



NORTH AMERICAN LOGISTICS

M&A Activity and Valuation Trends
Q1 | 2018



Robert Ullman
Managing Director
rullman@dinancapital.com
415.613.4114

William Downing
Managing Director
wdowning@dinancapital.com
602.734.0682

Michael Pucci
Associate Director
mpucci@dinancapital.com
602.734.0667

Michael Hilcove
Senior Associate
mhilcove@dinancapital.com
602.734.0626

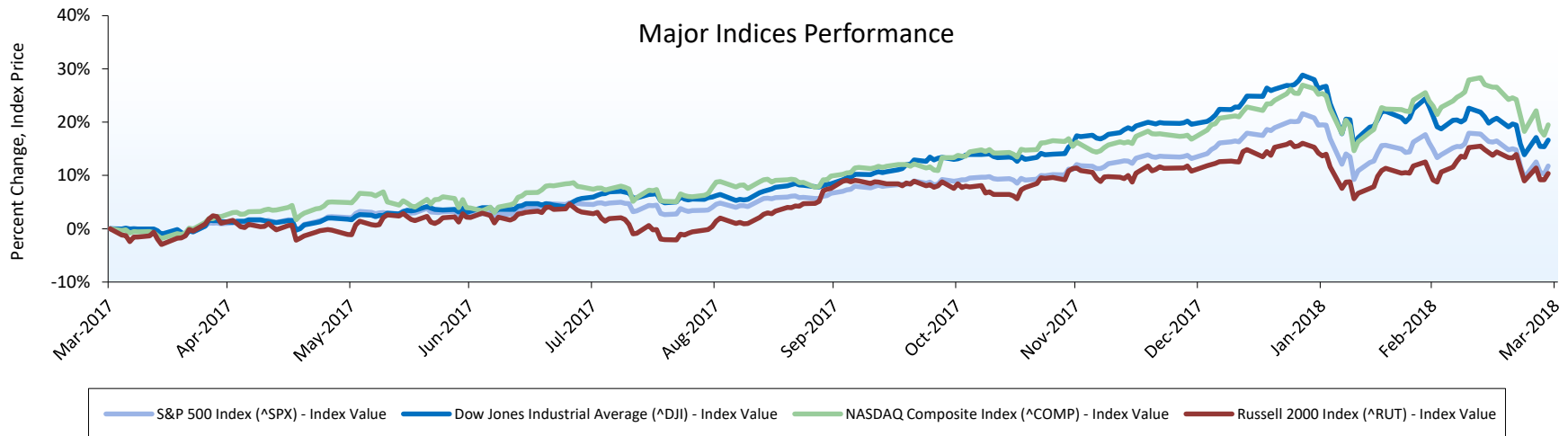
Michael Reister
Senior Analyst
mreister@dinancapital.com
602.734.0663

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Economic Indicators

Macroeconomic Overview



Index	As of 06/30/2017	As of 09/30/2017	As of 12/31/2017	As of 03/31/2018
^SPX	2423.41	2519.36	2673.61	2640.87
^COMP	6140.42	6495.96	6903.39	7063.45
^DJI	21349.63	22405.09	24719.22	24103.11
^RUT	1415.36	1490.86	1535.51	1529.43

Major Economic Indicators

Economic Indicator	2013	2014	2015	2016	2017
Real GDP (% change)	2.20%	2.40%	3.00%	2.08%	2.30%
CPI (% change)	1.50%	1.62%	1.90%	2.38%	2.20%
Cons. Spending (% change)	2.40%	2.50%	2.90%	3.10%	3.30%
Nonfarm Productivity	0.90%	0.70%	-2.20%	1.00%	1.50%
Unemployment Rate	7.40%	6.20%	5.80%	4.40%	4.10%

