

Business Services Update

June 2018

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

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

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

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

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

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

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Human Resources Outsourcing

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

Comparative Index Performance

The Mufson Howe Hunter Human Resources Outsourcing Index^(a) increased by 5.9% in May of 2018.

Last Three Years

Daily from May 29, 2015 to May 31, 2018
Price as Percent of Base (May 29, 2015 = 0%)



Last Twelve Months

Daily from May 31, 2017 to May 31, 2018
Price as Percent of Base (May 31, 2017 = 0%)



Price Appreciation

	3-Year	LTM	1 Month
Mufson Howe Hunter Human Resources Outsourcing Index ^(a)	43.8%	22.6%	5.9%
NASDAQ	46.8%	20.1%	5.3%
S&P 500	28.4%	12.2%	2.2%

(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											
ManpowerGroup Inc. (MAN)	\$90.00	\$5,924.6	\$6,426.2	\$21,799.5	\$932.5	\$8.42	0.29 x	6.9 x	10.7 x	16.4%	4.3%
TrueBlue, Inc. (TBI)	25.80	1,024.6	1,067.6	2,494.9	124.5	1.46	0.43 x	8.6 x	17.7 x	25.6%	5.0%
Kelly Services, Inc. (KELY.A)	22.41	869.1	865.9	5,454.6	102.6	2.24	0.16 x	8.4 x	10.0 x	17.6%	1.9%
Mean		\$2,606.1	\$2,786.6	\$9,916.3	\$386.5	\$4.04	0.29 x	8.0 x	12.8 x	19.9%	3.7%
Median		1,024.6	1,067.6	5,454.6	124.5	2.24	0.29 x	8.4 x	10.7 x	17.6%	4.3%
Professional Staffing											
Robert Half International Inc. (RHI)	\$63.68	\$7,734.2	\$7,443.0	\$5,374.8	\$590.4	\$2.49	1.38 x	12.6 x	25.6 x	41.1%	11.0%
Kforce Inc. (KFRC)	33.65	830.1	955.2	1,370.2	79.3	1.44	0.70 x	12.0 x	23.4 x	30.0%	5.8%
Resources Connection, Inc. (RECN)	16.65	524.7	544.5	619.0	63.6	0.63	0.88 x	8.6 x	26.4 x	40.3%	10.3%
Hudson Global, Inc (HSON)	1.63	52.2	9.4	458.9	4.0	(0.17)	0.02 x	2.3 x	NM	40.7%	0.9%
Mean		\$2,285.3	\$2,238.0	\$1,955.7	\$184.3	\$1.10	0.99 x	8.9 x	25.1 x	38.0%	7.0%
Median		677.4	749.9	994.6	71.5	1.04	0.88 x	10.3 x	25.6 x	40.5%	8.0%
Healthcare Staffing											
ASGN Incorporated (ASGN)	\$77.00	\$4,027.4	\$4,515.5	\$2,684.6	\$294.8	\$3.10	1.68 x	15.3 x	24.8 x	32.4%	11.0%
AMN Healthcare Services, Inc. (AMN)	56.50	2,703.8	2,969.3	2,015.8	248.1	2.90	1.47 x	12.0 x	19.5 x	32.3%	12.3%
Cross Country Healthcare, Inc. (CCRN)	12.19	443.7	509.6	867.8	41.5	1.15	0.59 x	12.3 x	10.6 x	26.4%	4.8%
Mean		\$2,391.6	\$2,664.8	\$1,856.0	\$194.8	\$2.38	1.25 x	13.2 x	18.3 x	30.4%	9.4%
Median		2,703.8	2,969.3	2,015.8	248.1	2.90	1.47 x	12.3 x	19.5 x	32.3%	11.0%
IT Staffing											
Computer Task Group, Incorporated (CTG)	\$7.28	\$103.9	\$101.8	\$306.9	\$5.9	\$0.03	0.33 x	17.3 x	NM	18.9%	1.9%
RCM Technologies, Inc. (RCMT)	5.25	64.3	95.8	191.2	7.5	0.21	0.50 x	12.8 x	25.2 x	25.7%	3.9%
Mean		\$84.1	\$98.8	\$249.1	\$6.7	\$0.12	0.42 x	15.0 x	25.2 x	22.3%	2.9%
Median		84.1	98.8	249.1	6.7	0.12	0.42 x	15.0 x	25.2 x	22.3%	2.9%
Executive Search											
Korn/Ferry International (KFY)	\$54.68	\$3,090.3	\$2,794.4	\$1,819.5	\$253.1	\$2.35	1.54 x	11.0 x	23.3 x	29.8%	13.9%
Heidrick & Struggles International, Inc. (HSII)	37.80	715.3	653.9	641.5	61.5	(2.08)	1.02 x	10.6 x	NM	30.1%	9.6%
Mean		\$1,902.8	\$1,724.2	\$1,230.5	\$157.3	\$0.13	1.28 x	10.8 x	23.3 x	29.9%	11.7%
Median		1,902.8	1,724.2	1,230.5	157.3	0.13	1.28 x	10.8 x	23.3 x	29.9%	11.7%

(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 May 31, 2018.

