KeyBanc Capital Markets

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Equity Research: Research Summary

May 15, 2015

KBCM Topics: HGG, INCR, IBP, OTTR, TERP, VSTO

PCS Topics: DDD

Estimate Changes

Ticker	Old 2015E	New 2015E	Cons.	Old 2016E	New 2016E	Cons.	Old 2017E	New 2017E	Cons.	Analyst
HGG	(1.04)	(1.33)	(1.10)	(0.72)	(0.82)	(0.84)	- -	(0.71)		Thomas, CFA
IBP	1.01	1.03	1.01	1.43	1.40	1.51	- -	- -		Zener
INCR	1.47	1.52	1.40	1.66	1.77	1.64	- -	- -		Hooker, CFA
OTTR	1.72	1.57	1.64	1.89	1.79	1.80	- -	- -		Tucker
TERP	366.2	376.5	372.9	548.0	608.9	616.5	- -	- -		Tucker
VSTO	2.75	2.35	2.64	2.55	2.10	2.40	2.85	2.55		Hamann

Key Quarterly Log Book – Updated Truckload Trends

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Our Key Quarterly Log Book analyzes quarterly operating statistics for publicly-listed truckload carriers, highlighting general trends within the group and our near-term expectations for covered companies.

Key Investment Points

Following is a summary of quarterly operating statistics and industry trends for publicly-listed truckload carriers based on calendar 1Q15 results.

No.	*Operating Statistic:*	*Calendar 1Q14*	***Calendar 1Q15***	*Y/Y Change*
1	**Earnings per share, total**	$1.25	$2.96	136.4%
2	**Freight revenue, total (in millions)**	$1,068	$1,179	10.4%
3	**Operating ratio, average**	95.7%	90.9%	-480 bps
4	**Revenue per loaded mile, net of fuel surcharges**	$1.765	$1.885	6.8%
5	**Revenue per total mile, net of fuel surcharges**	$1.574	$1.682	6.8%
6	**Operating cost per mile, net of fuel surcharges and equipment gains**	$1.528	$1.506	-1.5%
7	**Operating income per mile, net of equipment gains**	$0.067	$0.167	147.9%
8	**Loaded miles per tractor, average**	22,966	23,145	0.8%
9	**Empty mile factor, average**	11.5%	11.4%	-10 bps
10	**Net fuel expense (in millions)**	$71.7	$33.6	-53.2%
11	**Total fleet capacity, average**	44,358	46,699	5.3%
12	**Trailers at end of period, total**	132,535	138,662	4.6%
13	**Trailer-to-tractor ratio**	4.2x	4.1x	NM
14	**Fleet age in years, average**	2.2	1.9	NM
15	**Length of haul, average**	623	649	4.2%
16	**Equipment gains per share, total**	$0.227	$0.687	202.8%

Source: KeyBanc Capital Markets Inc.

Note: Please see tables in complete report for carriers included in summary exhibit above.

3D Systems Corporation (Sector Weight)

Abrupt CFO Change Highlights Ongoing Concerns

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Key Investment Points

Event: CFO Departs After Just 6 Months on the Job; New CFO Named from Executive Bench

This morning, 3D Systems announced it has entered into a mutual separation agreement with its CFO, Ted Hull, who is leaving the company abruptly. 3D Systems is promoting its current chief accounting officer, David Styka, to CFO, but he has only been at the company since January.

The departing Mr. Hull was named CFO of 3D Systems very recently (last November), and he was hired after an extensive, seven-month long search. We do not know the reason for his departure.

New CFO Mr. Styka has been with 3D Systems since January 14, 2015, and he previously served in executive financial positions at Family Dollar Stores and Wellman, Inc.

Impact: Execution Continues to Be a Concern

This management change is a complete surprise to us, and it certainly raises questions as to the compatibility of senior management members. 3D Systems has been suffering from execution missteps and poor demand, which suggests the new CFO, Mr. Styka, will face immediate challenges.

Over the past several quarters the company has generated low to negative organic growth and it recently withdrew its 2015 guidance given its lack of visibility into demand for the year. Several operational initiatives are on the horizon to improve growth and margins, including the integration of its 50 acquisitions over the past five years and a realignment of resellers in North America.

