



Industrials Quarterly Update

Q4 2017

Industrials Trends

Electric Vehicles Disrupt Metals Market¹

Prices of an array of metals, including lithium and cobalt, which are key components of electric car batteries, have doubled in price as investors look to get ahead of the predicted impending electric car boom. Automotive demand for lithium is expected to grow at a CAGR of 35% through 2021, driving shares of cobalt and lithium suppliers higher.

Additive Manufacturing²

3D printing, also known as additive manufacturing, is disrupting traditional manufacturing processes. Additive printing is able to reduce assembly requirements and flaws in component design. Commercialization of additive manufacturing presents an opportunity to drive cost efficiencies and revenue growth, especially for complex assemblies.

Autonomous Robots and the Supply Chain³

Advances in autonomous robot technologies are becoming a focal point for industrial companies. Robotics can improve the speed and accuracy of routine operations, particularly in warehousing and manufacturing spaces, while improving efficiency and worker safety. The use of drones in inbound/outbound logistics alone is expected to create a \$21B market by 2021.

Internet of Things (IoT)⁴

The explosion of data and connected devices is creating disruption. Software and analytics are enabling product and operational performance that was not previously possible. IoT spend is expected to grow at a 17% CAGR through 2020, while IT security spending is expected to increase tenfold by 2020 due to the increased cyber threats that correspond to increased use of IoT in manufacturing.



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
- Building Products and Industrial Safety
- Capital Equipment and Rental Services
- Distribution, Transportation, and Logistics
- Engineering and Construction
- Metals, Plastics, and Packaging
- Specialty Chemicals

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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In the News

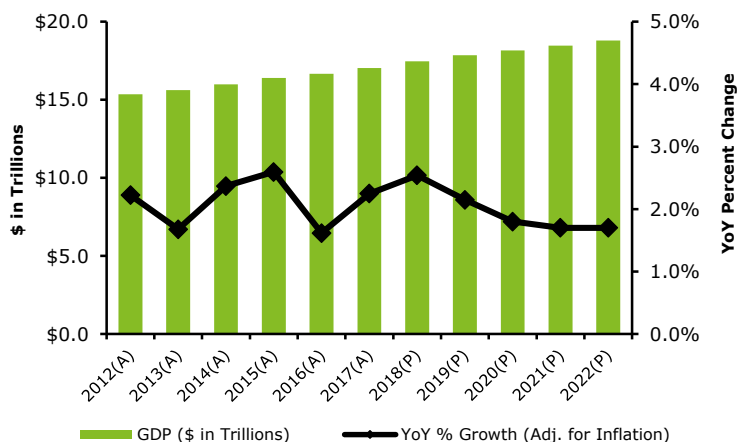
October 27, 2017⁵ – Clariant AG and U.S.-based Huntsman Corp. announced termination of their \$15B merger agreement, after facing pressure from activist investors including White Tale Holdings, which built their position in Clariant up to 20% leading up to the announcement of termination. The news continues to mark a growing trend shareholder activism in Europe.

December 18, 2017⁶ – McDermott International, Inc. and Chicago Bridge & Iron announced an all-stock merger valued at \$6B. The transaction intends to create a premier engineering, procurement, construction and installation service, implementing market leading technology for both onshore and offshore applications.

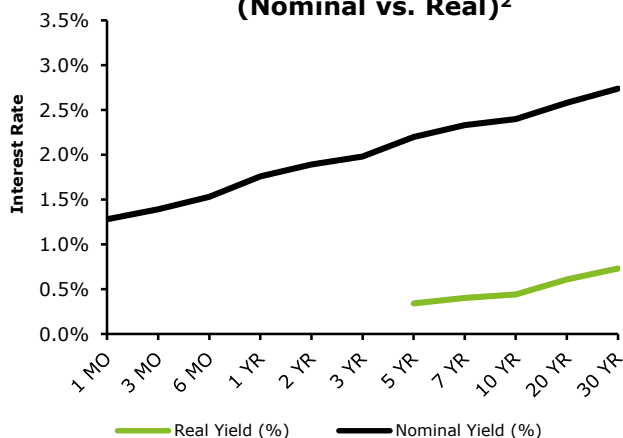
December 29, 2017⁷ – Orbital ATK Inc., a developer of aerospace, defense, and aviation products that announced a deal with Northrop Grumman Corporation in Q3 2017, is now under pressure from the White House. Seeking to cut costs and remain competitive, Orbital has shifted to foreign chemicals suppliers including an Airbus joint venture in France, which offers lower pricing than the sole domestic supplier, American Pacific Corp.

Macroeconomic Outlook

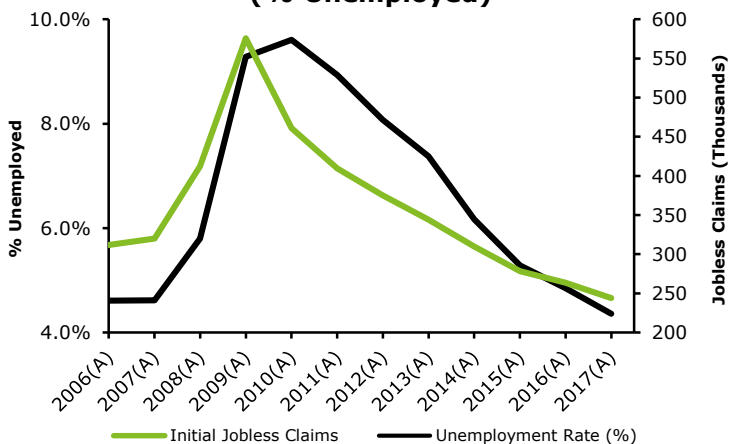
U.S. Gross Domestic Product¹



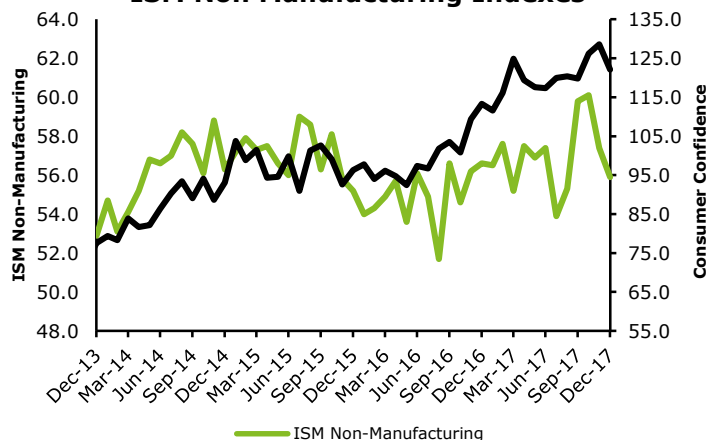
U.S. Treasury Yield Curve (Nominal vs. Real)²



