



Mufson Howe Hunter

Business Services Update October 2024

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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 September 1, 2023, to September 30, 2024.
Price as % of Base (September 1, 2023 = 0%)

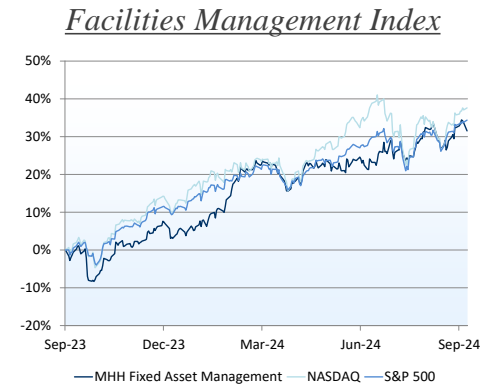
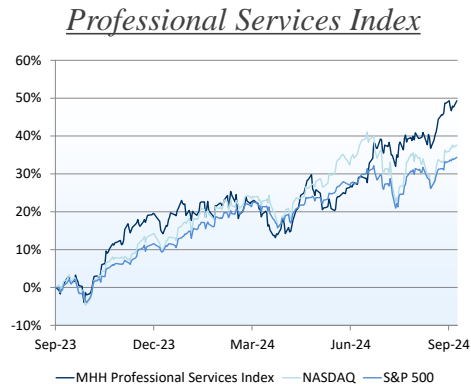


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The Mufson Howe Hunter Professional Services Index is currently comprised of AMN Healthcare Services, Inc., ASGN Incorporated, CBIZ, Inc., Computer Task Group, Inc., CRA International, Inc., Cross Country Healthcare, Inc., CT Partners, Exponent, Inc., Fair Isaac Corp., FTI Consulting, Inc., Heidrick & Struggles Intl. Inc., Huron Consulting Group Inc., Kelly Services, Inc., Kforce, Inc., Korn Ferry International Inc., ManpowerGroup Inc., RCM Technologies, Inc., Resources Connection, Inc., Robert Half International, Inc., and TrueBlue, Inc.

The Mufson Howe Hunter Facilities Management Index is currently comprised of ABM Industries Inc., Arcadis NV, BrightView Holdings, Inc., Chemed Corp., Comfort Systems USA Inc., CoreCivic, Inc., EMCOR Group Inc., FirstService Corp., Healthcare Services Group Inc., Jacobs Solutions Inc., Prosegur Compania de Seguridad SA, Rentokil Initial plc, Rollins Inc., Securitas AB, SP Plus Corporation, Stantec Inc., Tetra Tech, Inc., The Brinks Company, 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.

