



Mufson Howe Hunter

Business Services Update February 2023

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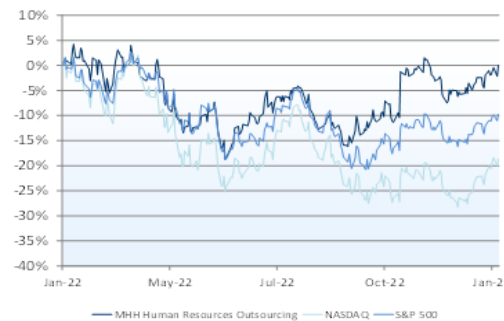
Mufson Howe Hunter & Company LLC is a middle-market focused investment bank providing M&A, capital raising and financial advisory services.

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The Mufson Howe Hunter 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.

Last Twelve Months Performance Daily from January 31, 2022 to January 31, 2023 Price as % of Base (January 31, 2022 = 0%)

Human Resources Outsourcing Index



Fixed Asset Management Index



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

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

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

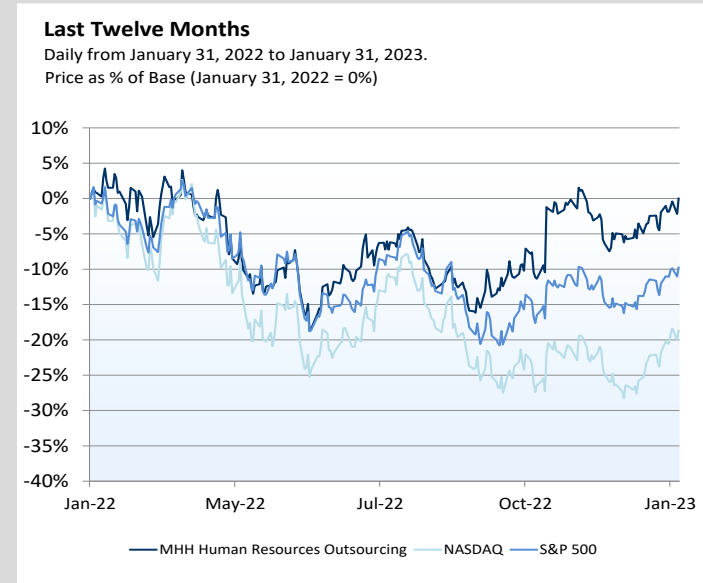
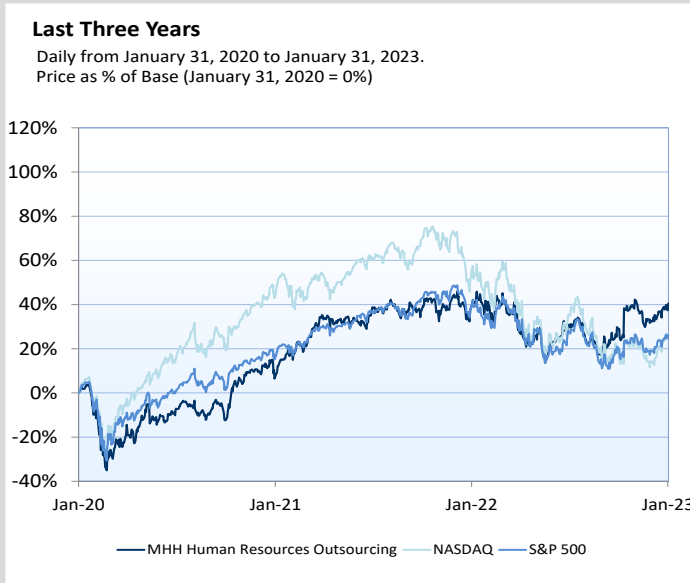
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Human Resources Outsourcing

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

Comparative Index Performance

The MHH Human Resources Outsourcing Index^(a) increased by 6.0% in January 2023.



Price Appreciation

	3-Year	LTM	1-Month
MHH Human Resources Outsourcing Index ^(a)	40.5%	0.0%	6.0%
NASDAQ	26.6%	-18.7%	11.5%
S&P 500	26.4%	-9.7%	6.6%

(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 page.

