



Industry Update
Business Services
Q3 2023

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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 09/30/23	% of 52 Week High	TEV	Total Assets	LTM Revenue	LTM EBITDA	2023 Est. Revenue	2023 Est. EBITDA
Computer Programming, Data Processing, and Other Computer Related Services									
Microsoft Corporation	MSFT	\$315.75	86.1%	\$2,439,622	\$411,976	\$211,915	\$102,023	\$221,951	\$110,566
Alphabet Inc.	GOOG	\$131.85	94.2%	\$1,673,041	\$383,044	\$289,531	\$91,374	\$304,360	\$121,705
Oracle Corporation	ORCL	\$105.92	83.0%	\$375,127	\$136,662	\$50,962	\$19,712	\$51,745	\$25,425
Adobe Inc.	ADBE	\$509.90	89.4%	\$247,332	\$29,090	\$18,886	\$7,039	\$19,378	\$9,740
International Business Machines Corporation	IBM	\$140.30	91.6%	\$170,897	\$132,213	\$60,525	\$12,985	\$62,123	\$15,218
Intuit Inc.	INTU	\$510.94	91.5%	\$154,619	\$27,780	\$14,368	\$3,784	\$15,029	\$6,096
Booking Holdings Inc.	BKNG	\$3,083.95	94.8%	\$104,949	\$26,558	\$19,341	\$6,286	\$21,161	\$7,055
Automatic Data Processing, Inc.	ADP	\$240.58	87.5%	\$104,131	\$50,971	\$18,012	\$5,109	\$18,604	\$5,237
Fiserv, Inc.	FI	\$112.96	86.4%	\$92,365	\$77,599	\$18,452	\$7,356	\$18,151	\$8,055
VMware, Inc.	VMW	\$166.48	97.8%	\$81,866	\$32,199	\$13,611	\$2,791	\$14,020	\$5,241
Activision Blizzard, Inc.	ATVI	\$0.00	#DIV/0!	\$64,755	\$28,518	\$8,706	\$2,322	\$0	\$0
Fidelity National Information Services, Inc.	FIS	\$55.27	64.9%	\$48,707	\$53,574	\$14,574	\$4,149	\$14,619	\$6,117
Cognizant Technology Solutions Corporation	CTSH	\$67.74	93.2%	\$33,108	\$17,967	\$19,394	\$3,464	\$19,492	\$3,327
Carrefour SA	CA	\$17.24	84.9%	\$30,394	\$59,111	\$93,781	\$4,012	\$86,375	\$4,598
eBay Inc.	EBAY	\$44.09	84.4%	\$23,688	\$19,956	\$9,940	\$2,753	\$10,146	\$3,181
San Miguel Food and Beverage, Inc.	FB	\$0.94	96.5%	\$7,190	\$6,174	\$5,122	\$1,057	\$390,606	\$63,646
Tripadvisor, Inc.	TRIP	\$16.58	60.7%	\$2,029	\$2,734	\$1,678	\$115	\$1,743	\$300

