

# Mufson Howe Hunter

INVESTMENT BANKERS FOR GROWTH



## Manufacturing Update September 2022

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.

### Primary Mufson Howe Hunter Contacts:

Michael J. Howe  
Managing Director  
215.399.5413  
[mhowe@mhco.com](mailto:mhowe@mhco.com)

Jonathan Schor  
Director  
215.850.8566  
[jschor@mhco.com](mailto:jschor@mhco.com)

Michael J. Mufson  
Managing Director  
215.399.5410  
[mmufson@mhco.com](mailto:mmufson@mhco.com)

Andrew S. Wilson  
Director  
215.399.5406  
[awilson@mhco.com](mailto:awilson@mhco.com)

Joseph M. Manko, Jr.  
Managing Director  
215.399.5402  
[jmanko@mhco.com](mailto:jmanko@mhco.com)

Andrew Apfelbaum  
Director  
215.399.5419  
[aapfelbaum@mhco.com](mailto:aapfelbaum@mhco.com)

Anthony J. Lopez-Ona  
Managing Director  
215.399.5405  
[alopezona@mhco.com](mailto:alopezona@mhco.com)

Michael J. Gorman  
Director  
215.399.5416  
[MGorman@mhco.com](mailto:MGorman@mhco.com)

Brandon K. Eck  
Managing Director  
215.399.5411  
[beck@mhco.com](mailto:beck@mhco.com)

### Macro-Economic Trends

	July-22	Aug-22	Trend
PMI	52.8	52.8	Neutral
Total Unemployment	3.5	3.7	Negative
CPI Monthly Change	0.0	0.1	Negative
PPI Monthly Change	-0.5	-0.1	Negative
Industrial Production	104.8	104.5	Negative
Capacity Utilization	80.3	80.0	Negative
Manufacturing Production	102.3	102.2	Negative
Manufacturing Utilization	79.8	79.6	Negative

### Sector Index Performance

	3-Year	1-Year	3-Month
Aerospace & Defense	-14.3%	-5.4%	-1.4%
Components & Materials	-0.3%	-28.4%	-11.6%
Industrial Equipment	82.4%	-23.9%	-8.3%
Industrial & Technical Services	56.6%	-1.9%	-3.8%
NASDAQ	48.4%	-22.6%	-1.5%
S&P	35.2%	-12.6%	-3.6%

## 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

### Industrial & Technical Services

- Industrial Distribution
- Industrial Recycling
- Technical Services

**Note:** Please refer to Page 19 for the Universe.

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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., Azena, 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 Industrial & Technical Services Index** is currently comprised of AECOM Technology Corp., Aurubis AG, Balfour Beatty plc, Cardno Ltd., Clean Harbors Inc., Commercial Metals Company, Dow Holdings Co. Ltd., Fastenal Company, Fluor Corp., HD Supply Holdings Inc., Jacobs Engineering Group Inc., John Wood Group plc, KBR 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.

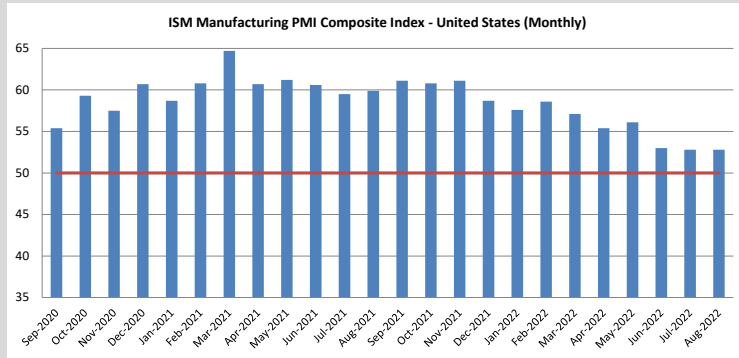
The companies that comprise each Index can change periodically as a result of a variety of reasons, including mergers, acquisitions, initial public offerings, and other transactions; therefore, comparisons to historical time periods and historical performance for each Index may not entirely correspond 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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# Major U.S. Economic Indicators

## PMI (Purchase Manager Index)

A PMI reading above 50% (red line below) indicates that the manufacturing economy is generally expanding and below 50% means it is contracting.



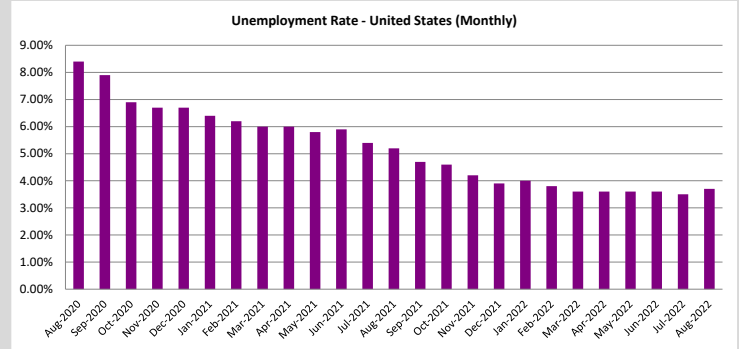
Source: Institute for Supply Management

### Commentary

Purchasing activity in the manufacturing sector remained constant in August, with the overall economy achieving a 27th consecutive month of growth. New Orders, Production, Employment, Exports, Imports, Backlog, and Prices all grew in August 2022, while Supplier Deliveries slowed at an accelerated rate.

## Unemployment Rate

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



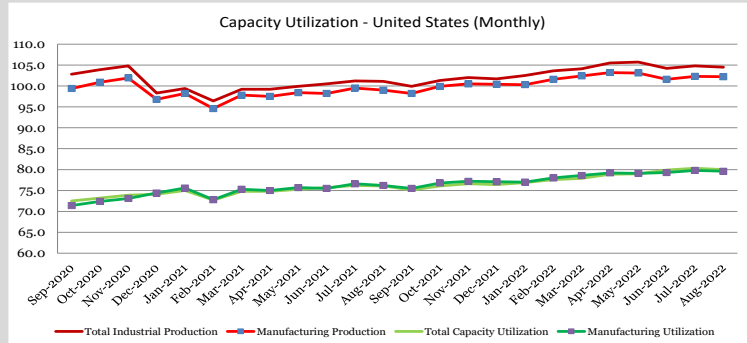
Source: United States Bureau of Labor

### Commentary

The unemployment rate slightly increased to 3.7% in August, and the number of unemployed persons increased to 6.0 million. Notable job gains occurred in leisure & hospitality, manufacturing, and transportation & warehousing.

## 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 2017. The Capacity Index (in green below), which is an estimate of sustainable potential output, is also expressed as a percentage of real output in 2017.



Source: United States Federal Reserve

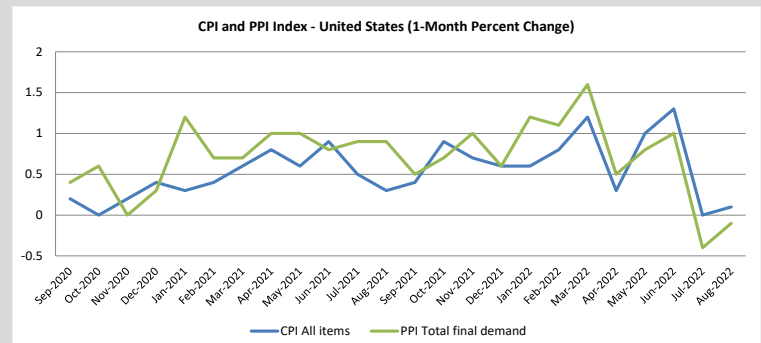
(1) Index was revised May 28, 2021 to reflect 2017 as a base year (rather than 2012) and adopt 2017 NAICS groups, retroactively beginning in December 2020.

### Commentary

Industrial production decreased 0.2% in August. Manufacturing output edged up 0.1% after increasing 0.6% in July. At 104.5% of its 2017 average, total industrial production in August was 3.7% above its year-earlier level. Capacity utilization declined 0.2% in August.

## Producer Price Index and Consumer Price Index.

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.



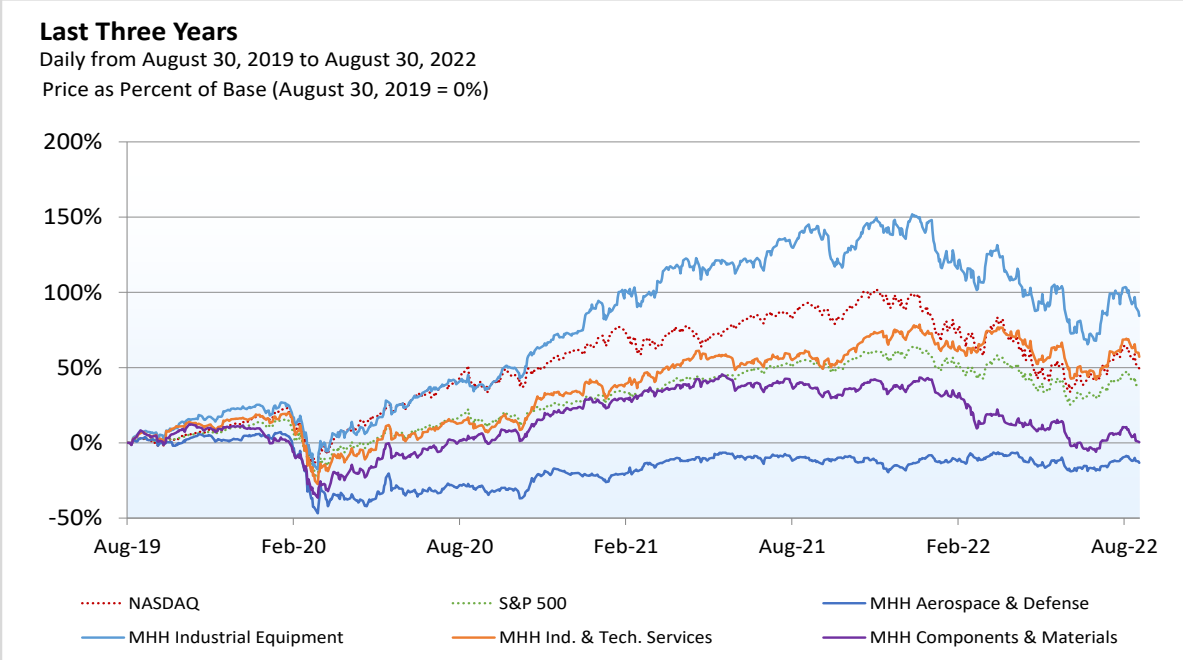
Source: United States Bureau of Labor

### Commentary

The Consumer Price Index for All Urban Consumers decreased in August 2022 after a period of stability in July and an increase of 1.3% in June. Prices for final demand less foods, energy, and trade services moved up 0.2% in August following a 0.1% rise in July. From August 2021 to August 2022, the CPI for all items increased by 8.7%.

