



Manufacturing Update

November 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

	Sep-20	Oct-20	Trend
PMI	55.4	59.3	Positive
Total Unemployment	7.9	6.9	Positive
CPI Monthly Change	0.2	0.0	Positive
PPI Monthly Change	0.4	0.3	Positive
Industrial Production	102.1	103.2	Positive
Capacity Utilization	72.0	72.8	Positive
Manufacturing Production	98.9	99.9	Positive
Manufacturing Utilization	71.0	71.7	Positive

Sector Index Performance

	3-Year	1-Year	3-Month
Aerospace & Defense	-25.4%	-37.3%	-5.0%
Components & Materials	-33.2%	-5.4%	8.3%
Industrial Equipment	50.1%	27.9%	6.2%
Engineering & Industrial Services	13.0%	-0.9%	-0.1%
NASDAQ	62.2%	31.6%	1.6%
S&P	27.0%	7.7%	-0.04%

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 19 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 Technologies Corporation, Rolls Royce Holdings plc, Textron Inc., and Thales SA.

The MMH Components & Materials Index is currently comprised of 3M Company, Akzo Nobel NV, Alps Electric Ltd., Amphenol Corp., Aptiv plc, Autoliv Inc., 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., Onto Innovation Inc., Oshkosh Corp., Powell Industries, Inc., Regal Beloit Corp., Rockwell Automation Inc., Schneider Electric SE, Teradyne Inc., Terex Corp., Tokyo Electron Ltd., Veeco Instruments Inc., and Xcerra Corp.

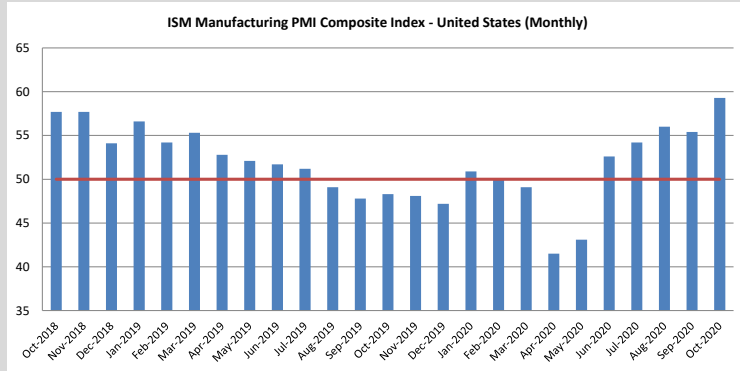
The MMH Engineering & Industrial Services Index is currently comprised of AECOM Technology Corp., Aurubis AG, Balfour Beatty plc, Cardno Ltd., Clean Harbors Inc., Commercial Metals Company, Dowa Holdings Co. Ltd., Fastenal Company, Fluor Corp., HD Supply Holdings Inc., Jacobs Engineering Group Inc., 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.



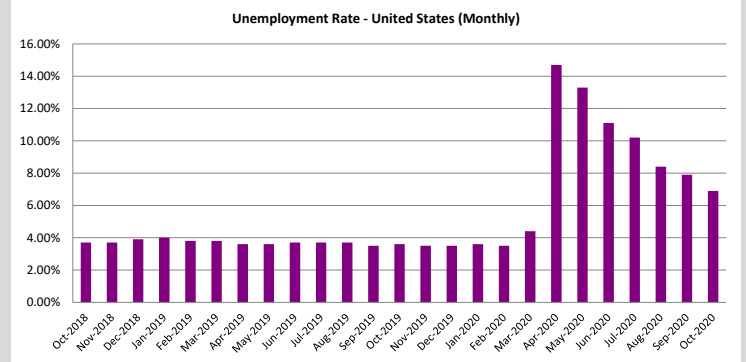
Source: Institute for Supply Management

Commentary

Economic activity in the manufacturing sector grew in October, with the overall economy experiencing a sixth consecutive month of growth. New Orders, Production, Employment, Backlog, Raw Materials Inventories, Prices and Exports and Imports all grew in October, offsetting the increased slowing of Supplier Deliveries.

Unemployment Rate

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



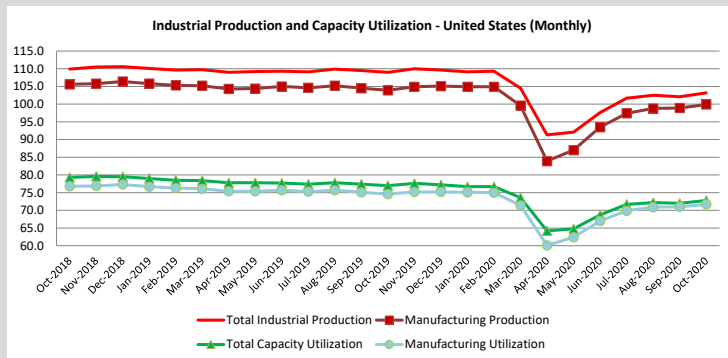
Source: United States Bureau of Labor

Commentary

In October, the unemployment rate declined to 6.9% and the number of unemployed persons fell by 1.5 million to 11.1 million, as notable job gains in leisure/hospitality, professional services, retail trade and construction offset declines in government employment. Total nonfarm payroll employment increased by 638,000.

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.



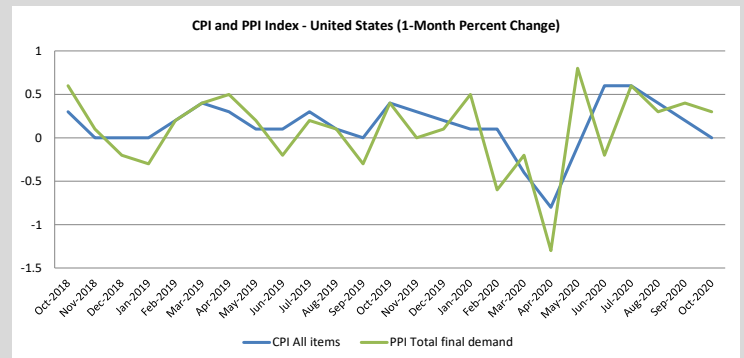
Source: United States Federal Reserve

Commentary

Total industrial production rose 1.1% in October. At 103.2% of its 2012 average, the level of total industrial production was 5.3% lower in October than it was a year earlier. Manufacturing output rose 1.0% in October, as increases in the aerospace, transportation equipment, durables and non-durables indexes outweighed slight drops in the indexes for furniture and fabricated metal products.

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.

