



Mufson Howe Hunter

Manufacturing Update

Q2 2024

Primary MHH Manufacturing Contacts

Michael J. Howe

Managing Director
Direct Dial: 215.399.5413
Mobile: 215.808.0160
mhowe@mhhco.com

Joe Golden

Managing Director
Mobile: 703.785.5525
jgolden@mhhco.com

Isabel Schaefer

Vice President
Direct Dial: 215.399.5418
Mobile: 610.888.1937
ischaefer@mhhco.com

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

Mufson Howe Hunter & Partners LLC
Member SIPC | FINRA

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 both financial and stock performance as well as recent news.

Macro-Economic Trends

	May-24	Jun-24	Trend
PMI	48.7	48.5	Negative
Total Unemployment	4.0	4.1	Negative
CPI Monthly Change	0.0	-0.1	Positive
PPI Monthly Change	-0.2	0.2	Negative
Industrial Production	103.3	104.0	Positive
Capacity Utilization	78.3	78.8	Positive
Manufacturing Production	99.9	100.3	Positive
Manufacturing Utilization	77.6	77.9	Positive

Sector Index Performance

	3-Year	LTM	3-Month
Aerospace & Defense	17.5%	6.8%	-3.2%
Components & Materials	-18.6%	1.6%	-1.1%
Industrial Equipment	42.0%	32.9%	2.5%
Industrial & Technical Services	39.5%	8.9%	-7.1%
NASDAQ	23.1%	28.6%	8.2%
S&P 500	27.6%	22.7%	4.1%

Table of Contents

Section 1	Major Economic Indicators.....	3
Section 2	Sector Index Performance.....	5
Section 3	Subsector Statistics.....	6
Section 4	Aerospace & Defense.....	9
Section 5	Components & Materials.....	13
Section 6	Industrial Equipment.....	19
Section 7	Industrial & Technical Services.....	25
Section 8	MHH Manufacturing Universe Directory.....	30

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.

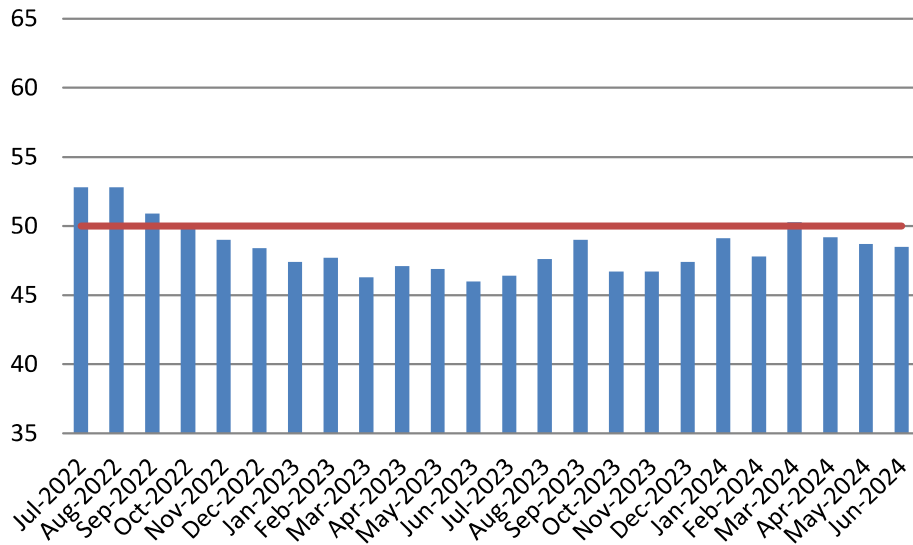
The companies that comprise each Index can change periodically as a result of a variety of reasons, including mergers, acquisitions, initial public offerings, and other transactions; therefore, comparisons to historical time periods and historical performance for each Index may not entirely correspond 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 © 2024 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

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)



Source: Institute for Supply Management

Commentary

Activity in the Manufacturing sector as measured by the PMI decreased by 0.2% in June, contracting for the third consecutive month and the 10th time in the last 20 months.

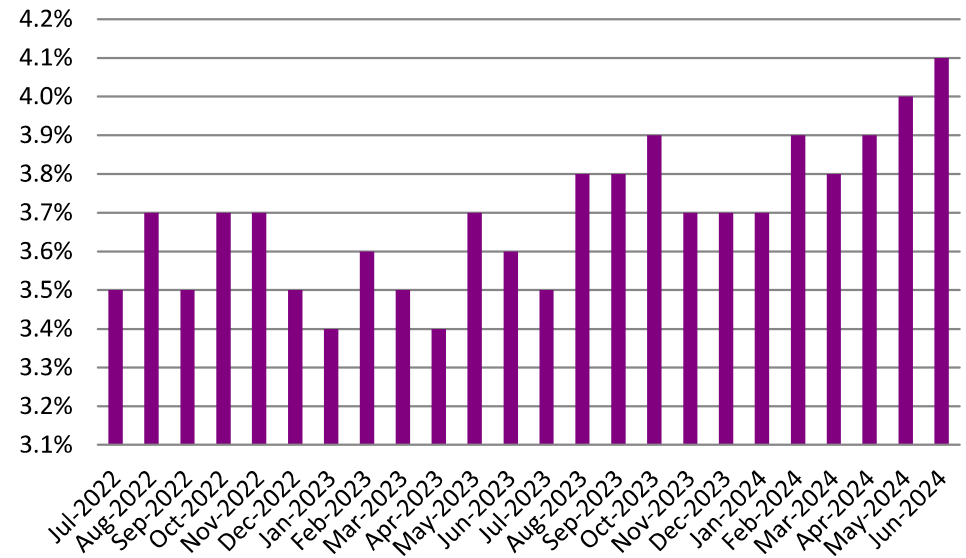
Prices of Raw Materials experienced expansion during June 2024.

Whereas New Orders, Production, Employment, Deliveries, Inventories, Backlog, Exports and Imports contracted during June 2024.

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)



Source: United States Bureau of Labor

Commentary

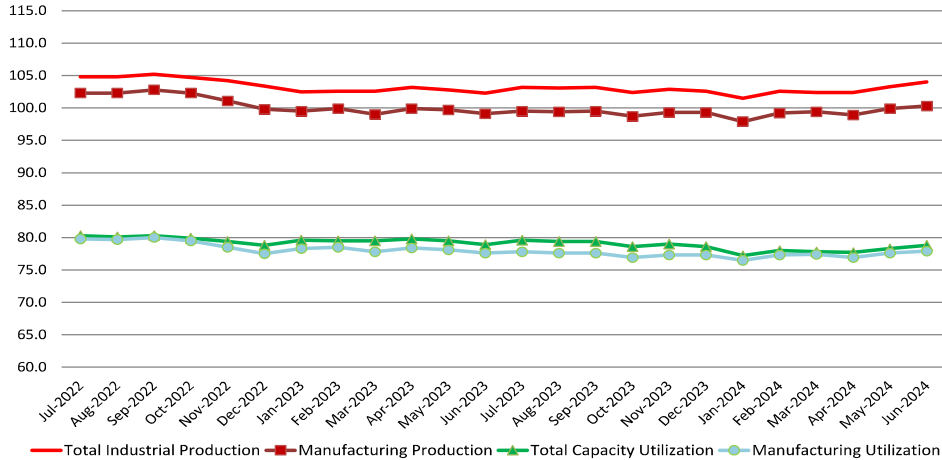
Both the unemployment rate, at 4.1%, and the number of unemployed people, at 6.8 million, changed little in June. These measures are higher than a year earlier, when the jobless rate was 3.6% and the number of unemployed people was 6.0 million. Notable job gains occurred in Government, Health Care, Social Assistance and Construction.

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

Industrial Production and Capacity Utilization

The Production Index (i.e., red graph) measures real output and is expressed as a percentage of real output in a base year, currently 2017. The Capacity Utilization Index (i.e., green 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)



Source: United States Federal Reserve

Commentary

Industrial Production rose 0.6% month-over-month (i.e., red line) in June while Manufacturing output posted a similar gain of 0.4% (i.e., boxed red line). The Mining Index rose 0.3%, and the Utilities Index rose 2.8%. Total Industrial Production in June was 1.6% higher than its year-earlier level. Capacity Utilization moved up in June to 78.8%, a rate, however, that is 0.9% below its long-run average. Manufacturing Utilization increased as well, reaching 77.9%.

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)



Source: United States Bureau of Labor

Commentary

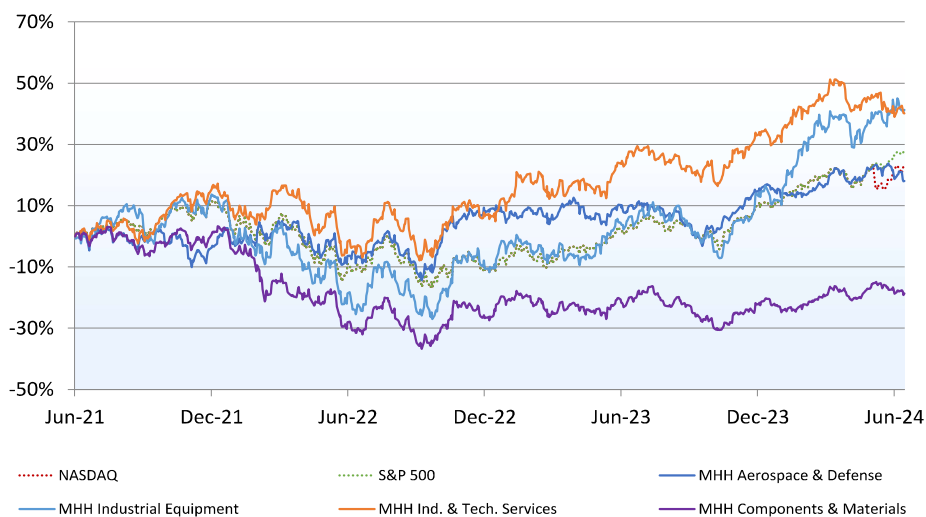
The Consumer Price Index for All Urban Consumers fell 0.1% in June on a seasonally adjusted basis. Consumer prices for all items (except food and energy) rose 3.0% over the past 12 months; the CPI All Items index increased 3.3% for the 12 months ended in May. The Producer Price Index for final demand advanced 0.2% in June; furthermore, final demand prices rose by 2.6% during the 12 months ended in June.

