

Shields & Company
INVESTMENT BANKERS

Business Services Sector Update

Q2 2026



SECTOR M&A ACTIVITY INCREASED WHILE STOCKS WERE MIXED

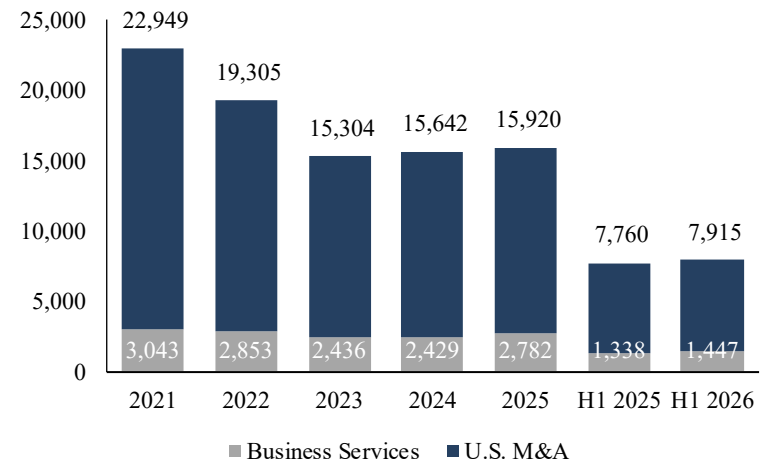
M&A Summary

- U.S. M&A deal volume in the first half of 2026 increased approximately 2% when compared to H1 2025. The modest YTD increase was the net result of strong activity in Q1 (up 8%) and decreasing activity in Q2 (down 4%).
- Although M&A activity continues to be supported by high levels of capital availability and a resilient economy, several factors are negatively impacting the market. Geopolitical tensions, stubborn inflation, relatively high interest rates, expected disruption in certain industries due to AI, and uncertainty due to the upcoming midterm elections all provide headwinds to the market.
- The Business Services sector showed more resilience than the overall market. Closed transactions in H1 2026 increased 8% compared to H1 2025. Activity was strong in both quarters, with Q1 increasing 9% and Q2 increasing 7% on a year-over-year basis.

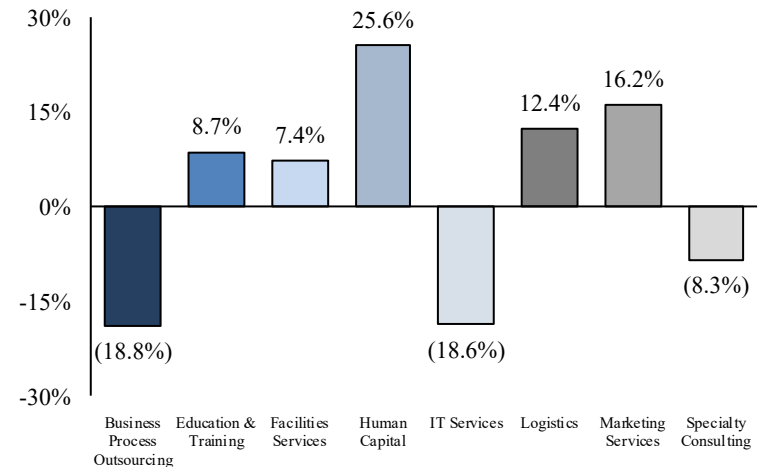
Public Company Performance

- Our Business Services peer groups again showed mixed results. In Q2, the Human Capital and Marketing Services sectors outperformed the S&P 500. Logistics, Education & Training, and Facilities Services all had positive returns while BPO, IT Services, and Specialty Consulting generated negative returns.
- At the end of Q2, Facilities Services (14.6x), Logistics (14.6x), and Education & Training (10.1x) were the only peer groups with a median TEV/EBITDA multiple in double digits.

