



Seale & Associates

FLEET LEASING INDUSTRY
Q2 2024
VALUATION UPDATE

25 years

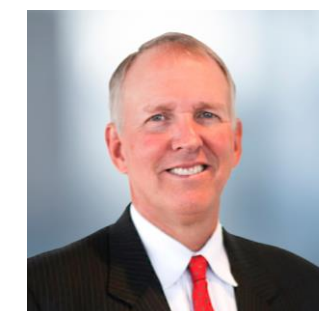
Introduction

We are pleased to share our Fleet Leasing Industry Multiples Valuation Update for Q2 2024.

At Seale & Associates, we are committed to providing process-driven solutions designed to optimize value and achieve our client's strategic objectives in a range of transactions, including **Mergers, Acquisitions, Divestitures and Carve-Outs, Business Sales, Recapitalizations, and Joint Ventures**, among other corporate finance and strategy consulting services.

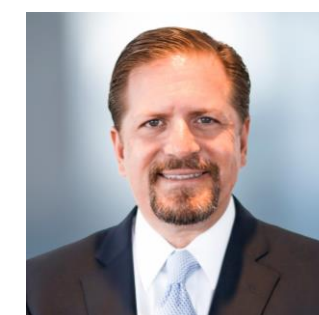
Over the course of 25+ years, we have successfully served clients all over the world, and we are delighted to continue providing investment banking advisory services to our clients who are looking to grow through acquisitions or optimize their portfolios through strategic divestitures.

Seale has extensive experience advising leading multinational companies, private equity firms, and family-owned businesses across a wide range of industries.



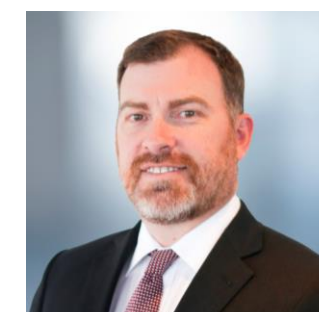
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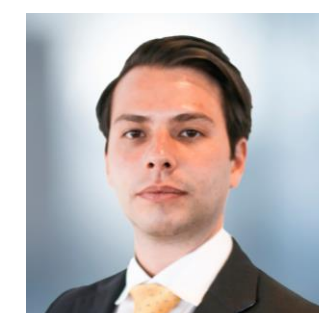
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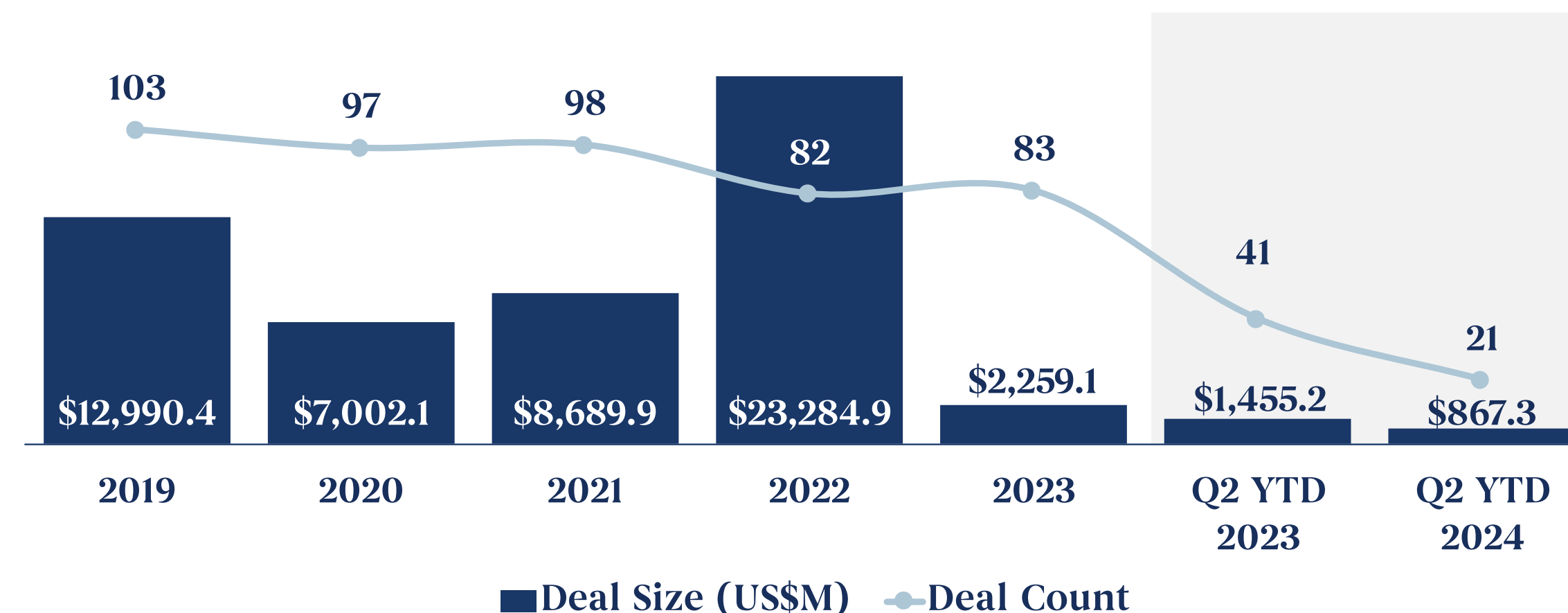
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Fleet Leasing's Industry Overview, M&A Trends and Market Intelligence

