

# Quarterly Industry Update

As of December 31, 2014

Industry: Staffing



## Industry Summary

Cogent Valuation identified publicly traded companies, IPOs, and recent M&A transactions within the Staffing industry, which provides a basis for market and transaction pricing that can be used by your firm in estimating market sentiment and its impact on your firm's value. Since December 31, 2013, the median 52-week share price return of the Staffing industry has increased by 12.6%. In the last quarter, the median price-to-earnings multiple increased from 19.0x to 19.8x.

## Comparable Public Company Key Statistics

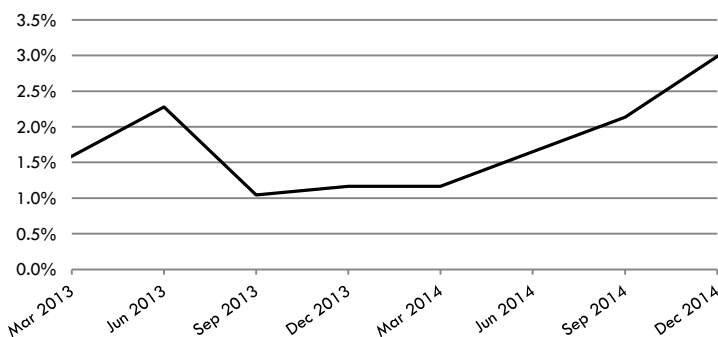
Median 52-Week Return	12.6%	Median EV/Revenue Multiple	0.8x	Median Price/Earnings Multiple	19.8x
Median 3-Year CAGR Return	31.0%	Median EV/EBITDA Multiple	12.8x	Median EV/Gross CF Multiple	21.0x

## Comparable Public Company Market Price Returns (As of December 31, 2014)

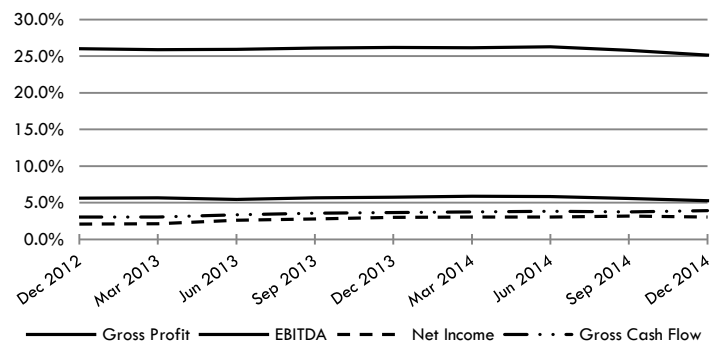
	YTD	3 Month	1 Year	2 Year	3 Year	5 Year	2014	2013	2012	2011	2010
AMN Healthcare Services Inc.	33.3%	24.8%	33.3%	30.3%	64.2%	16.7%	33.3%	27.3%	160.7%	-27.9%	-32.2%
CDI Corp.	-4.4%	22.0%	-4.4%	1.7%	8.6%	6.5%	-4.4%	8.2%	24.0%	-25.7%	43.6%
Computer Task Group Inc.	-49.4%	-14.1%	-49.4%	-27.7%	-12.2%	3.5%	-49.4%	3.3%	29.5%	29.4%	35.8%
Cross Country Healthcare, Inc.	25.1%	34.3%	25.1%	61.2%	31.0%	4.7%	25.1%	107.9%	-13.5%	-34.5%	-14.5%
Envision Healthcare Holdings, Inc.	-2.3%	0.0%	-2.3%	N/A	N/A	N/A	-2.3%	N/A	N/A	N/A	N/A
General Employment Enterprises Inc.	465.4%	656.3%	465.4%	59.1%	42.3%	11.9%	465.4%	-55.2%	13.8%	-16.0%	-27.5%
Kforce Inc.	17.9%	23.3%	17.9%	29.7%	25.1%	14.1%	17.9%	42.7%	16.3%	-23.8%	29.4%
Mastech Holdings, Inc.	-24.1%	3.7%	-24.1%	62.1%	52.7%	23.1%	-24.1%	246.3%	35.4%	-11.6%	-10.2%
On Assignment Inc.	-5.0%	23.6%	-5.0%	27.9%	43.7%	35.9%	-5.0%	72.2%	81.4%	37.2%	14.0%
Robert Half International Inc.	39.0%	19.1%	39.0%	35.5%	27.1%	16.9%	39.0%	32.0%	11.8%	-7.0%	14.5%
Superior Uniform Group Inc.	89.7%	35.7%	89.7%	60.2%	33.8%	24.7%	89.7%	35.2%	-6.7%	11.5%	12.8%
Team Health Holdings, Inc.	26.3%	-0.8%	26.3%	41.4%	37.6%	32.6%	26.3%	58.3%	30.4%	42.0%	10.8%
TrueBlue, Inc.	-13.7%	-11.9%	-13.7%	18.9%	17.0%	8.5%	-13.7%	63.7%	13.5%	-22.8%	21.5%
Volt Information Sciences Inc.	7.3%	17.3%	7.3%	31.0%	20.1%	1.4%	7.3%	60.0%	0.8%	-28.3%	-13.5%
<b>Median of Industry Public Companies</b>	<b>12.6%</b>	<b>20.6%</b>	<b>12.6%</b>	<b>31.0%</b>	<b>31.0%</b>	<b>14.1%</b>	<b>12.6%</b>	<b>42.7%</b>	<b>16.3%</b>	<b>-16.0%</b>	<b>12.8%</b>

