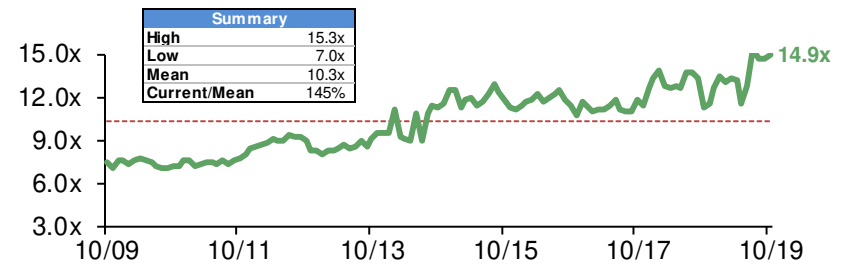
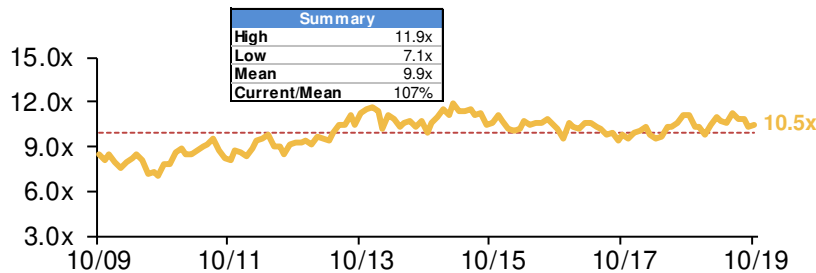
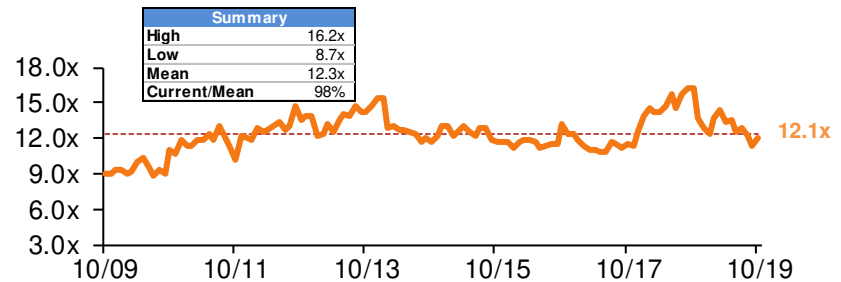
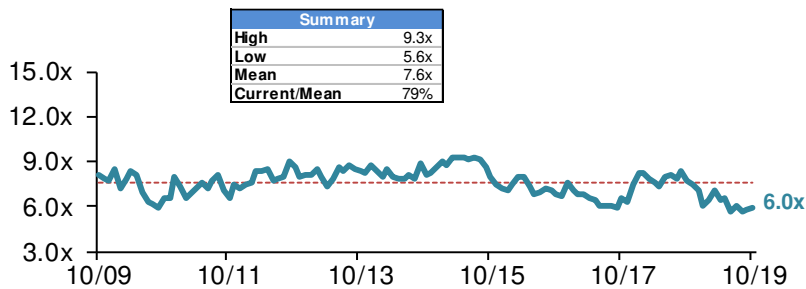
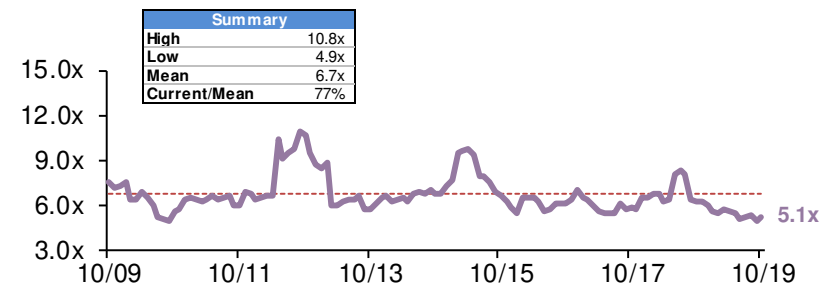
Food Retail & Restaurants

Retail

Recent Events (Cont.)

- 08/12/2019: **Steve Madden** has acquired the New York City-based online sneaker retailer **Great Brands** and the California-based women's apparel company **B.B. Dakota**
- 08/12/2019: **Authentic Brands** management company has been partially acquired by **BlackRock's Long Term Private Capital** fund, valuing the company at over \$4B
- 08/09/2019: **The Kraft Heinz Company** is reported to be discussing plans that include disposing of several brands
- 08/06/2019: **Barney's New York** files for bankruptcy; secures \$75M from **Hilco Global**, **Gordan Brothers** affiliates
- 08/06/2019: **Zagg**, a smartphone screen protector manufacturer, is considering strategic alternatives after drawing takeover offers
- 08/02/2019: **ThredUP**, a DTC secondhand retailer for children's and women's clothing, has raised \$175M in a Series F funding round from investors including **Park West Asset Management** and **Irving Investors**
- 08/02/2019: **Avenue Stores**, specialty retailer of plus size apparel, is rumored to be working with unnamed advisors to find a buyer for the company
- 08/02/2019: **Campbell Soup** to sell **Arnott's Biscuits**, other global businesses to **KKR** for \$2.2B
- 07/31/2019: **MyTheresa**, an online clothing retailer, is reportedly exploring a potential IPO due to slow auction processes
- 07/30/2019: **Intimates Online**, which sells lingerie under the brand name **Lively**, was acquired by **Wacoal Holdings** for \$85M
- 07/29/2019: **Varsity Brands**, a sportswear distributor, has acquired both **Stanbury Uniforms** and **SA Feather Company** for an undisclosed amount

SOFTLINES, BROADLINES AND BRANDED APPAREL / FOOTWEAR HAVE MEANINGFULLY UNDERPERFORMED FOOD & DRUG AND DISCOUNTE / OFF-PRICE RETAIL

Food & Drug ⁽¹⁾Discount/Off-Price ⁽²⁾Hardlines ⁽³⁾Branded Apparel & Footwear ⁽⁴⁾Softlines ⁽⁵⁾Broadlines ⁽⁶⁾

Source: Company filings and Capital IQ as of July 12, 2019.

(1) Includes ATD.B, CASH, COST, CVS, DELB, EMP.A, IMKT.A, AD, KR, L (through Q1 2009), MRU, NGVC (through Q4 2011), Publix (through Q4 2010), RAD, SFM (through Q2 2013), SVU, UNFI, VLGE.A, WMK, WFM and PJC.A.

(2) Includes BIG, BURL, DG, DLTR, DOL (through Q4 2005), FIVE (through Q4 2012), OLLI, ROST, PSMT, TGT, TJX and WMT.

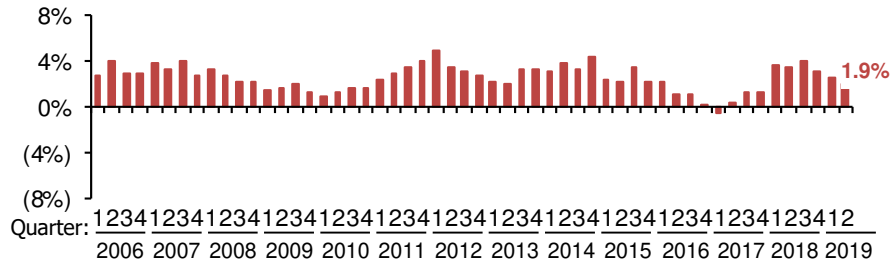
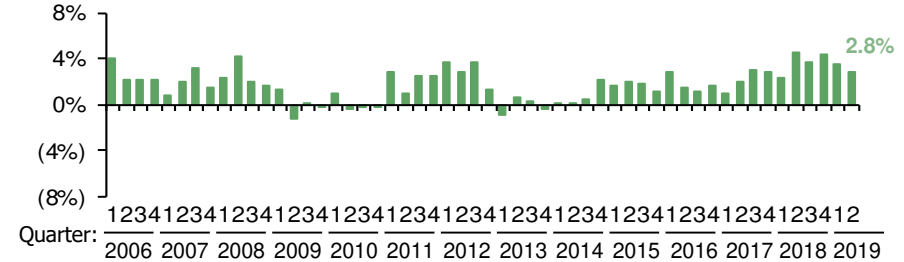
(3) Includes AZO, BBY, CENT, DKS, GME, HD, LOW, ODP, ORLY, TIF, TSCO, ULTA, and SHW.

(4) Includes COH, COLM, HBI, CPRI, NKE, PVH, RL, SHOO, UAA, VFC, and WWW.

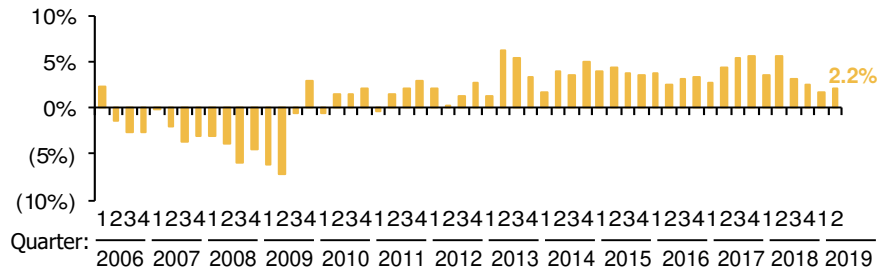
(5) Includes ANF, AEO, CRI, CHS, DBI, GPS, GCO, LB, SKX, SHOO, PLCE, URBN, and ZUMZ.

(6) Includes BONT (through Q3 2017), DDS, JCP, KSS, M, JWN, SHLD (through Q3 2018) and SSI.

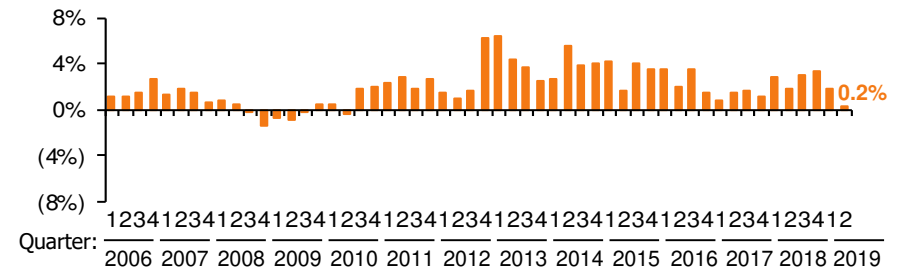
Food & Drug ⁽¹⁾

**Discount/Off-Price** ⁽²⁾

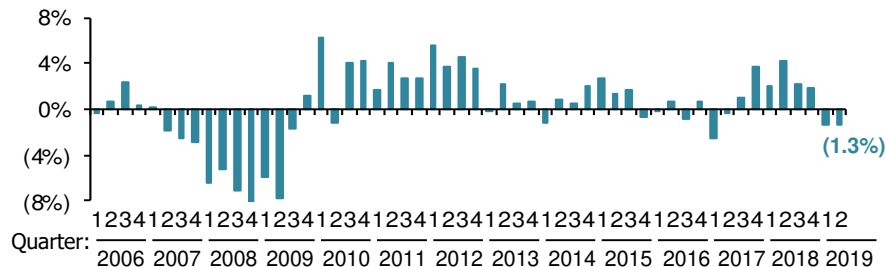
Hardlines (3)



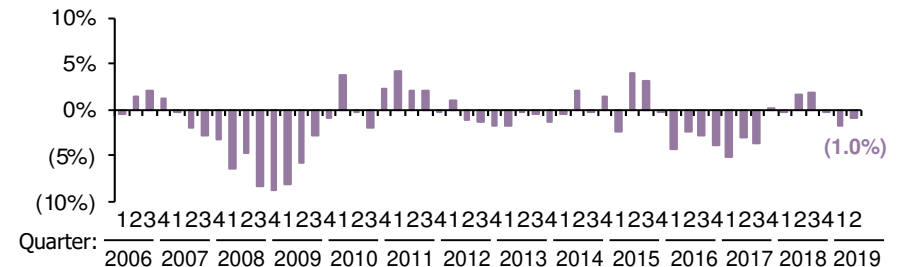
Branded Apparel & Footwear ⁽⁴⁾



Softlines (5)



Broadlines ⁽⁶⁾



Source: Company filings and Capital IQ as of July 12, 2019.

(1) Includes ATD.B, CASY, COST, CVS, DELB, EMP.A, IMKT.A, AD, KR, L (through Q1 2009), MRU, NGVC (through Q4 2011), Publix (through Q4 2010), RAD, SFM (through Q2 2013), SVU, UNFI, VLGE.A, WMK, WFM and PJC.A.

(2) Includes BIG, BURL, DG, DLTR, DOL (through Q4 2005), FIVE (through Q4 2012), OLLI, ROST, PSMT, TGT, TJX and WMT.

(3) Includes AZO, BBY, CENT, DKS, GME, HD, LOW, ODP, ORLY, TIF, TSCO, ULTA, and SHW.

(4) Includes TPR, COLM, HBI, CPRI, NKE, PVH, RL, SHOO, UAA, VFC, and WWW.

(5) Includes ANF, AEO, CRI, CHS, DBI, GPS, GCO, LB, SKX, SHOO, PLCE, URBN, and ZUMZ.

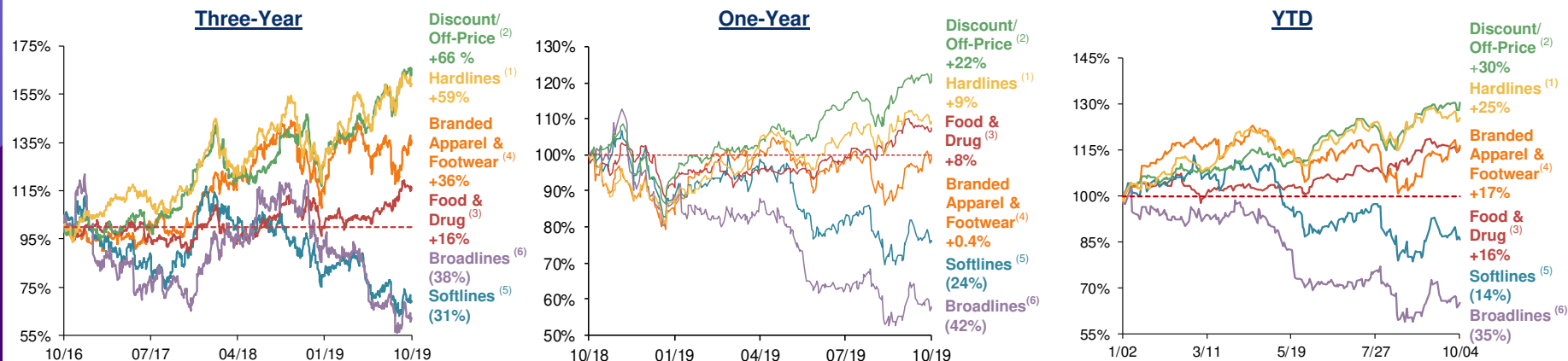
(6) Includes BONT (through Q3 2017), DDS, JCP, KSS, M, JWN, SHLD (through Q3 2018) and SSI.

RETAIL EQUITIES HAVE SIGNIFICANTLY UNDERPERFORMED THE BROADER MARKET OVER THE LAST THREE YEARS

S&P Retail Index vs. S&P 500



Performance by Retail Subsector



Source: Company filings and Capital IQ as of July 12, 2019.

(1) Includes AZO, BBY, CENT, DKS, GME, HD, LOW, ODP, ORLY, TIF, TSCO, ULTA, and SHW.

(2) Includes BIG, BURL, DG, DLTR, DOL (through Q4 2005), FIVE (through Q4 2012), OLLI, ROST, PSMT, TGT, TJX and WMT.

(3) Includes ATD.B, CASEY, COST, CVS, DELB, EMP.A, IMKT.A, AD, KR, L (through Q1 2009), MRU, NGVC (through Q4 2011), Publix (through Q4 2010), RAD, SFM (through Q2 2013), SVU, UNFI, VLGE.A, WMK, WFM and P.J.C.A.

(4) Includes COH, COLM, HBI, CPRI, NKE, PVH, RL, SHOO, UAA, VFC, and WWW.

(5) Includes ANF, AEO, CRI, CHS, DBI, GPS, GCO, LB, SKX, SHOO, PLCE, URBN, and ZUMZ.

(6) Includes BONT (through Q3 2017), DDS, JCP, KSS, M, JWN, SHLD (through Q3 2018) and SSI.