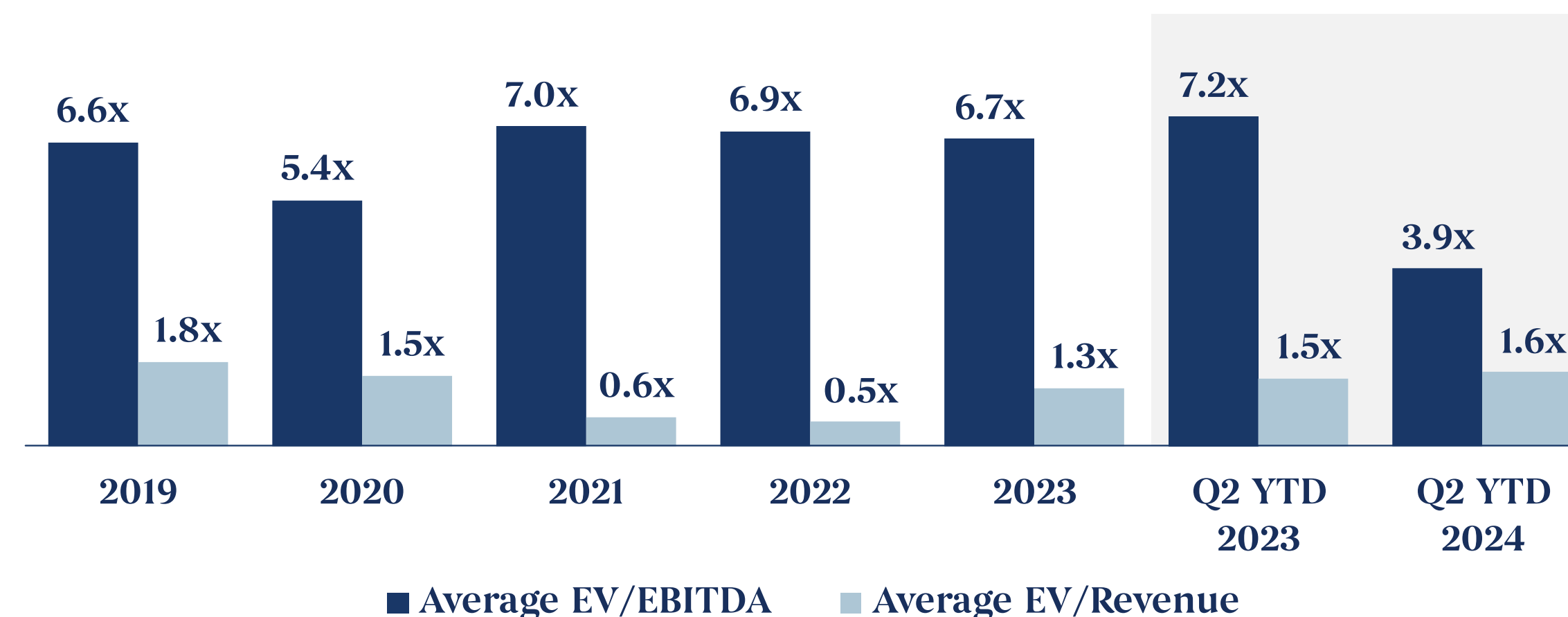
Fleet Leasing's Industry Overview

- The **Automotive Vehicle Fleet Leasing Market** was valued at **US\$34.0 billion in 2023** and is expected to reach **US\$50.8 billion by 2030**, growing at a **CAGR of 5.9%**
- The global **fleet leasing market** is **growing** due to the expansion of the **automotive industry** and **rising awareness of fleet leasing benefits**, such as **tax savings** and **zero maintenance costs**. Increased demand from **the food, beverage, and construction industries**, along with improved **road infrastructure** in developing nations, **also drives growth** in the industry
- **Mobility-as-a-Service (MaaS)** is rapidly expanding, with a **projected growth rate exceeding 23.0% by 2030**. This trend drives **fleet managers to adopt vehicle-sharing strategies, optimize fleet use, enhance fuel management efficiently and focus on sustainability**
- There is a **growing adoption of predictive maintenance technologies** within fleet management to enhance operational efficiency, reduce downtime, and improve driver safety. **Fleet management software, advanced data analytics and IoT technologies** are playing a **crucial role** in transforming fleet management practices
- **Electrification** remains as a **central focus** in the industry, driving companies to **acquire** firms specializing in **electric vehicles (EVs)** and related technologies to stay ahead of the curve. As fleet management companies increasingly focus on **reducing emissions** and complying with **environmental regulations**, the shift towards EVs is becoming more pronounced and it's **anticipated that by 2026, 50.0% of new fleet registrations will be electric vehicles**
