Introduction to Fifth Third Investment Banking

**Full Service Investment Banking Platform**

Fifth Third Investment Banking provides Merger & Acquisition (M&A), capital raising and other strategic and financial advisory services to Fifth Third’s corporate and financial sponsor clients.

**Services Provided**

- Sell-Side M&A Advisory
- Buy-Side M&A Advisory
- Acquisition Strategy
- Capital Raising
- Corporate Finance Advisory
- Strategic Alternatives Review

**Typical M&A Client**

- EBITDA of $3 - $50+ million
- Within Fifth Third Bank Footprint
- Private or Financial Sponsor-Owned
- Within Core Industry Verticals

**Senior Bankers**

- **CHARLIE HURT**
  Consumer & Retail
- **JOHN SHOFFNER**
  Consumer & Retail
- **DAN DAVIDSON**
  Healthcare
- **JAMIE HEIDBREDER**
  Healthcare
- **ALAN McCLURE**
  Business Services
- **JIM PARRINO**
  Buy-Side Advisory
- **JOE CARSON**
  Diversified Industrials
- **BO HINTON**
  Healthcare
- **MICHAEL HO**
  Buy-Side Advisory
- **JEREMY EBERLEIN**
  Diversified Industrials
- **ROB BOHN**
  Diversified Industrials
- **JOHN REIBOLDT**
  Healthcare
- **MCNEILL WESTER**
  Healthcare
- **MELINA AUDinelLE**
  M&A Execution

**Recent M&A Advisory Transactions**

<table>
<thead>
<tr>
<th>Business Services</th>
<th>Healthcare</th>
<th>Healthcare</th>
<th>Healthcare</th>
<th>Industrials</th>
<th>Industrials</th>
<th>Healthcare</th>
<th>Healthcare</th>
</tr>
</thead>
<tbody>
<tr>
<td>genvuen</td>
<td>SILVERADO</td>
<td>SUN CITY IMAGING</td>
<td>has been acquired by</td>
<td>DPI, Inc.</td>
<td>has been recapitalized by</td>
<td>ADCARE</td>
<td>has been acquired by</td>
</tr>
<tr>
<td>has been recapitalized by</td>
<td>has been recapitalized by</td>
<td>BASE SECURITY</td>
<td>a division of</td>
<td>American Addiction Centers</td>
<td>has been acquired by</td>
<td></td>
<td>has been acquired by</td>
</tr>
<tr>
<td>ARTEMIS</td>
<td>Real Estate Partners</td>
<td>a portfolio company of</td>
<td>radiology partners</td>
<td>CAPEX</td>
<td>a portfolio company of</td>
<td>LINDSAY GOLDBERG</td>
<td>Behavioral Health</td>
</tr>
<tr>
<td>Staffing</td>
<td>Senior Living</td>
<td>NEA</td>
<td>a portfolio company of</td>
<td>MAINST</td>
<td>Warburg Pincus</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
The American Consumer Looks Healthy Heading into the Holidays

- August retail sales grew 5.7% Y-o-Y
- Average hourly earnings have risen 2.9% over the past 12 months
- Department store sales were down 0.2% Y-o-Y while online retail sales rose 10.1% Y-o-Y as “traditional” retailers continue to right size, eliminating weaker performers from an overcrowded space

The Fashion & Apparel Industry Makes Q3 Headlines

- VF Corporation (NYSE: VFC), a holding company, announced its intention to separate into two publicly traded companies, one focused on denim and one focused on other softlines
  - The split allows more flexibility for both entities to execute on their M&A strategy, with a focus on investing in direct-to-consumer, design, supply chain and analytics capabilities
- Michael Kors announced it will acquire Versace for $2.2 billion, with plans to open 100 additional stores, expand to Asian markets and increase its online and omni-channel presence

Tariffs Throw a Wrinkle in Pricing Strategies

- Rising workforce costs and increased pressure on transportation costs have increased retailers’ cost of goods, while tariffs have become a more challenging part of the equation
- Companies that understand targeted customer value preferences and price elasticity will be better equipped for long-term growth

Retailers Utilize Subscription Services to Reach Millennials

- Many retailers – including J.C. Penney, Under Armour, Target and Gap – have experimented with subscription-based services
- Target’s CEO Brian Cornell commented “the winning retailers of the future are going to combine great physical assets with the ease that comes along with that digital interaction”
- “Try-before-you-buy” strategies are increasingly used to gain loyalty

Source: S&P Capital IQ, Bloomberg, Census Bureau and Company Filings
Public Equity Market Valuation Trends

5-Year Share Price Performance

5-Year Forward P/E Performance [1]

Sub-Sector Indices’ Share Price Performance [1]