Sector Index Performance

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

Last Three Years

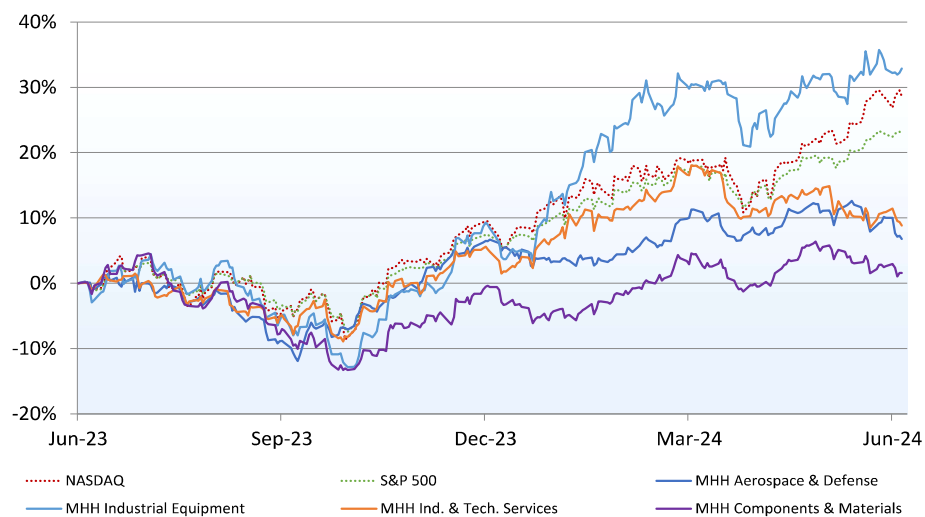
Daily from June 30, 2021 to June 30, 2024
Price as Percent of Base (June 30, 2021 = 0%)



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

Last Twelve Months

Daily from June 30, 2023 to June 30, 2024
Price as Percent of Base (June 30, 2023 = 0%)



Price Appreciation

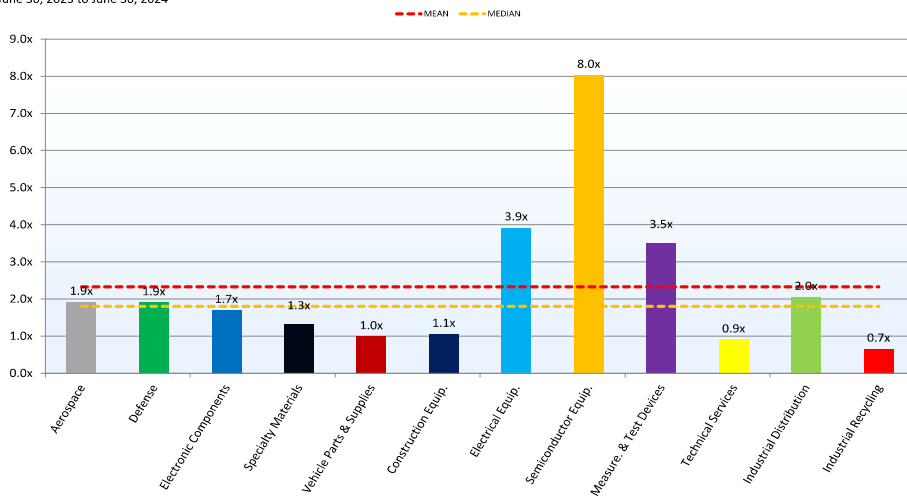
	3-Year	LTM	3-Month
MHH Aerospace & Defense	17.5%	6.8%	-3.2%
MHH Components & Materials	-18.6%	1.6%	-1.1%
MHH Industrial Equipment	42.0%	32.9%	2.5%
MHH Industrial & Technical Services	39.5%	8.9%	-7.1%
NASDAQ	23.1%	28.6%	8.2%
S&P 500	27.6%	22.7%	4.1%

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

Subsector Statistics

Comparative Subsector LTM EV/Revenue

Last Twelve Months EV/Revenue
June 30, 2023 to June 30, 2024

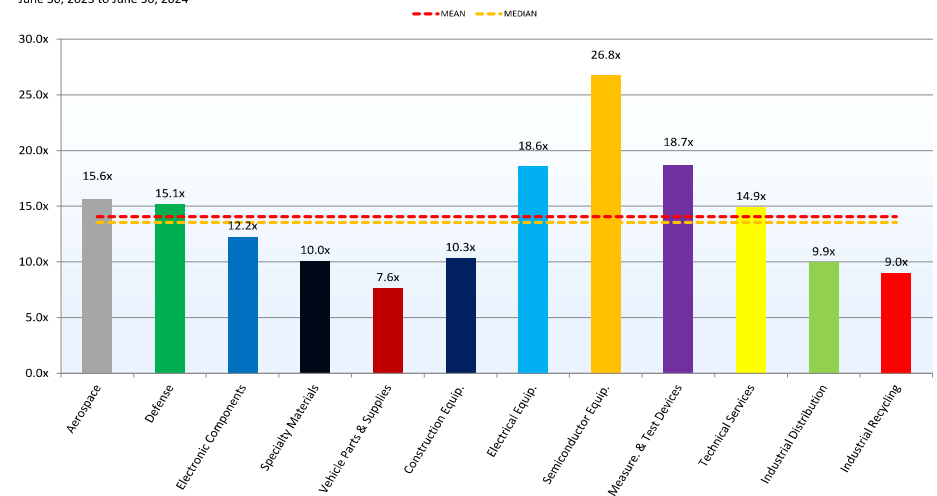


Commentary

During the last twelve months, our subsector indices had a mean EV/Revenue of 2.3x (i.e., red dashed line) and a median of 1.8x (i.e., yellow dashed line). Of the subsectors, Semiconductor Equipment had the highest multiple at 8.0x and Industrial Recycling had the lowest multiple at 0.7x.

Comparative Subsector LTM EV/EBITDA

Last Twelve Months EV/EBITDA
June 30, 2023 to June 30, 2024



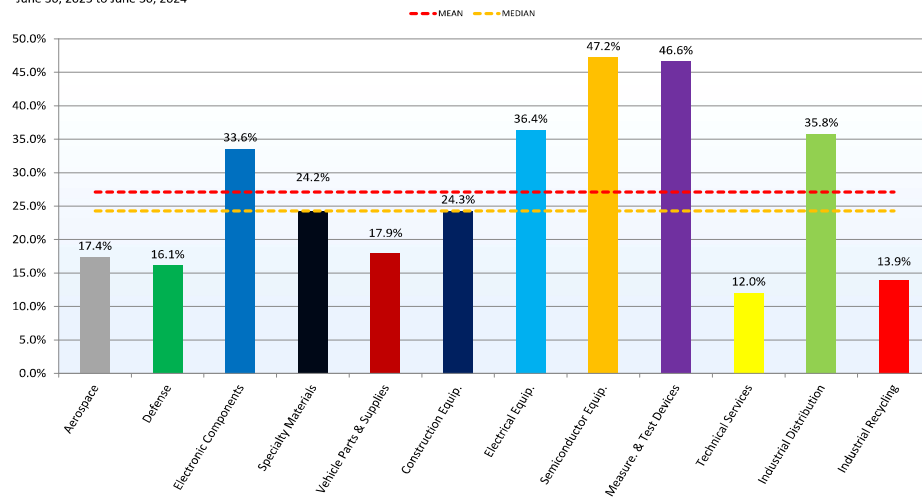
Commentary

During the last twelve months, our subsector indices had a mean EV/EBITDA of 14.1x (i.e., red dashed line) and a median of 13.6x (i.e., yellow dashed line). Of the subsectors, Semiconductor Equipment had the highest multiple at 26.8x and Vehicle Parts & Supplies had the lowest multiple at 7.6x.

Subsector Statistics (cont'd.)

