

Seale & Associates

Creative Solutions. Trusted Advice.



LOGISTICS & TRANSPORTATION INDUSTRY

Q3

2020

VALUATION
UPDATE

INTRODUCTION

We are pleased to share our Logistics & Transportation Industry Valuation Update for Q3 2020.

We at Seale & Associates are committed to provide process-driven solutions designed to optimize value and achieve our clients' strategic objectives on a range of transactions including Mergers, Acquisitions, Divestitures and Carve-Outs, Business Sales, Recapitalizations, and Joint Ventures, among other corporate finance and strategy consulting services.

Over the course of 20 years we have been successfully serving clients all over the world, and we are delighted to provide investment banking advisory services to our Logistics & Transportation clients that are looking to grow through acquisitions or optimize their portfolio through strategic divestitures.

Seale has extensive experience advising companies that engage in logistics and distribution services. Additionally, Seale has advised leading multinationals, private equity firms and family owned businesses across a wide range of industries.

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COMPARABLE PUBLIC COMPANIES – GLOBAL ROAD FREIGHT

Company	Country	Market Cap. US\$MM	Enterprise Value US\$MM	Revenue US\$MM	EBITDA Margin	Annual Average EV/EBITDA		Third Quarter Sep. 30, 2020		
						2018	2019	EV/EBITDA	EV/Revenue	
CJ Logistics Corporation	 KOR	\$2,768	\$6,019	\$8,848	8.1%	13.6x	14.2x	8.0x	0.7x	
J.B. Hunt Transport Services, Inc.	 USA	\$13,334	\$14,515	\$9,349	13.4%	13.0x	10.8x	10.7x	1.6x	
Knight-Swift Transportation Inc.	 USA	\$6,927	\$7,805	\$4,593	20.9%	14.4x	6.4x	7.8x	1.7x	
Landstar System, Inc.	 USA	\$4,816	\$4,671	\$3,836	7.4%	14.3x	11.3x	NR	1.2x	
Nippon Express Co., Ltd.	 JPN	\$5,410	\$8,073	\$18,855	5.7%	7.4x	6.1x	7.8x	0.4x	
Schneider National, Inc.	 USA	\$4,386	\$3,962	\$4,492	13.7%	8.1x	5.4x	6.4x	0.9x	
TFI International Inc.	 CAN	\$3,893	\$5,209	\$3,677	15.9%	9.1x	7.1x	8.2x	1.4x	
NR: Not Relevant						Mean	11.4x	8.8x	8.2x	1.1x
						Median	13.0x	7.1x	7.9x	1.2x









COMPARABLE PUBLIC COMPANIES – GLOBAL RAIL FREIGHT

Company	Country	Market Cap. US\$MM	Enterprise Value US\$MM	Revenue US\$MM	EBITDA Margin	Annual Average EV/EBITDA		Third Quarter Sep. 30, 2020		
						2018	2019	EV/EBITDA	EV/Revenue	
Aurizon Holdings Limited	 AUS	\$5,786	\$8,510	\$2,116	47.7%	8.3x	9.7x	8.1x	3.9x	
Canadian National Railway Company	 CAN	\$75,559	\$86,245	\$10,318	50.8%	13.2x	13.1x	15.4x	NR	
Canadian Pacific Railway Limited	 CAN	\$41,202	\$48,160	\$5,830	55.8%	12.8x	12.4x	14.5x	NR	
CSX Corporation	 USA	\$59,422	\$73,828	\$10,643	53.1%	12.1x	11.0x	11.8x	6.7x	
GMéxico Transportes, S.A.B. de C.V.	 MEX	\$5,273	\$7,065	\$2,064	40.9%	10.1x	7.7x	7.5x	3.3x	
Kansas City Southern	 USA	\$17,061	\$20,606	\$2,669	52.3%	11.0x	11.3x	14.1x	7.5x	
Norfolk Southern Corporation	 USA	\$54,591	\$66,425	\$10,241	46.3%	11.2x	11.2x	14.0x	6.5x	
Union Pacific Corporation	 USA	#####	\$160,945	\$20,201	51.5%	12.2x	12.8x	15.0x	8.0x	
West Japan Railway Company	 JPN	\$9,410	\$20,856	\$12,113	13.2%	6.8x	7.2x	12.6x	1.7x	
NR: Not Relevant						Mean	10.9x	10.7x	12.6x	5.4x
						Median	11.2x	11.2x	14.0x	6.5x











