



Business Services Update

March 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.

Primary Business Services Contact

Peter J. Hill
Managing Director
215.399.5407
phill@mhco.com

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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TABLE OF CONTENTS

Section 1	Human Resources Outsourcing	2
Section 2	Contact Center Services.....	7
Section 3	Fixed Asset Management	11

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., Command Security Corp., 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) decreased by 4.0% in February of 2018.

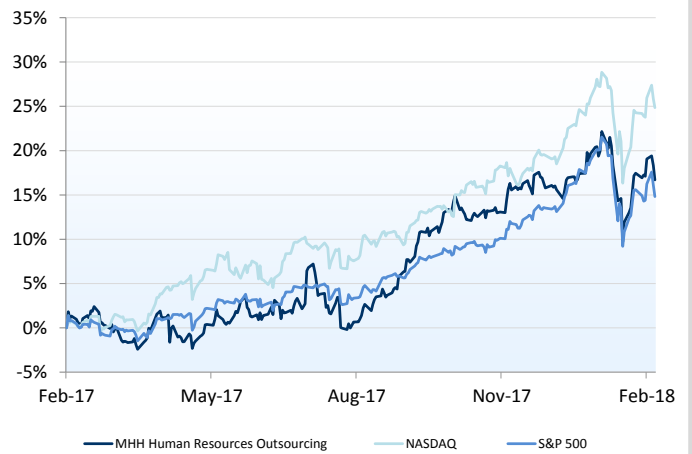
Last Three Years

Daily from February 27, 2015 to February 28, 2018
Price as Percent of Base (February 27, 2015 = 0%)



Last Twelve Months

Daily from February 28, 2017 to February 28, 2018
Price as Percent of Base (February 28, 2017 = 0%)



Price Appreciation

Mufson Howe Hunter Human Resources Outsourcing Index^(a)
NASDAQ
S&P 500

3-Year

LTM

1 Month

32.0%

16.7%

(4.0%)

46.5%

24.8%

(1.9%)

29.0%

14.8%

(3.9%)

(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	Price/EBITDA	Price/EPS	Gross Profit	EBITDA
Commercial Staffing											
Manpower, Inc. (MAN)	\$118.46	\$7,837.5	\$8,178.7	\$21,034.3	\$904.8	\$7.10	0.39 x	9.0 x	16.7 x	16.6%	4.3%
TrueBlue, Inc. (TBI)	27.20	1,081.9	1,171.9	2,508.8	124.6	1.18	0.47 x	9.4 x	23.0 x	25.3%	5.0%
Kelly Services, Inc. (KELY.A)	29.49	1,131.6	1,109.3	5,374.4	108.4	1.39	0.21 x	10.2 x	21.2 x	17.8%	2.0%
Mean		\$3,350.3	\$3,486.6	\$9,639.2	\$379.3	\$3.23	0.35 x	9.6 x	20.3 x	19.9%	3.8%
Median		1,131.6	1,171.9	5,374.4	124.6	1.39	0.39 x	9.4 x	21.2 x	17.8%	4.3%
Professional Staffing											
Robert Half International, Inc. (RHI)	\$57.07	\$6,971.4	\$6,677.5	\$5,266.8	\$581.2	\$2.59	1.27 x	11.5 x	22.0 x	41.1%	11.0%
Kforce, Inc. (KFRC)	27.70	691.7	811.4	1,357.9	76.2	1.58	0.60 x	10.7 x	17.5 x	30.0%	5.6%
Resources Connection, Inc. (RECN)	15.55	487.9	479.6	590.4	46.4	0.84	0.81 x	10.3 x	18.4 x	38.3%	7.9%
Hudson Global, Inc. (HSON)	1.96	61.3	52.8	456.7	5.6	0.04	0.12 x †	9.4 x	NM	40.9%	1.2%
Mean		\$2,053.1	\$2,005.3	\$1,918.0	\$177.4	\$1.26	0.89 x	10.5 x	19.3 x	37.6%	6.4%
Median		589.8	645.5	974.2	61.3	1.21	0.81 x	10.5 x	18.4 x	39.6%	6.7%
Healthcare Staffing											
On Assignment, Inc. (ASGN)	\$76.69	\$3,989.0	\$4,527.6	\$2,625.9	\$283.8	\$2.32	1.72 x	16.0 x	33.0 x	32.4%	10.8%
AMN Healthcare Services, Inc. (AMN)	55.65	2,652.2	2,956.9	1,988.5	244.7	2.44	1.49 x	12.1 x	22.8 x	32.4%	12.3%
Cross Country Healthcare, Inc. (CCRN)	12.95	472.4	546.7	865.0	39.3	0.43	0.63 x	13.9 x	30.5 x	26.4%	4.5%
Mean		\$2,371.2	\$2,677.0	\$1,826.5	\$189.3	\$1.73	1.28 x	14.0 x	28.8 x	30.4%	9.2%
Median		2,652.2	2,956.9	1,988.5	244.7	2.32	1.49 x	13.9 x	30.5 x	32.4%	10.8%
IT Staffing											
Computer Task Group, Inc. (CTG)	\$7.97	\$123.5	\$116.7	\$301.2	\$6.0	\$0.18	0.39 x	19.4 x	NM	18.8%	2.0%
RCM Technologies, Inc. (RCMT)	3.64	76.4	85.0	186.7	6.8	0.23	0.46 x	12.5 x	15.6 x	25.9%	3.6%
Mean		\$99.9	\$100.9	\$244.0	\$6.4	\$0.21	0.42 x	15.9 x	15.6 x	22.3%	2.8%
Median		99.9	100.9	244.0	6.4	0.21	0.42 x	15.9 x	15.6 x	22.3%	2.8%
Executive Search											
Korn/Ferry International, Inc. (KFY)	\$41.91	\$2,368.5	\$2,334.9	\$1,697.9	\$216.4	\$2.07	1.38 x	10.8 x	20.3 x	27.3%	12.7%
Heidrick & Struggles Intl. Inc. (HSII)	26.40	495.8	288.3	621.4	55.7	1.27	0.46 x	5.2 x	20.8 x	30.1%	9.0%
Mean		\$1,432.1	\$1,311.6	\$1,159.7	\$136.0	\$1.67	0.92 x	8.0 x	20.6 x	28.7%	10.9%
Median		1,432.1	1,311.6	1,159.7	136.0	1.67	0.92 x	8.0 x	20.6 x	28.7%	10.9%

