

Quarterly Industry Update

As of December 31, 2015

Industry: Specialty Bags/Luggage



Industry Summary

Cogent Valuation identified Specialty Bags/Luggage publicly traded companies, IPOs, and recent M&A transactions within the Specialty Bags/Luggage 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. Over the last year since December 31, 2014, the median 52-week share price return of the Specialty Bags/Luggage industry was -14.9%. Between December 31, 2013 and December 31, 2015, the median EV/EBITDA multiple decreased from 15.5 to 9.4. Furthermore, the median price-to-earnings multiple decreased from 21.4 to 20.5 over the same period.

Comparable Public Company Key Statistics

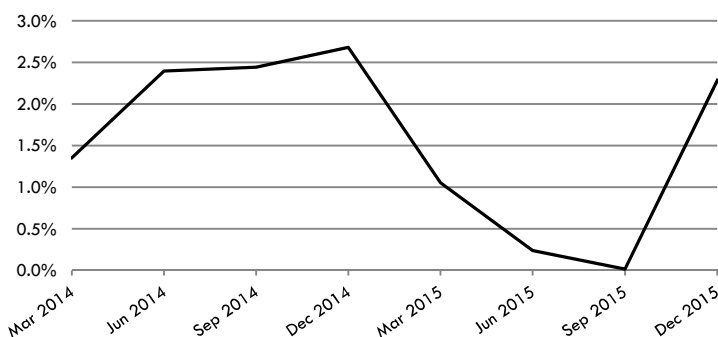
| | | | | | |
|---------------------------|--------|----------------------------|------|--------------------------------|-------|
| Median 52-Week Return | -14.9% | Median EV/Revenue Multiple | 1.2x | Median Price/Earnings Multiple | 20.5x |
| Median 3-Year CAGR Return | -8.3% | Median EV/EBITDA Multiple | 9.4x | Median EV/Gross CF Multiple | 12.7x |

Comparable Public Company Market Price Returns As of December 31, 2015

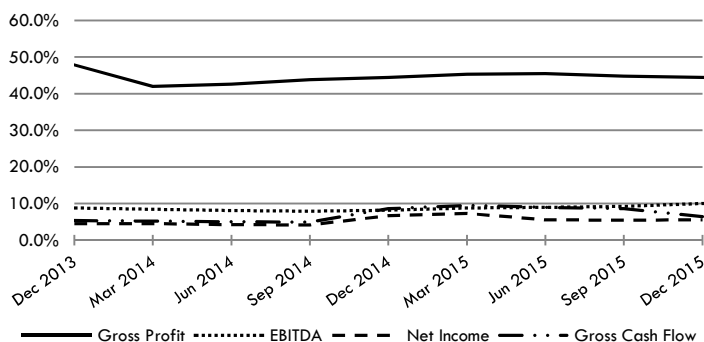
| | YTD | 3 Month | 1 Year | 2 Year | 3 Year | 5 Year | 2015 | 2014 | 2013 | 2012 | 2011 |
|--|---------------|--------------|---------------|--------------|--------------|-------------|---------------|--------------|--------------|-------------|--------------|
| Black Diamond, Inc. | -49.5% | -29.6% | -49.5% | -42.4% | -18.6% | -11.0% | -49.5% | -34.4% | 62.6% | 9.8% | -5.6% |
| Callaway Golf Co. | 22.3% | 12.8% | 22.3% | 5.7% | 13.2% | 3.1% | 22.3% | -8.7% | 29.7% | 17.5% | -31.5% |
| Coach, Inc. | -12.9% | 13.1% | -12.9% | -23.6% | -16.1% | -10.0% | -12.9% | -33.1% | 1.1% | -9.1% | 10.4% |
| Gaiam Inc. | -12.5% | 1.5% | -12.5% | -2.9% | 25.5% | -4.1% | -12.5% | 7.7% | 109.5% | -2.5% | -57.9% |
| G-III Apparel Group, Ltd. | -12.4% | -28.2% | -12.4% | 9.4% | 37.3% | 20.3% | -12.4% | 36.6% | 116.1% | 37.4% | -29.1% |
| Lululemon Athletica Inc. | -6.0% | 3.6% | -6.0% | -5.7% | -11.7% | 8.9% | -6.0% | -5.5% | -22.6% | 63.4% | 36.4% |
| Ralph Lauren Corporation | -39.8% | -5.7% | -39.8% | -20.5% | -9.4% | 0.1% | -39.8% | 4.9% | 17.8% | 8.6% | 24.5% |
| Tumi Holdings, Inc. | -29.9% | -5.6% | -29.9% | -14.1% | -7.3% | N/A | -29.9% | 5.2% | 8.2% | N/A | N/A |
| V.F. Corporation | -16.9% | -8.7% | -16.9% | -0.1% | 18.2% | 23.6% | -16.9% | 20.1% | 65.2% | 18.9% | 47.4% |
| Vera Bradley, Inc. | -22.7% | 25.0% | -22.7% | -19.0% | -14.4% | -13.7% | -22.7% | -15.2% | -4.2% | -22.2% | -2.3% |
| Median of Industry Public Companies | -14.9% | -2.1% | -14.9% | -9.9% | -8.3% | 0.1% | -14.9% | -0.3% | 23.7% | 9.8% | -2.3% |