<table>
<thead>
<tr>
<th>Sector/Sub-Sector</th>
<th>Number of Companies</th>
<th>Median Enterprise Value $ in Millions</th>
<th>Median TEV/Revenue Multiples</th>
<th>Median TEV/EBITDA Multiples</th>
<th>Median P/E Multiples</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>LTM</td>
<td>Forward</td>
<td>LTM</td>
<td>Forward</td>
</tr>
<tr>
<td>Consumer</td>
<td>84</td>
<td>$4,400</td>
<td>1.9x</td>
<td>2.2x</td>
<td>12.0x</td>
</tr>
<tr>
<td>Personal Products</td>
<td>13</td>
<td>21,473</td>
<td>3.1x</td>
<td>3.2x</td>
<td>14.7x</td>
</tr>
<tr>
<td>Apparel, Accessories &amp; Footwear</td>
<td>34</td>
<td>8,320</td>
<td>2.4x</td>
<td>2.2x</td>
<td>17.5x</td>
</tr>
<tr>
<td>Household Products</td>
<td>16</td>
<td>4,072</td>
<td>1.9x</td>
<td>2.3x</td>
<td>11.7x</td>
</tr>
<tr>
<td>Consumer Services</td>
<td>8</td>
<td>1,021</td>
<td>1.4x</td>
<td>1.4x</td>
<td>9.5x</td>
</tr>
<tr>
<td>Recreational Products</td>
<td>13</td>
<td>4,400</td>
<td>1.6x</td>
<td>1.6x</td>
<td>12.0x</td>
</tr>
<tr>
<td>Retail</td>
<td>131</td>
<td>$6,198</td>
<td>1.0x</td>
<td>0.9x</td>
<td>9.7x</td>
</tr>
<tr>
<td>Grocery &amp; Pharmacy</td>
<td>15</td>
<td>30,962</td>
<td>0.5x</td>
<td>0.4x</td>
<td>10.0x</td>
</tr>
<tr>
<td>Mass Merchandise Retail</td>
<td>13</td>
<td>20,677</td>
<td>0.6x</td>
<td>0.6x</td>
<td>8.0x</td>
</tr>
<tr>
<td>Specialty Retail</td>
<td>54</td>
<td>4,779</td>
<td>0.9x</td>
<td>0.8x</td>
<td>9.4x</td>
</tr>
<tr>
<td>Discount &amp; Off-Price Retail</td>
<td>14</td>
<td>7,617</td>
<td>1.1x</td>
<td>0.9x</td>
<td>12.6x</td>
</tr>
<tr>
<td>Apparel, Accessories &amp; Footwear</td>
<td>25</td>
<td>3,730</td>
<td>1.2x</td>
<td>1.0x</td>
<td>8.1x</td>
</tr>
<tr>
<td>Internet &amp; e-Commerce</td>
<td>10</td>
<td>3,646</td>
<td>3.1x</td>
<td>2.4x</td>
<td>17.7x</td>
</tr>
<tr>
<td>S&amp;P 500</td>
<td>500</td>
<td>NM</td>
<td>2.6x</td>
<td>2.4x</td>
<td>13.1x</td>
</tr>
</tbody>
</table>

Source: S&P Capital IQ as of September 28, 2018
* Each index is comprised of the companies noted on pages 13
[1] Forward P/E multiples in charts do not match, as 5-year performance chart is market capitalization weighted
Public Equity Market Valuation Trends (Cont’d)

<table>
<thead>
<tr>
<th>Industry</th>
<th>EV / Forward EBITDA</th>
<th>P / 2018 EPS</th>
<th>LTM EBITDA Margin</th>
<th>5-Year Est. EPS Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Internet &amp; e-Commerce</td>
<td>15.6x</td>
<td>20.0x</td>
<td>12.4%</td>
<td>7.6%</td>
</tr>
<tr>
<td>Personal Products</td>
<td>14.0x</td>
<td>21.6x</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Apparel, Accessories &amp; Footwear (Cons.)</td>
<td>11.9x</td>
<td>23.8x</td>
<td>14.2%</td>
<td>10.7%</td>
</tr>
<tr>
<td>Household Products</td>
<td>11.7x</td>
<td>14.8x</td>
<td>15.8%</td>
<td>12.0%</td>
</tr>
<tr>
<td>Recreational Products</td>
<td>12.6x</td>
<td>14.7x</td>
<td>12.4%</td>
<td>11.3%</td>
</tr>
<tr>
<td>Discount &amp; Off-Price Retail</td>
<td>11.5x</td>
<td>16.8x</td>
<td>9.7%</td>
<td>15.1%</td>
</tr>
<tr>
<td>Specialty Retail</td>
<td>9.8x</td>
<td>12.2x</td>
<td>9.6%</td>
<td>14.2%</td>
</tr>
<tr>
<td>Grocery &amp; Pharmacy</td>
<td>9.4x</td>
<td>11.6x</td>
<td>4.8%</td>
<td>10.0%</td>
</tr>
<tr>
<td>Consumer Services</td>
<td>8.2x</td>
<td>23.1x</td>
<td>18.6%</td>
<td>17.9%</td>
</tr>
<tr>
<td>Apparel, Accessories &amp; Footwear (Retail)</td>
<td>7.4x</td>
<td>16.4x</td>
<td>14.1%</td>
<td>12.4%</td>
</tr>
<tr>
<td>Mass Merchandise Retail</td>
<td>7.4x</td>
<td>15.3x</td>
<td>7.5%</td>
<td>3.8%</td>
</tr>
</tbody>
</table>

Source: S&P Capital IQ as of September 28, 2018
* Each index is comprised of the companies noted on pages 13
Positive Conditions in the Broader M&A Market

M&A Market Commentary

We are in the 9th year of the post-Great Recession recovery

- Typical expansion lasts 7 years
- M&A deal flow and transaction volume have declined for 3 straight years, though still above pre-recession levels

We expect 1 – 2 more years of strong M&A market conditions

- Tax reform and the de-regulatory environment provide a boost after several years of ~2% growth
- The labor market is tight, but job-seekers may be tempted to return after low participation
- Interest rates are stabilizing, but are expected to continue rising
- Financial leverage is at cyclical highs, representing a risk

