

Quarterly Industry Update

As of September 30, 2013

Industry: Beauty Products



Industry Summary

Cogent Valuation identified publicly traded companies, IPOs, and recent M&A transactions within the Beauty Products industry, which provides a basis for market and transaction pricing that can be used by your firm in estimating market sentiment and its impact on your firm's value. Since September 30, 2012, the median 52-week share price return of the Beauty Products industry has increased by 25.5%. In the last quarter, the median price-to-earnings multiple decreased from 23.2x to 19.7x.

Comparable Public Company Key Statistics

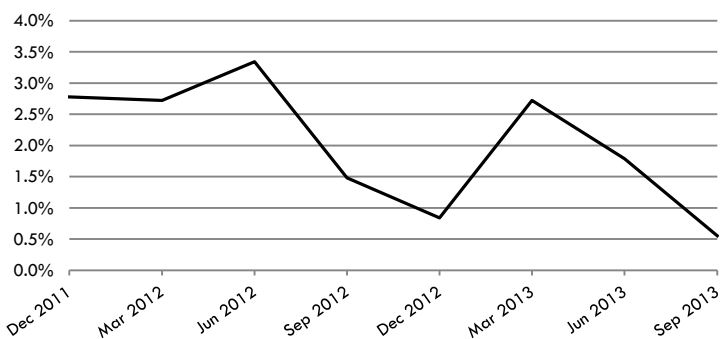
Median 52-Week Return	25.5%	Median EV/Revenue Multiple	1.5x	Median Price/Earnings Multiple	19.7x
Median 3-Year CAGR Return	22.7%	Median EV/EBITDA Multiple	11.1x	Median EV/Gross CF Multiple	19.6x

Comparable Public Company Market Price Returns (As of September 30, 2013)

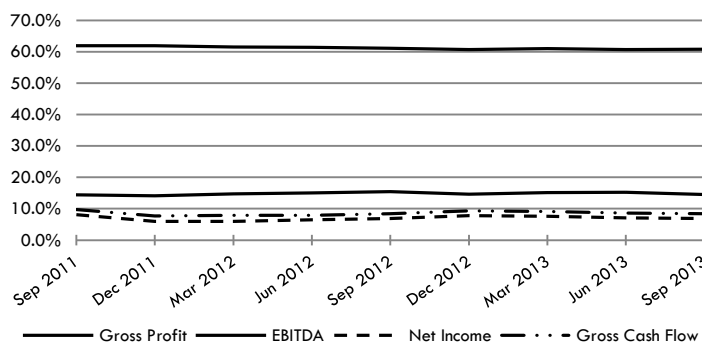
	YTD	3 Month	1 Year	2 Year	3 Year	5 Year	2012	2011	2010	2009	2008
Avon Products Inc.	43.5%	-2.0%	29.2%	2.5%	-13.8%	-13.1%	-17.8%	-39.9%	-7.7%	31.1%	-39.2%
The Estée Lauder Companies Inc.	16.8%	6.3%	13.5%	26.2%	30.3%	22.9%	6.6%	39.2%	66.9%	56.2%	-29.0%
Church & Dwight Co. Inc.	12.1%	-2.7%	11.2%	16.6%	22.7%	14.1%	17.1%	32.6%	14.2%	7.7%	3.8%
Nu Skin Enterprises Inc.	158.4%	56.6%	146.6%	53.7%	49.2%	42.6%	-23.7%	60.5%	12.6%	157.6%	-36.5%
Coty Inc.	N/A	-5.6%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Elizabeth Arden, Inc.	-18.0%	-18.0%	-21.8%	13.9%	22.7%	13.5%	21.5%	61.0%	59.5%	14.4%	-38.0%
Helen of Troy Limited	32.4%	15.3%	39.0%	32.7%	20.5%	14.2%	8.9%	3.2%	21.6%	40.9%	1.3%
PhotoMedex, Inc.	9.4%	-0.3%	13.1%	N/A	N/A	N/A	12.6%	N/A	N/A	N/A	N/A
Revlon, Inc.	91.5%	25.9%	79.9%	50.1%	30.1%	13.3%	-2.5%	51.1%	-42.2%	155.0%	-43.5%
Steiner Leisure Ltd.	20.9%	10.5%	25.5%	19.7%	15.3%	11.2%	6.5%	-2.8%	17.5%	34.7%	-33.2%
Median of Industry Public Companies	20.9%	3.0%	25.5%	22.9%	22.7%	13.8%	6.6%	35.9%	15.8%	37.8%	-34.8%

(Multiple year periods are calculated as the average annual return.)

