



# PCE Industry Report

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Consumer Discretionary



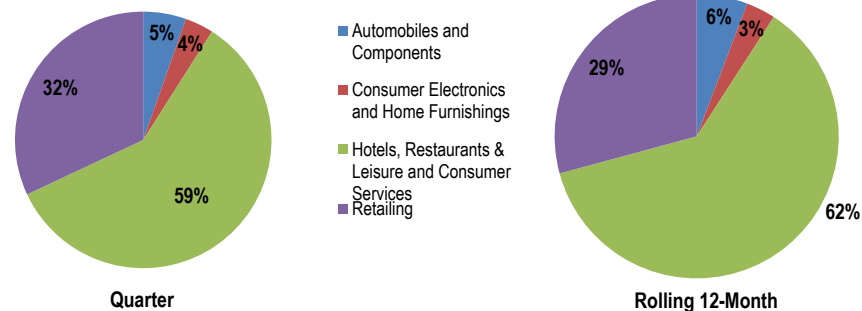
## Consumer Discretionary - For the Quarter Ended 03/31/15

### Industry Trends During Quarter

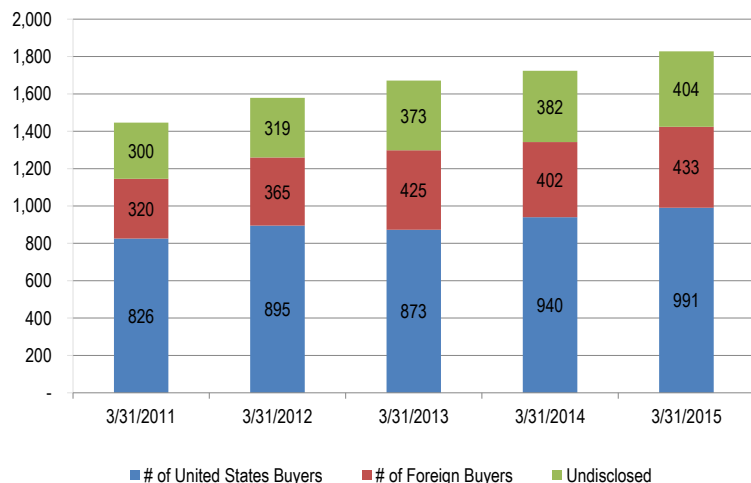
Sector	Transaction Volume	TEV/ Revenue	TEV/EBITDA
Automobiles and Components	↓	→	139.1x
Consumer Electronics and Home Furnishings	↑	↑	Market Data Not Available
Hotels, Restaurants & Leisure and Consumer Services	↓	Market Data Not Available	Market Data Not Available
Retailing	↑	→	Market Data Not Available

\* Based on transactions with reported financial data only; historically ~ 30% to 40% of transactions report financial data

### Transaction Volume as % of Industry



### Rolling 12-Month Transaction Volume Trends by Buyer Origin



\* Results exclude transactions that did not disclose buyer information

Source: S&P Capital IQ as of 5/6/2015 and PCE Proprietary Data

### Largest Transactions Announced or Closed During Quarter by Transaction Value (\$ in millions)

Sector	Target	Buyer	Transaction Value
Retailing	Orbitz Worldwide, Inc.	Expedia Inc.	\$1,880.1
Hotels, Restaurants, Leisure	Crystal Cruises, Inc.	Genting Hong Kong Limited	\$550.0
Hotels, Restaurants, Leisure	Del Taco Holdings, Inc.	Levy Acquisition Corp.	\$500.0
Hotels, Restaurants, Leisure	Nobel Learning Communities, Inc.	Investcorp Bank B.S.C.; Bahrain Mumtalakat Holding	\$405.0
Automobiles & Components	Anixter Inc., Fasteners Segment	American Industrial Partners	\$380.0
Hotels, Restaurants, Leisure	Laguna Beach Luxury Hotel LLC, Montage Laguna Beach	Strategic Hotel Funding, LLC	\$361.3
Hotels, Restaurants, Leisure	The Westin Market Street (nka: Park Central San	LaSalle Hotel Properties	\$350.0
Retailing	Uni-Select USA, Inc. and Beck/Arnley Worldparts, Inc.	Icahn Enterprises, L.P.	\$340.0
Hotels, Restaurants, Leisure	Travelocity.com LP	Expedia Inc.	\$280.0

