



**HOULIHAN  
CAPITAL**

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Valuation & Financial Advisory | Investment Banking

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**INDUSTRY UPDATE  
TRANSPORTATION & LOGISTICS  
Q1 2026**

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### Key Trends

- **Tight Capacity, Higher Rates:** Spot truckload rates hit multi-year highs as driver attrition and stricter licensing pulled supply out faster than demand returned.
- **Buyers Chasing Quality:** M&A concentrated on asset-light, tech-enabled operators and specialty niches: pharma, cold-chain, and outsourced logistics.
- **Capital Repositioning:** Tariff shifts, nearshore manufacturing, and a landmark railroad merger are funneling capital into freight infrastructure.
- **Financing Window Reopens:** Fed rate cuts and stronger debt markets are unlocking deferred buyouts and sponsor exits, with infrastructure funds widening the buyer pool.

### Market Overview

- Sector stocks slipped **2.3% in Q1** but beat the S&P (down 7.1%) as investors rotated into defensive, cash-generative names.
- Dealmaking stayed selective at **274 global Q1 transactions** (logistics led with 148); valuations for asset-light platforms reached a four-year high of 13.2x cash flow.
- Truckload spot rates jumped **~18.7% year over year**, the steepest rise since 2022, driven by shrinking driver supply rather than a demand rebound.

### External Drivers

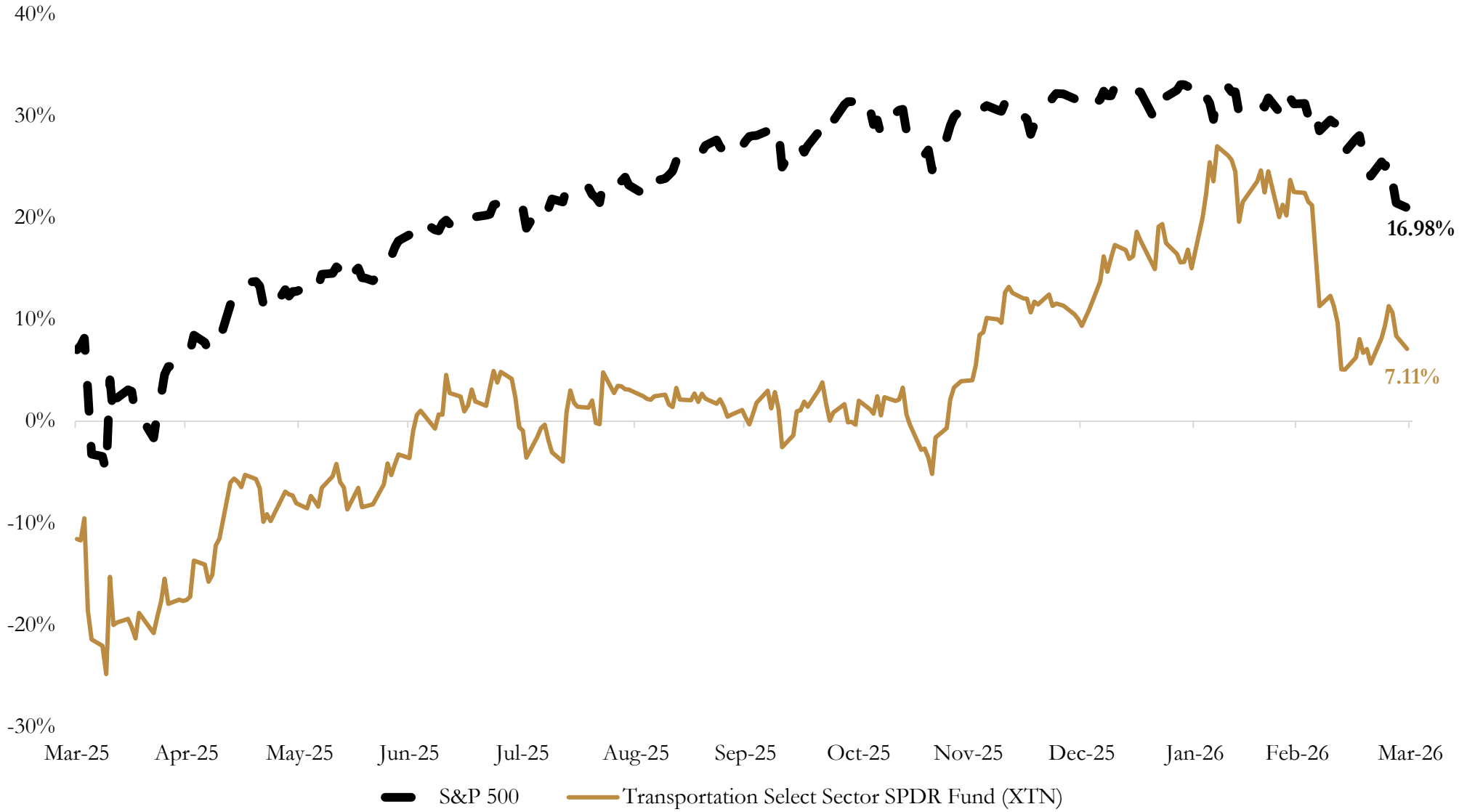
- Lower rates and **easier financing** are reviving stalled deals and restoring dealmaker confidence across the sector.
- Tariffs are forcing a **rerouting of trade flows**; combined with nearshoring, this is pushing more volume through the Mexico-U.S. corridor.
- Stricter driver licensing is pulling capacity off the road, producing **lasting tightness**: load rejections above 10% and the toughest truck-to-load balance in four years.

