



Manufacturing Update September 2018

The Mufson Howe Hunter Manufacturing Update is designed to provide business leaders, investors, and industry professionals an update on current market trends and important developments within the manufacturing sector of the economy. This monthly report contains information on select companies in various subsectors within manufacturing emphasizing financial performance, stock performance, and recent news.

Macro-Economic Trends

	Jul-18	Aug-18	Trend
PMI	58.1	61.3	Positive
Total Unemployment	3.9	3.9	Neutral
CPI Monthly Change	0.2	0.2	Neutral
PPI Monthly Change	0.0	(0.1)	Positive
Industrial Production	107.8	108.2	Positive
Capacity Utilization	77.9	78.1	Positive
Manufacturing Production	104.3	104.6	Positive
Manufacturing Utilization	75.7	75.8	Neutral

Sector Index Performance

	3-Year	1-Year	3-Month
Aerospace & Defense	75.8%	18.6%	1.5%
Components & Materials	28.0%	1.8%	1.6%
Industrial Equipment	71.5%	15.6%	-1.5%
Industrial & Engineering	27.1%	28.2%	6.2%
Services and Distribution			
NASDAQ	69.8%	26.2%	9.0%
S&P	47.1%	17.4%	7.3%

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MHH Sectors/Sub-sectors

Aerospace & Defense

- Aerospace
- Defense

Components & Materials

- Electronic Components
- Specialty Materials
- Vehicle Parts and Supplies

Industrial Equipment

- Construction Equipment
- Electrical Equipment
- Semiconductor Capital Equipment
- Measurement, Control and Testing Devices

Industrial & Engineering Services and Distribution

- Industrial and Engineering Services
- Industrial Distribution
- Industrial Recycling Services

Note: Please refer to Page 19 for the Universe components.

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MHH's coverage of the Manufacturing Sector spans companies in the following four sectors for each of which our index has been calculated as follows:

The MMH Aerospace & Defense Index is currently comprised of Airbus Group NV, BAE Systems plc, The Boeing Company, Embraer SA, General Dynamics Corp., Honeywell International Inc., Huntington Ingalls Industries, L-3 Communications Holdings Inc., Lockheed Martin Corp., Northrop Grumman Corp., Raytheon Company, Rockwell Collins Inc., Rolls Royce Holdings plc, Textron Inc., Thales SA, and United Technologies Corp.

The MMH Components & Materials Index is currently comprised of 3M Company, Akzo Nobel NV, Alps Electric Ltd., Amphenol Corp., Aptiv plc, Autoliv Inc., AVX Corp., BASF SE, Belden Inc., Bosch Ltd., Celanese Corp., Continental AG, Corning Inc., Denso Corp., Delphi Automotive plc, DowDuPont Inc., Encore Wire Corp., Evonik Industries, Ferro Corp., Johnson Controls Inc., Lear Corp., OMRON Corp., PPG Industries Inc., Solvay SA, Stanley Electric Co. Ltd., TE Connectivity Ltd., and Vishay Intertechnology.

The MMH Industrial Equipment Index is currently comprised of Ametek Inc., Applied Materials Inc., ASML Holding NV, Axcelis Technologies Inc., Brooks Automation Inc., Caterpillar Inc., Cohu Inc., Cummins Inc., Danaher Corp., Deere & Company, Eaton Corp. plc, Emerson Electric Co., Entegris Inc., FormFactor Inc., Hubbell Inc., Hyundai Heavy Industries Co. Ltd, KLA-Tencor Corp., LamResearch Corp., MKS Instruments Inc., Nanometrics Inc., Navistar International Corp., Nova Measuring Instruments Ltd., Oshkosh Corp., Powell Industries, Inc., Regal Beloit Corp., Rockwell Automation Inc., Rudolph Technologies Inc., Schneider Electric SE, Teradyne Inc., Terex Corp., Tokyo Electron Ltd., Veeco Instruments Inc., and Xcerra Corp.

The MMH Industrial & Engineering Services and Distribution Index is currently comprised of AECOM Technology Corp., Aurubis AG, Balfour Beatty plc, Cardno Ltd., Chicago Bridge & Iron Company NV, Clean Harbors Inc., Commercial Metals Company, Dowa Holdings Co. Ltd., Fastenal Company, Fluor Corp., HD Supply Holdings Inc., Jacobs Engineering Group Inc., John Wood Group plc, KBR Inc., Lawson Products Inc., MRC Global Inc., MSC Industrial Direct Co. Inc., Newalta Corp., Primoris Services Corp., Sims Metal Management Ltd., Tetra Tech Inc., Transcat Inc., Veolia Environnement SA, WW Grainger Inc., WESCO International Inc., and Willbros Group Inc.

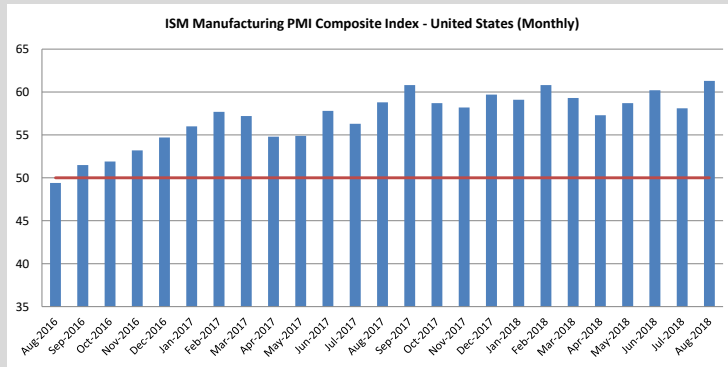
The companies that comprise each Index can change periodically as a result of a variety of reasons, including mergers, acquisitions, initial public offerings, and other transactions; therefore, comparisons to historical time periods and historical performance for each Index may not entirely correspond and correlate to the Index's current performance. In addition, historical performance is not a guarantee or prediction of future results.

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Major U.S. Economic Indicators

PMI (Purchase Manager Index)

A PMI reading above 50 percent (red line below) indicates that the manufacturing economy is generally expanding and below 50 percent means it is contracting.



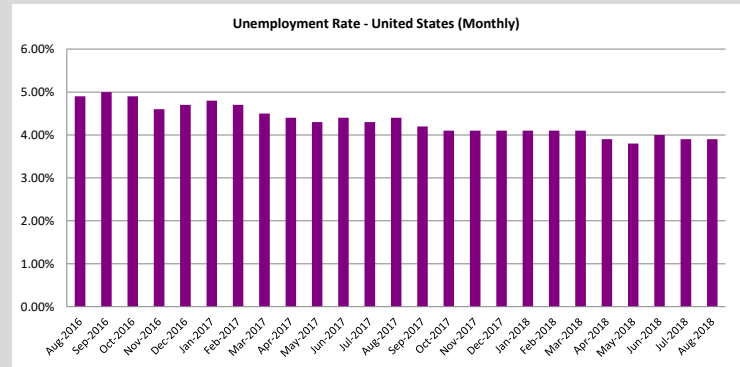
Source: Institute for Supply Management

Commentary

Economic activity in the manufacturing sector expanded in August as the economy grew for the 112th consecutive month. New Orders, Production, Employment, and Backlog all grew. Supplier Deliveries, however, slowed at a modest rate as Raw Materials Inventories continued to expand and Prices increased at a slower rate.

Unemployment Rate

Unemployment rate is traditionally defined as the percentage of the total labor force that is actively looking for gainful employment.



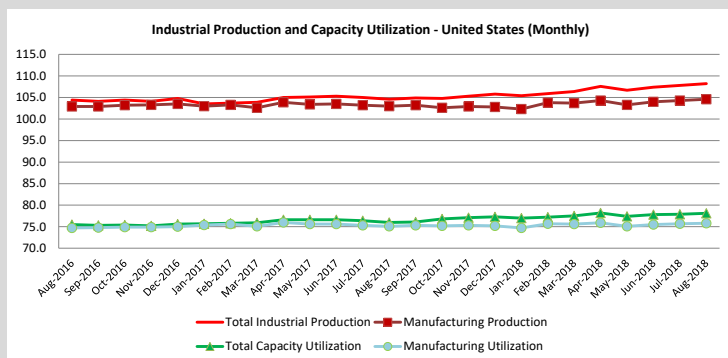
Source: United States Bureau of Labor

Commentary

In August, the unemployment rate remained at 3.9%. Total nonfarm payroll employment increased by 201,000 with gains in business services, healthcare, wholesale trade, transportation and mining. Manufacturing industry jobs did not increase in August, but 254,000 manufacturing jobs were created this year.

Industrial Production and Capacity Utilization

The Production Index (in red below) measures real output and is expressed as a percentage of real output in a base year, currently 2007. The Capacity Index (in green below), which is an estimate of sustainable potential output, is also expressed as a percentage of real output in 2007.



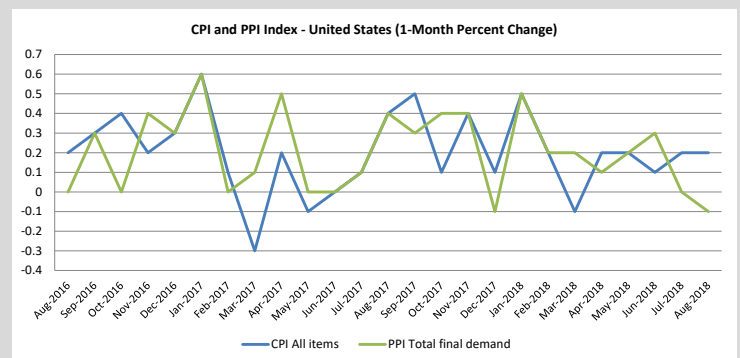
Source: United States Federal Reserve

Commentary

Industrial production rose 0.4% in August for its third consecutive monthly increase. Manufacturing output increased 0.2% in August, and was 3.1% higher than its year-earlier level. At 108.2% of its 2012 average, total industrial production in August was 4.9% higher than it was a year earlier.

Producer Price Index (PPI) and Consumer Price Index (CPI)

The PPI measures the average change over time in prices received (price changes) by producers for domestically produced goods, services and construction. The CPI measures changes in the prices paid by urban consumers for a representative basket of goods and services.