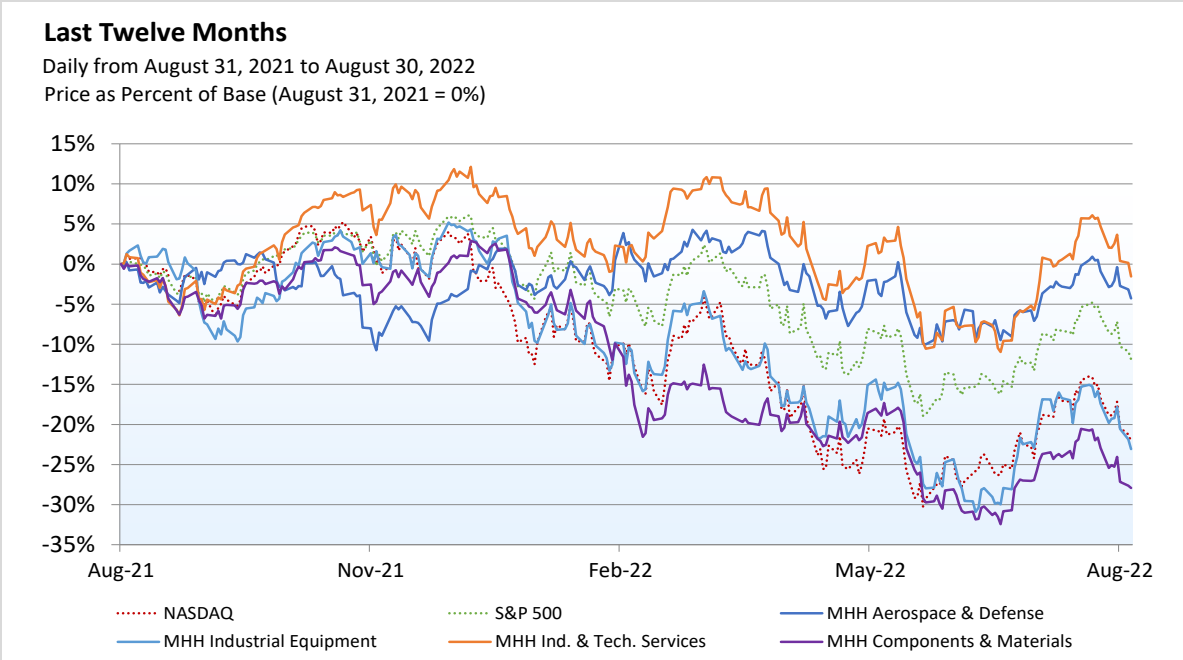
# Sector Index Performance

## Comparative Sector Index Performance (Last Three Years)



Source: CapitalIQ

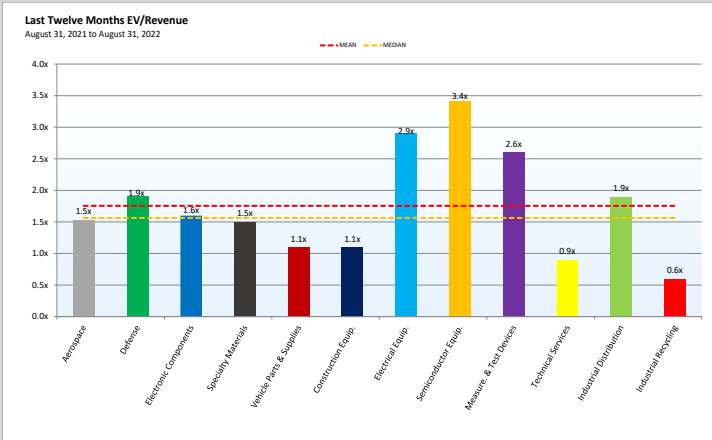
## Comparative Sector Index Performance (Last Twelve Months)



Source: CapitalIQ

# Subsector Trading Multiples & Margins

## Comparative Subsector LTM EV/Revenue

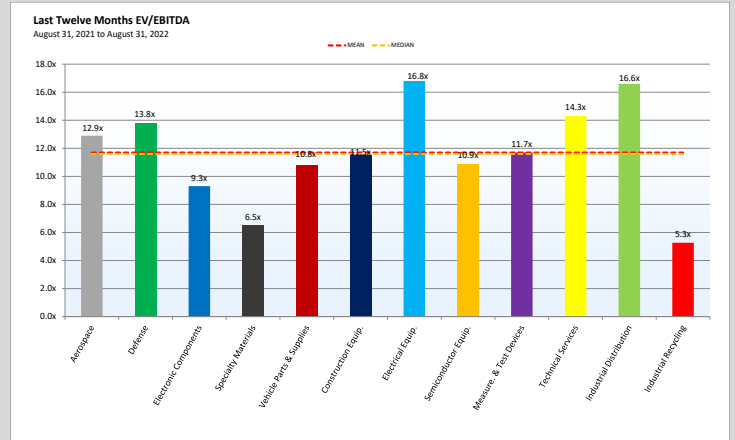


Source: CapitalIQ

### Commentary

During the last twelve months, our subsector indices had a mean EV/Revenue of 1.8x (i.e., red line) and a median of 1.6x (i.e., yellow line). Of the subsectors, Semiconductor Capital Equipment had the high multiple at 3.4x and Industrial Recycling had the low multiple at 0.6x.

## Comparative Subsector LTM EV/EBITDA

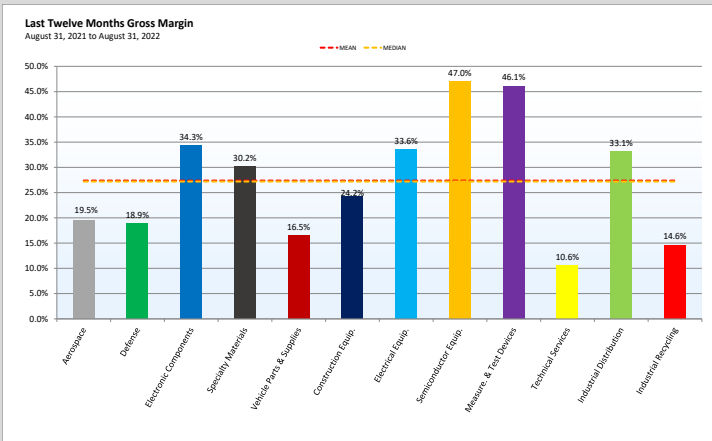


Source: CapitalIQ

### Commentary

During the last twelve months, our subsector indices had a mean EV/EBITDA of 11.7x and a median of 11.6x. Of the subsectors, Electrical Equipment had the high multiple at 16.8x and Industrial Recycling had the low multiple at 5.3x.

## Comparative Subsector LTM Gross Margin

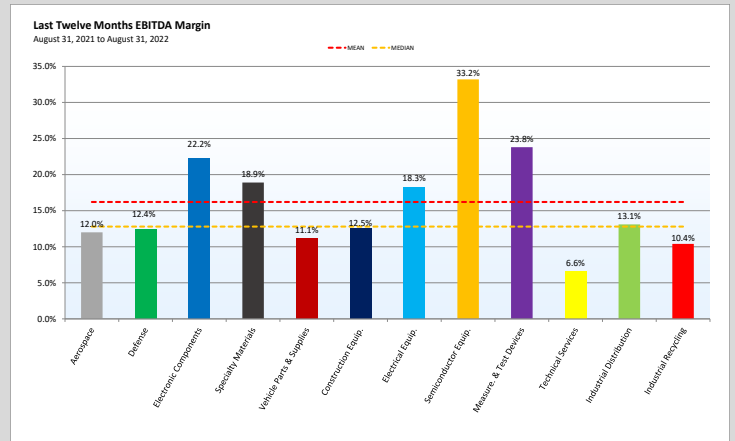


Source: CapitalIQ

### Commentary

During the last twelve months, our subsector indices had a mean Gross Margin of 27.2% and a median of 27.2%. Of the subsectors, Semiconductor Capital Equipment had the high margin at 47.0%, and Technical Services had the low margin at 10.6%.