This announcement is a surprise to us because:

1. Mr. Hull's tenure with 3D Systems was short (less than seven months). His tenure was even shorter than the lengthy seven-month search to replace the previous CFO who left for family reasons.
2. Mr. Styka has been with 3D Systems for just a few months.
3. It's unclear to us why 3D Systems decided to make this executive change very abruptly.

We will be attending an analyst event next week in Wilsonville, Ore., where we hope to learn more about this management change and the company's long-term execution strategy.

DDD is trading at a 52-week low, and we continue to remain on the sidelines. We see reasonable downside risk to $15, or 2x 2016 P/S.

Press release:

3D Systems Names New Chief Financial Officer

ROCK HILL, S.C., May 15, 2015 (GLOBE NEWSWIRE) -- 3D Systems Corporation (NYSE:DDD) announced today that it entered into a mutual separation agreement with Ted Hull, its Chief Financial Officer, effective as of the end of the day on May 15, 2015, pursuant to which Mr. Hull will leave the company in order to meet company needs and to pursue his personal interests.

The company further announced that Mr. David Styka, the company's current Chief Accounting Officer, has been named Executive Vice President and Chief Financial Officer effective as of Mr. Hull's departure.

Mr. Styka, 53, has been employed with 3D Systems since January 2015 after serving as Vice President – Finance and Treasurer at Family Dollar since April 2014. Previously he served as Vice President – Finance at Family Dollar from March 2011 to April 2014, and Divisional Vice President – Tax and Inventory from July 2008 to March 2011.

"We are deeply grateful to Ted for his stewardship of our Finance organization and wish him much success in his pursuit of other personal interests," said Avi Reichental, President and Chief Executive Officer, 3DS. "We are very fortunate to have a strong and capable financial executive of the caliber of Dave Styka ready to assume the role of Chief Financial Officer. Since his arrival at 3D Systems, Dave has gained a deep understanding of our business and quickly has become a key advisor to me and the rest of our senior leadership team. Dave brings substantial finance and accounting leadership experience to the role and we are confident taking the next leg of our growth journey with him as our CFO."

Mr. Styka earned a BSBA in Accounting from John Carroll University and an MBA from Wake Forest University. He has a CPA certification from the state of North Carolina. Additionally, he has worked in public accounting at Ernst & Young and Deloitte & Touche and served in finance leadership roles at Wellman, Inc. and Family Dollar Stores, Inc.

hhgregg, Inc.

HGG: Headwinds Persist, Cost Reductions Efforts Underway

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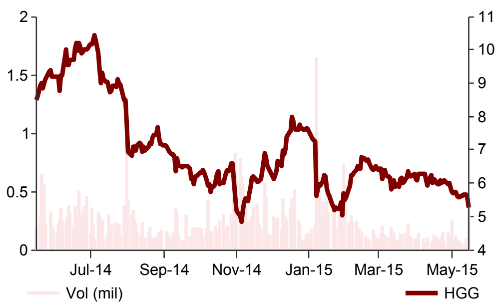
HGG reported F4Q15 results that were below expectations. While HGG has a number of potential catalysts that could support fundamentals, recent results have been disappointing and we remain concerned that competitive pressure is too strong for HGG to overcome in the near term. We remain on the sidelines, looking for signs of stability in results.

NYSE: HGG	
Rating:	**Sector Weight**
Price Target:	**NA**
Price:	**$4.74**



Sources: Company reports, FactSet, KeyBanc Capital Markets Inc.

Key Investment Points

Takeaways: F4Q15 EPS was below expectations, pressured by deleverage from a -10.0% comp. Sales were weak across all categories, but management expects improvement for appliances (51% of sales) in FY16. Meaningful cost reduction efforts are underway, with a goal to cut $50M in total (including $20M less in advertising, with a shift to more digital spend). If successful, this initiative could drive positive EBITDA in FY16, following -$11M in FY15. We are optimistic that HGG could benefit from: improving demand for Ultra HD televisions; its significant appliance exposure; and its new efforts to reduce costs. However, HGG has been under significant competitive pressure, and we remain on the sidelines as we look for signs of stabilization.

Company Data

52-week range	$5 - $11
Market Cap. (M)	$131.3
Shares Out. (M)	27.70
Avg. Daily Volume (30D)	105,554.0
SI as % of Float	34.1%
SI % Chg. from Last Per.	9.1%
Book Value/Share	$7.05

Sources: Company reports, FactSet, KeyBanc Capital Markets Inc.

