

A composite image showing a port scene. On the left, a yellow gantry crane is positioned over a large cargo ship. The ship's deck is stacked with colorful shipping containers in shades of red, blue, and yellow. A white semi-truck is docked at the pier next to the ship. In the background, a large white cargo plane with blue and red accents is flying through a clear blue sky. The overall scene represents global freight and logistics.

DUFF & PHELPS

Protect, Restore and Maximize Value

Freight and Logistics M&A Landscape

SUMMER 2018

Ranked #4

U.S. Middle-Market M&A
Advisor over the past 5 years¹

266 M&A transactions over the
past 5 years

Ranked #1

for Announced Global Fairness
Opinions for the 3rd year in a
row²

1,500+ Transaction Opinions for
\$3.5 trillion in deal value since
2005

650+ Private Equity Groups

proactively covered by our Financial Sponsors
Group

1,750+ PEGs contacted under engagement
mandates in 2017
45+ coverage officers across North America

The Global Advisor That Protects, Restores and Maximizes Value for Companies, Boards and Investors Worldwide

Duff & Phelps is the global advisor that protects, restores and maximizes value for clients in the areas of valuation, corporate finance, investigations, disputes, cybersecurity, compliance and regulatory matters, and other governance-related issues. We work with clients across diverse sectors, mitigating risk to assets, operations and people. With Kroll, a division of Duff & Phelps since 2018, our firm has nearly 3,500 professionals in 28 countries around the world.

DUFF & PHELPS

For more information, visit www.duffandphelps.ca.

1. Source: Thomson Financial Securities Data (U.S. deals \$75M < \$225M, including deals without a disclosed value). Full years 2013 through 2017.

2. Source: Published in Thomson Reuters' "Mergers & Acquisitions Review - Full Year 2015, 2016 and 2017."

The volume of M&A activity in the North American Freight and Logistics industry has remained flat since 2017, with the continuing decline in trucking activity offset by increased activity in marine, rail and air freight.

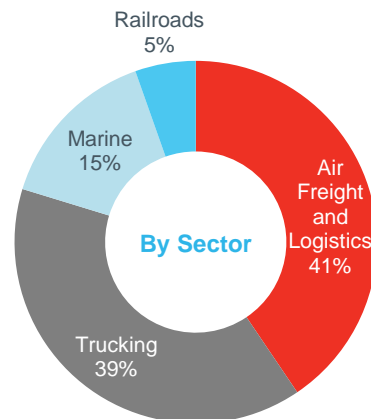
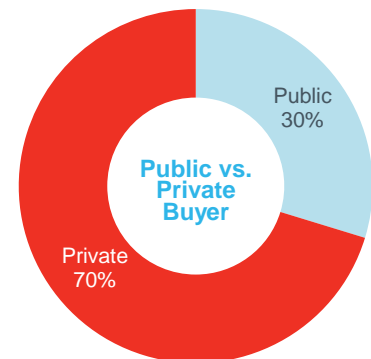
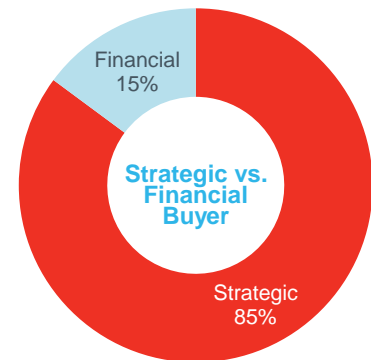
Despite a lack of large landmark deals, two strategic buyers remained active in the marine space. Kirby Corporation closed the acquisition of Higman Marine for \$419 million in February and announced the acquisition of Targa Resources Corp.'s inland marine tank barge business for \$69 million in May. Logistec Corporation closed the acquisitions of Pensacola Stevedore Company in May and Gulf Stream Marine for \$65.7 million in March. All four acquisitions were made as marine transportation companies bounce back from a down cycle caused by overbuilding barge equipment during the shale boom. Additionally, financial buyers such as Audax Group, Corrum Capital Management, The Jordan Company and BC Investment Management Corporation (bcIMC) picked up activity near the end of H1 with acquisitions in June and July.

Consolidation within the Freight and Logistics industry continued, with 85% of acquisitions made through July 31, 2018 completed by strategic companies (including companies primarily owned by private equity investors). As the demand continues to increase for specialized trucking and "last-mile delivery" driven by e-commerce, there will likely be further consolidation in the industry as larger players look for growth in niche delivery segments.

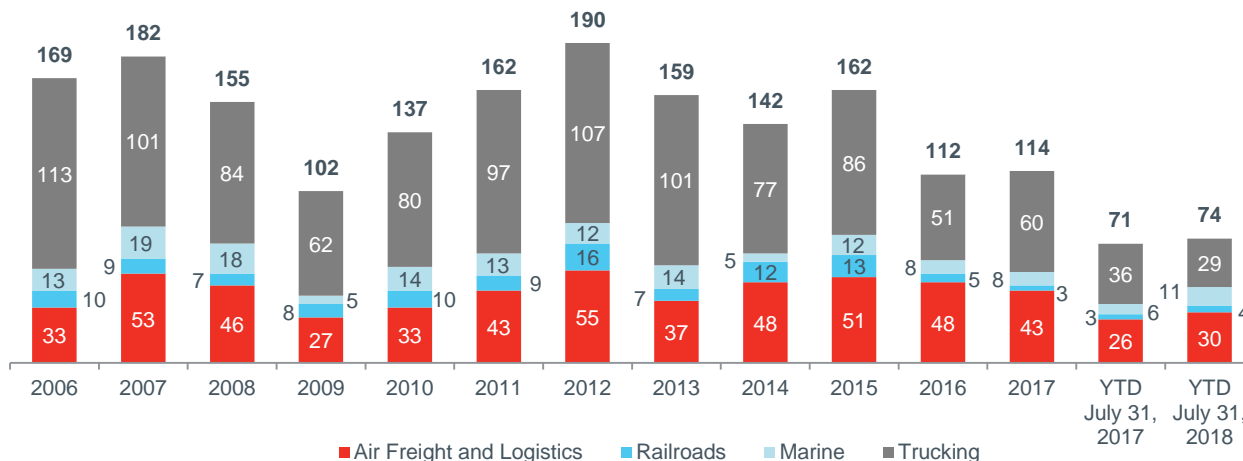
Of the 74 transactions completed so far in 2018, 70% were completed by privately owned buyers, while 30% were completed by publicly traded companies. On average, public company share prices rose by 1.1% on announcement of an acquisition, indicating that investors continue to value and reward growth by acquisition.

