

Stock Index Facilities Services

Q4 2015



FS Stock Highlights

From last quarter:

- LI Facilities Services Index increased 4.9%
- S&P 1500 Environmental and Facilities Services Index increased 2.3%
- S&P 500 Index increased 6.5%
- Facilities Services Enterprise Value / LTM EBITDA multiples decreased 0.9% to 10.9x

LI Facilities Services ("FS") Index rallies, up 4.9% 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, Q1 2014, 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 above. A full list of the companies included in the LI Facilities Services Index can be found on the back page. Figures shown above are historically updated to reflect the updated LI Facilities Services Index.

Recent Facilities Services Transactions

STERLING
has sold
LAZER SPOT
to
GREENBRIAR
EQUITY GROUP LLC



RISK
CAPITAL
PARTNERS
has sold
apt Controls Group
to
SWARCO



GRIDIRON
CAPITAL
has refinanced
yellowstone
landscape group
Senior Credit Facilities
and Junior Capital

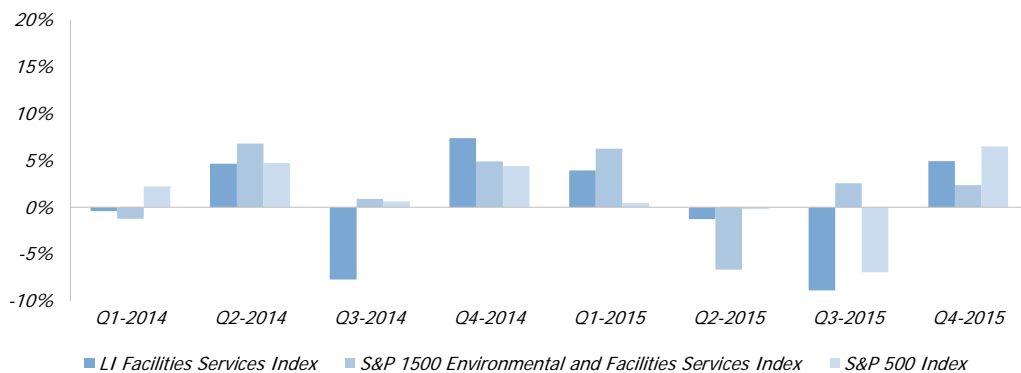


Quarter over Quarter Performance

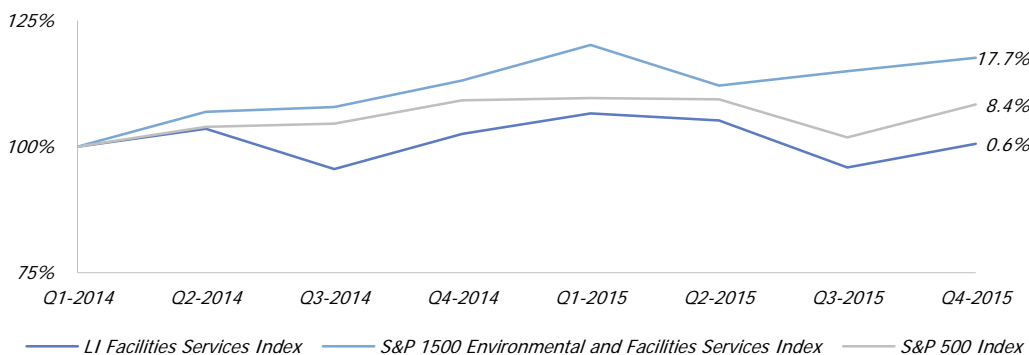
| Outperformers | Change | Underperformers | Change |
|----------------------------------|--------|--------------------------------|--------|
| FirstService Corporation Change: | 29.6% | G&K Services Inc. Change: | (5.6%) |
| Securitas AB Change: | 27.3% | Matrix Service Company Change: | (8.6%) |
| Sodexo S.A. Change: | 21.8% | Interserve plc Change: | (9.3%) |

