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Industry Observations – December 31, 2019

Transportation & Logistics Industry

Select Transportation & Logistics Public Company Industry Data As of December 31, 2019

(USD in millions, except per share data)

Company Name	Ticker	Market Data					LTM Operating Data			Forward Estimates	
		Price at 12/31/19	% 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	\$27.60	65.9%	\$703.99	\$766.42	32.7%	\$1,670.63	\$3,045.17	\$198.90	\$3,056.16	\$215.45
Old Dominion Freight Line, Inc.	ODFL	\$189.78	96.2%	\$15,148.91	\$14,940.17	3.8%	\$3,892.42	\$4,126.85	\$1,106.68	\$4,355.86	\$1,167.56
Saia, Inc.	SAIA	\$93.12	87.0%	\$2,392.70	\$2,662.80	25.4%	\$1,422.27	\$1,750.42	\$273.24	\$1,896.75	\$317.87
YRC Worldwide Inc.	YRCW	\$2.55	29.4%	\$92.44	\$1,222.94	143.7%	\$1,917.10	\$4,959.10	\$192.70	\$4,862.62	\$254.57
Transportation - Long-Haul / Truckload											
Covenant Transportation Group, Inc.	CVTI	\$12.93	51.7%	\$238.62	\$567.40	51.4%	\$901.61	\$933.66	\$117.19	\$896.95	\$110.10
J.B. Hunt Transport Services, Inc.	JBHT	\$116.78	95.5%	\$12,446.17	\$13,786.25	36.4%	\$5,470.85	\$9,165.26	\$1,228.13	\$9,801.82	\$1,369.24
Knight-Swift Transportation Holdings	KNX	\$35.84	91.0%	\$6,115.94	\$7,179.31	17.1%	\$8,322.23	\$5,041.78	\$972.54	\$4,786.99	\$913.12
Werner Enterprises, Inc.	WERN	\$36.39	92.8%	\$2,518.36	\$2,864.21	25.3%	\$2,163.54	\$2,488.28	\$470.97	\$2,501.97	\$464.43
Transportation - Other											
FedEx Corporation	FDX	\$151.21	75.9%	\$39,483.81	\$70,669.82	64.0%	\$69,954.00	\$69,189.00	\$4,456.00	\$70,711.17	\$7,469.34
United Parcel Service, Inc.	UPS	\$117.06	93.4%	\$100,416.72	\$122,371.72	82.6%	\$53,282.00	\$73,374.00	\$7,906.00	\$77,659.76	\$11,206.30
Logistics - Asset Light Transportation											
C.H. Robinson Worldwide, Inc.	CHRW	\$78.20	84.3%	\$10,576.58	\$11,717.71	47.7%	\$4,636.55	\$15,654.09	\$993.45	\$15,498.87	\$924.32
Expeditors International of Washington, Inc.	EXPD	\$78.02	96.1%	\$13,286.90	\$12,448.26	14.5%	\$3,706.45	\$8,366.08	\$855.00	\$8,669.40	\$882.58
Hub Group, Inc.	HUBG	\$51.29	97.4%	\$1,745.79	\$1,989.09	24.2%	\$1,910.68	\$3,785.73	\$273.25	\$3,713.71	\$267.61
XPO Logistics, Inc.	XPO	\$79.70	92.2%	\$7,356.33	\$14,686.33	71.2%	\$13,916.00	\$16,901.00	\$1,600.00	\$17,396.45	\$1,781.47

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

The material contained in this publication is meant to provide general information regarding valuation topics. This publication does not constitute investment advice with respect to the securities of any company discussed herein, is not intended to provide information upon which to base an investment decision, and should not be construed as such. Professional advice should be obtained before taking any action based on the information contained herein.

