



Business Services Update

December 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 Conduent Incorporated, 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 4.7% in November of 2018.

Last Three Years

Daily from November 30, 2015 to November 30, 2018
Price as Percent of Base (November 30, 2015 = 0%)



Last Twelve Months

Daily from November 30, 2017 to November 30, 2018
Price as Percent of Base (November 30, 2017 = 0%)



Price Appreciation

	3-Year	LTM	1 Month
Mufson Howe Hunter Human Resources Outsourcing Index ^(a)	49.7%	14.3%	4.7%
NASDAQ	43.5%	6.6%	0.3%
S&P 500	32.7%	4.3%	1.8%

(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.

Human Resources Outsourcing

Selected Valuation Metrics

(\$ in millions, except per share data)

Company	Market & Capitalization			LTM Performance ⁽³⁾			Valuation			Margins	
	Price ⁽¹⁾	Equity Value	Enterprise Value ⁽²⁾	Revenue	EBITDA ⁽⁴⁾	EPS	Enterprise Value/Revenue	EBITDA	Price/EPS	Gross Profit	EBITDA
Commercial Staffing											
ManpowerGroup Inc. (MAN)	\$81.18	\$5,019.5	\$5,500.3	\$22,235.5	\$939.8	\$9.26	0.25 x	5.9 x	8.8 x	16.3%	4.2%
TrueBlue, Inc. (TBI)	25.25	992.4	1,065.6	2,518.7	126.5	1.66	0.42 x	8.4 x	15.2 x	26.2%	5.0%
Kelly Services, Inc. (KELY.A)	22.92	890.8	878.1	5,521.5	108.4	1.63	0.16 x	8.1 x	14.1 x	17.8%	2.0%
Mean		\$2,300.9	\$2,481.3	\$10,091.9	\$391.6	\$4.18	0.28 x	7.5 x	12.7 x	20.1%	3.7%
Median		992.4	1,065.6	5,521.5	126.5	1.66	0.25 x	8.1 x	14.1 x	17.8%	4.2%
Professional Staffing											
Robert Half International Inc. (RHI)	\$61.83	\$7,380.9	\$7,019.9	\$5,664.9	\$628.1	\$3.00	1.24 x	11.2 x	20.6 x	41.4%	11.1%
Kforce Inc. (KFRC)	31.69	784.0	864.6	1,403.0	85.2	1.89	0.62 x	10.1 x	16.8 x	29.6%	6.1%
Resources Connection, Inc. (RECN)	16.84	531.2	562.1	691.5	57.2	0.71	0.81 x	9.8 x	23.8 x	38.1%	8.3%
Hudson Global, Inc (HSON)	1.40	44.9	6.4	462.7	2.2	(0.19)	0.01 x	2.9 x	NM	40.3%	0.5%
Mean		\$2,185.2	\$2,113.3	\$2,055.5	\$193.2	\$1.35	0.89 x	8.5 x	20.4 x	37.3%	6.5%
Median		657.6	713.4	1,047.2	71.2	1.30	0.81 x	10.0 x	20.6 x	39.2%	7.2%
Healthcare Staffing											
ASGN Incorporated (ASGN)	\$69.25	\$3,634.0	\$4,747.3	\$3,149.2	\$345.2	\$3.39	1.51 x	13.8 x	20.5 x	30.9%	11.0%
AMN Healthcare Services, Inc. (AMN)	63.70	2,985.5	3,437.3	2,116.5	254.9	3.00	1.62 x	13.5 x	21.2 x	32.4%	12.0%
Cross Country Healthcare, Inc. (CCRN)	9.07	328.8	392.0	835.3	34.0	0.86	0.47 x	11.5 x	10.6 x	26.0%	4.1%
Mean		\$2,316.1	\$2,858.8	\$2,033.6	\$211.4	\$2.41	1.20 x	12.9 x	17.4 x	29.8%	9.0%
Median		2,985.5	3,437.3	2,116.5	254.9	3.00	1.51 x	13.5 x	20.5 x	30.9%	11.0%
IT Staffing											
RCM Technologies, Inc. (RCMT)	\$3.93	\$50.0	\$73.8	\$196.1	\$7.7	\$0.19	0.38 x	9.6 x	20.6 x	25.0%	3.9%
Computer Task Group, Incorporated (CTG)	4.45	63.5	56.2	340.3	7.1	0.14	0.17 x	7.9 x	32.5 x	19.5%	2.1%
Mean		\$56.8	\$65.0	\$268.2	\$7.4	\$0.16	0.27 x	8.8 x	26.6 x	22.3%	3.0%
Median		56.8	65.0	268.2	7.4	0.16	0.27 x	8.8 x	26.6 x	22.3%	3.0%
Executive Search											
Korn/Ferry International (KFY)	\$48.97	\$2,775.4	\$2,615.7	\$1,883.7	\$159.9	\$1.33	1.39 x	16.4 x	NM	27.6%	8.5%
Heidrick & Struggles International, Inc. (HSII)	36.66	695.0	530.8	700.1	74.7	(0.07)	0.76 x	7.1 x	NM	28.9%	10.7%
Mean		\$1,735.2	\$1,573.2	\$1,291.9	\$117.3	\$0.63	1.07 x	11.7 x	NA	28.2%	9.6%
Median		1,735.2	1,573.2	1,291.9	117.3	0.63	1.07 x	11.7 x	NA	28.2%	9.6%

