

Quarterly Industry Update

As of September 30, 2013

Industry: Online Retail



Industry Summary

Cogent Valuation identified publicly traded companies, IPOs, and recent M&A transactions within the Online Retail 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 Online Retail industry has increased by 32.2%. In the last quarter, the median price-to-earnings multiple increased from 27.2x to 30.1x.

Comparable Public Company Key Statistics

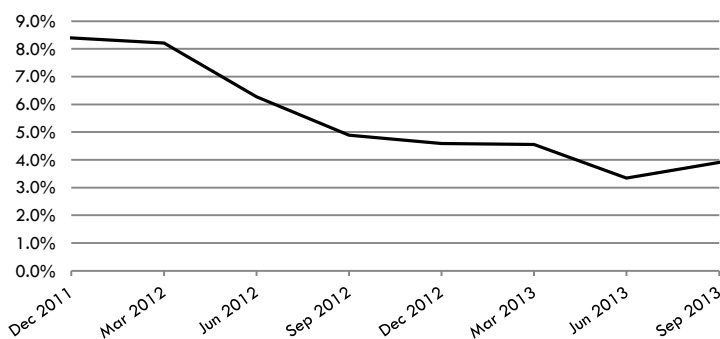
Median 52-Week Return	32.2%	Median EV/Revenue Multiple	2.0x	Median Price/Earnings Multiple	30.1x
Median 3-Year CAGR Return	19.0%	Median EV/EBITDA Multiple	13.5x	Median EV/Gross CF Multiple	25.6x

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

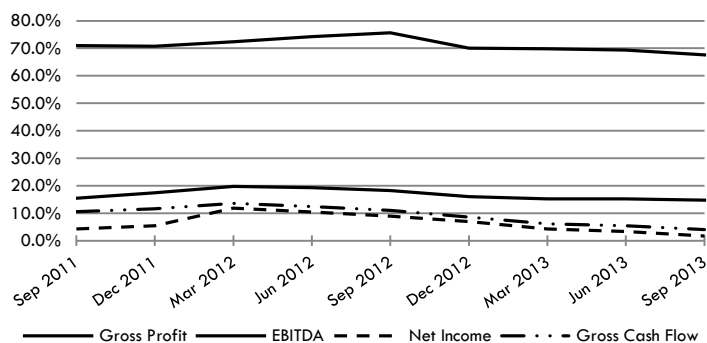
	YTD	3 Month	1 Year	2 Year	3 Year	5 Year	2012	2011	2010	2009	2008
Amazon.com Inc.	24.6%	12.6%	22.9%	20.2%	25.8%	33.9%	44.9%	-3.8%	33.8%	162.3%	-44.6%
eBay Inc.	9.4%	7.9%	15.4%	37.5%	31.7%	20.0%	68.1%	9.0%	18.3%	68.6%	-57.9%
Expedia Inc.	-15.7%	-13.9%	-10.4%	0.3%	-2.8%	11.4%	111.7%	-42.2%	-2.5%	212.3%	-73.9%
The Priceline Group Inc.	63.0%	22.3%	63.3%	50.0%	42.6%	71.4%	32.6%	17.1%	82.9%	196.6%	-35.9%
Marchex, Inc.	77.1%	20.9%	89.6%	-7.5%	10.1%	-6.7%	-34.2%	-34.5%	87.8%	-12.9%	-46.3%
Baidu, Inc.	54.7%	64.0%	32.8%	20.5%	14.8%	44.3%	-13.9%	20.7%	134.7%	214.9%	-66.5%
Monster Worldwide, Inc.	-21.4%	-10.0%	-39.7%	-21.5%	-30.1%	-21.6%	-29.1%	-66.4%	35.8%	43.9%	-62.7%
Travelzoo Inc.	39.7%	-2.7%	12.5%	9.8%	1.0%	27.3%	-22.7%	-40.6%	236.7%	121.0%	-59.4%
Groupon, Inc.	130.7%	31.1%	135.3%	N/A	N/A	N/A	-76.4%	N/A	N/A	N/A	N/A
Mercadolibre, Inc.	71.8%	25.2%	63.4%	58.4%	23.2%	46.0%	-1.2%	19.3%	28.5%	216.1%	-77.8%
1-800-Flowers.com Inc.	34.3%	-20.4%	32.2%	45.8%	37.7%	-3.9%	66.8%	-18.2%	1.5%	-30.6%	-56.2%
Median of Industry Public Companies	39.7%	12.6%	32.2%	20.4%	19.0%	23.7%	-1.2%	-11.0%	34.8%	141.7%	-58.6%

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

Median Quarterly Revenue Growth of All Online Retail Companies



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



Median Public Company Multiples of the Online Retail 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	2.1x	1.5x	1.7x	1.9x	1.9x	1.6x	1.7x	1.9x	2.0x
EV/EBITDA Multiple	15.3x	12.6x	12.6x	13.5x	13.9x	13.0x	13.0x	13.7x	13.5x
Price/Earnings Multiple	23.2x	19.7x	19.4x	18.1x	22.8x	21.8x	23.2x	27.2x	30.1x
EV/Gross Cash Flows Multiple	18.0x	24.8x	18.9x	15.2x	20.0x	18.4x	19.4x	20.7x	25.6x

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 Richard Reynolds or Steven Kam at 415-392-0888 for additional information or questions in connection with this research report.

