



Industrials Quarterly update

Q4 2018

Industrials trends

Aerospace and Defense outlook¹

In 2018, the global aerospace and defense industry recuperated and experienced a solid year as passenger travel demand strengthened and global military expenditure continued to rise. The industry is expected to continue its growth trajectory in 2019, led by growing commercial aircraft production and strong defense spending. In the commercial aerospace sector, the aircraft order backlog remains at an all-time high.



Engineering and Construction outlook²

Overall growth in 2018 for the US engineering and construction industry was around 5 percent and is likely to accelerate further going into 2019. Mergers and acquisitions are positioned for a strong 2019, following an active year, which saw 344 deals with a total value of more than \$20 billion. Driving this activity are the proliferation of mega projects infused with advanced technologies.



Industrial manufacturing outlook³

Manufacturing is firing on all cylinders: output is humming, capacity utilization is up, and many manufacturers are delivering solid performance and returns. Deloitte Consulting LLP's analysis indicates that manufacturing GDP should increase by 3.7 percent in 2019, and based on the confidence of industry leaders, this could be a feasible outcome. Digital appears to hold tremendous potential and is likely to be decisive in determining the industry's fate.



Metals and Mining outlook⁴

The metals and mining sector is expected to remain stable through 2019 while the positive trend in capital expenditures over the past two years will likely begin to flatten. Demand uncertainty stemming from a potential trade war between China and the US has made some producers less willing to deploy capital. A stronger US dollar is expected to add additional downward pressure on most mining commodity prices.



In the news

December 12th, 2018⁵ – Sparton Corporation (NYSE:SPA) announced that it has entered into a definitive agreement to be acquired by Cerberus Capital Management, L.P. Under the terms of the agreement, Cerberus will acquire all outstanding shares of Sparton's common stock for \$18.50, representing a premium of 41%. The deal is expected to close in the first quarter of 2019.

October 22th, 2018⁶ – ITE Management, has agreed to acquire American Railcar Industries Inc. for approximately \$1.75 billion. Under the terms of the agreement, ITE will pay \$70 for each share of American Railcar, which represents a 51 percent premium over its previous closing stock price. This premium gives American Railcar Industries a market capitalization of \$1.34 billion.

October 14th, 2018⁷ – Harris Corporation (NYSE:HRS) and L3 Technologies, Inc. (NYSE:LLL) have agreed to combine in an all stock merger of equals to create a global defense technology leader, focused on developing differentiated and mission critical solutions for customers around the world. Under the terms of the agreement, L3 shareholders will receive a fixed exchange ratio of 1.30 shares of Harris common stock for each share of L3 common stock. The combined company, L3 Harris Technologies, Inc., will be the 6th largest defense company in the US and a top 10 defense company globally.

In this update

- Industrials trends
- Economic outlook
- Industry analysis
- Select M&A transactions
- Appendix

This update will focus on news and trends in the following areas:

- Aerospace and Defense
- Engineering and Construction
- Industrial Manufacturing
- Metals and Mining

Who we are

Deloitte Corporate Finance LLC is a leading global middle market M&A adviser. The firm's professionals have extensive knowledge in the industrials space and use their experience to help clients create and act upon opportunities for liquidity, growth, and long-term advantages.

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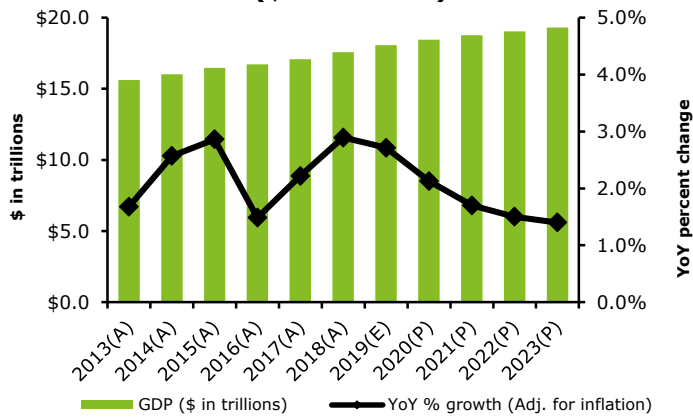
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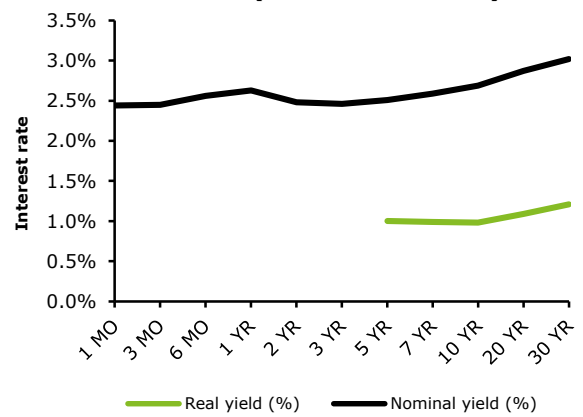
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Macroeconomic outlook

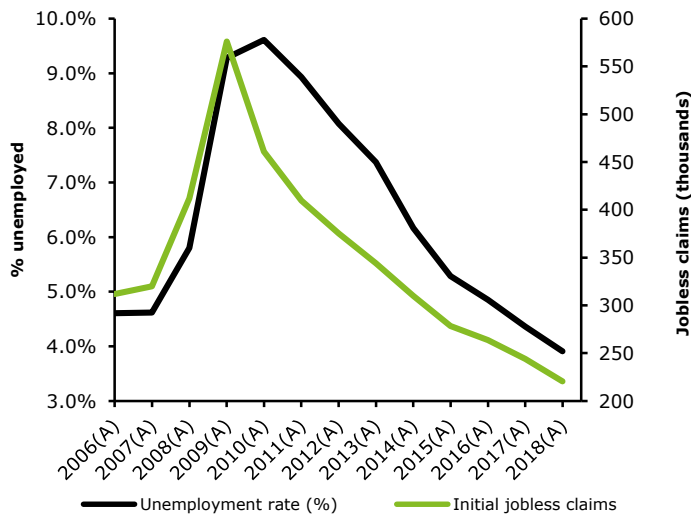
**US gross domestic product
(\$ in trillions)¹**



