



Soft Goods Group Update

Lincoln's 2014 Consumer Conference

Lincoln International's First Annual Consumer Conference was a great success, with 32 companies presenting in San Francisco in April. World leaders in social media including Dick Costolo, CEO of Twitter, and Gary Vaynerchuk, NY Times best selling author and social media entrepreneur, also presented at the event. The following six companies from the soft goods sector presented at the conference:



Featured Transaction—Arena Group



- Financial Buyer
- Cross-Border Transaction (U.S.A. / UK / Switzerland)

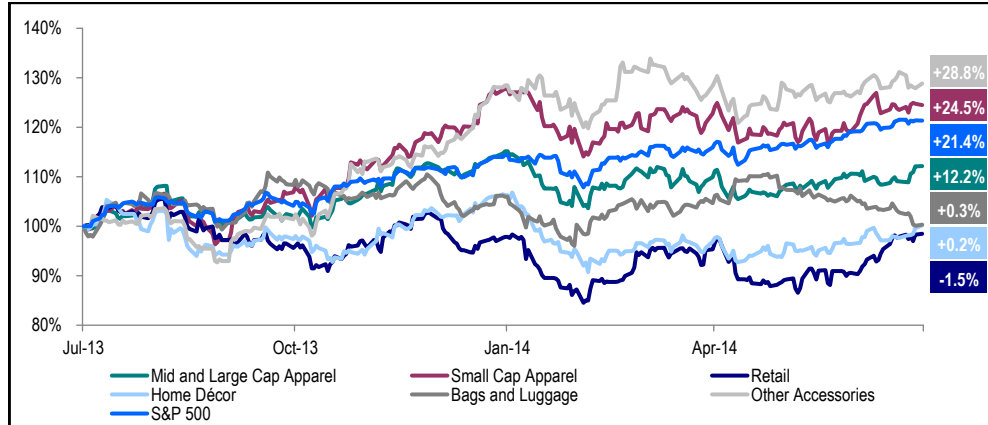
Market Intelligence

- VF Corporation** Chairman Eric Wiseman told Women's Wear Daily that the company aimed to expand its outdoor and active sportswear business. Additionally, management views larger acquisitions as more appropriate for a company of its size and it has both the confidence and financial capability to pursue such a strategy.
- Urban Outfitters** will continue to engage in talks regarding potential acquisitions and hopes to announce a deal this year, according to CEO Richard Hayne.
- Perry Ellis International Inc.** is probably being readied for sale, The Deal reported, citing two sources familiar with the situation. A source mentioned **VF Corp.** and **G-III Apparel Group Ltd.** as possible buyers.
- Crocs** to explore strategic alternatives for non-core brands according to management.

