



Manufacturing Update Q1 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 quarterly overview contains information on select companies in various subsectors within manufacturing emphasizing financial performance, stock performance, and recent news.

Macro-Economic Trends

	Feb-18	Mar-18	Trend
PMI	60.8	59.3	Negative
Total Unemployment	4.1	4.1	Neutral
CPI Monthly Change	0.2	(0.1)	Positive
PPI Monthly Change	0.2	0.3	Negative
Industrial Production	106.6	107.2	Positive
Capacity Utilization	77.7	78.0	Positive
Manufacturing Production	104.1	104.2	Positive
Manufacturing Utilization	76.0	75.9	Neutral

Sector Index Performance

	3-Year	1-Year	3-Month
Aerospace & Defense	59.6%	35.2%	6.6%
Components & Materials	13.5%	9.0%	-5.7%
Industrial Equipment	58.2%	31.0%	1.9%
Industrial & Engineering	12.7%	4.8%	-2.6%
Services and Distribution			
NASDAQ	44.1%	19.5%	2.3%
S&P	27.7%	11.8%	-1.2%

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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 29 for the Universe components.

TABLE OF CONTENTS

Major Economic Indicators	1
Sector Index Performance Summary	2
Subsector Trading Multiples & Margins	3
Aerospace & Defense	5
Components & Materials.....	7
Industrial Equipment	9
Industrial & Engineering Services and Distribution	11
Selected Highlights	13
MHH Manufacturing Universe Directory	29

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., General Cable 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.

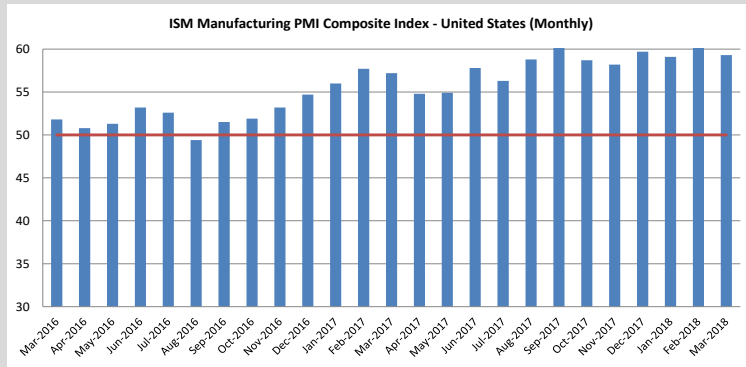
The companies that comprise each Index can change periodically as a result of a variety of reasons, including mergers, acquisitions, initial public offerings, and other transactions; therefore, comparisons to historical time periods and historical performance for each Index may not entirely correspond 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.



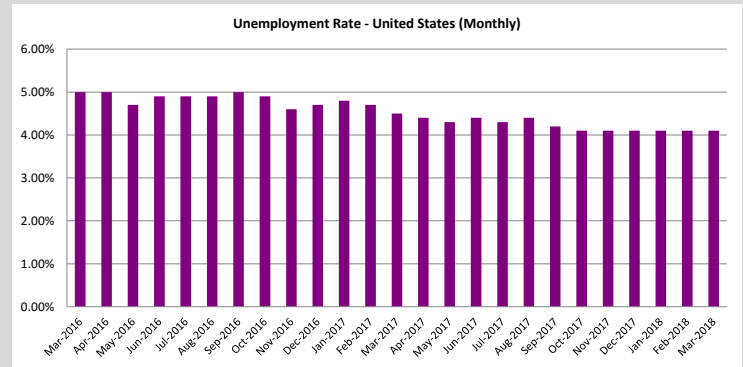
Source: Institute for Supply Management

Commentary

Economic activity in the manufacturing sector continued to show strength in March as the overall economy grew for the 107th consecutive month. New Orders, Production, and Employment all grew. Supplier Deliveries declined at a slower rate, Raw Materials Inventories expanded, and Prices increased at a faster rate.

Unemployment Rate

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



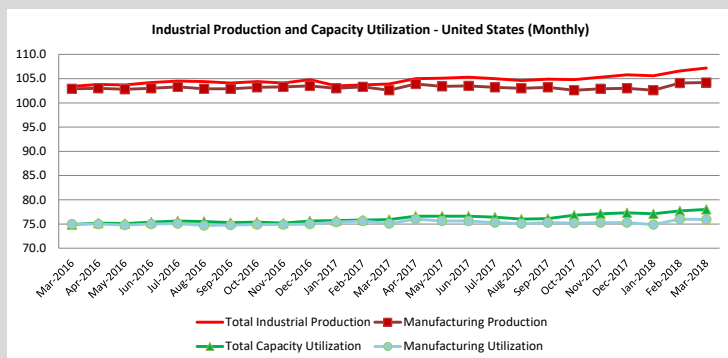
Source: United States Bureau of Labor

Commentary

In March, the unemployment rate was 4.1% for the 6th consecutive month. The number of unemployed persons was relatively unchanged at 6.6 million. Total nonfarm payroll employment increased by 103,000 with employment gains in manufacturing, healthcare, and mining.

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.



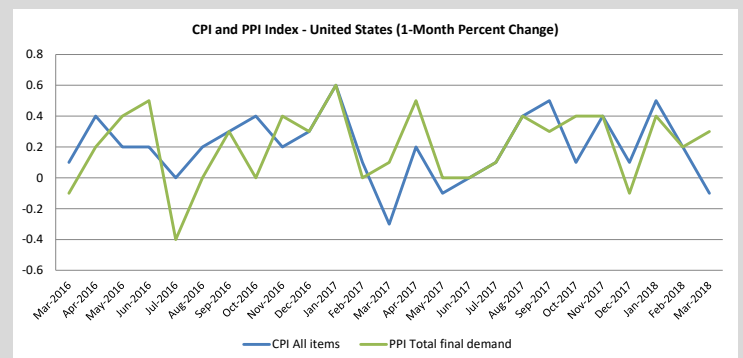
Source: United States Federal Reserve

Commentary

Industrial production rose 0.5% in March, and manufacturing output increased 0.1%. Mining output rose 1.0%, as a result of gains in oil and gas extraction, and the index for utilities jumped 3.0% after a soft February. At 107.2% of its 2012 average, total industrial production was 4.3% higher in March 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 decreased 0.1% in March. A decline in the gasoline index more than outweighed increases in the indexes for shelter, medical care, and food. PPI for final demand increased 0.3% in March. The rise in PPI is attributable to a 0.3% increase in prices for final demand services.

Sector Index Performance

Comparative Sector Index Performance (Last Three Years)

Last Three Years

Daily from March 31, 2015 to March 29, 2018

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



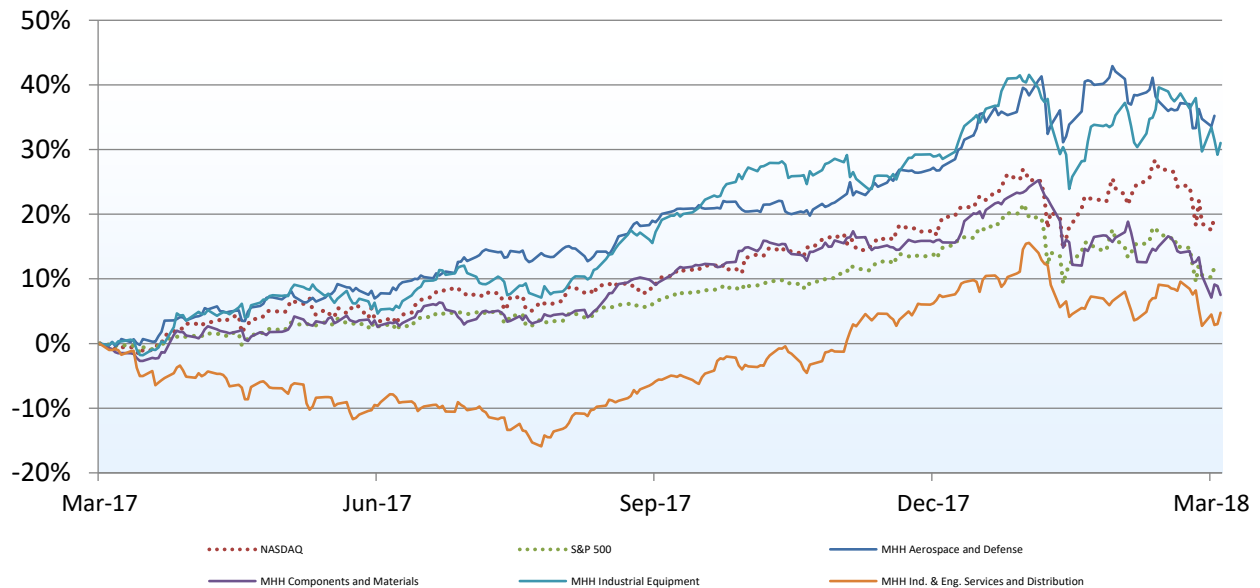
Source: CapitalIQ

Comparative Sector Index Performance (Last Twelve Months)

Last Twelve Months

Daily from March 31, 2017 to March 29, 2018

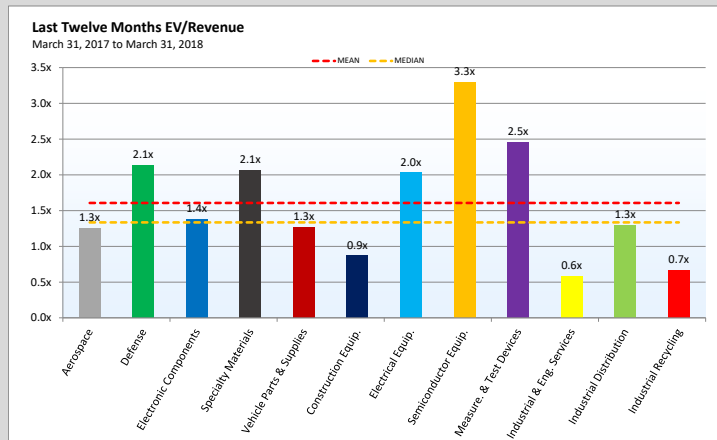
Price as Percent of Base (March 31, 2017 = 0%)



Source: CapitalIQ

Subsector Trading Multiples & Margins

Comparative Subsector LTM EV/Revenue

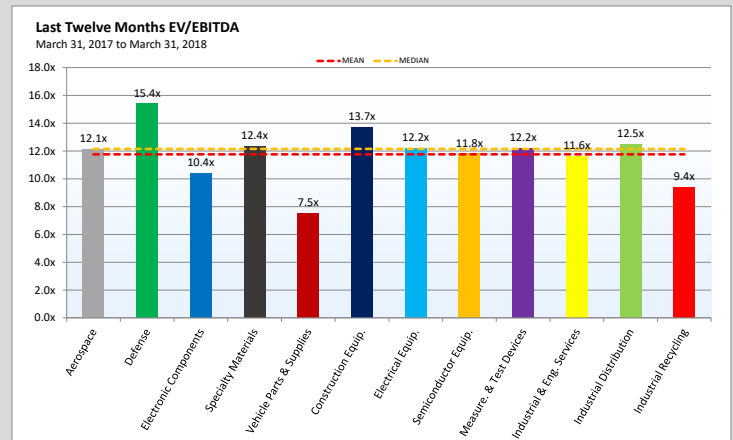


Source: CapitalIQ

Commentary

During the last twelve months, our index subsectors had a mean EV/Revenue of 1.6x and a median of 1.3x. Of the subsectors, Semiconductor Capital Equipment was the high multiple at 3.3x and Industrial & Engineering Services was the low multiple at 0.6x.

Comparative Subsector LTM EV/EBTIDA

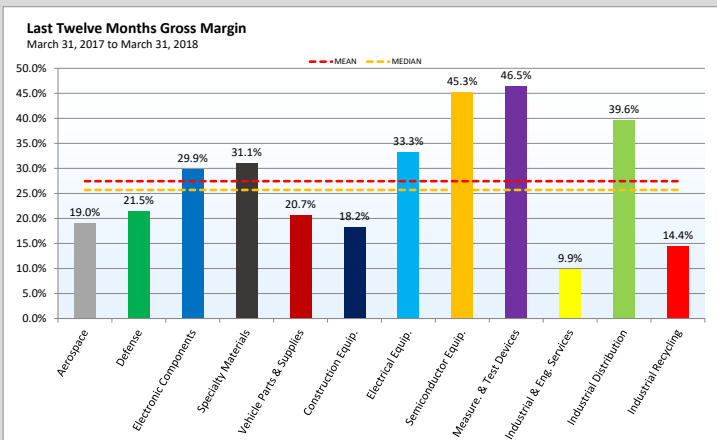


Source: CapitalIQ

Commentary

During the last twelve months, our index subsectors had a mean EV/EBITDA of 11.8x and a median of 12.2x. Of the subsectors, Defense was the high multiple at 15.4x and Vehicle Parts & Supplies was the low multiple at 7.5x.

