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Industry Observations – June 30, 2019

Transportation & Logistics Industry

Select Transportation & Logistics Public Company Industry Data As of June 30, 2019

(USD in millions, except per share data)

Company Name	Ticker	Market Data					LTM Operating Data			Forward Estimates	
		Price at 06/30/19	% of 52 Week High	Equity Value	Enterprise Value	Debt / Total Capital	Total Assets	LTM Revenue	LTM EBITDA	CY 2019 Revenue Estimate	CY 2019 EBITDA Estimate
Transportation - Less Than Truckload											
ArcBest Corporation	ARCB	\$ 28.11	54.6%	\$ 717.2	\$ 811.1	32.6%	\$ 1,559.7	\$ 3,105.6	\$ 227.9	\$3,074.01	\$222.38
Old Dominion Freight Line, Inc.	ODFL	\$ 149.26	87.7%	\$ 12,082.1	\$ 11,915.5	1.6%	\$ 3,758.7	\$ 4,136.6	\$ 1,106.9	\$4,223.86	\$1,115.80
Saia, Inc.	SAIA	\$ 64.67	77.2%	\$ 1,658.9	\$ 1,883.2	23.8%	\$ 1,246.9	\$ 1,671.6	\$ 248.2	\$1,737.29	\$269.56
YRC Worldwide Inc.	YRCW	\$ 4.03	36.5%	\$ 139.3	\$ 1,233.8	140.1%	\$ 1,928.8	\$ 5,059.8	\$ 248.8	\$4,994.61	\$249.23
Transportation - Long-Haul / Truckload											
Covenant Transportation Group, Inc.	CVTI	\$ 14.71	42.8%	\$ 270.2	\$ 548.3	47.1%	\$ -	\$ 954.1	\$ 133.3	\$926.63	\$118.00
J.B. Hunt Transport Services, Inc.	JBHT	\$ 91.41	70.3%	\$ 9,939.8	\$ 11,288.7	39.1%	\$ 5,420.7	\$ 8,878.9	\$ 1,121.1	\$9,152.17	\$1,322.73
Knight-Swift Transportation Holdings Inc.	KNX	\$ 32.84	83.6%	\$ 5,685.2	\$ 6,608.1	17.0%	\$ 8,213.6	\$ 5,187.9	\$ 989.4	\$5,156.77	\$985.53
Werner Enterprises, Inc.	WERN	\$ 31.08	72.6%	\$ 2,172.1	\$ 2,240.6	9.5%	\$ 2,118.8	\$ 2,491.3	\$ 459.6	\$2,527.41	\$484.24
Transportation - Other											
FedEx Corporation	FDX	\$ 164.19	63.3%	\$ 42,783.7	\$ 58,045.7	49.8%	\$ 54,403.0	\$ 69,693.0	\$ 4,934.0	\$70,056.47	\$8,427.08
United Parcel Service, Inc.	UPS	\$ 103.27	82.6%	\$ 88,890.2	\$ 109,574.2	82.2%	\$ 52,787.0	\$ 72,500.0	\$ 7,721.0	\$74,401.00	\$10,573.43
Logistics - Asset Light Transportation											
C.H. Robinson Worldwide, Inc.	CHRW	\$ 84.35	83.3%	\$ 11,519.0	\$ 12,679.9	49.3%	\$ 4,697.4	\$ 16,457.1	\$ 1,027.4	\$16,064.56	\$1,054.12
Expeditors International of Washington, Inc.	EXPD	\$ 75.86	94.0%	\$ 13,047.6	\$ 12,207.5	14.1%	\$ 3,642.9	\$ 8,304.2	\$ 844.8	\$8,629.12	\$866.06
Hub Group, Inc.	HUBG	\$ 41.98	74.2%	\$ 1,459.5	\$ 1,702.2	26.1%	\$ 1,931.3	\$ 3,779.2	\$ 233.0	\$4,034.77	\$260.04
XPO Logistics, Inc.	XPO	\$ 57.81	49.7%	\$ 5,315.9	\$ 12,933.9	72.7%	\$ 14,196.0	\$ 17,207.0	\$ 1,522.0	\$17,597.89	\$1,643.35