(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 November 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 September 30, 2018 except KFY (October 31, 2018); RCMT (September 29, 2018); CTG (September 28, 2018) and RECN (August 25, 2018).

(4) Excludes non-recurring and discontinued operations.

Human Resources Outsourcing

Selected Valuation Metrics

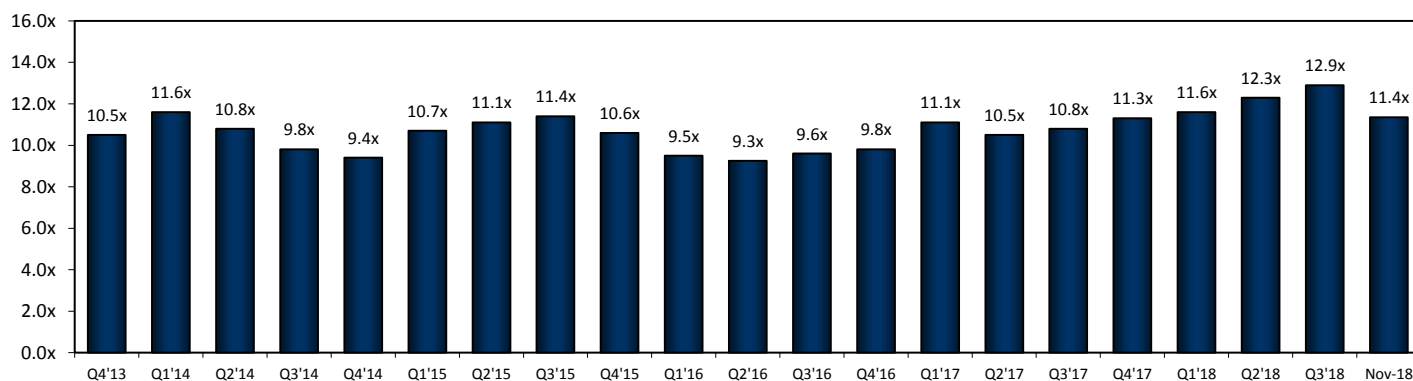
(\$ in millions, except per share data)