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 09/30/23	% of 52 Week High	TEV	Total Assets	LTM Revenue	LTM EBITDA	2023 Est. Revenue	2023 Est. EBITDA
Advertising									
Omnicom Group Inc.	OMC	\$74.48	75.1%	\$19,239	\$25,068	\$14,365	\$2,376	\$14,607	\$2,392
The Interpublic Group of Companies, Inc.	IPG	\$28.66	70.0%	\$14,243	\$17,110	\$9,352	\$1,655	\$9,576	\$1,788
Lamar Advertising Company	LAMR	\$83.47	74.9%	\$12,878	\$6,521	\$2,079	\$934	\$2,102	\$962
Clear Channel Outdoor Holdings, Inc.	CCO	\$1.58	73.8%	\$7,449	\$4,840	\$2,495	\$518	\$2,461	\$525
Consumer Credit Reporting, Mercantile Reporting, and Adjustment and Collection Agency									
S&P Global Inc.	SPGI	\$365.41	85.2%	\$129,936	\$60,695	\$12,059	\$5,391	\$12,410	\$5,843
Moody's Corporation	MCO	\$316.17	87.1%	\$63,973	\$14,691	\$5,529	\$2,291	\$5,942	\$2,653
Equifax Inc.	EFX	\$183.18	76.2%	\$27,421	\$11,538	\$5,062	\$1,486	\$5,305	\$1,750
Services to Dwellings and Other Buildings									
Rollins, Inc.	ROL	\$37.33	82.9%	\$17,853	\$2,599	\$2,870	\$628	\$3,045	\$686
ABM Industries Incorporated	ABM	\$40.01	80.7%	\$4,237	\$4,970	\$8,015	\$436	\$8,039	\$512
Healthcare Services Group, Inc.	HCSG	\$10.43	65.3%	\$681	\$762	\$1,675	\$56	\$1,688	\$84

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 09/30/23	% of 52 Week High	TEV	Total Assets	LTM Revenue	LTM EBITDA	2023 Est. Revenue	2023 Est. EBITDA
Miscellaneous Equipment Rental and Leasing									
United Rentals, Inc.	URI	\$444.57	90.3%	\$42,176	\$25,506	\$13,186	\$4,106	\$14,208	\$6,811
Upbound Group, Inc.	UPBD	\$29.45	81.4%	\$3,060	\$2,586	\$4,010	\$278	\$3,929	\$446
TAL Education Group	TAL	\$9.11	87.2%	\$2,786	\$4,714	\$1,071	-\$117	\$1,264	-\$64
The Aaron's Company, Inc.	AAN	\$10.47	64.8%	\$940	\$1,819	\$2,268	\$230	\$2,184	\$151
Personnel Supply Services									
Robert Half Inc.	RHI	\$73.28	81.6%	\$7,469	\$3,068	\$6,916	\$718	\$6,422	\$606
ASGN Incorporated	ASGN	\$81.68	81.9%	\$4,980	\$3,561	\$4,608	\$482	\$4,454	\$513
ManpowerGroup Inc.	MAN	\$73.32	79.3%	\$4,562	\$8,869	\$19,219	\$632	\$19,017	\$552
Korn Ferry	KFY	\$47.44	79.2%	\$2,555	\$3,313	\$2,839	\$355	\$2,779	\$374
TrueBlue, Inc.	TBI	\$14.67	65.8%	\$468	\$925	\$2,074	\$52	\$1,931	\$38

Source: Capital IQ

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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
Computer Programming, Data Processing, and Other Computer Related Services									
Microsoft Corporation	MSFT	14.2%	38.8%	6.9%	48.1%	4.1%	0.9x	11.3x	23.6x
Alphabet Inc.	GOOG	13.0%	23.3%	4.1%	31.6%	-5.7%	0.0x	5.7x	18.1x
Oracle Corporation	ORCL	6.7%	N/A	15.4%	38.7%	7.1%	1.0x	7.3x	19.0x
Adobe Inc.	ADBE	14.4%	34.0%	9.9%	37.3%	4.6%	1.3x	13.0x	35.0x
International Business Machines Corporation	IBM	4.1%	10.4%	1.4%	21.5%	6.8%	0.8x	2.8x	13.1x
Intuit Inc.	INTU	7.1%	14.1%	12.9%	26.3%	16.8%	1.2x	10.6x	40.3x
Booking Holdings Inc.	BKNG	14.2%	267.1%	32.1%	32.5%	39.7%	1.3x	5.4x	16.6x
Automatic Data Processing, Inc.	ADP	5.0%	101.3%	9.2%	28.4%	17.3%	0.8x	5.7x	20.2x
Fiserv, Inc.	FI	3.4%	8.2%	8.5%	39.9%	23.9%	0.9x	5.0x	12.5x
VMware, Inc.	VMW	4.5%	106.1%	3.6%	20.5%	-2.9%	0.8x	6.0x	29.2x
Activision Blizzard, Inc.	ATVI	5.2%	11.1%	13.9%	26.7%	-7.4%	0.4x	7.4x	27.9x
Fidelity National Information Services, Inc.	FIS	1.8%	-70.4%	1.3%	28.5%	-2.4%	0.8x	3.3x	11.6x
Cognizant Technology Solutions Corporation	CTSH	10.5%	17.6%	0.7%	17.9%	-0.8%	1.1x	1.7x	9.4x
Carrefour SA	CA	2.7%	10.6%	14.4%	4.3%	9.1%	0.6x	0.3x	7.5x
eBay Inc.	EBAY	7.4%	25.5%	-0.8%	27.7%	-10.4%	1.3x	2.3x	8.5x
San Miguel Food and Beverage, Inc.	FB	9.3%	21.5%	2.9%	20.6%	5.3%	0.9x	1.4x	6.8x
Tripadvisor, Inc.	TRIP	2.0%	-3.3%	37.2%	6.9%	59.7%	1.4x	1.2x	17.0x
	Mean	7.4%	38.5%	10.2%	26.9%	9.7%	0.9x	5.3x	18.6x
	Median	6.7%	19.6%	8.5%	27.7%	5.3%	0.9x	5.4x	17.0x