# 2

## Public Market Performance

*Sector ETF vs. S&P 500*

### Transportation & S&P 500



Source: Capital IQ

## 2 Public Market Performance

### Key Financial and Valuation Metrics for Large Industry Operators

(USD in millions, except per share data)

Company Name	Ticker	Valuation Metrics					Financial Metrics			
		TEV	Price at 03/31/26	% of 52 Week High	TEV / LTM Revenue	TEV / LTM EBITDA	LTM Revenue	LTM EBITDA	Revenue Growth	EBITDA Margin
<b>Airlines &amp; Air Transportation</b>										
Delta Air Lines, Inc.	DAL	\$61,420	\$66.48	87.0%	0.9x	7.9x	\$65,178	\$7,775	5.2%	11.9%
United Airlines Holdings, Inc.	UAL	\$46,833	\$92.07	77.2%	0.8x	5.9x	\$60,465	\$7,885	4.7%	13.0%
American Airlines Group Inc.	AAL	\$34,811	\$10.74	65.1%	0.6x	8.5x	\$55,994	\$4,092	3.3%	7.3%
Southwest Airlines Co.	LUV	\$22,013	\$37.57	68.2%	0.8x	9.9x	\$28,884	\$2,213	4.7%	7.7%
Alaska Air Group, Inc.	ALK	\$9,193	\$36.78	55.8%	0.6x	8.0x	\$14,402	\$1,143	13.9%	7.9%
JetBlue Airways Corporation	JBLU	\$8,973	\$4.42	68.0%	1.0x	36.6x	\$9,162	\$245	-0.5%	2.7%
SkyWest, Inc.	SKYW	\$5,163	\$91.83	74.1%	1.3x	5.3x	\$4,123	\$967	12.3%	23.5%
<b>Trucking &amp; Ground Freight &amp; Logistics</b>										
Old Dominion Freight Line, Inc.	ODFL	\$42,621	\$195.40	88.2%	7.8x	25.0x	\$5,456	\$1,707	-4.8%	31.3%
XPO, Inc.	XPO	\$29,131	\$194.55	88.2%	3.5x	22.5x	\$8,299	\$1,295	3.6%	15.6%
J.B. Hunt Transport Services, Inc.	JBHT	\$25,018	\$211.90	89.8%	2.1x	15.6x	\$12,134	\$1,608	0.6%	13.3%
C.H. Robinson Worldwide, Inc.	CHRW	\$22,384	\$166.07	81.7%	1.4x	25.2x	\$16,199	\$887	-6.7%	5.5%
Ryder System, Inc.	R	\$18,207	\$204.71	88.9%	1.4x	6.5x	\$12,660	\$2,783	-0.1%	22.0%
U-Haul Holding Company	UHAL	\$16,376	\$47.78	70.3%	2.7x	21.2x	\$6,000	\$774	5.4%	12.9%
Knight-Swift Transportation Holdings Inc.	KNX	\$12,849	\$57.58	89.8%	1.7x	12.7x	\$7,496	\$1,012	1.1%	13.5%
Saia, Inc.	SAIA	\$11,961	\$351.28	81.7%	3.7x	20.3x	\$3,253	\$588	0.3%	18.1%
GXO Logistics, Inc.	GXO	\$11,500	\$51.85	77.6%	0.9x	12.8x	\$13,178	\$901	12.5%	6.8%
Landstar System, Inc.	LSTR	\$5,873	\$160.31	96.5%	1.2x	24.4x	\$4,776	\$241	-0.8%	5.0%

Source: Capital IQ

## 2 Public Market Performance

### Key Financial and Valuation Metrics for Large Industry Operators

(USD in millions, except per share data)

