



Industry Update
Business Services
Q4 2020

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Financial Performance

Size Profile, LTM Financials, Forward Estimates

(USD in millions, except per share data)

Company Name	Ticker	Size Profile			LTM Operating Data		Forward Estimates		
		Price at 12/31/20	% of 52 Week High	TEV	Total Assets	LTM Revenue	LTM EBITDA	2021 Est. Revenue	2021 Est. EBITDA
Advertising									
Omnicom Group Inc.		\$62.37	76.8%	\$18,144	\$23,780	\$13,555	\$2,086	\$13,795	\$2,133
The Interpublic Group of Companies, Inc.		\$23.52	93.3%	\$14,196	\$16,075	\$8,213	\$1,296	\$8,444	\$1,417
Lamar Advertising Company (REIT)		\$83.22	86.0%	\$12,727	\$5,778	\$1,603	\$654	\$1,659	\$703
Clear Channel Outdoor Holdings, Inc.		\$1.65	53.2%	\$7,400	\$5,802	\$2,058	\$156	\$2,159	\$363
Consumer Credit Reporting, Mercantile Reporting, and Adjustment and Collection Agency									
S&P Global Inc.		\$328.73	86.5%	\$82,209	\$11,452	\$7,310	\$4,046	\$7,561	\$4,067
Moody's Corporation		\$290.24	94.9%	\$55,947	\$11,672	\$5,314	\$2,691	\$5,405	\$2,701
Equifax Inc.		\$192.84	98.2%	\$24,628	\$9,250	\$3,915	\$1,041	\$4,349	\$1,466
Services to Dwellings and Other Buildings									
Rollins, Inc.		\$39.07	90.9%	\$18,317	\$1,846	\$2,161	\$456	\$2,319	\$501
ABM Industries Incorporated		\$37.84	90.5%	\$3,097	\$3,777	\$5,988	\$373	\$6,032	\$355
Healthcare Services Group, Inc.		\$28.10	89.8%	\$2,183	\$754	\$1,784	\$125	\$1,767	\$132

Financial Performance (cont.)

Size Profile, LTM Financials, Forward Estimates

(USD in millions, except per share data)

Company Name	Ticker	Size Profile		TEV	Total Assets	LTM Operating Data		Forward Estimates	
		Price at 12/31/20	% of 52 Week High			LTM Revenue	LTM EBITDA	2021 Est. Revenue	2021 Est. EBITDA
Miscellaneous Equipment Rental and Leasing									
TAL Education Group		\$71.51	85.5%	\$43,922	\$9,242	\$3,991	\$18	\$5,593	\$421
United Rentals, Inc.		\$231.91	92.9%	\$28,137	\$17,868	\$8,530	\$2,283	\$8,819	\$4,042
The Aaron's Company, Inc.		\$18.96	61.2%	\$749	\$1,677	\$1,740	\$763	\$1,646	\$160
Rent-A-Center, Inc.		\$38.29	92.4%	\$2,730	\$1,668	\$2,766	\$328	\$2,949	\$344
Personnel Supply Services									
Robert Half International Inc.		\$62.48	92.9%	\$7,600	\$0	\$5,109	\$409	\$5,539	\$585
ASGN Incorporated		\$83.53	95.5%	\$5,568	\$3,212	\$3,964	\$404	\$4,106	\$448
ManpowerGroup Inc.		\$90.18	89.3%	\$5,036	\$9,346	\$18,001	\$331	\$19,773	\$556
Korn Ferry		\$43.50	94.9%	\$2,643	\$2,693	\$1,735	\$184	\$1,718	\$258
TrueBlue, Inc.		\$18.69	77.0%	\$710	\$908	\$1,919	\$41	\$1,996	\$59

