

# STONE STREET ADVISORS LLC

When we develop an investment idea, our goal is >50% return within 3 years, on both longs and shorts. Here, we present our complete track record, including the returns to each stock's high, low, and current price as of 7/31/2015. We compare long positions to the Russell 2000 – the index most closely matching our portfolio of stocks – and shorts with the inverse Russell 2000 ETF, RWM.

STONE STREET ADVISORS, LLC													
Performance Analysis-Published													
	Ticker	Company	Industry	Initiated			Current						
				Date	Price	Russell 2000	Long-Term Target	Date	Price	Return	Russell 2000	Russell 2000 Return	Relative
Long	BOFI	BOFI Holdings, Inc.	Savings & Loans	3/20/2012	16.98	829.24	>\$30.00	7/31/2015	122.85	623.5%	1238.68	49.4%	574.1%
	CDXC	ChromaDex Corporation	Chemicals- Diversified	9/6/2012	0.70	837.95	n/a	7/31/2015	1.10	57.1%	1238.68	47.8%	9.3%
	DARA	DARA BioSciences, Inc.	Biotechnology	12/3/2012	4.15	820.80	n/a	7/31/2015	0.82	-80.2%	1238.68	50.9%	-131.2%
	PGLC	Pershing Gold Corporation	Basic Materials- Gold	12/18/2012	6.84	847.69	n/a	7/31/2015	4.93	-27.9%	1238.68	46.1%	-74.0%
	PMCB	PharmaCyte Biotech	Biotechnology	3/22/2013	0.06	946.27	n/a	7/31/2015	0.12	100.0%	1238.68	30.9%	69.1%
	JSDA	Jones Soda Co.	Beverages- Soft Drinks	6/7/2013	0.57	987.62	n/a	7/31/2015	0.33	-41.6%	1238.68	25.4%	-67.0%
	TMUS	T-Mobile US, Inc.	Wireless Technology	10/31/2013	27.73	1100.15	\$47.50	7/31/2015	40.66	46.6%	1238.68	12.6%	34.0%
<b>Average</b>										<b>96.8%</b>		<b>37.6%</b>	<b>59.2%</b>
	Ticker	Company	Industry	Initiated			Current						
				Date	Price	RWM	Long-Term Target	Date	Price	Return	RWM	RWM Return	Relative
Short	YOKU	Youku Tudou Inc.	Internet Technology/Web Video	5/23/2011	44.23	121.08	<\$21.00	7/31/2015	19.40	-56.1%	58.56	-51.6%	107.8%
	ZAGG	ZAGG Inc.	Consumer Electronics Accessories	7/7/2011	12.83	113.84	\$0.00	7/31/2015	7.77	-39.4%	58.56	-48.6%	88.0%
	TSL	Trina Solar Limited	Semiconductor- Specialized	8/8/2011	13.42	147.08	n/a	7/31/2015	9.55	-28.8%	58.56	-60.2%	89.0%
	JOSB	Jos. A Bank Clothiers Inc.	Apparel Stores	12/28/2011	48.85	119.20	n/a	6/18/2014	64.98	33.0%	64.80	-45.6%	12.6%
	UNIS	Unilife Corporation	Medical Instruments & Supplies	1/16/2014	4.85	66.92	\$0.56	7/31/2015	1.76	-63.7%	58.56	-12.5%	76.2%
	<b>Average</b>										<b>-31.0%</b>		<b>-43.7%</b>
Performance Analysis- Special Situations and Unpublished													
	Ticker	Company	Industry	Initiated			Current						
				Date	Price	Russell 2000	Long-Term Target	Date	Price	Return	Russell 2000	Russell 2000 Return	Relative
Long	ZZ	Sealy Corporation	Home Furnishings & Fixtures	6/29/2012	1.85	798.49	n/a	3/15/2013	2.19	18.4%	952.48	19.3%	-0.9%
	DV	DeVry, Inc.	Education & Training Services	7/24/2012	20.18	767.75	>\$60.00	7/31/2015	30.38	50.6%	1238.68	61.3%	-10.8%
	MSLP	MusclePharm Corp.	Health Fitness	7/26/2013	10.86	1048.51	n/a	7/31/2015	4.55	-58.1%	1238.68	18.1%	-76.2%
	AUO	AU Optronics Corp.	Semiconductor- Board Line	2/10/2014	2.91	1118.73	n/a	7/31/2015	3.33	14.6%	1238.68	10.7%	3.8%
	VE	Veolia Environment SA	Waste Management	2/10/2014	16.39	1118.73	n/a	7/31/2015	22.28	35.9%	1238.68	10.7%	25.2%
	OSTK	Overstock.com Inc.	Catalog & Mail Order Houses	9/11/2014	18.50	1172.34	\$25.08	7/31/2015	21.16	14.4%	1238.68	5.7%	8.7%
	<b>Average</b>										<b>12.6%</b>		<b>21.0%</b>
	Ticker	Company	Industry	Initiated			Current						
				Date	Price	RWM	Long-Term Target	Date	Price	Return	RWM	RWM Return	Relative
Short	GM	General Motors Company	Auto Manufacturers	2/24/2011	31.31	124.36	n/a	7/31/2015	31.51	0.6%	58.56	-52.9%	52.3%
	CLUB	Town Sports International Holdings	Sporting Activities	1/4/2012	5.48	117.20	\$0.00	7/31/2015	2.28	-58.4%	58.56	-50.0%	108.4%
	ETHI	Ethan Allen Interiors Inc.	Home Furnishings	5/8/2013	30.04	83.48	n/a	7/31/2015	30.19	0.5%	58.56	-29.9%	29.4%
	ROVI	Rovi Corporation	Multimedia Graphics & Software	9/4/2013	17.62	77.72	n/a	7/31/2015	10.99	-37.6%	58.56	-24.7%	62.3%
	SPR	Spirit Aerosystems Holdings Inc.	Aerospace/Defense Products & Services	10/1/2013	24.69	73.12	n/a	7/31/2015	56.30	128.0%	58.56	-19.9%	-108.1%
	LL	Lumber Liquidators Holdings, Inc.	Home Improvement Stores	10/31/2013	114.19	71.92	n/a	7/31/2015	19.30	-83.1%	58.56	-18.6%	101.7%
	OXFD	Oxford Immotech Global PLC	Diagnostic Substances	4/3/2014	19.71	65.68	n/a	7/31/2015	13.25	-32.8%	58.56	-10.8%	43.6%
	<b>Average</b>										<b>-11.8%</b>		<b>-29.5%</b>

