

INDUSTRY INSIGHTS:

Staffing Industry M&A Landscape

January 2018



Q Highlights

With a positive operating environment across most industry sectors, an increasing number of staffing company owners are seeking to capitalize on their current strong performance by realizing value through either a sale or recapitalization transaction.

Strategic buyers accounted for 80% of the staffing industry acquisitions in 2017, with private equity (financial buyers) investing in a new platform acquisition accounting for the other 20% of the transactions.

– 28 new platform staffing investments were acquired by financial investors in 2017 and 20 in 2016.

IT staffing continues to be the most active staffing M&A sector, with 41 transactions reported in 2017.

Professional staffing companies (including IT, healthcare, life sciences, finance and accounting and creative/digital staffing) continue to see the most widespread demand from buyers and investors.

Buyers continue to have very specific criteria as they evaluate acquisition targets. Acquirers desire companies with a strong blend of both revenue growth and profitability, with significant attention paid to customer diversification and the gross margin impact of potential acquisitions. Proven management teams desiring to stay on post-transaction also remain highly sought after.

BY THE NUMBERS



139

139 staffing industry M&A transactions were reported in 2017.

34

34 staffing industry M&A transactions completed by 32 different buyers were reported in the fourth quarter of 2017.

124

124 unique buyers have completed a staffing company acquisition in 2017.

86%

86% of the staffing transactions completed in 2017 were acquired by either privately held buyers or financial investors.



M&A Activity – Staffing Industry ...

The fourth quarter of 2017 saw 34 staffing industry M&A transactions completed by 32 different buyers, a continuance of the strong M&A activity seen since the beginning of 2015. For all of 2017, 139 staffing industry M&A transactions have been completed by 124 unique buyers. As the staffing industry continues to benefit from a positive operating environment across most industry sectors, an increasing number of owners are seeking to capitalize on their current strong performance by realizing value through either a sale or recapitalization transaction.

Announced transaction activity will likely remain robust in 2018, as we continue to field a steady stream of inquiries from both strategic buyers and financial investors, as well as potential sellers. Buyers reported seeing a large surge in available deal opportunities right after Labor Day in 2017, so the majority of these transactions will likely close in the first and second quarters of 2018. This supports our observation that seller interest is noticeably increasing, as improving operating results make valuation targets more achievable. Additionally, many owners are increasingly mentioning the potential risk of holding their business too long and missing the open window that currently exists for completing a transaction.

Even as acquisition activity continues to flourish, buyers/investors continue to have very specific criteria as they evaluate acquisition targets. Professional staffing businesses, particularly those in the areas of IT staffing, healthcare staffing and life sciences staffing, continue to generate the greatest buyer demand. Acquirers are most interested in companies that have a strong blend of both revenue growth and profitability, with significant attention paid to customer diversification and the gross margin impact of potential acquisitions. Proven management teams desiring to continue with the business post-transaction also remain highly sought after. Conversely, companies with flat or declining growth profiles, customer concentration or without management teams staying on with the business post-transaction are finding more limited buyer interest and, hence, less exciting valuation multiples.

Staffing industry acquisition activity remains primarily driven by privately held strategic buyers (many of whom are backed by private equity), as the larger and better-known public staffing companies account for only a limited number of transactions each year. 86% of the transactions in 2017 were completed by privately owned buyers/investors, with only 14% of the acquisitions completed by a publicly traded entity.

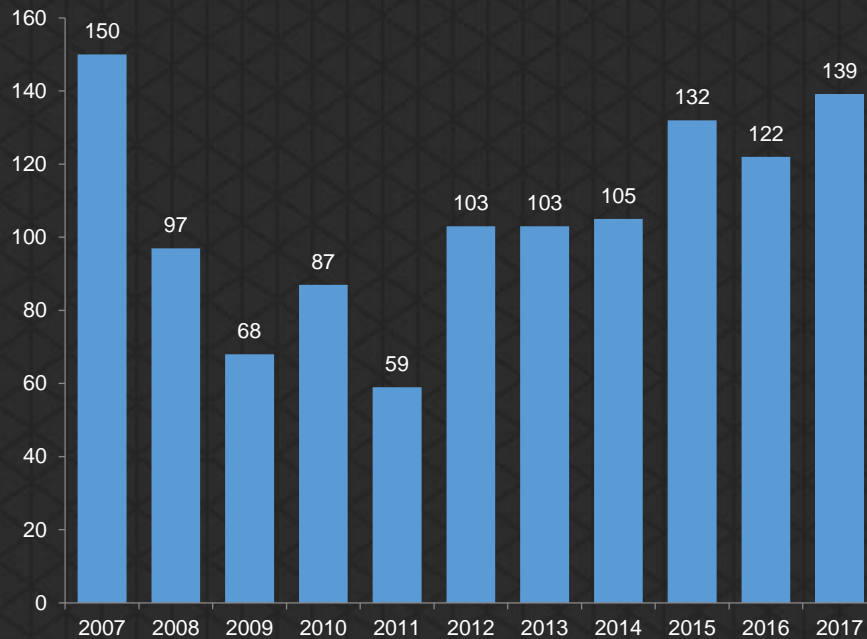
Strategic buyers (including those staffing companies primarily owned by private equity investors) completed 80% of the staffing acquisitions in 2017. This follows the 84% of announced acquisitions completed by strategic acquirers in 2016. Private equity (financial buyers) continues to be an attractive option for the largest- and fastest-growing staffing companies, with 28 new platform investments made in 2017 and 20 in 2016. Companies with scale, excellent historical and projected growth rates and management teams seeking to continue the growth of their businesses while taking some money off the table are proving to be very attractive investment platforms for many private equity investors interested in the business services sector.

