



Industrials quarterly update

Q1 2020
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Industrials trends

Automotive¹

The automotive industry is undergoing a massive transformation. It's pervasive across the industry, and much of it is being driven by Industry 4.0 and the continued digitization of the entire value chain. To remain relevant in the industry 4.0 ecosystem, automotive companies have to clear some near-term hurdles. Another trend is growing interest in electric vehicles. The number of people who want an alternative engine in their next vehicle is growing rapidly.

Manufacturing³

Globalization of the manufacturing ecosystem has transformed industrial supply chains into global networks. Consequently, the ongoing complexities in trade relationships continue to put strains on many industrial manufacturing companies' operational and financial performances. More than ever, it is crucial to manage supply chain risks through opening new channels of suppliers and focusing on strategic sourcing activities, including geographic concentration of suppliers.

Chemicals²

Despite recent dips in overall M&A volumes over the past few years, the chemicals industry continues to enjoy robust M&A activity. Activity levels have remained strong amid trade and geopolitical tension, economic uncertainty, and slowing growth rates. The fundamentals for M&A activity in the chemical industry continue to be strong as well. Many sectors within the chemical industry remain fragmented, providing opportunities for consolidators to create value through M&A.

Oil and gas⁴

As oil prices continue to decline, many oil and gas companies are struggling to adapt to current, challenging markets and to demonstrate positive returns on deployed capital. The difficult investment environment, coupled with restricted access to financing, has stifled dealmaking. The major oil companies will likely continue to divest their noncore international assets to streamline portfolios. Furthermore, companies are starting to divest higher-carbon assets and expand power and renewables investments.

In the news

March 6, 2020 – Austrian oil company OMV is preparing to increase its stake in plastics maker Borealis to 75 percent in a deal worth \$4.7 billion, OMV announced on March 6, 2020. OMV already owns 36 percent of the company, with the remainder held by Abu Dhabi state investor Mubadala [MUDEV.UL].⁵

February 27, 2020 – Advent International Corporation, Cinven Limited, and RAG-Stiftung signed definitive agreements to acquire ThyssenKrupp Elevator AG from ThyssenKrupp AG (XTRA:TKA) for €17.2 billion on February 27, 2020. As part of the transaction, ThyssenKrupp AG will reinvest and will acquire a substantial minority stake for €1.25 billion. The consideration is expected to be paid by the end of the current fiscal year. For the financial year ended 2019, ThyssenKrupp Elevator AG reported revenues of €8 billion.⁶

February 17, 2020 – Alstom signed a Memorandum of Understanding with Bombardier Inc. and Caisse de dépôt et placement du Québec (CDPQ) in view of the acquisition of Bombardier Transportation. Post-transaction, Alstom will have a backlog of around €75 billion and revenues around €15.5 billion. The price for the acquisition of 100 percent of Bombardier Transportation shares will be €5.8 billion to €6.2 billion and will be paid via a mix of cash and new Alstom shares.⁷

In this update

- Industrials trends
- Economic outlook
- Industry analysis
- Select M&A transactions
- Appendix

This update will focus on news and trends in the following areas:

- Automotive
- Chemicals
- Manufacturing
- Oil and gas
- Aerospace and defense

Who we are

Deloitte Corporate Finance LLC is a leading global middle-market M&A adviser. The firm's professionals have extensive knowledge in the industrials space and use their experience to help clients create and act upon opportunities for liquidity, growth, and long-term advantages.

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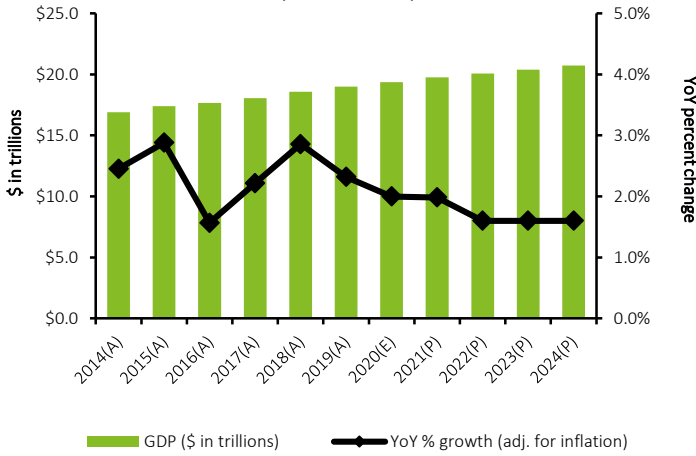
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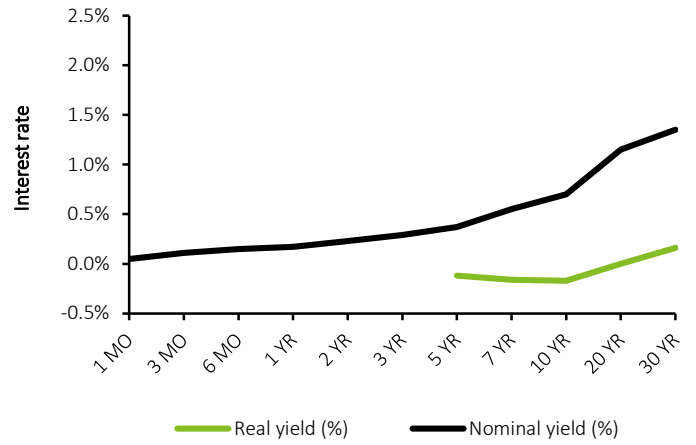
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Macroeconomic outlook