U.S. Unemployment Rate (% Unemployed)³

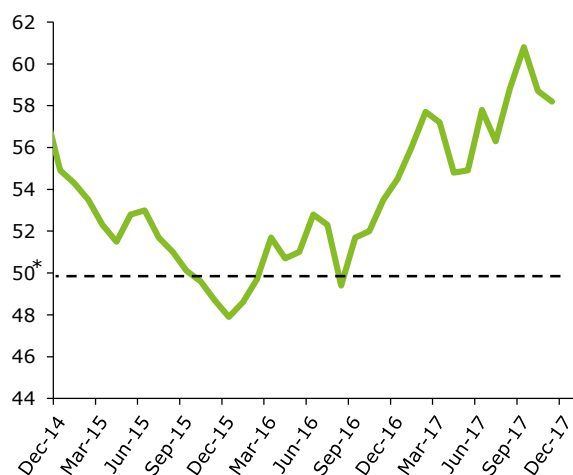


Consumer Confidence and ISM Non Manufacturing Indexes⁴

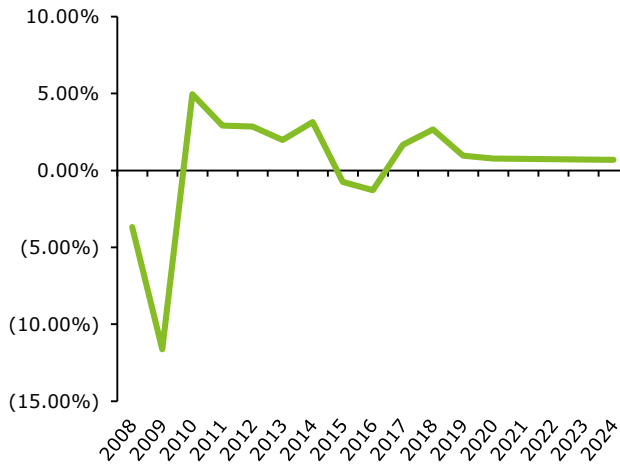


Industrials Sector Outlook

ISM Purchase Managers Index⁵



Industrial Production Index (YoY Growth)⁶



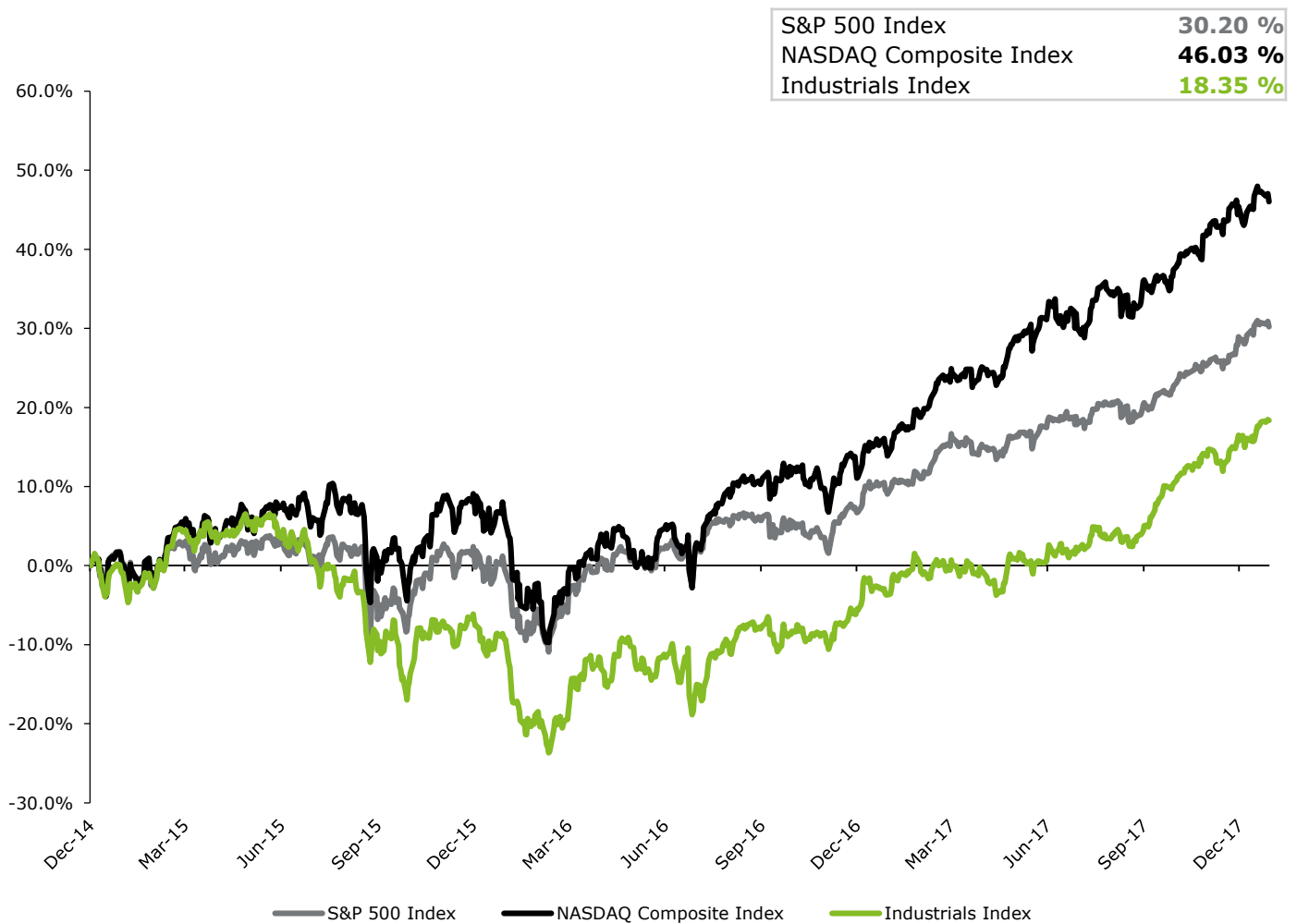
Note:
An ISM Purchase Managers Index value above 50 signals economic expansion.

