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Industry Observations – June 30, 2020

# Telecommunication Services Industry

## Select Telecommunication Services Public Company Industry Data As of June 30, 2020

(USD in millions, except per share data)

Company Name	Ticker	Market Data			LTM Operating Data			Forward Estimates			
		Price at 06/30/20	% of 52 Week High	Equity Value	Enterprise Value	Debt / Total Capital	Total Assets	LTM Revenue	LTM EBITDA	CY 2020 Revenue Estimate	CY 2020 EBITDA Estimate
<b>Telecommunication Services</b>											
ORBCOMM Inc.	ORBC	\$3.85	45.6%	\$299.47	\$501.29	55.0%	\$583.70	\$272.16	\$53.52	\$247.47	\$50.47
Cogent Communications Holdings, Inc.	CCOI	\$77.36	83.2%	\$3,531.97	\$4,524.39	127.0%	\$913.63	\$537.74	\$180.64	\$577.79	\$215.67
Boingo Wireless, Inc.	WIFI	\$13.32	68.0%	\$590.42	\$755.40	76.4%	\$703.09	\$257.20	\$73.47	\$250.06	\$80.75
Iridium Communications Inc.	IRDM	\$25.44	79.3%	\$3,363.88	\$5,102.78	53.7%	\$3,391.07	\$572.05	\$324.31	\$560.77	\$343.52
ATN International, Inc.	ATNI	\$60.57	76.1%	\$955.61	\$1,047.58	15.9%	\$1,108.59	\$446.33	\$116.36	\$452.00	\$113.19
Telecommunications Company	SHEN	\$49.29	82.2%	\$2,456.71	\$3,455.21	69.7%	\$1,850.78	\$628.25	\$253.08	\$623.49	\$254.14
Cincinnati Bell Inc.	CBB	\$14.85	92.5%	\$750.88	\$2,893.82	110.3%	\$2,599.60	\$1,537.10	\$389.00	\$1,510.34	\$397.35
T-Mobile US, Inc.	TMUS	\$104.15	93.3%	\$144,912.74	\$188,622.64	60.5%	\$87,226.00	\$45,031.00	\$13,286.00	\$68,216.06	\$22,733.24
United States Cellular Corporation	USM	\$30.87	62.3%	\$2,635.17	\$4,878.05	36.7%	\$8,251.00	\$4,019.00	\$832.00	\$3,903.18	\$847.24
Verizon Communications Inc.	VZ	\$55.13	88.6%	\$228,127.69	\$366,182.04	69.5%	\$294,500.00	\$131,350.00	\$48,008.00	\$127,927.85	\$46,703.60
AT&T Inc.	T	\$30.23	76.1%	\$215,388.75	\$404,847.50	50.5%	\$545,354.00	\$179,145.00	\$53,732.00	\$169,573.60	\$55,656.72
CenturyLink, Inc.	CTL	\$10.03	65.6%	\$11,007.95	\$45,742.05	73.2%	\$64,056.00	\$22,202.00	\$8,755.00	\$20,552.31	\$8,719.86
Communications Holdings, Inc.	CNSL	\$6.77	90.1%	\$494.49	\$2,714.59	86.6%	\$3,355.13	\$1,323.56	\$467.13	\$1,293.26	\$520.31
Telephone and Data Systems, Inc.	TDS	\$19.88	59.1%	\$2,276.68	\$6,003.79	38.5%	\$10,895.00	\$5,180.00	\$1,121.00	\$5,122.74	\$1,266.47

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 Telecommunication Services Public Company Valuation Metrics As of June 30, 2020