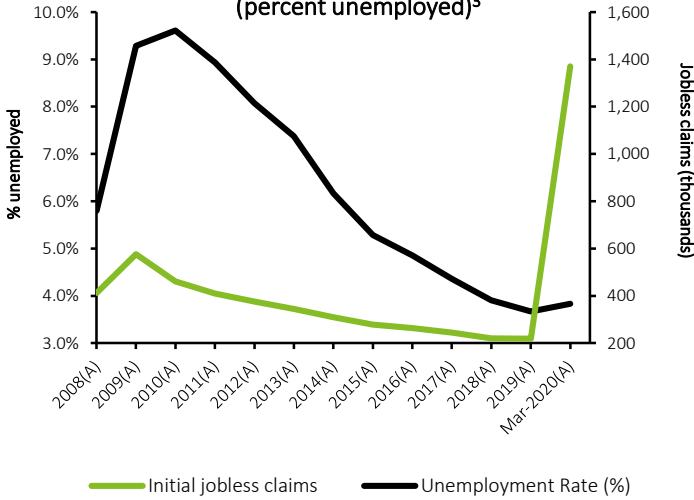
US gross domestic product
(\$ in trillions)¹



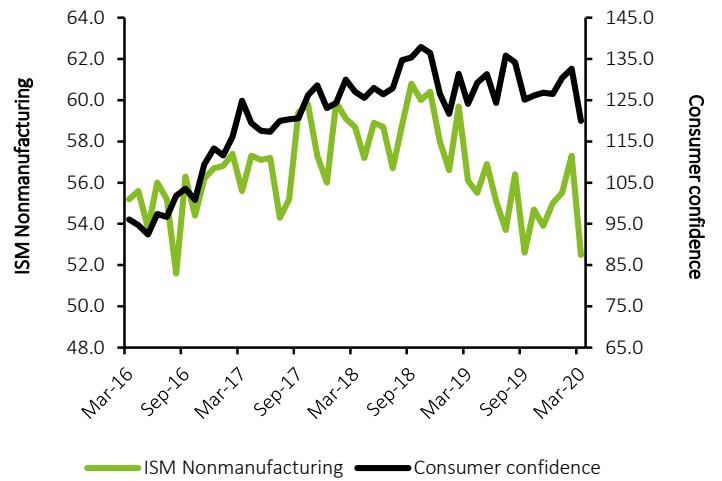
US treasury yield curve
(nominal vs. real)²



US unemployment rate
(percent unemployed)³



ISM nonmanufacturing index
and consumer confidence index⁴



Industrials sector outlook

ISM purchase managers index⁵



Industrial production index (YoY growth)⁶

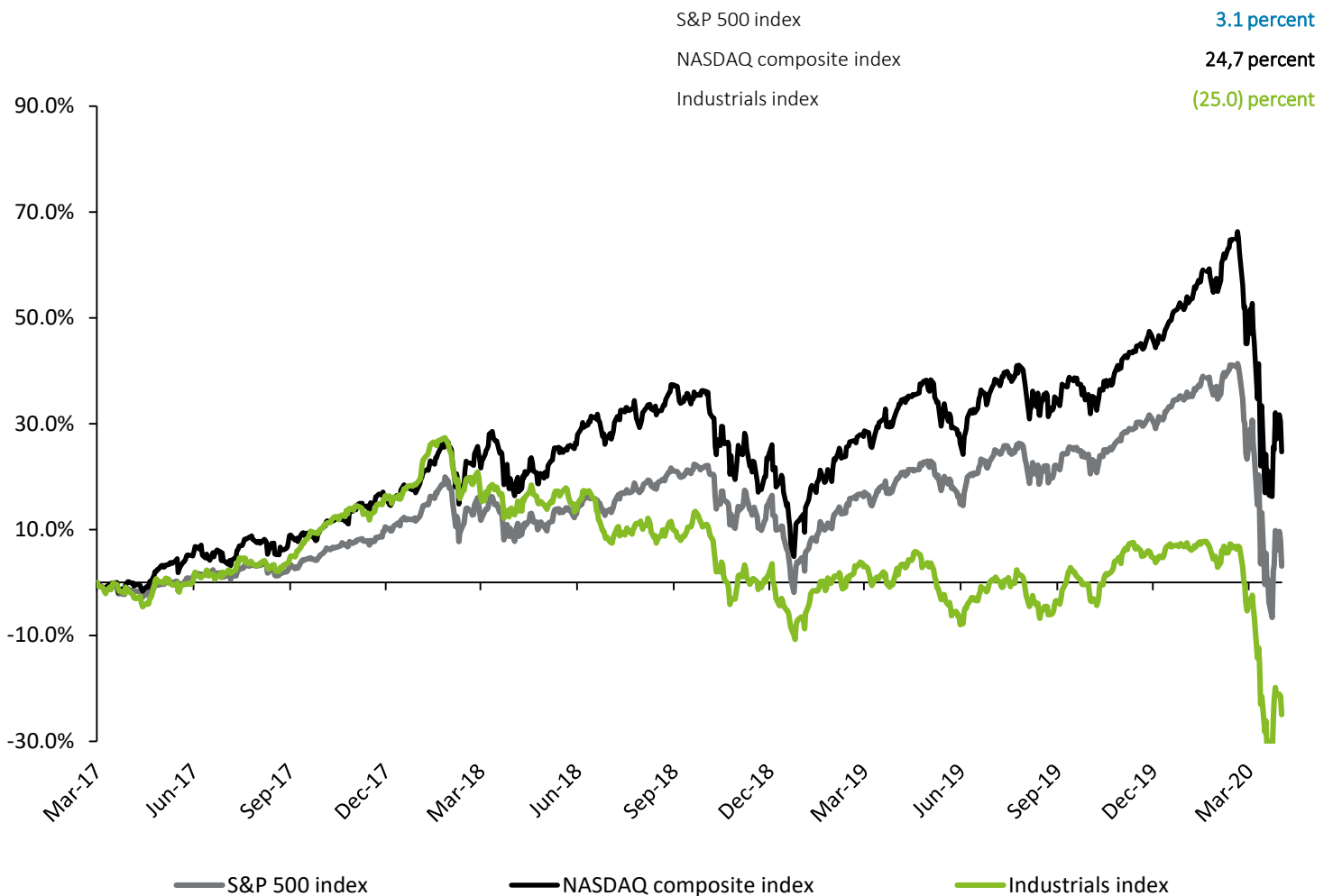


Note: An ISM purchase managers index value above 50 signals economic expansion.