RETAIL TRADING AND OPERATING COMPARABLES ANALYSIS

BROADLINES – TRADING ANALYSIS

	Share Price	% of 52	YTD %	Equity	Enterprise	(a)	LTM	EV / LTM	EV / EBITDA			P / E		LTG	P/E/G	Dividend	(b)	(c)
Company Name	10/4/2019	wk high	Change	Value	Value		Revenue	Revenue	LTM	2019E	2020E	2019E	2020E	Rate	2019E	Yield	ROE	
Wal-Mart Stores	\$118.16	98.6 %	26.8 %	\$336,081	\$391,057		\$517,989	0.8 x	12.0 x	11.9 x	11.7 x	23.7 x	23.0 x	4.9 %	4.9 x	1.8 %	17.5 %	
Costco Wholesale	291.67	94.9	43.2	128,225	125,945		152,703	0.8	20.7	19.8	18.1	33.9	33.2	8.8	3.9	0.9	25.8	
Target	109.10	98.3	65.1	55,742	65,604		76,847	0.9	9.4	9.5	9.2	17.2	16.6	7.7	2.2	2.4	27.3	
Dollar General	160.97	99.2	48.9	41,380	43,695		26,672	1.6	16.5	15.7	14.4	23.2	21.9	12.0	1.9	0.8	24.8	
Dollar Tree	115.73	99.3	28.1	27,383	31,029		23,293	1.3	13.7	13.2	12.0	20.8	19.4	6.5	3.2	--	(23.3)	
Five Below	127.09	85.7	24.2	7,075	6,806		1,698	4.0	28.3	24.6	20.0	39.1	33.8	23.0	1.7	--	27.1	
Ollie's Bargain Outlet	55.77	54.1	(16.1)	3,546	3,469		1,336	2.6	19.4	17.7	15.1	26.4	24.4	15.6	1.7	--	14.8	
BJ's Wholesale Club	23.84	81.1	7.6	3,261	5,009		13,128	0.4	8.6	8.8	8.3	15.2	14.4	11.5	1.3	--	NM	
Big Lots	21.53	47.7	(25.6)	840	1,336		5,296	0.3	2.9	3.9	3.8	5.7	5.5	4.6	1.2	5.6	19.7	
Discount Stores							Mean	1.4 x	14.6 x	13.9 x	12.5 x	22.8 x	21.3 x	10.5 %	2.5 x	2.3 %	16.7 %	
							Median	0.9	13.7	13.2	12.0	23.2	21.9	8.8	1.9	1.8	22.3	
The TJX Companies	\$55.29	96.5 %	23.6 %	\$66,842	\$66,891		\$40,012	1.7 x	13.2 x	12.9 x	12.2 x	20.4 x	19.4 x	9.7 %	2.1 x	1.7 %	NM %	
Ross Stores	108.93	97.8	30.9	39,403	38,334		15,434	2.5	16.0	15.5	14.4	23.0	22.0	9.2	2.5	0.9	49.8	
Burlington Stores	193.95	92.6	19.2	12,762	13,772		6,927	2.0	18.0	15.9	14.4	25.9	23.7	14.9	1.7	--	NM	
PriceSmart	67.70	82.1	14.6	2,041	2,014		3,200	0.6	11.7	11.2	10.8	27.5	NM	8.0	3.4	1.0	9.4	
Citi Trends	17.45	63.7	(14.4)	205	140		764	0.2	4.0	NM	NM	NM	NM	NA	NM	1.8	7.7	
Tuesday Morning	1.53	45.7	(10.0)	69	92		1,007	0.1	5.9	6.9	3.6	NM	NM	NA	NM	--	(7.1)	
Stein Mart	0.80	34.2	(25.2)	39	169		1,243	0.1	4.9	NM	NM	NM	NM	NA	NM	--	(21.0)	
Off-Price							Mean	1.0 x	10.5 x	12.5 x	11.1 x	24.2 x	21.7 x	10.4 %	2.4 x	1.4 %	7.8 %	
							Median	0.6	11.7	12.9	12.2	24.4	22.0	9.4	2.3	1.3	7.7	
Kohl's	\$47.18	56.7 %	(28.9) %	\$7,508	\$10,127		\$19,968	0.5 x	4.5 x	4.6 x	4.6 x	8.9 x	8.7 x	9.0 %	1.0 x	5.7 %	13.5 %	
Nordstrom	32.49	48.0	(30.3)	5,033	6,755		15,546	0.4	4.6	4.6	4.5	9.7	9.4	6.3	1.5	4.6	NM	
Macy's	14.96	39.0	(49.8)	4,621	8,658		25,682	0.3	4.3	3.8	4.0	5.5	5.7	2.0	2.7	10.1	16.8	
Dillard's	68.16	78.6	13.0	1,703	2,271		6,468	0.4	5.5	6.0	6.3	23.0	17.2	(25.1)	NM	0.9	7.9	
J. C. Penney Company	0.92	46.8	(11.8)	291	3,952		11,693	0.3	6.6	8.7	7.9	NM	NM	NA	NM	--	(25.5)	
Stage Stores	1.67	77.7	125.7	48	347		1,621	0.2	NM	NM	NM	NM	NM	NM	NM	--	(46.5)	
Department Stores							Mean	0.4 x	5.1 x	5.5 x	5.5 x	11.7 x	10.3 x	(1.9) %	1.8 x	5.3 %	(6.8) %	
							Median	0.3	4.6	4.6	4.6	9.3	9.1	4.2	1.5	5.1	7.9	

Source: CapitalIQ and public filings. Forward estimates represent mean aggregate consensus estimates from ThomsonOne.

Note: LTM balance sheet, cash flow and income statement items do not reflect pro forma adjustments for post close acquisitions and divestitures.

(a) Enterprise value represents equity value plus book value of total debt, preferred stock and minority interest less cash.

(b) Dividend yield represents annualized dividend per share divided by current share price.

(c) Return on Equity is defined as LFY Earnings from Continuing Operations divided by Average Total Equity.

BROADLINES – OPERATING ANALYSIS

Company Name	Store Count	Comp Store Sales			LTM EBITDA	Operating Efficiency						Credit Statistics					
		LFY	Q(-1)	Q(-2)		Gross Margin	EBITDAR Margin	EBITDA Margin	EBIT Margin	CapEx / Sales	(a) EBITDA - CapEx / Sales	(a) Credit Rating	(b) Total Debt / EBITDA	Net Debt / EBITDA	Adj. Debt / EBITDAR	(c) EBITDA-Capex / Int.	
Wal-Mart Stores ⁽¹⁾	11,300	3.6 %	2.8 %	3.4 %	\$32,523	24.9 %	6.9 %	6.3 %	4.2 %	2.1 %	4.2 %	AA	1.8 x	1.5 x	2.1 x	8.4 x	
Costco Wholesale ⁽²⁾	772	7.4	6.0	5.5	6,096	13.0	4.2	4.0	3.1	1.9	2.0	A+	1.1	NM	1.3	20.8	
Target	1,853	5.0	3.4	4.8	6,958	29.3	9.4	9.1	5.8	4.0	5.1	A	1.7	1.4	1.8	8.3	
Dollar General	15,836	3.2	4.0	3.8	2,653	30.4	14.5	9.9	8.2	2.5	7.5	BBB	1.0	0.9	2.5	19.9	
Dollar Tree	15,115	3.3	2.4	2.5	2,258	35.9	15.9	9.7	7.0	4.0	5.7	BBB-	1.9	1.6	3.5	7.6	
Five Below	833	3.9	1.4	3.1	240	36.1	21.8	14.1	11.3	9.9	4.3	--	--	NM	2.1	NM	
Ollie's Bargain Outlet	332	4.2	(1.7)	0.8	179	39.6	17.5	13.4	12.2	7.8	5.6	--	0.0	NM	1.4	NM	
BJ's Wholesale Club	217	2.2	1.6	1.9	582	18.3	6.8	4.4	3.2	1.2	3.2	B+	3.1	3.0	4.1	3.9	
Big Lots ⁽³⁾	1,415	1.2	1.2	1.5	464	40.4	15.4	8.8	4.3	6.7	2.1	BBB-	1.2	1.1	3.3	7.6	
Discount Stores					Mean	29.8 %	12.5 %	8.9 %	6.6 %	4.4 %	4.4 %		1.3 x	1.6 x	2.5 x	10.9 x	
					Median	30.4	14.5	9.1	5.8	4.0	4.3		1.2	1.4	2.1	8.3	
The TJX Companies	4,412	6.0 %	2.0 %	5.0 %	\$5,076	31.9 %	17.0 %	12.7 %	10.6 %	2.8 %	9.9 %	A+	0.4 x	0.0 x	1.9 x	62.9 x	
Ross Stores	1,772	4.0	3.0	2.0	2,398	31.9	19.3	15.5	13.4	3.1	12.4	A-	0.1	NM	1.3	NM	
Burlington Stores	691	3.2	3.8	0.1	766	41.8	16.2	11.1	8.3	4.9	6.2	BB+	1.4	1.3	2.9	8.0	
PriceSmart	43	2.3	(0.8)	(0.9)	172	16.2	5.9	5.4	3.7	3.4	1.9	--	0.6	NM	1.1	14.1	
Citi Trends	562	1.6	(1.2)	(4.5)	35	37.3	11.7	4.5	2.1	2.1	2.5	--	--	NM	3.7	NM	
Tuesday Morning	714	0.4	0.7	(5.3)	16	35.0	13.6	1.5	(1.0)	1.6	(0.0)	--	2.2	1.5	5.6	NM	
Stein Mart	283	(1.0)	(3.6)	(1.7)	34	27.4	10.4	2.8	0.3	0.7	2.1	--	4.1	3.8	5.5	2.5	
Off-Price					Mean	31.6 %	13.5 %	7.6 %	5.3 %	2.7 %	5.0 %		1.3 x	1.7 x	3.1 x	21.9 x	
					Median	31.9	13.6	5.4	3.7	2.8	2.5		0.6	1.4	2.9	11.0	
Kohl's	1,100	1.7 %	(2.9) %	(3.4) %	\$2,260	39.6 %	12.9 %	11.3 %	6.6 %	3.5 %	7.8 %	BBB	1.4 x	1.2 x	2.0 x	6.9 x	
Nordstrom ⁽⁴⁾	381	3.5	(1.9)	(0.6)	1,458	35.8	11.0	9.4	5.2	5.6	3.8	BBB+	1.8	1.2	2.5	5.4	
Macy's ⁽⁵⁾	865	2.0	0.3	0.7	1,999	40.4	9.1	7.8	5.2	3.0	4.8	BBB-	2.4	2.0	2.9	5.5	
Dillard's	260	2.0	(2.0)	0.0	412	33.0	6.8	6.4	3.0	1.4	5.0	BB+	1.7	1.4	1.9	7.3	
J. C. Penney Company	850	3.1	(9.0)	(5.5)	596	35.5	6.5	5.1	0.3	2.7	2.4	CCC	6.4	6.1	6.3	0.9	
Stage Stores ⁽⁶⁾	786	(1.9)	3.0	(3.1)	(28)	26.8	5.0	(1.7)	(5.3)	2.3	(4.0)	--	NM	NM	12.0	NM	
Department Stores					Mean	35.2 %	8.5 %	6.4 %	2.5 %	3.1 %	3.3 %		2.7 x	2.4 x	4.6 x	5.2 x	
					Median	35.6	8.0	7.1	4.1	2.8	4.3		1.8	1.4	2.7	5.5	

Source: CapitalIQ and public filings. Forward estimates represent mean aggregate consensus estimates from ThomsonOne.

Note: LTM balance sheet, cash flow and income statement items do not reflect pro forma adjustments for post close acquisitions and divestitures.

(a) Excludes business acquisitions where applicable and available.

(b) S&P Credit Rating.

(c) Debt adjusted for the capitalization of operating leases at 6.0x rent expense.

(1) Wal-Mart SSS% for Wal-Mart U.S. excluding fuel.

(2) Costco SSS% for domestic segment, excluding gas.

(3) Big Lots SSS% excludes gas.

(4) Nordstrom SSS% for full line and direct business.

(5) Macy's SSS% for owned plus licensed locations.

(6) Stage Stores SSS% excludes e-commerce segment.

SOFTLINES (SPECIALTY) – TRADING ANALYSIS

	Share Price	% of 52	YTD %	Equity	Enterprise	(a)	LTM	EV / LTM	EV / EBITDA			P / E		LTM	P/E/G	Dividend	(b)	(c)											
Company Name	10/4/2019	wk high	Change	Value	Value		Revenue	Revenue	LTM	2019E	2020E	2019E	2020E	Rate	2019E	Yield	ROE												
Lululemon Athletica	\$193.12	94.5	%	58.8	%	\$25,159	\$24,535	\$3,581	6.9	x	27.3	x	24.8	x	21.1	x	38.3	x	34.5	x	19.4	%	2.0	x	--	%	37.8	%	
Gap ⁽¹⁾	16.23	51.7		(37.0)		6,099	5,877	16,423	0.4		3.0		3.5		3.5		7.7		7.7		9.3		0.8		6.0		26.9		
L Brands ⁽²⁾	18.46	48.6		(28.1)		5,102	9,826	13,157	0.7		5.0		5.3		5.2		7.5		7.3		11.0		0.7		6.5		NM		
Urban Outfitters	27.32	65.4		(17.7)		2,676	2,343	3,929	0.6		5.3		5.5		5.1		11.3		10.6		11.5		1.0		--		18.3		
Chico's FAS	3.44	40.8		(38.8)		405	292	2,051	0.1		3.3		4.0		3.6		NM		NM		15.0		NM		10.2		(1.8)		
Lands End	11.84	52.6		(16.7)		383	686	1,405	0.5		10.8		9.3		8.5		29.2		21.1		20.0		1.5		--		3.2		
Vera Bradley ⁽³⁾	10.42	71.8		21.6		354	330	427	0.8		7.9		5.8		5.3		10.6		10.0		16.3		0.6		--		5.2		
Duluth Trading	8.29	25.3		(67.1)		271	368	593	0.6		9.6		7.0		5.9		12.6		11.5		20.0		0.6		--		7.8		
Tailored Brands ⁽⁴⁾	4.07	16.9		(70.2)		206	1,372	3,169	0.4		4.4		5.8		5.7		3.5		3.3		NA		NM		17.7		NM		
Express	2.96	29.7		(42.1)		199	45	2,067	0.0		0.5		0.6		0.6		NM		NM		NA		NM		--		(2.2)		
RTW Retailwinds ⁽⁵⁾	1.40	33.2		(50.5)		91	11	861	0.0		0.7		NM		NM		NM		NM		NA		NM		--		(15.0)		
J. Jill	1.71	22.8		(67.9)		75	286	702	0.4		3.9		3.9		3.4		6.1		5.2		NA		NM		--		NM		
Destination XL Group	1.47	41.8		(32.3)		73	132	474	0.3		5.1		4.8		NM		NM		NM		NA		NM		--		(18.9)		
Ascena Retail Group ⁽⁶⁾	0.32	6.7		(87.4)		61	1,072	5,493	0.2		5.0		NM		NM		NM		NM		NA		NM		--		NM		
Francesca's	13.72	30.8		17.8		42	30	408	0.1		4.1		NM		NM		NM		NM		NA		NM		--		NM		
Destination Maternity	0.42	7.1		(85.1)		6	53	363	0.1		4.2		NM		NM		NM		NM		NA		NM		--		(47.3)		
Specialty Apparel / Accessories								Mean	0.8	x	6.3	x	6.7	x	6.2	x	14.1	x	12.4	x	15.3	%	1.0	x	10.1	%	1.3	%	
								Median	0.4		4.7		5.4		5.2		10.6		10.0		15.7		0.8		8.3		3.2		
Carter's	\$91.83	83.7	%	12.5	%	\$4,108	\$4,594	\$3,486	1.3	x	9.6	x	9.1	x	8.9	x	13.5	x	12.8	x	7.2	%	1.9	x	2.2	%	34.3	%	
American Eagle Outfitters	14.88	61.2		(23.0)		2,514	2,197	4,175	0.5		4.2		4.2		4.0		9.5		9.2		7.8		1.2		3.7		21.5		
The Children's Place	73.34	45.8		(18.6)		1,142	1,273	1,886	0.7		7.9		6.8		5.9		11.3		9.4		6.6		1.7		3.1		23.7		
Buckle	20.08	88.1		3.8		975	745	885	0.8		5.3		5.3		5.6		11.3		11.2		(14.1)		NM		10.0		23.1		
Abercrombie & Fitch Co.	14.37	46.9		(28.3)		903	666	3,592	0.2		2.1		2.7		2.3		12.2		10.9		14.0		0.9		5.6		7.0		
Zumiez	31.17	93.1		62.6		803	614	995	0.6		6.4		6.3		6.0		13.9		13.4		15.0		0.9		--		14.0		
The Cato Corporation	17.34	81.9		21.5		413	179	825	0.2		3.6		NM		NM		NM		NM		NA		NM		7.6		10.1		
Tillys	9.19	50.3		(15.4)		272	147	609	0.2		2.9		2.9		2.7		11.0		10.3		11.0		1.0		--		13.7		
Specialty Apparel / Accessories - Teen/Jrs/Children								Mean	0.6	x	5.2	x	5.3	x	5.0	x	11.8	x	11.0	x	6.8	%	1.3	x	5.3	%	18.4	%	
								Median	0.6		4.8		5.3		5.6		11.3		10.9		7.8		1.1		4.6		17.8		

Source: CapitalIQ and public filings. Forward estimates represent mean aggregate consensus estimates from ThomsonOne.

Note: LTM balance sheet, cash flow and income statement items do not reflect pro forma adjustments for post close acquisitions and divestitures.

(a) Enterprise value represents equity value plus book value of total debt, preferred stock and minority interest less cash.

(b) Dividend yield represents annualized dividend per share divided by current share price.

(c) Return on Equity is defined as LFY Earnings from Continuing Operations divided by Average Total Equity.

(1) In February 2019, Gap Inc. announced the spin-off of Old Navy.

(2) In December 2018, L Brands announced the divestiture of La Senza to an affiliate of Regent LP.

(3) In June 2019, Vera Bradley announced the acquisition of 75% of Creative Genius for \$75 million (5.4x LTM EBITDA).

(4) In August 2019, Tailored Brands announced the divestiture of its corporate apparel business to the existing corporate apparel U.K. executive team for \$62 million.

(5) In November 2018, New York & Co. changed its name to RTW Retailwinds.

(6) In March 2019, Ascena closed the divestiture of a majority interest in its Maurices, Inc. chain to OpCapita for \$300 million.

SOFTLINES (SPECIALTY) – OPERATING ANALYSIS

Company Name	Store Count	Comp Store Sales			LTM EBITDA	Operating Efficiency								Credit Statistics						
		LFY	Q(-1)	Q(-2)		Gross Margin	EBITDAR Margin	EBITDA Margin	EBIT Margin	CapEx / Sales	(a) EBITDA - CapEx / Sales	(a)	Credit Rating	(b) Debt / EBITDA	Net Debt / EBITDA	Adj. Debt / EBITDAR	(c)	EBITDA-Capex / Int.		
Lululemon Athletica ⁽¹⁾	460	7.0 %	10.0 %	6.0 %	\$897	55.4 %	30.4 %	25.1 %	21.2 %	7.8 %	17.3 %	--	-- x	NM x	1.0 x	NM x				
Gap ⁽²⁾	3,356	0.0	(4.0)	(4.0)	1,989	43.1	20.0	12.1	8.6	6.4	5.7	BB+	0.6	NM	2.7	11.9				
L Brands ⁽³⁾	2,927	3.0	(1.0)	0.0	1,974	42.9	21.3	15.0	10.5	4.0	11.0	BB	2.8	2.4	3.8	3.8				
Urban Outfitters ⁽⁴⁾	611	8.0	(3.0)	1.0	444	33.1	18.3	11.3	8.5	4.5	6.8	--	--	NM	2.3	NM				
Chico's FAS	1,387	(4.9)	(6.1)	(7.0)	89	35.2	14.4	4.3	0.3	2.4	2.0	--	0.6	NM	4.4	NM				
Lands End	60	3.9	7.5	12.0	63	42.4	5.9	4.5	2.4	3.4	1.1	B	6.1	4.8	6.1	0.5				
Vera Bradley	156	(10.3)	2.1	5.2	42	57.0	18.0	9.8	5.8	2.4	7.4	--	--	NM	2.7	NM				
Duluth Trading	55				38	53.6	7.9	6.4	3.6	7.2	(0.8)	--	2.6	2.5	3.3	NM				
Tailored Brands ⁽⁵⁾	1,462	0.8	(4.5)	(3.2)	315	41.7	17.6	9.9	7	3.1	6.9	B	3.8	3.7	4.7	3.0				
Express	626	(1.0)	(6.0)	(7.0)	88	46.8	14.3	4.3	0.1	2.2	2.1	--	--	NM	4.2	NM				
RTW Retailwinds	413	0.4	(4.8)	(5.3)	15	44.9	11.7	1.7	(0.6)	1.1	0.6	--	0.2	NM	5.1	18.1				
J. Jill	286	0.9	(1.2)	(3.3)	72	63.4	18.9	10.3	5.0	3.8	6.5	--	3.3	2.9	4.5	2.3				
Destination XL Group ⁽⁶⁾	328	3.0	0.0	(1.2)	26	43.9	19.2	5.5	(0.1)	2.5	2.9	--	2.5	2.3	5.0	4.2				
Ascena Retail Group ⁽⁷⁾	3,519	(2.0)	2.0	2.0	215	55.7	19.3	3.9	(2.0)	3.4	0.5	CCC+	6.2	4.7	6.0	0.3				
Francesca's	718	(14.0)	(5.0)	(13.0)	7	44.7	12.4	1.8	(4.0)	3.7	(1.9)	--	1.4	NM	5.3	NM				
Destination Maternity	937	(1.8)	(10.5)	(7.2)	13	51.8	16.9	3.5	(0.5)	1.6	1.9	--	3.9	3.8	5.6	1.3				
Specialty Apparel / Accessories					Mean	47.2 %	16.7 %	8.1 %	4.1 %	3.7 %	4.4 %		2.1 x	3.4 x	4.2 x	5.0 x				
					Median	44.8	17.8	5.9	3.0	3.4	2.5		1.9	3.3	4.4	3.0				
Carter's ⁽⁸⁾	1,064	2.8 %	3.8 %	(3.7) %	\$481	42.9 %	18.6 %	13.8 %	11.1 %	1.6 %	12.2 %	BB+	1.3 x	1.0 x	2.5 x	11.3 x				
American Eagle Outfitters	1,075	8.0	2.0	6.0	520	44.4	20.8	12.4	8.3	4.3	8.1	--	--	NM	2.4	NM				
The Children's Place ⁽⁹⁾	961	4.6	(3.8)	(4.6)	160	35.0	16.4	8.5	4.7	7.5	1.0	--	1.2	0.8	3.5	3.2				
Buckle	449	(0.9)	1.8	(1.3)	141	55.9	24.0	16.0	13.1	0.9	15.0	--	--	NM	2.0	NM				
Abercrombie & Fitch Co. ⁽¹⁰⁾	863	3.0	0.0	1.0	311	60.0	18.9	8.7	4.0	5.4	3.3	BB-	0.8	NM	3.6	5.8				
Zumiez	711	5.6	3.6	3.3	96	34.6	18.2	9.7	7.1	2.0	7.6	--	--	NM	2.8	NM				
The Cato Corporation	1,299	0.0	4.0	(1.0)	50	37.4	14.6	6.1	4.2	0.6	5.5	--	--	NM	3.5	NM				
Tilly's	230	4.0	0.6	2.4	51	36.1	15.8	8.4	4.9	2.1	6.3	--	--	NM	2.8	NM				
Specialty Apparel / Accessories -Teen/Jrs/Children					Mean	43.3 %	18.4 %	10.4 %	7.2 %	3.1 %	7.4 %		0.4 x	0.9 x	2.9 x	6.8 x				
					Median	40.1	18.4	9.2	6.0	2.1	6.9		--	0.9	2.8	5.8				

Source: CapitalIQ and public filings. Forward estimates represent mean aggregate consensus estimates from ThomsonOne.

