



Mufson Howe Hunter

Manufacturing Update September 2023

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Mufson Howe Hunter & Company LLC is a middle-market focused investment bank providing M&A, capital raising, and financial advisory services.

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The Mufson Howe Hunter (MHH) 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 manufacturing subsectors, emphasizing financial performance, stock performance, and recent news.

Macro-Economic Trends

	Jul-23	Aug-23	Trend
PMI	46.4	47.6	Positive
Total Unemployment	3.5	3.8	Negative
CPI Monthly Change	0.2	0.6	Negative
PPI Monthly Change	0.4	0.7	Negative
Industrial Production	103.1	103.5	Positive
Capacity Utilization	79.5	79.7	Positive
Manufacturing Production	99.6	99.7	Positive
Manufacturing Utilization	77.9	79.7	Positive

Sector Index Performance

	3-Year	LTM	3-Month
Aerospace & Defense	36.7%	32.4%	4.6%
Components & Materials	8.9%	10.6%	9.1%
Industrial Equipment	73.2%	13.9%	11.7%
Industrial & Technical Services	68.1%	22.8%	12.2%
NASDAQ	19.2%	18.8%	8.5%
S&P 500	28.8%	14.0%	7.8%

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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., Dow Inc., DuPont de Numours, 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 MHH Industrial Equipment Index is currently comprised of Ametek Inc., Applied Materials Inc., ASML Holding NV, Axcelis Technologies Inc., Azenta, 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., Nova Measuring Instruments Ltd., Onto Innovation Inc., Oshkosh Corp., Powell Industries, Inc., Regal Rexnord Corp, Rockwell Automation Inc., Schneider Electric SE, Teradyne Inc., Terex Corp., Tokyo Electron Ltd., and Veeco Instruments Inc.

The MHH Industrial & Technical 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., 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. The information and statistical data contained herein have been obtained from sources that Mufson Howe Hunter believes are reliable, but Mufson Howe Hunter makes no representation or warranty as to the accuracy or completeness of any such information and data and expressly disclaims any and all liability relating to or resulting from your use of these materials. The information and data contained herein are current and only as of the date(s) indicated and Mufson Howe Hunter has no intention, obligation, or duty to update these materials after such date(s). These materials do not constitute an offer to sell or the solicitation of an offer to buy any securities. Copyright © 2023 Mufson Howe Hunter & Company LLC. All rights reserved. The Manufacturing Update is produced by Mufson Howe Hunter. Mufson Howe Hunter provides a full range of investment banking services to manufacturing companies. For more information, please visit www.mhhco.com.

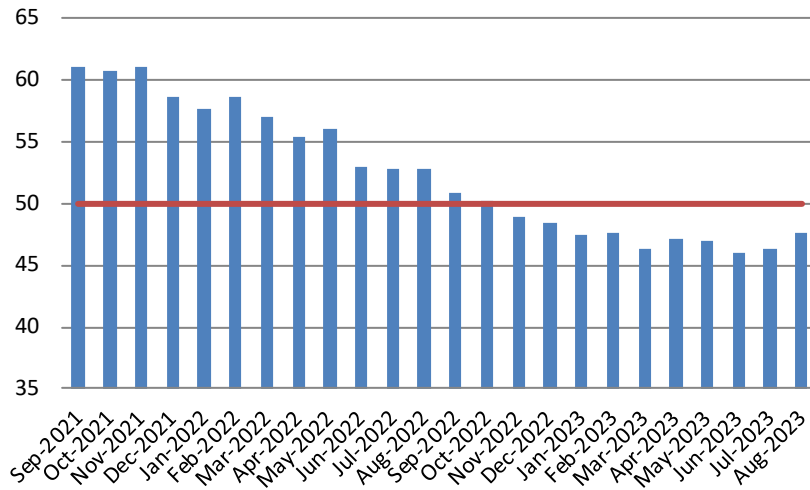
Major U.S. Economic Indicators

Manufacturing Update

Purchase Manager Index (PMI)

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

ISM Manufacturing PMI Composite Index - United States (Monthly)



Commentary

Economic activity in the manufacturing sector as measured by the PMI increased by 1.2% in August, nonetheless, remaining below 50 since November 2022.

In addition, New Orders, Backlog, Imports, Inventories and New Export Orders all registered a contraction during August 2023.

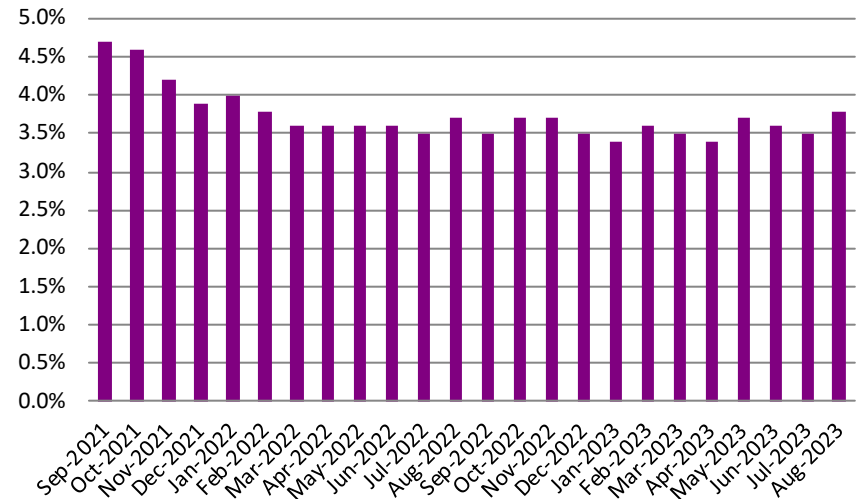
Whereas the Production, Employment, Supplier Deliveries, and Prices Indices increased during August 2023.

Source: Federal Reserve Data

Unemployment Rate

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

Unemployment Rate - United States (Monthly)



Commentary

The unemployment rate increased to 3.8% in August 2023, and the number of unemployed persons increased to 6.4 million. However, notable job gains occurred in health care, leisure & hospitality, social assistance, and construction.

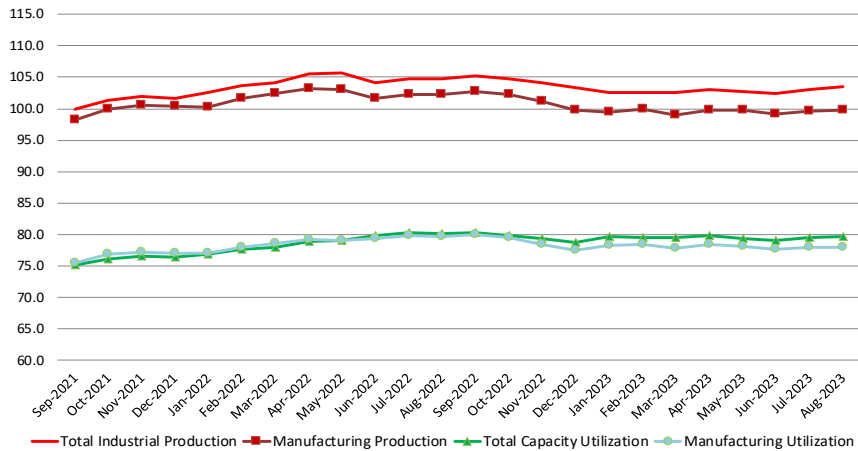
Major U.S. Economic Indicators (cont'd)

Manufacturing Update

Industrial Production and Capacity Utilization

The Production Index (upper graph) measures real output and is expressed as a percentage of real output in a base year, currently 2017. The Capacity Utilization Index (lower graph), an estimate of sustainable potential output, is also expressed as a percentage of real output in 2017 base-year terms.

Industrial Production and Capacity Utilization - United States (Monthly)



Commentary

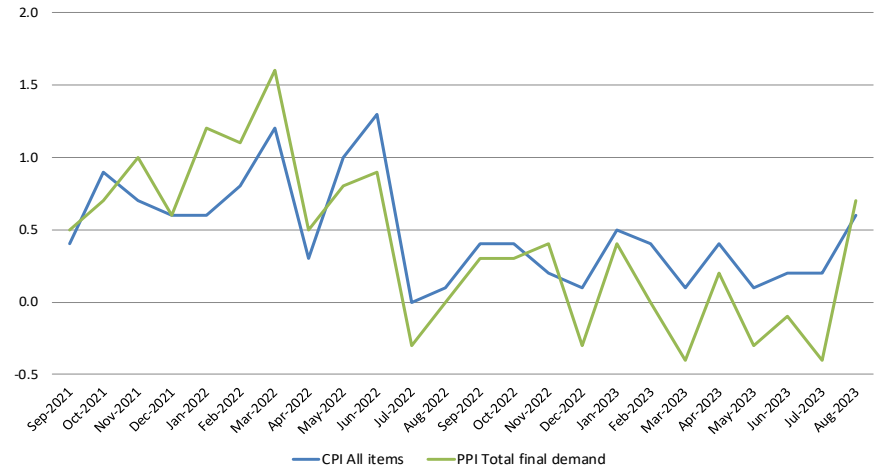
Industrial production rose by 0.4% in August, and manufacturing output rose by 0.1%. The indices for mining and utilities rose 1.4% and 0.9%, respectively. At 103.5% of its 2017 average, total industrial production in August was 0.2% above its year-earlier level. Capacity utilization moved up to 79.7% in August, a rate that is in line with its long-run average. Manufacturing utilization increased 1.8% to 79.7%.

Source: Federal Reserve Data

Producer Price Index and Consumer Price Index

The PPI measures the average change over time in pricing received by producers of 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.

