

RESEARCH UPDATE
Dave Storms, CFA
dave@stonegateinc.com

214-987-4121

Market Statistics in USD

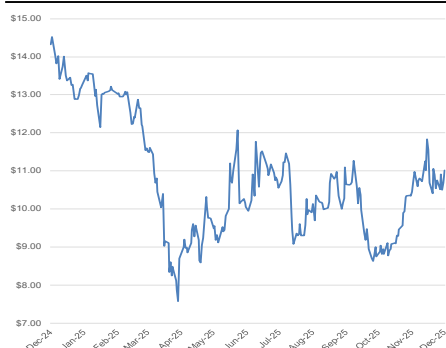
Price	\$ 11.01
52 week Range	\$7.34 - \$14.92
Daily Vol (3-mo. average)	37,152
Market Cap (M)	#REFRES
Enterprise Value (M)	\$ 145.7
Shares Outstanding: (M)	10.6
Float (M)	10.3

Financial Summary in USD

Pro Forma Cash (M)	\$ 6.2
Cash/Share	\$ 0.58
Debt (M)	\$ 3.8
Pro Forma Equity (M)	\$ 127.1
Equity/Share	\$ 11.96

FYE: Jan 2025 2026E 2027E
(all figures in M, except per share information)

Rev	\$ 397.5	\$ 315.3	\$ 322.4
Chng%	-8%	-21%	2%
EBIT	\$ (15.2)	\$ (22.0)	\$ 11.2
Net Income	\$ (12.5)	\$ (26.6)	\$ 9.8
EPS	\$ (1.19)	\$ (2.51)	\$ 0.93
EV/Revenue	0.5x	0.5x	0.5x
EV/EBIT	N/A	-6.6x	13.0x
P/E	N/A	-4.4x	11.8x


COMPANY DESCRIPTION

Hooker Furnishings is a designer, marketer, and importer of Casegoods (wooden and metal furniture), leather furniture, fabric-upholstered furniture, and outdoor furniture for the residential, hospitality and contract markets. Hooker was originally founded as a casegoods company by Clyde Hooker, Sr. in 1924. Clyde Hooker, Jr. took the helm as CEO in 1960, leading Hooker for 40 years. The Company began trading on the NASDAQ in 2002 under the symbol "HOFT", after a leveraged employee stock ownership plan (ESOP) required it to register with the SEC. The Company is one of five publicly traded furniture companies.

HOOKE FURNISHINGS CORPORATION (NASDAQ: HOFT)
Company Update

Quarterly Results: HOFT reported revenue, operating income, and adj EPS of \$70.7M, (\$16.3)M, and (\$1.99), respectively. This compares to our/consensus estimates of \$85.2M/\$85.5M, (\$2.2)M/(\$2.2)M, and (\$0.15)/(\$0.14). Revenues came in below expectations, declining 32.2% y/y, driven primarily by the Company selling the majority of it's HMI business segment. In contrast, Hooker Branded net sales grew 4.4% y/y and Domestic Upholstery increased 3.0%, underscoring continued resilience in the Legacy brands. Following the sale of its lower margin HMI business consolidated gross margins grew to 25.6% showing sequential growth. Overall profitability was challenged by one time trade name impairment charges related to the HMI transaction, which we expect to be mostly one time in nature. Management reaffirmed its focus on navigating macro headwinds such as housing market weakness, high mortgage rates, and subdued consumer demand, while positioning the company to return to profitability.

Growth Strategy: HOFT executed a transformative sale of two HMI brands in the quarter following the ahead of schedule completion of the Company's multi-phase cost reduction program, which reduced ~\$25M of annualized fixed-cost. The sale closed at an aggregate price of ~\$6.1M. On the cost reduction front we expect HOFT to continue taking out marginal cost following the sale of the HMI segment. We note that the remaining segment, Samuel Lawrence Hospitality, has moved to the Other segment with the cumulative effect being a strong growth in consolidated gross profit margin. In addition to this strategic reorganization of HOFT's business segments there is also impressive buzz around the upcoming Margaritaville launch. We expect this Margaritaville launch to show strong organic growth in 2H26. The combination of the HMI sale, realized cost reduction, and upcoming Margaritaville launch puts HOFT in a strategically advantageous position.

Balance Sheet and Liquidity: HOFT continues to bolster its balance sheet and preserve liquidity while navigating macro uncertainty. The company used strong operating cash flows to repay \$17.9M of debt YTD, ending the quarter with \$1.4M in cash and \$63.8M in borrowing capacity (net of standby letters of credit). Inventory declined to \$52.8M from \$70.8M at year-end, reflecting improved throughput, tighter alignment to demand, and benefits of the Vietnam warehouse transition. The new facility has shortened lead times from six months to six-to-ten weeks, enabling HOFT to carry less safety stock while maintaining service levels.

Outlook: HOFT reported an order backlog of \$32.7M, down from \$52.6M in 4Q25 following an unusually large order last year. Hooker Branded backlog rose to \$15.4M from \$13.1M at FY25 year-end, while Domestic Upholstery backlog decreased to \$16.1M from \$18.1M. Notably, the Company has reduced its dividend by 50%, which we view as a positive as HOFT has indicated it will increase share buybacks which gives the Company more room to be tactical when returning funds to shareholders.

Valuation: We use a Dividend Discount Model and EV/EBIT comp analysis to guide our valuation. Our DCF analysis produces a valuation range of \$14.41 to \$16.67 with a mid-point of \$15.44. Our EV/EBIT valuation results in a range of \$13.93 to \$14.98 with a mid-point of \$14.46. Lastly, HOFT pays one of the highest dividend yield of the comp set.

Summary of Quarterly Results

Exhibit 1: Quarterly Results vs. Model and Y/Y Change

	3Q26 results		Notes
	Reported	Model	
Total revenues	70.7	85.2	Revenues below our expectations
Cost of sales	52.6	66.4	
Gross (loss) profit	18.1	18.7	Margins remained above 20% and above our estimates
Gross margin	25.6%	22.0%	
Corporate Expenses	18.2	20.0	
D&A	0.6	0.9	
Total opex	18.8	20.9	Operating expenses below our expectations
Operating Profit	(16.3)	(2.2)	Operating margin below our expectations due to one time goodwill impairments
Operating margin	-23.1%	-2.6%	
Net Income	(21.2)	(1.6)	Net income below estimates
Net Income margin	-29.9%	-1.9%	
EPS	\$ (1.99)	\$ (0.15)	

	Y/Y Change		Notes
	3Q26	3Q25	
Total revenues	70.7	104.4	HMI sale impacted revenues
Cost of sales	52.6	80.3	
Gross (loss) profit	18.1	24.0	Margin improvement from HMI sale
Gross margin	25.6%	23.0%	
Corporate Expenses	18.2	28.4	
D&A	0.6	0.9	
Total opex	18.8	29.3	
Operating Profit	(16.3)	(7.3)	OPM decreased following HMI sale
Operating margin	-23.1%	-7.0%	
Net Income	(21.2)	(4.1)	
Net Income margin	-29.9%	-4.0%	
EPS	\$ (1.99)	\$ (0.39)	

Source: Company Reports; Stonegate Capital Markets

Valuation Summary

To help frame our valuation we use a combination of a dividend discount model, comparative analysis, and discounted cash flow analysis.

Our DCF analysis relies on a range of discount rates between 9.75% and 10.25% with a midpoint of 10.00%. This arrives at a valuation range of \$14.41 to \$16.67 with a mid-point of \$15.44.

