

Transport, Logistics and Supply Chain

INDUSTRY REPORT

Spring | 2023

CREATING
M&A STRATEGIES
FOR BUSINESS OWNERS

SINCE 1956





Table of Contents

Market Observations	3
Transaction Highlights	10
Public Companies	13
CFA Overview	24



Market Observations

Market Summary

Transportation Market

The global transportation market was valued at \$7.3 trillion in 2022, and is expected to reach \$7.9 trillion by 2023, growing at a rate of 8.2%, as per Precedence Research. The market is anticipated to reach \$15.5 trillion by 2032, growing at a CAGR of 8.1%, during the period of 2022-32, as per the same report. Similarly, the global logistics market is estimated to reach \$11.3 trillion by 2023, growing at a CAGR of 5.5%, during the period 2023-32, and is anticipated to reach \$18.2 trillion by 2032, as per Precedence Research. The transportation and logistics industry faced challenges such as lower demand for newer trucks due to recessionary fears, higher freight rates, and labor shortages. Currently, the freight capacity and rates of the ocean and trucking carriers have stabilized and returned to pre-pandemic levels. Furthermore, diesel prices have also decreased which has led to lower freight expenses. However, labor shortage persists due to an aging workforce and dampening career opportunities. It is expected that the truck driver shortage would double by 2030 compared to 2021, as per an article published by American Trucking Associations. Additionally, various companies have targeted to achieve carbon neutrality by 2023. For example, BMW plans to reduce its CO2 emissions in both production and operations by 40.0% by 2030, with a push towards EVs.

Public Company Valuations

The CFA Select Transportation Index increased by 5.5% in the first quarter of 2023, and the 12 months return on the Index was down by 7.7%. Our index for each of the subsectors increased in the first quarter of 2023, except Rail Transportation and Support Activities for Transportation, which decreased by 6.8% and 0.4%. Rail Transportation had the highest median revenue multiple at 5.3x. Transit and Ground Passenger Transportation had the highest median EBITDA multiple at 14.9x. Water Transportation had median revenue and EBITDA multiples of 0.8x and 4.8x respectively, while Truck Transportation had median revenue and median EBITDA multiples of 0.8x and 6.1x, respectively. Air Transportation, Couriers and Messengers, Warehousing & Storage and Support Activities for Transportation had median revenue multiples of 0.9x, 0.9x, 0.9x and 0.6x respectively, with median EBITDA multiples of 7.7x, 8.0x, 7.6x and 8.0x, respectively.

“

The public transportation market showed recovery in the first quarter of 2023...

Mergers and Acquisitions

Favorable macroeconomic conditions in the first half of 2022 led to increased deal value and volumes in the transportation & logistics industry. However, in the second half of the year, the deal value and volume decreased due to a range of macroeconomic factors such as increased wages of the drivers, higher insurance expenses, and recessionary fears. Several significant cross-border transactions took place despite numerous uncertainties. In 2023, deal activity is expected to increase and multiple deals that spilled over from 2022 would be completed by the end of this year. Buyers are expected to focus on asset-light businesses and on deals with fewer integration risks. Additionally, it is expected that there will be more tuck-in or bolt-on acquisitions due to regional and national players' increased emphasis on small bolts on acquisitions to gain a competitive advantage.

Industry Trends

Increased Freight Prices

The transportation industry witnessed a surge in freight rates due to supply chain constraints and inflation in the past two years. The impact of inflation has not yet completely subsided. The spot market instability brought on by the pandemic and inferior routing guides hinder prices from reverting to their pre-pandemic levels. Global trade volumes are at an all-time low due to recessionary fears, driving freight prices to reach historic highs. Excess capacity issues have diminished, but lane-level instability is severe and becoming worse. Companies are experimenting with various solutions, such as digital freight and dynamic pricing management, to mitigate the overall impact of higher freight prices. These technologies are likely to be used by businesses to monitor market fluctuations in real-time and manage their transportation budgets. It is expected that a decline in truck demand and the effects of the Ukraine war wearing off on diesel prices is expected to lower freight prices. The adoption of automation and AI along with reduced port congestion is also likely to bring long-term stability to freight prices.

Just-in-Case Inventory Management

A just-in-time (JIT) inventory management technique attempts to have the required inventory to satisfy demand and prevent waste, whereas just-in-case (JIC) is a type of inventory management in which a company purchases extra raw materials than required. Shortages in inventory led to supply chain disruptions in the logistics industry during the pandemic. Businesses that had lean manufacturing practices struggled to meet increased demand due to the shortage of stock from both domestic and overseas sources. Since then, inventory management system has shifted from just-in-time to just-in-case, especially in the logistics industry. The JIC system offers some protection against supply unpredictability and allows suppliers to provide discounts for bulk purchases. However, the JIC system reduces the availability of warehouse space since large corporations use their cash to maintain a large inventory. Therefore, small businesses struggle to find adequate space to store their inventories.



Higher Demand for Oil Tankers

Crude oil prices skyrocketed because of the Russia-Ukraine conflict. Numerous combat zone routes were closed and supplies to many countries were abruptly halted. Several countries have been forced to explore alternatives to Russian products because of severe Western sanctions. The ships have been forced to travel via other maritime routes to avoid conflict zones. For instance, to comply with Russian sanctions, ships traveling through the Black Sea need to pay higher insurance fees and they must be certain about the buyers and sellers of the oil. This led to the growth of the oil tanker industry as there is strong demand from countries that have recently shut down refineries. Even though tankers are typically smaller than gigantic cargo ships, considering they transport oil, tankers have turned into profit-making machines. The shippers are optimizing fleet utilization to transport oil including using alternate marine routes to prolong the time at sea and maximize earnings.

Significant News

Aramco and DHL Supply Chain announce new end-to-end Procurement and Logistics Hub joint venture

PR Newswire, March 20, 2023

"Aramco, one of the world's leading integrated energy and chemicals companies, and international contract logistics provider DHL Supply Chain have announced the signing of a shareholders' agreement for a new Procurement and Logistics Hub in Saudi Arabia, to enhance supply chain efficiency and sustainability. It would be the region's first such hub catering to customers in the industrial, energy, chemical and petrochemical sectors."

[Read More >](#)

Rethink rethinks mobility and logistics with new €50M fund

TechCrunch, March 14, 2023

"Rethink Ventures just announced a €50 million specialist fund focused on mobility, automotive and logistics. With keywords "clean, safe, and digital," the Munich-based firm is focusing especially on Europe-based startups at the early stage, stretching into Series A financing. LPs include ZF Ventures, Hellmann Worldwide Logistics, KION Group, Berylls and HAVI, as well as the European Investment Fund and a handful of family offices."

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CEVA Logistics, Engie and SANEF partner to decarbonize road freight transport

Parcel and Postal Technology International, March 09, 2023

"Third-party logistics (3PL) provider CEVA Logistics, energy transition business Engie and motorway operator company Société des Autoroutes du Nord et de l'Est de la France (SANEF) have partnered to launch the European Clean Transport Network (ECTN) Alliance, to decarbonize road freight transport. The ECTN Alliance envisions building and operating a network of truck terminals with low-carbon energy solutions to transport merchandise along Europe's motorways. The disruptive system will be tailored to electric trucks' limited range and charging requirements."

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M&A Metrics

Transport and Logistics Industry

M&A activity in the Transport and Logistics industry decreased in the first quarter of 2023. The number of M&A transactions decreased from 309 in Q4 2022 to 198 in Q1 2023. The number of sub-\$50 million transactions decreased from 280 in Q4 2022 to 180 in Q1 2023. The number of transactions above \$100 million decreased from 24 in Q4 2022 to 14 in Q1 2023. The total number of M&A transactions decreased 42.6% year on year from 345 in Q1 2022 to 198 in Q1 2023.