Source: United States Bureau of Labor

Commentary

CPI for all items increased 0.2% in August. The indices for shelter and energy rose 0.3% and 1.9% respectively, and were the main contributors to the increase in CPI. PPI for final demand declined 0.1% in August. The index for final demand services decreased 0.1%, and prices for final demand goods were unchanged.

Sector Index Performance

Comparative Sector Index Performance (Last Three Years)

Last Three Years

Daily from August 31, 2015 to August 31, 2018

Price as Percent of Base (August 31, 2015 = 0%)



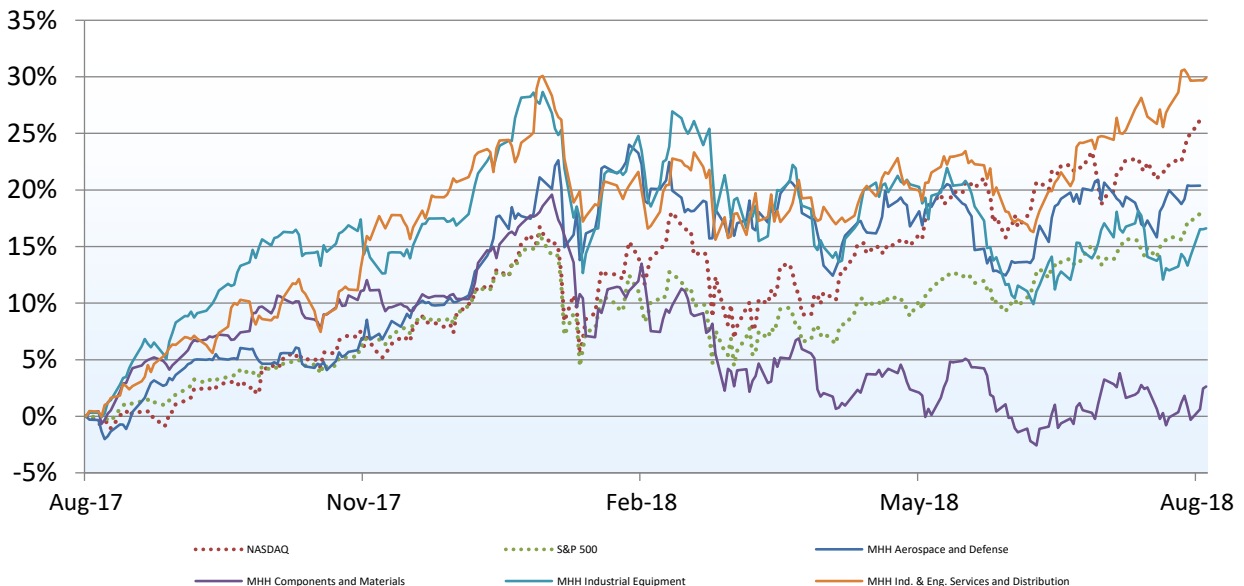
Source: CapitalIQ

Comparative Sector Index Performance (Last Twelve Months)

Last Twelve Months

Daily from August 31, 2017 to August 31, 2018

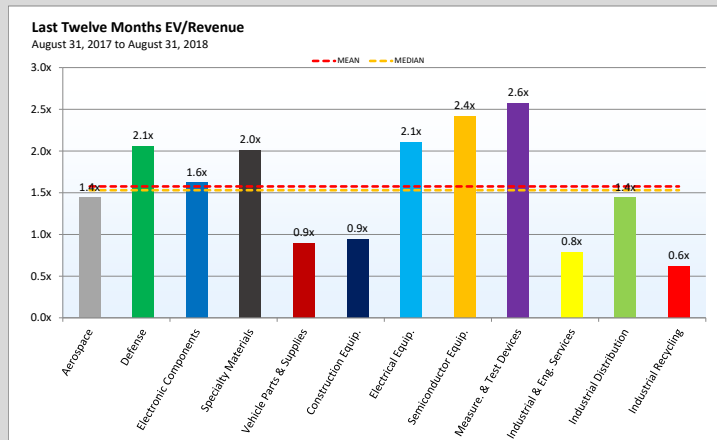
Price as Percent of Base (August 31, 2017 = 0%)



Source: CapitalIQ

Subsector Trading Multiples & Margins

Comparative Subsector LTM EV/Revenue

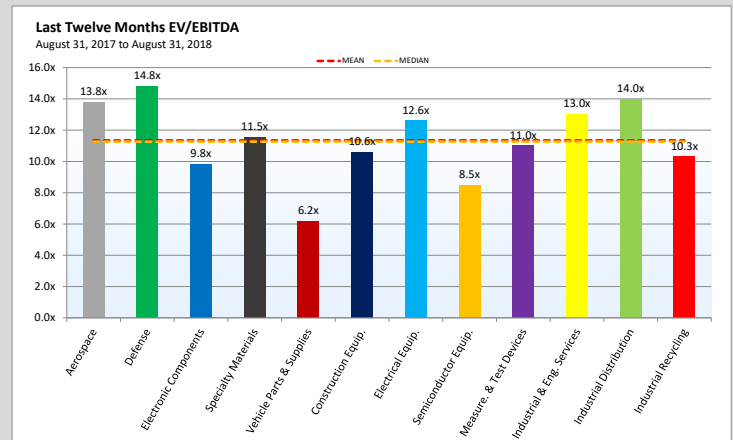


Source: CapitalIQ

Commentary

During the last twelve months, our index subsectors had a mean EV/Revenue of 1.6x and a median of 1.5x. Of the subsectors, Measurement, Control, and Testing Devices had the high multiple at 2.6x and Industrial Recycling had the low multiple at 0.6x.

Comparative Subsector LTM EV/EBITDA

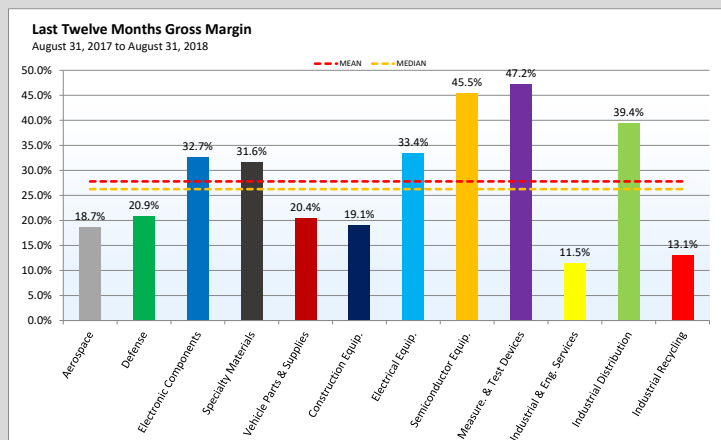


Source: CapitalIQ

Commentary

During the last twelve months, our index subsectors had a mean EV/EBITDA of 11.3x and a median of 11.3x. Of the subsectors, Defense had the high multiple at 14.8x and Vehicle Parts & Supplies had the low multiple at 6.2x.

Comparative Subsector LTM Gross Margin

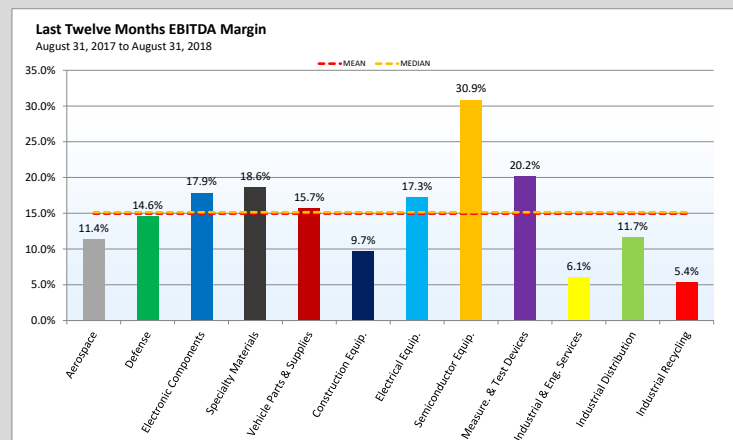


Source: CapitalIQ

Commentary

During the last twelve months, our index subsectors had a mean Gross Margin of 27.8% and a median of 26.3%. Of the subsectors, Measurement, Control, and Testing Devices had the high margin at 47.2% and Industrial & Engineering Services had the low margin at 11.5%.