Sensitivity Analysis:

		Terminal Growth Rates				
		1.0%	1.5%	2.0%	2.5%	3.0%
Discount rate	9.50%	\$15.45	\$16.00	\$16.63	\$17.35	\$18.17
	9.75%	\$14.93	\$15.44	\$16.02	\$16.67	\$17.42
	10.00%	\$14.44	\$14.91	\$15.44	\$16.04	\$16.73
	10.25%	\$13.98	\$14.41	\$14.90	\$15.45	\$16.08
	10.50%	\$13.54	\$13.94	\$14.39	\$14.90	\$15.48

Comparative Analysis
(all figures in M, except per share information)

Company Name	Symbol	Price ⁽¹⁾	Mrkt Cap	EV	Div Yield	BV/Share	EV/Revenue ^(2,3)			EV/EBIT ^(2,3)			P/E ^(2,3)		
							2024	2025E	2026E	2024	2025E	2026E	2024	2025E	2026E
Flexsteel Industries, Inc.	FLXS	\$ 40.35	\$ 215.5	\$ 234.7	2.0%	\$ 32.24	0.80x	0.53x	0.51x	15.0x	9.9x	9.6x	14.2x	8.7x	12.1x
The Lovesac Company	LOVE	\$ 14.53	\$ 212.3	\$ 380.1	N/A	\$ 12.95	0.71x	0.55x	0.52x	35.6x	71.3x	23.6x	31.7x	49.8x	16.7x
Bassett Furniture Industries, Incorporated	BSET	\$ 17.64	\$ 153.2	\$ 191.3	4.5%	\$ 19.10	0.51x	0.57x	0.56x	(19.8x)	22.1x	16.1x	(12.5x)	21.8x	16.2x
La-Z-Boy Incorporated	LZB	\$ 39.39	\$ 1,624.8	\$ 1,785.8	2.2%	\$ 25.20	0.95x	0.84x	0.82x	12.7x	15.0x	11.6x	14.7x	14.6x	13.5x
Mohawk Industries, Inc.	MHK	\$107.88	\$ 6,669.3	\$ 8,496.6	N/A	\$ 134.66	0.89x	0.79x	0.77x	12.0x	12.1x	10.8x	14.6x	12.1x	10.8x
Average							2.9%	\$ 44.83	0.77x	0.66x	0.64x	11.1x	26.1x	14.3x	12.5x
Median							2.2%	\$ 25.20	0.80x	0.57x	0.56x	12.7x	15.0x	11.6x	14.6x
Hooker Furnishings Corporation	HOFT	\$ 11.01	\$ 117.0	\$ 145.7	4.2%	\$ 15.98	0.50x	0.46x	0.45x	(13.2)x	(6.6)x	13.0x	(11.8)x	(4.4)x	11.8x

(1) Previous day's closing price

(2) Estimates are from Capital IQ

(3) Forward estimates as of calendar year

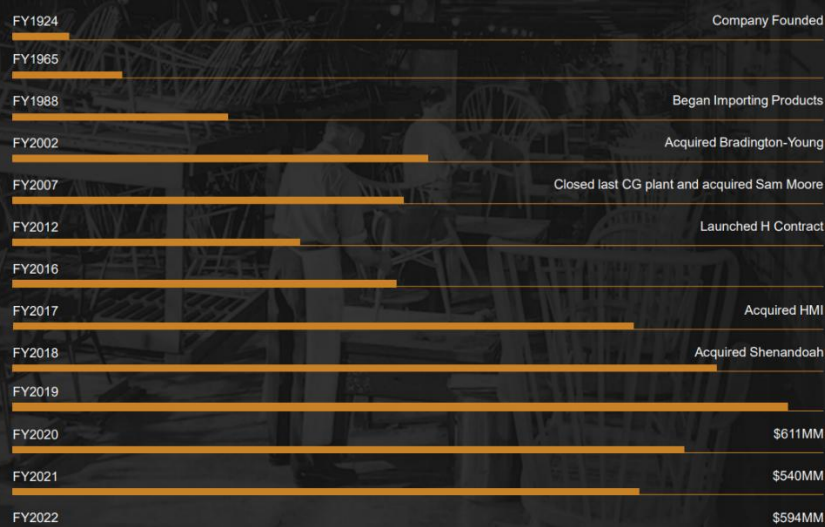
Source: Company reports, CapitalIQ, Stonegate Capital Partners

We are using an EV/EBIT framework to inform our HOFT valuation. Currently HOFT is trading at a CY26 EV/EBIT of 13.0x compared to comps at an average of 14.3x. Historically, comps have traded above 14.0x, which we rely on due to the recent volatility in the Home Furnishing industry. We are using our CY26 expected EBIT, and an EV/EBIT range of 13.0x to 14.0x with a midpoint of 13.5x which moves HOFT closer to historical comps. We believe this is reasonable given the continued strengthening of the Company's balance sheet and the outlook for the industry. This arrives at a valuation range of \$13.93 to \$14.98 with a mid-point of \$14.46.

Business Overview

Hooker Furnishings (“Hooker” or “The Company”) is a designer, marketer, and importer of Casegoods (wooden and metal furniture), leather furniture, fabric-upholstered furniture, and outdoor furniture for the residential, hospitality and contract markets. Hooker was originally founded as a casegoods company by Clyde Hooker, Sr. in 1924. Clyde Hooker, Jr. took the helm as CEO in 1960, leading Hooker for 40 years. The Company began trading on the NASDAQ in 2002 under the symbol “HOFT”, after a leveraged employee stock ownership plan (ESOP) required it to register with the SEC. The Company is one of five publicly traded furniture companies.

Exhibit 1: Company History



Source: Company Presentation

The Company has a wide and diverse customer base with only one customer being responsible for more than 6% of consolidated sales in fiscal year 2025. Hooker sells its brands through various retailers such as independent furniture stores and national retail chains, department stores, catalog resellers, interior designers, and e-commerce retail chains amongst others. Hooker's customers include reputable names like BAER'S FURNITURE CO., Berkshire Hathaway Inc., Macy's, Inc., and Wayfair.