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, 2019

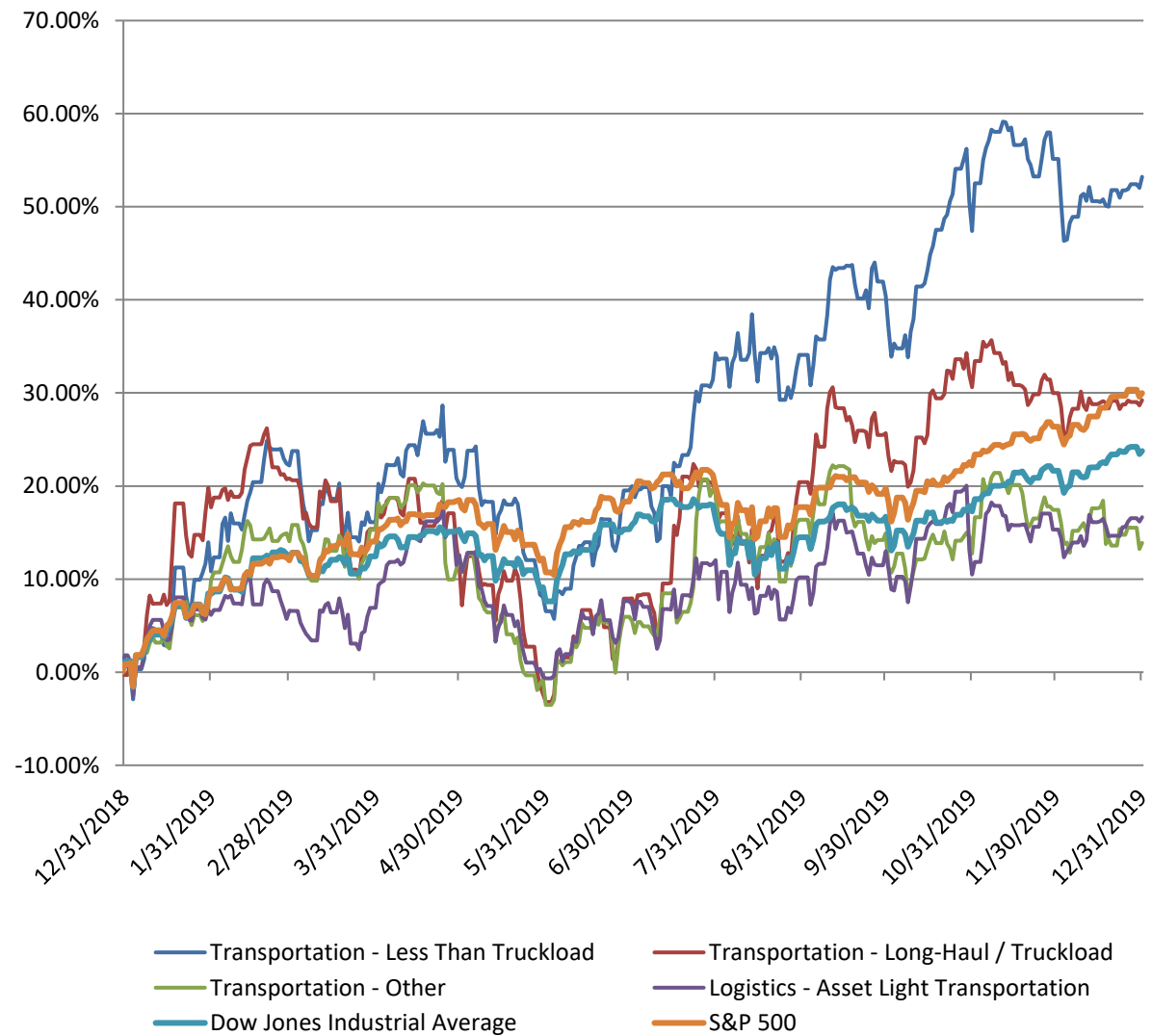
(USD in millions, except per share data)