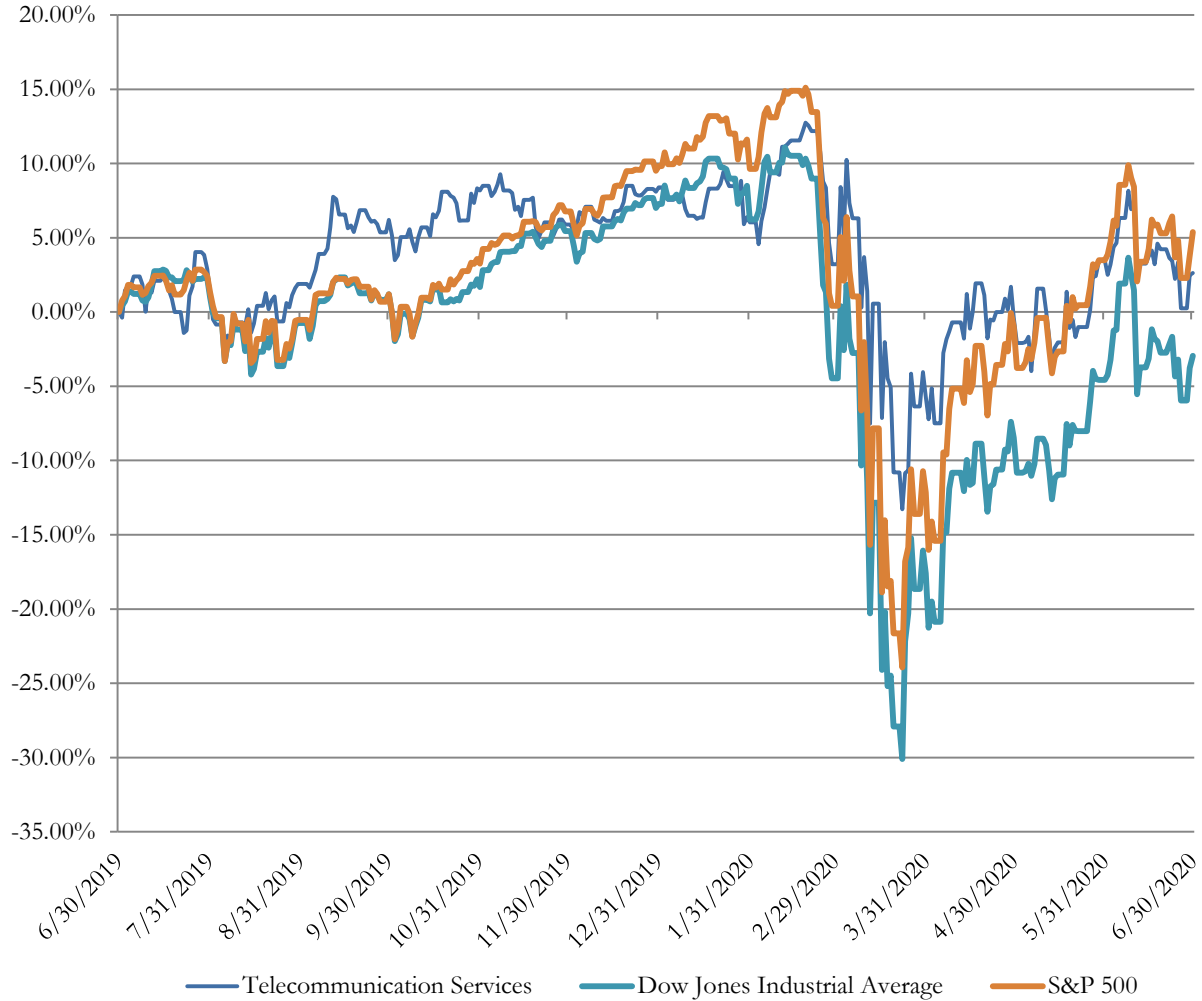
(USD in millions, except per share data)