Exhibit 2: Product Distribution Channels



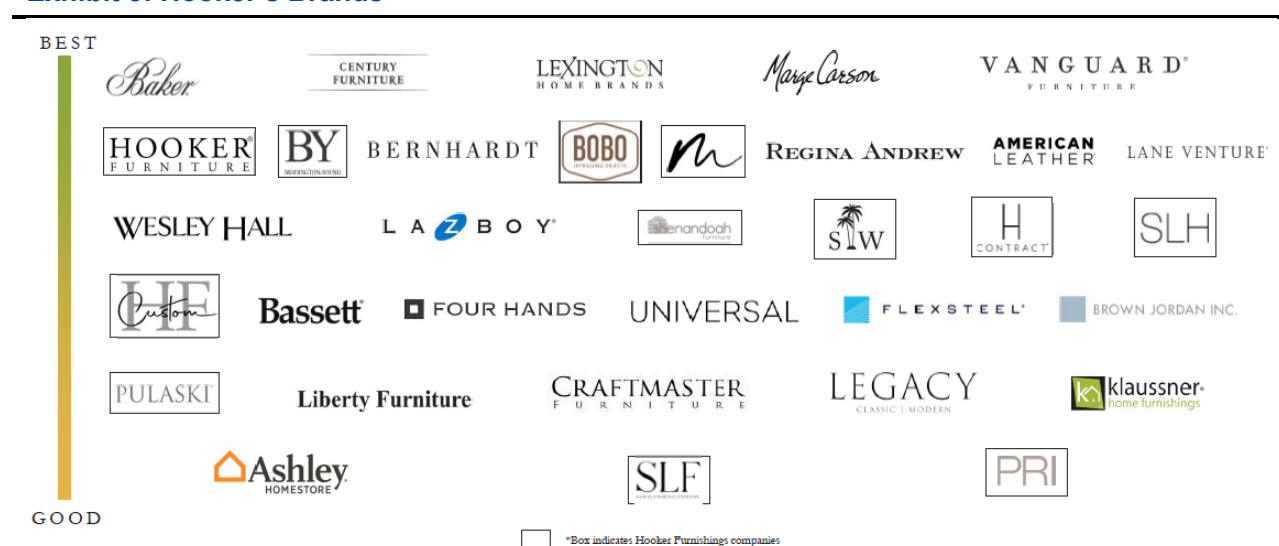
Source: Company Presentation

Hooker was an early adopter of importing furniture goods, sourcing its products from foreign manufacturers for over 3 decades. Imported casegoods and upholstered furniture accounted for 65.6% of sales at the end of fiscal year 2025. Asian countries such as China and Vietnam are historically Hooker's predominate importers, however the Company is beginning to diversify to other countries including Malaysia, Mexico, and India. The diversification is important to counter economic and political constraints referring to the 25% tariff on furniture and furniture components imported into the U.S. from China that was instituted in 2019 and the current uncertainty in the market.

Business Segments

Hooker operates in two primary segments: Hooker Branded and Domestic Upholstery as well as All Other which encompasses the Company's smaller brands. Hooker offers good to best quality product lines at medium to upper price points.

Exhibit 3: Hooker's Brands



Source: Company Presentation

Hooker Branded Segment

The Hooker Branded segment includes two businesses, Hooker Casegoods and Hooker Upholstery. Hooker is the 2nd largest casegoods supplier in the U.S. Casegoods is comprised of wood design categories covering home entertainment, home office, accent, dining, and bedroom furniture sold under the Hooker Furniture brand at upper-medium price points. Hooker Upholstery offers imported upholstered furniture targeted at the upper-medium price range. Upholstery presents HOFT with more upside, as upholstery has a shorter life cycle than casegoods and thus needs to be replaced more frequently. Hooker Branded generated \$36.5 million in sales in the quarter, accounting for 51.6% of consolidated sales compared to 33.5% last year.

Domestic Upholstery Segment

Hooker's domestic upholstery segments offer brands such as Bradington-Young, HF Custom (previously Sam Moore Furniture), Shenandoah Furniture, and Sunset West. This segment's products are at the upper end of quality and pricing. They are made to order and ship quickly after production but are raw material intensive.

The 2022 acquisition of Sunset West, an outdoor brand, allowed further penetration in the west coast and showed synergies with Hooker's salesforce. Sunset West has maintained its position as a growth driver for the segment, which four consecutive quarters of order growth.

Domestic Upholstery generated \$30.2 million in sales in the quarter, accounting for 42.7% of consolidated revenues compared to 28.1% last year.

All Other

Hooker's All Other segment comprises of the H Contract product and Lifestyle Brands. The segment customers are primarily senior living facilities, with an expansion focus on bringing in country clubs and other facilities that require commercial furniture that look residential. All Other generated \$4.0 million in sales in the quarter, accounting for 5.7% of consolidated sales, increasing from 1.5% last year.

Growth Strategy

In order to increase market share and grow the business, management developed key organic and inorganic growth initiatives. The initiatives include acquisitions, opening showrooms, and utilizing Ecommerce.

Hooker has a history of making acquisitions to increase market share and expand into new markets. Hooker made its first acquisition in 2002 when it acquired Bradington-Young, a high end upholster of upscale motion and stationary leather furniture. This was followed by the acquisitions of Sam Moore in 2007, Home Meridian in 2016, and Shenandoah Furniture in 2017. More recently, Hooker acquired Sunset West, an outdoor furniture manufacturer, in February 2022. Management is confident in Sunset West's contributions going forward, maintaining that the business will offer Hooker double digit organic growth going forward. Most recently the Company purchased BOBO Intriguing objects, an Atlanta-based lighting, décor, and accents designer. Aside from HMI's ongoing liquidation, Hooker's acquisitions have helped the Company generate strong and sustainable growth.

Hooker operates three showrooms in Atlanta, Georgia, High Point, North Carolina, and Las Vegas, Nevada. Hooker opened its High Point showroom at the April High Point Market, doubling its attendance from the previous year. In July 2023, Hooker debuted a 6,500 square foot showroom that will be operated year-round. The showrooms expand the Company's total addressable market and increase brand visibility. Efficiently operating the showrooms and strategically opening new ones will be key to growth going forward.

Most recently, the Company has entered into a licensing deal with Margaritaville that includes indoor and outdoor home furnishings for the residential, hospitality, and commercial markets. We believe this agreement opens up significant white space for HOFT, and gives the Company one more diversified market to operate in. We expect to see results from this deal in FY26.

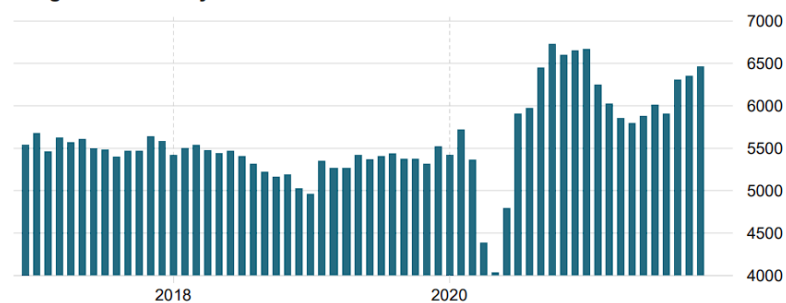
Over the last decade Hooker has prioritized Ecommerce using the internet and social media to increase its market breadth. Buying furniture online has grown in the industry, increasing over 15% per year and accelerated by Covid. HOFT has concentrated on this channel with eight business units actively engaging in pure-play ecommerce. HOFT will benefit from utilizing ecommerce as a tool connect with consumers, especially from the Gen X and Millennials demographics, and Gen Z in the future.

Market Overview

The Furniture industry is highly fragmented with over 1,000 independent players. Competitors include La-Z-Boy Incorporated along with a number of private companies for the Casegoods segment and Ashley Furniture Industries, Ethan Allen Interiors Inc., and Bassett Furniture, Inc. for the upholstery segment. Furniture demand is seasonal with contracted sales typically happening in Q1, resulting from shipping lags and stronger sales in the previous quarter. Demand is also reliant on housing trends. An increase in housing sales, shown in Exhibit 5, helps bolster the demand as homeowners look to furnish their houses. Consumers replacing old furniture during the pandemic and the explosion of the U.S. housing market that followed helped the industry recover sales volumes.