		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	3.6%	8.3%	5.3%	0.5%	-9.5%	6.5%	0.3x	0.3x	3.9x	3.6x
Old Dominion Freight Line, Inc.	ODFL	14.5%	22.8%	18.8%	5.6%	15.0%	26.8%	3.6x	3.4x	13.5x	12.8x
Saia, Inc.	SAIA	7.9%	16.1%	10.7%	8.9%	19.3%	15.6%	1.5x	1.4x	9.7x	8.4x
YRC Worldwide Inc.	YRCW	1.4%	N/A	3.5%	-1.9%	-20.9%	3.9%	0.2x	0.3x	6.3x	4.8x
	Mean	6.8%	15.7%	9.6%	3.3%	1.0%	13.2%	1.4x	1.3x	8.4x	7.4x
	Median	5.7%	16.1%	8.0%	3.0%	2.7%	11.1%	0.9x	0.8x	8.0x	6.6x
Transportation - Long-Haul / Truckload											
Covenant Transportation Group,	CVTI	2.8%	7.1%	3.6%	14.4%	-6.2%	12.6%	0.6x	0.6x	4.8x	5.2x
J.B. Hunt Transport Services, Inc.	JBHT	8.7%	23.6%	13.5%	6.4%	10.0%	13.4%	1.5x	1.4x	11.2x	10.5x
Knight-Swift Transportation Holdings	KNX	4.0%	7.2%	4.9%	-5.0%	8.1%	19.3%	1.4x	1.5x	7.4x	7.9x
Werner Enterprises, Inc.	WERN	6.7%	15.0%	10.1%	4.6%	16.8%	18.9%	1.2x	1.1x	6.1x	6.2x
	Mean	5.5%	13.2%	8.0%	5.1%	7.2%	16.0%	1.2x	1.2x	7.4x	7.4x
	Median	5.4%	11.1%	7.5%	5.5%	9.0%	16.2%	1.3x	1.3x	6.7x	7.0x
Transportation - Other											
FedEx Corporation	FDX	1.0%	0.4%	1.4%	0.7%	-49.8%	6.4%	1.0x	1.0x	15.9x	9.5x
United Parcel Service, Inc.	UPS	7.0%	114.9%	12.0%	3.4%	-11.9%	10.8%	1.7x	1.6x	15.5x	10.9x
	Mean	4.0%	57.7%	6.7%	2.0%	-30.8%	8.6%	1.3x	1.3x	15.7x	10.2x
	Median	4.0%	57.7%	6.7%	2.0%	-30.8%	8.6%	1.3x	1.3x	15.7x	10.2x
Logistics - Asset Light Transportation											
C.H. Robinson Worldwide, Inc.	CHRW	12.4%	41.1%	18.6%	-4.9%	4.6%	6.3%	0.7x	0.8x	11.8x	12.7x
Expeditors International of Washington, Inc.	EXPD	14.3%	30.4%	22.1%	7.2%	3.2%	10.2%	1.5x	1.4x	14.6x	14.0x
Hub Group, Inc.	HUBG	5.4%	11.4%	7.7%	5.9%	46.3%	7.2%	0.5x	0.5x	7.3x	7.4x
XPO Logistics, Inc.	XPO	4.1%	11.2%	5.7%	-1.1%	13.2%	9.5%	0.9x	0.8x	9.2x	8.2x
	Mean	9.0%	23.5%	13.5%	1.8%	16.8%	8.3%	0.9x	0.9x	10.7x	10.6x
	Median	8.9%	20.9%	13.2%	2.4%	8.9%	8.3%	0.8x	0.8x	10.5x	10.5x

