Safe Harbor Statement

This document may contain certain “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995, including guidance regarding anticipated future operating results, the Company’s focus for the remainder of the fiscal year and the Company’s beliefs regarding the future of retailing. Such statements may be identified by words such as anticipate, believe, estimate, expect, intend, predict, hope, should, plan, will or similar expressions. Any statements contained herein that are not statements of historical fact may be deemed forward-looking statements. These statements are based on management’s current expectations and accordingly are subject to uncertainty and changes in circumstances. Actual results may vary materially from the expectations contained herein due to various important factors, including (but not limited to): consumer preferences, spending and debt levels; the general economic and credit environment; interest rates; seasonal variations in consumer purchasing activities; the ability to achieve the most effective product category mixes to maximize sales and margin objectives; competitive pressures on sales; pricing and gross sales margins; the level of cable and satellite distribution for our programming and the associated fees or estimated cost savings from contract negotiations; our ability to establish and maintain acceptable commercial terms with third-party vendors and other third parties, with whom we have contractual relationships, and to successfully manage key vendor relationships and develop key partnerships and proprietary and exclusive brands; our ability to manage our operating expenses successfully and our working capital levels; our ability to remain compliant with our credit facilities covenants; customer acceptance of our branding strategy and our repositioning as a video commerce company; the market demand for television station sales; changes to our management and information systems infrastructure; challenges to our data and information security; changes in governmental or regulatory requirements, including without limitation, regulations of the Federal Communications Commission and Federal Trade Commission, and adverse outcomes from regulatory proceedings; litigation or governmental proceedings affecting our operations; significant public events that are difficult to predict, or other significant television-covering events causing an interruption of television coverage or that directly compete with the viewership of our programming; our ability to obtain and retain key executives and employees; our ability to attract new customers and retain existing customers; changes in shipping costs; our ability to offer new or innovative products and customer acceptance of the same; changes in customer viewing habits of television programming; and the risks identified under “Risk Factors” in our recently filed Form 10-K and any additional risk factors identified in our periodic reports since the date of such Form 10-K. More detailed information about those factors is set forth in our filings with the Securities and Exchange Commission, including our annual report on Form 10-K, quarterly reports on Form 10-Q, and current reports on Form 8-K. You are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date of this announcement. We are under no obligation (and expressly disclaim any such obligation) to update or alter our forward-looking statements whether as a result of new information, future events or otherwise.

Adjusted EBITDA

EBITDA represents net income (loss) for the respective periods excluding depreciation and amortization expense, interest income (expense) and income taxes. The Company defines Adjusted EBITDA as EBITDA excluding non-operating gains (losses); executive and management transition costs; loss on debt extinguishment; distribution facility consolidation and technology upgrade costs and non-cash share-based compensation expense. The Company has included the term “Adjusted EBITDA” in our EBITDA reconciliation in order to adequately assess the operating performance of our television and online businesses and in order to maintain comparability to our analyst’s coverage and financial guidance, when given. Management believes that the term Adjusted EBITDA allows investors to make a meaningful comparison between our business operating results over different periods of time with those of other similar companies. In addition, management uses Adjusted EBITDA as a metric to evaluate operating performance under the Company’s management and executive incentive compensation programs. Adjusted EBITDA should not be construed as an alternative to operating income (loss), net income (loss) or to cash flows from operating activities as determined in accordance with generally accepted accounting principles (“GAAP”) and should not be construed as a measure of liquidity. Adjusted EBITDA may not be comparable to similarly entitled measures reported by other companies. The Company has included a reconciliation of the comparable GAAP measure, net income (loss) to Adjusted EBITDA in this presentation.

Data in this presentation may be unaudited.
What Went Well in Q2

- Revenue and EPS results were in-line with our expectations and we are firmly positioned to grow our topline and our bottom line in the second half of fiscal 2017.

- We recently reached an agreement to launch over 10 million HD homes over the next 6 months with our providers, including Comcast and Cox, among others.

- Conversion of our broadcast signal from SD to Full HD is still on track and expected to be completed and launched in September.

- We showed continued improvement in purchase frequency with a 5% increase compared to second quarter of 2016.
  - Efforts to rebuild our Home category are showing signs of success, which resulted in 9% revenue growth during the second quarter, year-over-year.
  - Launched 20 new brands in various categories, including one of our best launches ever with Mackenzie-Childs.

