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Industry Observations – December 31, 2018

Transportation & Logistics Industry

Select Transportation & Logistics Public Company Industry Data As of December 31, 2018

(USD in millions, except per share data)

Company Name	Ticker	Market Data					LTM Operating Data			Forward Estimates	
		Price at 12/31/18	% of 52 Week High	Equity Value	Enterprise Value	Debt / Total Capital	Total Assets	LTM Revenue	LTM EBITDA	CY 2018 Revenue Estimate	CY 2018 EBITDA Estimate
Transportation - Less Than Truckload											
ArcBest Corporation	ARCB	\$ 34.26	66.6%	\$ 880.1	\$ 917.4	28.9%	\$ 1,539.2	\$ 3,093.8	\$ 235.6	\$3,207.56	\$254.59
Old Dominion Freight Line, Inc.	ODFL	\$ 123.49	72.5%	\$ 10,095.3	\$ 9,962.9	1.7%	\$ 3,545.3	\$ 4,043.7	\$ 1,040.8	\$4,377.75	\$1,136.34
Saia, Inc.	SAIA	\$ 55.82	64.1%	\$ 1,421.7	\$ 1,542.5	15.0%	\$ 1,133.7	\$ 1,653.8	\$ 243.7	\$1,754.41	\$280.11
YRC Worldwide Inc.	YRCW	\$ 3.15	17.9%	\$ 106.6	\$ 801.5	152.5%	\$ 1,617.1	\$ 5,092.0	\$ 264.7	\$5,117.11	\$300.75
Transportation - Long-Haul / Truckload											
Covenant Transportation Group, Inc.	CVTI	\$ 19.20	54.6%	\$ 352.2	\$ 568.3	41.9%	\$ -	\$ 885.5	\$ 134.1	\$991.48	\$148.46
J.B. Hunt Transport Services, Inc.	JBHT	\$ 93.04	70.6%	\$ 10,157.8	\$ 11,219.7	35.4%	\$ 5,091.6	\$ 8,614.9	\$ 1,110.1	\$9,554.76	\$1,431.75
Knight-Swift Transportation Holdings	KNX	\$ 25.07	48.3%	\$ 4,346.3	\$ 5,228.8	14.5%	\$ 7,911.9	\$ 5,344.1	\$ 1,001.9	\$5,554.19	\$1,083.63
Werner Enterprises, Inc.	WERN	\$ 29.54	67.2%	\$ 2,103.1	\$ 2,218.4	9.0%	\$ 2,083.5	\$ 2,457.9	\$ 462.7	\$2,633.58	\$498.72
Transportation - Other											
FedEx Corporation	FDX	\$ 161.33	58.7%	\$ 42,114.2	\$ 57,282.2	47.3%	\$53,289.0	\$68,716.0	\$ 8,648.0	\$71,907.46	\$9,070.20
United Parcel Service, Inc.	UPS	\$ 97.53	72.0%	\$ 83,800.3	\$102,349.3	86.8%	\$49,589.0	\$71,861.0	\$ 8,741.0	\$75,842.22	\$10,618.98
Logistics - Asset Light Transportation											
C.H. Robinson Worldwide, Inc.	CHRW	\$ 84.09	83.1%	\$ 11,562.7	\$ 12,606.2	45.8%	\$ 4,427.4	\$16,631.2	\$ 1,008.8	\$17,114.74	\$1,065.88
Expeditors International of Washington, Inc.	EXPD	\$ 68.09	87.1%	\$ 11,751.7	\$ 10,762.5	0.0%	\$ 3,334.8	\$ 7,804.1	\$ 828.5	\$8,538.20	\$894.94
Hub Group, Inc.	HUBG	\$ 37.07	65.5%	\$ 1,270.6	\$ 1,314.9	25.6%	\$ 1,924.9	\$ 3,683.6	\$ 208.8	\$4,170.09	\$249.11
XPO Logistics, Inc.	XPO	\$ 57.04	49.1%	\$ 7,241.1	\$ 11,465.7	52.3%	\$12,270.0	\$17,279.0	\$ 1,513.0	\$17,986.25	\$1,675.87

