

Quarterly Update – Q1 2020

Metals Production and Products

M&A TRANSACTIONS – LAST 12 MONTHS

Date	Company	Country	Description	Buyer	Deal Value USD(\$MM)	EV / EBITDA	EV / Revenue
Mar-20	Traverse City Products, Inc.	USA	Traverse City Products, Inc. manufactures and supplies roll formings, metal stampings, weldments, and assemblies for the automotive and office furniture industries.	Colfax Creek Capital LLC; Charter Capital Partners	-	-	-
Mar-20	CIF Metal Ltee	CAN	CIF Métal Itée produces and delivers aluminum and zinc-alloy parts and castings for customers in the northeastern United States and Canadian markets.	Fonds de Solidarite FTQ; Investissement Quebec Inc.	-	-	-
Mar-20	Damascus Steel Casting Company	USA	Damascus Steel Casting Company manufactures and supplies manganese steel castings.	Temperform, LLC	-	-	-
Feb-20	USS-POSCO Industries (50% Stake)	USA	Producer of cold-rolled sheets, galvanized sheets, tin plate and tin-free steel from hot bands.	United States Steel Corporation	-	-	-
Feb-20	AltaSteel Inc.	CAN	AltaSteel Ltd., a scrap based mini-mill, produces finished steel products for remanufacturers in mining, oil and gas, automotive, construction, agriculture, and original equipment manufacturing industries.	Kyoei Steel Ltd.	\$141.0	-	-
Jan-20	Johnson Metall AB	SWE	Johnson Metall AB manufactures bronze bearings, hollow bars, and precision castings.	Management Vehicle	-	-	-
Jan-20	Quality Fabrication, Inc	USA	Manufactures Sheet Metalwork.	Canerector Inc.	-	-	-
Jan-20	P.P.U. Ecosteel Sp. z o.o.	POL	Manufacturer of cold-rolled, smooth and ribbed reinforcing steel in bars and coils, and welded steel nets.	CMC Poland Sp. z o.o.	-	-	-
Jan-20	Vitex Extrusions, LLC	USA	Develops and manufactures custom aluminum extrusions and components. The company offers aluminum manufacturing services, including product design, extrusion, finishing, and assembly.	NSA industries LLC	-	-	-
Dec-19	Porter's Group LLC	USA	Porter's Group, LLC manufactures fabricated metal parts. It also offers custom computerized numerical control (CNC) machining and milling, custom laser cutting, welding, custom metal fabrication, and cost reduction services.	Maysteel Industries, LLC	-	-	-
Dec-19	Fry Steel Company	USA	Fry Steel Company, Inc. distributes long bar stock metals.	Reliance Steel & Aluminum Co.	-	-	-
Dec-19	AK Steel Holding Corp	USA	AK Steel Holding Corporation, through its subsidiary, AK Steel Corporation, produces flat-rolled carbon, and stainless and electrical steel products in the United States and internationally.	Cleveland-Cliffs Inc.	\$3,003.0	5.1x	0.4x

M&A TRANSACTIONS (CONTINUED)

