



Market Trends

- The Retail sector benefited from strong online buying, an improved job market and falling gas prices
- The Other Accessories segment performed well in Q4 following a decline in distribution costs driven by falling fuel prices and increased levels of disposable income
- Although the Bags and Luggage sector benefits from increased global travel and consumer spend, within Lincoln's index, LVMH and Coach are weighted more heavily due to their size. These companies stock price performance has been negatively affected by increased competition from high end brands and affordable luxury as well as other business divisions (i.e.) LVMH being slow to address the collapse of Cognac sales in China

Source: S&P CapitalIQ, Industry Research Reports

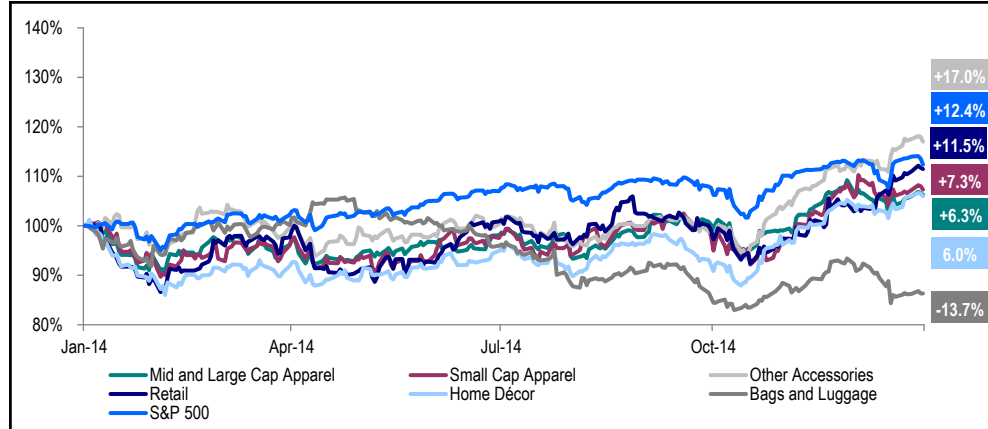
Market Intelligence

- **Hugo Boss'** largest shareholder, **Permira**, has received two bids for its 38% stake in the company
- The auction for Spanish clothing retailer **Pepe Jeans**, has been won by **M1 Group**, a family-owned Lebanese firm for \$1,008 million
- **Orchard Brands**, a clothing and home products retailer, has hired Goldman Sachs to prepare the company for sale in what is estimated to be a \$500m deal
- **Perry Ellis**, has been approached by **Sequential Brands Group** regarding a sale after **Legion Partners**, a 5.9% stakeholder, called for a review of strategic alternatives
- **Jimmy Choo** prices its IPO at 140 pence per share, valuing the company at GBP 545.6 million
- **ANN**, a retailer of women's apparel and shoes, has signed an NDA with **Golden Gate Capital**

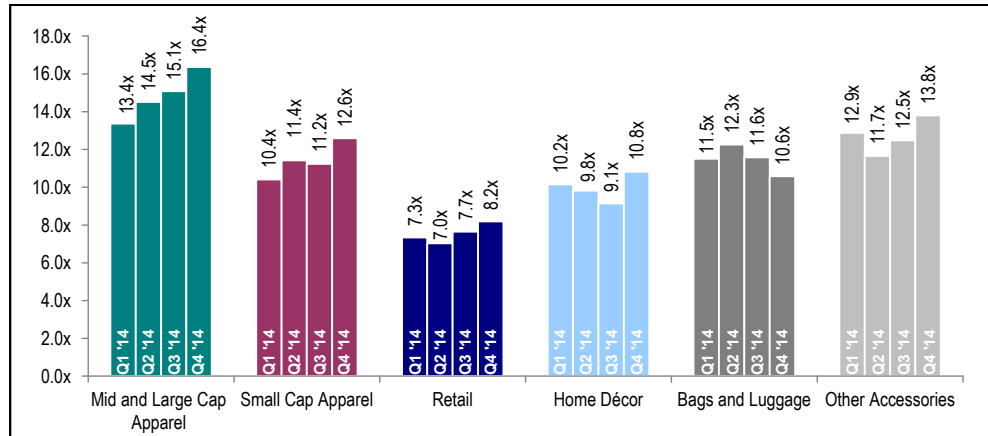
Source: Mergermarket, Bloomberg and Reuters

