

Business Services Update

January 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., 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

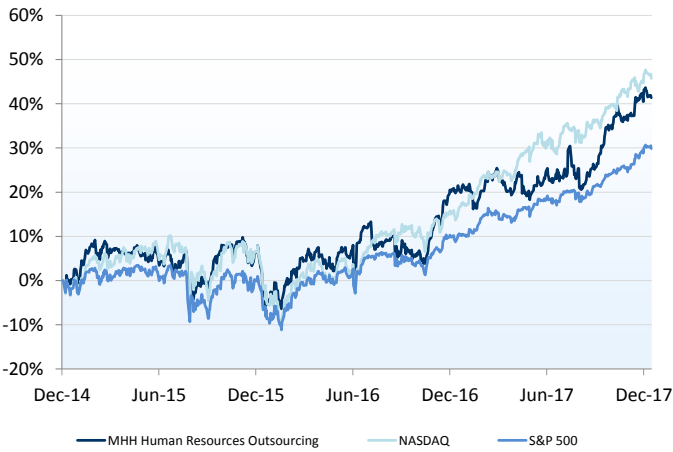
Temporary staffing, HR Outsourcing and Professional Consulting related services for a variety of end-user markets.

Comparative Index Performance

The Mufson Howe Hunter Human Resources Outsourcing Index^(a) decreased by 0.6% in December of 2017.

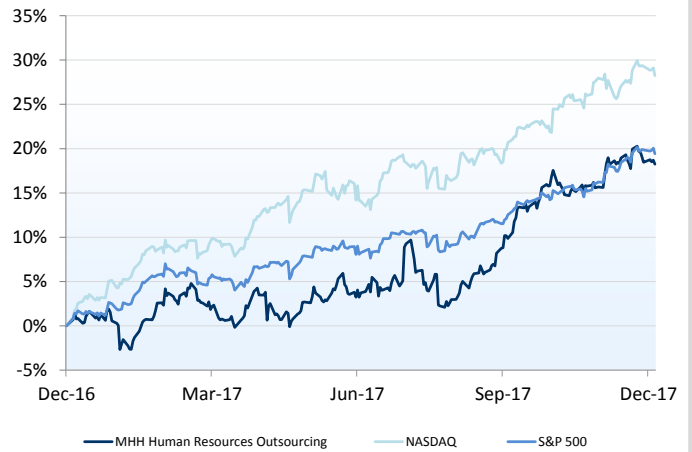
Last Three Years

Daily from December 31, 2014 to December 29, 2017
Price as Percent of Base (December 31, 2014 = 0%)



Last Twelve Months

Daily from December 30, 2016 to December 29, 2017
Price as Percent of Base (December 30, 2016 = 0%)



Price Appreciation

	3-Year	LTM	1 Month
Mufson Howe Hunter Human Resources Outsourcing Index ^(a)	41.4%	18.3%	(0.6%)
NASDAQ	45.8%	28.2%	0.4%
S&P 500	29.9%	19.4%	1.0%