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, 2019



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

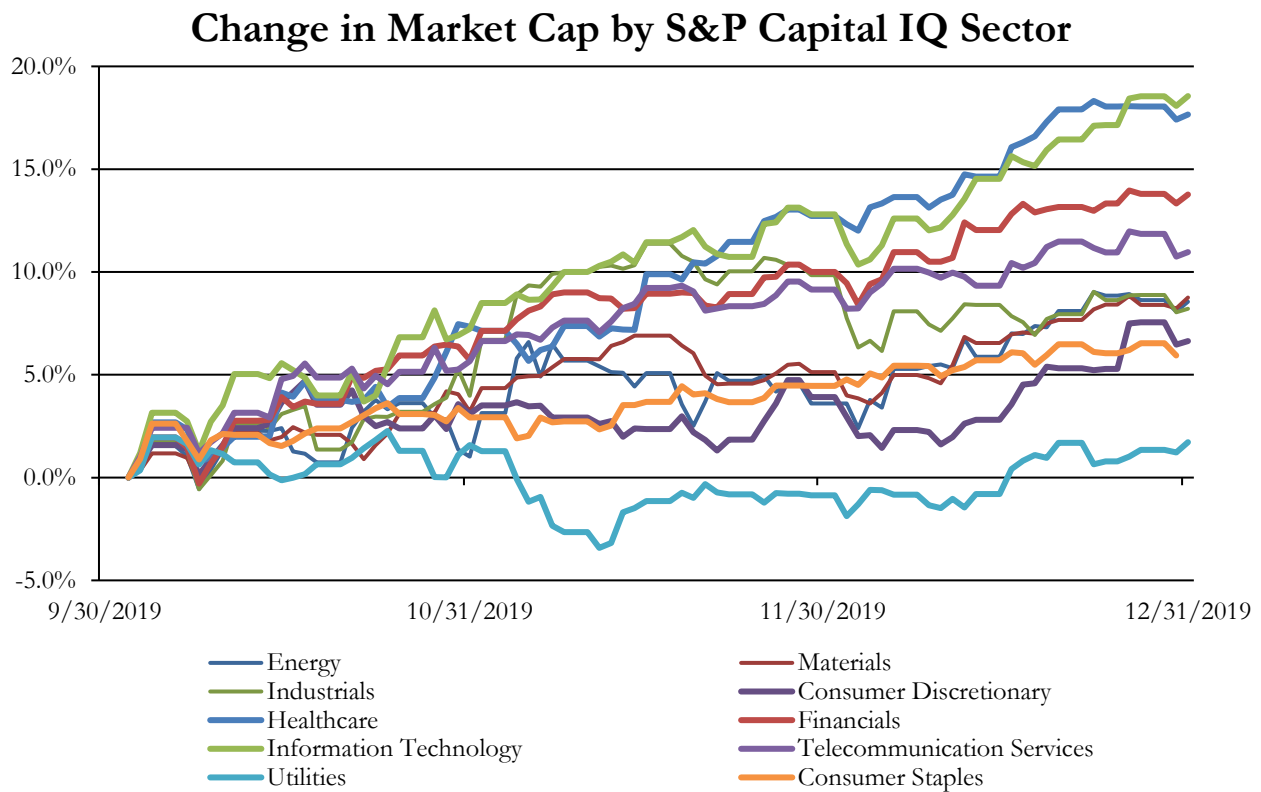
Recent M&A Activity in the Transportation & Logistics Industry December 31, 2018 to December 31, 2019

(USD in millions)

