

VALUE FOCUS

Transportation & Logistics

Fourth Quarter 2021

Article: CAUTION: Railroad Crossing Ahead | Minimizing Costs vs. Meeting Demands

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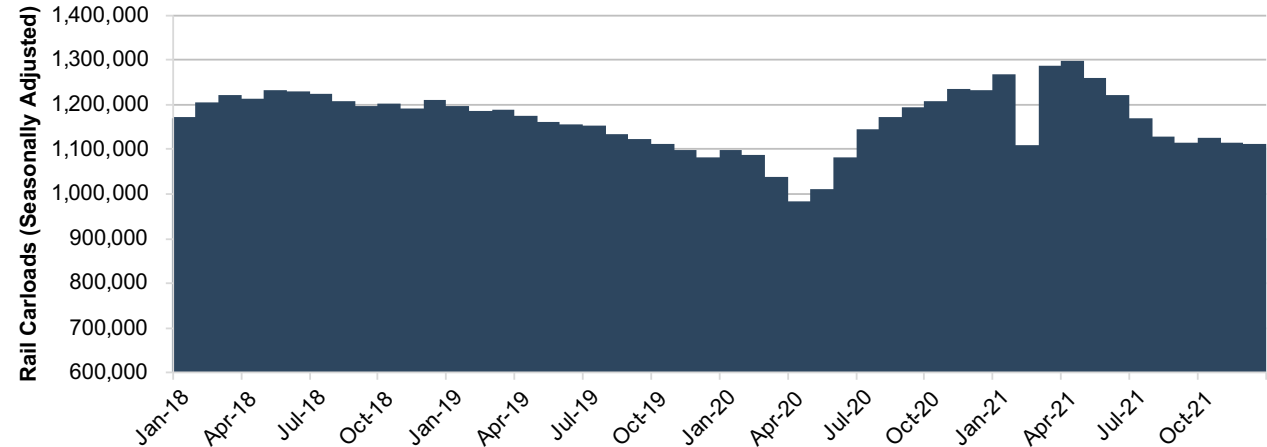
FEATURE ARTICLE

CAUTION: Railroad Crossing Ahead

Minimizing Costs vs.
Meeting Demands

Supply chain bottlenecks are causing companies to switch their cargo transportation from rail to truck. According to research conducted by JLL Inc, **aggregate demand for goods is still 15%** above its levels in the fourth quarter of 2019, just before the pandemic lockdowns began. Suppliers have drastically increased the volume of their output in response to this demand, which, along with other issues, has clogged supply chains. Challenges in retaining drivers and acquiring new trucks and trailers have exacerbated this problem. One of the results of the tangled supply chains has been the shift from rail to road transportation.

Rail Freight Intermodal Traffic



Source: Bureau of Transportation Statistics

From the **fourth quarter of 2020 through the second quarter of 2021**, railroads carried record levels of intermodal cargo. This was due in large part to a massive surge of cargo volumes that began a few months after the COVID 19 pandemic. Imports rose 14% in 2021 relative to 2020. The shift towards trucking began early in the pandemic when port facilities found themselves shorthanded, resulting in long wait times to unload ships and move containers out of the ship yards. By December 2021, **over 100 ships** were waiting to enter the ports of Las Angeles and Long Beach. The backlog continued inland, where an influx of intermodal containers into Chicago congested supply chains. **Chicago is a critical**

FEATURE ARTICLE

CAUTION: Railroad Crossing Ahead

Minimizing Costs vs. Meeting Demands

(continued)

hub for moving cargo east of the Mississippi River and is within a 500 mile driving distance of approximately one-third of the US population. The increased number of containers combined with staffing shortages has meant that warehouses and drayage firms have been unable to move all of the containers. Schneider International estimates that unloading containers has been taking 30% longer than in pre-pandemic times.

Railroads responded to the jam by restricting cargo, which then forced shippers to utilize trucking to meet demand. Driver and tractor shortages mentioned previously have contributed to increased road freight prices. While road freight prices are higher than rail freight prices, the speed of trucking compared to rail has led to a change in preferences for many suppliers. For shippers, railroad shipping simply had too many unpredictable delays to make it appealing compared to trucking.

Despite the current trend towards truck shipping, it is likely that railroad shipping companies will recover. A senior vice president for policy and economics at the Association of American Railroads has stated in an interview with the *Wall Street Journal* that he believes freight railroads could comfortably handle as much as 30,000 more intermodal loads per week than current levels.

In the longer term, it is also very possible that shippers will move back towards intermodal transport for its cost advantages over long-haul trucking despite intermodal's slower speed overall. It is certainly possible to see the current supply chain environment as a reflection of the uniquely high level of demand during the pandemic. Under these circumstances, speed and certainty are priorities as opposed to cost efficiency. As economic conditions continue to return to normal, it seems likely that shipping firms will once again turn their focus towards minimizing costs rather than meeting as much demand as possible.



Samantha L. Albert, ASA

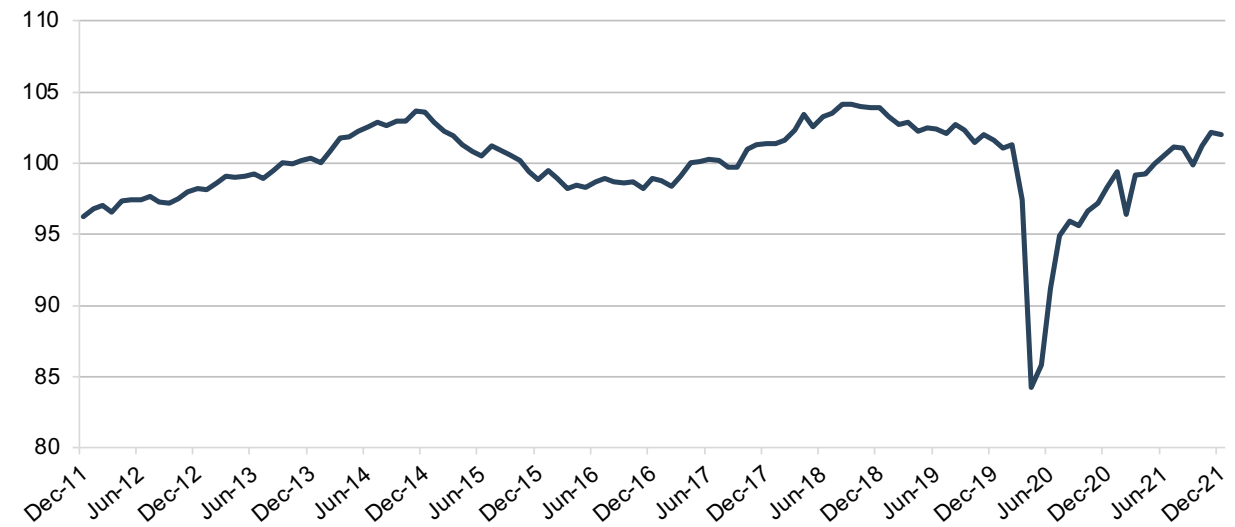
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Industry Macro Trends

Industrial Production Index

Demand for services in the logistics industry is tied to the level of **domestic industrial production**. The Industrial Production Index is an economic measure of all real output from manufacturing, mining, electric, and gas utilities. The COVID-19 pandemic resulted in numerous shutdowns and manufacturing disruptions that resulted in productivity falling to lows previously seen during the Great Recession. Production recovered during the summer months of 2020 and generally continued its upward trend through 2021 except for a dip in September. The index value at the beginning of December 2021 was 102.02, a 0.11% decline from November 2021 but an increase of 3.80% on a year-over-year basis. After its long recovery, the December index level is 0.69% above its pre-COVID level in February 2020.