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
Advertising									
Omnicom Group Inc.	OMC	5.4%	37.8%	0.7%	16.5%	1.0%	1.0x	1.3x	8.1x
The Interpublic Group of Companies, Inc.	IPG	5.0%	26.5%	-0.7%	17.7%	-3.5%	1.2x	1.5x	8.6x
Lamar Advertising Company	LAMR	5.6%	34.8%	6.9%	44.9%	8.7%	1.4x	6.2x	13.8x
Clear Channel Outdoor Holdings, Inc.	CCO	2.8%	N/A	-0.5%	20.7%	-10.0%	2.6x	3.0x	14.4x
	Mean	4.7%	33.0%	1.6%	25.0%	-1.0%	1.5x	3.0x	11.2x
	Median	5.2%	34.8%	0.1%	19.2%	-1.3%	1.3x	2.3x	11.2x
Consumer Credit Reporting, Mercantile Reporting, and Adjustment and Collection Agency									
S&P Global Inc.	SPGI	4.2%	6.4%	26.2%	44.7%	14.0%	1.1x	10.8x	24.1x
Moody's Corporation	MCO	8.4%	49.3%	-7.4%	41.4%	-14.6%	1.3x	11.6x	27.9x
Equifax Inc.	EFX	4.9%	13.2%	-1.8%	29.4%	-12.4%	1.4x	5.4x	18.5x
	Mean	5.8%	22.9%	5.7%	38.5%	-4.4%	1.3x	9.3x	23.5x
	Median	4.9%	13.2%	-1.8%	41.4%	-12.4%	1.3x	10.8x	24.1x
Services to Dwellings and Other Buildings									
Rollins, Inc.	ROL	14.0%	31.5%	12.3%	21.9%	16.4%	0.7x	6.2x	28.4x
ABM Industries Incorporated	ABM	4.1%	13.4%	7.0%	5.4%	1.7%	1.1x	0.5x	9.7x
Healthcare Services Group, Inc.	HCSG	3.8%	8.5%	-0.8%	3.3%	4.0%	0.5x	0.4x	12.2x
	Mean	7.3%	17.8%	6.2%	10.2%	7.4%	0.7x	2.4x	16.8x
	Median	4.1%	13.4%	7.0%	5.4%	4.0%	0.7x	0.5x	12.2x

Source: Capital IQ

Valuation Metrics (cont.)

