



NORTH AMERICAN LOGISTICS

M&A Activity and Valuation Trends
Q3 | 2020



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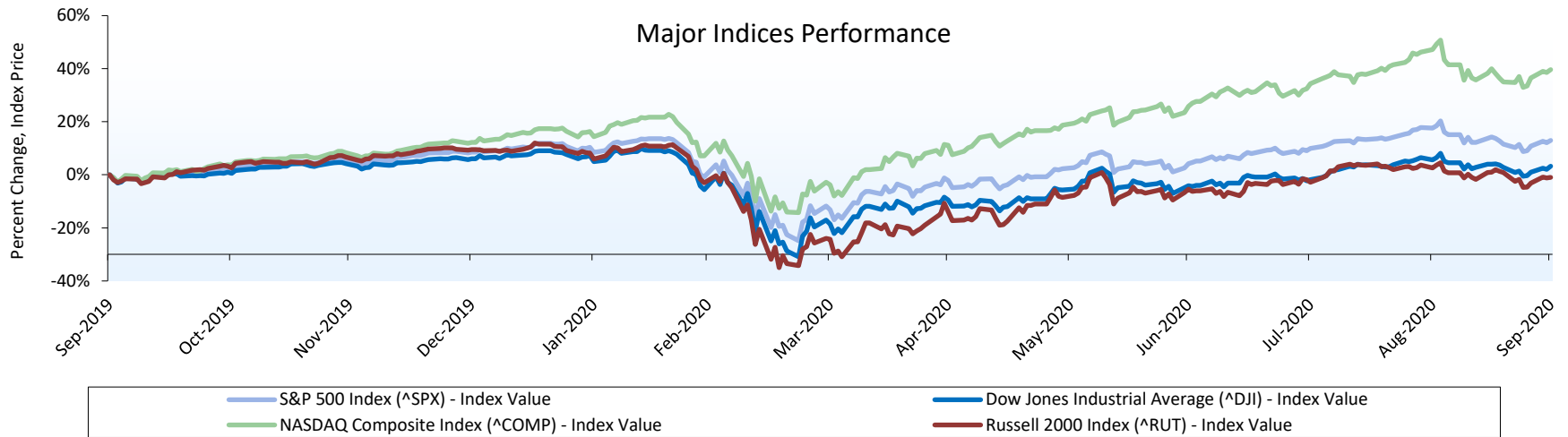
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Economic Indicators

Macroeconomic Overview



Index	As of 12/30/2019	As of 3/31/2020	As of 6/30/2020	As of 9/30/2020
^SPX	3221.29	2584.59	3100.29	3363.00
^COMP	8945.99	7700.10	10058.77	11167.51
^DJI	28462.14	21917.16	25812.88	27781.70
^RUT	1664.15	1153.10	1441.37	1507.69

Major Economic Indicators

Economic Indicator	2016	2017	2018	2019	2020YTD
Real GDP (% change)	1.85%	2.27%	2.80%	2.20%	-1.78%
CPI (% change)	1.26%	2.13%	2.44%	1.81%	1.20%
Cons. Spending (% change)	3.78%	4.42%	5.16%	4.02%	-4.59%
Nonfarm Productivity	1.00%	1.50%	1.40%	1.90%	-0.90%
Unemployment Rate	4.70%	4.10%	3.90%	3.50%	6.90%