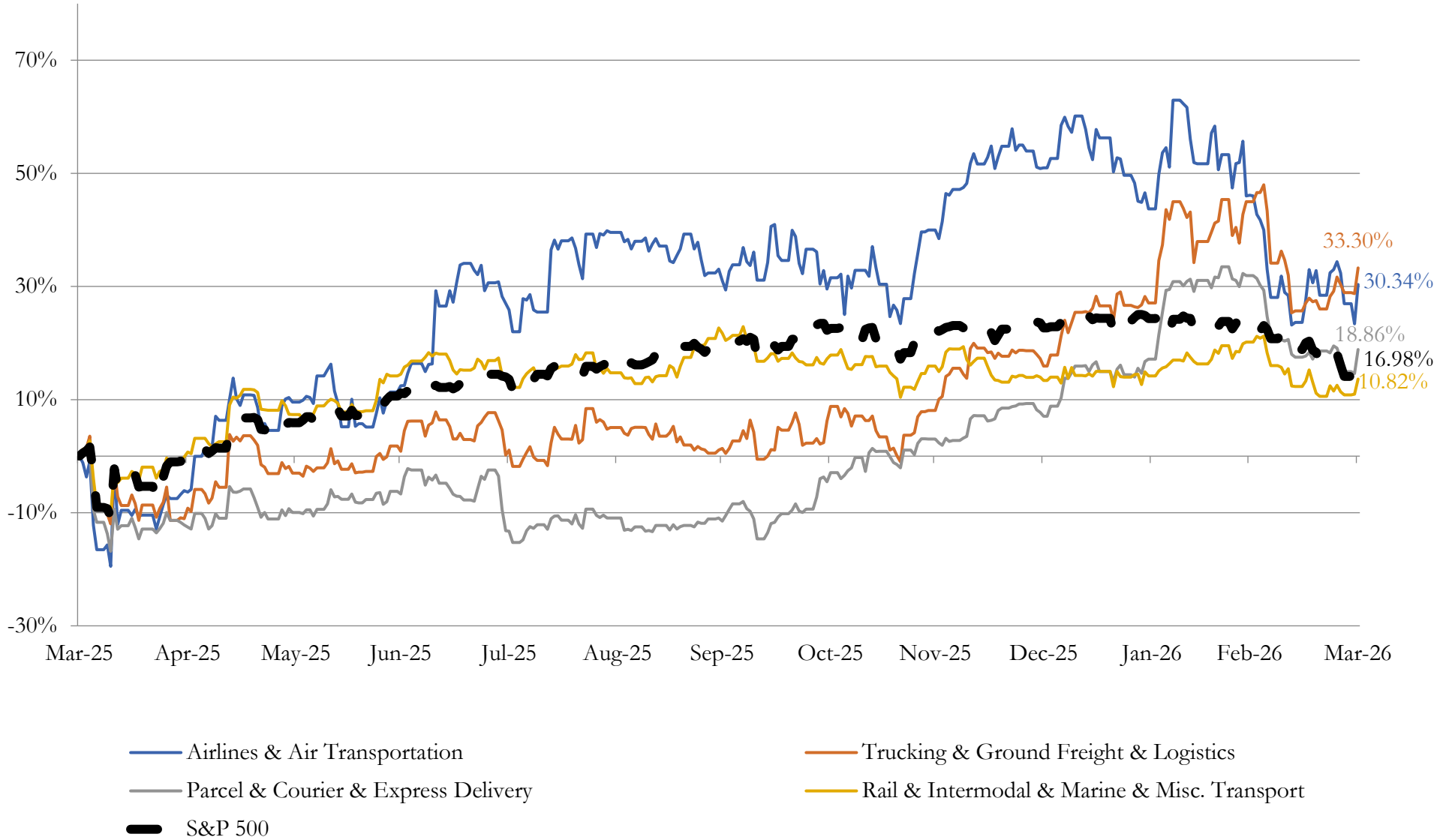
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		TEV	Price at 03/31/26	% of 52 Week High	TEV / LTM Revenue	TEV / LTM EBITDA	LTM Revenue	LTM EBITDA	Revenue Growth	EBITDA Margin
<b>Parcel &amp; Courier &amp; Express Delivery</b>										
FedEx Corporation	FDX	\$127,735	\$356.18	90.7%	1.4x	11.0x	\$91,933	\$11,560	4.7%	12.6%
United Parcel Service, Inc.	UPS	\$114,287	\$98.38	80.4%	1.3x	9.6x	\$88,317	\$11,916	-2.9%	13.5%
Expeditors International of Washington, Inc.	EXPD	\$18,838	\$143.23	85.7%	1.7x	17.0x	\$11,069	\$1,109	4.4%	10.0%
<b>Rail &amp; Intermodal &amp; Marine &amp; Misc. Transport</b>										
Union Pacific Corporation	UNP	\$188,588	\$242.62	90.5%	7.6x	15.0x	\$24,700	\$12,586	1.9%	51.0%
Uber Technologies, Inc.	UBER	\$154,124	\$71.93	70.5%	3.0x	24.4x	\$52,017	\$6,312	18.3%	12.1%
CSX Corporation	CSX	\$102,109	\$41.05	94.7%	7.2x	15.4x	\$14,151	\$6,625	-0.9%	46.8%
Norfolk Southern Corporation	NSC	\$87,243	\$287.00	89.7%	7.2x	15.6x	\$12,185	\$5,587	0.6%	45.9%
Avis Budget Group, Inc.	CAR	\$33,714	\$145.85	68.5%	2.9x	22.1x	\$11,752	\$1,525	0.7%	13.0%
Hertz Global Holdings, Inc.	HTZ	\$20,697	\$4.61	49.1%	2.4x	141.8x	\$8,504	\$146	-6.0%	1.7%
Kirby Corporation	KEX	\$8,952	\$132.88	96.3%	2.6x	11.5x	\$3,422	\$777	5.5%	22.7%
Matson, Inc.	MATX	\$5,864	\$163.94	92.4%	1.8x	9.1x	\$3,345	\$644	-2.3%	19.3%
FTAI Infrastructure Inc.	FIP	\$5,395	\$4.94	62.3%	10.7x	32.5x	\$503	\$166	51.6%	33.0%
Lyft, Inc.	LYFT	\$4,989	\$13.30	52.1%	0.8x	-150.1x	\$6,316	-\$33	9.2%	-0.5%
Genco Shipping & Trading Limited	GNK	\$1,203	\$22.55	90.9%	3.5x	19.8x	\$342	\$61	-19.1%	17.8%

