

Business Services Update

July 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 Conduent Incorporated, 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 2.5% in June of 2018.

Last Three Years

Daily from June 30, 2015 to June 29, 2018
Price as Percent of Base (June 30, 2015 = 0%)



Last Twelve Months

Daily from June 30, 2017 to June 29, 2018
Price as Percent of Base (June 30, 2017 = 0%)



Price Appreciation

	3-Year	LTM	1 Month
Mufson Howe Hunter Human Resources Outsourcing Index ^(a)	50.4%	25.2%	2.5%
NASDAQ	50.6%	22.3%	0.9%
S&P 500	31.8%	12.2%	0.5%

(a) Market cap weighted index assuming no dividend reinvestment. Mufson Howe Hunter Human Resources Outsourcing Index is comprised of all companies listed on the following two pages.

Human Resources Outsourcing

Selected Valuation Metrics

(\$ in millions, except per share data)

Company	Market & Capitalization			LTM Performance ⁽³⁾			Valuation			Margins	
	Price ⁽¹⁾	Equity Value	Enterprise Value ⁽²⁾	Revenue	EBITDA ⁽⁴⁾	EPS	Enterprise Value/Revenue	EBITDA	Price/EPS	Gross Profit	EBITDA
Commercial Staffing											
ManpowerGroup Inc. (MAN)	\$86.06	\$5,665.3	\$6,166.9	\$21,799.5	\$932.5	\$8.42	0.28 x	6.6 x	10.2 x	16.4%	4.3%
TrueBlue, Inc. (TBI)	26.95	1,070.3	1,113.3	2,494.9	124.5	1.46	0.45 x	8.9 x	18.5 x	25.6%	5.0%
Kelly Services, Inc. (KELY.A)	22.45	870.7	867.5	5,454.6	102.6	2.24	0.16 x	8.5 x	10.0 x	17.6%	1.9%
Mean		\$2,535.4	\$2,715.9	\$9,916.3	\$386.5	\$4.04	0.30 x	8.0 x	12.9 x	19.9%	3.7%
Median		1,070.3	1,113.3	5,454.6	124.5	2.24	0.28 x	8.5 x	10.2 x	17.6%	4.3%
Professional Staffing											
Robert Half International Inc. (RHI)	\$65.10	\$7,906.7	\$7,615.5	\$5,374.8	\$590.4	\$2.49	1.42 x	12.9 x	26.2 x	41.1%	11.0%
Kforce Inc. (KFRC)	34.30	846.1	971.3	1,370.2	79.3	1.44	0.71 x	12.2 x	23.8 x	30.0%	5.8%
Resources Connection, Inc. (RECN)	16.90	532.6	552.4	619.0	63.6	0.63	0.89 x	8.7 x	26.8 x	40.3%	10.3%
Hudson Global, Inc. (HSON)	1.62	51.9	9.0	458.9	4.0	(0.17)	0.02 x	2.3 x	NM	40.7%	0.9%
Mean		\$2,334.3	\$2,287.0	\$1,955.7	\$184.3	\$1.10	1.01 x	9.0 x	25.6 x	38.0%	7.0%
Median		689.4	761.8	994.6	71.5	1.04	0.89 x	10.5 x	26.2 x	40.5%	8.0%
Healthcare Staffing											
ASGN Incorporated (ASGN)	\$78.19	\$4,089.7	\$4,577.7	\$2,684.6	\$294.8	\$3.10	1.71 x	15.5 x	25.2 x	32.4%	11.0%
AMN Healthcare Services, Inc. (AMN)	58.60	2,804.3	3,069.8	2,015.8	248.1	2.90	1.52 x	12.4 x	20.2 x	32.3%	12.3%
Cross Country Healthcare, Inc. (CCRN)	11.25	409.5	475.4	867.8	41.5	1.15	0.55 x	11.4 x	9.8 x	26.4%	4.8%
Mean		\$2,434.5	\$2,707.7	\$1,856.0	\$194.8	\$2.38	1.26 x	13.1 x	18.4 x	30.4%	9.4%
Median		2,804.3	3,069.8	2,015.8	248.1	2.90	1.52 x	12.4 x	20.2 x	32.3%	11.0%
IT Staffing											
Computer Task Group, Incorporated (CTG)	\$7.74	\$111.2	\$109.1	\$306.9	\$5.9	\$0.03	0.36 x	18.6 x	NM	18.9%	1.9%
RCM Technologies, Inc. (RCMT)	4.94	60.5	92.0	191.2	7.5	0.21	0.48 x	12.3 x	23.7 x	25.7%	3.9%
Mean		\$85.9	\$100.6	\$249.1	\$6.7	\$0.12	0.42 x	15.4 x	23.7 x	22.3%	2.9%
Median		85.9	100.6	249.1	6.7	0.12	0.42 x	15.4 x	23.7 x	22.3%	2.9%
Executive Search											
Korn/Ferry International (KFY)	\$61.93	\$3,500.4	\$3,216.7	\$1,767.2	\$239.8	\$2.35	1.82 x	13.4 x	26.3 x	27.7%	13.6%
Heidrick & Struggles International, Inc. (HSII)	35.00	662.3	601.0	641.5	61.5	(2.08)	0.94 x	9.8 x	NM	30.1%	9.6%
Mean		\$2,081.4	\$1,908.8	\$1,204.3	\$150.6	\$0.14	1.38 x	11.6 x	26.3 x	28.9%	11.6%
Median		2,081.4	1,908.8	1,204.3	150.6	0.14	1.38 x	11.6 x	26.3 x	28.9%	11.6%

