

Manufacturing Update

March 2022

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

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Macro-Economic Trends

| | Jan-22 | Feb-22 | Trend |
|---------------------------|--------|--------|----------|
| PMI | 57.6 | 58.6 | Positive |
| Total Unemployment | 4.0 | 3.8 | Positive |
| CPI Monthly Change | 0.6 | 0.8 | Negative |
| PPI Monthly Change | 1.2 | 0.8 | Positive |
| Industrial Production | 103.0 | 103.6 | Positive |
| Capacity Utilization | 77.3 | 77.6 | Positive |
| Manufacturing Production | 100.4 | 101.5 | Positive |
| Manufacturing Utilization | 77.1 | 78.0 | Positive |

Sector Index Performance

| | 3-Year | 1-Year | 3-Month |
|---------------------------------|--------|--------|---------|
| Aerospace & Defense | -5.9% | 19.0% | 15.1% |
| Components & Materials | 0.1% | -3.4% | -6.9% |
| Industrial Equipment | 127.7% | 9.4% | -10.0% |
| Industrial & Technical Services | 56.0% | 17.6% | -2.2% |
| NASDAQ | 82.6% | 4.2% | -11.5% |
| S&P | 57.1% | 14.8% | -4.2% |

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 21 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., Azena, Inc., Caterpillar Inc., Cohu Inc., Cummins Inc., Danaher Corp., Deere & Company, Eaton Corp. plc, Emerson Electric Co., Entegris Inc., FARO Technologies Inc., FormFactor Inc., Hubbell Inc., Hyundai Heavy Industries Co. Ltd, KLA-Tencor Corp., LamResearch Corp., MKS Instruments Inc., Nanometrics Inc., Navistar International Corp., Nova Measuring Instruments Ltd., Onto Innovation Inc., Oshkosh Corp., Powell Industries, Inc., Regal Beloit Corp., Rockwell Automation Inc., Schneider Electric SE, Teradyne Inc., Terex Corp., Tokyo Electron Ltd., Veeco Instruments Inc., and Xcerra Corp.

The MMH Industrial & Technical Services Index is currently comprised of AECOM Technology Corp., Aurubis AG, Balfour Beatty plc, Cardno Ltd., Clean Harbors Inc., Commercial Metals Company, 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.

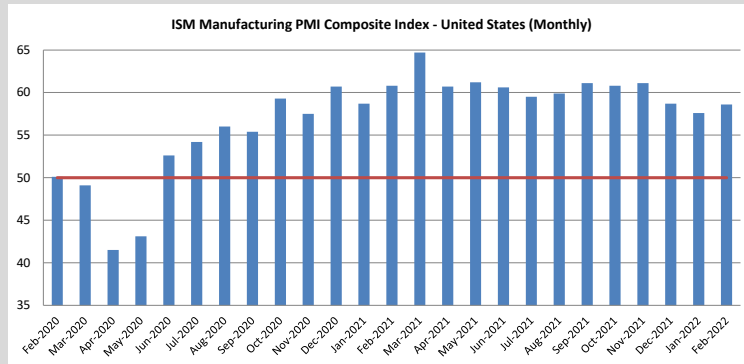
The companies that comprise each Index can change periodically as a result of a variety of reasons, including mergers, acquisitions, initial public offerings, and other transactions; therefore, comparisons to historical time periods and historical performance for each Index may not entirely correspond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



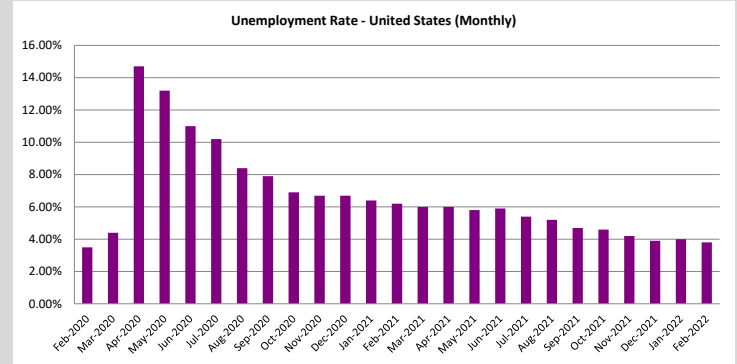
Source: Institute for Supply Management

Commentary

Economic activity in the manufacturing sector grew in February, with the overall economy achieving a 21st consecutive month of growth. New Orders, Production, Employment, Exports, Imports, Backlog, and Prices all grew in February 2022, while Supplier Deliveries slowed at an accelerated rate.

Unemployment Rate

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



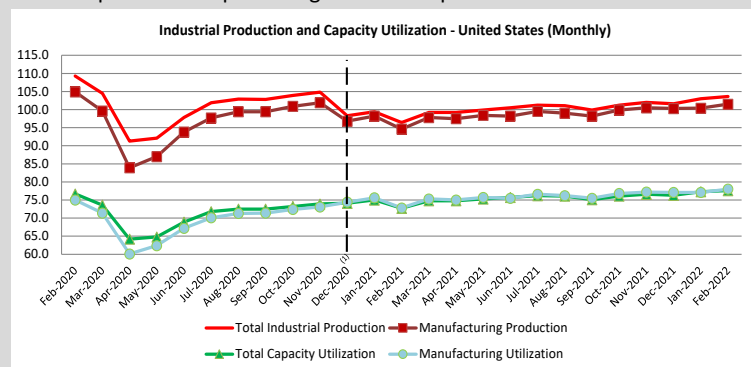
Source: United States Bureau of Labor

Commentary

In February, the unemployment rate decreased by 0.2% to 3.8% and the number of unemployed persons decreased to 6.3 million. Notable job gains occurred in leisure and hospitality, professional & business services, healthcare, and construction. Total nonfarm payroll employment increased by 678,000.

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

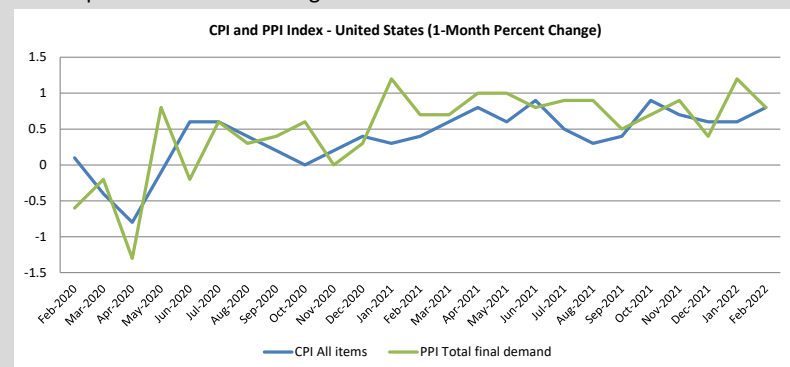
(1) Index was revised May 28, 2021 to reflect 2017 as a base year (rather than 2012) and adopt 2017 NAICS groups, retroactively beginning in December 2020.

Commentary

Industrial production rose 0.5% in February. At 103.6% of its 2017 average, total industrial production in February was 7.5% higher than its year-earlier level, though industrial activity was suppressed in February 2021 due to severe winter weather. Capacity utilization for the industrial sector increased 0.3% in February to 77.6%, a rate that is 1.9 percentage points below its long-run (1972–2021) average.

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

The CPI for all items increased by 0.8% in February, driven by increases in the gasoline, shelter and food indexes. The PPI for final demand also rose 0.8% in February, driven by a 2.4% increase in prices for final demand goods, while the index for final demand services was unchanged during the month.

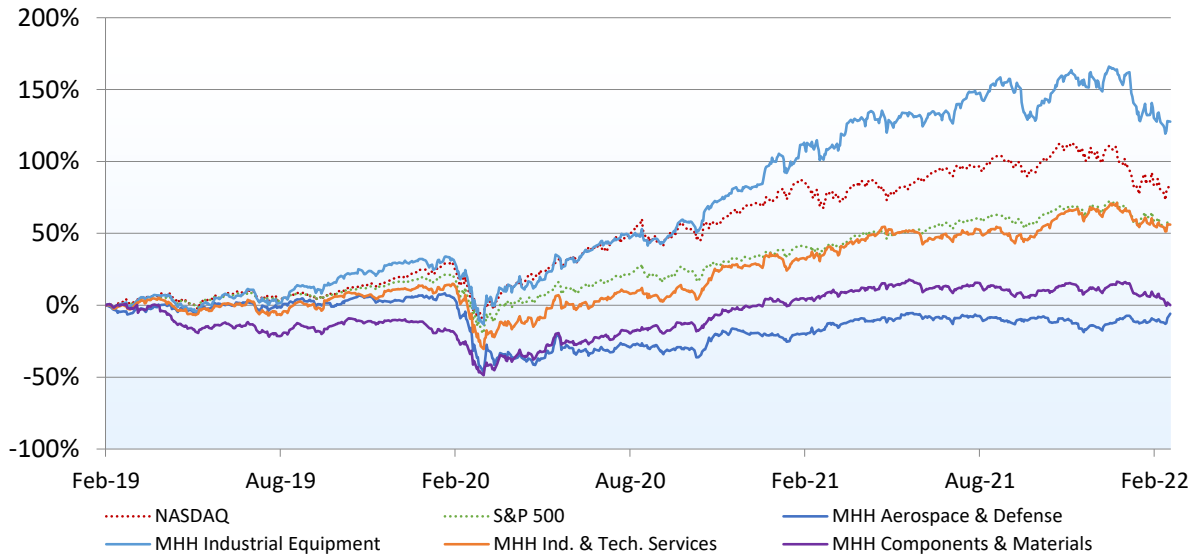
Sector Index Performance

Comparative Sector Index Performance (Last Three Years)

Last Three Years

Daily from February 28, 2019 to February 28, 2022

Price as Percent of Base (February 28, 2019 = 0%)