M&A Transaction Volume



Q2 2026 Peer Group Returns ⁽¹⁾

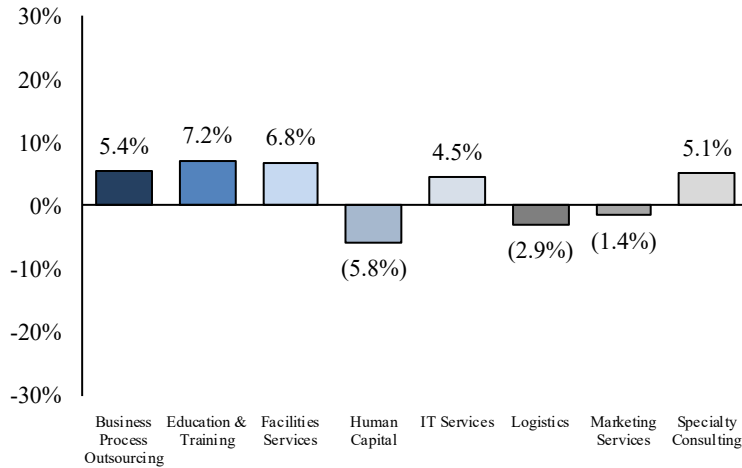


SELECT BUSINESS SERVICES TRANSACTIONS

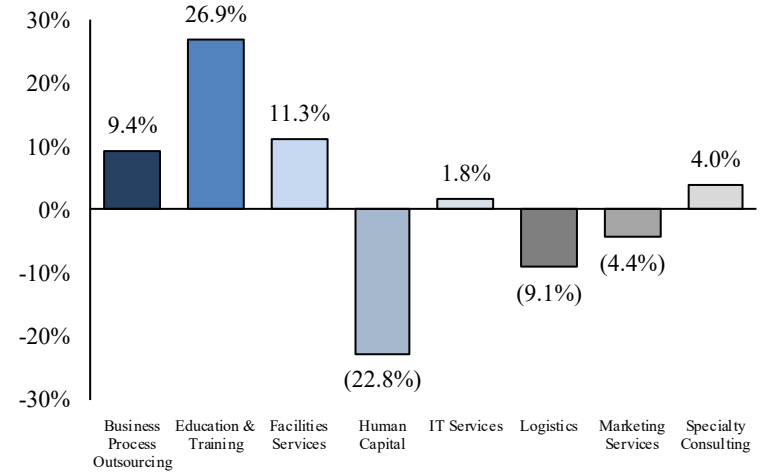
Date	Target	Description	Buyer
Jun-26	Eighty-Six, Inc.	Eighty-Six, Inc., doing business as 86 Repairs, designs and develops repair and maintenance platforms for businesses.	Parts Town LLC
Jun-26	Astrea Partners, Inc.	Astrea Partners, Inc. provides IT managed services and technology solutions.	Cognizant Technology Solutions
Jun-26	Despir Logistics LLC	Despir Logistics LLC operates as a transportation services provider that specializes in handling lifesaving and business-critical cargo.	C.H. Robinson Worldwide, Inc.
Jun-26	Mechanical Service & Systems, Inc.	Mechanical Service & Systems, Inc. offers design-build, installation, repair and preventive maintenance for HVAC, plumbing, boilers, controls and fabrication.	PremiStar, LLC
Jun-26	LIFT Agency, Inc.	LIFT Agency, Inc. operates as a performance content and creative company.	Mile Marker LLC
Jun-26	Fire Protection Specialists, LLC	Fire Protection Specialists, LLC provides installation, testing, repair, inspection, and monitoring services for fire protection systems.	Pye-Barker Fire & Safety, LLC
Jun-26	Calveti Ferguson, P.C.	Calveti Ferguson, P.C. provides auditing and accounting services for individuals and businesses.	Cherry Bekaert LLP
Jun-26	Nationwide Legal, LLC	Nationwide Legal, LLC provides litigation support services.	CIVC Partners, L.P.
May-26	Milrose Consultants, LLC	Milrose Consultants, LLC offers code consulting, zoning analysis, and permit expediting services.	Littlejohn & Co., LLC
May-26	Fitzcores LLC	Fitzcores LLC provides investor targeting solutions, advanced analytics, investor relations software, and practical expertise.	Computershare Limited
May-26	Udemy, Inc.	Udemy, Inc. operates a marketplace platform for learning skills through Enterprise and Consumer segments.	Coursera, Inc.
Apr-26	Five Seasons Landscape Management, Inc.	Five Seasons Landscape Management, Inc. provides commercial landscaping services.	Ruppert Landscape, LLC
Apr-26	Meridian Bird Removal	Meridian Bird Removal provides commercial bird removal services offering interior bird removal, exterior population reduction, pigeon trapping, nest removal, and flock relocation.	Ecolab Inc.
Apr-26	Howard Fischer Associates, Inc.	Howard Fischer Associates, Inc. provides executive search services.	ZRG Partners, LLC
Apr-26	DeFY Security LLC	DeFY Security LLC provides cybersecurity consulting, technology assessment, and staffing services.	Booz Allen Hamilton Holding Corporation
Apr-26	Stratfield, LLC	Stratfield, LLC offers consulting, staffing, and recruiting services. It offers deliverable-based engagements, team-based engagements, and individual consultant services.	CGI Inc.

