

Business Services Update

August 2019

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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The Mufson Howe Hunter Human Resources Outsourcing Index is currently comprised of AMN Healthcare Services, Inc., 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, Kelly Services, Inc., Kforce, Inc., Korn/Ferry International Inc., Manpower, Inc., Navigant Consulting, Inc., On Assignment, Inc., RCM Technologies, Inc., Resources Connection, Inc., Robert Half International, Inc., Team Health Holdings, Inc., and TrueBlue, Inc.

The Mufson Howe Hunter Fixed Asset Management Index is currently comprised of ABM Industries Inc., Arcadis NV, BrightView Holdings, Inc., Brinks Co., Chemed Corp., Comfort Systems USA Inc., CoreCivic, Inc., Corrections Corporation of America, Ecology & Environment, Inc., EMCOR Group Inc., FirstService Corp., G4S plc, Healthcare Services Group Inc., Jacobs Engineering Group Inc., Prosegur Compania de Seguridad SA, Rentokil Initial plc, Rollins Inc., Securitas AB, SP Plus Corporation, Stantec Inc., Tetra Tech, Inc., and The GEO Group, 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 6.7% in July of 2019.

Last Three Years

Daily from July 29, 2016 to July 31, 2019

Price as Percent of Base (July 29, 2016 = 0%)



Last Twelve Months

Daily from July 31, 2018 to July 31, 2019

Price as Percent of Base (July 31, 2018 = 0%)



Price Appreciation

3-Year LTM 1-Month

Mufson Howe Hunter Human Resources Outsourcing Index ^(a)