M&A Deal Summary Table | Count by Deal Size over Time

Transaction Value	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023
Not Disclosed	142	185	244	228	245	219	267	261	224	223	221	156
Under \$10 MM	24	30	36	30	36	18	48	38	30	27	34	15
\$10 - \$25 MM	4	13	12	12	13	9	15	11	10	9	12	4
\$25 - \$50 MM	7	13	11	8	13	10	11	8	9	8	13	5
\$50 - \$100 MM	1	6	7	8	9	5	7	8	6	5	5	4
\$100 - \$500 MM	5	13	17	12	8	12	21	12	16	19	15	10
\$500 MM+	3	5	8	15	9	14	19	7	10	9	9	4
Total Transactions	186	265	335	313	333	287	388	345	305	300	309	198

Source: FactSet

Industry Metrics

Industry Financial Data and Ratios

NAICs 4811 - Scheduled Air Transportation

Financial Metric	Last12 Mo	2022	2021
Current Ratio	1.75	1.71	2.76
Gross Profit Margin	85.30%	86.03%	83.94%
Net Profit Margin	-7.70%	-8.45%	8.52%
Accounts Receivable Days	53.29	51.5	47.18
Accounts Payable Days	48.84	47.81	37.83
Debt-to-Equity Ratio	2.46	2.46	4.39
Return on Equity	-0.99%	-0.99%	58.05%
Sales per Employee	--	--	--
Profit per Employee	--	--	--
Sales Growth	16.42%	16.42%	24.36%
Profit Growth	18.91%	18.91%	57.45%

NAICs 4931 - Warehousing & Storage

Financial Metric	Last12 Mo	2022	2021
Current Ratio	3.75	3.67	3.47
Gross Profit Margin	68.96%	70.05%	75.94%
Net Profit Margin	13.02%	14.35%	13.42%
Accounts Receivable Days	54.01	52.34	41.58
Accounts Payable Days	26.62	25.3	18.82
Debt-to-Equity Ratio	2.44	2.86	2.83
Return on Equity	31.03%	31.11%	42.12%
Sales per Employee	\$189,298	\$189,298	\$191,265
Profit per Employee	\$2,632	\$2,632	\$8,198
Sales Growth	15.06%	14.56%	20.49%
Profit Growth	22.29%	21.36%	41.80%

Source: Profit Cents

NAICs 4921 - Couriers and Express Delivery Services

Financial Metric	Last12 Mo	2022	2021
Current Ratio	6.06	5.51	4.58
Gross Profit Margin	69.10%	68.40%	74.66%
Net Profit Margin	5.55%	5.81%	8.49%
Accounts Receivable Days	18.93	22.23	13.62
Accounts Payable Days	9.13	9.41	3.2
Debt-to-Equity Ratio	2.29	2.33	4.15
Return on Equity	30.81%	36.01%	67.07%
Sales per Employee	\$169,720	\$169,720	\$213,936
Profit per Employee	(\$5,798)	(\$5,798)	\$25,928
Sales Growth	-0.58%	-5.47%	17.97%
Profit Growth	21.74%	10.18%	24.51%

NAICs 4821 - Rail Transportation

Financial Metric	Last12 Mo	2022	2021
Current Ratio	1.84	1.76	3.37
Gross Profit Margin	95.55%	96.29%	90.28%
Net Profit Margin	8.24%	5.32%	16.88%
Accounts Receivable Days	53.45	53.16	61.41
Accounts Payable Days	29.67	33.33	39.44
Debt-to-Equity Ratio	0.79	0.83	0.94
Return on Equity	9.42%	7.09%	30.76%
Sales per Employee	--	--	--
Profit per Employee	--	--	--
Sales Growth	11.77%	12.87%	1.44%
Profit Growth	-35.20%	-38.63%	3.83%

Industry Metrics

Industry Financial Data and Ratios

NAICs 541614 – Support Activities

Financial Metric	Last12 Mo	2022	2021
Current Ratio	2.99	2.92	3.05
Gross Profit Margin	44.13%	42.77%	46.24%
Net Profit Margin	4.19%	6.49%	5.78%
Accounts Receivable Days	52.14	53.03	52.95
Accounts Payable Days	30.8	33.68	39.93
Debt-to-Equity Ratio	3.8	3.79	3.32
Return on Equity	34.36%	45.01%	55.91%
Sales per Employee	--	--	--
Profit per Employee	--	--	--
Sales Growth	21.93%	21.98%	28.03%
Profit Growth	17.65%	17.65%	50.00%

NAICs 4859 - Other Transit and Ground Passenger Transportation

Financial Metric	Last12 Mo	2022	2021
Current Ratio	4.1	4.21	4.29
Gross Profit Margin	83.92%	80.62%	80.97%
Net Profit Margin	13.24%	13.20%	14.70%
Accounts Receivable Days	32.44	30.17	50.28
Accounts Payable Days	24.64	23.8	11.99
Debt-to-Equity Ratio	1.64	1.47	1.8
Return on Equity	39.18%	36.89%	59.47%
Sales per Employee	--	--	--
Profit per Employee	--	--	--
Sales Growth	33.59%	34.99%	23.29%
Profit Growth	42.71%	39.26%	47.98%

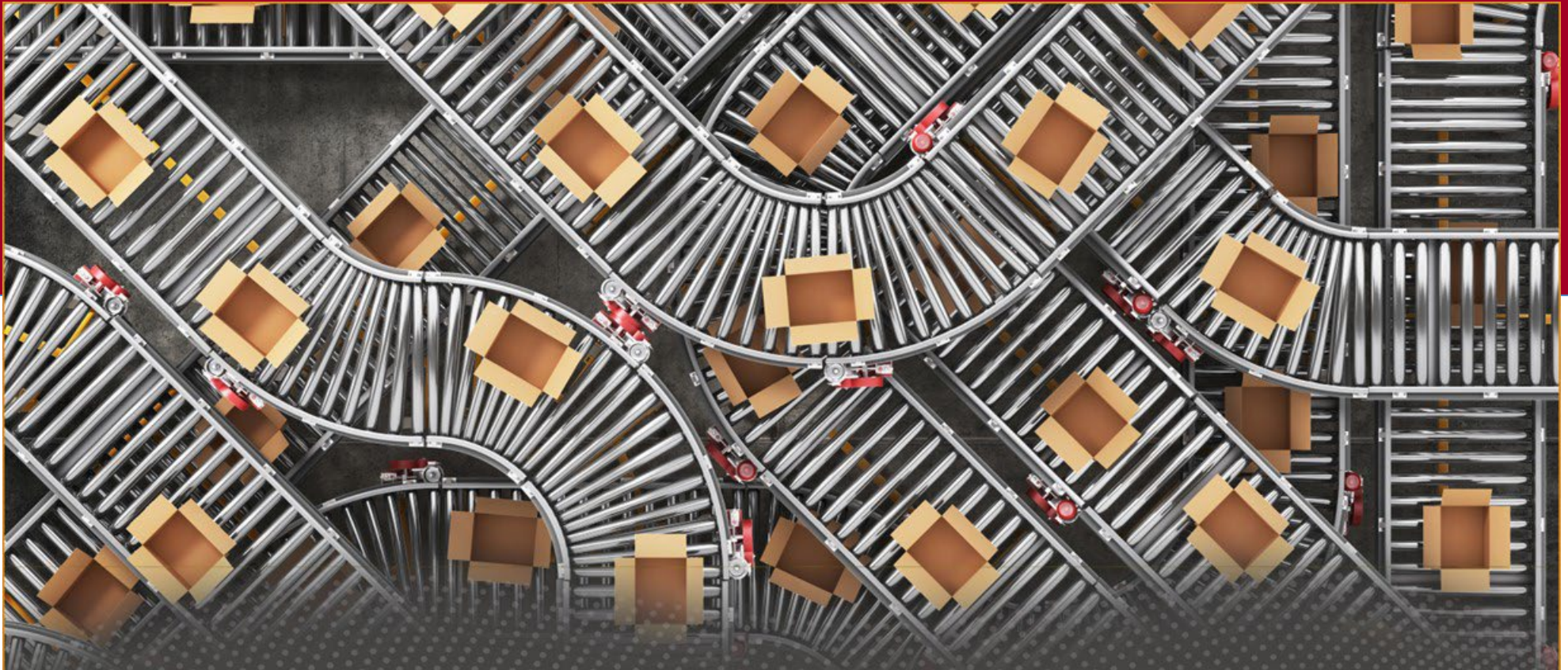
Source: Profit Cents

NAICs 4831 - Deep Sea, Coastal, and Great Lakes Water Transportation

Financial Metric	Last12 Mo	2022	2021
Current Ratio	2.39	2.45	2.33
Gross Profit Margin	76.03%	75.54%	71.92%
Net Profit Margin	22.08%	20.67%	5.66%
Accounts Receivable Days	54.91	57.53	89.99
Accounts Payable Days	179.68	174.47	295.38
Debt-to-Equity Ratio	4.12	3.9	2.88
Return on Equity	58.23%	54.32%	37.82%
Sales per Employee	--	--	--
Profit per Employee	--	--	--
Sales Growth	26.81%	34.70%	22.98%
Profit Growth	42.07%	29.54%	66.19%

NAICs 4841 – Trucking Transportation

Financial Metric	Last12 Mo	2022	2021
Current Ratio	4.28	4.31	4.15
Gross Profit Margin	68.93%	68.81%	70.91%
Net Profit Margin	9.89%	9.77%	8.10%
Accounts Receivable Days	32.3	32.27	27.97
Accounts Payable Days	29.74	30.17	23.93
Debt-to-Equity Ratio	2.8	2.71	2.81
Return on Equity	60.37%	58.52%	58.01%
Sales per Employee	\$136,725	\$136,725	\$184,770
Profit per Employee	\$1,353	\$1,353	\$39,831
Sales Growth	25.79%	25.46%	24.49%
Profit Growth	32.66%	31.39%	42.95%



Transaction Highlights

Notable Transactions



In March 2023, **ASRC Federal Holding Co LLC**, a subsidiary of Arctic Slope Regional Corp, entered into a definitive agreement to acquire the assets related to the logistics and supply chain management business of **Science Applications International Corp** for US\$350 million in cash. The acquisition complements the base operations support capability of ASRC Federal Holding Co LLC that currently provides procurement, logistics and warehousing services at military locations throughout the United States. The business being acquired is located in the United States and provides logistics and supply chain solutions.



