

Market Update Facilities Services

Q1 2018



FS Stock Highlights

From last quarter:

- LI Facilities Services Index decreased (5.7)%
- S&P 1500 Environmental and Facilities Services Index decreased (2.9)%
- S&P 500 Index decreased (1.2)%
- Facilities Services Enterprise Value / LTM EBITDA multiples decreased from 12.6x to 11.8x

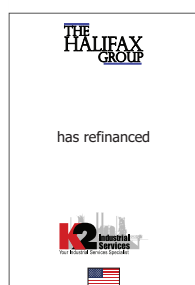
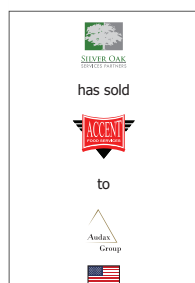
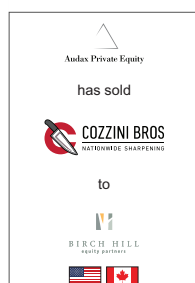
LI Facilities Services ("FS") Index decreased (5.7%) this quarter

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, Q2 2016, 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

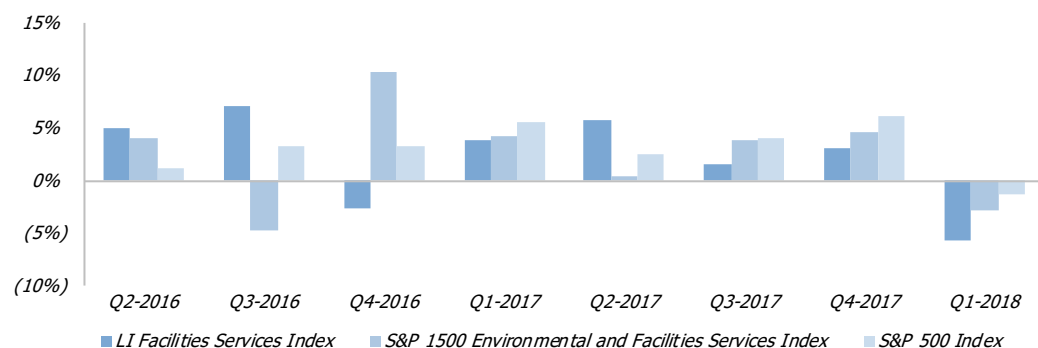


Quarter over Quarter Performance

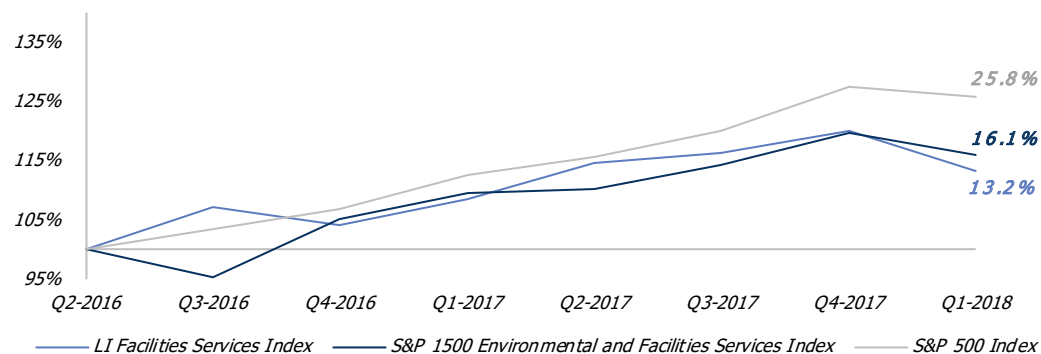
Outperformers	Change	Underperformers	Change
Rollins, Inc.	9.7%	MITIE Group plc	(17.7%)
Cintas Corporation	9.5%	Matrix Service Company	(23.0%)
FirstService Corporation	7.4%	Sodexo S.A.	(26.9%)

Based on quarter-over-quarter share price performance

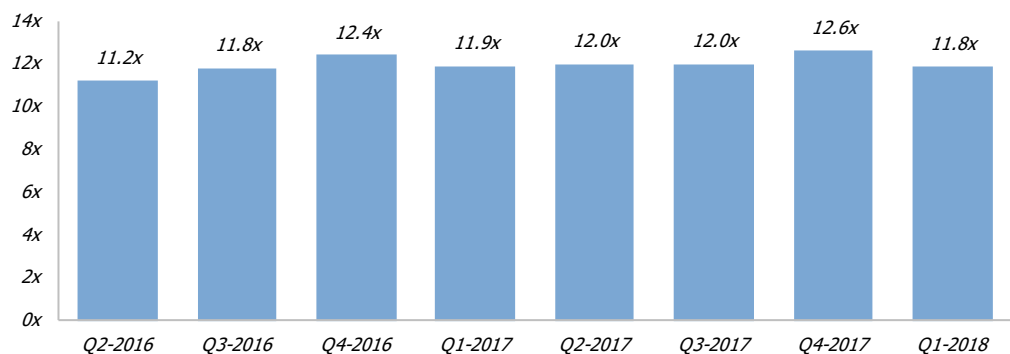
Quarter over Quarter Stock Index Change



Two Year Relative Stock Index Performance



Enterprise Value⁽¹⁾ / LTM EBITDA Multiples



Source: Capital IQ as of 3/31/2018

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

Heard on the Street

3/20/2018: Aramark, the U.S.-based food, facilities and uniform services provider, is looking to make acquisitions in Belgium. Aramark's CEO stated that the company plans to make one or two acquisitions in the coming months