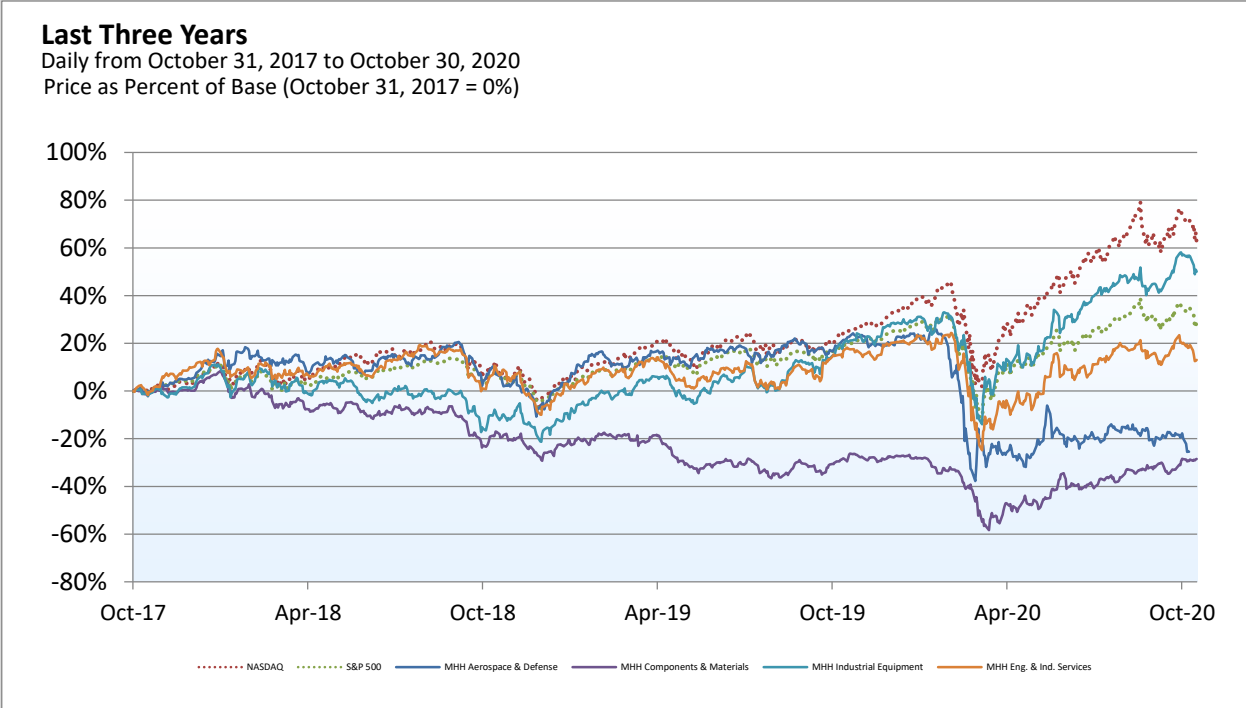


Source: United States Bureau of Labor

Commentary

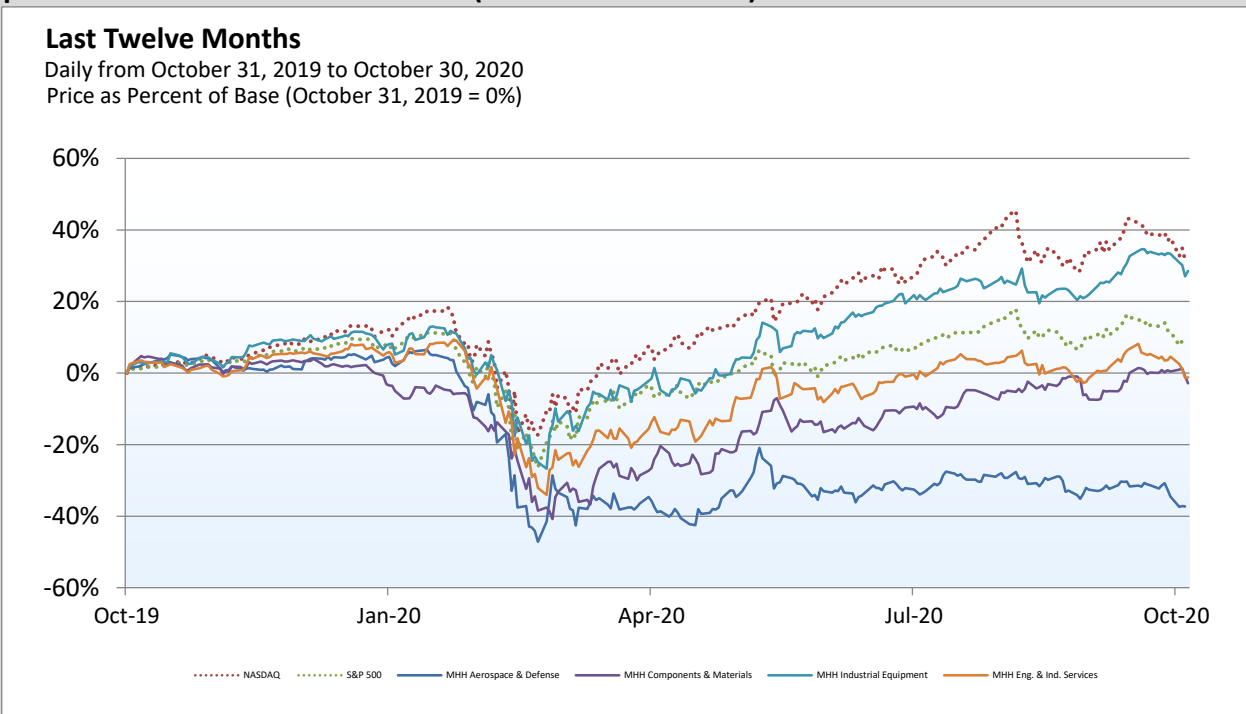
CPI for all items was unchanged in October, as component indexes were mixed with many offsetting increases (e.g., food and airline fares indexes) and decreases (e.g., apparel index). PPI for final demand rose 0.3% in October, largely attributable to the 0.5% increase in prices for final demand services related to a 2.4% increase in final demand food prices.

Comparative Sector Index Performance (Last Three Years)



Source: CapitalIQ

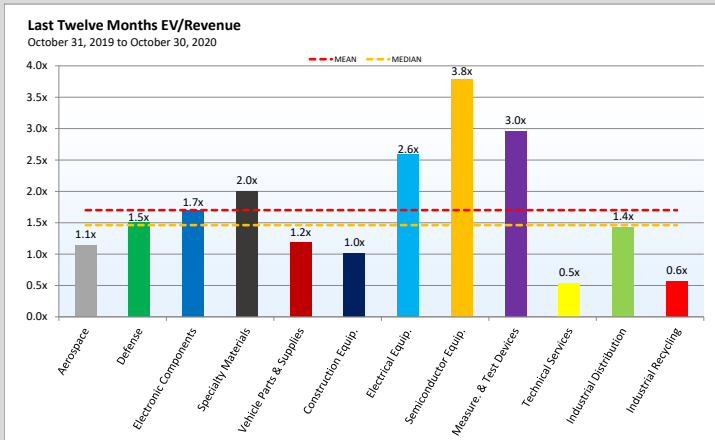
Comparative Sector Index Performance (Last Twelve Months)



Source: CapitalIQ

Subsector Trading Multiples & Margins

Comparative Subsector LTM EV/Revenue

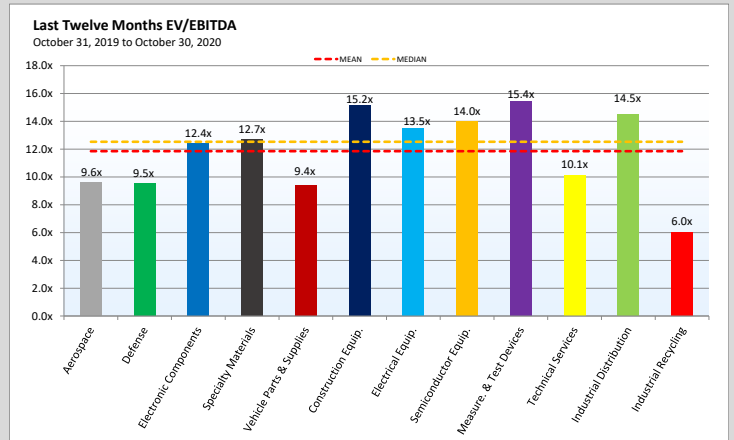


Source: CapitalIQ

Commentary

During the last twelve months, our subsector indices had a mean EV/Revenue of 1.7x (i.e., red line) and a median of 1.5x (i.e., yellow line). Of the subsectors, Semiconductor Capital Equipment had the high multiple at 3.8x and Technical Services had the low multiple at 0.5x.

Comparative Subsector LTM EV/EBITDA

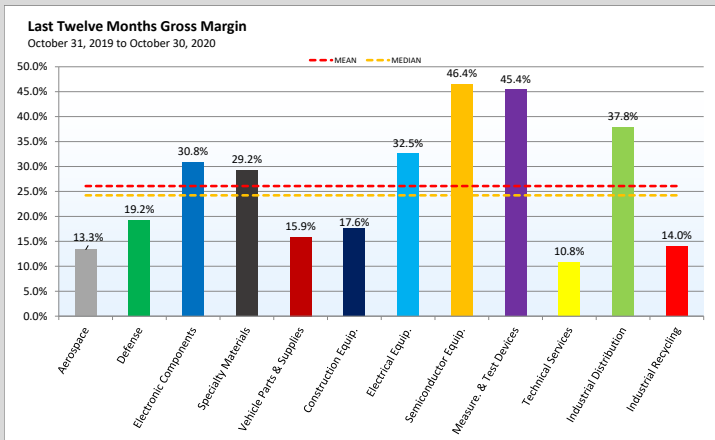


Source: CapitalIQ

Commentary

During the last twelve months, our subsector indices had a mean EV/EBITDA of 11.8x and a median of 12.5x. Of the subsectors, Measurement, Control & Testing Devices had the high multiple at 15.4x and Industrial Recycling had the low multiple at 6.0x.

Comparative Subsector LTM Gross Margin

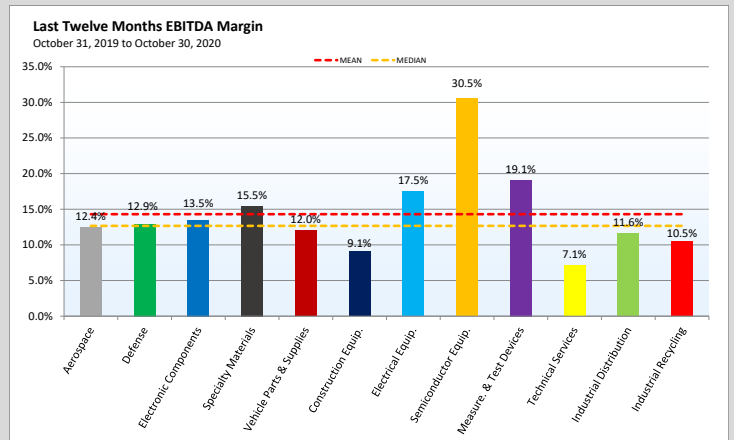


Source: CapitalIQ

Commentary

During the last twelve months, our subsector indices had a mean Gross Margin of 26.1% and a median of 24.2%. Of the subsectors, Semiconductor Capital Equipment had the high margin at 46.4%, and Technical Services had the low margin at 10.8%.

