



Manufacturing Update

March 2020

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 monthly report contains information on select companies in various subsectors within manufacturing emphasizing financial performance, stock performance, and recent news.

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Macro-Economic Trends

	Jan-20	Feb-20	Trend
PMI	50.9	50.1	Positive
Total Unemployment	3.6	3.5	Neutral
CPI Monthly Change	0.1	0.1	Neutral
PPI Monthly Change	0.5	-0.6	Positive
Industrial Production	109.0	109.6	Positive
Capacity Utilization	76.6	77.0	Positive
Manufacturing Production	104.8	104.9	Neutral
Manufacturing Utilization	75.0	75.0	Neutral

Sector Index Performance

	3-Year	1-Year	3-Month
Aerospace & Defense	26.7%	-9.0%	-13.6%
Components & Materials	-24.5%	-27.3%	-17.6%
Industrial Equipment	54.0%	18.2%	-4.1%
Engineering & Industrial Services	9.0%	0.8%	-5.3%
NASDAQ	47.1%	13.7%	-1.1%
S&P	25.0%	6.1%	-6.0%

MHH Sectors/Sub-sectors

Aerospace & Defense

- Aerospace
- Defense

Components & Materials

- Electronic Components
- Specialty Materials
- Vehicle Parts and Supplies

Industrial Equipment

- Construction Equipment
- Electrical Equipment
- Measurement, Control and Testing Devices
- Semiconductor Capital Equipment

Engineering & Industrial Services

- Industrial Distribution
- Industrial Recycling
- Technical Services

Note: Please refer to Page 18 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, L3Harris Technologies, Lockheed Martin Corp., Northrop Grumman Corp., Raytheon Company, 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 MMH Industrial Equipment Index is currently comprised of Ametek Inc., Applied Materials Inc., ASML Holding NV, Axcelis Technologies Inc., Brooks Automation Inc., Caterpillar Inc., Cohu Inc., Cummins Inc., Danaher Corp., Deere & Company, Eaton Corp. plc, Emerson Electric Co., Entegris Inc., FARO Technologies Inc., FormFactor Inc., Hubbell Inc., Hyundai Heavy Industries Co. Ltd, KLA-Tencor Corp., LamResearch Corp., MKS Instruments Inc., Nanometrics Inc., Navistar International Corp., Nova Measuring Instruments Ltd., Oshkosh Corp., Powell Industries, Inc., Regal Beloit Corp., Rockwell Automation Inc., Rudolph Technologies Inc., Schneider Electric SE, Teradyne Inc., Terex Corp., Tokyo Electron Ltd., Veeco Instruments Inc., and Xcerra Corp.

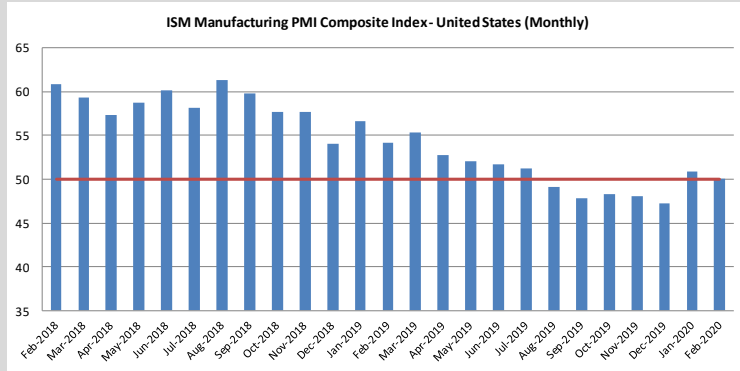
The MMH Engineering & Industrial Services Index is currently comprised of AECOM Technology Corp., Aurubis AG, Balfour Beatty plc, Cardno Ltd., Clean Harbors Inc., Commercial Metals Company, Dowa Holdings Co. Ltd., Fastenal Company, Fluor Corp., HD Supply Holdings Inc., Jacobs Engineering Group Inc., John Wood Group plc, KBR Inc., Lawson Products Inc., MRC Global Inc., MSC Industrial Direct Co. Inc., NV5 Global Inc., Primoris Services Corp., Sims Metal Management Ltd., Tetra Tech Inc., Transcat Inc., Veolia Environnement SA, WW Grainger Inc., and WESCO International 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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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

Purchasing activity in the manufacturing sector expanded in February for the second month in a row, and the economy grew for the 130th consecutive month. Growth in Production, Backlog and Exports offset contractions in New Orders, Raw Material Inventories, Employment, Prices, Imports and Supplier Deliveries.

Unemployment Rate

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



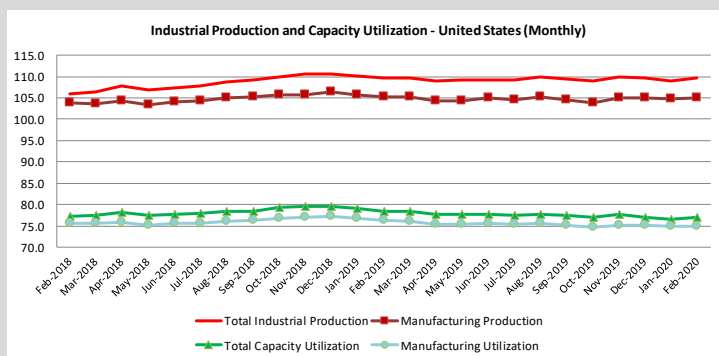
Source: United States Bureau of Labor

Commentary

In February, the unemployment rate and the total number of unemployed persons were changed little at 3.5% and 5.8 million, respectively. Total nonfarm payroll employment rose by 273,000 driven by job gains in health care and social assistance, food services and drinking places, government and construction.

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.



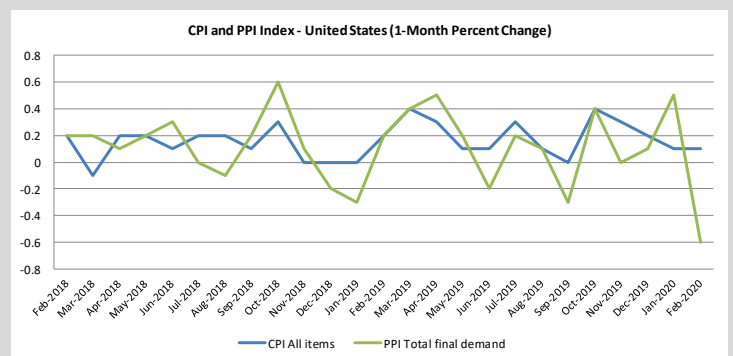
Source: United States Federal Reserve

Commentary -

Industrial production and utilization rose 0.6% and 0.4%, respectively, in February. At 109.6% of its 2012 average, total industrial production in February was unchanged from a year earlier. Manufacturing output inched up 0.1% in February as large gains in motor vehicle output offset a large drop in civilian aircraft output, and manufacturing utilization remained unchanged.

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 rose 0.1% in February, as notable increases in the shelter and food indexes more than offset the 2.0% decline in the energy index. PPI for final demand fell 0.6% in February, driven largely by the 0.9% decrease in prices for final demand goods (over one-third of which was attributable to the 6.5% drop in gasoline prices). The index for final demand services also moved down 0.3%.

Sector Index Performance

Comparative Sector Index Performance (Last Three Years)

Last Three Years

Daily from February 28, 2017 to February 28, 2020
Price as Percent of Base (February 28, 2017 = 0%)

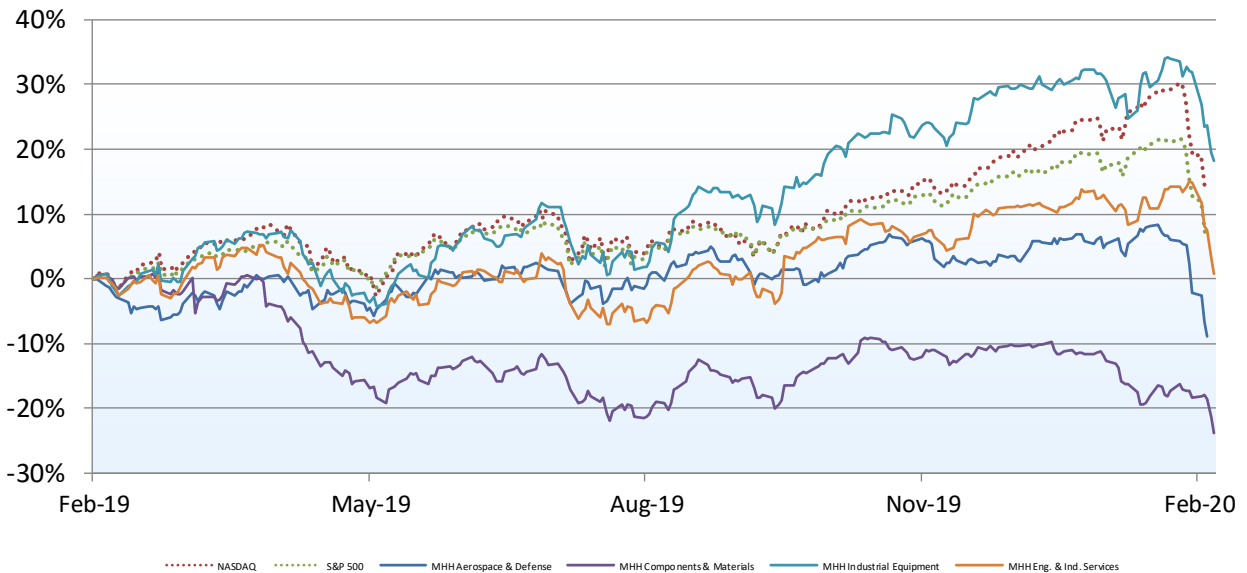


Source: CapitalIQ

Comparative Sector Index Performance (Last Twelve Months)

