

BUSINESS SERVICES MONTHLY

JULY 2019

Our business services team brings a uniquely tech-enabled focus to mission critical, high value outsourced services companies providing facilities, industrial and distribution services, logistics, staffing and business process outsourcing.

Facilities











Industrial

Distribution

Logistics

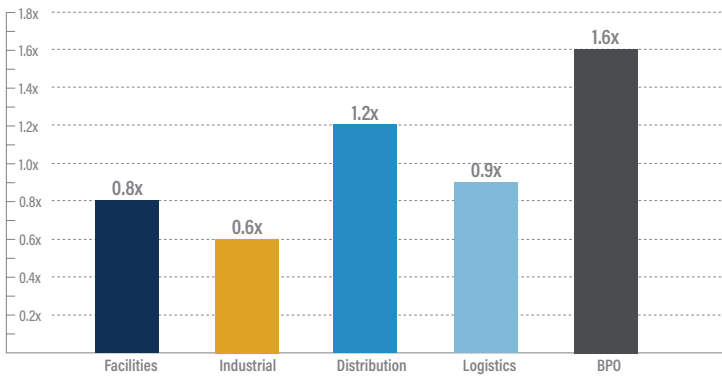
Business Process Outsourcing (BPO)

HEADLINE TRANSACTIONS

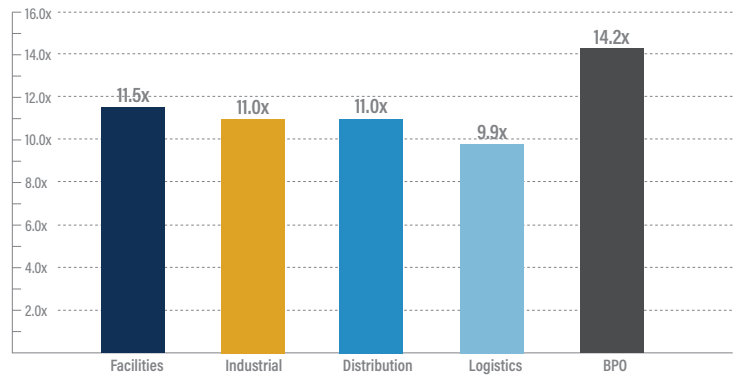
Facilities	 	<ul style="list-style-type: none"> Boise, ID-based US Ecology (NasdaqGS:ECOL) agreed to acquire NRC Group Holdings Corp. (AMEX:NRCG) for \$937.5 million, representing an EBITDA multiple of 15.7x NRC Group Holdings, based in Houston, TX, provides environmental, compliance and waste management services to customers across the oil and gas, chemical, industrial and marine transportation industries US Ecology, operating through its Environmental Services and Field and Industrial Services segments, offers environmental services to commercial and government entities across North America
Industrial	 	<ul style="list-style-type: none"> Cortec Group, a New York, NY-based private equity firm, acquired Bethlehem, PA-based Rotating Machinery Services, which operates as an aftermarket engineering and industrial services company Rotating Machinery Services provides machinery installation and repair, third party inspection, design engineering and remaining life assessment for industrial machinery such as compressors, expanders and turbines Rotating Machinery Services was formerly a portfolio company of Incline Equity Partners, a Pittsburgh, PA-based private equity firm
Distribution	 	<ul style="list-style-type: none"> Greenwich, CT-based private equity firm Littlejohn & Co. acquired Bloomfield, CT-based Kaman Industrial Technologies for \$700 million Kaman Industrial Technologies distributes industrial parts to MRO and OEM markets and provides aftermarket repair and reconditioning services globally Littlejohn & Co. is a private equity and special situations investor with a focus in middle market companies based in North America
Logistics	 	<ul style="list-style-type: none"> Miami, FL-based private equity firm H.I.G. Capital acquired Concord, NC-based Cardinal Logistics Management Corporation Cardinal Logistics provides third-party contract services and customized solutions for transportation and fleet logistics management in the United States and Canada H.I.G. Capital is a global private equity investment firm specializing in leveraged buyouts and recapitalizations in the industrial, business services and healthcare industries throughout North America and Europe
BPO	 	<ul style="list-style-type: none"> Canadian IT and business consulting services platform CGI announced the acquisition of SCISYS Group, a leading provider of IT and business services in the United Kingdom, for \$99.5 million SCISYS Group provides information and communications technology services, e-business, web and mobile applications, editorial newsroom systems and advanced technology solutions to blue chip customers in the aerospace, defense, media and communications industries