(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 February 28, 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 December 31, 2017 except KFY (January 31, 2018); RCMT (December 30, 2017) and RECN (November 25, 2017).

(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	EBITDA	Price/EPS	Gross Profit	EBITDA
HR Outsourcing											
Automatic Data Processing (ADP)	\$115.32	\$51,117.9	\$51,343.7	\$12,789.8	\$2,725.3	\$3.32	4.01 x	18.8 x	34.7 x	42.7%	21.3%
Towers Watson & Co. (NasdaqGS:WLTW)	157.90	20,876.9	24,532.9	8,116.0	1,698.0	3.93	3.02 x	14.4 x	NM	41.5%	20.9%
Paychex, Inc. (PAYX)	65.13	23,393.7	23,188.5	3,237.7	1,415.6	2.23	7.16 x	16.4 x	29.2 x	70.7%	43.7%
Insperty, Inc. (NSP)	65.30	2,708.9	2,457.1	3,300.2	144.0	1.97	0.74 x	17.1 x	33.1 x	17.4%	4.4%
Barrett Business Services (BBSI)	74.29	542.3	486.2	920.4	35.4	2.85	0.53 x	13.7 x	26.1 x	61.2%	3.8%
Mean		\$19,728.0	\$20,401.7	\$5,672.8	\$1,203.7	\$2.86	3.09 x	16.1 x	30.8 x	46.7%	18.8%
Median		\$20,876.9	\$23,188.5	\$3,300.2	\$1,415.6	\$2.85	3.02 x	16.4 x	31.2 x	42.7%	20.9%
Professional & Consulting											
Fair Isaac Corp. (FICO)	\$169.94	\$5,110.6	\$5,680.2	\$947.9	\$216.0	\$3.14	5.99 x	NM	NM	69.2%	22.8%
FTI Consulting, Inc. (FCN)	47.69	1,741.0	1,947.3	1,807.7	186.9	2.08	1.08 x	10.4 x	23.0 x	32.8%	10.3%
Exponent, Inc. (EXPO)	77.75	2,003.5	1,807.2	329.7	78.3	1.91	5.48 x	23.1 x	NM	36.2%	23.8%
Huron Consulting (HURN)	35.00	741.6	1,067.8	732.6	104.0	1.13	1.46 x	10.3 x	31.0 x	37.9%	14.2%
Navigant Consulting, Inc. (NCI)	19.88	895.9	1,020.4	939.6	125.8	1.07	1.09 x	8.1 x	18.6 x	31.0%	13.4%
CBIZ, Inc. (CBZ)	18.05	976.6	1,157.9	855.3	89.5	0.81	1.35 x	12.9 x	22.3 x	11.7%	10.5%
CRA International (CRAI)	49.99	405.4	351.3	370.1	27.8	1.32	0.95 x	12.6 x	NM	30.7%	7.5%
Mean		\$1,696.4	\$1,861.7	\$854.7	\$118.4	\$1.64	2.49 x	12.9 x	23.7 x	35.6%	14.6%
Median		976.6	1,157.9	855.3	104.0	1.32	1.35 x	11.5 x	22.6 x	32.8%	13.4%

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.

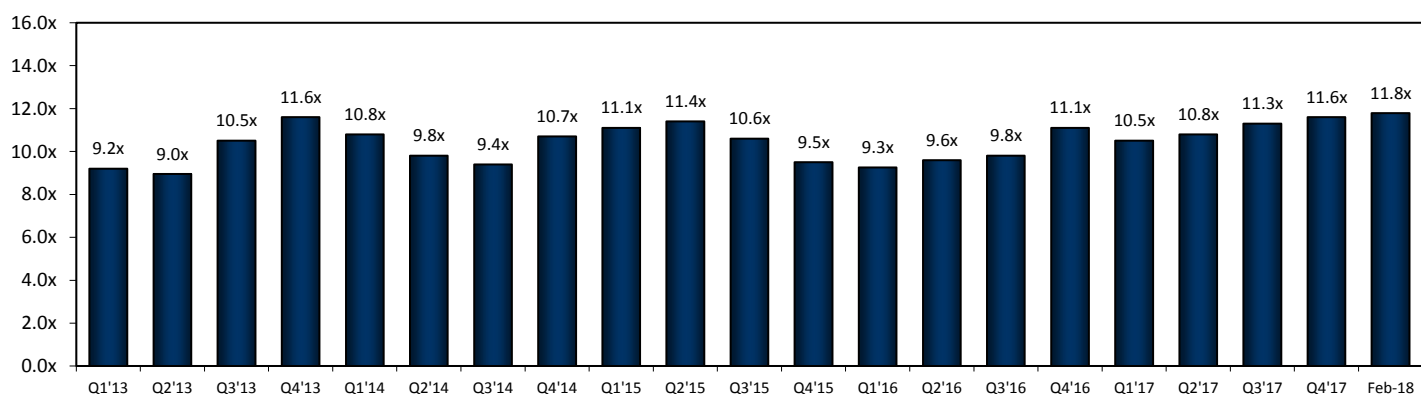
(1) As of close on February 28, 2018.