CPI and PPI Index - United States (1-Month Percent Change)



Commentary

The Consumer Price Index for All Urban Consumers rose by 0.6% in August 2023 on a seasonally adjusted basis. Consumer prices for all items (less food and energy) rose 3.7% over the past 12 months; the CPI All Items index increased 0.3% for the 12 months ended in August. The Producer Price Index for final demand increased by 0.7% in August; final demand prices rose by 1.6% for the 12 months ended in August.

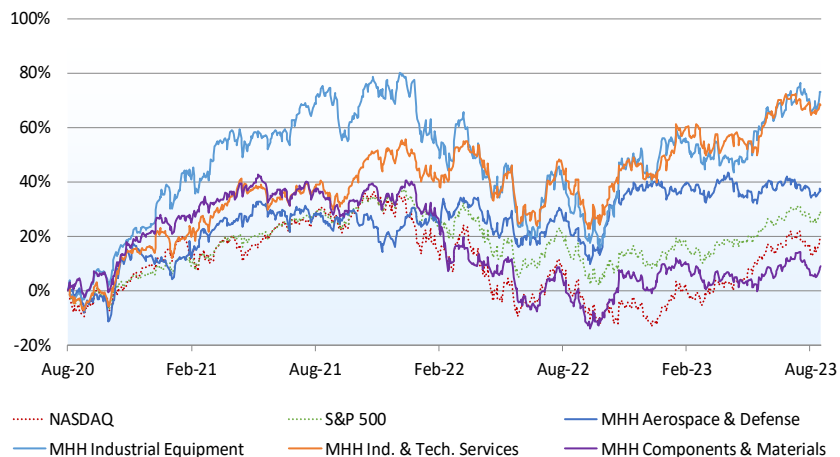
Sector Index Performance

Manufacturing Update

Comparative Index ^(a) Performance (Last Three Years)

Last Three Years

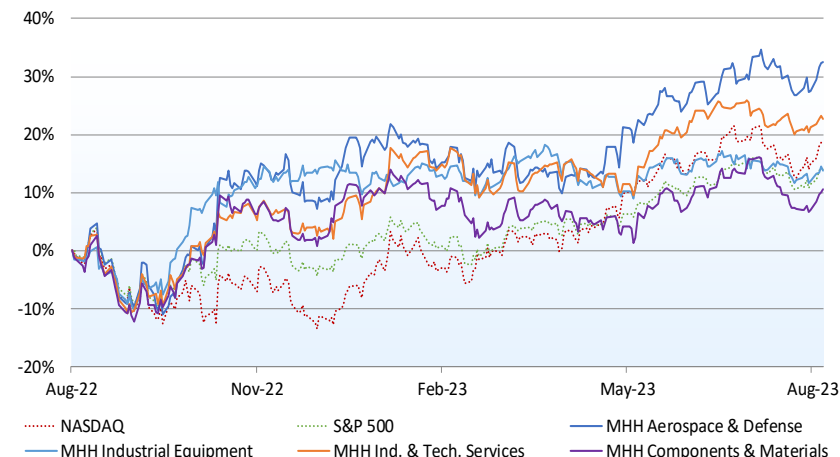
Daily from August 31, 2020 to August 31, 2023
Price as Percent of Base (August 31, 2020 = 0%)



Comparative Index ^(a) Performance (Last Twelve Months)

Last Twelve Months

Daily from August 31, 2022 to August 31, 2023
Price as Percent of Base (August 31, 2022 = 0%)



Price Appreciation

	3-Year	LTM	3-Month
MHH Aerospace & Defense	36.7%	32.4%	4.6%
MHH Components & Materials	8.9%	10.6%	9.1%
MHH Industrial Equipment	73.2%	13.9%	11.7%
MHH Industrial & Technical Services	68.1%	22.8%	12.2%
NASDAQ	19.2%	18.8%	8.5%
S&P 500	28.8%	14.0%	7.8%

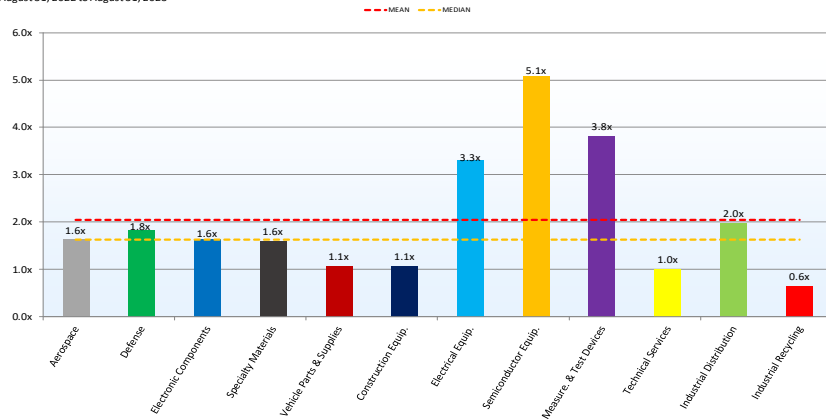
(a) Market cap weighted index assuming no dividend reinvestment.

Subsector Statistics

Manufacturing Update

Comparative Subsector LTM EV/Revenue

Last Twelve Months EV/Revenue
August 31, 2022 to August 31, 2023

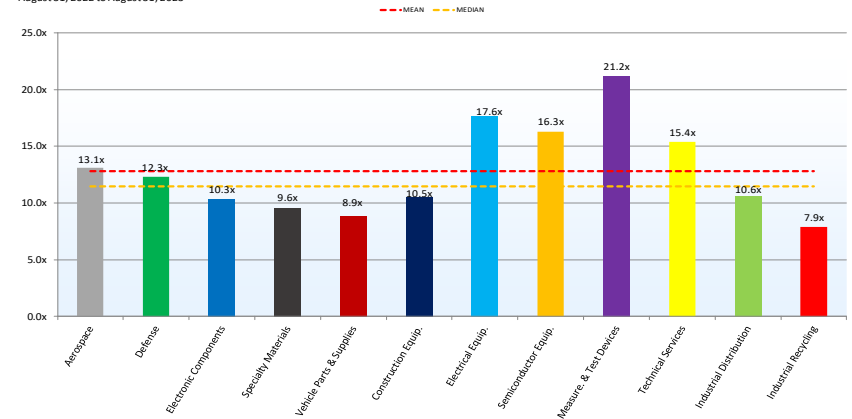


Commentary

During the last twelve months, our subsector indices had a mean EV/Revenue of 2.1x (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 5.1x and Industrial Recycling had the low multiple at 0.6x.

Comparative Subsector LTM EV/EBITDA

Last Twelve Months EV/EBITDA
August 31, 2022 to August 31, 2023



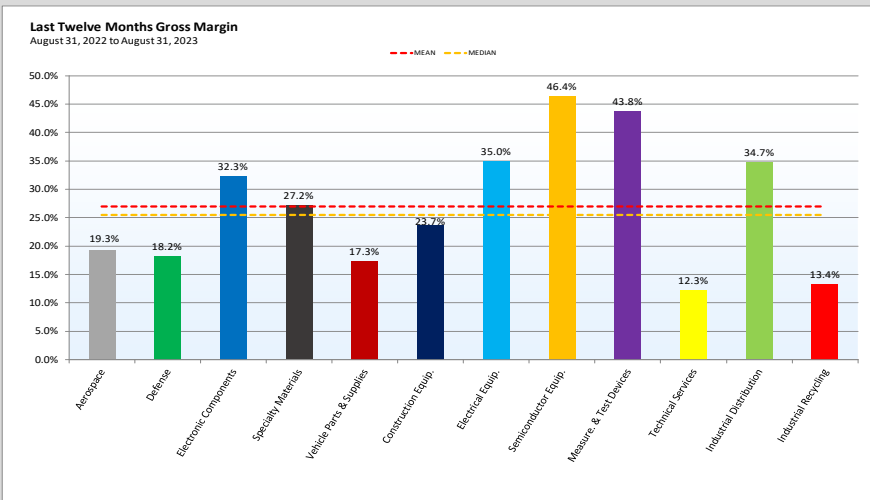
Commentary

During the last twelve months, our subsector indices had a mean EV/EBITDA of 12.8x (i.e., red line) and a median of 11.5x (i.e., yellow line). Of the subsectors, Measurement, Control, & Testing Devices had the high multiple at 21.2x and Industrial Recycling had the low multiple at 7.9x.

Subsector Statistics (cont'd)

Manufacturing Update

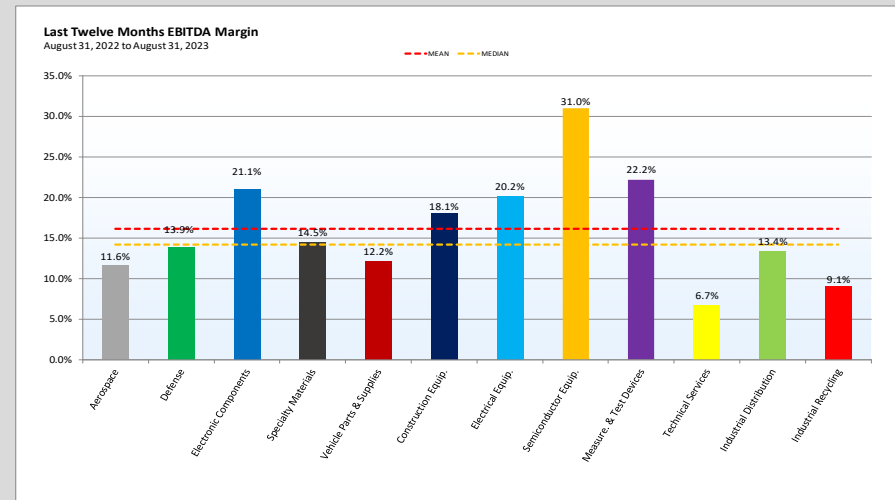
Comparative Subsector LTM Gross Margin



Commentary

During the last twelve months, our subsector indices had a mean Gross Margin of 27.0% (i.e., red line) and a median of 25.5% (i.e., yellow line). Of the subsectors, Semiconductor Capital Equipment had the high margin at 46.4%, and Technical Services had the low margin at 12.3%.

