

Business Services Update

May 2018

The Mufson Howe Hunter Business Services Update is designed to provide business leaders, investors and industry professionals with current market trends and important developments within the Business Services industry. This monthly report contains recent news, analysis, and M&A activity on selected companies and in-depth coverage of the primary sectors.

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Mufson Howe Hunter & Company LLC is a middle-market focused investment bank providing M&A, capital raising and financial advisory services.

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The Mufson Howe Hunter Human Resources Outsourcing Index is currently comprised of AMN Healthcare Services, Inc., Automatic Data Processing, Barrett Business Services, Inc., CBIZ, Inc., Computer Task Group, Inc., Corporate Executive Board Co., CRA International, Inc., Cross Country Healthcare, Inc., CT Partners, Exponent, Inc., Fair Isaac Corp., FTI Consulting, Inc., Heidrick & Struggles Intl. Inc., Hudson Global, Inc., Huron Consulting, Insperity, Inc., Kelly Services, Inc., Kforce, Inc., Korn/Ferry International Inc., Manpower, Inc., Navigant Consulting, Inc., On Assignment, Inc., Paychex, Inc., RCM Technologies, Inc., Resources Connection, Inc., Robert Half International, Inc., Team Health Holdings, Inc., Willis Towers Watson Public Limited Company and TrueBlue, Inc.

The Mufson Howe Hunter Contact Center Services Index is currently comprised of Convergys Corporation, Exlservice Holdings, Inc., Genpact Ltd., StarTek, Inc., Sykes Enterprises, Incorporated, TeleTech Holdings Inc. and WNS (Holdings) Ltd.

The Mufson Howe Hunter Fixed Asset Management Index is currently comprised of ABM Industries Inc., Aramark, Brinks Co., Casella Waste Systems Inc., Chemed Corp., Cintas Corporation, Clean Harbors, Inc., Comfort Systems USA Inc., Compass Group PLC, CoreCivic, Inc., Corrections Corporation of America, EMCOR Group Inc., FirstService Corp., G4S plc, Healthcare Services Group Inc., Heritage-Crystal Clean, Inc., Prosegur Compania de Seguridad SA, Rentokil Initial plc, Republic Services, Inc., Rollins Inc., Securitas AB, Sodexo, SP Plus Corporation, Stericycle, Inc., The GEO Group, Inc., UniFirst Corp., Waste Connections Inc. and Waste Management, Inc.

The companies that comprise each Index periodically change as a result of mergers, acquisitions, initial public offerings and other transactions; therefore, comparisons to historical time periods and historical performance for each Index do not entirely correspond and correlate to the Index's current performance. Historical performance is not a guarantee or prediction of future results.

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Human Resources Outsourcing

Temporary staffing, HR Outsourcing and Professional Consulting related services for a variety of end-user markets.

Comparative Index Performance

The Mufson Howe Hunter Human Resources Outsourcing Index^(a) increased by 2.8% in April of 2018.

Last Three Years

Daily from April 30, 2015 to April 30, 2018

Price as Percent of Base (April 30, 2015 = 0%)



Last Twelve Months

Daily from April 28, 2017 to April 30, 2018

Price as Percent of Base (April 28, 2017 = 0%)



Price Appreciation

Mufson Howe Hunter Human Resources Outsourcing Index^(a)

3-Year LTM 1 Month

NASDAQ

36.5% 15.7% 2.8%

S&P 500

43.0% 16.8% 2.9%

27.0% 11.1% 2.6%

(a) Market cap weighted index assuming no dividend reinvestment. Mufson Howe Hunter Human Resources Outsourcing Index is comprised of all companies listed on the following two pages.

