



CERIDIAN CERIDIAN HCM HOLDING INC. (CDAY US)

COMPANY DESCRIPTION

Ceridian HCM is a human capital management software company. Headquartered in Minneapolis, MN, the company provides a cloud HCM platform that offers human resources (HR), payroll, benefits, workforce management, and talent management. Ceridian was the information service business spin-off of Control Data Corp before taken private by Thomas H. Lee Partners (THL Partners) and Cannae (formerly known as Fidelity National Financial). Ceridian acquired the Toronto-based Dayforce in 2012 and later reorganized into Ceridian HCM in 2013.

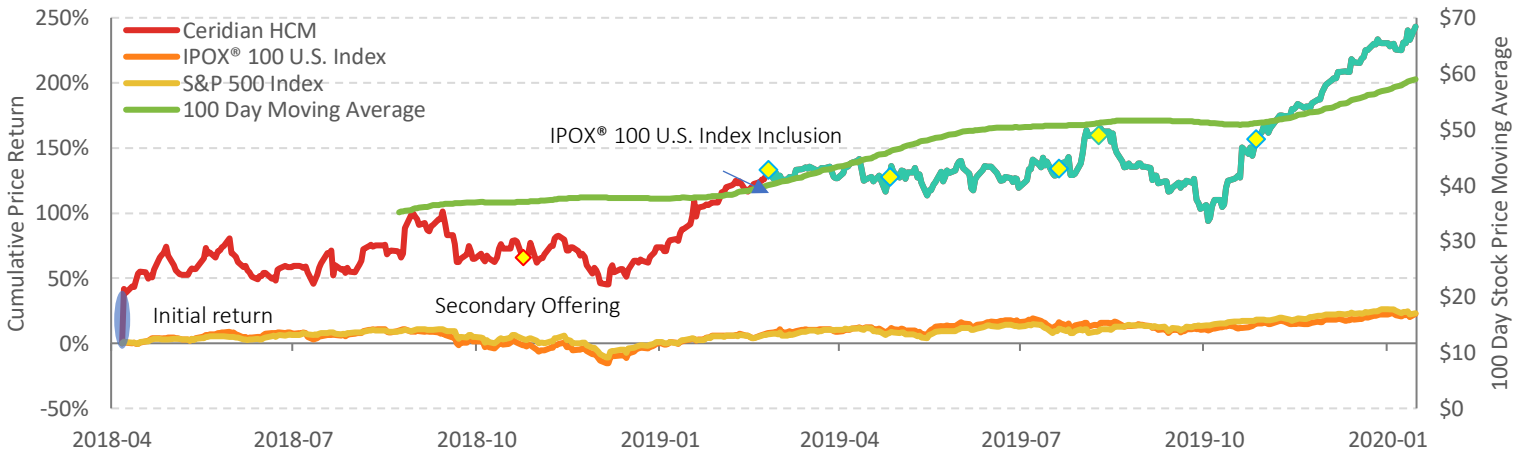
BUSINESS MODEL

Ceridian generates revenues primarily from recurring fees charged for the use of its Cloud HCM solutions (Dayforce and Powerpay), Bureau solutions and employee engagement platform LifeWorks. The company also generates revenues from professional services and other services provided including assisting system implementation, training and consulting.

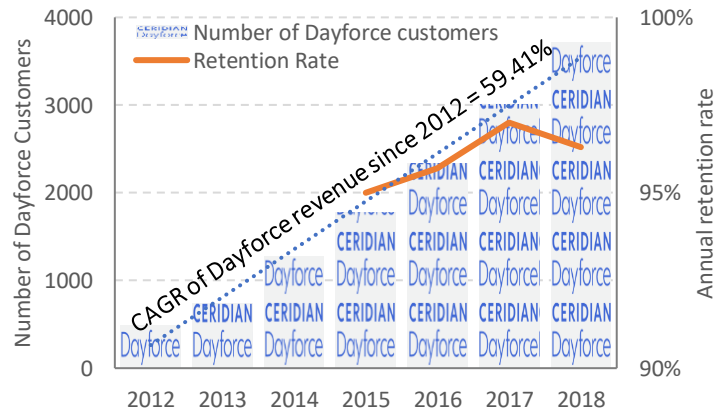
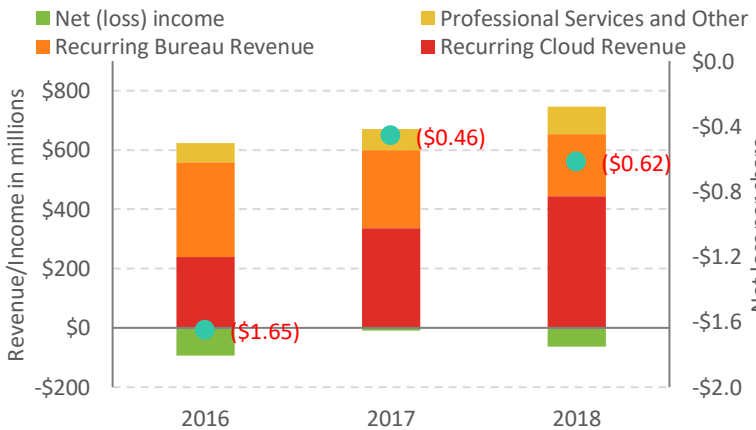
IPO HISTORY

On **4/26/2018**, Ceridian HCM began trading on NYSE and TSX led by J.P Morgan and Goldman Sachs. The share was priced at **\$22.00 per share**, above the expected range of \$19 to \$21 per share. With a full subscription of 21 million shares offered, 15% greenshoe option fully exercised, and the \$100.0 million concurrent private placement (THL and Cannae), Ceridian was valued at ca. \$3.0 billion at offer. The stock opened at \$28.90 and finished the first day at \$31.21. **Ceridian HCM was included in the IPOX® 100 U.S. Portfolio on 03/15/2019 and currently weighs approximately 0.7% of the portfolio.**

HISTORICAL PERFORMANCE



GROWTH OUTLOOK



INDUSTRY COMPARISON

Company	Stock Symbol	IPO/Spin-off Date	Initial Return	Offer to Date	2020 YTD	Beta to S&P	EPS 2018	Revenue (in million)	Net Income (in million)	P/S Ratio
CERIDIAN	CDAY US	4/26/2018	41.86%	254.05%	14.75%	1.45	-\$0.62	746.4	-63.4	12.5x
ADP	ADP US	ADP went public in 1961			3.18%	1.06	\$5.24	\$14,175.2	\$2,292.8	5.2x
Ultimate Software	ULTI US	Ultimate Software Group was acquired by GIC, Canada Pension for \$10.4 billion on 5/6/2019 (ca. 19% premium)								

Other Competitors: Workday (WDAY US), Oracle Corporation (ORCL US), SAP SE (SAP GY), Kronos Inc., Cornerstone OnDemand Inc (CSOD US)