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 2020 Revenue	TEV/ LTM EBITDA	TEV/ CY 2020 EBITDA
<b>Telecommunication Services</b>											
ORBCOMM Inc.	ORBC	0.5%	-8.1%	0.6%	-0.7%	34.2%	19.7%	1.9x	2.0x	9.6x	9.9x
Cogent Communications Holdings, Inc.	CCOI	7.4%	N/A	8.1%	4.8%	5.9%	33.6%	7.8x	7.8x	23.3x	21.0x
Boingo Wireless, Inc.	WIFI	-0.2%	-10.6%	-0.3%	-0.7%	-5.3%	28.6%	2.7x	3.0x	9.6x	9.4x
Iridium Communications Inc.	IRDM	0.4%	-11.7%	0.4%	6.4%	18.7%	56.7%	8.6x	9.1x	15.2x	14.9x
ATN International, Inc. Shenandoah Telecommunications	ATNI	1.4%	0.4%	1.7%	-0.8%	-4.5%	26.1%	2.4x	2.3x	9.3x	9.3x
SHEN	SHEN	3.3%	11.6%	3.8%	-1.1%	-5.1%	40.3%	5.5x	5.5x	13.6x	13.6x
Cincinnati Bell Inc.	CBB	2.1%	N/A	3.0%	5.1%	4.5%	25.3%	1.9x	1.9x	7.4x	7.3x
T-Mobile US, Inc.	TMUS	4.8%	12.7%	5.8%	2.7%	9.4%	29.5%	4.2x	2.8x	14.2x	8.3x
United States Cellular Corporation	USM	0.9%	3.5%	1.1%	0.7%	3.6%	20.7%	1.2x	1.2x	5.9x	5.8x
Verizon Communications Inc.	VZ	6.8%	31.8%	9.9%	0.1%	-1.2%	36.5%	2.8x	2.9x	7.6x	7.8x
AT&T Inc.	T	3.3%	8.0%	4.5%	0.9%	-7.2%	30.0%	2.4x	2.4x	7.9x	7.3x
CenturyLink, Inc.	CTL	3.8%	9.0%	4.9%	-3.2%	-4.2%	39.4%	2.1x	2.2x	5.2x	5.2x
Consolidated Communications Holdings, Inc.	CNSL	1.9%	0.8%	2.4%	-4.2%	1.1%	35.3%	2.1x	2.1x	5.9x	5.2x
Telephone and Data Systems, Inc.	TDS	1.0%	3.0%	1.3%	0.8%	2.4%	21.6%	1.2x	1.2x	5.4x	4.7x
	Mean	2.7%	4.2%	3.4%	0.8%	3.7%	31.7%	3.3x	3.3x	10.0x	9.3x
	Median	2.0%	3.2%	2.7%	0.4%	1.7%	29.7%	2.4x	2.4x	8.6x	8.1x

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

Source: Capital IQ

Telecommunication Services Public Company LTM Equity Performance  
As of June 30, 2020



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

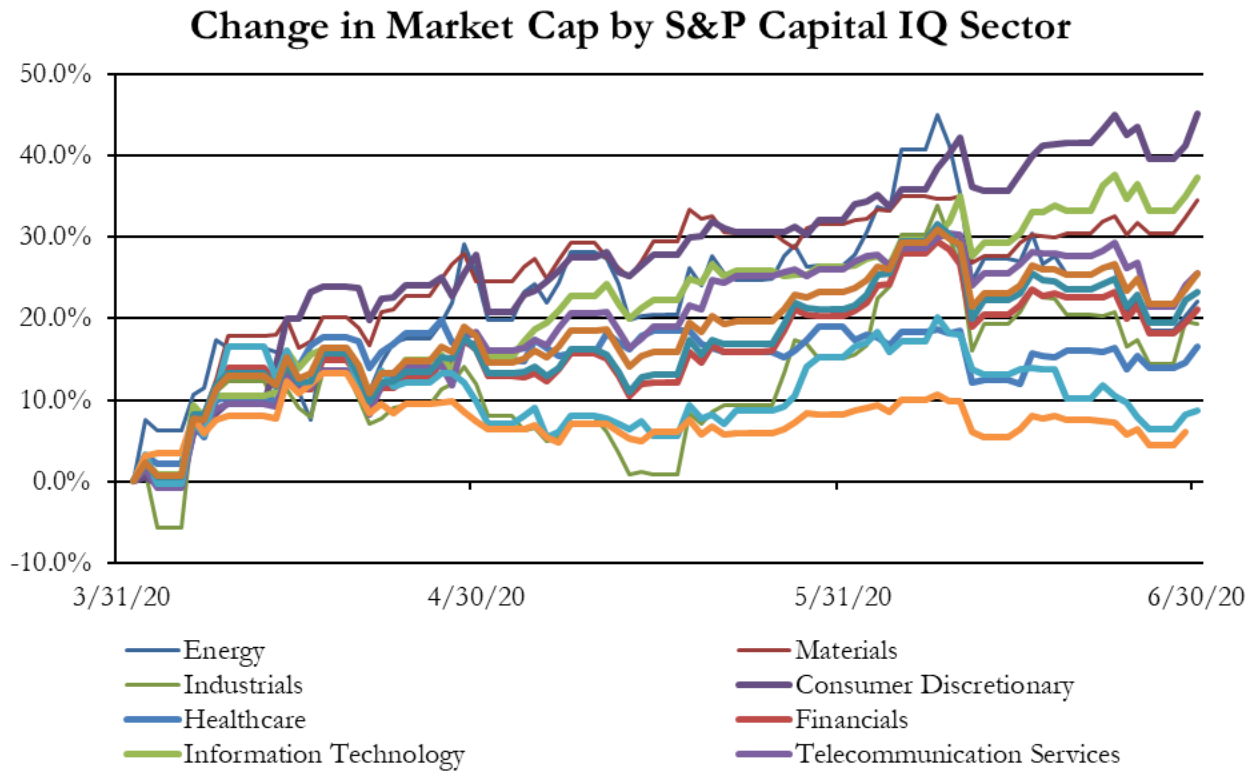
## Recent M&A Activity in the Telecommunication Services Industry YTD as of June 30, 2020