<b>Average Long</b>	<b>57.9%</b>	<b>29.9%</b>	<b>28.0%</b>
<b>Long CAGR</b>	<b>24.3%</b>	<b>13.2%</b>	<b>11.0%</b>
<b>Average Short</b>	<b>19.8%</b>	<b>-35.4%</b>	<b>55.3%</b>
<b>Short CAGR</b>	<b>6.7%</b>	<b>-14.6%</b>	<b>21.3%</b>
<b>Portfolio Average</b>	<b>38.9%</b>	<b>-2.8%</b>	<b>31.4%</b>
<b>Portfolio CAGR</b>	<b>14.5%</b>	<b>-1.1%</b>	<b>15.6%</b>

For the buy & hold crowd, a portfolio of our ideas since inception would have returned 14.5% through 7/31/2015 v. -1.1% for a matched portfolio of long Russell 2000 and the Russell 2000 inverse ETF. Of 25 long and short ideas, 8 have returned more than our 50% hurdle rate from inception through 7/31/2015, but this doesn't capture the full picture. Our published longs are outperforming the Russell 2000 by 59.2%, with special situation longs somewhat unsurprisingly (as these tend to be turnarounds that take years to execute) slightly underperforming by 8.4%. Our published short ideas are outperforming the inverse Russell 2000 by 74.7%, and our special situation/unpublished shorts are outperforming by 41.4%.

On average, our published long ideas have been running for 2.5 years, our published shorts for 3.3, special situation longs for 1.6, and special situation shorts for 2.4 years, demonstrating rather clearly that – in line with our goal - the longer our ideas have to play out, the higher the returns.

All 13 of our long ideas have delivered double-digit returns from inception to their respective highs, with an average return of 253.2% for our published research and 63.8% for our special situations and unpublished research.