(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 December 31, 2017 except CRAI (December 30, 2017); EXPO (December 29, 2017) and PAYX (November 30, 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
February 28	JHill's Staffing Services, Inc.	Provides executive recruiting services for the legal industry	Marcum Search LLC	ND
February 23	MBS Associates, Inc.	Provides temporary and permanent staffing services	Kable Staffing Resources, LLC	ND
February 22	Agility Staffing, Inc.	Provides recruiting and staffing services	Staffing Express, Inc.	ND
February 8	Nursing, Allied and Administrative Business of Applied Recruitment Technologies, Inc.	Provides online recruitment and career solutions for the healthcare industry	Naylor, LLC	ND
February 6	Carnegie Affiliates, Inc.	Provides IT staffing solutions	Resource 1 LLC	ND

ND – Not disclosed. Transaction values in millions.

Selected News

AMN Healthcare Services, Inc. (NYSE:AMN) reported net income of \$132.6 million for fiscal year 2017 as compared to \$105.8 million for the prior year. Earnings per share were \$2.68 versus \$2.15 for the prior year. Revenues for the year increased to \$1,988.5 million from \$1,902.2 million for fiscal year 2016.

Barrett Business Services, Inc. (NasdaqGS:BBSI) reported net income of \$25.2 million for fiscal year 2017 as compared to \$18.8 million for the prior year. Earnings per share were \$3.33 versus \$2.55 for the prior year. Revenues for the year increased to \$920.4 million from \$840.6 million for fiscal year 2016.

CBIZ, Inc. (NYSE:CBZ) reported net income of \$50.4 million for fiscal year 2017 as compared to \$40.1 million for the prior year. Earnings per share were \$0.91 versus \$0.75 for the prior year. Revenues for the year increased to \$855.3 million from \$799.8 million for fiscal year 2016.

Computer Task Group, Incorporated (NasdaqGS:CTG) reported net income of \$0.8 million for fiscal year 2017 as compared to (\$34.6) million for the prior year. Earnings per share were \$0.05 versus (\$2.22) for the prior year. Revenues for the year decreased to \$301.2 million from \$324.9 million for fiscal year 2016.

CRA International, Inc. (NasdaqGS:CRAI) reported net income of \$7.6 million for fiscal year 2017 as compared to \$12.9 million for the prior year. Earnings per share were \$0.89 versus \$1.49 for the prior year. Revenues for the year increased to \$370.1 million from \$324.8 million for fiscal year 2016.

Cross Country Healthcare, Inc. (NasdaqGS:CCRN) reported net income of \$37.5 million for fiscal year 2017 as compared to \$8.0 million for the prior year. Earnings per share were \$1.01 versus \$0.15 for the prior year. Revenues for the year increased to \$865.0 million from \$833.5 million for fiscal year 2016.

FTI Consulting, Inc. (NYSE:FCN) reported net income of \$108.0 million for fiscal year 2017 as compared to \$85.5 million for the prior year. Earnings per share were \$2.75 versus \$2.05 for the prior year. Revenues for the year decreased to \$1,807.7 million from \$1,810.4 million for fiscal year 2016.

Huron Consulting Group Inc. (NasdaqGS:HURN) reported net income of (\$170.1) million for fiscal year 2017 as compared to \$37.6 million for the prior year. Earnings per share were (\$7.93) versus \$1.75 for the prior year. Revenues for the year increased to \$732.6 million from \$726.3 million for fiscal year 2016.

Huron Consulting Group Inc. (NasdaqGS:HURN) announced the appointment of **Hugh E. Sawyer** to its **Board of Directors** effective February 8, 2018.

Insperity, Inc. (NYSE:NSP) reported net income of \$84.4 million for fiscal year 2017 as compared to \$66.0 million for the prior year. Earnings per share were \$2.01 versus \$1.54 for the prior year. Revenues for the year increased to \$3,300.2 million from \$2,941.3 million for fiscal year 2016.

Kelly Services, Inc. (NasdaqGS:KELY.A) reported net income of \$71.6 million for fiscal year 2017 as compared to \$120.8 million for the prior year. Earnings per share were \$1.81 versus \$3.08 for the prior year. Revenues for the year increased to \$5,374.4 million from \$5,276.8 million for fiscal year 2016.

Kforce Inc. (NasdaqGS:KFRC) reported net income of \$33.3 million for fiscal year 2017 as compared to \$32.8 million for the prior year. Earnings per share were \$1.30 versus \$1.25 for the prior year. Revenues for the year increased to \$1,357.9 million from \$1,319.7 million for fiscal year 2016.

