

Furniture Retail

INDUSTRY SUMMARY

COGENT VALUATION identified **Furniture Retail** publicly traded companies, IPOs, and recent M&A transactions within the Furniture 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. Over the last year since September 30, 2016, the median 52-week share price return of the Furniture Retail industry was 17.1%. Between September 30, 2015 and September 30, 2017, the median EV/EBITDA multiple decreased from 8.7 to 8.6. Furthermore, the median price-to-earnings multiple decreased from 19.2 to 18.4 over the same period.

Public Company Key Statistics

Median 52-Week
Return

17.1%

Median 3-Year CAGR
Return

6.3%

Median EV/Revenue
Multiple

.9x

Median EV/EBITDA
Multiple

8.6x

Median Price/Earnings
Multiple

18.4x

Median EV/Gross CF
Multiple

15x

Comparable Public Company Market Price Returns as of September 30, 2017

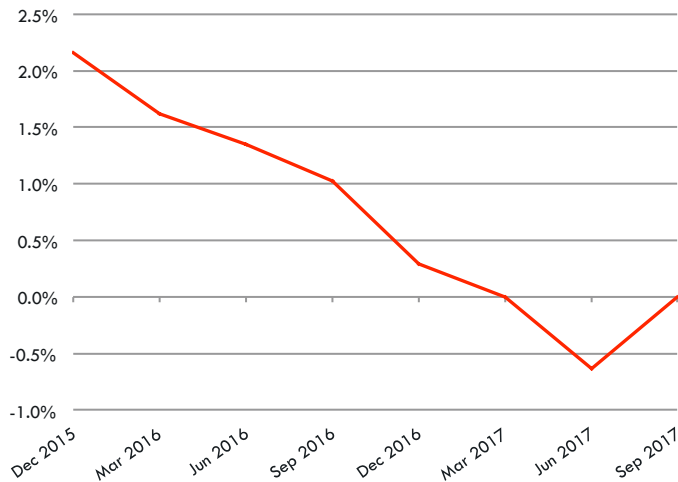
	YTD	3 Month	1 Year	2 Year	3 Year	2016	2015	2014
Aaron's, Inc.	36.4%	12.2%	71.6%	9.9%	21.5%	42.9%	-26.8%	4.0%
Bassett Furniture Industries	24.0%	-0.7%	62.2%	16.3%	40.3%	21.2%	28.5%	27.7%
Conn's, Inc.	122.5%	47.4%	172.8%	8.2%	-2.4%	-46.1%	25.6%	-76.2%
Ethan Allen Interiors Inc.	-12.1%	0.3%	3.6%	10.8%	12.4%	32.5%	-10.2%	1.8%
Flexsteel Industries, Inc.	-17.8%	-6.3%	-2.0%	27.4%	14.6%	39.6%	37.0%	4.9%
Haverty Furniture Companies, Inc.	10.3%	4.2%	30.5%	5.5%	6.3%	10.5%	-2.6%	-29.7%
hhgregg, Inc.	-98.9%	23.1%	-99.1%	-94.3%	-86.4%	-60.9%	-51.7%	-45.8%
Hooker Furniture Corporation	25.8%	16.0%	95.0%	42.4%	46.4%	50.4%	47.0%	2.9%
Kimball International, Inc.	12.6%	18.5%	52.8%	44.6%	9.5%	79.7%	7.1%	-39.3%
La-Z-Boy Incorporated	-13.4%	-17.2%	9.5%	0.6%	10.8%	27.1%	-9.0%	-13.4%
Natuzzi S.p.A.	-9.3%	-22.6%	17.1%	0.0%	0.3%	40.4%	3.9%	-40.2%
Nova Lifestyle, Inc.	-14.0%	9.9%	-54.3%	-14.7%	-27.2%	7.2%	-35.9%	-37.7%
RH	129.1%	9.0%	103.4%	-13.2%	-4.0%	-61.4%	-17.2%	42.7%
Stanley Furniture Company, Inc.	31.1%	3.5%	-33.7%	-36.5%	-25.1%	-67.7%	1.8%	-28.6%
Tempur Sealy International, Inc.	-5.5%	20.8%	13.7%	-5.0%	4.7%	-3.1%	28.3%	1.8%
Median of Industry Public Companies	10.3%	9.0%	17.1%	-6.9%	6.3%	21.2%	1.8%	-13.4%

Multiple year periods are calculated as the average annual return.