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

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

(4) Excludes non-recurring and discontinued operations.

Human Resources Outsourcing

Selected Valuation Metrics

(\$ in millions, except per share data)

Company	Market & Capitalization			LTM Performance ⁽³⁾			Valuation			Margins	
	Price ⁽¹⁾	Equity Value	Enterprise Value ⁽²⁾	Revenue	EBITDA ⁽⁴⁾	EPS	Enterprise Value/Revenue	Price/EBITDA	Price/EPS	Gross Profit	EBITDA
HR Outsourcing											
Automatic Data Processing, Inc. (ADP)	\$130.02	\$57,276.7	\$56,985.5	\$13,072.1	\$2,781.6	\$3.99	4.36 x	20.5 x	32.6 x	42.8%	21.3%
Paychex, Inc. (PAYX)	65.58	23,561.3	23,197.8	3,308.4	1,407.1	2.49	7.01 x	16.5 x	26.3 x	70.3%	42.5%
Willis Towers Watson Public Limited Company (WLTW)	151.15	19,927.6	23,723.6	8,089.0	1,485.0	3.25	2.93 x	16.0 x	NM	39.8%	18.4%
Insperty, Inc. (NSP)	92.00	3,864.6	3,612.4	3,431.9	156.2	2.35	1.05 x	23.1 x	NM	17.9%	4.6%
Barrett Business Services, Inc. (BBSI)	86.22	630.2	610.0	934.4	38.4	3.60	0.65 x	15.9 x	23.9 x	61.8%	4.1%
Mean		\$21,052.1	\$21,625.9	\$5,767.2	\$1,173.7	\$3.14	3.20 x	18.4 x	27.6 x	46.5%	18.2%
Median		\$19,927.6	\$23,197.8	\$3,431.9	\$1,407.1	\$3.25	2.93 x	16.5 x	26.3 x	42.8%	18.4%
Professional & Consulting											
Fair Isaac Corporation (FICO)	\$184.03	\$5,491.5	\$6,087.5	\$977.4	\$223.3	\$3.94	6.23 x	NM	NM	69.5%	22.8%
FTI Consulting, Inc. (FCN)	61.99	2,283.5	2,573.0	1,859.2	220.9	3.47	1.38 x	11.6 x	17.9 x	34.0%	11.9%
Exponent, Inc. (EXPO)	49.15	2,556.2	2,377.6	339.9	85.3	0.84	7.00 x	NM	NM	37.2%	25.1%
CBIZ, Inc. (CBZ)	20.65	1,120.4	1,337.6	880.0	101.0	1.11	1.52 x	13.2 x	18.6 x	12.8%	11.5%
Navigant Consulting, Inc. (NCI)	24.36	1,100.8	1,278.5	947.3	123.4	1.58	1.35 x	10.4 x	15.5 x	30.9%	13.0%
Huron Consulting Group Inc. (HURN)	40.50	870.4	1,242.5	737.4	90.1	(8.31)	1.69 x	13.8 x	NM	36.0%	12.2%
CRA International, Inc. (CRAI)	54.10	437.1	436.6	381.4	26.8	1.13	1.14 x	16.3 x	NM	30.3%	7.0%
Mean		\$1,980.0	\$2,190.5	\$874.6	\$124.4	\$0.54	2.90 x	13.1 x	17.3 x	35.8%	14.8%
Median		1,120.4	1,337.6	880.0	101.0	1.13	1.52 x	13.2 x	17.9 x	34.0%	12.2%

NA = Not Available; NM = Not Meaningful; LTM = Latest Twelve Months
 ‡ = excluded from Mean and Median calculations
 Source: Public Filings, Press Releases and Published Research Reports.

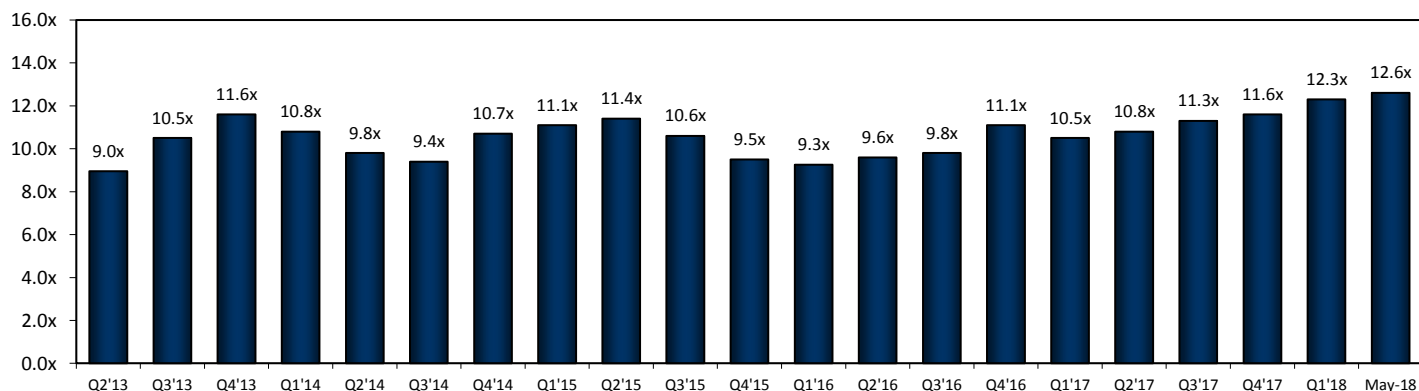
(1) As of close on May 31, 2018.

