



BUSINESS SERVICES

*Quarterly Update
First Quarter 2019*



CAPITAL PLACEMENTS • MERGERS, ACQUISITIONS & DIVESTITURES • RESTRUCTURINGS

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Q1 2019 Highlights

May 2019

For the first quarter of 2019, the SCA Business Services Index increased by approximately 22%, significantly outperforming the S&P 500 which was up 500%. Most sectors including Information Services, HR Services, Marketing Services and BPO all significantly outperformed the broader markets. Only Staffing Services, where a record low unemployment rate and immigration concerns have negatively impacted growth rates, was in-line with the broader markets.

M&A activity in the Business Services sector was down slightly from the activity levels experienced in 2018 and was dominated by strategic acquisitions and dispositions, as leading service providers across sectors sought to enhance their market leadership. With private equity firms continuing to sit on significant amounts of dry powder, we expect private equity driven M&A to return to 2018 levels during the rest of 2019. Notable merger and acquisition transactions during the quarter included:

- Willis Towers Watson (NASDAQ: WLTW), a leading HR consulting firm, acquired TRANZACT, a direct-to-consumer health care platform that links individuals to U.S. insurance carriers, for \$1.2 billion.
- Kforce Inc. (NASDAQ: KFRC) completed the sale of its federal government solutions subsidiary, Kforce Government Solutions Inc., to ManTech International Corp. for an aggregate cash purchase price of \$115.0 million.
- ASGN Inc. (NYSE: ASGN), a leading professional staffing provider, acquired DHA Group, a provider of staffing services to the FBI and other government entities, for \$46 million.
- Addison Group, a portfolio company of Odyssey Investment Partners, acquired DLC Group, a provider of finance and accounting consulting and staffing services based in Southern California, from Gryphon Investors.
- BV Investment Partners has acquired a majority stake in Dallas-based RKD Group, a provider of omnichannel fundraising and marketing services for the nonprofit sector.
- Kelly Services (NASDAQ: KELYA) sold its legal staffing business unit to Trustpoint.One and announced two engineering acquisitions, Global Technology Associates LLC, or GTA, and NextGen Global Resources LLC that are focused on the 5G technology space.

We welcome your comments and hope you find our *SOLICconnect* report informative.




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 Recent Representative Engagements *

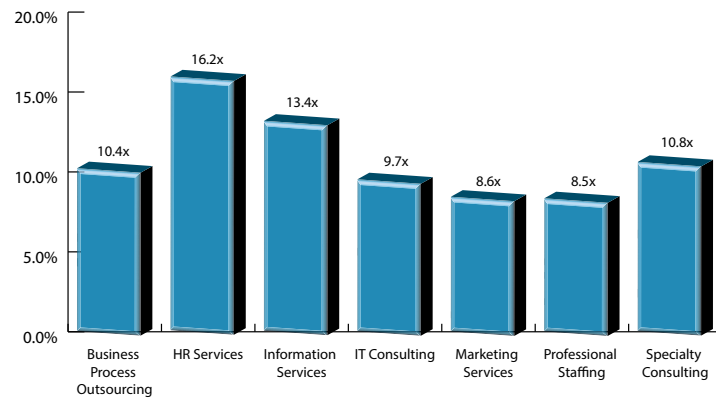
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HEALTHCARE	 has merged with  Financial Advisor to Rockford Health System	\$75,000,000  has affiliated with  Financial Advisor to Community Memorial Healthcenter	\$690,600,000 Sale of Assets on behalf of  MedCath Corporation (Nasdaq: MDTH) Sell Side Advisor	 has acquired an interest in  Financial Advisor to Physician Members of Siouxland Surgery Center
FINANCIAL SERVICES	\$100,000,000 Capital Placement  Placement Agent and Financial Advisor	\$750,000,000 Assets under Management  Fiduciary Oversight	\$150,000,000 Sale of REO Portfolio  Sell Side Advisor	\$4,500,000,000 of Assets  Financial Advisor
REAL ESTATE AND INFRASTRUCTURE	\$357,000,000  has been acquired by  Sell Side Advisor	\$118,000,000 Sale of senior notes secured by property located at 610 Lexington Avenue New York  Financial Advisor	\$212,320,000 Debt Restructuring  The Westland Project Albuquerque, New Mexico Financial Advisor	\$87,000,000 Debt Restructuring for the Illinois Tollway Oasis Project  Financial Advisor
ENERGY	Pre Restructuring Invested Capital of Over \$800,000,000  Financial and Restructuring Advisor in Connection with Chapter 11 Bankruptcy	\$240,600,000 Restructured Debt  Restructuring Advisor	 Financial Advisor to Chairman of the Board and its Disinterested Directors in Connection with Chapter 11 Bankruptcy	 Pasadena Tank Corporation has merged with  HMT, Inc. a company sponsored by Berkshire Partners LLC Financial Advisor to Pasadena Tank Corporation
MANUFACTURING, BUSINESS SERVICES, OTHER	 has acquired  Tandem Staffing Solutions, Inc. an affiliate of Cerberus Capital Management Buy Side Advisor	 has been acquired by  Sell Side Advisor	 Tensor Corporation has completed a capital restructuring of \$280,000,000 of senior debt and \$100,000,000 of subordinated debt Financial Advisor	\$177,000,000  has been acquired by  Buy Side Advisor

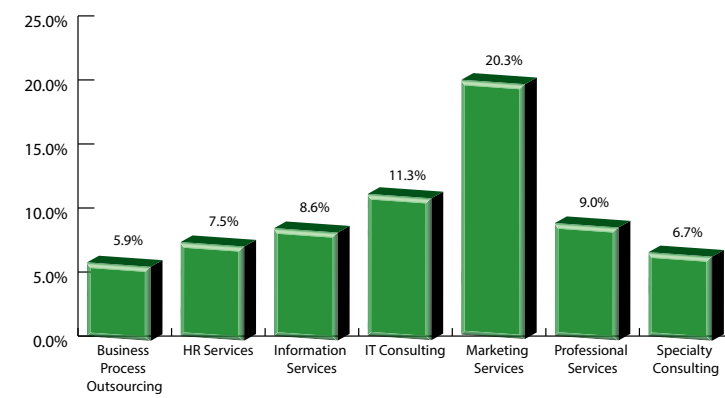
* Includes transactions led by the team of SOLIC professionals at predecessor firms