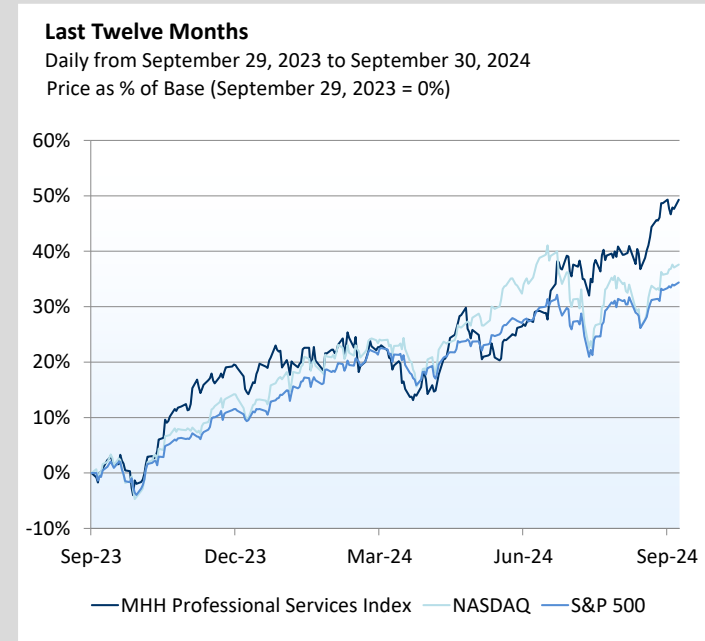
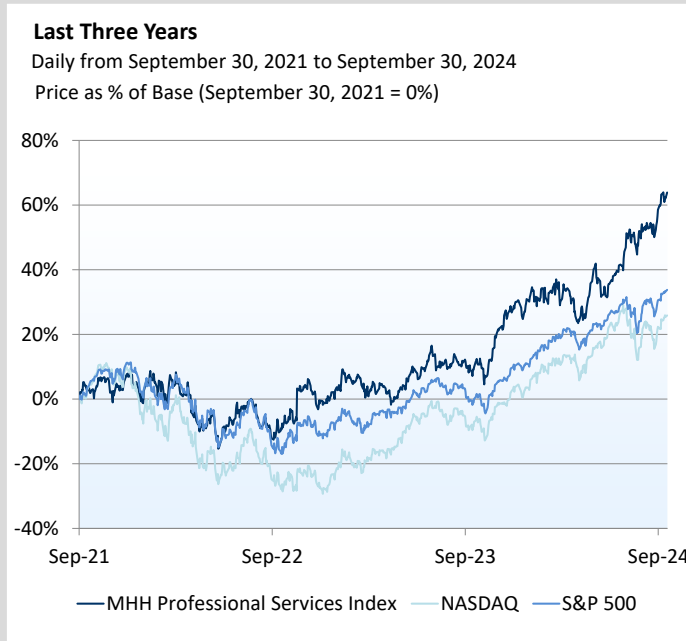
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Professional Services

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

Comparative Index Performance

The MHH Professional Services Index increased by 4.2% in September 2024.



Price Appreciation

	3-Year	LTM	1-Month
MHH Professional Services Index	63.9%	49.3%	8.4%
NASDAQ	25.9%	37.6%	6.1%
S&P 500	33.8%	34.4%	4.2%

Selected Valuation Metrics

Staffing Services

(\$ 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)	\$73.52	\$3,488.4	\$4,519.8	\$18,230.1	\$476.8	\$0.93	0.2 x	9.5 x	NM	17.5%	2.6%
Kelly Services, Inc. (KELY.A)	21.41	761.5	995.7	4,452.8	112.1	1.32	0.2 x	8.9 x	16.2 x	19.9%	2.5%
TrueBlue, Inc. (TBI)	7.89	235.3	270.8	1,764.5	1.0	(3.53)	0.2 x	NM	NM	25.7%	0.1%
Mean		\$1,495.1	\$1,928.7	\$8,149.1	\$196.6	(\$0.4)	0.2 x	9.2 x	16.2 x	21.0%	1.7%
Median		761.5	995.7	4,452.8	112.1	0.9	0.2 x	9.2 x	16.2 x	19.9%	2.5%
Professional Staffing											
Robert Half Inc. (RHI)	\$67.41	\$6,896.0	\$6,587.5	\$5,985.2	\$380.4	\$3.01	1.1 x	17.3 x	22.4 x	39.5%	6.4%
Kforce Inc. (KFRC)	61.45	1,143.2	1,195.4	1,444.8	76.5	2.69	0.8 x	15.6 x	22.9 x	27.5%	5.3%
Resources Connection, Inc. (RGP)	9.70	324.7	229.1	632.8	38.9	0.62	0.4 x	5.9 x	15.6 x	38.9%	6.1%
Mean		\$2,787.9	\$2,670.7	\$2,687.6	\$165.2	\$2.1	0.8 x	12.9 x	20.3 x	35.3%	5.9%
Median		1,143.2	1,195.4	1,444.8	76.5	2.7	0.8 x	15.6 x	22.4 x	38.9%	6.1%
Healthcare Staffing											
AMN Healthcare Services, Inc. (AMN)	\$42.39	\$1,610.9	\$2,798.5	\$3,233.3	\$371.8	\$2.60	0.9 x	7.5 x	16.3 x	32.1%	11.5%
Cross Country Healthcare, Inc. (CCRN)	13.44	454.4	389.5	1,575.3	48.1	0.25	0.2 x	8.1 x	NM	21.3%	3.1%
Mean		\$1,032.6	\$1,594.0	\$2,404.3	\$210.0	\$1.4	0.6 x	7.8 x	16.3 x	26.7%	7.3%
Median		1,032.6	1,594.0	2,404.3	210.0	1.4	0.6 x	7.8 x	16.3 x	26.7%	7.3%
IT Staffing											
ASGN Incorporated (ASGN)	\$93.23	\$4,176.7	\$5,149.6	\$4,274.6	\$432.8	\$4.13	1.2 x	11.9 x	22.6 x	28.6%	10.1%
RCM Technologies, Inc. (RCMT)	20.28	154.7	180.9	270.2	25.2	2.05	0.7 x	7.2 x	9.9 x	29.3%	9.3%
Christie Group plc (CTG)	1.27	32.4	47.3	86.0	1.1	(0.16)	0.6 x	NM	NM	28.1%	1.2%
Mean		\$1,454.6	\$1,792.6	\$1,543.6	\$153.0	\$2.0	0.8 x	9.5 x	16.2 x	28.7%	6.9%
Median		154.7	180.9	270.2	25.2	2.1	0.7 x	9.5 x	16.2 x	28.6%	9.3%