IT staffing companies, especially those with a more relationship-oriented direct sales model generating higher gross margins and double-digit EBITDA margins, continue to be the single most attractive temporary staffing segment for acquirers, as 41 of the 139 transactions reported in 2017 involved companies whose predominate service offering was IT staffing. Healthcare staffing companies are also seeing significant buyer interest and very attractive valuation multiples, with 23 transactions completed in 2017. The professional staffing segments (including IT, healthcare, life sciences, finance and accounting and creative/digital staffing) all continue to see the most widespread demand from buyers and, thus, the strongest valuations. The light industrial/clerical staffing segment continues to produce a healthy number of transactions, with 19 reported in 2017, although typically at lower valuation multiples as compared to professional staffing.

M&A Activity – Staffing Industry ...

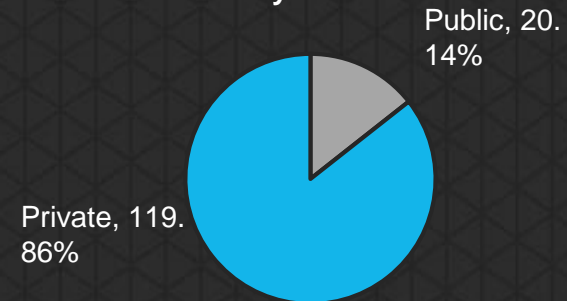
Yearly Staffing Transaction Volume – 2007 to Dec. 31, 2017

Number of Deals

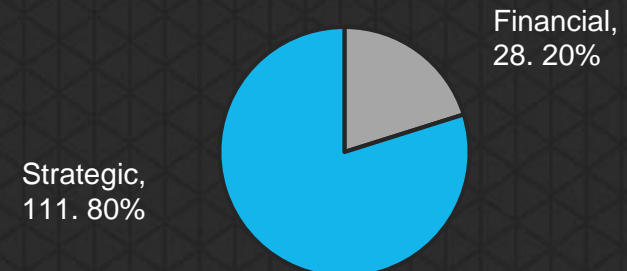


Staffing Industry Transaction Activity – 2017

Public vs. Private Buyer

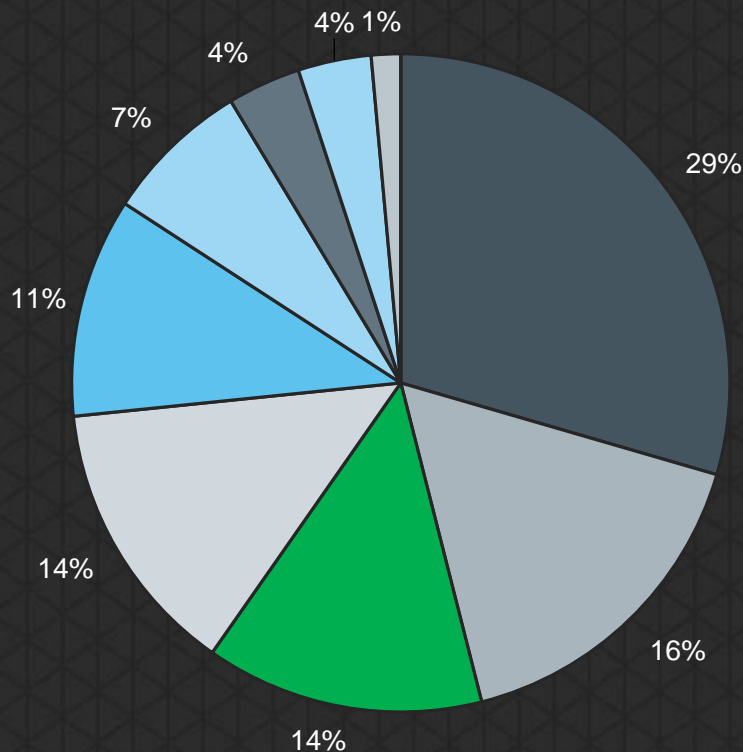


Strategic vs. Financial Buyer



M&A Activity – Staffing Industry ...

