



# Construction Products & Metals Industry Update

April 18, 2016

Prices: 4/15/16

**Industry:**

Construction Products  
Metals

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*Industry Participant Matrices:*

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**Events:**

**AAON, Inc. (AAON)**  
*Chicago, Milwaukee (5/16-5/17)*

**15<sup>th</sup> Annual E&C & Industrials  
Investor Conference**  
*San Francisco (9/7-9/8)*

**Prior Industry Data/Commentary:**

[Q4 Industry Growth Recap](#)  
[February Construction PPI](#)  
[March Construction Employment](#)  
[March State Contract Lettings](#)

## INDUSTRY UPDATE

### Industry Pricing Trends (March) & Implications for Related Suppliers

- Latest (March) historical producer price index (PPI) data and implications.
- Weekly/monthly commodity price & industry trends; equity performance & valuation comps.

Table 1 (page 2) provides an overview of monthly trends for a variety of materials and building/industrial infrastructure product inputs based on the most recent (March) historical producer price index (PPI) data. Please see our commentary below for further color on related companies.

**Architectural Products – mixed trends.** Flat glass was essentially flat month-over-month (m/m) though remains up 5.8% year-over-year (y/y). Both the architectural metal products and prefabricated buildings categories were flat m/m, though lower year-over-year (y/y).

- **Apogee** purchases raw glass for fabrication into architectural glass. Cost increases continue to offer a catalyst for pricing its fabricated glass solutions for buildings.
- Trends in architectural metals products and buildings, which we believe are more closely associated with **NCI Building Systems** offerings, continue to indicate deflationary pressure as steel prices have fallen. Declines are less than seen in benchmark steel grades which the company relies on, while steel prices have recently rebounded.

**Building Materials – wallboard lower.** Gypsum (wallboard) was down 0.4% m/m and 3.3% y/y. Price increases have been planned sporadically during the early months of 2016.

**Diversified Electrical & Lighting – wiring/connector category pressures.** Diversified electric and electrical products were relatively flat m/m, though continue to see meaningful y/y declines. Lighting categories are mixed.

- **Acuity** and **Hubbell** both operate large lighting businesses (Acuity has greater relative exposure). Trends should vary significantly by product areas/channels, though the latest data suggests no major pricing issues.
- Declines among some electrical products (wiring devices, connectors, etc.) more closely associated with **Hubbell** indicate continued pricing softness.

**Industrial Electrical and Equipment – mixed category results.** Industrial equipment categories are widely mixed, with certain electrical categories under pressure though modest gains among some other heavy equipment categories.

- Valves for water works and municipal equipment increased 0.6% m/m after being down 1.1% in February. The category is modestly higher y/y. These trends are applicable to **Mueller Water's** core valves business (Mueller Co.), where pricing to date has remained positive despite declining materials costs.
- Flow equipment companies serving oil & gas and other markets have noted increased pricing competition to varying degrees, which is expected to impact **Flowserve**.

**Heavy Building Materials – steady gains continue.** Construction aggregates and cement posted m/m increases of 0.2% and 0.7%, respectively; both are up mid-single digits y/y.

- Broader gains in materials pricing remains notable for **Eagle Materials**, **Martin Marietta**, **MDU Resources**, **Summit Materials** and **Vulcan Materials**.

**HVAC – unitary uptick in March.** This category experienced a 1.8% m/m gain and +3.4% y/y (following relatively flat results in February).

- Among our current coverage, **AAON** produces unitary among other HVAC equipment.

**Wire & Cable – erratic monthly pricing results.** This category has been extremely volatile (+8.8% m/m though was -11.1% m/m in February). Overall the category is lower y/y consistent with copper prices.

- **Encore Wire** and **General Cable** typically benefit from a rising copper price environment. Lower prices weigh on y/y sales comparisons. As described, particularly erratic copper prices during the quarter could present challenges in managing spreads/margins.

Please refer to page 14 of this report for detailed disclosure and certification information.

\* D. A. Davidson & Co. makes a market in this security.

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Table 1: March Construction Materials, Building Products &amp; Industrial Equipment PPI