Source: Capital IQ

# 2

## Public Market Performance

*Sub-Industry Performance vs. S&P 500*



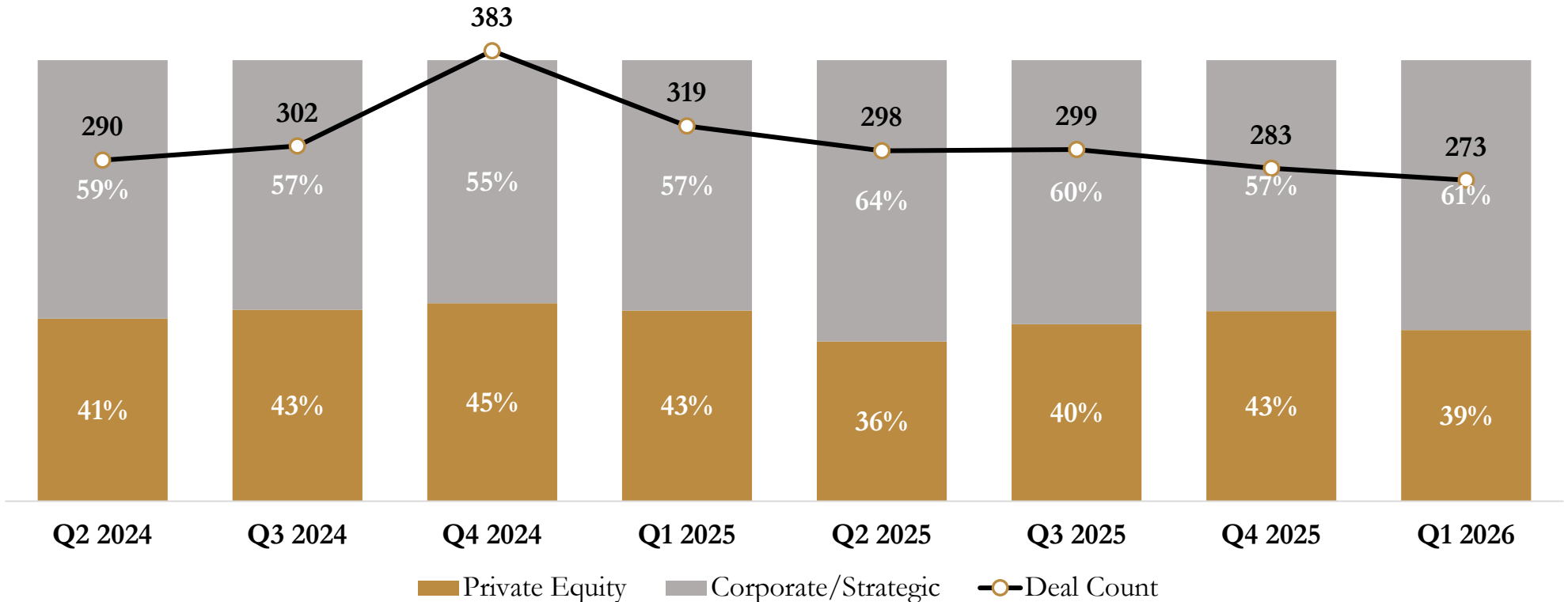
Source: Capital IQ

# 3

## M&A Trends

### Quarterly M&A Volume (Strategic vs. Private Equity)

Over the past two years, strategic acquirers have accounted for approximately 59% of M&A activity in the Transportation and Logistics sector. After a strong Q4 2024, when industry transaction volume peaked at 383 deals, activity has steadily declined through early 2026. The slowdown reflects sector-specific pressures, including softer freight demand, ongoing supply chain inefficiencies, and higher operating costs related to labor, fuel, and infrastructure. Shifts in trade flows and continued efforts to restructure logistics networks have also led many operators to focus on internal initiatives rather than acquisitions. Private equity represented 39% of Q1 2026 transactions, while total deal volume declined to 273, the lowest quarterly level in the dataset.



Source: PitchBook

Note: Transaction data reflects completed U.S. transactions involving Strategic M&A, PE-backed Companies, and Buyout/LBO platform transactions

## 3

## M&amp;A Trends

## Recent M&amp;A Transactions

(USD in millions)

Close Date	Target	Acquirer	Implied TEV
Apr-25	Air Transport Services Group, Inc.	Stonepeak Partners LP	\$3,104
Aug-25	The Wheeling Corporation	Percy Acquisition LLC	\$1,050
Jul-25	National Express LLC	I Squared Capital Advisors, LLC	\$608
Aug-25	G2 Secure Staff, L.L.C.	Menzies Aviation plc	\$315
Jan-26	Firstfleet, Inc.	Werner Enterprises, Inc.	\$245
Jan-26	Air Wisconsin Airlines LLC	CSI Aviation, Inc.	\$110
Oct-25	Janel Group, Inc.	Rubicon Technology, Inc.	\$46
Mar-26	Fly Flyte, Inc.	Catheter Precision, Inc.	\$14
Jul-25	Envoy Aerospace, LLC	Astronics Corporation	\$8
Jun-25	Bahama Boat Works, LLC	Twin Vee Powercats Co.	\$3
Apr-25	Buckshot Trucking LLC	N/A	\$3
Mar-26	LandJet LLC	DATTCO, Inc.	NA
Mar-26	Pratt Van Lines, LLC	Zen Movers LLC	NA
Mar-26	ITS Logistics, LLC	Echo Global Logistics, Inc.	NA
Mar-26	J&M Transfer, Inc.	Wind River Environmental, LLC	NA
Mar-26	Elite Cargo Systems, Inc.	Allstates WorldCargo, Inc.	NA
Mar-26	Metrix Logistics Group, LLC	RBW Logistics, LLC	NA
Mar-26	Logistics Park Dubuque, Inc.	Logistec Corporation	NA
Mar-26	Stridas LLC	Redwood Logistics, LLC	NA
Mar-26	Triple J Parking Inc	Green Courte Partners, LLC	NA
Mar-26	Barton Endeavors, LLC	FreightWaves, Inc	NA
Mar-26	Jets MRO, LLC	FlyHouse Technology, LLC	NA
Mar-26	Sierra Northern Railway, LLC	Ridgewood Infrastructure, LLC	NA
Mar-26	Eduardo E. Lozano & Co., Inc.	Redwood Logistics, LLC	NA
Mar-26	Trans West Logistics, LLC	Jacko Logistics LLC	NA
Feb-26	Freight Exchange Of North America, LLC	PX Holdings Inc	NA
Feb-26	Pulse Final Mile, Llc	Diverse Logistics, Inc.	NA

