

LI Environmental Services Stock Index Down 3.7% in Q2; M&A Activity Drops Slightly

Qtr-over-Qtr Performance

Outperformers*	Change
Waste Connections Inc.	14.3%
TRC Companies Inc.	8.5%
Progressive Waste Solutions Ltd.	5.3%

Underperformers*	Change
Sims Metal Management Limited	-17.6%
Tetra Tech Inc.	-22.9%
RPS Group plc	-24.4%

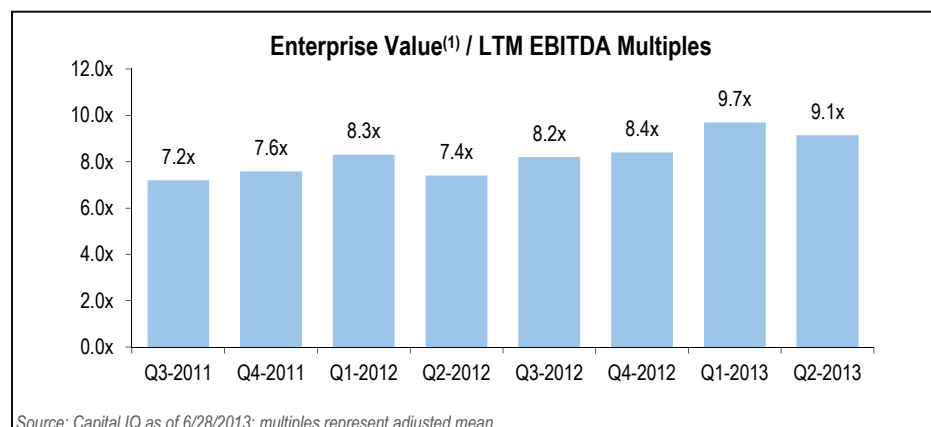
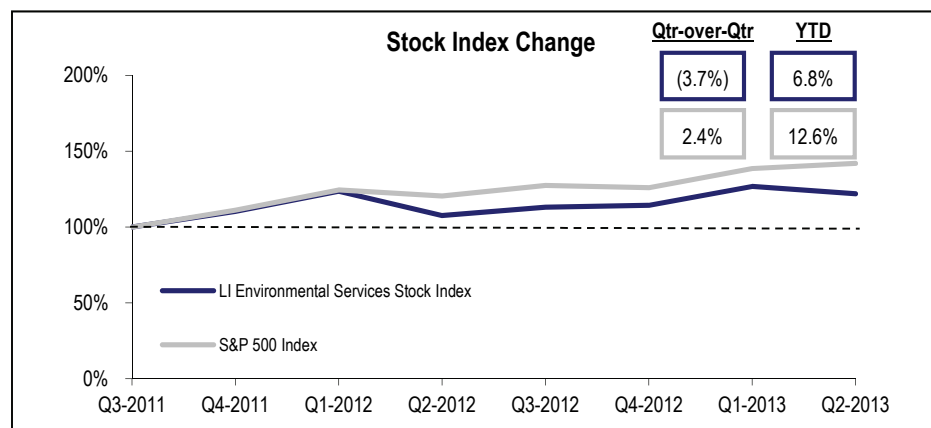
* Based on qtr-over-qtr share price performance

Market Intelligence

- 6/20/2013: **AECOM Technology**, a U.S.-based environmental, technical and management support services provider is actively seeking niche acquisitions to access new geographies and expand its presence in fast growing regions
- 6/14/2013: **SNC Lavalin**, the Canada-based engineering and construction services company, will renew its focus on new acquisitions in Latin America, particularly Brazil, in the next 12-18 months
- 5/31/2013: **US Ecology**, a U.S.-based waste management company, is seeking additional acquisitions in the hazardous waste, treatment and storage sector after its recent acquisition of Dynecol
- 5/20/2013: **Waste Management**, the U.S.-based waste management services provider, has engaged in talks with strategics to divest its non-core medical waste assets
- 5/14/2013: **Progressive Waste Solutions**, a Canada-based waste management service provider, is opportunistically seeking bolt-on acquisitions this year
- 5/01/2013: **Newpark Resources**, a U.S.-based fluids systems, engineering, and environmental services provider, has initiated the process of selling its Environmental Services division

Lincoln International Environmental Services Stock Index ("LI ESSI")

The LI ESSI is a market cap-weighted composite stock index similar to the S&P 500 Index. Given the broad scope of Environmental Services, the LI ESSI is comprised of companies that generate a meaningful portion of revenue from their involvement in a variety of subsectors, including Consulting & Engineering, Recycling & Refurbishment, Remediation & Construction and Waste Collection & Disposal. A full list of the companies included in the LI ESSI is provided on the following page.