Selected Valuation Metrics

Company	Market & Capitalization			LTM Performance ⁽³⁾			Valuation		Margins	
	Price ⁽¹⁾	Equity Value	Enterprise Value ⁽²⁾	Revenue	EBITDA ⁽⁴⁾	EPS	Enterprise Value/ Revenue	Price/ EPS	Gross Profit	EBITDA
Commercial Staffing										
Manpower, Inc. (MAN)	\$118.46	\$6,332.2	\$6,833.8	\$21,799.5	\$932.1	\$7.38	0.31 x	7.3 x	16.1 x	16.4%
TrueBlue, Inc. (TBI)	27.20	1,058.4	1,101.4	2,494.9	124.5	1.22	0.44 x	8.8 x	22.3 x	25.6%
Kelly Services, Inc. (KELY.A)	29.49	1,123.6	1,101.3	5,374.4	108.4	1.39	0.20 x	10.2 x	21.2 x	17.8%
Mean	\$2,838.0	\$3,012.1	\$9,889.6	\$388.3	\$3.33	0.32 x	8.8 x	19.9 x	19.9%	3.8%
Median	1,123.6	1,101.4	5,374.4	124.5	1.39	0.31 x	8.8 x	21.2 x	17.8%	4.3%
Professional Staffing										
Robert Half International, Inc. (RHI)	\$57.07	\$7,382.7	\$7,088.8	\$5,374.8	\$590.0	\$2.65	1.32 x	12.0 x	21.5 x	41.1%
Kforce, Inc. (KFRC)	27.70	661.2	780.9	1,370.2	79.4	1.66	0.57 x	9.8 x	16.7 x	30.0%
Resources Connection, Inc. (RECN)	15.55	493.2	513.0	619.0	63.6	1.16	0.83 x	8.1 x	13.5 x	40.3%
Hudson Global, Inc. (HSON)	1.96	58.6	44.7	456.7	5.6	0.04	0.10 x ‡	7.9 x	NM	40.9%
Mean	\$2,148.9	\$2,106.9	\$1,955.2	\$184.6	\$1.38	0.91 x	9.5 x	17.2 x	38.1%	7.1%
Median	577.2	647.0	994.6	71.5	1.41	0.83 x	9.0 x	16.7 x	40.6%	8.0%
Healthcare Staffing										
On Assignment, Inc. (ASGN)	\$76.69	\$4,215.4	\$4,702.4	\$2,684.6	\$295.0	\$2.48	1.75 x	15.9 x	31.0 x	32.4%
AMN Healthcare Services, Inc. (AMN)	55.65	3,196.7	3,501.4	2,015.8	248.1	2.48	1.74 x	14.1 x	22.4 x	32.3%
Cross Country Healthcare, Inc. (CCRN)	12.95	454.9	529.1	867.8	41.2	0.43	0.61 x	12.9 x	30.4 x	26.4%
Mean	\$2,622.3	\$2,910.9	\$1,856.0	\$194.7	\$1.79	1.37 x	14.3 x	27.9 x	30.4%	9.3%
Median	3,196.7	3,501.4	2,015.8	248.1	2.48	1.74 x	14.1 x	30.4 x	32.3%	11.0%
IT Staffing										
Computer Task Group, Inc. (CTG)	\$7.97	\$105.5	\$103.4	\$307.0	\$5.1	\$0.15	0.34 x	20.1 x	NM	18.9%
RCM Technologies, Inc. (RCMT)	3.64	62.9	87.3	186.7	6.8	0.23	0.47 x	12.9 x	15.6 x	25.9%
Mean	\$84.2	\$95.4	\$246.9	\$6.0	\$0.19	0.40 x	16.5 x	15.6 x	22.4%	2.7%
Median	84.2	95.4	246.9	6.0	0.19	0.40 x	16.5 x	15.6 x	22.4%	2.7%
Executive Search										
Korn/Ferry International, Inc. (KFY)	\$41.91	\$3,021.8	\$2,874.5	\$1,697.9	\$216.4	\$2.07	1.69 x	13.3 x	20.3 x	27.3%
Heidrick & Struggles Intl. Inc. (HSII)	26.40	712.5	651.1	641.5	61.5	1.56	1.02 x	10.6 x	17.0 x	30.1%
Mean	\$1,867.1	\$1,762.8	\$1,169.7	\$138.9	\$1.81	1.35 x	11.9 x	18.6 x	28.7%	11.2%
Median	1,867.1	1,762.8	1,169.7	138.9	1.81	1.35 x	11.9 x	18.6 x	28.7%	11.2%

(continued on next page)

NA = Not Available; NM = Not Meaningful; LTM = Latest Twelve Months

‡ = excluded from Mean and Median calculations

Source: Public Filings, Press Releases and Published Research Reports.

(1) As of close on April 30, 2018.

(2) Enterprise value is defined as equity value plus net debt, preferred stock and minority interests. Net Debt includes long term debt, short term debt, postretirement benefits and unfunded pensions, if applicable, less cash and cash equivalents.

(3) As of March 31, 2018 except TBI (April 1, 2018); RECN (February 24, 2018); KFY (January 31, 2018); HSON and KELY.A (December 31, 2017) and RCMT (December 30, 2017).

(4) Excludes non-recurring and discontinued operations.

Selected Valuation Metrics

Company	Market & Capitalization		LTM Performance ⁽³⁾			Valuation		Margins		
	Price ⁽¹⁾	Equity Value	Enterprise Value ⁽²⁾	Revenue	EBITDA ⁽⁴⁾	EPS	Enterprise Value/Revenue	Price/EBITDA	Gross Profit	EBITDA
HR Outsourcing										
Automatic Data Processing (ADP)	\$115.32	\$52,341.3	\$52,567.1	\$13,072.1	\$2,809.9	\$3.42	4.02 x	18.7 x	33.7 x	42.8%
Towers Watson & Co. (NasdaqGS:WLTW)	157.90	19,662.7	23,318.7	8,116.0	1,698.0	3.93	2.87 x	13.7 x	NM	41.5%
Paychex, Inc. (PAYX)	65.13	21,761.3	21,397.8	3,308.4	1,407.1	2.21	6.47 x	15.2 x	29.5 x	70.3%
Insperity, Inc. (NSP)	65.30	3,371.0	3,118.8	3,431.9	156.2	2.14	0.91 x	20.0 x	30.5 x	17.9%
Barrett Business Services (BBSI)	74.29	639.3	583.1	934.4	38.7	3.24	0.62 x	15.1 x	22.9 x	61.8%
Mean		\$19,555.1	\$20,197.1	\$5,772.6	\$1,222.0	\$2.99	2.98 x	16.5 x	29.2 x	46.9%
Median		\$19,662.7	\$21,397.8	\$3,431.9	\$1,407.1	\$3.24	2.87 x	15.2 x	30.0 x	42.8%
Professional & Consulting										
Fair Isaac Corp. (FICO)	\$169.94	\$5,167.8	\$5,763.8	\$977.4	\$223.3	\$3.32	5.90 x	NM	NM	69.5%
FTI Consulting, Inc. (FCN)	47.69	2,148.4	2,437.8	1,859.2	220.9	2.65	1.31 x	11.0 x	18.0 x	34.0%
Exponent, Inc. (EXPO)	77.75	2,246.8	2,068.2	339.9	85.3	2.03	6.08 x	24.2 x	NM	37.2%
CBIZ, Inc. (CBZ)	18.05	1,022.8	1,240.1	880.0	101.0	0.90	1.41 x	12.3 x	20.1 x	12.8%
Huron Consulting (HURN)	35.00	804.8	1,131.0	737.4	90.1	0.72	1.53 x	12.6 x	NM	36.0%
Navigant Consulting, Inc. (NCI)	19.88	970.1	1,094.6	947.3	123.4	1.05	1.16 x	8.9 x	18.9 x	30.9%
CRA International (CRAI)	49.99	458.0	447.2	381.4	28.4	1.35	1.17 x	15.7 x	NM	30.7%
Mean		\$1,831.2	\$2,026.1	\$874.6	\$124.6	\$1.72	2.65 x	14.1 x	19.0 x	35.9%
Median		1,022.8	1,240.1	880.0	101.0	1.35	1.41 x	12.4 x	18.9 x	34.0%

NA = Not Available; NM = Not Meaningful; LTM = Latest Twelve Months

‡ = excluded from Mean and Median calculations

Source: Public Filings, Press Releases and Published Research Reports.