Exhibit 5: Housing Trends

Existing Home Sales by Month



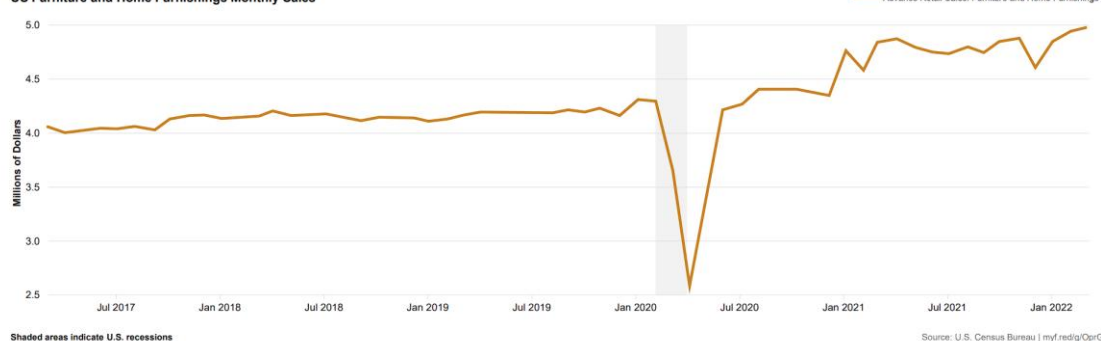
Source: Tradingeconomics.com | National Association of Realtors

Source: Company Presentation

The Covid-19 pandemic had a significant impact on the U.S. furniture and home furnishing industry. Factory closures in Asia and halted demand followed by supply disruptions slowed business. Exhibit 6 illustrates the shock the pandemic had on the industry. Lockdowns in Asia impacted imports, decreasing inventory levels of furniture sellers. Hooker initially suffered but sales began to rebound as the pandemic subsided. The Company is now in the process of diversifying its supplier base away from China to Malaysia, Mexico, and India with the current supplier base being primarily located in Vietnam. The diversification is crucial for HOFT to be more resistant to economic shocks and political constraints going forward.

Exhibit 6: Impact of Covid

US Furniture and Home Furnishings Monthly Sales



Source: U.S. Census Bureau | myf.redig/OprG

Source: Company Presentation

Risks

As with any investment, there are certain risks associated with HOFT's operations as well as with the surrounding economic and regulatory environments common to the furniture industry and operating with foreign suppliers.

Competitive Industry – HOFT operates in a highly competitive industry with an abundance of players, some of which are larger than the Company. Should the Company fail to expand its customer base or lose its current customers, the business will suffer. An overall decrease in the demand for furniture can increase competition and shrink HOFT's market share.

Customer Concentration – Hooker's top five customers made up approximately 24% of consolidated sales in fiscal year 2025. The loss of any of their largest customers could lead to a significant reduction in revenues. Moreover, a failure to attract new customers could impede the Company's growing market share. Alternatively, HOFT is also at risk of its retailers bypassing it by sourcing directly from non-U.S. suppliers.

Supplier Concentration – The majority of HOFT's products are sourced from factories China and Vietnam, whose imports make up a majority of the Company's import purchases. Labor shortages and governmental regulations could disrupt HOFT's supply chain and interfere with its ability to meet customer demand. Health related shutdowns and tariffs are such hurdles HOFT could face.

Volatile Housing Market – The business is notably reliant on the health of the housing market. Fluctuations in existing home sales and new housing starts could lead to volatile sales volumes and earnings for HOFT. Existing home sales have steadily declined in 2023, which could adversely impact HOFT's demand going forward.

Discounted Cash Flow

Hooker Furnishings Corporation														
Discounted Cash Flow Model														
(in \$M, except per share)														
														Terminal
Estimates:	2024	2025	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E	2035E	2036E	Value
Revenue	433.2	397.5	315.3	322.4	354.7	384.8	411.4	436.0	459.6	481.2	500.4	518.9	536.1	
Opearting Income	12.4	(18.2)	(22.7)	10.1	14.2	15.4	16.5	17.4	18.4	19.2	20.0	20.8	21.4	
Less: Taxes (benefit)	2.6	(3.9)	(5.2)	2.8	2.8	3.1	3.3	3.5	3.7	3.8	4.0	4.2	4.3	
NOPAT	9.8	(14.3)	(17.5)	7.4	11.3	12.3	13.2	14.0	14.7	15.4	16.0	16.6	17.2	
Plus: Depreciation & Amortization	9.0	9.2	5.3	5.2	5.0	5.0	4.9	4.8	4.6	4.6	4.8	4.9	5.1	
Plus: Changes in WC	13.9	22.2	(0.3)	(0.3)	(0.4)	(0.4)	(0.4)	(0.4)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	
Less: Capex	(6.8)	(3.2)	(2.4)	(2.4)	(2.8)	(3.1)	(3.3)	(3.5)	(2.8)	(2.9)	(3.0)	(3.1)	(3.2)	
Free Cash Flow	25.8	13.9	(14.9)	9.8	13.1	13.9	14.4	14.8	16.1	16.6	17.3	17.9	18.5	235.8
Discount period - months			3	15	27	39	51	63	75	87	99	111	123	
Discount period - years			0.3	1.3	2.3	3.3	4.3	5.3	6.3	7.3	8.3	9.3	10.3	
Discount factor			0.98	0.89	0.81	0.73	0.67	0.61	0.55	0.50	0.46	0.41	0.38	
PV of FCF			(14.6)	8.7	10.6	10.2	9.6	9.0	8.9	8.3	7.9	7.4	7.0	88.8
Growth rate assumptions:														
Revenue		-8.3%	-20.7%	2.3%	10.0%	8.5%	6.9%	6.0%	5.4%	4.7%	4.0%	3.7%	3.3%	
Operating Income		-247.5%	24.5%	-144.7%	39.8%	8.5%	6.9%	6.0%	5.4%	4.7%	4.0%	3.7%	3.3%	
Free Cash Flow		-46.1%	-207.3%	-165.7%	33.8%	5.6%	3.9%	3.0%	8.5%	3.2%	4.0%	3.7%	3.3%	
Margin assumptions:														
Operating Income	2.9%	-4.6%	3.1%	3.5%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	
D&A as a % of sales	2.1%	2.3%	1.7%	1.6%	1.4%	1.3%	1.2%	1.1%	1.0%	1.0%	1.0%	1.0%	1.0%	
Taxes	20.8%	21.5%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	
Changes in WC	3.2%	5.6%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	
Capex as a % of sales	-1.6%	-0.8%	-0.8%	-0.8%	-0.8%	-0.8%	-0.8%	-0.8%	-0.6%	-0.6%	-0.6%	-0.6%	-0.6%	
Valuation:														
Sensitivity Analysis:														
Shares outstanding	10.6													
PV of FCF	72.9													
PV of Terminal Value	88.8													
Enterprise Value	161.7													
less: Net Debt	(2.4)													
Estimated Total Value:	164.1													
Est Equity Value/share:	\$15.44													
Price	\$11.01													

Source: Company Reports; Stonegate Capital Markets

Balance Sheet

Hooker Furnishings Corporation
Consolidated Balance Sheets (\$M)
Fiscal Year End: January