Note: LTM balance sheet, cash flow and income statement items do not reflect pro forma adjustments for post close acquisitions and divestitures.

(a) Excludes business acquisitions where applicable and available.

(b) S&P Credit Rating.

(c) Debt adjusted for the capitalization of operating leases at 6.0x rent expense.

(1) Lululemon SSS% excludes e-commerce.

(2) Gap SSS% for total company.

(3) L Brands SSS% for consolidated L Brands.

(4) Urban Outfitters SSS% for Urban Outfitters segment.

(5) Tailored Brands SSS% for Men's Wearhouse segment.

(6) Destination XL Group SSS% for total company.

(7) Ascena Retail Group SSS% excludes e-commerce segment.

(8) Carter's SSS% includes e-commerce and retail stores.

(9) The Children's Place SSS% includes e-commerce sales.

(10) Abercrombie & Fitch SSS% for stores only.

APPAREL AND FOOTWEAR – TRADING ANALYSIS

Company Name	Share Price 10/4/2019	% of 52 wk high	YTD % Change	Equity Value	Enterprise Value	(a)	LTM Revenue	EV / LTM Revenue	EV / EBITDA			P / E		LTG Rate	P/E/G 2019E	Dividend Yield	(b)	(c)
									LTM	2019E	2020E	2019E	2020E					ROE
Foot Locker ⁽¹⁾	\$41.62	61.2 %	(21.8) %	\$4,455	\$3,639		\$7,984	0.5 x	4.1 x	4.0 x	3.9 x	8.2 x	7.9 x	7.7 %	1.1 x	3.7 %		20.8 %
Designer Brands ⁽²⁾	16.51	50.2	(33.2)	1,199	1,357		3,415	0.4	5.6	4.7	4.3	8.1	7.5	12.3	0.7	6.1		6.3
Boot Barn	35.09	88.6	106.0	999	1,172		801	1.5	13.1	12.7	10.6	20.5	18.2	20.8	1.0	--		16.7
Genesco ⁽³⁾	37.52	74.0	(15.3)	563	581		2,198	0.3	4.4	4.3	4.3	9.6	8.3	15.0	0.6	--		8.0
Shoe Carnival	31.89	72.9	(4.8)	468	430		1,026	0.4	6.4	6.2	5.9	11.1	11.0	10.0	1.1	1.1		12.7
Footwear Retail							Mean	0.6 x	6.7 x	6.4 x	5.8 x	11.5 x	10.6 x	13.2 %	0.9 x	3.6 %		12.9 %
							Median	0.4	5.6	4.7	4.3	9.6	8.3	12.3	1.0	3.7		12.7
Nike ⁽⁴⁾	\$93.07	98.2 %	25.5 %	\$145,287	\$145,362		\$39,829	3.6 x	25.5 x	25.3 x	22.0 x	30.4 x	29.3 x	15.6 %	2.0 x	0.9 %		47.3 %
Skechers USA	36.65	90.5	60.1	5,745	5,167		4,814	1.1	8.7	8.1	7.4	15.2	14.2	13.5	1.1	--		17.9
Deckers Brands	146.38	81.0	14.4	4,228	3,756		2,047	1.8	9.9	11.2	9.5	17.2	15.5	13.1	1.3	--		29.0
Steve Madden ⁽⁵⁾	34.43	93.4	13.8	2,922	2,682		1,725	1.6	12.0	12.4	11.5	18.1	17.0	10.0	1.8	1.6		16.9
Wolverine World Wide	27.49	69.2	(13.8)	2,344	3,050		2,230	1.4	11.9	9.9	9.4	11.3	11.0	12.5	0.9	1.5		19.1
Crocs	28.80	90.3	10.8	2,005	2,112		1,132	1.9	16.4	13.5	11.8	17.8	18.0	16.0	1.1	--		25.7
Caleres ⁽⁶⁾	21.48	56.8	(22.8)	875	1,331		2,926	0.5	6.3	6.3	5.9	8.4	8.0	NA	NM	1.3		(1.8)
Rocky Brands	31.48	92.2	21.1	233	217		261	0.8	9.0	8.3	8.0	15.1	14.4	NA	NM	1.8		10.2
Weyco	22.08	64.1	(24.3)	219	210		303	0.7	6.9	NM	NM	NM	NM	NA	NM	4.3		10.3
Footwear Wholesale							Mean	1.5 x	11.9 x	11.9 x	10.7 x	16.7 x	15.9 x	13.4 %	1.4 x	1.9 %		19.4 %
							Median	1.4	9.9	10.5	9.4	16.2	15.0	13.3	1.2	1.5		17.9
V.F. Corporation ⁽⁷⁾	\$88.69	92.2 %	24.3 %	\$35,314	\$36,908		\$13,983	2.6 x	20.0 x	18.7 x	17.6 x	25.6 x	23.3 x	11.9 %	2.1 x	1.9 %		32.9 %
Under Armour (Class A)	19.31	69.7	9.3	8,320	8,456		5,229	1.6	21.3	20.1	16.8	NM	39.8	27.4	NM	--		4.3
Levi Strauss & Co.	19.29	78.7	NM	7,571	7,661		5,733	1.3	11.7	10.5	9.1	18.3	16.3	3.7	4.9	1.5		42.0
Tapestry	25.49	52.4	(24.5)	7,337	7,706		6,027	1.3	6.5	6.4	6.3	9.9	9.5	9.2	1.1	5.3		19.0
Ralph Lauren	91.45	66.6	(11.6)	7,062	6,039		6,351	1.0	6.1	6.0	5.6	11.7	11.0	9.7	1.2	3.0		13.6
Columbia Sportswear Company	94.11	85.8	11.9	6,358	5,833		2,894	2.0	12.4	11.8	11.1	19.7	18.1	12.2	1.6	1.0		18.9
PVH ⁽⁸⁾	84.48	62.0	(9.1)	6,264	8,819		9,729	0.9	6.7	7.0	6.7	8.7	8.4	6.8	1.3	0.2		11.8
Hanesbrands	14.82	76.5	18.3	5,358	9,122		6,966	1.3	8.3	8.3	8.3	8.4	8.3	2.9	2.9	4.0		NM
Capri Holdings	29.34	42.7	(22.6)	4,447	6,725		5,381	1.2	6.4	6.4	5.6	5.8	5.6	5.8	1.0	--		18.4
Kontoor Brands	34.11	81.7	NM	1,940	2,853		2,689	1.1	8.9	8.2	7.7	9.8	9.4	4.4	2.2	6.6		--
Oxford Industries	69.41	74.2	(2.3)	1,182	1,152		1,116	1.0	8.3	8.3	7.9	15.7	15.1	NA	NM	2.1		14.2
G-III Apparel Group	24.55	55.3	(12.0)	1,172	1,686		3,117	0.5	6.1	5.7	5.8	8.1	8.2	5.6	1.4	--		12.5
Guess?	17.61	72.6	(15.2)	1,155	1,357		2,662	0.5	6.8	6.3	6.1	11.7	11.4	NA	NM	2.6		2.5
Fossil	11.32	46.6	(28.0)	571	574		2,362	0.2	3.4	2.5	3.0	12.7	23.1	(10.0)	NM	--		6.7
Movado Group	23.57	53.1	(25.5)	542	461		713	0.6	5.6	NM	NM	10.2	10.0	NA	NM	3.4		13.6
Clarus Corporation	11.30	74.8	11.7	339	354		221	1.6	17.2	14.1	11.9	12.4	11.4	NA	NM	0.9		6.5
Vince	19.00	96.0	103.6	222	273		288	0.9	16.4	18.0	16.2	NM	NM	NA	NM	--		2.2
Delta Apparel	23.42	93.7	35.9	162	312		417	0.7	12.6	8.7	8.4	13.2	12.8	15.0	0.9	--		5.0
Centric Brands ⁽⁹⁾	2.45	40.8	(28.6)	144	1,513		1,474	1.0	24.9	NM	NM	NM	NM	NA	NM	--		NM
Apparel/Active/Accessories							Mean	1.1 x	11.0 x	9.8 x	9.1 x	12.6 x	14.2 x	8.0 %	1.9 x	2.7 %		13.2 %
							Median	1.0	8.3	8.3	7.9	11.7	11.4	6.8	1.4	2.3		12.5

Source: CapitalIQ and public filings. Forward estimates represent mean aggregate consensus estimates from ThomsonOne.

Note: LTM balance sheet, cash flow and income statement items do not reflect pro forma adjustments for post close acquisitions and divestitures.

(a) Enterprise value represents equity value plus book value of total debt, preferred stock and minority interest less cash.

(b) Dividend yield represents annualized dividend per share divided by current share price.

(c) Return on Equity is defined as LFY Earnings from Continuing Operations divided by Average Total Equity.

(1) In February 2019, Foot Locker announced that it had made a \$100 million investment into specialty sneaker retailer, GOAT.

(2) In March 2019, DSW changed its name to Designer Brands International. In

November 2018, DSW closed the acquisition, alongside Authentic Brands, of Camuto Group for \$375 million.

(3) In February 2019, Genesco closed the divestiture of Lids to Fanatics and Ames Watson for \$101 million.

(4) In August 2019, Nike announced the acquisition of Celect.

(5) In August 2019, Steve Madden closed the acquisition of GREATS for an undisclosed amount and BB Dakota for \$43 million.

(6) In May/In October 2018, Caleres closed the acquisition of Vionic for \$360 million.

(7) 2019, VF completed the spin-off of Kontoor brands.

(8) In February 2019, PVH announced the acquisition of the remaining interest in Gatal.

(9) In October 2018, Differential Brands changed its name to Centric Brands.

APPAREL AND FOOTWEAR – OPERATING ANALYSIS

Company Name	Store Count	Comp Store Sales				LTM EBITDA	Operating Efficiency							Credit Statistics						
		LFY	Q(-1)	Q(-2)	Gross Margin		EBITDAR Margin	EBITDA Margin	EBIT Margin	CapEx / Sales	(a) EBITDA - CapEx / Sales	(a) Credit Rating	(b) Debt / EBITDA	Net Debt / EBITDA	Adj. Debt / EBITDAR	(c) EBITDA-Capex / Int.				
Foot Locker	3,174	2.7 %	(0.1) %	0.8 %	\$885	43.2 %	20.5 %	11.1 %	8.8 %	1.9 %	9.2 %	BB+		0.1 x	NM x	2.8 x	73.2 x			
Designer Brands	518	6.1	(0.6)	3.0	244	36.7	14.6	7.1	4.7	2.2	5.0	--		1.0	0.6	3.5	27.4			
Boot Barn	240	10.0	9.4	8.7	90	33.9	17.1	11.2	8.8	3.4	7.8	--		2.2	1.9	3.5	3.9			
Genesco	1,494	5.0	3.0	5.0	131	48.2	21.2	6.0	4.2	1.8	4.1	--		0.6	0.1	4.5	25.0			
Shoe Carnival	393	4.3	1.4	(0.2)	67	29.7	12.5	6.5	4.7	1.6	4.9	--		--	NM	2.9	NM			
Footwear Retail						Mean	38.3 %	17.2 %	8.4 %	6.3 %	2.2 %	6.2 %		0.8 x	0.9 x	3.4 x	32.4 x			
						Median	36.7	17.1	7.1	4.7	1.9	5.0		0.6	0.6	3.5	26.2			
Nike	1,152	4.0 %	6.0 %	7.0 %	\$5,695	45.1 %	16.4 %	14.3 %	12.5 %	2.7 %	11.6 %	AA-		0.7 x	0.0 x	1.3 x	34.1 x			
Skechers USA ⁽¹⁾	768	9.2	4.9	0.7	592	47.8	17.8	12.3	10.1	4.3	8.0	--		0.2	NM	2.0	59.3			
Deckers Brands ⁽²⁾	155	1.9	16.2	(0.5)	380	51.6	22.2	18.6	16.4	1.4	17.1	--		0.1	NM	1.1	76.6			
Steve Madden	224	2.8	6.2	6.3	224	37.7	16.5	13.0	11.7	0.8	12.2	--		--	NM	1.3	NM			
Wolverine World Wide	89				256	40.8	12.8	11.5	10.1	1.4	10.1	BB+		3.2	2.7	3.5	8.9			
Crocs ⁽³⁾	370	10.8	11.8	8.7	128	50.0	17.9	11.3	9.0	2.4	8.9	--		1.7	0.8	3.3	20.4			
Caleres ⁽⁴⁾	1,204	1.5	1.5	1.5	210	40.8	13.3	7.2	5.2	2.4	4.8	BB		2.4	2.2	4.0	5.4			
Rocky Brands					24	34.8	9.6	9.2	7.2	2.0	7.3	--		--	NM	0.2	NM			
Weyco	9	13.0	14.0	13.0	31	40.6	13.5	10.1	8.9	1.1	9.0	--		0.4	NM	1.8	NM			
Footwear Wholesale						Mean	43.2 %	15.6 %	11.9 %	10.1 %	2.1 %	9.9 %		0.9 x	1.4 x	2.1 x	34.1 x			
						Median	40.8	16.4	11.5	10.1	2.0	9.0		0.4	1.5	1.8	27.2			
V.F. Corporation	1,427				1,843	51.4 %	16.2 %	13.2 %	14.0 %	1.7 %	11.5 %	A		1.2 x	0.9 x	2.6 x	15.6 x			
Under Armour (Class A)	165				396	45.8	10.5	7.6	4.1	2.9	4.7	BB		1.5	0.3	2.8	9.2			
Levi Strauss & Co.					657	53.6	16.1	11.5	9.5	3.1	8.4	BB+		1.6	0.1	2.8	8.3			
Tapestry ⁽⁵⁾	1,540	(0.2) %	0.1 %	0.1 %	1,177	67.7	29.0	19.5	15.1	4.5	15.0	BBB-		1.4	0.3	2.9	13.5			
Ralph Lauren Corporation	1,207	0.0	1.0	(4.0)	994	61.7	22.8	15.7	11.5	3.2	12.4	A-		0.9	NM	2.5	38.5			
Columbia Sportswear Company	136				471	50.1	21.5	16.3	13.3	3.0	13.3	--		--	NM	1.5	NM			
PVH ⁽⁶⁾	1,825				1,317	54.7	19.7	13.5	10.2	3.8	9.8	BBB-		2.3	1.9	3.4	7.9			
Hanesbrands	268				1,096	39.7	18.5	15.7	13.9	1.5	14.2	BB		3.7	3.4	4.0	5.1			
Capri Holdings ⁽⁷⁾	1,264				1,055	60.6	28.5	19.6	15.4	3.6	16.0	BBB-		2.3	2.2	3.5	20.0			
Kontoor Brands					320	39.6	13.4	11.9	10.7	0.6	11.3	BB-		3.1	2.9	3.4	43.5			
Oxford Industries ⁽⁸⁾	230	4.0	3.0	2.0	138	56.7	18.7	12.4	8.7	2.7	9.6	--		--	NM	2.0	54.1			
G-III Apparel Group	292				277	35.6	12.4	8.9	7.6	1.2	7.7	BB		2.0	1.9	3.1	5.3			
Guess?	1,724	4.0	2.0	5.0	198	36.6	18.6	7.4	4.7	3.6	3.8	--		1.6	0.9	4.2	12.7			
Fossil	456	(2.0)	(4.0)	(9.0)	169	53.2	13.7	7.2	4.4	0.9	6.2	BB-		1.3	0.0	3.6	4.1			
Movado Group	45				82	54.6	14.5	11.6	9.8	1.8	9.8	--		0.6	NM	1.7	83.7			
Clarus Corporation					21	35.9	9.7	9.3	5.6	1.7	7.5	--		0.8	0.7	1.0	13.4			
Vince	60	10.7	7.1	1.1	17	48.8	14.1	5.8	3.1	1.2	4.6	--		3.1	3.0	4.8	2.5			
Delta Apparel					25	19.5	8.5	6.0	3.2	1.4	4.6	--		6.1	6.1	6.0	2.6			
Centric Brands	97				61	26.7	6.5	4.1	(0.1)	0.5	3.7	--		22.7	22.5	16.6	0.4			
Apparel/Active/Accessories						Mean	47.0 %	16.5 %	11.4 %	8.7 %	2.3 %	9.2 %		3.0 x	3.1 x	3.8 x	18.9 x			
						Median	50.1	16.1	11.6	9.5	1.8	9.6		1.6	1.9	3.1	10.9			

Source: CapitalIQ and public filings. Forward estimates represent mean aggregate consensus estimates from ThomsonOne.

Note: LTM balance sheet, cash flow and income statement items do not reflect pro forma adjustments for post close acquisitions and divestitures.

(a) Excludes business acquisitions where applicable and available.

(b) S&P Credit Rating.

(c) Debt adjusted for the capitalization of operating leases at 6.0x rent expense.

(1) Skechers SSS% for domestic segment.

(2) Deckers SSS% for retail segment.

(3) Crocs SSS% for Americas segment.