Industrials Sector Breakdown & Trading Statistics¹

Sector	Number of Companies	% of 52 Week High	Median Revenue CAGR (3 Yr)	Median LTM EBITDA	Median EBITDA Margin	Median Enterprise Value	LTM		NTM
							EV/ Revenue	EV/ EBITDA	EV/ EBITDA
Automotive	21	93.2%	4.7%	\$6,237.1	10.2%	\$62,708.1	0.8x	7.6x	7.6x
Building Products, Electric Products, Industrial Safety	21	96.5	7.7	406.2	12.3	5,020.8	1.1	11.7	9.4
Capital Equipment & Rental Services	22	95.4	0.5	269.5	11.4	3,627.0	1.6	13.6	9.3
Distribution, Transportation & Logistics	21	96.7	3.7	748.1	8.2	10,465.2	1.2	13.7	11.4
Engineering & Construction	33	90.2	2.8	209.1	5.9	1,805.8	0.5	10.0	7.6
Metals, Plastics & Paper Packaging	18	95.2	(0.5)	933.1	15.0	9,955.6	1.5	10.5	9.1
Specialty Chemicals	12	91.2	(1.9)	763.4	18.7	9,671.8	2.4	12.8	10.3
Industrials Sector	148	94.1%	2.4%	\$1,366.6	11.7%	\$14,750.6	1.3x	11.4x	9.2x

(\$ in Millions)

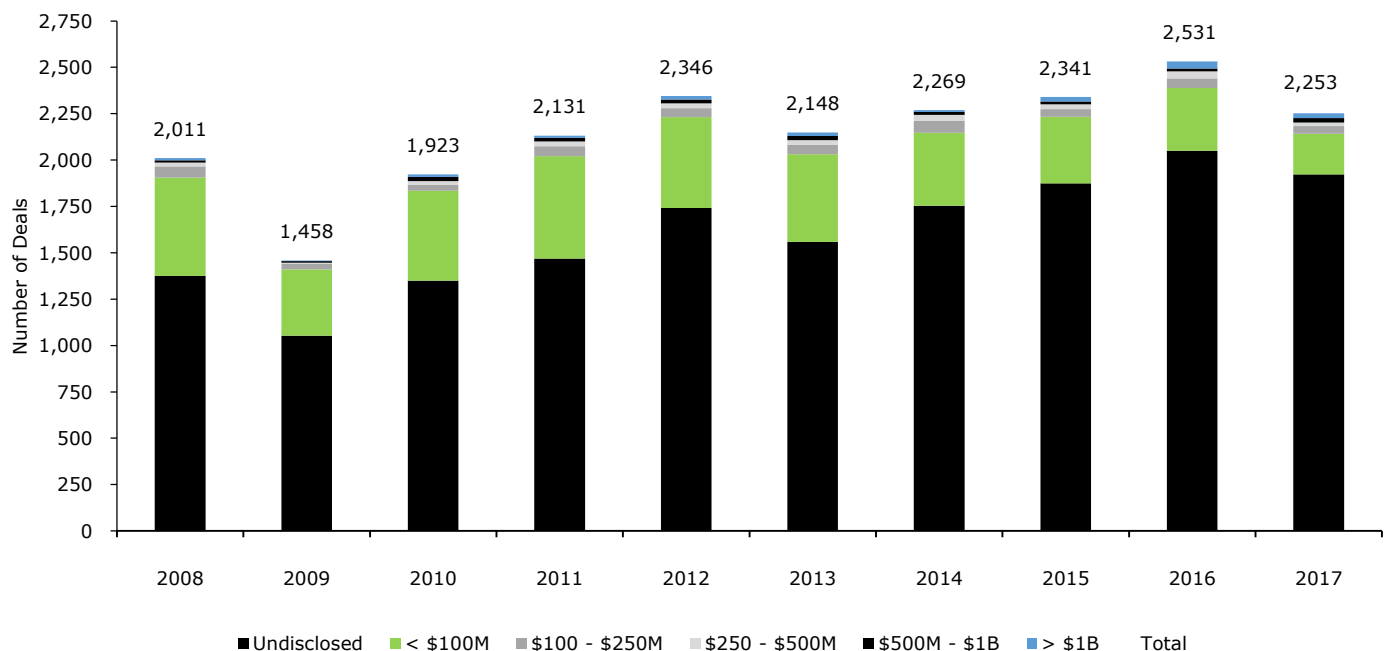
Public Comparables Three-Year Stock Market Performance²



Select Large Industrials M&A Transactions¹

Announced Date	Target/Acquirer	Business Description	Enterprise Value ("EV")	EV/ EBITDA	EV/ Revenue
Dec-17	JWC Environmental, LLC Sulzer Pumps Equipment	JWC Environmental, LLC designs, builds, and services shredders and screens for wastewater, recycling, food waste, and green technology applications.	\$215.0	10.0x	NA
Dec-17	Signode Industrial Group LLC Crown Holdings, Inc.	Signode Industrial Group LLC manufactures industrial packaging products.	\$3,910.0	10.4x	0.0x
Dec-17	Chicago Bridge & Iron Company N.V. McDermott International, Inc.	Chicago Bridge & Iron Company N.V. provides conceptual design, technology, engineering, procurement, fabrication, and construction worldwide.	\$4,149.2	NM	0.4x
Dec-17	Bimba Manufacturing Company, Inc. Norgren Inc	Bimba Manufacturing Company, Inc. manufactures pneumatic, hydraulic, and electric actuators, and air preparation and motion control products.	\$198.0	14.9x	1.8x
Dec-17	GEODynamics, Inc. Oil States International, Inc.	GEODynamics, Inc. designs and manufactures perforating, downhole completions, intervention, and wireline solutions to maximize oil and gas productivity.	\$526.8	NA	NA
Dec-17	New Acton Mobile Industries LLC WillScot Corporation	New Acton Mobile Industries LLC, doing business as Acton Mobile Industries, provides modular space rental services to construction, commercial, industrial, education, healthcare, and government markets.	\$235.0	NA	NA
Dec-17	Crane & Co., Inc. Crane Co.	Crane & Co., Inc. manufactures and supplies paper products.	\$800.0	8.5x	1.6x
Dec-17	General Cable Corporation Prysmian S.p.A.	General Cable Corporation, together with its subsidiaries, develops, designs, manufactures, markets, and distributes copper, aluminum, and fiber optic wire and cable products.	\$2,899.3	15.7x	0.8x
Nov-17	Montco Offshore, Inc. Falcon Global USA LLC	Montco Offshore, Inc. operates lift boats for the offshore energy industry.	\$131.1	10.8x	2.1x
Nov-17	Talon Innovations Corporation Ichor Holdings, LLC	Talon Innovations Corporation manufactures precision machined products for semiconductor capital equipment, medical device, aerospace, and others industries.	\$130.0	5.0x	1.9x
Nov-17	Glass Mountain Pipeline LLC BlackRock, Inc.; Navigator Energy Services, LLC;	Glass Mountain Pipeline LLC owns and builds crude oil pipelines in Western and north central Oklahoma.	\$600.0	NA	NA
Nov-17	IPS Corporation Encapsys, LLC	IPS Corporation manufactures solvent cements, primers, sealants, and components and supplies for plumbing, construction, and plastic fabrication industries.	\$700.0	NA	NA
Nov-17	Infrastructure & Energy Alternatives, LLC Oaktree Capital Management, L.P.; M III Acquisition Corp.	Infrastructure & Energy Alternatives, LLC, a holding company, operates a portfolio of energy and water infrastructure service companies in North America.	\$341.9	6.5x	NA
Oct-17	Delta T LLC Lindsay Goldberg	Delta T Corporation, doing business as Big Ass Solutions and Big Ass Fans, designs, engineers, and manufactures overhead and directional fans.	\$500.0	NA	2.1x
Oct-17	Elizabethtown Gas Company Inc. South Jersey Industries, Inc.	Elizabethtown Gas Company Inc. provides natural gas delivery service to residential, business, and industrial customers in New Jersey.	\$1,690.0	16.7x	NA