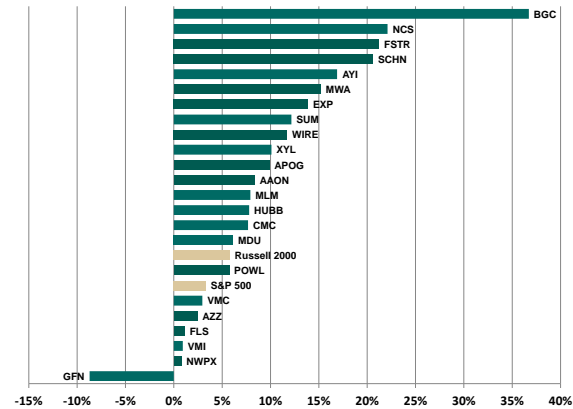
<b>Architectural Products</b>	<b>1 Mo Chg</b>	<b>3 Mo Chg</b>	<b>1 Yr Chg</b>
Structural, Architectural & Pre-engineered Metal Products	0.0%	-1.3%	-3.6%
Prefabricated Metal Buildings	0.0%	-4.0%	-4.4%
Flat Glass	-0.2%	0.9%	5.8%
<b>Building Lighting Solutions</b>	<b>1 Mo Chg</b>	<b>3 Mo Chg</b>	<b>1 Yr Chg</b>
Commercial, Institutional & Industrial Electric Light Fixtures	0.2%	0.3%	0.9%
Residential Electric Lighting Fixtures	-0.8%	-1.8%	-0.7%
<b>Building Materials</b>	<b>1 Mo Chg</b>	<b>3 Mo Chg</b>	<b>1 Yr Chg</b>
Gypsum Products	-0.4%	3.2%	-3.3%
<b>Diversified Electrical &amp; Electronic Products</b>	<b>1 Mo Chg</b>	<b>3 Mo Chg</b>	<b>1 Yr Chg</b>
Wiring Devices	0.0%	-1.0%	-3.2%
Electrical Switches	0.1%	-1.8%	-2.5%
Wire Connectors for Electric Circuitry	-0.2%	-0.9%	-6.0%
<b>Industrial Electrical Products</b>	<b>1 Mo Chg</b>	<b>3 Mo Chg</b>	<b>1 Yr Chg</b>
Transformers & Power Regulators	1.0%	1.0%	-4.5%
Industrial Controls & Related Parts	-0.3%	-0.2%	0.6%
Switchgear & Switchboard Apparatus	0.5%	-0.7%	-0.7%
Electronic Components & Accessories	-0.3%	-0.7%	-1.8%
<b>Energy Extraction Materials</b>	<b>1 Mo Chg</b>	<b>3 Mo Chg</b>	<b>1 Yr Chg</b>
Hydraulic Fracturing Sand	0.0%	0.3%	-18.2%
<b>Industrial Equipment</b>	<b>1 Mo Chg</b>	<b>3 Mo Chg</b>	<b>1 Yr Chg</b>
Pumps, Compressors & Equipment	0.1%	0.6%	1.4%
Industrial Material Handling Equipment	0.1%	0.3%	1.2%
Industrial Valves for Water Works and Muni Equipment	0.6%	-0.4%	1.2%
<b>Heavy Building Materials &amp; Precast</b>	<b>1 Mo Chg</b>	<b>3 Mo Chg</b>	<b>1 Yr Chg</b>
Construction Sand, Gravel & Crushed Stone	0.2%	3.3%	4.8%
Cement	0.7%	2.2%	5.1%
Ready-mix Concrete	0.2%	1.0%	3.1%
Prepared Asphalt & Tar Roofing & Siding Products	-0.6%	-1.7%	-1.3%
Concrete Products	0.7%	1.4%	3.0%
Concrete Pipe	0.0%	1.0%	1.9%
<b>HVAC</b>	<b>1 Mo Chg</b>	<b>3 Mo Chg</b>	<b>1 Yr Chg</b>
Unitary Air Conditioners	1.8%	2.5%	3.4%
<b>Fabricated Steel Products &amp; Services</b>	<b>1 Mo Chg</b>	<b>3 Mo Chg</b>	<b>1 Yr Chg</b>
Fabricated Wire Products	0.2%	-0.3%	-0.3%
Fabricated Structural Metal Products	0.0%	-1.1%	-2.4%
Metal Coating and Allied Services	0.2%	0.0%	-2.0%
<b>Steel Pipe &amp; Tube</b>	<b>1 Mo Chg</b>	<b>3 Mo Chg</b>	<b>1 Yr Chg</b>
Steel Pipe & Tube	0.8%	1.1%	-12.2%
Oil Country Tubular Goods	0.9%	-1.1%	-17.1%
<b>Wire &amp; Cable</b>	<b>1 Mo Chg</b>	<b>3 Mo Chg</b>	<b>1 Yr Chg</b>
Copper Wire & Cable	8.8%	4.5%	-7.9%

Table 2: Commodity Pricing Update

<b>Scrap Steel (\$/gross ton)</b>	<b>4/15/16</b>	<b>Prior Wk</b>	<b>3 Mo Prior</b>	<b>Prior Yr</b>
No. 1 Busheling, composite	<b>\$245.67</b>	\$245.67	\$184.00	\$250.00
No. 1 Heavy Melt, composite	<b>\$218.33</b>	\$218.33	\$157.33	\$228.00
Shredded Scrap, composite	<b>\$255.00</b>	\$255.00	\$189.25	\$248.25
<b>Steel Merchant Products (\$/gross ton)</b>	<b>4/15/16</b>	<b>Prior Wk</b>	<b>3 Mo Prior</b>	<b>Prior Yr</b>
Reinforcing bar, grade 60, No. 5	<b>\$520</b>	\$520	\$490	\$600
Plate, cut-to-length	<b>\$560</b>	\$530	\$480	\$610
Rod, industrial quality low carbon	<b>\$535</b>	\$485	\$465	\$535
Sheet, midwest	<b>\$500</b>	\$460	\$390	\$445
<b>Non-ferrous Metals (\$/pound)</b>	<b>4/15/16</b>	<b>Prior Wk</b>	<b>3 Mo Prior</b>	<b>Prior Yr</b>
Aluminum, LME AM spot	<b>\$0.70</b>	\$0.68	\$0.67	\$0.82
Copper, LME spot	<b>\$2.19</b>	\$2.11	\$1.96	\$2.69
Nickel, LME AM spot	<b>\$4.03</b>	\$3.81	\$3.80	\$5.67
Zinc, LME AM spot	<b>\$0.85</b>	\$0.79	\$0.67	\$0.99
Lead, LME AM spot	<b>\$0.79</b>	\$0.76	\$0.73	\$0.90
<b>Precious (\$/troy ounce)</b>	<b>4/15/16</b>	<b>Prior Wk</b>	<b>3 Mo Prior</b>	<b>Prior Yr</b>
Platinum, NYMEX	<b>\$988.50</b>	\$967.50	\$825.70	\$1,155.90
Gold, COMEX spot	<b>\$1,233.10</b>	\$1,242.50	\$1,091.50	\$1,201.50
<b>Titanium (\$/pound)</b>	<b>4/15/16</b>	<b>Prior Wk</b>	<b>3 Mo Prior</b>	<b>Prior Yr</b>
Plate, commercial pure	<b>\$10.75</b>	\$10.75	\$10.75	\$11.05
Ingot	<b>\$8.63</b>	\$8.63	\$8.63	\$8.38
<b>Oil and Natural Gas</b>	<b>4/11/16</b>	<b>Prior Wk</b>	<b>3 Mo Prior</b>	<b>Prior Yr</b>
Crude Oil, WTI - Cushing, OK (\$/barrel)	<b>\$40.46</b>	\$34.30	\$31.42	\$51.95
Natural Gas, Henry Hub Spot (\$/ million Btu)	<b>\$1.90</b>	\$1.96	\$2.54	\$2.58
Diesel (On-Highway) - All Types (\$/gallon)	<b>\$2.13</b>	\$2.12	\$2.18	\$2.75