(continued on next page)

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

‡ = excluded from Mean and Median calculations

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

(1) As of close on June 29, 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 KFY (April 30, 2018); KELY.A and TBI (April 1, 2018) and RECN (February 24, 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)	\$134.14	\$59,091.7	\$58,800.5	\$13,072.1	\$2,781.6	\$3.99	4.50 x	21.1 x	33.6 x	42.8%	21.3%
Paychex, Inc. (PAYX)	68.35	24,537.7	24,113.5	3,380.9	1,425.5	2.58	7.13 x	16.9 x	26.5 x	69.9%	42.2%
Willis Towers Watson Public Limited Company (WLTW)	151.60	19,986.9	23,782.9	8,089.0	1,485.0	3.25	2.94 x	16.0 x	NM	39.8%	18.4%
Insperty, Inc. (NSP)	95.25	4,001.1	3,748.9	3,431.9	156.2	2.35	1.09 x	24.0 x	NM	17.9%	4.6%
Barrett Business Services, Inc. (BBSI)	96.57	705.8	685.7	934.4	38.4	3.60	0.73 x	17.9 x	26.8 x	61.8%	4.1%
Mean		\$21,664.6	\$22,226.3	\$5,781.7	\$1,177.3	\$3.15	3.28 x	19.2 x	29.0 x	46.4%	18.1%
Median		\$19,986.9	\$23,782.9	\$3,431.9	\$1,425.5	\$3.25	2.94 x	17.9 x	26.8 x	42.8%	18.4%
Professional & Consulting											
Fair Isaac Corporation (FICO)	\$193.32	\$5,768.7	\$6,364.7	\$977.4	\$223.3	\$3.94	6.51 x	NM	NM	69.5%	22.8%
FTI Consulting, Inc. (FCN)	60.48	2,227.9	2,517.3	1,859.2	220.9	3.47	1.35 x	11.4 x	17.4 x	34.0%	11.9%
Exponent, Inc. (EXPO)	48.30	2,512.0	2,333.4	339.9	85.3	0.84	6.87 x	NM	NM	37.2%	25.1%
CBIZ, Inc. (CBZ)	23.00	1,247.9	1,465.1	880.0	101.0	1.11	1.66 x	14.5 x	20.7 x	12.8%	11.5%
Huron Consulting Group Inc. (HURN)	40.90	879.0	1,251.1	737.4	90.1	(8.31)	1.70 x	13.9 x	NM	36.0%	12.2%
Navigant Consulting, Inc. (NCI)	22.14	1,000.5	1,178.1	947.3	123.4	1.58	1.24 x	9.5 x	14.0 x	30.9%	13.0%
CRA International, Inc. (CRAI)	50.89	411.2	410.6	381.4	26.8	1.13	1.08 x	15.3 x	NM	30.3%	7.0%
Mean		\$2,006.7	\$2,217.2	\$874.6	\$124.4	\$0.54	2.92 x	12.9 x	17.4 x	35.8%	14.8%
Median		1,247.9	1,465.1	880.0	101.0	1.13	1.66 x	13.9 x	17.4 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.