73.3%

1.9%

6.7%

NASDAQ

58.4%

6.6%

2.1%

S&P 500

37.1%

5.8%

1.3%

(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 | | | | | | | | | | |
| ManpowerGroup Inc. (MAN) | \$91.35 | \$5,466.4 | \$6,292.4 | \$21,229.9 | \$855.5 | \$8.00 | 0.30 x | 7.4 x | 11.4 x | 16.2% |
| Kelly Services, Inc. (KELY.A) | 27.83 | 1,087.9 | 1,141.1 | 5,507.2 | 128.9 | 2.90 | 0.21 x | 8.9 x | 9.6 x | 18.0% |
| TrueBlue, Inc. (TBI) | 19.77 | 766.2 | 808.2 | 2,471.5 | 121.7 | 1.68 | 0.33 x | 6.6 x | 11.7 x | 26.8% |
| Mean | | \$2,440.1 | \$2,747.2 | \$9,736.2 | \$368.7 | \$4.19 | 0.28 x | 7.6 x | 10.9 x | 20.3% |
| Median | | 1,087.9 | 1,141.1 | 5,507.2 | 128.9 | 2.90 | 0.30 x | 7.4 x | 11.4 x | 18.0% |
| Professional Staffing | | | | | | | | | | |
| Robert Half International Inc. (RHI) | \$60.41 | \$6,978.0 | \$6,979.1 | \$5,932.8 | \$674.3 | \$3.80 | 1.18 x | 10.4 x | 15.9 x | 41.7% |
| Kforce Inc. (KFCR) | 34.09 | 785.1 | 803.0 | 1,437.0 | 89.1 | 2.35 | 0.56 x | 9.0 x | 14.5 x | 29.2% |
| Resources Connection, Inc. (RECN) | 17.60 | 560.5 | 554.5 | 729.0 | 58.0 | 0.98 | 0.76 x | 9.6 x | 18.0 x | 38.7% |
| Hudson Global, Inc. (HSON) | 10.65 | 31.5 | 3.5 | 76.3 | (0.9) | (1.13) | 0.05 x | NM | NM | 55.3% (1.2%) |
| Mean | | \$2,088.8 | \$2,085.0 | \$2,043.8 | \$205.1 | \$1.50 | 0.83 x | 9.6 x | 16.1 x | 41.3% |
| Median | | 672.8 | 678.7 | 1,083.0 | 73.6 | 1.67 | 0.76 x | 9.6 x | 15.9 x | 40.2% |
| Healthcare Staffing | | | | | | | | | | |
| AMN Healthcare Services, Inc. (AMN) | \$53.38 | \$2,490.8 | \$3,246.7 | \$2,123.1 | \$237.8 | \$2.63 | 1.53 x | 13.7 x | 20.3 x | 33.2% |
| Cross Country Healthcare, Inc. (CCRN) | 9.49 | 350.1 | 423.2 | 799.6 | 18.4 | (2.06) | 0.53 x | 23.0 x | NM | 25.3% 2.3% |
| Mean | | \$1,420.5 | \$1,834.9 | \$1,461.3 | \$128.1 | \$0.28 | 1.03 x | 18.4 x | 20.3 x | 29.2% |
| Median | | 1,420.5 | 1,834.9 | 1,461.3 | 128.1 | 0.28 | 1.03 x | 18.4 x | 20.3 x | 29.2% 6.7% |
| IT Staffing | | | | | | | | | | |
| ASGN Incorporated (ASGN) | \$63.05 | \$3,335.3 | \$4,414.7 | \$3,732.1 | \$399.9 | \$3.24 | 1.18 x | 11.0 x | 19.4 x | 29.2% 10.7% |
| Computer Task Group, Incorporated (CTG) | 4.40 | 63.6 | 83.7 | 381.0 | 8.9 | (0.19) | 0.22 x | 9.4 x | NM | 18.7% 2.3% |
| RCM Technologies, Inc. (RCMT) | 3.30 | 42.8 | 79.8 | 200.1 | 8.4 | 0.31 | 0.40 x | 9.5 x | 10.6 x | 24.7% 4.2% |
| Mean | | \$1,147.2 | \$1,526.1 | \$1,437.7 | \$139.1 | \$1.12 | 0.60 x | 10.0 x | 15.0 x | 24.2% 5.8% |
| Median | | 63.6 | 83.7 | 381.0 | 8.9 | 0.31 | 0.40 x | 9.5 x | 15.0 x | 24.7% 4.2% |
| Executive Search | | | | | | | | | | |
| Korn Ferry (KFY) | \$39.28 | \$2,216.8 | \$1,815.4 | \$1,926.0 | \$274.1 | \$1.81 | 0.94 x | 6.6 x | 21.7 x | 27.7% 14.2% |
| Heidrick & Struggles International, Inc. (HSII) | 29.70 | 568.2 | 540.3 | 717.6 | 84.4 | 2.75 | 0.75 x | 6.4 x | 10.8 x | 29.1% 11.8% |
| Mean | | \$1,392.5 | \$1,177.8 | \$1,321.8 | \$179.2 | \$2.28 | 0.85 x | 6.5 x | 16.2 x | 28.4% 13.0% |
| Median | | 1,392.5 | 1,177.8 | 1,321.8 | 179.2 | 2.28 | 0.85 x | 6.5 x | 16.2 x | 28.4% 13.0% |
| Professional & Consulting | | | | | | | | | | |
| Fair Isaac Corporation (FICO) | \$347.42 | \$10,039.2 | \$10,783.0 | \$1,143.6 | \$291.6 | \$6.13 | 9.43 x | NM | NM | 71.4% 25.5% |
| FTI Consulting, Inc. (FCN) | 104.45 | 3,815.9 | 4,124.1 | 2,175.4 | 309.4 | 5.07 | 1.90 x | 13.3 x | 20.6 x | 35.1% 14.2% |
| Exponent, Inc. (EXPO) | 68.80 | 3,572.0 | 3,401.0 | 367.6 | 94.3 | 1.42 | 9.25 x | NM | NM | 37.7% 25.7% |
| Huron Consulting Group Inc. (HURN) | 60.97 | 1,324.9 | 1,696.4 | 829.1 | 102.2 | 1.13 | 2.05 x | 16.6 x | NM | 34.8% 12.3% |
| CBIZ, Inc. (CBZ) | 23.37 | 1,266.8 | 1,587.9 | 928.8 | 116.3 | 1.19 | 1.71 x | 13.7 x | 19.7 x | 14.5% 12.5% |
| Navigant Consulting, Inc. (NCI) | 24.36 | 937.0 | 955.1 | 728.7 | 70.8 | 0.55 | 1.31 x | 13.5 x | NM | 28.1% 9.7% |
| CRA International, Inc. (CRAI) | 43.42 | 342.0 | 505.5 | 429.1 | 37.8 | 2.49 | 1.18 x | 13.4 x | 17.4 x | 29.9% 8.8% |
| Mean | | \$3,042.6 | \$3,293.3 | \$943.2 | \$146.1 | \$2.57 | 3.83 x | 14.1 x | 19.2 x | 35.9% 15.5% |
| Median | | 1,324.9 | 1,696.4 | 829.1 | 102.2 | 1.42 | 1.90 x | 13.5 x | 19.7 x | 34.8% 12.5% |

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.