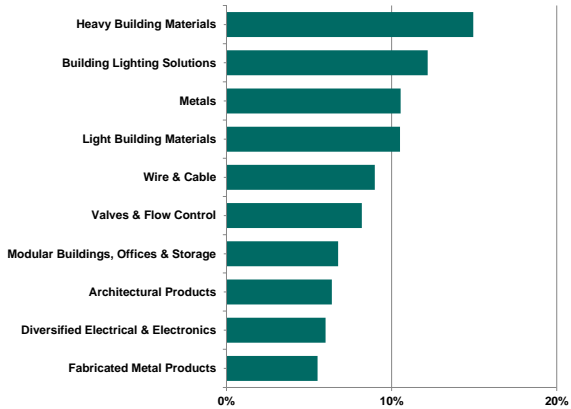
Source: AMM, EIA and D.A. Davidson &amp; Co.

**Chart 1: Monthly Stock Performance**



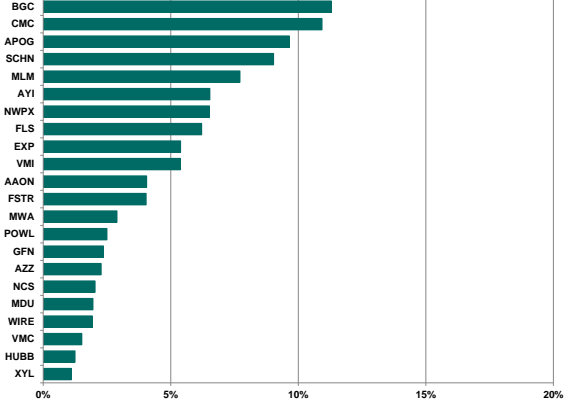
Source: Capital IQ

**Chart 3: Monthly Index Performance by Category**



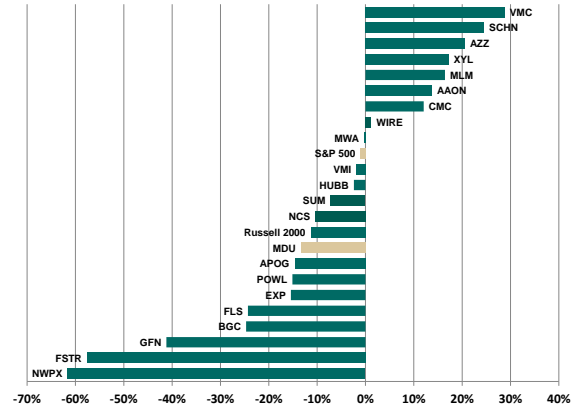
Source: Capital IQ

**Chart 5: Short Interest (% of float)**



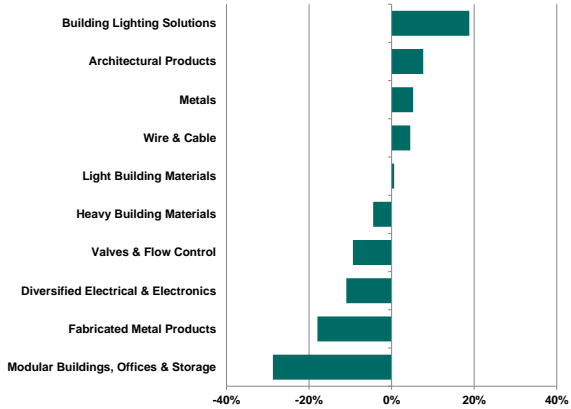
Source: Capital IQ

**Chart 2: 12-month Stock Performance**



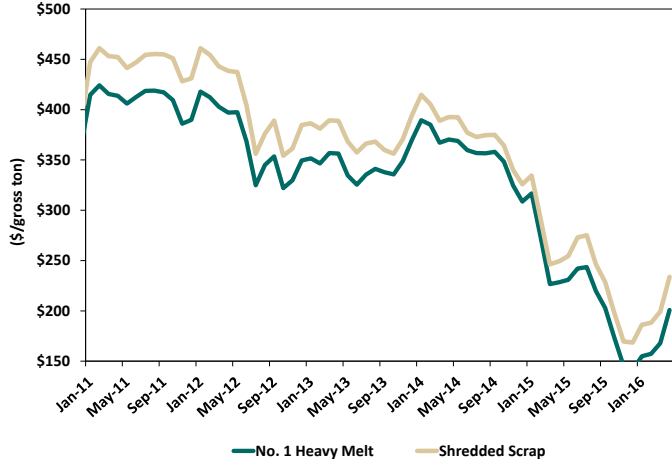
Source: Capital IQ

**Chart 4: 12-month Index Performance by Category**



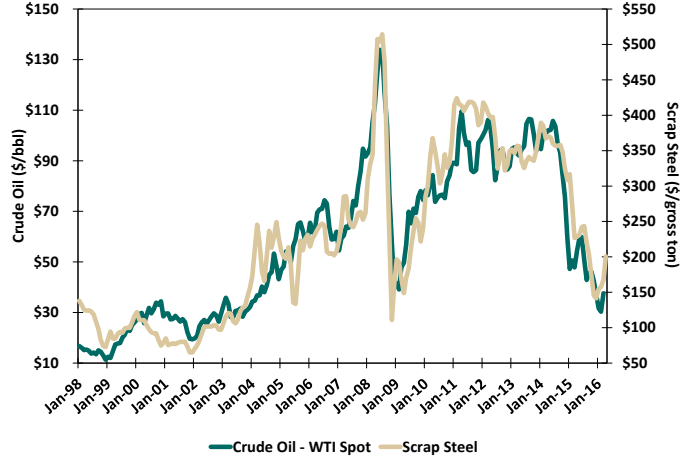
Source: Capital IQ

**Chart 6: Historical Ferrous Scrap Prices (5-year)**



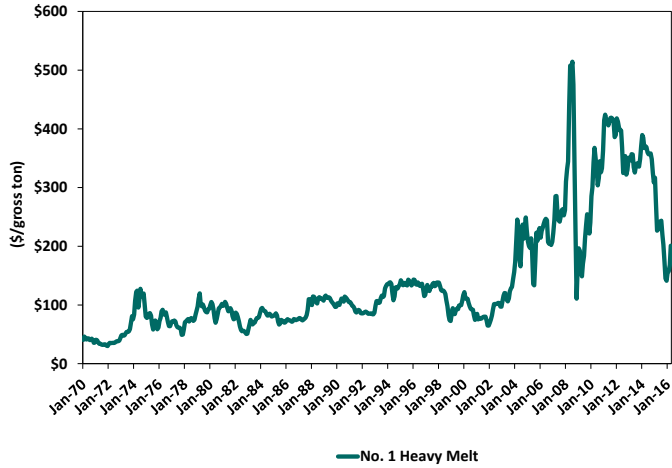
Source: AMM

**Chart 9: Historical Oil & Scrap Steel Prices**



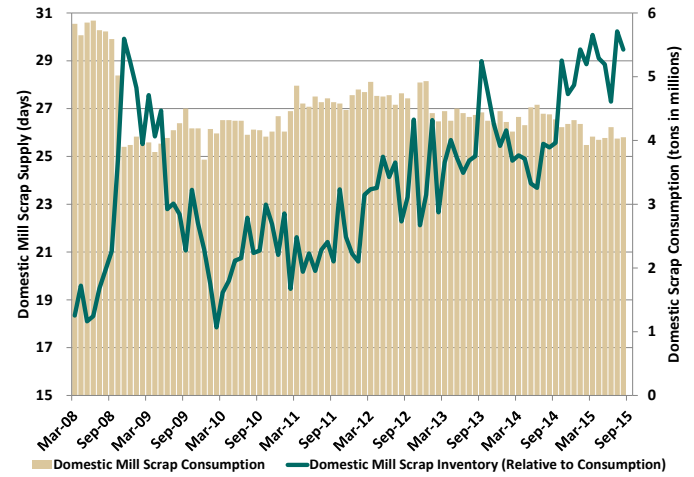
Source: EIA, AMM

**Chart 7: Historical Ferrous Scrap Prices (long term)**



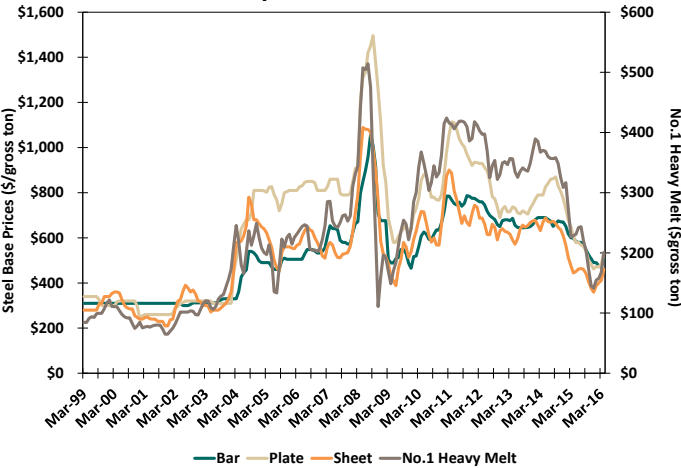
