

Market Update

Facilities Services

Q3 2017



FS Stock Highlights

From last quarter:

- LI Facilities Services Index increased 1.4%
- S&P 1500 Environmental and Facilities Services Index increased 3.9%
- S&P 500 Index increased 4.0%
- Facilities Services Enterprise Value / LTM EBITDA multiples remained steady at 12.0x

LI Facilities Services ("FS") Index continues increase, up 1.4% this quarter

About the LI Facilities Services Index

The LI Facilities Services Index is a market cap weighted composite stock index similar to the S&P 500 Index. The index is prepared by first selecting a base period, in this case, Q4 2015, and totaling the market caps of the companies in this period. This period and the total market cap is set to a base index at 100%. Next, the current period's total market cap is calculated, divided by

the base period's total market cap and then multiplied by the base index (100%). The result is the index value used for plotting the Relative Stock Index Performance graph below. A full list of the companies included in the LI Facilities Services Index can be found on page 3. Figures shown below are historically updated to reflect the updated LI Facilities Services Index.

Recent Facilities Services Transactions

Caltius
Equity Partners
has sold
ACADEMY
FIRE LIFE SAFETY
to
Audax
Group

Audax Private Equity
has sold
COZZINI BROS
NATIONWIDE SHARPENING
to
BIRCH HILL
PARTY SERVICES

SILVER OAK
has sold
ACCENT
to
Audax
Group

THE HALIFAX GROUP
has refinanced
K2 Industrial Services

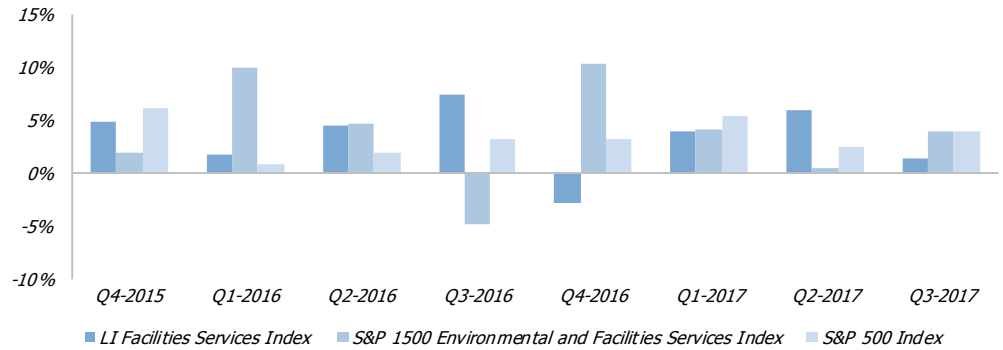
COMPLUS
has been recapitalized by
THOMPSON STREET
CAPITAL PARTNERS

Quarter over Quarter Performance

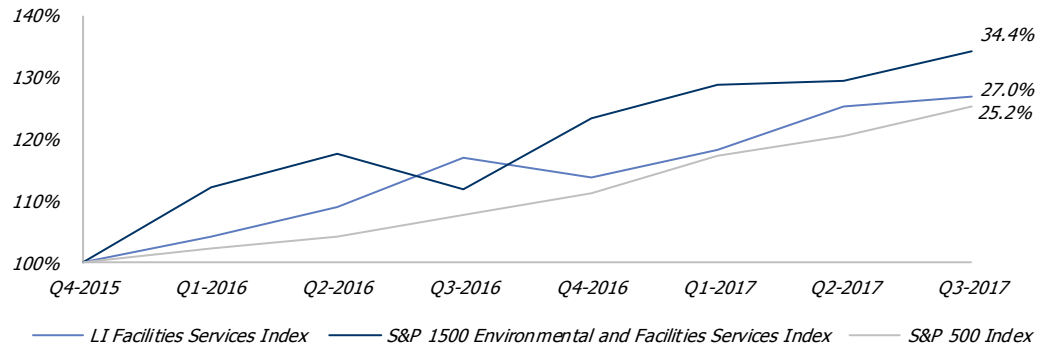
Outperformers	Change	Underperformers	Change
Matrix Service Company	62.6%	G4S plc	(14.7%)
ServiceMaster Global Holdings, Inc.	19.2%	Team, Inc.	(43.1%)
Cintas Corporation	14.5%	Interserve plc	(48.9%)