Significant uncertainty regarding international trade continues as the status of the North American Free Trade Agreement continues to be in flux and with Canada/USA relations showing unprecedented strain. Additionally, trucking capacity is expected to remain tight in North America due to lack of drivers and the implementation of electronic logging devices. The increasing average age of the driving population exacerbates the issue. Furthermore, hiring troubles are prominent in the long haul and truckload spaces, indicating the likely possibility of freight costs rising along these routes.

By Number of Closed Deals (YTD July 31, 2018)¹



M&A Activity Summary¹



1. Sources: S&P Global Market Intelligence, investment company reports, company press releases and various news sources.

Note: For clarification purposes, a deal is described as any closed or announced M&A transaction with percent sought greater than or equal to 50% with the target located in North America and focused on the list of industry segments.

Select Recent Canadian Transactions¹

CEDA International Corporation Acquired Breakthrough Oilfield Services Ltd.

On July 5, CEDA International Corporation, a portfolio company of the Ontario Municipal Employees Retirement System (OMERS) Private Equity, acquired Breakthrough Oilfield Services Ltd. from its owner/operator. The acquisition provides CEDA with the ability to further expand its geographic presence and service offerings in key resource plays within the Western Canada Sedimentary Basin. Breakthrough's management joined the CEDA team.

Big Freight Systems Inc. Acquired Kelsey Trail Trucking Ltd.

On July 5, Big Freight Systems Inc., itself acquired by Daseke, Inc. in 2017, acquired Kelsey Trail Trucking Ltd. The acquisition gives Kelsey Trail access to a facility in Steinbach and property in Winnipeg and Big Freight access to Kelsey Trail's new 42,000 square foot facility north of Toronto. Kelsey Trail operates 80 tractors and 90 sets of 5-axle B-trains.

Fulcrum Capital Partners Inc. Acquired National Logistics Services Inc.

On June 25, Fulcrum Capital Partners Inc. acquired National Logistics Services Inc. ("NLS"). NLS is a Toronto-based provider of third-party logistics for the apparel, footwear and action wear markets. The acquisition will strengthen NLS's ability to significantly scale the business of providing sophisticated retail distribution services within Canada.

Metro Supply Chain Group Inc. Acquired Total E-com Home Delivery Inc.

On May 8, Metro Supply Chain Group Inc., backed by Caisse de dépôt et placement du Québec, acquired Total E-com Home Delivery Inc. The acquisition develops Metro's presence in the direct-to-consumer large item "two-person" delivery space, increasing volume and adding relationships that expand their reach in Canada. Total E-com Home Delivery's operations will continue under Metro's "Metro To Home" division, which leverages leading-edge software to optimize delivery capabilities for major home furnishings and big-box retailers.

TFI International Inc. Acquired Normandin Transit Inc.

On April 3, TFI International Inc. acquired Normandin Transit Inc. The acquisition strengthens TFI's position in the cross-border Less-Than-Truckload and Truckload services markets. Normandin operates a fleet of over 300 tractors and 1,000 trailers and will continue to be led by Danielle and André Normandin, operating as a stand-alone business unit within TFI's Less-Than-Truckload segment.

Delmar International Inc. Acquired Airtrades Freight Forwarders Inc.

On February 21, Delmar International Inc. acquired Airtrades Freight Forwarders Inc. The acquisition provides Delmar with a new strategic position in the domestic and international expedited airfreight space, with the capability to provide same-day and overnight domestic deliveries. The deal also includes a warehouse on-site at Pierre Elliott Trudeau International Airport that helps support time-sensitive cargo. The co-founders of Airtrades, James Hutchinson and Pierre Dagenais, will join Delmar with responsibilities in product development and warehousing.

Mullen Group Ltd. Acquired DWS Logistics Inc.

On February 12, Mullen Group Ltd. acquired DWS Logistics Inc. The acquisition builds on Mullen's strategy of making investments in the Trucking/Logistics segments tied to consumer products and is expected to contribute in excess of \$15 million of annualized revenue. DWS will be operated as an independent, self-managed business unit within Mullen Group's Trucking/Logistics segment.