ManpowerGroup Inc. (NYSE:MAN) reported net income of \$545.4 million for fiscal year 2017 as compared to \$443.7 million for the prior year. Earnings per share were \$8.04 versus \$6.27 for the prior year. Revenues for the year increased to \$21,034.3 million from \$19,654.1 million for fiscal year 2016.

Navigant Consulting, Inc. (NYSE:NCI) reported net income of \$75.0 million for fiscal year 2017 as compared to \$58.1 million for the prior year. Earnings per share were \$1.55 versus \$1.19 for the prior year. Revenues for the year increased to \$939.6 million from \$938.7 million for fiscal year 2016.

On Assignment, Inc. (NYSE:ASGN) reported net income of \$157.7 million for fiscal year 2017 as compared to \$97.2 million for the prior year. Earnings per share were \$2.97 versus \$1.81 for the prior year. Revenues for the year increased to \$2,625.9 million from \$2,440.4 million for fiscal year 2016.

TrueBlue, Inc. (NYSE:TBI) reported net income of \$55.5 million for fiscal year 2017 as compared to (\$15.3) million for the prior year. Earnings per share were \$1.34 versus (\$0.37) for the prior year. Revenues for the year decreased to \$2,508.8 million from \$2,750.6 million for fiscal year 2016.

Willis Towers Watson Public Limited Company (NasdaqGS:WLTW) reported net income of \$568.0 million for fiscal year 2017 as compared to \$420.0 million for the prior year. Earnings per share were \$4.18 versus \$3.04 for the prior year. Revenues for the year increased to \$8,116.0 million from \$7,778.0 million for fiscal year 2016.

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) decreased by 5.5% in February of 2018.

Last Three Years

Daily from February 27, 2015 to February 28, 2018
Price as Percent of Base (February 27, 2015 = 0%)



Last Twelve Months

Daily from February 28, 2017 to February 28, 2018
Price as Percent of Base (February 28, 2017 = 0%)



Price Appreciation

	3-Year	LTM	1 Month
Mufson Howe Hunter Contact Center Services Index ^(a)	40.1%	25.2%	(5.5%)
NASDAQ	46.5%	24.8%	(1.9%)
S&P 500	29.0%	14.8%	(3.9%)

(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	Enterprise	Revenue	EBITDA	EPS	Enterprise Value/		Price/	Gross	
		Value	Value ⁽²⁾				Revenue	EBITDA		Profit	EBITDA
On-Shore											
Convergys Corporation (CVG)	\$23.21	\$2,126.5	\$2,187.9	\$2,792.1	\$358.2	\$1.29	0.78 x	6.1 x	17.9 x	37.9%	12.8%
TTEC Holdings, Inc. (TTEC)	35.65	1,634.5	1,817.8	1,477.4	183.5	1.39	1.23 x	9.9 x	25.6 x	24.9%	12.4%
Sykes Enterprises, Incorporated (SYKE)	29.06	1,236.5	1,220.1	1,586.0	170.4	1.29	0.77 x	7.2 x	22.5 x	36.8%	10.7%
StarTek, Inc. (SRT)	10.80	174.3	196.9	298.1	15.6	0.11	0.66 x	12.6 x	96.4 x	12.4%	5.2%
Mean		\$1,292.9	\$1,355.7	\$1,538.4	\$181.9	\$1.02	0.86 x	8.9 x	40.6 x	28.0%	10.3%
Median		1,435.5	1,519.0	1,531.7	176.9	1.29	0.78 x	8.5 x	24.1 x	30.8%	11.6%
Off-Shore											
Genpact Limited (G)	\$31.37	\$6,048.9	\$6,765.1	\$2,736.9	\$424.8	\$1.05	2.47 x	15.9 x	29.8 x	38.5%	15.5%
WNS (Holdings) Limited (WNS)	45.00	2,263.6	2,158.8	714.6	91.6	1.09	3.02 x	23.6 x	41.2 x	32.5%	12.8%
ExlService Holdings, Inc. (EXLS)	57.02	1,950.0	1,746.2	762.3	111.6	1.37	2.29 x	15.7 x	41.6 x	35.0%	14.6%
Mean		\$3,420.8	\$3,556.7	\$1,404.6	\$209.3	\$1.17	2.59 x	18.4 x	37.5 x	35.3%	14.3%
Median		2,263.6	2,158.8	762.3	111.6	1.09	2.47 x	15.9 x	41.2 x	35.0%	14.6%
All Companies											
Mean		\$2,204.9	\$2,299.0	\$1,481.1	\$193.7	\$1.09	1.60 x	13.0 x	39.3 x	31.1%	12.0%
Median		1,950.0	1,817.8	1,477.4	170.4	1.29	1.23 x	12.6 x	29.8 x	35.0%	12.8%