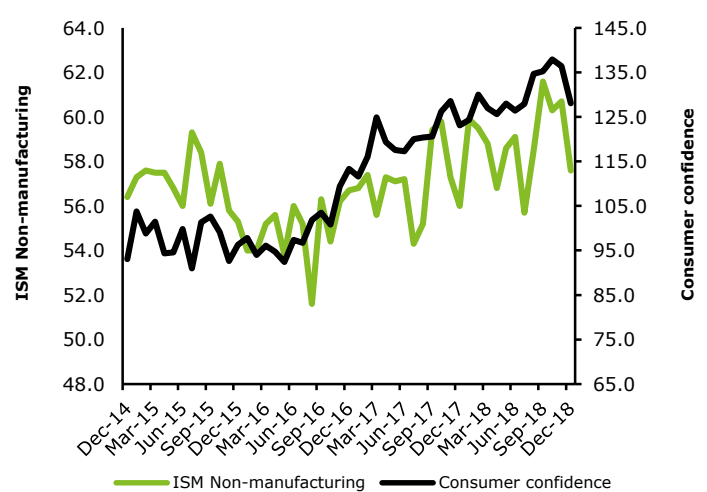
**US Treasury yield curve
(nominal vs. real)²**



**US unemployment rate
(% unemployed)³**

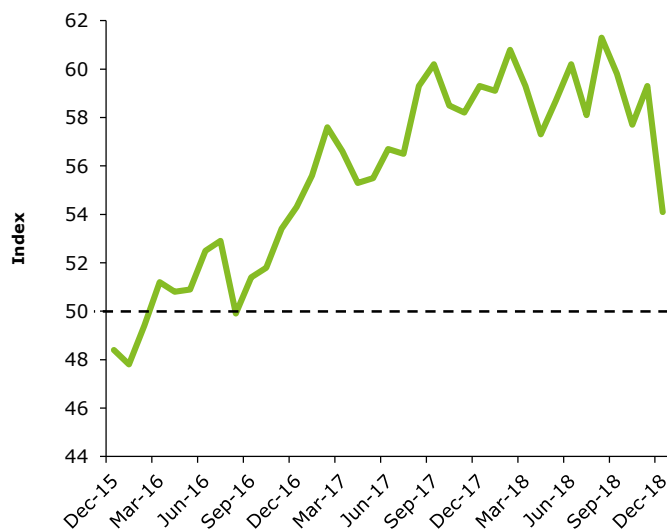


**ISM non-manufacturing index
and consumer confidence index⁴**

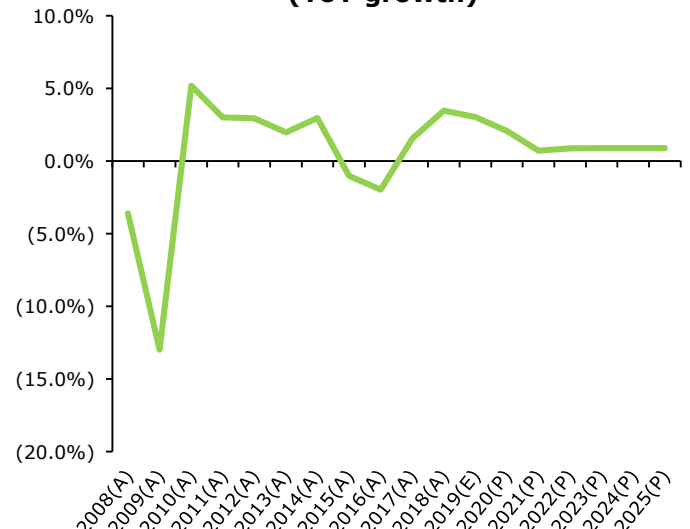


Industrials sector outlook

ISM purchase managers index⁵



**Industrial production index
(YoY growth)⁶**



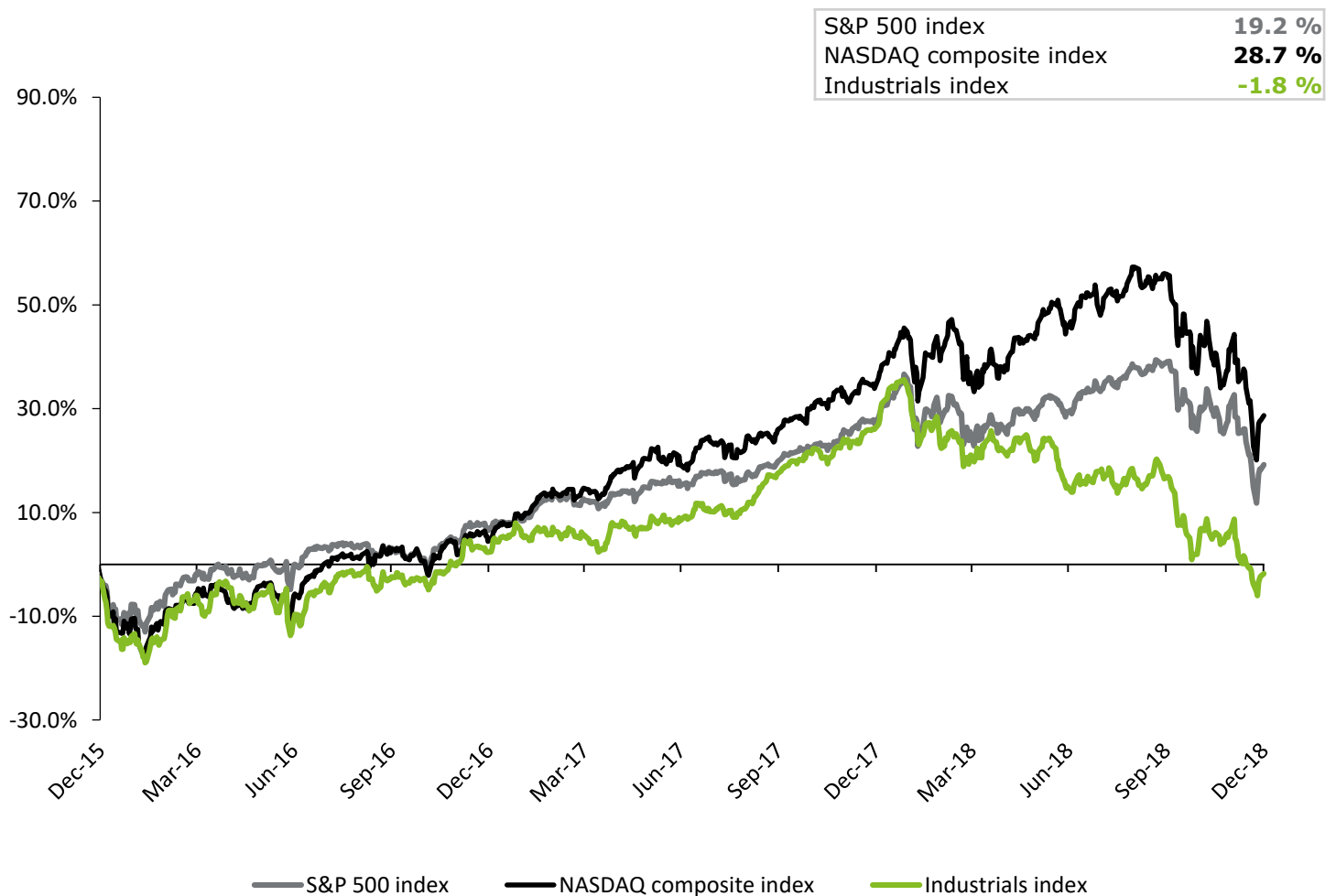
Note:

