



Industrials Quarterly Update

Q2 2017

Industrials Trends

Auto Industry Disruption¹

Traditional auto industry structures and relationships are being reshaped by innovation-related challenges as the existing boundaries between automotive and technology companies are blurred. The combined capital spending, R&D, and M&A of original equipment manufacturers has grown from \$130 billion in 2010 to \$195 billion in 2016.



The Digitization of Chemicals³

The Internet of Things is changing the chemicals industry. Manufacturers are increasingly under pressure to organize data, ordering logistics, and regulatory paperwork digitally. Forward-thinking chemical manufacturers are adopting digital platforms and processes that both minimize human error and maximize processing efficiency and scalability.

Sustainable Infrastructure²

There is a growing push to decarbonize economies, use green construction methods, and make cities ecologically sustainable. However, conflicts arise about the future of green energy and concerns about costs. This conflict is illuminated in countries where urbanization rates are high. 1.5 million people move to cities each year. Companies should consider positioning themselves to capitalize on ecologically sustainable building methods.

Construction Builds Momentum⁴

The Housing Market Index, a measure of builder confidence, increased to 67 in June 2017 from 60 a year prior, the highest level since 2005. The HMI has now been above 50 for 31 consecutive months, indicating strong future growth in the housing market. This trend is expected to continue as consumer confidence remains high and the current unemployment rate is less than 5%.

In the News

July 3, 2017⁵ – General Motors, Ford Motor, and Fiat Chrysler Automobiles reported that their light vehicle sales were down significantly in June compared to a year ago. This caps the worst quarter for light vehicle sales since 2014 when using a seasonally adjusted, annual rate. Japanese automakers performed slightly better but not enough to pick up the slack. Companies are racing to leverage new automobile technologies to boost sales and position themselves for the future of transportation. The International Energy Agency says the electric vehicle market grew 60% in 2016 and that plug-in automobiles may reach 30% market penetration by 2030.

July 4, 2017⁶ – Clariant AG's attempt to create a \$14 billion chemical giant by merging with Huntsman Corp is in danger now that a group of Clariant's largest shareholders are pushing back on the proposed transaction. The shareholders, a variety of U.S.-based investment funds, claim the transaction undervalues Clariant shares and that more shareholder value could be created with alternative transactions. The proposed transaction comes amid a period of consolidation in the chemicals industry as companies attempt to cut costs by finding synergies.

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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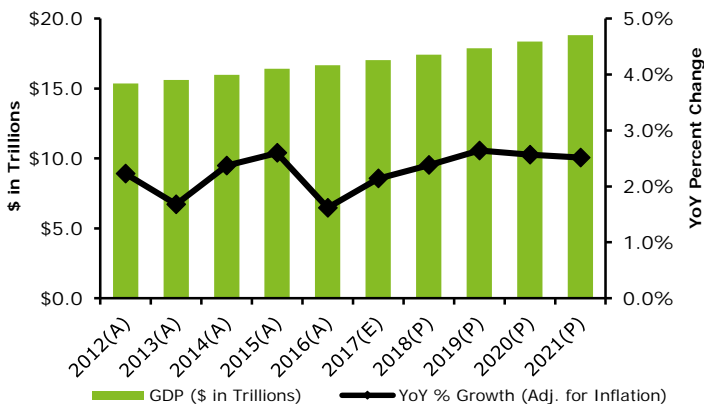
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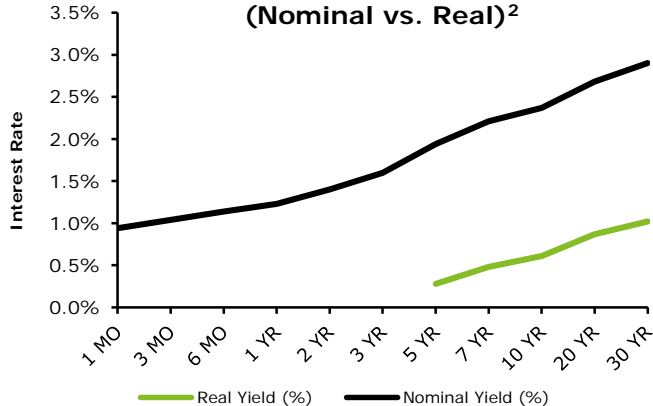
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Macroeconomic Outlook

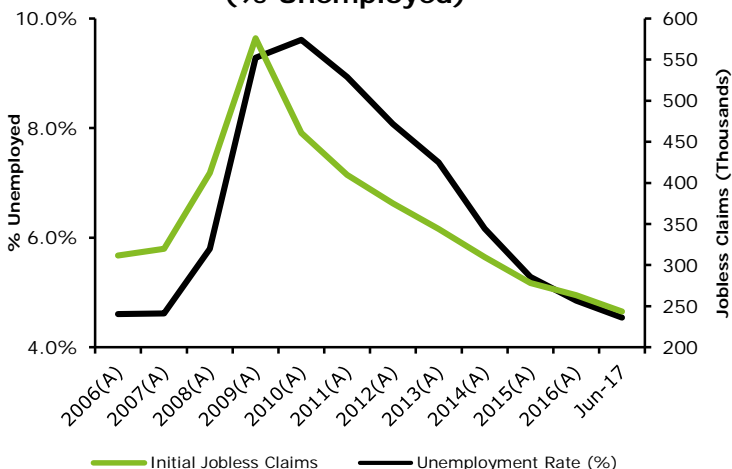
U.S. Gross Domestic Product¹



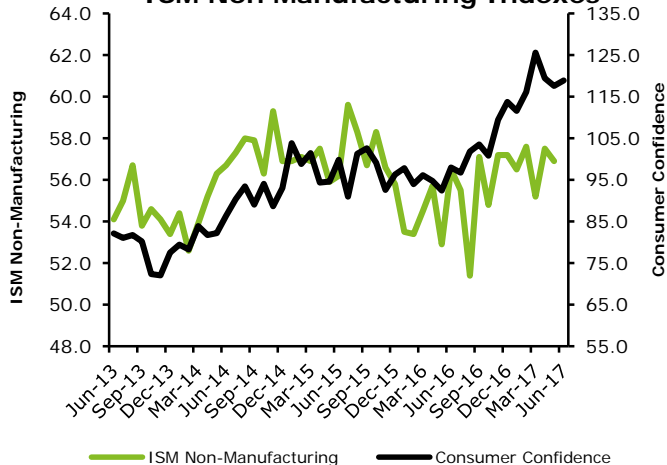
U.S. Treasury Yield Curve (Nominal vs. Real)²