Source: AMM

**Chart 10: Domestic Steel Mill Scrap Inventory**



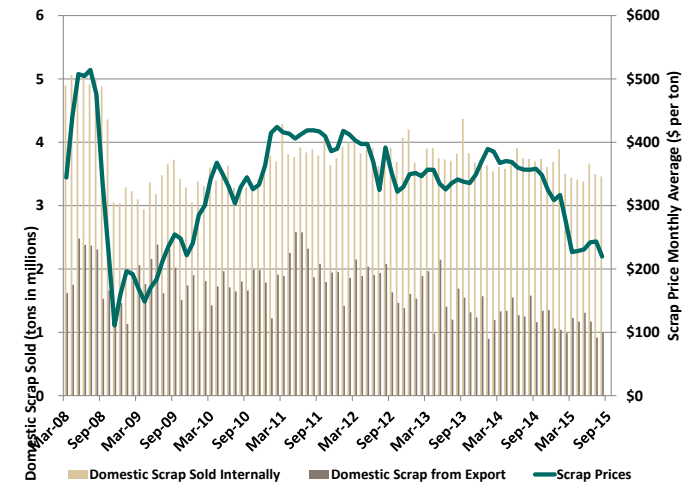
Source: USGS

**Chart 8: Historical Scrap & Steel Prices**



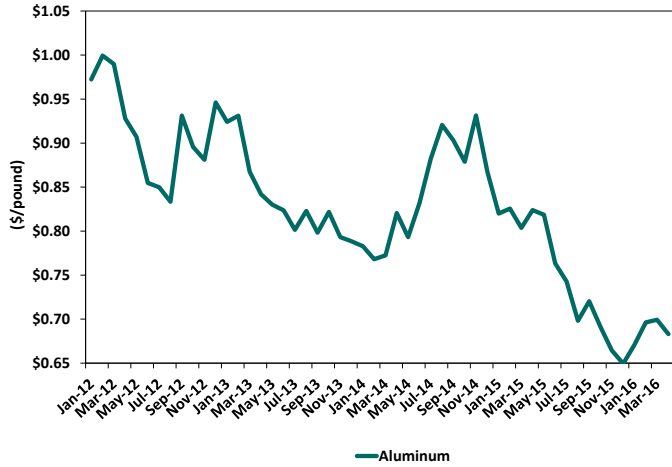
Source: AMM

**Chart 11: Domestic Scrap Sold (monthly)**



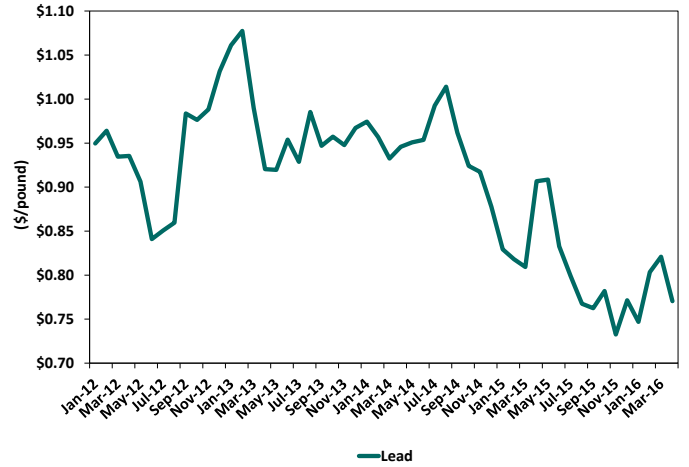
Source: USGS

Chart 12: Historical Aluminum Prices



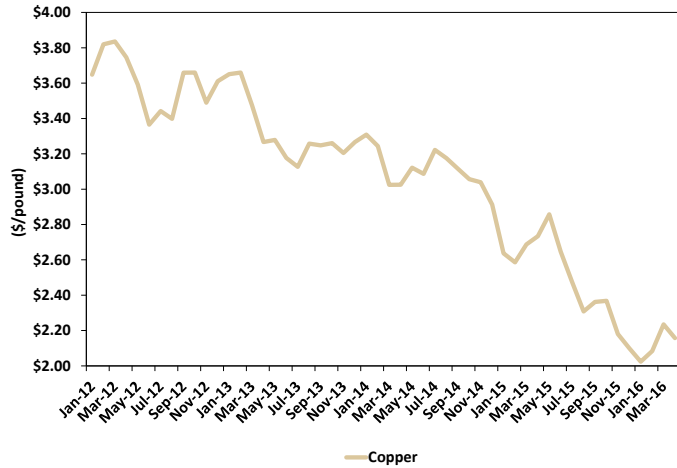
Source: AMM

Chart 15: Historical Lead Prices



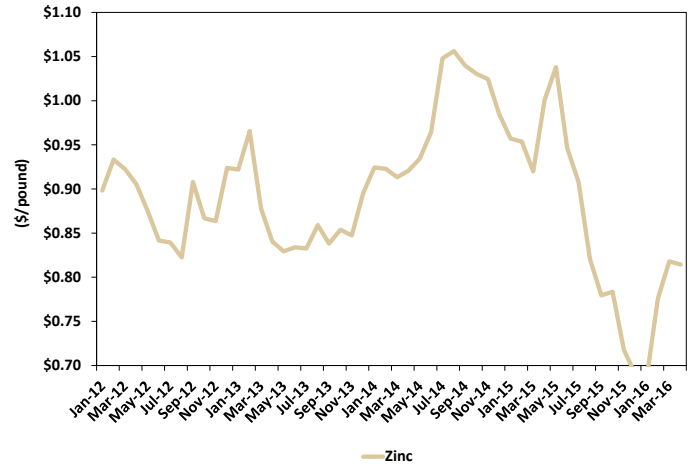
Source: AMM

Chart 13: Historical Copper Prices



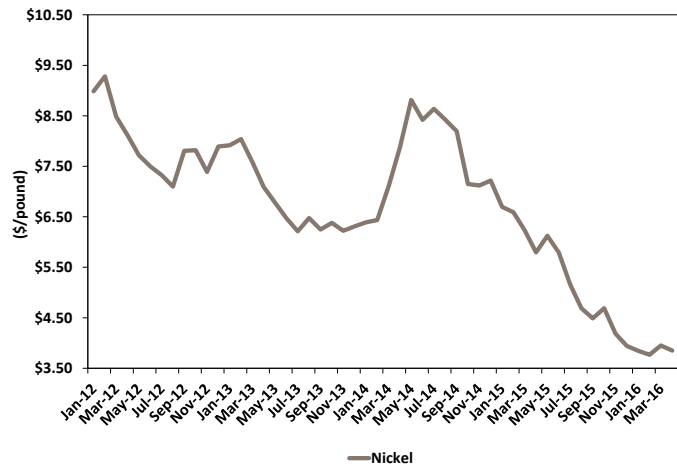
Source: AMM

Chart 16: Historical Zinc Prices



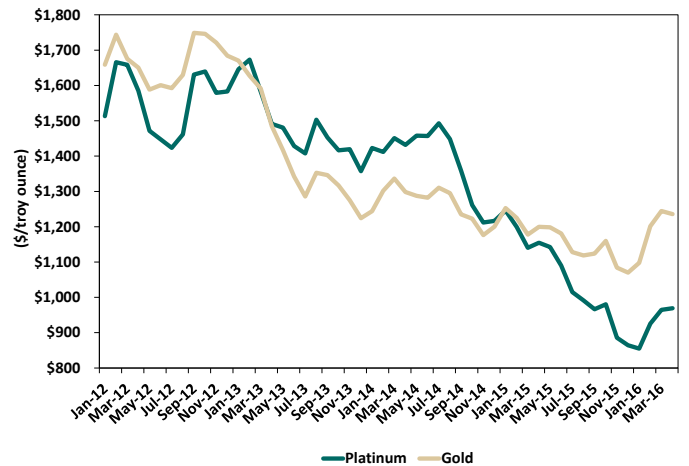
Source: AMM

Chart 14: Historical Nickel Prices



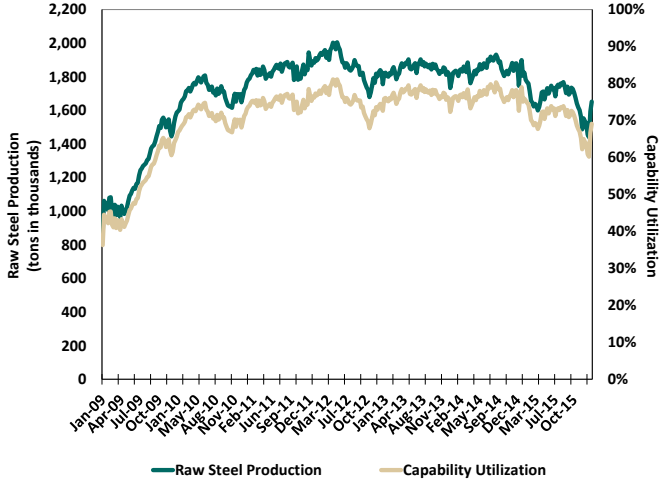
Source: AMM

Chart 17: Historical Precious Metals Prices



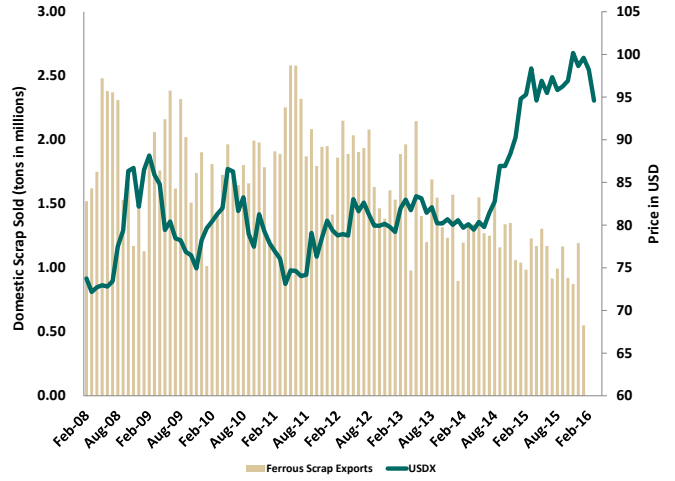