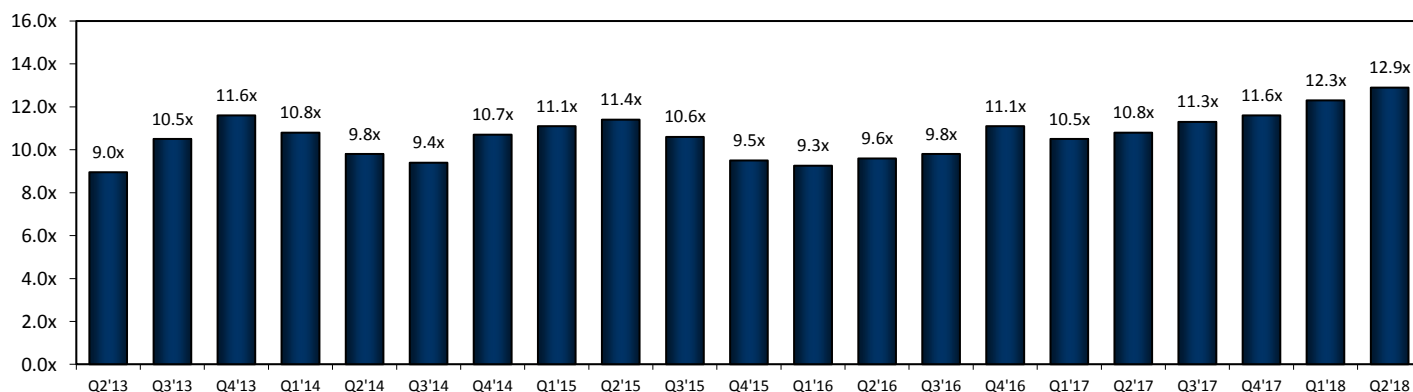
(1) As of close on June 29, 2018.

(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 PAYX (May 31, 2018) and EXPO (March 30, 2018).

(4) Excludes non-recurring and discontinued operations.

Historical Enterprise Value-to-LTM EBITDA Multiples



Selected M&A Transactions

Announced	Target	Target Description	Acquirer	Value
June 29	Clockwork Bemanning & Rekrytering AB	Provides staffing and recruiting services	Vector Talent Resources Inc.	ND
June 26	CXO Resources, Inc.	Provides staffing services	Otiga Group AS	ND
June 25	Thoreau Holdco, LLC and Navigant Consulting (Europe) Ltd.	Provides staffing and professional services	Ankura Consulting Group, LLC	\$470.0
June 13	C4 Inc.	Provides talent acquisition services	Will Group, Inc. (TSE:6089)	\$3,399.9
June 11	Aasonn, LLC	Provides HR services and solutions	Rizing, LLC	ND
June 5	PDS Tech, Inc.	Provides temporary staffing solutions	AKKA Technologies SE (ENXTPA:AKA)	ND
June 5	Vézina Nadeau Labre	Provides career transition solutions	Optimum Talent Inc.	ND
June 5	Uniflex AB (publ) (OM:UFLX B)	Operates an online jobs and career community	Poolia AB (publ) (OM:POOL B)	ND

ND – Not disclosed. Transaction values in millions.

