

# sears | HOMETOWN & OUTLET

## What is Sears Hometown and Outlet Stores?

October 2016

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HOMETOWN STORE

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HOME APPLIANCE SHOWROOM

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APPLIANCE & HARDWARE STORE

# How Are We Different From Sears Holdings Corporation?

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- Until 2012 we were owned by Sears Holdings Corporation.
- We became an independent public company following our separation from Sears Holdings Corporation in October 2012
- Effective upon the Separation, Sears Holdings ceased to own any shares of our common stock, and our common stock began trading on the NASDAQ Stock Market under the trading symbol “SHOS.”

# What is Sears Hometown and Outlet Stores?

- Sears Hometown & Outlet Stores (SHOS) is a nationwide hardlines retailer operating through two business segments: Hometown and Outlet
  - 2015 revenue of \$2.3 billion (Hometown segment: \$1.6B, Outlet segment: \$0.7B)
  - 5th largest retailer of home appliances and power lawn & garden in the U.S.\*
- Hardlines brand presence featuring Kenmore, Craftsman and Diehard
  - Complemented with a variety of other established national brands
- Established business model - independent dealers and franchisees
- Growing online business platforms
- Dealer/Franchisee delivery and installation capabilities are supplemented through agreements with Sears Holdings Corporation and others.
- Product Repair Services are provided through our relationship with Sears Holdings.



# What is Sears Hometown and Outlet Stores?

**Sears Hometown and Outlet Stores, Inc. is a national retailer primarily focused on selling home appliances, hardware, tools and lawn and garden equipment.**

- Our Hometown stores are designed to provide our customers with in-store and online access to a wide selection of national brands of home appliances, tools, lawn and garden equipment, sporting goods and household goods, depending on the particular format.
- Our Outlet stores are designed to provide our customers with in-store and online access to new, one-of-a-kind, out-of-carton, discontinued, reconditioned, overstocked, and scratched and dented products across a broad assortment of merchandise categories, including home appliances, lawn and garden equipment, apparel, mattresses, sporting goods and tools at prices that are significantly lower than list prices.
- As of October 29, 2016, we or our independent dealers and independent franchisees operated a total of 1,115 stores across all 50 states as well as in Puerto Rico and Bermuda.

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# What is Sears Hometown and Outlet Stores?

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## Hometown Store Segment

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HOMETOWN STORE

- 825 Stores
- National Footprint
- 99% Owner Operated
- Avg. 5,640 Selling Sq. Ft.

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- 42 Stores
- 12 States
- 38% Franchise Operated
- Wide variety of store sizes
- Average 16,500 Sq. Ft.
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## Outlet Store Segment

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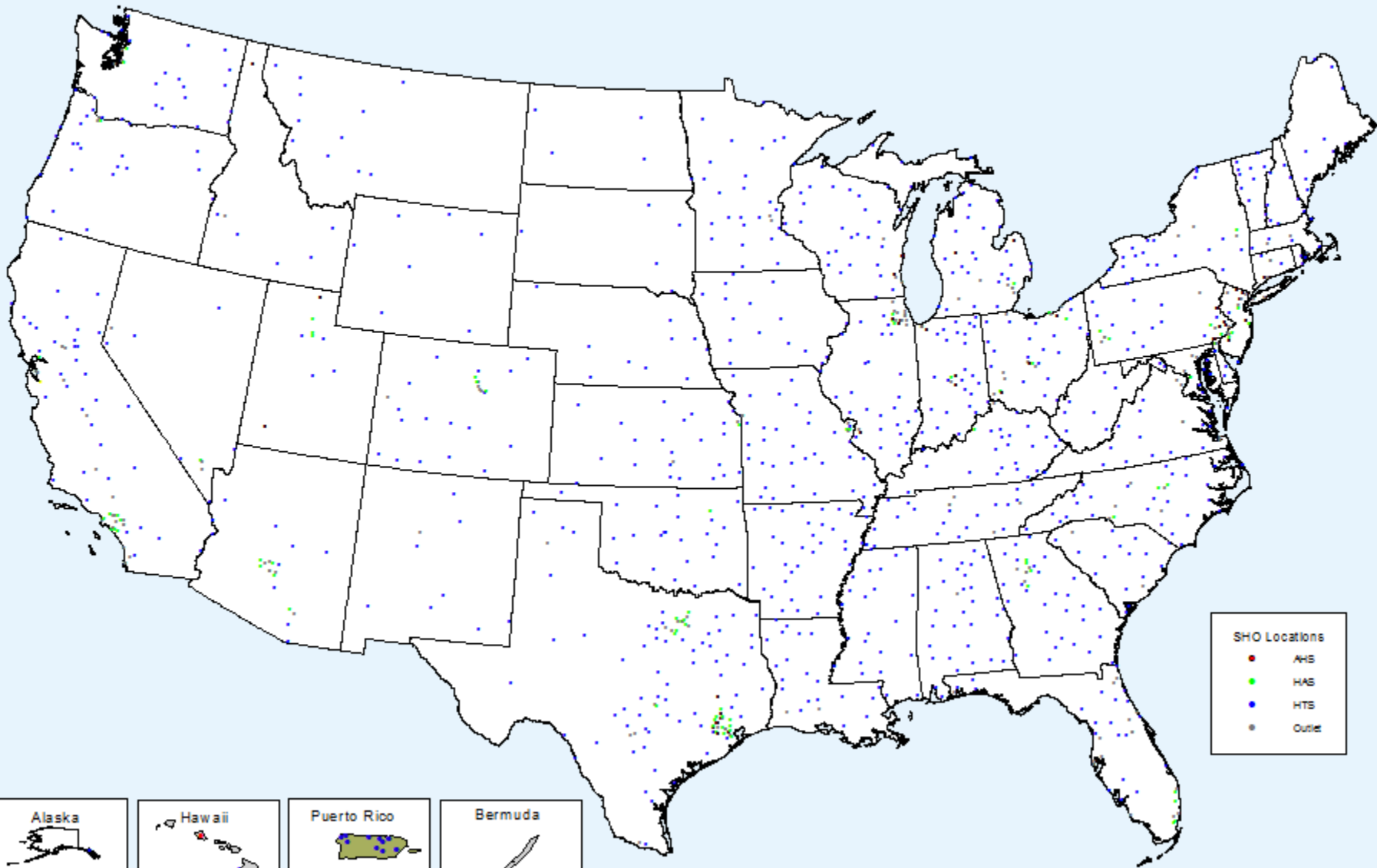
- 159 Stores
- 35 States and Puerto Rico
- 76% Company Operated
- Avg. 23,900 Selling Sq. Ft.
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HOME APPLIANCE SHOWROOM

- 76 Stores
- 24 States and Puerto Rico
- 54% Franchise Operated
- Avg. 4,650 Selling Sq. Ft.

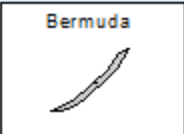
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# SHO Locations



SHO Locations

- AHS
- HAS
- HTS
- Outlet



# Contacts

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