

Analyst: Sung Nam

Perfumania Holdings Inc (PERF)

Market Price:	\$13.23	EBITDA/Share:	\$1.75	Net Asset/Share:	\$5.35
DCF: EV/EBITDA Terminal Value	-192.617%	DCF: Net Tangible Asset excluding Cash/Debt Terminal Value	-39.266%		
EBITDA-Cap Ex/Share	\$1.41	EVA Analysis:	-2.873%		

Overview

Parlux Fragrances has been bought out by Perfumania Holdings for \$170 MM.

We question whether the acquisition is beneficial for a company that has low cashflows. The company has been borrowing money to finance operations.

They may be able to reduce overlapping SG&A costs. If they save even \$20 MM annually, stand alone valuation supports the current market value.

"Parlux shareholders will receive either \$4 in cash plus 0.2 shares of Perfumania stock for each Parlux share owned, or 0.53333 shares of Perfumania stock." Source: Forbes

Dividend?

Dividend yield is 0.0%.

Cashflow Generation

Cashflows are \$2MM from operating cashflow.

Capex is \$3 MM, minority interest payment is \$0 MM, intangibles are \$0 MM and dividend is \$0 MM.

Free cash flow is about \$-1 MM.

1.5% EBITA margin and FCF yield is -5.1%.

The company has \$0 MM in cash/short term investment and \$156 MM in debt.

We are projecting a \$0 MM paydown annually.

Profitability

ROA is -1.2%, and ROC is -6.2%.

LBO?

We don't believe a 60% debt/40% equity would be sustainable.

Price

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Perfumania Holdings, Inc. is an independent, national, vertically integrated wholesale distributor and specialty retailer of perfumes and fragrances that does business through five primary operating subsidiaries, Perfumania, Inc. (Perfumania), Quality King Fragrance, Inc. (QFG), Scents of Worth, Inc. (SOW), Perfumania.com, Inc. (Perfumania.com) and Five Star Fragrance Company, Inc. (Five Star). The Company operates in two industry segments: wholesale distribution and specialty retail sales of designer fragrance and related products. Its wholesale business, which is conducted through QFG, distributes designer fragrances to mass market retailers, drug and other chain stores, retail wholesale clubs, traditional wholesalers, and other distributors throughout the United States. Its retail business is conducted through three subsidiaries: Perfumania, SOW and Perfumania.com, Inc.

Company Name:	Perfumania Holdings Inc	Market Capitalization:	\$118,673,100.00	Revenue:	\$492,430,000.00	100.0%
Ticker Symbol:	PERF	Total Debt:	\$156,620,000.00	Cost of Goods Sold:	\$311,580,000.00	63.3%
Last Price:	\$13.23	Total Cash:	\$1,240,000.00	Gross Profit:	\$180,850,000.00	36.7%
Net Cash/Share:	-\$17.32	Net Cash/(Debt):	-\$155,380,000.00	EBITDA:	\$28,990,000.00	5.9%
Net Cash to Last Price:	-130.93%	Enterprise Value:	\$274,053,100.00	Net Income:	\$8,760,000.00	1.8%
Shares Outstanding:	8,970,000	Current EV/Share:	\$30.55			
Industry:	Specialty Retail	EBITDA:	\$15,690,000.00			
Sector:	Consumer Cyclical	EV/EBITDA Multiple:	17.47	Income Statement		
		EV/FCF Multiple:	124.01	Balance Sheet		
Institutional Ownership:	9.13%			Cash:	\$0.00	
Mutual Fund Ownership:	0.02%	Upper Range		Short Term Investment:	\$0.00	
Insider Ownership:	0.00%	DCF: EV/EBITDA Terminal Value		A/R:	\$20,300,000.00	
Retail Ownership:	-9.15%			PP&E:	\$51,840,000.00	
Float:	0.00%	Implied TV from 5 X EV/EBITDA Multiple	\$78,668,476.37	Assets:	\$300,470,000.00	
		Enterprise Value	\$78,668,476.37	A/P:	\$40,580,000.00	
		Cash at Year 5:	-\$2,921,264.29	Deferred Tax:	\$0.00	
		Debt at Year 5:	\$156,620,000.00	Other Liabilities:	\$42,760,000.00	
		Equity Value Year 5:	-\$80,872,787.93	Short term Debt:	\$1,600,000.00	
		Equity/Share at Year 5:	-\$9.02	Long Term Debt:	\$155,020,000.00	
		Annualized Return:	-192.62%	Liabilities:	\$239,960,000.00	
		Lower Range		Retained Earnings:	-\$56,200,000.00	
		DCF: Net Tangible Asset excluding Cash/Debt Terminal Value		Paid-In Capital:	\$125,190,000.00	
		Year 5 Net Tangible Assets excluding cash and debt	\$169,348,028.67	Treasury Stock:	-\$8,580,000.00	
		Enterprise Value	\$169,348,028.67	Stockholder's Equity:	\$60,510,000.00	
		Cash at Year 5:	-\$2,921,264.29			
		Debt at Year 5:	\$156,620,000.00	Cash Flow		
		Equity Value Year 5:	\$9,806,764.38	Net Income:	-3,720,000.00	
		Equity/Share at Year 5:	\$1.09	Depreciation/Amortization:	8,910,000.00	
		Annualized Return:	-39.27%	Change in Working capital:	-22,530,000.00	
		EVA		Cash from Operating Activities:	-11,080,000.00	
		EVA today:	\$216,578,946.57	Capital Expenditures:	-2,980,000.00	
		EVA in 5 Years:	\$187,199,675.53	Cash from Investing Activities:	-2,980,000.00	
		EVA/Share:	\$20.87	Total Cash Dividends Paid:	0.00	
		Cash at Year 5:	-\$2,921,264.29	Issuance (Retirement) of Stock:	0.00	
		Debt at Year 5:	\$156,620,000.00	Issuance (Retirement) of Debt:	16,040,000.00	
		Equity Value Year 5:	\$27,658,411.23	Cash from Financing Activities:	13,350,000.00	
		Equity/Share at Year 5:	\$3.08			
		Annualized return	-2.87%	Profitability Margins		
		Current Net Tangible Asset		Debt to Equity:	258.83%	
		Net Tangible Asset/Share:	\$5.35	Return on Assets:	-1.24%	
		Net Tangible Asset/Share in Year 5:	\$64.64	Return on Capital:	-1.71%	
		Annualized return	64.63%	Return on Equity:	-6.15%	
		Current Equity Price:	\$13.23			
		Selling at Discount?	Premium			
		Appreciation Potential:	-59.59%			
		Dividend Model				
		Next Year Dividend	\$0.00			
		WACC:	4.68%			
		Dividend:	\$0.00			
		Net Income:	\$8,760,000.00			
		Retention Ratio:	100.00%			
		Return on Equity:	-6.15%			
		Dividend Growth Rate:	-6.15%			
Company Name:	Perfumania Holdings Inc					
Ticker Symbol:	PERF					
Last Price:	\$13.23					
Net Cash/Share:	-\$17.32					
Net Cash to Last Price:	-130.93%					
Shares Outstanding:	8,970,000					
Industry:	Specialty Retail					
Sector:	Consumer Cyclical					
Institutional Ownership:	9.13%					
Mutual Fund Ownership:	0.02%					
Insider Ownership:	0.00%					
Retail Ownership:	-9.15%					
Float:	0.00%					
Technicals						
52 week low:	\$7.67					
Today from 52 week low:	72.49%					
52 week high:	\$20.00					
Today from 52 week high:	51.17%					
50 day Moving Average:	\$18.34					
200 day Moving Average:	\$14.38					
Analyst/Consensus						
Analyst Sales Growth FY1:	Error					
Analyst Sales Growth FY2:	Error					
SN Valuation Estimate FY1:	-1.00%					
SN Valuation Estimate FY2:	0.00%					
Analyst Earnings Estimate FY1:	Error					
Analyst Earnings Estimate FY2:	Error					
SN Valuation Earnings Est. FY1:	-\$0.78					
SN Valuation Earnings Est. FY2:	-\$0.78					
Multiples						
Market Value to Book:	1.96					
EV to Book:	4.53					
P/E Ratio:	13.55					
Trailing P/E Ratio:	13.54					
Forward P/E Ratio:	N/A					
Beta:	3.43					
Dividend:	0					
Dividend Yield:	0.00%					
Dividend Date:	N/A					
Ex-Dividend Date:	N/A					
Competitors						
Average EV to EBITDA:	N/A					
Company EV to EBITDA:	17.47					
Average EV to EBIT:	N/A					
Company EV to EBITA:	40.42					

