

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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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., 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.

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/		Price/	Gross Profit	EBITDA
				Revenue	EBITDA	EPS	Revenue	EBITDA	EPS		
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%	4.0%
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%	2.3%
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%	4.9%
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%	3.8%
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%	4.0%
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%	11.4%
Kforce Inc. (KFRC)	34.09	785.1	803.0	1,437.0	89.1	2.35	0.56 x	9.0 x	14.5 x	29.2%	6.2%
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%	8.0%
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%	6.1%
Median		672.8	678.7	1,083.0	73.6	1.67	0.76 x	9.6 x	15.9 x	40.2%	7.1%
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%	11.2%
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%	6.7%
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.

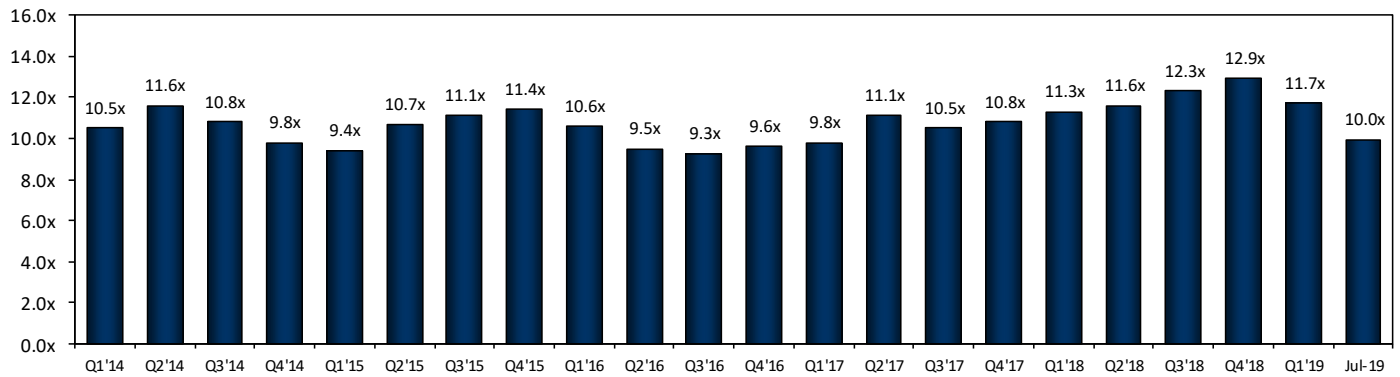
(1) As of close on July 31, 2019.

(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.

Insperty, Inc. (NYSE:NSP) 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.

Fixed Asset Management

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

(\$ 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	Enterprise Value/EBITDA	Price/EPS	Gross Profit	EBITDA
Facility Maintenance											
Rentokil 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.

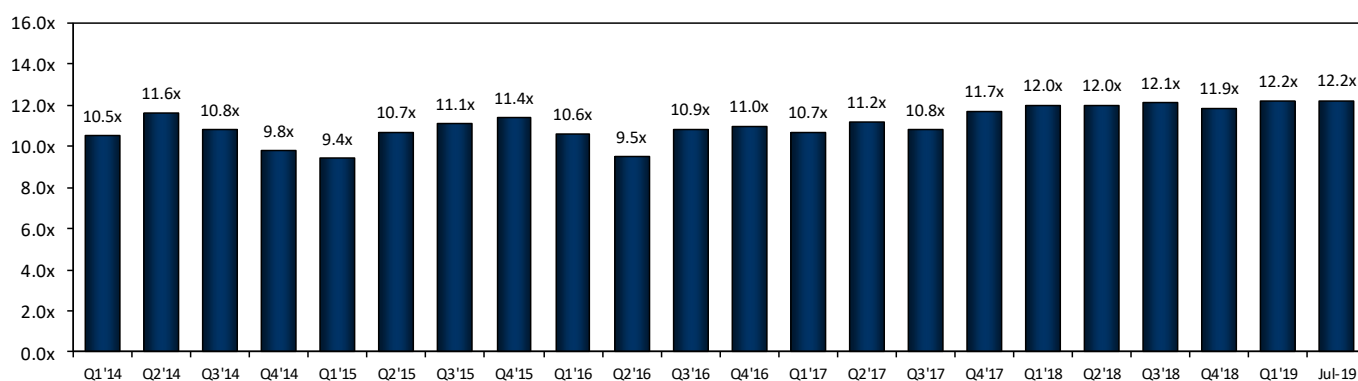
(1) As of close July 31, 2019.

(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.

Mufson Howe Hunter is an independent investment bank for middle-market companies. We focus on selling businesses, buy-outs, acquisitions and raising capital. Unique to the middle market, our senior bankers have extensive corporate finance experience and deep knowledge of the capital markets.

Mergers & Acquisitions

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

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

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

Q2 2019 Transactions



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