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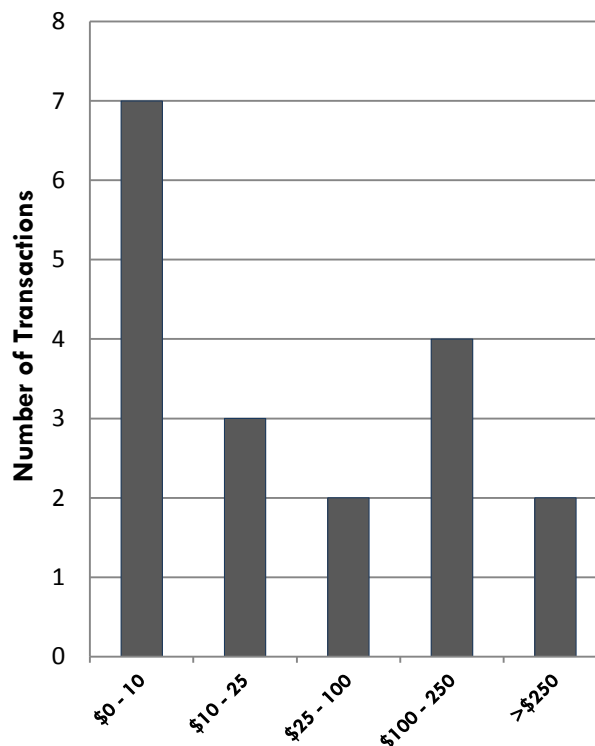
Industry Initial Public Offerings (dollars in millions, except share prices)

Offer Date	Company Name	Offer Price	Shares Offered	Amount Raised	Total Assets	Debt	LTM Revenues	LTM EBITDA	LTM Net Income	LTM Cash Flows
6/6/2013	LightInTheBox Holding Co., Ltd.	\$9.50	8.3	\$78.9	\$44.2	\$8.4	\$236.4	\$4.9	\$1.4	\$6.0
3/28/2012	CafePress Inc.	\$19.00	4.5	\$85.5	\$89.0	\$3.2	\$175.5	\$16.4	\$3.6	\$22.2
3/22/2012	Vipshop Holdings Limited	\$6.50	11.0	\$71.5	\$167.4	\$15.7	\$227.1	(\$105.2)	(\$107.3)	(\$103.9)
11/3/2011	Groupon, Inc.	\$20.00	35.0	\$700.0	\$1,445.4	\$0.0	\$1,290.5	(\$365.6)	(\$527.7)	(\$356.0)
6/28/2011	HomeAway, Inc.	\$27.00	8.0	\$216.0	\$518.0	\$0.0	\$183.7	\$31.1	\$19.3	\$35.2
12/7/2010	E-Commerce China Dangdang Inc.	\$16.00	17.0	\$272.0	\$205.1	\$0.0	\$301.6	\$5.9	\$5.7	\$8.4
8/9/2007	Mercadolibre, Inc.	\$18.00	16.1	\$289.4	\$62.2	\$9.4	\$64.1	\$13.1	\$3.5	\$14.8
7/19/2007	Orbitz Worldwide, Inc.	\$15.00	34.0	\$510.0	\$2,149.0	\$860.0	\$804.0	\$61.0	(\$56.0)	\$93.0
10/25/2005	Shopping.com Ltd.	\$18.00	6.9	\$123.7	\$188.6	\$0.0	\$113.2	\$16.3	\$11.3	N/A
8/4/2005	Baidu, Inc.	\$27.00	4.0	\$109.1	\$39.7	\$0.0	\$21.6	\$4.9	\$2.9	\$4.9
Median of All IPOs		nm	nm	\$169.8	\$178.0	\$1.6	\$205.4	\$9.5	\$3.2	\$8.4

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

Transaction Date	Target	Acquirer	Transaction Size	% Bought
9/30/2013	SHUFUNOTOMO-DIRECT.Co.,Ltd.	Senshukai Co., Ltd.	\$1.7	51%
8/22/2013	Monoprice, Inc.	Blucora, Inc.	\$180.0	100%
5/23/2013	Bluefly Inc.	Clearlake Capital Group	\$7.6	89%
2/26/2013	Wedge Holdings	N/A	\$0.3	100%
11/26/2012	BIDZ.com, Inc.	N/A	\$14.3	100%
7/17/2012	e-tabinet.com, Inc	NetIndex Inc.	\$7.1	67%
4/30/2012	LoopNet, Inc.	CoStar Group Inc.	\$751.5	100%
12/7/2011	Wiggle Ltd.	Bridgepoint Capital	\$313.7	100%
12/1/2011	d&shop Co., Ltd.	GS Home Shopping	\$18.5	100%
10/1/2011	Fashion Walker, Inc.	Fashion-Co-Lab	\$14.3	100%
9/30/2011	e-tabinet.com, Inc	Fisco Capital Co.	\$4.7	56%
8/16/2011	eConversions Limited	Smallponds Inc.	\$40.0	100%
7/5/2011	HOH Home Of Hardware	DÜBAG Düsseldorf	\$4.3	100%
5/31/2011	Shopzilla, Inc.	Symphony Technology	\$165.0	100%
4/30/2011	Code Start, Inc.	IMJ Corporation	\$0.6	100%
3/24/2011	NetOnNet AB	Waldir AB	\$58.4	70%
3/23/2011	HauteLook, Inc.	Nordstrom Inc.	\$210.0	100%
2/28/2011	Kiddicare.com Limited	Wm. Morrison	\$113.0	100%
Median of All Transaction Targets			\$16.4	100%

Size of Merger and Acquisition Transactions (dollars in millions)



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