Comparative Subsector LTM Gross Margin

Last Twelve Months Gross Margin
June 30, 2023 to June 30, 2024

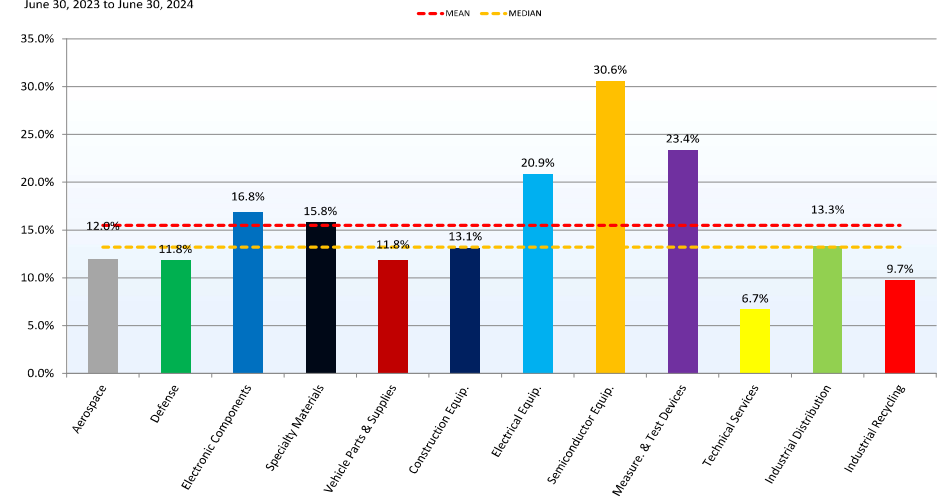


Commentary

During the last twelve months, our subsector indices had a mean Gross Margin of 27.1% (i.e., red dashed line) and a median of 24.3% (i.e., yellow dashed line). Of the subsectors, Semiconductor Equipment had the highest margin at 47.2%, and Technical Services had the lowest margin at 12.0%.

Comparative Subsector LTM EBITDA Margin

Last Twelve Months EBITDA Margin
June 30, 2023 to June 30, 2024



Commentary

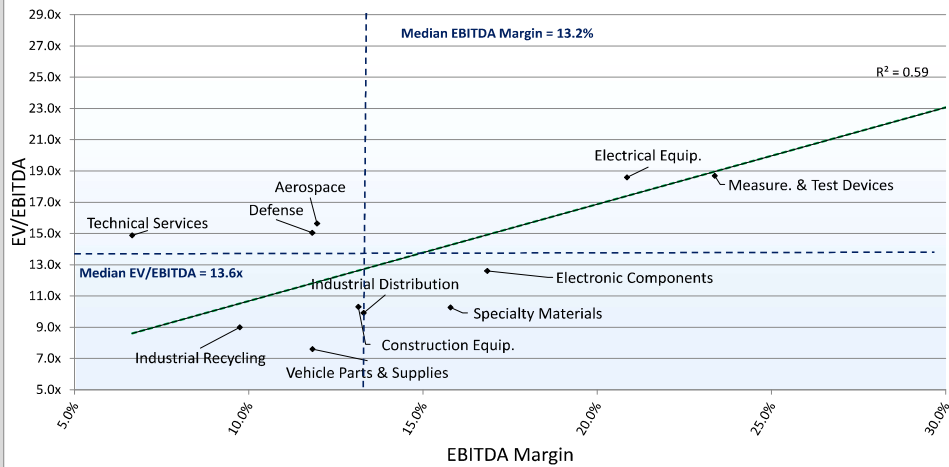
During the last twelve months, our subsector indices had a mean EBITDA Margin of 15.5% (i.e., red dashed line) and a median of 13.2% (i.e., yellow dashed line). Of the subsectors, Semiconductor Equipment had the highest margin at 30.6% and Technical Services had the lowest margin at 6.7%.

Subsector Trading Multiples & Margins

Last Twelve Months from June 30, 2023 to June 30, 2024

Index Subsector LTM EV/EBITDA vs EBITDA Margin

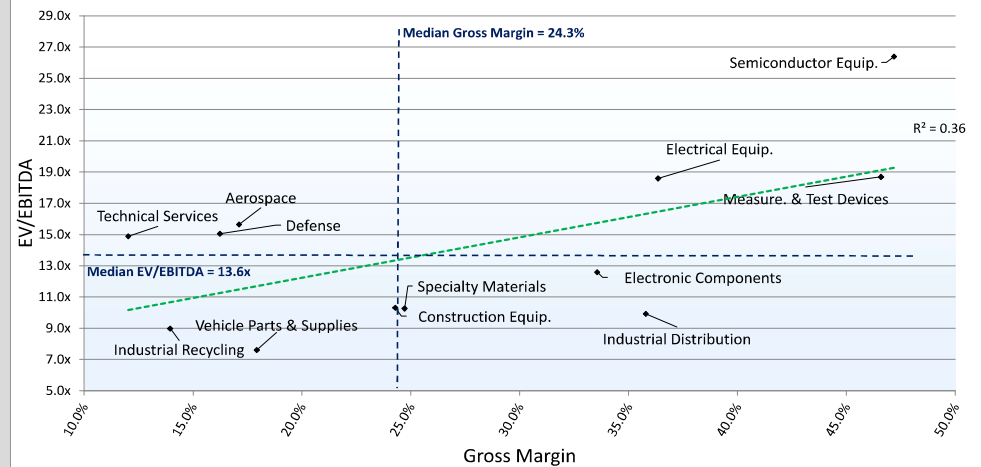
Last Twelve Months EV/EBITDA vs. EBITDA Margin
June 30, 2023 to June 30, 2024



*Upper Right ("Northeast") Quadrant: Leaders; Lower Left ("Southwest") Quadrant: Laggards
*Note: The green dotted line represents the regression line.

Index Subsector LTM EV/EBITDA vs. Gross Margin

Last Twelve Months EV/EBITDA vs Gross Margin
June 30, 2023 to June 30, 2024



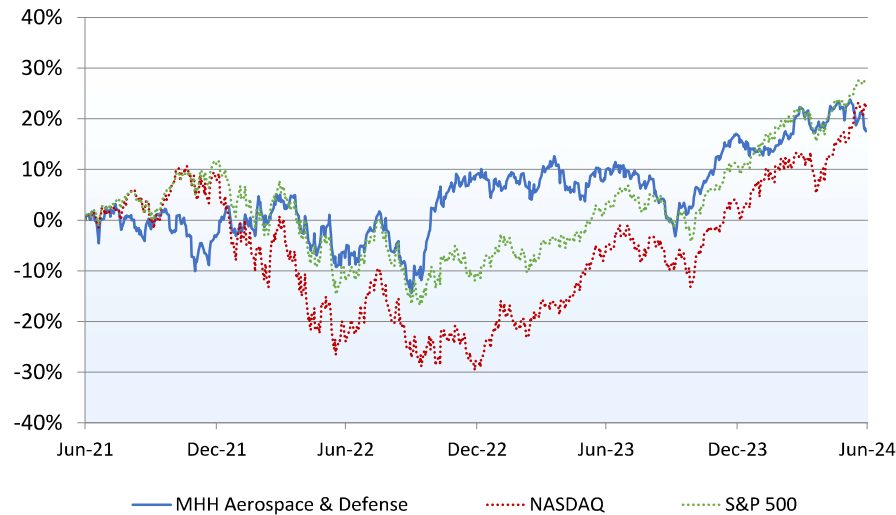
*Upper Right ("Northeast") Quadrant: Leaders; Lower Left ("Southwest") Quadrant: Laggards
*Note: The green dotted line represents the regression line.

Comparative Index Performance

The MHH Aerospace & Defense Index^(a) decreased by 3.2% during the three months ending June 30, 2024.

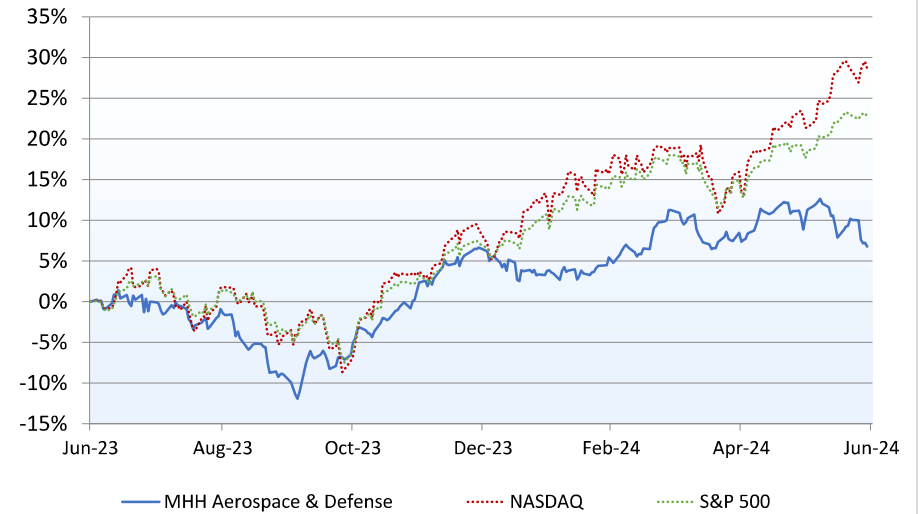
Last Three Years

Daily from June 30, 2021 to June 30, 2024
Price as Percent of Base (June 30, 2021 = 0%)



Last Twelve Months

Daily from June 30, 2023 to June 30, 2024
Price as Percent of Base (June 30, 2023 = 0%)



Price Appreciation

	3-Year	LTM	3-Month
MHH Aerospace & Defense ^(a)	17.5%	6.8%	-3.2%
NASDAQ	23.1%	28.6%	8.2%
S&P 500	27.6%	22.7%	4.1%

(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.