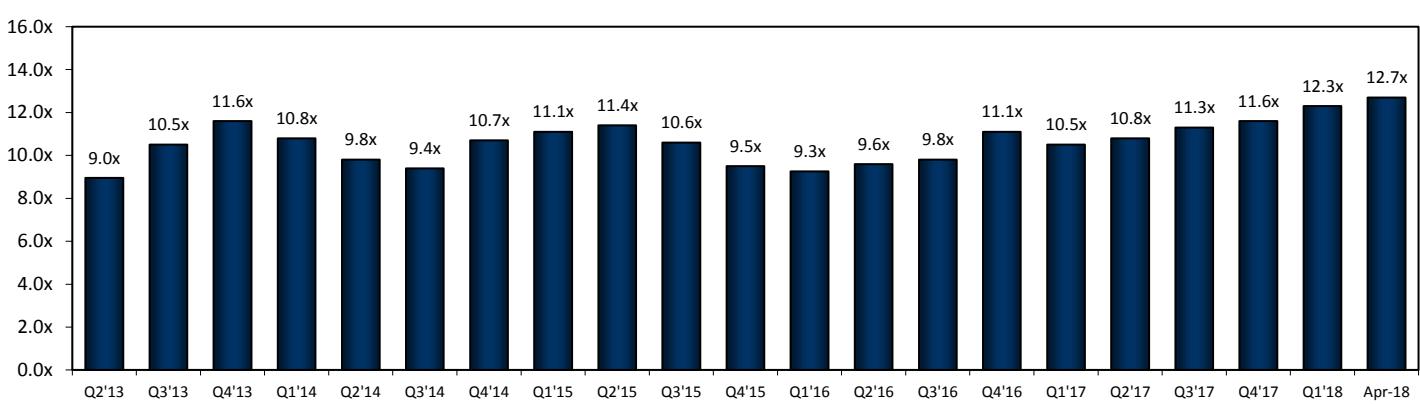
(1) As of close on April 30, 2018.

(2) Enterprise value is defined as equity value plus net debt, preferred stock and minority interests. Net Debt includes long term debt, short term debt, postretirement benefits and unfunded pensions, if applicable, less cash and cash equivalents.

(3) As of March 31, 2018 except EXPO (March 30, 2018); PAYX (February 28, 2018) and WLTW (December 31, 2017).

(4) Excludes non-recurring and discontinued operations.

Historical Enterprise Value-to-LTM EBITDA Multiples



Selected M&A Transactions

Announced	Target	Target Description	Acquirer	Value
April 24	Worldwide Staffing Group, Inc.	Provides employment and staffing services	Cannabis Strategic Ventures (OTCPK:NUGS)	ND
April 24	Economic Modeling LLC	Provides labor market advisory services	Strada Education Network	ND
April 23	Strategic Resources International, Inc.	Provides IT consulting and engineering staffing services	Peraton Corporation	ND
April 20	Carrot Services Oy	Provides staffing, recruitment and outsourcing services	Panostaja Oyj (HLSE:PNA1V)	\$8.0
April 19	SMR Shared Services Sdn Bhd	Offers outsourced payroll and other HR services	ND	ND
April 17	P's Staff Co., Ltd.	Provides staffing and recruitment solutions	SERAKU Co., Ltd. (TSE:6199)	ND
April 9	Phillips, DiPisa & Associates Inc. and Leaders For Today, LLC	Provides healthcare recruitment services	AMN Healthcare Services, Inc. (NYSE:AMN)	\$37.0
April 4	workopolis.com Ltd.	Operates an online job site that connects employers with job seekers	Recruit Holdings Co.,Ltd. (TSE:6098)	ND

ND – Not disclosed. Transaction values in millions.

Selected News

ASGN Incorporated (NYSE:ASGN) reported first quarter net income of \$29.1 million for fiscal year 2018 as compared to \$22.4 million for the prior year period. Earnings per share were \$0.55 versus \$0.42 for the prior year period. Revenues for the quarter increased to \$685.2 million from \$626.5 million for the same period in fiscal year 2017.

Automatic Data Processing, Inc. (NasdaqGS:ADP) announced the appointment of **Thomas J. Lynch** and **Scott F. Powers** to its Board of Directors effective April 18, 2018.

CBIZ, Inc. (NYSE:CBZ) reported first quarter net income of \$35.9 million for fiscal year 2018 as compared to \$24.9 million for the prior year period. Earnings per share were \$0.64 versus \$0.45 for the prior year period. Revenues for the quarter increased to \$266.1 million from \$241.5 million for the same period in fiscal year 2017.

Computer Task Group, Incorporated (NasdaqGS:CTG) reported first quarter net income of \$0.4 million for fiscal year 2018 as compared to \$0.8 million for the prior year period. Earnings per share were \$0.03 versus \$0.05 for the prior

year period. Revenues for the quarter increased to \$82.8 million from \$77.0 million for the same period in fiscal year 2017.

