



HOULIHAN LOKEY

TRANSPORTATION AND LOGISTICS

INDUSTRY UPDATE | Summer 2019



Houlihan Lokey Transportation and Logistics Update

Dear Clients and Friends,

Houlihan Lokey is pleased to present its Transportation and Logistics Summer 2019 Industry Update.

We have included important news stories, transaction announcements, a public markets overview, and industry insights to help you stay ahead in our dynamic and constantly evolving industry. We hope you find this quarterly update to be informative and that it serves as a valuable resource to you in staying abreast of the market. If there is additional content you would find useful for future updates, please don't hesitate to call or email us with your suggestions. We look forward to staying in touch with you.

Regards,



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Industry Sectors Covered

LOGISTICS 

ASSET-BASED TRUCKING 

MARINE 

RAIL 

TRANSPORTATION EQUIPMENT LEASING 

AVIATION 

TECH-ENABLED SERVICES 



Houlihan Lokey is the trusted advisor to more top decision-makers than any other independent global investment bank.

Corporate Finance

2018 M&A Advisory Rankings All U.S. Transactions

Advisor	Deals
1 Houlihan Lokey	207
2 Goldman Sachs & Co	197
3 JP Morgan	154
4 Morgan Stanley	135
5 Jefferies LLC	117

Source: Thomson Reuters

Financial Restructuring

2018 Global Distressed Debt & Bankruptcy Restructuring Rankings

Advisor	Deals
1 Houlihan Lokey	63
2 PJT Partners Inc.	45
3* Moelis & Co.	36
3* Lazard	36
3* Rothschild & Co.	36

Source: Thomson Reuters
* Denotes tie

Financial Advisory

1999 to 2018 Global M&A Fairness Advisory Rankings

Advisor	Deals
1 Houlihan Lokey	1,073
2 JP Morgan	971
3 Duff & Phelps	728
4 Bank of America Merrill Lynch	660
5 Morgan Stanley	659

Source: Thomson Reuters. Announced or completed transactions.

No. 1 U.S. M&A Advisor

Top 10 Global M&A Advisor

Leading Capital Markets Advisor

**No. 1 Global Investment
Banking Restructuring Advisor**

**1,000+ Transactions Completed
Valued at More Than
\$2.5 Trillion Collectively**

**No. 1 Global M&A Fairness
Opinion Advisor Over the
Past 20 Years**

**1,000+ Annual Valuation
Engagements**

Selected Transactions

Grammer Industries
a portfolio company of
stellex
CAPITAL MANAGEMENT
has acquired
Sterling
Transport

Buy-side Advisor

DART
AEROSPACE
a joint venture of
Era and **EAGLE**
has been acquired by
GREENBRIAR
EQUITY GROUP, L.P.
First Aviation Services Inc.

Sell-side Advisor

SIKORSKY
A LOCKHEED MARTIN COMPANY
has divested its subsidiary
LifePort

Sell-side Advisor

Waypoint Leasing
has sold substantially all of its assets
for \$650 million, pursuant to a court-
approved sale to
MACOSANE
and secured lenders of certain debt
facilities pursuant to Section 363(k)
of the US Bankruptcy Code

Company Advisor

IPt
\$70,000,000 Senior Secured
Term Loan to fund working
capital needs in a chapter 11
bankruptcy

Company Advisor

FLEX FLEET
RENTAL
has been acquired by
WATERFALL
Asset Management

Sell-side Advisor

Blue Car
CARRIERS
has been acquired by
UNITEDROAD
a portfolio company of
THE CARLYLE GROUP

Sell-side Advisor

ngl network
global logistics
Express Division
has been acquired by
MNX
a portfolio company of
Aurix Private Equity

Sell-side Advisor

ngl network
global logistics
Supply Chain Services Division
has been acquired by
IFS impact
a portfolio company of
ENDEAVOUR

Sell-side Advisor

ngl network
global logistics
Medical Logistics Solutions Division
has been acquired by
BLACK LAKE CAPITAL

Sell-side Advisor

METRO
TRUCK & TRACTOR LEASING
has been acquired by
Ryder

Sell-side Advisor

SUBSEA GLOBAL
a portfolio company of
LARIAT
PARTNERS
has been acquired by
GenNx360

Sell-side Advisor

Recent Deals



April 2019

Grammer Industries is recognized as the premier provider of safe, dependable, bulk hazardous chemicals' transportation services in the United States. Grammer's excellent record of safety and reliability has allowed the company to cultivate longstanding relationships with its customers, with many spanning back to the company's founding. The company has 17 facilities strategically located near major chemical production hubs across the United States.

Sterling Transport provides bulk carrier services with transport trucks to retail, commercial, and industrial transport clients primarily in the Southeast United States.

Houlihan Lokey served as the exclusive financial advisor to Grammer Industries in its acquisition of Sterling Transport.

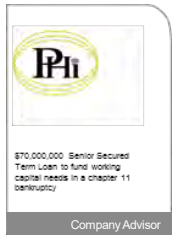


April 2019

DART Aerospace provides industry-leading design, manufacturing, and market-certified solutions for the helicopter and aerospace industry. DART Aerospace's key products include flotation systems, landing gears, interior and exterior accessories, cargo expansion, external loads, cable cutters, and filters. DART Aerospace has extensive engineering and manufacturing capabilities, which enable it to offer fast time-to-market solutions with strong customer support in more than 120 countries worldwide.

Greenbriar Equity Group is a leading private equity firm with decades of experience partnering alongside middle-market companies in the transportation and logistics, aerospace and defense, manufacturing, and business services sectors.

Houlihan Lokey served as the exclusive financial advisor to DART Aerospace.



March 2019

PHI, together with its subsidiaries, provides transportation helicopter services to, from, and among offshore facilities for customers in the oil, gas, and air medical services industries in the United States and internationally. It operates through three business segments: oil and gas, air medical, and technical services.

Houlihan Lokey served as the exclusive financial advisor to PHI and was instrumental in helping the firm secure a \$70 million direct placement to provide liquidity pre-bankruptcy, structured as a collateralized senior secured term loan.



March 2019

Waypoint Leasing provides helicopter leasing services to various sectors including oil and gas, air medical services, search and rescue, humanitarian services, firefighting, and wind farm support. The company is headquartered in Ireland, with additional offices in the United States, Canada, and the United Kingdom, among others.

Macquarie Rotorcraft Leasing provides helicopter financing and leasing solutions, primarily for both new and used twin-engine helicopters.

Houlihan Lokey served as the exclusive financial advisor to Waypoint Leasing during its restructuring process and ultimate sale to Macquarie Rotorcraft.



December 2018

Fleet Car Carriers is a leading provider of asset-light, finished vehicle logistics in the United States. The company specializes in hauling vehicles from ports, plants, and rail ramps.

United Road Services, a portfolio company of the Carlyle Group, provides automobile transport services in the United States and Canada. Services include closed carrier/specialty vehicle transport, new vehicle logistics, remarketing, retail single vehicles, and privately owned vehicle transport, marshalling, and storage services.

Houlihan Lokey served as the exclusive financial advisor to Fleet Car in its sale to United Road.



INTRODUCING HOULIHAN LOKEY'S

2019 Inaugural Business Services Conference

October 3, 2019 – Lotte New York Palace – New York, NY

Houlihan Lokey is pleased to host its inaugural Business Services Conference on Thursday, October 3, 2019, at the Lotte New York Palace Hotel. This conference is an excellent opportunity to develop relationships and gain insights into market dynamics and strategies within a wide variety of sectors. *There will be a number of transportation and logistics companies attending and presenting at the conference, along with investors and numerous other industries represented within Houlihan Lokey's Business Services Group.*



LOTTE NEW YORK PALACE

Lotte New York Palace

455 Madison Avenue, New York, NY 10022

WE'LL BE THERE!