U.S. Unemployment Rate (% Unemployed)³

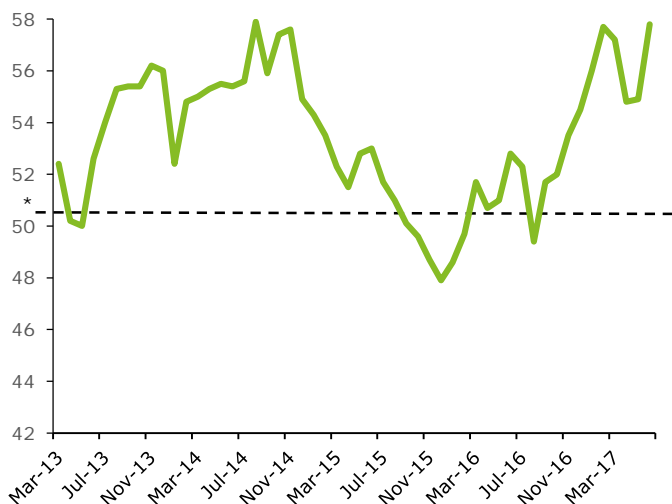


Consumer Confidence and ISM Non Manufacturing Indexes⁴

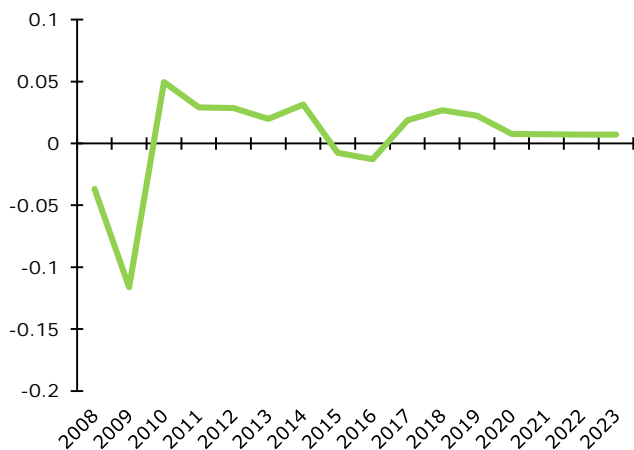


Industrials Sector Outlook

ISM Purchase Managers Index⁵



Industrial Production Index (YoY Growth)⁶



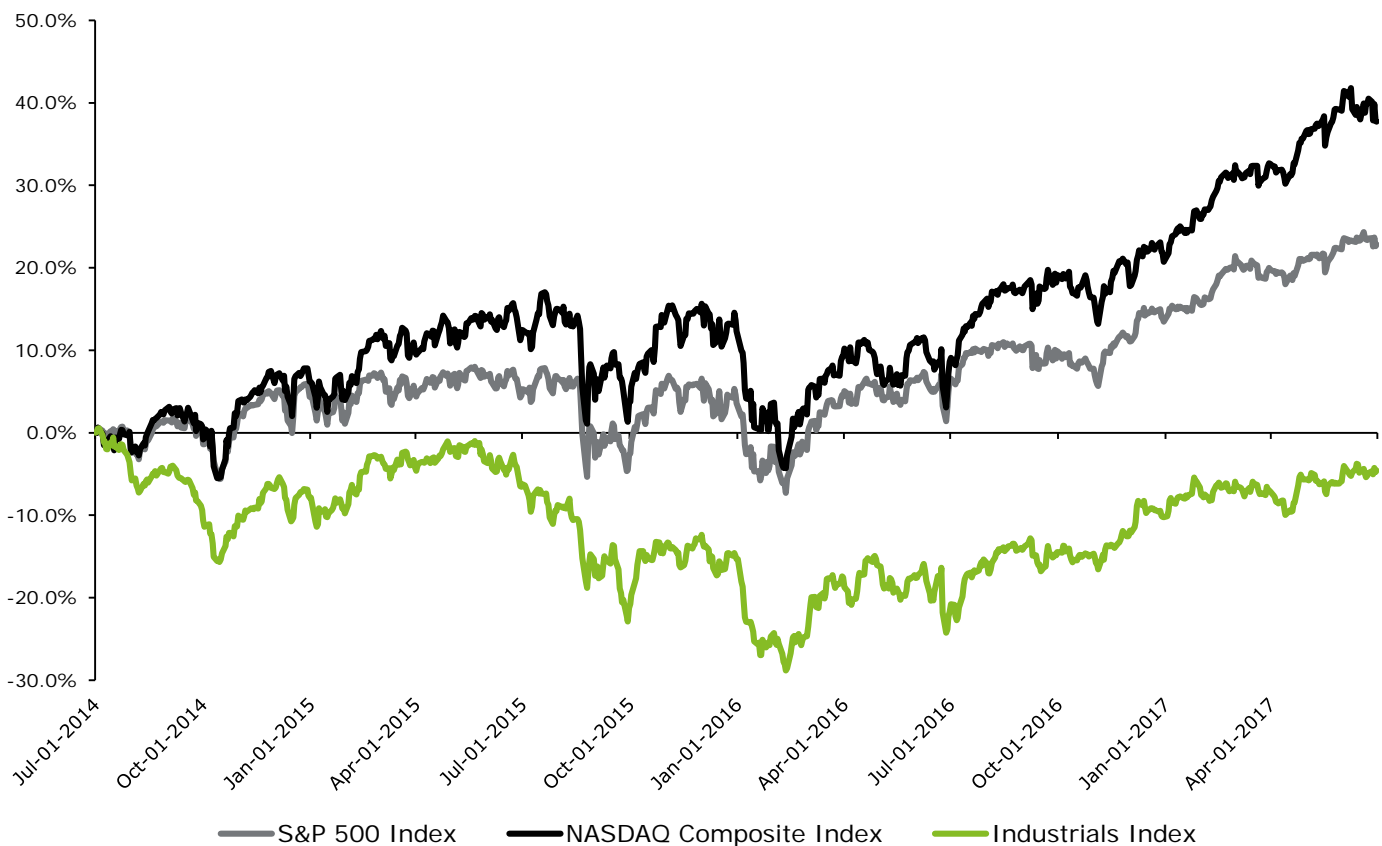
Footnote:
An ISM Purchase Managers Index value above 50 signals economic expansion.