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 June 30, 2019

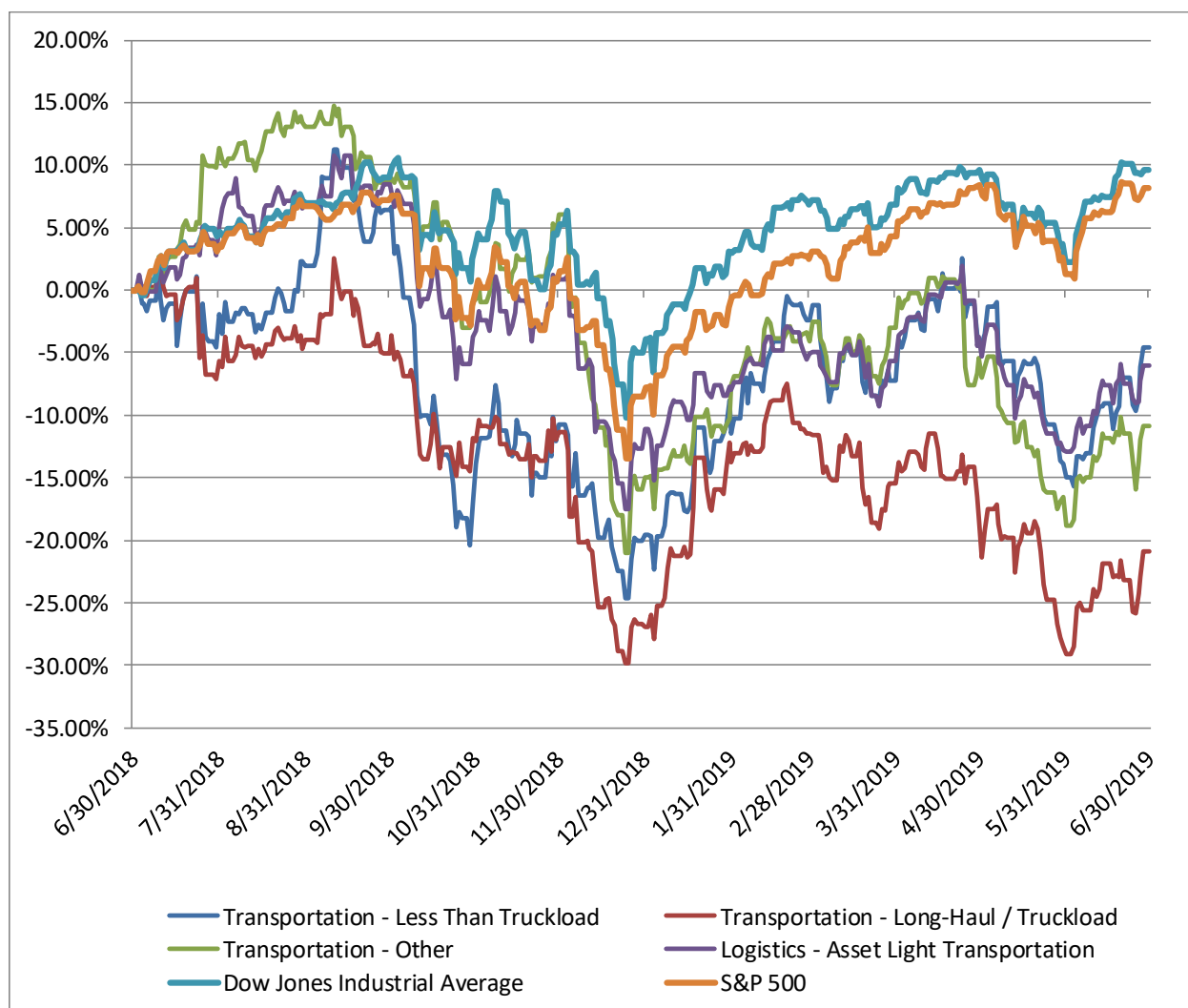
(USD in millions, except per share data)