Comparative Subsector LTM Gross Margin

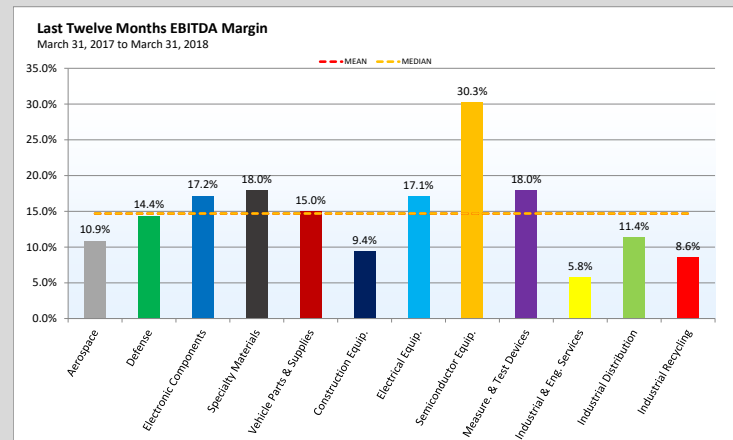


Source: CapitalIQ

Commentary

During the last twelve months, our index subsectors had a mean Gross Margin of 27.5% and a median of 25.7%. Of the subsectors, Measurement, Control, and Testing Devices was the high margin at 46.5% and Industrial & Engineering Services was the low margin at 9.9%.

Comparative Subsector LTM EBITDA Margin

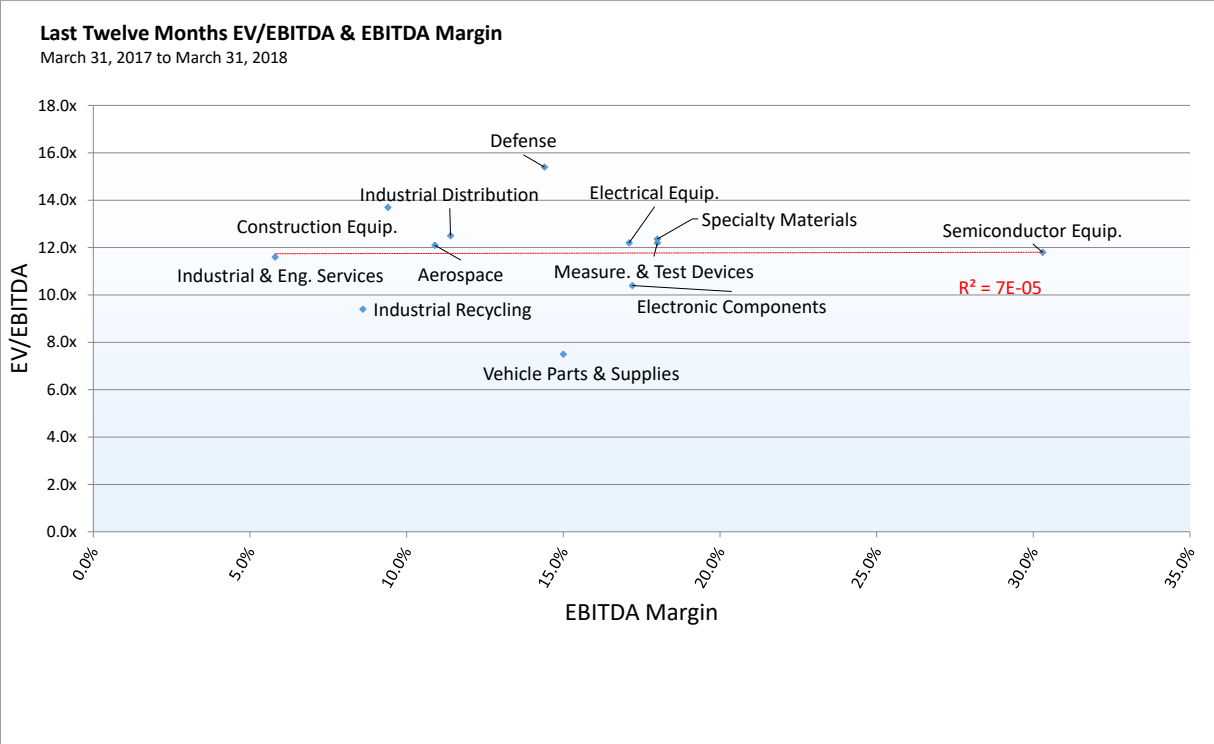


Source: CapitalIQ

Commentary

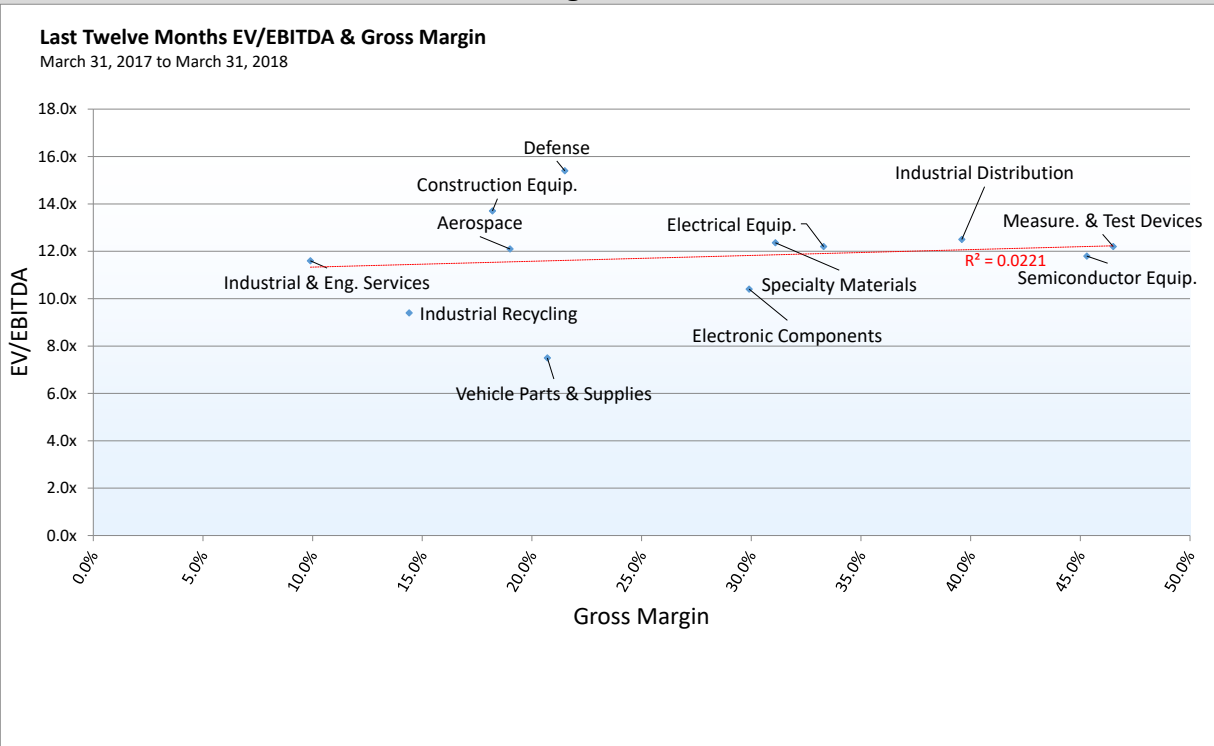
During the last twelve months, our index subsectors had a mean EBITDA Margin of 14.7% and a median of 14.7%. Of the subsectors, Semiconductor Capital Equipment was the high margin at 30.3% and Industrial & Engineering Services was the low margin at 5.8%.

Index Subsector LTM EV/EBITDA vs. EBITDA Margin



Source: CapitalIQ

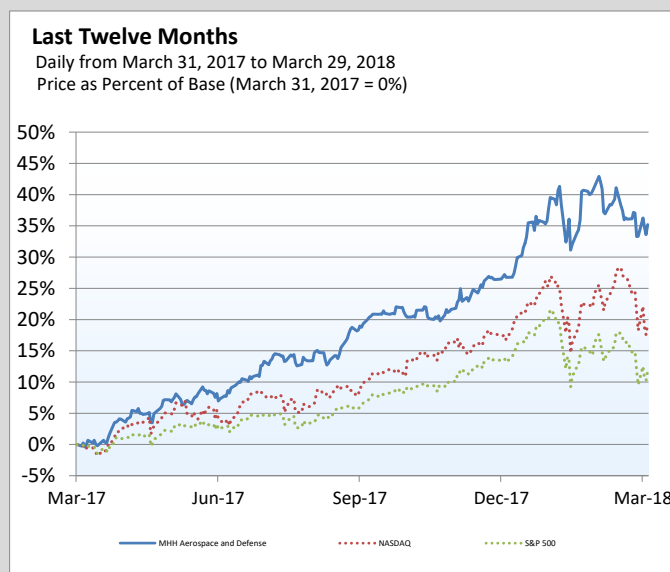
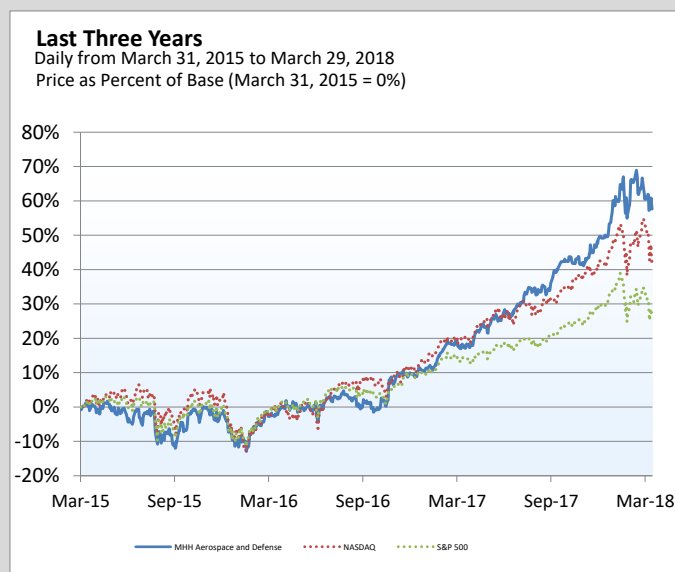
Index Subsector LTM EV/EBITDA vs. Gross Margin



Source: CapitalIQ

Comparative Index Performance

The Mufson Howe Hunter Aerospace & Defense Index^(a) increased by 6.6% during the three months ending March 31, 2018.



Price Performance

Mufson Howe Hunter Aerospace & Defense Index^(a)
NASDAQ
S&P 500

	3-Year	LTM	3 Month
Mufson Howe Hunter Aerospace & Defense Index ^(a)	59.6%	35.2%	6.6%
NASDAQ	44.1%	19.5%	2.3%
S&P 500	27.7%	11.8%	-1.2%

(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*
CSRA	GENERAL DYNAMICS	\$6,886.13

General Dynamics Corporation (NYSE:GD) entered into a definitive agreement to acquire CSRA Inc. (NYSE:CSRA) for \$6.8 billion on February 9, 2018. CSRA Inc. delivers a range of information technology solutions and professional services to its U.S. government customers to modernize legacy systems, protect networks and assets, and enhance the mission-critical functions for war fighters and citizens.

M&A List continues on Page 13

*ND – Not disclosed. Transaction values reported on the basis of enterprise value in USD millions.