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 (\$)	Last Twelve Months		NTM
							EV/ Revenue	EV/ EBITDA	EV/ EBITDA
<i>(\$ in Millions)</i>									
Automotive	21	86.8 %	3.7 %	\$5,434.9	9.9 %	\$57,741.7	0.7 x	7.9 x	7.0 x
Building Products, Electric Products, Industrial Safety	21	91.4	8.8	372.6	12.1	4,465.8	1.2	10.3	8.1
Capital Equipment & Rental Services	23	89.4	(0.6)	219.9	13.9	2,879.7	1.6	11.5	7.7
Distribution, Transportation & Logistics	22	94.3	3.9	649.3	8.1	8,384.5	1.1	11.4	10.1
Engineering & Construction	33	86.6	2.2	161.3	6.1	1,513.5	0.6	9.5	7.4
Metals, Plastics & Paper Packaging	18	95.2	(1.1)	893.6	15.0	9,023.0	1.5	10.0	9.4
Specialty Chemicals	12	94.0	(2.9)	763.4	18.0	9,756.9	2.3	12.3	10.2
Industrials Sector	150	91.1 %	2.0 %	\$1,213.5	11.8 %	\$13,395.0	1.3 x	10.4 x	8.6 x

Public Comparables Three-Year Stock Market Performance²

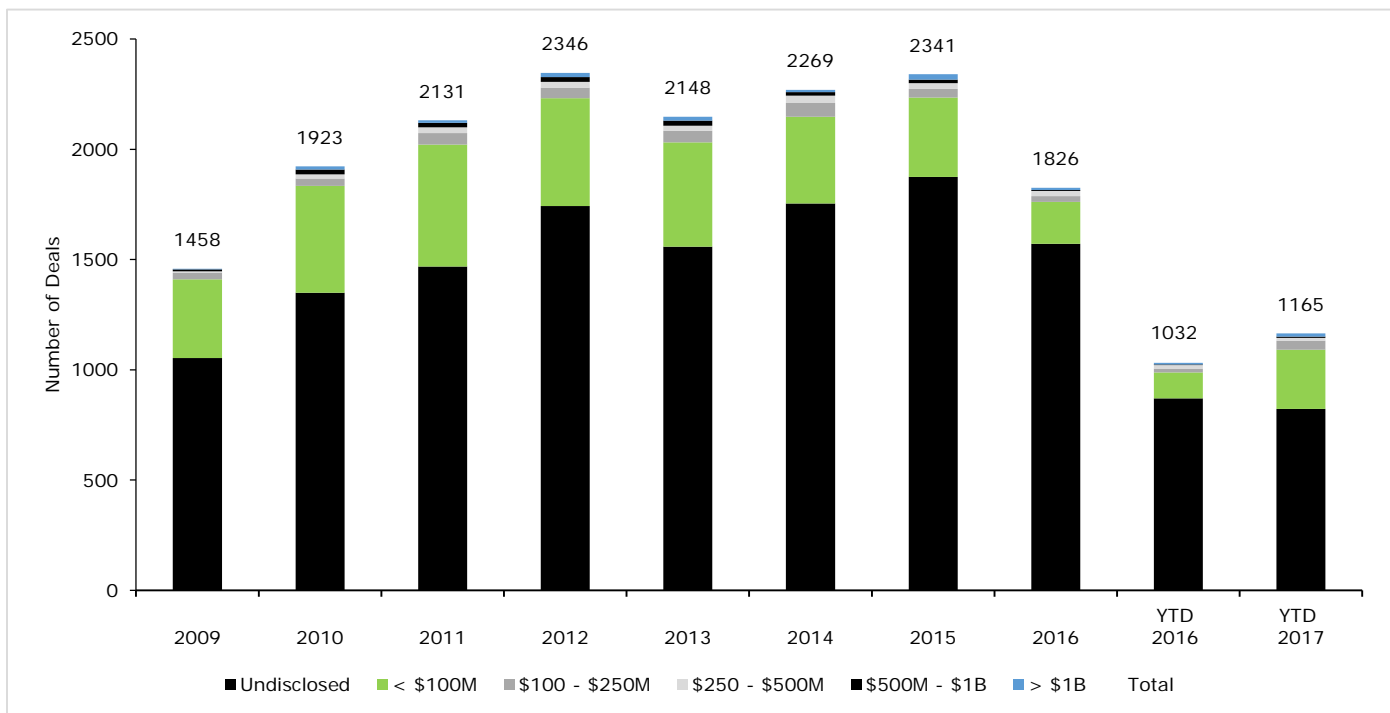
S&P 500 Index	22.81 %
NASDAQ Composite Index	37.72 %
Industrials Index	(3.59)%



Select Industrials M&A Transactions¹

Announce Date	Target/Acquiror	Business Description	Enterprise Value ("EV")	EV/ EBITDA
Jun-17	Hubei Sanxia New Building Materials Co., Ltd. Dangyang Construction Investment Holding Group Co., Ltd.	Hubei Sanxia New Building Materials Co., Ltd. engages in the research, production, and sale of float glass, glass deep-processing products, and building materials in China.	\$1,699.4	22.9 x
Jun-17	Shanghai International Port (Group) Co., Ltd. China COSCO Shipping Corporation Limited	Shanghai International Port (Group) Co., Ltd. engages in the operation and management of ports in China.	23,518.0	16.9
Jun-17	Hyundai Heavy Industries Co., Ltd. Hyundai Robotics Co., Ltd.	Hyundai Heavy Industries Co., Ltd. manufactures and sells ships, offshore structures, plants, engines, and other products in South Korea and internationally.	11,618.4	4.7
May-17	Konecranes Plc Solidium Oy	Konecranes Plc provides lifting equipment and services worldwide. It operates in two segments, Service and Equipment.	4,107.7	20.2
May-17	Navig8 Product Tankers Inc. Scorpio Tanks Inc.	Navig8 Product Tankers Inc., through its subsidiaries, operates in the product tanker market worldwide. The company provides seaborne transportation of products and acquires and operates long-range tankers.	1,155.4	17.9
May-17	Abertis Infraestructuras, S.A. Atlantia S.p.A.	Abertis Infraestructuras, S.A., together with its subsidiaries, engages in the management of mobility and communications infrastructure in toll road concessions and telecommunications concessions in Spain and internationally.	33,019.6	9.2
May-17	AREVA NP SAS Assystem SA	AREVA NP SAS designs and constructs nuclear power plants and research reactors. The company's products include instrumentation and control systems, electrical systems, nuclear fuel and related components, and spare parts, as well as nuclear components, inspections, repairs, and replacements.	2,717.7	N/A
Apr-17	Autostrade per l'Italia S.p.A. Allianz Capital Partners GmbH; Dutch Infrastructure Fund B.V.	Autostrade per l'Italia S.p.A. constructs and operates toll paying highways worldwide. The company manages approximately 5,000 kilometers of toll paying highways in Italy, Brazil, Chile, India, and Poland.	28,963.1	11.0
Apr-17	CWT Limited HNA Holding Group Co. Limited	CWT Limited, together with its subsidiaries, provides integrated logistics and supply chain solutions for small establishments and multinational corporations in Singapore and internationally.	1,323.2	10.1
Mar-17	Blue Solutions Société Anonyme Bolloré SA	Blue Solutions Société Anonyme develops, manufactures, and markets electric batteries for individuals, companies, local authorities, and others in France and internationally.	552.8	30.3
Mar-17	Shenzhen Bak Power Battery Co., Ltd. Wuhu Token Sciences Co., Ltd.	Shenzhen Bak Power Battery Co., Ltd. manufactures sealed alkaline batteries. The company is based in Shenzhen, China.	1,302.1	N/A
Mar-17	Holding d'Infrastructures de Transport S.A.S. Abertis Infraestructuras, S.A.	Holding d'Infraestructuras de Transport S.A.S., through its subsidiaries, operates toll road concessions. It constructs and manages 1,785 kilometers of toll roads, engineering structures, and facilities.	10,323.7	8.9