COMPARABLE PUBLIC COMPANIES – GLOBAL AIR FREIGHT

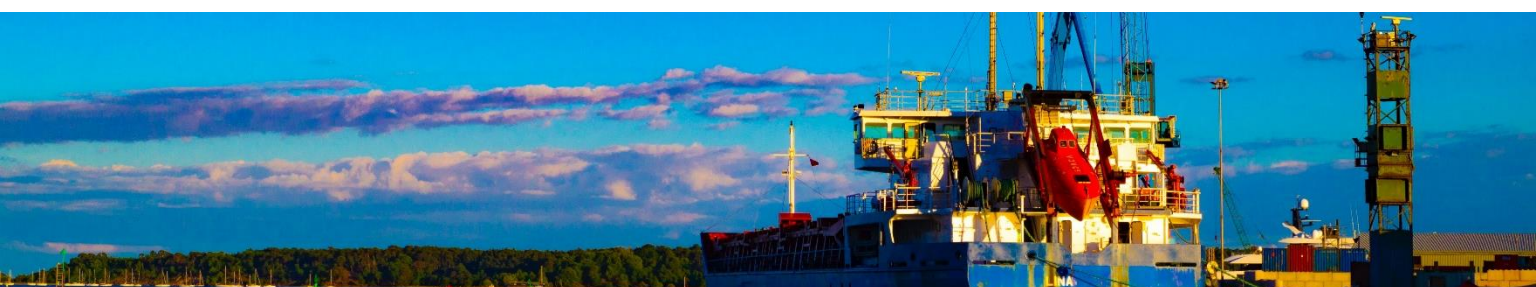
Company	Country	Market Cap. US\$MM	Enterprise Value US\$MM	Revenue US\$MM	EBITDA Margin	Annual Average EV/EBITDA		Third Quarter Sep. 30, 2020		
						2018	2019	EV/EBITDA	EV/Revenue	
Bolloré SE	 FRA	\$10,972	\$43,408	\$27,770	10.5%	NR	12.6x	12.6x	1.5x	
C.H. Robinson Worldwide, Inc.	 USA	\$13,778	\$14,853	\$15,082	4.8%	15.6x	11.8x	NR	1.0x	
Deutsche Post AG	 DEU	\$56,482	\$73,139	\$72,257	7.8%	8.8x	7.9x	8.9x	1.0x	
Expeditors International of Washington, Inc.	 USA	\$15,177	\$14,429	\$8,602	9.8%	14.2x	12.9x	15.1x	1.7x	
FedEx Corporation	 USA	\$66,047	\$97,122	\$71,490	9.8%	9.2x	8.4x	8.8x	1.4x	
Financière de l'Odet SA	 FRA	\$3,350	\$37,354	\$27,768	11.5%	16.9x	11.1x	11.0x	1.3x	
United Parcel Service, Inc.	 USA	\$143,864	\$164,596	\$77,380	10.5%	12.0x	12.7x	16.1x	2.1x	
NR: Not Relevant						Mean	12.8x	11.1x	12.1x	1.4x
						Median	13.1x	11.8x	11.8x	1.4x

COMPARABLE PUBLIC COMPANIES – GLOBAL SEA FREIGHT

Company	Country	Market Cap. US\$MM	Enterprise Value US\$MM	Revenue US\$MM	EBITDA Margin	Annual Average EV/EBITDA		Third Quarter Sep. 30, 2020		
						2018	2019	EV/EBITDA	EV/Revenue	
A.P. Møller - Mærsk A/S	 DNK	\$29,515	\$43,170	\$38,291	13.2%	11.7x	8.8x	6.2x	1.1x	
Kuehne + Nagel International AG	 CHE	\$23,415	\$24,383	\$21,906	6.3%	15.1x	12.2x	13.4x	1.1x	
Hapag-Lloyd Aktiengesellschaft	 DEU	\$9,525	\$16,217	\$14,326	13.0%	11.3x	9.1x	6.3x	1.1x	
Mitsui O.S.K. Lines, Ltd.	 JPN	\$2,334	\$12,956	\$10,424	8.8%	13.5x	12.2x	11.4x	1.2x	
Nippon Yusen Kabushiki Kaisha	 JPN	\$2,909	\$12,293	\$15,056	9.2%	11.7x	12.7x	7.4x	0.8x	
MISC Berhad	 MYS	\$8,055	\$10,143	\$2,151	31.7%	9.0x	10.8x	11.9x	NR	
Kirby Corporation	 USA	\$2,172	\$3,914	\$2,508	16.3%	14.1x	11.8x	8.4x	1.6x	
Orient Overseas (International) Limited	 HKG	\$2,636	\$3,805	\$7,009	6.1%	16.1x	9.9x	6.0x	0.5x	
NR: Not Relevant						Mean	12.8x	10.9x	8.9x	1.1x
						Median	12.6x	11.3x	7.9x	1.1x

