



**INDUSTRIAL GROWTH**  
*Quarterly Industry Update*  
*First Quarter 2016*



CAPITAL PLACEMENTS • MERGERS, ACQUISITIONS & DIVESTITURES • RESTRUCTURINGS

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# Q1 2016 Highlights

May 2016

To The Friends and Clients of SOLIC Capital Advisors ("SCA"):

We are pleased to share with you SCA's SOLICConnect Industrial Growth report, which contains news, statistics and key trends for industrial sectors that we actively cover for corporate clients, institutional capital sources, legal and accounting professionals, and other interested groups. These sectors are: (i) Analytical Instrumentation and Testing Equipment, (ii) Electronics and Components, (iii) Precision Machine Products, Tooling and Stampings, (iv) Metals, (v) Resource Recovery and Waste Management, (vi) Chemicals, and (vii) Plastics and Packaging companies.

During the first quarter, returns for the industrials sector in the equity capital markets were positive across the board with all seven subsectors followed by SCA generating a positive return. The metals subsector led the industry with a quarterly return of +21.4%, compared with the S&P 500 quarterly return of +2.3%. The other subsectors of the industry with notable positive quarterly growth include Electronics & Components +19.4%, Precision Machine Products +16.1%, and Resource Recovery & Waste Management +12.9%. M&A activity for the quarter edged out over Q4 2015 with 225 transactions announced versus 222 deals last quarter; however, deal value decreased substantially to \$19.9 billion from \$95.6 billion last quarter primarily because of the announced \$73 billion merger between Dow Chemical Company and E. I. du Pont de Nemours and Company ("DuPont") last quarter. Key transactions for this quarter included: The Sherwin-Williams Company's acquisition of The Valspar Corporation for over \$11 billion in the specialty chemicals sector and Zoomlion Heavy Industry Science and Technology's acquisition of Terex Corporation for over \$5.2 billion in the machinery sector.

Broader indices of the industrials sector were relatively weak by the end of the first quarter as factory orders, corporate investment, and purchasing managers' index were all muted and below consensus suggesting the economy will not rebound as previously expected and will keep the Fed in a monitoring mode. For this period, industrial output and hiring is slowing as is growth in new orders due weakening in exports and further slides in the energy and mining sectors. Capacity utilization in manufacturing reached 74.8%, which is the lowest reading in over three years and a barometer for near-term hiring needs. Despite relatively low unemployment levels, wage growth remains weak as private-industry compensation grew just 1.8% over the previous 12 months, which is the lowest growth rate in the last two years. This appears to be a foreboding metric as employers reel in labor-related resources. Inevitably, these factors are impacting consumers as many Americans have slowed personal spending and electing to save their income. Q1 was the lowest level in consumer spending in a year, while savings rose to \$736 million, or a savings rate of 5.4%, the highest since December 2012. These factors, particularly with international demand, will likely drag on growth rates and equity values for many industrial producers in the next few quarters.

Based upon these trends, the industrial sector will continue to face several challenges with softening demand and weak corporate investment. This concerning outlook will likely have many corporate managers implementing very disciplined capital deployment strategies (i.e., acquisitions) throughout 2016.

We welcome your comments and hope you find our SOLICConnect report informative.

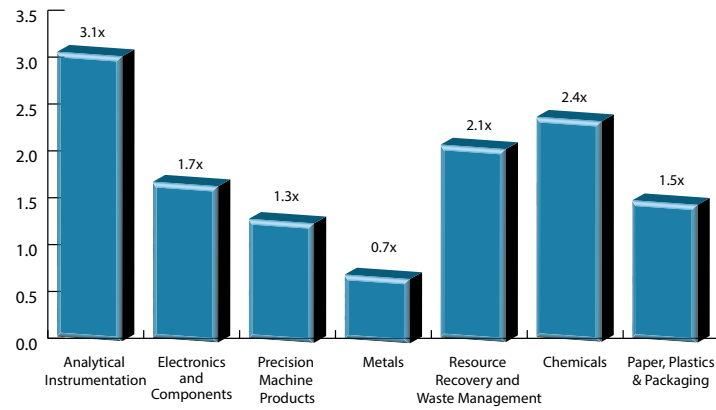
**Matt Caine**  
Managing Director  
mcaine@soliccapi.com