Company	Market & Capitalization			LTM Performance ⁽³⁾			Valuation			Margins	
	Price ⁽¹⁾	Equity Value	Enterprise Value ⁽²⁾	Revenue	EBITDA ⁽⁴⁾	EPS	Enterprise Value/Revenue	Price/EBITDA	Price/EPS	Gross Profit	EBITDA
HR Outsourcing											
Automatic Data Processing, Inc. (ADP)	\$147.42	\$64,530.5	\$65,368.5	\$13,571.8	\$3,052.0	\$3.88	4.82 x	21.4 x	NM	43.7%	22.5%
Willis Towers Watson Public Limited Company (WLTW)	159.45	20,718.7	24,612.7	8,133.0	1,365.0	4.24	3.03 x	18.0 x	NM	39.3%	16.8%
Paychex, Inc. (PAYX)	70.76	25,408.6	24,942.3	3,450.8	1,432.4	2.67	7.23 x	17.4 x	26.5 x	69.5%	41.5%
Insperty, Inc. (NSP)	100.04	4,182.7	3,921.2	3,688.3	196.5	3.00	1.06 x	20.0 x	33.3 x	18.0%	5.3%
Barrett Business Services, Inc. (BBSI)	70.35	519.3	488.1	947.6	37.1	4.14	0.52 x	13.1 x	17.0 x	63.0%	3.9%
Mean		\$23,072.0	\$23,866.6	\$5,958.3	\$1,216.6	\$3.59	3.33 x	18.0 x	25.6 x	46.7%	18.0%
Median		\$20,718.7	\$24,612.7	\$3,688.3	\$1,365.0	\$3.88	3.03 x	18.0 x	26.5 x	43.7%	16.8%
Professional & Consulting											
Fair Isaac Corporation (FICO)	\$198.63	\$5,751.3	\$6,425.3	\$1,032.5	\$234.2	\$4.57	6.22 x	NM	NM	69.9%	22.7%
FTI Consulting, Inc. (FCN)	70.25	2,604.7	2,659.0	1,990.6	262.0	5.09	1.34 x	10.2 x	13.8 x	34.9%	13.2%
Exponent, Inc. (EXPO)	50.32	2,617.3	2,414.9	352.1	88.7	0.98	6.86 x	NM	NM	37.1%	25.2%
Huron Consulting Group Inc. (HURN)	55.67	1,203.8	1,510.6	775.6	92.7	(0.85)	1.95 x	16.3 x	NM	35.5%	12.0%
CBIZ, Inc. (CBZ)	21.09	1,157.0	1,322.0	918.1	105.5	1.20	1.44 x	12.5 x	17.5 x	13.0%	11.5%
Navigant Consulting, Inc. (NCI)	25.62	1,091.1	817.4	957.4	123.1	1.64	0.85 x	6.6 x	15.6 x	30.4%	12.9%
CRA International, Inc. (CRAI)	48.75	394.9	388.3	405.9	30.6	1.56	0.96 x	12.7 x	31.3 x	30.6%	7.5%
Mean		\$2,117.2	\$2,219.6	\$918.9	\$133.8	\$2.03	2.80 x	11.7 x	19.5 x	35.9%	15.0%
Median		1,203.8	1,510.6	918.1	105.5	1.56	1.44 x	12.5 x	16.6 x	34.9%	12.9%

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 on November 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 September 30, 2018 except CRAI (September 29, 2018); EXPO (September 28, 2018); and PAYX (August 31, 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
November 30	Women Executive Search Sweden AB	Provides recruitment services	SJR in Scandinavia AB (publ) (OM:SJR B)	\$5.3
November 30	Henkilöstö­tälö Voima	Provides staffing services	VMP Oyj (HLSE:VMP)	\$5.7
November 10	Exelteam/MPC	Provides human resource services	DLSI (ENXTPA:ALDLS)	ND
November 7	BlueLine Associates, Inc	Provides IT staffing services	ThreeBridge Solutions, LLC	ND
November 5	Eliassen Group, LLC	Provides technology staffing services	Stone Point Capital LLC	ND

ND – Not disclosed. Transaction values in millions.

Selected News

Barrett Business Services, Inc. (NasdaqGS:BBSI) reported third quarter net income of \$19.1 million for fiscal year 2018 as compared to \$14.8 million for the prior year period. Earnings per share were \$2.50 versus \$1.96 for the prior year period. Revenues for the quarter increased to \$247.3 million from \$240.1 million for the same period in fiscal year 2017.

CRA International, Inc. (NasdaqGS:CRAI) reported third quarter net income of \$3.9 million for fiscal year 2018 as compared to \$3.2 million for the prior year period. Earnings per share were \$0.46 versus \$0.38 for the prior year period. Revenues for the quarter increased to \$103.9 million from \$91.3 million for the same period in fiscal year 2017.

Cross Country Healthcare, Inc. (NasdaqGS:CCRN) reported third quarter net income of (\$0.4) million for fiscal year 2018 as compared to \$6.7 million for the prior year period. Earnings per share were (\$0.01) versus \$0.19 for the prior year period. Revenues for the quarter decreased to \$200.7 million from \$228.5 million for the same period in fiscal year 2017.

Fair Isaac Corporation (NYSE:FICO) reported net income of \$142.4 million for fiscal year 2018 as compared to \$128.3 million for the prior year. Earnings per share were \$4.57 versus \$3.98 for the prior year. Revenues for the year increased to \$1,032.5 million from \$932.2 million for fiscal year 2017.

Insperity, Inc. (NYSE:NSP) reported third quarter net income of \$36.2 million for fiscal year 2018 as compared to \$19.2 million for the prior year period. Earnings per share were \$0.86 versus \$0.46 for the prior year period. Revenues for the quarter increased to \$925.1 million from \$795.5 million for the same period in fiscal year 2017.