Comparative Subsector LTM EBITDA Margin

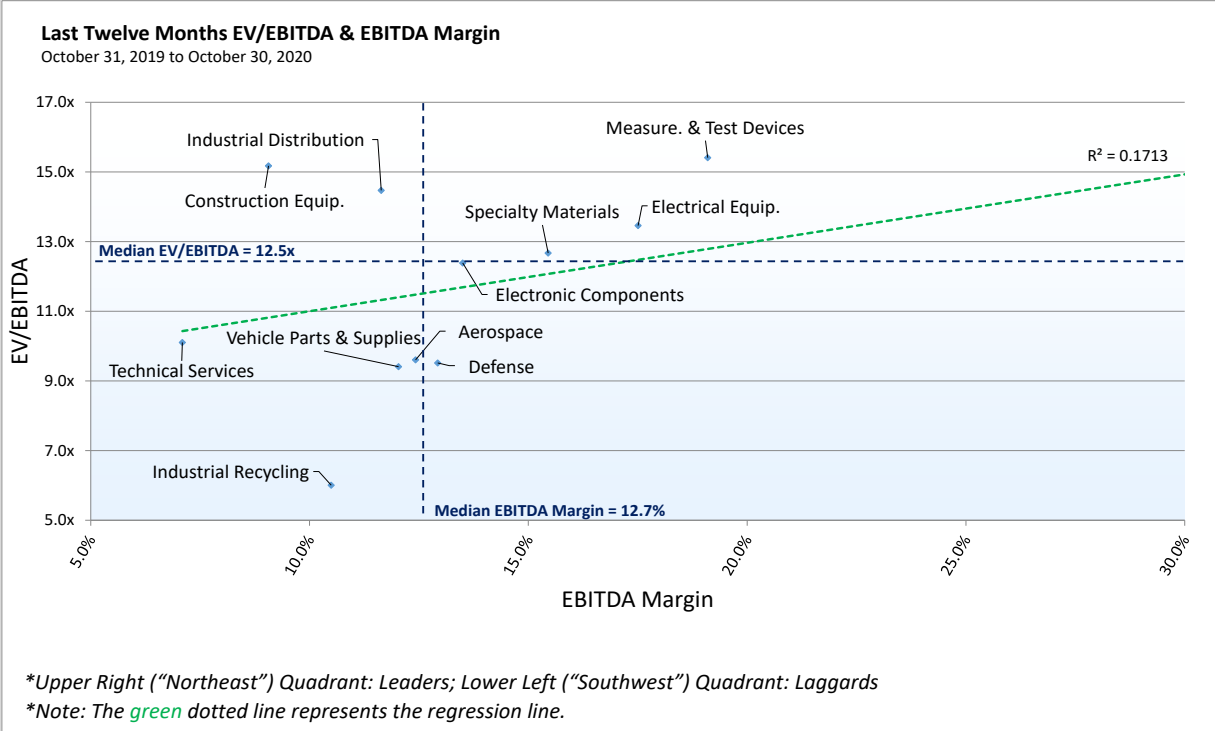


Source: CapitalIQ

Commentary

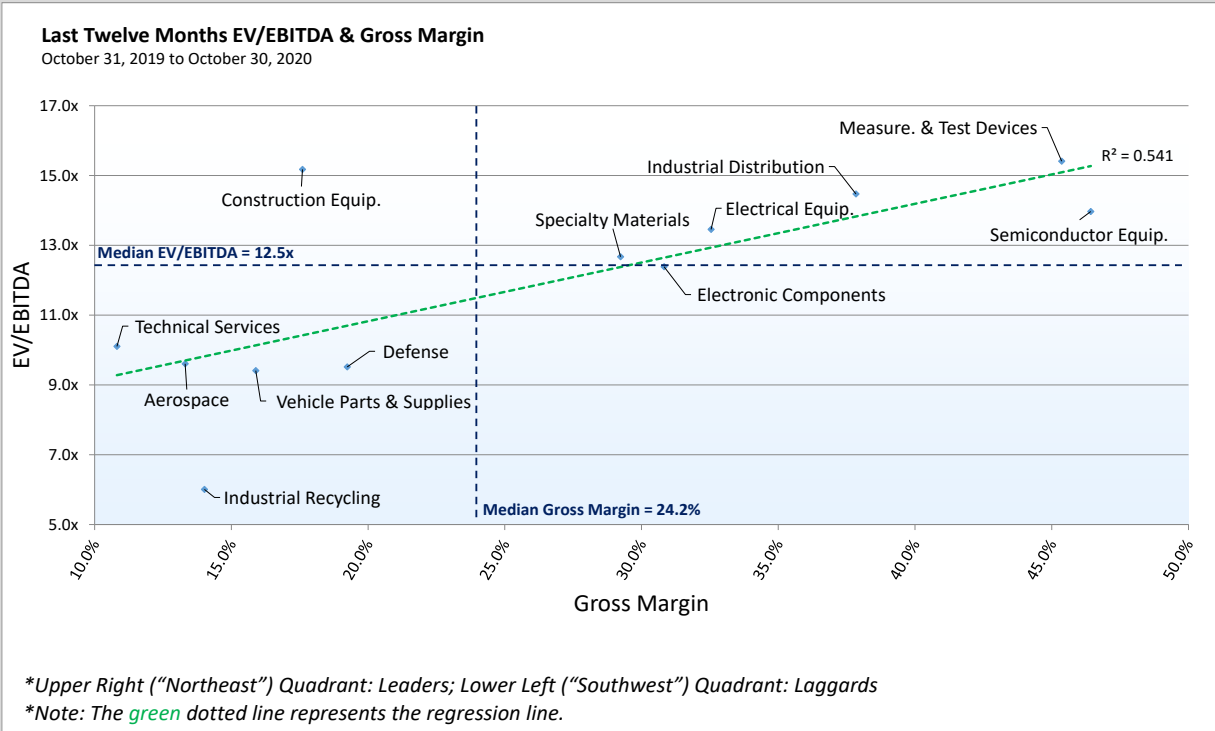
During the last twelve months, our subsector indices had a mean EBITDA Margin of 14.3% and a median of 12.7%. Of the subsectors, Semiconductor Capital Equipment had the high margin at 30.5% and Technical Services had the low margin at 7.1%.

Index Subsector LTM EV/EBITDA vs. EBITDA Margin*



Source: CapitalIQ

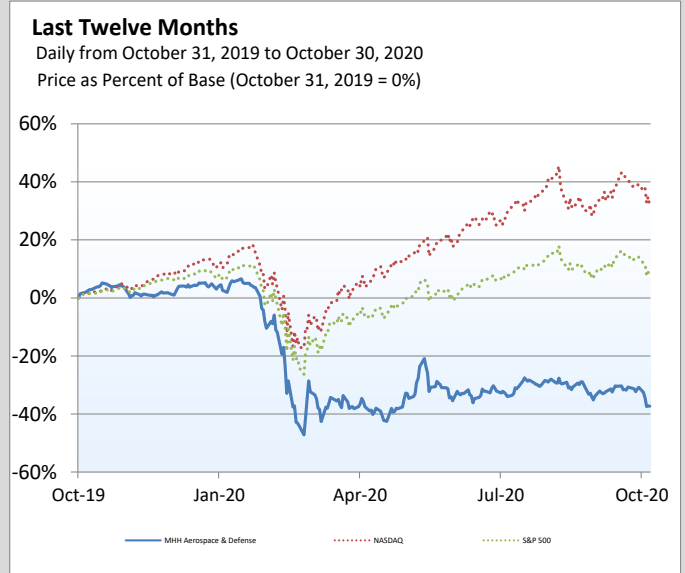
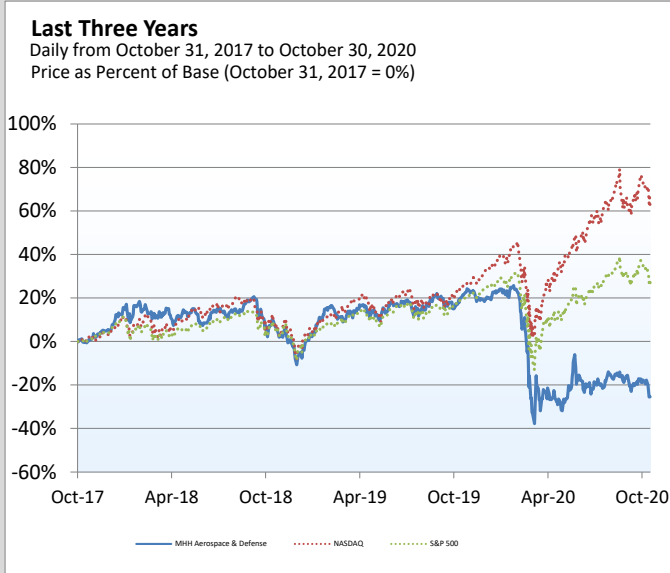
Index Subsector LTM EV/EBITDA vs. Gross Margin*



Source: CapitalIQ

Comparative Index Performance

The Mufson Howe Hunter Aerospace & Defense Index^(a) decreased by 5.0% during the three months ending October 30, 2020.



Price Performance

	3-Year	LTM	3 Month
Mufson Howe Hunter Aerospace & Defense Index ^(a)	-25.4%	-37.3%	-5.0%
NASDAQ	62.2%	31.6%	1.6%
S&P 500	27.0%	7.7%	-0.04%

(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

Lockheed Martin Corporation (NYSE:LMT) entered into an agreement to acquire i3 Hypersonics Portfolio from Integration Innovation, Inc. on October 9, 2020. i3's hypersonic strike and defense business set offers strategic solutions to U.S. Government and commercial customers. Adding i3's talent and expertise to the Lockheed Martin portfolio will expand capabilities for customers across several mission areas and national security needs, while also allowing for more integrated solutions. Upon closing, i3's Hypersonics portfolio will be managed by the corporation's Space business area.

*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	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											
Honeywell International Inc. (HON)	\$164.95	\$115,743	\$123,979	\$33,233	\$7,552	\$5.18	3.73x	16.4x	31.8x	32.2%	22.7%
The Boeing Company (BA)	144.39	81,512	115,623	60,765	-4,581	-9.10	1.90x	NM	NM	-0.8%	NM
Raytheon Technologies Corporation (RTX)	54.32	81,935	108,097	83,559	12,397	2.88	1.29x	8.7x	18.9x	22.4%	14.8%
Airbus SE (ENXTPA:AIR)	72.94	57,158	62,903	63,963	-925	-4.87	0.98x	NM	NM	10.9%	NM
Thales S.A. (ENXTPA:HO)	65.12	13,850	18,693	20,214	2,024	2.79	0.92x	9.2x	23.3x	23.1%	10.0%
Rolls-Royce Holdings plc (LSE:RR.)	0.92	7,720	13,542	17,988	-1,719	-1.04	0.75x	NM	NM	0.3%	NM
Textron Inc. (TXT)	35.80	8,194	10,673	12,019	1,070	1.44	0.89x	10.0x	24.9x	13.7%	8.9%
Embraer S.A. (BOVESPA:EMBR3)	1.05	774	2,663	1,260	-43	-0.29	2.11x	NM	NM	13.0%	NM
Mean		\$45,861	\$57,022	\$36,625	\$1,972	-\$0.38	1.57x	11.1x	24.7x	14.3%	14.1%
Median		35,504	40,798	26,724	514	0.58	1.14x	9.6x	24.1x	13.3%	12.4%
Defense											
Lockheed Martin Corporation (LMT)	\$350.13	\$97,961	\$107,084	\$64,244	\$9,706	\$17.69	1.67x	11.0x	19.8x	13.3%	15.1%
Northrop Grumman Corporation (NOC)	289.82	48,318	60,318	35,308	4,372	10.61	1.71x	13.8x	27.3x	21.2%	12.4%
General Dynamics Corporation (GD)	131.33	37,602	50,924	38,217	5,149	8.15	1.33x	9.9x	16.1x	16.8%	13.5%
L3Harris Technologies, Inc. (LHX)	161.11	34,831	41,156	24,036	4,503	6.66	1.71x	9.1x	24.2x	28.2%	18.7%
BAE Systems plc (BA.)	5.14	16,535	21,114	23,291	2,412	0.36	0.91x	8.8x	14.4x	62.5%	10.4%
Huntington Ingalls Industries, Inc. (HII)	147.48	5,972	7,793	9,016	1,019	11.04	0.86x	7.6x	13.4x	17.2%	11.3%
Mean		\$40,203	\$48,065	\$32,352	\$4,527	\$9.09	1.37x	10.0x	19.2x	26.6%	13.6%
Median		36,216	46,040	29,672	4,438	9.38	1.50x	9.5x	18.0x	19.2%	12.9%

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

‡ = excluded from Mean and Median calculations

Source: CapitalIQ

(1) As of close October 30, 2020.