Notes: LTM (latest twelve months); Enterprise Value (market capitalization less total cash and short-term investments plus short-term borrowings and total long-term debt); EBITDA (earnings before interest, taxes, depreciation and amortization)

Source: Capital IQ

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Publicly available information utilized in this publication has been obtained from sources deemed to be reliable. Houlihan does not guarantee the accuracy or completeness of the information provided within this publication. The material presented reflects information known to the authors at the time this publication was written and this information is subject to change.

Select Transportation & Logistics Public Company Valuation Metrics As of December 31, 2018

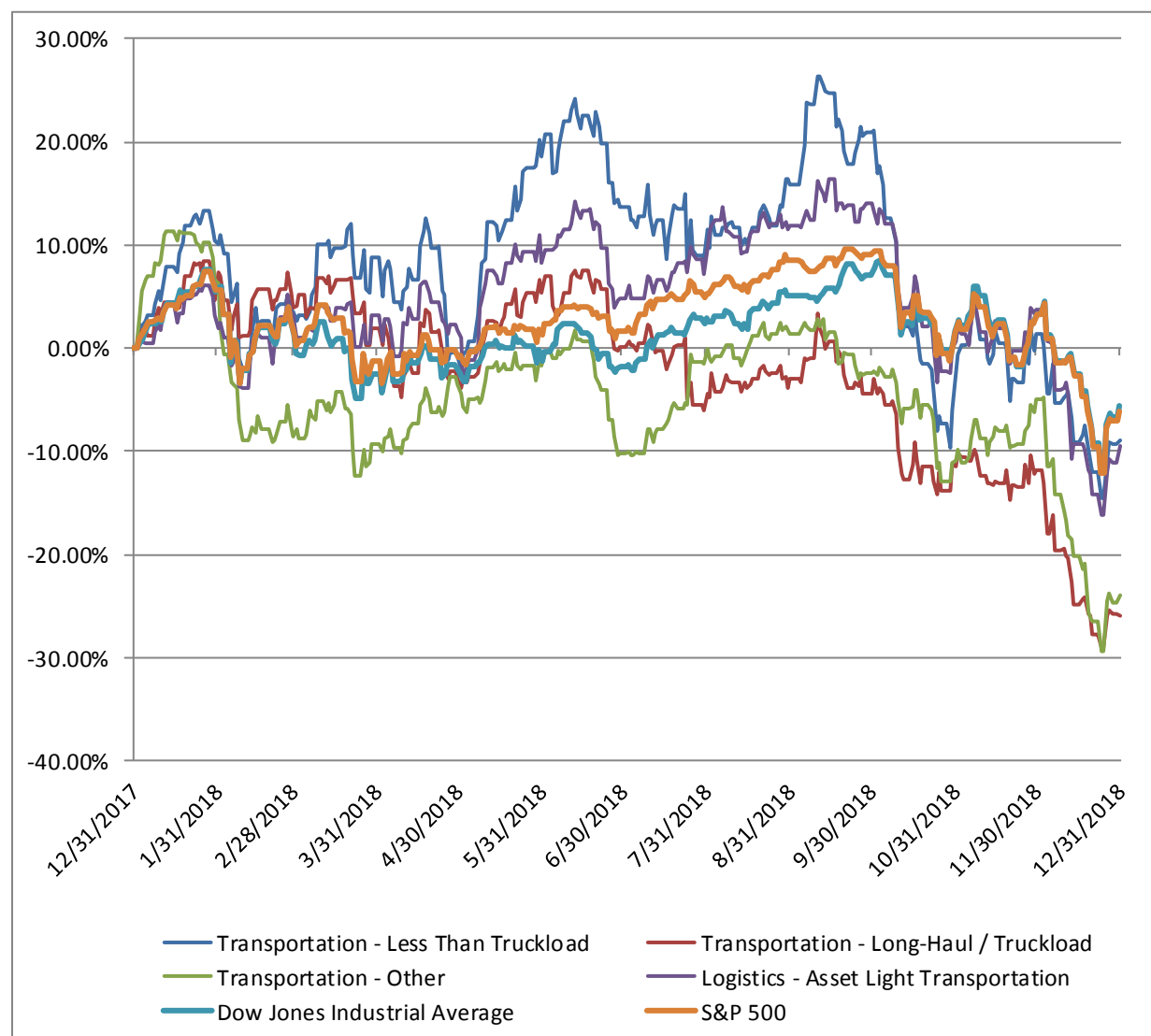
(USD in millions, except per share data)

