



BUSINESS SERVICES REPORT

Explore M&A Activity, Capital Market
Conditions and Current Trends for the
Business Services Industry

2H 2023

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BUSINESS SERVICES 2H23: WHAT TO KNOW

- ❑ Consumer spending has performed like a champ in recent years, fending off a recession with home improvement projects, trips, and experiences. But savings are tapped, and debt is high. If consumers are tapped out, we're looking for more dependable customers in government and institutions.
- ❑ When consumers can't afford those fun, discretionary spends, they still need some things, like food and shelter. We're watching a move to providers of staples, such as store brand foods. When consumer behavior changes for any reason, including lower prices, opportunities arise.
- ❑ Climate resiliency, too, looks interesting. Governments continue to spend on efforts to prevent flooding, wildfires, and power failures, while insurance companies shell out cash to the businesses that clean up after climate-fueled disasters.

Following the Money and the Deep Pockets That Spend It

Deals in the Business Services industry, like most others, lagged in 2H23. Private equity firms largely sat on their "dry powder." But as we peer into the sector, there do appear to be rational reasons, and reasons for optimism in the coming months. Interest rates, uncertainty, and consumer behavior appear to be top of mind.^{1,2}

In the U.S., consumer debt climbed through 2H23, rocketing nearly \$24 billion in November alone to cross the \$17 trillion mark, with more than a trillion dollars of that in expensive credit card debt. Credit cards were averaging about 21% interest rates while store brand cards (think Home Depot) approached the 30% mark. Consumers have been stressed by rising inflation, the highest we've seen in years, and even as the rate cools, that doesn't mean prices come back down. Workplace year-end bonuses were down 20% in 2023, and it's been three years since the government wrapped up its pandemic-era stimulus, shelling out \$814 billion to American families. And for many, student debt interest came off its COVID break in September with payments resuming in October. More debt, higher interest rates, higher prices, and no more government handouts. That's a lot to handle for the American consumer.^{3,4,5,6,7,8,9}

So, why start with that? Because, as investors look to deploy the capital that sat on the sidelines in 2023 and their concerns mount relative to investing in consumer-oriented businesses, many are pivoting further toward Business Services where spending is likely to be significantly stronger, especially in sub-sectors that are funded by governments, institutions, and insurance companies. Americans deployed a lot of pent-up savings after the pandemic, whether that was on travel or Taylor Swift tickets (at \$1,600 a pop on the resale market), and that spending has fueled the economy. But that well may be running dry as savings declined in 2023.^{10,11}

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ABOUT SDR

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All of that to say, there may be less demand for companies that get paid from the consumer side. At this point, institutional customers are looking more dependable. That is likely to translate to M&A activity in Business Services that focus on education and training providers, aerospace and defense, healthcare related products and services, and insurance-funded home repair and disaster recover, and, if the consumer is getting a bit more cost-conscious, services that support suppliers of consumer staples.¹²

For much of 2023, the big spenders, private equity, appeared to sit it out. The early chatter about a recession and ever-rising interest rates put a chill on activity. PE core buyout deals were down some 40%. But if that cooled the market in 2023, it may fuel an opportunity in 2024. Interest rate hikes appear to be over, and investors in those PE firms are getting antsy. Money doesn't make money sitting still and investors want to see that cash put to work. To start 2024, PE globally was sitting on a record stockpile of nearly \$2.6 trillion in reserves while holding a massive backlog of previous ventures they're eager to exit. That's how PE investors make a profit, it's a cycle: invest, buy, sell, profit.^{2,13,14}

What's Hot, What's Not

While consumers may be unable to maintain spending levels, it makes sense for investors to examine institutional and government buyers.¹⁵

There are other factors weighing on some areas in the Business Services sector. For example, if office space occupancy hit its highest vacancy rate in 40 years (it did) at 20%, getting involved in business that service those buildings – anything from janitorial to HVAC to window washing – may involve risk. Will workers ever return to the office? Office rents remained flat, and construction of new space was down. In-store retail is another area at risk. Consumer spending survived 2023, but there are signs of a wakeup call for in-store retail, even if online sales remain strong. Consumers are becoming more price sensitive, and in 2023 we saw about 20 high profile retail bankruptcies, including Bed Bath & Beyond, Rite Aid, and Party City. Already, retailers including Macy's, J.C. Penney, and Nordstrom are seeing rising store credit delinquency. As one analyst noted, "I worry about how consumers are paying for all this stuff." If retailers can't depend on consumers, can business services depend on serving retailers?^{16,17,18}

So where are investors, including PE, to turn? Think steady, dependable payers. During the Vietnam war, a group coined the phrase "War Is Unhealthy for Children and Other Living Things." That may be true, but it can be good for investors in the aerospace and defense space. Orders for the biggest defense industry companies are up 10% in the past couple of years amid growing global conflicts and tensions. Wars in Ukraine, the Middle East, and tensions between Taiwan and China and between Japan and North Korea are feeding the industry. Japan in December approved a 16% increase in its defense budget. So, it would appear any business that serves the defense industry can plan on a steady paycheck.^{19,20,21}

