



Transportation and Logistics

*Market Monitor
Spring 2016*

Representative Transportation & Logistics Transactions



Gordon Trucking

acquired by

Heartland Express



Vehicle Donation
Processing Center, Inc.

acquired by

KAR Auction Services,
Inc.



Moss Adams Capital LLC

*provided investment
banking services for*

Watkins and Shepard
Trucking, Inc.



Haney Truck Line, Inc.

acquired by

Evergreen Pacific
Partners



Trans-System, Inc.

*obtained \$13.5 million
in financing from*

CIT now known as
Tyco Capital



JAGUAR

Jaguar Marin

Acquired by

Marin Luxury
Cars, LLC



Lexus Marin & Land
Rover Marin

Acquired by

Sonic Automotive, Inc.



Table of Contents

Industry Update	4
Public Share Price Performance & Valuations	7
Recent M&A Activity & Valuations	11
Moss Adams Overview	17

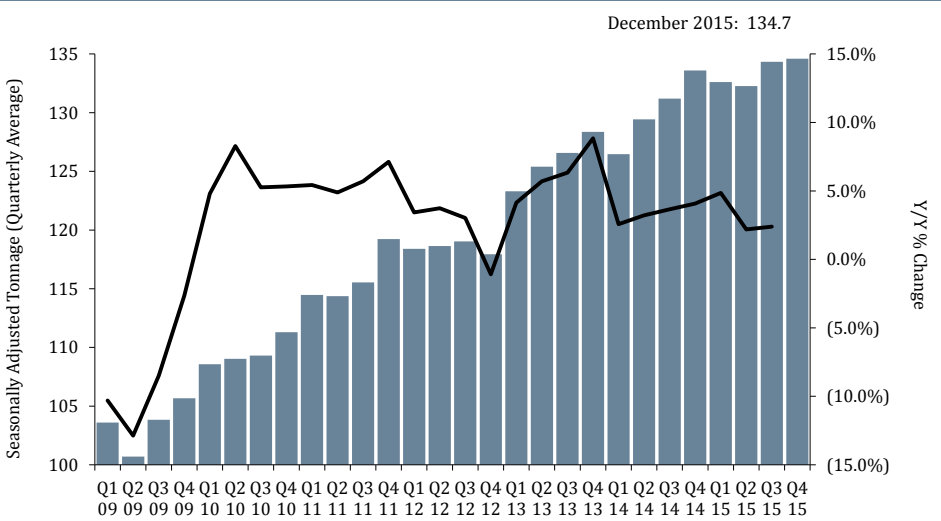
Transportation & Logistics Update

- Consumer confidence measured 92.2 in February 2016 and jig-sawed up and down for most of 2015 reflecting consumers' unease about the direction of global economic growth and volatile equity markets, despite historically low unemployment, modestly rising wages, and cheaper fuel prices
- Manufacturing contracted in February 2016 with PMI measuring 49.5% representing the fifth consecutive month of contraction
- Non-manufacturing activity in January 2016 measured 53.5% representing a decrease of 4.1% from December 2015 but marking the 72nd consecutive month of non-manufacturing growth
- Trucking tonnage remained flat in December 2015 and has measured in a very tight band over the last five quarters
- T&L indices (both share price performance and valuations) rebounded modestly in February 2016 relative to the lows reached in January 2016
- M&A deal counts in the T&L market experienced the fourth straight year of decline; however, while deal counts have been trending lower in recent years, 2015 M&A activity was underscored by several transactions valued at greater than \$1 billion in enterprise value
 - Several notable, large M&A transactions in 2015 include:
 - XPO Logistics' acquisition of Con-Way for \$3.0 billion
 - UPS' acquisition of Coyote Logistics for \$1.8 billion
 - XPO Logistics' acquisition of Norbert Dentressangle for \$3.0 billion
 - Kintetsu World Express' acquisition of APL Logistics for \$1.2 billion
 - Japan Post Bank's acquisition of Toll holdings for \$6.9 billion
 - Fedex's acquisition of GENCO Distribution Systems for \$1.4 billion
- ***The owners of private T&L companies will continue to receive unsolicited calls from inquiring buyers --- being ready and prepared will protect value***

Source: Bureau of Transportation, ATA, Cass Information Systems, Moss Adams Capital analysis, Wall Street Journal

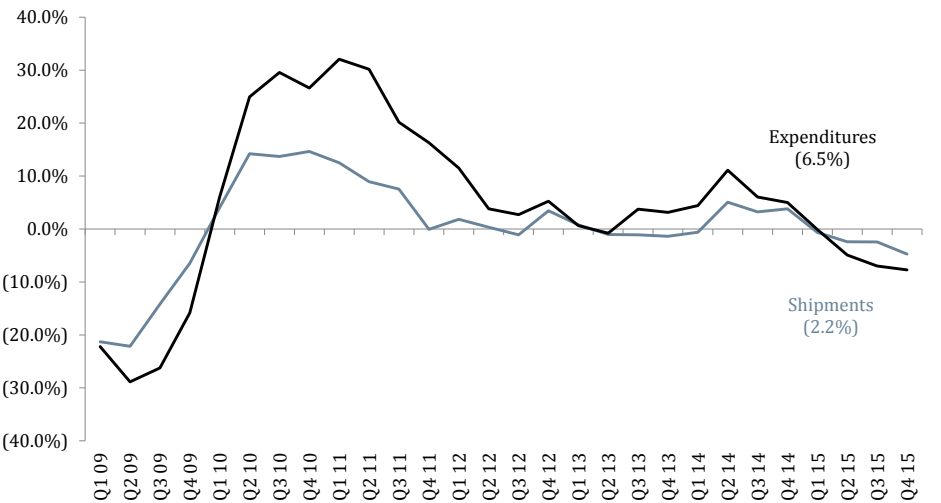
Trucking Tonnage Flat; Freight Shipments and Expenditures Lower

ATA U.S. TRUCKING TONNAGE INDEX



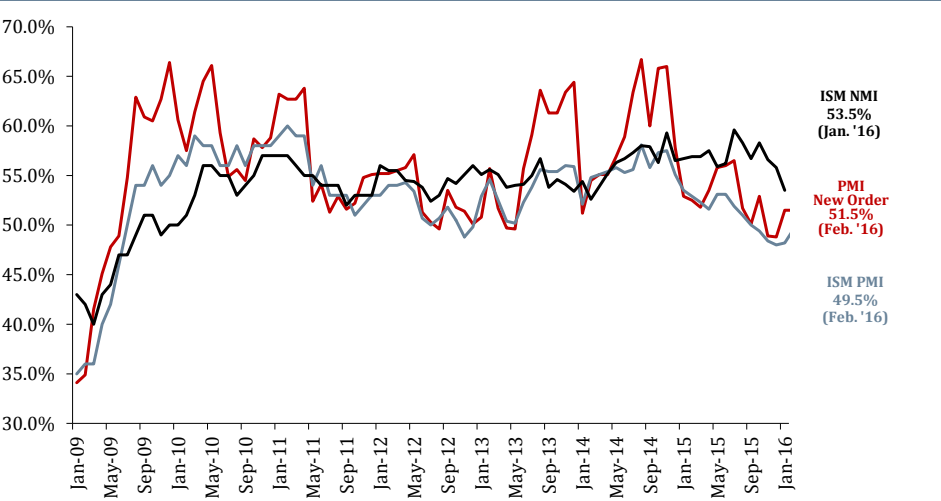
Source: American Trucking Association

CASS U.S. FREIGHT INDEX (Y/Y % CHANGE BY QUARTER)