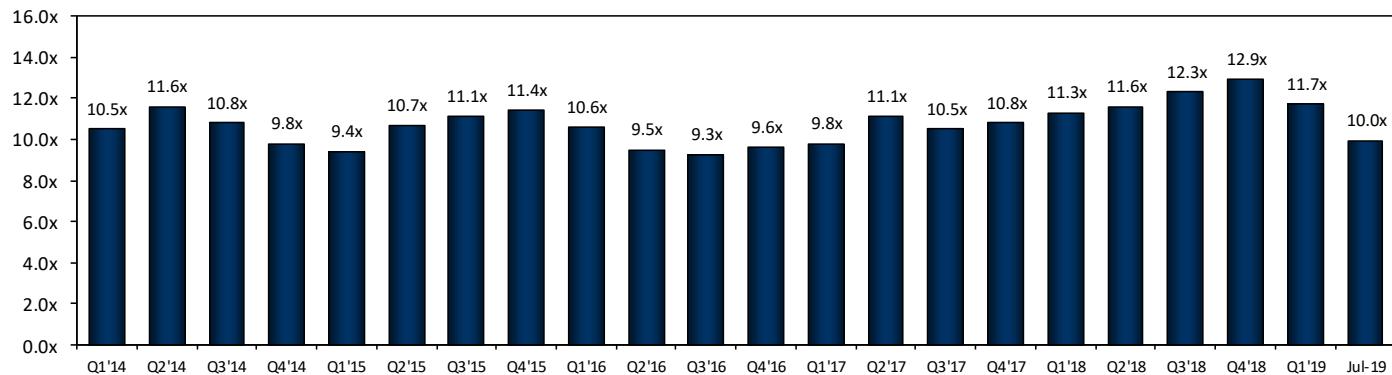
(1) As of close on July 31, 2019.

(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 June 30, 2019 except CRAI (June 29, 2019); RCMT (June 29, 2019); CTG (June 28, 2019); EXPO (June 28, 2019) and RECN (May 25, 2019) and KFY (April 30, 2019).

(4) Excludes non-recurring and discontinued operations.

Historical Enterprise Value-to-LTM EBITDA Multiples



Selected M&A Transactions

| Announced | Target | Target Description | Acquirer | Value |
|-----------|----------------------------------|---|--|--------|
| July 31 | ProfitStaff, LLC | Provides recruitment, payroll management and HR consulting services | BelFlex Staffing Network | ND |
| July 31 | TraumaFX® Solutions, Inc. | Government product solutions business of Kforce Inc (NasdaqGS:KFRC) | ND | \$18.4 |
| July 31 | Veracity Consulting Group, LLC | Provides brand experience design, service management and process improvement and advisory consulting | Resources Connection, Inc. (NasdaqGS:RECN) | \$30.6 |
| July 24 | CoAdvantage, Inc. | Provides integrated HR solutions for small and medium-sized businesses | Aquiline Capital Partners LLC | ND |
| July 22 | Flexfactory | Offers staffing, training, recruitment and selection services | Groupe Leader Travail Temporaire | ND |
| July 19 | Revolving Enrichment, LLC | Provides staffing services to charter schools | Source4Solutions, LLC | ND |
| July 14 | O&G Skills India Private Limited | Offers professional staffing and recruitment services to automotive, manufacturing, infrastructure, construction and energy sectors | De Raj Group AG (WBAG:DRJ) | ND |

Human Resources Outsourcing

| | | | | |
|---------|-------------------------------------|--|-----------------------------|----|
| July 12 | Emresa SA | Provides benefits and concierge services for corporate employees | Groupe Siparex | ND |
| July 10 | Echelon Compensation Partners, Inc. | Provides executive compensation consulting and talent management services | Pearl Meyer & Partners, LLC | ND |
| July 9 | The Rowland Group, LLC | Provides staffing and recruiting services for energy, engineering, IT, accounting and finance industries | System One Holdings, LLC | ND |
| July 2 | C&D Technical Services, Inc. | Provides temporary staffing services to the manufacturing, construction and distribution industries | H.W. Temps | ND |
| July 2 | Hire Alternatives LLC | Offers traditional staffing services | The Reserves Network, Inc. | ND |
| July 2 | Paydata, Inc. (nka CBIZ Paytime) | Provides professional advisory services including accounting, benefits, HR and payroll solutions | BIZ, Inc. (NYSE:CBZ) | ND |

ND – Not disclosed. Transaction values in millions.

Selected News

ASGN Incorporated (NYSE:ASGN) reported second quarter net income of \$43.1 million for fiscal year 2019 as compared to \$33.6 million for the prior year period. Earnings per share were \$0.81 versus \$0.63 for the prior year period. Revenues for the quarter increased to \$972.3 million from \$878.5 million for the same period in fiscal year 2018.

Automatic Data Processing, Inc. (NasdaqGS:ADP) reported net income of \$2,292.8 million for fiscal year 2019 as compared to \$1,884.9 million for the prior year. Earnings per share were \$5.24 versus \$4.25 for the prior year. Revenues for the year increased to \$14,175.2 million from \$13,327.7 million for fiscal year 2018.