An ISM purchase managers index value above 50 signals economic expansion.

Industrials sector breakdown & trading statistics¹

Sector	Number of companies	% of 52 Week high	Median revenue CAGR (3 Yr)	Median LTM EBITDA	Median EBITDA margin	Median enterprise value	Last twelve months		NTM
							EV/ Revenue	EV/ EBITDA	EV/ EBITDA
(\$ in millions)									
Automotive	21	70.4%	3.1%	\$7,281.5	9.3%	\$51,570.7	0.7x	6.9x	6.2x
Building products, electric products, industrial safety	20	59.7	8.7	449.3	12.3	3,591.9	1.0	8.6	7.4
Capital equipment & rental services	22	66.7	4.3	278.1	12.8	3,214.2	1.1	7.9	6.1
Distribution, transportation & logistics	20	69.0	7.7	924.8	9.2	9,906.3	0.8	9.6	7.7
Engineering & construction	31	68.5	2.9	227.7	6.5	1,668.7	0.4	6.8	5.8
Metals, plastics & paper packaging	18	72.1	4.5	903.3	15.4	7,898.9	1.3	8.4	7.6
Specialty chemicals	12	72.9	3.5	862.1	18.9	8,494.8	1.8	9.8	8.7
Industrials Sector	144	68.4%	5.0%	\$1,561.0	12.0%	\$12,335.1	1.0x	8.3x	7.1x

Public comparables three-year stock market performance²

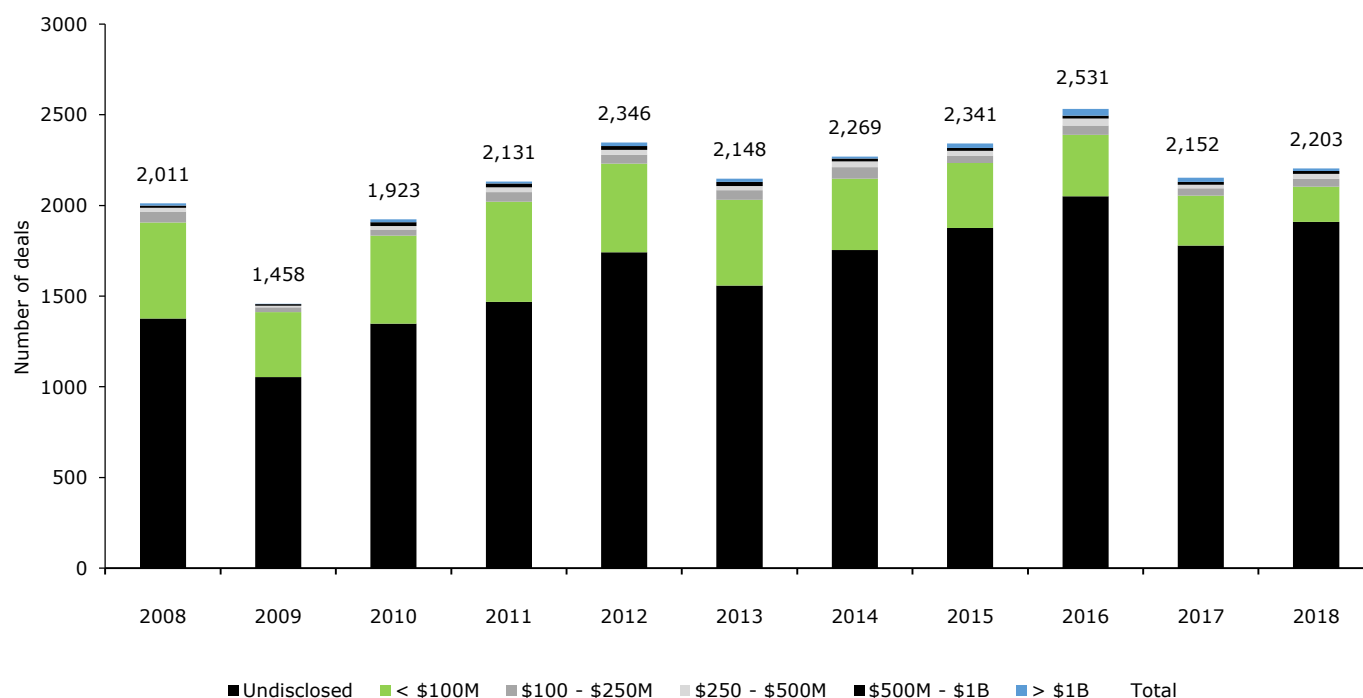


Select large industrials M&A transactions¹

(\$ in millions)

