



Manufacturing Update Q2 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

	May-18	Jun-18	Trend
PMI	58.7	60.2	Positive
Total Unemployment	3.8	4.0	Negative
CPI Monthly Change	0.2	0.1	Positive
PPI Monthly Change	0.5	0.3	Positive
Industrial Production	107.1	107.7	Positive
Capacity Utilization	77.7	78.0	Positive
Manufacturing Production	103.1	103.9	Positive
Manufacturing Utilization	75.0	75.5	Positive

Sector Index Performance

	3-Year	1-Year	3-Month
Aerospace & Defense	61.7%	22.1%	-3.1%
Components & Materials	11.6%	0.8%	-5.0%
Industrial Equipment	49.5%	16.5%	-6.5%
Industrial & Engineering	9.8%	14.7%	-0.3%
Services and Distribution			
NASDAQ	50.6%	22.3%	6.3%
S&P	31.8%	12.2%	2.9%

Primary Mufson Howe Hunter Contacts:

Michael J. Howe
Managing Director
215.399.5413
mhowe@mhco.com

Michael J. Mufson
Managing Director
215.399.5410
mmufson@mhco.com

Joseph M. Manko, Jr.
Managing Director
215.399.5402
jmanko@mhco.com

Anthony J. Lopez-Ona
Managing Director
215.399.5405
alopezona@mhco.com

Peter J. Hill
Managing Director
215.399.5407
phill@mhco.com

Brandon K. Eck
Managing Director
215.399.5411
beck@mhco.com

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 28 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 MHH 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 MHH 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.

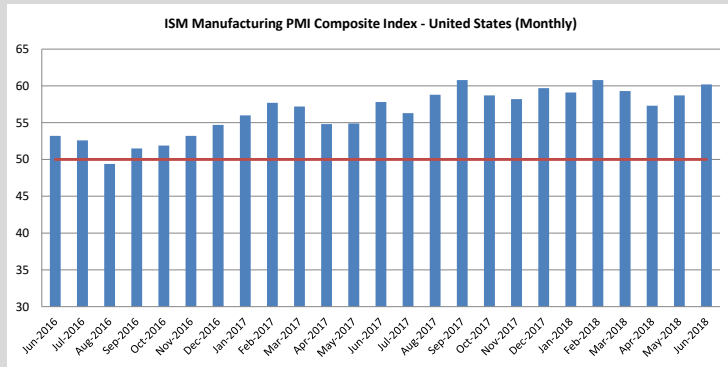
The companies that comprise each Index can change periodically as a result of a variety of reasons, including mergers, acquisitions, initial public offerings, and other transactions; therefore, comparisons to historical time periods and historical performance for each Index may not entirely correspond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



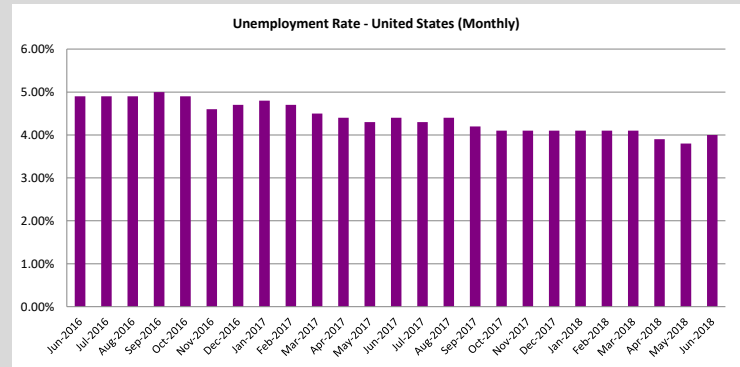
Source: Institute for Supply Management

Commentary

Economic activity in the manufacturing sector expanded in June, and the overall economy grew for the 110th consecutive month. New Orders, Production, and Employment all grew. Supplier Deliveries declined at a faster rate, Raw Materials Inventories expanded, 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.



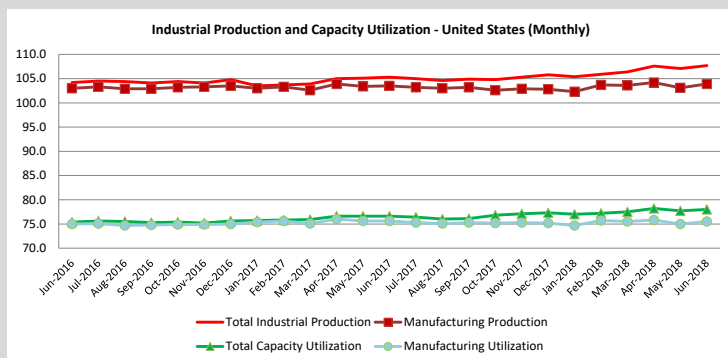
Source: United States Bureau of Labor

Commentary

In June, the unemployment rate rose to 4.0%. The number of unemployed persons increased by 499,000 to 6.6 million. A year earlier, the jobless rate was 4.3%, and the number of unemployed persons was 7.0 million. In June, job growth occurred in business services, manufacturing, and health care, while retail lost jobs.

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.



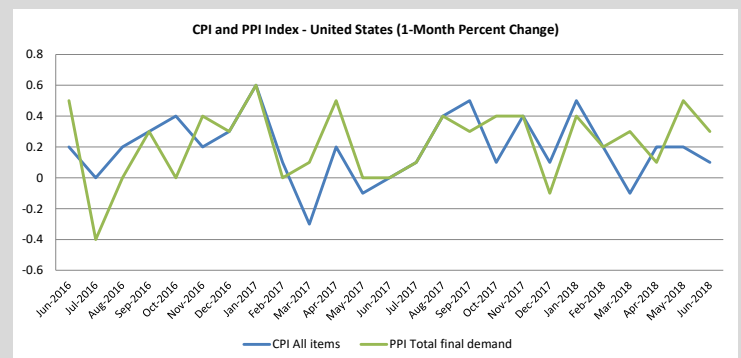
Source: United States Federal Reserve

Commentary

Industrial production rose 0.6% in June, and manufacturing output increased 0.8%. Motor vehicle production rebounded after truck assemblies fell sharply in May because of a disruption at a parts supplier. At 107.7% of its 2012 average, total industrial production was 3.8% higher in June 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 0.1% in June. The indexes for shelter, gasoline, and food all rose to lead to the seasonally adjusted increase in the index. PPI for final demand increased 0.3% in June. The rise in PPI is attributable to a 0.4% increase in prices for final demand services.

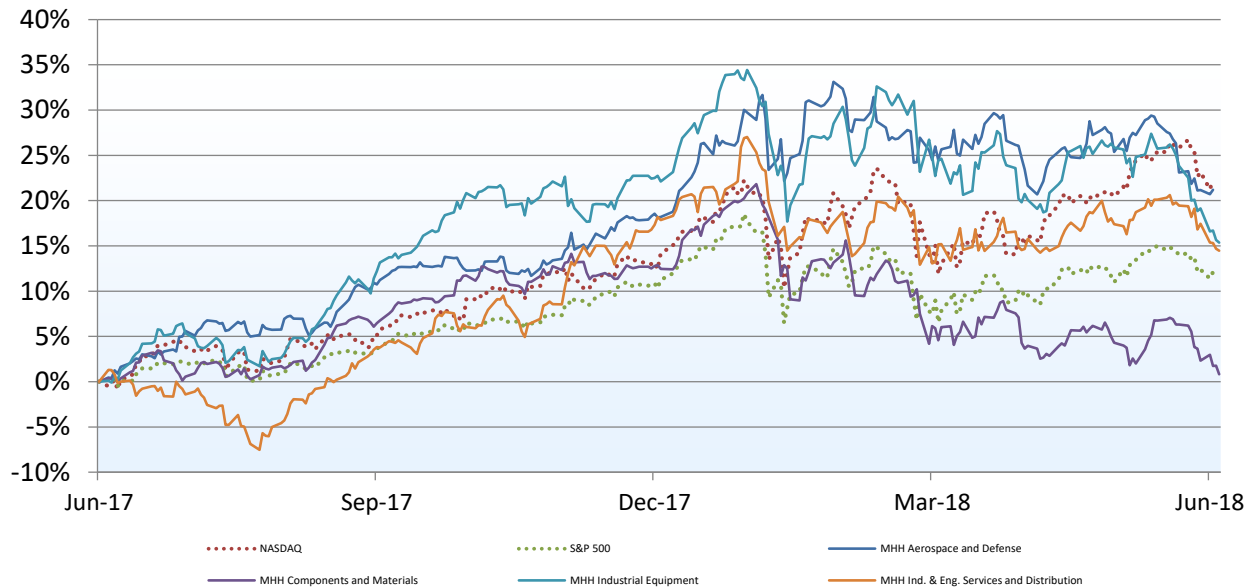
Sector Index Performance

Comparative Sector Index Performance (Last Twelve Months)

Last Twelve Months

Daily from June 30, 2017 to June 29, 2018

Price as Percent of Base (June 30, 2017 = 0%)



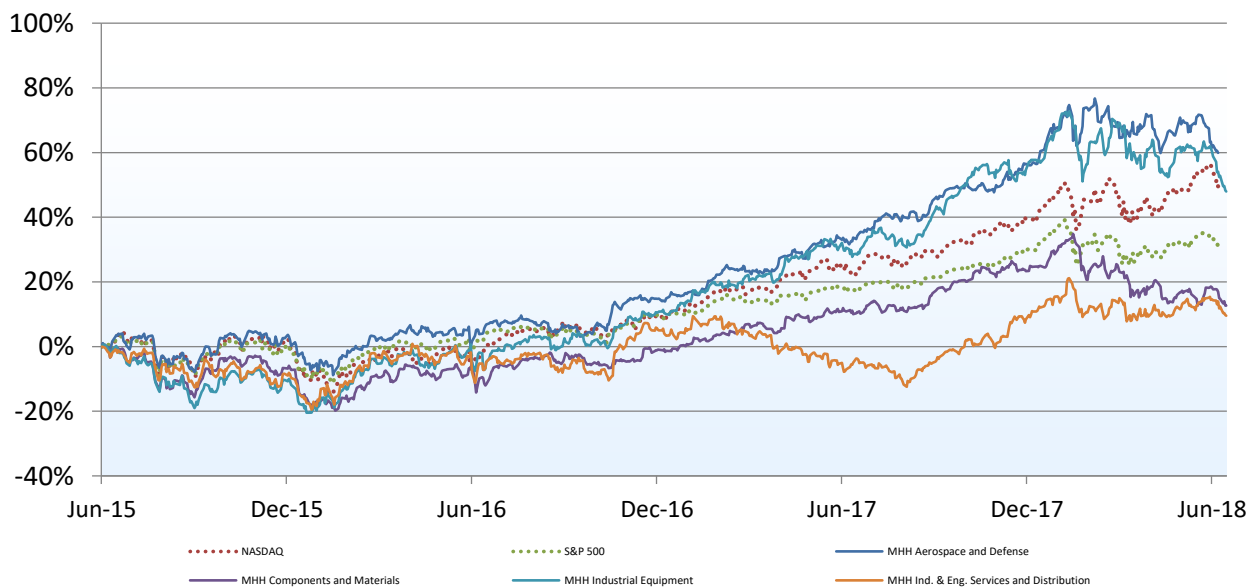
Source: CapitalIQ

Comparative Sector Index Performance (Last Three Years)

Last Three Years

Daily from June 30, 2015 to June 29, 2018

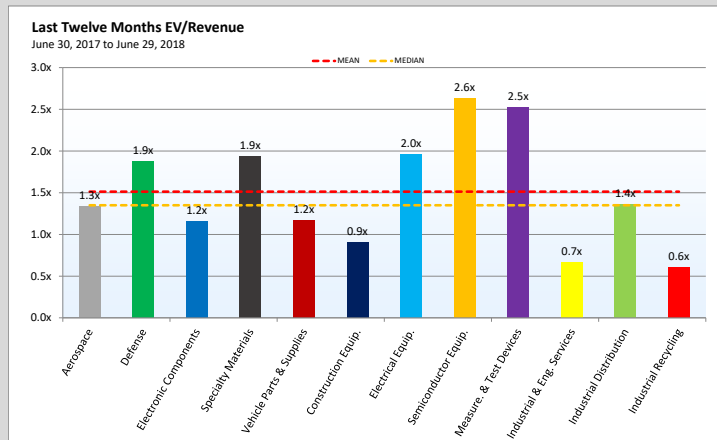
Price as Percent of Base (June 30, 2015 = 0%)



Source: CapitalIQ

Subsector Trading Multiples & Margins

Comparative Subsector LTM EV/Revenue

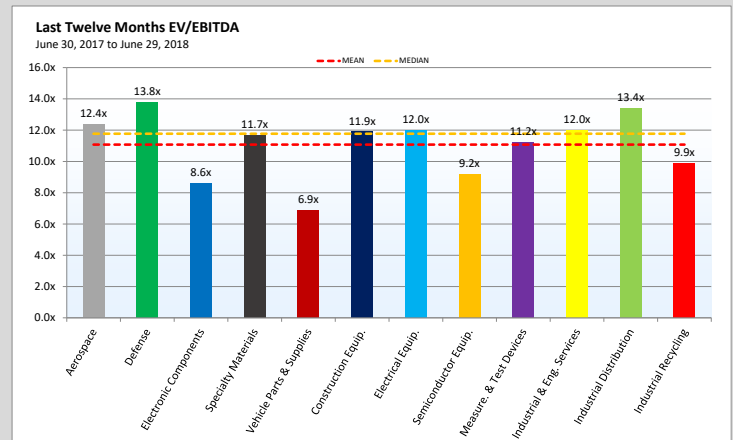


Source: CapitalIQ

Commentary

During the last twelve months, our index subsectors had a mean EV/Revenue of 1.5x and a median of 1.4x. Of the subsectors, Semiconductor Capital Equipment was the high multiple at 2.6x and Industrial Recycling was the low multiple at 0.6x.

