



## Manufacturing Update

### August 2021

The Mufson Howe Hunter Manufacturing Update is designed to provide business leaders, investors, and industry professionals an update on current market trends and important developments within the manufacturing sector of the economy. This monthly report contains information on select companies in various subsectors within manufacturing emphasizing financial performance, stock performance, and recent news.

#### Macro-Economic Trends

	Jun-21	Jul-21	Trend
PMI	60.6	59.5	Negative
Total Unemployment	5.9	5.4	Positive
CPI Monthly Change	0.9	0.5	Positive
PPI Monthly Change	1.0	1.0	Neutral
Industrial Production	100.2	101.1	Positive
Capacity Utilization	75.4	76.1	Positive
Manufacturing Production	98.2	99.5	Positive
Manufacturing Utilization	75.5	76.6	Positive

#### Sector Index Performance

	3-Year	1-Year	3-Month
Aerospace & Defense	-6.2%	38.8%	3.4%
Components & Materials	-2.5%	48.8%	2.6%
Industrial Equipment	94.5%	50.8%	3.8%
Industrial & Technical Services	43.3%	44.4%	1.8%
NASDAQ	91.3%	36.6%	5.1%
S&P	56.1%	34.4%	5.1%

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## MHH Sectors/Sub-sectors

### Aerospace & Defense

- Aerospace
- Defense

### Components & Materials

- Electronic Components
- Specialty Materials
- Vehicle Parts and Supplies

### Industrial Equipment

- Construction Equipment
- Electrical Equipment
- Measurement, Control and Testing Devices
- Semiconductor Capital Equipment

### Industrial & Technical Services

- Industrial Distribution
- Industrial Recycling
- Technical Services

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

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MHH's coverage of the Manufacturing Sector spans companies in the following four sectors for each of which our index has been calculated as follows:

**The MMH Aerospace & Defense Index** is currently comprised of Airbus Group NV, BAE Systems plc, The Boeing Company, Embraer SA, General Dynamics Corp., Honeywell International Inc., Huntington Ingalls Industries, L3Harris Technologies, Lockheed Martin Corp., Northrop Grumman Corp., Raytheon Technologies Corporation, Rolls Royce Holdings plc, Textron Inc., and Thales SA.

**The MMH Components & Materials Index** is currently comprised of 3M Company, Akzo Nobel NV, Alps Electric Ltd., Amphenol Corp., Aptiv plc, Autoliv Inc., BASF SE, Belden Inc., Bosch Ltd., Celanese Corp., Continental AG, Corning Inc., Denso Corp., Delphi Automotive plc, DowDuPont Inc., Encore Wire Corp., Evonik Industries, Ferro Corp., Johnson Controls Inc., Lear Corp., OMRON Corp., PPG Industries Inc., Solvay SA, Stanley Electric Co. Ltd., TE Connectivity Ltd., and Vishay Intertechnology.

**The MMH Industrial Equipment Index** is currently comprised of Ametek Inc., Applied Materials Inc., ASML Holding NV, Axcelis Technologies Inc., Brooks Automation Inc., Caterpillar Inc., Cohu Inc., Cummins Inc., Danaher Corp., Deere & Company, Eaton Corp. plc, Emerson Electric Co., Entegris Inc., FARO Technologies Inc., FormFactor Inc., Hubbell Inc., Hyundai Heavy Industries Co. Ltd, KLA-Tencor Corp., LamResearch Corp., MKS Instruments Inc., Nanometrics Inc., Navistar International Corp., Nova Measuring Instruments Ltd., Onto Innovation Inc., Oshkosh Corp., Powell Industries, Inc., Regal Beloit Corp., Rockwell Automation Inc., Schneider Electric SE, Teradyne Inc., Terex Corp., Tokyo Electron Ltd., Veeco Instruments Inc., and Xcerra Corp.

**The MMH 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., Lawson Products Inc., MRC Global Inc., MSC Industrial Direct Co. Inc., NV5 Global Inc., Primoris Services Corp., Sims Metal Management Ltd., Tetra Tech Inc., Transcat Inc., Veolia Environnement SA, WW Grainger Inc., and WESCO International Inc.

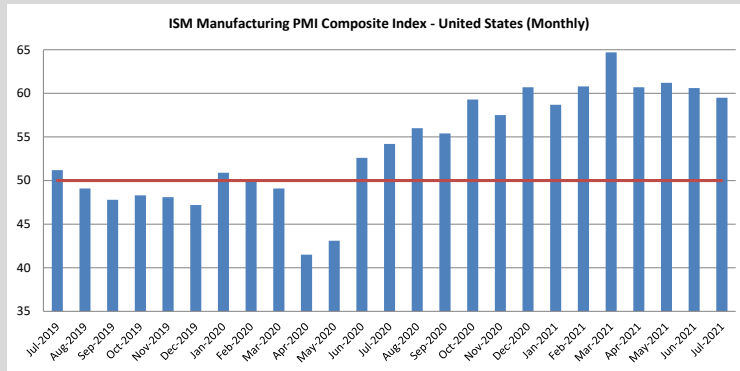
The companies that comprise each Index can change periodically as a result of a variety of reasons, including mergers, acquisitions, initial public offerings, and other transactions; therefore, comparisons to historical time periods and historical performance for each Index may not entirely correspond and correlate to the Index's current performance. In addition, historical performance is not a guarantee or prediction of future results.

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# Major U.S. Economic Indicators

## PMI (Purchase Manager Index)

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



Source: Institute for Supply Management

### Commentary

Economic activity in the manufacturing sector grew in July, with the overall economy experiencing a 14<sup>th</sup> consecutive month of growth. New Orders, Production, Employment, Backlog, Prices and Exports & Imports all grew in July and Supplier Deliveries declined at a slower rate, while Raw Materials Inventories and Customer Inventories contracted.

## Unemployment Rate

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



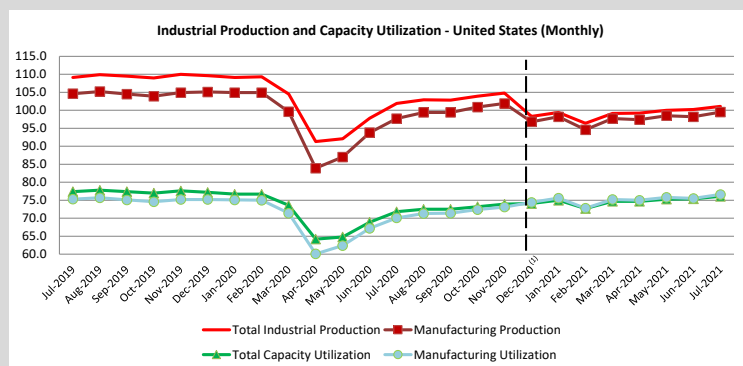
Source: United States Bureau of Labor

### Commentary

In July, the unemployment rate declined by 0.5% to 5.4% and the number of unemployed persons fell by 782,000 to 8.7 million. Notable job gains occurred in leisure & hospitality, local government education and professional/business services. Total nonfarm payroll employment increased by 943,000. The labor force participation rate was changed little at 61.7%.

## Industrial Production and Capacity Utilization

The Production Index (in red below) measures real output and is expressed as a percentage of real output in a base year, currently 2007. The Capacity Index (in green below), which is an estimate of sustainable potential output, is also expressed as a percentage of real output in 2007.



Source: United States Federal Reserve

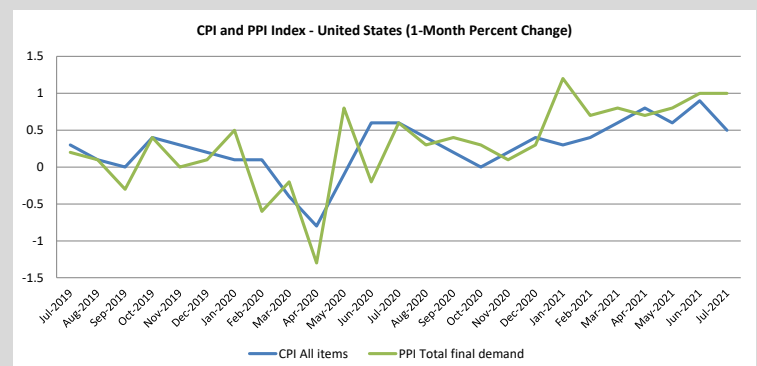
(1) Index was revised May 28, 2021 to reflect 2017 as a base year (rather than 2012) and adopt 2017 NAICS groups.

### Commentary

Total industrial production increased 0.9% in July. At 101.1% of its 2017 average, the level of total industrial production was 6.6% higher than it was a year earlier and is now just 0.2% below its pre-pandemic level of February 2020. Manufacturing output rose 1.4% in July, largely attributable to increases in motor vehicles and parts.

## Producer Price Index (PPI) and Consumer Price Index (CPI)

The PPI measures the average change over time in prices received (price changes) by producers for domestically produced goods, services and construction. The CPI measures changes in the prices paid by urban consumers for a representative basket of goods and services.



Source: United States Bureau of Labor

### Commentary

CPI for all items increased by 0.5% in July, driven by increases in the indexes for shelter, food, energy and new vehicles. PPI for final demand rose 1.0% in July, driven by a 1.1% increase in prices for final demand services largely related to margins received by wholesalers & retailers driving the final demand trade services index up by 1.7%.