In the education field, there have been questions about the cost and value of a traditional four-year degree. That may open a door for businesses that provide alternatives, such as training in the trades as corporate leaders question the need for a college degree for many jobs. And then there's cost. Traditional colleges seem to have an insatiable appetite for tuition and fees, rising yearly. In a connected world, is the old ivy-walled campus still dominant, or is the space ripe for innovation?^{22,23,24}

People still have to eat, but if Ben and Jerry's starts to look too expensive, perhaps the store brand will do. Private label core food product makers stand to benefit as about half of consumers surveyed in 2023 said they made the switch from brand names to private label, store brand, items. And they may not go back to fancy brands when pricing pressures ease. Many say they like the store brands. Private label sales in the U.S. were expected to hit \$233 billion in 2023. How many consumers think of the brand TreeHouse Foods? With 27 facilities across the U.S. TreeHouse has become the largest private label supplier in the country, delivering an array of creamers, snacks, coffee, even pickles and cheese sauces to retailers including Walmart, Kroeger, Amazon, and Target. If consumers have to eat, and need to save money, the private label market stands to benefit. Businesses that provide the services these producers need, from janitorial to tech to maintenance, stand to get paid.^{25,26,27,28,29}



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Like A Good Neighbor, Insurance Companies Pay Up

Sometimes, spending isn't an option. Like when a disaster strikes. Sectors that get paid by insurance – home and auto repair – can generally count on a stream of business and a dependable customer. Whether it was frozen pipes in Georgia, wildfire in Hawaii, or an earthquake in Turkey, insurers globally paid out \$100 billion in insured losses in 2023. Key word: paid. Meanwhile, floods, hailstorms, blizzards, hurricanes, and other disasters – not to mention bad drivers – resulted in billions of auto insurance claims. In health insurance, bills totaled \$4.7 billion in the U.S., with only about 10 percent coming out of consumer pockets, the rest were paid out of the dependable wallets of Uncle Sam or private or employer-funded insurance. It makes sense to look at businesses that are paid by those solid providers: hospital cleaning crews, laundry services, roofing contractors, car repair companies.^{30,31,32,33,34}

In 2H23, the Biden Administration announced plans to spend \$3 billion on climate resiliency projects, including flood mitigation, tree planting, electrical grid hardening, and wildfire abatement projects. Someone has to do that work, and with the full faith and credit of the United States behind those orders, we believe those dollars will flow no matter what the economy does.^{35,36}

Building Something Together: Mergers & Acquisitions

- ❑ In August, engineering, planning, and consulting firm Michael Baker International acquired comprehensive emergency and disaster management and consulting firm Tidal Basin Group in a deal both firms said would allow the joint venture to deliver services to their clients: governments and communities. The two companies have worked together previously in wildfire mitigation in California as well as on infrastructure planning in New York and Colorado, areas hit hard in recent years by natural disasters including flooding and fire. The companies say they are seeking more crisis support and resiliency development business from the federal government.^{37,38}
- ❑ Bain Capital Private Equity in November announced a \$5.3 billion acquisition of Guidehouse, a firm that offers several sustainability services to help utilities and others manage and reduce their carbon footprint. Guidehouse's services include strategies to reduce carbon and greenhouse gas emissions, manage climate risk including resiliency strategies, disaster recovery, infrastructure hardening, recovery planning, and the transition to electric vehicles. Bain executives said the industry is being driven by strong, long-term tailwinds in both public and commercial sectors.³⁹
- ❑ The publicly funded University of Idaho announced in November it had cleared a major regulatory hurdle in its announced bid to buy the for-profit University of Phoenix for \$685 million, although the deal still faces challenges heading into 2024. The Idaho system says the deal would be funded by bonds through a new nonprofit arm, Four Three Education, and would convert the for-profit to nonprofit status. Phoenix' accreditors signed off on the deal in November, a critical step. But Idaho still needs approval from its own accreditors, and the state's attorney general is accusing the University of Idaho of breaking the law when it met in closed meetings to discuss the purchase. If the deal is not completed by the end of May, either party may walk away under the terms of the agreement. Earlier in 2H23, the Federal Trade Commission approved loan forgiveness for students deceived by the school's job placement claims. In 2021, the FTC sent nearly \$50 million back to 147,000 Phoenix students affected by allegedly deceptive advertising.^{40,41,42}

Seeking Long-Term Stability. A Look Ahead

Looking into 2024, there are a few themes to watch. For starters, everyone is wondering what the Fed will do with U.S. interest rates. That's not a secret and it's an obvious question. We will see what lenders and borrowers do if rates ease. And we've all seen stories about the transformative power of AI, but we're waiting to see real-world applications that change the Business Services sector. Perhaps that's around the corner, and worth watching. The term "resiliency" is getting a lot of traction, whether that's protection from cyber attacks, flooding, or wildfires. Consumer spending remains a question, although the "recession that wasn't" in 2023 had to be the most predicted recession in history that didn't happen. But no matter how committed they've been to spending, there are signs consumers are running low on cash. For Business Services tied to discretionary spending, that could be a troubling indication. And in hands-on business