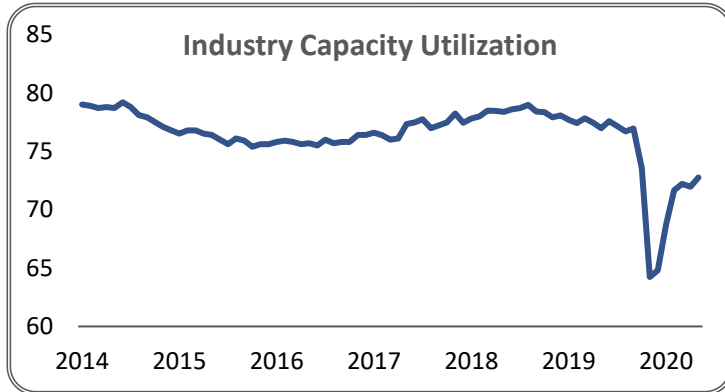
Interest Rates

Interest Rates	12/30/2019	3/31/2020	6/30/2020	9/30/2020
United States Treasury - 2 Year	1.58%	0.23%	0.16%	0.13%
United States Treasury - 5 Year	1.68%	0.37%	0.29%	0.28%
United States Treasury - 10 Year	1.90%	0.70%	0.66%	0.69%
United States Treasury - 30 Year	2.34%	1.35%	1.41%	1.46%
United States Prime Rate	4.75%	3.25%	3.25%	3.25%

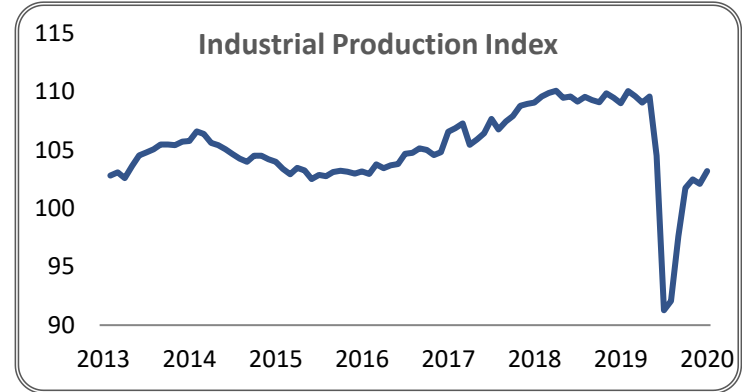
Source: Capital IQ, S&P NetAdvantage, FRED

Economic Indicators

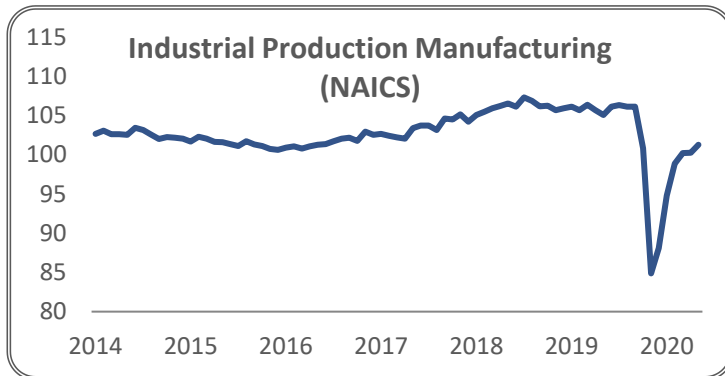
Industrials Performance Metrics



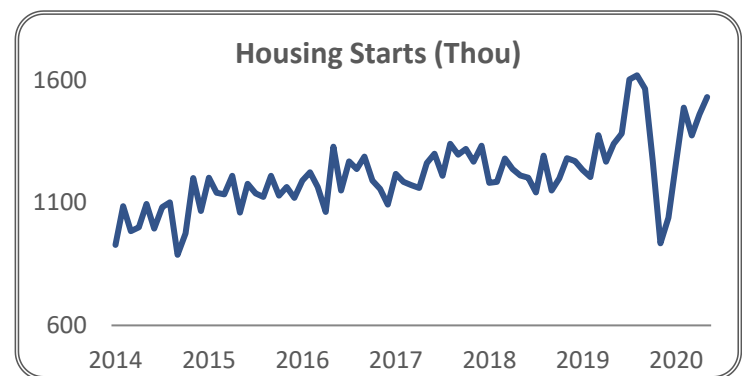
The Federal Reserve Board derives the Industrial Capacity Utilization Index through dividing an estimated monthly industrial production index by a related capacity index providing a more complete picture of industrial developments.