Industrial Production Index (Seasonally Adjusted)



Source: Federal Reserve Bank of St. Louis

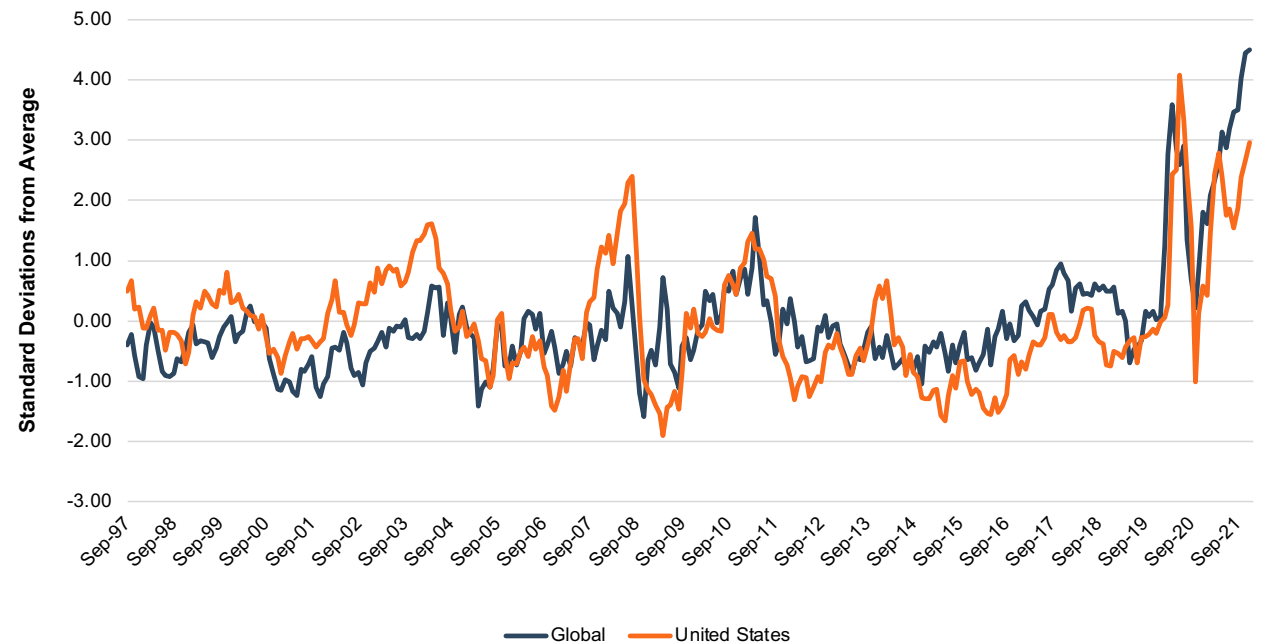
Indexed to 2017

Industry Macro Trends

Global Supply Chain Pressure Index

In January 2022, the Federal Reserve Board of New York launched a new index designed to track various demands and constraints on supply chains. The Global Supply Chain Pressure Index (GSCPI) combines over 27 data points and indices to provide an overview of supply chain disruptions and pressure. When the Federal Reserve launched the index, they include historical periods back to September 1997, capturing multiple waves of expansion and recession in addition to recent pandemic issues. The chart on the right shows the GSCPI from September 1997 through December 2021 on both US and Global scales. Although the GSCPI was released by the Federal Reserve, some critics of the index are skeptical of its meaningfulness to the transportation and logistics industry.

Global Supply Chain Pressure Index



Source: Federal Reserve Board of New York

Industry Macro Trends

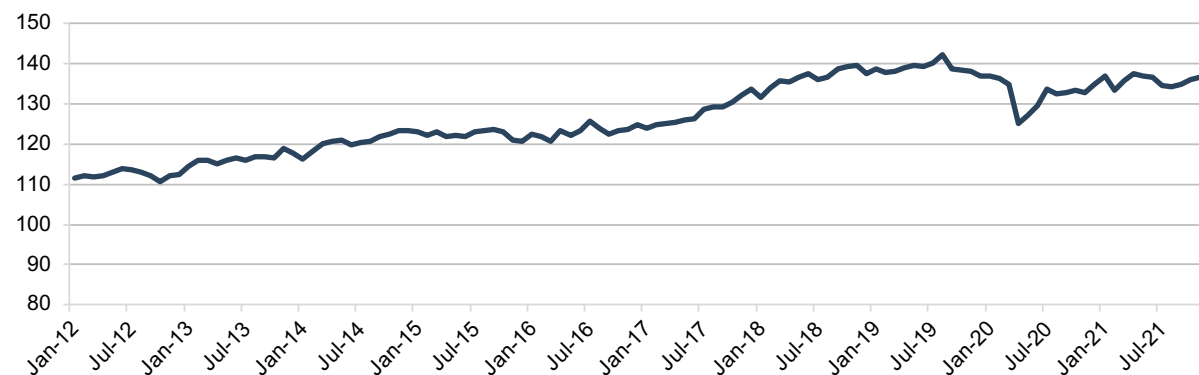
Transportation Services Index

The Transportation Services Index, which measures freight traffic in the United States, increased 1.04% from September to December of 2021 and increasing 1.04% on a year-over-year basis. The index in December 2021 was 136.4.

Cass Freight Index

The Cass Freight Index of shipments and expenditures is considered one of the best indicators of overall U.S. freight activity. In April 2020, shipments fell to their lowest levels since January 2010 due to COVID-19 related shutdowns in the US and abroad. Shipments have generally increased since COVID-induced lows, though the index has experienced several periods of decline. Expenditures continued to rapidly rise through December 2021. Shipments climbed 2.0% relative to September 2021, while expenditures increased 15.7% over the same period. On a year-over-year basis, the expenditures index increased over 40%. The divergence of the expenditures and the shipments index helps to illustrate the impact increased demand for transportation services has had on freight pricing.