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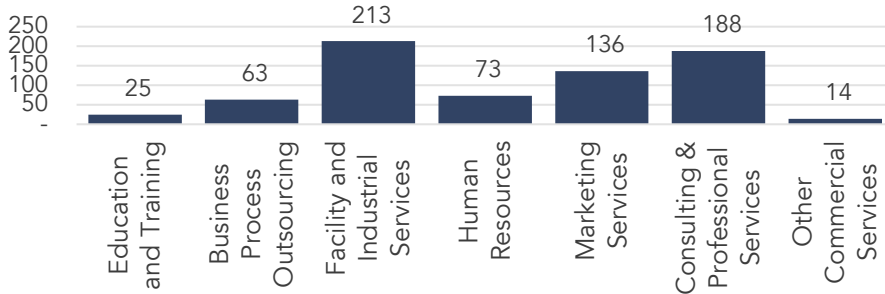
services – the projects that can't be replaced by tech, such as traditional trades – a shortage of labor, especially highly skilled, and rising wages may be a drag. As always, there is the potential for surprises, the geopolitical situation is tense and there's a presidential election on the horizon, both could deliver shocks. We're keeping an eye on \$1.5 billion in debt on commercial and (largely empty) office real estate coming due in 2025. And after a 2023 court ruling, we may be seeing a shakeup in the residential real estate marketing sector.^{43,44,45,46}

Perhaps one of the biggest reasons to look for an uptick in M&A activity is the stockpile of dry powder in those PE vaults. Investors are tired of waiting for it to be deployed, and deals are ready to get done. We are optimistic that deal volume will accelerate while investors seek services that rely on dependable, insulated revenue sources.^{2,44}

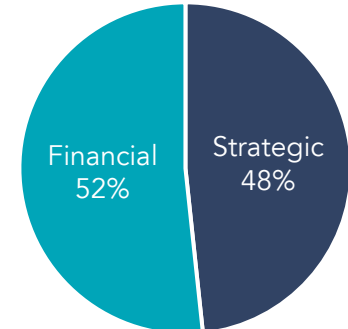


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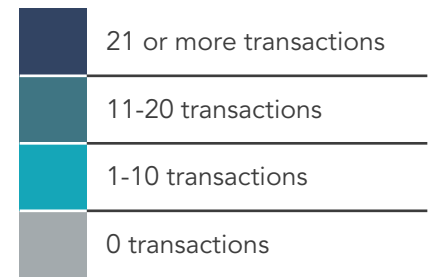
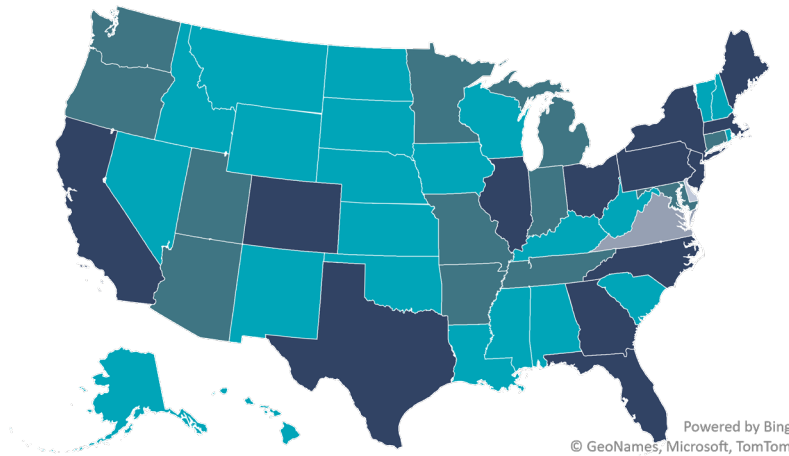
TRANSACTIONS BY SEGMENT



TRANSACTIONS BY TYPE



TRANSACTIONS BY LOCATION



TRANSACTION ACTIVITY

Date	Target	Buyer(s)	Segment	Amount (\$ in Mil)	TEV/ Rev	TEV/ EBITDA
12/14/23	Guidehouse	Bain Capital	Consulting & Professional Services	5,300.00	1.8x	-
11/30/23	Medical Search International	AMN Healthcare Services	Human Resources	300.00	1.9x	-
10/30/23	Flywheel Digital	Omnicom Group	Marketing Services	835.00	2.3x	35.0x
10/23/23	PFSweb	GXO Logistics	Business Process Outsourcing	141.98	0.5x	-
10/5/23	SP+	Metropolis	Facility and Industrial Services	1,461.50	0.8x	12.8x
10/2/23	Everon	GTCR	Facility and Industrial Services	1,612.50	-	11.0x
9/27/23	Creative Artists Agency	Groupe Artemis	Marketing Services	7,000.00	-	-
8/31/23	Focus Financial Partners	Clayton, Dubilier & Rice, Stone Point Capital	Consulting & Professional Services	6,862.96	3.1x	15.0x
7/3/23	Team D3	Addnode Group	Education and Training	59.00	0.5x	-

If You Are a Business Owner Looking for Additional Transaction Activity Within Your Industry, Please Call Our Offices at 720.221.9220.

