



Five Below (FIVE)

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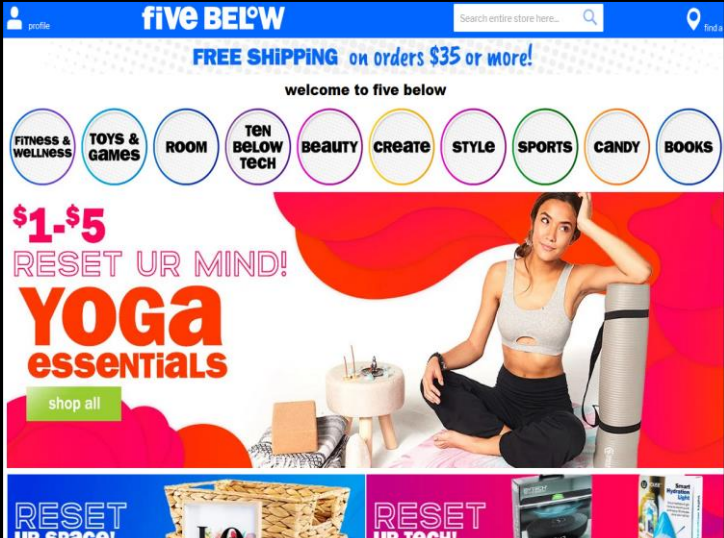
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five BELOW

FREE SHIPPING on orders \$35 or more!

welcome to five below

FITNESS & WELLNESS TOYS & GAMES ROOM TEN BELOW TECH BEAUTY CREATE STYLE SPORTS CANDY BOOKS

\$1-\$5
 RESET UR MIND!
YOGA
 essentials

shop all

RESET UP SPACE! RESET UP TECH!

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FIVE

\$1.56B FY18 Sales
24% FY13-18 Sales CAGR
\$2.66 FY18 EPS
900+ Stores
<1 year Avg New Store Payback

Five Below is a unique investment opportunity

- ✓ Leading high growth retailer
- ✓ Long runway for unit growth
- ✓ Compelling new store model
- ✓ Consistent performance
- ✓ Benefits from scale

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Investor Presentation
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 Press Kit

News
 Jan 13, 2020
 Five Below, Inc. Announces Holiday Sales Results for Quarter...

Events
 Jan 13, 2020 | 10:00 AM ET
 22nd Annual IOR Conference
 Webcast

Quarterly Earnings
 Q3 2019
 Five Below, Inc. Announces Third Quarter Fiscal 2019 Financial Results

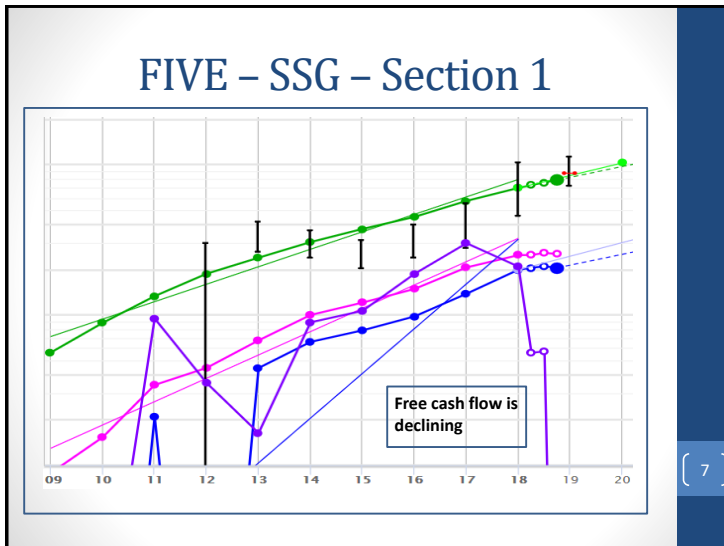
Annual Reports

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FIVE

- Value-oriented retailer
- Headquarters: Philadelphia, Pennsylvania
- Mid-sized company
- Caters to teens and preteen customers
- 900 stores in 36 states
 - 51% of sales – sporting goods, toys, electronics
 - 31% of sales – beauty, accessories, home goods, storage
 - 18% of sales – party, snacks, candy, beverages
- Added two new pricing categories - \$5+ and \$10 below
- Plans to add 180 stores in 2020

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FIVE – SSG – Section 1

Recent Quarterly Figures
 FY2019 Quarter Ending (10/19)

| | | |
|-------------------|-------|--------|
| | Sales | EPS |
| Latest Quarter | 377 | 0.18 |
| Year Ago Quarter | 313 | 0.24 |
| Percentage Change | 20.7% | -25.0% |

Sales growth primarily from addition of new stores. Organic growth averages ~ 2.9%

Decline due to lower store traffic

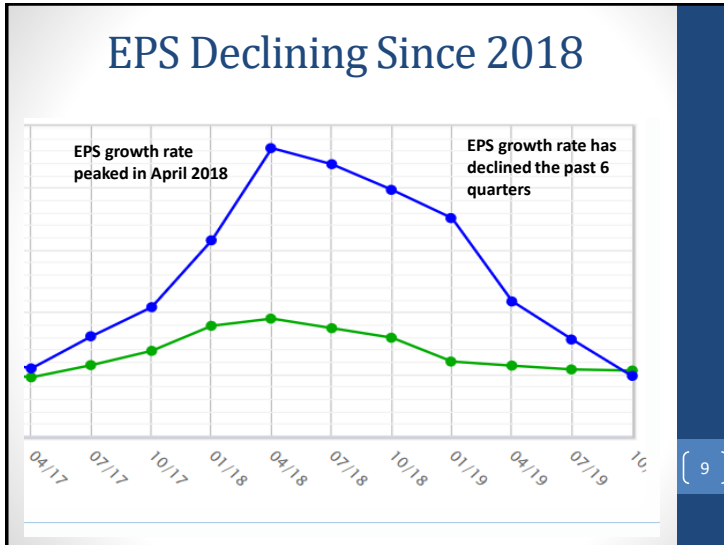
Analyst Consensus Estimates
 Sales 2 Year Estimate: 21.1%
 EPS Long Term Estimate: 23.1%