**Edward R. Casas**  
Senior Managing Director  
ecasas@soliccapi.com

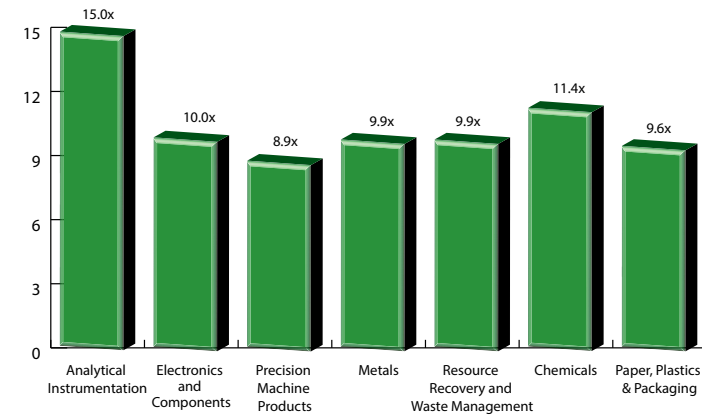
# Market Overview



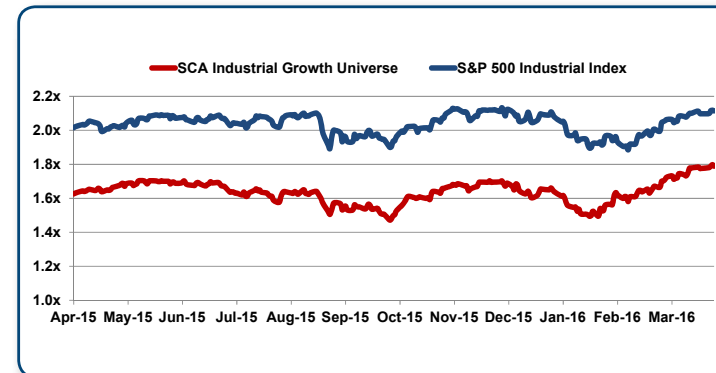
## Enterprise Value To Revenue



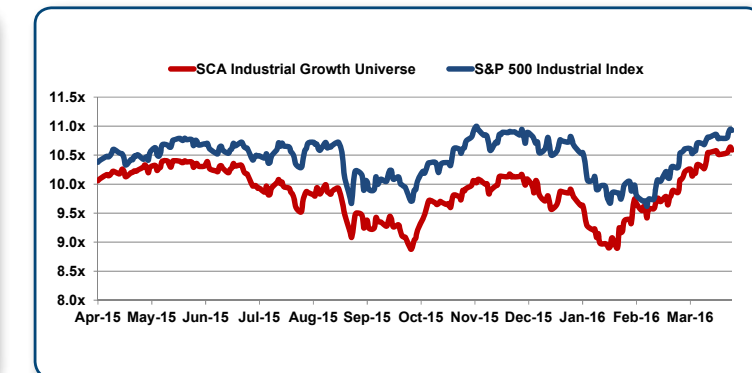
## Enterprise Value To EBITDA



## SCA Industrial Growth Universe vs. S&P 500 Total Enterprise Value / Revenue

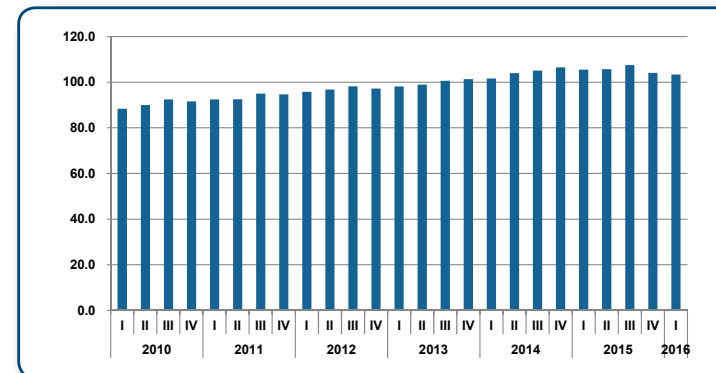


## SCA Industrial Growth Universe vs. S&P 500 Total Enterprise Value / EBITDA

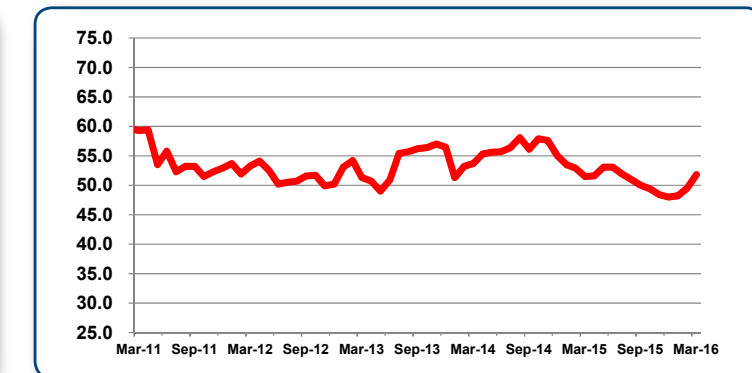


**Both revenue multiples and EBITDA multiples remained strong across all subsectors in Q1-16, with steady overall transaction volume despite a large drop in transaction value**

## Federal Reserve Industrial Production



## Institute for Supply Management Purchasing Managers' Index

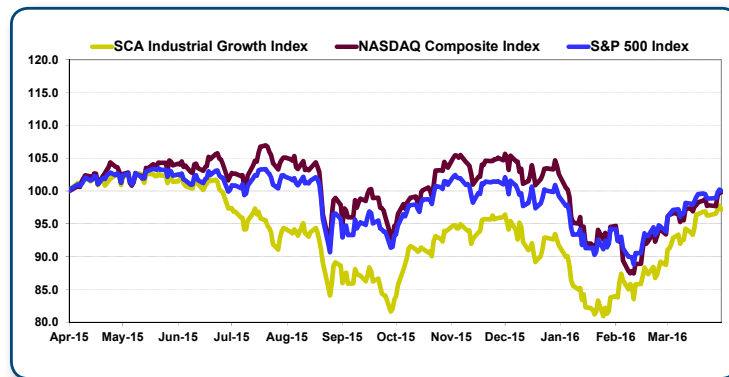


\* Please see pages 16-21 for SCA Industrial Growth Universe and additional information in the "Notes" section at the end of this report.

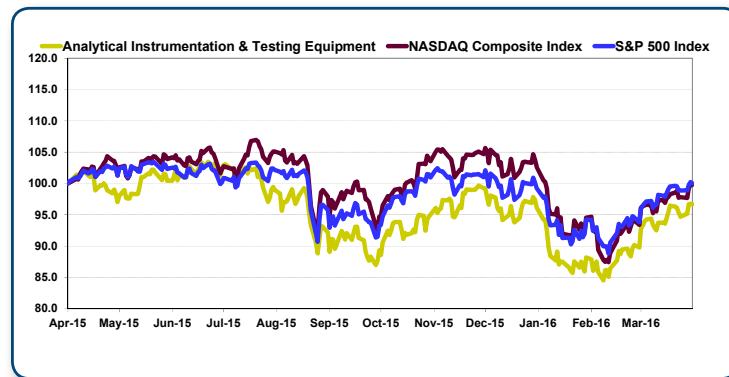
# Sector Stock Performance (one year)



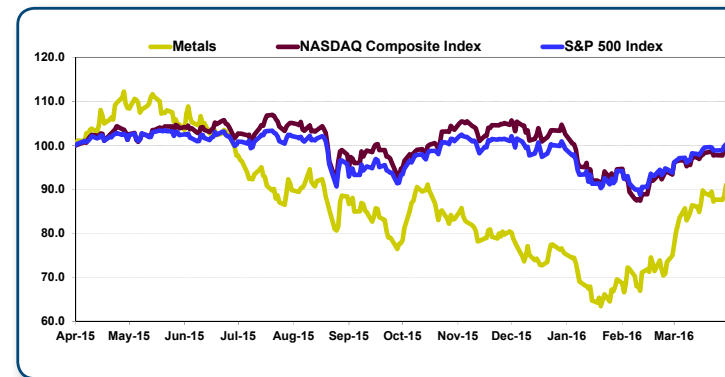
SCA Industrial Growth Index



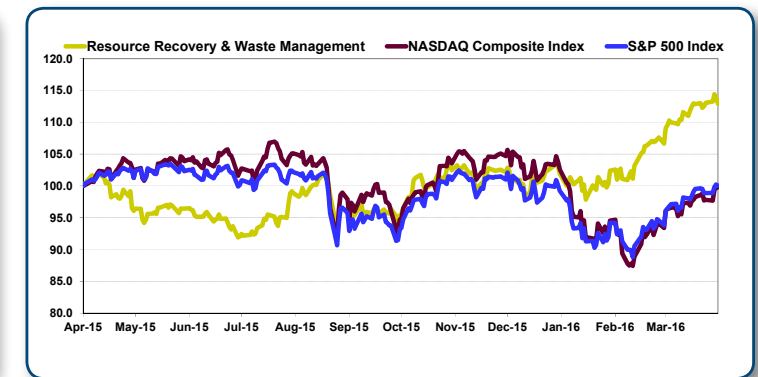
SCA Analytical Instrumentation & Testing Equipment Sector