1. Sources: S&P Global Market Intelligence, company press releases and various news sources.

Select North American M&A Activity¹ ●○○○○

(C\$ in millions)

Date Closed	Target	Loc'n	Target Business Description	Acquirer	EV	LTM Revenue	LTM EBITDA	EV/Revenue	EBITDA
7/31/18	TWC Enterprise's White Pass & Yukon route operations	U.S.	Port and rail operations	Royal Hwy Tours Inc.	\$377.7				
7/16/18	Manna Freight Systems, Inc.	U.S.	Home delivery carrier services for appliances, furniture, mattresses, outdoor grills, and home gyms	Pilot Freight Services, Inc.					
7/12/18	Web To Door Corp	U.S.	Logistic management services and supply chain solutions	Supurva Healthcare Group, Inc.					
7/11/18	Walt's Drive-A-Way Services, Inc.	U.S.	Trucking services	Warehouse Services, Inc.					
7/10/18	Alabama & Tennessee River Railway and Fulton County Railway	U.S.	Railroad business	OmniTRAX, Inc.					
7/10/18	MXN Global Logistics	U.S.	Expedited transportation and logistics services	Audax Group, Inc.					
Announced 7/9/2018	Decatur and Danville Secondary subdivisions of CSX Transportation	U.S.	Rail networks	Watco Companies, LLC					
7/5/18	Landair Holdings, Inc.	U.S.	Truckload carrier supplier of 3PL transportation, warehousing, and logistics inventory management services	Covenant Transportation Group	129.3	\$158.9		0.8x	
7/5/18	Kelsey Trail Trucking Ltd.	CA	B-train operator, provides truckload and LTL services	Big Freight Systems Inc.					
7/5/18	Breakthrough Oilfield Services Ltd.	CA	Owns and operates a fleet of pressure trucks, hot oilers, fluid haulers, tank trucks, hydro vacuum, and combination vacuum units	CEDA International Corporation					

1. Source: S&P Global Market Intelligence.

Note: EV = Enterprise Value, LTM = Last Twelve Months, EBITDA = Earnings before Interest, Taxes, Depreciation and Amortization.

Select North American M&A Activity¹

(C\$ in millions)

Date Closed	Target	Loc'n	Target Business Description	Acquirer	EV	LTM Revenue	LTM EBITDA	EV/Revenue	EBITDA
7/2/18	GlobalTranz Enterprises, Inc.	U.S.	Freight management services for shippers in the United States	The Jordan Company, L.P.					
7/1/18	Unlimited Freight, LLC	U.S.	Third party logistics and asset-based carrier services	BNSF Logistics, LLC					
6/28/18	Prime EFS LLC	U.S.	Delivery services to online retailers	PetroTerra Corp.	\$ 1.3	\$ 9.3		0.1x	
6/27/18	Petchem Inc.	U.S.	Harbor tug services	E.N. Bisso & Son, Inc.					
6/25/18	National Logistics Services, Inc.	CA	Logistics services to the fashion, footwear, action wear, and general merchandise retail industry	Fulcrum Capital Partners (Fund V)					
6/21/18	Tamarind International Inc.	U.S.	Cargo shipping services	Source Logistics Corp.					
6/21/18	Assets of Big Red L.T.L. Transport and CIN-SAN Leasing	U.S.	Trucking services	Big Red Express Trucking LLC	1.0				
6/19/18	RGCX, LTD.	U.S.	Railcar leasing and fleet management services	Corrum Capital Management LLC					
6/15/18	Metro Truck & Tractor Leasing, Inc.	U.S.	Truck leasing and rental service	Ryder System, Inc.					
6/7/18	First Coast Logistics Services, Inc.	U.S.	Intermodal transportation and logistics solutions	RoadOne, Inc.					

1. Source: S&P Global Market Intelligence.

Note: EV = Enterprise Value, LTM = Last Twelve Months, EBITDA = Earnings before Interest, Taxes, Depreciation and Amortization.

Select North American M&A Activity¹

(C\$ in millions)

Date Closed	Target	Loc'n	Target Business Description	Acquirer	EV	LTM Revenue	LTM EBITDA	EV/Revenue	EV/EBITDA
6/1/18	Thunder Ridge Transport, Inc.	U.S.	Freight trucking services	EVO Transportation & Energy Services, Inc.	\$ 3.8				
5/28/18	SaaS Transportation, Inc.	U.S.	Less-Than-Truckload and logistics transportation management solutions provider	Wisetech Global Limited	3.7	\$ 1.8	\$ 0.5	2.1x	7.6x
5/25/18	Pensacola Stevedore Company, Inc.	U.S.	Cargo handling and distribution services	Logistec Corporation					
5/8/18	Total E-com Home Delivery Inc.	CA	Delivery services, specifically door-to-door fulfilment of "big and bulky" online retail purchases	Metro Supply Chain Group Inc.					
5/8/18	Alaskan Express Service, Inc.	U.S.	Freight forwarding, shipping and storage services	AFF Global Logistics					
Announced 5/3/18	Targa Resources Corp.'s Inland Marine business	U.S.	Operates domestic marine tank barges	Kirby Corporation	90.2				
4/5/18	Universal Maritime Inc.	U.S.	Owens and operates a fleet of crude tankers	Ship Supply of Florida, Inc.					
4/2/18	MXD Group, Inc.	U.S.	Logistics services for home delivery and retail replenishment	Ryder System, Inc.	155.0				
3/16/18	Abilene Motor Express, Inc.	U.S.	Motor freight services to destinations throughout North America	Knight Transportation Inc.		130.9			
3/13/18	Freight Force, Inc.	U.S.	Network of contracted carriers providing cartage, truckload and regional line-haul services	St. George Trucking & Warehouse Inc.					

1. Source: S&P Global Market Intelligence.

Note: EV = Enterprise Value, LTM = Last Twelve Months, EBITDA = Earnings before Interest, Taxes, Depreciation and Amortization.

