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E-Commerce Industry M&A Update

April 2017

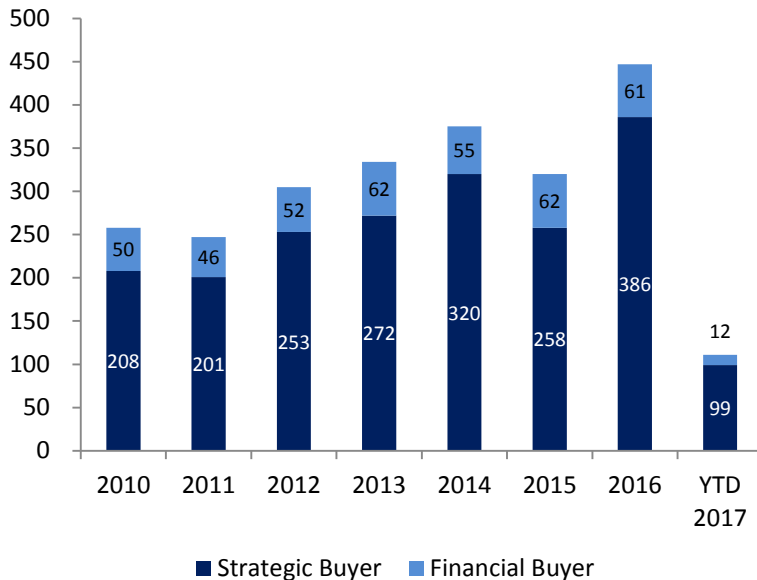
E-Commerce M&A Update

- E-Commerce M&A continues to see strong activity. 2016 transaction volume of 447 exceeded 2015 levels. During 2015, there were 320 transactions. Year-to-Date 2017 transaction volume of 111 is on pace with 2016's historically high transaction volume.
- For Year-to-Date 2017, strategic buyers accounted for 89% of the e-commerce M&A transactions with financial buyers making up the difference. During 2016, strategic buyers accounted for approximately 86% of the transactions.
- For announced transactions, e-commerce multiples saw 9.4x EBITDA and 1.7x revenue in YTD 2017.
- Peakstone e-commerce index continues to outperform the S&P 500.
- Notable publicly announced transactions:
 - Samsonite LLC acquired eBags, Inc. for approximately \$105 million.
 - Wal-Mart.com USA, LLC acquired New Moosejaw, LLC for approximately \$51 million.
 - Fitbit, Inc. acquired Pebble Technology Corp. for approximately \$23 million.
 - Bain Capital Private Equity, LP; Bow Street, LLC acquired Blue Nile, Inc. for approximately \$500 million
 - Bass Pro Group, LLC entered into a definitive agreement to acquire Cabela's Incorporated for approximately \$5.5 billion.