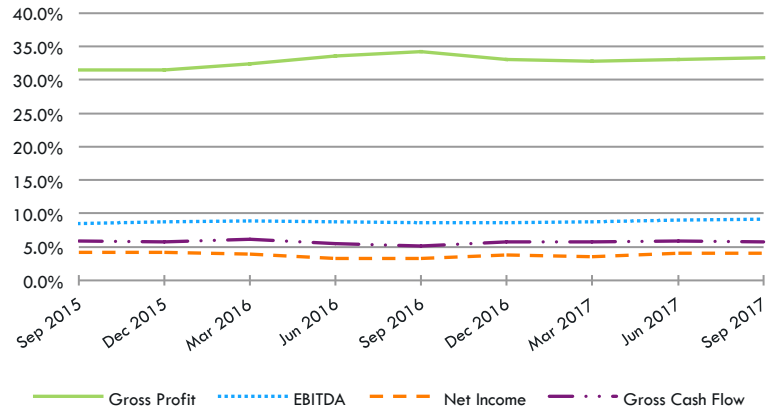
■ Highest Return
 ■ Lowest Return
 ■ Median Return

Industry Revenue Growth and Profit Margins for the Past Two Years

Median Quarterly Revenue Growth of All Furniture Retail Companies



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



Public Company Median Multiples by Quarter

	9/30/17	6/30/17	3/31/17	12/31/16	3/31/17	12/31/16	9/30/16	6/30/16
EV/Revenues Multiple	0.9x	0.8x	0.8x	0.9x	0.8x	0.9x	0.7x	0.7x
EV/EBITDA Multiple	8.6x	8.7x	8.5x	9.8x	8.5x	9.8x	7.9x	7.1x
Price/Earnings Multiple	18.4x	18.3x	17.3x	20.3x	17.3x	20.3x	16.1x	16.5x
EV/Gross Cash Flows Multiple	15.0x	13.2x	12.5x	14.1x	12.5x	14.1x	11.7x	11.4x

 Highest Multiple

 Lowest Multiple

 Median Multiple

Industry Initial Public Offerings—Industry: Furniture Retail (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
6/27/16	Vega Corporation Co., Ltd.	\$15.74	0.8	\$13.2	\$34.8	\$8.1	\$81.3	\$0.0	\$4.3	\$0.0
5/26/16	Maisons du Monde S.A.	\$19.01	19.4	\$369.1	\$1,108.8	\$838.3	N/A	N/A	N/A	N/A
12/10/15	Miliboo SA	\$4.61	1.2	\$5.6	\$9.3	\$1.5	\$16.2	(\$0.7)	(\$1.0)	(\$0.6)
12/9/15	Temple & Webster Group Limited	\$0.79	55.9	\$44.4	\$3.2	\$3.5	\$20.1	(\$3.6)	(\$5.0)	(\$3.6)
6/16/15	Adairs Limited	\$2.40	90.9	\$218.1	\$160.1	\$81.1	\$202.5	\$28.3	\$6.3	\$34.3
1/27/15	ScS Group plc	\$2.66	20.4	\$54.3	\$125.7	\$38.2	\$438.2	\$20.4	\$10.0	\$27.1
11/1/12	RH	\$24.00	5.2	\$123.9	\$650.9	\$151.1	\$1,048.5	\$67.4	\$33.1	\$92.1
5/17/11	GI Ventures	\$8.91	0.1	\$1.1	N/A	N/A	N/A	N/A	N/A	N/A
Median of all IPOs		nm	nm	\$49.3	\$125.7	\$38.2	\$141.9	\$10.2	\$5.3	\$13.6

Multiple year periods are calculated as the average annual return.