To schedule a time to meet
in person, email:

Kris Hopkins (*Director, Head of
Transportation & Logistics*) at
KHopkins@HL.com or

Phil Keffer (*Vice President,
Transportation & Logistics*) at
PKeffer@HL.com

3PL Value Creation North America Summit

October 15–17, 2019. Embassy Suites Downtown Chicago
Magnificent Mile, Chicago, IL

Kris Hopkins will speak at the Transportation and Logistics M&A
Trends and Insights session
on Thursday, October 17

ATA Management Conference & Exhibition

October 5–9, 2019

San Diego Convention Center, San Diego, CA

Significant News Stories

LOGISTICS

Logistics Spending Jumped 11.4% on Strong Economic Growth

(The Wall Street Journal, June 18, 2019)

“Rising logistics costs consumed a bigger share of U.S. corporate spending over the past year as companies rushed to take advantage of an improving U.S. economy, according to a new report. Spending on transportation, inventory-carrying costs, and other shipping-related expenses as a share of gross domestic product last year reached its highest level since 2014, the Council of Supply Chain Management Professionals said in its annual State of Logistics Report, a surge the report said is cooling this year on more plentiful capacity and moderating shipping demand. U.S. businesses spent a record \$1.64 trillion on logistics in 2018, up 11.4% from the prior year and accounting for 8% of GDP, the report said. Industry experts view the logistics share of GDP as a measure of the efficiency of transportation and distribution networks, and last year’s figure was sharply up from a 7.5% share in 2017.”

FedEx to End U.S. Express Business With Amazon *(The Wall Street Journal, June 7, 2019)*

“FedEx Corp. is ending its air-shipping contract with Amazon.com Inc. in the U.S., evidence of escalating tensions between the longtime partners as the e-commerce giant builds its own delivery network. FedEx said Friday it decided not to renew the Express contract, which flies Amazon packages in the U.S., but it will continue to handle Amazon packages through its ground network and international services. The contract runs out June 30. The once-staid delivery business has been upended in recent years as consumers buy everything from diapers to diamond jewelry online, causing a surge in e-commerce shipments. FedEx and rival United Parcel Service Inc. have invested billions of dollars to handle the increased volumes. At the same time, Amazon has built out its own airplane and trucking operations, putting it in competition with its partners. Although Amazon ships millions of packages a day, it spreads the orders among FedEx, UPS, and the U.S. Postal Service, as well as its own growing delivery operations. FedEx said Amazon represented 1.3% of FedEx’s total revenue in 2018, or less than \$1 billion.”

RAIL

Genesee & Wyoming to Go Private in Roughly \$6.5 Billion Deal *(The Wall Street Journal, July 1, 2019)*

“Railroad operator Genesee & Wyoming Inc. is being purchased by a group of investors for roughly \$6.5 billion, a deal that will take the company private after it acquired more than 100 smaller railroads over the past two decades. Affiliates of both Brookfield Infrastructure Partners L.P. and Singapore sovereign-wealth fund GIC are buying Genesee & Wyoming for \$112 a share in cash. Brookfield invests in infrastructure such as utilities, transportation, and energy, including railroads in Brazil and Australia. Genesee & Wyoming, of Darien, Connecticut, has been on an acquisition spree of short line and regional railroads, mostly in the U.S. Short line railroads primarily take rail cargo from larger railroads and serve local customers, acting as the last-mile carrier.”

ASSET-BASED TRUCKING

Digital Freight Brokers Turn Physical With Truck Equipment Pools

(The Wall Street Journal, May 15, 2019)

“Digital freight marketplaces that connect shippers and truckers online are turning toward more physical operations by offering the equipment that cargo carriers need to move loads. Freight-matching startups Convoy and Uber Technologies Inc.’s Freight division recently launched fleets of trailers that shippers can preload with goods to speed up cargo transfers for drivers and shippers on their networks. J.B. Hunt Transport Services Inc. is testing a similar ‘drop-and-hook’ service, in which truckers can simply hitch their vehicles to already-filled trailers, through its digital brokerage platform, and plans to roll it out nationally this summer. It is a notable shift for a sector best known for using apps, algorithms, and machine learning to match shippers and truckers. It comes as investors are pouring millions into technology-focused brokerage startups, and as traditional transport companies are building their own digital freight platforms.”

Significant News Stories (cont.)

MARINE

Maersk CEO Wants Half Its Earnings to Come From Inland Logistics

(The Wall Street Journal, June 27, 2019)

“The world’s biggest commercial shipping operator plans to add extensive new capacity—but it won’t be on the water. Danish shipping giant A.P. Moller-Maersk AS instead wants to buy warehouses, container terminals, and customs brokerage firms to boost its logistics-services capabilities, part of a strategic shift toward a landside business the company hopes will produce half its revenue in two years. ‘Today up to 80% of our earnings comes from container shipping,’ Maersk Chief Executive Soren Skou said in an interview. ‘Hopefully a couple of years from now will be much closer to a 50-50 scenario between ocean and nonocean services.’ Mr. Skou’s plan would extend a transformation of the 115-year-old maritime business that began when he became CEO in 2016. Since then, the sprawling Danish conglomerate has disposed of its oil and tanker businesses to focus more closely on building a singular company with container shipping at its center that provides transportation and logistics services to big customers like Walmart Inc.”

AVIATION

Amazon Rents More Jets to Expand Next-Day Delivery *(The Wall Street Journal, June 18, 2019)*

“Amazon.com Inc. is expanding its domestic air-cargo operation, adding smaller jets to its rented fleet to link its distribution centers and extend the reach of its next-day delivery service. Amazon is experimenting with local collection centers, its own delivery vans, on-demand taxis and even its own employees to speed deliveries to consumers at a lower cost. The e-commerce giant’s experimentation is bringing it into direct competition, in some cases, with companies that also deliver its packages. FedEx Corp. said earlier this month that it would end its air-shipping agreement with Amazon to concentrate on rapid delivery for other retailers that are making more sales online. Amazon said Tuesday that it will rent another 15 Boeing Co. 737-800 jets converted to carry cargo, in addition to five it’s already leasing, alongside a fleet of 40 larger planes it uses to ship packages around the U.S. Amazon expects to have a rented fleet of about 70 planes by 2021.”

TECH-ENABLED SERVICES

\$2 Billion Invested in Trucking Tech Firms So Far in 2019 *(Transport Topics, May 21, 2019)*

“Trucking technology firms are raking in cash as investors look to get in on a hot industry and capitalize on a U.S. economy that remains strong. According to a recent report from New York research firm CB Insights, investors have poured \$2 billion into trucking tech startups through May 21. Hyeri Kim from CB noted that the \$2 billion figure encompassed 27 deals. For all of 2018, investment in the sector reached \$3.6 billion. ‘There’s never been more interest in the future of trucking among tech investors, and frankly, it’s long overdue,’ said Shoaib Makani, co-founder and CEO of KeepTruckin, a fleet technology and connectivity firm based in San Francisco.”