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

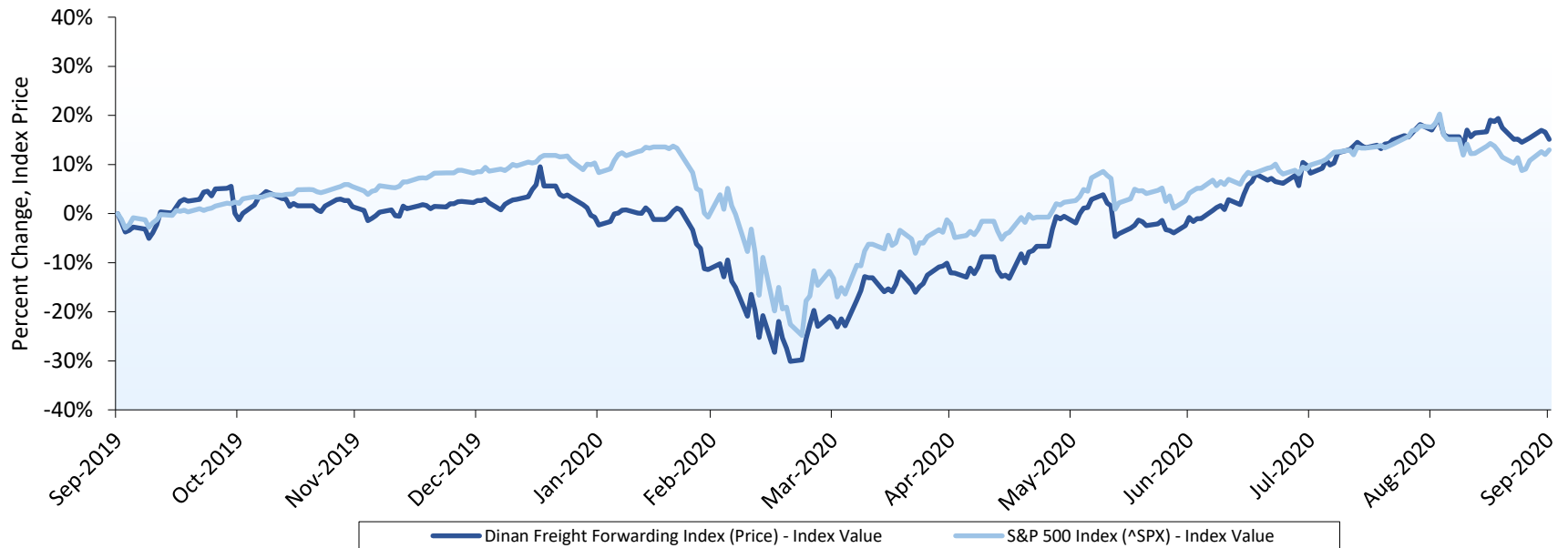
Logistics



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%	\$42,288.12	77.83%
\$5B - \$10B	1	14.29%	\$7,731.63	14.23%
\$1B - \$5B	2	28.57%	\$3,753.64	6.91%
< \$1B	1	14.29%	\$561.53	1.03%
Total	7	100.00%	\$54,334.92	100.00%