Comparative Subsector LTM EBITDA Margin



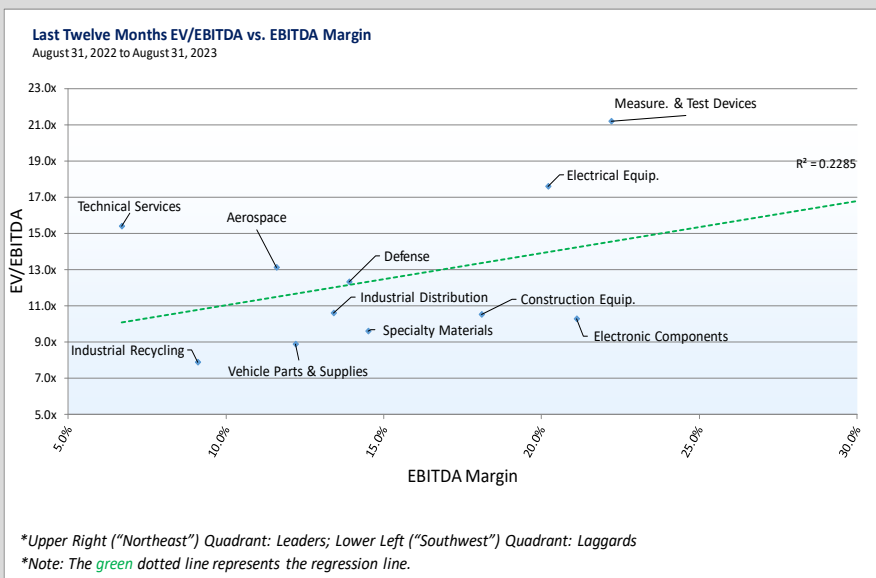
Commentary

During the last twelve months, our subsector indices had a mean EBITDA Margin of 16.2% (i.e., red line) and a median of 14.2% (i.e., yellow line). Of the subsectors, Semiconductor Equipment had the high margin at 31.0% and Technical Services had the low margin at 6.7%.

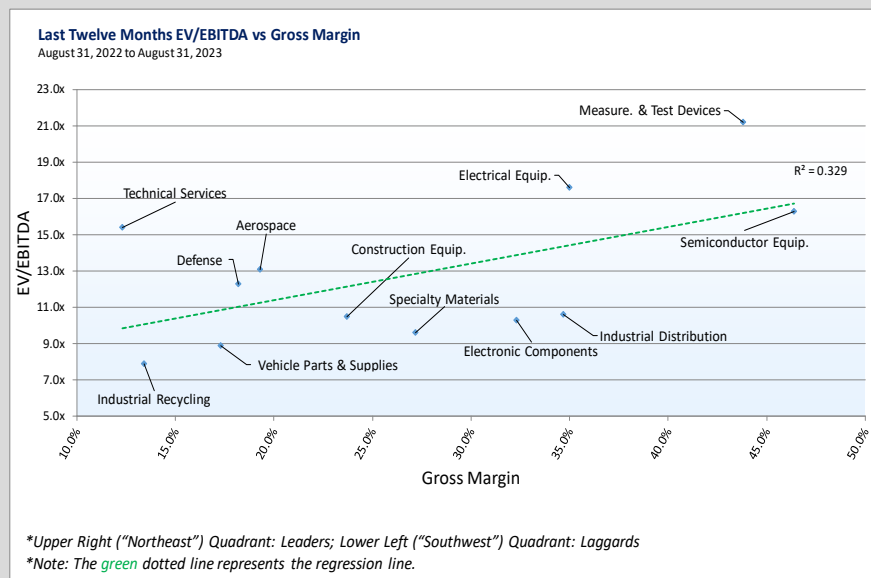
Subsector Trading Multiples & Margins

Last Twelve Months from August 31, 2022 to August 31, 2023

Index Subsector LTM EV/EBITDA vs EBITDA Margin



Index Subsector LTM EV/EBITDA vs. Gross Margin



Comparative Index Performance

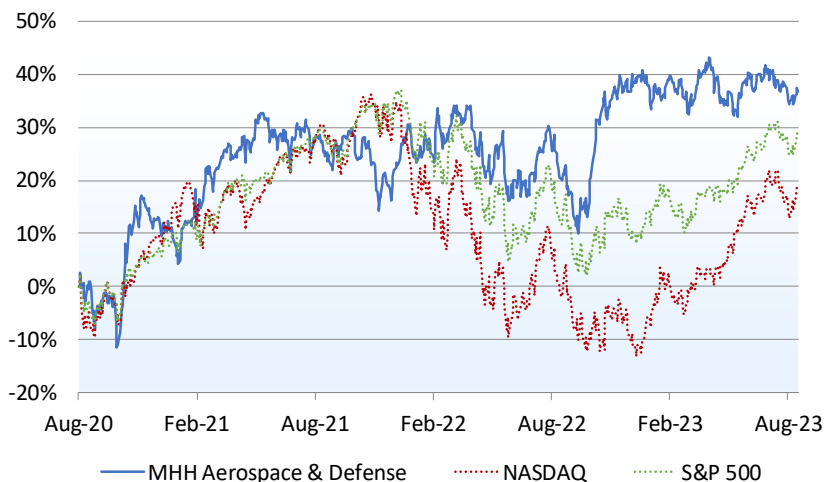
Aerospace & Defense

Comparative Index Performance

The MHH Aerospace & Defense Index^(a) increased by 4.6% during the three months ending August 31, 2023.

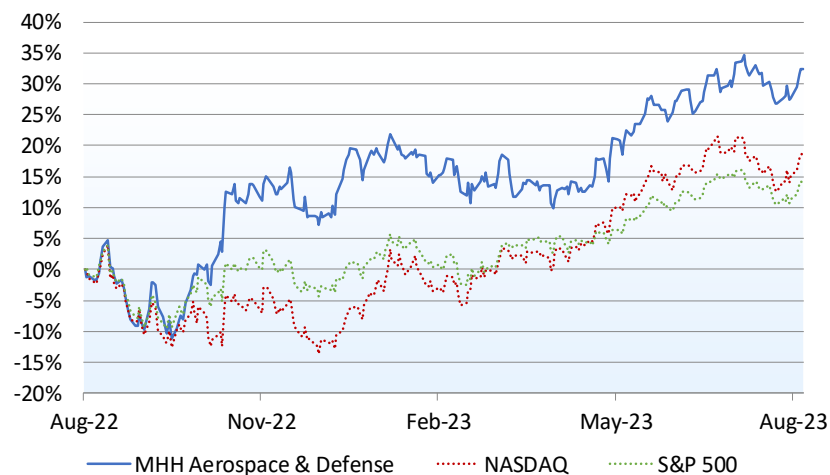
Last Three Years

Daily from August 31, 2020 to August 31, 2023
Price as Percent of Base (August 31, 2020 = 0%)



Last Twelve Months

Daily from August 31, 2022 to August 31, 2023
Price as Percent of Base (August 31, 2022 = 0%)



Price Appreciation

	3-Year	LTM	3-Month
MHH Aerospace & Defense	36.7%	32.4%	4.6%
NASDAQ	19.2%	18.8%	8.5%
S&P 500	28.8%	14.0%	7.8%

(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.

Selected Valuation Metrics

Aerospace & Defense

(\$ 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											
The Boeing Company (BA)	\$224.03	\$135,136	\$173,666	\$73,608	\$1,075	-\$2.81	2.36x	NM	NM	9.1%	1.5%
RTX Corporation (RTX)	86.04	124,936	158,075	70,573	12,088	2.70	2.24x	13.1x	31.9x	20.4%	17.1%
Honeywell International Inc. (HON)	187.94	124,785	138,982	36,147	8,656	6.29	3.84x	16.1x	29.9x	33.7%	23.9%
Airbus SE (ENXTPA:AIR)	146.83	115,877	111,269	67,266	7,731	4.05	1.65x	14.4x	36.3x	17.0%	11.5%
Thales S.A. (ENXTPA:HO)	146.20	30,480	31,563	19,682	2,509	5.19	1.60x	12.6x	28.2x	26.4%	12.7%
Rolls-Royce Holdings plc (LSE:RR.)	2.82	23,558	27,321	19,625	2,176	0.16	1.39x	12.6x	17.9x	21.7%	11.1%
Textron Inc. (TXT)	77.71	15,392	17,611	13,162	1,547	3.23	1.34x	11.4x	24.0x	16.0%	11.8%
Embraer S.A. (BOVESPA:EMBR3)	3.95	2,901	4,541	5,271	254	0.01	0.86x	17.9x	NM	18.2%	4.8%
Mean		\$71,633	\$82,878	\$38,167	\$4,504	\$2.35	1.91x	14.0x	28.0x	20.3%	11.8%
Median		73,179	71,416	27,914	2,342	2.97	1.63x	13.1x	29.0x	19.3%	11.6%
Defense											
Lockheed Martin Corporation (LMT)	\$448.35	\$112,909	\$126,781	\$67,393	\$10,301	\$19.98	1.88x	12.3x	22.4x	12.8%	15.3%
Northrop Grumman Corporation (NOC)	433.09	65,526	79,252	37,881	7,243	22.46	2.09x	10.9x	19.3x	20.2%	19.1%
General Dynamics Corporation (GD)	226.64	61,772	72,103	40,859	5,081	9.11	1.76x	14.2x	24.9x	16.1%	12.4%
BAE Systems plc (BA.)	12.77	38,784	43,357	28,613	3,528	0.56	1.52x	12.3x	23.0x	63.1%	12.3%
L3Harris Technologies, Inc. (LHX)	178.09	33,683	42,944	17,988	2,760	7.45	2.39x	15.6x	23.9x	27.2%	15.3%
Huntington Ingalls Industries, Inc. (HII)	220.32	8,784	11,575	10,899	1,073	9.61	1.06x	10.8x	22.9x	13.2%	9.8%
Mean		\$53,576	\$62,669	\$33,939	\$4,998	\$11.53	1.78x	12.7x	22.7x	25.5%	14.1%
Median		50,278	57,730	33,247	4,304	9.36	1.82x	12.3x	22.9x	18.2%	13.9%

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

‡ = excluded from Mean and Median calculations

Source: CapitalIQ

(1) As of close August 31, 2023.