Select North American M&A Activity¹

(C\$ in millions)

Date Closed	Target	Loc'n	Target Business Description	Acquirer	EV	LTM Revenue	LTM EBITDA	EV/Revenue	EV/EBITDA
3/5/18	Oceanstar, Inc.	U.S.	Freight forwarding, customs brokerage, and ocean and air freight transportation services	Seldat Distribution Inc.					
3/1/18	Gulf Stream Marine, Inc.	U.S.	Cargo handling, stevedoring and terminal operations services in the Gulf Coast region	Logistec Corporation	\$ 84.4	\$ 88.3	\$ 10.5	1.0x	8.0x
3/1/18	Assets of Rand Logistics, Inc.	U.S.	Assets used in bulk freight shipping	American Industrial Partners					
2/22/18	Central Arizona Freight, Inc.	U.S.	Freight transportation services by road	Brown Transfer Company					
2/22/18	Innovative Logistics, LLC	U.S.	Ocean and air cargo transportation services	Patriot Defense Group, LLC					
2/21/18	AIRTRADES Freight Forwarders Inc.	CA	Freight transportation services through air	Delmar International Inc.					
2/15/18	Tidewater Logistics Corporation	U.S.	Logistics solutions to the oil and gas industry	Apollo Global Management, LLC					
2/15/18	Higman Marine Services, Inc.	U.S.	Inland transportation of refined petroleum products, chemicals and petrochemicals by tank barges	Kirby Corporation	524.4				
2/7/18	Globegistics Inc.	U.S.	Distribution of parcels, mail and publications for e-retailers, mailers, publishers and printers	Asendia Management SAS					
2/2/18	Fore Transportation, Inc.	U.S.	Local, regional and long-haul intermodal trucking services	Universal Logistics Holdings, Inc.	43.3	40.1		1.1x	

1. Source: S&P Global Market Intelligence.

Note: EV = Enterprise Value, LTM = Last Twelve Months, EBITDA = Earnings before Interest, Taxes, Depreciation and Amortization.

Select North American M&A Activity¹ ○○○○●

(C\$ in millions)

Date Closed	Target	Loc'n	Target Business Description	Acquirer	EV	LTM Revenue	LTM EBITDA	EV/Revenue	EV/EBITDA
1/18/18	Sequel International Logistics (USA) Inc.	U.S.	Logistics services	Loomis AB	\$ 2.5	\$ 3.2		0.8x	
1/10/18	AJR Transportation LLC	U.S.	Freight brokerage and logistics services	GlobalTranz Enterprises, Inc.					
1/2/18	The Irwin Brown Company	U.S.	Customs brokerage and freight forwarding services	C.H. Powell Company					
1/2/18	Redwood Logistics, LLC	U.S.	Integrated logistics and transportation services	Simplified Logistics LLC					
12/23/17	Sonic Oilfield Service Ltd.	CA	Material and fluid transportation services for the oil and gas industry	Vertex Resource Group Ltd.	4.5				
12/8/17	Keen Transport, Inc.	U.S.	Heavy-haul logistics and transportation services for construction, mining and agriculture equipment markets	Wallenius Wilhelmsen Logistics ASA	82.4	105.2	\$ 12.8	0.8x	6.4x
12/7/17	APEX Logistics Group	U.S.	Logistics services, including truckload shipping, temperature-controlled transportation and warehouse management services	GlobalTranz Enterprises, Inc.					
11/1/17	Marshall Trucking Inc.	CA	Trucking services	Mullen Trucking Corp.	9.8				

Mean	\$100.9	\$ 67.2	\$ 8.0	1.0x	7.3x
Median	43.3	64.2	10.5	0.8x	7.6x

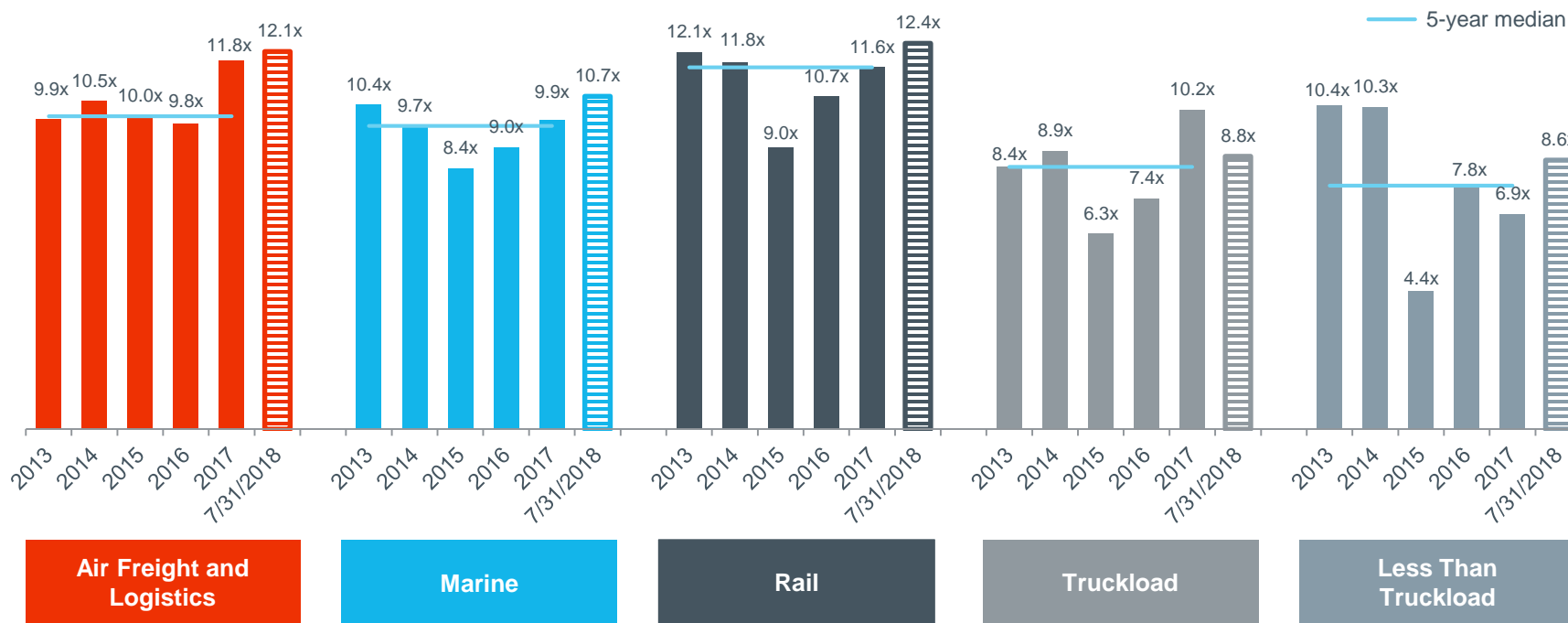
1. Source: S&P Global Market Intelligence.