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 September 30, 2024.

(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, 2024 except Korn Ferry (July 31, 2024); CRA International, Inc. & RCM Technologies, Inc. (June 29, 2024); Exponent, Inc. (June 28, 2024); Resources Connection, Inc. (May 25, 2024)

(4) Excludes non-recurring and discontinued operations.

Selected Valuation Metrics (cont'd)

Professional Services

(\$ 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
Executive Search											
Korn Ferry (KFY)	\$75.24	\$3,913.3	\$3,827.5	\$2,738.4	\$330.0	\$3.51	1.4 x	11.6 x	21.4 x	22.6%	12.0%
Heidrick & Struggles International, Inc. (HSII)	38.86	789.5	588.8	1,060.1	99.6	1.84	0.6 x	5.9 x	21.1 x	25.6%	9.4%
Mean		\$2,351.4	\$2,208.1	\$1,899.3	\$214.8	\$2.7	1.0 x	8.8 x	21.2 x	24.1%	10.7%
Median		2,351.4	2,208.1	1,899.3	214.8	2.7	1.0 x	8.8 x	21.2 x	24.1%	10.7%
Professional & Consulting											
Fair Isaac Corporation (FICO)	\$1,943.52	\$47,652.3	\$49,647.6	\$1,653.5	\$714.7	\$19.02	NM	NM	NM	79.3%	43.2%
FTI Consulting, Inc. (FCN)	227.56	8,028.8	8,114.5	3,695.7	477.0	9.20	2.2 x	17.0 x	24.7 x	33.0%	12.9%
CBIZ, Inc. (CBZ)	67.29	3,362.7	3,972.7	1,652.4	198.5	2.32	2.4 x	20.0 x	29.0 x	13.8%	12.0%
Exponent, Inc. (EXPO)	115.28	5,848.2	4,220.1	508.5	128.3	2.03	8.3 x	NM	NM	36.5%	25.2%
Huron Consulting Group Inc. (HURN)	108.70	1,782.0	2,315.9	1,425.0	164.0	4.16	1.6 x	14.1 x	26.1 x	31.2%	11.5%
CRA International, Inc. (CRAI)	175.32	1,188.6	1,352.4	652.4	69.3	5.73	2.1 x	19.5 x	30.6 x	28.9%	10.6%
Mean		\$11,310.4	\$11,603.9	\$1,597.9	\$292.0	\$7.1	3.3 x	17.7 x	27.6 x	37.1%	19.3%
Median		4,605.4	4,096.4	1,538.7	181.2	4.9	2.2 x	18.3 x	27.5 x	32.1%	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.