Market Overview

Enterprise Value to NTM EBITDA by SCA Sector

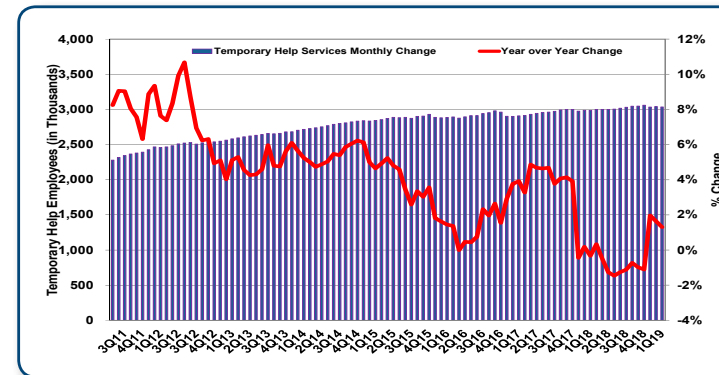


LTM Annual Revenue Growth by SCA Sector

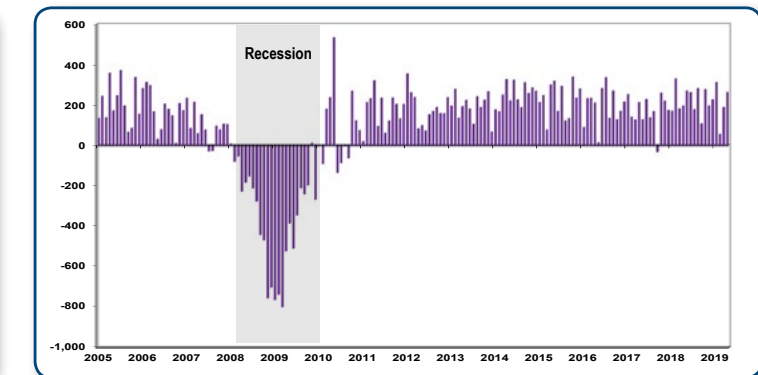


While M&A activity in the Business Services sector was down slightly, Revenue and EBITDA valuation multiples increased in Q1 2019, compared to Q4 2018.

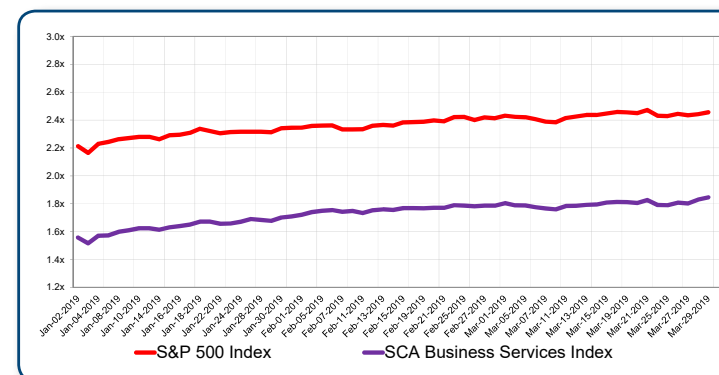
Temporary Help Services Trends



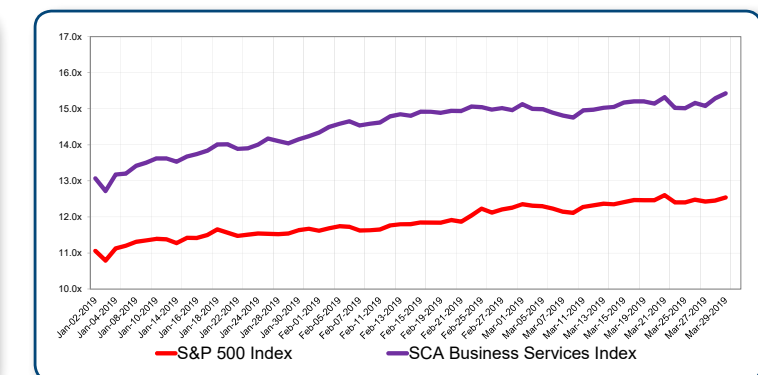
Net Change in U.S. Employment



SCA Business Services Universe vs. S&P 500 Total Enterprise Value / Revenue



SCA Business Services Universe vs. S&P 500 Total Enterprise Value / EBITDA

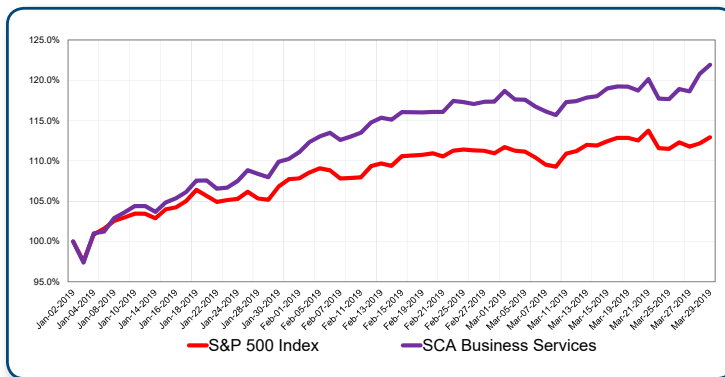


* Please see pages 22-25 for SCA Business Services Universe and additional information in the "Notes" section at the end of this report

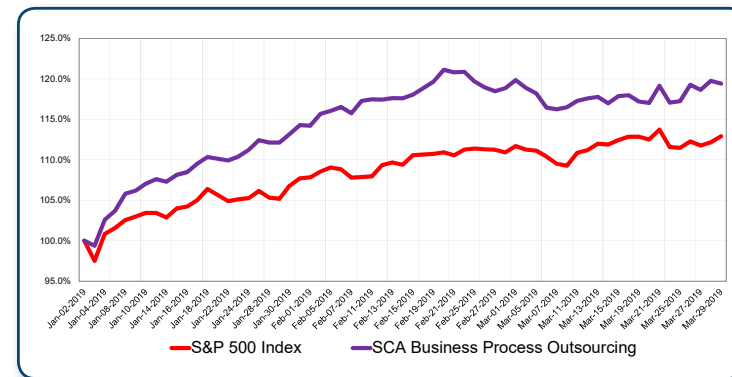
Sector Stock Performance (one year)



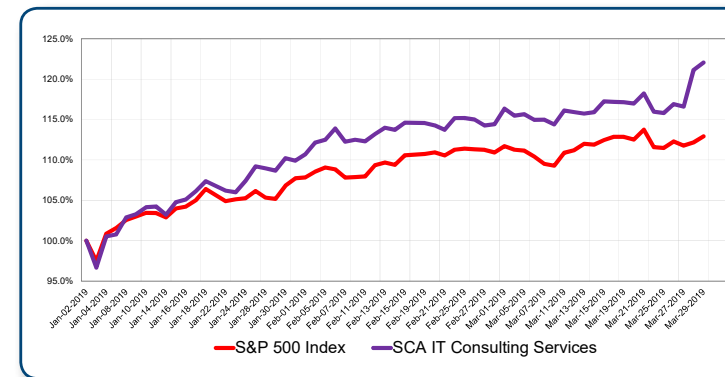
SCA Business Services Universe vs. S&P 500



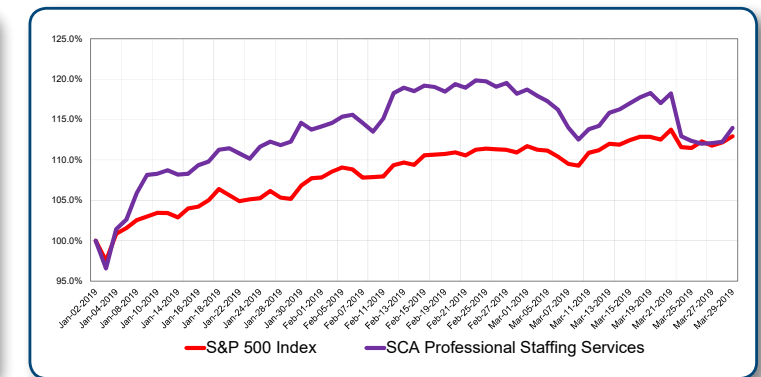
SCA Business Process Outsourcing Sector vs. S&P 500