M&A Activity by Staffing Industry Sector – 2017



Industry Sector	No. of 2017 Transactions
IT Staffing	41
Healthcare	23
Light Industrial/Clerical	19
Other	19
Executive Search	15
Technical	10
F&A	5
PEO	5
Legal	2

Canadian M&A Activity – Staffing Industry

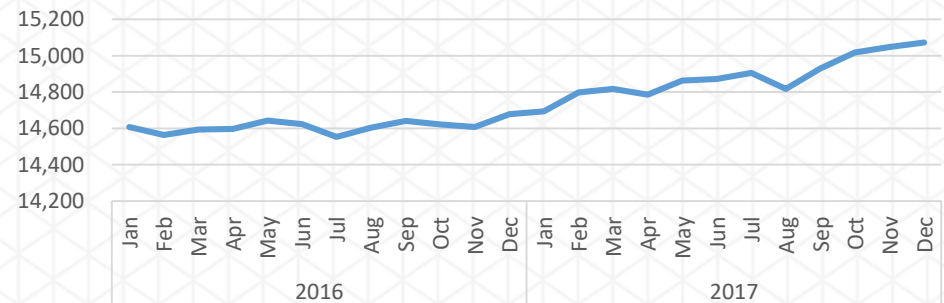
The Canadian staffing industry has seen moderate growth in 2017 as the economy continued its upward momentum from 2016. Unemployment in the country dropped to 5.7% in 2017, a 41 year low. As of December 2017, there were 15.1 million full-time employees and 3.6 million part time workers across the country.

The office staffing and temp agencies industry in Canada is expected to grow at an annualized rate of 3.3% over the next five years. Canada's GDP is expected to remain strong, rising by 1.9% in both 2018 and 2019, which will continue to stimulate demand for workers.

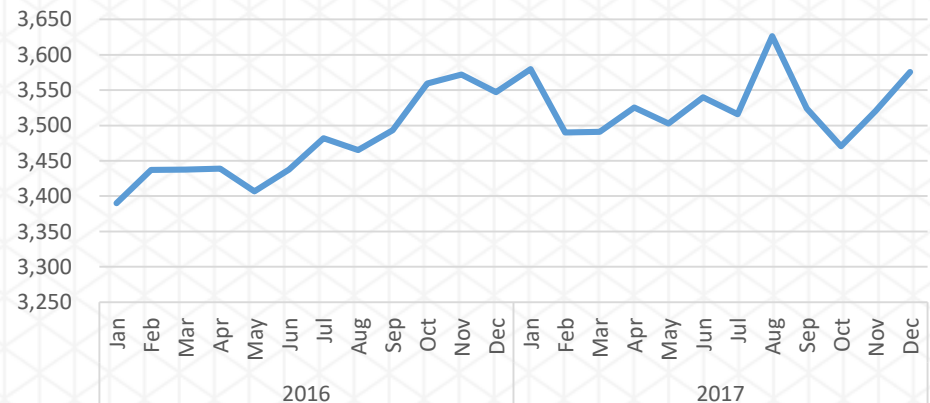
Additionally, significant minimum wage hike is expected to come into effect in Ontario and Alberta in early 2018, which may further drive demand for temporary staffing as employers look to defray the spike in wage costs.

••

Full Time Employment



Part Time Employment

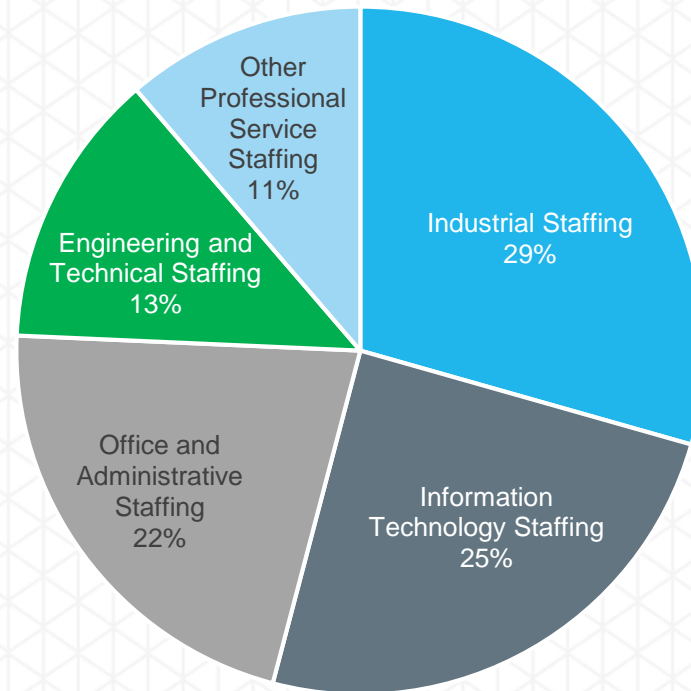


Canadian M&A Activity – Staffing Industry

Industrial staffing continues to represent the largest percentage of the industry (29.4%), however IT staffing (24.7%) is growing quickly and may become the largest segment of the market as Canadian businesses rely more on IT solutions to increase performance. Office and administrative staffing (21.6%) has grown in line with the rest of the industry and will likely be positively impacted by the minimum wage hike. Engineering and technical staffing (13%) saw a slight fall in revenue as the drop in oil prices reduced the number of positions available. Technical staffing will likely recover over the short to midterm as the price of crude oil stabilizes.

o●

Canadian Staffing Industry Segmentation



Notable Staffing Transactions – Q4 2017 ●○○○○○



Hire Dynamics, an Atlanta-based commercial staffing provider, acquired StaffMasters effective Oct. 2. Both firms focus on the Southeastern US. StaffMasters, headquartered in Charlotte, NC, is a commercial staffing provider with 23 branches and eight on-site locations across North Carolina and South Carolina. Its more than 715 clients include contact (call) centers, warehouse and logistics operations, administrative services and manufacturing facilities. Terms were not announced but the combined firms will count \$220 million in annual revenue.