Life on the Road Gets a Little Easier as Truckers Adopt Digital Technology

(The Wall Street Journal, June 5, 2019)

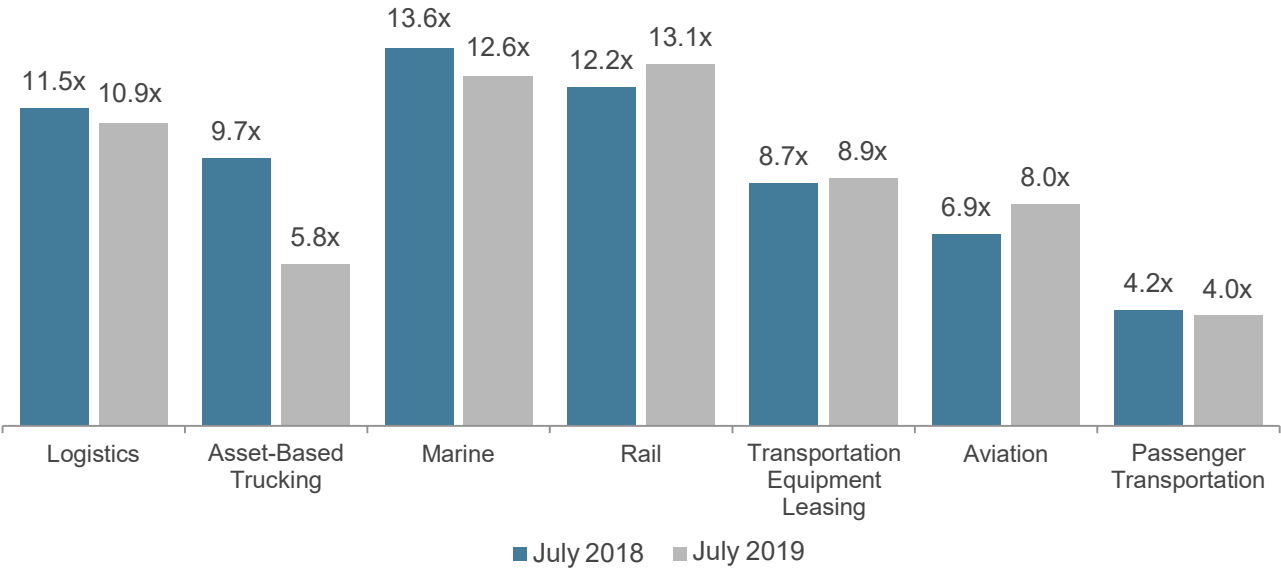
“Trucking, logistics, and supply-chain operators are taking the digital tools used to automate repetitive tasks around the office and using them in the cabs of long-haul trucks. Hub Group, which operates a fleet of more than 4,000 trucks, last month unveiled a set of artificial-intelligence-driven capabilities, promising to offer more accurate delivery times. The new capabilities leverage over 10 million data points, many of which are generated by interconnected sensors and other hardware that Hub Group has been adding to its trucks for the past two years, said Vava Dimond, the company’s Chief Information Officer. Ms. Dimond said the goal is to use as much data as possible to make deliveries more efficient and boost productivity. But the initiative is also aimed at making life easier for its truckers, she added. For truck drivers, the cab of the vehicle is their office, she said, ‘and that office isn’t conducive to things like paperwork, when it’s raining or the wind is blowing.’ Hub Group’s app can track and automatically fill out truckers’ paperwork, including logs along their routes, proof of delivery notices, and other forms. The company developed the bulk of the tools in house.”

Recent M&A Transactions

Announced Date	Acquirer	Target	Target Description	Target Sector	Transaction Value (\$M)
Jul-19	Penske Automotive Group, Inc.	Warner Truck Centers, LLC	Retails Freightliner and Western Star medium and heavy duty commercial trucks	Equipment Leasing	N/A
Jul-19	Transdev S.A. (Caisse des dépôts et consignations)	A Björks AB	Operates public transportation services in Sweden	Passenger Transportation	N/A
Jul-19	TIP Trailer Services Management B.V. (I Squared Capital)	PEMA GmbH (Société Générale Société anonyme (ENXTPA:GLE))	Provides independent rental and manufacturing services for commercial vehicles in Europe	Equipment Leasing	N/A
Jul-19	Vigor Industrial LLC (The Carlyle Group, L.P.)	MHI Holdings, LLC, (Stellex Capital Management)	Provides marine repair and conversion services	Marine	N/A
Jul-19	The Carlyle Group L.P.; Stellex Capital Management LP	Vigor Industrial LLC	Provides ship building, repair, and fabrication services	Marine	N/A
Jul-19	EVO Transportation & Energy Services, Inc.	Courtlandt and Brown Enterprises LLC/Finkle Transport Inc.	Provides freight transportation services for the United States Postal Service and various nongovernmental entities	Asset-Based Trucking	\$12
Jul-19	Kuehne + Nagel International AG	Worldwide Perishables Canada Co.	Provides perishable goods logistics in Canada, specializing in seafood cargo	Logistics	N/A
Jul-19	AE Industrial Partners, LLC	Columbia Helicopters, LLC	Designs, manufactures, and operates commercial heavy-lift helicopters	Aviation	N/A
Jul-19	Tempo One	Groupe Mazet	Provides road transportation and logistics services in France	Logistics	N/A
Jul-19	Cowan Systems, LLC	Carlisle Carrier Corporation	Provides regional truckload carrier services in the United States, specializing in grocery warehouse services and store deliveries	Asset-Based Trucking	N/A
Jul-19	Equity Group Investments	Lanter Delivery Systems, Inc.	Provides transportation and distribution management services in the United States	Asset-Based Trucking	N/A
Jul-19	Mullen Group Ltd.	Argus Carriers Ltd./Inter-Urban Delivery Service Ltd.	Owns and operates fleets of trucks and trailers that provide general freight services including local pickup and delivery, warehousing, regional less-than-truckload, and linehaul trucking in British Columbia	Asset-Based Trucking	N/A
Jul-19	DJP XX, LLC (Brookfield Infrastructure; GIC)	Genesee & Wyoming Inc.	Owns and leases freight railroads worldwide	Rail	\$9,549
Jul-19	Performance Food Group Company	Reinhart FoodService L.L.C./Associated Real Estate Companies (Reyes Holdings, LLC)	Distributed foodservice across the United States, including frozen and canned fruits and vegetables, ready-to-serve and ready-to-bake products, and gourmet foods, amongst others	Specialty Trucking	\$2,000
Jul-19	Premium Transportation Logistics' Management Team	Premium Transportation Logistics LLC (Magnate Worldwide, LLC)	Provides logistics services for customers with time-critical logistics needs	Logistics	N/A
Jul-19	A&R Logistics, Inc. (Wind Point Partners)	BWP Transport, Inc.	Provides specialty dry bulk transportation and logistics services to the plastics industry	Specialty Trucking	N/A
Jun-19	JF Hillebrand Group AG (Cobepa SA)	3W-Logistik GmbH	Provides road transportation services for the wine and spirits industry	Specialty Trucking	N/A
Jun-19	Hudson Hill Capital	Global Transport Logistics, Inc. and Am Trans Expedite, Inc.	Provides proprietary logistics solutions focused on retail consolidation, less-than-truckload (LTL) shipping and multimodal transportation brokerage	Logistics	N/A
Jun-19	HBC Investments; Barcas LLC	Getka Energy LLC (EnCap Flatrock Midstream)	Provides storage, blending, truck-to-pipe, and pipeline transportation solutions to crude oil producers for domestic and international marketers	Logistics	N/A
Jun-19	H.I.G. Capital, LLC	Cardinal Logistics Management Corporation (Centerbridge Partners, L.P.)	Provides third-party dedicated contract services in the United States and Canada	Asset-Based Trucking	N/A
Jun-19	Wheels Up Partners LLC	Travel Management Company, Ltd.	Provides light aircraft charter services to locations throughout the U.S., Mexico, Canada, and the Caribbean	Aviation	N/A
Jun-19	Wilson Logistics, Inc.	Market Transport Services (DSV A/S)	Provides logistics management and transportation services in North America, including third party logistics, transportation brokerage, truckload, and trailers on rail services	Logistics	N/A
May-19	CC Industries, Inc. (Henry Crown & Company)	Southern Towing Company, Inc. (Trive Capital; McCombs Partners)	Operates a fleet of inland tank and anhydrous ammonia barges in the United States, specializing in the transportation of bulk liquid fertilizer products	Marine	N/A
May-19	KLLM Transport Services, Inc.	Refrigerated Division of Maverick USA, Inc. (Maverick USA, Inc.)	Provides temperature-controlled freight services	Specialty Trucking	N/A
May-19	C.H. Robinson Worldwide, Inc.	DEMA SERVICE S.p.A.	Privately-owned logistics company that provides road transportation services across Europe	Logistics	N/A

