



# NORTH AMERICAN LOGISTICS

M&A Activity and Valuation Trends  
Q1 | 2019



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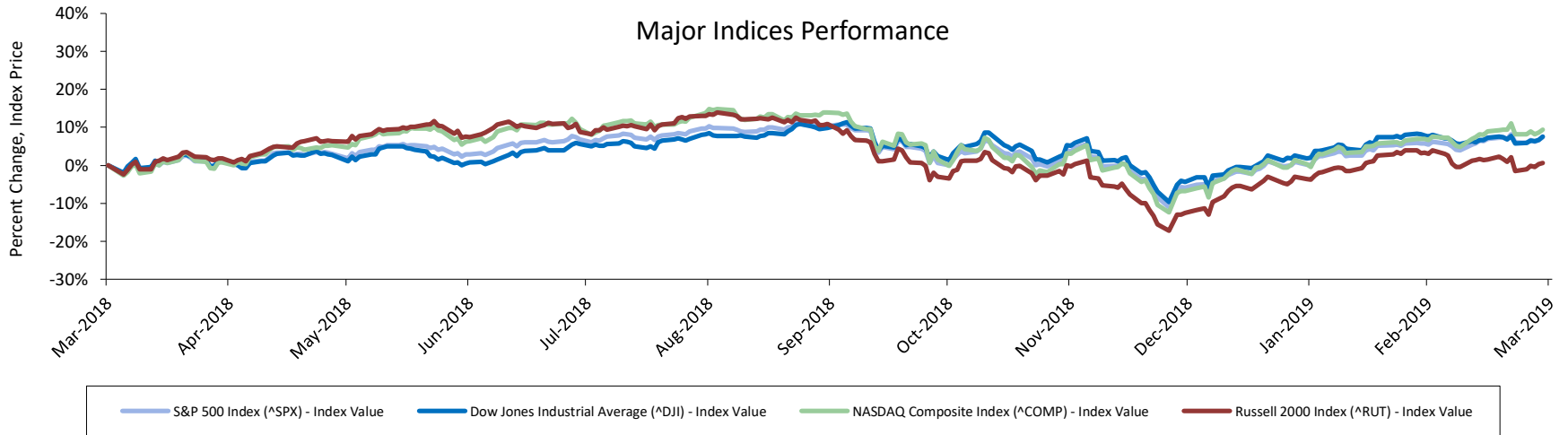
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# Economic Indicators

## Macroeconomic Overview



Index	As of 6/30/2018	As of 9/30/2018	As of 12/31/2018	As of 3/31/2019
^SPX	2718.37	2913.98	2506.85	2834.40
^COMP	7510.30	8046.35	6635.28	7729.32
^DJI	24271.41	26458.31	23327.46	25928.68
^RUT	1643.07	1696.57	1348.56	1539.74

### Major Economic Indicators

Economic Indicator	2014	2015	2016	2017	2018
Real GDP (% change)	2.40%	3.00%	2.08%	2.30%	2.22%
CPI (% change)	1.62%	1.90%	2.38%	2.20%	1.91%
Cons. Spending (% change)	2.50%	2.90%	3.10%	3.30%	2.80%
Nonfarm Productivity	0.70%	-2.20%	1.00%	1.50%	1.80%
Unemployment Rate	6.20%	5.80%	4.40%	4.10%	3.90%

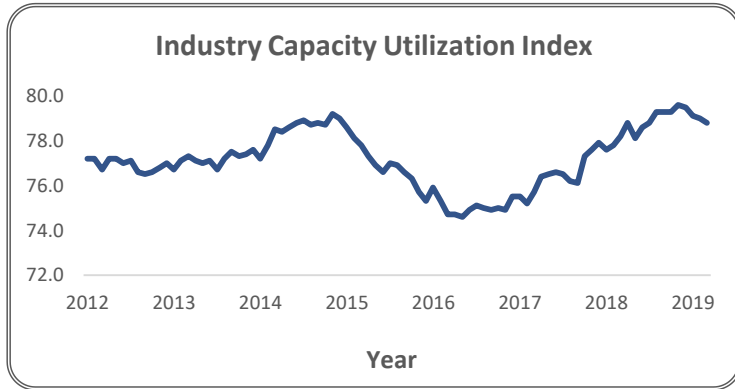
### Interest Rates

Interest Rates	6/30/2018	9/30/2018	12/31/2018	3/31/2019
United States Treasury - 2 Year	2.52%	2.81%	2.48%	2.27%
United States Treasury - 5 Year	2.73%	2.94%	2.51%	2.23%
United States Treasury - 10 Year	2.85%	3.05%	2.69%	2.41%
United States Treasury - 30 Year	2.98%	3.19%	3.02%	2.81%
United States Prime Rate	5.00%	5.25%	5.50%	5.50%