Selected News

Korn/Ferry International (NYSE:KFY) reported net income of \$133.8 million for fiscal year 2018 as compared to \$84.2 million for the prior year. Earnings per share were \$2.35 versus \$1.47 for the prior year. Revenues for the year increased to \$1,767.2 million from \$1,565.5 million for fiscal year 2017.

Hudson Global, Inc (NasdaqGS:HSO) reported first quarter net income of \$10.7 million for fiscal year 2018 as compared to (\$1.3) million for the prior year period. Earnings per share were \$0.33 versus (\$0.04) for the prior year period. Revenues for the quarter increased to \$16.2 million from \$14.0 million for the same period in fiscal year 2017.

Paychex, Inc. (NasdaqGS:PAYX) reported net income of \$933.7 million for fiscal year 2018 as compared to \$817.3 million for the prior year. Earnings per share were \$2.58 versus \$2.25 for the prior year. Revenues for the year increased to \$3,380.9 million from \$3,151.3 million for 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 0.7% in June of 2018.



Price Appreciation

	3-Year	LTM	1 Month
Mufson Howe Hunter Contact Center Services Index ^(a)	34.3%	4.2%	(0.7%)
NASDAQ	50.6%	22.3%	0.9%
S&P 500	31.8%	12.2%	0.5%

(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											
Conduent Incorporated (CNDT)	\$18.17	\$3,824.9	\$5,466.9	\$5,889.0	\$700.0	\$0.62	0.93 x	7.8 x	29.5 x	17.6%	11.9%
Convergys Corporation (CVG)	24.44	2,226.1	2,307.0	2,738.7	342.4	1.14	0.84 x	6.7 x	21.5 x	37.8%	12.5%
TTEC Holdings, Inc. (TTEC)	34.55	1,589.5	1,817.9	1,514.3	188.7	(0.16)	1.20 x	9.6 x	NM	24.7%	12.5%
Sykes Enterprises, Incorporated (SYKE)	28.78	1,207.6	1,135.0	1,616.4	163.1	0.57	0.70 x	7.0 x	50.3 x	36.2%	10.1%
StarTek, Inc. (SRT) ^(a)	6.29	102.0	130.6	281.6	5.2	(0.82)	0.46 x	25.0 x	NM	9.9%	1.9%
Mean		\$2,212.0	\$2,681.7	\$2,939.6	\$348.5	\$0.54	0.92 x	7.8 x	33.8 x	29.1%	11.7%
Median		1,589.5	1,817.9	1,616.4	188.7	0.57	0.89 x	7.4 x	29.5 x	30.5%	12.2%
Off-Shore											
Genpact Limited (G)	\$28.93	\$5,507.9	\$6,391.5	\$2,802.8	\$417.0	\$1.41	2.28 x	15.3 x	20.5 x	37.8%	14.9%
WNS (Holdings) Limited (WNS)	52.18	2,631.7	2,500.0	758.0	109.7	1.63	3.30 x	22.8 x	32.0 x	33.6%	14.5%
ExlService Holdings, Inc. (EXLS)	56.61	1,951.1	1,780.1	786.3	113.0	1.57	2.26 x	15.7 x	36.0 x	34.5%	14.4%
Mean		\$3,363.6	\$3,557.2	\$1,449.0	\$213.3	\$1.54	2.61 x	18.0 x	29.5 x	35.3%	14.6%
Median		2,631.7	2,500.0	786.3	113.0	1.57	2.28 x	15.7 x	32.0 x	34.5%	14.5%
All Companies											
Mean		\$2,705.5	\$3,056.9	\$2,300.8	\$290.6	\$0.97	1.65 x	12.1 x	31.6 x	31.8%	13.0%
Median		2,226.1	2,307.0	1,616.4	188.7	1.14	1.20 x	9.6 x	30.7 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 June 29, 2018.