PUBLIC COMPANY OPERATING METRICS

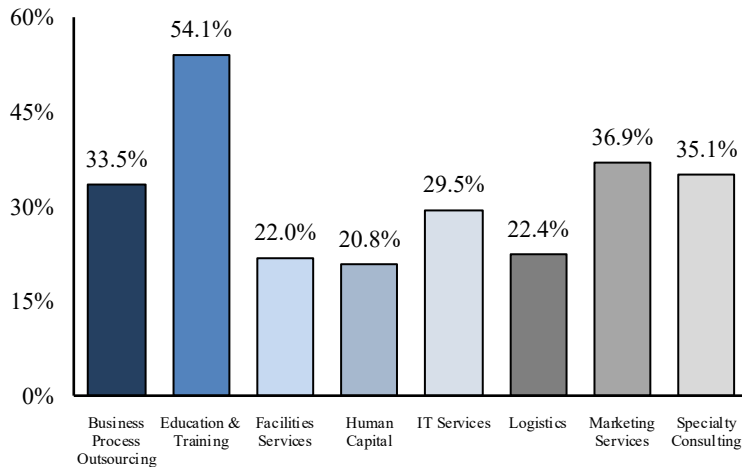
3-Year Revenue CAGR ⁽²⁾



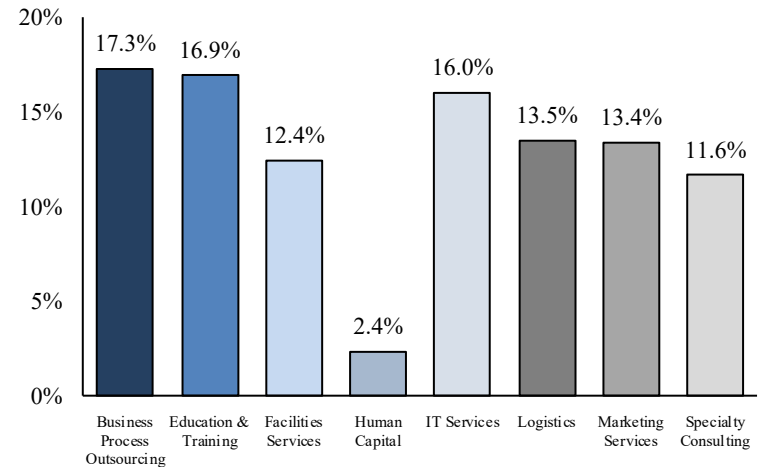
3-Year EBITDA CAGR ⁽²⁾



LTM Gross Margin ⁽²⁾

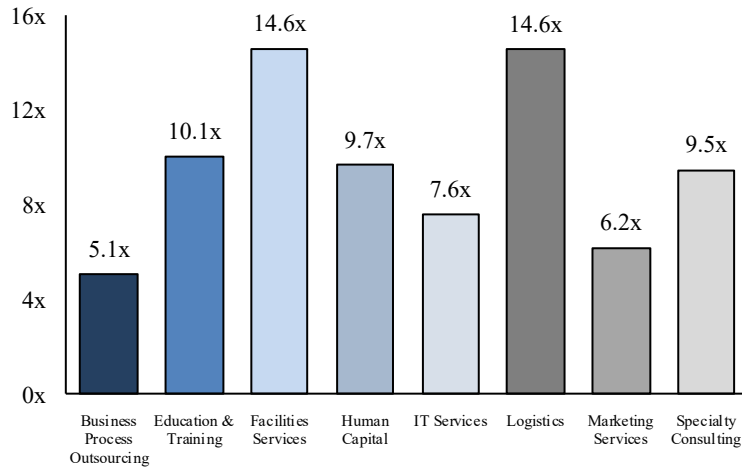


