

LI Environmental Services Stock Index up 0.4% in Q1; M&A Activity Rebounds

Qtr-over-Qtr Performance

Outperformers*	Change
Casella Waste Systems Inc.	36.1%
TRC Companies Inc.	31.2%
US Ecology, Inc.	24.6%

Underperformers*	Change
Tetra Tech Inc.	-10.0%
SNC-Lavalin Group Inc.	-11.2%
Schnitzer Steel Industries, Inc.	-29.7%

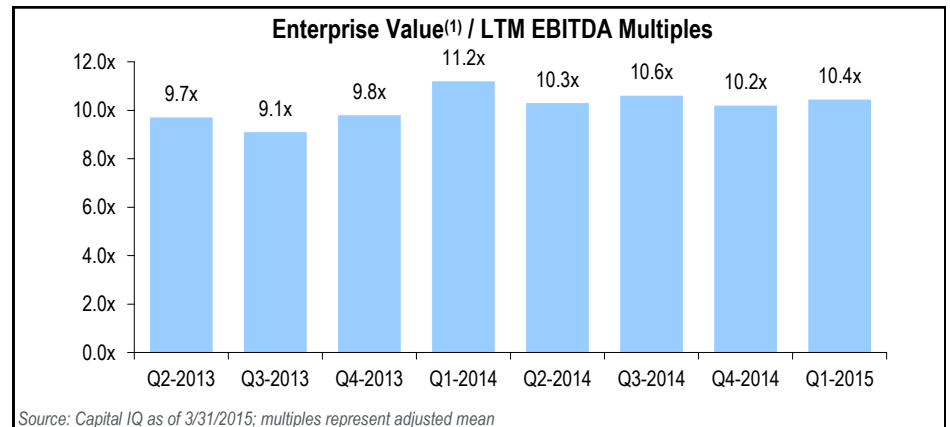
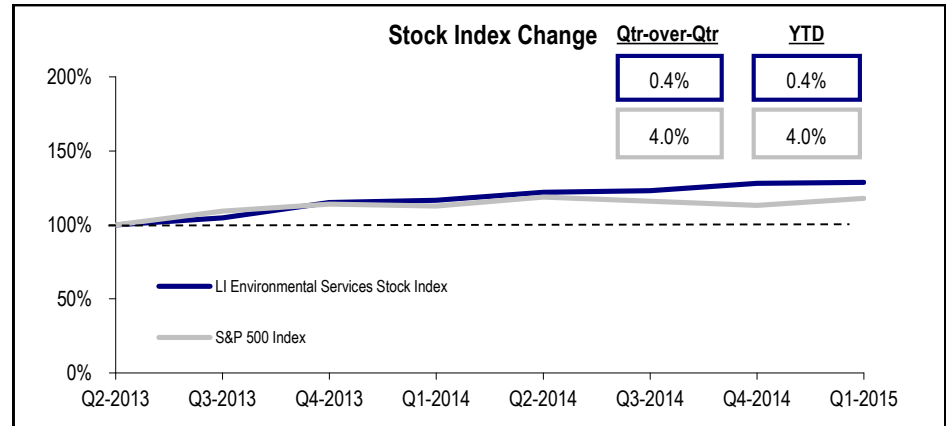
* Based on qtr-over-qtr share price performance

Market Intelligence

- 3/19/2015: **President Obama** signed an executive order to set new goals for reducing the greenhouse gas emissions of federal agencies, which will cut emissions over the next decade by an average of 40 percent compared to 2008 levels, and to increase electricity use from renewable sources by 30 percent for federal agencies
- 3/15/2015: **Suez Environnement Company S.A.**, the France-based wastewater treatment and waste management services company, could target **Transpacific Industries**, the Australia-based waste management business, for a takeover
- 3/5/2015: **Google** will contribute \$300 million as a tax-equity transaction to a \$750 million fund managed by **SolarCity**, the California-based solar energy systems provider, to support the installation of rooftop solar power systems
- 3/4/2015: **SNC-Lavalin**, the Canada-based infrastructure and environmental engineering and construction company, could receive interest from viable buyers due to its low share price
- 2/12/2015: **Stericycle**, the Illinois-based medical and biohazardous waste disposal services firm, remains acquisitive and could find a number of opportunities in South Korea
- 1/15/2015: **ARCADIS**, the Netherlands-based provider of infrastructure and environmental consultancy, design, engineering and management services, appoints John Jastrem as CEO for North American business

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.