Company Name	Ticker	LTM Operating Statistics						Trading Multiples			
		Return On Assets	Return On Equity	Return On Capital	Revenue Growth	EBITDA Growth	EBITDA Margin	TEV/ LTM Revenue	TEV/ CY 2018 Revenue	TEV/ LTM EBITDA	TEV/ CY 2018 EBITDA
Transportation - Less Than Truckload											
ArcBest Corporation	ARCB	5.5%	9.8%	8.2%	9.5%	48.0%	7.6%	0.3x	0.3x	3.9x	3.6x
Old Dominion Freight Line, Inc.	ODFL	15.4%	24.4%	20.0%	20.4%	33.2%	25.7%	2.5x	2.3x	9.6x	8.8x
Saia, Inc.	SAIA	8.4%	16.4%	11.5%	20.0%	34.0%	14.7%	0.9x	0.9x	6.3x	5.5x
YRC Worldwide Inc.	YRCW	4.6%	N/A	13.0%	4.1%	7.8%	5.2%	0.2x	0.2x	3.0x	2.7x
	Mean	8.5%	16.9%	13.2%	13.5%	30.7%	13.3%	1.0x	0.9x	5.7x	5.1x
	Median	6.9%	16.4%	12.3%	14.7%	33.6%	11.2%	0.6x	0.6x	5.1x	4.6x
Transportation - Long-Haul / Truckload											
Covenant Transportation Group,	CVTI	0.0%	13.7%	6.9%	25.6%	32.2%	15.1%	0.6x	0.6x	4.2x	3.8x
J.B. Hunt Transport Services, Inc.	JBHT	8.9%	24.8%	13.8%	19.8%	9.9%	12.9%	1.3x	1.2x	10.1x	7.8x
Knight-Swift Transportation Holdings	KNX	4.6%	7.9%	5.7%	120.3%	128.4%	18.7%	1.0x	0.9x	5.2x	4.8x
Werner Enterprises, Inc.	WERN	7.6%	13.7%	11.1%	16.1%	30.5%	18.8%	0.9x	0.8x	4.8x	4.4x
	Mean	5.3%	15.0%	9.4%	45.5%	50.2%	16.4%	1.0x	0.9x	6.1x	5.2x
	Median	6.1%	13.7%	9.0%	22.7%	31.3%	16.9%	0.9x	0.9x	5.0x	4.6x
Transportation - Other											
FedEx Corporation	FDX	6.5%	27.4%	9.8%	10.2%	7.5%	12.6%	0.8x	0.8x	6.6x	6.3x
United Parcel Service, Inc.	UPS	8.6%	235.6%	16.9%	9.1%	-10.9%	12.2%	1.4x	1.3x	11.7x	9.6x
	Mean	7.6%	131.5%	13.4%	9.7%	-1.7%	12.4%	1.1x	1.1x	9.2x	8.0x
	Median	7.6%	131.5%	13.4%	9.7%	-1.7%	12.4%	1.1x	1.1x	9.2x	8.0x
Logistics - Asset Light Transportation											
C.H. Robinson Worldwide, Inc.	CHRW	13.2%	44.0%	19.5%	11.8%	18.1%	6.1%	0.8x	0.7x	12.5x	11.8x
Expeditors International of Washington, Inc.	EXPD	15.1%	30.9%	24.6%	17.2%	14.8%	10.6%	1.4x	1.3x	13.0x	12.0x
Hub Group, Inc.	HUBG	4.3%	10.0%	6.5%	-8.7%	30.2%	5.7%	0.4x	0.3x	6.3x	5.3x
XPO Logistics, Inc.	XPO	4.0%	11.1%	5.9%	12.3%	18.0%	8.8%	0.7x	0.6x	7.6x	6.8x
	Mean	9.2%	24.0%	14.1%	8.2%	20.3%	7.8%	0.8x	0.7x	9.8x	9.0x
	Median	8.8%	21.0%	13.0%	12.1%	18.1%	7.4%	0.7x	0.7x	10.0x	9.3x