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Valuation Metrics

Return Profile, Trading Multiples

Company Name	Ticker	Return Profile					Trading Multiples		
		Return on Assets	Return on Equity	Revenue Growth	EBITDA Margin	EBITDA Growth	5-yr Beta	TEV / LTM Revenue	TEV / LTM EBITDA
Advertising									
Omnicom Group Inc.	OMC	4.9%	31.9%	-9.0%	15.4%	-8.7%	0.9x	1.3x	8.7x
The Interpublic Group of Companies, Inc.	IPG	3.9%	20.7%	-4.6%	15.8%	-7.3%	1.0x	1.7x	11.0x
Lamar Advertising Company (REIT)	LAMR	4.3%	20.6%	-6.7%	40.8%	-12.4%	1.5x	7.9x	19.5x
Clear Channel Outdoor Holdings, Inc.	CCO	-1.3%	N/A	-23.4%	7.6%	-73.8%	2.6x	3.6x	47.5x
	Mean	3.0%	24.4%	-10.9%	19.9%	-25.6%	1.5x	3.7x	21.6x
	Median	4.1%	20.7%	-7.9%	15.6%	-10.5%	1.3x	2.7x	15.2x
Consumer Credit Reporting, Mercantile Reporting, and Adjustment and Collection Agency									
S&P Global Inc.	SPGI	22.2%	96.2%	12.4%	55.3%	24.3%	1.0x	11.2x	20.3x
Moody's Corporation	MCO	14.6%	152.3%	14.1%	50.6%	23.0%	1.2x	10.5x	20.8x
Equifax Inc.	EFX	4.9%	16.2%	13.9%	26.6%	48.2%	1.3x	6.3x	23.7x
	Mean	13.9%	88.2%	13.5%	44.2%	31.8%	1.1x	9.4x	21.6x
	Median	14.6%	96.2%	13.9%	50.6%	24.3%	1.2x	10.5x	20.8x
Services to Dwellings and Other Buildings									
Rollins, Inc.	ROL	12.8%	29.7%	7.2%	21.1%	14.4%	0.5x	8.5x	40.2x
ABM Industries Incorporated	ABM	4.6%	0.0%	-7.9%	6.2%	13.9%	1.3x	0.5x	8.3x
Healthcare Services Group, Inc.	HCSG	9.4%	19.5%	-5.5%	7.0%	22.8%	0.4x	1.2x	17.4x
	Mean	9.0%	16.4%	-2.1%	11.4%	17.0%	0.7x	3.4x	22.0x
	Median	9.4%	19.5%	-5.5%	7.0%	14.4%	0.5x	1.2x	17.4x

Valuation Metrics (cont.)