Close Date	Target	Acquirer	Target Company Primary Industry	Implied Enterprise Value
12/30/2019	Genesee & Wyoming Inc.	Brookfield Asset Management Inc.; GIC Special	Railroads	\$9,473.92
6/24/2019	Petroleum Services Corporation	Aurora Capital Partners	Marine Ports and Services	\$335.00
4/16/2019	Coach USA Administration Inc	Variant Equity Advisors, LLC	Highways and Railtracks	\$271.40
8/26/2019	Millis Transfer, Inc.	Heartland Express, Inc.	Trucking	\$156.18
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
9/11/2019	Winchester & Western Railroad Company, Inc.	OmniTRAX, Inc.	Railroads	\$105.00
2/15/2019	All Assets of Joseph Cory Warehouses, Inc.	J.B. Hunt Transport, Inc.	Trucking	\$100.00
1/22/2019	Parcel Pending, Inc.	Neopost S.A. (nka:Quadiant SAS)	Air Freight and Logistics	\$100.00
7/31/2019	Pioneer Railcorp, Inc.	Stephens Capital Partners LLC; Related Infrastructure;	Railroads	\$72.43
4/15/2019	Substantially All of the Assets Used in Logistics Business	TA Dispatch, LLC	Air Freight and Logistics	\$64.25
11/5/2019	Morgan Southern, Inc.	Mason Dixon Intermodal, Inc.	Trucking	\$51.25
1/16/2019	Blackbird Logistics Corporation	Santé Veritas Holdings Inc.	Air Freight and Logistics	\$50.00
11/14/2019	Grand Central Terminal & Certain Assets of Midtown	Metro-North Commuter Railroad Company	Highways and Railtracks	\$35.00
12/9/2019	D&E Transport, LLC	N/A	Trucking	\$30.00
9/30/2019	Global Aviation Services, LLC	PrimeFlight Aviation Services, Inc.	Airport Services	\$25.00
1/22/2019	ExpressJet Airlines, Inc.	ManaAir, LLC	Airlines	\$18.80
6/17/2019	Majestic Terminal Services Inc.	PrimeFlight Aviation Services, Inc.	Airport Services	\$18.30
3/31/2019	54,000 Square Foot Headquarters and Tractor/Trailers	W. P. Carey Inc.	Trucking	\$17.00
12/12/2019	Assets of Jagged Peak Inc.	ID Logistics Group SA	Trucking	\$15.00
9/16/2019	Ritter Transportation Systems, Inc./Ritter Transport, Inc.	EVO Transportation & Energy Services, Inc.	Trucking	\$13.74
7/15/2019	Courtlandt and Brown Enterprises LLC/Finkle Transport	EVO Transportation & Energy Services, Inc.	Trucking	\$12.00
8/14/2019	Mustang Road LLC	Caracol Petroleum, LLC	Highways and Railtracks	\$10.50
5/1/2019	Save On Transport Inc.	N/A	Air Freight and Logistics	\$8.85
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
9/16/2019	Johmar Leasing Company, LLC	EVO Transportation & Energy Services, Inc.	Trucking	\$3.85
7/31/2019	Substantially All Assets Of Auto Strap Transport L.L.C.	Nations Fund I, LLC	Trucking	\$3.10
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
11/19/2019	Ello LLC	Globocoin 1, LLC	Trucking	\$1.50
12/31/2019	Assets of RDI Last Mile Co.	J.B. Hunt Transport, Inc.	Trucking	NA