SN VALUATION

LBO Analysis

WACC Terminal Value:	
EV/EBITDA with 5X Multiple Terminal Value:	(\$9.02)
Net Tangible Asset Terminal Value:	\$1.09
EV/EBITDA with Today's Multiple Terminal Value:	(\$12.52)
EVA Enterprise Value:	\$3.08
Dividend Discount Model:	N/A
Average (Excluding Dividend Discount):	(\$4.34)

Intrinsic Price in 5 Years:	-4.34
Market Price:	13.23
LBO Price:	13.23
Premium to Market Price:	0.00%
LBO Price/Intrinsic Price Target:	-180.02%
LBO Price/EV/EBIT Exit Price:	-183.59%
Implied IRR at today's EV/EBIT:	-198.91%
5 Year Return:	-132.81%

Non-LBO Forecast	
Year 1 Target	-10.59
Year 2 Target	8.47
Year 3 Target	-6.78
Year 4 Target	5.42
Year 5 Target	-4.34

Non-LBO Forecast	
Desired Return Rate	20.00%
Implied Today's Price	-1.74
Overvalued/(Undervalued)	-858.40%

Implied IRR (Market Price): -180.02%

Current Evaluation				Exit Evaluation			
Current Market Price:	13.23	LBO Price:	13.23	Exit Price:	-4.34	Exit Price:	-12.52
Outstanding Shares:	8,970,000	Outstanding Shares:	8,970,000	Outstanding Shares:	8,970,000	Outstanding Shares:	8,970,000
Market Capitalization:	118,673,100	Market Capitalization:	118,673,100	Market Capitalization:	-38,936,948	Market Capitalization:	-112,340,178
Available Cash:	1,240,000	Available Cash:	1,240,000	Available Cash:	-2,921,264	Available Cash:	-2,921,264
Debt:	156,620,000	Debt:	156,620,000	Debt:	156,620,000	Debt:	156,620,000
Net Cash:	-155,380,000	Net Cash:	-155,380,000	Net Cash:	-159,541,264	Net Cash:	-159,541,264
Enterprise Value:	274,053,100	Enterprise Value:	274,053,100	Enterprise Value:	120,604,317	Enterprise Value:	47,201,086
Original EV/EBIT:	40.42	EV/EBIT:	40.42	EV/EBIT at 5 Years:	17.91	EV/EBIT at 5 Years:	3.00
Original EV/EBITDA:	17.47	EV/EBITDA:	17.47	EV/EBITDA at 5 Years:	32.60	EV/EBITDA at 5 Years:	2.93
Competitor Average EV/EBIT:	N/A						
Competitor Average EV/EBITDA:	N/A						