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

(3) As of March 31, 2018 except EXPO (March 30, 2018); PAYX (February 28, 2018) and CBX (January 1, 2018).

(4) Excludes non-recurring and discontinued operations.

Historical Enterprise Value-to-LTM EBITDA Multiples



Selected M&A Transactions

Announced	Target	Target Description	Acquirer	Value
May 23	Hospitality Careers Online, Inc.	Provides online staffing services for the hospitality industry	Virgil Holdings Inc.	\$16.5
May 10	Alexander Mann Solutions Ltd.	Provides talent acquisition services	OMERS Private Equity	\$1,106.1
May 9	Kinetic Recruitment Consultants Holdings Limited	Provides recruitment and staffing services	Bluefin Resources Pty Limited	ND
May 8	Glassdoor, Inc.	Operates an online jobs and career community	Recruit Holdings Co.,Ltd. (TSE:6098)	\$1,200.0

ND – Not disclosed. Transaction values in millions.

Selected News

AMN Healthcare Services, Inc. (NYSE:AMN) reported first quarter net income of \$42.7 million for fiscal year 2018 as compared to \$32.0 million for the prior year period. Earnings per share were \$0.87 versus \$0.65 for the prior year period. Revenues for the quarter increased to \$522.5 million from \$495.2 million for the same period in fiscal year 2017.

Automatic Data Processing, Inc. (NasdaqGS:ADP) reported third quarter net income of \$643.1 million for fiscal year 2018 as compared to \$587.9 million for the prior year period. Earnings per share were \$1.45 versus \$1.31 for the prior year period. Revenues for the quarter increased to \$3,693.0 million from \$3,410.8 million for the same period in fiscal year 2017.

Barrett Business Services, Inc. (NasdaqGS:BBSI) reported first quarter net income of (\$9.1) million for fiscal year 2018 as compared to (\$11.2) million for the prior year period. Earnings per share were (\$1.25) versus (\$1.55) for the prior year period. Revenues for the quarter increased to \$224.0 million from \$210.0 million for the same period in fiscal year 2017.

Cross Country Healthcare, Inc. (NasdaqGS:CCRN) reported first quarter net income of \$1.6 million for fiscal year 2018 as compared to (\$2.0) million for the prior year period. Earnings per share were \$0.05 versus (\$0.08) for the prior year period. Revenues for the quarter increased to \$210.3 million from \$207.6 million for the same period in fiscal year 2017.

Exponent, Inc. (NasdaqGS:EXPO) announced the appointment of **Dr. Catherine Corrigan** to **Chief Executive Officer** and **Dr. Paul R. Johnston** to **Executive Chairman** effective **May 31, 2018**.

Huron Consulting Group Inc. (NasdaqGS:HURN) reported first quarter net income of (\$3.3) million for fiscal year 2018 as compared to \$5.3 million for the prior year period. Earnings per share were (\$0.15) versus \$0.25 for the prior year period. Revenues for the quarter increased to \$193.7 million from \$188.8 million for the same period in fiscal year 2017.

Kelly Services, Inc. (NasdaqGS:KELY.A) reported first quarter net income of \$29.1 million for fiscal year 2018 as compared to \$12.2 million for the prior year period. Earnings per share were \$0.74 versus \$0.31 for the prior year period. Revenues for the quarter increased to \$1,369.9 million from \$1,289.7 million for the same period in fiscal year 2017.

Kforce Inc. (NasdaqGS:KFRC) reported first quarter net income of \$9.2 million for fiscal year 2018 as compared to \$5.9 million for the prior year period. Earnings per share were \$0.37 versus \$0.23 for the prior year period. Revenues for the quarter increased to \$346.3 million from \$334.0 million for the same period in fiscal year 2017.

Navigant Consulting, Inc. (NYSE:NCI) reported first quarter net income of \$11.9 million for fiscal year 2018 as compared to \$11.1 million for the prior year period. Earnings per share were \$0.25 versus \$0.23 for the prior year period. Revenues for the quarter increased to \$243.9 million from \$236.2 million for the same period in fiscal year 2017.

RCM Technologies, Inc. (NasdaqGM:RCMT) reported first quarter net income of \$1.1 million for fiscal year 2018 as compared to \$0.6 million for the prior year period. Earnings per share were \$0.09 versus \$0.05 for the prior year period. Revenues for the quarter increased to \$50.8 million from \$46.3 million for the same period in fiscal year 2017.