BUSINESS SERVICES GROWTH & VALUATION TRENDS

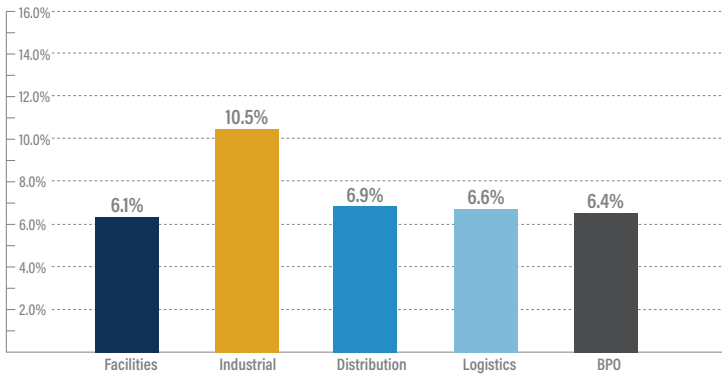
Enterprise Value / LTM Revenue



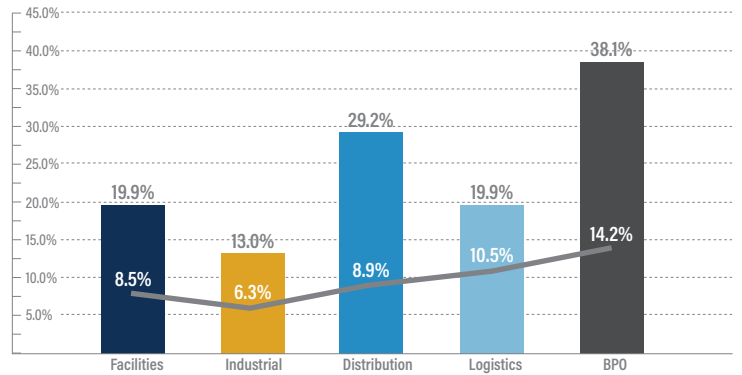
Enterprise Value / LTM EBITDA



LTM Revenue Growth

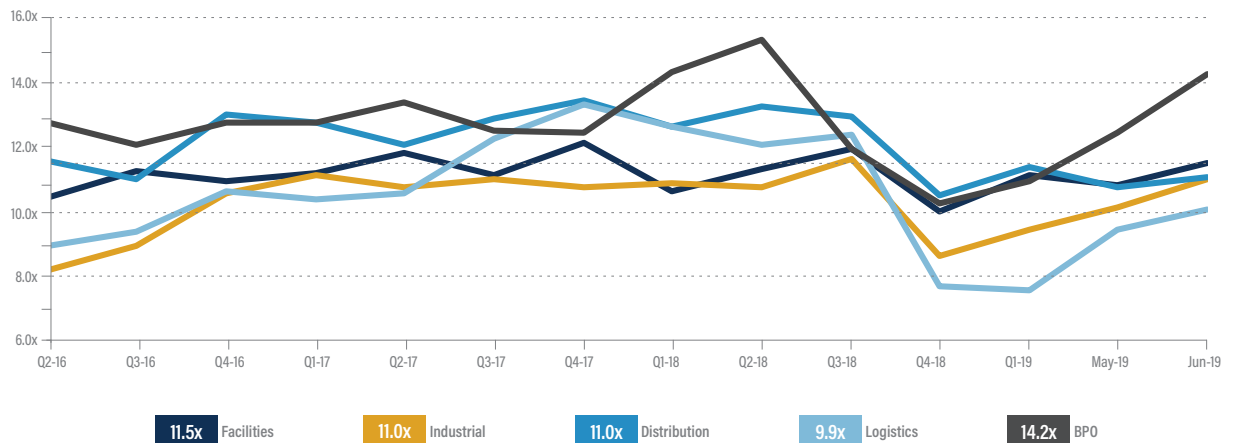


LTM Gross & EBITDA Margins*



*EBITDA Margins shown as the gray line.

EBITDA Multiples Over Time



SELECTED BUSINESS SERVICES TRANSACTIONS

Target	Acquiror	Facilities Transactions
ProVyro Waste Services LLC	Boxx Sanitation LLC	Offers commercial and residential garbage and recycling pick up in Wisconsin

Kleen-Tech Services Corporation	Concierge Building Services, LLC	Provides janitorial support services for commercial, government and specialty businesses
---------------------------------	----------------------------------	--

Chaparral Fire Protection, Inc.	A-1 National Fire Co.	Offers fire and life safety services for commercial and residential projects
---------------------------------	-----------------------	--

Target	Acquiror	Distribution Transactions
Powerhouse Equipment & Engineering Co. Inc.	Atlas Copco AB	Distributes industrial and commercial boilers throughout North and South America

Essco Inc.	CapitalWorks, LLC	Distributes floor and home care products including vacuums, cleaning machinery and supplies for residential and commercial use
------------	-------------------	--

United Materials, Inc.	Construction Resources, Inc.	Distributes high-quality stone surfaces for countertops and sinks in Florida
------------------------	------------------------------	--

Target	Acquiror	BPO Transactions
Teleopti AB	Calabrio, Inc.	Provides international telecom expense and workforce management solutions for contact centers

Deja vu Security, LLC	Accenture plc	Offers cybersecurity research and consulting services for governments and businesses globally
-----------------------	---------------	---

Brown & Joseph, LLC	Incline Equity Partners	Provides debt recovery solutions for insurance consulting firms internationally
---------------------	-------------------------	---

Target	Acquiror	Industrial Transactions
Ward Consulting Engineers, P.C.	Timmons Group, Inc.	Offers civil engineering solutions to water and construction projects in North Carolina

Wolverton & Associates, Inc. (nka:Wolverton & Associates, a CHA Company)	CHA Consulting, Inc.	Provides engineering solutions for land development, transportation and subsurface utilities throughout the Southeastern United States
--	----------------------	--

Allied Power Group, LLC.	AEA Investors LP	Provides aftermarket repair and maintenance services for industrial gas turbines and related turbomachinery globally
--------------------------	------------------	--

Target	Acquiror	Logistics Transactions
Remar, Inc	FIDELITONE, Inc.	Offers logistics solutions including supply chain management including fulfillment, packaging and warehousing

Gil Trucking	Jardine Transport Ltd.	Offers open-deck transportation services in Canada and the United States
--------------	------------------------	--

Direct Shot Distributing, Inc.	LEGACY Supply Chain Services, Inc.	Provides global third-party logistics solutions including packaging, inventory management and distribution
--------------------------------	------------------------------------	--

TM Capital's Business Services Industry Contacts



Jarrad Zalkin,
Managing Director
jzalkin@tmcapital.com
617.259.2207



James Grien,
Managing Director
jgrien@tmcapital.com
404.995.6235



David Felts,
Managing Director
dfelts@tmcapital.com
404.995.6252