CBIZ, Inc. (NYSE:CBZ) reported second quarter net income of \$16.6 million for fiscal year 2019 as compared to \$13.1 million for the prior year period. Earnings per share were \$0.30 versus \$0.23 for the prior year period. Revenues for the quarter increased to \$235.5 million from \$232.6 million for the same period in fiscal year 2018.

Computer Task Group, Incorporated (NasdaqGS:CTG) reported second quarter net income of \$0.9 million for fiscal year 2019 as compared to \$0.9 million for the prior year period. Earnings per share were \$0.07 versus \$0.07 for the prior year period. Revenues for the quarter increased to \$100.4 million from \$92.7 million for the same period in fiscal year 2018.

Cross Country Healthcare, Inc. (NasdaqGS:CCRN) reported second quarter net income of (\$51.7) million for fiscal year 2019 as compared to \$1.5 million for the prior year period. Earnings per share were (\$1.44) versus \$0.04 for the prior year period. Revenues for the quarter decreased to \$202.8 million from \$204.6 million for the same period in fiscal year 2018.

Exponent, Inc. (NasdaqGS:EXPO) reported second quarter net income of \$21.0 million for fiscal year 2019 as compared to \$18.4 million for the prior year period. Earnings per share were \$0.39 versus \$0.34 for the prior year period. Revenues for the quarter increased to \$100.3 million from \$90.0 million for the same period in fiscal year 2018.

Fair Isaac Corporation (NYSE:FICO) reported third quarter net income of \$64.2 million for fiscal year 2019 as compared to \$29.7 million for the prior year period. Earnings per share were \$2.12 versus \$0.95 for the prior year period. Revenues for the quarter increased to \$314.2 million from \$255.0 million for the same period in fiscal year 2018.

FTI Consulting, Inc. (NYSE:FCN) reported second quarter net income of \$64.6 million for fiscal year 2019 as compared to \$43.6 million for the prior year period. Earnings per share were \$1.69 versus \$1.14 for the prior year period. Revenues for the quarter increased to \$606.1 million from \$512.1 million for the same period in fiscal year 2018.

Heidrick & Struggles International, Inc. (NasdaqGS:HSII) reported second quarter net income of \$14.3 million for fiscal year 2019 as compared to \$11.5 million for the prior year period. Earnings per share were \$0.73 versus \$0.59 for the prior year period. Revenues for the quarter decreased to \$173.1 million from \$183.1 million for the same period in fiscal year 2018.

Huron Consulting Group Inc. (NasdaqGS:HURN) reported second quarter net income of \$10.5 million for fiscal year 2019 as compared to \$5.4 million for the prior year period. Earnings per share were \$0.47 versus \$0.25 for the prior year period. Revenues for the quarter increased to \$220.8 million from \$197.5 million for the same period in fiscal year 2018.

Insperity, Inc. (NYSE:NPSP) reported second quarter net income of \$28.6 million for fiscal year 2019 as compared to \$24.6 million for the prior year period. Earnings per share were \$0.69 versus \$0.58 for the prior year period. Revenues for the quarter increased to \$1,043.3 million from \$922.3 million for the same period in fiscal year 2018.

Kforce Inc. (NasdaqGS:KFRC) reported second quarter net income of \$74.9 million for fiscal year 2019 as compared to \$16.3 million for the prior year period. Earnings per share were \$3.06 versus \$0.64 for the prior year period. Revenues for the quarter increased to \$338.9 million from \$329.5 million for the same period in fiscal year 2018.

ManpowerGroup Inc. (NYSE:MAN) reported second quarter net income of \$127.3 million for fiscal year 2019 as compared to \$143.4 million for the prior year period. Earnings per share were \$2.11 versus \$2.17 for the prior year period. Revenues for the quarter decreased to \$5,373.1 million from \$5,656.9 million for the same period in fiscal year 2018.

Resources Connection, Inc. (NasdaqGS:RECN) reported net income of \$31.5 million for fiscal year 2019 as compared to \$18.8 million for the prior year. Earnings per share were \$0.98 versus \$0.60 for the prior year. Revenues for the year increased to \$729.0 million from \$654.1 million for fiscal year 2018.

Robert Half International Inc. (NYSE:RHI) reported second quarter net income of \$114.6 million for fiscal year 2019 as compared to \$109.3 million for the prior year period. Earnings per share were \$0.98 versus \$0.89 for the prior year period. Revenues for the quarter increased to \$1,516.4 million from \$1,457.1 million for the same period in fiscal year 2018.