Last Twelve Months

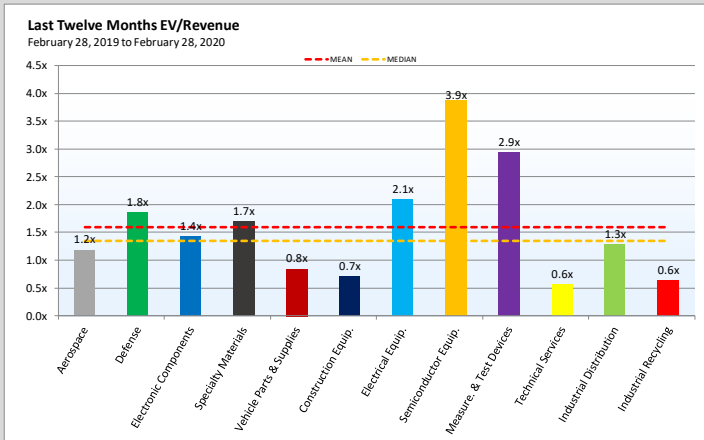
Daily from February 28, 2019 to February 28, 2020
Price as Percent of Base (February 28, 2019 = 0%)



Source: CapitalIQ

Subsector Trading Multiples & Margins

Comparative Subsector LTM EV/Revenue

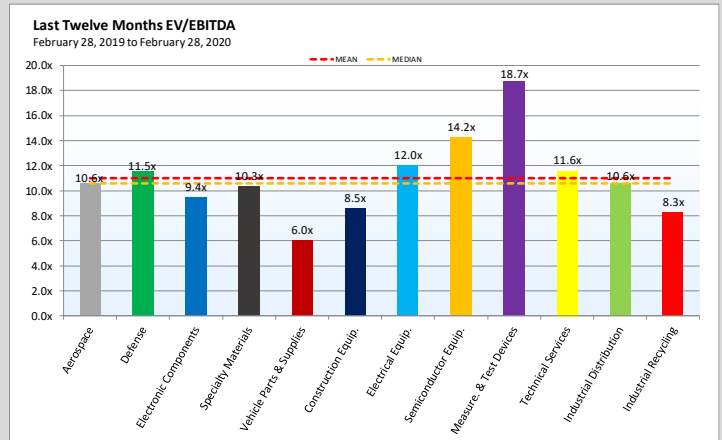


Source: CapitalIQ

Commentary

During the last twelve months, our subsector indices had a mean EV/Revenue of 1.6x (i.e., red line) and a median of 1.4x (i.e., yellow line). Of the subsectors, Semiconductor Capital Equipment had the high multiple at 3.9x and Technical Services and Industrial Recycling had the low multiples at 0.6x.

Comparative Subsector LTM EV/EBITDA

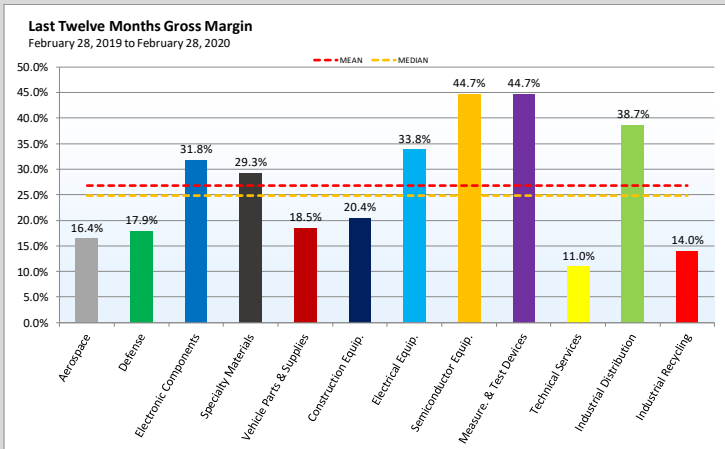


Source: CapitalIQ

Commentary

During the last twelve months, our subsector indices had a mean EV/EBITDA of 11.0x and a median of 10.6x. Of the subsectors, Measurement, Control & Testing Devices had the high multiple at 18.7x and Vehicle Parts & Supplies had the low multiple at 6.0x.

Comparative Subsector LTM Gross Margin

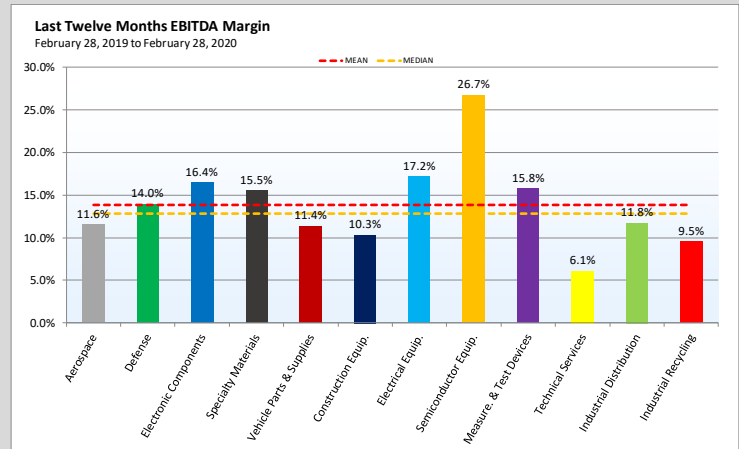


Source: CapitalIQ

Commentary

During the last twelve months, our subsector indices had a mean Gross Margin of 26.8% and a median of 24.8%. Of the subsectors, Measurement, Control & Testing Devices and Semiconductor Capital Equipment had the high margins at 44.7%, and Technical Services had the low margin at 11.0%.

