



Industry Update  
**Business Services**  
Q2 2022

## 1

# Financial Performance

## Size Profile, LTM Financials, Forward Estimates

(USD in millions, except per share data)

Company Name		Size Profile			LTM Operating Data		Forward Estimates		
		Price at 06/30/22	% of 52 Week High	TEV	Total Assets	LTM Revenue	LTM EBITDA	2022 Est. Revenue	2022 Est. EBITDA
<b>Computer Programming, Data Processing, and Other Computer Related Services</b>									
Microsoft Corporation	MSFT	\$256.83	73.4%	\$2,047,020	\$364,840	\$198,270	\$97,983	\$207,542	\$101,684
Alphabet Inc.	GOOG	\$109.37	71.9%	\$1,405,868	\$355,185	\$278,139	\$96,887	\$290,706	\$114,803
Oracle Corporation	ORCL	\$69.87	65.7%	\$264,408	\$109,297	\$42,440	\$18,483	\$46,022	\$22,313
Adobe Inc.	ADBE	\$366.06	52.3%	\$191,749	\$26,326	\$16,693	\$6,662	\$17,696	\$8,785
International Business Machines Corporation	IBM	\$141.19	95.7%	\$165,140	\$127,503	\$59,680	\$12,159	\$60,204	\$15,820
Intuit Inc.	INTU	\$385.44	53.8%	\$129,941	\$28,514	\$12,873	\$3,679	\$13,636	\$4,985
Automatic Data Processing, Inc.	ADP	\$210.04	84.4%	\$102,471	\$63,068	\$16,498	\$4,380	\$17,172	\$4,517
Fiserv, Inc.	FISV	\$88.97	74.2%	\$87,200	\$77,212	\$17,008	\$5,937	\$16,885	\$7,161
Fidelity National Information Services, Inc.	FIS	\$91.67	60.2%	\$80,652	\$81,198	\$14,146	\$4,115	\$14,831	\$6,607
Booking Holdings Inc.	BKNG	\$1,748.99	64.4%	\$75,136	\$22,384	\$12,512	\$3,577	\$17,319	\$5,288
VMware, Inc.	VMW	\$113.98	67.9%	\$58,286	\$27,434	\$12,945	\$2,893	\$13,554	\$5,006
Activision Blizzard, Inc.	ATVI	\$77.86	81.6%	\$55,773	\$24,994	\$7,644	\$2,502	\$8,068	\$2,960
Cognizant Technology Solutions Corporation	CTSH	\$67.49	72.2%	\$34,264	\$17,258	\$19,253	\$3,492	\$19,807	\$3,663
eBay Inc.	EBAY	\$41.67	51.3%	\$30,786	\$22,980	\$10,265	\$3,262	\$9,659	\$3,354
Carrefour SA	CA	\$17.65	79.0%	\$31,316	\$55,148	\$82,366	\$3,858	\$82,889	\$4,835
San Miguel Food and Beverage, Inc.	FB	\$0.82	52.8%	\$6,091	\$5,845	\$4,712	\$1,013	\$343,284	\$57,247
Tripadvisor, Inc.	TRIP	\$17.80	43.1%	\$2,808	\$2,372	\$1,041	-\$27	\$1,404	\$277