LTM EBITDA Margin ⁽²⁾

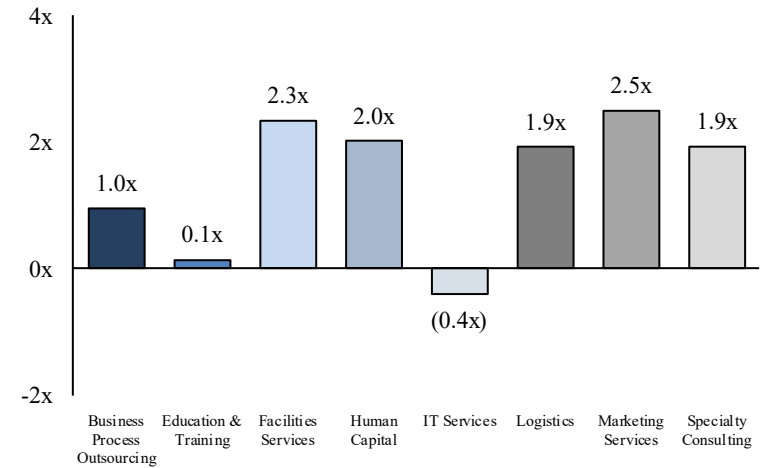


PUBLIC COMPANY VALUATION METRICS

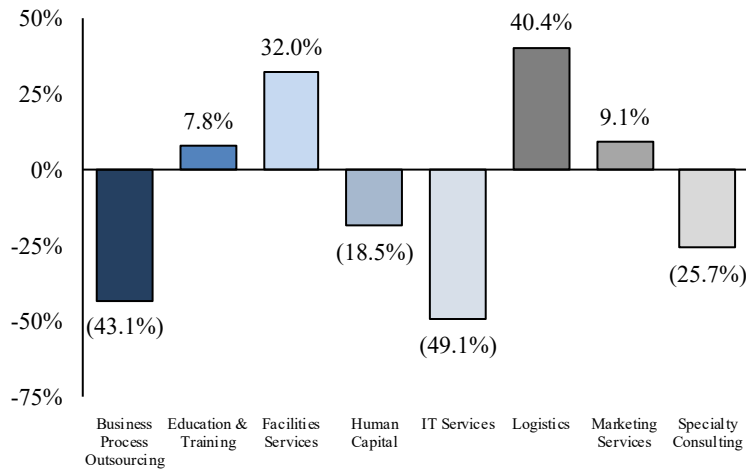
TEV/LTM EBITDA ⁽²⁾



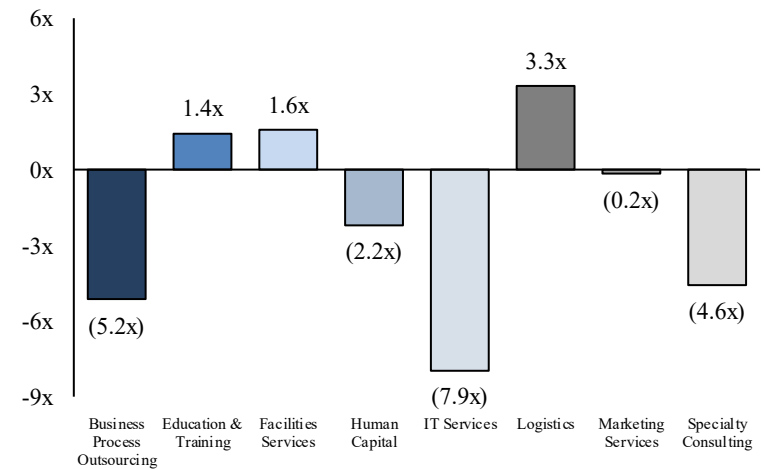
Net Debt/LTM EBITDA ⁽²⁾