(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											
Manpower, Inc. (MAN)	\$123.28	\$8,357.1	\$8,703.5	\$20,352.9	\$878.3	\$6.83	0.43 x	9.9 x	18.0 x	16.7%	4.3%
TrueBlue, Inc. (TBI)	27.10	1,010.4	1,110.2	2,574.1	135.7	1.33	0.43 x	8.2 x	20.4 x	25.2%	5.3%
Kelly Services, Inc. (KELY.A)	26.31	1,052.1	1,053.8	5,256.5	98.9	1.26	0.20 x	10.7 x	20.9 x	17.5%	1.9%
Mean		\$3,473.2	\$3,622.5	\$9,394.5	\$371.0	\$3.14	0.35 x	9.6 x	19.8 x	19.8%	3.8%
Median		1,052.1	1,110.2	5,256.5	135.7	1.33	0.43 x	9.9 x	20.4 x	17.5%	4.3%
Professional Staffing											
Robert Half International, Inc. (RHI)	51.77	6,840.1	6,492.7	5,185.6	577.4	2.55	1.25 x	11.2 x	20.3 x	41.1%	11.1%
Kforce, Inc. (KFRC)	20.95	637.3	765.5	1,341.4	72.7	1.49	0.57 x	10.5 x	14.1 x	30.2%	5.4%
Resources Connection, Inc. (RECN)	15.75	465.5	463.9	590.4	43.5	0.79	0.79 x	10.7 x	19.9 x	37.8%	7.4%
Hudson Global, Inc. (HSON)	1.51	70.3	61.9	435.4	4.9	0.03	0.14 x ‡	12.7 x	NM	41.5%	1.1%
Mean		\$2,003.3	\$1,946.0	\$1,888.2	\$174.6	\$1.21	0.87 x	11.3 x	18.1 x	37.7%	6.3%
Median		551.4	614.7	965.9	58.1	1.14	0.79 x	11.0 x	19.9 x	39.5%	6.4%
Healthcare Staffing											
On Assignment, Inc. (ASGN)	\$61.22	\$3,343.0	\$3,925.0	\$2,567.8	\$268.6	\$2.12	1.53 x	14.6 x	28.9 x	32.2%	10.5%
AMN Healthcare Services, Inc. (AMN)	43.90	2,352.8	2,652.8	1,967.2	240.5	2.37	1.35 x	11.0 x	18.5 x	32.6%	12.2%
Cross Country Healthcare, Inc. (CCRN)	13.65	465.5	550.7	867.9	39.3	0.19	0.63 x	14.0 x	NM	26.3%	4.5%
Mean		\$2,053.8	\$2,376.2	\$1,801.0	\$182.8	\$1.56	1.17 x	13.2 x	23.7 x	30.4%	9.1%
Median		2,352.8	2,652.8	1,967.2	240.5	2.12	1.35 x	14.0 x	23.7 x	32.2%	10.5%
IT Staffing											
RCM Technologies, Inc. (RCMT)	\$3.64	\$75.1	\$83.7	\$179.9	\$7.5	\$0.28	0.47 x	11.1 x	13.1 x	26.5%	4.2%
Computer Task Group, Inc. (CTG)	5.04	79.0	67.6	304.1	6.2	0.19	0.22 x	10.9 x	26.9 x	18.2%	2.0%
Mean		\$77.0	\$75.6	\$242.0	\$6.8	\$0.23	0.34 x	11.0 x	20.0 x	22.4%	3.1%
Median		77.0	75.6	242.0	6.8	0.23	0.34 x	11.0 x	20.0 x	22.4%	3.1%
Executive Search											
Korn/Ferry International, Inc. (KFY)	\$41.83	\$2,338.5	\$2,305.0	\$1,632.3	\$201.6	\$1.86	1.41 x	11.4 x	22.5 x	27.4%	12.4%
Heidrick & Struggles Intl. Inc. (HSII)	24.85	461.2	355.5	611.8	57.9	1.38	0.58 x	6.1 x	18.0 x	31.2%	9.5%
Mean		\$1,399.8	\$1,330.2	\$1,122.0	\$129.8	\$1.62	1.00 x	8.8 x	20.3 x	29.3%	10.9%
Median		1,399.8	1,330.2	1,122.0	129.8	1.62	1.00 x	8.8 x	20.3 x	29.3%	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 December 29, 2017.