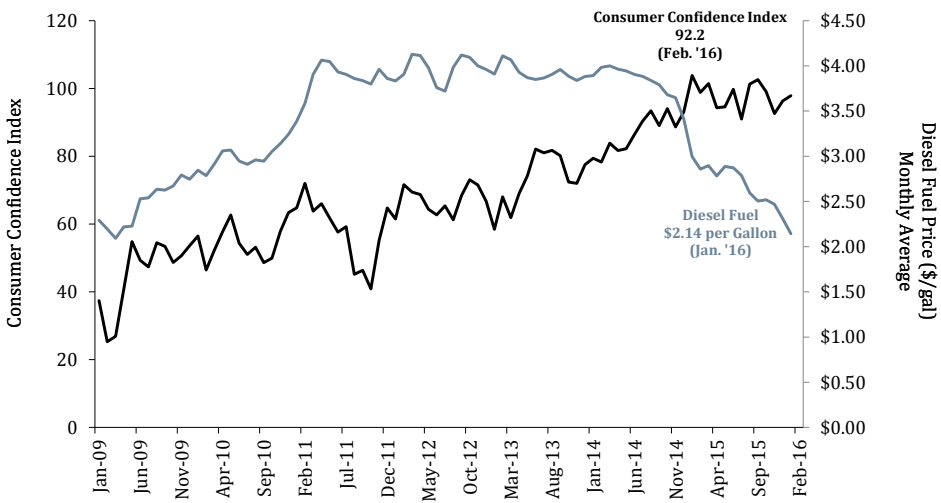
Source: Cass Information Systems

ISM PMI & NMI



Source: Institute for Supply Management

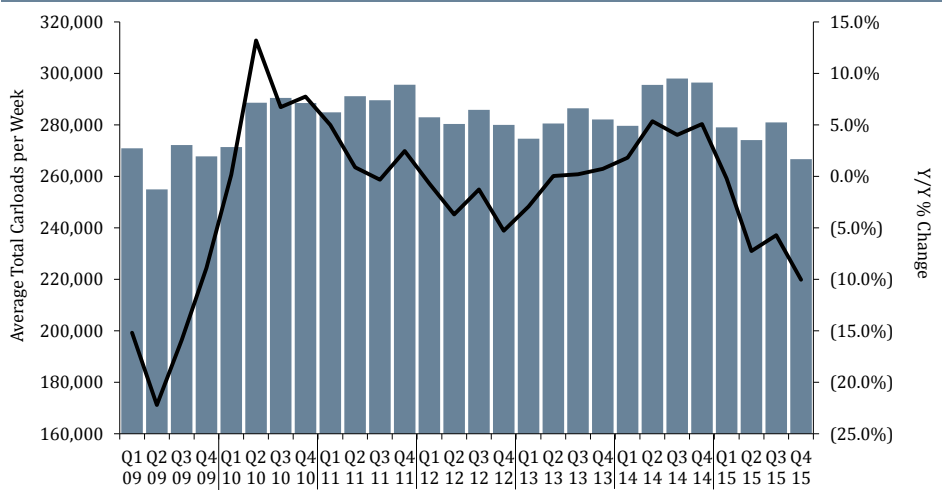
U.S. DIESEL FUEL PRICE & CONSUMER CONFIDENCE INDEX



Source: U.S. Energy Information Administration, The Conference Board

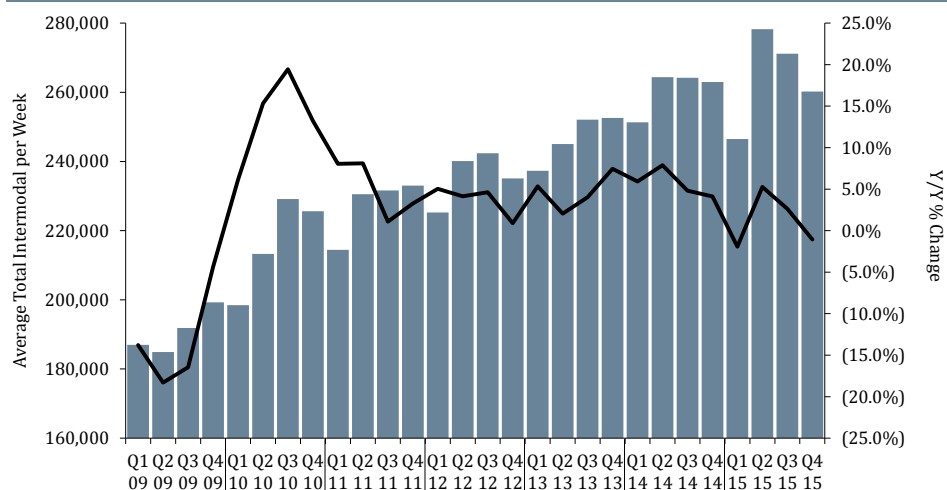
Rail Traffic and Container Volume Continues Trend Lower