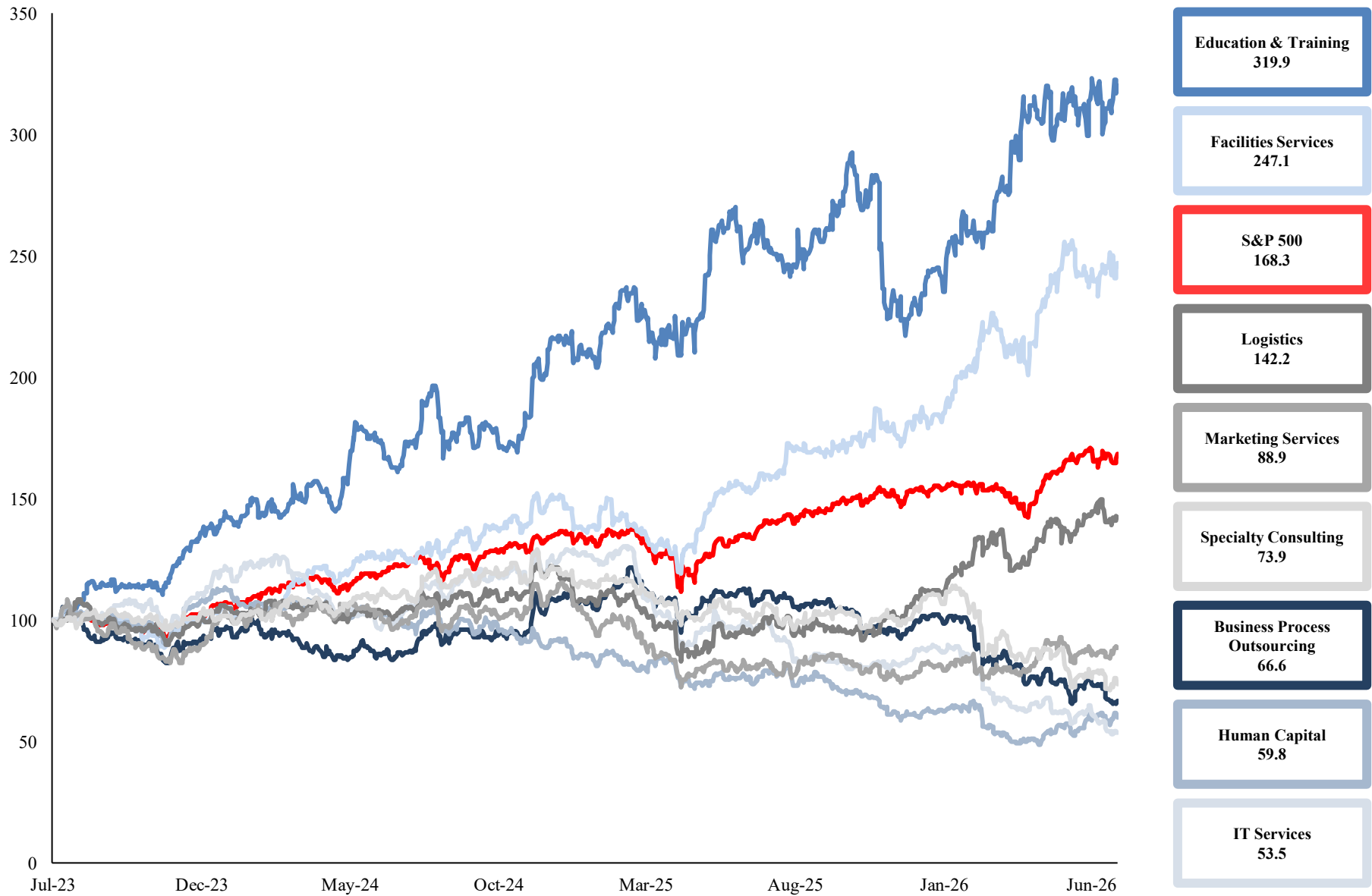
LTM Change in Stock Price ⁽¹⁾



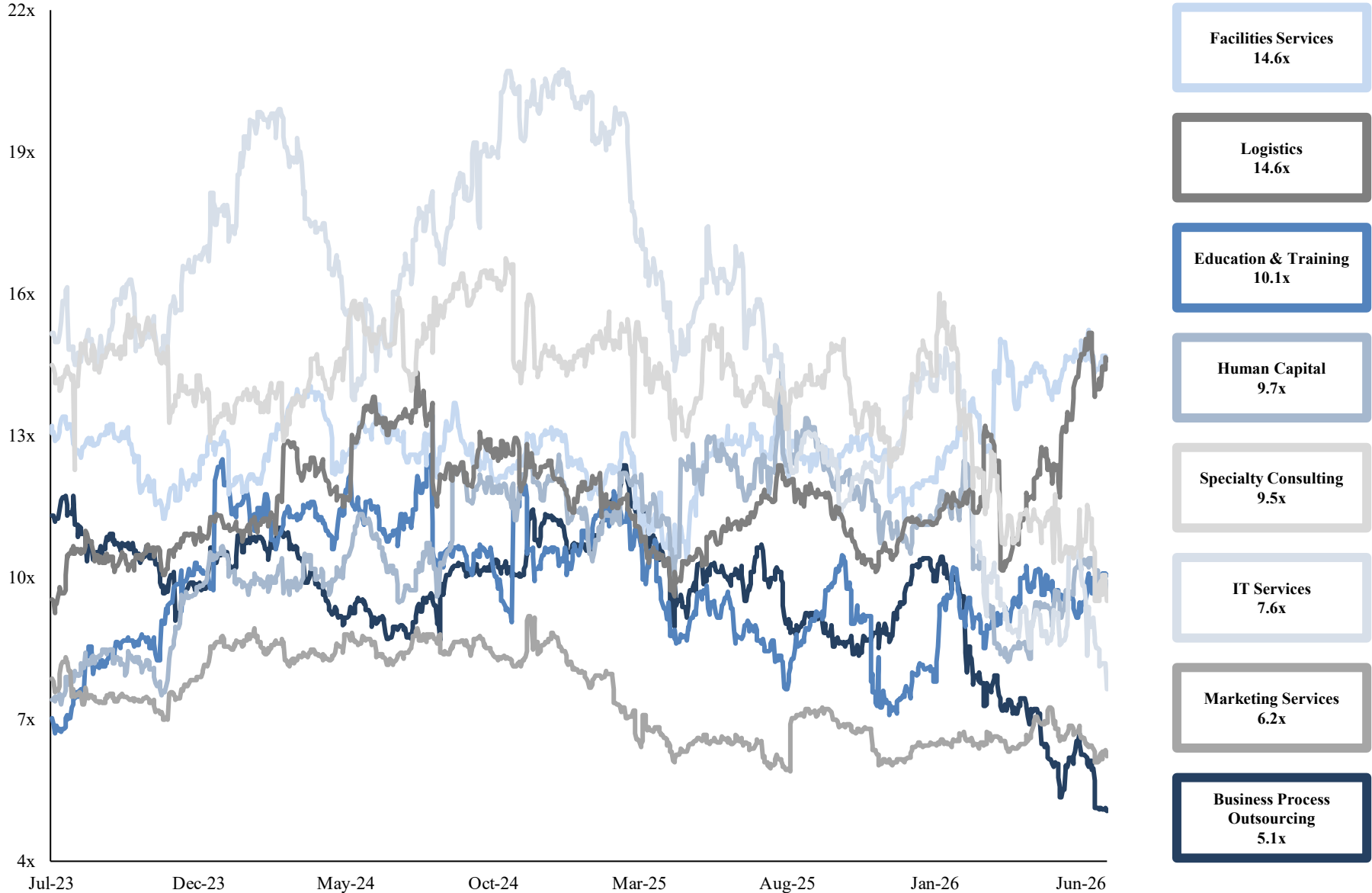
LTM Change in EBITDA Multiple ⁽²⁾



3-YEAR STOCK RETURN ⁽¹⁾



3-YEAR LTM EBITDA MULTIPLE (2)