Kelly Services, Inc. (NasdaqGS:KELY.A) reported third quarter net income of \$33.1 million for fiscal year 2018 as compared to \$23.0 million for the prior year period. Earnings per share were \$0.84 versus \$0.58 for the prior year

period. Revenues for the quarter increased to \$1,342.4 million from \$1,328.8 million for the same period in fiscal year 2017.

Navigant Consulting, Inc. (NYSE:NCI) reported third quarter net income of \$74.0 million for fiscal year 2018 as compared to \$11.9 million for the prior year period. Earnings per share were \$1.61 versus \$0.25 for the prior year period. Revenues for the quarter increased to \$171.4 million from \$164.5 million for the same period in fiscal year 2017.

RCM Technologies, Inc. (NasdaqGM:RCMT) reported third quarter net income of \$0.7 million for fiscal year 2018 as compared to \$1.0 million for the prior year period. Earnings per share were \$0.06 versus \$0.08 for the prior year period. Revenues for the quarter decreased to \$42.6 million from \$43.8 million for the same period in fiscal year 2017.

TrueBlue, Inc. (NYSE:TBI) reported third quarter net income of \$24.4 million for fiscal year 2018 as compared to \$21.2 million for the prior year period. Earnings per share were \$0.61 versus \$0.51 for the prior year period. Revenues for the quarter increased to \$680.4 million from \$660.8 million for the same period in fiscal year 2017.

Willis Towers Watson Public Limited Company (NasdaqGS:WLTW) reported third quarter net income of \$44.0 million for fiscal year 2018 as compared to (\$54.0) million for the prior year period. Earnings per share were \$0.33 versus (\$0.40) for the prior year period. Revenues for the quarter increased to \$1,859.0 million from \$1,852.0 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 2.9% in November of 2018.



Price Appreciation

	3-Year	LTM	1 Month
Mufson Howe Hunter Contact Center Services Index ^(a)	15.5%	4.3%	2.9%
NASDAQ	43.5%	6.6%	0.3%
S&P 500	32.7%	4.3%	1.8%

(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

(\$ in millions, except per share data)

Company	Market & Capitalization			LTM Performance ⁽³⁾			Valuation			Margins	
	Price ⁽¹⁾	Equity Value	Enterprise Value ⁽²⁾	Revenue	EBITDA ⁽⁴⁾	EPS	Enterprise Value/Revenue	EBITDA	Price/EPS	Gross Profit	EBITDA
On-Shore											
Conduent Incorporated (CNDT)	\$12.82	\$2,708.8	\$3,841.8	\$5,604.0	\$682.0	(\$0.38)	0.69 x	5.6 x	NM	18.7%	12.2%
TTEC Holdings, Inc. (TTEC)	29.25	1,351.1	1,538.0	1,516.7	174.9	(0.56)	1.01 x	8.8 x	NM	23.7%	11.5%
Sykes Enterprises, Incorporated (SYKE)	27.62	1,178.1	1,102.9	1,629.7	155.3	0.35	0.68 x	7.1 x	78.2 x	36.8%	9.5%
StarTek, Inc. (SRT)	6.76	250.5	281.1	269.8	4.8	(1.08)	1.04 x	NM	NM	9.8%	1.8%
Mean		\$1,372.1	\$1,690.9	\$2,255.1	\$254.2	(\$0.42)	0.85 x	7.2 x	78.2 x	22.3%	8.7%
Median		1,264.6	1,320.4	1,573.2	165.1	(0.47)	0.85 x	7.1 x	78.2 x	21.2%	10.5%
Off-Shore											
Genpact Limited (G)	\$30.38	\$5,774.9	\$6,717.4	\$2,899.9	\$407.7	\$1.39	2.32 x	16.5 x	21.9 x	36.4%	14.1%
WNS (Holdings) Limited (WNS)	48.84	2,438.8	2,431.9	790.2	127.4	1.85	3.08 x	19.1 x	26.4 x	34.9%	16.1%
ExlService Holdings, Inc. (EXLS)	57.96	1,985.5	2,044.4	846.1	117.2	1.23	2.42 x	17.4 x	47.0 x	33.9%	13.9%
Mean		\$3,399.7	\$3,731.2	\$1,512.0	\$217.4	\$1.49	2.60 x	17.7 x	31.8 x	35.0%	14.7%
Median		2,438.8	2,431.9	846.1	127.4	1.39	2.42 x	17.4 x	26.4 x	34.9%	14.1%
All Companies											
Mean		\$2,241.1	\$2,565.3	\$1,936.6	\$238.5	\$0.40	1.60 x	12.4 x	43.4 x	27.7%	11.3%
Median		1,985.5	2,044.4	1,516.7	155.3	0.35	1.04 x	12.6 x	36.7 x	33.9%	12.2%

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.