LOGISTICS & TRANSPORTATION – Q3 GLOBAL TRANSACTIONS



Date	Target	Country	Description	Seller	Buyer	Additional Notes
Sep-20	Infibeam Logistics Private Limited	IND	Provides logistics services	 INFIBEAM™ AVENUES		Acquired a 51.0% stake for US\$2.6 million
Sep-20	Sagawa Express Co., Ltd.	JPN	Provides door-to-door delivery and logistics services	 Hitachi Transport System		Acquired an additional 20.0% stake for US\$829.0 million
Sep-20	Assets of CLW Delivery, Inc.	USA	Comprises business of providing last-mile logistics			Acquired for US\$5.5 million
Sep-20	DLS Worldwide Logistics Business	USA	Comprises logistics business			Acquired for US\$225.0 million. EV/EBITDA: 9.0x. EV/Revenue: 0.4x
Sep-20	YTO Express Group Co.,Ltd.	CHN	Provides express delivery and logistics services	Shanghai Yuanlong Jiaolong Investment Development (Group) Co., Ltd		Acquired a 12.0% stake for US\$965.2 million. EV/EBITDA: 15.0x. EV/Revenue: 1.6x
Sep-20	Gem-Year Logistics Co., Ltd.	CHN	Provides logistics infrastructure services		Ningbo Jinchang Management Consulting Partnership Enterprise (Limited Partnership)	Acquired a 13.8% stake for US\$9.5 million. EV/Revenue: 1.2x
Aug-20	Japan Logistics Development Co., Ltd.	JPN	Provides third party logistics services	Japan Logistics Development Co., Ltd.		Acquired a 48.7% stake for US\$3.2 million
Aug-20	Gati Asia Pacific Pte. Ltd.	SGP	Engages in providing freight forwarding, packing, and crafting services			-
Aug-20	Dependo Logistics Solutions Private Limited	IND	Provides logistics solutions	 WINNING TOGETHER	Bubble Motion Research And Development India Private Limited	Acquired for US\$1.3 million. EV/Revenue: 0.2x
Aug-20	Jiangsu Xinning Modern Logistics Co.,Ltd	CHN	Provides supply chain management services	Suzhou Jinrong Investment Co., Ltd.	Zhongyuan Financial Holding Co.,Ltd.	Acquired a 2.3% stake for US\$11.9 million
Sep-20	Zhejiang Palcent Logistics Co., Ltd.	CHN	Provides road cargo transportation services	Zhejiang Palcent Logistics Co., Ltd.	Zhejiang Palcent Group Co., Ltd.	Acquired the remaining 7.0% stake for US\$0.2 million. EV/Revenue: 0.6x
Aug-20	PT. Logitek Digital Nusantara	IDN	Provides pick-up and shipping tracking services	PT. Logitek Digital Nusantara		Acquired for US\$0.1 million
Aug-20	Yonghui Yunchuang Technology Co., Ltd.	CHN	Engages in supply chain and logistics services	Yonghui Yunchuang Technology Co., Ltd.		Acquired an additional 20.0% stake for US\$54.5 million. EV/Revenue: 0.7x
Jul-20	Portfolio of Three Brand-New, Grade A Logistics Assets in Lombardy	ITA	Comprises logistics facilities	-	investitori sgr	Acquired for US\$124.5 million
Jul-20	KGH Customs Services AB	SWE	Offers customs and trade management solutions			Acquired for US\$280.6 million. EV/EBITDA: 16.3x
Jul-20	All Assets of Amco Services (International) Limited	GBR	Comprises logistics and warehouse services business	 LOGISTICS FOR YOUR WORLD	CBW Resources Limited	Acquired for US\$0.2 million



REPRESENTATIVE GLOBAL ENGAGEMENTS

Honeywell
has sold
TENSOR
to

GE Power Systems


has acquired



has acquired



has acquired



has sold
 **JAMES BURN INTERNATIONAL**
to

and
JBI Holding SAS




has been acquired by



has partnered with

a subsidiary of
FEMSA


has acquired



has acquired







acquired
The Zinc Recycling Business
of



has been acquired by
FEMSA

Grupo Educativo IEJV
UNIVERSIDAD JOSÉ VASCONCELOS

has been acquired by
NACER GLOBAL


a subsidiary of

has sold
HTPG
to
 and 


has been recapitalized by


tyco
has sold the North American guarding business of

to
GARDA


Engineers & Constructors
has acquires



has been acquired by



has sold
SENSI and **ALOE VESTA**
to



has been acquired by
COLFAX


sold
Cosmoceol Química
to

a business unit of
ICL

intelectiva
acquired

KFC Costa Rica
from
QSR


sold its concrete pumping business to



acquired
  
dealerships from



Holding company of
sanfer
acquired a majority stake in




has been acquired by



Grupo Galaz, S.A de C.V.
has been acquired by






acquired
Workshop and store in Mexico City from



has been acquired by



merged its beverage division with

FEMSA


sold
its sanitaryware businesses
ST. THOMAS CREATIONS
and

to


Seale & Associates

Creative Solutions. Trusted Advice.

Since 1999, **Seale & Associates** has been the trusted advisor to respected public and private companies from around the world. Seale is a global investment bank with extensive experience in mergers and acquisitions (M&A), corporate finance advisory, and enterprise level strategy consulting with a track record of success in a diverse range of industries. Our experienced team of professionals are committed to serving clients with excellence and integrity, while offering innovative ideas and solutions to address complex transactions.

ADVISOR TO LEADING COMPANIES WORLDWIDE

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Please contact us if you would like further information about M&A trends and/or specific transaction multiples for your industry

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