(Multiple year periods are calculated as the average annual return.)

## Median Quarterly Revenue Growth of All Staffing Companies



## Median Gross Profit, EBITDA, Net Income and Gross Cash Flow Margins



## Median Public Company Multiples of the Staffing Industry

Date:	12/31/2012	3/31/2013	6/30/2013	9/30/2013	12/31/2013	3/31/2014	6/30/2014	9/30/2014	12/31/2014
EV/Revenues Multiple	0.6x	0.6x	0.5x	0.7x	0.7x	0.7x	0.7x	0.8x	0.8x
EV/EBITDA Multiple	9.9x	11.5x	10.7x	11.3x	11.8x	11.8x	12.7x	10.7x	12.8x
Price/Earnings Multiple	21.1x	23.7x	21.0x	20.9x	22.4x	23.2x	21.6x	19.0x	19.8x
EV/Gross Cash Flows Multiple	16.5x	19.6x	17.2x	17.3x	18.1x	17.7x	18.0x	16.6x	21.0x

This industry research is provided at no charge to Cogent Valuation's clients. Research or detailed information not covered in this report can be obtained for a fee. Contact [Vanita Spaulding](mailto:Vanita.Spaulding@coval.com) at 818-905-8330 for additional information or questions in connection with this research report.

# Quarterly Industry Update

As of December 31, 2014

Industry: Staffing



## Industry Initial Public Offerings (dollars in millions, except share prices)

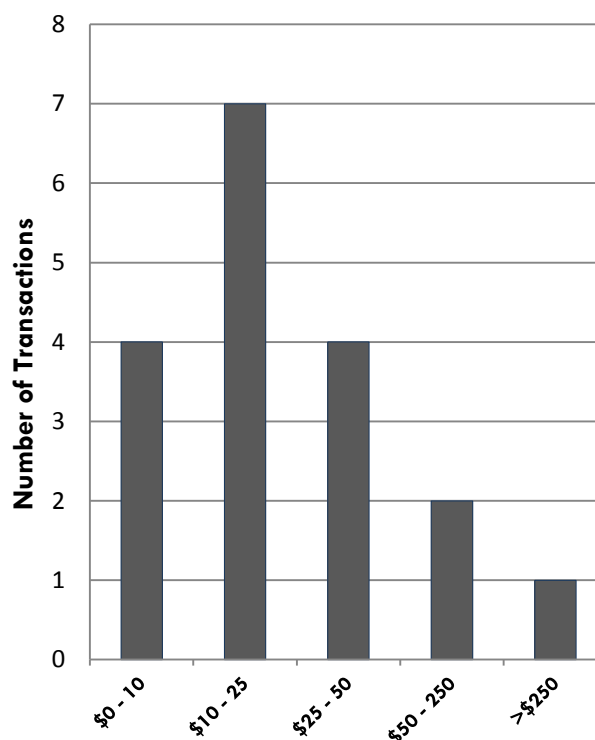
Offer Date	Company Name	Offer Price	Shares Offered	Amount Raised	Total Assets	Debt	LTM Revenues	LTM EBITDA	LTM Net Income	LTM Cash Flows
8/13/2013	Envision Healthcare Holdings, Inc.	\$23.00	42.0	\$966.0	\$4,040.2	\$2,706.8	\$3,480.3	\$432.0	\$33.3	\$515.2
3/16/2011	Cornerstone OnDemand, Inc.	\$13.00	10.5	\$136.5	\$42.9	\$11.6	\$43.7	(\$11.4)	(\$48.4)	(\$10.0)
12/7/2010	CTPartners Executive Search Inc.	\$13.00	2.3	\$30.0	\$46.8	\$5.3	\$109.3	\$10.9	\$9.2	\$12.3
12/15/2009	Team Health Holdings, Inc.	\$12.00	13.3	\$159.6	\$800.4	\$617.4	\$1,406.2	\$150.4	\$49.8	\$161.8
7/17/2007	DHI Group, Inc.	\$13.00	16.7	\$217.1	\$301.5	\$180.0	\$112.8	\$43.8	\$14.0	\$46.1