3/12/2018: Johnson Controls, the U.S.-based industrial solutions conglomerate, is exploring strategic options for its Power Solutions business. Johnson Control's CEO stated that the initiative, "reflects our strategic priority to strengthen and invest in our global market-leading positions in HVAC, fire and security solutions"

2/09/2018: FirstService, the Canada-based facilities services provider, plans to pursue bolt-on acquisitions. According to *The Globe and Mail*, the company's management provided a 2018 outlook that called for opportunistic deals and mid-single-digit organic revenue expansion

1/23/2018: US Security Associates, the U.S.-based security services provider, is preparing to explore a sale. The company generates north of \$100 million in adjusted EBITDA

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	\$33.48	\$45.12	\$2,200	\$3,311	\$1.48	\$5,715	0.6x	15.2x	24.8x	9.8%	23.7%	3.8%	5.1x
Aramark	39.56	46.09	9,725	16,601	2.15	14,834	1.1x	12.9x	20.9x	2.7%	2.3%	8.7%	5.3x
Cintas Corporation	170.58	178.34	18,198	20,734	6.11	6,337	3.3x	16.4x	20.9x	27.9%	29.3%	19.9%	2.0x
Comfort Systems USA, Inc.	41.25	44.80	1,530	1,554	1.47	1,788	0.9x	11.3x	15.5x	9.4%	8.3%	7.7%	0.2x
Compass Group plc	20.43	24.79	32,223	37,286	0.96	30,258	1.2x	13.1x	17.2x	18.5%	21.1%	9.4%	1.7x
EMCOR Group, Inc.	77.93	85.08	4,549	4,393	3.83	7,687	0.6x	9.2x	11.3x	1.8%	20.8%	6.2%	(0.3x)
FirstService Corporation	73.21	73.46	2,630	2,951	1.45	1,705	1.7x	18.7x	25.5x	15.0%	23.7%	9.3%	1.3x
G4S plc	3.48	4.81	5,392	7,543	0.21	10,581	0.7x	9.0x	11.6x	12.9%	19.8%	7.9%	2.5x
Interserve plc	1.13	3.51	164	810	(0.40)	4,233	0.2x	3.2x	5.0x	(1.8%)	(38.2%)	5.9%	2.3x
Johnson Controls International plc	35.24	44.37	32,637	45,776	1.61	30,521	1.5x	10.0x	13.2x	31.4%	58.8%	15.0%	2.6x
Matrix Service Company	13.70	20.25	367	344	(0.24)	1,096	0.3x	18.7x	nmf	(17.2%)	(71.8%)	1.7%	(1.3x)
MITIE Group plc	2.23	4.40	805	1,094	(0.22)	2,901	0.4x	nmf	nmf	14.4%	(78.9%)	1.0%	9.5x
Prosegur Compañía de Seguridad, S.A.	7.69	8.80	4,601	5,059	0.30	5,152	1.0x	8.2x	10.6x	25.1%	29.6%	11.9%	0.6x
Rentokil Initial plc	3.81	4.76	7,004	8,302	0.50	3,261	2.5x	12.3x	19.5x	21.8%	11.4%	20.6%	1.9x
Rollins, Inc.	51.03	53.00	11,135	11,028	0.82	1,674	6.6x	31.5x	37.5x	6.4%	12.9%	20.9%	(0.3x)
Securitas AB	16.99	18.20	6,203	7,763	0.92	11,263	0.7x	10.6x	14.4x	16.0%	18.3%	6.5%	2.2x
ServiceMaster Global Holdings, Inc.	50.85	55.36	6,882	9,169	3.76	2,912	3.1x	13.9x	16.4x	6.0%	1.8%	22.7%	3.5x
Sodexo S.A.	100.90	152.27	14,996	16,922	5.69	24,579	0.7x	8.9x	10.8x	8.9%	21.4%	7.7%	1.0x
Team, Inc.	13.75	30.20	412	774	(3.49)	1,200	0.6x	nmf	nmf	0.3%	(81.4%)	0.9%	32.4x
UniFirst Corporation	161.65	176.15	3,280	2,892	5.50	1,648	1.8x	10.5x	15.8x	9.2%	7.4%	16.7%	(1.4x)
Mean							1.5x	13.0x	17.1x	10.9%	2.0%	10.2%	3.5x
Median							0.9x	11.8x	15.8x	9.6%	15.6%	8.3%	1.9x