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
18-Dec-14	Unlimited Footwear Group B.V.	Designs and distributes footwear for men, women and children	Equistone Partners Europe
10-Dec-14	Fox Head, Inc.	Manufactures motocross apparel for guys and girls	Altamont Capital Partners
8-Dec-14	NüRoo, Inc.	Manufactures and retails nursing and baby apparel products	BROWNMED Inc.
2-Dec-14	Crittenden and Company LLC	Manufactures men's jackets, dress shirts, neckwear and trousers	Prospect Brands, LLC
25-Nov-14	LUTA Ltd.	Manufactures men's and women's athletic apparel	Reebok International Ltd.
25-Nov-14	Bank Fashion Limited	Retails branded men's and women's wear	Hilco UK Limited
21-Nov-14	Solaris, Inc.	Manufactures and markets medical garments	Lohmann & Rauscher International
19-Nov-14	Garry Gribble's Running Sports	Sells running shoes, apparel, hydration products and accessories	The Running Specialty Group
10-Nov-14	Heroes Apparel LLC	Provides uniforms and equipment to the public safety industry	Witmer Associates, Inc.
22-Oct-14	Harrys of London Ltd.	Designs and manufactures footwear and accessories	Palladin Consumer Retail Partners
15-Oct-14	COURAGE b	Designs and retails clothing and accessories for women	Marcus Lemonis LLC
12-Oct-14	Nick Graham Ltd.	Designs and manufactures apparel for men	Iconix Brand Group, Inc.
10-Oct-14	Jersey City Canada, Inc.	Engages in retailing jerseys and sports apparel	The LIDS Sports Group
2-Oct-14	Tomasoni Topsail S.p.a.	Offers cases and wallets	North Technology Group LLC