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
<i>(\$ in Millions)</i>									
Automotive (21)									
Bayerische Motoren Werke Aktiengesellschaft (DB:BMW)	88.5 %	\$103,462.4	8.0 %	\$13,917.9	13.5 %	\$158,425.5	1.5 x	11.4 x	9.6 x
Daimler AG (XTRA:DAI)	86.5	167,867.8	9.0	18,766.0	11.2	190,970.0	1.1	10.2	8.4
Delphi Automotive PLC (NYSE:DLPH)	97.3	16,902.0	1.1	3,039.0	18.0	27,302.6	1.6	9.0	9.3
Fiat Chrysler Automobiles N.V. (BIT:FCA)	82.6	119,939.1	8.0	10,932.4	9.1	24,102.9	0.2	2.2	1.6
Ford Motor Company (NYSE:F)	79.7	153,228.0	1.4	13,305.3	8.7	162,620.4	1.1	12.2	14.0
Subaru Corporation (TSE:7270)	75.5	29,829.5	11.4	4,444.0	14.9	18,496.1	0.6	4.2	4.3
General Motors Company (NYSE:GM)	90.6	170,315.0	3.0	20,718.0	12.2	123,487.0	0.7	6.0	5.5
Honda Motor Co., Ltd. (TSE:7267)	83.4	125,553.4	3.8	11,883.4	9.5	92,137.2	0.7	7.8	7.8
Hyundai Motor Company (KOSE:A005380)	92.2	84,675.9	2.6	6,581.1	7.8	70,896.5	0.8	10.8	7.6
Isuzu Motors Limited (TSE:7202)	84.3	17,517.4	3.5	1,887.8	10.8	10,746.9	0.6	5.7	5.5
Kia Motors Corporation (KOSE:A000270)	84.0	47,325.0	3.0	3,538.2	7.5	12,797.1	0.3	3.6	3.4
Mazda Motor Corporation (TSE:7261)	75.9	28,828.4	6.1	1,866.4	6.5	8,246.2	0.3	4.4	3.9
Mitsubishi Corporation (TSE:8058)	87.1	57,630.1	(5.6)	5,303.4	9.2	75,310.7	1.3	14.2	13.8
Nissan Shatai Co., Ltd. (TSE:7222)	92.5	5,074.6	6.1	195.4	3.9	316.3	0.1	1.6	0.0
Peugeot S.A. (ENXTPA:UG)	87.1	57,035.8	0.6	5,152.5	9.0	12,975.1	0.2	2.5	2.0
Renault SA (ENXTPA:RNO)	87.3	54,093.7	7.8	5,566.3	10.3	62,037.2	1.1	11.1	8.4
SAIC Motor Corporation Limited (SHSE:600104)	94.5	110,058.6	8.9	4,091.3	3.7	53,446.3	0.5	13.1	10.8
Suzuki Motor Corporation (TSE:7269)	95.9	28,426.4	2.56	3,853.1	13.6	19,814.9	0.7	5.1	4.7
Tesla, Inc. (NasdaqGS:TSLA)	93.4	8,549.4	60.4	530.7	6.2	66,232.5	7.7	124.8	54.6
Toyota Motor Corporation (TSE:7203)	81.7	247,508.5	2.4	32,334.7	13.1	291,434.0	1.2	9.0	10.8
Volkswagen Aktiengesellschaft (XTRA:VOW3)	85.2	237,917.0	3.9	28,104.1	11.8	225,837.9	0.9	8.0	6.5
Median	86.8 %	71,153.0	3.7 %	5,434.9	9.9 %	57,741.7	0.7 x	7.9 x	7.0 x
Mean	86.6 %		4.4 %		10.2 %		0.8 x	7.6 x	6.9 x
Building Products, Electric Products, Industrial Safety (21)									
Beacon Roofing Supply, Inc. (NasdaqGS:BECN)	94.0 %	\$4,200.0	23.2 %	\$361.3	8.6 %	\$3,979.6	0.9 x	11.0 x	9.8 x
Bluelinx Holdings Inc. (NYSE:BXCI)	97.0	1,835.3	(4.3)	29.2	1.6	430.3	0.2	14.7	0.0
BMC Stock Holdings, Inc. (NasdaqGS:BMCH)	91.4	3,124.0	33.6	183.6	5.9	1,850.0	0.6	10.1	8.0
Boral Limited (ASX:BLD)	93.9	3,072.9	0.4	372.6	12.1	5,310.0	1.7	14.3	7.9
Builders FirstSource, Inc. (NasdaqGS:BLDR)	92.8	6,503.2	62.5	361.7	5.6	3,659.7	0.6	10.1	8.1
Compagnie de Saint-Gobain S.A. (ENXTPA:SGO)	89.3	41,267.8	(2.2)	4,172.9	10.1	36,523.6	0.9	8.8	7.5
Eagle Materials Inc. (NYSE:EXP)	83.5	1,211.2	10.5	373.3	30.8	5,168.6	4.3	13.8	9.8
Emerson Electric Co. (NYSE:EMR)	92.6	14,396.0	(16.3)	3,098.0	21.5	37,503.9	2.6	12.1	10.7
Fletcher Building Limited (NZSE:FBU)	71.7	6,394.4	3.0	626.0	9.8	5,556.2	0.9	8.9	8.2
Gibraltar Industries, Inc. (NasdaqGS:ROCK)	74.2	976.9	5.9	114.0	11.7	1,174.5	1.2	10.3	8.8