- Our technology investments in our mobile offering and our fulfillment center are beginning to pay dividends with improvement in customer experiences and operational efficiencies.
  - Mobile sales penetration as a percentage of digital sales grew 420 bps to 49.4%.
Q2 ‘17 Report Card

**Digital Sales**
- 48% of total sales

**Digital Net Sales % of Total Net Sales**

**Purchase Frequency**
- 5% over last year

**Average Purchase Frequency**

**EPS**
- Flat year-over-year

**EPS (GAAP)**

- F15 Q3: $(0.09)
- F16 Q3: $(0.06)
- F15 Q4: $(0.09)
- F16 Q4: $(0.05)
- F16 Q1: $(0.03)
- F17 Q1: $(0.03)
- F16 Q2: $(0.03)
- F17 Q2: $(0.03)
Appendices
Summary P&L

(In thousands, except per share data)

<table>
<thead>
<tr>
<th></th>
<th>F13 FY</th>
<th>F14 FY</th>
<th>F15 FY</th>
<th>F16 Q1</th>
<th>F16 Q2</th>
<th>F16 Q3</th>
<th>F16 Q4</th>
<th>F16 FY</th>
<th>F17 Q1</th>
<th>F17 Q2</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cost of Sales</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gross Profit</td>
<td>230,024</td>
<td>245,048</td>
<td>238,480</td>
<td>61,448</td>
<td>59,828</td>
<td>55,431</td>
<td>64,820</td>
<td>241,527</td>
<td>56,286</td>
<td>56,480</td>
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<tr>
<td>Gross Profit %</td>
<td>35.9%</td>
<td>36.3%</td>
<td>34.4%</td>
<td>36.8%</td>
<td>38.1%</td>
<td>36.6%</td>
<td>34.0%</td>
<td>36.3%</td>
<td>36.0%</td>
<td>37.9%</td>
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<td><strong>Operating Expenses</strong>:</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Distribution and selling</td>
<td>191,695</td>
<td>202,579</td>
<td>209,328</td>
<td>53,425</td>
<td>51,605</td>
<td>49,161</td>
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<td>General and administrative</td>
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<td>23,983</td>
<td>24,520</td>
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<td>5,878</td>
<td>5,690</td>
<td>6,049</td>
<td>23,386</td>
<td>5,995</td>
<td>6,012</td>
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<td>Depreciation and amortization</td>
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<td>8,445</td>
<td>8,474</td>
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<td>1,977</td>
<td>1,941</td>
<td>2,016</td>
<td>8,041</td>
<td>1,636</td>
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<td>Executive &amp; Mgmt transition costs</td>
<td>-</td>
<td>5,520</td>
<td>3,549</td>
<td>3,601</td>
<td>242</td>
<td>568</td>
<td>-</td>
<td>4,411</td>
<td>506</td>
<td>572</td>
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<td>Activist Shareholder Response Cost</td>
<td>2,133</td>
<td>3,518</td>
<td>-</td>
<td>-</td>
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<td>Distribution facility consolidation and technology upgrade costs</td>