Source: Capital IQ

Note: All values based on publicly available data as of 3/31/2018

M&A Transaction Highlights

(\$ in millions)

Closed	Target	Target Description	Acquirer	Enterprise Value	EV/LTM Rev.	EV/LTM EBITDA
Announced	SCS Elevator, Texas Independent Elevator, Premier Elevator Services and Triangle Elevator	Provide elevator maintenance, repair and modernization services	Oracle Elevator Company	-	-	-
Apr-18	Noralta Lodge	Provides lodging and facilities management services	Civeo Corporation	\$397	3.3x	7.3x
Mar-18	Southeastern Automatic Sprinkler	Provides fire suppression services	Amteck (Trive Capital)	-	-	-
Mar-18	United American Security	Provides security guards and guard services for long and short-term security needs	Garda World Security Corporation	-	-	-
Mar-18	FM Sylvan	Provides industrial pipe fabrication and installation services	Blue Point Capital Partners	-	-	-
Mar-18	BW Textilservice GmbH	Provides laundry services	Elis SA	-	-	-
Mar-18	Tri State Fire Protection	Provides fire and life safety product installation, inspection, and monitoring services	Academy Fire Protection	-	-	-
Mar-18	OPC Services	Provides pest control services	Rollins	-	-	-
Mar-18	Copesan Services	Provides commercial pest control services	ServiceMaster Global Holdings	\$150	-	-
Mar-18	Emmaculate Reflections	Provides janitorial services for restaurants and other food service establishments	Kellermeyer Bergensons Services	-	-	-
Mar-18	Alphacorp, Inc.	Provides security solutions, including consulting, design, engineering, installation and support	Convergint Technologies	-	-	-
Feb-18	Heartland Automotive Services	Provides vehicle maintenance and oil change services	Wynnchurch Capital	-	-	-
Feb-18	Revolent Solutions Group	Offers building maintenance services	SG360	-	-	-
Feb-18	AMES Group	Provides household pest control, bird control, and specialist services	Rollins	-	-	-
Feb-18	Kestrel Pest Control	Provides pest control services	Rollins	-	-	-
Feb-18	U.S. Industrial Cleaning Services Division of Veolia Environmental Services	Provides industrial cleaning and maintenance services	Clean Harbors	\$120	0.6x	-
Feb-18	Belco Industrial Services	Provides specialty industrial services	Miller Environmental Services	-	-	-
Feb-18	Convergint Technologies	Provides comprehensive security integration and fire and life safety services	Ares Private Equity Group	-	-	-
Feb-18	Infrastructure Corporation of America	Provides highway asset maintenance and management services	DBi Services	-	-	-
Feb-18	Real Property Management	Provides residential property management services	The Dwyer Group	-	-	-
Jan-18	Climate Pros	Provides refrigeration and HVAC repair, maintenance and construction services	Saw Mill Capital	-	-	-
Jan-18	Integrated Fire Protection	Provides fire and life safety solutions	Fire & Life Safety America	-	-	-
Jan-18	East Coast Lot and Pavement Maintenance	Provides pavement maintenance services	Kellermeyer Bergensons Services	-	-	-
Jan-18	Integra Service Group	Provides electrical, voice and data installation, repair and rollout management services	MC Sign	-	-	-
Jan-18	Federal Pumps	Provides commercial, industrial and municipal pump systems	PumpMan Holdings	-	-	-
Jan-18	Hygiene Solutions	Provides washroom hygiene services	Citron Hygiene Canada	-	-	-
Jan-18	Alliance Fire Protection	Provides commercial and industrial fire protection services	Summit Fire Protection	-	-	-
Jan-18	AmeriPride Services	Provides uniform rental and garment management services	Aramark	\$1,000	1.7x	14.3x
Jan-18	International Systems of America	Provides new and remanufactured parts for fire, security, energy, and communications systems	Align Capital Partners	-	-	-
Jan-18	Enviro Safe Pest Control	Provides pest control and exterminator services	Rentokil	-	-	-
Jan-18	Empire Janitorial Sales & Services	Provides facility maintenance services	Kellermeyer Bergensons Services	-	-	-

Source: Capital IQ, Mergermarket, Company Filings

Global Industry Groups

Business Services

Consumer

Energy, Power
& Infrastructure

Healthcare

Industrials

Technology, Media
& Telecom

Global Locations

Amsterdam

Beijing

Chicago

Dallas

Frankfurt

London

Los Angeles

Madrid

Milan

Moscow

Mumbai

Munich

New York

Paris

San Francisco

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Debt Advisory

JV & Partnering

Valuations & Opinions

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