Based on quarter-over-quarter share price performance

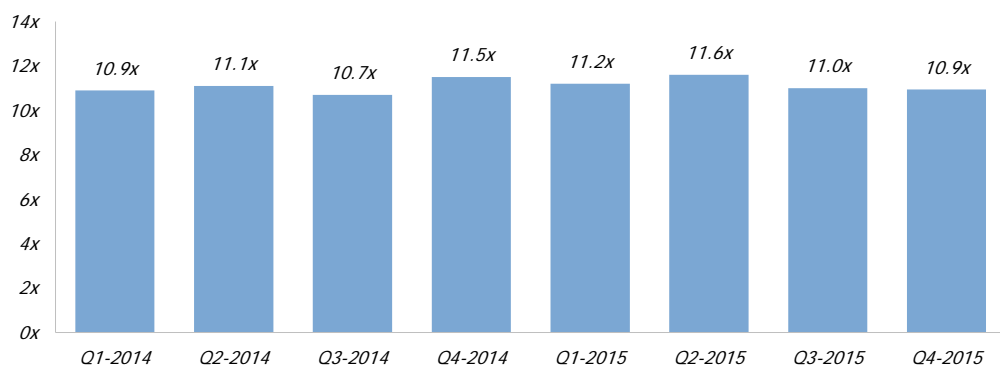
Quarter over Quarter Stock Index Change



Two Year Relative Stock Index Performance



Enterprise Value⁽¹⁾ / LTM EBITDA Multiples



Source: Capital IQ as of 12/31/2015

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

Heard on the Street

11/04/2015: **Securitas**, the Swedish security services company, will seek acquisitions in electronic security

11/20/2015: **Aramark**, the Philadelphia, Pennsylvania-based provider of food, facilities and uniform services is ready to look at bolt-on acquisitions after focusing on its existing operations

12/01/2015: **Voith**, the German engineering company, has received bids for its industrial service unit from several investment firms

12/11/2015: **North American Services Group**, the New York-based industrial maintenance services provider, has completed management presentations for its sale process

12/21/2015: **G4S**, the UK-based security and services group, is rumored to be a potential takeover target for a private equity firm

12/23/2015: **ServiceMaster Global Holdings**, a Memphis, Tennessee-based provider of residential and commercial services, will likely seek out further "lock-on M&A"

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 | \$28.47 | \$34.00 | \$1,596 | \$1,699 | \$0.94 | \$4,898 | 0.3x | 11.5x | 18.7x | 5.3% | (15.3%) | 3.0% | 0.7x |
| Aramark | 32.25 | 35.06 | 7,788 | 13,027 | 0.96 | 14,329 | 0.9x | 11.3x | 20.1x | (3.4%) | 4.9% | 8.0% | 4.5x |
| Cintas Corporation | 91.05 | 94.35 | 9,830 | 10,457 | 3.64 | 4,669 | 2.2x | 11.7x | 14.2x | 4.4% | 9.0% | 19.2% | 0.7x |
| Comfort Systems USA Inc. | 28.42 | 35.00 | 1,060 | 1,045 | 1.24 | 1,553 | 0.7x | 10.1x | 13.1x | 12.2% | 84.1% | 6.7% | (0.3x) |
| Compass Group plc | 17.33 | 18.04 | 28,498 | 32,441 | 0.52 | 26,617 | 1.2x | 13.4x | 17.2x | (2.6%) | (0.9%) | 9.1% | 1.7x |
| EMCOR Group Inc. | 48.04 | 52.37 | 3,013 | 2,893 | 2.59 | 6,656 | 0.4x | 8.2x | 10.4x | 4.7% | (0.7%) | 5.3% | (0.3x) |
| FirstService Corporation | 40.29 | 42.06 | 1,450 | 1,666 | 0.40 | 1,230 | 1.4x | 22.9x | 38.3x | 18.5% | 25.2% | 5.9% | 2.0x |
| G&K Services Inc. | 62.90 | 74.11 | 1,259 | 1,498 | 2.94 | 945 | 1.6x | 10.6x | 13.8x | 3.7% | 2.1% | 15.0% | 1.7x |
| G4S plc | 3.33 | 4.57 | 5,138 | 7,645 | 0.05 | 10,821 | 0.7x | 9.6x | 14.6x | (8.4%) | (7.9%) | 7.4% | 3.3x |
| Interserve plc | 7.68 | 9.92 | 1,115 | 1,570 | 0.37 | 4,927 | 0.3x | 7.1x | 13.5x | 15.3% | 10.0% | 4.5% | 2.1x |
| Johnson Controls Inc. | 39.49 | 54.52 | 25,586 | 31,969 | 2.18 | 37,179 | 0.9x | 10.4x | 14.4x | (4.1%) | 1.9% | 8.3% | 1.9x |
| Matrix Service Company | 20.54 | 26.22 | 545 | 485 | 0.78 | 1,341 | 0.4x | 12.6x | 31.6x | (1.3%) | (51.2%) | 2.9% | (1.5x) |
| MITIE Group plc | 4.59 | 5.03 | 1,629 | 1,966 | 0.20 | 3,477 | 0.6x | 8.9x | 11.3x | (4.0%) | (42.0%) | 6.3% | 1.5x |
| Prosegur Compañía de Seguridad, S.A. | 4.62 | 6.11 | 2,762 | 3,574 | 0.26 | 4,407 | 0.8x | 6.7x | 8.9x | (6.1%) | (8.6%) | 12.1% | 1.6x |
| Rentokil Initial plc | 2.35 | 2.40 | 4,269 | 5,325 | 0.07 | 2,739 | 1.9x | 8.5x | 16.6x | (8.6%) | (15.0%) | 22.8% | 1.8x |
| Rollins Inc. | 25.90 | 30.42 | 5,661 | 5,527 | 0.69 | 1,467 | 3.8x | 19.7x | 23.4x | 5.3% | 9.9% | 19.1% | (0.5x) |
| Securitas AB | 15.40 | 15.99 | 5,622 | 6,968 | 6.58 | 9,394 | 0.7x | 11.9x | 15.8x | (0.3%) | (0.2%) | 6.3% | 2.3x |
| ServiceMaster Global Holdings, Inc. | 39.24 | 39.99 | 5,313 | 7,792 | 1.23 | 2,570 | 3.0x | 13.2x | 15.6x | 6.5% | 13.7% | 23.0% | 4.2x |
| Sodexo S.A. | 97.90 | 104.70 | 14,907 | 16,151 | 4.54 | 22,195 | 0.7x | 10.3x | 12.7x | (6.3%) | 3.8% | 7.1% | 0.8x |
| Team, Inc. | 31.96 | 47.55 | 678 | 997 | 1.59 | 877 | 1.1x | 11.5x | 16.2x | 14.8% | 13.8% | 9.9% | 3.7x |
| UniFirst Corp. | 104.20 | 123.89 | 2,096 | 1,821 | 6.08 | 1,460 | 1.2x | 6.6x | 9.2x | 2.9% | 2.2% | 19.0% | (1.1x) |
| Mean | | | | | | | 1.2x | 11.3x | 16.6x | 2.3% | 1.8% | 10.5% | 1.5x |
| Median | | | | | | | 0.9x | 10.6x | 14.6x | 2.9% | 2.1% | 8.0% | 1.7x |
| Adjusted Mean (excludes highest and lowest value) | | | | | | | 1.1x | 10.9x | 15.9x | 2.0% | 0.3% | 10.3% | 1.5x |