		LTM Operating Statistics						Trading Multiples			
Company Name	Ticker	Return On Assets	Return On Equity	Return On Capital	Revenue Growth	EBITDA Growth	EBITDA Margin	TEV/ LTM Revenue	TEV/ CY 2019 Revenue	TEV/ LTM EBITDA	TEV/ CY 2019 EBITDA
Transportation - Less Than Truckload											
ArcBest Corporation	ARCB	5.2%	9.0%	7.6%	8.0%	30.5%	7.3%	0.3x	0.3x	3.6x	3.6x
Old Dominion Freight Line, Inc.	ODFL	15.2%	24.3%	20.0%	11.1%	24.1%	26.8%	2.9x	2.8x	10.8x	10.7x
Saia, Inc.	SAIA	7.9%	16.0%	10.5%	13.4%	27.5%	14.9%	1.1x	1.1x	7.6x	7.0x
YRC Worldwide Inc.	YRCW	3.5%	N/A	8.8%	2.5%	1.2%	4.9%	0.2x	0.2x	5.0x	5.0x
	Mean	7.9%	16.4%	11.7%	8.8%	20.8%	13.5%	1.1x	1.1x	6.7x	6.6x
	Median	6.5%	16.0%	9.7%	9.6%	25.8%	11.1%	0.7x	0.7x	6.3x	6.0x
Transportation - Long-Haul / Truckload											
Covenant Transportation Group, Inc.	CVTI	0.0%	0.0%	5.5%	26.9%	14.6%	14.0%	0.6x	0.6x	4.1x	4.6x
J.B. Hunt Transport Services, Inc.	JBHT	8.2%	22.7%	12.6%	12.1%	1.1%	12.6%	1.3x	1.2x	10.1x	8.5x
Knight-Swift	KNX	4.3%	7.8%	5.3%	15.7%	33.9%	19.1%	1.3x	1.3x	6.7x	6.7x
Transportation Holdings											
Werner Enterprises, Inc.	WERN	7.1%	14.2%	10.4%	14.4%	26.7%	18.4%	0.9x	0.9x	4.9x	4.6x
	Mean	4.9%	11.2%	8.4%	17.3%	19.1%	16.0%	1.0x	1.0x	6.4x	6.1x
	Median	5.7%	11.0%	7.9%	15.0%	20.6%	16.2%	1.1x	1.1x	5.8x	5.7x
Transportation - Other											
FedEx Corporation	FDX	1.9%	2.9%	2.8%	6.5%	-42.4%	7.1%	0.8x	0.8x	11.8x	6.9x
United Parcel Service, Inc.	UPS	7.0%	140.3%	13.8%	4.0%	-13.7%	10.6%	1.5x	1.5x	14.2x	10.4x
	Mean	4.4%	71.6%	8.3%	5.2%	-28.0%	8.9%	1.2x	1.2x	13.0x	8.6x
	Median	4.4%	71.6%	8.3%	5.2%	-28.0%	8.9%	1.2x	1.2x	13.0x	8.6x
Logistics - Asset Light Transportation											
C.H. Robinson Worldwide, Inc.	CHRW	13.1%	43.6%	19.2%	7.0%	18.3%	6.2%	0.8x	0.8x	12.3x	12.0x
Expeditors International of Washington, Inc.	EXPD	14.4%	30.4%	22.2%	14.9%	6.4%	10.2%	1.5x	1.4x	14.4x	14.1x
Hub Group, Inc.	HUBG	4.9%	11.2%	7.2%	23.2%	64.1%	6.2%	0.5x	0.4x	7.3x	6.5x
XPO Logistics, Inc.	XPO	3.7%	12.0%	5.1%	7.3%	13.5%	8.8%	0.8x	0.7x	8.5x	7.9x
	Mean	9.0%	24.3%	13.4%	13.1%	25.6%	7.9%	0.9x	0.8x	10.6x	10.1x
	Median	9.0%	21.2%	13.2%	11.1%	15.9%	7.5%	0.8x	0.8x	10.4x	9.9x