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

Median Quarterly Revenue Growth of All Specialty Bags/Luggage Companies



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



Median Public Company Multiples of the Specialty Bags/Luggage Industry

| Date: | 12/31/2013 | 3/31/2014 | 6/30/2014 | 9/30/2014 | 12/31/2014 | 3/31/2015 | 6/30/2015 | 9/30/2015 | 12/31/2015 |
|------------------------------|------------|-----------|-----------|-----------|------------|-----------|-----------|-----------|------------|
| EV/Revenues Multiple | 2.3x | 2.0x | 1.8x | 1.6x | 1.7x | 1.5x | 1.4x | 1.3x | 1.2x |
| EV/EBITDA Multiple | 15.5x | 12.5x | 11.7x | 12.1x | 14.0x | 13.7x | 13.6x | 14.1x | 9.4x |
| Price/Earnings Multiple | 21.4x | 19.2x | 21.6x | 22.6x | 22.4x | 22.9x | 23.4x | 19.8x | 20.5x |
| EV/Gross Cash Flows Multiple | 18.4x | 16.9x | 18.2x | 19.0x | 14.9x | 18.7x | 17.7x | 13.9x | 12.7x |

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Quarterly Industry Update

As of December 31, 2015

Industry: Specialty Bags/Luggage



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

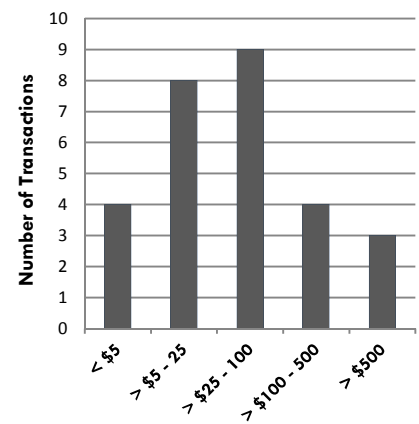
| Offer Date | Company Name | Offer Price | Shares Offered | Amount Raised | Total Assets | Debt | LTM Revenues | LTM EBITDA | LTM Net Income | LTM Cash Flows |
|---------------------------|--------------------------|-------------|----------------|----------------|----------------|---------------|----------------|---------------|----------------|----------------|
| 4/18/2012 | Tumi Holdings, Inc. | \$18.00 | 18.8 | \$338.0 | \$446.3 | \$315.4 | \$330.0 | \$70.5 | \$16.6 | \$80.3 |
| 10/20/2010 | Vera Bradley, Inc. | \$16.00 | 11.0 | \$176.0 | \$169.2 | \$33.2 | \$322.9 | \$67.6 | \$56.0 | \$75.7 |
| 7/26/2007 | Lululemon Athletica Inc. | \$18.00 | 18.2 | \$327.6 | \$69.0 | \$1.5 | \$165.5 | \$29.4 | \$8.0 | \$34.1 |
| Median of All IPOs | | nm | nm | \$327.6 | \$169.2 | \$33.2 | \$322.9 | \$67.6 | \$16.6 | \$75.7 |

nm: not meaningful

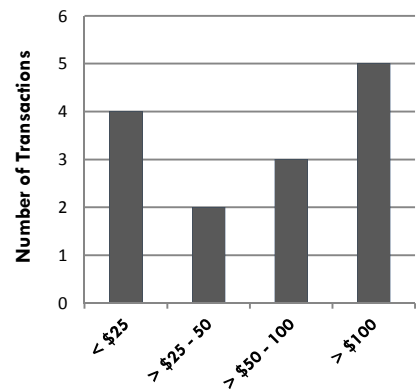
Recent Merger and Acquisition Transactions for a Majority Stake (dollars in millions)