ASSETS	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	Q1 Apr-23	Q2 Jul-23	Q3 Oct-23	Q4 Jan-24	FY 2024	Q1 Apr-24	Q2 Jul-24	Q3 Oct-24	Q4 Jan-25	FY 2025	Q1 Apr-25	Q2 Jul-25	Q3 Oct-25
Cash and Cash Equivalents	30.9	11.4	36.0	65.8	69.4	19.0	31.0	50.0	39.8	43.2	43.2	40.9	42.1	20.4	6.3	6.3	18.0	0.8	1.4
Income Tax Recoverable	-	-	0.8	-	4.4	3.1	3.0	3.0	3.1	3.0	3.0	2.5	1.9	3.0	0.5	0.5	-	0.0	0.1
Inventories	84.5	105.2	92.8	70.2	75.0	96.7	73.2	63.4	65.2	61.8	61.8	56.6	57.1	51.8	70.8	70.8	64.3	58.5	52.1
Accounts Receivables	92.8	112.6	87.7	83.3	73.7	62.1	54.5	39.4	59.1	51.3	51.3	49.6	44.0	66.5	58.2	58.2	39.6	41.3	31.7
Insurance Proceeds Receivable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Prepaid Expenses and Other Assets	5.3	5.7	4.7	4.4	5.2	6.4	7.6	7.4	5.9	5.5	5.5	7.3	9.3	9.0	5.4	5.4	6.1	7.4	20.1
Total Current Assets	213.5	234.9	222.0	223.7	227.7	187.3	169.2	163.2	173.0	164.8	164.8	156.9	154.3	150.7	141.1	141.1	128.1	108.1	105.4
Operating Lease Right-of-use Assets	-	-	39.5	34.6	51.9	68.9	66.8	58.6	54.2	50.8	50.8	49.2	48.0	47.4	45.6	45.6	43.7	41.8	24.4
Property, Plant and Equipment, Net	29.2	29.5	29.9	26.8	28.1	27.0	29.1	28.4	29.1	29.1	29.1	28.9	28.4	28.5	28.2	28.2	28.2	28.2	25.0
Deferred Taxes	3.3	4.5	2.9	14.2	11.6	14.5	14.2	14.0	12.0	12.0	12.0	13.3	14.0	15.6	16.1	16.1	17.1	18.1	24.9
Goodwill	40.1	40.1	40.1	0.5	0.5	15.0	15.0	15.1	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0	0.6
Intangible Assets	38.1	35.8	33.4	26.2	23.9	31.8	30.9	30.5	29.5	28.6	28.6	27.7	29.4	23.9	22.1	22.1	21.2	20.3	13.5
Other Assets	2.2	1.2	1.1	0.9	4.5	9.7	11.0	12.3	13.4	14.7	14.7	15.7	16.6	16.7	16.6	16.6	16.4	16.3	16.2
Cash Surrender Value of Life Insurance Policies	23.6	23.8	24.9	25.4	26.5	27.6	27.9	28.1	28.3	28.5	28.5	28.7	26.8	29.0	29.2	29.2	30.0	30.2	30.2
Total Assets	350.1	369.7	393.7	352.3	374.6	381.7	364.1	350.1	354.5	343.6	343.6	335.5	332.4	326.9	313.9	313.9	299.7	278.0	240.2
LIABILITIES AND SHAREHOLDERS' EQUITY																			
Trade Accounts Payable	32.7	40.8	25.5	32.2	30.9	16.1	16.0	14.1	23.3	16.5	16.5	18.6	19.9	23.2	20.0	20.0	11.5	14.1	12.4
Other Accrued Expenses	2.9	3.6	4.2	3.4	4.3	7.4	2.7	2.3	3.1	3.3	3.3	2.4	2.2	2.8	2.9	2.9	2.6	2.9	2.3
Accrued Salaries, Wages and Benefits	9.2	8.0	4.9	7.1	7.1	9.3	5.7	6.4	6.7	7.4	7.4	5.6	6.1	6.9	3.9	3.9	4.0	4.5	4.8
Current Portion of Long-term Debt	7.5	5.8	5.8	-	-	1.4	1.4	1.4	1.4	1.4	1.4	22.5	22.2	21.9	-	-	-	-	-
Current Portion of Operating Lease Liabilities	-	-	6.3	6.7	7.5	7.3	7.4	8.3	7.0	7.0	7.0	7.1	7.3	7.6	7.5	7.5	7.6	7.8	5.4
Accrued Income Taxes	3.7	3.2	-	0.5	-	-	-	-	-	-	-	-	-	-	0.0	0.0	0.3	0.0	0.0
Customer Deposits	4.3	3.0	3.4	4.3	7.1	8.5	6.6	6.9	5.0	5.9	5.9	6.6	8.7	5.8	5.7	5.7	6.4	6.8	5.3
Current Liabilities Held for Sale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	9.2
Legal Contingency	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Current Liabilities	60.3	64.4	50.1	54.1	56.9	50.0	39.8	39.4	46.6	41.4	41.4	62.9	66.5	68.3	40.0	40.0	32.5	36.1	39.5
Long-term Debt	45.8	29.6	24.3	-	-	22.9	22.5	22.2	21.8	21.5	21.5	-	-	-	21.7	21.7	22.3	5.2	3.8
Operating Lease Liabilities	-	-	33.8	29.4	46.6	63.8	61.9	54.2	49.7	46.4	46.4	44.9	43.5	42.8	41.1	41.1	39.1	37.1	20.8
Pension Plan	2.4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deferred Compensation	11.2	11.5	11.4	11.2	9.9	8.2	8.0	7.9	7.7	7.4	7.4	7.3	7.1	7.0	6.8	6.8	6.6	6.5	6.3
Other Liabilities	0.9	1.0	-	-	-	0.8	0.9	0.9	0.9	0.9	0.9	0.9	-	-	-	-	-	-	-
Total Liabilities	120.6	106.5	119.6	94.8	113.4	145.7	133.0	124.4	126.7	117.6	117.6	115.9	117.1	118.1	109.6	109.6	100.5	84.9	70.5
Common Stock	49.0	49.5	51.6	53.3	53.3	50.8	50.1	49.6	49.5	49.5	49.5	49.7	50.0	50.0	50.5	50.5	50.8	50.6	51.0
Retained Earnings	180.1	213.4	223.3	205.0	207.9	184.4	180.2	175.3	177.6	175.7	175.7	169.2	164.7	158.1	153.3	153.3	147.8	142.0	118.3
Accumulated Other Comprehensive Income	0.4	0.2	(0.7)	(0.8)	(0.1)	0.9	0.8	0.8	0.7	0.7	0.7	0.7	0.6	0.6	0.6	0.6	0.5	0.5	0.5
Total Consolidated Equity	229.5	263.2	274.1	257.5	261.1	236.0	231.0	225.7	227.8	226.0	226.0	219.6	215.3	208.8	204.4	204.4	199.2	193.1	169.8
Total Liabilities and Shareholders' Equity	350.1	369.7	393.7	352.3	374.6	381.7	364.1	350.1	354.5	343.6	343.6	335.5	332.4	326.9	313.9	313.9	299.7	278.0	240.2
Liquidity																			
Current Ratio	3.5x	3.6x	4.4x	4.1x	4.0x	3.7x	4.3x	4.1x	3.7x	4.0x	4.0x	2.5x	2.3x	2.2x	3.5x	3.5x	3.9x	3.0x	2.7x
Quick Ratio	1.1x	1.2x	1.1x	1.6x	1.3x	0.6x	0.7x	0.8x	181.0x	178.4x	178.4x	0.9x	0.8x	175.7x	172.4x	172.4x	0.6x	0.6x	134.4x
Working Capital (\$M)	153.2	170.5	171.8	169.6	170.8	137.3	129.5	123.8	126.4	123.4	123.4	94.0	87.9	82.40	101.15	101.15	95.6	72.0	65.90
Leverage																			
Net Debt to Equity	0.10x	0.09x	-0.02x	-0.26x	-0.27x	0.02x	-0.03x	-0.12x	-0.07x	-0.09x	-0.09x	-0.08x	-0.09x	0.01x	0.08x	0.08x	0.02x	0.02x	0.01x
Net Debt to Capital	0.06x	0.06x	-0.02x	-0.19x	-0.19x	0.01x	-0.02x	-0.08x	-0.05x	-0.06x	-0.06x	-0.05x	-0.06x	0.00x	0.05x	0.05x	0.01x	0.02x	0.01x
Capital Usage- Annualized																			
AR Turns	-	2.0x	1.8x	2.0x	1.8x	1.9x	2.1x	2.1x	2.4x	1.8x	1.8x	1.9x	2.0x	1.9x	1.7x	1.7x	1.7x	2.0x	1.9x
Days Sales Outstanding	-	181.6	199.5	186.4	199.4	192.1	174.8	175.3	153.9	208.1	208.1	196.7	179.6	193.2	217.8	217.8	209.2	179.8	188.5
AP Turnover	-	4.0x	5.1x	4.0x	4.9x	4.4x	5.9x	5.0x	4.4x	3.6x	3.6x	4.2x	3.8x	3.7x	3.6x	3.6x	4.2x	5.1x	4.0x
Days Payable Outstanding	-	92.1	72.2	91.0	74.5	83.5	62.3	73.7	82.0	101.4	101.4	86.1	94.8	98.0	101.1	101.1	86.8	71.7	92.1