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 June 30, 2019



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

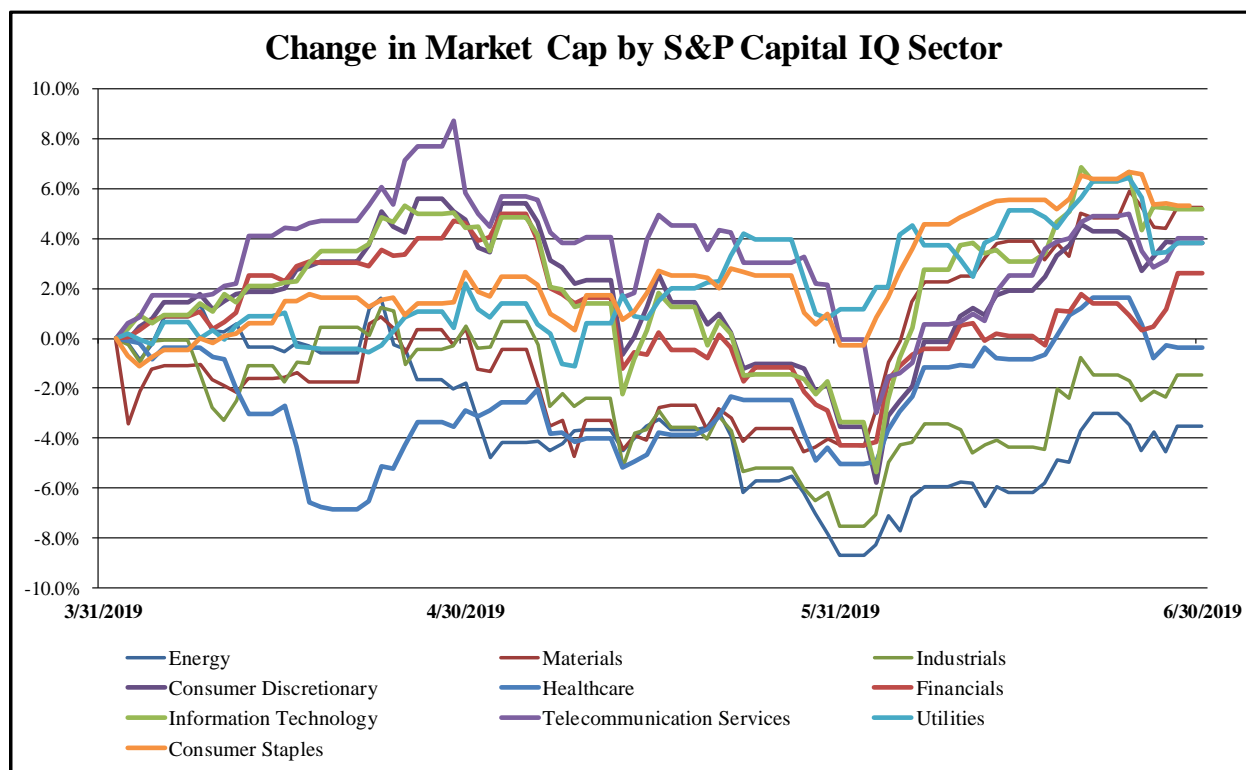
Recent M&A Activity in the Transportation & Logistics Industry June 30, 2018 to June 30, 2019