(USD in millions)

Close Date	Target	Acquirer	Target Company Primary Industry	Implied Enterprise Value
5/23/2020	Certain Non-License Assets of KGBT-TV in the Harlingen, Texas	Nesstar Media Group, Inc.	Broadcasting	\$18.00
1/14/2020	CL Media Holdings LLC	Bright Mountain Media, Inc.	Interactive Media and Services	\$4.23
2/18/2020	Four Stations and Several FM Translators	Magic Valley Media, LLC	Broadcasting	\$0.48
11/5/2019	Repost Network, Inc.	SoundCloud Inc.	Movies and Entertainment	N/A
1/20/2020	Trident Growth Partners LLC	Hawke Media, LLC	Advertising	N/A
5/3/2020	Arkansas Business Limited Partnership	N/A	Publishing	N/A
12/17/2019	DMS Insurance	Digital Media Solutions, Inc.	Interactive Media and Services	N/A
5/11/2020	Landroop Strategies	Everyman Media Works, LLC	Advertising	N/A
2/4/2020	Big M Entertainment Pictures, Inc.	HQ Global Education Inc.	Movies and Entertainment	N/A
2/18/2020	The Players' Tribune, Inc.	SPORTORITY UK Ltd	Interactive Media and Services	N/A
2/18/2020	TheCurrentGlobal, Inc.	NA	Advertising	N/A
2/28/2020	Envision Radio Networks, Inc.	Sun Broadcast Group, Inc.	Movies and Entertainment	N/A
9/3/2019	Four New Franchise Territories	N/A	Movies and Entertainment	N/A
1/29/2020	Creative Riff, LLC	Stadiumred, Inc.	Advertising	N/A
6/8/2020	NAS Recruitment Communications, LLC	PracticeMatch Services, LLC	Advertising	N/A
2/19/2020	RepHike Corporation (nka:Ultrava)	Tap Root Solutions Inc	Interactive Media and Services	N/A
1/20/2020	Measure Media, LLC	Answer Media, LLC	Advertising	N/A
11/5/2019	Certain Assets of A Brand Company, Inc.	The Sourcing Group, LLC	Advertising	N/A
1/7/2020	Publishing Assets of Brothers Publishing Company, LLC	AIM Media Midwest, LLC	Publishing	N/A
5/1/2020	Railpace, Inc.	White River Productions, Inc.	Publishing	N/A
2/13/2020	ComplyUSA, LLC	UST Global Inc.	Interactive Media and Services	N/A
5/12/2020	Bottom Line Marketing & Public Relations, Inc.	Michael Best Strategies LLC	Advertising	N/A
4/6/2020	Rsquared Communication, Inc.	Archetype Agency Limited	Advertising	N/A
11/8/2019	CrossInstall, Inc	Twitter, Inc.	Advertising	N/A
8/1/2019	Wonderscript Inc.	Highwire Public Relations, Inc.	Advertising	N/A
3/5/2020	The Harry Walker Agency Inc.	Endeavor Group Holdings, Inc.	Advertising	N/A
6/15/2020	Peak Media Properties, Inc.	Long Thread Media LLC	Advertising	N/A
10/24/2019	Intercept Music, Inc.	Sanwire Corporation	Advertising	N/A
10/11/2019	TopBrandingCompanies.com/ SoftwareDevelopmentCompany.co	DesignRush Inc.	Interactive Media and Services	N/A
11/6/2019	Jacobs Agency, Inc.	Sandstorm Design, Inc.	Advertising	N/A
10/16/2019	am New York	Schneps Media	Publishing	N/A
11/4/2019	MKG Productions, Inc./ Pink Sparrow	Acceleration Community of Companies	Advertising	N/A