Aerospace & Defense

Selected Valuation Metrics

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

Company	Market & Capitalization			LTM Performance ⁽³⁾				Valuation			Margins		
	Price ⁽¹⁾	Equity Value	Enterprise Value ⁽²⁾	Revenue	EBITDA ⁽⁴⁾	EBIT ⁽⁴⁾	EPS	Enterprise Value/ Revenue EBITDA EBIT		Price/ EPS	Gross Profit	EBITDA	
Aerospace													
RTX Corporation (RTX)	\$100.39	\$133,252	\$173,551	\$71,011	\$9,346	\$5,110	\$1.58	2.44x	18.6x	34.0x	NM	17.0%	13.2%
Honeywell International Inc. (HON)	213.54	139,054	154,001	36,903	8,921	\$7,737	6.83	4.17x	17.3x	19.9x	31.3x	37.5%	24.2%
The Boeing Company (BA)	182.01	111,733	152,137	76,442	2,675	\$829	(0.36)	1.99x	NM	NM	NM	11.5%	3.5%
Airbus SE (ENXTPA:AIR)	137.43	108,694	105,928	71,759	6,773	\$4,747	4.59	1.48x	15.6x	22.3x	29.9x	15.5%	9.4%
Rolls-Royce Holdings plc (LSE:RR.)	5.77	48,284	50,973	20,999	2,955	\$2,334	0.18	2.43x	17.2x	21.8x	31.5x	22.1%	14.1%
Thales S.A. (ENXTPA:HO)	160.18	33,105	37,919	20,578	2,637	\$1,705	0.00	1.84x	14.4x	22.2x	NA	26.0%	12.8%
Textron Inc. (TXT)	85.86	16,373	18,893	13,897	1,688	\$1,308	3.97	1.36x	11.2x	14.4x	21.7x	16.5%	12.1%
Embraer S.A. (BOVESPA:EMBR3)	6.51	4,784	6,133	5,350	429	\$339	0.23	1.15x	14.3x	18.1x	28.7x	17.7%	8.0%
Mean		\$74,410	\$87,442	\$39,617	\$4,428	\$3,014	\$2.13	2.11x	15.5x	21.8x	28.6x	20.5%	12.2%
Median		78,489	78,451	28,951	2,815	2,019	0.90	1.92x	15.6x	21.8x	29.9x	17.4%	12.5%
Defense													
Lockheed Martin Corporation (LMT)	\$467.10	\$112,075	\$128,703	\$71,069	\$10,091	\$8,873	\$20.57	1.81x	12.8x	14.5x	22.7x	12.0%	14.2%
General Dynamics Corporation (GD)	290.14	79,476	89,503	44,946	4,857	3,999	9.66	1.99x	18.4x	22.4x	30.0x	15.5%	10.8%
Northrop Grumman Corporation (NOC)	435.95	64,516	79,266	40,122	4,144	2,805	9.86	1.98x	19.1x	28.3x	NM	16.7%	10.3%
L3Harris Technologies, Inc. (LHX)	224.58	42,598	55,893	20,159	3,640	2,404	6.12	2.77x	15.4x	23.3x	36.7x	26.3%	18.1%
BAE Systems plc (BA.)	16.68	50,155	53,634	29,396	3,595	3,007	0.56	1.82x	14.9x	17.8x	30.0x	65.4%	12.2%
Huntington Ingalls Industries, Inc. (HII)	246.33	9,714	12,359	11,585	1,132	792	11.48	1.07x	10.9x	15.6x	21.5x	14.4%	9.8%
Mean		\$59,756	\$69,893	\$36,213	\$4,576	\$3,647	\$9.71	1.91x	15.3x	20.3x	28.2x	25.1%	12.6%
Median		57,336	67,580	34,759	3,892	2,906	9.76	1.90x	15.1x	20.1x	30.0x	16.1%	11.5%

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

‡ = excluded from Mean and Median calculations

Source: CapitalIQ

(1) As of close June 30, 2024.

(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 March 31, 2024 excluding TXT (March 30, 2024); LHX (March 29, 2024); and BA., ENXTPA:HO & LSE:RR. (December 31, 2023).

(4) Excludes non-recurring and discontinued operations.

Aerospace & Defense

Selected M&A Transactions

Announced	Target	Target Description	Acquirer	Value
Jun 20	Cobham Advanced Electronic Solutions Inc.	Designs, develops, and manufactures antennas; ASICs; cable assemblies; motion control; power devices and power conversion devices for space applications.	Honeywell International Inc. (NasdaqGS:HON)	\$1,900.0
May 30	Lockheed Martin Commercial Engine Solutions	Provides engine modification, repair, and overhaul services. The company was founded in 1997 and is based in Montreal, Canada.	FTAI Aviation Ltd. (NasdaqGS:FTAI)	\$170.0
May 21	Get SAT Ltd	Communications equipment company based in Israel.	Thales S.A. (ENXTPA:HO)	ND
May 03	General Dynamics Mission Systems - Italy S.R.L.	Engages in providing integrated security solutions for critical infrastructure and defense, energy, and telecommunication sectors.	Maticmind S.p.A.	ND
Apr 26	GKN Aerospace North America, Inc.	Manufactures and sells aerospace components to aircraft and space vehicle manufacturers.	The Boeing Company (NYSE:BA)	ND

ND – Not Disclosed. Transaction values in millions.

Airbus SE (ENXTPA:AIR) reported first quarter net income of \$641.9 million for fiscal year 2024 as compared to \$506.3 million for the prior year period. Earnings per share were \$0.78 versus \$0.50 for the prior year period. Revenues for the quarter increased to \$13,841.8 million from \$12,780.3 million for the same period in fiscal year 2023.

General Dynamics Corporation (NYSE:GD) reported second quarter net income of \$905.0 million for fiscal year 2024 as compared to \$744.0 million for the prior year period. Earnings per share were \$2.45 versus \$2.01 for the prior year period. Revenues for the quarter increased to \$11,976.0 million from \$10,152.0 million for the same period in fiscal year 2023.

Honeywell International Inc. (NasdaqGS:HON) reported first quarter net income of \$1,463.0 million for fiscal year 2024 as compared to \$1,394.0 million for the prior year period. Earnings per share were \$1.78 versus \$1.63 for the prior year period. Revenues for the quarter increased to \$9,105.0 million from \$8,864.0 million for the same period in fiscal year 2023.

L3Harris Technologies, Inc. (NYSE:LHX) reported first quarter net income of \$283.0 million for fiscal year 2024 as compared to \$337.0 million for the prior year period. Earnings per share were \$1.49 versus \$1.41 for the prior year period. Revenues for the quarter increased to \$5,211.0 million from \$4,471.0 million for the same period in fiscal year 2023.

Lockheed Martin Corporation (NYSE:LMT) reported second quarter net income of \$1,641.0 million for fiscal year 2024 as compared to \$1,681.0 million for the prior year period. Earnings per share were \$5.08 versus \$5.04 for the prior year period. Revenues for the quarter increased to \$18,122.0 million from \$16,693.0 million for the same period in fiscal year 2023.

Northrop Grumman Corporation (NYSE:NOC) reported first quarter net income of \$944.0 million for fiscal year 2024 as compared to \$842.0 million for the prior year period. Earnings per share were \$4.73 versus \$4.07 for the prior year period. Revenues for the quarter increased to \$10,133.0 million from \$9,301.0 million for the same period in fiscal year 2023.

RTX Corporation (NYSE:RTX) reported first quarter net income of \$1,709.0 million for fiscal year 2024 as compared to \$1,426.0 million for the prior year period. Earnings per share were \$0.65 versus \$0.73 for the prior year period. Revenues for the quarter increased to \$19,305.0 million from \$17,214.0 million for the same period in fiscal year 2023.

Textron Inc. (NYSE:TXT) reported second quarter net income of \$259.0 million for fiscal year 2024 as compared to \$263.0 million for the prior year period. Earnings per share were \$1.09 versus \$1.02 for the prior year period. Revenues for the quarter increased to \$3,527.0 million from \$3,424.0 million for the same period in fiscal year 2023.

The Boeing Company (NYSE:BA) reported first quarter net income of (\$343.0) million for fiscal year 2024 as compared to (\$414.0) million for the prior year period. Earnings per share were (\$0.28) versus \$0.06 for the prior year period. Revenues for the quarter decreased to \$16,569.0 million from \$17,921.0 million for the same period in fiscal year 2023.

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

Source: S&P Capital IQ

Comparative Index Performance

The MHH Components & Materials index^(a) decreased by 1.1% during the three months ending June 30, 2024.

Last Three Years

Daily from June 30, 2021 to June 30, 2024
Price as Percent of Base (June 30, 2021 = 0%)



Last Twelve Months

Daily from June 30, 2023 to June 30, 2024
Price as Percent of Base (June 30, 2023 = 0%)



Price Appreciation

	3-Year	LTM	3-Month
MHH Components & Materials ^(a)	-18.6%	1.6%	-1.1%
NASDAQ	23.1%	28.6%	8.2%
S&P 500	27.6%	22.7%	4.1%