Comparative Subsector LTM EBITDA Margin

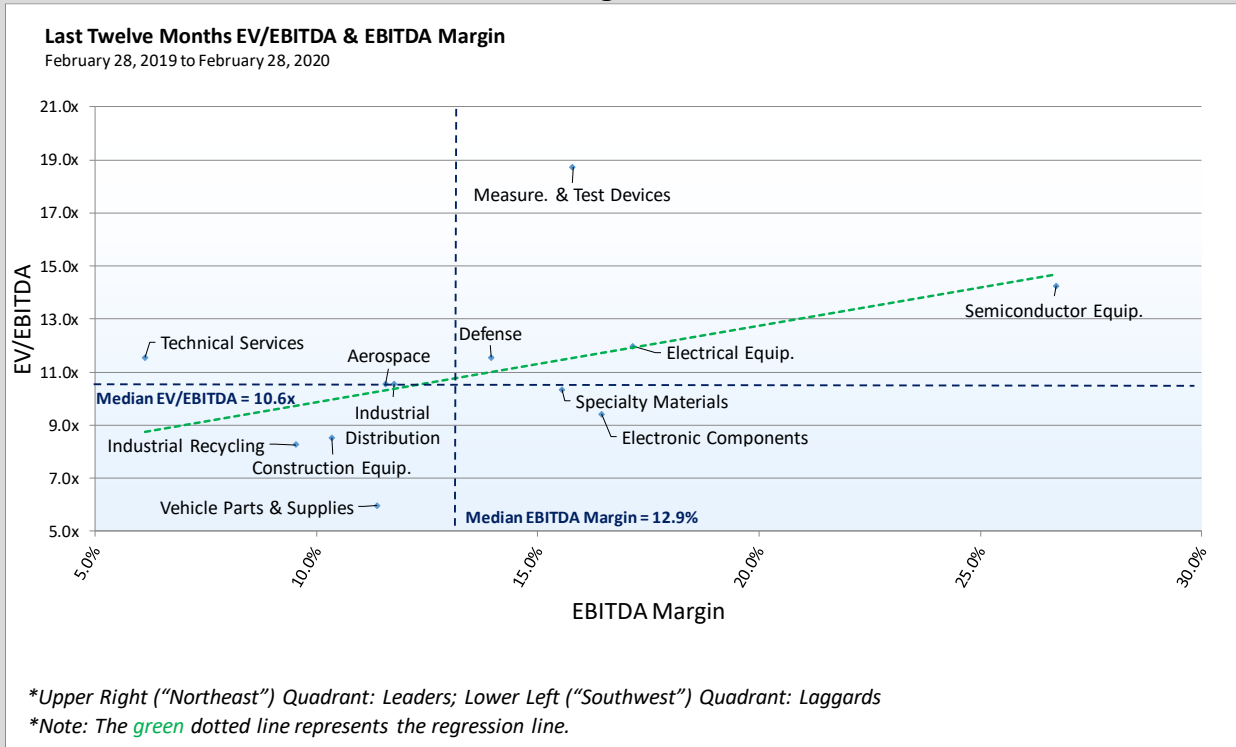


Source: CapitalIQ

Commentary

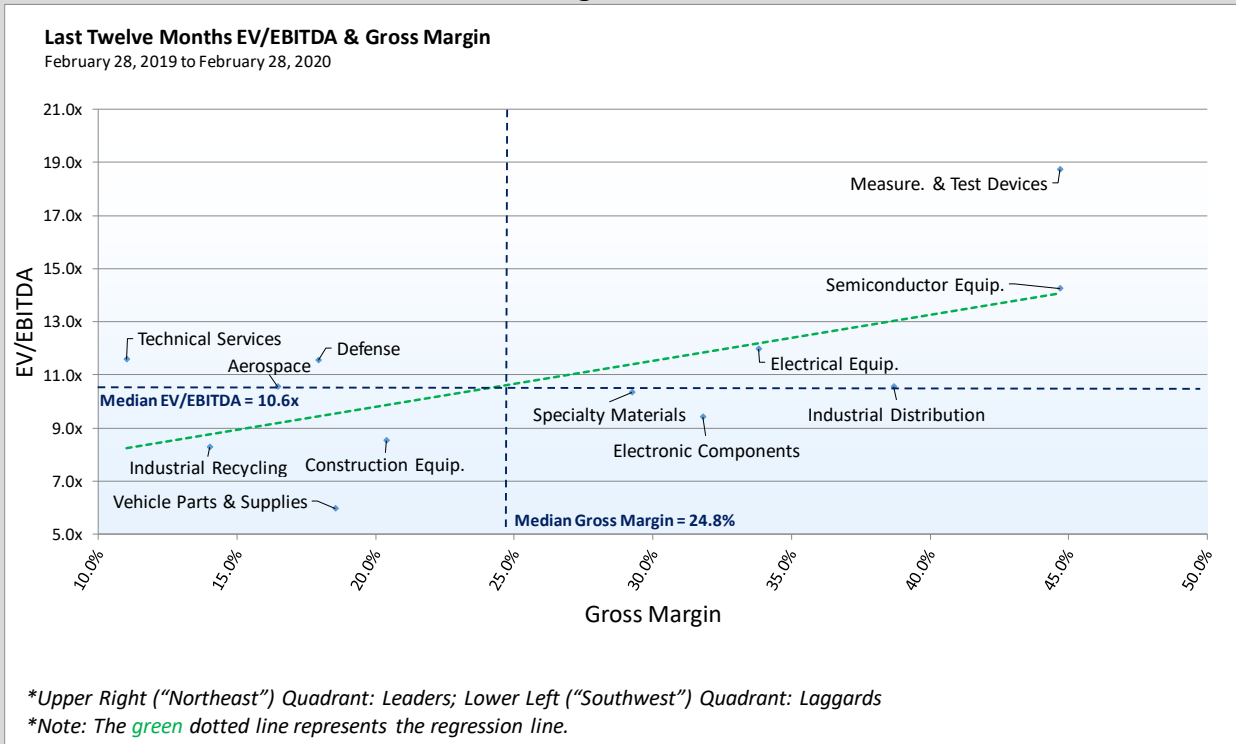
During the last twelve months, our subsector indices had a mean EBITDA Margin of 13.9% and a median of 12.9%. Of the subsectors, Semiconductor Capital Equipment had the high margin at 26.7% and Technical Services had the low margin at 6.1%.

Index Subsector LTM EV/EBITDA vs. EBITDA Margin*



Source: CapitalIQ

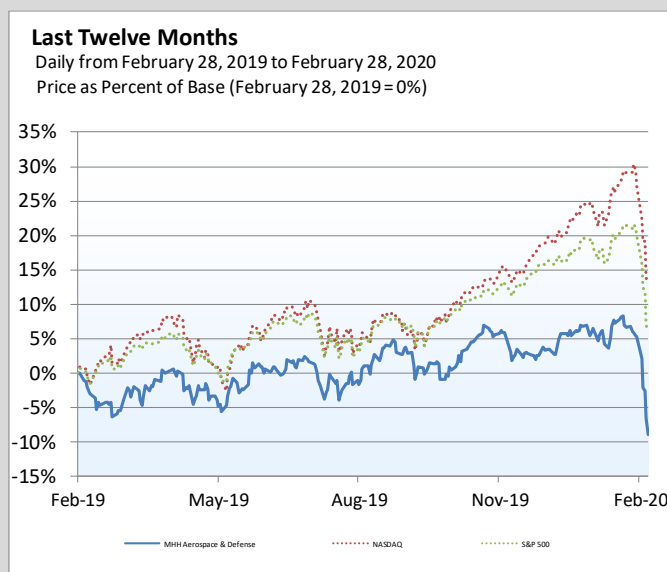
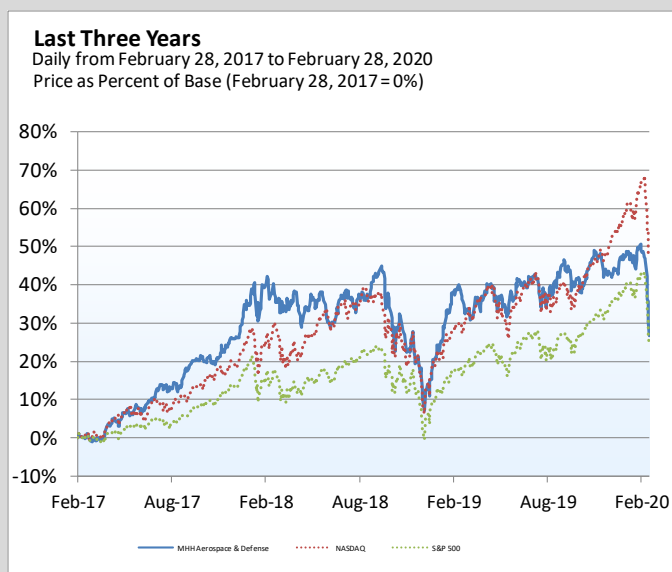
Index Subsector LTM EV/EBITDA vs. Gross Margin*



Source: CapitalIQ

Comparative Index Performance

The Mufson Howe Hunter Aerospace & Defense Index^(a) decreased by 13.6% during the three months ending February 28, 2020.



Price Performance

	3-Year	LTM	3 Month
Mufson Howe Hunter Aerospace & Defense Index ^(a)	26.7%	-9.0%	-13.6%
NASDAQ	47.1%	13.7%	-1.1%
S&P 500	25.0%	6.1%	-6.0%

(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*
 		ND

Valsoft Corp acquired Rolls-Royce Controls and Data Services Inc. from Rolls-Royce Holdings plc (LSE:RR.) on February 3, 2020. Following the acquisition, Rolls-Royce Controls and Data Services Inc. changed its name to VisiumKMS Inc. VisiumKMS develops web-based management software to help businesses improve operational risk management, quality, safety, compliance, and operational excellence.

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

Aerospace & Defense

Selected Valuation Metrics

(\$ in USD millions, except per share data)

Company	Ticker	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)	BA	\$275.11	\$154,929	\$173,748	\$76,559	\$169	-\$2.81	2.27x	NM	NM	6.2%	0.2%
United Technologies Corporation (UTX)	UTX	130.59	111,846	153,356	77,046	14,056	5.82	1.99x	10.9x	22.4x	26.2%	18.2%
Honeywell International Inc. (HON)	HON	162.17	115,562	122,072	36,709	8,592	6.35	3.33x	14.2x	25.5x	33.7%	23.4%
Airbus SE (ENXTPA:AIR)	ENXTPA:AIR	118.88	93,047	90,440	79,091	4,432	0.81	1.14x	20.4x	NM	14.9%	5.6%
Thales S.A. (ENXTPA:HO)	ENXTPA:HO	99.86	21,245	25,193	20,650	2,467	4.34	1.22x	10.2x	23.0x	24.6%	11.9%
Rolls-Royce Holdings plc (LSE:RR.)	LSE:RR.	7.92	15,237	16,817	21,968	-456	-0.45	0.77x	NM	NM	5.7%	NM
Textron Inc. (TXT)	TXT	40.60	9,259	12,169	13,630	1,576	2.72	0.89x	7.7x	14.9x	16.1%	11.6%
Embraer S.A. (BOVESPA:EMBR3)	BOVESPA:EMBR3	3.76	2,770	2,219	4,770	232	0.07	0.47x	9.6x	NM	16.8%	4.9%
Mean			\$65,487	\$74,502	\$41,303	\$3,884	\$2.11	1.51x	12.2x	21.5x	18.0%	10.8%
Median			57,146	57,816	29,339	2,022	1.77	1.18x	10.6x	22.7x	16.4%	11.6%
Defense												
Lockheed Martin Corporation (LMT)	LMT	\$369.87	\$104,280	\$116,569	\$59,812	\$8,776	\$15.76	1.95x	13.3x	23.5x	14.0%	14.7%
Northrop Grumman Corporation (NOC)	NOC	328.84	55,126	68,329	33,841	3,987	9.37	2.02x	17.1x	35.1x	21.5%	11.8%
General Dynamics Corporation (GD)	GD	159.69	46,146	59,031	39,350	5,493	9.03	1.50x	10.7x	17.7x	17.9%	14.0%
Raytheon Company (RTN)	RTN	188.56	52,503	53,922	29,176	4,669	9.02	1.85x	11.5x	20.9x	26.6%	16.0%
L3Harris Technologies, Inc. (LHX)	LHX	197.73	43,711	50,622	18,526	3,558	6.67	2.73x	14.2x	29.6x	28.9%	19.2%
BAE Systems plc (BA.)	BA.	7.77	24,890	27,517	24,243	3,063	0.41	1.14x	9.0x	19.0x	8.9%	12.6%
Huntington Ingalls Industries, Inc. (HII)	HII	205.53	8,377	9,787	8,899	982	10.84	1.10x	10.0x	19.0x	17.2%	11.0%
Mean			\$47,862	\$55,111	\$30,550	\$4,361	\$8.73	1.75x	12.3x	23.5x	19.3%	14.2%
Median			46,146	53,922	29,176	3,987	9.03	1.85x	11.5x	20.9x	17.9%	14.0%

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

‡ = excluded from Mean and Median calculations

Source: CapitalIQ

(1) As of close February 28, 2020.

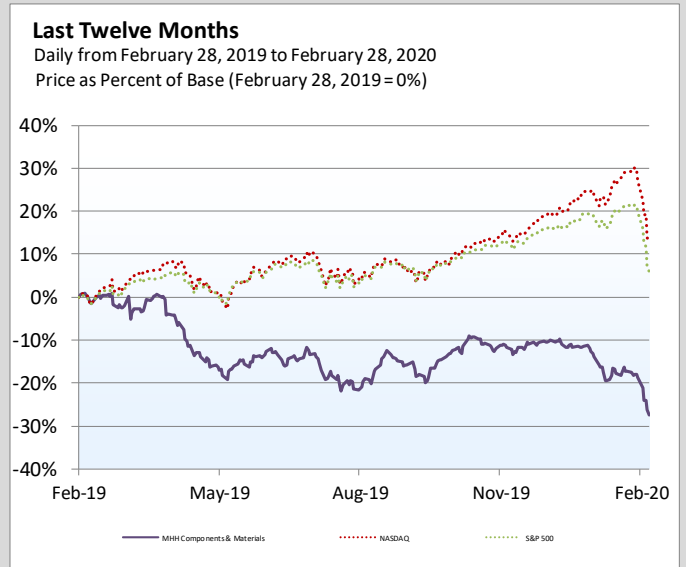
(2) Enterprise value is defined as equity value plus net debt, preferred stock and minority interests. Net Debt includes long term debt, short term debt, post-retirement benefits and unfunded pensions, if applicable, less cash and cash equivalents.