Huttig Building Products, Inc. (NasdaqCM:HBP)	75.9	730.8	8.5	22.4	3.1	259.8	0.4	11.6	0.0
James Hardie Industries plc (ASX:JHX)	88.4	1,921.6	8.8	436.5	22.7	7,476.6	3.9	17.1	14.2
Martin Marietta Materials, Inc. (NYSE:MLM)	91.1	3,634.5	22.5	947.5	26.1	15,734.0	4.3	16.6	14.0
NCI Building Systems, Inc. (NYSE:NCS)	92.3	1,754.8	9.6	156.3	8.9	1,522.5	0.9	9.7	6.9
Owens Corning (NYSE:OC)	98.8	5,924.0	4.3	1,130.0	19.1	9,687.3	1.6	8.6	8.2
Ply Gem Holdings, Inc. (NYSE:PGEM)	89.8	1,933.2	11.9	226.6	11.7	2,080.0	1.1	9.2	7.7
Summit Materials, Inc. (NYSE:SUM)	98.6	1,682.0	23.8	322.6	19.2	4,465.8	2.7	13.8	10.2
U.S. Concrete, Inc. (NasdaqCM:USCR)	97.6	1,222.2	25.5	160.8	13.2	1,615.0	1.3	10.0	7.6
USG Corporation (NYSE:USG)	83.7	3,037.0	(5.6)	514.0	16.9	4,904.9	1.6	9.5	7.5
Vulcan Materials Company (NYSE:VMC)	91.7	3,625.3	8.9	948.1	26.2	18,784.0	5.2	19.8	15.0
Wienerberger AG (WBAG:WIE)	87.4	3,232.1	3.1	389.7	12.1	3,660.6	1.1	9.4	7.4
Median	91.4 %	3,072.9	8.8 %	372.6	12.1 %	4,465.8	1.2 x	10.3 x	8.1 x
Mean	89.3 %		11.3 %		14.1 %		1.8 x	11.9 x	8.4 x
Capital Equipment & Rental Services (23)									
Aggreko plc (LSE:AGK)	70.5 %	\$1,870.6	(1.2) %	\$647.1	34.6 %	\$3,896.2	2.1 x	6.0 x	5.3 x
Ashted Group plc (LSE:AHT)	90.1	4,124.1	24.9	1,947.0	47.2	13,548.1	3.3	7.0	6.0
Astec Industries, Inc. (NasdaqGS:ASTE)	75.7	1,187.1	8.7	107.0	9.0	1,231.6	1.0	11.5	9.3
Caterpillar Inc. (NYSE:CAT)	99.3	38,898.0	(11.3)	5,401.0	13.9	93,435.6	2.4	17.3	17.0
Cervus Equipment Corporation (TSX:CERV)	67.0	849.8	8.5	33.1	3.9	284.7	0.3	8.6	7.7
CNH Industrial N.V. (NYSE:CNHI)	96.5	23,977.0	(9.7)	2,412.0	10.1	36,495.2	1.5	15.1	16.2
Cummins Inc. (NYSE:CM)	98.8	17,807.0	0.0	2,358.0	13.2	27,941.4	1.6	11.8	10.1
Deere & Company (NYSE:DE)	96.3	26,780.3	(10.3)	3,978.5	14.9	71,459.3	2.7	18.0	18.4
Finning International Inc. (TSX:FTT)	90.7	4,154.2	(7.0)	347.4	8.4	4,063.2	1.0	11.7	9.2
H&E Equipment Services, Inc. (NasdaqGS:HEES)	74.1	958.0	(1.8)	132.7	13.9	1,539.8	1.6	11.6	5.1
Herc Holdings Inc. (NYSE:HRI)	74.2	1,578.6	N/A	105.7	6.7	3,228.5	2.0	30.5	5.8
Hyundai Heavy Industries Co., Ltd. (KOSE:A009540)	94.1	33,402.6	(11.9)	2,414.0	7.2	9,328.4	0.3	3.9	9.1
Manitex International, Inc. (NasdaqCM:MNTX)	70.6	271.4	3.0	5.7	2.1	280.8	1.0	49.4	19.1
McGrath Rentcorp (NasdaqGS:MGRC)	86.9	425.2	4.0	89.5	21.1	1,152.6	2.7	12.9	6.9
Neff Corporation (NYSE:NEFF)	89.4	403.3	6.9	103.4	25.6	799.5	2.0	7.7	3.9
Nishio Rent All Co., Ltd. (TSE:9699)	96.0	1,070.0	6.4	285.7	26.7	1,040.7	1.0	3.6	3.6
Oshkosh Corporation (NYSE:OSK)	91.8	6,332.6	(3.9)	531.0	8.4	5,566.2	0.9	10.5	9.3
Strongo Corporation (TSX:SQP)	72.2	265.1	(10.5)	(4.5)	N/A	120.0	0.5	N/A	7.4
The Manitowoc Company, Inc. (NYSE:MTW)	79.4	1,491.5	(28.0)	(3.5)	N/A	1,090.0	0.7	N/A	14.3
Toromont Industries Ltd. (TSX:TIH)	94.6	1,419.5	5.9	219.9	15.5	2,879.7	2.0	13.1	11.7
United Rentals, Inc. (NYSE:URI)	83.9	5,808.0	4.9	1,716.0	29.5	16,537.5	2.8	9.6	5.6
Vp plc (LSE:VP)	98.3	311.5	10.8	86.1	27.6	584.2	1.9	6.8	5.8
Wajax Corporation (TSX:WJX)	87.9	942.0	(4.1)	40.7	4.3	451.9	0.5	11.1	7.2
Median	89.4 %	1,491.5	(0.6) %	219.9	13.9 %	2,879.7	1.6 x	11.5 x	7.7 x
Mean	86.0 %		(0.7) %		16.4 %		1.6 x	13.2 x	9.3 x