PUBLIC COMPARABLE COMPANIES

	Latest Twelve Months				TEV / LTM		TEV / EBITDA	
	TEV	Revenue	Gross Profit	EBITDA	Revenue	EBITDA	2026P	2027P
(\$ in millions)								
Business Process Outsourcing								
Cognizant Technology Solutions Corporation	\$17,404	\$21,406	\$7,174	\$3,891	0.8x	4.5x	4.2x	3.9x
Computershare Limited	\$16,101	\$3,188	\$896	\$1,038	5.0x	15.5x	12.5x	12.3x
DXC Technology Company	\$3,517	\$12,644	\$3,031	\$1,453	0.3x	2.4x	2.2x	2.2x
ExlService Holdings, Inc.	\$4,117	\$2,157	\$830	\$373	1.9x	11.0x	8.2x	7.4x
Genpact Limited	\$5,285	\$5,161	\$1,874	\$865	1.0x	6.1x	5.2x	4.7x
TaskUs, Inc.	\$768	\$1,212	\$475	\$219	0.6x	3.5x	3.3x	3.0x
TTEC Holdings, Inc.	\$913	\$2,099	\$493	\$180	0.4x	5.1x	4.1x	4.1x
Business Process Outsourcing Median					0.8x	5.1x	4.2x	4.1x
Education & Training								
American Public Education, Inc.	\$856	\$659	\$362	\$78	1.3x	11.0x	8.8x	7.8x
Bright Horizons Family Solutions Inc.	\$4,677	\$2,980	\$752	\$461	1.6x	10.1x	9.0x	8.2x
Covista Inc.	\$4,595	\$1,910	\$1,094	\$425	2.4x	10.8x	8.7x	7.9x
Franklin Covey Co.	\$264	\$262	\$199	\$19	1.0x	14.1x	8.5x	NA
Graham Holdings Company	\$4,812	\$4,982	\$1,502	\$513	1.0x	9.4x	11.0x	11.7x
Grand Canyon Education, Inc.	\$3,501	\$1,126	\$599	\$352	3.1x	10.0x	9.0x	8.4x
KinderCare Learning Companies, Inc.	\$1,302	\$2,738	\$568	\$252	0.5x	5.2x	6.0x	5.2x
Laureate Education, Inc.	\$5,143	\$1,738	\$643	\$498	3.0x	10.3x	8.7x	8.0x
Lincoln Educational Services Corporation	\$1,602	\$545	\$328	\$57	2.9x	28.2x	20.6x	16.9x
Perdoceo Education Corporation	\$1,395	\$855	\$683	\$247	1.6x	5.7x	5.4x	5.1x
Phoenix Education Partners, Inc.	\$964	\$1,014	\$572	\$186	1.0x	5.2x	3.8x	3.6x
Strategic Education, Inc.	\$1,551	\$1,271	\$627	\$243	1.2x	6.4x	5.4x	4.8x
Stride, Inc.	\$3,293	\$2,536	\$973	\$519	1.3x	6.3x	5.3x	5.0x
Universal Technical Institute, Inc.	\$2,323	\$869	\$483	\$90	2.7x	25.8x	20.1x	17.5x
Education & Training Median					1.4x	10.1x	8.7x	7.9x

PUBLIC COMPARABLE COMPANIES (CONTINUED)

	Latest Twelve Months				TEV / LTM		TEV / EBITDA	
	TEV	Revenue	Gross Profit	EBITDA	Revenue	EBITDA	2026P	2027P
(\$ in millions)								
Facilities Services								
ABM Industries Incorporated	\$4,359	\$9,053	\$1,170	\$441	0.5x	9.9x	7.6x	7.3x
APi Group Corporation	\$20,462	\$8,174	\$2,565	\$1,035	2.5x	19.8x	17.1x	15.2x
Aramark	\$20,632	\$19,414	\$2,982	\$1,404	1.1x	14.7x	12.9x	11.6x
Bright View Holdings, Inc.	\$2,642	\$2,729	\$599	\$340	1.0x	7.8x	7.1x	6.7x
Cintas Corporation	\$70,520	\$11,027	\$5,553	\$2,903	6.4x	24.3x	21.8x	20.7x
Comfort Systems USA, Inc.	\$68,579	\$10,136	\$2,547	\$1,736	6.8x	39.5x	31.9x	26.4x
EMCOR Group, Inc.	\$35,971	\$17,747	\$3,424	\$1,851	2.0x	19.4x	18.3x	16.7x
ISS A/S	\$8,540	\$12,829	\$11,742	\$661	0.7x	12.9x	8.9x	8.5x
Mitie Group plc	\$3,134	\$7,532	\$880	\$380	0.4x	8.2x	6.0x	5.6x
Rentokil Initial plc	\$17,958	\$6,908	\$951	\$1,233	2.6x	14.6x	11.7x	10.9x
Rollins, Inc.	\$20,630	\$3,845	\$2,023	\$860	5.4x	24.0x	21.9x	19.7x
Sodexo S.A.	\$13,252	\$27,241	\$3,001	\$1,308	0.5x	10.1x	8.7x	8.0x
UniFirst Corporation	\$4,625	\$2,469	\$905	\$317	1.9x	14.6x	13.6x	12.7x
Facilities Services Median					1.9x	14.6x	12.9x	11.6x
Human Capital								
Adecco Group AG	\$6,117	\$26,861	\$5,103	\$860	0.2x	7.1x	6.0x	5.5x
AMN Healthcare Services, Inc.	\$1,437	\$3,419	\$945	\$290	0.4x	5.0x	5.0x	7.8x
Barrett Business Services, Inc.	\$780	\$1,255	\$261	\$64	0.6x	12.2x	11.4x	10.0x
Hays plc	\$834	\$8,566	\$1,224	\$59	0.1x	14.2x	5.6x	4.7x
Insperty, Inc.	\$1,391	\$6,844	\$892	\$15	0.2x	NM	7.2x	5.9x
Kelly Services, Inc.	\$562	\$4,127	\$813	\$78	0.1x	7.2x	5.6x	4.1x
Kforce Inc.	\$875	\$1,329	\$363	\$53	0.7x	16.5x	10.6x	9.4x
Korn Ferry	\$2,658	\$2,907	\$707	\$412	0.9x	6.5x	5.2x	4.9x
ManpowerGroup Inc.	\$2,493	\$18,377	\$3,022	\$373	0.1x	6.7x	5.8x	4.9x
Michael Page Plc	\$571	\$2,106	\$1,015	\$43	0.3x	13.3x	5.1x	4.1x
Randstad N.V.	\$6,899	\$26,591	\$4,931	\$712	0.3x	9.7x	6.6x	6.0x
Robert Half Inc.	\$2,808	\$5,327	\$1,983	\$126	0.5x	22.4x	10.7x	7.8x
SThree plc	\$229	\$1,709	\$424	\$39	0.1x	5.8x	6.4x	4.2x
TriNet Group, Inc.	\$2,830	\$4,881	\$844	\$260	0.6x	10.9x	7.0x	6.7x
TrueBlue, Inc.	\$262	\$1,644	\$357	(\$8)	0.2x	NM	9.9x	5.6x
Human Capital Median					0.3x	9.7x	6.4x	5.6x