# STONE STREET ADVISORS LLC

## STONE STREET ADVISORS, LLC

### Performance Analysis-Published

Long	Ticker	Company	Industry	Initiated			High						
				Date	Price	Russell 2000	Long-Term Target	Date	Price	Return	Russell 2000	Russell 2000 Return	Relative
	BOFI	BOFI Holdings, Inc.	Savings & Loans	3/20/2012	16.98	829.24	>\$30.00	7/31/2015	\$ 122.85	623.5%	1238.68	49.4%	574.1%
	DXC	ChromaDex Corporation	Chemicals- Diversified	9/6/2012	0.70	837.95	n/a	3/18/2014	\$ 2.09	198.6%	1205.04	43.8%	154.8%
	DARA	DARA Biosciences, Inc.	Biotechnology	12/3/2012	4.15	820.80	n/a	2/15/2013	\$ 5.80	39.8%	923.15	12.5%	27.3%
	PGLC	PershingGold Corporation	Basic Materials- Gold	12/18/2012	6.84	847.69	n/a	1/28/2013	\$ 10.80	57.9%	906.71	7.0%	50.9%
	PMCB	PharmaCyte Biotech	Biotechnology	3/22/2013	0.06	946.27	n/a	2/27/2014	\$ 0.51	750.0%	1187.94	25.5%	724.5%
	JSDA	Jones Soda Co.	Beverages- Soft Drinks	6/7/2013	0.57	987.62	n/a	7/31/2013	\$ 0.88	55.8%	1045.26	5.8%	49.9%
	TMUS	T-Mobile US, Inc.	Wireless Technology	10/31/2013	27.73	1100.15	\$47.50	7/31/2015	\$ 40.66	46.6%	1238.68	12.6%	34.0%
<b>Average</b>										<b>253.2%</b>		<b>22.4%</b>	<b>230.8%</b>

  

Short	Ticker	Company	Industry	Initiated			High						
				Date	Price	RWM	Long-Term Target	Date	Price	Return	RWM	RWM Return	Relative
	YOKU	Youku Tudou Inc.	Internet Technology/Web Video	5/23/2011	44.23	121.08	<\$21.00	6/2/2011	\$ 45.04	1.8%	119.80	-1.1%	-0.8%
	ZAGG	ZAGG Inc.	Consumer Electronics Accessories	7/7/2011	12.83	113.84	\$0.00	8/3/2011	\$ 16.62	29.5%	125.56	10.3%	-39.8%
	TSL	Trina Solar Limited	Semiconductor- Specialized	8/8/2011	13.42	147.08	n/a	3/7/2014	\$ 18.34	36.7%	64.64	-56.1%	19.4%
	JOSB	Jos. A Bank Clothiers Inc.	Apparel Stores	12/28/2011	48.85	119.20	n/a	6/17/2014	\$ 65.01	33.1%	65.20	-45.3%	12.2%
	UNIS	Unilife Corporation	Medical Instruments & Supplies	1/16/2014	4.85	66.92	\$0.56	3/19/2014	\$ 5.74	18.4%	64.96	-2.9%	-15.4%
<b>Average</b>										<b>23.9%</b>		<b>-19.0%</b>	<b>-4.9%</b>

### Performance Analysis- Special Situations and Unpublished

Long	Ticker	Company	Industry	Initiated			High						
				Date	Price	Russell 2000	Long-Term Target	Date	Price	Return	Russell 2000	Russell 2000 Return	Relative
	ZZ	Sealy Corporation	Home Furnishings & Fixtures	6/29/2012	1.85	798.49	n/a	10/5/2012	\$ 2.26	22.2%	842.86	5.6%	16.6%
	DV	DeVry, Inc.	Education & Training Services	7/24/2012	20.18	767.75	>\$60.00	12/22/2014	\$ 48.85	142.1%	1201.86	56.5%	85.5%
	MLSP	MusclePharm Corp.	Health Fitness	7/26/2013	10.86	1048.51	n/a	10/8/2014	\$ 14.04	29.3%	1097.12	4.6%	24.6%
	AUO	AU Optronics Corp.	Semiconductor- Board Line	2/10/2014	2.91	1118.73	n/a	1/8/2015	\$ 6.01	106.8%	1196.13	6.9%	99.8%
	VE	Veolia Environment SA	Waste Management	2/10/2014	16.39	1118.73	n/a	7/23/2015	\$ 22.34	36.3%	1244.97	11.3%	25.0%
	OSTK	Overstock.com Inc.	Catalog & Mail Order Houses	9/11/2014	18.50	1172.34	\$25.08	12/9/2014	\$ 27.06	46.3%	1188.06	1.3%	44.9%
<b>Average</b>										<b>63.6%</b>		<b>14.4%</b>	<b>49.4%</b>

  