Both Hire Dynamics and StaffMasters will retain their brands. Richard Langdon, founder of StaffMasters, will join the board of Hire Dynamics and retain some ownership of the combined business.

“The companies both provide support for contact centers, warehouses, administration and manufacturing, and both have growing businesses in the Carolinas,” said Hire Dynamics CEO Larry Feinstein. “StaffMasters branches are complementary to Hire Dynamics branches and will expand our coverage.”

Hire Dynamics has operations throughout the Southeast and now more than 800 clients. It is owned by Atlanta-based MSouth Venture Partners.

Notable Staffing Transactions – Q4 2017



Private equity firm Webster Capital Management LLC acquired Cirrus Medical Staffing Inc. from A. Soriano Corp, also known as Anscor, for a purchase price of \$36.9 million, according to a filing with the Philippine Stock Exchange. Anscor acquired Cirrus Medical Staffing in early 2008.

"We are excited to partner with Cirrus to assist them in continuing to staff high-quality healthcare professionals across the country," said David Malm, co-managing partner and head of healthcare services at Webster Capital. "The company has an exceptional track record and is well-positioned to capitalize on a range of growth opportunities in the coming years."

Cirrus Medical ranks on Staffing Industry Analysts' list of largest healthcare staffing firms in the US. The Charlotte, N.C.-based firm was formed in 2004 and places travel nursing and allied healthcare professionals nationwide.

Cirrus Medical Staffing Inc. owns 100% of Cirrus Holdings USA LLC, a North Carolina limited liability company as well as Cirrus Global Services Inc., a Philippine domiciled company that provides finance and administrative support services.

Webster Capital is a Massachusetts-based private equity firm with more than \$600 million of committed capital.

Notable Staffing Transactions – Q4 2017

○○●○○○



New MainStream Capital announced it partnered with company founder Tim Kinnetz in the recapitalization of Iowa-based GrapeTree Medical Staffing LLC. GrapeTree will serve as the platform investment in New MainStream Capital's effort to build a provider of CNA and RN staffing to long-term care facilities and hospitals on both a per diem and contract basis. In connection with the transaction, the private equity firm made a "substantial capital commitment" that will be used to add employees, expand service offerings and make strategic acquisitions.

In addition, New MainStream Capital operating executive council member Bob Livonius will serve as a board member of GrapeTree. Livonius most recently was president of workforce solutions for AMN Healthcare Services (NYSE: AMN). He is also the former chairman of the American Staffing Association, and currently serves on the board of ettain group.

"GrapeTree is filling an important need in the marketplace that the large players are missing — local, shorter duration assignments at the CNA, LPN and RN level — and they're doing it with technology from a single location, resulting in higher fill rates with higher quality healthcare professionals without sacrificing service level," Livonius said.

Kinnetz, a former travel nurse, founded GrapeTree in 1999 in Milford, Iowa. The firm serves facilities across the Midwest and focuses on CNA staffing in nursing homes and assisted living facilities, as well as LPNs and RNs in hospitals. GrapeTree has more than 100 employees and year to date 2017, more than 1,600 different healthcare professionals have worked at least one GrapeTree shift.

Notable Staffing Transactions – Q4 2017



Resources Connection Inc. (NASDAQ: RECN) completed its acquisition of Accretive Solutions Inc., a Chicago-based firm that provides consulting, staffing and outsourcing services. Resources Connection is paying \$19.4 million in cash plus 1.15 million shares of restricted common stock for the firm.

Accretive Solutions operates eight offices across the US. It will transition into the RGP brand over the next six to nine months, except for its Countsy brand, which provides a back-office suite of services to startups. RGP continues to expect the transaction to increase RGP's revenue by approximately \$65 million to \$70 million after nine to 12 months.

"We are confident that Accretive's complementary capabilities will strengthen RGP's core competencies and we expect it will enable us to capitalize on growth opportunities in key US geographies, capture additional market share in the middle market, and expand our offerings to startups," said RGP President and CEO Kate Duchene. "Today's closing marks the start of an exciting new chapter for RGP and Accretive, and we look forward to the significant value this transaction can create for both our clients and shareholders."

Notable Staffing Transactions – Q4 2017

○○○○●○○



Private equity firm Olympus Partners acquired staffing provider Vaco from Quad-C Management Inc., a middle market private equity firm. Quad-C reported Vaco management was also an acquirer. Terms of the transaction were not disclosed.

Quad-C invested in Vaco in 2014 in partnership with its management team. Vaco completed seven acquisitions during Quad-C's ownership, expanding its service offerings into healthcare IT and extending its geographic footprint domestically, as well as into Canada and India. Most recently, Vaco in August acquired Lannick, a finance and accounting professional recruitment and consulting firm serving the Greater Toronto Area. Including Lannick's projected revenue of \$40 million for 2017, Vaco's revenue for 2017 is expected to surpass \$458 million. The deal was Vaco's largest acquisition to date and its second international acquisition in four months.