Source: Capital IQ

## Financial Performance (cont.)

### 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 06/30/22	% of 52 Week High	TEV	Total Assets	LTM Revenue	LTM EBITDA	2022 Est. Revenue	2022 Est. EBITDA
<b>Advertising</b>									
Omnicom Group Inc.	OMC	\$63.61	69.4%	\$18,468	\$24,906	\$14,268	\$2,353	\$14,102	\$2,364
Lamar Advertising Company	LAMR	\$87.97	70.8%	\$14,443	\$6,094	\$1,872	\$834	\$1,981	\$907
The Interpublic Group of Companies, Inc.	IPG	\$27.53	68.9%	\$14,442	\$17,249	\$9,413	\$1,704	\$9,469	\$1,784
Clear Channel Outdoor Holdings, Inc.	CCO	\$1.07	26.1%	\$7,485	\$5,181	\$2,396	\$513	\$2,587	\$561
<b>Consumer Credit Reporting, Mercantile Reporting, and Adjustment and Collection Agency</b>									
S&P Global Inc.	SPGI	\$337.06	69.6%	\$139,223	\$64,323	\$9,558	\$4,284	\$12,268	\$5,787
Moody's Corporation	MCO	\$271.97	66.7%	\$63,249	\$14,315	\$5,968	\$2,706	\$5,745	\$2,540
Equifax Inc.	EFX	\$182.78	60.9%	\$31,277	\$11,221	\$5,156	\$1,697	\$5,118	\$1,756
<b>Services to Dwellings and Other Buildings</b>									
Rollins, Inc.	ROL	\$34.92	87.1%	\$19,523	\$2,167	\$2,555	\$539	\$2,673	\$579
ABM Industries Incorporated	ABM	\$43.42	80.4%	\$4,285	\$4,586	\$7,073	\$482	\$7,731	\$489
Healthcare Services Group, Inc.	HCSG	\$17.41	53.8%	\$978	\$740	\$1,688	\$54	\$1,664	\$64

Source: Capital IQ

## Financial Performance (cont.)

Size Profile, LTM Financials, Forward Estimates

(USD in millions, except per share data)

Company Name		Size Profile			LTM Operating Data		Forward Estimates		
		Price at 06/30/22	% of 52 Week High	TEV	Total Assets	LTM Revenue	LTM EBITDA	2022 Est. Revenue	2022 Est. EBITDA
<b>Miscellaneous Equipment Rental and Leasing</b>									
United Rentals, Inc.	URI	\$242.91	58.5%	\$32,759	\$20,820	\$10,667	\$3,120	\$11,554	\$5,460
Rent-A-Center, Inc.	RCII	\$19.45	28.7%	\$3,027	\$2,777	\$4,706	\$429	\$4,468	\$508
The Aaron's Company, Inc.	AAN	\$14.55	44.1%	\$1,179	\$1,932	\$1,963	\$286	\$2,230	\$156
TAL Education Group	TAL	\$4.87	19.1%	\$251	\$4,835	\$3,230	\$46	\$1,234	-\$81
<b>Personnel Supply Services</b>									
Robert Half International Inc.	RHI	\$74.89	59.5%	\$8,328	\$0	\$7,160	\$1,040	\$7,478	\$1,004
ASGN Incorporated	ASGN	\$90.25	68.4%	\$5,900	\$3,525	\$4,360	\$493	\$4,569	\$565
ManpowerGroup Inc.	MAN	\$76.41	61.7%	\$4,914	\$9,619	\$20,740	\$747	\$20,168	\$772
Korn Ferry	KFY	\$58.02	68.5%	\$3,039	\$3,465	\$2,627	\$518	\$2,802	\$542
TrueBlue, Inc.	TBI	\$17.90	54.4%	\$743	\$991	\$2,320	\$113	\$2,300	\$128