12/31/2019	Assets of Silver Springs Airport, LLC	Sierra Springs Enterprises Inc.	Airport Services	NA
12/30/2019	Carver Aero, Inc.	CI Enterprises LLC	Airport Services	NA
12/30/2019	G&P Trucking Company, Inc.	NFI Industries, Inc.	Trucking	NA
12/19/2019	Superior Bulk Logistics, Inc.	Heniff Transportation Systems, LLC	Trucking	NA
12/19/2019	Kansas Continental Express, Inc.	Visible Supply Chain Management, LLC	Air Freight and Logistics	NA
12/13/2019	Royal Logistics Inc./Royal Service Transport, Inc.	Hillebrand	Trucking	NA
12/13/2019	Kane Transport, Inc.	TransWood Carriers, Inc.	Trucking	NA
12/10/2019	SunteckTTS	MODE Transportation, LLC	Air Freight and Logistics	NA
12/9/2019	Lazer Spot, Inc.	Harvest Partners, LP; Harvest Partners VIII (Parallel), L.P.	Air Freight and Logistics	NA
12/6/2019	LiMarCo Logistics, LLC	Grammer Industries, Inc.	Trucking	NA
12/6/2019	Meridian Logistics, LLC	Transportation Insight, LLC	Trucking	NA
12/6/2019	Fox Bus Lines, Inc.	National Express Transit Corporation	Trucking	NA
12/5/2019	MGM Express Movers, Inc.	JMR Holdings Inc.	Trucking	NA
12/4/2019	FireFleet, LLC	RideShare Car Rentals, LLC	Trucking	NA
12/3/2019	Veeco Holdings, LLC	STG Logistics	Air Freight and Logistics	NA
11/18/2019	Cavache, Inc.	Ahtna Marine & Construction Company, LLC	Marine	NA
11/14/2019	Van Lifts Unlimited, Inc.	Total Mobility Services, Inc.	Trucking	NA
11/12/2019	Mountain Valley Express Co., Inc.	N/A	Air Freight and Logistics	NA
11/11/2019	Operations of Schilli Nationallease	Star Truck Rentals, Inc.	Trucking	NA
11/8/2019	OSM Worldwide, LLC	Tower Arch Capital, L.P.	Air Freight and Logistics	NA
11/7/2019	Fox Rent A Car, Inc.	Europcar Mobility Group S.A.	Trucking	NA
11/1/2019	Hauling, Container and Contract Assets of Designated	Meridian Waste Services, LLC	Trucking	NA
10/31/2019	Assets of RoadMasters Transport Company, LLC and	Bennett Truck Transport, LLC	Trucking	NA
10/28/2019	National Traffic Service, Inc.	Target Freight Management, Inc.	Air Freight and Logistics	NA
10/25/2019	Home Transition Resource, Inc.	WayForth	Trucking	NA
10/22/2019	Patriot Rail Company LLC	First State Investments (Us) Llc; MidRail LLC	Railroads	NA
10/21/2019	Team Drive-Away, Inc./ Team FR8 Management Inc.	United Road Services, Inc.	Trucking	NA
10/18/2019	TRANSInternational System, Inc.	IMC Companies LLC	Air Freight and Logistics	NA
10/17/2019	Global Freight Solutions, Inc.	GlobalTranz Enterprises, Inc.	Air Freight and Logistics	NA
10/16/2019	Carolina Tank Lines Inc	Rinchem Company, Inc.	Trucking	NA
10/15/2019	Harbor Cruises, LLC	Homblower Yachts, Inc.	Marine	NA
10/15/2019	SOS Global Express, Inc.	NEP Group, Inc.	Air Freight and Logistics	NA
10/9/2019	Red Diamond LLC	Atlanta Computer Group, Inc.	Air Freight and Logistics	NA