- The **fast-growing** vehicle fleet leasing **industry demands** swift action from companies to remain competitive. As a result, the **M&A landscape** is marked by strategic consolidation, with **firms aiming to scale operations, diversify their offerings, and integrate advanced technologies**

Fleet Leasing Industry M&A Deal Size and Volume









Fleet Leasing Industry M&A Average EV/EBITDA and EV/Revenue










Source: Global Market Insights, Mordor Intelligence, Capital IQ, Deloitte Report: Fleet leasing and management in North America, MMR, AssetWorks








Vehicle Rental - Global Comparable Public Companies

Company	Country	Market Cap. US\$M	Enterprise Value US\$M	Revenue US\$M	EBITDA Margin	Annual Average EV/EBITDA		Second Quarter Jun. 30, 2024		
						2022	2023	EV/EBITDA	EV/Revenue	
Alquiler Quality, S.A.	 ESP	\$48	\$250	\$135	56.7%	3.9x	3.7x	3.3x	1.8x	
Avis Budget Group, Inc.	 USA	\$3,726	\$30,630	\$11,927	34.2%	6.5x	5.7x	7.5x	2.6x	
Zigup Plc	 GBR	\$1,177	\$2,115	\$2,317	24.2%	4.2x	3.8x	3.8x	0.9x	
Inchcape plc	 GBR	\$3,874	\$7,687	\$14,671	7.1%	9.4x	9.6x	7.4x	0.5x	
Hertz Global Holdings, Inc.	 USA	\$1,080	\$18,453	\$9,320	13.3%	6.2x	7.8x	14.9x	2.0x	
Localiza Rent a Car S.A.	 BRA	\$8,030	\$13,966	\$5,541	21.8%	16.8x	17.4x	11.6x	2.5x	
Sixt SE	 DEU	\$3,069	\$6,503	\$4,358	18.4%	10.3x	9.8x	8.1x	1.5x	
■ Excluded from mean and median						Mean	6.7x	6.7x	6.9x	1.7x
						Median	6.5x	7.8x	7.5x	1.8x










Leasing - Global Comparable Public Companies (1/2)