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	\$ 69.61	61%	\$ 14,564	\$ 14,806	\$ 18,420	\$ 1,445	(5%)	8%	0.8x	10.2x	
Hanesbrands Inc.	111.62	96%	11,150	13,226	5,088	808	13%	16%	2.6x	16.4x	
Nike, Inc.	96.15	96%	82,634	79,408	29,759	4,583	13%	15%	2.7x	17.3x	
PVH Corp.	128.17	92%	10,568	13,961	8,225	1,200	15%	15%	1.7x	11.6x	
Ralph Lauren Corporation	185.16	99%	16,239	15,825	7,584	1,375	8%	18%	2.1x	11.5x	
Under Armour, Inc.	67.90	92%	14,510	14,452	2,872	373	33%	13%	5.0x	38.7x	
V.F. Corporation	74.90	99%	32,347	33,934	11,993	2,048	9%	17%	2.8x	16.6x	
Small Cap Apparel											
Columbia Sportswear Company	\$ 44.54	97%	\$ 3,104	\$ 2,947	\$ 1,957	\$ 230	18%	12%	1.5x	12.8x	
Deckers Outdoor Corp.	91.04	91%	3,153	3,227	1,588	249	11%	16%	2.0x	12.9x	
G-III Apparel Group, Ltd.	101.01	98%	2,270	2,375	2,075	170	28%	8%	1.1x	14.0x	
Oxford Industries Inc.	55.21	67%	909	1,051	974	120	10%	12%	1.1x	8.8x	
Perry Ellis International Inc.	25.93	97%	402	521	888	40	(8%)	4%	0.6x	13.2x	
Quiksilver Inc.	2.21	25%	378	1,162	1,570	(12)	(13%)	(1%)	0.7x	nmf	
Rocky Brands, Inc.	13.42	82%	101	148	269	19	11%	7%	0.5x	7.8x	
Wolverine World Wide Inc.	29.47	86%	2,993	3,862	2,693	312	20%	12%	1.4x	12.4x	
Zumiez, Inc.	38.63	97%	1,129	1,023	780	103	10%	13%	1.3x	9.9x	
Retail											
Abercrombie & Fitch Co.	\$ 28.64	63%	\$ 1,986	\$ 2,015	\$ 3,924	\$ 420	(11%)	11%	0.5x	4.8x	
American Eagle Outfitters, Inc.	13.88	88%	2,700	2,419	3,253	321	(5%)	10%	0.7x	7.5x	
Bed Bath & Beyond Inc.	76.17	94%	14,110	14,323	11,748	1,786	2%	15%	1.2x	8.0x	
Express Inc.	14.69	76%	1,238	1,294	2,156	226	(2%)	10%	0.6x	5.7x	
Francesca's Holdings Corporation	16.70	74%	706	684	362	72	11%	20%	1.9x	9.5x	
The Gap, Inc.	42.11	90%	17,837	18,263	16,302	2,619	1%	16%	1.1x	7.0x	
Kirkland's Inc.	23.64	97%	405	349	485	42	6%	9%	0.7x	8.4x	
L Brands, Inc.	86.55	99%	25,332	29,570	11,203	2,294	5%	20%	2.6x	12.9x	
Pier 1 Imports, Inc.	15.40	66%	1,386	1,572	1,838	196	4%	11%	0.9x	8.0x	
Restoration Hardware Holdings, Inc.	96.01	95%	3,800	4,038	1,756	192	29%	11%	2.3x	nmf	
Tuesday Morning Corporation	21.70	95%	949	941	883	15	4%	2%	1.1x	nmf	
Urban Outfitters Inc.	35.13	86%	4,625	4,381	3,218	498	6%	15%	1.4x	8.8x	
Williams-Sonoma Inc.	75.68	98%	6,969	6,954	4,623	645	10%	14%	1.5x	10.8x	
Home Décor											
Dorel Industries Inc.	\$ 34.56	95%	\$ 1,121	\$ 1,530	\$ 2,610	\$ 182	8%	7%	0.6x	8.4x	
Ethan Allen Interiors Inc.	30.97	98%	896	900	756	93	4%	12%	1.2x	9.7x	
La-Z-Boy Incorporated	26.84	86%	1,390	1,262	1,392	122	9%	9%	0.9x	10.3x	
Leggett & Platt, Incorporated	42.61	99%	5,864	6,632	3,957	444	14%	11%	1.7x	15.0x	
Ralph Lauren Corporation	185.16	99%	16,239	15,825	7,584	1,375	8%	18%	2.1x	11.5x	
Select Comfort Corporation	27.03	98%	1,440	1,307	1,065	121	14%	11%	1.2x	10.8x	
Tempur Sealy International Inc.	54.91	89%	3,345	4,923	2,922	353	37%	12%	1.7x	13.9x	
Bags and Luggage											
Coach, Inc.	\$ 37.56	66%	\$ 10,351	\$ 9,614	\$ 4,694	\$ 1,301	(8%)	28%	2.0x	7.4x	
LVMH Moët Hennessy Louis Vuitton SA	160.08	90%	80,313	89,478	40,422	9,498	8%	23%	2.2x	9.4x	
Samsonite International S.A.	2.97	82%	4,176	4,104	2,159	349	13%	16%	1.9x	11.7x	
Tumi Holdings, Inc.	23.73	96%	1,611	1,585	511	105	18%	21%	3.1x	15.1x	
Vera Bradley, Inc.	20.38	68%	821	731	518	85	(5%)	16%	1.4x	8.7x	
VIP Industries Limited	1.80	91%	255	256	163	14	5%	9%	1.6x	17.7x	
Other Accessories											
Columbia Sportswear Company	\$ 44.54	97%	\$ 3,104	\$ 2,947	\$ 1,957	\$ 230	18%	12%	1.5x	12.8x	
Jarden Corp.	47.88	98%	9,207	13,597	8,065	930	16%	12%	1.7x	14.6x	
Newell Rubbermaid Inc.	38.09	98%	10,326	12,407	5,752	899	3%	16%	2.2x	13.8x	

Source: Bloomberg, S&P CapitalIQ and company filings, as of 12/31/2014

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