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

Components & Materials

Selected Valuation Metrics

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

Company	Market & Capitalization			LTM Performance ⁽³⁾				Valuation			Margins		
	Price ⁽¹⁾	Equity Value	Enterprise Value ⁽²⁾	Revenue	EBITDA ⁽⁴⁾	EBIT ⁽⁴⁾	EPS	Enterprise Value/Revenue	EBITDA/Revenue	EBIT/Revenue	Price/EPS	Gross Profit	EBITDA
Electronic Components													
Amphenol Corporation (APH)	\$67.37	\$80,925	\$83,354	\$13,393	\$3,270	\$2,827	\$1.34	6.22x	NM	29.5x	NM	33.2%	24.4%
TE Connectivity Ltd. (TEL)	150.43	45,952	49,120	15,812	3,706	2,912	5.87	3.11x	13.3x	16.9x	25.6x	33.9%	23.4%
Corning Incorporated (GLW)	38.85	33,280	40,539	12,385	2,650	1,285	0.91	3.27x	15.3x	31.5x	NM	33.9%	21.4%
OMRON Corporation (TSE:6645)	34.37	6,768	7,974	5,413	431	227	0.28	1.47x	18.5x	35.1x	NM	42.3%	8.0%
Belden Inc. (BDC)	93.80	3,816	4,624	2,406	387	293	3.84	1.92x	11.9x	15.8x	24.4x	37.9%	16.1%
Vishay Intertechnology, Inc. (VSH)	22.30	3,060	3,182	3,277	552	361	1.66	0.97x	5.8x	8.8x	13.4x	26.4%	16.8%
Alps Alpine Co., Ltd. (TSE:6770)	9.55	1,964	2,015	6,374	402	127	0.49	0.32x	5.0x	15.8x	19.5x	17.2%	6.3%
National Cable And Wire Manufacturing Company (WIRE)	0.18	4	18	21	0	(1)	(0.07)	0.83x	NM	NM	NM	-0.9%	NM
Mean		\$21,971	\$23,853	\$7,385	\$1,425	\$1,318	\$1.79	2.26x	11.6x	21.9x	20.8x	28.0%	16.6%
Median		5,292	6,299	5,894	491	823	1.13	1.70x	12.6x	16.9x	22.0x	33.6%	16.8%
Specialty Materials													
3M Company (MMM)	102.19	56,548	67,900	32,614	7,362	5,559	5.21	2.08x	9.2x	12.2x	19.6x	44.8%	22.6%
BASF SE (DE:BAS)	\$48.41	\$43,211	\$66,034	\$69,934	\$6,020	\$2,364	\$1.00	0.94x	11.0x	27.9x	NM	24.7%	8.6%
Dow Inc. (DOW)	53.05	37,305	51,117	43,031	4,980	2,334	1.29	1.19x	10.3x	21.9x	NM	11.0%	11.6%
DuPont de Nemours, Inc. (DD)	80.49	33,653	40,468	11,981	2,837	1,676	1.93	3.38x	14.3x	24.1x	NM	35.4%	23.7%
PPG Industries, Inc. (PPG)	125.89	29,630	35,551	18,099	2,858	2,291	5.56	1.96x	12.4x	15.5x	22.6x	42.4%	15.8%
Celanese Corporation (CE)	134.89	14,733	27,549	10,698	1,821	1,101	4.44	2.58x	15.1x	25.0x	30.4x	23.6%	17.0%
Akzo Nobel N.V. (ENXTAM:AKZA)	60.84	10,381	14,949	11,458	1,493	1,210	3.39	1.30x	10.0x	12.4x	18.0x	40.9%	13.0%
Evonik Industries AG (DE:EVK)	20.41	9,512	13,332	16,246	2,068	836	0.78	0.82x	6.4x	15.9x	26.0x	23.4%	12.7%
Solvay SA (ENXTBR:SOLB)	35.22	3,698	5,462	6,009	1,386	765	4.28	0.91x	3.9x	7.1x	8.2x	22.3%	23.1%
Mean		\$26,519	\$35,818	\$24,452	\$3,425	\$1,459	\$3.10	1.69x	10.3x	17.4x	20.8x	29.8%	16.5%
Median		29,630	35,551	16,246	2,837	1,210	3.39	1.30x	10.3x	15.9x	21.1x	24.7%	15.8%

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

‡ = excluded from Mean and Median calculations

Source: CapitalIQ

(1) As of close June 30, 2024.

(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 March 31, 2024 excluding LEA & VSH (March 30, 2024); TEL (March 29, 2024); and BSE:500530 (December 31, 2023).

(4) Excludes non-recurring and discontinued operations.

Components & Materials

Selected Valuation Metrics (cont'd.)

(\$ 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⁾	EBIT ⁽⁴⁾	EPS	Enterprise Value/ Revenue EBITDA EBIT		Price/ EPS	Gross Profit	EBITDA	
Vehicle Parts and Supplies													
Johnson Controls International plc (JCI)	\$66.47	\$44,779	\$57,198	\$26,832	\$2,963	\$2,057	\$1.54	2.13x	19.3x	27.8x	NM	32.8%	11.0%
DENSO Corporation (TSE:6902)	15.53	45,200	46,891	47,236	4,999	2,524	0.52	0.99x	9.4x	18.6x	30.1x	15.3%	10.6%
Aptiv PLC (APTV)	70.42	19,159	25,287	20,134	2,871	1,953	3.19	1.26x	8.8x	12.9x	22.1x	17.8%	14.3%
Continental Aktiengesellschaft (DB:CON)	56.74	11,336	17,629	44,128	3,577	1,631	4.04	0.40x	4.9x	10.8x	14.1x	20.7%	8.1%
Bosch Limited (BSE:500530)	408.21	12,040	11,638	1,984	250	200	5.25	5.86x	NM	58.1x	NM	33.7%	12.6%
Autoliv, Inc. (ALV)	106.99	8,568	10,327	10,568	1,357	973	6.68	0.98x	7.6x	10.6x	16.0x	18.1%	12.8%
Lear Corporation (LEA)	114.21	6,486	9,114	23,616	1,672	1,061	8.91	0.39x	5.5x	8.6x	12.8x	7.8%	7.1%
Stanley Electric Co., Ltd. (TSE:6923)	17.84	2,861	2,117	3,123	482	237	0.94	0.68x	4.4x	8.9x	18.9x	17.5%	15.4%
Mean		\$18,804	\$22,525	\$22,203	\$2,271	\$1,330	\$3.88	1.59x	8.6x	19.5x	19.0x	20.5%	11.5%
Median		11,688	14,633	21,875	2,271	1,346	3.61	0.98x	7.6x	11.9x	17.5x	17.9%	11.8%

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

‡ = excluded from Mean and Median calculations

Source: CapitalIQ

(1) As of close June 30, 2024.

(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 March 31, 2024 excluding LEA & VSH (March 30, 2024); TEL (March 29, 2024); and BSE:500530 (December 31, 2023).

(4) Excludes non-recurring and discontinued operations.

Components & Materials

Selected M&A Transactions

Announced	Target	Target Description	Acquirer	Value
Jun 25	Donatelle Plastics, Inc.	Health care equipment company based in New Brighton, Minnesota.	DuPont de Nemours, Inc. (NYSE:DD)	ND
Jun 20	Circulus Holdings, PBLLC	Manufactures resins suitable for commercial and industrial applications.	Dow Inc. (NYSE:DOW)	ND
Jun 06	Ametherm, Inc.	Manufactures, and markets inrush current limiting power thermistors for circuit protection in the power market industry.	Vishay Intertechnology, Inc. (NYSE:VSH)	\$31.5
May 07	BASF Vostok LLC	Engages in the production of paints, varnishes and coating materials, printing inks and mastics for passenger cars to commercial vehicles.	Lakra Sintez OOO	ND
May 02	Precision Optical Transceivers, Inc.	Engages in the research, development, manufacturing, and commercialization of autonomous vehicles that perform all driving tasks.	Belden Inc. (NYSE:BDC)	\$290.0
Apr 29	WIP Industrial Automation	Manufactures and markets optical transceivers and related active/passive optical components. Additionally, it offers system engineering, optical monitoring, remote assistance, and transceiver tuning services.	Lear Corporation (NYSE:LEA)	ND
Apr 15	Encore Wire Corporation	Engages in manufacture and sale of electrical building wires and cables in the United States used to distribute power from the transmission grid to the wall outlet or switch.	Prysmian S.p.A. (BIT:PRY)	\$4,808.6
Apr 08	EMT Púchov s.r.o.	Manufactures tire molds. It offers truck and bus molds, passenger and light truck molds, agricultural tire molds, PLT and CVT containers, mold parts, sidewalls, bead rings, clamping rings, and tread shoes.	Continental Aktiengesellschaft (XTRA:CON)	ND

ND – Not disclosed. Transaction values in millions.

Components & Materials

Selected News

3M Company (NYSE:MMM) reported first quarter net income of \$928.0 million for fiscal year 2024 as compared to \$976.0 million for the prior year period. Earnings per share were \$1.90 versus \$1.51 for the prior year period. Revenues for the quarter decreased to \$8,003.0 million from \$8,031.0 million for the same period in fiscal year 2023.

Akzo Nobel N.V. (ENXTAM:AKZA) reported second quarter net income of \$189.6 million for fiscal year 2024 as compared to \$128.8 million for the prior year period. Earnings per share were \$0.86 versus \$0.86 for the prior year period. Revenues for the quarter decreased to \$2,983.0 million from \$2,992.4 million for the same period in fiscal year 2023.

Amphenol Corporation (NYSE:APH) reported second quarter net income of \$524.8 million for fiscal year 2024 as compared to \$460.5 million for the prior year period. Earnings per share were \$0.36 versus \$0.30 for the prior year period. Revenues for the quarter increased to \$3,609.7 million from \$3,053.9 million for the same period in fiscal year 2023.

Autoliv, Inc. (NYSE:ALV) reported second quarter net income of \$138.0 million for fiscal year 2024 as compared to \$53.0 million for the prior year period. Earnings per share were \$1.50 versus \$1.38 for the prior year period. Revenues for the quarter decreased to \$2,605.0 million from \$2,635.0 million for the same period in fiscal year 2023.

BASF SE (DE:BAS) reported first quarter net income of \$1,475.9 million for fiscal year 2024 as compared to \$1,697.1 million for the prior year period. Earnings per share were \$1.30 versus \$1.43 for the prior year period. Revenues for the quarter decreased to \$18,937.3 million from \$21,719.9 million for the same period in fiscal year 2023.