Announced date	Target/acquiror	Business description	Enterprise value (EV)	EV/Revenue	EV/EBITDA
Dec-18	Coach USA Administration Inc Variant Equity Advisors, LLC	Coach USA Administration Inc engages in train operation and consulting services, including planning, construction ordering, high-speed vehicle, and equipment supply.	\$271.4	0.4x	NA
Dec-18	Sparton Corporation Cerberus Capital Management, L.P.	Sparton Corporation provides design, development, and manufacturing services for electromechanical devices; and engineered products in electromechanical value stream worldwide.	\$381.7	0.7x	9.1x
Nov-18	Flexographic Packaging Division Montagu Private Equity LLP	Flexographic Packaging Division produces and markets printing equipment.	\$375.0	2.5x	11.4x
Nov-18	Columbia Helicopters, Inc. Bristow Group Inc.	Columbia Helicopters, Inc. engages in commercial heavy-lift helicopter operations.	\$559.4	2.0x	4.8x
Oct-18	LSC Communications, Inc. Quad/Graphics, Inc.	LSC Communications, Inc. provides various traditional and digital print services, print-related services, and office products.	\$1,425.3	0.4x	4.8x
Oct-18	Alpha Technologies Services, Inc./Alpha Technologies Ltd. EnerSys	Alpha Technologies Services, Inc. and Alpha Technologies Ltd. provide powering solutions to a variety of industries.	\$750.0	1.3x	11.2x
Oct-18	American Railcar Industries, Inc. ITE Rail Fund L.P.; ITE Management LP	American Railcar Industries, Inc., together with its subsidiaries, designs and manufactures hopper and tank railcars in North America.	\$1,873.4	3.6x	13.4x
Oct-18	L3 Technologies, Inc. Harris Corporation	L3 Technologies, Inc. provides aerospace systems, communication, electronic, and sensor systems used on military, homeland security, and commercial platforms in the United States and internationally.	\$19,723.0	1.9x	13.7x
Oct-18	Esterline Technologies Corporation TransDigm Group Incorporated	Esterline Technologies Corporation designs, manufactures, and markets engineered products and systems primarily for aerospace and defense customers in the United States, Canada, France, the United Kingdom, and internationally.	\$4,367.1	2.0x	13.0x
Oct-18	Citizen Engagement Centers of General Dynamics Information Technology, Inc. MAXIMUS Federal Services, Inc.	Citizen Engagement Centers of General Dynamics Information Technology, Inc. comprises contact center operations for the Centers for Medicare and Medicaid Services; and Census Questionnaire Assistance 2020 for the U.S. Census Bureau.	\$400.0	0.6x	NA
Oct-18	Omni Air International, LLC Air Transport Services Group, Inc.	Omni Air International, LLC is a charter airline that provides transportation solutions.	\$845.0	NA	5.8x

Annual US industrials M&A transaction volume²



Recent transactions¹

(\$ in millions)

Last twelve months

Target/acquiror	Sub-sector	Announced date	Close date	Revenue	LTM EBITDA	EBITDA margin	Enterprise value (EV)	EV/revenue	EV/EBITDA
Coach USA Administration Inc Variant Equity Advisors, LLC	Highways and Railtracks	Dec-18	Pending	\$630.0	NA	NA	\$271.4	0.4x	NA
Sparton Corporation Cerberus Capital Management, L.P.	Aerospace and Defense	Dec-18	Pending	\$381.7	\$28.0	7.3%	\$256.4	0.7x	9.1x
Certain Assets of Carmanah Technologies Corporation SPX Corporation	Electrical Components and Equipment	Dec-18	Pending	\$27.0	NA	NA	\$77.0	2.9x	NA
Syntron Material Handling, LLC/LLCP PCS Alternative Syntron, LLC Kadant Inc.	Industrial Machinery	Dec-18	Jan-19	\$89.0	NA	NA	\$179.0	2.0x	NA
Armstrong Wood Products, Inc. American Industrial Partners	Building Products	Nov-18	Dec-18	NA	NA	NA	\$100.0	NA	NA
Flexographic Packaging Division Montagu Private Equity LLP	Industrial Machinery	Nov-18	Pending	\$150.0	\$33.0	22.0%	\$375.0	2.5x	11.4x
Columbia Helicopters, Inc. Bristow Group Inc.	Airlines	Nov-18	Pending	NA	\$117.0	NA	NA	2.0x	4.8x
CaseStack, Inc. Hub Group, Inc.	Air Freight and Logistics	Nov-18	Dec-18	\$242.0	\$22.0	9.1%	\$255.0	1.1x	11.6x
CHI Engineering Services Inc. NV5 Global, Inc.	Construction and Engineering	Nov-18	Nov-18	\$55.0	NA	NA	\$55.0	1.0x	NA
LSC Communications, Inc. Quad/Graphics, Inc.	Commercial Printing	Oct-18	Pending	\$3,886.0	\$291.0	7.5%	\$1,425.3	0.4x	4.9x
Intersections Inc. General Catalyst Partners; WndrCo Holdings, LLC; General Catalyst Group IX, L.P.; GC Entrepreneurs Fund IX, L.P.; iSubscribed Inc.	Diversified Support Services	Oct-18	Pending	\$155.2	\$5.6	3.6%	\$85.1	0.7x	15.2x
Alpha Technologies Services, Inc./Alpha Technologies Ltd. EnerSys	Electrical Components and Equipment	Oct-18	Dec-18	\$591.0	\$67.0	11.3%	\$750.0	1.3x	11.2x
American Railcar Industries, Inc. ITE Rail Fund L.P.; ITE Management LP	Construction Machinery and Heavy Trucks	Oct-18	Dec-18	\$495.1	\$134.3	27.1%	\$1,873.4	3.6x	13.4x
Environmental Contractors/Rockford Blacktop/Structors/Forest City/William Charles/Mulford Stone IEA Energy Services LLC	Construction and Engineering	Oct-18	Nov-18	NA	NA	NA	\$90.0	NA	4.3x
L3 Technologies, Inc. Harris Corporation	Aerospace and Defense	Oct-18	Pending	\$10,047.0	\$1,398.0	13.9%	\$19,723.0	1.9x	13.8x
GrayWolf Industrial, Inc. DBM Global Inc.	Construction and Engineering	Oct-18	Nov-18	NA	NA	NA	\$135.0	NA	6.9x
Esterline Technologies Corporation TransDigm Group Incorporated	Aerospace and Defense	Oct-18	Pending	\$2,034.8	NA	NA	\$4,367.1	2.0x	13.0x
Lime Energy Co. Willdan Energy Solutions, Inc.	Electrical Components and Equipment	Oct-18	Nov-18	\$135.5	\$6.2	4.6%	\$120.0	0.9x	19.3x
Omni Air International, LLC Air Transport Services Group, Inc.	Airlines	Oct-18	Nov-18	NA	NA	NA	\$845.0	NA	5.8x
Median				\$311.8	\$50.0	9.1%	\$255.7	1.3x	11.3x
Mean				\$1,351.4	\$210.2	11.8%	\$1,721.3	1.6x	10.3x