Public Markets Overview

Median TEV/LTM EBITDA

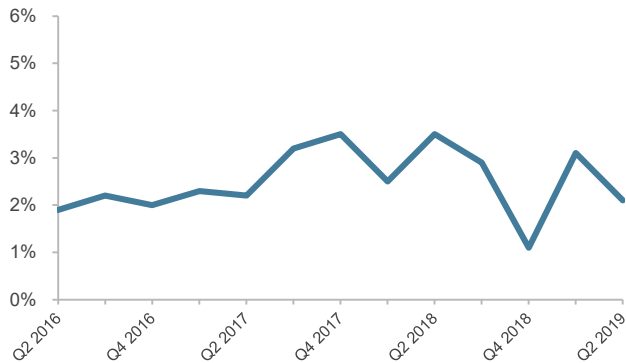


12 Months Indexed Stock Price Performance



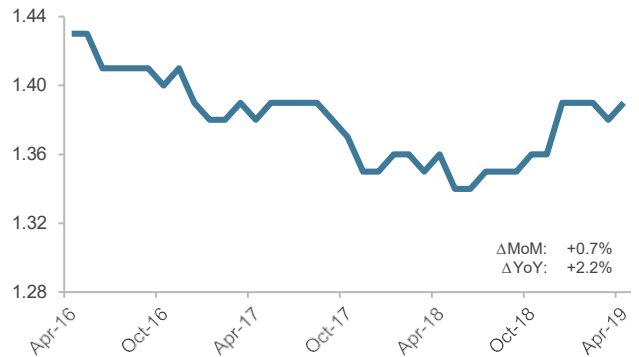
Broad Economic Data

QoQ Real GDP Growth⁽¹⁾⁽²⁾



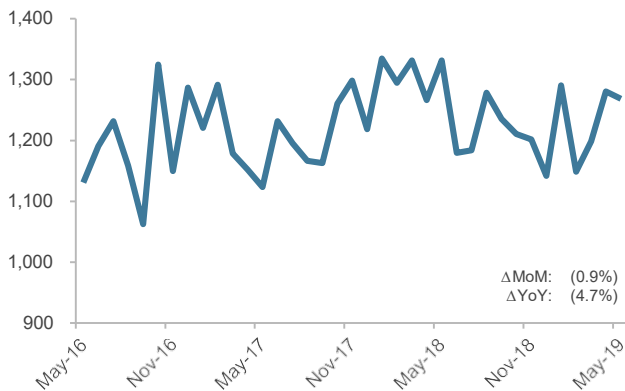
Source: Bureau of Economic Analysis

Inventory/Sales Ratio⁽¹⁾



Source: U.S. Census Bureau

Housing Starts (000s)⁽¹⁾⁽²⁾



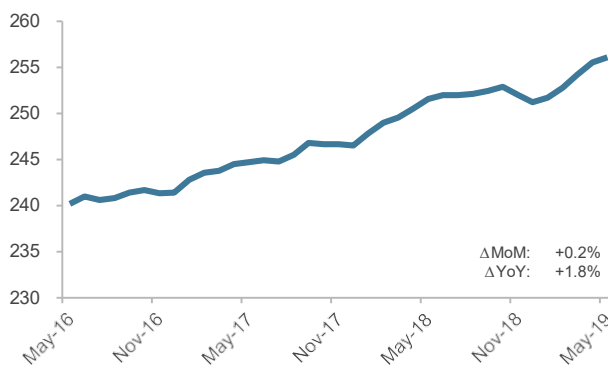
Source: U.S. Census Bureau

ISM Manufacturing Index⁽¹⁾



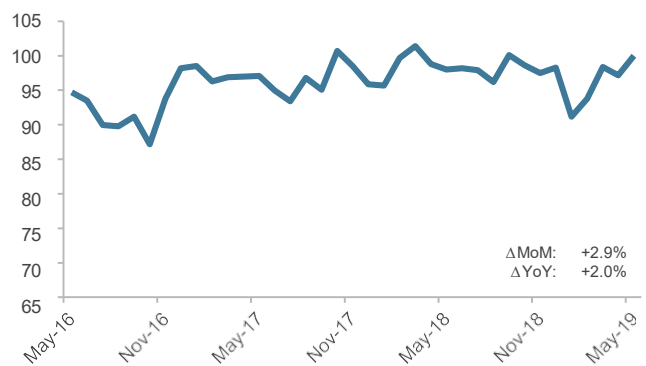
Source: Institute for Supply Management

Consumer Price Index



Source: Bureau of Labor Statistics

Consumer Sentiment Index

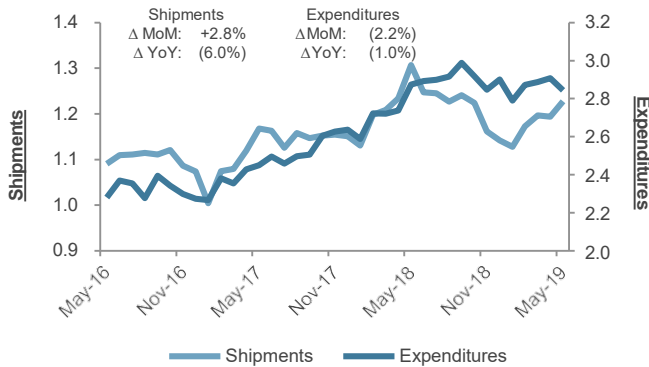


Source: University of Michigan

(1) Seasonally adjusted.
(2) Annualized.

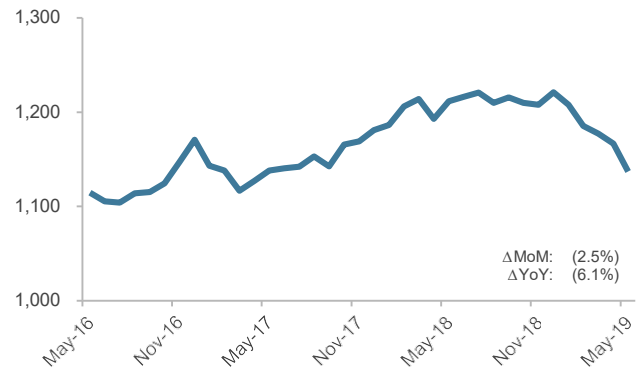
Relevant Sector Data

Cass Freight Index



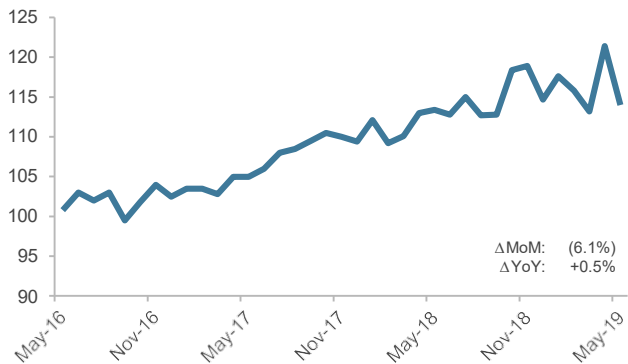
Source: Cass Information Systems, Inc.