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)	\$327.88	\$192,539	\$193,721	\$93,392	\$12,122	\$10.39	2.07x	16.0x	31.6x	18.6%	13.0%
United Technologies Corporation (UTX)	125.82	100,667	121,109	59,837	10,043	5.07	2.02x	12.1x	24.8x	26.7%	16.8%
Honeywell International Inc. (HON)	144.51	108,149	115,382	40,534	8,266	5.54	2.85x	14.0x	26.1x	32.0%	20.4%
Airbus SE (ENXTPA:AIR)	115.56	89,493	85,431	80,172	5,372	3.81	1.07x	15.9x	30.3x	11.4%	6.7%
Rolls-Royce Holdings plc (LSE:RR.)	12.23	22,613	23,411	22,041	2,349	0.67	1.06x	10.0x	18.4x	19.5%	10.7%
Thales S.A. (ENXTPA:HO)	121.89	25,837	23,330	18,967	2,114	4.32	1.23x	11.0x	28.2x	24.3%	11.1%
Textron Inc. (TXT)	58.97	15,293	18,126	14,198	1,484	2.07	1.28x	12.2x	28.4x	16.7%	10.5%
Embraer S.A. (BOVESPA:EMBR3)	6.52	4,783	5,824	5,649	542	0.25	1.03x	10.8x	26.6x	18.3%	9.6%
Mean		\$69,922	\$73,292	\$41,849	\$5,286	\$4.01	1.58x	12.7x	26.8x	20.9%	12.3%
Median		57,665	54,421	31,287	3,861	4.07	1.25x	12.1x	27.4x	19.0%	10.9%
Defense											
Lockheed Martin Corporation (LMT)	\$337.93	\$96,589	\$108,065	\$51,048	\$6,588	\$10.91	2.12x	16.4x	31.0x	10.9%	12.9%
General Dynamics Corporation (GD)	220.90	65,845	66,844	30,973	4,618	8.36	2.16x	14.5x	26.4x	20.0%	14.9%
Northrop Grumman Corporation (NOC)	349.12	60,777	64,818	25,803	3,774	10.85	2.51x	17.2x	32.2x	23.1%	14.6%
Raytheon Company (RTN)	215.82	62,265	64,427	25,348	3,797	6.92	2.54x	17.0x	31.2x	24.7%	15.0%
Rockwell Collins, Inc. (COL)	134.85	22,108	28,908	7,640	1,638	4.50	3.78x	17.6x	29.9x	27.8%	21.4%
BAE Systems plc (BA.)	8.16	26,002	27,291	24,764	2,540	0.39	1.10x	10.7x	20.9x	61.1%	10.3%
L3 Technologies, Inc. (LLL)	208.00	16,283	19,035	9,573	1,334	7.34	1.99x	14.3x	28.4x	11.6%	13.9%
Huntington Ingalls Industries, Inc. (HII)	257.76	11,539	12,117	7,441	1,058	10.53	1.63x	11.5x	24.5x	19.1%	14.2%
Mean		\$45,176	\$48,938	\$22,824	\$3,168	\$7.48	2.23x	14.9x	28.1x	24.8%	14.7%
Median		43,390	46,668	25,056	3,157	7.85	2.14x	15.4x	29.1x	21.5%	14.4%

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

‡ = excluded from Mean and Median calculations

Source: CapitalIQ

(1) As of close March 30, 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 December 31, 2017 excluding HON and TXT (March 31, 2018).

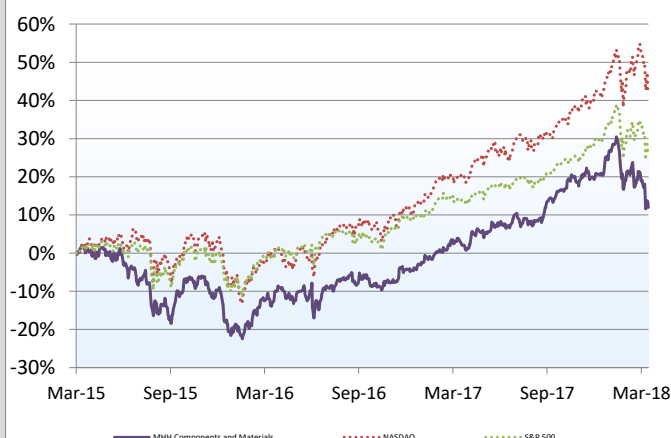
(4) Excludes non-recurring and discontinued operations.

Comparative Index Performance

The Mufson Howe Hunter Components & Materials Index^(a) decreased by 5.7% during the three months ending March 31, 2018.

Last Three Years

Daily from March 31, 2015 to March 29, 2018
Price as Percent of Base (March 31, 2015 = 0%)



Last Twelve Months

Daily from March 31, 2017 to March 29, 2018
Price as Percent of Base (March 31, 2017 = 0%)





Price Performance

	3-Year	LTM	3 Month
Mufson Howe Hunter Components & Materials Index ^(a)	13.5%	9.0%	-5.7%
NASDAQ	44.1%	19.5%	2.3%
S&P 500	27.7%	11.8%	-1.2%

(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 17 for sector news

Highlighted M&A Transaction – Components & Materials

Target	Acquirer	Value*
		\$150.00
<p>AVX Corporation (NYSE:AVX) entered into definitive agreement to acquire Ethertronics Inc. for \$150 million on December 29, 2017. Post-acquisition, Ethertronics will be a wholly owned subsidiary of AVX Corporation and will be renamed as AVX Antenna, Inc. Ethertronics Inc. designs and manufactures antenna solutions for wireless devices OEMs. It offers products active antenna systems, RFICs, and Bluetooth products.</p>		
<p>M&A List continues on Page 16</p>		
<p>*ND – Not disclosed. Transaction values reported on the basis of enterprise value in USD millions.</p>		

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	EBITDA	Price/EPS	Gross Profit	EBITDA
Electronic Components											
TE Connectivity Ltd (TEL)	\$99.90	\$35,073	\$38,374	\$13,530	\$2,919	\$3.81	2.84x	13.1x	26.2x	33.7%	21.6%
Amphenol Corp. (APH)	86.13	26,311	28,154	7,011	1,658	2.65	4.02x	17.0x	32.5x	32.9%	23.7%
Corning Inc. (GLW)	27.88	23,677	26,868	10,116	2,788	1.16	2.66x	9.6x	24.1x	39.9%	27.6%
Omron Corp. (TSE:6645)	58.94	12,512	11,527	7,550	1,021	2.38	1.53x	11.3x	24.7x	41.0%	13.5%
Alps Electric Ltd (TSE:6770)	24.56	4,811	5,482	7,508	940	1.64	0.73x	5.8x	15.0x	22.1%	12.5%
Belden Inc. (BDC)	68.94	2,891	3,891	2,389	433	2.96	1.63x	9.0x	23.3x	40.8%	18.1%
General Cable Corp. (BGC)	29.60	1,499	2,502	3,837	123	-0.03	0.65x	20.3x	NM	11.3%	3.2%
AVX Corp. (AVX)	16.55	2,786	1,781	1,445	235	0.72	1.23x	7.6x	22.8x	21.7%	16.2%
Vishay Intertechnology (VSH)	18.60	2,680	1,758	2,604	486	1.27	0.68x	3.6x	14.7x	26.9%	18.7%
Encore Wire Corp. (WMRE)	56.70	1,182	1,059	1,164	95	2.39	0.91x	11.1x	23.7x	13.4%	8.2%
Mean		\$11,342	\$12,139	\$5,715	\$1,070	\$1.90	1.69x	10.9x	23.0x	28.4%	16.3%
Median		3,851	4,687	5,424	713	2.01	1.38x	10.4x	23.7x	29.9%	17.2%
Specialty Materials											
DowDuPont Inc. (DWDP)	\$63.71	\$148,186	\$169,571	\$62,484	\$11,218	\$2.83	2.71x	15.1x	22.5x	23.2%	18.0%
3M Company (MMM)	219.52	130,550	140,489	31,657	8,877	7.18	4.44x	15.8x	30.6x	49.7%	28.0%
BASF SE (DE:BAS)	101.44	93,172	108,297	77,420	13,971	5.76	1.40x	7.8x	17.6x	31.5%	18.0%
PPG Industries, Inc. (PPG)	111.60	27,824	30,590	14,750	2,523	4.76	2.07x	12.1x	23.4x	44.4%	17.1%
Akzo Nobel N.V. (ENXTAM:AKZA)	94.54	23,883	26,831	11,542	1,314	1.92	2.32x	20.4x	NM	44.0%	11.4%
Evonik Industries AG (DE:EVK)	35.42	16,505	20,301	17,314	2,756	1.94	1.17x	7.4x	18.2x	31.1%	15.9%
Solvay SA (ENXTBR:SOLB)	139.03	14,351	18,475	13,078	2,583	6.43	1.41x	7.2x	21.6x	28.3%	19.8%
Celene Corp. (CE)	100.21	13,611	17,075	6,140	1,277	5.12	2.78x	13.4x	19.6x	24.7%	20.8%
Ferro Corporation (FOE)	23.22	1,960	2,660	1,397	215	0.94	1.90x	12.4x	24.6x	29.8%	15.4%
Mean		\$52,227	\$59,366	\$26,198	\$4,970	\$4.10	2.25x	12.39x	22.27x	34.1%	18.3%
Median		23,883	26,831	14,750	2,583	4.76	2.07x	12.36x	22.07x	31.1%	18.0%
Vehicle Parts and Supplies											
Continental AG (DB:CON)	\$274.73	\$54,948	\$58,238	\$52,845	\$7,285	\$16.24	1.10x	8.0x	16.9x	25.8%	13.8%
Johnson Controls Inc. (JCI)	35.24	32,637	45,776	30,521	4,593	1.93	1.50x	10.0x	18.2x	30.4%	15.0%
Denso Corp. (TSE:6902)	54.80	42,729	41,072	43,634	5,884	2.87	0.94x	7.0x	19.1x	17.0%	13.5%
Aptiv PLC (APTIV)	84.97	22,572	25,343	12,884	2,091	3.06	1.97x	12.1x	27.8x	20.4%	16.2%
Autoliv, Inc. (ALV)	145.94	12,710	13,226	10,383	1,279	6.88	1.27x	10.3x	21.2x	20.7%	12.3%
Lear Corp. (LEA)	186.09	12,333	13,045	20,467	2,103	13.79	0.64x	6.2x	13.5x	11.6%	10.3%
Bosch Ltd. (BSE:500530)	278.70	8,506	8,196	1,583	303	5.53	5.18x	NM	NM	48.2%	19.2%
Delphi Automotive PLC (DLPH)	47.65	4,230	5,591	4,849	826	3.96	1.15x	6.8x	12.0x	20.2%	17.0%
Stanley Electric Co. Ltd. (TSE:6923)	37.00	6,071	5,422	3,834	765	1.57	1.41x	7.1x	23.6x	22.2%	19.9%
Mean		\$21,859	\$23,990	\$20,111	\$2,792	\$6.20	1.68x	8.4x	19.0x	24.1%	15.3%
Median		12,710	13,226	12,884	2,091	3.96	1.27x	7.5x	18.7x	20.7%	15.0%

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

‡ = excluded from Mean and Median calculations

Source: CapitalIQ

(1) As of close March 30, 2018.

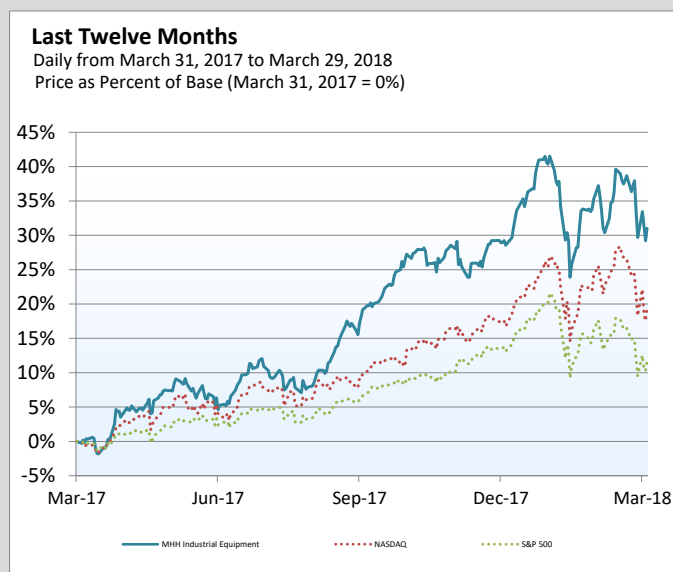
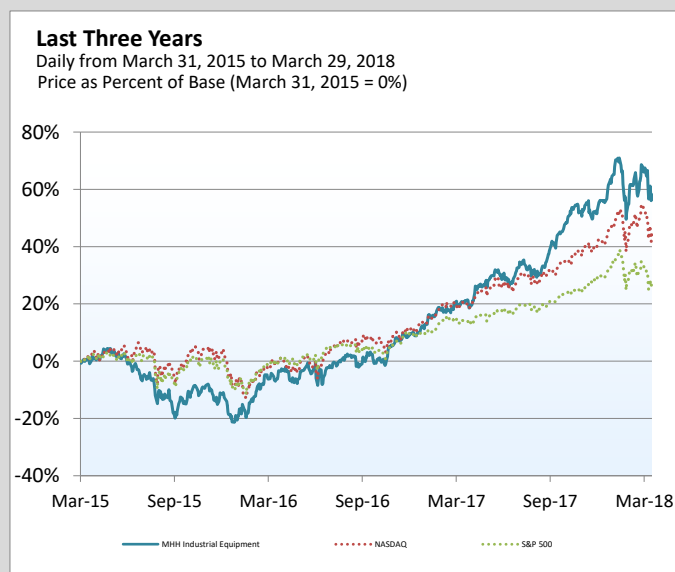
(2) Enterprise value is defined as equity value plus net debt, preferred stock and minority interests. Net Debt includes long term debt, short term debt, post-retirement benefits and unfunded pensions, if applicable, less cash and cash equivalents.