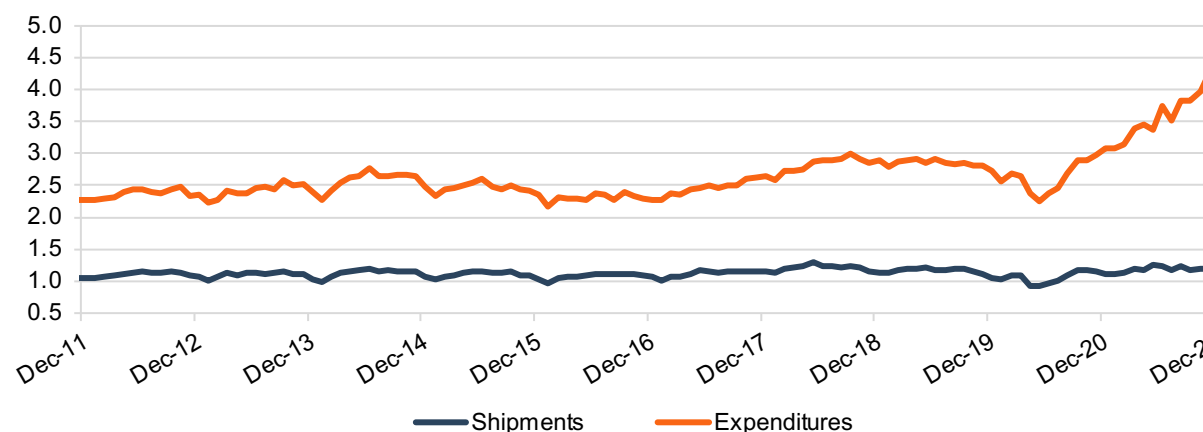
Transportation Services Index (Freight, Seasonally Adjusted)



Source: Bureau of Transportation Statistics

Indexed to January 2000

Cass Freight Index



Source: Cass Information Systems, Inc. and Avondale Partners

Indexed to January 1990

Industry Macro Trends

Shipments

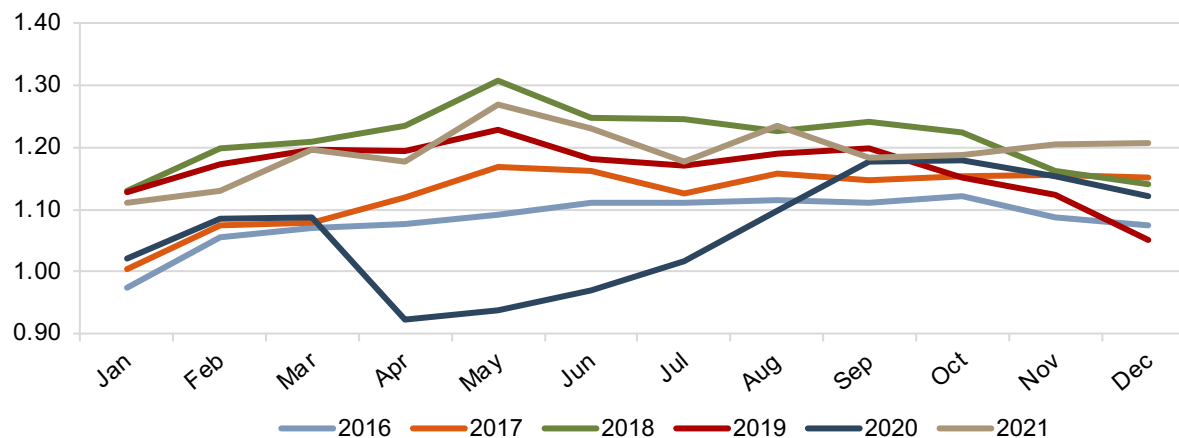
The shipments index hit 1.208 in December 2021. Shipments in December 2021 increased 7.7% relative to December 2020 and 0.2% relative to November 2021. The shipments index also saw a 2.0% increase on quarter-over-quarter basis.

Expenditures

The expenditures index measures the total amount spent on freight. The expenditures index hit 4.419 in December 2021, an increase of 15.7% on a quarterly basis and an increase of 43.6% on an annual basis. The index increased 3.4% from November 2021. The expenditures index rose throughout 2021 and has reached previously unrecorded levels. The difficulty in retaining drivers and purchasing new tractors and trailers combined with increased demand for shipping services has resulted in rapidly rising freight prices.

The American Trucking Association ("ATA") **estimates** trucking accounts for almost 73% of all domestic freight tonnage and over 80% of total freight expenditures.