Annual U.S. Industrials M&A Transaction Volume²



Appendix

Public Comparables Analysis¹

Company (Ticker)	% of 52 Week High	LTM Revenue	Revenue CAGR (3 Yr)	LTM EBITDA	EBITDA Margin	Enterprise Value ("EV")	Last Twelve Months		NTM
							EV/ Revenue	EV/ EBITDA	EV/ EBITDA
Automotive									
Bayerische Motoren Werke Aktiengesellschaft (DB:BMW)	95.0 %	\$115,358.7	7.8 %	\$15,525.4	13.5 %	\$163,943.4	1.4 x	10.6 x	9.6 x
Daimler AG (XTRA:DAI)	96.1	191,161.8	8.6	20,550.8	10.8	212,846.8	1.1	10.4	8.9
Delphi Technologies PLC (NYSE:DLPH)	91.7	4,706.0	1.2	790.0	16.8	5,517.5	1.2	7.0	7.6
Fiat Chrysler Automobiles N.V. (BIT:FCA)	94.2	132,108.5	6.3	13,581.1	10.3	35,504.0	0.3	2.6	2.6
Ford Motor Company (NYSE:F)	94.1	154,104.0	1.9	15,672.8	10.2	172,703.1	1.1	11.0	15.8
Subaru Corporation (TSE:7270)	71.4	30,501.7	9.8	4,526.8	14.8	16,393.6	0.5	3.6	3.8
General Motors Company (NYSE:GM)	87.7	164,965.0	1.7	20,935.0	12.7	134,883.5	0.8	6.4	6.1
Honda Motor Co., Ltd. (TSE:7267)	98.1	131,022.6	6.8	11,808.5	9.0	104,452.0	0.8	8.8	8.5
Hyundai Motor Company (KOSE:A005380)	90.2	84,299.4	3.2	6,272.0	7.4	78,552.0	0.9	12.5	9.2
Isuzu Motors Limited (TSE:7202)	99.1	18,025.8	4.7	1,947.3	10.8	14,139.8	0.8	7.3	6.8
Kia Motors Corporation (KOSE:A000270)	80.8	46,729.7	4.3	2,377.8	5.1	10,602.2	0.2	4.5	3.0
Mazda Motor Corporation (TSE:7261)	76.4	29,524.9	4.8	1,775.3	6.0	8,156.2	0.3	4.6	3.8
Mitsubishi Corporation (TSE:8058)	98.0	63,498.3	(2.6)	6,202.1	9.8	84,806.5	1.3	13.7	13.8
Nissan Shatai Co., Ltd. (TSE:7222)	87.1	5,457.9	6.8	206.3	3.8	307.2	0.1	1.5	N/A
Peugeot S.A. (ENXTPA:UG)	80.7	63,224.2	1.9	5,908.7	9.3	12,084.4	0.2	2.0	1.7
Renault SA (ENXTPA:RNO)	91.9	63,428.4	11.3	6,433.5	10.1	68,644.5	1.1	10.7	8.5
SAIC Motor Corporation Limited (SHSE:600104)	93.6	123,574.8	10.3	4,560.6	3.7	56,771.6	0.5	12.4	11.1
Suzuki Motor Corporation (TSE:7269)	98.6	31,097.0	5.3	4,305.6	13.8	24,346.3	0.8	5.7	5.1
Tesla, Inc. (NasdaqGS:TSLA)	79.9	10,755.1	55.6	258.7	2.4	61,984.1	5.8	239.6	54.1
Toyota Motor Corporation (TSE:7203)	98.6	255,031.9	3.2	32,434.0	12.7	317,103.7	1.2	9.8	11.9
Volkswagen Aktiengesellschaft (XTRA:VOW3)	92.8	269,706.9	4.7	32,385.1	12.0	257,073.5	1.0	7.9	6.3
Median	93.2 %	73,898.9	4.7 %	6,237.1	10.2 %	62,708.1	0.8 x	7.6 x	7.6 x
Mean	90.8 %		5.1 %		10.1 %		0.8 x	7.6 x	7.6 x
Building Products, Electric Products, Industrial Safety									
Beacon Roofing Supply, Inc. (NasdaqGS:BECN)	98.3 %	\$4,376.7	23.4 %	\$380.4	8.7 %	\$4,944.9	1.1 x	13.0 x	8.4 x
Bluelinx Holdings Inc. (NYSE:BXC)	82.9	1,803.6	(3.6)	38.9	2.2	433.0	0.2	11.1	N/A
BMC Stock Holdings, Inc. (NasdaqGS:BMCH)	98.4	3,272.7	35.6	187.5	5.7	2,104.9	0.6	11.2	8.4
Boral Limited (ASXBLD)	97.5	3,267.4	(0.5)	456.5	14.0	8,953.3	2.7	19.6	10.2
Builders FirstSource, Inc. (NasdaqGS:BLDR)	98.7	6,802.2	62.8	367.1	5.4	4,302.9	0.6	11.7	9.4
Compagnie de Saint-Gobain S.A. (ENXTPA:SGO)	87.7	45,582.4	(0.1)	4,650.3	10.2	39,041.8	0.9	8.4	7.4
Eagle Materials Inc. (NYSE:EXP)	97.1	1,323.5	10.9	406.2	30.7	6,135.0	4.6	15.1	11.3
Emerson Electric Co. (NYSE:EMR)	99.3	15,264.0	(4.9)	3,241.0	21.2	46,152.5	3.0	14.2	13.6
Fletcher Building Limited (NZSE:FBU)	70.0	6,881.7	3.8	512.5	7.4	5,142.1	0.7	10.0	9.3
Gibraltar Industries, Inc. (NasdaqGS:ROCK)	73.3	960.6	4.2	115.9	12.1	1,043.7	1.1	9.0	9.1