Source: PitchBook Financial Data and Analytics

Note: This data represents recorded transactions only, and is not all-inclusive. Nevertheless, they are typically representative of the industry.



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ACTIVE BUYERS

MOST ACTIVE STRATEGIC BUYERS

FIRM	RECENT SUBSIDIARY ACQUISITIONS			
 AEGION Stronger. Safer. Infrastructure.				
				
				

SELECT SPONSORS WITH ACTIVE PORTFOLIO HOLDINGS

FIRM	RECENT SUBSIDIARY ACQUISITIONS			
				
				
				

Source: PitchBook Financial Data and Analytics

Note: This data represents recorded transactions only, and is not all-inclusive. Nevertheless, they are typically representative of the industry.

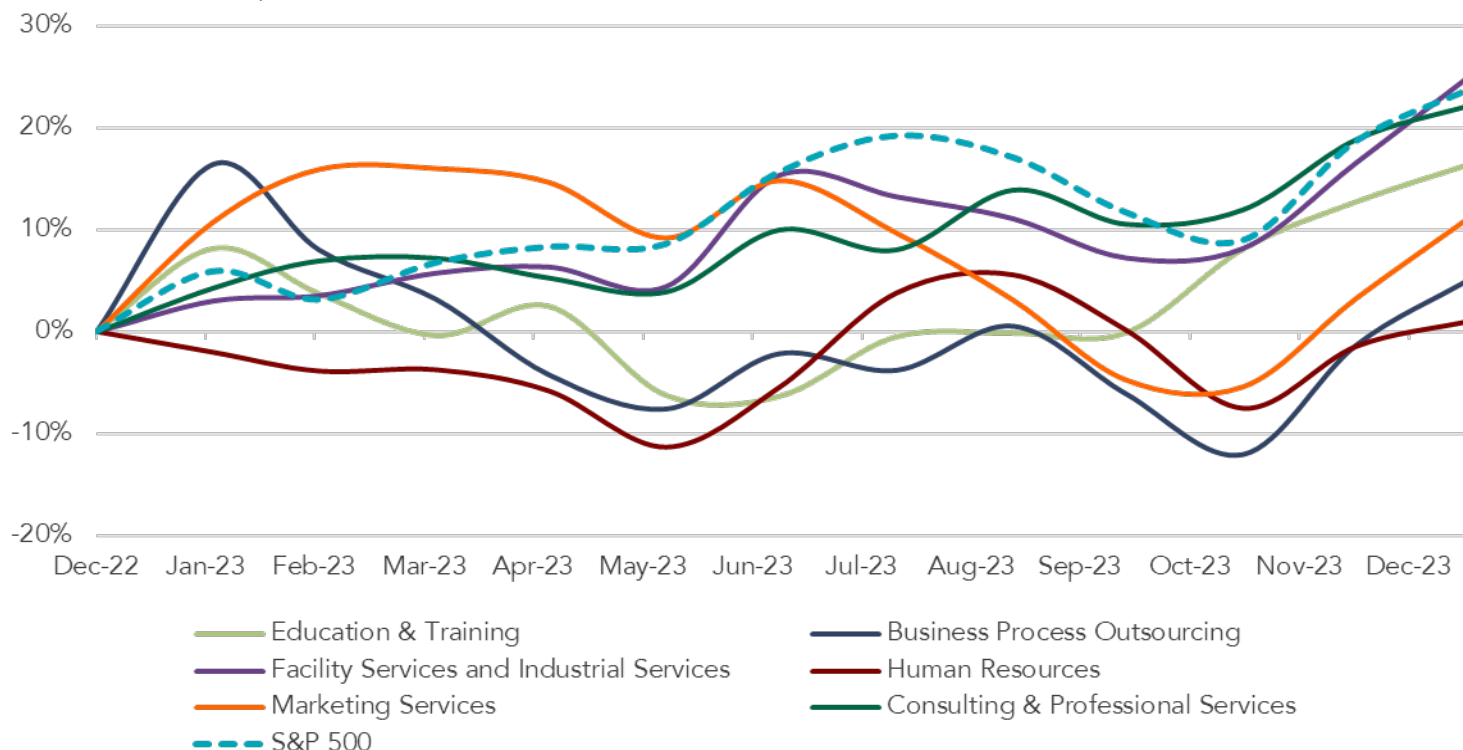


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PUBLIC BASKET

BUSINESS SERVICES SEGMENTS VS. S&P 500

Segment Market Cap Performance – Trailing 12 Months



EDUCATION AND TRAINING

Company Name	Symbol	Market Stats					Operating Stats		LTM Multiples			NTM Multiples	
		Market Cap (\$ in Mil)	Price (\$)	LTM Change	YTD Change	% of 52 Week High	Est. Revenue Growth	EBITDA Margin	TEV/ Rev	TEV/ EBITDA	Price/ EPS	TEV/ NTM Revenue	TEV/ NTM EBITDA
Pearson	PSON	\$ 8,574	\$ 12.28	15.8%	8.4%	99.1%	(0.7%)	25.6%	2.1x	8.1x	24.8x	2.1x	9.0x
Graham Holdings	GHC	3,165	696.52	19.5%	15.3%	99.2%	12.7%	17.0%	0.8x	4.9x	20.8x	0.7x	NM
Stride	LRN	2,573	59.37	31.8%	89.8%	94.9%	9.4%	17.4%	1.5x	8.7x	16.4x	1.4x	7.4x
Strategic Education	STRA	2,255	92.37	22.8%	17.9%	94.0%	7.6%	12.7%	2.1x	16.1x	45.3x	1.9x	10.4x
Perdoceo Education	PRDO	1,153	17.56	2.7%	26.3%	89.5%	(10.8%)	26.6%	0.8x	3.0x	8.2x	0.9x	3.6x
Segment Average				18.5%	31.6%	95.3%	3.6%	19.8%	1.5x	8.2x	23.1x	1.4x	7.6x
Segment Median				19.5%	17.9%	94.9%	7.6%	17.4%	1.5x	8.1x	20.8x	1.4x	8.2x

BUSINESS PROCESS OUTSOURCING

Company Name	Symbol	Market Stats					Operating Stats		LTM Multiples			NTM Multiples	
		Market Cap (\$ in Mil)	Price (\$)	LTM Change	YTD Change	% of 52 Week High	Est. Revenue Growth	EBITDA Margin	TEV/ Rev	TEV/ EBITDA	Price/ EPS	TEV/ NTM Revenue	TEV/ NTM EBITDA
Cognizant Technology Solutions	CTSH	\$ 37,872	\$ 75.53	11.5%	32.1%	98.3%	(0.1%)	16.6%	1.9x	11.4x	18.4x	1.9x	10.5x