Median Quarterly Revenue Growth of All Beauty Products Companies



Median Gross Profit, EBITDA, Net Income and Gross Cash Flow Margins



Median Public Company Multiples of the Beauty Products Industry

Date:	9/30/2011	12/31/2011	3/31/2012	6/30/2012	9/30/2012	12/31/2012	3/31/2013	6/30/2013	9/30/2013
EV/Revenues Multiple	1.1x	1.2x	1.3x	1.2x	1.2x	1.1x	1.1x	1.3x	1.5x
EV/EBITDA Multiple	8.4x	9.6x	10.2x	8.7x	9.0x	9.1x	9.3x	10.2x	11.1x
Price/Earnings Multiple	14.9x	17.2x	18.5x	19.8x	21.9x	14.1x	19.0x	23.2x	19.7x
EV/Gross Cash Flows Multiple	11.6x	16.0x	16.3x	18.2x	20.7x	18.9x	19.1x	18.9x	19.6x

This industry research is provided at no charge to Cogent Valuation's clients. Research or detailed information not covered in this report can be obtained for a fee. Contact Steven Kam at 415-392-0888 for more information or questions in connection with this research report.

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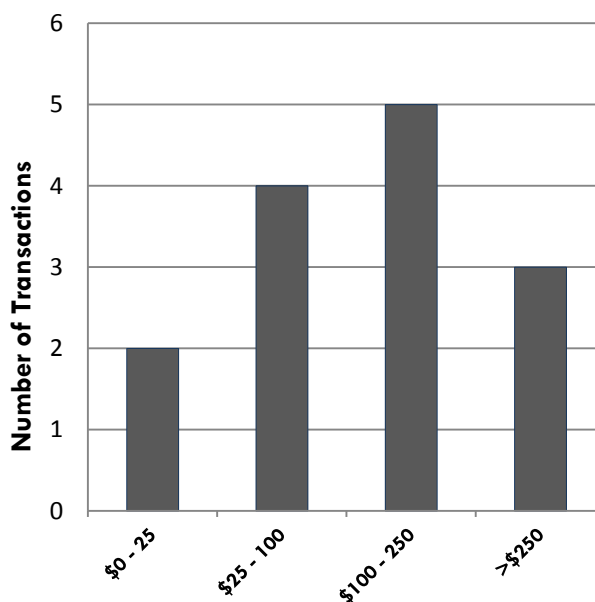
Industry Initial Public Offerings (dollars in millions, except share prices)

Offer Date	Company Name	Offer Price	Shares Offered	Amount Raised	Total Assets	Debt	LTM Revenues	LTM EBITDA	LTM Net Income	LTM Cash Flows
6/12/2013	Coty Inc.	\$17.50	57.1	\$1,000.0	\$6,328.0	\$2,533.6	\$4,613.7	\$674.8	(\$127.0)	\$826.1
10/26/2010	Mecox Lane Limited	\$11.00	11.7	\$129.2	\$71.4	\$0.0	\$224.1	\$11.4	\$6.2	\$11.4
2/11/2005	Prestige Brands Holdings, Inc.	\$16.00	28.0	\$448.0	\$325.4	\$148.7	\$85.3	\$25.8	\$4.4	\$26.1
12/15/2004	Herbalife Ltd.	\$14.00	14.5	\$203.0	\$916.1	\$501.7	\$1,268.1	\$178.3	\$24.2	\$189.7
11/21/1996	Nu Skin Enterprises Inc.	\$23.00	9.1	\$209.3	N/A	N/A	N/A	N/A	N/A	N/A
11/13/1996	Steiner Leisure Ltd.	\$13.00	4.4	\$57.6	\$17.6	\$4.0	\$65.5	\$8.8	\$3.8	\$9.4
Median of All IPOs		nm	nm	\$206.2	\$325.4	\$148.7	\$224.1	\$25.8	\$4.4	\$26.1

Recent Merger and Acquisition Transactions for a Majority Stake (dollars in millions)

Transaction Date	Target	Acquirer	Transaction Size	% Bought
12/21/2012	Lornamead Group	Li & Fung	\$190.0	100%
1/7/2013	L.D.Waxson (S) Pte	WIPRO UNZA Holdings	\$144.0	100%
12/12/2012	Physicians Formula	Markwins International	\$78.3	100%
9/30/2012	Kosan Kozmetik Pazarlama Ve	Yves Rocher SA	\$150.0	51%
6/26/2012	Viorica-Cosmetic	DAAC Hermes Grup	\$4.1	96%
4/18/2012	Parlux Fragrances	Perfumania Holdings	\$216.7	100%
2/2/2012	Jurlique International Pty	POLA Orbis Holdings	\$299.4	100%
1/19/2012	Magic Holdings International	Baring Private Equity Asia	\$58.1	15%
12/12/2011	Ortho Dermatologics	Valeant International	\$346.1	100%
12/6/2011	Concern Kalina, OAO	Unilever Rus Ooo	\$673.2	82%
8/2/2011	Annick Goutal SAS	Amorepacific Global Operations	\$42.7	100%
4/18/2011	Global Cosmetics (HK)	Charmfame Investment	\$2.1	100%
1/3/2011	Dr. Scheller Cosmetics	Coty Inc.	\$52.8	100%
1/1/2011	Namaste Laboratories	Dermoviva Skin Essentials	\$140.0	100%
Median of All Transaction Targets			\$142.0	100%

Size of Merger and Acquisition Transactions (dollars in millions)



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