Selected Valuation Metrics

Human Resources Outsourcing

(\$ 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/ EPS	Gross Profit	EBITDA	
Commercial Staffing											
ManpowerGroup Inc. (MAN)	\$87.16	\$4,406.6	\$5,031.5	\$19,827.5	\$716.3	\$7.08	0.3 x	7.0 x	12.3 x	18.0%	3.6%
Kelly Services, Inc. (KELY.A)	18.10	686.9	634.6	4,981.9	110.2	0.23	0.1 x	5.8 x	NM	20.2%	2.2%
TrueBlue, Inc. (TBI)	19.63	642.3	570.2	2,254.2	95.4	1.86	0.3 x	6.0 x	10.6 x	26.7%	4.2%
Mean		\$1,911.9	\$2,078.7	\$9,021.2	\$307.3	\$3.1	0.2 x	6.3 x	11.4 x	21.7%	3.4%
Median		686.9	634.6	4,981.9	110.2	1.9	0.3 x	6.0 x	11.4 x	20.2%	3.6%
Professional Staffing											
Robert Half International Inc. (RHI)	\$83.96	\$8,962.0	\$8,600.6	\$7,238.1	\$1,023.1	\$6.03	1.2 x	8.4 x	13.9 x	42.7%	14.1%
Kforce Inc. (KFRC)	56.13	1,105.8	1,135.9	1,710.8	119.4	3.68	0.7 x	9.5 x	15.3 x	29.3%	7.0%
Resources Connection, Inc. (RGP)	17.27	580.9	532.5	826.1	103.0	2.23	0.6 x	5.2 x	7.7 x	40.2%	12.5%
Mean		\$3,549.5	\$3,423.0	\$3,258.3	\$415.2	\$4.0	0.8 x	7.7 x	12.3 x	37.4%	11.2%
Median		1,105.8	1,135.9	1,710.8	119.4	3.7	0.7 x	8.4 x	13.9 x	40.2%	12.5%
Healthcare Staffing											
AMN Healthcare Services, Inc. (AMN)	\$95.84	\$4,153.3	\$4,859.8	\$5,480.8	\$822.2	\$10.39	0.9 x	5.9 x	9.2 x	32.4%	15.0%
Cross Country Healthcare, Inc. (CCRN)	27.75	1,034.9	1,144.4	2,819.1	318.0	6.03	0.4 x	3.6 x	4.6 x	22.6%	11.3%
Mean		\$2,594.1	\$3,002.1	\$4,149.9	\$570.1	\$8.2	0.6 x	4.8 x	6.9 x	27.5%	13.1%
Median		2,594.1	3,002.1	4,149.9	570.1	8.2	0.6 x	4.8 x	6.9 x	27.5%	13.1%
IT Staffing											
ASGN Incorporated (ASGN)	\$90.95	\$4,538.4	\$5,468.7	\$4,484.5	\$501.5	\$5.32	1.2 x	10.9 x	17.1 x	30.0%	11.2%
RCM Technologies, Inc. (RCMT)	13.35	131.4	135.5	279.4	27.8	2.05	0.5 x	4.9 x	6.5 x	28.7%	10.0%
Computer Task Group, Incorporated (CTG)	7.15	112.3	102.6	359.6	16.6	0.94	0.3 x	6.2 x	7.6 x	23.2%	4.6%
Mean		\$1,594.0	\$1,902.3	\$1,707.8	\$182.0	\$2.8	0.7 x	7.3 x	10.4 x	27.3%	8.6%
Median		131.4	135.5	359.6	27.8	2.0	0.5 x	6.2 x	7.6 x	28.7%	10.0%

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 January 31, 2023.

(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 September 30, 2022 except MAN, RHI, KFRC, FICO (December 31, 2022); EXPO (December 30, 2022); TBI (December 25, 2022); RGP (November 26, 2022); KFY (October 31, 2022); KELY.A (October 02, 2022); RCMT, CRAI

(4) Excludes non-recurring and discontinued operations.

