



# M&A MARKET MONITOR

TRANSPORTATION

January 2021

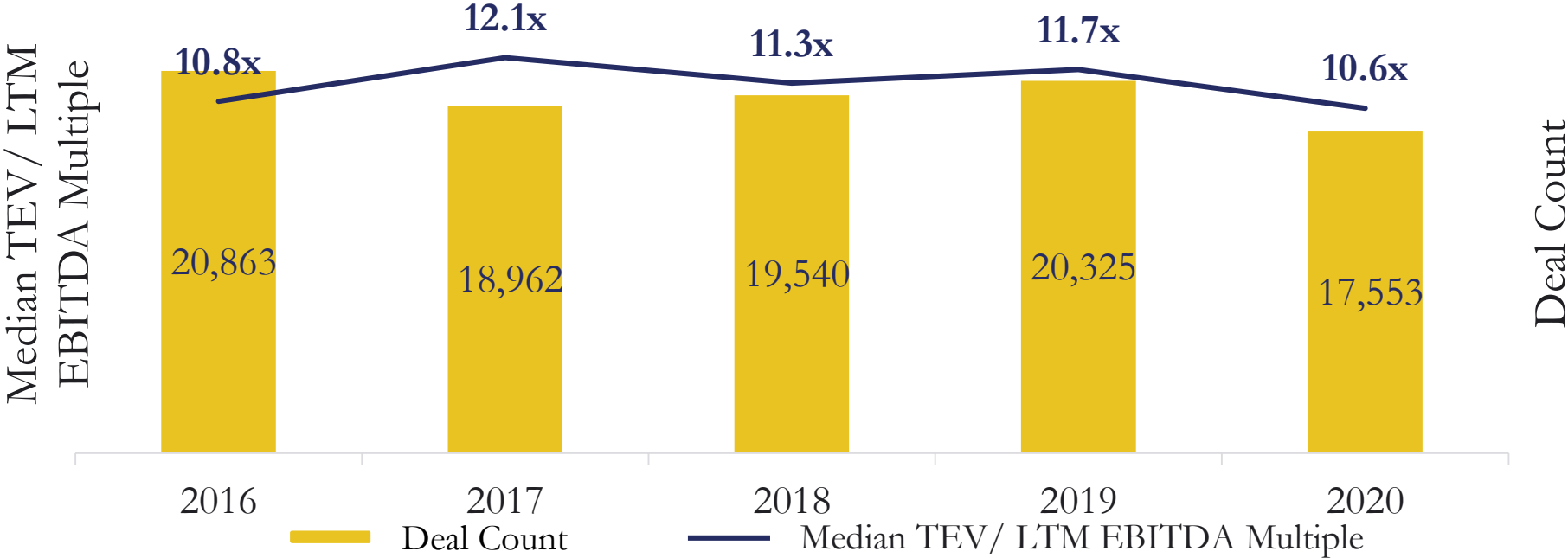
# U.S. & Canada M&A Market Overview



## Overall Market Transactions

### Quick Highlights

- Although the pandemic affected the U.S. & Canada M&A market, volume and multiples ended the year at approximately 90% of recent historical averages
  - 2020 deal count was 88% of the previous 4-year (2016-2019) average
  - 2020 median TEV/LTM EBITDA multiple was 92% of the previous 4-year (2016-2019) average



Source: S&P Capital IQ; ArkMalibu; Other publicly available sources, As of 12/31/2020

### About the Data

The information presented in this report is an analysis of deals in the United States or Canada. A deal is described as any closed or announced M&A transaction where the target is headquartered in the United States or Canada, financial terms of the transaction have been disclosed, and the target has an industry classification that falls into the subject industry group and as such may not be representative of your company's market valuation. Past performance is not indicative of future results. Certain adjustments have been made to the information to exclude transactions which are not specific to the industry or incorporate relevant transactions for which an industry classification was omitted.