<td>-</td>
<td>-</td>
<td>1,347</td>
<td>80</td>
<td>300</td>
<td>150</td>
<td>147</td>
<td>677</td>
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<td>Total operating expense</td>
<td>229,947</td>
<td>244,045</td>
<td>247,218</td>
<td>64,982</td>
<td>60,002</td>
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<td>61,051</td>
<td>243,545</td>
<td>56,867</td>
<td>56,951</td>
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<td><strong>Operating income/(loss)</strong>:</td>
<td>77</td>
<td>1,003</td>
<td>(8,738)</td>
<td>(3,534)</td>
<td>(174)</td>
<td>(2,079)</td>
<td>3,769</td>
<td>(2,018)</td>
<td>(581)</td>
<td>(471)</td>
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<tr>
<td><strong>Other income (expense)</strong>:</td>
<td>(1,419)</td>
<td>(1,562)</td>
<td>(2,712)</td>
<td>(1,203)</td>
<td>(1,604)</td>
<td>(1,583)</td>
<td>(1,536)</td>
<td>(5,926)</td>
<td>(1,493)</td>
<td>(1,311)</td>
</tr>
<tr>
<td>Interest income/(expense)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(913)</td>
<td>-</td>
</tr>
<tr>
<td>Loss on Debt extinguishment</td>
<td>(1,419)</td>
<td>(1,562)</td>
<td>(2,712)</td>
<td>(1,203)</td>
<td>(1,604)</td>
<td>(1,583)</td>
<td>(1,536)</td>
<td>(5,926)</td>
<td>(2,406)</td>
<td>(1,311)</td>
</tr>
<tr>
<td>Total other income/(expense)</td>
<td>(1,419)</td>
<td>(1,562)</td>
<td>(2,712)</td>
<td>(1,203)</td>
<td>(1,604)</td>
<td>(1,583)</td>
<td>(1,536)</td>
<td>(5,926)</td>
<td>(2,406)</td>
<td>(1,311)</td>
</tr>
<tr>
<td><strong>Income tax provision</strong></td>
<td>(1,173)</td>
<td>(819)</td>
<td>(834)</td>
<td>(205)</td>
<td>(205)</td>
<td>(205)</td>
<td>(186)</td>
<td>(801)</td>
<td>(209)</td>
<td>(209)</td>
</tr>
<tr>
<td><strong>Total Net Income/(Loss)</strong></td>
<td>(2,515)</td>
<td>(1,378)</td>
<td>(12,284)</td>
<td>(4,942)</td>
<td>(1,983)</td>
<td>(3,867)</td>
<td>(2,047)</td>
<td>(8,745)</td>
<td>(3,196)</td>
<td>(1,991)</td>
</tr>
<tr>
<td>EBITDA, as adjusted</td>
<td>$18,012</td>
<td>$22,773</td>
<td>$9,206</td>
<td>$3,424</td>
<td>$3,836</td>
<td>$2,529</td>
<td>$6,436</td>
<td>$16,225</td>
<td>$3,050</td>
<td>$3,502</td>
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<td>Weighted average number of common shares outstanding (000's)</td>
<td>49,505</td>
<td>53,459</td>
<td>57,004</td>
<td>57,181</td>
<td>57,259</td>
<td>60,513</td>
<td>64,492</td>
<td>59,785</td>
<td>60,919</td>
<td>64,091</td>
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<tr>
<td><strong>Net income/(loss) per common share</strong></td>
<td>$(0.05)</td>
<td>$(0.03)</td>
<td>$(0.22)</td>
<td>$(0.09)</td>
<td>$(0.03)</td>
<td>$(0.06)</td>
<td>$(0.03)</td>
<td>$(0.15)</td>
<td>$(0.05)</td>
<td>$(0.03)</td>
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## Summary Balance Sheet

