



INDUSTRIALS: INDUSTRIAL SERVICES

- The Industrial Services sector will likely be one of the more stable sectors within Industrials during the COVID-19 pandemic. The services within the sector (environmental, facility management, etc.) are typically under contract and are required regardless of production activity.
- Prior to the COVID-19 pandemic, Industrial Services was a highly active M&A sector with demand being driven by both strategic and financial buyers. We do not anticipate a robust M&A market within Industrial Services until the economic crisis has stabilized (hopefully, by late Summer or early Fall).

RECENT SELECT TRANSACTIONS

Target	Date	Buyers / Investors	Region	Strategic / Financial
Green Street Environmental, LLC	Apr 30	Comstock Environmental	US	Strategic
Center for Toxicology and Environmental Health, LLC	Apr 14	Montrose Environmental Group, Inc.	US	Strategic
Groundtek of Central Florida	Apr 13	Aero Operating LLC	US	Strategic
URW, LLC	Apr 13	Montage Partners, Inc.	US	Financial
Ascension Wastewater Treatment	Apr 9	Bernhard Capital Partners	US	Financial
Bluestone Environmental Services, LLC	Apr 8	Groundwater & Env. Services, Inc.	US	Strategic
Albany Environmental Services Limited	Apr 8	Rollins, Inc.	US	Strategic
Van Vynck Environmental Services Limited	Apr 8	Rollins, Inc.	US	Strategic
Scopes Facility Services, LLC	Mar 31	Westbridge Capital Ltd.	US	Financial
NORM Solutions Ltd	Mar 23	ASCO Group Limited	Europe	Strategic
Viridor Limited	Mar 18	KKR & Co. Inc.	Europe	Financial
weatherTAP, inc.	Mar 18	The Cosby Harrison Company	US	Strategic
Platinum North Resources Ltd.	Mar 18	Cordy Environmental Inc.	US	Strategic
Churchill Contract Services Ltd.	Mar 17	ESO Capital Partners UK LLP	Europe	Financial
M.J. Bradley & Associates LLC	Mar 17	The ERM Group, Inc.	US	Strategic
CRS Water Pty. Ltd	Mar 16	Gradiant Corporation	Australia	Strategic
Performance Products & Solutions Business of PolyOne	Mar 11	Rentokil Initial plc	US	Strategic
NT Killingley Ltd	Mar 11	RD Capital Partners LLP	Europe	Financial
Mahoney Environmental, Inc.	Mar 10	Quad-C Management	US	Financial
Austin Newport Group Limited	Mar 10	Artelia SAS	Europe	Financial Backed Strategic
Infratech Sewer & Water Services Inc.	Feb 28	Environmental 360 Solutions Inc.	Canada	Financial Backed Strategic
Brennan Environmental, Inc.	Feb 26	J.S. Held, LLC	US	Financial Backed Strategic
ACM Environmental PLC	Feb 12	Reconomy UK Ltd	Europe	Financial Backed Strategic
BLOC Environmental Solutions, LP	Jan 31	ERI Solutions Inc.	US	Financial Backed Strategic

For more information and insight please contact members of the EdgePoint Industrials team:

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M&A
Advisory

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EdgePoint Public Comparable Index Constituents

Environmental Services

Company Name	Enterprise Value (EV)	LTM Margins		EBITDA		EV/EBITDA		Revenue	Revenue Growth		Stock Price	% of 52 Wk High
		Gross	EBITDA	LTM	2020E	LTM	2020E	LTM	LTM	3-Yr. CAGR		
Clean Harbors, Inc.	\$4,346	30.4%	15.8%	\$551	\$446	6.2x	9.7x	\$3,490	4.8%	7.5%	\$53.43	60.4%
Ecolab Inc.	62,519	41.9%	22.5%	3,373	2,904	17.4x	21.5x	14,982	1.9%	4.3%	193.50	91.6%
Heritage-Crystal Clean, Inc	489	23.2%	12.3%	56	22	5.3x	22.1x	456	7.8%	9.3%	18.35	56.3%
Stericycle, Inc.	7,545	35.7%	16.3%	540	582	11.5x	13.0x	3,309	-5.1%	-2.4%	48.80	71.8%
Suez SA	19,576	53.1%	14.7%	2,649	2,912	6.9x	6.7x	18,015	3.9%	5.5%	10.32	64.3%
US Ecology, Inc.	1,826	30.6%	20.7%	142	203	12.1x	9.0x	686	21.1%	12.8%	32.78	48.8%
Veolia Environnement S.A.	22,546	16.0%	11.4%	3,109	3,760	6.1x	6.0x	27,189		4.0%	19.49	67.0%
Mean		33.0%	16.3%	1,489	1,547	9.4x	12.6x	9,732	5.7%	5.8%	53.8	65.8%