Comparative Subsector LTM EBITDA Margin

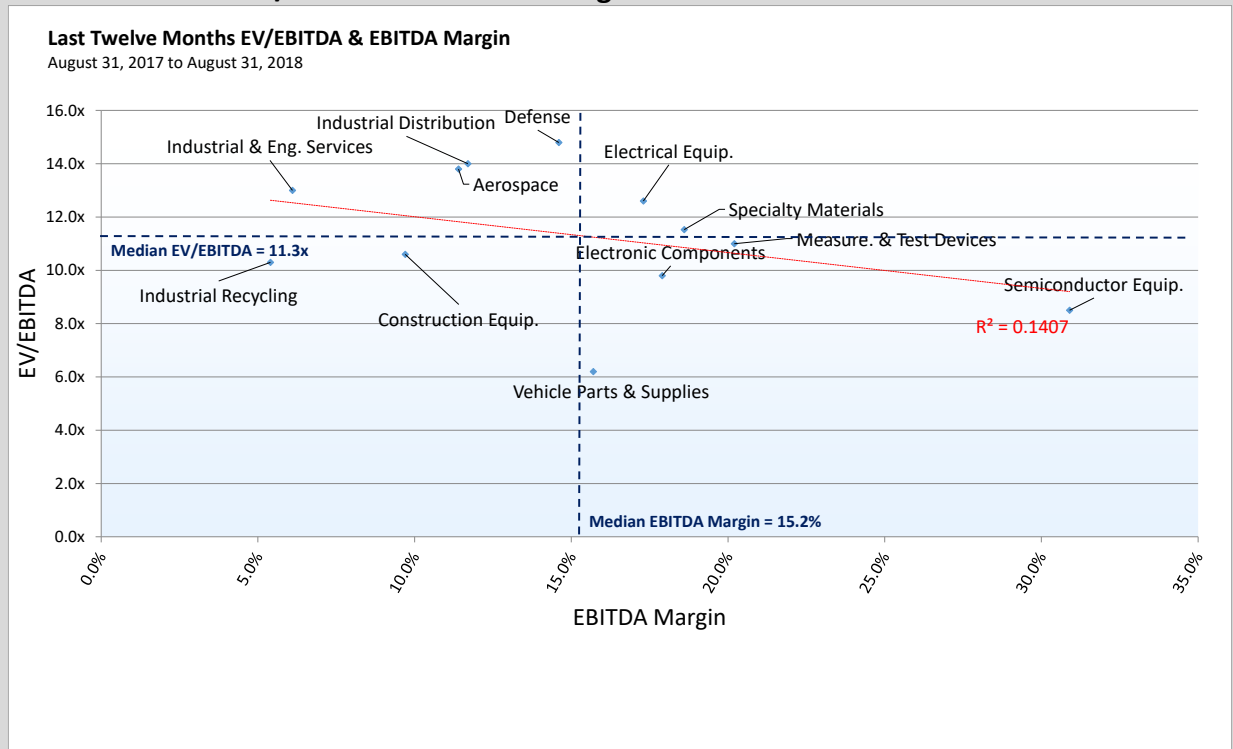


Source: CapitalIQ

Commentary

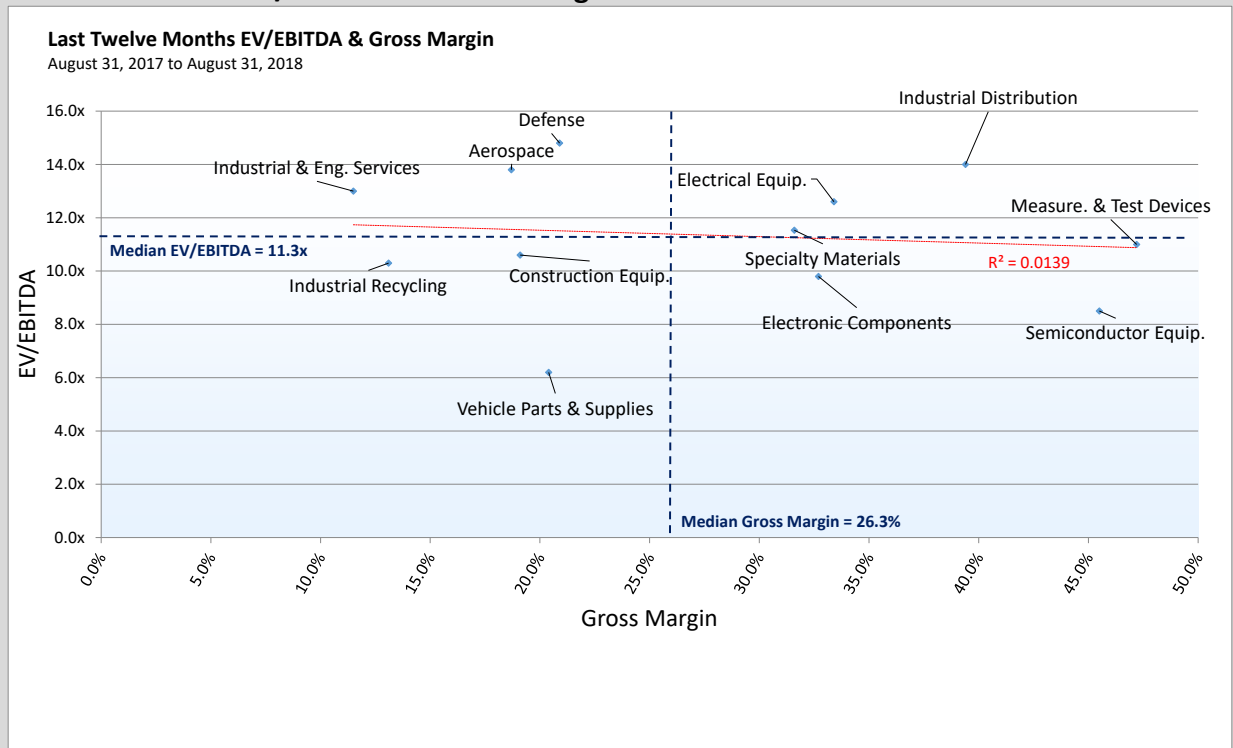
During the last twelve months, our index subsectors had a mean EBITDA Margin of 15.0% and a median of 15.2%. Of the subsectors, Semiconductor Capital Equipment had the high margin at 30.9% and Industrial Recycling had the low margin at 5.4%.

Index Subsector LTM EV/EBITDA vs. EBITDA Margin



Source: CapitalIQ

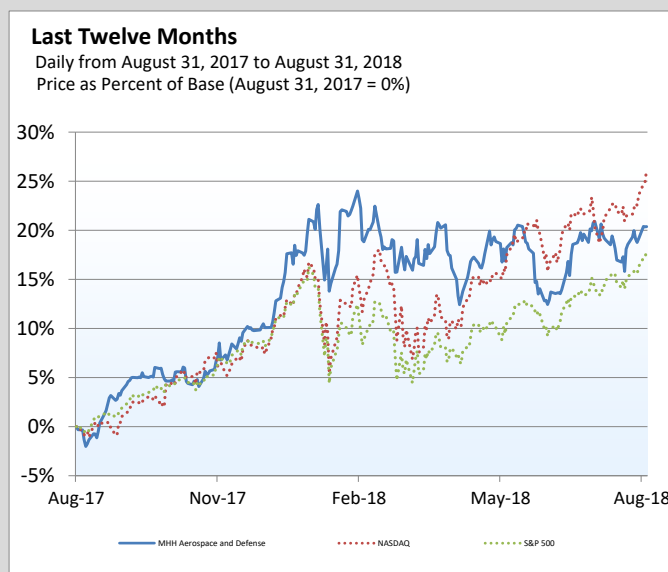
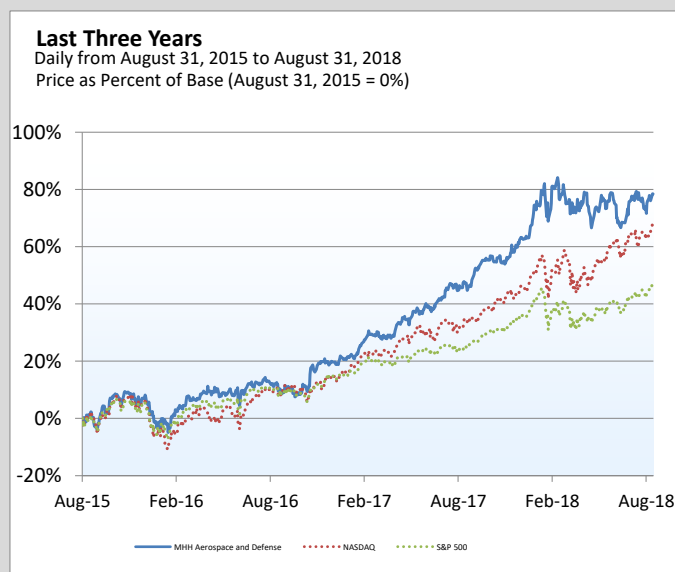
Index Subsector LTM EV/EBITDA vs. Gross Margin



Source: CapitalIQ

Comparative Index Performance

The Mufson Howe Hunter Aerospace & Defense Index^(a) increased by 1.5% during the three months ending August 31, 2018.



Price Performance

	3-Year	LTM	3 Month
Mufson Howe Hunter Aerospace & Defense Index ^(a)	75.8%	18.6%	1.5%
NASDAQ	69.8%	26.2%	9.0%
S&P 500	47.1%	17.4%	7.3%

(a) Market cap weighted index assuming no dividend reinvestment. Mufson Howe Hunter Aerospace & Defense Index is comprised of all companies listed on the following page.

Please see Page 13 for sector news

Highlighted M&A Transaction – Aerospace and Defense

Target	Acquirer	Value*
		ND
<p>The Boeing Company (NYSE:BA) entered into an agreement to acquire Millennium Space Systems, Inc. on August 16, 2018. Millennium Space Systems, Inc. designs flight systems, and develops mission and system solutions for the intelligence community, Department Of Defense, national aeronautics and space administrations, civil space, and commercial customers. The Company was founded in 2001 and is based in El Segundo, California.</p>		
<p><i>*ND – Not disclosed. Transaction values reported on the basis of enterprise value in USD millions.</i></p>		

Selected Valuation Metrics

(\$ in USD millions, except per share data)