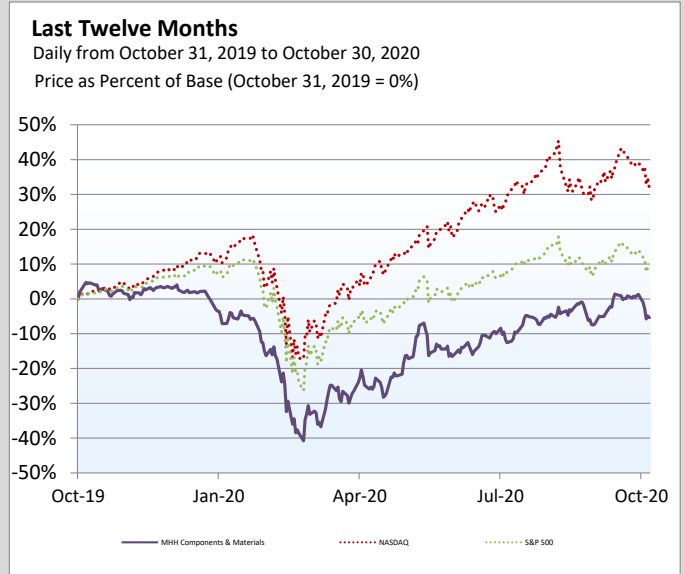
(2) Enterprise value is defined as equity value plus net debt, preferred stock and minority interests. Net Debt includes long term debt, short term debt, post-retirement benefits and unfunded pensions, if applicable, less cash and cash equivalents.

(3) As of September 30, 2020 excluding TXT (October 3, 2020); LHX (October 2, 2020); GT and LMT (September 27, 2020) and BA., ENXTPA:HO and LSE:RR. (June 30, 2020).

(4) Excludes non-recurring and discontinued operations.

Comparative Index Performance

The Mufson Howe Hunter Components & Materials Index^(a) increased by 8.3% during the three months ending October 30, 2020.



Price Performance	3-Year	LTM	3 Month
Mufson Howe Hunter Components & Materials Index ^(a)	-33.2%	-5.4%	8.3%
NASDAQ	62.2%	31.6%	1.6%
S&P 500	27.0%	7.7%	-0.04%

(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*
		\$26.5

Vishay Intertechnology, Inc. (NYSE:VSH) acquired Applied Thin-Film Products, Inc. for approximately \$26.5 million on October 1, 2020. Applied Thin-Film Products is a California-based, privately-held manufacturer of custom, build-to-print thin film substrates for the microwave, fiber optic, and life science industries. The acquisition will strengthen Vishay Intertechnology's thin film products portfolio (especially for thin film circuits and interconnect products), and fits into the company's growth plan of acquiring niche companies and businesses that complement its existing portfolio and strengthen its competitiveness.

*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											
Amphenol Corp. (APH)	\$112.84	\$33,757	\$36,181	\$8,324	\$1,870	\$2.97	4.35x	19.4x	38.1x	31.0%	22.5%
TE Connectivity Ltd (TEL)	96.88	32,034	35,347	12,172	2,456	3.22	2.90x	14.4x	30.1x	30.7%	20.2%
Corning Inc. (GLW)	31.97	24,425	33,181	10,770	2,248	0.26	3.08x	14.8x	NM	31.0%	20.9%
Omron Corp. (TSE:6645)	71.72	14,463	12,764	6,154	752	1.47	2.07x	17.0x	NM	44.9%	12.2%
Alps Electric Ltd (TSE:6770)	14.28	2,920	3,091	6,667	423	-0.10	0.46x	7.3x	NM	15.4%	6.3%
Belden Inc. (BDC)	30.88	1,376	2,540	1,914	245	1.40	1.33x	10.4x	22.0x	36.2%	12.8%
Vishay Intertechnology (VSH)	16.22	2,346	2,137	2,444	347	0.64	0.87x	6.2x	25.2x	23.3%	14.2%
Encore Wire Corp. (WIRE)	46.21	953	736	1,198	98	2.45	0.61x	7.5x	18.9x	14.3%	8.2%
Mean		\$14,034	\$15,747	\$6,205	\$1,055	\$1.54	1.96x	12.1x	26.9x	28.3%	14.7%
Median		8,692	7,928	6,410	587	1.43	1.70x	12.4x	25.2x	30.8%	13.5%
Specialty Materials											
3MCompany (MMM)	\$159.96	\$92,268	\$108,220	\$31,712	\$8,687	\$6.84	3.41x	12.5x	23.4x	48.5%	27.4%
BASF SE (DE:BAS)	54.85	50,382	69,496	68,025	2,776	-1.89	1.02x	NM	NM	25.3%	4.1%
DuPont de Nemours (DD)	56.88	41,741	63,112	20,349	4,981	1.25	3.10x	12.7x	NM	35.3%	24.5%
Dow Inc. (DOW)	45.49	33,742	49,279	38,040	5,592	1.54	1.30x	8.8x	29.6x	13.7%	14.7%
PPG Industries, Inc. (PPG)	129.72	30,640	34,912	13,749	2,146	4.13	2.54x	16.3x	31.4x	43.9%	15.6%
Akzo Nobel N.V. (ENXTAM:AKZA)	96.38	18,627	20,398	10,055	1,380	3.00	2.03x	14.8x	32.2x	44.1%	13.7%
Celanese Corp. (CE)	113.51	13,269	17,405	5,496	1,025	4.44	3.17x	17.0x	25.5x	22.4%	18.6%
Evonik Industries AG (DE:EVK)	24.09	11,205	14,666	14,408	2,204	1.40	1.02x	6.7x	17.2x	27.8%	15.3%
Solvay SA (ENXTBR:SOLB)	81.23	8,400	11,841	11,750	2,116	5.02	1.01x	5.6x	16.2x	25.6%	18.0%
Ferro Corporation (FOE)	12.86	1,058	1,880	948	115	0.31	1.98x	16.4x	NM	30.6%	12.1%
Mean		\$30,133	\$39,121	\$21,453	\$3,102	\$2.60	2.06x	12.3x	25.1x	31.7%	16.4%
Median		24,634	27,655	14,079	2,175	2.27	2.01x	12.7x	25.5x	29.2%	15.5%
Vehicle Parts and Supplies											
Johnson Controls Inc. (JCI)	\$42.21	\$31,406	\$39,368	\$22,317	\$2,928	\$1.18	1.76x	13.4x	35.8x	33.2%	13.1%
Denso Corp. (TSE:6902)	46.26	35,847	38,044	43,706	1,769	-0.99	0.87x	21.5x	NM	11.6%	4.0%
Continental AG (DB:CON)	106.51	21,276	28,834	44,495	6,137	9.33	0.65x	4.7x	11.4x	22.2%	13.8%
Aptiv PLC (APTIV)	96.49	26,055	28,548	12,450	1,416	1.13	2.29x	20.2x	NM	14.8%	11.4%
Lear Corp. (LEA)	120.81	7,253	9,090	16,620	1,142	4.10	0.55x	8.0x	29.5x	7.4%	6.9%
Autoliv, Inc. (ALV)	75.80	6,620	8,328	7,122	962	3.80	1.17x	8.7x	19.9x	16.5%	13.5%
Bosch Ltd. (BSE:500530)	155.73	4,593	4,257	1,090	116	2.31	3.91x	NM	NM	43.0%	10.7%
Stanley Electric Co. Ltd. (TSE:6923)	28.30	4,559	3,884	3,252	413	0.36	1.19x	9.4x	NM	15.3%	12.7%
Mean		\$17,201	\$20,044	\$18,881	\$1,860	\$2.65	1.55x	12.3x	24.1x	20.5%	10.8%
Median		14,264	18,819	14,535	1,279	1.75	1.18x	9.4x	24.7x	15.9%	12.0%

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

‡ = excluded from Mean and Median calculations

Source: CapitalIQ

(1) As of close October 30, 2020.

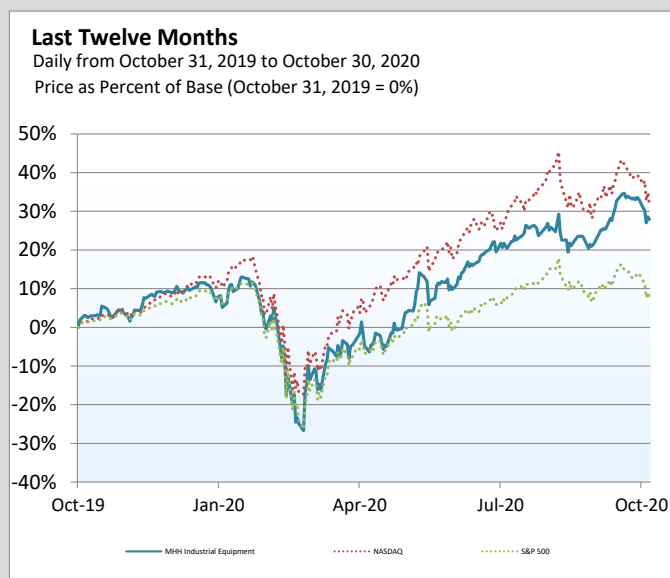
(2) Enterprise value is defined as equity value plus net debt, preferred stock and minority interests. Net Debt includes long term debt, short term debt, post-retirement benefits and unfunded pensions, if applicable, less cash and cash equivalents.

(3) As of September 30, 2020 excluding LEA and VSH (October 3, 2020); BDC (September 27, 2020) and TEL (September 25, 2020).

(4) Excludes non-recurring and discontinued operations.

Comparative Index Performance

The Mufson Howe Hunter Industrial Equipment Index^(a) increased by 6.2% during the three months ending October 30, 2020.



Price Performance

	3-Year	LTM	3 Month
Mufson Howe Hunter Industrial Equipment Index ^(a)	50.1%	27.9%	6.2%
NASDAQ	62.2%	31.6%	1.6%
S&P 500	27.0%	7.7%	-0.04%

(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 16 for sector news

Highlighted M&A Transaction – Industrial Equipment

Target	Acquirer	Value*
		\$405.0

Caterpillar Inc. (NYSE:CAT) signed an agreement to acquire Weir Oil & Gas from The Weir Group PLC (LSE:WEIR) for approximately \$405 million on October 5, 2020. Weir Oil & Gas is a division of the Weir Group PLC, the Scotland-based global engineering business. The division is headquartered in Fort Worth, Texas, and is a leading provider of pressure pumping, pressure control and aftermarket services to upstream oil and gas customers in North America and internationally. The transaction includes more than 40 Weir Oil & Gas manufacturing and services locations and approximately 2,000 employees.