Facility Services

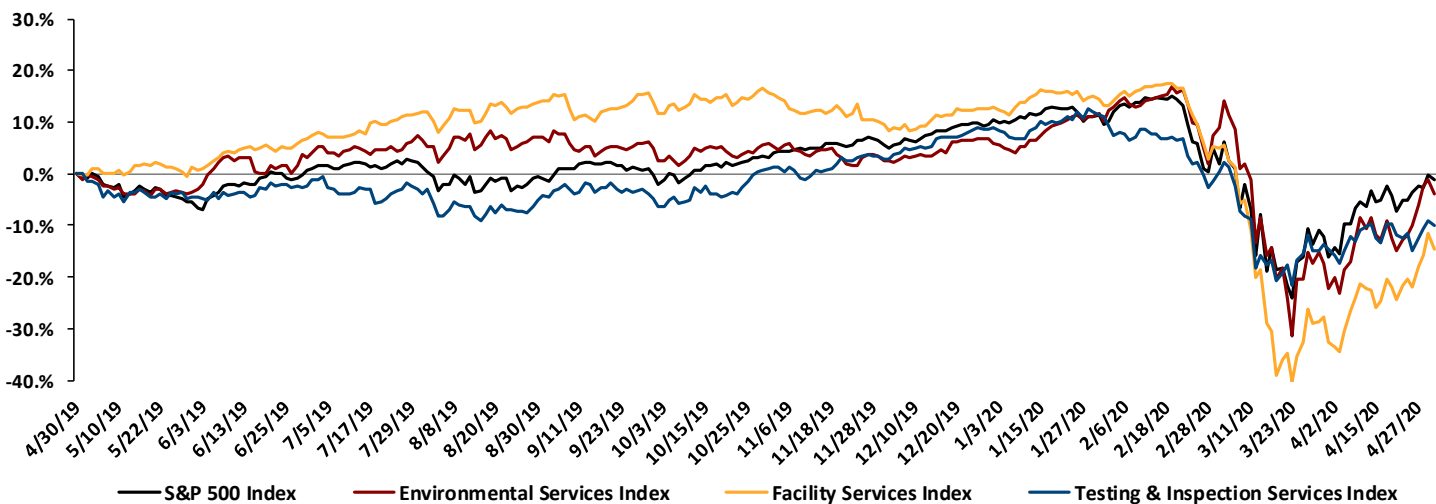
Company Name	Enterprise Value (EV)	LTM Margins		EBITDA		EV/EBITDA		Revenue	Revenue Growth		Stock Price	% of 52 Week High
		Gross	EBITDA	LTM	2020E	LTM	2020E	LTM	LTM	3-Yr. CAGR		
ABM Industries Incorporated	\$3,294	11.8%	5.3%	\$342	\$290	9.5x	11.4x	\$6,504	0.6%	7.7%	\$34.49	80.8%
Aramark	14,259	12.1%	8.3%	1,350	878	10.6x	16.2x	16,216	0.8%	3.9%	27.31	57.8%
Cintas Corporation	25,874	46.1%	22.6%	1,642	1,419	15.3x	18.2x	7,259	7.3%	13.6%	221.83	72.8%
Compass Group PLC	24,721	24.7%	8.4%	2,085	2,238	11.7x	11.0x	24,878	8.8%	8.3%	13.36	62.1%
EMCOR Group, Inc.	3,894	14.8%	6.1%	568	437	4.9x	8.9x	9,316	11.0%	6.6%	63.53	67.9%
ISS A/S	33,560	90.3%	5.1%	3,999	3,876	6.7x	8.7x	78,555	6.7%	0.0%	101.60	46.1%
UniFirst Corporation	2,826	37.1%	17.5%	327	243	8.4x	11.6x	1,863	7.2%	7.3%	168.15	77.2%
Rentokil Initial plc	9,808	79.1%	18.3%	496	533	16.6x	18.4x	2,714	9.8%	7.8%	4.74	88.6%
ServiceMaster Global Holdings, Inc.	6,081	43.3%	19.1%	396	308	14.1x	19.7x	2,077	9.3%	6.4%	34.05	57.9%
Mean		35.9%	11.1%	1,120	1,022	10.9x	13.8x	14,938	6.2%	6.1%	66.91	61.1%