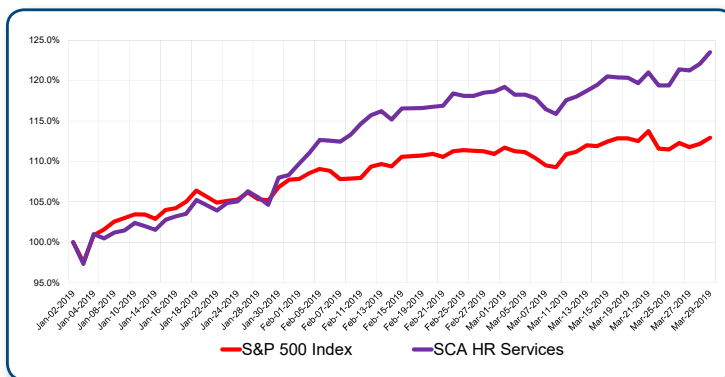
SCA IT Consulting Sector vs. S&P 500



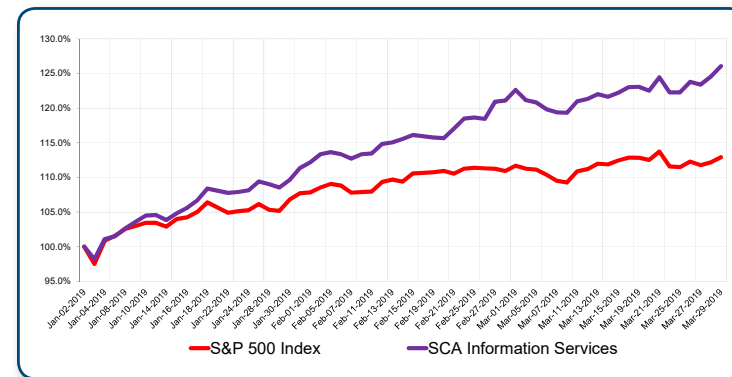
SCA Professional Staffing Sector vs. S&P 500



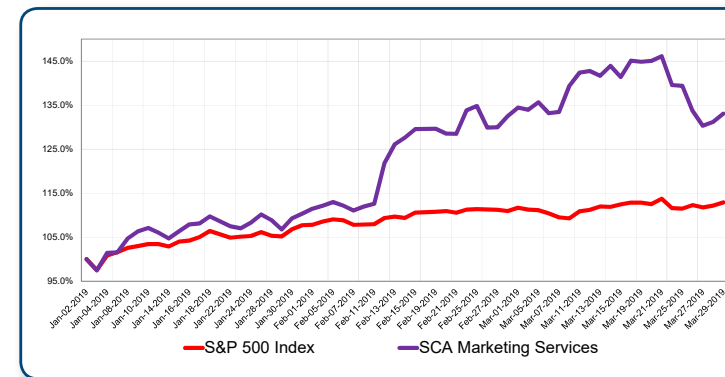
SCA HR Services Sector vs. S&P 500



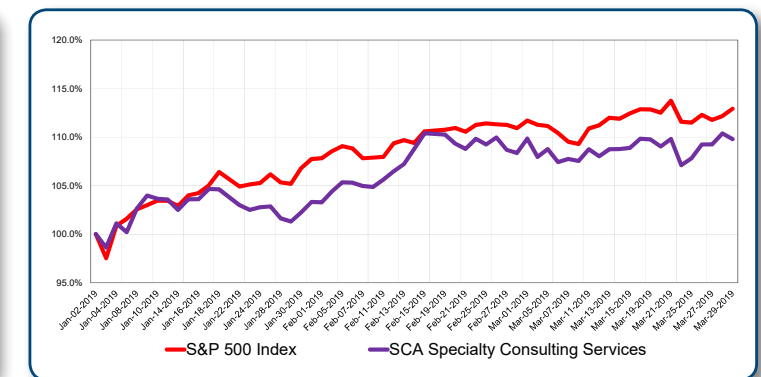
SCA Information Services Sector vs. S&P 500



SCA Marketing Services Sector vs. S&P 500



SCA Specialty Consulting Sector vs. S&P 500



* Please see pages 22-25 for SCA Business Services Universe and additional information in the "Notes" section at the end of this report

Notable Industry Developments



S&P Information Technology Index Rebounds in First Quarter 2019

The Standard and Poor's Information Technology Index experienced a rebound in Q1 2019 after sharp declines in Q4 2018. The Index experienced an increase of 19.37% during the first quarter in 2019, with an increase of 4.75% in March. Despite uncertainty surrounding continued trade tariff discussions, the Tech sector experienced a significant rebound as a result of increased consumer spending and consumer confidence in the industry. The S&P Information Technology Index outperformed the S&P 500 index by +6.27% during the first quarter of 2019, despite the S&P 500 index posting its best quarterly performance in 10 years of +13.1%.

Q1 GDP Growth Tops Expectations

The Bureau of Labor Statistics reported a robust Q1 GDP growth of +3.2%, beating the Dow Jones expected growth of +2.5% and the revised GDP growth of +2.2% last quarter. It represents the first time since 2015 that the GDP Q1 growth rate topped +3.0%. Q1 growth was fueled by increases in state and local government spending, accelerations in private inventory investment and in exports, and a smaller decrease in residential investment. The acceleration of growth was slightly offset by decreases in federal government spending and imports. Business investment spending increased by +1.5%, personal consumption increased +1.2%, and government spending increased +2.4% compared to last quarter. Q1 GDP growth helps offset fears of slowing global growth but the U.S.-Chinese trade uncertainty and weak economic data in many countries (e.g., Germany, Korea, and Japan) pose risks; Q2 results will indicate the economy's ability to sustain its current economic momentum.

First Quarter 2019

March Posted the Slowest Employment Increase in 18 Months, Adding 129,000 Jobs

According to the March ADP National Employment Report, total nonfarm payroll employment increased by +129,000 jobs, compared to the previous month. Goods-producing employment decreased by -6,000 jobs in March after experiencing a growth in February of +44,000 jobs. Service-providing employment rose by +135,000 jobs in March, a slight decline from the gain of +139,000 last month. The ADP National Employment Report indicates that Education & Health increased by +56,000 jobs in March, Professional & Business grew by +41,000, Leisure & Hospitality grew by +13,000, Transportation & Utilities grew by +9,000, Construction decreased by -6,000 jobs, and Manufacturing decreased by -2,000 jobs. The unemployment rate remained unchanged, compared to the prior month, at 3.9% in March. Q1 employment momentum slowed across most industries and company sizes, a function of a weakening job market, trade uncertainty, fading fiscal stimulus, and the lagged impact of Fed tightening.

Temporary Penetration Rate Remains Unchanged

Temporary jobs decreased by -5,400 in Q4 while Temp jobs were up 1.5% in March compared to the same month a year ago. The temporary penetration rate continued its 37th consecutive quarter of year-over-year increases in demand. The "temporary penetration rate" represents the percentage of temporary workers to total workers and is commonly used as a metric to track the staffing sector. The temporary penetration remained unchanged at 1.7% of the total labor market in March, versus a low of 1.3% in June 2009, according to the Bureau of Labor Statistics. The temporary penetration rate is significant, as marginal increases have a larger macroeconomic impact, amplifying growth as the broader labor market improves. It represents temporary help as a percentage of total employment, a proxy for short-term labor demand. GDP growth, rising wages, reduced government regulations, and lower corporate tax rates are likely to foster future temp help momentum, with growth expected to continue into Q2 2019.