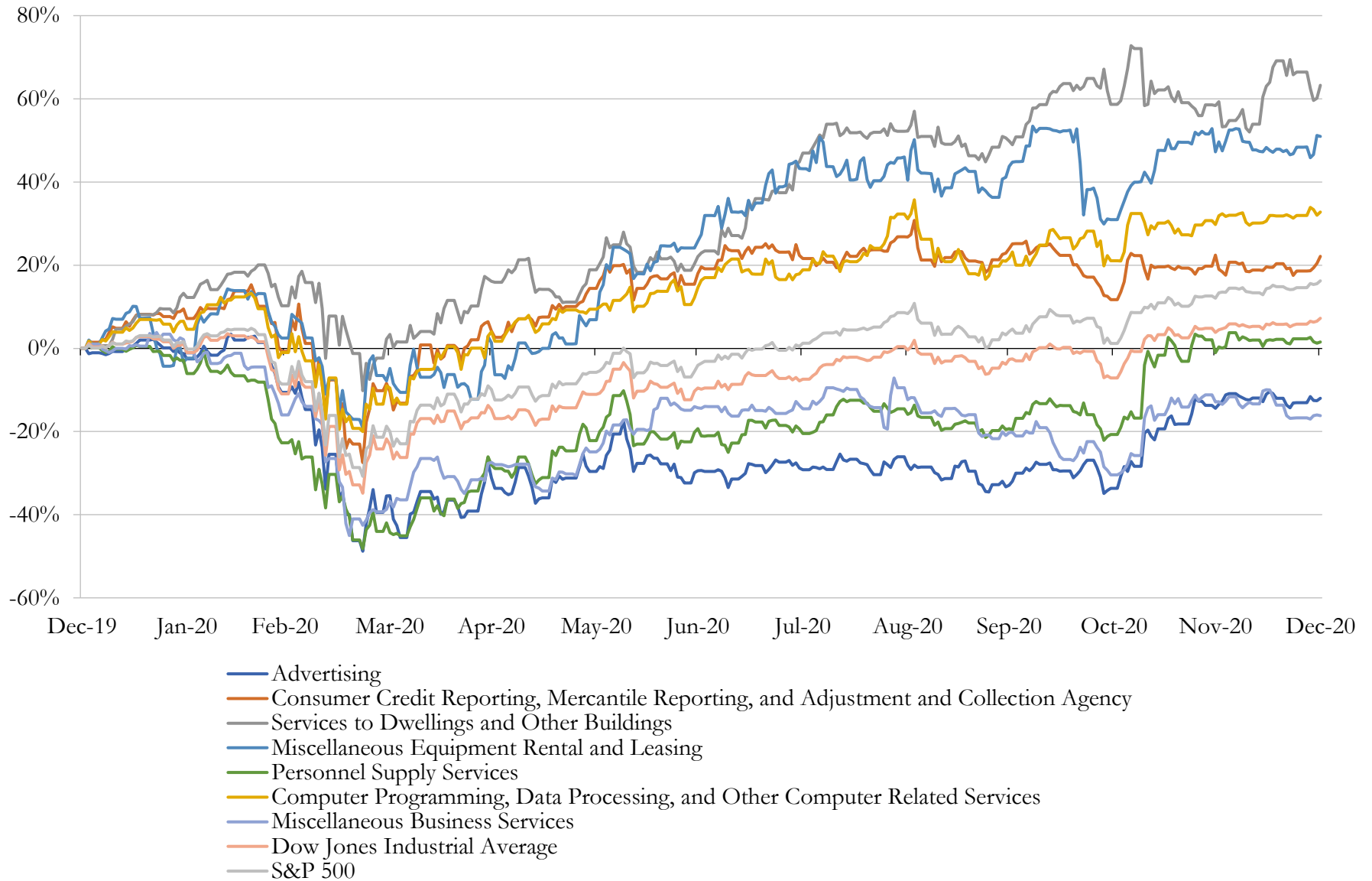
Return Profile, Trading Metrics

Company Name	Ticker	Return Profile					Trading Multiples		
		Return on Assets	Return on Equity	Revenue Growth	EBITDA Margin	EBITDA Growth	5-yr Beta	TEV / LTM Revenue	TEV / LTM EBITDA
Miscellaneous Equipment Rental and Leasing									
TAL Education Group	TAL	-1.0%	-1.7%	23.6%	0.4%	-95.9%	0.1x	11.0x	2479.8x
United Rentals, Inc.	URI	6.4%	21.3%	-8.8%	26.8%	-13.9%	2.1x	3.3x	12.3x
The Aaron's Company, Inc.	AAN	0.0%	0.0%	0.0%	43.8%	0.0%	0.0x	0.4x	1.0x
Rent-A-Center, Inc.	RCII	10.6%	39.5%	3.8%	11.9%	65.8%	1.6x	1.0x	8.3x
	Mean	4.0%	14.8%	4.7%	20.7%	-11.0%	1.0x	3.9x	625.4x
	Median	3.2%	10.6%	1.9%	19.3%	-7.0%	0.9x	2.1x	10.3x
Personnel Supply Services									
Robert Half International Inc.	RHI	0.0%	26.2%	-15.9%	8.0%	-40.3%	1.6x	1.5x	18.6x
ASGN Incorporated	ASGN	6.5%	12.9%	3.6%	10.2%	2.1%	2.2x	1.4x	13.8x
ManpowerGroup Inc.	MAN	1.7%	0.9%	-13.7%	1.8%	-58.5%	2.1x	0.3x	15.2x
Korn Ferry	KFY	3.4%	1.4%	-10.7%	10.6%	-33.4%	1.6x	1.5x	14.4x
TrueBlue, Inc.	TBI	0.5%	-27.0%	-21.0%	2.2%	-65.4%	1.7x	0.4x	17.1x
	Mean	2.4%	2.9%	-11.5%	6.6%	-39.1%	1.8x	1.0x	15.8x
	Median	1.7%	1.4%	-13.7%	8.0%	-40.3%	1.7x	1.4x	15.2x