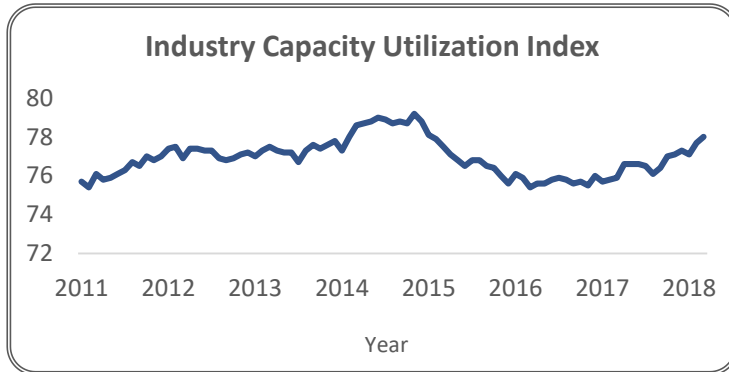
Interest Rates

Interest Rates	06/30/2017	09/30/2017	12/31/2017	03/31/2018
United States Treasury - 2 Year	1.38%	1.47%	1.89%	2.27%
United States Treasury - 5 Year	1.89%	1.92%	2.20%	2.56%
United States Treasury - 10 Year	2.31%	2.33%	2.40%	2.74%
United States Treasury - 30 Year	2.84%	2.86%	2.74%	2.97%
United States Prime Rate	4.25%	4.25%	4.50%	4.75%

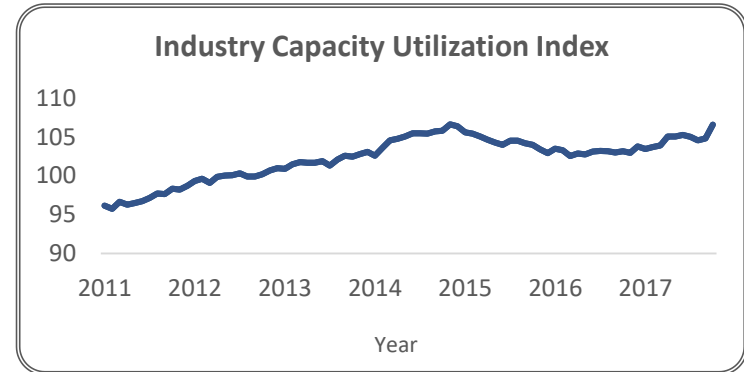
Source: Capital IQ, S&P NetAdvantage

Economic Indicators

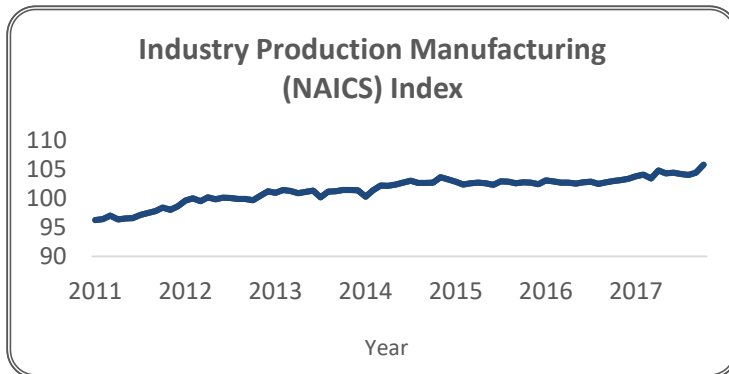
Logistics Performance Metrics



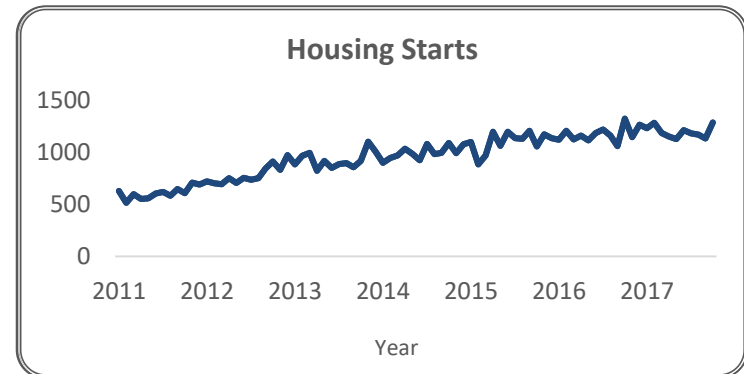
The Federal Reserve Board derives the Industrial Capacity Utilization Index through dividing an estimated monthly industrial production index by a related capacity index providing a more complete picture of industrial developments.



