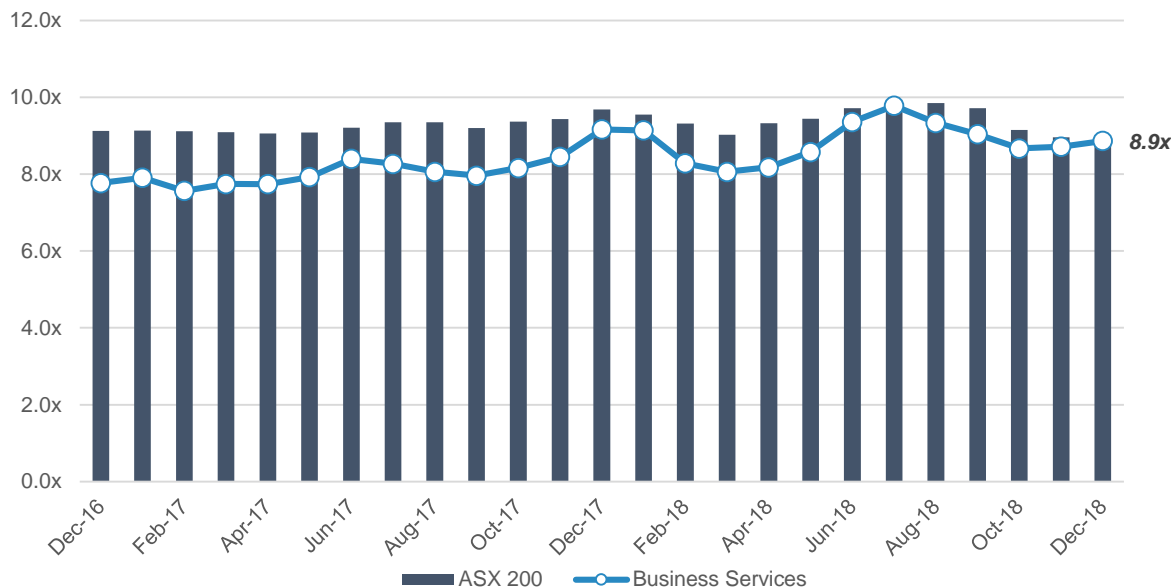


## VALUATION MULTIPLES

**Forward EV / EBITDA Multiples (monthly to 31/12/2018)** Source: FactSet Research Systems Inc.

Multiples in the Business Services sector have slightly increased over the period. At the end of December, the sector traded on a forward EV / EBITDA multiple of 8.9x, compared to the ASX200 on 8.9x.



**Average Values and Trading Multiples (values as at 18/01/2019)** Source: FactSet Research Systems Inc.

Subsector	Enterprise Value (\$m)	EV/EBITDA FY2019	EV/EBIT FY2019	Price / Earnings FY2019
Business and Technical Consulting	6,368	7.1x	8.3x	11.4x
Business Process Outsourcing	18,072	9.1x	10.8x	14.3x
Education	2,752	17.1x	21.0x	22.8x
Transportation, Logistics & Distribution	45,533	6.4x	10.7x	17.7x
<b>Business Services</b>	<b>72,725</b>	<b>8.5x</b>	<b>10.9x</b>	<b>15.5x</b>

Note: Multiples are based on the forward year of the unreported period, which for the majority of companies in the sector is FY2019. Difference in forward EV/EBITDA multiples between Figure and Table are representative of the timing difference between month-end result and current day result.

<sup>1</sup> The InterFinancial Business Services Index set is an unweighted index comprising Business Services sector related companies trading on the Australian Securities Exchange (ASX). Estimates are sourced from FactSet Research Systems Inc.

### MERGER & ACQUISITION NEWS...



**Value: Not disclosed**

**Synergie**, the listed French temporary work and human resources management services company, has agreed to acquire 100% of the Australian temporary employment company **Entire Recruitment**. In 2019, **Synergie** aims to achieve turnover in Australia of \$100m by posting more than 1,000 temporary workers on a daily basis and offering permanent placement expertise.



**Value: \$5.35m**

**Adapt IT**, a South Africa-based software company, has agreed to acquire Australia-based **Wisenet Group**. **Adapt IT** will pay \$2.95m in cash on completion for the **Wisenet Group** and \$2.40m in cash on completion for **Wisenet SG**. The deal complements **Adapt IT's** Education Division growth strategy and provides access to key proprietary software, customers, and markets in the Australian higher education sector.



**Value: Not Disclosed**

**The Environmental Group Limited**, the listed Australia-based company engaged in the power industry, has agreed to acquire **RCR Energy Services**. **EGL** will acquire **RCR Energy** as a part of **RCR Tomlinson's** insolvency proceedings, for an undisclosed consideration. The consideration will be withheld until the end of January 2019.

**Value: Not Disclosed**

**John Holland Group**, an Australia-based provider of engineering and contracting services has agreed to acquire the rail and transport business of **RCR O'Donnell Griffin**, a subsidiary of **RCR Tomlinson**, for an undisclosed consideration. The acquisition will boost **John Holland's** capabilities in rail signalling and power systems, overhead wire and traction power.



**Value: \$28m**

Australian mail delivery business **Australia Post** announced that it has agreed to take full ownership of the UK-based logistics solutions company **Aramex Global Solutions**, by securing a 60% stake in **AGS**. It will allow **Australia Post** to enter into new partnerships with **China Post** and major Asian eCommerce marketplaces.



**Value: \$6m**

**Navigator Resources** will acquire 100% of the issued capital in family law services provider, **AF Legal** in a deal that gives the Australian law firm an enterprise value of \$10.6m. The new shares listed will be issued under a prospectus to raise a minimum of \$4.0m, which will be lodged by the Company as part of the transaction.



**Value: \$59m**

**Cardno**, an Australian professional infrastructure and environmental services consultancy, has acquired **Raba Kistner**, a Texas-based engineering services firm. The acquisition is expected to contribute around USD 3.8m in **Cardno's** FY2019 EBITDA figure.



**Value \$7m**

**ELMO Software**, an Australian-based human resources (HR) software business, has announced the acquisition of **HROnboard**, the Australian-based provider of cloud-based employee onboarding software. The onboarding process is an essential function of an employee's lifecycle within an organization and the acquisition of **HROnboard** strategically strengthens **ELMO's** position as the leading provider of SaaS onboarding solutions in the Australian and New Zealand market.

## SERVING UP SOME SUPPOSITION...

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- **Navitas** announced that it received a revised indicative proposal from the **BGH Consortium** to acquire 100% of the outstanding shares in **Navitas** by way of a scheme of arrangement, for a revised offer price of \$5.825 per **Navitas** share. This new offer is an increase of \$0.325 per **Navitas** share relative to the previous proposals received from the **BGH Consortium** in October 2018.
- **DP World**, the UAE-based, global port operator, has shown large interest in **DCT Gdansk**, the **Macquarie**-owned Poland port terminal. On 17 December, offers were placed by bidders interested in acquiring **DCT Gdansk**.
- **Pacific Equity Partners** (PEP) and other mid-tier Australian private equity players are believed to be eying **Aurizon's** rail-maintenance business. **Gresham** is working on a sale process for the **Aurizon** asset, which provides track maintenance. **PEP** may be looking at adding the asset to its Secure Assets Fund. A previous report noted that the rail maintenance asset could be valued between \$200m and \$400m.

## CONTACT DETAILS

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