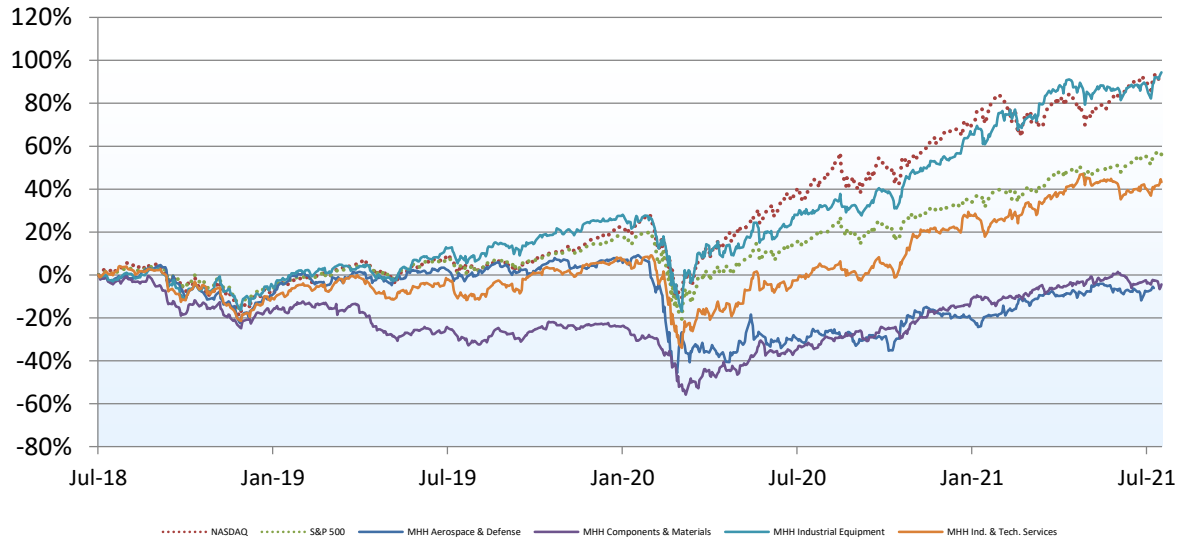
# Sector Index Performance

## Comparative Sector Index Performance (Last Three Years)

### Last Three Years

Daily from July 31, 2018 to July 30, 2021

Price as Percent of Base (July 31, 2018 = 0%)



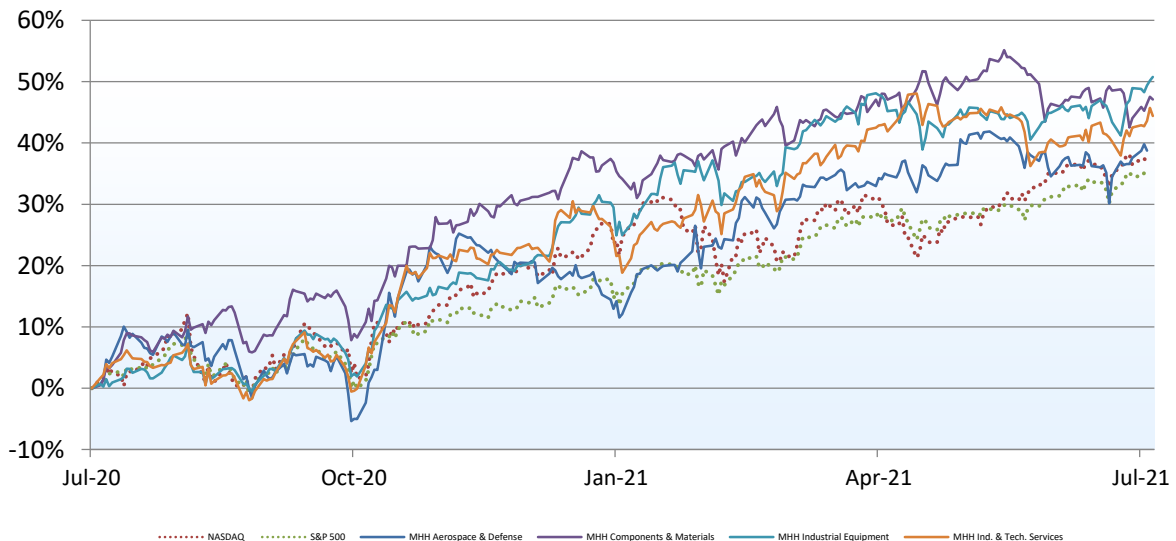
Source: CapitalIQ

## Comparative Sector Index Performance (Last Twelve Months)

### Last Twelve Months

Daily from July 31, 2020 to July 30, 2021

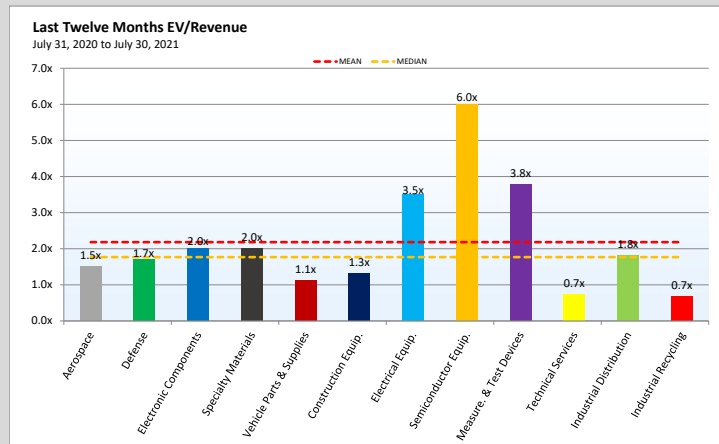
Price as Percent of Base (July 31, 2020 = 0%)



Source: CapitalIQ

# Subsector Trading Multiples & Margins

## Comparative Subsector LTM EV/Revenue

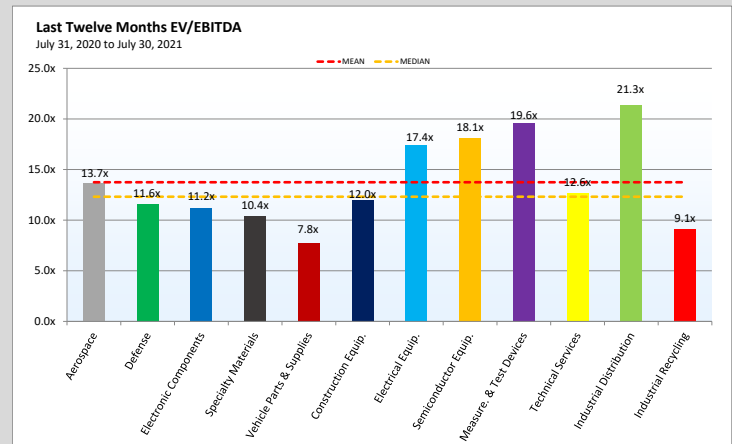


Source: CapitalIQ

### Commentary

During the last twelve months, our subsector indices had a mean EV/Revenue of 2.2x (i.e., red line) and a median of 1.8x (i.e., yellow line). Of the subsectors, Semiconductor Capital Equipment had the high multiple at 6.0x and Technical Services and Industrial Recycling had the low multiples at 0.7x.

## Comparative Subsector LTM EV/EBITDA

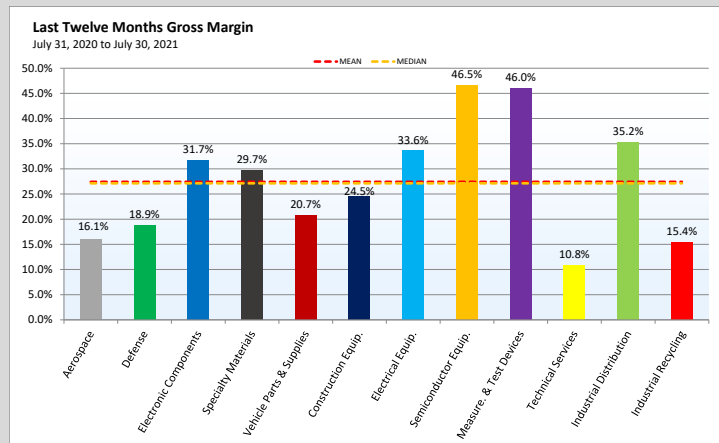


Source: CapitalIQ

### Commentary

During the last twelve months, our subsector indices had a mean EV/EBITDA of 13.7x and a median of 12.3x. Of the subsectors, Industrial Distribution had the high multiple at 21.3x and Vehicle Parts & Supplies had the low multiple at 7.8x.

## Comparative Subsector LTM Gross Margin

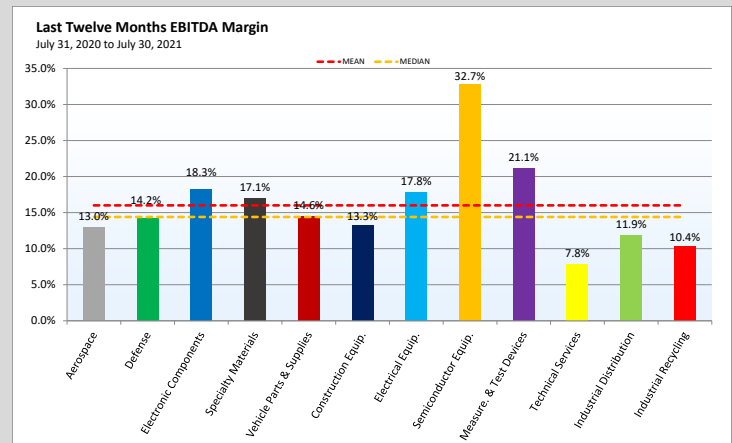


Source: CapitalIQ

### Commentary

During the last twelve months, our subsector indices had a mean Gross Margin of 27.4% and a median of 27.1%. Of the subsectors, Semiconductor Capital Equipment had the high margin at 46.5%, and Technical Services had the low margin at 10.8%.

## Comparative Subsector LTM EBITDA Margin

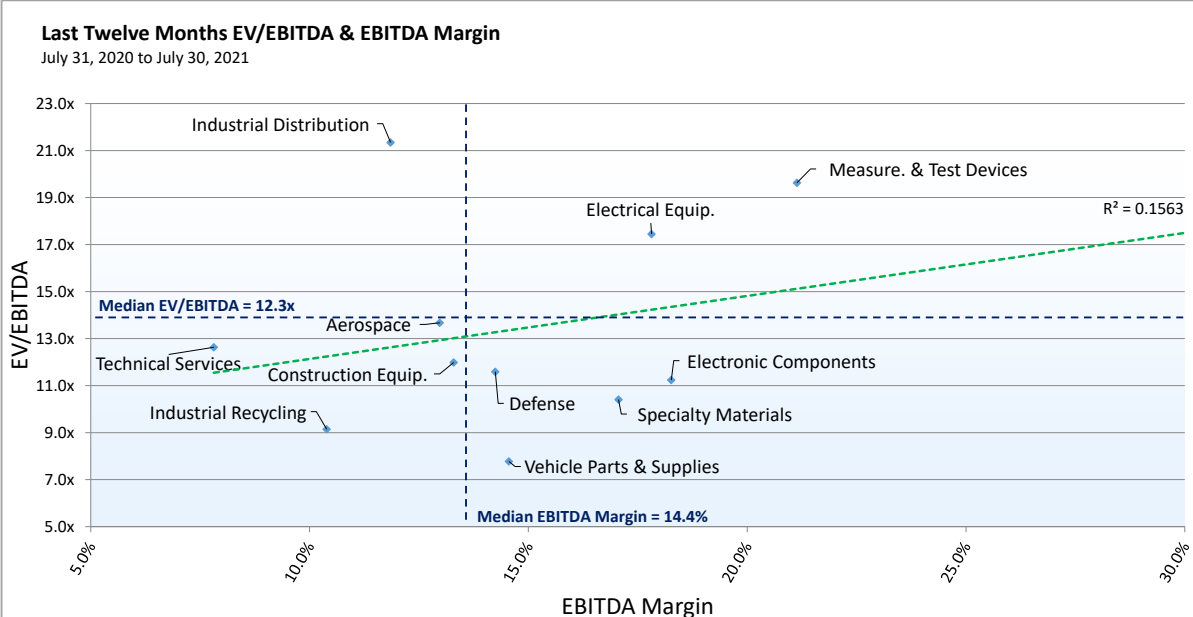


Source: CapitalIQ

### Commentary

During the last twelve months, our subsector indices had a mean EBITDA Margin of 16.0% and a median of 14.4%. Of the subsectors, Semiconductor Capital Equipment had the high margin at 32.7% and Technical Services had the low margin at 7.8%.