Enterprise Valuation Calculation During Holding Period							
Time Period	0	Adjusted for LBO	1	2	3	4	5
Annualized Price Targets based off LBO Price:	13.23	13.09	-10.48	8.38	-6.71	5.37	-4.30
Shares Outstanding:	8,970,000	8,970,000	8,970,000	8,970,000	8,970,000	8,970,000	8,970,000
Market Capitalization:	118,673,100	117,433,100	-93,970,697	75,195,936	-60,172,256	48,150,214	-38,530,101
Available Cash:	0	0	-1,537,691	-3,075,382	-3,645,544	-3,621,123	-2,921,264
Debt:	156,620,000	156,620,000	156,620,000	156,620,000	156,620,000	156,620,000	156,620,000
Net Cash:	-156,620,000	-156,620,000	-158,157,691	-159,695,382	-160,265,544	-160,241,123	-159,541,264
Enterprise Value:	275,293,100	274,053,100	64,186,994	234,891,318	100,093,288	208,391,337	121,011,164
EBIT	6,780,000	6,780,000	5,398,560	5,398,560	5,830,517	6,275,432	6,733,695
EV/EBIT:	40.60	40.42	11.89	43.51	17.17	33.21	17.97
EBITDA	15,690,000	15,690,000	13,850,309	13,850,309	14,817,838	15,412,421	16,087,859
EV/EBITDA:	17.55	17.47	4.63	16.96	6.75	13.52	7.52

Enterprise Valuation Calculation During Holding Period							
Time Period	0	Adjusted for LBO	1	2	3	4	5
Annualized Price Targets based off LBO Price:	13.23	13.09	6.70	6.52	8.41	10.41	12.56
Shares Outstanding:	8,970,000	8,970,000	8,970,000	8,970,000	8,970,000	8,970,000	8,970,000
Market Capitalization:	118,673,100	117,433,100	60,056,484	58,518,793	75,408,674	93,416,941	112,640,161
Available Cash:	0	0	-1,537,691	-3,075,382	-3,645,544	-3,621,123	-2,921,264
Debt:	156,620,000	156,620,000	156,620,000	156,620,000	156,620,000	156,620,000	156,620,000
Net Cash:	-156,620,000	-156,620,000	-158,157,691	-159,695,382	-160,265,544	-160,241,123	-159,541,264
Enterprise Value:	275,293,100	274,053,100	218,214,175	218,214,175	235,674,219	253,658,064	272,181,425
EBIT	6,780,000	6,780,000	5,398,560	5,398,560	5,830,517	6,275,432	6,733,695
EV/EBIT:	40.60	40.42	40.42	40.42	40.42	40.42	40.42
EBITDA	15,690,000	15,690,000	13,850,309	13,850,309	14,817,838	15,412,421	16,087,859
EV/EBITDA:	17.55	17.47	15.76	15.76	15.90	16.46	16.92

LBO Price	13.23	Equity Partners:	275,293,100	Weighting	100.00%	Annualized Return for Equity Partners: -183.59%
Shares Outstanding	8,970,000	Debt Partners:	0	0.00%		
Market Capitalization	118,673,100	Total Funds for LBO:	275,293,100	100.00%		
Debt	156,620,000					
Cash	1,240,000					
Enterprise Value	274,053,100					
Capital Investment	275,293,100					

Book Value		Enterprise Value		Stock Valuation		Debt Reduction	
Beginning Book Value	60.51	Beginning Enterprise Value	274.05	Current Market Price	\$13.23	Starting Debt	153.25
Year 5 Book Value	28.21	Year 5 Enterprise Value	47.20	Year 5 Market Price	-\$12.52	Debt Repayment	0.00
Annualized Return	-14.16%	Annualized Return	-29.66%	Annualized Return	-198.91%	Year 5 Ending Debt	153.25
						% of Starting Debt	100.00%

SN VALUATION

LBO Pro Forma Income Statement

Name: Perfumania Holdings Inc

Ticker:

PERF

	Historical				Forecasted				
	52 weeks ending 2008-02-02	52 weeks ending 2009-01-31	52 weeks ending 2010-01-30	52 weeks ending 2011-01-29	2011	2012	2013	2014	2015
Revenue	301.83	429.29	510.92	484.80	479.95	479.95	494.35	509.18	524.46
COGS	189.97	294.47	332.13	303.95	302.37	302.37	311.44	320.78	330.41
Gross margin	111.86	134.82	178.79	180.85	177.58	177.58	182.91	188.40	194.05
SG&A	99.97	119.99	164.14	162.16	163.18	163.18	168.08	173.12	178.32
R&D	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Unusual expense	0.00	68.08	2.32	3.00	0.00	0.00	0.00	0.00	0.00
Other operating expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Depreciation is: Included within COGS	6.20	7.42	9.77	8.91	9.00	9.00	9.00	9.00	9.00
Operating Income (EBITA)	5.69	-6.67	2.56	6.79	5.40	5.40	5.83	6.28	6.73
Interest income/(expense)	-4.73	-12.03	-19.20	-12.86	-12.39	-12.39	-12.39	-12.39	-12.39
Gain (loss) on sale of asset	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Income before tax	0.96	-72.70	-15.64	-6.08	-6.99	-6.99	-6.56	-6.11	-5.65
Tax	0.95	14.26	0.19	-2.36	0.00	0.00	0.00	0.00	0.00
Income after tax	0.01	-86.96	-15.83	-3.72	-6.99	-6.99	-6.56	-6.11	-5.65
Minority Interest	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Equity in affiliates	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net income	0.01	-86.96	-15.83	-3.72	-6.99	-6.99	-6.56	-6.11	-5.65
*Figures are in millions (\$)									
Revenue Growth	N/A	42.23%	19.02%	-5.11%	-1.00%	0.00%	3.00%	3.00%	3.00%
Tax Rate	98.96%	-19.61%	-1.21%	38.82%	30.00%	30.00%	30.00%	30.00%	30.00%
Implied Debt Interest Rate	-10.42%	-4.72%	-13.04%	-8.21%	-8.08%	-8.08%	-8.08%	-8.08%	-8.08%
Margins									
COGS	62.94%	68.59%	65.01%	62.70%	63.00%	63.00%	63.00%	63.00%	63.00%
Gross margin	37.06%	31.41%	34.99%	37.30%	37.00%	37.00%	37.00%	37.00%	37.00%
SG&A	33.12%	27.95%	32.13%	33.45%	34.00%	34.00%	34.00%	34.00%	34.00%
R&D	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Unusual expense	0.00%	15.86%	0.45%	0.62%	0.00%	0.00%	0.00%	0.00%	0.00%
Other operating expense	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Depreciation is: Included within COGS	2.05%	1.73%	1.91%	1.84%	1.88%	1.88%	1.82%	1.77%	1.72%
Operating Income (EBITA)	1.89%	-14.13%	0.50%	1.40%	1.12%	1.12%	1.18%	1.23%	1.28%
Interest income/(expense)	-1.57%	-2.80%	-3.56%	-2.65%	-2.58%	-2.58%	-2.51%	-2.43%	-2.36%
Gain (loss) on sale of asset	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Income before tax	0.32%	-16.93%	-3.06%	-1.25%	-1.46%	-1.46%	-1.33%	-1.20%	-1.08%
Tax	0.31%	3.32%	0.04%	-0.49%	0.00%	0.00%	0.00%	0.00%	0.00%
Income after tax	0.00%	-20.26%	-3.10%	-0.77%	-1.46%	-1.46%	-1.37%	-1.27%	-1.18%
Minority Interest	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Equity in affiliates	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Net income	0.00%	-20.26%	-3.10%	-0.77%	-1.46%	-1.46%	-1.33%	-1.20%	-1.08%

					Adjustment		Adjusted Proforma	2011	2012	2013	2014	2015
	As of 2008-02-02	As of 2009-01-31	As of 2010-01-30	As of 2011-01-29	+	-						
Cash	1.03	4.20	0.00	0.00			0.00	-1.54	-3.08	-3.65	-3.62	-2.92
Short term investment	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Cash and Short term	1.03	4.20	0.00	0.00			0.00	-1.54	-3.08	-3.65	-3.62	-2.92
Accounts Receivable	1.06	29.04	25.38	20.30			20.30	20.30	20.30	20.30	20.30	20.30
Other receivables	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Total Receivables	1.06	29.04	25.38	20.30			20.30	20.30	20.30	20.30	20.30	20.30
Deferred Income Tax	0.00	0.00	1.95	1.24			1.24	1.24	1.24	1.24	1.24	1.24
Total Inventory	107.48	301.88	216.04	224.65			224.65	224.65	224.65	224.65	224.65	224.65
Prepaid Expenses	2.23	5.81	11.90	9.77			9.77	9.77	9.77	9.77	9.77	9.77
Other Current Assets	2.26	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Current Assets	114.06	340.93	255.27	255.96	0.00	0.00	255.96	254.42	252.88	252.31	252.34	253.04
PP&E, Gross	85.27	52.71	54.12	51.84			51.84	54.84	57.84	60.84	63.84	66.84
Change in Depreciation	6.20	6.58	9.77	8.91			8.91	8.45	8.45	8.99	9.14	9.35
Accumulated Depreciation	48.68	10.95	20.72	29.63			29.63	38.08	46.53	55.52	64.66	74.01
PP&E, Net	36.59	41.76	33.40	22.21			22.21	16.76	11.31	5.32	-0.82	-7.17
Goodwill	1.90	0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00	0.00	0.00
Intangibles	0.00	13.06	13.32	12.56			12.56	12.56	12.56	12.56	12.56	12.56
Long term investments	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Other long term assets	7.28	4.38	2.11	3.90			3.90	3.90	3.90	3.90	3.90	3.90
Long Term Assets	94.45	70.15	48.83	38.67	0.00	0.00	38.67	33.22	27.77	21.78	15.64	9.29
Total Assets	159.83	400.13	306.58	300.47	0.00	0.00	294.63	287.64	280.65	274.09	267.98	262.33
Accounts Payable	68.26	41.00	70.29	40.58			40.58	40.58	40.58	40.58	40.58	40.58
Accrued Expense	10.33	20.72	18.07	16.73			16.73	16.73	16.73	16.73	16.73	16.73
Other current Liabilities	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Total Current Liabilities	78.59	61.72	88.36	57.31	0.00	0.00	57.31	57.31	57.31	57.31	57.31	57.31
Notes Payables/Short Term Debt	32.84	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Current port. Of LT Debt/Capital Leases	5.36	155.12	41.80	1.60			1.60	1.60	1.60	1.60	1.60	1.60
Long term Debt	0.00	96.38	95.74	153.25	0.00	0.00	153.25	153.25	153.25	153.25	153.25	153.25
Capital Lease Obligations	7.19	3.25	2.03	1.77			1.77	1.77	1.77	1.77	1.77	1.77
Total Interest Earning Debt	45.39	254.75	139.57	156.62	0.00	0.00	156.62	156.62	156.62	156.62	156.62	156.62
Deferred Income tax	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Minority Interest	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Other liabilities	0.00	3.77	14.56	26.03			26.03	26.03	26.03	26.03	26.03	26.03
Total Liabilities	123.98	320.24	242.49	239.96	0.00	0.00	239.96	239.96	239.96	239.96	239.96	239.96
Redeemable Preferred Stock	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Non-redeemable Preferred Stock	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Common Stock	0.04	0.10	0.10	0.10		0.00	0.10	0.10	0.10	0.10	0.10	0.10
Additional Paid-in capital	79.18	125.01	125.05	125.19	0.00	0.00	125.19	125.19	125.19	125.19	125.19	125.19
Dividends Paid	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Retained Earnings	-34.78	-36.65	-52.48	-56.20		0.00	-56.20	-63.19	-70.18	-76.74	-82.85	-88.50
Treasury Stock	-8.58	-8.58	-8.58	-8.58			-8.58	-8.58	-8.58	-8.58	-8.58	-8.58
Other Equity	0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Equity	35.86	79.88	64.09	60.51	0.00	0.00	60.51	53.52	46.53	39.97	33.86	28.21
Liability + Equity	159.84	400.12	306.58	300.47	0.00	0.00	300.47	293.48	286.49	279.93	273.82	268.17
Variance	-0.01	0.01	0.00	0.00			-5.84	-5.84	-5.84	-5.84	-5.84	-5.84
Debt/Equity	1.27	3.19	2.18	2.59			2.59	2.93	3.37	3.92	4.63	5.55
Inventory Turnover	2.81	1.42	2.36	2.16			2.16	2.14	2.14	2.20	2.27	2.33
Inventory Turnover Days	129.97	256.67	154.34	169.14			169.14	170.84	170.84	165.87	161.04	156.35
Days Inventory Outstanding	206.51	374.18	237.42	269.77			269.77	271.18	271.18	263.28	255.62	248.17
Accounts Receivable Turnover	284.75	14.78	20.13	23.88			23.88	23.64	23.64	24.35	25.08	25.84
Accounts Receivable Turnover Days	1.28	24.69	18.13	15.28			15.28	15.44	15.44	14.99	14.55	14.13
Days Payable Outstanding	131.15	50.82	77.25	48.73			48.73	48.99	48.99	47.56	46.17	44.83
Days Sales Outstanding	1.28	24.69	18.13	15.28			15.28	15.28	15.44	15.44	14.99	14.55
Cash Conversion Cycle	76.64	348.06	178.31	236.33			236.33	237.48	237.63	231.16	224.43	217.89