(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
12/31/2018	Q International Courier, Inc.	Kuehne + Nagel International AG	Air Freight and Logistics	\$510.51
12/3/2018	American Fast Freight, Inc.	Odyssey Logistics & Technology Corporation	Marine	\$465.00
6/24/2019	Petroleum Services Corporation	Aurora Capital Partners	Marine Ports and Services	\$335.00
7/31/2018	White Pass & Yukon Route Rail and Port Operations Of	Royal Hwy Tours Inc.	Railroads	\$290.00
4/16/2019	Coach USA Administration Inc	Variant Equity Advisors, LLC	Highways and Railtracks	\$271.40
8/31/2018	MODE Transportation, LLC	York Capital Management	Trucking	\$257.90
12/3/2018	CaseStack, Inc.	Hub Group, Inc.	Air Freight and Logistics	\$252.13
8/24/2018	DSC Logistics, Inc.	CJ Logistics USA Corporation	Air Freight and Logistics	\$240.13
7/16/2018	American Roads LLC	DIF; DIF Infrastructure V	Highways and Railtracks	\$220.00
4/11/2019	WeDriveU, Inc.	National Express Group PLC	Trucking	\$140.50
4/1/2019	A&S and Buckler Subsidiaries	Day & Ross Inc.	Trucking	\$139.50
7/3/2018	Landair Holdings, Inc.	Covenant Transportation Group, Inc.	Air Freight and Logistics	\$105.96
2/15/2019	All Assets of Joseph Cory Warehouses, Inc.	J.B. Hunt Transport, Inc.	Trucking	\$100.00
1/23/2019	Parcel Pending, Inc.	Neopost S.A.	Air Freight and Logistics	\$100.00
12/21/2018	DAL Global Services, LLC	Argenbright Holdings I, LLC	Airport Services	\$78.43
8/10/2018	Southern Counties Express, Inc./Aquarius Financial, Inc.	Mason Dixon Intermodal, Inc.	Trucking	\$65.00
4/15/2019	Substantially All of the Assets Used in Logistics Business	TA Dispatch, LLC	Air Freight and Logistics	\$64.25
10/18/2018	Davis Transfer Company Inc./Davis Transfer Logistics Inc./B	USA Truck, Inc.	Trucking	\$53.00
1/16/2019	Blackbird Logistics Corporation	Santé Veritas Holdings Inc.	Air Freight and Logistics	\$50.00
3/31/2019	54,000 Square Foot Headquarters and Tractor/Trailers Hub in	W. P. Carey Inc.	Trucking	\$17.00
1/22/2019	ExpressJet Airlines, Inc.	ManaAir, LLC	Airlines	\$13.00
10/12/2018	Specialized Rail Service, Inc.	Westport Axle Corp.	Trucking	\$12.30
7/6/2018	Substantially All Assets of Freight Management Plus, Inc.	Echo Global Logistics, Inc.	Air Freight and Logistics	\$10.20
1/2/2019	Sheehy Mail Contractors, Inc.	EVO Transportation & Energy Services, Inc.	Trucking	\$8.80
2/4/2019	Morris Sheet Metal Corp./ Morris Enterprises, LLC/ Morris	Alpine 4 Technologies Ltd.	Trucking	\$6.60