Teleperformance	TEP	8,871	146.13	15.9%	(38.4%)	48.2%	34.2%	19.8%	1.4x	6.9x	12.9x	1.0x	4.8x
TTEC Holdings	TTEC	1,028	21.67	(17.4%)	(50.9%)	40.0%	(1.6%)	10.2%	0.8x	7.8x	25.2x	0.8x	7.3x
Unisys	UIS	384	5.62	62.9%	10.0%	92.7%	(0.6%)	(2.8%)	0.3x	NM	NM	0.3x	2.1x
Segment Average				18.2%	(11.8%)	69.8%	8.0%	11.0%	1.1x	8.7x	18.9x	1.0x	6.2x
Segment Median				13.7%	(14.2%)	70.5%	(0.4%)	13.4%	1.1x	7.8x	18.4x	0.9x	6.1x

Source: PitchBook Financial Data and Analytics



BUSINESS SERVICES REPORT

PUBLIC BASKET (CONTINUED)

FACILITY AND INDUSTRIAL SERVICES

Company Name	Symbol	Market Stats					Operating Stats		LTM Multiples			NTM Multiples	
		Market Cap (\$ in Mil)	Price (\$)	LTM Change	YTD Change	% of 52 Week High	Est. Revenue Growth	EBITDA Margin	TEV/ Rev	TEV/ EBITDA	Price/ EPS	TEV/ NTM Revenue	TEV/ NTM EBITDA
Waste Management	WM	\$ 72,137	\$ 179.10	17.5%	14.2%	99.6%	7.5%	27.8%	4.3x	15.6x	31.7x	4.0x	13.8x
Cintas	CTAS	61,383	602.66	25.3%	33.4%	99.2%	10.1%	25.3%	7.0x	27.4x	43.7x	6.5x	24.9x
Republic Services	RSG	51,887	164.91	15.7%	27.8%	98.6%	7.8%	26.7%	4.4x	16.3x	32.0x	4.0x	13.6x
W.W. Grainger	GWV	41,131	828.69	19.8%	49.0%	98.5%	7.2%	17.2%	2.7x	15.6x	23.1x	2.5x	14.8x
United Rentals	URI	38,867	573.42	29.0%	61.3%	97.9%	7.5%	46.6%	3.7x	8.0x	16.7x	3.4x	7.3x
Waste Connections	WCN	38,458	149.27	11.1%	12.6%	99.6%	11.1%	29.6%	5.8x	19.6x	46.5x	5.2x	16.0x
Iron Mountain (Systems and Information Mar	IRM	20,433	69.98	17.7%	40.4%	99.0%	13.2%	31.3%	6.5x	20.7x	74.4x	5.7x	15.9x
Clean Harbors	CLH	9,439	174.51	4.3%	52.9%	97.2%	6.1%	17.6%	2.2x	12.2x	26.2x	2.0x	10.4x
Aramark	ARMK	7,370	28.10	12.2%	(5.8%)	85.1%	(6.2%)	9.6%	0.7x	7.8x	10.9x	0.8x	10.9x
Casella Waste Systems	CWST	4,955	85.46	12.0%	7.8%	89.2%	27.7%	19.2%	5.0x	26.0x	NM	3.9x	16.2x
Stericycle	SRCL	4,585	49.56	10.8%	(0.7%)	88.3%	1.8%	11.9%	2.4x	19.9x	NM	2.3x	13.7x
Unifirst	UNF	3,424	182.91	12.2%	(5.2%)	89.0%	9.6%	11.3%	1.5x	13.4x	33.1x	1.4x	NM
ABM Industries	ABM	2,818	44.83	12.0%	0.9%	84.5%	0.6%	6.6%	0.5x	7.8x	11.8x	0.5x	8.5x
H&E Equipment Services	HEES	1,907	52.32	21.1%	15.2%	92.7%	9.7%	46.1%	2.4x	5.2x	11.4x	2.2x	4.8x
Segment Average				15.8%	21.7%	94.2%	8.1%	23.3%	3.5x	15.4x	30.1x	3.2x	13.1x
Segment Median				14.0%	14.7%	97.6%	7.7%	22.3%	3.2x	15.6x	29.0x	3.0x	13.7x