Founded in 2002 and based in Nashville, Tenn., Vaco operates more than 35 offices worldwide, with more than 780 employees and 4,300 consultants. Vaco provides consulting, contract and direct hire services in sectors including accounting, finance, technology, healthcare, operations and administration.

"We are beyond ecstatic to partner with Olympus," said Vaco Founder and CEO Jerry Bostelman. "Their contribution will be invaluable as we explore how to more cohesively deliver our complete solutions to clients, expand our service lines and geographies throughout the globe and institutionalize the essence of Vaco to ensure its eternal viability."

Stamford, Conn.-based Olympus Partners manages more than \$5.5 billion on behalf of corporate pension funds, endowment funds and state-sponsored retirement programs.

Notable Staffing Transactions – Q4 2017

○○○○○●○



Private equity firm Great Range Capital acquired Labor Source, a professional staffing company headquartered in Olathe, Kan. The investment team also included company management and The Bradley Family Office (Berks Group). Brandon Sutherland, Labor Source's founder, retains significant ownership in the company and is a key member of the senior management team, the company reported. Labor Source's new CEO is Mike Pitman, formerly of Allegis Group.

Labor Source is the parent company of One Source Staffing and Labor — a professional staffing company targeting disaster restoration — and CATSTAFF, which provides laborers to restoration contractors. Labor Source operates nationwide from offices in Kansas City, Houston, Chicago, and New York City metropolitan areas.

"I was searching for partners who share our Midwestern work ethic and have a proven track record of helping businesses grow," Sutherland said. "Great Range Capital, the Bradley Family, and Mike Pitman fulfill those requirements and will help Labor Source reach the next level."

Great Range Capital, based in greater Kansas City, primarily targets controlling equity investments in Midwestern companies with revenues ranging from \$20 million to \$150 million.

Notable Staffing Transactions – Q4 2017 ○○○○○○●



apply leverage. drive results.

Staffing firm ALKU acquired Holland Square Group, a healthcare IT consulting services provider based in Franklin, Tenn. Holland Square ranked No. 55 on this year's list of fastest-growing staffing firms with revenue of \$26.4 million in 2016. The Nashville, Tenn.-based firm provides IT consulting and staffing services to a range of healthcare clients, including payers and healthcare services providers.

"We immediately recognized the unique opportunity that combining with Holland Square Group represents for the ALKU portfolio," said Mark Eldridge CEO of ALKU. "It is clear that this partnership will succeed because the two entities are focused on specific practice areas and do not deviate from this specialized approach."

Staffing M&A Transactions

Q4 2017 ...

Announced Date	Seller	Buyer	Business Description
10/2/2017	Nationwide Temporaries Inc.	NSC Technologies	Provides personnel for the construction and light industrial segments.
10/2/2017	StaffMasters	Hire Dynamics	Commercial staffing provider with 23 branches and eight on-site locations across North Carolina and South Carolina. It's more than 715 clients include contact (call) centers, warehouse and logistics operations, administrative services and manufacturing facilities.
10/3/2017	Mullin International	Adecco Group	Provides outplacement services such as career transition solutions.
10/3/2017	Discover Biopharmaceutical Search and Placement	The Tolan Group	A boutique executive search firm dedicated to the biopharmaceutical field.
10/10/2017	Progressive Employer Management Company	CoAdvantage Inc.	Provides payroll administration, workers' compensation, risk management, employee benefits packages, and human resource expertise solutions.
10/16/2017	UltraForce Staffing Services	The William Gaston Fund	Provides staffing on a temporary, temp-to-hire or a direct-hire basis as well as recruiting for engineering, accounting and other professional positions.
10/16/2017	Gorman Health Group, LLC	Convey Health Solutions Inc.	Provides health care professional and software services.
10/17/2017	Wilson Human Capital Group Inc.	CIP Capital	Provides enterprise RPO, sales, technology, veteran, university, healthcare, service leavers, graduate, and diversity recruitment; and human capital consulting services.
10/20/2017	Cirrus Medical Staffing Inc.	Webster Capital Management, LLC	Places travel nursing and allied healthcare professionals nationwide.

Staffing M&A Transactions

Q4 2017 ...