Corning Incorporated (NYSE:GLW) reported first quarter net income of \$209.0 million for fiscal year 2024 as compared to \$176.0 million for the prior year period. Earnings per share were \$0.20 versus \$0.15 for the prior year period. Revenues for the quarter decreased to \$2,975.0 million from \$3,178.0 million for the same period in fiscal year 2023.

DENSO Corporation (TSE:6902) reported net income of \$2,068.0 million for fiscal year 2024 as compared to \$2,366.8 million for the prior year. Earnings per share were \$0.51 versus \$0.63 for the prior year. Revenues for the year decreased to \$47,236.3 million from \$48,154.1 million for fiscal year 2023.

Dow Inc. (NYSE:DOW) reported first quarter net income of \$516.0 million for fiscal year 2024 as compared to (\$93.0) million for the prior year period. Earnings per share were \$0.40 versus \$0.45 for the prior year period. Revenues for the quarter decreased to \$10,765.0 million from \$11,851.0 million for the same period in fiscal year 2023.

Encore Wire Corporation (NasdaqGS:WIRE) reported first quarter net income of \$63.3 million for fiscal year 2024 as compared to \$119.5 million for the prior year period. Earnings per share were \$3.18 versus \$5.29 for the prior year period. Revenues for the quarter decreased to \$632.7 million from \$660.5 million for the same period in fiscal year 2023.

Lear Corporation (NYSE:LEA) reported first quarter net income of \$109.6 million for fiscal year 2024 as compared to \$143.6 million for the prior year period. Earnings per share were \$2.14 versus \$2.04 for the prior year period. Revenues for the quarter increased to \$5,994.6 million from \$5,845.5 million for the same period in fiscal year 2023.

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

Source: S&P Capital IQ

Components & Materials

Selected News (cont'd.)

PPG Industries, Inc. (NYSE:PPG) reported second quarter net income of \$528.0 million for fiscal year 2024 as compared to \$490.0 million for the prior year period. Earnings per share were \$1.80 versus \$1.67 for the prior year period. Revenues for the quarter decreased to \$4,794.0 million from \$4,872.0 million for the same period in fiscal year 2023.

Stanley Electric Co., Ltd. (TSE:6923) reported net income of \$175.2 million for fiscal year 2024 as compared to \$199.3 million for the prior year. Earnings per share were \$0.94 versus \$0.93 for the prior year. Revenues for the year decreased to \$3,123.2 million from \$3,293.3 million for fiscal year 2023.

TE Connectivity Ltd. (NYSE:TEL) reported third quarter net income of \$573.0 million for fiscal year 2024 as compared to \$528.0 million for the prior year period. Earnings per share were \$1.54 versus \$1.35 for the prior year period. Revenues for the quarter decreased to \$3,979.0 million from \$3,998.0 million for the same period in fiscal year 2023.

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

Source: S&P Capital IQ

Comparative Index Performance

The MHH Industrial Equipment index^(a) increased by 2.5% during the three months ending June 30, 2024.

Last Three Years

Daily from June 30, 2021 to June 30, 2024

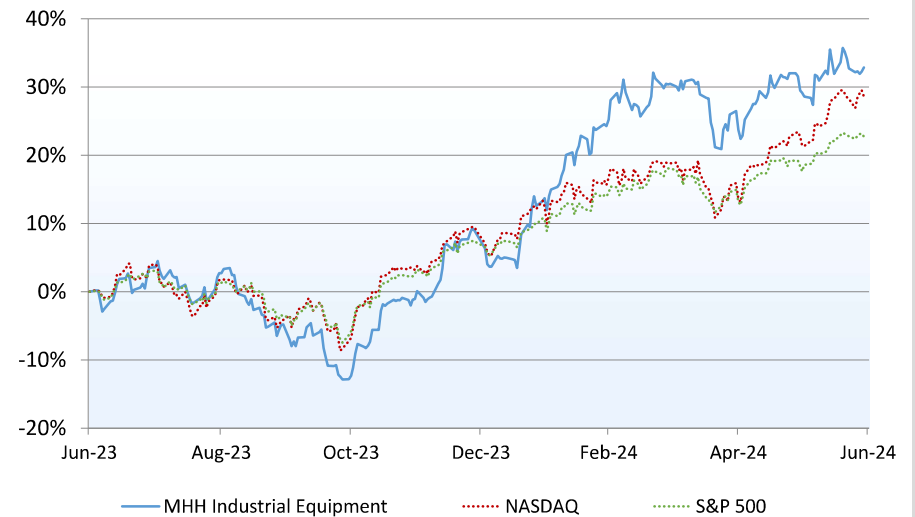
Price as Percent of Base (June 30, 2021 = 0%)



Last Twelve Months

Daily from June 30, 2023 to June 30, 2024

Price as Percent of Base (June 30, 2023 = 0%)



Price Appreciation

	3-Year	LTM	3-Month
MHH Industrial Equipment ^(a)	42.0%	32.9%	2.5%
NASDAQ	23.1%	28.6%	8.2%
S&P 500	27.6%	22.7%	4.1%

(a) Market cap weighted index assuming no dividend reinvestment. Mufson Howe Hunter Industrial Equipment Index is comprised of all companies listed on the following two pages.

Industrial Equipment

Selected Valuation Metrics

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

Company	Market & Capitalization			LTM Performance ⁽³⁾				Valuation			Margins		
	Price ⁽¹⁾	Equity Value	Enterprise Value ⁽²⁾	Revenue	EBITDA ⁽⁴⁾	EBIT ⁽⁴⁾	EPS	Enterprise Value/ Revenue EBITDA EBIT		Price/ EPS	Gross Profit	EBITDA	
Construction Equipment													
Caterpillar Inc. (CAT)	\$333.10	\$162,903	\$196,399	\$66,997	\$15,932	\$13,871	\$17.23	2.93x	12.3x	14.2x	19.3x	32.3%	23.8%
Deere & Company (DE)	373.63	102,961	165,835	58,604	15,472	14,415	26.07	2.83x	10.7x	11.5x	14.3x	34.8%	26.4%
Cummins Inc. (CMI)	276.93	37,878	43,281	34,015	4,373	3,340	14.54	1.27x	9.9x	13.0x	19.0x	24.3%	12.9%
HD Korea Shipbuilding & Offshore Engineering Co., Ltd. (KOSE:A009540)	115.24	8,149	9,070	16,347	702	343	3.57	0.55x	12.9x	26.4x	32.3x	NM	4.3%
Oshkosh Corporation (OSK)	108.20	7,076	8,246	9,934	1,159	983	8.86	0.83x	7.1x	8.4x	12.2x	18.3%	11.7%
Terex Corporation (TEX)	54.84	3,691	4,050	5,208	700	641	5.34	0.78x	5.8x	6.3x	10.3x	22.9%	13.4%
Mean		\$53,777	\$71,147	\$31,851	\$6,390	\$5,599	\$12.60	1.53x	9.8x	13.3x	17.9x	26.5%	15.4%
Median		23,014	26,176	25,181	2,766	2,162	11.70	1.05x	10.3x	12.2x	16.7x	24.3%	13.1%
Electrical Equipment													
Schneider Electric S.E. (ENXTPA:SU)	\$240.33	\$134,496	\$146,438	\$39,684	\$7,499	\$6,570	\$6.45	3.69x	19.5x	22.3x	37.3x	41.8%	18.9%
Eaton Corporation plc (ETN)	313.55	125,357	132,738	23,656	5,050	4,137	6.32	5.61x	26.3x	32.1x	NM	37.1%	21.3%
Emerson Electric Co. (EMR)	110.16	63,023	78,021	16,529	4,658	3,371	3.00	4.72x	16.7x	23.1x	36.7x	51.0%	28.2%
AMETEK, Inc. (AME)	166.71	38,588	41,382	6,736	2,074	1,721	4.34	6.14x	20.0x	24.1x	38.4x	35.6%	30.8%
Rockwell Automation, Inc. (ROK)	275.28	31,383	35,183	8,980	1,828	1,551	8.63	3.92x	19.2x	22.7x	31.9x	40.1%	20.4%
Hubbell Incorporated (HUBB)	365.48	19,621	21,497	5,487	1,199	1,029	11.05	3.92x	17.9x	20.9x	33.1x	34.6%	21.8%
Regal Rexnord Corporation (RRX)	135.22	8,995	14,962	6,574	1,247	722	2.68	2.28x	12.0x	20.7x	NM	34.6%	19.0%
Powell Industries, Inc. (POWL)	143.40	1,719	1,355	850	124	117	6.70	1.59x	10.9x	11.6x	21.4x	24.2%	14.6%
Mean		\$52,898	\$58,947	\$13,562	\$2,960	\$2,402	\$6.14	3.98x	17.8x	22.2x	33.1x	37.4%	21.9%
Median		34,986	38,282	7,858	1,951	1,636	6.38	3.92x	18.6x	22.5x	34.9x	36.4%	20.9%

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

‡ = excluded from Mean and Median calculations

Source: CapitalIQ

(1) As of close June 30, 2024.

(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 March 31, 2024 excluding DE (April 28, 2024); COHU, ENTG, FORM, ONTO (March 30, 2024); DHR (March 29, 2024); AMAT & DE (January 28, 2024); and ENXTPA:SU & KOSE:A009540 (December 31, 2023).

(4) Excludes non-recurring and discontinued operations.

Industrial Equipment

Selected Valuation Metrics (cont'd.)