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(4) Excludes non-recurring and discontinued operations.

Selected M&A Transactions

There were no announced/completed transactions for the period of 9/01/2024 – 9/30/2024 for our Professional Services Watchlist.

Selected News

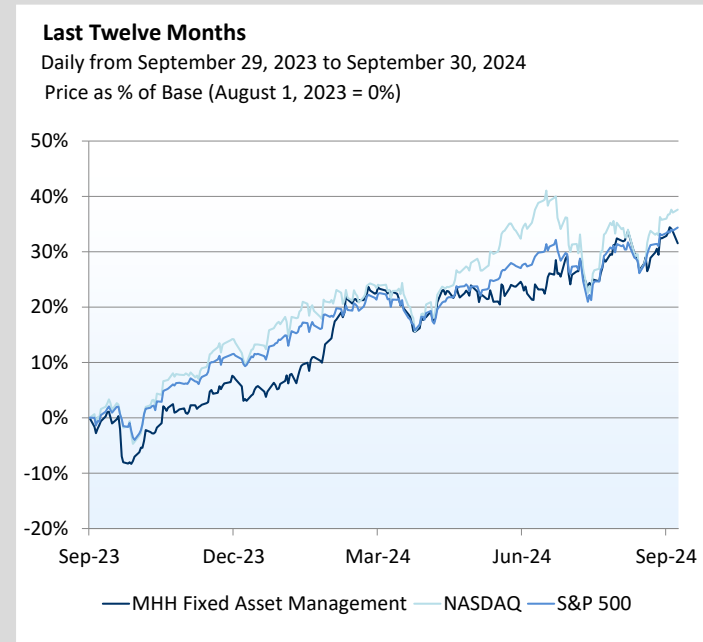
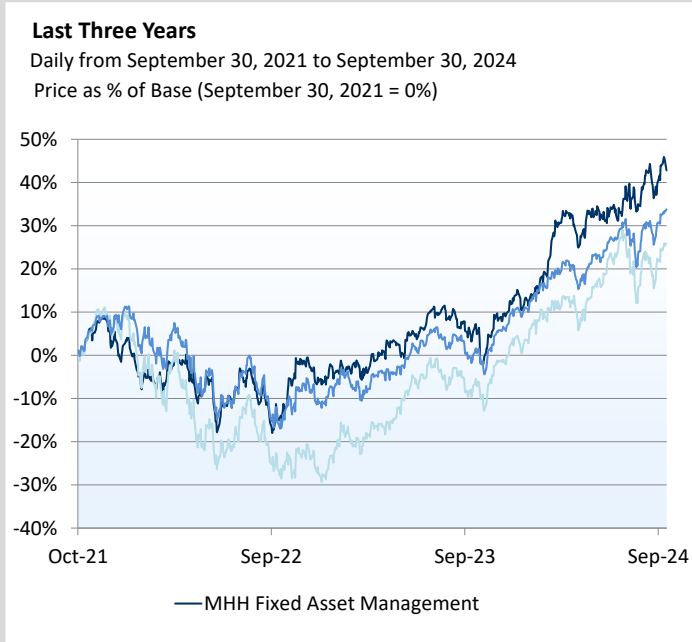
Korn Ferry (NYSE:KFY) reported first quarter net income of \$62.6 million for fiscal year 2025 as compared to \$46.6 million for the prior year period. Earnings per share were \$1.17 versus \$0.89 for the prior year period. Revenues for the quarter decreased to \$674.9 million from \$699.2 million for the same period in fiscal year 2024.

Facilities 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 Facilities Management Index increased by 1.4% in September 2024.