Estimates

FY ends 3/31	F2015A	1Q16E	2Q16E	3Q16E	4Q16E	F2016E	F2017E
EPS (Net)	**$(1.33)**	**$(0.37)**	**$(0.29)**	**$0.11**	**$(0.28)**	**$(0.82)**	**$(0.71)**
Cons. EPS	**$(1.10)**	**$(0.29)**	**$(0.26)**	**$0.08**	**$(0.18)**	**$(0.84)**	**--**
Previous	$(1.04)	--	--	--	--	$(0.72)	--
Valuation							
P/E	NM	--	--	--	--	NM	NM

Sources: Company reports, FactSet, KeyBanc Capital Markets Inc.

INC Research Holdings, Inc.

INCR: Financial Engineering to Be Accretive, but Share Price Run-Up Remains a Concern

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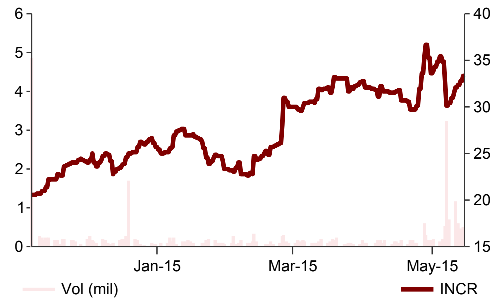
We maintain our SW rating on INC Research (INCR-NASDAQ) due to valuation. In our view, INCR remains an attractive long-term investment opportunity. However, INCR's shares have appreciated ~60% since the Company's IPO in November 2014 (vs. CRO average: ~30%), and are trading at 19.2x our updated 2016 EPS of $1.77 (vs. CRO average: 17.6x).

NASDAQ: INCR	
Rating:	**Sector Weight**
Price Target:	**NA**
Price:	**$33.28**



Sources: Company reports, FactSet, KeyBanc Capital Markets Inc.

Key Investment Points

We are raising our EPS estimates for INCR following the completion of the Company's previously announced debt refinancing and the repurchase of ~5M shares from the Company's private equity investors, Avista Capital Partners and the Ontario Teachers' Pension Plan (OTPP), as part of a 7M secondary. Following this repurchase, Avista and OTPP will own ~68% of the *Class A* and *Class B* shares (down from ~83% previously). Of note, the secondary will increase the trading liquidity (public float) for INCR's shares by ~2M shares.

Our updated EPS estimates are $1.52 for 2015 (from $1.47; management's revised guidance: $1.45-$1.57) and $1.77 for 2016. Our revenue and operating profits remain unchanged. On INCR's 1Q15 conference call (April 27), management had indicated that these financial actions were pending and would be accretive for shareholders. However, the timing and the extent of the share repurchase was not specifically known at that time.

We model the share repurchase to be ~$0.11 accretive to EPS on a run-rate basis (or ~$0.05 for the rest of 2015). This includes the repurchase of ~5M shares at $29.68 (adjusted for transaction fees) offset partially by ~$2.4M of incremental net interest expense related to $102M of additional debt and reduced cash to fund the buyback.

This transaction materially increases balance sheet indebtedness to ~2.3x (net debt-to-LTM EBITDA), but we see INCR having no difficulty rapidly reducing this debt ratio to under 1.0x over the next 24 months. INCR tends to generate strong free cash flow with one of the best working capital turnover ratios in our CRO coverage universe and limited capital spending requirements.

Company Data

52-week range	$20 - $39
Market Cap. (M)	$2,036.7
Shares Out. (M)	61.20
Enterprise Value (M)	$2,330.2
Avg. Daily Volume (30D)	349,014.0
SI as % of Float	2.2%
SI % Chg. from Last Per.	64.2%
Book Value/Share	$7.32

Sources: Company reports, FactSet, KeyBanc Capital Markets Inc.

Estimates

FY ends 12/31	F2014A	1Q15A	2Q15E	3Q15E	4Q15E	F2015E	F2016E
EPS (Net)	**0.83**	**0.42**	**0.31**	**0.38**	**0.41**	**1.52**	**1.77**
Cons. EPS	**--**	**$0.42**	**$0.32**	**$0.35**	**$0.37**	**$1.40**	**$1.64**
Previous	--	--	0.30	0.36	0.39	1.47	1.66
Revenue (M)	**$809.7**	**$211.5**	**$218.2**	**$227.5**	**$236.2**	**$893.4**	**$980.5**
Cons. Revenue	**--**	**$211.5**	**$219.8**	**$225.7**	**$234.9**	**$892.0**	**$993.0**
EBITDA (M)	**$145.3**	**$51.2**	**$41.5**	**$44.7**	**$46.6**	**$184.0**	**$197.2**
Cons. EBITDA	**--**	**$46.9**	**$43.4**	**$43.3**	**$45.3**	**$177.0**	**$195.5**
Previous	--	--	--	--	--	--	$196.2

Sources: Company reports, FactSet, KeyBanc Capital Markets Inc.