Income Statement

Hooker Furnishings Corporation

Consolidated Statements of Income (in \$M, except per share amounts)

Fiscal Year End: January

	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	Q1 Apr-24	Q2 Jul-24	Q3 Oct-24	Q4 Jan-25	FY 2025	Q1 Apr-25	Q2 Jul-25	Q3 Oct-25	Q4 E Jan-26	FY 2026E	Q1 E Apr-26	Q2 E Jul-26	Q3 E Oct-26	Q4 E Jan-27	FY 2027E
Revenues	\$ 620.6	\$ 683.5	\$ 610.8	\$ 540.1	\$ 593.6	\$ 583.1	\$ 433.2	\$ 93.6	\$ 95.1	\$ 104.4	\$ 104.5	\$ 397.5	\$ 85.3	\$ 82.1	\$ 70.7	\$ 77.1	\$ 315.3	\$ 73.1	\$ 74.7	\$ 84.5	\$ 90.1	\$ 322.4
Total Revenues	620.6	683.5	610.8	540.1	593.6	583.1	433.2	93.6	95.1	104.4	104.5	397.5	85.3	82.1	70.7	77.1	315.3	73.1	74.7	84.5	90.1	322.4
Operating Expenses:																						
Cost of Sales	485.8	536.0	496.9	427.3	490.0	460.7	323.1	74.4	74.2	80.3	78.1	306.9	66.3	65.3	52.6	56.9	241.2	54.1	55.3	61.3	65.3	236.0
Inventory Valuation Expense	-	-	-	-	2.0	29.1	1.5	-	-	-	2.1	2.1	-	-	-	-	-	-	-	-	-	-
Gross Profit	134.8	147.5	114.0	112.7	101.7	93.3	108.7	19.2	20.9	24.0	24.3	88.5	19.0	16.8	18.1	20.2	74.1	19.0	19.4	23.2	24.8	86.4
Selling, General, and Expenses	87.3	91.9	88.9	80.4	84.5	95.8	92.7	23.5	23.1	28.4	25.2	100.2	21.7	20.4	18.2	18.0	78.2	18.0	18.0	18.5	19.0	73.5
Intangible Asset Amortization	2.1	2.4	2.4	2.4	2.4	3.5	3.7	0.9	0.9	0.9	0.9	3.7	0.9	0.9	0.6	0.6	3.0	0.7	0.7	0.7	0.7	2.8
Trade Name Impairment Charges	-	-	-	4.8	-	0.0	-	-	-	2.0	0.9	2.8	-	-	15.6	-	15.6	-	-	-	-	-
Goodwill Impairment Charges	-	-	-	39.6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Operating Expenses	89.4	94.3	91.3	127.1	86.9	99.3	96.3	24.4	24.1	31.3	27.0	106.7	22.6	21.2	34.4	18.6	96.8	18.7	18.7	19.2	19.7	76.3
Operating Income	45.5	53.2	22.7	(14.4)	14.8	(6.0)	12.4	(5.2)	(3.1)	(7.3)	(2.7)	(18.2)	(3.6)	(4.4)	(16.3)	1.6	(22.7)	0.3	0.7	4.0	5.1	10.1
Other Income/(Expense)	1.6	(0.1)	0.5	0.3	0.4	0.4	1.7	0.6	1.5	0.6	0.4	3.1	0.1	0.1	0.3	0.3	0.7	0.3	0.3	0.3	0.3	1.1
Interest Expense	1.2	1.5	1.2	0.5	0.1	0.5	1.6	0.4	0.2	0.3	0.4	1.3	0.4	0.2	0.1	0.0	0.6	(0.2)	(0.3)	(0.4)	(0.5)	(1.3)
Profit Before Taxes	45.8	51.6	21.9	(14.6)	15.1	(6.1)	12.4	(4.9)	(1.9)	(7.0)	(2.7)	(16.4)	(3.8)	(4.5)	(16.1)	1.8	(22.6)	0.8	1.3	4.7	5.8	12.5
Provision for Income Tax	17.5	11.7	4.8	(4.1)	3.4	(1.8)	2.6	(0.8)	0.1	(2.8)	(0.4)	(3.9)	(0.8)	(1.2)	(3.6)	0.4	(5.2)	0.2	0.3	1.0	1.3	2.8
Net Income from Continuing Operations	28.3	39.9	17.1	(10.4)	11.7	(4.3)	9.9	(4.1)	(2.0)	(4.1)	(2.3)	(12.5)	(3.1)	(3.3)	(12.5)	1.4	(17.4)	0.6	1.0	3.7	4.5	9.8
Impact from Discontinued Operations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(8.6)	(0.5)	(9.1)	-	-	-	-	-
Net Income	28.3	39.9	17.1	(10.4)	11.7	(4.3)	9.9	(4.1)	(2.0)	(4.1)	(2.3)	(12.5)	(3.1)	(3.3)	(21.2)	0.9	(26.6)	0.6	1.0	3.7	4.5	9.8
Basic EPS	\$ 2.43	\$ 3.39	\$ 1.45	\$ (0.88)	\$ 0.99	\$ (0.37)	\$ 0.91	\$ (0.39)	\$ (0.19)	\$ (0.39)	\$ (0.22)	\$ (1.19)	\$ (0.29)	\$ (0.31)	\$ (1.99)	\$ 0.09	\$ (2.51)	\$ 0.06	\$ 0.09	\$ 0.35	\$ 0.43	\$ 0.93
Diluted EPS	\$ 2.43	\$ 3.39	\$ 1.45	\$ (0.88)	\$ 0.98	\$ (0.37)	\$ 0.91	\$ (0.39)	\$ (0.19)	\$ (0.39)	\$ (0.22)	\$ (1.19)	\$ (0.29)	\$ (0.31)	\$ (1.99)	\$ 0.09	\$ (2.51)	\$ 0.06	\$ 0.09	\$ 0.35	\$ 0.43	\$ 0.93
WTD Shares Out - Basic	11.6	11.8	11.8	11.8	11.9	11.6	10.7	10.5	10.5	10.5	10.5	10.5	10.6	10.6	10.6	10.6	10.6	10.5	10.5	10.5	10.5	10.5
WTD Shares Out - Diluted	11.6	11.8	11.8	11.8	12.0	11.6	10.8	10.5	10.5	10.5	10.5	10.5	10.6	10.6	10.6	10.6	10.6	10.5	10.5	10.5	10.5	10.5