SN VALUATION

LBO Debt Schedule

	Proforma	2011	2012	2013	2014	2015
Net Change in Cash	-0.71	-1.54	-1.54	-0.57	0.02	0.70
Current Portion Debt Repayment						
Long Term Debt Repayment						
Outstanding Debt	154.85	154.85	154.85	154.85	154.85	154.85
Current Portion Debt Balance	1.6	1.60	1.60	1.60	1.60	1.60
Long Term Debt Balance	153.25	153.25	153.25	153.25	153.25	153.25
Forward Libor Curve		4.00%	4.00%	4.00%	4.00%	4.00%
Spread		4.00%	4.00%	4.00%	4.00%	4.00%
Interest Rate		8.00%	8.00%	8.00%	8.00%	8.00%
Interest Expense		12.39	12.39	12.39	12.39	12.39
Cash Balance		0.00				
Interest @ 1.0%		0.00	0.00	0.00	0.00	0.00
Net Interest Expense/(Income)		12.39	12.39	12.39	12.39	12.39
Net Interest Rate		8.08%	8.08%	8.08%	8.08%	8.08%
EBITDA		5.40	5.40	5.83	6.28	6.73
EBITDA/Interest Expense Coverage		0.44	0.44	0.47	0.51	0.54

Interest Rate Coverage Table

Debt Rating					
AAA					
AA					
A+					
A					
A-					
BBB					
BB+					
BB					
B+					
B					
B-					
CCC					
CC					
C				C	C
D	D	D	D		

*Source: NYU; Professor Damodaran

Analyst: Sung Nam

Parlux Fragrances Inc (PARL)

Market Price:	\$5.94	EBITDA/Share:	\$0.23	Net Asset/Share:	\$4.70
DCF: EV/EBITDA Terminal Value	-14.243%	DCF: Net Tangible Asset excluding Cash/Debt Terminal Value	-3.859%		
EBITDA-Cap Ex/Share	\$0.18	EVA Analysis:	1.301%		

Overview

Parlux Fragrances has been bought out by Perfumania Holdings for \$170 MM.

"Parlux shareholders will receive either \$4 in cash plus 0.2 shares of Perfumania stock for each Parlux share owned, or 0.53333 shares of Perfumania stock." Source: Forbes

Dividend?

Dividend yield is 0.0%.

Cashflow Generation

Cashflows are \$3MM from operating cashflow.

Capex is \$1 MM, minority interest payment is \$0 MM, intangibles are \$0 MM and dividend is \$0 MM.

Free cash flow is about \$2 MM.

2.0% EBITA margin and FCF yield is 2.5%.

The company has \$20 MM in cash/short term investment and \$0 MM in debt.

We are projecting a \$0 MM paydown annually.

Profitability

ROA is 1.0%, and ROC is 1.2%.

LBO?