TriNet Group, Inc. (NYSE:TNET) reported second quarter net income of \$46.0 million for fiscal year 2019 as compared to \$58.0 million for the prior year period. Earnings per share were \$0.64 versus \$0.80 for the prior year period. Revenues for the quarter increased to \$935.0 million from \$850.0 million for the same period in fiscal year 2018.

TrueBlue, Inc. (NYSE:TBI) reported second quarter net income of \$19.4 million for fiscal year 2019 as compared to \$17.7 million for the prior year period. Earnings per share were \$0.49 versus \$0.44 for the prior year period. Revenues for the quarter decreased to \$588.6 million from \$614.3 million for the same period in fiscal year 2018.

Willis Towers Watson Public Limited Company (NasdaqGS:WLTW) reported second quarter net income of \$138.0 million for fiscal year 2019 as compared to \$58.0 million for the prior year period. Earnings per share were \$1.06 versus \$0.44 for the prior year period. Revenues for the quarter increased to \$2,048.0 million from \$1,990.0 million for the same period in fiscal year 2018.

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

Outsourced facility management services including: environmental services, 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) decreased by 2.3% in July of 2019.

Last Three Years
Daily from July 29, 2016 to July 31, 2019
Price as Percent of Base (July 29, 2016 = 0%)



Last Twelve Months
Daily from July 31, 2018 to July 31, 2019
Price as Percent of Base (July 31, 2018 = 0%)



Price Appreciation

| | 3-Year | LTM | 1-Month |
|--|--------|-------|---------|
| Mufson Howe Hunter Fixed Asset Management Index ^(a) | 35.0% | -1.7% | -2.3% |
| NASDAQ | 58.4% | 6.6% | 2.1% |
| S&P 500 | 37.1% | 5.8% | 1.3% |