Intermodal Volume (000s of Containers)⁽¹⁾



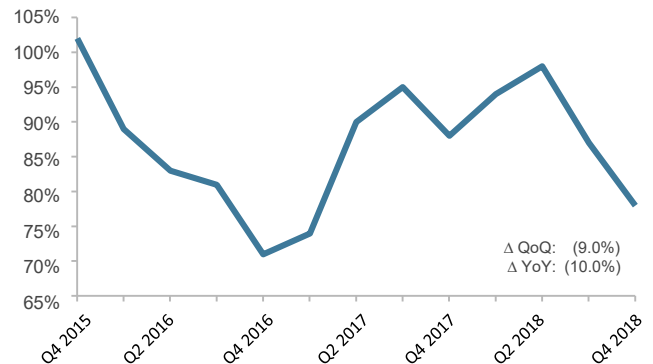
Source: Association of American Railroads

ATA Tonnage Index⁽¹⁾



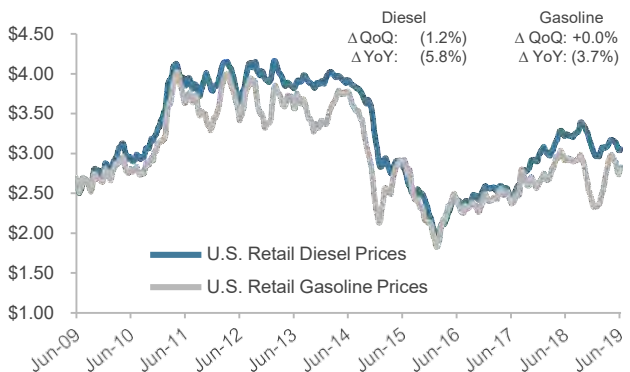
Source: American Trucking Association

Driver Turnover⁽²⁾



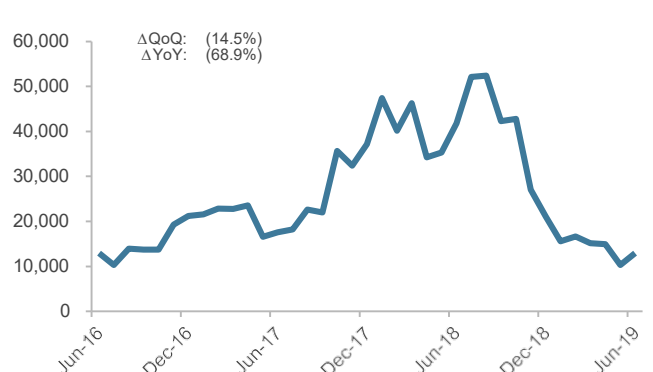
Source: American Trucking Association

Diesel and Gasoline Prices (\$/gal)



Source: U.S. Energy Information Administration

Class 8 Tractor Orders⁽³⁾



Source: FTR Transportation Intelligence

(1) Seasonally adjusted.

(2) Annualized driver turnover for truckload fleets with over \$30 million in annual revenue.

(3) Total North American Class 8 orders includes U.S., Canada, Mexico, and North America export sales.

Public Comparables

Logistics and Asset-Based Trucking

Logistics

(\$ in millions, except per-share prices)
As of 7/8/19

As of 7/8/19

Company Name	Stock Price	% of52-Week High	Equity Value	Total Enterprise Value	LTM					Net Debt	Debt/EBITDA	TEV/	
					Revenue	Gross Margin	EBITDA	EBITDA Margin	ROIC ⁽¹⁾			EBITDA	NFY EBITDA
<u>Asset-Light/Third-Party Logistics</u>													
Agility Public Warehousing Company K.S.C.P.	\$2.56	86.3%	\$4,267.0	\$5,227.9	\$5,116.2	30.6%	\$480.1	9.4%	6.3%	\$774.5	2.6x	10.9x	9.8x
C.H. Robinson Worldwide, Inc.	83.92	82.9%	11,460.3	12,621.2	16,457.1	8.5%	1,027.4	6.2%	30.9%	1,160.9	1.6x	12.3x	11.9x
CJ Logistics Corporation	111.93	67.7%	2,031.8	5,260.1	8,486.1	8.8%	404.4	4.8%	2.0%	2,911.5	7.7x	13.0x	11.9x
DSV A/S	95.38	96.1%	17,005.9	19,444.6	12,125.6	22.9%	932.4	7.7%	9.3%	2,447.6	2.8x	20.9x	13.5x
Echo Global Logistics, Inc.	19.28	52.5%	537.9	717.4	2,400.7	17.5%	75.3	3.1%	10.1%	179.6	2.9x	9.5x	7.4x
Expeditors International of Washington, Inc.	75.00	92.9%	12,899.7	12,059.6	8,304.2	12.9%	844.8	10.2%	32.3%	(841.2)	0.4x	14.3x	13.9x
Forward Air Corporation	58.75	80.7%	1,685.9	1,825.0	1,339.7	23.5%	162.3	12.1%	13.7%	139.2	1.1x	11.2x	10.7x
Hub Group, Inc.	40.42	71.4%	1,405.3	1,647.9	3,779.2	12.7%	233.0	6.2%	8.2%	242.7	1.5x	7.1x	6.4x
Kerry Logistics Network Limited	1.85	95.2%	3,167.2	4,073.4	4,870.0	12.5%	381.3	7.8%	4.8%	439.8	3.3x	10.7x	9.2x
Kintetsu World Express, Inc.	13.32	58.1%	958.8	1,772.5	5,342.6	16.4%	296.6	5.6%	6.3%	706.8	4.9x	6.0x	5.8x
Kuehne + Nagel International AG	145.23	88.9%	17,388.7	18,934.1	21,242.5	37.1%	1,183.2	5.6%	10.6%	1,494.6	1.8x	16.0x	10.9x
Landstar System, Inc.	107.45	83.5%	4,315.4	4,169.4	4,604.3	21.3%	380.4	8.3%	27.4%	(146.0)	0.4x	11.0x	11.1x
Radiant Logistics, Inc.	5.81	79.3%	288.0	323.1	919.7	25.1%	37.8	4.1%	10.7%	34.7	1.1x	8.5x	8.0x
Universal Logistics Holdings, Inc.	22.49	59.7%	648.6	1,086.0	1,504.0	16.8%	162.8	10.8%	11.2%	437.4	2.8x	6.7x	6.0x
Wincanton plc	3.23	92.1%	399.0	423.2	1,486.5	6.3%	83.1	5.6%	22.2%	25.1	0.5x	5.1x	5.0x
XPO Logistics, Inc.	55.24	47.5%	5,079.6	12,697.6	17,207.0	14.9%	1,522.0	8.8%	6.4%	7,182.0	5.0x	8.3x	7.7x
<u>Parcel Delivery</u>													
Deutsche Post AG	\$33.09	91.7%	\$40,781.5	\$55,394.0	\$70,005.6	15.6%	\$4,973.1	7.1%	6.2%	\$14,267.1	3.8x	11.1x	6.5x
FedEx Corporation	160.82	62.0%	41,905.6	57,167.6	69,693.0	21.4%	4,888.0	7.0%	2.3%	15,262.0	3.6x	11.7x	6.8x
PostNL N.V.	1.78	46.3%	863.5	1,201.0	3,122.3	14.0%	248.0	7.9%	7.0%	334.5	2.5x	4.8x	3.5x
Royal Mail plc	2.63	42.2%	2,634.4	3,034.7	13,779.3	36.8%	1,049.6	7.6%	6.1%	416.7	0.7x	2.9x	3.3x
United Parcel Service, Inc.	101.92	81.5%	87,728.2	108,412.2	71,908.0	18.2%	7,540.0	10.5%	8.9%	20,666.0	3.4x	14.4x	10.3x
ZTO Express (Cayman) Inc.	19.94	88.0%	15,711.1	13,251.0	2,776.4	30.0%	796.1	28.7%	18.2%	(2,470.3)	0.1x	16.6x	13.4x
Median					\$5,229.4	17.1%	\$442.3	7.7%	9.1%	\$438.6	2.6x	10.9x	8.6x
Mean					\$15,748.6	19.3%	\$1,259.2	8.4%	11.9%	\$2,984.8	2.5x	10.6x	8.8x