Margin Analysis

Gross Margin	21.7%	21.6%	18.7%	20.9%	17.1%	16.0%	25.1%	20.5%	22.0%	23.0%	23.3%	22.3%	22.3%	20.5%	25.6%	26.2%	23.5%	26.0%	26.0%	27.5%	27.5%	26.8%
Operating Margin	7.3%	7.8%	3.7%	-2.7%	2.5%	-1.0%	2.9%	-5.5%	-3.3%	-7.0%	-2.5%	-4.6%	-4.2%	-5.4%	-23.1%	2.0%	-7.2%	0.4%	1.0%	4.8%	5.6%	3.1%
EBITDA Margin	7.8%	7.7%	3.9%	-2.3%	3.0%	-0.5%	3.7%	-4.0%	0.4%	-5.5%	-1.7%	-2.7%	-3.7%	-4.5%	-21.7%	3.5%	-6.2%	2.7%	3.4%	7.1%	8.0%	5.5%
Pre-Tax Margin	7.4%	7.5%	3.6%	-2.7%	2.5%	-1.1%	2.9%	-5.2%	-2.0%	-6.7%	-2.6%	-4.1%	-4.5%	-5.5%	-22.8%	2.4%	-7.2%	1.1%	1.7%	5.5%	6.4%	3.9%
Net Income Margin	4.6%	5.8%	2.8%	-1.9%	2.0%	-0.7%	2.3%	-4.4%	-2.1%	-4.0%	-2.2%	-3.1%	-3.6%	-4.0%	-29.9%	1.2%	-8.4%	0.8%	1.3%	4.3%	5.0%	3.0%
Tax Rate	38.3%	22.7%	22.1%	28.4%	22.4%	29.9%	20.7%	16.6%	-4.6%	40.7%	13.1%	23.9%	20.0%	26.9%	22.3%	22.0%	22.9%	22.0%	22.0%	22.0%	22.0%	22.0%

Growth Rate Y/Y

Total Revenue	#REF!	10.1%	-10.6%	-11.6%	9.9%	-1.8%	-25.7%	-23.2%	-2.8%	-10.7%	7.9%	-8.3%	-8.8%	-13.6%	-32.2%	-26.2%	-20.7%	-14.3%	-9.1%	19.5%	16.9%	2.3%
Total cost of revenues	#REF!	5.5%	-3.2%	39.3%	-31.7%	14.4%	-3.0%	-5.9%	9.1%	25.4%	15.3%	10.8%	-7.5%	-11.8%	10.0%	-31.0%	-9.3%	-17.1%	-12.0%	-44.2%	5.8%	-21.2%
Operating Income	#REF!	17.0%	-57.3%	-163.3%	-203.3%	-140.7%	-304.4%	-361.8%	-347.4%	-182.8%	-880.9%	-247.5%	-31.1%	39.8%	124.7%	-159.3%	24.5%	-108.7%	-116.2%	-124.8%	222.5%	-144.7%
Pre-Tax Income	#REF!	12.7%	-57.5%	-166.4%	-203.7%	-140.7%	-302.3%	-365.0%	-291.2%	-176.9%	-591.6%	-232.0%	-22.2%	140.1%	131.6%	-168.2%	37.6%	-120.7%	-128.5%	-129.0%	216.6%	-155.5%
Net Income	#REF!	41.1%	-57.2%	-161.0%	-212.4%	-136.8%	-328.8%	-382.1%	-348.5%	-158.7%	-493.4%	-226.8%	-25.4%	68.0%	412.6%	-139.8%	112.5%	-120.2%	-130.4%	-117.3%	387.2%	-136.8%

Statement of Cash Flows

Hooker Furnishings Corporation Consolidated Cash Flow Statements (\$M) Fiscal Year End: January															
CASH FLOW															
	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	Q1 Apr-22	Q2 Jul-22	Q3 Oct-22	Q4 Jan-23	FY 2023	Q1 Apr-23	Q2 Jul-23	Q3 Oct-23	Q4 Jan-24	FY 2024
						Q1 Apr-24	Q2 Jul-24	Q3 Oct-24	Q4 Jan-25	FY 2025	Q1 Apr-25	Q2 Jul-25	Q3 Oct-25		
Operating Activities															
Net Income	28.3	39.9	17.1	(10.4)	11.7	3.2	5.5	4.8	(17.9)	(4.3)	1.5	0.8	7.0	0.6	9.9
Inventory Valuation Expense	-	-	-	0.5	3.4	-	-	-	28.8	28.8	-	-	-	1.8	1.8
Depreciation and Amortization	6.6	7.4	7.1	6.8	7.8	2.3	2.1	2.2	2.3	8.8	2.1	2.2	2.3	2.3	9.0
Deferred Income Tax Expense	3.5	(1.9)	(1.2)	(10.8)	1.8	1.8	0.0	(0.2)	(4.8)	(3.2)	0.3	0.2	2.1	(0.1)	2.5
Deferred Income Tax Expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Noncash Restricted Stock and Performance Awards	1.2	1.3	1.3	1.7	(0.0)	0.4	0.5	0.5	(0.1)	1.2	0.4	0.7	0.6	0.0	1.7
Provision for Doubtful Accounts and Sales Allowances	(0.5)	(0.8)	(0.4)	4.7	0.0	(0.3)	(1.2)	(2.3)	0.2	(3.7)	0.0	(0.5)	0.2	(0.5)	(0.7)
Gain on Life Insurance Policies	(0.6)	(0.7)	(0.8)	(1.2)	(1.0)	(0.6)	(0.0)	(0.2)	(0.4)	(1.2)	(0.6)	(0.1)	(0.1)	(0.2)	(1.0)
Loss on Sales of Assets	0.6	(0.1)	(0.3)	-	(0.0)	-	-	-	0.1	0.1	-	0.0	(0.0)	0.0	0.0
Trade Accounts Receivable	2.9	(18.0)	25.3	(0.3)	9.5	(7.4)	2.5	7.9	13.8	16.8	7.6	15.6	(19.8)	8.2	11.6
Inventories	(6.8)	(21.3)	12.4	22.1	(8.3)	(30.1)	(23.4)	(2.9)	8.5	(47.8)	23.5	11.6	(1.8)	1.5	34.8
Income Tax Recoverable	-	-	(0.8)	0.8	(4.4)	(0.8)	1.5	1.6	(1.1)	1.3	0.1	(0.0)	(0.0)	0.1	0.1
Prepaid Expenses and Other Assets	(1.1)	0.3	(0.6)	0.5	(4.4)	(4.1)	(2.0)	0.3	0.2	(5.7)	(2.1)	(1.4)	0.1	(1.7)	(5.1)
Trade Accounts Payable	(4.6)	8.1	(15.3)	6.7	(1.3)	10.5	(5.8)	(6.2)	(14.3)	(15.8)	(0.2)	(1.8)	9.2	(7.0)	0.2
Accrued Income Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Accrued Salaries, Wages, and Benefits	0.1	(1.6)	(3.1)	2.2	0.1	(1.8)	0.3	2.4	1.2	2.1	(3.5)	0.7	0.3	0.7	(1.9)
Customer Deposits	(0.3)	(1.3)	0.3	0.9	2.9	(0.9)	0.9	(1.3)	(0.6)	(1.9)	(1.9)	1.7	(3.2)	0.9	(2.6)
Operating Lease Assets and Liabilities	-	-	0.3	0.9	0.7	(0.2)	0.0	(0.1)	0.2	(0.1)	0.3	0.1	-	0.1	0.4
Other Accrued Expenses	(0.4)	1.2	0.1	(0.9)	0.9	(1.8)	0.5	0.9	3.6	3.3	(4.7)	(0.4)	0.8	0.1	(4.3)
Deferred Compensation	(1.2)	(2.8)	(0.0)	(0.3)	(0.3)	(0.1)	(0.1)	(0.1)	(0.1)	(0.5)	(0.2)	(0.2)	(0.2)	(0.3)	(0.9)
Goodwill and Intangible Asset Impairment Charge	-	-	-	44.3	-	-	-	-	-	-	-	-	-	-	-
Cash flow generated/(absorbed) from operating Activities	27.7	9.7	41.4	68.3	19.2	(30.0)	(18.5)	7.3	19.4	(21.7)	22.4	29.1	(2.6)	6.7	55.5
Investing Activities															
Acquisitions	(32.8)	-	-	-	-	(25.9)	-	-	0.6	(25.3)	-	(2.4)	-	-	(2.4)
Purchases of Property and Equipment	(3.2)	(5.2)	(5.1)	(1.2)	(6.7)	(0.8)	(1.1)	(1.5)	(0.7)	(4.2)	(3.2)	(0.8)	(1.8)	(1.1)	(6.8)
Proceeds from Sale of Property and Equipment	0.0	0.0	0.0	-	0.0	-	-	-	-	-	-	-	-	-	-
Premiums Paid on Life Insurance Policies	(0.7)	(0.7)	(0.6)	(0.6)	(0.6)	(0.1)	(0.3)	(0.1)	(0.0)	(0.5)	(0.1)	(0.2)	(0.1)	(0.0)	(0.4)
Proceeds of Life Insurance Policies	-	1.2	-	1.3	0.4	-	-	-	-	-	-	0.4	-	0.6	1.0
Proceeds Received on Notes Receivable	0.1	0.1	1.4	-	-	-	-	-	-	-	-	-	-	-	-
Cash flow generated by Investing Activities	(36.5)	(4.5)	(4.3)	(0.5)	(6.9)	(26.9)	(1.4)	(1.6)	(0.1)	(30.0)	(3.3)	(2.9)	(1.8)	(0.5)	(8.6)
Financing Activities															
Purchase and Retirement of Common Stock	-	-	-	-	-	-	(1.1)	(8.2)	(4.0)	(13.3)	(4.3)	(4.4)	(3.0)	-	(11.7)
Proceeds from ABL	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash Dividends Paid	(5.8)	(6.7)	(7.2)	(7.8)	(8.8)	(2.4)	(2.4)	(2.3)	(2.5)	(9.6)	(2.4)	(2.4)	(2.4)	(2.5)	(9.7)
Payments for Long-Term Loans	(6.3)	(17.9)	(5.4)	(30.1)	-	-	-	(0.4)	(0.4)	(0.7)	(0.4)	(0.4)	(0.4)	(0.4)	(1.4)
Proceeds from Long-Term Loans	12.0	-	-	-	-	-	25.0	-	-	25.0	-	-	-	-	-
Proceeds from Revolving Credit Facility	-	-	-	-	-	-	30.3	5.9	-	36.2	-	-	-	-	-
Payments for Revolving Credit Facility	-	-	-	-	-	-	(30.3)	(5.9)	-	(36.2)	-	-	-	-	-
Debt Issuance Costs	(0.0)	-	-	-	-	-	(0.0)	-	0.0	(0.0)	-	-	-	-	-
Cash flow generated/(absorbed) by financing Activities	(0.1)	(24.6)	(12.6)	(38.0)	(8.8)	(2.4)	21.4	(10.9)	(6.8)	1.3	(7.1)	(7.1)	(5.7)	(2.8)	(22.8)
Net Cash Flow	(8.9)	(19.5)	24.6	29.8	3.5	(59.3)	1.6	(5.1)	12.5	(50.4)	12.0	19.0	(10.2)	3.4	24.2
Cash and Cash Equivalents															
Beginning Cash balance	39.8	30.9	11.4	36.0	65.8	69.4	10.1	11.7	6.5	69.4	19.0	31.0	50.0	39.8	19.0
Ending Cash balance*	30.9	11.4	36.0	65.8	69.4	10.1	11.7	6.5	19.0	19.0	31.0	50.0	39.8	43.2	43.2