(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

| 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 | | | | | | | | | | | |
| Rentbkill Initial plc (LSE:RTO) | \$5.32 | \$9,788.1 | \$11,589.4 | \$3,297.8 | \$608.7 | (\$0.07) | 3.51 x | 19.0 x | NM | 80.2% | 18.5% |
| Rollins, Inc. (ROL) | 33.53 | 10,980.6 | 11,421.6 | 1,885.4 | 372.9 | 0.69 | 6.06 x | 30.6 x | 48.6 x | 50.8% | 19.8% |
| ChemEd Corporation (CHE) | 405.39 | 6,454.5 | 6,637.8 | 1,837.3 | 276.0 | 12.10 | 3.61 x | 24.0 x | 33.5 x | 31.2% | 15.0% |
| FirstService Corporation (TSX:FSV) | 105.37 | 4,133.0 | 5,252.0 | 2,069.2 | 195.2 | (6.67) | 2.54 x | 26.9 x | NM | 31.4% | 9.4% |
| EMCOR Group, Inc. (EME) | 84.39 | 4,737.2 | 5,064.4 | 8,759.3 | 533.4 | 5.51 | 0.58 x | 9.5 x | 15.3 x | 14.8% | 6.1% |
| ABM Industries Incorporated (ABM) | 42.09 | 2,793.0 | 3,699.9 | 6,475.6 | 310.9 | 1.29 | 0.57 x | 11.9 x | 32.6 x | 10.9% | 4.8% |
| BrightView Holdings, Inc. (BV) | 19.76 | 2,071.7 | 3,236.4 | 2,361.7 | 257.4 | 0.08 | 1.37 x | 12.6 x | NM | 26.8% | 10.9% |
| Comfort Systems USA, Inc. (FIX) | 42.00 | 1,544.6 | 1,886.1 | 2,371.7 | 201.5 | 2.87 | 0.80 x | 9.4 x | 14.6 x | 19.9% | 8.5% |
| Healthcare Services Group, Inc. (HCSG) | 23.91 | 1,772.1 | 1,725.9 | 1,944.9 | 111.3 | 1.14 | 0.89 x | 15.5 x | 21.0 x | 12.9% | 5.7% |
| SP Plus Corporation (SP) | 34.53 | 764.0 | 1,581.1 | 852.1 | 113.6 | 2.13 | 1.86 x | 13.9 x | 16.2 x | 24.5% | 13.3% |
| Mean | | \$4,503.9 | \$5,209.5 | \$3,185.5 | \$298.1 | \$1.91 | 2.18x | 17.3x | 26.0x | 30.3% | 11.2% |
| Median | | 3,463.0 | 4,382.2 | 2,215.4 | 266.7 | 1.22 | 1.61x | 14.7x | 21.0x | 25.6% | 10.2% |
| Manned Security Services | | | | | | | | | | | |
| Securitas AB (OM: SECU B) | \$15.63 | \$5,703.9 | \$7,976.2 | \$11,532.8 | \$769.7 | \$0.90 | 0.69 x | 10.4 x | 17.4 x | 17.6% | 6.7% |
| G4S plc (LSE:GFS) | 2.34 | 3,619.6 | 6,387.3 | 9,721.3 | 664.6 | 0.03 | 0.66 x | 9.6 x | 75.0 x | 17.2% | 6.8% |
| The Brink's Company (BCO) | 90.16 | 4,508.0 | 6,285.4 | 3,579.1 | 419.3 | 1.55 | 1.76 x | 15.0 x | 58.0 x | 23.1% | 11.7% |
| The GEO Group, Inc. (GEO) | 17.81 | 2,122.6 | 4,939.7 | 2,407.6 | 417.2 | 1.29 | 2.05 x | 11.8 x | 13.8 x | 25.2% | 17.3% |
| CoreCivic, Inc. (CXW) | 16.97 | 2,021.1 | 3,944.3 | 1,919.3 | 444.6 | 1.51 | 2.06 x | 8.9 x | 11.2 x | 28.8% | 23.2% |
| Prosegur Compañía de Seguridad, S.A. (BME:PSG) | 4.69 | 2,810.5 | 3,851.6 | 4,532.5 | 485.9 | 0.19 | 0.85 x | 7.9 x | 24.7 x | 23.8% | 10.7% |
| Mean | | \$3,464.3 | \$5,564.1 | \$5,615.4 | \$533.6 | \$0.9 | 1.34x | 10.6x | 33.4x | 22.6% | 12.7% |
| Median | | 3,215.1 | 5,612.5 | 4,055.8 | 465.3 | 1.1 | 1.30x | 10.0x | 21.0x | 23.4% | 11.2% |
| Environmental Services | | | | | | | | | | | |
| Jacobs Engineering Group Inc. (JEC) | \$82.51 | \$11,179.9 | \$11,477.6 | \$16,741.7 | \$1,065.8 | \$2.54 | 0.69 x | 10.8 x | 32.4 x | 18.4% | 6.4% |
| Tetra Tech, Inc. (TTEK) | 79.20 | 4,328.2 | 4,563.5 | 2,314.7 | 241.0 | 3.14 | 1.97 x | 18.9 x | 25.2 x | 17.4% | 10.4% |
| Stantec Inc. (TSX:STN) | 23.92 | 2,671.9 | 3,858.2 | 2,706.9 | 284.5 | 1.16 | 1.43 x | 13.6 x | 20.6 x | 54.0% | 10.5% |
| Arcadis NV (ARCAD) | 20.53 | 1,820.8 | 2,568.8 | 3,842.8 | 279.4 | (0.34) | 0.67 x | 9.2 x | NM | 16.7% | 7.3% |
| Ecology & Environment, Inc. (EEI) | 10.40 | 44.9 | 34.8 | 86.4 | (1.0) | (0.44) | 0.40 x | NM | NM | 43.2% | -1.2% |
| Mean | | \$4,009.1 | \$4,500.6 | \$5,138.5 | \$373.9 | \$1.21 | 1.03 x | 13.1 x | 26.1 x | 29.9% | 6.7% |
| Median | | 2,671.9 | 3,858.2 | 2,706.9 | 279.4 | 1.16 | 0.69 x | 12.2 x | 25.2 x | 18.4% | 7.3% |

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.

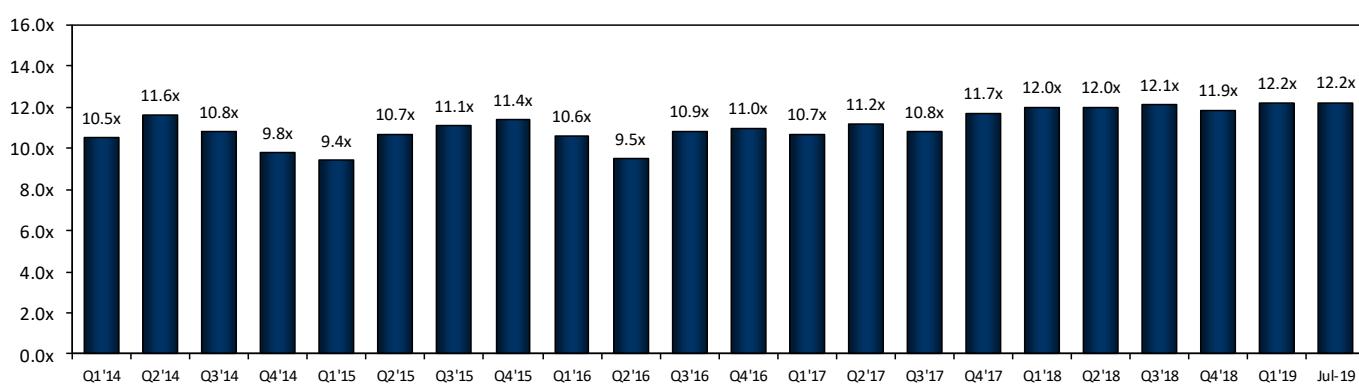
(1) As of close July 31, 2019.