Asset-Based Trucking

(\$ in millions, except per-share prices)
As of 7/8/19

As of 7/8/19													
Company Name	Stock Price	% of 52-Week High	Equity Value	Total Enterprise Value	LTM					Net Debt	Debt/EBITDA	TEV/	
					Revenue	Operating Ratio	EBITDA	EBITDA Margin	ROIC ⁽¹⁾			LTM EBITDA	NFY EBITDA
<u>Less-Than-Truckload</u>													
ArcBest Corporation	\$26.85	52.2%	\$685.0	\$779.0	\$3,105.6	96.1%	\$227.9	7.3%	7.3%	\$94.0	1.5x	3.4x	3.4x
Old Dominion Freight Line, Inc.	147.11	86.4%	11,908.1	11,741.4	4,109.5	79.4%	1,086.1	26.4%	16.3%	(166.6)	0.1x	10.8x	10.5x
Saia, Inc.	64.23	76.7%	1,647.7	1,871.9	1,671.6	91.5%	248.2	14.9%	8.0%	224.3	0.9x	7.5x	6.9x
YRC Worldwide Inc.	3.54	32.1%	122.4	1,216.9	5,059.8	98.0%	248.8	4.9%	4.0%	1,094.5	4.9x	4.9x	4.9x
<u>Specialty Trucking</u>													
Marten Transport, Ltd.	\$18.21	74.2%	\$994.5	\$909.9	\$799.7	91.6%	\$156.2	19.5%	6.1%	(\$84.5)	0.0x	5.8x	5.3x
Mullen Group Ltd.	7.49	57.9%	785.1	1,204.9	963.8	92.0%	143.9	14.9%	4.9%	411.0	2.9x	8.4x	7.8x
TFI International Inc.	30.03	80.2%	2,507.2	4,162.6	3,858.8	91.4%	527.2	13.7%	11.8%	1,620.7	3.1x	7.9x	6.6x
<u>Truckload</u>													
Covenant Transportation Group, Inc.	\$14.55	42.3%	\$267.3	\$545.4	\$931.1	93.6%	\$136.9	14.7%	5.3%	\$278.1	2.3x	4.0x	4.4x
Daseke, Inc.	3.51	34.9%	226.4	1,023.0	1,718.5	98.4%	169.3	9.9%	1.8%	731.6	4.7x	6.0x	5.1x
Heartland Express, Inc.	18.19	84.0%	1,491.2	1,314.9	593.6	87.9%	169.7	28.6%	8.2%	(176.3)	N/M	7.7x	7.0x
J.B. Hunt Transport Services, Inc.	89.22	68.6%	9,701.7	11,050.6	8,756.3	92.2%	1,130.3	12.9%	9.6%	1,348.9	1.2x	9.8x	8.3x
Knight-Swift Transportation Holdings Inc.	33.37	85.0%	5,777.0	6,699.8	5,277.5	89.5%	991.0	18.8%	7.0%	921.0	1.0x	6.8x	6.4x
P.A.M. Transportation Services, Inc.	59.92	85.6%	356.5	542.0	542.5	91.6%	96.8	17.8%	7.2%	185.5	2.2x	5.6x	5.4x
Schneider National, Inc.	17.83	62.6%	3,157.7	3,167.8	5,032.1	92.7%	660.5	13.1%	7.9%	10.1	0.8x	4.8x	4.7x
USA Truck, Inc.	9.39	37.8%	77.8	259.2	543.0	96.2%	50.7	9.3%	4.7%	181.4	3.6x	5.1x	4.5x
U.S. Xpress Enterprises, Inc.	5.35	32.7%	260.9	862.6	1,794.6	95.1%	173.0	9.6%	6.3%	597.9	3.5x	5.0x	4.5x
Werner Enterprises, Inc.	31.03	72.5%	2,168.6	2,237.2	2,491.3	91.0%	459.6	18.4%	7.4%	68.5	0.3x	4.9x	4.6x
Median					\$1,794.6	92.0%	\$227.9	14.7%	7.2%	\$224.3	1.9x	5.8x	5.3x
Mean					\$2,779.4	92.3%	\$392.7	15.0%	7.3%	\$431.8	2.1x	6.4x	5.9x

(1) ROIC defined as NOPAT over average total assets less cash, goodwill, and accounts payable.
Source: S&P Capital IQ