Source: Capital IQ

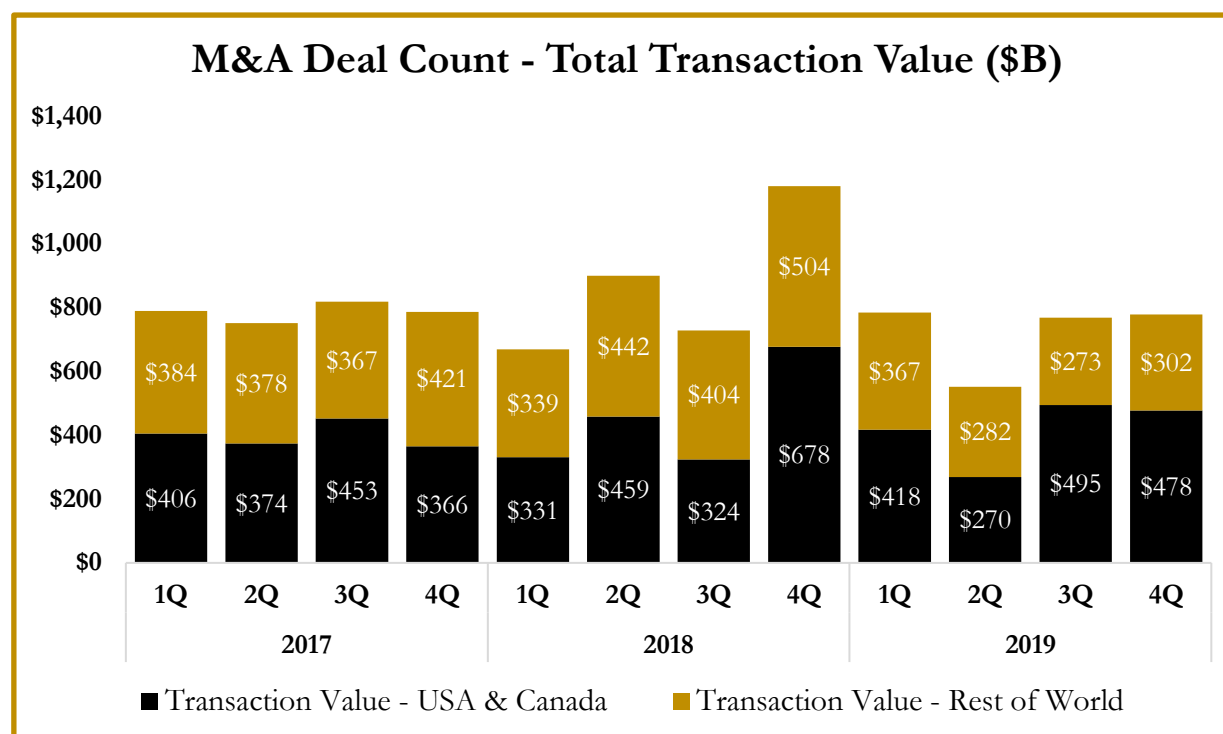
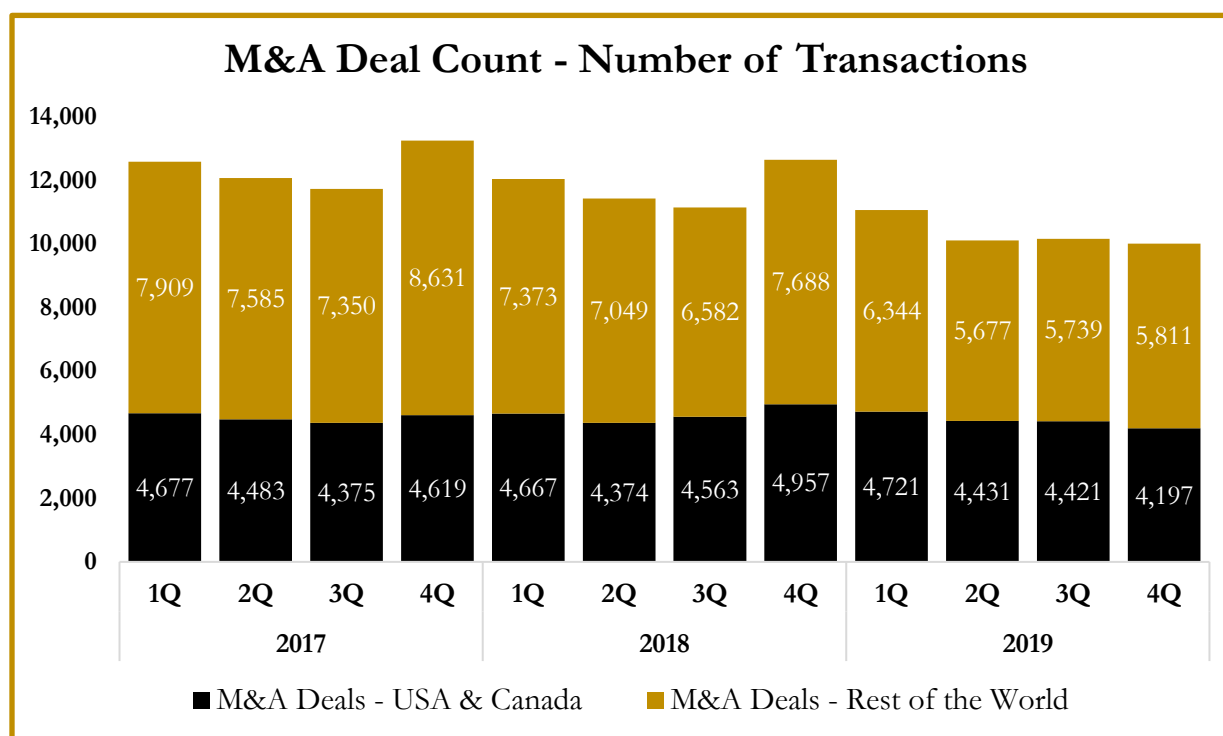
S&P Capital IQ - Sector Last 3 Month Equity Performance As of December 31, 2019