Company	Market & Capitalization			LTM Performance ⁽³⁾			Valuation			Margins	
	Price ⁽¹⁾	Equity Value	Enterprise Value ⁽²⁾	Revenue	EBITDA ⁽⁴⁾	EPS	Enterprise Value/Revenue	EBITDA	Price/EPS	Gross Profit	EBITDA
Aerospace											
The Boeing Company (BA)	\$342.79	\$196,936	\$199,351	\$96,020	\$13,056	\$11.42	2.08x	15.3x	30.0x	19.1%	13.6%
Honeywell International Inc. (HON)	159.06	118,120	125,532	42,275	8,658	6.02	2.97x	14.5x	26.4x	31.8%	20.5%
United Technologies Corporation (UTX)	131.70	105,372	124,725	62,689	10,535	5.37	1.99x	11.8x	24.5x	26.4%	16.8%
Airbus SE (ENXTPA:AIR)	123.34	95,615	97,338	77,660	5,901	3.12	1.25x	16.5x	39.5x	12.1%	7.6%
Thales S.A. (ENXTPA:HO)	140.86	29,934	27,494	18,818	2,268	5.02	1.46x	12.1x	28.1x	25.2%	12.1%
Rolls-Royce Holdings plc (LSE:RR.)	13.04	24,237	24,359	22,614	2,314	0.58	1.08x	10.5x	22.6x	18.3%	10.2%
Textron Inc. (TXT)	69.03	17,148	20,482	14,523	1,573	2.33	1.41x	13.0x	29.6x	17.1%	10.8%
Embraer S.A. (BOVESPA:EMBR3)	4.75	3,483	4,821	4,543	223	0.01	1.06x	21.6x	NM	16.8%	4.9%
Mean		\$73,856	\$78,013	\$42,393	\$5,566	\$4.23	1.66x	14.4x	28.7x	20.9%	12.1%
Median		62,774	62,416	32,444	4,108	4.07	1.44x	13.8x	28.1x	18.7%	11.4%
Defense											
Lockheed Martin Corporation (LMT)	\$320.41	\$90,740	\$103,851	\$52,306	\$6,997	\$12.07	1.99x	14.8x	26.5x	11.5%	13.4%
General Dynamics Corporation (GD)	193.40	57,301	69,717	32,578	4,708	8.21	2.14x	14.8x	23.6x	19.4%	14.5%
Northrop Grumman Corporation (NOC)	298.49	51,974	65,566	26,774	4,093	11.40	2.45x	16.0x	26.2x	22.4%	15.3%
Raytheon Company (RTN)	199.44	56,892	59,362	25,959	3,882	7.09	2.29x	15.3x	28.1x	24.9%	15.0%
Rockwell Collins, Inc. (COL)	135.95	22,346	28,915	8,592	1,811	4.58	3.37x	16.0x	29.7x	26.5%	21.1%
BAE Systems plc (BA.)	7.87	25,108	27,629	23,181	2,388	0.33	1.19x	11.6x	23.5x	63.1%	10.3%
L3 Technologies, Inc. (LLL)	213.72	16,740	19,361	9,821	1,337	7.23	1.97x	14.5x	29.5x	11.9%	13.6%
Huntington Ingalls Industries, Inc. (HII)	244.47	10,590	11,473	7,753	1,142	11.99	1.48x	10.0x	20.4x	19.2%	14.7%
Mean		\$41,461	\$48,234	\$23,371	\$3,295	\$7.86	2.11x	14.1x	25.9x	24.8%	14.7%
Median		38,541	44,138	24,570	3,135	7.72	2.06x	14.8x	26.4x	20.9%	14.6%

NA = Not Available; NM = Not Meaningful; LTM = Latest Twelve Months

‡ = excluded from Mean and Median calculations

Source: CapitalIQ

(1) As of close August 31, 2018.

(2) Enterprise value is defined as equity value plus net debt, preferred stock and minority interests. Net Debt includes long term debt, short term debt, post-retirement benefits and unfunded pensions, if applicable, less cash and cash equivalents.

(3) As of June 30, 2018 excluding GD and RTN (July 1, 2018); LLL (June 29, 2018); and LMT (June 24, 2018).

(4) Excludes non-recurring and discontinued operations.

Comparative Index Performance

The Mufson Howe Hunter Components & Materials Index^(a) increased by 1.6% during the three months ending August 31, 2018.

Last Three Years

Daily from August 31, 2015 to August 31, 2018
Price as Percent of Base (August 31, 2015 = 0%)



Last Twelve Months

Daily from August 31, 2017 to August 31, 2018
Price as Percent of Base (August 31, 2017 = 0%)





Price Performance

	3-Year	LTM	3 Month
Mufson Howe Hunter Components & Materials Index ^(a)	28.0%	1.8%	1.6%
NASDAQ	69.8%	26.2%	9.0%
S&P 500	47.1%	17.4%	7.3%

(a) Market cap weighted index assuming no dividend reinvestment. Mufson Howe Hunter Components & Materials Index is comprised of all companies listed on the following page.

Please see Page 14 for sector news

Highlighted M&A Transaction – Components & Materials

Target	Acquirer	Value*
		\$254.6
Continental Aktiengesellschaft (DB:CON) agreed to acquire Tyre and Auto Pty Ltd. from Wesfarmers Limited (ASX:WES) for AUD 350 million on August 12, 2018. Tyre and Auto Pty Ltd., doing business as Kmart Tyre & Auto Service, offers car servicing and repair services. The company was founded in 1992 and is based in Castle Hill, Australia.		
*ND – Not disclosed. Transaction values reported on the basis of enterprise value in USD millions.		

Components & Materials

Selected Valuation Metrics

(\$ in USD millions, except per share data)

Company	Market & Capitalization			LTM Performance ⁽³⁾			Valuation		Margins		
	Price ⁽¹⁾	Equity Value	Enterprise Value ⁽²⁾	Revenue	EBITDA ⁽⁴⁾	EPS	Enterprise Value/Revenue	Price/EPS	Gross Profit	EBITDA	
Electronic Components											
TE Connectivity Ltd (TEL)	\$91.68	\$31,947	\$35,292	\$14,445	\$3,124	\$4.18	2.44x	11.3x	21.9x	33.0%	21.6%
Corning Inc. (GLW)	33.51	27,144	32,860	10,491	2,825	1.18	3.13x	11.6x	28.5x	39.3%	26.9%
Amphenol Corp. (APH)	94.58	28,407	30,904	7,633	1,801	2.88	4.05x	17.2x	32.8x	32.7%	23.6%
Omron Corp. (TSE:6645)	44.88	9,408	8,437	7,816	1,017	2.19	1.08x	8.3x	20.5x	41.7%	13.0%
Alps Electric Ltd (TSE:6770)	30.13	5,903	6,546	7,858	996	1.51	0.83x	6.6x	19.9x	22.0%	12.7%
Belden Inc. (BDC)	72.72	2,955	4,177	2,501	449	3.46	1.67x	9.3x	21.0x	40.0%	17.9%
Vishay Intertechnology (VSH)	23.80	3,432	2,964	2,833	556	1.55	1.05x	5.3x	15.4x	28.1%	19.6%
AVX Corp. (AVX)	21.15	3,569	2,723	1,685	274	0.80	1.62x	9.9x	26.3x	21.0%	16.2%
Encore Wire Corp. (WMRE)	50.25	1,048	946	1,222	96	2.43	0.77x	9.8x	20.7x	13.4%	7.9%
Mean		\$12,646	\$13,872	\$6,276	\$1,237	\$2.24	1.85x	9.9x	23.0x	30.1%	17.7%
Median		5,903	6,546	7,633	996	2.19	1.62x	9.8x	21.0x	32.7%	17.9%
Specialty Materials											
DowDuPont Inc. (DWDP)	\$70.13	\$161,816	\$188,090	\$81,175	\$15,853	\$3.08	2.32x	11.9x	22.8x	26.1%	19.5%
3M Company (MMM)	210.92	123,729	135,142	32,830	8,530	6.69	4.12x	15.8x	31.5x	49.9%	26.0%
BASF SE (DE:BAS)	92.57	85,025	100,675	75,583	14,078	5.69	1.33x	7.2x	16.3x	31.8%	18.6%
PPG Industries, Inc. (PPG)	110.54	26,753	30,837	15,370	2,429	4.60	2.01x	12.7x	24.0x	42.9%	15.8%
Akzo Nobel N.V. (ENXTAM:AKZA)	93.46	23,912	27,795	10,879	1,057	1.46	2.56x	NM	NM	43.0%	9.7%
Evonik Industries AG (DE:EVK)	37.18	17,309	21,280	17,166	3,049	2.40	1.24x	7.0x	15.5x	31.6%	17.8%
Celanese Corp. (CE)	116.83	15,768	19,047	6,854	1,555	6.55	2.78x	12.2x	17.8x	26.8%	22.7%
Solvay SA (ENXTBR:SOLB)	133.08	13,750	18,070	12,710	2,382	6.62	1.42x	7.6x	20.1x	27.9%	18.7%
Ferro Corporation (FOE)	21.95	1,847	2,653	1,549	237	1.04	1.71x	11.2x	21.1x	29.3%	15.3%
Mean		\$52,212	\$60,399	\$28,235	\$5,463	\$4.24	2.16x	10.70x	21.15x	34.4%	18.2%
Median		23,912	27,795	15,370	2,429	4.60	2.01x	11.53x	20.59x	31.6%	18.6%
Vehicle Parts and Supplies											
Johnson Controls Inc. (JCI)	\$37.77	\$34,934	\$47,874	\$31,166	\$4,904	\$2.14	1.54x	9.8x	17.6x	30.1%	15.7%
Continental AG (DB:CON)	184.27	36,855	40,500	51,760	6,543	15.51	0.78x	6.2x	11.9x	25.7%	12.6%
Denso Corp. (TSE:6902)	48.31	37,725	37,413	47,587	6,106	2.89	0.79x	6.1x	16.7x	16.5%	12.8%
Aptiv PLC (APTIV)	88.01	23,300	26,654	13,902	2,235	3.46	1.92x	11.9x	25.5x	20.0%	16.1%
Lear Corp. (LEA)	162.20	10,626	11,549	21,660	2,284	14.89	0.53x	5.1x	10.9x	11.5%	10.5%
Autoliv, Inc. (ALV)	89.09	7,763	9,552	10,810	1,323	7.22	0.88x	7.2x	12.3x	20.4%	12.2%
Bosch Ltd. (BSE:500530)	310.34	9,472	9,068	1,776	327	6.02	5.11x	NM	NM	45.5%	18.4%
Stanley Electric Co. Ltd. (TSE:6923)	34.69	5,694	4,916	4,078	825	1.78	1.21x	6.0x	19.5x	22.7%	20.2%
Delphi Automotive PLC (DLPH)	35.23	3,128	4,447	5,022	807	3.82	0.89x	5.5x	9.2x	19.6%	16.1%
Mean		\$18,833	\$21,330	\$20,862	\$2,817	\$6.41	1.52x	7.2x	15.5x	23.5%	15.0%
Median		10,626	11,549	13,902	2,235	3.82	0.89x	6.2x	14.5x	20.4%	15.7%

NA = Not Available; NM = Not Meaningful; LTM = Latest Twelve Months

‡ = excluded from Mean and Median calculations

Source: CapitalIQ

(1) As of close August 31, 2018.