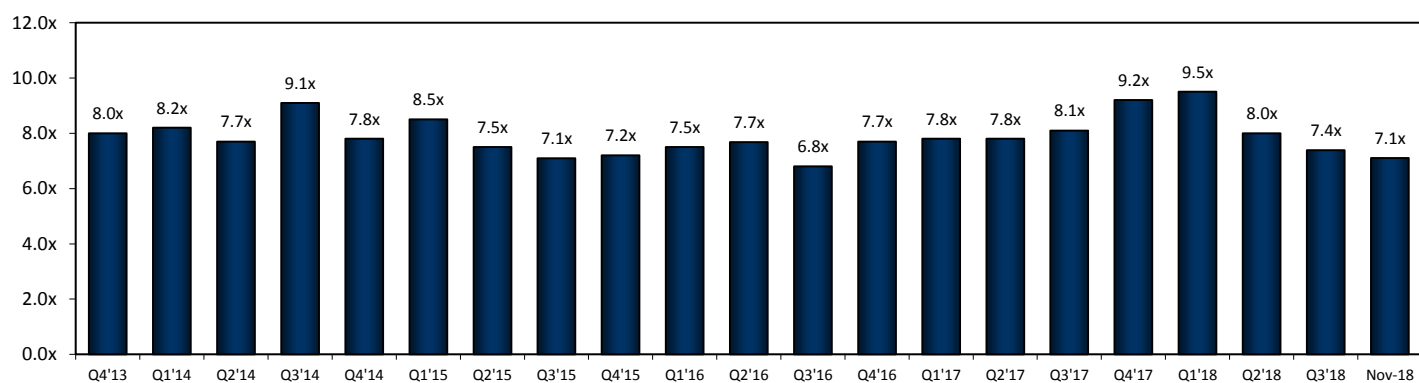
(1) As of close November 30, 2018.

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(3) As of September 30, 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
November 30	Serfin97 S.R.L.	Offers outsourced debt collection services	MCS-DSO	ND
November 11	China Customer Relations Centers, Inc. (NasdaqCM:CCRC)	Provides business process outsourcing services	Guangzhou Cornerstone Asset Management Co., Ltd.	\$239.0
November 9	Mex Consultoria Ltda	Provides customer care solutions	Nuveto Comunicacoes Ltda	ND

ND – Not disclosed. Transaction values in millions.

Selected News

Conduent Incorporated (NYSE: CNDT) reported third quarter net income of (\$237.0) million for fiscal year 2018 as compared to (\$17.0) million for the prior year period. Earnings per share were (\$1.16) versus (\$0.09) for the prior year period. Revenues for the quarter decreased to \$1,304.0 million from \$1,480.0 million for the same period in fiscal year 2017.

ExlService Holdings, Inc. (NasdaqGS:EXLS) reported third quarter net income of \$15.2 million for fiscal year 2018 as compared to \$21.1 million for the prior year period. Earnings per share were \$0.43 versus \$0.60 for the prior year period. Revenues for the quarter increased to \$231.1 million from \$192.3 million for the same period in fiscal year 2017.

Genpact Limited (NYSE:G) reported third quarter net income of \$73.6 million for fiscal year 2018 as compared to \$73.7 million for the prior year period. Earnings per share were \$0.38 versus \$0.38 for the prior year period. Revenues for the quarter increased to \$748.0 million from \$708.8 million for the same period in fiscal year 2017.

StarTek, Inc. (NYSE:SRT) reported second quarter net income of (\$10.9) million for fiscal year 2018 as compared to \$2.4 million for the prior year period. Earnings per share were (\$0.32) versus \$0.11 for the prior year period. Revenues for the quarter increased to \$151.5 million from \$119.8 million for the same period in fiscal year 2017.

Sykes Enterprises, Incorporated (NasdaqGS:SYKE) reported third quarter net income of \$13.8 million for fiscal year 2018 as compared to \$21.7 million for the prior year period. Earnings per share were \$0.33 versus \$0.52 for the prior year period. Revenues for the quarter decreased to \$399.3 million from \$407.3 million for the same period in fiscal year 2017.

TTEC Holdings, Inc. (NasdaqGS:TTEC) reported third quarter net income of \$5.4 million for fiscal year 2018 as compared to \$14.8 million for the prior year period. Earnings per share were \$0.12 versus \$0.32 for the prior year period. Revenues for the quarter increased to \$364.9 million from \$359.0 million for the same period in 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 4.1% in November of 2018.