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

‡ = excluded from Mean and Median calculations

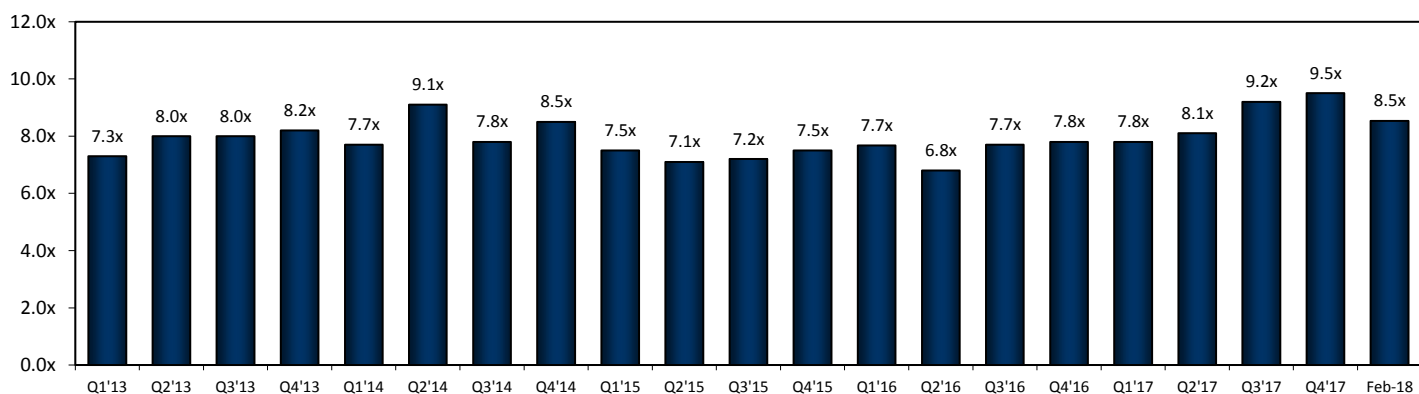
Source: Public Filings, Press Releases and Published Research Reports.

(1) As of close February 28, 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 December 31, 2017 except for SRT (September 30, 2017).

Historical Enterprise Value-to-LTM EBITDA Multiples



Selected M&A Transactions

Announced	Target	Target Description	Acquirer	Value
February 20	Corridor Platforms, Inc.	Provides a risk management platform to banks	ExlService Holdings, Inc. (NasdaqGS:EXLS)	ND
February 20	CreditCall Limited	Provides credit card processing service and fulfillment services	Network Merchants, LLC	ND
February 19	Aktrion Group Limited	Provides outsourced business and manufacturing support services	Servest Group Limited	ND
February 14	Leo Connect Co., Ltd	Provides customer support services	Scala, Inc. (TSE:4845)	\$0.6
February 12	Happy Homes LLC	Provides business process outsourcing services	SK Telecom Co., Ltd. (KOSE:A017670)	\$17.0
February 1	Great Rock Development Corp. (nka:Comepay, Inc. (OTCPK:GROC.D))	Offers outsourced support services	Comepay, Inc. (OTCPK:GROC.D)	ND

ND – Not disclosed. Transaction values in millions.

Selected News

Convergys Corporation (NYSE:CVG) reported net income of \$121.4 million for fiscal year 2017 as compared to \$143.0 million for the prior year. Earnings per share were \$1.22 versus \$1.40 for the prior year. Revenues for the year decreased to \$2,792.1 million from \$2,913.6 million for fiscal year 2016.

ExlService Holdings, Inc. (NasdaqGS:EXLS) reported net income of \$48.9 million for fiscal year 2017 as compared to \$61.7 million for the prior year. Earnings per share were \$1.39 versus \$1.79 for the prior year. Revenues for the year increased to \$762.3 million from \$686.0 million for fiscal year 2016.

Genpact Limited (NYSE:G) reported net income of \$263.1 million for fiscal year 2017 as compared to \$269.7 million for the prior year. Earnings per share were \$1.34 versus \$1.28 for the prior year. Revenues for the year increased to \$2,736.9 million from \$2,570.8 million for fiscal year 2016.

Sykes Enterprises, Incorporated (NasdaqGS:SYKE) reported net income of \$32.2 million for fiscal year 2017 as compared to \$62.4 million for the prior year. Earnings per share were \$0.76 versus \$1.48 for the prior year. Revenues for the year increased to \$1,586.0 million from \$1,460.0 million for fiscal year 2016.

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) decreased by 3.3% in February of 2018.

Last Three Years

Daily from February 27, 2015 to February 28, 2018
Price as Percent of Base (February 27, 2015 = 0%)



Last Twelve Months

Daily from February 28, 2017 to February 28, 2018
Price as Percent of Base (February 28, 2017 = 0%)



Price Appreciation

	3-Year	LTM	1 Month
Mufson Howe Hunter Fixed Asset Management Index ^(a)	33.9%	15.3%	(3.3%)
NASDAQ	46.5%	24.8%	(1.9%)
S&P 500	29.0%	14.8%	(3.9%)