We don't believe a 60% debt/40% equity would be sustainable.

Price

SN VALUATION

LBO Analysis

WACC Terminal Value:		Intrinsic Price in 5 Years:	4.15	Non-LBO Forecast	Non-LBO Forecast	Desired Return Rate	20.00%
EV/EBITDA with 5X Multiple Terminal Value:	\$2.76	Market Price:	5.94	Year 1 Target	5.53	Implied Today's Price	1.67
Net Tangible Asset Terminal Value:	\$4.88	LBO Price:	5.94	Year 2 Target	5.15	Overvalued/(Undervalued)	256.29%
EV/EBITDA with Today's Multiple Terminal Value:	\$2.29	Premium to Market Price:	0.00%	Year 3 Target	4.79		
EVA Enterprise Value:	\$6.67	LBO Price/Intrinsic Price Target:	-6.93%	Year 4 Target	4.46		
Dividend Discount Model:	N/A	LBO Price/EV/EBIT Exit Price:	-17.35%	Year 5 Target	4.15		
Average (Excluding Dividend Discount):	\$4.15	Implied IRR at today's EV/EBITDA:	-17.35%	Implied IRR (Market Price):	-6.93%		
		5 Year Return:	-30.16%				

Current Evaluation				Exit Evaluation			
Current Market Price:	5.94	LBO Price:	5.94	Exit Price:	4.15	Exit Price:	2.29
Outstanding Shares:	20,770,000	Outstanding Shares:	20,770,000	Outstanding Shares:	20,770,000	Outstanding Shares:	20,770,000
Market Capitalization:	123,373,800	Market Capitalization:	123,373,800	Market Capitalization:	86,164,134	Market Capitalization:	47,590,851
Available Cash:	20,510,000	Available Cash:	20,510,000	Available Cash:	33,143,971	Available Cash:	33,143,971
Debt:	0	Debt:	0	Debt:	0	Debt:	0
Net Cash:	20,510,000	Net Cash:	20,510,000	Net Cash:	33,143,971	Net Cash:	33,143,971
Enterprise Value:	102,863,800	Enterprise Value:	102,863,800	Enterprise Value:	53,020,164	Enterprise Value:	14,446,881
Original EV/EBITDA:	41.65	EV/EBITDA:	41.65	EV/EBITDA at 5 Years:	29.20	EV/EBITDA at 5 Years:	3.00
Original EV/EBITDA:	21.56	EV/EBITDA:	21.52	EV/EBITDA at 5 Years:	14.62	EV/EBITDA at 5 Years:	3.59
Competitor Average EV/EBIT:	N/A						
Competitor Average EV/EBITDA:	N/A						

Enterprise Valuation Calculation During Holding Period							
Time Period	0	Adjusted for LBO	1	2	3	4	5
Annualized Price Targets based off LBO Price:	5.94	5.94	5.53	5.15	4.79	4.46	4.15
Shares Outstanding:	20,770,000	20,770,000	20,770,000	20,770,000	20,770,000	20,770,000	20,770,000
Market Capitalization:	123,373,800	123,373,800	114,826,905	106,872,108	99,468,391	92,577,577	86,164,134
Available Cash:	20,510,000	20,510,000	22,950,655	25,391,309	27,938,503	30,518,564	33,143,971
Debt:	0	0	0	0	0	0	0
Net Cash:	20,510,000	20,510,000	22,950,655	25,391,309	27,938,503	30,518,564	33,143,971
Enterprise Value:	102,863,800	102,863,800	91,876,250	81,480,799	71,529,888	62,059,013	53,020,164
EBIT	2,470,000	2,470,000	1,674,000	1,674,000	1,720,740	1,767,947	1,815,627
EV/EBIT:	41.65	41.65	54.88	48.67	41.57	35.10	29.20
EBITDA	4,780,000	4,780,000	3,799,285	3,799,285	3,919,846	3,966,875	4,026,525
EV/EBITDA:	21.52	21.52	24.18	21.45	18.25	15.64	13.17

Enterprise Valuation Calculation During Holding Period							
Time Period	0	Adjusted for LBO	1	2	3	4	5
Annualized Price Targets based off LBO Price:	5.94	5.94	4.46	4.58	4.80	5.01	5.24
Shares Outstanding:	20,770,000	20,770,000	20,770,000	20,770,000	20,770,000	20,770,000	20,770,000
Market Capitalization:	123,373,800	123,373,800	92,664,825	95,105,480	99,599,173	104,145,199	108,756,230
Available Cash:	20,510,000	20,510,000	22,950,655	25,391,309	27,938,503	30,518,564	33,143,971
Debt:	0	0	0	0	0	0	0
Net Cash:	20,510,000	20,510,000	22,950,655	25,391,309	27,938,503	30,518,564	33,143,971
Enterprise Value:	102,863,800	102,863,800	69,714,171	69,714,171	71,660,670	73,626,635	75,612,259
EBIT	2,470,000	2,470,000	1,674,000	1,674,000	1,720,740	1,767,947	1,815,627
EV/EBIT:	41.65	41.65	41.65	41.65	41.65	41.65	41.65
EBITDA	4,780,000	4,780,000	3,799,285	3,799,285	3,919,846	3,966,875	4,026,525
EV/EBITDA:	21.52	21.52	18.35	18.35	18.28	18.56	18.78

LBO Price	5.94	Equity Partners:	123,373,800	Weighting	100.00%	Annualized Return for Equity Partners: -17.35%
Shares Outstanding	20,770,000	Debt Partners:	0		0.00%	
Market Capitalization	123,373,800	Total Funds for LBO:	123,373,800		100.00%	
Debt	0					
Cash	20,510,000					
Enterprise Value	102,863,800					
Capital Investment	123,373,800					

Book Value		Enterprise Value		Stock Valuation		Debt Reduction	
Beginning Book Value	101.73	Beginning Enterprise Value	102.86	Current Market Price	\$5.94	Starting Debt	0.00
Year 5 Book Value	108.50	Year 5 Enterprise Value	14.45	Year 5 Market Price	\$2.29	Debt Repayment	0.00
Annualized Return	1.30%	Annualized Return	-32.47%	Annualized Return	-17.35%	Year 5 Ending Debt	0.00
						% of Starting Debt	#DIV/0!