| Transaction Date | Target | Acquirer | Transaction Size | % Bought | LTM Revenues | EV/Revenues |
|---|---------------------------|-----------------------------|------------------|-------------|---------------|-------------|
| 12/30/2015 | Sergio Rossi S.p.A. | InvestIndustrial | \$65.9 | 100% | \$90.1 | 0.7x |
| 10/12/2015 | MD Inc. Limited | Silver Summit Investments | \$5.4 | 100% | \$3.9 | 1.4x |
| 9/30/2015 | Chic Accent | Samsonite S.p.A. | \$9.6 | 100% | \$17.1 | 0.6x |
| 7/1/2015 | Newton Manufacturing | HALO Branded Solutions | \$3.5 | 100% | N/A | N/A |
| 6/30/2015 | Sino Golf Holdings Ltd. | N/A | \$54.6 | 61% | \$38.2 | 2.0x |
| 6/1/2015 | Karmaloop, Inc. | CapX Partners | \$13.0 | 100% | N/A | N/A |
| 5/31/2015 | Roberto Cavalli S.p.A. | Pantheon Ventures | \$437.0 | 90% | \$254.5 | 1.9x |
| 5/20/2015 | Calzaturificio Valleverde | Silver 1 srl | \$10.0 | 100% | N/A | N/A |
| 5/15/2015 | Fresh Produce Sportswear | Fresh Produce Holdings | \$7.1 | 100% | N/A | N/A |
| 3/26/2015 | A.S.Adventure n.v. | PAI Partners | \$448.7 | 100% | \$456.6 | 1.0x |
| 3/12/2015 | BHS Limited | Retail Acquisitions Limited | \$104.3 | 100% | N/A | N/A |
| 3/6/2015 | LogoSportswear, Inc. | Gladstone Investment Corp. | \$9.7 | 100% | N/A | N/A |
| 2/16/2015 | The Rolling Luggage Co. | Samsonite GmbH | \$24.2 | 100% | \$41.0 | 0.6x |
| 12/8/2014 | Character World Ltd. | Palatine Private Equity | \$56.3 | 100% | N/A | N/A |
| 11/25/2014 | Bank Fashion Limited | Hilco UK Limited | \$28.5 | 100% | N/A | N/A |
| 9/12/2014 | Roberto Cavalli S.p.A. | VTB Bank | \$323.7 | 60% | N/A | N/A |
| 8/1/2014 | David Jones Limited | Vela Investments Pty | \$2,054.1 | 100% | \$1,787.4 | 1.1x |
| 4/1/2014 | Distri Bagages Sarl | Samsonite Europe N.V. | \$27.6 | 100% | \$9.0 | 3.1x |
| 3/5/2014 | Altrec Inc. | TruSnow.com | \$3.3 | 100% | N/A | N/A |
| 12/5/2013 | Loro Piana S.p.A. | LVMH Moët Hennessy | \$2,573.8 | 80% | \$810.8 | 4.0x |
| 8/12/2013 | Pro Hockey Life | FGL Sports Ltd. | \$85.6 | 100% | \$95.7 | 0.9x |
| 8/6/2013 | JA Apparel Corp. | The Men's Wearhouse | \$97.5 | 100% | N/A | N/A |
| 7/31/2013 | PRINTEMPS SAS | Divine Investments SA | \$2,123.6 | 100% | \$1,924.5 | 1.1x |
| 7/19/2013 | Da Kine Hawaii, Inc. | Altamont Capital Partners | \$64.6 | 100% | N/A | N/A |
| 6/29/2013 | Long Island National GC | N/A | \$6.0 | 100% | N/A | N/A |
| 5/3/2013 | Combat Sports Inc. | Bauer Performance Sports | \$4.0 | 100% | N/A | N/A |
| 3/31/2013 | Torpedo7 Limited | The Warehouse Group | \$27.2 | 51% | \$57.6 | 0.7x |
| 2/13/2013 | Fashion Case Oy | Bjorn Borg AB | \$1.4 | 100% | \$5.0 | 0.3x |
| Median of the 28 M&A Transaction Targets | | | \$28.1 | 100% | \$73.8 | 1.0x |

Size of M&A Transactions



LTM Revenues Reported



Definitions of Financial Terms Used in this Quarterly Industry Update:

Enterprise Value (EV): Market Value of Equity + Market Value of Debt - Cash

Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA): Profitability metric sometimes also referred to as operating profit or operating earnings.

Gross Cash Flows: Net Income + Depreciation and Amortization Expense

Latest Twelve Months (LTM): Financial information is as of the latest twelve months through the date of this Quarterly Industry Update.

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