It is still a seller’s market given:

- Record levels of un-invested private equity capital
- Healthy corporate profits and strategic buyer balance sheets

U.S. Middle Market M&A Activity

- Historically, M&A cycles have not extended past seven years; 2017 was the 8th year of the current cycle
- 2017 demonstrated signs that the buyout cycle is slowing, however, numerous positive drivers remain
  - 2018 tax policy changes and cash repatriation expected to support continued M&A activity

Market Conditions Today Make the Environment a “Sellers’ Market”

Private Equity Dry Powder by Fund Type

Private equity firms continue to sit on a built up level of dry powder, driving a need to deploy it for acquisitions

Strategic Buyer (Corporate) Cash

U.S. corporate cash balances remain at record levels and are driving activity in strategic buyer M&A

---

Footnotes:

1 As of June 30, 2018

* = “Other Private Equity” includes balanced, co-Investment, co-Investment multi-manager, direct secondaries, and turnaround funds

Source: Pitchbook, Prequin, and S&P Capital IQ
Q3 M&A Dynamics Drag
- Overall 3Q18 Consumer & Retail deal value and volume decreased compared to 3Q17
- Companies are still feeling the effects of the tax overhaul with increased cash on hand
  - Active consolidators are increasingly seeking transformational acquisitions to deploy dry powder

Consumer Deal Flow Remains Active
- 6 transactions with data points
- Median deal size of $317 million
- Several large transactions including Tjmaxx Fitness (Planet Fitness)

Depressed Retail Activity Continues
- Two announced deals with data points – Michael Kors/Versace deal leading headlines
- Financial buyers picking their spots, with Fitness and Beauty sectors attracting the most interest

Food-Related M&A Dominates
- Pinnacle Foods was acquired by Conagra brands in a $11 billion deal, creating a leader in frozen foods
- UNFI acquired Supervalu for $2.9 billion, reducing its dependence on Whole Foods

Source: Fifth Third Securities, S&P Capital IQ
[1] Middle Market transactions defined by transactions with an enterprise value below $1 billion
[2] U.S. Consumer & Retail transactions include Consumer Discretionary and Consumer Staples transactions, and exclude outlier multiples
## Precedent M&A Transactions: Retail