6/5/2020	Hollberg Design, Inc.	Gavin Communications, LLC	Advertising	N/A
6/30/2020	DM Premier Services	Cosmo Cool Concepts Inc.	Advertising	N/A
5/8/2020	Healthy Living, Fitness, and Outdoor Divisions of Active Interest	Pocket Outdoor Media LLC	Publishing	N/A
1/29/2020	Barton Event Management	Grand Marketing Solutions	Advertising	N/A
12/16/2019	Axis Promotions	HALO Branded Solutions, Inc.	Advertising	N/A
8/30/2019	VidSwap LLC	Pixellot LTD	Movies and Entertainment	N/A
9/3/2019	Beverly Hills Courier, LLC	N/A	Publishing	N/A
3/11/2020	Bottom-Line Performance, Inc.	TIERI Performance Solutions, LLC	Interactive Home Entertainment	N/A
6/3/2020	Survey.com	Trax Technology Solutions Pte Ltd.	Advertising	N/A
11/26/2019	Newspaper Business of Bliss Communications, Inc.	Adams Publishing Group, LLC	Publishing	N/A
8/6/2019	Jam Theatricals, Ltd.	Nederlander National Markets LLC	Movies and Entertainment	N/A
2/25/2020	Bento Box Entertainment LLC	Fox Entertainment Group, LLC	Movies and Entertainment	N/A
3/17/2020	QWireless, LLC	Watch Communications	Integrated Telecommunication Services	N/A
9/5/2019	Imaging Resource	Madavor Media, LLC	Interactive Media and Services	N/A
1/21/2020	Nozani, LLC	Buy Box Experts	Advertising	N/A
9/24/2019	Southwest Media Group/Digital Addix	Mindstream Media Group	Advertising	N/A
1/6/2020	Penobscot Times Assets of Lewiston Daily Sun Inc.	Bangor Publishing Company	Publishing	N/A
9/10/2019	ANGLES PR	Image Quest Multi Media Inc.	Advertising	N/A
8/20/2019	Binded, Inc.	Pixxy, Inc.	Interactive Media and Services	N/A
2/24/2020	The Westerly Sun	Rhode Island Suburban Newspapers, Inc.	Publishing	N/A
7/16/2019	Commercial Space Online, Inc.	Biproxi, Inc.	Interactive Media and Services	N/A
12/19/2019	CheSteps, Inc.	Breville Group Limited	Interactive Media and Services	N/A
1/22/2020	USVI-based business operations and assets of Surge Communications	Broadband VI LLC	Alternative Carriers	N/A
1/27/2020	Berkeley Sound Artists	IMRSV Inc.	Movies and Entertainment	N/A
12/17/2019	RTVI International	N/A	Broadcasting	N/A
10/26/2019	Assets Of Ski Racing International Inc.	Leever Partners LLC	Publishing	N/A
2/29/2020	Harrison Scott Publications, Inc.	Green Street Advisors, Inc.	Publishing	N/A
2/27/2020	Enterprise Online, LLC	Constellation Web Solutions, Inc.	Advertising	N/A
10/17/2019	AViola Marketing	Tell All Digital	Advertising	N/A
8/16/2019	Pongalo Inc.	VIX Inc	Movies and Entertainment	N/A
2/5/2020	Learning Machine Technologies, Inc.	Hyland Software, Inc.	Interactive Home Entertainment	N/A
9/17/2019	Boston Pride Hockey Inc.	N/A	Movies and Entertainment	N/A
11/4/2019	Refinery 29 Inc. (nka:Refinery29, Inc.)	Vice Media, LLC	Interactive Media and Services	N/A

