



Industry Update  
**Retail**  
Q2 2021

## 1

# Financial Performance

## Size Profile, LTM Financials, Forward Estimates

(USD in millions, except per share data)

Company Name	Ticker	Size Profile			LTM Operating Data			Forward Estimates	
		Price at 06/30/21	% of 52 Week High	TEV	Total Assets	LTM Revenue	LTM EBITDA	2021 Est. Revenue	2021 Est. EBITDA
<b>Department Stores</b>									
Kohl's Corporation	KSS	\$55.11	85.0%	\$12,601	\$14,689	\$17,414	\$1,624	\$18,157	\$2,013
Macy's, Inc.	M	\$18.96	85.0%	\$11,522	\$18,082	\$19,814	\$668	\$22,166	\$2,071
Nordstrom, Inc.	JWN	\$36.57	78.7%	\$10,338	\$9,333	\$11,605	\$225	\$13,721	\$1,147
Dillard's, Inc.	DDS	\$180.88	93.7%	\$3,873	\$3,508	\$4,969	\$528	\$5,917	\$553
<b>General Merchandising</b>									
Target Corporation	TGT	\$241.74	99.3%	\$136,577	\$50,471	\$98,143	\$10,819	\$101,640	\$10,685
Dollar General Corporation	DG	\$216.39	96.1%	\$67,994	\$25,237	\$33,699	\$4,190	\$34,144	\$3,893
Dollar Tree, Inc.	DLTR	\$99.50	82.7%	\$31,355	\$21,051	\$25,702	\$2,969	\$26,425	\$2,666
Big Lots, Inc.	BIG	\$66.01	90.1%	\$3,114	\$4,038	\$6,386	\$579	\$6,160	\$458
<b>Clothing and Apparel</b>									
L Brands, Inc.	LTD	\$70.67	97.9%	\$27,545	\$10,546	\$13,217	\$3,178	\$14,531	\$3,269
The Gap, Inc.	GPS	\$33.65	89.4%	\$15,939	\$13,604	\$15,684	\$1,018	\$17,129	\$1,620
Foot Locker, Inc.	FL	\$61.63	92.4%	\$7,111	\$7,442	\$8,525	\$946	\$8,571	\$1,000
American Eagle Outfitters, Inc.	AEO	\$37.53	96.3%	\$6,743	\$3,401	\$4,242	\$506	\$4,982	\$754
Urban Outfitters, Inc.	URBN	\$41.22	97.9%	\$4,345	\$3,580	\$3,789	\$392	\$4,361	\$484
Ansell Limited	ANN	\$32.62	98.7%	\$4,004	\$2,606	\$1,798	\$306	\$2,025	\$398
Abercrombie & Fitch Co.	ANF	\$46.43	98.2%	\$2,847	\$3,071	\$3,421	\$391	\$3,753	\$508
Guess?, Inc.	GES	\$26.40	84.8%	\$2,305	\$2,378	\$2,136	\$189	\$2,569	\$292
Express, Inc.	EXPR	\$6.49	46.5%	\$1,343	\$1,407	\$1,344	-\$257	\$1,882	\$29
Zumiez Inc.	ZUMZ	\$48.99	97.9%	\$1,031	\$1,018	\$1,132	\$188	\$1,210	\$169
Tilly's, Inc.	TLYS	\$15.98	94.7%	\$547	\$524	\$617	\$59	\$713	\$75