(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, 2023 excluding GD (July 2, 2023); TXT (July 1, 2023); LMT (June 25, 2023).

(4) Excludes non-recurring and discontinued operations.

Selected M&A Transactions

Aerospace & Defense

Announced	Target	Target Description	Acquirer	Value
Aug 17	Ball Aerospace & Technologies Corp.	A defense, aerospace, and security company, which designs, develops, and manufactures a range of electronic systems and subsystems for military and commercial applications.	BAE Systems, Inc.	\$5,550.0

ND – Not disclosed. Transaction values in millions.

Selected News

Aerospace & Defense

BAE Systems plc (LSE:BA.) reported second quarter net income of \$613.2 million for fiscal year 2023 as compared to \$373.7 million for the prior year period. Earnings per share were \$0.15 versus \$0.09 for the prior year period. Revenues for the quarter increased to \$6,987.5 million from \$5,917.1 million for the same period in fiscal year 2022.

Embraer S.A. (BOVESPA:EMBR3) reported second quarter net income of (\$20.0) million for fiscal year 2023 as compared to (\$141.8) million for the prior year period. Earnings per share were \$0.01 versus (\$0.14) for the prior year period. Revenues for the quarter increased to \$1,319.0 million from \$964.2 million for the same period in fiscal year 2022.

Huntington Ingalls Industries, Inc. (NYSE:HI) reported second quarter net income of \$130.0 million for fiscal year 2023 as compared to \$178.0 million for the prior year period. Earnings per share were \$2.65 versus \$3.46 for the prior year period. Revenues for the quarter increased to \$2,787.0 million from \$2,662.0 million for the same period in fiscal year 2022.

Rolls-Royce Holdings plc (LSE:RR.) reported second quarter net income of \$780.9 million for fiscal year 2023 as compared to (\$944.2) million for the prior year period. Earnings per share were \$0.05 versus (\$0.02) for the prior year period. Revenues for the quarter increased to \$4,780.1 million from \$3,402.4 million for the same period in fiscal year 2022.

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

Source: S&P Capital IQ

Comparative Index Performance

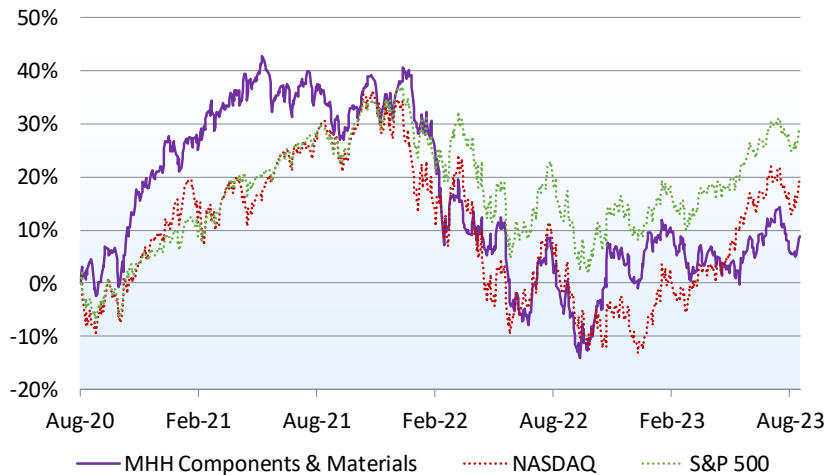
Components & Materials

Comparative Index Performance

The MHH Components & Materials index^(a) increased by 9.1% during the three months ending August 31, 2023.

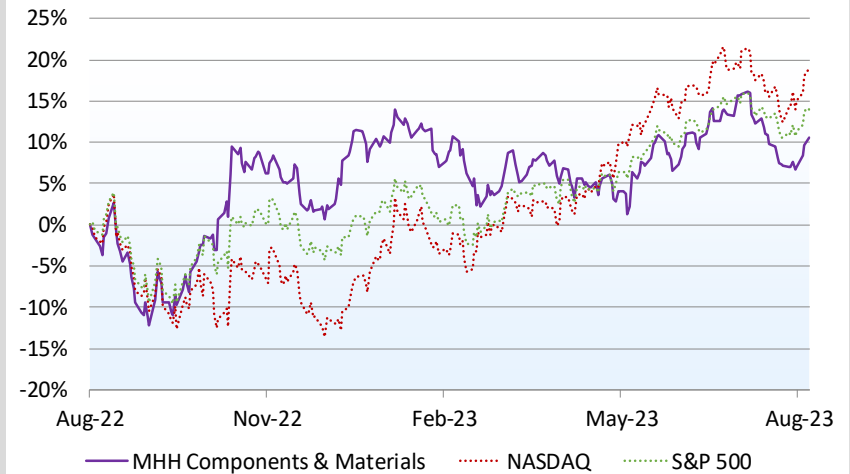
Last Three Years

Daily from August 31, 2020 to August 31, 2023
Price as Percent of Base (August 31, 2020 = 0%)



Last Twelve Months

Daily from August 31, 2022 to August 31, 2023
Price as Percent of Base (August 31, 2022 = 0%)



Price Appreciation

	3-Year	LTM	3-Month
MHH Components & Materials ^(a)	8.9%	10.6%	9.1%
NASDAQ	19.2%	18.8%	8.5%
S&P 500	28.8%	14.0%	7.8%

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

Selected Valuation Metrics

Components & Materials

(\$ 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)	\$88.38	\$52,715	\$55,609	\$12,562	\$2,989	\$2.46	4.43x	18.6x	35.9x	32.1%	23.8%
TE Connectivity Ltd (TEL)	132.39	41,562	44,784	16,358	3,492	5.25	2.74x	12.8x	25.2x	31.2%	21.3%
Corning Inc. (GLW)	32.82	27,995	35,309	13,315	2,782	0.88	2.65x	12.7x	37.1x	32.5%	20.9%
Omron Corp. (T SE:6645)	48.33	9,514	9,179	6,190	902	2.37	1.48x	10.2x	20.4x	45.1%	14.6%
Belden Inc. (BDC)	93.90	3,972	4,727	2,664	455	4.74	1.77x	10.4x	19.8x	37.6%	17.1%
Vishay Intertechnology (VSH)	27.44	3,815	3,488	3,543	773	2.63	0.98x	4.5x	10.4x	30.3%	21.8%
Encore Wire Corp. (WIRE)	164.81	2,770	2,102	2,753	740	25.04	0.76x	2.8x	6.6x	33.4%	26.9%
Alps Electric Ltd (T SE:6770)	8.36	1,718	1,911	6,547	526	0.62	0.29x	3.6x	13.5x	17.7%	8.0%
Mean		\$18,008	\$19,639	\$7,992	\$1,583	\$5.50	1.89x	9.5x	21.1x	32.5%	19.3%
Median		6,743	6,953	6,369	837	2.55	1.63x	10.3x	20.1x	32.3%	21.1%
Specialty Materials											
3MCompany (MMM)	\$106.67	\$58,881	\$71,526	\$33,054	\$7,469	\$5.93	2.16x	9.6x	18.0x	44.1%	22.6%
BASF SE (DE:BAS)	50.75	45,294	68,704	85,771	9,057	0.08	0.80x	7.6x	NM	23.2%	10.6%
Dow Inc. (DOW)	54.56	38,360	51,535	49,245	6,055	2.19	1.05x	8.5x	24.9x	11.9%	12.3%
PPG Industries, Inc. (PPG)	141.76	33,386	39,938	17,905	2,603	4.91	2.23x	15.3x	28.9x	39.3%	14.5%
DuPont de Nemours (DD)	76.89	35,297	39,442	12,533	3,027	2.08	3.15x	13.0x	36.9x	34.9%	24.2%
Celanese Corp. (CE)	126.36	13,755	27,755	10,297	1,637	4.20	2.70x	17.0x	30.1x	21.8%	15.9%
Akzo Nobel N.V. (ENXTAM:AKZA)	81.39	13,883	18,848	11,862	1,120	2.07	1.59x	16.8x	39.3x	36.8%	9.4%
Solvay SA (ENXTBR:SOLB)	115.94	12,075	13,530	16,786	3,062	13.23	0.81x	4.4x	8.8x	27.2%	18.2%
Evonik Industries AG (DE:EVK)	19.20	8,949	13,190	18,678	1,942	1.01	0.71x	6.8x	19.0x	21.5%	10.4%
Mean		\$28,875	\$38,274	\$28,459	\$3,997	\$3.97	1.69x	11.0x	25.7x	29.0%	15.3%
Median		33,386	39,442	17,905	3,027	2.19	1.59x	9.6x	26.9x	27.2%	14.5%

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

‡ = excluded from Mean and Median calculations

Source: CapitalIQ

(1) As of close August 31, 2023.

(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 close June 30, 2023.excluding BDC (July 2, 2023); LEA, VSH (July 1, 2023).

(4) Excludes non-recurring and discontinued operations.