Return Profile, Trading Metrics

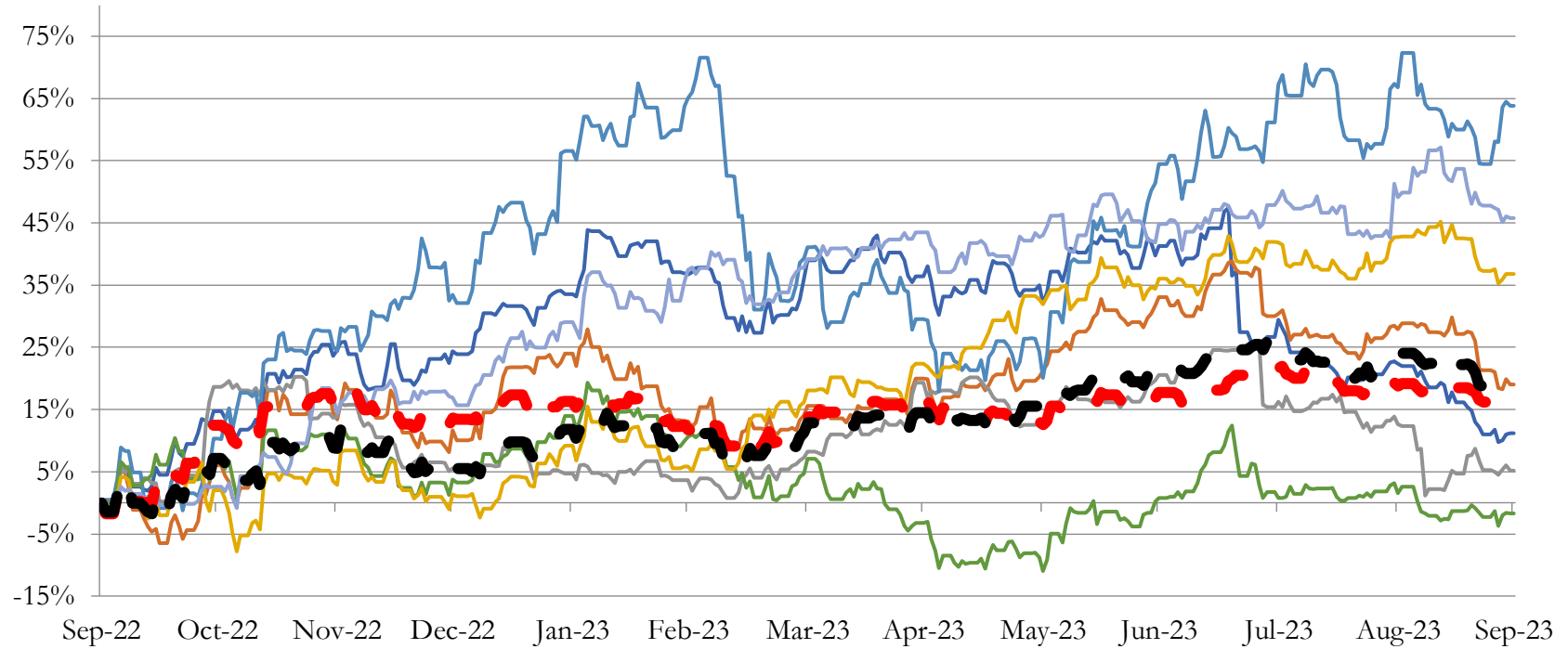
Company Name	Ticker	Return Profile					Trading Multiples		
		Return on Assets	Return on Equity	Revenue Growth	EBITDA Margin	EBITDA Growth	5-yr Beta	TEV / LTM Revenue	TEV / LTM EBITDA
Miscellaneous Equipment Rental and Leasing									
United Rentals, Inc.	URI	10.0%	34.0%	23.6%	31.1%	31.6%	1.8x	3.2x	10.3x
Upbound Group, Inc.	UPBD	3.6%	-0.2%	-12.5%	6.9%	-24.9%	1.8x	0.8x	11.0x
TAL Education Group	TAL	-1.6%	-3.6%	-66.8%	-10.9%	N/A	0.0x	2.6x	-23.9x
The Aaron's Company, Inc.	AAN	4.7%	-0.3%	15.5%	10.1%	-16.7%	1.2x	0.4x	4.1x
	Mean	4.2%	7.5%	-10.1%	9.3%	-3.3%	1.2x	1.7x	0.4x
	Median	4.1%	-0.3%	1.5%	8.5%	-16.7%	1.5x	1.7x	7.2x
Personnel Supply Services									
Robert Half Inc.	RHI	13.9%	35.1%	-3.4%	10.4%	-31.0%	1.3x	1.1x	10.4x
ASGN Incorporated	ASGN	6.7%	12.5%	5.7%	10.5%	-2.0%	1.6x	1.1x	10.3x
ManpowerGroup Inc.	MAN	3.8%	12.4%	-7.3%	3.3%	-15.2%	1.6x	0.2x	7.2x
Korn Ferry	KFY	6.0%	11.1%	3.7%	12.5%	-32.8%	1.5x	0.9x	7.2x
TrueBlue, Inc.	TBI	1.6%	3.5%	-10.6%	2.5%	-52.1%	1.4x	0.2x	9.0x
	Mean	6.4%	14.9%	-2.4%	7.8%	-26.6%	1.5x	0.7x	8.8x
	Median	6.0%	12.4%	-3.4%	10.4%	-31.0%	1.5x	0.9x	9.0x