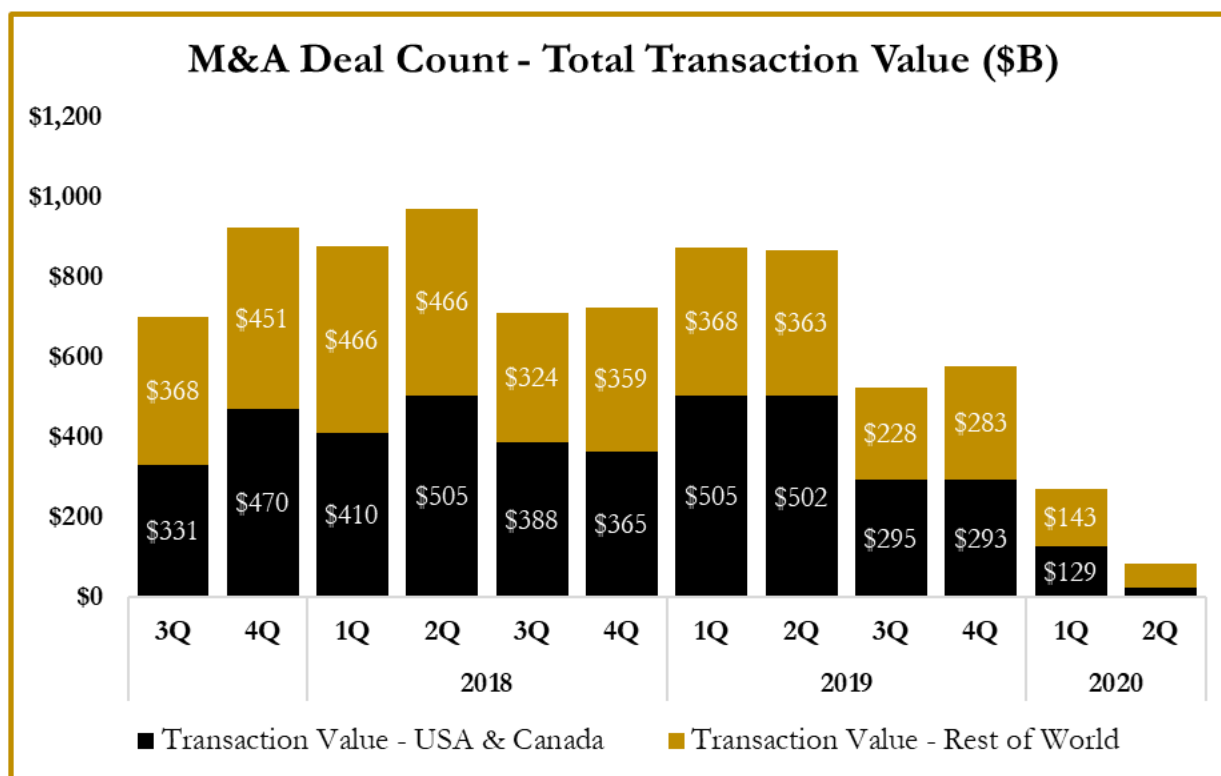
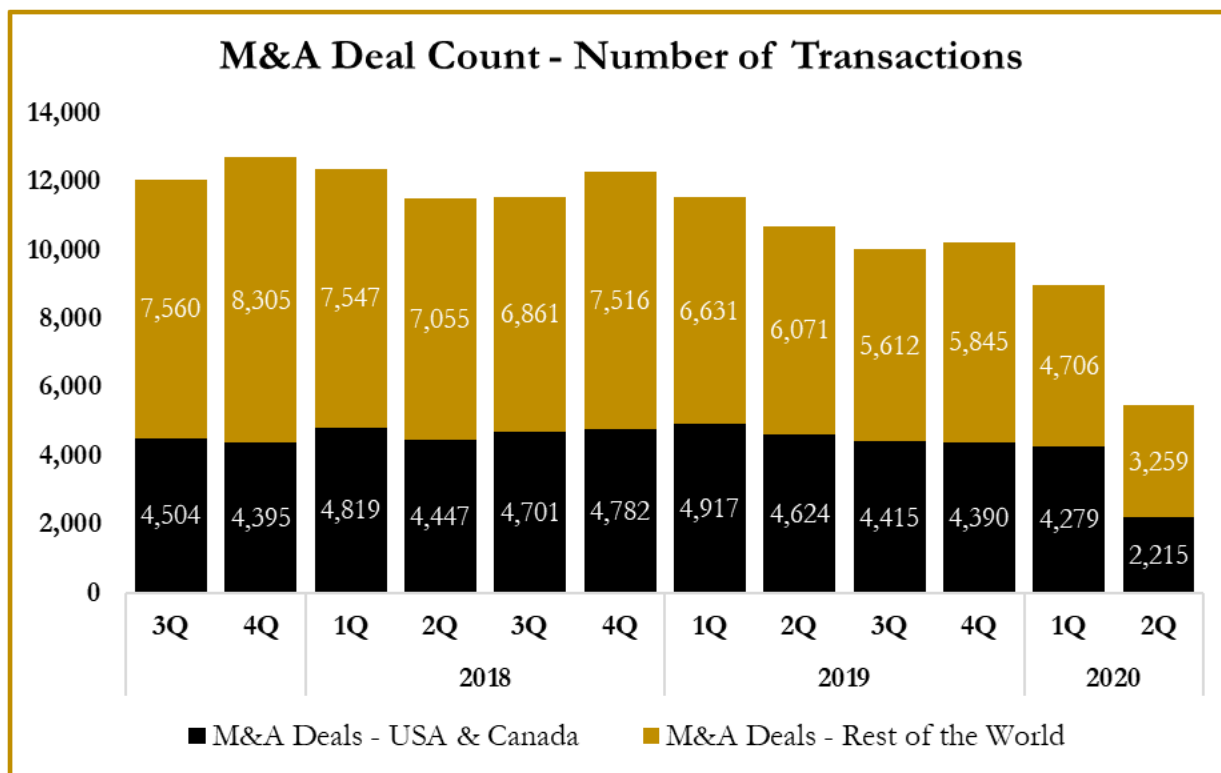
Source: Capital IQ