(3) As of December 31, 2017 excluding TEL (December 29, 2017); and BSE:500530, CE and PPG (March 31, 2017).

(4) Excludes non-recurring and discontinued operations.

Comparative Index Performance

The Mufson Howe Hunter Industrial Equipment Index^(a) increased by 1.9% during the three months ending March 31, 2018.



Price Performance

	3-Year	LTM	3 Month
Mufson Howe Hunter Industrial Equipment Index ^(a)	58.2%	31.0%	1.9%
NASDAQ	44.1%	19.5%	2.3%
S&P 500	27.7%	11.8%	-1.2%

(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 21 for sector news

Highlighted M&A Transaction – Industrial Equipment

Target	Acquirer	Value*
		\$3,409.96

KLA-Tencor Corporation (NasdaqGS:KLAC) entered into a definitive agreement to acquire Orbotech Ltd. (NasdaqGS:ORBK) for \$3.4 billion on March 18, 2018. Orbotech Ltd. provides yield-enhancing and process-enabling solutions for the manufacture of printed circuit boards (PCBs), flat panel displays (FPDs), semiconductor devices (SDs), and other electronic components internationally.

M&A List continues on Page 20

*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	Price/EBITDA	EPS	Gross Profit	EBITDA
Construction Equipment											
Caterpillar Inc. (CAT)	\$147.38	\$88,078	\$115,646	\$45,462	\$8,453	\$5.19	2.54x	13.7x	28.4x	26.5%	18.6%
Deere & Company (DE)	155.32	50,291	88,424	30,419	5,093	5.43	2.91x	17.4x	28.6x	23.3%	16.7%
Cummins Inc. (CMI)	162.09	26,676	28,020	20,428	2,577	8.83	1.37x	10.9x	18.4x	24.9%	12.6%
Hyundai Heavy Industries Co. Ltd (KOSE:A009540)	124.35	8,594	11,364	14,480	548	(7.48)	0.78x	20.8x	NM	6.6%	3.8%
Navistar International Corp. (NAV)	34.97	3,451	7,631	8,812	568	0.37	0.87x	13.4x	NM	16.7%	6.4%
Oshkosh Corp. (OSK)	77.27	5,768	6,222	7,205	677	4.11	0.86x	9.2x	18.8x	17.6%	9.4%
Terex Corp. (TEX)	37.41	2,875	3,234	4,363	226	0.99	0.74x	14.3x	37.8x	18.2%	5.2%
Mean		\$26,533	\$37,220	\$18,738	\$2,592	\$2.49	1.44x	14.2x	26.4x	19.1%	10.4%
Median		8,594	11,364	14,480	677	4.11	0.87x	13.7x	28.4x	18.2%	9.4%
Electrical Equipment											
Schneider Electric SE (ENXTPA:SU)	\$87.89	\$48,933	\$54,365	\$29,711	\$4,762	\$4.17	1.83x	11.4x	21.1x	38.4%	16.0%
Emerson Electric Co. (EMR)	68.30	43,359	45,770	15,864	3,358	2.43	2.89x	13.6x	28.1x	42.5%	21.2%
Eaton Corporation plc (ETN)	79.91	35,009	41,718	20,404	3,417	3.21	2.04x	12.2x	24.9x	32.6%	16.7%
Rockwell Automation Inc. (ROK)	174.20	22,260	21,692	6,408	1,236	4.91	3.39x	17.6x	35.5x	41.8%	19.3%
Ametek Inc. (AME)	75.97	17,590	19,118	4,300	1,115	2.19	4.45x	17.1x	34.6x	34.1%	25.9%
Hubbell Inc. (HUBB)	121.78	6,678	7,357	3,669	628	5.36	2.01x	11.7x	22.7x	31.8%	17.1%
Regal Beloit Corporation (RBC)	73.35	3,225	4,256	3,360	464	3.90	1.27x	9.2x	18.8x	26.7%	13.8%
Powell Industries, Inc. (POWL)	26.84	307	236	376	-10	(1.23)	0.63x	NM	NM	12.3%	NM
Mean		\$22,170	\$24,314	\$10,511	\$1,871	\$3.12	2.31x	13.3x	26.5x	32.5%	18.6%
Median		19,925	20,405	5,354	1,175	3.55	2.03x	12.2x	24.9x	33.3%	17.1%
Semiconductor Capital Equipment											
ASML Holding NV (ASML)	\$197.30	\$84,295	\$84,014	\$10,870	\$3,479	\$4.36	7.73x ‡	24.1x ‡	NM	41.8%	32.0%
Applied Materials, Inc. (AMAT)	55.61	58,429	56,280	15,463	4,686	2.38	3.64x	12.0x	23.3x	45.3%	30.3%
Lam Research Corp. (LRCX)	203.16	33,105	30,612	10,296	3,196	9.82	2.97x	9.6x	20.7x	46.2%	31.0%
Tokyo Electron Ltd (TSE:8035)	188.46	30,927	28,090	9,192	2,337	8.17	3.06x	12.0x	23.1x	41.7%	25.4%
KLA-Tencor Corp. (KLAC)	109.01	16,992	16,720	3,798	1,481	5.27	4.40x	11.3x	20.7x	63.3%	39.0%
Teradyne Inc. (TER)	45.71	8,933	7,521	2,137	647	1.65	3.52x	11.6x	27.6x	57.3%	30.3%
Veeco Instruments Inc. (VECO)	17.00	818	766	485	27	(0.57)	1.58x	28.7x	NM	40.0%	5.5%
Mean		\$33,357	\$32,000	\$7,463	\$2,265	\$4.44	3.20x	14.2x	23.1x	48.0%	27.7%
Median		30,927	28,090	9,192	2,337	4.36	3.29x	11.8x	23.1x	45.3%	30.3%
Measurement, Control, and Testing Devices											
Danaher Corporation (DHR)	\$97.91	\$68,385	\$78,286	\$18,819	\$4,560	\$2.79	4.16x	17.2x	35.1x	56.0%	24.2%
MKS Instruments, Inc. (MKS)	115.65	6,302	6,151	1,916	505	4.41	3.21x	12.2x	26.2x	46.5%	26.4%
Entegris, Inc. (ENTG)	34.80	4,936	4,985	1,343	355	0.96	3.71x	14.0x	36.4x	45.8%	26.5%
Brooks Automation, Inc. (BRKS)	27.08	1,907	1,887	722	114	0.80	2.61x	16.5x	34.0x	39.8%	15.8%
FormFactor, Inc. (FORM)	13.65	996	961	548	92	0.37	1.75x	10.4x	36.8x	39.4%	16.8%
FARO Technologies, Inc. (FARO)	58.40	981	829	361	22	0.22	2.30x	NM	NM	56.7%	6.1%
Axcelis Technologies, Inc. (ACLS)	24.60	791	705	411	53	0.82	1.72x	13.3x	30.0x	36.6%	12.9%
Rudolph Technologies, Inc. (RTEC)	27.70	876	698	255	52	0.91	2.74x	13.3x	30.4x	52.8%	20.5%
Nova Measuring Instruments Ltd. (NVMI)	27.13	757	608	222	64	1.32	2.74x	9.5x	20.6x	59.1%	28.8%
Nanometrics Incorporated (NANO)	26.90	639	522	259	50	1.01	2.02x	10.5x	26.6x	52.9%	19.2%
Cohu, Inc. (COHU)	22.81	651	505	353	48	0.86	1.43x	10.4x	26.5x	40.3%	13.7%
Xcerra Corporation (XCRA)	11.65	640	473	461	66	0.63	1.03x	7.2x	18.4x	46.4%	14.3%
Mean		\$7,322	\$8,051	\$2,139	\$498	\$1.26	2.45x	12.2x	29.2x	47.7%	18.8%
Median		928	767	436	65	0.89	2.45x	12.2x	30.0x	46.5%	18.0%

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

‡ = excluded from Mean and Median calculations

Source: CapitalIQ

(1) As of close March 30, 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 December 31, 2017 excluding ASML (April 1, 2018); DHR (March 30, 2018); LRCX (March 25, 2018); NAV and XCRA (January 31, 2018); AMAT and DE (January 28, 2018); and COHU, FORM, NANO and RBC (December 30, 2017).

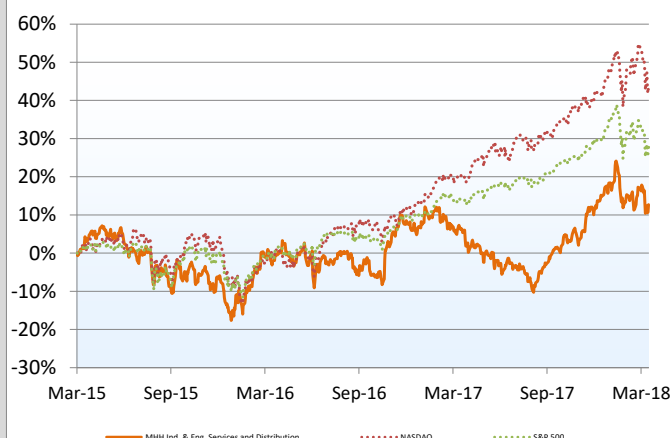
(4) Excludes non-recurring and discontinued operations.

Comparative Index Performance

The Mufson Howe Industrial & Engineering Services and Distribution Index^(a) decreased by 2.6% during the three months ending March 31, 2018.

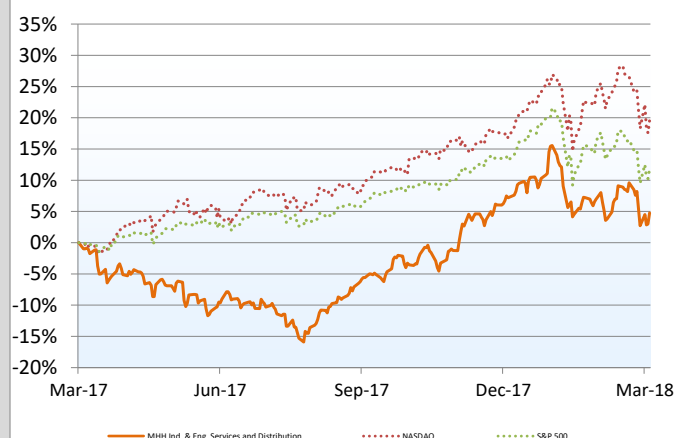
Last Three Years

Daily from March 31, 2015 to March 29, 2018
Price as Percent of Base (March 31, 2015 = 0%)



Last Twelve Months

Daily from March 31, 2017 to March 29, 2018
Price as Percent of Base (March 31, 2017 = 0%)



Price Performance

	3-Year	LTM	3 Month
Mufson Howe Hunter Industrial & Engineering Services and Distribution Index ^(a)	12.7%	4.8%	-2.6%
NASDAQ	44.1%	19.5%	2.3%
S&P 500	27.7%	11.8%	-1.2%

(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 26 for sector news

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

Target	Acquirer	Value*
		\$38.46

Primoris Services Corporation (NasdaqGS:PRIM) entered into a definitive agreement to acquire Willbros Group, Inc. (OTCPK:WGRP) for \$38.5 million on March 27, 2018. Willbros Group, Inc., through its subsidiaries, operates as a specialty energy infrastructure contractor serving oil and gas, and power industries in the United States and Canada.