Appendix

Public comparables analysis¹

							Last twelve months	NTM	
Company (ticker)	% of 52 week high	LTM revenue	Revenue CAGR (3 Yr)	LTM EBITDA	EBITDA margin	Enterprise value (EV)	EV/ Revenue	EV/ EBITDA	EV/ EBITDA
(\$ in millions)									
Automotive									
Bayernische Motoren Werke Aktiengesellschaft (DB:BMW)	73.3 %	\$113,644.7	2.9 %	\$14,509.1	12.8 %	\$148,937.6	1.3 x	10.3 x	9.3 x
Daimler AG (XTRA:DAI)	64.0	191,171.1	4.4	18,415.2	9.6	197,815.7	1.0	10.7	9.5
Delphi Technologies PLC (NYSE:DLPH)	26.0	4,976.0	-	777.0	15.6	2,758.9	0.6	3.6	4.2
Fiat Chrysler Automobiles N.V. (BIT:FCA)	72.0	131,957.7	2.5	12,407.3	9.4	29,462.6	0.2	2.4	2.0
Ford Motor Company (NYSE:F)	68.5	159,871.0	3.3	13,788.0	8.6	162,930.8	1.0	11.8	15.0
Subaru Corporation (TSE:7270)	65.0	28,248.0	0.4	2,875.1	10.2	9,608.4	0.3	3.3	2.4
General Motors Company (NYSE:GM)	85.0	146,365.0	(1.3)	20,597.0	14.1	139,683.6	1.0	6.8	6.1
Honda Motor Co., Ltd. (TSE:7267)	78.8	138,676.4	3.2	12,693.6	9.2	98,578.5	0.7	7.8	7.0
Hyundai Motor Company (KOSE:A005380)	77.3	86,558.9	1.9	5,796.0	6.7	68,603.4	0.8	11.8	10.4
Isuzu Motors Limited (TSE:7202)	82.5	18,687.2	2.5	2,207.0	11.8	12,282.4	0.7	5.6	5.2
Kia Motors Corporation (KOSE:A000270)	97.6	48,379.2	3.5	2,692.3	5.6	9,329.3	0.2	3.5	3.0
Mazda Motor Corporation (TSE:7261)	72.6	31,250.7	2.6	1,659.4	5.3	5,958.5	0.2	3.6	3.5
Mitsubishi Corporation (TSE:8058)	84.9	104,450.4	16.6	7,441.3	7.1	86,841.1	0.8	11.7	11.1
Peugeot S.A. (ENXTPA:UG)	83.0	88,966.3	13.2	7,997.9	9.0	15,360.6	0.2	1.9	1.7
Renault SA (ENXTPA:RNO)	55.7	69,058.5	10.9	7,121.7	10.3	60,840.4	0.9	8.5	8.1
SAIC Motor Corporation Limited (SHSE:600104)	66.5	134,619.7	13.7	5,776.8	4.3	43,859.0	0.3	7.6	7.6
Suzuki Motor Corporation (TSE:7269)	74.5	33,974.1	7.1	4,758.4	14.0	23,572.6	0.7	5.0	4.6
Tesla, Inc. (NasdaqGS:TSLA)	89.6	17,523.6	66.6	616.3	3.5	71,369.5	4.1	NM	17.7
Toyota Motor Corporation (TSE:7203)	87.0	263,138.8	1.7	38,156.9	14.5	321,434.9	1.2	8.4	9.7
Volkswagen AG (XTRA:VOW3)	74.2	273,259.0	3.0	22,829.1	8.4	248,249.8	0.9	10.9	6.2
Median	74.2 %	\$104,450.4	3.0 %	\$7,441.3	9.4 %	\$60,840.4	0.7 x	7.6 x	6.2 x
Mean	73.1 %		4.8 %		9.8 %		0.7 x	7.1 x	6.7 x
Building products, electric products, industrial safety									
Beacon Roofing Supply, Inc. (NasdaqGS:BECN)	53.1 %	\$6,418.3	36.7 %	\$460.6	7.2 %	\$5,163.3	0.8 x	11.2 x	9.1 x
BlueLinx Holdings Inc. (NYSE:BXC)	61.0	2,623.8	10.5	49.1	1.9	1,020.2	0.4	20.8	NM
BMC Stock Holdings, Inc. (NasdaqGS:BMCH)	68.0	3,663.8	38.5	229.4	6.3	1,392.1	0.4	6.1	6.0
Boral Limited (ASX:BLD)	62.5	4,239.0	10.1	649.5	15.3	6,067.4	1.4	9.3	7.5
Builders FirstSource, Inc. (NasdaqGS:BLDR)	53.7	7,687.7	45.3	438.0	5.7	3,201.0	0.4	7.3	6.8
Compagnie de Saint-Gobain S.A. (ENXTPA:SGO)	60.6	48,055.1	1.6	4,819.7	10.0	29,196.2	0.6	6.1	5.7
Eagle Materials Inc. (NYSE:EXP)	54.6	1,419.3	7.9	422.8	29.8	3,644.7	2.6	8.6	7.7
Emerson Electric Co. (NYSE:EMR)	77.8	17,408.0	2.3	3,561.0	20.5	42,143.6	2.4	11.8	10.5
Gibraltar Industries, Inc. (NasdaqGS:ROCK)	73.4	1,019.6	2.0	123.6	12.1	1,104.7	1.1	8.9	8.6