In March 2023, **Knight-Swift Transportation Holdings Inc** entered into a definitive agreement to acquire **US Xpress Enterprises Inc** for US\$323.3 million in cash. Knight-Swift Transportation Holdings Inc will also assume US Xpress Enterprises Inc's US\$484 million outstanding debt. Furthermore, the transaction will be finance through Knight-Swift's US\$1.3 billion unrestricted cash and available liquidity on December 31, 2022. The acquisition complements Knight-Swift Transportation Holdings Inc's truckload business. Founded in 1985, US Xpress Enterprises Inc is located in Chattanooga, Tennessee, United States and provides truckload carrier services.



In March 2023, **AP Møller Holding A/S** entered into an agreement to acquire **Maersk Supply Service A/S** from AP Møller-Mærsk A/S for an enterprise value of DKK4.7 billion (US\$685 million). The acquisition will complement to both the companies. Maersk Supply Service A/S is located in Copenhagen, Capital Region, Denmark and provides marine cargo transportation services.



In March 2023, **Kelsian Group Ltd** entered into a binding agreement to acquire **All Aboard America! Holdings Inc** from AAAHI Acquisition Corp for US\$325 million in cash. Under the terms of agreement, Kelsian Group Ltd will assume US\$26 million of lease liabilities. The acquisition has an enterprise value of US\$325 million and will be funded through stock issuance and bank loan. The acquisition complements to Kelsian Group Ltd's portfolio. All Aboard America! Holdings Inc is located in Mesa, Arizona, United States and provides charter bus tours and travel services.



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Select M&A Transactions

Date	Target Name	Acquirer Name	Enterprise Value (MM)	Revenue	EBITDA
03/29/23	Vector Logistics Pty Ltd.	EMIF II Investment (Pty) Ltd.	69	NA	NA
03/23/23	Science Applications Intl Corp/Logistics & Supply mgmt bus/	ASRC Federal Holding Co. LLC	350	NA	NA
03/22/23	Spedimex SP zoo	ID Logistics Group	80	117	NA
03/21/23	US Xpress Enterprises, Inc.	Knight-Swift Transportation Holdings, Inc.	1,141	2,161	55
03/20/23	Maersk Supply Service A/S	A.P. Møller Holding A/S	685	NA	NA
03/15/23	All Aboard America! Holdings, Inc.	Kelsian Group Ltd.	351	NA	NA
03/06/23	Humble Imports, Inc.	EF Hutton Acquisition Corp. I	229	NA	NA
03/03/23	Metrovías SA	Benito Roggio Transporte SA	3,665	44	13
03/02/23	Federal Marine Terminals, Inc.	Logistec Stevedoring, Inc.	105	86	NA
03/01/23	Aecon Group Inc/ Transportation East Business/	Green Infrastructure Partners Inc.	173	NA	NA
02/23/23	Air Europa Lineas Aéreas SAU	International Consolidated Airlines Group SA	531	NA	NA
02/21/23	DePalma Co's.	Marblegate Acquisition Corp.	755	NA	NA
02/16/23	Blume Global, Inc.	Wisetech Global Ltd.	411	NA	NA
02/01/23	Adler Tank Rentals LLC	Kinderhook Industries LLC; Mobile Mini Tank & Pump Solutions, Inc.	265	NA	NA
01/25/23	GasLog Partners LP	GasLog Ltd.	1,039	371	274
01/25/23	Storage Solutions, Inc. (Indiana)	Jungheinrich AG	375	NA	NA
(\$ in millions)	Source: Factset				



Public Companies

Industry Performance

CFAW Select Transportation Index

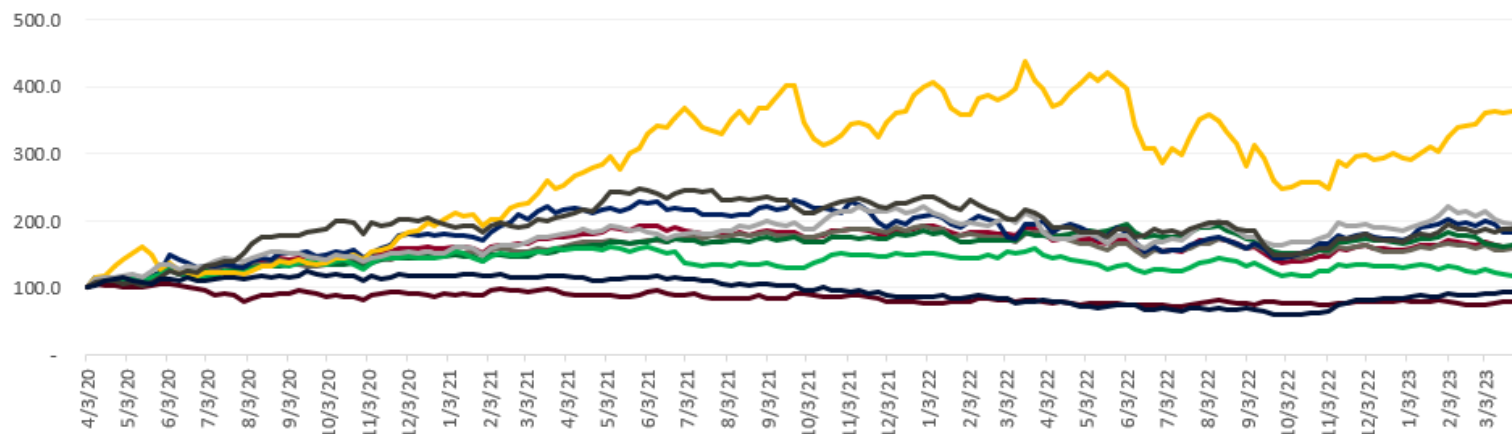
CFAW Select Transportation Index | Median EBITDA Multiples



CFAW Select Transportation Index | Median Revenue Multiples



- Select CFAW Select Transportation Index
- CFAW Selected Support Activities for Transportation Index
- CFAW Selected Rail Transportation Index
- CFAW Selected Truck Transportation Index
- CFAW Selected Couriers and Messengers Index
- S&P 500
- CFAW Selected Air Transportation Index
- CFAW Selected Water Transportation Index
- CFAW Selected Transit and Ground Passenger Transportation Index
- CFAW Selected Warehousing and Storage Index