Industrials sector breakdown and trading statistics¹

Sector	Number of Companies	Percent of 52-week high	Median revenue CAGR (3-yr)	Median LTM EBITDA	Median EBITDA margin	Median enterprise value	Past 12 months		NTM
							EV/revenue	EV/EBITDA	EV/EBITDA
(\$ in millions)									
Automotive	20	49.6%	3.4%	\$6,506.3	9.3%	\$52,983.7	0.6x	7.1x	7.0x
Building products, electric products, industrial safety	19	55.7	8.0	492.3	12.9	3,354.9	0.8	8.7	7.8
Capital equipment and rental services	21	60.5	10.2	430.2	15.2	2,969.7	1.0	7.9	7.3
Distribution, transportation, and logistics	19	74.6	8.5	1,072.4	9.7	10,371.6	0.9	10.1	9.4
Engineering and construction	30	52.2	2.0	224.9	7.2	1,437.4	0.3	4.1	5.2
Metals, plastics, and paper packaging	16	67.7	7.5	1,015.7	15.2	7,483.1	1.2	8.0	8.1
Specialty chemicals	11	56.7	2.0	893.5	19.5	7,065.5	1.9	8.8	9.2
Industrials sector	136	59.6 %	6.0 %	\$1,519.3	12.7 %	\$12,238.0	1.0 x	7.8 x	7.7 x

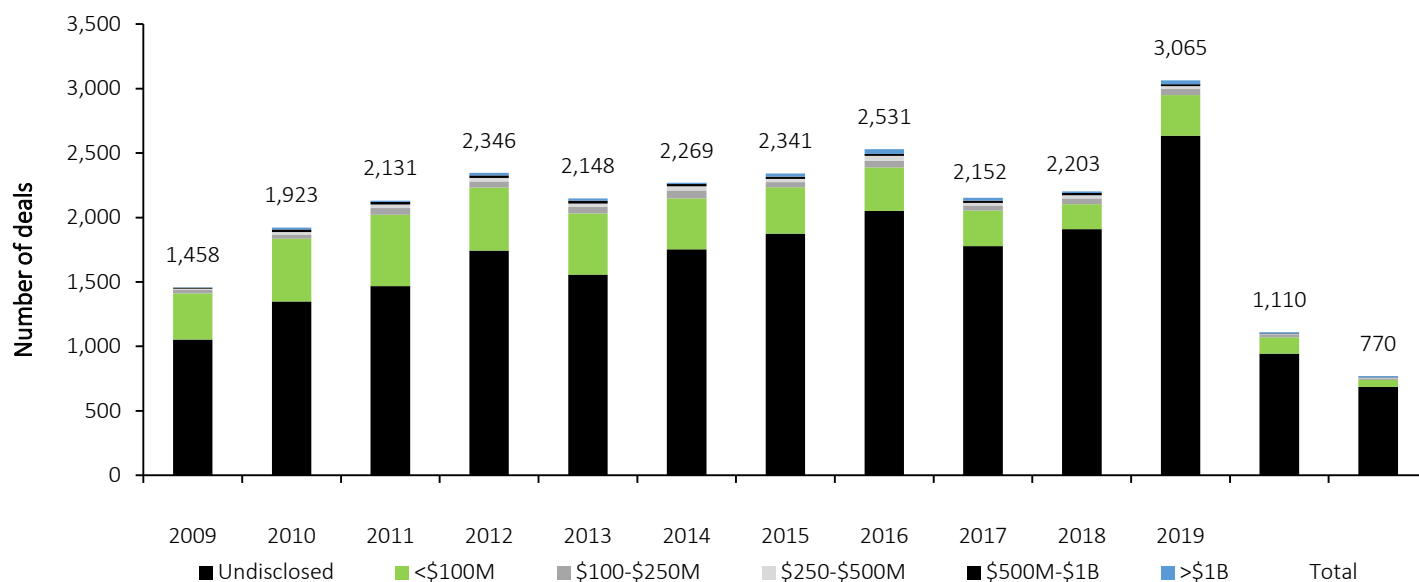
Public comparables three-year stock market performance²



Select large industrials M&A transactions¹

(\$ in Millions) Announced date	Target and acquiror	Business description	Enterprise value (EV)	EV/ revenue	EV/ EBITDA
Mar-20	Borealis AG OMV Refining & Marketing GmbH	OMV Refining & Marketing GmbH owns and operates oil and gas filling stations and commercial network. The company is based in Vienna, Austria. OMV Refining & Marketing GmbH operates as a subsidiary of OMV Aktiengesellschaft.	6,559.6	1.1 x	6.5 x
Feb-20	thyssenkrupp Elevator AG Advent International Corporation	thyssenkrupp Elevator AG manufactures passenger, bed, and freight elevators and provides escalators and moving walks for department stores, train stations, soccer arenas, casinos, office complexes, and airports.	18,700.0	2.2	NA
Feb-20	Bombardier Transportation GmbH Alstom SA	Bombardier Transportation GmbH designs, manufactures, and sells rail transportation solutions in Germany and internationally.	8,071.5	NA	NA
Jan-20	Navistar International Corporation Traton SE	Navistar International Corporation manufactures and sells commercial trucks, diesel engines, school and commercial buses, and service parts for trucks and diesel engines worldwide.	8,122.2	0.7	9.2
Jan-20	Consolidated Aerospace Manufacturing, LLC Stanley Black & Decker, Inc.	Consolidated Aerospace Manufacturing, LLC designs and manufactures fittings, precision aerospace components, hardware, and fastening solutions for aircraft and aerospace industries.	1,500.0	4.0	NA