M&A List continues on Page 25

*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	Enterprise Value/EBITDA	Price/EPS	Gross Profit	EBITDA
Industrial and Engineering Services											
Jacobs Engineering Group Inc. (JEC)	\$59.15	\$8,380	\$10,006	\$10,221	\$662	\$2.73	0.98x	15.1x	21.6x	18.1%	6.5%
AECOM (ACM)	35.63	5,671	8,987	18,756	793	1.32	0.48x	11.3x	27.1x	3.6%	4.2%
Fluor Corporation (FLR)	57.22	8,006	7,810	19,521	672	1.28	0.40x	11.6x	NM	3.2%	3.4%
John Wood Group PLC (LSE:WG.)	7.58	5,068	6,817	5,394	272	0.19	1.26x	25.1x	NM	12.6%	5.0%
Chicago Bridge & Iron Company N.V. (CBI)	14.40	1,477	3,843	6,673	-202	(3.25)	0.58x	NM	NM	0.1%	NM
Tetra Tech, Inc. (TTEK)	48.95	2,734	3,009	2,089	229	1.88	1.44x	13.2x	26.0x	17.5%	10.9%
Balfour Beatty plc (LSE:BBY)	3.76	2,551	2,710	9,348	103	0.09	0.29x	26.4x	NM	5.1%	1.1%
KBR, Inc. (KBR)	16.19	2,271	2,332	4,171	243	1.05	0.56x	9.6x	15.4x	8.2%	5.8%
Primoris Services Corporation (PRIM)	24.98	1,287	1,382	2,380	172	1.18	0.58x	8.0x	21.2x	11.7%	7.2%
White Group Public Company Limited (WG)	4.75	85	52	34	6	0.19	1.52x	9.4x	25.4x	25.9%	16.3%
Mean		\$3,753	\$4,695	\$7,859	\$295	\$0.67	0.81x	14.4x	22.8x	10.6%	6.7%
Median		2,643	3,426	6,034	236	1.12	0.58x	11.6x	23.5x	9.9%	5.8%
Industrial Distribution											
W.W. Grainger, Inc. (GWW)	\$282.27	\$15,823	\$17,976	\$10,425	\$1,429	\$10.70	1.72x	12.6x	26.4x	39.4%	13.7%
Fastenal Company (FAST)	54.59	15,703	16,001	4,391	1,008	1.89	3.64x	15.9x	28.9x	49.3%	23.0%
HD Supply Holdings, Inc. (HDS)	37.94	7,039	8,582	5,121	687	1.45	1.68x	12.5x	26.1x	39.7%	13.4%
MSC Industrial Direct Co., Inc. (MSM)	91.71	5,178	5,650	3,035	476	4.40	1.86x	11.9x	20.8x	44.0%	15.7%
WESCO International, Inc. (WCC)	62.05	2,920	4,185	7,679	375	3.27	0.54x	11.2x	19.0x	19.3%	4.9%
MRC Global Inc. (MRC)	16.44	1,517	2,350	3,646	133	0.18	0.64x	17.7x	NM	15.3%	3.6%
Lawson Products, Inc. (LAWS)	25.25	224	242	306	11	0.42	0.79x	21.8x	NM	59.8%	3.6%
Transcat, Inc. (TRNS)	15.65	112	138	151	14	0.62	0.91x	9.7x	25.3x	24.0%	9.4%
Mean		\$6,064	\$6,890	\$4,344	\$517	\$2.87	1.47x	14.1x	24.4x	36.4%	10.9%
Median		4,049	4,917	4,018	425	1.67	1.29x	12.5x	25.7x	39.6%	11.4%
Industrial Recycling Services											
Veolia Environnement S.A. (ENXTPA:VIE)	\$23.71	\$13,032	\$23,871	\$30,169	\$3,422	\$0.92	0.79x	7.0x	25.6x	17.0%	11.3%
Clean Harbors, Inc. (CLH)	48.81	2,758	4,030	2,945	421	0.44	1.37x	9.6x	NM	30.0%	14.3%
Aurubis AG (DE:NDA)	84.12	3,782	3,732	13,759	795	8.71	0.27x	4.7x	9.7x	11.8%	5.8%
Dowa Holdings Co., Ltd. (TSE:5714)	35.87	2,123	3,021	4,097	474	3.86	0.74x	6.4x	9.3x	15.8%	11.6%
Commercial Metals Company (CMC)	20.46	2,394	3,018	4,985	264	0.53	0.61x	11.5x	38.3x	11.3%	5.3%
Sims Metal Management Limited (ASX:SGM)	11.10	2,248	1,936	4,438	212	0.51	0.44x	9.1x	21.7x	13.1%	4.8%
Cardno Limited (ASX:CDD)	1.00	473	470	898	23	0.01	0.52x	20.6x	NM	7.3%	2.5%
Newalta Corporation (NAL)	0.96	85	354	196	35	(0.30)	1.80x	10.2x	NM	29.4%	17.6%
Mean		\$3,362	\$5,054	\$7,686	\$705	\$1.84	0.82x	9.9x	20.9x	16.9%	9.1%
Median		2,321	3,019	4,268	342	0.52	0.67x	9.4x	21.7x	14.4%	8.6%

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

‡ = excluded from Mean and Median calculations

Source: CapitalIQ

(1) As of close March 30, 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 December 31, 2017 excluding CBI, FAST, GWW and LAWS (March 31, 2018); MSM (March 3, 2018); CMC (February 28, 2018); HDS (January 28, 2018); JEC (December 29, 2017); and TRNS (December 23, 2017).

(4) Excludes non-recurring and discontinued operations.

Selected Highlights

Selected M&A Transactions – Aerospace and Defense

Announced	Target	Target Description	Acquirer	Value*
Jan 4	Strategic Simulation Solutions, L.L.C	Operates a flight training center. The company was founded in 2001 and is based in Aurora, Colorado.	Airbus SE (ENXTPA:AIR)	ND
Feb 12	CSRA Inc.	Delivers a range of IT solutions and professional services to its U.S. government customers to modernize legacy systems, protect networks and assets, and enhance the mission-critical functions for war fighters and citizens.	General Dynamics Corporation (NYSE:GD)	\$6,886.13
Feb 28	United Technologies Corporation (NYSE:UTX)	Pershing Square Capital acquired an unknown stake in United Technologies Corporation.	Pershing Square Capital Management, L.P.	ND
Mar 22	SC3 LLC	Provider of high-end mission support, consulting and technology solutions to the federal government in defense, intelligence, and civil markets.	General Dynamics Corporation (NYSE:GD)	ND

*ND – Not disclosed. Transaction values reported on the basis of enterprise value in USD millions.

Selected News – Aerospace & Defense

Airbus SE (ENXTPA:AIR) reported net income of \$3,449.8 million for fiscal year 2017 as compared to \$1,050.4 million for the prior year. Earnings per share were \$4.44 versus \$1.36 for the prior year. Revenues for the year increased to \$80,171.7 million from \$70,285.0 million for fiscal year 2016.

BAE Systems plc (LSE:BA.) reported net income of \$1,154.3 million for fiscal year 2017 as compared to \$1,127.3 million for the prior year. Earnings per share were \$0.36 versus \$0.35 for the prior year. Revenues for the year increased to \$24,764.5 million from \$21,965.1 million for fiscal year 2016.

Embraer S.A. (NYSE:ERJ) reported net income of \$240.2 million for fiscal year 2017 as compared to \$179.9 million for the prior year. Earnings per share were \$0.33 versus \$0.24 for the prior year. Revenues for the year decreased to \$5,649.0 million from \$6,586.9 million for fiscal year 2016.

General Dynamics Corporation (NYSE:GD) reported net income of \$2,912.0 million for fiscal year 2017 as compared to \$2,572.0 million for the prior year. Earnings per share were \$9.56 versus \$8.30 for the prior year. Revenues for the year increased to \$30,973.0 million from \$30,561.0 million for fiscal year 2016.

Honeywell International Inc. (NYSE:HON) reported net income of \$1,655.0 million for fiscal year 2017 as compared to \$4,809.0 million for the prior year. Earnings per share were \$2.14 versus \$6.20 for the prior year. Revenues for the year increased to \$40,534.0 million from \$39,302.0 million for fiscal year 2016.

Honeywell International Inc. (NYSE:HON) announced that it will appoint former long-time company executive **Roger Fradin** as the Chairman of the Board for the Homes and Global Distribution business spinoff announced last year.

Honeywell International Inc. (NYSE:HON) announced the appointment of **Robert Vislosky** as Chief Procurement Officer, with responsibilities for the execution of the Company's global procurement and sourcing strategy.

Honeywell International Inc. (NYSE:HON) nominated President and CEO **Darius E. Adamczyk** to serve as Chairman when current Chairman David M. Cote retires at the company's Annual Meeting of Shareowners on April 23, 2018.

Huntington Ingalls Industries, Inc. (NYSE:HII) reported net income of \$479.0 million for fiscal year 2017 as compared to \$573.0 million for the prior year. Earnings per share were \$10.46 versus \$12.14 for the prior year. Revenues for the year increased to \$7,441.0 million from \$7,068.0 million for fiscal year 2016.

L3 Technologies, Inc. (NYSE:LLL) reported net income of \$677.0 million for fiscal year 2017 as compared to \$710.0 million for the prior year. Earnings per share were \$8.51 versus \$9.01 for the prior year. Revenues for the year increased to \$9,573.0 million from \$9,210.0 million for fiscal year 2016.

Lockheed Martin Corporation (NYSE:LMT) reported net income of \$2,002.0 million for fiscal year 2017 as compared to \$5,302.0 million for the prior year. Earnings per share were \$6.89 versus \$17.49 for the prior year. Revenues for the year increased to \$51,048.0 million from \$47,248.0 million for fiscal year 2016.

Lockheed Martin Corporation (NYSE:LMT) announced that **Jeff Babione** has been named as the vice president and general manager of Advanced Development Programs (ADP) – also known as Skunk Works® – succeeding Rob Weiss who will retire at the end of 2018.

Northrop Grumman Corporation (NYSE:NOC) reported net income of \$2,015.0 million for fiscal year 2017 as compared to \$2,200.0 million for the prior year. Earnings per share were \$11.47 versus \$12.19 for the prior year. Revenues for the year increased to \$25,803.0 million from \$24,508.0 million for fiscal year 2016.

Raytheon Company (NYSE:RTN) reported net income of \$2,024.0 million for fiscal year 2017 as compared to \$2,244.0 million for the prior year. Earnings per share were \$6.95 versus \$7.55 for the prior year. Revenues for the year increased to \$25,348.0 million from \$24,124.0 million for fiscal year 2016.

Raytheon Company (NYSE:RTN) The board of directors has elected **Adriane M. Brown** as a director, effective immediately.

Rockwell Collins, Inc. (NYSE:COL) reported first quarter net income of \$280.0 million for fiscal year 2018 as compared to \$145.0 million for the prior year period. Earnings per share were \$1.69 versus \$1.10 for the prior year period. Revenues for the quarter increased to \$2,011.0 million from \$1,193.0 million for the same period in fiscal year 2017.

Rolls-Royce Holdings plc (LSE:RR.) reported net income of \$5,686.3 million for fiscal year 2017 as compared to (\$4,978.3) million for the prior year. Earnings per share were \$3.09 versus (\$2.72) for the prior year. Revenues for the year increased to \$22,041.0 million from \$18,464.8 million for fiscal year 2016.

Rolls-Royce Holdings plc (LSE:RR.) announced the appointment of **Nick Luff** as a Non-Executive Director. He will join the Board with effect from the close of the Annual General Meeting on 3 May 2018, subject to shareholder approval.

Selected Highlights

Textron Inc. (NYSE:TXT) reported net income of \$307.0 million for fiscal year 2017 as compared to \$962.0 million for the prior year. Earnings per share were \$1.14 versus \$3.53 for the prior year. Revenues for the year increased to \$14,198.0 million from \$13,788.0 million for fiscal year 2016.

Thales S.A. (ENXTPA:HO) reported net income of \$986.7 million for fiscal year 2017 as compared to \$999.0 million for the prior year. Earnings per share were \$4.62 versus \$4.69 for the prior year. Revenues for the year increased to \$18,966.6 million from \$15,712.9 million for fiscal year 2016.

The Boeing Company (NYSE:BA) reported net income of \$8,197.0 million for fiscal year 2017 as compared to \$4,895.0 million for the prior year. Earnings per share were \$13.43 versus \$7.61 for the prior year. Revenues for the year decreased to \$93,392.0 million from \$94,571.0 million for fiscal year 2016.

The Boeing Company (NYSE:BA) has elected **David L. Calhoun** to the role of Lead Director, effective upon his re-election to the board at the Annual Meeting of Shareholders on April 30, 2018.

United Technologies Corporation (NYSE:UTX) reported net income of \$4,552.0 million for fiscal year 2017 as compared to \$5,055.0 million for the prior year. Earnings per share were \$5.70 versus \$6.12 for the prior year. Revenues for the year increased to \$59,837.0 million from \$57,244.0 million for fiscal year 2016.