(4) Caleres SSS% for Famous Footwear division.

(5) Tapestry SSS% for North American segment.

(6) PVH SSS% for Calvin Klein North America.

(7) Michael Kors SSS% for North American segment.

(8) Oxford Industries SSS% for Tommy Bahama division.

APPAREL AND FOOTWEAR – TRADING ANALYSIS (CONT.)

	Share Price	% of 52	YTD %	Equity	Enterprise	(a)	LTM	EV / LTM	EV / EBITDA			P / E		LTG	P/E/G	Dividend	(b)	(c)
Company Name	10/4/2019	wk high	Change	Value	Value		Revenue	Revenue	LTM	2019E	2020E	2019E	2020E	Rate	2019E	Yield		ROE
Cintas	\$262.86	97.2 %	56.5 %	\$27,555	\$30,330		\$7,005	4.3 x	19.6 x	19.5 x	17.7 x	30.1 x	29.1 x	11.3 %	2.7 x	0.8 %		28.8 %
UniFirst Corporation	192.94	94.0	34.9	3,666	3,316		1,764	1.9	11.1	11.6	10.5	23.7	23.2	NA	NM	0.2		11.1
Superior Group of Companies ⁽¹⁾	15.37	79.3	(12.9)	234	350		370	0.9	9.9	11.4	9.5	15.3	13.0	13.5	1.1	2.6		10.6
Lakeland Industries	11.41	79.0	9.3	91	84		101	0.8	18.3	12.6	9.3	17.7	15.7	10.0	1.8	--		(0.6)
Uniform / Protectivewear							Mean	2.0 x	14.7 x	13.8 x	11.7 x	21.7 x	20.3 x	11.6 %	1.9 x	1.2 %		12.5 %
							Median	1.4	14.7	12.1	10.0	20.7	19.5	11.3	1.8	0.8		10.8
Xcel Brands	\$1.81	51.7 %	60.2 %	\$32	\$47		\$38	1.3 x	7.6 X	4.6 X	3.5 X	4.1 X	3.6 X	NA %	NM X	--		2.7 %
Iconix Brand Group	1.80	33.3	115.6	21	668		159	4.2	8.7	8.8	8.2	2.5	3.8	NA	NM	--		NM
Sequential Brands Group	0.26	11.4	(67.5)	17	526		159	3.3	6.8	9.1	7.0	1.2	0.8	15.0	0.1	--		(4.1)
Licensing / Brand Management							Mean	3.3 x	6.8 x	9.1 x	7.0 x	15.2 x	0.8 x	15.0 %	0.1 x	-- %		(4.1) %
							Median	3.3	6.8	9.1	7.0	17.7	0.8	15.0	0.1	--		(4.1)

Source: CapitalIQ and public filings. Forward estimates represent mean aggregate consensus estimates from ThomsonOne.

Note: LTM balance sheet, cash flow and income statement items do not reflect pro forma adjustments for post close acquisitions and divestitures.

(a) Enterprise value represents equity value plus book value of total debt, preferred stock and minority interest less cash.

(b) Dividend yield represents annualized dividend per share divided by current share price.

(c) Return on Equity is defined as LFY Earnings from Continuing Operations divided by Average Total Equity.

(1) In May 2018, Superior Uniform Group changed its name to Superior Group of Companies. In May 2018, Superior Uniform Group announced the acquisition of CID Resources for ~\$88.4 million.

APPAREL AND FOOTWEAR – OPERATING ANALYSIS (CONT.)

Company Name	Store Count	Comp Store Sales			LTM EBITDA	Operating Efficiency						Credit Statistics					
		LFY	Q(-1)	Q(-2)		Gross Margin	EBITDAR Margin	EBITDA Margin	EBIT Margin	CapEx / Sales	(a) EBITDA - CapEx / Sales	(a) Credit Rating	(b) Debt / EBITDA	Net Debt / EBITDA	Adj. Debt / EBITDAR	(c) EBITDA-Capex / Int.	
Cintas					\$1,550	45.7 %	23.4 %	22.1 %	16.9 %	4.0 %	18.2 %	A-	1.9 x	1.8 x	2.1 x	12.2 x	
UniFirst Corporation					300	37.1	17.9	17.0	11.2	6.4	10.6	--	--	NM	0.3	NM	
Superior Group of Companies ⁽¹⁾					35	35.2	10.1	9.5	7.2	2.0	7.5	--	3.5	3.3	3.7	6.0	
Lakeland Industries					5	32.8	5.6	4.5	3.2	2.4	2.1	--	0.4	NM	1.5	16.5	
Uniform / Protectivewear					Mean	37.7 %	14.2 %	13.3 %	9.6 %	3.7 %	9.6 %		1.5 x	2.5 x	1.9 x	11.6 x	
					Median	36.2	14.0	13.3	9.2	3.2	9.1		1.2	2.5	1.8	12.2	
Xcel Brands					\$6	84.4	18.5 %	16.4 %	8.8 %	2.5 %	13.9 %	--	3.5	2.5	3.8	4.8	
Iconix Brand Group					76	100.0	50.1	48.0	46.7	0.4	47.6	CCC	8.4	7.7	8.3	1.3	
Sequential Brands Group					77	54.7	51.8	48.4	46.0	0.3	48.1	--	5.8 x	5.7 x	5.8 x	1.2 x	
Licensing / Brand Management					Mean	79.7 %	40.1 %	37.6 %	33.8 %	1.1 %	36.5 %		5.9 x	5.3 x	6.0 x	2.5 x	
					Median	84.4	50.1	48.0	46.0	0.4	47.6		5.8	5.7	5.8	1.3	

Source: CapitalIQ and public filings. Forward estimates represent mean aggregate consensus estimates from ThomsonOne.

Note: LTM balance sheet, cash flow and income statement items do not reflect pro forma adjustments for post close acquisitions and divestitures.

(a) Excludes business acquisitions where applicable and available.

(b) S&P Credit Rating.

(c) Debt adjusted for the capitalization of operating leases at 6.0x rent expense.

(1) In May 2018, Superior Uniform Group changed its name to Superior Group of Companies.

HARDLINES (SPECIALTY) – TRADING ANALYSIS

	Share Price	% of 52	YTD %	Equity	Enterprise	(a)	LTM	EV / LTM	EV / EBITDA			P / E		LTG	P/E/G	Dividend	(b)	(c)
Company Name	10/4/2019	wk high	Change	Value	Value		Revenue	Revenue	LTM	2019E	2020E	2019E	2020E	Rate	2019E	Yield	ROE	
Williams-Sonoma	\$65.55	92.9 %	29.9 %	\$5,114	\$5,354		\$5,805	0.9 x	8.2 x	7.7 x	7.6 x	13.7 x	13.2 x	8.7 %	1.6 x	2.9 %	32.0 %	
Aaron's	61.31	89.6	45.8	4,141	4,389		3,926	1.1	7.1	9.8	9.0	15.0	13.7	18.3	0.8	0.2	11.4	
Restoration Hardware	170.29	97.1	42.1	3,180	4,693		2,612	1.8	10.8	9.9	8.9	14.6	13.8	16.7	0.9	--	NM	
Michaels	9.12	50.6	(32.6)	1,416	3,984		5,191	0.8	5.3	4.9	4.9	3.8	3.7	7.5	0.5	--	NM	
Rent-A-Center ⁽¹⁾	25.85	91.5	59.7	1,403	1,590		2,659	0.6	7.3	6.2	6.0	10.6	10.1	NA	NM	3.9	35.2	
Bed Bath & Beyond	10.09	51.6	(10.9)	1,241	1,746		11,633	0.2	3.5	2.6	2.5	5.1	5.1	0.9	5.5	6.7	(30.8)	
Sleep Number	40.76	78.3	28.5	1,195	1,475		1,609	0.9	8.9	8.4	8.1	15.2	13.9	14.7	1.0	--	NM	
At Home	9.33	29.6	(50.0)	598	1,211		1,270	1.0	7.6	7.0	6.5	13.4	11.7	20.0	0.7	--	8.6	
Ethan Allen Interiors	18.53	80.2	5.3	493	473		747	0.6	6.4	6.5	6.0	11.3	10.6	20.0	0.6	9.9	6.9	
Haverty Furniture	19.74	78.7	5.1	389	333		799	0.4	5.4	6.1	6.0	14.8	14.5	7.8	1.9	4.1	9.8	
The Lovesac Company	16.84	36.0	(26.6)	245	201		195	1.0	NM	NM	27.5	NM	NM	35.0	NM	--	(9.7)	
The Container Store	4.42	41.1	(7.3)	218	496		909	0.5	5.8	5.7	5.2	10.0	8.5	NA	NM	--	9.8	
Bassett Furniture Industries	14.74	66.2	(26.4)	149	117		455	0.3	5.5	5.5	4.1	17.3	15.4	16.0	1.1	3.4	2.7	
Pier 1 Imports	8.06	22.1	31.8	33	339		1,445	0.2	NM	NM	NM	NM	NM	NA	NM	--	NM	
Kirkland's	1.41	12.0	(85.2)	20	5		620	0.0	0.3	4.1	16.3	NM	NM	16.0	NM	--	(12.6)	
Home Furnishings and Décor							Mean	0.7 x	6.3 x	6.5 x	8.5 x	12.1 x	11.2 x	15.1 %	1.5 x	4.4 %	5.8 %	
							Median	0.6	6.4	6.2	6.3	13.5	12.4	16.0	1.0	3.9	8.6	
The Home Depot	\$227.93	96.8 %	32.7 %	\$249,618	\$275,450		\$110,013	2.5 x	15.1 x	15.1 x	14.3 x	21.7 x	20.8 x	9.8	2.2 x	2.4 %	NM %	
Lowe's Companies	107.42	90.9	16.3	82,907	98,383		71,795	1.4	13.3	12.5	11.1	17.2	16.1	18.2	0.9	2.0	NM	
Sherwin-Williams	548.84	99.1	39.5	50,386	59,697		17,714	3.4	22.9	19.1	17.1	24.2	22.7	13.2	1.8	0.8	31.3	
Tractor Supply Company	93.11	81.5	11.6	11,104	11,519		8,191	1.4	12.7	12.1	11.2	18.5	17.7	11.0	1.7	1.5	37.3	
Floor and Décor	47.60	89.8	83.8	4,742	4,834		1,870	2.6	23.4	20.2	16.4	NM	34.9	25.0	NM	--	19.7	
Lumber Liquidators	9.38	64.7	(1.5)	269	346		1,094	0.3	9.7	10.1	8.1	19.5	17.2	27.5	0.7	--	(34.8)	
Tile Shop	3.00	37.5	(45.3)	153	212		349	0.6	5.4	5.9	5.0	NM	NM	25.0	NM	6.7	1.8	
Sears Hometown and Outlet ⁽²⁾	3.47	82.3	62.9	79	181		1,231	0.1	NM	NM	NM	NM	NM	NA	NM	--	(46.5)	
Home Improvement							Mean	1.5 x	14.6 x	13.6 x	11.9 x	20.2 x	21.6 x	18.5 %	1.5 x	2.7 %	1.5 %	
							Median	1.4	13.3	12.5	11.2	19.5	19.2	18.2	1.7	2.0	10.8	
Planet Fitness	\$57.96	70.8 %	8.1 %	\$4,869	\$5,703		\$597	9.6 x	22.4 x	20.7 x	17.7 x	33.6 x	29.9 x	19.9 %	1.7 x	-- %	NM %	
Party City ⁽³⁾	5.91	46.8	(40.8)	558	2,463		2,436	1.0	7.1	6.8	6.7	4.4	4.0	9.4	0.5	--	11.0	
Build-A-Bear Workshop	3.24	36.2	(18.0)	48	33		334	0.1	4.9	2.1	1.7	NM	23.1	NA	NM	--	(16.7)	
Town Sports Fitness ⁽⁴⁾	1.62	16.9	(74.7)	43	213		459	0.5	4.2	4.7	4.7	NM	NM	NA	NM	--	NM	
Entertainment (Book/Video/Music/Toy/Hobby)							Mean	2.8 x	9.7 x	8.6 x	7.7 x	19.0 x	19.0 x	14.6 %	1.1 x	NM %	(2.8) %	
							Median	0.7	6.0	5.8	5.7	19.0	23.1	14.6	1.1	NM	(2.8)	

Source: CapitalIQ and public filings. Forward estimates represent mean aggregate consensus estimates from ThomsonOne.

Note: LTM balance sheet, cash flow and income statement items do not reflect pro forma adjustments for post close acquisitions and divestitures.

(a) Enterprise value represents equity value plus book value of total debt, preferred stock and minority interest less cash.

(b) Dividend yield represents annualized dividend per share divided by current share price.

(c) Return on Equity is defined as LFY Earnings from Continuing Operations divided by Average Total Equity.

(1) In June 2018, Vintage Capital announced the acquisition of Rent-A-Center for

~\$1.4 billion. Transaction terminated December 2018.

(2) In June 2019, Transform Holdco (New Sears) announced that they had entered into a definitive merger agreement with Sears Hometown and Outlet to acquire its outstanding shares not owned by ESL Investments for a price of \$3.25 per share. In August 2019, Transform Holdco (New Sears) entered into a definitive agreement with Liberty Tax to divest the Outlets segment.

In August 2019, Party City announced the divestiture of its Canadian retail and wholesale business, which includes 65 locations, to Canadian Tire for C\$174m (9.9x LTM EBITDA of these 65 stores)

(4) In April 2018, Town Sports Fitness closed the acquisition of Total Woman Gym and Spa for \$8 million.

HARDLINES (SPECIALTY) – OPERATING ANALYSIS

Company Name	Store Count	Comp Store Sales				LTM EBITDA	Operating Efficiency							Credit Statistics						
		LFY	Q(-1)	Q(-2)	Gross Margin		EBITDAR Margin	EBITDA Margin	EBIT Margin	CapEx / Sales	(a) EBITDA - CapEx / Sales	(a) Credit Rating	(b) Debt / EBITDA	Net Debt / EBITDA	Adj. Debt / EBITDAR	(c) EBITDA-Capex / Int.				
Williams-Sonoma	623	3.7	6.5	3.5 %	\$654	36.7 %	16.0 %	11.3 %	8.0 %	3.2 %	8.0 %	--	0.6 x	0.4 x	2.2 x	52.8 x				
Aaron's	1,171	(1.5)	0.1	0.7	616	48.8	18.7	15.7	13.4	2.4	13.3	--	0.6	0.4	1.4	29.7				
Restoration Hardware	85	4.0	NA	5.0	433	40.5	20.2	16.6	13.5	4.6	12.0	--	3.5	3.5	4.0	3.4				
Michaels	1,262	0.8	0.3	(2.9)	747	38.2	22.4	14.4	12.5	2.6	11.8	BB-	3.6	3.4	4.5	4.0				
Rent-A-Center	3,634	4.7	5.8	6.8	217	62.4	15.9	8.2	5.7	0.7	7.5	BB-	2.5	0.9	4.2	4.9				
Bed Bath & Beyond	1,534	(1.1)	(6.7)	(6.6)	496	32.4	9.2	4.3	1.3	2.3	1.9	BB+	3.0	1.0	4.6	3.3				
Sleep Number	594	3.0	8.0	5.0	165	61.0	15.5	10.3	6.4	3.6	6.7	--	1.7	1.7	3.1	11.0				
At Home	204	2.7	(0.4)	(0.8)	160	30.8	21.9	12.6	7.9	26.7	(14.1)	B+	3.9	3.8	4.8	NM				
Ethan Allen Interiors ⁽¹⁾	300	(2.7)	(5.2)	0.4	74	55.1	14.2	9.9	7.3	1.2	8.7	--	0.0	NM	1.8	NM				
Haverty Furniture	120	0.3	(3.1)	(2.0)	62	54.6	11.4	7.7	4.6	1.8	5.9	--	--	NM	1.9	30.9				
The Lovesac Company	80	43.8	40.7	43.5	(4)	53.2	8.2	(1.9)	(3.9)	4.5	(6.4)	--	--	12.0	7.4	NM				
The Container Store	92	3.5	7.8	8.5	86	58.2	19.6	9.4	5.9	4.2	5.3	B	3.4	3.2	4.7	1.9				
Bassett Furniture Industries	104	(1.6)	(6.5)	(14.8)	21	60.5	13.2	4.7	1.7	3.6	1.1	--	--	NM	3.9	85.0				
Pier 1 Imports	951	(11.0)	(12.6)	(13.5)	(160)	25.4	5.4	(11.1)	(15.1)	1.2	(12.2)	CCC-	NM	NM	22.2	NM				
Kirkland's	431	(1.3)	(11.2)	(10.7)	15	29.6	11.3	2.4	(2.3)	3.1	(0.6)	--	--	NM	4.7	NM				
Home Furnishings and Décor					Mean	45.8 %	14.9 %	7.6 %	4.5 %	4.4 %	3.3 %		1.6 x	3.0 x	5.0 x	22.7 x				
					Median	48.8	15.5	9.4	5.9	3.1	5.9		1.1	2.5	4.2	7.9				
The Home Depot ⁽²⁾	2,291	5.2	3.0	2.5 %	\$18,185	34.2 %	17.5 %	16.5 %	14.5 %	2.4 %	14.2 %	A	1.6 x	1.4 x	1.8 x	14.1 x				
Lowe's Companies	2,003	2.4	2.3	3.5	7,409	31.5	11.2	10.3	8.4	1.6	8.7	BBB+	2.4	2.1	2.6	9.2				
Sherwin-Williams	4,716	5.1	4.3	3.6	2,602	43.0	17.8	14.7	11.4	1.6	13.1	BBB	3.6	3.6	4.1	6.4				
Tractor Supply Company	1,790	5.1	3.2	5.0	910	34.2	15.4	11.1	8.8	3.0	8.1	--	0.6	0.5	2.1	35.0				
Floor and Décor	106	9.2	3.0	3.1	206	41.6	16.5	11.0	7.7	8.9	2.2	BB-	0.7	0.4	2.5	4.0				
Lumber Liquidators	415	2.6	0.0	(0.8)	36	35.9	6.4	3.3	2.1	1.5	1.7	--	2.5	2.1	4.2	10.6				
Tile Shop	140	(0.6)	(4.2)	(4.2)	39	70.3	21.8	11.2	2.6	7.9	3.3	--	1.6	1.5	3.7	3.4				
Sears Hometown and Outlet	438	(4.6)	(21.7)	(8.9)	(7)	23.9	2.3	(0.6)	(1.5)	0.4	(1.0)	--	NM	NM	11.6	NM				
Home Improvement					Mean	39.3 %	13.6 %	9.7 %	6.8 %	3.4 %	6.3 %		1.9 x	1.7 x	4.1 x	11.8 x				
					Median	35.1	16.0	11.1	8.0	2.0	5.7		1.6	1.5	3.2	9.2				
Planet Fitness	1,859	10.2	8.8	10.2 %	\$254	55.1 %	47.3 %	42.6 %	36.1 %	8.7 %	34.0 %	--	4.6 x	3.3 x	4.7 x	3.3 x				
Party City	963	(0.7)	(2.1)	(1.4)	346	24.5	25.3	14.2	10.9	3.0	11.2	--	5.6	5.5	5.8	2.3				
Build-A-Bear Workshop ⁽³⁾	360				7	43.4	16.1	2.0	(2.4)	2.7	(0.7)	--	--	NM	5.3	NM				
Town Sports Fitness	190	1.6	(3.4)	(1.8)	50	68.6	41.6	10.9	2.6	3.3	7.7	B-	4.0	3.4	5.5	2.6				
Entertainment (Book/Video/Music/Toy/Hobby)					Mean	47.9 %	32.6 %	17.4 %	11.8 %	4.4 %	13.0 %		3.6 x	4.1 x	5.3 x	2.7 x				
					Median	49.2	33.5	12.6	6.7	3.1	9.5		4.3	3.4	5.4	2.6				

Source: CapitalIQ and public filings. Forward estimates represent mean aggregate consensus estimates from ThomsonOne.