Based on quarter-over-quarter share price performance

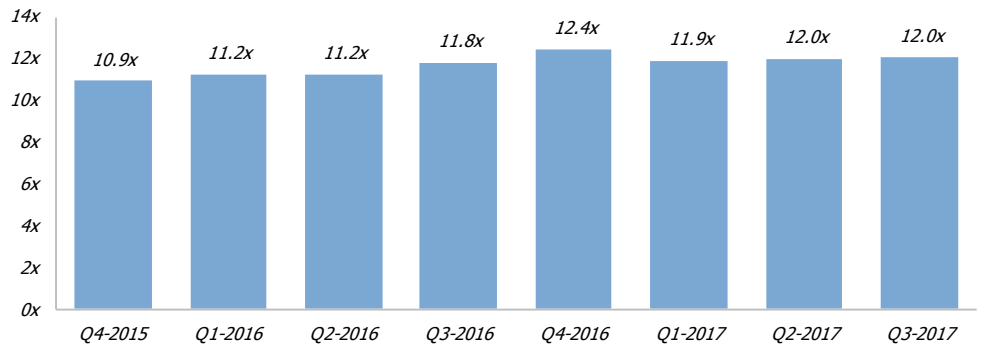
Quarter over Quarter Stock Index Change



Two Year Relative Stock Index Performance



Enterprise Value⁽¹⁾ / LTM EBITDA Multiples



Source: Capital IQ as of 9/30/2017

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

Heard on the Street

09/12/2017: Team Inc., the Texas-based industrial services company, is considering various strategic alternatives, including forming a cost-cutting committee and hiring a consulting company to assist with cost reduction efforts, forming a CEO search committee and improving corporate governance

08/11/2017: Aramark, the Philadelphia, Pennsylvania-based provider of food, facilities and uniform services, announced it will concentrate on acquisitions to add scale and broaden its food or facilities services capabilities

07/10/2017: Sodexo, the France-based services company, will be very "active" on the M&A front and plans to spend ~\$450m on acquisitions this calendar year

07/31/2017: UniFirst, the Massachusetts-based provider of workplace uniforms and protective work wear clothing, has named Steven Sintros President and CEO

08/13/2017: The Board of Directors of **Securitas AB** has appointed Magnus Ahlqvist as the new President and CEO of Securitas AB, effective March 2018

LI Facilities Services Index Stock Data

(\$ in millions except per share data)

Company	Current Price	52-Wk High	Market Cap	Enterprise Value	Diluted EPS	LTM Rev	EV/LTM Rev	EV/LTM EBITDA	EV/LTM EBIT	LTM Growth Rev	LTM Growth EBITDA	EBITDA Margin	Net Debt/EBITDA
ABM Industries Incorporated	\$41.71	\$45.12	\$2,717	\$2,934	\$1.57	\$5,278	0.6x	15.2x	21.8x	3.5%	10.9%	3.6%	1.1x
Aramark	40.61	41.72	9,954	15,337	1.38	14,494	1.1x	11.9x	19.6x	1.2%	8.2%	8.9%	4.2x
Cintas Corporation	144.28	145.00	15,588	18,216	4.38	5,668	3.2x	16.2x	20.3x	16.5%	16.9%	19.8%	2.3x
Comfort Systems USA, Inc.	35.70	39.67	1,325	1,395	1.66	1,667	0.8x	10.8x	14.0x	3.7%	5.7%	7.8%	0.5x
Compass Group plc	21.22	23.68	33,561	37,575	0.70	26,973	1.4x	15.0x	19.4x	3.0%	5.0%	9.3%	1.5x
EMCOR Group, Inc.	69.38	73.44	4,106	4,138	3.38	7,661	0.5x	9.7x	12.2x	7.1%	10.9%	5.6%	0.1x
FirstService Corporation	65.60	70.37	2,358	2,692	1.25	1,601	1.7x	18.9x	26.6x	17.9%	27.3%	8.9%	1.5x
G4S plc	3.73	4.59	5,772	7,930	0.18	10,429	0.8x	9.5x	12.3x	12.5%	19.8%	8.0%	2.5x
Interserve plc	1.59	5.23	230	846	(0.31)	4,233	0.2x	3.4x	5.3x	(1.8%)	(38.2%)	5.9%	2.3x
Johnson Controls International plc	40.29	46.86	37,566	52,452	(1.06)	45,127	1.2x	12.0x	16.5x	93.4%	59.7%	9.7%	3.2x
Matrix Service Company	15.20	23.45	406	407	(0.01)	1,198	0.3x	14.8x	nmf	(8.7%)	(59.9%)	2.3%	0.0x
MITIE Group plc	3.43	4.20	1,227	1,427	(0.15)	2,663	0.5x	nmf	nmf	(13.9%)	(84.9%)	1.0%	6.6x
Prosegur Compañía de Seguridad, S.A.	7.48	8.11	4,478	4,631	0.21	4,785	1.0x	8.3x	10.8x	12.1%	15.1%	11.6%	0.1x
Rentokil Initial plc	4.03	4.15	7,386	8,748	0.37	3,136	2.8x	12.8x	21.4x	24.8%	18.3%	21.9%	1.9x
Rollins, Inc.	46.14	46.22	10,058	9,863	0.83	1,618	6.1x	nmf	35.8x	6.0%	11.2%	20.4%	(0.6x)
Securitas AB	16.73	18.62	6,106	7,952	7.51	10,846	0.7x	11.5x	15.4x	9.9%	10.0%	6.4%	2.6x
ServiceMaster Global Holdings, Inc.	46.73	48.48	6,236	8,653	1.64	2,841	3.0x	13.0x	15.3x	6.8%	9.2%	23.4%	3.6x
Sodexo S.A.	124.69	146.08	18,523	21,051	4.11	21,532	1.0x	14.9x	18.7x	(3.2%)	(10.5%)	6.6%	1.6x
Team, Inc.	13.35	39.70	398	751	(1.13)	1,208	0.6x	nmf	nmf	6.0%	(71.6%)	1.7%	16.9x
UniFirst Corporation	151.50	152.95	3,070	2,758	5.43	1,551	1.8x	11.1x	17.1x	6.0%	(8.4%)	16.1%	(1.3x)
Mean							1.5x	12.3x	17.8x	10.1%	(2.3%)	9.9%	2.5x
Median							1.0x	12.0x	17.1x	6.0%	9.6%	8.5%	1.8x