(In thousands)

<table>
<thead>
<tr>
<th></th>
<th>F13 02/01/14</th>
<th>F14 01/31/15</th>
<th>F15 01/30/16</th>
<th>F16 01/28/17</th>
<th>F17 Q1 04/29/17</th>
<th>F17 Q2 07/29/17</th>
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<tbody>
<tr>
<td><strong>Current assets:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash &amp; restricted cash and investments</td>
<td>$31,277</td>
<td>$21,928</td>
<td>$12,347</td>
<td>$33,097</td>
<td>$26,388</td>
<td>$22,509</td>
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<tr>
<td>Accounts receivable, net</td>
<td>107,386</td>
<td>112,275</td>
<td>114,949</td>
<td>99,062</td>
<td>85,538</td>
<td>82,814</td>
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<tr>
<td>Inventories</td>
<td>51,162</td>
<td>61,456</td>
<td>65,840</td>
<td>70,192</td>
<td>75,649</td>
<td>63,748</td>
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<td>Prepaid expenses and other</td>
<td>6,032</td>
<td>5,284</td>
<td>5,913</td>
<td>5,510</td>
<td>5,784</td>
<td>5,564</td>
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<tr>
<td><strong>Total current assets</strong></td>
<td>195,857</td>
<td>200,943</td>
<td>199,049</td>
<td>207,861</td>
<td>193,359</td>
<td>174,635</td>
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<tr>
<td><strong>Property and equipment, net</strong></td>
<td>24,952</td>
<td>42,759</td>
<td>52,629</td>
<td>52,715</td>
<td>53,672</td>
<td>53,135</td>
</tr>
<tr>
<td>FCC broadcasting license</td>
<td>12,000</td>
<td>12,000</td>
<td>12,000</td>
<td>12,000</td>
<td>12,000</td>
<td>12,000</td>
</tr>
<tr>
<td><strong>Other assets</strong></td>
<td>896</td>
<td>1,989</td>
<td>1,819</td>
<td>2,204</td>
<td>2,306</td>
<td>2,231</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>$233,705</td>
<td>$257,691</td>
<td>$265,497</td>
<td>$274,780</td>
<td>$261,337</td>
<td>$242,001</td>
</tr>
<tr>
<td><strong>Current liabilities:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts payable</td>
<td>$77,296</td>
<td>$81,457</td>
<td>$77,779</td>
<td>$65,796</td>
<td>$58,211</td>
<td>$47,082</td>
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<tr>
<td>Accrued liabilities and other</td>
<td>38,620</td>
<td>38,504</td>
<td>37,570</td>
<td>41,185</td>
<td>46,469</td>
<td>40,406</td>
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<tr>
<td><strong>Total current liabilities</strong></td>
<td>115,916</td>
<td>119,961</td>
<td>115,349</td>
<td>106,981</td>
<td>104,680</td>
<td>87,488</td>
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<td><strong>Capital lease liability</strong></td>
<td>88</td>
<td>36</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
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<tr>
<td><strong>Other long term liabilities</strong></td>
<td>335</td>
<td>249</td>
<td>164</td>
<td>428</td>
<td>407</td>
<td>286</td>
</tr>
<tr>
<td>Deferred tax liability</td>
<td>1,158</td>
<td>1,946</td>
<td>2,734</td>
<td>3,522</td>
<td>3,719</td>
<td>3,916</td>
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<tr>
<td><strong>Long term debt</strong></td>
<td>38,000</td>
<td>50,971</td>
<td>70,271</td>
<td>82,146</td>
<td>78,454</td>
<td>73,308</td>
</tr>
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<td><strong>Total liabilities</strong></td>
<td>155,497</td>
<td>173,163</td>
<td>188,518</td>
<td>193,077</td>
<td>187,260</td>
<td>164,998</td>
</tr>
<tr>
<td>Common stock, preferred stock and warrants</td>
<td>1,031</td>
<td>564</td>
<td>571</td>
<td>652</td>
<td>610</td>
<td>652</td>
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<tr>
<td>Additional paid-in capital</td>
<td>410,681</td>
<td>418,846</td>
<td>423,574</td>
<td>436,962</td>
<td>432,574</td>
<td>437,449</td>
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<tr>
<td>Accumulated deficit</td>
<td>(333,504)</td>
<td>(334,882)</td>
<td>(347,166)</td>
<td>(355,911)</td>
<td>(359,107)</td>
<td>(361,098)</td>
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<tr>
<td><strong>Total shareholders’ equity</strong></td>
<td>78,208</td>
<td>84,528</td>
<td>76,979</td>
<td>81,703</td>
<td>74,077</td>
<td>77,003</td>
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<tr>
<td><strong>Total liabilities and shareholders’ equity</strong></td>
<td>$233,705</td>
<td>$257,691</td>
<td>$265,497</td>
<td>$274,780</td>
<td>$261,337</td>
<td>$242,001</td>
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</tbody>
</table>
## Adjusted EBITDA Reconciliation

(In thousands)

<table>
<thead>
<tr>
<th>Net income (loss)</th>
<th>F13</th>
<th>F14</th>
<th>F15</th>
<th>Q1</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
<th>FY</th>
<th>Q1</th>
<th>Q2</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$ (2,515)</td>
<td>$ (1,378)</td>
<td>$ (12,284)</td>
<td>$ (4,942)</td>
<td>$ (1,983)</td>
<td>$ (3,867)</td>
<td>$ 2,047</td>
<td>$ (8,745)</td>
<td>$ (3,196)</td>
<td>$ (1,991)</td>
</tr>
</tbody>
</table>

Adjustments:

- **Depreciation and amortization**
  - FY: 12,585
  - Q1: 8,872
  - Q2: 10,327
  - Q3: 3,040
  - Q4: 3,070
  - FY: 3,093
  - FY: 2,006

- **Interest income**
  - FY: (18)
  - Q1: (10)
  - Q2: (8)
  - Q3: (2)
  - Q4: (2)

- **Interest expense**
  - FY: 1,437
  - Q1: 1,572
  - Q2: 2,720
  - Q3: 1,205
  - Q4: 1,606
  - FY: 1,586
  - FY: 1,540

- **Income taxes**
  - FY: 1,173
  - Q1: 819
  - Q2: 834
  - Q3: 205
  - Q4: 205
  - FY: 186
  - FY: 801