Small Business Optimism Remains High at 101.8 in 2018

The most recent National Federation of Independent Business (NFIB) report stated the NFIB Small Business Optimism Index remained basically unchanged in March, up +0.1 point from the prior month. Hiring of new employees has strengthened to record levels over the past 2 months, with job creation breaking the 45-year record in February with a net addition of .52 workers per firm. Per the report, 60% of small business owners reported hiring or trying to hire with 54% (representing 90% of those hiring or trying to hire) reported few or no qualified applicants to fill the positions. Despite the lack of qualified applicants, job creation plans for small businesses continue to strengthen. Employment hiring, increases in employee compensation, and near records of capital expenditures on equipment continue to demonstrate confidence in the economy from small business owners.

Selected M&A Transactions

Date	Target	Buyer	Enterprise Value (\$ mm)	Enterprise Value / Revenue	Enterprise Value / EBITDA
Business Process Outsourcing					
03/18/19	Worldpay, Inc.	Fidelity National Information Services, Inc.	\$43,406.3	11.1x	28.0x
Description:	Fidelity National Information Services, Inc. (NYSE:FIS) entered into an agreement and plan of merger to acquire Worldpay, Inc. (NYSE:WP) for \$35.2 billion. Worldpay, Inc., through its subsidiary, Worldpay Holding, LLC, provides electronic payment processing services in the U.S., Europe, Asia, and Australia. Worldpay, Inc. was incorporated in 2009 and is headquartered in Cincinnati, Ohio.				
03/08/19	Trans-Fast Remittance LLC	Mastercard Incorporated	\$450.0	n/a	n/a
Description:	Mastercard Incorporated (NYSE:MA) entered into an agreement to acquire Trans-fast Remittance LLC from GCP Capital Partners LLC for \$450 million. Trans-Fast Remittance LLC provides payments network solutions. The company was founded in 1988 and is based in New York.				
03/04/19	Mist Systems, Inc.	Juniper Networks, Inc.	\$405.0	n/a	n/a
Description:	Juniper Networks, Inc. (NYSE:JNPR) entered into a definitive agreement to acquire Mist Systems, Inc. for approximately \$410 million. Mist Systems, Inc. offers technology services that transform the indoor wi-fi experience by applying real-time big data scale statistics, signal processing, and machine intelligence to process telemetry, using cloud managed access points, network elements, and client mobile devices. The company was founded in 2014 and is based in Cupertino, California.				
02/28/19	SpeedPay, Inc.	ACI Worldwide, Inc.	\$750.0	2.1x	8.3x
Description:	ACI Worldwide Inc. (NASDAQ:ACIW) (ACIW) entered into a definitive agreement to acquire SpeedPay, Inc. from The Western Union Company (NYSE:WU) for \$750 million. SpeedPay, Inc. provides electronic and cash bill payment services for utility, auto finance, mortgage, insurance and government industries. SpeedPay, Inc. is based in Englewood, Colorado.				
02/21/19	Avalara, Inc.	Undisclosed Buyer	\$3,125.4	11.5x	n/a
Description:	An undisclosed buyer acquired a 7.05% stake in Avalara, Inc. (NYSE:AVLR) from Warburg Pincus XI Partners, L.P., fund of Warburg Pincus LLC and Wpxi Finance, Lp for approximately \$230 million. Avalara, Inc. provides cloud-based solutions for transaction tax compliance worldwide. Avalara, Inc. was incorporated in 1999 and is headquartered in Seattle, Washington.				

Date	Target	Buyer	Enterprise Value (\$ mm)	Enterprise Value / Revenue	Enterprise Value / EBITDA
02/01/19	MicroPact Inc.	Tyler Technologies, Inc.	\$204.2	2.9x	n/a
Description:	Tyler Technologies, Inc. (NYSE:TYL) signed a definitive agreement to acquire MicroPact, Inc. from Arlington Capital Partners LP and others for approximately \$210 million. MicroPact Inc. develops and provides case management and business process management software solutions to customers in government, commercial, and education sectors. The company was founded in 1997 and is based in Herndon, Virginia.				
01/30/19	RhythmOne plc	Taptica International Ltd.	\$162.3	0.5x	10.7x
Description:	Taptica International Ltd. (AIM:TAP) made an offer to acquire RhythmOne plc (AIM:RTHM) for approximately \$150 million. RhythmOne plc operates as an online advertising technology company that connects brands and audiences through digital advertising and content distribution primarily in the U.S. RhythmOne plc was founded in 2004 and is headquartered in San Francisco, California.				
01/22/19	Repay Holdings, LLC	Thunder Bridge Acquisition, Ltd.	\$672.6	n/a	n/a
Description:	Thunder Bridge Acquisition Ltd. (NasdaqCM:TBRG) entered into a definitive merger agreement to acquire Repay Holdings, LLC from Corsair Capital LLC and the management team of Repay Holdings LLC for approximately \$670 million. Repay Holdings, LLC develops vertical integrated platform for payment solutions. The company was founded in 2013 and is based in Atlanta, Georgia.				
01/16/19	First Data Corporation	Fiserv, Inc.	\$41,215.6	4.7x	12.5x
Description:	Fiserv, Inc. (NasdaqGS:FISV) entered into a definitive agreement to acquire First Data Corporation from New Omaha Holdings L.P. and others for \$21.3 billion. First Data Corporation provides commerce enabled technology and solutions for merchants, financial institutions, and card issuers in the U.S., Canada, Europe, the Middle East, Africa, Latin America, and the Asia Pacific. First Data Corporation was founded in 1971 and is headquartered in Atlanta, Georgia.				
01/14/19	Connect First, Inc.	RingCentral, Inc.	\$40.0	n/a	n/a
Description:	RingCentral, Inc. (NYSE:RNG) entered into a definitive agreement to acquire Connect First for \$40 million. Connect First, Inc. develops a cloud-based outbound/blended customer engagement platform for midsize and enterprise companies. The company was founded in 2005 and is based in Boulder, Colorado.				
01/08/19	First Billing Services, LLC	Paya, Inc.	\$57.5	n/a	n/a
Description:	Paya, Inc. acquired First Billing Services from The Connor Group for \$57.5 million. First Billing Services, LLC provides electronic bill presentment and payment solutions to utility and municipal government clients. The company was founded in 2011 and is based in Dayton, Ohio.				