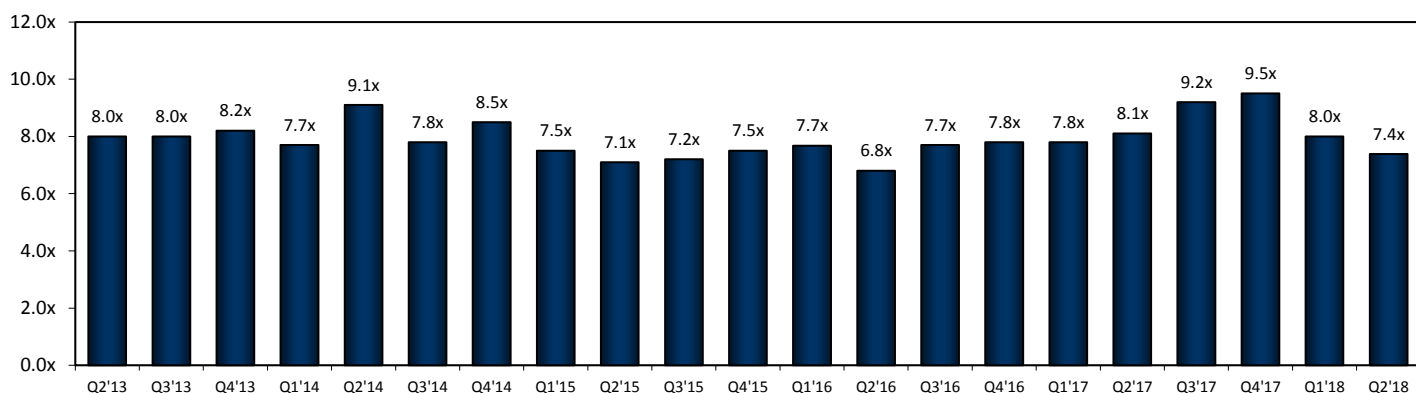
(2) Enterprise value is defined as equity value plus net debt, preferred stock and minority interests. Net Debt includes long term debt, short term debt, postretirement benefits and unfunded pensions, if applicable, less cash and cash equivalents.

(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
June 28	Flowroute, LLC	Provides voice over IP services	West Corporation	ND
June 28	Convergys Corporation (NYSE:CVG)	Provides customer management services	Concentrix Corporation	\$2,733.4
June 27	Molina Information Systems, LLC	Provides business process outsourcing solutions	DXC Technology Company (NYSE:DXC)	\$266.0
June 23	IWG PLC (LSE:IWG)	Provides back-office outsourcing services	Terra Firma Investments Limited	\$440.0
June 18	Auxilia MKS sp. z o.o.	Provides customer support services	ND	ND
June 18	Microtech Global Solutions Corp.	Provides business process outsourcing services	Intelegencia LLC	ND
June 18	Michael Davies & Associates Ltd.	Provides outsourced fulfillment and procurement services	Staci SAS	ND
June 14	Intelenet Global Services Private Ltd.	Provides outsourced customer management services	Teleperformance SE (ENXTPA:TEP)	\$1,000.0
June 11	Commonwealth Informatics Inc.	Provides cloud-based healthcare safety analytics platform	Genpact Limited (NYSE:G)	\$1,000.0
June 1	Millennium Process Group Inc.	Provides business process outsourcing services	Merchants Sa (pty) Ltd.	\$2.9
June 1	Assets of AVOKE Analytics	Provides call center analytics	West Corporation	ND

ND – Not disclosed. Transaction values in millions.

Selected News

No Contact Center Services Selected News for the month of June.

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 0.7% in June of 2018.