Annual US industrials M&A transaction volume²



Recent transactions¹

Target and acquirer	Subsector	Announced date	Close date	LTM		EBITDA margin	Enterprise value (EV)	Past 12 months		
				revenue	EBITDA			EV/ revenue	EV/ EBITDA	
(\$ in millions)										
Five Hydrogen Production Plants of PBF Energy Inc. Air Products and Chemicals, Inc.	Commodity chemicals	Mar-20	Pending	NA	NA	NA %	\$530.0	NA x	NA x	
Plug Power Inc. Smart Hydrogen Inc.	Electrical components and equipment	Mar-20	Pending	\$230.2	NA	NA	978.0	4.2	NA	
Cimcool Business of Milacron LLC DuBois Chemicals, Inc.	Specialty chemicals	Mar-20	Mar-20	NA	NA	NA	250.0	NA	NA	
Innovel Solutions, Inc. Costco Wholesale Corporation	Air freight and logistics	Mar-20	Mar-20	NA	NA	NA	1,000.0	NA	NA	
CVC Thermoset Specialties, Inc. Huntsman Corporation	Commodity chemicals	Mar-20	Pending	115.0	NA	NA	300.0	2.6	NA	
Mobile Mini, Inc. WillScot Corporation	Diversified support services	Mar-20	Pending	612.6	257.8	42.1	2,865.2	4.7	11.1	
IWG High Performance Conductors, Inc. Teleflex Incorporated	Electrical components and equipment	Feb-20	Feb-20	NA	NA	NA	260.0	NA	NA	
Performance Team LLC A.P. Møller - Mærsk A/S	Air freight and logistics	Feb-20	Apr-20	525.0	90.0	17.1	545.0	1.0	6.1	
Southern Comfort Conversions, Inc. FOX Factory, Inc.	Automobile manufacturers	Feb-20	Mar-20	NA	NA	NA	341.0	NA	NA	
American Steamship Company Rand Logistics, Inc.	Marine	Feb-20	Pending	NA	NA	NA	260.0	NA	NA	
Unisys Federal Science Applications International Corporation	Aerospace and defense	Feb-20	Mar-20	689.0	NA	NA	1,200.0	1.7	NA	
Navistar International Corporation Traton SE	Construction machinery and heavy trucks	Jan-20	Pending	11,251.0	803.0	7.1	7,382.6	0.7	9.2	
Consolidated Aerospace Manufacturing, LLC Stanley Black & Decker, Inc.	Aerospace and defense	Jan-20	Pending	375.0	NA	NA	1,500.0	4.0	NA	
Prime Distribution Services, Inc. C.H. Robinson Worldwide, Inc.	Diversified support services	Jan-20	Mar-20	108.7	NA	NA	225.0	2.1	NA	
Regulatory DataCorp, Inc. Moody's Corporation	Research and consulting services	Jan-20	Feb-20	NA	NA	NA	700.0	NA	NA	
Lummus Technology Business of McDermott Rhône Capital, L.L.C.; The Chatterjee Group	Industrial machinery	Jan-20	Pending	NA	NA	NA	2,725.0	NA	NA	
Three Marine Terminals in Connecticut, Delaware and Louisiana Buckeye Partners, L.P.	Marine ports and services	Jan-20	Pending	NA	NA	NA	250.0	NA	NA	
Military Global Positioning System Business Of Collins Aerospace BAE Systems plc	Aerospace and defense	Jan-20	Pending	NA	NA	NA	1,925.0	NA	NA	
Canadian Operations and Certain Assets in the United States and Overseas of Canam Group Inc. Caisse de dépôt et placement du Québec; Fonds de solidarité FTQ; Placements CMI Inc.	Diversified metals and mining	Jan-20	Pending	NA	NA	NA	643.2	NA	NA	
Airborne Tactical Radios Business of Raytheon Company BAE Systems plc	Aerospace and defense	Jan-20	Pending	NA	NA	NA	275.0	NA	NA	
Pope MGP, Inc. / Pope EGP, Inc. / Pope Resources, A Delaware Limited Partnership Rayonier Inc.; Rayonier Operating Company LLC	Forest products	Jan-20	Pending	NA	NA	NA	566.8	NA	NA	
Reading Alloys, Inc. Kymera International	Diversified metals and mining	Jan-20	Mar-20	160.0	NA	NA	250.0	1.6	NA	
American Waste, Inc. GFL Environmental Inc.	Environmental and facilities services	Jan-20	Feb-20	NA	NA	NA	380.0	NA	NA	
Elemental Environmental Solutions LLC Veolia ES Technical Solutions, L.L.C.	Environmental and facilities services	Jan-20	Jan-20	NA	NA	NA	250.0	NA	NA	
Median				\$375.0	\$257.8	\$17.1 %	\$537.5	\$2.1 x	\$9.2 x	
Mean				\$1,563.0	\$383.6	\$22.1 %	\$1,066.7	\$2.5 x	\$8.8 x	