(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, 2017 except RECN (November 25, 2017); KFY (October 31, 2017); and KELY.A and TBI (October 1, 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	Price/EBITDA	Price/EPS	Gross Profit	EBITDA
HR Outsourcing											
Automatic Data Processing (ADP)	\$116.26	\$51,972.6	\$51,627.3	\$12,541.7	\$2,713.5	\$3.32	4.12 x	19.0 x	NM	42.9%	21.6%
Paychex, Inc. (PAYX)	63.79	24,453.3	24,248.1	3,237.7	1,415.6	2.23	7.49 x	17.1 x	28.6 x	70.7%	43.7%
Towers Watson & Co. (NasdaqGS:WLTW)	161.08	19,896.9	23,728.9	7,969.0	1,585.0	3.78	2.98 x	15.0 x	NM	42.1%	19.9%
Insperty, Inc. (NSP)	94.90	2,390.7	2,207.2	3,202.8	135.2	1.82	0.69 x	16.3 x	NM	16.8%	4.2%
Barrett Business Services (BBSI)	60.79	470.8	438.9	896.8	31.8	2.57	0.49 x	13.8 x	23.7 x	60.8%	3.5%
Mean		\$19,836.9	\$20,450.1	\$5,569.6	\$1,176.2	\$2.74	3.15 x	16.2 x	26.1 x	46.7%	18.6%
Median		\$19,896.9	\$23,728.9	\$3,237.7	\$1,415.6	\$2.57	2.98 x	16.3 x	26.1 x	42.9%	19.9%
Professional & Consulting											
Fair Isaac Corp. (FICO)	\$145.16	\$4,594.5	\$5,093.7	\$932.2	\$211.4	\$3.02	5.46 x	24.1 x	NM	69.2%	22.7%
FTI Consulting, Inc. (FCN)	42.75	1,590.3	1,893.5	1,781.9	159.6	1.61	1.06 x	11.9 x	26.6 x	32.0%	9.0%
Exponent, Inc. (EXPO)	73.85	1,835.1	1,669.6	319.7	75.6	1.82	5.22 x	22.1 x	NM	36.2%	23.6%
Huron Consulting (HURN)	36.60	859.5	1,225.9	724.8	96.7	0.93	1.69 x	12.7 x	NM	36.9%	13.3%
Navigant Consulting, Inc. (NCI)	17.31	891.3	1,059.0	948.6	128.1	1.09	1.12 x	8.3 x	15.9 x	31.3%	13.5%
CBIZ, Inc. (CBZ)	16.95	835.9	1,043.1	839.0	89.7	0.80	1.24 x	11.6 x	21.3 x	11.9%	10.7%
CRA International (CRAI)	42.26	364.5	344.4	352.6	30.7	1.55	0.98 x	11.2 x	27.3 x	30.4%	8.7%
Mean		\$1,567.3	\$1,761.3	\$842.7	\$113.1	\$1.54	2.40 x	14.5 x	22.8 x	35.4%	14.5%
Median		891.3	1,225.9	839.0	96.7	1.55	1.24 x	11.9 x	24.0 x	32.0%	13.3%

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

‡ = excluded from Mean and Median calculations

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

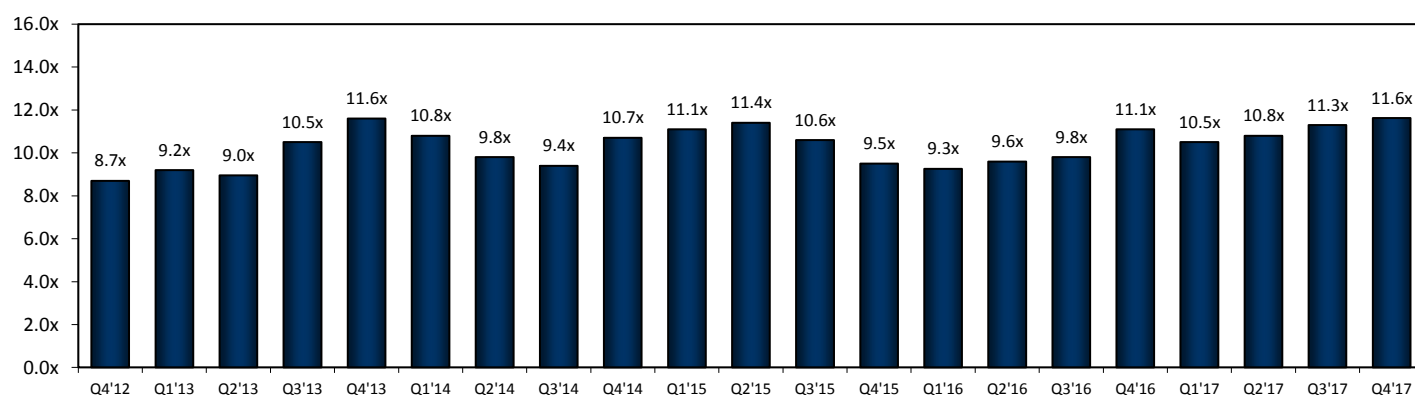
(1) As of close on December 29, 2017.