### $ in millions

<table>
<thead>
<tr>
<th>Announced Date</th>
<th>Acquirer</th>
<th>Target</th>
<th>Enterprise Value (EV)</th>
<th>LTM Revenue</th>
<th>LTM EBITDA</th>
<th>EV / LTM</th>
</tr>
</thead>
<tbody>
<tr>
<td>09/25/18</td>
<td>Michael Kors Holdings Limited (NYSE:KORS)</td>
<td>Gianni Versace S.p.A</td>
<td>$1,830</td>
<td>$732</td>
<td>$83</td>
<td>2.5x</td>
</tr>
<tr>
<td>09/04/18</td>
<td>EG Retail (America), LLC</td>
<td>C-Store Business of TA Operating LLC</td>
<td>331</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>06/12/18</td>
<td>Vintage Capital Management</td>
<td>Rent-A-Center, Inc. (NasdaqGS:RCII)</td>
<td>3,372</td>
<td>2,658</td>
<td>61</td>
<td>0.5x</td>
</tr>
<tr>
<td>04/09/18</td>
<td>DW Partners, LP</td>
<td>The Ben-Ton Stores, Inc.</td>
<td>128</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>03/26/18</td>
<td>JD Sports Fashion plc (LSD:JD)</td>
<td>The Finish Line, Inc. (NasdaqGS:FINL)</td>
<td>481</td>
<td>1,835</td>
<td>97</td>
<td>0.3x</td>
</tr>
<tr>
<td>12/20/17</td>
<td>Direct Digital LLC</td>
<td>Healthy Directions LLC</td>
<td>71</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>11/16/17</td>
<td>Sandell Asset Management Corp.</td>
<td>Barnes &amp; Noble, Inc. (NYSE:BKS)</td>
<td>662</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>10/27/17</td>
<td>Andina Acquisition Corp. II (NasdaqCM:ANDA)</td>
<td>Lazydays RV SuperCenter, Inc.</td>
<td>114</td>
<td>565</td>
<td>25</td>
<td>0.2x</td>
</tr>
<tr>
<td>09/18/17</td>
<td>SUPERVAU Inc. (NYSE:SVU)</td>
<td>Associated Grocers of Florida, Inc.</td>
<td>193</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>08/11/17</td>
<td>Aurum Holdings Ltd.</td>
<td>Mayor's Jewelers, Inc.</td>
<td>105</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>07/28/17</td>
<td>Aaron's Inc.</td>
<td>SEI / Aaron's</td>
<td>140</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>07/27/17</td>
<td>Sycamore Partners</td>
<td>Staples, Inc. (NasdaqGS:SPS)</td>
<td>6,552</td>
<td>18,033</td>
<td>1,255</td>
<td>0.4x</td>
</tr>
<tr>
<td>07/06/17</td>
<td>QVC Group (NasdaqGS:QVCA)</td>
<td>HSN, Inc. (NasdaqGS:HSNI)</td>
<td>2,604</td>
<td>3,503</td>
<td>244</td>
<td>0.7x</td>
</tr>
<tr>
<td>06/20/17</td>
<td>Hangzhou Lianluo Interactive Information Technology</td>
<td>Newegg Inc.</td>
<td>474</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>06/17/17</td>
<td>Monomoy Capital</td>
<td>West Marine</td>
<td>291</td>
<td>702</td>
<td>38</td>
<td>0.4x</td>
</tr>
<tr>
<td>06/16/17</td>
<td>Amazon.com, Inc. (NasdaqGS:AMZN)</td>
<td>Whole Foods Market, Inc. (NasdaqGS:WFM)</td>
<td>13,723</td>
<td>15,856</td>
<td>1,255</td>
<td>0.9x</td>
</tr>
<tr>
<td>05/01/17</td>
<td>Camping World Holdings, Inc. (NYSE:CHW)</td>
<td>Gander Mountain Company Inc.</td>
<td>34</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>04/07/17</td>
<td>Samsonite LLC</td>
<td>eBags, Inc.</td>
<td>105</td>
<td>159</td>
<td>-</td>
<td>0.7x</td>
</tr>
<tr>
<td>04/18/17</td>
<td>PetSmart, Inc.</td>
<td>Chewy, Inc.</td>
<td>3,350</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>02/28/17</td>
<td>Barnes &amp; Noble Education Inc. (NYSE:BNET)</td>
<td>MBS Textbook Exchange, Inc.</td>
<td>174</td>
<td>500</td>
<td>55</td>
<td>0.3x</td>
</tr>
<tr>
<td>02/15/17</td>
<td>Wal-Mart Stores, Inc. (NYSE:WMT)</td>
<td>New Moosejaw, LLC</td>
<td>51</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>02/10/17</td>
<td>SportsDirect.com Retail Ltd.</td>
<td>Eastern Outfitters, LLC</td>
<td>30</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>01/05/17</td>
<td>Jet.com, Inc.</td>
<td>Shoebuy.com, Inc.</td>
<td>70</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>12/20/16</td>
<td>Orchestra Premaman Société Anonyme (ENXTA:KAZI)</td>
<td>Destination Maternity Corporation (NasdaqGS:DEST)</td>
<td>136</td>
<td>452</td>
<td>23</td>
<td>0.3x</td>
</tr>
<tr>
<td>12/07/16</td>
<td>Cerberus Capital Management</td>
<td>Staples, Inc., European Operations</td>
<td>59</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>11/22/16</td>
<td>Bed Bath &amp; Beyond Inc. (NASDAQGS:BBBY)</td>
<td>PersonalizationMall.com, Inc.</td>
<td>190</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>11/07/16</td>
<td>Bain Capital</td>
<td>Blue Nile, Inc. (NasdaqGS:NILE)</td>
<td>456</td>
<td>472</td>
<td>16</td>
<td>1.0x</td>
</tr>
<tr>
<td>11/07/16</td>
<td>Dick's Sporting Goods, Inc. (NASDAQGS:DKS)</td>
<td>Golfsmith International Holdings, Inc.</td>
<td>43</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>10/03/16</td>
<td>Bass Pro Outdoor World, LLC</td>
<td>Cabela's Incorporated (NYSE:CAB)</td>
<td>8,580</td>
<td>4,100</td>
<td>469</td>
<td>2.1x</td>
</tr>
<tr>
<td>09/29/16</td>
<td>Tractor Supply Company (NASDAQGS:TSCO)</td>
<td>Petsense, Inc.</td>
<td>116</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>08/08/16</td>
<td>Wal-Mart Stores Inc. (NYSE:WMT)</td>
<td>Jet.com, Inc.</td>
<td>3,300</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>08/07/16</td>
<td>Steinhoff International Holdings N.V. (JSE:SNH)</td>
<td>Mattress Firm Holding Corp. (NasdaqGS:MFRM)</td>
<td>3,743</td>
<td>3,142</td>
<td>234</td>
<td>1.2x</td>
</tr>
<tr>
<td>04/18/16</td>
<td>Vests BSI Funding II, LLC</td>
<td>Eastern Mountain Sports and Bob Store's</td>
<td>38</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>03/14/16</td>
<td>Apollo Global Management (NYSE:APO)</td>
<td>The Fresh Market (NasdaqGS:TFM)</td>
<td>1,312</td>
<td>1,857</td>
<td>191</td>
<td>0.7x</td>
</tr>
<tr>
<td>02/17/16</td>
<td>DSW Shoe Warehouse, Inc.</td>
<td>Ebuyz, Inc.</td>
<td>118</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>01/07/16</td>
<td>Hudson’s Bay Company (TSX:HBC)</td>
<td>Gilt Groupe, Inc.</td>
<td>250</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>01/05/16</td>
<td>KKR &amp; Co. L.P.</td>
<td>Mills e-commerce Enterprises, Inc. (Mills Fleet Farm)</td>
<td>1,200</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

Median - Strategic: 0.7x 10.5x
Median - Financial: 0.5x 7.3x
Median - All: 0.7x 9.0x

Source: Company Filings, S&P Capital IQ
* Excluded from mean and median
### Precedent M&A Transactions: Consumer Products