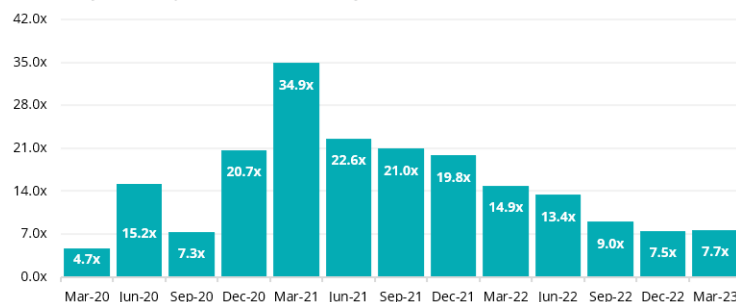


Source: FactSet

Public Comparables

Air Transportation

Air Transportation | Median EBITDA Multiples



Air Transportation | Median Revenue Multiples



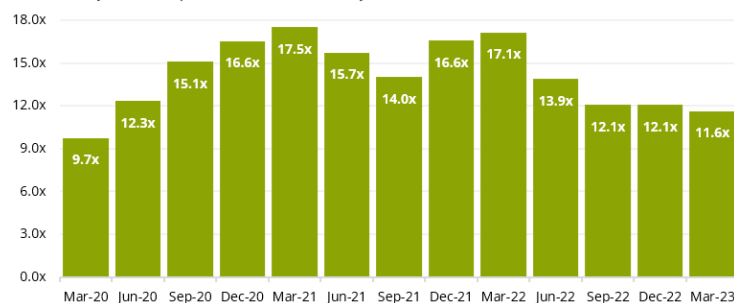
Company \$USD in Millions	Share Price	Shares O/S	Market Cap	Enterprise Value	Revenues (LTM)	EBITDA (LTM)	Enterprise Value /	
							Revenues	EBITDA
Air France-KLM SA	\$1.84	2,571	\$4,742	\$14,918	\$26,058	\$3,954	0.6x	3.8x
Air New Zealand Limited	\$0.48	3,368	\$1,612	\$2,404	\$2,777	\$214	0.9x	11.2x
Air Transport Services Group, Inc.	\$20.83	72	\$1,499	\$3,012	\$2,045	\$617	1.5x	4.9x
Alaska Air Group, Inc.	\$41.96	128	\$5,352	\$6,715	\$9,646	\$972	0.7x	6.9x
American Airlines Group Inc.	\$14.75	651	\$9,609	\$43,336	\$48,971	\$3,777	0.9x	11.5x
ANA Holdings Inc.	\$21.61	484	\$10,465	\$14,314	\$11,716	\$1,483	1.2x	9.7x
Delta Air Lines, Inc.	\$34.92	641	\$22,392	\$46,330	\$50,582	\$5,644	0.9x	8.2x
Deutsche Lufthansa AG	\$11.15	1,195	\$13,326	\$20,733	\$34,440	\$3,142	0.6x	6.6x
DSV A/S	\$193.46	219	\$42,369	\$46,130	\$33,152	\$4,136	1.4x	11.2x
Hainan Airlines Holding Co., Ltd. Class B	\$0.25	369	\$92	\$26,310	\$3,756	NA	7.0x	NM
Japan Airlines Co., Ltd.	\$19.40	437	\$8,481	\$11,358	\$9,046	\$908	1.3x	12.5x
KLM Royal Dutch Airlines	\$1.40	47	\$66	NA	\$5,837	(\$1,495)	NM	NM
Singapore Airlines Ltd.	\$4.31	2,978	\$12,832	\$11,632	\$9,629	\$1,967	1.2x	5.9x
Mean				\$21,731	\$20,901	\$2,327	1.5x	8.3x
Median				\$14,918	\$10,681	\$1,967	0.9x	7.7x

Source: FactSet

Public Comparables

Rail Transportation

Rail Transportation | Median EBITDA Multiples



Rail Transportation | Median Revenue Multiples



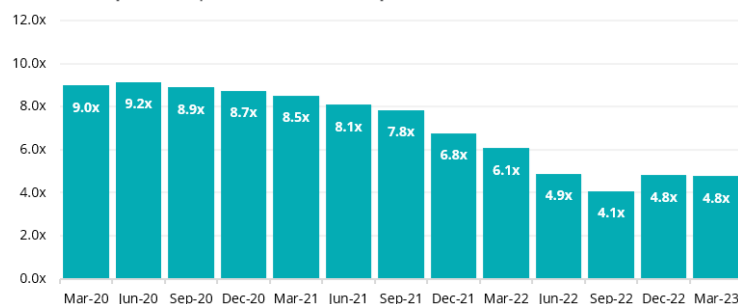
Company \$USD in Millions	Share Price	Shares O/S	Market Cap	Enterprise Value	Revenues (LTM)	EBITDA (LTM)	Enterprise Value /	
							Revenues	EBITDA
Canadian National Railway Company	\$117.83	671	\$79,096	\$90,212	\$13,140	\$6,582	6.9x	13.7x
Central Japan Railway Company	\$118.79	206	\$24,471	\$43,154	\$9,640	\$3,708	4.5x	11.6x
CSX Corporation	\$29.94	2,063	\$61,754	\$78,282	\$14,853	\$7,047	5.3x	11.1x
Norfolk Southern Corporation	\$212.00	228	\$48,290	\$63,960	\$12,745	\$5,954	5.0x	10.7x
Union Pacific Corporation	\$201.26	612	\$123,146	\$157,074	\$24,875	\$12,163	6.3x	12.9x
Mean				\$86,536	\$15,051	\$7,091	5.6x	12.0x
Median				\$78,282	\$13,140	\$6,582	5.3x	11.6x

Source: FactSet

Public Comparables

Water Transportation

Water Transportation | Median EBITDA Multiples



Water Transportation | Median Revenue Multiples



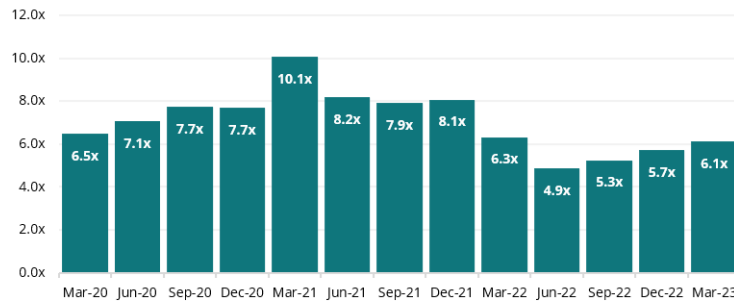
Company \$USD in Millions	Share Price	Shares O/S	Market Cap	Enterprise Value	Revenues (LTM)	EBITDA (LTM)	Enterprise Value /	
							Revenues	EBITDA
A.P. Moller - Maersk A/S Class B	\$1,815.05	8	\$15,197	\$37,662	\$81,522	\$36,588	0.5x	1.0x
Carnival Corporation	\$10.15	1,116	\$11,328	\$43,782	\$14,977	(\$155)	2.9x	NM
Evergreen Marine Corp. (Taiwan) Ltd.	\$5.21	2,116	\$11,017	\$2,050	\$21,041	\$13,458	0.1x	0.2x
Hapag-Lloyd AG	\$328.11	176	\$57,668	\$44,254	\$36,303	\$20,317	1.2x	2.2x
Kawasaki Kisen Kaisha, Ltd.	\$22.73	284	\$6,461	\$5,656	\$7,065	\$893	0.8x	6.3x
Kuehne & Nagel International AG	\$297.63	121	\$35,940	\$33,364	\$41,252	\$4,730	0.8x	7.1x
Mitsui O.S.K.Lines,Ltd.	\$24.87	362	\$9,003	\$16,596	\$12,155	\$1,552	1.4x	10.7x
Nippon Yusen Kabushiki Kaisha	\$23.21	510	\$11,841	\$15,839	\$20,186	\$3,327	0.8x	4.8x
Mean				\$24,900	\$29,313	\$10,089	1.1x	4.6x
Median				\$24,980	\$20,613	\$4,028	0.8x	4.8x

Source: FactSet

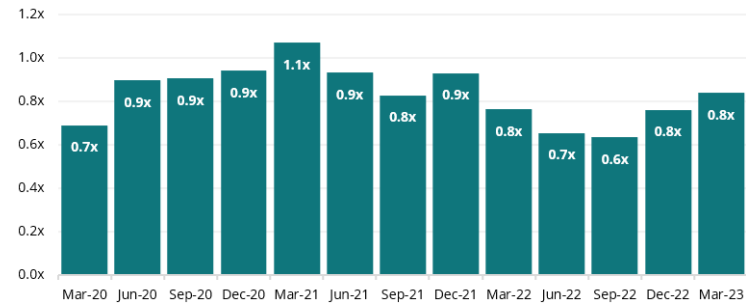
Public Comparables

Truck Transportation

Truck Transportation | Median EBITDA Multiples



Truck Transportation | Median Revenue Multiples



Company \$USD in Millions	Share Price	Shares O/S	Market Cap	Enterprise Value	Revenues (LTM)	EBITDA (LTM)	Enterprise Value /	
							Revenues	EBITDA
J.B. Hunt Transport Services, Inc.	\$175.46	104	\$18,208	\$19,727	\$14,814	\$2,034	1.3x	9.7x
Knight-Swift Transportation Holdings Inc. Class A	\$56.58	161	\$9,106	\$10,397	\$7,429	\$1,702	1.4x	6.1x
Landstar System, Inc.	\$179.26	36	\$6,441	\$6,245	\$7,437	\$625	0.8x	10.0x
Old Dominion Freight Line, Inc.	\$340.84	110	\$37,501	\$37,464	\$6,260	\$2,149	6.0x	17.4x
Sankyu Inc.	\$36.85	62	\$2,276	\$2,283	\$4,402	\$437	0.5x	5.2x
Schneider National, Inc. Class B	\$26.75	95	\$2,541	\$4,546	\$6,604	\$956	0.7x	4.8x
Seino Holdings Co., Ltd.	\$10.97	208	\$2,278	\$1,554	\$4,766	\$406	0.3x	3.8x
XPO, Inc.	\$31.90	116	\$3,685	\$6,470	\$7,718	\$941	0.8x	6.9x
Yellow Corporation	\$2.03	52	\$105	\$1,552	\$5,353	\$347	0.3x	4.5x
Mean				\$10,026	\$7,349	\$1,018	1.4x	7.6x
Median				\$6,245	\$7,016	\$783	0.8x	6.1x