## 2

## Valuation Metrics

## Return Profile, Trading Multiples

Company Name	Ticker	Return Profile					Trading Multiples		
		Return on Assets	Return on Equity	Revenue Growth	EBITDA Margin	EBITDA Growth	5-yr Beta	TEV / LTM Revenue	TEV / LTM EBITDA
<b>Department Stores</b>									
Macy's, Inc.	M	0.0%	-9.7%	-13.1%	3.4%	-37.7%	2.1x	0.6x	17.2x
Kohl's Corporation	KSS	3.1%	7.9%	-4.9%	9.3%	9.7%	2.2x	0.7x	7.8x
Nordstrom, Inc.	JWN	-2.8%	-119.0%	-18.3%	1.9%	-75.2%	2.4x	0.9x	45.9x
Dillard's, Inc.	DDS	5.8%	16.9%	-12.3%	10.6%	761.7%	0.8x	0.8x	7.3x
	<b>Mean</b>	1.5%	-26.0%	-12.2%	6.3%	164.6%	1.9x	0.7x	19.6x
	<b>Median</b>	1.5%	-0.9%	-12.7%	6.3%	-14.0%	2.1x	0.8x	12.5x
<b>General Merchandising</b>									
Target Corporation	TGT	10.9%	47.3%	22.5%	11.0%	56.8%	1.0x	1.4x	12.6x
Dollar General Corporation	DG	9.0%	39.9%	13.9%	12.4%	30.5%	0.5x	2.0x	16.2x
Dollar Tree, Inc.	DLTR	6.8%	21.1%	6.7%	11.6%	30.1%	0.9x	1.2x	10.6x
Big Lots, Inc.	BIG	7.5%	62.7%	16.8%	9.1%	55.3%	2.4x	0.5x	5.4x
	<b>Mean</b>	8.6%	42.7%	15.0%	11.0%	43.2%	1.2x	1.3x	11.2x
	<b>Median</b>	8.3%	43.6%	15.4%	11.3%	42.9%	0.9x	1.3x	11.6x