Footnote:

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 (22)									
ArcBest Corporation (NasdaqGS:ARCB)	60.7 %	\$2,729.9	5.0 %	\$136.3	5.0 %	\$620.4	0.2 x	4.6 x	4.2 x
Celadon Group, Inc. (NYSE:CGI)	32.3	1,054.6	15.7	83.5	7.9	461.6	0.4	5.5	N/A
C.H. Robinson Worldwide, Inc. (NasdaqGS:CHRW)	84.6	13,485.6	1.5	886.6	6.6	10,686.4	0.8	12.1	11.6
Deutsche Post AG (XTRA:DPW)	97.8	62,926.6	1.9	4,753.0	7.6	50,010.7	0.8	10.5	8.4
Echo Global Logistics, Inc. (NasdaqGS:ECHO)	68.9	1,726.6	23.0	34.8	2.0	761.1	0.4	21.9	10.7
Expeditors International of Washington, Inc. (NasdaqGS:EXPD)	97.8	6,224.7	0.4	711.8	11.4	9,022.5	1.4	12.7	12.5
FedEx Corporation (NYSE:FDX)	99.5	60,319.0	9.8	8,008.0	13.3	69,070.6	1.1	8.6	7.5
Forward Air Corporation (NasdaqGS:FWRD)	94.3	1,000.0	13.6	141.8	14.2	1,609.4	1.6	11.3	10.3
Hapag-Lloyd Aktiengesellschaft (DB:HLAG)	80.6	8,490.8	7.1	635.6	7.5	8,869.7	1.0	14.0	7.8
Hub Group, Inc. (NasdaqGS:HUBG)	73.0	3,660.4	2.0	159.8	4.4	1,316.8	0.4	8.2	8.4
J.B. Hunt Transport Services, Inc. (NasdaqGS:JBHT)	89.3	6,655.9	5.3	1,067.9	16.0	10,991.8	1.7	10.3	10.1
Knight Transportation, Inc. (NYSE:KNX)	95.5	1,117.1	4.4	246.6	22.1	2,936.8	2.6	11.9	11.0
Kuehne + Nagel International AG (SWX:KNIN)	99.8	16,810.8	(0.6)	1,063.8	6.3	19,123.9	1.1	18.0	15.5
Landstar System, Inc. (NasdaqGS:LSTR)	94.3	3,238.4	5.8	261.9	8.1	3,466.5	1.1	13.2	12.3
Nippon Yusen Kabushiki Kaisha (TSE:9101)	79.2	17,254.5	(4.9)	663.0	3.8	10,799.9	0.6	16.3	11.5
Old Dominion Freight Line, Inc. (NasdaqGS:ODFL)	98.7	3,037.9	7.9	687.8	22.6	7,899.2	2.6	11.5	10.8
Panalpina World Transport (Holding) Ltd. (SWX:PWTN)	96.1	5,165.1	(8.5)	126.8	2.5	2933.9	0.6	23.1	15.2
Ryder System, Inc. (NYSE:R)	84.3	6,905.5	2.2	1,822.0	26.4	9,143.5	1.3	5.0	5.2
Swift Transportation Company (NYSE:SWFT)	97.5	4,027.5	(1.0)	503.6	12.5	4,473.1	1.1	8.9	8.3
United Parcel Service, Inc. (NYSE:UPS)	91.8	61,803.0	3.5	7,662.0	12.4	109,530.9	1.8	14.3	10.1
Werner Enterprises, Inc. (NasdaqGS:WERN)	97.2	2,027.4	(0.0)	317.4	15.7	2,218.8	1.1	7.0	6.0
XPO Logistics, Inc. (NYSE:XPO)	98.8	14,613.2	156.0	1,178.0	8.1	12,221.5	0.8	10.4	8.4
Median	94.3 %	5,694.9	3.9 %	649.3	8.1 %	8,384.5	1.1 x	11.4 x	10.1 x
Mean	86.9 %		11.4 %		10.7 %		1.1 x	11.8 x	9.8 x
Engineering & Construction (33)									
ACS, Actividades de Construcción y Servicios, S.A. (BME:ACS)	92.0 %	\$35,082.2	(1.3) %	\$1,989.1	5.7 %	\$15,491.5	0.4 x	7.8 x	5.9 x
Aegion Corporation (NasdaqGS:AEGN)	82.0	1,253.2	2.3	120.1	9.6	998.0	0.8	8.3	7.4
ARCADIS NV (ENXTAM:ARCAD)	91.8	3,513.9	9.8	209.3	6.0	2,127.6	0.6	10.2	8.3
Babcock International Group plc (LSE:BAB)	79.2	5,694.3	11.0	686.6	12.1	7,574.9	1.3	11.0	8.3
Balfour Beatty plc (LSE:BBY)	90.4	8,547.8	(2.6)	(45.7)	N/A	2,705.3	0.3	N/A	11.9
Bilfinger SE (DB:GBF)	84.8	4,451.0	(17.1)	47.0	1.1	1,196.5	0.3	25.4	7.1
CIMIC Group Limited (ASX:CIM)	94.5	8,757.1	(20.6)	727.8	8.3	9,343.1	1.1	12.8	9.1
Comfort Systems USA, Inc. (NYSE:FIX)	93.5	1,629.0	6.4	124.7	7.7	1,347.7	0.8	10.8	9.1
Costain Group plc (LSE:COST)	93.3	1,943.0	21.1	57.9	3.0	445.6	0.2	7.7	6.2
Daelim Industrial Co., Ltd. (KOSE:A000210)	94.1	9,044.5	2.2	357.6	4.0	4,019.4	0.4	11.2	6.8
Daewoo Engineering & Construction Co., Ltd. (KOSE:A047040)	92.7	10,006.8	8.8	(299.9)	N/A	3,815.1	0.4	N/A	4.7
Ebara Corporation (TSE:6361)	84.1	4,270.0	2.0	392.2	9.2	2,866.8	0.7	7.3	6.3
Fluor Corporation (NYSE:FLR)	78.4	19,448.5	(8.7)	784.8	4.0	6,048.8	0.3	7.7	7.1
Fomento de Construcciones y Contratas, S.A. (BME:FCC)	95.6	6,548.5	(4.8)	898.7	13.7	8,572.6	1.3	9.5	9.0
GS Engineering & Construction Corporation (KOSE:A006360)	93.0	9,926.4	3.8	28.5	0.3	3,080.1	0.3	107.9	6.9
Interserve plc (LSE:IRV)	51.5	4,006.1	14.0	289.5	7.2	959.7	0.2	3.3	4.4
Keller Group plc (LSE:KLR)	84.1	2,197.7	7.4	183.8	8.4	1,226.2	0.6	6.7	5.2
Kier Group plc (LSE:KIE)	81.5	5,105.3	19.3	161.5	3.2	1,837.9	0.4	11.4	8.0
Koninklijke BAM Groep nv (ENXTAM:BAMNB)	86.6	7,364.2	(0.3)	84.8	1.2	1,347.1	0.2	15.9	5.8
Maire Tecnimont S.p.A. (BIT:MT)	88.9	2,801.2	24.4	161.3	5.8	1,541.9	0.6	9.6	7.7
Matrix Service Company (NasdaqGS:MTRX)	39.9	1,265.3	3.1	32.6	2.6	253.2	0.2	7.8	6.8
Monadelphous Group Limited (ASX:MND)	97.3	908.9	(21.6)	70.3	7.7	834.4	0.9	11.9	11.9
Morgan Sindall Group plc (LSE:MGNS)	94.2	3,162.8	6.9	57.9	1.8	438.3	0.1	7.6	5.5
Oil States International, Inc. (NYSE:OIS)	65.0	676.3	(25.8)	38.4	5.7	1,363.0	2.0	35.5	17.2
Penta-Ocean Construction Co., Ltd. (TSE:1893)	94.8	4,487.3	9.5	269.5	6.0	1,513.5	0.3	5.6	5.1
Primoris Services Corporation (NasdaqGS:PRIM)	85.4	2,128.0	2.0	136.0	6.4	1,389.8	0.7	10.2	8.0
Quanta Services, Inc. (NYSE:PWR)	84.8	8,115.8	6.7	580.5	7.2	5,326.3	0.7	9.2	7.9
RPC, Inc. (NYSE:RES)	86.5	838.0	(24.4)	30.8	3.7	4,296.8	5.1	139.4	8.4
STRABAG AG (DB:STB1)	99.3	2,322.0	1.6	143.9	6.2	1,257.6	0.5	8.7	0.0
Sumitomo Heavy Industries, Ltd. (TSE:6302)	86.3	6,047.8	3.1	616.5	10.2	4,106.4	0.7	6.7	6.4
Team, Inc. (NYSE:TISI)	59.1	1,232.4	0.0	49.4	4.0	1,032.6	0.8	20.9	10.1
VINCI SA (ENXTPA:DG)	92.9	40,829.7	(1.9)	6,441.5	15.8	65,978.6	1.6	10.2	9.0
Willbros Group, Inc. (NYSE:WG)	64.3	696.6	(28.4)	(11.8)	N/A	205.8	0.3	N/A	8.1
Median	86.6 %	4,270.0	2.2 %	161.3	6.1 %	1,513.5	0.6 x	9.5 x	7.4 x
Mean	83.9 %		0.9 %		6.5 %		0.6 x	11.1 x	7.6 x