## Comparative Subsector LTM EBITDA Margin

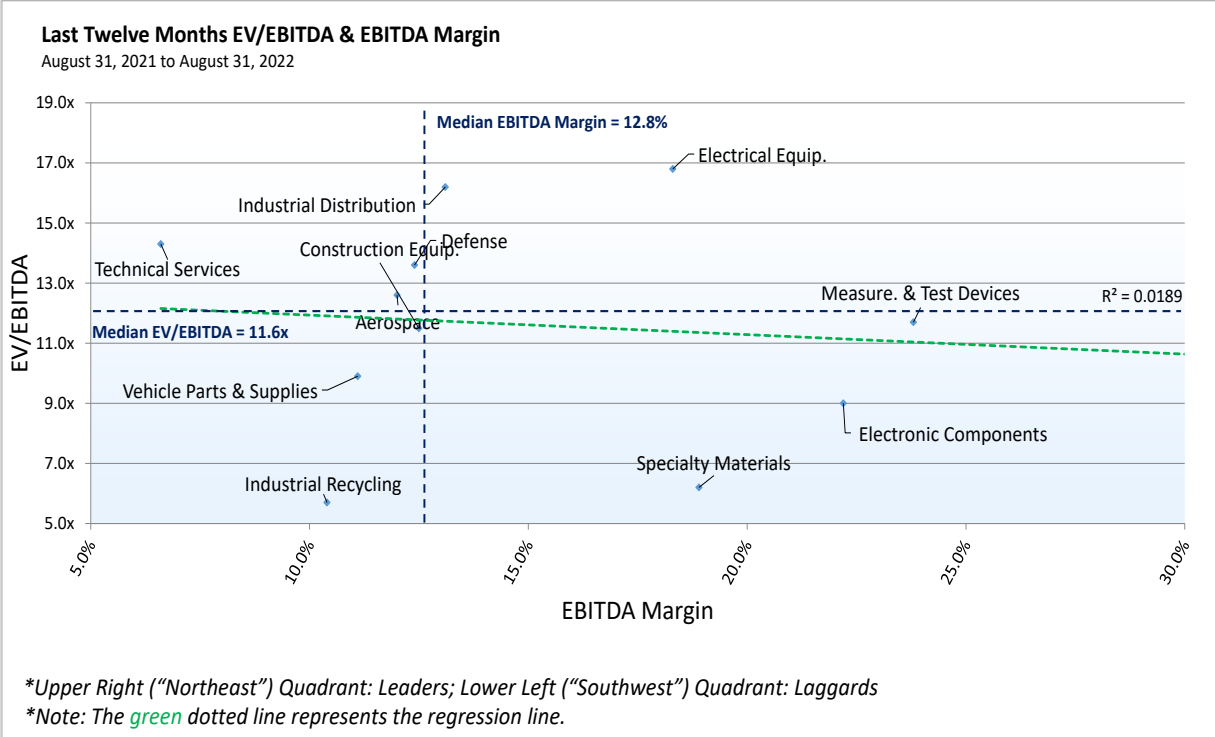


Source: CapitalIQ

### Commentary

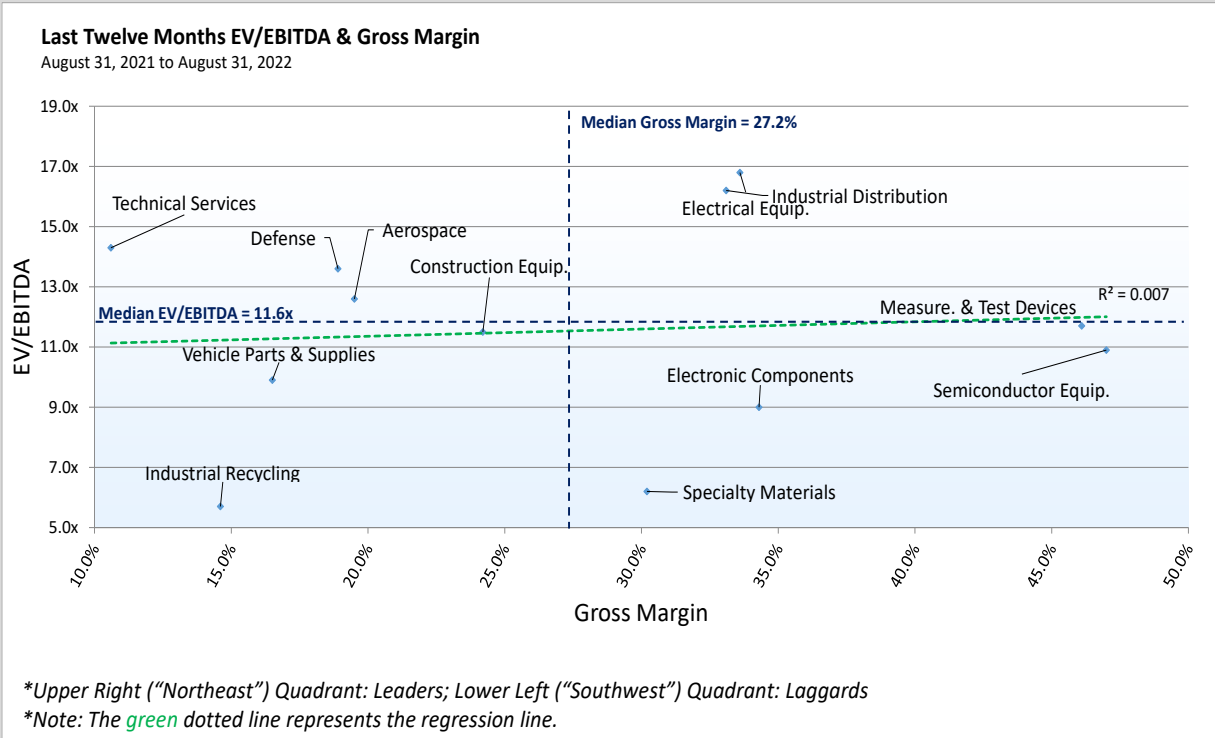
During the last twelve months, our subsector indices had a mean EBITDA Margin of 16.2% and a median of 12.8%. Of the subsectors, Semiconductor Capital Equipment had the high margin at 33.2% and Technical Services had the low margin at 6.6%.

## Index Subsector LTM EV/EBITDA vs. EBITDA Margin\*



Source: CapitalIQ

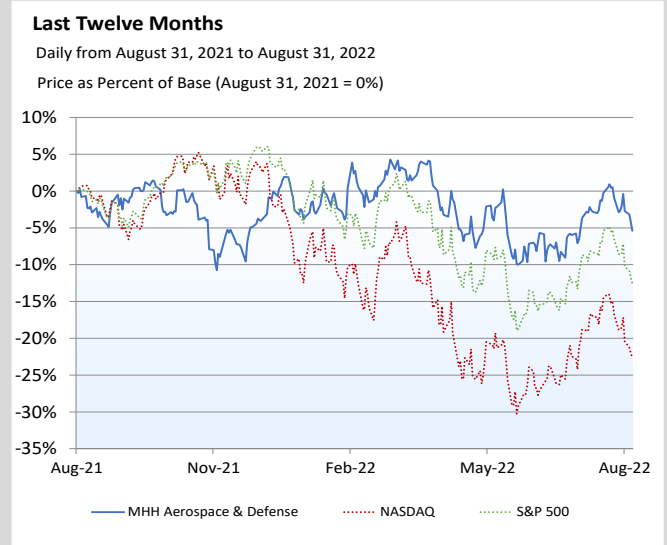
## Index Subsector LTM EV/EBITDA vs. Gross Margin\*



Source: CapitalIQ

## Comparative Index Performance

The Mufson Howe Hunter Aerospace & Defense Index<sup>(a)</sup> decreased by 1.4% during the three months ending August 31, 2022.



### Price Performance

	3-Year	LTM	3 Month
Mufson Howe Hunter Aerospace & Defense Index <sup>(a)</sup>	-14.3%	-5.4%	-1.4%
NASDAQ	48.4%	-22.6%	-1.5%
S&P 500	35.2%	-12.6%	-3.6%

(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 & Defense

*No selected transaction for the Month of August 2022.*

# Aerospace & Defense

## Selected Valuation Metrics

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

Company	Market & Capitalization			LTM Performance <sup>(3)</sup>			Valuation			Margins	
	Price <sup>(1)</sup>	Equity Value	Enterprise Value <sup>(2)</sup>	Revenue	EBITDA <sup>(4)</sup>	EPS	Enterprise Value/ Revenue	Price/ EBITDA	Price/ EPS	Gross Profit	EBITDA
<b>Aerospace</b>											
Raytheon Technologies Corporation (RTX)	\$89.75	\$132,103	\$161,929	\$65,287	\$11,269	\$2.22	2.48x	14.4x	NM	20.2%	17.3%
The Boeing Company (BA)	160.25	95,158	141,007	60,743	119	-4.51	2.32x	NM	NM	6.0%	0.2%
Honeywell International Inc. (HON)	189.35	127,564	139,636	34,459	8,375	6.11	4.05x	16.7x	31.0x	32.1%	24.3%
Airbus SE (ENXTPA:AIR)	98.59	77,638	75,025	54,696	6,824	3.82	1.37x	11.0x	25.8x	17.9%	12.5%
Thales S.A. (ENXTPA:HO)	121.01	25,621	26,705	17,541	2,117	4.17	1.52x	12.6x	29.0x	25.0%	12.1%
Textron Inc. (TXT)	62.38	13,195	15,363	12,467	1,481	2.75	1.23x	10.4x	22.7x	16.7%	11.9%
Rolls-Royce Holdings plc (LSE:RR.)	0.90	7,511	13,770	14,167	1,239	-0.02	0.97x	11.1x	NM	20.4%	8.7%
Embraer S.A. (BOVESPA:EMBR3)	2.67	1,959	3,539	3,903	221	0.07	0.91x	16.0x	37.0x	18.7%	5.7%
<b>Mean</b>		<b>\$60,094</b>	<b>\$72,122</b>	<b>\$32,908</b>	<b>\$3,956</b>	<b>\$1.83</b>	<b>1.86x</b>	<b>13.2x</b>	<b>29.1x</b>	<b>19.6%</b>	<b>11.6%</b>
<b>Median</b>		<b>51,630</b>	<b>50,865</b>	<b>26,000</b>	<b>1,799</b>	<b>2.49</b>	<b>1.45x</b>	<b>12.6x</b>	<b>29.0x</b>	<b>19.5%</b>	<b>12.0%</b>
<b>Defense</b>											
Lockheed Martin Corporation (LMT)	\$420.11	\$111,393	\$121,262	\$64,167	\$7,152	\$12.46	1.89x	17.0x	33.7x	13.4%	11.1%
Northrop Grumman Corporation (NOC)	477.99	73,950	86,933	34,957	8,757	27.60	2.49x	9.9x	17.3x	20.9%	25.1%
General Dynamics Corporation (GD)	228.93	62,661	73,610	38,441	5,280	8.75	1.91x	13.9x	26.2x	17.0%	13.7%
L3Harris Technologies, Inc. (LHX)	228.19	43,665	51,151	16,817	3,517	7.34	3.04x	14.5x	31.1x	30.2%	20.9%
BAE Systems plc (BA.)	9.03	28,218	34,152	24,207	2,592	0.34	1.41x	13.2x	26.5x	62.9%	10.7%
Huntington Ingalls Industries, Inc. (HII)	230.26	9,198	12,106	10,253	1,095	11.49	1.18x	11.1x	20.0x	14.1%	10.7%
<b>Mean</b>		<b>\$54,848</b>	<b>\$63,203</b>	<b>\$31,474</b>	<b>\$4,732</b>	<b>\$11.33</b>	<b>1.99x</b>	<b>13.3x</b>	<b>25.8x</b>	<b>26.4%</b>	<b>15.4%</b>
<b>Median</b>		<b>53,163</b>	<b>62,381</b>	<b>29,582</b>	<b>4,399</b>	<b>10.12</b>	<b>1.90x</b>	<b>13.6x</b>	<b>26.4x</b>	<b>18.9%</b>	<b>12.4%</b>