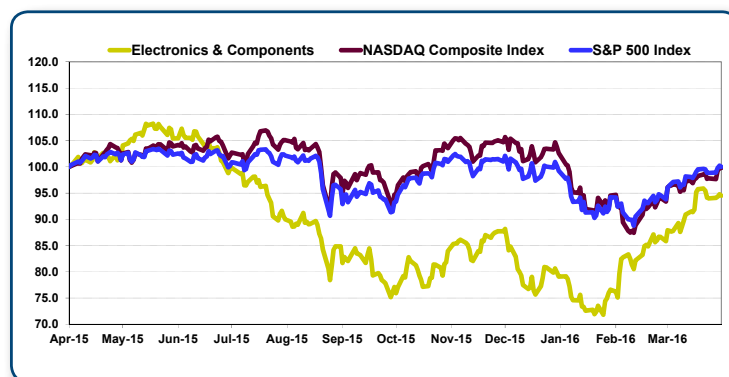
SCA Metals Sector



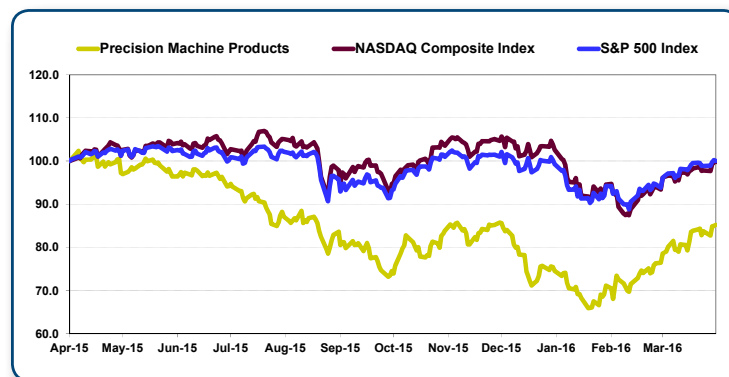
SCA Resource Recovery & Waste Management Sector



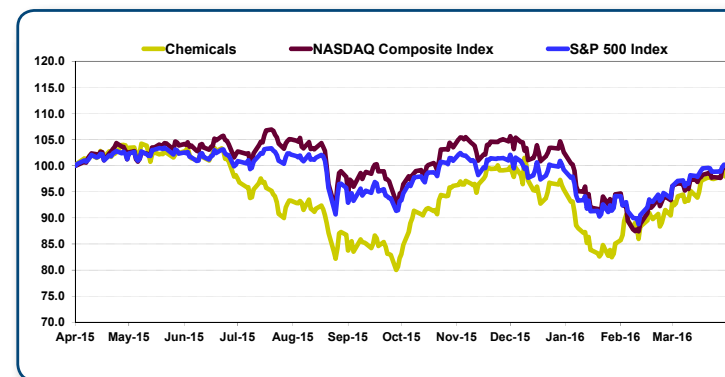
SCA Electronics and Components Sector



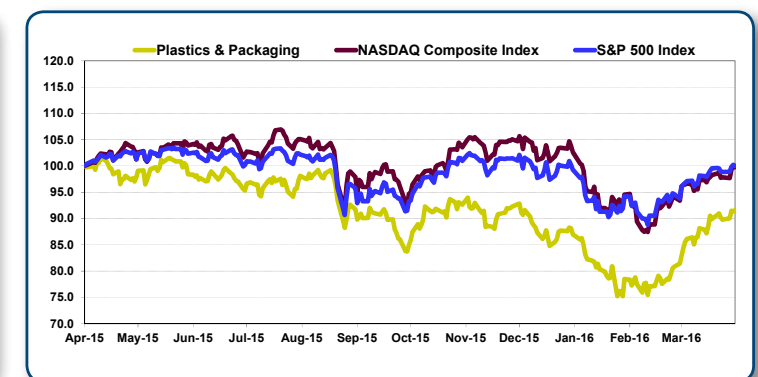
SCA Precision Machine Products Sector



SCA Chemicals Sector



SCA Plastics & Packaging Sector



\* Please see pages 16-21 for SCA Industrial Growth Universe and additional information in the "Notes" section at the end of this report.

## Notable Industry Developments



Crude oil prices stabilized at the end of March, after a rampant surge earlier in the month, according to the U.S. Energy Information Administration (EIA). West Texas Intermediate ("WTI") crude oil prices rose \$2.86 to settle at \$37.26 per barrel in March, reducing the future contango pricing curve. Rises in U.S. purchasing manager indexes in manufacturing and services, combined with lower crude oil exports from Nigeria and Northern Iraq amid regional tensions contributed to a reduction in supply and forced the rise in crude prices. Major OPEC nations remain reluctant to curb long-term production providing continued uncertainty of crude oil prices for 2016.

The U.S. economy grew less than expected in the first quarter of 2016 as GDP grew at a minimal 0.5% annualized rate, its smallest gain since the first quarter of 2014. It was dragged by weak business spending and a smaller buildup of inventories. GDP growth declined compared to last quarter's revised 1.4% increase and 2.0% increase last fall. Tepid consumer spending forced businesses to place fewer orders for goods and focus on reducing inventory gluts. Dollar strength continued to weigh on trade exports while assisting imports. Sustained low crude oil prices further reduced profits of oil field service companies forcing a contraction in business spending at its fastest rate since the second quarter of 2009. Despite the first quarter GDP slowdown, the Federal Reserve remains confident in labor market conditions and suggested it is unlikely to tighten the money supply in the immediate future.

Quarterly returns for the SCA Industrial Growth Sector increased in the first quarter posting an average increase of +8.0% after a prior average increase of +9.3% in the fourth quarter of 2015. The Metals sector posted the most prominent gain in the first quarter of +21.4% after reporting losses in four consecutive quarters in 2015. TTM returns for the SCA Industrial Growth Sector were -2.9% dragged by the Precision Machine Products sector, which posted a -14.8% return. The average TTM performance recorded over this same period by the broader market indices, NASDAQ and S&P 500, were -0.2% and 0.0%, respectively.

### First Quarter 2016

According to the Institute for Supply Management, the March Purchasing Managers' Index ("PMI") registered 51.8%, an increase of 230 basis points from February's PMI reading of 49.5%. A PMI greater than 50.0% represents expansion in the manufacturing sector, under 50.0% signals contraction in the sector. March's PMI of 51.8% represents the first monthly expansion in the manufacturing sector since August 2015. The New Orders Index registered 58.3%, a modest increase of 680 basis points from February's reading of 51.5%. The Production Index registered 55.3%, 250 basis points higher than February's reading of 52.8%. The Employment Index registered 48.1%, a decrease of 40 basis points below the February reading of 48.5%. The Prices Index registered 51.5%, a substantial increase of 1,300 basis points from the February reading of 38.5%, indicating material price inflation for the first time since October 2014. Of the 18 manufacturing industries, 12 reported expansions with 13 of the 18 industries reporting an increase in new orders in March.

According to the American Chemistry Council, the U.S. Chemical Production Regional Index (U.S. CPRI), measured on a three-month moving average basis, continued its momentum from December by expanding +0.3% in March after 5 months of consecutive growth. Manufacturing activity was stagnant after a slight increase last month, a leading determinant of the chemicals industry. U.S. national chemical production increased +1.5% compared to March 2015, with the Gulf Coast and Ohio Valley geographic regions experiencing the most growth nationally at +3.9% and +2.8%, respectively.

