

# Quarterly Industry Update

As of September 30, 2015

Industry: Staffing



## Industry Summary

Cogent Valuation identified Staffing 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. Over the last year since September 30, 2014, the median 52-week share price return of the Staffing industry was 4.4%. Between September 30, 2013 and September 30, 2015, the median EV/EBITDA multiple increased from 11.9 to 13.3. However, the median price-to-earnings multiple decreased from 22.3 to 20.2 over the same period.

## Comparable Public Company Key Statistics

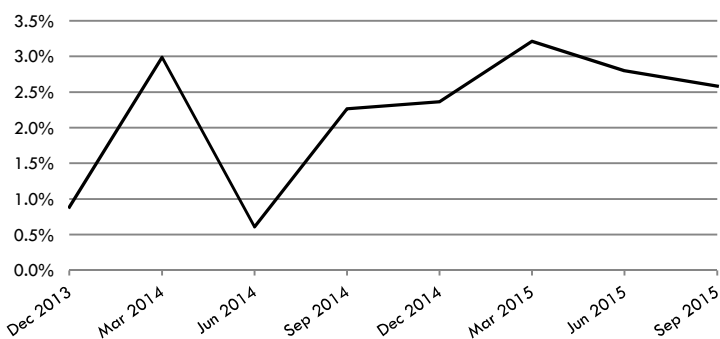
Median 52-Week Return	4.4%	Median EV/Revenue Multiple	0.7x	Median Price/Earnings Multiple	20.2x
Median 3-Year CAGR Return	22.8%	Median EV/EBITDA Multiple	13.3x	Median EV/Gross CF Multiple	19.4x

## Comparable Public Company Market Price Returns As of September 30, 2015

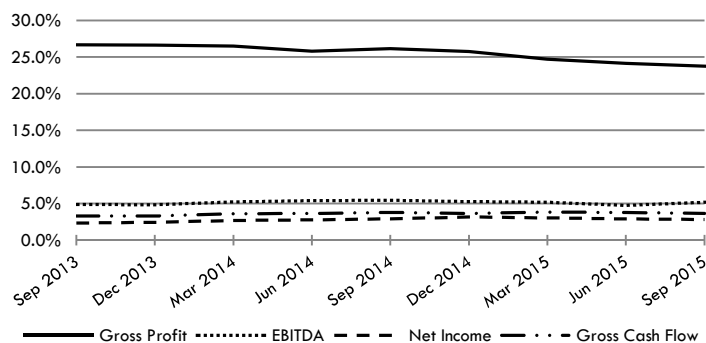
	YTD	3 Month	1 Year	2 Year	3 Year	5 Year	2014	2013	2012	2011	2010
AMN Healthcare Services Inc.	33.3%	-5.0%	91.1%	47.7%	44.0%	42.3%	33.3%	27.3%	160.7%	-27.9%	-32.2%
CDI Corp.	-4.4%	-34.2%	-41.1%	-25.3%	-20.5%	-7.9%	-4.4%	8.2%	24.0%	-25.7%	43.6%
Computer Task Group Inc.	-49.4%	-19.8%	-44.2%	-38.1%	-27.4%	-4.1%	-49.4%	3.3%	29.5%	29.4%	35.8%
Cross Country Healthcare, Inc.	25.1%	7.3%	46.5%	50.1%	42.2%	13.6%	25.1%	107.9%	-13.5%	-34.5%	-14.5%
Envision Healthcare Holdings, Inc.	-2.3%	-6.8%	6.1%	18.9%	N/A	N/A	-2.3%	N/A	N/A	N/A	N/A
General Employment Enterprises Inc.	465.4%	-58.7%	149.8%	32.5%	-15.0%	8.2%	465.4%	-55.2%	13.8%	-16.0%	-27.5%
Kforce Inc.	17.9%	14.9%	34.3%	21.9%	30.6%	13.9%	17.9%	42.7%	16.3%	-23.8%	29.4%
Mastech Holdings, Inc.	-24.1%	-15.5%	-26.3%	-9.1%	22.2%	25.8%	-24.1%	246.3%	35.4%	-11.6%	-10.2%
On Assignment Inc.	-5.0%	-6.1%	37.4%	5.7%	22.8%	47.7%	-5.0%	72.2%	81.4%	37.2%	14.0%
Robert Half International Inc.	39.0%	-7.8%	4.4%	14.5%	24.3%	14.5%	39.0%	32.0%	11.8%	-7.0%	14.5%
Staffing 360 Solutions, Inc.	-69.5%	-4.2%	-49.4%	-34.1%	N/A	N/A	-69.5%	N/A	N/A	N/A	N/A
Superior Uniform Group Inc.	89.7%	8.4%	65.6%	69.5%	44.0%	31.3%	89.7%	35.2%	-6.7%	11.5%	12.8%
Team Health Holdings, Inc.	26.3%	-17.3%	-6.8%	19.3%	25.8%	33.2%	26.3%	58.3%	30.4%	42.0%	10.8%
TrueBlue, Inc.	-13.7%	-24.8%	-11.0%	-3.3%	12.6%	10.5%	-13.7%	63.7%	13.5%	-22.8%	21.5%
Volt Information Sciences Inc.	7.3%	-6.3%	-0.5%	10.2%	12.2%	4.8%	7.3%	60.0%	0.8%	-28.3%	-13.5%
<b>Median of Industry Public Companies</b>	<b>7.3%</b>	<b>-6.8%</b>	<b>4.4%</b>	<b>14.5%</b>	<b>22.8%</b>	<b>13.9%</b>	<b>7.3%</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:	9/30/2013	12/31/2013	3/31/2014	6/30/2014	9/30/2014	12/31/2014	3/31/2015	6/30/2015	9/30/2015
EV/Revenues Multiple	0.6x	0.8x	0.7x	0.7x	0.9x	0.8x	0.7x	0.7x	0.7x
EV/EBITDA Multiple	11.9x	12.2x	12.1x	13.5x	10.9x	12.7x	12.9x	12.4x	13.3x
Price/Earnings Multiple	22.3x	23.4x	23.6x	22.8x	20.4x	19.5x	25.5x	19.2x	20.2x
EV/Gross Cash Flows Multiple	18.0x	19.7x	18.0x	18.4x	18.5x	18.5x	21.1x	19.1x	19.4x