(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

(\$ 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)	\$50.27	\$10,969.4	\$10,862.4	\$1,674.0	\$350.6	\$0.84	6.49 x	31.0 x	59.6 x	51.0%	20.9%
Rentokil Initial plc (LSE:RTO)	4.06	7,446.6	8,872.9	3,384.8	697.2	0.13	2.62 x	12.7 x	30.6 x	12.8%	20.6%
EMCOR Group, Inc. (EME)	76.31	4,454.5	4,298.0	7,687.0	478.5	3.96	0.56 x	9.0 x	19.2 x	14.9%	6.2%
Chemed Corporation (CHE)	259.63	4,195.9	4,286.0	1,666.7	240.3	7.98	2.57 x	17.8 x	32.5 x	31.0%	14.4%
ABM Industries Incorporated (ABM)	35.16	2,305.9	3,421.3	5,715.2	218.5	1.10	0.60 x	15.7 x	32.1 x	10.5%	3.8%
Healthcare Services Group, Inc. (HCSG)	45.43	3,347.2	3,299.8	1,866.1	135.8	1.12	1.77 x	24.3 x	40.6 x	13.6%	7.3%
FirstService Corporation (TSX:FSV)	68.24	2,456.7	2,773.0	1,705.5	157.8	1.19	1.63 x	17.6 x	57.3 x	30.3%	9.3%
Comfort Systems USA, Inc. (FIX)	41.05	1,522.8	1,546.7	1,787.9	137.6	1.61	0.87 x	11.2 x	25.5 x	20.5%	7.7%
SP Plus Corporation (SP)	36.00	811.5	942.7	911.3	102.1	1.89	1.03 x	9.2 x	19.1 x	20.3%	11.2%
Mean		\$4,167.8	\$4,478.1	\$2,933.2	\$279.8	\$2.20	2.01x	16.5x	35.2x	22.8%	11.3%
Median		3,347.2	3,421.3	1,787.9	218.5	1.19	1.63x	15.7x	32.1x	20.3%	9.3%
Food Services											
Compass Group PLC (LSE:CPG)	\$21.69	\$34,349.4	\$39,410.5	\$31,666.4	\$2,967.7	\$0.83	1.24 x	13.3 x	26.1 x	24.5%	9.4%
Sodexo S.A. (ENXTPA:SW)	124.60	18,518.6	20,444.9	25,509.0	1,965.7	6.12	0.80 x	10.4 x	20.3 x	15.4%	7.7%
Aramark (ARMK)	41.71	10,253.6	17,129.5	14,834.1	1,286.9	1.34	1.15 x	13.3 x	31.1 x	11.0%	8.7%
Mean		\$21,040.5	\$25,661.7	\$24,003.2	\$2,073.4	\$2.76	1.07x	12.3x	25.9x	17.0%	8.6%
Median		18,518.6	20,444.9	25,509.0	1,965.7	1.34	1.15x	13.3x	26.1x	15.4%	8.7%
Manned Security Services											
Securitas AB (OM:SECU B)	\$17.49	\$6,383.4	\$7,976.3	\$11,281.6	\$736.2	\$0.85	0.71 x	10.8 x	20.6 x	17.6%	6.5%
G4S plc (LSE:GFS)	3.68	5,695.3	7,954.4	10,983.9	865.7	0.20	0.72 x	9.2 x	18.0 x	17.8%	7.9%
Prosegur Compañía de Seguridad, S.A. (BME:PSG)	8.10	4,849.8	5,307.6	5,288.0	629.8	0.35	1.00 x	8.4 x	23.1 x	24.0%	11.9%
The GEO Group, Inc. (GEO)	21.30	2,603.7	5,117.9	2,263.4	391.6	0.95	2.26 x	13.1 x	22.5 x	24.9%	17.3%
The Brink's Company (BCO)	73.50	3,710.5	4,332.9	3,347.0	374.7	2.20	1.29 x	11.6 x	33.4 x	22.1%	11.2%
CoreCivic, Inc. (CXW)	20.79	2,457.5	3,879.6	1,765.5	411.5	1.02	2.20 x	9.4 x	20.5 x	29.2%	23.3%
Command Security Corporation (MOC)	3.24	32.7	53.6	182.5	1.5	0.04	0.29 x	35.7 x	82.6 x	10.9%	0.8%
Mean		\$3,676.1	\$4,946.0	\$5,016.0	\$487.3	\$0.80	1.21x	14.0x	31.5x	20.9%	11.3%
Median		3,710.5	5,117.9	3,347.0	411.5	0.85	1.00x	10.8x	22.5x	22.1%	11.2%
Uniform / Linen Rentals											
Cintas Corporation (CTAS)	\$170.66	\$18,173.4	\$20,748.9	\$6,003.6	\$1,192.1	\$4.75	3.46 x	17.4 x	35.9 x	44.9%	19.9%
UniFirst Corporation (UNF)	155.30	3,151.1	2,777.0	1,620.6	268.0	5.64	1.71 x	10.4 x	27.5 x	37.8%	16.5%
Mean		\$10,662.2	\$11,762.9	\$3,812.1	\$730.0	\$5.19	2.58x	13.9x	31.7x	41.3%	18.2%
Median		10,662.2	11,762.9	3,812.1	730.0	5.19	2.58x	13.9x	31.7x	41.3%	18.2%

(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 February 28, 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 December 31, 2017 except ABM (January 31, 2018); ARMK (December 29, 2017); CTAS (November 30, 2017); UNF (November 25, 2017); CPG (September 30, 2017) and SW (August 31, 2017).

(4) Excludes non-recurring and discontinued operations.