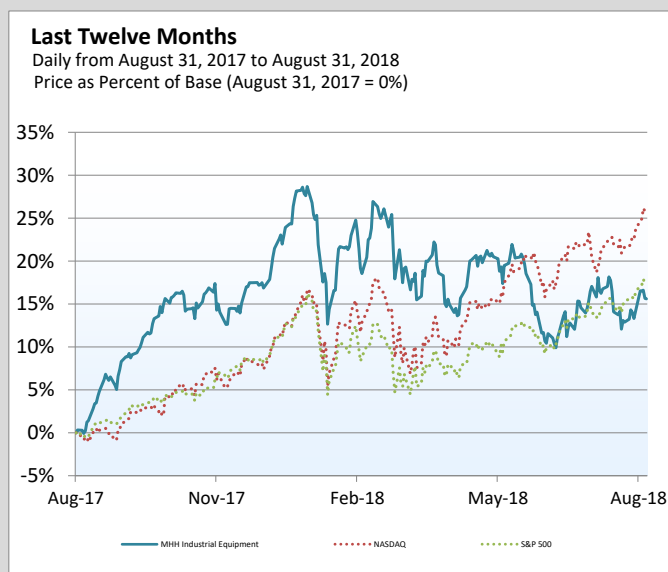
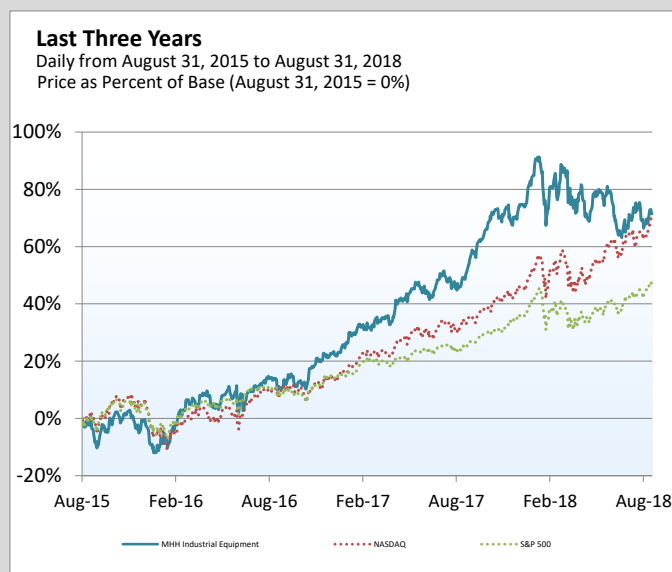
(2) Enterprise value is defined as equity value plus net debt, preferred stock and minority interests. Net Debt includes long term debt, short term debt, post-retirement benefits and unfunded pensions, if applicable, less cash and cash equivalents.

(3) As of June 30, 2018 excluding BDC (July 1, 2018); TEL (June 29, 2018); and 500530 (March 31, 2018).

(4) Excludes non-recurring and discontinued operations.

Comparative Index Performance

The Mufson Howe Hunter Industrial Equipment Index^(a) decreased by 1.5% during the three months ending August 31, 2018.





Price Performance

	3-Year	LTM	3 Month
Mufson Howe Hunter Industrial Equipment Index ^(a)	71.5%	15.6%	-1.5%
NASDAQ	69.8%	26.2%	9.0%
S&P 500	47.1%	17.4%	7.3%

(a) Market cap weighted index assuming no dividend reinvestment. Mufson Howe Hunter Industrial Equipment Index is comprised of all companies listed on the following page.

Please see Page 15 for sector news

Highlighted M&A Transaction – Industrial Equipment

Target	Acquirer	Value*
 (Semiconductor Cryogenics Business)		\$680.0
Edwards Vacuum LLC entered into definitive agreement to acquire semiconductor cryogenics business of Brooks Automation, Inc. (NasdaqGS:BRKS) for approximately \$680 million on August 27, 2018. The semiconductor cryogenics business comprises a business division that manufactures, markets, sells, distributes, services, and refurbishes semiconductor cryogenic vacuum pumps, chillers, coolers, compressors, refrigeration systems, and spare parts. The asset is located in the United States.		
*ND – Not disclosed. Transaction values reported on the basis of enterprise value in USD millions.		

Industrial Equipment

Selected Valuation Metrics

(\$ in USD millions, except per share data)

Company	Market & Capitalization			LTM Performance ⁽³⁾			Valuation			Margins	
	Price ⁽¹⁾	Equity Value	Enterprise Value ⁽²⁾	Revenue	EBITDA ⁽⁴⁾	EPS	Enterprise Value/Revenue	EBITDA	Price/EPS	Gross Profit	EBITDA
Construction Equipment											
Caterpillar Inc. (CAT)	\$138.85	\$82,522	\$110,971	\$51,179	\$10,407	\$7.47	2.17x	10.7x	18.6x	27.7%	20.3%
Deere & Company (DE)	143.80	46,257	86,094	35,021	4,911	5.86	2.46x	17.5x	24.5x	22.0%	14.0%
Cummins Inc. (CMI)	141.80	23,086	24,911	22,463	2,712	9.36	1.11x	9.2x	15.2x	23.8%	12.1%
Navistar International Corp. (NAV)	43.57	4,304	8,559	9,138	672	1.48	0.94x	12.7x	29.5x	17.3%	7.4%
Hyundai Heavy Industries Co. Ltd (KOSE:A009540)	105.68	7,303	7,971	11,759	-150	(11.43)	0.68x	NM	NM	1.5%	-1.3%
Oshkosh Corp. (OSK)	70.26	5,136	5,582	7,612	738	4.61	0.73x	7.6x	15.2x	17.5%	9.7%
Terex Corp. (TEX)	38.75	2,856	3,577	4,838	341	1.95	0.74x	10.5x	19.9x	19.1%	7.0%
Mean		\$24,495	\$35,381	\$20,287	\$2,804	\$2.76	1.26x	11.4x	20.5x	18.4%	9.9%
Median		7,303	8,559	11,759	738	4.61	0.94x	10.6x	19.2x	19.1%	9.7%
Electrical Equipment											
Schneider Electric SE (ENXTPA:SU)	\$81.53	\$45,495	\$54,244	\$29,036	\$4,695	\$4.13	1.87x	11.6x	19.8x	38.6%	16.2%
Emerson Electric Co. (EMR)	76.73	48,222	50,846	16,955	3,565	2.67	3.00x	14.3x	28.7x	42.9%	21.0%
Eaton Corporation plc (ETN)	83.14	36,025	43,305	21,162	3,657	3.55	2.05x	11.8x	23.4x	32.7%	17.3%
Rockwell Automation Inc. (ROK)	180.96	22,288	22,027	6,604	1,361	5.54	3.34x	16.2x	32.7x	42.2%	20.6%
Amelec Inc. (AME)	76.96	17,847	19,435	4,609	1,208	2.42	4.22x	16.1x	31.7x	34.2%	26.2%
Hubbell Inc. (HUBB)	126.36	6,921	8,721	4,026	692	5.65	2.17x	12.6x	22.4x	31.1%	17.2%
Regal Beloit Corporation (RBC)	83.70	3,637	4,828	3,516	495	4.27	1.37x	9.8x	19.6x	26.5%	14.1%
Powell Industries, Inc. (POWL)	39.15	449	395	409	-6	(1.02)	0.97x	NM	NM	12.8%	NM
Mean		\$22,610	\$25,475	\$10,790	\$1,958	\$3.40	2.37x	13.2x	25.5x	32.6%	18.9%
Median		20,067	20,731	5,607	1,285	3.84	2.11x	12.6x	23.4x	33.4%	17.3%
Semiconductor Capital Equipment											
ASML Holding NV (ASML)	\$203.88	\$86,711	\$86,801	\$11,868	\$3,785	\$4.89	7.31x ‡	22.9x ‡	NM	42.9%	31.9%
Applied Materials, Inc. (AMAT)	43.02	42,288	43,612	17,208	5,319	2.83	2.53x	8.2x	15.2x	45.5%	30.9%
Lam Research Corp. (LRCX)	173.09	27,276	24,766	11,077	3,543	11.07	2.24x	7.0x	15.6x	46.6%	32.0%
Tokyo Electron Ltd (TSE:8035)	170.28	27,946	24,738	10,735	2,895	10.30	2.30x	8.5x	16.5x	42.1%	27.0%
KLA-Tencor Corp. (KLAC)	116.21	18,143	17,501	4,037	1,600	5.78	4.34x	10.9x	20.1x	64.1%	39.6%
Teradyne Inc. (TER)	41.19	7,679	6,860	1,997	559	1.40	3.43x	12.3x	29.4x	57.3%	28.0%
Veeco Instruments Inc. (VECO)	12.00	585	605	594	45	(0.53)	1.02x	13.4x ‡	NM	39.6%	7.6%
Mean		\$30,090	\$29,269	\$8,217	\$2,535	\$5.11	2.64x	9.4x	19.4x	48.3%	28.1%
Median		27,276	24,738	10,735	2,895	4.89	2.42x	8.5x	16.5x	45.5%	30.9%
Measurement, Control, and Testing Devices											
Danaher Corporation (DHR)	\$103.54	\$72,453	\$82,881	\$19,290	\$4,782	\$2.95	4.30x	17.3x	35.1x	56.4%	24.8%
Entegris, Inc. (ENTG)	33.90	4,801	5,194	1,446	407	1.15	3.59x	12.8x	29.4x	47.1%	28.1%
MKS Instruments, Inc. (MKSI)	92.90	5,090	4,814	2,125	599	5.58	2.26x	8.0x	16.7x	47.2%	28.2%
Brooks Automation, Inc. (BRKS)	39.41	2,784	2,760	802	136	0.88	3.44x	20.3x	NM	40.5%	16.9%
FormFactor, Inc. (FORM)	15.45	1,141	1,083	529	78	0.27	2.05x	13.8x	NM	39.2%	14.8%
FARO Technologies, Inc. (FARO)	68.20	1,158	1,013	388	32	0.53	2.61x	NM	NM	58.2%	8.2%
Nanometrics Incorporated (NANO)	43.81	1,057	909	306	75	1.66	2.97x	12.2x	26.4x	56.6%	24.4%
Rudolph Technologies, Inc. (RTEC)	27.80	887	703	278	65	1.16	2.53x	10.8x	23.9x	54.6%	23.4%
Nova Measuring Instruments Ltd. (NVMI)	29.45	822	655	236	63	1.28	2.78x	10.4x	23.0x	58.1%	26.8%
Xcerra Corporation (XCRA)	14.48	795	621	473	69	0.68	1.31x	8.9x	21.2x	46.5%	14.7%
Cohu, Inc. (COHU)	26.38	762	620	373	57	1.01	1.66x	11.0x	26.0x	41.0%	15.2%
Axcelis Technologies, Inc. (ACLS)	20.20	654	554	462	68	1.07	1.20x	8.2x	19.0x	37.3%	14.6%
Mean		\$7,700	\$8,484	\$2,226	\$536	\$1.52	2.56x	12.2x	24.5x	48.6%	20.0%
Median		1,099	961	468	72	1.11	2.57x	11.0x	23.9x	47.2%	20.2%

NA = Not Available; NM = Not Meaningful; LTM = Latest Twelve Months

‡ = excluded from Mean and Median calculations

Source: CapitalIQ

(1) As of close August 31, 2018.