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
2/1/2019	Ursa Major Corporation	EVO Transportation & Energy Services, Inc.	Trucking	\$2.00
5/7/2019	Storage Container and Trailer Assets	Pac-Van, Inc.	Trucking	\$1.72
11/16/2018	W.E. Graham, Inc.	EVO Transportation & Energy Services, Inc.	Trucking	\$0.49
6/26/2019	Logistixs, Inc. / Space Center, Inc.	Blackstone Real Estate Advisors	Air Freight and Logistics	NA
6/21/2019	Direct Shot Distributing, Inc.	LEGACY Supply Chain Services, Inc.	Air Freight and Logistics	NA
6/20/2019	Global Transport Logistics, Inc. and Am Trans Expedite, Inc.	Hudson Hill Capital	Air Freight and Logistics	NA
6/18/2019	Black Tie Limousine, Inc.	Grace Limousine, LLC	Trucking	NA
6/17/2019	ABDI, Inc.	N/A	Trucking	NA
6/17/2019	Mesko Spotting Service, Inc.	Lazer Spot, Inc.	Air Freight and Logistics	NA
6/10/2019	Cardinal Logistics Management Corporation	H.I.G. Capital, LLC	Air Freight and Logistics	NA
6/5/2019	Custom Courier Systems, Inc.	Excel Courier, Inc.	Air Freight and Logistics	NA
6/4/2019	690 km Florida rail line of CSX Corporation	RailUSA, LLC	Highways and Railtracks	NA
6/3/2019	Olsen & Fielding Moving Services	Chipman Corporation	Trucking	NA
6/3/2019	Travel Management Company, LTD.	Wheels Up Partners LLC	Air Freight and Logistics	NA
5/31/2019	Remar, Inc	FIDELITONE, Inc.	Air Freight and Logistics	NA
5/31/2019	Wilson Logistics Inc.	Wilson Logistics, Inc.	Trucking	NA
5/30/2019	Southern Towing Company, Inc.	CC Industries, Inc.	Marine	NA
5/23/2019	Swift Air, LLC	iAero Group	Airlines	NA
5/13/2019	Jetco Delivery, Inc.	The GTI Group	Trucking	NA
5/10/2019	International Limousine Service, Inc.	Errands Plus, Inc.	Trucking	NA
5/10/2019	Mergenthaler Transfer & Storage Co.	Mesa Moving & Storage Co	Trucking	NA
5/7/2019	A&R Logistics, Inc.	Wind Point Partners	Trucking	NA
5/6/2019	Axis Global Delivery Systems, LLC	MXN Global Logistics	Air Freight and Logistics	NA
5/1/2019	Alpine Air Express Inc.	AE Industrial Partners, LLC	Air Freight and Logistics	NA
4/26/2019	Substantially All Assets of COFC Intermodal Division of	Bison Transport Inc.	Trucking	NA
4/26/2019	Nuearth Solutions LLC	VLS Recovery Services, LLC	Trucking	NA
4/26/2019	Trinity Logistics, Inc.	Burris Logistics Inc.	Air Freight and Logistics	NA
4/24/2019	Professional Parking Incorporated	LAZ Parking Ltd, LLC	Trucking	NA
4/22/2019	Set of Rail Logistics Assets of Stolt-Nielsen Limited	Lodestar Energy Group LLC	Railroads	NA