(3) As of December 31, 2019 excluding TXT (January 4, 2020); LHX (January 3, 2020); and BOVESPA:EMBR3 (September 30, 2019).

(4) Excludes non-recurring and discontinued operations.

Comparative Index Performance

The Mufson Howe Hunter Components & Materials Index^(a) decreased by 17.6% during the three months ending February 28, 2020.



Price Performance

	3-Year	LTM	3 Month
Mufson Howe Hunter Components & Materials Index ^(a)	-24.5%	-27.3%	-17.6%
NASDAQ	47.1%	13.7%	-1.1%
S&P 500	25.0%	6.1%	-6.0%

(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 14 for sector news

Highlighted M&A Transaction – Components & Materials

Target	Acquirer	Value*
 Alpha Coating Technologies		ND

PPG Industries, Inc. (NYSE:PPG) entered into definitive agreement to acquire Alpha Coating Technologies, LLC on February 5, 2020. Alpha Coating Technologies LLC manufactures powder coatings for industrial applications and heat sensitive substrates. The company was founded in 2000 and is based in West Chicago, Illinois. The transaction is expected to close by the end of first quarter of 2020.

*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	Price/EBITDA	Price/EPS	Gross Profit	EBITDA
Electronic Components											
TE Connectivity Ltd (TEL)	\$82.87	\$27,690	\$31,452	\$13,269	\$2,901	\$4.02	2.37x	10.8x	20.6x	32.5%	21.9%
Amphenol Corp. (APH)	91.68	27,330	30,293	8,225	1,952	3.09	3.68x	15.5x	29.7x	31.8%	23.7%
Corning Inc. (GLW)	23.86	18,220	26,428	11,503	2,809	0.85	2.30x	9.4x	28.2x	35.1%	24.4%
Omron Corp. (TSE:6645)	53.91	11,067	9,477	6,645	824	1.71	1.43x	11.5x	31.6x	43.5%	12.4%
Alps Electric Ltd (TSE:6770)	15.31	3,131	3,343	7,727	756	0.59	0.43x	4.4x	25.8x	16.8%	9.8%
AVX Corp. (AVX)	21.74	3,679	2,946	1,562	305	0.84	1.89x	9.7x	26.0x	24.3%	19.5%
Belden Inc. (BDC)	39.93	1,815	2,923	2,131	350	2.64	1.37x	8.3x	15.1x	37.4%	16.4%
Vishay InterTechnology (VSH)	18.70	2,703	2,501	2,668	437	1.05	0.94x	5.7x	17.8x	25.2%	16.4%
Encore Wire Corp. (WIRE)	48.97	1,028	797	1,275	89	2.25	0.63x	8.9x	21.7x	13.0%	7.0%
Mean		\$10,740	\$12,240	\$6,112	\$1,158	\$1.89	1.67x	9.4x	24.1x	28.8%	16.8%
Median		3,679	3,343	6,645	756	1.71	1.43x	9.4x	25.8x	31.8%	16.4%
Specialty Materials											
3MCompany (MMM)	\$149.24	\$85,903	\$104,814	\$32,136	\$8,729	\$7.25	3.26x	12.0x	20.6x	47.9%	27.2%
BASF SE (DE:BAS)	58.37	53,616	72,736	66,565	7,932	2.30	1.09x	9.2x	25.3x	26.9%	11.9%
DuPont de Nemours (DD)	42.90	31,720	48,750	21,512	5,181	2.02	2.27x	9.4x	21.2x	35.8%	24.1%
Dow Inc. (DOW)	40.41	30,012	47,608	42,951	6,642	2.41	1.11x	7.2x	16.7x	14.8%	15.5%
PPG Industries, Inc. (PPG)	104.45	24,625	29,310	15,146	2,365	4.85	1.94x	12.4x	21.5x	43.1%	15.6%
Akzo Nobel N.V. (ENXTAM:AKZA)	79.35	15,775	16,897	10,410	1,254	2.38	1.62x	13.5x	33.4x	42.8%	12.0%
Celene Corp. (CE)	93.74	11,207	15,307	6,297	1,357	5.96	2.43x	11.3x	15.7x	25.5%	21.5%
Evonik Industries AG (DE:EVK)	24.65	11,467	13,391	14,710	2,229	1.53	0.91x	6.0x	16.1x	28.2%	15.2%
Solvay SA (ENXTBR:SOLB)	90.27	9,311	13,376	12,599	2,504	6.76	1.06x	5.3x	13.4x	26.6%	19.9%
Ferro Corporation (FOE)	11.62	952	1,797	1,018	137	0.36	1.76x	13.1x	31.9x	30.3%	13.5%
Mean		\$27,459	\$36,398	\$22,334	\$3,833	\$3.58	1.75x	9.93x	21.59x	32.2%	17.6%
Median		20,200	23,103	14,928	2,434	2.40	1.69x	10.34x	20.92x	29.3%	15.5%
Vehicle Parts and Supplies											
Johnson Controls Inc. (JCI)	\$36.57	\$27,895	\$35,231	\$24,080	\$2,736	\$0.87	1.46x	12.9x	NM	32.3%	11.4%
Denso Corp. (TSE:6902)	38.95	30,184	29,620	48,567	5,056	1.89	0.61x	5.9x	20.6x	14.3%	10.4%
Continental AG (DB:CON)	111.43	22,352	28,970	49,914	916	-2.37	0.58x	NM	NM	23.8%	1.8%
Aptiv PLC (APTV)	78.11	19,941	24,508	14,357	2,114	3.06	1.71x	11.6x	25.5x	18.5%	14.7%
Lear Corp. (LEA)	111.20	6,725	8,353	19,810	1,773	10.60	0.42x	4.7x	10.5x	9.6%	8.9%
Autoliv, Inc. (ALV)	66.73	5,822	7,642	8,548	1,324	6.46	0.89x	5.8x	10.3x	18.5%	15.5%
Bosch Ltd. (BSE:500530)	167.03	4,926	4,555	1,459	236	4.55	3.12x	19.3x	36.7x	45.2%	16.2%
Stanley Electric Co. Ltd. (TSE:6923)	24.33	3,939	3,169	3,749	721	1.51	0.85x	4.4x	16.1x	21.9%	19.2%
Delphi Automotive PLC (DLPH)	14.12	1,215	2,774	4,361	456	1.25	0.64x	6.1x	11.3x	15.0%	10.5%
Mean		\$13,666	\$16,091	\$19,427	\$1,704	\$3.09	1.14x	8.8x	18.7x	22.1%	12.1%
Median		6,725	8,353	14,357	1,324	1.89	0.85x	6.0x	16.1x	18.5%	11.4%

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

‡ = excluded from Mean and Median calculations

Source: CapitalIQ

(1) As of close February 28, 2020.

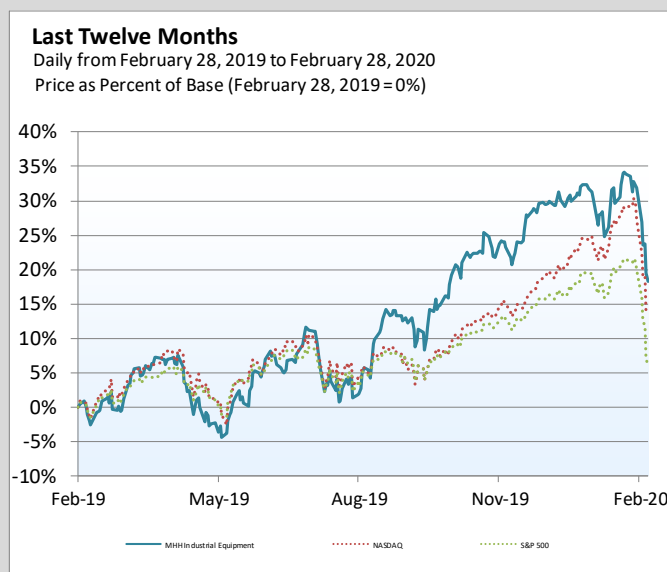
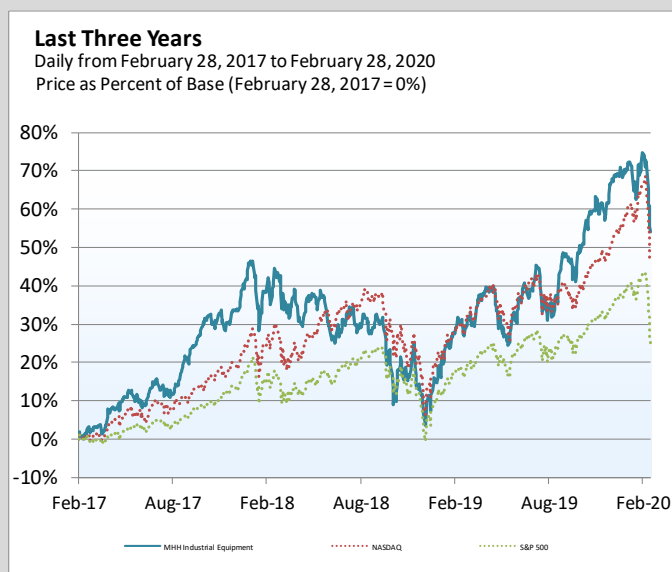
(2) Enterprise value is defined as equity value plus net debt, preferred stock and minority interests. Net Debt includes long term debt, short term debt, post-retirement benefits and unfunded pensions, if applicable, less cash and cash equivalents.