PUBLIC COMPARABLE COMPANIES (CONTINUED)

	Latest Twelve Months				TEV / LTM		TEV / EBITDA	
	TEV	Revenue	Gross Profit	EBITDA	Revenue	EBITDA	2026P	2027P
(\$ in millions)								
IT Services								
Accenture plc	\$72,738	\$73,101	\$23,402	\$12,944	1.0x	5.6x	5.0x	4.9x
Capgemini SE	\$24,676	\$25,399	\$6,868	\$3,275	1.0x	7.5x	5.6x	5.5x
CGI Inc.	\$16,123	\$11,825	\$2,420	\$2,115	1.4x	7.6x	6.7x	6.5x
Conduent Incorporated	\$883	\$3,014	\$555	\$68	0.3x	13.0x	5.2x	4.3x
Endava plc	\$401	\$975	\$214	\$40	0.4x	10.0x	3.9x	3.2x
EPAM Systems, Inc.	\$3,274	\$5,555	\$1,614	\$731	0.6x	4.5x	3.4x	3.2x
Globant S.A.	\$1,580	\$2,451	\$856	\$393	0.6x	4.0x	3.2x	3.0x
Grid Dynamics Holdings, Inc.	\$148	\$416	\$142	\$22	0.4x	6.6x	2.4x	2.0x
HCL Technologies Limited	\$28,042	\$14,664	\$4,997	\$2,799	1.9x	10.0x	9.2x	8.4x
Infosys Limited	\$40,177	\$20,158	\$5,950	\$4,428	2.0x	9.1x	8.3x	8.1x
Tata Consultancy Services Limited	\$74,730	\$30,245	\$12,191	\$7,978	2.5x	9.4x	9.2x	8.8x
Tech Mahindra Limited	\$12,553	\$6,435	\$2,227	\$957	2.0x	13.1x	10.9x	9.9x
Wipro Limited	\$14,254	\$10,491	\$3,059	\$1,939	1.4x	7.4x	6.9x	6.5x
IT Services Median					1.0x	7.6x	5.6x	5.5x
Logistics								
C.H. Robinson Worldwide, Inc.	\$23,383	\$16,199	\$1,390	\$890	1.4x	26.3x	22.2x	18.9x
CSX Corporation	\$106,174	\$14,151	\$6,625	\$6,625	7.5x	16.0x	15.0x	13.9x
Expeditors International of Washington, Inc.	\$20,002	\$11,186	\$1,523	\$1,138	1.8x	17.6x	16.4x	16.3x
FedEx Corporation	\$87,118	\$94,720	\$25,876	\$11,877	0.9x	7.3x	8.8x	8.3x
Forward Air Corporation	\$2,052	\$2,464	\$506	\$246	0.8x	8.3x	6.8x	6.4x
Hub Group, Inc.	\$2,867	\$3,729	\$424	\$333	0.8x	8.6x	8.4x	7.6x
Kirby Corporation	\$8,202	\$3,422	\$1,160	\$781	2.4x	10.5x	10.4x	9.5x
Knight-Swift Transportation Holdings Inc.	\$14,766	\$7,496	\$1,801	\$1,012	2.0x	14.6x	11.9x	9.2x
Landstar System, Inc.	\$6,729	\$4,776	\$922	\$241	1.4x	27.9x	22.7x	19.1x
Matson, Inc.	\$6,059	\$3,320	\$744	\$626	1.8x	9.7x	8.3x	7.9x
Old Dominion Freight Line, Inc.	\$44,798	\$5,456	\$2,125	\$1,708	8.2x	26.2x	23.8x	21.0x
Union Pacific Corporation	\$191,106	\$24,700	\$13,962	\$12,586	7.7x	15.2x	14.4x	13.4x
United Parcel Service, Inc.	\$109,988	\$88,317	\$19,827	\$11,892	1.2x	9.2x	8.9x	8.2x
Werner Enterprises, Inc.	\$3,514	\$3,071	\$596	\$363	1.1x	9.7x	8.3x	6.7x
XPO, Inc.	\$27,203	\$8,299	\$1,540	\$1,295	3.3x	21.0x	18.7x	16.6x
Logistics Median					1.8x	14.6x	11.9x	9.5x