| Fundamental Company D | 2014 | 2015 | 2016 | 2017 | 2018 | Growth(%) | Forecast (%) |
|------------------------|------|------|-------|-------|-------|-----------|--------------|
| Historical Sales (\$M) | 680 | 832 | 1,000 | 1,278 | 1,560 | 23.2% | 18 |
| Historical EPS (\$) | 0.88 | 1.05 | 1.30 | 1.84 | 2.66 | 32.0% | 18 |
| Pre-Tax Profit (\$M) | 77 | 93 | 114 | 159 | 192 | 26.8% | |

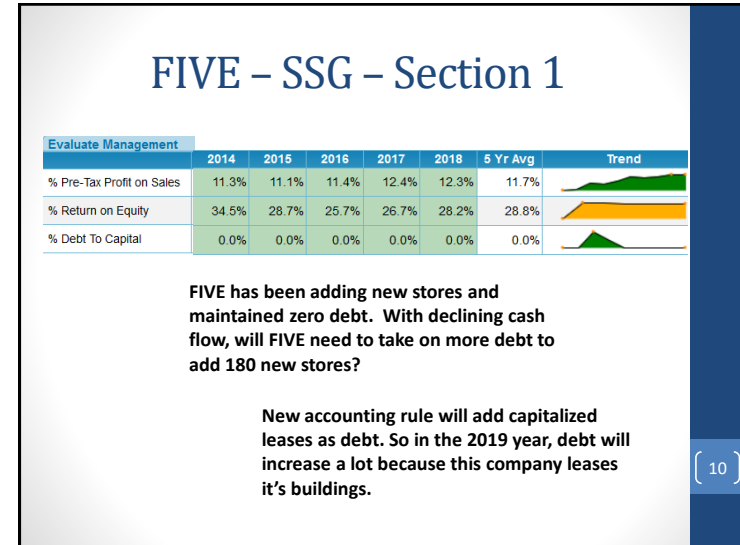
Sales are expected to advance 18%. Lower full year EPS guidance of \$3.07-\$3.10 Implies growth of 15%-16%. 180 new stores planned for 2020, representing a 20% unit increase

Expect sales growth to slow some. EPS growth rate has slowed to rate near sales growth rate

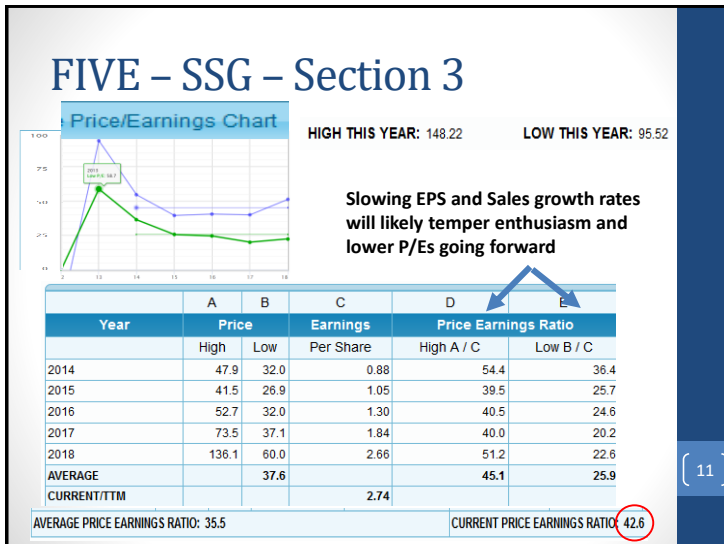
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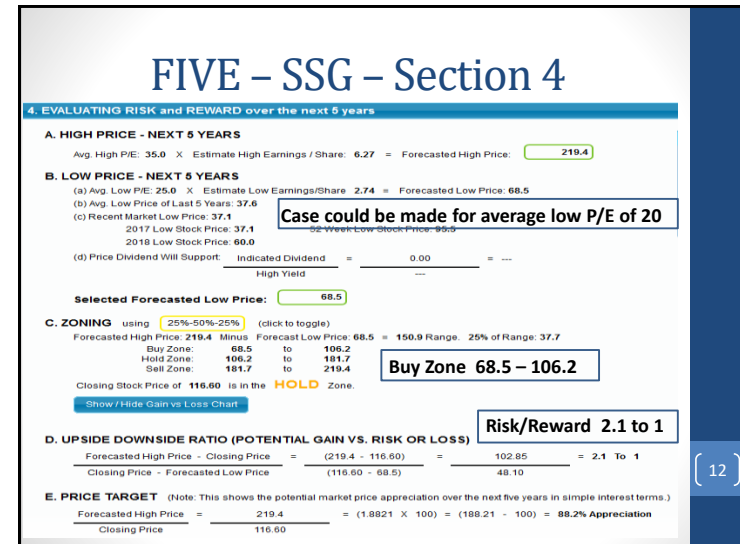
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FIVE - Conclusion

- At this time, FIVE is overvalued with the P/E trading near the average high P/E. FIVE is an innovative, well managed company with good long-term prospects.
- Establishing a recommended buy below price is difficult with ranges from \$116 (5-year average P/E * TTM EPS) to \$96, depending on assumptions growth and future P/Es.
- FIVE is overvalued at this time, I would recommend add to Watch List.
- BUY on a significant dip. Place a limit order to purchase at \$100.



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