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LTM Equity Performance

Major Indexes



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Recent M&A Activity

Last Twelve (12) Months as of December 31, 2020

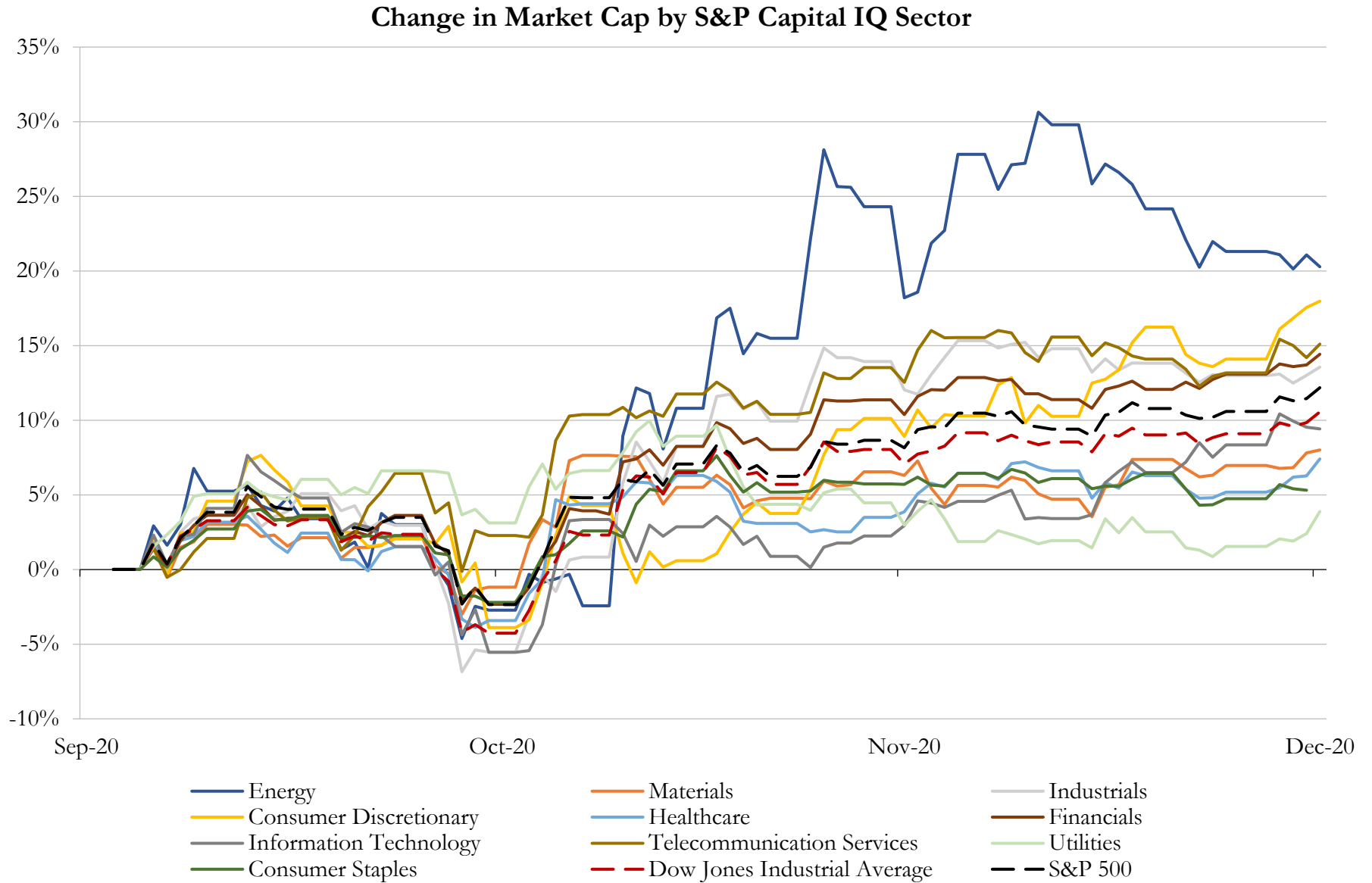
(USD in millions)