Source: Capital IQ

## Valuation Metrics (cont.)

### Return Profile, Trading Metrics

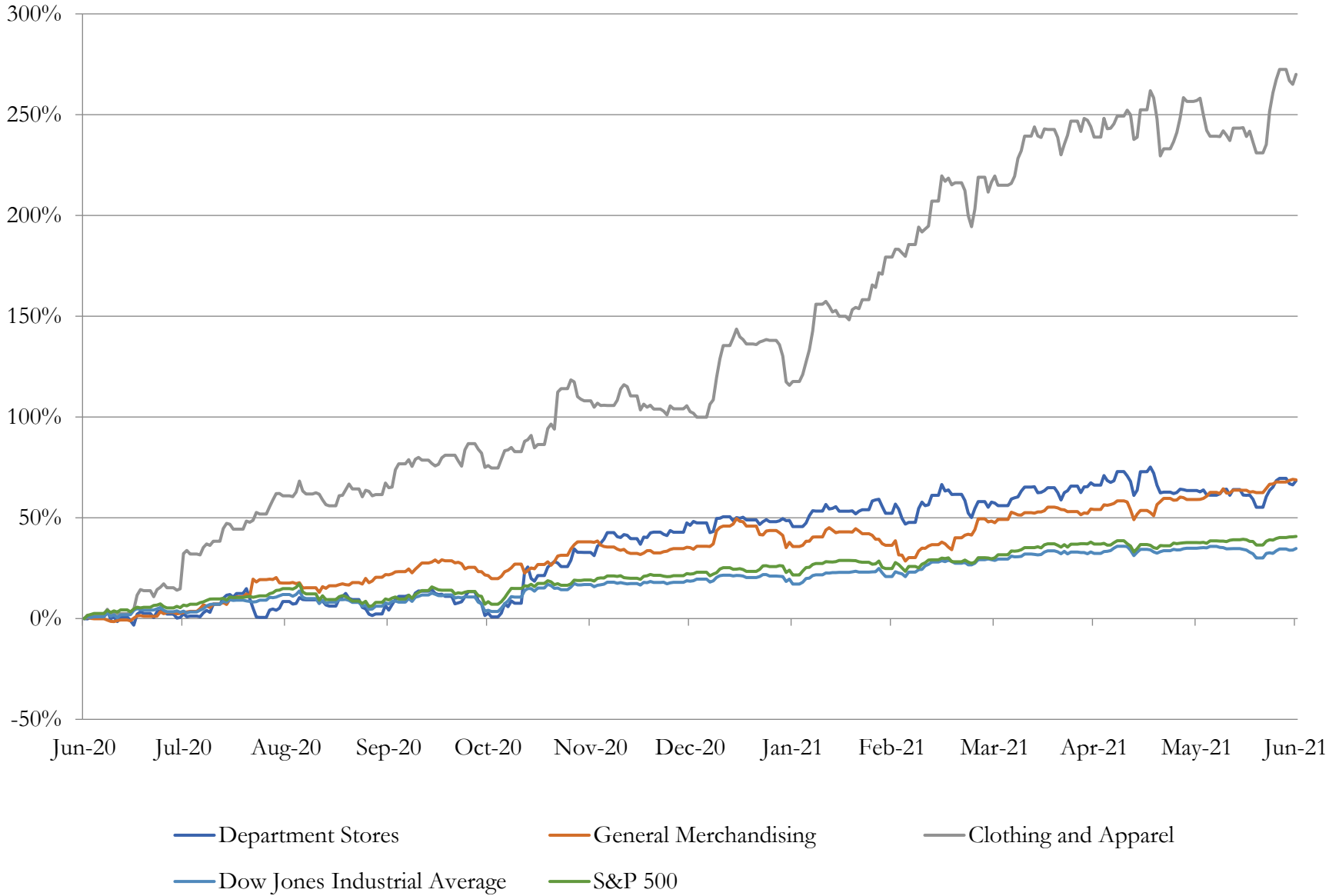
Company Name	Ticker	Return Profile					Trading Multiples		
		Return on Assets	Return on Equity	Revenue Growth	EBITDA Margin	EBITDA Growth	5-yr Beta	TEV / LTM Revenue	TEV / LTM EBITDA
<b>Clothing and Apparel</b>									
L Brands, Inc.	LTD	16.7%	N/A	10.7%	24.0%	119.3%	0.0x	2.1x	8.7x
The Gap, Inc.	GPS	2.5%	16.9%	6.1%	6.5%	35.2%	1.6x	1.0x	15.7x
Foot Locker, Inc.	FL	6.8%	24.2%	20.0%	11.1%	76.5%	1.3x	0.8x	7.5x
Ansell Limited	ANN	6.8%	13.9%	17.8%	17.0%	27.5%	0.4x	2.2x	13.1x
American Eagle Outfitters, Inc.	AEO	6.2%	13.2%	6.8%	11.9%	109.7%	1.5x	1.6x	13.3x
Urban Outfitters, Inc.	URBN	5.3%	13.6%	2.2%	10.3%	164.9%	1.6x	1.1x	11.1x
Abercrombie & Fitch Co.	ANF	4.5%	20.3%	1.4%	11.4%	130.6%	1.9x	0.8x	7.3x
Guess?, Inc.	GES	3.4%	17.3%	-11.1%	8.9%	40.4%	2.3x	1.1x	12.2x
Express, Inc.	EXPR	-12.9%	-271.9%	-24.4%	-19.1%	N/A	1.8x	1.0x	-5.2x
Zumiez Inc.	ZUMZ	10.9%	24.4%	18.0%	16.6%	127.6%	1.7x	0.9x	5.5x
Tilly's, Inc.	TLYS	4.9%	17.1%	9.0%	9.6%	178.2%	2.2x	0.9x	9.2x
Destination XL Group, Inc.	DXLG	-2.6%	-104.6%	-10.8%	1.8%	N/A	1.5x	1.4x	79.5x
	<b>Mean</b>	<b>4.4%</b>	<b>-19.6%</b>	<b>3.8%</b>	<b>9.2%</b>	<b>101.0%</b>	<b>1.5x</b>	<b>1.3x</b>	<b>14.8x</b>
	<b>Median</b>	<b>5.1%</b>	<b>16.9%</b>	<b>6.4%</b>	<b>10.7%</b>	<b>114.5%</b>	<b>1.6x</b>	<b>1.0x</b>	<b>10.2x</b>