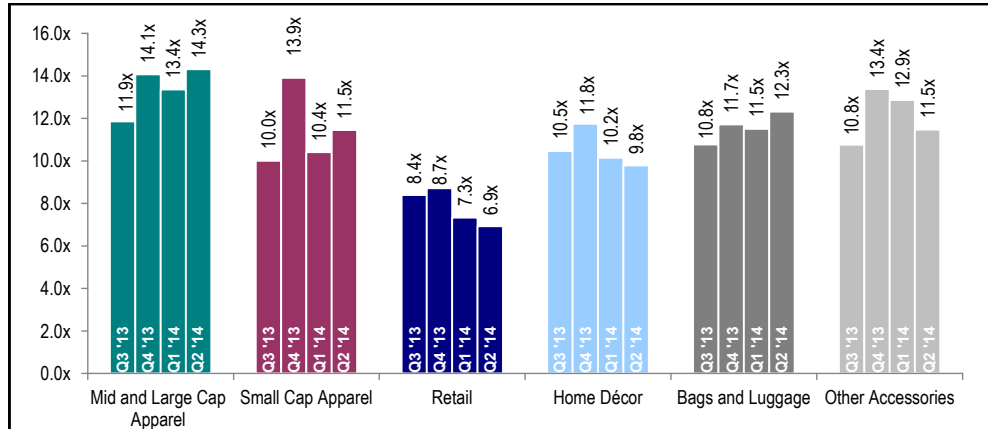
Source: Mergermarket

Lincoln International Consumer Soft Goods Index

LTM Relative Stock Price Performance



Historical Enterprise Value / EBITDA Valuation Performance



M&A Transaction Recap

Announced Date	Target Company	Target Description	Acquiring Company
23-Jun-14	Mori Lee, LLC	Offers dresses for weddings and special occasions	ShoreView Industries
19-Jun-14	Doris Inc.	Manufactures and retails ladies legwear and lingerie	Gildan Activewear Inc.
18-Jun-14	Gregory Mountain Products, Inc.	Designs and produces backpacks for men and women	Samsonite LLC
17-Jun-14	Hearts On Fire Company, LLC	Provides diamond jewelry products	Chow Tai Fook Jewellery
3-Jun-14	Aerosoles	Designs and markets branded footwear and accessories	Palladin Consumer Retail Partners
22-May-14	BonWorth, Inc.	Owens and operates a chain of women apparel retail stores	San USA LLC
12-May-14	Skooba Design, Inc.	Designs and develops protective cases and accessories	Norazza, Inc.
29-Apr-14	prAna Living, LLC	Manufactures outdoor and yoga apparel	Columbia Sportswear Company
25-Apr-14	The Running Specialty Group	Owens and operates retail running and apparel companies	Finish Line Inc.
23-Apr-14	Coalition Inc.	Manufactures apparel and sportswear for men and women	Fonds de solidarité FTQ
22-Apr-14	toles ISOTONER Corp	Manufactures and markets umbrellas, gloves and rainwear	Freeman Spogli & Co.
17-Apr-14	O2 Partners, LLC (dba Ortholite)	Manufactures insoles for athletic shoes and outdoor boots	Blue Point Capital Partners
15-Apr-14	Town Shoes Limited	Operates as a footwear retailer in Canada	DSW Inc.

Lincoln International Consumer Soft Goods Index (Continued)

