

Company	Pacer International, Inc.		
Sector	Industrials		
Primary Industry	Air Freight and Logistics		
Year Founded	1974	Employees	940
Country of Incorporation	United States	Headquarters	Dublin, OH

### Business Description

Leading North American freight transportation and logistics services provider. Offers a broad array of services to facilitate the movement of freight through its intermodal and logistics operating segments. Pacer's intermodal segment utilizes its container capacity, integrated local transportation services, and door-to-door intermodal management services to facilitate over 500K shipments per year. Its logistics segment provides truck brokerage, warehousing and distribution, global freight forwarding services and supply-chain management services. Contractual arrangements with rail carriers provide access to more than 60K miles of network rail routes. To support these operations, Pacer manages one of the largest domestic intermodal fleets in North America, with more than 16K Pacer-controlled containers and access to an additional 100K+ big and small boxes.

Market Stats		Ticker	PACR
Current Share Price	\$5.96	Market Cap	\$209.9
3 Month Volume (000s)	242.2	Net Cash	27.7
Dividend Yield	–	Enterprise Value	182.2
Consecutive Years Dividend Paid	–	Net Cash / Mkt Cap	13.2%
Insider Ownership	2.1%	Insider Buys (last 6 mos.)	YES

### Balance Sheet Health

Total Debt	–	Debt / LTM EBITDA	–
Debt/Equity	–	Interest Coverage	9.4x
Current Ratio	1.60x	Debt / (LTM EBITDA - Capex)	–

### Revenue Growth

Revenue Growth		EPS Growth	
3 year CAGR	(13.3%)	3 year CAGR	10642.0%
5 year CAGR	(14.0%)	5 year CAGR	NM
10 year CAGR	(5.2%)	10 year CAGR	(1206.6%)

Margins	LTM	LTM-1	LTM-2
Gross Margin	10.1%	10.4%	9.6%
EBITDA Margin	1.5%	2.0%	1.1%
Net Income Margin	0.5%	0.9%	0.1%
FCF Margin	0.4%	0.0%	1.0%
Return on Invested Capital	6.0%	12.1%	5.1%

Valuation Metrics	LTM	5 Year Avg.	Premium / (Discount)
Price / Tangible Book	1.7x	4.1x	(57.6%)
EV / LTM Revenue	0.1x	0.1x	(3.2%)
EV / LTM EBITDA	9.3x	11.8x	(21.1%)
Price / Diluted EPS	35.5x	37.0x	(4.1%)

Trading Stats	LTM	2 Year	5 Year
Stock Price Performance	1.0%	5.7%	(67.3%)
Vs. S&P 500 Performance	(17.1%)	(15.0%)	(83.5%)
Vs. Low Price	97.4%	97.4%	274.8%
Vs. High Price	(4.0%)	(14.1%)	(76.2%)

**Activist Breakdown**

Activist Investor	Becker Drapkin Mgmt	Cost Basis	\$5.07
Total Number of 13D's Filed	16	Total Initial Investment	\$12.1
Rank by Size of Investment	#2 / 16	% of shares outstanding	6.8%
Average Mkt Cap of Targets	\$116.3	Number of Targets Acquired	38%
% Positive Target Returns	75%	% Outperform the S&P	69%

	<b>vs. S&amp;P 500</b>		<b>Difference</b>
Average Return in Target Co's	121%	26%	95%

**Top 5 Best Performing Targets**

DUSA Pharmaceuticals Inc.	525%	25%	501%
Glu Mobile, Inc.	394%	27%	368%
Edmentum, Inc.	278%	41%	237%
Tuesday Morning Corporation	212%	35%	178%
Pixelworks, Inc.	194%	54%	140%

<b>Targets in Industrials</b>	1	% of Targets Acquired	100%
<i>Average Returns in Sector</i>	-	-	-
Pacer International, Inc.	-	-	-

<b>Targets in Air Freight and Logistics</b>	1	% of Targets Acquired	100%
<i>Average Returns in Industry</i>	-	-	-
Pacer International, Inc.	-	-	-

**All Activist Performance in Sector & Industry**

Targets in Industrials	73	% of Targets Acquired	29%
<i>Average Returns in Sector</i>	40%	24%	16%
Targets in Air Freight and Logistics	4	% of Targets Acquired	50%
<i>Average Returns in Industry</i>	13%	14%	(1%)

**Market Cap Range Performance**

Average Return in Mkt Cap Range	77%	24%	53%
	<b>vs. Aggregate Database</b>		<b>Difference</b>
% of Targets with Positive Returns	76%	64%	12%
% of Targets that Outperform the S&P	61%	48%	12%
% of Targets Acquired	53%	34%	19%
Average Return	77%	44%	33%

Note: Based on PACR's current market cap, its market cap range is defined as \$200.0 - \$300.0 million.

Note:

\$ in millions, except per share values.

Gains and losses or returns are calculated as the percentage change in the current price per share from the closing price per share on the day prior to the 13D filing. If the activist's ownership has dropped below the 5% threshold, the position is considered closed, and the return is calculated as the percentage change in the closing price per share on the day the activist's ownership dropped below 5% from the closing price per share on the day prior to the 13D filing. If the target is acquired, the return is calculated as the percentage change between the acquisition price per share from the closing price per share on the day prior to the 13D filing.

S&P 500 performance is measured over the same time frame as the activist investment.