Date	Target	Buyer	Enterprise Value (\$ mm)	Enterprise Value / Revenue	Enterprise Value / EBITDA
Consulting Services					
03/19/19	Green Grow Farms LLC	Iconic Brands, Inc.	\$55.3	n/a	n/a
Description:	Iconic Brands Inc. (OTCPK:ICNB) signed a letter of intent to acquire 51% interest in Green Grow Farms LLC. Green Grow Farms Inc. provides training, guidance, and support services to hemp farmers. The company is based in New York.				
03/14/19	PIEtech, Inc.	Investnet, Inc.	\$500.0	n/a	n/a
Description:	Investnet, Inc. (NYSE:ENV) entered into an agreement and plan of merger to acquire PIEtech, Inc. from a group of sellers for approximately \$500 million. PIEtech, Inc. develops financial planning software for financial advisors in financial services industry. The company was founded in 1985 and is based in Powhatan, Virginia.				
03/13/19	Strong-Bridge Holdings, Inc.	HCL America, Inc.	\$45.0	1.0x	n/a
Description:	HCL America, Inc. entered into a stock purchase agreement to acquire Strong-Bridge Holdings, Inc. from Bow River Capital Partners and others for \$45 million. Strong-Bridge Holdings, Inc. provides digital transformation consulting services. The company was founded in 2018 and is based in Seattle, Washington.				
03/10/19	Figure Eight Inc.	Appen Limited	\$300.0	10.3x	n/a
Description:	Appen Limited (ASX:APX) entered into a definitive agreement to acquire Figure Eight Inc. for \$300 million. Figure Eight Inc. develops a human-in-the-loop machine learning platform. Figure Eight Inc. was founded in 2007 and is based in San Francisco, California.				
02/27/19	Workday and Cornerstone OnDemand Business of Wipro Limited	Alight Solutions LLC	\$110.0	2.2x	n/a
Description:	Alight Solutions LLC entered into an agreement to acquire Workday and Cornerstone OnDemand business from Wipro Limited (BSE:507685) for approximately \$110 million. Workday and Cornerstone OnDemand Business comprises human capital management and financial solutions businesses in the U.S.				
02/13/19	VIP Digital Communities Holding	Exxe Group Inc.	\$8.0	n/a	n/a
Description:	Exxe Group Inc. (OTCPK:AXXA) signed a memorandum of understanding to acquire VIP Digital Communities Holding for \$8 million. VIP Digital Communities Holding offers a media platform that delivers concierge services to an elite and wealthy community.				

Date	Target	Buyer	Enterprise Value (\$ mm)	Enterprise Value / Revenue	Enterprise Value / EBITDA
02/12/19	Ellie Mae, Inc.	Thoma Bravo, LLC; Thoma Bravo Fund XIII LP	\$3,380.7	7.0x	59.6x
Description:	Thoma Bravo Fund XIII LP managed by Thoma Bravo, LLC entered into a definitive agreement to acquire Ellie Mae, Inc. (NYSE:ELLI) for \$3.6 billion. Ellie Mae, Inc. provides cloud-based platform for the mortgage finance industry. Ellie Mae, Inc. was founded in 1997 and is headquartered in Pleasanton, California.				
02/12/19	Ushr Inc.	Dynamic Map Planning Co., Ltd.	\$199.1	n/a	n/a
Description:	Dynamic Map Platform Co., Ltd. entered into an agreement to acquire Ushr Inc. from EnerTech Capital, Emerald Technology Ventures AG, General Motors Ventures, LLC, Forté Ventures LP, and others for \$181 million. Ushr Inc. develops autonomous vehicle navigation software and includes mapping by interpreting and communicating street view navigation for efficient travelling. Ushr, Inc. was incorporated in 2016 and is based in Livonia, Michigan.				
01/18/19	Fulcrum IT Services, LLC	Huntington Ingalls Industries, Inc.	\$194.0	n/a	n/a
Description:	Huntington Ingalls Industries, Inc. (NYSE:HII) entered into an agreement to acquire Fulcrum IT Services, LLC from Boyne Capital Partners, LLC and Grindstone Partners, LLC. Fulcrum IT Services, LLC provides services and solutions in the areas of information technology, cyber security, intelligence analysis and operations, mission systems, human capital consulting, and healthcare services to federal government customers. The company was founded in 1985 and is based in Centreville, Virginia.				
HR Services					
02/19/19	Portfolium, Inc.	Instructure, Inc.	\$42.9	n/a	n/a
Description:	Instructure, Inc. (NYSE:INST) entered into an agreement to acquire Portfolium, Inc. Portfolium, Inc. operates a cloud-based platform that enables students with opportunities to capture, curate, and convert skills into job offers, while giving learning institutions and employers the tools they need to assess competencies and recruit talent. The company was incorporated in 2014 and is based in San Diego, California.				
02/07/19	Py Learning, Inc.	Hired, Inc.	n/a	n/a	n/a
Description:	Hired, Inc. acquired Py Learning, Inc. from Y Combinator Management LLC and others. Py Learning, Inc. develops a mobile-first learning platform for interactive courses on coding. Py Learning, Inc. was founded in 2016 and is based in Boston, Massachusetts.				

Date	Target	Buyer	Enterprise Value (\$ mm)	Enterprise Value / Revenue	Enterprise Value / EBITDA
02/04/19	The Ultimate Software Group, Inc.	Hellman & Friedman LLC; JMI Management, Inc.; The Blackstone Group L.P.; GIC Pte. Ltd.; Canada Pension Plan Investment Board	\$10,822.4	9.5x	88.0x
Description:	Hellman & Friedman LLC, JMI Management, Inc., The Blackstone Group L.P. (NYSE:BX), GIC Pte. Ltd., Canada Pension Plan Investment Board and other investors entered into an agreement and plan of merger to acquire The Ultimate Software Group, Inc. (NasdaqGS:ULTI) (ULTI) for \$11 billion. The Ultimate Software Group, Inc. provides cloud-based human capital management solutions to enterprise companies, mid-market companies, and companies in strategic markets in the U.S., Canada, Europe, the Asia Pacific, and internationally. The company was founded in 1990 and is headquartered in Weston, Florida.				
01/17/19	Discovery Benefits, Inc.	WEX Inc.	\$444.7	4.4x	n/a
Description:	WEX Inc. (NYSE:WEX) signed an agreement to acquire 95% stake in Discovery Benefits, Inc. for approximately \$430 million. Discovery Benefits, Inc. provides employee benefit administration services. The company was founded in 1987 and is based in Fargo, North Dakota.				
01/15/19	Sage Payroll Solutions	iSolved HCM, LLC	\$99.6	2.1x	n/a
Description:	iSolved HCM, LLC entered into an agreement to acquire Sage Payroll Solutions from The Sage Group plc (LSE: SGE) for approximately \$100 million. Sage Payroll Services offers Web based payroll processing solutions, and offers tax filing and payment, payroll accounting, new hire reporting, retirement plans, time and attendance systems, direct deposit, and 401k evaluation services. The company is based in St. Petersburg, Florida.				
01/02/19	YourCause, LLC	Blackbaud, Inc.	\$157.0	n/a	n/a
Description:	Blackbaud, Inc. (NasdaqGS:BLKB) acquired YourCause, LLC from Providence Strategic Growth Capital Partners LLC and others for approximately \$160 million. YourCause, LLC develops and provides software as a service (SaaS) based employee engagement and grants management solutions for employees and nonprofits. YourCause, LLC was founded in 2007 and is based in Plano, Texas.				