(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 June 30, 2019 except JEC (June 28, 2019); ABM (April 30, 2019); EEI (April 27, 2019).

(4) Excludes non-recurring and discontinued operations.

Historical Enterprise Value-to-LTM EBITDA Multiples



Selected M&A Transactions

| Announced | Target | Target Description | Acquirer | Value |
|-----------|--|---|--|-------|
| July 26 | Kings Laundry Limited | Provides linen rental and laundry services | Elis (subsidiary of Elis SA (ENXTPA:ELIS)) | ND |
| July 23 | Garda World Security Corporation | Provides security services | BC Partners | ND |
| July 16 | Jasara Program Management Company | Provides management services for social infrastructure projects | Investment Fund of the Saudi Arabian Government | ND |
| July 12 | Jiangxi Xiangsheng Environmental Protection Technology Co., Ltd. | Recycles and sells smelting metals | Xiamen Savings Environmental Co., Ltd (SZSE:300056) | ND |
| July 12 | Shetler Security Services | Provides security and alarm services | Allied Universal | ND |
| July 9 | Iss Eesti As | Provides property maintenance services | Triinu Reinold, Ulo Kallas, Roberto de Silvestri and Elio Craver | ND |
| July 3 | Sichuan Gaolüping Environmental Technology Co., Ltd. | Provides waste collection, storage, and disposal services | Poten Environment Group Co., Ltd. (SHSE:603603) | ND |

ND – Not disclosed. Transaction values in millions.

Selected News

ChemEd Corporation (NYSE:CHE) reported second quarter net income of \$50.7 million for fiscal year 2019 as compared to \$55.0 million for the prior year period. Earnings per share were \$3.08 versus \$3.27 for the prior year period. Revenues for the quarter increased to \$473.6 million from \$441.8 million for the same period in fiscal year 2018.

Cintas Corporation (NasdaqGS:CTAS) reported net income of \$885.0 million for fiscal year 2019 as compared to \$842.6 million for the prior year. Earnings per share were \$7.99 versus \$7.56 for the prior year. Revenues for the year increased to \$6,892.3 million from \$6,476.6 million for fiscal year 2018.

Clean Harbors, Inc. (NYSE:CLH) reported second quarter net income of \$36.2 million for fiscal year 2019 as compared to \$30.7 million for the prior year period. Earnings per share were \$0.65 versus \$0.54 for the prior year period. Revenues for the quarter increased to \$868.7 million from \$849.1 million for the same period in fiscal year 2018.

Colliers International Group Inc. (TSX:CIGI) reported second quarter net income of \$23.8 million for fiscal year 2019 as compared to \$23.8 million for the prior year period. Earnings per share were \$0.60 versus \$0.60 for the prior year period. Revenues for the quarter increased to \$745.5 million from \$667.4 million for the same period in fiscal year 2018.

Comfort Systems USA, Inc. (NYSE:FIX) reported second quarter net income of \$24.2 million for fiscal year 2019 as compared to \$32.5 million for the prior year period. Earnings per share were \$0.65 versus \$0.87 for the prior year period. Revenues for the quarter increased to \$650.3 million from \$535.0 million for the same period in fiscal year 2018.

EMCOR Group, Inc. (NYSE:EME) reported second quarter net income of \$84.0 million for fiscal year 2019 as compared to \$70.8 million for the prior year period. Earnings per share were \$1.49 versus \$1.21 for the prior year period. Revenues for the quarter increased to \$2,324.2 million from \$1,953.9 million for the same period in fiscal year 2018.

Healthcare Services Group, Inc. (NasdaqGS:HCSG) reported second quarter net income of \$18.2 million for fiscal year 2019 as compared to \$25.8 million for the prior year period. Earnings per share were \$0.24 versus \$0.35 for the prior year period. Revenues for the quarter decreased to \$462.1 million from \$501.6 million for the same period in fiscal year 2018.

Heritage-Crystal Clean, Inc (NasdaqGS:HCCI) reported second quarter net income of \$7.1 million for fiscal year 2019 as compared to \$6.0 million for the prior year period. Earnings per share were \$0.30 versus \$0.26 for the prior year period. Revenues for the quarter increased to \$105.0 million from \$100.3 million for the same period in fiscal year 2018.