World crude steel output decreased by -3.6% in the first quarter 2016 compared to the first quarter in 2015, according to the World Steel Association. 2016 first quarter production totaled 385.7 million tonnes (Mt) compared to 400.1 Mt in 2015 first quarter. U.S. steel production slightly decreased -1.3% in the first quarter 2016 to 19.6 Mt from 19.9 Mt in the first quarter 2015 largely due to dollar appreciation and continued stagnation in the energy sector. The most recent Short Range Outlook forecasts 2016 world steel demand will contract by -0.8% and reach 1,488 Mt. Experts predict the world steel industry has reached a period of sluggish growth due primarily to China's real estate market and corporate debt problems, lower capital investment, financial market volatility, and geopolitical uncertainty in many developing regions.

### Upcoming Industry Conferences

Analytical Instrumentation and Testing Equipment	
Microscopy & Microanalysis 2016 Meeting July 24-28, 2016 Columbus, OH	DXC Conference August 1-5, 2016 Chicago, IL
Electronics and Components	
IEEE Electronic Components and Technology Conference May 31 - June 3, 2016 Las Vegas, NV	IPC APEX EXPO February 12-16, 2017 San Diego, CA
Precision Machine Products, Toolings, and Stampings	
Precision Machined Products Association ("PMPA") 2016 Annual Meeting October 21-25, 2016 Hilton Head, SC	FABTECH November 16-18, 2016 Las Vegas, NV
Metals	
Metal Construction Association ("MCA") Summer Meeting June 13-15, 2016 Chicago, IL	METALCON October 26-28, 2016 Baltimore, MD
Resource Recovery and Waste Management	
Waste Expo June 7-9, 2016 Las Vegas, NV	Resource Recycling Conference August 30 - September 1, 2016 New Orleans, LA
Chemicals	
Chemicals America September 7-9, 2016 Charleston, SC	InformEx May 16-18, 2017 Philadelphia, PA
Plastics and Packaging	
IAPD Convention October 4-7, 2016 Phoenix, AZ	PACK EXPO International November 6-9, 2016 Chicago, IL

## Selected M&A Transactions

Date: **03/30/16**  
Target: **Dynamic Isolation Systems, Inc.**  
Buyer: **Kawakin Holdings Co., Ltd. (TSE:5614)**  
Enterprise Value: **\$19 MM**  
Value/Revenue: -  
Value/EBITDA: -

Kawakin Holdings agree to acquire Dynamic Isolation Systems for \$19 million. Dynamic Isolation Systems designs, manufactures, and supplies seismic isolators. Kawakin Holdings was incorporated in 2005 and is based in McCarran, Nevada.

Date: **03/21/016**  
Target: **Hexion Inc., Hexion Performance Adhesives & Coatings**  
Buyer: **Synthomer plc (LSE:SYNT)**  
Enterprise Value: **\$266 MM**

Value/Revenue: **0.6x**  
Value/EBITDA: **7.5x**

Synthomer entered into a definitive agreement to acquire the Hexion Performance Adhesives & Coating divisions from Hexion for approximately \$230 million. Hexion Performance Adhesives & Coatings develops, manufactures, and markets dispersions, additives, powder coatings, and specialty monomers.

Date: **03/20/16**  
Target: **The Valspar Corporation (NYSE:VAL)**  
Buyer: **The Sherwin-Williams Company (NYSE:SHW)**

Enterprise Value: **\$11,278.8 MM**  
Value/Revenue: **2.7x**  
Value/EBITDA: **16.2x**

Sherwin-Williams entered into a definitive agreement to acquire Valspar Corporation for \$9.4 billion in cash. Valspar Corporation develops, manufactures, and distributes a range of coatings, paints, and related products worldwide. Valspar Corporation was founded in 1806 and headquartered in Minneapolis, Minnesota.

Date: **03/13/16**  
Target: **CTG Advanced Materials, LLC**  
Buyer: **CTS Corporation (NYSE:CTS)**  
Enterprise Value: **\$73 MM**  
Value/Revenue: -  
Value/EBITDA: -

CTS Corporation acquired CTG Advanced Materials from Channel Technologies Group for \$73 million in cash. CTG Advanced Materials develops and manufactures high-performance piezoelectric single crystals for defense and ultrasonic industries. CTG Advanced Materials was founded in 1995 and is based in Bolingbrook, Illinois.

Date: **02/29/16**  
Target: **Steel Technology LLC**  
Buyer: **Helen of Troy Limited (Nasdaq:HELE)**  
Enterprise Value: **\$210 MM**  
Value/Revenue: -  
Value/EBITDA: -

Helen of Troy entered into a definitive purchase agreement to acquire membership units of Steel Technology for approximately \$210 million in cash. Steel Technology, doing business as Hydro Flask, manufactures bottles, flasks, and pints for hydration, coffee, beer, and food usage. Steel Technology was founded in 2009 and is based in Bend, Oregon.

Date: **02/29/16**  
Target: **Parkland Plastics, Inc.**  
Buyer: **Patrick Industries Inc. (Nasdaq:PATK)**  
Enterprise Value: **\$25 MM**  
Value/Revenue: **0.8X**  
Value/EBITDA: -

Patrick Industries acquired the assets of Parkland Plastics, Inc. for \$25 million. Parkland Plastics, Inc. manufactures recycled polymer-based architectural panels and is based in Middlebury, Indiana.

Date: **03/17/16**  
Target: **LB Steel, LLC**  
Buyer: **Big Shoulders Capital LLC**  
Enterprise Value: **\$12.2 MM**  
Value/Revenue: -  
Value/EBITDA: -

Big Shoulders Capital acquired LB Steel for \$12.2 million. LB Steel provides outsourced machining, fabrication, burning, and assembly services in North America. LB Steel was founded in 2001 and is based in Harvey, Illinois.

Date: **02/24/16**  
Target: **Prestone Products Corporation**  
Buyer: **Centerbridge Partners, L.P.**  
Enterprise Value: **\$230 MM**  
Value/Revenue: -  
Value/EBITDA: -

Centerbridge Partners signed an agreement to acquire Prestone Products Corporation from Rank Group Investments for \$230 million. Prestone Products Corporation manufactures and markets antifreeze/coolant, and car care and performance chemical products. Prestone Products Corporation was founded in 1927 and is based in Lake Forest, Illinois.

Date: **02/23/16**

Target: **Newport Corporation (Nasdaq:NEWP)**  
 Buyer: **MKS Instruments, Inc. (Nasdaq:MKSI)**

Enterprise Value: **\$1,003.4 MM**  
 Value/Revenue: **1.7x**  
 Value/EBITDA: **12.9x**

MKS Instruments signed a merger agreement to acquire Newport Corporation for approximately \$970 million in cash. Newport Corporation provides technology products and systems for scientific research, microelectronics, defense, life sciences, and industrial markets worldwide. Newport Corporation was founded in 1938 and is headquartered in Irvine, California.