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

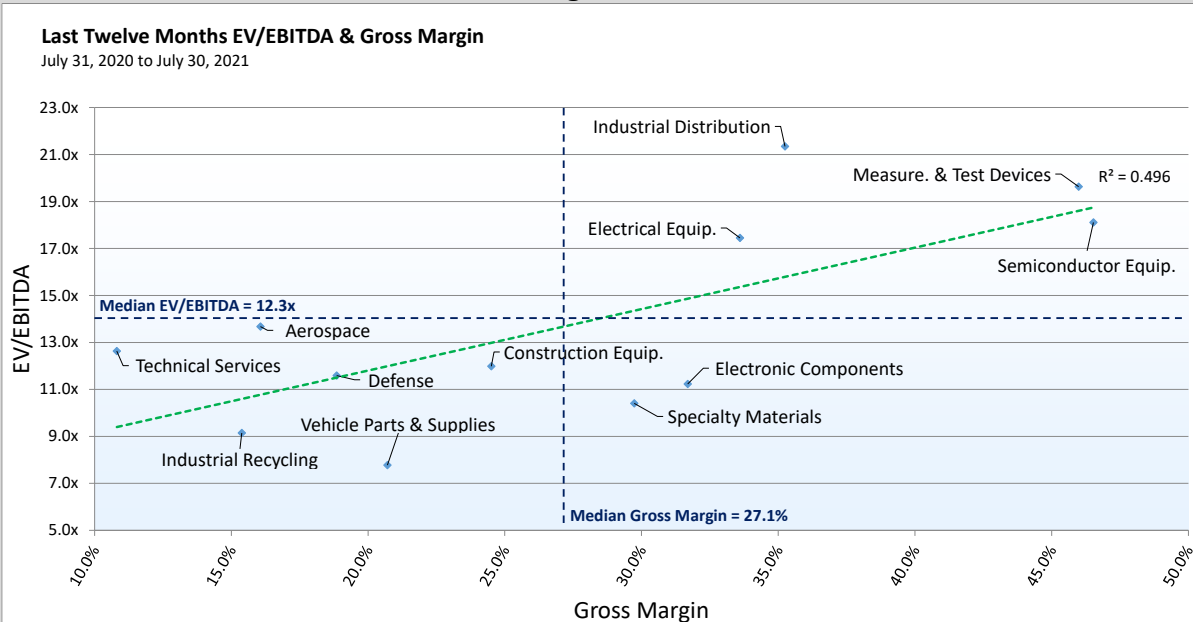


\*Upper Right ("Northeast") Quadrant: Leaders; Lower Left ("Southwest") Quadrant: Laggards

\*Note: The green dotted line represents the regression line.

Source: CapitalIQ

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



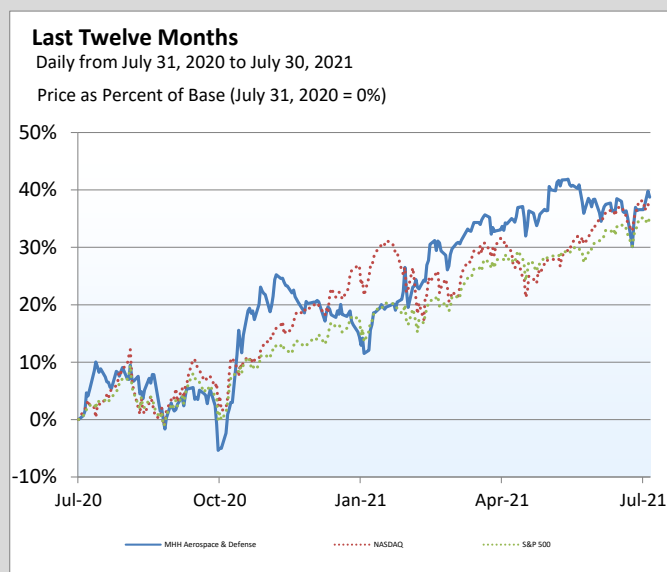
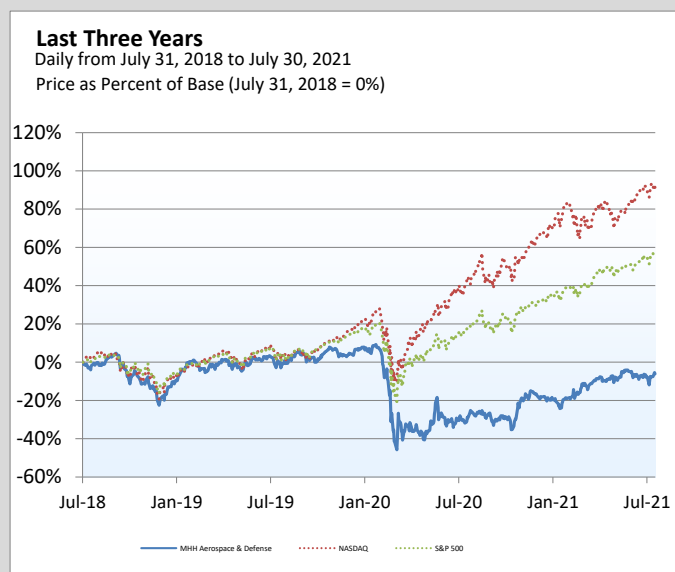
\*Upper Right ("Northeast") Quadrant: Leaders; Lower Left ("Southwest") Quadrant: Laggards

\*Note: The green dotted line represents the regression line.

Source: CapitalIQ

## Comparative Index Performance

The Mufson Howe Hunter Aerospace & Defense Index<sup>(a)</sup> increased by 3.4% during the three months ending July 30, 2021.



### Price Performance

	3-Year	LTM	3 Month
Mufson Howe Hunter Aerospace & Defense Index <sup>(a)</sup>	-6.2%	38.8%	3.4%
NASDAQ	91.3%	36.6%	5.1%
S&P 500	56.1%	34.4%	5.1%

(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.

*Please see Page 13 for sector news*

## Highlighted M&A Transaction – Aerospace and Defense

Target	Acquirer	Value*
<b>ALION</b>	 Huntington Ingalls Industries	\$1,650.0

Huntington Ingalls Industries, Inc. (NYSE:HII) entered into a definitive agreement to acquire Alion Science and Technology Corp. from Veritas Capital Fund V, L.P. for \$1.7 billion on July 4, 2021. Alion provides advanced engineering and R&D services in the areas of ISR, military training and simulation, cyber and data analytics to the global defense marketplace and will become part of Huntington Ingalls' Technical Solutions division.

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

## Selected Valuation Metrics

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

Company	Market & Capitalization			LTM Performance <sup>(3)</sup>			Valuation			Margins	
	Price <sup>(1)</sup>	Equity Value	Enterprise Value <sup>(2)</sup>	Revenue	EBITDA <sup>(4)</sup>	EPS	Enterprise Value/Revenue	EBITDA	Price/EPS	Gross Profit	EBITDA
<b>Aerospace</b>											
The Boeing Company (BA)	\$226.48	\$132,752	\$175,166	\$61,658	-\$1,794	-\$6.84	2.84x	NM	NM	4.0%	NM
Honeywell International Inc. (HON)	233.79	161,408	171,718	33,959	8,340	5.65	5.06x	20.6x	NM	32.1%	24.6%
Raytheon Technologies Corporation (RTX)	86.95	130,354	156,984	62,297	9,164	1.18	2.52x	17.1x	NM	16.6%	14.7%
Airbus SE (ENXTPA:AIR)	137.25	107,847	105,300	65,925	9,133	5.45	1.60x	11.5x	25.2x	18.7%	13.9%
Thales S.A. (ENXTPA:HO)	104.98	22,357	25,575	20,940	2,532	4.55	1.22x	10.1x	23.0x	24.8%	12.1%
Textron Inc. (TXT)	69.01	15,468	17,695	12,472	1,294	2.08	1.42x	13.7x	33.2x	15.5%	10.4%
Rolls-Royce Holdings plc (LSE:RR.)	1.39	11,547	17,105	15,620	-347	0.02	1.10x	NM	NM	10.6%	NM
Embraer S.A. (BOVESPA:EMBR3)	3.61	2,652	5,015	4,840	127	-0.22	1.04x	NM	NM	12.3%	2.6%
<b>Mean</b>		<b>\$73,048</b>	<b>\$84,320</b>	<b>\$34,714</b>	<b>\$3,556</b>	<b>\$1.49</b>	<b>2.10x</b>	<b>14.6x</b>	<b>27.1x</b>	<b>16.8%</b>	<b>13.0%</b>
<b>Median</b>		<b>65,102</b>	<b>65,438</b>	<b>27,450</b>	<b>1,913</b>	<b>1.63</b>	<b>1.51x</b>	<b>13.7x</b>	<b>25.2x</b>	<b>16.1%</b>	<b>13.0%</b>
<b>Defense</b>											
Lockheed Martin Corporation (LMT)	\$371.67	\$102,922	\$112,356	\$66,814	\$10,228	\$19.21	1.68x	11.0x	19.3x	13.1%	15.3%
Northrop Grumman Corporation (NOC)	363.02	58,123	67,920	37,603	5,572	14.65	1.81x	12.2x	24.8x	20.5%	14.8%
General Dynamics Corporation (GD)	196.03	54,703	67,395	38,521	5,267	8.52	1.75x	12.8x	23.0x	16.8%	13.7%
L3Harris Technologies, Inc. (LHX)	226.74	46,478	53,434	18,358	3,653	7.25	2.91x	14.6x	31.3x	29.9%	19.9%
BAE Systems plc (BA.)	8.01	25,813	31,159	26,843	3,416	0.43	1.16x	9.1x	18.8x	64.6%	12.7%
Huntington Ingalls Industries, Inc. (HII)	205.13	8,253	9,693	9,580	1,168	13.13	1.01x	8.3x	15.6x	17.2%	12.2%
<b>Mean</b>		<b>\$49,382</b>	<b>\$56,993</b>	<b>\$32,953</b>	<b>\$4,884</b>	<b>\$10.53</b>	<b>1.72x</b>	<b>11.3x</b>	<b>22.1x</b>	<b>27.0%</b>	<b>14.8%</b>
<b>Median</b>		<b>50,590</b>	<b>60,414</b>	<b>32,223</b>	<b>4,460</b>	<b>10.82</b>	<b>1.72x</b>	<b>11.6x</b>	<b>21.2x</b>	<b>18.9%</b>	<b>14.2%</b>

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

‡ = excluded from Mean and Median calculations

Source: CapitalIQ

(1) As of close July 30, 2021.