Note: LTM balance sheet, cash flow and income statement items do not reflect pro forma adjustments for post close acquisitions and divestitures.

(a) Excludes business acquisitions where applicable and available.

(b) S&P Credit Rating.

(c) Debt adjusted for the capitalization of operating leases at 6.0x rent expense.

(1) Ethan Allen SSS% for design center orders.

(2) The Home Depot SSS% for domestic segment.

(3) Build-A-Bear Workshop SSS% for domestic segment.

HARDLINES (SPECIALTY) – TRADING ANALYSIS (CONT.)

Company Name	Share Price	% of 52	YTD %	Equity	Enterprise	(a)	LTM	EV / LTM	EV / EBITDA			P / E		LTG	P/E/G	Dividend	(b)	(c)
	10/4/2019	wk high	Change	Value	Value		Revenue	Revenue	LTM	2019E	2020E	2019E	2020E	Rate	2019E	Yield		ROE
Dick's Sporting Goods ⁽¹⁾	\$38.77	93.4 %	24.3 %	\$3,504	\$3,829		\$8,529	0.4 x	5.6 x	5.7 x	5.6 x	11.2 x	11.1 x	5.4 %	2.1 x	2.8		16.8 %
Hibbett Sports ⁽²⁾	22.41	88.8	56.7	395	316		1,119	0.3	3.8	3.8	3.9	10.1	10.0	10.9	0.9	--		8.1
Sportsman's Warehouse ⁽¹⁾	5.31	79.3	21.1	229	397		852	0.5	6.9	6.5	6.0	9.5	8.8	NA	NM	--		32.2
Big 5 Sporting Goods	2.14	39.1	(17.4)	45	108		1,000	0.1	4.9	NM	NM	NM	NM	NA	NM	9.3		(0.2)
Sporting Goods							Mean	0.3 x	5.3 x	5.3 x	5.2 x	10.3 x	10.0 x	8.1 %	1.5 x	6.1 %		14.2 %
							Median	0.4	5.3	5.7	5.6	10.1	10.0	8.1	1.5	6.1		12.4
Central Garden & Pet Company	\$29.55	72.8 %	(14.2) %	\$1,632	\$1,880		\$2,345	0.8 x	8.9 x	8.6 x	8.1 x	15.9 x	15.3 x	7.8 %	2.0 x	--		11.4 %
Office Depot	1.69	44.2	(34.5)	923	1,934		10,913	0.2	3.9	3.7	3.7	4.8	4.6	11.1	0.4	5.9		1.5
Office / Pet																		
O'Reilly Automotive	\$390.62	94.2 %	13.4 %	\$29,887	\$33,615		\$9,798	3.4 x	15.8 x	15.3 x	14.5 x	21.1 x	20.0 x	13.9 %	1.5 x	--		NM %
AutoZone ⁽³⁾	1,060.33	89.4	26.5	25,488	30,518		11,864	2.6	12.0	11.9	11.5	16.2	15.9	10.1	1.6	--		NM
Advance Auto Parts	159.94	85.9	1.6	11,352	11,351		9,664	1.2	12.0	11.2	10.3	18.8	17.7	14.0	1.3	0.2		11.9
Monro Inc.	77.04	85.9	12.1	2,560	2,998		1,221	2.5	15.4	14.5	13.2	28.0	26.1	18.0	1.6	1.1		12.0
Automotive Parts/Service							Mean	2.4 x	13.8 x	13.3 x	12.4 x	21.0 x	19.9 x	14.0 %	1.5 x	0.6 %		12.0 %
							Median	2.5	13.7	13.2	12.3	20.0	18.8	13.9	1.5	0.6		12.0
CarMax	\$85.60	93.0 %	36.5 %	\$14,075	\$28,930		\$20,222	1.4 x	20.2 x	20.6 x	18.9 x	15.6 x	15.3 x	11.0 %	1.4 x	--		24.9 %
AutoNation	48.15	91.6	34.9	4,289	10,409		21,087	0.5	11.1	10.8	11.2	10.5	10.3	0.3	33.3	--		14.8
Penske Automotive Group	44.10	89.5	9.4	3,620	9,610		22,418	0.4	13.0	11.8	11.3	8.1	7.8	5.6	1.5	3.6		17.1
Lithia Motors	126.18	90.7	65.3	2,929	6,358		12,137	0.5	11.5	12.8	12.0	10.9	10.3	17.9	0.6	1.0		22.3
Asbury Automotive Group	97.13	92.9	45.7	1,879	3,789		7,016	0.5	10.4	11.6	11.3	10.4	10.1	16.8	0.6	--		35.9
Group 1 Automotive	86.57	91.8	64.2	1,546	4,440		11,612	0.4	9.7	11.4	11.0	8.2	8.3	5.9	1.4	1.3		13.1
Sonic Automotive	28.89	88.4	110.0	1,246	3,572		10,048	0.4	10.4	12.2	11.7	13.0	12.0	(0.1)	NM	1.4		12.8
America's Car-Mart	86.18	82.8	19.0	574	735		677	1.1	9.4	9.6	8.9	11.1	10.5	7.5	1.5	--		20.4
Automotive ^(d)							Mean	0.7 x	12.0 x	12.6 x	12.0 x	11.0 x	10.6 x	8.1 %	5.8 x	1.8 %		20.2 %
							Median	0.5	10.8	11.7	11.3	10.7	10.3	6.7	1.4	1.3		18.8
Ulta	\$250.60	67.9 %	2.4 %	\$14,748	\$14,420		\$7,094	2.0 x	12.2 x	12.0 x	11.0 x	20.0 x	18.6 x	17.4 %	1.1 x	--		38.3 %
Sally Beauty	14.90	63.1	(12.6)	1,790	3,342		3,876	0.9	5.9	5.9	6.0	6.9	6.8	3.8	1.8	--		NM
Regis	20.46	97.5	20.7	738	787		1,069	0.7	20.9	9.9	9.8	27.8	22.7	NA	NA	--		(5.0)
Beauty							Mean	1.2 x	13.0 x	9.3 x	8.9 x	18.2 x	16.1 x	10.6 %	1.5 x	--		16.7 %
							Median	0.9	12.2	9.9	9.8	20.0	18.6	10.6	1.5	--		16.7

Source: CapitalIQ and public filings. Forward estimates represent mean aggregate consensus estimates from ThomsonOne.

Note: LTM balance sheet, cash flow and income statement items do not reflect pro forma adjustments for post close acquisitions and divestitures.

(a) Enterprise value represents equity value plus book value of total debt, preferred stock and minority interest less cash.

(b) Dividend yield represents annualized dividend per share divided by current share price.

(c) Return on Equity is defined as LFY Earnings from Continuing Operations divided by Average Total Equity.

(d) Enterprise value adjusted to exclude floor plan financing.

(1) In October 2019, Dick's announced the divestiture of 8 Field & Stream locations to Sportsman's Warehouse Holdings for \$28 million.

(2) In October 2018, Hibbett announced the acquisition of City G.e.a.r. for up to \$113 million.

(3) In February 2018, Autozone announced the divestiture of its AutoAnything division to Kingswood Capital Management.

HARDLINES (SPECIALTY) – OPERATING ANALYSIS (CONT.)

Company Name	Store Count	Comp Store Sales				LTM EBITDA	Operating Efficiency						Credit Statistics														
		LFY	Q(-1)	Q(-2)	%		Gross Margin	EBITDAR Margin	EBITDA Margin	EBIT Margin	CapEx / Sales	(a) EBITDA - CapEx / Sales	(a) Credit Rating	(b) Debt / EBITDA	Net Debt / EBITDA	Adj. Debt / EBITDAR	(c) EBITDA-Capex / Int.										
Dick's Sporting Goods	857	(3.1)	3.2	0.0	%	\$679	28.8	%	14.3	%	8.0	%	5.0	%	2.5	%	--	0.7	x	0.5	x	3.0	x	35.4	x		
Hibbett Sports	1,100	2.2	0.3	5.1		83	32.5		13.4		7.5		4.8		1.4		6.1		NM		2.8		95.0				
Sportsman's Warehouse	94	1.5	1.7	(5.7)		57	33.4		13.1		6.7		4.6		2.6		4.1		3.0		2.9		4.4				
Big 5 Sporting Goods	434	(2.7)	0.7	4.6		22	30.2		10.1		2.2		0.4		1.4		0.8		3.2		2.9		5.4				
Sporting Goods						Mean	31.2	%	12.7	%	6.1	%	3.7	%	2.0	%	4.1	%	1.7	x	2.1	x	3.9	x	34.1	x	
						Median	31.3		13.3		7.1		4.7		2.0		4.8		1.8		2.9		3.7				
Central Garden & Pet Company					%	\$212	30.0	%	10.6	%	9.0	%	6.9	%	1.4	%	7.7	%	BB		3.3	x	1.2	x	3.7	x	
Office Depot	1,320	(4.0)	(4.0)	(4.0)		496	23.0		8.6		4.5		3.2		1.9		2.7		B		2.9		2.0		4.4		
Office / Pet																											
O'Reilly Automotive	5,344	3.8	3.4	3.2	%	\$2,128	53.0	%	25.0	%	21.7	%	19.1	%	5.9	%	15.8	%	BBB		1.8	x	1.8	x	2.3	x	
AutoZone ⁽¹⁾	5,772	3.0	3.0	3.9		2,551	53.7		24.3		21.5		18.7		4.4		17.1		BBB		2.0		2.0		2.5		
Advance Auto Parts	5,062	2.3	1.6	2.7		949	44.0		15.6		9.8		7.4		2.5		7.3		BBB-		0.8		NM		2.7		
Monro Inc.	1,349	0.4	0.8	(5.7)		194	39.0		18.6		15.9		11.2		3.8		12.0		--		2.3		2.3		2.8		
Automotive Parts/Service						Mean	47.4	%	20.9	%	17.2	%	14.1	%	4.2	%	13.1	%	1.7	x	2.0	x	2.6	x	10.6	x	
						Median	48.5		21.5		18.7		14.9		4.1		13.9		1.9		2.0		2.6		11.4		
CarMax ⁽²⁾	209	1.9	6.3	%	9.4	%	\$1,434	15.1	%	9.1	%	7.1	%	6.1	%	1.5	%	5.6	%	--		10.4	x	10.4	x	9.4	x
AutoNation ⁽³⁾	325	0.5	(2.5)	(4.7)		936	16.3		4.8		4.4		3.6		1.5		2.9		BBB-		6.6		6.5		6.6		
Penske Automotive Group	334	1.6	(2.1)	(1.4)		737	15.1		4.8		3.3		2.8		1.4		1.9		BB		8.2		8.1		7.5		
Lithia Motors ⁽⁴⁾	182	1.2	5.8	3.2		554	15.3		5.6		4.6		3.9		1.2		3.4		BB+		6.3		6.2		6.2		
Asbury Automotive Group ⁽⁵⁾	105	4.0	2.0	1.0		363	16.2		5.6		5.2		4.7		0.6		4.6		BB+		5.3		5.3		5.3		
Group 1 Automotive ⁽⁶⁾	239	(0.7)	6.1	(1.0)		457	15.1		5.0		3.9		3.3		0.8		3.1		BB+		6.4		6.3		6.3		
Sonic Automotive ⁽⁷⁾	100	(1.9)	2.6	(4.6)		342	14.6		4.3		3.4		2.5		0.3		3.1		BB-		7.1		6.8		6.9		
America's Car-Mart	144	8.4	3.3	2.9		79	48.5		12.7		11.6		11.0		0.6		11.0		--		2.1		2.0		2.4		
Automotive						Mean	19.5	%	6.5	%	5.4	%	4.7	%	1.0	%	4.4	%	6.5	x	6.5	x	6.3	x	5.0	x	
						Median	15.2		5.3		4.5		3.8		1.0		3.3		6.5		6.4		6.4		3.0		
Ulta	1,213	8.1	6.2	%	7.0	%	\$1,182	38.2	%	20.6	%	16.7	%	12.6	%	4.6	%	12.0	%	--		--	x	NM	x	1.1	x
Sally Beauty	5,089	(1.5)	0.1	(0.5)		563	49.3		20.9		14.5		11.8		2.3		12.2		BB-		2.9		2.8		3.8		
Regis	7,145	(0.4)	(0.1)	(2.5)		38	32.4		12.4		3.5		0.4		3.0		0.6		--		3.2		1.3		5.2		
Beauty						Mean	39.9	%	17.9	%	11.6	%	8.3	%	3.3	%	8.3	%	2.0	x	2.0	x	3.4	x	3.0	x	
						Median	38.2		20.6		14.5		11.8		3.0		12.0		2.9		2.0		3.8		3.0		

Source: CapitalIQ and public filings. Forward estimates represent mean aggregate consensus estimates from ThomsonOne.

Note: LTM balance sheet, cash flow and income statement items do not reflect pro forma adjustments for post close acquisitions and divestitures.

(a) Excludes business acquisitions where applicable and available.

(b) S&P Credit Rating.

(c) Debt adjusted for the capitalization of operating leases at 6.0x rent expense.

(1) AutoZone SSS% for domestic segment.

(2) CarMax SSS% for used vehicle units.

(3) AutoNation SSS% for retail used vehicle sales.

(4) Lithia Motors SSS% for new vehicle sales.

(5) Asbury Automotive Group SSS% for new vehicle sales.

(6) Group 1 Automotive SSS% for U.S. new vehicle sales.

(7) Sonic Automotive SSS% for new vehicle sales.

HARDLINES (SPECIALTY) – TRADING ANALYSIS (CONT.)

Company Name	Share Price	% of 52	YTD %	Equity	Enterprise	(a)	LTM	EV / LTM	EV / EBITDA			P / E		LTG	P/E/G	Dividend	(b)	(c)
	10/4/2019	wk high	Change	Value	Value		Revenue	Revenue	LTM	2019E	2020E	2019E	2020E	Rate	2019E	Yield		ROE
Best Buy	\$66.89	85.2 %	26.3 %	\$17,630	\$17,170		\$43,069	0.4 x	6.0 x	6.0 x	5.9 x	11.5 x	11.1 x	7.8 %	1.5 x	3.0 %		46.8 %
Conns	24.95	71.5	32.3	721	1,662		1,561	1.1	11.0	7.5	6.9	8.8	7.9	23.0	0.4	--		13.9
GameStop	5.55	32.8	(56.0)	502	497		7,832	0.1	1.6	1.8	1.9	4.7	4.7	(75.9)	NM	--		NM
Electronics							Mean	0.5 x	6.2 x	5.1 x	4.9 x	8.3 x	7.9 x	(15.0) %	0.9 x	3.0 %		30.3 %
							Median	0.4	6.0	6.0	5.9	8.8	7.9	7.8	0.9	3.0		30.3
Harley-Davidson	\$35.37	79.1 %	3.7 %	\$5,477	\$12,380		\$5,479	2.3 x	13.9 x	12.6 x	12.2 x	10.3 x	9.7 x	9.0 %	1.1 x	4.2 %		21.5 %
Polaris	86.46	83.8	12.8	5,285	7,095		6,637	1.1	9.8	8.8	8.2	13.6	12.8	13.5	1.0	2.8		35.4
Fox Factory	60.21	69.3	2.3	2,314	2,367		686	3.4	19.6	16.2	14.5	22.1	20.5	14.4	1.5	--		25.9
Powersports							Mean	2.3 x	14.4 x	12.5 x	11.6 x	15.4 x	14.3 x	12.3 %	1.2 x	3.5 %		27.6 %
							Median	2.3	13.9	12.6	12.2	13.6	12.8	13.5	1.1	3.5		25.9
Acushnet	\$26.10	90.9 %	23.9 %	\$1,967	\$2,369		\$1,610	1.5 x	12.5 x	10.0 x	9.6 x	16.0 x	15.8 x	5.0 %	3.2 x	2.1 %		10.1 %
Callaway Golf ⁽¹⁾	18.75	76.9	22.5	1,764	2,334		1,406	1.7	17.8	11.1	10.2	15.9	15.2	25.0	0.6	0.2		7.8
Johnson Outdoors	58.44	63.6	(0.5)	583	434		550	0.8	6.2	6.1	NM	13.3	13.7	13.0	1.0	1.2		14.1
Vista Outdoor	5.86	35.1	(48.4)	338	1,066		1,989	0.5	12.1	8.9	9.5	30.8	20.2	NA	NM	--		NM
Escalade Inc.	10.92	84.0	(4.6)	158	161		183	0.9	9.5	NM	NM	NM	NM	NA	NM	4.6		7.4
Nautilus	1.33	9.6	(87.8)	40	52		350	0.1	NM	NM	11.2	NM	NM	15.0	NM	--		NM
Sports Equipment							Mean	0.9 x	11.6 x	9.0 x	10.1 x	19.0 x	16.2 x	14.5 %	1.6 x	2.0 %		9.8 %
							Median	0.8	12.1	9.4	9.9	16.0	15.5	14.0	1.0	1.7		9.0
National Vision	\$23.92	52.1 %	(15.1) %	\$1,858	\$2,373		\$1,634	1.5 x	17.2 x	12.6 x	11.1 x	31.5 x	29.8 x	14.7 %	2.1 x	-- %		1.9 %
Winmark Corporation	178.30	91.5	12.1	674	711		72	9.9	17.0	NM	NM	NM	NM	NA	NM	0.6		NM
MarineMax	14.96	57.3	(18.3)	324	542		1,238	0.4	7.3	6.9	6.7	8.5	8.3	30.0	0.3	--		11.5
Camping World	8.60	36.4	(25.0)	321	2,250		4,831	0.5	9.2	10.1	9.0	8.7	7.4	10.0	0.9	7.1		1.0
Other Hardlines							Mean	3.1 x	12.6 x	9.9 x	9.0 x	16.2 x	15.2 x	18.2 %	1.1 x	3.8 %		4.8 %
							Median	1.0	13.1	10.1	9.0	8.7	8.3	14.7	0.9	3.8		1.9

Source: CapitalIQ and public filings. Forward estimates represent mean aggregate consensus estimates from ThomsonOne.

Note: LTM balance sheet, cash flow and income statement items do not reflect pro forma adjustments for post close acquisitions and divestitures.

(a) Enterprise value represents equity value plus book value of total debt, preferred stock and minority interest less cash.

(b) Dividend yield represents annualized dividend per share divided by current share price.

(c) Return on Equity is defined as LFY Earnings from Continuing Operations divided by Average Total Equity.