Comparative Subsector LTM EV/EBTIDA

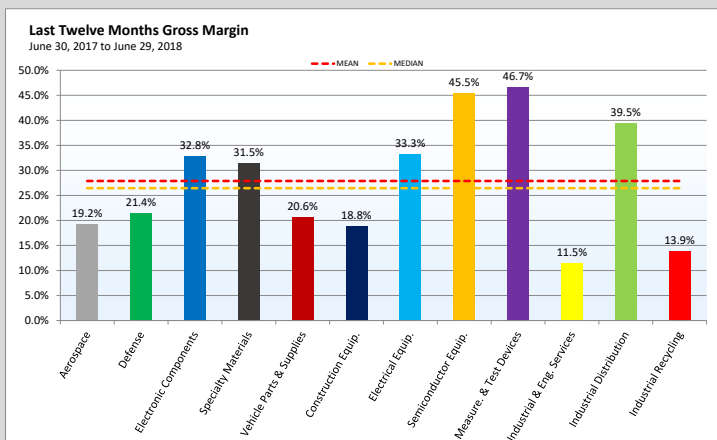


Source: CapitalIQ

Commentary

During the last twelve months, our index subsectors had a mean EV/EBITDA of 11.1x and a median of 11.8x. Of the subsectors, Defense was the high multiple at 13.8x and Vehicle Parts & Supplies was the low multiple at 6.9x.

Comparative Subsector LTM Gross Margin

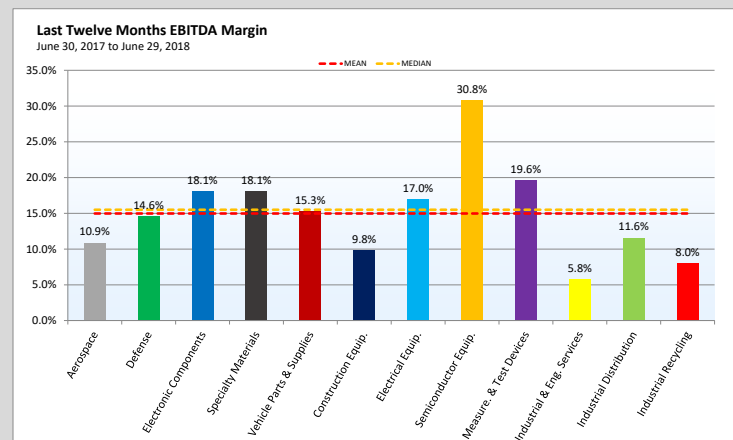


Source: CapitalIQ

Commentary

During the last twelve months, our index subsectors had a mean Gross Margin of 27.9% and a median of 26.5%. Of the subsectors, Measurement, Control, and Testing Devices was the high margin at 46.7% and Industrial & Engineering Services was the low margin at 11.5%.

Comparative Subsector LTM EBITDA Margin

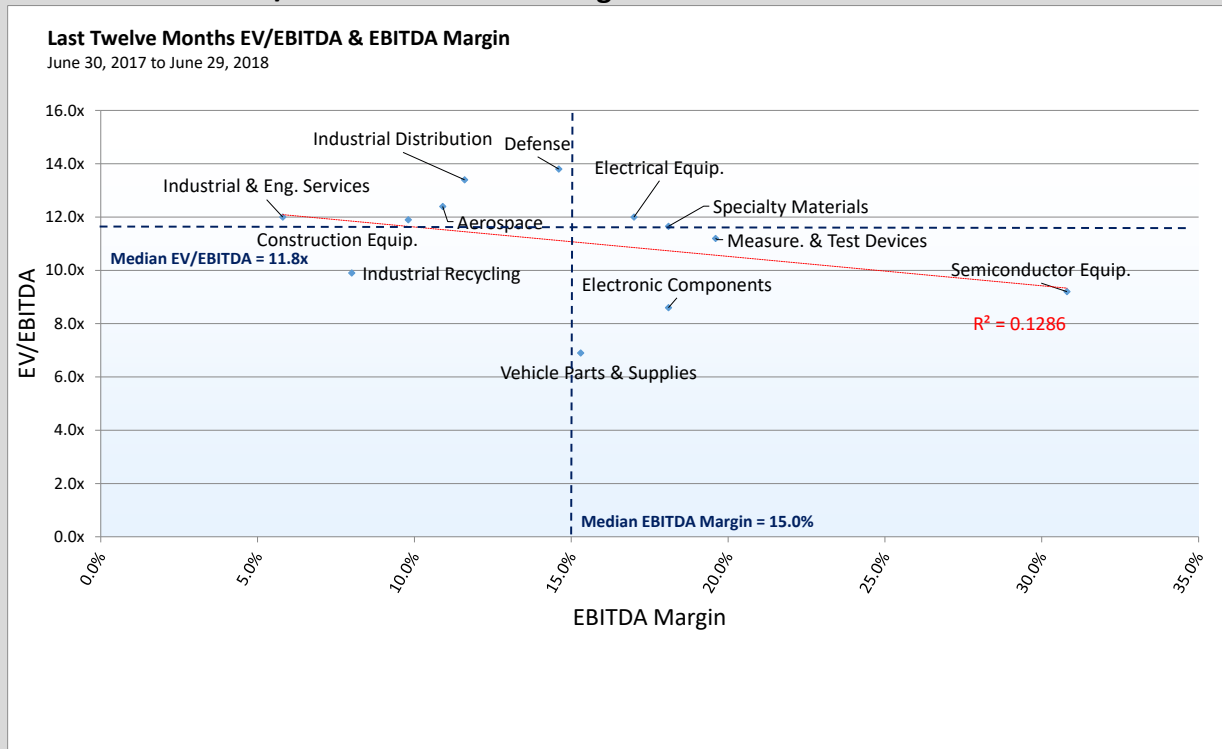


Source: CapitalIQ

Commentary

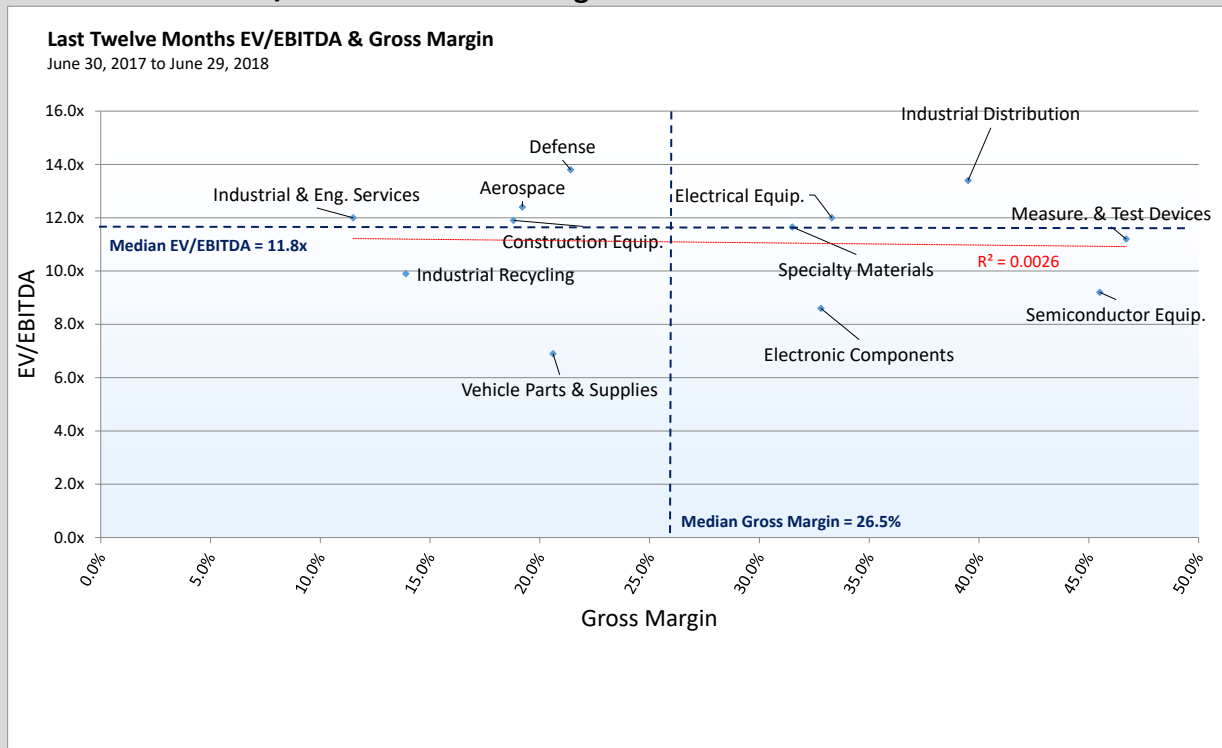
During the last twelve months, our index subsectors had a mean EBITDA Margin of 15.0% and a median of 15.0%. Of the subsectors, Semiconductor Capital Equipment was the high margin at 30.8% and Industrial & Engineering Services was the low margin at 5.8%.

Index Subsector LTM EV/EBITDA vs. EBITDA Margin



Source: CapitalIQ

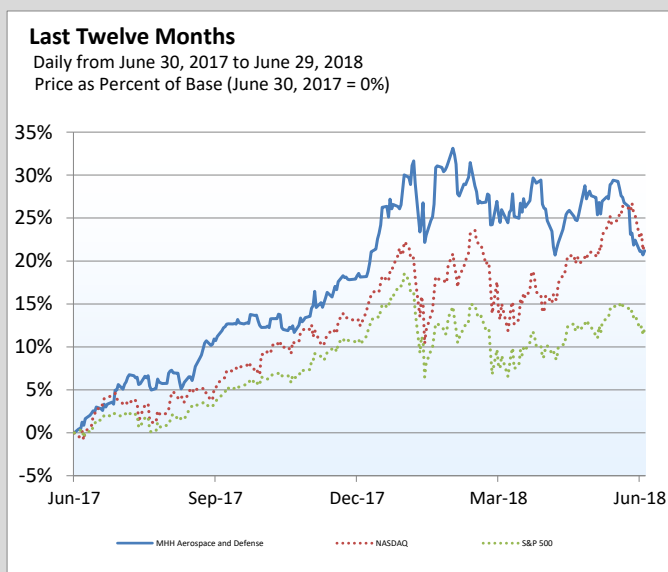
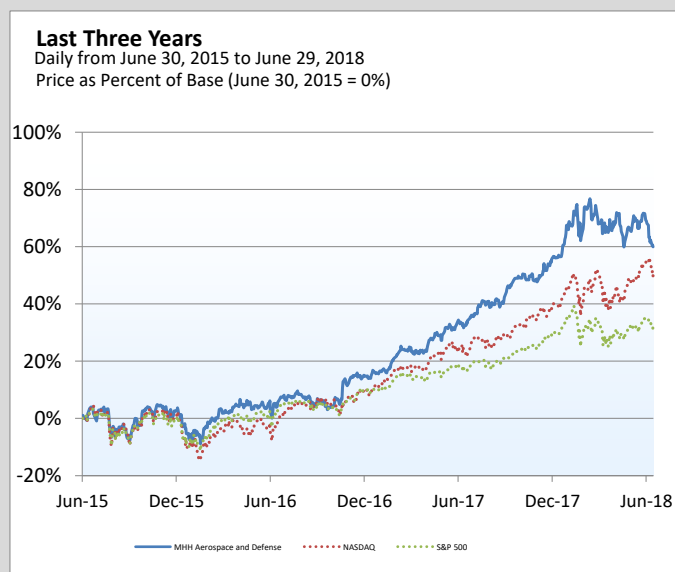
Index Subsector LTM EV/EBITDA vs. Gross Margin



Source: CapitalIQ

Comparative Index Performance

The Mufson Howe Hunter Aerospace & Defense Index^(a) decreased by 3.1% during the three months ending June 30, 2018.