(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, 2017 except PAYX (November 30, 2017) and EXPO (September 29, 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
December 22	Magellan Search & Staffing (Temporary Staffing Division)	Provides temporary staffing and recruiting solutions	Diversified Staffing Services Ltd.	ND
December 17	Recruitment and Talent Management Operations in Benelux of Hudson Global, Inc.	Provides professional-level recruitment services	Morgan Philips Group SA	\$11.0
December 15	Recruitment and Talent Management Operations in the Rest of Europe of Hudson Global, Inc.	Provides professional-level recruitment services	ND	\$25.0
December 15	Star Planning Co. Ltd.	Provides temporary staffing and employment support services	Tsunagu Solutions Inc. (TSE:6551)	\$4.1
December 8	Savantis Group, Inc.	Provides SAP staffing and consulting services	Vedicsoft Solutions Inc.	ND
December 8	Holland Square Group, LLC	Provides IT consulting and technical staffing services	ALKU, LLC	ND
December 8	Staff One, Inc.	Provides outsourced HR management services	Search Fund Partners	ND
December 4	McKay & Carnahan, Inc.	Provides professional business services	CBIZ, Inc. (NYSE:CBZ)	ND

ND – Not disclosed. Transaction values in millions.

Selected News

Korn/Ferry International (NYSE:KFY) reported second quarter net income of \$36.3 million for fiscal year 2018 as compared to \$30.2 million for the prior year period. Earnings per share were \$0.64 versus \$0.52 for the prior year period. Revenues for the quarter increased to \$443.0 million from \$401.9 million for the same period in fiscal year 2017.

Heidrick & Struggles International, Inc. (NasdaqGS:HSII) announced the appointment of **Adam Warby** to its **Board of Directors**.

Hudson Global, Inc (NasdaqGS:HSO) reported third quarter net income of (\$0.8) million for fiscal year 2017 as compared to (\$1.9) million for the prior year period. Earnings per share were (\$0.03) versus (\$0.06) for the prior year period. Revenues for the quarter increased to \$118.1 million from \$108.1 million for the same period in fiscal year 2016.

Paychex, Inc. (NasdaqGS:PAYX) reported second quarter net income of \$217.0 million for fiscal year 2018 as compared to \$202.1 million for the prior year period. Earnings per share were \$0.60 versus \$0.56 for the prior year period. Revenues for the quarter increased to \$826.5 million from \$771.4 million for the same period in fiscal year 2017.

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

Contact Center Services

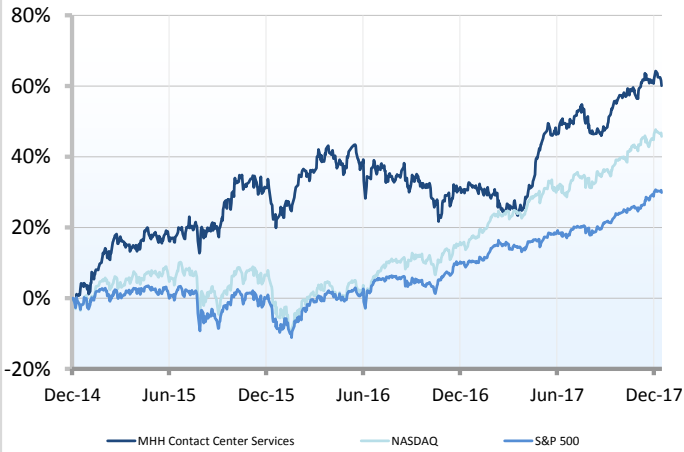
Outsourced customer management and business process outsourcing services, including: customer care, fulfillment, marketing, technical support and acquisition services.

Comparative Index Performance

The Mufson Howe Hunter Contact Center Services Index^(a) decreased by 2.0% in December of 2017.