Company	Country	Market Cap. US\$M	Enterprise Value US\$M	Revenue US\$M	EBITDA Margin	Annual Average EV/EBITDA		Second Quarter Jun. 30, 2024	
						2022	2023	EV/EBITDA	EV/Revenue
Air Transport Services Group, Inc.	 USA	\$905	\$2,650	\$2,014	27.1%	5.6x	4.5x	4.9x	1.3x
Ayvens	 FRA	\$4,734	\$41,402	\$25,789	10.6%	15.7x	14.2x	15.2x	1.6x
Cargojet Inc.	 CAN	\$1,684	\$2,163	\$641	26.1%	10.7x	8.7x	13.0x	3.4x
Chorus Aviation Inc.	 CAN	\$355	\$1,538	\$1,236	28.1%	8.8x	6.2x	4.4x	1.2x
FirstGroup plc	 GBR	\$1,224	\$2,686	\$5,959	15.8%	2.1x	3.6x	2.8x	0.5x
Global Ship Lease, Inc.	 GRC	\$1,010	\$1,564	\$702	63.2%	6.3x	3.6x	3.5x	2.2x
Mesa Air Group, Inc.	 USA	\$70	\$455	\$479	6.0%	9.3x	7.8x	15.7x	0.9x

Leasing - Global Comparable Public Companies (2/2)










Company	Country	Market Cap. US\$M	Enterprise Value US\$M	Revenue US\$M	EBITDA Margin	Annual Average EV/EBITDA		Second Quarter Jun. 30, 2024		
						2022	2023	EV/EBITDA	EV/Revenue	
NS United Kaiun Kaisha, Ltd.	 JPN	\$741	\$1,052	\$1,492	16.6%	4.1x	3.3x	4.3x	0.7x	
PT Blue Bird Tbk	 IDN	\$227	\$229	\$285	23.1%	7.3x	4.7x	3.5x	0.8x	
Ryder System, Inc.	 USA	\$5,430	\$13,971	\$12,226	22.9%	3.7x	3.9x	5.0x	1.1x	
Touax SCA	 FRA	\$26	\$425	\$209	29.4%	6.8x	6.6x	6.9x	2.0x	
U-Haul Holding Company	 USA	\$11,802	\$16,441	\$5,634	32.6%	6.0x	6.6x	9.0x	2.9x	
Vamos Locação de Caminhões, Máquinas e Equipamentos S.A.	 BRA	\$1,490	\$3,352	\$1,179	43.2%	13.0x	9.2x	6.6x	2.8x	
Wisdom Marine Lines Co., Limited (Cayman)	 TWN	\$1,562	\$2,694	\$577	48.0%	7.0x	6.4x	9.7x	4.7x	
■ Excluído de media y mediana						Mean	5.8x	5.8x	6.4x	1.7x
						Median	6.8x	6.4x	6.6x	2.0x

Fleet Leasing – Global Transactions

Date	Target	Country	Description	Buyer	Seller	% Acquired	Size US\$M	EV/ EBITDA	EV/ Revenue
Jun-24		USA	Provides fleet management and mobility solutions		APOLLO	27.2%	-	-	-
Jun-24*		USA	Provides leasing solutions for high-pressure gas transport and storage, specializing in hydrogen and CNG equipment		-	>50.0%	-	-	-
May-24		AUS	Provides fleet leasing and management services		-	40.0%	-	-	-
Apr-24	Moonstruck Leasing	USA	Provides bus and entertainment coach leasing		-	100.0%	-	-	-
Apr-24		NLD	Provides a peer-to-peer car sharing platform enabling individuals to rent out their vehicles			100.0%	-	-	-

* Announced transactions pending approval and other closing conditions

Private Equity Transactions

INDUSTRY CLASIFICATION	PERIOD	AVERAGE ENTERPRISE VALUE (IN USD)	REVENUE (IN USD)	TTM REVENUE GROWTH	ENTERPRISE VALUE / REVENUE	EBITDA MARGIN	ENTERPRISE VALUE /EBITDA	NUMBER OF TRANSACTIONS
 Rental and Leasing Services <i>NAICS 532 – Rental and Leasing Services</i>	 2019-2024	 \$59.7M	 \$32.0M	 10.5%	 2.3x	 36.4%	 6.3x	 35
General Rental Centers <i>NAICS 5323 – General Rental Centers</i>	2014-2024	\$30.2M	\$25.2M	6.8%	1.3x	26.0%	5.1x	6

Notes:

- Data obtained via GF Data, a subscription-based information platform, offering detailed information and metrics about the transactions of Private Equity funds in the U.S.
- The data is provided under a blind confidential format. Users of the data are unable to identify the exact company and transaction corresponding to the transaction details. Given this blind approach, the data submitted is less likely to be biased or manipulated.