Price Performance

	3-Year	LTM	3 Month
Mufson Howe Hunter Aerospace & Defense Index ^(a)	61.7%	22.1%	-3.1%
NASDAQ	50.6%	22.3%	6.3%
S&P 500	31.8%	12.2%	2.9%

(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*
TEXTRON (Tool & Test business)		\$810.0

Emerson Electric Co. (NYSE:EMR) entered into an agreement to acquire the Tools & Test business of Textron Inc. (NYSE:TXT) for approximately \$810 million on April 18, 2018. Included in the transaction are all the Textron Tools & Test businesses and brands comprising the industrial tool manufacturing business — Greenlee, Greenlee Communications, Greenlee Utility, HD Electric, Klauke, Sherman+Reilly, and Endura. The asset is located in the United States.

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)	\$335.51	\$195,462	\$198,099	\$94,813	\$12,829	\$11.19	2.09x	15.4x	30.0x	19.0%	13.5%
United Technologies Corporation (UTX)	125.03	100,031	121,804	61,264	10,377	5.31	1.99x	11.7x	23.5x	26.6%	16.9%
Honeywell International Inc. (HON)	144.05	107,595	115,786	41,434	8,466	5.78	2.79x	13.7x	24.9x	31.8%	20.4%
Airbus SE (ENXTPA:AIR)	116.98	90,747	90,814	80,626	5,629	3.62	1.13x	16.1x	32.3x	11.7%	7.0%
Rolls-Royce Holdings plc (LSE:RR.)	13.04	24,229	24,979	22,041	2,349	0.67	1.13x	10.6x	19.6x	19.5%	10.7%
Thales S.A. (ENXTPA:HO)	128.75	27,339	24,167	18,967	2,114	4.32	1.27x	11.4x	29.8x	24.3%	11.1%
Textron Inc. (TXT)	65.91	16,875	20,105	14,401	1,543	2.23	1.40x	13.0x	29.5x	17.0%	10.7%
Embraer S.A. (BOVESPA:EMBR3)	6.30	4,619	5,902	5,650	512	0.21	1.04x	11.5x	30.4x	18.6%	9.1%
Mean		\$70,862	\$75,207	\$42,399	\$5,477	\$4.17	1.61x	13.0x	27.5x	21.1%	12.4%
Median		59,043	57,896	31,737	3,989	3.97	1.34x	12.4x	29.7x	19.2%	10.9%
Defense											
Lockheed Martin Corporation (LMT)	\$295.43	\$84,354	\$96,255	\$51,471	\$6,836	\$11.65	1.87x	14.1x	25.3x	11.3%	13.3%
Northrop Grumman Corporation (NOC)	307.70	53,658	58,549	26,128	3,922	11.16	2.24x	14.9x	27.6x	22.8%	15.0%
Raytheon Company (RTN)	193.18	55,491	58,286	25,615	3,863	7.09	2.28x	15.1x	27.2x	24.9%	15.1%
General Dynamics Corporation (GD)	186.41	55,370	57,517	31,067	4,578	8.30	1.85x	12.6x	22.4x	20.0%	14.7%
Rockwell Collins, Inc. (COL)	134.68	22,119	28,824	8,478	1,804	4.67	3.40x	16.0x	28.9x	27.1%	21.3%
BAE Systems plc (BA.)	8.53	27,234	28,446	24,764	2,540	0.39	1.15x	11.2x	21.9x	61.1%	10.3%
L3 Technologies, Inc. (LLL)	192.32	15,093	18,135	9,623	1,346	7.37	1.88x	13.5x	26.1x	12.0%	14.0%
Huntington Ingalls Industries, Inc. (HII)	216.79	9,647	10,399	7,591	1,101	11.29	1.37x	9.4x	19.2x	19.2%	14.5%
Mean		\$40,371	\$44,551	\$23,092	\$3,249	\$7.74	2.01x	13.3x	24.8x	24.8%	14.8%
Median		40,446	43,170	25,190	3,201	7.84	1.88x	13.8x	25.7x	21.4%	14.6%

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

‡ = excluded from Mean and Median calculations

Source: CapitalIQ

(1) As of close June 29, 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 March 31, 2018 excluding GD and RTN (April 1, 2018); LLL (March 30, 2018); LMT (March 25, 2018); and BA, HO and RR (December 31, 2017).

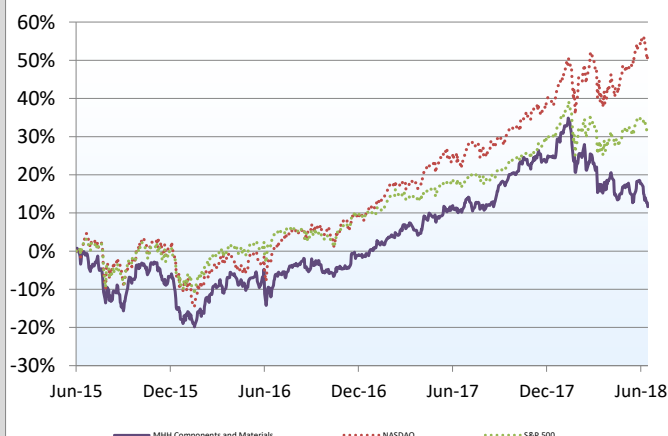
(4) Excludes non-recurring and discontinued operations.

Comparative Index Performance

The Mufson Howe Hunter Components & Materials Index^(a) decreased by 5.0% during the three months ending June 30, 2018.

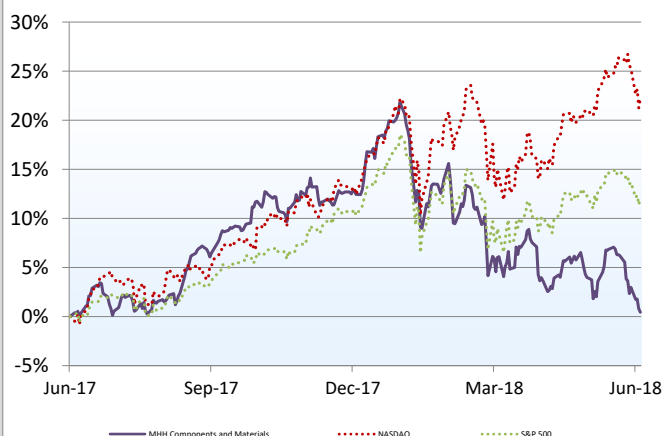
Last Three Years

Daily from June 30, 2015 to June 29, 2018
Price as Percent of Base (June 30, 2015 = 0%)



Last Twelve Months

Daily from June 30, 2017 to June 29, 2018
Price as Percent of Base (June 30, 2017 = 0%)





Price Performance

	3-Year	LTM	3 Month
Mufson Howe Hunter Components & Materials Index ^(a)	11.6%	0.8%	-5.0%
NASDAQ	50.6%	22.3%	6.3%
S&P 500	31.8%	12.2%	2.9%

(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*
		ND

Akzo Nobel N.V. (ENXTAM:AKZA) entered into an agreement to acquire Fabryo Corporation S.R.L. from Oresa on June 18, 2018. The transaction includes two production facilities and six distribution centers. Fabryo Corporation S.R.L. produces and supplies decorative lacquers and paints. Formerly known as Guzu Chim Prod Com SRL, the company changed its name to S.C. Fabryo Corporation S.R.L. in May 2006. The company was founded in 1994 and is based in Bucharest, Romania.

M&A List continues on Page 16

*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	EBITDA	Price/EPS	Gross Profit	EBITDA
Electronic Components											
TE Connectivity Ltd (TEL)	\$90.06	\$31,534	\$35,163	\$14,048	\$3,035	\$4.00	2.50x	11.6x	22.5x	33.4%	21.6%
Amphenol Corp. (APH)	87.15	26,270	28,539	7,318	1,728	2.76	3.90x	16.5x	31.6x	32.8%	23.6%
Corning Inc. (GLW)	27.51	22,843	27,321	10,241	2,759	0.94	2.67x	9.9x	29.2x	39.4%	26.9%
Omron Corp. (TSE:6645)	46.64	9,779	8,776	8,097	1,086	2.31	1.08x	8.1x	20.2x	41.6%	13.4%
Alps Electric Ltd (TSE:6770)	25.68	5,030	5,601	8,082	1,016	1.63	0.69x	5.5x	15.7x	22.0%	12.6%
Belden Inc. (BDC)	61.12	2,484	3,785	2,443	441	3.18	1.55x	8.6x	19.2x	40.4%	18.1%
Vishay Intertechnology (VSH)	23.20	3,346	2,414	2,716	521	1.40	0.89x	4.6x	16.5x	27.4%	19.2%
AVX Corp. (AVX)	15.67	2,641	1,814	1,562	238	0.71	1.16x	7.6x	22.2x	20.4%	15.2%
Encore Wire Corp. (WMRE)	47.45	989	881	1,176	90	2.23	0.75x	9.8x	21.3x	13.1%	7.6%
Mean		\$11,657	\$12,699	\$6,187	\$1,213	\$2.13	1.69x	9.1x	22.1x	30.1%	17.6%
Median		5,030	5,601	7,318	1,016	2.23	1.16x	8.6x	21.3x	32.8%	18.1%
Specialty Materials											
DowDuPont Inc. (DWDP)	\$65.92	\$152,986	\$178,716	\$70,764	\$13,160	\$2.81	2.53x	13.6x	23.5x	24.5%	18.6%
3MCompany (MMM)	196.72	116,791	128,438	32,250	8,091	6.40	3.98x	15.9x	30.7x	49.6%	25.1%
BASF SE (DE:BAS)	95.57	87,776	101,160	79,172	14,345	5.92	1.28x	7.1x	16.1x	31.6%	18.1%
PPG Industries, Inc. (PPG)	103.73	25,256	29,187	15,043	2,506	4.67	1.94x	11.6x	22.2x	43.6%	16.7%
Akzo Nobel N.V. (ENXTAM:AKZA)	85.54	21,886	25,439	11,594	1,212	1.77	2.19x	21.0x	NM	43.4%	10.5%
Evonik Industries AG (DE:EVK)	34.28	15,959	19,369	17,816	3,034	2.30	1.09x	6.4x	14.9x	31.5%	17.0%
Celanese Corp. (CE)	111.06	15,088	18,764	6,520	1,406	5.78	2.88x	13.3x	19.2x	25.8%	21.6%
Solvay SA (ENXTBR:SOLB)	126.18	13,037	16,664	13,316	2,451	5.77	1.25x	6.8x	21.9x	27.3%	18.4%
Ferro Corporation (FOE)	20.85	1,760	2,525	1,482	224	0.94	1.70x	11.3x	22.2x	29.4%	15.1%
Mean		\$50,060	\$57,807	\$27,551	\$5,159	\$4.04	2.09x	11.88x	21.35x	34.1%	17.9%
Median		21,886	25,439	15,043	2,506	4.67	1.94x	11.65x	22.04x	31.5%	18.1%
Vehicle Parts and Supplies											
Continental AG (DB:CON)	\$229.38	\$45,877	\$48,562	\$54,235	\$7,072	\$16.36	0.90x	6.9x	14.0x	25.7%	13.0%
Johnson Controls Inc. (JCI)	33.45	30,861	43,932	30,729	4,695	1.99	1.43x	9.4x	16.8x	30.1%	15.3%
Denso Corp. (TSE:6902)	48.83	38,072	36,867	48,098	6,334	3.07	0.77x	5.8x	15.9x	16.7%	13.2%
Aptiv PLC (APTIV)	91.63	24,261	27,370	13,371	2,169	3.23	2.05x	12.6x	28.4x	20.2%	16.2%
Lear Corp. (LEA)	185.81	12,323	13,342	21,202	2,196	14.29	0.63x	6.1x	13.0x	11.5%	10.4%
Autoliv, Inc. (ALV)	143.22	12,474	13,225	10,587	1,295	6.95	1.25x	10.2x	20.6x	20.6%	12.2%
Bosch Ltd. (BSE:500530)	255.38	7,795	7,249	1,796	320	6.72	4.04x	22.7x	38.0x	46.1%	17.8%
Delphi Automotive PLC (DLPH)	45.46	4,036	5,413	4,977	815	3.84	1.09x	6.6x	11.8x	19.8%	16.4%
Stanley Electric Co. Ltd. (TSE:6923)	34.10	5,597	4,870	4,163	821	1.72	1.17x	5.9x	19.8x	22.3%	19.7%
Mean		\$20,144	\$22,315	\$21,018	\$2,857	\$6.46	1.48x	9.6x	19.8x	23.7%	14.9%
Median		12,474	13,342	13,371	2,169	3.84	1.17x	6.9x	16.8x	20.6%	15.3%

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

‡ = excluded from Mean and Median calculations

Source: CapitalIQ

(1) As of close June 29, 2018.