Source: Capital IQ

Note: All values based on publicly available data as of 12/31/2015

M&A Transaction Highlights

(\$ in millions)

| Closed | Target | Target Description | Acquirer | Enterprise Value | EV/LTM Rev. | EV/LTM EBITDA |
|-----------|--|--|------------------------------------|------------------|-------------|---------------|
| Announced | Avalon Correctional Services, Inc. | Manages correctional facilities | Corrections Corporation of America | \$158 | - | - |
| Announced | GCA Services Group, Inc. | Provides facility services in the United States and Puerto Rico | Thomas H. Lee Partners, L.P. | - | - | - |
| Announced | Diebold, Inc. | Offers information software and electronic security solutions | Securitas AB | \$350 | 1.1x | - |
| Announced | Furmanite Corporation | Provides specialized technical services | Team, Inc. | \$313 | 0.6x | 9.2x |
| Dec-15 | Le Nettoyage SAS | Provides building cleaning and painting services | Groupe EMN | - | - | - |
| Dec-15 | Westway Services Holdings | Provides technical engineering services | ABM Industries Incorporated | - | - | - |
| Nov-15 | Societa Manutenzione Illuminazione | Offers maintenance to facilities of public lighting systems | EXITone S.p.A. | - | - | - |
| Nov-15 | Auto Spa Express, Inc. | Provides car wash services | MCW Inc. | - | - | - |
| Nov-15 | Seymour & Castle Ltd. | Provides electrical engineering and contracting services | WT Parker Group Ltd. | - | - | - |
| Nov-15 | Imtech Deutschland GmbH & Co. KG | Provides building and systems technology solutions | Zech Group GmbH | - | - | - |
| Oct-15 | Sightlines LLC | Provides facilities management solutions to campuses | The Gordian Group, Inc. | - | - | - |
| Oct-15 | Green Leaf Landscaping & Irrigation Inc. | Provides landscape services | SCG Partners, LLC | - | - | - |
| Oct-15 | Anderson & Heeley Ltd. | Provides electrical, lighting, signs and motorway maintenance contracting services | Jones Lighting Ltd. | - | - | - |
| Oct-15 | Shred-it International Inc. | Provides information destruction services | Stericycle, Inc. | \$3,252 | 4.6x | 19.5x |
| Oct-15 | The Steritech Group, Inc. | Provides brand protection services | Rentokil Initial plc | \$425 | 2.8x | - |
| Oct-15 | Projectus Team Oy | Provides HVAC and electrical engineering services | Ramboll Group A/S | - | - | - |
| Oct-15 | Security Assurance Management, Inc. | Provides security guard services to commercial clients | United American Security, LLC | - | - | - |

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

Global Locations

Amsterdam
Beijing
Chicago
Frankfurt
London
Los Angeles
Madrid
Milan
Moscow
Mumbai
New York
Paris
São Paulo
Tokyo
Vienna
Zurich

Advisory Services

Mergers & Acquisitions
Debt Advisory
Valuations & Opinions
Special Situations

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