Source: Capital IQ

## 2

## 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
<b>Computer Programming, Data Processing, and Other Computer Related Services</b>									
Microsoft Corporation	MSFT	14.9%	47.2%	18.0%	49.4%	21.2%	0.9x	10.3x	20.9x
Alphabet Inc.	GOOG	14.9%	29.2%	26.3%	34.8%	28.2%	0.0x	5.1x	14.5x
Oracle Corporation	ORCL	8.2%	7301.1%	4.8%	43.6%	3.0%	0.9x	6.2x	14.3x
Adobe Inc.	ADBE	14.6%	35.1%	16.0%	39.9%	16.3%	1.1x	11.5x	28.8x
International Business Machines Corporation	IBM	3.0%	27.1%	27.3%	20.4%	6.5%	0.9x	2.8x	13.6x
Intuit Inc.	INTU	8.9%	18.6%	44.8%	28.6%	28.7%	1.2x	10.1x	35.3x
Automatic Data Processing, Inc.	ADP	4.3%	66.3%	9.9%	26.5%	13.3%	0.9x	6.2x	23.4x
Fiserv, Inc.	FISV	2.2%	6.5%	10.3%	34.9%	10.6%	0.9x	5.1x	14.7x
Fidelity National Information Services, Inc.	FIS	1.1%	1.9%	11.4%	29.1%	19.1%	0.8x	5.7x	19.6x
Booking Holdings Inc.	BKNG	8.6%	11.4%	121.5%	28.6%	916.2%	1.3x	6.0x	21.0x
VMware, Inc.	VMW	5.1%	36.2%	7.6%	22.3%	-0.8%	0.8x	4.5x	20.1x
Activision Blizzard, Inc.	ATVI	6.2%	10.9%	-14.5%	32.7%	-26.1%	0.5x	7.3x	22.3x
Cognizant Technology Solutions Corporation	CTSH	10.8%	19.5%	10.6%	18.1%	12.9%	1.1x	1.8x	9.8x
eBay Inc.	EBAY	8.3%	-30.6%	5.7%	31.8%	-7.8%	1.2x	3.0x	9.4x
Carrefour SA	CA	3.0%	11.0%	9.5%	4.7%	4.9%	0.5x	0.4x	8.1x
San Miguel Food and Beverage, Inc.	FB	9.6%	21.6%	5.8%	21.5%	10.8%	1.1x	1.3x	6.0x
Tripadvisor, Inc.	TRIP	-1.8%	-13.1%	131.8%	-2.6%	N/A	1.4x	2.7x	-104.0x
	<b>Mean</b>	<b>7.2%</b>	<b>447.0%</b>	<b>26.3%</b>	<b>27.3%</b>	<b>66.1%</b>	<b>0.9x</b>	<b>5.3x</b>	<b>10.5x</b>
	<b>Median</b>	<b>8.2%</b>	<b>19.5%</b>	<b>10.6%</b>	<b>28.6%</b>	<b>11.9%</b>	<b>0.9x</b>	<b>5.1x</b>	<b>14.7x</b>

Source: Capital IQ

## 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
<b>Advertising</b>									
Omnicom Group Inc.	OMC	5.3%	35.4%	2.2%	16.5%	8.4%	0.8x	1.3x	7.8x
Lamar Advertising Company	LAMR	5.9%	36.7%	22.1%	44.5%	29.2%	1.4x	7.5x	16.9x
The Interpublic Group of Companies, Inc.	IPG	0.0%	0.0%	10.3%	18.1%	0.8%	1.0x	1.5x	8.2x
Clear Channel Outdoor Holdings, Inc.	CCO	3.1%	N/A	43.1%	21.4%	N/A	2.5x	3.1x	14.5x
	Mean	3.6%	24.0%	19.4%	25.1%	12.8%	1.4x	3.4x	11.9x
	Median	4.2%	35.4%	16.2%	19.8%	8.4%	1.2x	2.3x	11.4x
<b>Consumer Credit Reporting, Mercantile Reporting, and Adjustment and Collection Agency</b>									
S&P Global Inc.	SPGI	6.8%	15.9%	13.0%	52.3%	5.7%	1.0x	15.5x	29.6x
Moody's Corporation	MCO	11.2%	71.0%	2.9%	45.2%	-11.4%	1.2x	10.2x	22.5x
Equifax Inc.	EFX	7.1%	20.6%	11.3%	32.9%	17.3%	1.5x	5.8x	17.5x
	Mean	8.3%	35.9%	9.1%	43.5%	3.9%	1.2x	10.5x	23.2x
	Median	7.1%	20.6%	11.3%	45.2%	5.7%	1.2x	10.2x	22.5x
<b>Services to Dwellings and Other Buildings</b>									
Rollins, Inc.	ROL	13.5%	30.2%	11.4%	21.1%	3.9%	0.6x	6.9x	32.7x
ABM Industries Incorporated	ABM	5.7%	8.9%	20.5%	6.8%	7.0%	1.1x	0.6x	8.6x
Healthcare Services Group, Inc.	HCSG	3.6%	6.4%	1.4%	3.2%	-52.7%	0.3x	0.6x	17.7x
	Mean	7.6%	15.2%	11.1%	10.4%	-13.9%	0.7x	2.7x	19.7x
	Median	5.7%	8.9%	11.4%	6.8%	3.9%	0.6x	0.6x	17.7x

