



## Discussion materials

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*Passion to Perform*

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## Illustrative sources & uses and pro forma capitalization

Scenario 1: 5.0x net leverage / ~\$140mm preferred equity



(\$ in millions, except per share data)

Transaction assumptions	
Purchase price	\$12.50
Float shares <sup>(a)</sup>	38.0
Share purchase cost	\$474

Indicative rate assumptions	
Existing revolver	L + 325
Existing term loan B	L + 325
LIBOR floor	1.00%
Incremental term loan B	L + 325
LIBOR floor	1.00%
OID	99
New senior notes	7.50%
New preferred equity	
Cash dividend	12.00%
WACD	5.01%

	Pro forma capitalization		Pro forma 3/31/13E
	As of 3/31/13E	Adjustments +      -	
Cash	\$147		\$147
Revolver (\$180 million)	\$97		--
Existing term loan	675		675
Incremental term loan B	--	110	110
<b>Total secured debt</b>	<b>\$772</b>		<b>\$785</b>
New senior notes	--	200	200
Other debt	24		24
<b>Total debt</b>	<b>\$796</b>		<b>\$1,009</b>
<b>Net debt</b>	<b>\$648</b>		<b>\$861</b>
New preferred equity	--	141	141
Common equity	776	594	594
<b>Total capitalization</b>	<b>\$1,572</b>		<b>\$1,745</b>
<b>Net capitalization</b>	<b>\$1,424</b>		<b>\$1,597</b>
<b>Credit statistics:</b>			
Interest expense, net	27		51
EBITDA / net int exp	6.3x		3.4x
Total debt / EBITDA	4.6x		5.9x
Net debt / EBITDA	3.8x		5.0x

(a) Pro forma for \$200 million share repurchase.

## Illustrative sources & uses and pro forma capitalization

Scenario 2: 5.8x net leverage / no preferred equity



(\$ in millions, except per share data)

Transaction assumptions	
Purchase price	\$12.50
Float shares <sup>(a)</sup>	38.0
Share purchase cost	\$474

Indicative rate assumptions	
Existing revolver	L + 325
Existing term loan B	L + 325
LIBOR floor	1.00%
Incremental term loan B	L + 325
LIBOR floor	1.00%
OID	99
New senior notes	7.50%

WACD	5.48%
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	Pro forma capitalization		Pro forma 3/31/13E
	As of 3/31/13E	Adjustments +      -	
Cash	\$147		\$146
Revolver (\$180 million)	\$97		--
Existing term loan	675		675
Incremental term loan B	--	50	50
<b>Total secured debt</b>	<b>\$772</b>		<b>\$725</b>
New senior notes	--	400	400
Other debt	24		24
<b>Total debt</b>	<b>\$796</b>		<b>\$1,149</b>
<b>Net debt</b>	<b>\$648</b>		<b>\$1,003</b>
Common equity	776	594	594
<b>Total capitalization</b>	<b>\$1,572</b>		<b>\$1,743</b>
<b>Net capitalization</b>	<b>\$1,424</b>		<b>\$1,597</b>
<b>Credit statistics:</b>			
Interest expense, net	27		63
EBITDA / net int exp	6.3x		2.7x
Total debt / EBITDA	4.6x		6.7x
Net debt / EBITDA	3.8x		5.8x

(a) Pro forma for \$200 million share repurchase.

## Recent consumer sector LBO capitalization (pg 1 of 2)



(\$ in millions)	Del Monte	J. Crew	Jo-Ann Stores	Academy Sports	BJ's Wholesale	99 Cents Only Stores	P.F. Chang's
Date Priced	2/3/2011	3/1/2011	3/15/2011	7/27/2011	9/23/2011	12/14/2011	5/31/2012
<b>Ratings:</b>							
Corp	B1 / B+	B2 / B	B2 / B	B2/B	B1/B+	B2/B	B2 / B
<b>Capitalization:</b>							
Cash	\$15	\$50	\$33	\$5	\$69	\$12	\$5
Revolver	100	--	50	--	438	--	--
1st Lien Term Loan	2,700	1,200	650	840	1,075	525	305
2nd Lien	--	--	--	--	200	--	--
<b>Total Secured Debt</b>	<b>\$2,800</b>	<b>\$1,200</b>	<b>\$700</b>	<b>\$840</b>	<b>\$1,713</b>	<b>\$525</b>	<b>\$305</b>
Senior Notes	1,300	400	450	450	--	250	300
<b>Total Senior Debt</b>	<b>\$4,100</b>	<b>\$1,600</b>	<b>\$1,150</b>	<b>\$1,290</b>	<b>\$1,713</b>	<b>\$775</b>	<b>\$605</b>
Sr. Sub. Notes/Mezzanine	--	--	--	--	--	--	--
<b>Total Debt</b>	<b>\$4,106</b>	<b>\$1,600</b>	<b>\$1,150</b>	<b>\$1,290</b>	<b>\$1,713</b>	<b>\$775</b>	<b>\$605</b>
Equity	1,624	1,269	410	1,135	630	636	526
<b>Total Capitalization</b>	<b>\$5,730</b>	<b>\$2,869</b>	<b>\$1,560</b>	<b>\$2,425</b>	<b>\$2,343</b>	<b>\$1,411</b>	<b>\$1,131</b>
Equity as % of Total Cap.	28%	44%	26%	47%	27%	45%	47%
LTM Revenues	\$3,713	\$1,711	\$2,079	\$2,830	\$10,111	\$1,424	\$1,240
LTM EBITDA	637	326	229	207	385	149	133
EBITDA Margin	17%	19%	11%	7%	4%	10%	11%
FCF / Total Debt	8%	12%	9%	4%	7%	2%	6%
<b>Credit Statistics:</b>							
First Lien Leverage	4.4x	3.7x	3.1x	4.1x	3.9x	3.5x	2.3x
Total Leverage	6.5x	4.9x	5.0x	6.2x	4.4x	5.2x	4.5x
<b>Sponsor:</b>	KKR/Vestar/ Centerview	TPG/Leonard Green	Leonard Green	KKR	LG&P/CVC	Ares, CPPIB	Centerbridge
<b>Final Pricing:</b>							
First Lien TL At Issue Yield	4.563%	4.750%	5.000%	6.250%	5.250%	7.500%	6.500%
Second Lien TL At Issue Yield	--	--	--	--	11.250%	--	--
Notes Coupon:	7.625%	8.125%	8.125%	9.250%	--	11.000%	10.250%
Average Cost of Debt	5.516%	5.594%	6.131%	7.134%	4.772%	8.290%	8.233%