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

‡ = excluded from Mean and Median calculations

Source: CapitalIQ

(1) As of close August 31, 2022.

(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

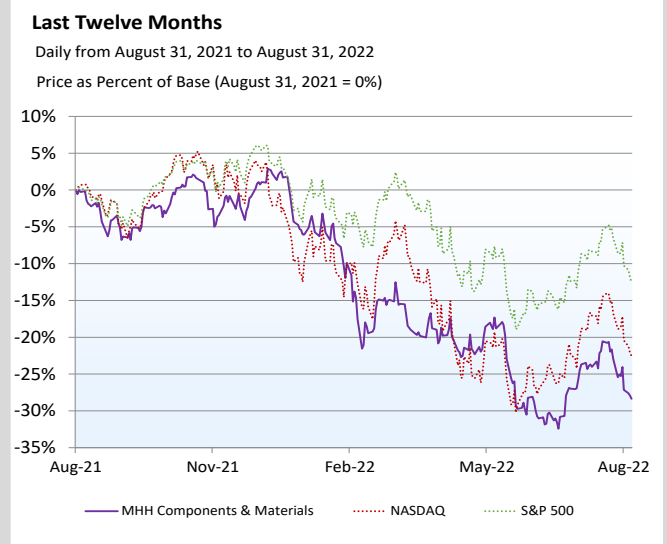
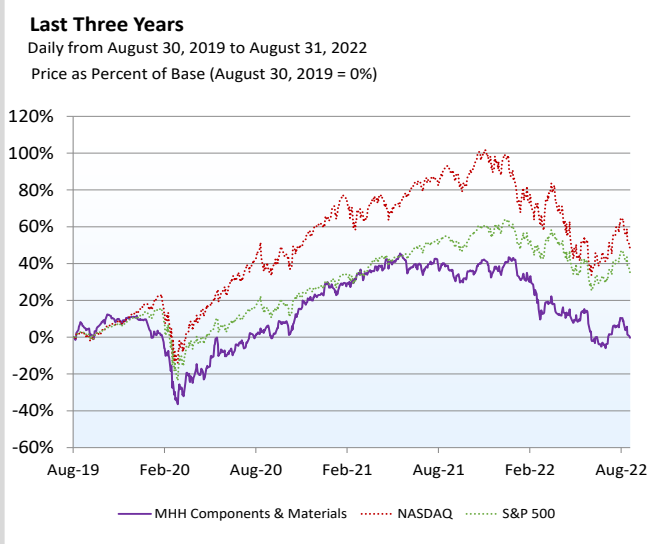
(3) As of June 30, 2022 excluding GD (July 3, 2022); TXT (July 2, 2022); LHX (July 1, 2022); LMT (June 26, 2022)

(4) Excludes non-recurring and discontinued operations.



## Comparative Index Performance

The Mufson Howe Hunter Components & Materials Index<sup>(a)</sup> decreased by 11.6% during the three months ending August 31, 2022.



### Price Performance

	3-Year	LTM	3 Month
Mufson Howe Hunter Components & Materials Index <sup>(a)</sup>	-0.3%	-28.4%	-11.6%
NASDAQ	48.4%	-22.6%	-1.5%
S&P 500	35.2%	-12.6%	-3.6%

(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*
		ND

On August 22nd, Johnson Controls International (NYSE: JCI) acquired Vindex Systems Limited for an undisclosed amount. Vindex Systems Limited operates as a systems integrator that delivers business protection solutions for blue chip corporate clients. The company's solutions include cybersecurity, access control and intruder detection.

\*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 <sup>(3)</sup>			Valuation			Margins	
	Price <sup>(1)</sup>	Equity Value	Enterprise Value <sup>(2)</sup>	Revenue	EBITDA <sup>(4)</sup>	EPS	Enterprise Value/Revenue	EBITDA	Price/EPS	Gross Profit	EBITDA
<b>Electronic Components</b>											
Amphenol Corp. (APH)	\$73.53	\$43,738	\$47,343	\$11,934	\$2,809	\$2.28	3.97x	16.9x	32.2x	31.5%	23.5%
TE Connectivity Ltd (TEL)	126.21	40,367	43,852	15,740	3,702	5.49	2.79x	11.8x	23.0x	32.9%	23.5%
Corning Inc. (GLW)	34.32	29,011	35,202	14,586	3,752	1.93	2.41x	9.4x	17.7x	35.7%	25.7%
Omron Corp. (TSE:6645)	53.31	10,643	10,037	5,586	730	1.59	1.80x	13.7x	33.6x	44.8%	13.1%
Belden Inc. (BDC)	65.48	2,850	3,537	2,600	413	4.12	1.36x	8.6x	15.9x	36.3%	15.9%
Vishay Intertechnology (VSH)	19.67	2,808	2,543	3,374	701	2.26	0.75x	3.6x	8.7x	29.1%	20.8%
Encore Wire Corp. (WIRE)	130.10	2,488	2,019	2,965	912	27.39	0.68x	2.2x	4.7x	36.1%	30.8%
Alps Electric Ltd (TSE:6770)	9.04	1,857	1,880	6,130	608	0.95	0.31x	3.1x	9.5x	17.6%	9.9%
<b>Mean</b>		<b>\$16,720</b>	<b>\$18,302</b>	<b>\$7,865</b>	<b>\$1,704</b>	<b>\$5.75</b>	<b>1.76x</b>	<b>8.7x</b>	<b>18.2x</b>	<b>33.0%</b>	<b>20.4%</b>
<b>Median</b>		<b>6,746</b>	<b>6,787</b>	<b>5,858</b>	<b>821</b>	<b>2.27</b>	<b>1.58x</b>	<b>9.0x</b>	<b>16.8x</b>	<b>34.3%</b>	<b>22.2%</b>
<b>Specialty Materials</b>											
3MCompany (MMM)	\$124.35	\$70,858	\$85,144	\$35,085	\$8,616	\$6.76	2.43x	9.9x	18.4x	44.5%	24.6%
BASF SE (DE:BAS)	42.37	38,024	61,180	89,382	12,439	5.34	0.68x	4.9x	7.9x	24.7%	13.9%
Dow Inc. (DOW)	51.00	36,627	49,512	60,129	11,478	7.53	0.82x	4.3x	6.8x	19.0%	19.1%
DuPont de Nemours (DD)	55.64	27,870	38,770	17,128	4,151	2.66	2.26x	9.3x	20.9x	34.4%	24.2%
PPG Industries, Inc. (PPG)	126.98	29,840	36,796	17,561	2,142	4.32	2.10x	17.2x	29.4x	37.2%	12.2%
Celanese Corp. (CE)	110.86	12,012	15,662	9,565	2,529	13.23	1.64x	6.2x	8.4x	30.2%	26.4%
Akzo Nobel N.V. (ENXTAM:AKZA)	63.49	11,079	15,203	10,653	1,147	2.56	1.43x	13.3x	24.8x	37.5%	10.8%
Evonik Industries AG (DE:EVK)	18.73	8,727	12,425	18,013	2,488	1.94	0.69x	5.0x	9.6x	25.7%	13.8%
Solvay SA (ENXTBR:SOLB)	81.22	8,417	10,784	14,525	2,751	12.39	0.74x	3.9x	6.6x	24.5%	18.9%
<b>Mean</b>		<b>\$27,050</b>	<b>\$36,164</b>	<b>\$30,227</b>	<b>\$5,305</b>	<b>\$6.30</b>	<b>1.42x</b>	<b>8.2x</b>	<b>14.7x</b>	<b>30.9%</b>	<b>18.2%</b>
<b>Median</b>		<b>27,870</b>	<b>36,796</b>	<b>17,561</b>	<b>2,751</b>	<b>5.34</b>	<b>1.43x</b>	<b>6.2x</b>	<b>9.6x</b>	<b>30.2%</b>	<b>18.9%</b>
<b>Vehicle Parts and Supplies</b>											
Johnson Controls Inc. (JCI)	\$54.14	\$37,292	\$47,718	\$24,966	\$3,847	\$1.93	1.91x	12.4x	28.0x	33.0%	15.4%
Denso Corp. (TSE:6902)	55.19	42,133	44,532	41,016	4,865	1.92	1.09x	9.2x	28.8x	13.7%	11.9%
Aptiv PLC (APTIV)	93.43	25,313	27,706	16,023	1,641	1.13	1.73x	16.9x	NM	13.4%	10.2%
Continental AG (DB:CON)	57.93	11,579	17,733	37,171	1,486	1.86	0.48x	11.9x	31.2x	21.4%	4.0%
Lear Corp. (LEA)	138.64	8,231	10,740	19,427	1,201	4.02	0.55x	8.9x	34.5x	6.7%	6.2%
Autoliv, Inc. (ALV)	77.79	6,771	8,198	8,171	827	2.82	1.00x	9.9x	27.6x	15.7%	10.1%
Bosch Ltd. (BSE:500530)	220.67	6,508	6,166	1,613	199	3.84	3.82x	NM	NM	36.0%	12.4%
Stanley Electric Co. Ltd. (TSE:6923)	18.66	2,985	2,319	2,805	436	0.64	0.83x	5.3x	28.9x	17.3%	15.5%
<b>Mean</b>		<b>\$17,602</b>	<b>\$20,639</b>	<b>\$18,899</b>	<b>\$1,813</b>	<b>\$2.27</b>	<b>1.43x</b>	<b>10.7x</b>	<b>29.8x</b>	<b>19.6%</b>	<b>10.7%</b>
<b>Median</b>		<b>9,905</b>	<b>14,237</b>	<b>17,725</b>	<b>1,343</b>	<b>1.93</b>	<b>1.04x</b>	<b>9.9x</b>	<b>28.8x</b>	<b>16.5%</b>	<b>11.1%</b>