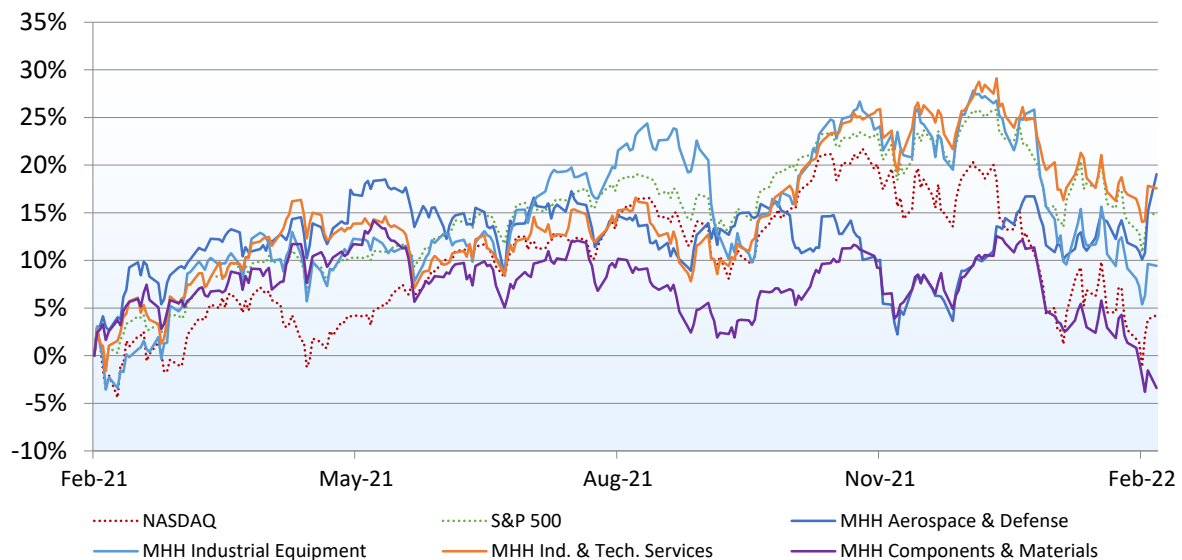
Source: CapitalIQ

Comparative Sector Index Performance (Last Twelve Months)

Last Twelve Months

Daily from February 28, 2021 to February 28, 2022

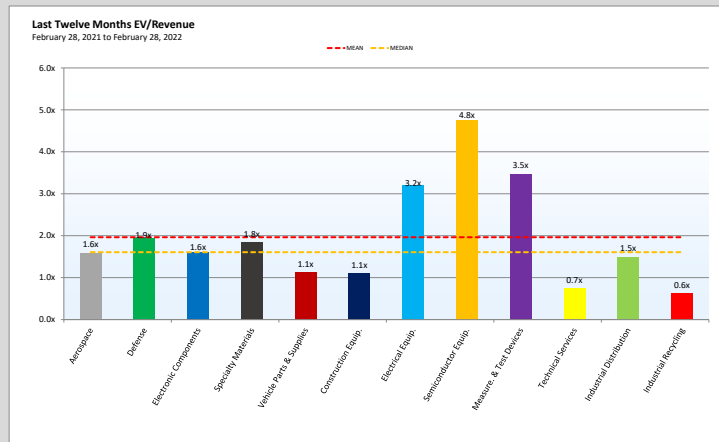
Price as Percent of Base (February 28, 2021 = 0%)



Source: CapitalIQ

Subsector Trading Multiples & Margins

Comparative Subsector LTM EV/Revenue

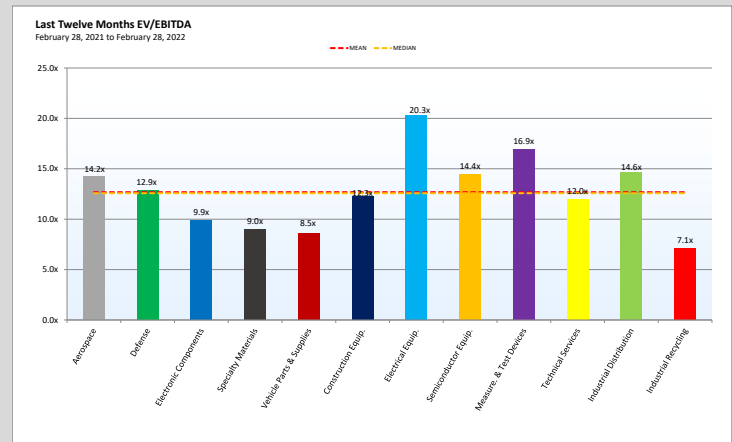


Source: CapitalIQ

Commentary

During the last twelve months, our subsector indices had a mean EV/Revenue of 2.0x (i.e., red line) and a median of 1.6x (i.e., yellow line). Of the subsectors, Semiconductor Capital Equipment had the high multiple at 4.8x and Industrial Recycling had the low multiple at 0.6x.

Comparative Subsector LTM EV/EBITDA

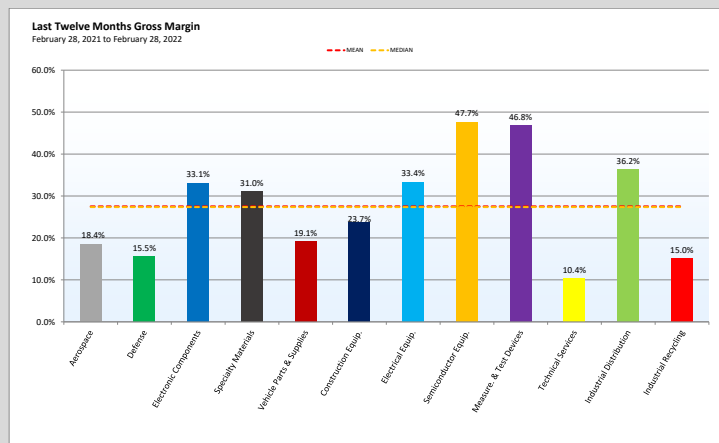


Source: CapitalIQ

Commentary

During the last twelve months, our subsector indices had a mean EV/EBITDA of 12.7x and a median of 12.6x. Of the subsectors, Electrical Equipment had the high multiple at 20.3x and Industrial Recycling had the low multiple at 7.1x.

Comparative Subsector LTM Gross Margin

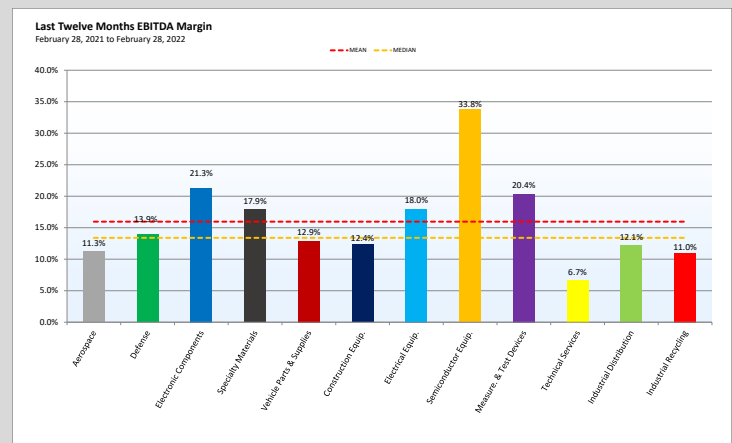


Source: CapitalIQ

Commentary

During the last twelve months, our subsector indices had a mean Gross Margin of 27.5% and a median of 27.4%. Of the subsectors, Semiconductor Capital Equipment had the high margin at 47.7%, and Technical Services had the low margin at 10.4%.

Comparative Subsector LTM EBITDA Margin

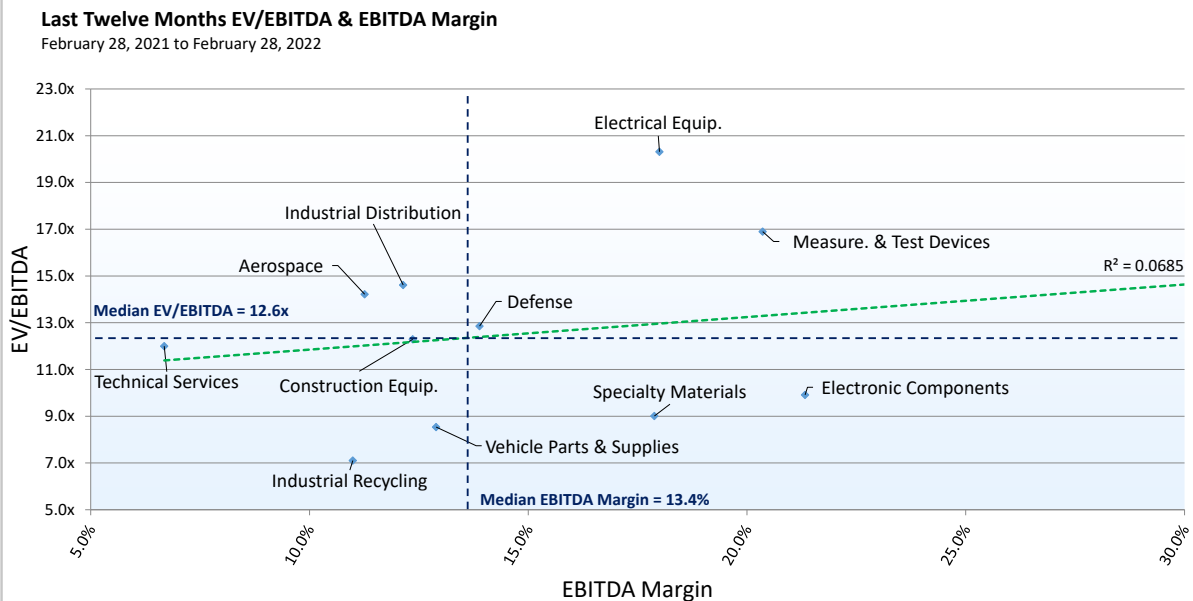


Source: CapitalIQ

Commentary

During the last twelve months, our subsector indices had a mean EBITDA Margin of 16.0% and a median of 13.4%. Of the subsectors, Semiconductor Capital Equipment had the high margin at 33.8% and Technical Services had the low margin at 6.7%.