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

Selected M&A Transactions – Components & Materials

Announced	Target	Target Description	Acquirer	Value*
Jan 2	Procoatings B.V.	Wholesaler of architectural paint and coatings. Distributes a large portfolio of well-known professional paint brands through its network of 23 multi-brand stores.	PPG Industries, Inc. (NYSE:PPG)	ND
Jan 3	Ethertronics Inc.	Designs and manufactures antenna solutions for wireless devices OEMs.	AVX Corporation (NYSE:AVX)	\$138.50
Jan 4	HERE Global B.V. (5% Stake)	Develops software that enable people, enterprises, and cities to map locations.	Continental Aktiengesellschaft (DB:CON)	ND
Jan 15	Toshiba Information Systems (Japan) Corporation (20% Stake)	Builds and develops embedded system solutions, system LSI solutions, and system integration solutions for mobile communication equipment, mobile information communications terminals, and other devices.	DENSO Corporation (TSE:6902)	ND
Jan 24	CTI Holdings Inc.	Designs and manufactures interconnect assemblies for IT datacom and industrial applications.	Amphenol Corporation (NYSE:APH)	ND
Jan 26	Belden Inc., Mobile Machine Control Solutions Business	Comprises a business unit which manufactures control systems, load moment indicators, and sensors for mobile equipment.	WIKO Alexander Wiegand SE & Co. KG	\$39.00
Feb 6	Noise, Environmental and Heat Stress Monitoring Products of 3M Company	Personal Safety Division of 3M Company manufactures noise, environmental, and heat stress monitoring products, such as noise indicators, noise dosimeters, sound level meters, heat stress monitors, and indoor air quality monitors.	TSI Incorporated	ND
Feb 14	Creationline, Inc. (Unknown Stake)	Engages in systems integration and consultation services for cloud infrastructure.	DENSO Corporation (TSE:6902)	ND
Feb 27	Ampa Plastics Group (Pty) Ltd (49% Stake)	Manufactures specialty plastics in South Africa. The company was founded in 2011 and is based in Johannesburg, South Africa.	Evonik Industries AG (DB:EVK)	ND
Mar 8	Metal Deco Ink Business of PPG Industries, Inc.	Metal Deco Ink Business of PPG Industries, Inc. comprises metal deco ink business.	Sun Chemical Corporation	ND

Selected Highlights

Mar 9	Renesas Electronics Corporation (TSE:6723) (Additional 4.5% Stake)	Engages in the research, development, design, manufacture, sale, and servicing of semiconductor products in Japan and internationally.	DENSO Corporation (TSE:6902)	ND
Mar 27	Specialty Chemicals Business of Akzo Nobel N.V.	Specialty Chemicals Business of Akzo Nobel N.V. comprises specialty chemicals production business.	The Carlyle Group L.P. (NasdaqGS:CG)	\$8,900.00

**ND – Not disclosed. Transaction values reported on the basis of enterprise value in USD millions.*

Selected News – Components & Materials

3M Company (NYSE:MMM) reported net income of \$4,858.0 million for fiscal year 2017 as compared to \$5,050.0 million for the prior year. Earnings per share were \$7.93 versus \$8.16 for the prior year. Revenues for the year increase to \$31,657.0 million from \$30,109.0 million for fiscal year 2016.

3M Company (NYSE:MMM) announced that **Michael F. Roman** is appointed chief executive officer, effective July 1, 2018.

Akzo Nobel N.V. (ENXTAM:AKZA) reported net income of \$999.0 million for fiscal year 2017 as compared to \$1,024.0 million for the prior year. Earnings per share were \$3.95 versus \$4.06 for the prior year. Revenues for the year increase to \$11,541.8 million from \$9,958.8 million for fiscal year 2016.

Akzo Nobel N.V. (ENXTAM:AKZA) has appointed **Renier Vree** as Chief Financial Officer of its Specialty Chemicals business, effective March 1, 2018.

Alps Electric Co., Ltd. (TSE:6770) reported third quarter net income of \$173.6 million for fiscal year 2018 as compared to \$165.3 million for the prior year period. Earnings per share were \$0.89 versus \$0.84 for the prior year period. Revenues for the quarter increase to \$2,078.4 million from \$1,694.4 million for the same period in fiscal year 2017.

Amphenol Corporation (NYSE:APH) reported net income of \$650.5 million for fiscal year 2017 as compared to \$822.9 million for the prior year. Earnings per share were \$2.06 versus \$2.61 for the prior year. Revenues for the year increase to \$7,011.3 million from \$6,286.4 million for fiscal year 2016.

Autoliv, Inc. (NYSE:ALV) reported net income of \$427.1 million for fiscal year 2017 as compared to \$567.1 million for the prior year. Earnings per share were \$4.87 versus \$6.42 for the prior year. Revenues for the year increase to \$10,382.6 million from \$10,073.6 million for fiscal year 2016.

Autoliv, Inc. (NYSE:ALV) announced that **Mikael Bratt** will assume the role of Chief Executive Officer of Autoliv, which will contain Autoliv's Passive Safety business segment.

Autoliv, Inc. (NYSE:ALV) announced that its board of directors appointed **Mr. Hasse Johansson** and **Mr. Thaddeus "Ted" Senko** as independent directors to the Board, effective immediately.

Aptiv PLC (NYSE:APTIV) reported net income of \$1,355.0 million for fiscal year 2017 as compared to \$1,257.0 million for the prior year. Earnings per share were \$5.06 versus \$4.59 for the prior year. Revenues for the year increase to \$12,884.0 million from \$12,274.0 million for fiscal year 2016.

Aptiv PLC (NYSE:APTIV) appointed **Nancy E. Cooper** to its board of directors, effective as of Feb. 15, 2018.

AVX Corporation (NYSE:AVX) reported third quarter net income of (\$93.2) million for fiscal year 2018 as compared to \$35.5 million for the prior year period. Earnings per share were (\$0.55) versus \$0.21 for the prior year period. Revenues for the quarter increase to \$431.8 million from \$340.8 million for the same period in fiscal year 2017.

BASF SE (DE:BAS) reported net income of \$7,298.3 million for fiscal year 2017 as compared to \$4,281.6 million for the prior year. Earnings per share were \$7.94 versus \$4.66 for the prior year. Revenues for the year increase to \$77,419.5 million from \$60,751.6 million for fiscal year 2016.

Belden Inc. (NYSE:BDC) reported net income of \$93.2 million for fiscal year 2017 as compared to \$128.0 million for the prior year. Earnings per share were \$1.37 versus \$2.65 for the prior year. Revenues for the year increase to \$2,388.6 million from \$2,356.7 million for fiscal year 2016.

Bosch Limited (BSE:500530) reported net income of \$268.6 million for fiscal year 2017 as compared to \$231.4 million for the prior year. Earnings per share were \$8.65 versus \$7.37 for the prior year. Revenues for the year increase to \$1,583.3 million from \$1,441.3 million for fiscal year 2016.

Continental Aktiengesellschaft (DB:CON) reported net income of \$3,583.8 million for fiscal year 2017 as compared to \$2,958.4 million for the prior year. Earnings per share were \$17.92 versus \$14.79 for the prior year. Revenues for the year increase to \$52,845.2 million from \$42,805.3 million for fiscal year 2016.

Corning Incorporated (NYSE:GLW) reported net income of (\$497.0) million for fiscal year 2017 as compared to \$3,695.0 million for the prior year. Earnings per share were (\$0.66) versus \$3.23 for the prior year. Revenues for the year increase to \$10,116.0 million from \$9,390.0 million for fiscal year 2016.

Delphi Technologies PLC (NYSE:DLPH) reported net income of \$285.0 million for fiscal year 2017 as compared to \$236.0 million for the prior year. Earnings per share were \$3.21 versus \$2.66 for the prior year. Revenues for the year increase to \$4,849.0 million from \$4,486.0 million for fiscal year 2016.

DENSO Corporation (TSE:6902) reported third quarter net income of \$862.0 million for fiscal year 2018 as compared to \$800.1 million for the prior year period. Earnings per share were \$1.11 versus \$1.02 for the prior year period. Revenues for the quarter increase to \$11,857.6 million from \$9,718.2 million for the same period in fiscal year 2017.

DowDuPont Inc. (NYSE:DWDP) reported net income of \$1,460.0 million for fiscal year 2017 as compared to \$4,318.0 million for the prior year. Earnings per share were \$0.90 versus \$3.52 for the prior year. Revenues for the year increase to \$62,484.0 million from \$48,158.0 million for fiscal year 2016.

Encore Wire Corporation (NasdaqGS:WIRE) reported net income of \$67.0 million for fiscal year 2017 as compared to \$33.8 million for the prior year. Earnings per share were \$3.21 versus \$1.63 for the prior year. Revenues for the year increase to \$1,164.2 million from \$940.8 million for fiscal year 2016.

Evonik Industries AG (DE:EVK) reported net income of \$861.0 million for fiscal year 2017 as compared to \$891.0 million for the prior year. Earnings per share were \$1.85 versus \$1.91 for the prior year. Revenues for the year increase to \$17,313.9 million from \$13,440.3 million for fiscal year 2016.

Ferro Corporation (NYSE:FOE) reported net income of \$57.1 million for fiscal year 2017 as compared to (\$20.8) million for the prior year. Earnings per share were \$0.67 versus (\$0.25) for the prior year. Revenues for the year increase to \$1,396.7 million from \$1,145.3 million for fiscal year 2016.

Selected Highlights

General Cable Corporation (NYSE:BGC) reported net income of (\$56.6) million for fiscal year 2017 as compared to (\$93.8) million for the prior year. Earnings per share were (\$1.13) versus (\$1.89) for the prior year. Revenues for the year decrease to \$3,837.2 million from \$3,858.4 million for fiscal year 2016.

Johnson Controls International plc (NYSE:JCI) reported first quarter net income of \$230.0 million for fiscal year 2018 as compared to \$329.0 million for the prior year period. Earnings per share were \$0.25 versus \$0.34 for the prior year period. Revenues for the quarter increase to \$7,435.0 million from \$7,086.0 million for the same period in fiscal year 2017.

Lear Corporation (NYSE:LEA) reported net income of \$1,313.4 million for fiscal year 2017 as compared to \$975.1 million for the prior year. Earnings per share were \$18.59 versus \$13.33 for the prior year. Revenues for the year increase to \$20,467.0 million from \$18,557.6 million for fiscal year 2016.

OMRON Corporation (TSE:6645) reported third quarter net income of \$145.3 million for fiscal year 2018 as compared to \$126.5 million for the prior year period. Earnings per share were \$0.68 versus \$0.59 for the prior year period. Revenues for the quarter increase to \$1,902.8 million from \$1,688.2 million for the same period in fiscal year 2017.

PPG Industries, Inc. (NYSE:PPG) reported net income of \$1,591.0 million for fiscal year 2017 as compared to \$877.0 million for the prior year. Earnings per share were \$6.17 versus \$3.28 for the prior year. Revenues for the year increase to \$14,750.0 million from \$14,270.0 million for fiscal year 2016.

Solvay SA (ENXTBR:SOLB) reported net income of \$1,274.0 million for fiscal year 2017 as compared to \$655.5 million for the prior year. Earnings per share were \$12.24 versus \$6.32 for the prior year. Revenues for the year increase to \$13,077.6 million from \$10,602.8 million for fiscal year 2016.

Solvay SA (ENXTBR:SOLB) appointed three new members to its executive committee. **Augusto Di Donfrancesco, Hua Du and Cecile Tandeau de Marsac** joined the committee, with immediate effect.

Stanley Electric Co., Ltd. (TSE:6923) reported third quarter net income of \$86.7 million for fiscal year 2018 as compared to \$70.4 million for the prior year period. Earnings per share were \$0.52 versus \$0.42 for the prior year period. Revenues for the quarter increase to \$1,048.3 million from \$890.2 million for the same period in fiscal year 2017.

TE Connectivity Ltd. (NYSE:TEL) reported first quarter net income of (\$40.0) million for fiscal year 2018 as compared to \$409.0 million for the prior year period. Earnings per share were (\$0.11) versus \$1.14 for the prior year period. Revenues for the quarter increase to \$3,480.0 million from \$3,063.0 million for the same period in fiscal year 2017.

Vishay Intertechnology, Inc. (NYSE:VSH) reported net income of (\$20.3) million for fiscal year 2017 as compared to \$48.8 million for the prior year. Earnings per share were (\$0.14) versus \$0.32 for the prior year. Revenues for the year increase to \$2,603.5 million from \$2,323.4 million for fiscal year 2016.