Installed Building Products, Inc.

IBP: 1Q Strong Start Despite EPS Miss, Share Gains and Pricing Proving Business Model

IBP's 1Q15 results continue to show growth above new construction, as price/mix amplify its volume. Though earnings of $0.05 fell short of our $0.09 estimate on seasonal, not structural costs, IBP continues to demonstrate its ability to grow profitability while rolling up smaller competitors. Rising gross margins preceding SG&A leverage is a very constructive signal for IBP's potential, in our opinion.

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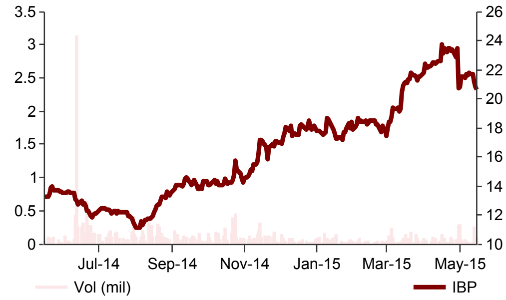
NYSE: IBP	
Rating:	**Sector Weight**
Price Target:	**NA**
Price:	**$20.64**



Sources: Company reports, FactSet, KeyBanc Capital Markets Inc.

Company Data

52-week range	$11 - $24
Market Cap. (M)	$631.6
Shares Out. (M)	30.60
Enterprise Value (M)	$(5,651.4)
Avg. Daily Volume (30D)	83,059.0
SI as % of Float	5.4%
SI % Chg. from Last Per.	12.7%
Book Value/Share	$3.70

Sources: Company reports, FactSet, KeyBanc Capital Markets Inc.

Key Investment Points

Sales up 23%, 14% organic growth half volume, half price/mix. IBP's sales in 1Q15 rose 22.7% (14%, half units, half price/mix) with accelerating price/mix a favorable trend. IBP's value to builders rises as the cycle improves, tied to IBP's ability to scale reliably, with positive price a positive amid higher material costs. We forecast ~21% sales growth in 2015 (8% unit growth, 4% price/mix, 9% M&A), with an upside bias to both unit and M&A sales estimates more than price/mix.

Gross margin at 26.3%, up 140 bps. IBP is showing its sales and margin expansion is occurring in a controlled manner, unlike some other product purveyors. EBIT of 2.5% in 1Q15 rose from 0.8% in 1Q14, led by gross margins 26.3% in 1Q15 vs. 24.9% in 1Q14, tied to favorable material price and customer mix (bigger homes). SG&A of 23.1% fell 30 bps from 23.4% in 1Q14, with acquisitions a modest drag to its core G&A leverage. IBP's faster than expected gross margin expansion on pricing more than labor time indicates IBP value proposition to customers is increasing, offsetting lower growth rates in housing than many expected.

M&A and share gains show model intact. During 1Q15, IBP acquired BDI Insulation (West Coast, $35M LTM sales for $36M), adding to its November acquisition (Installed Building Solutions, $17M LTM sales). BDI expands IBP's West Coast footprint. On April 15, IBP acquired C.Q. Insulation, which will help it diversify into new multifamily residential commercial markets. IBP's ability to source and complete deals is another lever for growth beyond the cycle and price/mix that differentiates it from other companies, with each deal increasing its ability to lower insulation material costs via purchasing efficiencies.

Estimates

FY ends 12/31	F2014A	1Q15A	2Q15E	3Q15E	4Q15E	F2015E	F2016E
EPS (Net)	**$0.55**	**$0.05**	**$0.24**	**$0.39**	**$0.36**	**$1.03**	**$1.40**
Cons. EPS	**--**	**$0.09**	**$0.23**	**$0.34**	**$0.33**	**$1.01**	**$1.51**
Previous	--	$0.09	$0.26	$0.35	$0.31	$1.01	$1.43
Valuation							
P/E	37.5x	--	--	--	--	20.0x	14.7x

Sources: Company reports, FactSet, KeyBanc Capital Markets Inc.