**EBITDA (as defined)**

<table>
<thead>
<tr>
<th>F13</th>
<th>F14</th>
<th>F15</th>
<th>Q1</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
<th>FY</th>
<th>F16</th>
<th>F17</th>
</tr>
</thead>
<tbody>
<tr>
<td>12,662</td>
<td>9,875</td>
<td>1,589</td>
<td>(494)</td>
<td>2,896</td>
<td>1,014</td>
<td>5,775</td>
<td>9,191</td>
<td>1,110</td>
<td>2,184</td>
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</tbody>
</table>

A reconciliation of EBITDA to Adjusted EBITDA is as follows:

**EBITDA (as defined)**

<table>
<thead>
<tr>
<th>F13</th>
<th>F14</th>
<th>F15</th>
<th>Q1</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
<th>FY</th>
<th>F16</th>
<th>F17</th>
</tr>
</thead>
<tbody>
<tr>
<td>12,662</td>
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<td>(494)</td>
<td>2,896</td>
<td>1,014</td>
<td>5,775</td>
<td>9,191</td>
<td>1,110</td>
<td>2,184</td>
</tr>
</tbody>
</table>

**Less:**

- **Executive and management transition costs**
  - FY: $ -
  - Q1: $ 5,520
  - Q2: $ 3,549
  - Q3: $ 3,601
  - Q4: $ 242
  - FY: $ 568
  - FY: $ -

- **Distribution facility consolidation and technology upgrade costs**
  - FY: -
  - Q1: 1,347
  - Q2: 80
  - Q3: 300
  - Q4: 150
  - FY: 147
  - FY: 677
  - FY: -

- **Activist Shareholder Response Costs**
  - FY: 2,133
  - Q1: 3,518
  - Q2: -
  - Q3: -
  - Q4: -
  - FY: -

- **Shareholder Rights Plan costs**
  - FY: -
  - Q1: -
  - Q2: 446
  - Q3: -
  - Q4: -
  - FY: -

- **Loss on debt extinguishment**
  - FY: -
  - Q1: -
  - Q2: -
  - Q3: -
  - Q4: -
  - FY: -

- **Non-cash share-based compensation**
  - FY: 3,217
  - Q1: 3,860
  - Q2: 2,275
  - Q3: 237
  - Q4: 398
  - FY: 797
  - FY: 514

**Adjusted EBITDA**

<table>
<thead>
<tr>
<th>F13</th>
<th>F14</th>
<th>F15</th>
<th>Q1</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
<th>FY</th>
<th>F16</th>
<th>F17</th>
</tr>
</thead>
<tbody>
<tr>
<td>$ 18,012</td>
<td>$ 22,773</td>
<td>$ 9,206</td>
<td>$ 3,424</td>
<td>$ 3,836</td>
<td>$ 2,529</td>
<td>$ 6,436</td>
<td>$ 16,225</td>
<td>$ 3,050</td>
<td>$ 3,502</td>
</tr>
</tbody>
</table>
## Cash Flow

(In thousands)  

<table>
<thead>
<tr>
<th>Year Ending February 1</th>
<th>Year Ending January 31</th>
<th>Year Ending January 30</th>
<th>Year Ending January 28</th>
<th>Year-to-Date July 29,</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>2015</td>
<td>2016</td>
<td>2017</td>
<td>2017</td>
</tr>
</tbody>
</table>

### OPERATING ACTIVITIES:

- **Net loss**  
  - $ (2,515)  
  - $ (1,378)  
  - $ (12,284)  
  - $ (8,745)  
  - $ (5,187)

- Adjustments to reconcile net loss to net cash provided by (used for) operating activities:
  - Depreciation and amortization  
    - 12,585  
    - 8,872  
    - 10,327  
    - 11,209  
    - 5,259
  - Share-based payment compensation  
    - 3,217  
    - 3,860  
    - 2,275  
    - 1,946  
    - 1,267
  - Amortization of deferred revenue  
    - (85)  
    - (86)  
    - (85)  
    - (86)  
    - (42)
  - Amortization of debt discount & deferred financing costs  
    - 178  
    - 231  
    - 271  
    - 558  
    - 214
  - Loss on Debt extinguishment  
    - -  
    - -  
    - -  
    - -  
    - 913
  - Deferred Income Taxes  
    - 1,158  
    - 788  
    - 788  
    - 788  
    - 394