Close Date	Target	Acquirer	Implied TEV
Oct-20	Epicor Software Corporation	Clayton, Dubilier & Rice, LLC	\$4,700
Aug-20	LogMeIn, Inc.	Francisco Partners Management, L.P.; Evergreen Coast Capital Corp.	\$4,558
Nov-20	Segment.io, Inc.	Twilio Inc.	\$2,916
Jan-20	Cision Ltd.	MJ23 UK Acquisition Limited	\$2,783
Dec-19	Looker Data Sciences, Inc.	Google LLC	\$2,400
Sep-20	RSA Security LLC	AlpInvest Partners B.V.; Symphony Technology Group, LLC; Ontario	\$2,075
Mar-20	Instructure, Inc.	Thoma Bravo, LLC	\$1,952
Jun-20	TiVo Corporation	Xperi Corporation (nka:Xperi Holding Corporation)	\$1,930
Aug-20	Forescout Technologies, Inc.	Advent International Corporation; Crosspoint Capital Partners, LP	\$1,607
Oct-20	Open Systems International, Inc.	Emerson Electric Co.	\$1,600
Dec-20	Workfront, Inc.	Adobe Inc.	\$1,500
Nov-20	LLamasoft, Inc.	Coupa Software Incorporated	\$1,438
Apr-20	Saba Software, Inc.	Cornerstone OnDemand, Inc.	\$1,310
Feb-20	Armis, Inc.	Insight Venture Management, LLC; CapitalG Management Company, LLC	\$1,100
Jan-20	Shape Security, Inc.	F5 Networks, Inc.	\$1,028
Nov-20	Finicity Corporation	Mastercard Incorporated	\$985
Dec-20	MobileIron, Inc.	Ivanti Software, Inc.	\$859
Feb-20	Tegra118 Wealth Solutions, Inc.	Cannae Holdings, Inc.; Motive Capital Management, LLC	\$850
Dec-20	Expanse, Inc.	Palo Alto Networks, Inc.	\$800
Oct-20	Rosetta Stone Inc.	Cambium Learning Group, Inc.	\$756
Oct-20	Signal Sciences Corporation	Fastly, Inc.	\$775
May-20	Innovative Aftermarket Systems, L.P.	iA Financial Corporation Inc.	\$720
Sep-20	Majesco	Thoma Bravo, LLC	\$702
Jan-20	Software Solutions Business of Pitney Bowes Inc.	Starfish Parent, LP	\$700
Sep-20	Reflexis Systems, Inc.	Zebra Technologies Corporation	\$575
Apr-20	Saber Interactive, Inc.	Embracer Group AB (publ)	\$569
Mar-20	Emailage Corp.	LexisNexis Risk Solutions Inc.	\$480
Dec-20	Lon Operations LLC	Alliance Data Systems Corporation	\$450
Dec-20	Upserve, Inc.	Lightspeed POS Inc.	\$430
Feb-20	Storm8, Inc.	Stillfront Group AB (publ)	\$404