Index Subsector LTM EV/EBITDA vs. EBITDA Margin*

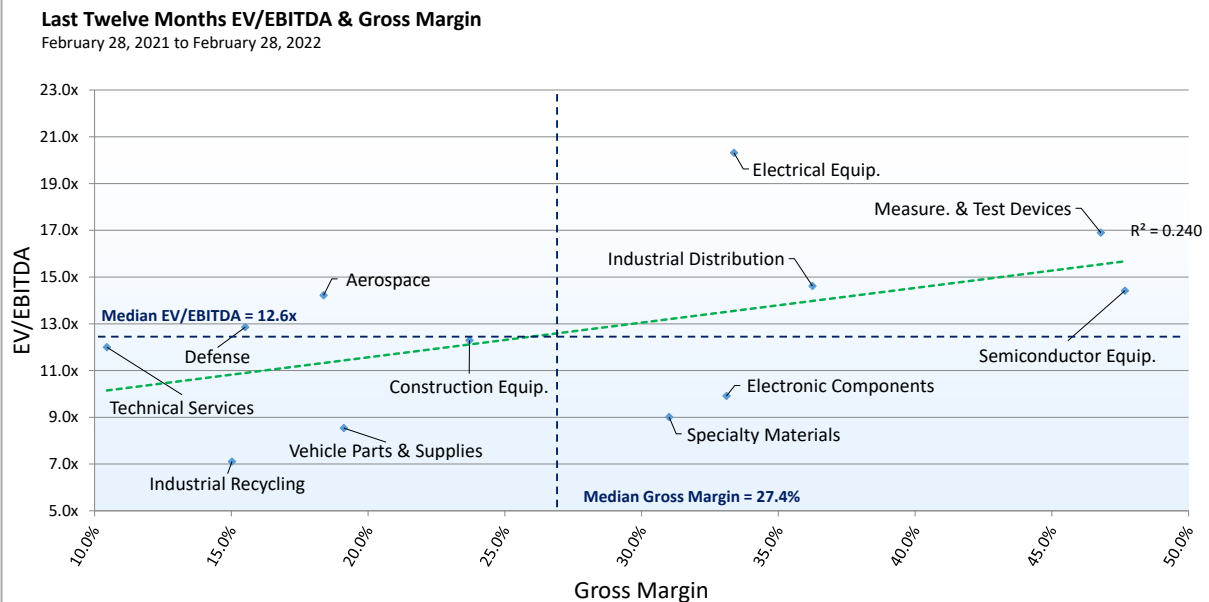


*Upper Right ("Northeast") Quadrant: Leaders; Lower Left ("Southwest") Quadrant: Laggards

*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.

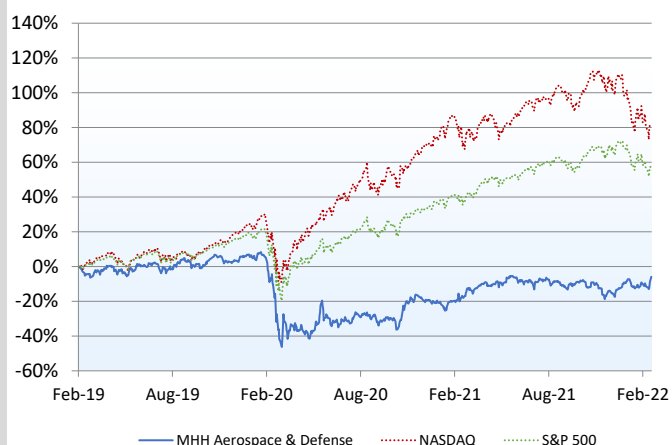
Source: CapitalIQ

Comparative Index Performance

The Mufson Howe Hunter Aerospace & Defense Index^(a) increased by 15.1% during the three months ending February 28, 2022.

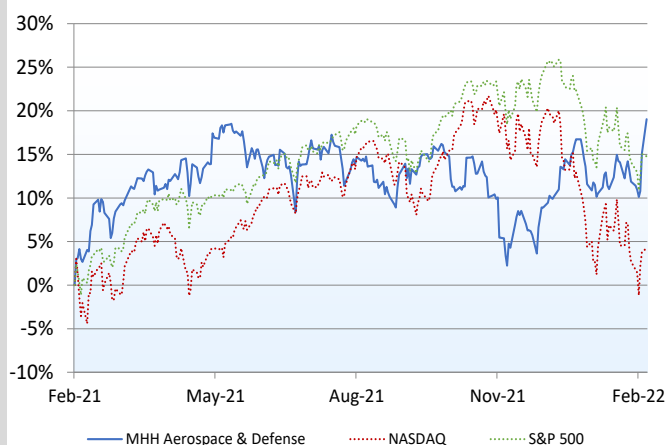
Last Three Years

Daily from February 28, 2019 to February 28, 2022
Price as Percent of Base (February 28, 2019 = 0%)



Last Twelve Months

Daily from February 28, 2021 to February 28, 2022
Price as Percent of Base (February 28, 2021 = 0%)



Price Performance

| | 3-Year | LTM | 3 Month |
|---|--------|-------|---------|
| Mufson Howe Hunter Aerospace & Defense Index ^(a) | -5.9% | 19.0% | 15.1% |
| NASDAQ | 82.6% | 4.2% | -11.5% |
| S&P 500 | 57.1% | 14.8% | -4.2% |

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

Please see Page 13 for sector news

Highlighted M&A Transaction – Aerospace & Defense

| Target | Acquirer | Value* |
|--|---|---------|
|  |    AIRBUS | \$105.5 |
| Airbus SE (ENXTPA:AIR), Safran SA (ENXTPA:SAF) and Ace Capital Partners entered into a memorandum of understanding to acquire Aubert & Duval S.A. from ERAMET S.A. (ENXTPA:ERA) on February 22, 2022. The three partners plan to acquire 100% of Aubert & Duval in equal shares, through a joint venture created for this deal, based on an enterprise value of €95 million. Aubert & Duval S.A. develops, melts, and hot processes special steels, superalloys, aluminum alloys, and titanium alloys. | | |
| *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 ⁽³⁾ | | | Valuation | | Margins | | |
|---|-------------------------|-----------------|---------------------------------|--------------------------------|-----------------------|----------------|--------------------------|--------------|--------------|--------------|--------------|
| | Price ⁽¹⁾ | Equity Value | Enterprise Value ⁽²⁾ | Revenue | EBITDA ⁽⁴⁾ | EPS | Enterprise Value/Revenue | EBITDA | Price/EPS | Gross Profit | EBITDA |
| Aerospace | | | | | | | | | | | |
| Raytheon Technologies Corporation (RTX) | \$102.70 | \$152,523 | \$179,875 | \$64,388 | \$11,374 | \$2.10 | 2.79x | 15.8x | NM | 19.5% | 17.7% |
| The Boeing Company (BA) | 205.34 | 119,713 | 163,263 | 62,286 | 1,457 | -3.18 | 2.62x | NM | NM | 8.3% | 2.3% |
| Honeywell International Inc. (HON) | 189.75 | 130,134 | 139,922 | 34,392 | 8,696 | 6.39 | 4.07x | 16.1x | 29.7x | 32.0% | 25.3% |
| Airbus SE (ENXTPA:AIR) | 129.03 | 101,369 | 99,835 | 59,307 | 7,269 | 4.13 | 1.68x | 13.7x | 31.2x | 17.7% | 12.3% |
| Thales S.A. (ENXTPA:HO) | 115.55 | 24,611 | 27,658 | 18,415 | 2,332 | 3.78 | 1.50x | 11.9x | 30.5x | 24.9% | 12.7% |
| Rolls-Royce Holdings plc (LSE:RR.) | 1.39 | 11,568 | 18,651 | 15,190 | 1,349 | 0.03 | 1.23x | 13.8x | NM | 19.0% | 8.9% |
| Textron Inc. (TXT) | 73.13 | 15,846 | 18,072 | 12,382 | 1,271 | 2.43 | 1.46x | 14.2x | 30.1x | 15.7% | 10.3% |
| Embraer S.A. (BOVESPA:EMBR3) | 3.41 | 2,505 | 4,643 | 4,069 | 272 | 0.01 | 1.14x | 17.1x | NM | 15.6% | 6.7% |
| Mean | | \$69,784 | \$81,490 | \$33,804 | \$4,253 | \$1.96 | 2.06x | 14.7x | 30.4x | 19.1% | 12.0% |
| Median | | 62,990 | 63,746 | 26,403 | 1,895 | 2.27 | 1.59x | 14.2x | 30.3x | 18.4% | 11.3% |
| Defense | | | | | | | | | | | |
| Lockheed Martin Corporation (LMT) | \$433.80 | \$118,135 | \$127,633 | \$67,044 | \$9,010 | \$16.49 | 1.90x | 14.2x | 26.3x | 13.6% | 13.4% |
| Northrop Grumman Corporation (NOC) | 442.14 | 69,019 | 79,728 | 35,667 | 8,734 | 27.24 | 2.24x | 9.1x | 16.2x | 20.4% | 24.5% |
| General Dynamics Corporation (GD) | 234.45 | 64,982 | 76,554 | 38,469 | 5,271 | 8.58 | 1.99x | 14.5x | 27.3x | 16.7% | 13.7% |
| L3Harris Technologies, Inc. (LHX) | 252.31 | 48,712 | 55,815 | 17,814 | 3,637 | 7.50 | 3.13x | 15.3x | 33.6x | 30.2% | 20.4% |
| BAE Systems plc (BA.) | 9.65 | 30,288 | 35,213 | 26,433 | 3,720 | 0.45 | 1.33x | 9.5x | 21.5x | 9.1% | 14.1% |
| Huntington Ingalls Industries, Inc. (HII) | 204.40 | 8,174 | 11,091 | 9,524 | 961 | 9.88 | 1.16x | 11.5x | 20.7x | 14.4% | 10.1% |
| Mean | | \$56,552 | \$64,339 | \$32,492 | \$5,222 | \$11.69 | 1.96x | 12.4x | 24.3x | 17.4% | 16.0% |
| Median | | 56,847 | 66,184 | 31,050 | 4,495 | 9.23 | 1.95x | 12.9x | 23.9x | 15.5% | 13.9% |

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

‡ = excluded from Mean and Median calculations

Source: CapitalIQ

(1) As of close February 28, 2022.

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

(3) As of December 31, 2021 excluding TXT (January 1, 2022).

(4) Excludes non-recurring and discontinued operations.