S&P Capital IQ - Sector Last 3 Month Equity Performance  
As of June 30, 2020

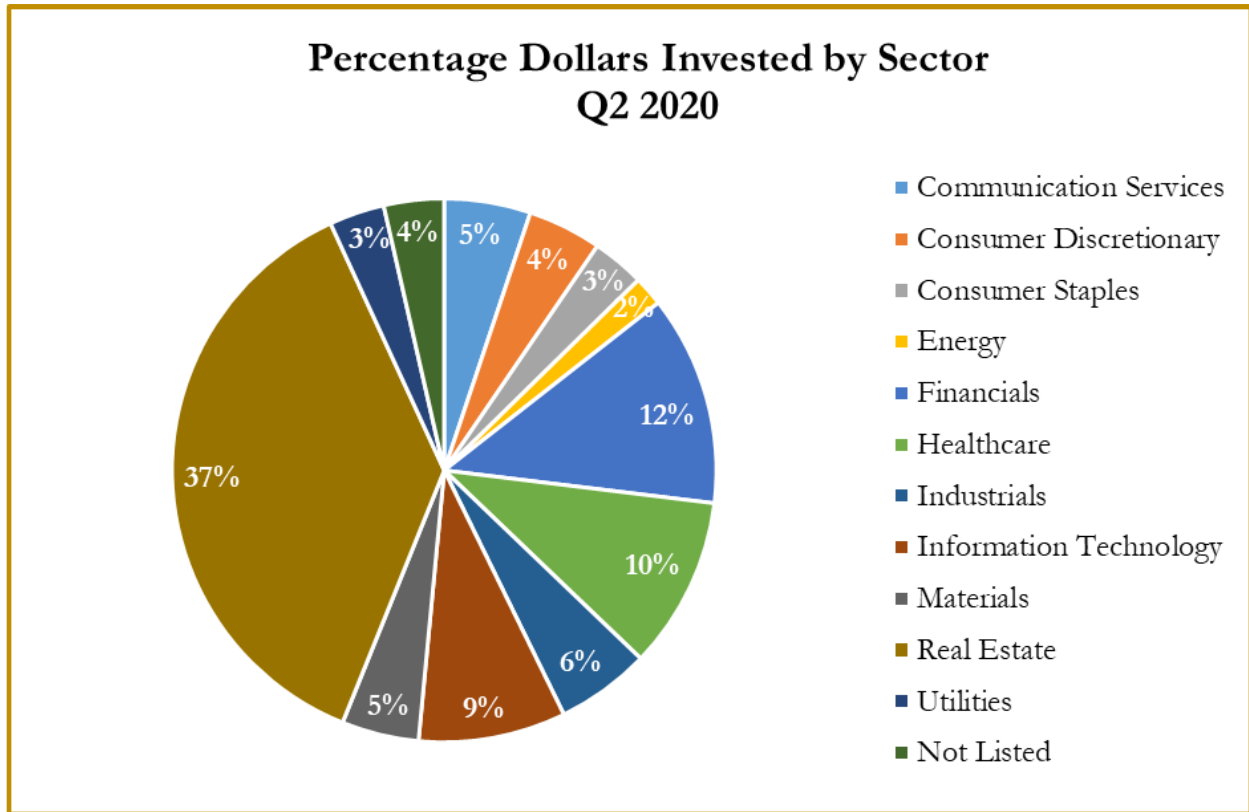


Note: The indices are derived from the equity performance of the S&P Capital IQ Sectors

M&A Deal Flow Statistics by S&P Capital IQ Sector  
As of June 30, 2020



M&A Deal Flow Statistics by S&P Capital IQ Sector  
As of June 30, 2020







## 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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