(1) In January 2019, Callaway closed the acquisition of Jack Wolfskin for \$476 million.

HARDLINES (SPECIALTY) – OPERATING ANALYSIS (CONT.)

Company Name	Store Count	Comp Store Sales				LTM EBITDA	Operating Efficiency						Credit Statistics					
		LFY	Q(-1)	Q(-2)	Gross Margin		EBITDAR Margin	EBITDA Margin	EBIT Margin	CapEx / Sales	(a) EBITDA - CapEx / Sales	(a) Credit Rating	(b) Debt / EBITDA	Net Debt / EBITDA	Adj. Debt / EBITDAR	(c) EBITDA-Capex / Int.		
Best Buy Co. ⁽¹⁾	1,241	4.8 %	1.6 %	1.1 %	\$2,839	23.4 %	8.4 %	6.6 %	4.7 %	1.9 %	4.7 %	BBB	0.4 x	NM x	1.6 x	29.1 x		
Conns ⁽²⁾	133	(2.2)	(2.3)	(8.2)	151	29.1	14.1	9.7	7.5	3.5	6.2	B	6.3	NM	6.2	NM		
GameStop	5,700	1.8	(11.6)	(10.2)	320	27.8	8.4	4.1	3.0	1.2	2.9	BB-	1.3	NM	3.7	4.4		
Electronics					Mean	26.7 %	10.3 %	6.8 %	5.1 %	2.2 %	4.6 %		2.7 x	NM x	3.8 x	16.8 x		
					Median	27.8	8.4	6.6	4.7	1.9	4.7		1.3	NM	3.7	16.8		
Harley-Davidson					\$890	31.2 %	16.7 %	16.2 %	12.1 %	4.2 %	12.1 %	BBB+	8.4 x	7.8 x	8.3 x	21.4 x		
Polaris					726	25.1	11.6	10.9	7.6	3.9	7.1	--	2.6	2.5	2.8	5.8		
Fox Factory					121	32.7	18.6	17.6	15.4	5.5	12.1	--	0.6	0.3	0.9	25.5		
PowerSports					Mean	29.7 %	15.6 %	14.9 %	11.7 %	4.5 %	10.4 %		3.9 x	3.5 x	4.0 x	17.6 x		
					Median	31.2	16.7	16.2	12.1	4.2	12.1		2.6	2.5	2.8	21.4		
Acushnet					\$189	51.7 %	12.7 %	11.7 %	9.7 %	1.8 %	9.9 %	--	2.2 x	2.0 x	2.5 x	7.9 x		
Callaway Golf					131	45.6	10.9	9.3	7.4	3.1	6.2	BB-	5.0	4.4	5.1	3.9		
Johnson Outdoors					70	44.2	14.3	12.7	10.9	3.0	9.7	--	--	NM	0.6	NM		
Vista Outdoor					88	20.0	5.6	4.4	0.8	2.1	2.4	B	8.6	8.2	8.0	0.9		
Escalade Inc.					17	25.2	9.8	9.3	7.1	1.8	7.5	--	0.4	0.2	0.7	50.4		
Nautilus					(3)	40.8	0.5	(0.8)	(3.6)	2.9	(3.7)	--	NM	NM	27.5	NM		
Sports Equipment					Mean	37.9 %	9.0 %	7.8 %	5.4 %	2.4 %	5.3 %		3.2 x	3.7 x	7.4 x	15.8 x		
					Median	42.5	10.3	9.3	7.2	2.5	6.9		2.2	3.2	3.8	5.9		
National Vision	1,128	6.7 %	4.4 %	6.2 %	\$138	52.8 %	14.3 %	8.5 %	3.5 %	6.6 %	1.8 %	--	4.3 x	3.7 x	5.0 x	0.8 x		
Winmark Corporation	1,249				42	93.8	59.9	58.2	57.7	22.9	35.3	--	0.9	0.9	1.1	12.8		
MarineMax	67	10.0	3.0	12.0	75	25.4	6.8	6.0	5.1	1.3	4.7	--	3.9	2.9	4.1	5.6		
Camping World	225	(3.2)	(6.3)	(11.0)	246	28.1	7.6	5.1	3.9	1.6	3.5	--	8.3	7.9	7.6	1.5		
Other Hardlines					Mean	50.0 %	22.1 %	19.4 %	17.6 %	8.1 %	11.3 %		4.4 x	3.9 x	4.4 x	5.2 x		
					Median	40.5	10.9	7.2	4.5	4.1	4.1		4.1	3.3	4.6	3.5		

Source: CapitalIQ and public filings. Forward estimates represent mean aggregate consensus estimates from ThomsonOne.

Note: LTM balance sheet, cash flow and income statement items do not reflect pro forma adjustments for post close acquisitions and divestitures.

(a) Excludes business acquisitions where applicable and available.

(b) S&P Credit Rating.

(c) Debt adjusted for the capitalization of operating leases at 6.0x rent expense.

(1) Best Buy SSS% for domestic segment.

(2) Conns SSS% for product sales.

OTHER – TRADING ANALYSIS

	Share Price	% of 52	YTD %	Equity	Enterprise	(a)	LTM	EV / LTM	EV / EBITDA			P / E		LTG	P/E/G	Dividend	(b)	(c)
Company Name	10/4/2019	wk high	Change	Value	Value		Revenue	Revenue	LTM	2019E	2020E	2019E	2020E	Rate	2019E	Yield		ROE
Tiffany & Co.	\$88.06	70.6 %	9.4 %	\$10,638	\$10,989		\$4,385	2.5 x	11.3 x	10.5 x	9.8 x	17.7 x	16.9 x	8.2 %	2.2 x	2.6 %		17.9 %
Signet Jewelers	16.25	25.6	(48.9)	849	1,876		6,165	0.3	4.2	4.3	4.3	6.2	5.4	8.0	0.8	9.1		(9.9)
Jewelry																		
CVS Caremark ⁽¹⁾	\$62.24	75.8 %	(5.0) %	\$80,943	\$144,016		\$226,053	0.6 x	9.7 x	8.3 x	8.0 x	8.9 x	8.6 x	4.2 %	2.1 x	3.2 %		8.9 %
Walgreens Boots Alliance ⁽²⁾	52.97	61.4	(22.5)	47,840	65,249		136,354	0.5	9.0	7.5	7.5	9.0	8.8	9.0	1.0	3.5		18.0
Rite Aid	7.59	27.9	(46.4)	408	4,127		21,569	0.2	10.0	7.9	7.9	31.9	NM	(10.9)	NM	--		(37.3)
Drug Stores							Mean	0.4 x	9.6 x	7.9 x	7.8 x	16.6 x	8.7 x	0.7 %	1.6 x	3.3 %		(3.5) %
							Median	0.5	9.7	7.9	7.9	9.0	8.7	4.2	1.6	3.3		8.9
Casey's General Stores	\$163.35	94.3 %	27.5 %	\$6,008	\$7,284		\$8,386	0.9 x	12.4 x	12.1 x	10.8 x	25.2 x	23.8 x	10.4 %	2.4 x	3.7 %		15.7 %
Murphy USA	86.74	91.6	13.2	2,773	3,449		12,315	0.3	8.5	9.3	8.7	20.3	18.0	4.5	4.5	--		21.4
TravelCenters of America ⁽³⁾	12.00	44.9	(36.2)	97	394		6,217	0.1	3.9	3.6	2.9	NM	21.8	NA	NM	--		(3.2)
Convenience Stores							Mean	0.4 x	8.3 x	8.3 x	7.5 x	22.7 x	21.2 x	7.5 %	3.5 x	3.7 %		11.3 %
							Median	0.3	8.5	9.3	8.7	22.7	21.8	7.5	3.5	3.7		15.7
GNC	\$2.20	47.3 %	(7.2) %	\$186	\$1,165		\$2,227	0.5 x	5.7 x	6.4 x	6.3 x	6.2 x	7.3 x	19.0 %	0.3 x	-- %		NM %
Vitamin Shoppe ⁽⁴⁾	6.54	62.8	38.0	155	198		1,079	0.2	3.2	3.2	3.3	12.3	12.2	28.0	0.4	--		(0.8)
Health & Wellness																		

Source: CapitalIQ and public filings. Forward estimates represent mean aggregate consensus estimates from ThomsonOne.

Note: LTM balance sheet, cash flow and income statement items do not reflect pro forma adjustments for post close acquisitions and divestitures.

Note: Figures listed in USD. Based on average conversion rates for income statement items and spot rates for balance sheet and share price, where applicable.

(a) Enterprise value represents equity value plus book value of total debt, preferred stock and minority interest less cash.

(b) Dividend yield represents annualized dividend per share divided by current share price.

(c) Return on Equity is defined as LFY Earnings from Continuing Operations divided by Average Total Equity.

(1) In September 2019, the Justice Department approved CVS's acquisition of Aetna. In November 2018, CVS closed the acquisition of Aetna for ~\$69 billion (11.5x EV / EBITDA).

(2) In September 2018, Walgreens announced the acquisition of 185 Fred's pharmacies for \$165 million.

(3) In December 2018, TravelCenters of America closed the divestiture of 225 standalone convenience stores to EG Group Limited for \$330.8 million.

(4) In August 2019, Liberty Tax announced the acquisition of Vitamin Shoppe for \$208 million (\$6.50 per share).

OTHER – OPERATING ANALYSIS

Company Name	Store Count	Comp Store Sales			LTM EBITDA	Operating Efficiency						Credit Statistics					
		LFY	Q(-1)	Q(-2)		Gross Margin	EBITDAR Margin	EBITDA Margin	EBIT Margin	CapEx / Sales	(a) EBITDA - CapEx / Sales	(a) Credit Rating	(b) Debt / EBITDA	Net Debt / EBITDA	Adj. Debt / EBITDAR	(c) EBITDA-Capex / Int.	
Tiffany & Co.	322	4.0 %	(4.0) %	(5.0) %	\$971	62.7 %	31.7 %	22.2 %	16.6 %	6.9 %	15.3 %	BBB+	1.0 x	0.3 x	2.5 x	16.6 x	
Signet Jewelers	3,300	(0.1)	(1.5)	(1.3)	446	36.2	15.5	7.2	4.5	2.1	5.1	BB-	1.5	0.9	3.9	7.8	
Jewelry																	
CVS Caremark ⁽¹⁾	9,900	0.5	2.9 %	0.4 %	\$14,830	17.1 %	7.9 %	6.6 %	5.0 %	1.1 %	5.5 %	BBB	4.8 x	4.2 x	5.0 x	4.2 x	
Walgreens Boots Alliance ⁽²⁾	18,500	1.5	1.1	0.0	7,226	22.3	7.9	5.3	4.0	1.2	4.1	BBB	2.4	2.3	3.6	8.6	
Rite Aid	2,466	0.6	1.4	0.7	478	21.4	5.1	2.2	0.6	0.9	1.3	B-	7.6	7.2	6.7	1.3	
Drug Stores					Mean	21.4 %	4.8 %	2.1 %	0.4 %	0.9 %	1.1 %		4.9 x	4.6 x	5.1 x	4.7 x	
					Median	21.9	6.5	3.8	2.3	1.0	2.7		4.8	4.2	5.0	4.2	
Casey's General Stores ⁽³⁾	2,161	(1.7)	(2.0) %	(2.8) %	588	23.8 %	7.0 %	7.0 %	4.1 %	4.8 %	2.3 %	--	2.3 x	2.2 x	2.3 x	3.4 x	
Murphy USA ⁽⁴⁾	1,474	(0.2)	5.7	5.4	406	4.5	3.4	3.3	2.1	1.5	1.8	BB+	2.1	1.7	2.2	4.1	
TravelCenters of America ⁽⁵⁾	301	(0.5)	2.3	2.0	100	8.4	6.3	1.6	0.2	6.9	(5.3)	--	3.2	3.0	5.3	NM	
Convenience Stores					Mean	12.2 %	5.6 %	4.0 %	2.1 %	4.4 %	(0.4) %		2.6 x	2.3 x	3.3 x	3.7 x	
					Median	8.4	6.3	3.3	2.1	4.8	1.8		2.3	2.2	2.3	3.7	
GNC	8,020	2.0 %	0.7 %	0.3 %	\$204	33.9 %	16.7 %	9.1 %	7.3 %	0.8 %	8.4 %	CCC+	4.2 x	3.8 x	5.0 x	1.4 x	
Vitamin Shoppe	765	(2.8)	(7.2)	(3.5)	63	44.4	6.1	5.8	2.0	2.3	3.5	--	0.9	0.7	1.2	8.1	
Health & Wellness																	

Source: CapitalIQ and public filings. Forward estimates represent mean aggregate consensus estimates from ThomsonOne.

Note: LTM balance sheet, cash flow and income statement items do not reflect pro forma adjustments for post close acquisitions and divestitures.

(a) Excludes business acquisitions where applicable and available.

(b) S&P Credit Rating.

(c) Debt adjusted for the capitalization of operating leases at 6.0x rent expense.

(1) CVS SSS% for front store segment.

(2) Walgreens SSS% for retail pharmacy sales.

(3) Casey's General Stores SSS% for fuel gallons.

(4) Murphy USA SSS% for fuel gallons.

(5) TravelCenters of America SSS% for consolidated same site fuel gallons. Figures consolidated for LFY and convenience store segment for last 2 quarters.

E-COMMERCE AND DIGITAL – TRADING ANALYSIS

Company Name	Share Price 10/4/2019	% of 52 wk high	YTD % Change	Equity Value	Enterprise Value	(a)	LTM Revenue	EV / LTM Revenue	EV / EBITDA			P / E		LTG Rate	P/E/G 2019E	Dividend Yield	(b)	(c)
									LTM	2019E	2020E	2019E	2020E					ROE
PayPal	\$102.79	84.6 %	22.2 %	\$120,950	\$115,034		\$16,342	7.0 x	38.5 x	24.3 x	20.3 x	32.0 x	29.4 x	21.2 %	1.5 x	-- %		16.1 %
Shopify	327.20	79.9	136.3	37,735	35,722		1,296	27.6	NM	NM	NM	NM	NM	30.0	NM	--		(4.1)
Autohome Inc.	82.15	69.6	5.0	9,725	8,145		1,119	7.3	18.2	16.4	13.4	18.6	17.2	19.8	0.9	--		28.6
58com Inc.	48.95	66.0	(9.7)	7,278	6,434		2,016	3.2	15.2	14.5	12.1	15.7	14.0	17.9	0.9	--		23.6
Stamps.com	75.91	33.5	(51.2)	1,303	1,268		589	2.2	7.3	9.2	11.9	23.9	24.2	15.0	1.6	--		17.3
Quotient Technology	7.70	54.3	(27.9)	683	590		413	1.4	39.3	13.1	10.2	NM	NM	18.0	NM	--		(8.5)
Park City Group	5.49	56.5	(8.0)	109	96		21	4.5	21.4	14.7	12.8	24.4	20.5	NA	NM	--		9.4
Autobyl	2.77	55.4	(9.2)	36	35		123	0.3	NM	NM	7.8	NM	12.9	NA	NM	--		NM
Digital Retail Technology							Mean	6.7 x	23.3 x	15.4 x	12.7 x	23.0 x	19.7 x	20.3 %	1.2 x	-- %		11.8 %
							Median	3.9	19.8	14.6	12.1	23.9	18.8	18.9	1.2	--		16.1
Amazon.com	\$1,739.65	85.5 %	15.8 %	\$860,528	\$868,264		\$252,063	3.4 x	26.2 x	20.7 x	16.5 x	67.4 x	51.6 x	41.0 %	1.6 x	-- %		27.5 %
Netflix	272.79	70.7	1.9	119,437	127,027		17,630	7.2	65.0	39.7	27.3	57.0	47.7	38.4	1.5	--		21.7
eBay	38.31	91.2	36.5	32,133	36,965		10,856	3.4	11.8	9.9	9.3	13.3	12.4	10.9	1.2	1.5		42.8
Chewy	25.86	62.6	NM	10,308	10,157		4,226	2.4	NM	NM	NM	NM	NM	85.0	NM	--		--
Wayfair	106.77	61.5	18.5	9,859	9,906		8,008	1.2	NM	NM	NM	NM	NM	NA	NM	--		NM
Etsy ⁽¹⁾	56.48	77.0	18.7	6,804	6,520		701	9.3	50.4	34.4	25.9	52.5	42.5	20.1	2.6	--		27.3
Qurate Retail Group	9.63	38.5	(50.7)	4,019	11,254		13,803	0.8	5.8	5.8	5.7	4.6	4.6	15.9	0.3	--		9.9
Yelp	33.40	69.3	(4.5)	2,372	1,960		968	2.0	33.3	8.7	7.2	15.9	15.3	18.6	0.9	--		6.6
Stitch Fix	19.61	52.0	14.7	1,993	1,679		1,578	1.1	44.4	NM	NM	NM	NM	34.2	NM	--		10.4
TheRealReal	20.14	67.0	NM	1,718	2,025		254	8.0	NM	NM	NM	NM	NM	NA	NM	--		--
Revolve Group	24.16	50.0	NM	1,664	1,619		553	2.9	33.9	29.7	20.3	39.1	32.6	12.6	3.1	--		37.1
Groupon	2.69	67.6	(15.9)	1,527	1,160		2,504	0.5	9.0	4.3	3.9	11.7	11.2	31.0	0.4	--		6.3
1-800-Flowers.com	14.59	67.0	19.3	942	866		1,249	0.7	11.4	10.1	8.7	25.4	21.5	21.0	1.2	--		10.6
Systemax	22.35	64.0	(6.4)	838	747		934	0.8	10.8	10.1	8.8	15.4	14.1	18.0	0.9	2.1		29.6
PetMed Express	18.45	55.4	(20.7)	369	286		276	1.0	7.4	7.2	9.3	15.8	13.8	1.0	15.8	5.9		24.6
Overstock.com	10.22	34.4	(24.7)	361	314		1,635	0.2	NM	NM	NM	NM	NM	NA	NM	--		NM
Blue Apron	9.02	36.7	(41.0)	118	177		552	0.3	NM	NM	14.4	NM	NM	NA	NM	--		NM
BlueStem Brands	0.48	64.0	6.7	64	398		1,710	0.2	3.7	NM	NM	NM	NM	NA	NM	--		NM
Domestic eCommerce							Mean	2.5 x	24.1 x	16.4 x	13.1 x	28.9 x	24.3 x	26.7 %	2.7 x	3.2 %		18.2 %
							Median	1.2	11.8	10.1	9.3	15.9	15.3	20.1	1.2	2.1		16.1
Priceline	\$1,983.20	95.3 %	15.1 %	\$84,310	\$86,162		\$14,749	5.8 x	15.2 x	14.7 x	13.5 x	18.6 x	17.1 x	14.5 %	1.3 x	-- %		NM %
Expedia	133.22	92.5	18.3	22,683	23,103		11,597	2.0	16.6	10.3	9.2	18.2	16.3	18.9	1.0	1.0		11.2
TripAdvisor	38.98	56.5	(27.7)	5,430	4,549		1,602	2.8	17.2	9.6	8.7	19.7	18.1	15.9	1.2	--		9.4
Travelzoo	10.54	46.1	7.2	124	109		111	1.0	8.9	8.4	7.3	21.1	17.9	NA	NM	--		38.8
Domestic Travel Marketplaces							Mean	2.9 x	14.5 x	10.8 x	9.7 x	19.4 x	17.3 x	16.5 %	1.2 x	1.0 %		19.8 %
							Median	2.4	15.9	10.0	9.0	19.1	17.5	15.9	1.2	1.0		11.2
CarGurus	30.29	58.6	(10.2)	3,379	3,232		526	6.2	NM	50.3	35.3	59.6	49.6	47.0	1.3	--		23.7
Carvana	67.81	79.7	107.3	3,375	4,353		2,861	1.5	NM	NM	NM	NM	NM	NA	NM	--		NM
RumbleON	2.60	26.4	(51.7)	60	135		628	0.2	NM	NM	NM	NM	NM	NA	NM	--		NM
U.S. Auto Parts Network	1.48	82.2	62.6	53	61		283	0.2	NM	27.0	8.1	NM	NM	NA	NM	--		(24.9)
Automotive / Powersports eCommerce							Mean	0.7 x	NM x	27.0 x	8.1 x	NM x	NM x	% NM	x	NM %		(24.9) %
							Median	0.2	NM	27.0	8.1	NM	NM	NM	NM	NM		(24.9)

Source: CapitalIQ and public filings. Forward estimates represent mean aggregate consensus estimates from ThomsonOne.