HUMAN RESOURCES

Company Name	Symbol	Market Stats					Operating Stats		LTM Multiples			NTM Multiples	
		Market Cap (\$ in Mil)	Price (\$)	LTM Change	YTD Change	% of 52 Week High	Est. Revenue Growth	EBITDA Margin	TEV/ Rev	TEV/ EBITDA	Price/ EPS	TEV/ NTM Revenue	TEV/ NTM EBITDA
Automatic Data Processing	ADP	\$ 95,822	\$ 232.97	(3.2%)	(2.5%)	90.7%	12.9%	24.8%	5.6x	22.6x	27.7x	5.0x	16.6x
Robert Half International	RHI	9,310	87.92	20.0%	19.1%	97.9%	(7.7%)	10.4%	1.3x	12.7x	19.9x	1.4x	16.7x
TriNet Group	TNET	6,007	118.93	2.1%	75.4%	96.2%	(72.6%)	11.4%	1.4x	12.9x	19.8x	5.1x	12.9x
ASGN	ASGN	4,539	96.17	17.7%	18.0%	98.3%	(4.1%)	10.4%	1.2x	11.6x	21.2x	1.3x	11.3x
Inspireity	NSP	4,370	117.22	20.1%	3.2%	89.4%	7.2%	4.5%	0.6x	14.2x	23.8x	0.6x	15.8x
ManpowerGroup	MAN	3,879	79.47	8.4%	(4.5%)	86.0%	(4.5%)	2.5%	0.2x	9.6x	18.1x	0.3x	9.0x
Korn Ferry	KFY	3,118	59.35	25.1%	17.2%	98.6%	(2.6%)	8.8%	1.1x	12.0x	30.1x	1.1x	7.6x
Upwork Global	UPWK	2,024	14.87	30.9%	42.4%	93.2%	16.8%	4.7%	2.8x	58.2x	NM	2.4x	17.1x
Kforce	KFRC	1,335	67.56	13.2%	23.2%	94.9%	(7.9%)	4.9%	0.9x	17.6x	25.2x	0.9x	14.4x
Kelly Services	KELYA	763	21.62	18.9%	27.9%	97.8%	(17.3%)	1.5%	0.1x	9.8x	33.3x	0.2x	5.4x
Heidrick & Struggles International	HSII	594	29.53	18.0%	5.6%	84.0%	3.5%	8.9%	0.3x	3.7x	11.0x	0.3x	2.9x
TrueBlue	TBI	478	15.34	4.6%	(21.7%)	73.6%	(9.3%)	0.9%	0.3x	27.8x	NM	0.3x	18.5x
Segment Average				14.7%	17.0%	91.7%	(7.1%)	7.8%	1.3x	17.7x	23.0x	1.6x	12.4x
Segment Median				17.9%	17.6%	94.1%	(4.3%)	6.9%	1.0x	12.8x	22.5x	1.0x	13.7x

MARKETING SERVICES

Company Name	Symbol	Market Stats					Operating Stats		LTM Multiples			NTM Multiples	
		Market Cap (\$ in Mil)	Price (\$)	LTM Change	YTD Change	% of 52 Week High	Est. Revenue Growth	EBITDA Margin	TEV/ Rev	TEV/ EBITDA	Price/ EPS	TEV/ NTM Revenue	TEV/ NTM EBITDA
Publicis Groupe	PUB	\$ 23,285	\$ 92.95	22.6%	46.8%	98.8%	(4.0%)	17.6%	1.7x	9.6x	17.2x	1.8x	8.1x
Omnicom Group	OMC	17,123	86.51	16.2%	6.1%	87.2%	7.7%	15.9%	1.5x	9.4x	12.6x	1.4x	8.4x
The Interpublic Group of Companies	IPG	12,501	32.64	13.9%	(2.0%)	79.7%	(12.3%)	14.4%	1.4x	10.0x	13.7x	1.6x	8.7x
WPP	WPP	10,305	9.59	7.2%	(3.0%)	73.6%	(17.2%)	11.6%	1.0x	8.7x	16.3x	1.2x	7.0x
Outfront Media	OUT	2,304	13.96	38.2%	(15.8%)	64.5%	4.1%	(5.6%)	3.8x	NM	NM	3.6x	16.8x
Segment Average				19.6%	6.4%	80.7%	(4.3%)	10.8%	1.9x	9.4x	15.0x	1.9x	9.8x
Segment Median				16.2%	(2.0%)	79.7%	(4.0%)	14.4%	1.5x	9.5x	15.0x	1.6x	8.4x