The Industrial Production index is an economic indicator published by the Federal Reserve that measures the level of real production output of manufacturing, mining, and utilities.



The Industrial Production Manufacturing measures North American manufacturing output according to the NAICS.



The US Census Bureau along with the US Department of Housing and Urban Development release a monthly report on housing starts. A housing start is defined as the beginning of a new foundation of a home itself.

Dinan Index Constituents

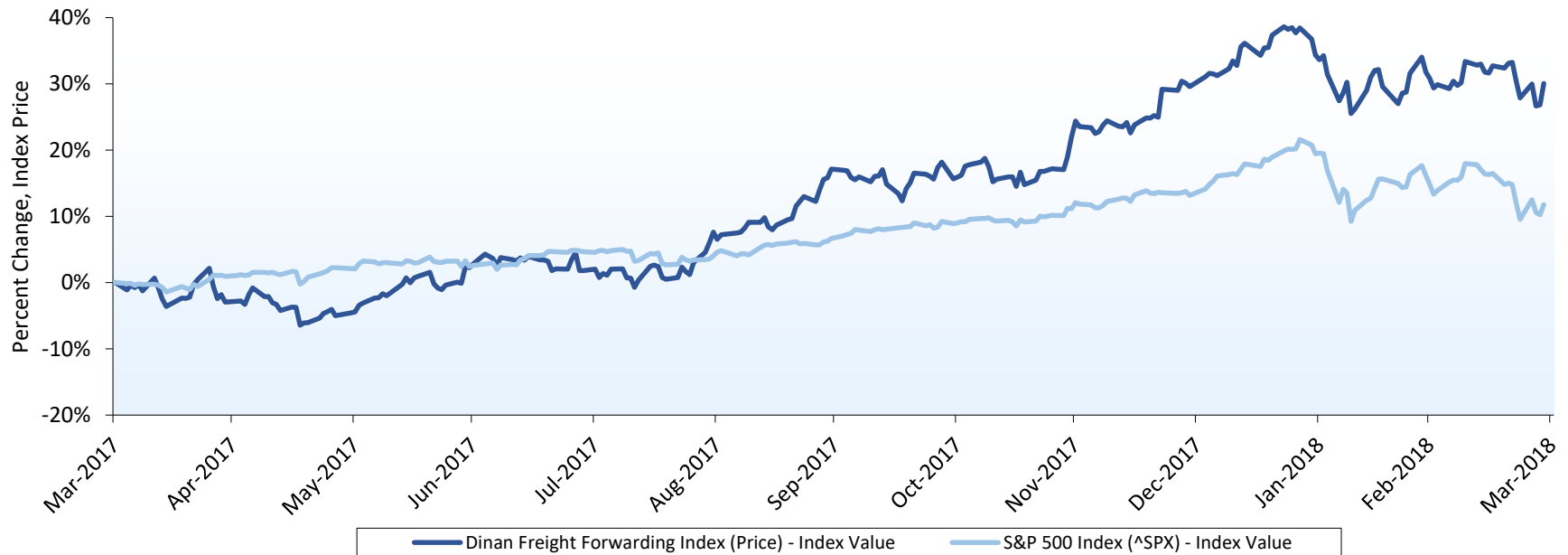
Logistics



Freight/Logistics

Capital Market Activity

Logistics



Capitalization Profile	Number of Companies	% of Companies	Agg. Equity Mkt. Value	% of Agg. Equity Mkt. Value
> \$10B	4	57.14%	\$49,339.08	89.41%
\$5B - \$10B	0	0.00%	\$0.00	0.00%
\$1B - \$5B	2	28.57%	\$5,240.59	9.50%
< \$1B	1	14.29%	\$600.29	1.09%
Total	7	100.00%	\$55,179.96	100.00%