(3) As of December 31, 2019 excluding TEL (December 27, 2019).

(4) Excludes non-recurring and discontinued operations.

Comparative Index Performance

The Mufson Howe Hunter Industrial Equipment Index^(a) decreased by 4.1% during the three months ending February 28, 2020.



Price Performance

	3-Year	LTM	3 Month
Mufson Howe Hunter Industrial Equipment Index ^(a)	54.0%	18.2%	-4.1%
NASDAQ	47.1%	13.7%	-1.1%
S&P 500	25.0%	6.1%	-6.0%

(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 15 for sector news

Highlighted M&A Transaction – Industrial Equipment

Target	Acquirer	Value*
		\$115.0

AMETEK, Inc. (NYSE:AME) announced the acquisition of Intellipower, Inc. for \$115 million on February 5, 2020. Intellipower develops, manufactures, and sells uninterruptible power systems (UPS). Intellipower offers a range of military, industrial, and commercial UPS for use in computers, communications systems, industrial controls, military, scientific equipment, data processing, motor power sources, medical, AC generators, aerospace support, and other government systems. As part of this transaction, IntelliPower joins AMETEK as part of its Electronic Instruments Group.

*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)

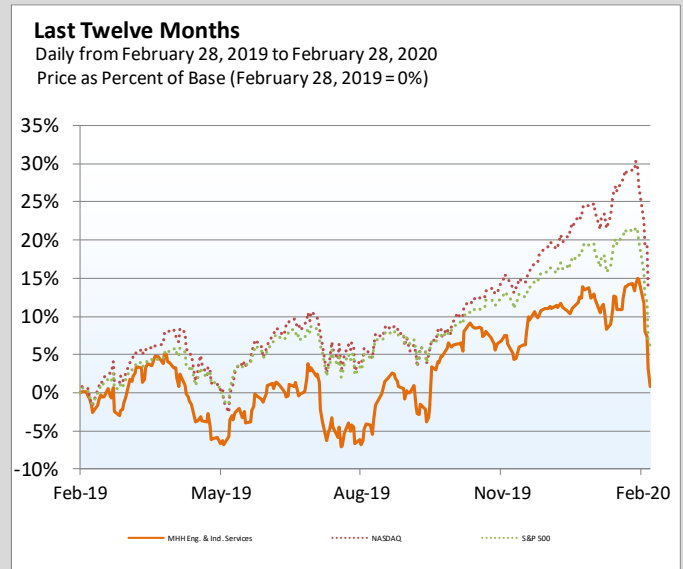
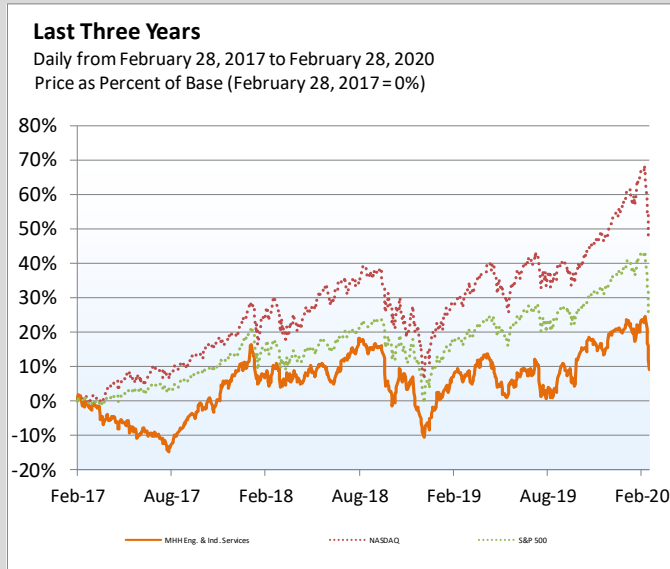
Company	Market & Capitalization			LTM Performance ⁽³⁾			Valuation			Margins	
	Price ⁽¹⁾	Equity Value	Enterprise Value ⁽²⁾	Revenue	EBITDA ⁽⁴⁾	EPS	Enterprise Value/Revenue	EBITDA/Revenue	Price/EPS	Gross Profit	EBITDA
Construction Equipment											
Caterpillar Inc. (CAT)	\$124.24	\$68,342	\$99,400	\$53,800	\$10,610	\$8.68	1.85x	9.4x	14.3x	26.9%	19.7%
Deere & Company (DE)	156.48	49,075	91,104	38,880	6,122	8.03	2.34x	14.9x	19.5x	23.4%	15.7%
Cummins Inc. (CMI)	151.29	22,734	25,090	23,571	3,253	11.82	1.06x	7.7x	12.8x	25.4%	13.8%
Hyundai Heavy Industries Co. Ltd (KOSE:A009540)	86.09	6,088	7,584	12,110	196	(1.48)	0.63x	NM	NM	4.5%	1.6%
Navistar International Corp. (NAV)	36.31	3,604	7,469	10,656	696	2.22	0.70x	10.7x	16.3x	15.7%	6.5%
Oshkosh Corp. (OSK)	72.15	4,929	5,657	8,274	856	6.26	0.68x	6.6x	11.5x	17.9%	10.3%
Terex Corp. (TEX)	22.01	1,556	2,327	4,353	385	2.17	0.53x	6.0x	10.2x	20.4%	8.8%
Mean		\$22,333	\$34,090	\$21,663	\$3,160	\$5.38	1.11x	9.2x	14.1x	19.2%	10.9%
Median		6,088	7,584	12,110	856	6.26	0.70x	8.5x	13.6x	20.4%	10.3%
Electrical Equipment											
Schneider Electric SE (ENXTPA:SU)	\$99.53	\$54,842	\$61,970	\$30,477	\$5,135	\$4.63	2.03x	12.1x	21.5x	39.5%	16.8%
Eaton Corporation plc (ETN)	90.72	37,504	45,809	21,390	3,735	3.94	2.14x	12.3x	23.0x	33.0%	17.5%
Emerson Electric Co. (EMR)	64.11	39,225	44,146	18,376	3,709	2.87	2.40x	11.9x	22.3x	42.5%	20.2%
Rockwell Automation Inc. (ROK)	183.50	21,320	23,334	6,737	1,456	6.31	3.46x	16.0x	29.1x	42.5%	21.6%
Ametek Inc. (AME)	86.00	19,705	22,266	5,159	1,378	2.91	4.32x	16.2x	29.5x	34.7%	26.7%
Hubbell Inc. (HUBB)	133.24	7,253	8,743	4,591	762	6.00	1.90x	11.5x	22.2x	29.9%	16.6%
Regal Beloit Corporation (RBC)	77.64	3,156	4,065	3,238	473	4.22	1.26x	8.6x	18.4x	26.9%	14.6%
Powell Industries, Inc. (POWL)	33.43	388	275	542	28	0.95	0.51x	9.8x	35.3x	17.4%	5.2%
Mean		\$22,924	\$26,326	\$11,314	\$2,084	\$3.98	2.25x	12.3x	25.2x	33.3%	17.4%
Median		20,512	22,800	5,948	1,417	4.08	2.09x	12.0x	22.7x	33.8%	17.2%
Measurement, Control, and Testing Devices											
Danaher Corporation (DHR)	\$144.58	\$100,662	\$104,887	\$17,911	\$4,471	\$2.85	5.86x	23.5x	NM	55.7%	25.0%
Xcerra Corporation (XCRA)	32.99	26,281	34,340	28,200	4,169	1.82	1.22x	8.2x	18.2x	33.0%	14.8%
Entegris, Inc. (ENTG)	53.32	7,178	7,817	1,591	433	1.14	4.91x	18.0x	NM	45.3%	27.2%
MKS Instruments, Inc. (MKSI)	100.19	5,497	5,928	1,900	386	2.66	3.12x	15.3x	37.7x	44.1%	20.3%
Brooks Automation, Inc. (BRKS)	34.51	2,495	2,229	812	114	0.32	2.74x	19.6x	NM	40.6%	14.0%
FormFactor, Inc. (FORM)	22.37	1,703	1,577	589	95	0.42	2.67x	16.5x	NM	40.4%	16.2%
Rudolph Technologies, Inc. (RTEC)	-	1,537	1,242	306	48	0.76	4.06x	25.7x	0.0x	51.1%	15.8%
Cohu, Inc. (COHU)	20.47	845	1,071	583	30	(0.73)	1.84x	NM	NM	40.9%	5.2%
FARO Technologies, Inc. (FARO)	57.24	1,006	868	382	8	(0.45)	2.27x	NM	NM	55.3%	2.1%
Nova Measuring Instruments Ltd. (NVMl)	35.34	988	833	225	44	0.86	3.70x	18.7x	NM	54.2%	19.8%
Axcelis Technologies, Inc. (ACLS)	23.99	782	690	343	28	0.39	2.01x	24.5x	NM	42.0%	8.2%
Nanometrics Incorporated (NANO)	0.28	79	71	9	-5	(0.01)	8.10x	NM	NM	90.7%	NM
Mean		\$12,421	\$13,462	\$4,404	\$819	\$0.83	3.54x	18.9x	18.6x	49.4%	15.3%
Median		1,620	1,409	586	72	0.59	2.93x	18.7x	18.2x	44.7%	15.8%
Semiconductor Capital Equipment											
ASML Holding NV (ASML)	\$272.85	\$114,443	\$112,879	\$13,265	\$3,543	\$4.63	8.51x ‡	NM ‡	NM	44.7%	26.7%
Applied Materials, Inc. (AMAT)	58.12	53,372	54,886	15,017	3,853	2.24	3.65x	14.2x	25.9x	43.8%	25.7%
Lam Research Corp. (LRCX)	293.43	42,708	42,553	9,549	2,684	9.76	4.46x	15.9x	30.1x	45.2%	28.1%
Tokyo Electron Ltd (TSE:8035)	206.07	32,045	29,347	10,333	2,501	8.97	2.84x	11.7x	23.0x	40.5%	24.2%
KLA-Tencor Corp. (KLAC)	153.71	24,097	25,941	5,279	1,862	5.26	4.91x	13.9x	29.2x	57.8%	35.3%
Teradyne Inc. (TER)	58.76	9,847	9,396	2,295	650	1.83	4.09x	14.4x	32.1x	58.4%	28.3%
Veeco Instruments Inc. (VECO)	13.39	656	726	419	5	(0.61)	1.73x	NM ‡	NM	37.7%	1.3%
Mean		\$39,595	\$39,389	\$8,022	\$2,157	\$4.58	3.62x	14.0x	28.0x	46.9%	24.2%
Median		32,045	29,347	9,549	2,501	4.63	3.87x	14.2x	29.2x	44.7%	26.7%