Appendix

Public comparable analysis¹

Company (ticker)	Percent of 52-week high	LTM Revenue	Revenue CAGR (3-yr)	LTM EBITDA	EBITDA margin	Enterprise value (EV)	Past 12 months		NTM
							EV/ revenue	EV/ EBITDA	EV/ EBITDA
<i>(\$ in Millions)</i>									
Automotive									
Bayerische Motoren Werke Aktiengesellschaft (DB:BMW)	59.7 %	\$116,945.3	3.4 %	\$14,145.4	12.1 %	\$165,138.3	1.4 x	11.7 x	NM
Daimler AG (XTRA:DAI)	45.9	193,855.9	4.1	8,751.0	4.5	214,290.1	1.1	24.5	13.7 x
Delphi Technologies PLC (NYSE:DLPH)	30.0	4,361.0	(0.9)	456.0	10.5	2,754.3	0.6	6.0	6.6
Fiat Chrysler Automobiles N.V. (BIT:FCA)	44.1	121,408.4	0.7	10,914.6	9.0	21,967.1	0.2	2.0	0.8
Ford Motor Company (NYSE:F)	45.7	155,900.0	0.9	11,148.0	7.2	169,991.5	1.1	15.2	24.9
General Motors Company (NYSE:GM)	49.6	137,237.0	(2.7)	12,771.0	9.3	139,027.5	1.0	10.9	8.7
Honda Motor Co., Ltd. (TSE:7267)	74.6	142,827.5	3.8	11,606.2	8.1	97,984.7	0.7	8.4	8.0
Hyundai Motor Company (KOSE:A005380)	61.8	91,595.8	4.1	5,211.2	5.7	75,727.4	0.8	14.5	10.8
Isuzu Motors Limited (TSE:7202)	44.4	19,130.8	3.1	2,040.3	10.7	10,228.0	0.5	5.0	5.5
Kia Motors Corporation (KOSE:A000270)	55.4	50,365.0	3.3	3,585.3	7.1	13,395.5	0.3	3.7	2.3
Mazda Motor Corporation (TSE:7261)	41.8	32,191.0	2.9	1,348.1	4.2	5,767.4	0.2	4.3	6.8
Mitsubishi Corporation (TSE:8058)	72.1	141,198.1	35.3	6,506.3	4.6	96,165.6	0.7	14.8	11.1
Peugeot S.A. (ENXTPA:UG)	45.0	83,863.8	11.4	9,282.9	11.1	16,511.1	0.2	1.8	0.9
Renault SA (ENXTPA:RNO)	27.6	62,324.1	2.7	5,796.2	9.3	59,272.7	1.0	10.2	11.6
SAIC Motor Corporation Limited (SHSE:600104)	67.7	121,116.8	3.7	4,893.5	4.0	38,447.9	0.3	7.9	6.3
Subaru Corporation (TSE:7270)	65.1	30,067.7	0.3	3,323.0	11.1	13,610.2	0.5	4.1	3.3
Suzuki Motor Corporation (TSE:7269)	47.0	33,666.1	5.9	3,675.3	10.9	20,889.3	0.6	5.7	5.2
Tesla, Inc. (NasdaqGS:TLA)	54.1	24,578.0	52.0	2,187.0	8.9	86,141.8	3.5	39.4	31.4
Toyota Motor Corporation (TSE:7203)	81.0	281,387.0	4.1	39,133.3	13.9	331,222.1	1.2	8.5	14.0
Volkswagen AG (XTRA:VOW3)	56.9	283,505.8	5.2	33,756.0	11.9	277,574.9	1.0	8.2	7.2
Median	49.6 %	\$116,945.3	3.4 %	\$6,506.3	9.3 %	\$52,983.7	0.6 x	7.1 x	7.0 x
Mean	53.4 %		4.8 %		8.7 %		0.6 x	7.4 x	8.2 x
Building products, electric products, industrial safety									
Beacon Roofing Supply, Inc. (NasdaqGS:BECN)	41.4 %	\$7,058.6	19.3 %	\$423.2	6.0 %	\$5,119.2	0.7 x	12.1 x	11.3 x
BlueLinx Holdings Inc. (NYSE:BXC)	14.0	2,637.3	11.9	52.3	2.0	872.6	0.3	16.7	11.0
BMC Stock Holdings, Inc. (NasdaqGS:BMCH)	56.0	3,626.6	5.4	236.6	6.5	2,235.7	0.6	9.4	6.4
Boral Limited (ASX:BLD)	35.7	4,119.4	14.1	640.9	15.6	5,228.4	1.3	8.2	6.0
Builders FirstSource, Inc. (NasdaqGS:BLDR)	43.0	7,280.4	4.6	492.3	6.8	4,556.5	0.6	9.3	7.6
Compagnie de Saint-Gobain S.A. (ENXTPA:SGO)	56.0	47,775.8	2.9	5,087.0	10.6	36,829.2	0.8	7.2	5.7
Cornerstone Building Brands, Inc. (NYSE:CNR)	46.6	4,889.7	23.8	563.0	11.5	4,608.0	0.9	NM	7.3
Eagle Materials Inc. (NYSE:EXP)	60.2	1,420.1	6.2	380.9	26.8	4,755.5	3.3	12.5	7.8