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

Selected M&A Transactions – Industrial Equipment

Announced	Target	Target Description	Acquirer	Value*
Jan 18	Instrumentation and Control Nuclear Business of Schneider Electric S.E.	Instrumentation and Control Nuclear Business of Schneider Electric S.E. comprises manufacturing rights to instrumentation and control systems.	Framatome	ND
Jan 22	Particle Sizing Systems, LLC	Provides instrumentation for particle size analysis in the form of laboratory products.	Entegris, Inc. (NasdaqGS:ENTG)	\$37.00
Jan 31	Semelec SAS (from Eaton Corporation plc (NYSE:ETN))	Offers metrology, calibration and maintenance equipment for measurement.	Sofimae SA	ND
Jan 31	Johnson Matthey Battery Systems Limited	Manufactures automotive battery systems. The company was founded in 2005 and is based in Edinburgh, UK.	Cummins Inc. (NYSE:CMI)	ND
Feb 1	Arizona Instrument LLC	Manufactures precision moisture analysis instruments for customers.	AMETEK, Inc. (NYSE:AME)	\$38.00
Feb 1	FMH Aerospace Corp.	Manufactures engineered components and assemblies for commercial aerospace, defense, space, and industrial sectors.	AMETEK, Inc. (NYSE:AME)	\$235.00
Feb 26	All Assets of Railcar Operations at the Shoals Facility of Navistar International Corporation	All Assets of Railcar Operations at the Shoals Facility of Navistar International Corporation manufacture and repair of railcars.	FreightCar America, Inc. (NasdaqGS:RAIL)	\$20.77
Feb 28	Nicotra Gebhardt S.p.A.	Through its subsidiaries, manufactures and sells industrial fans.	Regal Beloit Corporation (NYSE:RBC)	\$154.00
Mar 2	King Agro Europa SL.	Manufactures and distributes agriculture and turf, and construction and forestry equipment worldwide.	Deere & Company (NYSE:DE)	ND
Mar 9	Integrated DNA Technologies, Inc.	Develops, manufactures, and supplies custom oligonucleotides for the research and diagnostics life science market in the areas of academic research, biotechnology, and pharmaceutical development.	Danaher Corporation (NYSE:DHR)	ND
Mar 19	Orbotech Ltd. (NasdaqGS:ORBK)	Provides yield-enhancing and process-enabling solutions for the manufacture of printed circuit boards (PCBs), flat panel displays (FPDs), semiconductor devices (SDs), and other electronic components internationally.	KLA-Tencor Corporation (NasdaqGS:KLAC)	\$3,409.96

Selected Highlights

Mar 28	Tec-Sem Group AG (93% Stake)	Manufactures and supplies high-end automation equipment for reticle, wafer and carrier handling, and storage and management applications in the semiconductor industry.	Brooks Automation, Inc. (NasdaqGS:BRKS)	\$16.00
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**ND – Not disclosed. Transaction values reported on the basis of enterprise value in USD millions.*

Selected News – Industrial Equipment

AMETEK, Inc. (NYSE:AME) reported net income of \$681.5 million for fiscal year 2017 as compared to \$512.2 million for the prior year. Earnings per share were \$2.94 versus \$2.19 for the prior year. Revenues for the year increased to \$4,300.2 million from \$3,840.1 million for fiscal year 2016.

Applied Materials, Inc. (NasdaqGS:AMAT) reported first quarter net income of \$135.0 million for fiscal year 2018 as compared to \$703.0 million for the prior year period. Earnings per share were \$0.13 versus \$0.65 for the prior year period. Revenues for the quarter increased to \$4,204.0 million from \$3,278.0 million for the same period in fiscal year 2017.

Applied Materials, Inc. (NasdaqGS:AMAT) announced the appointment of **Scott A. McGregor** to serve on its Board of Directors.

ASML Holding N.V. (ENXTAM:ASML) reported net income of \$2,672.0 million for fiscal year 2017 as compared to \$1,643.5 million for the prior year. Earnings per share were \$6.20 versus \$3.84 for the prior year. Revenues for the year increased to \$10,870.3 million from \$7,172.8 million for fiscal year 2016.

ASML Holding N.V. (ENXTAM:ASML) announced that the Supervisory Board intends to appoint **Roger Dassen** as Executive Vice President and Chief Financial Officer (CFO) to the Board of Management, subject to notification of the Annual General Meeting of Shareholders scheduled for 25 April 2018.

ASML Holding N.V. (ENXTAM:ASML) announced that its Supervisory Board intends to appoint **Christophe Fouquet** as Executive Vice President to the Board of Management, subject to notification of the Annual General Meeting of Shareholders on 25 April 2018.

Axcelis Technologies, Inc. (NasdaqGS:ACLS) reported net income of \$127.0 million for fiscal year 2017 as compared to \$11.0 million for the prior year. Earnings per share were \$3.80 versus \$0.36 for the prior year. Revenues for the year increased to \$410.6 million from \$267.0 million for fiscal year 2016.

Brooks Automation, Inc. (NasdaqGS:BRKS) reported first quarter net income of \$16.5 million for fiscal year 2018 as compared to \$13.9 million for the prior year period. Earnings per share were \$0.23 versus \$0.20 for the prior year period. Revenues for the quarter increased to \$189.3 million from \$160.0 million for the same period in fiscal year 2017.

Caterpillar Inc. (NYSE:CAT) reported net income of \$754.0 million for fiscal year 2017 as compared to (\$67.0) million for the prior year. Earnings per share were \$1.26 versus (\$0.11) for the prior year. Revenues for the year increased to \$45,462.0 million from \$38,537.0 million for fiscal year 2016.

Cohu, Inc. (NasdaqGS:COHU) reported net income of \$32.8 million for fiscal year 2017 as compared to \$3.0 million for the prior year. Earnings per share were \$1.14 versus \$0.11 for the prior year. Revenues for the year increased to \$352.7 million from \$282.1 million for fiscal year 2016.

Cummins Inc. (NYSE:CMI) reported net income of \$999.0 million for fiscal year 2017 as compared to \$1,394.0 million for the prior year. Earnings per share were \$5.97 versus \$8.23 for the prior year. Revenues for the year increased to \$20,428.0 million from \$17,509.0 million for fiscal year 2016.

Danaher Corporation (NYSE:DHR) reported net income of \$2,492.1 million for fiscal year 2017 as compared to \$2,553.7 million for the prior year. Earnings per share were \$3.53 versus \$3.65 for the prior year. Revenues for the year increased to \$18,329.7 million from \$16,882.4 million for fiscal year 2016.

Danaher Corporation (NYSE:DHR) announced that, effective January 1, 2019, **Matthew R. McGrew**, Group CFO of the company's Diagnostics and Dental platforms, will succeed Daniel L. Comas as Chief Financial Officer.

Deere & Company (NYSE:DE) reported first quarter net income of (\$535.1) million for fiscal year 2018 as compared to \$199.0 million for the prior year period. Earnings per share were (\$1.66) versus \$0.62 for the prior year period. Revenues for the quarter increased to \$6,759.5 million from \$5,411.6 million for the same period in fiscal year 2017.

Eaton Corporation plc (NYSE:ETN) reported net income of \$2,985.0 million for fiscal year 2017 as compared to \$1,916.0 million for the prior year. Earnings per share were \$6.68 versus \$4.20 for the prior year. Revenues for the year increased to \$20,404.0 million from \$19,747.0 million for fiscal year 2016.

Emerson Electric Co. (NYSE:EMR) reported first quarter net income of \$392.0 million for fiscal year 2018 as compared to \$309.0 million for the prior year period. Earnings per share were \$0.61 versus \$0.47 for the prior year period. Revenues for the quarter increased to \$3,816.0 million from \$3,216.0 million for the same period in fiscal year 2017.

Entegris, Inc. (NasdaqGS:ENTG) reported net income of \$85.1 million for fiscal year 2017 as compared to \$97.1 million for the prior year. Earnings per share were \$0.59 versus \$0.68 for the prior year. Revenues for the year increased to \$1,342.5 million from \$1,175.3 million for fiscal year 2016.

FARO Technologies, Inc. (NasdaqGS:FARO) reported net income of (\$14.5) million for fiscal year 2017 as compared to \$11.1 million for the prior year. Earnings per share were (\$0.87) versus \$0.67 for the prior year. Revenues for the year increased to \$360.9 million from \$325.6 million for fiscal year 2016.

FormFactor, Inc. (NasdaqGS:FORM) reported net income of \$40.9 million for fiscal year 2017 as compared to (\$6.6) million for the prior year. Earnings per share were \$0.55 versus (\$0.10) for the prior year. Revenues for the year increased to \$548.4 million from \$383.9 million for fiscal year 2016.

FormFactor, Inc. (NasdaqGS:FORM) announced that it has appointed **Shai Shahar** to serve as the Company's Chief Financial Officer, with a start date of March 5, 2018.

Hubbell Incorporated (NYSE:HUBB) reported net income of \$243.1 million for fiscal year 2017 as compared to \$293.0 million for the prior year. Earnings per share were \$4.39 versus \$5.24 for the prior year. Revenues for the year increased to \$3,668.8 million from \$3,505.2 million for fiscal year 2016.

Hyundai Heavy Industries Co., Ltd. (KOSE:A009540) reported net income of \$2,301.2 million for fiscal year 2017 as compared to \$452.8 million for the prior year. Earnings per share were \$41.94 versus \$7.28 for the prior year. Revenues for the year decreased to \$14,480.4 million from \$18,523.7 million for fiscal year 2016.

KLA-Tencor Corporation (NasdaqGS:KLAC) reported second quarter net income of (\$134.3) million for fiscal year 2018 as compared to \$238.3 million for the prior year period. Earnings per share were (\$0.86) versus \$1.52 for the prior year period. Revenues for the quarter increased to \$975.8 million from \$876.9 million for the same period in fiscal year 2017.

Lam Research Corporation (NasdaqGS:LRCX) announced the promotion of **Tim Archer** to the position of president, effective immediately. Mr. Archer will continue to serve as chief operating officer of the company.

MKS Instruments, Inc. (NasdaqGS:MKSI) reported net income of \$339.1 million for fiscal year 2017 as compared to \$104.8 million for the prior year. Earnings per share were \$6.16 versus \$1.94 for the prior year. Revenues for the year increased to \$1,916.0 million from \$1,295.3 million for fiscal year 2016.

Nanometrics Incorporated (NasdaqGS:NANO) reported net income of \$30.2 million for fiscal year 2017 as compared to \$44.0 million for the prior year. Earnings per share were \$1.17 versus \$1.75 for the prior year. Revenues for the year increased to \$258.6 million from \$221.1 million for fiscal year 2016.

Nanometrics Incorporated (NasdaqGS:NANO) announced **Jonathan H. Chou** as chief financial officer, effective March 5, 2018.

Nanometrics Incorporated (NasdaqGS:NANO) announced **James L. Barnhart** has joined Nanometrics as senior vice president of operations.

Navistar International Corporation (NYSE:NAV) reported first quarter net income of (\$73.0) million for fiscal year 2018 as compared to (\$62.0) million for the prior year period. Earnings per share were (\$0.74) versus (\$0.76) for the prior year period. Revenues for the quarter increased to \$1,905.0 million from \$1,663.0 million for the same period in fiscal year 2017.

Nova Measuring Instruments Ltd. (NasdaqGS:NVMII) reported net income of \$46.5 million for fiscal year 2017 as compared to \$9.6 million for the prior year. Earnings per share were \$1.63 versus \$0.35 for the prior year. Revenues for the year increased to \$222.0 million from \$163.9 million for fiscal year 2016.

Oshkosh Corporation (NYSE:OSK) reported first quarter net income of \$56.4 million for fiscal year 2018 as compared to \$19.2 million for the prior year period. Earnings per share were \$0.74 versus \$0.26 for the prior year period. Revenues for the quarter increased to \$1,586.3 million from \$1,211.4 million for the same period in fiscal year 2017.

Powell Industries, Inc. (NasdaqGS:POWL) reported first quarter net income of (\$5.7) million for fiscal year 2018 as compared to (\$0.3) million for the prior year period. Earnings per share were (\$0.49) versus (\$0.03) for the prior year period. Revenues for the quarter decreased to \$90.2 million from \$110.3 million for the same period in fiscal year 2017.

Regal Beloit Corporation (NYSE:RBC) reported net income of \$213.0 million for fiscal year 2017 as compared to \$203.4 million for the prior year. Earnings per share were \$4.74 versus \$4.52 for the prior year. Revenues for the year increased to \$3,360.3 million from \$3,224.5 million for fiscal year 2016.

Regal Beloit Corporation (NYSE:RBC) announced the Chuck Hinrichs is outgoing CFO. Chuck's been CFO since around 2010, and **Rob Rehard** will be taking over, April 1, 2018.

Rockwell Automation Inc. (NYSE:ROK) reported first quarter net income of (\$236.4) million for fiscal year 2018 as compared to \$214.7 million for the prior year period. Earnings per share were (\$1.84) versus \$1.65 for the prior year period. Revenues for the quarter increased to \$1,586.6 million from \$1,490.3 million for the same period in fiscal year 2017.

Rudolph Technologies, Inc. (NYSE:RTEC) reported net income of \$32.9 million for fiscal year 2017 as compared to \$37.0 million for the prior year. Earnings per share were \$1.02 versus \$1.16 for the prior year. Revenues for the year increased to \$255.1 million from \$232.8 million for fiscal year 2016.