Date: **02/09/16**

Target: **Flanders Holdings LLC**  
 Buyer: **American Air Filter Company, Inc.**

Enterprise Value: **\$430 MM**  
 Value/Revenue: **1.4x**  
 Value/EBITDA: -

American Air Filter Company agreed to acquire Flanders Holdings from Insight Equity for \$430 million. Flanders Holdings, founded in 1946, manufactures air filters and related equipment and is based in Washington, North Carolina.

Date: **02/05/16**

Target: **Brookfield Engineering Laboratories, Inc.**  
 Buyer: **Ametek Inc. (NYSE:AME)**

Enterprise Value: **\$167 MM**  
 Value/Revenue: **3.0x**  
 Value/EBITDA: -

Ametek acquired Brookfield Engineering Laboratories for approximately \$170 million. Brookfield Engineering Laboratories manufactures and sells viscometers and rheometers for laboratory and online process control applications. Brookfield Engineering Laboratories was founded in 1934 and is based in Middleboro, Massachusetts.

Date: **02/03/16**

Target: **Kraton Performance Polymers, Inc., Compounding Business**  
 Buyer: **PolyOne Corporation (NYSE:POL)**

Enterprise Value: **\$72 MM**  
 Value/Revenue: -  
 Value/EBITDA: -

PolyOne Corporation acquired Compounding Business from Kraton Performance Polymers for \$72 million in cash. Compounding Business of Kraton Performance Polymers operates as a polymers manufacturing business.

Date: **01/28/16**

Target: **Trans-Tech, Inc. (TSE:6971)**  
 Buyer: **Kyocera Corp. (TSE:6971)**

Enterprise Value: **\$23 MM**  
 Value/Revenue: -  
 Value/EBITDA: -

Kyocera entered into an agreement to acquire Trans-Tech from Skyworks Solutions for \$42 million. Trans-Tech designs and manufactures technical ceramics in the United States and China. Trans-Tech was incorporated in 1955 and is based in Adamstown, Maryland.

Date: **01/26/16**

Target: **Terex Corporation (NYSE:TEX)**  
 Buyer: **Zoomlion Heavy Industry Science and Technology Co., Ltd. (SZSE:000157)**

Enterprise Value: **\$4,763.5 MM**  
 Value/Revenue: **0.7x**  
 Value/EBITDA: **9.3x**

Zoomlion Heavy Industry Science and Technology made an unsolicited, non-binding offer to acquire Terex Corporation for \$3.3 billion in cash. Terex Corporation operates as a lifting and material handling solutions company. Terex Corporation was founded in 1925 and is based in Westport, Connecticut. Zoomlion Heavy Industry Science and Technology made an unsolicited, non-binding offer to acquire Terex Corporation for \$3.3 billion in cash. Terex Corporation operates as a lifting and material handling solutions company. Terex Corporation was founded in 1925 and is based in Westport, Connecticut.

Date: **02/03/16**

Target: **Kurion, Inc.**  
 Buyer: **Veolia Environment S.A. (ENXTPA:VIE)**

Enterprise Value: **\$350 MM**  
 Value/Revenue: -

Value/EBITDA: -

Veolia Environment agreed to acquire Kurion from Lux Capital Management, Firelake Capital Management and other investors for \$350 million. Kurion develops technologies for nuclear waste management. Kurion was founded in 2008 and is based in Irvine, California.

Date: **01/21/16**

Target: **HTP Meds, LLC and Hi-Tech Machine and Fabrication, LLC**  
 Buyer: **Hitachi Metals America, LLC**

Enterprise Value: **\$84 MM**  
 Value/Revenue: -

Value/EBITDA: -

Hitachi Metals America entered into a membership interest purchase agreement to acquire HTP Meds and Hi-Tech Machine and Fabrication for \$84 million. HTP-Meds designs, develops, and manufactures medical tubing products.

Date: **01/11/16**

Target: **Sherwin Alumina Company, LLC**

Buyer: **Corpus Christi Alumina LLC**

Enterprise Value: **\$95.3 MM**

Value/Revenue: -

Value/EBITDA: -

Corpus Christi Alumina agreed to acquire Sherwin Alumina Company from Allied Alumina for \$95.3 million. Sherwin Alumina Company produces aluminum oxide. Sherwin Alumina Company was founded in 1953 and is based in Gregory, Texas.

Date: **01/05/16**

Target: **Gemcor II, LLC**

Buyer: **Ascent Aerospace**

Enterprise Value: **\$44 MM**

Value/Revenue: -

Value/EBITDA: -

Ascent Aerospace entered into an asset purchase agreement to acquire a majority of the assets of Gemcor from Rand Capital SBIC and others for \$44 million in cash. Gemcor designs, manufactures, and installs aircraft assembly automation machinery, and positioning and fastening systems for manufacturing industries worldwide. Gemcor was founded in 1937 and is based in West Seneca, New York.

Date: **01/04/16**

Target: **Underground Solutions, Inc.**

Buyer: **Aegion Corporation (Nasdaq:AEGN)**

Enterprise Value: **\$85 MM**

Value/Revenue: -

Value/EBITDA: -

Aegion Corporation entered into a definitive agreement to acquire Underground Solutions from Riverwood Capital and UGSI for \$85 million in cash. Underground Solutions provides infrastructure technologies for water, sewer, and conduit applications.

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Date: **01/04/16**

Target: **Deluxe Packages**

Buyer: **Amcor Limited (ASX:AMC)**

Enterprise Value: **\$45 MM**

Value/Revenue: **1.1x**

Value/EBITDA: -

Amcor Limited acquired Deluxe Packages from Paperboard Packaging Corporation for \$45 million. Deluxe Packaging provides flexible packaging products including anti-fog, breathable laminations, and micro-perforations packaging solutions. The company was incorporated in 1967 and is based in Santa Fe Springs, California.



# Valuation Metrics by Sector

Ticker	Company Name	Stock Price	52 - Week		% of 52 Week High	Market Cap (\$mm)	Enterprise Value (\$mm)	Enterprise Value to:			P/E
			High	Low				LTM Revenue	LTM EBITDA	NTM EBITDA	
<b>Analytical Instrumentation and Testing Equipment</b>											
AME	Ametek Inc.	\$49.98	\$57.67	\$42.82	86.7%	\$1,711.2	\$13,272.3	3.3x	12.1x	12.2x	20.4x
CGNX	Cognex Corporation	38.95	52.48	28.01	74.2%	3,310.4	2,961.9	6.6x	21.8x	21.5x	31.9x
ESIO	Electro Scientific Industries Inc.	7.15	7.44	4.09	96.2%	222.6	159.7	0.9x	NM	9.6x	NM
ESE	ESCO Technologies Inc.	38.98	39.98	31.50	97.5%	1,006.6	1,036.8	1.9x	12.0x	9.7x	25.1x
HEI	HEICO Corporation	60.13	63.73	47.24	94.4%	3,521.7	4,263.0	3.5x	14.6x	13.1x	29.8x
MTD	Mettler-Toledo International Inc.	344.76	350.11	275.30	98.5%	9,263.7	9,756.3	4.1x	18.0x	16.2x	27.6x
MTSC	MTS Systems Corporation	60.85	76.68	48.64	79.4%	898.3	879.9	1.6x	11.3x	9.9x	21.1x
							Mean	3.1x	15.0x	13.2x	26.0x