Footnote:

GS Engineering & Construction Corporation and RPC, Inc. are excluded from engineering & construction mean and median calculations given recent underperformance and associated multiples.

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 (18)									
Alcoa Corporation (NYSE:AA)	82.1 %	\$9,844.0	0.0 %	\$1,448.0	14.7 %	\$8,949.4	0.9 x	6.2 x	4.6 x
AptarGroup, Inc. (NYSE:ATR)	98.8	2,349.9	(3.0)	475.1	20.2	5,919.3	2.5	12.5	12.2
ArcelorMittal (ENXTAM:MT)	74.9	59,478.0	(9.2)	7,124.0	12.0	38,339.6	0.6	5.4	4.9
Avery Dennison Corporation (NYSE:AVY)	98.7	6,173.1	(0.1)	749.6	12.1	9,096.6	1.5	12.1	11.1
Ball Corporation (NYSE:BLL)	98.8	9,778.0	4.8	1,460.0	14.9	22,441.3	2.3	15.4	12.3
Bemis Company, Inc. (NYSE:BMS)	86.7	4,031.9	(2.2)	586.6	14.5	5,755.1	1.4	9.8	10.1
Berry Global Group, Inc. (NYSE:BERY)	96.7	6,571.0	11.2	1,176.0	17.9	13,175.8	2.0	11.2	9.4
Commercial Metals Company (NYSE:CMC)	78.9	4,815.9	(10.2)	306.1	6.4	3,038.1	0.6	9.9	7.7
Crown Holdings, Inc. (NYSE:CCK)	99.7	8,292.0	(1.5)	1,330.0	16.0	13,396.9	1.6	10.1	9.9
Graphic Packaging Holding Company (NYSE:GPK)	93.7	4,325.6	(0.9)	707.8	16.4	6,494.9	1.5	9.2	8.6
Greif, Inc. (NYSE:GEF)	88.5	3,420.9	(6.5)	447.5	13.1	3,850.7	1.1	8.6	8.1
Multi-Color Corporation (NasdaqGS:LABL)	92.5	923.3	9.3	160.9	17.4	1,842.4	2.0	11.5	10.3
Owens-Illinois, Inc. (NYSE:OI)	99.3	6,729.0	(1.1)	1,066.0	15.8	9,322.7	1.4	8.7	7.1
Packaging Corporation of America (NYSE:PKG)	98.1	5,914.5	10.9	1,181.0	20.0	12,789.9	2.2	10.8	9.8
Sealed Air Corporation (NYSE:SEE)	88.4	6,804.6	(4.0)	1,037.6	15.2	12,662.2	1.9	12.2	15.2
Silgan Holdings Inc. (NasdaqGS:SLGN)	97.8	3,625.6	(1.3)	476.8	13.2	5,326.2	1.5	11.2	9.1
Sonoco Products Company (NYSE:SON)	92.5	4,728.9	(1.0)	623.7	13.2	6,174.7	1.3	9.9	9.3
WestRock Company (NYSE:WRK)	96.7	14,311.7	13.9	2,145.9	15.0	19,584.8	1.4	9.1	7.7
Median	95.2 %	6,043.8	(1.1) %	893.6	15.0 %	9,023.0	1.5 x	10.0 x	9.4 x
Mean	92.4 %		0.5 %		14.9 %		1.5 x	10.2 x	9.3 x
Specialty Chemicals (12)									
Albemarle Corporation (NYSE:ALB)	90.5 %	\$2,742.1	4.4 %	\$724.0	26.4 %	\$12,293.4	4.5 x	17.0 x	14.6 x
Ashland Global Holdings Inc. (NYSE:ASH)	51.4	5,051.0	(5.9)	771.0	15.3	6,262.6	1.2	8.1	9.8
Axalta Coating Systems Ltd. (NYSE:AXTA)	94.0	4,149.5	(1.2)	875.6	21.1	10,750.6	2.6	12.3	11.0
BASF SE (DB:BAS)	87.0	64,370.2	(6.5)	11,290.6	17.5	103,829.4	1.6	9.2	7.7
Celanese Corporation (NYSE:CE)	97.9	5,456.0	(6.2)	1,155.0	21.2	16,255.5	3.0	14.1	9.9
H.B. Fuller Company (NYSE:FUL)	94.1	2,152.7	1.2	266.2	12.4	3,280.2	1.5	12.3	10.7
Platform Specialty Products Corporation (NYSE:PAH)	88.2	3,623.9	69.2	755.7	20.9	8,763.2	2.4	11.6	10.9
PolyOne Corporation (NYSE:POL)	94.8	3,391.6	(5.1)	408.0	12.0	4,307.4	1.3	10.6	9.5
PPG Industries, Inc. (NYSE:PPG)	96.9	14,776.0	(0.0)	2,552.0	17.3	31,293.8	2.1	12.3	11.4
Sensient Technologies Corporation (NYSE:SXT)	95.2	1,382.1	(1.9)	251.9	18.2	4,127.5	3.0	16.4	14.5
The Dow Chemical Company (NYSE:DOW)	96.3	50,685.0	(3.9)	8,982.0	17.7	94,051.6	1.9	10.5	8.8
W. R. Grace & Co. (NYSE:GRA)	89.4	1,633.8	(19.2)	384.0	23.5	6,405.5	3.9	16.7	11.6
Median	94.0 %	3,886.7	(2.9) %	763.4	18.0 %	9,756.9	2.3 x	12.3 x	10.7 x
Mean	89.6 %		2.1 %		18.6 %		2.4 x	11.9 x	10.6 x