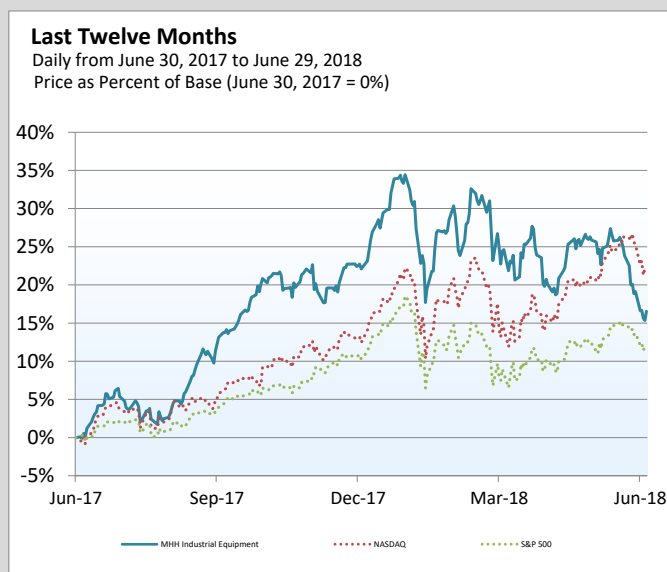
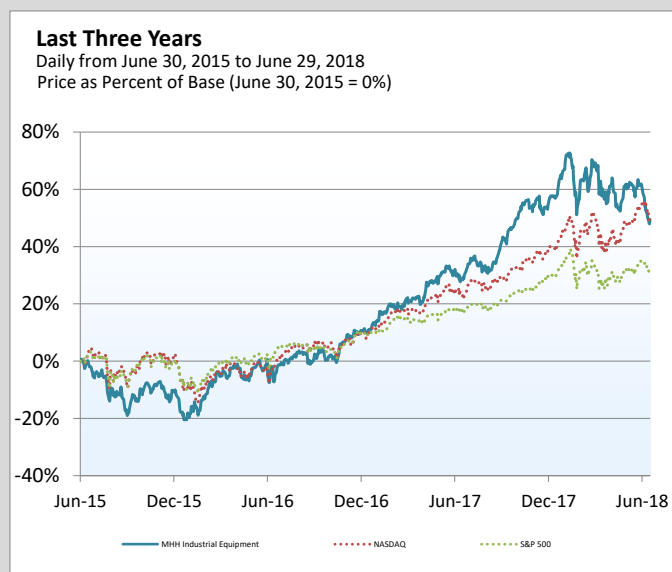
(2) Enterprise value is defined as equity value plus net debt, preferred stock and minority interests. Net Debt includes long term debt, short term debt, post-retirement benefits and unfunded pensions, if applicable, less cash and cash equivalents.

(3) As of March 31, 2018 excluding BDC (April 1, 2018); and TEL (March 30, 2018).

(4) Excludes non-recurring and discontinued operations.

Comparative Index Performance

The Mufson Howe Hunter Industrial Equipment Index^(a) decreased by 6.5% during the three months ending June 30, 2018.



Price Performance

	3-Year	LTM	3 Month
Mufson Howe Hunter Industrial Equipment Index ^(a)	49.5%	16.5%	-6.5%
NASDAQ	50.6%	22.3%	6.3%
S&P 500	31.8%	12.2%	2.9%

(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*
 (Pure Gas & Getters (Nanjing))		\$355.0

Entegris, Inc. (NasdaqGS:ENTG) entered into an agreement to acquire SAES Pure Gas, Inc. and SAES Getters (Nanjing) Co., Ltd from SAES Getters S.p.A. (BIT:SG) for approximately \$360 million on June 6, 2018. SAES Pure Gas, Inc. manufactures and supplies gas purifiers and is based in the United States. SAES Getters (Nanjing) Co., Ltd. sells gas purifiers and is based in China.

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	EBITDA	Price/EPS	Gross Profit	EBITDA
Construction Equipment											
Caterpillar Inc. (CAT)	\$135.67	\$81,118	\$109,468	\$48,499	\$9,500	\$6.38	2.26x	11.5x	21.3x	27.3%	19.6%
Deere & Company (DE)	139.80	45,335	84,178	32,999	5,380	6.12	2.55x	15.6x	22.8x	23.3%	16.3%
Cummins Inc. (CMI)	133.00	21,848	23,640	21,409	2,574	8.81	1.10x	9.2x	15.1x	24.1%	12.0%
Navistar International Corp. (NAV)	40.72	4,022	8,277	9,138	672	1.48	0.91x	12.3x	27.6x	17.3%	7.4%
Hyundai Heavy Industries Co. Ltd (KOSE:A009540)	91.69	6,337	7,070	13,379	177	(9.55)	0.53x	NM	NM	4.6%	1.3%
Oshkosh Corp. (OSK)	70.32	5,198	5,738	7,473	735	4.64	0.77x	7.8x	15.1x	17.7%	9.8%
Terex Corp. (TEX)	42.19	3,206	3,842	4,617	296	1.58	0.83x	13.0x	26.7x	18.8%	6.4%
Mean		\$23,866	\$34,602	\$19,645	\$2,762	\$2.78	1.28x	11.6x	21.4x	19.0%	10.4%
Median		6,337	8,277	13,379	735	4.64	0.91x	11.9x	22.0x	18.8%	9.8%
Electrical Equipment											
Schneider Electric SE (ENXTPA:SU)	\$83.33	\$46,464	\$51,608	\$29,711	\$4,762	\$4.17	1.74x	10.8x	20.0x	38.4%	16.0%
Emerson Electric Co. (EMR)	69.14	43,564	46,355	16,538	3,484	2.52	2.80x	13.3x	27.4x	42.4%	21.1%
Eaton Corporation plc (ETN)	74.74	32,684	39,811	20,807	3,532	3.36	1.91x	11.3x	22.2x	32.6%	17.0%
Rockwell Automation Inc. (ROK)	166.23	20,875	20,366	6,505	1,301	5.27	3.13x	15.6x	31.5x	41.9%	20.0%
Amelec Inc. (AME)	72.16	16,711	18,360	4,465	1,162	2.31	4.11x	15.8x	31.3x	34.1%	26.0%
Hubbell Inc. (HUBB)	105.74	5,801	7,667	3,808	640	5.24	2.01x	12.0x	20.2x	31.1%	16.8%
Regal Beloit Corporation (RBC)	81.80	3,598	4,641	3,426	476	4.09	1.35x	9.7x	20.0x	26.7%	13.9%
Powell Industries, Inc. (POWL)	34.83	399	332	373	-14	(1.44)	0.89x	NM	NM	11.5%	NM
Mean		\$21,262	\$23,642	\$10,704	\$1,918	\$3.19	2.24x	12.7x	24.7x	32.3%	18.7%
Median		18,793	19,363	5,485	1,232	3.73	1.96x	12.0x	22.2x	33.3%	17.0%
Semiconductor Capital Equipment											
ASML Holding NV (ASML)	\$197.99	\$84,590	\$84,442	\$11,573	\$3,705	\$0.00	7.30x ‡	22.8x ‡	NA	42.4%	32.0%
Applied Materials, Inc. (AMAT)	46.19	46,562	46,516	16,484	5,078	2.64	2.82x	9.2x	17.5x	45.5%	30.8%
Lam Research Corp. (LRCX)	172.85	28,355	25,101	10,296	3,196	9.72	2.44x	7.9x	17.8x	46.2%	31.0%
Tokyo Electron Ltd (TSE:8035)	171.60	28,162	24,789	10,647	2,847	10.03	2.33x	8.7x	17.1x	42.0%	26.7%
KLA-Tencor Corp. (KLAC)	102.53	15,954	15,526	3,905	1,525	5.45	3.98x	10.2x	18.8x	63.7%	39.0%
Teradyne Inc. (TER)	38.07	7,283	6,154	2,167	647	1.66	2.84x	9.5x	22.9x	56.7%	29.8%
Veeco Instruments Inc. (VECO)	14.25	694	662	549	34	(0.64)	1.21x	19.7x ‡	NM	39.4%	6.1%
Mean		\$30,229	\$29,027	\$7,946	\$2,433	\$4.12	2.60x	9.1x	18.8x	48.0%	27.9%
Median		28,162	24,789	10,296	2,847	2.64	2.63x	9.2x	17.8x	45.5%	30.8%
Measurement, Control, and Testing Devices											
Danaher Corporation (DHR)	\$98.68	\$68,935	\$78,411	\$18,819	\$4,560	\$2.79	4.17x	17.2x	35.4x	56.0%	24.2%
MKS Instruments, Inc. (MKSI)	95.70	5,233	5,038	2,033	551	4.96	2.48x	9.1x	19.3x	46.7%	27.1%
Entegris, Inc. (ENTG)	33.90	4,805	4,905	1,392	385	1.08	3.52x	12.7x	31.3x	46.8%	27.7%
Brooks Automation, Inc. (BRKS)	32.62	2,301	2,263	760	126	0.85	2.98x	18.0x	38.4x	40.3%	16.6%
FormFactor, Inc. (FORM)	13.30	971	926	538	88	0.34	1.72x	10.6x	39.2x	39.7%	16.3%
FARO Technologies, Inc. (FARO)	54.35	922	772	372	25	0.31	2.07x	NM	NM	57.7%	6.8%
Rudolph Technologies, Inc. (RTEC)	29.60	941	761	268	61	1.07	2.85x	12.5x	27.6x	54.3%	22.7%
Nanometrics Incorporated (NANO)	35.41	846	722	282	65	1.40	2.56x	11.2x	25.3x	55.4%	23.0%
Nova Measuring Instruments Ltd. (NVMI)	27.25	761	600	230	65	1.33	2.61x	9.3x	20.5x	58.5%	28.1%
Xcerra Corporation (XCRA)	13.97	767	592	473	69	0.68	1.25x	8.5x	20.5x	46.5%	14.7%
Cohu, Inc. (COHU)	24.51	706	575	367	51	0.91	1.57x	11.2x	26.9x	40.7%	14.0%
Axcelis Technologies, Inc. (ACLS)	19.80	636	543	446	61	0.95	1.22x	8.9x	20.7x	36.5%	13.7%
Mean		\$7,319	\$8,009	\$2,165	\$509	\$1.39	2.42x	11.7x	27.7x	48.3%	19.6%
Median		932	766	460	67	1.01	2.52x	11.2x	26.9x	46.7%	19.6%

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

‡ = excluded from Mean and Median calculations

Source: CapitalIQ

(1) As of close June 29, 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 March 31, 2018 excluding NAV and XCRA (April 30, 2018); AMAT and DE (April 29, 2018); ASML, CMI and TER (April 1, 2018); DHR (March 30, 2018); LRCX (March 25, 2018); and SU (December 31, 2017).