CRA International, Inc. (NasdaqGS:CRAI) reported first quarter net income of \$5.8 million for fiscal year 2018 as compared to \$2.9 million for the prior year period. Earnings per share were \$0.67 versus \$0.33 for the prior year period. Revenues for the quarter increased to \$99.5 million from \$88.2 million for the same period in fiscal year 2017.

Exponent, Inc. (NasdaqGS:EXPO) reported first quarter net income of \$20.3 million for fiscal year 2018 as compared to \$16.6 million for the prior year period. Earnings per share were \$0.75 versus \$0.61 for the prior year period. Revenues for the quarter increased to \$90.7 million from \$80.5 million for the same period in fiscal year 2017.

Exponent, Inc. (NasdaqGS:EXPO) announced the appointment of **Dr. Catherine Corrigan** as **President** and **Chief Executive Officer** effective May 31, 2018.

Fair Isaac Corporation (NYSE:FICO) reported second quarter net income of \$32.3 million for fiscal year 2018 as compared to \$25.1 million for the prior year period. Earnings per share were \$1.03 versus \$0.78 for the prior year period. Revenues for the quarter increased to \$257.9 million from \$228.4 million for the same period in fiscal year 2017.

Fair Isaac Corporation (NYSE:FICO) announced the appointment of **Eva Manolis** to its **Board of Directors** effective April 2, 2018.

FTI Consulting, Inc. (NYSE:FCN) reported first quarter net income of \$38.9 million for fiscal year 2018 as compared to \$14.0 million for the prior year period. Earnings per share were \$1.04 versus \$0.34 for the prior year period. Revenues for the quarter increased to \$497.8 million from \$446.3 million for the same period in fiscal year 2017.

Heidrick & Struggles International, Inc. (NasdaqGS:HSII) reported first quarter net income of \$10.2 million for fiscal year 2018 as compared to \$0.7 million for the prior year period. Earnings per share were \$0.53 versus \$0.03 for the prior year period. Revenues for the quarter increased to \$160.1 million from \$140.0 million for the same period in fiscal year 2017.

Hudson Global, Inc. (NasdaqGS:HSON) reported net income of (\$2.9) million for fiscal year 2017 as compared to (\$8.8) million for the prior year. Earnings per share were (\$0.09) versus (\$0.27) for the prior year. Revenues for the year increased to \$456.7 million from \$422.7 million for fiscal year 2016.

Hudson Global, Inc (NasdaqGS:HSON) announced the appointment of **Jeffrey Eberwein**, the Chairman of the Board of Directors, as **Chief Executive Officer**, and **Richard Coleman, Jr.**, a director of the company, as the **Chairman of the Board of Directors**.

Insperity, Inc. (NYSE:NSP) reported first quarter net income of \$50.0 million for fiscal year 2018 as compared to \$35.6 million for the prior year period. Earnings per share were \$1.18 versus \$0.85 for the prior year period. Revenues for the quarter increased to \$1,014.4 million from \$882.7 million for the same period in fiscal year 2017.

ManpowerGroup Inc. (NYSE:MAN) reported first quarter net income of \$97.0 million for fiscal year 2018 as compared to \$74.4 million for the prior year period. Earnings per share were \$1.45 versus \$1.09 for the prior year period. Revenues for the quarter increased to \$5,522.4 million from \$4,757.2 million for the same period in fiscal year 2017.

Paychex, Inc. (NasdaqGS:PAYX) announced the appointment of **Pamela Joseph** to its **Board of Directors**.

Resources Connection, Inc. (NasdaqGS:RECN) reported third quarter net income of \$4.6 million for fiscal year 2018 as compared to \$2.9 million for the prior year period. Earnings per share were \$0.14 versus \$0.09 for the prior year period. Revenues for the quarter increased to \$172.4 million from \$143.8 million for the same period in fiscal year 2017.

Robert Half International Inc. (NYSE:RHI) reported first quarter net income of \$96.2 million for fiscal year 2018 as compared to \$78.5 million for the prior year period. Earnings per share were \$0.78 versus \$0.62 for the prior year period. Revenues for the quarter increased to \$1,395.3 million from \$1,287.4 million for the same period in fiscal year 2017.

TrueBlue, Inc. (NYSE:TBI) reported first quarter net income of \$8.8 million for fiscal year 2018 as compared to \$4.7 million for the prior year period. Earnings per share were \$0.22 versus \$0.11 for the prior year period. Revenues for the quarter decreased to \$554.4 million from \$568.2 million for the same period in fiscal year 2017.

Note: All per share results are reported on a fully-diluted basis.

Contact Center Services

Outsourced customer management and business process outsourcing services, including: customer care, fulfillment, marketing, technical support and acquisition services.

Comparative Index Performance

The Mufson Howe Hunter Contact Center Services Index^(a) increased by 3.9% in April of 2018.

Last Three Years

Daily from April 30, 2015 to April 30, 2018

Price as Percent of Base (April 30, 2015 = 0%)



Last Twelve Months

Daily from April 28, 2017 to April 30, 2018

Price as Percent of Base (April 28, 2017 = 0%)



Price Appreciation

Mufson Howe Hunter Contact Center Services Index^(a)

3-Year **LTM** **1 Month**

NASDAQ

40.3% 21.0%

3.9%

S&P 500

43.0% 16.8%

2.9%

27.0% 11.1%

2.6%

(a) Market cap weighted index assuming no dividend reinvestment. Mufson Howe Hunter Contact Center Services Index is comprised of all companies listed on the following page.