(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.

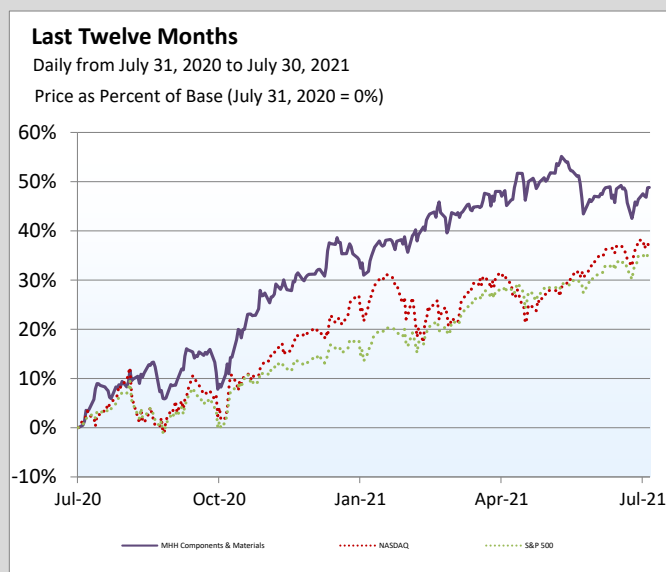
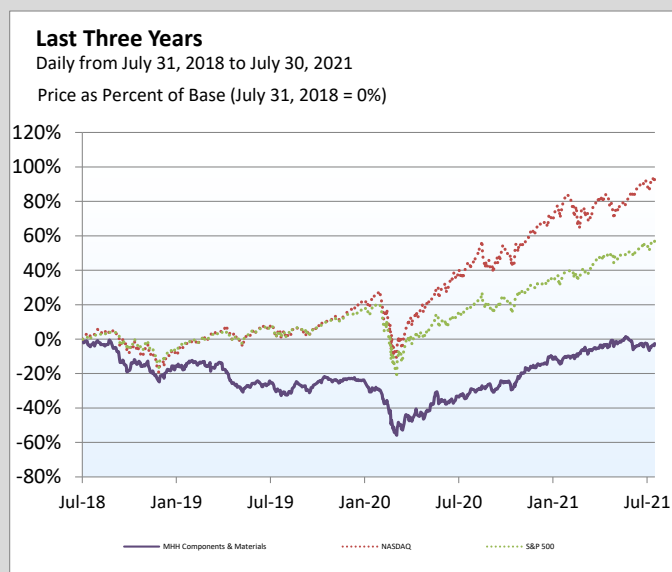
(3) As of June 30, 2021 excluding GD (July 4, 2021); TXT (July 3, 2021); LHX (July 2, 2021) and LMT (June 27, 2021).

(4) Excludes non-recurring and discontinued operations.



## Comparative Index Performance

The Mufson Howe Hunter Components & Materials Index<sup>(a)</sup> increased by 2.6% during the three months ending July 30, 2021.







Price Performance	3-Year	LTM	3 Month
Mufson Howe Hunter Components & Materials Index <sup>(a)</sup>	-2.5%	48.8%	2.6%
NASDAQ	91.3%	36.6%	5.1%
S&P 500	56.1%	34.4%	5.1%

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

*Please see Page 14 for sector news*

## Highlighted M&A Transaction – Components & Materials

Target	Acquirer	Value*
 formerly owned by 	 	\$5,250.0
<p>Sigura Water, a portfolio company of Platinum Equity, LLC agreed to acquire Solenis International LLC from Clayton, Dubilier &amp; Rice, LLC ("CD&amp;R") and BASF SE for an enterprise value of \$5.3 billion on July 6, 2021. Solenis International LLC produces specialty chemicals for water intensive industrial operations. In 2019, BASF transferred its paper wet-end and water chemicals business to Solenis, creating a leading global solutions provider for the paper and water treatment industries; BASF and Clayton, Dubilier &amp; Rice will fully exit their investment in Solenis at the close of this transaction.</p>		
<p>*ND – Not disclosed. Transaction values reported on the basis of enterprise value in USD millions.</p>		

# Components & Materials

## Selected Valuation Metrics

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

Company	Market & Capitalization			LTM Performance <sup>(3)</sup>			Valuation			Margins	
	Price <sup>(1)</sup>	Equity Value	Enterprise Value <sup>(2)</sup>	Revenue	EBITDA <sup>(4)</sup>	EPS	Enterprise Value/Revenue	Price/EBITDA	Price/EPS	Gross Profit	EBITDA
<b>Electronic Components</b>											
TE Connectivity Ltd (TEL)	\$147.47	\$48,370	\$51,317	\$14,366	\$3,243	\$4.55	3.57x	15.8x	32.4x	32.0%	22.6%
Amphenol Corp. (APH)	72.49	43,362	47,419	9,780	2,309	1.85	4.85x	20.5x	39.1x	31.4%	23.6%
Corning Inc. (GLW)	41.86	35,750	41,702	13,142	3,642	1.49	3.17x	11.5x	28.1x	37.0%	27.7%
Omron Corp. (TSE:6645)	84.91	17,138	15,079	6,283	859	1.84	2.40x	17.6x	NM	45.8%	13.7%
Belden Inc. (BDC)	49.00	2,192	3,399	2,113	308	2.09	1.61x	11.0x	23.5x	35.5%	14.6%
Vishay Intertechnology (VSH)	22.13	3,205	2,983	2,891	497	1.29	1.03x	6.0x	17.2x	25.5%	17.2%
Alps Electric Ltd (TSE:6770)	10.32	2,138	2,167	6,824	535	0.44	0.32x	4.1x	23.5x	16.3%	7.8%
Encore Wire Corp. (WIRE)	78.43	1,620	1,462	1,909	369	10.52	0.77x	4.0x	7.5x	24.8%	19.3%
<b>Mean</b>		<b>\$19,222</b>	<b>\$20,691</b>	<b>\$7,164</b>	<b>\$1,470</b>	<b>\$3.01</b>	<b>2.21x</b>	<b>11.3x</b>	<b>24.5x</b>	<b>31.0%</b>	<b>18.3%</b>
<b>Median</b>		<b>10,171</b>	<b>9,239</b>	<b>6,554</b>	<b>697</b>	<b>1.85</b>	<b>2.00x</b>	<b>11.2x</b>	<b>23.5x</b>	<b>31.7%</b>	<b>18.3%</b>
<b>Specialty Materials</b>											
3M Company (MMM)	\$197.94	\$114,536	\$128,220	\$34,734	\$10,074	\$8.17	3.69x	12.7x	24.2x	48.7%	29.0%
BASF SE (DE:BAS)	78.55	72,149	92,369	81,656	11,129	4.63	1.13x	8.3x	17.0x	25.2%	13.6%
Dow Inc. (DOW)	62.16	46,034	60,766	46,185	8,190	4.33	1.32x	7.4x	14.4x	17.3%	17.7%
DuPont de Nemours (DD)	75.05	39,937	47,109	21,549	5,386	1.62	2.19x	8.7x	NM	34.7%	25.0%
PPG Industries, Inc. (PPG)	163.52	38,813	45,661	15,682	2,570	5.29	2.91x	17.8x	30.9x	42.7%	16.4%
Akzo Nobel N.V. (ENXTAM:AKZA)	123.49	22,506	24,966	10,978	1,733	4.33	2.27x	14.4x	28.5x	43.3%	15.8%
Celanese Corp. (CE)	155.77	17,308	20,520	6,998	1,700	8.03	2.93x	12.1x	19.4x	27.9%	24.3%
Evonik Industries AG (DE:EVK)	34.76	16,197	19,313	15,561	2,393	1.62	1.24x	8.1x	21.4x	28.2%	15.4%
Solvay SA (ENXTBR:SOLB)	133.45	13,767	16,820	11,835	2,265	6.85	1.42x	7.4x	19.5x	27.2%	19.1%
Ferro Corporation (FOE)	20.80	1,720	2,000	1,085	165	0.69	1.84x	12.1x	30.1x	31.3%	15.2%
<b>Mean</b>		<b>\$38,297</b>	<b>\$45,774</b>	<b>\$24,626</b>	<b>\$4,560</b>	<b>\$4.56</b>	<b>2.09x</b>	<b>10.9x</b>	<b>22.8x</b>	<b>32.6%</b>	<b>19.2%</b>
<b>Median</b>		<b>30,659</b>	<b>35,313</b>	<b>15,621</b>	<b>2,481</b>	<b>4.48</b>	<b>2.02x</b>	<b>10.4x</b>	<b>21.4x</b>	<b>29.7%</b>	<b>17.1%</b>
<b>Vehicle Parts and Supplies</b>											
Johnson Controls Inc. (JCI)	\$71.42	\$50,867	\$59,747	\$23,230	\$4,094	\$1.83	2.57x	14.6x	39.0x	33.8%	17.6%
Denso Corp. (TSE:6902)	68.17	52,855	53,524	49,817	6,432	2.69	1.07x	8.3x	25.4x	16.0%	12.9%
Aptiv PLC (APTIV)	166.85	45,127	46,894	15,710	2,342	2.73	2.98x	20.0x	NM	18.3%	14.9%
Continental AG (DB:CON)	135.66	27,189	32,090	48,123	5,487	7.70	0.67x	5.8x	17.6x	24.3%	11.4%
Lear Corp. (LEA)	174.98	10,523	12,151	20,258	1,853	11.08	0.60x	6.6x	15.8x	9.6%	9.1%
Autoliv, Inc. (ALV)	100.88	8,824	10,154	8,819	1,306	5.91	1.15x	7.8x	17.1x	19.8%	14.8%
Bosch Ltd. (BSE:500530)	201.19	5,934	5,367	1,485	212	4.05	3.61x	NM	NM	39.9%	14.3%
Stanley Electric Co. Ltd. (TSE:6923)	25.88	4,156	3,388	3,553	708	1.52	0.95x	4.8x	17.0x	21.6%	19.9%
<b>Mean</b>		<b>\$25,684</b>	<b>\$27,914</b>	<b>\$21,374</b>	<b>\$2,804</b>	<b>\$4.69</b>	<b>1.70x</b>	<b>9.7x</b>	<b>22.0x</b>	<b>22.9%</b>	<b>14.4%</b>
<b>Median</b>		<b>18,856</b>	<b>22,121</b>	<b>17,984</b>	<b>2,097</b>	<b>3.39</b>	<b>1.11x</b>	<b>7.8x</b>	<b>17.3x</b>	<b>20.7%</b>	<b>14.6%</b>

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

‡ = excluded from Mean and Median calculations

Source: CapitalIQ

(1) As of close July 30, 2021.