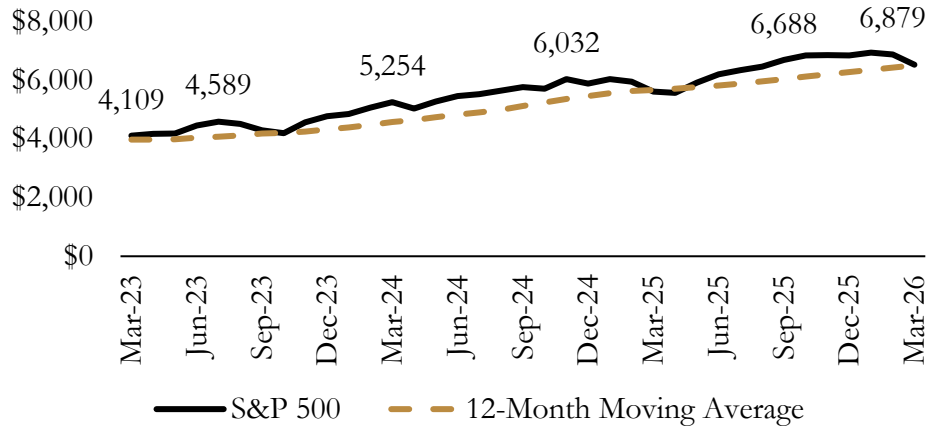
Source: Capital IQ

# 4

## Macroeconomic Environment

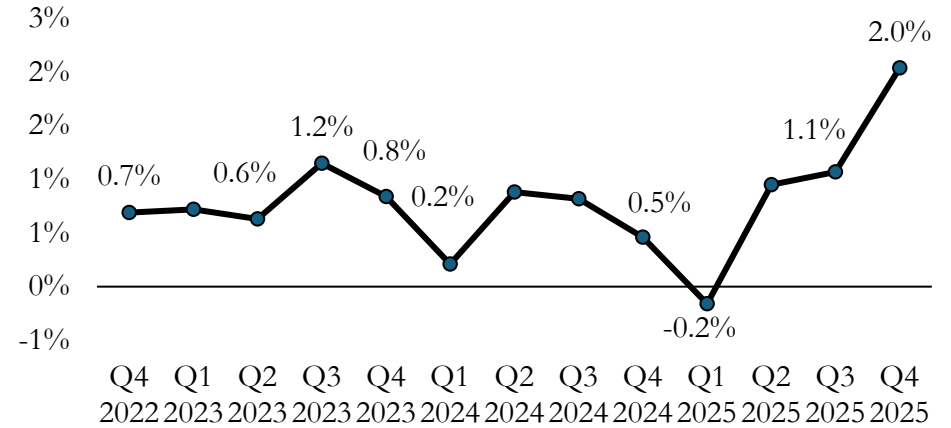
### Macroeconomic Indicators

#### S&P 500



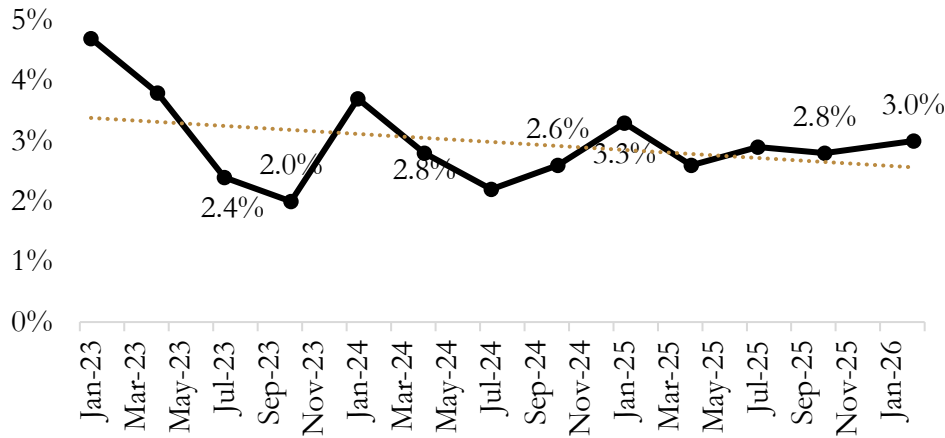
A leading equity index tracking the performance of 500 large U.S. companies.

#### Real GDP Growth



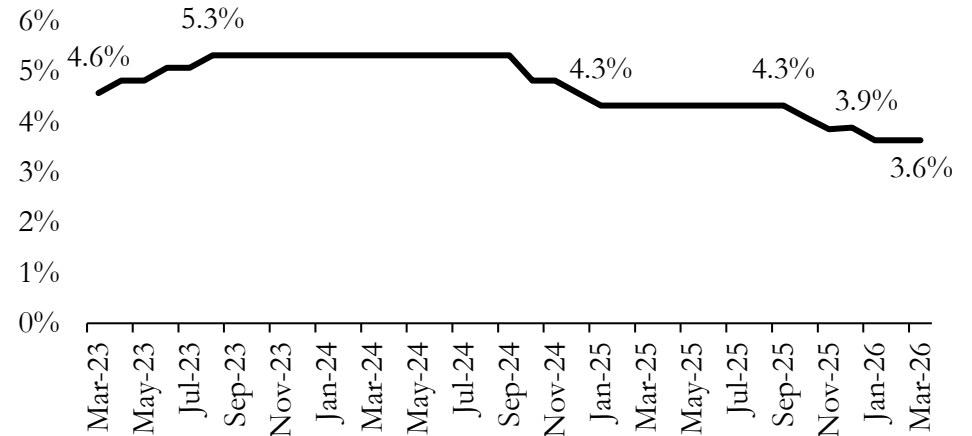
Tracks inflation-adjusted economic output, typically reported quarterly.