Selected Valuation Metrics

Company	Market & Capitalization			LTM Performance ⁽³⁾			Valuation			Margins	
	Price ⁽¹⁾	Equity	Enterprise	Revenue	EBITDA	EPS	Enterprise Value/ Revenue	Price/ EBITDA	EPS	Gross	EBITDA
		Value	Value ⁽²⁾							Profit	EBITDA
On-Shore											
Convergys Corporation (CVG)	\$23.36	\$2,140.5	\$2,201.9	\$2,792.1	\$358.2	\$1.29	0.79 x	6.1 x	18.1 x	37.9%	12.8%
TTEC Holdings, Inc. (TTEC)	32.00	1,471.3	1,747.9	1,477.4	185.0	1.45	1.18 x	9.4 x	22.0 x	24.9%	12.5%
Sykes Enterprises, Incorporated (SYKE)	28.76	1,209.0	1,140.2	1,586.0	170.4	1.29	0.72 x	6.7 x	22.2 x	36.8%	10.7%
StarTek, Inc. (SRT) ^(a)	8.84	143.2	166.7	292.6	10.9	(0.05)	0.57 x	15.4 x	NM	11.1%	3.7%
Mean	\$1,241.0	\$1,314.2	\$1,537.0	\$181.1	\$1.00	0.82 x	9.4 x	20.8 x	27.6%	10.0%	
Median	1,340.1	1,444.0	1,531.7	177.7	1.29	0.75 x	8.1 x	22.0 x	30.8%	11.6%	
Off-Shore											
Genpact Limited (G)	\$31.89	\$6,126.4	\$6,842.1	\$2,802.8	\$413.8	\$1.10	2.44 x	16.5 x	29.1 x	37.8%	14.8%
WNS (Holdings) Limited (WNS)	48.93	2,467.7	2,336.0	758.0	109.7	1.20	3.08 x	21.3 x	40.8 x	33.6%	14.5%
ExlService Holdings, Inc. (EXLS)	57.81	1,997.4	1,793.6	786.3	113.0	1.36	2.28 x	15.9 x	42.5 x	34.5%	14.4%
Mean	\$3,530.5	\$3,657.2	\$1,449.0	\$212.2	\$1.22	2.60 x	17.9 x	37.5 x	35.3%	14.5%	
Median	2,467.7	2,336.0	786.3	113.0	1.20	2.44 x	16.5 x	40.8 x	34.5%	14.5%	
All Companies											
Mean	\$2,222.2	\$2,318.3	\$1,499.3	\$194.4	\$1.09	1.58 x	13.0 x	29.1 x	30.9%	11.9%	
Median	1,997.4	1,793.6	1,477.4	170.4	1.29	1.18 x	15.4 x	25.7 x	34.5%	12.8%	

NA = Not Available; NM = Not Meaningful; LTM = Latest Twelve Months

(1) As of close April 30, 2018.

‡ = excluded from Mean and Median calculations

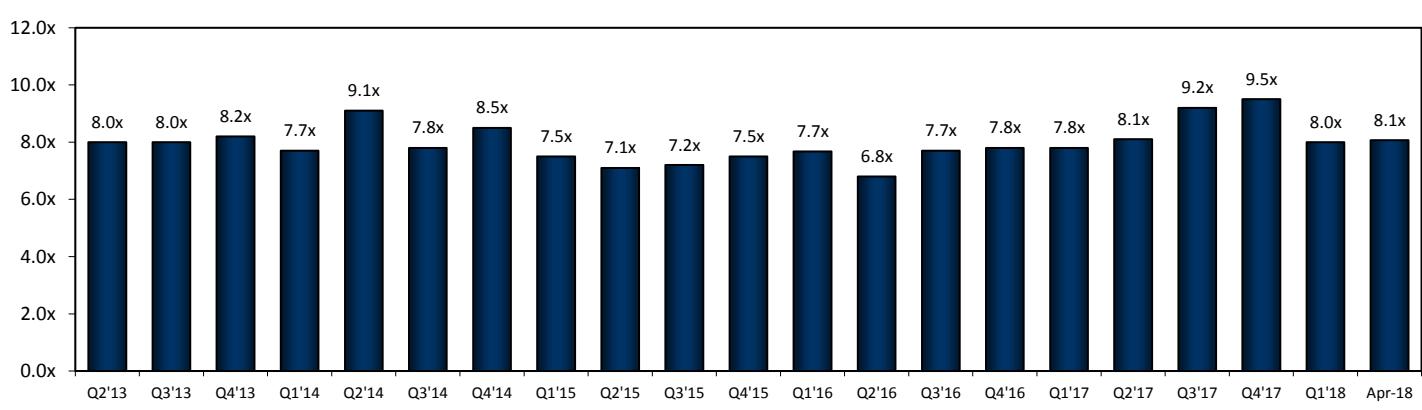
(2) Enterprise value is defined as equity value plus net debt, preferred stock and minority interests. Net Debt includes long term debt, short term debt, postretirement benefits and unfunded pensions, if applicable, less cash and cash equivalents.

Source: Public Filings, Press Releases and Published Research Reports.

(3) As of December 31, 2017 except for EXLS, G and WNS (March 31, 2018).

(a) On March 15, 2018, STR entered into an agreement to combine operations with Aegis Global.

Historical Enterprise Value-to-LTM EBITDA Multiples



Selected M&A Transactions

Announced	Target	Target Description	Acquirer	Value
April 30	Pitney Bowes Document Messaging Technologies Limited	Offers outsourced customer information management	Platinum Equity, LLC	\$360.0
April 10	ASTERION International GmbH	Provides outsourced customer support services	Exela Technologies, Inc. (NasdaqCM:XELA)	ND
April 6	RJ Globus Solutions Inc.	Provides voice-based BPO services	Datamatics Global Services Corp.	ND
April 6	Telerx Marketing Inc. (dba C3i)	Provides BPO services via a network of global contact centers	HCL America, Inc.	\$60.0
April 4	RBS Retail Banking Services S.r.l.	Provides outsourced CRM services	Covisian S.r.l.	ND

ND – Not disclosed. Transaction values in millions.