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

‡ = excluded from Mean and Median calculations

Source: CapitalIQ

(1) As of close August 31, 2022.

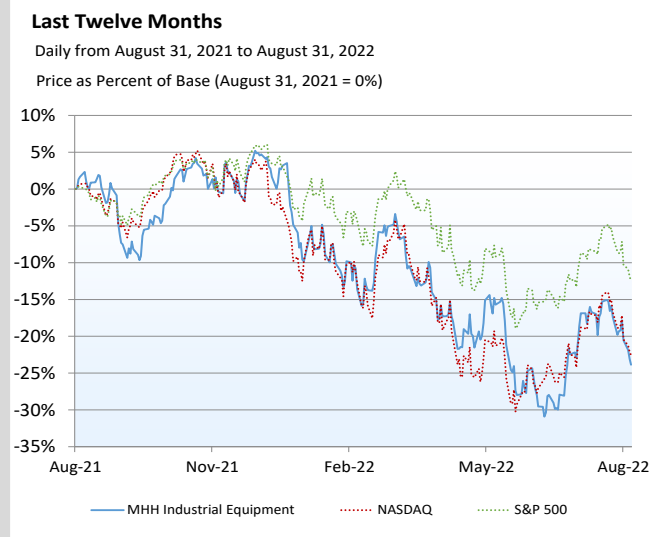
(2) Enterprise value is defined as equity value plus net debt, preferred stock and minority interests. Net Debt includes long term debt, short term debt, post-retirement benefits and unfunded pensions, if applicable, less cash and cash

(3) As of June 30, 2022 excluding BDC (July 3, 2022); VSH and LEA (July 2, 2022) and TEL (June 24, 2022).

(4) Excludes non-recurring and discontinued operations.

## Comparative Index Performance

The Mufson Howe Hunter Industrial Equipment Index<sup>(a)</sup> decreased by 8.3% during the three months ending August 31, 2022.



### Price Performance

	3-Year	LTM	3 Month
Mufson Howe Hunter Industrial Equipment Index <sup>(a)</sup>	82.4%	-23.9%	-8.3%
NASDAQ	48.4%	-22.6%	-1.5%
S&P 500	35.2%	-12.6%	-3.6%

(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 Pages 15 for sector news*

## Highlighted M&A Transaction – Industrial Equipment

Target	Acquirer	Value*
		\$3,000

On August 8th, Whirlpool Corporation (NYSE: WHR) agreed to acquire InSinkErator Inc, from Emerson Electric Co (NYSE: EMR) for \$3 Billion. InSinkErator, Inc. manufactures food waste disposers, instant hot water dispensers, and point-of-use water heaters for home and commercial use. The company offers its commercial garbage disposers, waste reduction systems, and hot water dispensers to stores, schools, hotels, and hospitals.

\*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 <sup>(3)</sup>			Valuation			Margins	
	Price <sup>(1)</sup>	Equity Value	Enterprise Value <sup>(2)</sup>	Revenue	EBITDA <sup>(4)</sup>	EPS	Enterprise Value/Revenue	Price/EBITDA	EPS	Gross Profit	EBITDA
<b>Construction Equipment</b>											
Deere & Company (DE)	\$365.25	\$111,633	\$159,417	\$48,327	\$9,033	\$16.36	3.30x	17.6x	22.3x	26.8%	18.7%
Caterpillar Inc. (CAT)	184.71	97,510	128,632	54,031	10,492	9.71	2.38x	12.3x	19.0x	25.0%	19.4%
Cummins Inc. (CMI)	215.37	30,366	33,259	24,789	3,111	11.78	1.34x	10.7x	18.3x	24.2%	12.5%
Korea Shipbuilding & Offshore Engineering Co., Ltd. (KOSE:A009540)	72.52	5,129	7,128	12,435	(629)	(7.25)	0.57x	NM	NM	NM	NM
Oshkosh Corp. (OSK)	79.76	5,214	5,421	7,081	-61	(2.45)	0.77x	NM	NM	6.1%	-0.9%
Terex Corp. (TEX)	33.22	2,252	2,827	4,064	372	2.58	0.70x	7.6x	12.9x	18.4%	9.2%
<b>Mean</b>		<b>\$42,017</b>	<b>\$56,114</b>	<b>\$25,121</b>	<b>\$3,720</b>	<b>\$5.12</b>	<b>1.51x</b>	<b>12.0x</b>	<b>18.1x</b>	<b>20.1%</b>	<b>11.8%</b>
<b>Median</b>		<b>17,790</b>	<b>20,193</b>	<b>18,612</b>	<b>1,742</b>	<b>6.14</b>	<b>1.05x</b>	<b>11.5x</b>	<b>18.7x</b>	<b>24.2%</b>	<b>12.5%</b>
<b>Electrical Equipment</b>											
Schneider Electric SE (ENXTPA:SU)	\$119.63	\$66,408	\$79,484	\$32,624	\$6,073	\$5.45	2.44x	13.1x	22.0x	40.6%	18.6%
Eaton Corporation plc (ETN)	136.64	54,424	63,925	19,775	3,608	3.79	3.23x	17.7x	36.0x	32.6%	18.2%
Emerson Electric Co. (EMR)	81.74	48,333	63,908	19,216	4,244	3.45	3.33x	15.1x	23.7x	40.9%	22.1%
Rockwell Automation Inc. (ROK)	236.94	27,351	31,589	7,442	1,370	5.67	4.24x	23.1x	NM	39.4%	18.4%
Ametek Inc. (AME)	120.16	27,586	29,914	5,918	1,723	3.59	5.06x	17.4x	33.5x	34.6%	29.1%
Hubbell Inc. (HUBB)	206.30	11,074	12,201	4,596	747	6.36	2.65x	16.3x	32.4x	28.3%	16.3%
Regal Rexnord Corporation (RRX)	137.59	9,147	10,764	4,757	806	4.99	2.26x	13.3x	27.6x	30.6%	17.0%
Powell Industries, Inc. (POWL)	24.66	291	194	499	10	0.04	0.39x	18.7x	NM	14.8%	2.1%
<b>Mean</b>		<b>\$30,577</b>	<b>\$36,497</b>	<b>\$11,853</b>	<b>\$2,323</b>	<b>\$4.17</b>	<b>2.95x</b>	<b>16.8x</b>	<b>29.2x</b>	<b>32.7%</b>	<b>17.7%</b>
<b>Median</b>		<b>27,469</b>	<b>30,752</b>	<b>6,680</b>	<b>1,546</b>	<b>4.39</b>	<b>2.94x</b>	<b>16.8x</b>	<b>30.0x</b>	<b>33.6%</b>	<b>18.3%</b>
<b>Measurement, Control, and Testing Devices</b>											
Danaher Corporation (DHR)	\$269.91	\$196,345	\$215,198	\$30,816	\$10,764	\$7.03	6.98x	20.0x	38.4x	61.0%	34.9%
Xcerra Corporation (XCRA)	37.47	27,897	32,741	32,812	5,455	2.84	1.00x	6.0x	13.2x	33.4%	16.6%
Entegris, Inc. (ENTG)	94.88	14,134	17,350	2,557	771	2.50	6.79x	22.5x	37.9x	46.1%	30.2%
MKS Instruments, Inc. (MKS)	99.61	6,623	6,569	3,013	833	7.84	2.18x	7.9x	12.7x	45.6%	27.6%
Onto Innovation Inc. (ONTO)	70.99	3,527	3,001	924	275	2.63	3.25x	10.9x	27.0x	53.7%	29.8%
Nova Measuring Instruments Ltd. (NVMI)	99.32	2,852	2,611	510	155	2.94	5.12x	16.8x	33.8x	57.5%	30.4%
FormFactor, Inc. (FORM)	29.28	2,258	2,049	796	164	1.02	2.57x	12.5x	28.7x	45.6%	20.6%
Axcelis Technologies, Inc. (ACLS)	66.94	2,211	1,982	807	192	3.20	2.46x	10.3x	20.9x	44.0%	23.8%
Azenta, Inc. (NasdaqGS:AZTA) <sup>(5)</sup>	52.71	3,925	1,482	555	59	(0.08)	2.67x	25.2x	NM	47.5%	10.6%
Cohu, Inc. (COHU)	26.83	1,294	1,043	832	167	1.53	1.25x	6.2x	17.6x	44.7%	20.1%
FARO Technologies, Inc. (FARO)	33.55	613	533	336	3	(0.33)	1.59x	NM	NM	53.4%	1.0%
<b>Mean</b>		<b>\$23,789</b>	<b>\$25,869</b>	<b>\$6,723</b>	<b>\$1,713</b>	<b>\$2.83</b>	<b>3.26x</b>	<b>13.8x</b>	<b>25.6x</b>	<b>48.4%</b>	<b>22.3%</b>
<b>Median</b>		<b>3,527</b>	<b>2,611</b>	<b>832</b>	<b>192</b>	<b>2.63</b>	<b>2.57x</b>	<b>11.7x</b>	<b>27.0x</b>	<b>46.1%</b>	<b>23.8%</b>
<b>Semiconductor Capital Equipment</b>											
ASML Holding NV (ASML)	\$488.12	\$193,880	\$193,889	\$19,962	\$6,932	\$10.25	9.71x	28.0x	NM	51.1%	34.7%
Applied Materials, Inc. (AMAT)	94.07	80,929	83,237	25,159	8,266	5.36	3.31x	10.1x	17.6x	47.0%	32.9%
Lam Research Corp. (LRCX)	437.91	59,988	61,555	17,227	5,716	23.08	3.57x	10.8x	19.0x	45.7%	33.2%
KLA-Tencor Corp. (KLAC)	344.13	48,799	52,863	9,212	4,015	14.39	5.74x	13.2x	23.9x	61.0%	43.6%
Tokyo Electron Ltd (TSE:8035)	318.56	49,621	47,352	14,905	4,508	16.96	3.18x	10.5x	18.8x	44.5%	30.2%
Teradyne Inc. (TER)	84.64	13,270	12,526	3,432	1,145	3.60	3.65x	10.9x	23.5x	60.0%	33.4%
Veeco Instruments Inc. (VECO)	21.14	1,087	1,167	624	89	0.50	1.87x	13.1x	NM	41.3%	14.3%
<b>Mean</b>		<b>\$63,939</b>	<b>\$64,656</b>	<b>\$12,931</b>	<b>\$4,382</b>	<b>\$10.59</b>	<b>3.55x</b>	<b>11.1x</b>	<b>20.5x</b>	<b>50.1%</b>	<b>31.8%</b>
<b>Median</b>		<b>49,621</b>	<b>52,863</b>	<b>14,905</b>	<b>4,508</b>	<b>10.25</b>	<b>3.44x</b>	<b>10.9x</b>	<b>19.0x</b>	<b>47.0%</b>	<b>33.2%</b>