U.S. RAIL TRAFFIC – TOTAL CARLOADS



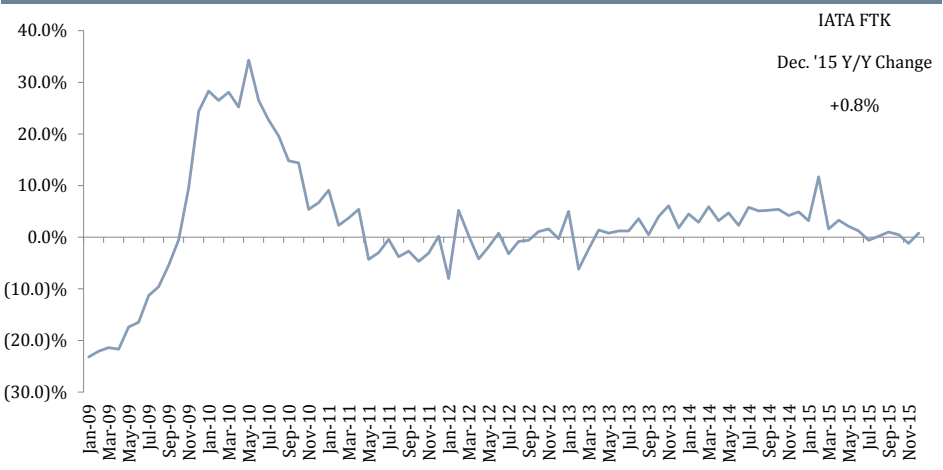
Source: AAR

U.S. INTERMODAL TRAFFIC



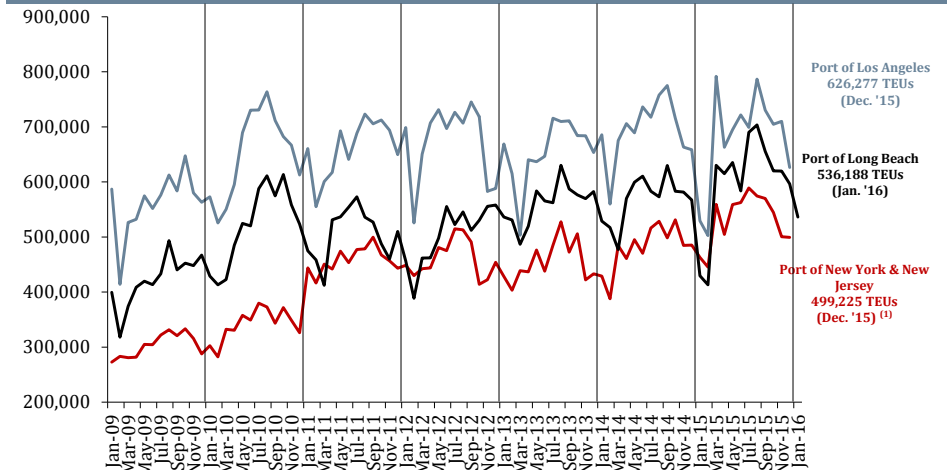
Source: AAR

IATA SA GLOBAL FTK (Y/Y CHANGE)



Source: IATA

IMPORT / EXPORT MONTHLY CONTAINER VOLUME



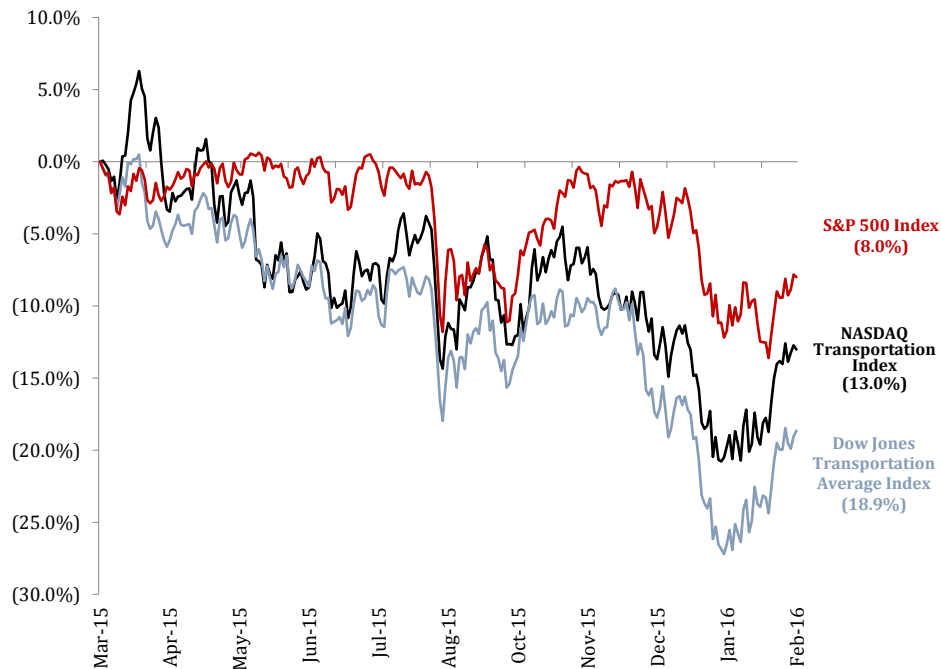
Source: Port of Los Angeles, Port of Long Beach, Port of New York & New Jersey

(1) Before 2011 Port of New York & New Jersey does not include empties, only loaded TEU's

Valuations Rebound Modestly From January 2016 Lows

- Although the broader market has been down over the last twelve months, the Dow Jones and NASDAQ transportation indices significantly underperformed the S&P 500 over the same period
- However, share price performance has more recently rebounded in February from the lows hit in January 2016
- Valuations have seen a broad-based decline across all sectors over the last twelve month period, including the constituents consisting of the S&P 500
- The broader market has managed to sustain a relatively modest decline in valuation multiples while transportation & logistics sectors have suffered greater percentage declines over the same period

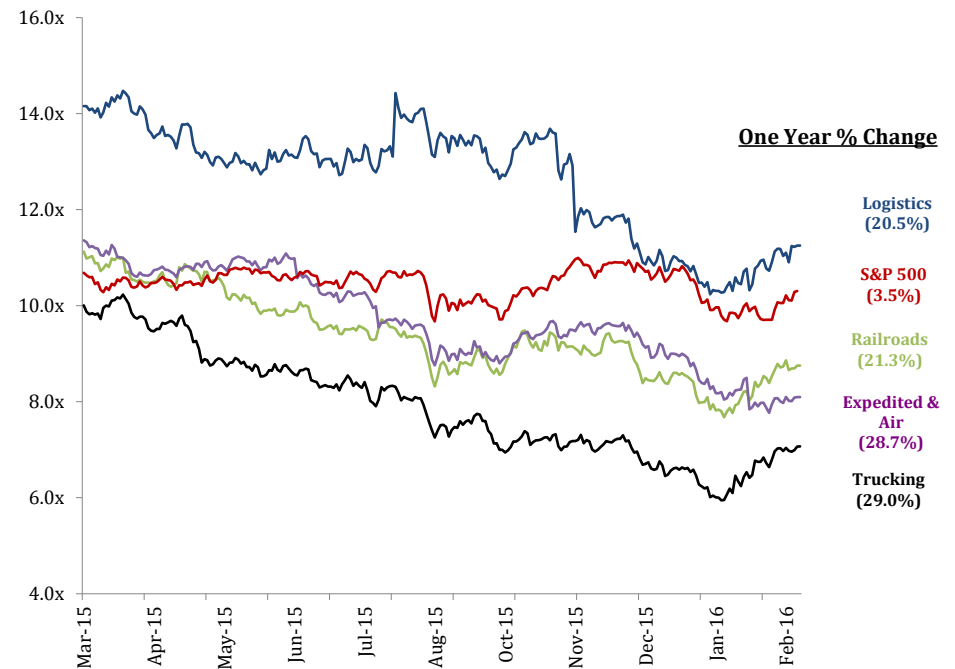
ONE-YEAR SHARE PRICE PERFORMANCE



Source: S&P Capital IQ

Note: The Freight Transportation and Logistics indices are composed of the public companies in the valuation section