Source: Capital IQ

## Valuation Metrics (cont.)

### Return Profile, Trading Metrics

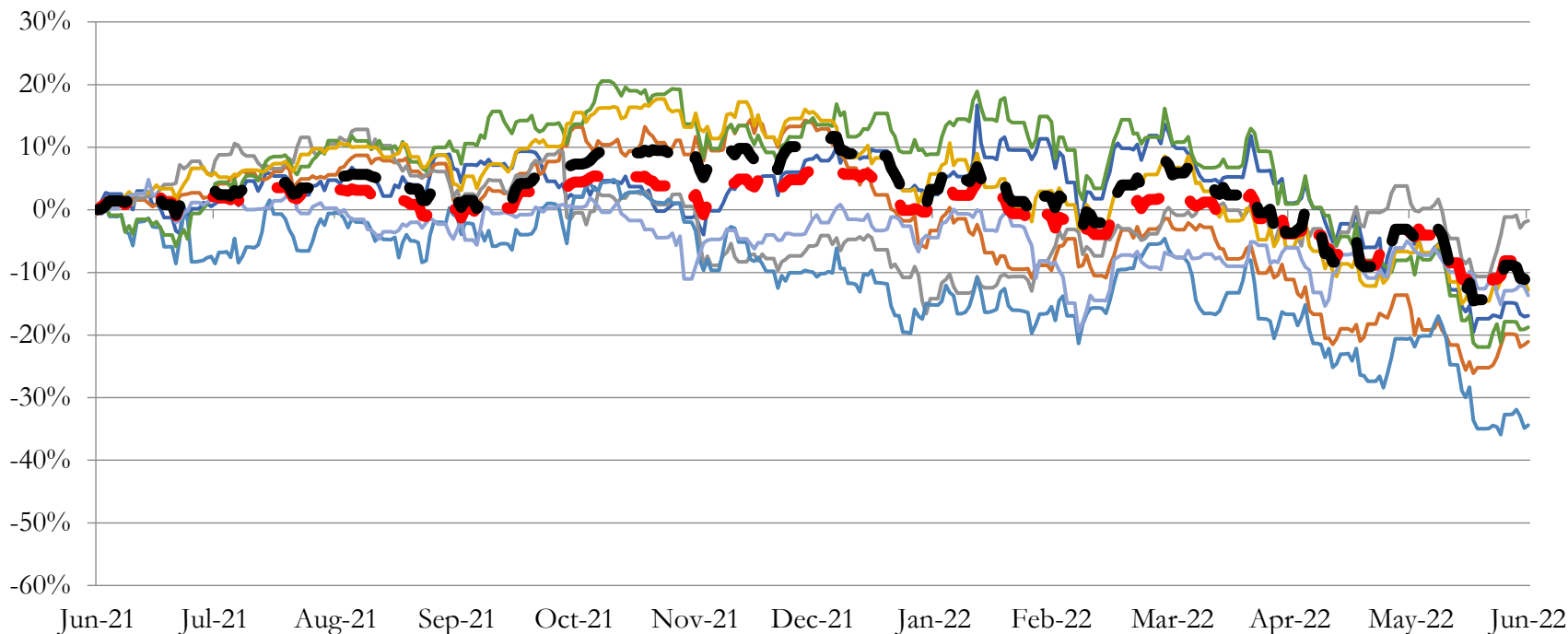
Company Name	Ticker	Return Profile						Trading Multiples	
		Return on Assets	Return on Equity	Revenue Growth	EBITDA Margin	EBITDA Growth	5-yr Beta	TEV / LTM Revenue	TEV / LTM EBITDA
<b>Miscellaneous Equipment Rental and Leasing</b>									
United Rentals, Inc.	URI	8.3%	28.6%	20.3%	28.4%	27.8%	1.8x	3.0x	10.6x
Rent-A-Center, Inc.	RCII	5.3%	13.9%	49.5%	9.1%	11.7%	1.7x	0.6x	6.8x
The Aaron's Company, Inc.	AAN	8.0%	7.8%	7.9%	14.6%	-6.2%	0.0x	0.6x	4.1x
TAL Education Group	TAL	-0.8%	-25.3%	-2.3%	1.8%	N/A	-0.1x	0.2x	10.9x
	Mean	5.2%	6.3%	18.8%	13.5%	11.1%	0.8x	1.1x	8.1x
	Median	6.7%	10.9%	14.1%	11.8%	11.7%	0.8x	0.6x	8.7x
<b>Personnel Supply Services</b>									
Robert Half International Inc.	RHI	0.0%	0.0%	30.8%	14.5%	92.7%	1.5x	1.1x	7.6x
ASGN Incorporated	ASGN	7.0%	14.6%	18.3%	11.3%	26.1%	1.8x	1.3x	11.8x
ManpowerGroup Inc.	MAN	4.4%	17.5%	4.5%	3.6%	23.9%	1.8x	0.2x	6.5x
Korn Ferry	KFY	9.3%	22.7%	45.1%	19.7%	139.5%	1.4x	1.1x	5.7x
TrueBlue, Inc.	TBI	5.3%	15.8%	17.9%	4.9%	66.0%	1.5x	0.3x	6.5x
	Mean	5.2%	14.1%	23.3%	10.8%	69.6%	1.6x	0.8x	7.6x
	Median	5.3%	15.8%	18.3%	11.3%	66.0%	1.5x	1.1x	6.5x