Selected Valuation Metrics (cont'd)

Human Resources Outsourcing

(\$ 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
Executive Search											
Korn Ferry (KFY)	\$53.99	\$2,845.8	\$2,782.6	\$2,825.6	\$544.4	\$6.06	1.0 x	5.1 x	8.9 x	28.7%	19.3%
Heidrick & Struggles International, Inc. (HSII)	30.76	610.9	233.2	1,126.6	122.1	3.70	0.2 x	1.9 x	8.3 x	24.0%	10.8%
Mean		\$1,728.4	\$1,507.9	\$1,976.1	\$333.2	\$4.9	0.6 x	3.5 x	8.6 x	26.3%	15.1%
Median		1,728.4	1,507.9	1,976.1	333.2	4.9	0.6 x	3.5 x	8.6 x	26.3%	15.1%
Professional & Consulting											
Fair Isaac Corporation (FICO)	\$665.95	\$16,751.8	\$18,583.4	\$1,399.8	\$584.2	\$14.96	NM	NM	NM	77.9%	41.7%
FTI Consulting, Inc. (FCN)	159.52	5,366.4	5,600.9	2,930.7	329.1	6.33	1.9 x	17.0 x	25.2 x	30.9%	11.2%
Exponent, Inc. (EXPO)	102.54	5,192.4	5,049.6	463.8	147.8	1.96	NM	NM	NM	43.0%	31.9%
CBIZ, Inc. (CBZ)	47.59	2,405.9	2,891.1	1,359.8	211.1	2.03	2.1 x	13.7 x	23.5 x	17.3%	15.5%
Huron Consulting Group Inc. (HURN)	68.04	1,266.5	1,651.9	1,067.0	121.6	4.25	1.5 x	13.6 x	16.0 x	30.4%	11.4%
CRA International, Inc. (CRAI)	118.84	847.9	993.2	580.7	70.0	5.85	1.7 x	14.2 x	20.3 x	30.6%	12.0%
Mean		\$5,305.2	\$5,795.0	\$1,300.3	\$244.0	\$5.9	1.8 x	14.6 x	21.2 x	38.4%	20.6%
Median		3,799.2	3,970.3	1,213.4	179.5	5.1	1.8 x	13.9 x	21.9 x	30.8%	13.8%

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 on January 31, 2023.

(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 September 30, 2022 except MAN, RHI, KFRC, FICO (December 31, 2022); EXPO (December 30, 2022); TBI (December 25, 2022); RGP (November 26, 2022); KFY (October 31, 2022); KELY.A (October 02, 2022); RCMT, CRAI

(4) Excludes non-recurring and discontinued operations.

Selected M&A Transactions

Human Resources Outsourcing

Announced	Target	Target Description	Acquirer	Value
Jan 30	Career Systems Co., Ltd.	The company offers marketing technology solutions, such as platform assessment, technology roadmaps, marketing cloud integration, web experience and mobile management, data management, analytics and reporting visualization,	SHIFT Inc. (TSE: 3697)	\$9.1
Jan 18	SALO, LLC.	Provides staffing and consulting services. It hires candidates for finance and accounting, and senior-level human resource positions.	Korn Ferry (NYSE: KFY)	ND

ND – Not disclosed. Transaction values in millions.

Selected News

Human Resources Outsourcing

Automatic Data Processing, Inc. (NasdaqGS: ADP) reported second quarter net income of \$813.1 million for fiscal year 2023 as compared to \$694.4 million for the prior year period. Earnings per share were \$1.95 versus \$1.65 for the prior year period. Revenues for the quarter increased to \$4,391.0 million from \$4,025.4 million for the same period in fiscal year 2022.

Cross Country Healthcare, Inc. (NasdaqGS: CCRN) appointed **Dwayne Allen** to its **Board of Directors**.

Fair Isaac Corporation (NYSE: FICO) reported first quarter net income of \$97.6 million for fiscal year 2023 as compared to \$85.0 million for the prior year period. Earnings per share were \$3.84 versus \$3.09 for the prior year period. Revenues for the quarter increased to \$344.9 million from \$322.4 million for the same period in fiscal year 2022.