Last Three Years

Daily from June 30, 2015 to June 29, 2018
Price as Percent of Base (June 30, 2015 = 0%)



Last Twelve Months

Daily from June 30, 2017 to June 29, 2018
Price as Percent of Base (June 30, 2017 = 0%)



Price Appreciation

	3-Year	LTM	1 Month
Mufson Howe Hunter Fixed Asset Management Index ^(a)	42.6%	7.2%	0.7%
NASDAQ	50.6%	22.3%	0.9%
S&P 500	31.8%	12.2%	0.5%

(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)	\$52.58	\$11,472.3	\$11,388.0	\$1,707.5	\$355.8	\$0.86	6.67 x	32.0 x	61.2 x	51.0%	20.8%
Rentkil Initial plc (LSE:RTO)	4.62	8,490.4	9,708.8	3,178.9	655.6	0.49	3.05 x	14.8 x	9.5 x	80.3%	20.6%
Chemed Corporation (CHE)	321.81	5,128.9	5,257.7	1,700.0	254.7	6.75	3.09 x	20.6 x	47.7 x	31.2%	15.0%
EMCOR Group, Inc. (EME)	76.18	4,453.1	4,408.5	7,695.7	472.0	3.89	0.57 x	9.3 x	19.6 x	14.9%	6.1%
FirstService Corporation (TSX:FSV)	75.84	2,724.0	3,113.7	1,751.6	162.6	1.50	1.78 x	19.2 x	50.6 x	30.6%	9.3%
Healthcare Services Group, Inc. (HCSG)	43.19	3,183.6	3,095.5	1,996.3	104.2	0.94	1.55 x	29.7 x	45.9 x	11.5%	5.2%
ABM Industries Incorporated (ABM)	29.18	1,918.4	2,956.0	5,985.6	246.8	1.32	0.49 x	12.0 x	22.0 x	10.5%	4.1%
Comfort Systems USA, Inc. (FIX)	45.80	1,696.5	1,737.3	1,872.3	146.6	1.71	0.93 x	11.9 x	26.8 x	20.3%	7.8%
SP Plus Corporation (SP)	37.20	830.7	948.3	882.3	102.3	2.24	1.07 x	9.3 x	16.6 x	20.9%	11.6%
Mean		\$4,433.1	\$4,734.9	\$2,974.5	\$277.8	\$2.19	2.13x	17.6x	33.3x	30.1%	11.2%
Median		3,183.6	3,113.7	1,872.3	246.8	1.50	1.55x	14.8x	26.8x	20.9%	9.3%
Food Services											
Compass Group PLC (LSE:CPG)	\$21.33	\$33,777.7	\$38,612.6	\$29,614.5	\$2,764.7	\$0.92	1.30 x	14.0 x	23.1 x	24.5%	9.3%
Sodexo S.A. (ENXTPA:SW)	100.08	14,842.2	17,959.7	23,795.4	1,732.3	5.81	0.75 x	10.4 x	17.2 x	15.1%	7.3%
Aramark (ARMK)	37.10	9,134.5	16,781.6	15,151.8	1,312.1	1.98	1.11 x	12.8 x	18.7 x	10.6%	8.7%
Mean		\$19,251.5	\$24,451.3	\$22,853.9	\$1,936.4	\$2.91	1.06x	12.4x	19.7x	16.8%	8.4%
Median		14,842.2	17,959.7	23,795.4	1,732.3	1.98	1.11x	12.8x	18.7x	15.1%	8.7%
Manned Security Services											
Securitas AB (OM: SECU B)	\$16.73	\$6,106.1	\$7,842.3	\$10,556.6	\$672.8	\$0.87	0.74 x	11.7 x	19.3 x	17.6%	6.4%
G4S plc (LSE:GFS)	3.53	5,463.3	7,483.4	10,315.6	786.7	0.21	0.73 x	9.5 x	17.1 x	17.8%	7.6%
The GEO Group, Inc. (GEO)	27.54	3,360.0	5,953.8	2,277.7	394.2	1.15	2.61 x	15.1 x	23.9 x	24.8%	17.3%
The Brink's Company (BCO)	79.75	4,059.7	4,777.3	3,437.7	370.6	0.08	1.39 x	12.9 x	NM	21.7%	10.8%
Prosegur Compañía de Seguridad, S.A. (BME:PSG)	6.54	3,914.2	4,468.3	4,946.4	596.2	0.29	0.90 x	7.5 x	22.7 x	24.3%	12.1%
CoreCivic, Inc. (CXW)	23.89	2,832.0	4,245.3	1,760.7	402.8	1.40	2.41 x	10.5 x	17.1 x	28.8%	22.9%
Mean		\$4,289.2	\$5,795.1	\$5,549.1	\$537.2	\$0.7	1.46x	11.2x	20.0x	22.5%	\$0.1
Median		3,986.9	5,365.6	4,192.1	499.5	0.6	1.15x	11.1x	19.3x	23.0%	0.1
Uniform / Linen Rentals											
Cintas Corporation (CTAS)	\$185.07	\$19,750.8	\$22,286.8	\$6,337.4	\$1,262.0	\$6.11	3.52 x	17.7 x	30.3 x	44.7%	19.9%
UniFirst Corporation (UNF)	176.90	3,385.6	3,147.1	1,666.0	281.5	6.14	1.89 x	11.2 x	28.8 x	37.8%	16.9%
Mean		\$11,568.2	\$12,717.0	\$4,001.7	\$771.8	\$6.12	2.70x	14.4x	29.6x	41.3%	18.4%
Median		11,568.2	12,717.0	4,001.7	771.8	6.12	2.70x	14.4x	29.6x	41.3%	18.4%