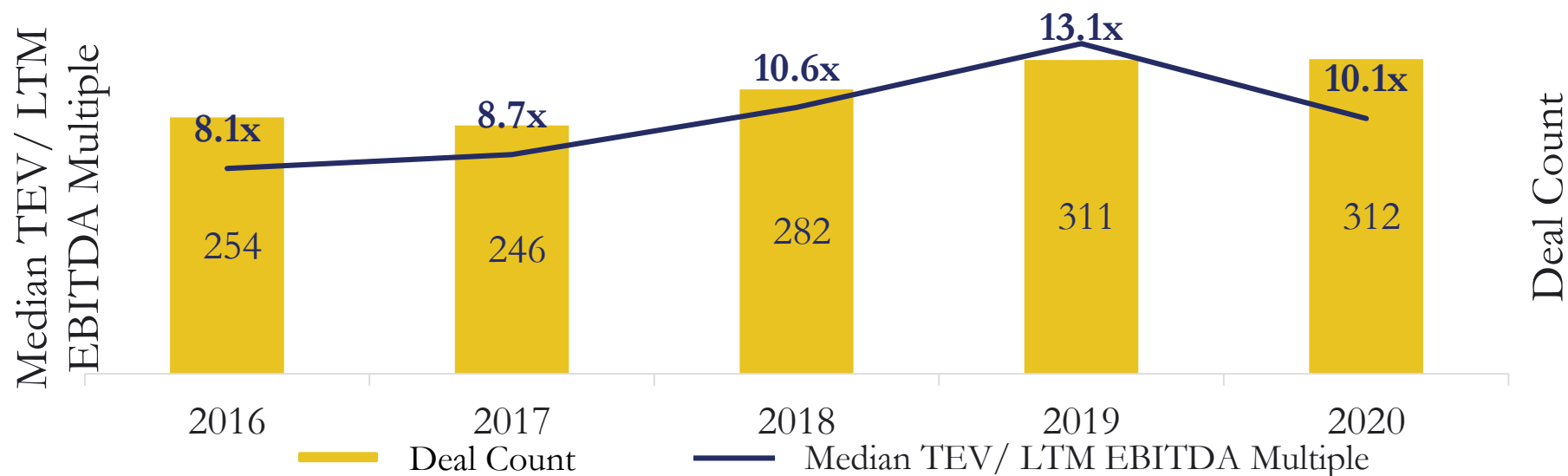
# U.S. & Canada M&A Market Overview

## Transportation Transactions



### Quick Highlights

- The Transportation industry 2020 deal count exceeded historical averages while multiples remained relatively unchanged
  - 2020 deal count was 114% of the previous 4-year (2016-2019) average
  - 2020 median TEV/LTM EBITDA multiple was 100% of the previous 4-year (2016-2019) average



Source: S&P Capital IQ; ArkMalibu; Other publicly available sources

As of 12/31/2020

### About the Data

The information presented in this report is an analysis of deals in the United States or Canada. A deal is described as any closed or announced M&A transaction where the target is headquartered in the United States or Canada, financial terms of the transaction have been disclosed, and the target has an industry classification that falls into the subject industry group and as such may not be representative of your company's market valuation. Past performance is not indicative of future results. Certain adjustments have been made to the information to exclude transactions which are not specific to the industry or incorporate relevant transactions for which an industry classification was omitted.

# Public Companies' Trading Metrics | Transportation



As of: 12/31/2020

Category / Company	Valuation Statistics				Multiples Data				
	Last Price	Equity Value	Enterprise Value	EBITDA Margin	EV / Revenue (x)		EV / EBITDA (x)		
					LTM	NTM	LTM	NTM	
USD in millions except per share price									
<b>Air Freight and Logistics</b>									
Air Transport Services Group, Inc.	\$31.34	\$1,851	\$3,324	31.6%	2.1	2.0	6.5		6.5
Atlas Air Worldwide Holdings, Inc.	\$54.54	\$1,501	\$3,573	23.1%	1.2	1.1	4.3		5.5
C.H. Robinson Worldwide, Inc.	\$93.87	\$12,761	\$14,008	4.5%	0.9	0.8	17.9		16.0
Cargojet Inc.	\$168.60	\$2,582	\$3,006	32.3%	6.2	5.5	18.3		13.0
Echo Global Logistics, Inc.	\$26.82	\$714	\$843	1.7%	0.4	0.3	18.3		9.1
Expeditors International of Washington, Inc.	\$95.11	\$16,099	\$15,064	9.9%	1.7	1.6	15.0		15.9
FedEx Corporation	\$259.62	\$68,818	\$98,929	10.6%	1.3	1.2	8.2		10.0
Forward Air Corporation	\$76.84	\$2,114	\$2,305	9.0%	1.6	1.7	4.0		15.3
Hub Group, Inc.	\$57.00	\$1,947	\$2,036	6.7%	0.6	0.5	8.3		7.7
Radiant Logistics, Inc.	\$5.80	\$284	\$307	4.4%	0.4	0.4	7.1		8.1
Ryder System, Inc.	\$61.76	\$3,328	\$10,330	23.9%	1.2	1.2	4.9		4.3
United Parcel Service, Inc.	\$168.40	\$145,565	\$165,089	10.8%	2.1	2.0	15.3		14.4
XPO Logistics, Inc.	\$119.20	\$10,897	\$18,002	8.1%	1.1	1.1	8.2		10.7
<b>Median</b>	<b>\$76.84</b>	<b>\$2,582</b>	<b>\$3,573</b>	<b>9.9%</b>	<b>1.2</b>	<b>1.2</b>	<b>8.2</b>		<b>10.0</b>
<b>Less Than Truck Load (LTL)</b>									
ArcBest Corporation	\$42.67	\$1,084	\$1,144	6.7%	0.4	0.4	5.3		4.4
Old Dominion Freight Line, Inc.	\$195.18	\$22,901	\$22,522	27.9%	5.7	5.1	20.2		17.2
Saia, Inc.	\$180.80	\$4,680	\$4,895	16.0%	2.7	2.5	15.5		13.4
YRC Worldwide Inc.	\$4.43	\$236	\$1,221	3.1%	0.3	0.3	3.7		4.5
<b>Median</b>	<b>\$111.74</b>	<b>\$2,882</b>	<b>\$3,058</b>	<b>11.4%</b>	<b>1.6</b>	<b>1.4</b>	<b>10.4</b>		<b>9.0</b>