*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)

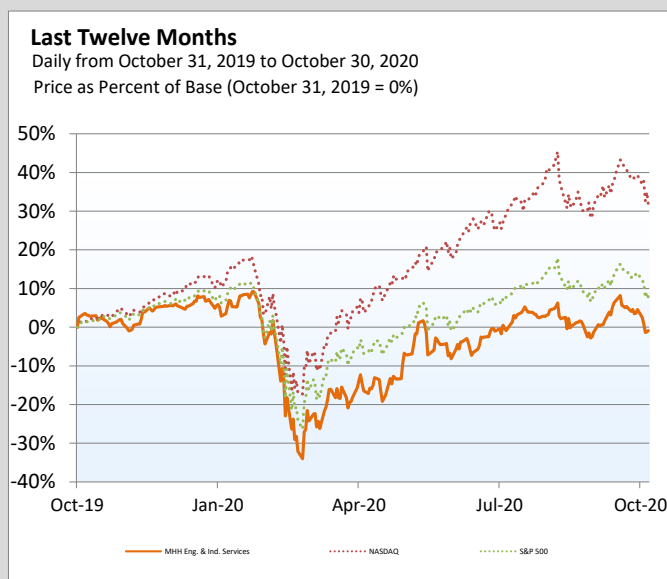
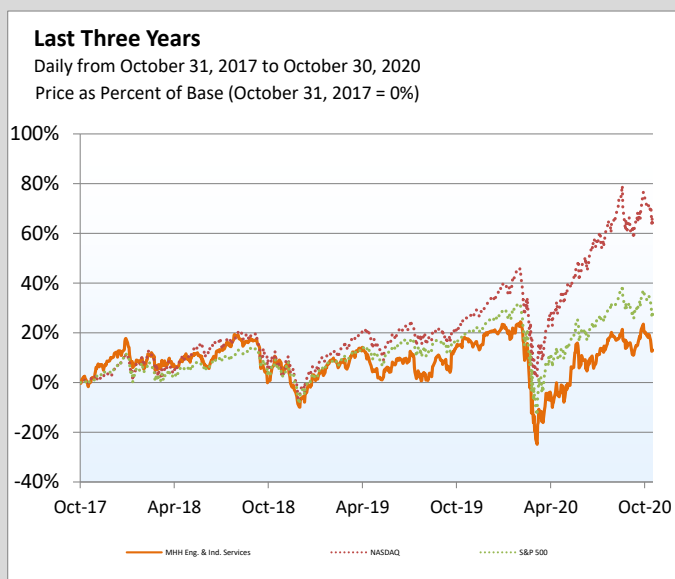
Company	Market & Capitalization			LTM Performance ⁽³⁾			Valuation			Margins	
	Price ⁽¹⁾	Equity Value	Enterprise Value ⁽²⁾	Revenue	EBITDA ⁽⁴⁾	EPS	Enterprise Value/Revenue	Price/EBITDA	Price/EPS	Gross Profit	EBITDA
Construction Equipment											
Caterpillar Inc. (CAT)	\$157.05	\$85,044	\$114,703	\$43,657	\$7,559	\$5.39	2.63x	15.2x	29.1x	24.3%	17.3%
Deere & Company (DE)	225.91	70,794	111,351	35,679	5,943	7.56	3.12x	18.7x	29.9x	23.7%	16.7%
Cummins Inc. (CMI)	219.89	32,545	34,822	19,559	2,470	9.15	1.78x	14.1x	24.0x	24.6%	12.6%
Navistar International Corp. (NAV)	43.11	4,290	8,365	8,218	408	0.40	1.02x	20.5x	NM	15.3%	5.0%
Korea Shipbuilding & Offshore Engineering Co., Ltd. (KOSE:A009540)	69.02	4,881	8,030	13,461	714	0.63	0.60x	11.2x	NM	7.1%	5.3%
Oshkosh Corp. (OSK)	67.36	4,588	4,828	6,857	621	4.27	0.70x	7.8x	15.8x	16.2%	9.1%
Terex Corp. (TEX)	24.69	1,711	2,381	3,175	114	(0.06)	0.75x	21.0x	NM	17.6%	3.6%
Mean		\$29,122	\$40,640	\$18,658	\$2,547	\$3.91	1.51x	15.5x	24.7x	18.4%	9.9%
Median		4,881	8,365	13,461	714	4.27	1.02x	15.2x	26.6x	17.6%	9.1%
Electrical Equipment											
Schneider Electric SE (ENXTPA:SU)	\$121.43	\$65,011	\$73,511	\$28,732	\$5,104	\$4.21	2.56x	14.4x	28.8x	39.8%	17.8%
Eaton Corporation plc (ETN)	103.79	41,526	49,838	18,409	2,656	2.40	2.71x	18.8x	NM	30.5%	14.4%
Emerson Electric Co. (EMR)	64.79	38,718	44,048	16,785	3,552	2.67	2.62x	12.4x	24.3x	41.8%	21.2%
Rockwell Automation Inc. (ROK)	237.12	27,498	29,643	6,330	1,242	5.27	4.68x	23.9x	NM	41.0%	19.6%
Amelec Inc. (AME)	98.20	22,592	24,261	4,646	1,299	2.65	5.22x	18.7x	37.1x	34.5%	28.0%
Hubbell Inc. (HUBB)	145.51	7,892	9,182	4,251	734	5.79	2.16x	12.5x	25.1x	29.9%	17.3%
Regal Beloit Corporation (RBC)	98.65	4,003	4,616	2,865	437	3.96	1.61x	10.6x	24.9x	28.0%	15.2%
Powell Industries, Inc. (POWL)	23.63	274	118	552	34	1.34	0.21x	3.4x	17.7x	18.4%	6.2%
Mean		\$25,939	\$29,402	\$10,321	\$1,882	\$3.53	2.72x	14.3x	26.3x	33.0%	17.5%
Median		25,045	26,952	5,488	1,271	3.31	2.59x	13.5x	25.0x	32.5%	17.5%
Measurement, Control, and Testing Devices											
Danaher Corporation (DHR)	\$229.54	\$163,060	\$183,412	\$20,392	\$5,608	\$3.42	8.99x	NM	NM	57.1%	27.5%
Xcerra Corporation (XCRA)	35.19	27,684	36,615	27,647	4,216	1.87	1.32x	8.7x	18.8x	32.8%	15.2%
Entegris, Inc. (ENTG)	74.77	10,093	10,781	1,769	524	1.56	6.10x	20.6x	NM	46.3%	29.6%
MKS Instruments, Inc. (MKSI)	108.39	5,975	6,277	2,169	498	4.03	2.89x	12.6x	26.9x	44.4%	23.0%
Brooks Automation, Inc. (BRKS)	46.70	3,389	3,217	897	146	0.65	3.59x	22.0x	NM	42.4%	16.3%
FormFactor, Inc. (FORM)	28.35	2,185	2,012	675	131	0.68	2.98x	15.4x	NM	42.2%	19.3%
Nova Measuring Instruments Ltd. (NVMI)	55.63	1,562	1,381	258	59	1.22	5.36x	23.4x	NM	56.4%	22.9%
Onto Innovation Inc. (ONTO)	32.07	1,566	1,276	522	98	0.48	2.45x	13.0x	NM	52.5%	18.9%
Cohu, Inc. (COHU)	21.73	910	1,105	576	43	(0.42)	1.92x	25.4x	NM	42.0%	7.6%
FARO Technologies, Inc. (FARO)	60.24	1,074	928	315	-4	(0.73)	2.95x	NM	NM	52.5%	NM
Axcelis Technologies, Inc. (ACLS)	22.07	739	602	460	63	0.99	1.31x	9.6x	22.2x	41.3%	13.7%
Nanometrics Incorporated (NANO)	0.13	41	36	5	(6)	(0.02)	7.18x	NM	NM	91.1%	NM
Mean		\$18,190	\$20,637	\$4,640	\$948	\$1.14	3.92x	16.7x	22.6x	50.1%	19.4%
Median		1,875	1,697	625	115	0.84	2.96x	15.4x	22.2x	45.4%	19.1%
Semiconductor Capital Equipment											
ASML Holding NV (ASML)	\$363.59	\$151,928	\$152,183	\$15,988	\$4,915	\$6.65	9.52x	NM	NM	47.4%	30.7%
Applied Materials, Inc. (AMAT)	59.23	54,094	55,044	17,202	4,764	2.85	3.20x	11.6x	20.8x	44.8%	27.7%
Lam Research Corp. (LRCX)	342.08	49,263	48,432	11,056	3,374	12.53	4.38x	14.4x	27.3x	46.4%	30.5%
Tokyo Electron Ltd (TSE:8035)	266.78	41,477	38,045	12,202	2,977	10.84	3.12x	12.8x	24.6x	39.8%	24.4%
KLA-Tencor Corp. (KLAC)	197.18	30,456	31,947	5,932	2,203	6.87	5.39x	14.5x	28.7x	58.4%	37.1%
Teradyne Inc. (TER)	87.85	14,586	13,713	3,017	982	2.89	4.55x	14.0x	30.4x	57.0%	32.5%
Veeco Instruments Inc. (VECO)	12.73	632	654	428	45	(0.11)	1.53x	14.7x	NM	42.6%	10.4%
Mean		\$48,919	\$48,574	\$9,404	\$2,751	\$6.08	3.69x	13.4x	26.4x	48.1%	27.6%
Median		41,477	38,045	11,056	2,977	6.65	3.79x	14.0x	27.3x	46.4%	30.5%

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

- (1) As of close October 30, 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 September 30, 2020 excluding AMAT (October 25, 2020); DHR (October 2, 2020); ASML, CMI, LRCX and TER (September 27, 2020); COHU, ENTG, FORM, ONTO and RBC (September 26, 2020); DE (August 2, 2020); NANO and NAV (July 31, 2020) and ENXTPA:SU, POWL and XCRA (June 30, 2020).
- (4) Excludes non-recurring and discontinued operations.

Comparative Index Performance

The Mufson Howe Hunter Engineering & Industrial Services Index^(a) decreased by 0.1% during the three months ending October 30, 2020.