Huttig Building Products, Inc. (NasdaqCM:HBP)	30.1	822.6	8.2	4.8	0.6	222.7	0.3	NM	NM
James Hardie Industries plc (ASX:JHX)	62.0	2,316.6	11.3	535.0	23.1	6,001.9	2.6	11.2	10.3
Martin Marietta Materials, Inc. (NYSE:MLM)	73.4	3,934.1	6.4	1,081.7	27.5	14,113.8	3.6	13.0	11.6
NCI Building Systems, Inc. (NYSE:NCS)	32.2	2,000.6	8.6	187.1	9.3	1,316.1	0.7	7.0	N/A
Owens Corning (NYSE:OC)	50.0	6,939.0	9.4	1,117.0	16.1	8,646.0	1.2	7.7	6.3
Summit Materials, Inc. (NYSE:SUM)	42.2	2,100.0	15.4	401.6	19.1	3,315.6	1.6	8.3	7.6
U.S. Concrete, Inc. (NasdaqCM:USCR)	40.9	1,477.6	18.4	164.1	11.1	1,300.5	0.9	7.9	5.8
USG Corporation (NYSE:USG)	99.0	3,348.0	2.1	468.0	14.0	6,705.5	2.0	14.3	11.3
Vulcan Materials Company (NYSE:VMC)	71.7	4,272.3	8.8	1,041.8	24.4	16,174.0	3.8	15.5	12.8
Wienerberger AG (WBAG:WIE)	81.0	3,780.5	3.1	473.9	12.5	3,378.0	0.9	7.1	5.9
Median	61.0 %	\$3,663.8	8.8 %	\$460.6	12.5 %	\$3,644.7	1.1 x	8.8 x	7.7 x
Mean	60.4 %		13.0 %		14.0 %		1.5 x	10.1 x	8.3 x
Capital equipment & rental services									
Aggreko Plc (LSE:AGK)	84.3 %	\$2,385.7	4.4 %	\$682.1	28.6 %	\$3,442.1	1.4 x	5.0 x	5.1 x
Ashtead Group plc (LSE:AHT)	75.9	5,176.0	20.5	2,420.3	46.8	16,164.9	3.1	6.7	5.7
Astec Industries, Inc. (NasdaqGS:ASTE)	57.4	1,167.0	5.0	28.3	2.4	828.4	0.7	NM	7.7
Caterpillar Inc. (NYSE:CAT)	77.7	53,276.0	2.0	10,982.0	20.6	106,320.4	2.0	9.7	9.8
Cerus Equipment Corporation (TSX:CERV)	92.7	1,023.1	4.3	47.2	4.6	319.0	0.3	6.8	6.9
CNH Industrial N.V. (NYSE:CNH)	64.5	27,786.0	3.0	3,180.0	11.4	33,927.8	1.2	10.7	12.3
Cummins Inc. (NYSE:CM)	74.7	23,121.0	6.0	2,938.0	12.7	24,554.7	1.1	8.4	6.3
Deere & Company (NYSE:DE)	91.3	37,317.7	9.0	5,939.8	15.9	89,687.9	2.4	15.1	14.9
Finnish International Inc. (TSX:FTT)	73.6	5,334.7	1.8	488.9	9.2	4,163.2	0.8	8.5	7.5
H&E Equipment Services, Inc. (NasdaqGS:HEES)	55.2	1,187.7	3.7	177.0	14.9	2,042.7	1.7	11.5	4.9
Herc Holdings Inc. (NYSE:HR)	47.3	1,924.7	-	246.1	12.8	3,296.7	1.7	13.4	4.7
Hyundai Heavy Industries Co., Ltd. (KOSE:A009540)	85.8	11,619.1	(36.0)	(199.2)	NM	9,829.2	0.8	NM	31.6
Manitex International, Inc. (NasdaqCM:MNTX)	53.1	246.0	(9.0)	10.4	4.2	188.2	0.8	18.1	8.4
McGrath RentCorp (NasdaqGS:MGR)	72.8	487.4	5.8	119.5	24.5	1,528.4	3.1	12.8	7.5
Nishio Rent All Co., Ltd. (TSE:9699)	78.9	1,204.4	7.1	310.2	25.8	1,062.1	0.9	3.4	3.0
Oshkosh Corporation (NYSE:OSK)	70.4	7,705.5	8.1	778.2	10.1	5,200.7	0.7	6.7	6.4
Strongco Corporation (TSX:SQP)	55.0	299.8	(2.1)	8.6	2.9	151.7	0.5	17.7	6.3
The Manitowoc Company, Inc. (NYSE:MTW)	35.0	1,813.0	(8.4)	99.5	5.5	719.2	0.4	7.2	6.0
Toromont Industries Ltd. (TSX:TH)	85.4	2,600.0	23.2	367.2	14.1	3,836.3	1.5	10.4	9.6
United Rentals, Inc. (NYSE:URI)	62.6	7,663.0	9.4	2,287.0	29.8	19,542.6	2.6	8.5	4.5
Vp plc (LSE:VP.)	81.7	470.8	19.9	121.6	25.8	757.4	1.6	6.2	5.9
Wajax Corporation (TSX:WJX)	67.6	1,136.3	3.2	62.2	5.5	431.4	0.4	6.9	5.7
Median	73.2 %	\$2,155.2	4.3 %	\$278.1	12.8 %	\$3,369.4	1.1 x	8.5 x	6.4 x
Mean	70.1 %		3.7 %		15.6 %		1.4 x	9.7 x	8.2 x