Source: PitchBook Financial Data and Analytics



BUSINESS SERVICES REPORT

PUBLIC BASKET (CONTINUED)

CONSULTING AND PROFESSIONAL SERVICES

Company Name	Symbol	Market Stats					Operating Stats		LTM Multiples			NTM Multiples	
		Market Cap (\$ in Mil)	Price (\$)	LTM Change	YTD Change	% of 52 Week High	Est. Revenue Growth	EBITDA Margin	TEV/ Rev	TEV/ EBITDA	Price/ EPS	TEV/ NTM Revenue	TEV/ NTM EBITDA
Houlihan Lokey	HLI	\$ 8,291	\$ 119.91	11.9%	37.6%	97.1%	21.0%	20.6%	4.6x	22.4x	32.0x	3.8x	NM
FTI Consulting	FCN	7,072	199.15	11.6%	25.4%	85.8%	10.4%	11.4%	2.2x	19.4x	29.5x	2.0x	17.0x
Exponent (Consulting Services)	EXPO	4,457	88.04	2.9%	(11.2%)	78.1%	(10.2%)	25.5%	8.0x	31.4x	44.5x	8.9x	29.3x
CBIZ	CBZ	3,120	62.59	20.6%	33.6%	99.2%	5.9%	14.2%	2.4x	16.8x	26.0x	2.3x	15.3x
ICF International	ICFI	2,523	134.09	11.0%	35.4%	92.2%	5.4%	9.2%	1.7x	18.1x	36.6x	1.6x	14.3x
Huron Consulting Group	HURN	1,927	102.80	(1.3%)	41.6%	90.7%	9.2%	11.0%	1.7x	15.5x	26.4x	1.6x	12.1x
Resources Connection	RGP	477	14.17	(5.0%)	(22.9%)	75.6%	(11.0%)	8.3%	0.5x	6.2x	12.2x	0.6x	7.5x
Segment Average				7.4%	19.9%	88.4%	4.4%	14.3%	3.0x	18.6x	29.6x	3.0x	15.9x
Segment Median				11.0%	33.6%	90.7%	5.9%	11.4%	2.2x	18.1x	29.5x	2.0x	14.8x

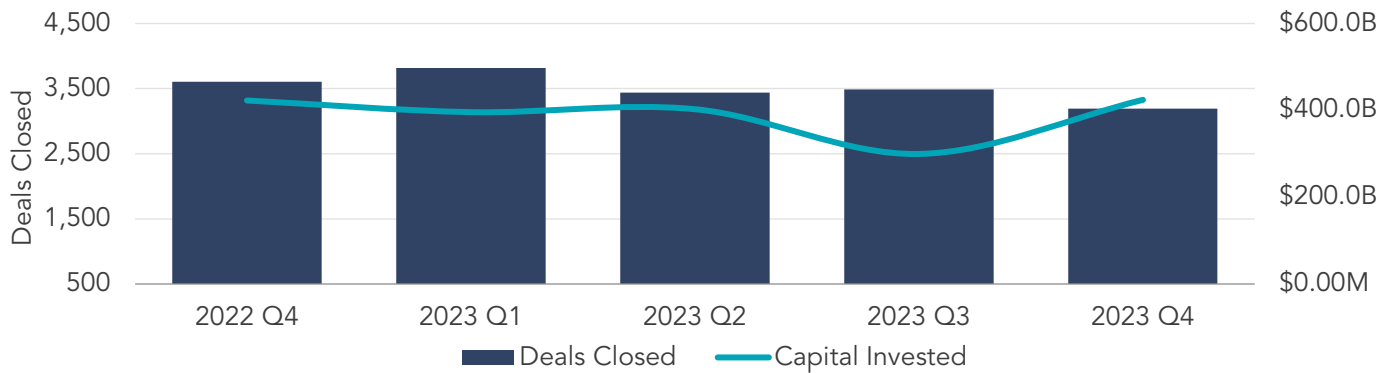
Source: PitchBook Financial Data and Analytics