Selected Valuation Metrics (cont'd)

Components & Materials

(\$ 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
Vehicle Parts and Supplies											
Denso Corp. (TSE:6902)	\$68.38	\$51,209	\$52,612	\$46,334	\$5,697	\$2.55	1.14x	9.2x	26.8x	14.4%	12.3%
Johnson Controls Inc. (JCI)	59.06	40,180	51,458	26,612	3,600	2.21	1.93x	14.3x	26.7x	34.0%	13.5%
Aptiv PLC (APT V)	101.45	28,693	34,683	19,272	2,564	2.94	1.80x	13.5x	34.5x	16.5%	13.3%
Continental AG (DB:CON)	74.84	14,885	22,205	45,217	5,101	7.51	0.49x	4.4x	10.0x	22.5%	11.3%
Lear Corp. (LEA)	144.09	8,465	11,146	22,457	1,594	8.23	0.50x	7.0x	17.5x	7.8%	7.1%
Autoliv, Inc. (ALV)	97.60	8,264	9,721	9,763	1,090	4.83	1.00x	8.9x	20.2x	16.5%	11.2%
Bosch Ltd. (BSE:500530)	224.74	6,628	6,304	1,871	228	4.65	3.37x	NM	NM	34.8%	12.2%
Stanley Electric Co. Ltd. (TSE:6923)	17.57	2,850	2,076	3,157	542	0.90	0.66x	3.8x	19.5x	18.1%	17.2%
Mean		\$20,147	\$23,775	\$21,835	\$2,552	\$4.23	1.36x	8.7x	22.2x	20.6%	12.3%
Median		11,675	16,675	20,864	2,079	3.80	1.07x	8.9x	20.2x	17.3%	12.2%

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

‡ = excluded from Mean and Median calculations

Source: CapitalIQ

(1) As of close August 31, 2023.

(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 close June 30, 2023.excluding BDC (July 2, 2023); LEA, VSH (July 1, 2023).

(4) Excludes non-recurring and discontinued operations.

Selected M&A Transactions

Components & Materials

Announced	Target	Target Description	Acquirer	Value
Aug 21	Delrin® acetal homopolymer (H-POM) business of DuPont de Nemours, Inc.	Comprises homopolymer business.	TJC LP	\$1,997.5
Aug 17	Schaffner Holding AG (SWX:SAHN)	Together with its subsidiaries, develops, manufactures, and sells solutions for power electronic systems worldwide.	TE Connectivity Ltd. (NYSE:TEL)	\$309.5

ND – Not disclosed. Transaction values in millions.

Selected News

Components & Materials

Aptiv PLC (NYSE:APTIV) reported second quarter net income of \$242.0 million for fiscal year 2023 as compared to (\$45.0) million for the prior year period. Earnings per share were \$0.77 versus \$0.19 for the prior year period. Revenues for the quarter increased to \$5,200.0 million from \$4,057.0 million for the same period in fiscal year 2022.

Belden Inc. (NYSE:BDC) reported second quarter net income of \$68.8 million for fiscal year 2023 as compared to \$58.6 million for the prior year period. Earnings per share were \$1.24 versus \$1.02 for the prior year period. Revenues for the quarter increased to \$692.2 million from \$666.6 million for the same period in fiscal year 2022.

Celanese Corporation (NYSE:CE) reported second quarter net income of \$220.0 million for fiscal year 2023 as compared to \$434.0 million for the prior year period. Earnings per share were \$1.28 versus \$3.08 for the prior year period. Revenues for the quarter increased to \$2,795.0 million from \$2,486.0 million for the same period in fiscal year 2022.

Continental Aktiengesellschaft (DB:CON) reported second quarter net income of \$227.7 million for fiscal year 2023 as compared to (\$262.1) million for the prior year period. Earnings per share were \$1.14 versus (\$0.81) for the prior year period. Revenues for the quarter increased to \$11,382.0 million from \$9,872.6 million for the same period in fiscal year 2022.

DuPont de Nemours, Inc. (NYSE:DD) reported second quarter net income of (\$131.0) million for fiscal year 2023 as compared to \$787.0 million for the prior year period. Earnings per share were \$0.48 versus \$0.50 for the prior year period. Revenues for the quarter decreased to \$3,094.0 million from \$3,322.0 million for the same period in fiscal year 2022.

Evonik Industries AG (DE:EVK) reported second quarter net income of (\$294.8) million for fiscal year 2023 as compared to \$310.5 million for the prior year period. Earnings per share were (\$0.42) versus \$0.59 for the prior year period. Revenues for the quarter decreased to \$4,242.4 million from \$4,988.5 million for the same period in fiscal year 2022.

Johnson Controls International plc (NYSE:JCI) reported third quarter net income of \$1,049.0 million for fiscal year 2023 as compared to \$379.0 million for the prior year period. Earnings per share were \$0.69 versus \$0.47 for the prior year period. Revenues for the quarter increased to \$7,133.0 million from \$6,614.0 million for the same period in fiscal year 2022.

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

Source: S&P Capital IQ

Selected News (cont'd)

Components & Materials

Lear Corporation (NYSE:LEA) reported second quarter net income of \$168.7 million for fiscal year 2023 as compared to \$68.5 million for the prior year period. Earnings per share were \$2.10 versus \$0.97 for the prior year period. Revenues for the quarter increased to \$5,999.2 million from \$5,071.0 million for the same period in fiscal year 2022.

Solvay SA (ENXTBR:SOLB) reported second quarter net income of \$215.1 million for fiscal year 2023 as compared to \$737.0 million for the prior year period. Earnings per share were \$3.49 versus \$6.02 for the prior year period. Revenues for the quarter decreased to \$3,768.6 million from \$4,246.3 million for the same period in fiscal year 2022.

Vishay Intertechnology, Inc. (NYSE:VSH) reported second quarter net income of \$95.0 million for fiscal year 2023 as compared to \$112.4 million for the prior year period. Earnings per share were \$0.59 versus \$0.68 for the prior year period. Revenues for the quarter increased to \$892.1 million from \$863.5 million for the same period in fiscal year 2022.

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

Source: S&P Capital IQ

Comparative Index Performance

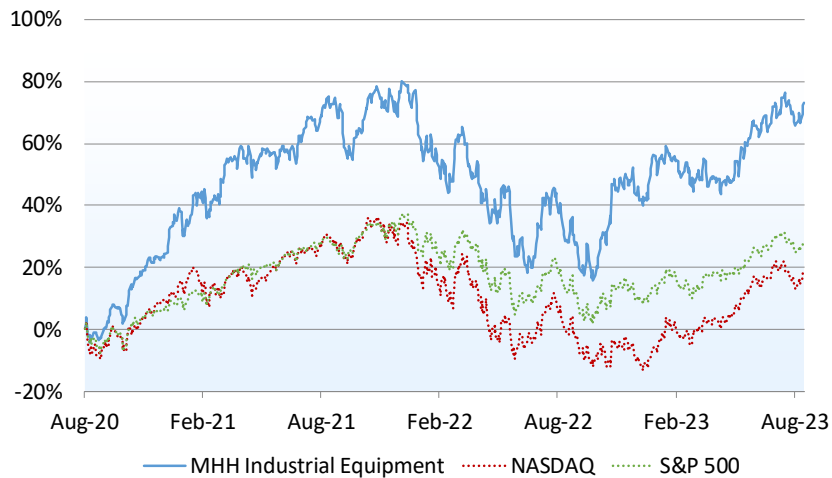
Industrial Equipment

Comparative Index Performance

The MHH Industrial Equipment index^(a) increased by 11.7% during the three months August 31, 2023.

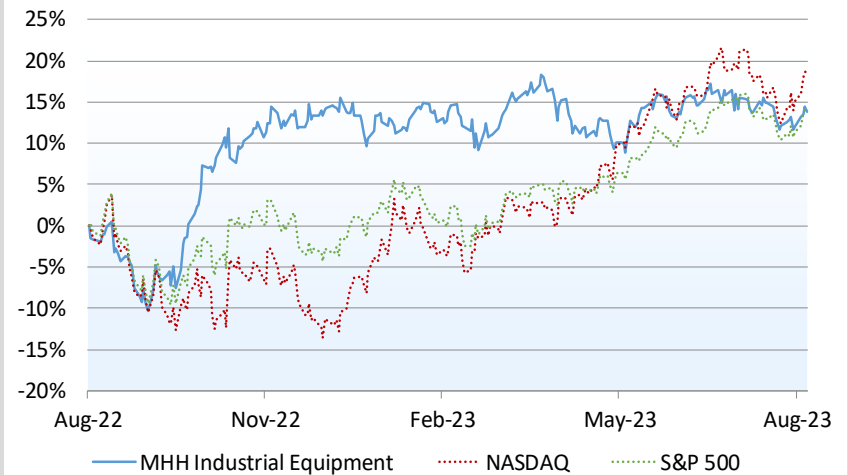
Last Three Years

Daily from August 31, 2020 to August 31, 2023
Price as Percent of Base (August 31, 2020 = 0%)



Last Twelve Months

Daily from August 31, 2022 to August 31, 2023
Price as Percent of Base (August 31, 2022 = 0%)



Price Appreciation

	3-Year	LTM	3-Month
MHH Industrial Equipment ^(a)	73.2%	13.9%	11.7%
NASDAQ	19.2%	18.8%	8.5%
S&P 500	28.8%	14.0%	7.8%

(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.