Otter Tail Corporation

OTTR: Expectations Reset After Light 1Q15

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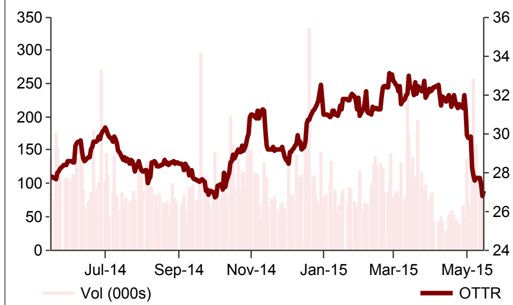
After a disappointing 1Q, mgmt slashed 2015 guidance, particularly for Manufacturing, which we think underscores the challenging visibility beyond the very ST for OTTR's remaining Nonutility businesses. Importantly, we think mgmt has reset expectations appropriately and is prudently taking steps to reduce costs. Additionally, the Construction exit should reduce volatility going forward. We maintain our **Sector Weight** rating.

NASDAQ: OTTR	
Rating:	Sector Weight
Price Target:	NA
Price:	$27.05



Sources: Company reports, FactSet, KeyBanc Capital Markets Inc.

Company Data

52-week range	$27 - $33
Market Cap. (M)	$1,014.4
Shares Out. (M)	37.50
Avg. Daily Volume (30D)	73,241.7
Annual Dividend	$1.23
Dividend Yield	4.5%
SI as % of Float	1.4%
SI % Chg. from Last Per.	(13.4)%
Book Value/Share	$15.63

Sources: Company reports, FactSet, KeyBanc Capital Markets Inc.

Key Investment Points

Construction Business Sale – As previously announced, on February 28, OTTR completed the sale of Aevenia (AEV, Inc.) to Primoris in exchange for $22.3M in cash, plus adjustments to be determined, recording an estimated $7.2M gain on the sale. Additionally, on April 30, OTTR completed the sale of Foley Company to Enerfab, Inc. in exchange for $12.0M cash, plus adjustments to be determined. The sale of Foley marks the final divestiture of OTTR's Construction businesses, for which mgmt announced it would explore strategic alternatives back in November 2014.

2015 Guidance Revision – Following its lighter than expected 1Q, mgmt reduced its 2015 adj. EPS guidance to $1.50-$1.65 (from $1.65-$1.80), which represents 1.6% YOY growth at the midpoint. Mgmt's lighter outlook is driven by $0.16 and $0.03 reductions to Manufacturing and Electric EPS guidance, respectively, partly offset by a $0.04 increase to the midpoint of guidance for Plastics. Manufacturing reflects softness in agriculture and energy end markets, decreased scrap-metal revenue on lower prices and severance costs relating to workforce reductions at BTD, partly offset higher sales at TO Plastics. Lowered Electric guidance reflects 1Q earnings, higher than expected costs associated with long-term disability plans and an increase in coal plant reagent costs, which were determined unrecoverable under rider by the MN PUC in March. Plastics guidance reflects better than expected 1Q results and lower than expected increases in raw material costs.

Reducing 2015-2016 Estimates – We are cutting our 2015 adj. EPS estimate to from $1.72 to $1.57 (-1.0% YOY), which compares to revised guidance of $1.50-$1.65 (from $1.65-$1.80). We are also lowering our 2016 EPS estimate from $1.89 to $1.79 (+14% YOY). Our revised estimates for both years primarily reflect lighter Manufacturing earnings on lower revenues and margins, and incrementally lower Electric earnings on lighter rider revenues, partly offset by lower Corporate losses.

Estimates

FY ends 12/31	F2014A	1Q15A	2Q15E	3Q15E	4Q15E	F2015E	F2016E
EPS (Net)	**$1.64**	**$0.37**	**$0.25**	**--**	**--**	**$1.57**	**$1.79**
Cons. EPS	**--**	**$0.37**	**$0.20**	**$0.40**	**$0.58**	**$1.64**	**$1.80**
Previous	--	$0.50	--	--	--	$1.72	$1.89
Valuation							
P/E	16.5x	--	--	--	--	17.2x	15.1x

Sources: Company reports, FactSet, KeyBanc Capital Markets Inc.