ManpowerGroup Inc. (NYSE: MAN) reported net income of \$373.8 million for fiscal year 2022 as compared to \$382.4 million for the prior year. Earnings per share were \$7.08 versus \$6.91 for the prior year. Revenues for the year decreased to \$19,827.5 million from \$20,724.4 million for fiscal year 2021.

Robert Half International Inc. (NYSE: RHI) reported net income of \$657.9 million for fiscal year 2022 as compared to \$598.6 million for the prior year. Earnings per share were \$6.03 versus \$5.36 for the prior year. Revenues for the year increased to \$7,238.1 million from \$6,461.4 million for fiscal year 2021.

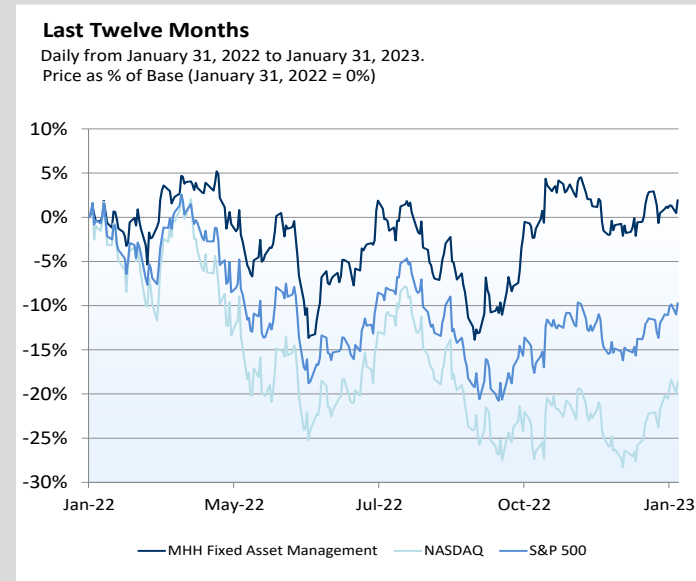
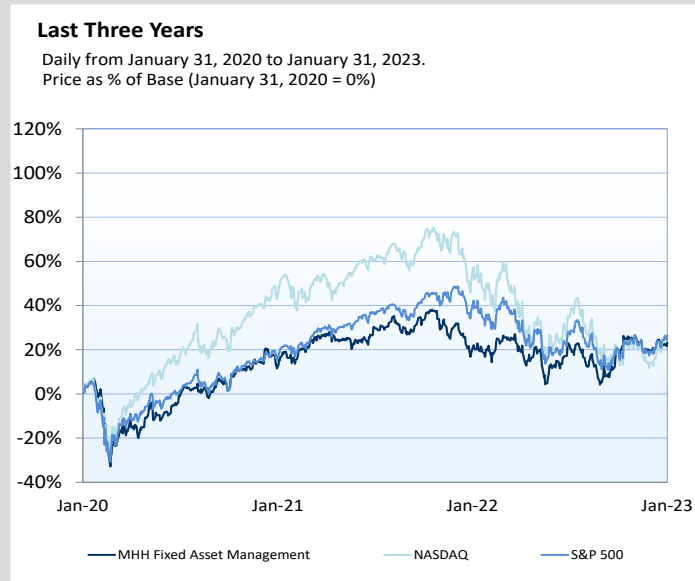
Note: All per share results are reported on a fully-diluted basis.

Fixed Asset Management

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

Comparative Index Performance

The MHH Fixed Asset Management Index^(a) increased by 2.9% in January 2023.



Price Appreciation

	3-Year	LTM	1-Month
MHH Fixed Asset Management Index ^(a)	23.3%	1.9%	2.9%
NASDAQ	26.6%	-18.7%	11.5%
S&P 500	26.4%	-9.7%	6.6%

(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 page.