Selected News

WNS (Holdings) Limited (NYSE:WNS) reported net income of \$86.4 million for fiscal year 2018 as compared to \$37.8 million for the prior year. Earnings per share were \$1.63 versus \$0.71 for the prior year. Revenues for the year increased to \$758.0 million from \$602.5 million for fiscal year 2017.

Note: All per share results are reported on a fully-diluted basis.

Fixed Asset Management

Outsourced facility management services including: facility maintenance, food service contracting, manned security services, uniform/linen rental and waste management services.

Comparative Index Performance

The Mufson Howe Hunter Fixed Asset Management Index^(a) increased by 1.2% in April of 2018.

Last Three Years

Daily from April 30, 2015 to April 30, 2018

Price as Percent of Base (April 30, 2015 = 0%)



Last Twelve Months

Daily from April 28, 2017 to April 30, 2018

Price as Percent of Base (April 28, 2017 = 0%)



Price Appreciation

	3-Year	LTM	1 Month
Mufson Howe Hunter Fixed Asset Management Index ^(a)	31.5%	5.3%	1.2%
NASDAQ	43.0%	16.8%	2.9%
S&P 500	27.0%	11.1%	2.6%

(a) Market cap weighted index assuming no dividend reinvestment. Mufson Howe Hunter Fixed Asset Management Index is comprised of all companies listed on the following two pages.

Fixed Asset Management

Selected Valuation Metrics

Company	Market & Capitalization			LTM Performance ⁽³⁾			Valuation		Margins	
	Price ⁽¹⁾	Equity Value	Enterprise Value ⁽²⁾	Revenue	EBITDA ⁽⁴⁾	EPS	Enterprise Value/ Revenue	Price/ EPS	Gross Profit	EBITDA
Facility Maintenance										
Rollins, Inc. (ROL)	\$48.52	\$10,586.5	\$10,502.2	\$1,707.5	\$355.8	\$0.85	6.15 x	29.5 x	57.2 x	51.0%
Rentokil Initial plc (LSE:RTO)	4.15	7,620.9	8,870.6	3,260.4	672.4	0.13	2.72 x	13.2 x	32.4 x	80.3%
ChemEd Corporation (CHE)	308.22	4,912.3	5,041.1	1,700.0	254.7	8.43	2.97 x	19.8 x	36.6 x	31.2%
EMCOR Group, Inc. (EME)	73.59	4,301.7	4,257.1	7,695.7	472.0	3.94	0.55 x	9.0 x	18.7 x	14.9%
ABM Industries Incorporated (ABM)	31.13	2,045.2	3,157.0	5,715.2	218.5	1.10	0.55 x	14.4 x	28.4 x	10.5%
FirstService Corporation (TSX:FSV)	69.34	2,490.5	2,877.6	1,751.6	162.6	1.25	1.64 x	17.7 x	55.3 x	30.6%
Healthcare Services Group, Inc. (HCSG)	38.63	2,847.5	2,788.6	1,963.5	103.7	0.83	1.42 x	26.9 x	46.4 x	11.5%
Comfort Systems USA, Inc. (FIX)	42.20	1,563.2	1,604.0	1,872.3	146.6	1.70	0.86 x	10.9 x	24.8 x	20.3%
SP Plus Corporation (SP)	35.15	785.0	916.2	882.3	102.3	2.23	1.04 x	9.0 x	15.7 x	20.9%
Mean	\$4,128.1	\$4,446.0	\$2,949.8	\$276.5	\$2.27	1.99x	16.7x	35.0x	30.1%	11.2%
Median	2,847.5	3,157.0	1,872.3	218.5	1.25	1.42x	14.4x	32.4x	20.9%	9.3%
Food Services										
Compass Group PLC (LSE:CPG)	\$21.08	\$33,389.9	\$38,265.0	\$30,502.7	\$2,858.6	\$0.80	1.25 x	13.4 x	26.4 x	24.5%
Sodexo S.A. (ENXTPA:SW)	97.40	14,444.8	17,608.8	24,151.1	1,758.2	5.34	0.73 x	10.0 x	18.2 x	15.1%
Aramark (ARMK)	37.39	9,191.6	16,067.5	15,151.8	1,248.4	1.15	1.06 x	12.9 x	32.4 x	10.6%
Mean	\$19,008.8	\$23,980.5	\$23,268.5	\$1,955.1	\$2.43	1.01x	12.1x	25.7x	16.7%	8.3%
Median	14,444.8	17,608.8	24,151.1	1,758.2	1.15	1.06x	12.9x	26.4x	15.1%	8.2%
Manned Security Services										
G4S plc (LSE:GFS)	\$3.50	\$5,419.2	\$7,491.2	\$10,580.2	\$806.9	\$0.19	0.71 x	9.3 x	18.8 x	17.8%
Securitas AB (OM:SECU B)	16.11	5,881.9	7,359.1	10,559.5	673.0	0.79	0.70 x	10.9 x	20.3 x	17.6%
The GEO Group, Inc. (GEO)	22.50	2,745.1	5,338.9	2,277.7	394.2	0.92	2.34 x	13.5 x	24.5 x	24.8%
Prosegur Compañía de Seguridad, S.A. (BME:PSG)	7.45	4,459.1	4,899.8	5,090.4	606.2	0.34	0.96 x	8.1 x	22.1 x	24.0%
The Brink's Company (BCO)	73.80	3,756.8	4,474.4	3,437.7	370.6	2.05	1.30 x	12.1 x	36.0 x	21.7%
CoreCivic, Inc. (CXW)	20.16	2,389.8	3,812.0	1,760.7	402.8	0.95	2.17 x	9.5 x	21.3 x	28.8%
Mean	\$4,108.7	\$5,562.6	\$5,617.7	\$542.3	\$0.9	1.36x	10.6x	23.8x	22.5%	\$0.1
Median	4,107.9	5,119.4	4,264.0	504.5	0.9	1.13x	10.2x	21.7x	22.9%	0.1
Uniform / Linen Rentals										
Cintas Corporation (CTAS)	\$170.30	\$18,174.6	\$20,710.6	\$6,337.4	\$1,262.0	\$4.94	3.27 x	16.4 x	34.5 x	44.7%
UniFirst Corporation (UNF)	160.60	3,072.6	2,684.9	1,648.5	275.9	5.81	1.63 x	9.7 x	27.6 x	37.8%
Mean	\$10,623.6	\$11,697.7	\$3,992.9	\$769.0	\$5.38	2.45x	13.1x	31.0x	41.3%	18.3%
Median	10,623.6	11,697.7	3,992.9	769.0	5.38	2.45x	13.1x	31.0x	41.3%	18.3%