Quarters may not sum to annual due to changes in shares outstanding and timing of discontinued operations.

TerraForm Power, Inc.

TERP: Incrementally Positive Following Strong 1Q; Maintain Sector Weight

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NASDAQ: TERP	
Rating:	**Sector Weight**
Price Target:	**NA**
Price:	**$39.43**

Sources: Company reports, FactSet, KeyBanc Capital Markets Inc.

We are incrementally positive on TERP following its strong 1Q and mgmt's bullish outlook commentary, which suggested L-T dividend growth guidance (and our estimates) may prove conservative. Mgmt hinted at a 2016 target dividend hike later in '15. Although not baked into our model, we also think more 2015 acquisition announcements could be forthcoming; meanwhile, SUNE's development pipeline continues to grow. We primarily look for a more attractive entry point to get more constructive on TERP.

Key Investment Points

Dividend Guidance Update Anticipated – Later this year, mgmt expects to provide an update to its 2016 target dividend of $1.53, which we would view as strongly biased toward an increase, as it confirmed guidance beyond 2015 does not reflect recent M&A activity. It also suggested that SUNE's acquisition of Atlantic Power, via its Warehouse Facility (WH), provides TERP flexibility to either increase or extend its L-T target dividend CAGR of 24% (from IPO) beyond 2019. Finally, mgmt indicated that between its M&A pipeline and SUNE's expected project conversions, TERP has too many growth opportunities relative to L-T dividend guidance. The obvious takeaway is TERP seems well positioned to overdeliver relative to guidance.

Sponsor SUNE's Expected Conversions Grow – SUNE's probability-weighted development pipeline increased 1.3 GW since the 4Q call and its February 24 Analyst Day to 13.7 GW, which bodes well for incremental drop downs. This excludes all residential solar DG and most Commercial & Industrial (C&I). We sensed considerable optimism from TERP on its/SUNE's positioning for growth in residential DG.

M&A Color Commentary – Mgmt credited its proprietary M&A pipeline driven by years of relationship history at the sponsor-level, coupled with its financing partners as largely driving M&A success to-date (nearly 1.4 GW in third-party acquisitions since IPO). In our follow-up discussion, mgmt indicated a vision of having preferred sellers that contact TERP with all leads, a scenario we suspect may already be becoming reality.

Strong Interest in WH – SUNE's Warehouse Facility (WH), which houses projects earmarked for eventual drop down, has received overwhelming investor interest, suggesting it could continue to form additional WHs for increased financial flexibility for M&A. Mgmt said carry cost does not reduce return vs. financing at the TERP level.

Company Data

52-week range	$22 - $43
Market Cap. (M)	$4,897.2
Shares Out. (M)	124.20
Enterprise Value (M)	$8,039.0
Avg. Daily Volume (30D)	797,836.0
Annual Dividend	$1.30
Dividend Yield	3.3%
SI as % of Float	8.9%
SI % Chg. from Last Per.	(5.5)%
Book Value/Share	$15.79

Sources: Company reports, FactSet, KeyBanc Capital Markets Inc.

Estimates

FY ends 12/31	F2014A	1Q15A	2Q15E	3Q15E	4Q15E	F2015E	F2016E
EBITDA (M)	**$108.9**	**$52.3**	**$113.1**	**--**	**--**	**$376.5**	**$608.9**
Cons. EBITDA	**--**	**$48.8**	**$107.9**	**$116.3**	**$105.8**	**$372.9**	**$616.5**
Previous	--	$54.7	--	--	--	$366.2	$548.0
Valuation							
EV/EBITDA	73.8x	--	--	--	--	21.4x	13.2x

Sources: Company reports, FactSet, KeyBanc Capital Markets Inc.

Vista Outdoor Inc.

VSTO: Fiscal 4Q15 Earnings Review; Maintain Sector Weight Rating

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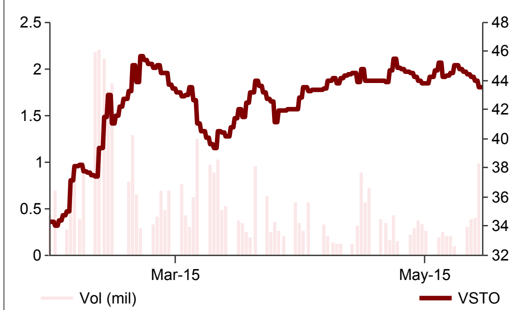
NYSE: VSTO	
Rating:	Sector Weight
Price Target:	NA
Price:	$43.48



Sources: Company reports, FactSet, KeyBanc Capital Markets Inc.