(2) Enterprise value is defined as equity value plus net debt, preferred stock and minority interests. Net Debt includes long term debt, short term debt, post-retirement benefits and unfunded pensions, if applicable, less cash and cash equivalents.

(3) As of June 30, 2018 excluding AMAT and DE (July 29, 2018); ASML, CMI and TER (July 1, 2018); DHR (June 29, 2018); LRCX (June 24, 2018); and NAV and XCRA (April 30, 2018).

(4) Excludes non-recurring and discontinued operations.

Comparative Index Performance

The Mufson Howe Industrial & Engineering Services and Distribution Index^(a) increased by 6.2% during the three months ending August 31, 2018.

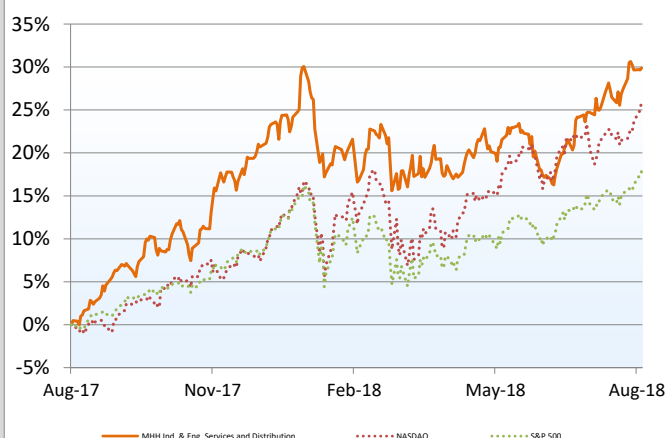
Last Three Years

Daily from August 31, 2015 to August 31, 2018
Price as Percent of Base (August 31, 2015 = 0%)



Last Twelve Months

Daily from August 31, 2017 to August 31, 2018
Price as Percent of Base (August 31, 2017 = 0%)



Price Performance

	3-Year	LTM	3 Month
Mufson Howe Hunter Industrial & Engineering Services and Distribution Index ^(a)	27.1%	28.2%	6.2%
NASDAQ	69.8%	26.2%	9.0%
S&P 500	47.1%	17.4%	7.3%

(a) Market cap weighted index assuming no dividend reinvestment. Mufson Howe Hunter Industrial & Engineering Services and Distribution Index is comprised of all companies listed on the following page.

Please see Page 17 for sector news

Highlighted M&A Transaction – Industrial & Engineering Services and Distribution

Target	Acquirer	Value*
VOREAS	UNDISCLOSED BUYER	\$27.0
An undisclosed buyer agreed to acquire 50% stake in Voreas Societa' A Responsabilita' Limitata from John Wood Group PLC (LSE:WG.) for \$27 million on August 16, 2018. Voreas Srl, which operates as a subsidiary of John Wood Group PLC, owns and operates wind farms that produce electricity. The company was founded in 2009 and is based in Pietramontecorvino, Italy.		
*ND – Not disclosed. Transaction values reported on the basis of enterprise value in USD millions.		

Industrial & Engineering Services and Distribution

Selected Valuation Metrics

(\$ in USD millions, except per share data)

Company	Market & Capitalization			LTM Performance ⁽³⁾			Valuation			Margins	
	Price ⁽¹⁾	Equity Value	Enterprise Value ⁽²⁾	Revenue	EBITDA ⁽⁴⁾	EPS	Enterprise Value/Revenue	EBITDA	Price/EPS	Gross Profit	EBITDA
Industrial and Engineering Services											
Jacobs Engineering Group Inc. (JEC)	\$67.63	\$9,589	\$11,360	\$13,496	\$837	\$2.77	0.84x	13.6x	24.4x	18.6%	6.2%
AECOM (ACM)	33.56	5,381	8,686	19,120	743	1.00	0.45x	11.7x	33.6x	3.3%	3.9%
John Wood Group PLC (LSE:WG.)	8.52	5,697	7,331	5,394	299	0.22	1.36x	24.5x	38.0x	12.6%	5.5%
Fluor Corporation (FLR)	51.25	7,205	7,146	19,677	775	1.83	0.36x	9.2x	27.9x	3.6%	3.9%
Tetra Tech, Inc. (TTEK)	60.80	3,381	3,657	2,182	248	2.12	1.68x	14.7x	28.7x	18.2%	11.4%
KBR, Inc. (KBR)	19.98	2,811	3,393	4,276	261	0.91	0.79x	13.0x	22.0x	8.5%	6.1%
Balfour Beatty plc (LSE:BBY)	3.85	2,618	2,788	9,348	103	0.09	0.30x	27.1x	NM	5.1%	1.1%
Primoris Services Corporation (PRIM)	27.01	1,392	1,513	2,323	165	1.04	0.65x	9.1x	25.9x	11.5%	7.1%
White Group Public Company Limited (WG)	4.69	84	50	36	5	0.17	1.41x	9.4x	27.1x	24.5%	15.1%
Mean		\$4,240	\$5,103	\$8,428	\$382	\$1.13	0.87x	14.7x	28.4x	11.8%	6.7%
Median		3,381	3,657	5,394	261	1.00	0.79x	13.0x	27.5x	11.5%	6.1%
Industrial Distribution											
W.W. Grainger, Inc. (GWW)	\$346.56	\$19,454	\$21,592	\$10,895	\$1,552	\$12.17	1.98x	13.9x	28.5x	39.0%	14.2%
Fastenal Company (FAST)	56.93	16,336	16,625	4,675	1,067	2.01	3.56x	15.6x	28.3x	48.8%	22.8%
HD Supply Holdings, Inc. (HDS)	43.98	8,080	10,115	5,294	715	1.64	1.91x	14.1x	26.9x	39.7%	13.5%
MSC Industrial Direct Co., Inc. (MSM)	84.63	4,786	5,281	3,120	497	4.64	1.69x	10.6x	18.2x	43.8%	15.9%
WESCO International, Inc. (WCC)	61.00	2,872	4,105	8,095	390	3.50	0.51x	10.5x	17.4x	19.1%	4.8%
MRC Global Inc. (MRC)	22.65	2,031	2,980	3,954	175	0.42	0.75x	17.0x	NM	15.6%	4.4%
Lawson Products, Inc. (LAWS)	27.05	241	257	331	15	0.64	0.78x	16.8x	NM	56.9%	4.6%
Transcat, Inc. (TRNS)	22.85	165	186	156	15	0.71	1.19x	12.0x	32.4x	24.3%	9.9%
Mean		\$6,746	\$7,643	\$4,565	\$553	\$3.22	1.55x	13.8x	25.3x	35.9%	11.3%
Median		3,829	4,693	4,315	443	1.82	1.44x	14.0x	27.6x	39.4%	11.7%
Industrial Recycling Services											
Veolia Environnement S.A. (ENXTPA:VIE)	\$22.86	\$12,589	\$22,886	\$29,755	\$3,396	\$0.96	0.77x	6.7x	23.9x	16.8%	11.4%
Clean Harbors, Inc. (CLH)	56.93	3,199	4,604	3,102	449	0.79	1.48x	10.3x	NM	29.8%	14.5%
Aurubis AG (DE:NDA)	81.94	3,684	3,811	13,958	675	7.01	0.27x	5.6x	11.7x	10.9%	4.8%
Commercial Metals Company (CMC)	22.34	2,614	3,173	5,145	277	0.61	0.62x	11.4x	36.8x	11.3%	5.4%
Dowa Holdings Co., Ltd. (TSE:5714)	32.08	1,899	2,809	4,282	458	3.52	0.66x	6.1x	9.1x	14.7%	10.7%
Sims Metal Management Limited (ASX:SGM)	12.75	2,584	2,283	4,438	212	0.51	0.51x	10.8x	25.0x	13.1%	4.8%
Cardno Limited (ASX:CDD)	0.94	439	436	898	23	0.01	0.49x	19.1x	NM	7.3%	2.5%
Mean		\$3,858	\$5,714	\$8,797	\$784	\$1.92	0.69x	10.0x	21.3x	14.8%	7.7%
Median		2,614	3,173	4,438	449	0.79	0.62x	10.3x	23.9x	13.1%	5.4%

NA = Not Available; NM = Not Meaningful; LTM = Latest Twelve Months

‡ = excluded from Mean and Median calculations

Source: CapitalIQ

(1) As of close July 31, 2018.

(2) Enterprise value is defined as equity value plus net debt, preferred stock and minority interests. Net Debt includes long term debt, short term debt, post-retirement benefits and unfunded pensions, if applicable, less cash and cash equivalents.

(3) As of June 30, 2018 excluding TTEK (July 1, 2018); JEC (June 29, 2018); MSM (June 2, 2018); CMC (May 31, 2018); HDS (April 29, 2018); 5714, ACM, NDA, PRIM and WG (March 31, 2018); and BBY, CDD, SGM and WG. (December 31, 2017).

(4) Excludes non-recurring and discontinued operations.