Source: Capital IQ

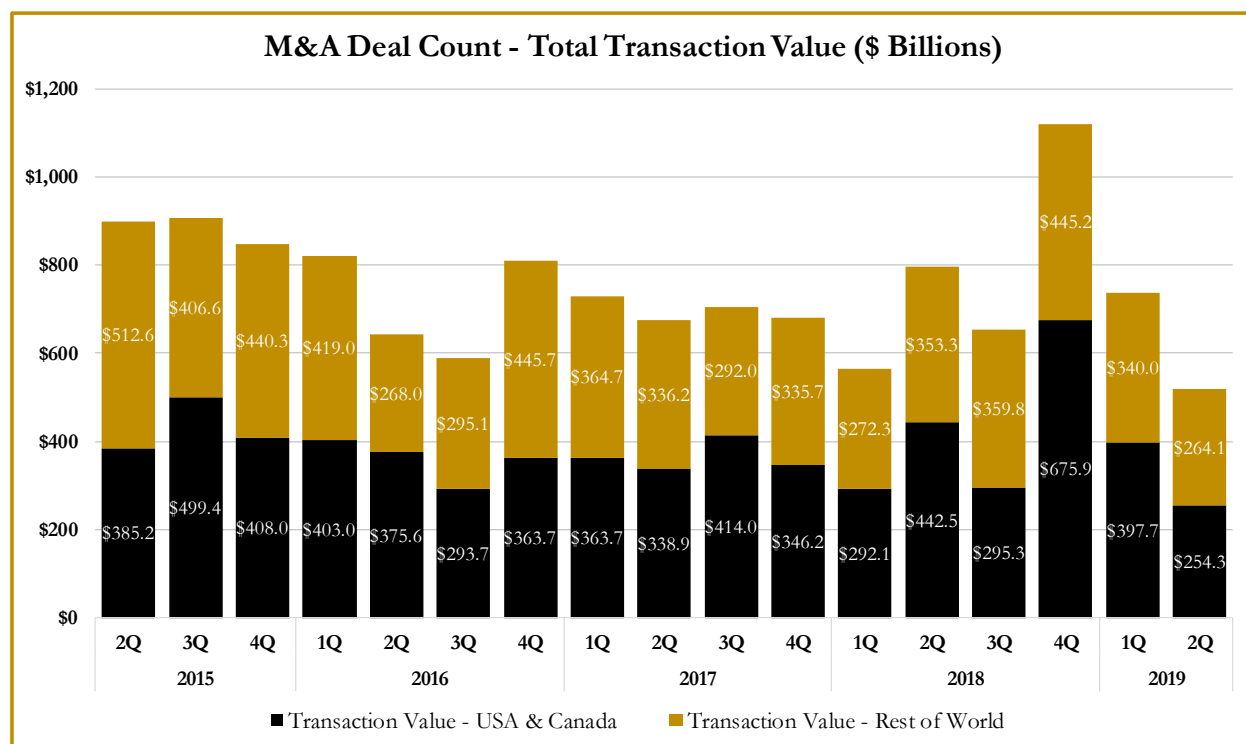
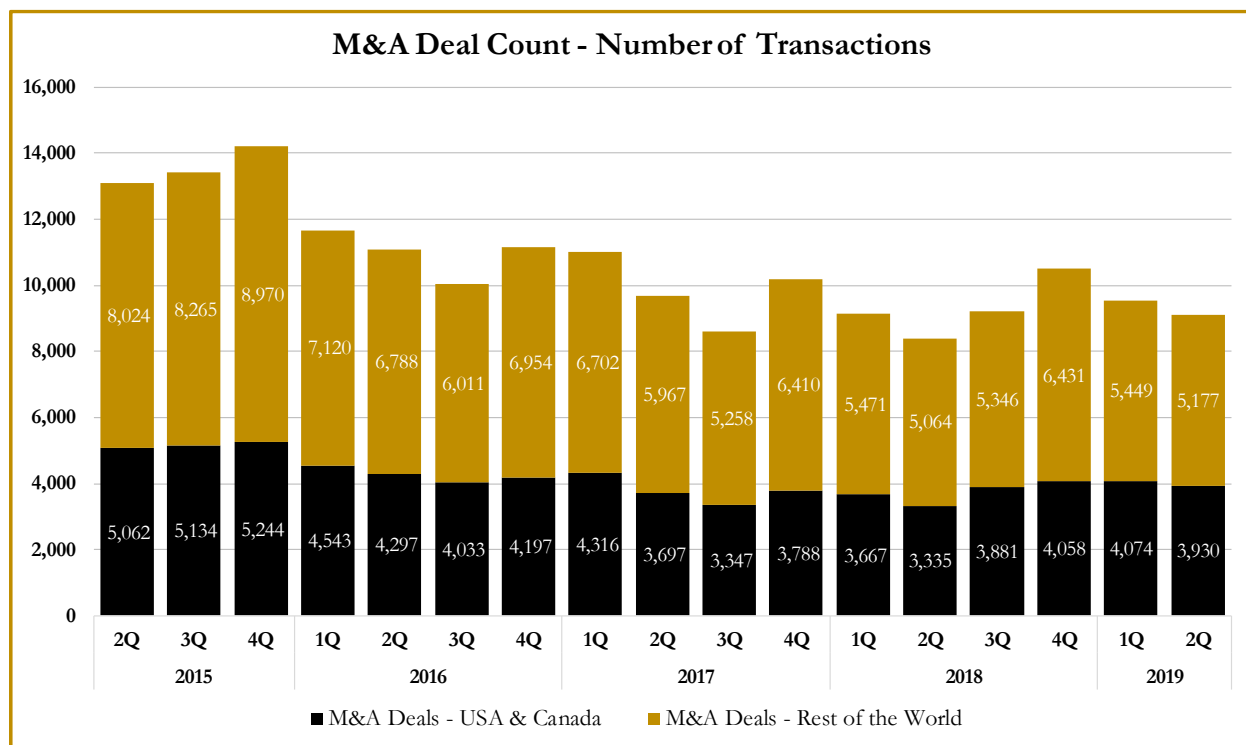
S&P Capital IQ - Sector Last 3 Month Equity Performance As of June 30, 2019