Price Performance

	3-Year	LTM	3 Month
Mufson Howe Hunter Engineering & Industrial Services Index ^(a)	13.0%	-0.9%	-0.1%
NASDAQ	62.2%	31.6%	1.6%
S&P 500	27.0%	7.7%	-0.04%

(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 18 for sector news

Highlighted M&A Transaction – Engineering & Industrial Services

Target	Acquirer	Value*
 [Power Construction Business]		ND

CriticalPoint Capital, LLC acquired power construction business from AECOM (NYSE:ACM) on October 16, 2020. AECOM's power construction business comprises designing, engineering, constructing, and maintaining power plants and systems that transmit and distribute electricity. According to AECOM's CEO Troy Rudd, the sale of the business "marks another milestone in the successful execution of our transformation into a higher-margin, lower-risk Professional Services 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)	\$43.23	\$24,816	\$25,136	\$5,566	\$1,273	\$1.20	4.52x	19.7x	36.0x	45.8%	22.9%
W.W. Grainger, Inc. (GWW)	350.02	18,785	20,570	11,703	1,553	13.70	1.76x	13.2x	25.5x	36.7%	13.3%
HD Supply Holdings, Inc. (HDS)	39.86	6,465	8,721	5,976	780	2.24	1.46x	11.2x	17.8x	39.0%	13.1%
WESCO International, Inc. (WCC)	41.24	2,064	7,318	10,297	524	3.78	0.71x	14.0x	10.9x	18.9%	5.1%
MSC Industrial Direct Co., Inc. (MSM)	69.66	3,874	4,430	3,192	437	3.93	1.39x	10.1x	17.7x	42.1%	13.7%
MRC Global Inc. (MRC)	4.26	350	1,268	2,747	62	(0.12)	0.46x	20.5x	NM	17.2%	2.3%
Lawson Products, Inc. (LAWS)	41.21	372	366	342	24	1.23	1.07x	15.1x	33.5x	53.0%	7.1%
Transcat, Inc. (TRNS)	30.91	230	260	169	17	0.76	1.53x	15.0x	NM	25.3%	10.2%
Mean		\$7,119	\$8,509	\$4,999	\$584	\$3.34	1.61x	14.9x	23.6x	34.7%	10.9%
Median		2,969	5,874	4,379	481	1.74	1.42x	14.5x	21.7x	37.8%	11.6%
Industrial Recycling											
Veolia Environnement S.A. (ENXTPA:VIE)	\$18.63	\$10,329	\$25,402	\$30,683	\$3,220	\$0.51	0.83x	7.9x	36.4x	15.2%	10.5%
Clean Harbors, Inc. (CLH)	52.97	2,947	4,268	3,219	541	1.89	1.33x	7.9x	28.1x	31.5%	16.8%
Commercial Metals Company (CMC)	20.65	2,469	3,135	5,476	577	1.97	0.57x	5.4x	10.5x	17.3%	10.5%
Aurubis AG (XTRA:NDA)	64.03	2,801	3,035	12,565	574	5.76	0.24x	5.3x	11.1x	10.1%	4.6%
Dowa Holdings Co., Ltd. (TSE:5714)	28.47	1,685	2,700	4,805	449	2.17	0.56x	6.0x	13.1x	12.9%	9.4%
Sims Limited (ASX:SGM)	6.69	1,346	1,513	3,396	-38	(0.39)	0.45x	NM	NM	10.8%	NM
Mean		\$3,596	\$6,675	\$10,024	\$887	\$1.99	0.66x	6.5x	19.8x	16.3%	10.3%
Median		2,635	3,085	5,141	557	1.93	0.57x	6.0x	13.1x	14.0%	10.5%
Technical Services											
AECOM (ACM)	\$44.84	\$7,192	\$8,979	\$13,240	\$736	\$1.53	0.68x	12.2x	29.3x	5.4%	5.6%
Tetra Tech, Inc. (TTEK)	100.91	5,438	5,852	2,349	267	2.60	2.49x	21.96	38.8x	19.0%	11.3%
KBR, Inc. (KBR)	22.29	3,173	3,819	5,753	378	1.02	0.66x	10.1x	21.8x	11.6%	6.6%
John Wood Group PLC (LSE:WG.)	2.75	1,845	3,666	9,187	481	0.17	0.40x	7.6x	16.0x	10.9%	5.2%
Balfour Beatty plc (LSE:BBY)	2.77	1,901	1,962	9,160	89	0.06	0.21x	22.1x	NM	4.0%	1.0%
Fluor Corporation (FLR)	11.35	1,596	1,535	14,278	(14)	(0.69)	0.11x	NM	NM	0.5%	NM
Primoris Services Corporation (PRIM)	18.87	911	1,362	3,384	240	1.79	0.40x	5.7x	10.5x	10.7%	7.1%
NV5 Global, Inc. (NVEE)	56.08	741	1,071	631	84	1.49	1.70x	12.8x	37.7x	50.7%	13.3%
Cardno Limited (ASX:CDD)	0.20	82	164	683	49	0.02	0.24x	3.4x	10.6x	8.5%	7.1%
Jura Energy Corporation (JEC)	0.05	4	32	15	10	0.03	2.18x	3.3x	1.7x	59.0%	66.5%
Mean		\$2,288	\$2,844	\$5,868	\$232	\$0.80	0.91x	11.0x	20.8x	18.0%	13.7%
Median		1,720	1,749	4,568	164	0.60	0.53x	10.1x	18.9x	10.8%	7.1%

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

‡ = excluded from Mean and Median calculations

Source: CapitalIQ

(1) As of close October 30, 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 September 30, 2020 excluding NVEE (October 3, 2020); TTEK (September 27, 2020); TRNS (September 26, 2020); CMC (August 31, 2020); MSM (August 29, 2020); HDS (August 2, 2020); ASX:CDD, ASX:SGM, FLR, JEC, LSE:WG. and XTRA:NDA (June 30, 2020) and LSE:BBY (June 26, 2020).

(4) Excludes non-recurring and discontinued operations.

Selected News – Aerospace & Defense

Airbus SE (ENXTPA:AIR) reported third quarter net income of (\$900.7) million for fiscal year 2020 as compared to \$1,078.4 million for the prior year period. Earnings per share were (\$1.15) versus \$1.38 for the prior year period. Revenues for the quarter decreased to \$13,167.0 million from \$16,685.2 million for the same period in fiscal year 2019.

BAE Systems plc (LSE:BA.) announced the appointment of **Nick Anderson** to its **Board of Directors**.

General Dynamics Corporation (NYSE:GD) reported third quarter net income of \$834.0 million for fiscal year 2020 as compared to \$913.0 million for the prior year period. Earnings per share were \$2.90 versus \$3.14 for the prior year period. Revenues for the quarter decreased to \$9,431.0 million from \$9,761.0 million for the same period in fiscal year 2019.

Honeywell International Inc. (NYSE:HON) reported third quarter net income of \$758.0 million for fiscal year 2020 as compared to \$1,624.0 million for the prior year period. Earnings per share were \$1.07 versus \$2.23 for the prior year period. Revenues for the quarter decreased to \$7,797.0 million from \$9,086.0 million for the same period in fiscal year 2019.

L3Harris Technologies, Inc. (NYSE:LHX) reported third quarter net income of \$426.0 million for fiscal year 2021 as compared to \$429.0 million for the prior year period. Earnings per share were \$1.99 versus \$1.90 for the prior year period. Revenues for the quarter increased to \$4,463.0 million from \$4,431.0 million for the same period in fiscal year 2020.

Lockheed Martin Corporation (NYSE:LMT) reported third quarter net income of \$1,698.0 million for fiscal year 2020 as compared to \$1,608.0 million for the prior year period. Earnings per share were \$6.05 versus \$5.66 for the prior year period. Revenues for the quarter increased to \$16,495.0 million from \$15,171.0 million for the same period in fiscal year 2019.

Northrop Grumman Corporation (NYSE:NOC) reported third quarter net income of \$986.0 million for fiscal year 2020 as compared to \$933.0 million for the prior year period. Earnings per share were \$5.89 versus \$5.49 for the prior year period. Revenues for the quarter increased to \$9,083.0 million from \$8,475.0 million for the same period in fiscal year 2019.

Raytheon Technologies Corporation (NYSE:RTX) reported third quarter net income of \$264.0 million for fiscal year 2020 as compared to \$1,148.0 million for the prior year period. Earnings per share were \$0.17 versus \$1.33 for the prior year period. Revenues for the quarter increased to \$14,747.0 million from \$11,373.0 million for the same period in fiscal year 2019.

Textron Inc. (NYSE:TXT) reported third quarter net income of \$115.0 million for fiscal year 2021 as compared to \$220.0 million for the prior year period. Earnings per share were \$0.50 versus \$0.95 for the prior year period. Revenues for the quarter decreased to \$2,735.0 million from \$3,259.0 million for the same period in fiscal year 2020.

The Boeing Company (NYSE:BA) reported third quarter net income of (\$449.0) million for fiscal year 2020 as compared to \$1,167.0 million for the prior year period. Earnings per share were (\$0.79) versus \$2.05 for the prior year period. Revenues for the quarter decreased to \$14,139.0 million from \$19,980.0 million for the same period in fiscal year 2019.

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

Selected News – Components & Materials

3M Company (NYSE:MMM) reported third quarter net income of \$1,413.0 million for fiscal year 2020 as compared to \$1,583.0 million for the prior year period. Earnings per share were \$2.43 versus \$2.72 for the prior year period. Revenues for the quarter increased to \$8,350.0 million from \$7,991.0 million for the same period in fiscal year 2019.

Akzo Nobel N.V. (ENXTAM:AKZA) reported third quarter net income of \$258.3 million for fiscal year 2020 as compared to \$176.6 million for the prior year period. Earnings per share were \$1.35 versus \$0.86 for the prior year period. Revenues for the quarter increased to \$2,672.6 million from \$2,614.8 million for the same period in fiscal year 2019.

Alps Alpine Co., Ltd. (TSE:6770) reported second quarter net income of \$1.1 million for fiscal year 2021 as compared to \$65.4 million for the prior year period. Earnings per share were \$0.01 versus \$0.32 for the prior year period. Revenues for the quarter decreased to \$1,757.0 million from \$2,057.7 million for the same period in fiscal year 2020.