Notes: LTM (latest twelve months); NTM (next twelve months); EBITDA (earnings before interest, taxes, depreciation and amortization); TEV (total enterprise value)

Source: Capital IQ

Transportation & Logistics Public Company LTM Equity Performance As of December 31, 2018



Note: The indices are derived from the equity performance of the previously listed companies. Source: Capital IQ

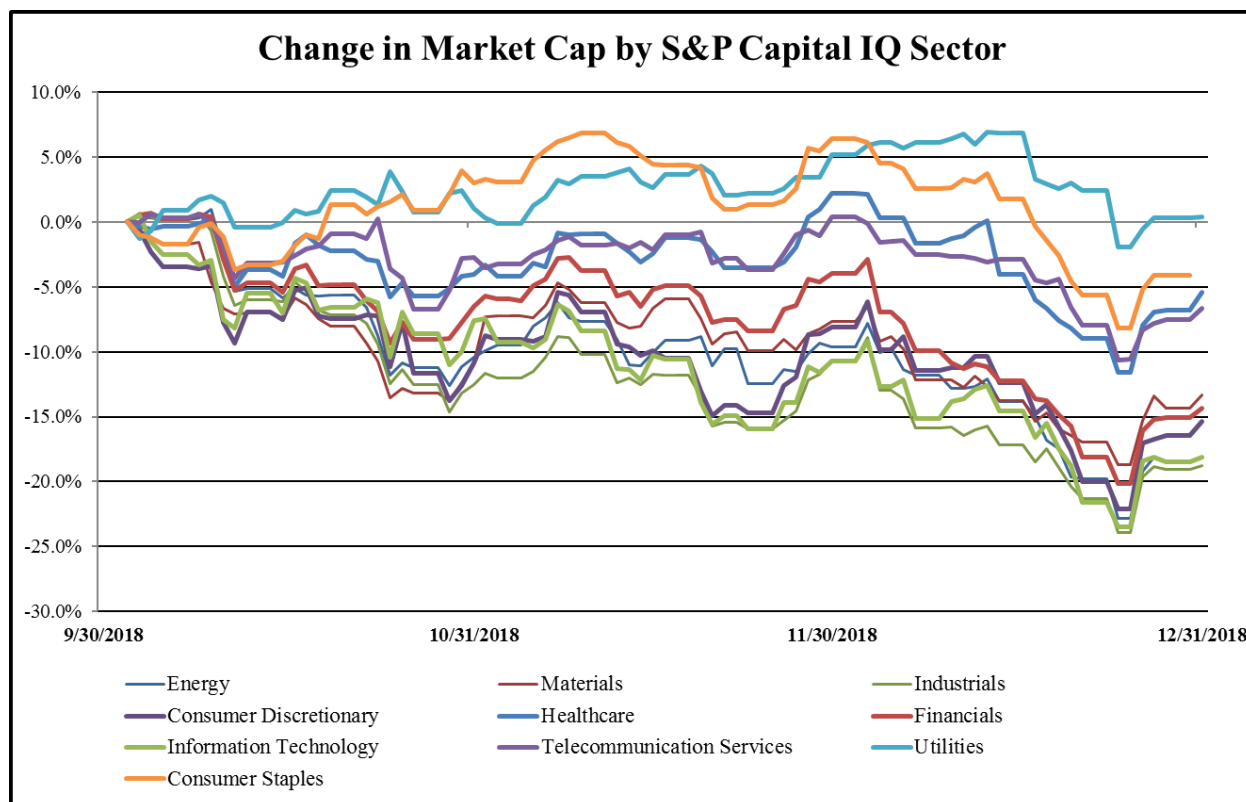
Recent M&A Activity in the Transportation & Logistics Industry December 31, 2017 to December 31, 2018