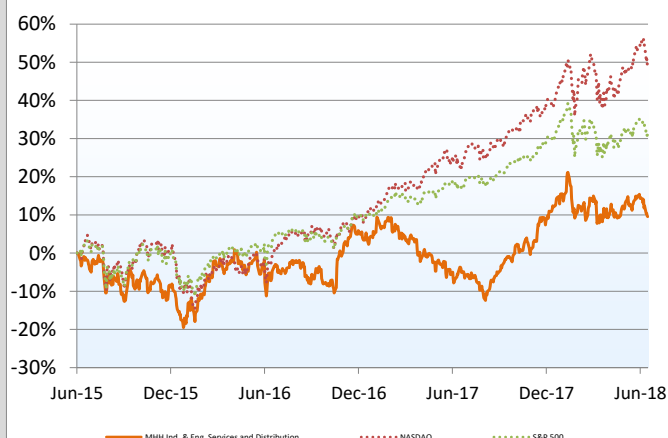
(4) Excludes non-recurring and discontinued operations.

Comparative Index Performance

The Mufson Howe Industrial & Engineering Services and Distribution Index^(a) decreased by 0.3% during the three months ending June 30, 2018.

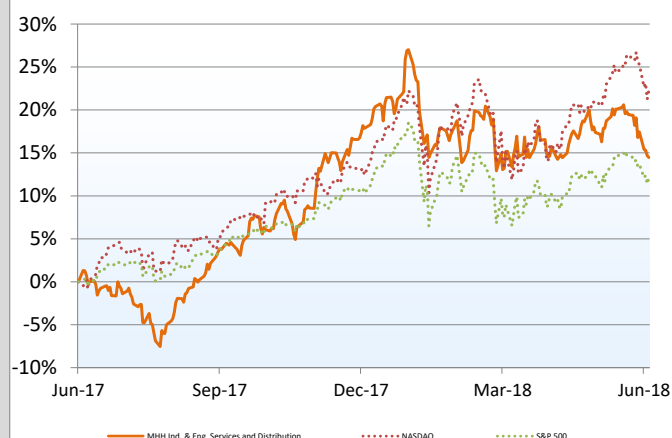
Last Three Years

Daily from June 30, 2015 to June 29, 2018
Price as Percent of Base (June 30, 2015 = 0%)



Last Twelve Months

Daily from June 30, 2017 to June 29, 2018
Price as Percent of Base (June 30, 2017 = 0%)



Price Performance

	3-Year	LTM	3 Month
Mufson Howe Hunter Industrial & Engineering Services and Distribution Index ^(a)	9.8%	14.7%	-0.3%
NASDAQ	50.6%	22.3%	6.3%
S&P 500	31.8%	12.2%	2.9%

(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 25 for sector news

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

Target	Acquirer	Value*
		\$28.5

Sims Metal Management Limited (ASX:SGM) agreed to acquire the remaining 50% stake in Sims Pacific Metals Limited from Fletcher Building Limited (NZSE:FBU) for approximately \$28 million on June 29, 2018. Sims Pacific Metals Limited provides scrap metal recycling services for ferrous (steel) and non-ferrous (aluminum, copper, brass, and stainless steel) metals in New Zealand. The company was incorporated in 1992 and is based in Auckland, New Zealand.

M&A List continues on Page 25

*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
Industrial and Engineering Services											
Jacobs Engineering Group Inc. (JEC)	\$63.49	\$9,002	\$10,773	\$11,854	\$806	\$3.03	0.91x	13.4x	20.9x	18.6%	6.8%
AECOM (ACM)	33.03	5,296	8,601	19,120	743	1.00	0.45x	11.6x	33.1x	3.3%	3.9%
John Wood Group PLC (LSE:WG)	8.28	5,539	7,183	5,394	299	0.22	1.33x	24.0x	36.9x	12.6%	5.5%
Fluor Corporation (FLR)	48.78	6,858	6,799	19,509	568	0.91	0.35x	12.0x	NM	2.7%	2.9%
Tetra Tech, Inc. (TTEK)	58.50	3,254	3,529	2,110	236	1.98	1.67x	15.0x	29.6x	17.9%	11.2%
KBR, Inc. (KBR)	17.92	2,520	2,733	4,103	239	1.12	0.67x	11.4x	16.0x	8.3%	5.8%
Balfour Beatty plc (LSE:BBY)	3.74	2,546	2,717	9,348	103	0.09	0.29x	26.5x	NM	5.1%	1.1%
Primoris Services Corporation (PRIM)	27.23	1,403	1,524	2,323	165	1.04	0.66x	9.2x	26.1x	11.5%	7.1%
White Group Public Company Limited (WG)	4.57	82	48	36	5	0.17	1.35x	9.0x	26.4x	24.5%	15.1%
Mean		\$4,055	\$4,879	\$8,200	\$352	\$1.06	0.85x	14.7x	27.0x	11.6%	6.6%
Median		3,254	3,529	5,394	239	1.00	0.67x	12.0x	26.4x	11.5%	5.8%
Industrial Distribution											
W.W. Grainger, Inc. (GWW)	\$308.40	\$17,276	\$19,541	\$10,650	\$1,486	\$11.35	1.83x	13.1x	27.2x	39.3%	14.0%
Fastenal Company (FAST)	48.13	13,846	14,114	4,529	1,034	1.94	3.12x	13.7x	24.8x	49.1%	22.8%
HD Supply Holdings, Inc. (HDS)	42.89	7,880	9,915	5,294	715	1.64	1.87x	13.9x	26.2x	39.7%	13.5%
MSC Industrial Direct Co., Inc. (MSM)	84.85	4,793	5,272	3,120	497	4.64	1.69x	10.6x	18.3x	43.8%	15.9%
WESCO International, Inc. (WCC)	57.10	2,688	3,921	7,900	382	3.37	0.50x	10.3x	16.9x	19.2%	4.8%
MRC Global Inc. (MRC)	21.67	1,943	2,892	3,794	151	0.30	0.76x	19.2x	NM	15.5%	4.0%
Lawson Products, Inc. (LAWS)	24.35	216	236	316	12	0.49	0.75x	19.3x	NM	58.4%	3.9%
Transcat, Inc. (TRNS)	18.90	136	158	155	15	0.68	1.02x	10.5x	27.8x	24.1%	9.7%
Mean		\$6,097	\$7,006	\$4,470	\$536	\$3.05	1.44x	13.8x	23.5x	36.1%	11.1%
Median		3,740	4,597	4,161	439	1.79	1.36x	13.4x	25.5x	39.5%	11.6%
Industrial Recycling Services											
Veolia Environnement S.A. (ENXTPA:VIE)	\$21.39	\$11,755	\$22,020	\$31,256	\$3,533	\$1.08	0.70x	6.2x	19.8x	15.5%	11.3%
Clean Harbors, Inc. (CLH)	55.55	3,121	4,526	3,006	430	0.55	1.51x	10.5x	NM	29.7%	14.3%
Aurubis AG (DE:NDA)	76.42	3,436	3,562	13,958	675	7.01	0.26x	5.3x	10.9x	10.9%	4.8%
Commercial Metals Company (CMC)	21.11	2,470	3,029	5,145	277	0.61	0.59x	10.9x	34.7x	11.3%	5.4%
Dow Chemicals Co., Ltd. (TSE:5714)	30.81	1,824	2,742	4,282	458	3.52	0.64x	6.0x	8.7x	14.7%	10.7%
Sims Metal Management Limited (ASX:SGM)	11.89	2,410	2,111	4,438	212	0.51	0.48x	10.0x	23.3x	13.1%	4.8%
Cardno Limited (ASX:CDD)	0.98	458	455	898	23	0.01	0.51x	20.0x	NM	7.3%	2.5%
Newalta Corporation (NAL)	0.96	84	356	192	37	(0.27)	1.85x	9.7x	NM	29.9%	19.1%
Mean		\$3,195	\$4,850	\$7,897	\$706	\$1.63	0.82x	9.8x	19.5x	16.6%	9.1%
Median		2,440	2,886	4,360	353	0.58	0.61x	9.9x	19.8x	13.9%	8.0%

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

‡ = excluded from Mean and Median calculations

Source: CapitalIQ

(1) As of close June 29, 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 March 31, 2018 excluding MSM (June 2, 2018); CMC (May 31, 2018); HDS (April 29, 2018); TTEK (April 1, 2018); JEC (March 30, 2018); HDS (January 28, 2018); and BBY, CDD, SGM and WG (December 31, 2017).

(4) Excludes non-recurring and discontinued operations.

Selected M&A Transactions – Aerospace and Defense

Announced	Target	Target Description	Acquirer	Value*
May 29	Cubris	Designs, develops, and manufactures GreenSpeed, a driver advisory system (DAS) which allows real-time and secured exchange of information between the railway system and the train driver.	Thales S.A. (ENXTPA:HO)	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 first quarter net income of \$348.7 million for fiscal year 2018 as compared to \$437.3 million for the prior year period. Earnings per share were \$0.45 versus \$0.56 for the prior year period. Revenues for the quarter increased to \$12,466.4 million from \$12,234.8 million for the same period in fiscal year 2017.

Airbus SE (ENXTPA:AIR) has appointed **Grazia Vittadini**, as Chief Technology Officer (CTO).

Embraer S.A. (NYSE:ERJ) reported first quarter net income of (\$12.1) million for fiscal year 2018 as compared to \$53.3 million for the prior year period. Earnings per share were (\$0.02) versus \$0.07 for the prior year period. Revenues for the quarter decreased to \$976.5 million from \$1,034.3 million for the same period in fiscal year 2017.

General Dynamics Corporation (NYSE:GD) reported first quarter net income of \$799.0 million for fiscal year 2018 as compared to \$763.0 million for the prior year period. Earnings per share were \$2.65 versus \$2.48 for the prior year period. Revenues for the quarter increased to \$7,535.0 million from \$7,441.0 million for the same period in fiscal year 2017.

General Dynamics Corporation (NYSE:GD) approved elected of **C. Howard Nye** to the Board of Directors at the Annual Meeting held on May 2, 2018.

Honeywell International Inc. (NYSE:HON) reported first quarter net income of \$1,438.0 million for fiscal year 2018 as compared to \$1,326.0 million for the prior year period. Earnings per share were \$1.89 versus \$1.71 for the prior year period. Revenues for the quarter increased to \$10,392.0 million from \$9,492.0 million for the same period in fiscal year 2017.

Honeywell International Inc. (NYSE:HON) has appointed **John J. Tus** to succeed Jennifer H. Mak as Vice President and Controller of the company and to serve as the company's principal accounting officer, effective as of June 29, 2018.

Huntington Ingalls Industries, Inc. (NYSE:HII) reported first quarter net income of \$156.0 million for fiscal year 2018 as compared to \$119.0 million for the prior year period. Earnings per share were \$3.48 versus \$2.56 for the prior year period. Revenues for the quarter increased to \$1,874.0 million from \$1,724.0 million for the same period in fiscal year 2017.

L3 Technologies, Inc. (NYSE:LLL) reported first quarter net income of \$203.0 million for fiscal year 2018 as compared to \$164.0 million for the prior year period. Earnings per share were \$2.54 versus \$2.07 for the prior year period. Revenues for the quarter increased to \$2,371.0 million from \$2,321.0 million for the same period in fiscal year 2017.

L3 Technologies, Inc. (NYSE:LLL) announced that its Board of Directors has elected **Christopher E. Kubasik**, Chief Executive Officer and President of L3, as Chairman of the Board. Mr. Kubasik succeeds Michael T. Strianese as Chairman.

L3 Technologies, Inc. (NYSE:LLL) announced that **Rita S. Lane** has been appointed to its Board of Directors.

Lockheed Martin Corporation (NYSE:LMT) reported first quarter net income of \$1,157.0 million for fiscal year 2018 as compared to \$789.0 million for the prior year period. Earnings per share were \$4.02 versus \$2.69 for the prior year period. Revenues for the quarter increased to \$11,635.0 million from \$11,212.0 million for the same period in fiscal year 2017.

Lockheed Martin Corporation (NYSE:LMT) announced that its board of directors has elected **Vicki Hollub** to the board effective July 2, 2018.