Price Appreciation

	3-Year	LTM	1-Month
MHH Facilities Management Index	42.8%	31.5%	1.4%
NASDAQ	25.9%	37.6%	6.1%
S&P 500	33.8%	34.4%	4.2%

Selected Valuation Metrics

Facilities 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/	Gross	
		Value	Value ⁽²⁾				Revenue	EBITDA	EPS	Profit	EBITDA
Facility Maintenance											
Rollins, Inc. (ROL)	\$50.58	\$24,496.6	\$25,265.5	\$3,234.8	\$745.1	\$0.95	7.8 x	33.9 x	53.4 x	52.6%	23.0%
EMCOR Group, Inc. (EME)	430.53	20,087.4	19,646.0	13,746.0	1,244.5	17.45	1.4 x	15.8 x	24.7 x	17.7%	9.1%
Rentokil Initial plc (LSE:RTO)	4.88	12,266.5	16,429.5	6,837.1	1,329.5	0.20	2.4 x	12.4 x	24.9 x	82.5%	19.4%
Comfort Systems USA, Inc. (FIX)	390.35	13,882.2	14,009.2	6,083.0	696.0	11.91	2.3 x	20.1 x	32.8 x	20.1%	11.4%
FirstService Corporation (TSX:FSV)	182.92	8,247.9	10,028.6	4,651.9	408.3	1.79	2.2 x	24.6 x	NM	32.4%	8.8%
Chemed Corporation (CHE)	600.97	9,011.7	8,935.2	2,335.6	424.2	19.72	3.8 x	21.1 x	30.5 x	36.0%	18.2%
Spirax Group plc (SPX)	100.72	3,898.1	4,927.8	2,096.4	451.4	3.29	2.4 x	10.9 x	30.6 x	76.1%	21.5%
ABM Industries Incorporated (ABM)	52.76	3,312.9	4,686.0	8,274.9	370.4	2.43	0.6 x	12.7 x	21.7 x	13.5%	4.5%
BrightView Holdings, Inc. (BV)	15.74	1,489.0	2,776.5	2,782.1	264.3	0.23	1.0 x	10.5 x	69.1 x	23.3%	9.5%
Healthcare Services Group, Inc. (HCSG)	11.17	819.7	762.7	1,684.9	45.4	0.43	0.5 x	16.8 x	26.0 x	12.8%	2.7%
Mean		\$9,751.2	\$10,746.7	\$5,172.7	\$597.9	\$5.8	2.4x	17.9x	34.8x	36.7%	12.8%
Median		8,629.8	9,481.9	3,943.3	437.8	2.1	2.2x	16.3x	30.5x	27.9%	10.5%
Manned Security Services											
Securitas AB (publ) (OM: SECU B)	\$12.71	\$7,281.3	\$11,353.2	\$15,047.5	\$1,136.4	\$0.25	0.8 x	10.0 x	50.9 x	20.5%	7.6%
The Brink's Company (BCO)	115.64	5,104.1	8,032.1	4,962.2	817.0	2.95	1.6 x	9.8 x	39.2 x	25.3%	16.5%
The GEO Group, Inc. (GEO)	12.85	1,747.9	3,563.4	2,423.9	452.7	0.25	1.5 x	7.9 x	52.0 x	27.1%	18.7%
Prosegur Compañía de Seguridad, S.A. (BME:PSG)	2.14	1,140.2	2,910.1	4,780.4	437.9	0.11	0.6 x	6.6 x	19.3 x	23.7%	9.2%
CoreCivic, Inc. (CXW)	12.65	1,394.9	2,386.6	1,965.7	324.9	0.60	1.2 x	7.3 x	21.1 x	23.7%	16.5%
Mean		\$3,333.7	\$5,649.1	\$5,835.9	\$633.8	\$0.8	1.1x	8.3x	36.5x	24.0%	13.7%
Median		1,747.9	3,563.4	4,780.4	452.7	0.2	1.2x	7.9x	39.2x	23.7%	16.5%
Environmental Services											
Jacobs Solutions Inc. (J)	\$130.90	\$16,264.1	\$19,386.4	\$16,948.6	\$1,476.3	\$5.08	1.1 x	13.1 x	25.8 x	21.3%	8.7%
Tetra Tech, Inc. (TTEK)	47.16	12,622.9	13,467.3	4,234.8	567.6	1.08	3.2 x	23.7 x	43.7 x	19.7%	13.4%
Stantec Inc. (TSX:STN)	80.51	9,183.1	10,771.5	3,961.9	539.2	2.22	2.7 x	20.0 x	36.3 x	54.3%	13.6%
Arcadis NV (ARCAD)	69.37	6,257.6	7,345.1	5,398.4	421.6	2.41	1.4 x	17.4 x	28.8 x	17.0%	7.8%
Mean		\$11,081.9	\$12,742.6	\$7,635.9	\$751.2	\$2.7	2.1 x	18.6 x	33.6 x	28.1%	10.9%
Median		10,903.0	12,119.4	4,816.6	553.4	2.3	2.0 x	18.7 x	32.5 x	20.5%	11.1%