## Recent consumer sector LBO capitalization (pg 2 of 2)



(\$ in millions)	Savers	Amscan / Party City	AOT Bedding	David's Bridal	Smart & Final	Albertson's	H.J. Heinz Company
Date Priced	6/28/2012	7/23/2012	9/19/2012	10/5/2012	11/8/2012	2/26/2013	3/27/2013
<b>Ratings:</b>							
Corp	B2/B	B2/B	B2/B	B3/B	B3/B	NR/B	Ba3/BB-
<b>Capitalization:</b>							
Cash	\$8	\$17	\$10	\$2	--	\$59	\$1,250
Revolver	8	100	--	2	--	230	--
1st Lien Term Loan	655	1,125	1,310	520	525	1,150	9,500
2nd Lien	--	--	--	--	195	--	3,100
<b>Total Secured Debt</b>	<b>\$663</b>	<b>\$1,244</b>	<b>\$1,310</b>	<b>\$525</b>	<b>\$720</b>	<b>\$1,629</b>	<b>\$12,600</b>
Senior Notes	--	700	650	270	--	--	868
<b>Total Senior Debt</b>	<b>\$663</b>	<b>\$1,944</b>	<b>\$1,960</b>	<b>\$795</b>	<b>\$720</b>	<b>\$1,629</b>	<b>\$13,468</b>
Sr. Sub. Notes/Mezzanine	295	--	--	--	--	--	--
<b>Total Debt</b>	<b>\$958</b>	<b>\$1,944</b>	<b>\$1,960</b>	<b>\$795</b>	<b>\$720</b>	<b>\$1,629</b>	<b>\$13,468</b>
Equity	764	841	1,130	304	295	550	16,240
<b>Total Capitalization</b>	<b>\$1,722</b>	<b>\$2,785</b>	<b>\$3,090</b>	<b>\$1,099</b>	<b>\$1,015</b>	<b>\$2,179</b>	<b>\$29,708</b>
<i>Equity as % of Total Cap.</i>	44%	30%	37%	28%	29%	25%	55%
LTM Revenues	\$1,014	\$1,899	\$2,208	\$741	\$3,000	\$10,697	\$11,508
LTM EBITDA	155	298	292	121	132	389	2,362
<i>EBITDA Margin</i>	15%	16%	13%	16%	4%	4%	21%
<i>FCF / Total Debt</i>	4%	6.4%	7.2%	7%	4%	10%	13%
<b>Credit Statistics:</b>							
<b>First Lien Leverage</b>	<b>4.3x</b>	<b>4.2x</b>	<b>4.5x</b>	<b>4.3x</b>	<b>4.0x</b>	<b>4.2x</b>	<b>4.0x</b>
<b>Total Leverage</b>	<b>6.2x</b>	<b>6.5x</b>	<b>6.7x</b>	<b>6.5x</b>	<b>5.4x</b>	<b>4.2x</b>	<b>5.7x</b>
<b>Sponsor:</b>	Leonard Green	THL	Advent	CD&R	Ares	Cerberus	Berkshire Hathaway, 3G
<b>Final Pricing:</b>							
First Lien TL At Issue Yield	6.500%	6.000%	5.250%	5.250%	6.000%	5.875%	3.375%
Second Lien TL At Issue Yield	--	--	--	--	11.250%	--	3.563%
Notes Coupon:	--	8.875%	8.125%	7.750%	--	--	4.250%
Average Cost of Debt	6.250%	6.949%	6.036%	5.940%	4.794%	5.750%	3.026%