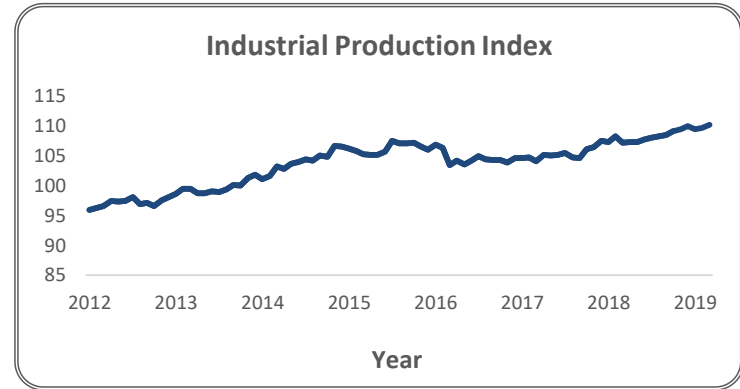
Source: Capital IQ, S&P NetAdvantage

# Economic Indicators

## Logistics Performance Metrics



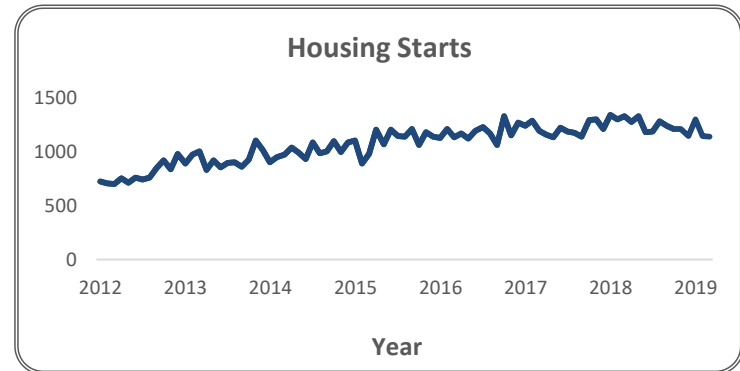
The Federal Reserve Board derives the Industrial Capacity Utilization Index through dividing an estimated monthly industrial production index by a related capacity index providing a more complete picture of industrial developments.



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.