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

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(3) As of September 30, 2024 except ABM Industries, Inc. (July 31, 2024); Jacobs Solutions, Inc. (June 28, 2024)

(4) Excludes non-recurring and discontinued operations.

Selected M&A Transactions & News

Facilities Management

Selected M&A Transactions

Closed	Target	Target Description	Acquirer	Value	EV/EBITDA Multiple
Sep-27	Critical Mission Solutions and Cyber & Intelligence Government Solutions of Jacobs Solutions, Inc.	Critical Mission Solutions provides technical consulting, applied science research, training, intelligent asset management, and program management services to federal government and defense agencies. Cyber & Intelligence Government Services of Jacobs Solutions Inc. comprises government technology solutions businesses.	Amentum Holdings, Inc.	N/D	N/D

N/D – Not disclosed.

Selected News

ABM Industries Incorporated (NYSE:ABM) reported third quarter net income of \$4.7 million for fiscal year 2024 as compared to \$98.1 million for the prior year period. Earnings per share were \$0.07 versus \$1.47 for the prior year period. Revenues for the quarter increased to \$2,094.2 million from \$2,028.2 million for the same period in fiscal year 2023.

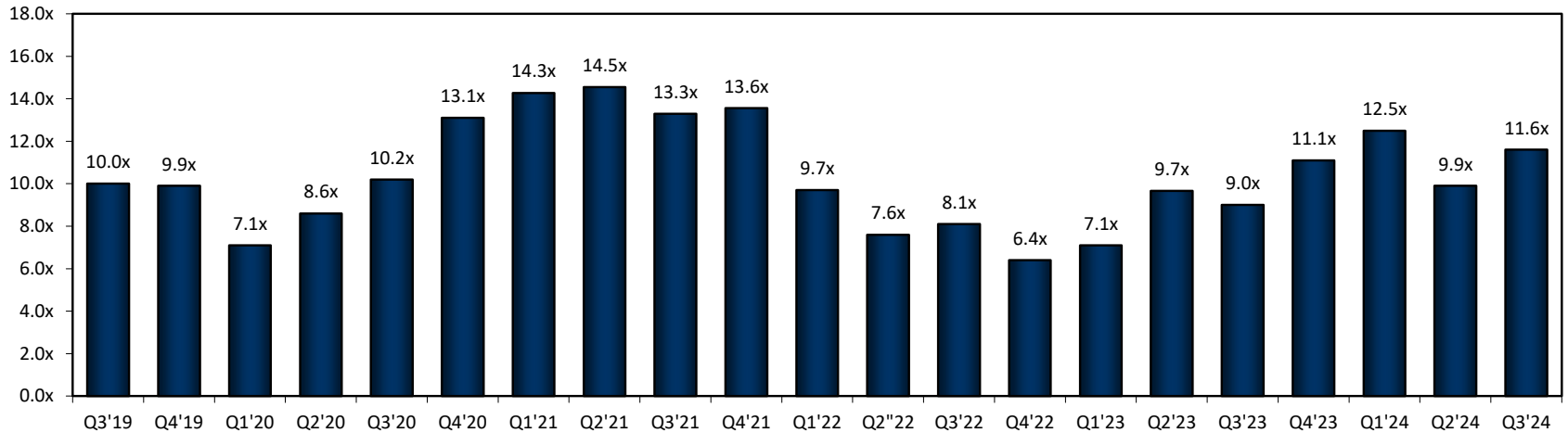
Cintas Corporation (NasdaqGS:CTAS) reported first quarter net income of \$452.0 million for fiscal year 2025 as compared to \$385.1 million for the prior year period. Earnings per share were \$1.10 versus \$0.93 for the prior year period. Revenues for the quarter increased to \$2,501.6 million from \$2,342.3 million for the same period in fiscal year 2024.