Selected Valuation Metrics

Industrial Equipment

(\$ 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
Construction Equipment											
Deere & Company (DE)	\$410.94	\$118,351	\$176,358	\$61,361	\$14,486	\$27.19	2.87x	12.2x	15.1x	30.3%	23.6%
Caterpillar Inc. (CAT)	281.13	143,417	174,314	64,771	14,847	15.14	2.69x	11.7x	18.6x	29.4%	22.9%
Cummins Inc. (CMI)	230.04	32,585	39,649	32,194	4,298	15.07	1.23x	9.2x	15.3x	23.7%	13.4%
Korea Shipbuilding & Offshore Engineering Co., Ltd. (KOSE:A009)	93.42	6,606	8,236	14,807	613	1.00	0.56x	13.4x	NM	NM	NM
Oshkosh Corp. (OSK)	103.83	6,780	7,022	8,952	788	5.49	0.78x	8.9x	18.9x	15.2%	NM
Terex Corp. (TEX)	60.61	4,084	4,523	4,977	645	4.92	0.91x	7.0x	12.3x	22.0%	13.0%
Mean		\$51,970	\$68,350	\$31,177	\$5,946	\$11.47	1.51x	10.4x	16.0x	24.1%	18.2%
Median		19,682	23,942	23,500	2,543	10.28	1.07x	10.5x	15.3x	23.7%	18.1%
Electrical Equipment											
Schneider Electric SE (ENXTPA:SU)	\$172.00	\$96,465	\$112,103	\$39,009	\$7,372	\$6.62	2.87x	15.2x	26.0x	41.5%	18.9%
Eaton Corporation plc (ETN)	230.37	91,918	100,406	22,047	4,384	4.99	4.55x	22.9x	NM	34.5%	19.9%
Emerson Electric Co. (EMR)	98.25	58,105	62,784	20,792	5,181	4.20	3.02x	12.1x	23.4x	43.9%	24.9%
Rockwell Automation Inc. (ROK)	312.08	35,846	39,774	8,621	1,774	7.72	4.61x	22.4x	NM	41.2%	20.6%
Ametek Inc. (AME)	159.51	36,801	38,563	6,421	1,923	4.11	6.01x	20.0x	38.8x	35.5%	30.0%
Hubbell Inc. (HUBB)	326.05	17,486	18,543	5,187	1,064	10.01	3.57x	17.4x	32.6x	33.2%	20.5%
Regal Rexnord Corporation (RRX)	162.19	10,755	16,989	5,563	957	3.37	3.05x	17.8x	NM	32.7%	17.2%
Powell Industries, Inc. (POWL)	83.97	996	788	653	52	2.53	1.21x	15.2x	33.1x	19.7%	7.9%
Mean		\$43,546	\$48,744	\$13,537	\$2,838	\$5.44	3.61x	17.9x	30.8x	35.3%	20.0%
Median		36,323	39,168	7,521	1,849	4.59	3.31x	17.6x	32.6x	35.0%	20.2%

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

‡ = excluded from Mean and Median calculations

Source: CapitalIQ

(1) As of close August 31, 2023.

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(4) Excludes non-recurring and discontinued operations.

Selected Valuation Metrics (cont'd)

Industrial Equipment

(\$ 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	EPS	Gross Profit	EBITDA
Construction Equipment											
Deere & Company (DE)	\$410.94	\$118,351	\$176,358	\$61,361	\$14,486	\$27.19	2.87x	12.2x	15.1x	30.3%	23.6%
Caterpillar Inc. (CAT)	281.13	143,417	174,314	64,771	14,847	15.14	2.69x	11.7x	18.6x	29.4%	22.9%
Cummins Inc. (CMI)	230.04	32,585	39,649	32,194	4,298	15.07	1.23x	9.2x	15.3x	23.7%	13.4%
Korea Shipbuilding & Offshore Engineering Co., Ltd. (KOSE:A009)	93.42	6,606	8,236	14,807	613	1.00	0.56x	13.4x	NM	NM	NM
Oshkosh Corp. (OSK)	103.83	6,780	7,022	8,952	788	5.49	0.78x	8.9x	18.9x	15.2%	NM
Terex Corp. (TEX)	60.61	4,084	4,523	4,977	645	4.92	0.91x	7.0x	12.3x	22.0%	13.0%
Mean		\$51,970	\$68,350	\$31,177	\$5,946	\$11.47	1.51x	10.4x	16.0x	24.1%	18.2%
Median		19,682	23,942	23,500	2,543	10.28	1.07x	10.5x	15.3x	23.7%	18.1%
Electrical Equipment											
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Eaton Corporation plc (ETN)	230.37	91,918	100,406	22,047	4,384	4.99	4.55x	22.9x	NM	34.5%	19.9%
Emerson Electric Co. (EMR)	98.25	58,105	62,784	20,792	5,181	4.20	3.02x	12.1x	23.4x	43.9%	24.9%
Rockwell Automation Inc. (ROK)	312.08	35,846	39,774	8,621	1,774	7.72	4.61x	22.4x	NM	41.2%	20.6%
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Hubbell Inc. (HUBB)	326.05	17,486	18,543	5,187	1,064	10.01	3.57x	17.4x	32.6x	33.2%	20.5%
Regal Rexnord Corporation (RRX)	162.19	10,755	16,989	5,563	957	3.37	3.05x	17.8x	NM	32.7%	17.2%
Powell Industries, Inc. (POWL)	83.97	996	788	653	52	2.53	1.21x	15.2x	33.1x	19.7%	7.9%
Mean		\$43,546	\$48,744	\$13,537	\$2,838	\$5.44	3.61x	17.9x	30.8x	35.3%	20.0%
Median		36,323	39,168	7,521	1,849	4.59	3.31x	17.6x	32.6x	35.0%	20.2%

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

‡ = excluded from Mean and Median calculations

Source: CapitalIQ

(1) As of close August 31, 2023.

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(4) Excludes non-recurring and discontinued operations.

Selected M&A Transactions

Industrial Equipment

Announced	Target	Target Description	Acquirer	Value
Aug 30	Regal Chemical Company	Manufactures pesticides, fertilizers, and specialty products for agriculture and landscape industries.	SiteOne Landscape Supply, Inc. (NYSE:SITE)	NA
Aug 29	Pioneer Sand Company, Inc.	Comprises homopolymer business.	SiteOne Landscape Supply, Inc. (NYSE:SITE)	NA
Aug 28	Timothy's Center for Gardening, LLC	Distributes hardscapes, nursery products, and bulk materials.	SiteOne Landscape Supply, Inc. (NYSE:SITE)	NA
Aug 18	New England Silica, Inc.	Engages in the distribution of hardscapes products.	SiteOne Landscape Supply, Inc. (NYSE:SITE)	NA
Aug 17	Afag Automation AG	Develops and manufactures assembly components.	Emerson Electric Co. (NYSE:EMR)	NA

ND – Not disclosed. Transaction values in millions.

Selected News

Industrial Equipment

AMETEK, Inc. (NYSE:AME) reported second quarter net income of \$324.2 million for fiscal year 2023 as compared to \$282.4 million for the prior year period. Earnings per share were \$1.40 versus \$1.22 for the prior year period. Revenues for the quarter increased to \$1,646.1 million from \$1,514.6 million for the same period in fiscal year 2022.

Applied Materials, Inc. (NasdaqGS:AMAT) reported third quarter net income of \$1,560.0 million for fiscal year 2023 as compared to \$1,606.0 million for the prior year period. Earnings per share were \$1.85 versus \$1.85 for the prior year period. Revenues for the quarter decreased to \$6,425.0 million from \$6,520.0 million for the same period in fiscal year 2022.

Axcelis Technologies, Inc. (NasdaqGS:ACLS) reported second quarter net income of \$61.6 million for fiscal year 2023 as compared to \$44.2 million for the prior year period. Earnings per share were \$1.86 versus \$1.32 for the prior year period. Revenues for the quarter increased to \$274.0 million from \$221.2 million for the same period in fiscal year 2022.

Azenta, Inc. (NasdaqGS:AZTA) reported third quarter net income of (\$1.5) million for fiscal year 2023 as compared to (\$9.6) million for the prior year period. Earnings per share were (\$0.02) versus (\$0.13) for the prior year period. Revenues for the quarter increased to \$165.9 million from \$132.7 million for the same period in fiscal year 2022.

Caterpillar Inc. (NYSE:CAT) reported second quarter net income of \$2,922.0 million for fiscal year 2023 as compared to \$1,673.0 million for the prior year period. Earnings per share were \$5.67 versus \$3.13 for the prior year period. Revenues for the quarter increased to \$17,318.0 million from \$14,247.0 million for the same period in fiscal year 2022.

Cohu, Inc. (NasdaqGS:COHU) reported second quarter net income of \$10.6 million for fiscal year 2023 as compared to \$28.8 million for the prior year period. Earnings per share were \$0.22 versus \$0.59 for the prior year period. Revenues for the quarter decreased to \$168.9 million from \$217.2 million for the same period in fiscal year 2022.

Cummins Inc. (NYSE:CMI) reported second quarter net income of \$720.0 million for fiscal year 2023 as compared to \$702.0 million for the prior year period. Earnings per share were \$5.05 versus \$4.94 for the prior year period. Revenues for the quarter increased to \$8,638.0 million from \$6,586.0 million for the same period in fiscal year 2022.

Deere & Company (NYSE:DE) reported third quarter net income of \$2,978.0 million for fiscal year 2023 as compared to \$1,884.0 million for the prior year period. Earnings per share were \$7.74 versus \$5.19 for the prior year period. Revenues for the quarter increased to \$15,801.0 million from \$14,102.0 million for the same period in fiscal year 2022.

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

Source: S&P Capital IQ

Selected News (cont'd)

Industrial Equipment

Eaton Corporation plc (NYSE:ETN) reported second quarter net income of \$744.0 million for fiscal year 2023 as compared to \$601.0 million for the prior year period. Earnings per share were \$1.40 versus \$1.17 for the prior year period. Revenues for the quarter increased to \$5,866.0 million from \$5,212.0 million for the same period in fiscal year 2022.

Emerson Electric Co. (NYSE:EMR) reported third quarter net income of \$9,352.0 million for fiscal year 2023 as compared to \$921.0 million for the prior year period. Earnings per share were \$0.90 versus \$0.57 for the prior year period. Revenues for the quarter increased to \$3,946.0 million from \$3,465.0 million for the same period in fiscal year 2022.