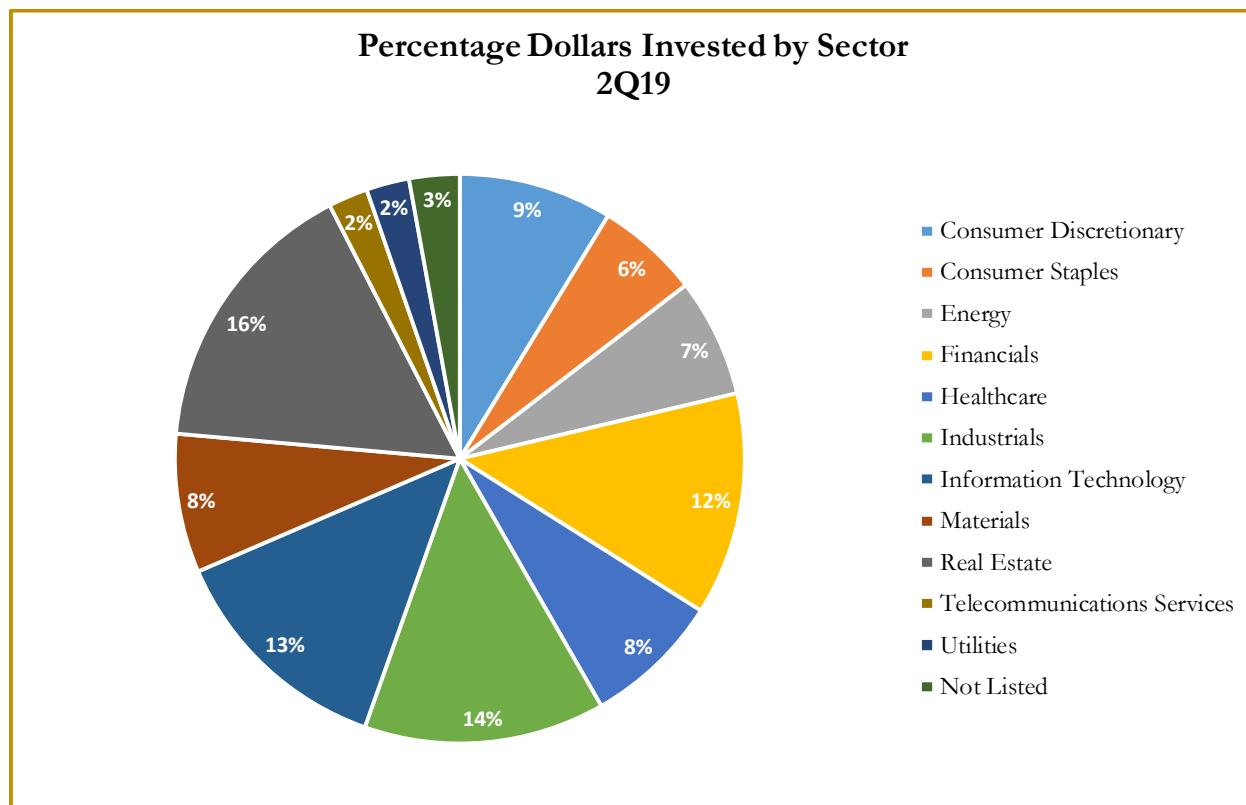
Note: The indices are derived from the equity performance of the S&P Capital IQ Sectors. Source: Capital IQ

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

As of June 30, 2019



M&A Deal Flow Statistics by S&P Capital IQ Sector As of June 30, 2019





About Houlihan Capital

Houlihan Capital is a leading, solutions-driven valuation, financial advisory and boutique investment banking firm. We pride ourselves on being thought leaders in an ever-changing landscape.

Houlihan Capital is SOC-compliant, a FINRA and SIPC member and committed to the highest levels of professional ethics and standards.

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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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Our team provides support for a wide variety of situations including commercial and shareholder disputes, derivatives and structured finance litigation, and fraudulent conveyance.

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