Northrop Grumman Corporation (NYSE:NOC) reported first quarter net income of \$739.0 million for fiscal year 2018 as compared to \$650.0 million for the prior year period. Earnings per share were \$4.21 versus \$3.69 for the prior year period. Revenues for the quarter increased to \$6,735.0 million from \$6,410.0 million for the same period in fiscal year 2017.

Raytheon Company (NYSE:RTN) reported first quarter net income of \$633.0 million for fiscal year 2018 as compared to \$506.0 million for the prior year period. Earnings per share were \$2.19 versus \$1.73 for the prior year period. Revenues for the quarter increased to \$6,267.0 million from \$6,000.0 million for the same period in fiscal year 2017.

Raytheon Company (NYSE:RTN) announced its board of directors has elected **Marta R. Stewart** as a director, effective immediately.

Rockwell Collins, Inc. (NYSE:COL) reported second quarter net income of \$237.0 million for fiscal year 2018 as compared to \$168.0 million for the prior year period. Earnings per share were \$1.43 versus \$1.27 for the prior year period. Revenues for the quarter increased to \$2,180.0 million from \$1,342.0 million for the same period in fiscal year 2017.

Rolls-Royce Holdings plc (LSE:RR.) appointed **Nick Luff** as an independent Non-Executive Director with effect from 3 May 2018.

Textron Inc. (NYSE:TXT) reported first quarter net income of \$189.0 million for fiscal year 2018 as compared to \$101.0 million for the prior year period. Earnings per share were \$0.72 versus \$0.37 for the prior year period. Revenues for the quarter increased to \$3,296.0 million from \$3,093.0 million for the same period in fiscal year 2017.

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 first quarter net income of \$2,477.0 million for fiscal year 2018 as compared to \$1,579.0 million for the prior year period. Earnings per share were \$4.15 versus \$2.54 for the prior year period. Revenues for the quarter increased to \$23,382.0 million from \$21,961.0 million for the same period in fiscal year 2017.

Selected Highlights

United Technologies Corporation (NYSE:UTX) reported first quarter net income of \$1,297.0 million for fiscal year 2018 as compared to \$1,386.0 million for the prior year period. Earnings per share were \$1.62 versus \$1.73 for the prior year period. Revenues for the quarter increased to \$15,242.0 million from \$13,815.0 million for the same period in fiscal year 2017.

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

Selected M&A Transactions – Components & Materials

Announced	Target	Target Description	Acquirer	Value*
Apr 2	Smartvue Corporation	Provides cloud-based security camera platform that delivers remote monitoring from computers, smart phones, or tablets.	Johnson Controls International plc (NYSE:JCI)	ND
Apr 10	Triatek LLC	Designs and manufactures airflow solutions and lighting control panels for healthcare facilities, labs, municipal facilities, stadiums, warehouses, schools, corporate facilities, and building automation systems.	Johnson Controls International plc (NYSE:JCI)	ND
Apr 26	Bayer (DB:BAYN) (Seeds and Crop Protection business)	Includes the global vegetable-seeds business Nunhems®, seed-treatment products sold under the Poncho®, VOTiVO®, COPeO® and ILeVO® brands, the research platform for wheat hybrids, glyphosate-based herbicides and Bayer's digital farming platform xarvioTM.	BASF SE (DB:BAS)	\$2,057.9
May 2	Devon Energy Corporation (NYSE:DVN) (Barnett Shale position)	Primarily engages in the exploration, development, and production of oil, natural gas, and natural gas liquids in the United States and Canada.	DowDuPont Inc. (NYSE:DWDP)	\$75.0
May 2	KUM Co., Ltd.	Manufactures and sells connectors that are used as components for automobile's electronic components and industrial electrical equipment.	Aptiv PLC (NYSE:APTIV)	\$5.0
May 3	BASF SE (DB:BAS) (Paper and Water Chemicals business)	Comprises chemicals for the paper and water industry. The asset is located in Germany.	Solenis International LP	ND
May 14	Greina Technologies, Inc.	Designs and develops of wireless electronic positioning systems. The company was founded in 2012 and is based in Salt Lake City, Utah.	Alps Electric Co., Ltd. (TSE:6770)	ND
May 25	Wendt Boart Sprl (from 3M Company NYSE:MMM)	Manufactures products for the glass sector.	Altifort	ND
Jun 8	ABB France SAS (Connectivity Activity of Factory)	Comprises the production business of terminal blocks used for connecting cables. The asset is located in France.	TE Connectivity Ltd. (NYSE:TEL)	ND

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

Selected News – Components & Materials

3M Company (NYSE:MMM) reported first quarter net income of \$602.0 million for fiscal year 2018 as compared to \$1,323.0 million for the prior year period. Earnings per share were \$0.98 versus \$2.16 for the prior year period. Revenues for the quarter increase to \$8,278.0 million from \$7,685.0 million for the same period in fiscal year 2017.

Akzo Nobel N.V. (ENXTAM:AKZA) reported first quarter net income of \$311.7 million for fiscal year 2018 as compared to \$256.6 million for the prior year period. Earnings per share were \$1.23 versus \$1.02 for the prior year period. Revenues for the quarter increase to \$2,680.8 million from \$2,541.7 million for the same period in fiscal year 2017.

Akzo Nobel N.V. (ENXTAM:AKZA) announced that **Nils Andersen**, joined as a Director on 26 April 2018.

Alps Electric Co., Ltd. (TSE:6770) reported net income of \$446.2 million for fiscal year 2018 as compared to \$313.2 million for the prior year. Earnings per share were \$2.28 versus \$1.60 for the prior year. Revenues for the year increase to \$8,081.7 million from \$6,755.7 million for fiscal year 2017.

Amphenol Corporation (NYSE:APH) reported first quarter net income of \$265.6 million for fiscal year 2018 as compared to \$224.9 million for the prior year period. Earnings per share were \$0.84 versus \$0.71 for the prior year period. Revenues for the quarter increase to \$1,866.9 million from \$1,560.1 million for the same period in fiscal year 2017.

Amphenol Corporation (NYSE:APH) announced that **Anne Clarke Wolff**, Managing Director and Head of Global Corporate Banking and Global Leasing at Bank of America Merrill Lynch has been appointed to Amphenol's board of directors.

Autoliv, Inc. (NYSE:ALV) reported first quarter net income of \$126.7 million for fiscal year 2018 as compared to \$143.9 million for the prior year period. Earnings per share were \$1.45 versus \$1.62 for the prior year period. Revenues for the quarter increase to \$2,812.8 million from \$2,608.1 million for the same period in fiscal year 2017.

Autoliv, Inc. (NYSE:ALV) announced that **Ted Senko** will serve as chairman of the audit committee upon the resignation of Mr. Alspaugh, and that **Hasse Johansson** will join the audit committee upon the resignation of Mr. Ziebart.

Aptiv PLC (NYSE:APTIV) reported first quarter net income of \$307.0 million for fiscal year 2018 as compared to \$335.0 million for the prior year period. Earnings per share were \$1.15 versus \$1.24 for the prior year period. Revenues for the quarter increase to \$3,630.0 million from \$3,143.0 million for the same period in fiscal year 2017.

AVX Corporation (NYSE:AVX) reported net income of \$4.9 million for fiscal year 2018 as compared to \$125.8 million for the prior year. Earnings per share were \$0.03 versus \$0.75 for the prior year. Revenues for the year increase to \$1,562.5 million from \$1,312.7 million for fiscal year 2017.

AVX Corporation (NYSE:AVX) appointed **Jeffrey Schmersal** as Chief Operating Officer.

BASF SE (DE:BAS) reported first quarter net income of \$2,068.5 million for fiscal year 2018 as compared to \$1,827.4 million for the prior year period. Earnings per share were \$2.25 versus \$1.99 for the prior year period. Revenues for the quarter increase to \$20,507.6 million from \$18,025.0 million for the same period in fiscal year 2017.

BASF SE (DE:BAS) announced effective as of the end of the annual shareholders' meeting 2018, **Dr. Martin Brudermuller** will become the new Chairman of the Board of Executive Directors of BASF SE.

Belden Inc. (NYSE:BDC) reported first quarter net income of \$2.6 million for fiscal year 2018 as compared to \$25.7 million for the prior year period. Earnings per share were (\$0.15) versus \$0.40 for the prior year period. Revenues for the quarter increase to \$605.6 million from \$551.4 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 \$1,796.4 million from \$1,583.3 million for fiscal year 2017.

Bosch Limited (BSE:500530) announced that at the board meeting held on May 22, 2018, the company has approved the appointment of **S C Srinivasan** as chief financial officer with effect from July 01, 2018.

Celanese Corporation (NYSE:CE) reported first quarter net income of \$363.0 million for fiscal year 2018 as compared to \$183.0 million for the prior year period. Earnings per share were \$2.67 versus \$1.30 for the prior year period. Revenues for the quarter increase to \$1,851.0 million from \$1,471.0 million for the same period in fiscal year 2017.

Continental Aktiengesellschaft (DB:CON) reported first quarter net income of \$908.7 million for fiscal year 2018 as compared to \$801.5 million for the prior year period. Earnings per share were \$4.55 versus \$4.01 for the prior year period. Revenues for the quarter increase to \$13,567.5 million from \$11,762.1 million for the same period in fiscal year 2017.

Corning Incorporated (NYSE:GLW) reported first quarter net income of (\$589.0) million for fiscal year 2018 as compared to \$86.0 million for the prior year period. Earnings per share were (\$0.72) versus \$0.07 for the prior year period. Revenues for the quarter increase to \$2,500.0 million from \$2,375.0 million for the same period in fiscal year 2017.

Delphi Technologies PLC (NYSE:DLPH) reported first quarter net income of \$98.0 million for fiscal year 2018 as compared to \$103.0 million for the prior year period. Earnings per share were \$1.10 versus \$1.16 for the prior year period. Revenues for the quarter increase to \$1,296.0 million from \$1,168.0 million for the same period in fiscal year 2017.

DENSO Corporation (TSE:6902) reported net income of \$3,018.3 million for fiscal year 2018 as compared to \$2,310.5 million for the prior year. Earnings per share were \$3.86 versus \$2.93 for the prior year. Revenues for the year increase to \$48,098.4 million from \$40,602.2 million for fiscal year 2017.

DowDuPont Inc. (NYSE:DWDP) reported first quarter net income of \$1,104.0 million for fiscal year 2018 as compared to \$888.0 million for the prior year period. Earnings per share were \$0.47 versus \$0.72 for the prior year period. Revenues for the quarter increase to \$21,510.0 million from \$13,230.0 million for the same period in fiscal year 2017.

Encore Wire Corporation (NasdaqGS:WIRE) reported first quarter net income of \$11.4 million for fiscal year 2018 as compared to \$13.6 million for the prior year period. Earnings per share were \$0.54 versus \$0.65 for the prior year period. Revenues for the quarter increase to \$291.4 million from \$279.4 million for the same period in fiscal year 2017.

Evonik Industries AG (DE:EVK) reported first quarter net income of \$358.5 million for fiscal year 2018 as compared to \$158.3 million for the prior year period. Earnings per share were \$0.76 versus \$0.34 for the prior year period. Revenues for the quarter increase to \$4,531.2 million from \$3,887.9 million for the same period in fiscal year 2017.

Ferro Corporation (NYSE:FOE) reported first quarter net income of \$23.4 million for fiscal year 2018 as compared to \$21.9 million for the prior year period. Earnings per share were \$0.27 versus \$0.26 for the prior year period. Revenues for the quarter increase to \$405.5 million from \$320.6 million for the same period in fiscal year 2017.

Johnson Controls International plc (NYSE:JCI) reported second quarter net income of \$438.0 million for fiscal year 2018 as compared to (\$148.0) million for the prior year period. Earnings per share were \$0.47 versus (\$0.16) for the prior year period. Revenues for the quarter increase to \$7,475.0 million from \$7,267.0 million for the same period in fiscal year 2017.

Johnson Controls International plc (NYSE:JCI) announced its board of directors has elected **Jean S. Blackwell** to serve as a director, effective immediately.

Johnson Controls International plc (NYSE:JCI) announced **Nancy Berce** has joined the company as its chief information officer (CIO) succeeding John Repko.

Lear Corporation (NYSE:LEA) reported first quarter net income of \$353.7 million for fiscal year 2018 as compared to \$305.8 million for the prior year period. Earnings per share were \$5.16 versus \$4.35 for the prior year period. Revenues for the quarter increase to \$5,733.7 million from \$4,998.5 million for the same period in fiscal year 2017.