#### $ in millions

<table>
<thead>
<tr>
<th>Announced Date</th>
<th>Acquirer</th>
<th>Target</th>
<th>Enterprise Value (EV)</th>
<th>LTM Revenue</th>
<th>LTM EBITDA</th>
<th>EV / LTM</th>
</tr>
</thead>
<tbody>
<tr>
<td>09/24/18</td>
<td>Peak Resorts, Inc. (NasdaqGM:SKIS)</td>
<td>Snow Time, Inc.</td>
<td>576</td>
<td>550</td>
<td>81</td>
<td>1.5x</td>
</tr>
<tr>
<td>08/20/18</td>
<td>Methode Electronics, Inc. (NYSE:MEI)</td>
<td>Grakon Parent, Inc.</td>
<td>420</td>
<td>159</td>
<td>41</td>
<td>2.6x</td>
</tr>
<tr>
<td>08/15/18</td>
<td>Movado Group, Inc. (NYSE:MOV)</td>
<td>MVMT Watches Inc.</td>
<td>200</td>
<td>71</td>
<td>-</td>
<td>2.8x</td>
</tr>
<tr>
<td>08/07/18</td>
<td>Westbrook Partners</td>
<td>Hotels Union Square LLC</td>
<td>171</td>
<td>39</td>
<td>6</td>
<td>4.4x</td>
</tr>
<tr>
<td>08/02/18</td>
<td>Trilantic North America</td>
<td>Taymax Group Holdings (Planet Fitness Franchisee)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>08/02/18</td>
<td>FOCUS Brands Inc.</td>
<td>Jamba, Inc.</td>
<td>214</td>
<td>82</td>
<td>4</td>
<td>2.6x</td>
</tr>
<tr>
<td>07/26/18</td>
<td>United Natural Foods, Inc. (NasdaqGS:UNFI)</td>
<td>SUPERVALU INC. (NYSE:SVU)</td>
<td>2,947</td>
<td>15,593</td>
<td>432</td>
<td>0.2x</td>
</tr>
<tr>
<td>07/19/18</td>
<td>Asahi Kasei Corporation (TSE:3407)</td>
<td>Sage Automotive Interiors, Inc.</td>
<td>1,060</td>
<td>475</td>
<td>-</td>
<td>2.2x</td>
</tr>
<tr>
<td>06/27/18</td>
<td>Conagra Brands, Inc. (NYSE:CAG)</td>
<td>Pinnacle Foods Inc. (NYSE:PF)</td>
<td>10,987</td>
<td>3,185</td>
<td>665</td>
<td>3.5x</td>
</tr>
<tr>
<td>06/05/18</td>
<td>Seidler Equity Partners</td>
<td>Rawlings Sportings Goods Company, Inc.</td>
<td>395</td>
<td>330</td>
<td>-</td>
<td>1.2x</td>
</tr>
<tr>
<td>06/01/18</td>
<td>Golf Digest Online Inc. (TSE:3319)</td>
<td>GolfTEC Enterprises, LLC</td>
<td>38</td>
<td>43</td>
<td>-</td>
<td>0.9x</td>
</tr>
<tr>
<td>05/30/18</td>
<td>Polaris Sales Inc.</td>
<td>Boat Holdings, LLC</td>
<td>825</td>
<td>560</td>
<td>-</td>
<td>1.5x</td>
</tr>
<tr>
<td>05/30/18</td>
<td>Superior Group of Companies, Inc.</td>
<td>CID Resources, Inc.</td>
<td>88</td>
<td>65</td>
<td>-</td>
<td>1.4x</td>
</tr>
<tr>
<td>05/18/18</td>
<td>Hasbro, Inc. (NasdaqGS:HAS)</td>
<td>Toy Assets from Saban Properties</td>
<td>522</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>03/26/18</td>
<td>Focoxcom Interconnect Technology Ltd. (SEHK:6088)</td>
<td>Belkin International</td>
<td>866</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>03/20/18</td>
<td>Kathmandu Holdings Limited (NZX:KMD)</td>
<td>Oboz Footwear, LLC</td>
<td>75</td>
<td>30</td>
<td>5</td>
<td>2.5x</td>
</tr>
<tr>
<td>03/16/18</td>
<td>Platinum Equity, LLC</td>
<td>LifeScan, Inc.</td>
<td>2,100</td>
<td>1,500</td>
<td>-</td>
<td>1.4x</td>
</tr>
<tr>
<td>03/05/18</td>
<td>Spin Master Corp. (TSX:TOY)</td>
<td>GUND, Inc.</td>
<td>79</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>02/26/18</td>
<td>HRG Group, Inc. (NYSE:HRG)</td>
<td>Spectrum Brands Holdings, Inc. (NYSE:SPB)</td>
<td>4,792</td>
<td>5,052</td>
<td>855</td>
<td>0.9x</td>
</tr>
<tr>
<td>01/24/18</td>
<td>Sterno Products, LLC</td>
<td>Rumpsorts, Inc.</td>
<td>170</td>
<td>155</td>
<td>34</td>
<td>1.1x</td>
</tr>
<tr>
<td>01/16/18</td>
<td>Energizer Holdings, Inc. (NYSE:ENR)</td>
<td>Spectrum Brands Battery and Lighting Business</td>
<td>2,000</td>
<td>866</td>
<td>169</td>
<td>2.3x</td>
</tr>
<tr>
<td>01/04/18</td>
<td>Boardriders, Inc.</td>
<td>Billabong International Limited (ASX:BBG)</td>
<td>265</td>
<td>752</td>
<td>38</td>
<td>0.4x</td>
</tr>
<tr>
<td>12/22/17</td>
<td>Lifetime Brands International, Inc. (NasdaqGS:LCUT)</td>
<td>Filament Brands</td>
<td>313</td>
<td>178</td>
<td>50</td>
<td>1.8x</td>
</tr>
<tr>
<td>12/11/17</td>
<td>Coats Group plc (LSE:COA)</td>
<td>Patrick Yarn Mill, Inc.</td>
<td>25</td>
<td>36</td>
<td>-</td>
<td>0.7x</td>
</tr>
<tr>
<td>12/06/17</td>
<td>Korda Global</td>
<td>Fabric Development, Inc. and Textile Products, Inc.</td>
<td>100</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>12/05/17</td>
<td>Cineworld Group plc (LSE:CINE)</td>
<td>Regal Entertainment Group (NYSE:RGCC)</td>
<td>6,114</td>
<td>3,218</td>
<td>620</td>
<td>1.9x</td>
</tr>
<tr>
<td>12/01/17</td>
<td>American Woodmark Corporation (NasdaqGS:AMWD)</td>
<td>RSI Home Products, Inc.</td>
<td>1,080</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>11/15/17</td>
<td>Proctor &amp; Gamble Co.</td>
<td>Zenlen, Inc.</td>
<td>100</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>11/13/17</td>
<td>Cosmax, Inc. (KSE:EA192820)</td>
<td>Nu-World Corporation</td>
<td>50</td>
<td>105</td>
<td>-</td>
<td>0.5x</td>
</tr>
<tr>
<td>11/03/17</td>
<td>Virginia Eagle Distributing Company, LLC</td>
<td>Simplicity Creative Group, Inc., et al.</td>
<td>67</td>
<td>92</td>
<td>10</td>
<td>0.7x</td>
</tr>
<tr>
<td>10/26/17</td>
<td>Henkel Corporation</td>
<td>Zotos International, Inc.</td>
<td>485</td>
<td>233</td>
<td>-</td>
<td>2.1x</td>
</tr>
<tr>
<td>10/13/17</td>
<td>Hanesbrands Inc. (NYSE:HBI)</td>
<td>Alternative Apparel, Inc.</td>
<td>60</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>10/02/17</td>
<td>MCBC Holdings, Inc. (NasdaqGM:MCFT)</td>
<td>Nautic Star, LLC</td>
<td>80</td>
<td>64</td>
<td>-</td>
<td>1.3x</td>
</tr>
<tr>
<td>08/11/17</td>
<td>V.F. Corporation (NYSE:VF)</td>
<td>Williamson-Dickie Manufacturing Company</td>
<td>820</td>
<td>875</td>
<td>75</td>
<td>0.9x</td>
</tr>
<tr>
<td>08/03/17</td>
<td>Callaway Golf Company (NYSE:ELY)</td>
<td>TravisMatthew LLC</td>
<td>125</td>
<td>-</td>
<td>11</td>
<td>-</td>
</tr>
<tr>
<td>07/17/17</td>
<td>Church &amp; Dwight Co., Inc. (NYSE:CHD)</td>
<td>Water Pik, Inc.</td>
<td>1,033</td>
<td>265</td>
<td>80</td>
<td>3.9x</td>
</tr>
<tr>
<td>06/16/17</td>
<td>Wal-Mart Stores, Inc. (NYSE:WMT)</td>
<td>Bonobos, Inc.</td>
<td>310</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>06/06/17</td>
<td>Shanghai Chuangki Enterprise Development Co., Ltd.</td>
<td>Killwood Company Apparel Group</td>
<td>1,298</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>05/26/17</td>
<td>Kohlberg &amp; Company, LLC.</td>
<td>Newell Brands (Winter Sports Business)</td>
<td>240</td>
<td>330</td>
<td>25</td>
<td>0.7x</td>
</tr>
</tbody>
</table>