Source: Federal Reserve Economic Data

# Dinan Index Constituents

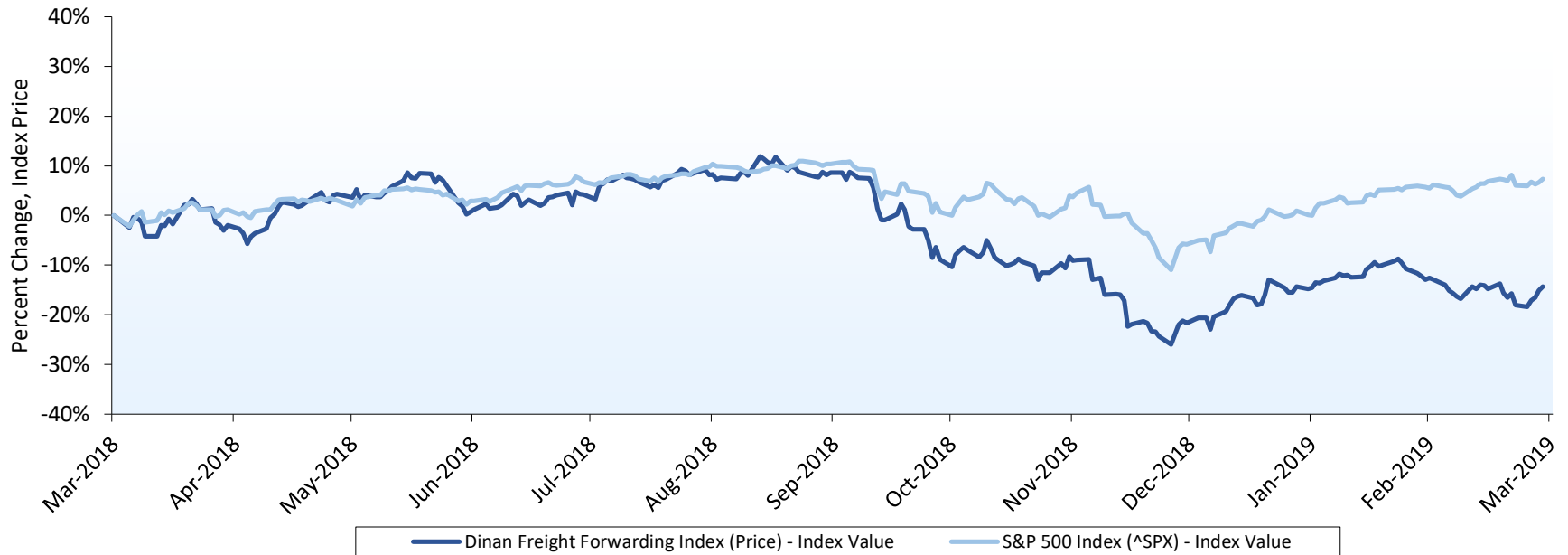
## Logistics



Freight/Logistics

# Capital Market Activity

## Logistics



Capitalization Profile	Number of Companies	% of Companies	Agg. Equity Mkt. Value	% of Agg. Equity Mkt. Value
> \$10B	3	42.86%	\$35,962.99	76.44%
\$5B - \$10B	1	14.29%	\$5,868.14	12.47%
\$1B - \$5B	2	28.57%	\$4,660.05	9.90%
< \$1B	1	14.29%	\$558.59	1.19%
Total	7	100.00%	\$47,049.78	100.00%

Source: Capital IQ

# Public Sector Valuations

## Logistics

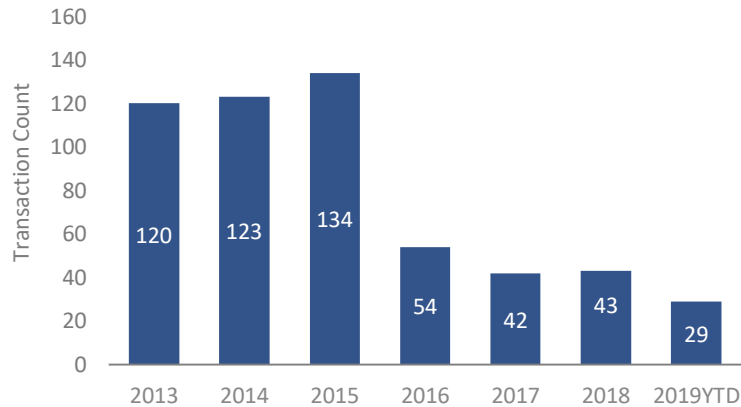
Industry /		Last Twelve Months							Next Twelve Months		
Company Name	Ticker	TEV (mm)	Market Cap (mm)	Rev (mm)	EBITDA (mm)	EBIT (mm)	TEV/Rev	TEV/EBIT	TEV/EBITDA	Forward TEV/Rev	Forward TEV/EBITDA
<b>Freight Forwarding</b>											
Air Transport Services Group, Inc.	NasdaqGS:ATSG	\$2,704.79	\$1,357.56	\$892.35	\$312.12	\$124.46	3.03x	23.73x	8.97x	2.08x	6.08x
C.H. Robinson Worldwide, Inc.	NasdaqGS:CHRW	\$12,872.64	\$11,904.90	\$16,631.17	\$994.12	\$912.08	0.77x	14.11x	12.95x	0.78x	12.49x
Expeditors International of Washington	NasdaqGS:EXPD	\$12,121.08	\$13,043.94	\$8,138.37	\$850.58	\$796.56	1.49x	15.22x	14.25x	1.50x	14.41x
J.B. Hunt Transport Services, Inc.	NasdaqGS:JBHT	\$12,160.46	\$11,014.15	\$7,700.06	\$1,119.32	\$680.04	1.41x	17.86x	10.89x	1.25x	8.45x
Ryder System, Inc.	NYSE:R	\$9,857.98	\$3,302.49	\$8,409.22	\$2,028.83	\$664.87	1.17x	14.83x	4.86x	1.11x	4.56x
Universal Logistics Holdings, Inc.	NasdaqGS:ULH	\$943.99	\$558.59	\$1,461.71	\$148.72	\$94.29	0.65x	10.01x	6.35x	0.62x	5.85x
XPO Logistics, Inc.	NYSE:XPO	\$10,152.14	\$5,868.14	\$17,279.00	\$1,513.00	\$797.00	0.59x	12.74x	6.71x	0.64x	6.94x
	<b>Median</b>	\$10,152.14	\$5,868.14	\$8,138.37	\$994.12	\$680.04	1.2x	14.8x	9.0x	1.1x	6.9x