Last Three Years

Daily from December 31, 2014 to December 29, 2017
Price as Percent of Base (December 31, 2014 = 0%)



Last Twelve Months

Daily from December 30, 2016 to December 29, 2017
Price as Percent of Base (December 30, 2016 = 0%)



Price Appreciation

	3-Year	LTM	1 Month
Mufson Howe Hunter Contact Center Services Index ^(a)	60.1%	22.5%	(2.0%)
NASDAQ	45.8%	28.2%	0.4%
S&P 500	29.9%	19.4%	1.0%

(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)	\$23.50	\$2,171.7	\$2,271.0	\$2,860.8	\$356.8	\$1.27	0.79 x	6.4 x	18.5 x	36.9%	12.5%
TeleTech Holdings, Inc. (TTEC)	40.25	1,845.4	2,028.7	1,395.7	171.0	1.31	1.45 x	11.9 x	30.8 x	25.0%	12.3%
Sykes Enterprises, Incorporated (SYKE)	31.45	1,338.2	1,277.0	1,555.9	173.6	1.36	0.82 x	7.4 x	23.1 x	37.1%	11.2%
StarTek, Inc. (SRT)	9.97	160.9	183.5	298.1	15.6	0.11	0.62 x	11.8 x	89.0 x	12.4%	5.2%
Mean		\$1,379.1	\$1,440.0	\$1,527.6	\$179.3	\$1.01	0.92 x	9.3 x	40.4 x	27.8%	10.3%
Median		1,591.8	1,652.8	1,475.8	172.3	1.29	0.81 x	9.6 x	26.9 x	30.9%	11.7%
Off-Shore											
Genpact Limited (G)	\$31.74	\$6,127.2	\$6,908.0	\$2,684.3	\$450.3	\$1.07	2.57 x	15.3 x	29.5 x	39.1%	16.8%
WNS (Holdings) Limited (WNS)	40.13	2,021.2	1,940.8	671.5	85.6	1.04	2.89 x	22.7 x	38.5 x	32.2%	12.8%
ExlService Holdings, Inc. (EXLS)	60.35	2,048.5	1,844.8	741.7	103.5	1.37	2.49 x	17.8 x	44.1 x	34.4%	14.0%
Mean		\$3,399.0	\$3,564.5	\$1,365.8	\$213.1	\$1.16	2.65 x	18.6 x	37.4 x	35.3%	14.5%
Median		2,048.5	1,940.8	741.7	103.5	1.07	2.57 x	17.8 x	38.5 x	34.4%	14.0%
All Companies											
Mean		\$2,244.7	\$2,350.5	\$1,458.3	\$193.8	\$1.08	1.66 x	13.3 x	39.1 x	31.0%	12.1%
Median		2,021.2	1,940.8	1,395.7	171.0	1.27	1.45 x	11.9 x	30.8 x	34.4%	12.5%

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

‡ = excluded from Mean and Median calculations

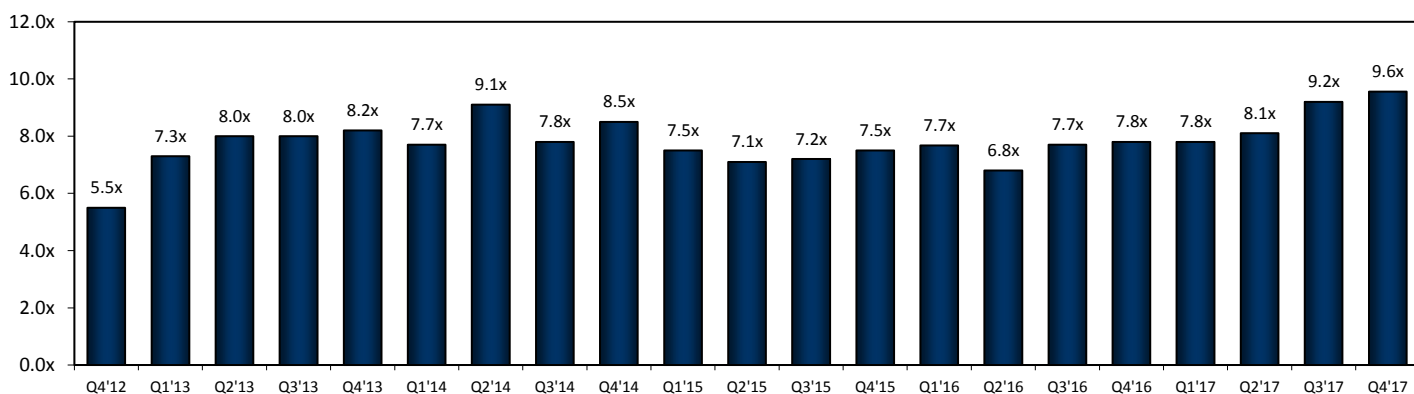
Source: Public Filings, Press Releases and Published Research Reports.