Source: FactSet

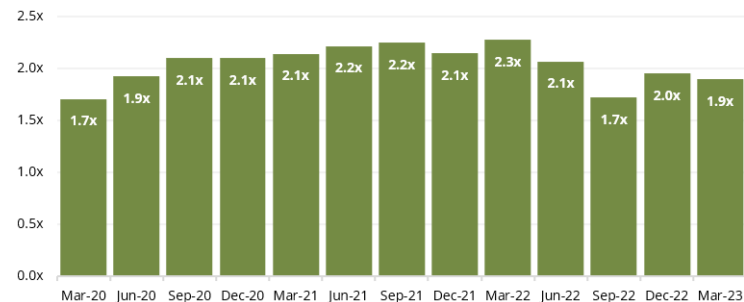
Public Comparables

Transit and Ground Passenger Transportation

Transit and Ground Passenger Transportation | Median EBITDA Multiples



Transit and Ground Passenger Transportation | Median Revenue Multiples



Company \$USD in Millions	Share Price	Shares O/S	Market Cap	Enterprise Value	Revenues (LTM)	EBITDA (LTM)	Enterprise Value /	
							Revenues	EBITDA
Comfortdelgro Corporation Limited	\$0.92	2,167	\$1,988	\$2,002	\$2,688	\$503	0.7x	4.0x
FirstGroup plc	\$1.28	719	\$923	\$2,607	\$5,949	\$871	0.4x	3.0x
Kintetsu Group Holdings Co., Ltd.	\$32.05	191	\$6,110	\$14,697	\$9,887	\$799	1.5x	18.4x
Nagoya Railroad Co., Ltd.	\$15.36	197	\$3,021	\$6,435	\$4,086	\$425	1.6x	15.1x
Seibu Holdings, Inc.	\$10.21	323	\$3,303	\$8,999	\$3,171	\$510	2.8x	17.7x
Tobu Railway Co., Ltd.	\$23.82	210	\$4,997	\$10,537	\$4,452	\$799	2.4x	13.2x
TOKYU CORPORATION	\$13.24	625	\$8,273	\$17,276	\$6,806	\$887	2.5x	19.5x
West Japan Railway Company	\$41.00	244	\$10,005	\$21,448	\$9,701	\$1,457	2.2x	14.7x
Mean				\$10,487	\$5,778	\$784	1.8x	13.2x
Median				\$9,768	\$5,207	\$799	1.9x	14.9x

Source: FactSet

Public Comparables

Couriers and Messengers

Couriers and Messengers | Median EBITDA Multiples



Couriers and Messengers | Median Revenue Multiples



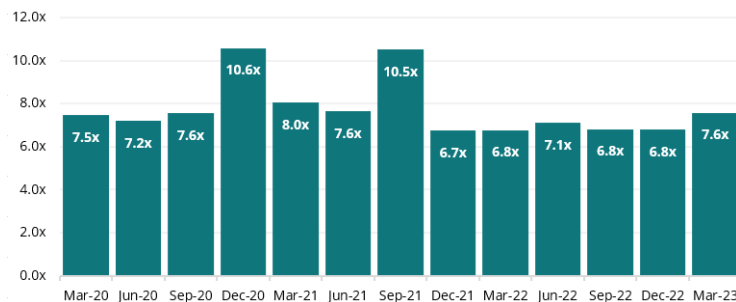
Company \$USD in Millions	Share Price	Shares O/S	Market Cap	Enterprise Value	Revenues (LTM)	EBITDA (LTM)	Enterprise Value /	
							Revenues	EBITDA
Deutsche Post AG	\$46.82	1,239	\$58,007	\$72,854	\$99,250	\$11,484	0.7x	6.3x
FedEx Corporation	\$228.49	251	\$57,431	\$90,146	\$92,619	\$9,634	1.0x	9.4x
Poste Italiane SpA	\$10.23	1,306	\$13,356	\$112,381	\$33,946	\$3,738	3.3x	30.1x
International Distributions Services plc	\$2.78	956	\$2,655	\$4,209	\$15,914	\$1,004	0.3x	4.2x
SG Holdings Co., Ltd.	\$14.73	640	\$9,431	\$9,067	\$11,688	\$1,369	0.8x	6.6x
United Parcel Service, Inc. Class B	\$193.99	725	\$140,605	\$182,543	\$100,034	\$16,156	1.8x	11.3x
Mean				\$78,533	\$58,908	\$7,231	1.3x	11.3x
Median				\$81,500	\$63,282	\$6,686	0.9x	8.0x

Source: FactSet

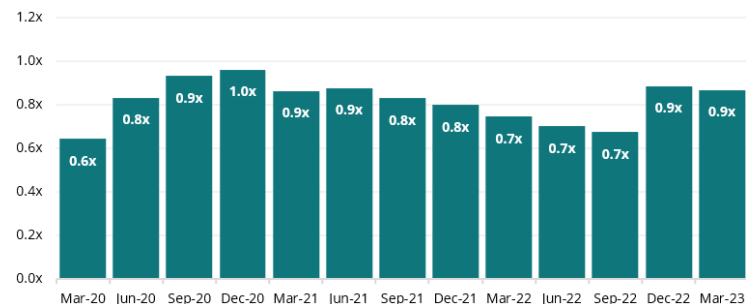
Public Comparables

Warehousing and Storage

Warehousing and Storage | Median EBITDA Multiples



Warehousing and Storage | Median Revenue Multiples



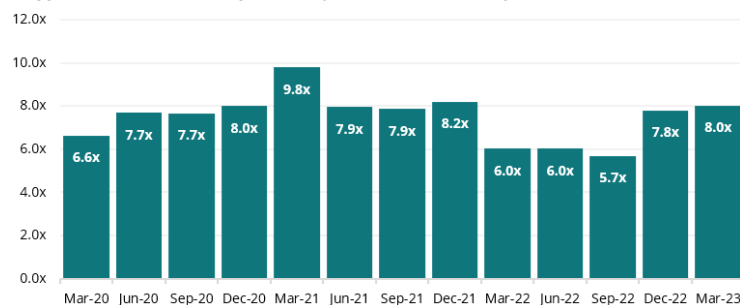
Company \$USD in Millions	Share Price	Shares O/S	Market Cap	Enterprise Value	Revenues (LTM)	EBITDA (LTM)	Enterprise Value /	
							Revenues	EBITDA
Aegis Logistics Limited	\$4.61	351	\$1,618	\$1,708	\$1,090	\$78	1.6x	21.8x
Chilled & Frozen Logistics Holdings Co., Ltd.	\$9.53	26	\$245	\$349	\$857	\$73	0.4x	4.7x
Matrix Service Company	\$5.40	27	\$146	\$157	\$780	(\$44)	0.2x	NM
MITSUI-SOKO HOLDINGS Co., Ltd.	\$29.49	25	\$735	\$1,229	\$2,422	\$297	0.5x	4.1x
Royal Vopak NV	\$35.30	126	\$4,438	\$7,855	\$1,437	\$737	5.5x	10.7x
Tianjin Port Development Holdings Limited	\$0.07	6,158	\$455	\$2,650	\$2,011	\$389	1.3x	6.8x
Tohto Suisan Co., Ltd.	\$51.84	4	\$209	\$191	\$707	\$25	0.3x	7.6x
YOKOREI CO. LTD.	\$7.21	59	\$427	\$1,105	\$901	\$78	1.2x	14.1x
Mean				\$1,906	\$1,276	\$204	1.4x	10.0x
Median				\$1,167	\$996	\$78	0.9x	7.6x