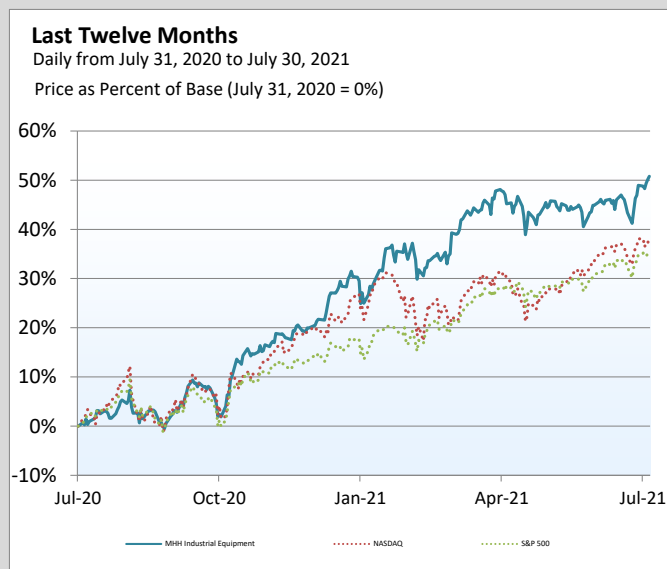
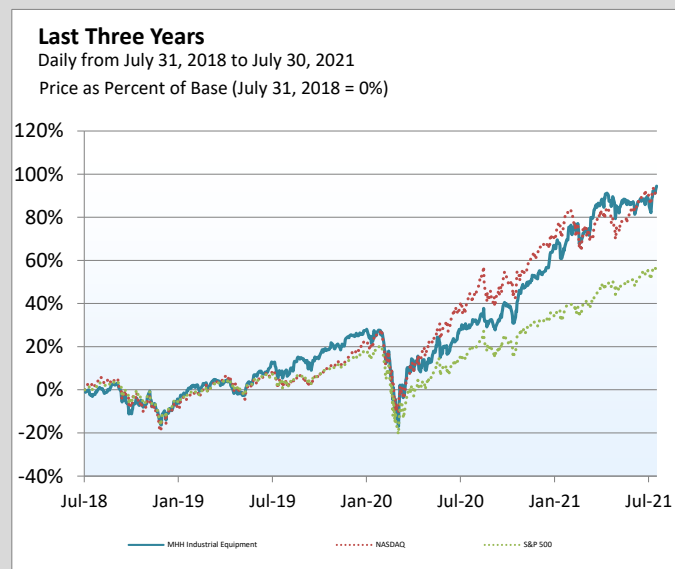
(2) Enterprise value is defined as equity value plus net debt, preferred stock and minority interests. Net Debt includes long term debt, short term debt, post-retirement benefits and unfunded pensions, if applicable, less cash and cash equivalents.

(3) As of June 30, 2021 excluding BDC (July 4, 2021); LEA and VSH (July 3, 2021) and TEL (June 25, 2021).

(4) Excludes non-recurring and discontinued operations.

## Comparative Index Performance

The Mufson Howe Hunter Industrial Equipment Index<sup>(a)</sup> increased by 3.8% during the three months ending July 30, 2021.




### Price Performance

	3-Year	LTM	3 Month
Mufson Howe Hunter Industrial Equipment Index <sup>(a)</sup>	94.5%	50.8%	3.8%
NASDAQ	91.3%	36.6%	5.1%
S&P 500	56.1%	34.4%	5.1%

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

*Please see Page 16 for sector news*

## Highlighted M&A Transaction – Industrial Equipment

Target	Acquirer	Value*
		\$6,466.6
<p>MKS Instruments, Inc. (NasdaqGS:MKSI) entered into an agreement to acquire Atotech Limited (NYSE:ATC) from The Carlyle Group Inc. (NasdaqGS:CG), Gamma Holding Company Ltd., Carlyle Partners VI Cayman Holdings, L.P., CEP IV Participations S.A R.L., SICAR and others for \$5.1 billion on July 1, 2021, at an implied enterprise value of \$6.5 billion. Atotech is a leading process chemicals technology company and a market leader in advanced electroplating solutions, and MKS and Atotech have complementary customer solutions in key advanced electronics markets, with MKS' expertise in via drilling and Atotech in electroplating.</p>		
<p><i>*ND – Not disclosed. Transaction values reported on the basis of enterprise value in USD millions.</i></p>		

# Industrial Equipment

## Selected Valuation Metrics

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

Company	Market & Capitalization			LTM Performance <sup>(3)</sup>			Valuation			Margins	
	Price <sup>(1)</sup>	Equity Value	Enterprise Value <sup>(2)</sup>	Revenue	EBITDA <sup>(4)</sup>	EPS	Enterprise Value/Revenue	EBITDA	Price/EPS	Gross Profit	EBITDA
<b>Construction Equipment</b>											
Deere & Company (DE)	\$361.59	\$112,795	\$153,965	\$39,827	\$8,036	\$12.97	3.87x	19.2x	27.9x	28.0%	20.2%
Caterpillar Inc. (CAT)	206.75	113,255	140,859	45,892	8,692	6.75	3.07x	16.2x	30.6x	26.2%	18.9%
Cummins Inc. (CMI)	232.10	33,934	36,060	23,151	3,078	12.00	1.56x	11.7x	19.3x	24.5%	13.3%
Korea Shipbuilding & Offshore Engineering Co., Ltd. (KOS: A009540)	113.29	8,011	10,680	12,837	-503	(9.72)	0.83x	NM	NM	NM	NM
Oshkosh Corp. (OSK)	119.55	8,205	7,858	7,459	656	4.72	1.05x	12.0x	25.3x	16.3%	8.8%
Terex Corp. (TEX)	47.92	3,345	3,698	3,455	309	1.86	1.07x	12.0x	25.8x	20.3%	9.0%
<b>Mean</b>		<b>\$46,591</b>	<b>\$58,853</b>	<b>\$22,103</b>	<b>\$3,378</b>	<b>\$4.76</b>	<b>1.91x</b>	<b>14.2x</b>	<b>25.8x</b>	<b>23.1%</b>	<b>14.0%</b>
<b>Median</b>		<b>21,070</b>	<b>23,370</b>	<b>17,994</b>	<b>1,867</b>	<b>5.74</b>	<b>1.31x</b>	<b>12.0x</b>	<b>25.8x</b>	<b>24.5%</b>	<b>13.3%</b>
<b>Electrical Equipment</b>											
Schneider Electric SE (ENXTPA:SU)	\$167.62	\$93,243	\$106,918	\$32,438	\$6,016	\$5.51	3.30x	17.8x	30.4x	41.1%	18.5%
Eaton Corporation plc (ETN)	158.05	62,983	72,240	19,120	3,266	3.47	3.78x	22.1x	NM	32.2%	17.1%
Emerson Electric Co. (EMR)	100.89	60,504	66,030	17,847	3,962	3.06	3.70x	16.7x	33.0x	41.9%	22.2%
Rockwell Automation Inc. (ROK)	307.42	35,669	37,422	6,760	1,340	5.81	5.54x	27.9x	NM	41.7%	19.8%
Amelec Inc. (AME)	139.05	32,109	33,510	4,928	1,426	2.93	6.80x	23.5x	NM	35.0%	28.9%
Hubbell Inc. (HUBB)	200.46	10,901	12,307	4,417	719	5.60	2.79x	17.1x	35.8x	28.3%	16.3%
Regal Beloit Corporation (RBC)	147.23	5,992	6,425	3,240	541	5.52	1.98x	11.9x	26.7x	29.1%	16.7%
Powell Industries, Inc. (POWL)	29.09	340	191	456	12	0.07	0.42x	16.4x	NM	16.3%	2.6%
<b>Mean</b>		<b>\$37,718</b>	<b>\$41,880</b>	<b>\$11,151</b>	<b>\$2,160</b>	<b>\$4.00</b>	<b>3.54x</b>	<b>19.2x</b>	<b>31.5x</b>	<b>33.2%</b>	<b>17.8%</b>
<b>Median</b>		<b>33,889</b>	<b>35,466</b>	<b>5,844</b>	<b>1,383</b>	<b>4.49</b>	<b>3.50x</b>	<b>17.4x</b>	<b>31.7x</b>	<b>33.6%</b>	<b>17.8%</b>
<b>Measurement, Control, and Testing Devices</b>											
Danaher Corporation (DHR)	\$297.49	\$212,378	\$228,865	\$26,720	\$9,037	\$5.79	8.57x	25.3x	NM	60.3%	33.8%
Xcerra Corporation (XCRA)	49.82	39,102	45,730	29,416	4,327	1.76	1.55x	10.6x	28.2x	34.6%	14.7%
Entegris, Inc. (ENTG)	120.64	16,358	16,957	2,083	610	1.98	8.14x	27.8x	NM	46.0%	29.3%
MKS Instruments, Inc. (MKSI)	156.44	8,674	8,660	2,694	728	6.73	3.21x	11.9x	23.2x	46.1%	27.0%
Brooks Automation, Inc. (BRKS)	89.01	6,517	6,285	1,098	232	1.39	5.73x	27.1x	NM	45.3%	21.1%
Onto Innovation Inc. (ONTO)	70.08	3,437	3,067	644	154	1.10	4.76x	19.9x	NM	52.9%	23.9%
FormFactor, Inc. (FORM)	37.26	2,892	2,708	750	140	0.70	3.61x	19.4x	NM	41.1%	18.6%
Nova Measuring Instruments Ltd. (NVMI)	97.80	2,764	2,524	328	88	1.67	7.70x	28.7x	NM	56.7%	26.8%
Cohu, Inc. (COHU)	35.41	1,715	1,522	823	160	1.34	1.85x	9.5x	26.5x	44.5%	19.4%
FARO Technologies, Inc. (FARO)	72.89	1,325	1,217	322	8	(0.14)	3.78x	NM	NM	53.7%	2.4%
Axcelis Technologies, Inc. (ACLS)	38.55	1,295	1,141	513	78	1.26	2.23x	14.7x	30.7x	43.2%	15.1%
<b>Mean</b>		<b>\$26,951</b>	<b>\$28,970</b>	<b>\$5,945</b>	<b>\$1,415</b>	<b>\$2.14</b>	<b>4.65x</b>	<b>19.5x</b>	<b>27.2x</b>	<b>47.7%</b>	<b>21.1%</b>
<b>Median</b>		<b>3,437</b>	<b>3,067</b>	<b>823</b>	<b>160</b>	<b>1.39</b>	<b>3.78x</b>	<b>19.6x</b>	<b>27.4x</b>	<b>46.0%</b>	<b>21.1%</b>
<b>Semiconductor Capital Equipment</b>											
ASML Holding NV (ASML)	\$758.01	\$310,614	\$309,728	\$19,655	\$6,993	\$9.88	NM	NM	NM	51.2%	35.6%
Applied Materials, Inc. (AMAT)	139.93	127,893	126,831	19,827	6,056	3.69	6.40x	20.9x	37.9x	46.0%	30.5%
Lam Research Corp. (LRCX)	637.41	90,832	90,104	14,626	4,789	18.80	6.16x	18.8x	33.9x	46.5%	32.7%
Tokyo Electron Ltd (TSE:8035)	409.26	63,663	60,824	13,844	3,819	14.03	4.39x	15.9x	29.2x	42.1%	27.6%
KLA-Tencor Corp. (KLAC)	348.16	53,367	54,313	6,919	2,816	9.37	7.85x	19.3x	37.2x	59.9%	40.7%
Teradyne Inc. (TER)	127.00	21,116	20,125	3,446	1,192	3.48	5.84x	16.9x	36.5x	58.5%	34.6%
Veeco Instruments Inc. (VECO)	23.20	1,164	1,198	531	69	0.18	2.26x	17.4x	NM	41.6%	13.0%
<b>Mean</b>		<b>\$95,521</b>	<b>\$94,732</b>	<b>\$11,264</b>	<b>\$3,676</b>	<b>\$8.49</b>	<b>5.48x</b>	<b>18.4x</b>	<b>34.9x</b>	<b>49.4%</b>	<b>30.7%</b>
<b>Median</b>		<b>63,663</b>	<b>60,824</b>	<b>13,844</b>	<b>3,819</b>	<b>9.37</b>	<b>6.00x</b>	<b>18.1x</b>	<b>36.5x</b>	<b>46.5%</b>	<b>32.7%</b>