\* Detail above includes announced transactions

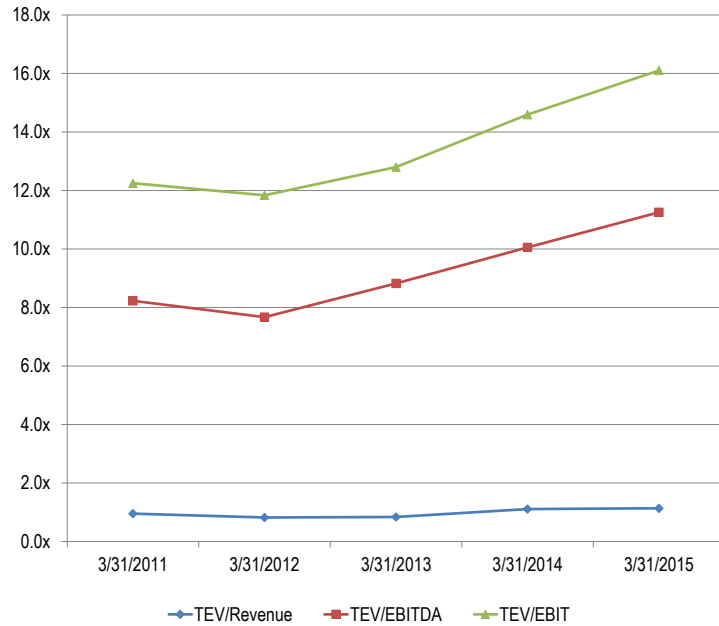
# Consumer Discretionary - For the Quarter Ended 03/31/15

## Summary of Public Comparables as of Quarter End (\$ in millions)

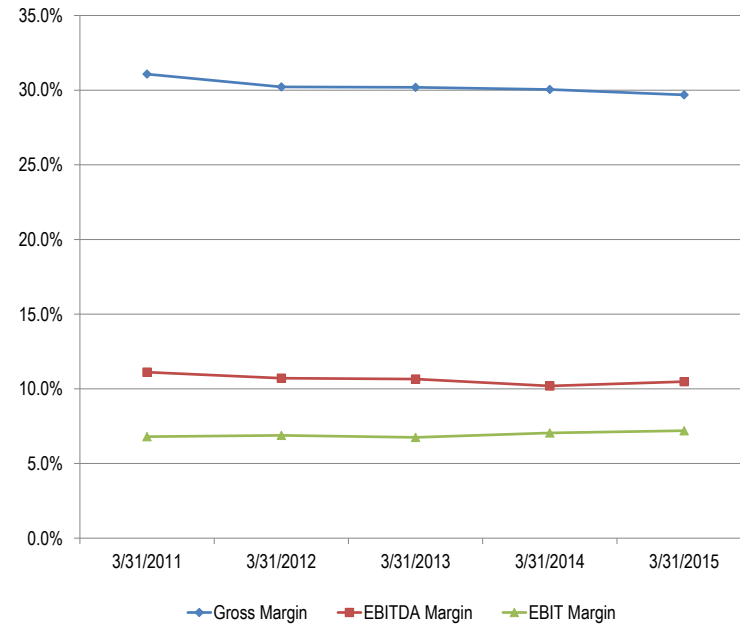
	TEV				LTM 3/31/2015 Trends	
	Market Cap	Revenue	EBITDA	EBIT		
Average	\$ 5,367.44	1.7x	12.2x	21.3x	TEV/Revenue	↑
Median	\$1,092	1.1x	11.3x	16.1x	TEV/EBITDA	↑
					TEV/EBIT	↑

	Margins			LTM 3/31/2015 Trends	
	Gross Profit	EBITDA	EBIT		
Average	33.0%	5.7%	10.2%	Gross Margin	↓
Median	29.7%	10.5%	7.2%	EBITDA Margin	↑
				EBIT Margin	↑

### Valuation Trends



### Margin Trends



Source: S&P Capital IQ as of 5/6/2015 and PCE Proprietary Data

## Data Assumptions

At PCE, we consider transaction activity as mergers & acquisitions, consolidations, restructurings and spin-offs. Targets are defined as U.S. based companies with either foreign or U.S. based buyers. Transaction information provided is based on announced dates.



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## Glossary

EBIT - Earnings Before Interest and Taxes

EBITDA - Earnings Before Interest, Taxes, Depreciation, Amortization

LTM - Last Twelve Months

TEV - Total Enterprise Value

## About PCE

Eighteen years ago, PCE was formed to provide professional investment banking, business valuation and advisory services to middle market companies. We determined from our experience as business owners that there was a need that was not being professionally fulfilled.

We understand the importance of creating a relationship and the value of trust when providing our services. PCE's professionals are successful business owner, entrepreneurs, lenders, former Federal Reserve board members, CPA's, CFA's, national & international valuation experts, international analysts and investors. PCE offers senior level attention, sound advice, skilled execution and personalized attention you can trust.

Our mission is to be the premier investment bank serving middle market companies. PCE is committed to providing individualized strategies throughout your business life-cycle, focused on maximizing shareholder value.

PCE Investment Bankers, Inc. – member FINRA and SIPC; PCE Valuations, LLC; PCE Advisory, LLC