11/12/2001	AMN Healthcare Services Inc.	\$17.00	10.0	\$170.0	\$256.2	\$137.4	\$436.2	\$30.7	\$3.3	\$34.8
10/24/2001	Cross Country Healthcare, Inc.	\$17.00	7.8	\$132.8	\$360.8	\$184.1	\$453.4	\$52.1	\$7.9	\$54.3
<b>Median of All IPOs</b>		<b>nm</b>	<b>nm</b>	<b>\$159.6</b>	<b>\$301.5</b>	<b>\$180.0</b>	<b>\$436.2</b>	<b>\$43.8</b>	<b>\$9.2</b>	<b>\$46.1</b>

nm: not meaningful

## Recent Merger and Acquisition Transactions for a Majority Stake (dollars in millions)

Transaction Date	Target	Acquirer	Transaction Size	% Bought
12/22/2014	Avantas, LLC	AMN Healthcare Services	\$25.0	100%
12/4/2014	Veredus Corporation	Hays plc	\$44.0	80%
12/1/2014	Neumann Leadership	CTPartners Executive Search	\$3.1	100%
8/4/2014	Kforce Healthcare, Inc.	Beecken Petty O'Keefe	\$119.0	100%
6/30/2014	Medical Staffing Network	Cross Country Healthcare	\$48.1	100%
2/12/2014	API Healthcare Corp.	General Electric Company	\$340.0	100%
2/10/2014	Alar Staffing Corp.	Corporate Resource Services	\$2.8	100%
1/31/2014	Staff Management Group	Diamond Staffing Services	\$10.0	100%
1/27/2014	Hospitality Staffing Solutions	Caymus Equity Partners	\$22.9	100%
1/3/2014	Initio International	Staffing 360 Solutions	\$16.7	100%
12/5/2013	CyberCoders, Inc.	On Assignment Inc.	\$105.0	100%
12/2/2013	Allied Healthcare	Local Staff, LLC	\$28.7	100%
12/2/2013	Whitaker Medical, Ltd.	VISTA Staffing Solutions	\$22.5	100%
11/11/2013	AllStates Technical Services	Fusion Solutions LLC	\$11.0	100%
9/30/2013	The Work Connection, Inc.	Spartan Staffing, LLC	\$19.9	100%
8/30/2013	Bar 2 Limited	Procap Services Limited	\$1.2	100%
8/12/2013	Mastech Holdings, Inc.	Accountable Healthcare	\$1.2	100%
5/6/2013	Summit Software, Inc.	Corporate Resource Services	\$19.8	100%
<b>Median of All Transaction Targets</b>			<b>\$21.2</b>	<b>100%</b>

## Size of Merger and Acquisition Transactions (dollars in millions)



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