Source: Capital IQ

Note: All values based on publicly available data as of 9/30/2017

M&A Transaction Highlights

(\$ in millions)

Closed	Target	Target Description	Acquirer	Enterprise Value	EV/LTM Rev.	EV/LTM EBITDA
Announced	HydroChem	Provides MRO and industrial cleaning solutions	PSC Industrial Holdings	-	-	-
Sep-17	The Good Eating Company	Provides contract catering services	Sodexo Limited	-	-	-
Sep-17	Corporate Caterers	Provides corporate catering services	Salt Creek Capital	-	-	-
Sep-17	Girard Environmental Services	Provides landscaping services to commercial clients	BrightView Landscapes	-	-	-
Sep-17	Satellite Vending Company	Provides vending, office coffee and micro market delivery services	Continental Services	-	-	-
Sep-17	Summit Fire Protection Co.	Offers fire protection and mechanical contracting services	CI Capital Partners	-	-	-
Sep-17	GCA Services Group	Provides facility services in the education and commercial markets	ABM Industries	\$1,237	1.1x	12.4x
Aug-17	United Site Services	Provides portable toilet, restroom trailer and temporary fence rental services	Platinum Equity	-	-	-
Aug-17	W.C. Weil Company	Offers services for municipal water and waste water treatment pumping systems	PUMPMAN HOLDINGS	-	-	-
Aug-17	Noonan Services	Offers facilities management services	The Bidvest Group Limited	\$175	0.6x	-
Aug-17	Stella Environmental Services	Provides transfer station management services	Hidden Harbor Capital Partners	-	-	-
Aug-17	Varsity Contractors	Offers individual janitorial, building maintenance and construction management services	Kellermeyer Bergensons Services	-	-	-
Aug-17	OMNIPLEX World Services Corporation	Provides protective security and personnel security services	Constellis Holdings	-	-	-
Aug-17	Reilly Sweeping	Provides cleaning services for parking lots, streets and construction sites	Sweeping Corporation of America	-	-	-
Aug-17	Northwest Exterminating Co.	Provides pest control services	Rollins	\$120	2.4x	-
Jul-17	Service Logic	Offers energy and HVAC / mechanical services	Warburg Pincus	-	-	-
Jul-17	United Fire Suppression	Provides fire protection installation and maintenance services	VSC Fire & Security	-	-	-
Jul-17	Casteel Heating and Cooling and Gold Medal Service	Providers of HVAC services to residential customers	Horizon Services	-	-	-
Jul-17	Tele-Tector of Maryland	Offers security design, install and maintenance services	Red Hawk Fire & Security	-	-	-
Jul-17	Envirovac	Provides industrial cleaning services	Audax Group	-	-	-

Source: Capital IQ, Mergermarket, Company Filings

Global Industry Groups

Aerospace & Defense
 Automotive & Truck
 Building & Infrastructure
 Business Services
 Chemicals
 Consumer
 Distribution
 Electronics
 Energy & Power
 Financial Institutions
 Food & Beverage
 Healthcare
 Industrials
 Packaging
 Technology, Media & Telecom

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 Debt Advisory
 Special Situations
 Joint Venture & Partnering
 Valuations & Opinions

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