Selected Valuation Metrics

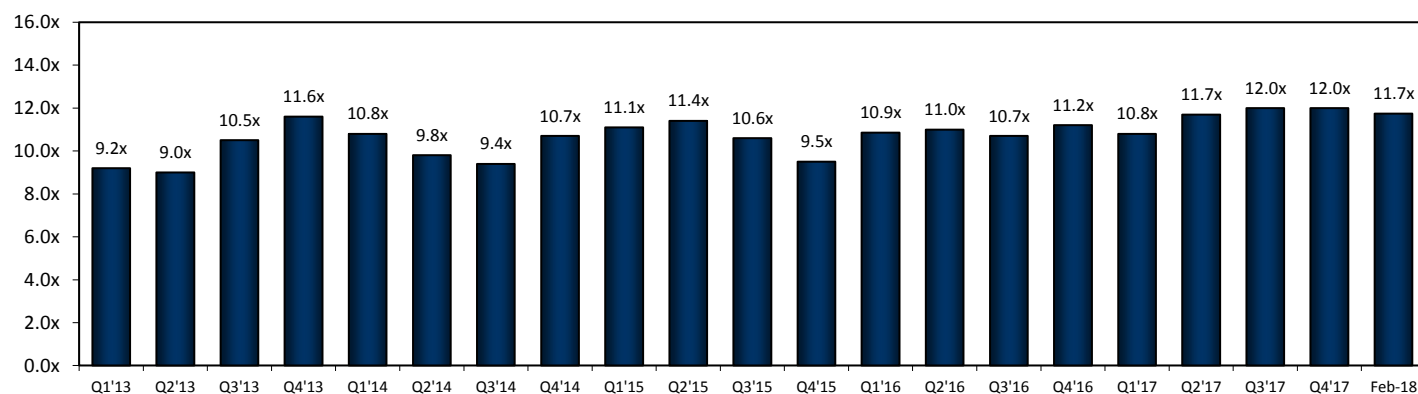
(\$ in millions, except per share data)

Company	Market & Capitalization			LTM Performance ⁽³⁾			Valuation			Margins	
	Price ⁽¹⁾	Equity Value	Enterprise Value ⁽²⁾	Revenue	EBITDA ⁽⁴⁾	EPS	Enterprise Value/ Revenue EBITDA		Price/ EPS	Gross Profit	EBITDA
Waste Management Services											
Waste Management, Inc. (WM)	\$86.32	\$37,434.7	\$46,926.7	\$14,485.0	\$3,996.0	\$3.10	3.24 x	11.7 x	27.8 x	37.7%	27.6%
Republic Services, Inc. (RSG)	67.18	22,250.9	30,357.3	10,041.5	2,769.5	2.33	3.02 x	11.0 x	28.8 x	38.1%	27.6%
Waste Connections, Inc. (WCN)	70.78	18,662.3	22,160.5	4,630.5	1,448.6	1.64	4.79 x	15.3 x	43.0 x	41.6%	31.3%
Stericycle, Inc. (SRCL)	62.67	5,361.1	8,072.7	3,580.7	754.5	2.95	2.25 x	10.7 x	21.3 x	40.9%	21.1%
Clean Harbors, Inc. (CLH)	49.93	2,821.4	4,093.3	2,945.0	421.1	0.44	1.39 x	9.7 x	NM	30.0%	14.3%
Casella Waste Systems, Inc. (CWST)	25.42	1,068.7	1,551.2	599.3	114.9	0.43	2.59 x	13.5 x	59.0 x	32.4%	19.2%
Heritage-Crystal Clean, Inc (HCCI)	20.00	457.6	445.1	366.0	41.6	0.59	1.22 x	10.7 x	33.8 x	24.6%	11.4%
Mean		\$12,579.5	\$16,229.6	\$5,235.4	\$1,363.7	\$1.64	2.64 x	11.8 x	35.6 x	35.0%	21.8%
Median		5,361.1	8,072.7	3,580.7	754.5	1.64	2.59 x	11.0 x	31.3 x	37.7%	21.1%

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 February 28, 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 December 31, 2017 except HCCI (December 30, 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
February 28	Vitek AS	Provides waste management services	Bergen Group Management AS	\$15.5
February 28	AMES Group Limited	Provides pest control and specialist services	Rollins, Inc. (NYSE:ROL)	ND
February 28	Kestrel Pest Control Limited	Provides general pest and termite control services	Rollins, Inc. (NYSE:ROL)	ND
February 28	Paramount Uniforms	Provides workplace uniforms and protective workwear	UniFirst Corporation (NYSE:UNF)	ND
February 27	Irea Corporate Finance, S.L. (nka:Colliers International España)	Provides property management services in Spain	Colliers International Group Inc. (TSX:CIGI)	ND
February 23	Ryuseki Teion Ryutsu	Provides cargo warehousing and transportation services	Kokubu Group Corp.	ND
February 15	Rocky Mountain Offender Management Systems, LLC	Provides non-residential correctional alternatives	CoreCivic, Inc. (NYSE:CXW)	ND
February 15	Bay Disposal & Recycling Inc.	Engages in solid waste collection and disposal services	Waste Connections, Inc. (NYSE:WCN)	ND

ND – Not disclosed. Transaction values in millions.

Selected News

Aramark (NYSE:ARMK) reported first quarter net income of \$292.3 million for fiscal year 2018 as compared to \$125.3 million for the prior year period. Earnings per share were \$1.16 versus \$0.50 for the prior year period. Revenues for the quarter increased to \$3,965.1 million from \$3,735.4 million for the same period in fiscal year 2017.