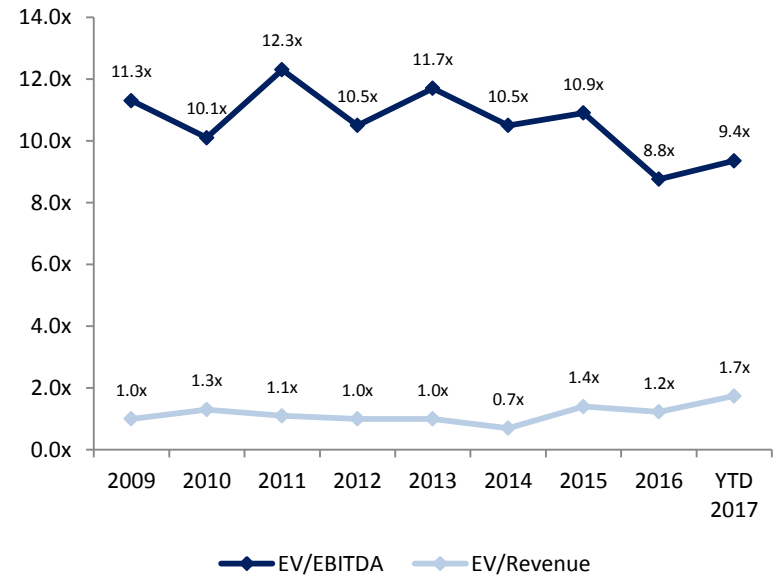
E-Commerce - M&A Market Overview

E-Commerce transaction activity has been strong with favorable valuation trends

U.S. Internet Retail Transactions by Buyer Type

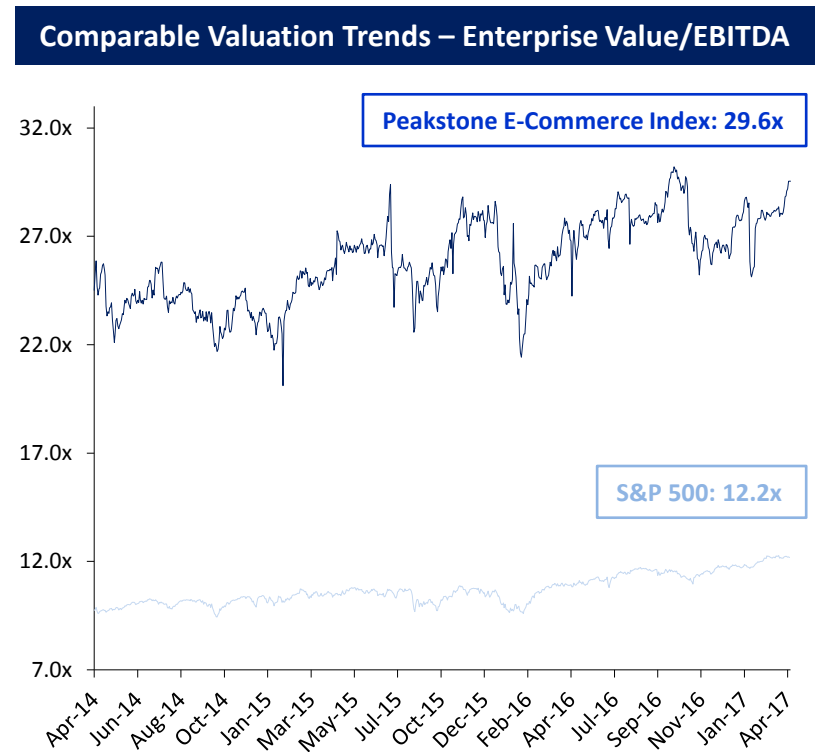
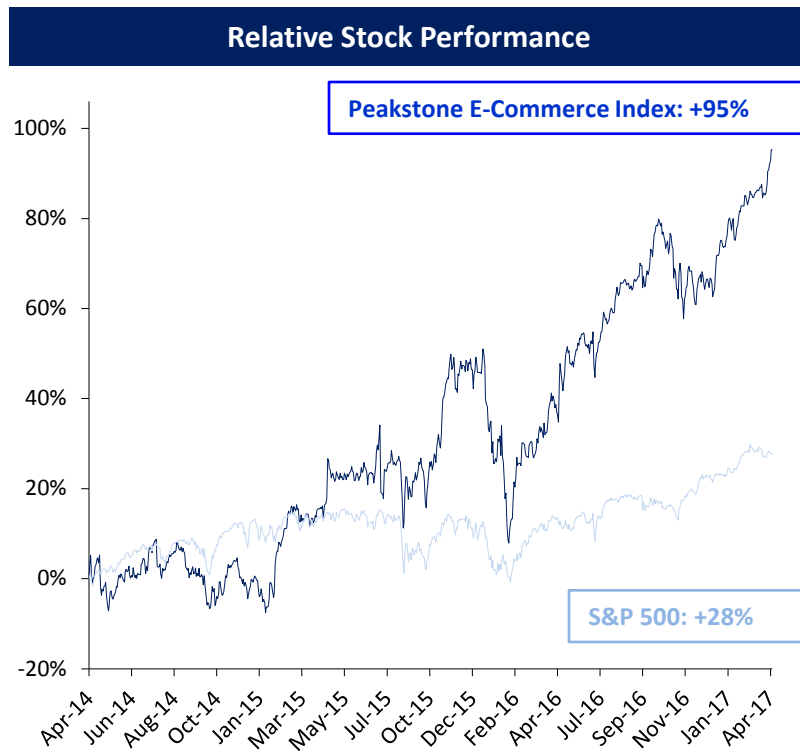