PUBLIC COMPARABLE COMPANIES (CONTINUED)

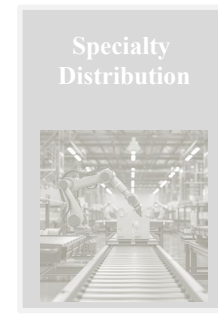
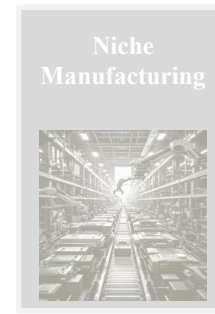
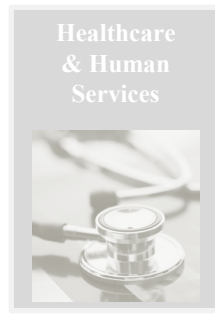
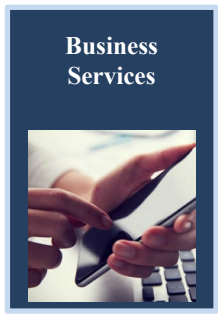
	Latest Twelve Months				TEV / LTM		TEV / EBITDA	
	TEV	Revenue	Gross Profit	EBITDA	Revenue	EBITDA	2026P	2027P
(\$ in millions)								
Marketing Services								
Advantage Solutions Inc.	\$1,978	\$3,590	\$503	\$305	0.6x	6.5x	6.3x	6.3x
Amdocs Limited	\$6,089	\$4,623	\$1,747	\$1,025	1.3x	5.9x	5.1x	4.9x
Deluxe Corporation	\$2,464	\$2,135	\$1,130	\$420	1.2x	5.9x	5.7x	5.3x
Dentsu Group Inc.	\$6,525	\$9,615	\$8,008	\$1,539	0.7x	4.2x	4.2x	4.5x
Omnicom Group Inc.	\$27,492	\$19,824	\$3,654	\$3,156	1.4x	8.7x	5.8x	5.4x
Publicis Groupe S.A.	\$26,296	\$19,671	\$9,000	\$3,258	1.3x	8.1x	6.9x	6.5x
Quad/Graphics, Inc.	\$862	\$2,372	\$517	\$183	0.4x	4.7x	4.4x	4.4x
S4 Capital plc	\$428	\$996	\$888	\$106	0.4x	4.0x	3.8x	3.6x
Stagwell Inc.	\$3,208	\$2,961	\$1,068	\$321	1.1x	10.0x	6.5x	6.2x
WPP plc	\$9,172	\$17,873	\$2,831	\$736	0.5x	12.5x	4.3x	4.3x
<i>Marketing Services Median</i>					0.9x	6.2x	5.4x	5.1x
Specialty Consulting								
CRA International, Inc.	\$1,079	\$771	\$227	\$90	1.4x	12.0x	10.8x	10.0x
Exponent, Inc.	\$2,732	\$551	\$194	\$127	5.0x	21.5x	16.0x	14.5x
FTI Consulting, Inc.	\$4,962	\$3,874	\$1,235	\$445	1.3x	11.1x	11.4x	10.0x
Huron Consulting Group Inc.	\$2,200	\$1,711	\$558	\$232	1.3x	9.5x	8.1x	7.3x
ICF International, Inc.	\$1,766	\$1,823	\$678	\$198	1.0x	8.9x	8.2x	7.7x
Resources Connection, Inc.	\$63	\$485	\$186	\$7	0.1x	9.2x	NA	NA
The Hackett Group, Inc.	\$344	\$292	\$119	\$39	1.2x	8.9x	5.7x	5.2x
<i>Specialty Consulting Median</i>					1.3x	9.5x	9.5x	8.9x
TOTAL INDUSTRY MEDIAN					1.1x	9.7x	8.2x	7.3x

ABOUT SHIELDS & COMPANY

Founded in 1991, Shields & Company, Inc. is a leading, independent, middle-market investment bank located in the Boston area providing corporate finance advisory services to privately-owned and closely-held businesses in North America. While our services include a full range of corporate finance advisory services, our focus is on sell-side merger and acquisition advisory and valuation services. Our M&A practice focuses on six key industries (Business Services; Consumer, Food, & Beverage; Healthcare & Human Services; Industrial Products & Services; Niche Manufacturing; and Specialty Distribution) and our typical client generates \$5–30 million of EBITDA.

The Shields & Company team utilizes its deep experience and knowledge to provide creative, thorough, and professional financial advice. We are committed to providing senior-level attention and objective financial advice for our clients. We embrace a philosophy where our clients' goals come first and, as a result, we design and execute tailored sale processes that maximize shareholder outcomes and exceed client expectations.

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Sources

Sources: S&P Capital IQ data as of June 30, 2026, and Shields & Company.

Footnotes

- (1) Peer group returns calculated based on equal-weighted indices, indexed to 100.
- (2) Metrics are peer group medians.