Note:

Tesla Motors excluded from Automotive mean and median calculations due to abnormally high growth and low profitability.

Public comparables analysis (cont.)¹

							Last twelve months		NTM	
	Company (ticker)	% of 52 week high	LTM revenue	Revenue CAGR (3 Yr)	LTM EBITDA	EBITDA margin	Enterprise value (EV)	EV/ Revenue	EV/ EBITDA	EV/ EBITDA
(\$ in millions)										
Distribution, transportation & logistics										
	ArcBest Corporation (NasdaqGS:ARCB)	69.5 %	\$3,030.2	4.1 %	\$227.0	7.5 %	\$956.4	0.3 x	4.2 x	3.7 x
	C.H. Robinson Worldwide, Inc. (NasdaqGS:CHRW)	81.7	16,453.1	6.5	949.6	5.8	12,413.7	0.8	13.1	11.8
	Deutsche Post AG (XTRA:DPW)	59.2	71,361.7	0.9	5,298.0	7.4	50,237.5	0.7	9.5	6.0
	Echo Global Logistics, Inc. (NasdaqGS:ECHO)	56.8	2,404.4	19.6	76.6	3.2	752.0	0.3	9.8	7.6
	Expeditors International of Washington, Inc. (NasdaqGS:EXPD)	85.6	7,804.1	4.8	828.5	10.6	10,560.6	1.4	12.7	12.2
	FedEx Corporation (NYSE:FDX)	59.9	68,716.0	12.3	8,648.0	12.6	58,091.4	0.8	6.7	6.4
	Forward Air Corporation (NasdaqGS:FWRD)	74.7	1,220.9	10.0	155.6	12.7	1,600.4	1.3	10.3	9.3
	Hapag-Lloyd Aktiengesellschaft (DB:HLA)	57.0	12,881.5	8.3	1,252.9	9.7	10,804.0	0.8	8.6	7.5
	Hub Group, Inc. (NasdaqGS:HUBG)	65.5	4,486.4	8.1	210.7	4.7	1,314.9	0.3	6.2	5.6
	J.B. Hunt Transport Services, Inc. (NasdaqGS:JBHT)	70.9	8,287.2	10.3	1,131.3	13.7	11,254.7	1.4	9.9	8.1
	Knight-Swift Transportation Holdings Inc. (NYSE:KNX)	51.1	5,308.8	63.7	900.0	17.0	5,483.7	1.0	6.1	5.2
	Kuehne + Nagel International AG (SWX:KNIN)	70.8	20,930.2	6.5	1,237.6	5.9	15,398.7	0.7	12.4	11.8
	Landstar System, Inc. (NasdaqGS:LSTR)	76.4	4,487.9	10.4	357.9	8.0	3,946.2	0.9	11.0	10.1
	Nippon Yusen Kaishiki Kaisha (TSE:9101)	57.7	17,928.3	(5.6)	894.6	5.0	12,347.9	0.7	13.8	11.9
	Old Dominion Freight Line, Inc. (NasdaqGS:ODFL)	72.3	3,907.9	9.7	962.6	24.6	9,922.0	2.5	10.3	9.1
	Panalpina Welttransport (Holding) AG (SWX:PWTN)	80.7	6,054.5	(1.4)	144.7	2.4	3334.8	0.6	23.1	10.4
	Ryder System, Inc. (NYSE:R)	57.4	8,114.6	7.4	1,888.9	23.3	8,973.4	1.1	4.8	4.4
	United Parcel Service, Inc. (NYSE:UPS)	72.1	70,275.0	6.5	9,977.0	14.2	102,509.1	1.5	10.3	9.9
	Werner Enterprises, Inc. (NasdaqGS:WERN)	68.6	2,378.9	3.9	403.1	16.9	2,263.3	1.0	5.6	4.6
	XPO Logistics, Inc. (NYSE:XPO)	49.0	17,084.0	49.5	1,466.8	8.6	11,450.4	0.7	7.8	6.6
	Median	69.1 %	\$7,959.3	7.7 %	\$924.8	9.2 %	\$10,241.3	0.8 x	9.9 x	7.8 x
	Mean	66.8 %		11.8 %		10.7 %		0.9 x	9.8 x	8.1 x
Engineering & construction										
	ACS, Actividades de Construcción y Servicios, S.A. (BME:ACS)	88.2 %	\$42,078.5	1.5 %	\$2,572.8	6.1 %	\$22,286.0	0.5 x	8.7 x	7.8 x
	Aegion Corporation (NasdaqGS:AEGN)	64.6	1,337.1	(0.4)	103.5	7.7	805.8	0.6	7.8	6.8
	Arcadis NV (ENXTAM:ARCAD)	52.6	3,682.7	0.3	238.2	6.5	1,600.2	0.4	6.7	6.0
	Babcock International Group PLC (LSE:BBB)	56.8	5,998.0	3.9	764.7	12.7	4,941.2	0.8	6.5	5.7
	Balfour Beatty plc (LSE:BBY)	78.0	8,698.2	(2.8)	130.6	1.5	2,333.9	0.3	17.9	7.8
	Billfinger SE (DB:GBF)	56.7	4,787.0	(8.4)	126.5	2.6	1,339.1	0.3	10.6	6.1
	CIMIC Group Limited (ASX:CIM)	85.5	10,511.7	(0.9)	1,298.8	12.4	9,021.3	0.9	6.9	7.4
	Comfort Systems USA, Inc. (NYSE:FIX)	74.7	2,055.6	9.8	176.1	8.6	1,729.3	0.8	9.8	8.0
	Costain Group PLC (LSE:COST)	68.6	2,104.5	10.9	69.5	3.3	362.4	0.2	5.2	5.0
	Daelim Industrial Co., Ltd. (KOSE:A000210)	88.6	10,402.9	7.2	650.4	6.3	4,087.1	0.4	6.3	5.2
	Daewoo Engineering & Construction Co., Ltd. (KOSE:A047040)	73.8	10,143.7	4.0	407.2	4.0	3,281.0	0.3	8.1	4.7
	Ebara Corporation (TSE:6361)	54.3	4,885.4	0.0	493.3	10.1	2,012.5	0.4	4.1	4.2
	Fluor Corporation (NYSE:FLR)	55.0	19,392.9	0.3	757.3	3.9	4,758.0	0.2	6.3	6.1
	Fomento de Construcciones y Contratas, S.A. (BME:FCC)	89.3	7,041.1	(3.6)	971.4	13.8	8,677.6	1.2	8.9	8.6
	GS Engineering & Construction Corporation (KOSE:A006360)	75.3	11,774.9	8.0	718.7	6.1	3,506.5	0.3	4.9	5.9
	Interserve Plc (LSE:IRV)	9.6	4,079.1	(0.4)	(36.9)	NM	819.5	0.2	NM	4.9
	Keller Group plc (LSE:KLR)	44.4	2,843.0	11.2	227.7	8.0	933.2	0.3	4.1	4.3
	Kier Group plc (LSE:KIE)	37.0	5,594.2	9.0	199.2	3.6	1,160.5	0.2	5.8	4.5
	Koninklijke BAM Groep nv (ENXTAM:BAMNB)	60.5	7,850.8	(3.3)	102.1	1.3	722.6	0.1	7.1	3.2
	Maire Tecnimont S.p.A. (BIT:MT)	71.6	4,249.9	34.7	223.2	5.3	1,273.7	0.3	5.7	5.4
	Matrix Service Company (NasdaqGS:MTRX)	73.4	1,140.2	(5.3)	21.7	1.9	438.2	0.4	20.2	6.7
	Monadelphous Group Limited (ASX:MND)	75.5	1,285.2	(2.4)	84.3	6.6	779.3	0.6	9.2	10.6
	Morgan Sindall Group plc (LSE:MGNS)	68.3	3,837.1	7.0	110.8	2.9	539.3	0.1	4.9	4.7
	Oil States International, Inc. (NYSE:OIS)	42.3	997.7	(9.6)	108.4	10.9	1,307.2	1.3	NM	9.9
	Penta-Ocean Construction Co., Ltd. (TSE:1893)	70.3	4,587.2	3.3	312.8	6.8	1,787.0	0.4	5.7	5.0
	Primoris Services Corporation (NasdaqGS:PRIM)	68.5	2,640.8	11.2	186.2	7.0	1,327.9	0.5	7.1	5.4
	Quanta Services, Inc. (NYSE:PWR)	78.3	10,537.8	11.0	747.3	7.1	5,430.5	0.5	7.3	5.6
	RPC, Inc. (NYSE:RES)	39.5	1,771.6	2.9	407.0	23.0	2,137.7	1.2	5.3	7.1
	Sumitomo Heavy Industries, Ltd. (TSE:6302)	62.6	7,572.5	7.9	880.2	11.6	3,416.8	0.5	3.9	3.7
	Team, Inc. (NYSE:TISI)	59.5	1,253.5	0.0	31.0	2.5	818.1	0.7	NM	8.6
	VINCI SA (ENXTPA:DG)	81.7	49,340.8	3.0	7,980.4	16.2	66,488.4	1.3	8.3	8.0
	Median	68.5 %	\$4,787.0	2.9 %	\$227.7	6.5 %	\$1,729.3	0.4 x	6.8 x	5.9 x
	Mean	64.7 %		3.5 %		7.3 %		0.5 x	7.6 x	6.2 x