Source: Capital IQ

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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

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Recent M&A Activity

Last Twelve (12) Months as of September 30, 2023

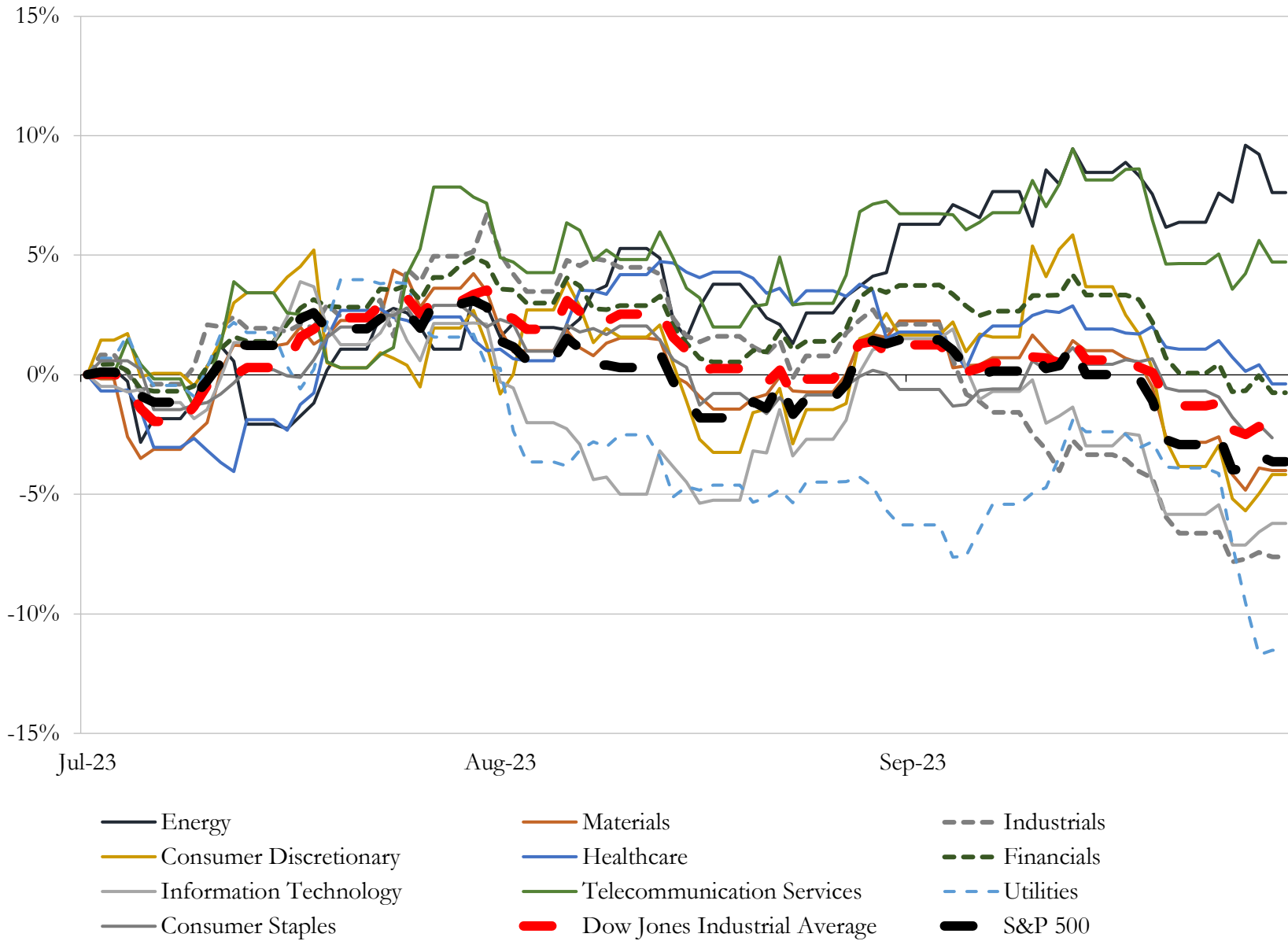
(USD in millions)