Source: Capital IQ

Public Sector Valuations

Logistics

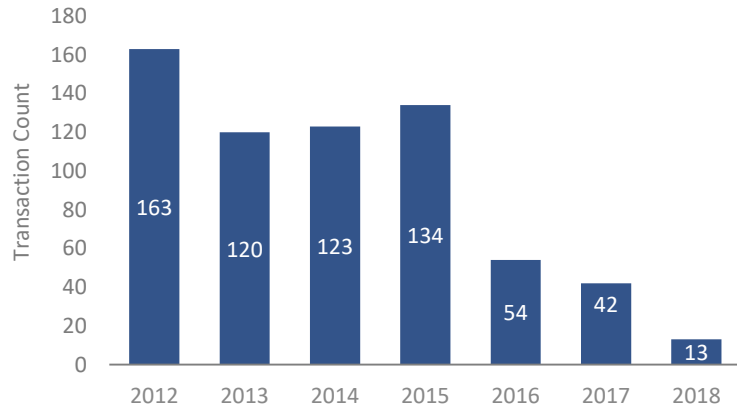
Industry /		Last Twelve Months							Next Twelve Months		
Company Name	Ticker	TEV (mm)	Market Cap (mm)	Rev (mm)	EBITDA (mm)	EBIT (mm)	TEV/Rev	TEV/EBIT	TEV/EBITDA	Forward TEV/Rev	Forward TEV/EBITDA
Logistics											
Air Transport Services Group, Inc.	NasdaqGS:ATSG	\$1,910.85	\$1,373.43	\$1,068.20	\$250.06	\$93.30	1.79x	21.19x	7.74x	2.10x	5.78x
CH Robinson Worldwide Inc.	NasdaqGS:CHRW	\$14,226.97	\$13,095.86	\$14,869.38	\$854.21	\$775.12	0.96x	18.35x	16.66x	0.76x	12.84x
Expeditors International of Washington	NasdaqGS:EXPD	\$10,126.50	\$11,175.08	\$6,920.95	\$745.57	\$696.26	1.46x	14.54x	13.58x	1.40x	12.69x
JB Hunt Transport Services Inc.	NasdaqGS:JBHT	\$13,930.18	\$12,857.74	\$6,435.86	\$1,010.41	\$626.89	1.94x	22.22x	13.79x	1.63x	10.68x
Ryder System, Inc.	NYSE:R	\$9,198.46	\$3,867.16	\$7,329.60	\$1,731.74	\$491.57	1.25x	18.71x	5.31x	1.12x	4.72x
Universal Logistics Holdings, Inc.	NasdaqGS:ULH	\$831.45	\$600.29	\$1,216.67	\$74.01	\$27.01	0.68x	30.78x	11.23x	0.00x	0.00x
XPO Logistics, Inc.	NYSE:XPO	\$16,927.90	\$12,210.40	\$15,380.80	\$1,281.60	\$623.20	1.10x	27.16x	13.21x	1.01x	10.68x
	Median	\$10,126.50	\$11,175.08	\$6,920.95	\$854.21	\$623.20	1.3x	21.2x	13.2x	1.1x	10.7x