Selected News – Aerospace & Defense

BAE Systems plc (LSE:BA.) reported second quarter net income of \$310.7 million for fiscal year 2018 as compared to \$369.5 million for the prior year period. Earnings per share were \$0.10 versus \$0.12 for the prior year period. Revenues for the quarter decreased to \$5,384.2 million from \$5,789.1 million for the same period in fiscal year 2017.

Honeywell International Inc. (NYSE:HON) the Board of Directors of Honeywell International Inc. appointed **Greg Lewis**, age 50, as Tom Szlosek's successor as Senior Vice President and Chief Financial Officer of the Company, effective as of August 3, 2018.

Huntington Ingalls Industries, Inc. (NYSE:HII) reported second quarter net income of \$239.0 million for fiscal year 2018 as compared to \$147.0 million for the prior year period. Earnings per share were \$5.40 versus \$3.21 for the prior year period. Revenues for the quarter increased to \$2,020.0 million from \$1,858.0 million for the same period in fiscal year 2017.

Rolls-Royce Holdings plc (LSE:RR.) reported second quarter net income of (\$634.7) million for fiscal year 2018 as compared to \$761.1 million for the prior year period. Earnings per share were (\$0.34) versus \$0.41 for the prior year period. Revenues for the quarter increased to \$4,939.6 million from \$4,322.2 million for the same period in fiscal year 2017.

United Technologies Corporation (NYSE:UTX) announced it has acquired Predikto Inc. **Mario Montag**, Predikto CEO, will assume the role of Chief Data & Analytics Officer for United Technologies.

Note: All per share results are reported on a fully-diluted basis.

Selected News – Components & Materials

3M Company (NYSE:MMM) announced appointment of **Dr. Dambisa F. Moyo** to Board of Directors, effective Aug. 12, 2018.

Belden Inc. (NYSE:BDC) reported second quarter net income of \$28.9 million for fiscal year 2018 as compared to \$36.0 million for the prior year period. Earnings per share were \$0.49 versus \$0.64 for the prior year period. Revenues for the quarter increase to \$668.6 million from \$610.6 million for the same period in fiscal year 2017.

Bosch Limited (BSE:500530) reported net income of \$210.7 million for fiscal year 2018 as compared to \$268.6 million for the prior year. Earnings per share were \$6.90 versus \$8.65 for the prior year. Revenues for the year increase to \$1,776.1 million from \$1,583.3 million for fiscal year 2017.

Continental Aktiengesellschaft (DB:CON) reported second quarter net income of \$959.2 million for fiscal year 2018 as compared to \$850.4 million for the prior year period. Earnings per share were \$4.80 versus \$4.26 for the prior year period. Revenues for the quarter increase to \$13,270.1 million from \$12,587.6 million for the same period in fiscal year 2017.

Delphi Technologies PLC (NYSE:DLPH) reported second quarter net income of \$86.0 million for fiscal year 2018 as compared to \$48.0 million for the prior year period. Earnings per share were \$0.97 versus \$0.54 for the prior year period. Revenues for the quarter increase to \$1,232.0 million from \$1,187.0 million for the same period in fiscal year 2017.

DowDuPont Inc. (NYSE:DWDP) reported second quarter net income of \$1,768.0 million for fiscal year 2018 as compared to \$1,321.0 million for the prior year period. Earnings per share were \$0.76 versus \$1.07 for the prior year period. Revenues for the quarter increase to \$24,245.0 million from \$13,834.0 million for the same period in fiscal year 2017.

Evonik Industries AG (DE:EVK) reported second quarter net income of \$360.5 million for fiscal year 2018 as compared to \$264.7 million for the prior year period. Earnings per share were \$0.77 versus \$0.57 for the prior year period. Revenues for the quarter increase to \$4,515.2 million from \$4,127.8 million for the same period in fiscal year 2017.

PPG Industries, Inc. (NYSE:PPG) appointed **Anne Foulkes** as its senior vice president, general counsel and secretary.

Vishay Intertechnology, Inc. (NYSE:VSH) reported second quarter net income of \$103.1 million for fiscal year 2018 as compared to \$56.2 million for the prior year period. Earnings per share were \$0.65 versus \$0.36 for the prior year period. Revenues for the quarter increase to \$761.0 million from \$643.2 million for the same period in fiscal year 2017.

Note: All per share results are reported on a fully-diluted basis.

Selected News – Industrial Equipment

Applied Materials, Inc. (NasdaqGS:AMAT) reported third quarter net income of \$1,173.0 million for fiscal year 2018 as compared to \$925.0 million for the prior year period. Earnings per share were \$1.17 versus \$0.85 for the prior year period. Revenues for the quarter increased to \$4,468.0 million from \$3,744.0 million for the same period in fiscal year 2017.

Axcelis Technologies, Inc. (NasdaqGS:ACLS) reported second quarter net income of \$14.7 million for fiscal year 2018 as compared to \$13.9 million for the prior year period. Earnings per share were \$0.43 versus \$0.42 for the prior year period. Revenues for the quarter increased to \$119.3 million from \$102.8 million for the same period in fiscal year 2017.

Brooks Automation, Inc. (NasdaqGS:BRKS) reported third quarter net income of \$22.7 million for fiscal year 2018 as compared to \$17.4 million for the prior year period. Earnings per share were \$0.32 versus \$0.25 for the prior year period. Revenues for the quarter increased to \$223.5 million from \$181.7 million for the same period in fiscal year 2017.

Cohu, Inc. (NasdaqGS:COHU) reported second quarter net income of \$11.6 million for fiscal year 2018 as compared to \$10.4 million for the prior year period. Earnings per share were \$0.39 versus \$0.36 for the prior year period. Revenues for the quarter increased to \$99.8 million from \$93.9 million for the same period in fiscal year 2017.

Deere & Company (NYSE:DE) reported third quarter net income of \$910.3 million for fiscal year 2018 as compared to \$641.8 million for the prior year period. Earnings per share were \$2.78 versus \$1.97 for the prior year period. Revenues for the quarter increased to \$10,306.3 million from \$7,903.8 million for the same period in fiscal year 2017.

Emerson Electric Co. (NYSE:EMR) reported third quarter net income of \$712.0 million for fiscal year 2018 as compared to \$413.0 million for the prior year period. Earnings per share were \$1.12 versus \$0.64 for the prior year period. Revenues for the quarter increased to \$4,456.0 million from \$4,039.0 million for the same period in fiscal year 2017.

FormFactor, Inc. (NasdaqGS:FORM) reported second quarter net income of \$9.1 million for fiscal year 2018 as compared to \$17.6 million for the prior year period. Earnings per share were \$0.12 versus \$0.24 for the prior year period. Revenues for the quarter decreased to \$135.5 million from \$144.0 million for the same period in fiscal year 2017.

Navistar International Corporation (NYSE:NAV) announced that **Christian Schulz** has been named to its board of directors, effective immediately.

Nova Measuring Instruments Ltd. (NasdaqGS:NVMII) reported second quarter net income of \$11.8 million for fiscal year 2018 as compared to \$13.3 million for the prior year period. Earnings per share were \$0.41 versus \$0.47 for the prior year period. Revenues for the quarter increased to \$61.9 million from \$56.1 million for the same period in fiscal year 2017.

Powell Industries, Inc. (NasdaqGS:POWL) reported third quarter net income of \$0.3 million for fiscal year 2018 as compared to (\$3.2) million for the prior year period. Earnings per share were \$0.03 versus (\$0.28) for the prior year period. Revenues for the quarter increased to \$122.1 million from \$85.9 million for the same period in fiscal year 2017.

Regal Beloit Corporation (NYSE:RBC) reported second quarter net income of \$65.9 million for fiscal year 2018 as compared to \$53.0 million for the prior year period. Earnings per share were \$1.50 versus \$1.18 for the prior year period. Revenues for the quarter increased to \$959.7 million from \$869.2 million for the same period in fiscal year 2017.

Selected Highlights

Rudolph Technologies, Inc. (NYSE:RTEC) reported second quarter net income of \$14.7 million for fiscal year 2018 as compared to \$9.2 million for the prior year period. Earnings per share were \$0.45 versus \$0.29 for the prior year period. Revenues for the quarter increased to \$77.5 million from \$67.4 million for the same period in fiscal year 2017.

Rudolph Technologies, Inc. (NYSE:RTEC) named **David B. Miller** as Chairman of the Board of Directors, effective August 5, 2018.

Terex Corporation (NYSE:TEX) announced that **John L. Garrison**, Terex's President and Chief Executive, will also assume the position of Chairman of the Board, effective August 15, 2018.

Veeco Instruments Inc. (NasdaqGS:VECO) reported second quarter net income of (\$237.6) million for fiscal year 2018 as compared to (\$20.8) million for the prior year period. Earnings per share were (\$5.02) versus (\$0.49) for the prior year period. Revenues for the quarter increased to \$157.8 million from \$112.2 million for the same period in fiscal year 2017.

Note: All per share results are reported on a fully-diluted basis.

Selected News – Industrial & Engineering Services and Distribution

AECOM (NYSE:ACM) reported third quarter net income of \$60.9 million for fiscal year 2018 as compared to \$101.3 million for the prior year period. Earnings per share were \$0.37 versus \$0.64 for the prior year period. Revenues for the quarter increased to \$5,147.9 million from \$4,561.5 million for the same period in fiscal year 2017.

Aurubis AG (XTRA:NDA) reported third quarter net income of \$105.5 million for fiscal year 2018 as compared to \$86.9 million for the prior year period. Earnings per share were \$2.37 versus \$1.93 for the prior year period. Revenues for the quarter increased to \$3,069.7 million from \$2,792.2 million for the same period in fiscal year 2017.

Cardno Limited (CDD) reported net income of (\$10.4) million for fiscal year 2018 as compared to \$6.6 million for the prior year. Earnings per share were (\$0.02) versus \$0.01 for the prior year. Revenues for the year decreased to \$826.2 million from \$907.1 million for fiscal year 2017.

Cardno Limited (CDD) announced the appointment of **Ian Ball** as Chief Executive Officer and Managing Director.