Healthcare Services Group, Inc. (NasdaqGS:HCSG) Appoints Vikas Singh as CFO

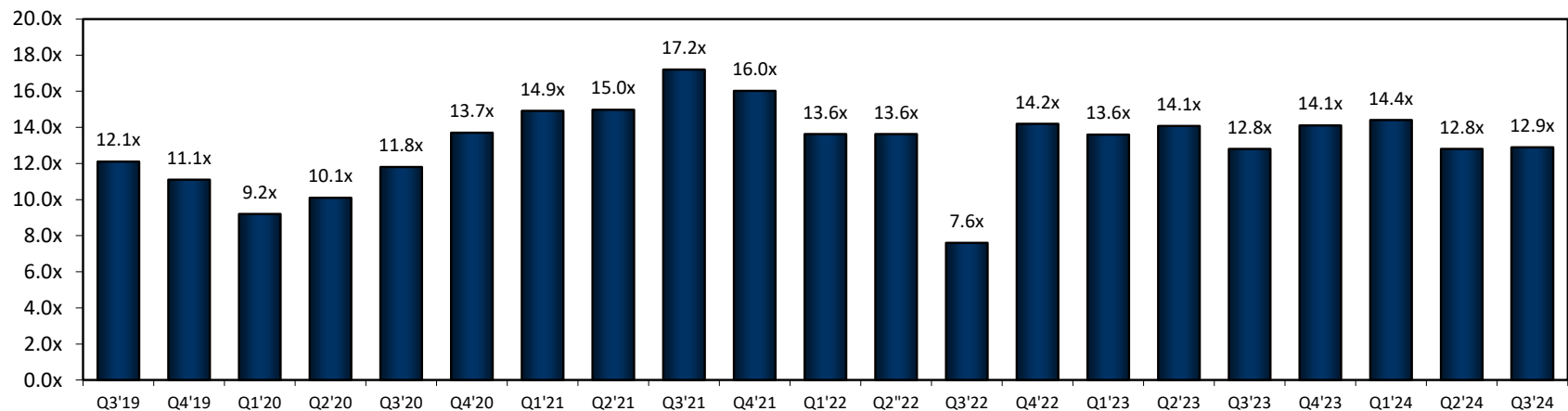
Jacobs Solutions Inc. (NYSE:J) Announces Election of Michael Collins to Board of Directors, Effective September 23, 2024, and Changes to Composition of the Standing Committees of the Board

Historical Enterprise Value-to-LTM EBITDA Multiples

Professional Services



Facilities Management



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

Mergers & Acquisitions

- Advise buyers and sellers
- Sale of businesses, strategic acquisitions, management buy-outs and industry build-ups

Capital Raises

- 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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C o n t a c t U s

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