Testing & Inspection Services

Company Name	Enterprise Value (EV)	LTM Margins		EBITDA		EV/EBITDA		Revenue	Revenue Growth		Stock Price	% of 52 Week High
		Gross	EBITDA	LTM	2020E	LTM	2020E	LTM	LTM	3-Yr. CAGR		
ALS Limited	\$4,223	29.1%	21.1%	\$372	\$409	10.7x	10.3x	\$1,758	13.0%	15.0%	\$6.81	66.8%
Bureau Veritas SA	10,762	22.0%	18.3%	935	859	10.5x	12.5x	5,100	6.3%	3.9%	18.94	72.8%
Eurofins Scientific SE	12,355	20.4%	17.6%	803	1,012	13.5x	12.2x	4,563	20.7%	21.6%	505.00	96.5%
Intertek Group plc	8,550	56.0%	20.8%	622	571	12.4x	15.0x	2,987	6.6%	5.2%	47.50	76.9%
SGS SA	17,989	43.3%	17.5%	1,154	1,361	13.5x	13.2x	6,600	-1.6%	3.3%	2,185.00	76.0%
Mean		24.4%	13.6%	555	602	12.1x	12.6x	3,001	6.4%	7.0%	\$394.75	55.6%

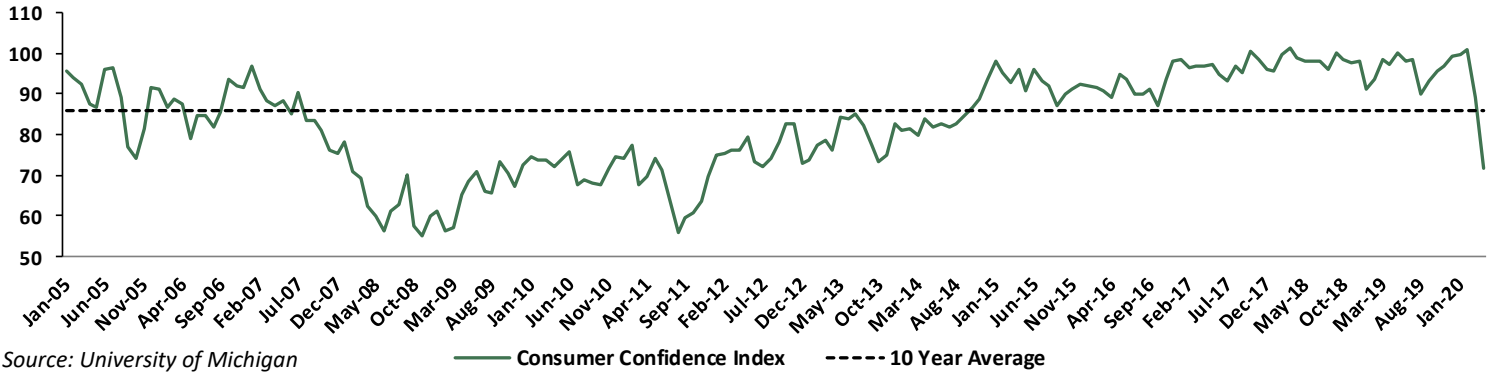
Source: S&P CapIQ (As of April 30, 2020)