Source: FactSet

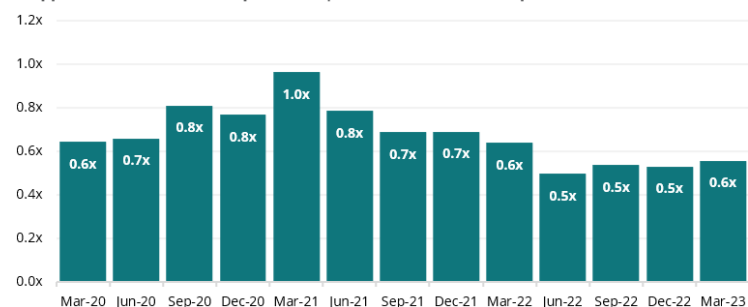
Public Comparables

Support Activities for Transportation

Support Activities for Transportation | Median EBITDA Multiples



Support Activities for Transportation | Median Revenue Multiples



Company \$USD in Millions	Share Price	Shares O/S	Market Cap	Enterprise Value	Revenues (LTM)	EBITDA (LTM)	Enterprise Value /	
							Revenues	EBITDA
C.H. Robinson Worldwide, Inc.	\$99.37	117	\$11,578	\$13,721	\$24,697	\$1,360	0.6x	10.1x
Compania de Distribucion Integral Logista Holdings S.A.	\$24.99	133	\$3,317	\$3,227	\$12,394	\$413	0.3x	7.8x
Constellium SE Class A	\$15.28	144	\$2,205	\$4,244	\$8,542	\$669	0.5x	6.3x
Expeditors International of Washington, Inc.	\$110.12	154	\$17,002	\$15,490	\$17,071	\$1,882	0.9x	8.2x
Forward Air Corporation	\$107.76	26	\$2,838	\$3,070	\$1,973	\$313	1.6x	9.8x
Hitachi Transport System, Ltd.	\$66.87	0	\$0	\$8,313	\$6,160	\$768	1.3x	10.8x
HNA Technology Co. Ltd. Class A	\$0.40	2,573	\$1,022	\$39	(\$2)	NA	NM	NM
Hub Group, Inc. Class A	\$83.94	33	\$2,754	\$2,967	\$5,340	\$632	0.6x	4.7x
Kerry Logistics Network Ltd.	\$1.55	1,807	\$2,809	\$3,487	\$11,541	\$1,070	0.3x	3.3x
Orient Overseas (International) Limited	\$19.13	660	\$12,636	\$3,453	\$20,859	\$10,843	0.2x	0.3x
Roadrunner Transportation Systems, Inc.	\$1.80	38	\$69	\$212	\$398	(\$37)	0.5x	NM
STEF	\$114.08	13	\$1,483	\$2,450	\$4,199	\$408	0.6x	6.0x
Transurban Group Ltd.	\$9.52	3,081	\$29,318	\$40,712	\$2,868	\$1,334	14.2x	30.5x
Vontier Corp	\$27.34	155	\$4,244	\$6,660	\$3,184	\$694	2.1x	9.6x
Mean				\$7,718	\$7,925	\$1,629	1.8x	9.0x
Median					\$3,470	\$6,160	0.6x	8.0x

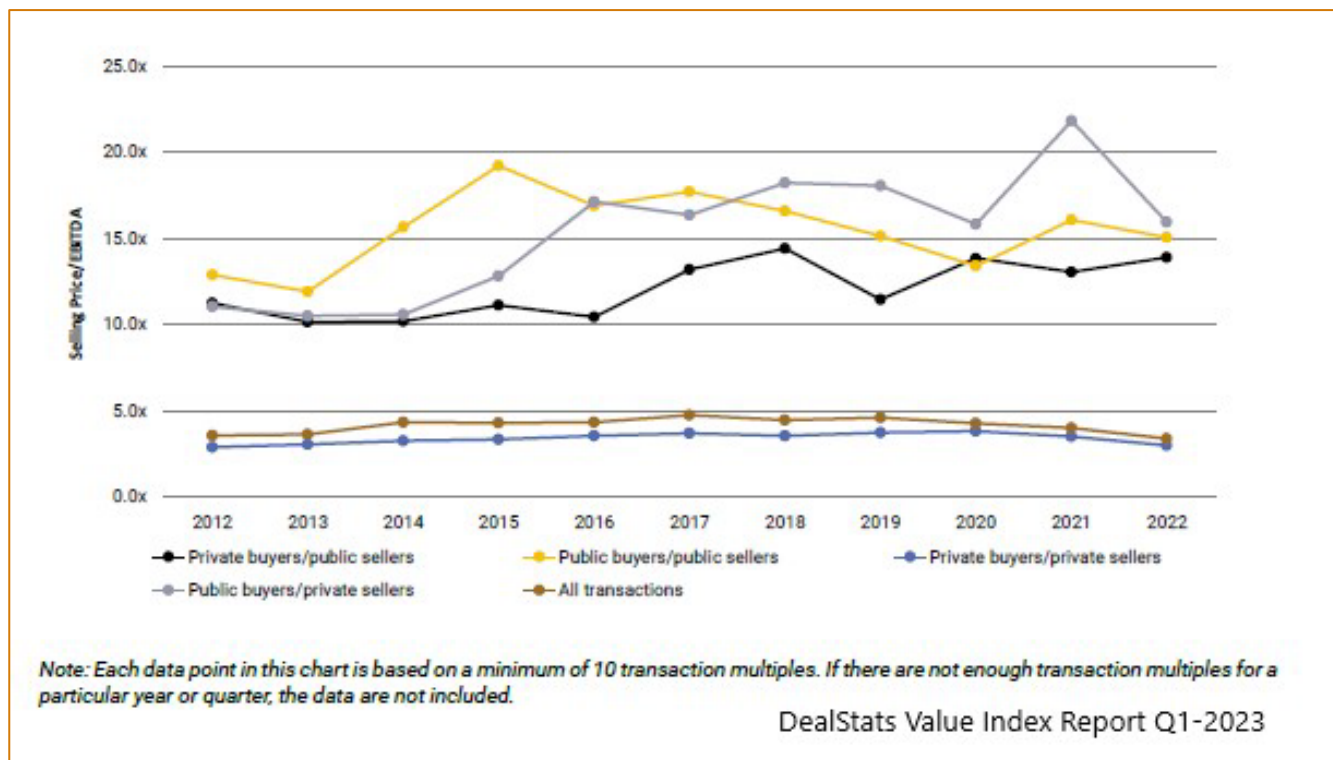
Source: FactSet

Public Vs. Private Comparables

Valuation Premiums Can Be Considerable

Regardless of industry, publicly traded companies often trade at premium valuations to privately held companies. This is reflected in M&A transactions and can lead to unrealistic value expectations for some business owners. The chart below illustrates this variance and shows that the variance has been both long term and growing.

Transactions between private buyer and private seller tend to be small by comparison and thus do not benefit from a “size” premium that is associated with transactions in general. While this chart does not breakout private equity transactions, our analysis indicates those transactions usually fall between public and private and move closer to public as size increases.





CFA Overview

About CFA

Who We Are / What We Do

Corporate Finance Associates (CFA) is an independent international investment banking firm serving middle-market businesses. For over 60 years Corporate Finance Associates has been advocating on behalf of business owners who are restructuring a company, either through divestiture, merger, acquisition or recapitalization. Combining the knowledge and leverage of a larger bank with the customer focused detail of a boutique firm, from inception to completion, our senior principals provide hands-on expertise to clients buying, selling or recapitalizing a business.

This Transportation, Logistics and Supply Chain Industry Practice Group was established to draw on the experience of CFA advisors, many of whom as former business owners and CEOs, have first-hand knowledge and have completed many transactions in this industry. Working with your local CFA representative, you can be sure that the collective wealth of knowledge is available to every CFA client.



Sell-Side Advisory

Whether as a divestiture strategy or a recapitalization strategy selling all or part of a business requires equal parts creative thinking, critical analysis, expert advice, sound planning and flawless execution. Having the right team of investment banking professionals working for you is critical to ensure success.



Capital Markets

Our commitment to remaining independent from any investment or lending affiliates ensures that we deliver unbiased guidance. It also promotes maximum competition among lending sources, helping to fully leverage value for our clients. Our role is to help you raise the type of capital that best fits your needs.



Buy-Side Advisory

Growth through acquisition is a complex process. It involves strategy, planning, critical analysis, coordination and negotiation. When you want to take advantage of the fast growth offered by a consolidation or roll-up, CFA's broad reach, sources of financing and efficient closings can help you achieve your business growth goals.



Financial Advisory

Now that you have made the decision to raise capital for your business, choosing the right investment banker is critical. Whether you are buying out a partner, financing an acquisition or seeking growth capital, CFA is the right choice to help you achieve your financing goals.



Exit Planning

Every business will ultimately undergo a transfer via sale or merger, a charitable donation, a transfer to a child or relative or even bankruptcy, liquidation or death. Every ownership transfer carries with it a unique set of consequences and the best consequences usually begin with a clearly defined exit plan.