PUBLIC MARKET VALUATIONS (ENTERPRISE VALUE / EBITDA)



Valuations Lower as Share Prices Trade Closer to 52 Week Lows

(\$ millions, except where noted)

Company Name	2/28/16	52 week High/Low	Market Cap	Enterprise Value	TTM Data			NTM Est. Growth		EV Multiple			
	Share Price				Sales	EBITDA	Margin	Sales	EBITDA	TTM Sales	TTM EBITDA	NTM Sales	NTM EBITDA
Trucking													
JB Hunt Transport Services Inc.	\$78.05	\$93.50 / \$63.58	\$8,802	\$9,518	\$6,188	\$1,055	17.1%	7.2%	6.8%	1.54x	9.0x	1.43x	8.4x
Old Dominion Freight Line Inc.	64.81	80.96 / 48.92	5,482	5,604	2,972	660	22.2%	5.0%	7.7%	1.89x	8.5x	1.80x	7.9x
Swift Transportation Company	17.96	28.90 / 11.74	2,454	3,725	4,229	606	14.3%	1.8%	7.3%	0.88x	6.1x	0.87x	5.7x
Knight Transportation Inc.	25.20	34.73 / 20.56	2,039	2,207	1,183	288	24.4%	0.7%	2.2%	1.87x	7.7x	1.85x	7.5x
Werner Enterprises Inc.	26.91	33.42 / 20.91	1,937	1,910	2,094	391	18.7%	2.1%	4.2%	0.91x	4.9x	0.89x	4.7x
Heartland Express, Inc.	18.78	26.09 / 15.36	1,580	1,541	736	191	25.9%	(2.2%)	12.6%	2.09x	8.1x	2.14x	7.2x
TransForce Inc.	15.97	23.32 / 13.98	1,559	2,764	2,904	313	10.8%	39.7%	42.6%	0.95x	8.8x	0.68x	6.2x
Saia, Inc.	26.15	47.74 / 18.28	653	722	1,221	155	12.7%	0.1%	(1.5%)	0.59x	4.7x	0.59x	4.7x
Marten Transport Ltd.	16.71	24.92 / 14.62	547	608	665	125	18.8%	4.5%	11.8%	0.91x	4.8x	0.87x	4.3x
ArcBest Corporation	20.07	43.68 / 16.43	521	508	2,667	165	6.2%	2.9%	0.2%	0.19x	3.1x	0.19x	3.1x
Covenant Transportation Group, Inc.	22.18	36.82 / 13.60	400	623	724	126	17.4%	(2.3%)	(1.7%)	0.86x	4.9x	0.88x	5.0x
Universal Truckload Services Inc.	15.85	27.63 / 11.12	450	660	1,129	109	9.6%	2.1%	1.2%	0.58x	6.1x	0.57x	6.0x
Celadon Group Inc.	9.05	29.15 / 6.19	252	775	1,026	121	11.8%	8.2%	22.4%	0.76x	6.4x	0.70x	5.2x
YRC Worldwide Inc.	8.43	21.37 / 6.67	275	1,179	4,832	259	5.4%	(0.2%)	26.8%	0.24x	4.6x	0.24x	3.6x
P.A.M. Transportation Services, Inc.	28.44	67.61 / 22.13	202	274	417	62	14.9%	NA	NA	0.66x	4.4x	NA	NA
USA Truck Inc.	15.72	32.14 / 11.58	151	250	508	56	11.0%	(6.4%)	(2.8%)	0.49x	4.5x	0.53x	4.6x
			Average	\$2,054	\$2,094	\$293	15.1%	4.2%	9.3%	0.96x	6.0x	0.95x	5.6x
			Median	\$977	\$1,202	\$178	14.6%	2.1%	6.8%	0.87x	5.5x	0.87x	5.2x

Source: S&P Capital IQ

Note: Not meaningful (NM) if EV/Sales is greater than 5x, or EV/EBITDA is greater than 30x. NA if denominator is 0, for percentages and multiples, or if estimates are not available. NTM figures are based on the median estimate of Wall St. analysts.

Expedited & Air Expected to Outperform Over Next Twelve Months

(\$ millions, except where noted)

Company Name	2/28/16	52 week High/Low	Market Cap	Enterprise Value	TTM Data			NTM Est. Growth		EV Multiple			
	Share Price				Sales	EBITDA	Margin	Sales	EBITDA	TTM Sales	TTM EBITDA	NTM Sales	NTM EBITDA
Railroads													
Union Pacific Corporation	\$80.00	\$124.52 / \$67.06	\$67,713	\$76,316	\$21,813	\$10,064	46.1%	(3.9%)	(1.6%)	3.50x	7.6x	3.64x	7.7x
Canadian National Railway Company	58.26	65.40 / 49.16	45,948	53,530	9,089	4,630	50.9%	41.8%	45.7%	5.89x	11.6x	4.15x	7.9x
Norfolk Southern Corporation	74.70	112.05 / 64.51	22,275	29,879	10,511	3,943	37.5%	(4.0%)	2.2%	2.84x	7.6x	2.96x	7.4x
Canadian Pacific Railway Limited	120.30	180.83 / 103.33	18,400	24,530	4,838	2,317	47.9%	40.0%	48.5%	5.07x	10.6x	3.62x	7.1x
CSX Corp.	24.31	37.67 / 21.33	23,414	31,523	11,811	4,799	40.6%	(5.3%)	(3.9%)	2.67x	6.6x	2.82x	6.8x
Kansas City Southern	83.93	120.63 / 62.20	9,106	10,795	2,419	1,098	45.4%	(1.3%)	3.0%	4.46x	9.8x	4.52x	9.5x
Genesee & Wyoming Inc.	57.12	105.49 / 41.56	3,295	5,351	2,000	571	28.5%	0.5%	3.5%	2.67x	9.4x	2.66x	9.1x
			Average	\$33,132	\$8,926	\$3,917	42.4%	9.7%	13.9%	3.87x	9.0x	3.48x	7.9x
			Median	\$29,879	\$9,089	\$3,943	45.4%	(1.3%)	3.0%	3.50x	9.4x	3.62x	7.7x
Expedited and Air													
United Parcel Service, Inc.	\$97.44	\$107.32 / \$87.30	86,175	\$93,888	\$58,363	\$9,747	16.7%	5.9%	7.1%	1.61x	9.6x	1.52x	9.0x
FedEx Corporation	137.38	185.19 / 119.71	37,864	41,204	48,562	7,271	15.0%	4.5%	10.9%	0.85x	5.7x	0.81x	5.1x
Atlas Air Worldwide Holdings, Inc.	36.88	59.47 / 31.99	909	2,293	1,823	390	21.4%	4.2%	2.5%	1.26x	5.9x	1.21x	5.7x
			Average	\$45,795	\$36,249	\$5,803	17.7%	4.9%	6.8%	1.24x	7.1 x	1.18x	6.6x
			Median	\$41,204	\$48,562	\$7,271	16.7%	4.5%	7.1%	1.26x	5.9 x	1.21x	5.7x

Source: S&P Capital IQ

Note: Not meaningful (NM) if EV/Sales is greater than 5x, or EV/EBITDA is greater than 30x. NA if denominator is 0, for percentages and multiples, or if estimates are not available. NTM figures are based on the median estimate of Wall St. analysts.