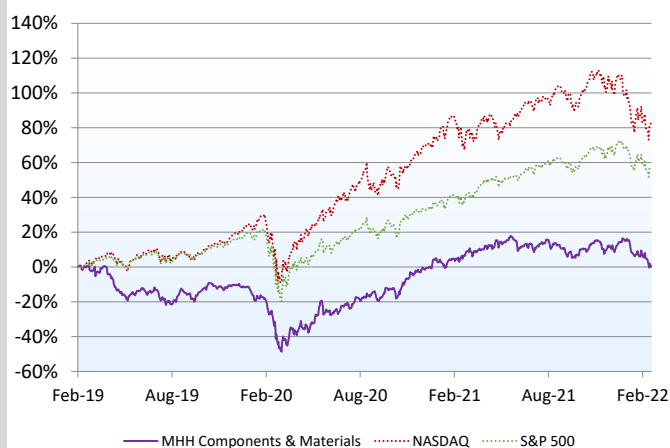
Comparative Index Performance

The Mufson Howe Hunter Components & Materials Index^(a) decreased by 6.9% during the three months ending February 28, 2022.

Last Three Years

Daily from February 28, 2019 to February 28, 2022

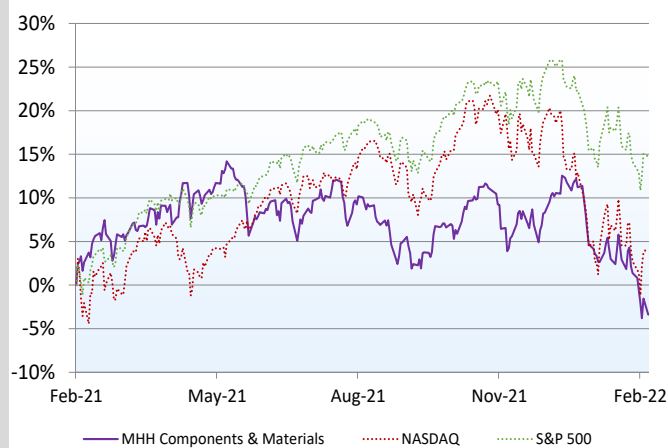
Price as Percent of Base (February 28, 2019 = 0%)



Last Twelve Months

Daily from February 28, 2021 to February 28, 2022

Price as Percent of Base (February 28, 2021 = 0%)





Price Performance

| | 3-Year | LTM | 3 Month |
|--|--------|-------|---------|
| Mufson Howe Hunter Components & Materials Index ^(a) | 0.1% | -3.4% | -6.9% |
| NASDAQ | 82.6% | 4.2% | -11.5% |
| S&P 500 | 57.1% | 14.8% | -4.2% |

(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* |
|--|---|------------|
|  Mobility & Materials Business |  | \$11,000.0 |
| Celanese Corporation (NYSE:CE) entered into an agreement to acquire an unknown majority stake in the Mobility and Materials business of DuPont de Nemours, Inc. for approximately \$11 billion on February 17, 2022. Mobility and Materials Business of DuPont de Nemours, Inc. comprises thermoplastics and elastomers business in the United States. | | |
| <i>*ND – Not disclosed. Transaction values reported on the basis of enterprise value in USD millions.</i> | | |

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⁾ | EPS | Enterprise Value/Revenue | EBITDA | Price/EPS | Gross Profit | EBITDA |
| Electronic Components | | | | | | | | | | | |
| TE Connectivity Ltd (TEL) | \$142.43 | \$46,372 | \$49,539 | \$15,219 | \$3,572 | \$5.20 | 3.26x | 13.9x | 27.4x | 32.7% | 23.5% |
| Amphenol Corp. (APH) | 76.01 | 45,525 | 49,412 | 10,876 | 2,564 | 2.04 | 4.54x | 19.3x | 37.2x | 31.3% | 23.6% |
| Coming Inc. (GLW) | 40.40 | 34,172 | 40,065 | 14,082 | 3,774 | 1.88 | 2.85x | 10.6x | 21.5x | 36.5% | 26.8% |
| Omron Corp. (TSE:6645) | 67.32 | 13,409 | 11,700 | 6,467 | 928 | 1.83 | 1.81x | 12.6x | 36.8x | 45.8% | 14.4% |
| Belden Inc. (BDC) | 56.35 | 2,535 | 3,438 | 2,408 | 373 | 3.47 | 1.43x | 9.2x | 16.2x | 36.0% | 15.5% |
| Vishay Intertechnology (VSH) | 19.19 | 2,781 | 2,442 | 3,240 | 622 | 1.86 | 0.75x | 3.9x | 10.3x | 27.4% | 19.2% |
| Alps Electric Ltd (TSE:6770) | 9.98 | 2,067 | 2,255 | 6,754 | 598 | 0.81 | 0.33x | 3.8x | 12.3x | 17.4% | 8.9% |
| Encore Wire Corp. (WIRE) | 116.42 | 2,355 | 1,916 | 2,593 | 722 | 21.17 | 0.74x | 2.7x | 5.5x | 33.5% | 27.9% |
| Mean | | \$18,652 | \$20,096 | \$7,705 | \$1,644 | \$4.78 | 1.96x | 9.5x | 20.9x | 32.6% | 20.0% |
| Median | | 8,095 | 7,569 | 6,610 | 825 | 1.96 | 1.62x | 9.9x | 18.9x | 33.1% | 21.3% |
| Specialty Materials | | | | | | | | | | | |
| 3M Company (MMM) | \$148.65 | \$84,894 | \$98,517 | \$35,355 | \$9,705 | \$7.82 | 2.79x | 10.2x | 19.0x | 46.9% | 27.5% |
| BASF SE (DE:BAS) | 66.54 | 60,607 | 78,618 | 89,387 | 12,635 | 5.69 | 0.88x | 6.2x | 11.7x | 24.8% | 14.1% |
| Dow Inc. (DOW) | 58.96 | 43,114 | 56,729 | 54,968 | 10,971 | 6.98 | 1.03x | 5.2x | 8.4x | 19.6% | 20.0% |
| DuPont de Nemours (DD) | 77.37 | 39,684 | 49,547 | 16,653 | 4,099 | 2.47 | 2.98x | 12.1x | 31.3x | 35.1% | 24.6% |
| PPG Industries, Inc. (PPG) | 133.45 | 31,494 | 37,909 | 16,802 | 2,331 | 4.61 | 2.26x | 16.3x | 28.9x | 39.0% | 13.9% |
| Akzo Nobel N.V. (ENXTAM:AKZA) | 95.45 | 17,409 | 20,274 | 10,903 | 1,531 | 3.74 | 1.86x | 13.2x | 25.5x | 40.2% | 14.0% |
| Celanese Corp. (CE) | 139.28 | 15,046 | 19,052 | 8,537 | 2,419 | 12.50 | 2.23x | 7.9x | 11.1x | 31.4% | 28.3% |
| Evonik Industries AG (DE:EVK) | 30.20 | 14,072 | 17,153 | 17,008 | 2,444 | 1.74 | 1.01x | 7.0x | 17.3x | 27.2% | 14.4% |
| Solvay SA (ENXTBR:SOLB) | 111.98 | 11,552 | 14,125 | 13,004 | 2,354 | 8.76 | 1.09x | 6.0x | 12.8x | 25.6% | 18.1% |
| Ferro Corporation (FOE) | 21.73 | 1,798 | 2,046 | 1,126 | 199 | 0.94 | 1.82x | 10.3x | 23.1x | 30.6% | 17.7% |
| Mean | | \$31,967 | \$39,397 | \$26,374 | \$4,869 | \$5.53 | 1.79x | 9.4x | 18.9x | 32.0% | 19.3% |
| Median | | 24,452 | 29,091 | 16,728 | 2,431 | 5.15 | 1.84x | 9.0x | 18.2x | 31.0% | 17.9% |
| Vehicle Parts and Supplies | | | | | | | | | | | |
| Denso Corp. (TSE:6902) | \$69.81 | \$53,286 | \$56,090 | \$47,223 | \$6,017 | \$2.47 | 1.19x | 9.3x | 28.3x | 15.3% | 12.7% |
| Johnson Controls Inc. (JCI) | 64.96 | 45,626 | 55,045 | 24,189 | 4,232 | 2.27 | 2.28x | 13.0x | 28.7x | 34.0% | 17.5% |
| Aptiv PLC (APTIV) | 129.44 | 35,015 | 36,553 | 15,618 | 1,980 | 1.93 | 2.34x | 18.5x | NM | 15.6% | 12.7% |
| Continental AG (DB:CON) | 84.78 | 17,249 | 22,524 | 38,400 | 2,639 | 5.43 | 0.59x | 8.5x | 15.6x | 22.9% | 6.9% |
| Lear Corp. (LEA) | 157.34 | 9,394 | 11,423 | 19,263 | 1,373 | 5.77 | 0.59x | 8.3x | 27.3x | 7.7% | 7.1% |
| Autoliv, Inc. (ALV) | 88.01 | 7,700 | 8,886 | 8,230 | 1,074 | 4.41 | 1.08x | 8.3x | 20.0x | 18.4% | 13.0% |
| Bosch Ltd. (BSE:500530) | 208.61 | 6,153 | 5,739 | 1,551 | 220 | 4.18 | 3.70x | NM | NM | 38.3% | 14.2% |
| Stanley Electric Co. Ltd. (TSE:6923) | 23.66 | 3,784 | 3,108 | 3,307 | 599 | 1.12 | 0.94x | 5.2x | 21.1x | 19.9% | 18.1% |
| Mean | | \$22,276 | \$24,921 | \$19,723 | \$2,267 | \$3.45 | 1.59x | 10.2x | 23.5x | 21.5% | 12.8% |
| Median | | 13,321 | 16,973 | 17,441 | 1,676 | 3.33 | 1.13x | 8.5x | 24.2x | 19.1% | 12.9% |

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

‡ = excluded from Mean and Median calculations

Source: CapitalIQ

(1) As of close February 28, 2022.

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

(3) As of January 31, 2022 excluding TEL (December 24, 2021).

(4) Excludes non-recurring and discontinued operations.

Comparative Index Performance

The Mufson Howe Hunter Industrial Equipment Index^(a) decreased by 10.0% during the three months ending February 28, 2022.