Source: Capital IQ

# 3

## LTM Equity Performance

### Major Indexes



## 4

## Recent M&amp;A Activity

Last Twelve (12) Months as of June 30, 2021

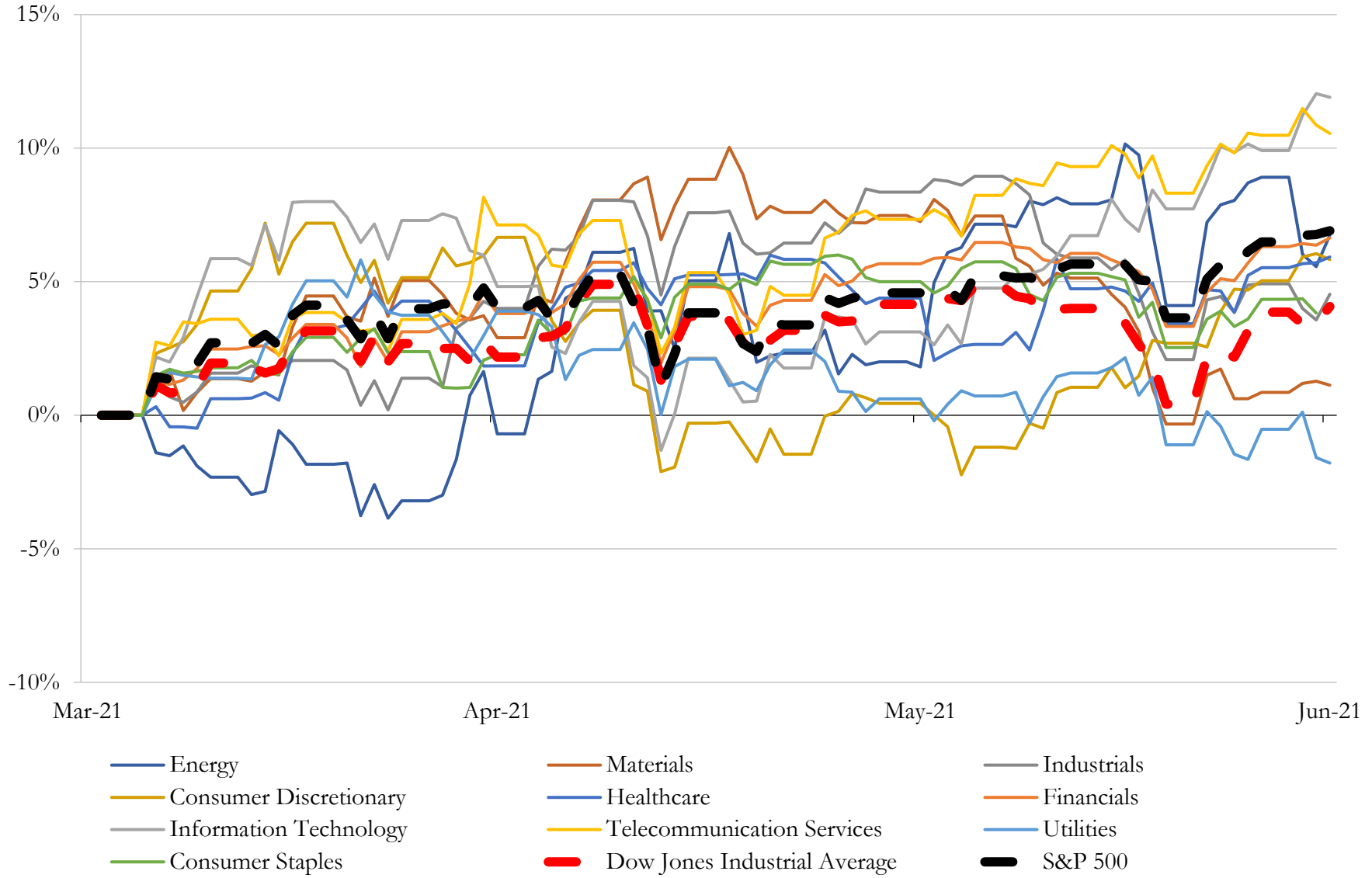
(USD in millions)