Source: Capital IQ

# 3

## LTM Equity Performance

### Major Indexes



- Advertising
- Consumer Credit Reporting, Mercantile Reporting, and Adjustment and Collection Agency
- Services to Dwellings and Other Buildings
- Miscellaneous Equipment Rental and Leasing
- Personnel Supply Services
- Computer Programming, Data Processing, and Other Computer Related Services
- Miscellaneous Business Services
- Dow Jones Industrial Average
- S&P 500

Source: Capital IQ



## 4

## Recent M&amp;A Activity

Last Twelve (12) Months as of June 30, 2022

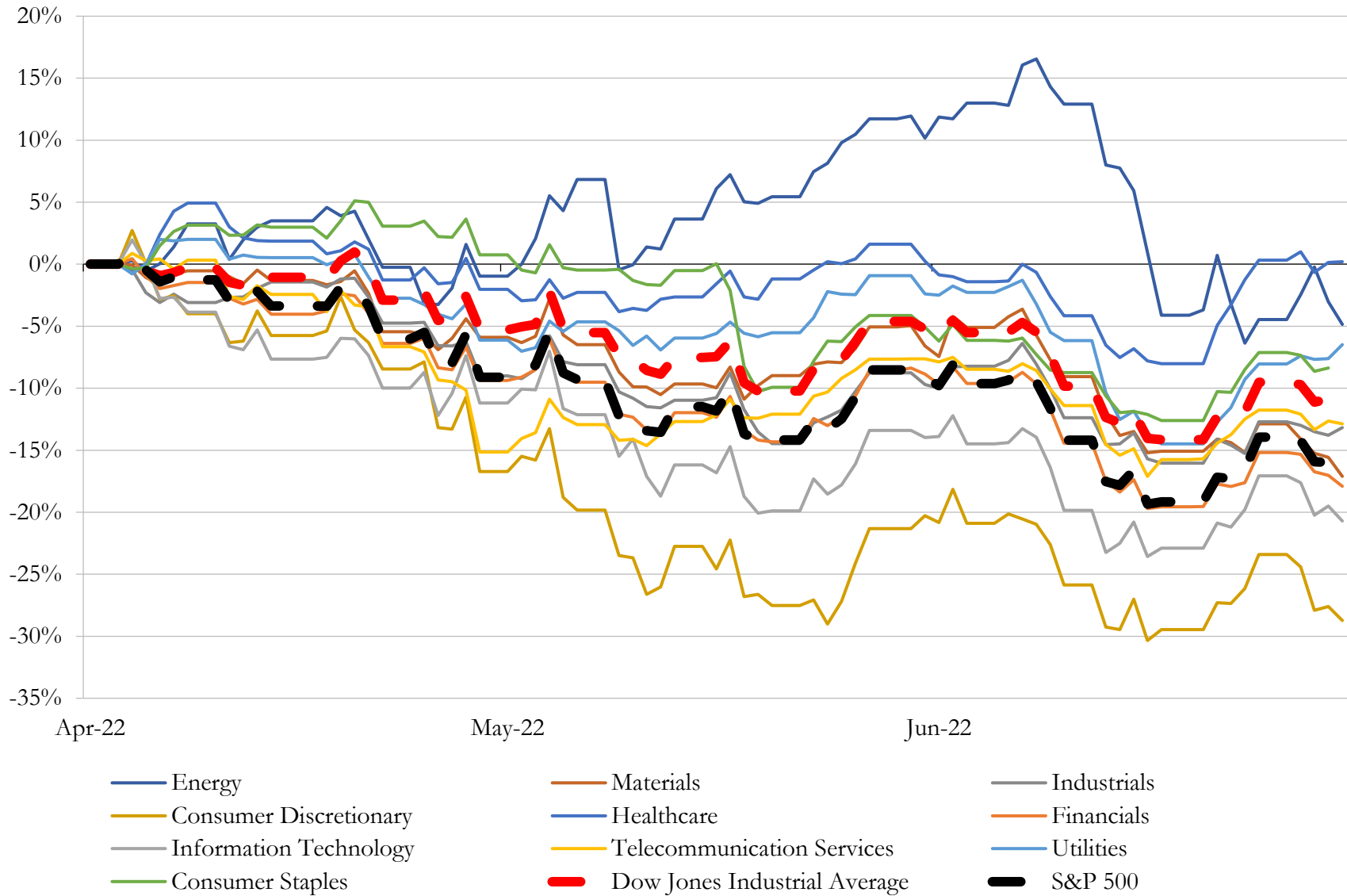
(USD in millions)

Close Date	Target	Acquirer	Implied TEV
Jul-21	Slack Technologies, Inc.	salesforce.com, inc. (nka:Salesforce, Inc.)	\$27,770
Mar-22	McAfee Corp.	Advent International Corporation; GIC Pte. Ltd.; Canada Pension Plan	\$20,014
Mar-22	Nuance Communications, Inc.	Microsoft Corporation	\$19,384
Nov-21	The Rocket Science Group, LLC	Intuit Inc.	\$11,719
Aug-21	Proofpoint, Inc.	Thoma Bravo, L.P.	\$11,489
Apr-21	RealPage, Inc.	Thoma Bravo, L.P.	\$10,080
Sep-21	Blue Yonder Group, Inc.	Connected Solutions Company (nka:Panasonic Connect Co., Ltd.)	\$8,598
Jul-21	Alight Holding Company, LLC	Foley Trasimene Acquisition Corp. (nka:Alight, Inc.)	\$8,023
Oct-21	Medallia, Inc.	Thoma Bravo, L.P.	\$6,530
May-21	Auth0, Inc.	Okta, Inc.	\$6,408
Dec-21	ProQuest LLC	Clarivate Plc	\$5,324