U.S. Internet Retail Transaction Multiples



Peakstone E-Commerce Index - Trading Statistics

E-Commerce has outperformed the S&P 500 over the last 3 years



Peakstone E-Commerce Index: AMZN, ASC, EBAY, FLWS, OSTK, PCLN, PETS, PRTS, SFLY, STMP, VIPS, W

Selected Public Trading Comparables

Peakstone E-Commerce Index

(\$ in millions) Company Name	Market Cap	Enterprise Value	Enterprise Value /			Forward P/E Ratio	Gross Margin %	EBITDA Margin %
			Revenue	EBITDA	EBIT			
E-Commerce								
Amazon.com, Inc.	\$237,026	\$253,857	2.8x	14.0x	16.8x	21.8x	51%	19%
The Priceline Group Inc.	\$138,888	\$122,905	2.7x	16.0x	18.3x	22.3x	43%	17%
eBay Inc.	\$110,832	\$139,248	5.3x	16.2x	19.2x	24.3x	39%	32%
Vipshop Holdings Limited	\$65,630	\$81,045	3.1x	17.8x	21.8x	20.5x	39%	16%
ASOS Plc	\$41,364	\$46,572	2.1x	12.2x	15.2x	18.5x	51%	17%
Wayfair Inc.	\$33,733	\$43,766	2.8x	12.5x	14.9x	18.1x	36%	22%
Shutterfly, Inc.	\$25,567	\$20,900	1.6x	13.2x	19.1x	21.8x	23%	11%
1-800-Flowers.com Inc.	\$25,333	\$32,836	2.5x	14.6x	19.0x	18.4x	38%	17%
PetMed Express, Inc.	\$23,166	\$25,891	3.5x	15.9x	19.6x	22.8x	43%	22%
Stamps.com Inc.	\$22,754	\$28,427	0.8x	7.5x	9.2x	13.2x	13%	10%
Blue Nile Inc.	\$18,253	\$17,896	1.9x	12.3x	13.6x	20.7x	23%	15%
Overstock.com Inc.	\$17,561	\$19,851	1.8x	10.1x	12.3x	21.7x	28%	17%
U.S. Auto Parts Network, Inc.	\$17,316	\$20,509	2.6x	15.0x	19.4x	18.3x	36%	17%
E-Commerce Total Median	\$25,567	\$32,836	2.6x	14.0x	18.3x	20.7x	38%	17%