Public Comparables

Marine and Rail

Marine

(\$ in millions, except per-share prices)
As of 7/8/19

As of 7/8/19						LTM							TEV/	
Company Name	Stock Price	% of 52-Week High	Equity Value	Total Enterprise Value	Revenue	Gross Margin	EBITDA	EBITDA Margin	ROIC ⁽¹⁾	Net Debt	Debt/EBITDA	LTM EBITDA	NFY EBITDA	
Container														
A.P. Møller - Mærsk A/S	\$1,178.67	77.8%	\$23,611.9	\$37,199.1	\$39,247.0	10.7%	\$4,452.0	11.3%	1.1%	\$12,831.0	4.0x	8.4x	7.1x	
COSCO SHIPPING Development Co., Ltd.	0.13	77.5%	3,586.5	13,564.5	2,397.6	24.0%	862.8	36.0%	1.3%	9,914.4	13.8x	15.7x	N/M	
Evergreen Marine Corporation (Taiwan) Ltd.	0.43	96.3%	1,924.8	6,498.1	5,769.1	5.6%	339.2	5.9%	0.4%	4,489.0	16.8x	19.2x	15.8x	
Hapag-Lloyd Aktiengesellschaft	42.17	91.5%	7,411.2	14,593.1	13,425.7	14.4%	1,541.0	11.5%	2.8%	7,172.7	5.1x	9.5x	7.2x	
Seaspan Corporation	10.21	95.2%	2,196.5	6,633.5	1,156.9	68.4%	751.0	64.9%	4.0%	4,388.1	6.7x	8.8x	9.6x	
Yang Ming Marine Transport Corporation	0.27	89.4%	629.5	3,386.5	4,725.4	1.6%	86.2	1.8%	(1.5%)	2,765.6	38.7x	39.3x	22.2x	
Dry Bulk														
Diana Shipping Inc.	\$3.59	71.5%	\$341.0	\$735.4	\$238.1	56.7%	\$93.5	39.3%	2.8%	\$394.4	5.4x	7.9x	7.0x	
Eagle Bulk Shipping Inc.	5.68	93.3%	415.5	722.6	308.1	34.3%	65.0	21.1%	2.5%	307.1	5.7x	11.1x	9.7x	
Genco Shipping & Trading Limited	10.31	64.1%	429.5	773.3	384.1	38.1%	109.3	28.5%	2.0%	343.9	4.9x	7.1x	7.6x	
Navios Maritime Holdings Inc.	4.69	50.7%	57.6	2,358.0	541.1	40.6%	186.5	34.5%	2.0%	2,029.0	11.5x	12.6x	11.2x	
Safe Bulkers, Inc.	1.93	53.2%	195.4	703.4	198.0	64.0%	105.5	53.3%	3.5%	490.9	5.3x	6.7x	7.5x	
Offshore Vessel Operators														
Bourbon Corporation SA	\$2.61	39.0%	\$201.6	\$1,719.0	\$725.8	37.5%	(\$58.6)	(8.1%)	(7.6%)	\$1,462.8	N/M	N/M	N/M	
Hornbeck Offshore Services, Inc.	1.23	20.0%	46.6	1,096.4	224.9	32.4%	30.2	13.4%	(1.9%)	1,049.8	40.6x	36.3x	33.2x	
Tidewater Inc.	22.87	63.4%	858.0	909.5	437.2	32.7%	21.2	4.9%	(1.8%)	50.0	20.8x	42.8x	8.8x	
Jones Act														
American Shipping Company ASA	\$4.07	97.6%	\$246.7	\$784.3	\$87.8	99.9%	\$84.1	95.8%	4.0%	\$539.1	7.0x	9.3x	9.3x	
Kirby Corporation	75.94	85.5%	4,548.9	6,379.9	2,973.6	27.9%	492.3	16.6%	3.3%	1,828.0	3.7x	13.0x	11.3x	
Matson, Inc.	38.22	91.1%	1,636.8	2,740.5	2,243.8	15.2%	215.7	9.6%	3.7%	1,103.7	5.2x	12.7x	9.5x	
SEACOR Holdings Inc.	47.51	82.0%	880.3	1,361.5	860.5	29.4%	149.4	17.4%	3.6%	316.5	3.3x	9.1x	9.7x	
Tanker														
Ardmore Shipping Corporation	\$8.57	98.8%	\$283.6	\$680.8	\$222.0	20.5%	\$28.8	13.0%	(0.5%)	\$397.1	15.6x	23.6x	10.9x	
Capital Product Partners L.P.	10.35	46.2%	188.1	396.0	276.7	49.1%	147.6	53.4%	3.4%	207.8	1.9x	2.7x	5.1x	
Frontline Ltd.	8.54	89.5%	1,460.1	3,197.7	809.7	33.8%	249.7	30.8%	2.7%	1,737.4	7.3x	12.8x	10.6x	
GasLog Ltd.	14.21	61.4%	1,146.0	5,151.5	648.8	77.1%	459.7	70.9%	3.7%	2,911.7	6.9x	11.2x	10.4x	
Navigator Holdings Ltd.	9.65	72.3%	538.8	1,346.5	308.3	45.0%	106.7	34.6%	1.3%	807.7	8.1x	12.6x	10.7x	
Scorpio Tankers Inc.	30.30	98.2%	1,455.5	3,804.6	624.4	47.5%	222.4	35.6%	0.9%	2,349.1	12.9x	17.1x	9.9x	
Teekay Corporation	3.45	43.0%	347.3	7,262.4	1,794.9	36.5%	514.7	28.7%	2.1%	4,874.5	10.3x	14.1x	N/M	
Tsakos Energy Navigation Limited	3.39	90.4%	297.0	1,745.2	551.2	42.3%	196.5	35.6%	1.2%	1,418.4	8.1x	8.9x	7.1x	
Median					\$636.6	35.4%	\$167.9	28.6%	2.1%	\$1,440.6	7.0x	12.6x	9.7x	
Mean					\$3,122.3	37.9%	\$440.5	29.2%	1.5%	\$2,545.4	10.8x	14.9x	10.9x	

Rail

(\$ in millions, except per-share prices)
As of 7/8/19

Company Name	Stock Price	% of 52-Week High	Equity Value	Total Enterprise Value	LTM					Net Debt	Debt/EBITDA	TEV/	
					Revenue	Gross Margin	EBITDA	EBITDA Margin	ROIC ⁽¹⁾			LTM EBITDA	NFY EBITDA
Canadian National Railway Company	\$93.82	95.9%	\$67,618.1	\$78,058.0	\$10,976.7	53.2%	\$5,477.5	49.9%	9.0%	\$10,221.0	1.9x	14.3x	13.4x
Canadian Pacific Railway Limited	238.44	97.9%	33,339.2	40,184.3	5,552.3	54.3%	2,885.0	52.0%	9.6%	6,701.5	2.4x	13.9x	13.6x
CSX Corporation	77.22	95.7%	62,483.6	76,811.6	12,387.0	51.3%	6,356.0	51.3%	8.6%	14,311.0	2.6x	12.1x	11.7x
Genesee & Wyoming Inc.	109.49	99.8%	6,209.4	8,922.1	2,332.0	36.3%	683.4	29.3%	3.8%	2,504.2	3.8x	13.1x	12.4x
Kansas City Southern	121.28	96.3%	12,199.2	15,276.2	2,750.2	48.0%	1,329.4	48.3%	6.6%	2,749.4	2.1x	11.5x	10.8x
Norfolk Southern Corporation	198.94	94.1%	52,911.5	64,777.5	11,581.0	45.2%	5,267.0	45.5%	7.2%	11,866.0	2.3x	12.3x	12.0x
Union Pacific Corporation	169.59	94.2%	120,042.3	146,115.3	22,741.0	51.8%	10,735.0	47.2%	8.9%	26,073.0	2.5x	13.6x	12.9x
Median					\$10,976.7	51.3%	\$5,267.0	48.3%	8.6%	\$10,221.0	2.4x	13.1x	12.4x
Mean					\$9,760.0	48.6%	\$4,676.2	46.2%	7.7%	\$10,632.3	2.5x	13.0x	12.4x

(1) ROIC defined as NOPAT over average total assets less cash, goodwill, and accounts payable.
Source: S&P Capital IQ