NA = Not Available; NM = Not Meaningful; LTM = Latest Twelve Months
 ‡ = excluded from Mean and Median calculations
 Source: CapitalIQ

- (1) As of close February 28, 2020.
- (2) Enterprise value is defined as equity value plus net debt, preferred stock and minority interests. Net Debt includes long term debt, short term debt, post-retirement benefits and unfunded pensions, if applicable, less cash and cash equivalents.
- (3) As of December 31, 2019 excluding DE (February 2, 2020); NAV (January 31, 2020); AMAT (January 26, 2020); LRCX (December 29, 2019); COHU, FORM and RBC (December 28, 2019); KOSE:A009540 (September 30, 2019); and NANO (July 31, 2019).
- (4) Excludes non-recurring and discontinued operations.

Comparative Index Performance

The Mufson Howe Hunter Engineering & Industrial Services Index^(a) decreased by 5.3% during the three months ending February 28, 2020.





Price Performance

	3-Year	LTM	3 Month
Mufson Howe Hunter Engineering & Industrial Services Index ^(a)	9.0%	0.8%	-5.3%
NASDAQ	47.1%	13.7%	-1.1%
S&P 500	25.0%	6.1%	-6.0%

(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 17 for sector news

Highlighted M&A Transaction – Engineering & Industrial Services

Target	Acquirer	Value*
 SIMS METAL MANAGEMENT (European Compliance Scheme Operations)	 THE METAL COMPANY	\$93.0

TSR Recycling GmbH & Co. KG completed the acquisition of the European Compliance Scheme Operations of Sims Metal Management Limited (ASX:SGM) for \$93.0 million (€85.5 million) on February 25, 2020. The operations being acquired are located in Germany, Austria, Netherlands, Belgium and Sweden, and do not include any assets at the above sites that are part of the global recycling IT asset disposal business.

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

Engineering & Industrial Services

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 Distribution											
Fastenal Company (FAST)	\$34.22	\$19,650	\$20,066	\$5,334	\$1,205	\$1.13	3.76x	16.7x	30.2x	47.2%	22.6%
W.W. Grainger, Inc. (GWW)	277.54	14,892	17,181	11,486	1,636	14.36	1.50x	10.5x	19.3x	38.3%	14.2%
HD Supply Holdings, Inc. (HDS)	38.02	6,165	8,763	6,146	825	2.34	1.43x	10.6x	16.2x	39.1%	13.4%
MSC Industrial Direct Co., Inc. (MSM)	61.82	3,424	3,868	3,356	488	4.57	1.15x	7.9x	13.5x	42.4%	14.5%
WESCO International, Inc. (WCC)	40.57	1,699	3,085	8,359	402	4.13	0.37x	7.7x	9.8x	18.9%	4.8%
MRC Global Inc. (MRC)	8.70	708	1,783	3,662	178	0.58	0.49x	10.0x	15.0x	17.8%	4.9%
Lawson Products, Inc. (LAWS)	40.00	362	372	371	16	0.76	1.00x	22.8x	NM	53.2%	4.4%
Transcat, Inc. (TRNS)	28.89	213	242	172	17	0.81	1.41x	14.0x	35.8x	24.4%	10.1%
Mean		\$5,889	\$6,920	\$4,861	\$596	\$3.59	1.39x	12.5x	20.0x	35.2%	11.1%
Median		2,562	3,476	4,498	445	1.74	1.28x	10.6x	16.2x	38.7%	11.8%
Industrial Recycling											
Veolia Environnement S.A. (ENXTPA:VIE)	\$28.52	\$15,821	\$30,767	\$30,511	\$3,488	\$0.94	1.01x	8.8x	30.4x	16.0%	11.4%
Clean Harbors, Inc. (CLH)	69.52	3,881	5,226	3,412	525	1.65	1.53x	10.0x	NM	30.0%	15.4%
Commercial Metals Company (CMC)	18.26	2,167	3,249	5,936	579	2.17	0.55x	5.6x	8.4x	15.0%	9.8%
Dowa Holdings Co., Ltd. (TSE:5714)	32.91	1,948	3,108	4,318	402	2.50	0.72x	7.7x	13.2x	13.0%	9.3%
Aurubis AG (DE:NDA)	47.00	2,112	2,091	12,260	522	5.24	0.17x	4.0x	9.0x	9.7%	4.3%
Sims Limited (ASX:SGM)	6.23	1,258	1,374	4,234	86	0.02	0.32x	16.0x	NM	11.5%	2.0%
Mean		\$4,531	\$7,636	\$10,112	\$934	\$2.09	0.72x	8.7x	15.2x	15.9%	8.7%
Median		2,139	3,178	5,127	524	1.91	0.63x	8.3x	11.1x	14.0%	9.5%
Technical Services											
AECOM (ACM)	\$44.94	\$7,129	\$10,978	\$20,053	\$949	\$1.80	0.55x	11.6x	24.9x	4.3%	4.7%
John Wood Group PLC (LSE:WG.)	4.68	3,151	5,576	9,890	549	0.22	0.56x	10.2x	21.0x	11.3%	5.5%
Tetra Tech, Inc. (TTEK)	80.87	4,422	4,899	2,450	242	2.26	2.00x	20.21	36	NM	NM
KBR, Inc. (KBR)	25.96	3,685	4,467	5,639	378	1.06	0.79x	11.8x	24.4x	11.6%	6.7%
Balfour Beatty plc (LSE:BBY)	3.14	2,151	2,396	9,685	205	0.14	0.25x	11.7x	21.8x	5.2%	2.1%
Fluor Corporation (FLR)	9.32	1,306	1,539	18,520	-119	(1.62)	0.08x	NM	NM	NM	NM
Primoris Services Corporation (PRIM)	18.98	924	1,407	3,106	226	1.44	0.45x	6.2x	13.1x	10.7%	7.3%
NV5 Global, Inc. (NVEE)	53.53	690	1,064	509	58	1.51	2.09x	18.3x	35.5x	48.2%	11.4%
Cardno Limited (ASX:CDD)	0.27	122	231	954	38	0.02	0.24x	6.1x	14.3x	8.5%	3.9%
Jura Energy Corporation (JEC)	0.09	6	27	12	8	0.00	2.30x	3.6x	20.0x	61.9%	63.7%
Mean		\$2,359	\$3,258	\$7,082	\$253	\$0.68	0.93x	11.1x	23.4x	20.2%	13.2%
Median		1,729	1,968	4,373	216	0.64	0.56x	11.6x	21.8x	11.0%	6.1%

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

‡ = excluded from Mean and Median calculations

Source: CapitalIQ

(1) As of close February 28, 2020.

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

(3) As of December 31, 2019 excluding HDS (February 2, 2020); TTEK (December 29, 2019); NVEE and TRNS (December 28, 2019); CMC and MSM (November 30, 2019); HDS (November 3, 2019); and JEC and PRIM (September 30, 2019).

(4) Excludes non-recurring and discontinued operations.

Selected News – Aerospace & Defense

Airbus SE (ENXTPA:AIR) reported net income of (\$1,528.4) million for fiscal year 2019 as compared to \$3,496.7 million for the prior year. Earnings per share were (\$1.97) versus \$4.49 for the prior year. Revenues for the year increased to \$79,091.0 million from \$72,941.4 million for fiscal year 2018.

BAE Systems plc (LSE:BA.) reported net income of \$1,954.8 million for fiscal year 2019 as compared to \$1,274.5 million for the prior year. Earnings per share were \$0.61 versus \$0.40 for the prior year. Revenues for the year increased to \$24,243.4 million from \$21,438.7 million for fiscal year 2018.

Honeywell International Inc. (NYSE:HON) announced the appointment of **Gen. Raymond (Ray) T. Odierno** to its Board of Directors.

Huntington Ingalls Industries, Inc. (NYSE:HII) reported net income of \$549.0 million for fiscal year 2019 as compared to \$836.0 million for the prior year. Earnings per share were \$13.26 versus \$19.09 for the prior year. Revenues for the year increased to \$8,899.0 million from \$8,176.0 million for fiscal year 2018.

Huntington Ingalls Industries, Inc. (NYSE:HII) announced the appointment of **Adm. Kirkland H. Donald** to the role of Chairman of the Board of Directors.

Rolls-Royce Holdings plc (LSE:RR.) reported net income of (\$1,741.6) million for fiscal year 2019 as compared to (\$3,060.1) million for the prior year. Earnings per share were (\$0.91) versus (\$1.65) for the prior year. Revenues for the year increased to \$21,968.1 million from \$20,046.9 million for fiscal year 2018.

Thales S.A. (ENXTPA:HO) reported net income of \$1,259.0 million for fiscal year 2019 as compared to \$1,124.1 million for the prior year. Earnings per share were \$5.90 versus \$5.27 for the prior year. Revenues for the year increased to \$20,649.8 million from \$18,152.9 million for fiscal year 2018.

The Boeing Company (NYSE:BA) announced the appointment of **Susan Doniz** to the role of Chief Information Officer.