Entegris, Inc. (NasdaqGS:ENTG) reported second quarter net income of \$197.6 million for fiscal year 2023 as compared to \$99.5 million for the prior year period. Earnings per share were \$0.13 versus \$0.55 for the prior year period. Revenues for the quarter increased to \$901.0 million from \$692.5 million for the same period in fiscal year 2022.

FARO Technologies, Inc. (NasdaqGS:FARO) reported second quarter net income of (\$28.2) million for fiscal year 2023 as compared to (\$8.6) million for the prior year period. Earnings per share were (\$0.61) versus (\$0.20) for the prior year period. Revenues for the quarter increased to \$88.2 million from \$79.9 million for the same period in fiscal year 2022.

FormFactor, Inc. (NasdaqGS:FORM) reported second quarter net income of \$0.8 million for fiscal year 2023 as compared to \$30.2 million for the prior year period. Earnings per share were \$0.01 versus \$0.27 for the prior year period. Revenues for the quarter decreased to \$155.9 million from \$203.9 million for the same period in fiscal year 2022.

MKS Instruments, Inc. (NasdaqGS:MKSI) reported second quarter net income of (\$1,769.0) million for fiscal year 2023 as compared to \$130.0 million for the prior year period. Earnings per share were \$0.49 versus \$1.80 for the prior year period. Revenues for the quarter increased to \$1,003.0 million from \$765.0 million for the same period in fiscal year 2022.

Nova Ltd. (NasdaqGS:NVMI) reported second quarter net income of \$29.9 million for fiscal year 2023 as compared to \$34.9 million for the prior year period. Earnings per share were \$0.67 versus \$0.80 for the prior year period. Revenues for the quarter decreased to \$122.7 million from \$141.6 million for the same period in fiscal year 2022.

Onto Innovation Inc. (NYSE:ONTO) reported second quarter net income of \$25.9 million for fiscal year 2023 as compared to \$51.6 million for the prior year period. Earnings per share were \$0.37 versus \$0.72 for the prior year period. Revenues for the quarter decreased to \$190.7 million from \$256.3 million for the same period in fiscal year 2022.

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

Source: S&P Capital IQ

Selected News (cont'd)

Industrial Equipment

Oshkosh Corporation (NYSE:OSK) reported second quarter net income of \$175.0 million for fiscal year 2023 as compared to \$32.1 million for the prior year period. Earnings per share were \$2.20 versus \$0.56 for the prior year period. Revenues for the quarter increased to \$2,413.1 million from \$2,066.0 million for the same period in fiscal year 2022.

Powell Industries, Inc. (NasdaqGS:POWL) reported third quarter net income of \$18.5 million for fiscal year 2023 as compared to \$9.1 million for the prior year period. Earnings per share were \$1.22 versus \$0.05 for the prior year period. Revenues for the quarter increased to \$192.4 million from \$135.5 million for the same period in fiscal year 2022.

RBC Bearings Incorporated (NYSE:RBC) reported first quarter net income of \$50.0 million for fiscal year 2024 as compared to \$37.4 million for the prior year period. Earnings per share were \$1.37 versus \$1.12 for the prior year period. Revenues for the quarter increased to \$387.1 million from \$354.1 million for the same period in fiscal year 2023.

Rockwell Automation, Inc. (NYSE:ROK) reported third quarter net income of \$400.2 million for fiscal year 2023 as compared to \$297.9 million for the prior year period. Earnings per share were \$2.10 versus \$1.90 for the prior year period. Revenues for the quarter increased to \$2,238.7 million from \$1,968.7 million for the same period in fiscal year 2022.

Terex Corporation (NYSE:TEX) reported second quarter net income of \$159.4 million for fiscal year 2023 as compared to \$74.1 million for the prior year period. Earnings per share were \$1.76 versus \$0.80 for the prior year period. Revenues for the quarter increased to \$1,403.1 million from \$1,077.1 million for the same period in fiscal year 2022.

Tokyo Electron Limited (TSE:8035) reported first quarter net income of \$444.8 million for fiscal year 2024 as compared to \$648.3 million for the prior year period. Earnings per share were \$0.76 versus \$1.15 for the prior year period. Revenues for the quarter decreased to \$2,709.5 million from \$3,485.6 million for the same period in fiscal year 2023.

Veeco Instruments Inc. (NasdaqGS:VECO) reported second quarter net income of (\$85.3) million for fiscal year 2023 as compared to \$9.7 million for the prior year period. Earnings per share were \$0.15 versus \$0.11 for the prior year period. Revenues for the quarter decreased to \$161.6 million from \$164.0 million for the same period in fiscal year 2022.

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

Source: S&P Capital IQ

Comparative Index Performance

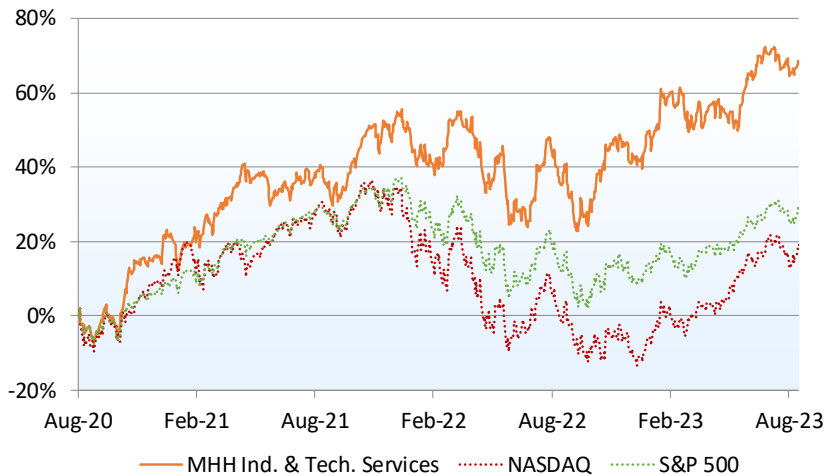
Industrial & Technical Services

Comparative Index Performance

The MHH Industrial & Technical Services index^(a) increased by 12.2% during the three months ending August 31, 2023.

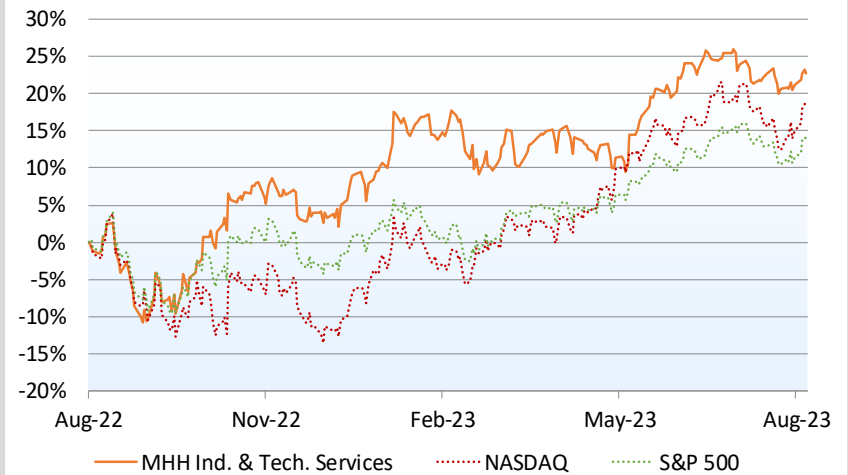
Last Three Years

Daily from August 31, 2020 to August 31, 2023
Price as Percent of Base (August 31, 2020 = 0%)



Last Twelve Months

Daily from August 31, 2022 to August 31, 2023
Price as Percent of Base (August 31, 2022 = 0%)



Price Appreciation

	3-Year	LTM	3-Month
MHH Industrial & Technical Services index ^(a)	68.1%	22.8%	12.2%
NASDAQ	19.2%	18.8%	8.5%
S&P 500	28.8%	14.0%	7.8%

(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.

Selected Valuation Metrics

Industrial & Technical Services

(\$ 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											
W.W. Grainger, Inc. (GWW)	\$714.14	\$35,708	\$38,267	\$16,017	\$2,713	\$28.34	2.39x	14.1x	25.2x	39.4%	16.9%
Fastenal Company (FAST)	57.58	32,897	33,272	7,240	1,679	1.62	4.60x	19.8x	35.5x	45.6%	23.2%
WESCO International, Inc. (WCC)	161.85	8,318	13,875	22,272	1,709	14.19	0.62x	8.1x	11.4x	21.9%	7.7%
MSC Industrial Direct Co., Inc. (MSM)	102.06	5,721	6,201	3,996	584	5.33	1.55x	10.6x	19.2x	41.3%	14.6%
MRC Global Inc. (MRC)	9.32	783	1,701	3,529	223	1.10	0.48x	7.6x	8.5x	19.2%	6.3%
Transcat, Inc. (TRNS)	101.96	813	873	237	29	1.14	3.69x	NM	NM	30.0%	12.1%
Mean		\$14,040	\$15,698	\$8,882	\$1,156	\$8.62	2.22x	12.1x	20.0x	32.9%	13.5%
Median		7,019	10,038	5,618	1,131	3.47	1.97x	10.6x	19.2x	34.7%	13.4%
Industrial Recycling											
Veolia Environnement SA (ENXTPA:VIE)	\$31.30	\$22,068	\$45,287	\$49,612	\$5,237	\$0.92	0.91x	8.6x	33.9x	16.2%	10.6%
Clean Harbors, Inc. (CLH)	169.34	9,170	11,427	5,346	997	6.20	2.14x	11.5x	27.3x	31.1%	18.7%
Commercial Metals Company (CMC)	56.29	6,574	7,430	8,997	1,494	6.51	0.83x	5.0x	8.7x	21.1%	16.6%
Aurubis AG (XTRANDA)	82.93	3,613	3,611	18,816	508	4.30	0.19x	7.1x	19.3x	7.2%	2.7%
Dowa Holdings Co., Ltd. (TSE:5714)	32.15	1,914	2,416	5,264	397	2.80	0.46x	6.1x	11.5x	10.5%	7.5%
Sims Limited (ASX:SGM)	9.93	1,905	2,212	5,380	100	0.37	0.41x	22.1x	26.8x	10.4%	1.9%
Mean		\$7,541	\$12,064	\$15,569	\$1,456	\$3.52	0.82x	10.1x	21.2x	16.1%	9.7%
Median		5,093	5,520	7,189	752	3.55	0.64x	7.9x	23.0x	13.4%	9.1%

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

‡ = excluded from Mean and Median calculations

Source: CapitalIQ

(1) As of close August 31, 2023.