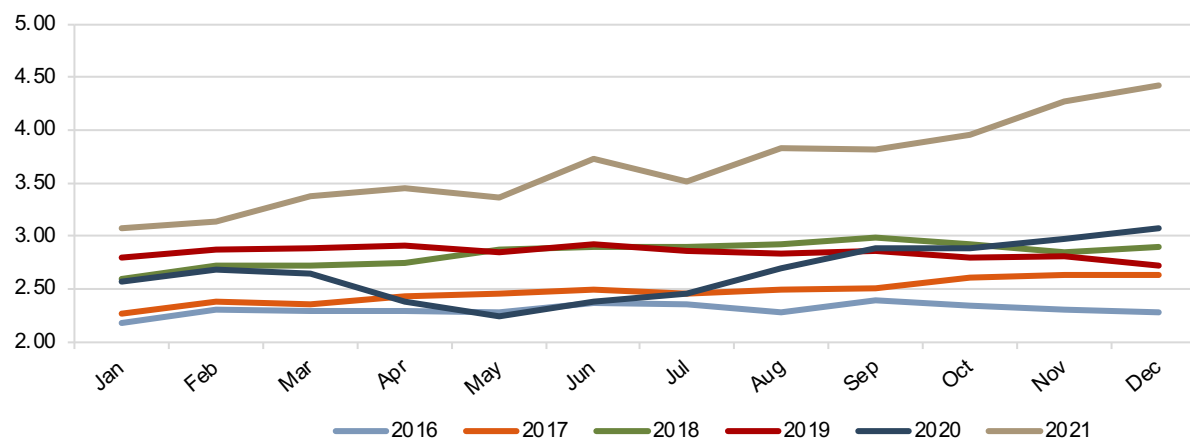
Cass Freight Shipments Index



Source: Cass Information Systems, Inc. and Avondale Partners

Indexed to January 1990

Cass Freight Expenditures Index

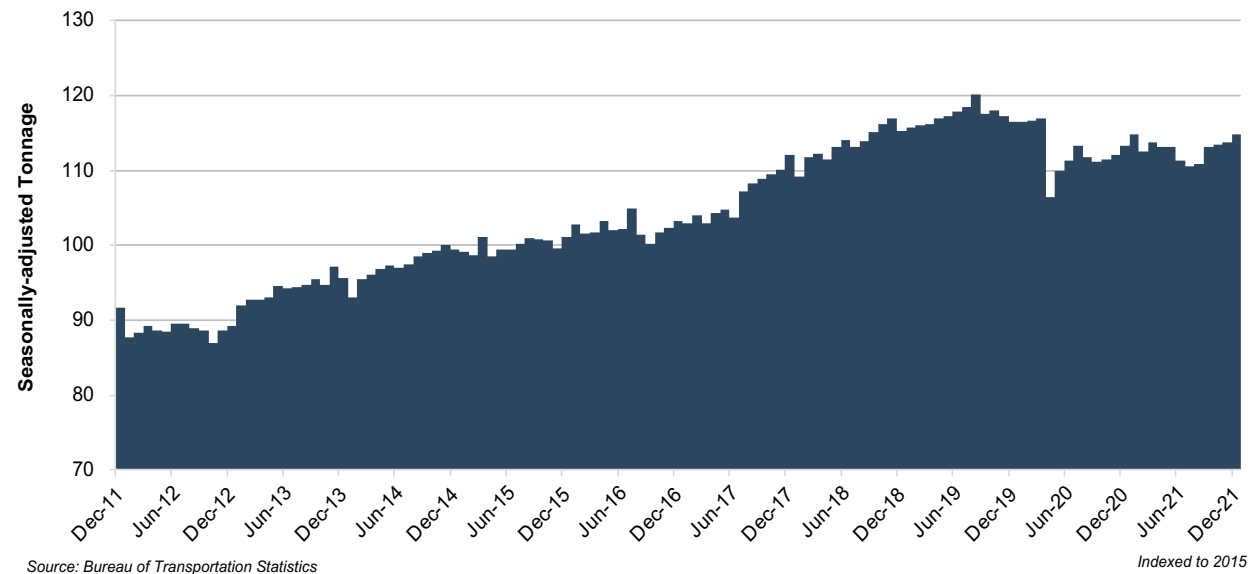


Source: Cass Information Systems, Inc. and Broughton Capital

Indexed to January 1990

Truck Tonnage

Truck Tonnage (Seasonally Adjusted)



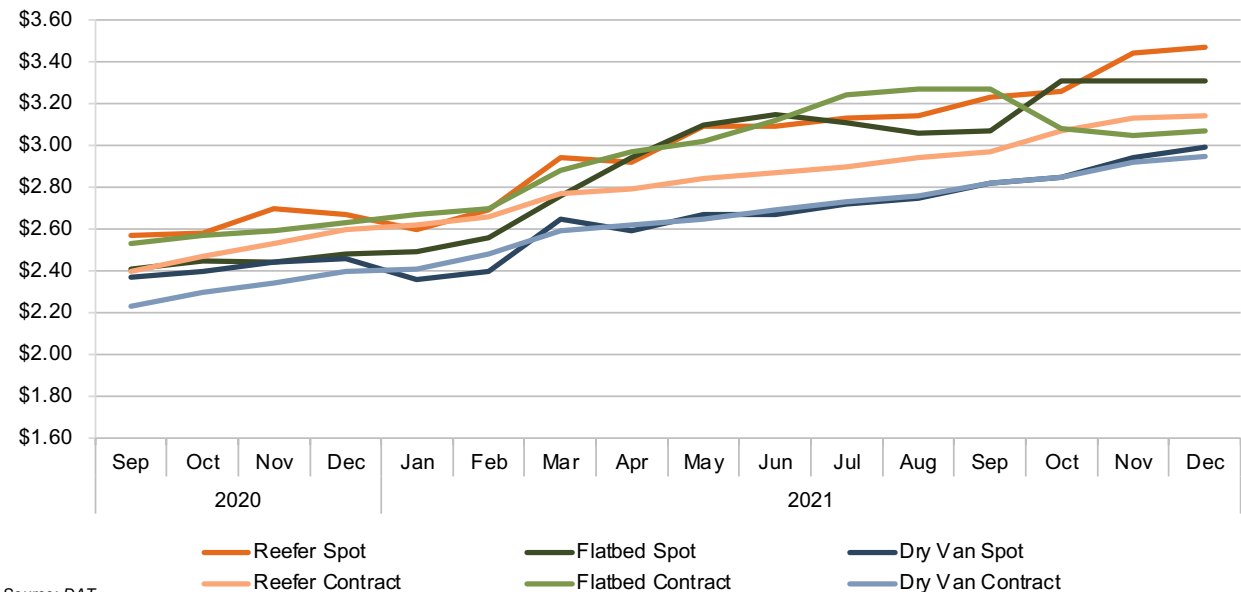
Trucking

Spot vs. Contract Rates

The Spot vs. Contract Rates chart depicts monthly national average line haul rates and fuel surcharges from **DAT**. Shippers enter contracts that lock in a static contract rate for a period of time. Spot rates, on the other hand, are one-time shipping quotes for a specific transaction or series of transactions. As capacity tightened during 2021, spot rates eclipsed contract rates in the reefer, flatbed, and van categories.

All classes of rates increased during the fourth quarter. All classes of rate increased on a year-over-year basis with flatbed spot rates showing the highest growth rate at 33.5%. Overall, spot rates have continued to escalate in the last year with reefer, flatbed, and dry van spot rates showing increases of 30.0%, 33.5%, and 21.5%, respectively, on a year-over-year basis.

Spot vs. Contract Rates



Source: DAT

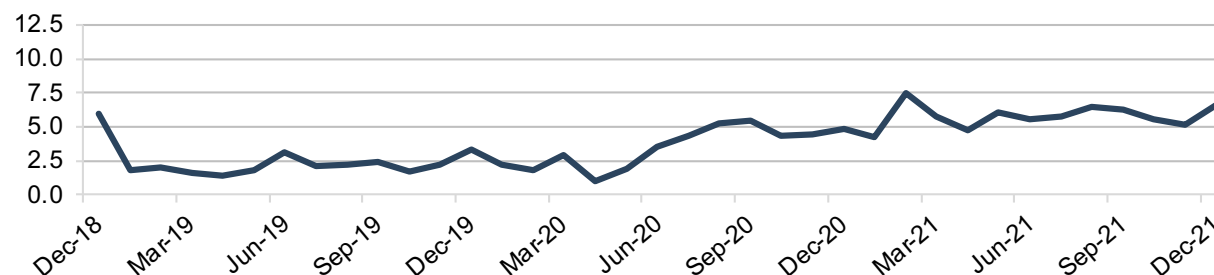
Trucking

Load-to-Truck Ratio

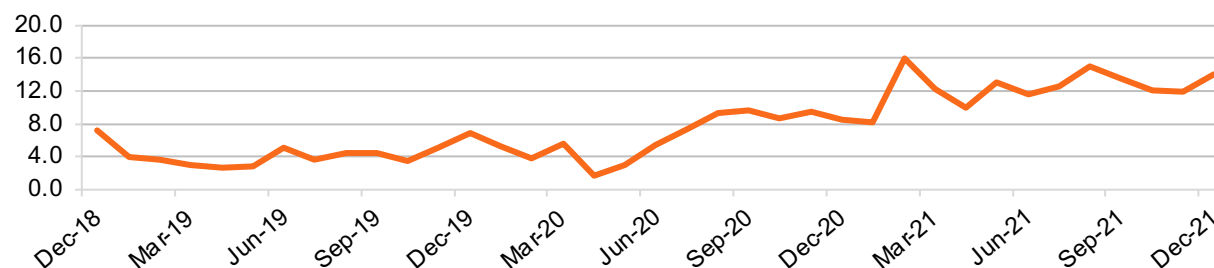
The load-to-truck ratio is calculated by dividing the total number of loads for shipment by the total number of trucks available. As a result, the load-to-truck ratio can signal a shortage or excess of capacity, which in turn influences changes in freight. An increase in the ratio (i.e., a higher number of loads relative to the level of available trucks) is typically associated with shipping rate increases). While economic factors typically push supply and demand, compression or expansion that occurs faster in the shipping industry can accelerate movements faster than the overall economy.