Note: EV = Enterprise Value, LTM = Last Twelve Months, EBITDA = Earnings before Interest, Taxes, Depreciation and Amortization.

Public Company Trading Multiples

EV/LTM EBITDA Median Multiples¹

- Enterprise value to LTM EBITDA multiples for Air Freight and Logistics, Marine, Rail and Truckload were all higher compared to the median over the past 5 years
- Air Freight and Logistics multiples have reached a five year high at 12.1x as demand for third party logistics companies continues to rise in line with consumer demand
- Marine and Rail multiples continued to increase and recovered to levels not seen since 2013
- Companies in the Less-Than-Truckload segment saw a strong recovery in valuations. The current median multiple of 8.6x is now higher than the 7.8x median multiple of the previous 5 years



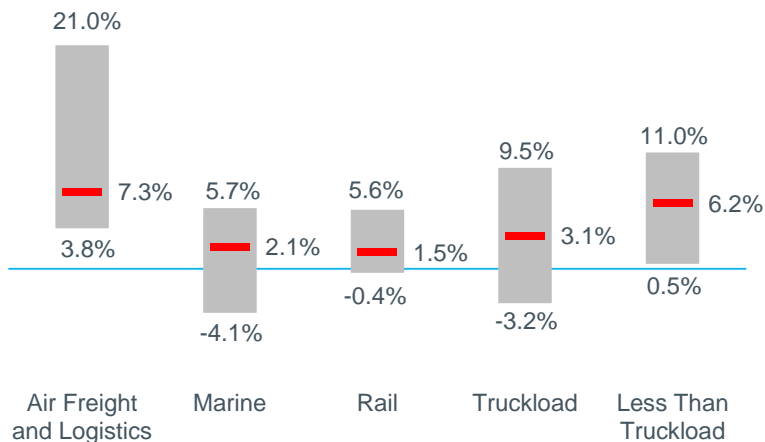
1. Source: S&P Global Market Intelligence as of July 31, 2018.

Note: Sector constituents based on selected comparable companies; certain periods exclude outliers based on Duff & Phelps' analysis; EBITDA does not reflect adjustments for extraordinary items.

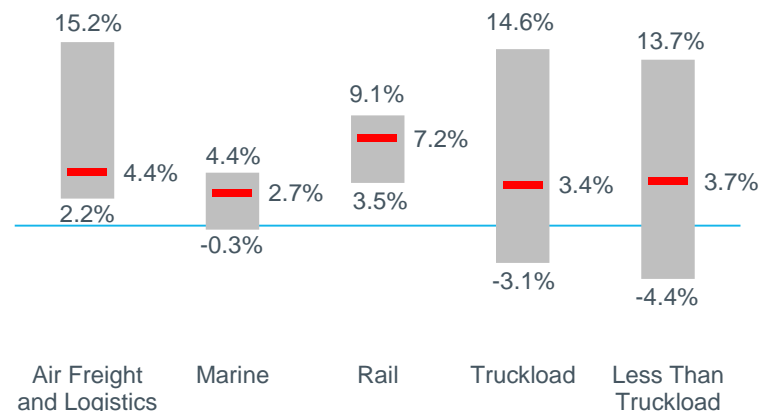
EV = Enterprise Value, LTM = Last Twelve Months

Select Public Company Operating and Trading Statistics¹

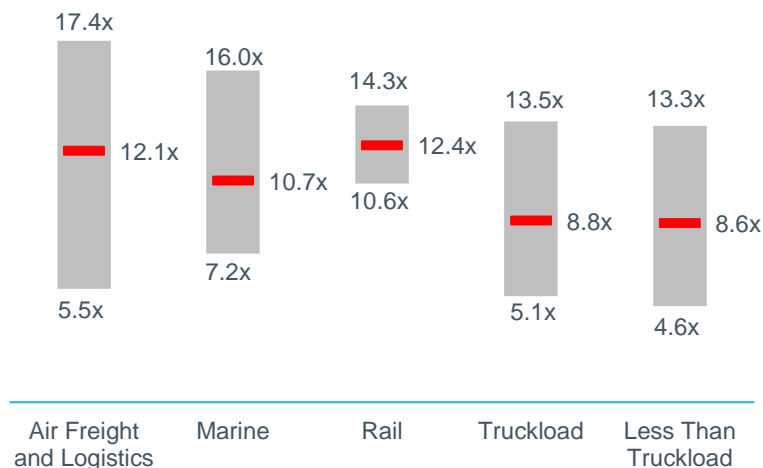
5-Year Revenue Growth Rate (CAGR)