Public Comparables

Transportation Equipment Leasing and Aviation

Transportation Equipment Leasing

(\$ in millions, except per-share prices)
As of 7/8/19

Company Name	Stock Price	% of 52-Week High	Equity Value	Total Enterprise Value	LTM					Net Debt	Debt/EBITDA	TEV/	
					Revenue	Gross Margin	EBITDA	EBITDA Margin	ROIC ⁽¹⁾			LTM EBITDA	NFY EBITDA
AMERCO	\$377.07	93.4%	\$7,393.5	\$10,725.6	\$3,768.7	31.2%	\$1,201.0	31.9%	3.7%	\$3,484.1	3.5x	8.9x	9.9x
Brambles Limited	8.55	93.2%	13,572.8	15,954.0	5,862.4	33.7%	1,705.2	29.1%	10.8%	2,407.2	1.5x	9.4x	10.3x
CAI International, Inc.	23.52	85.7%	414.5	2,558.2	447.8	45.5%	170.8	38.1%	3.8%	2,039.7	12.2x	15.0x	8.1x
GATX Corporation	76.75	84.2%	2,778.4	7,781.3	1,372.6	63.4%	659.9	48.1%	2.6%	5,002.9	8.0x	11.8x	10.2x
Ryder System, Inc.	55.52	69.4%	2,959.2	10,246.4	8,685.3	19.3%	2,120.0	24.4%	3.6%	7,287.2	3.5x	4.8x	4.5x
Textainer Group Holdings Limited	9.75	59.5%	559.7	3,863.9	695.3	73.7%	465.3	66.9%	3.0%	3,275.0	7.3x	8.3x	8.1x
Triton International Limited	32.58	82.4%	2,471.3	9,923.5	1,430.2	96.2%	1,360.3	95.1%	4.8%	7,328.7	5.4x	7.3x	7.7x
Median					\$1,430.2	45.5%	\$1,201.0	38.1%	3.7%	\$3,484.1	5.4x	8.9x	8.1x
Mean					\$3,180.3	51.9%	\$1,097.5	47.7%	4.6%	\$4,403.5	5.9x	9.4x	8.4x

Aviation

(\$ in millions, except per-share prices)
As of 7/8/19

As of 7/8/19		% of 52-Week High	Equity Value	Total Enterprise Value	LTM					TEV/			
Company Name	Stock Price				Revenue	Gross Margin	EBITDA	EBITDA Margin	ROIC ⁽¹⁾	Net Debt	Debt/EBITDA	LTM EBITDA	NFY EBITDA
<u>Airlines</u>													
Air Canada	\$31.71	97.6%	\$8,457.3	\$11,376.6	\$13,801.8	25.3%	\$1,680.4	12.2%	4.9%	\$2,858.1	4.3x	6.8x	4.1x
Alaska Air Group, Inc.	64.68	86.4%	7,983.3	10,229.3	8,308.0	26.7%	1,213.0	14.6%	5.9%	2,246.0	3.0x	8.4x	5.7x
Allegiant Travel Company	146.30	98.3%	2,354.1	3,205.7	1,693.6	32.7%	365.4	21.6%	7.6%	851.6	3.8x	8.8x	6.4x
American Airlines Group Inc.	32.79	74.7%	14,586.1	43,681.1	44,724.0	27.1%	5,819.0	13.0%	4.7%	29,095.0	5.7x	7.5x	6.3x
Delta Air Lines, Inc.	59.37	96.8%	38,866.3	55,537.3	44,942.0	25.3%	7,690.0	17.1%	7.8%	16,671.0	2.4x	7.2x	6.0x
Hawaiian Holdings, Inc.	28.12	63.5%	1,351.0	2,003.2	2,828.8	26.6%	459.4	16.2%	7.6%	652.1	2.6x	4.4x	3.5x
JetBlue Airways Corporation	19.46	96.6%	5,856.4	7,427.4	7,775.0	33.0%	1,144.0	14.7%	4.4%	1,571.0	2.1x	6.5x	5.1x
SkyWest, Inc.	62.39	94.8%	3,196.5	6,097.9	3,162.0	35.4%	851.4	26.9%	5.9%	2,901.4	4.0x	7.2x	6.4x
Southwest Airlines Co.	52.08	81.3%	28,282.8	29,128.8	22,170.0	32.0%	4,154.0	18.7%	9.2%	846.0	1.1x	7.0x	6.5x
Spirit Airlines, Inc.	51.69	79.1%	3,537.6	5,548.2	3,474.7	33.7%	628.7	18.1%	6.7%	2,010.6	5.1x	8.8x	5.7x
United Airlines Holdings, Inc.	90.67	92.7%	23,857.9	39,878.9	41,860.0	32.8%	6,139.0	14.7%	6.7%	16,021.0	3.3x	6.5x	5.8x
WestJet Airlines Ltd.	23.49	99.2%	2,677.0	3,662.7	3,586.7	44.7%	403.7	11.3%	1.7%	965.1	5.4x	9.1x	5.5x
<u>Airport Services</u>													
Air Transport Services Group, Inc.	\$23.43	90.7%	\$1,379.8	\$2,787.8	\$1,037.5	42.1%	\$348.7	33.6%	4.8%	\$1,407.9	4.2x	8.0x	6.2x
BBA Aviation plc	3.60	81.2%	3,703.4	5,014.1	2,347.3	22.2%	417.4	17.8%	5.7%	1,333.1	3.5x	12.0x	7.7x
Frappart AG	83.80	86.2%	7,741.9	12,666.8	4,081.6	34.7%	1,243.1	30.5%	3.7%	4,720.0	4.6x	10.2x	9.5x
SATS Ltd.	3.95	98.5%	4,401.2	4,337.8	1,349.5	32.7%	242.5	18.0%	8.8%	(187.6)	0.3x	17.9x	16.6x
<u>Helicopter Operators</u>													
Era Group Inc.	8.52	59.9%	189.3	313.2	215.6	30.2%	23.2	10.7%	(1.3%)	120.7	7.4x	13.5x	11.7x
Median					\$3,586.7	32.7%	\$851.4	17.1%	5.9%	\$1,571.0	3.8x	8.0x	6.2x
Mean					\$12,197.5	31.6%	\$1,930.8	18.2%	5.6%	\$4,946.1	3.7x	8.8x	7.0x

Passenger Transportation

(\$ in millions, except per-share prices)
As of 7/8/19

Company Name	Stock Price	% of 52-Week High	Equity Value	Total Enterprise Value	LTM					Net Debt	Debt/EBITDA	TEV/	
					Revenue	Operating Ratio	EBITDA	EBITDA Margin	ROIC ⁽¹⁾			LTM EBITDA	NFY EBITDA
ComfortDelGro Corporation Limited	\$2.04	98.9%	\$4,412.9	\$4,857.1	\$2,859.6	88.4%	\$628.6	22.0%	8.1%	\$137.0	0.9x	7.7x	7.7x
FirstGroup plc	1.28	81.8%	1,554.2	2,711.1	9,281.1	97.2%	756.1	8.1%	3.7%	1,245.1	2.8x	3.6x	3.2x
Lyft, Inc.	59.79	67.5%	17,375.5	21,830.1	2,535.5	174.4%	(1,845.9)	N/M	N/M	(697.5)	N/M	N/M	N/M
National Express Group PLC	5.13	93.6%	2,613.1	3,906.3	3,123.5	90.7%	509.2	16.3%	8.4%	1,288.4	2.8x	7.7x	7.3x
Stagecoach Group plc	1.62	70.2%	914.3	1,244.9	2,429.2	94.1%	358.3	14.7%	5.3%	341.7	1.6x	3.5x	4.1x
The Go-Ahead Group plc	26.52	99.4%	1,139.9	930.6	4,508.5	97.0%	234.3	5.2%	22.0%	(256.2)	2.1x	4.0x	3.7x
Uber Technologies, Inc.	42.95	91.2%	72,824.0	89,844.0	11,785.0	128.8%	(2,920.0)	(24.8%)	(22.2%)	2,800.0	N/M	N/M	N/M
Median					\$3,123.5	97.0%	\$358.3	11.4%	6.7%	\$341.7	2.1x	4.0x	4.1x
Mean					\$5,217.5	110.1%	(\$325.6)	6.9%	4.2%	\$694.1	2.1x	5.3x	5.2x

(1) ROIC defined as NOPAT over average total assets less cash, goodwill, and accounts payable.

Source: S&P Capital IQ

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