Source: Capital IQ

Public Sector Valuations

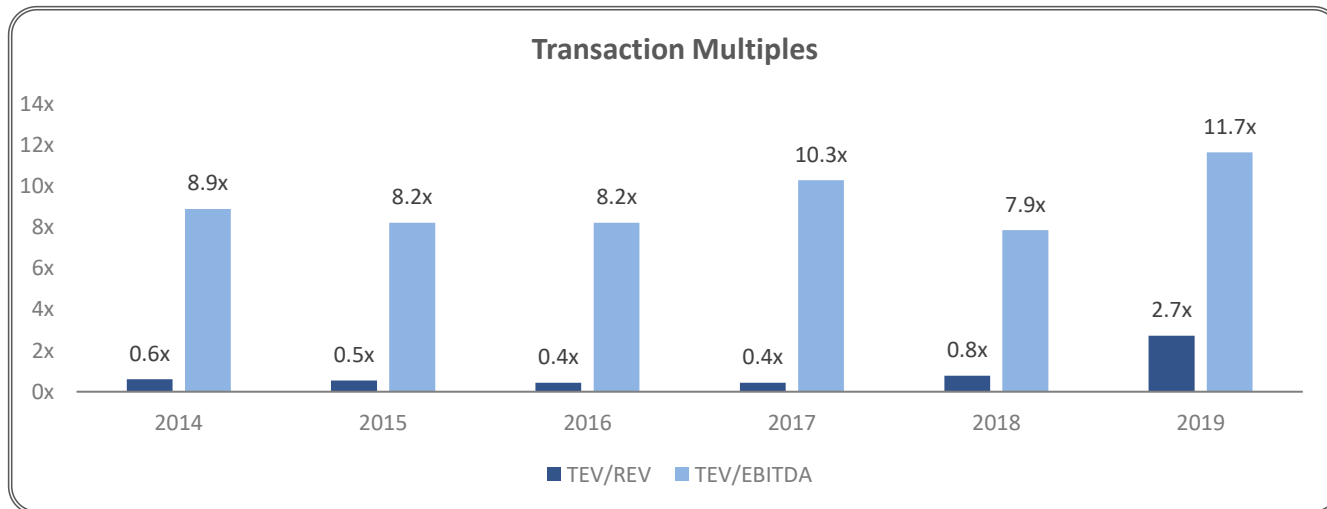
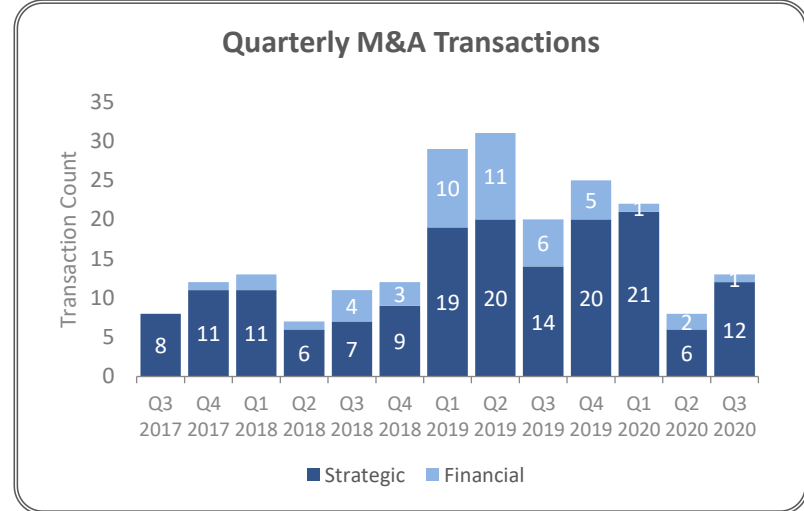
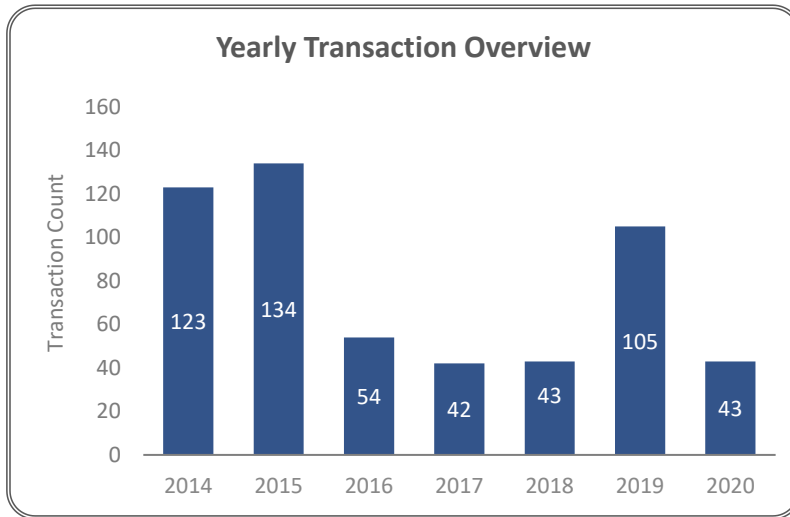
Logistics