Logistics Companies' Valuations Remain Bright Spot in T&L Sector

(\$ millions, except where noted)

	2/28/16				TTM Data			NTM Est. Growth		EV Multiple			
	Share	52 week	Market	Enterprise			EBITDA			TTM	TTM	NTM	NTM
Company Name	Price	High/Low	Cap	Value	Sales	EBITDA	Margin	Sales	EBITDA	Sales	EBITDA	Sales	EBITDA
Logistics													
Expeditors International of Washington Inc.	\$46.08	\$51.80 / \$40.41	\$8,391	\$7,573	\$6,617	\$767	11.6%	(1.8%)	(0.7%)	1.14x	9.9x	1.17x	9.9x
CH Robinson Worldwide Inc.	70.35	76.18 / 59.71	10,076	10,568	13,476	925	6.9%	1.1%	5.3%	0.78x	11.4x	0.78x	10.8x
Landstar System Inc.	60.24	73.60 / 53.03	2,555	2,543	3,322	271	8.1%	(2.6%)	(2.8%)	0.77x	9.4x	0.79x	9.7x
Hub Group Inc.	37.14	44.00 / 28.19	1,324	1,185	3,526	154	4.4%	2.5%	5.6%	0.34x	7.7x	0.33x	7.3x
XPO Logistics, Inc.	25.01	50.96 / 18.04	2,739	5,257	7,623	494	6.5%	NM	NM	0.69x	10.6x	0.34x	4.2x
Forward Air Corp.	40.85	57.65 / 36.57	1,248	1,390	959	141	14.7%	7.5%	14.3%	1.45x	9.9x	1.35x	8.6x
Roadrunner Transportation Systems, Inc.	11.99	28.51 / 6.39	459	817	1,995	130	6.5%	1.1%	9.4%	0.41x	6.3x	0.41x	5.7x
Universal Truckload Services Inc.	15.85	27.63 / 11.12	450	596	1,129	109	9.6%	2.1%	1.2%	0.53x	5.5x	0.52x	5.4x
Echo Global Logistics, Inc.	25.39	34.35 / 16.56	786	872	1,512	45	3.0%	22.4%	98.3%	0.58x	19.3x	0.47x	9.7x
Radiant Logistics, Inc.	3.18	8.00 / 2.95	155	195	724	21	2.9%	19.8%	49.2%	0.27x	9.2x	0.23x	6.2x
			Average	\$3,100	\$4,088	\$306	7.4%	5.8%	20.0%	0.70x	9.9x	0.64x	7.8x
			Median	\$1,287	\$2,659	\$147	6.7%	2.1%	5.6%	0.63x	9.6x	0.49x	8.0x

Source: S&P Capital IQ

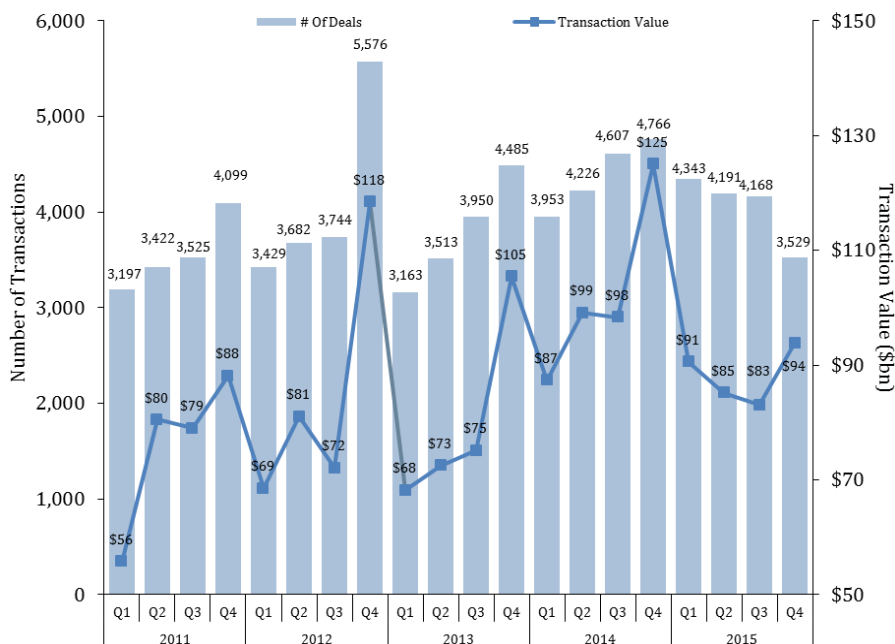
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Middle Market M&A Volume Declines in Q4 after Historic Q1 - Q3

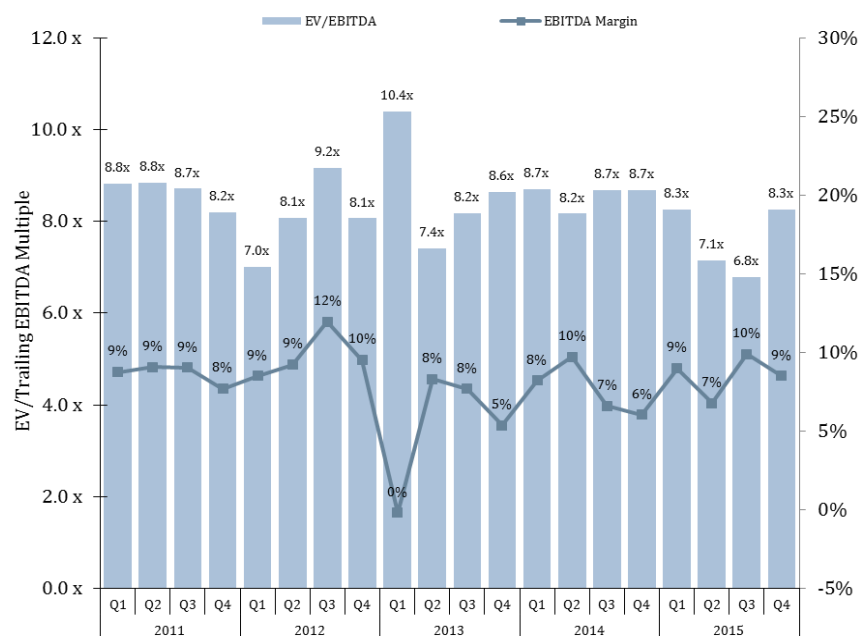
- Overall, 2015 was a record year for M&A with transaction values totaling \$4.7 trillion, according to Thomson Reuters
- In Q4 2015, U.S. middle market M&A deal volumes declined 15% from Q3 2015, and declined 26% from Q4 2015
- U.S. middle market M&A activity in Q4 2015, measured by deal values, remained consistent with prior quarters at \$94 billion