Chemed Corporation (NYSE:CHE) reported net income of \$98.2 million for fiscal year 2017 as compared to \$108.7 million for the prior year. Earnings per share were \$5.86 versus \$6.48 for the prior year. Revenues for the year increased to \$1,666.7 million from \$1,576.9 million for fiscal year 2016.

Clean Harbors, Inc. (NYSE:CLH) reported net income of \$100.7 million for fiscal year 2017 as compared to (\$39.9) million for the prior year. Earnings per share were \$1.76 versus (\$0.69) for the prior year. Revenues for the year increased to \$2,945.0 million from \$2,755.2 million for fiscal year 2016.

Colliers International Group Inc. (TSX:CIGI) reported net income of \$49.3 million for fiscal year 2017 as compared to \$68.0 million for the prior year. Earnings per share were \$1.25 versus \$1.75 for the prior year. Revenues for the year increased to \$2,275.4 million from \$1,896.7 million for fiscal year 2016.

Comfort Systems USA, Inc. (NYSE:FIX) reported net income of \$55.3 million for fiscal year 2017 as compared to \$64.9 million for the prior year. Earnings per share were \$1.47 versus \$1.72 for the prior year. Revenues for the year increased to \$1,787.9 million from \$1,634.3 million for fiscal year 2016.

CoreCivic, Inc. (NYSE:CXW) reported net income of \$178.0 million for fiscal year 2017 as compared to \$219.9 million for the prior year. Earnings per share were \$1.50 versus \$1.87 for the prior year. Revenues for the year decreased to \$1,765.5 million from \$1,849.8 million for fiscal year 2016.

EMCOR Group, Inc. (NYSE:EME) reported net income of \$227.2 million for fiscal year 2017 as compared to \$181.9 million for the prior year. Earnings per share were \$3.82 versus \$2.97 for the prior year. Revenues for the year increased to \$7,687.0 million from \$7,551.5 million for fiscal year 2016.

Healthcare Services Group, Inc. (NasdaqGS:HCSG) reported net income of \$88.2 million for fiscal year 2017 as compared to \$77.4 million for the prior year. Earnings per share were \$1.19 versus \$1.05 for the prior year. Revenues for the year increased to \$1,866.1 million from \$1,562.7 million for fiscal year 2016.

Heritage-Crystal Clean, Inc (NasdaqGS:HCCI) reported net income of \$28.1 million for fiscal year 2017 as compared to \$5.8 million for the prior year. Earnings per share were \$1.23 versus \$0.26 for the prior year. Revenues for the year increased to \$366.0 million from \$347.6 million for fiscal year 2016.

Prosegur Compañía de Seguridad, S.A. (BME:PSG) reported net income of \$186.3 million for fiscal year 2017 as compared to \$166.2 million for the prior year. Earnings per share were \$0.31 versus \$0.28 for the prior year. Revenues for the year increased to \$5,316.8 million from \$4,835.5 million for fiscal year 2016.

Republic Services, Inc. (NYSE:RSG) reported net income of \$1,278.4 million for fiscal year 2017 as compared to \$612.6 million for the prior year. Earnings per share were \$3.77 versus \$1.78 for the prior year. Revenues for the year increased to \$10,041.5 million from \$9,387.7 million for fiscal year 2016.

SP Plus Corporation (NasdaqGS:SP) reported net income of \$41.2 million for fiscal year 2017 as compared to \$23.1 million for the prior year. Earnings per share were \$1.83 versus \$1.03 for the prior year. Revenues for the year increased to \$911.3 million from \$891.8 million for fiscal year 2016.

SP Plus Corporation (NasdaqGS:SP) announced the appointment of **Alice M. Peterson** to its **Board of Directors** effective March 1, 2018.

Stericycle, Inc. (NasdaqGS:SRCL) reported net income of \$42.4 million for fiscal year 2017 as compared to \$206.3 million for the prior year. Earnings per share were \$0.27 versus \$2.08 for the prior year. Revenues for the year increased to \$3,580.7 million from \$3,562.3 million for fiscal year 2016.

The Brink's Company (NYSE:BCO) reported net income of \$16.7 million for fiscal year 2017 as compared to \$34.5 million for the prior year. Earnings per share were \$0.33 versus \$0.69 for the prior year. Revenues for the year increased to \$3,347.0 million from \$3,020.6 million for fiscal year 2016.

The GEO Group, Inc. (NYSE:GEO) reported net income of \$146.2 million for fiscal year 2017 as compared to \$148.7 million for the prior year. Earnings per share were \$1.21 versus \$1.33 for the prior year. Revenues for the year increased to \$2,263.4 million from \$2,179.5 million for fiscal year 2016.

Waste Connections, Inc. (NYSE:WCN) reported net income of \$576.8 million for fiscal year 2017 as compared to \$246.5 million for the prior year. Earnings per share were \$2.18 versus \$1.07 for the prior year. Revenues for the year increased to \$4,630.5 million from \$3,375.9 million for fiscal year 2016.

Waste Management, Inc. (NYSE:WM) reported net income of \$1,949.0 million for fiscal year 2017 as compared to \$1,182.0 million for the prior year. Earnings per share were \$4.41 versus \$2.65 for the prior year. Revenues for the year increased to \$14,485.0 million from \$13,609.0 million for fiscal year 2016.

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.

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Mufson Howe Hunter & Company LLC
1717 Arch Street
39th Floor
Philadelphia, PA 19103
215.399.5400

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