Selected Valuation Metrics

Fixed Asset Management

(\$ 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/ EPS	Gross	
		Value	Value ⁽²⁾				Revenue	EBITDA		Profit	EBITDA
Facility Maintenance											
Rollins, Inc. (ROL)	\$36.40	\$17,926.0	\$18,202.6	\$2,634.8	\$556.8	\$0.70	6.9 x	32.7 x	52.0 x	51.5%	21.1%
Rentokil Initial plc (LSE:RTO)	6.04	15,175.6	16,904.6	3,735.3	723.4	0.17	4.5 x	23.4 x	34.6 x	77.7%	19.4%
Chemed Corporation (CHE)	505.14	7,511.6	7,750.1	2,129.3	414.3	17.23	3.6 x	18.7 x	29.3 x	36.3%	19.5%
EMCOR Group, Inc. (EME)	148.25	7,064.9	7,374.7	10,766.5	643.7	7.39	0.7 x	11.5 x	20.0 x	14.4%	6.0%
FirstService Corporation (TSX:FSV)	142.57	6,303.8	7,353.1	3,745.8	333.7	2.72	2.0 x	22.0 x	52.4 x	31.5%	8.9%
Comfort Systems USA, Inc. (FIX)	121.04	4,314.6	4,759.6	3,879.3	301.7	6.31	1.2 x	15.8 x	19.2 x	17.6%	7.8%
ABM Industries Incorporated (ABM)	46.91	3,077.3	4,416.1	7,806.6	462.0	3.41	0.6 x	9.6 x	13.8 x	14.2%	5.9%
BrightView Holdings, Inc. (BV)	7.95	743.1	2,228.3	2,838.7	269.1	0.08	0.8 x	8.3 x	98.9 x	24.0%	9.5%
SP Plus Corporation (SP)	37.71	760.5	1,274.2	902.7	126.4	2.31	1.4 x	10.1 x	16.3 x	41.2%	14.0%
Healthcare Services Group, Inc. (HCSG)	13.47	998.0	923.8	1,686.6	43.7	0.28	0.5 x	21.1 x	48.7 x	10.7%	2.6%
Mean		\$6,387.5	\$7,118.7	\$4,012.6	\$387.5	\$4.1	2.2x	17.3x	38.5x	31.9%	11.5%
Median		5,309.2	6,056.4	3,287.0	374.0	2.5	1.3x	17.2x	32.0x	27.8%	9.2%
Manned Security Services											
Securitas AB (publ) (OM: SECU B)	\$9.12	\$5,225.7	\$9,255.8	\$12,781.7	\$1,025.4	\$0.88	0.7 x	9.0 x	10.3 x	19.6%	8.0%
The Brink's Company (BCO)	65.60	3,047.1	5,749.2	4,442.8	591.2	3.59	1.3 x	9.7 x	18.3 x	23.3%	13.3%
The GEO Group, Inc. (GEO)	11.50	1,386.3	3,401.8	2,313.6	487.4	0.54	1.5 x	7.0 x	21.5 x	29.6%	21.1%
Prosegur Compañía de Seguridad, S.A. (BME:PSG)	2.26	1,195.9	2,695.3	4,030.6	375.7	0.08	0.7 x	7.2 x	26.9 x	21.5%	9.3%
CoreCivic, Inc. (CXW)	10.64	1,223.4	2,329.6	1,846.0	322.0	1.04	1.3 x	7.2 x	10.2 x	24.4%	17.4%
Mean		\$2,415.7	\$4,686.3	\$5,082.9	\$560.3	\$1.2	1.1x	8.0x	17.4x	23.7%	13.8%
Median		1,386.3	3,401.8	4,030.6	487.4	0.9	1.3x	7.2x	18.3x	23.3%	13.3%
Environmental Services											
Jacobs Solutions Inc. (J)	\$123.55	\$15,655.5	\$19,367.8	\$15,340.9	\$1,375.8	\$5.02	1.3 x	14.1 x	24.6 x	21.8%	9.0%
Tetra Tech, Inc. (TTEK)	155.52	8,277.7	8,573.8	2,892.8	378.0	5.78	3.0 x	22.7 x	26.9 x	20.4%	13.1%
Stantec Inc. (TSX:STN)	52.01	5,760.5	7,144.0	3,090.4	358.5	1.24	2.3 x	19.9 x	41.8 x	54.3%	11.6%
Arcadis NV (ARCAD)	43.14	3,863.9	4,158.2	3,727.4	272.2	2.08	1.1 x	15.3 x	20.8 x	16.6%	7.3%
Mean		\$8,389.4	\$9,811.0	\$6,262.9	\$596.1	\$3.5	1.9 x	18.0 x	28.5 x	28.3%	10.2%
Median		7,019.1	7,858.9	3,408.9	368.3	3.5	1.8 x	17.6 x	25.8 x	21.1%	10.3%

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

‡ = excluded from Mean and Median calculations

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

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(3) As of September 30, 2022 except TTEK (January 01, 2022); FSV, BV, SECU B (December 31, 2022); J (December 30, 2022); ABM

(4) Excludes non-recurring and discontinued operations.