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

‡ = excluded from Mean and Median calculations

Source: CapitalIQ

(1) As of close August 31, 2022.

(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.

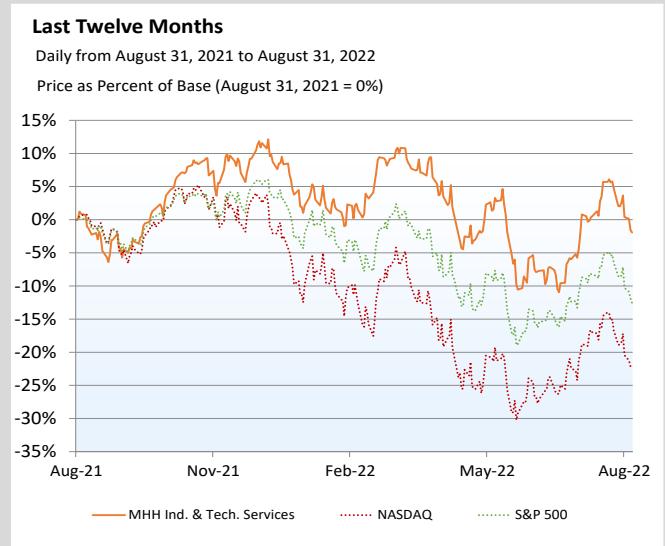
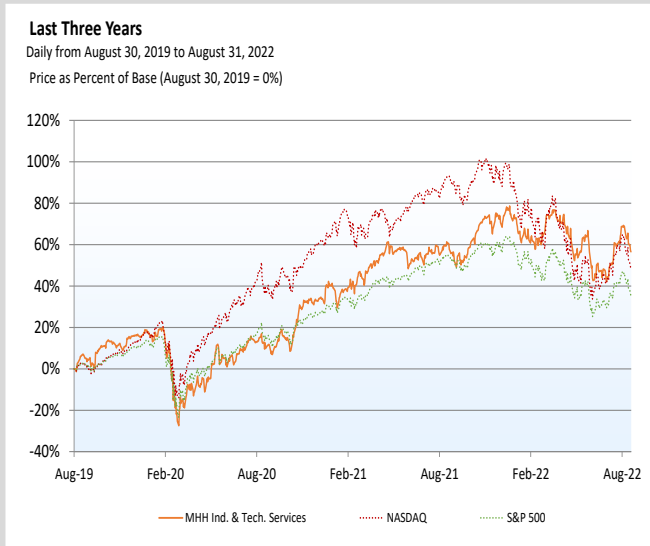
(3) As of June 30, 2022 excluding AMAT and DE (July 31, 2022); ASML and TER (July 3, 2022); ENTG and ONTO (July 2, 2022); DHR (July 1, 2022); LRCX (June 26, 2022); COHU and FORM (June 25, 2022) and ENXTPA:SU and XCRA (December 31, 2021).

(4) Excludes non-recurring and discontinued operations.

(5) Effective December 1, 2021 Brooks, Inc. (formerly BRKS) began trading as Azenta, Inc. (NasdaqGS:AZTA), per announcement on November 16, 2021.

## Comparative Index Performance

The Mufson Howe Hunter Industrial & Technical Services Index<sup>(a)</sup> decreased by 3.8% during the three months ending August 31, 2022.



### Price Performance

	3-Year	LTM	3 Month
Mufson Howe Hunter Industrial & Technical Services Index <sup>(a)</sup>	56.6%	-1.9%	-3.8%
NASDAQ	48.4%	-22.6%	-1.5%
S&P 500	35.2%	-12.6%	-3.6%

(a) Market cap weighted index assuming no dividend reinvestment. Mufson Howe Hunter Industrial & Technical Services Index is comprised of all companies listed on the following page.

*Please see Pages 17 for sector news*

## Highlighted M&A Transaction – Industrial & Technical Services

Target	Acquirer	Value*
		ND

On August 1<sup>st</sup>, Primoris Services Corporation (NasdaqGS: PRIM) acquired PLH Group Incorporated for an undisclosed amount. PLH Group Incorporated provides construction and related services to the electric power line, pipeline, oil field electrical, and industrial markets in the United States and Canada. Its services include pipeline construction, directional drilling, right-of-way clearing and restoration, underground utility, power line construction, distribution and substation construction, specialized foundations, and helicopter airborne operations.

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

# Industrial & Technical Services

## Selected Valuation Metrics

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

Company	Market & Capitalization			LTM Performance <sup>(3)</sup>			Valuation			Margins	
	Price <sup>(1)</sup>	Equity Value	Enterprise Value <sup>(2)</sup>	Revenue	EBITDA <sup>(4)</sup>	EPS	Enterprise Value/Revenue	Price/EBITDA	Price/EPS	Gross Profit	EBITDA
<b>Industrial Distribution</b>											
W.W. Grainger, Inc. (GWW)	\$554.94	\$28,230	\$30,931	\$14,215	\$2,145	\$21.06	2.18x	14.4x	26.4x	37.5%	15.1%
Fastenal Company (FAST)	50.33	28,923	29,440	6,569	1,535	1.46	4.48x	19.2x	34.4x	46.5%	23.4%
WESCO International, Inc. (WCC)	131.68	6,690	12,008	19,996	1,328	11.60	0.60x	9.0x	11.3x	21.3%	6.6%
MSC Industrial Direct Co., Inc. (MSM)	79.21	4,435	5,268	3,501	503	4.65	1.50x	10.5x	17.0x	42.2%	14.4%
MRC Global Inc. (MRC)	9.73	813	1,718	2,961	96	0.21	0.58x	17.9x	NM	16.5%	3.2%
Transcat, Inc. (TRNS)	74.09	559	621	212	25	1.16	2.93x	24.7x	NM	28.8%	11.9%
<b>Mean</b>		<b>\$11,608</b>	<b>\$13,331</b>	<b>\$7,909</b>	<b>\$939</b>	<b>\$6.69</b>	<b>2.05x</b>	<b>15.9x</b>	<b>22.3x</b>	<b>32.1%</b>	<b>12.4%</b>
<b>Median</b>		<b>5,562</b>	<b>8,638</b>	<b>5,035</b>	<b>916</b>	<b>3.06</b>	<b>1.84x</b>	<b>16.2x</b>	<b>21.7x</b>	<b>33.1%</b>	<b>13.1%</b>
<b>Industrial Recycling</b>											
Veolia Environnement S.A. (ENXTPA:VIE)	\$22.44	\$15,436	\$40,302	\$36,649	\$3,784	\$0.90	1.10x	10.7x	25.0x	16.4%	10.3%
Clean Harbors, Inc. (CLH)	117.42	6,353	8,706	4,596	794	4.33	1.89x	11.0x	27.1x	30.8%	17.3%
Commercial Metals Company (CMC)	40.51	4,881	6,147	8,537	1,348	5.77	0.72x	4.6x	7.0x	19.8%	15.8%
Dowa Holdings Co., Ltd. (TSE:5714)	38.02	2,262	3,141	6,136	642	4.79	0.51x	4.9x	7.9x	12.8%	10.5%
Aurubis AG (XTRA:NDA)	60.85	2,657	2,513	19,259	1,079	14.76	0.13x	2.3x	4.1x	10.4%	5.6%
Sims Limited (ASX:SGM)	10.57	1,990	2,288	6,392	353	1.46	0.36x	6.5x	7.2x	12.4%	5.5%
<b>Mean</b>		<b>\$5,596</b>	<b>\$10,516</b>	<b>\$13,595</b>	<b>\$1,333</b>	<b>\$5.33</b>	<b>0.79x</b>	<b>6.6x</b>	<b>13.1x</b>	<b>17.1%</b>	<b>10.8%</b>
<b>Median</b>		<b>3,769</b>	<b>4,644</b>	<b>7,465</b>	<b>937</b>	<b>4.56</b>	<b>0.62x</b>	<b>5.7x</b>	<b>7.6x</b>	<b>14.6%</b>	<b>10.4%</b>
<b>Technical Services</b>											
Jacobs Solutions Inc. (J)	\$124.58	\$15,897	\$19,886	\$14,628	\$1,527	\$4.42	1.36x	13.0x	28.2x	23.3%	10.4%
AECOM (ACM)	73.15	10,215	12,300	13,076	862	2.62	0.94x	14.3x	27.9x	6.5%	6.6%
KBR, Inc. (KBR)	48.30	6,716	8,189	7,672	513	0.86	1.07x	16.0x	NM	10.8%	6.7%
Tetra Tech, Inc. (TTEK)	135.81	7,241	7,509	2,809	352	3.58	2.67x	21.32	37.9x	20.1%	12.5%
John Wood Group PLC (LSE:WG.)	1.51	1,020	3,039	6,384	227	0.01	0.48x	13.4x	NM	11.7%	3.5%
Fluor Corporation (FLR)	26.44	3,757	2,904	11,826	340	0.85	0.25x	8.6x	31.0x	4.0%	2.9%
NV5 Global, Inc. (NVEE)	140.76	2,189	2,280	767	126	3.17	2.97x	18.1x	NM	49.9%	16.4%
Primoris Services Corporation (PRIM)	20.27	1,079	1,828	3,605	233	1.39	0.51x	7.9x	14.6x	10.3%	6.5%
Balfour Beatty plc (LSE:BBY)	3.67	2,229	1,816	8,633	76	0.09	0.21x	24.0x	NM	3.8%	0.9%
Cardno Limited (ASX:CDD)	0.41	16	-16	7	0	0.02	NM	NM	23.0x	-31.0%	NM
<b>Mean</b>		<b>\$5,036</b>	<b>\$5,973</b>	<b>\$6,941</b>	<b>\$425</b>	<b>\$1.70</b>	<b>1.16x</b>	<b>15.2x</b>	<b>27.1x</b>	<b>10.9%</b>	<b>7.4%</b>
<b>Median</b>		<b>2,993</b>	<b>2,971</b>	<b>7,028</b>	<b>286</b>	<b>1.13</b>	<b>0.94x</b>	<b>14.3x</b>	<b>28.0x</b>	<b>10.6%</b>	<b>6.6%</b>