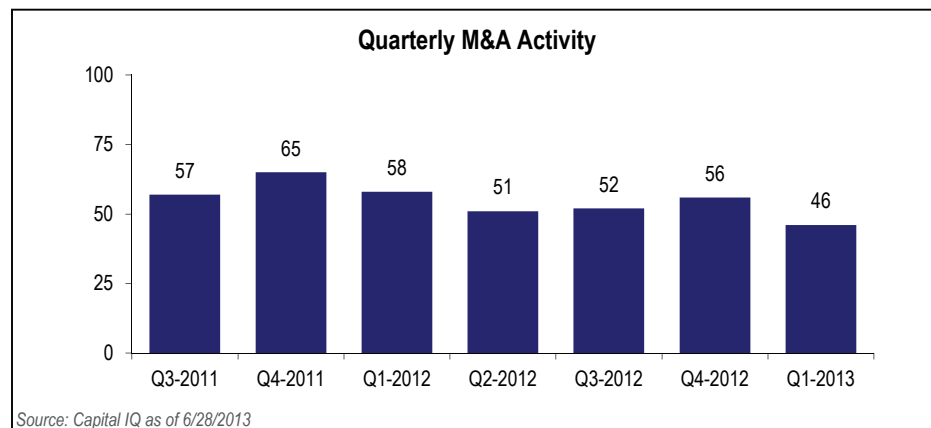


Source: Capital IQ as of 6/28/2013; multiples represent adjusted mean

(1) Enterprise Value is calculated as market capitalization plus total net debt, preferred equity and minority interest

Environmental Services M&A Activity

Global deal volume in the Environmental Services space was down slightly in Q1 2013 from the previous quarter. A list of select M&A transactions from Q2 2013 is provided on the following page.



Source: Capital IQ as of 6/28/2013

Note: Represents closed M&A transactions for targets classified under relevant SIC codes or tracked on Lincoln's industry watch list; This chart is subject to change quarterly as this report may be published prior to the announcement of certain transactions completed within the respective periods outlined above

LI Environmental Services Stock Index Data (\$ in millions, except per share data)