#### Core PCE



A key inflation gauge that tracks consumer spending, excluding volatile food and energy prices.

#### Federal Funds Rate



The Fed's benchmark interest rate that influences borrowing costs throughout the economy.

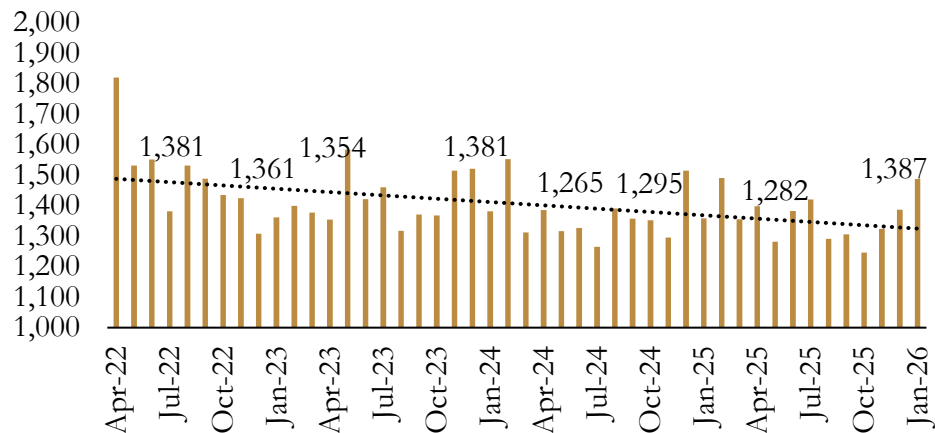
Source: Capital IQ, St. Louis Fed – FRED Economic Data, Institute for Supply Management

# 4

## Macroeconomic Environment

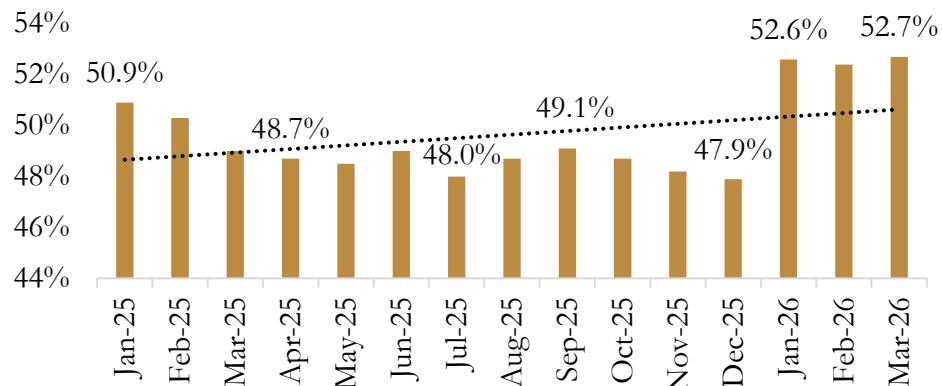
### Macroeconomic Indicators (Cont.)

#### New Privately-Owned Housing Units Started<sup>1</sup>



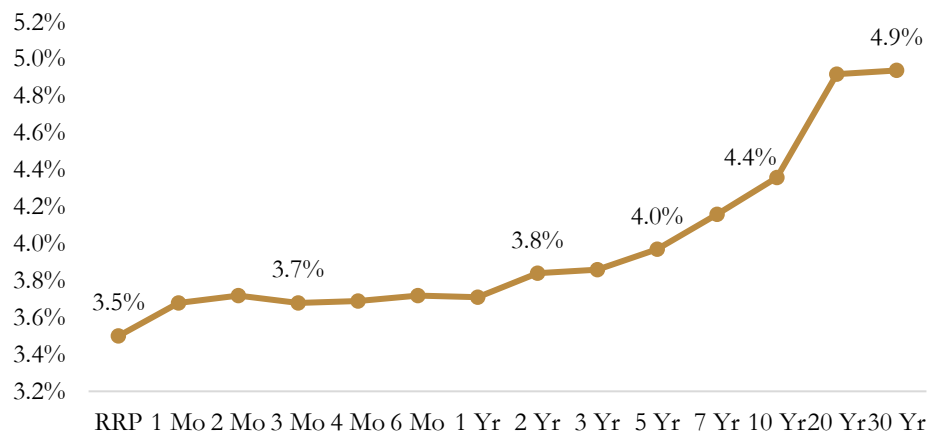
Measures the number of new residential construction projects begun each month.