Willis Towers Watson Public Limited Company (NasdaqGS:WLTW) reported first quarter net income of \$215.0 million for fiscal year 2018 as compared to \$344.0 million for the prior year period. Earnings per share were \$1.61 versus \$2.50 for the prior year period. Revenues for the quarter decreased to \$2,292.0 million from \$2,319.0 million for the same period in fiscal year 2017.

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

Contact Center Services

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

Comparative Index Performance

The Mufson Howe Hunter Contact Center Services Index^(a) decreased by 1.1% in May of 2018.



Price Appreciation	3-Year	LTM	1 Month
Mufson Howe Hunter Contact Center Services Index ^(a)	43.8%	6.0%	(1.1%)
NASDAQ	46.8%	20.1%	5.3%
S&P 500	28.4%	12.2%	2.2%

(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 ⁽⁴⁾	EPS	Enterprise Value/		Price/	Gross	
		Value	Value ⁽²⁾				Revenue	EBITDA	EPS	Profit	EBITDA
On-Shore											
Convergys Corporation (CVG)	\$23.64	\$2,163.0	\$2,243.9	\$2,738.7	\$342.4	\$1.14	0.82 x	6.6 x	20.8 x	37.8%	12.5%
TTEC Holdings, Inc. (TTEC)	35.30	1,624.0	1,852.4	1,514.3	188.7	(0.16)	1.22 x	9.8 x	NM	24.7%	12.5%
Sykes Enterprises, Incorporated (SYKE)	28.15	1,181.2	1,108.6	1,616.4	163.1	0.57	0.69 x	6.8 x	49.2 x	36.2%	10.1%
StarTek, Inc. (SRT) ^(a)	6.79	110.1	138.7	281.6	5.2	(0.82)	0.49 x	26.5 x	NM	9.9%	1.9%
Mean		\$1,269.6	\$1,335.9	\$1,537.7	\$174.9	\$0.18	0.81 x	12.4 x	35.0 x	27.2%	9.2%
Median		1,402.6	1,480.5	1,565.4	175.9	0.21	0.75 x	8.3 x	35.0 x	30.5%	11.3%
Off-Shore											
Genpact Limited (G)	\$30.03	\$5,717.4	\$6,600.9	\$2,802.8	\$417.0	\$1.41	2.36 x	15.8 x	21.3 x	37.8%	14.9%
WNS (Holdings) Limited (WNS)	51.14	2,579.2	2,447.5	758.0	109.7	1.63	3.23 x	22.3 x	31.4 x	33.6%	14.5%
ExlService Holdings, Inc. (EXLS)	56.69	1,949.9	1,778.9	786.3	113.0	1.57	2.26 x	15.7 x	36.1 x	34.5%	14.4%
Mean		\$3,415.5	\$3,609.1	\$1,449.0	\$213.3	\$1.54	2.62 x	18.0 x	29.6 x	35.3%	14.6%
Median		2,579.2	2,447.5	786.3	113.0	1.57	2.36 x	15.8 x	31.4 x	34.5%	14.5%
All Companies											
Mean		\$2,189.3	\$2,310.1	\$1,499.7	\$191.3	\$0.76	1.58 x	14.8 x	31.7 x	30.7%	11.5%
Median		1,949.9	1,852.4	1,514.3	163.1	1.14	1.22 x	15.7 x	31.4 x	34.5%	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 May 31, 2018.

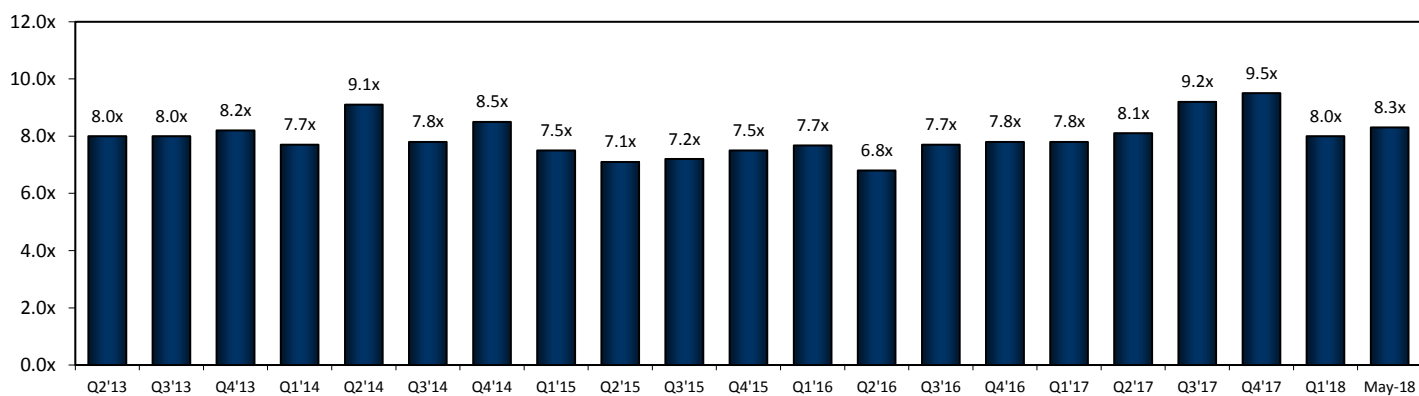
(2) Enterprise value is defined as equity value plus net debt, preferred stock and minority interests. Net Debt includes long term debt, short term debt, postretirement benefits and unfunded pensions, if applicable, less cash and cash equivalents.