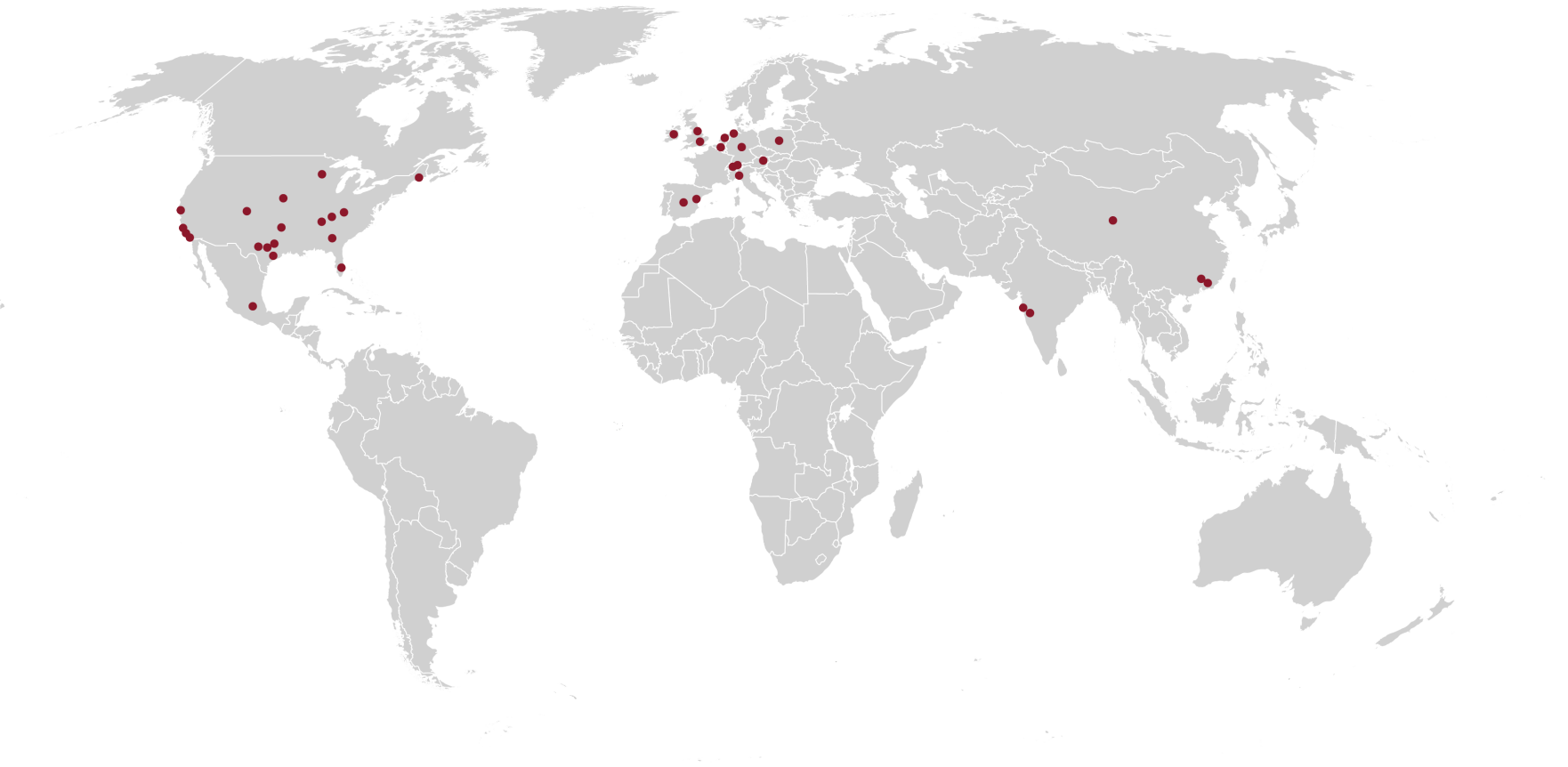
Business Valuation

"What is my business worth" is a question we often hear from business owners contemplating a business sale, merger or recapitalization. Answering this question depends on many factors, including the business valuation methods that are employed in the calculation.

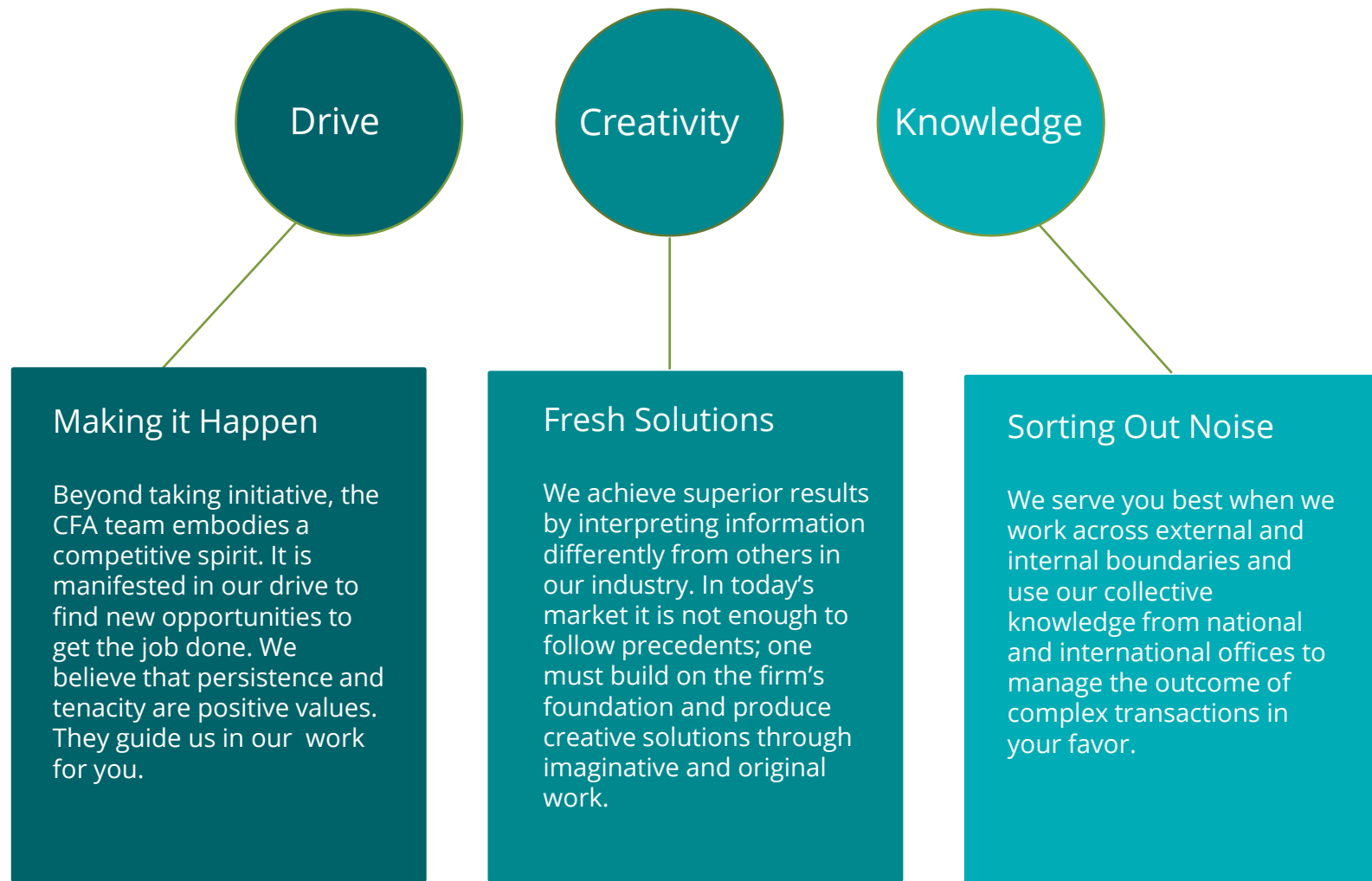
Local Service, Global Reach

Where We Are

With offices across the USA and in Austria, Belgium, Germany, Hong Kong, India, Ireland, Italy, Mexico, Netherlands, Poland, Spain, Switzerland and the United Kingdom providing middle-market companies with a wide range of M&A, financial advisory services and access to capital resources.