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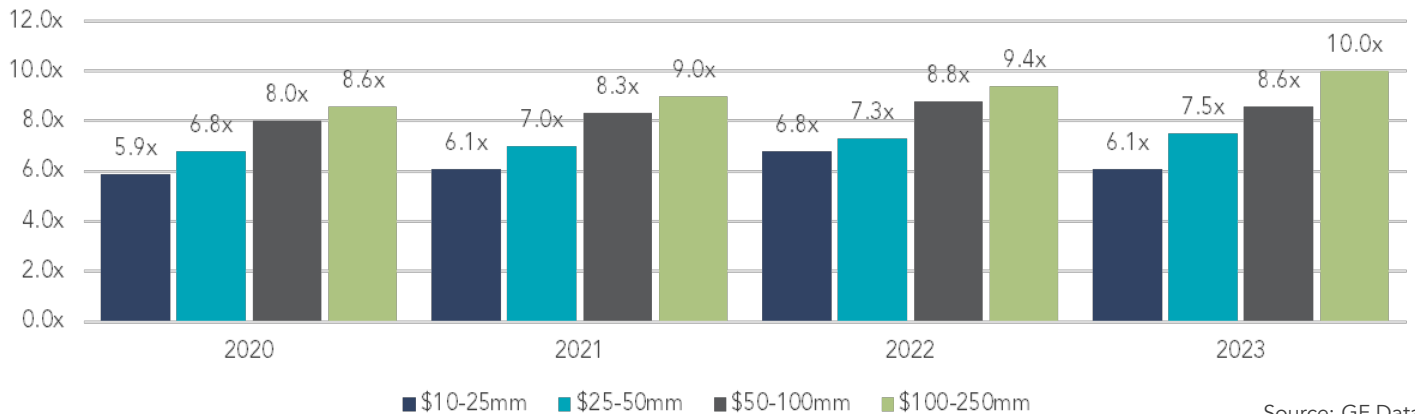
U.S. M&A ACTIVITY SNAPSHOT

OVERALL U.S. M&A ACTIVITY

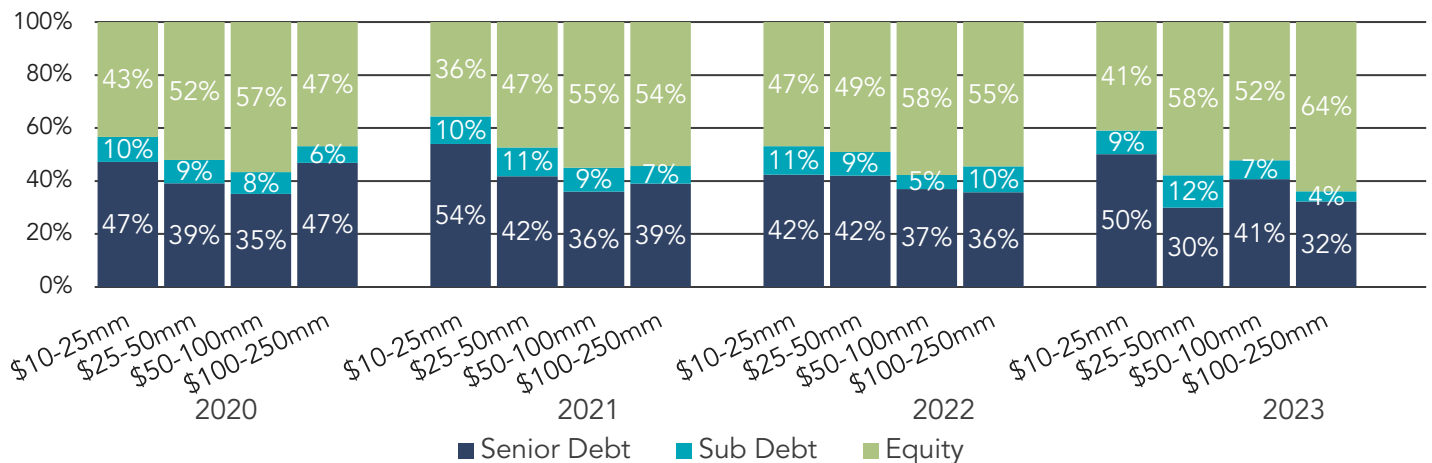


LOWER MIDDLE MARKET PRIVATE EQUITY TRANSACTION MULTIPLES

EBITDA Multiples By Transaction Size



CAPITAL BREAKDOWN – LOWER MIDDLE MARKET PRIVATE EQUITY TRANSACTIONS



Note: The most current source of GF Data is as of Nov 2023.



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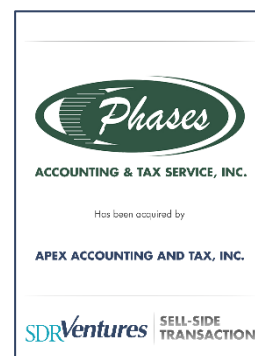
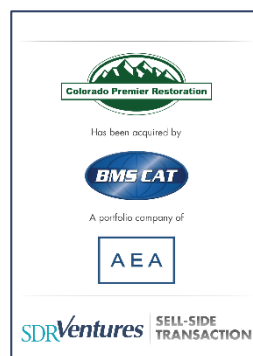
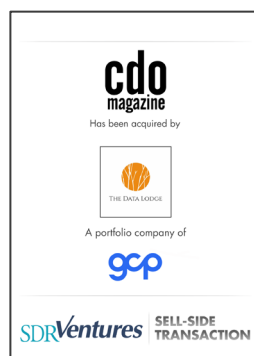
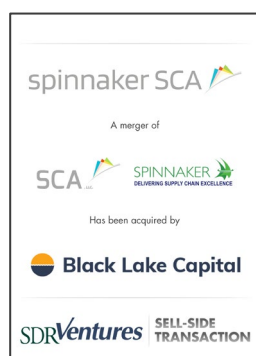
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