Source: AMM

**Chart 18: U.S. Raw Steel Production/Capability Utilization**



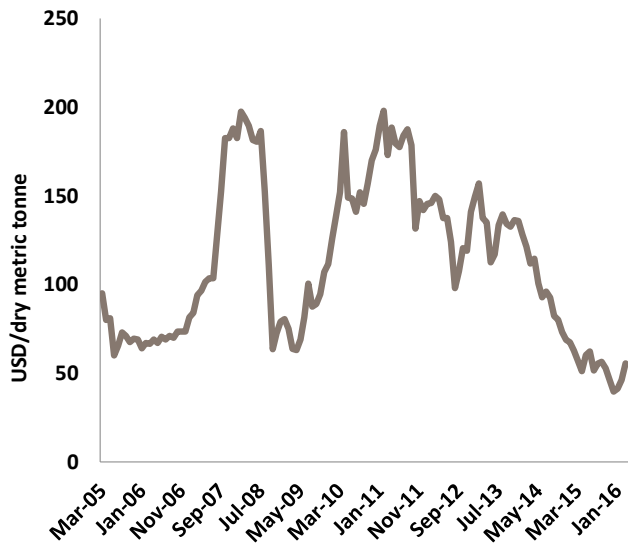
Source: AISI

**Chart 20: U.S. Dollar Index Versus U.S. Ferrous Exports**



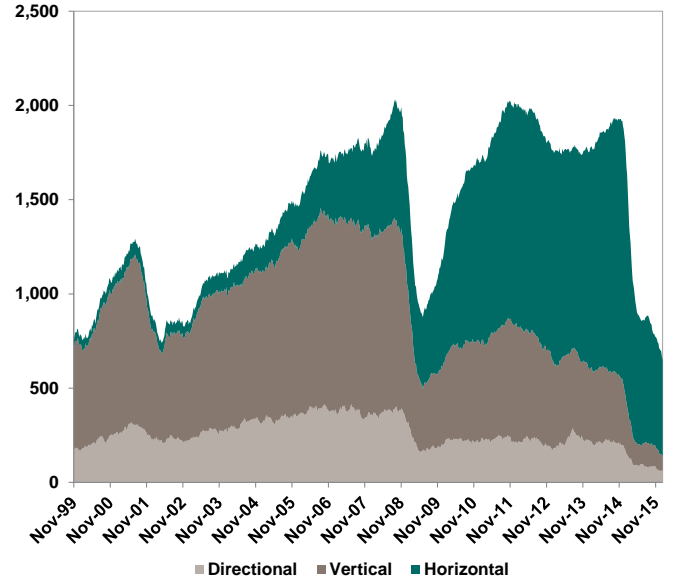
Source: USGS and Bloomberg

**Chart 19: Steel China Iron Ore Fines cfr main China Port**



Source: Bloomberg

**Chart 21: North American Rig Count by Drilling Type**



Source: Baker Hughes





Table 4: Domestic Building Products – Participating Equity Matrix

			Domestic Building Products								
			Architectural Products				Building Materials				
Company	TKR	Mkt. Cap (US\$M)	Glass	Curtainwall Framing	Roof & Walls	Siding	Metal Buildings	Wallboard	Insulation	Floors	Ceilings/Walls
Alcoa, Inc.	AA	\$12,596		•	•						
<b>Apogee Enterprises, Inc.*</b>	<b>APOG</b>	<b>\$1,268</b>	•	•							
Armstrong World Industries, Inc.	AWI	\$2,683								•	•