HERTZ

TARGET

Donlen Corporation

TRANSACTION TYPE

Buy-side Advisory

INDUSTRIES

Vehicle fleet leasing and management services

GEOGRAPHY

Northbrook, IL

SITUATION

Seale & Associates, Inc. announced that it acted as financial advisor to The Hertz Corporation ("Hertz") on the acquisition of Donlen Corporation for US\$947M. This transaction was part of the overall growth strategy of Hertz to provide the most flexible transportation programs for corporate and general consumers.

SEALE & ASSOCIATES' APPROACH

Seale professionals conducted a comprehensive evaluation of vehicle fleet companies that could potentially align with Hertz's growth strategy. After pre-qualifying each potential target, Seale began negotiations with the companies that best matched Hertz's investment criteria and strategic objectives.

OUTCOME

The process resulted in the purchase of Donlen Corporation by Hertz. Donlen, a leading provider of vehicle fleet leasing and management services.

“The acquisition of Donlen is consistent with the evolution of Hertz's asset-light, technology focused business model”

Hertz

has acquired

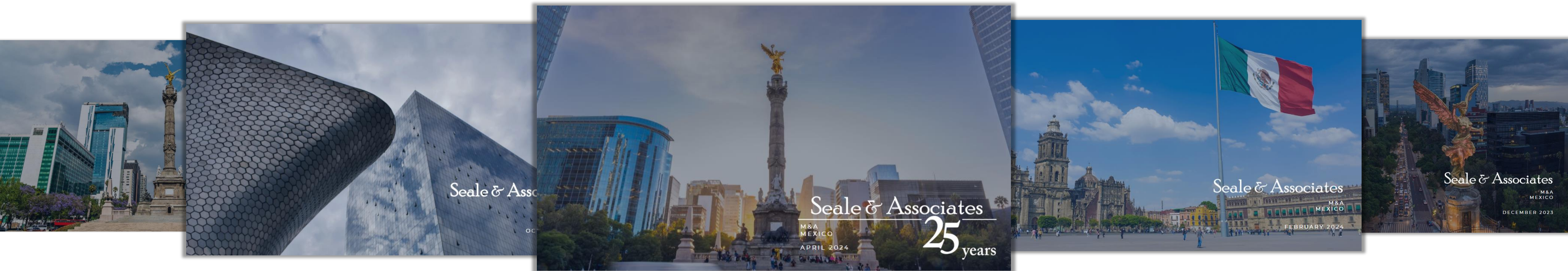
DONLEN

“The acquisition of Donlen is consistent with the evolution of Hertz's asset-light, technology focused business model and is part of the Company's overall growth strategy to provide the most flexible transportation programs for corporate and retail customers. Integrating Donlen into the Hertz family of products gives us a yearly and multi-year offering that complements our current core competencies of hourly, daily and monthly car sharing and car rental options and provides the Company with a more stable revenue stream and new adjacent markets to leverage our existing business model.”