Source: S&P Capital IQ; ArkMalibu

EV = enterprise value; LTM = last twelve months; NTM = next twelve months; NM = not meaningful

# Public Companies' Trading Metrics | Transportation



As of: 12/31/2020

Category / Company	Valuation Statistics				Multiples Data			
	Last Price	Equity Value	Enterprise Value	EBITDA Margin	EV / Revenue (x)		EV / EBITDA (x)	
					LTM	NTM	LTM	NTM
USD in millions except per share price								
<b>Marine Freight</b>								
Algoma Central Corporation	\$10.92	\$413	\$677	25.2%	1.5	1.5	7.2	5.2
Costamare Inc.	\$8.28	\$1,006	\$2,484	63.6%	5.3	5.0	7.9	6.7
Diana Shipping Inc.	\$1.93	\$165	\$505	22.3%	2.8	3.4	13.3	13.6
Eagle Bulk Shipping Inc.	\$19.00	\$236	\$662	10.5%	2.4	3.2	15.2	9.4
Genco Shipping & Trading Limited	\$7.36	\$308	\$646	17.7%	1.8	3.3	8.5	6.5
Kirby Corporation	\$51.83	\$3,112	\$4,774	15.5%	2.0	2.2	11.1	13.6
Logistec Corporation	\$27.59	\$367	\$602	12.1%	1.3	NM	8.3	NM
Matson, Inc.	\$56.97	\$2,454	\$3,502	12.9%	1.6	1.4	8.9	8.8
Navios Maritime Holdings Inc.	\$2.25	\$34	\$1,915	29.0%	4.4	NM	7.6	NM
Pangaea Logistics Solutions, Ltd.	\$2.77	\$125	\$287	10.0%	0.7	0.8	7.1	6.9
SEACOR Holdings Inc.	\$41.45	\$848	\$1,117	11.2%	1.5	1.4	11.1	10.8
<b>Median</b>	<b>\$10.92</b>	<b>\$367</b>	<b>\$677</b>	<b>15.5%</b>	<b>1.8</b>	<b>2.2</b>	<b>8.5</b>	<b>8.8</b>
<b>Rail Freight</b>								
Canadian National Railway Company	\$109.83	\$77,998	\$88,935	50.8%	8.2	7.7	15.6	15.0
Canadian Pacific Railway Limited	\$346.52	\$46,541	\$54,365	55.8%	8.9	8.5	15.6	15.7
CSX Corporation	\$90.75	\$69,403	\$83,485	53.1%	7.8	7.5	13.6	13.6
Kansas City Southern	\$204.13	\$19,107	\$22,618	52.3%	8.5	7.9	15.6	14.6
Norfolk Southern Corporation	\$237.61	\$60,349	\$71,993	46.4%	7.3	6.9	15.6	13.7
Union Pacific Corporation	\$208.22	\$140,313	\$167,313	52.1%	8.5	8.1	16.0	15.2
<b>Median</b>	<b>\$206.18</b>	<b>\$64,876</b>	<b>\$77,739</b>	<b>52.2%</b>	<b>8.4</b>	<b>7.8</b>	<b>15.6</b>	<b>14.8</b>

Source: S&P Capital IQ; ArkMalibu

EV = enterprise value; LTM = last twelve months; NTM = next twelve months; NM = not meaningful