Oct-21	Cornerstone OnDemand, Inc.	Clearlake Capital Group, L.P.	\$5,211
Oct-21	Cloudera, Inc.	Clayton, Dubilier & Rice, LLC; KKR & Co. Inc.	\$4,484
Apr-21	Pluralsight, Inc.	Vista Equity Partners Management, LLC; Partners Group Holding AG; Vista	\$4,364
Jul-21	Calypso Technology, Inc.	Thoma Bravo, L.P.	\$3,750
Oct-21	Global Enterprise Asset Management (EAM) Business of Infor, Inc.	Hexagon AB (publ)	\$2,751
Mar-22	GreenSky, Inc.	Goldman Sachs Bank USA	\$2,637
Jun-21	Cardtronics plc	NCR Corporation	\$2,525
Jun-21	DivvyPay, Inc.	Bill.com Holdings, Inc.	\$2,500
Aug-21	Sykes Enterprises, Incorporated	Sitel Worldwide Corporation	\$2,327
Aug-21	Plex Systems, Inc.	Rockwell Automation, Inc.	\$2,206
Apr-21	NIC Inc.	Tyler Technologies, Inc.	\$2,103
Jun-21	Turbonomic, Inc.	International Business Machines Corporation	\$1,995
Sep-21	Risk Management Solutions, Inc.	Moody's Corporation	\$1,985
Apr-21	Glu Mobile Inc.	Electronic Arts Inc.	\$1,983
Dec-21	Mailgun Technologies, Inc.	Pegasus Corp One	\$1,892
Oct-21	Appriss Insights, LLC	Equifax Workforce Solutions, Inc.	\$1,825
Nov-21	QAD Inc.	Thoma Bravo, L.P.; Thoma Bravo Fund XIV LP	\$1,789
Sep-21	Sphera Solutions, Inc.	Blackstone Inc.; Blackstone Capital Partners VIII, L.P.	\$1,400
Apr-21	Thycotic Software Ltd.	Public Sector Pension Investment Board; Delinea Inc.; Thoma Bravo, L.P.	\$1,400