Source: Capital IQ

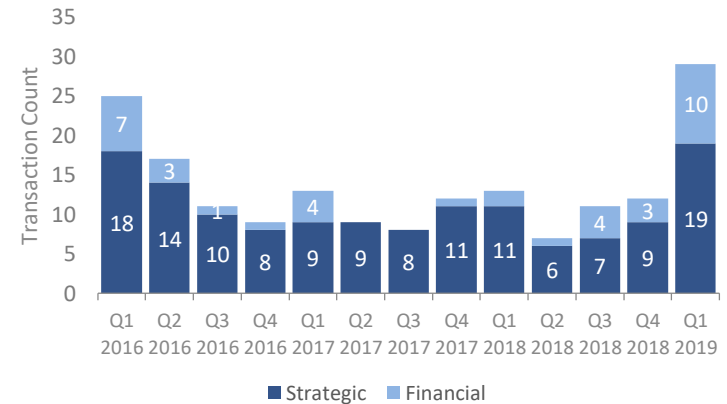
# Mergers & Acquisitions Overview

## Logistics

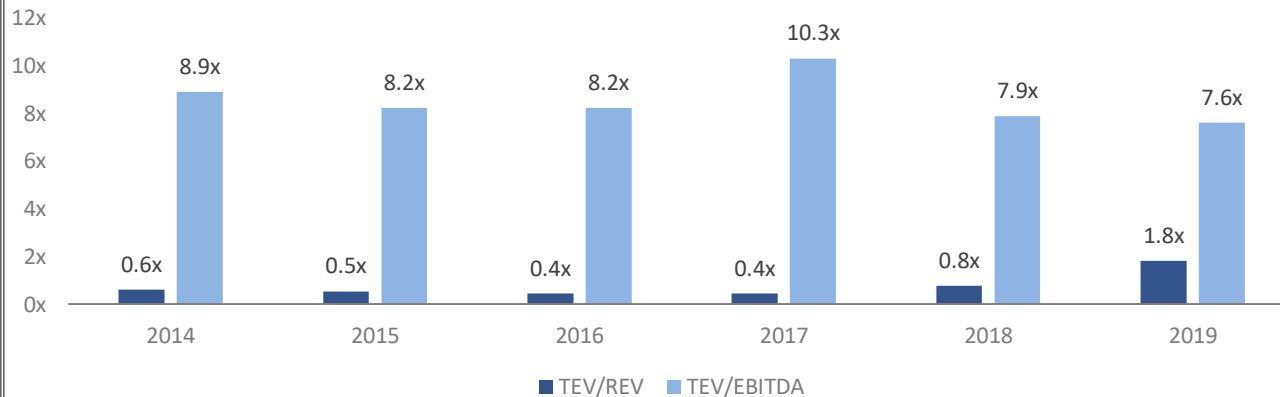
### Yearly Transaction Overview



### Quarterly M&A Transactions



### Transaction Multiples



Source: Capital IQ



# First Quarter Transactions Overview

## Logistics

Date	Acquirer	Target	Industry Segment	Target LTM		Enterprise	Enterprise Value / LTM	
				Revenue	EBITDA	Value	Revenue	EBITDA
3/31/19	Rhenus SE & Co. KG	Rodair International Ltd.	Logistics	-	-	-	-	-
3/26/19	Rakuten Super Logistics, Inc.	International Fulfillment Solutions, LLC/ IFS360	Logistics	-	-	-	-	-
3/20/19	Canadian National Railway Company	Trans X LTD	Logistics	-	-	\$148.52	-	-
3/19/19	Macquarie Infrastructure Partners Inc.	NYK Terminals (North America) Inc.	Logistics	-	-	-	-	-
3/13/19	The Related Companies, L.P.	Scenic Technology Corporation	Logistics	-	-	-	-	-
3/13/19	Namaste Technologies Inc.	Pineapple Express Delivery Inc.	Logistics	-	-	-	-	-
3/10/19	Wheaton Van Lines, Inc.	Stevens Worldwide Van Lines, Inc.	Logistics	-	-	-	-	-
3/5/19	Private Investors	Bullet Deliveries, Inc.	Logistics	-	-	-	-	-
3/1/19	WayForth	Door To Door Solutions, Inc.	Logistics	-	-	-	-	-
2/28/19	Inmar, Inc.	Assets of Genco Pharmaceutical Services	Logistics	-	-	-	-	-
2/25/19	TFI International Inc.	Schilli Corporation	Logistics	-	-	-	-	-
2/21/19	Auxo Investment Partners	Andrie, Inc.	Logistics	-	-	-	-	-
2/20/19	BlackRock, Inc.	Tidewater Holdings, Incorporated	Logistics	-	-	-	-	-
2/14/19	FLS Transportation Services (USA) Inc.	Scott Logistics Corp.	Logistics	-	-	-	-	-
2/11/19	NFI Industries, Inc.	SCR Air Services, Inc.	Logistics	-	-	-	-	-
2/11/19	Kriska Transportation Group Limited	Icon Transportation Logistics Ltd.	Logistics	-	-	-	-	-
2/8/19	A.P. Møller - Mærsk A/S	Vandegrift Forwarding Company, Inc.	Logistics	-	-	-	-	-
2/6/19	National Corporate Housing, Inc.	The Mulberry Group Inc.	Logistics	-	-	-	-	-