Huttig Building Products, Inc. (NasdaqCM:HBP)	72.0	738.4	6.4	12.2	1.7	274.4	0.4	22.5	N/A
James Hardie Industries plc (ASX:JHX)	97.5	1,981.6	7.7	430.5	21.7	8,401.6	4.2	19.5	15.3
Martin Marietta Materials, Inc. (NYSE:MLM)	90.5	3,699.1	15.7	970.4	26.2	15,585.6	4.2	16.1	14.7
NCI Building Systems, Inc. (NYSE:NCS)	91.0	1,770.3	8.9	154.8	8.7	1,591.0	0.9	10.3	7.9
Owens Corning (NYSE:OC)	99.0	6,161.0	5.2	1,130.0	18.3	12,643.5	2.1	11.2	9.4
Ply Gem Holdings, Inc. (NYSE:PGEM)	92.5	2,001.7	11.4	222.3	11.1	2,085.6	1.0	9.4	7.7
Summit Materials, Inc. (NYSE:SUM)	96.5	1,865.5	19.0	402.9	21.6	5,020.8	2.7	12.5	10.6
U.S. Concrete, Inc. (NasdaqCM:USCR)	96.9	1,313.5	25.0	173.8	13.2	1,766.6	1.3	10.2	7.3
USG Corporation (NYSE:USG)	99.1	3,107.0	(5.5)	471.0	15.2	5,930.0	1.9	12.6	9.5
Vulcan Materials Company (NYSE:VMC)	93.8	3,785.8	9.0	953.3	25.2	19,095.0	5.0	20.0	17.5
Wienerberger AG (WBAG:WIE)	88.6	3,610.8	3.2	443.8	12.3	3,677.6	1.0	8.3	7.4
Median	96.5 %	3,267.4	7.7 %	406.2	12.3 %	5,020.8	1.1 x	11.7 x	9.4 x
Mean	91.5 %		11.3 %		13.9 %		1.9 x	13.1 x	10.2 x
Capital Equipment & Rental Services									
Aggreko plc (LSE:AGK)	74.6 %	\$2,106.5	0.9 %	\$695.7	33.0 %	\$3,680.9	1.7 x	5.3 x	5.2 x
Ashtead Group plc (LSE:AHT)	94.1	4,690.3	25.9	2,230.5	47.6	17,234.1	3.7	7.7	7.3
Astec Industries, Inc. (NasdaqGS:ASTE)	79.7	1,198.9	7.7	82.6	6.9	1,287.6	1.1	15.6	11.3
Caterpillar Inc. (NYSE:CAT)	99.3	42,140.0	(8.7)	6,694.0	15.9	121,008.6	2.9	18.1	14.1
Cervus Equipment Corporation (TSX:CERV)	94.0	982.5	10.3	36.8	3.7	339.4	0.3	9.2	7.9
CNH Industrial N.V. (NYSE:CNHI)	98.2	25,052.0	(8.0)	2,534.0	10.1	40,257.3	1.6	15.9	17.1
Cummins Inc. (NYSE:CM)	97.2	19,455.0	1.3	2,463.0	12.7	31,059.9	1.6	12.6	10.0
Deere & Company (NYSE:DE)	98.4	29,070.7	(6.9)	4,523.6	15.6	82,368.2	2.8	18.2	17.9
Finnish International Inc. (TSX:FTT)	96.3	4,817.2	(4.5)	419.2	8.7	5,175.4	1.1	12.3	10.3
H&E Equipment Services, Inc. (NasdaqGS:HEES)	99.6	979.7	(2.4)	140.7	14.4	2,283.2	2.3	16.2	6.6
Herc Holdings Inc. (NYSE:HRI)	95.0	1,668.0	(2.0)	121.4	7.3	3,987.1	2.4	32.8	6.5
Hyundai Heavy Industries Co., Ltd. (KOSE:A009540)	53.6	30,135.3	(13.7)	2,132.2	7.1	5,622.8	0.2	2.6	13.4
Manitex International, Inc. (NasdaqCM:MNTX)	96.0	274.8	2.7	6.7	2.4	249.3	0.9	37.4	12.6
McGrath Rentcorp (NasdaqGS:MGRC)	94.6	445.1	4.4	99.0	22.2	1,450.8	3.3	14.7	8.4
Nishio Rent All Co., Ltd. (TSE:9699)	86.2	1,097.1	5.9	293.6	26.8	1,034.8	0.9	3.5	3.2
Oshkosh Corporation (NYSE:OSK)	96.5	6,829.6	0.1	635.5	9.3	7,166.9	1.0	11.3	10.6
Strongo Corporation (TSX:SQP)	100.0	274.9	(10.9)	1.1	0.4	151.5	0.6	NM	8.5
The Manitowoc Company, Inc. (NYSE:MTW)	93.4	1,478.0	(28.0)	39.2	2.7	1,642.4	1.1	41.9	15.2
Toromont Industries Ltd. (TSX:TII)	94.3	1,580.0	7.2	245.3	15.5	3,573.1	2.3	14.6	10.1
United Rentals, Inc. (NYSE:URI)	98.6	6,242.0	4.6	1,824.0	29.2	22,586.2	3.6	12.4	6.5
Vp plc (LSE:VP)	94.6	352.6	10.8	98.6	28.0	632.0	1.8	6.4	5.8
Wajax Corporation (TSX:WJX)	95.8	1,005.2	(4.8)	48.4	4.8	516.5	0.5	10.7	7.7
Median	95.4 %	1,624.0	0.5 %	269.5	11.4 %	3,627.0	1.6 x	12.6 x	9.3 x
Mean	92.3 %		(0.4) %		14.7 %		1.7 x	15.2 x	9.8 x

Note:

Tesla Motors excluded from Automotive mean and median calculations due to abnormally high growth and low profitability.