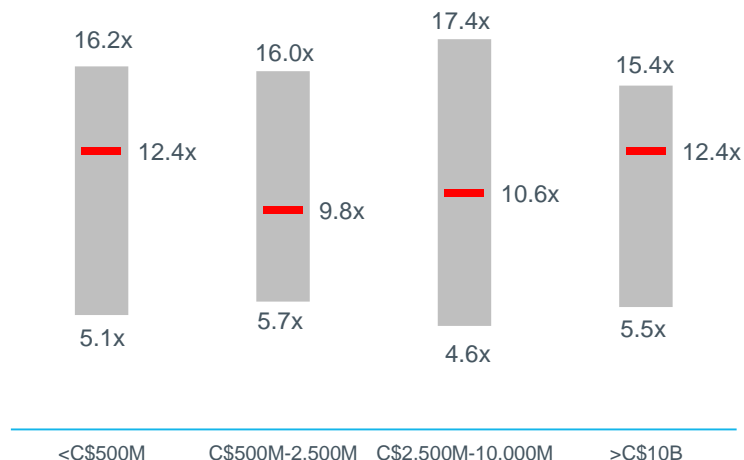
Return on Assets (LTM)



Enterprise Value/LTM EBITDA (by sector)



Enterprise Value/LTM EBITDA (by LTM revenue)



1. Source: S&P Global Market Intelligence as of July 31, 2018.

Note: The values above represent high, median and low data points for each category as of July 31, 2018.

CAGR = Compound Annual Growth Rate, LTM = Last Twelve Months, EBITDA = Earnings before Interest, Taxes, Depreciation and Amortization.

Public Company Trading Statistics – Air and Logistics, Marine and Rail¹

(C\$ in millions, except per share data)