(continued on next page)

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

± = excluded from Mean and Median calculations

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

(1) As of close June 29, 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 UNF (May 26, 2018); ABM (April 30, 2018); ARMK (March 30, 2018); CTAS and SW (February 28, 2018) and GFS and RTO (December 31, 2017).

(4) Excludes non-recurring and discontinued operations.

Selected Valuation Metrics

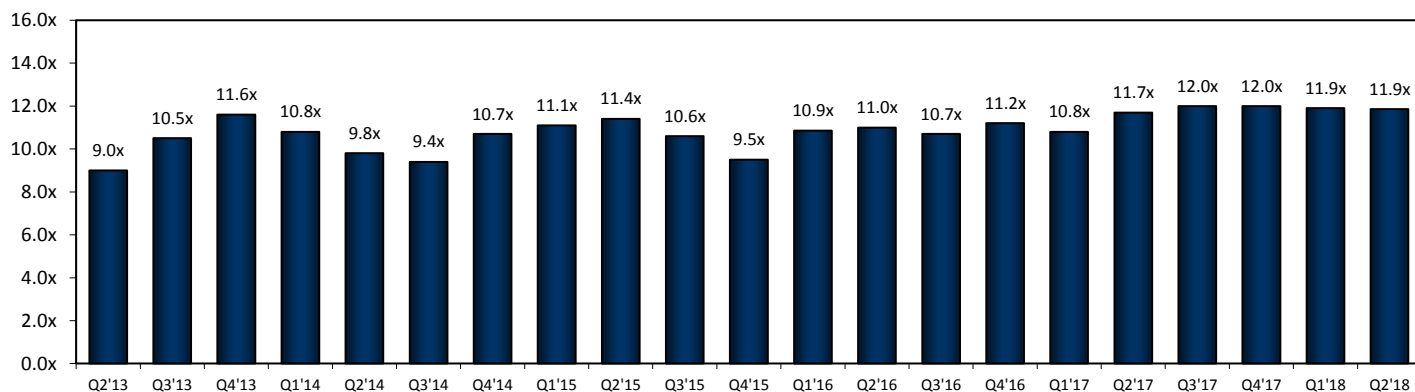
(\$ in millions, except per share data)