Amphenol Corporation (NYSE:APH) reported third quarter net income of \$346.6 million for fiscal year 2020 as compared to \$280.3 million for the prior year period. Earnings per share were \$1.12 versus \$0.92 for the prior year period. Revenues for the quarter increased to \$2,323.4 million from \$2,100.6 million for the same period in fiscal year 2019.

Aptiv PLC (NYSE:APTIV) reported third quarter net income of \$299.0 million for fiscal year 2020 as compared to \$246.0 million for the prior year period. Earnings per share were \$1.05 versus \$0.96 for the prior year period. Revenues for the quarter increased to \$3,668.0 million from \$3,559.0 million for the same period in fiscal year 2019.

Autoliv, Inc. (NYSE:ALV) reported third quarter net income of \$98.3 million for fiscal year 2020 as compared to \$85.4 million for the prior year period. Earnings per share were \$1.12 versus \$0.98 for the prior year period. Revenues for the quarter increased to \$2,037.2 million from \$2,027.7 million for the same period in fiscal year 2019.

BASF SE (DE:BAS) reported third quarter net income of (\$2,491.8) million for fiscal year 2020 as compared to \$993.3 million for the prior year period. Earnings per share were (\$2.71) versus \$1.08 for the prior year period. Revenues for the quarter increased to \$16,217.7 million from \$15,871.8 million for the same period in fiscal year 2019.

Belden Inc. (NYSE:BDC) reported third quarter net income of \$17.0 million for fiscal year 2020 as compared to (\$297.0) million for the prior year period. Earnings per share were \$0.38 versus (\$6.68) for the prior year period. Revenues for the quarter decreased to \$475.8 million from \$533.1 million for the same period in fiscal year 2019.

Celanese Corporation (NYSE:CE) reported third quarter net income of \$207.0 million for fiscal year 2020 as compared to \$263.0 million for the prior year period. Earnings per share were \$1.74 versus \$2.13 for the prior year period. Revenues for the quarter decreased to \$1,411.0 million from \$1,586.0 million for the same period in fiscal year 2019.

Celanese Corporation (NYSE:CE) announced the appointment of **Deborah J. Kissire** to its **Board of Directors**.

Corning Incorporated (NYSE:GLW) reported third quarter net income of \$427.0 million for fiscal year 2020 as compared to \$337.0 million for the prior year period. Earnings per share were \$0.48 versus \$0.38 for the prior year period. Revenues for the quarter increased to \$3,001.0 million from \$2,934.0 million for the same period in fiscal year 2019.

DENSO Corporation (TSE:6902) reported second quarter net income of \$179.6 million for fiscal year 2021 as compared to \$435.4 million for the prior year period. Earnings per share were \$0.23 versus \$0.56 for the prior year period. Revenues for the quarter increased to \$12,416.8 million from \$11,974.0 million for the same period in fiscal year 2020.

Selected News – Components & Materials (cont'd)

Dow Inc. (NYSE:DOW) reported third quarter net income of (\$25.0) million for fiscal year 2020 as compared to \$333.0 million for the prior year period. Earnings per share were (\$0.04) versus \$0.45 for the prior year period. Revenues for the quarter decreased to \$9,712.0 million from \$10,764.0 million for the same period in fiscal year 2019.

DuPont de Nemours, Inc. (NYSE:DD) reported third quarter net income of (\$79.0) million for fiscal year 2020 as compared to \$372.0 million for the prior year period. Earnings per share were (\$0.11) versus \$0.50 for the prior year period. Revenues for the quarter decreased to \$5,096.0 million from \$5,426.0 million for the same period in fiscal year 2019.

Encore Wire Corporation (NasdaqGS:WIRE) reported third quarter net income of \$21.0 million for fiscal year 2020 as compared to \$16.4 million for the prior year period. Earnings per share were \$1.02 versus \$0.78 for the prior year period. Revenues for the quarter increased to \$339.7 million from \$321.2 million for the same period in fiscal year 2019.

Lear Corporation (NYSE:LEA) reported third quarter net income of \$174.4 million for fiscal year 2020 as compared to \$215.9 million for the prior year period. Earnings per share were \$2.89 versus \$3.58 for the prior year period. Revenues for the quarter increased to \$4,900.1 million from \$4,825.0 million for the same period in fiscal year 2019.

OMRON Corporation (TSE:6645) reported second quarter net income of \$90.1 million for fiscal year 2021 as compared to \$97.5 million for the prior year period. Earnings per share were \$0.45 versus \$0.47 for the prior year period. Revenues for the quarter decreased to \$1,467.8 million from \$1,574.5 million for the same period in fiscal year 2020.

PPG Industries, Inc. (NYSE:PPG) reported third quarter net income of \$442.0 million for fiscal year 2020 as compared to \$367.0 million for the prior year period. Earnings per share were \$1.86 versus \$1.54 for the prior year period. Revenues for the quarter decreased to \$3,685.0 million from \$3,826.0 million for the same period in fiscal year 2019.

Stanley Electric Co., Ltd. (TSE:6923) reported second quarter net income of \$48.0 million for fiscal year 2021 as compared to \$57.9 million for the prior year period. Earnings per share were \$0.30 versus \$0.36 for the prior year period. Revenues for the quarter decreased to \$909.8 million from \$936.3 million for the same period in fiscal year 2020.

TE Connectivity Ltd. (NYSE:TEL) reported net income of (\$241.0) million for fiscal year 2020 as compared to \$1,844.0 million for the prior year. Earnings per share were (\$0.73) versus \$5.42 for the prior year. Revenues for the year decreased to \$12,172.0 million from \$13,448.0 million for fiscal year 2019.

Teradyne, Inc. (NasdaqGS:TER) announced the appointment of **Peter Herweck** to its **Board of Directors**.

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

Selected News – Industrial Equipment

AMETEK, Inc. (NYSE:AME) reported third quarter net income of \$204.6 million for fiscal year 2020 as compared to \$220.7 million for the prior year period. Earnings per share were \$0.88 versus \$0.96 for the prior year period. Revenues for the quarter decreased to \$1,126.9 million from \$1,276.6 million for the same period in fiscal year 2019.

ASML Holding N.V. (ENXTAM:ASML) reported third quarter net income of \$1,233.3 million for fiscal year 2020 as compared to \$686.2 million for the prior year period. Earnings per share were \$2.94 versus \$1.63 for the prior year period. Revenues for the quarter increased to \$4,598.6 million from \$3,269.7 million for the same period in fiscal year 2019.

Caterpillar Inc. (NYSE:CAT) reported third quarter net income of \$668.0 million for fiscal year 2020 as compared to \$1,494.0 million for the prior year period. Earnings per share were \$1.22 versus \$2.66 for the prior year period. Revenues for the quarter decreased to \$9,881.0 million from \$12,758.0 million for the same period in fiscal year 2019.

Cohu, Inc. (NasdaqGS:COHU) reported third quarter net income of (\$6.6) million for fiscal year 2020 as compared to (\$10.5) million for the prior year period. Earnings per share were (\$0.16) versus (\$0.25) for the prior year period. Revenues for the quarter increased to \$150.6 million from \$143.5 million for the same period in fiscal year 2019.

Cummins Inc. (NYSE:CMI) reported third quarter net income of \$501.0 million for fiscal year 2020 as compared to \$622.0 million for the prior year period. Earnings per share were \$3.36 versus \$3.97 for the prior year period. Revenues for the quarter decreased to \$5,118.0 million from \$5,768.0 million for the same period in fiscal year 2019.

Cummins Inc. (NYSE:CMI) announced the appointment of **Kimberly A. Nelson** to its **Board of Directors**.

Danaher Corporation (NYSE:DHR) reported third quarter net income of \$883.5 million for fiscal year 2020 as compared to \$668.0 million for the prior year period. Earnings per share were \$1.16 versus \$0.89 for the prior year period. Revenues for the quarter increased to \$5,883.2 million from \$4,378.0 million for the same period in fiscal year 2019.

Emerson Electric Co. (NYSE:EMR) announced the appointment of **William H. Easter III** to its **Board of Directors**.

Entegris, Inc. (NasdaqGS:ENTG) reported third quarter net income of \$79.3 million for fiscal year 2020 as compared to \$40.8 million for the prior year period. Earnings per share were \$0.58 versus \$0.30 for the prior year period. Revenues for the quarter increased to \$481.0 million from \$394.1 million for the same period in fiscal year 2019.

FARO Technologies, Inc. (NasdaqGS:FARO) reported third quarter net income of (\$3.0) million for fiscal year 2020 as compared to (\$6.2) million for the prior year period. Earnings per share were (\$0.17) versus (\$0.36) for the prior year period. Revenues for the quarter decreased to \$70.7 million from \$90.5 million for the same period in fiscal year 2019.

FormFactor, Inc. (NasdaqGS:FORM) reported third quarter net income of \$22.9 million for fiscal year 2020 as compared to \$8.3 million for the prior year period. Earnings per share were \$0.29 versus \$0.11 for the prior year period. Revenues for the quarter increased to \$178.0 million from \$140.6 million for the same period in fiscal year 2019.

Hubbell Incorporated (NYSE:HUBB) reported third quarter net income of \$107.1 million for fiscal year 2020 as compared to \$130.7 million for the prior year period. Earnings per share were \$1.96 versus \$2.38 for the prior year period. Revenues for the quarter decreased to \$1,108.6 million from \$1,204.0 million for the same period in fiscal year 2019.

Selected News – Industrial Equipment (cont'd)

KLA Corporation (NasdaqGS:KLAC) reported first quarter net income of \$420.6 million for fiscal year 2021 as compared to \$346.5 million for the prior year period. Earnings per share were \$2.69 versus \$2.16 for the prior year period. Revenues for the quarter increased to \$1,538.6 million from \$1,413.4 million for the same period in fiscal year 2020.

Lam Research Corporation (NasdaqGS:LRCX) reported first quarter net income of \$823.5 million for fiscal year 2021 as compared to \$465.8 million for the prior year period. Earnings per share were \$5.59 versus \$3.09 for the prior year period. Revenues for the quarter increased to \$3,177.1 million from \$2,165.7 million for the same period in fiscal year 2020.

MKS Instruments, Inc. (NasdaqGS:MKSI) reported third quarter net income of \$91.7 million for fiscal year 2020 as compared to \$47.4 million for the prior year period. Earnings per share were \$1.66 versus \$0.86 for the prior year period. Revenues for the quarter increased to \$589.8 million from \$462.5 million for the same period in fiscal year 2019.