VSTO issued FY16 guidance that, while in line on revenues, largely came in below expectations on the bottom line as the Street essentially mis-modeled the incremental spin costs as well as the potential for some additional margin pressures. We maintain our view that a best-in-class management team, leading portfolio of brands and meaningful balance sheet catalysts are largely overshadowed in the near term by current valuations and still limited visibility into the ongoing ammunition correction.

Key Investment Points

1) On the cost side, VSTO intends to spend an incremental $10M during FY16 on investments in ERP, while also outlining the expectation for stock-based compensation expense in the range of $10M+ for FY16 given some initial founders grants. We believe these cost expectations build in some level of conservatism around the initial earnings guide ($2.10/sh midpoint vs. consensus $2.40/sh). We are lowering estimates to reflect incremental costs associated with the spin-off.

2) On the gross margin side, while we were encouraged by revenue trends within Shooting Sports that came in above our estimates; we now expect FY16 decrementals to be more in the range of 35-40% vs. roughly 25% previously as VSTO cycles through lower volume and price in a softening .223/5.56 ammunition market. However, we remain encouraged by continued strength in rimfire, shotshell and other core centerfire calibers, such as 9mm and .380, with retail inventories in relatively good shape excluding .223/5.56.

3) Outdoor Products revenue came in less than we had expected (-8.5% vs. our estimate of flat) as VSTO cited continued pressures in optics and tactical accessories, partially offset by strong demand in the golf business and archery products. Despite some lingering softness in shooting related products, we remain encouraged by the strong margin profile of the segment with the potential for increased profitability in FY16 against what should be another quarter or two of continued softness in some of the core markets.

4) VSTO ended the quarter with a strong cash position ($264.0M) and solid free cash flow outlook ($150M-$175M), creating ample dry powder for both M&A and repurchases going forward (with estimated M&A capacity of $900M-$1.1B+). VSTO indicated that it had further matured its pipeline of opportunities, particularly citing involvement in the end markets of camping and water sports, reiterating that the primary focus remains on outdoor recreation as opposed to shooting/firearm related targets.

Company Data

52-week range	$31 - $47
Market Cap. (M)	$2,787.1
Shares Out. (M)	64.10
Enterprise Value (M)	$2,873.1
Avg. Daily Volume (30D)	331,220.0
SI as % of Float	3.8%

Sources: Company reports, FactSet, KeyBanc Capital Markets Inc.

Estimates

FY ends 3/31	F2015A	1Q16E	2Q16E	3Q16E	4Q16E	F2016E	F2017E
EPS (Net)	**$2.35**	**$0.44**	**$0.45**	**$0.63**	**$0.59**	**$2.10**	**$2.55**
Cons. EPS	**$2.64**	**$0.59**	**$0.61**	**$0.64**	**$0.67**	**$2.40**	**--**
Previous	$2.75	$0.59	$0.62	$0.68	$0.67	$2.55	$2.85
Valuation							
P/E	18.5x	--	--	--	--	20.7x	17.1x

Sources: Company reports, FactSet, KeyBanc Capital Markets Inc.

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Distribution of Ratings/IB Services
KeyBanc Capital Markets

			IB Serv./Past 12 Mos.	
Rating	**Count**	**Percent**	**Count**	**Percent**
Overweight [OW]	350	45.75	75	21.43
Sector Weight [SW]	393	51.37	65	16.54
Underweight [UW]	22	2.88	2	9.09

Rating System

Overweight - We expect the stock to outperform the analyst's coverage sector over the coming 6-12 months.

Sector Weight - We expect the stock to perform in line with the analyst's coverage sector over the coming 6-12 months.

Underweight - We expect the stock to underperform the analyst's coverage sector over the coming 6-12 months.

Note: KeyBanc Capital Markets changed its rating system after market close on February 27, 2015. The previous ratings were Buy, Hold and Underweight. Additionally, Pacific Crest Securities changed its rating system to match KeyBanc Capital Markets' rating system after market close on April 10, 2015, in conjunction with the merger of the broker dealers. The previous ratings were Outperform, Sector Perform and Underperform.

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