Source: Capital IQ

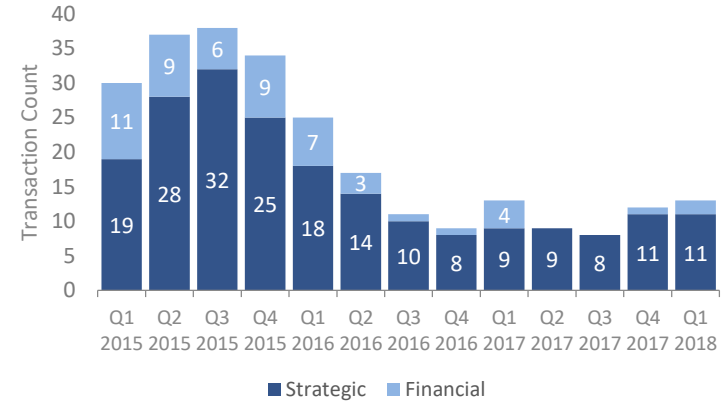
Mergers & Acquisitions Overview

Logistics

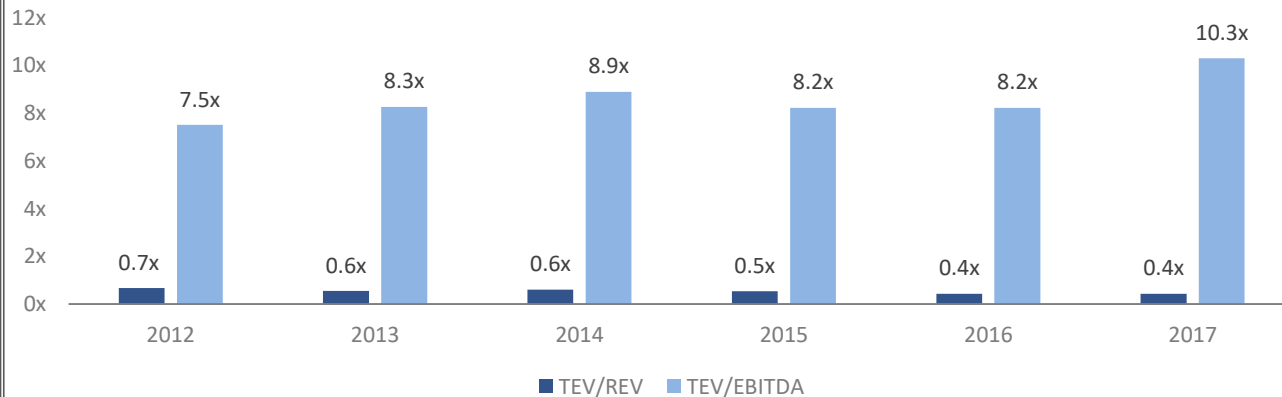
Yearly Transaction Overview



Quarterly M&A Transactions



Transaction Multiples



Source: Capital IQ

First Quarter Transactions Overview

Logistics

Date	Acquirer	Target	Industry Segment	Target LTM		Enterprise Value	Enterprise Value / LTM	
				Revenue	EBITDA		Revenue	EBITDA
3/19/18	PriceSmart, Inc.	Aeropost International Services, Inc.	Freight/Logistics	-	-	-	-	-
3/13/18	St. George Trucking & Warehouse Inc.	Freight Force, Inc.	Freight/Logistics	-	-	-	-	-
3/7/18	LBC Express Holdings, Inc.	LBC Mabuhay Saipan, Inc.	Freight/Logistics	-	-	\$0.21	-	-
3/1/18	Greenbriar Equity Group LLC	Lasership, Inc.	Freight/Logistics	-	-	-	-	-
2/22/18	Patriot Defense Group, LLC	Innovative Logistics, LLC	Freight/Logistics	-	-	-	-	-
2/21/18	Delmar International Inc.	AIRTRADES Freight Forwarders Inc.	Freight/Logistics	-	-	-	-	-
2/15/18	HEB Grocery Company, LP	NeighborFavor, Inc.	Freight/Logistics	-	-	-	-	-
2/7/18	Asendia Management SAS	Globegistics Inc.	Freight/Logistics	-	-	-	-	-
2/2/18	BaleForce Recycling Equipment Inc.	Ready Machinery & Equipment (Canada) Inc	Freight/Logistics	-	-	-	-	-
1/31/18	WPX Energy, Inc.	WhiteWater Midstream LLC	Freight/Logistics	-	-	-	-	-
1/18/18	Loomis AB (publ)	Sequel International Logistics (USA) Inc.	Freight/Logistics	\$2.60	-	\$2.00	0.77x	-
1/10/18	GlobalTranz Enterprises, Inc.	AJR Transportation LLC	Freight/Logistics	-	-	-	-	-
1/2/18	C.H. Powell Company	The Irwin Brown Company	Freight/Logistics	-	-	-	-	-

Source: Capital IQ

Dinan Capital Advisors

Logistics

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Dinan Capital Advisors



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Based on a highly structured process that leverages our experience, research capabilities, and proprietary technology platforms, we initiate every engagement by first assessing the market climate, and then developing an understanding of the current situation and strategic objectives of each company. From there, we partner with our clients to develop a plan that maximizes shareholder value and delivers the optimal transaction outcome.

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For any query regarding this report, please contact:

Robert Ullman
Managing Director

rullman@dinancapital.com
415.613.4114

William Downing
Managing Director

wdowning@dinancapital.com
602.734.0682

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