(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 close June 30, 2023 excluding TTEK (July 02, 2023); NVEE (July 1, 2023); TRNS (June 24, 2023); MSM (June 03, 2023); CMC (May 31, 2023).

(4) Excludes non-recurring and discontinued operations.

(5) Excluding Cardno Limited (ASX:CDD) due to continuous negative Enterprise Value.

Selected Valuation Metrics (cont'd)

Industrial & Technical Services

(\$ 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
Technical Services											
Jacobs Solutions Inc. (J)	\$134.82	\$16,976	\$20,504	\$15,945	\$1,332	\$4.06	1.29x	15.4x	33.2x	21.3%	8.4%
AECOM (ACM)	87.75	12,173	14,002	13,962	932	1.44	1.00x	15.0x	NM	6.5%	6.7%
Tetra Tech, Inc. (TTEK)	157.35	8,378	9,354	3,430	431	5.28	2.73x	21.7x	29.8x	19.5%	12.6%
KBR, Inc. (KBR)	61.52	8,300	9,745	6,690	572	0.63	1.46x	17.0x	NM	13.9%	8.6%
Fluor Corporation (FLR)	34.99	5,016	3,863	15,014	150	1.08	0.26x	25.8x	32.4x	1.9%	1.0%
Primoris Services Corporation (PRIM)	35.37	1,886	3,125	5,284	348	1.96	0.59x	9.0x	18.1x	10.7%	6.6%
John Wood Group PLC (LSE:WG.)	2.03	1,372	2,353	5,858	155	(0.02)	0.40x	15.2x	NM	12.3%	2.6%
Balfour Beatty plc (LSE:BBY)	4.15	2,300	1,907	9,960	269	0.32	0.19x	7.1x	13.2x	5.5%	2.7%
NV5 Global, Inc. (NVEE)	101.78	1,617	1,855	801	108	2.11	2.32x	17.1x	NM	49.8%	13.5%
Mean		\$6,447	\$7,412	\$8,549	\$478	\$1.87	1.14x	15.9x	25.3x	15.7%	7.0%
Median		5,016	3,863	6,690	348	1.44	1.00x	15.4x	29.8x	12.3%	6.7%

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

‡ = excluded from Mean and Median calculations

Source: CapitalIQ

(1) As of close August 31, 2023.

(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 close June 30, 2023, excluding TTEK (July 02, 2023); NVEE (July 1, 2023); TRNS (June 24, 2023); MSM (June 03, 2023); CMC (May 31, 2023).

(4) Excludes non-recurring and discontinued operations.

(5) Excluding Cardno Limited (ASX:CDD) due to continuous negative Enterprise Value.

Selected M&A Transactions

Industrial & Technical Services

Announced	Target	Target Description	Acquirer	Value
Aug 28	Abcam plc (NasdaqGS:ABCM)	A life science company, focuses on identifying, developing, and distributing reagents and tools for scientific research, diagnostics, and drug discovery	Danaher Corporation (NYSE:DHR)	\$5,889.5
Aug 15	Assets of Baltimore Scrap Corporation	Comprises of a metal recycler	Sims Limited (ASX:SGM)	\$177.0

ND – Not disclosed. Transaction values in millions.

Selected News

Industrial & Technical Services

AECOM (NYSE:ACM) reported third quarter net income of (\$134.7) million for fiscal year 2023 as compared to \$101.9 million for the prior year period. Earnings per share were (\$0.65) versus \$0.70 for the prior year period. Revenues for the quarter increased to \$3,663.5 million from \$3,241.7 million for the same period in fiscal year 2022.

Aurubis AG (XTRA:NDA) reported third quarter net income of \$4.4 million for fiscal year 2023 as compared to \$82.5 million for the prior year period. Earnings per share were \$0.06 versus \$1.60 for the prior year period. Revenues for the quarter decreased to \$4,570.4 million from \$5,254.3 million for the same period in fiscal year 2022.

Balfour Beatty plc (LSE:BBY) reported second quarter net income of \$40.0 million for fiscal year 2023 as compared to \$59.5 million for the prior year period. Earnings per share were \$0.07 versus \$0.05 for the prior year period. Revenues for the quarter increased to \$2,421.5 million from \$2,166.6 million for the same period in fiscal year 2022.

Clean Harbors, Inc. (NYSE:CLH) reported second quarter net income of \$115.8 million for fiscal year 2023 as compared to \$148.2 million for the prior year period. Earnings per share were \$1.82 versus \$2.13 for the prior year period. Revenues for the quarter increased to \$1,397.9 million from \$1,356.3 million for the same period in fiscal year 2022.

Dowa Holdings Co., Ltd. (TSE:5714) reported first quarter net income of \$54.3 million for fiscal year 2024 as compared to \$96.1 million for the prior year period. Earnings per share were \$0.77 versus \$1.58 for the prior year period. Revenues for the quarter decreased to \$1,320.8 million from \$1,544.9 million for the same period in fiscal year 2023.

Fluor Corporation (NYSE:FLR) reported second quarter net income of \$61.0 million for fiscal year 2023 as compared to \$66.0 million for the prior year period. Earnings per share were \$0.46 versus \$0.37 for the prior year period. Revenues for the quarter increased to \$3,939.0 million from \$3,299.0 million for the same period in fiscal year 2022.

Jacobs Solutions Inc. (NYSE:J) reported third quarter net income of \$164.2 million for fiscal year 2023 as compared to \$196.0 million for the prior year period. Earnings per share were \$1.20 versus \$1.13 for the prior year period. Revenues for the quarter increased to \$4,186.7 million from \$3,827.1 million for the same period in fiscal year 2022.

John Wood Group PLC (LSE:WG.) reported second quarter net income of (\$14.7) million for fiscal year 2023 as compared to \$44.3 million for the prior year period. Earnings per share were (\$0.01) versus (\$0.02) for the prior year period. Revenues for the quarter increased to \$1,493.1 million from \$1,281.4 million for the same period in fiscal year 2022.

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

Source: S&P Capital IQ

Selected News (cont'd)

Industrial & Technical Services

MRC Global Inc. (NYSE:MRC) reported second quarter net income of \$24.0 million for fiscal year 2023 as compared to \$14.0 million for the prior year period. Earnings per share were \$0.26 versus \$0.15 for the prior year period. Revenues for the quarter increased to \$871.0 million from \$848.0 million for the same period in fiscal year 2022.

NV5 Global, Inc. (NYSE:NVEE) reported second quarter net income of \$15.4 million for fiscal year 2023 as compared to \$17.3 million for the prior year period. Earnings per share were \$0.68 versus \$0.89 for the prior year period. Revenues for the quarter increased to \$222.6 million from \$202.7 million for the same period in fiscal year 2022.

Primoris Services Corporation (NYSE:PRIM) reported second quarter net income of \$39.0 million for fiscal year 2023 as compared to \$50.2 million for the prior year period. Earnings per share were \$0.64 versus \$0.33 for the prior year period. Revenues for the quarter increased to \$1,413.4 million from \$1,022.9 million for the same period in fiscal year 2022.

Sims Limited (ASX:SGM) reported net income of \$120.5 million for fiscal year 2023 as compared to \$412.9 million for the prior year. Earnings per share were \$0.37 versus \$1.41 for the prior year. Revenues for the year decreased to \$5,380.1 million from \$6,392.0 million for fiscal year 2022.

Tetra Tech, Inc. (NasdaqGS:TTEK) reported third quarter net income of \$60.2 million for fiscal year 2023 as compared to \$58.7 million for the prior year period. Earnings per share were \$0.99 versus \$0.93 for the prior year period. Revenues for the quarter increased to \$987.6 million from \$720.5 million for the same period in fiscal year 2022.

Transcat, Inc. (NasdaqGM:TRNS) reported first quarter net income of \$2.9 million for fiscal year 2024 as compared to \$3.1 million for the prior year period. Earnings per share were \$0.30 versus \$0.28 for the prior year period. Revenues for the quarter increased to \$60.6 million from \$54.7 million for the same period in fiscal year 2023.

Veolia Environnement SA (ENXTPA:VIE) reported second quarter net income of \$285.4 million for fiscal year 2023 as compared to \$123.4 million for the prior year period. Earnings per share were \$0.28 versus \$0.29 for the prior year period. Revenues for the quarter increased to \$12,421.0 million from \$10,555.9 million for the same period in fiscal year 2022.

WESCO International, Inc. (NYSE:WCC) reported second quarter net income of \$193.1 million for fiscal year 2023 as compared to \$220.7 million for the prior year period. Earnings per share were \$3.42 versus \$3.80 for the prior year period. Revenues for the quarter increased to \$5,745.5 million from \$5,483.5 million for the same period in fiscal year 2022.

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

Source: S&P Capital IQ

MHH Manufacturing Universe Directory

Manufacturing Update

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

Company	Sector
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
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
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

Company	Sector
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

Mufson Howe Hunter & Co. is an independent investment bank for middle-market companies. We focus on mergers, acquisitions, recapitalizations, and raising capital.

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

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