<b>Electronics and Components</b>											
BELF.B	Bel Fuse Inc.	14.60	23.77	13.33	61.4%	171.3	273.5	0.5x	5.0x	NM	9.0x
ETN	Eaton Corporation plc	62.56	73.82	46.19	84.7%	28,654.6	36,705.6	1.8x	11.1x	10.9x	14.8x
LFUS	Littelfuse Inc.	123.11	124.59	82.53	98.8%	2,752.2	2,590.8	3.0x	14.0x	12.1x	33.9x
							Mean	1.7x	10.0x	11.5x	19.2x

Ticker	Company Name	Stock Price	52 - Week		% of 52 Week High	Market Cap (\$mm)	Enterprise Value (\$mm)	Enterprise Value to:			P/E
			High	Low				LTM Revenue	LTM EBITDA	NTM EBITDA	
<b>Precision Machine Products, Tooling and Stampings<sup>1</sup></b>											
CW	Curtiss-Wright Corporation	75.67	77.57	58.00	97.6%	3,369.5	4,035.1	1.8x	9.8x	9.7x	18.7x
HDNG	Hardinge Inc.	12.47	12.64	7.85	98.7%	160.3	139.3	0.4x	7.8x	NM	62.4x
HURC	Hurco Companies Inc.	32.99	35.77	23.25	92.2%	216.5	166.3	0.7x	6.1x	NM	13.5x
KMT	Kennametal Inc.	22.49	39.91	15.11	56.4%	1,791.8	2,388.9	1.0x	8.6x	10.2x	NM
ROLL	RBC Bearings Inc.	73.26	77.86	54.38	94.1%	1,713.4	2,054.0	3.7x	15.3x	12.5x	28.7x
SHLO	Shiloh Industries Inc.	5.13	14.41	3.06	35.6%	89.0	365.9	0.3x	7.1x	NM	116.6x
TKR	The Timken Company	33.49	43.06	22.22	77.8%	2,658.6	3,197.1	1.1x	7.3x	8.1x	NM
							Mean	1.3x	8.9x	10.1x	20.3x

<b>Metals Processors<sup>2</sup></b>											
ATI	Allegheny Technologies Inc.	16.30	37.76	7.08	43.2%	1,775.3	3,234.9	0.9x	283.8x	12.3x	NM
CAS	A. M. Castle & Co.	2.70	7.01	1.28	38.5%	64.2	374.9	0.5x	NM	NM	NM
CMC	Commercial Metals Company	16.97	17.76	12.44	95.6%	1,943.8	2,660.6	0.5x	5.9x	6.0x	13.2x
RS	Reliance Steel & Aluminum Co.	69.19	71.34	50.08	97.0%	4,972.4	6,825.4	0.7x	8.4x	9.2x	16.6x
TSX-RUS	Russel Metals Inc.	15.25	21.44	10.76	71.1%	941.1	1,131.2	0.5x	9.5x	10.1x	NM
SCHN	Schnitzer Steel Industries, Inc.	18.44	20.65	11.70	89.3%	486.0	674.2	0.4x	11.0x	7.2x	NM
ASX-SGM	Sims Metal Management Limited	6.64	9.19	4.58	72.2%	1,328.6	1,032.5	0.2x	13.5x	8.3x	NM
WOR	Worthington Industries, Inc.	35.64	37.21	21.10	95.8%	2,184.2	2,863.9	1.0x	9.2x	9.5x	20.5x
							Mean	0.6x	9.6x	9.0x	16.8x

[1] HDNG and SHLO are excluded from mean calculation of P/E multiples.  
 [2] ATI is excluded from mean calculation of LTM EBITDA multiples.

\* Please see additional information in the "Notes" section at the end of this report.

Ticker	Company Name	Stock Price	52 - Week		% of 52 Week High	Market Cap (\$mm)	Enterprise Value (\$mm)	Enterprise Value to:			P/E
			High	Low				LTM Revenue	LTM EBITDA	NTM EBITDA	
<b>Tube and Pipe Producers<sup>3</sup></b>											
AKS	AK Steel Holding Corporation	4.13	5.93	1.64	69.6%	736.6	3,416.1	0.5x	7.3x	8.6x	NM
NWPX	Northwest Pipe Co.	9.22	25.86	7.46	35.7%	88.3	79.0	0.3x	NM	NM	NM
SSAB A	SSAB AB	49.51	6.70	2.13	738.8%	1,835.9	4,853.3	0.7x	11.9x	10.1x	NM
STLD	Steel Dynamics Inc.	22.51	23.17	15.32	97.2%	5,479.6	7,339.0	1.0x	11.3x	7.7x	NM
SYNL	Synalloy Corporation	7.92	15.00	6.20	52.8%	68.4	96.5	0.5x	9.6x	11.5x	NM
BIT:TEN	Tenaris S.A.	14.09	17.47	9.71	80.7%	14,722.3	13,355.7	1.8x	11.0x	15.1x	NM
X	United States Steel Corp.	16.05	27.68	6.15	58.0%	2,350.0	4,757.0	0.4x	250.4x	22.9x	NM
							Mean	0.8x	10.2x	12.6x	N/A

<b>Resource Recovery and Waste Management<sup>4</sup></b>											
ECOL	US Ecology, Inc.	44.16	52.99	29.89	83.3%	961.1	1,253.6	2.2x	10.1x	9.7x	37.4x
CWST	Casella Waste Systems Inc.	6.70	7.24	4.97	92.5%	275.0	796.3	1.5x	8.8x	7.1x	NM
CECE	CECO Environmental Corp.	6.21	12.78	5.60	48.6%	205.3	354.3	1.0x	7.6x	6.3x	NM
CLH	Clean Harbors, Inc.	49.34	59.29	37.09	83.2%	2,842.2	4,040.0	1.2x	8.2x	8.8x	65.3x
HCCI	Heritage-Crystal Clean, Inc.	9.94	16.11	7.19	61.7%	221.8	269.8	0.8x	10.6x	7.5x	176.1x
RSG	Republic Services, Inc.	47.65	48.76	38.99	97.7%	16,427.8	23,972.1	2.6x	9.4x	9.0x	22.4x
WCN	Waste Connections Inc.	64.59	66.25	44.81	97.5%	7,905.6	10,072.5	4.8x	14.2x	13.4x	NM
WM	Waste Management, Inc.	59.00	59.99	45.86	98.3%	26,233.8	35,197.8	2.7x	10.5x	9.8x	35.8x
							Mean	2.1x	9.9x	9.0x	31.9x

[3] X is excluded from mean calculation of LTM EBITDA multiples.