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)	\$81.34	\$35,169.7	\$45,095.7	\$14,556.0	\$4,066.0	\$4.66	3.10 x	11.1 x	17.5 x	37.9%	27.9%
Republic Services, Inc. (RSG)	68.36	22,417.2	30,563.8	10,076.2	2,810.8	3.95	3.03 x	10.9 x	17.3 x	38.5%	27.9%
Waste Connections, Inc. (WCN)	75.28	19,823.6	23,503.8	4,679.4	1,472.4	2.59	5.02 x	16.0 x	29.1 x	41.8%	31.5%
Stericycle, Inc. (SRCL)	65.29	5,587.3	8,270.7	3,583.3	711.3	(0.11)	2.31 x	11.6 x	NM	40.6%	19.9%
Clean Harbors, Inc. (CLH)	55.55	3,121.3	4,526.5	3,005.8	429.6	1.92	1.51 x	10.5 x	28.9 x	29.7%	14.3%
Casella Waste Systems, Inc. (CWST)	25.61	1,093.2	1,590.7	613.0	115.0	(0.61)	2.60 x	13.8 x	NM	32.0%	18.8%
Heritage-Crystal Clean, Inc (HCCI)	20.10	462.6	454.6	368.7	38.5	1.01	1.23 x	11.8 x	19.9 x	23.2%	10.4%
Mean		\$12,525.0	\$16,286.5	\$5,268.9	\$1,377.7	\$1.92	2.69 x	12.2 x	22.5 x	34.8%	21.5%
Median		5,587.3	8,270.7	3,583.3	711.3	1.92	2.60 x	11.6 x	19.9 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 June 29, 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
June 27	Compañía Chilena de Valores S.A.	Provides cash handling services	Loomis AB (publ) (OM:LOOM B)	\$28.0
June 27	Guangdong Mingcheng Environmental Technology Co., Ltd.	Provides waste management services	Zhongshan Public Utilities Group Co., Ltd. (SZSE:000685)	\$35.6
June 290	ProAct Services Corporation	Provides air and water treatment solutions	EWT Holdings III Corp.	\$132.0
June 15	C&S Corporation (KOSDAQ:A032040)	Provides facility management services	Abc Co., Ltd.; Seyoung Food Co., Ltd	ND
June 11	Cash in Transit operations under the Proval and Transval brands in Central America	Provides cash logistics services	Prosegur Cash, S.A. (BME:CASH)	ND
June 4	Besix Park NV	Provides parking management services	Indigo Infra S.A.	ND
June 4	Values Transportation Assets of G4S Cash Solutions Colombia Ltda	Provides cash transportation services	Prosegur Compañía de Seguridad, S.A. (BME:PSG)	ND
June 1	Eco Eridania SpA	Provides waste management services	iCON Infrastructure LLP ; iCON Infrastructure Partners IV, L.P.	ND
June 1	Industrial Waste & Debris Box Rentals, Inc.	Provides recycling services	Republic Services, Inc. (NYSE:RSG)	ND
June 1	Pronet Güvenlik Hizmetleri A.S.	Provides security solutions	Securitas AB (OM:SECU B)	ND

June 1	Pronet Güvenlik Hizmetleri A.S.	Provides maintenance and security services	Securitas AB (OM:SECU B)	ND
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ND – Not disclosed. Transaction values in millions.

Selected News

ABM Industries Incorporated (NYSE:ABM) reported second quarter net income of \$26.6 million for fiscal year 2018 as compared to \$31.3 million for the prior year period. Earnings per share were \$0.40 versus \$0.55 for the prior year period. Revenues for the quarter increased to \$1,580.8 million from \$1,310.5 million for the same period in fiscal year 2017.

Sodexo S.A. (ENXTPA:SW) announced that **Sophie Stabile** will replace **Patricia Bellinger** on its **Board of Directors**, effective **July 1, 2018**.

Stericycle, Inc. (NasdaqGS:SRCL) announced the appointment of **Veronica M. “Ronee” Hagen** and **Kay G. Priestly** to its **Board of Directors**.

EMCOR Group, Inc. announced the appointment of **Anthony J. Guzzi**, current **President** and **Chief Executive Officer**, as **Chairman of the Board of Directors**.

UniFirst Corporation (NYSE:UNF) reported third quarter net income of \$36.4 million for fiscal year 2018 as compared to \$24.4 million for the prior year period. Earnings per share were \$1.85 versus \$1.19 for the prior year period. Revenues for the quarter increased to \$427.4 million from \$409.8 million for the same period in fiscal year 2017.

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

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