Recent Transactions¹

Target/Acquirer	Sub-Sector	Close Date	LTM Revenue	LTM EBITDA	EBITDA Margin	Enterprise Value ("EV") ⁽¹⁾	Last Twelve Months	
							EV/Revenue	EV/EBITDA
Hubei Sanxia New Building Materials Co., Ltd. Dangyang Construction Investment Holding Group Co., Ltd	Building Products	Pending	\$885.2	\$74.1	8.4 %	\$1,699.4	1.9 x	22.9 x
Hualing Xingma Automobile (Group) Co., Ltd. China Hi-Tech Group Corporation	Construction Machinery and Heavy Trucks	Pending	698.8	34.2	4.9	638.9	0.9	18.7
National Central Cooling Company PJSC ENGIE SA	Building Products	Pending	352.4	182.8	51.9	2,805.4	8.0	15.3
Portonave S.A. - Terminais Portuários de Navegantes Terminal Investment Limited Sàrl	Marine Ports and Services	Pending	135.9	109.2	80.3	926.3	6.8	8.5
Lemminkäinen Oyj YIT Oyj	Construction and Engineering	Pending	1,905.1	74.1	3.9	860.7	0.5	11.6
Hubei Expressway Co., Ltd. China Merchants Huajian Highway Investment Co., Ltd	Highways and Railtracks	Pending	148.6	93.8	63.1	942.6	6.3	10.1
OHL México, S.A.B. de C.V. OHL Concesiones, S.A.; IFM Global Infrastructure Fund	Highways and Railtracks	Pending	680.2	473.1	69.6	4,863.5	7.1	10.3
Shanghai International Port (Group) Co., Ltd. China COSCO Shipping Corporation Limited	Marine Ports and Services	Pending	4,743.5	1,388.6	29.3	23,518.0	5.0	16.9
Hyundai Heavy Industries Co., Ltd. Hyundai Robotics Co., Ltd.	Construction Machinery and Heavy Trucks	Pending	32,989.2	2,448.4	7.4	11,618.4	0.4	4.7
Navig8 Product Tankers Inc. Scorpio Tankers Inc.	Marine	Pending	123.5	64.6	52.3	1,155.4	9.4	17.9
Berendsen plc Elis SA	Diversified Support Services	Pending	1,438.7	446.6	31.0	3,398.7	2.4	7.6
Abertis Infraestructuras, S.A. Atlantia S.p.A.	Highways and Railtracks	Pending	5,459.5	3,584.4	65.7	33,019.6	6.0	9.2
AREVA NP SAS Assystem SA	Construction and Engineering	Pending	3,554.7	N/A	N/A	2,717.7	0.8	N/A
West Corporation Apollo Global Management, LLC	Office Services and Supplies	Pending	2,293.7	651.2	28.4	4,950.0	2.2	7.6
Autostrade per l'Italia S.p.A. Allianz Capital Partners GmbH; Dutch Infrastructure Fund B.V.; EDF Invest	Highways and Railtracks	Pending	4,103.5	2,638.6	64.3	28,963.1	7.1	11.0
CWT Limited HNA Holding Group Co. Limited	Trading Companies and Distributors	Pending	7,117.8	131.4	1.8	1,323.2	0.2	10.1
Heilongjiang Transport Development Co., Ltd. Heilongjiang Yuanlong Jingyun Investment Management Partnership Enterprise	Highways and Railtracks	Pending	72.6	50.7	69.8	771.3	10.6	15.2
NR Electric Co., Ltd. and Beijing SG-EPRI UHV Transmission Technology Co., Ltd. NARI Technology Co., Ltd.	Electrical Components and Equipment	Pending	1,021.0	NA	NA	2,746.1	NA	NA
Blue Solutions Société Anonyme Bolloré SA	Electrical Components and Equipment	Pending	117.9	18.2	15.5	552.8	4.7	30.3
Spotless Group Holdings Limited Downer EDI Services Pty Ltd	Diversified Support Services	Pending	2,332.3	214.0	9.2	1,633.4	0.7	7.6
Shenzhen Bak Power Battery Co., Ltd. Wuhu Token Sciences Co., Ltd.	Electrical Components and Equipment	Pending	346.0	N/A	N/A	1,302.1	3.8	N/A
TAV Havalimanlari Holding A.S. Tank ÖWA alpha GmbH	Airport Services	Jul-17	1,183.4	NA	NA	3,204.9	NA	NA
KSS Line Ltd. NH Investment & Securities Co., Ltd., Investment Arm	Marine	May-17	127.1	50.9	40.0	591.9	4.7	11.6
AF Gruppen ASA Oslo Bolig Og Sparelag	Construction and Engineering	May-17	1,404.2	131.1	9.3	1,764.1	1.3	13.5
Konecranes Plc Solidium Oy	Industrial Machinery	May-17	2,618.2	203.0	7.8	4,107.7	1.6	20.2
Jiangsu Tongda Power Technology Co., Ltd. Tianjin Xinda Ruiming Enterprise Management Advisory Center	Electrical Components and Equipment	May-17	131.4	NA	NA	698.0	NA	NA
Median			\$1,102.2	\$131.4	29.3 %	\$1,731.7	3.8 x	11.6 x
Mean			\$2,922.5	\$622.0	34.0 %	\$5,414.4	4.0 x	13.4 x

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