#### Manufacturing PMI *Purchasing Manager's Index*



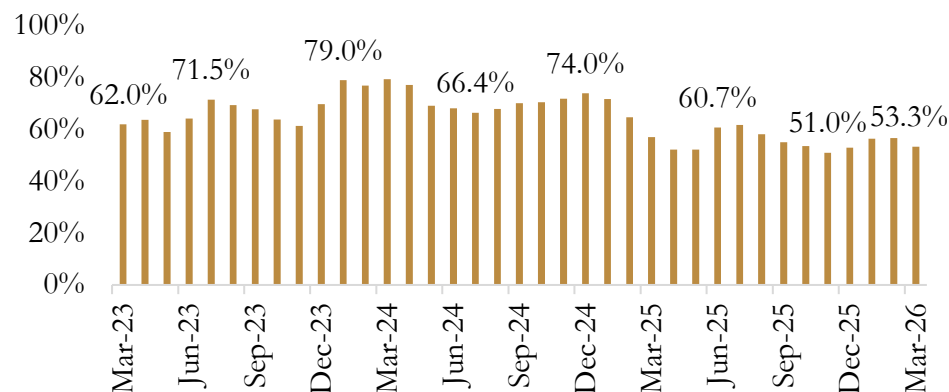
A monthly survey signaling manufacturing sector activity; readings above 50 indicate expansion.

#### Treasury Par Yield Curve Rates



Displays yields across Treasury maturities, reflecting market expectations for future interest rates.

#### Consumer Sentiment *From the University of Michigan*



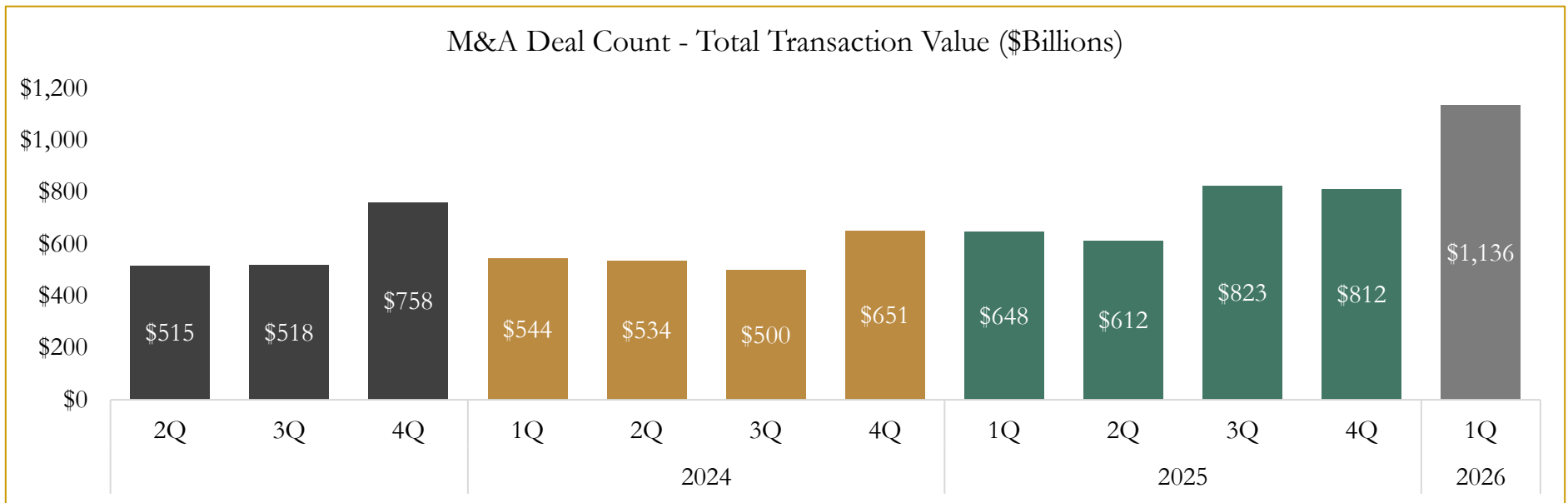
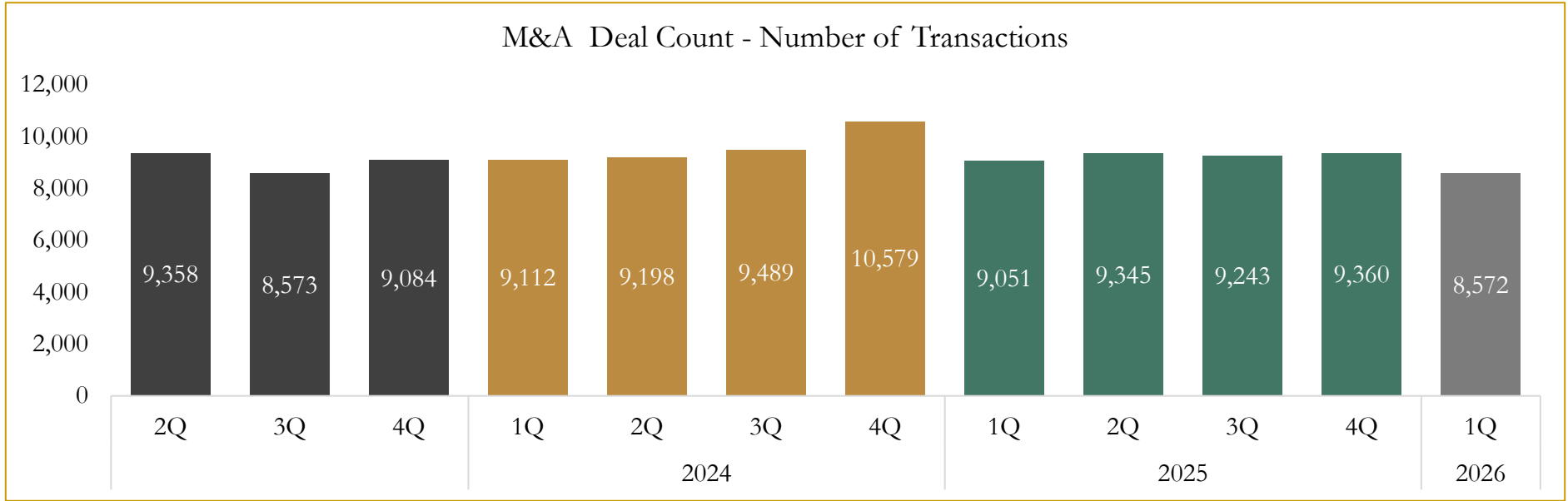
Measures consumer confidence in the economy based on monthly survey data.