(USD in millions)

Close Date	Target	Acquirer	Target Company Primary Industry	Implied Enterprise Value
11/9/2018	Omni Air International, LLC	Air Transport Services Group, Inc.	Airlines	\$845.00
12/3/2018	American Fast Freight, Inc.	Odyssey Logistics & Technology Corporation	Marine	\$465.00
2/14/2018	Higman Marine Services, Inc.	Kirby Corporation	Marine	\$419.00
3/14/2018	PS Logistics, LLC	OEP Capital Advisors, L.P.	Trucking	\$400.00
7/31/2018	White Pass & Yukon Route Rail and Port Operations Of	Royal Hwy Tours Inc.	Railroads	\$290.00
12/3/2018	CaseStack, Inc.	Hub Group, Inc.	Air Freight and Logistics	\$255.00
8/24/2018	DSC Logistics, Inc.	CJ Logistics USA Corporation	Air Freight and Logistics	\$240.13
8/31/2018	Mode Transportation, LLC	York Capital Management	Trucking	\$238.50
7/16/2018	American Roads LLC	DIF; DIF Infrastructure V	Highways and Railroads	\$220.00
2/8/2018	Montco Offshore, Inc.	Falcon Global USA LLC	Marine Ports and Services	\$131.10
4/2/2018	MXD Group, Inc.	Ryder System, Inc.	Air Freight and Logistics	\$120.00
7/3/2018	Landair Holdings, Inc.	Covenant Transportation Group, Inc.	Air Freight and Logistics	\$105.96
5/10/2018	Inland Marine Tank Barge Business of Targa Resources	Kirby Corporation	Marine	\$69.30
3/1/2018	Gulf Stream Marine, Inc.	Logistec Corporation	Marine Ports and Services	\$65.70
8/10/2018	Southern Counties Express, Inc./Aquarius Financial, Inc.	Mason Dixon Intermodal, Inc.	Trucking	\$65.00
6/30/2018	Logistics Business of R.R. Donnelley & Sons Company	LSC Communications, Inc.	Air Freight and Logistics	\$60.00
10/18/2018	Davis Transfer Company Inc./Davis Transfer Logistics	USA Truck, Inc.	Trucking	\$53.00
2/2/2018	Fore Transportation, Inc.	Universal Logistics Holdings, Inc.	Trucking	\$34.90
10/12/2018	Specialized Rail Service, Inc.	Westport Axle Corp.	Trucking	\$12.30
2/23/2018	Flightseeing Assets in Alaska of Era Group Inc.	N/A	Airlines	\$10.00
5/25/2018	Pensacola Stevedore Company, Inc.	Logistec Corporation	Marine Ports and Services	\$9.60
10/25/2018	J & B Services, Inc.	Milan Supply Chain Solutions	Trucking	\$6.40
8/23/2018	U S Rail Holdings LLC	Las Vegas Railway Express, Inc. (nka:United Rail, Inc.)	Railroads	\$4.50
6/1/2018	Thunder Ridge Transport, Inc.	EVO Transportation & Energy Services, Inc.	Trucking	\$2.95
5/28/2018	SaaS Transportation, Inc.	Wisetech Global Limited	Air Freight and Logistics	\$2.87
1/18/2018	Sequel International Logistics (USA) Inc.	Loomis AB (publ)	Air Freight and Logistics	\$2.00
12/31/2017	Yellow Cab Cooperative, Inc.	Big Dog City Corporation	Trucking	\$0.81