Announced Date	Seller	Buyer	Business Description
10/20/2017	Advance Med	American Health Staffing Group Inc.	Provider of travel nurse staffing.
10/24/2017	GrapeTree Medical Staffing, LLC	New MainStream Capital	Focuses on CNA staffing in nursing homes and assisted living facilities, as well as LPNs and RNs in hospitals.
10/24/2017	Mitchell Actuarial Recruiting, LLC	McGrath Systems	Offers executive recruiting for the actuarial and benefits fields.
10/25/2017	Total HR Management	CoAdvantage Inc.	Provides human resource administration services including, payroll administration, workers' compensation, employee benefits, and human resource solutions.
10/30/2017	Search Group Solutions	Hire Dynamics	Capabilities in contact center and administrative positions in the healthcare fields.
11/2/2017	Accretive Solutions Inc.	Resources Connection Inc.	Provides consulting, project resources, and outsourcing solutions to various organizations from start-ups to the Fortune 500 in the United States and internationally. The company offers its solutions in the areas of accounting and finance, governance and compliance, information technology, and business transformation.
11/9/2017	CorSource	Management Buyout lead by Andrew Hermann	Provides IT staffing services.
11/13/2017	Maguire & Fish Inc.	Apartment List, Inc.	Provide temporary recruiting services and implement hiring strategies for social/mobile gaming, ed-tech, cannabis, fin-tech, internet of things, pet-tech, online dating, e-commerce, employee wellness markets.
11/13/2017	Vaco	Olympus Partners	Provides consulting, contract and direct hire services in sectors including accounting, finance, technology, healthcare, operations and administration.

Staffing M&A Transactions

Q4 2017 ...

Announced Date	Seller	Buyer	Business Description
11/15/2017	Valley Healthcare Staffing Inc.	TotalMed	Places traveling nurses, technicians and other medical personnel in temporary jobs. Also owns ValleyForce, a marketing and recruitment automation engine that mechanizes the matching, marketing, submission and onboarding of clinicians.
11/20/2017	Bridgepoint Consulting	Addison Group	Provides a range of finance, technology and risk/compliance consulting services.
11/27/2017	Broad Waverly Staffing	Private Investor	Places temporary and permanent staff in clerical, light industrial, manufacturing, accounting and administrative roles.
11/27/2017	Momentum Specialized Staffing	AtWork	Provide light industrial, administrative, medical, skilled labor and direct hire services.
12/4/2017	Labor Source	Great Range Capital	Holding company for One Source Staffing and Labor, a professional staffing company targeting disaster restoration; and CATSTAFF, which provides laborers to restoration contractors.
12/6/2017	Staff One HR	Oasis Outsourcing	Provides human resources and related PEO services.
12/7/2017	GAP Solutions Inc.	System One	GAP Solutions' services include human capital management, security process management, scientific and technical expertise, and operations management.
12/11/2017	Holland Square Group	ALKU	Provides IT consulting and staffing services to a range of healthcare clients, including payers and healthcare services providers.
12/11/2017	Restorative Health Care Noor Inc.		Provides nursing and therapy services, including RNs and occupational, physical and speech therapy services for chronic conditions, intermittent care, quadriplegics and disease management.

Staffing M&A Transactions

Q4 2017 ...

Announced Date	Seller	Buyer	Business Description
12/12/2017	CDI Corp. (Aerospace & Industrial Equipment Division)	Belcan, LLC	Provider of IT and engineering staffing for Aerospace industry.
12/18/2017	Hudson Global's Europe operations	Value Plus NV	Professional recruitment and talent management operations in Belgium, the Netherlands and Luxembourg.
12/18/2017	Hudson Global's Europe operations	Morgan Philips Group SA	Professional staffing operations in the UK, France, Spain and Poland as well as a network of franchise operations in Denmark, Sweden, Norway, Czech Republic, Ukraine and Slovakia.
12/18/2017	Hudson Global's Asia Pacific operations	Apache Group Holdings Pty Ltd.	Professional recruitment and talent management operations in Asia Pacific.
12/18/2017	eSolve	Randstad Group (Ausy)	Provider of IT management services, consulting and support for the development of IT infrastructures and applications for German automotive industry.
12/22/2017	Magellan Search & Staffing (temp division)	Diversified Staffing Services Ltd.	Provides temporary staffing solutions such as accounting finance, information technology, and human resources.
12/22/2017	Trucking Unlimited	TransForce Inc.	Trucking Unlimited operates www.truckdrivingjobs.com as its primary job board matching motor carriers with professional truck drivers. The acquired company works with a truck driver database of more than 500,000 drivers nationwide. It also operates www.TruckingCompaniesHiring.com , www.TruckingUnlimited.com , www.TruckingIndustry.news and www.TruckersForum.com .

Public Trading Data for Staffing Companies .oo

(\$ in millions, except per share amounts;
average excludes highest and lowest values)