Note: LTM balance sheet, cash flow and income statement items do not reflect pro forma adjustments for post close acquisitions and divestitures.

(a) Enterprise value represents equity value plus book value of total debt, preferred stock and minority interest less cash.

(b) Dividend yield represents annualized dividend per share divided by current share price.

(c) Return on Equity is defined as LFY Earnings from Continuing Operations divided by Average Total Equity.

(1) In July 2019, Etsy announced the acquisition of Reverb for \$275 million.

E-COMMERCE AND DIGITAL – OPERATING ANALYSIS

Company Name	Store Count	Sales Growth				LTM EBITDA	Operating Efficiency						Credit Statistics					
		LFY		Q(-1)			Gross Margin	EBITDAR Margin	EBITDA Margin	EBIT Margin	CapEx / Sales	(a) EBITDA - CapEx / Sales	(a) Credit Rating	(b) Debt / EBITDA	Net Debt / EBITDA	Adj. Debt / EBITDAR	(c) EBITDA-Capex / Int.	
PayPal		18.0 %	11.6 %	12.0 %	\$2,989	44.9 %	18.9 %	18.3 %	14.6 %	4.9 %	13.4 %	BBB+	0.8 x	NM x	1.0 x	24.0 x		
Shopify		59.4	47.8	49.5	(94)	55.6	(5.2)	(7.2)	(9.0)	3.3	(10.6)	--	0.0	21.5	NM	NM		
Autohome Inc.		10.2	19.1	17.0	448	91.5	41.4	40.0	38.6	--	40.0	--	--	NM	0.2	NM		
58com Inc.		23.4	16.2	14.5	424	89.1	22.7	21.0	18.2	--	21.0	--	0.0	NM	0.4	NM		
Stamps.com		25.2	(0.6)	1.8	174	75.4	30.3	29.6	24.9	0.4	29.2	--	0.4	NM	0.6	63.3		
Quotient Technology		20.1	16.9	13.1	15	42.2	4.6	3.6	(3.2)	2.1	1.6	--	10.7	NM	9.7	0.5		
Park City Group		(4.0)	(26.0)	(5.2)	4	72.5	NM	21.2	18.8	6.8	14.4	--	1.3	NM	1.3	71.3		
Autobyl		(11.6)	(7.3)	(2.3)	(15)	18.1	(10.6)	(11.9)	(18.2)	1.2	(13.1)	--	--	0.1	NM	NM		
Digital Retail Technology					Mean	61.2 %	14.6 %	14.3 %	10.6 %	2.3 %	12.0 %		1.7 x	10.8 x	2.2 x	39.8 x		
					Median	64.0	18.9	19.7	16.4	1.6	13.9		0.2	10.8	0.8	43.6		
Amazon.com ⁽¹⁾		30.9 %	19.9 %	17.0 %	\$33,110	41.3 %	14.6 %	13.1 %	6.0 %	5.5 %	7.6 %	AA-	1.5 x	0.2 x	1.9 x	12.8 x		
Netflix		35.1	26.0	22.2	1,955	36.8	11.8	11.1	10.6	1.2	9.9	BB-	6.4	3.9	6.4	3.3		
eBay		8.3	1.8	2.4	3,141	77.4	30.0	28.9	22.6	5.8	23.1	BBB+	3.0	1.5	3.1	7.7		
Chewy		67.9	NA	NA	(236)	21.9	(4.2)	(5.6)	(6.1)	0.9	(6.5)	--	--	0.6	NM	NM		
Wayfair		43.6	41.6	38.5	(542)	23.8	(5.8)	(6.8)	(8.0)	2.7	(9.4)	--	NM	NM	NM	NM		
Etsy		36.8	36.8	40.1	129	69.3	19.1	18.4	15.3	0.7	17.8	--	2.7	NM	2.8	5.8		
Qurate Retail Group ⁽²⁾		NA	NA	NA	1,934	34.2	14.6	14.0	10.1	2.5	11.5	BB	3.9	3.7	4.0	4.2		
Yelp		10.8	5.1	5.8	59	94.0	11.5	6.1	3.2	2.0	4.1	--	--	NM	2.8	NM		
Stitch Fix		28.6	36.0	29.1	38	44.6	4.1	2.4	1.5	2.0	0.4	--	--	NM	2.5	NM		
TheRealReal		54.9	NA	NA	(82)	64.5	(27.4)	(32.4)	(35.7)	7.6	(40.0)	--	NM	0.7	NM	NM		
Revolve Group		24.8	22.8	21.2	48	53.7	9.4	8.6	8.1	2.1	6.5	--	--	NM	0.5	57.2		
Groupon		(7.3)	(13.7)	(7.7)	129	50.7	6.4	5.1	2.8	2.6	2.5	--	1.8	NM	2.6	2.8		
1-800-Flowers.com		8.4	12.8	4.1	76	42.1	7.7	6.1	3.7	2.6	3.5	--	1.3	NM	2.3	15.6		
Systemax		13.3	7.5	9.4	69	34.4	8.7	7.4	6.9	0.6	6.8	--	--	NM	0.9	NM		
PetMed Express		3.5	(8.5)	(4.1)	39	31.6	NM	14.1	13.3	0.2	13.9	--	--	NM	--	NM		
Overstock.com		4.4	(22.6)	(17.4)	(130)	19.3	(7.6)	(8.0)	(9.1)	1.6	(9.6)	--	NM	0.9	NM	NM		
Blue Apron		(24.2)	(33.6)	(27.9)	(25)	38.1	(3.0)	(4.5)	(10.7)	1.5	(6.0)	--	NM	NM	NM	NM		
BlueStem Brands		(4.9)	(13.4)	(8.3)	109	38.1	8.0	6.4	3.4	1.2	5.2	--	4.1	3.0	4.5	1.8		
Domestic eCommerce					Mean	45.3 %	5.8 %	4.7 %	2.1 %	2.4 %	2.3 %		1.8 x	1.8 x	2.6 x	12.4 x		
					Median	39.7	8.0	6.2	3.5	2.0	4.7		1.4	1.2	2.6	5.8		
Priceline		14.6 %	8.8 %	(3.1) %	\$5,666	99.3 %	39.4 %	38.4 %	35.4 %	2.8 %	35.7 %	A-	1.5 x	0.3 x	1.6 x	19.6 x		
Expedia		11.6	9.5	4.0	1,390	82.6	13.6	12.0	8.1	9.0	3.0	BBB	2.7	NM	3.1	2.1		
TripAdvisor		3.8	(2.5)	(0.5)	264	94.4	17.5	16.5	13.3	4.2	12.2	--	0.3	NM	0.6	21.8		
Travelzoo		4.5	0.4	(0.2)	12	89.6	16.2	11.1	9.8	0.4	10.7	--	--	NM	1.9	NM		
Domestic Travel Marketplaces					Mean	91.5 %	21.7 %	19.5 %	16.6 %	4.1 %	15.4 %		1.1 x	0.3 x	1.8 x	14.5 x		
					Median	92.0	16.8	14.2	11.5	3.5	11.4		0.9	0.3	1.8	19.6		
CarGurus		43.3 %	31.5 %	37.2	30	94.4	7.4	5.7	4.5	2.6	3.1	--	--	NM	1.4	NM		
Carvana		NA	NA	NA	(202)	12.0	(6.1)	(7.1)	(8.1)	5.5	(12.6)	CCC+	NM	NM	NM	NM		
RumbleON		NM	NM	NM	(32)	6.4	(4.8)	(5.1)	(5.1)	(0.0)	(5.0)	--	NM	NM	NM	NM		
U.S. Auto Parts Network		(4.6)	(4.3)	(4.7)	(5)	27.2	(1.0)	(1.6)	(3.7)	2.2	(3.8)	--	NM	NM	NM	NM		
Automotive / Powersports eCommerce					Mean	15.2 %	(4.0) %	(4.6) %	(5.7) %	2.6 %	(7.1) %		NM x	NM x	NM x	NM x		
					Median	12.0	(4.8)	(5.1)	(5.1)	2.2	(5.0)		NM	NM	NM	NM		

Source: CapitalIQ and public filings. Forward estimates represent mean aggregate consensus estimates from ThomsonOne.

Note: LTM balance sheet, cash flow and income statement items do not reflect pro forma adjustments for post close acquisitions and divestitures.

(a) Excludes business acquisitions where applicable and available.

(b) S&P Credit Rating.

(c) Debt adjusted for the capitalization of operating leases at 6.0x rent expense.

(1) Amazon store count includes 466 Whole Foods locations.

(2) In March 2018, Liberty Interactive changed its name to Qurate Retail Group.

E-COMMERCE AND DIGITAL – TRADING ANALYSIS (CONT.)

Company Name	Share Price 10/4/2019	% of 52 wk high	YTD % Change	Equity Value	Enterprise Value (a)	LTM Revenue	EV / LTM Revenue	EV / EBITDA			P / E		LTM Rate	P/E/G 2019E	Dividend Yield (b)	(c) ROE %
								LTM	2019E	2020E	2019E	2020E				
Alibaba Group	\$170.34	87.0 %	24.3 %	\$443,492	\$448,691	\$57,734	7.8 x	27.1 x	22.0 x	16.3 x	23.9 x	21.4 x	25.7 %	0.9 x	-- %	16.5 %
JD.com	28.99	89.5	38.5	42,293	38,086	71,803	0.5	38.2	21.8	15.9	34.1	24.2	53.0	0.6	--	7.2
Mercado Libre	559.22	80.0	91.0	27,799	26,112	1,802	14.5	NM	NM	NM	NM	NM	126.3	NM	--	1.3
Rakuten	9.48	77.9	39.0	12,833	15,186	10,895	1.4	8.8	7.9	11.6	NM	NM	(10.5)	NM	0.4	22.6
Zalando SE	45.46	85.5	84.0	11,303	10,214	6,426	1.6	44.0	22.5	19.0	NM	NM	30.1	NM	--	2.8
Ocado Group	15.82	89.2	62.6	11,047	11,025	2,076	5.3	NM	NM	NM	NM	NM	NA	NM	--	(35.3)
Delivery Hero	43.90	84.2	25.0	8,348	7,445	972	7.7	NM	NM	NM	NM	NM	NA	NM	--	(17.6)
Start Today ⁽¹⁾	23.27	77.3	25.0	7,105	7,133	1,112	6.4	26.0	21.9	18.2	29.8	27.4	17.0	1.8	1.2	NM
Vipshop	9.17	92.7	67.9	6,122	5,256	12,363	0.4	9.9	7.2	6.1	10.4	9.9	16.9	0.6	--	14.8
Boohoo.com	3.34	93.9	67.7	3,889	3,661	1,264	2.9	31.7	27.7	21.3	NM	NM	26.4	NM	--	25.8
ASOS	29.99	39.6	6.9	2,514	2,561	3,170	0.8	20.5	16.8	12.0	NM	36.2	30.0	NM	--	14.4
Farfetch ⁽²⁾	8.17	25.9	(53.9)	2,450	1,792	713	2.5	NM	NM	NM	NM	NM	NA	NM	--	(38.9)
Zooplus AG	121.75	74.0	(7.2)	875	902	1,572	0.6	NM	NM	28.2	NM	NM	NA	NM	--	(2.5)
Uxin Limited	2.47	25.0	(49.2)	725	922	515	1.8	NM	NM	5.5	NM	5.4	NA	NM	--	NM
N Brown Group	1.39	74.0	20.1	397	964	758	1.3	5.4	6.0	5.7	4.8	4.8	9.0	0.5	6.3	(5.4)
AO World	0.80	43.3	(49.4)	378	388	1,112	0.3	NM	NM	23.9	NM	NM	NA	NM	--	(20.5)
Secoo	6.10	50.8	(32.7)	306	425	879	0.5	13.1	NM	NM	9.6	7.0	NA	NM	--	10.1
Jumei International Holdings	2.02	72.1	10.4	239	(92)	603	(0.2)	7.1	NM	NM	NM	NM	NA	NM	--	3.1
home24	3.30	12.9	(73.1)	87	17	374	0.0	NM	NM	NM	NM	NM	NA	NM	--	NM
LightInTheBox Holding Company	1.10	60.8	(9.8)	74	112	211	0.5	NM	NM	NM	NM	NM	NA	NM	--	NM
Delticom AG	3.26	31.2	(58.8)	41	108	704	0.2	NM	35.2	6.7	NM	NM	NA	NM	--	(24.7)
International E-Commerce						Mean	2.7 x	21.1 x	18.9 x	14.7 x	18.8 x	17.0 x	32.4 %	0.9 x	2.6 %	(1.5) %
						Median	1.3	20.5	21.9	15.9	17.2	15.6	26.1	0.6	1.2	2.8
Ctrip.com	\$30.35	65.3 %	12.2 %	\$17,858	\$18,712	\$4,746	3.9 x	29.3 x	17.8 x	14.0 x	26.6 x	18.3 x	29.6 %	0.9 x	-- %	2.0 %
MakeMyTrip	22.81	70.6	(6.2)	2,349	2,113	490	4.3	NM	NM	NM	NM	NM	NA	NM	--	(11.5)
trivago	3.87	51.3	(31.3)	1,362	1,122	939	1.2	14.5	13.0	10.8	29.6	25.6	113.4	0.3	--	4.1
Tuniu Corporation	3.20	44.2	(34.3)	394	162	311	0.5	NM	NM	33.0	NM	31.4	NA	NM	--	(11.0)
International Travel Marketplaces						Mean	2.5 x	21.9 x	15.4 x	19.3 x	28.1 x	25.1 x	71.5 %	0.6 x	NM %	(4.1) %
						Median	2.6	21.9	15.4	14.0	28.1	25.6	71.5	0.6	NM	(4.5)

Source: CapitalIQ and public filings. Forward estimates represent mean aggregate consensus estimates from ThomsonOne.

Note: LTM balance sheet, cash flow and income statement items do not reflect pro forma adjustments for post close acquisitions and divestitures.

(a) Enterprise value represents equity value plus book value of total debt, preferred stock and minority interest less cash.

(b) Dividend yield represents annualized dividend per share divided by current share price.

(c) Return on Equity is defined as LFY Earnings from Continuing Operations divided by Average Total Equity.

(1) In September 2019, Yahoo Japan announced the acquisition of 50.1% of Start Today for an Enterprise Value of \$7.3 billion.

(2) In August 2019, Farfetch announced the acquisition of New Guards Group for \$675 million. In December 2018, Farfetch announced the acquisition of Stadium Goods for \$250 million.

E-COMMERCE AND DIGITAL – OPERATING ANALYSIS (CONT.)

Company Name	HQ	Sales Growth			LTM EBITDA	Operating Efficiency								Credit Statistics						
		LFY	Q(-1)	Q(-2)		Gross Margin	EBITDAR	EBITDA Margin	EBIT	CapEx / Sales	(a)	EBITDA - CapEx / Sales	(a)	Credit Rating	(b)	Debt / EBITDA	Net Debt / EBITDA	Adj. Debt / EBITDAR	(c)	EBITDA-Capex / Int.
Alibaba Group	China				\$16,537	46.4 %	29.9 %	28.6 %	19.0 %	10.2 %		18.5 %		A+		1.2 x	NM x	1.4 x		14.2 x
JD.com	China				997	14.1	2.4	1.4	0.4	2.1		(0.7)		BBB		1.4	NM	3.4		NM
Mercado Libre	Argentina				42	56.8	3.1	2.3	(0.8)	6.8		(4.5)		--		18.6	NM	15.5		NM
Rakuten	Japan				1,735	3.2	NM	15.9	8.5	6.6		9.4		--		8.1	0.1	8.1		17.7
Zalando SE	Germany				232	42.6	4.6	3.6	2.3	3.6		0.0		--		0.0	NM	1.4		0.1
Ocado Group	UK				22	34.6	2.4	1.1	(3.7)	9.0		(7.9)		--		19.9	0.0	12.3		NM
Delivery Hero	Germany				(334)	39.3	(30.7)	(34.3)	(39.4)	5.3		(39.6)		--		NM	2.7	NM		NM
Start Today	Japan				274	89.1	NM	24.6	22.8	--		24.6		--		0.7	0.1	0.7		NM
Vipshop	China				531	21.0	5.1	4.3	3.5	--		4.3		BBB		0.3	NM	1.2		27.8
Boohoo.com	UK				115	54.3	9.4	9.1	7.7	1.9		7.3		--		0.1	NM	0.2		NM
ASOS	UK				125	50.8	4.6	3.9	3.0	4.4		(0.5)		--		0.6	0.4	1.3		NM
Farfetch	UK				(256)	46.3	(32.7)	(35.9)	(39.6)	5.6		(41.5)		--		NM	2.6	NM		NM
Zooplus AG	Germany				6	25.5	1.3	0.4	(0.1)	0.1		0.3		--		15.4	4.7	8.7		3.2
Uxin Limited	China				(209)	66.3	(34.0)	(40.6)	(43.4)	--		(40.6)		--		NM	NM	NM		NM
N Brown Group	UK				180	78.2	24.1	23.7	23.0	0.9		22.8		--		3.7	3.3	3.7		8.7
AO World	UK				(1)	16.9	1.2	(0.1)	(0.9)	0.5		(0.6)		--		NM	NM	10.1		NM
Secoo	China				33	18.8	4.4	3.7	3.4	--		3.7		--		6.9	3.3	6.8		2.6
Jumei International Holdings	China				(13)	25.4	(0.5)	(2.1)	(6.0)	1.4		(3.6)		--		--	25.5	NM		NM
home24	Germany				(75)	43.3	NM	(19.9)	(22.8)	2.9		(22.8)		--		NM	0.7	NM		NM
LightInTheBox Holding Company	China				(30)	32.6	(12.0)	(14.3)	(14.7)	--		(14.3)		--		NM	NM	NM		NM
Delticom AG	Germany				(20)	21.9	(1.7)	(2.9)	(3.7)	1.0		(3.9)		--		NM	NM	NM		NM
International E-Commerce					Mean	40.4 %	(3.2) %	(3.0) %	(5.3) %	2.6 %		(5.6) %				6.2 x	3.9 x	5.8 x		10.0 x
					Median	39.3	2.4	1.4	(0.1)	1.9		(0.6)				1.3	2.6	3.6		8.7
Ctrip.com	China				\$640	79.0 %	15.2 %	13.5 %	10.4 %	2.1 %		11.4 %		--		13.0 x	0.7 x	12.2 x		2.3 x
MakeMy Trip	India				(130)	41.7	(25.1)	(26.5)	(30.5)	0.7		(27.2)		--		NM	1.8	NM		NM
trivago	Germany				78	99.3	8.8	8.3	7.2	1.3		7.0		--		--	NM	0.4		38.4
Tuniu Corporation	China				(38)	51.8	(8.4)	(12.3)	(22.2)	--		(12.3)		--		NM	6.2	NM		NM
International Travel Marketplaces					Mean	67.9 %	(2.4) %	(4.3) %	(8.8) %	1.0 %		(5.3) %				6.5 x	2.9 x	6.3 x		20.3 x
					Median	65.4	0.2	(2.0)	(7.5)	1.0		(2.7)				6.5	1.8	6.3		20.3

Source: CapitalIQ and public filings. Forward estimates represent mean aggregate consensus estimates from ThomsonOne.