(continued on next page)

NA = Not Available; NM = Not Meaningful; LTM = Latest Twelve Months

‡ = excluded from Mean and Median calculations

Source: Public Filings, Press Releases and Published Research Reports.

(1) As of close April 30, 2018.

(2) Enterprise value is defined as equity value plus net debt, preferred stock and minority interests. Net Debt includes long term debt, short term debt, postretirement benefits and unfunded pensions, if applicable, less cash and cash equivalents.

(3) As of March 31, 2018 except CTAS, ENXTPA and SW (February 28, 2018); UNF (February 24, 2018); ABM (January 31, 2018); GFS, MOC and PSG (December 31, 2017); ARMK (December 29, 2017) and CPG (September 30, 2017).

(4) Excludes non-recurring and discontinued operations.

Selected Valuation Metrics

Company	Market & Capitalization			LTM Performance ⁽³⁾			Valuation			Margins	
	Price ⁽¹⁾	Equity Value	Enterprise Value ⁽²⁾	Revenue	EBITDA ⁽⁴⁾	EPS	Enterprise Value/Revenue	Price/EBITDA	EPS	Gross Profit	EBITDA
Waste Management Services											
Waste Management, Inc. (WM)	\$81.29	\$35,059.1	\$44,985.1	\$14,556.0	\$4,066.0	\$3.23	3.09 x	11.1 x	25.2 x	37.9%	27.9%
Republic Services, Inc. (RSG)	64.68	21,321.3	29,427.7	10,076.2	2,810.8	2.40	2.92 x	10.5 x	27.0 x	38.5%	27.9%
Waste Connections, Inc. (WCN)	72.30	19,048.7	22,546.9	4,679.4	1,478.8	1.69	4.82 x	15.2 x	42.9 x	41.8%	31.6%
Stericycle, Inc. (SRCL)	58.71	5,024.0	7,735.6	3,583.3	698.6	2.52	2.16 x	11.1 x	23.3 x	40.6%	19.5%
Clean Harbors, Inc. (CLH)	45.80	2,578.5	3,850.5	3,005.8	429.6	0.55	1.28 x	9.0 x	83.3 x	29.7%	14.3%
Casella Waste Systems, Inc. (CWST)	24.51	1,046.3	1,526.9	613.0	115.3	0.37	2.49 x	13.2 x	65.6 x	32.1%	18.8%
Heritage-Crystal Clean, Inc (HCCI)	21.15	501.4	489.0	368.7	33.2	0.35	1.33 x	14.7 x	60.7 x	23.2%	9.0%
Mean	\$12,082.8			\$15,794.5	\$5,268.9	\$1,376.0	\$1.59	2.58 x	12.1 x	46.8 x	34.8%
Median	5,024.0			7,735.6	3,583.3	698.6	1.69	2.49 x	11.1 x	42.9 x	37.9%

NA = Not Available; NM = Not Meaningful; LTM = Latest Twelve Months

‡ = excluded from Mean and Median calculations

Source: Public Filings, Press Releases and Published Research Reports.

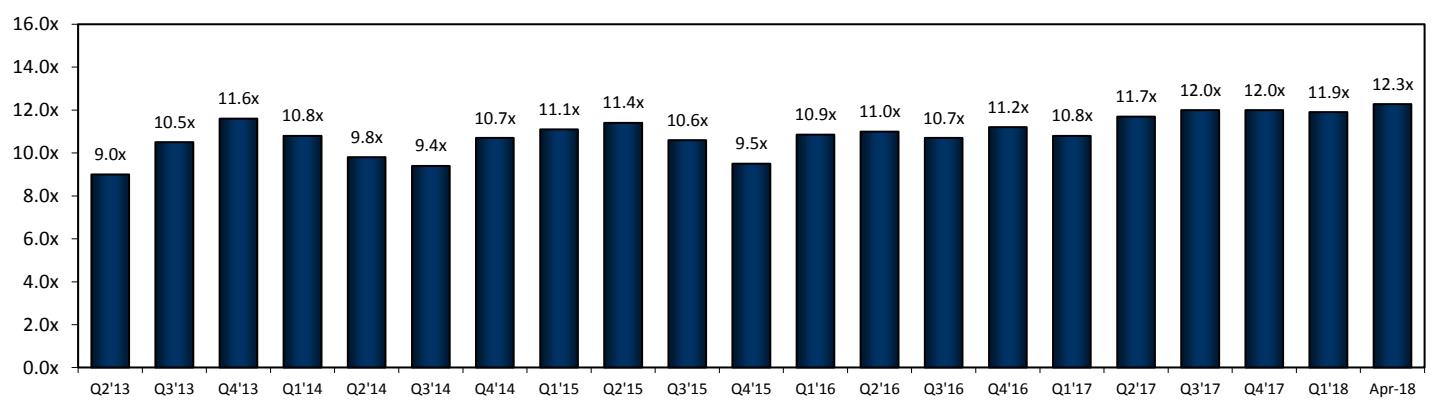
(1) As of close April 30, 2018.

