

Quarterly Industry Update

As of June 30, 2016

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 June 30, 2015, the median 52-week share price return of the Specialty Bags/Luggage industry was 13.1%. Between June 30, 2014 and June 30, 2016, the median EV/EBITDA multiple increased from 11.5 to 12.6. Furthermore, the median price-to-earnings multiple increased from 20.0 to 21.3 over the same period.

Comparable Public Company Key Statistics

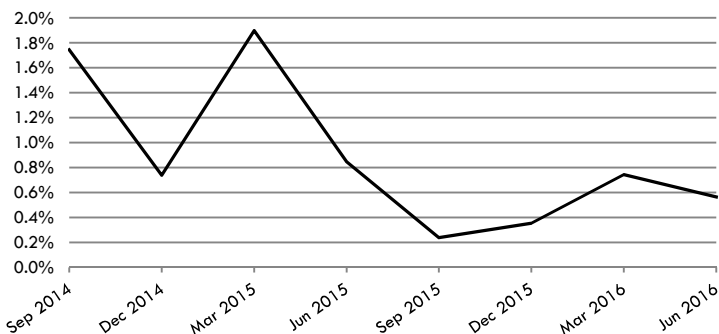
Median 52-Week Return	13.1%	Median EV/Revenue Multiple	1.0x	Median Price/Earnings Multiple	21.3x
Median 3-Year CAGR Return	4.1%	Median EV/EBITDA Multiple	12.6x	Median EV/Gross CF Multiple	18.3x

Comparable Public Company Market Price Returns As of June 30, 2016

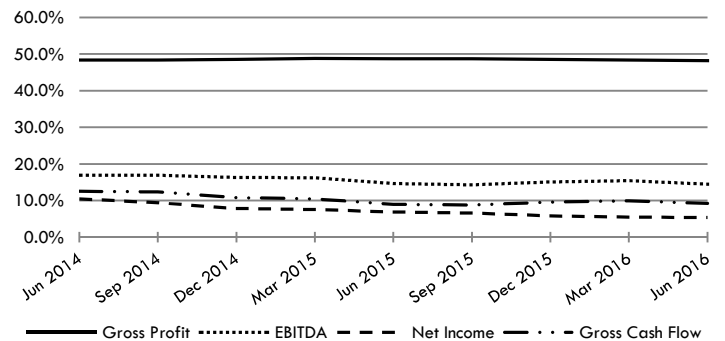
	YTD	3 Month	1 Year	2 Year	3 Year	5 Year	2015	2014	2013	2012	2011
Black Diamond, Inc.	-6.3%	-8.4%	-55.2%	-39.3%	-23.9%	-12.1%	-49.5%	-34.4%	62.6%	9.8%	-5.6%
Callaway Golf Co.	8.4%	12.0%	14.2%	10.8%	15.8%	10.4%	22.3%	-8.7%	29.7%	17.5%	-31.5%
Coach, Inc.	24.5%	1.6%	17.7%	9.2%	-10.6%	-8.6%	-12.9%	-33.1%	1.1%	-9.1%	10.4%
Gaia Inc.	24.0%	20.9%	18.3%	0.4%	20.2%	9.3%	-12.5%	7.7%	109.5%	-2.5%	-57.9%
G-III Apparel Group, Ltd.	3.3%	-6.5%	-35.0%	5.8%	23.9%	21.5%	-12.4%	36.6%	116.1%	37.4%	-29.1%
Lululemon Athletica Inc.	40.8%	9.1%	13.1%	35.1%	4.1%	5.7%	-6.0%	-5.5%	-22.6%	63.4%	36.4%
Ralph Lauren Corporation	-19.6%	-6.9%	-32.3%	-25.3%	-19.8%	-7.5%	-39.8%	4.9%	17.8%	8.6%	24.5%
Tumi Holdings, Inc.	N/A	N/A	N/A	N/A	N/A	N/A	-29.9%	5.2%	8.2%	N/A	N/A
V.F. Corporation	-1.2%	-5.0%	-11.8%	-1.2%	8.4%	17.8%	-16.9%	20.1%	65.2%	18.9%	47.4%
Vera Bradley, Inc.	-10.1%	-30.3%	25.7%	-19.5%	-13.2%	-18.0%	-22.7%	-15.2%	-4.2%	-22.2%	-2.3%
Median of Industry Public Companies	3.3%	-5.0%	13.1%	0.4%	4.1%	5.7%	-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:	6/30/2014	9/30/2014	12/31/2014	3/31/2015	6/30/2015	9/30/2015	12/31/2015	3/31/2016	6/30/2016
EV/Revenues Multiple	1.8x	1.5x	1.4x	1.4x	1.4x	1.2x	1.1x	1.0x	1.0x
EV/EBITDA Multiple	11.5x	11.8x	13.3x	13.0x	14.9x	14.7x	11.5x	12.6x	12.6x
Price/Earnings Multiple	20.0x	20.9x	22.0x	22.5x	22.1x	19.9x	22.2x	27.8x	21.3x
EV/Gross Cash Flows Multiple	17.1x	18.1x	18.0x	17.3x	19.4x	16.0x	15.0x	18.7x	18.3x

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 additional information or questions in connection with this research report. Copyright © 2016 Cogent Valuation. All Rights Reserved.