Emerson Electric Co. (NYSE:EMR)	60.8	18,376.0	8.5	3,709.0	20.2	50,855.2	2.8	13.7	11.0
Gibraltar Industries, Inc. (NasdaqGS:ROCK)	75.9	1,047.4	1.3	119.9	11.4	1,519.0	1.5	12.7	8.6
Huttig Building Products, Inc. (NasdaqCM:HBP)	23.7	812.0	4.4	2.9	0.4	231.6	0.3	NM	NM
James Hardie Industries plc (ASX:JHX)	55.4	2,558.4	11.2	611.1	23.9	10,144.0	4.0	16.6	10.6
Martin Marietta Materials, Inc. (NYSE:MLM)	67.1	4,422.3	7.3	1,251.9	28.3	20,851.9	4.7	16.7	12.5
Owens Corning (NYSE:OC)	56.5	7,160.0	8.0	1,216.0	17.0	10,486.2	1.5	8.6	6.4
Summit Materials, Inc. (NYSE:SUM)	59.5	2,222.1	11.0	438.6	19.7	4,466.3	2.0	10.2	8.1
US Concrete, Inc. (NasdaqGS:USCR)	32.3	1,478.7	8.2	161.1	10.9	1,458.6	1.0	9.1	6.1
USG Corporation	N/A	3,336.0	4.6	430.0	12.9	6,787.5	2.0	15.8	NM
Vulcan Materials Company (NYSE:VMC)	70.9	4,929.1	11.1	1,213.6	24.6	22,171.8	4.5	18.3	13.7
Wienerberger AG (WBAG:WIE)	50.7	3,889.9	5.2	622.2	16.0	4,386.9	1.1	7.1	5.1
Median	55.7 %	\$3,889.9	8.0 %	\$492.3	12.9 %	\$3,354.9	0.8 x	8.7 x	7.8 x
Mean	50.3 %		8.9 %		14.3 %		1.3 x	9.0 x	8.6 x
Capital equipment and rental services									
Aggreko Plc (LSE:AGK)	55.3 %	\$2,136.3	2.1 %	\$721.8	33.8 %	\$2,264.1	1.1 x	3.1 x	4.1 x
Ashtead Group plc (LSE:AHT)	63.1	6,640.8	18.5	3,079.6	46.4	16,619.9	2.5	5.4	6.2
Astec Industries, Inc. (NasdaqGS:ASTE)	75.4	1,169.6	0.6	54.5	4.7	744.7	0.6	13.7	15.2
Caterpillar Inc. (NYSE:CAT)	77.1	53,800.0	11.8	10,610.0	19.7	94,889.6	1.8	8.9	18.1
Cervus Equipment Corporation (TSX:CERV)	42.4	878.2	0.9	10.2	1.2	283.9	0.3	27.9	8.7
CNH Industrial N.V. (NYSE:CNHI)	46.8	28,079.0	3.8	2,629.0	9.4	28,530.2	1.0	10.9	18.2
Cummins Inc. (NYSE:CMH)	72.5	23,571.0	10.4	3,253.0	13.8	22,399.9	1.0	6.9	9.6
Deere & Company (NYSE:DE)	75.9	38,880.0	13.3	6,122.0	15.7	85,358.7	2.2	13.9	19.1
Finning International Inc. (TSX:FTT)	58.4	6,026.8	11.6	482.6	8.0	3,024.5	0.5	6.3	6.3
H&E Equipment Services, Inc. (NasdaqGS:HEES)	38.8	1,348.4	11.3	220.9	16.4	1,854.2	1.4	8.4	4.2
Herc Holdings Inc. (NYSE:HRI)	40.3	1,999.0	8.7	308.5	15.4	2,969.7	1.5	9.6	4.8
Korea Shipbuilding & Offshore Engineering Co. (KOSE:A009540)	59.1	13,150.9	(12.0)	600.5	4.6	7,038.3	0.5	NM	12.0
Manitex International, Inc. (NasdaqCM:MNIX)	47.4	224.8	9.1	6.9	3.1	125.1	0.6	18.1	8.0
McGrath RentCorp (NasdaqGS:MGRG)	62.4	570.2	10.4	150.5	26.4	1,573.7	2.8	10.5	7.3
Nishio Rent All Co., Ltd. (TSE:9699)	68.7	1,446.9	10.2	382.5	26.4	1,012.3	0.7	2.6	2.4
Oshkosh Corporation (NYSE:OSK)	67.3	8,273.7	9.9	856.0	10.3	5,122.9	0.6	6.0	8.5
The Manitowoc Company, Inc. (NYSE:MTW)	43.9	1,834.1	4.4	143.3	7.8	458.9	0.3	3.2	5.7
Toromont Industries Ltd. (TSX:TIH)	82.6	2,836.2	24.4	430.2	15.2	3,788.0	1.3	8.8	9.8
United Rentals, Inc. (NYSE:URI)	60.5	9,351.0	17.5	2,653.0	28.4	19,709.6	2.1	7.4	5.1
Vp plc (LSE:VP.)	60.6	462.7	18.6	127.3	27.5	642.5	1.4	5.0	4.2
Wajax Corporation (TSX:WJX)	37.7	1,197.4	8.3	67.6	5.6	376.0	0.3	5.6	4.4
Median	60.5 %	\$2,136.3	10.2 %	\$430.2	15.2 %	\$2,969.7	1.0 x	7.9 x	7.3 x
Mean	58.9 %		9.2 %		16.2 %		1.2 x	9.1 x	8.7 x