6/21/2018	All Assets of Big Red L.T.L. Transport, Inc. and CIN-SAN	Big Red Express Trucking LLC	Trucking	\$0.73
6/18/2018	Prime EFS LLC	PetroTerra Corp. (nka:Transportation and Logistics	Trucking	\$0.50
11/16/2018	W.E. Graham, Inc.	EVO Transportation & Energy Services, Inc.	Trucking	\$0.49
3/7/2018	LBC Mabuhay Saipan, Inc.	LBC Express Holdings, Inc.	Air Freight and Logistics	\$0.21
12/31/2018	Papé Kenworth Northwest Paclease LLC	The Papé Group, Inc.	Trucking	NA
12/28/2018	Assets of Progressive Progressive Barge Line, Inc.	Savage Inland Marine, LLC	Marine Ports and Services	NA
12/26/2018	Gateway USA, LLC	Modern Aviation Inc.	Airlines	NA
12/21/2018	Xpress Global Systems, Inc.	Aterian Investment Partners, LLC	Trucking	NA
12/21/2018	Fleet-Car Lease, Inc.	United Road Services, Inc.	Trucking	NA
12/20/2018	Substantially All Assets of Robinette Trucking, Inc. and	Loudon County Trucking, Inc.	Marine	NA
12/18/2018	Nolan Transportation Group, Inc.	Gryphon Investors Inc	Trucking	NA
12/7/2018	Assets of Yellow Cab of Albuquerque	zTrip, Inc.	Trucking	NA
12/6/2018	Express Division of Network Global Logistics	MNX Global Logistics	Air Freight and Logistics	NA
12/6/2018	Tier One Relocation, LLC	Sun Capital Partners, Inc.	Trucking	NA
9/17/2018	Assets of Selland Auto Transport	Jack Cooper Holdings Corp.	Trucking	NA
12/21/2018	DAL Global Services, LLC	Argenbright Holdings I, LLC	Airport Services	NA
11/19/2018	Royal Coachman Ltd.	Leros Point To Point Inc.	Trucking	NA
3/31/2018	ACE Basin Express	Charleston Harbor Tours	Trucking	NA
11/9/2018	N/J International Inc.	Manitoulin Global Forwarding Inc.	Air Freight and Logistics	NA
11/2/2018	Domek Logistics, LLC	Masterpiece International Limited	Air Freight and Logistics	NA
10/31/2018	JDHB, LLC	Platform Capital, LLC	Trucking	NA
10/29/2018	International Marine & Industrial Applicators, LLC/Craft	J.F. Lehman and Company, LLC	Marine Ports and Services	NA
10/24/2018	Anderson Cargo Services, Inc.	Argosy Capital; Headhaul Capital Partners LLC	Air Freight and Logistics	NA
10/17/2018	Worldfresh Express, Inc.	AIT Worldwide Logistics, Inc.	Air Freight and Logistics	NA
10/17/2018	BAE Systems Southeast Shipyards Alabama LLC	EPIC Companies, LLC	Marine Ports and Services	NA
10/17/2018	Baucom Truck Service, Inc.	Manito Transit LLC	Trucking	NA
8/31/2018	LandJet LLC	N/A	Trucking	NA
10/16/2018	Crane Rental Company, Inc.	M-L Holdings Crane Group, LLC	Trucking	NA
10/10/2018	Condata Global	NextGen Growth Partners, LLC	Air Freight and Logistics	NA
10/10/2018	Caribbean Feeder Services, LTD	A. Pérez y Cía., S.L.	Marine Ports and Services	NA