Selected M&A Transactions

Fixed Asset Management

Announced	Target	Target Description	Acquirer	Value
Jan 30	Lineman's Testing Laboratories of Canada Limited.	Provides electrical voltage testing, utility supply, and electric tool and repair services.	Rexel USA, Inc.	ND
Jan 27	Gohken Keibi Hosho Co., Ltd.	Provides security related services.	Kyoei Security Service Co., Ltd. (TSE: 7058)	ND
Jan 25	AER Recyclage	Offers support and management in handling pallets. The company also provides collection, purchase, repair, sale and delivery of the pallets in good or broken condition.	Kyoei Security Service Co., Ltd. (TSE: 7058)	ND
Jan 24	TOPROAD Inc.	Provides traffic guidance security for various construction sites, parking lots, and crowd security for events.	TOSNET Corporation. (TSE: 4754)	\$4.2
Jan 23	RPS group Plc. (LSE: RPS) business from M&G Investments.	Provides consultancy services in the United Kingdom, Australia, the United States, Norway, the Netherlands, Ireland, Canada, and internationally.	Tetra Tech, Inc. (NasdaqGS: TTEK)	\$770.0
Jan 20	Exodus Exterminating, Inc.	Offers pest management services for residential and commercial customers.	Rentokil Initial Plc. (LSE: RTO)	ND
Jan 10	Caverion Oyj. (HLSE: CAV1V)	Operates as a service company in building systems, construction services, and services for industry in Northern and Central Europe.	Triton.	\$1,515.7

ND – Not disclosed. Transaction values in millions.

Selected M&A Transactions

Fixed Asset Management

Announced	Target	Target Description	Acquirer	Value
Jan 10	Delta-P Monitoring Technology Ltd.	Offers cleanroom validation, HVAC commissioning, HVAC/refrigeration maintenance, and environmental monitoring services.	Trescal S.A.	ND
Jan 05	Amyx, Inc.	Provides management consulting services to defense and civilian agencies in the United States.	Tetra Tech, Inc. (NasdaqGS: TTEK)	ND

ND – Not disclosed. Transaction values in millions.

Selected News

Fixed Asset Management

Sodexo S.A. (ENXTPA:SW) reported net income of \$700.0 million for fiscal year 2022 as compared to \$164.1 million for the prior year. Earnings per share were \$4.72 versus \$1.11 for the prior year. Revenues for the year increased to \$21,276.1 million from \$20,571.3 million for fiscal year 2021.