Prosegur Compañía de Seguridad, S.A. (BME:PSG) reported second quarter net income of \$30.4 million for fiscal year 2019 as compared to \$40.8 million for the prior year period. Earnings per share were \$0.05 versus \$0.05 for the prior year period. Revenues for the quarter increased to \$1,208.5 million from \$1,170.5 million for the same period in fiscal year 2018.

Rentokil Initial plc (LSE:RTO) reported second quarter net income of \$55.9 million for fiscal year 2019 as compared to \$56.9 million for the prior year period. Earnings per share were \$0.03 versus \$0.03 for the prior year period. Revenues for the quarter increased to \$825.3 million from \$775.9 million for the same period in fiscal year 2018.

Republic Services, Inc. (NYSE:RSG) reported second quarter net income of \$251.5 million for fiscal year 2019 as compared to \$234.9 million for the prior year period. Earnings per share were \$0.78 versus \$0.71 for the prior year period. Revenues for the quarter increased to \$2,605.3 million from \$2,517.8 million for the same period in fiscal year 2018.

Rollins, Inc. (NYSE:ROL) reported second quarter net income of \$64.3 million for fiscal year 2019 as compared to \$65.5 million for the prior year period. Earnings per share were \$0.20 versus \$0.20 for the prior year period. Revenues for the quarter increased to \$524.0 million from \$480.5 million for the same period in fiscal year 2018.

Securitas AB (OM:SECU B) reported second quarter net income of \$85.6 million for fiscal year 2019 as compared to \$93.0 million for the prior year period. Earnings per share were \$0.23 versus \$0.25 for the prior year period. Revenues for the quarter increased to \$2,981.8 million from \$2,841.9 million for the same period in fiscal year 2018.

Sodexo S.A. (ENXTPA:SW) reported second quarter net income of \$207.3 million for fiscal year 2019 as compared to \$227.1 million for the prior year period. Earnings per share were \$1.40 versus \$1.51 for the prior year period. Revenues for the quarter increased to \$6,289.1 million from \$6,283.9 million for the same period in fiscal year 2018.

SP Plus Corporation (NasdaqGS:SP) reported second quarter net income of \$15.2 million for fiscal year 2019 as compared to \$15.3 million for the prior year period. Earnings per share were \$0.68 versus \$0.68 for the prior year period. Revenues for the quarter increased to \$235.1 million from \$195.1 million for the same period in fiscal year 2018.

The Brink's Company (NYSE:BCO) announced the appointment **Kathie Andrade** to the **Board of Directors**.

The Brink's Company (NYSE:BCO) reported second quarter net income of \$12.5 million for fiscal year 2019 as compared to (\$107.9) million for the prior year period. Earnings per share were \$0.25 versus (\$2.11) for the prior year period. Revenues for the quarter increased to \$914.0 million from \$849.7 million for the same period in fiscal year 2018.

Waste Connections, Inc. (NYSE:WCN) reported second quarter net income of \$148.8 million for fiscal year 2019 as compared to \$138.7 million for the prior year period. Earnings per share were \$0.56 versus \$0.52 for the prior year period. Revenues for the quarter increased to \$1,369.6 million from \$1,240.0 million for the same period in fiscal year 2018.

Waste Management, Inc. (NYSE:WM) reported second quarter net income of \$381.0 million for fiscal year 2019 as compared to \$499.0 million for the prior year period. Earnings per share were \$0.89 versus \$1.15 for the prior year period. Revenues for the quarter increased to \$3,946.0 million from \$3,739.0 million for the same period in fiscal year 2018.

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

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Mergers & Acquisitions

- Advise buyers and sellers (public and private companies)
- Sale of businesses, strategic acquisitions, management buy-outs and industry build-ups

Raise Capital

- Equity (control and non-control)
- Mezzanine financing
- Senior and junior debt
- Typically raise capital from banks, finance companies, private investment funds and private equity groups

Financial Advisory Services

- Analysis of business strategies and options
- Fairness opinions
- Valuations

Q2 2019 Transactions

May 7, 2019
UNIPHY HEALTH*

Has been acquired by



The undersigned served as the exclusive financial advisor to Uniphy Health System LLC

Mufson Howe Hunter
INVESTMENT BANKERS FOR GROWTH

May 13, 2019
EMINENT GLOBAL LOGISTICS

Has been acquired by



a portfolio company of
CLAYTON PARTNERS

The undersigned served as the financial advisor to Eminent Group, Inc.

Mufson Howe Hunter
INVESTMENT BANKERS FOR GROWTH

June 28, 2019
UNIFIED DOOR & HARDWARE GROUP



Has completed a majority recapitalization with
DUNES POINT CAPITAL

The undersigned served as the financial advisor to

UnifiedDoor & Hardware Group, LLC

Mufson Howe Hunter
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