Public comparables analysis (cont.)¹

Company (ticker)	Percent of 52-week high	LTM revenue	Revenue CAGR (3-yr)	LTM EBITDA	EBITDA margin	Enterprise value (EV)	Past 12 months		NTM
							EV/revenue	EV/EBITDA	EV/EBITDA
<i>(\$ in millions)</i>									
Distribution, transportation, and logistics									
ArcBest Corporation (NasdaqGS:ARCB)	50.9 %	\$2,988.3	3.4 %	\$188.3	6.3 %	\$522.1	0.2 x	2.8 x	3.5 x
C.H. Robinson Worldwide, Inc. (NasdaqGS:CHRW)	72.0	15,309.5	5.2	873.4	5.7	9,802.9	0.6	11.2	14.3
Deutsche Post AG (XTRA:DPW)	70.8	71,359.0	3.2	5,431.5	7.6	48,984.0	0.7	9.0	5.7
Echo Global Logistics, Inc. (NasdaqGS:ECHO)	65.8	2,185.0	8.4	56.1	2.6	616.9	0.3	11.0	9.3
Expeditors International of Washington, Inc. (NasdaqGS:EXPD)	81.7	8,175.4	10.3	817.6	10.0	10,371.6	1.3	12.7	14.5
FedEx Corporation (NYSE:FDX)	60.8	69,666.0	6.6	4,019.0	5.8	63,355.1	0.9	15.8	9.5
Forward Air Corporation (NasdaqGS:FWRD)	70.3	1,410.4	11.0	160.2	11.4	1,586.3	1.1	9.9	10.4
Hapag-Lloyd Aktiengesellschaft (DB:HLAG)	87.1	14,148.7	17.7	1,673.5	11.8	20,234.8	1.4	12.1	NM
Hub Group, Inc. (NasdaqGS:HUBG)	75.3	3,668.1	10.1	269.3	7.3	1,712.2	0.5	6.4	7.0
J.B. Hunt Transport Services, Inc. (NasdaqGS:JBHT)	75.4	9,165.3	11.8	1,256.4	13.7	11,185.5	1.2	8.9	9.2
Knight-Swift Transportation Holdings Inc. (NYSE:KNX)	81.1	4,844.0	63.0	896.8	18.5	6,506.0	1.3	7.3	7.6
Kuehne + Nagel International AG (SWX:KNIN)	79.1	21,780.3	8.5	1,275.2	5.9	17,964.4	0.8	14.1	10.9
Landstar System, Inc. (NasdaqGS:LSTR)	79.7	4,089.6	8.9	342.4	8.4	3,601.9	0.9	10.5	12.0
Nippon Yusen Kabushiki Kaisha (TSE:9101)	62.2	15,623.7	(4.0)	1,197.2	7.7	12,085.9	0.8	10.1	10.0
Old Dominion Freight Line, Inc. (NasdaqGS:ODFL)	86.7	4,109.1	11.2	1,072.4	26.1	15,399.5	3.7	14.4	14.5
Ryder System, Inc. (NYSE:R)	39.1	8,925.8	9.7	2,170.8	24.3	9,455.5	1.1	4.4	4.3
United Parcel Service, Inc. (NYSE:UPS)	74.6	74,094.0	6.3	7,896.0	10.7	102,650.1	1.4	13.0	11.0
Werner Enterprises, Inc. (NasdaqGS:WERN)	90.6	2,463.7	7.0	453.4	18.4	2,800.0	1.1	6.2	6.6
XPO Logistics, Inc. (NYSE:XPO)	48.7	16,648.0	4.4	1,617.0	9.7	11,854.4	0.7	7.3	7.6
Median	74.6 %	\$8,925.8	8.5 %	\$1,072.4	9.7 %	\$10,371.6	0.9 x	10.1 x	9.4 x
Mean	71.1 %		10.7 %		11.1 %		1.1 x	9.8 x	9.3 x
Engineering and construction									
ACS, Actividades de Construcción y Servicios, S.A. (BME:ACS)	43.5 %	\$43,825.7	6.9 %	\$2,857.2	6.5 %	\$8,313.6	0.2 x	2.9 x	2.9 x
Aegion Corporation (NasdaqGS:AEGN)	75.8	1,213.9	(0.2)	96.0	7.9	848.2	0.7	8.8	7.6
Arcadis NV (ENXTAM:ARCAD)	58.9	3,897.8	1.4	253.1	6.5	2,080.8	0.5	8.2	7.3
Babcock International Group PLC (LSE:BAB)	58.1	5,430.0	0.9	669.5	12.3	4,888.7	0.9	7.3	5.7
Balfour Beatty plc (LSE:BBY)	72.9	9,685.5	1.8	192.0	2.0	1,921.4	0.2	10.0	7.4
Bilfinger SE (DB:GBF)	41.6	4,855.7	0.6	145.8	3.0	736.8	0.2	NM	NM
CIMIC Group Limited (ASX:CIM)	45.1	10,328.2	10.6	1,251.3	12.1	4,609.9	0.4	3.7	3.3
Comfort Systems USA, Inc. (NYSE:FIX)	62.8	2,615.3	17.0	211.9	8.1	1,623.8	0.6	7.7	7.0
Costain Group PLC (LSE:COST)	9.6	1,530.5	(9.8)	29.1	1.9	3.9	0.0	0.1	0.2
Daelim Industrial Co., Ltd. (KOSE:A000210)	60.2	8,402.0	(0.5)	912.2	10.9	2,940.7	0.4	3.2	3.1
Daewoo Engineering and Construction Co., Ltd. (KOSE:A047040)	53.3	7,494.1	(8.0)	469.0	6.3	2,366.9	0.3	5.0	5.0
Ebara Corporation (TSE:6361)	57.6	4,807.1	0.0	464.0	9.7	1,737.6	0.4	3.7	4.0
Fluor Corporation (NYSE:FLR)	16.5	18,520.5	0.2	(119.1)	NM	1,201.4	0.1	NM	NM
Fomento de Construcciones y Contratas, S.A. (BME:FCC)	59.4	7,194.9	1.3	1,060.2	14.7	8,174.6	1.1	7.7	7.9
GS Engineering and Construction Corporation (KOSE:A006360)	47.2	9,022.7	(1.9)	692.5	7.7	2,527.1	0.3	3.6	3.7
Keller Group plc (LSE:KLR)	58.5	3,046.8	8.9	229.8	7.5	839.4	0.3	3.7	3.9
Kier Group plc (LSE:KIE)	19.5	5,241.6	(0.5)	198.7	3.8	696.2	0.1	3.5	4.1
Koninklijke BAM Groep nv (ENXTAM:BAMNB)	29.0	8,090.1	1.1	97.6	1.2	101.1	0.0	1.0	0.7
Maire Tecnimont S.p.A. (BIT:MT)	40.2	3,718.3	11.1	223.6	6.0	803.3	0.2	3.6	4.2
Matrix Service Company (NasdaqGS:MTRX)	38.9	1,414.4	2.2	64.6	4.6	190.3	0.1	2.9	5.0
Monadelphous Group Limited (ASX:MND)	51.2	1,038.9	5.6	66.8	6.4	547.8	0.5	8.2	7.7
Morgan Sindall Group plc (LSE:MGNS)	60.6	4,067.7	6.2	124.5	3.1	508.8	0.1	4.1	4.6
Oil States International, Inc. (NYSE:OIS)	9.5	1,017.4	13.6	91.8	9.0	407.6	0.4	4.4	7.9
Penta-Ocean Construction Co., Ltd. (TSE:1893)	80.3	5,455.4	6.4	394.0	7.2	2,139.5	0.4	5.4	5.3
Primoris Services Corporation (NasdaqGS:PRIM)	66.3	3,106.3	15.9	226.3	7.3	1,251.0	0.4	5.5	6.1
Quanta Services, Inc. (NYSE:PWR)	72.0	12,112.2	16.5	862.4	7.1	6,017.8	0.5	7.0	5.9
RPC, Inc. (NYSE:RES)	15.7	1,222.4	18.8	125.6	10.3	425.8	0.3	3.4	10.4
Sumitomo Heavy Industries, Ltd. (TSE:6302)	48.8	8,116.1	8.6	813.3	10.0	2,772.6	0.3	3.4	3.8
Team, Inc. (NYSE:TISI)	34.2	1,163.3	(0.9)	48.4	4.2	588.3	0.5	NM	7.7
VINCI SA (ENXTPA:DG)	70.2	54,932.1	8.2	8,924.9	16.2	75,901.8	1.4	8.5	9.3
Median	52.2 %	\$5,048.7	2.0 %	\$224.9	7.2 %	\$1,437.4	0.3 x	4.1 x	5.2 x
Mean	48.6 %		4.7 %		7.4 %		0.4 x	5.1 x	5.4 x