Selected Precedent M&A Transactions

Selected E-Commerce Transactions

Date	Target/Issuer	Size (\$ mm)	Buyers/Investors	EV / EBITDA (x)	Transaction Comments
04/07/2017	eBags, Inc.	\$105	Samsonite LLC	-	Samsonite LLC entered into merger agreement to acquire eBags, Inc. from Technology Crossover Ventures, Saints Capital, Willowridge Partners, Inc. and others for approximately \$110 million on April 6, 2017.
04/04/2017	General Communication, Inc. (NasdaqGS:GNCM.A)	\$2,696	Liberty Ventures (NasdaqGS:LVNT.A)	9.8x	Liberty Ventures (NasdaqGS:LVNT.A) entered into a definitive agreement to acquire General Communication, Inc. (NasdaqGS:GNCM.A) ('GCI') for \$1.2 billion on April 4, 2017.
03/31/2017	Liquid Blaino Designs, Inc.	\$28	JMJD Ventures, LLC	-	JMJD Ventures, LLC acquired Junkfood Clothing Company from Delta Apparel, Inc. (AMEX:DLA) for approximately \$28 million on March 31, 2017. Net of selling expenses, Delta Apparel expects to realize a pre-tax gain of approximately \$1.0 million on the sale, which would be recorded in its 2017 fiscal second quarter.
03/15/2017	Fannie May Confections Brands, Inc.	\$115	Ferrero International S.A.	-	Ferrero International S.A. signed a definitive agreement to acquire Fannie May Confections Brands, Inc. from 1-800-FLOWERS.COM, Inc. (NasdaqGS:FLWS) for approximately \$120 million on March 15, 2017. The purchase price is adjusted for seasonal working capital.
03/13/2017	Lifetime Brands, Inc. (NasdaqGS:LCUT)	\$377	Mill Road Capital LP	8.9x	Mill Road Capital made an offer to acquire remaining 89.9% stake in Lifetime Brands, Inc. (NasdaqGS:LCUT) for approximately \$270 million in cash on March 13, 2017.
02/23/2017	Skip Hop, Inc.	\$150	Carter's, Inc. (NYSE:CRI)	-	Carter's, Inc. (NYSE:CRI) acquired Skip Hop Holdings, Inc. from Fireman Capital Partners and others for \$150 million on February 23, 2017.
02/15/2017	New Moosejaw, LLC	\$51	Wal-Mart.com USA, LLC	-	Wal-Mart.com USA, LLC acquired New Moosejaw, LLC from Parallel Investment Partners and W Capital Partners for \$51 million on February 13, 2017. The consideration for the transaction was paid in cash. Moosejaw will be run as a standalone and complementary brand to Wal-Mart's e-commerce sites.
02/10/2017	Eastern Outfitters, LLC	\$30	SportsDirect.com Retail Ltd.	-	SportsDirect.com Retail Ltd. entered in an asset purchase agreement to acquire Eastern Outfitters, LLC from Eastern Mountain Sports, Inc., Bob's Stores, LLC, Subortis IP Holdings, LLC and Bob's/EMS Gift Card, LLC for \$29.5 million on February 8, 2017.
01/17/2017	Limited Stores LLC, Certain Related Assets	\$26	Sycamore Partners	-	Sycamore Partners entered into an asset purchase agreement to acquire certain related assets from Limited Stores LLC for \$25.8 million on January 17, 2017.
01/11/2017	OGIO International, Inc.	\$76	Callaway Golf Company (NYSE:ELY)	-	Callaway Golf Company (NYSE:ELY) acquired OGIO International, Inc. from Michael j. Pratt, David j. Wunderli, David cartwright, Gary bowen, Marty lott, Jeremy lott, Jordan lott, and Anthony m. Palma for \$75.5 million in cash on January 11, 2017.
01/05/2017	Shoebuy.com, Inc.	\$70	Jet.com, Inc.	-	Jet.com, Inc. acquired Shoebuy.com, Inc. from IAC/InterActiveCorp (NasdaqGS:IAC) from \$70 million on December 30, 2016.
12/13/2016	Allen Edmonds Corporation	\$255	Caleres, Inc. (NYSE:CAL)	-	Caleres, Inc. (NYSE:CAL) acquired Allen Edmonds Corporation from Apollo Investors, LLC for approximately \$260 million on December 13, 2016. Paul Grangaard, president and Chief Executive Officer of Allen Edmonds, will join Caleres along with all 1,050 employees.

Selected Precedent M&A Transactions (continued)