Source: Capital IQ

# 5 Change in Market Capitalization by Sector

Last Three (3) Months as of June 30, 2022

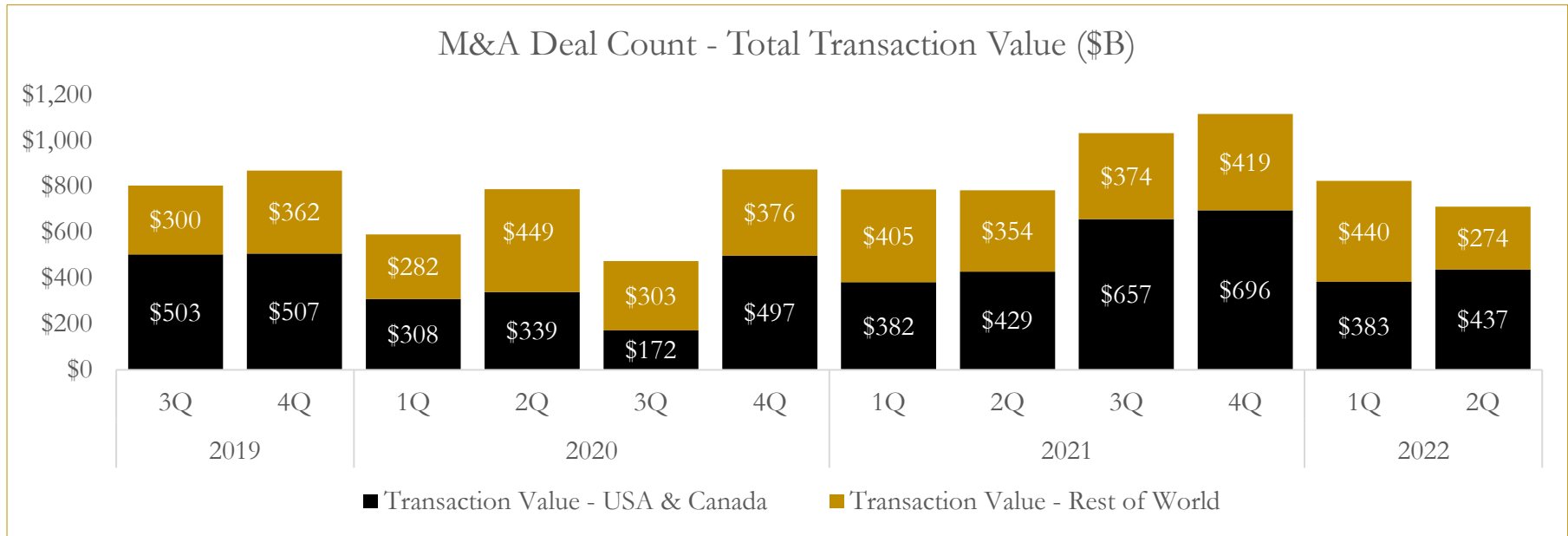
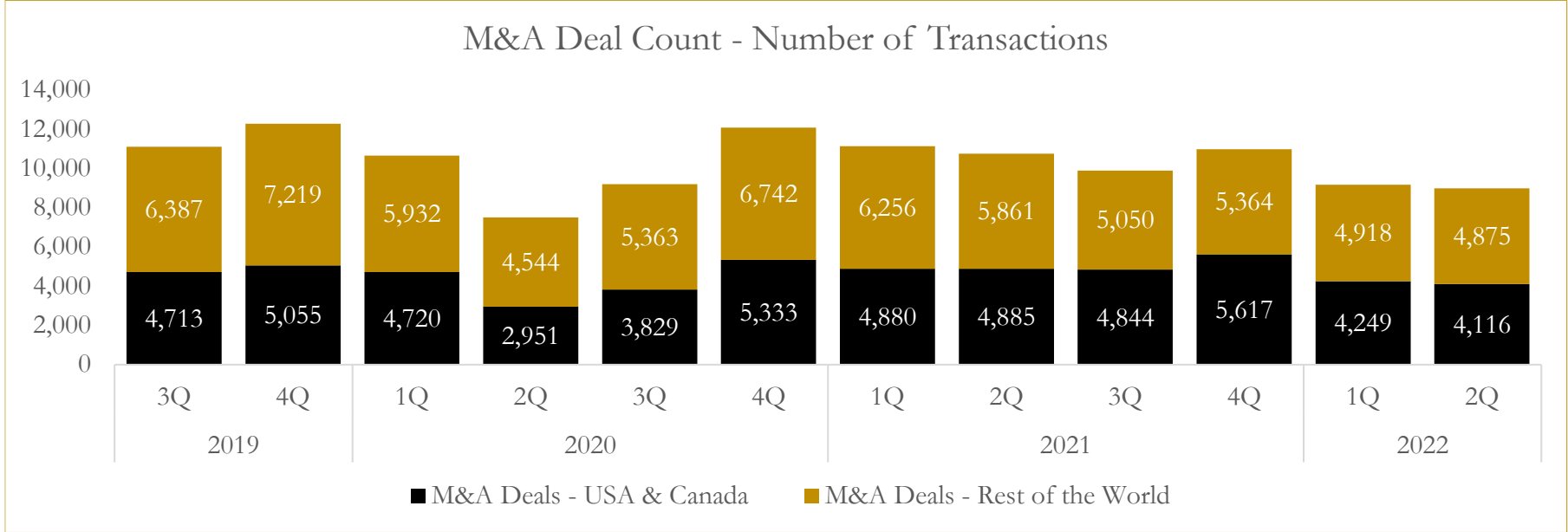


Source: Capital IQ

# 6

## M&A Deal Flow Statistics

Last Three (3) Years as of June 30, 2022



Source: Capital IQ

## 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.

## Contact:

**Andrew Smith**

President

[asmith@houlihancapital.com](mailto:asmith@houlihancapital.com)

(312) 450-8610

**Paul Clark**

Managing Director

[pclark@houlihancapital.com](mailto:pclark@houlihancapital.com)

(312) 450-8656

**Michael Norton**

Director, Business Development

[mnorton@houlihancapital.com](mailto:mnorton@houlihancapital.com)

(312) 450-8628

**Monica Blocker**

Director, Business Development

[mblocker@houlihancapital.com](mailto:mblocker@houlihancapital.com)

(312) 450-8699