- Changes in operating assets and liabilities:
  - Accounts receivable, net  
    - (9,026)  
    - (4,889)  
    - (2,674)  
    - 15,978  
    - 16,248
  - Inventories, net  
    - (14,007)  
    - (10,294)  
    - (4,384)  
    - (3,181)  
    - 6,444
  - Prepaid expenses and other  
    - 649  
    - 815  
    - (565)  
    - 423  
    - (54)
  - Accounts payable and accrued liabilities  
    - 21,799  
    - 766  
    - (3,080)  
    - (11,606)  
    - (19,119)

- **Net cash provided by (used for) operating activities**  
  - 13,953  
  - (1,315)  
  - (9,411)  
  - 7,284  
  - 6,337

### INVESTING ACTIVITIES:

- Property and equipment additions, net or proceeds from sale of  
  - (8,247)  
  - (25,119)  
  - (22,014)  
  - (10,261)  
  - (6,256)

- Cash paid for acquisition  
  - -  
  - -  
  - -  
  - -  
  - -

- Purchase of NBC trademark license  
  - (2,830)  
  - -  
  - -  
  - -  
  - -

- Purchase of EVINE trademark  
  - -  
  - (59)  
  - -  
  - -  
  - -

- Change in restricted cash  
  - -  
  - 1,650  
  - -  
  - -  
  - -

- **Net cash used for investing activities**  
  - (11,077)  
  - (25,178)  
  - (20,364)  
  - (10,769)  
  - (6,256)

### FINANCING ACTIVITIES:

- Proceeds from issuance of term loans  
  - -  
  - 12,152  
  - 2,849  
  - 17,000  
  - 6,000

- Proceeds from issuance of common stock and warrants  
  - -  
  - -  
  - (12,470)  
  - -  
  - 4,628

- Proceeds from issuance of revolving loans  
  - -  
  - 2,700  
  - 19,200  
  - -  
  - -  
  - -  
  - 10,500

- Proceeds from exercise of stock options, net  
  - 227  
  - 2,794  
  - 2,460  
  - -  
  - 29

- Payments on term loans  
  - -  
  - (145)  
  - (2,076)  
  - (2,852)  
  - (11,058)

- Payments for deferred financing costs  
  - (390)  
  - (307)  
  - (537)  
  - (1,512)  
  - (220)

- Payments for common stock issuance costs  
  - -  
  - -  
  - (786)  
  - (357)  
  - (357)

- Payments on revolving loan  
  - -  
  - -  
  - -  
  - -  
  - -  
  - (14,900)

- Payments on capital lease  
  - (13)  
  - (50)  
  - (52)  
  - (39)  
  - -

- Payments for restricted stock issuance costs  
  - -  
  - -  
  - (46)  
  - -  
  - (37)

- Payments for repurchases of common stock  
  - -  
  - -  
  - -  
  - (5,055)  
  - -

- Payments for debt extinguishment costs  
  - -  
  - -  
  - -  
  - -  
  - (199)

- **Net cash provided by (used for) financing activities**  
  - (176)  
  - 17,144  
  - 21,844  
  - 24,235  
  - (10,669)

- **Net increase (decrease) in cash**  
  - 2,700  
  - (9,349)  
  - (7,931)  
  - 20,750  
  - (10,588)

- **ENDING CASH**  
  - 26,477  
  - 29,177  
  - 19,828  
  - 11,897  
  - 32,647
Key Operating Metrics