Trailing Twelve Months Stock Performance

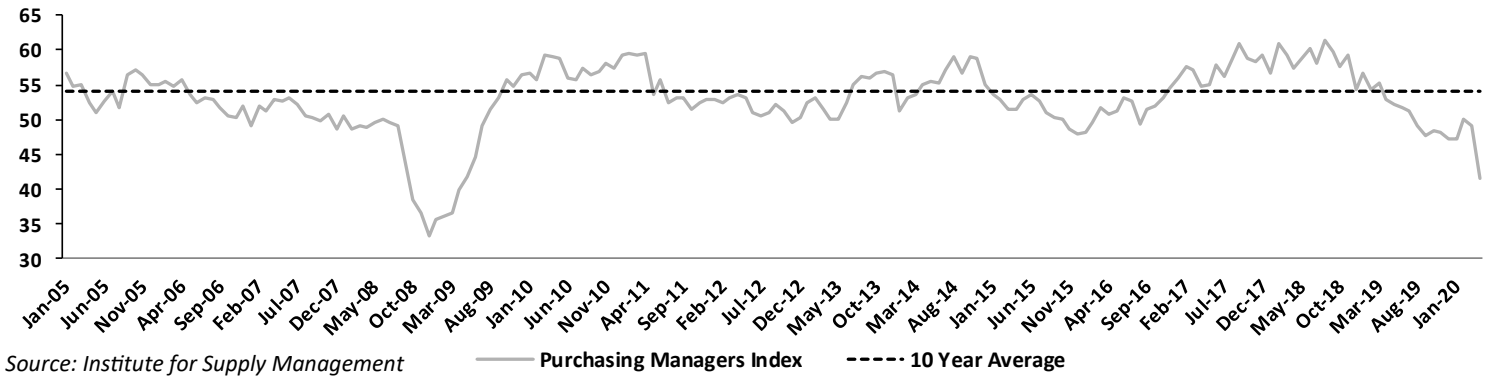


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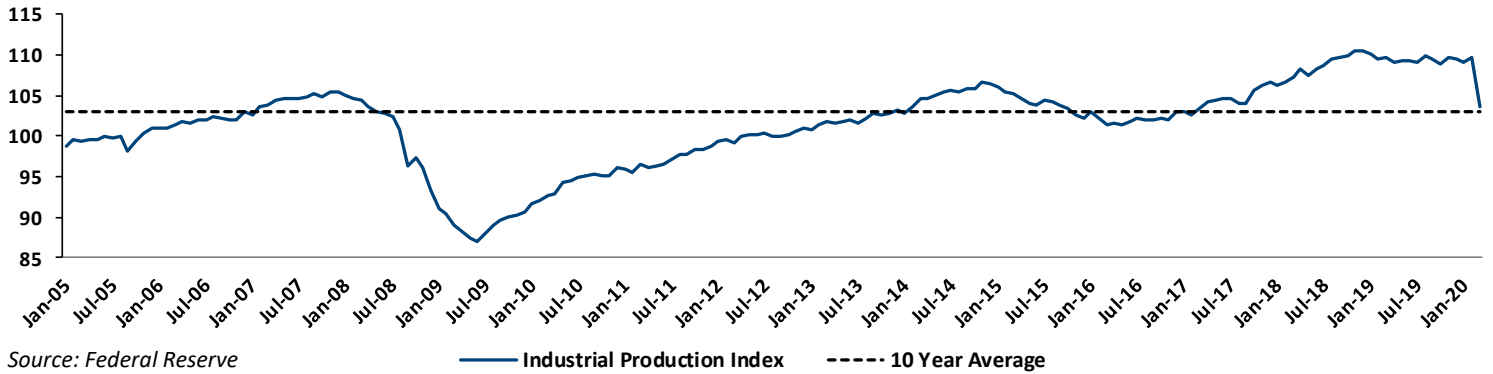
Consumer Confidence Index (2005 - YTD 2020)



Purchasing Managers Index (2005 - YTD 2020)



Industrial Production Index (2005 - YTD 2020)



U.S. Real GDP Growth (2004 - YTD 2020)