Company Name	Ticker	Price as of 12/29/2017	52 Week		% of 52 Week High	Market Cap	Enterprise Value	LTM Revenue	EBITDA		LTM EBITDA Margin	EV/EBITDA	
			Low	High					LTM	2017E		LTM	2017E
Commercial Staffing													
Adecco Group AG	ADEN	\$76.50	\$68.18	\$81.93	93.4%	\$13,026.3	\$14,302.7	\$27,741.4	\$1,443.1	\$1,544.2	5.2%	9.9x	9.3x
Barrett Business Services Inc.	BBSI	64.49	44.52	69.32	93.0	470.8	438.9	896.8	31.8	39.1	3.5	13.8	11.2
GEE Group Inc.	JOB	2.78	2.46	7.00	39.7	27.5	126.3	135.0	5.5	7.8	4.1	23.1	16.3
Kelly Services, Inc.	KELY.A	27.27	20.27	30.93	88.2	1,047.9	1,049.6	5,256.5	98.9	108.0	1.9	10.6	9.7
ManpowerGroup Inc.	MAN	126.11	88.39	131.99	95.5	8,357.1	8,703.5	20,352.9	878.3	862.4	4.3	9.9	10.1
Randstad Holding NV	RAND	61.53	57.76	70.14	87.7	11,275.1	12,926.2	26,970.9	1,178.6	1,375.3	4.4	11.0	9.4
Staffing 360 Solutions Inc.	STAF	3.15	2.25	6.60	47.7	12.2	66.9	185.3	4.5	7.9	2.5	NM	8.4
TrueBlue Inc.	TBI	27.50	19.30	29.50	93.2	1,010.4	1,110.2	2,574.1	135.7	122.0	5.3	8.2	9.1
Average					83.9%	\$3,698.1	\$4,059.1	\$9,372.8	\$388.1	\$419.1	4.0%	11.0x	9.8x
Median					90.6%	\$1,029.1	\$1,079.9	\$3,915.3	\$117.3	\$115.0	4.2%	10.6x	9.6x

DEFINITIONS

PEG Ratio: price earnings to growth

EBITDA: earnings before interest, taxes, depreciation and amortization

EPS: earnings per share

Enterprise Value: market capitalization + total debt + preferred equity + minority interest – cash and short-term investments

LTM: publicly announced last twelve months

Note: \$ Millions, except for per share data. Average excludes the highest and lowest values. EBITDA does not reflect adjustments for extraordinary items.

Source: S&P Global Market Intelligence as of December 29, 2017. Represents publicly traded staffing companies tracked by Duff & Phelps.

Public Trading Data for Staffing Companies

(\$ in millions, except per share amounts;
average excludes highest and lowest values)

Company Name	Ticker	Price as of 12/29/2017	52 Week		% of 52 Week High	Market Cap	Enterprise Value	LTM Revenue	EBITDA		LTM EBITDA Margin	EV/EBITDA	
			Low	High					LTM	2017E		LTM	2017E
Professional Staffing													
BG Staffing Inc.	BGSF	\$15.94	\$12.84	\$18.85	84.6%	\$139.6	\$183.3	\$261.2	\$23.4	\$24.1	9.0%	7.8x	7.6x
Hudson Global Inc	HSO	2.25	1.00	2.40	93.8	70.3	61.9	435.4	4.9	NA	1.1	12.7	NA
Kforce Inc.	KFRC	25.25	16.75	26.95	93.7	637.3	765.5	1,341.4	72.7	78.5	5.4	10.5	9.7
Mastech Digital Inc.	MHH	10.06	5.81	14.07	71.5	54.9	95.1	139.8	6.1	NA	4.4	15.5	NA
On Assignment Inc.	ASGN	64.27	42.95	65.73	97.8	3,343.0	3,925.0	2,567.8	268.6	307.0	10.5	14.6	12.8
RCM Technologies Inc.	RCMT	6.25	4.51	7.50	83.3	75.1	83.7	179.9	7.5	7.7	4.2	11.1	10.9
Resources Connection Inc.	RECN	15.45	12.05	19.80	78.0	465.5	463.9	590.4	43.5	37.2	7.4	10.7	12.5
Robert Half International Inc.	RHI	55.54	42.92	57.67	96.3	6,840.1	6,492.7	5,185.6	577.4	578.8	11.1	11.2	11.2
TSR Inc.	TSRI	5.20	3.80	11.10	46.8	10.2	4.9	64.4	0.6	NA	0.9	8.6	NA
Volt Information Sciences Inc.	VISI	3.80	2.16	8.75	43.5	79.8	160.1	1,247.5	6.1	6.9	0.5	NM	23.2
Average					81.0%	\$608.2	\$717.3	\$845.4	\$54.1	\$90.9	5.3%	11.4x	11.4x
Median					84.0%	\$109.7	\$171.7	\$512.9	\$15.5	\$37.2	4.9%	11.1x	11.2x

DEFINITIONS

PEG Ratio: price earnings to growth

EBITDA: earnings before interest, taxes, depreciation and amortization

EPS: earnings per share

Enterprise Value: market capitalization + total debt + preferred equity + minority interest – cash and short-term investments

LTM: publicly announced last twelve months

Note: \$ Millions, except for per share data. Average excludes the highest and lowest values. EBITDA does not reflect adjustments for extraordinary items.

Source: S&P Global Market Intelligence as of December 29, 2017. Represents publicly traded staffing companies tracked by Duff & Phelps.