[4] CLH and HCCI are excluded from mean calculation of P/E multiples.

Ticker	Company Name	Stock Price	52 - Week		% of 52 Week High	Market Cap (\$mm)	Enterprise Value (\$mm)	Enterprise Value to:			P/E
			High	Low				LTM Revenue	LTM EBITDA	NTM EBITDA	
<b>Diversified Chemicals</b>											
ASH	Ashland Inc.	109.96	132.38	88.30	83.1%	6,952.2	9,950.2	1.9x	12.1x	8.9x	30.8x
GBT	Cabot Corporation	48.33	49.62	30.70	97.4%	3,013.8	4,030.8	1.5x	9.2x	0.0x	NM
DOW	The Dow Chemical Company	50.86	57.10	35.11	89.1%	56,816.3	70,420.3	1.4x	7.6x	7.7x	8.3x
EMN	Eastman Chemical Co.	72.23	83.90	56.03	86.1%	10,685.6	17,541.6	1.8x	7.6x	7.9x	12.8x
DD	E. I. du Pont de Nemours and Company	63.32	75.80	47.11	83.5%	55,194.8	58,239.8	2.3x	14.0x	11.3x	30.3x
FMC	FMC Corp.	40.37	61.11	32.24	66.1%	5,399.3	7,546.5	2.3x	11.9x	11.0x	NM
OLN	Olin Corp.	17.37	32.56	12.29	53.3%	2,868.3	6,356.9	2.2x	15.0x	6.6x	NM
							Mean	1.9x	11.1x	7.6x	20.5x

<b>Specialty Chemicals</b>											
ALB	Albemarle Corporation	63.93	64.99	41.37	98.4%	7,179.1	10,964.3	3.0x	11.6x	11.8x	21.3x
CHMT	Chemtura Corporation	26.40	32.34	23.50	81.6%	1,745.0	1,940.0	1.1x	7.4x	6.8x	13.3x
ECL	Ecolab Inc.	111.52	122.48	98.62	91.1%	32,746.4	39,189.6	2.9x	13.4x	13.3x	33.6x
FDE	Ferro Corporation	11.87	17.09	8.47	69.5%	987.4	1,410.4	1.3x	10.1x	8.0x	10.4x
FUL	HB Fuller Co.	42.45	44.21	30.72	96.0%	2,117.3	2,725.6	1.3x	10.1x	9.2x	22.5x
IFF	International Flavors & Fragrances Inc.	113.77	122.64	97.24	92.8%	9,065.8	9,957.5	3.3x	14.4x	14.0x	22.0x
MTX	Minerals Technologies Inc.	56.85	74.27	35.89	76.5%	1,982.1	3,042.2	1.7x	8.5x	8.3x	18.5x
POL	PolyOne Corporation	30.25	41.20	22.35	73.4%	2,580.5	3,448.3	1.0x	8.7x	8.0x	18.6x
KWR	Quaker Chemical Corporation	84.86	95.74	68.20	88.6%	1,123.1	1,132.4	1.5x	11.2x	10.6x	22.1x
SCL	Stepan Company	55.29	56.50	40.49	97.9%	1,232.8	1,390.7	0.8x	7.7x	6.7x	16.7x
VAL	The Valspar Corporation	107.02	107.10	70.58	99.9%	8,471.4	10,366.4	2.4x	14.9x	13.4x	25.1x
							Mean	1.9x	10.7x	10.0x	20.4x

\* Please see additional information in the "Notes" section at the end of this report.

Ticker	Company Name	Stock Price	52 - Week		% of 52 Week High	Market Cap (\$mm)	Enterprise Value (\$mm)	Enterprise Value to:			P/E
			High	Low				LTM Revenue	LTM EBITDA	NTM EBITDA	
<b>Industrial Gases</b>											
APD	Air Products and Chemicals, Inc.	144.05	153.93	114.64	93.6%	31,064.4	36,716.0	3.8x	12.0x	11.2x	23.8x
ARG	Airgas, Inc.	141.64	141.92	86.09	99.8%	10,258.8	12,993.7	2.4x	13.5x	12.8x	30.5x
PX	Praxair Inc.	114.45	124.99	95.60	91.6%	32,648.7	42,249.7	3.9x	11.7x	12.0x	21.4x
							Mean	3.4x	12.4x	12.0x	25.2x

<b>Paper and Corrugated Packaging<sup>5</sup></b>											
Ticker	Company Name	Stock Price	52 - Week High	52 - Week Low	% of 52 Week High	Market Cap (\$mm)	Enterprise Value (\$mm)	LTM Revenue	LTM EBITDA	NTM EBITDA	P/E
GPK	Graphic Packaging Holding Company	12.85	15.28	10.71	84.1%	4,150.6	5,971.2	1.4x	8.2x	7.5x	18.4x
GEF	Greif, Inc.	32.75	43.43	23.88	75.4%	1,879.4	3,086.3	0.9x	7.4x	7.2x	51.0x
IP	International Paper Company	41.04	56.49	32.50	72.7%	16,873.9	31,451.9	1.4x	8.3x	8.5x	18.4x
PKG	Packaging Corporation of America	60.40	78.98	44.32	76.5%	5,631.8	7,779.6	1.4x	7.0x	7.2x	13.5x
SON	Sonoco Products Co.	48.57	49.08	34.68	99.0%	4,905.6	5,878.0	1.2x	9.4x	9.0x	19.9x
WRK	WestRock Company	39.03	66.88	29.73	58.4%	9,816.9	15,557.3	1.2x	7.6x	6.6x	NM
							Mean	1.3x	8.0x	7.7x	17.6x

<b>Plastics/Films<sup>6</sup></b>											
Ticker	Company Name	Stock Price	52 - Week High	52 - Week Low	% of 52 Week High	Market Cap (\$mm)	Enterprise Value (\$mm)	LTM Revenue	LTM EBITDA	NTM EBITDA	P/E
SHLM	A. Schulman, Inc.	27.22	48.84	20.65	55.7%	794.8	1,864.5	0.8x	9.6x	7.0x	48.6x
ATR	AptarGroup, Inc.	78.41	79.04	60.73	99.2%	4,933.5	5,233.6	2.3x	11.5x	10.7x	25.4x
ITP	Intertape Polymer Group Inc.	14.35	15.66	10.54	91.6%	839.8	984.9	1.2x	8.7x	8.1x	14.4x
MYE	Myers Industries Inc.	12.86	19.58	10.12	65.7%	380.0	565.6	0.9x	8.9x	7.9x	28.6x
LSE:RPC	RPC Group Plc	10.94	12.45	8.11	87.9%	3,309.3	3,986.3	1.9x	14.7x	9.5x	38.8x
TG	Tredegar Corp.	15.72	24.13	11.37	65.1%	511.7	571.5	0.6x	6.5x	7.8x	NM
							Mean	1.3x	10.0x	8.5x	26.8x

[5] GEF is excluded from mean calculation of P/E multiples.