Asahi Glass (AGC)	ASGLY	\$5,984	•								
Axiall Corporation	AXLL	\$1,542	•	•		•					•
Beacon Roofing Supply, Inc.	BECN	\$2,436			•						
Boral Limited	BOALY	\$3,462			•	•					
Carlisle Companies, Inc.	CSL	\$6,386			•						
Continental Building Products, Inc.	CBPX	\$756						•			
Continental Materials Corporation	CUO	\$19			•						
CRH, plc	CRH	\$23,182	•	•	•	•					
Deceuninck Group (U.S.)	DECB-BR	\$354	•	•							
DIRTT Environmental Solutions Ltd.	DRT-TO	\$352									•
<b>Eagle Materials, Inc.*</b>	<b>EXP</b>	<b>\$3,457</b>						•			
Gibraltar Industries, Inc.	ROCK	\$895			•						
Headwaters, Inc.	HW	\$1,469			•	•					
HeidelbergCement AG (U.S.)	HEI-DB	\$16,105			•	•					
Interpane Glas Industrie AG	-	-	•								
James Hardie Industries plc	JHX	\$6,057			•	•					•
Kingspan Group plc (U.S.)	KGSPF	\$4,698			•		•			•	•
LEEP, Inc.	LPII	\$1			•						
Mohawk Industries, Inc.	MHK	\$14,118								•	•