Mark P. Frissora, the Chairman and CEO of Hertz

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SUBSCRIBE

Global M&A Representative Engagements

<p>BEIJER REF</p> <p>has been acquired by</p>  <p>HERITAGE DISTRIBUTION HOLDINGS</p>	<p>avangardinnovative MOVING THE CIRCULAR ECONOMY FORWARD</p> <p>has sold a controlling interest to</p>  <p>WASTE MANAGEMENT</p>	<p>ZN ZINC NACIONAL</p> <p>has sold</p> <p>GSDKO</p> <p>Zinc Oxide Corporation a subsidiary of</p> <p>Korea Zinc</p>	<p>Electrolux PROFESSIONAL</p> <p>has acquired</p> <p>unified brands a DOVER company</p> <p>from</p> <p>DOVER</p>	<p>Port Contractors STEVEDORES - TERMINAL OPERATORS</p> <p>has been acquired by</p>  <p>ENSTRUCTURE</p>	<p>Oxbow</p> <p>Oxbow's Senior Subordinated debt issued by</p>  <p>H.J. BAKER ESTABLISHED 1920</p> <p>was refinanced by</p> <p>BMO </p>	<p>Hertz</p> <p>has acquired</p>  <p>DONLEN</p>
<p>Standex</p> <p>has sold</p> <p>Enginetics</p> <p>to</p> <p>Enjet AERO</p>	<p>ITT</p> <p>has sold</p> <p>BURNY KALIBURN IMPROVEMENTS IN SHAPE CUTTING PLASMA CUTTING INNOVATION</p> <p>and</p> <p>CMC Cleveland Motion Controls</p> <p>to</p> <p>LINCOLN ELECTRIC</p>	<p>Honeywell</p> <p>has sold</p> <p>TENSOR</p> <p>to</p>  <p>GE Power Systems</p>	<p>TRIUMPH™</p> <p>has sold</p> <p>Triumph Processing - Embee Division</p> <p>to</p> <p>AMP ALL METALS PROCESSING</p>	<p>TRIUMPH™</p> <p>has sold</p> <p>Triumph Air Repair, the APU Overhaul Operations of Triumph Aviation Services - Asia, and Triumph Engines businesses</p> <p>to</p> <p>TGG THE GORES GROUP</p>	<p>Rheem</p> <p>has acquired</p> <p>HTPG</p>	<p>GRACE</p> <p>has sold its GRACE Membranes business</p> <p>Uop a subsidiary of</p> <p>Honeywell</p>
<p>convatec - forever caring -</p> <p>has sold</p> <p>SENSI CARE</p> <p>and</p> <p>ALOE VESTA™</p> <p>to</p> <p>MEDLINE</p>	<p>United Technologies</p> <p>has sold</p> <p>MobileView</p> <p>to</p> <p>SAFE FLEET Driving Safety Forward™</p>	<p>United Technologies</p> <p>has sold</p> <p>HTPG A division of Carrier Commercial Refrigeration, Inc.</p> <p>to</p> <p>MONOMOY and Starboard Capital Partners</p>	<p>LOCKHEED MARTIN</p> <p>has sold</p> <p>Commercial Flight Training Business</p> <p>to</p> <p>ALTEON A BOEING COMPANY</p>	<p>FLOWSERVE</p> <p>has sold</p> <p>D&B</p> <p>to</p> <p>DB DaviesBaird</p>	<p>KBR</p> <p>has acquired</p> <p>Wabi Wabi Development Corporation</p>	<p>H I G HARRISON GYPSUM, LLC</p> <p>has been recapitalized by</p> <p>H. I. G. PRIVATE EQUITY</p>



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University of Kentucky - BS in Accounting



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University of Florida - BA in Political Science with High Honors

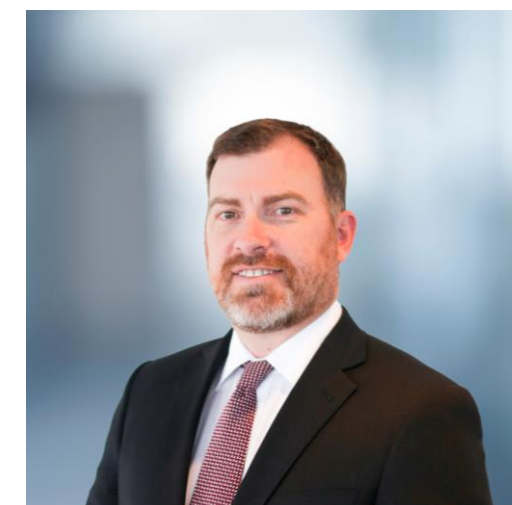


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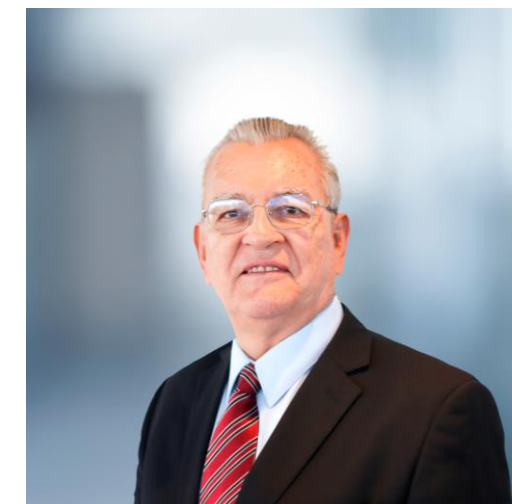