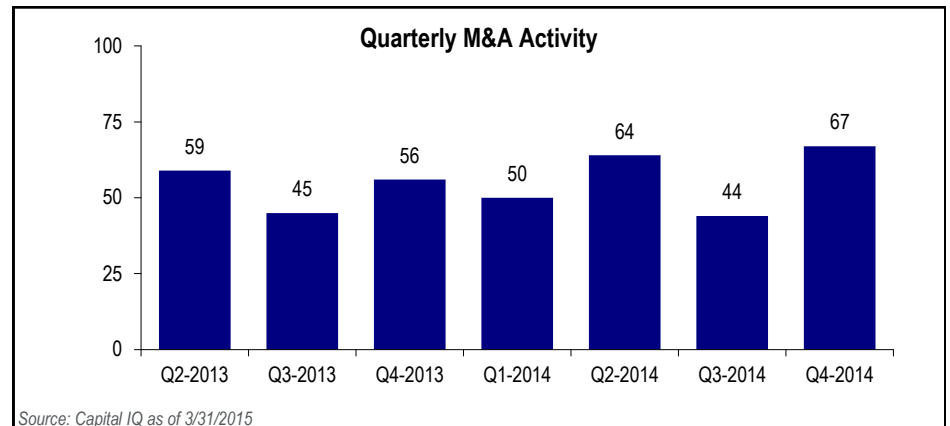


Source: Capital IQ as of 3/31/2015; multiples represent adjusted mean

(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 increased in Q4 2014 from the previous quarter. A list of select M&A transactions is provided on the following page.



Source: Capital IQ as of 3/31/2015

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	\$30.82	\$38.24	\$4,792	\$ 9,324	\$ 0.64	\$ 10,589	0.9x	16.5x	23.5x	30.9%	23.1%	5.3%	7.5x
Amec Foster Wheeler plc	13.45	18.88	5,229	6,465	0.55	6,223	1.0x	13.7x	16.5x	(5.5%)	(10.7%)	7.6%	2.7x
ARCADIS NV	32.14	32.60	2,637	3,216	1.43	3,189	1.0x	12.7x	16.5x	(7.9%)	(5.1%)	7.9%	2.6x
Casella Waste Systems Inc.	5.50	5.58	223	757	(0.22)	553	1.4x	7.9x	22.4x	8.3%	1.3%	17.4%	5.6x
Clean Harbors, Inc.	56.78	65.53	3,345	4,494	(0.47)	3,402	1.3x	8.8x	19.1x	(3.1%)	2.0%	15.0%	2.2x
Progressive Waste Solutions Ltd.	29.36	30.23	3,369	4,777	1.10	2,009	2.4x	9.3x	20.8x	(0.8%)	(2.0%)	25.6%	3.0x
Republic Services, Inc.	40.56	42.05	14,320	21,309	1.65	8,881	2.4x	9.1x	15.9x	4.5%	0.8%	26.4%	3.2x
RPS Group plc	3.35	4.89	722	831	0.24	892	0.9x	6.8x	10.2x	(5.2%)	(0.9%)	13.7%	0.9x
Schnitzer Steel Industries, Inc.	15.86	30.04	425	756	(7.00)	2,325	0.3x	9.0x	88.6x	(9.9%)	(3.8%)	3.6%	3.7x
Sims Metal Management Limited	9.43	9.95	1,932	1,846	(0.09)	5,678	0.3x	13.3x	46.6x	(13.9%)	nmf	2.4%	(0.7x)
SNC-Lavalin Group Inc.	31.06	47.09	4,736	4,249	7.55	7,114	0.6x	7.4x	10.6x	(4.5%)	27.4%	8.1%	(0.9x)
Stericycle, Inc.	140.43	141.44	11,928	13,587	3.75	2,649	5.1x	18.6x	21.9x	20.5%	11.4%	27.5%	2.1x
Suez Environnement Company SA	17.22	18.34	9,294	18,874	0.84	17,338	1.1x	7.8x	15.8x	(12.1%)	(17.9%)	14.0%	3.7x
Tetra Tech Inc.	24.02	29.99	1,481	1,585	1.65	1,814	0.9x	10.8x	16.6x	(9.8%)	12.7%	8.1%	0.7x
TRC Companies Inc.	8.32	8.89	253	242	0.46	386	0.6x	7.5x	10.5x	8.2%	18.8%	8.4%	(0.3x)
US Ecology, Inc.	49.97	52.42	1,081	1,456	1.77	447	3.3x	12.8x	18.5x	122.5%	62.0%	25.5%	3.3x
Veolia Environnement S.A.	18.92	19.52	10,380	20,514	0.45	28,905	0.7x	7.7x	18.4x	(8.0%)	(0.2%)	9.2%	3.8x
Waste Connections Inc.	48.14	50.93	5,969	7,961	1.89	2,104	3.8x	11.1x	17.4x	7.3%	6.7%	34.1%	2.8x
Waste Management, Inc.	54.23	55.31	24,815	32,966	2.79	13,996	2.4x	9.3x	16.6x	0.1%	4.1%	25.3%	2.3x
Mean							1.6x	10.5x	22.4x	6.4%	7.2%	15.0%	2.5x
Median							1.0x	9.3x	17.4x	(3.1%)	1.6%	13.7%	2.7x
Adjusted Mean (excludes highest and lowest value)							1.5x	10.3x	19.3x	0.8%	5.4%	14.6%	2.4x