(3) As of March 31, 2018.

(4) Excludes non-recurring and discontinued operations.

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

Historical Enterprise Value-to-LTM EBITDA Multiples



Contact Center Services

Selected M&A Transactions

Announced	Target	Target Description	Acquirer	Value
May 29	IWG PLC (LSE:IWG)	Provides office outsourcing services	Prime Opportunities Investment Group, LLC	ND
May 24	IESA Limited	Provides industrial business process outsourcing services	Electrocomponents plc (LSE:ECM)	\$118.0
May 24	Card Processing Businesses in Seven Countries of First Data Corporation	Provides credit card, call center and back office services	SIA S.p.A.	\$440.0
May 24	Argo Marketing Group, Inc.	Provides inbound and outbound call center solutions	ITC Capital Partners LLC	ND
May 18	SIA Runway	Provides contact center services	Webhelp Management Service (Uk) Limited	ND
May 15	Coasin Chile S.A.	Provides outsourced IT and back office services	Logicalis Latin America	\$20.2
May 10	Owliance SAS	Provides insurance BPO services	Tessi SA (ENXTPA:TES)	ND
May 8	Xi'an Unistrong Telecom Communication Co., Ltd.	Provides call center services	Shenzhen Hezhong Bosheng Investment Center (limited partnership)	\$2.9
May 1	Genesys Contact Center Business of Attalus Communications, LLC	Provides call center services	EDCI Holdings, Inc. (OTCPK:EDCI)	ND

ND – Not disclosed. Transaction values in millions.

Selected News

Convergys Corporation (NYSE:CVG) reported first quarter net income of \$29.8 million for fiscal year 2018 as compared to \$37.9 million for the prior year period. Earnings per share were \$0.30 versus \$0.38 for the prior year period. Revenues for the quarter decreased to \$674.2 million from \$727.6 million for the same period in fiscal year 2017.

ExlService Holdings, Inc. (NasdaqGS:EXLS) reported first quarter net income of \$23.2 million for fiscal year 2018 as compared to \$16.8 million for the prior year period. Earnings per share were \$0.66 versus \$0.48 for the prior year period. Revenues for the quarter increased to \$207.0 million from \$183.0 million for the same period in fiscal year 2017.

Genpact Limited (NYSE:G) reported first quarter net income of \$64.7 million for fiscal year 2018 as compared to \$53.3 million for the prior year period. Earnings per share were \$0.33 versus \$0.26 for the prior year period. Revenues for the quarter increased to \$688.9 million from \$623.0 million for the same period in fiscal year 2017.

StarTek, Inc. (NYSE:SRT) reported first quarter net income of (\$10.0) million for fiscal year 2018 as compared to \$1.8 million for the prior year period. Earnings per share were (\$0.62) versus \$0.11 for the prior year period. Revenues for the quarter decreased to \$66.6 million from \$77.7 million for the same period in fiscal year 2017.

Sykes Enterprises, Incorporated (NasdaqGS:SYKE) reported first quarter net income of \$10.9 million for fiscal year 2018 as compared to \$18.7 million for the prior year period. Earnings per share were \$0.26 versus \$0.45 for the prior year period. Revenues for the quarter increased to \$414.4 million from \$384.0 million for the same period in fiscal year 2017.

TTEC Holdings, Inc. (NasdaqGS:TTEC) reported first quarter net income of \$4.6 million for fiscal year 2018 as compared to \$19.2 million for the prior year period. Earnings per share were \$0.10 versus \$0.42 for the prior year period. Revenues for the quarter increased to \$375.2 million from \$338.3 million for the same period in fiscal year 2017.

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

Fixed Asset Management

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

Comparative Index Performance

The Mufson Howe Hunter Fixed Asset Management Index^(a) increased by 3.0% in May of 2018.



Price Appreciation

	3-Year	LTM	1 Month
Mufson Howe Hunter Fixed Asset Management Index ^(a)	34.4%	5.6%	3.0%
NASDAQ	46.8%	20.1%	5.3%
S&P 500	28.4%	12.2%	2.2%