Oshkosh Corporation (NYSE:OSK) reported net income of \$324.5 million for fiscal year 2020 as compared to \$579.4 million for the prior year. Earnings per share were \$4.72 versus \$8.21 for the prior year. Revenues for the year decreased to \$6,856.8 million from \$8,382.0 million for fiscal year 2019.

Regal Beloit Corporation (NYSE:RBC) reported third quarter net income of \$65.0 million for fiscal year 2020 as compared to \$49.7 million for the prior year period. Earnings per share were \$1.60 versus \$1.19 for the prior year period. Revenues for the quarter decreased to \$758.2 million from \$772.3 million for the same period in fiscal year 2019.

Rockwell Automation, Inc. (NYSE:ROK) announced the appointment of **Steve Etzel** to the role of **Interim CFO**.

Schneider Electric S.E. (ENXTPA:SU) reported second quarter net income of \$436.1 million for fiscal year 2020 as compared to \$565.0 million for the prior year period. Earnings per share were \$0.78 versus \$1.01 for the prior year period. Revenues for the quarter decreased to \$6,513.1 million from \$7,511.4 million for the same period in fiscal year 2019.

Teradyne, Inc. (NasdaqGS:TER) reported third quarter net income of \$222.7 million for fiscal year 2020 as compared to \$135.9 million for the prior year period. Earnings per share were \$1.21 versus \$0.75 for the prior year period. Revenues for the quarter increased to \$819.5 million from \$582.0 million for the same period in fiscal year 2019.

Terex Corporation (NYSE:TEX) reported third quarter net income of \$5.8 million for fiscal year 2020 as compared to \$21.4 million for the prior year period. Earnings per share were \$0.08 versus \$0.30 for the prior year period. Revenues for the quarter decreased to \$765.6 million from \$1,024.6 million for the same period in fiscal year 2019.

Tokyo Electron Limited (TSE:8035) reported second quarter net income of \$526.8 million for fiscal year 2021 as compared to \$433.2 million for the prior year period. Earnings per share were \$3.37 versus \$2.74 for the prior year period. Revenues for the quarter increased to \$3,350.1 million from \$2,701.6 million for the same period in fiscal year 2020.

Veeco Instruments Inc. (NasdaqGS:VECO) reported third quarter net income of \$0.6 million for fiscal year 2020 as compared to (\$11.8) million for the prior year period. Earnings per share were \$0.01 versus (\$0.25) for the prior year period. Revenues for the quarter increased to \$112.1 million from \$109.0 million for the same period in fiscal year 2019.

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

Selected News – Engineering & Industrial Services

Commercial Metals Company (NYSE:CMC) reported net income of \$279.5 million for fiscal year 2020 as compared to \$198.1 million for the prior year. Earnings per share were \$2.32 versus \$1.66 for the prior year. Revenues for the year decreased to \$5,476.5 million from \$5,829.0 million for fiscal year 2019.

Fastenal Company (NasdaqGS:FAST) reported third quarter net income of \$221.5 million for fiscal year 2020 as compared to \$213.5 million for the prior year period. Earnings per share were \$0.38 versus \$0.37 for the prior year period. Revenues for the quarter increased to \$1,413.3 million from \$1,379.1 million for the same period in fiscal year 2019.

KBR, Inc. (NYSE:KBR) reported third quarter net income of \$52.0 million for fiscal year 2020 as compared to \$56.0 million for the prior year period. Earnings per share were \$0.36 versus \$0.39 for the prior year period. Revenues for the quarter decreased to \$1,379.0 million from \$1,425.0 million for the same period in fiscal year 2019.

Lawson Products, Inc. (NasdaqGS:LAWS) reported third quarter net income of \$1.7 million for fiscal year 2020 as compared to \$4.8 million for the prior year period. Earnings per share were \$0.19 versus \$0.51 for the prior year period. Revenues for the quarter decreased to \$90.3 million from \$94.8 million for the same period in fiscal year 2019.

MRC Global Inc. (NYSE:MRC) reported third quarter net income of \$3.0 million for fiscal year 2020 as compared to \$21.0 million for the prior year period. Earnings per share were (\$0.04) versus \$0.18 for the prior year period. Revenues for the quarter decreased to \$585.0 million from \$942.0 million for the same period in fiscal year 2019.

MSC Industrial Direct Co., Inc. (NYSE:MSM) reported net income of \$251.1 million for fiscal year 2020 as compared to \$288.9 million for the prior year. Earnings per share were \$4.51 versus \$5.20 for the prior year. Revenues for the year decreased to \$3,192.4 million from \$3,363.8 million for fiscal year 2019.

Transcat, Inc. (NasdaqGM:TRNS) reported second quarter net income of \$2.0 million for fiscal year 2021 as compared to \$2.4 million for the prior year period. Earnings per share were \$0.27 versus \$0.32 for the prior year period. Revenues for the quarter decreased to \$41.6 million from \$41.8 million for the same period in fiscal year 2020.

W.W. Grainger, Inc. (NYSE:GWW) reported third quarter net income of \$240.0 million for fiscal year 2020 as compared to \$233.0 million for the prior year period. Earnings per share were \$4.41 versus \$4.25 for the prior year period. Revenues for the quarter increased to \$3,018.0 million from \$2,947.0 million for the same period in fiscal year 2019.

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

MHH Manufacturing Universe Directory

Company	Sector
3M Company	Components & Materials
AECOM	Eng. & Ind. Services
Airbus Group SE	Aerospace & Defense
Akzo Nobel N.V.	Components & Materials
Alps Electric Co. Ltd.	Components & Materials
AMETEK, Inc.	Industrial Equipment
Amphenol Corporation	Components & Materials
Applied Materials, Inc.	Industrial Equipment
Aptiv PLC	Components & Materials
ASML Holding N.V.	Industrial Equipment
Aurubis AG	Eng. & Ind. Services
Autoliv, Inc.	Components & Materials
Axcelis Technologies, Inc.	Industrial Equipment
BAE Systems plc	Aerospace & Defense
Balfour Beatty plc	Eng. & Ind. Services
BASF SE	Components & Materials
Belden Inc.	Components & Materials
Bosch Ltd	Components & Materials
Brooks Automation, Inc.	Industrial Equipment
Cardno Ltd.	Eng. & Ind. Services
Caterpillar Inc.	Industrial Equipment
Celanese Corporation	Components & Materials
Clean Harbors, Inc.	Eng. & Ind. Services
Cohu, Inc.	Industrial Equipment
Commercial Metals Company	Eng. & Ind. Services
Continental Aktiengesellschaft	Components & Materials
Corning Inc.	Components & Materials
Cummins Inc.	Industrial Equipment
Danaher Corporation	Industrial Equipment
Deere & Company	Industrial Equipment
Delphi Automotive PLC	Components & Materials
DENSO Corporation	Components & Materials
Dowa Holdings Co., Ltd.	Eng. & Ind. Services
Dow Inc.	Components & Materials
DuPont de Nemours, Inc.	Components & Materials
Eaton Corporation plc	Industrial Equipment
Embraer S.A.	Aerospace & Defense
Emerson Electric Co.	Industrial Equipment
Encore Wire Corp.	Components & Materials
Entegris, Inc.	Industrial Equipment
Evonik Industries AG	Components & Materials
FARO Technologies, Inc.	Industrial Equipment
Fastenal Company	Eng. & Ind. Services
Ferro Corporation	Components & Materials
Fluor Corporation	Eng. & Ind. Services
FormFactor, Inc.	Industrial Equipment
General Dynamics Corporation	Aerospace & Defense
HD Supply Holdings, Inc.	Eng. & Ind. Services
Honeywell International Inc.	Aerospace & Defense
Hubbell Incorporated	Industrial Equipment

Company	Sector
Huntington Ingalls Industries, Inc.	Aerospace & Defense
Jacobs Engineering Group Inc.	Eng. & Ind. Services
John Wood Group plc	Eng. & Ind. Services
Johnson Controls Inc.	Components & Materials
KBR, Inc.	Eng. & Ind. Services
KLA-Tencor Corporation	Industrial Equipment
Korea Shipbuilding Co. Ltd.	Industrial Equipment
L3Harris Technologies	Aerospace & Defense
Lam Research Corporation	Industrial Equipment
Lawson Products, Inc.	Eng. & Ind. Services
Lear Corp.	Components & Materials
Lockheed Martin Corporation	Aerospace & Defense
MKS Instruments, Inc.	Industrial Equipment
MRC Global Inc.	Eng. & Ind. Services
MSC Industrial Direct Co., Inc.	Eng. & Ind. Services
Nanometrics Incorporated	Industrial Equipment
Navistar International Corporation	Industrial Equipment
Northrop Grumman Corporation	Aerospace & Defense
Nova Measuring Instruments Ltd.	Industrial Equipment
NV5 Global, Inc.	Eng. & Ind. Services
OMRON Corporation	Components & Materials
Onto Innovation Inc.	Industrial Equipment
Oshkosh Corporation	Industrial Equipment
Powell Industries, Inc.	Industrial Equipment
PPG Industries, Inc.	Components & Materials
Primoris Services Corporation	Eng. & Ind. Services
Raytheon Technologies Corporation	Aerospace & Defense
Regal Beloit Corporation	Industrial Equipment
Rockwell Automation Inc.	Industrial Equipment
Rolls Royce Holdings plc	Aerospace & Defense
Schneider Electric S.E.	Industrial Equipment
Sims Metal Management Limited	Eng. & Ind. Services
Solvay SA	Components & Materials
Stanley Electric Co. Ltd.	Components & Materials
TE Connectivity Ltd.	Components & Materials
Teradyne, Inc.	Industrial Equipment
Terex Corporation	Industrial Equipment
Tetra Tech, Inc.	Eng. & Ind. Services
Textron Inc.	Aerospace & Defense
Thales SA	Aerospace & Defense
The Boeing Company	Aerospace & Defense
Tokyo Electron Limited	Industrial Equipment
Transcat, Inc.	Eng. & Ind. Services
Veeco Instruments Inc.	Industrial Equipment
Veolia Environnement S.A.	Eng. & Ind. Services
Vishay Intertechnology Inc.	Components & Materials
W.W. Grainger, Inc.	Eng. & Ind. Services
WESCO International, Inc.	Eng. & Ind. Services
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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