[6] SHLM is excluded from mean calculation of P/E multiples.

Ticker	Company Name	Stock Price	52 - Week		% of 52 Week High	Market Cap (\$mm)	Enterprise Value (\$mm)	Enterprise Value to:			P/E
			High	Low				LTM Revenue	LTM EBITDA	NTM EBITDA	
<b>Flexible Packaging</b>											
AEPI	AEP Industries Inc.	66.00	93.94	42.98	70.3%	337.1	538.2	0.5x	5.2x	NM	9.3x
BMS	Bemis Company, Inc.	51.78	54.19	38.91	95.6%	4,902.9	6,233.0	1.5x	10.7x	10.2x	21.0x
CCLB	CCL Industries Inc.	190.08	192.00	105.13	99.0%	6,600.7	7,063.2	3.0x	15.0x	12.1x	29.4x
LABL	Multi-Color Corp.	53.35	80.24	40.16	66.5%	896.4	1,387.1	1.6x	9.6x	8.8x	17.7x
SEE	Sealed Air Corporation	48.01	55.84	38.02	86.0%	9,409.5	13,642.3	1.9x	12.4x	11.6x	29.6x
WPK	Wipak Ltd.	38.57	39.26	27.95	98.3%	2,507.2	2,351.8	2.8x	12.0x	12.3x	23.7x
							Mean	1.9x	10.8x	11.0x	21.8x

<b>OVERALL INDUSTRIAL GROWTH SECTOR</b>							Mean	1.8x	10.5x	10.2x	22.4x
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\* Please see additional information in the "Notes" section at the end of this report.



# NOTES



# Recent Representative Engagements \*

## Notes

- Sources: Capital IQ, Bloomberg, Federal Reserve, Institute for Supply Management, company 10-K, 10-Q and 8-K SEC filings, annual reports, press releases, and others as indicated.
- Any public companies chosen for the “SCA Industrial Growth Universe” are companies commonly used for industry information to show performance within a sector. They do not include all public companies that could be categorized within the sector and were not created as benchmarks; they do not imply benchmarking and do not constitute recommendations for a particular security and/or sector. The charts and graphs used in this report have been compiled by SOLIC Capital Advisors solely for purposes of illustration.

For further information regarding our Industrial Growth Services, please contact:  
Edward R. Casas, Senior Managing Director, [ecasas@soliccapiatal.com](mailto:ecasas@soliccapiatal.com)  
Matt Caine, Managing Director, [mcaine@soliccapiatal.com](mailto:mcaine@soliccapiatal.com)

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<b>HEALTHCARE</b>	 <b>MESA</b> Medical Group <i>has been acquired by</i> <b>TEAMHealth</b> Team Health Holdings (NYSE:TMH) Sell Side Advisor	\$156,000,000  <b>SUMNER</b> Regional Health Systems, Inc. Financial Advisor, Chief Executive Officer, Chief Restructuring Officer	\$690,600,000 Sale of Assets on behalf of  <b>MedCath</b> <b>MedCath Corporation</b> (Nasdaq: MDTH) Sell Side Advisor	\$327,500,000 Capital Restructuring  <b>THE FOUNTAINS</b> Fountains Senior Living Holdings, LLC Exclusive Financial Advisor
<b>FINANCIAL SERVICES</b>	\$100,000,000 Capital Placement  <b>GREEN BANK</b> Placement Agent and Financial Advisor	\$750,000,000 Assets under Management  <b>SageCrest II, LLC</b> Fiduciary Oversight	\$4,500,000,000 of Assets  <b>SENTINEL</b> SENTINEL MANAGEMENT GROUP, INC. Financial Advisor to Bankruptcy Trustee Chapter 11 Reorganization	\$5,000,000,000 Pre-Filing Secured Indebtedness  <b>TB&amp;W</b> Financial Advisor and Chief Restructuring Officer
<b>REAL ESTATE AND INFRASTRUCTURE</b>	\$118,000,000 Sale of senior notes secured by property located at 610 Lexington Avenue New York  <b>610 LEX</b> Financial Advisor	\$212,320,000 Debt Restructuring  <b>SunCal Companies</b> The Westland Project Albuquerque, New Mexico Financial Advisor	\$87,000,000 Debt Restructuring for the Illinois Tollway Oasis Project  <b>WILTON PARTNERS</b> REAL ESTATE DEVELOPMENT Financial Advisor	\$500,000,000 Senior & Mezzanine Debt Restructuring related to 19 Master Planned Communities  <b>DE Shaw &amp; Co</b> Financial Advisor
<b>ENERGY</b>	Pre Restructuring Invested Capital of Over \$800,000,000  <b>BOSQUE POWER COMPANY</b> Financial and Restructuring Advisor in Connection with Chapter 11 Bankruptcy	\$240,600,000 Restructured Debt  <b>VAREL INTERNATIONAL</b> Restructuring Advisor	 <b>Alexin, LLC</b> <i>has consummated an Institutional Private Placement of Series A Senior Preferred Units \$13,100,000 with Term Loan and Revolving Credit Facilities \$30,000,000</i> Financial Advisor	 <b>PTC</b> Pasadena Tank Corporation <i>has merged with HMT, Inc. a company sponsored by Berkshire Partners LLC</i> Financial Advisor to Pasadena Tank Corporation
<b>INDUSTRIAL AND OUTSOURCING SERVICES</b>	 <b>HANCOCK PARK ASSOCIATES</b> <i>has made a strategic investment in</i>  <b>Project Time &amp; Cost Inc.</b> Financial Advisor to Project Time & Cost Inc.	 <b>Tensor Corporation</b> <i>has completed a capital restructuring of \$280,000,000 of senior debt and \$100,000,000 of subordinated debt</i> Financial Advisor	<b>Operational Restructuring</b>  <b>Bocchi Laboratories, Inc</b> <i>acquired by Investment Group led by John Paul de Joria</i>  <b>medica</b> <i>acquired by Joshua Partners, LLC</i> Restructuring Advisor and Exclusive Sell Side Financial Advisor	\$289,800,000 Capital Restructuring in connection with a consensual Plan of Reorganization  <b>jiffylube</b> Heartland Automotive Holdings, Inc. Heartland Automotive Services America's Largest Jiffy Lube Franchisee Financial Advisor to Unsecured Creditors Committee

\* Includes transactions led by the team of SOLIC professionals at predecessor firms

## About SOLIC

### LEADERSHIP TEAM

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Managing Partner  
and Senior Managing Director

**Neil F. Luria**  
Senior Managing Director

**Gregory F. Hagood**  
Senior Managing Director  
President of SOLIC Capital, LLC

**Robert E. Annas**  
Senior Managing Director

**Kim J. Brady**  
Senior Managing Director

**Matthew M. Caine**  
Managing Director

**George N. Koutsonicolis**  
Managing Director

**Raoul Nowitz**  
Managing Director

**Matthew E. Rubin**  
Managing Director

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