Short	Ticker	Company	Industry	Initiated			High						
				Date	Price	RWM	Long-Term Target	Date	Price	Return	RWM	RWM Return	Relative
	GM	General Motors Company	Auto Manufacturers	2/24/2011	31.31	124.36	n/a	12/17/2013	\$ 39.38	25.8%	70.28	-43.5%	17.7%
	CLUB	Town Sports International Holdings	Sporting Activities	1/4/2012	5.48	117.20	\$0.00	12/31/2013	\$ 14.17	158.6%	67.52	-42.4%	-116.2%
	ETH	Ethan Allen Interiors Inc.	Home Furnishings	5/8/2013	30.04	83.48	n/a	1/22/2015	\$ 32.17	7.1%	62.36	-25.3%	18.2%
	ROVI	Rovi Corporation	Multimedia Graphics & Software	9/4/2013	17.62	77.72	n/a	2/25/2014	\$ 25.20	43.0%	66.36	-14.6%	-28.4%
	SPR	Spirit Aerosystems Holdings Inc.	Aerospace/Defense Products & Services	10/1/2013	24.69	73.12	n/a	6/22/2015	\$ 56.35	128.2%	56.36	-22.9%	-105.3%
	LL	Lumber Liquidators Holdings, Inc.	Home Improvement Stores	10/31/2013	114.19	71.92	n/a	11/15/2013	\$ 119.44	4.6%	70.68	-1.7%	-2.9%
	OXFD	Oxford Immunotech Global PLC	Diagnostic Substances	4/3/2014	19.71	65.68	n/a	5/12/2014	\$ 19.99	1.4%	68.00	-3.5%	-5.0%
<b>Average</b>										<b>52.7%</b>		<b>-21.0%</b>	<b>-31.7%</b>

Our published long ideas outperformed the Russell 2000 by 230.8% from inception to their high prices, while our special situation/unpublished longs outperformed by 49.4%. 7 of 13 long ideas have returned above our 50% hurdle rate, but with published longs on the books for an average of 2.5 years and special situations only running for 1.6, we fully expect the performance of the latter to trend significantly higher over the next year and a half.

Our short ideas' performance exhibits similar characteristics to that of our longs.