(1) As of close December 29, 2017.

(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, 2017.

Historical Enterprise Value-to-LTM EBITDA Multiples



Selected M&A Transactions

Announced	Target	Target Description	Acquirer	Value
December 26	Masscomm, Inc.	Provides voice, data, risk management and networking solutions	Windstream Services, LLC	ND
December 26	Health Integrated, Inc.	Provides care management services	ExlService Holdings, Inc. (NasdaqGS:EXLS)	ND

ND – Not disclosed. Transaction values in millions.

Selected News

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

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 2.3% in December of 2017.



Price Appreciation

	3-Year	LTM	1 Month
Mufson Howe Hunter Fixed Asset Management Index ^(a)	42.4%	21.9%	2.3%
NASDAQ	45.8%	28.2%	0.4%
S&P 500	29.9%	19.4%	1.0%

(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)	\$46.53	\$10,142.4	\$10,029.0	\$1,644.9	\$333.4	\$0.80	6.10 x	30.1 x	58.3 x	51.0%	20.3%
Rentkil Initial plc (LSE:RTO)	4.30	7,876.5	9,250.5	3,135.9	686.0	0.12	2.95 x	13.5 x	34.8 x	76.4%	21.9%
EMCOR Group, Inc. (EME)	81.75	4,808.0	4,742.3	7,624.3	446.6	3.62	0.62 x	10.6 x	22.6 x	14.5%	5.9%
Chemed Corporation (CHE)	243.02	3,880.1	3,943.7	1,641.8	238.5	7.82	2.40 x	16.5 x	31.1 x	30.7%	14.5%
Healthcare Services Group, Inc. (HCSG)	52.72	3,863.0	3,806.6	1,765.3	132.4	1.09	2.16 x	28.7 x	48.5 x	13.9%	7.5%
ABM Industries Incorporated (ABM)	37.72	2,471.2	3,586.6	5,453.6	198.5	1.22	0.66 x	18.1 x	31.0 x	10.5%	3.6%
FirstService Corporation (TSX:FSV)	70.12	2,517.2	2,856.9	1,648.5	148.4	1.19	1.73 x	19.3 x	59.1 x	29.6%	9.0%
Comfort Systems USA, Inc. (FIX)	43.65	1,613.5	1,665.7	1,719.0	135.5	1.64	0.97 x	12.3 x	26.6 x	21.0%	7.9%
SP Plus Corporation (SP)	37.10	823.7	974.1	904.9	109.3	2.01	1.08 x	8.9 x	18.4 x	21.1%	12.1%
Mean		\$4,221.7	\$4,539.5	\$2,837.6	\$269.8	\$2.17	2.07x	17.6x	36.7x	29.9%	11.4%
Median		3,863.0	3,806.6	1,719.0	198.5	1.22	1.73x	16.5x	31.1x	21.1%	9.0%
Food Services											
Compass Group PLC (LSE:CPG)	\$21.63	\$34,235.7	\$39,111.0	\$30,257.7	\$2,835.7	\$0.79	1.29 x	13.8 x	27.2 x	24.5%	9.4%
Sodexo S.A. (ENXTPA:SW)	134.55	19,997.0	21,873.8	24,579.0	1,894.1	5.90	0.89 x	11.5 x	22.8 x	15.4%	7.7%
Aramark (ARMK)	42.74	10,496.3	15,546.3	14,604.4	1,293.5	1.37	1.06 x	12.0 x	31.2 x	11.1%	8.9%
Mean		\$21,576.3	\$25,510.4	\$23,147.0	\$2,007.7	\$2.69	1.08x	12.5x	27.1x	17.0%	8.6%
Median		19,997.0	21,873.8	24,579.0	1,894.1	1.37	1.06x	12.0x	27.2x	15.4%	8.9%
Manned Security Services											
Securitas AB (OM:SECU B)	\$17.49	\$6,386.4	\$8,119.5	\$11,268.4	\$718.2	\$0.84	0.72 x	11.3 x	20.9 x	17.6%	6.4%
G4S plc (LSE:GFS)	3.61	5,582.3	7,758.4	10,428.8	837.7	0.20	0.74 x	9.3 x	18.1 x	18.0%	8.0%
The GEO Group, Inc. (GEO)	23.60	2,885.3	5,597.0	2,261.0	389.3	0.95	2.48 x	14.4 x	24.9 x	24.6%	17.2%
Prosegur Compañía de Seguridad, S.A. (BME:PSG)	7.87	4,707.2	4,935.8	5,014.7	601.7	0.31	0.98 x	8.2 x	25.0 x	22.9%	12.0%
The Brink's Company (BCO)	78.70	3,973.0	4,503.1	3,247.3	355.3	2.31	1.39 x	12.7 x	34.0 x	21.4%	10.9%
CoreCivic, Inc. (CXW)	22.50	2,659.6	4,038.1	1,789.1	429.6	1.11	2.26 x	9.4 x	20.2 x	29.6%	24.0%
Command Security Corporation (MOC)	3.07	30.2	49.1	177.0	0.2	(0.04)	0.28 x	NM	NM	10.8%	0.1%
Mean		\$3,746.3	\$5,000.1	\$4,883.8	\$476.0	\$0.81	1.26x	10.9x	23.9x	20.7%	11.2%
Median		3,429.2	4,935.8	3,247.3	429.6	0.84	0.98x	10.4x	22.9x	21.4%	10.9%
Uniform / Linen Rentals											
Cintas Corporation (CTAS)	\$155.83	\$16,591.2	\$19,166.7	\$6,003.6	\$1,192.1	\$4.75	3.19 x	16.1 x	32.8 x	44.9%	19.9%
UniFirst Corporation (UNF)	164.90	3,344.9	2,995.1	1,620.6	268.0	5.64	1.85 x	11.2 x	29.3 x	37.8%	16.5%
Mean		\$9,968.1	\$11,080.9	\$3,812.1	\$730.0	\$5.19	2.52x	13.6x	31.0x	41.3%	18.2%
Median		9,968.1	11,080.9	3,812.1	730.0	5.19	2.52x	13.6x	31.0x	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 December 29, 2017.