- EBITDA multiples in middle market transactions in Q4 2015 finished the quarter at 8.3x EBITDA, equal to the 5 year average for this metric and up from Q2 and Q3 2015
- Q4 2015 EBITDA margins of reportable transactions increased modestly but remained consistent with the 5 year average --- Reported EBITDA margins in Q4 2015 were 9%, while the 5 year average is 8%

U.S. MIDDLE MARKET M&A ¹



U.S. MIDDLE MARKET M&A VALUATIONS ²



1) Middle market M&A includes transactions with undisclosed values, and disclosed values where EV < \$500 million.

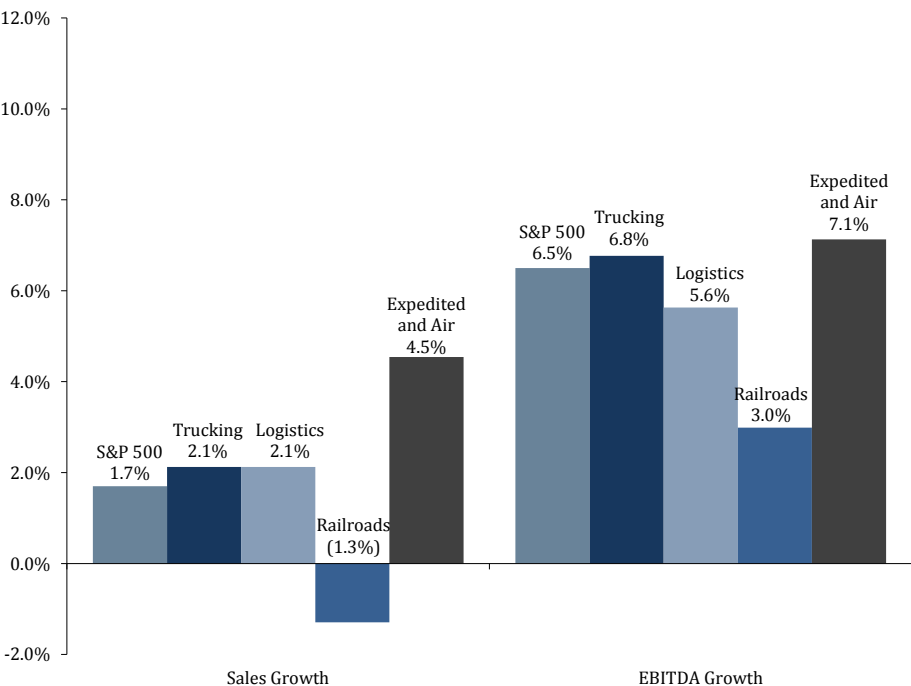
2) Middle market M&A includes transactions with disclosed EBITDA, where EV < \$500 million and EV/EBITDA between 3.0x and 15.0x. Note: transactions with disclosed EBITDA represent <5% of all transactions.

Source: CapitalIQ.

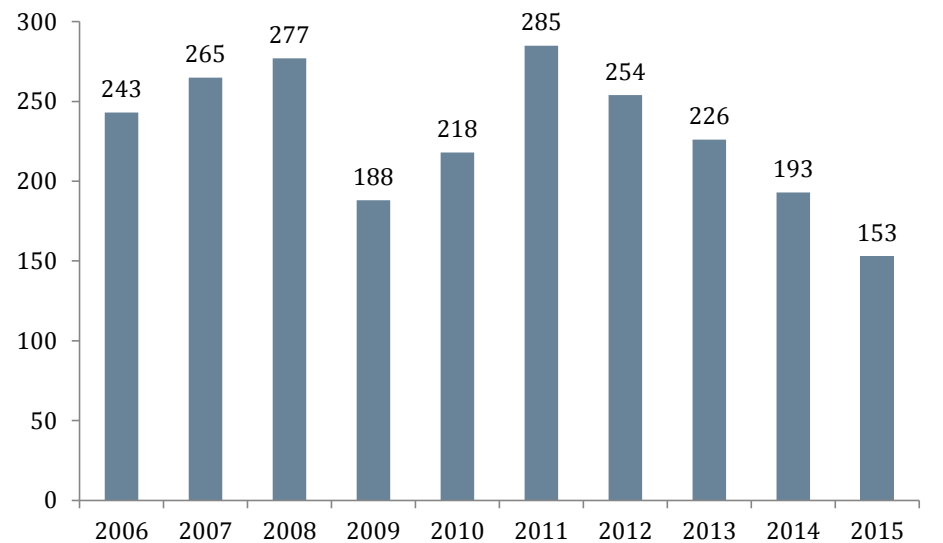
T&L Deal Volume Lower Amid Numerous \$1+ Billion Transactions

- Modest sales growth is expected across transportation & logistics sectors as world trade growth is expected to remain subdued in 2016
- Railroads continue to lag the overall market as favorable fuel prices result in alternative forms of transportation
- M&A deal activity in the T&L market experienced the fourth straight year of declines
- While deal counts have been trending lower in recent years, 2015 M&A activity was underscored by multiple transactions valued at greater than \$1 billion in enterprise value

NEXT 12 MONTHS: ESTIMATED GROWTH



GLOBAL TRANSPORTATION & LOGISTICS M&A ACTIVITY ¹



1) Global T&L M&A activity revised to include only control, closed transactions, as well as transactions with undisclosed values
Note: The Freight Transportation and Logistics indices are composed of the public companies in the valuation section; estimated growth is based on the median estimates of Wall Street analysts
Source: S&P Capital IQ

Select, Recent Transportation & Logistics M&A Activity

(\$ millions, except multiples)