<b>NCI Building Systems, Inc.*</b>	<b>NCS</b>	<b>\$1,035</b>			•		•				
Nucor Corporation	NUE	\$15,038					•				
Owens Corning	OC	\$5,480			•			•			
PEI Worldwide Holdings, Inc.	PEIW	\$2			•						
PGT, Inc.	PGTI	\$481	•	•							
Ply Gem Holdings, Inc.	PGEM	\$957				•					
PPG Industries, Inc.	PPG	\$29,742	•								
Quanex Building Products Corp.	NX	\$594	•	•	•						
ROCKWOOL International A/S (U.S.)	RKWBF	\$3,400		•	•	•	•		•		•
RPM International, Inc.	RPM	\$6,287			•						
Saint-Gobain	SGO-FR	\$24,849		•	•	•		•	•		•
Smith-Midland Corporation	SMID	\$12			•						
SolarWindow Technologies, Inc.	WNDW	\$105	•								
Tecnoglass, Inc.	TGLS	\$340	•	•							
Tredegar Corporation	TG	\$512		•							
Trulite Glass & Aluminum Solutions	-	-	•	•							
USG Corporation	USG	\$3,618						•			•

Source: Company reports. • Bold denotes companies under coverage. • \* D.A. Davidson &amp; Co. makes a market in these securities.