Clean Harbors, Inc. (NYSE:CLH) reported second quarter net income of \$30.7 million for fiscal year 2018 as compared to \$25.9 million for the prior year period. Earnings per share were \$0.54 versus \$0.45 for the prior year period. Revenues for the quarter increased to \$849.1 million from \$752.8 million for the same period in fiscal year 2017.

Dowa Holdings Co., Ltd. (TSE:5714) reported first quarter net income of \$54.3 million for fiscal year 2019 as compared to \$55.0 million for the prior year period. Earnings per share were \$0.92 versus \$0.93 for the prior year period. Revenues for the quarter increased to \$1,038.9 million from \$980.3 million for the same period in fiscal year 2018.

Fluor Corporation (NYSE:FLR) reported second quarter net income of \$114.8 million for fiscal year 2018 as compared to (\$24.0) million for the prior year period. Earnings per share were \$0.81 versus (\$0.17) for the prior year period. Revenues for the quarter increased to \$4,883.8 million from \$4,716.1 million for the same period in fiscal year 2017.

Jacobs Engineering Group Inc. (NYSE:JEC) reported third quarter net income of \$150.2 million for fiscal year 2018 as compared to \$89.0 million for the prior year period. Earnings per share were \$1.05 versus \$0.74 for the prior year period. Revenues for the quarter increased to \$4,156.7 million from \$2,514.8 million for the same period in fiscal year 2017.

John Wood Group PLC (LSE:WG.) reported second quarter net income of (\$26.6) million for fiscal year 2018 as compared to \$2.1 million for the prior year period. Earnings per share were (\$0.04) versus \$0.01 for the prior year period. Revenues for the quarter increased to \$2,458.2 million from \$972.1 million for the same period in fiscal year 2017.

MRC Global Inc. (NYSE:MRC) reported second quarter net income of \$22.0 million for fiscal year 2018 as compared to \$6.0 million for the prior year period. Earnings per share were \$0.17 versus (\$0.00) for the prior year period. Revenues for the quarter increased to \$1,082.0 million from \$922.0 million for the same period in fiscal year 2017.

Primoris Services Corporation (NasdaqGS:PRIM) reported second quarter net income of \$11.7 million for fiscal year 2018 as compared to \$21.5 million for the prior year period. Earnings per share were \$0.23 versus \$0.42 for the prior year period. Revenues for the quarter increased to \$648.8 million from \$631.2 million for the same period in fiscal year 2017.

Sims Metal Management Limited (ASX:SGM) reported net income of \$150.5 million for fiscal year 2018 as compared to \$156.2 million for the prior year. Earnings per share were \$0.73 versus \$0.78 for the prior year. Revenues for the year increased to \$4,778.1 million from \$3,906.8 million for fiscal year 2017.

Tetra Tech, Inc. (NasdaqGS:TTEK) reported third quarter net income of \$33.3 million for fiscal year 2018 as compared to \$30.0 million for the prior year period. Earnings per share were \$0.59 versus \$0.52 for the prior year period. Revenues for the quarter increased to \$570.4 million from \$498.5 million for the same period in fiscal year 2017.

Tetra Tech, Inc. (NasdaqGS:TTEK) announced **Gary R. Birkenbeuel** has been elected to the Board of Directors of the Tetra Tech, Inc., effective July 30, 2018.

Veolia Environnement S.A. (ENXTPA:VIE) reported second quarter net income of (\$0.0) million for fiscal year 2018 as compared to \$113.2 million for the prior year period. Earnings per share were (\$0.00) versus \$0.13 for the prior year period. Revenues for the quarter decreased to \$0.0 million from \$6,951.8 million for the same period in fiscal year 2017.

WESCO International, Inc. (NYSE:WCC) reported second quarter net income of \$57.9 million for fiscal year 2018 as compared to \$49.5 million for the prior year period. Earnings per share were \$1.22 versus \$1.02 for the prior year period. Revenues for the quarter increased to \$2,104.0 million from \$1,909.6 million for the same period in fiscal year 2017.

WESCO International, Inc. (NYSE:WCC) announced the appointment of **Easwaran "Eash" Sundaram** to its Board of Directors effective August 15, 2018.

Note: All per share results are reported on a fully-diluted basis.

MHH Manufacturing Universe Directory

Company	Sector
3M Company	Components & Materials
AECOM	Ind. & Eng. Services and Distribution
Airbus Group SE	Aerospace & Defense
Akzo Nobel N.V.	Components & Materials
Alps Electric Co. Ltd.	Components & Materials
AMETEK, Inc.	Industrial Equipment
Amphenol Corporation	Components & Materials
Applied Materials, Inc.	Industrial Equipment
Aptiv PLC	Components & Materials
ASML Holding N.V.	Industrial Equipment
Aurubis AG	Ind. & Eng. Services and Distribution
Autoliv, Inc.	Components & Materials
AVX Corp.	Components & Materials
Axcelis Technologies, Inc.	Industrial Equipment
BAE Systems plc	Aerospace & Defense
Balfour Beatty plc	Ind. & Eng. Services and Distribution
BASF SE	Components & Materials
Belden Inc.	Components & Materials
Bosch Ltd	Components & Materials
Brooks Automation, Inc.	Industrial Equipment
Cardno Ltd.	Ind. & Eng. Services and Distribution
Caterpillar Inc.	Industrial Equipment
Celanese Corporation	Components & Materials
Chicago Bridge & Iron Company N.V.	Ind. & Eng. Services and Distribution
Clean Harbors, Inc.	Ind. & Eng. Services and Distribution
Cohu, Inc.	Industrial Equipment
Commercial Metals Company	Ind. & Eng. Services and Distribution
Continental Aktiengesellschaft	Components & Materials
Corning Inc.	Components & Materials
Cummins Inc.	Industrial Equipment
Danaher Corporation	Industrial Equipment
Deere & Company	Industrial Equipment
Delphi Automotive PLC	Components & Materials
DENSO Corporation	Components & Materials
Dowa Holdings Co., Ltd.	Ind. & Eng. Services and Distribution
DowDupont Inc.	Components & Materials
Eaton Corporation plc	Industrial Equipment
Embraer S.A.	Aerospace & Defense
Emerson Electric Co.	Industrial Equipment
Encore Wire Corp.	Components & Materials
Entegris, Inc.	Industrial Equipment
Evonik Industries AG	Components & Materials
Fastenal Company	Ind. & Eng. Services and Distribution
Ferro Corporation	Components & Materials
Fluor Corporation	Ind. & Eng. Services and Distribution
FormFactor, Inc.	Industrial Equipment
General Dynamics Corporation	Aerospace & Defense
HD Supply Holdings, Inc.	Ind. & Eng. Services and Distribution
Honeywell International Inc.	Aerospace & Defense
Hubbell Incorporated	Industrial Equipment
Huntington Ingalls Industries, Inc.	Aerospace & Defense

Company	Sector
Hyundai Heavy Industries Co., Ltd.	Industrial Equipment
Jacobs Engineering Group Inc.	Ind. & Eng. Services and Distribution
John Wood Group plc	Ind. & Eng. Services and Distribution
Johnson Controls Inc.	Components & Materials
KBR, Inc.	Ind. & Eng. Services and Distribution
KLA-Tencor Corporation	Industrial Equipment
L-3 Communications Holdings Inc.	Aerospace & Defense
Lam Research Corporation	Industrial Equipment
Lawson Products, Inc.	Ind. & Eng. Services and Distribution
Lear Corp.	Components & Materials
Lockheed Martin Corporation	Aerospace & Defense
MKS Instruments, Inc.	Industrial Equipment
MRC Global Inc.	Ind. & Eng. Services and Distribution
MSC Industrial Direct Co., Inc.	Ind. & Eng. Services and Distribution
Nanometrics Incorporated	Industrial Equipment
Navistar International Corporation	Industrial Equipment
Newalta Corporation	Ind. & Eng. Services and Distribution
Northrop Grumman Corporation	Aerospace & Defense
Nova Measuring Instruments Ltd.	Industrial Equipment
OMRON Corporation	Components & Materials
Oshkosh Corporation	Industrial Equipment
Powell Industries, Inc.	Industrial Equipment
PPG Industries, Inc.	Components & Materials
Primoris Services Corporation	Ind. & Eng. Services and Distribution
Raytheon Company	Aerospace & Defense
Regal Beloit Corporation	Industrial Equipment
Rockwell Automation Inc.	Industrial Equipment
Rockwell Collins Inc.	Aerospace & Defense
Rolls Royce Holdings plc	Aerospace & Defense
Rudolph Technologies, Inc.	Industrial Equipment
Schneider Electric S.E.	Industrial Equipment
Sims Metal Management Limited	Ind. & Eng. Services and Distribution
Solvay SA	Components & Materials
Stanley Electric Co. Ltd.	Components & Materials
TE Connectivity Ltd.	Components & Materials
Teradyne, Inc.	Industrial Equipment
Terex Corporation	Industrial Equipment
Tetra Tech, Inc.	Ind. & Eng. Services and Distribution
Textron Inc.	Aerospace & Defense
Thales SA	Aerospace & Defense
The Boeing Company	Aerospace & Defense
Tokyo Electron Limited	Industrial Equipment
Transcat, Inc.	Ind. & Eng. Services and Distribution
United Technologies Corporation	Aerospace & Defense
Veeco Instruments Inc.	Industrial Equipment
Veolia Environnement S.A.	Ind. & Eng. Services and Distribution
Vishay Intertechnology Inc.	Components & Materials
W.W. Grainger, Inc.	Ind. & Eng. Services and Distribution
WESCO International, Inc.	Ind. & Eng. Services and Distribution
Willbros Group, Inc.	Ind. & Eng. Services and Distribution
Xcerra Corporation	Industrial Equipment

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Mergers & Acquisitions

- Advise buyers and sellers (public and private companies)
- Sale of businesses, strategic acquisitions, management buy-outs, and industry build-ups

Raise Capital

- Equity (control and non-control)
- Mezzanine financing
- Senior and junior debt
- Typically raise capital from banks, finance companies, private investment funds, and private equity groups

Financial Advisory Services

- Analysis of business strategies and options
- Fairness opinions
- Valuations

The Mufson Howe Hunter Manufacturing Update Indices

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