Last Three Years

Daily from November 30, 2015 to November 30, 2018
Price as Percent of Base (November 30, 2015 = 0%)



Last Twelve Months

Daily from November 30, 2017 to November 30, 2018
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Price Appreciation

	3-Year	LTM	1 Month
Mufson Howe Hunter Fixed Asset Management Index ^(a)	42.3%	4.3%	4.1%
NASDAQ	43.5%	6.6%	0.3%
S&P 500	32.7%	4.3%	1.8%

(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.

Selected Valuation Metrics

(\$ in millions, except per share data)

Company	Market & Capitalization			LTM Performance ⁽³⁾			Valuation			Margins	
	Price ⁽¹⁾	Equity Value	Enterprise Value ⁽²⁾	Revenue	EBITDA ⁽⁴⁾	EPS	Enterprise Value/Revenue	EBITDA	Price/EPS	Gross Profit	EBITDA
Facility Maintenance											
Rollins, Inc. (ROL)	\$63.56	\$13,869.6	\$13,750.9	\$1,791.7	\$372.3	\$0.98	7.67 x	36.9 x	64.9 x	50.8%	20.8%
Rentokil Initial plc (LSE:RTO)	4.14	7,599.8	8,961.3	2,952.7	567.0	0.13	3.03 x	15.8 x	32.3 x	79.8%	19.2%
Chemed Corporation (CHE)	316.78	5,072.4	5,134.9	1,753.5	265.9	12.25	2.93 x	19.3 x	25.9 x	31.2%	15.2%
EMCOR Group, Inc. (EME)	72.86	4,193.8	4,140.2	7,914.0	482.2	4.42	0.52 x	8.6 x	16.5 x	14.9%	6.1%
Healthcare Services Group, Inc. (HCSG)	47.20	3,483.3	3,403.3	2,011.8	103.8	0.97	1.69 x	32.8 x	48.7 x	11.6%	5.2%
FirstService Corporation (TSX:FVS)	75.26	2,707.3	3,102.9	1,848.2	178.7	1.92	1.68 x	17.4 x	39.2 x	31.2%	9.7%
ABM Industries Incorporated (ABM)	31.68	2,086.2	3,065.6	6,291.5	274.3	1.29	0.49 x	11.2 x	24.6 x	10.7%	4.4%
Comfort Systems USA, Inc. (FIX)	52.66	1,946.1	2,023.8	2,055.6	176.1	2.53	0.98 x	11.5 x	20.8 x	20.5%	8.6%
SP Plus Corporation (SP)	30.31	676.9	764.5	802.3	96.9	2.30	0.95 x	7.9 x	13.2 x	22.1%	12.1%
Mean		\$4,626.1	\$4,927.5	\$3,046.8	\$279.7	\$2.98	2.22x	17.9x	31.8x	30.3%	11.2%
Median		3,483.3	3,403.3	2,011.8	265.9	1.92	1.68x	15.8x	25.9x	22.1%	9.7%
Food Services											
Compass Group PLC (LSE:CPG)	\$21.05	\$33,377.7	\$37,755.1	\$28,794.6	\$2,744.8	\$0.89	1.31 x	13.8 x	23.6 x	7.2%	9.5%
Sodexo S.A. (ENXTPA:SW)	103.94	15,132.8	17,820.1	23,197.7	1,544.8	4.93	0.77 x	11.5 x	21.1 x	15.1%	6.7%
Aramark (ARMK)	38.06	9,390.6	16,428.2	15,789.6	1,416.0	2.24	1.04 x	11.6 x	17.0 x	11.4%	9.0%
Mean		\$19,300.4	\$24,001.1	\$22,594.0	\$1,901.9	\$2.69	1.04x	12.3x	20.6x	11.2%	8.4%
Median		15,132.8	17,820.1	23,197.7	1,544.8	2.24	1.04x	11.6x	21.1x	11.4%	9.0%
Manned Security Services											
Securitas AB (OM: SECU B)	\$16.87	\$6,157.1	\$7,961.2	\$10,855.4	\$709.7	\$0.88	0.73 x	11.2 x	19.2 x	17.7%	6.5%
G4S plc (LSE:GFS)	2.43	3,766.3	5,792.6	9,440.6	632.0	0.15	0.61 x	9.2 x	15.8 x	17.7%	6.7%
The GEO Group, Inc. (GEO)	23.24	2,828.0	5,500.6	2,300.9	395.1	1.22	2.39 x	13.9 x	19.0 x	25.1%	17.2%
The Brink's Company (BCO)	70.82	3,584.6	4,810.5	3,484.4	402.8	(2.36)	1.38 x	11.9 x	NM	22.1%	11.6%
CoreCivic, Inc. (CXW)	21.95	2,605.1	4,276.4	1,794.1	408.8	1.34	2.38 x	10.5 x	16.4 x	28.5%	22.8%
Prosegur Compañía de Seguridad, S.A. (BME:PSG)	5.22	3,125.9	3,810.9	4,473.4	532.2	0.29	0.85 x	7.2 x	18.3 x	25.1%	11.9%
Mean		\$3,677.8	\$5,358.7	\$5,391.5	\$513.4	\$0.3	1.39x	10.6x	17.7x	22.7%	12.8%
Median		3,355.3	5,155.6	3,978.9	470.5	0.6	1.12x	10.8x	18.3x	23.6%	11.7%
Uniform / Linen Rentals											
Cintas Corporation (CTAS)	\$187.38	\$20,368.0	\$22,789.7	\$6,563.1	\$1,328.8	\$7.47	3.47 x	17.2 x	25.1 x	44.9%	20.2%
UniFirst Corporation (UNF)	154.41	2,955.8	2,685.3	1,696.5	280.0	8.21	1.58 x	9.6 x	18.8 x	37.7%	16.5%
Mean		\$11,661.9	\$12,737.5	\$4,129.8	\$804.4	\$7.84	2.53x	13.4x	22.0x	41.3%	18.4%
Median		11,661.9	12,737.5	4,129.8	804.4	7.84	2.53x	13.4x	22.0x	41.3%	18.4%