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

‡ = excluded from Mean and Median calculations

Source: CapitalIQ

(1) As of close July 30, 2021.

(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, 2021 excluding AMAT and DE (August 1, 2021); ASML, CMI and TER (July 4, 2021); ENTG (July 3, 2021); DHR (July 2, 2021); LRCX (June 27, 2021) and COHU, FORM and ONTO (June 26, 2021).

(4) Excludes non-recurring and discontinued operations.

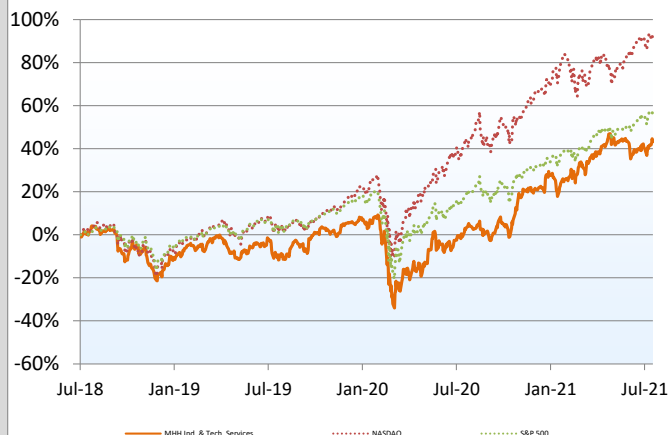
## Comparative Index Performance

The Mufson Howe Hunter Industrial & Technical Services Index<sup>(a)</sup> increased by 1.8% during the three months ending July 30, 2021.

### Last Three Years

Daily from July 31, 2018 to July 30, 2021

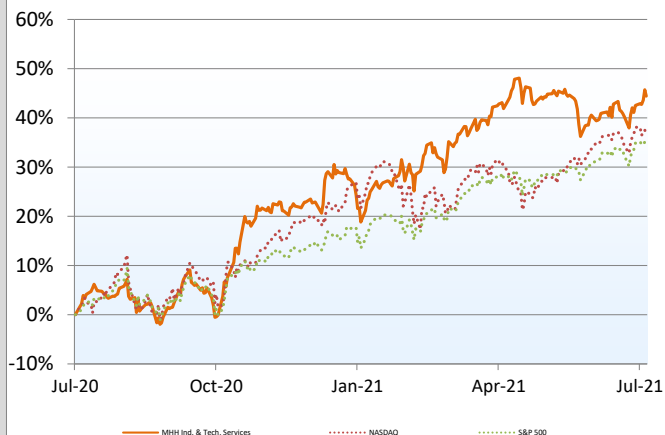
Price as Percent of Base (July 31, 2018 = 0%)



### Last Twelve Months

Daily from July 31, 2020 to July 30, 2021

Price as Percent of Base (July 31, 2020 = 0%)



## Price Performance

	3-Year	LTM	3 Month
Mufson Howe Hunter Industrial & Technical Services Index <sup>(a)</sup>	43.3%	44.4%	1.8%
NASDAQ	91.3%	36.6%	5.1%
S&P 500	56.1%	34.4%	5.1%

(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 page.

*Please see Page 18 for sector news*

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

Target	Acquirer	Value*
Veolia Resource Utilization units of Xi'an, Beijing and Nanjing 	 BCCY	\$22.1

Henan BCCY Environmental Energy Co., Ltd (SZSE:300614) agreed to acquire Veolia Resource Utilization (Xi'an) Co., Ltd., Veolia Resource Utilization (Beijing) Co., Ltd., and Veolia Resource Utilization (Nanjing) Co., Ltd. for approximately CNY 150 million (\$22 million) on July 15, 2021. The acquired companies were previously part of Veolia Environmental Service China Limited, a subsidiary of Veolia Environnement S.A. (ENXTPA:VIE), and focus on the development and utilization of environmental energy.

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

# Industrial & Technical Services

## Selected Valuation Metrics

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

Company	Market & Capitalization			LTM Performance <sup>(3)</sup>			Valuation			Margins	
	Price <sup>(1)</sup>	Equity Value	Enterprise Value <sup>(2)</sup>	Revenue	EBITDA <sup>(4)</sup>	EPS	Enterprise Value/Revenue	EBITDA	Price/EPS	Gross Profit	EBITDA
<b>Industrial Distribution</b>											
Fastenal Company (FAST)	\$54.77	\$31,478	\$31,824	\$5,696	\$1,319	\$1.24	5.59x	24.1x	NM	45.7%	23.1%
W.W. Grainger, Inc. (GWW)	444.58	23,167	25,268	12,250	1,666	15.28	2.06x	15.2x	29.1x	35.2%	13.6%
WESCO International, Inc. (WCC)	106.45	5,342	10,044	16,908	972	5.71	0.59x	10.3x	18.6x	20.0%	5.7%
MSC Industrial Direct Co., Inc. (MSM)	89.17	4,962	5,741	3,160	427	3.82	1.82x	13.5x	23.3x	42.0%	13.5%
MRC Global Inc. (MRC)	9.17	758	1,558	2,459	73	0.02	0.63x	21.3x	NM	17.0%	3.0%
Transcat, Inc. (TRNS)	63.85	477	506	182	22	1.06	2.78x	23.4x	NM	27.6%	11.9%
Lawson Products, Inc. (LAWS)	52.49	477	491	399	22	1.12	1.23x	22.0x	NM	52.6%	5.6%
<b>Mean</b>		<b>\$9,523</b>	<b>\$10,776</b>	<b>\$5,865</b>	<b>\$643</b>	<b>\$4.04</b>	<b>2.10x</b>	<b>18.5x</b>	<b>23.7x</b>	<b>34.3%</b>	<b>10.9%</b>
<b>Median</b>		<b>4,962</b>	<b>5,741</b>	<b>3,160</b>	<b>427</b>	<b>1.24</b>	<b>1.82x</b>	<b>21.3x</b>	<b>23.3x</b>	<b>35.2%</b>	<b>11.9%</b>
<b>Industrial Recycling</b>											
Veolia Environnement S.A. (ENXTPA:VIE)	\$32.84	\$18,624	\$36,114	\$32,301	\$3,253	\$1.30	1.12x	11.1x	25.3x	16.4%	10.1%
Clean Harbors, Inc. (CLH)	95.00	5,184	6,340	3,310	567	2.32	1.92x	11.2x	NM	31.7%	17.1%
Commercial Metals Company (CMC)	32.80	3,955	4,712	6,108	656	2.31	0.77x	7.2x	14.2x	16.8%	10.7%
Aurubis AG (XTRA:NDA)	101.19	4,415	4,450	18,671	1,211	14.00	0.24x	3.7x	7.2x	11.5%	6.5%
Dowa Holdings Co., Ltd. (TSE:5714)	38.58	2,296	3,632	6,132	657	5.20	0.59x	5.5x	7.4x	13.4%	10.7%
Sims Limited (ASX:SGM)	12.06	2,427	2,534	4,444	173	0.64	0.57x	14.7x	19.0x	14.4%	3.9%
<b>Mean</b>		<b>\$6,150</b>	<b>\$9,631</b>	<b>\$11,828</b>	<b>\$1,086</b>	<b>\$4.29</b>	<b>0.87x</b>	<b>8.9x</b>	<b>14.6x</b>	<b>17.4%</b>	<b>9.8%</b>
<b>Median</b>		<b>4,185</b>	<b>4,581</b>	<b>6,120</b>	<b>656</b>	<b>2.32</b>	<b>0.68x</b>	<b>9.1x</b>	<b>14.2x</b>	<b>15.4%</b>	<b>10.4%</b>
<b>Technical Services</b>											
AECOM (ACM)	\$62.96	\$9,217	\$11,390	\$13,556	\$797	\$1.54	0.84x	14.3x	NM	5.7%	5.9%
Tetra Tech, Inc. (TTEK)	133.52	7,220	7,484	2,433	292	2.93	3.08x	25.65	NM	19.7%	12.0%
KBR, Inc. (KBR)	38.70	5,448	6,852	5,842	462	0.42	1.17x	14.8x	NM	12.2%	7.9%
John Wood Group PLC (LSE:WG.)	3.03	2,042	3,659	6,630	333	0.11	0.55x	11.0x	27.0x	9.9%	5.0%
Balfour Beatty plc (LSE:BBY)	4.21	2,732	2,601	10,230	139	0.13	0.25x	18.7x	31.7x	3.9%	1.4%
Fluor Corporation (FLR)	16.66	2,355	2,342	14,411	225	(0.61)	0.16x	10.4x	NM	2.7%	1.6%
Primoris Services Corporation (PRIM)	29.90	1,606	2,263	3,540	289	2.24	0.64x	7.8x	13.3x	11.7%	8.2%
NV5 Global, Inc. (NVEE)	95.00	1,442	1,565	664	97	1.94	2.36x	16.2x	NM	50.7%	14.6%
Cardno Limited (ASX:CDD)	0.69	268	348	723	56	0.03	0.48x	6.2x	25.5x	9.3%	7.7%
Jura Energy Corporation (JEC)	0.32	22	43	21	15	0.05	2.09x	2.9x	7.0x	60.2%	72.0%
<b>Mean</b>		<b>\$3,235</b>	<b>\$3,855</b>	<b>\$5,805</b>	<b>\$270</b>	<b>\$0.88</b>	<b>1.16x</b>	<b>12.8x</b>	<b>20.9x</b>	<b>18.6%</b>	<b>13.6%</b>
<b>Median</b>		<b>2,198</b>	<b>2,472</b>	<b>4,691</b>	<b>257</b>	<b>0.28</b>	<b>0.74x</b>	<b>12.6x</b>	<b>25.5x</b>	<b>10.8%</b>	<b>7.8%</b>

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

‡ = excluded from Mean and Median calculations

Source: CapitalIQ

(1) As of close July 30, 2021.