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

Selected News – Components & Materials

Akzo Nobel N.V. (ENXTAM:AKZA) reported net income of \$604.9 million for fiscal year 2019 as compared to \$7,641.4 million for the prior year. Earnings per share were \$2.83 versus \$33.58 for the prior year. Revenues for the year decrease to \$10,409.6 million from \$10,597.7 million for fiscal year 2018.

BASF SE (DE:BAS) reported net income of \$9,450.1 million for fiscal year 2019 as compared to \$5,389.3 million for the prior year. Earnings per share were \$10.27 versus \$5.85 for the prior year. Revenues for the year decrease to \$66,564.9 million from \$68,948.9 million for fiscal year 2018.

Belden Inc. (NYSE:BDC) reported net income of (\$377.0) million for fiscal year 2019 as compared to \$160.9 million for the prior year. Earnings per share were (\$9.32) versus \$3.07 for the prior year. Revenues for the year decrease to \$2,131.3 million from \$2,165.7 million for fiscal year 2018.

Delphi Technologies PLC (NYSE:DLPH) reported net income of \$17.0 million for fiscal year 2019 as compared to \$358.0 million for the prior year. Earnings per share were \$0.19 versus \$4.03 for the prior year. Revenues for the year decrease to \$4,361.0 million from \$4,858.0 million for fiscal year 2018.

Dow Inc. (NYSE:DOW) announced the appointment of **Jim Fitterling** to the role of Chairman of the Board of Directors.

DuPont de Nemours, Inc. (NYSE:DD) announced the appointment of its current Executive Chairman **Edward D. Breen** to the additional role of Chief Executive Officer, as well as the appointment of **Lori Koch** to the role of Chief Financial Officer.

Encore Wire Corporation (NasdaqGS:WIRE) reported net income of \$58.1 million for fiscal year 2019 as compared to \$78.2 million for the prior year. Earnings per share were \$2.77 versus \$3.74 for the prior year. Revenues for the year decrease to \$1,275.0 million from \$1,288.7 million for fiscal year 2018.

Johnson Controls International plc (NYSE:JCI) announced the appointment of **Phil Clement** to the role of Chief Marketing Officer.

Solvay SA (ENXTBR:SOLB) reported net income of \$132.4 million for fiscal year 2019 as compared to \$982.4 million for the prior year. Earnings per share were \$1.28 versus \$9.48 for the prior year. Revenues for the year decrease to \$12,599.0 million from \$12,936.8 million for fiscal year 2018.

Vishay Intertechnology, Inc. (NYSE:VSH) reported net income of \$163.9 million for fiscal year 2019 as compared to \$345.8 million for the prior year. Earnings per share were \$1.13 versus \$2.24 for the prior year. Revenues for the year decrease to \$2,668.3 million from \$3,034.7 million for fiscal year 2018.

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

Selected News – Industrial Equipment

AMETEK, Inc. (NYSE:AME) reported net income of \$861.3 million for fiscal year 2019 as compared to \$777.9 million for the prior year. Earnings per share were \$3.75 versus \$3.34 for the prior year. Revenues for the year increased to \$5,158.6 million from \$4,845.9 million for fiscal year 2018.

Applied Materials, Inc. (NasdaqGS:AMAT) reported first quarter net income of \$892.0 million for fiscal year 2020 as compared to \$771.0 million for the prior year period. Earnings per share were \$0.96 versus \$0.80 for the prior year period. Revenues for the quarter increased to \$4,162.0 million from \$3,753.0 million for the same period in fiscal year 2019.

Axcelis Technologies, Inc. (NasdaqGS:ACLS) reported net income of \$17.0 million for fiscal year 2019 as compared to \$45.9 million for the prior year. Earnings per share were \$0.50 versus \$1.35 for the prior year. Revenues for the year decreased to \$343.0 million from \$442.6 million for fiscal year 2018.

Brooks Automation, Inc. (NasdaqGS:BRKS) reported first quarter net income of \$13.1 million for fiscal year 2020 as compared to \$14.4 million for the prior year period. Earnings per share were \$0.18 versus \$0.20 for the prior year period. Revenues for the quarter increased to \$210.5 million from \$179.4 million for the same period in fiscal year 2019.

Cohu, Inc. (NasdaqGS:COHU) reported net income of (\$69.7) million for fiscal year 2019 as compared to (\$32.2) million for the prior year. Earnings per share were (\$1.70) versus (\$1.02) for the prior year. Revenues for the year increased to \$583.3 million from \$451.8 million for fiscal year 2018.

Cummins Inc. (NYSE:CMI) reported net income of \$2,260.0 million for fiscal year 2019 as compared to \$2,141.0 million for the prior year. Earnings per share were \$14.48 versus \$13.15 for the prior year. Revenues for the year decreased to \$23,571.0 million from \$23,771.0 million for fiscal year 2018.

Deere & Company (NYSE:DE) reported first quarter net income of \$517.0 million for fiscal year 2020 as compared to \$498.0 million for the prior year period. Earnings per share were \$1.63 versus \$1.54 for the prior year period. Revenues for the quarter decreased to \$7,631.0 million from \$7,984.0 million for the same period in fiscal year 2019.

Eaton Corporation plc (NYSE:ETN) reported net income of \$2,211.0 million for fiscal year 2019 as compared to \$2,145.0 million for the prior year. Earnings per share were \$5.25 versus \$4.91 for the prior year. Revenues for the year decreased to \$21,390.0 million from \$21,609.0 million for fiscal year 2018.

Emerson Electric Co. (NYSE:EMR) reported first quarter net income of \$326.0 million for fiscal year 2020 as compared to \$465.0 million for the prior year period. Earnings per share were \$0.53 versus \$0.74 for the prior year period. Revenues for the quarter increased to \$4,151.0 million from \$4,147.0 million for the same period in fiscal year 2019.

Entegris, Inc. (NasdaqGS:ENTG) reported net income of \$254.9 million for fiscal year 2019 as compared to \$240.8 million for the prior year. Earnings per share were \$1.87 versus \$1.69 for the prior year. Revenues for the year increased to \$1,591.1 million from \$1,550.5 million for fiscal year 2018.

FARO Technologies, Inc. (NasdaqGS:FARO) reported net income of (\$62.1) million for fiscal year 2019 as compared to \$4.9 million for the prior year. Earnings per share were (\$3.58) versus \$0.29 for the prior year. Revenues for the year decreased to \$381.8 million from \$403.6 million for fiscal year 2018.

Selected News – Industrial Equipment (cont'd)

FormFactor, Inc. (NasdaqGS:FORM) reported net income of \$39.3 million for fiscal year 2019 as compared to \$104.0 million for the prior year. Earnings per share were \$0.51 versus \$1.38 for the prior year. Revenues for the year increased to \$589.5 million from \$529.7 million for fiscal year 2018.

Hubbell Incorporated (NYSE:HUBB) reported net income of \$400.9 million for fiscal year 2019 as compared to \$360.2 million for the prior year. Earnings per share were \$7.31 versus \$6.54 for the prior year. Revenues for the year increased to \$4,591.0 million from \$4,481.7 million for fiscal year 2018.

Korea Shipbuilding & Offshore Engineering Co., Ltd. (KOSE:A009540) reported third quarter net income of (\$1.4) million for fiscal year 2019 as compared to (\$46.4) million for the prior year period. Earnings per share were (\$0.02) versus (\$0.69) for the prior year period. Revenues for the quarter increased to \$3,038.9 million from \$2,928.7 million for the same period in fiscal year 2018.

KLA Corporation (NasdaqGS:KLAC) reported second quarter net income of \$380.6 million for fiscal year 2020 as compared to \$369.1 million for the prior year period. Earnings per share were \$2.40 versus \$2.42 for the prior year period. Revenues for the quarter increased to \$1,509.5 million from \$1,119.9 million for the same period in fiscal year 2019.

KLA Corporation (NasdaqGS:KLAC) announced the appointment of **Marie Myers** to its Board of Directors.

Nova Measuring Instruments Ltd. (NasdaqGS:NVMI) reported net income of \$35.2 million for fiscal year 2019 as compared to \$54.4 million for the prior year. Earnings per share were \$1.23 versus \$1.89 for the prior year. Revenues for the year decreased to \$224.9 million from \$251.1 million for fiscal year 2018.

Oshkosh Corporation (NYSE:OSK) announced the appointment of current director **Stephen D. Newlin** to the role of Chairman of the Board of Directors.

Powell Industries, Inc. (NasdaqGS:POWL) reported first quarter net income of \$2.8 million for fiscal year 2020 as compared to (\$2.7) million for the prior year period. Earnings per share were \$0.24 versus (\$0.23) for the prior year period. Revenues for the quarter increased to \$134.2 million from \$109.4 million for the same period in fiscal year 2019.

Regal Beloit Corporation (NYSE:RBC) reported net income of \$238.9 million for fiscal year 2019 as compared to \$231.2 million for the prior year. Earnings per share were \$5.66 versus \$5.26 for the prior year. Revenues for the year decreased to \$3,238.0 million from \$3,645.6 million for fiscal year 2018.

Schneider Electric S.E. (ENXTPA:SU) reported net income of \$2,707.9 million for fiscal year 2019 as compared to \$2,672.3 million for the prior year. Earnings per share were \$4.86 versus \$4.76 for the prior year. Revenues for the year increased to \$30,476.9 million from \$29,448.1 million for fiscal year 2018.

Terex Corporation (NYSE:TEX) reported net income of \$54.4 million for fiscal year 2019 as compared to \$113.7 million for the prior year. Earnings per share were \$0.76 versus \$1.48 for the prior year. Revenues for the year decreased to \$4,353.1 million from \$4,517.2 million for fiscal year 2018.

Veeco Instruments Inc. (NasdaqGS:VECO) reported net income of (\$78.7) million for fiscal year 2019 as compared to (\$407.1) million for the prior year. Earnings per share were (\$1.66) versus (\$8.63) for the prior year. Revenues for the year decreased to \$419.3 million from \$542.1 million for fiscal year 2018.