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# Quarterly Industry Update

As of September 30, 2015

Industry: Staffing



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

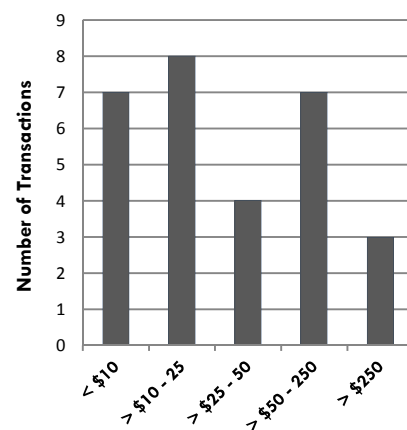
Offer Date	Company Name	Offer Price	Shares Offered	Amount Raised	Total Assets	Debt	LTM Revenues	LTM EBITDA	LTM Net Income	LTM Cash Flows
8/13/2013	Envision Healthcare Holdings, Inc.	\$23.00	42.0	\$966.0	\$4,040.2	\$2,706.8	\$3,480.3	\$432.0	\$33.3	\$515.2
3/16/2011	Cornerstone OnDemand, Inc.	\$13.00	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	\$10.7	\$9.2	\$11.8
12/15/2009	Team Health Holdings, Inc.	\$12.00	13.3	\$159.6	\$800.4	\$617.4	\$1,406.2	\$148.1	\$49.8	\$153.1
7/17/2007	DHI Group, Inc.	\$13.00	16.7	\$217.1	\$303.2	\$191.0	\$98.1	\$36.2	\$14.3	\$38.4
11/12/2001	AMN Healthcare Services Inc.	\$17.00	10.0	\$170.0	\$256.2	\$137.4	\$436.2	\$32.8	\$4.6	\$34.6
10/24/2001	Cross Country Healthcare, Inc.	\$17.00	7.8	\$132.8	\$350.8	\$183.7	\$412.7	\$47.3	\$5.5	\$49.2
<b>Median of All IPOs</b>		<b>nm</b>	<b>nm</b>	<b>\$159.6</b>	<b>\$303.2</b>	<b>\$183.7</b>	<b>\$412.7</b>	<b>\$36.2</b>	<b>\$9.2</b>	<b>\$38.4</b>

nm: not meaningful

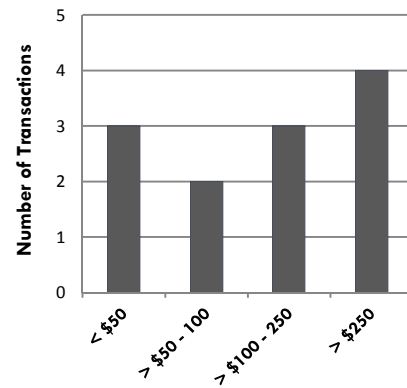
## Recent Merger and Acquisition Transactions for a Majority Stake (dollars in millions)