Lear Corporation (NYSE:LEA) announced that it has hired **John Absmeier** as Chief Technology Officer to lead all aspects of the Company's technology and innovation efforts.

OMRON Corporation (TSE:6645) reported net income of \$594.7 million for fiscal year 2018 as compared to \$412.4 million for the prior year. Earnings per share were \$2.80 versus \$1.93 for the prior year. Revenues for the year increase to \$8,097.4 million from \$7,122.9 million for fiscal year 2017.

PPG Industries, Inc. (NYSE:PPG) reported first quarter net income of \$334.0 million for fiscal year 2018 as compared to \$337.0 million for the prior year period. Earnings per share were \$1.33 versus \$1.30 for the prior year period. Revenues for the quarter increase to \$3,781.0 million from \$3,486.0 million for the same period in fiscal year 2017.

Solvay SA (ENXTBR:SOLB) reported first quarter net income of \$134.3 million for fiscal year 2018 as compared to \$251.3 million for the prior year period. Earnings per share were \$1.29 versus \$2.42 for the prior year period. Revenues for the quarter decrease to \$3,070.1 million from \$3,379.0 million for the same period in fiscal year 2017.

Stanley Electric Co., Ltd. (TSE:6923) reported net income of \$339.0 million for fiscal year 2018 as compared to \$257.3 million for the prior year. Earnings per share were \$2.05 versus \$1.55 for the prior year. Revenues for the year increase to \$4,163.3 million from \$3,484.8 million for fiscal year 2017.

TE Connectivity Ltd. (NYSE:TEL) reported second quarter net income of \$490.0 million for fiscal year 2018 as compared to \$405.0 million for the prior year period. Earnings per share were \$1.38 versus \$1.13 for the prior year period. Revenues for the quarter increase to \$3,745.0 million from \$3,227.0 million for the same period in fiscal year 2017.

Vishay Intertechnology, Inc. (NYSE:VSH) reported first quarter net income of \$62.4 million for fiscal year 2018 as compared to \$36.7 million for the prior year period. Earnings per share were \$0.39 versus \$0.24 for the prior year period. Revenues for the quarter increase to \$716.8 million from \$604.8 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 Equipment

Announced	Target	Target Description	Acquirer	Value*
Apr 13	Hyundai Power Transformers USA, Inc. (from Hyundai Heavy Industries Co., Ltd. KOSE:A009540)	Manufactures power transformers. The company was founded in 2010 and is based in Montgomery, Alabama.	Hyundai Electric & Energy Systems Co., Ltd. (KOSE:A267260)	\$28.8
Apr 24	BioSpeciMan Corporation	Provides temperature controlled biological sample storage services. The company was founded in 2002 and is based in Montreal, Canada.	Brooks Automation, Inc. (NasdaqGS:BRKS)	\$5.0
Apr 25	Mobile Industrial Robots ApS	Develops and manufactures mobile industrial robots for internal transport tasks in the industry, manufacturing companies, and hospitals.	Teradyne, Inc. (NYSE:TER)	\$270.0
May 2	Sound Com Corporation	Provides design, integration, installation, training and support services for audio, video, sound, and communication technologies.	AMETEK, Inc. (NYSE:AME)	ND
May 8	Xcerra Corporation (NasdaqGS:XCRA)	Provides test and handling capital equipment, interface products, and test fixtures and related services to the semiconductor and electronics manufacturing industries worldwide.	Cohu, Inc. (NasdaqGS:COHU)	\$800.0
May 14	Anhui Jianghuai Navistar Diesel Engine Co., Ltd. (50% Stake from Navistar International Corporation NYSE:NAV)	Manufactures and distributes diesel engines. The company is based in Hefei, China.	Cummins Inc. (NYSE:CMI)	ND
Jun 26	Finlay Plant Limited (from Terex Corporation NYSE:TEX)	Manufactures a comprehensive range of tracked mobile crushing, screening, and recycling equipment. The company was founded in 2007 and is based in Bristol, United Kingdom.	Molson Group Ltd	ND
Jun 26	Flex Concepts, Inc.	Manufactures products for the biopharmaceutical industry that includes accessories, tubing, fittings, and related products to fill any company's bioprocessing needs.	Entegris, Inc. (NasdaqGS:ENTG)	ND

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

Selected News – Industrial Equipment

AMETEK, Inc. (NYSE:AME) reported first quarter net income of \$181.3 million for fiscal year 2018 as compared to \$138.9 million for the prior year period. Earnings per share were \$0.78 versus \$0.60 for the prior year period. Revenues for the quarter increased to \$1,172.6 million from \$1,007.7 million for the same period in fiscal year 2017.

Applied Materials, Inc. (NasdaqGS:AMAT) reported second quarter net income of \$1,129.0 million for fiscal year 2018 as compared to \$824.0 million for the prior year period. Earnings per share were \$1.09 versus \$0.76 for the prior year period. Revenues for the quarter increased to \$4,567.0 million from \$3,546.0 million for the same period in fiscal year 2017.

ASML Holding N.V. (ENXTAM:ASML) reported first quarter net income of \$715.2 million for fiscal year 2018 as compared to \$492.8 million for the prior year period. Earnings per share were (\$0.00) versus (\$0.00) for the prior year period. Revenues for the quarter increased to \$2,815.1 million from \$2,078.3 million for the same period in fiscal year 2017.

Axcelis Technologies, Inc. (NasdaqGS:ACLS) reported first quarter net income of \$13.9 million for fiscal year 2018 as compared to \$9.5 million for the prior year period. Earnings per share were \$0.41 versus \$0.29 for the prior year period. Revenues for the quarter increased to \$122.2 million from \$86.9 million for the same period in fiscal year 2017.

Brooks Automation, Inc. (NasdaqGS:BRKS) reported second quarter net income of \$67.0 million for fiscal year 2018 as compared to \$14.0 million for the prior year period. Earnings per share were \$0.95 versus \$0.20 for the prior year period. Revenues for the quarter increased to \$207.3 million from \$169.3 million for the same period in fiscal year 2017.

Caterpillar Inc. (NYSE:CAT) reported first quarter net income of \$1,665.0 million for fiscal year 2018 as compared to \$192.0 million for the prior year period. Earnings per share were \$2.74 versus \$0.32 for the prior year period. Revenues for the quarter increased to \$12,859.0 million from \$9,822.0 million for the same period in fiscal year 2017.

Caterpillar Inc. (NYSE:CAT) announced that, effective May 4, 2018, **Joe Creed** was appointed interim Chief Financial Officer of the Company, a role he assumed in addition to his Vice President duties.

Caterpillar Inc. (NYSE:CAT) announced that its board of directors has appointed **Andrew Bonfield** as chief financial officer (CFO) effective September 1, 2018.

Caterpillar Inc. (NYSE:CAT) appointed **Steve Ferguson** a vice president of the company, effective June 1, 2018.

Cohu, Inc. (NasdaqGS:COHU) reported first quarter net income of \$8.1 million for fiscal year 2018 as compared to \$6.8 million for the prior year period. Earnings per share were \$0.28 versus \$0.24 for the prior year period. Revenues for the quarter increased to \$95.2 million from \$81.1 million for the same period in fiscal year 2017.

Cummins Inc. (NYSE:CMI) reported first quarter net income of \$325.0 million for fiscal year 2018 as compared to \$396.0 million for the prior year period. Earnings per share were \$1.96 versus \$2.36 for the prior year period. Revenues for the quarter increased to \$5,570.0 million from \$4,589.0 million for the same period in fiscal year 2017.

Danaher Corporation (NYSE:DHR) reported first quarter net income of \$566.6 million for fiscal year 2018 as compared to \$506.1 million for the prior year period. Earnings per share were \$0.80 versus \$0.72 for the prior year period. Revenues for the quarter increased to \$4,695.4 million from \$4,205.7 million for the same period in fiscal year 2017.

Deere & Company (NYSE:DE) reported second quarter net income of \$1,208.3 million for fiscal year 2018 as compared to \$808.5 million for the prior year period. Earnings per share were \$3.67 versus \$2.50 for the prior year period. Revenues for the quarter increased to \$10,565.8 million from \$7,985.8 million for the same period in fiscal year 2017.

Eaton Corporation plc (NYSE:ETN) reported first quarter net income of \$488.0 million for fiscal year 2018 as compared to \$434.0 million for the prior year period. Earnings per share were \$1.10 versus \$0.96 for the prior year period. Revenues for the quarter increased to \$5,251.0 million from \$4,848.0 million for the same period in fiscal year 2017.

Emerson Electric Co. (NYSE:EMR) reported second quarter net income of \$482.0 million for fiscal year 2018 as compared to \$292.0 million for the prior year period. Earnings per share were \$0.76 versus \$0.45 for the prior year period. Revenues for the quarter increased to \$4,248.0 million from \$3,574.0 million for the same period in fiscal year 2017.

Entegris, Inc. (NasdaqGS:ENTG) reported first quarter net income of \$57.6 million for fiscal year 2018 as compared to \$32.5 million for the prior year period. Earnings per share were \$0.40 versus \$0.23 for the prior year period. Revenues for the quarter increased to \$367.2 million from \$317.4 million for the same period in fiscal year 2017.

FARO Technologies, Inc. (NasdaqGS:FARO) reported first quarter net income of \$0.5 million for fiscal year 2018 as compared to (\$1.5) million for the prior year period. Earnings per share were \$0.03 versus (\$0.09) for the prior year period. Revenues for the quarter increased to \$92.8 million from \$81.6 million for the same period in fiscal year 2017.

FormFactor, Inc. (NasdaqGS:FORM) reported first quarter net income of \$2.1 million for fiscal year 2018 as compared to \$5.2 million for the prior year period. Earnings per share were \$0.03 versus \$0.07 for the prior year period. Revenues for the quarter decreased to \$118.3 million from \$128.8 million for the same period in fiscal year 2017.

Hubbell Incorporated (NYSE:HUBB) reported first quarter net income of \$58.3 million for fiscal year 2018 as compared to \$62.8 million for the prior year period. Earnings per share were \$1.05 versus \$1.13 for the prior year period. Revenues for the quarter increased to \$991.2 million from \$852.3 million for the same period in fiscal year 2017.

Hyundai Heavy Industries Co., Ltd. (KOSE:A009540) reported first quarter net income of \$11.7 million for fiscal year 2018 as compared to \$336.2 million for the prior year period. Earnings per share were \$0.14 versus \$5.55 for the prior year period. Revenues for the quarter decreased to \$2,866.2 million from \$3,854.6 million for the same period in fiscal year 2017.

KLA-Tencor Corporation (NasdaqGS:KLAC) reported third quarter net income of \$306.9 million for fiscal year 2018 as compared to \$253.6 million for the prior year period. Earnings per share were \$1.95 versus \$1.61 for the prior year period. Revenues for the quarter increased to \$1,021.3 million from \$913.8 million for the same period in fiscal year 2017.

Lam Research Corporation (NasdaqGS:LRCX) reported third quarter net income of \$778.8 million for fiscal year 2018 as compared to \$574.7 million for the prior year period. Earnings per share were \$4.33 versus \$3.10 for the prior year period. Revenues for the quarter increased to \$2,892.1 million from \$2,154.0 million for the same period in fiscal year 2017.

MKS Instruments, Inc. (NasdaqGS:MKSI) reported first quarter net income of \$105.1 million for fiscal year 2018 as compared to \$65.1 million for the prior year period. Earnings per share were \$1.90 versus \$1.18 for the prior year period. Revenues for the quarter increased to \$554.3 million from \$437.2 million for the same period in fiscal year 2017.

MKS Instruments, Inc. (NasdaqGS:MKSI) announced the promotion of **Dr. John T.C. Lee** to the position of President, effective May 9, 2018.

Nanometrics Incorporated (NasdaqGS:NANO) reported first quarter net income of \$16.4 million for fiscal year 2018 as compared to \$5.4 million for the prior year period. Earnings per share were \$0.67 versus \$0.21 for the prior year period. Revenues for the quarter increased to \$82.3 million from \$59.3 million for the same period in fiscal year 2017.

Navistar International Corporation (NYSE:NAV) reported second quarter net income of \$55.0 million for fiscal year 2018 as compared to (\$80.0) million for the prior year period. Earnings per share were \$0.55 versus (\$0.86) for the prior year period. Revenues for the quarter increased to \$2,422.0 million from \$2,096.0 million for the same period in fiscal year 2017.