Close Date	Target	Acquirer	Implied TEV
Sep-22	Citrix Systems, Inc.	TIBCO Software Inc. (nka:Cloud Software Group, Inc.)	\$16,655
Sep-23	Black Knight, Inc.	Intercontinental Exchange, Inc.	\$14,874
Jun-23	Qualtrics International Inc.	Silver Lake Technology Management, L.L.C.; Canada Pension Plan	\$10,911
Nov-22	Zendesk, Inc.	Hellman & Friedman LLC; Permira Advisers Ltd.; GIC Private Limited; Abu	\$9,891
Oct-22	Avalara, Inc.	Vista Equity Partners Management, LLC; Vista Equity Partners Fund VII,	\$8,368
Feb-23	Coupa Software Incorporated	Abu Dhabi Investment Authority; Thoma Bravo, L.P.; Thoma Bravo Fund	\$8,194
Jul-23	Scopely, Inc.	Savvy Games Group	\$4,900
Aug-23	Apptio, Inc.	International Business Machines Corporation	\$4,600
Jun-23	Cvent Holding Corp.	Blackstone Inc.; Abu Dhabi Investment Authority	\$4,577
Feb-23	KnowBe4, Inc.	Vista Equity Partners Management, LLC	\$3,769
Oct-22	Frontline Technologies Group LLC	Roper Technologies, Inc.	\$3,738
Dec-22	Wind River Systems, Inc.	Aptiv PLC	\$3,500
Oct-22	Ping Identity Holding Corp.	Thoma Bravo, L.P.; Thoma Bravo Fund XV, L.P.	\$2,796
Mar-23	Disco Parent, Inc.	Vista Equity Partners Management, LLC	\$2,369
Aug-23	ForgeRock, Inc.	Thoma Bravo, L.P.; Thoma Bravo Fund XV, L.P.	\$1,999
Sep-22	Trader Interactive, LLC	carsales.com Ltd	\$1,609
May-23	Momentive Global Inc.	Symphony Technology Group, LLC	\$1,561
Nov-22	Computer Services, Inc.	Centerbridge Partners, L.P.; Cannae Holdings, Inc.; Bridgeport Partners LLC;	\$1,523
Dec-22	BTRS Holdings Inc.	EQT Partners Inc.; Eqt X Usd Scsp; Eqt X Eur Scsp	\$1,513
Jan-23	ServiceMax, Inc.	PTC Inc.	\$1,448
Aug-23	Syntellis Performance Solutions, LLC	Strata Decision Technology, L.L.C.	\$1,400
May-23	Sumo Logic, Inc.	Francisco Partners Management, L.P.	\$1,397
Jul-23	Mosaic ML, Inc.	Databricks, Inc.	\$1,300
Jan-23	WillowTree, LLC (nka:WillowTree, a TELUS International Company)	Telus International Holding (U.S.A.) Corp.	\$1,225
Jan-23	UserTesting, Inc.	Thoma Bravo, L.P.; Sunstone Partners Management, LLC; Thoma Bravo	\$1,116
Jan-23	SMS ASSIST, L.L.C.	Lessen Inc.	\$950
Oct-22	FWD Media, Inc.	KIRKBI A/S	\$875
Nov-22	bswift LLC	Francisco Partners Management, L.P.	\$735
Sep-23	Optimal Blue Business Division of Black Knight, Inc.	Perseus Operating Group	\$700
Dec-22	TaxACT Holdings, Inc.	DS Admiral Bidco, LLC	\$684