Source: Capital IQ

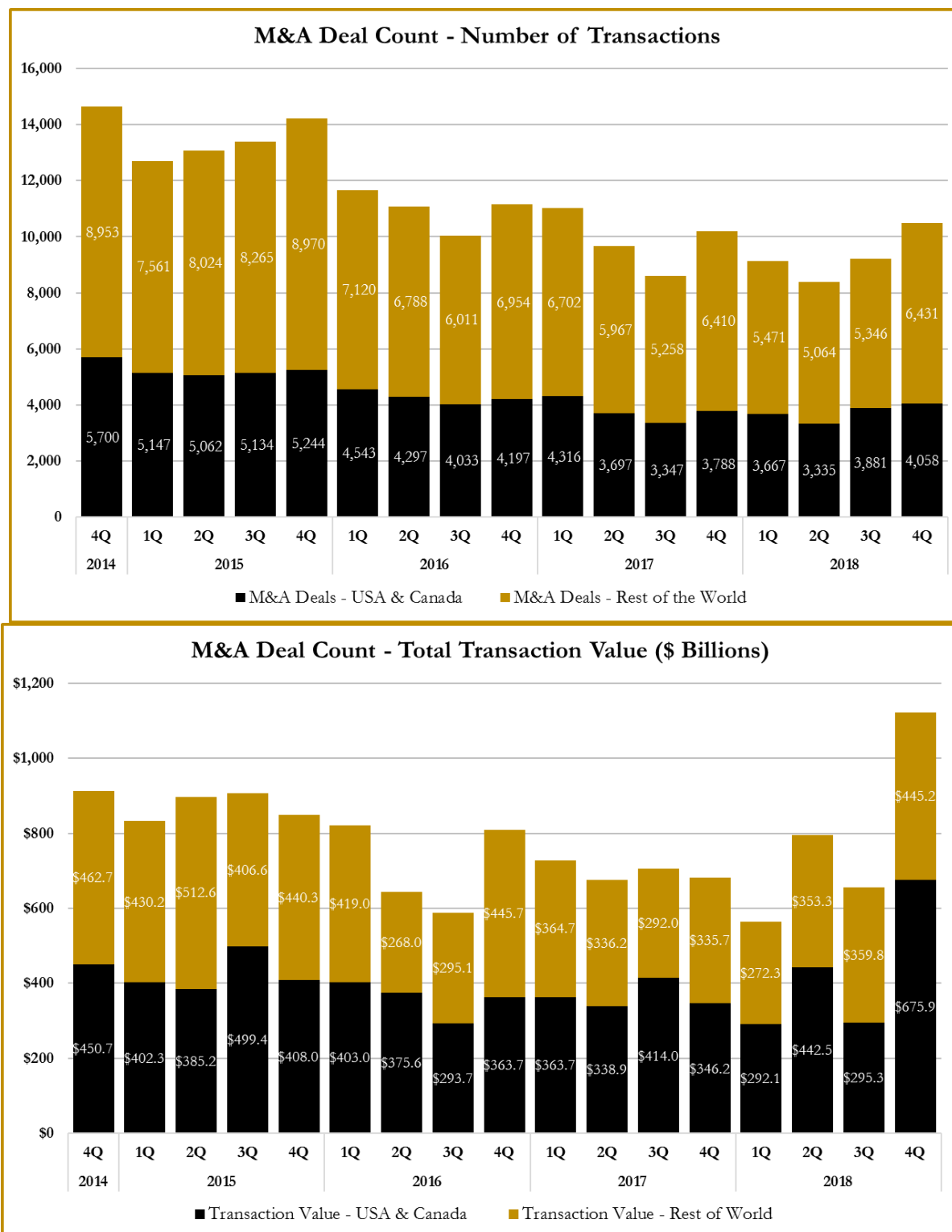
S&P Capital IQ - Sector Last 3 Month Equity Performance As of December 31, 2018