Source: Company Filings, S&P Capital IQ

* Excluded from mean and median

Median - Strategic: 1.5x 10.1x
Median - Financial: 1.2x 9.6x
Median - All: 1.4x 9.9x
Consumer & Retail Industry Spotlight Q3 2018

U.S. Private Equity deal flow was up on a value basis and down on a volume basis during the third quarter of 2018

- A handful of large buyouts drove total deal value, including Keurig Green Mountain’s completed buyout of Dr. Pepper Snapple Group
- Median deal sizes are expected to continue to increase, with larger fund sizes pushing fund managers to pursue larger deals, along with lofty purchase multiples
- Deal flow is expected to be continually strong throughout 2018 driven by current dry powder levels and easy access to debt financing

Private Equity Buyers Cautiously Entertain Opportunities in Consumer & Retail in 3Q2018

- Capital deployment and overall # of deals closed in the space remain at lowest level in 2 years
- Focus Brands, an affiliate of Roark Capital, has agreed to purchase Jamba Juice for $214 million
- Private equity continues to seek opportunities in the fitness & beauty industries
  - High margins, strong brand loyalty and repeat purchases make this space attractive

**U.S. Private Equity Deal Flow ($ in billions)**

**U.S. Consumer & Retail Private Equity Deal Flow ($ in billions)**

**U.S. Consumer & Retail Private Equity Exits ($ in millions)**

Source: Fifth Third Securities, PitchBook
ND = No Transaction Values Disclosed
*3Q18 preliminary PitchBook data
U.S. Middle Market Loan Market Trends

**Loan Volume: Level of Supply Regains Momentum in 2Q 2018**

($ in billions)

- Non-Sponsored Volume
- Sponsored Volume

**Middle Market Covenant-Lite Volume Remains Flat in 2Q 2018**

($ in billions)

**Middle Market LBO Leverage Levels Stay Consistent Around 6.0x**

Note: This data represents the entire U.S. middle market (all industries).
Note: The middle market is defined as deal size < $100 million and borrower sales < $500 million.