Source: Capital IQ

5 Change in Market Capitalization by Sector

Last Three (3) Months as of September 30, 2023

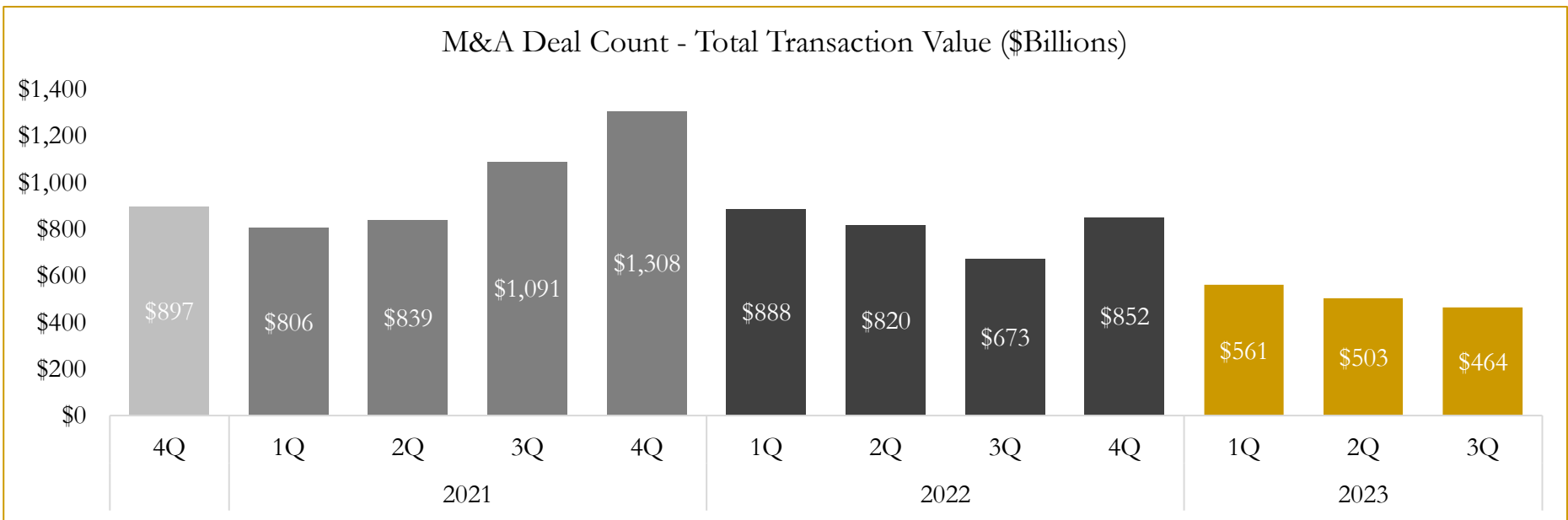
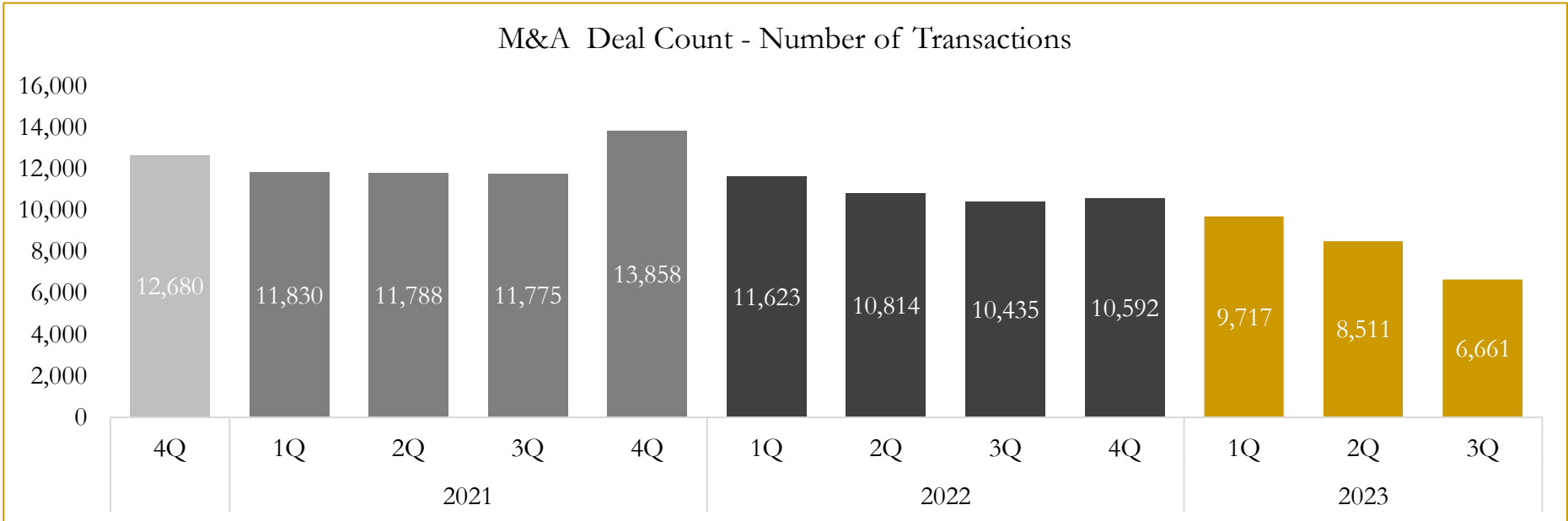


Source: Capital IQ

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M&A Deal Flow Statistics

Last Three (3) Years as of September 30, 2023



Source: Capital IQ

Houlihan Capital is a leading, solutions-driven valuation, financial advisory and 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

- **Portfolio Valuation (ASC 820)**
- **Complex & Illiquid Securities (Level 3)**
- **Cryptoasset /Blockchain Valuations**
 - Locked Token Valuations
- **Enterprise Valuations**
- **Fairness & Solvency Opinions**
 - SPAC Fairness
- **Estate & Gift Valuations**
- **Purchase Price Allocation (ASC 805)**
- **Goodwill Impairment Testing (ASC 350)**
- **Stock-based Compensation (ASC 718, IRC 409A)**

Investment Banking

- **Mergers & Acquisitions**
 - Sell-Side Advisory
 - Sale of Minority Ownership Positions
 - Leveraged Buyouts
 - Majority Recapitalizations
 - Corporate Divestitures
- **Corporate Financial Services**
 - Financial Modeling
 - Investor Presentation
 - Valuation Analysis
 - Strategic Advisory

For questions or inquiries regarding our services, please contact:

info@houlihancapital.com