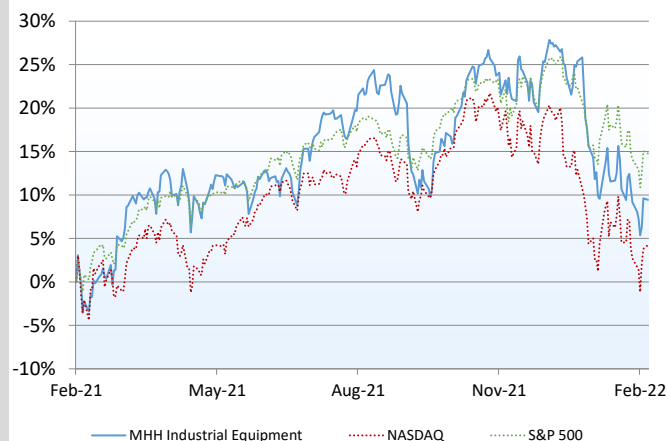
Last Three Years

Daily from February 28, 2019 to February 28, 2022
Price as Percent of Base (February 28, 2019 = 0%)



Last Twelve Months

Daily from February 28, 2021 to February 28, 2022
Price as Percent of Base (February 28, 2021 = 0%)





Price Performance

| | 3-Year | LTM | 3 Month |
|--|--------|-------|---------|
| Mufson Howe Hunter Industrial Equipment Index ^(a) | 127.7% | 9.4% | -10.0% |
| NASDAQ | 82.6% | 4.2% | -11.5% |
| S&P 500 | 57.1% | 14.8% | -4.2% |

(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* |
|---|---|-----------|
|  |  | \$3,695.4 |

Cummins Inc. (NYSE:CMI) entered into an agreement to acquire Meritor, Inc. (NYSE:MTOR) from a group of shareholders for \$2.7 billion on February 21, 2022. Under the agreement, each share of Meritor's common stock will be converted into the right to receive \$36.50 per share in cash. The total transaction value is approximately \$3.7 billion, including assumed debt. Meritor, Inc. designs, develops, manufactures, markets, distributes, sells, services, and supports integrated systems, modules, and components globally.

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

Industrial Equipment

Selected Valuation Metrics

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

| Company | Market & Capitalization | | | LTM Performance ⁽³⁾ | | | Valuation | | | Margins | |
|--|-------------------------|-----------------|---------------------------------|--------------------------------|-----------------------|----------------|--------------------------|--------------|--------------|--------------|--------------|
| | Price ⁽¹⁾ | Equity Value | Enterprise Value ⁽²⁾ | Revenue | EBITDA ⁽⁴⁾ | EPS | Enterprise Value/Revenue | EBITDA | Price/EPS | Gross Profit | EBITDA |
| Construction Equipment | | | | | | | | | | | |
| Deere & Company (DE) | \$360.02 | \$110,448 | \$154,435 | \$44,413 | \$8,246 | \$14.32 | 3.48x | 18.7x | 25.1x | 26.5% | 18.6% |
| Caterpillar Inc. (CAT) | 187.58 | 100,522 | 129,608 | 50,971 | 10,541 | 9.26 | 2.54x | 12.3x | 20.3x | 25.9% | 20.7% |
| Cummins Inc. (CMI) | 204.12 | 29,072 | 31,444 | 24,021 | 2,969 | 11.52 | 1.31x | 10.6x | 17.7x | 23.7% | 12.4% |
| Korea Shipbuilding & Offshore Engineering Co., Ltd. (KOS: A009540) | 73.34 | 5,186 | 7,270 | 13,007 | (831) | (10.00) | 0.56x | NM | NM | NM | NM |
| Oshkosh Corp. (OSK) | 111.04 | 7,396 | 7,219 | 7,953 | 566 | 3.84 | 0.91x | 12.8x | 28.9x | 14.5% | 7.1% |
| Terex Corp. (TEX) | 41.28 | 2,877 | 3,378 | 3,887 | 379 | 2.64 | 0.87x | 8.9x | 15.6x | 19.5% | 9.8% |
| Mean | | \$42,584 | \$55,559 | \$24,042 | \$3,645 | \$5.26 | 1.61x | 12.7x | 21.5x | 22.0% | 13.7% |
| Median | | 18,234 | 19,357 | 18,514 | 1,768 | 6.55 | 1.11x | 12.3x | 20.3x | 23.7% | 12.4% |
| Electrical Equipment | | | | | | | | | | | |
| Schneider Electric SE (ENXTPA:SU) | \$156.97 | \$89,320 | \$102,993 | \$32,873 | \$6,068 | \$5.50 | 3.13x | 17.0x | 28.5x | 41.0% | 18.5% |
| Eaton Corporation plc (ETN) | 154.29 | 61,531 | 70,094 | 19,628 | 3,442 | 3.54 | 3.57x | 20.4x | NM | 32.3% | 17.5% |
| Emerson Electric Co. (EMR) | 92.92 | 55,194 | 59,813 | 18,548 | 3,976 | 3.22 | 3.22x | 15.0x | 28.9x | 41.3% | 21.4% |
| Rockwell Automation Inc. (ROK) | 266.58 | 30,976 | 35,208 | 7,289 | 1,387 | 5.95 | 4.83x | 25.4x | NM | 41.2% | 19.0% |
| Ametek Inc. (AME) | 129.79 | 30,072 | 32,446 | 5,547 | 1,601 | 3.27 | 5.85x | 20.3x | 39.7x | 34.5% | 28.9% |
| Regal Rexnord Corporation (RRX) | 160.35 | 10,865 | 12,149 | 3,810 | 554 | 4.29 | 3.19x | 21.9x | 37.4x | 28.8% | 14.5% |
| Hubbell Inc. (HUBB) | 178.25 | 9,698 | 10,944 | 4,194 | 676 | 5.45 | 2.61x | 16.2x | 32.7x | 27.5% | 16.1% |
| Powell Industries, Inc. (POWL) | 21.14 | 249 | 151 | 471 | 7 | (0.16) | 0.32x | 21.1x | NM | 14.9% | 1.5% |
| Mean | | \$35,988 | \$40,475 | \$11,545 | \$2,214 | \$3.88 | 3.34x | 19.7x | 33.4x | 32.7% | 17.2% |
| Median | | 30,524 | 33,827 | 6,418 | 1,494 | 3.92 | 3.21x | 20.3x | 32.7x | 33.4% | 18.0% |
| Measurement, Control, and Testing Devices | | | | | | | | | | | |
| Danaher Corporation (DHR) | \$274.41 | \$196,300 | \$220,264 | \$29,453 | \$10,336 | \$6.74 | 7.48x | 21.3x | NM | 61.3% | 35.1% |
| Xcerra Corporation (XCRA) | 45.59 | 34,924 | 41,436 | 30,981 | 5,062 | 2.49 | 1.34x | 8.2x | 18.3x | 33.9% | 16.3% |
| Entegris, Inc. (ENTG) | 130.48 | 17,682 | 18,287 | 2,299 | 690 | 2.30 | 7.95x | 26.5x | NM | 46.1% | 30.0% |
| MKS Instruments, Inc. (MKSI) | 150.60 | 8,361 | 8,351 | 2,950 | 844 | 7.93 | 2.83x | 9.9x | 19.0x | 46.8% | 28.6% |
| Azenta, Inc. (NasdaqGS:AZTA) ⁽⁵⁾ | 87.52 | 6,498 | 6,378 | 535 | 66 | (0.14) | NM | NM | NM | 47.4% | 12.3% |
| Onto Innovation Inc. (ONTO) | 86.21 | 4,255 | 3,762 | 789 | 223 | 1.96 | 4.77x | 16.9x | NM | 54.4% | 28.2% |
| FormFactor, Inc. (FORM) | 40.49 | 3,172 | 2,959 | 770 | 147 | 0.82 | 3.84x | 20.1x | NM | 42.4% | 19.1% |
| Nova Measuring Instruments Ltd. (NVMII) | 104.78 | 2,961 | 2,634 | 416 | 122 | 2.31 | 6.33x | 21.5x | NM | 57.0% | 29.4% |
| Axcelis Technologies, Inc. (ACLS) | 69.22 | 2,301 | 2,062 | 662 | 133 | 2.20 | 3.11x | 15.5x | 31.5x | 43.2% | 20.1% |
| Cohu, Inc. (COHU) | 31.18 | 1,514 | 1,279 | 887 | 181 | 1.63 | 1.44x | 7.1x | 19.1x | 43.6% | 20.4% |
| FARO Technologies, Inc. (FARO) | 54.74 | 997 | 899 | 338 | 12 | (0.04) | 2.66x | NM | NM | 54.4% | 3.6% |
| Mean | | \$25,360 | \$28,028 | \$6,371 | \$1,620 | \$2.56 | 4.18x | 16.3x | 22.0x | 48.2% | 22.1% |
| Median | | 4,255 | 3,762 | 789 | 181 | 2.20 | 3.48x | 16.9x | 19.1x | 46.8% | 20.4% |
| Semiconductor Capital Equipment | | | | | | | | | | | |
| ASML Holding NV (ASML) | \$672.54 | \$270,767 | \$267,532 | \$21,166 | \$7,954 | \$11.59 | NM | NM | NM | 52.7% | 37.6% |
| Applied Materials, Inc. (AMAT) | 134.20 | 118,552 | 118,572 | 24,172 | 8,164 | 5.17 | 4.91x | 14.5x | 26.0x | 47.7% | 33.8% |
| Lam Research Corp. (LRCX) | 561.35 | 78,308 | 77,974 | 16,524 | 5,541 | 22.58 | 4.72x | 14.1x | 24.9x | 46.3% | 33.5% |
| Tokyo Electron Ltd (TSE:8035) | 483.80 | 75,339 | 71,661 | 16,313 | 5,007 | 18.91 | 4.39x | 14.3x | 25.6x | 44.4% | 30.7% |
| KLA-Tencor Corp. (KLAC) | 348.50 | 52,524 | 53,251 | 8,166 | 3,512 | 12.27 | 6.52x | 15.2x | 28.4x | 60.8% | 43.0% |
| Teradyne Inc. (TER) | 117.92 | 19,152 | 17,837 | 3,703 | 1,322 | 4.01 | 4.82x | 13.5x | 29.4x | 59.6% | 35.7% |
| Veeco Instruments Inc. (VECO) | 28.57 | 1,447 | 1,490 | 583 | 83 | 0.36 | 2.55x | 17.9x | NM | 41.5% | 14.2% |
| Mean | | \$88,013 | \$86,902 | \$12,947 | \$4,512 | \$10.70 | 4.65x | 14.3x | 26.8x | 50.4% | 32.6% |
| Median | | 75,339 | 71,661 | 16,313 | 5,007 | 11.59 | 4.77x | 14.4x | 26.0x | 47.7% | 33.8% |

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

‡ = excluded from Mean and Median calculations

Source: CapitalIQ

(1) As of close February 28, 2022.