(\$ 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⁾	EBIT ⁽⁴⁾	EPS	Enterprise Value/ Revenue EBITDA EBIT		Price/ EPS	Gross Profit EBITDA		
Measurement, Control, and Testing Devices													
Danaher Corporation (DHR)	\$249.85	\$185,061	\$197,298	\$23,568	\$7,432	\$5,175	\$4.35	8.37x	26.5x	38.1x	NM	59.8%	31.5%
Entegris, Inc. (ENTG)	135.40	20,417	24,304	3,373	881	503	0.93	7.21x	27.6x	NM	NM	42.9%	26.1%
MKS Instruments, Inc. (MKS)	130.58	8,775	12,910	3,696	882	504	1.28	3.49x	14.6x	NM	NM	46.6%	23.9%
Onto Innovation Inc. (ONTO)	219.56	10,819	10,096	846	193	127	1.87	NM	NM	NM	NM	51.1%	22.9%
Nova Ltd. (NVMI)	234.53	6,812	6,364	528	151	134	3.06	NM	NM	NM	NM	56.7%	28.5%
FormFactor, Inc. (FORM)	60.53	4,671	4,368	664	48	13	0.17	6.57x	NM	333.9x	NM	39.3%	7.3%
Axcelis Technologies, Inc. (ACLS)	142.19	4,626	4,170	1,129	279	271	5.38	3.69x	14.9x	15.4x	26.4x	44.6%	24.7%
Azenta, Inc. (NasdaqGS:AZTA)	52.62	2,837	1,947	652	16	(72)	(0.30)	2.99x	NM	NM	NM	40.7%	2.4%
Cohu, Inc. (COHU)	33.10	1,559	1,323	565	59	8	0.15	2.34x	22.4x	163.3x	NM	47.1%	10.4%
FARO Technologies, Inc. (FARO)	16.00	307	296	358	(1)	(16)	(0.68)	0.83x	NM	NM	NM	49.7%	NM
Mean		\$6,758	\$7,309	\$1,312	\$279	\$665	\$1.32	3.87x	19.9x	170.9x	26.4x	46.5%	18.3%
Median		4,671	4,368	664	151	130	0.93	3.49x	18.7x	163.3x	26.4x	46.6%	23.4%
Semiconductor Capital Equipment													
ASML Holding N.V. (ASML)	\$1,033.11	\$406,040	\$405,190	\$27,261	\$9,158	\$8,358	\$13.58	NM	NM	NM	NM	51.4%	33.6%
Applied Materials, Inc. (AMAT)	235.99	195,394	193,835	26,501	8,105	7,652	5.91	7.31x	23.9x	NM	39.9x	47.2%	30.6%
Lam Research Corporation (LRCX)	1,064.85	139,220	138,531	14,241	4,423	4,062	19.48	9.73x	NM	NM	NM	47.2%	31.1%
KLA Corporation (KLAC)	824.51	111,012	113,541	9,599	3,885	3,480	15.13	NM	29.2x	32.6x	NM	59.6%	40.5%
Tokyo Electron Limited (TSE:8035)	216.95	100,070	97,132	12,102	3,363	3,017	4.11	8.03x	28.9x	NM	NM	45.4%	27.8%
Teradyne, Inc. (TER)	148.29	23,150	22,362	2,659	615	504	1.97	8.41x	NM	44.4x	NM	57.2%	23.1%
Veeco Instruments Inc. (VECO)	46.71	2,646	2,659	687	108	83	0.94	3.87x	24.6x	NM	NM	43.4%	15.7%
Mean		\$139,647	\$139,036	\$13,293	\$4,237	\$3,879	\$8.73	7.47x	27.3x	38.5x	39.9x	50.2%	28.9%
Median		111,012	113,541	12,102	3,885	3,480	5.91	8.03x	26.8x	38.5x	39.9x	47.2%	30.6%

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

‡ = excluded from Mean and Median calculations

Source: CapitalIQ

(1) As of close June 30, 2024.

(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 March 31, 2024 excluding DE (April 28, 2024); COHU, ENTG, FORM, ONTO (March 30, 2024); DHR (March 29, 2024); AMAT & DE (January 28, 2024); and ENXTPA:SU & KOSE:A009540 (December 31, 2023).

(4) Excludes non-recurring and discontinued operations.

Industrial Equipment

Selected M&A Transactions

Announced	Target	Target Description	Acquirer	Value
Jun 18	Marathon Electric Motors (India) Ltd. (previously a subsidiary of Regal Rexnord Corporation)	Manufactures and sells AC and DC commercial, industrial, and HVAC electric motors in India to interconnect and control electric power generation equipment and electrical connecting devices.	WEG S.A. (BOVESPA:WEGE3)	ND
Jun 06	Copeland LP (Previously a subsidiary of Emerson Electric Co.)	Manufactures heating, ventilation, air conditioning, and refrigeration solutions for residential, industrial, and commercial applications	Abu Dhabi Investment Authority, Blackstone Inc. (NYSE:BX), GIC Private Limited	\$3,400.0
May 21	Exertherm Limited	Operates as an electrical components and equipment (heavy) company.	Eaton Corporation plc (NYSE:ETN)	ND
May 08	AUSACORP S.L	Engages in the design, manufacturing, and sale of compact all-terrain industrial vehicles for the residential, civil, and road construction industry and for the transportation and handling of industrial and agricultural materials.	Oshkosh Corporation (NYSE:OSK)	\$123.6
Apr 02	Delta Dore S.A. (Previously a subsidiary of Schneider Electric S.E.)	Manufactures and sells automation products for homes and buildings, such as lighting equipment, alarms, cameras, and sensors.	Arkéa Capital, SAS, BNP Paribas Développement SA, SCR, Unexo, SAS	ND

ND – Not disclosed. Transaction values in millions.

Industrial Equipment

Selected News

ASML Holding N.V. (ENXTAM:ASML) reported second quarter net income of \$1,690.7 million for fiscal year 2024 as compared to \$2,119.8 million for the prior year period. Earnings per share were \$4.30 versus \$5.38 for the prior year period. Revenues for the quarter decreased to \$6,689.0 million from \$7,535.3 million for the same period in fiscal year 2023.

Caterpillar Inc. (NYSE:CAT) reported first quarter net income of \$2,856.0 million for fiscal year 2024 as compared to \$1,943.0 million for the prior year period. Earnings per share were \$5.75 versus \$3.74 for the prior year period. Revenues for the quarter decreased to \$15,799.0 million from \$15,862.0 million for the same period in fiscal year 2023.

Danaher Corporation (NYSE:DHR) reported second quarter net income of \$907.0 million for fiscal year 2024 as compared to \$1,106.0 million for the prior year period. Earnings per share were \$0.96 versus \$1.00 for the prior year period. Revenues for the quarter decreased to \$5,743.0 million from \$5,912.0 million for the same period in fiscal year 2023.

Eaton Corporation plc (NYSE:ETN) reported first quarter net income of \$821.0 million for fiscal year 2024 as compared to \$638.0 million for the prior year period. Earnings per share were \$1.55 versus \$1.19 for the prior year period. Revenues for the quarter increased to \$5,943.0 million from \$5,483.0 million for the same period in fiscal year 2023.

HD Korea Shipbuilding & Offshore Engineering Co., Ltd. (KOSE:A009540) reported first quarter net income of \$140.6 million for fiscal year 2024 as compared to (\$107.2) million for the prior year period. Earnings per share were \$1.66 versus (\$0.88) for the prior year period. Revenues for the quarter increased to \$4,104.1 million from \$3,713.8 million for the same period in fiscal year 2023.

Hubbell Incorporated (NYSE:HUBB) reported first quarter net income of \$147.8 million for fiscal year 2024 as compared to \$181.9 million for the prior year period. Earnings per share were \$2.43 versus \$2.70 for the prior year period. Revenues for the quarter increased to \$1,399.1 million from \$1,285.4 million for the same period in fiscal year 2023.

KLA Corporation (NasdaqGS:KLAC) reported third quarter net income of \$601.5 million for fiscal year 2024 as compared to \$697.8 million for the prior year period. Earnings per share were \$3.55 versus \$3.61 for the prior year period. Revenues for the quarter decreased to \$2,359.8 million from \$2,432.6 million for the same period in fiscal year 2023.

Lam Research Corporation (NasdaqGS:LRCX) reported third quarter net income of \$965.8 million for fiscal year 2024 as compared to \$814.0 million for the prior year period. Earnings per share were \$5.34 versus \$4.83 for the prior year period. Revenues for the quarter decreased to \$3,793.6 million from \$3,869.6 million for the same period in fiscal year 2023.

Oshkosh Corporation (NYSE:OSK) reported first quarter net income of \$179.4 million for fiscal year 2024 as compared to \$88.5 million for the prior year period. Earnings per share were \$2.21 versus \$1.16 for the prior year period. Revenues for the quarter increased to \$2,543.8 million from \$2,268.1 million for the same period in fiscal year 2023.

Powell Industries, Inc. (NasdaqGS:POWL) reported second quarter net income of \$33.5 million for fiscal year 2024 as compared to \$8.5 million for the prior year period. Earnings per share were \$2.25 versus \$0.56 for the prior year period. Revenues for the quarter increased to \$255.1 million from \$171.4 million for the same period in fiscal year 2023.

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

Source: S&P Capital IQ

Industrial Equipment

Selected News (cont'd.)

Schneider Electric S.E. (ENXTPA:SU) reported net income of \$4,424.7 million for fiscal year 2023 as compared to \$3,715.9 million for the prior year. Earnings per share were \$6.45 versus \$6.24 for the prior year. Revenues for the year increased to \$39,683.9 million from \$36,524.5 million for fiscal year 2022.