Public Comparables Analysis (Cont.)¹

Company (Ticker)	% of 52 Week High	LTM Revenue	Revenue CAGR (3 Yr)	LTM EBITDA	EBITDA Margin	Enterprise Value ("EV")	Last Twelve Months		NTM
							EV/ Revenue	EV/ EBITDA	EV/ EBITDA
<i>(\$ in Millions)</i>									
Distribution, Transportation & Logistics									
ArcBest Corporation (NasdaqGS:ARCB)	92.3 %	\$2,804.0	3.5 %	\$152.9	5.5 %	\$1,013.6	0.4 x	6.6 x	5.9 x
Celadon Group, Inc. (NYSE:CGI)	66.6	1,054.6	15.7	83.5	7.9	551.7	0.5	6.6	N/A
C.H. Robinson Worldwide, Inc. (NasdaqGS:CHRW)	99.1	14,324.6	2.6	837.7	5.8	13,618.0	1.0	16.3	15.3
Deutsche Post AG (XTRA:DPW)	96.1	71,270.5	2.4	5,492.3	7.7	62,235.6	0.9	11.3	9.8
Echo Global Logistics, Inc. (NasdaqGS:ECHO)	96.6	1,802.2	18.1	31.8	1.8	969.2	0.5	30.5	14.1
Expeditors International of Washington, Inc. (NasdaqGS:EXPD)	98.0	6,661.6	1.2	721.6	10.8	10,465.2	1.6	14.5	14.0
FedEx Corporation (NYSE:FDX)	97.8	62,335.0	10.1	8,485.0	13.6	79,522.2	1.3	9.4	9.1
Forward Air Corporation (NasdaqGS:FWRD)	95.8	1,059.5	12.3	147.1	13.9	1,738.9	1.6	11.8	11.4
Hapag-Lloyd Aktiengesellschaft (DB:HLAG)	83.9	11,032.6	13.2	1,036.9	9.4	14,524.2	1.3	14.0	9.5
Hub Group, Inc. (NasdaqGS:HUBG)	91.2	3,850.9	2.8	143.4	3.7	1,913.7	0.5	13.3	11.4
J.B. Hunt Transport Services, Inc. (NasdaqGS:JBHT)	98.4	7,189.6	5.3	998.7	13.9	13,697.9	1.9	13.7	11.8
Knight-Swift Transportation Holdings Inc. (NYSE:KNX)	98.0	1,355.1	9.4	265.7	19.6	8,605.2	6.4	32.4	10.1
Kuehne + Nagel International AG (SWX:KNIN)	95.1	18,372.5	0.9	1,131.1	6.2	20,589.8	1.1	18.2	16.6
Landstar System, Inc. (NasdaqGS:LSR)	96.7	3,489.7	5.0	276.2	7.9	4,228.1	1.2	15.3	14.1
Nippon Yusen Kabushiki Kaisha (TSE:9101)	94.5	18,290.3	(4.0)	914.2	5.0	12,058.4	0.7	13.2	11.5
Old Dominion Freight Line, Inc. (NasdaqGS:ODFL)	98.1	3,212.7	6.5	748.1	23.3	10,853.5	3.4	14.5	13.7
Panalpina World Transport (Holding) Ltd. (SWX:PWTN)	99.0	5,570.7	(6.9)	112.7	2.0	3,387.5	0.6	30.1	20.7
Ryder System, Inc. (NYSE:R)	98.1	7,119.1	2.6	1,773.5	24.9	9,740.6	1.4	5.5	5.4
United Parcel Service, Inc. (NYSE:UPS)	95.2	63,974.0	3.7	7,846.0	12.3	117,173.3	1.8	14.9	11.6
Werner Enterprises, Inc. (NasdaqGS:WERN)	97.0	2,068.2	(0.6)	344.0	16.6	2,860.1	1.4	8.3	7.6
XPO Logistics, Inc. (NYSE:XPO)	97.8	14,863.5	102.8	1,219.1	8.2	15,683.8	1.1	12.9	10.3
Median	96.7 %	6,661.6	3.7 %	748.1	8.2 %	10,465.2	1.2 x	13.7 x	11.4 x
Mean	94.5 %		9.8 %		10.5 %		1.4 x	14.9 x	11.7 x
Engineering & Construction									
ACS, Actividades de Construcción y Servicios, S.A. (BME:ACS)	88.8 %	\$40,605.0	2.8 %	\$2,237.6	5.5 %	\$15,495.2	0.4 x	6.9 x	5.5 x
Aegion Corporation (NasdaqGS:AEGN)	90.2	1,343.3	1.2	123.3	9.2	1,105.3	0.8	9.0	9.0
ARCADIS NV (ENXTAM:ARCAD)	95.3	3,763.7	10.1	216.4	5.7	2,585.6	0.7	11.9	9.8