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

(3) As of January 31, 2022 excluding DE and AMAT (January 30, 2022); RRX and ONTO (January 1, 2022); LRCX (December 26, 2021) and FORM and COHU (January 25, 2021).

(4) Excludes non-recurring and discontinued operations.

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

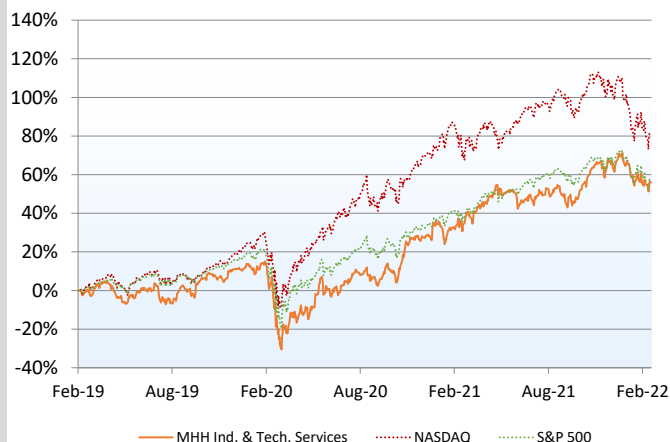
Comparative Index Performance

The Mufson Howe Hunter Industrial & Technical Services Index^(a) decreased by 2.2% during the three months ending February 28, 2022.

Last Three Years

Daily from February 28, 2019 to February 28, 2022

Price as Percent of Base (February 28, 2019 = 0%)



Last Twelve Months

Daily from February 28, 2021 to February 28, 2022

Price as Percent of Base (February 28, 2021 = 0%)





Price Performance

| | 3-Year | LTM | 3 Month |
|---|--------|-------|---------|
| Mufson Howe Hunter Industrial & Technical Services Index ^(a) | 56.0% | 17.6% | -2.2% |
| NASDAQ | 82.6% | 4.2% | -11.5% |
| S&P 500 | 57.1% | 14.8% | -4.2% |

(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 19 for sector news

Highlighted M&A Transaction – Industrial & Technical Services

| Target | Acquirer | Value* |
|---|---|--------|
|  |  | ND |
| <p>Jacobs Engineering Group Inc. (NYSE:J) acquired StreetLight Data, Inc. on February 4, 2022 for an undisclosed value. StreetLight Data, Inc. develops cloud-based analytics solutions to measure and manage transportation for companies and government sectors. It offers StreetLight InSight, an online platform to analyze mobility patterns with Big Data by running metrics directly from computer's Internet browser; and RouteScience that transforms various messy location data points into contextualized, aggregated and normalized travel patterns.</p> | | |
| <p>*ND – Not disclosed. Transaction values reported on the basis of enterprise value in USD millions.</p> | | |

Industrial & Technical Services

Selected Valuation Metrics

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

| (\$ in USD millions, except per share data) | Market & Capitalization | | | LTM Performance ⁽³⁾ | | | Valuation | | Margins | | |
|---|-------------------------|--------------|---------------------------------|--------------------------------|-----------------------|--------|--------------------------|-----------|--------------|--------|-------|
| | Price ⁽¹⁾ | Equity Value | Enterprise Value ⁽²⁾ | Revenue | EBITDA ⁽⁴⁾ | EPS | Enterprise Value/Revenue | Price/EPS | Gross Profit | EBITDA | |
| Company | | | | | | | | | | | |
| Industrial Distribution | | | | | | | | | | | |
| Fastenal Company (FAST) | \$51.46 | \$29,618 | \$30,019 | \$6,011 | \$1,388 | \$1.31 | 4.99x | 21.6x | 39.3x | 46.2% | 23.1% |
| W.W. Grainger, Inc. (GWW) | 477.06 | 24,382 | 27,189 | 13,022 | 1,754 | 16.42 | 2.09x | 15.5x | 29.1x | 36.2% | 13.5% |
| WESCO International, Inc. (WCC) | 121.73 | 6,172 | 11,208 | 18,218 | 1,139 | 8.41 | 0.62x | 9.8x | 14.5x | 20.8% | 6.3% |
| MSC Industrial Direct Co., Inc. (MSM) | 77.48 | 4,323 | 5,087 | 3,408 | 501 | 4.67 | 1.49x | 10.1x | 16.6x | 43.0% | 14.7% |
| MRC Global Inc. (MRC) | 10.10 | 840 | 1,654 | 2,666 | 53 | (0.08) | 0.62x | NM | NM | 15.6% | 2.0% |
| Transcat, Inc. (TRNS) | 78.46 | 590 | 635 | 198 | 24 | 1.17 | 3.21x | 26.4x | NM | 28.2% | 12.1% |
| Lawson Products, Inc. (LAWS) | 42.51 | 388 | 411 | 418 | 30 | 1.49 | 0.98x | 13.7x | 28.5x | 52.8% | 7.2% |
| Mean | | \$9,473 | \$10,886 | \$6,277 | \$699 | \$4.77 | 2.00x | 16.2x | 25.6x | 34.7% | 11.3% |
| Median | | 4,323 | 5,087 | 3,408 | 501 | 1.49 | 1.49x | 14.6x | 28.5x | 36.2% | 12.1% |
| Industrial Recycling | | | | | | | | | | | |
| Veolia Environnement S.A. (ENXTPA:VIE) | \$35.05 | \$24,086 | \$40,643 | \$32,421 | \$3,582 | \$1.12 | 1.25x | 11.3x | 31.4x | 16.1% | 11.0% |
| Clean Harbors, Inc. (CLH) | 95.43 | 5,192 | 7,458 | 3,806 | 628 | 2.87 | 1.96x | 11.9x | 33.2x | 31.2% | 16.5% |
| Commercial Metals Company (CMC) | 38.55 | 4,683 | 5,459 | 7,866 | 1,095 | 4.51 | 0.69x | 5.0x | 8.5x | 18.4% | 13.9% |
| Aurubis AG (XTRA:NDA) | 117.97 | 5,148 | 4,891 | 19,640 | 1,286 | 16.33 | 0.25x | 3.8x | 7.2x | 11.5% | 6.5% |
| Dowa Holdings Co., Ltd. (TSE:5714) | 45.20 | 2,689 | 3,792 | 6,916 | 756 | 6.57 | 0.55x | 5.0x | 6.9x | 13.5% | 10.9% |
| Sims Limited (ASX:SGM) | 13.22 | 2,547 | 2,718 | 5,628 | 295 | 1.22 | 0.48x | 9.2x | 10.8x | 13.9% | 5.2% |
| Mean | | \$7,391 | \$10,827 | \$12,713 | \$1,274 | \$5.44 | 0.86x | 7.7x | 16.3x | 17.4% | 10.7% |
| Median | | 4,916 | 5,175 | 7,391 | 925 | 3.69 | 0.62x | 7.1x | 9.7x | 15.0% | 11.0% |
| Technical Services | | | | | | | | | | | |
| Jacobs Engineering Group Inc. (J) | \$123.00 | \$15,894 | \$19,319 | \$14,091 | \$1,392 | \$5.28 | 1.37x | 13.9x | 23.3x | 23.4% | 9.9% |
| AECOM (ACM) | 72.66 | 10,270 | 12,317 | 13,294 | 832 | 1.86 | 0.93x | 14.8x | 39.0x | 6.1% | 6.3% |
| Tetra Tech, Inc. (TTEK) | 158.77 | 8,573 | 8,876 | 2,626 | 316 | 3.20 | 3.38x | 28.11 | NM | 19.7% | 12.0% |
| KBR, Inc. (KBR) | 49.64 | 6,925 | 8,698 | 7,339 | 521 | 0.57 | 1.19x | 16.7x | NM | 11.0% | 7.1% |
| John Wood Group PLC (LSE:WG.) | 2.42 | 1,638 | 3,367 | 6,630 | 333 | 0.11 | 0.51x | 10.1x | 21.5x | 9.9% | 5.0% |
| Fluor Corporation (FLR) | 21.66 | 3,063 | 2,193 | 12,435 | 292 | 0.22 | 0.18x | 7.5x | NM | 3.3% | 2.3% |
| Primoris Services Corporation (PRIM) | 26.37 | 1,419 | 1,978 | 3,498 | 292 | 1.95 | 0.57x | 6.8x | 13.5x | 11.9% | 8.4% |
| Balfour Beatty plc (LSE:BBY) | 3.22 | 2,044 | 1,850 | 9,729 | 183 | 0.17 | 0.19x | 10.1x | 19.2x | 4.5% | 1.9% |
| NV5 Global, Inc. (NVEE) | 107.25 | 1,653 | 1,771 | 707 | 119 | 2.89 | 2.51x | 14.9x | 37.1x | 50.8% | 16.8% |
| Cardno Limited (ASX:CDD) | 1.22 | 48 | 26 | 645 | 35 | 0.47 | 0.04x | 0.7x | 2.6x | 8.8% | 5.4% |
| Mean | | \$5,153 | \$6,040 | \$7,099 | \$432 | \$1.67 | 1.08x | 12.4x | 22.3x | 14.9% | 7.5% |
| Median | | 2,554 | 2,780 | 6,985 | 304 | 1.22 | 0.75x | 12.0x | 21.5x | 10.4% | 6.7% |

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

‡ = excluded from Mean and Median calculations

Source: CapitalIQ

(1) As of close February 28, 2022.

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

(3) As of December 31, 2021 excluding CMC (February 28, 2022); MSM (February 26, 2022); TTEK (January 2, 2022); NVEE (January 1, 2022); TRNS (December 25, 2021) and LSE:WG (June 30, 2021).

(4) Excludes non-recurring and discontinued operations.

Selected News – Aerospace & Defense

Airbus SE (ENXTPA:AIR) reported net income of \$4,791.3 million for fiscal year 2021 as compared to (\$1,385.9) million for the prior year. Earnings per share were \$6.10 versus (\$1.77) for the prior year. Revenues for the year decreased to \$59,307.4 million from \$61,054.4 million for fiscal year 2020.