<table>
<thead>
<tr>
<th></th>
<th>F13 FY</th>
<th>F14 FY</th>
<th>F15 FY</th>
<th>F16 Q1</th>
<th>F16 Q2</th>
<th>F16 Q3</th>
<th>F16 Q4</th>
<th>F16 FY</th>
<th>F17 Q1</th>
<th>F17 Q2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Shipped Units (000s)</td>
<td>7,152</td>
<td>9,055</td>
<td>9,853</td>
<td>2,417</td>
<td>2,461</td>
<td>2,253</td>
<td>3,132</td>
<td>10,263</td>
<td>2,580</td>
<td>2,423</td>
</tr>
<tr>
<td>Average Selling Price</td>
<td>$81</td>
<td>$67</td>
<td>$64</td>
<td>$62</td>
<td>$57</td>
<td>$60</td>
<td>$54</td>
<td>$57</td>
<td>$54</td>
<td>$55</td>
</tr>
<tr>
<td>Return Rate %</td>
<td>22.3%</td>
<td>21.5%</td>
<td>19.8%</td>
<td>19.2%</td>
<td>19.8%</td>
<td>20.5%</td>
<td>18.4%</td>
<td>19.4%</td>
<td>18.8%</td>
<td>19.1%</td>
</tr>
<tr>
<td>Digital Sales %</td>
<td>45.2%</td>
<td>44.6%</td>
<td>46.9%</td>
<td>48.8%</td>
<td>47.9%</td>
<td>49.0%</td>
<td>51.9%</td>
<td>49.5%</td>
<td>50.6%</td>
<td>48.1%</td>
</tr>
<tr>
<td>Transaction Costs per Unit</td>
<td>$2.48</td>
<td>$2.52</td>
<td>$2.84</td>
<td>$2.82</td>
<td>$2.63</td>
<td>$3.25</td>
<td>$2.61</td>
<td>$2.81</td>
<td>$2.68</td>
<td>$2.62</td>
</tr>
<tr>
<td>Total Variable Costs % of Net Sales</td>
<td>8.0%</td>
<td>8.7%</td>
<td>9.2%</td>
<td>10.0%</td>
<td>9.6%</td>
<td>10.6%</td>
<td>9.4%</td>
<td>9.9%</td>
<td>9.6%</td>
<td>9.8%</td>
</tr>
<tr>
<td>Mobile % of Digital Sales</td>
<td>25.2%</td>
<td>33.5%</td>
<td>42.3%</td>
<td>45.6%</td>
<td>45.2%</td>
<td>45.9%</td>
<td>45.0%</td>
<td>45.4%</td>
<td>48.0%</td>
<td>49.4%</td>
</tr>
<tr>
<td>Interactive Voice Response %</td>
<td>25%</td>
<td>29%</td>
<td>27%</td>
<td>26%</td>
<td>25%</td>
<td>24%</td>
<td>21%</td>
<td>24%</td>
<td>24%</td>
<td>23%</td>
</tr>
<tr>
<td>Total Customers (000s)*</td>
<td>1,357</td>
<td>1,446</td>
<td>1,436</td>
<td>619</td>
<td>611</td>
<td>588</td>
<td>741</td>
<td>1,429</td>
<td>602</td>
<td>573</td>
</tr>
<tr>
<td>Average Purchase Frequency - Items</td>
<td>5.8</td>
<td>7.0</td>
<td>7.5</td>
<td>4.3</td>
<td>4.5</td>
<td>4.3</td>
<td>4.8</td>
<td>8.2</td>
<td>4.8</td>
<td>4.7</td>
</tr>
</tbody>
</table>

% of Net Merchandise Sales by Category

<table>
<thead>
<tr>
<th></th>
<th>Jewelry &amp; Watches</th>
<th>Home &amp; Consumer Electronics</th>
<th>Beauty</th>
<th>Fashion &amp; Accessories</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>43%</td>
<td>35%</td>
<td>11%</td>
<td>11%</td>
</tr>
<tr>
<td></td>
<td>42%</td>
<td>30%</td>
<td>12%</td>
<td>16%</td>
</tr>
<tr>
<td></td>
<td>39%</td>
<td>31%</td>
<td>14%</td>
<td>16%</td>
</tr>
<tr>
<td></td>
<td>43%</td>
<td>24%</td>
<td>15%</td>
<td>18%</td>
</tr>
<tr>
<td></td>
<td>41%</td>
<td>21%</td>
<td>16%</td>
<td>22%</td>
</tr>
<tr>
<td></td>
<td>42%</td>
<td>25%</td>
<td>14%</td>
<td>19%</td>
</tr>
<tr>
<td></td>
<td>38%</td>
<td>31%</td>
<td>17%</td>
<td>14%</td>
</tr>
<tr>
<td></td>
<td>41%</td>
<td>25%</td>
<td>16%</td>
<td>18%</td>
</tr>
<tr>
<td></td>
<td>41%</td>
<td>22%</td>
<td>15%</td>
<td>22%</td>
</tr>
<tr>
<td></td>
<td>40%</td>
<td>23%</td>
<td>16%</td>
<td>21%</td>
</tr>
</tbody>
</table>

Customers can be active within one to four quarters per year and therefore quarterly active customer counts are not additive.