Date	Target	Buyer	Enterprise Value (\$ mm)	Enterprise Value / Revenue	Enterprise Value / EBITDA
IT Services					
03/18/19	Tactical Communications Group, LLC	Curtiss-Wright Corporation	\$50.0	3.3x	n/a
Description:	Curtiss-Wright Corporation (NYSE:CW) acquired Tactical Communications Group, LLC for \$50 million. Tactical Communications Group, LLC provides tactical data link software solutions for the military community. Tactical Communications Group, LLC was founded in 1993 and is headquartered in Tewksbury, Massachusetts.				
03/07/19	Azuqua, Inc.	Okta, Inc.	\$52.5	n/a	n/a
Description:	Okta, Inc. (NasdaqGS:OKTA) entered into definitive agreement to acquire Azuqua, Inc. for approximately \$52.5 million. Azuqua, Inc. develops and operates a digital automation platform for integration of software as a service (SaaS) applications. The company was incorporated in 2010 and is based in Seattle, Washington.				
02/28/19	The Flexential Fort Lauderdale Data Center	Landmark Infrastructure Holding Company LLC	\$25.5	n/a	n/a
Description:	Landmark Infrastructure Holding Company LLC acquired The Flexential Fort Lauderdale Data Center from Goldcoast Data Vault LLC for \$25.45 million. The Flexential Fort Lauderdale Data Center operates a data center in Fort Lauderdale.				
02/11/19	Determine, Inc. - Substantially All Assets	Corcentric Collective Business System Corp.	\$46.0	1.8x	n/a
Description:	Corcentric Collective Business System Corp. acquired substantially all assets of Determine, Inc. (OTCPK:DTRM) for \$29.8 million. Substantially All Assets of Determine, Inc. comprises software-as-a-service source-to-pay and enterprise contract lifecycle management (ECLM) solutions.				
02/07/19	Webroot Inc.	Carbonite, Inc.	\$618.5	2.9x	n/a
Description:	Carbonite, Inc. (NasdaqGM:CARB) entered into a definitive agreement to acquire Webroot Inc. for approximately \$620 million. Webroot Inc. provides cloud-based Internet threat detection solutions for consumers, businesses, and enterprises. The company was founded in 1997 and is based in Broomfield, Colorado.				
02/06/19	Anchor FM Inc.	Spotify Technology S.A.	\$154.7	n/a	n/a
Description:	Spotify Technology S.A. (NYSE:SPOT) entered into definitive agreement to acquire Anchor FM Inc. Anchor FM Inc. develops a mobile application and a website to broadcast short audio clips to audience worldwide. The company was incorporated in 2015 and is based in New York.				

Date	Target	Buyer	Enterprise Value (\$ mm)	Enterprise Value / Revenue	Enterprise Value / EBITDA
01/31/19	Catalyst Repository Systems, Inc.	Open Text Corporation	\$75.0	n/a	n/a
Description:	Open Text Corporation (NasdaqGS:OTEX) acquired Catalyst Repository Systems, Inc. for approximately \$75 million. Catalyst Repository Systems, Inc. designs, builds, hosts, and supports e-discovery software solutions for litigation support, compliance, and document management. The company was founded in 1998 and is based in Denver, Colorado with data centers in the U.S. and Japan.				
01/30/19	LGS Innovations LLC	CACI, Inc. - Federal	\$750.0	n/a	n/a
Description:	CACI, Inc. - Federal entered into a purchase and sale agreement to acquire LGS Innovations LLC from Madison Dearborn Capital Partners VI, L.P., managed by Madison Dearborn Partners, LLC and CoVant Management, Inc. for \$750 million. LGS Innovations LLC, a technology company, provides custom and commercial communications, research and development, and supporting services. LGS Innovations LLC was founded in 2006 and is based in Herndon, Virginia.				
01/28/19	DHA Group Inc.	ECS Federal, LLC	\$46.0	0.9x	n/a
Description:	ASGN Incorporated (NYSE:ASGN) acquired DHA Group, Inc. for \$46 million. DHA Group Inc. provides information technology, and management and consulting services to federal government and commercial clients. The company was founded in 1994 and is based in Washington, DC.				
01/28/19	Satori Software, Inc.	BCC Software, Inc.	\$70.0	n/a	n/a
Description:	BCC Software, Inc. acquired Satori Software, Inc. from Quadient for approximately \$70 million. Satori Software, Inc. develops contact data quality and mailing preparation solutions for small businesses, large enterprises, and Fortune 500 enterprises in healthcare, financial services, education, direct marketing, fundraising, and other industries. The company was founded in 1982 and is based in Seattle, Washington.				
01/22/19	SLAIT Consulting, LLC	ePlus Technology, inc.	\$50.7	n/a	n/a
Description:	ePlus Technology, inc. acquired SLAIT Consulting, LLC for \$50.7 million. SLAIT Consulting, LLC, an information technology (IT) consulting services company, provides cyber-security and data center solutions for businesses, government, and educational institutions in the U.S. The company was founded in 1990 and is headquartered in Virginia Beach, Virginia.				

Date	Target	Buyer	Enterprise Value (\$ mm)	Enterprise Value / Revenue	Enterprise Value / EBITDA
01/15/19	AppRiver, LLC	Zix Corporation	\$268.5	n/a	n/a
Description:	Zix Corporation (NasdaqGS:ZIXI) entered into a definitive agreement to acquire AppRiver, LLC from Marlin Equity IV LP managed by Marlin Equity Partners, LLC and others for approximately \$280 million. AppRiver, LLC provides cloud-based email and cyber security solutions to businesses worldwide. The company was founded in 2002 and is based in Gulf Breeze, Florida.				
01/08/19	Dynasty Marketplace, Inc.	AppFolio, Inc.	\$60.0	n/a	n/a
Description:	AppFolio, Inc. (NasdaqGM:APPF) acquired Dynasty Marketplace, Inc. for \$60 million. Dynasty Marketplace, Inc. develops artificial intelligence based software for real estate business. The company was incorporated in 2016 and is based in Venice, California.				

Marketing Services

03/31/19	MG LLC	Willis Towers Watson Public Limited Company	\$1,400.0	5.4x	n/a
Description:	Willis Towers Watson Public Limited Company (NasdaqGS:WLTW) entered into definitive agreement to acquire MG LLC from Clayton, Dubilier & Rice, Inc. and others for \$1.4 billion. MG LLC, doing business as TRANZACT, provides end-to-end customer acquisition solutions using platforms, marketing techniques, case management practices, and sales execution strategies for the distribution of direct-to-consumer insurance products in America. The company was founded in 1997 and is based in Fort Lee, New Jersey.				
03/04/19	Local Projects, LLC	MTM Choice LLC	\$30.6	n/a	n/a
Description:	MTM Choice LLC acquired Local Projects, LLC from Jacob Barton for \$30.6 million. Local Projects, LLC operates as a marketing agency that provides design and production services that integrate physical design with digital media. The company was founded in 2001 and is based in New York.				
02/11/19	Pineapple Ventures, Inc.	Pineapple Express, Inc.	\$62.5	n/a	n/a
Description:	Pineapple Express, Inc. (OTCPK:PNPL) signed a non-binding letter of intent to acquire Pineapple Ventures, Inc., a provider of cannabis industry investment consultancy services. The company was founded in 2017 and is based in Los Angeles, California.				