BAE Systems plc (LSE:BA.) reported net income of \$2,380.4 million for fiscal year 2021 as compared to \$1,773.5 million for the prior year. Earnings per share were \$0.74 versus \$0.55 for the prior year. Revenues for the year increased to \$26,432.6 million from \$26,318.9 million for fiscal year 2020.

Huntington Ingalls Industries, Inc. (NYSE:HII) reported net income of \$544.0 million for fiscal year 2021 as compared to \$696.0 million for the prior year. Earnings per share were \$13.50 versus \$17.14 for the prior year. Revenues for the year increased to \$9,524.0 million from \$9,361.0 million for fiscal year 2020.

Huntington Ingalls Industries, Inc. (NYSE:HII) announced that **Frank R. Jimenez** and **Christopher D. Kastner** have been appointed to the **Board of Directors**, and **Edmond Hughes** has been appointed as **Chief Human Resources Officer** and **Executive Vice President**.

Lockheed Martin Corporation (NYSE:LMT) announced that **Jesus “Jay” Malave** has been appointed as **Chief Financial Officer**.

Raytheon Technologies Corporation (NYSE:RTX) announced that **Christopher T. Calio** has been appointed as **Chief Operating Officer**.

Rolls-Royce Holdings plc (LSE:RR.) reported net income of \$162.5 million for fiscal year 2021 as compared to (\$4,328.0) million for the prior year. Earnings per share were \$0.02 versus (\$0.72) for the prior year. Revenues for the year decreased to \$15,189.8 million from \$15,688.7 million for fiscal year 2020.

Rolls-Royce Holdings plc (LSE:RR.) announced that **Jitesh Gadhia** has been appointed to the **Board of Directors**.

Textron Inc. (NYSE:TXT) announced that **Richard F. Ambrose** has been appointed to the **Board of Directors**.

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

Selected News – Components & Materials

3M Company (NYSE:MMM) announced that **Suzan Kereere** has been appointed to the **Board of Directors**.

BASF SE (DE:BAS) reported net income of \$6,281.1 million for fiscal year 2021 as compared to (\$1,296.6) million for the prior year. Earnings per share were \$6.82 versus (\$1.41) for the prior year. Revenues for the year increased to \$89,387.0 million from \$72,353.5 million for fiscal year 2020.

Belden Inc. (NYSE:BDC) reported net income of \$63.9 million for fiscal year 2021 as compared to (\$55.2) million for the prior year. Earnings per share were \$1.41 versus (\$1.23) for the prior year. Revenues for the year increased to \$2,408.1 million from \$1,862.7 million for fiscal year 2020.

Belden Inc. (NYSE:BDC) announced that **Gregory McCray** has been appointed to the **Board of Directors**.

Bosch Limited (BSE:500530) reported third quarter net income of \$31.5 million for fiscal year 2022 as compared to \$25.2 million for the prior year period. Earnings per share were \$1.07 versus \$0.86 for the prior year period. Revenues for the quarter increased to \$417.3 million from \$414.9 million for the same period in fiscal year 2021.

Bosch Limited (BSE:500530) announced that **Guruprasad Mudlapur** has been appointed to the **Board of Directors**.

Celanese Corporation (NYSE:CE) announced that **Aaron M. McGilvray** has been appointed as **Chief Accounting Officer** and **Vice President**.

DENSO Corporation (TSE:6902) reported third quarter net income of \$700.4 million for fiscal year 2022 as compared to \$1,106.5 million for the prior year period. Earnings per share were \$0.91 versus \$1.43 for the prior year period. Revenues for the quarter decreased to \$12,386.1 million from \$13,893.2 million for the same period in fiscal year 2021.

DuPont de Nemours, Inc. (NYSE:DD) reported net income of \$6,467.0 million for fiscal year 2021 as compared to (\$2,951.0) million for the prior year. Earnings per share were \$11.89 versus (\$4.01) for the prior year. Revenues for the year increased to \$16,653.0 million from \$14,338.0 million for fiscal year 2020.

Encore Wire Corporation (NasdaqGS:WIRE) reported net income of \$541.4 million for fiscal year 2021 as compared to \$76.1 million for the prior year. Earnings per share were \$26.22 versus \$3.68 for the prior year. Revenues for the year increased to \$2,592.7 million from \$1,276.9 million for fiscal year 2020.

Johnson Controls International plc (NYSE:JCI) reported first quarter net income of \$381.0 million for fiscal year 2022 as compared to \$451.0 million for the prior year period. Earnings per share were \$0.54 versus \$0.62 for the prior year period. Revenues for the quarter increased to \$5,862.0 million from \$5,341.0 million for the same period in fiscal year 2021.

Lear Corporation (NYSE:LEA) reported net income of \$373.9 million for fiscal year 2021 as compared to \$158.5 million for the prior year. Earnings per share were \$6.19 versus \$2.62 for the prior year. Revenues for the year increased to \$19,263.1 million from \$17,045.5 million for fiscal year 2020.

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

Selected News – Components & Materials (cont'd)

Solvay SA (ENXTBR:SOLB) reported net income of \$1,078.1 million for fiscal year 2021 as compared to (\$1,176.8) million for the prior year. Earnings per share were \$10.39 versus (\$11.41) for the prior year. Revenues for the year increased to \$13,003.5 million from \$11,882.6 million for fiscal year 2020.

Vishay Intertechnology, Inc. (NYSE:VSH) reported net income of \$298.0 million for fiscal year 2021 as compared to \$122.9 million for the prior year. Earnings per share were \$2.05 versus \$0.85 for the prior year. Revenues for the year increased to \$3,240.5 million from \$2,501.9 million for fiscal year 2020.

Vishay Intertechnology, Inc. (NYSE:VSH) announced that **Joel Smejkal** has been appointed as **President** and **Jeff Webster** has been appointed as **Chief Operating Officer**.

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

Selected News – Industrial Equipment

AMETEK, Inc. (NYSE:AME) reported net income of \$990.1 million for fiscal year 2021 as compared to \$872.4 million for the prior year. Earnings per share were \$4.25 versus \$3.77 for the prior year. Revenues for the year increased to \$5,546.5 million from \$4,540.0 million for fiscal year 2020.

AMETEK, Inc. (NYSE:AME) announced that **Dean Seavers** has been appointed to the **Board of Directors**.

Applied Materials, Inc. (NasdaqGS:AMAT) reported first quarter net income of \$1,792.0 million for fiscal year 2022 as compared to \$1,130.0 million for the prior year period. Earnings per share were \$2.00 versus \$1.22 for the prior year period. Revenues for the quarter increased to \$6,271.0 million from \$5,162.0 million for the same period in fiscal year 2021.

Axcelis Technologies, Inc. (NasdaqGS:ACLS) reported net income of \$98.7 million for fiscal year 2021 as compared to \$50.0 million for the prior year. Earnings per share were \$2.88 versus \$1.46 for the prior year. Revenues for the year increased to \$662.4 million from \$474.6 million for fiscal year 2020.

Axcelis Technologies, Inc. (NasdaqGS:ACLS) announced that **Dipti Vachani** and **Jeanne Quirk** have been appointed to the **Board of Directors**.

Cohu, Inc. (NasdaqGS:COHU) reported net income of \$167.3 million for fiscal year 2021 as compared to (\$13.8) million for the prior year. Earnings per share were \$3.45 versus (\$0.33) for the prior year. Revenues for the year increased to \$887.2 million from \$636.0 million for fiscal year 2020.

Cummins Inc. (NYSE:CMI) reported net income of \$2,131.0 million for fiscal year 2021 as compared to \$1,789.0 million for the prior year. Earnings per share were \$14.61 versus \$12.01 for the prior year. Revenues for the year increased to \$24,021.0 million from \$19,811.0 million for fiscal year 2020.

Cummins Inc. (NYSE:CMI) announced that **Jennifer Rumsey** has been appointed to the **Board of Directors**.

Deere & Company (NYSE:DE) reported first quarter net income of \$903.0 million for fiscal year 2022 as compared to \$1,224.0 million for the prior year period. Earnings per share were \$2.92 versus \$3.87 for the prior year period. Revenues for the quarter increased to \$9,569.0 million from \$9,112.0 million for the same period in fiscal year 2021.

Eaton Corporation plc (NYSE:ETN) reported net income of \$2,144.0 million for fiscal year 2021 as compared to \$1,410.0 million for the prior year. Earnings per share were \$5.34 versus \$3.49 for the prior year. Revenues for the year increased to \$19,628.0 million from \$17,858.0 million for fiscal year 2020.

Emerson Electric Co. (NYSE:EMR) reported first quarter net income of \$896.0 million for fiscal year 2022 as compared to \$445.0 million for the prior year period. Earnings per share were \$1.50 versus \$0.74 for the prior year period. Revenues for the quarter increased to \$4,473.0 million from \$4,161.0 million for the same period in fiscal year 2021.

Entegris, Inc. (NasdaqGS:ENTG) reported net income of \$409.1 million for fiscal year 2021 as compared to \$295.0 million for the prior year. Earnings per share were \$3.00 versus \$2.16 for the prior year. Revenues for the year increased to \$2,298.9 million from \$1,859.3 million for fiscal year 2020.

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

Selected News – Industrial Equipment (cont'd)

FARO Technologies, Inc. (NasdaqGS:FARO) reported net income of (\$40.0) million for fiscal year 2021 as compared to \$0.6 million for the prior year. Earnings per share were (\$2.20) versus \$0.04 for the prior year. Revenues for the year increased to \$337.8 million from \$303.8 million for fiscal year 2020.

FormFactor, Inc. (NasdaqGS:FORM) reported net income of \$83.9 million for fiscal year 2021 as compared to \$78.5 million for the prior year. Earnings per share were \$1.06 versus \$0.99 for the prior year. Revenues for the year increased to \$769.7 million from \$693.6 million for fiscal year 2020.

Hubbell Incorporated (NYSE:HUBB) reported net income of \$399.5 million for fiscal year 2021 as compared to \$351.2 million for the prior year. Earnings per share were \$7.29 versus \$6.43 for the prior year. Revenues for the year increased to \$4,194.1 million from \$3,682.5 million for fiscal year 2020.