(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 November 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 September 30, 2018 except ARMK (September 28, 2018); CTAS and SW (August 31, 2018); UNF (August 25, 2018); ABM (July 31, 2018); RTO (June 30, 2018); GFS (June 30, 2018); UNF (May 26, 2018) and CPG (March 31, 2018).

(4) Excludes non-recurring and discontinued operations.

Selected Valuation Metrics

(\$ in millions, except per share data)

Company	Market & Capitalization			LTM Performance ⁽³⁾			Valuation			Margins	
	Price ⁽¹⁾	Equity Value	Enterprise Value ⁽²⁾	Revenue	EBITDA ⁽⁴⁾	EPS	Enterprise Value/		Price/	Gross	
							Revenue	EBITDA	EPS	Profit	EBITDA
Waste Management Services											
Waste Management, Inc. (WM)	\$93.75	\$39,970.0	\$49,905.0	\$14,724.0	\$4,139.0	\$5.29	3.39 x	12.1 x	17.7 x	38.0%	28.1%
Republic Services, Inc. (RSG)	77.34	25,102.3	33,273.6	10,070.9	2,804.3	4.22	3.30 x	11.9 x	18.3 x	38.3%	27.8%
Waste Connections, Inc. (WCN)	78.48	20,680.0	24,197.8	4,818.4	1,524.1	2.76	5.02 x	15.9 x	28.4 x	41.8%	31.6%
Stericycle, Inc. (SRCL)	48.07	4,354.9	7,152.0	3,521.0	609.8	1.72	2.03 x	11.7 x	27.9 x	39.6%	17.3%
Clean Harbors, Inc. (CLH)	64.53	3,614.0	4,984.8	3,189.5	467.3	2.36	1.56 x	10.7 x	27.4 x	29.9%	14.7%
Casella Waste Systems, Inc. (CWST)	32.65	1,401.3	1,914.9	637.2	117.7	0.92	3.01 x	16.3 x	35.3 x	31.6%	18.5%
Heritage-Crystal Clean, Inc (HCCI)	28.01	645.6	628.8	398.9	43.2	1.03	1.58 x	14.6 x	27.3 x	22.6%	10.8%
Mean		\$13,681.2	\$17,436.7	\$5,337.1	\$1,386.5	\$2.61	2.84 x	13.3 x	26.1 x	34.5%	21.3%
Median		4,354.9	7,152.0	3,521.0	609.8	2.36	3.01 x	12.1 x	27.4 x	38.0%	18.5%

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.