Van, reefer, and flatbed classes experienced increases of 3.5%, 3.9%, and 6.8% respectively, in the fourth quarter of 2021 compared to the previous quarter. All three classes posted significant gains on a year-over-year basis. Relative to December 2020, the van, reefer, and flatbed ratios increased 35.1%, 64.6%, and 27.4%, respectively.

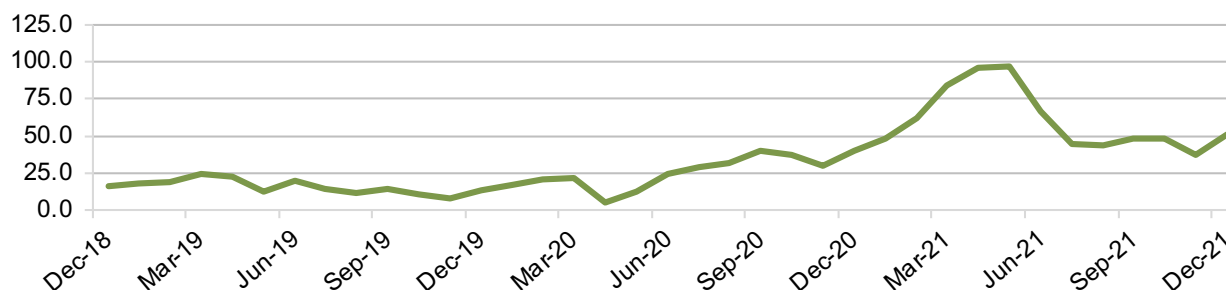
Dry Van Load-to-Truck



Reefer Load-to-Truck



Flatbed Load-to-Truck



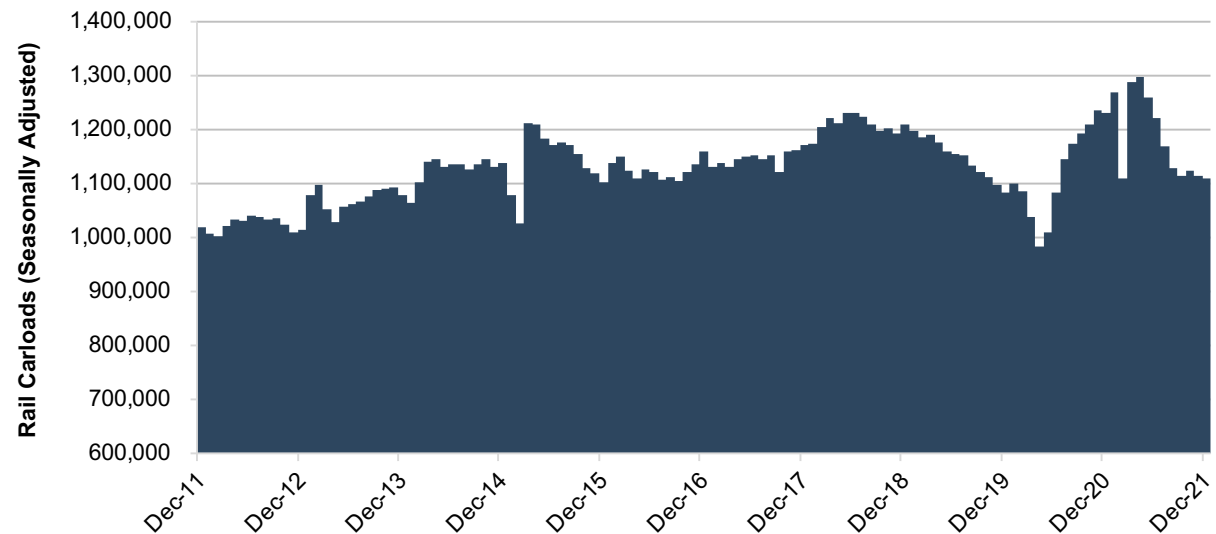
Source: DAT

Rail & Intermodal

Rail Freight Intermodal Traffic

As reported by the **Bureau of Transportation Statistics**, intermodal shipments index declined during two of the three months in the fourth quarter of 2021. Rail freight intermodal traffic also posted a decrease of 9.9% on a year-over-year basis. The intermodal shipments index had posted monthly year-over-year increases in every month dating from August 2020 through July 2021, but have fallen on the same basis every month from August through December. Rail and intermodal traffic has slowed due to congestion at intermodal ports.

Rail Freight Intermodal Traffic



Source: Bureau of Transportation Statistics

M&A Activity

Featured Transactions

Ryder System Buys Whiplash Inc. To Augment E-Commerce And Omnichannel Capabilities

"Ryder System, Inc. entered into an agreement to acquire Whiplash Inc. on December 11, 2021 for \$480 million. Whiplash is a leading provider of omnichannel fulfillment and logistical services. Ryder stated that the acquisition is aimed at expanding their e-commerce and omnichannel fulfillment capabilities. According to a press release from Whiplash, Ryder expects that the acquisition will contribute \$480 million to revenue in 2022.

Ryder previously entered into a definitive agreement to acquire Midwest Warehouse And Distribution System, Inc. for approximately \$280 million on October 27, 2021. Ryder will integrate Midwest's facilities and operations into its CPG business, retain Midwest's executive team, and continue operations with the company's workforce."



Hub Group Acquires Choptank

Hub Group, Inc. acquired Choptank Transport, Inc. for \$130 million on October 19, 2021. The consideration was funded by cash on hand. Choptank's employees, customers and carriers will join Hub Group. Choptank's management team will also remain with the business.



Werner Needs NEHDS

On November 22, 2021 Werner Enterprises, Inc. acquired NEHDS Logistics LLC for \$64 million, implying a 0.86x revenue multiple. The total transaction value consists of \$60 million in cash at closing and a \$4 million earn-out. Werner financed the transaction through a combination of cash on hand and existing credit facilities. NEHDS' Founder and President, Gerry Burdo, and his leadership team will remain in place, along with the NEHDS's drivers, contractors and non-driver associates. Werner will rebrand NEHDS into Werner Final Mile.