Babcock International Group plc (LSE:BBB)	68.5	6,289.0	8.4	741.7	11.8	6,798.6	1.1	9.2	7.5
Balfour Beatty plc (LSE:BBY)	99.4	9,278.2	2.0	75.3	0.8	3,151.1	0.3	NM	10.5
Bilfinger SE (DB:GBF)	97.9	4,769.6	(15.0)	115.8	2.4	1,815.5	0.4	15.7	10.0
CIMIC Group Limited (ASX:CIM)	97.6	10,053.7	(17.1)	765.7	7.6	12,545.3	1.2	16.4	10.3
Comfort Systems USA, Inc. (NYSE:FIX)	97.4	1,719.0	7.5	135.5	7.9	1,665.7	1.0	12.3	10.1
Costain Group plc (LSE:COST)	94.6	2,157.7	20.0	67.7	3.1	548.9	0.3	8.1	7.1
Daelim Industrial Co., Ltd. (KOSE:A000210)	87.1	10,163.3	8.2	409.1	4.0	4,687.5	0.5	11.5	6.8
Daewoo Engineering & Construction Co., Ltd. (KOSE:A047040)	71.2	10,111.6	6.8	(132.2)	NM	3,414.7	0.3	NM	4.1
Ebara Corporation (TSE:6361)	90.9	4,359.9	2.2	421.0	9.7	3,642.0	0.8	8.7	7.7
Fluor Corporation (NYSE:FLR)	88.5	19,483.3	(4.5)	724.4	3.7	6,987.8	0.4	9.6	10.1
Fomento de Construcciones y Contratas, S.A. (BME:FCC)	87.2	7,137.6	(3.3)	1,396.4	19.6	8,587.5	1.2	6.1	9.2
GS Engineering & Construction Corporation (KOSE:A006360)	81.3	10,169.7	6.5	82.7	0.8	3,032.5	0.3	NM	7.5
Interserve plc (LSE:IRV)	26.5	4,233.1	9.3	249.4	5.9	808.7	0.2	3.2	5.2
Keller Group plc (LSE:KLR)	98.6	2,495.4	6.7	209.1	8.4	1,354.7	0.5	6.5	5.9
Kier Group plc (LSE:KIE)	72.3	5,362.2	12.4	223.6	4.2	1,630.1	0.3	7.3	6.0
Koninklijke BAM Groep nv (ENXTAM:BAMNB)	69.6	7,663.4	(2.3)	109.5	1.4	1,275.0	0.2	11.6	5.5
Maire Tecnimont S.p.A. (BIT:MT)	79.7	3,904.0	29.3	209.1	5.4	1,666.3	0.4	8.0	7.2
Matrix Service Company (NasdaqGS:MTRX)	75.9	1,125.6	(6.1)	21.3	1.9	472.1	0.4	22.2	8.8
Monadelphous Group Limited (ASX:MND)	87.7	958.5	(18.8)	73.5	7.7	1,096.8	1.1	14.9	12.8
Morgan Sindall Group plc (LSE:MGNS)	93.9	3,533.6	9.5	71.9	2.0	718.5	0.2	10.0	6.7
Oil States International, Inc. (NYSE:OIS)	68.6	656.9	(28.0)	28.5	4.3	1,399.5	2.1	NM	17.2
Penta-Ocean Construction Co., Ltd. (TSE:1893)	95.2	4,528.6	10.4	285.9	6.3	1,805.8	0.4	6.3	5.9
Primoris Services Corporation (NasdaqGS:PRIM)	90.6	2,402.8	4.0	176.3	7.3	1,495.9	0.6	8.5	8.2
Quanta Services, Inc. (NYSE:PWR)	98.5	9,090.8	6.4	677.3	7.5	6,744.3	0.7	10.0	8.4
RPC, Inc. (NYSE:RES)	94.3	1,388.9	(14.1)	297.8	21.4	5,392.5	3.9	18.1	7.5
STRABAG AG (OTCPK:STAG.F)	100.0	2,635.8	2.3	166.1	6.3	1,619.2	0.6	9.7	N/A
Sumitomo Heavy Industries, Ltd. (TSE:6302)	91.4	6,321.4	3.1	708.9	11.2	5,168.7	0.8	7.3	6.9
Team, Inc. (NYSE:TIS)	37.5	1,203.7	0.0	7.9	0.7	785.1	0.7	NM	11.3
VINCI SA (ENXTPA:DG)	95.9	45,340.6	(0.9)	7,163.7	15.8	78,412.5	1.7	10.9	9.8
Willbros Group, Inc. (NYSE:WG)	37.0	796.5	(27.4)	(32.4)	NM	159.4	0.2	NM	6.4
Median	90.2 %	4,359.9	2.8 %	209.1	5.9 %	1,805.8	0.5 x	9.6 x	7.6 x
Mean	83.3 %		1.0 %		6.8 %		0.8 x	10.4 x	8.3 x