(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)	\$49.77	\$10,859.2	\$10,774.9	\$1,707.5	\$355.8	\$0.86	6.31 x	30.3 x	57.9 x	51.0%	20.8%
Rentkil Initial plc (LSE:RTO)	4.58	8,419.5	9,656.7	3,227.8	665.7	0.49	2.99 x	14.5 x	9.3 x	80.3%	20.6%
Chemed Corporation (CHE)	326.00	5,195.7	5,324.5	1,700.0	254.7	6.75	3.13 x	20.9 x	48.3 x	31.2%	15.0%
EMCOR Group, Inc. (EME)	75.93	4,438.5	4,393.9	7,695.7	472.0	3.89	0.57 x	9.3 x	19.5 x	14.9%	6.1%
ABM Industries Incorporated (ABM)	28.46	1,871.0	2,908.6	5,985.6	246.8	1.32	0.49 x	11.8 x	21.5 x	10.5%	4.1%
FirstService Corporation (TSX:F5V)	70.25	2,523.5	2,913.2	1,751.6	162.6	1.50	1.66 x	17.9 x	46.8 x	30.6%	9.3%
Healthcare Services Group, Inc. (HCSG)	36.15	2,664.7	2,605.8	1,963.5	103.7	0.89	1.33 x	25.1 x	40.6 x	11.5%	5.3%
Comfort Systems USA, Inc. (FIX)	46.85	1,735.4	1,776.2	1,872.3	146.6	1.71	0.95 x	12.1 x	27.4 x	20.3%	7.8%
SP Plus Corporation (SP)	36.00	803.9	921.5	882.3	102.3	2.24	1.04 x	9.0 x	16.1 x	20.9%	11.6%
Mean		\$4,279.0	\$4,586.1	\$2,976.2	\$278.9	\$2.18	2.05x	16.8x	31.9x	30.1%	11.2%
Median		2,664.7	2,913.2	1,872.3	246.8	1.50	1.33x	14.5x	27.4x	20.9%	9.3%
Food Services											
Compass Group PLC (LSE:CPG)	\$21.64	\$34,275.4	\$39,184.8	\$30,070.2	\$2,807.3	\$0.94	1.30 x	14.0 x	23.1 x	24.5%	9.3%
Sodexo S.A. (ENXTPA:SW)	98.03	14,537.6	17,686.8	24,037.1	1,749.9	5.87	0.74 x	10.1 x	16.7 x	15.1%	7.3%
Aramark (ARMK)	38.82	9,543.2	17,189.6	15,151.8	1,248.4	1.98	1.13 x	13.8 x	19.6 x	10.6%	8.2%
Mean		\$19,452.1	\$24,687.1	\$23,086.4	\$1,935.2	\$2.93	1.06x	12.6x	19.8x	16.8%	8.3%
Median		14,537.6	17,686.8	24,037.1	1,749.9	1.98	1.13x	13.8x	19.6x	15.1%	8.2%
Manned Security Services											
Securitas AB (OM: SECU B)	\$16.43	\$5,998.6	\$7,768.5	\$10,761.3	\$685.9	\$0.89	0.72 x	11.3 x	18.6 x	17.6%	6.4%
G4S plc (LSE:GFS)	3.61	5,592.9	7,644.2	10,474.3	798.8	0.21	0.73 x	9.6 x	17.3 x	17.8%	7.6%
The GEO Group, Inc. (GEO)	24.80	3,025.7	5,619.5	2,277.7	394.2	1.15	2.47 x	14.3 x	21.5 x	24.8%	17.3%
The Brink's Company (BCO)	79.25	4,034.2	4,751.8	3,437.7	370.6	0.08	1.38 x	12.8 x	NM	21.7%	10.8%
Prosegur Compañía de Seguridad, S.A. (BME:PSG)	6.94	4,155.3	4,715.0	4,996.6	602.2	0.29	0.94 x	7.8 x	23.8 x	24.3%	12.1%
CoreCivic, Inc. (CXW)	21.52	2,551.1	3,964.4	1,760.7	402.8	1.40	2.25 x	9.8 x	15.4 x	28.8%	22.9%
Mean		\$4,226.3	\$5,743.9	\$5,618.1	\$542.4	\$0.7	1.42x	10.9x	19.3x	22.5%	\$0.1
Median		4,094.8	5,185.7	4,217.2	502.5	0.6	1.16x	10.6x	18.6x	23.0%	0.1
Uniform / Linen Rentals											
Cintas Corporation (CTAS)	\$182.25	\$19,449.9	\$21,985.9	\$6,337.4	\$1,262.0	\$6.11	3.47 x	17.4 x	29.8 x	44.7%	19.9%
UniFirst Corporation (UNF)	177.60	3,397.8	3,010.1	1,648.5	275.9	5.50	1.83 x	10.9 x	32.3 x	37.8%	16.7%
Mean		\$11,423.8	\$12,498.0	\$3,992.9	\$769.0	\$5.80	2.65x	14.2x	31.1x	41.3%	18.3%
Median		11,423.8	12,498.0	3,992.9	769.0	5.80	2.65x	14.2x	31.1x	41.3%	18.3%

(continued on next page)

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

± = excluded from Mean and Median calculations

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

(1) As of close May 31, 2018.