Source: St. Louis Fed – FRED Economic Data, Institute for Supply Management <sup>1</sup>Figures in Thousands

# 4

## Macroeconomic Environment

Total M&A Volume (Past Three (3) Years)



Source: Capital IQ; Data derived from M&A activity over the past three years. Q1 2026 consisted of 22 megadeals valued at over \$10 billion each

## Company Overview

- Founded in 1996, Houlihan Capital is an employee-owned valuation and investment banking firm
- As a member of FINRA and SIPC, our team of 40+ professionals are committed to the highest levels of quality and professionalism

## Divisions & Core Offerings

- **Valuation & Financial Advisory** – Portfolio Valuations and Transaction Advisory (i.e., Fairness Opinions) for Funds, with an industry specialization in cryptocurrency
- **Investment Banking** – M&A Advisory for Founders and Family-Owned businesses in the lower middle market

## Houlihan Capital Locations



Chicago, IL

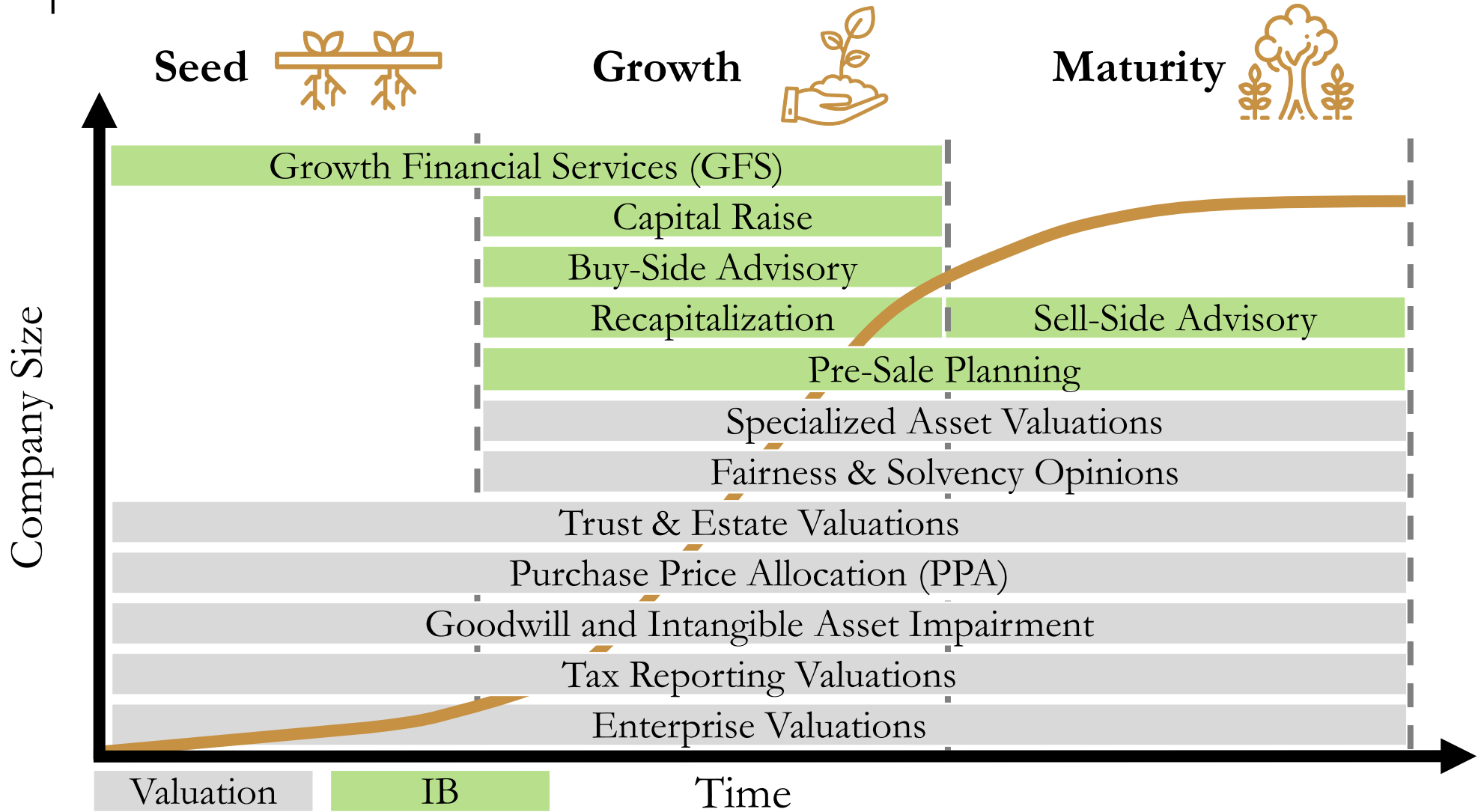


Cleveland, OH

# 5

## Houlihan Capital

*Houlihan's services along the business lifecycle*



For questions or inquiries regarding our services, please contact:

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