Transaction Date	Target	Acquirer	Transaction Size	% Bought	LTM Revenues	EV/Revenues
9/15/2015	The First String Healthcare	AMN Healthcare Services	\$10.5	100%	N/A	N/A
9/3/2015	7S Group GmbH	ManpowerGroup Inc.	\$153.8	100%	\$349.4	0.4x
9/2/2015	Clinical Professionals Ltd	CPL Resources plc	\$8.9	90%	N/A	N/A
7/30/2015	Global Group (UK) Limited	Impellam Group PLC	\$58.1	100%	N/A	N/A
6/22/2015	Atterro, Inc.	Advantage Resourcing America,	\$38.0	100%	\$258.4	0.1x
6/15/2015	Hudson Global Resoures	Mastech, Inc.	\$17.0	100%	N/A	N/A
6/5/2015	Creative Circle, LLC	On Assignment Inc.	\$596.1	100%	\$226.0	2.6x
4/17/2015	Proffice Aviation AB	OSM Aviation	\$5.8	100%	\$34.7	0.2x
3/31/2015	Panasonic Excel Staff Co.	Tempstaff Co., Ltd.	\$138.4	67%	\$530.2	0.4x
2/1/2015	VISTA Staffing Solutions	EmCare Inc.	\$123.0	100%	\$134.2	0.9x
1/7/2015	Onward Healthcare, Inc.	AMN Healthcare, Inc.	\$82.5	100%	N/A	N/A
12/22/2014	Avantas, LLC	AMN Healthcare Services Inc.	\$25.0	100%	N/A	N/A
12/4/2014	Veredus Corporation	Hays plc	\$44.0	80%	N/A	N/A
12/1/2014	Neumann Leadership	CTPartners Executive Search	\$3.1	100%	N/A	N/A
8/4/2014	Kforce Healthcare, Inc.	Beecken Petty O'Keefe	\$119.0	100%	N/A	N/A
6/30/2014	Medical Staffing Network	Cross Country Healthcare	\$48.1	100%	\$229.0	0.2x
6/30/2014	Seaton L.L.C.	TrueBlue, Inc.	\$310.0	100%	\$622.5	0.5x
5/17/2014	PeopleSERVE, Inc.	Staffing 360 Solutions	\$7.2	100%	N/A	N/A
2/28/2014	Poolia UK Ltd	Staffing 360 Solutions	\$1.6	100%	N/A	N/A
2/12/2014	API Healthcare Corp.	General Electric Company	\$340.0	100%	N/A	N/A
2/10/2014	Alar Staffing Corp.	Corporate Resource Services	\$2.8	100%	\$30.0	0.1x
1/31/2014	Staff Management Group	Diamond Staffing Services	\$10.0	100%	\$85.0	0.1x
1/27/2014	Hospitality Staffing Solutions	Caymus Equity Partners LLC	\$22.9	100%	N/A	N/A
1/3/2014	Initio International Holdings	Staffing 360 Solutions	\$16.7	100%	\$75.0	0.2x
12/5/2013	CyberCoders, Inc.	On Assignment Inc.	\$105.0	100%	N/A	N/A
12/2/2013	Allied Healthcare Staffing	Local Staff, LLC	\$28.7	100%	\$39.5	0.7x
12/2/2013	Whitaker Medical, Ltd.	VISTA Staffing Solutions	\$22.5	100%	N/A	N/A
11/11/2013	AllStates Technical Services	Fusion Solutions LLC	\$11.0	100%	N/A	N/A
9/30/2013	The Work Connection, Inc.	Spartan Staffing, LLC	\$19.9	100%	N/A	N/A
<b>Median of the 29 M&amp;A Transaction Targets</b>			<b>\$25.0</b>	<b>100%</b>	<b>\$180.1</b>	<b>0.3x</b>

Size of M&A Transactions



LTM Revenues Reported



### Definitions of Financial Terms Used in this Quarterly Industry Update:

Enterprise Value (EV): Market Value of Equity + Market Value of Debt - Cash

Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA): Profitability metric sometimes also referred to as operating profit or operating earnings.

Gross Cash Flows: Net Income + Depreciation and Amortization Expense

Latest Twelve Months (LTM): Financial information is as of the latest twelve months through the date of this Quarterly Industry Update.

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