# STONE STREET ADVISORS LLC

STONE STREET ADVISORS, LLC													
Performance Analysis-Published													
	Ticker	Company	Industry	Initiated			Low						
				Date	Price	Russell 2000	Long-Term Target	Date	Price	Return	Russell 2000	Russell 2000 Return	Relative
Long	BOFI	BOFI Holdings, Inc.	Savings & Loans	3/20/2012	16.98	829.24	>\$30.00	3/20/2012	\$ 16.98	0.0%	829.24	0.0%	0.0%
	CDXC	ChromaDex Corporation	Chemicals- Diversified	9/6/2012	0.70	837.95	n/a	1/15/2013	\$ 0.50	-28.6%	884.60	5.6%	-34.1%
	DARA	DARA BioSciences, Inc.	Biotechnology	12/3/2012	4.15	820.80	n/a	5/15/2015	\$ 0.68	-83.6%	1243.95	51.6%	-135.2%
	PGLC	Pershing Gold Corporation	Basic Materials- Gold	12/18/2012	6.84	847.69	n/a	7/23/2015	\$ 4.30	-37.1%	1244.97	46.9%	-84.0%
	PMCB	PharmaCytex Biotech	Biotechnology	3/22/2013	0.06	946.27	n/a	3/22/2013	\$ 0.06	0.0%	946.27	0.0%	0.0%
	JSDA	Jones Soda Co.	Beverages- Soft Drinks	6/7/2013	0.57	987.62	n/a	7/17/2015	\$ 0.30	-46.9%	1267.09	28.3%	-75.2%
	TMUS	T-Mobile US, Inc.	Wireless Technology	10/31/2013	27.73	1100.15	\$47.50	12/16/2014	\$ 24.57	-11.4%	1139.37	3.6%	-15.0%
Average										-29.7%		19.4%	-49.1%
Short	YOKU	Youku Tudou Inc.	Internet Technology/Web Video	5/23/2011	44.23	121.08	<\$21.00	3/30/2015	\$ 12.36	-72.1%	58.48	-51.7%	123.8%
	ZAGG	ZAGG Inc.	Consumer Electronics Accessories	7/7/2011	12.83	113.84	\$0.00	11/7/2013	\$ 3.67	-71.4%	73.24	-35.7%	107.1%
	TSL	Trina Solar Limited	Semiconductor- Specialized	8/8/2011	13.42	147.08	n/a	11/20/2012	\$ 2.19	-83.7%	104.52	-28.9%	112.6%
	JOSB	Jos. A Bank Clothiers Inc.	Apparel Stores	12/28/2011	48.85	119.20	n/a	4/1/2013	\$ 39.01	-20.1%	86.92	-27.1%	47.2%
	UNIS	Unifile Corporation	Medical Instruments & Supplies	1/16/2014	4.85	66.92	\$0.56	7/31/2015	\$ 1.76	-63.7%	58.56	-12.5%	76.2%
Average										-62.2%		-31.2%	93.4%
Performance Analysis- Special Situations and Unpublished													
	Ticker	Company	Industry	Initiated			Low						
				Date	Price	Russell 2000	Long-Term Target	Date	Price	Return	Russell 2000	Russell 2000 Return	Relative
Long	ZZ	Sealy Corporation	Home Furnishings & Fixtures	6/29/2012	1.85	798.49	n/a	7/24/2012	\$ 1.55	-16.2%	767.75	-3.8%	-12.4%
	DV	DeVry, Inc.	Education & Training Services	7/24/2012	20.18	767.75	>\$60.00	8/3/2012	\$ 17.80	-11.8%	788.48	2.7%	-14.5%
	MPLP	MusclePharm Corp.	Health Fitness	7/26/2013	10.86	1048.51	n/a	3/17/2015	\$ 3.88	-64.3%	1242.23	18.5%	-82.7%
	AUO	AU Optronics Corp.	Semiconductor- Board Line	2/10/2014	2.91	1118.73	n/a	2/10/2014	\$ 2.91	0.0%	1118.73	0.0%	0.0%
	VE	Veolia Environment SA	Waste Management	2/10/2014	16.39	1118.73	n/a	10/16/2014	\$ 15.83	-3.4%	1086.11	-2.9%	-0.5%
	OSTK	Overstock.com Inc.	Catalog & Mail Order Houses	9/11/2014	18.50	1172.34	\$25.08	10/9/2014	\$ 15.35	-17.0%	1067.99	-8.9%	-8.1%
Average										-18.8%		0.9%	-19.7%
Short	GM	General Motors Company	Auto Manufacturers	2/24/2011	31.31	124.36	n/a	7/25/2012	\$ 17.83	-43.1%	109.84	-11.7%	94.7%
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	ETH	Ethan Allen Interiors Inc.	Home Furnishings	5/8/2013	30.04	83.48	n/a	7/17/2014	\$ 22.14	-26.3%	67.36	-19.3%	45.6%
	ROVI	Rovi Corporation	Multimedia Graphics & Software	9/4/2013	17.62	77.72	n/a	7/31/2015	\$ 10.99	-37.6%	58.56	-24.7%	62.3%
	SPR	Spirit Aerosystems Holdings Inc.	Aerospace/Defense Products & Services	10/1/2013	24.69	73.12	n/a	10/9/2013	\$ 23.54	-4.7%	75.96	3.9%	0.8%
	LL	Lumber Liquidators Holdings, Inc.	Home Improvement Stores	10/31/2013	114.19	71.92	n/a	7/28/2015	\$ 18.96	-83.4%	59.22	-17.7%	101.1%
	OXFD	Oxford Immunotech Global PLC	Diagnostic Substances	4/3/2014	19.71	65.68	n/a	12/15/2014	\$ 10.75	-45.5%	65.40	-0.4%	45.9%
Average										-42.7%		-17.1%	59.8%

From idea inception through their low prices, our published shorts have returned 62.2%, outperforming the inverse Russell 2000 by 93.4%, while our special situations/unpublished shorts have returned 42.7%, outperforming by 59.8%. 6 out of 12 shorts have beat our 50% return hurdle rate, with published shorts running 3.25 years on average, and special situations/unpublished ideas 2.43.

Over the past four and a half years, we believe our track record of picking winning long and short ideas is among the best in the industry, and incomparably better than that of traditional sell-side research. All 25 of our ideas have delivered positive return exit opportunities both on an absolute and relative basis, all but one in the double-digits, a feat of which we are particular proud, and which we believe is most likely unrivaled among all research firms.

If you're interested in learning more about gaining access to our market-crushing, uncorrelated, long-term returns, please get in touch via [information@stonestreetadvisors.com](mailto:information@stonestreetadvisors.com)