Veeco Instruments Inc. (NasdaqGS:VECO) announced the appointment of **Mary Jane Raymond** to its Board of Directors.

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

Selected News – Engineering & Industrial Services

AECOM (NYSE:ACM) reported first quarter net income of \$40.6 million for fiscal year 2020 as compared to \$51.5 million for the prior year period. Earnings per share were \$0.25 versus \$0.32 for the prior year period. Revenues for the quarter decreased to \$3,235.6 million from \$3,356.3 million for the same period in fiscal year 2019.

Aurubis AG (XTRA:NDA) reported first quarter net income of \$84.4 million for fiscal year 2020 as compared to \$3.5 million for the prior year period. Earnings per share were \$1.88 versus \$0.08 for the prior year period. Revenues for the quarter increased to \$2,791.8 million from \$2,685.8 million for the same period in fiscal year 2019.

Cardno Limited (CDD) reported second quarter net income of \$24.8 million for fiscal year 2020 as compared to \$2.7 million for the prior year period. Earnings per share were \$0.06 versus \$0.01 for the prior year period. Revenues for the quarter increased to \$174.3 million from \$161.1 million for the same period in fiscal year 2019.

Clean Harbors, Inc. (NYSE:CLH) reported net income of \$97.7 million for fiscal year 2019 as compared to \$65.6 million for the prior year. Earnings per share were \$1.74 versus \$1.16 for the prior year. Revenues for the year increased to \$3,412.2 million from \$3,300.3 million for fiscal year 2018.

Dowa Holdings Co., Ltd. (TSE:5714) reported third quarter net income of \$51.2 million for fiscal year 2020 as compared to \$16.4 million for the prior year period. Earnings per share were \$0.86 versus \$0.28 for the prior year period. Revenues for the quarter increased to \$1,122.3 million from \$1,043.9 million for the same period in fiscal year 2019.

KBR, Inc. (NYSE:KBR) reported net income of \$202.0 million for fiscal year 2019 as compared to \$281.0 million for the prior year. Earnings per share were \$1.41 versus \$1.99 for the prior year. Revenues for the year increased to \$5,639.0 million from \$4,913.0 million for fiscal year 2018.

KBR, Inc. (NYSE:KBR) announced the appointment of **Lynn A. Dugle** to its Board of Directors.

Lawson Products, Inc. (NasdaqGS:LAWS) reported net income of \$7.2 million for fiscal year 2019 as compared to \$6.2 million for the prior year. Earnings per share were \$0.77 versus \$0.67 for the prior year. Revenues for the year increased to \$370.8 million from \$349.6 million for fiscal year 2018.

MRC Global Inc. (NYSE:MRC) reported net income of \$39.0 million for fiscal year 2019 as compared to \$74.0 million for the prior year. Earnings per share were \$0.18 versus \$0.54 for the prior year. Revenues for the year decreased to \$3,662.0 million from \$4,172.0 million for fiscal year 2018.

Primoris Services Corporation (NasdaqGS:PRIM) reported net income of \$82.3 million for fiscal year 2019 as compared to \$77.5 million for the prior year. Earnings per share were \$1.61 versus \$1.50 for the prior year. Revenues for the year increased to \$3,106.3 million from \$2,939.5 million for fiscal year 2018.

Sims Limited (ASX:SGM) reported second quarter net income of (\$32.0) million for fiscal year 2020 as compared to \$27.0 million for the prior year period. Earnings per share were (\$0.16) versus \$0.13 for the prior year period. Revenues for the quarter decreased to \$953.4 million from \$1,176.8 million for the same period in fiscal year 2019.

Transcat, Inc. (NasdaqGM:TRNS) reported third quarter net income of \$1.5 million for fiscal year 2020 as compared to \$1.6 million for the prior year period. Earnings per share were \$0.20 versus \$0.21 for the prior year period. Revenues for the quarter increased to \$43.2 million from \$40.9 million for the same period in fiscal year 2019.

Veolia Environnement S.A. (ENXTPA:VIE) reported net income of \$701.3 million for fiscal year 2019 as compared to \$503.0 million for the prior year. Earnings per share were \$1.20 versus \$0.75 for the prior year. Revenues for the year increased to \$30,511.4 million from \$29,666.9 million for fiscal year 2018.

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

MHH Manufacturing Universe Directory

Company	Sector	Company	Sector
3M Company	Components & Materials	Huntington Ingalls Industries, Inc.	Aerospace & Defense
AECOM	Eng. & Ind. Services	Jacobs Engineering Group Inc.	Eng. & Ind. Services
Airbus Group SE	Aerospace & Defense	John Wood Group plc	Eng. & Ind. Services
Akzo Nobel N.V.	Components & Materials	Johnson Controls Inc.	Components & Materials
Alps Electric Co. Ltd.	Components & Materials	KBR, Inc.	Eng. & Ind. Services
AMETEK, Inc.	Industrial Equipment	KLA-Tencor Corporation	Industrial Equipment
Amphenol Corporation	Components & Materials	Korea Shipbuilding Co. Ltd.	Industrial Equipment
Applied Materials, Inc.	Industrial Equipment	L3Harris Technologies	Aerospace & Defense
Aptiv PLC	Components & Materials	Lam Research Corporation	Industrial Equipment
ASML Holding N.V.	Industrial Equipment	Lawson Products, Inc.	Eng. & Ind. Services
Aurubis AG	Eng. & Ind. Services	Lear Corp.	Components & Materials
Autoliv, Inc.	Components & Materials	Lockheed Martin Corporation	Aerospace & Defense
AVX Corp.	Components & Materials	MKS Instruments, Inc.	Industrial Equipment
Axcelis Technologies, Inc.	Industrial Equipment	MRC Global Inc.	Eng. & Ind. Services
BAE Systems plc	Aerospace & Defense	MSC Industrial Direct Co., Inc.	Eng. & Ind. Services
Balfour Beatty plc	Eng. & Ind. Services	Nanometrics Incorporated	Industrial Equipment
BASF SE	Components & Materials	Navistar International Corporation	Industrial Equipment
Belden Inc.	Components & Materials	Northrop Grumman Corporation	Aerospace & Defense
Bosch Ltd	Components & Materials	Nova Measuring Instruments Ltd.	Industrial Equipment
Brooks Automation, Inc.	Industrial Equipment	NV5 Global, Inc.	Eng. & Ind. Services
Cardno Ltd.	Eng. & Ind. Services	OMRON Corporation	Components & Materials
Caterpillar Inc.	Industrial Equipment	Oshkosh Corporation	Industrial Equipment
Celanese Corporation	Components & Materials	Powell Industries, Inc.	Industrial Equipment
Clean Harbors, Inc.	Eng. & Ind. Services	PPG Industries, Inc.	Components & Materials
Cohu, Inc.	Industrial Equipment	Primoris Services Corporation	Eng. & Ind. Services
Commercial Metals Company	Eng. & Ind. Services	Raytheon Company	Aerospace & Defense
Continental Aktiengesellschaft	Components & Materials	Regal Beloit Corporation	Industrial Equipment
Corning Inc.	Components & Materials	Rockwell Automation Inc.	Industrial Equipment
Cummins Inc.	Industrial Equipment	Rockwell Automation Inc.	Industrial Equipment
Danaher Corporation	Industrial Equipment	Rolls Royce Holdings plc	Aerospace & Defense
Deere & Company	Industrial Equipment	Rudolph Technologies, Inc.	Industrial Equipment
Delphi Automotive PLC	Components & Materials	Schneider Electric S.E.	Industrial Equipment
DENSO Corporation	Components & Materials	Sims Metal Management Limited	Eng. & Ind. Services
Dowa Holdings Co., Ltd.	Eng. & Ind. Services	Solvay SA	Components & Materials
Dow Inc.	Components & Materials	Stanley Electric Co. Ltd.	Components & Materials
DuPont de Nemours, Inc.	Components & Materials	TE Connectivity Ltd.	Components & Materials
Eaton Corporation plc	Industrial Equipment	Teradyne, Inc.	Industrial Equipment
Embraer S.A.	Aerospace & Defense	Terex Corporation	Industrial Equipment
Emerson Electric Co.	Industrial Equipment	Tetra Tech, Inc.	Eng. & Ind. Services
Encore Wire Corp.	Components & Materials	Textron Inc.	Aerospace & Defense
Entegris, Inc.	Industrial Equipment	Thales SA	Aerospace & Defense
Evonik Industries AG	Components & Materials	The Boeing Company	Aerospace & Defense
FARO Technologies, Inc.	Industrial Equipment	Tokyo Electron Limited	Industrial Equipment
Fastenal Company	Eng. & Ind. Services	Transcat, Inc.	Eng. & Ind. Services
Ferro Corporation	Components & Materials	United Technologies Corporation	Aerospace & Defense
Fluor Corporation	Eng. & Ind. Services	Veeco Instruments Inc.	Industrial Equipment
FormFactor, Inc.	Industrial Equipment	Veolia Environnement S.A.	Eng. & Ind. Services
General Dynamics Corporation	Aerospace & Defense	Vishay Intertechnology Inc.	Components & Materials
HD Supply Holdings, Inc.	Eng. & Ind. Services	W.W. Grainger, Inc.	Eng. & Ind. Services
Honeywell International Inc.	Aerospace & Defense	WESCO International, Inc.	Eng. & Ind. Services
Hubbell Incorporated	Industrial Equipment	Xcerra Corporation	Industrial Equipment

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Mergers & Acquisitions

- Advise buyers and sellers (public and private companies)
- Sale of businesses, strategic acquisitions, management buy-outs, and industry build-ups

Raise Capital

- Equity (control and non-control)
- Mezzanine financing
- Senior and junior debt
- Typically raise capital from banks, finance companies, private investment funds, and private equity groups

Financial Advisory Services

- Analysis of business strategies and options
- Fairness opinions
- Valuations

The Mufson Howe Hunter Manufacturing Update Indices

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