Korea Shipbuilding & Offshore Engineering Co., Ltd. (KOSE:A009540) reported net income of (\$780.2) million for fiscal year 2021 as compared to (\$766.2) million for the prior year. Earnings per share were (\$11.03) versus (\$10.83) for the prior year. Revenues for the year decreased to \$13,007.0 million from \$13,694.8 million for fiscal year 2020.

Nova Ltd. (NasdaqGS:NVMI) reported net income of \$93.1 million for fiscal year 2021 as compared to \$47.9 million for the prior year. Earnings per share were \$3.12 versus \$1.65 for the prior year. Revenues for the year increased to \$416.1 million from \$269.4 million for fiscal year 2020.

Powell Industries, Inc. (NasdaqGS:POWL) reported first quarter net income of (\$2.8) million for fiscal year 2022 as compared to (\$0.4) million for the prior year period. Earnings per share were (\$0.24) versus (\$0.03) for the prior year period. Revenues for the quarter decreased to \$106.6 million from \$106.6 million for the same period in fiscal year 2021.

Powell Industries, Inc. (NasdaqGS:POWL) announced that **John G. Stacey** has been appointed to the **Board of Directors**.

Onto Innovation Inc. (NYSE:ONTO) reported net income of \$142.3 million for fiscal year 2022 as compared to \$31.0 million for the prior year. Earnings per share were \$2.86 versus \$0.63 for the prior year. Revenues for the year increased to \$788.9 million from \$556.5 million for fiscal year 2021.

Rockwell Automation, Inc. (NYSE:ROK) announced that **Robert Soderbery** has been appointed to the **Board of Directors**.

Schneider Electric S.E. (ENXTPA:SU) reported net income of \$3,643.8 million for fiscal year 2021 as compared to \$2,600.6 million for the prior year. Earnings per share were \$6.45 versus \$4.66 for the prior year. Revenues for the year increased to \$32,872.7 million from \$30,775.5 million for fiscal year 2020.

Schneider Electric S.E. (ENXTPA:SU) announced that **Gwenaëlle Avice-Huet** has been appointed as **Chief Strategy & Sustainability Officer**.

Terex Corporation (NYSE:TEX) reported net income of \$220.9 million for fiscal year 2021 as compared to (\$10.6) million for the prior year. Earnings per share were \$3.12 versus (\$0.15) for the prior year. Revenues for the year increased to \$3,886.8 million from \$3,076.4 million for fiscal year 2020.

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

Selected News – Industrial Equipment (cont'd)

Tokyo Electron Limited (TSE:8035) reported third quarter net income of \$955.6 million for fiscal year 2022 as compared to \$447.3 million for the prior year period. Earnings per share were \$6.11 versus \$2.86 for the prior year period. Revenues for the quarter increased to \$4,398.8 million from \$2,826.6 million for the same period in fiscal year 2021.

Veeco Instruments Inc. (NasdaqGS:VECO) reported net income of \$26.0 million for fiscal year 2021 as compared to (\$8.4) million for the prior year. Earnings per share were \$0.49 versus (\$0.17) for the prior year. Revenues for the year increased to \$583.3 million from \$454.2 million for fiscal year 2020.

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

Selected News – Industrial & Technical Services

AECOM (NYSE:ACM) reported first quarter net income of \$61.5 million for fiscal year 2022 as compared to \$26.1 million for the prior year period. Earnings per share were \$0.42 versus \$0.17 for the prior year period. Revenues for the quarter decreased to \$3,266.7 million from \$3,313.2 million for the same period in fiscal year 2021.

Aurubis AG (XTRA:NDA) reported first quarter net income of \$342.3 million for fiscal year 2022 as compared to \$211.6 million for the prior year period. Earnings per share were \$7.84 versus \$4.84 for the prior year period. Revenues for the quarter increased to \$5,014.2 million from \$4,245.9 million for the same period in fiscal year 2021.

Clean Harbors, Inc. (NYSE:CLH) reported net income of \$203.2 million for fiscal year 2021 as compared to \$134.8 million for the prior year. Earnings per share were \$3.71 versus \$2.42 for the prior year. Revenues for the year increased to \$3,805.6 million from \$3,144.1 million for fiscal year 2020.

Dowa Holdings Co., Ltd. (TSE:5714) reported third quarter net income of \$99.9 million for fiscal year 2022 as compared to \$66.4 million for the prior year period. Earnings per share were \$1.68 versus \$1.12 for the prior year period. Revenues for the quarter increased to \$1,638.6 million from \$1,464.2 million for the same period in fiscal year 2021.

Fluor Corporation (NYSE:FLR) reported net income of (\$440.2) million for fiscal year 2021 as compared to (\$435.0) million for the prior year. Earnings per share were (\$3.29) versus (\$3.10) for the prior year. Revenues for the year decreased to \$12,434.9 million from \$14,157.9 million for fiscal year 2020.

Jacobs Engineering Group Inc. (NYSE:J) reported first quarter net income of \$134.0 million for fiscal year 2022 as compared to \$257.0 million for the prior year period. Earnings per share were \$1.03 versus \$1.96 for the prior year period. Revenues for the quarter decreased to \$3,380.6 million from \$3,381.8 million for the same period in fiscal year 2021.

KBR, Inc. (NYSE:KBR) reported net income of \$18.0 million for fiscal year 2021 as compared to (\$72.0) million for the prior year. Earnings per share were \$0.12 versus (\$0.51) for the prior year. Revenues for the year increased to \$7,339.0 million from \$5,767.0 million for fiscal year 2020.

KBR, Inc. (NYSE:KBR) announced that **Geetha Ramamoorthi** has been appointed to the **Board of Directors**.

Lawson Products, Inc. (NasdaqGS:LAWS) reported net income of \$9.4 million for fiscal year 2021 as compared to \$15.1 million for the prior year. Earnings per share were \$1.01 versus \$1.62 for the prior year. Revenues for the year increased to \$417.7 million from \$351.6 million for fiscal year 2020.

MRC Global Inc. (NYSE:MRC) reported net income of (\$14.0) million for fiscal year 2021 as compared to (\$274.0) million for the prior year. Earnings per share were (\$0.46) versus (\$3.63) for the prior year. Revenues for the year increased to \$2,666.0 million from \$2,560.0 million for fiscal year 2020.

Primoris Services Corporation (NasdaqGS:PRIM) reported net income of \$115.6 million for fiscal year 2021 as compared to \$105.0 million for the prior year. Earnings per share were \$2.17 versus \$2.16 for the prior year. Revenues for the year increased to \$3,497.6 million from \$3,491.5 million for fiscal year 2020.

Sims Limited (ASX:SGM) reported second quarter net income of \$92.1 million for fiscal year 2022 as compared to \$20.4 million for the prior year period. Earnings per share were \$0.45 versus \$0.10 for the prior year period. Revenues for the quarter increased to \$1,552.3 million from \$947.9 million for the same period in fiscal year 2021.

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

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

Tetra Tech, Inc. (NasdaqGS:TTEK) reported first quarter net income of \$68.5 million for fiscal year 2022 as compared to \$52.4 million for the prior year period. Earnings per share were \$1.25 versus \$0.96 for the prior year period. Revenues for the quarter increased to \$679.3 million from \$605.2 million for the same period in fiscal year 2021.

Transcat, Inc. (NasdaqGM:TRNS) reported third quarter net income of \$1.6 million for fiscal year 2022 as compared to \$1.8 million for the prior year period. Earnings per share were \$0.21 versus \$0.23 for the prior year period. Revenues for the quarter increased to \$50.9 million from \$44.1 million for the same period in fiscal year 2021.

W.W. Grainger, Inc. (NYSE:GWW) reported net income of \$1,043.0 million for fiscal year 2021 as compared to \$695.0 million for the prior year. Earnings per share were \$19.84 versus \$12.82 for the prior year. Revenues for the year increased to \$13,022.0 million from \$11,797.0 million for fiscal year 2020.

WESCO International, Inc. (NYSE:WCC) reported net income of \$465.4 million for fiscal year 2021 as compared to \$100.6 million for the prior year. Earnings per share were \$7.84 versus \$1.51 for the prior year. Revenues for the year increased to \$18,217.5 million from \$12,326.0 million for 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 |
| Azenta, Inc. | Industrial Equipment |
| BAE Systems plc | Aerospace & Defense |
| Balfour Beatty plc | Ind. & Tech. Services |
| BASF SE | Components & Materials |
| Belden Inc. | Components & Materials |
| Bosch Ltd | Components & Materials |
| Cardno Ltd. | Ind. & Tech. Services |
| Caterpillar Inc. | Industrial Equipment |
| Celanese Corporation | Components & Materials |
| Clean Harbors, Inc. | Ind. & Tech. Services |
| Cohu, Inc. | Industrial Equipment |
| Commercial Metals Company | Ind. & Tech. Services |
| Continental Aktiengesellschaft | Components & Materials |
| Corning Inc. | Components & Materials |
| Cummins Inc. | Industrial Equipment |
| Danaher Corporation | Industrial Equipment |
| Deere & Company | Industrial Equipment |
| Delphi Automotive PLC | Components & Materials |
| DENSO Corporation | Components & Materials |
| Dowa Holdings Co., Ltd. | Ind. & Tech. Services |
| Dow Inc. | Components & Materials |
| DuPont de Nemours, Inc. | Components & Materials |
| Eaton Corporation plc | Industrial Equipment |
| Embraer S.A. | Aerospace & Defense |
| Emerson Electric Co. | Industrial Equipment |
| Encore Wire Corp. | Components & Materials |
| Entegris, Inc. | Industrial Equipment |
| Evonik Industries AG | Components & Materials |
| FARO Technologies, Inc. | Industrial Equipment |
| Fastenal Company | Ind. & Tech. Services |
| Ferro Corporation | Components & Materials |
| Fluor Corporation | Ind. & Tech. Services |
| FormFactor, Inc. | Industrial Equipment |
| General Dynamics Corporation | Aerospace & Defense |
| HD Supply Holdings, Inc. | Ind. & Tech. Services |
| Honeywell International Inc. | Aerospace & Defense |

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

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Mergers & Acquisitions

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

Raise Capital

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

Financial Advisory Services

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

The Mufson Howe Hunter Manufacturing Update Indices

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