Source: Company Reports, Stonegate Capital Partners

IMPORTANT DISCLOSURES AND DISCLAIMER

- (a) The research analyst and/or a member of the analyst's household do not have a financial interest in the debt or equity securities of the subject company.
- (b) The research analyst responsible for the preparation of this report has not received compensation that is based upon Stonegate's investment banking revenues.
- (c) Stonegate or any affiliate have not managed or co-managed a public offering of securities for the subject company in the last twelve months, received investment banking compensation from the subject company in the last 12 months, nor expects or receive or intends or seek compensation for investment banking services from the subject company in the next three months.
- (d) Stonegate's equity affiliate, Stonegate Capital Partners, "SCP" has a contractual agreement with the subject company to provide research services, investor relations support, and investor outreach. SCP receives a monthly retainer for these non-investment banking services.
- (e) Stonegate or its affiliates do not beneficially own 1% or more of any class of common equity securities of the subject company.
- (f) Stonegate does not make a market in the subject company.
- (g) The research analyst has not received any compensation from the subject company in the previous 12 months.
- (h) Stonegate, the research analyst, or associated person of Stonegate with the ability to influence the content of the research report knows or has reason to know of any material conflicts of interest at the time of publication or distribution of the research report.
- (i) No employee of Stonegate has a position as an officer or director of the subject company.

Ratings - Stonegate does not provide ratings for the covered companies.

Distribution of Ratings - Stonegate does not provide ratings for covered companies.

Price Chart - Stonegate does not have, nor has previously had, a rating for its covered companies.

Price Targets - Stonegate does not provide price targets for its covered companies. However, Stonegate does provide valuation analysis.

Regulation Analyst Certification:

I, Dave Storms, CFA, hereby certify that all views expressed in this report accurately reflect my personal views about the subject company or companies and its or their securities. I also certify that no part of my compensation was, is, or will be directly or indirectly related to the specific recommendations or views expressed in this report.

For Additional Information Contact:

Stonegate Capital Partners, Inc.

Dave Storms, CFA

Dave@stonegateinc.com

214-987-4121

Please note that this report was originally prepared and issued by Stonegate for distribution to their market professional and institutional investor customers. Recipients who are not market professional or institutional investor customers of Stonegate should seek the advice of their independent financial advisor prior to taking any investment decision based on this report or for any necessary explanation of its contents. The information contained herein is based on sources which we believe to be reliable but is not necessarily complete and its accuracy cannot be guaranteed. Because the objectives of individual clients may vary, this report is not to be construed as an offer or the solicitation of an offer to sell or buy the securities herein mentioned. This report is the independent work of Stonegate Capital Partners and is not to be construed as having been issued by, or in any way endorsed or guaranteed by, any issuing companies of the securities mentioned herein. The firm and/or its employees and/or its individual shareholders and/or members of their families and/or its managed funds may have positions or warrants in the securities mentioned and, before or after your receipt of this report, may make or recommend purchases and/or sales for their own accounts or for the accounts of other customers of the firm from time to time in the open market or otherwise. While we endeavor to update the information contained herein on a reasonable basis, there may be regulatory, compliance, or other reasons that prevent us from doing so. The opinions or information expressed are believed to be accurate as of the date of this report; no subsequent publication or distribution of this report shall mean or imply that any such opinions or information remains current at any time after the date of this report. All opinions are subject to change without notice, and we do not undertake to advise you of any such changes. Reproduction or redistribution of this report without the expressed written consent of Stonegate Capital Partners is prohibited. Additional information on any securities mentioned is available on request.