Public comparables analysis (cont.)¹

							Last twelve months		NTM	
	Company (ticker)	% of 52 week high	LTM revenue	Revenue CAGR (3 Yr)	LTM EBITDA	EBITDA margin	Enterprise value (EV)	EV/ Revenue	EV/ EBITDA	EV/ EBITDA
(\$ in millions)										
Metals, plastics & paper packaging										
	Alcoa Corporation (NYSE:AA)	45.5 %	\$13,233.0	0.0 %	\$2,963.0	22.4 %	\$8,156.2	0.6 x	2.8 x	3.0 x
	AptarGroup, Inc. (NYSE:ATR)	81.1	2,705.6	4.5	532.9	19.7	6,778.4	2.5	12.7	11.3
	ArcelorMittal (ENXTAM:MT)	60.0	75,416.0	3.3	10,102.0	13.4	33,547.3	0.4	3.3	3.4
	Avery Dennison Corporation (NYSE:AVY)	73.1	7,125.6	5.2	928.4	13.0	9,466.9	1.3	10.2	9.4
	Ball Corporation (NYSE:BLL)	89.4	11,579.0	12.1	1,894.0	16.4	21,643.7	1.9	11.4	11.2
	Bemis Company, Inc. (NYSE:BMS)	86.4	4,090.7	(0.4)	568.3	13.9	5,559.8	1.4	9.8	9.3
	Berry Global Group, Inc. (NYSE:BERY)	77.6	7,869.0	17.3	1,339.0	17.0	11,750.3	1.5	8.8	7.9
	Commercial Metals Company (NYSE:CMC)	63.8	4,643.7	(5.0)	352.4	7.6	2,540.5	0.5	7.2	4.6
	Crown Holdings, Inc. (NYSE:CCK)	72.4	10,585.0	6.1	1,599.0	15.1	14,963.6	1.4	9.4	8.5
	Graphic Packaging Holding Company (NYSE:GPK)	65.0	5,625.2	10.8	878.1	15.6	7,035.0	1.3	8.0	6.9
	Greif, Inc. (NYSE:GEF)	60.1	3,873.8	2.3	512.0	13.2	2,894.3	0.7	5.7	5.5
	Multi-Color Corporation (NasdaqGS:LABL)	39.3	1,693.5	26.7	301.8	17.8	2,214.7	1.3	7.3	7.6
	Owens-Illinois, Inc. (NYSE:OI)	75.4	6,954.0	4.3	988.0	14.2	8,153.8	1.2	8.3	5.9
	Packaging Corporation of America (NYSE:PKG)	65.7	6,952.4	6.3	1,463.7	21.1	10,287.2	1.5	7.0	6.5
	Sealed Air Corporation (NYSE:SEE)	71.1	4,700.2	(13.5)	795.9	16.9	8,927.6	1.9	11.2	10.0
	Silgan Holdings Inc. (NasdaqGS:SLGN)	76.2	4,374.1	4.4	615.8	14.1	5,365.5	1.2	8.7	8.5
	Sonoco Products Company (NYSE:SON)	89.1	5,334.3	2.1	723.5	13.6	6,378.3	1.2	8.8	8.2
	WestRock Company (NYSE:WRK)	55.7	16,285.1	13.5	2,829.6	17.4	15,864.7	1.0	5.6	4.4
	Median	71.7 %	\$6,288.8	4.5 %	\$903.3	15.4 %	\$8,155.0	1.3 x	8.5 x	7.7 x
	Mean	69.3 %		5.6 %		15.7 %		1.3 x	8.1 x	7.3 x
Specialty chemicals										
	Albemarle Corporation (NYSE:ALB)	55.0 %	\$3,311.0	7.0 %	\$953.3	28.8 %	\$9,311.1	2.8 x	9.8 x	8.5 x
	Ashland Global Holdings Inc. (NYSE:ASH)	83.6	3,743.0	3.1	590.0	15.8	6,771.3	1.8	11.5	11.5
	Axalta Coating Systems Ltd. (NYSE:AXTA)	71.5	4,702.6	3.9	899.7	19.1	9,088.2	1.9	10.1	9.5
	BASF SE (DB:BAS)	64.4	76,184.5	(4.2)	12,544.4	16.5	88,227.0	1.2	7.0	7.9
	Celanese Corporation (NYSE:CE)	76.7	7,059.0	6.2	1,691.0	24.0	15,353.5	2.2	9.1	7.2
	H.B. Fuller Company (NYSE:FUL)	73.0	2,950.8	12.3	364.5	12.4	4,440.9	1.5	12.2	8.9
	Platform Specialty Products Corporation (NYSE:PAH)	80.0	3,868.5	23.0	824.5	21.3	8,319.1	2.2	10.1	18.6
	PolyOne Corporation (NYSE:POL)	62.6	3,500.0	0.3	381.9	10.9	3,528.6	1.0	9.2	8.5
	PPG Industries, Inc. (NYSE:PPG)	81.8	15,411.0	1.1	2,331.0	15.1	27,947.9	1.8	12.0	11.0
	Sensient Technologies Corporation (NYSE:SXT)	71.9	1,391.1	0.3	259.3	18.6	3,113.2	2.2	12.0	11.6
	DowDuPont Inc. (NYSE:DWD)	71.0	85,944.0	18.5	16,875.0	19.6	155,212.0	1.8	9.2	7.9
	W. R. Grace & Co. (NYSE:GRA)	88.4	1,871.6	(2.3)	398.1	21.3	6,320.4	3.4	15.9	10.6
	Median	72.4 %	\$3,805.8	3.5 %	\$862.1	18.9 %	\$8,703.7	1.9 x	10.1 x	8.9 x
	Mean	73.3 %		5.7 %		18.6 %		2.0 x	10.1 x	10.2 x

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