[1] Includes both non-sponsored and sponsored transactions; sufficient data not available for MM NR loans in 1Q15, 1Q17, and 1Q18.

Source: Bloomberg, S&P Capital IQ LCD, and Thomson Reuters LPC.
## Appendix: Company Symbol & Trade Name

### Consumer & Retail

#### Personal Products
- AVP – Avon Products Inc.
- CHD – Church & Dwight Co. Inc.
- CL – Colgate-Palmolive Co.
- CLX – The Clorox Company
- COTY – Coty Inc.
- EL – The Estee Lauder Companies Inc.
- ENXTPA:OR – L’Oreal SA
- ENXTPA:IPAR – Inter Parfums Inc.
- VICI – Vici Retail Group, Inc.
- WMD – Middleby Corp.
- NLW – Newell Rubbermaid Inc.
- PBH – Prestige Brands Holdings, Inc.
- SMG – The Scotts Miracle-Gro Company
- SODA – SodaStream International Ltd.
- SIB – Spectrum Brands Holdings, Inc.
- SWK – Stanley Black & Decker, Inc.
- TUP – Tupperware Brands Corporation
- WDFC – WD-40 Company
- WHR – Whirlpool Corp.

#### Consumer Services
- CL – Town Sports International
- CNX – Cinemark Holdings, Inc.
- MYCC – ClubCorp Holdings, Inc.
- NTRI – Nutrisystem, Inc.
- PLNT – Planet Fitness, Inc.
- RGC – Regal Entertainment Group
- RCS – Regis Corp.
- WTW – Weight Watchers International

#### Recreational Products
- BC – Brunswick Corporation
- BDE – Black Diamond, Inc.
- ELY – Callaway Golf Co.
- HAS – Hasbro Inc.
- HOG – Harley-Davidson, Inc.
- JAKK – JAKKS Pacific, Inc.
- JOUT – Johnson Outdoors Inc.
- MAT – Mattel, Inc.
- MPX – Marine Products Corp.
- PII – Polaris Industries Inc.
- SKUL – Skullcandy, Inc.
- PSG – Performance Sports Group Ltd.

#### Grocery & Pharmacy Retail
- IMKT.A – Ingles Markets, Incorporated
- NGVC – Natural Grocers
- SFM – Sprouts Farmers Market, Inc.
- SVU – SUPERVALU Inc.
- VLEA – Village Super Market Inc.
- WMS – Weis Markets, Inc.
- ENXTA:AM – Ahold Delhaize N.V.
- ENXTPA:CA – Carrefour SA
- LSE:TSOC – Tesco PLC

#### Specialty Retail
- AZO – AutoZone, Inc.
- AAP – Advance Auto Parts Inc.
- CPRT – Copart, Inc.
- GPC – Genuine Parts Company
- LKQ – LKQ Corp.
- KAR – KAR Auction Services, Inc.
- ORLY – O’Reilly Automotive Inc.
- AN – AutoNation, Inc.
- GPI – Group 1 Automotive Inc.
- KMX – CarMax Inc.
- PAG – PAG Automotive Group, Inc.
- SAH – Sonic Automotive Inc.
- AAN – Aaron’s, Inc.
- BBBY – Bed, Bath & Beyond Inc.
- CONN – Conns Inc.
- ETH – Ethan Allen Interiors Inc.
- HVT – Haverty Furniture Companies
- KIRK – Kirkland’s Inc.
- LZB – L-Z Boy Incorporated
- PIR – Pier One Imports, Inc.
- RCH – Rent-A-Center, Inc.
- RH – Restoration Hardware Holdings
- SCSS – Select Comfort Corporation
- TXXP – Tempur Sealy International Inc.
- LNF – Leon’s Furniture Ltd.
- WSM – Williams-Sonoma Inc.

#### Discount & Off-Price Retail
- BG – Big Lots Inc.
- DG – Dollar General Corporation
- DLTR – Dollar Tree, Inc.
- FRED – Fred’s, Inc.
- TSX – Dollar Tree Inc.
- BURL – Burlington Stores, Inc.
- CATO – The Cato Corporation
- CTNN – Citi Trends, Inc.
- FIVE – Five Below, Inc.
- ROST – Ross Stores Inc.
- SMRT – Stein Mart Inc.
- TUES – Tuesday Morning Corporation
- TJE – The TJX Companies, Inc.

#### Apparel, Accessories & Footwear
- AEO – American Eagle Outfitters, Inc.
- ANF – Abercrombie & Fitch Co.
- ARCP – Arrowpoint, Inc.
- ASNA – Ascena Retail Group Inc.
- BOOT – Boot Barn Holdings, Inc.
- CHS – Chico’s FAS Inc.
- CRI – Carter’s, Inc.
- DEST – Destination Maternity
- DSW – DSW Inc.
- EXPR – Express Inc.
- FRAN – Francesca’s Holdings
- GES – Guess Inc.
- GPS – The Gap, Inc.
- LB – L Brands, Inc.
- LOFT – The Children’s Place, Inc.
- SCVL – Shoe Carnival Inc.
- TLYS – Tilly’s, Inc.
- URBN – Urban Outfitters Inc.
- ZM – Zumiez, Inc.
- CPSE: PNDORA – Pandora A/S
- MOV – Movado Group, Inc.
- SIG – Signet Jewelers Limited
- TIP – Tiffany & Co.
- AMZN – Amazon.com Inc.
- CHGG – Chegg, Inc.
- EBAY – eBay Inc.
- FLWS – 1-800-Flowers.com Inc.
- NFLX – Netflix, Inc.
- OSTM – Overstock.com Inc.
- PETS – PetMed Express, Inc.
- SELY – Shutterstock, Inc.
- STMP – Stamps.com Inc.
- W – Wayfair Inc.