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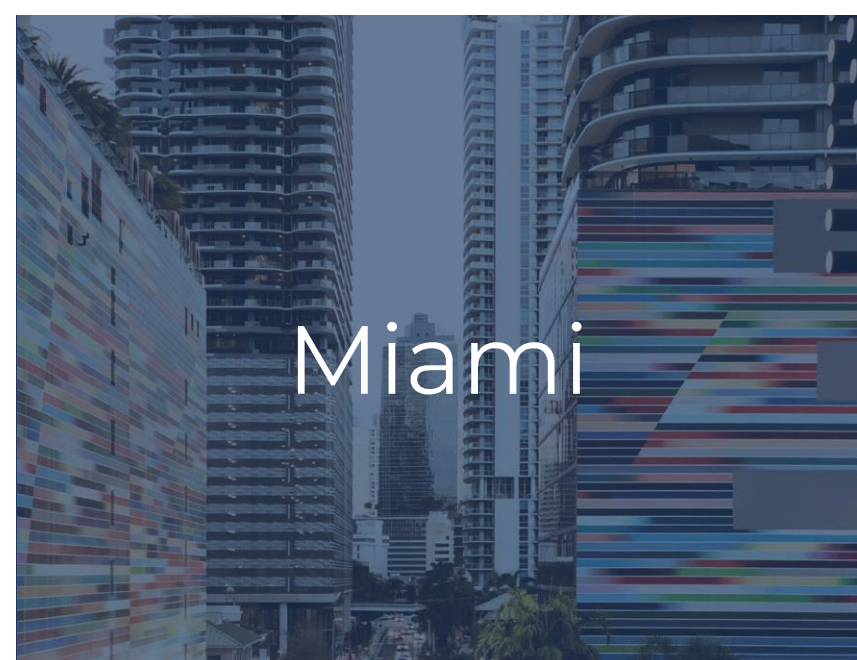
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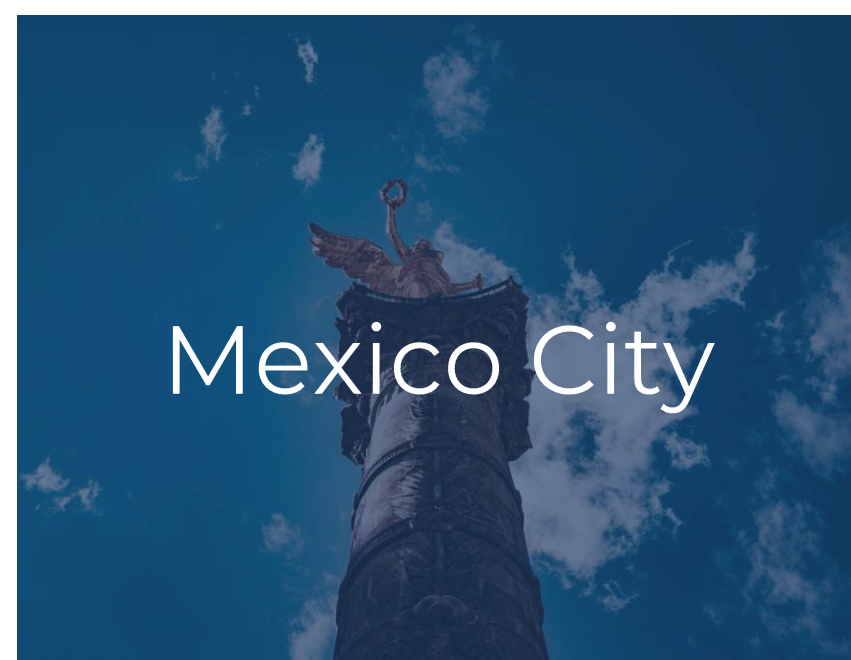
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Instituto Tecnológico y de Estudios Superiores de Monterrey
MBA and BS in Industrial Engineering