Public comparables analysis (cont.)¹

Company (ticker)	Percent of 52-week high	LTM revenue	Revenue CAGR (3-yr)	LTM EBITDA	EBITDA margin	Enterprise value (EV)	Past 12 months		NTM
							EV/ revenue	EV/ EBITDA	EV/ EBITDA
<i>(\$ in millions)</i>									
Metals, plastics, and paper packaging									
Alcoa Corporation (NYSE:AA)	20.7 %	\$10,433.0	3.8 %	\$1,461.0	14.0 %	\$4,001.2	0.4 x	2.7 x	4.4 x
AptarGroup, Inc. (NYSE:ATR)	78.9	2,859.7	7.1	590.6	20.7	7,500.6	2.6	12.7	13.4
ArcelorMittal (ENXTAM:MT)	40.4	70,615.0	7.5	3,619.0	5.1	20,830.1	0.3	5.8	5.0
Avery Dennison Corporation (NYSE:AVY)	72.2	7,070.1	5.1	975.3	13.8	10,281.3	1.5	10.5	11.6
Ball Corporation (NYSE:BLL)	78.1	11,474.0	8.2	1,854.0	16.2	27,393.3	2.4	14.8	14.9
Berry Global Group, Inc. (NYSE:BERY)	57.0	9,722.0	15.1	1,565.0	16.1	15,741.2	1.6	10.1	7.7
Commercial Metals Company (NYSE:CMC)	65.7	5,874.5	16.5	647.5	11.0	2,942.2	0.5	4.5	6.0
Crown Holdings, Inc. (NYSE:CCK)	72.0	11,665.0	12.1	1,670.0	14.3	15,700.8	1.3	9.4	9.6
Graphic Packaging Holding Company (NYSE:GPK)	72.0	6,160.1	12.7	977.4	15.9	7,247.8	1.2	7.4	7.0
Greif, Inc. (NYSE:GEF)	61.7	4,810.4	12.6	702.6	14.6	4,880.7	1.0	6.9	7.1
O-I Glass, Inc. (NYSE:OI)	35.4	6,691.0	(0.1)	1,054.0	15.8	6,416.5	1.0	6.1	5.6
Packaging Corporation of America (NYSE:PKG)	75.6	6,964.3	6.4	1,455.4	20.9	10,123.7	1.5	7.0	8.9
Sealed Air Corporation (NYSE:SEE)	52.4	4,791.1	4.4	849.5	17.7	7,465.6	1.6	8.8	8.4
Silgan Holdings Inc. (NasdaqGS:SLGN)	88.5	4,489.9	7.5	624.1	13.9	5,450.6	1.2	8.7	8.7
Sonoco Products Company (NYSE:SON)	69.6	5,374.2	4.0	750.2	14.0	6,507.8	1.2	8.7	8.9
WestRock Company (NYSE:WRK)	63.7	18,385.3	9.1	2,933.3	16.0	18,132.0	1.0	6.2	6.6
Median	67.7 %	\$6,827.7	7.5 %	\$1,015.7	15.2 %	\$7,483.1	1.2 x	8.0 x	8.1 x
Mean	62.7 %		8.3 %		15.0 %		1.3 x	8.1 x	8.4 x
Specialty chemicals									
Albemarle Corporation (NYSE:ALB)	56.7 %	\$3,589.4	10.3 %	\$975.2	27.2 %	\$8,729.5	2.4 x	9.0 x	11.6 x
Ashland Global Holdings Inc. (NYSE:ASH)	61.2	2,450.0	(1.5)	477.0	19.5	4,707.6	1.9	9.9	10.0
Axalta Coating Systems Ltd. (NYSE:AXTA)	53.6	4,482.2	3.1	893.5	19.9	7,065.5	1.6	7.9	9.2
BASF SE (XTRA:BAS)	57.8	66,564.9	1.0	7,931.8	11.9	62,652.5	0.9	7.9	8.3
Celanese Corporation (NYSE:CE)	56.9	6,297.0	5.3	1,357.0	21.5	12,875.0	2.0	9.5	8.4
DuPont de Nemours, Inc. (NYSE:DD)	28.7	21,512.0	(23.6)	5,181.0	24.1	42,243.1	2.0	NM	9.7
H.B. Fuller Company (NYSE:FUL)	53.3	2,870.6	10.6	388.1	13.5	3,387.2	1.2	8.7	9.1
PolyOne Corporation (NYSE:POL)	50.8	2,862.7	(0.9)	300.4	10.5	2,186.8	0.8	7.3	8.2
PPG Industries, Inc. (NYSE:PPG)	62.2	15,146.0	2.0	2,365.0	15.6	24,407.1	1.6	10.3	11.4
Sensient Technologies Corporation (NYSE:SXT)	57.9	1,322.9	(1.5)	210.7	15.9	2,456.7	1.9	11.7	12.6
W. R. Grace & Co. (NYSE:GRA)	44.7	1,958.1	7.0	454.2	23.2	4,117.6	2.1	9.1	8.3
Median	56.7 %	\$3,589.4	2.0 %	\$893.5	19.5 %	\$7,065.5	1.9 x	8.8 x	9.2 x
Mean	53.1 %		1.1 %		18.4 %		1.7 x	8.8 x	9.5 x

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