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

‡ = excluded from Mean and Median calculations

Source: CapitalIQ

(1) As of close August 31, 2022.

(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 June 30, 2022 excluding TTEK (July 3, 2022), NVEE (July 2, 2022); LSE:BBY & J (July 1, 2022); TRNS (June 25, 2022); CMC (May 31, 2022); MSM (May 28, 2022).

(4) Excludes non-recurring and discontinued operations.

### Selected News – Aerospace & Defense

**Embraer S.A. (NYSE:ERJ)** reported second quarter net income of \$71.2 million for fiscal year 2022 as compared to \$87.3 million for the prior year period. Earnings per share were \$0.10 versus \$0.12 for the prior year period. Revenues for the quarter decreased to \$964.2 million from \$1,180.8 million for the same period in fiscal year 2021.

**Huntington Ingalls Industries, Inc. (NYSE:HII)** reported second quarter net income of \$178.0 million for fiscal year 2022 as compared to \$129.0 million for the prior year period. Earnings per share were \$4.44 versus \$3.20 for the prior year period. Revenues for the quarter increased to \$2,662.0 million from \$2,231.0 million for the same period in fiscal year 2021.

**Rolls-Royce Holdings plc (LSE:RR.)** reported second quarter net income of (\$944.2) million for fiscal year 2022 as compared to \$271.4 million for the prior year period. Earnings per share were (\$0.11) versus \$0.03 for the prior year period. Revenues for the quarter decreased to \$3,402.4 million from \$3,562.6 million for the same period in fiscal year 2021.

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

## Selected News – Components & Materials

**Aptiv PLC (NYSE:APTIV)** reported second quarter net income of (\$45.0) million for fiscal year 2022 as compared to \$163.0 million for the prior year period. Earnings per share were (\$0.23) versus \$0.54 for the prior year period. Revenues for the quarter increased to \$4,057.0 million from \$3,807.0 million for the same period in fiscal year 2021.

**Belden Inc. (NYSE:BDC)** reported second quarter net income of \$58.6 million for fiscal year 2022 as compared to \$43.8 million for the prior year period. Earnings per share were \$1.31 versus \$0.97 for the prior year period. Revenues for the quarter increased to \$666.6 million from \$575.9 million for the same period in fiscal year 2021.

**Bosch Limited (BSE:500530)** reported first quarter net income of \$42.3 million for fiscal year 2023 as compared to \$35.0 million for the prior year period. Earnings per share were \$1.43 versus \$1.19 for the prior year period. Revenues for the quarter increased to \$448.6 million from \$328.7 million for the same period in fiscal year 2022.

**Continental Aktiengesellschaft (DB:CON)** reported second quarter net income of (\$262.1) million for fiscal year 2022 as compared to \$646.5 million for the prior year period. Earnings per share were (\$1.32) versus \$3.23 for the prior year period. Revenues for the quarter decreased to \$9,872.6 million from \$9,905.6 million for the same period in fiscal year 2021.

**DuPont de Nemours, Inc. (NYSE:DD)** reported second quarter net income of \$787.0 million for fiscal year 2022 as compared to \$478.0 million for the prior year period. Earnings per share were \$1.56 versus \$0.90 for the prior year period. Revenues for the quarter increased to \$3,322.0 million from \$3,104.0 million for the same period in fiscal year 2021.

**Encore Wire Corporation (NasdaqGS: WIRE)** appointed **Kelvin Walker** to the **Board of Directors**.

**Evonik Industries AG (DE:EVK)** reported second quarter net income of \$310.5 million for fiscal year 2022 as compared to \$258.5 million for the prior year period. Earnings per share were \$0.67 versus \$0.56 for the prior year period. Revenues for the quarter increased to \$4,988.5 million from \$4,311.1 million for the same period in fiscal year 2021.

**Johnson Controls International plc (NYSE:JCI)** reported third quarter net income of \$379.0 million for fiscal year 2022 as compared to \$574.0 million for the prior year period. Earnings per share were \$0.55 versus \$0.80 for the prior year period. Revenues for the quarter increased to \$6,614.0 million from \$6,341.0 million for the same period in fiscal year 2021.

**Lear Corporation (NYSE:LEA)** reported second quarter net income of \$68.5 million for fiscal year 2022 as compared to \$175.2 million for the prior year period. Earnings per share were \$1.14 versus \$2.89 for the prior year period. Revenues for the quarter increased to \$5,071.0 million from \$4,760.7 million for the same period in fiscal year 2021.

**Vishay Intertechnology, Inc. (NYSE:VSH)** reported second quarter net income of \$112.4 million for fiscal year 2022 as compared to \$93.2 million for the prior year period. Earnings per share were \$0.78 versus \$0.64 for the prior year period. Revenues for the quarter increased to \$863.5 million from \$819.1 million for the same period in fiscal year 2021.

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



## Selected News – Industrial Equipment

**AMETEK, Inc. (NYSE:AME)** reported second quarter net income of \$282.4 million for fiscal year 2022 as compared to \$231.7 million for the prior year period. Earnings per share were \$1.22 versus \$1.00 for the prior year period. Revenues for the quarter increased to \$1,514.6 million from \$1,386.3 million for the same period in fiscal year 2021.

**AMETEK, Inc. (NYSE:AME)** appointed **Suzanne Stefany** to its **Board of Directors**.

**Applied Materials, Inc. (NasdaqGS:AMAT)** reported third quarter net income of \$1,606.0 million for fiscal year 2022 as compared to \$1,716.0 million for the prior year period. Earnings per share were \$1.85 versus \$1.87 for the prior year period. Revenues for the quarter increased to \$6,520.0 million from \$6,196.0 million for the same period in fiscal year 2021.

**Axcelis Technologies, Inc. (NasdaqGS:ACLS)** reported second quarter net income of \$44.2 million for fiscal year 2022 as compared to \$18.9 million for the prior year period. Earnings per share were \$1.32 versus \$0.55 for the prior year period. Revenues for the quarter increased to \$221.2 million from \$147.3 million for the same period in fiscal year 2021.

**Caterpillar Inc. (NYSE:CAT)** reported second quarter net income of \$1,673.0 million for fiscal year 2022 as compared to \$1,413.0 million for the prior year period. Earnings per share were \$3.13 versus \$2.56 for the prior year period. Revenues for the quarter increased to \$14,247.0 million from \$12,889.0 million for the same period in fiscal year 2021.

**Cummins Inc. (NYSE:CMI)** reported second quarter net income of \$702.0 million for fiscal year 2022 as compared to \$600.0 million for the prior year period. Earnings per share were \$4.94 versus \$4.10 for the prior year period. Revenues for the quarter increased to \$6,586.0 million from \$6,111.0 million for the same period in fiscal year 2021.

**Deere & Company (NYSE:DE)** reported third quarter net income of \$1,884.0 million for fiscal year 2022 as compared to \$1,667.0 million for the prior year period. Earnings per share were \$6.16 versus \$5.32 for the prior year period. Revenues for the quarter increased to \$14,102.0 million from \$11,500.0 million for the same period in fiscal year 2021.

**Eaton Corporation plc (NYSE:ETN)** reported second quarter net income of \$601.0 million for fiscal year 2022 as compared to \$506.0 million for the prior year period. Earnings per share were \$1.50 versus \$1.26 for the prior year period. Revenues for the quarter decreased to \$5,212.0 million from \$5,215.0 million for the same period in fiscal year 2021.