Teradyne, Inc. (NasdaqGS:TER) reported first quarter net income of \$64.2 million for fiscal year 2024 as compared to \$83.5 million for the prior year period. Earnings per share were \$0.28 versus \$0.36 for the prior year period. Revenues for the quarter decreased to \$599.8 million from \$617.5 million for the same period in fiscal year 2023.

Terex Corporation (NYSE:TEX) reported first quarter net income of \$108.5 million for fiscal year 2024 as compared to \$112.6 million for the prior year period. Earnings per share were \$1.26 versus \$1.21 for the prior year period. Revenues for the quarter increased to \$1,292.5 million from \$1,235.7 million for the same period in fiscal year 2023.

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

Source: S&P Capital IQ

Industrial & Technical Services

Comparative Index Performance

Comparative Index Performance

The MHH Industrial & Technical Services index^(a) decreased by 7.1% during the three months ending June 30, 2024.

Last Three Years

Daily from June 30, 2021 to June 30, 2024
Price as Percent of Base (June 30, 2021 = 0%)



Last Twelve Months

Daily from June 30, 2023 to June 30, 2024
Price as Percent of Base (June 30, 2023 = 0%)



Price Appreciation

	3-Year	LTM	3-Month
MHH Industrial & Technical Services index ^(a)	39.5%	8.9%	-7.1%
NASDAQ	23.1%	28.6%	8.2%
S&P 500	27.6%	22.7%	4.1%

^(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 two pages.

Industrial & Technical Services

Selected Valuation Metrics

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

Company	Market & Capitalization			LTM Performance ⁽³⁾				Valuation				Margins	
	Price ⁽¹⁾	Equity Value	Enterprise Value ⁽²⁾	Revenue	EBITDA ⁽⁴⁾	EBIT ⁽⁴⁾	EPS	Enterprise Value/		Price/		Gross	
								Revenue	EBITDA	EBIT	EPS	Profit	EBITDA
Industrial Distribution													
W.W. Grainger, Inc. (GWW)	\$902.24	\$44,272	\$46,506	\$16,622	\$2,818	\$2,598	\$30.13	2.80x	16.5x	17.9x	29.9x	39.3%	17.0%
Fastenal Company (FAST)	62.84	35,979	36,225	7,416	1,692	1,518	1.65	4.88x	21.4x	23.9x	38.1x	45.5%	22.8%
WESCO International, Inc. (WCC)	158.52	8,057	12,907	22,213	1,529	1,385	11.49	0.58x	8.4x	9.3x	13.8x	21.5%	6.9%
MSC Industrial Direct Co., Inc. (MSM)	79.31	4,465	5,071	3,904	511	432	4.41	1.30x	9.9x	11.7x	18.0x	41.0%	13.1%
MRC Global Inc. (MRC)	12.91	1,098	1,813	3,333	208	168	0.97	0.54x	8.7x	10.8x	13.3x	20.2%	6.2%
Transcat, Inc. (TRNS)	119.68	1,093	1,079	259	35	21	1.51	4.16x	NM	50.3x	NM	32.3%	13.5%
Mean		\$15,827	\$17,267	\$8,958	\$1,132	\$1,020	\$8.36	2.38x	13.0x	20.7x	22.6x	33.3%	13.2%
Median		6,261	8,989	5,660	1,020	908	3.03	2.05x	9.9x	14.8x	18.0x	35.8%	13.3%
Industrial Recycling													
Veolia Environnement SA (ENXTPA:VIE)	\$29.92	\$21,415	\$42,797	\$50,128	\$5,868	\$3,108	\$0.90	0.85x	7.3x	13.8x	33.1x	16.5%	11.7%
Clean Harbors, Inc. (CLH)	226.15	12,197	14,884	5,478	993	617	5.77	2.72x	15.0x	24.1x	39.2x	30.9%	18.1%
Commercial Metals Company (CMC)	54.99	6,323	6,826	8,139	1,060	790	3.96	0.84x	6.4x	8.6x	13.9x	17.9%	13.0%
Aurubis AG (XTRA:NDA)	78.48	3,427	3,396	17,883	318	101	1.45	0.19x	10.7x	33.8x	NM	7.5%	1.8%
Dowa Holdings Co., Ltd. (TSE:5714)	35.49	2,113	2,216	4,742	369	198	2.92	0.47x	6.0x	11.2x	12.2x	11.4%	7.8%
Sims Limited (ASX:SGM)	6.87	1,326	1,775	5,705	61	(38)	0.15	0.31x	28.9x	NM	NM	9.4%	1.1%
Mean		\$7,800	\$11,982	\$15,346	\$1,445	\$796	\$2.53	0.90x	12.4x	18.3x	24.6x	15.6%	8.9%
Median		4,875	5,111	6,922	681	408	2.18	0.65x	9.0x	13.8x	23.5x	13.9%	9.7%

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

‡ = excluded from Mean and Median calculations

Source: CapitalIQ

(1) As of close June 30, 2024.

(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 March 31, 2024 excluding NVEE (March 30, 2024); J & KBR (March 29, 2024); MSM (March 2, 2024); and ASX:SGM, LSE:BBY, & LSE:WG (December 31, 2023).

(4) Excludes non-recurring and discontinued operations.

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

Industrial & Technical Services

Selected Valuation Metrics (cont'd.)

(\$ 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⁾	EBIT ⁽⁴⁾	EPS	Enterprise Value/ Revenue EBITDA		EBIT	Price/ EPS	Gross Profit	EBITDA
Technical Services													
Jacobs Solutions Inc. (J)	\$139.71	\$17,493	\$20,894	\$16,904	\$1,404	\$1,123	\$4.60	1.24x	14.9x	18.6x	30.3x	21.0%	8.3%
AECOM (ACM)	88.14	11,998	13,836	15,350	1,021	851	1.57	0.90x	13.5x	16.3x	NM	6.6%	6.7%
Tetra Tech, Inc. (TTEK)	204.48	10,939	11,890	4,113	538	464	4.84	2.89x	22.1x	26	NM	19.4%	13.1%
KBR, Inc. (KBR)	64.14	8,612	10,323	7,173	600	504	3.79	1.44x	17.2x	20.5x	16.9x	13.9%	8.4%
Fluor Corporation (FLR)	43.55	7,455	6,288	15,456	472	398	2.38	0.41x	13.3x	15.8x	18.3x	4.0%	3.1%
Primoris Services Corporation (PRIM)	49.89	2,676	3,836	5,871	386	282	2.39	0.65x	9.9x	13.6x	20.8x	10.6%	6.6%
John Wood Group PLC (LSE:WG.)	2.61	1,792	2,883	5,901	160	85	0.01	0.49x	18.0x	34.0x	NM	12.0%	2.7%
Balfour Beatty plc (LSE:BBY)	4.62	2,383	1,849	10,181	237	186	0.33	0.18x	7.8x	9.9x	13.9x	5.2%	2.3%
NV5 Global, Inc. (NVEE)	92.97	1,501	1,745	891	115	53	1.51	1.96x	15.2x	32.8x	NM	50.2%	12.9%
Mean		\$7,206	\$8,172	\$9,093	\$548	\$438	\$2.38	1.13x	14.7x	20.8x	20.1x	15.9%	7.1%
Median		7,455	6,288	7,173	472	398	2.38	0.90x	14.9x	18.6x	18.3x	12.0%	6.7%

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

‡ = excluded from Mean and Median calculations

Source: CapitalIQ

(1) As of close June 30, 2024.

(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 March 31, 2024 excluding NVEE (March 30, 2024); J & KBR (March 29, 2024); MSM (March 2, 2024); and ASX:SGM, LSE:BBY, & LSE:WG (December 31, 2023).

(4) Excludes non-recurring and discontinued operations.

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

Industrial & Technical Services

Selected M&A Transactions

Announced	Target	Target Description	Acquirer	Value
Apr 02	Micronipol – MicronizaCAo E Reciclagem De Polimeros, S.A.	Operates as a recycling company that transforms industrial and domestic plastic waste into plastic raw-material in Portugal.	Veolia Portugal S.A.	ND

ND – Not disclosed. Transaction values in millions.

Industrial & Technical Services

Selected News

Fastenal Company (NasdaqGS:FAST) reported second quarter net income of \$292.7 million for fiscal year 2024 as compared to \$298.0 million for the prior year period. Earnings per share were \$0.42 versus \$0.43 for the prior year period. Revenues for the quarter increased to \$1,916.2 million from \$1,883.1 million for the same period in fiscal year 2023.

KBR, Inc. (NYSE:KBR) reported second quarter net income of \$106.0 million for fiscal year 2024 as compared to (\$351.0) 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 \$1,855.0 million from \$1,753.0 million for the same period in fiscal year 2023.

W.W. Grainger, Inc. (NYSE:GWW) reported first quarter net income of \$478.0 million for fiscal year 2024 as compared to \$488.0 million for the prior year period. Earnings per share were \$7.90 versus \$7.80 for the prior year period. Revenues for the quarter increased to \$4,235.0 million from \$4,091.0 million for the same period in fiscal year 2023.

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

Source: S&P Capital IQ

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

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

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

Broker dealer services provided by our wholly-owned subsidiary:

Mufson Howe Hunter & Partners LLC
Member SIPC | FINRA

C o n t a c t u s

Mufson Howe Hunter

www.mhhco.com

Michael J. Howe

Managing Director
Direct Dial: 215.399.5413
Mobile: 215.808.0160
mhowe@mhhco.com

Joe Golden

Managing Director
Mobile: 703.785.5525
jgolden@mhhco.com

Isabel Schaefer

Vice President
Direct Dial: 215.399.5418
Mobile: 610.888.1937
ischaefer@mhhco.com