Select Transactions

Target	Buyer	Date Announced	Deal Status	Total Deal Value	Deal Value to	
					Sales	EBITDA
Trucking						
Midwest Warehouse And Distribution System, Inc.	Ryder System, Inc. (NYSE:R)	10/27/21	Closed	275.000	-	-
RAC MME Holdings, LLC	Knight-Swift Transportation Holdings Inc. (NYSE:KNX)	12/6/21	Closed	150.000	-	-
NEHDS Logistics LLC	Werner Enterprises, Inc. (NasdaqGS:WERN)	11/29/21	Closed	64.000	0.896	-
T.F. Boyle Transportation, Inc.	Andlauer Healthcare Group Inc. (TSX:AND)	10/5/21	Closed	80.670	-	-
Skelton USA Inc.	Andlauer Healthcare Group Inc. (TSX:AND)	10/5/21	Closed	40.450	-	-
Less Than Truckload Division of CRH Transportation, Inc.	Sutton Transport, Inc.	10/21/21	Announced	-	-	-
Dance Logistics LLC	Indiana Freight Management LLC	10/25/21	Closed	-	-	-
Tombro Trucking Limited	TFI International Inc. (TSX:TFII)	10/28/21	Closed	-	-	-
D&D Sexton, Inc.	TFI International Inc. (TSX:TFII)	11/29/21	Closed	-	-	-
Salgado Family Trucking Inc.	Bell Rose Capital Inc.	11/30/21	Closed	-	-	-
All Tank Truck Assets of Georgia Tank Lines, LLC	Groendyke Transport, Inc.	12/15/21	Announced	-	-	-
Oakport Transportation Services, Inc.	GrubMarket, Inc.	11/11/21	Closed	-	-	-
Diamond Delivery	Manitoulin Transport Inc.	11/22/21	Closed	-	-	-
Transcope Services, LLC	US Services Group, LLC	12/22/21	Closed	-	-	-
Transport N Service Inc.	Kriska Transportation Group Limited	10/4/21	Closed	-	-	-
Driving Force Decks International Ltd	TFI International Inc. (TSX:TFII)	10/28/21	Closed	-	-	-
Delaware Express Co.	A&R Logistics, Inc.	12/2/21	Closed	-	-	-
Cbt, Inc.	XTL Group of Companies	10/25/21	Closed	-	-	-

Source: S&P Global Market Intelligence
in USD millions

Select Transactions (continued)

Target	Buyer	Date Announced	Deal Status	Total Deal Value	Deal Value to	
					Sales	EBITDA
Rail						
Genesis Rail Services, Inc.	Auxo Investment Partners	10/25/21	Closed	-	-	-
Marine						
Inter-Orient Services	FM Global Logistics Ventures Sdn. Bhd.	10/4/21	Announced	2.200	-	-
Express Marine, Inc.	-	11/17/21	Closed	-	-	-
Government & Commercial Marine Business of Stearns	Mustang Survival Corp.	12/8/21	Closed	-	-	-
Air Freight & Logistics						
Aeropost Package Forwarding and Marketplace Businesses	Collect Company Ltd	10/1/21	Closed	-	-	-
Bond	REEF Technology Inc.	10/7/21	Closed	-	-	-
Eclipse Advantage, LLC	Two Sigma Impact	10/12/21	Closed	-	-	-
OnTrac Logistics, Inc.	Lasership, Inc.	10/13/21	Announced	-	-	-
Qwik Pack & Ship Wake Forest	TA Logistics, Inc.	10/22/21	Closed	-	-	-
Global Net Logistics, LLC	Rhenus Project Logistics, Inc.	11/2/21	Closed	-	-	-
Total Logistics, Inc.	Warehouse Services, Inc.	10/29/21	Closed	-	-	-
International Warehouse Services, Inc.	St. George Trucking & Warehouse Inc.	11/16/21	Closed	-	-	-
Hartford Courier Services LLC	ProCourier Inc.	12/14/21	Closed	-	-	-
ICAT Logistics, Inc.	Midwest Mezzanine Funds; KCM Capital Partners; Lightspring Capital Partners	12/17/21	Closed	-	-	-
Whiplash Inc.	Ryder System, Inc. (NYSE:R)	12/13/21	Closed	480.000	-	-
Mid-Nite Sun Transportation Ltd	General Logistics Systems B.V.	10/8/21	Closed	288.690	2.060	8.650

Source: S&P Global Market Intelligence
in USD millions

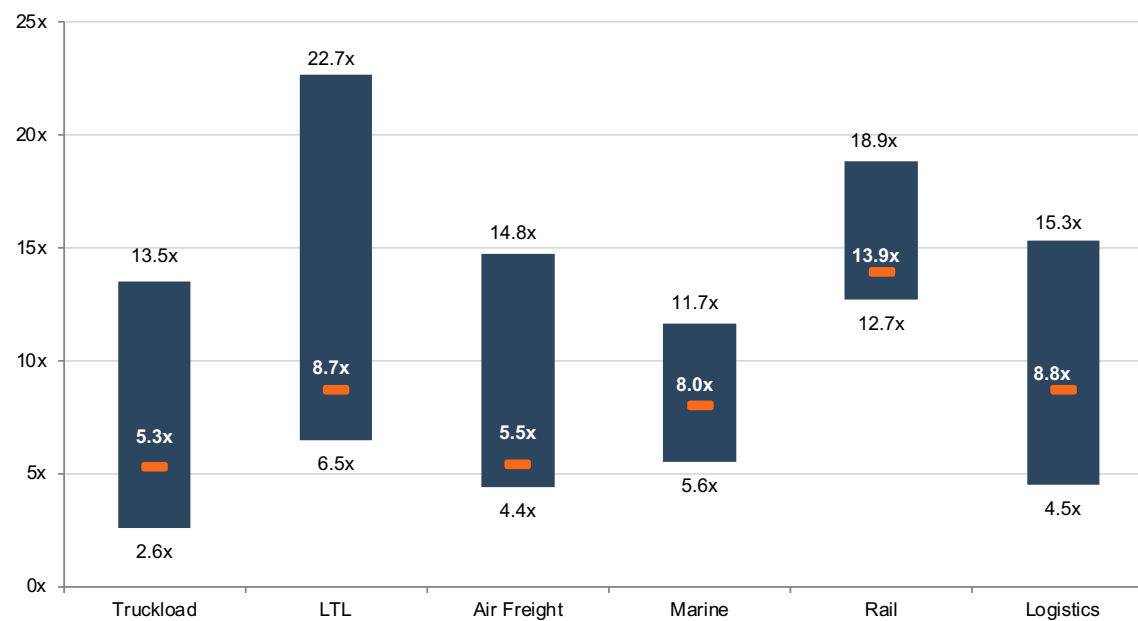
Select Transactions (continued)