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

(3) As of March 31, 2018 except ARMK (March 30, 2018); CTAS and SW (February 28, 2018); UNF (February 24, 2018); ABM (January 31, 2018) and GFS and RTO (December 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)	\$82.71	\$35,762.0	\$45,688.0	\$14,556.0	\$4,066.0	\$4.66	3.14 x	11.2 x	17.8 x	37.9%	27.9%
Republic Services, Inc. (RSG)	67.43	22,112.3	30,258.9	10,076.2	2,810.8	3.95	3.00 x	10.8 x	17.1 x	38.5%	27.9%
Waste Connections, Inc. (WCN)	76.88	20,255.7	23,935.8	4,679.4	1,472.4	2.59	5.12 x	16.3 x	29.7 x	41.8%	31.5%
Stericycle, Inc. (SRCL)	63.50	5,434.1	8,117.5	3,583.3	711.3	(0.11)	2.27 x	11.4 x	NM	40.6%	19.9%
Clean Harbors, Inc. (CLH)	53.00	2,978.1	4,383.2	3,005.8	429.6	1.92	1.46 x	10.2 x	27.6 x	29.7%	14.3%
Casella Waste Systems, Inc. (CWST)	23.58	1,006.6	1,504.1	613.0	115.0	(0.61)	2.45 x	13.1 x	NM	32.0%	18.8%
Heritage-Crystal Clean, Inc (HCCI)	20.30	467.2	459.2	368.7	38.5	1.01	1.25 x	11.9 x	20.1 x	23.2%	10.4%
Mean		\$12,573.7	\$16,335.2	\$5,268.9	\$1,377.7	\$1.92	2.67 x	12.1 x	22.4 x	34.8%	21.5%
Median		5,434.1	8,117.5	3,583.3	711.3	1.92	2.45 x	11.4 x	20.1 x	37.9%	19.9%

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

‡ = excluded from Mean and Median calculations

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

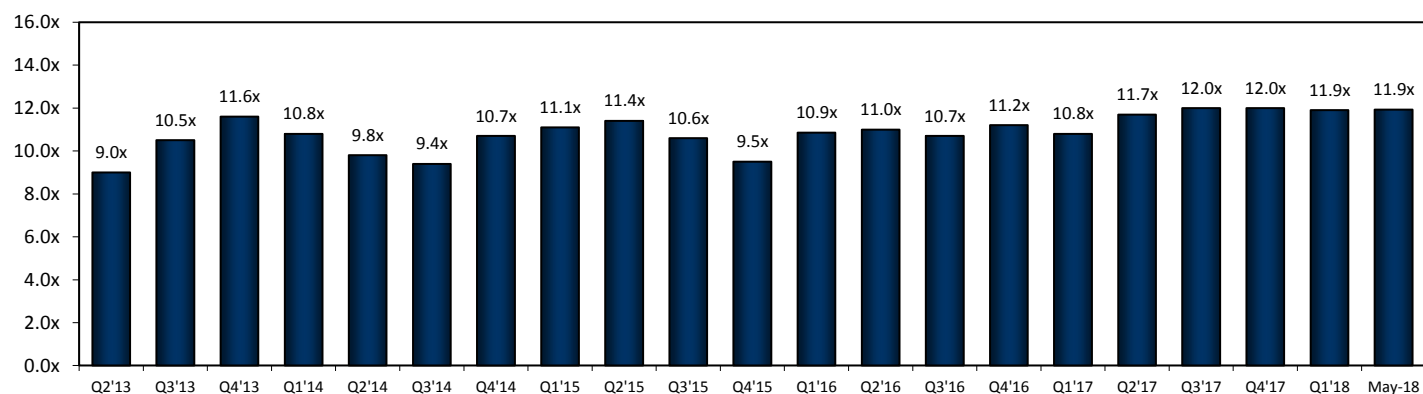
(1) As of close May 31, 2018.

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

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

(4) Excludes non-recurring and discontinued operations.

Historical Enterprise Value-to-LTM EBITDA Multiples



Selected M&A Transactions

Announced	Target	Target Description	Acquirer	Value
May 31	Dunbar Armored, Inc.	Provides cash management and loss prevent solutions worldwide	The Brink's Company (NYSE:BCO)	\$520.0
May 31	Avanti Environmental Group Ltd	Provides waste management services	Tradebe Environmental Services Ltd	ND
May 29	Engel & Volkers Main - Taunus GmbH	Provides real estate services	Colliers International Group Inc. (TSX:CIGI)	ND
May 25	West Facility Management AS	Provides facility management services	Coor Service Management AS	\$12.0
May 24	Reparenco Holding B.V.	Provides recycling services	Smurfit Kappa Group plc (ISE:SK3)	ND
May 24	Rejlers Telecom AS	Provides maintenance, installation and engineering services	OneCo AS	\$2.0
May 17	Business and Assets of Forest Environmental Limited	Provides remediation and waste services	Marlowe plc (AIM:MRL)	ND
May 17	Guardian Pest Control Limited	Provides pest control services	Rollins, Inc. (NYSE:ROL)	ND
May 14	Harrison Street Real Estate Capital, LLC	Provides real estate investment services	Colliers International Group Inc. (TSX:CIGI)	\$550.0
May 9	Colliers International Pittsburgh	Provides property management and real estate services	Colliers International Group Inc. (TSX:CIGI)	ND
May 6	Kesheng Environmental Protection Technology Co., Ltd.	Offers water treatment services	Zhengping Road & Bridge Construction Co., Ltd. (SHSE:603843)	\$68.4

ND – Not disclosed. Transaction values in millions.