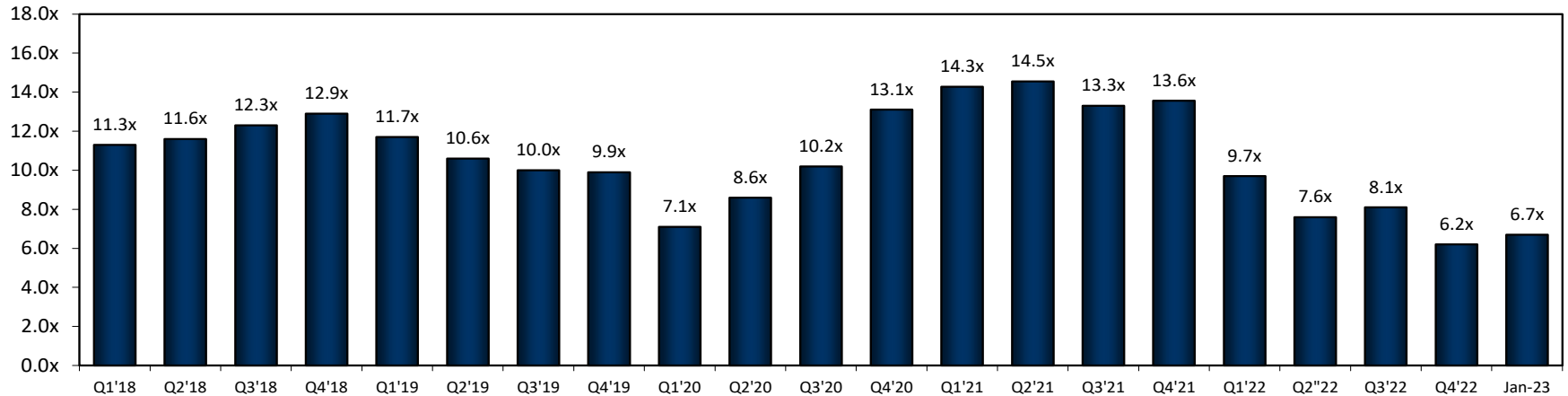
Scout Security Limited (ASX:SCT) appointed **Ryan Mccall** to its **Board of Directors**.

UniFirst Corporation (NYSE:UNF) reported first quarter net income of \$34.0 million for fiscal year 2023 as compared to \$33.7 million for the prior year period. Earnings per share were \$1.81 versus \$1.77 for the prior year period. Revenues for the quarter increased to \$541.8 million from \$486.2 million for the same period in fiscal year 2022.

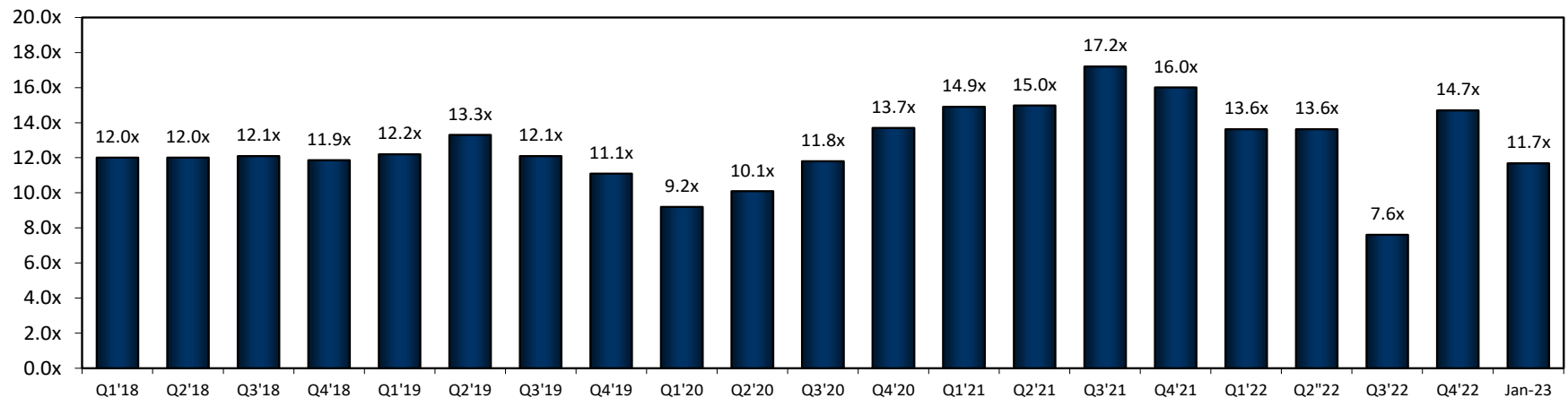
Note: All per share results are reported on a fully-diluted basis.

Historical Enterprise Value-to-LTM EBITDA Multiples

Human Resources Outsourcing



Fixed Asset Management



Mufson Howe Hunter & Co. is an independent investment bank for middle-market companies. We focus on mergers and acquisitions, recapitalizations and raising capital.

Mergers & Acquisitions

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

Raise Capital

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

Financial Advisory Services

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

Broker dealer services provided by our wholly-owned subsidiary

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