Target	Buyer	Date Announced	Deal Status	Total Deal Value	Deal Value to	
					Sales	EBITDA
Air Freight & Logistics (cont.)						
Choptank Transport, Inc.	Hub Group, Inc. (NasdaqGS:HUBG)	10/19/21	Closed	130.000	-	-
Round-The-World Logistics (U.S.A) Corp.	Evergreen Logistics Corp.	12/8/21	Closed	15.000	-	-
Aeropost International Services, Inc.	Click Partners LP	10/7/21	Closed	-	-	-
Web to Door Trucking Corp.	ParcelPal Logistics Inc. (CNSX:PKG)	11/29/21	Closed	2.830	-	-
SSA Express Inc.	Five Star Transportation Inc.	10/1/21	Effective	-	-	-
Quiet Logistics, Inc.	The Original Real Co.	11/2/21	Closed	-	-	-
Malca-Amit (NWT) Ltd.	Malca-Amit North America, Inc.	12/9/21	Closed	-	-	-
Cargo Cove Fulfillment LLC	Ship Hero, LLC	10/22/21	Closed	-	-	-
Provost Freight Lines Inc	Manitoulin Transport Inc.	10/19/21	Effective	-	-	-
Golden Egg Solutions, LLC	Ship Hero, LLC	11/3/21	Closed	-	-	-
Select Express & Logistics, LLC	AIT Worldwide Logistics, Inc.	11/17/21	Closed	-	-	-
BDP International, Inc.	PSA International Pte Ltd	12/1/21	Announced	-	-	-
Commerce & Lifecycle Services Business of Ingram Micro Inc.	Ceva Logistics AG	12/8/21	Announced	-	-	-
MNX Global Logistics	Quad-C Management, Inc.	12/13/21	Closed	-	-	-

Source: S&P Global Market Intelligence
in USD millions

Public Company Performance

Monthly Median TEV/EBITDA Multiples (as of December 31, 2021)



Source: S&P Global Market Intelligence

Publicly Traded Companies

Company Name	Ticker	Price at 12/31/21	QoQ Price Change	Enterprise Value	Debt / Total Capital	Return on Assets	LTM		LTM Multiples			Forward Multiples	
							Rev.	EBITDA Margin	EV / Rev.	EV / EBITDA	Price / Earn.	EV / EBITDA	Price / Earn.
Truckload													
J.B. Hunt Transport Services, Inc.	JBHT	\$204.40	22%	\$22,429	4%	1027%	\$12,168	13%	1.8x	14.0x	28.2x	12.0x	23.5x
Ryder System, Inc.	R	\$82.43	0%	\$10,484	58%	408%	\$9,663	28%	1.1x	3.9x	8.5x	3.7x	7.1x
Knight-Swift Transportation Holdings Inc.	KNX	\$60.94	19%	\$12,065	16%	584%	\$5,998	25%	2.0x	8.2x	13.6x	6.8x	11.6x
Landstar System, Inc.	LSTR	\$179.02	13%	\$6,743	-1%	1702%	\$6,540	8%	1.0x	12.2x	17.9x	11.4x	16.3x
Schneider National, Inc.	SNDR	\$26.91	18%	\$4,539	-5%	893%	\$5,609	14%	0.8x	5.6x	11.8x	4.8x	10.7x
Werner Enterprises, Inc.	WERN	\$47.66	8%	\$3,543	10%	670%	\$2,734	19%	1.3x	6.8x	12.3x	5.5x	12.2x
Heartland Express, Inc.	HTLD	\$16.82	5%	\$1,147	-16%	452%	\$607	28%	1.9x	6.7x	16.7x	5.8x	17.6x
Daseke, Inc.	DSKE	\$10.04	9%	\$1,262	45%	542%	\$1,557	12%	0.8x	6.9x	11.2x	5.3x	9.2x
Universal Logistics Holdings, Inc.	ULH	\$18.86	-6%	\$1,046	51%	585%	\$1,751	10%	0.6x	6.1x	6.9x	5.3x	5.8x
Marten Transport, Ltd.	MRTN	\$17.16	9%	\$1,340	-6%	700%	\$974	21%	1.4x	6.6x	16.7x	5.6x	14.6x
Covenant Logistics Group, Inc.	CVLG	\$26.43	-4%	\$505	12%	596%	\$1,046	11%	0.5x	4.3x	7.3x	3.9x	7.0x
P.A.M. Transportation Services, Inc.	PTSI	\$71.01	58%	\$980	19%	1059%	\$707	22%	1.4x	6.4x	10.4x	nm	nm
USA Truck, Inc.	USAK	\$19.88	30%	\$321	48%	639%	\$710	10%	0.5x	4.4x	6.8x	3.8x	5.5x
U.S. Xpress Enterprises, Inc.	USX	\$5.87	-32%	\$933	68%	94%	\$1,949	5%	0.5x	10.3x	27.3x	7.1x	15.5x
Patriot Transportation Holding, Inc.	PATI	\$8.07	-29%	\$19	-47%	-60%	\$81	9%	0.2x	2.4x	44.1x	nm	nm
Median			9%		12%			13.2%	1.0x	6.6x	12.3x	5.5x	11.6x

Source: S&P Global Market Intelligence

USD millions except per share values | Financial statement data as of Q4 2021

Publicly Traded Companies

Company Name	Ticker	Price at 12/31/21	QoQ Price Change	Enterprise Value	Debt / Total Capital	Return on Assets	LTM		LTM Multiples			Forward Multiples	
							Rev.	EBITDA Margin	EV / Rev.	EV / EBITDA	Price / Earn.	EV / EBITDA	Price / Earn.
Less-Than-Truckload													
Old Dominion Freight Line, Inc.	ODFL	\$358.38	25%	\$40,753	-1%	1893%	\$5,256	31%	7.8x	24.7x	39.8x	20.6x	32.8x
Saia, Inc.	SAIA	\$337.03	42%	\$8,885	0%	1220%	\$2,289	21%	3.9x	18.8x	34.9x	14.9x	27.3x
ArcBest Corporation	ARCB	\$119.85	47%	\$2,951	-4%	872%	\$3,980	10%	0.7x	7.5x	14.4x	5.9x	11.5x
Mullen Group Ltd.	MTL	\$9.19	-10%	\$1,453	40%	360%	\$1,167	14%	1.2x	9.2x	15.2x	7.1x	13.6x
Yellow Corporation	YELL	\$12.59	123%	\$2,039	68%	122%	\$5,122	4%	0.4x	10.8x	nm	5.4x	15.8x
Median			42%		0%			14%	1.2x	10.8x	25.1x	7.1x	15.8x
Air Freight													
Atlas Air Worldwide Holdings, Inc.	AAWW	\$94.12	15%	\$4,579	40%	713%	\$4,031	25%	1.1x	4.5x	5.5x	4.9x	6.3x
Air T, Inc.	AIRT	\$25.15	-12%	\$179	60%	-193%	\$175	-3%	1.0x	-30.4x	nm	nm	nm
Forward Air Corporation	FWRD	\$121.09	46%	\$3,519	7%	919%	\$1,662	12%	2.1x	17.9x	30.8x	13.7x	21.5x
Air Transport Services Group, Inc.	ATSG	\$29.38	14%	\$3,552	39%	453%	\$1,734	31%	2.0x	6.5x	9.4x	5.6x	14.6x
Cargojet Inc.	CJT	\$131.62	-18%	\$2,477	9%	790%	\$599	35%	4.1x	11.7x	17.0x	9.7x	25.9x
Median			14%		39%			25%	2.0x	6.5x	13.2x	7.6x	18.1x