Selected Consumer Soft Goods Public Comparables

Company Name	Stock Price	% of 52-week High	Market Cap	Enterprise Value	LTM		YoY Revenue	EBITDA	EV / LTM		
					Revenue	EBITDA	Growth	Margin	Revenue	EBITDA	
Mid and Large Cap Apparel											
Adidas AG	\$ 101.52	79%	\$ 21,240	\$ 21,359	\$ 19,654	\$ 1,713	3%	9%	1.1x	12.5x	
Hanesbrands Inc.	98.44	99%	9,802	11,475	4,885	766	9%	16%	2.3x	15.0x	
Nike, Inc.	77.55	97%	68,100	64,331	27,799	4,312	10%	16%	2.3x	14.9x	
PVH Corp.	116.60	84%	9,602	13,195	8,240	1,155	36%	14%	1.6x	11.4x	
Ralph Lauren Corporation	160.69	85%	14,208	13,494	7,505	1,378	8%	18%	1.8x	9.8x	
Under Armour, Inc.	59.49	95%	12,678	12,650	2,657	342	32%	13%	4.8x	37.0x	
V.F. Corporation	63.00	98%	27,110	28,481	11,770	1,990	8%	17%	2.4x	14.3x	
Small Cap Apparel											
Columbia Sportswear Company	\$ 82.65	92%	\$ 2,883	\$ 2,339	\$ 1,805	\$ 204	8%	11%	1.3x	11.5x	
Deckers Outdoor Corp.	86.33	96%	2,989	2,751	1,629	244	14%	15%	1.7x	11.3x	
G-III Apparel Group, Ltd.	81.66	97%	1,801	1,865	1,812	146	26%	8%	1.0x	12.7x	
Oxford Industries Inc.	66.67	80%	1,097	1,230	941	122	10%	13%	1.3x	10.1x	
Perry Ellis International Inc.	17.44	83%	274	463	907	33	(6%)	4%	0.5x	14.0x	
Quiksilver Inc.	3.58	39%	612	1,446	1,749	97	(7%)	6%	0.8x	14.9x	
Rocky Brands, Inc.	14.23	71%	107	140	266	18	9%	7%	0.5x	7.7x	
Wolverine World Wide Inc.	26.06	76%	2,643	3,654	2,699	307	37%	11%	1.4x	11.9x	
Zumiez, Inc.	27.59	88%	801	695	739	99	10%	13%	0.9x	7.1x	
Retail											
Abercrombie & Fitch Co.	\$ 43.25	83%	\$ 3,148	\$ 2,984	\$ 4,101	\$ 437	(9%)	11%	0.7x	6.8x	
American Eagle Outfitters, Inc.	11.22	56%	2,181	1,854	3,272	315	(6%)	10%	0.6x	5.9x	
Bed Bath & Beyond Inc.	57.38	71%	11,588	10,875	11,549	1,817	6%	16%	0.9x	6.0x	
Express Inc.	17.03	68%	1,435	1,458	2,170	242	1%	11%	0.7x	6.0x	
Francesca's Holdings Corporation	14.74	50%	622	612	347	81	17%	23%	1.8x	7.5x	
The Gap, Inc.	41.57	89%	18,321	18,170	16,193	2,582	3%	16%	1.1x	7.0x	
Kirkland's Inc.	18.55	70%	321	239	468	41	4%	9%	0.5x	5.8x	
L Brands, Inc.	58.66	87%	17,125	21,206	10,896	2,185	4%	20%	1.9x	9.7x	
Pier 1 Imports, Inc.	15.41	63%	1,441	1,428	1,796	215	5%	12%	0.8x	6.6x	
Restoration Hardware Holdings, Inc.	93.05	98%	3,664	3,867	1,616	157	35%	10%	2.4x	nmf	
Tuesday Morning Corporation	17.82	93%	775	733	854	8	3%	1%	0.9x	nmf	
Urban Outfitters Inc.	33.86	77%	4,664	4,323	3,125	538	9%	17%	1.4x	8.0x	
Williams-Sonoma Inc.	71.78	100%	6,756	6,646	4,474	618	11%	14%	1.5x	10.8x	
Home Décor											
Dorel Industries Inc.	\$ 36.93	94%	\$ 1,191	\$ 1,664	\$ 2,544	\$ 169	5%	7%	0.7x	9.8x	
Ethan Allen Interiors Inc.	24.74	78%	716	731	747	88	2%	12%	1.0x	8.3x	
La-Z-Boy Incorporated	23.17	74%	1,201	1,050	1,357	117	7%	9%	0.8x	8.9x	
Leggett & Platt, Incorporated	34.28	99%	4,753	5,485	3,775	447	1%	12%	1.5x	12.3x	
Ralph Lauren Corporation	160.69	85%	14,208	13,494	7,505	1,378	8%	18%	1.8x	9.8x	
Select Comfort Corporation	20.66	74%	1,121	1,009	1,006	114	8%	11%	1.0x	8.9x	
Tempur Sealy International Inc.	59.70	100%	4,209	5,988	2,831	352	63%	12%	2.1x	17.0x	
Bags and Luggage											
Coach, Inc.	\$ 34.19	57%	\$ 9,374	\$ 8,810	\$ 4,806	\$ 1,441	(4%)	30%	1.8x	6.1x	
LVMH Moët Hennessy Louis Vuitton SA	192.76	94%	96,588	105,395	40,422	9,498	8%	23%	2.6x	11.1x	
Samsonite International S.A.	3.30	97%	4,641	4,467	2,038	328	15%	16%	2.2x	13.6x	
Tumi Holdings, Inc.	20.13	77%	1,366	1,350	490	100	16%	20%	2.8x	13.6x	
Vera Bradley, Inc.	21.87	73%	890	808	526	106	(3%)	20%	1.5x	7.6x	
VIP Industries Limited	1.80	91%	254	255	163	14	5%	9%	1.6x	17.7x	
Other Accessories											
Columbia Sportswear Company	\$ 82.65	92%	\$ 2,883	\$ 2,339	\$ 1,805	\$ 204	8%	11%	1.3x	11.5x	
Jarden Corp.	59.35	93%	7,657	11,533	7,723	888	13%	12%	1.5x	13.0x	
Newell Rubbermaid Inc.	30.99	95%	8,575	10,457	5,730	911	2%	16%	1.8x	11.5x	

Source: Bloomberg, Capital IQ and company filings, as of 6/30/2014

About Lincoln International

Lincoln International specializes in merger and acquisition advisory services, debt advisory services, private capital raising and restructuring advice on mid-market transactions. Lincoln International also provides fairness opinions, valuations and pension advisory services on a wide range of transaction sizes. With sixteen offices in the Americas, Asia and Europe, Lincoln International has strong local knowledge and contacts in key global economies. The firm provides clients with senior-level attention, in-depth industry expertise and integrated resources. By being focused and independent, Lincoln International serves its clients without conflicts of interest.

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