

BUSINESS SERVICES MONTHLY

OCTOBER 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

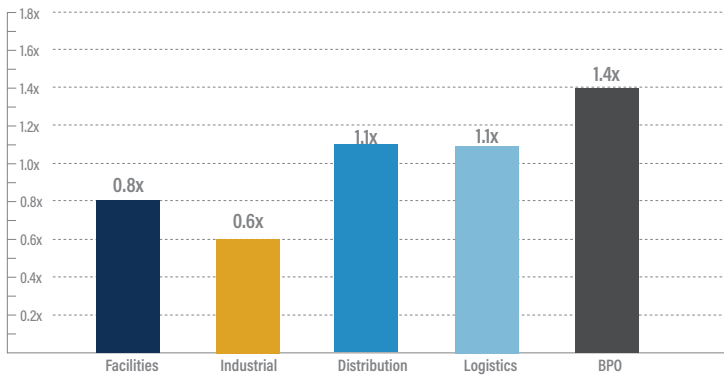
Business Process Outsourcing (BPO)

HEADLINE TRANSACTIONS

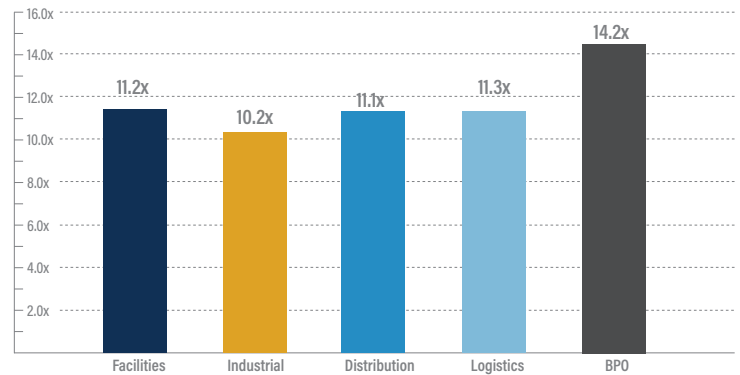
	TARGET	ACQUIROR	ACQUISITION SYNOPSISIS
Facilities			<ul style="list-style-type: none"> Los Angeles, CA-based private equity firm, Caltius Equity Partners acquired Air Conditioning Innovative Solutions (ACIS), a McKinney, TX-based HVAC service provider ACIS offers HVAC retrofit solutions, including chiller and boiler replacement and cooling tower retrofitting to domestic commercial and industrial clients across a range of end markets Caltius Equity Partners is an established and diversified middle market private equity firm, specializing in investing in services-centric companies with EBITDA between \$5 - \$15 million
Industrial			<ul style="list-style-type: none"> Quanta Services, based in Houston, TX, agreed to acquire The Hallen Construction Company, a Plainview, NY-based provider of contracting and construction services to the utilities sector The Hallen Construction Company offers steel and plastic main installation, metering and regulation solutions, pipeline construction and maintenance / emergency response services to private and government clients Quanta Services' Pipeline and Industrial Infrastructure Services segment designs, installs, repairs and maintains pipeline transmission and distribution systems for clients globally
Distribution			<ul style="list-style-type: none"> Dallas, TX-based private equity firm Crossplane Capital acquired the Tomball, TX-based Accent Family of Companies, which includes Accent Wire-Tie, Accent Wire-Tie United Kingdom and Accent Building Materials Accent is a leading value-added distributor of baling wire, wire ties and wire tier machines into the waste and recycling industries with distribution centers in Houston, TX, Anaheim, CA and Hayward, CA Crossplane Capital is a middle market private equity firm specializing in making control investments in niche manufacturing, value-added distribution and industrial business services companies
Logistics			<ul style="list-style-type: none"> Infracapital, the London-based infrastructure investment arm of M&GPrudential, acquired U.K.-based GB Railfreight from the Hector Rail Group, an EQT Infrastructure portfolio company GB Railfreight is the third-largest rail freight operator in the United Kingdom, providing freight and non-freight hauling services with a fleet of more than 150 locomotives and approximately 1,500 trucks Infracapital is a private investment firm that specializes in infrastructure and transport, investing predominantly in the United Kingdom and Western Europe
BPO			<ul style="list-style-type: none"> Fort Worth, TX-based TPG Capital agreed to acquire Fort Lauderdale, FL-based Convey Health Solutions, a leading provider of technology-enabled advisory solutions for commercial health plans, from New Mountain Capital Convey Health Solutions offers a full suite of outsourced administrative solutions and services that assist government sponsored health plans in streamlining business processes, ensuring compliance and optimizing member interactions TPG Capital is the private equity platform of international alternative investment firm TPG, investing across a wide array of companies and industries