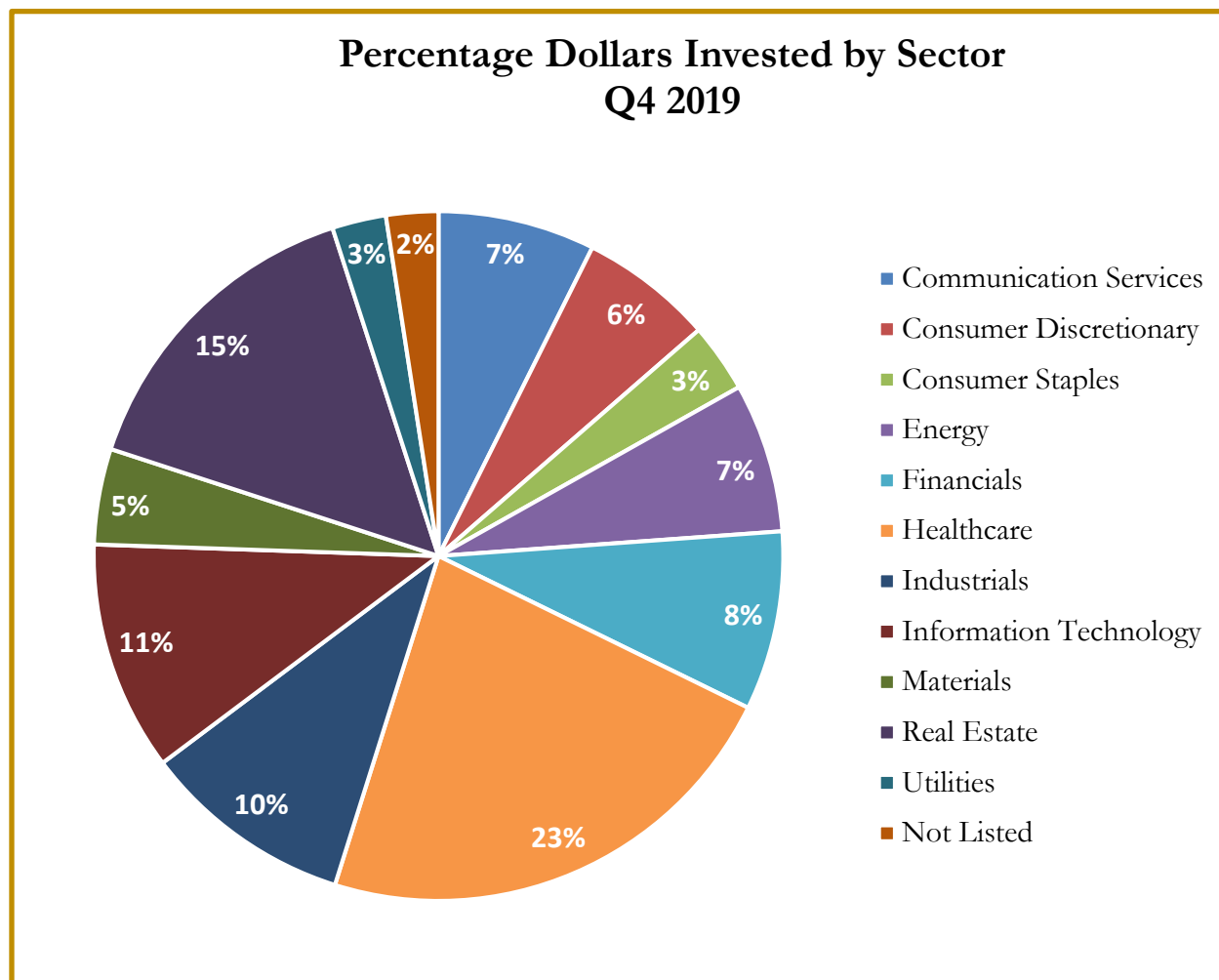
Note: The indices are derived from the equity performance of the S&P Capital IQ Sectors. Source: Capital IQ

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

As of December 31, 2019



M&A Deal Flow Statistics by S&P Capital IQ Sector As of December 31, 2019





About Us

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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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