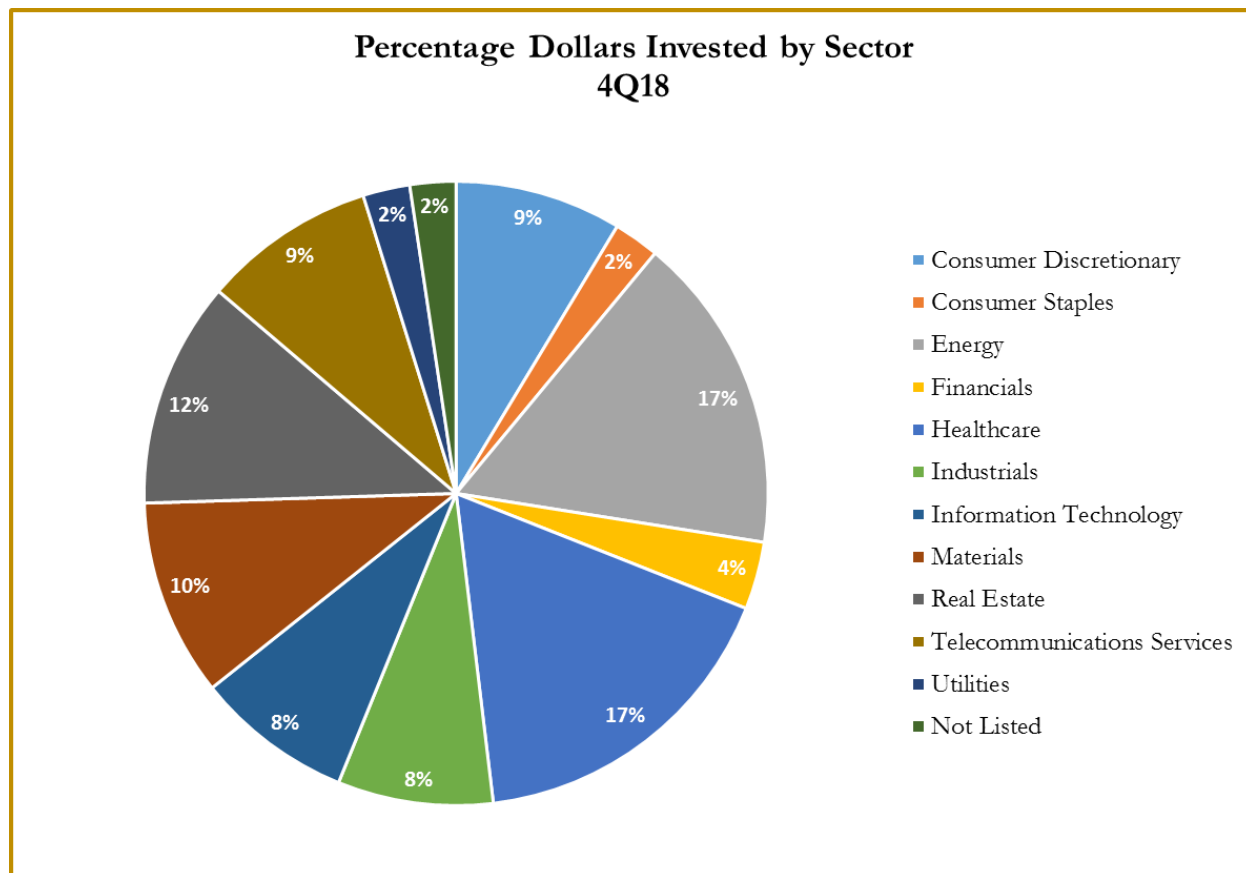
Note: The indices are derived from the equity performance of the S&P Capital IQ Sectors. Source: Capital IQ

M&A Deal Flow Statistics by S&P Capital IQ Sector

As of December 31, 2018



M&A Deal Flow Statistics by S&P Capital IQ Sector As of December 31, 2018





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We provide an array of services that include enterprise valuations, portfolio valuation, valuation of carried interest, transaction opinions, tax and financial reporting compliance, purchase price allocations, and a wide variety of consulting services through our Financial Advisory Group.

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www.houlihancapital.com

Andrew Smith asmith@houlihancapital.com 312.450.8610	Paul Clark pclark@houlihancapital.com 312.450.8656	Michael Norton mnorton@houlihancapital.com 312.450.8628	Monica Blocker mblocker@houlihancapital.com 312.450.8699
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