Public Comparables Analysis (Cont.)¹

Company (Ticker)	% of 52 Week High	LTM Revenue	Revenue CAGR (3 Yr)	LTM EBITDA	EBITDA Margin	Enterprise Value ("EV")	Last Twelve Months		NTM
							EV/ Revenue	EV/ EBITDA	EV/ EBITDA
<i>(\$ in Millions)</i>									
Metals, Plastics & Paper Packaging									
Alcoa Corporation (NYSE:AA)	98.6 %	\$11,652.0	(3.9) %	\$2,266.0	19.4 %	\$12,505.2	1.1 x	5.5 x	4.5 x
AptarGroup, Inc. (NYSE:ATR)	95.0	2,382.3	(3.3)	461.7	19.4	5,874.1	2.5	12.7	11.9
ArcelorMittal (ENXTAM:MT)	97.8	65,095.0	(6.8)	7,493.0	11.5	47,573.8	0.7	6.3	5.2
Avery Dennison Corporation (NYSE:AVY)	97.4	6,429.3	0.6	833.6	13.0	11,539.5	1.8	13.8	13.1
Ball Corporation (NYSE:BLL)	87.5	10,760.0	8.0	1,608.0	14.9	20,358.6	1.9	12.7	11.2
Bemis Company, Inc. (NYSE:BMS)	91.9	4,030.6	(2.7)	556.0	13.8	5,846.4	1.5	10.5	9.8
Berry Global Group, Inc. (NYSE:BERY)	95.6	7,095.0	12.7	1,277.0	18.0	13,050.8	1.8	10.2	9.1
Commercial Metals Company (NYSE:CMC)	91.6	4,814.1	(11.1)	283.4	5.9	3,058.9	0.6	10.8	8.2
Crown Holdings, Inc. (NYSE:CCK)	90.3	8,453.0	(2.2)	1,355.0	16.0	12,724.8	1.5	9.4	9.1
Graphic Packaging Holding Company (NYSE:GPK)	97.5	4,351.0	0.3	679.6	15.6	7,042.7	1.6	10.4	8.0
Greif, Inc. (NYSE:GEF)	92.3	3,638.2	(5.0)	454.8	12.5	4,036.9	1.1	8.9	8.0
Multi-Color Corporation (NasdaqGS:LABL)	84.8	953.1	7.0	159.1	16.7	1,992.9	2.1	12.5	7.3
Owens-Illinois, Inc. (NYSE:OI)	85.6	6,799.0	(0.7)	1,075.0	15.8	9,017.5	1.3	8.4	6.6
Packaging Corporation of America (NYSE:PKG)	99.3	6,237.2	3.1	1,283.0	20.6	13,553.3	2.2	10.6	10.1
Sealed Air Corporation (NYSE:SEE)	97.4	6,902.2	(4.0)	1,032.5	15.0	10,893.7	1.6	10.6	12.1
Silgan Holdings Inc. (NasdaqGS:SLGN)	90.4	3,900.0	0.3	523.0	13.4	6,150.8	1.6	11.8	9.8
Sonoco Products Company (NYSE:SON)	95.3	4,879.8	(0.3)	601.0	12.3	6,486.8	1.3	10.8	9.3
WestRock Company (NYSE:WRK)	97.4	14,859.7	14.5	2,249.6	15.1	22,220.7	1.5	9.9	8.2
Median	95.2 %	6,333.3	(0.5) %	933.1	15.0 %	9,955.6	1.5 x	10.5 x	9.1 x
Mean	93.7 %		0.4 %		14.9 %		1.5 x	10.3 x	9.0 x
Specialty Chemicals									
Albemarle Corporation (NYSE:ALB)	88.2 %	\$2,910.8	5.4 %	\$778.1	26.7 %	\$15,016.2	5.2 x	19.3 x	14.7 x
Ashland Global Holdings Inc. (NYSE:ASH)	55.5	3,260.0	(18.9)	550.0	16.9	6,683.4	2.1	12.2	10.2
Axalta Coating Systems Ltd. (NYSE:AXTA)	84.7	4,241.9	(1.3)	826.7	19.5	11,327.0	2.7	13.7	11.6
BASF SE (DB:BAS)	93.8	74,721.7	(5.3)	13,626.0	18.2	117,017.7	1.6	8.6	8.0
Celanese Corporation (NYSE:CE)	97.6	5,858.0	(5.1)	1,164.0	19.9	17,863.9	3.0	15.3	10.3
H.B. Fuller Company (NYSE:FUL)	91.7	2,202.8	1.8	261.9	11.9	3,405.7	1.5	13.0	7.6
Platform Specialty Products Corporation (NYSE:PAH)	66.9	3,657.2	69.2	748.7	20.5	8,016.6	2.2	10.7	9.7
PolyOne Corporation (NYSE:POL)	93.0	3,525.3	(3.2)	411.1	11.7	4,634.3	1.3	11.3	10.9
PPG Industries, Inc. (NYSE:PPG)	97.5	14,750.0	(0.1)	2,516.3	17.1	32,208.9	2.2	12.8	11.9
Sensient Technologies Corporation (NYSE:SXT)	86.1	1,363.6	(2.1)	261.8	19.2	3,783.1	2.8	14.5	13.0
DowDuPont Inc. (NYSE:DWDP)	96.4	55,438.0	(1.6)	9,713.0	17.5	190,288.1	3.4	19.6	11.2
W. R. Grace & Co. (NYSE:GRA)	90.6	1,697.8	(19.2)	374.6	22.1	6,151.5	3.6	16.4	11.5
Median	91.2 %	3,591.3	(1.9) %	763.4	18.7 %	9,671.8	2.4 x	12.8 x	10.3 x
Mean	86.8 %		1.6 %		18.4 %		2.6 x	13.0 x	10.6 x

Recent Transactions¹

Target/Acquiror	Sub-Sector	Announced Date	Close Date	LTM Revenue	LTM EBITDA	EBITDA Margin	Last Twelve Months		
							Enterprise Value ("EV")	EV/Revenue	EV/EBITDA
JWC Environmental, LLC Sulzer Pumps Equipment	Industrial Machinery	Dec-17	Jan-18	NA	\$21.50	NA	\$215.0	NA	10.0x
Signode Industrial Group LLC Crown Holdings, Inc.	Commodity Chemicals	Dec-17	Pending	NA	\$376.0	NA	\$3,910.0	NA	10.4x
Chicago Bridge & Iron Company N.V. McDermott International, Inc.	Construction and Engineering	Dec-17	Pending	\$9,147.5	NA	NA	\$4,149.2	0.5x	NA
Bimba Manufacturing Company, Inc. Norgren Inc	Industrial Machinery	Dec-17	Pending	\$109.0	\$13.3	12.2%	\$198.0	1.8x	14.9x
Keen Transport, Inc. Wallenius Wilhelmsen Logistics ASA	Trucking	Dec-17	Dec-17	\$82.0	\$10.0	12.2%	\$64.0	0.8x	6.4x
Crane & Co., Inc. Crane Co.	Paper Products	Dec-17	Jan-18	NA	\$94.12	NA	\$800.0	NA	8.5x
General Cable Corporation Prysmian S.p.A.	Electrical Components and Equipment	Dec-17	Pending	\$3,765.3	\$180.2	4.8%	\$2,899.3	0.8x	16.1x
Blue Diamond Industries, LLC Hexatronic Group AB (publ)	Building Products	Dec-17	Jan-18	\$29.0	\$4.0	13.8%	\$23.0	0.8x	5.8x
Montco Offshore, Inc. Falcon Global USA LLC	Marine Ports and Services	Nov-17	Pending	\$63.2	\$12.1	19.1%	\$131.1	2.1x	10.8x
Contractors Equipment Center, LLC H&E Equipment Services, Inc.	Trading Companies and Distributors	Nov-17	Jan-18	\$34.0	NA	NA	\$122.4	3.6x	NA
Conneqt Business Solutions Limited Quess Corp Limited	Office Services and Supplies	Nov-17	Nov-17	\$101.6	\$8.6	8.5%	\$23.5	0.2x	2.7x
Talon Innovations Corporation Ichor Holdings, LLC	Industrial Machinery	Nov-17	Dec-17	\$70.0	\$26.0	37.1%	\$130.0	1.9x	5.0x
Infrastructure & Energy Alternatives, LLC Oaktree Capital Management, L.P.; M III Acquisition Corp.	Construction and Engineering	Nov-17	Pending	NA	\$52.6	NA	\$325.0	NA	6.2x
Delta T LLC Lindsay Goldberg; Lindsay Goldberg IV - A L.P.	Industrial Machinery	Oct-17	Pending	\$240.0	NA	NA	\$500.0	2.1x	NA
Elizabethtown Gas Company Inc. South Jersey Industries, Inc.	Gas Utilities	Oct-17	Pending	NA	\$101.0	NA	\$1,690.0	NA	16.7x
Median				\$91.8	\$23.8	12.2%	\$215.0	1.3x	9.3x
Mean				\$1,364.2	\$75.0	15.4%	\$1,012.0	1.4x	9.5x

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