Close Date	Acquirer / Investor	Target	Target Description	Implied Enterprise Value	EV / Revenue	EV / EBITDA
Pending	Worldwide Flight Services, Inc.	Consolidated Aviation Services LLC	Provides cargo handling services throughout the United States and South America	-	-	-
Pending	FedEx Corporation (NYSE:FDX)	TNT Express N.V. (ENXTAM:TNTE)	Provides express delivery services to businesses and consumers worldwide	\$4,971	0.60x	9.4x
2/18/2016	CitySprint (UK) Limited	Dunedin LLP	Provides courier and logistics services	\$115	0.55x	4.8x
1/22/2016	DSV A/S (CPSE:DSV)	UTi Worldwide Inc.	Non-asset-based supply chain services and solutions company	\$1,547	0.30x	11.2x
1/14/2016	Heniff Transportation Systems	EZ Alternative Transport	Provides bulk chemical hauling services	-	-	-
1/12/2016	Pitney Bowes Inc.	Enroute Systems Corporation	Provides SaaS transportation management systems	-	-	-
12/1/2015	ABF Logistics II, Inc.	Bear Transportation Services, LP	Provides transportation, logistics, and supply chain management services	\$26	0.22x	-
11/3/2015	Geodis S. A.	Ozburn-Hessey Logistics, LLC	Provides third party logistics services	\$800	-	10.0x
11/2/2015	Bluefin Investments Limited	IN tIME Express Logistik GmbH	Business-to-business direct and express shipments company	\$169	1.10x	8.7x
10/28/2015	XPO Logistics, Inc. (NYSE:XPO)	Con-way Inc.	Provides transportation, logistics, and supply chain management services	\$3,057	0.53x	6.2x
9/17/2015	Span-Alaska Transportation, Inc.	Pacific Alaska Freightways, Inc.	Provides freight transportation services to businesses and consumers in Alaska	-	-	-
9/17/2015	Transplace Inc.	M33 Integrated Solutions, Inc.	Provides logistics, supply chain, and transportation management services	-	-	-
8/27/2015	Magnate Worldwide, LLC	TrumpCard Inc.	Specializes in the transportation of domestic heavyweight air and expedited LTL freight	-	-	-
8/24/2015	Levine Leichtman Capital Partners	Regional Rail, LLC	Operates shortlines, regional railroads, and switching services in the eastern U.S.	-	-	-
8/18/2015	United Parcel Service, Inc. (NYSE:UPS)	Coyote Logistics, LLC	Provides third-party transportation and logistics services	\$1,800	0.86x	-
8/18/2015	Apax Partners LLP	Quality Distribution Inc.	Transports bulk chemicals	\$777	0.79x	11.3x
8/10/2015	Daseke, Inc.	Hornady Transportation LLC	Provides flatbed carrier trucking services	-	-	-
8/4/2015	Dicom Transportation Group, L.P.	Courier Express Enterprises LLC	Provides last mile delivery services	-	-	-

Source: S&P Capital IQ, company filings, news releases, Moss Adams Capital.

Select, Recent Transportation & Logistics M&A Activity

(\$ millions, except multiples)

Close Date	Acquirer / Investor	Target	Target Description	Implied Enterprise Value	EV / Revenue	EV / EBITDA
8/4/2015	Kuehne + Nagel International AG (SWX:KNIN)	ReTrans, Inc.	Provides logistics management and multimodal shipping services	-	-	-
7/31/2015	Teekay Tankers Ltd. (NYSE:TNK)	SPT Inc.	Provides ship to ship cargo transfer services	\$44	-	-
7/28/2015	Roadrunner Transportation Systems, Inc. (NYSE:RRTS)	Stagecoach Cartage and Distribution, LP.	Provides a broad range of transportation and warehousing services	\$40	1.18x	5.7x
7/27/2015	CAI International Inc. (NYSE:CAI)	ClearPointt, LLC	Offers intermodal, LTL, and over-dimensional shipment services	\$4	0.13x	-
7/21/2015	Dicom Transportation Group, L.P.	EXTRA Express Cerritos, Inc.	Offers logistics, transportation, distribution, and warehousing services	-	-	-
7/1/2015	Daseke, Inc.	Bulldog Hiway Express	Provides truck load and intermodal carrier services	-	-	-
6/15/2015	UPS Capital Corporation	Parcel Pro Inc.	Provides insured shipping and logistics services	-	-	-
6/12/2015	Capstone Logistics, LLC	Pinnacle Workforce Logistics, LLC	Provides workforce logistics services	-	-	-
6/9/2015	Radiant Logistics, Inc. (AMEX:RLGT)	Highways & Skyways, Inc.	Logistics management company	-	-	-
6/8/2015	Radiant Logistics, Inc. (AMEX:RLGT)	Service By Air, Inc.	Provides air freight shipping, global logistics, and international freight services	\$12	0.09x	-
6/8/2015	XPO Logistics, Inc. (NYSE:XPO)	Norbert Dentressangle S.A. (ENXTPA:XPO)	Provides transport, logistics, and air and sea freight forwarding services	\$3,010	0.70x	10.5x
6/1/2015	XPO Logistics, Inc. (NYSE:XPO)	Bridge Terminal Transport Inc.	Offers marine container transportation services	\$100	0.43x	8.1x
6/1/2015	Echo Global Logistics, Inc. (NasdaqGS:ECHO)	Command Transportation, LLC	Provides freight brokerage services for Fortune 500 and other clients	\$411	0.73x	11.1x
6/1/2015	TAGG Logistics, LLC	ABC Fulfillment, LLC	Offers logistics and fulfillment services	-	-	-
5/29/2015	Kintetsu World Express, Inc. (TSE:9375)	APL Logistics Ltd	Provides supply chain solutions	\$1,200	0.70x	15.0x
5/28/2015	Japan Post Bank Co., Ltd. (TSE:7182)	Toll Holdings Limited	Provides integrated logistics services	\$6,922	0.90x	11.9x
5/8/2015	American Fast Freight, Inc.	Caribbean Shipping Services, Inc.	Provides refrigerated freight forwarding services in the Puerto Rico market	-	-	-
5/8/2015	Penske Logistics, Inc.	Transfreight North America	Provides third-party logistics services	-	-	-

Source: S&P Capital IQ, company filings, news releases, Moss Adams Capital.