Close Date	Target	Acquirer	Implied TEV
Jan-21	Tiffany & Co.	LVMH Moët Hennessy - Louis Vuitton, Société Européenne	\$17,876
Oct-20	Freshly, Inc.	Nestlé USA, Inc.	\$1,681
Dec-20	All Of Retail And Operating Assets Of J. C. Penney Company, Inc.	Simon Property Group, Inc.; Brookfield Property Partners L.P.	\$1,192
Oct-20	Substantially All Assets of GNC Holdings, Inc.	Harbin Pharmaceutical Group Holding Co., Ltd.	\$760
Aug-20	Substantially All Assets of Park Place Dealerships	Asbury Automotive Group, LLC	\$735
Mar-21	Pet Supplies Plus, LLC	Franchise Group, Inc.	\$700
Sep-20	Davos Brands LLC	Diageo plc	\$610
Dec-20	Nutrisystem, Inc.	Kainos Capital LP	\$559
Jan-21	Fresh Direct, LLC	Centerbridge Partners, L.P.; Ahold Delhaize USA, Inc.	\$550
Mar-21	DTLR Villa LLC	JD Sports Fashion plc	\$495
Feb-21	DermStore, LLC	THG Holdings plc (nka:THG Plc)	\$350
Sep-20	Substantially All The Global Business Operations of Brooks Brothers Group, Inc.	Authentic Brands Group LLC; SPARC Group LLC	\$325
Aug-20	PersonalizationMall.com, LLC	800-Flowers, Inc.	\$251
Dec-20	ShopRunner, Inc.	FedEx Corporation	\$225
Sep-20	192 Convenience and Fuel Retail Stores of Circle K Stores Inc.	CrossAmerica Partners LP; Lehigh Gas Wholesale LLC	\$185
Mar-21	JM Bullion, Inc.	A-Mark Precious Metals, Inc.	\$142
Jan-21	Cost Plus, Inc.	Kingswood Capital Management, LLC	\$110
Dec-20	P & M Solutions, LLC	Central Garden & Pet Company	\$83
Jul-20	Honda Of Downtown Los Angeles	Brandon Steven Motors, LLC	\$80
Dec-20	Certain Ecommerce Business Related Assets of 9830 Macarthur, Reliance Equities	Mohawk Group Holdings, Inc.	\$76
Feb-21	Turbo Squid, Inc.	Shutterstock, Inc.	\$75
Nov-20	Assets of Justice Stores, LLC	B. Riley Financial, Inc.; Bluestar Alliance, LLC	\$71
Mar-21	Two KIA motor vehicle dealerships of Fuccillo Affiliates of Florida, Inc. and	LMP Automotive Holdings, Inc.	\$69
Oct-20	Skipper Bud's of Illinois, Inc.	MarineMax, Inc.	\$64
Feb-21	Assets of Healing Solutions, LLC	Mohawk Group Holdings, Inc.	\$62
Jan-21	Certain International Operations of Party City Holdco Inc.	Endless LLP	\$59
Dec-20	Design Public LLC	HNI Corporation	\$50
Jul-20	Window Installation Specialists, Inc.	Quest Window Systems Inc.	\$45
Oct-20	E-Commerce Business	Saadia Group, LLC	\$40
Nov-20	47 Buddys locations of Franchise Group	bebe stores, inc.	\$35