(2) Enterprise value is defined as equity value plus net debt, preferred stock and minority interests. Net Debt includes long term debt, short term debt, postretirement benefits and unfunded pensions, if applicable, less cash and cash equivalents.

(3) As of March 31, 2018 except HCCI (March 24, 2018).

(4) Excludes non-recurring and discontinued operations.

Historical Enterprise Value-to-LTM EBITDA Multiples



Selected M&A Transactions

Announced	Target	Target Description	Acquirer	Value
April 29	King Force Group Holdings Limited (SEHK:8315)	Provides manned security services	Greatwalle Holding Limited	\$28.0
April 27	Security Transport Services Business of G4S plc	Provides security transportation services	TEVCOL Cia. Ltda.	ND
April 19	Derby Records Management FZ LLC	Provides records management and other outsourced services	Iron Mountain Incorporated (NYSE:IRM)	ND
April 17	Colliers International (Winnipeg) Inc.	Provides property management services in Canada	Colliers International Group Inc. (TSX:CIGI)	ND
April 17	EnviroSolutions, Inc.	Provides recycling and waste management services	Waste Management, Inc. (NYSE:WM)	ND
April 15	Thunic Corp.,Ltd.	Offers wastewater treatment and storm water solutions	Tus-Sound Environmental Resources Co., Ltd. (SZSE:000826)	\$207.0
April 15	Servest Group Limited	Provides facilities management services in the United Kingdom	Atalian Global Services UK 2 Limited	\$644.0
April 3	Operations Of Coldwell Banker Commercial Advisors	Provides commercial real estate advisory services	Colliers International Group Inc. (TSX:CIGI)	ND
April 3	TLC Waste Disposal Services	Provides waste management and recycling services	Waste Management, Inc. (NYSE:WM)	ND

ND – Not disclosed. Transaction values in millions.

Selected News

Chemed Corporation (NYSE:CHE) reported first quarter net income of \$45.0 million for fiscal year 2018 as compared to \$29.8 million for the prior year period. Earnings per share were \$2.66 versus \$1.78 for the prior year period. Revenues for the quarter increased to \$439.2 million from \$405.9 million for the same period in fiscal year 2017.

Comfort Systems USA, Inc. (NYSE:FIX) reported first quarter net income of \$16.7 million for fiscal year 2018 as compared to \$7.5 million for the prior year period. Earnings per share were \$0.44 versus \$0.20 for the prior year period. Revenues for the quarter increased to \$464.9 million from \$380.6 million for the same period in fiscal year 2017.

EMCOR Group, Inc. (NYSE:EME) reported first quarter net income of \$55.4 million for fiscal year 2018 as compared to \$52.6 million for the prior year period. Earnings per share were \$0.94 versus \$0.87 for the prior year period. Revenues for the quarter increased to \$1,900.4 million from \$1,891.7 million for the same period in fiscal year 2017.

Healthcare Services Group, Inc. (NasdaqGS:HCSG) reported first quarter net income of \$0.1 million for fiscal year 2018 as compared to \$22.0 million for the prior year period. Earnings per share were \$0.00 versus \$0.30 for the prior year period. Revenues for the quarter increased to \$501.8 million from \$404.5 million for the same period in fiscal year 2017.

Rollins, Inc. (NYSE:ROL) reported first quarter net income of \$48.5 million for fiscal year 2018 as compared to \$40.3 million for the prior year period. Earnings per share were \$0.22 versus \$0.18 for the prior year period. Revenues for the quarter increased to \$408.7 million from \$375.2 million for the same period in fiscal year 2017.

Sodexo S.A. (ENXTPA:SW) reported second quarter net income of \$221.9 million for fiscal year 2018 as compared to \$207.6 million for the prior year period. Earnings per share were \$1.47 versus \$1.37 for the prior year period. Revenues for the quarter decreased to \$6,139.2 million from \$6,342.6 million for the same period in fiscal year 2017.

The Brink's Company (NYSE:BCO) reported first quarter net income of \$22.3 million for fiscal year 2018 as compared to \$34.7 million for the prior year period. Earnings per share were \$0.42 versus \$0.67 for the prior year period. Revenues for the quarter increased to \$879.1 million from \$788.4 million for the same period in fiscal year 2017.

The GEO Group, Inc. (NYSE:GEO) reported first quarter net income of \$35.0 million for fiscal year 2018 as compared to \$40.4 million for the prior year period. Earnings per share were \$0.29 versus \$0.35 for the prior year period. Revenues for the quarter increased to \$564.9 million from \$550.6 million for the same period in fiscal year 2017.

Waste Management, Inc. (NYSE:WM) reported first quarter net income of \$396.0 million for fiscal year 2018 as compared to \$298.0 million for the prior year period. Earnings per share were \$0.91 versus \$0.67 for the prior year period. Revenues for the quarter increased to \$3,511.0 million from \$3,440.0 million for the same period in fiscal year 2017.

Note: All per share results are reported on a fully-diluted basis.

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