**Emerson Electric Co. (NYSE:EMR)** reported third quarter net income of \$921.0 million for fiscal year 2022 as compared to \$627.0 million for the prior year period. Earnings per share were \$1.54 versus \$1.04 for the prior year period. Revenues for the quarter increased to \$5,005.0 million from \$4,697.0 million for the same period in fiscal year 2021.

**Entegris, Inc. (NasdaqGS:ENTG)** reported second quarter net income of \$99.5 million for fiscal year 2022 as compared to \$88.8 million for the prior year period. Earnings per share were \$0.73 versus \$0.65 for the prior year period. Revenues for the quarter increased to \$692.5 million from \$571.4 million for the same period in fiscal year 2021.

**FARO Technologies, Inc. (NasdaqGS:FARO)** reported second quarter net income of (\$8.6) million for fiscal year 2022 as compared to (\$1.2) million for the prior year period. Earnings per share were (\$0.47) versus (\$0.06) for the prior year period. Revenues for the quarter decreased to \$79.9 million from \$82.1 million for the same period in fiscal year 2021.

**MKS Instruments, Inc. (NasdaqGS:MKSI)** appointed **Geoff Wild** to its **Board of Directors**.

**Nova Ltd. (NasdaqGS:NVMI)** reported second quarter net income of \$34.9 million for fiscal year 2022 as compared to \$22.9 million for the prior year period. Earnings per share were \$1.09 versus \$0.77 for the prior year period. Revenues for the quarter increased to \$141.6 million from \$97.7 million for the same period in fiscal year 2021.

### Selected News – Industrial Equipment (cont'd)

**Powell Industries, Inc. (NasdaqGS:POWL)** reported third quarter net income of \$9.1 million for fiscal year 2022 as compared to (\$2.0) million for the prior year period. Earnings per share were \$0.76 versus (\$0.17) for the prior year period. Revenues for the quarter increased to \$135.5 million from \$115.8 million for the same period in fiscal year 2021.

**Onto Innovation Inc. (NYSE:ONTO)** reported second quarter net income of \$51.6 million for fiscal year 2023 as compared to \$35.1 million for the prior year period. Earnings per share were \$1.03 versus \$0.71 for the prior year period. Revenues for the quarter increased to \$256.3 million from \$193.4 million for the same period in fiscal year 2022.

**Terex Corporation (NYSE:TEX)** reported second quarter net income of \$74.1 million for fiscal year 2022 as compared to \$73.9 million for the prior year period. Earnings per share were \$1.07 versus \$1.04 for the prior year period. Revenues for the quarter increased to \$1,077.1 million from \$1,038.7 million for the same period in fiscal year 2021.

**Tokyo Electron Limited (TSE:8035)** reported first quarter net income of \$648.3 million for fiscal year 2023 as compared to \$904.4 million for the prior year period. Earnings per share were \$4.14 versus \$5.78 for the prior year period. Revenues for the quarter decreased to \$3,485.6 million from \$4,073.4 million for the same period in fiscal year 2022.

**Veeco Instruments Inc. (NasdaqGS:VECO)** reported second quarter net income of \$9.7 million for fiscal year 2022 as compared to \$6.3 million for the prior year period. Earnings per share were \$0.18 versus \$0.12 for the prior year period. Revenues for the quarter increased to \$164.0 million from \$146.3 million for the same period in fiscal year 2021.

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

## Selected News – Industrial & Technical Services

**AECOM (NYSE:ACM)** reported third quarter net income of \$101.9 million for fiscal year 2022 as compared to \$11.5 million for the prior year period. Earnings per share were \$0.71 versus \$0.08 for the prior year period. Revenues for the quarter decreased to \$3,241.7 million from \$3,408.4 million for the same period in fiscal year 2021.

**Aurubis AG (XTRA: NDA)** reported third quarter net income of \$82.5 million for fiscal year 2022 as compared to \$196.7 million for the prior year period. Earnings per share were \$1.88 versus \$4.52 for the prior year period. Revenues for the quarter decreased to \$5,254.3 million from \$5,538.9 million for the same period in fiscal year 2021.

**Clean Harbors, Inc. (NYSE: CLH)** reported second quarter net income of \$148.2 million for fiscal year 2022 as compared to \$67.1 million for the prior year period. Earnings per share were \$2.71 versus \$1.22 for the prior year period. Revenues for the quarter increased to \$1,356.3 million from \$926.5 million for the same period in fiscal year 2021.

**Dowa Holdings Co., Ltd. (TSE:5714)** reported first quarter net income of \$96.1 million for fiscal year 2023 as compared to \$179.7 million for the prior year period. Earnings per share were \$1.62 versus \$3.02 for the prior year period. Revenues for the quarter decreased to \$1,544.9 million from \$1,873.6 million for the same period in fiscal year 2022.

**Fluor Corporation (NYSE: FLR)** reported second quarter net income of \$66.0 million for fiscal year 2022 as compared to (\$115.0) million for the prior year period. Earnings per share were \$0.38 versus (\$0.85) for the prior year period. Revenues for the quarter decreased to \$3,299.0 million from \$3,684.0 million for the same period in fiscal year 2021.

**Jacobs Solutions Inc. (NYSE: J)** reported third quarter net income of \$196.0 million for fiscal year 2022 as compared to \$165.8 million for the prior year period. Earnings per share were \$1.52 versus \$0.82 for the prior year period. Revenues for the quarter increased to \$3,827.1 million from \$3,576.4 million for the same period in fiscal year 2021.

**John Wood Group PLC (LSE: WG.)** reported second quarter net income of \$44.3 million for fiscal year 2022 as compared to (\$5.9) million for the prior year period. Earnings per share were \$0.06 versus (\$0.01) for the prior year period. Revenues for the quarter decreased to \$1,276.5 million from \$1,284.9 million for the same period in fiscal year 2021.

**KBR, Inc. (NYSE: KBR)** reported second quarter net income of \$94.0 million for fiscal year 2022 as compared to (\$149.0) million for the prior year period. Earnings per share were \$0.61 versus (\$1.06) for the prior year period. Revenues for the quarter increased to \$1,616.0 million from \$1,536.0 million for the same period in fiscal year 2021.

**MRC Global Inc. (NYSE: MRC)** reported second quarter net income of \$14.0 million for fiscal year 2022 as compared to \$4.0 million for the prior year period. Earnings per share were \$0.09 versus (\$0.02) for the prior year period. Revenues for the quarter increased to \$848.0 million from \$686.0 million for the same period in fiscal year 2021.

**Primoris Services Corporation (NasdaqGS:PRIM)** reported second quarter net income of \$50.2 million for fiscal year 2022 as compared to \$36.3 million for the prior year period. Earnings per share were \$0.93 versus \$0.67 for the prior year period. Revenues for the quarter increased to \$1,022.9 million from \$881.6 million for the same period in fiscal year 2021.

**Sims Limited (ASX:SGM)** reported net income of \$412.9 million for fiscal year 2022 as compared to \$172.0 million for the prior year. Earnings per share were \$2.04 versus \$0.85 for the prior year. Revenues for the year increased to \$6,392.0 million from \$4,443.8 million for fiscal year 2021.

### Selected News – Industrial & Technical Services (cont'd)

**Tetra Tech, Inc. (NasdaqGS:TTEK)** reported third quarter net income of \$58.7 million for fiscal year 2022 as compared to \$51.9 million for the prior year period. Earnings per share were \$1.09 versus \$0.95 for the prior year period. Revenues for the quarter increased to \$720.5 million from \$638.0 million for the same period in fiscal year 2021.

**Transcat, Inc. (NasdaqGM:TRNS)** reported first quarter net income of \$3.1 million for fiscal year 2023 as compared to \$3.7 million for the prior year period. Earnings per share were \$0.40 versus \$0.49 for the prior year period. Revenues for the quarter increased to \$54.7 million from \$47.8 million for the same period in fiscal year 2022.

**Veolia Environnement S.A. (ENXTPA:VIE)** reported second quarter net income of \$123.4 million for fiscal year 2022 as compared to (\$0.0) million for the prior year period. Earnings per share were \$0.18 versus (\$0.00) for the prior year period. Revenues for the quarter increased to \$10,555.9 million from \$0.0 million for the same period in fiscal year 2021.

**WESCO International, Inc. (NYSE:WCC)** reported second quarter net income of \$220.7 million for fiscal year 2022 as compared to \$119.2 million for the prior year period. Earnings per share were \$3.95 versus \$2.02 for the prior year period. Revenues for the quarter increased to \$5,483.5 million from \$4,595.8 million for the same period in fiscal year 2021.

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

# MHH Manufacturing Universe Directory

Company	Sector
3M Company	Components & Materials
AECOM	Ind. & Tech. 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	Ind. & Tech. Services
Autoliv, Inc.	Components & Materials
Axcelis Technologies, Inc.	Industrial Equipment
Azenta, Inc.	Industrial Equipment
BAE Systems plc	Aerospace & Defense
Balfour Beatty plc	Ind. & Tech. Services
BASF SE	Components & Materials
Belden Inc.	Components & Materials
Bosch Ltd	Components & Materials
Cardno Ltd.	Ind. & Tech. Services
Caterpillar Inc.	Industrial Equipment
Celanese Corporation	Components & Materials
Clean Harbors, Inc.	Ind. & Tech. Services
Cohu, Inc.	Industrial Equipment
Commercial Metals Company	Ind. & Tech. 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.	Ind. & Tech. 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	Ind. & Tech. Services
Ferro Corporation	Components & Materials
Fluor Corporation	Ind. & Tech. Services
FormFactor, Inc.	Industrial Equipment
General Dynamics Corporation	Aerospace & Defense
HD Supply Holdings, Inc.	Ind. & Tech. Services
Honeywell International Inc.	Aerospace & Defense

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