(C\$ in millions, except per share data)						% of	Operating Metrics (LTM)					Enterprise Value as a Multiple of					
	Stock Price	52-Week	Market	Enterprise		Revenue	Revenue	EBITDA		Ret. on	Debt/	Revenue			EBITDA		
Company	7/31/2018	High	Cap.	Value		Revenue	CAGR, 5-Yr.	Margin	Assets	Assets	EBITDA	LTM	2019E	2020E	LTM	2019E	2020E
Air Freight and Logistics																	
United Parcel Service, Inc.	\$ 156.13	88%	\$ 133,733	\$ 152,208	\$ 90,761		4.8%	14.0%	\$ 59,482	10.9%	1.5x	1.7x	1.5x	1.5x	12.0x	10.6x	10.0x
FedEx Corporation	320.19	90%	85,146	102,492	84,965		8.1%	12.7%	67,933	6.5%	1.6x	1.2x	1.1x	1.1x	9.5x	8.1x	7.3x
XPO Logistics, Inc.	129.86	86%	16,446	22,947	20,675		115.1%	8.3%	16,714	3.3%	3.4x	1.1x	1.0x	0.9x	13.4x	9.4x	8.8x
C.H. Robinson Worldwide, Inc.	120.11	92%	16,724	18,151	20,973		5.6%	5.6%	5,857	12.1%	1.2x	0.9x	0.8x	0.8x	15.4x	13.5x	13.2x
Expeditors International of Washington, Inc.	99.19	97%	17,327	15,855	9,323		3.8%	11.0%	4,143	15.2%	- ve	1.7x	1.5x	1.4x	15.5x	13.3x	12.9x
Ryder System, Inc.	101.97	87%	5,414	13,103	10,256		4.3%	23.4%	16,085	2.9%	3.2x	1.3x	1.1x	1.1x	5.5x	4.8x	4.4x
Atlas Air Worldwide Holdings, Inc.	87.32	89%	2,232	5,012	2,929		6.4%	20.7%	6,469	3.5%	4.6x	1.7x	1.4x	1.5x	8.3x	6.6x	6.4x
Forward Air Corporation	83.21	98%	2,442	2,469	1,562		14.6%	12.9%	936	10.3%	0.1x	1.6x	1.4x	1.3x	12.3x	10.5x	10.0x
Air Transport Services Group, Inc.	29.34	81%	1,733	2,436	1,333		11.3%	25.4%	2,021	4.5%	2.0x	1.8x	1.9x	NA	7.2x	5.4x	NA
Hub Group, Inc.	60.42	85%	2,078	2,423	5,910		6.9%	4.3%	2,280	4.7%	1.3x	0.4x	0.4x	0.3x	9.6x	8.7x	8.8x
Echo Global Logistics, Inc.	44.86	99%	1,281	1,502	2,985		22.2%	2.9%	1,236	2.9%	2.6x	0.5x	0.4x	0.4x	17.4x	11.3x	10.9x
Cargojet Inc.	65.65	94%	881	1,294	395		18.5%	26.4%	636	6.7%	4.0x	3.3x	3.0x	2.8x	12.4x	9.8x	8.8x
Radiant Logistics, Inc.	5.20	73%	256	310	1,045		21.0%	2.9%	369	2.2%	1.7x	0.3x	0.3x	NA	10.0x	6.5x	NA
Air T, Inc.	42.65	93%	87	145	251		13.5%	3.6%	125	3.3%	6.2x	0.6x	NA	NA	16.2x	NA	NA
Median		89%	\$ 2,337	\$ 3,740	\$ 4,448		7.5%	11.9%	\$ 3,211	4.6%	2.0x	1.2x	1.1x	1.1x	12.1x	9.4x	8.8x
Marine Freight																	
Kirby Corporation	\$ 108.67	89%	\$ 6,487	\$ 8,336	\$ 3,675		5.3%	15.5%	\$ 7,369	2.7%	3.3x	2.3x	1.9x	1.8x	14.6x	11.0x	9.5x
Seaspan Corporation	11.17	80%	1,519	6,838	1,102		4.9%	58.1%	9,566	2.9%	8.2x	6.2x	4.5x	4.4x	10.7x	7.0x	6.7x
Matson, Inc.	46.88	89%	2,000	3,197	2,800		5.7%	12.2%	3,133	3.5%	4.1x	1.1x	1.1x	1.1x	9.4x	8.0x	7.8x
Navios Maritime Holdings Inc.	1.07	43%	126	2,277	625		-4.1%	22.8%	3,354	0.3%	13.2x	3.6x	NA	NA	16.0x	NA	NA
Costamare Inc.	9.04	83%	987	2,224	507		0.2%	61.2%	3,244	3.3%	4.2x	4.4x	4.1x	4.0x	7.2x	6.7x	6.0x
SEACOR Holdings Inc.	68.72	89%	1,252	1,660	940		-11.1%	18.5%	2,178	1.9%	1.4x	1.8x	1.5x	1.5x	9.5x	9.7x	9.3x
Diana Shipping Inc.	5.86	87%	632	1,270	256		0.5%	39.1%	1,603	-0.3%	6.4x	5.0x	3.7x	3.1x	12.7x	7.4x	5.2x
Genco Shipping & Trading Limited	19.34	74%	803	1,235	320		3.7%	29.5%	1,873	0.3%	4.5x	3.9x	3.1x	2.6x	13.1x	5.1x	3.4x
Eagle Bulk Shipping Inc.	7.49	94%	547	890	349		5.1%	14.4%	1,051	0.7%	6.8x	2.6x	2.4x	2.8x	17.8x	6.8x	5.5x
Logistec Corporation	55.50	97%	704	879	498		13.5%	13.0%	580	3.1%	2.8x	1.8x	NA	NA	13.6x	NA	NA
Algoma Central Corporation	15.08	94%	581	849	459		-2.5%	21.8%	1,140	2.7%	2.8x	1.8x	1.8x	1.8x	8.5x	7.1x	7.2x
Pangaea Logistics Solutions, Ltd.	4.14	38%	182	444	490		-0.1%	11.8%	531	4.4%	3.0x	0.9x	0.7x	NA	7.7x	5.3x	NA
Median		88%	\$ 754	\$ 1,465	\$ 502		2.1%	20.1%	\$ 2,026	2.7%	4.1x	2.4x	2.2x	2.6x	10.7x	7.1x	6.7x
Rail Freight																	
Union Pacific Corporation	\$ 195.20	99%	\$ 144,346	\$ 171,849	\$ 28,943		0.6%	47.9%	\$ 77,194	9.1%	2.0x	5.9x	5.6x	5.3x	12.4x	11.5x	10.8x
Canadian National Railway Company	116.12	98%	85,081	96,561	13,331		5.6%	50.6%	39,805	8.9%	1.7x	7.2x	6.4x	6.0x	14.3x	12.7x	11.9x
CSX Corporation	92.04	98%	79,048	95,195	15,236		-0.4%	49.9%	48,566	7.2%	2.2x	6.2x	5.9x	5.7x	12.5x	11.6x	10.9x
Norfolk Southern Corporation	220.08	98%	61,629	73,996	14,408		0.1%	44.7%	47,072	6.7%	1.9x	5.1x	4.8x	4.6x	11.5x	10.9x	10.4x
Canadian Pacific Railway Limited	257.98	100%	36,781	45,213	6,720		2.5%	49.3%	20,685	8.4%	2.5x	6.7x	6.0x	5.7x	13.7x	12.3x	11.6x
Kansas City Southern	151.41	99%	15,468	19,319	3,470		3.0%	48.4%	12,184	6.4%	2.1x	5.6x	5.0x	4.7x	11.5x	10.0x	9.4x
Genesee & Wyoming Inc.	111.99	100%	6,812	9,815	3,049		13.6%	30.5%	10,418	3.5%	3.3x	3.2x	3.0x	2.9x	10.6x	9.6x	9.0x
Median		99%	\$ 61,629	\$ 73,996	\$ 13,331		1.5%	48.4%	\$ 39,805	7.2%	2.1x	5.9x	5.6x	5.3x	12.4x	11.5x	10.8x

Outlier, excluded

1. Source: S&P Global Market Intelligence as of July 31, 2018; for definitions refer to page 13.

Public Company Trading Statistics – Trucking¹

(C\$ in millions, except per share data)