(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, 2017 except CTAS (November 30, 2017); UNF (November 25, 2017); ABM (October 31, 2017); ARMK (September 29, 2017); SW (August 31, 2017); and GFS and RTO (June 30, 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)	\$86.30	\$37,472.9	\$46,804.9	\$14,293.0	\$3,911.0	\$3.01	3.27 x	12.0 x	28.6 x	37.7%	27.4%
Republic Services, Inc. (RSG)	67.61	22,596.9	30,392.9	9,860.7	2,740.9	2.34	3.08 x	11.1 x	29.0 x	38.3%	27.8%
Waste Connections, Inc. (WCN)	70.94	18,702.7	22,175.8	4,521.9	1,426.3	1.63	4.90 x	15.5 x	43.4 x	41.6%	31.5%
Stericycle, Inc. (SRCL)	67.99	5,804.5	8,542.2	3,599.3	748.2	2.97	2.37 x	11.4 x	22.9 x	44.0%	20.8%
Clean Harbors, Inc. (CLH)	54.20	3,085.8	4,354.1	2,889.7	411.8	0.44	1.51 x	10.6 x	NM	29.7%	14.2%
Casella Waste Systems, Inc. (CWST)	23.02	967.8	1,450.3	591.9	115.1	0.39	2.45 x	12.6 x	58.6 x	32.7%	19.4%
Heritage-Crystal Clean, Inc (HCCI)	21.75	497.6	493.4	356.9	42.0	0.60	1.38 x	11.7 x	36.4 x	25.4%	11.8%
Mean		\$12,732.6	\$16,316.2	\$5,159.1	\$1,342.2	\$1.63	2.71 x	12.1 x	36.5 x	35.6%	21.8%
Median		5,804.5	8,542.2	3,599.3	748.2	1.63	2.45 x	11.7 x	32.7 x	37.7%	20.8%

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.