Selected E-Commerce Transactions

Date	Target/Issuer	Size (\$ mm)	Buyers/Investors	EV / EBITDA (x)	Transaction Comments
12/06/2016	Pebble Technology Corp.	\$23	Fitbit, Inc. (NYSE:FIT)	-	Fitbit, Inc. (NYSE:FIT) acquired assets of Pebble Technology Corp. for \$23 million on December 6, 2016. Fitbit, Inc. acquired specific assets of Pebble, including key personnel and intellectual property related to software and firmware development. Many members of Team Pebble will be joining the Fitbit family. Pebble founder and Chief Executive Officer Eric Migicovsky will not be staying on with Fitbit after the acquisition.
11/22/2016	PersonalizationMall.com, Inc.	\$190	Bed Bath & Beyond Inc. (NasdaqGS:BBBY)	-	Bed Bath & Beyond Inc. (NasdaqGS:BBBY) agreed to acquire PersonalizationMall.com, Inc. for \$190 million in cash on November 21, 2016.
11/17/2016	Smoke Free Technologies, Inc.	\$27	National Tobacco Company, L.P.	3.9x	National Tobacco Company, L.P. signed a definitive agreement to acquire Smoke Free Technologies, Inc. from Timothy B. Campbell, Thomas J. Metzler, Timothy B. Cady, Mark M. Howard, and Sheilla V. Andrin for \$27 million on November 17, 2016.
11/14/2016	Too Faced Cosmetics, LLC	\$1,450	The Estée Lauder Companies Inc. (NYSE:EL)	-	The Estée Lauder Companies Inc. (NYSE:EL) signed an agreement to acquire Too Faced Cosmetics, LLC from General Atlantic Partners 93, L.P. of General Atlantic LLC and other shareholders for \$1.5 billion on November 14, 2016.
11/14/2016	Monoprice, Inc.	\$40	Yfc-Boneagle Electronic Tech Co., Ltd.	-	Yfc-Boneagle Electronic Technology Co., Ltd. entered into a definitive agreement to acquire Monoprice, Inc. from Blucora, Inc. (NasdaqGS:BCOR) for \$40 million in cash on November 14, 2016.
11/07/2016	Blue Nile, Inc.	\$497	Bain Capital Private Equity, LP; Bow Street, LLC	27.8x	An investor group comprising of Bain Capital Fund XI, L.P. managed by Bain Capital Private Equity, LP and Bow Street, LLC entered into a definitive agreement to acquire Blue Nile Inc. (NasdaqGS:NILE) for approximately \$490 million on November 6, 2016.
11/07/2016	Vintage Stock, Inc.	\$58	Live Ventures Incorporated (NasdaqCM:LIVE)	-	Live Ventures Incorporated (NasdaqCM:LIVE) acquired Vintage Stock Inc. from Rodney Spriggs, Kenneth Caviness, and Steven Wilcox for \$58 million on November 3, 2016. Current management team led by Rodney Spriggs will remain in place and the employees of Vintage Stock will be retained.
11/07/2016	Golfsmith International Holdings Inc.	\$43	Dick's Sporting Goods, Inc. (NYSE:DKS)	-	Dick's Sporting Goods Inc. (NYSE:DKS) won an auction to acquire Golfsmith International Holdings Inc. from Golf Town USA, Inc. for \$43 million on October 21, 2016.
11/04/2016	Ultimate Survival Technologies, Inc.	\$34	Battenfeld Acquisition Company Inc.	-	Battenfeld Acquisition Company Inc. acquired Ultimate Survival Technologies, Inc. for \$34.3 million on November 3, 2016.
10/17/2016	etailz, Inc.	\$75	Trans World Entertainment Corporation (NasdaqGM:TWMC)	-	Trans World Entertainment Corporation (NasdaqGM:TWMC) acquired etailz, Inc. from Josh Neblett and a group of other shareholders for \$75 million on October 17, 2016.
10/13/2016	VXi Corporation	\$35	GN Netcom A/S	8.8x	GN Netcom A/S acquired VXI Corporation from Vicente Capital Partners and others for \$35 million on October 13, 2016. In 2015, VXI generated revenue of \$32 million and an EBITDA of \$4 million.
10/03/2016	Cabela's Incorporated (NYSE:CAB)	\$5,500	BPS Direct, L.L.C.	19.0x	Bass Pro Group, LLC entered into a definitive agreement to acquire Cabela's Incorporated (NYSE:CAB) for \$4.6 billion on October 3, 2016. Bass Pro will pay \$65.5 per share in cash. BPG will also acquire 0.96 million RSU and 1.99 options of Cabela's.

Selected Precedent M&A Transactions (continued)