Source: Capital IQ

5 Change in Market Capitalization by Sector

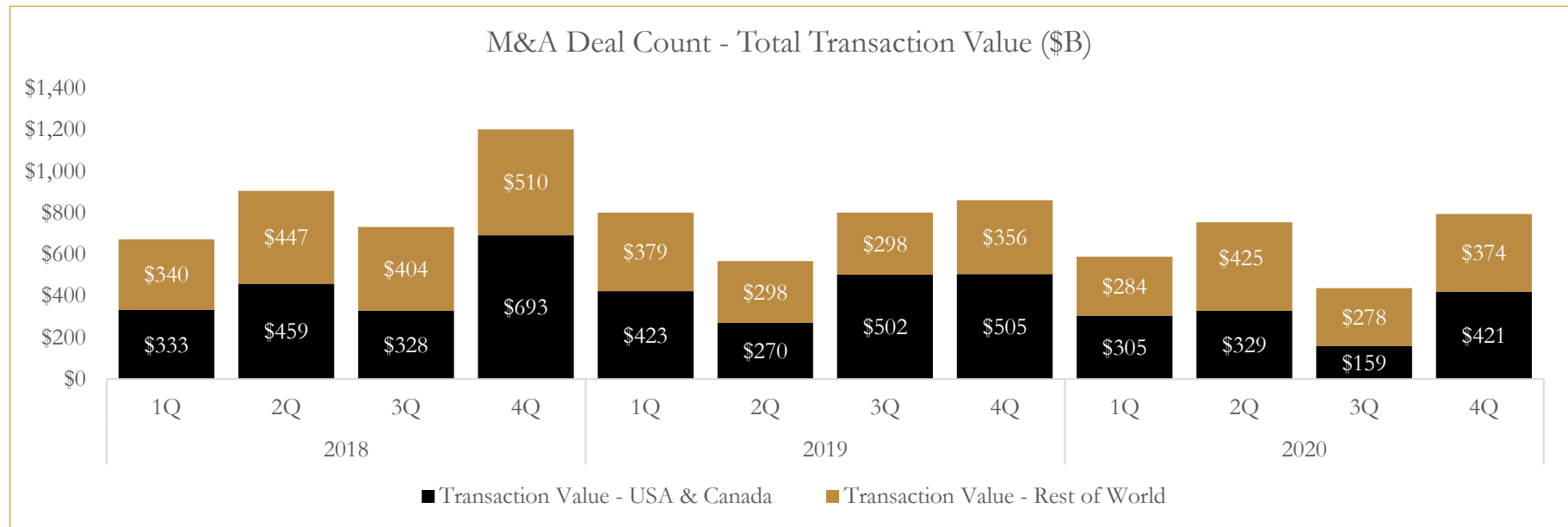
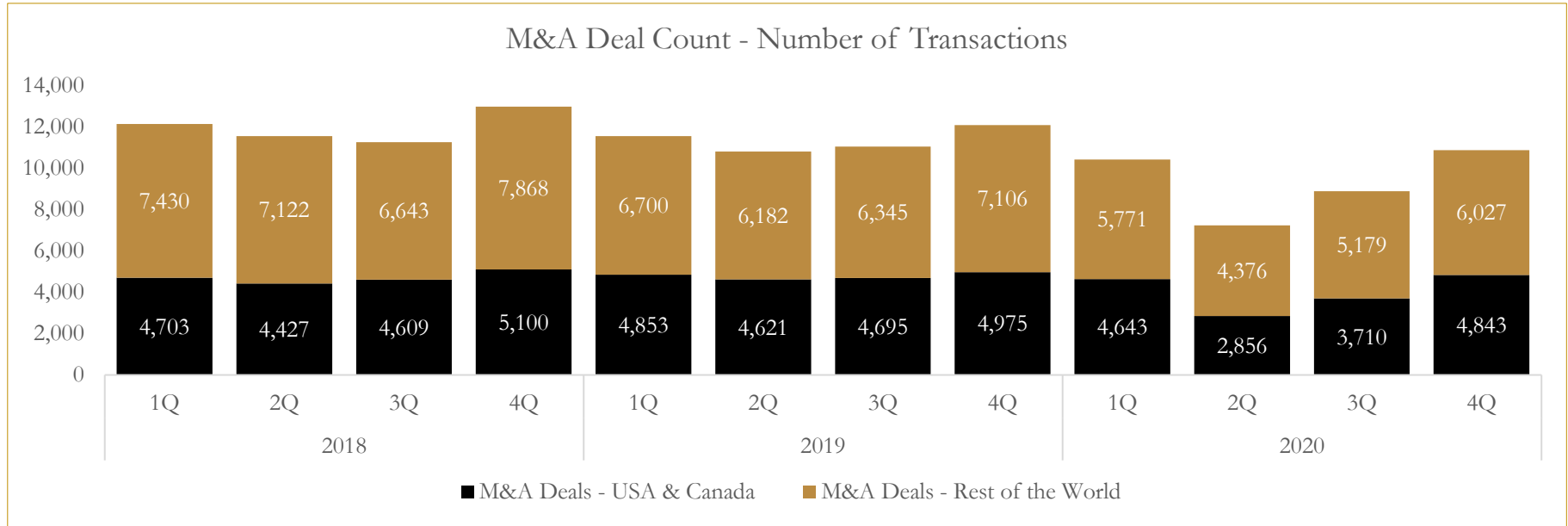
Last Three (3) Months as of December 31, 2020



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M&A Deal Flow Statistics

Last Three (3) Years as of December 31, 2020



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.

Valuation & Financial Advisory

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.

Investment Banking

Through our Investment Banking Group, we offer sell-side/buy-side advisory and capital raises. Through our Special Situations desk, we provide services that fit outside the archetypal verticals, including liquidity solutions, transactional advisory, and secondary market advisory and trading.

Litigation Support

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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