Source: Capital IQ

# 5 Change in Market Capitalization by Sector

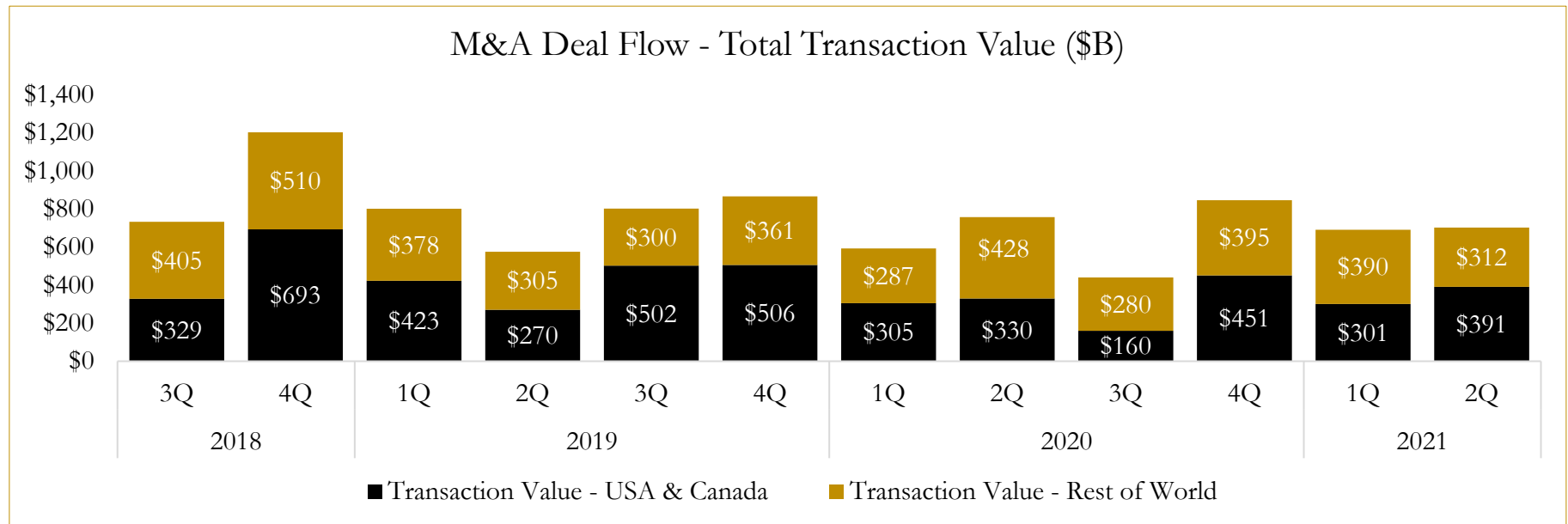
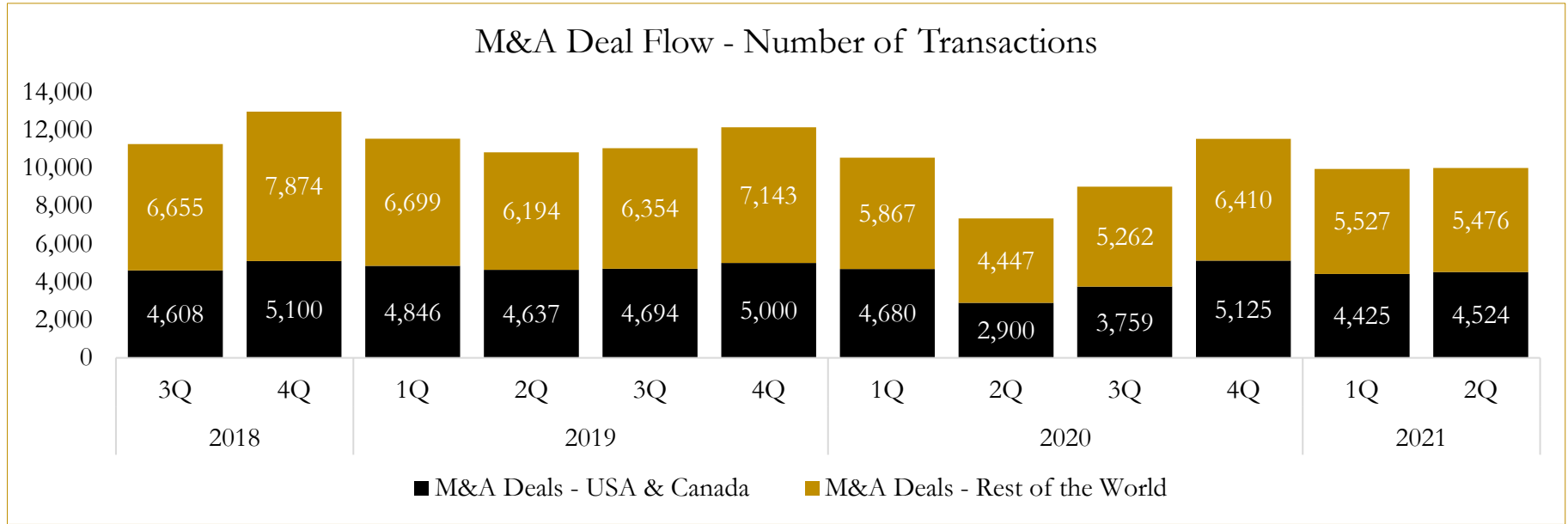
Last Three (3) Months as of June 30, 2021



# 6

## M&A Deal Flow Statistics

Last Three (3) Years as of June 30, 2021





## About Houlihan Capital

Houlihan Capital is a leading, solutions-driven valuation, financial advisory and boutique investment banking firm. We pride ourselves on being thought leaders in an ever-changing landscape.

Houlihan Capital is SOC-compliant, a FINRA and SIPC member and committed to the highest levels of professional ethics and standards.

### Valuation & Financial Advisory

We provide an array of services that include enterprise valuations, portfolio valuation, valuation of carried interest, transaction opinions, tax and financial reporting compliance, purchase price allocations, and a wide variety of consulting services through our Financial Advisory Group.

### Investment Banking

Through our Investment Banking Group, we offer sell-side/buy-side advisory and capital raises. Through our Special Situations desk, we provide services that fit outside the archetypal verticals, including liquidity solutions, transactional advisory, and secondary market advisory and trading.

### Litigation Support

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

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