Select, Recent Transportation & Logistics M&A Activity

(\$ millions, except multiples)

Close Date	Acquirer / Investor	Target	Target Description	Implied Enterprise Value	EV / Revenue	EV / EBITDA
4/9/2015	TBX Group, Inc.	Logistics IQ LLC	Provides a broad range of transportation services	-	-	-
3/25/2015	Genesee & Wyoming Inc. (NYSE:GWR)	Freightliner Group Limited	Provides rail freight services for blue-chip organizations	\$761	1.10x	-
3/9/2015	Forward Air, Inc.	CLP Towne Inc.	Offers time-sensitive, LTL shipments for air freight and commercial companies	\$125	-	-
2/9/2015	XPO Last Mile, Inc.	UX Specialized Logistics	Provides a broad range of transportation services	\$59	0.52x	7.2x
2/5/2015	Echo Global Logistics, Inc. (NasdaqGS:ECHO)	Xpress Solutions, Inc.	Offers truckload, LTL, refrigerated, expedited, ocean, intermodal, and air	\$9	0.71x	-
2/2/2015	Saia, Inc. (NasdaqGS:SAIA)	Linkex, Inc.	Provides logistics and transport management services	\$25	0.69x	-
1/30/2015	FedEx Corporation (NYSE:FDX)	GENCO Distribution Systems, Inc.	Third-party reverse logistics company	\$1,380	0.90x	9.8x
1/20/2015	Celadon Group Inc. (NYSE:CGI)	Taylor Express, Inc.	Truckload commodity carrier	\$43	1.13x	-
1/2/2015	ABF Logistics II, Inc.	Smart Lines, LLC	Transportation brokerage company	\$5	0.29x	-
1/1/2015	C.H. Robinson Company, Inc.	Freightquote.com, Inc.	Transportation brokerage company	\$365	0.59x	10.7x

Mean	\$1,029	0.66x	9.5x
Median	\$169	0.70x	9.9x

Source: S&P Capital IQ, company filings, news releases, Moss Adams Capital.

Overview of Select Notable Transactions

UNITED PARCEL SERVICE, INC.'S ACQUISITION OF COYOTE LOGISTICS, LLC – AUGUST 2015

- UPS is a package delivery company and provides transportation, logistics, and financial services
- In August 2015, UPS acquired Coyote Logistics for approximately \$1.8 billion from private equity fund Warburg Pincus LLC
- The transaction positions UPS with a leading platform in a high-growth adjacent industry that is complementary to its Supply Chain & Freight solutions capabilities
- Furthermore, significant synergy potential in asset utilization and scale efficiency in the amount of \$100 million - \$150 million
- *"The brokered full-truckload freight segment is a high growth market and we expect it will continue to outpace other transportation segments...this high quality acquisition significantly increases UPS full-truckload scale and we are uniquely positioned to take advantage of exciting new revenue growth and synergy opportunities."* -- David Abney, Chief Executive Officer, UPS
- Coyote Logistics, LLC provides third-party transportation and logistics services for the consultative, executional, and transactional supply chain needs of Fortune 100 companies and small businesses in the United States, Mexico, and Canada

APAX PARTNERS LLP'S ACQUISITION OF QUALITY DISTRIBUTION INC. – AUGUST 2015

- Apax Partners is a private equity investment group that operates globally and has more than 30 years of investing experience. Apax Partners has advised funds that total over \$40 billion around the world in aggregate. These funds provide long-term equity financing to build and strengthen world-class companies
- In August 2015, Apax Partners acquired Quality Distribution for approximately \$777 million, representing an approximately 0.79x revenue and 11.3x EBITDA multiple
- The transaction price represents a premium of approximately 63% over Quality Distribution's closing share price on May 6, 2015
- *"Having followed Quality for several years, we are impressed with the strategy and vision articulated by the management team...as the leading logistics platform in the bulk chemical transportation industry, Quality is well positioned to take advantage of both organic growth opportunities and strategic acquisitions while benefiting from the financial and operational flexibility of operating as a private company. We look forward to partnering with Quality's management team as they pursue the Company's next phase of growth"* -- Ashish Karandikar, Partner, Apax Partners
- Quality Distribution operates the largest chemical bulk logistics network in North America and is the largest North American provider of intermodal tank container and depot services

Source: S&P Capital IQ, company filings, news releases, Moss Adams Capital.

Moss Adams at a Glance: Leadership through Experience and Results

Moss Adams Capital LLC

- Full-service investment banking and strategic advisor services
- Dedicated industry specialists
- Focus on privately owned and family-held companies
- Mergers and acquisitions
- Private debt & equity placements
- Mezzanine capital
- Due Diligence preparation & advisory

Moss Adams LLP

- 100+ years old – Founded in 1913
- Largest accounting firm headquartered in the western U.S.
- 2,400 employees in 28 locations
- Fully integrated accounting, tax, and business advisory firm
- Middle-market specialists
- *The Moss Adams Advantage:* Discrete, highly leverageable transaction resources and services



International Presence

- Major market affiliates throughout the U.S. and more than 100 countries around world



Expert Teams



INDUSTRY KNOWLEDGE MATCHED WITH AN EXPERIENCED TEAM

- Senior Level Attention
- Commitment to our Clients
- Professional Excellence
- Objective & Independent Advice
- Creating Value for Owners
- Global Presence & Capabilities

**Premier accounting and financial services
advice for middle market transportation and
logistics companies.**

Moss Adams Capital Overview

Full Service Middle Market Investment Bank

Corporate Finance

- Capital Placement – Equity and Debt
- Merger and acquisition advisory
- Strategic alternatives assessment
- Exclusive sales and divestitures
- Strategic planning
- Management buy-outs
- Recapitalizations
- Fairness opinions
- Restructuring and special situations advisory

Highlights and Accomplishments

- Completed over 250 transactions
- Access to key decision-makers among institutional investor universe
- Coverage of relevant strategic partners
- Average of 20 years of investment banking experience among senior leaders

Comprehensive Industry Coverage

Aerospace, Defense & Government Services	Automotive & Dealer Services	Business & Marketing Services
Consumer, Retail & Apparel	Food, Beverage & Agriculture	Healthcare Services & Products
Industrials / Niche Manufacturing	Infrastructure & Construction	Paper, Plastics, & Packaging
Real Estate, Lodging & Leisure	Technology, Communications, & Media	Transportation & Logistics

Global Reach

Moss Adams is a founding member of Praxity, AISBL, a global alliance of independent accounting firms. In addition to its deep, **direct international relationships**, Praxity provides access and trusted advisory expertise worldwide

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United States, Canada

Europe
Austria, Belgium, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Hungary, Ireland, Italy, Jersey, Latvia, Lithuania, Luxembourg, Malta, Monaco, Netherlands, Norway, Poland, Portugal, Romania, Russia, Slovakia, Spain, Sweden, Switzerland, Turkey, United Kingdom, Ukraine

Asia
China, Indonesia, Japan, South Korea, Malaysia, Singapore, Taiwan, Thailand, Vietnam

Latin America and Caribbean
Argentina, Brazil, Cayman islands, Chile, Colombia, Mexico, Puerto Rico, Uruguay, Venezuela

Middle East and Indian Subcontinent
India, Israel, Lebanon, Pakistan, United Arab Emirates

Africa
Algeria, Angola, Benin, Botswana, Cameroon, Cape Verde, Djibouti, Egypt, Ghana, Ivory Coast, Lesotho, Madagascar, Mauritius, Morocco, Senegal, South Africa, Tunisia, Zambia

Australasia
Australia, New Zealand



Global M&A Reach Through Local Relationships

Local, National and Global Reach

Our affiliation with CFxB consists of 150+ Corporate Finance Professionals across the U.S. and in over 25 countries



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