# Public Companies' Trading Metrics | Transportation



As of: 12/31/2020

Category / Company	Valuation Statistics				Multiples Data			
	Last Price	Equity Value	Enterprise Value	EBITDA Margin	EV / Revenue (x)		EV / EBITDA (x)	
					LTM	NTM	LTM	NTM
USD in millions except per share price								
<b>Truck Load (TL)</b>								
Daseke, Inc.	\$5.81	\$378	\$1,067	10.4%	0.7	0.7	5.3	6.6
Heartland Express, Inc.	\$18.10	\$1,462	\$1,381	29.1%	2.1	2.0	7.5	6.3
J.B. Hunt Transport Services, Inc.	\$136.65	\$14,441	\$15,565	12.8%	1.7	1.5	10.6	11.4
Knight-Swift Transportation Holdings Inc.	\$41.82	\$7,102	\$7,870	21.4%	1.7	1.6	7.3	6.4
Landstar System, Inc.	\$134.66	\$5,169	\$5,048	7.3%	1.3	1.1	18.0	13.7
Marten Transport, Ltd.	\$17.23	\$1,425	\$1,337	20.5%	1.5	1.4	7.5	6.3
Mullen Group Ltd.	\$8.55	\$829	\$1,235	17.2%	1.3	1.3	7.2	7.4
P.A.M. Transportation Services, Inc.	\$49.00	\$281	\$528	12.0%	1.1	NM	2.4	NM
Schneider National, Inc.	\$20.70	\$3,671	\$3,164	13.2%	0.7	0.7	5.4	4.9
TFI International Inc.	\$51.43	\$4,802	\$5,878	15.9%	1.5	1.3	8.5	7.7
Titanium Transportation Group Inc.	\$1.96	\$72	\$120	7.3%	0.9	0.7	8.7	6.6
Universal Logistics Holdings, Inc.	\$20.59	\$554	\$1,102	10.6%	0.8	0.7	5.9	5.8
USA Truck, Inc.	\$8.93	\$75	\$256	7.9%	0.5	0.4	5.0	4.1
Werner Enterprises, Inc.	\$39.22	\$2,710	\$2,855	19.4%	1.2	1.2	6.1	5.4
<b>Median</b>	<b>\$20.65</b>	<b>\$1,444</b>	<b>\$1,359</b>	<b>13.0%</b>	<b>1.3</b>	<b>1.2</b>	<b>7.3</b>	<b>6.4</b>

Source: S&P Capital IQ; ArkMalibu

EV = enterprise value; LTM = last twelve months; NTM = next twelve months; NM = not meaningful



ARKMALIBU

| UNCONFLICTED. UNORTHODOX. UNRELENTING. |

ArkMalibu is one of the only Mergers & Acquisitions advisory firms that focuses exclusively on sell-side transactions.

We're not like other banks – we don't have conflicted business relationships with buyers, leaving our senior advisors and principals unhindered and unyielding in their pursuit of your goals. From the first meeting to dry ink, we are dedicated to exceeding your expectations and surpassing industry valuation benchmarks during one of life's most prodigious events. Selling a company requires both psychological intelligence and financial rigor, and that is ArkMalibu. We're a steady ship in stormy seas – here to guide you through uncharted territory with experience, integrity, and confidentiality at every turn.



## Unconflicted. Loyalty to You is our Livelihood

- We only represent sellers; we're not incentivized to encourage you to accept less than your company's true maximum value.
- We pursue the highest possible value because we're unconflicted.



## Unorthodox. Senior-Level Service is Our Standard

- All of ArkMalibu's clients receive care and attention from our senior-level advisors and principals.
- From analysts to principals, our team remains present and available throughout the process.



## Unrelenting. Our Unrivaled Strategy Sells Your Story

- Our approach: understand, capture, and communicate your company's culture – the asset that can't be duplicated – and work to identify buyers whose goals and values align with yours, negotiating tirelessly on your behalf in order to complete the deal with the best partner.
- Our proprietary Four Boxes Analysis delivers prospective buyers a compelling investment story with undeniable upside.



## We are Anchored to Increasing Your Value

- ArkMalibu is tied to your destiny; we are anchored to the goal of bringing you unparalleled value while navigating the personalities and interests of the people involved.
- Selling a business requires as much EQ as IQ; with our depth of experience and understanding of the complex human dynamics at play, we coach you through the challenges so you can enjoy your hard-earned and well-deserved prosperity.



4555 Lake Forest Drive, Suite 365  
Cincinnati, OH 45242



(513) 583-5413



[www.arkmalibu.com](http://www.arkmalibu.com)