Public Trading Data for Staffing Companies ∞•

(\$ in millions, except per share amounts)

Company Name	Ticker	Price as of 12/29/2017	52 Week		% of 52 Week High	Market Cap	Enterprise Value	LTM Revenue	EBITDA		LTM EBITDA Margin	EV/EBITDA	
			Low	High					LTM	2017E		LTM	2017E
Healthcare Staffing													
AMN Healthcare Services Inc.	AMN	\$49.25	\$33.61	\$51.75	95.2%	\$2,352.8	\$2,652.8	\$1,967.2	\$240.5	\$253.8	12.2%	11.0x	10.5x
Cross Country Healthcare Inc.	CCRN	12.76	11.07	16.38	77.9	465.5	550.7	867.9	39.3	44.2	4.5	14.0	12.5
Average					86.5%	\$1,409.1	\$1,601.8	\$1,417.6	\$139.9	\$149.0	8.4%	12.5x	11.5x
Median					86.5%	\$1,409.1	\$1,601.8	\$1,417.6	\$139.9	\$149.0	8.4%	12.5x	11.5x
Executive & Retained Search													
Heidrick & Struggles International Inc.	HSII	\$24.55	\$17.90	\$27.10	90.6%	\$461.2	\$355.5	\$611.8	\$57.9	\$59.3	9.5%	6.1x	NM
Korn/Ferry International	KFY	41.38	27.47	44.08	93.9	2,338.5	2,305.0	1,632.3	201.6	240.0	12.4	11.4	9.6
Average					92.2%	\$1,399.8	\$1,330.2	\$1,122.0	\$129.8	\$149.6	10.9%	8.8x	9.6x
Median					92.2%	\$1,399.8	\$1,330.2	\$1,122.0	\$129.8	\$149.6	10.9%	8.8x	9.6x

DEFINITIONS

PEG Ratio: price earnings to growth

EBITDA: earnings before interest, taxes, depreciation and amortization

EPS: earnings per share

Enterprise Value: market capitalization + total debt + preferred equity + minority interest – cash and short-term investments

LTM: publicly announced last twelve months

Note: \$ Millions, except for per share data. Average excludes the highest and lowest values. EBITDA does not reflect adjustments for extraordinary items.

Source: S&P Global Market Intelligence as of December 29, 2017. Represents publicly traded staffing companies tracked by Duff & Phelps.

Selected Duff & Phelps Staffing Transactions

Sell Side Advisor

Strategicinfusion

has been acquired by

MORSON
GROUP

Sell Side Advisor

Hudson | IT

has been acquired by

 **mastech**

Sell Side Advisor

Hudson | LEGAL

has been acquired by



Sell Side Advisor

INSTAFF

a portfolio company of North Texas Opportunity Fund LP,
has been acquired by

 **BG Staffing**

Sell Side Advisor



has been acquired by



a portfolio company



Sell Side Advisor



has been acquired by

 **BG STAFFING, INC.**

Sell Side Advisor

Addison Group 

has been acquired by



a portfolio company


Sell Side Advisor



has been acquired by

 **BG Staffing**

a portfolio company

TAGLICH PRIVATE EQUITY LLC

Sell Side Advisor

PRESCOTT
LEGAL SEARCH

and Prescott Legal Professionals LP have been
acquired by



a division of MPS Group Inc.

Sell Side Advisor



has been acquired by



Contact Us

U.S. M&A Contacts

John Niehaus

Managing Director
+1 713 986 9307
john.niehaus@duffandphelps.com
Duff & Phelps, LLC
1111 Bagby Street
Suite 1900
Houston, TX 77002

Jim Rebello

Managing Director
+1 713 986 9318
james.rebello@duffandphelps.com
Duff & Phelps, LLC
1111 Bagby Street
Suite 1900
Houston, TX 77002

Canadian M&A Contacts

Howard Johnson

Managing Director
+1 416 597 4500
howard.johnson@duffandphelps.com
333 Bay Street
14th Floor
Toronto, ON M5H 2R2

Kurt Schurer

Managing Director
+1 403 890 7355
kurt.schurer@duffandphelps.com
9705A Horton rd. SW
Suite 102
Calgary, AB T2V 2XS

Laura McNaughton

Head of Business Services M&A
+1 312 697 4678
laura.mcnaughton@duffandphelps.com
Duff & Phelps, LLC
311 South Wacker Drive
Suite 4200
Chicago, IL 60606

Ross Fletcher

Managing Director
+1 416 361 2588
ross.fletcher@duffandphelps.com
333 Bay Street
14th Floor
Toronto, ON M5H 2R2

About Duff & Phelps

Duff & Phelps is the premier global valuation and corporate finance advisor with expertise in complex valuation, disputes and investigations, M&A, real estate, restructuring, and compliance and regulatory consulting. The firm's more than 2,000 employees serve a diverse range of clients from offices around the world.

M&A advisory, capital raising and secondary market advisory services in the United States are provided by Duff & Phelps Securities, LLC. Member FINRA/SIPC. Pagemill Partners is a Division of Duff & Phelps Securities, LLC. M&A advisory and capital raising services in Canada are provided by Duff & Phelps Securities Canada Ltd., a registered Exempt Market Dealer. M&A advisory, capital raising and secondary market advisory services in the United Kingdom and across Europe are provided by Duff & Phelps Securities Ltd. (DPSL), which is authorized and regulated by the Financial Conduct Authority. In Germany M&A advisory and capital raising services are also provided by Duff & Phelps GmbH, which is a Tied Agent of DPSL. Valuation Advisory Services in India are provided by Duff & Phelps India Private Limited under a category 1 merchant banker license issued by the Securities and Exchange Board of India.

For more information please visit:

www.duffandphelps.com