Selected News

Aramark (NYSE:ARMK) reported second quarter net income of \$27.6 million for fiscal year 2018 as compared to \$70.2 million for the prior year period. Earnings per share were \$0.11 versus \$0.28 for the prior year period. Revenues for the quarter increased to \$3,939.3 million from \$3,621.6 million for the same period in fiscal year 2017.

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

Clean Harbors, Inc. (NYSE:CLH) reported first quarter net income of (\$12.6) million for fiscal year 2018 as compared to (\$21.4) million for the prior year period. Earnings per share were (\$0.22) versus (\$0.37) for the prior year period. Revenues for the quarter increased to \$749.8 million from \$688.9 million for the same period in fiscal year 2017.

Colliers International Group Inc. (TSX:CIGI) reported first quarter net income of \$5.0 million for fiscal year 2018 as compared to \$1.4 million for the prior year period. Earnings per share were \$0.13 versus \$0.04 for the prior year period. Revenues for the quarter increased to \$552.5 million from \$466.3 million for the same period in fiscal year 2017.

Compass Group PLC (LSE:CPG) reported second quarter net income of \$397.3 million for fiscal year 2018 as compared to \$409.9 million for the prior year period. Earnings per share were \$0.25 versus \$0.26 for the prior year period. Revenues for the quarter decreased to \$7,569.8 million from \$7,633.0 million for the same period in fiscal year 2017.

CoreCivic, Inc. (NYSE:CXW) reported first quarter net income of \$37.8 million for fiscal year 2018 as compared to \$50.0 million for the prior year period. Earnings per share were \$0.32 versus \$0.42 for the prior year period. Revenues for the quarter decreased to \$440.9 million from \$445.7 million for the same period in fiscal year 2017.

Heritage-Crystal Clean, Inc (NasdaqGS:HCCI) reported first quarter net income of (\$0.1) million for fiscal year 2018 as compared to \$4.8 million for the prior year period. Earnings per share were (\$0.01) versus \$0.21 for the prior year period. Revenues for the quarter increased to \$83.1 million from \$80.5 million for the same period in fiscal year 2017.

Prosegur Compañía de Seguridad, S.A. (BME:PSG) reported first quarter net income of \$53.8 million for fiscal year 2018 as compared to \$47.1 million for the prior year period. Earnings per share were \$0.12 versus \$0.12 for the prior year period. Revenues for the quarter decreased to \$1,178.3 million from \$1,246.9 million for the same period in fiscal year 2017.

Republic Services, Inc. (NYSE:RSG) reported first quarter net income of \$237.7 million for fiscal year 2018 as compared to \$187.8 million for the prior year period. Earnings per share were \$0.72 versus \$0.55 for the prior year period. Revenues for the quarter increased to \$2,427.5 million from \$2,392.8 million for the same period in fiscal year 2017.

Securitas AB (OM:SECU B) reported first quarter net income of \$78.7 million for fiscal year 2018 as compared to \$71.7 million for the prior year period. Earnings per share were \$0.22 versus \$0.20 for the prior year period. Revenues for the quarter increased to \$2,667.1 million from \$2,568.3 million for the same period in fiscal year 2017.

SP Plus Corporation (NasdaqGS:SP) reported first quarter net income of \$15.3 million for fiscal year 2018 as compared to \$6.0 million for the prior year period. Earnings per share were \$0.68 versus \$0.27 for the prior year period. Revenues for the quarter decreased to \$193.9 million from \$222.9 million for the same period in fiscal year 2017.

Stericycle, Inc. (NasdaqGS:SRCL) reported first quarter net income of \$22.5 million for fiscal year 2018 as compared to \$58.2 million for the prior year period. Earnings per share were \$0.25 versus \$0.62 for the prior year period. Revenues for the quarter increased to \$895.0 million from \$892.4 million for the same period in fiscal year 2017.

Waste Connections, Inc. (NYSE:WCN) reported first quarter net income of \$124.9 million for fiscal year 2018 as compared to \$14.9 million for the prior year period. Earnings per share were \$0.47 versus \$0.06 for the prior year period. Revenues for the quarter increased to \$1,140.1 million from \$1,091.3 million for the same period in fiscal year 2017.

Waste Connections, Inc. (NYSE:WCN) announced that **Worthing Jackman**, current Executive Vice President and Chief Financial Officer, will succeed Steve Bouck as **President**; and **Mary Anne Whitney**, current Senior Vice President of Finance, will succeed Mr. Jackman as **Chief Financial Officer** effective **July 1, 2018**.

Waste Management, Inc. (NYSE:WM) announced the appointment of **Thomas (“Tom”) H. Weidemeyer** as **Chairman of the Board of Directors** effective immediately.

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

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