BUSINESS SERVICES GROWTH & VALUATION TRENDS

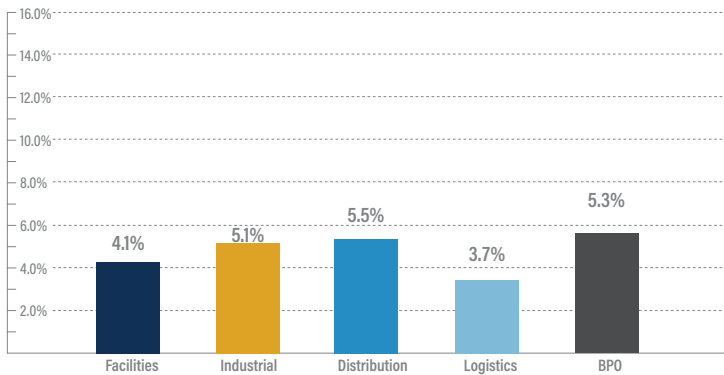
Enterprise Value / LTM Revenue



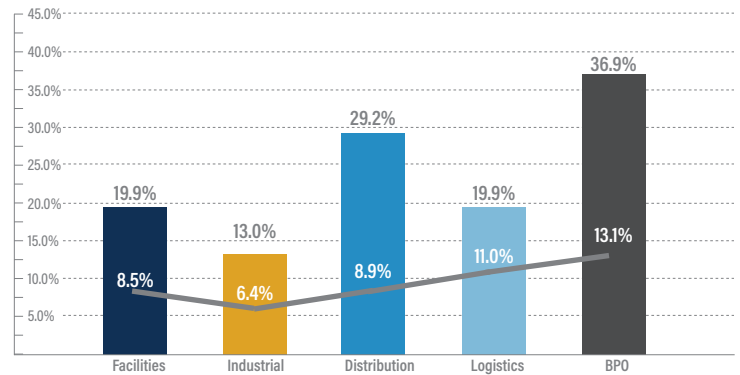
Enterprise Value / LTM EBITDA



LTM Revenue Growth

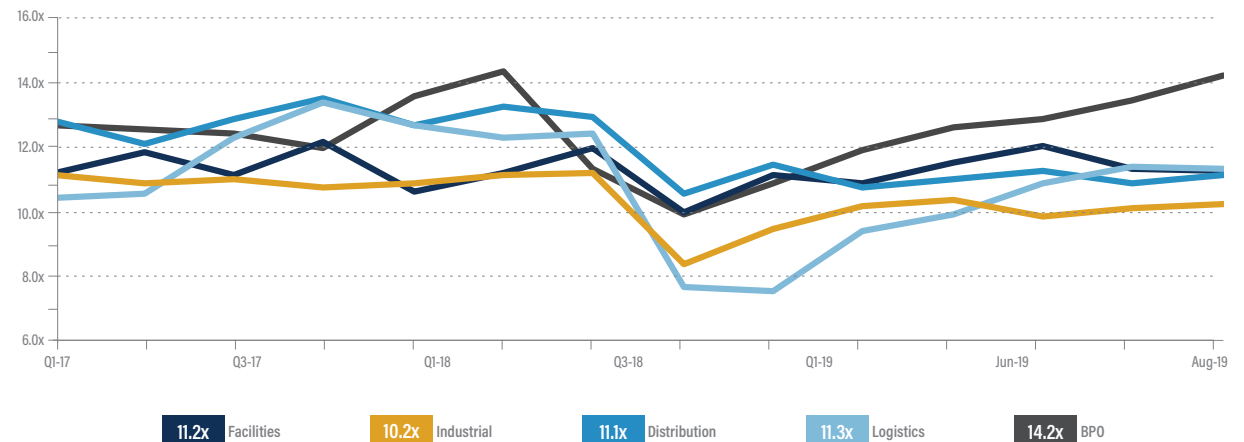


LTM Gross & EBITDA Margins*



*EBITDA Margins shown as the gray line.

EBITDA Multiples Over Time



SELECTED BUSINESS SERVICES TRANSACTIONS

Target	Acquiror	Facilities Transactions
BARK.L Consulting Engineers, LLC	Building Systems Holdings, Inc.	Based in Mankato, MN, BARK.L Consulting Engineers, d.b.a. Abacus Engineering, provides mechanical, electrical, plumbing and life safety services

RCI Systems, Inc.	National Fire & Safety	Headquartered in Arizona, RCI provides fire suppression systems design, engineering and installation services to the construction industry
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Strength Environmental, LLC	Valicor Environmental Services, LLC	Strength Environmental offers waste treatment and disposal services and a portfolio of other facilities services to a variety of businesses in the Upper Midwest
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Target	Acquiror	Distribution Transactions
Water Science Technologies, Inc.	Italmatch Chemicals, S.P.A.	Birmingham, AL-based Water Science Technologies distributes specialty chemicals to the water treatment and processing industries

Cambrian Solutions, Inc.	Maroon Group, LLC	Cambrian Solutions distributes and markets ingredients, additives and chemicals to various industries across North America
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Circle Lubricants, Inc.	RelaDyne, Inc.	Circle Lubricants distributes automotive, commercial and industrial lubricants in New York State
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Target	Acquiror	BPO Transactions
ECG Management Consultants, Inc.	Siemens Medical Solutions USA, Inc.	ECG provides healthcare management and consulting services in Washington State

Anchor Staffing, Inc.	Lyneer Staffing Solutions, LLC	Based in Chicago, IL, Anchor Staffing offers recruitment and staffing services
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MHC Software, Inc.	Strattam Capital, LLC	Headquartered in Burnsville, MN, MHC provides document processing and workflow management
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Target	Acquiror	Industrial Transactions
GSD Contracting, LLC	Franjo Construction Corporation	Based in Fort Lauderdale, FL, GSD Contracting provides commercial construction services

NextGen Technologies, Ltd.	Shermco Industries, Inc.	Headquartered in Burnaby, British Columbia, NextGen operates as an integrated electrical testing service provider
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DPIS Engineering, LLC	Saw Mill Capital, LLC	DPIS Engineering provides engineering and inspection services to the building industry in Texas
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Target	Acquiror	Logistics Transactions
Sea Swift Pty. Ltd.	QIC Global Infrastructure	Sea Swift provides marine transportation services in northern Australia

Eddie Stobart Logistics plc	DBAY Advisors Limited	United Kingdom-based Eddie Stobart Logistics offers logistics, distribution and warehousing services for a range of business service and industrial clients
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Arrow Material Services, LLC	Precision Terminal Logistics, LLC	Arrow Material Services offers material handling and logistics solutions to Fortune 100 companies in the United States and internationally
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TM Capital's Business Services Industry Contacts



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