2/5/19	Timber Investments Ltd.	Columbia Containers Ltd.	Logistics	-	-	-	-	-
2/1/19	EVO Transportation & Energy Services, Inc.	Ursa Major Corporation	Logistics	-	-	\$2.00	-	-
1/29/19	Brixey & Meyer Capital	CityDash, Inc.	Logistics	-	-	-	-	-
1/26/19	OEP Capital Advisors, L.P.	P & S Transportation, LLC	Logistics	-	-	-	-	-
1/22/19	Neopost S.A. (nka:Quadient SAS)	Parcel Pending, Inc.	Logistics	\$30.00	-	\$100.00	3.33x	-
1/16/19	GlobalTranz Enterprises, Inc.	Our Freight Guy	Logistics	-	-	-	-	-
1/16/19	Santé Veritas Holdings Inc.	Blackbird Logistics Corporation	Logistics	-	-	\$50.00	-	-
1/9/19	Legion Logistics, LLC	Qontinuity Enterprises, LLC	Logistics	-	-	-	-	-
1/3/19	SEKO Worldwide, LLC	GoodShip International Inc.	Logistics	-	-	-	-	-
1/2/19	Fitzmark, Inc.	Reliable Source Logistics LLC	Logistics	\$50.00	-	-	-	-
1/2/19	EVO Transportation & Energy Services, Inc.	Sheehy Mail Contractors, Inc.	Logistics	\$30.43	\$1.16	\$8.80	0.29x	7.60x

Source: Capital IQ

# First Quarter Transactions Overview

## Logistics

Date	Acquirer	Target	Industry Segment	Target LTM		Enterprise Value	Enterprise Value / LTM	
				Revenue	EBITDA		Revenue	EBITDA
			High	\$50.00	\$1.16	\$148.52	3.33x	7.60x
			Low	\$30.00	\$1.16	\$2.00	0.29x	7.60x
			Mean	\$36.81	\$1.16	\$61.86	1.81x	7.60x
			Median	\$30.43	\$1.16	\$50.00	1.81x	7.60x

Source: Capital IQ

# Dinan Capital Advisors

## Logistics

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# Dinan Capital Advisors



Dinan Capital Advisors delivers a highly tailored strategic approach for middle-market companies that seek to capitalize on merger and acquisition transactions. Our services are comparable in scope to those employed by Wall Street investment banks for the world's most profitable multinational corporations, while using methodologies, processes and cost-effective structures that make sense for middle-market companies.

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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