Date	Company	Country	Description	Buyer	Deal Value USD(\$MM)	EV / EBITDA	EV / Revenue
Nov-19	Siderurgica Latino Americana S.A. (96.35% Stake)	BRA	Company engaged in steel production.	Gerdau Acos Longos S.A	\$111.0	-	-
Nov-19	ITW Insulation Systems	USA	ITW Insulation Systems, Inc. designs, manufactures, markets, and sells mechanical pipe insulation, vapor retarder, and metal jacketing products for commercial and industrial pipe and equipment projects.	Johns Manville	-	-	-
Sep-19	ASW Steel, Inc.	CAN	ASW Steel Inc. manufactures and supplies carbon, stainless, and other specialty steel products.	Acciaierie Valbruna S.p.A	\$8.0	-	-
Sep-19	Walker Die Casting, Inc.; C&R Tool and Engineering, Inc.	USA	Company engaged in manufacturing die cast dies and tooling; company producing aluminum die castings.	Allison Transmission, Inc.	\$103.0	-	-
Sep-19	G&L Manufacturing	USA	G & L Manufacturing, Inc. manufactures stainless steel, duplex alloy, nickel alloy, incoloy, monel, and titanium tubes.	O'Neal Industries Inc.	-	-	-
Sep-19	Cogent Power Inc.	CAN	Cogent Power Inc. manufactures steel and electrical components for the electrical distribution transformers.	JFE Shoji Trade Corporation	-	-	-
Aug-19	PRV Metals LLC	USA	PRV Metals, LLC manufactures forged and rolled titanium, stainless steels, and other specialty alloys for the aerospace, defense, medical, energy, and industrial sectors.	Tinicum Incorporated	-	-	-
Aug-19	Arconic Inc (Itapissuma operations)	BRA	Rolling mill operations located in itapissuma in the state of pernambuco.	Companhia Brasileira de Alumínio S.A.	\$50.0	-	-
Aug-19	J.I.T. Sheet Metals	CAN	J.I.T. Sheet Metals was incorporated in 2016 and is based in North York, Canada. It is a sheet metal manufacturer.	Concord Steel Centre Limited	-	-	-
Aug-19	EVRAZ Stratcor Inc.	USA	EVRAZ Stratcor, Inc. engages in the production and distribution of vanadium and steel products for customers.	Undisclosed bidder	-	-	-
Jul-19	Service Center Metals LLC	USA	Service Center Metals, Inc. manufactures aluminum tubes, pipes, rods, bars, and custom profiles for services center customers.	The Riverstone Group	-	-	-
Jul-19	ZSI-Foster, Inc	USA	ZSI-Foster, L.L.C. manufactures cushioned clamping, quick coupling, and support systems.	Ideal Clamp Products, Inc.	-	-	-
Jun-19	Magic Steel Sales, LLC	USA	Magic Steel Sales, LLC, a steel service center, supplies cold rolled, hot rolled, and coated slit steel products to customers in the eastern United States.	SteelSummit Holdings Inc.	-	-	-

















M&A TRANSACTIONS (CONTINUED)

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Jun-19	Allegheny Technologies Inc (Cast Products business)	USA	Business that produces titanium investment castings.	Consolidated Precision Products Corporation	-	-	-
May-19	Concours Mold Inc.	CAN	Concours Technologies Inc. manufactures and supplies molds for automotive, heavy trucks, and consumer goods industries.	Crestview Partners, LP	-	-	-
Apr-19	MilRoc Distribution; Woodward Steel	USA	Distributor of oilfield specific products, namely pumps and valves, and provided equipment repair services and industrial trailer parts.	Applied Industrial Technologies, Inc.	\$35.0	-	-