### Internet & e-Commerce
- LSB – Liberty Smart Brands Group Inc.
- TSM – TRG Kimco Group Inc.

---

Fifth Third Capital Markets

Consumer & Retail I Industry Spotlight
Q3 2018
Notes & Definitions

S&P 500 Index - A broad index that includes American Companies.

EBITDA - A company's earnings before interest, taxes, depreciation, and amortization, is an accounting measure calculated using a company's net earnings, before interest expenses, taxes, depreciation and amortization are subtracted, as a proxy for a company's current operating profitability.

Dry Powder - Refers to cash reserves kept on hand to cover future obligations or to purchase assets.

GDP - Gross domestic product is the market value of the goods and services produced by labor and property located in the United States.

Consumer Sentiment Index - The University of Michigan Consumer Sentiment Index is a consumer confidence index published monthly by the University of Michigan. The index is normalized to have a value of 100 in December 1964.

National Unemployment Rate - the percentage of the total labor force that is unemployed but actively seeking employment and willing to work.

Non-Farm Payroll - Nonfarm payroll employment is a compiled name for goods, construction and manufacturing companies in the US. It does not include farm workers, private household employees, non-profit organization employees, or government employees. It is an economic indicator released monthly by the United States Department of Labor as part of a comprehensive report on the state of the labor market.

Housing Starts - are the number of new residential construction projects that have begun during any particular month.

The Economist - offers authoritative insight and opinion on international news, politics, business, finance, science, technology and the connections between them.

LBO - leveraged buyout (LBO) is the acquisition of another company using a significant amount of borrowed money to meet the cost of acquisition. The assets of the company being acquired are often used as collateral for the loans, along with the assets of the acquiring company.

Industrial Production Index (IPI) - is an economic indicator published by the Federal Reserve Board of the United States that measures the real production output of manufacturing, mining, and utilities Capital Goods Orders.

Covenant-lite loans - means that debt is being issued, both personally and commercially, to borrowers with less restrictions on collateral, payment terms, and level of income.

IRR - Internal Rate of Return.
About Fifth Third Capital Markets

Fifth Third Capital Markets is the marketing name under which Fifth Third Bank and its subsidiary, Fifth Third Securities, Inc., provide certain securities and investment banking products and services. Banking products and services are offered by Fifth Third Bank. Securities products and services are offered by licensed securities representatives of Fifth Third Securities, Inc., who may be employees of Fifth Third Bank.

Important notice

This document has been prepared by Fifth Third Bank (“Fifth Third”) or one of its subsidiaries for the sole purpose of providing a proposal to the parties to whom it is addressed in order that they may evaluate the capabilities of Fifth Third to supply the proposed services. It is not intended to provide specific investment advice or investment recommendations and does not constitute either a commitment to enter into a specific transaction or an offer or solicitation, with respect to the purchase or sale of any security.

The information contained in this document has been compiled by Fifth Third and includes material which may have been obtained from information provided by various sources and discussions with management but has not been verified or audited. This document also contains confidential material proprietary to Fifth Third. Except in the general context of evaluating our capabilities, no reliance may be placed for any purposes whatsoever on the contents of this document or on its completeness. No representation or warranty, express or implied, is given and no responsibility or liability is or will be accepted by or on behalf of Fifth Third or by any of its subsidiaries, members, employees, agents or any other person as to the accuracy, completeness or correctness of the information contained in this document or any other oral information made available and any such liability is expressly disclaimed.

This document and its contents are confidential and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person in whole or in part without our prior written consent.

Past performance is No Guarantee of Future Results.

Fifth Third Capital Markets is the marketing name under which Fifth Third Bank and its subsidiary, Fifth Third Securities, Inc., provide certain securities and investment banking products and services. Fifth Third Capital Markets offers investment banking++, debt capital markets+, bond capital markets++, equity capital markets++, financial risk management+, and fixed income sales and trading++. Fifth Third Bank provides access to investments and investment services through various subsidiaries, including Fifth Third Securities. Fifth Third Securities is the trade name used by Fifth Third Securities, Inc., member FINRA/SIPC, a registered broker-dealer and registered investment advisor registered with the U.S. Securities and Exchange Commission (SEC). Registration does not imply a certain level of skill or training. Securities and investments offered through Fifth Third Securities, Inc. and insurance products:

<table>
<thead>
<tr>
<th>Are Not FDIC Insured</th>
<th>Offer No Bank Guarantee</th>
<th>May Lose Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Are Not Insured By Any Federal Government Agency</td>
<td>Are Not A Deposit</td>
<td></td>
</tr>
</tbody>
</table>

+ Services and activities offered through Fifth Third Bank
++ Services and activities offered through Fifth Third Securities, Inc

© Fifth Third Bank 2018