Source: S&P Global Market Intelligence

USD millions except per share values | Financial statement data as of Q4 2021

Publicly Traded Companies

Company Name	Ticker	Price at 12/31/21	QoQ Price Change	Enterprise Value	Debt / Total Capital	Return on Assets	LTM		LTM Multiples			Forward Multiples	
							Rev.	EBITDA Margin	EV / Rev.	EV / EBITDA	Price / Earn.	EV / EBITDA	Price / Earn.
Marine													
Kirby Corporation	KEX	\$59.42	24%	\$4,914	27%	94%	\$2,247	13%	2.2x	16.4x	nm	11.8x	28.1x
Atlas Corp.	ATCO	\$14.18	-7%	\$9,844	61%	443%	\$1,647	66%	6.0x	9.1x	8.7x	8.7x	7.3x
Matson, Inc.	MATX	\$90.03	12%	\$4,577	18%	2158%	\$3,925	32%	1.2x	3.6x	4.0x	3.0x	3.4x
Eagle Bulk Shipping Inc.	EGLE	\$45.50	-10%	\$995	38%	1554%	\$595	51%	1.7x	3.3x	3.3x	3.1x	2.7x
Pangaea Logistics Solutions, Ltd.	PANL	\$3.78	-25%	\$456	62%	641%	\$0	na	nm	nm	nm	3.6x	1.6x
Global Ship Lease, Inc.	GSL	\$22.91	-3%	\$1,825	55%	879%	\$403	61%	4.5x	7.4x	4.8x	4.4x	2.9x
Genco Shipping & Trading Limited	GNK	\$16.00	-21%	\$896	25%	1007%	\$547	44%	1.6x	3.7x	3.7x	3.6x	3.8x
Algoma Central Corporation	ALC	\$13.46	1%	\$772	34%	485%	\$473	27%	1.6x	6.0x	7.8x	5.0x	10.3x
Singularity Future Technology Ltd.	SGLY	\$4.77	108%	\$44	-109%	-1491%	\$5	-97%	8.6x	-8.9x	nm	nm	nm
Median			-3%		34%				1.9x	4.9x	4.4x	4.0x	3.6x

Source: S&P Global Market Intelligence

USD millions except per share values | Financial statement data as of Q4 2021

Publicly Traded Companies

Company Name	Ticker	Price at 12/31/21	QoQ Price Change	Enterprise Value	Debt / Total Capital	Return on Assets	LTM		LTM Multiples			Forward Multiples	
							Rev.	EBITDA Margin	EV / Rev.	EV / EBITDA	Price / Earn.	EV / EBITDA	Price / Earn.
Railroads													
Union Pacific Corporation	UNP	\$251.93	29%	\$191,683	16%	929%	\$21,804	53%	8.8x	16.6x	24.8x	15.0x	21.8x
Canadian National Railway Company	CNR	\$122.78	6%	\$96,039	10%	871%	\$11,440	56%	8.4x	15.0x	22.4x	14.7x	22.0x
CSX Corporation	CSX	\$37.60	26%	\$98,101	15%	813%	\$12,522	53%	7.8x	14.8x	22.1x	13.5x	21.0x
Norfolk Southern Corporation	NSC	\$297.71	24%	\$85,347	15%	744%	\$11,142	51%	7.7x	14.9x	24.1x	13.9x	21.5x
Canadian Pacific Railway Limited	CP	\$71.89	10%	\$74,911	11%	514%	\$6,318	57%	11.9x	20.8x	29.7x	20.6x	23.7x
Median			24%		15%				8.4x	15.0x	24.1x	14.7x	21.8x
Logistics & Intermodal													
United Parcel Service, Inc.	UPS	\$214.34	18%	\$201,355	7%	1543%	\$97,287	20%	2.1x	10.5x	14.5x	11.8x	16.6x
FedEx Corporation	FDX	\$258.64	18%	\$98,528	30%	591%	\$83,959	14%	1.2x	8.4x	13.1x	9.0x	12.6x
Expeditors International of Washington, Inc.	EXPD	\$134.29	13%	\$21,388	-6%	1904%	\$16,524	12%	1.3x	10.9x	16.1x	12.3x	19.2x
TFI International Inc.	TFII	\$112.11	9%	\$12,331	15%	856%	\$7,220	13%	1.7x	13.1x	15.7x	9.4x	17.2x
XPO Logistics, Inc.	XPO	\$77.43	-3%	\$13,041	32%	384%	\$12,806	10%	1.0x	10.5x	26.4x	9.4x	14.7x
GXO Logistics, Inc.	GXO	\$90.83	16%	\$12,967	20%	230%	\$7,940	7%	1.6x	22.0x	68.1x	17.7x	32.8x
C.H. Robinson Worldwide, Inc.	CHRW	\$107.63	24%	\$15,771	12%	1111%	\$23,102	5%	0.7x	13.7x	16.5x	13.2x	17.1x
Forward Air Corporation	FWRD	\$121.09	46%	\$3,519	7%	919%	\$1,662	12%	2.1x	17.9x	30.8x	13.7x	21.5x
Hub Group, Inc.	HUBG	\$84.24	23%	\$2,990	2%	659%	\$4,232	9%	0.7x	8.1x	17.0x	6.9x	13.7x
Air Transport Services Group, Inc.	ATSG	\$29.38	14%	\$3,552	39%	453%	\$1,734	31%	2.0x	6.5x	9.4x	5.6x	14.6x
Radiant Logistics, Inc.	RLGT	\$7.29	14%	\$432	17%	608%	\$889	5%	0.5x	9.2x	15.5x	6.5x	8.0x
Median			16%		15%				1.3x	10.5x	16.1x	9.4x	16.6x

Source: S&P Global Market Intelligence

USD millions except per share values | Financial statement data as of Q4 2021

Mercer Capital

Transportation & Logistics
Industry Services

Mercer Capital provides valuation and transaction advisory services to the transportation & logistics industry.

Industry Segments

Mercer Capital serves the following industry segments:

- Trucking
- Air Freight
- Marine
- Railroads
- Logistics & Intermodal

Services Provided

- Valuation of transportation and logistics companies
- Transaction advisory for acquisitions and divestitures
- Valuations for purchase accounting and impairment testing
- Fairness and solvency opinions
- Litigation support for economic damages and valuation and shareholder disputes

Contact a Mercer Capital professional to discuss your needs in confidence.

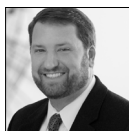
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