Selected E-Commerce Transactions

Date	Target/Issuer	Size (\$ mm)	Buyers/Investors	EV / EBITDA (x)	Transaction Comments
10/03/2016	Grand Design RV	\$503	Octavius Corporation	8.4x	Octavius Corporation entered into a definitive agreement to acquire Grand Design RV from Summit Partners LLP and others for approximately \$500 million on October 2, 2016.
10/03/2016	Tri-Union Frozen Products, Inc.	\$46	Tri-Invest LLC	-	Tri-Invest LLC acquired 18% stake in Tri-Union Frozen Products, Inc. from Diversified Food Products LLC for THB 1.6 billion on September 30, 2016.
09/29/2016	Petsense, Inc.	\$116	Tractor Supply Company (NasdaqGS:TSCO)	-	Tractor Supply Company (NasdaqGS:TSCO) acquired Petsense, Inc. for approximately \$120 million in cash on September 29, 2016.
09/19/2016	Arrow Uniform-Taylor LLC	\$122	UniFirst Corp. (NYSE:UNF)	-	UniFirst Corp. (NYSE:UNF) acquired substantially all of the assets of Arrow Uniform-Taylor LLC for approximately \$120 million on September 19, 2016.
09/12/2016	China Mist Tea Company	\$11	Farmer Brothers Co. (NasdaqGS:FARM)	-	Farmer Brothers Co. (NasdaqGS:FARM) entered into an agreement to acquire substantially all the assets of China Mist Tea Company from Daniel W. Schweiker and John S. Martinson for \$11.3 million on September 9, 2016.
08/31/2016	SPEware Corporation	\$60	Tecan Group Ltd. (SWX:TECN)	-	Tecan Group Ltd. (SWX:TECN) agreed to acquire SPEware Corporation for \$60 million on August 31, 2016.
08/18/2016	HDIS Inc.	\$55	Domtar Corporation (NYSE:UFS)	-	Domtar Corporation (NYSE:UFS) agreed to acquire HDIS Inc. from Dawn Grench for \$55 million on August 18, 2016. As reported, the consideration includes cash payment of \$45 million with a possible earn-out payment of up to \$10 million.
08/08/2016	Aquasana, Inc.	\$87	AO Smith Corp. (NYSE:AOS)	-	AO Smith Corp. (NYSE:AOS) acquired Aquasana, Inc. from L Catterton for \$87 million in cash on August 8, 2016.
08/08/2016	XpresSpa	\$29	FORM Holdings Corp. (NasdaqCM:FH)	-	FORM Holdings Corp. (NasdaqCM:FH) signed a definitive agreement to acquire XpresSpa from Mistral Equity Partners, L.P., managed by Mistral Equity Partners LLC and other shareholders for \$28.7 million on August 8, 2016.
08/07/2016	Mattress Firm Holding Corp.	\$2,982	Steinhardt International Holdings N.V. (JSE:SNH)	16.0x	Steinhardt International Holdings N.V. (JSE:SNH) entered into a definitive merger agreement to acquire Mattress Firm Holding Corp. (NasdaqGS : MFRM) for approximately \$2.4 billion from a group of sellers on August 6, 2016.
08/02/2016	Swimways Corporation	\$94	Spin Master Corp. (TSX:TOY)	-	Spin Master Corp. (TSX:TOY) acquired Swimways Corporation from David Arias, Jeff Arias, Chris Arias, Jennifer Adamson, Elizabeth Skrobiszewski Humes and Tina Rivera for \$93.5 million in cash on August 1, 2016.
08/01/2016	5.11, Inc.	\$400	Compass Diversified Holdings LLC (NYSE:CODI)	10.5x	Compass Diversified Holdings LLC (NYSE:CODI) and the management entered into a definitive agreement to acquire 5.11, Inc. from TA Associates Management, LP and others for \$400 million on July 29, 2016.
07/25/2016	Outerwall Inc.	\$1,376	Apollo Global Management, LLC (NYSE:APO)	3.5x	Apollo Global Management, LLC (NYSE:APO) entered into a definitive agreement to acquire Outerwall Inc. (NasdaqGS:OUTR) for approximately \$900 million in cash on July 24, 2016.
07/25/2016	Crimson Trace Corporation	\$95	Smith & Wesson Holding Corporation (NasdaqGS:SWHC)	5.9x	Smith & Wesson Holding Corporation (NasdaqGS:SWHC) signed a definitive agreement to acquire Crimson Trace Corporation from Peninsula Capital Partners, LLC, VergePointe Capital, Lewis Danielson, certain members of management and other shareholders for \$95 million in cash on July 25, 2016.