Quarterly Industry Update

As of June 30, 2016

Industry: Specialty Bags/Luggage

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

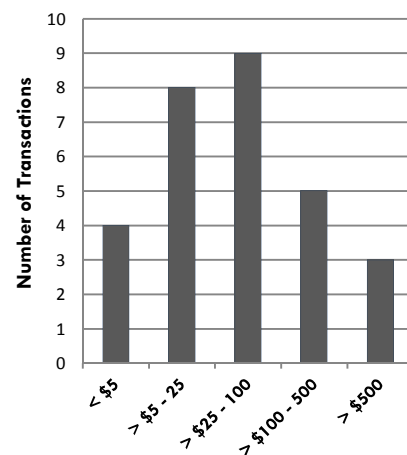
Offer Date	Company Name	Offer Price	Shares Offered	Amount Raised	Total Assets	Debt	LTM Revenues	LTM EBITDA	LTM Net Income	LTM Cash Flows
2/1/2016	JS Corporation	\$19.11	3.3	\$62.7	\$54.9	\$9.8	\$99.4	\$12.1	\$5.7	\$12.8
4/18/2012	Tumi Holdings, Inc.	\$18.00	18.8	\$338.0	\$446.3	\$315.4	\$330.0	\$70.5	\$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	\$251.8	\$119.1	\$21.5	\$244.2	\$48.5	\$12.3	\$54.9

nm: not meaningful

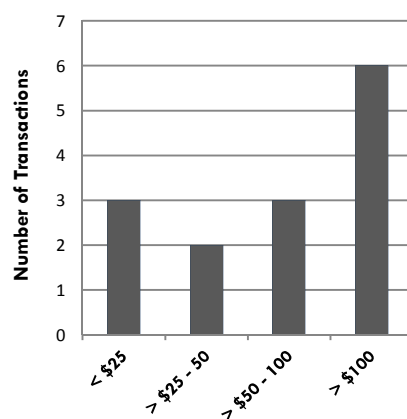
Recent Merger and Acquisition Transactions for a Majority Stake (dollars in millions)

Transaction Date	Target	Acquirer	Transaction Size	% Bought	LTM Revenues	EV/Revenues
6/3/2016	Lee & Man Handbags	Sonic Tycoon Limited	\$96.2	50%	\$82.0	1.5x
4/25/2016	Karrah Inc.	Precious Investments, Inc.	\$1.5	100%	N/A	N/A
2/11/2016	Kurt Geiger Ltd	Cinven Limited	\$370.8	100%	\$393.5	0.9x
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
12/31/2014	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
Median of the 29 M&A Transaction Targets			\$54.6	100%	\$92.9	1.1x

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.

Disclosures and Limitations: This research report is for informational and discussion purposes only. Information presented herein is not investment advice of any kind to any person and does not constitute a recommendation as to the purchase or sale of any interests or as to any other course of action. General, financial, and statistical information concerning the details of this report and related industry are from sources Cogent Valuation believes to be reliable. Cogent Valuation has accurately reflected such information in this research report; however, Cogent Valuation makes no representation as to the sources' accuracy or completeness and has accepted this information without further verification. Neither all nor any part of the content of this report may be conveyed to the public through advertising, public relations, news, sales, mail, direct transmittal, or other media without the prior written consent of Cogent Valuation. Cogent Valuation's research is as of the date reported herein. Cogent Valuation has no affiliation with any of the companies comprising the industry used as a basis for research in this report, nor does Cogent Valuation hold any investments in the companies listed herein. The content of this report may be used, in part, as a basis for any work that Cogent Valuation performs for you in the future at the sole discretion of Cogent Valuation. THIS REPORT IS NOT TO BE USED OR CONSIDERED UNDER ANY CIRCUMSTANCE BY ANYONE AS INVESTMENT ADVICE. 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](mailto:Steven.Kam@CogentValuation.com) at 415-392-0888 for additional information or questions in connection with this research report. Copyright © 2016 Cogent Valuation. All Rights Reserved.