Date	Target	Buyer	Enterprise Value (\$ mm)	Enterprise Value / Revenue	Enterprise Value / EBITDA
02/02/19	Merdeli Marketing and Erik Kellar Photography	Osprey Capital, LLC	n/a	n/a	n/a
Description:	Osprey Capital, LLC acquired Merdeli Marketing and Erik Kellar Photography from Erik Kellar and others. Merdeli, LLC provides website design, search engine optimization, social media management, and other marketing services. Erik Kellar Photography operates as a photography company.				
01/30/19	RobbinsKersten Direct, Inc.	BV Investment Partners; BV Investment Partners Fund IX	n/a	n/a	n/a
Description:	BV Investment Partners Fund IX, fund of BV Investment Partners in partnership with the management team of RobbinsKersten Direct, Inc. acquired a majority stake in RobbinsKersten Direct, Inc. RobbinsKersten Direct, Inc. provides fundraising and marketing agency services. The company was founded in 1970 and is based in Richardson, Texas.				
01/23/19	iContact LLC	j2 Global, Inc.	\$49.0	n/a	n/a
Description:	j2 Global, Inc. (NasdaqGS:JCOM) acquired iContact, LLC from Cision Ltd. (NYSE:CISN) for approximately \$49 million. iContact LLC offers email marketing software and solutions for small and medium businesses worldwide. The company was founded in 2003 and is headquartered in Morrisville, North Carolina.				
01/23/19	Trendkite, Inc.	Cision Ltd.	\$221.1	8.7x	n/a
Description:	Cision Ltd. (NYSE:CISN) acquired Trendkite, Inc. for approximately \$220 million. Trendkite, Inc. develops and provides public relations (PR) and media monitoring software to agencies and corporate brands to help measure and analyze the impact of their PR efforts across multiple channels with minimal effort. Trendkite, Inc. was founded in 2012 and is based in Austin, Texas.				
01/09/19	Hinge Consulting, LLC	Vora Ventures LLC	n/a	n/a	n/a
Description:	Vora Ventures LLC acquired Hinge Consulting, LLC, a provider of online marketplace performance services. The company was incorporated in 2015 and is based in Cincinnati, Ohio.				

Date	Target	Buyer	Enterprise Value (\$ mm)	Enterprise Value / Revenue	Enterprise Value / EBITDA
Professional Staffing					
03/25/19	Alliance of Computer Professionals, Inc.	Diversant, LLC	n/a	n/a	n/a
Description:	Diversant, LLC acquired Alliance of Computer Professionals, Inc. from Mike Folken. Alliance of Computer Professionals, Inc. provides information technology (IT) staffing services. The company was incorporated in 1994 and is based in Bloomington, Minnesota.				
03/19/19	Seville Staffing, LLC	Intermountain Staffing, Inc.	n/a	n/a	n/a
Description:	Intermountain Staffing, Inc. acquired Seville Staffing, LLC, a provider of temporary staffing services to administrative, light industrial, and skilled manufacturing segments. The company was founded in 1979 and is based in Chicago, Illinois.				
03/01/19	Kforce Government Holdings, Inc.	ManTech International Corporation	\$115.0	n/a	13.0x
Description:	ManTech International Corporation (NasdaqGS:MANT) entered into an agreement to acquire Kforce Government Holdings, Inc. from Kforce Inc. (NasdaqGS:KFRC) for approximately \$120 million. Kforce Government Holdings, Inc. provides staffing solutions. The company was incorporated in 2006 and is based in Tampa, Florida.				
02/25/19	TalentRISE, LLC	Aleron Group	n/a	n/a	n/a
Description:	Aleron Group acquired TalentRISE, LLC, a provider of executive search, recruitment outsourcing, and consulting services. TalentRISE, LLC was founded in 2008 and is based in Chicago, Illinois.				
02/25/19	USA Drivers, Inc.	TransForce, Inc.	n/a	n/a	n/a
Description:	TransForce, Inc. acquired USA Drivers, Inc., a provider of staffing and placement of commercial driver's license (CDL) truck drivers. The company was founded in 1985 and is based in Norcross, Georgia.				
01/08/19	Global Technology Associates, LLC/NextGen Global Resources, LLC	Kelly Services, Inc.	\$85.0	n/a	n/a
Description:	Kelly Services Inc. (NasdaqGS:KELY.A) acquired Global Technology Associates LLC and NextGen Global Resources LLC for \$85 million. Global Technology Associates, LLC provides engineering, technology, and business consulting solutions and services for the telecommunications industry. NextGen Global Resources, LLC provides telecommunications, wireless, and connected technology staffing solutions. Global Technology Associates, LLC and NextGen Global Resources, LLC are based in the U.S.				

Valuation Metrics by Sector



Ticker	Company Name	Stock Price	% of 52 Week High	Market Cap (\$mm)	Enterprise Value (\$mm)	Enterprise Value to:			P/E
						LTM Revenue	LTM EBITDA	NTM EBITDA	
Business Process Outsourcing									
CNDT	Conduent Incorporated	13.83	59.1%	2,926.4	3,879.4	0.7x	6.1x	6.5x	NM
EXLS	ExlService Holdings, Inc.	60.02	89.5%	2,060.1	2,065.2	2.3x	17.5x	12.2x	37.0x
G	Genpact Limited	35.18	99.9%	6,665.1	7,601.6	2.5x	16.9x	13.0x	24.3x
IRM	Iron Mountain Incorporated	35.46	95.0%	10,154.5	18,204.8	4.3x	12.6x	12.2x	27.1x
PRGX	PRGX Global, Inc.	7.92	76.9%	182.8	190.4	1.1x	12.7x	6.6x	56.6x
PRSC	The Providence Service Corporation	66.62	79.4%	855.0	927.8	0.7x	16.1x	12.5x	72.4x
SYKE	Sykes Enterprises, Incorporated	28.28	90.0%	1,206.2	1,179.5	0.7x	7.1x	6.3x	24.4x
TTEC	TTEC Holdings, Inc.	36.23	96.5%	1,674.2	1,885.6	1.2x	11.2x	9.2x	47.1x
WNS	WNS (Holdings) Limited	53.27	97.8%	2,661.9	2,602.3	3.2x	19.1x	15.1x	28.1x
					Mean	1.9x	13.3x	10.4x	39.6x

HR Services ^[1]									
Ticker	Company Name	Stock Price	% of 52 Week High	Market Cap (\$mm)	Enterprise Value (\$mm)	LTM Revenue	LTM EBITDA	NTM EBITDA	P/E
JOBS	51job, Inc.	77.88	67.9%	4,818.8	3,821.4	7.0x	21.1x	16.2x	27.0x
ADP	Automatic Data Processing, Inc.	159.74	99.9%	69,587.5	70,006.8	5.1x	21.7x	19.8x	44.0x
BBSI	Barrett Business Services, Inc.	77.33	78.3%	572.8	541.2	0.6x	13.1x	10.3x	15.5x
DHX	DHI Group, Inc.	2.43	68.6%	129.3	140.1	0.9x	6.4x	4.1x	17.4x
NSP	Insperity, Inc.	123.66	93.3%	5,062.3	4,819.2	1.3x	23.5x	17.3x	38.4x
PAYX	Paychex, Inc.	80.20	99.3%	28,823.9	28,945.5	7.9x	19.0x	17.2x	30.3x
					Mean	3.8x	19.7x	16.2x	28.8x

[1] DHX is excluded from mean EBITDA multiple calculations.