(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, 2021 excluding NVEE (July 3, 2021); LSE:BBY (July 2, 2021); TTEK (June 27, 2021); TRNS (June 26, 2021); CMC (May 31, 2021); MSM (May 29, 2021); JEC (March 31, 2021) and ASX:CDD (December 31, 2020).

(4) Excludes non-recurring and discontinued operations.

## Selected News – Aerospace & Defense

**Airbus SE (ENXTPA:AIR)** reported second quarter net income of \$2,216.0 million for fiscal year 2021 as compared to (\$1,618.3) million for the prior year period. Earnings per share were \$2.82 versus (\$2.07) for the prior year period. Revenues for the quarter increased to \$16,809.3 million from \$9,359.7 million for the same period in fiscal year 2020.

**BAE Systems plc (LSE:BA.)** reported second quarter net income of \$690.6 million for fiscal year 2021 as compared to \$329.4 million for the prior year period. Earnings per share were \$0.21 versus \$0.10 for the prior year period. Revenues for the quarter increased to \$6,449.1 million from \$5,683.2 million for the same period in fiscal year 2020.

**General Dynamics Corporation (NYSE:GD)** reported second quarter net income of \$737.0 million for fiscal year 2021 as compared to \$625.0 million for the prior year period. Earnings per share were \$2.61 versus \$2.18 for the prior year period. Revenues for the quarter decreased to \$9,220.0 million from \$9,264.0 million for the same period in fiscal year 2020.

**Lockheed Martin Corporation (NYSE:LMT)** reported second quarter net income of \$1,815.0 million for fiscal year 2021 as compared to \$1,626.0 million for the prior year period. Earnings per share were \$6.52 versus \$5.79 for the prior year period. Revenues for the quarter increased to \$17,029.0 million from \$16,220.0 million for the same period in fiscal year 2020.

**Northrop Grumman Corporation (NYSE:NOC)** reported second quarter net income of \$1,037.0 million for fiscal year 2021 as compared to \$1,005.0 million for the prior year period. Earnings per share were \$6.42 versus \$6.01 for the prior year period. Revenues for the quarter increased to \$9,151.0 million from \$8,884.0 million for the same period in fiscal year 2020.

**Northrop Grumman Corporation (NYSE:NOC)** announced the appointment of **Michael Witt** as **Chief Sustainability Officer**.

**Raytheon Technologies Corporation (NYSE:RTX)** reported second quarter net income of \$1,032.0 million for fiscal year 2021 as compared to (\$3,835.0) million for the prior year period. Earnings per share were \$0.68 versus (\$2.55) for the prior year period. Revenues for the quarter increased to \$15,880.0 million from \$14,061.0 million for the same period in fiscal year 2020.

**Textron Inc. (NYSE:TXT)** reported second quarter net income of \$183.0 million for fiscal year 2022 as compared to (\$92.0) million for the prior year period. Earnings per share were \$0.81 versus (\$0.40) for the prior year period. Revenues for the quarter increased to \$3,191.0 million from \$2,472.0 million for the same period in fiscal year 2021.

**Thales S.A. (ENXTPA:HO)** reported second quarter net income of \$256.5 million for fiscal year 2021 as compared to \$36.6 million for the prior year period. Earnings per share were \$1.20 versus \$0.17 for the prior year period. Revenues for the quarter increased to \$4,993.6 million from \$4,361.5 million for the same period in fiscal year 2020.

**The Boeing Company (NYSE:BA)** reported second quarter net income of \$587.0 million for fiscal year 2021 as compared to (\$2,376.0) million for the prior year period. Earnings per share were \$1.00 versus (\$4.20) for the prior year period. Revenues for the quarter increased to \$16,998.0 million from \$11,807.0 million for the same period in fiscal year 2020.

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

## Selected News – Components & Materials

**3M Company (NYSE:MMM)** reported second quarter net income of \$1,524.0 million for fiscal year 2021 as compared to \$1,306.0 million for the prior year period. Earnings per share were \$2.59 versus \$2.25 for the prior year period. Revenues for the quarter increased to \$8,950.0 million from \$7,176.0 million for the same period in fiscal year 2020.

**Akzo Nobel N.V. (ENXTAM:AKZA)** reported second quarter net income of \$309.5 million for fiscal year 2021 as compared to \$145.2 million for the prior year period. Earnings per share were \$1.65 versus \$0.75 for the prior year period. Revenues for the quarter increased to \$2,977.2 million from \$2,236.1 million for the same period in fiscal year 2020.

**Alps Alpine Co., Ltd. (TSE:6770)** reported first quarter net income of (\$39.2) million for fiscal year 2022 as compared to (\$84.5) million for the prior year period. Earnings per share were (\$0.19) versus (\$0.41) for the prior year period. Revenues for the quarter increased to \$1,575.1 million from \$1,256.7 million for the same period in fiscal year 2021.

**Amphenol Corporation (NYSE:APH)** reported second quarter net income of \$369.8 million for fiscal year 2021 as compared to \$257.7 million for the prior year period. Earnings per share were \$0.59 versus \$0.42 for the prior year period. Revenues for the quarter increased to \$2,653.9 million from \$1,987.5 million for the same period in fiscal year 2020.

**Amphenol Corporation (NYSE:APH)** announced the appointment of **Nancy Altobello** to its **Board of Directors**.

**Autoliv, Inc. (NYSE:ALV)** reported second quarter net income of \$104.0 million for fiscal year 2021 as compared to (\$175.0) million for the prior year period. Earnings per share were \$1.19 versus (\$2.00) for the prior year period. Revenues for the quarter increased to \$2,022.0 million from \$1,048.0 million for the same period in fiscal year 2020.

**BASF SE (DE:BAS)** reported second quarter net income of \$1,961.1 million for fiscal year 2021 as compared to (\$988.1) million for the prior year period. Earnings per share were \$2.13 versus (\$1.08) for the prior year period. Revenues for the quarter increased to \$23,420.7 million from \$14,269.6 million for the same period in fiscal year 2020.

**Celanese Corporation (NYSE:CE)** reported second quarter net income of \$538.0 million for fiscal year 2021 as compared to \$107.0 million for the prior year period. Earnings per share were \$4.77 versus \$0.90 for the prior year period. Revenues for the quarter increased to \$2,198.0 million from \$1,193.0 million for the same period in fiscal year 2020.

**Corning Incorporated (NYSE:GLW)** reported second quarter net income of \$449.0 million for fiscal year 2021 as compared to (\$71.0) million for the prior year period. Earnings per share were (\$0.42) versus (\$0.13) for the prior year period. Revenues for the quarter increased to \$3,501.0 million from \$2,561.0 million for the same period in fiscal year 2020.

**DENSO Corporation (TSE:6902)** reported first quarter net income of \$805.1 million for fiscal year 2022 as compared to (\$835.5) million for the prior year period. Earnings per share were \$1.04 versus (\$1.08) for the prior year period. Revenues for the quarter increased to \$12,226.7 million from \$7,097.2 million for the same period in fiscal year 2021.

**Dow Inc. (NYSE:DOW)** reported second quarter net income of \$1,901.0 million for fiscal year 2021 as compared to (\$225.0) million for the prior year period. Earnings per share were \$2.51 versus (\$0.31) for the prior year period. Revenues for the quarter increased to \$13,885.0 million from \$8,354.0 million for the same period in fiscal year 2020.

**Encore Wire Corporation (NasdaqGS:WIRE)** reported second quarter net income of \$183.1 million for fiscal year 2021 as compared to \$12.3 million for the prior year period. Earnings per share were \$8.82 versus \$0.60 for the prior year period. Revenues for the quarter increased to \$744.4 million from \$253.6 million for the same period in fiscal year 2020.



### Selected News – Components & Materials

**Johnson Controls International plc (NYSE:JCI)** reported third quarter net income of \$574.0 million for fiscal year 2021 as compared to (\$182.0) million for the prior year period. Earnings per share were \$0.80 versus (\$0.24) for the prior year period. Revenues for the quarter increased to \$6,341.0 million from \$5,343.0 million for the same period in fiscal year 2020.

**Lear Corporation (NYSE:LEA)** announced the appointment of **Alicia Davis** to the role of **Chief Strategy Officer**.

**OMRON Corporation (TSE:6645)** reported first quarter net income of \$181.8 million for fiscal year 2022 as compared to \$89.9 million for the prior year period. Earnings per share were \$0.90 versus \$0.45 for the prior year period. Revenues for the quarter increased to \$1,695.8 million from \$1,358.6 million for the same period in fiscal year 2021.

**PPG Industries, Inc. (NYSE:PPG)** reported second quarter net income of \$431.0 million for fiscal year 2021 as compared to \$102.0 million for the prior year period. Earnings per share were \$1.80 versus \$0.43 for the prior year period. Revenues for the quarter increased to \$4,359.0 million from \$3,015.0 million for the same period in fiscal year 2020.

**Solvay SA (ENXTBR:SOLB)** reported second quarter net income of \$263.2 million for fiscal year 2021 as compared to (\$1,733.1) million for the prior year period. Earnings per share were \$2.54 versus (\$16.81) for the prior year period. Revenues for the quarter increased to \$3,188.3 million from \$2,632.2 million for the same period in fiscal year 2020.

**Stanley Electric Co., Ltd. (TSE:6923)** reported first quarter net income of \$54.6 million for fiscal year 2022 as compared to (\$12.0) million for the prior year period. Earnings per share were \$0.34 versus (\$0.07) for the prior year period. Revenues for the quarter increased to \$850.6 million from \$555.2 million for the same period in fiscal year 2021.

**TE Connectivity Ltd. (NYSE:TEL)** reported third quarter net income of \$580.0 million for fiscal year 2021 as compared to (\$41.0) million for the prior year period. Earnings per share were \$1.74 versus (\$0.13) for the prior year period. Revenues for the quarter increased to \$3,845.0 million from \$2,548.0 million for the same period in fiscal year 2020.