Sources: S&P Capital IQ, Mergermarket

Mean: 5.1x 0.4x
Median: 5.1x 0.4x

PUBLIC COMPANY VALUATIONS

Company (Ticker)	Country	Annual Growth - 5 Year Hist.	Average EV ¹ / EBITDA (TTM)						Average EV ¹ / Revenue (TTM)						
			2015	2016	2017	2018	2019	Q1 '20	2015	2016	2017	2018	2019	Q1 '20	
 Alcoa (NYSE:AA)	USA	NM	5.1x	7.9x	7.4x	4.5x	3.1x	3.4x	0.8x	0.8x	1.0x	0.9x	0.6x	0.5x	
 ARCONIC (NYSE:ARNC)	USA	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	
 Constellium (NYSE:CSTM)	FRA	10.0%	9.9x	8.8x	7.1x	7.3x	11.3x	15.0x	0.6x	0.5x	0.6x	0.6x	0.6x	0.6x	
 Commercial Metals (NYSE:CMC)	USA	-2.4%	6.4x	6.3x	10.1x	11.0x	8.3x	5.7x	0.4x	0.5x	0.6x	0.6x	0.6x	0.6x	
 GRUPO SIMEC (AMEX:SIM)	MEX	5.0%	8.0x	7.1x	6.4x	3.7x	4.1x	4.7x	0.5x	0.8x	1.0x	0.7x	0.5x	0.6x	
 INDUSTRIAS CH (BMV:ICH B)	MEX	4.1%	8.4x	13.5x	10.2x	6.0x	5.7x	7.6x	0.8x	1.2x	1.3x	1.0x	0.8x	1.0x	
 INSTEEL INDUSTRIES INC. (NasdaqGS:IIIN)	USA	0.4%	10.2x	8.8x	9.0x	12.2x	11.5x	20.8x	0.8x	1.2x	1.3x	1.4x	0.8x	0.7x	
 KAISER ALUMINUM (NasdaqGS:KALU)	USA	1.3%	8.9x	8.2x	7.7x	9.7x	9.6x	8.3x	1.1x	1.2x	1.2x	1.3x	1.2x	1.1x	
 KOBELCO KOBE STEEL GROUP (TSE:5406)	JPN	0.4%	6.8x	6.5x	8.4x	5.5x	5.7x	6.2x	0.7x	0.6x	0.6x	0.5x	0.5x	0.5x	
 MATERION (NYSE:MTRN)	USA	0.1%	8.5x	7.9x	10.7x	11.9x	15.8x	9.3x	0.6x	0.6x	0.8x	0.9x	1.0x	0.8x	
 Hydro (OB:NHY)	NOR	13.9%	6.8x	6.0x	8.2x	6.5x	7.0x	8.3x	0.9x	0.8x	1.2x	0.9x	0.5x	0.5x	
 NUCOR (NYSE:NUE)	USA	1.6%	8.7x	9.4x	8.8x	8.0x	5.1x	5.7x	0.9x	1.1x	1.2x	1.1x	0.8x	0.7x	
 SAIL (NasdaqGS:STLD)	USA	2.6%	8.6x	9.9x	7.9x	7.9x	4.6x	5.1x	0.8x	1.0x	1.2x	1.2x	0.7x	0.7x	
 Synalloy (NasdaqGM:SYNL)	USA	8.9%	7.2x	54.6x	73.0x	13.6x	9.6x	13.9x	0.7x	0.6x	0.8x	0.9x	0.8x	0.7x	
 TIMKEN STEEL (NYSE:TMST)	USA	-6.3%	10.2x	16.5x	NM	14.6x	8.8x	8.6x	0.7x	0.6x	0.8x	0.6x	0.4x	0.3x	
 TREE ISLAND STEEL (TSX:TSL)	CAN	1.7%	11.0x	8.9x	11.2x	16.1x	14.4x	18.1x	0.7x	0.8x	0.7x	0.6x	0.7x	0.7x	
 UACJ (TSE:5741)	JPN	2.1%	8.3x	9.5x	8.9x	9.0x	11.2x	12.0x	0.7x	0.7x	0.8x	0.8x	0.7x	0.7x	
 United States Steel (NYSE:X)	USA	-5.9%	3.7x	147.0x	21.3x	6.3x	3.5x	6.7x	0.3x	0.5x	0.6x	0.6x	0.3x	0.3x	
 (NasdaqGS:USAP)	USA	2.3%	9.1x	34.1x	13.7x	11.0x	6.8x	6.8x	1.0x	0.9x	1.2x	1.3x	0.8x	0.7x	
 WEBCO INDUSTRIES (OTCPK:WEBC)	USA	3.7%	7.2x	6.9x	7.4x	5.6x	4.0x	4.9x	0.3x	0.2x	0.4x	0.4x	0.4x	0.4x	
Source: S&P Capital IQ			Average	8.0x	19.9x	13.2x	9.0x	7.9x	9.0x	0.7x	0.8x	0.9x	0.9x	0.7x	0.6x
			Median	8.4x	8.8x	8.8x	8.0x	7.0x	7.6x	0.7x	0.8x	0.8x	0.9x	0.7x	0.7x

¹ 'Average EV' is the simple moving average for the specified time-frame using daily data.

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REPRESENTATIVE TRANSACTIONS

<p>Sell Side</p>  <p><i>has sold</i></p>  <p>to</p> <p>Daives Baird Pty Ltd <i>a sister company of</i></p> 	<p>Sell Side</p>  <p>Kukdong Electrical Wires Company</p> <p><i>has been sold to</i></p> 	<p>Buy Side</p>  <p><i>has acquired</i></p> 	<p>Sell Side</p>  <p>Transaction Advisory Services</p>	<p>Sell Side</p>  <p>Grupo Galaz, S.A de C.V.</p> <p><i>has been acquired by</i></p> 
<p>Buy Side</p>  <p><i>has acquired the</i></p> <p>Mexico City Repair and Wheel Shops of</p> 	<p>Sell Side</p>  <p><i>has been acquired by</i></p>  <p><i>a business of</i></p> 	<p>Sell Side</p>  <p><i>has been sold to</i></p> <p>A Private Investment Group</p>	<p>Sell Side</p>  <p>a CITICORP VENTURE CAPITAL, LTD company</p> <p><i>has sold</i></p>  <p>to</p> 	<p>Sell Side</p>  <p><i>has sold</i></p>  <p>Ditemsa Moldes de Plastico S.A. de C.V.</p> <p>to</p>  <p><i>a business unit of</i></p> 

REPRESENTATIVE CLIENTS






















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