Selected Precedent M&A Transactions (continued)

Selected E-Commerce Transactions

Date	Target/Issuer	Size (\$ mm)	Buyers/Investors	EV / EBITDA (x)	Transaction Comments
07/22/2016	It Cosmetics, LLC	\$1,200	L'Oreal SA (ENXTPA:OR)	-	L'Oreal SA (ENXTPA:OR) entered into a definitive agreement to acquire IT Cosmetics, LLC from Kern Lima, Paulo and TSG Consumer Partners for \$1.2 billion in cash on July 22, 2016. IT Cosmetics will become part of the Luxe Division of L'Oréal. IT Cosmetics, LLC had revenues of \$182 million for the year ended June 30, 2016. The brand will continue to operate out of its Jersey City, New Jersey headquarters under the current leadership team.
07/18/2016	Taylor Brands, LLC	\$85	Battenfeld Technologies, Inc.	-	Battenfeld Technologies, Inc. signed definitive agreement to acquire substantially all assets of Taylor Brands, LLC from Stewart Taylor and Sheila Taylor for \$85 million on July 15, 2016.
07/07/2016	Total Hockey Inc.	\$23	TSG Enterprises, LLC	-	TSG Enterprises, LLC entered into an asset purchase agreement to acquire Total Hockey Inc. for \$22.5 million in cash on July 6, 2016. As per the agreement TSG Enterprises, LLC shall transfer of \$.25 million to a third party escrow agent to be agreed by the parties by July 8, 2016.
07/01/2016	Jayco, Inc.	\$582	Thor Industries Inc. (NYSE:THO)	-	Thor Industries Inc. (NYSE:THO) acquired substantially all of the assets of Jayco, Inc. from Bontrager family for approximately \$580 million in cash on June 30, 2016.
06/29/2016	Sector 9 Inc.	\$12	Bravo Sports Corporation	-	Bravo Sports Corporation acquired Sector 9 Inc. from Billabong International Limited (ASX:BBG) for \$12 million on June 29, 2016. Billabong expects the sale of Sector 9 to have minimal impact on overall group EBITDA in fiscal year 2017.
06/24/2016	Skullcandy, Inc.	\$176	Mill Road Capital	11.7x	Mill Road Capital II, L.P. managed by Mill Road Capital made an offer to acquire remaining 90.2% stake in Skullcandy, Inc. (NasdaqGS:SKUL) for approximately \$160 million on June 24, 2016.
06/20/2016	Dell Software, Inc. and Dell SonicWALL, Inc.	\$2,400	Francisco Partners Management LLC; Elliott Management Corporation	-	Francisco Partners Management LLC and Elliott Management Corporation signed a definitive agreement to acquire Dell Software, Inc. and Dell SonicWALL, Inc. from Denali Holding Inc. for \$2.4 billion on June 20, 2016.
06/16/2016	Dejana Truck & Utility Equipment Co., Inc.	\$206	Douglas Dynamics, Inc. (NYSE:PLOW)	-	Douglas Dynamics, Inc. (NYSE:PLOW) entered into a definitive agreement to acquire substantially all of the assets of Dejana Truck & Utility Equipment Co., Inc. from Dejana family for approximately \$210 million on June 15, 2016.
06/16/2016	Elizabeth Arden, Inc.	\$905	Revlon Consumer Products Corp.	-	Revlon Consumer Products Corp. signed a definitive agreement to acquire Elizabeth Arden, Inc. (NasdaqGS:RDEN) for approximately \$430 million in cash from Rhone Capital, L.L.C. and others on June 16, 2016.
05/18/2016	Justin's, LLC	\$286	Hormel Foods Corporation (NYSE:HRL)	-	Hormel Foods Corporation (NYSE:HRL) entered into a definitive agreement to acquire Justin's, LLC for approximately \$290 million on May 2, 2016.
05/09/2016	Baby Tula LLC	\$82	The ERGO Baby Carrier, Inc.	6.3x	The ERGO Baby Carrier, Inc. entered into a definitive agreement to acquire New Baby Tula LLC for \$82 million on May 9, 2016.
05/09/2016	The Mountain Corporation	\$26	Gladstone Investment Corporation (NasdaqGS:GAIN); Gladstone Management Corporation	-	Gladstone Investment Corporation (NASDAQ:GAIN) managed by Gladstone Management Corporation together with executive management team of the Mountain Corporation acquired The Mountain Corporation for \$25.5 million on May 9, 2016.

Peakstone Selected E-Commerce Transactions



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