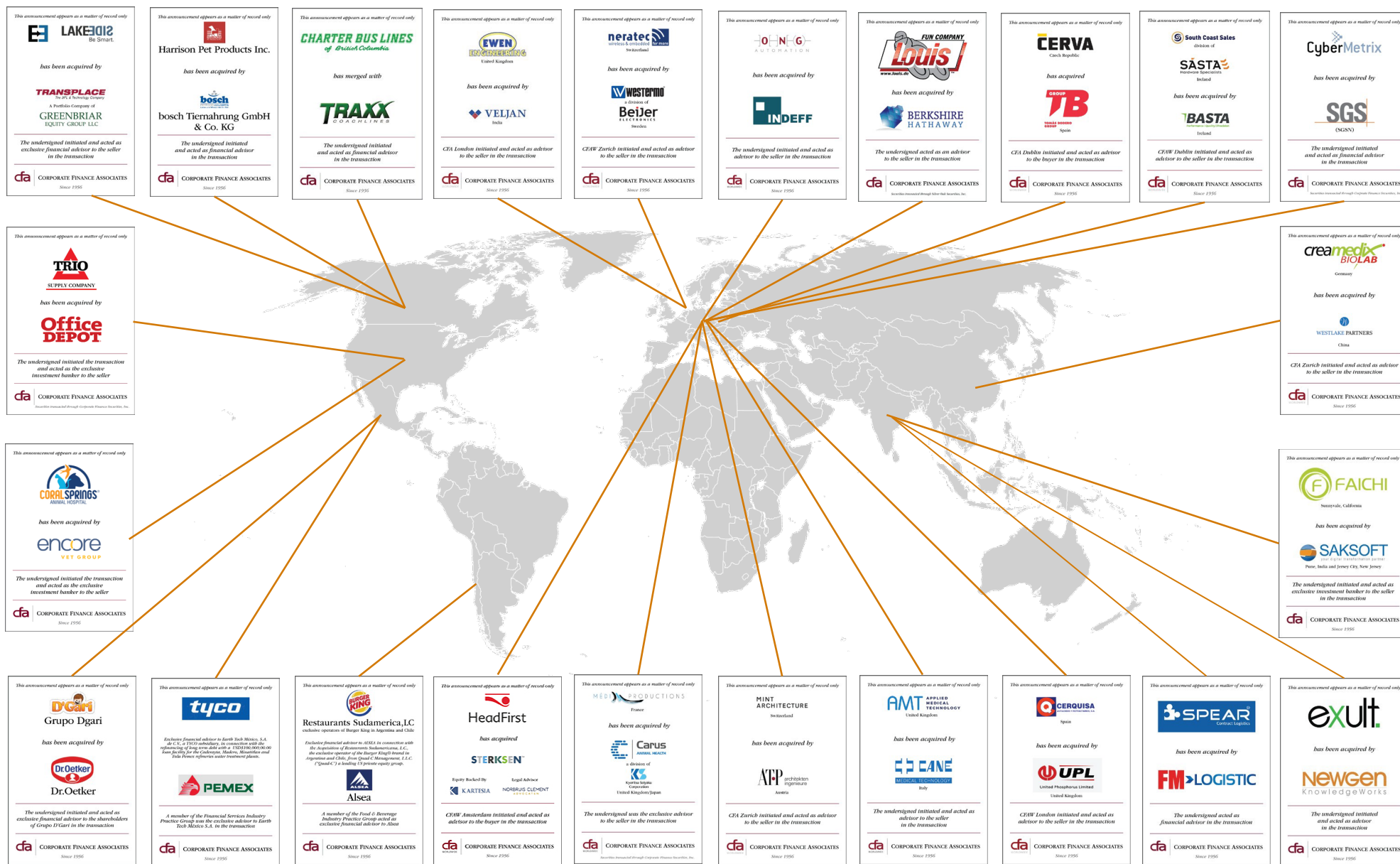


Delivering Results



Founded in 1956 • 70 Managing Directors • 37 Offices Worldwide • Billions in M&A Transactions

Worldwide Transactions



Industry Practice Groups

Transportation, Logistics and Supply Chain



The Transportation, Logistics and Supply Chain practice group is comprised of accomplished dealmakers with extensive experience in advising both public and private companies in the industry. These dealmakers offer expert service in acquisitions, divestitures, financing, and strategic planning to a wide range of companies operating in multiple subsectors including:

- International freight forwarders
- Domestic and international 3PL operations
- Tanker operations
- Warehouse operations
- Warehouse management technology companies
- Fleet tracking telematics companies
- Wholesale industrial distributors
- Wholesale consumer product distributors
- Temperature-controlled food distributors

Whether you want to acquire, merge, sell, or finance, let CFA's industry knowledge, international resources and proven dealmaking skills work for you. We research, identify, qualify, advocate, negotiate and help steer you through the mine fields of due diligence to maximize your value and secure your objective.

Aerospace/Defense/Government
Agriculture
Animal Health
Business Services
Commercial Real Estate
Consumer Retail
Energy
Engineering/Construction
Financial Services & FinTech
Food/Beverage
Healthcare/Life Sciences
Industrials
Metal Fabrication
Print/Packaging
Semiconductors
Technology/Media/Telecom
Transportation/Logistics/Supply Chain
Wholesale Distribution

Recent Industry Transactions

This announcement appears as a matter of record only

inflexion

has acquired

enviolo

from
Keyne Anderson
Capital Advisors, L.P.

Co-Advisor
ONDA

CFAW Amsterdam initiated and acted as advisor to Inflexion in the transaction

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This announcement appears as a matter of record only

Shannon, LLC

has received financing from

Androscoggin Bank

The undersigned initiated and acted as exclusive advisor to the borrower in the transaction

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Shannon, LLC

has received financing from

Industrial Holdings, LLC

The undersigned initiated and acted as exclusive advisor to the borrower in the transaction

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This announcement appears as a matter of record only

R.A.S. LOGISTICS

has been acquired by

Franklin Hill Capital

The undersigned initiated the transaction and acted as the exclusive investment banker to the seller

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Securities transacted through Corporate Finance Securities, Inc.

This announcement appears as a matter of record only

DARYL FLOOD
relocation & logistics

has been acquired by

Suddath

The undersigned initiated the transaction and acted as the exclusive investment banker to the seller

cfa | CORPORATE FINANCE ASSOCIATES
Securities transacted through Corporate Finance Securities, Inc.

This announcement appears as a matter of record only

HOPKINS
DISTRIBUTION COMPANY
HDC

Reno, Nevada

has been acquired by

RIVERHORSE LOGISTICS

Memphis, Tennessee

The undersigned acted as the exclusive investment banker for the seller in the transaction

cfa | CORPORATE FINANCE ASSOCIATES
Securities transacted through Silver Oak Securities, Inc.

This announcement appears as a matter of record only

CHARTER BUS LINES
of British Columbia

has merged with

TRAXX
COACH LINES

The undersigned initiated and acted as financial advisor in the transaction

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This announcement appears as a matter of record only

LAKEIDIS
Be Smart.

has been acquired by

TRANSPLACE
The SPL & Technology Company
A Portfolio Company of
GREENBRIAR
EQUITY GROUP LLC

The undersigned initiated and acted as exclusive financial advisor to the seller in the transaction

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Since 1956

This announcement appears as a matter of record only

WDS WHITE DISTRIBUTION & SUPPLY, INC.

has been acquired by

SLATE
CAPITAL GROUP

The undersigned initiated and acted as advisor to the seller in the transaction

cfa | CORPORATE FINANCE ASSOCIATES
Securities transacted through Corporate Finance Securities, Inc.

This announcement appears as a matter of record only

Delivery Limited
Est. 1978

has been acquired by

Huntleigh Management, LLC

The undersigned initiated and acted as financial advisor in the transaction

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Securities transacted through Corporate Finance Securities, Inc.

Recent Industry Transactions

This announcement appears as a matter of record only



has entered into a strategic alliance with



The undersigned acted as
exclusive advisor in the transaction

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This announcement appears as a matter of record only



has been acquired by



The undersigned initiated and acted as
exclusive financial advisor
in the transaction

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Since 1956

This announcement appears as a matter of record only



has been acquired by



The undersigned initiated
and acted as financial advisor
in the transaction

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Securities transacted through Corporate Finance Securities, Inc.

This announcement appears as a matter of record only



has completed a merger with



The undersigned initiated and acted as an
advisor to Field in the transaction

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This announcement appears as a matter of record only



has been acquired by



The undersigned initiated
and acted as advisor
in the transaction

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Since 1956

This announcement appears as a matter of record only



has been acquired by



The undersigned was engaged
as the investment banker for the seller
in the transaction

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Since 1956

This announcement appears as a matter of record only



has been acquired by



The undersigned acted as
exclusive advisor to the buyer
in the transaction

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Since 1956

This announcement appears as a matter of record only



SAKER
aviation services
(OTCQB: SKAS)

has acquired



The undersigned initiated and acted as
an advisor to the buyer
in the transaction

cfa | CORPORATE FINANCE ASSOCIATES
Securities transacted through Corporate Finance Securities, Inc.

This announcement appears as a matter of record only



Spirit Coach

has been acquired by

Red Clay Capital Holdings
Red Clay
Capital Holdings, LLC

The undersigned initiated
and acted as financial advisor
in the transaction

cfa | CORPORATE FINANCE ASSOCIATES
Securities transacted through Corporate Finance Securities, Inc.

This announcement appears as a matter of record only



has been acquired by

TRANSPACE
The 3PL & Technology Company
a Portfolio Company of
CI Capital Partners

The undersigned initiated and acted as
exclusive financial advisor
to the seller in the transaction

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Since 1956