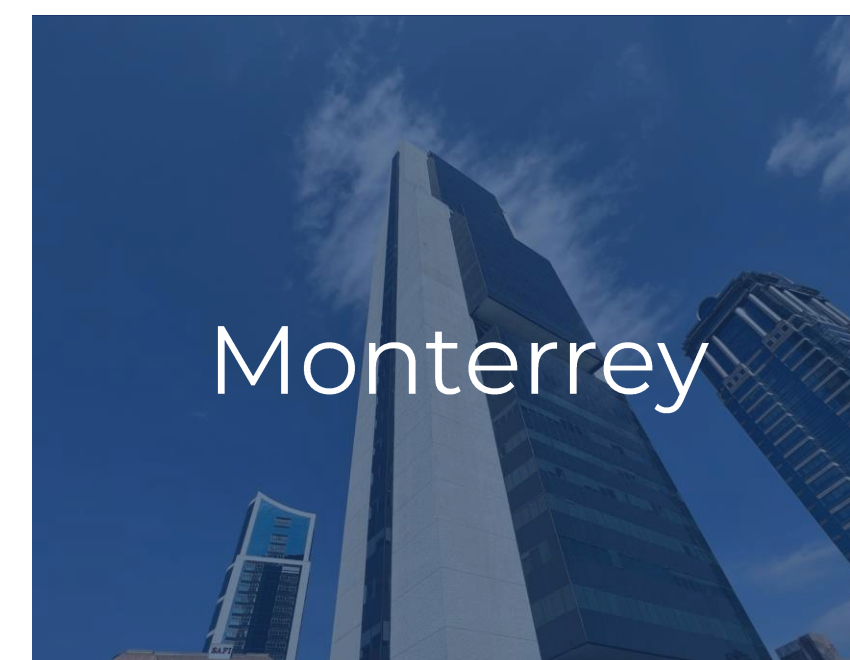
Washington D.C.



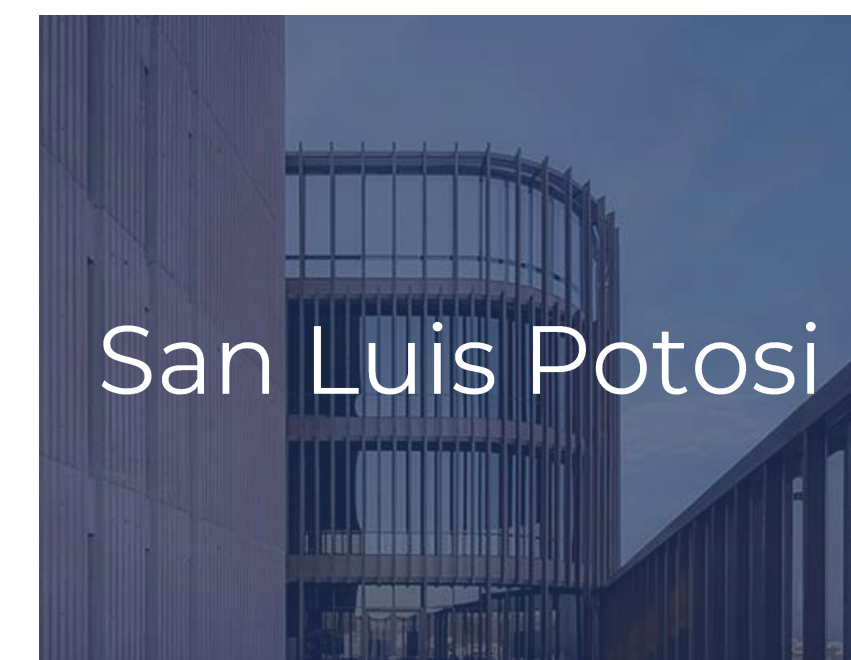
Miami



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San Luis Potosi

Creative Solutions. Trusted Advice.

For over 25 years, Seale & Associates has served leading public and private companies from around the world and operating in a broad range of industries with a high level of quality, integrity and independence while presenting innovative ideas and trusted solutions to address their most complex dealings.

25

YEARS OF EXPERIENCE

\$50B+

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Recapitalizations

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We have worked repeatedly with many of the most well-known companies in the world...

...as well as with reputable funds, family-offices and privately held companies.



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