Note: LTM balance sheet, cash flow and income statement items do not reflect pro forma adjustments for post close acquisitions and divestitures.

(a) Excludes business acquisitions where applicable and available.

(b) S&P Credit Rating.

(c) Debt adjusted for the capitalization of operating leases at 6.0x rent expense.

INTERNATIONAL – TRADING ANALYSIS

	Share Price	% of 52	YTD %	Equity	Enterprise	(a)	LTM	EV / LTM	EV / EBITDA			P / E		LTG	P/E/G	Dividend	(b)	(c)
Company Name	10/4/2019	wk high	Change	Value	Value		Revenue	Revenue	LTM	2019E	2020E	2019E	2020E	Rate	2019E	Yield	ROE	
Inditex	\$30.45	95.9 %	24.4 %	\$94,837	\$87,505		\$29,497	3.0 x	12.1 x	10.3 x	9.6 x	22.1 x	21.5 x	8.2 %	2.7 x	3.2 %	28.1 %	
Fast Retailing	568.77	86.7	8.0	58,046	52,291		21,002	2.5	19.1	17.5	15.6	34.2	32.2	NA	NM	0.8	19.3	
H&M	19.38	97.2	52.9	32,072	32,695		22,875	1.4	12.2	11.7	10.8	23.1	22.4	6.3	3.7	5.1	23.6	
Next PLC	73.61	94.9	51.1	9,405	10,925		5,150	2.1	10.0	8.0	8.0	12.9	12.6	6.3	2.1	2.7	NM	
Aritzia	12.05	81.2	(2.1)	1,300	1,348		678	2.0	11.6	8.9	6.1	18.2	15.7	14.4	1.3	--	30.3	
Kathmandu	1.95	92.0	13.1	443	455		344	1.3	7.6	7.3	7.1	12.1	11.7	4.5	2.7	5.2	13.4	
Superdry	4.86	38.5	(14.9)	398	354		1,064	0.3	3.5	3.5	3.1	7.5	7.1	29.0	0.3	2.9	(29.4)	
Esprit	0.20	71.2	(1.9)	367	(54)		1,649	(0.0)	2.3	NM	NM	NM	NM	NA	NM	--	(27.2)	
Ted Baker	6.10	23.3	(67.7)	272	445		751	0.6	5.7	4.6	4.4	5.5	5.3	10.0	0.5	11.7	0.5	
Roots Corporation	1.59	33.7	(32.7)	67	170		250	0.7	7.1	3.3	3.0	5.9	4.9	(10.2)	NM	--	0.8	
Mothercare UK	0.17	55.9	(13.2)	58	66		627	0.1	NM	4.8	2.8	NM	NM	NA	NM	--	NM	
International Specialty Retail							Mean	1.3 x	9.1 x	8.0 x	7.1 x	15.7 x	14.8 x	8.6 %	1.9 x	4.5 %	6.6 %	
							Median	1.3	8.8	7.7	6.6	12.9	12.6	7.2	2.1	3.2	13.4	
LVMH	\$382.79	89.0 %	35.4 %	\$192,683	\$204,073		\$54,920	3.7 x	15.3 x	13.3 x	12.2 x	22.9 x	21.7 x	10.9 %	2.1 x	1.8 %	21.8 %	
Hermes	670.32	93.2	26.3	69,873	66,050		7,004	9.4	24.6	23.9	21.9	41.5	38.7	9.6	4.3	0.7	27.6	
Kering	483.85	81.9	7.4	60,490	63,008		16,283	3.9	11.7	10.0	9.2	16.3	15.4	10.5	1.6	2.4	21.9	
Richemont	69.75	79.3	10.0	39,397	36,671		15,317	2.4	12.9	11.8	10.2	20.0	19.1	12.7	1.6	2.9	17.6	
Burberry	24.90	86.4	17.5	10,187	9,171		3,320	2.8	14.1	12.8	11.8	22.6	21.7	7.3	3.1	2.1	23.5	
Moncler	35.63	78.6	12.5	8,989	9,174		1,639	5.6	17.1	14.6	13.0	21.7	20.9	10.2	2.1	1.2	36.3	
Prada	2.88	63.0	(12.4)	7,372	8,061		3,479	2.3	14.3	7.3	6.8	26.5	27.8	16.2	1.6	2.3	--	
Canada Goose	38.70	53.5	(11.5)	4,233	4,444		643	6.9	28.3	20.2	16.6	30.9	25.1	34.5	0.9	--	47.6	
Hugo Boss	50.79	67.6	(13.7)	3,518	3,706		3,101	1.2	7.7	4.5	4.3	11.9	11.3	8.5	1.4	--	24.3	
Ferragamo	17.94	75.0	(7.2)	3,027	2,899		1,509	1.9	12.3	7.7	7.1	25.8	24.1	13.9	1.9	2.1	12.2	
Brunello Cucinelli	30.66	78.4	(6.8)	2,085	2,135		630	3.4	19.5	11.9	11.1	35.7	34.1	6.5	5.5	1.1	18.7	
Tod's	47.45	76.2	5.0	1,570	1,672		1,016	1.6	21.0	9.4	8.9	NM	NM	(10.7)	NM	2.3	0.7	
Mulberry	3.30	65.9	(8.9)	196	185		203	0.9	45.2	NM	NM	NM	NM	NA	NM	1.9	(5.7)	
Luxury / Apparel / Accessories							Mean	3.5 x	18.8 x	12.3 x	11.1 x	25.1 x	23.6 x	10.8 %	2.4 x	1.9 %	19.0 %	
							Median	2.8	15.3	11.8	10.7	22.9	21.7	10.4	1.9	2.1	21.8	
Adidas	\$297.00	91.0 %	48.1 %	\$58,201	\$57,490		\$24,634	2.3 x	15.8 x	15.6 x	14.2 x	26.3 x	24.7 x	14.7 %	1.8 x	-- %	29.1 %	
Alimentation Couche-Tard	30.51	92.0	19.7	34,371	40,119		58,494	0.7	11.2	10.6	9.9	18.9	17.4	12.6	1.5	0.6	21.5	
Loblaw Companies	56.16	98.1	22.5	20,369	25,431		35,509	0.7	9.9	6.9	6.6	17.0	15.9	NA	NM	1.7	6.3	
Puma	76.43	97.4	66.2	11,386	11,863		5,490	2.2	22.7	16.2	13.8	36.6	32.5	26.3	1.4	--	16.2	
Dollarama	36.01	92.1	47.8	11,337	12,638		2,775	4.6	19.1	15.1	13.8	24.8	22.6	11.7	2.1	0.4	NM	
JD Sports	9.20	99.9	116.2	8,958	8,908		6,825	1.3	10.5	7.9	7.1	21.6	20.2	14.3	1.5	0.2	24.9	
Canadian Tire ⁽¹⁾	108.52	86.4	1.3	8,012	14,289		9,954	1.4	11.8	9.0	8.5	11.0	10.3	NA	NM	2.9	16.1	
Gildan Activewear	34.99	87.5	12.5	7,127	8,029		2,923	2.7	14.5	12.9	11.6	15.7	15.0	16.4	1.0	1.5	15.7	
Pandora	39.73	61.5	2.1	3,773	4,734		3,279	1.4	4.7	4.8	5.0	7.3	6.6	2.1	3.4	6.6	NM	
Alpargatas	6.32	98.1	89.8	3,450	3,429		993	3.5	26.1	21.1	17.1	31.4	25.8	25.0	1.3	0.8	11.2	
ASICS	16.53	95.3	26.0	3,072	3,308		3,559	0.9	15.9	16.1	13.3	39.1	30.2	82.9	0.5	1.4	(10.1)	
Hudson's Bay Company ⁽²⁾	7.44	92.2	36.1	1,751	4,182		7,039	0.6	17.9	13.4	9.4	NM	NM	NA	NM	0.5	(40.0)	
SMCP	12.96	50.0	(12.1)	960	1,288		1,165	1.1	7.6	4.2	3.7	11.5	10.7	14.7	0.8	--	3.5	
Mizuno	26.19	94.9	20.3	665	671		1,658	0.4	6.5	6.2	5.8	11.2	11.2	NA	NM	1.8	7.0	
Delta Galil	23.94	69.9	(12.0)	610	993		1,564	0.6	7.2	NM	NM	NM	NM	NA	NM	1.0	9.3	
Geox	1.30	54.8	1.4	338	650		890	0.7	15.4	5.5	5.2	23.8	17.0	NA	NM	2.1	(3.5)	
Various							Mean	1.6 x	13.5 x	11.0 x	9.7 x	21.2 x	18.6 x	22.1 %	1.5 x	1.6 %	7.7 %	
							Median	1.2	13.2	10.6	9.4	20.3	17.2	14.7	1.5	1.4	10.3	

Source: CapitalIQ and public filings. Forward estimates represent mean aggregate consensus estimates from ThomsonOne.

Note: LTM balance sheet, cash flow and income statement items do not reflect pro forma adjustments for post close acquisitions and divestitures.

Note: Figures listed in USD. Based on average conversion rates for income statement items and spot rates for balance sheet and share price, where applicable.

(a) Enterprise value represents equity value plus book value of total debt, preferred stock and minority interest less cash.

(b) Dividend yield represents annualized dividend per share divided by current share price.
(c) Return on Equity is defined as LFY Earnings from Continuing Operations divided by Average Total Equity.

(1) In August 2019, Canadian Tire announced the acquisition of Party City for \$174 million.
(2) In August 2019, HBC announced the divestiture of Lord & Taylor to Le Tote. In October 2018, Hudson's Bay Company completed the divestiture of select Real Estate Assets to and formed a JV with Signa to operate Kaufhof and Karstadt.

INTERNATIONAL – OPERATING ANALYSIS

Company Name	Store Count	Comp Store Sales				LTM EBITDA	Operating Efficiency							Credit Statistics						
		LFY	Q(-1)	Q(-2)	Gross Margin		EBITDAR Margin	EBITDA Margin	EBIT Margin	CapEx / Sales	(a) EBITDA - CapEx / Sales	(a) Credit Rating	(b) Debt / EBITDA	Net Debt / EBITDA	Adj. Debt / EBITDAR	(c) EBITDA-Capex / Int.				
Inditex	7,447	4.0 %	5.0 %	3.0	\$7,255	55.0 %	33.7 %	24.6 %	17.1 %	4.3 %	20.3 %	--	0.0 x	NM x	1.6 x	58.8 x				
Fast Retailing ⁽¹⁾	3,588	6.2	(0.1)	NA	2,745	48.6	22.0	13.1	11.2	1.8	11.2	A	1.7	NM	3.4	54.8				
H&M	4,979				2,672	52.6	23.5	11.7	7.2	3.7	8.0	--	0.7	0.2	3.4	NM				
Next PLC	528				1,090	37.4	27.1	21.2	18.3	3.3	17.8	BBB	1.6	1.4	2.5	19.6				
Aritzia	92	9.8	7.9	5.5 %	117	39.9	30.6	17.2	14.2	5.9	11.3	--	0.6	0.4	3.0	9.6				
Kathmandu	167	4.4	0.0	0.0	60	60.9	30.1	17.5	15.2	2.1	15.4	--	0.3	0.2	2.7	44.7				
Superdry	734				100	55.6	17.4	9.4	5.6	1.8	7.6	--	--	NM	2.8	51.2				
Esprit	495	(9.6)			(24)	50.3	14.7	(1.5)	(5.8)	2.4	(3.8)	--	--	17.6	6.6	NM				
Ted Baker	560				77	56.4	19.4	10.3	6.5	8.3	2.0	--	2.4	2.2	4.1	1.4				
Roots Corporation					24	55.7	9.8	9.5	5.7	9.1	0.4	--	4.3	4.3	4.4	0.1				
Mothercare UK ⁽²⁾	1,227	(10.8)	(8.8)	(11.4)	(6)	8.7	4.1	(1.0)	(2.9)	1.1	(2.1)	--	NM	NM	8.5	NM				
International Specialty Retail					Mean	47.4 %	21.1 %	12.0 %	8.4 %	4.0 %	8.0 %		1.2 x	3.8 x	3.9 x	30.0 x				
					Median	52.6	22.0	11.7	7.2	3.3	8.0		0.7	1.4	3.4	32.2				
LVMH					\$13,355	66.2 %	32.2 %	24.3 %	21.2 %	6.4 %	17.9 %	A+	1.1 x	0.7 x	2.3 x	29.3 x				
Hermes	310				2,687	69.3	NA	38.4	34.9	4.1	34.3	--	0.0	NM	NA	NM				
Kering					5,385	74.5	44.4	33.1	29.8	6.1	27.0	A-	0.9	0.4	2.2	33.7				
Richemont					2,853	61.7	26.2	18.6	13.9	4.7	13.9	A+	2.7	NM	3.7	12.9				
Burberry	475	2.0 %	NA	1.0 %	651	68.4	32.5	19.6	16.4	2.3	17.3	--	0.1	NM	2.4	NM				
Moncler	193				535	77.6	NM	32.7	28.8	6.6	26.0	--	1.3	0.3	1.3	34.9				
Prada	637				565	71.8	35.7	16.3	9.9	10.4	5.9	--	1.6	1.0	4.0	5.3				
Canada Goose					157	61.8	28.3	24.4	22.5	3.4	21.0	--	1.5	1.3	2.1	11.2				
Hugo Boss	420				479	65.0	29.9	15.5	12.2	5.1	10.3	--	0.7	0.4	3.3	18.0				
Ferragamo	661				235	64.4	30.7	15.6	11.6	4.0	11.6	--	0.2	NM	3.0	16.7				
Brunello Cucinelli	130	10.7			110	49.9	30.3	17.4	12.9	5.0	12.4	--	1.1	0.5	3.2	11.2				
Tod's	402				80	48.2	20.3	7.9	3.7	4.7	3.1	--	3.9	1.3	5.2	3.4				
Mulberry	114	(1.0)	(7.0)		4	61.5	13.5	2.0	(1.7)	5.7	(3.7)	--	1.3	NM	5.3	NM				
Luxury / Apparel / Accessories					Mean	64.6 %	29.5 %	20.4 %	16.6 %	5.3 %	15.2 %		1.3 x	0.7 x	3.2 x	17.7 x				
					Median	65.0	30.3	18.6	13.9	5.0	13.9		1.1	0.6	3.1	14.8				
Adidas					\$3,641	52.8 %	18.5 %	14.8 %	11.2 %	2.6 %	12.2 %	--	0.6 x	NM x	1.7 x	28.2 x				
Alimentation Couche-Tard ⁽³⁾	12,498	0.8 %	2.5 %	3.4 %	3,584	15.9	6.8	6.1	4.5	2.0	4.1	BBB	1.9	1.6	2.3	7.6				
Loblaw Companies ⁽⁴⁾	2,425	1.1	0.6	2.0	2,581	30.5	9.8	7.3	4.5	1.9	5.3	BBB	2.2	1.9	3.2	4.5				
Puma					524	48.8	13.3	9.5	7.8	4.1	5.4	--	0.4	NM	2.0	25.6				
Dollarama	1,250	2.7	4.7	9.5	661	47.4	32.8	23.8	22.1	3.6	20.3	--	2.1	2.0	3.2	14.0				
JD Sports					850	47.0	NA	12.5	7.9	2.6	9.8	--	0.3	NM	NA	11.8				
Canadian Tire	1,700				1,207	33.7	17.6	12.1	10.2	2.9	9.2	BBB+	5.1	4.5	5.4	5.6				
Gildan Activewear					552	27.3	20.1	18.9	13.8	4.4	14.5	--	1.8	1.7	2.1	13.9				
Pandora					1,013	74.4	37.2	30.9	26.3	2.9	28.0	--	1.1	0.9	1.9	39.1				
Alpargatas	748				131	43.6	19.7	13.2	11.3	1.9	11.3	--	0.9	NM	2.6	13.8				
ASICS					209	46.4	NA	5.9	2.8	1.1	4.7	--	3.3	1.1	NA	13.1				
Hudson's Bay Company ⁽⁵⁾	342	(0.2)	(0.4)	(2.1)	233	38.2	7.6	3.3	(4.6)	4.4	(1.1)	B	10.5	10.4	8.0	NM				
SMCP					170	73.6	25.7	14.6	11.7	6.2	8.4	--	2.3	1.9	3.9	2.7				
Mizuno					103	41.3	NA	6.2	4.6	1.2	5.0	--	1.8	0.0	NA	28.8				
Delta Galil	180				138	36.7	12.5	8.8	5.3	2.2	6.6	--	3.0	2.7	3.9	4.8				
Geox ⁽⁶⁾	987	(2.3)	(2.2)	3.4	42	50.2	15.7	4.8	0.9	3.2	1.5	--	8.1	7.4	6.6	1.2				
Various					Mean	44.2 %	18.2 %	12.0 %	8.8 %	3.0 %	9.1 %		2.8 x	3.0 x	3.6 x	14.3 x				
					Median	45.0	17.6	10.8	7.8	2.7	7.5		2.0	1.9	3.2	13.1				

Source: CapitalIQ and public filings. Forward estimates represent mean aggregate consensus estimates from ThomsonOne.

Note: LTM balance sheet, cash flow and income statement items do not reflect pro forma adjustments for post close acquisitions and divestitures.

Note: Figures listed in USD. Based on average conversion rates for income statement items and spot rates for balance sheet and share price, where applicable.

Excludes business acquisitions where applicable and available.

(a) S&P Credit Rating.

(b) Debt adjusted for the capitalization of operating leases at 6.0x rent expense.

(1) Fast Retailing SSS% for Japan segment.

(2) Mothercare UK SSS% for UK only.

(3) Alimentation Couche-Tard SSS% for domestic merchandise sales.

(4) Loblaw Companies SSS% for food retail segment.

(5) Hudson's Bay Company SSS% for consolidated sales.

(6) Geox SSS% for company-operated stores.

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