	Current	52-Wk	Market	Enterprise	Diluted	LTM	EV / LTM			LTM Growth		EBITDA	Net Debt/
	Price	High	Cap	Value	EPS	Rev	Rev	EBITDA	EBIT	Rev	EBITDA	Margin	EBITDA
AECOM Technology Corporation	\$31.79	\$33.09	\$3,277	\$ 3,997	\$(0.60)	\$8,185	0.5x	8.9x	11.2x	(0%)	(0%)	5.5%	1.5x
AMEC plc	15.27	17.84	4,541	4,397	0.66	6,758	0.7x	8.2x	9.9x	33%	17%	7.9%	(0.3x)
Arcadis NV	26.84	29.10	1,942	2,455	1.22	3,272	0.8x	9.6x	12.8x	14%	16%	7.8%	2.0x
Casella Waste Systems Inc.	4.31	5.88	171	670	(1.46)	455	1.5x	8.9x	36.5x	(3%)	(16%)	16.5%	6.6x
Clean Harbors, Inc.	50.53	61.99	3,059	4,232	1.93	2,478	1.7x	11.5x	23.1x	17%	(2%)	14.9%	3.2x
Progressive Waste Solutions Ltd.	21.50	23.23	2,470	4,052	0.87	1,945	2.1x	7.5x	16.1x	5%	(0%)	27.7%	3.0x
Republic Services, Inc.	33.94	35.28	12,283	19,189	1.51	8,135	2.4x	8.3x	13.9x	(1%)	(6%)	28.3%	3.0x
RPS Group plc	3.07	4.25	657	678	0.12	778	0.9x	5.9x	8.2x	10%	19%	14.7%	0.2x
Schnitzer Steel Industries, Inc.	23.38	33.03	599	982	0.27	2,728	0.4x	8.9x	35.8x	(25%)	(42%)	4.1%	3.4x
Sims Metal Management Limited	7.56	10.45	1,545	1,786	(0.90)	8,191	0.2x	13.8x	nmf	(16%)	(62%)	1.6%	2.1x
SNC-Lavalin Group Inc.	42.16	47.30	6,385	7,832	1.95	8,065	1.0x	12.2x	16.4x	51%	(13%)	8.0%	2.3x
Stericycle, Inc.	110.43	113.11	9,528	10,804	3.18	1,967	5.5x	18.4x	21.3x	13%	12%	29.9%	2.1x
Suez Environnement Company SA	12.90	14.76	6,568	19,135	0.45	19,911	1.0x	6.4x	12.4x	3%	9%	15.1%	3.4x
Tetra Tech Inc.	23.51	31.49	1,526	1,634	1.70	2,071	0.8x	7.6x	10.3x	10%	6%	10.4%	0.5x
TRC Companies Inc.	7.00	8.54	203	201	0.58	313	0.6x	9.3x	13.3x	7%	(9%)	6.9%	(0.1x)
URS Corporation	47.22	49.45	3,584	5,561	4.06	11,414	0.5x	6.6x	9.5x	19%	27%	7.4%	2.2x
US Ecology, Inc.	27.44	29.97	505	542	1.44	179	3.0x	8.9x	12.3x	16%	20%	34.1%	0.6x
Veolia Environnement S.A.	11.36	14.42	6,075	23,220	0.02	38,814	0.6x	6.3x	13.5x	5%	2%	9.5%	4.0x
Waste Connections Inc.	41.14	41.71	5,077	7,222	1.37	1,735	4.2x	13.0x	20.8x	12%	12%	32.0%	3.9x
Waste Management, Inc.	40.33	43.00	18,835	28,898	1.75	13,690	2.1x	8.7x	14.4x	1%	0%	24.2%	2.9x
Mean							1.5x	9.4x	16.4x	9%	(1%)	15.3%	2.3x
Median							0.9x	8.9x	13.5x	9%	1%	12.6%	2.2x
Adjusted Mean (excludes highest and lowest v value)							1.4x	9.1x	15.7x	8%	1%	15.0%	2.2x

Source: Capital IQ as of 6/28/2013

Select M&A Transactions (\$ in millions)

Closed	Target	Target Description	Acquirer	Enterprise Value	EV / LTM Rev.	EBITDA
Announced	Habtec Engenharia Ambiental Ltda.	Provides environmental consulting and engineering services	Mott Macdonald Group	-	-	-
Announced	Outback Ecology	Provides environmental and water consultancy services	MWH Global, Inc.	-	-	-
Announced	BASF Industrial Water Management France	Provides water treatment services	Degrémont SAS	-	-	-
Announced	Proactiva Medio Ambiente, S.A.	Provides waste management and environmental services	Veolia Environnement S.A.	\$ 396	0.6x	-
Announced	Befesa Medio Ambiente, S.A.	Provides recycling and industrial waste management services	Triton	1,371	1.6x	8.6x
Jun-13	American Radiation Services, Inc.	Provides environmental consulting services	The Aleut Corporation	-	-	-
Jun-13	DeLuca-Hoffman Associates, Inc.	Provides civil and environmental engineering services	Fay, Spoford & Thorndike, Inc.	-	-	-
Jun-13	Dunkelberger Engineering & Testing, Inc.	Provides geotechnical engineering and environmental services	Terracon Consultants, Inc.	-	-	-
May-13	Energy Solutions, Inc.	Provides hazardous waste management and nuclear services	Energy Capital Partners	945	0.5x	4.5x
May-13	Vigil-Agrimis, Inc.	Provides water and natural resources management	Environmental Science Assoc.	-	-	-
May-13	Bowyer-Singleton & Associates, Inc.	Provides engineering, environmental and surveying services	The Dewberry Companies, Inc.	-	-	-
May-13	TES-Envirocorp Pte. Ltd.	Provides environmental engineering services	Navis Capital Partners	-	-	-
Apr-13	Knowledge Reservoir, LLC	Provides engineering and geosciences consulting	RPS Group plc	20	0.8x	-
Apr-13	Ashtead Technology, U.S. Instrument Division	Provides environmental, testing and emissions services	Pine Environmental Services	-	-	-
Apr-13	Skude & Jacobsen Consulting Engineers A/S	Provides engineering and environmental consulting services	Moe & Brødsgaard A/S	-	-	-

Source: Capital IQ, Mergermarket, Company Filings as of 6/28/2013

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Lincoln International's Global Footprint