Source: Capital IQ as of 3/31/2015

Select M&A Transactions (\$ in millions)

Closed	Target	Target Description	Acquirer	Enterprise Value	EV / LTM Rev.	EBITDA
Announced	Thermo Fluids, Inc.	Provides environmental and oil recycling services	Safety-Kleen, Inc.	\$ 85.0	-	-
Mar-15	Nabors Red Lion Limited	Provides well services to the oil and gas industry	C&J Energy Services, Ltd.	1,454.1	0.7x	4.5x
Mar-15	Inspection Oilfield Services	Provides inspection and maintenance services to oil and gas industry	LB Foster Co.	230.0	-	-
Mar-15	Progressive Waste Solutions, Long Island Assets	Provides waste and recycling services	Winters Bros. Waste Systems, Inc.	-	-	-
Feb-15	Newalta Corporation, Industrial Division (nka:Terrapure)	Provides environmental and recycling solutions	Birch Hill Equity Partners Management	258.0	-	-
Feb-15	LRS Consultancy Limited	Provides environmental consulting services	Anthesis Consulting Group PLC	-	-	-
Feb-15	Tervita Waste Processing, LLC	Treats, recovers, and disposes of petroleum by-products	Republic Services, Inc.	485.0	-	-
Feb-15	Klotz Associates, Inc.	Provides construction management and environmental consulting services	RPS Group plc	24.1	0.9x	-
Feb-15	National Inspection & Consultants, LLC	Provides inspection and consulting services	The Edgewater Funds; JZ Capital Partners	-	-	-
Feb-15	Big "O" Refuse LLC	Provides waste and recycling services	Waste Management, Inc.	-	-	-
Jan-15	Edmisten & Associates, Inc.	Provides ecological and environmental compliance consulting services	Biome Consulting Group, LLC	-	-	-
Jan-15	Smith Aldridge, Inc.	Provides environmental consulting services	Trinity Consultants, Inc.	-	-	-
Jan-15	Climatec, LLC	Provides automation and energy management services	Robert Bosch North America, Inc.	-	-	-
Jan-15	Pea Ridge Waste Management, LLC	Provides waste collection services	Advanced Disposal Services	-	-	-
Jan-15	Arietta Environmental Consulting Inc.	Provides environmental consulting services	Gemini Corp.	2.5	-	-
Jan-15	Hornback Recycling & Disposal, Inc.	Provides waste and recycling services	Advanced Disposal Services	-	-	-
Jan-15	Pure Water Solutions, Inc.	Provides water purification and treatment services	Mar Cor Purification, Inc.	\$12	1.5x	6.0x

Source: Capital IQ, Mergermarket, Company Filings as of 3/31/2015

About Lincoln International

Lincoln International specializes in merger and acquisition advisory services, debt advisory services, private capital raising and restructuring advice on mid-market transactions. Lincoln International also provides fairness opinions, valuations and pension advisory services on a wide range of transaction sizes. With sixteen offices in the Americas, Asia and Europe, Lincoln International has strong local knowledge and contacts in the key global economies. The firm provides clients with senior-level attention, in-depth industry expertise and integrated resources. By being focused and independent, Lincoln International serves its clients without conflicts of interest. More information about Lincoln International can be obtained at www.lincolninternational.com.

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