Ticker	Company Name	Stock Price	% of 52 Week High	Market Cap (\$mm)	Enterprise Value (\$mm)	Enterprise Value to:			P/E
						LTM Revenue	LTM EBITDA	NTM EBITDA	
Information Services ^[2]									
CPRT	Copart, Inc.	60.59	90.3%	13,827.0	14,211.7	7.6x	19.9x	17.5x	30.5x
CSGP	CoStar Group, Inc.	466.42	96.2%	17,001.9	15,901.4	13.3x	45.1x	31.6x	71.3x
EFX	Equifax Inc.	118.50	85.4%	14,381.8	16,841.6	4.9x	22.6x	14.3x	48.0x
FDS	FactSet Research Systems Inc.	248.27	99.8%	9,443.1	9,772.5	7.0x	20.7x	18.2x	30.9x
FICO	Fair Isaac Corporation	271.63	99.9%	7,896.6	8,648.9	8.1x	35.0x	0.0x	56.0x
FORR	Forrester Research, Inc.	48.35	94.5%	890.2	749.9	2.1x	24.1x	14.2x	57.6x
IT	Gartner, Inc.	151.68	94.1%	13,607.5	15,732.8	4.0x	25.8x	21.4x	114.0x
INWK	InnerWorkings, Inc.	3.62	34.8%	187.6	303.6	0.3x	30.7x	7.0x	NM
LQDT	Liquidity Services, Inc.	7.71	84.2%	256.8	188.3	0.9x	NM	NM	NM
MORN	Morningstar, Inc.	125.99	87.3%	5,365.6	5,039.7	4.9x	18.8x	NM	29.6x
RBA	Ritchie Bros. Auctioneers Incorporated	34.00	87.7%	3,704.3	4,213.0	3.6x	18.0x	14.5x	30.6x
					Mean	4.3x	24.0x	13.4x	44.3x

[2] CSGP is excluded from mean LTM revenue and EBITDA multiple calculations; IT is excluded from mean P/E multiple calculation.

Ticker	Company Name	Stock Price	% of 52 Week High	Market Cap (\$mm)	Enterprise Value (\$mm)	Enterprise Value to:			P/E
						LTM Revenue	LTM EBITDA	NTM EBITDA	
IT Consulting ^[3]									
ACN	Accenture plc	176.02	99.2%	112,271.3	108,218.9	2.6x	16.2x	14.4x	25.6x
CTSH	Cognizant Technology Solutions Corporation	72.45	86.9%	41,665.9	37,899.9	2.4x	11.4x	10.1x	20.1x
CTG	Computer Task Group, Incorporated	4.30	44.7%	62.3	53.5	0.1x	7.2x	4.6x	NM
PRFT	Perficient, Inc.	27.39	88.1%	908.7	983.7	2.0x	16.4x	11.8x	37.5x
SNX	SYNNEX Corporation	95.39	81.9%	4,838.2	8,117.6	0.4x	9.0x	7.7x	11.7x
					Mean	1.8x	12.0x	9.7x	23.7x

Marketing Services ^[4]									
RAMP	LiveRamp Holdings, Inc.	54.57	86.3%	3,738.5	2,191.7	2.3x	32.1x	NM	NM
HHS	Harte Hanks, Inc.	3.57	29.4%	22.4	25.4	0.1x	NM	NM	1.5x
VVI	Viad Corp	56.29	90.1%	1,137.1	1,342.6	1.0x	10.2x	8.6x	24.2x
					Mean	1.7x	21.2x	8.6x	12.8x

Professional Staffing									
SWX: ADEN	Adecco Group AG	53.12	76.0%	8,809.2	10,084.5	0.4x	7.3x	7.8x	17.0x
AMN	AMN Healthcare Services, Inc.	47.09	69.0%	2,206.9	2,633.6	1.2x	10.4x	10.3x	16.2x
ASGN	ASGN Incorporated	63.49	67.4%	3,343.1	4,401.7	1.3x	11.8x	9.7x	21.3x
CCRN	Cross Country Healthcare, Inc.	7.03	54.5%	254.1	321.9	0.4x	11.9x	12.1x	NM
KELY.A	Kelly Services, Inc.	22.06	68.3%	862.1	829.0	0.2x	7.0x	6.5x	38.0x
KFRC	Kforce Inc.	35.12	80.7%	862.5	936.6	0.7x	10.6x	9.5x	15.3x
MAN	ManpowerGroup Inc.	82.69	69.1%	4,964.7	5,521.8	0.3x	6.0x	6.3x	9.7x
ENXTAM: RAND	Randstad NV	43.47	77.1%	7,959.6	9,251.1	0.4x	8.5x	8.0x	11.5x
RCMT	RCM Technologies, Inc.	3.94	66.8%	50.7	77.8	0.4x	9.1x	7.8x	17.9x

[3] CTG is excluded from mean Revenue multiple calculation.

[4] HHS is excluded from mean Revenue and P/E multiple calculations.

Ticker	Company Name	Stock Price	% of 52 Week High	Market Cap (\$mm)	Enterprise Value (\$mm)	Enterprise Value to:			P/E
						LTM Revenue	LTM EBITDA	NTM EBITDA	
RECN	Resources Connection, Inc.	16.54	84.8%	524.7	541.9	0.7x	8.6x	9.1x	21.7x
RHI	Robert Half International Inc.	65.16	81.5%	7,625.5	7,349.6	1.3x	11.3x	10.5x	18.3x
STAF	Staffing 360 Solutions, Inc.	1.47	25.8%	12.1	67.1	0.3x	13.8x	5.3x	NM
TBI	TrueBlue, Inc.	23.64	79.2%	916.2	949.3	0.4x	7.8x	7.8x	14.5x
					Mean	0.6x	9.5x	8.5x	18.3x

Specialty Consulting ^[5]									
CBZ	CBIZ, Inc.	20.24	83.0%	1,097.3	1,230.7	1.3x	10.6x	10.2x	18.6x
CRAI	CRA International, Inc.	50.54	86.0%	406.9	368.8	0.9x	9.5x	NM	19.4x
EXPO	Exponent, Inc.	57.72	98.8%	2,972.5	2,763.9	7.8x	28.3x	27.2x	43.4x
FCN	FTI Consulting, Inc.	76.82	93.8%	2,832.5	2,786.0	1.4x	10.7x	10.7x	19.5x
HURN	Huron Consulting Group Inc.	47.22	82.8%	1,024.1	1,287.6	1.6x	14.1x	12.7x	75.0x
MMS	MAXIMUS, Inc.	70.98	96.2%	4,528.4	4,601.9	1.9x	13.2x	11.1x	21.4x
HCKT	The Hackett Group, Inc.	15.80	69.2%	471.7	464.4	1.8x	11.1x	9.4x	18.6x
					Mean	1.5x	11.5x	10.8x	19.5x

OVERALL BUSINESS SERVICES SECTOR						Mean	2.2x	15.9x	11.1x	26.7x
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[5] EXPO is excluded from all mean multiple calculations; HURN is excluded from mean P/E multiple calculation.

 **NOTES**

Notes

- Sources: Capital IQ, Bloomberg, company 10-K, 10-Q and 8-K SEC filings, annual reports, press releases, Bureau of Labor Statistics and others as indicated.
- Any public companies chosen for the “SCA Business Services Universe” are companies commonly used for industry information to show performance within a sector. They do not include all public companies that could be categorized within the sector and were not created as benchmarks; they do not imply benchmarking and do not constitute recommendations for a particular security and/or sector. The charts and graphs used in this report have been compiled by SOLIC Capital Advisors solely for purposes of illustration.

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