Navistar International Corporation (NYSE:NAV) announced **Raymond T. Miller** has been named to the company's board of directors, effective immediately.

Nova Measuring Instruments Ltd. (NasdaqGS:NVMl) reported first quarter net income of \$14.1 million for fiscal year 2018 as compared to \$13.4 million for the prior year period. Earnings per share were \$0.49 versus \$0.48 for the prior year period. Revenues for the quarter increased to \$62.6 million from \$54.4 million for the same period in fiscal year 2017.

Oshkosh Corporation (NYSE:OSK) reported second quarter net income of \$110.8 million for fiscal year 2018 as compared to \$44.3 million for the prior year period. Earnings per share were \$1.47 versus \$0.58 for the prior year period. Revenues for the quarter increased to \$1,886.4 million from \$1,618.3 million for the same period in fiscal year 2017.

Oshkosh Corporation (NYSE:OSK) announced that retired **General Raymond T. Odierno** has been appointed to its Board of Directors.

Powell Industries, Inc. (NasdaqGS:POWL) reported second quarter net income of (\$3.3) million for fiscal year 2018 as compared to (\$0.8) million for the prior year period. Earnings per share were (\$0.29) versus (\$0.07) for the prior year period. Revenues for the quarter decreased to \$101.5 million from \$104.7 million for the same period in fiscal year 2017.

Regal Beloit Corporation (NYSE:RBC) reported first quarter net income of \$58.4 million for fiscal year 2018 as compared to \$46.3 million for the prior year period. Earnings per share were \$1.31 versus \$1.02 for the prior year period. Revenues for the quarter increased to \$878.8 million from \$813.5 million for the same period in fiscal year 2017.

Regal Beloit Corporation (NYSE:RBC) announced that **Terrence S. Hahn** has joined the Company's Board of Directors.

Rockwell Automation Inc. (NYSE:ROK) reported second quarter net income of \$227.4 million for fiscal year 2018 as compared to \$189.5 million for the prior year period. Earnings per share were \$1.77 versus \$1.45 for the prior year period. Revenues for the quarter increased to \$1,651.2 million from \$1,554.3 million for the same period in fiscal year 2017.

Rudolph Technologies, Inc. (NYSE:RTEC) reported first quarter net income of \$15.1 million for fiscal year 2018 as compared to \$7.2 million for the prior year period. Earnings per share were \$0.47 versus \$0.22 for the prior year period. Revenues for the quarter increased to \$73.1 million from \$60.7 million for the same period in fiscal year 2017.

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.

Schneider Electric S.E. (ENXTPA:SU) announced **Shonodeep Modak** is appointed Chief Marketing Officer for North America, where he will be responsible for the development and implementation of the brand and marketing strategy in the United States, Canada and Mexico.

Teradyne, Inc. (NYSE:TER) reported first quarter net income of \$87.0 million for fiscal year 2018 as compared to \$85.2 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 \$487.5 million from \$456.9 million for the same period in fiscal year 2017.

Terex Corporation (NYSE:TEX) reported first quarter net income of \$50.3 million for fiscal year 2018 as compared to (\$4.6) million for the prior year period. Earnings per share were \$0.62 versus (\$0.04) for the prior year period. Revenues for the quarter increased to \$1,260.9 million from \$1,006.9 million for the same period in fiscal year 2017.

Tokyo Electron Limited (TSE:8035) reported net income of \$1,924.3 million for fiscal year 2018 as compared to \$1,033.3 million for the prior year. Earnings per share were \$11.69 versus \$6.28 for the prior year. Revenues for the year increased to \$10,646.7 million from \$7,172.4 million for fiscal year 2017.

Veeco Instruments Inc. (NasdaqGS:VECO) reported first quarter net income of (\$15.8) million for fiscal year 2018 as compared to \$1.6 million for the prior year period. Earnings per share were (\$0.34) versus \$0.04 for the prior year period. Revenues for the quarter increased to \$158.6 million from \$94.5 million for the same period in fiscal year 2017.

Xcerra Corporation (NasdaqGS:XCRA) reported third quarter net income of \$11.8 million for fiscal year 2018 as compared to \$7.5 million for the prior year period. Earnings per share were \$0.21 versus \$0.14 for the prior year period. Revenues for the quarter increased to \$115.7 million from \$103.6 million for the same period in fiscal year 2017.

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

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

Announced	Target	Target Description	Acquirer	Value*
Apr 6	SureSearch Pty Ltd	Provides underground utility locating and mapping, ground penetrating radar (GPR), survey and mapping, non-destruction excavation, concrete scanning, and concrete survey.	Cardno Limited (ASX:CDD)	ND
Apr 19	Aspire Defence Limited (unknown minority stake from Carillion plc LSE:CLLN)	Engages in construction of living and working accommodations for soldiers and military personnel. The company was incorporated in 2005 and is based in Tidworth, United Kingdom.	KBR, Inc. (NYSE:KBR)	ND
May 1	All Integrated Solutions	Supplies standard and specialty components and fasteners to original equipment manufacturers and other customers.	MSC Industrial Direct Co., Inc. (NYSE:MSM)	\$86.0
Jun 11	Canadian industrial services division of AECOM	Operates largely within the heavy oil and oil sands regions of Alberta. The asset is located in the United States.	Mullen Group Ltd. (TSX:MTL)	ND
Jun 28	NBS Calibrations, Inc.	Manufactures laboratory equipment and offers repairs and calibration services to the scientific, educational, and industrial community. The company was founded in 1971 and is based in Bloomington, Minnesota.	Transcat, Inc. (NasdaqGM:TRNS)	ND

*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 second quarter net income of (\$119.7) million for fiscal year 2018 as compared to \$102.4 million for the prior year period. Earnings per share were (\$0.75) versus \$0.65 for the prior year period. Revenues for the quarter increased to \$4,790.9 million from \$4,427.2 million for the same period in fiscal year 2017.

Aurubis AG (XTRA:NDA) reported second quarter net income of (\$0.0) million for fiscal year 2018 as compared to (\$0.0) million for the prior year period. Earnings per share were (\$0.00) versus (\$0.00) for the prior year period. Revenues for the quarter decreased to \$0.0 million from \$0.0 million for the same period in fiscal year 2017.

Clean Harbors, Inc. (NYSE:CLH) reported first quarter net income of (\$12.6) million for fiscal year 2018 as compared to (\$21.4) million for the prior year period. Earnings per share were (\$0.22) versus (\$0.37) for the prior year period. Revenues for the quarter increased to \$749.8 million from \$688.9 million for the same period in fiscal year 2017.

Commercial Metals Company (NYSE:CMC) reported third quarter net income of \$40.0 million for fiscal year 2018 as compared to \$39.3 million for the prior year period. Earnings per share were \$0.34 versus \$0.34 for the prior year period. Revenues for the quarter increased to \$1,204.5 million from \$1,044.7 million for the same period in fiscal year 2017.

Commercial Metals Company (NYSE:CMC) announced that effective April 1, 2018, **Tracy L. Porter** will assume the role of Executive Vice President and Chief Operating Officer of the company.

Dowa Holdings Co., Ltd. (TSE:5714) reported net income of \$232.5 million for fiscal year 2018 as compared to \$234.7 million for the prior year. Earnings per share were \$3.93 versus \$3.97 for the prior year. Revenues for the year increased to \$4,281.9 million from \$3,681.6 million for fiscal year 2017.

Fluor Corporation (NYSE:FLR) reported first quarter net income of (\$17.6) million for fiscal year 2018 as compared to \$60.6 million for the prior year period. Earnings per share were (\$0.13) versus \$0.43 for the prior year period. Revenues for the quarter decreased to \$4,823.8 million from \$4,835.9 million for the same period in fiscal year 2017.

HD Supply Holdings, Inc. (NasdaqGS:HDS) reported first quarter net income of \$89.0 million for fiscal year 2019 as compared to \$85.0 million for the prior year period. Earnings per share were \$0.48 versus \$0.42 for the prior year period. Revenues for the quarter increased to \$1,389.0 million from \$1,216.0 million for the same period in fiscal year 2018.

Jacobs Engineering Group Inc. (NYSE:JEC) reported second quarter net income of \$48.6 million for fiscal year 2018 as compared to \$50.0 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 \$3,935.0 million from \$2,302.6 million for the same period in fiscal year 2017.

KBR, Inc. (NYSE:KBR) reported first quarter net income of \$138.0 million for fiscal year 2018 as compared to \$37.0 million for the prior year period. Earnings per share were \$0.98 versus \$0.26 for the prior year period. Revenues for the quarter decreased to \$1,038.0 million from \$1,106.0 million for the same period in fiscal year 2017.

Lawson Products, Inc. (NasdaqGS:LAWS) reported first quarter net income of \$1.2 million for fiscal year 2018 as compared to \$0.9 million for the prior year period. Earnings per share were \$0.13 versus \$0.09 for the prior year period. Revenues for the quarter increased to \$84.5 million from \$74.6 million for the same period in fiscal year 2017.

MRC Global Inc. (NYSE:MRC) reported first quarter net income of \$18.0 million for fiscal year 2018 as compared to \$6.0 million for the prior year period. Earnings per share were \$0.13 versus (\$0.00) for the prior year period. Revenues for the quarter increased to \$1,010.0 million from \$862.0 million for the same period in fiscal year 2017.

MRC Global Inc. (NYSE:MRC) announced that **Henry Cornell** has joined its board of directors.

Newalta Corporation (TSX:NAL) reported first quarter net income of (\$8.1) million for fiscal year 2018 as compared to (\$10.9) million for the prior year period. Earnings per share were (\$0.09) versus (\$0.12) for the prior year period. Revenues for the quarter increased to \$47.9 million from \$45.6 million for the same period in fiscal year 2017.

Primoris Services Corporation (NasdaqGS:PRIM) reported first quarter net income of \$0.7 million for fiscal year 2018 as compared to \$7.7 million for the prior year period. Earnings per share were \$0.01 versus \$0.15 for the prior year period. Revenues for the quarter decreased to \$504.1 million from \$561.5 million for the same period in fiscal year 2017.

Tetra Tech, Inc. (NasdaqGS:TTEK) reported second quarter net income of \$28.7 million for fiscal year 2018 as compared to \$26.9 million for the prior year period. Earnings per share were \$0.51 versus \$0.46 for the prior year period. Revenues for the quarter increased to \$532.8 million from \$512.0 million for the same period in fiscal year 2017.

Transcat, Inc. (NasdaqGM:TRNS) reported net income of \$5.9 million for fiscal year 2018 as compared to \$4.5 million for the prior year. Earnings per share were \$0.81 versus \$0.64 for the prior year. Revenues for the year increased to \$155.1 million from \$143.9 million for fiscal year 2017.

Veolia Environnement S.A. (ENXTPA:VIE) reported first quarter net income of \$237.8 million for fiscal year 2018 as compared to \$109.4 million for the prior year period. Earnings per share were \$0.43 versus \$0.13 for the prior year period. Revenues for the quarter increased to \$7,908.1 million from \$6,601.0 million for the same period in fiscal year 2017.

W.W. Grainger, Inc. (NYSE:GWW) reported first quarter net income of \$231.5 million for fiscal year 2018 as compared to \$174.7 million for the prior year period. Earnings per share were \$4.07 versus \$2.93 for the prior year period. Revenues for the quarter increased to \$2,766.4 million from \$2,541.1 million for the same period in fiscal year 2017.

W.W. Grainger, Inc. (NYSE:GWW) announced it has appointed **Thomas Okray** as Senior Vice President and Chief Financial Officer (CFO), effective May 2, 2018.

WESCO International, Inc. (NYSE:WCC) reported first quarter net income of \$44.4 million for fiscal year 2018 as compared to \$37.7 million for the prior year period. Earnings per share were \$0.93 versus \$0.76 for the prior year period. Revenues for the quarter increased to \$1,993.9 million from \$1,772.6 million for the same period in fiscal year 2017.

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

Mufson Howe Hunter & Company LLC is an independent investment bank for middle-market companies. We focus on selling businesses, buy-outs, acquisitions, and raising capital. Unique to the middle market, our senior bankers have extensive corporate finance experience and deep knowledge of the capital markets.

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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