Industry / Company Name	Ticker	Last Twelve Months							Next Twelve Months		
		TEV (mm)	Market Cap (mm)	Rev (mm)	EBITDA (mm)	EBIT (mm)	TEV/Rev	TEV/EBIT	TEV/EBITDA	Forward TEV/Rev	Forward TEV/EBITDA
Freight Forwarding											
Air Transport Services Group, Inc.	NasdaqGS:ATSG	\$2,994.41	\$1,480.34	\$1,574.57	\$497.40	\$213.05	1.95x	16.69x	6.14x	1.91x	6.26x
C.H. Robinson Worldwide, Inc.	NasdaqGS:CHRW	\$14,853.28	\$13,777.60	\$15,450.98	\$688.64	\$603.27	0.98x	23.35x	18.36x	0.82x	15.83x
Expeditors International of Washington, Inc.	NasdaqGS:EXPD	\$14,428.79	\$15,176.51	\$8,992.23	\$894.08	\$838.97	1.68x	18.18x	15.12x	1.51x	14.76x
J.B. Hunt Transport Services, Inc.	NasdaqGS:JBHT	\$14,514.87	\$13,334.00	\$8,496.37	\$1,238.21	\$717.00	1.57x	20.20x	10.66x	1.51x	11.17x
Ryder System, Inc.	NYSE:R	\$9,824.18	\$2,273.31	\$8,483.71	\$2,232.72	\$526.76	1.15x	21.99x	4.31x	1.15x	4.20x
Universal Logistics Holdings, Inc.	NasdaqGS:ULH	\$1,037.59	\$561.53	\$1,391.56	\$146.18	\$67.70	0.75x	15.33x	5.58x	0.73x	5.97x
XPO Logistics, Inc.	NYSE:XPO	\$15,016.63	\$7,731.63	\$15,723.00	\$1,276.00	\$517.00	0.96x	29.10x	6.84x	0.98x	9.86x
	Median	\$14,428.79	\$7,731.63	\$8,496.37	\$894.08	\$526.76	1.1x	20.2x	6.8x	1.2x	9.9x

Source: Capital IQ

Mergers & Acquisitions Overview

Logistics



Source: Capital IQ

Third Quarter Transactions Overview

Logistics

Date	Acquirer	Target	Industry Segment	Target LTM		Enterprise Value	Enterprise Value / LTM	
				Revenue	EBITDA		Revenue	EBITDA
9/22/20	NAC LPT, LLC.	Assets of Secur LPT, LLC	Logistics	-	-	-	-	-
9/21/20	American West Worldwide Express, Inc.	Sun Delivery, LLC	Logistics	-	-	-	-	-
9/15/20	Visible Supply Chain Management, LLC	PC Synergy, Inc.	Logistics	-	-	-	-	-
9/11/20	Evans Delivery Company, Inc.	A.R.C. Transit, Inc.	Logistics	-	-	-	-	-
9/1/20	Transplace Inc.	LEANCOR, LLC	Logistics	-	-	-	-	-
9/1/20	Nippon Express USA, Inc.	MD Logistics, Inc.	Logistics	\$51.00	-	-	-	-
8/24/20	USPack Logistics Corp.	Freight Rite, Inc.	Logistics	-	-	-	-	-
8/5/20	Private Investor	Mach 7.4, Inc.	Logistics	-	-	-	-	-
8/5/20	Willis Permian Movers, Inc.	Texas Moving Co., Inc.	Logistics	-	-	-	-	-
8/3/20	Larson Packaging Company, LLC	First Class Packaging, Incorporated	Logistics	-	-	-	-	-
7/8/20	Jet Linx Aviation LLC	Meridian	Logistics	-	-	-	-	-
7/7/20	Visible Supply Chain Management, LLC	TriCon	Logistics	-	-	-	-	-
7/1/20	Pilot Freight Services, Inc.	Five Franchise Stations in Strategic Markets	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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