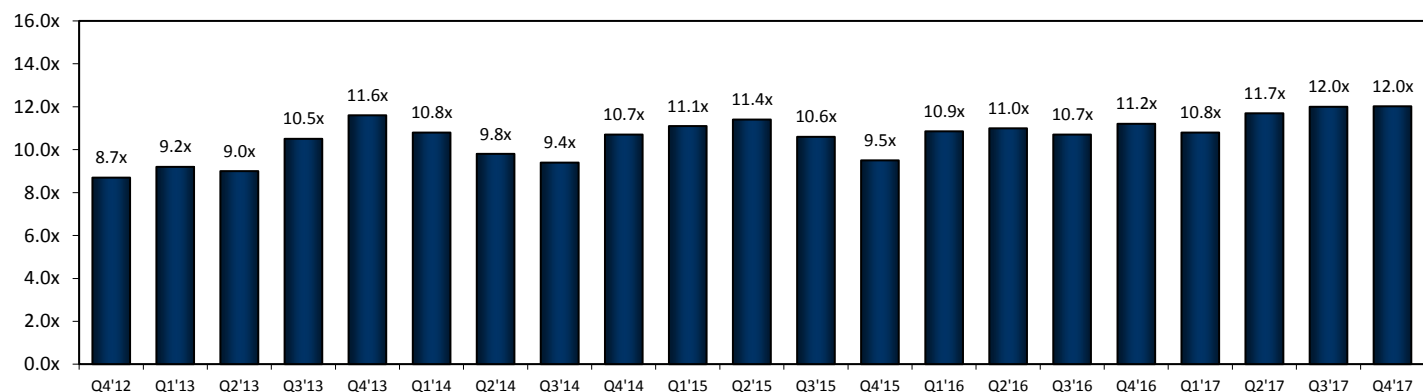
(1) As of close December 29, 2017.

(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, 2017 except HCCI (September 9, 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
December 21	Styles&Wood Group plc (AIM:STY)	Provides property and facilities services	Central Square Holdings Limited	\$70.4
December 21	Guardian Water Treatment Limited and GPCS Limited	Provides water and air treatment services	Marlowe plc (AIM:MRL)	\$4.3
December 21	Norsk Gjenvinning Norge AS	Provides waste management and recycling solutions	Summa Equity	ND
December 20	Wagner Seguridad Custodia Y Transporte De Valores S.A.	Provides cash handling services	Loomis AB (publ) (OM:LOOM B)	\$31.0
December 14	Centaur Building Services, Inc.	Provides commercial cleaning services	ATALIAN Global Services, Inc.	ND
December 11	Tox Free Solutions Limited (ASX:TOX)	Provides industrial and waste management solutions	Cleanaway (No. 1) Pty Ltd	\$652.5
December 10	Jinshan Environmental Protection Science and Technology Co Ltd.	Provides industrial and waste management solutions	Jiangsu Jinshan Environmental Protection Engineering Group Co., Ltd.	\$289.2
December 10	Food Protection Services LLC and Royal Pest Solutions, Inc. and Research Fumigation Company, LLC	Provides pest elimination services	Ecolab Inc. (NYSE:ECL)	ND
December 5	The Contract Dining Company Limited	Provides catering services for schools	Alliance in Partnership Limited	ND

ND – Not disclosed. Transaction values in millions.

Selected News

ABM Industries Incorporated (NYSE:ABM) reported net income of \$3.8 million for fiscal year 2017 as compared to \$57.2 million for the prior year. Earnings per share were \$0.07 versus \$1.00 for the prior year. Revenues for the year increased to \$5,453.6 million from \$5,144.7 million for fiscal year 2016.

Cintas Corporation (NasdaqGS:CTAS) reported second quarter net income of \$137.1 million for fiscal year 2018 as compared to \$140.4 million for the prior year period. Earnings per share were \$1.23 versus \$1.29 for the prior year period. Revenues for the quarter increased to \$1,606.4 million from \$1,296.9 million for the same period in fiscal year 2017.

Compass Group PLC (LSE:CPG) announced the appointment of **Dominic Blakemore** as **Deputy Chief Executive Officer**.

Heritage-Crystal Clean, Inc announced the appointment of **Jim Schumacher** to its **Board of Directors**.

Republic Services, Inc. (NYSE:RSG) announced the appointment of **Jon Vander Ark** as **Chief Operating Officer**.

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

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