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

## Selected News – Industrial Equipment

**ASML Holding N.V. (ENXTAM:ASML)** reported second quarter net income of \$1,229.5 million for fiscal year 2021 as compared to \$841.8 million for the prior year period. Earnings per share were \$2.98 versus \$2.01 for the prior year period. Revenues for the quarter increased to \$4,761.0 million from \$3,727.9 million for the same period in fiscal year 2020.

**Caterpillar Inc. (NYSE:CAT)** reported second quarter net income of \$1,413.0 million for fiscal year 2021 as compared to \$458.0 million for the prior year period. Earnings per share were \$2.56 versus \$0.84 for the prior year period. Revenues for the quarter increased to \$12,889.0 million from \$9,997.0 million for the same period in fiscal year 2020.

**Cohu, Inc. (NasdaqGS:COHU)** reported second quarter net income of \$95.1 million for fiscal year 2021 as compared to (\$4.7) million for the prior year period. Earnings per share were \$1.92 versus (\$0.11) for the prior year period. Revenues for the quarter increased to \$244.8 million from \$144.1 million for the same period in fiscal year 2020.

**Danaher Corporation (NYSE:DHR)** reported second quarter net income of \$1,785.0 million for fiscal year 2021 as compared to \$927.0 million for the prior year period. Earnings per share were \$2.40 versus \$1.24 for the prior year period. Revenues for the quarter increased to \$7,218.0 million from \$5,297.0 million for the same period in fiscal year 2020.

**Entegris, Inc. (NasdaqGS:ENTG)** reported second quarter net income of \$88.8 million for fiscal year 2021 as compared to \$68.0 million for the prior year period. Earnings per share were \$0.65 versus \$0.50 for the prior year period. Revenues for the quarter increased to \$571.4 million from \$448.4 million for the same period in fiscal year 2020.

**FARO Technologies, Inc. (NasdaqGS:FARO)** reported second quarter net income of (\$1.2) million for fiscal year 2021 as compared to (\$8.9) million for the prior year period. Earnings per share were (\$0.06) versus (\$0.50) for the prior year period. Revenues for the quarter increased to \$82.1 million from \$60.6 million for the same period in fiscal year 2020.

**FARO Technologies, Inc. (NasdaqGS:FARO)** announced the appointment of **Moonhie Chin** and **Alex Davern** to its **Board of Directors**.

**FormFactor, Inc. (NasdaqGS:FORM)** reported second quarter net income of \$17.9 million for fiscal year 2021 as compared to \$20.5 million for the prior year period. Earnings per share were \$0.23 versus \$0.26 for the prior year period. Revenues for the quarter increased to \$188.1 million from \$157.8 million for the same period in fiscal year 2020.

**Hubbell Incorporated (NYSE:HUBB)** reported second quarter net income of \$95.8 million for fiscal year 2021 as compared to \$88.2 million for the prior year period. Earnings per share were \$1.74 versus \$1.62 for the prior year period. Revenues for the quarter increased to \$1,191.8 million from \$949.2 million for the same period in fiscal year 2020.

**Korea Shipbuilding & Offshore Engineering Co., Ltd. (KOSE:A009540)** reported second quarter net income of (\$556.2) million for fiscal year 2021 as compared to (\$2.8) million for the prior year period. Earnings per share were (\$7.87) versus (\$0.04) for the prior year period. Revenues for the quarter increased to \$3,358.8 million from \$3,272.8 million for the same period in fiscal year 2020.

**KLA Corporation (NasdaqGS:KLAC)** reported net income of \$2,078.3 million for fiscal year 2021 as compared to \$1,216.8 million for the prior year. Earnings per share were \$13.37 versus \$7.70 for the prior year. Revenues for the year increased to \$6,918.7 million from \$5,806.4 million for fiscal year 2020.

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

**Lam Research Corporation (NasdaqGS:LRCX)** reported net income of \$3,908.5 million for fiscal year 2021 as compared to \$2,251.8 million for the prior year. Earnings per share were \$26.90 versus \$15.10 for the prior year. Revenues for the year increased to \$14,626.2 million from \$10,044.7 million for fiscal year 2020.

**MKS Instruments, Inc. (NasdaqGS:MKSI)** reported second quarter net income of \$146.5 million for fiscal year 2021 as compared to \$73.7 million for the prior year period. Earnings per share were \$2.63 versus \$1.33 for the prior year period. Revenues for the quarter increased to \$749.9 million from \$544.3 million for the same period in fiscal year 2020.

**Oshkosh Corporation (NYSE:OSK)** reported third quarter net income of \$213.9 million for fiscal year 2021 as compared to \$80.2 million for the prior year period. Earnings per share were \$3.07 versus \$1.17 for the prior year period. Revenues for the quarter increased to \$2,208.8 million from \$1,580.8 million for the same period in fiscal year 2020.

**Regal Beloit Corporation (NYSE:RBC)** reported second quarter net income of \$79.6 million for fiscal year 2022 as compared to \$28.1 million for the prior year period. Earnings per share were \$1.94 versus \$0.69 for the prior year period. Revenues for the quarter increased to \$886.9 million from \$634.1 million for the same period in fiscal year 2021.

**Rockwell Automation, Inc. (NYSE:ROK)** reported third quarter net income of \$271.3 million for fiscal year 2021 as compared to \$317.8 million for the prior year period. Earnings per share were \$2.32 versus \$2.73 for the prior year period. Revenues for the quarter increased to \$1,848.2 million from \$1,394.0 million for the same period in fiscal year 2020.

**Rockwell Automation, Inc. (NYSE:ROK)** announced the appointment of **Cyril Perducat** to the role of **Chief Technology Officer**.

**Schneider Electric S.E. (ENXTPA:SU)** reported second quarter net income of \$922.5 million for fiscal year 2021 as compared to \$436.1 million for the prior year period. Earnings per share were \$1.65 versus \$0.78 for the prior year period. Revenues for the quarter increased to \$8,165.8 million from \$6,513.1 million for the same period in fiscal year 2020.

**Teradyne, Inc. (NasdaqGS:TER)** reported second quarter net income of \$328.3 million for fiscal year 2021 as compared to \$188.9 million for the prior year period. Earnings per share were \$1.76 versus \$1.05 for the prior year period. Revenues for the quarter increased to \$1,085.7 million from \$838.7 million for the same period in fiscal year 2020.

**Terex Corporation (NYSE:TEX)** reported second quarter net income of \$73.9 million for fiscal year 2021 as compared to (\$9.2) million for the prior year period. Earnings per share were \$1.04 versus (\$0.14) for the prior year period. Revenues for the quarter increased to \$1,038.7 million from \$690.5 million for the same period in fiscal year 2020.

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

## Selected News – Industrial & Technical Services

**Balfour Beatty plc (LSE:BBY)** announced the appointment of **Charles Allen, Lord Allen of Kensington, CBE**, to the role of **Chairman of the Company**.

**Fastenal Company (NasdaqGS:FAST)** reported second quarter net income of \$239.7 million for fiscal year 2021 as compared to \$238.9 million for the prior year period. Earnings per share were \$0.42 versus \$0.42 for the prior year period. Revenues for the quarter decreased to \$1,507.7 million from \$1,509.0 million for the same period in fiscal year 2020.

**KBR, Inc. (NYSE:KBR)** reported second quarter net income of (\$152.0) million for fiscal year 2021 as compared to (\$39.0) million for the prior year period. Earnings per share were (\$1.08) versus (\$0.28) for the prior year period. Revenues for the quarter increased to \$1,536.0 million from \$1,385.0 million for the same period in fiscal year 2020.

**KBR, Inc. (NYSE:KBR)** announced the appointment of **Carlos A. Sabater** and **Lt. General Vincent R. Stewart, USMC (Ret.)** to its **Board of Directors** as well as the appointment of **Shad E. Evans** to the role of **Interim Chief Accounting Officer**.

**Lawson Products, Inc. (NasdaqGS:LAWS)** reported second quarter net income of \$2.9 million for fiscal year 2021 as compared to \$0.6 million for the prior year period. Earnings per share were \$0.31 versus \$0.07 for the prior year period. Revenues for the quarter increased to \$106.5 million from \$72.1 million for the same period in fiscal year 2020.

**MRC Global Inc. (NYSE:MRC)** reported second quarter net income of \$4.0 million for fiscal year 2021 as compared to (\$281.0) million for the prior year period. Earnings per share were (\$0.02) versus (\$3.50) for the prior year period. Revenues for the quarter increased to \$686.0 million from \$602.0 million for the same period in fiscal year 2020.

**MSC Industrial Direct Co., Inc. (NYSE:MSM)** reported third quarter net income of \$94.4 million for fiscal year 2021 as compared to \$77.7 million for the prior year period. Earnings per share were \$1.68 versus \$1.40 for the prior year period. Revenues for the quarter increased to \$866.3 million from \$835.0 million for the same period in fiscal year 2020.

**Tetra Tech, Inc. (NasdaqGS:TTEK)** reported third quarter net income of \$51.9 million for fiscal year 2021 as compared to \$45.5 million for the prior year period. Earnings per share were \$0.95 versus \$0.83 for the prior year period. Revenues for the quarter increased to \$638.0 million from \$560.3 million for the same period in fiscal year 2020.

**Transcat, Inc. (NasdaqGM:TRNS)** reported first quarter net income of \$3.7 million for fiscal year 2022 as compared to \$0.8 million for the prior year period. Earnings per share were \$0.49 versus \$0.11 for the prior year period. Revenues for the quarter increased to \$47.8 million from \$38.9 million for the same period in fiscal year 2021.

**Veolia Environnement S.A. (ENXTPA:VIE)** reported second quarter net income of (\$0.0) million for fiscal year 2021 as compared to (\$0.0) million for the prior year period. Earnings per share were (\$0.00) versus (\$0.00) for the prior year period. Revenues for the quarter decreased to \$0.0 million from \$0.0 million for the same period in fiscal year 2020.

**W.W. Grainger, Inc. (NYSE:GWW)** reported second quarter net income of \$225.0 million for fiscal year 2021 as compared to \$114.0 million for the prior year period. Earnings per share were \$4.27 versus \$2.10 for the prior year period. Revenues for the quarter increased to \$3,207.0 million from \$2,837.0 million for the same period in fiscal year 2020.

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

# MHH Manufacturing Universe Directory

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

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

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## Mergers & Acquisitions

- Advise buyers and sellers (public and private companies)
- Sale of businesses, strategic acquisitions, management buy-outs, and industry build-ups

## Raise Capital

- Equity (control and non-control)
- Mezzanine financing
- Senior and junior debt
- Typically raise capital from banks, finance companies, private investment funds, and private equity groups

## Financial Advisory Services

- Analysis of business strategies and options
- Fairness opinions
- Valuations

### The Mufson Howe Hunter Manufacturing Update Indices

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