(C\$ in millions, except per share data)					% of		Operating Metrics (LTM)					Enterprise Value as a Multiple of					
	Stock Price	52-Week	Market	Enterprise	Revenue		EBITDA		Ret. on	Debt/	Revenue			EBITDA			
Company	7/31/2018	High	Cap.	Value	Revenue	CAGR, 5-Yr.	Margin	Assets	Assets	EBITDA	LTM	2019E	2020E	LTM	2019E	2020E	
Truck Load (TL)																	
J.B. Hunt Transport Services, Inc.	\$ 156.14	91%	\$ 17,073	\$ 18,362	\$ 10,418	8.3%	14.0%	\$ 6,036	10.4%	0.9x	1.8x	1.5x	1.4x	12.6x	9.8x	9.1x	
Knight-Swift Transportation Holdings Inc.	42.39	63%	7,559	8,529	5,898	36.1%	16.8%	10,198	5.6%	1.0x	1.4x	1.1x	1.1x	8.6x	6.1x	5.6x	
Schneider National, Inc.	34.04	86%	6,025	6,145	5,824	4.9%*	12.7%	4,401	5.7%	0.2x	1.1x	0.9x	0.8x	8.3x	6.4x	5.8x	
Landstar System, Inc.	144.75	94%	5,948	5,901	5,562	9.5%	7.8%	1,722	14.6%	-1 ve	1.1x	0.9x	0.9x	13.5x	11.5x	11.2x	
TFI International Inc.	🇨🇦 43.20	97%	3,780	5,341	4,787	9.2%	12.0%	3,894	5.2%	2.7x	1.1x	1.0x	1.0x	9.3x	7.7x	7.4x	
Werner Enterprises, Inc.	48.51	85%	3,484	3,595	2,996	2.5%	16.8%	2,593	5.5%	0.2x	1.2x	1.0x	1.0x	7.1x	5.7x	5.4x	
Mullen Group Ltd.	🇨🇦 16.04	91%	1,681	2,131	1,168	-3.2%	14.3%	1,684	2.9%	2.7x	1.8x	1.6x	1.6x	12.8x	9.6x	9.3x	
Heartland Express, Inc.	24.99	76%	2,053	1,914	869	4.1%	22.0%	1,033	2.9%	-1 ve	2.2x	2.2x	2.2x	10.0x	7.3x	7.1x	
Universal Logistics Holdings, Inc.	43.63	100%	1,239	1,575	1,747	5.2%	7.9%	905	5.3%	2.5x	0.9x	0.8x	0.8x	11.5x	8.4x	7.9x	
Marten Transport, Ltd.	28.45	74%	1,555	1,527	970	2.4%	18.7%	953	4.7%	-1 ve	1.6x	1.3x	1.3x	8.4x	6.4x	6.0x	
Daseke, Inc.	11.32	60%	665	1,312	1,307	16.0%*	10.3%	1,561	1.3%	4.1x	1.0x	0.6x	NA	9.8x	5.3x	NA	
Covenant Transportation Group, Inc.	37.74	82%	692	920	989	1.9%	16.3%	845	3.4%	1.5x	0.9x	0.7x	NA	5.7x	4.6x	NA	
P.A.M. Transportation Services, Inc.	71.04	92%	441	636	624	3.8%	14.0%	512	2.7%	2.3x	1.0x	NA	NA	7.3x	NA	NA	
USA Truck, Inc.	28.42	75%	230	348	655	-1.3%	8.4%	329	3.2%	2.2x	0.5x	0.5x	NA	6.3x	4.4x	NA	
ENTREC Corporation	🇨🇦 0.19	74%	20	173	151	-1.2%	6.3%	225	-3.1%	16.0x	1.1x	0.9x	NA	18.1x	6.8x	NA	
Titanium Transportation Group Inc.	🇨🇦 1.74	94%	64	131	145	31.7%	10.1%	122	1.4%	4.6x	0.9x	0.7x	0.6x	8.9x	6.1x	5.6x	
Patriot Transportation Holding, Inc.	27.74	89%	92	74	149	1.6%	9.7%	85	0.5%	-1 ve	0.5x	NA	NA	5.1x	NA	NA	
Median		86%	\$ 1,555	\$ 1,575	\$ 1,168	2.5%	12.7%	\$ 1,033	3.4%	2.2x	1.1x	0.9x	1.0x	8.8x	6.4x	7.1x	
Less Than Truck Load (LTL)																	
Old Dominion Freight Line, Inc.	\$ 191.17	89%	\$ 15,714	\$ 15,590	\$ 4,896	11.0%	23.9%	\$ 4,368	13.7%	-1 ve	3.2x	2.8x	2.6x	13.3x	11.0x	10.5x	
Saia, Inc.	98.13	87%	2,496	2,681	1,989	6.4%	13.7%	1,428	7.2%	0.7x	1.3x	1.2x	1.1x	9.8x	7.7x	7.5x	
ArcBest Corporation	60.62	92%	1,557	1,586	3,878	5.9%	5.5%	1,884	2.7%	0.1x	0.4x	0.4x	0.4x	7.4x	5.6x	6.1x	
YRC Worldwide Inc.	12.68	55%	431	1,467	6,364	0.5%	5.0%	2,074	3.7%	3.2x	0.2x	0.2x	NA	4.6x	3.5x	NA	
Roadrunner Transportation Systems, Inc.	2.85	22%	110	710	2,814	13.9%	-1.1%	1,141	-4.4%	-1 ve	0.3x	NA	NA	NM	NA	NA	
Median		87%	\$ 1,557	\$ 1,586	\$ 3,878	6.2%	5.5%	\$ 1,884	3.7%	0.7x	0.4x	0.8x	1.1x	8.6x	6.7x	7.5x	

Outlier, excluded

* Calculated CAGR for a period less than 5 years

1. Source: S&P Global Market Intelligence as of July 31, 2018.

Definitions

CAGR: Compounded Annual Growth Rate

EBITDA: Earnings before Interest, Taxes, Depreciation and Amortization. EBITDA does not reflect adjustments for extraordinary items.

Enterprise Value: Market Capitalization + Total Debt + Preferred Equity + Minority Interest – Cash and Short-Term Investments

LTM: Last Twelve Months

Selected Duff & Phelps Freight and Logistics Experience

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Sell Side Advisor



has been acquired by



Financial Advisor to Werner Enterprises, Inc.

Financial Advisor



Valuation advisor to Canadian Pacific Railway Limited

Sell Side Advisor



has been acquired by



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Financial Advisor



Financial advisor to Contrans Group, Inc.

Financial Advisor



Financial advisor to Fastrate Inc.

Financial Advisor*



Financial advisor to Canadian National Railway re CN Worldwide Logistics

Financial Advisor*



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