LBO Pro Forma Income Statement

Name: Parlux Fragrances Inc

Ticker: PARL

	Historical				Forecasted				
	12 months ending 2008-03-31	12 months ending 2009-03-31	12 months ending 2010-03-31	12 months ending 2011-03-31	2011	2012	2013	2014	2015
Revenue	153.70	151.16	148.11	123.00	116.85	116.85	118.02	119.20	120.39
COGS	77.23	70.56	85.96	54.87	52.58	52.58	53.11	53.64	54.18
Gross margin	76.47	80.60	62.15	68.13	64.27	64.27	64.91	65.56	66.21
SG&A	65.04	84.90	82.78	63.36	59.59	59.59	60.19	60.79	61.40
R&D	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Unusual expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other operating expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Depreciation is: Included within COGS	2.83	2.50	2.88	2.30	3.00	3.00	3.00	3.00	3.00
Operating Income (EBITA)	8.60	-6.80	-23.51	2.47	1.67	1.67	1.72	1.77	1.82
Interest income/(expense)	-1.01	0.23	-0.24	-0.59	0.21	0.21	0.21	0.21	0.21
Gain (loss) on sale of asset	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other	0.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Income before tax	8.09	-6.57	-23.75	1.88	1.88	1.88	1.93	1.97	2.02
Tax	3.08	-2.29	-8.99	0.64	0.56	0.56	0.58	0.59	0.61
Income after tax	5.01	-4.28	-14.76	1.24	1.32	1.32	1.35	1.38	1.41
Minority Interest	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Equity in affiliates	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net income	5.01	-4.28	-14.76	1.24	1.32	1.32	1.35	1.38	1.41
*Figures are in millions (\$)									
Revenue Growth	N/A	-1.65%	-2.02%	-16.95%	-5.00%	0.00%	1.00%	1.00%	1.00%
Tax Rate	38.07%	34.04%	37.85%	34.04%	30.00%	30.00%	30.00%	30.00%	30.00%
Implied Debt Interest Rate	-66.01%	42.59%	0.00%	0.00%	NA	NA	NA	NA	NA
Margins									
COGS	50.25%	46.68%	58.04%	44.61%	45.00%	45.00%	45.00%	45.00%	45.00%
Gross margin	49.75%	53.32%	41.96%	55.39%	55.00%	55.00%	55.00%	55.00%	55.00%
SG&A	42.32%	56.17%	55.89%	51.51%	51.00%	51.00%	51.00%	51.00%	51.00%
R&D	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Unusual expense	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other operating expense	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Depreciation is: Included within COGS	1.84%	1.65%	1.94%	1.87%	2.57%	2.57%	2.54%	2.52%	2.49%
Operating Income (EBITA)	5.60%	-4.50%	-15.87%	2.01%	1.43%	1.43%	1.46%	1.48%	1.51%
Interest income/(expense)	-0.66%	0.15%	-0.16%	-0.48%	0.18%	0.18%	0.17%	0.17%	0.17%
Gain (loss) on sale of asset	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other	0.33%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Income before tax	5.26%	-4.35%	-16.04%	1.53%	1.61%	1.61%	1.63%	1.66%	1.68%
Tax	2.00%	-1.51%	-6.07%	0.52%	0.48%	0.48%	0.49%	0.50%	0.50%
Income after tax	3.26%	-2.83%	-9.97%	1.01%	1.13%	1.13%	1.15%	1.18%	1.21%
Minority Interest	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Equity in affiliates	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Net income	3.26%	-2.83%	-9.97%	1.01%	1.13%	1.13%	1.14%	1.16%	1.17%