■ Highest Return
 ■ Lowest Return
 ■ Median Return

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

Transaction Date	Target	Acquirer	Transaction Size	% Bought
9/29/17	Shenandoah Furniture, Inc.	Hooker Furniture	\$40.0	100%
9/12/17	Staples, Inc.	Sycamore Partners	\$7,903.7	100%
7/28/17	SEI/Aaron's, Inc.	Aaron's, Inc.	\$140.0	100%
6/30/17	Indoor Group Oy	Sievi Capital Oyj	\$74.5	100%
6/22/17	Iniciativa Exterior 3i SA	Oneall International Ltd.	\$1.9	100%
5/1/17	Deny Designs Inc.	Leaf Group Ltd.	\$12.2	100%
2/28/17	Kohler Interiors Group, Ltd.	Samson Holding Ltd.	\$29.5	100%
1/31/17	Poggenpohl Möbelwerke GmbH	ADCURAM Group AG	\$10.4	100%
12/16/16	Morgana AB	Lammhults Design Group	\$4.9	100%
12/12/16	Fantastic Holdings Limited	Steinhoff Asia Pacific	\$275.1	100%
12/1/16	Macro International AB	Svedbergs i Dalstorp AB	\$21.8	100%

■ USA
 ■ International
 ■ Highest
 ■ Lowest
 ■ Median

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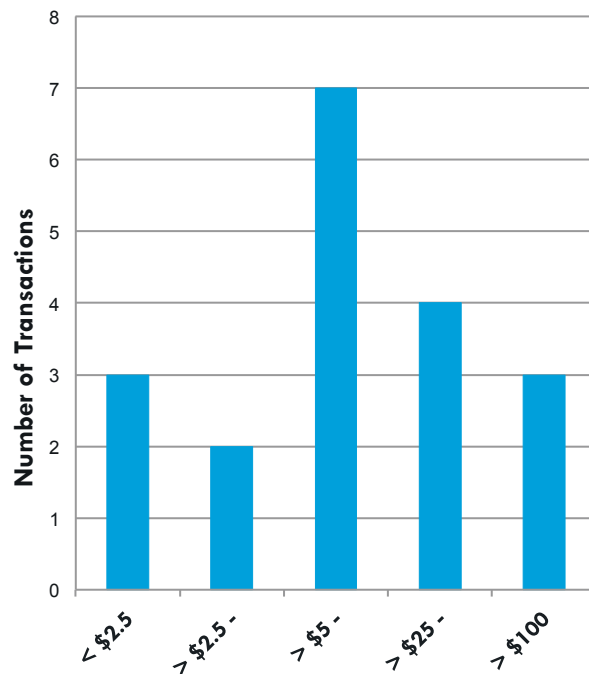
Recent Merger and Acquisition Transactions for a Majority Stake (dollars in millions)

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Transaction Date	Target	Acquirer	Transaction Size	% Bought
2/18/16	WorldStores Limited	Globe Online Limited	\$10.6	100%
2/1/16	La-Z-Boy Furniture Stores	La-Z-Boy Incorporated	\$11.9	100%
11/17/15	BoConcept Holding A/S	3i Group plc	\$231.0	100%
10/5/15	Chromcraft Revington, Inc.	Arts and Crafts Industries	\$1.8	100%
10/1/15	Home Meridian International	Hooker Furniture Corp.	\$100.0	100%
7/31/15	Double J-RD, LLC	Mattress Firm Holding Corp.	\$3.7	100%
7/16/15	American Furniture	Bank of America	\$24.1	100%
6/19/15	DFS Spain Limited	DFS Furniture plc	\$2.3	100%
2/18/16	WorldStores Limited	Globe Online Limited	\$10.6	100%
Median of the 19 M&A Transaction Targets			\$11.9	100%

USA
 International
 Highest
 Lowest
 Median

Recent Merger and Acquisition Transactions for a Majority Stake (dollars in millions) as of September 30, 2017



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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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