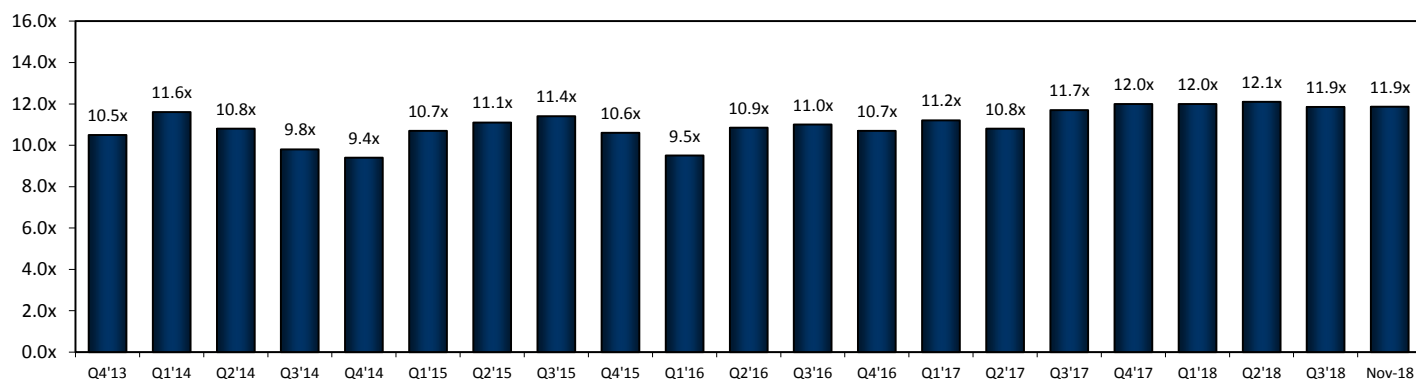
(1) As of close November 30, 2018.

(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 September 30, 2018 except HCCI (September 8, 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
November 19	Mitie Property Management Limited/Assets and Undertaking of MPS Housing	Provides facility management services	Mears Group plc (LSE:MER)	\$45.0
November 12	Intelligarde International Inc.	Provides security services	Avante Logixx Inc. (TSXV:XX)	\$3.6

ND – Not disclosed. Transaction values in millions.

Selected News

Aramark (NYSE:ARMK) reported net income of \$567.9 million for fiscal year 2018 as compared to \$373.9 million for the prior year. Earnings per share were \$2.24 versus \$1.49 for the prior year. Revenues for the year increased to \$15,789.6 million from \$14,604.4 million for fiscal year 2017.

Casella Waste Systems, Inc. (NasdaqGS:CWST) reported third quarter net income of \$22.3 million for fiscal year 2018 as compared to \$12.1 million for the prior year period. Earnings per share were \$0.50 versus \$0.28 for the prior year period. Revenues for the quarter increased to \$172.8 million from \$160.3 million for the same period in fiscal year 2017.

CoreCivic, Inc. (NYSE:CXW) reported third quarter net income of \$41.0 million for fiscal year 2018 as compared to \$41.2 million for the prior year period. Earnings per share were \$0.34 versus \$0.35 for the prior year period. Revenues for the quarter increased to \$462.7 million from \$442.8 million for the same period in fiscal year 2017.

Compass Group PLC (LSE:CPG) reported net income of \$1,410.6 million for fiscal year 2018 as compared to \$1,455.8 million for the prior year. Earnings per share were \$0.89 versus \$0.89 for the prior year. Revenues for the year increased to \$28,794.6 million from \$28,298.1 million for fiscal year 2017.

Prosegur Compañía de Seguridad, S.A. (BME:PSG) reported third quarter net income of \$40.1 million for fiscal year 2018 as compared to \$42.8 million for the prior year period. Earnings per share were \$0.07 versus \$0.07 for the prior year period. Revenues for the quarter decreased to \$929.7 million from \$1,199.9 million for the same period in fiscal year 2017.

Sodexo S.A. (ENXTPA:SW) reported net income of \$740.0 million for fiscal year 2018 as compared to \$821.9 million for the prior year. Earnings per share were \$4.93 versus \$5.45 for the prior year. Revenues for the year decreased to \$23,197.7 million from \$23,528.5 million for fiscal year 2017.

Stericycle, Inc. (NasdaqGS:SRCL) reported third quarter net income of \$23.5 million for fiscal year 2018 as compared to \$39.0 million for the prior year period. Earnings per share were \$0.20 versus \$0.41 for the prior year period. Revenues for the quarter decreased to \$854.9 million from \$882.8 million for the same period in fiscal year 2017.

The GEO Group, Inc. (NYSE:GEO) reported third quarter net income of \$39.3 million for fiscal year 2018 as compared to \$38.5 million for the prior year period. Earnings per share were \$0.33 versus \$0.31 for the prior year period. Revenues for the quarter increased to \$583.5 million from \$566.8 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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