					Adjustment		Adjusted Proforma	2011	2012	2013	2014	2015
	As of 2008-03-31	As of 2009-03-31	As of 2010-03-31	As of 2011-03-31	+	-						
Cash	21.41	6.09	17.58	20.51			20.51	22.95	25.39	27.94	30.52	33.14
Short term investment	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Cash and Short term	21.41	6.09	17.58	20.51			20.51	22.95	25.39	27.94	30.52	33.14
Accounts Receivable	34.69	27.53	14.24	24.76			24.76	24.76	24.76	24.76	24.76	24.76
Other receivables	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Total Receivables	34.69	27.53	14.24	24.76			24.76	24.76	24.76	24.76	24.76	24.76
Deferred Income Tax	2.74	3.15	7.16	0.11			0.11	0.11	0.11	0.11	0.11	0.11
Total Inventory	48.07	66.74	41.85	37.37			37.37	37.37	37.37	37.37	37.37	37.37
Prepaid Expenses	11.34	21.11	16.28	14.86			14.86	14.86	14.86	14.86	14.86	14.86
Other Current Assets	4.08	4.05	6.26	6.38			6.38	6.38	6.38	6.38	6.38	6.38
Current Assets	122.33	128.67	103.37	103.99	0.00	0.00	103.99	106.43	108.87	111.42	114.00	116.62
PP&E, Gross	8.55	8.70	9.65	10.03			10.03	11.03	12.03	13.03	14.03	15.03
Change in Depreciation	2.83	2.48	2.87	2.31			2.31	2.13	2.20	2.20	2.20	2.21
Accumulated Depreciation	4.45	5.97	8.84	11.15			11.15	13.28	15.40	17.60	19.80	22.01
PP&E, Net	4.10	2.73	0.81	-1.12			-1.12	-2.25	-3.37	-4.57	-5.77	-6.98
Goodwill	0.00	0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00	0.00	0.00
Intangibles	2.77	1.89	4.65	4.20			4.20	4.20	4.20	4.20	4.20	4.20
Long term investments	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Other long term assets	1.95	3.41	3.63	2.67			2.67	2.67	2.67	2.67	2.67	2.67
Long Term Assets	13.27	14.00	9.09	5.75			5.75	4.62	3.50	2.30	1.10	-0.11
Total Assets	131.15	136.70	114.33	112.71	0.00	0.00	109.74	111.06	112.37	113.72	115.10	116.51
Accounts Payable	11.45	23.75	10.02	8.64			8.64	8.64	8.64	8.64	8.64	8.64
Accrued Expense	2.60	1.93	4.51	2.34			2.34	2.34	2.34	2.34	2.34	2.34
Other current Liabilities	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Total Current Liabilities	14.05	25.68	14.53	10.98	0.00	0.00	10.98	10.98	10.98	10.98	10.98	10.98
Notes Payables/Short Term Debt	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Current port. Of LT Debt/Capital Leases	0.99	0.54	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Long term Debt	0.54	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Capital Lease Obligations	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Total Interest Earning Debt	1.53	0.54	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Deferred Income tax	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Minority Interest	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Other liabilities	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Total Liabilities	15.58	26.22	14.53	10.98	0.00	0.00	10.98	10.98	10.98	10.98	10.98	10.98
Redeemable Preferred Stock	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Non-redeemable Preferred Stock	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Common Stock	0.30	0.30	0.30	0.30		0.00	0.30	0.30	0.30	0.30	0.30	0.30
Additional Paid-in capital	101.58	101.87	105.94	106.63	0.00	0.00	106.63	106.63	106.63	106.63	106.63	106.63
Dividends Paid	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Retained Earnings	47.93	43.59	28.83	30.07		0.00	30.07	31.39	32.70	34.05	35.43	36.84
Treasury Stock	-34.24	-35.27	-35.27	-35.27			-35.27	-35.27	-35.27	-35.27	-35.27	-35.27
Other Equity	0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Equity	115.57	110.49	99.80	101.73	0.00	0.00	101.73	103.05	104.36	105.71	107.09	108.50
Liability + Equity	131.15	136.71	114.33	112.71	0.00	0.00	112.71	114.03	115.34	116.69	118.07	119.48
Variance	0.00	-0.01	0.00	0.00			-2.97	-2.97	-2.97	-2.97	-2.97	-2.97
Debt/Equity	0.01	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Inventory Turnover	3.20	2.26	3.54	3.29			3.29	3.13	3.13	3.16	3.19	3.22
Inventory Turnover Days	114.15	161.15	103.13	110.89			110.89	116.73	116.73	115.58	114.43	113.30
Days Inventory Outstanding	227.19	345.24	177.70	248.59			248.59	259.40	259.40	256.83	254.29	251.77
Accounts Receivable Turnover	4.43	5.49	10.40	4.97			4.97	4.72	4.72	4.77	4.81	4.86
Accounts Receivable Turnover Days	82.38	66.48	35.09	73.47			73.47	77.34	77.34	76.58	75.82	75.07
Days Payable Outstanding	54.11	122.86	42.55	57.47			57.47	59.97	59.97	59.38	58.79	58.21
Days Sales Outstanding	82.38	66.48	35.09	73.47			73.47	73.47	77.34	77.34	76.58	75.82
Cash Conversion Cycle	255.45	288.86	170.25	264.59			264.59	272.90	276.77	274.80	272.08	269.38

SN VALUATION

LBO Debt Schedule

	Proforma	2011	2012	2013	2014	2015
Net Change in Cash	2.93	2.44	2.44	2.55	2.58	2.63
Current Portion Debt Repayment						
Long Term Debt Repayment						
Outstanding Debt	0.00	0.00	0.00	0.00	0.00	0.00
Current Portion Debt Balance	0	0.00	0.00	0.00	0.00	0.00
Long Term Debt Balance	0.00	0.00	0.00	0.00	0.00	0.00
Forward Libor Curve		4.00%	4.00%	4.00%	4.00%	4.00%
Spread		4.00%	4.00%	4.00%	4.00%	4.00%
Interest Rate		8.00%	8.00%	8.00%	8.00%	8.00%
Interest Expense		0.00	0.00	0.00	0.00	0.00
Cash Balance		20.51				
Interest @ 1.0%		0.21	0.21	0.21	0.21	0.21
Net Interest Expense/(Income)		(0.21)	(0.21)	(0.21)	(0.21)	(0.21)
Net Interest Rate		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
EBITDA		1.67	1.67	1.72	1.77	1.82
EBITDA/Interest Expense Coverage		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!

Interest Rate Coverage Table

Debt Rating					
AAA	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
AA	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
A+	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
A	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
A-	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
BBB	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
BB+	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
BB	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
B+	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
B	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
B-	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
CCC	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
CC	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
C	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
D	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!

*Source: NYU; Professor Damodaran