Schneider Electric S.E. (ENXTPA:SU) reported net income of \$2,581.7 million for fiscal year 2017 as compared to \$1,847.4 million for the prior year. Earnings per share were \$4.57 versus \$3.26 for the prior year. Revenues for the year increased to \$29,710.6 million from \$25,819.7 million for fiscal year 2016.

Teradyne, Inc. (NYSE:TER) reported net income of \$257.7 million for fiscal year 2017 as compared to (\$43.4) million for the prior year. Earnings per share were \$1.28 versus (\$0.21) for the prior year. Revenues for the year increased to \$2,136.6 million from \$1,753.3 million for fiscal year 2016.

Terex Corporation (NYSE:TEX) reported net income of \$128.7 million for fiscal year 2017 as compared to (\$176.1) million for the prior year. Earnings per share were \$1.35 versus (\$1.63) for the prior year. Revenues for the year decreased to \$4,363.4 million from \$4,443.1 million for fiscal year 2016.

Tokyo Electron Limited (TSE:8035) reported third quarter net income of \$361.5 million for fiscal year 2018 as compared to \$222.3 million for the prior year period. Earnings per share were \$2.20 versus \$1.35 for the prior year period. Revenues for the quarter increased to \$2,288.6 million from \$1,596.3 million for the same period in fiscal year 2017.

Veeco Instruments Inc. (NasdaqGS:VECO) reported net income of (\$44.8) million for fiscal year 2017 as compared to (\$122.2) million for the prior year. Earnings per share were (\$1.01) versus (\$3.11) for the prior year. Revenues for the year increased to \$484.8 million from \$332.5 million for fiscal year 2016.

Xcerra Corporation (NasdaqGS:XCRA) reported second quarter net income of \$7.9 million for fiscal year 2018 as compared to \$2.6 million for the prior year period. Earnings per share were \$0.14 versus \$0.05 for the prior year period. Revenues for the quarter increased to \$110.3 million from \$80.1 million for the same period in fiscal year 2017.

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

Selected Highlights

Selected M&A Transactions – Industrial & Engineering Services and Distribution

Announced	Target	Target Description	Acquirer	Value*
Jan 4	Willbros Tank Services Of Willbros Group Inc.	Willbros Tank Services of Willbros Group Inc. comprises steel tank construction and tank repair services business.	Alliance Tank Services, LLC	ND
Jan 12	U.S. Mainline Pipeline Assets of Willbros Group, Inc.	U.S. Mainline Pipeline Assets of Willbros Group, Inc. comprises cross-country pipeline construction equipment.	Meridien Energy, LLC	ND
Jan 17	NDY Management Pty Limited	Operates as an engineering consulting firm in Australia.	Tetra Tech, Inc. (NasdaqGS:TTEK)	ND
Jan 22	Deutsche Giessdraht GmbH (Remaining 40% Stake)	Manufactures copper cast wire rods. The company was founded in 1975 and is based in Emmerich Am Rhein, Germany.	Aurubis AG (XTRA:NDA)	ND
Jan 23	U.S. Industrial Cleaning Services Division of Veolia Environmental Services North America Corp.	U.S. Industrial Cleaning Services Division of Veolia Environmental Services North America Corp. comprises industrial cleaning and maintenance operations.	Clean Harbors, Inc. (NYSE:CLH)	\$120.00
Jan 25	Bridgenet International Inc.	Develops and deploys Volans, a web-based three-dimensional application for flight operations.	Tetra Tech, Inc. (NasdaqGS:TTEK)	ND
Feb 12	Segment Flat Rolled Products of Aurubis AG	Segment Flat Rolled Products of Aurubis AG comprises manufacture of flat rolled copper products.	Wieland-Werke AG	ND
Mar 1	Newalta Corporation (TSX:NAL)	Provides engineered environmental solutions to the oil and gas industry in North America.	Tervita Corporation	ND
Mar 8	Morley Waste Traders Limited and Lord & Midgley Limited	Engage in the recycling of ferrous and non-ferrous metals. The companies are based in the UK.	Sims Metal Management Limited (ASX:SGM)	ND
Mar 28	Willbros Group, Inc. (OTCPK:WGRP)	Operates as a specialty energy infrastructure contractor serving oil and gas, and power industries in the United States and Canada.	Primoris Services Corporation (NasdaqGS:PRIM)	\$38.46

*ND – Not disclosed. Transaction values reported on the basis of enterprise value in USD millions.

Selected News – Industrial & Engineering Services and Distribution

AECOM (NYSE:ACM) reported first quarter net income of \$111.3 million for fiscal year 2018 as compared to \$47.2 million for the prior year period. Earnings per share were \$0.69 versus \$0.30 for the prior year period. Revenues for the quarter increased to \$4,910.8 million from \$4,358.3 million for the same period in fiscal year 2017.

Aurubis AG (XTRA:NDA) reported first quarter net income of \$155.3 million for fiscal year 2018 as compared to \$82.2 million for the prior year period. Earnings per share were \$3.46 versus \$1.83 for the prior year period. Revenues for the quarter increased to \$3,453.0 million from \$2,602.8 million for the same period in fiscal year 2017.

Balfour Beatty plc (LSE:BBY) reported net income of \$227.1 million for fiscal year 2017 as compared to \$29.6 million for the prior year. Earnings per share were \$0.33 versus \$0.04 for the prior year. Revenues for the year increased to \$9,347.8 million from \$8,547.8 million for fiscal year 2016.

Cardno Limited (CDD) reported second quarter net income of (\$8.6) million for fiscal year 2018 as compared to \$2.4 million for the prior year period. Earnings per share were (\$0.02) versus \$0.00 for the prior year period. Revenues for the quarter increased to \$212.2 million from \$208.2 million for the same period in fiscal year 2017.

Cardno Limited (CDD) announced that the appointment of a new non-executive director, **Rebecca Ranich**, to the company's Board of Directors effective 19 March 2018.

Chicago Bridge & Iron Company N.V. (NYSE:CBI) reported net income of (\$1,458.2) million for fiscal year 2017 as compared to (\$313.2) million for the prior year. Earnings per share were (\$14.44) versus (\$3.02) for the prior year. Revenues for the year decreased to \$6,673.3 million from \$8,599.6 million for fiscal year 2016.

Clean Harbors, Inc. (NYSE:CLH) reported net income of \$100.7 million for fiscal year 2017 as compared to (\$39.9) million for the prior year. Earnings per share were \$1.76 versus (\$0.69) for the prior year. Revenues for the year increased to \$2,945.0 million from \$2,755.2 million for fiscal year 2016.

Commercial Metals Company (NYSE:CMC) reported second quarter net income of \$10.2 million for fiscal year 2018 as compared to \$30.3 million for the prior year period. Earnings per share were \$0.08 versus \$0.26 for the prior year period. Revenues for the quarter increased to \$1,054.3 million from \$862.3 million for the same period in fiscal year 2017.

Dowa Holdings Co., Ltd. (TSE:5714) reported third quarter net income of \$66.5 million for fiscal year 2018 as compared to \$55.0 million for the prior year period. Earnings per share were \$1.12 versus \$0.93 for the prior year period. Revenues for the quarter increased to \$1,059.4 million from \$881.7 million for the same period in fiscal year 2017.

Fastenal Company (NasdaqGS:FAST) reported first quarter net income of \$174.3 million for fiscal year 2018 as compared to \$134.2 million for the prior year period. Earnings per share were \$0.61 versus \$0.46 for the prior year period. Revenues for the quarter increased to \$1,185.8 million from \$1,047.7 million for the same period in fiscal year 2017.

Fluor Corporation (NYSE:FLR) reported net income of \$191.4 million for fiscal year 2017 as compared to \$281.4 million for the prior year. Earnings per share were \$1.36 versus \$2.00 for the prior year. Revenues for the year increased to \$19,521.0 million from \$19,036.5 million for fiscal year 2016.

HD Supply Holdings, Inc. (NasdaqGS:HDS) reported net income of \$970.0 million for fiscal year 2018 as compared to \$196.0 million for the prior year. Earnings per share were \$5.01 versus \$0.97 for the prior year. Revenues for the year increased to \$5,121.0 million from \$4,819.0 million for fiscal year 2017.

Jacobs Engineering Group Inc. (NYSE:JEC) reported first quarter net income of \$2.2 million for fiscal year 2018 as compared to \$60.5 million for the prior year period. Earnings per share were \$0.02 versus \$0.50 for the prior year period. Revenues for the quarter increased to \$2,750.3 million from \$2,551.6 million for the same period in fiscal year 2017.

Jacobs Engineering Group Inc. (NYSE:JEC) appointed **Robert A. McNamara** to serve on the Nominating and Corporate Governance Committee of the Board and **Barry L. Williams** to serve on the Audit Committee of the Board.

KBR, Inc. (NYSE:KBR) reported net income of \$434.0 million for fiscal year 2017 as compared to (\$61.0) million for the prior year. Earnings per share were \$3.06 versus (\$0.43) for the prior year. Revenues for the year decreased to \$4,171.0 million from \$4,268.0 million for fiscal year 2016.

Lawson Products, Inc. (NasdaqGS:LAWS) reported net income of \$29.7 million for fiscal year 2017 as compared to (\$1.6) million for the prior year. Earnings per share were \$3.25 versus (\$0.19) for the prior year. Revenues for the year increased to \$305.9 million from \$276.6 million for fiscal year 2016.

MRC Global Inc. (NYSE:MRC) reported net income of \$50.0 million for fiscal year 2017 as compared to (\$83.0) million for the prior year. Earnings per share were \$0.27 versus (\$1.10) for the prior year. Revenues for the year increased to \$3,646.0 million from \$3,041.0 million for fiscal year 2016.

MSC Industrial Direct Co., Inc. (NYSE:MSM) reported second quarter net income of \$117.6 million for fiscal year 2018 as compared to \$53.6 million for the prior year period. Earnings per share were \$2.06 versus \$0.93 for the prior year period. Revenues for the quarter increased to \$769.0 million from \$703.8 million for the same period in fiscal year 2017.

Newalta Corporation (TSX:NAL) reported net income of (\$38.4) million for fiscal year 2017 as compared to (\$118.0) million for the prior year. Earnings per share were (\$0.44) versus (\$1.50) for the prior year. Revenues for the year increased to \$196.5 million from \$153.0 million for fiscal year 2016.

Primoris Services Corporation (NasdaqGS:PRIM) reported net income of \$72.4 million for fiscal year 2017 as compared to \$26.7 million for the prior year. Earnings per share were \$1.40 versus \$0.51 for the prior year. Revenues for the year increased to \$2,380.0 million from \$1,996.9 million for fiscal year 2016.

Sims Metal Management Limited (ASX:SGM) reported second quarter net income of \$35.7 million for fiscal year 2018 as compared to \$28.9 million for the prior year period. Earnings per share were \$0.17 versus \$0.15 for the prior year period. Revenues for the quarter increased to \$1,164.6 million from \$863.9 million for the same period in fiscal year 2017.

Tetra Tech, Inc. (NasdaqGS:TTEK) reported first quarter net income of \$46.0 million for fiscal year 2018 as compared to \$26.6 million for the prior year period. Earnings per share were \$0.81 versus \$0.46 for the prior year period. Revenues for the quarter increased to \$544.8 million from \$489.6 million for the same period in fiscal year 2017.

Transcat, Inc. (NasdaqGM:TRNS) reported third quarter net income of \$1.8 million for fiscal year 2018 as compared to \$1.3 million for the prior year period. Earnings per share were \$0.25 versus \$0.18 for the prior year period. Revenues for the quarter increased to \$40.5 million from \$37.8 million for the same period in fiscal year 2017.

Veolia Environnement S.A. (ENXTPA:VIE) reported net income of \$482.2 million for fiscal year 2017 as compared to \$404.4 million for the prior year. Earnings per share were \$0.70 versus \$0.59 for the prior year. Revenues for the year increased to \$30,168.8 million from \$25,532.6 million for fiscal year 2016.

W.W. Grainger, Inc. (NYSE:GWW) reported net income of \$585.7 million for fiscal year 2017 as compared to \$605.9 million for the prior year. Earnings per share were \$10.02 versus \$9.87 for the prior year. Revenues for the year increased to \$10,424.9 million from \$10,137.2 million for fiscal year 2016.

WESCO International, Inc. (NYSE:WCC) reported net income of \$163.5 million for fiscal year 2017 as compared to \$101.6 million for the prior year. Earnings per share were \$3.38 versus \$2.10 for the prior year. Revenues for the year increased to \$7,679.0 million from \$7,336.0 million for fiscal year 2016.

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 Cable Corporation	Components & Materials
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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