Table 5: Domestic Building Systems – Participating Equity Matrix

			Domestic Building Systems															
Company	TKR	Mkt. Cap (US\$M)	Lighting Solutions	Diversified Electrical/Electronic Products					HVAC	Building Flow Control Products								
			Comm./Resi. Luminaires Harsh & Hazardous Lum. Controls	Connectors	Wiring Devices/Cable Mgmt.	Relays & Switches	Enclosures	Automation/Instrumentation	Electrical Building Wire	Communications Wire	Equipment & Solutions	Components/HVAC OEMs	Pumps/Boosters	Valves	Fittings, Couplings & Related	Metering	Boilers & Water Heaters	Elevators/Escalators/Walks
AAON, Inc.*	AAON	\$1,464																
ABB Ltd.	ABB	\$43,653	•	•	•	•	•	•	•									
Acuity Brands, Inc.*	AYI	\$11,174	•	•	•													
Aclara Technologies LLC	-	-																
Ametek, Inc.	AME	\$11,875																
Amphenol Corporation	APH	\$18,077			•	•				•								
A.O. Smith Corporation	AOS	\$6,880																
AZZ, Inc.*	AZZ	\$1,457	•															
Badger Meter, Inc.	BMI	\$960																
Belden, Inc.*	BDC	\$2,672			•	•	•	•	•	•								
Burnham Holdings, Inc.	BURC.A	\$76																
CECO Environmental Corporation	CECE	\$213																
Ciralight Global, Inc.	CGHA	\$9	•															
ColorStars Group	CSTU	\$0	•	•														
CommScope Holding Company, Inc.	COMM	\$5,295			•	•				•								
Continental Materials Corporation	CUO	\$25								•	•							
Crane Co.	CR	\$3,264																
Cree, Inc.*	CREE	\$2,439	•															
Daikin Group	DKILY	\$23,680																
Daktronics, Inc.	DAKT	\$370	•															
Eaton Corporation	ETN	\$28,664	•	•	•	•	•	•	•									
Echelon Corporation	ELON	\$24			•													
Eco-Shift Power Corp.	ECOP	\$3	•															
Emerson Electric Co.	EMR	\$35,416	•	•	•					•	•							
Encore Wire Corporation*	WIRE	\$837																
Energie Holdings, Inc.	ELED	\$0	•															
Energy Focus, Inc.	EFOI	\$93	•	•														
EnSync, Inc.	ESNC	\$13																
Evolucia, Inc.	ILED	\$1	•															
Franklin Electric, Inc.	FELE	\$1,513																
General Cable Corporation*	BGC	\$650																
General Electric Co.	GE	\$288,025	•	•	•	•	•	•	•	•								
Gorman-Rupp Company	GRC	\$690																
Grundfos Holding A/G	-	-																
Honeywell International, Inc.	HON	\$87,188	•	•														
Hubbell, Inc.*	HUBB	\$6,092	•	•	•	•	•	•	•									
Ingersoll-Rand Plc	IR	\$16,356																
Itron, Inc.	ITRI	\$1,535																
ITT Corporation	ITT	\$3,430			•	•												
Johnson Controls, Inc.	JCI	\$25,618																
KSB Aktiengesellschaft	KSB-F	\$632																
Legrand SA	LR-PR	\$15,062			•	•	•	•	•									
Lennox International, Inc.	LII	\$6,127																
Lighting Science Group Corporation	LSCG	\$21	•															
LSB Industries, Inc.	LXU	\$326																
LSI Industries, Inc.	LYTS	\$327	•	•														
Mueller Industries, Inc.	MLI	\$1,734																
Mueller Water Products, Inc.*	MWA	\$1,626																
Nexans SA	NEX-FR	\$1,982																
Nortek, Inc.	NTK	\$788																
OmegaFlex, Inc.	OFLX	\$363																
Optical Cable Corporation	OCC	\$19				•	•											
Orion Energy Systems, Inc.	OESX	\$41	•	•														
OSRAM Licht AG	OSR-DE	\$5,491	•	•	•													
Pentair Ltd.	PNR	\$9,994																
Philips	PHG	\$25,771	•	•	•													
PowerSecure International, Inc.	POWR	\$422	•															
Prismian S.p.A.	PRY-IT	\$4,954																
Regal Beloit Corporation	RBC	\$3,012																
Revolution Lighting Technologies, Inc.	RVLT	\$94	•	•														
Rockwell Automation, Inc.	ROK	\$15,299																
Roper Technologies, Inc.	ROP	\$17,878																
Schindler Holding AG (U.S.)	SHLAF	\$19,572																
Schneider Electric SA	SU-PR	\$36,970				•	•	•	•	•	•							
Sensus	-	-																
Siemens	SIE-DB	\$84,543			•	•	•	•	•	•								
Smiths Group plc (U.S.)	SMGZY	\$6,130																
Southwire Company	-	-																
SPX Corporation	SPXC	\$694			•	•												
TCP International Holdings, Ltd.	TCPI	\$35	•															
TE Connectivity Ltd.	TEL	\$23,412			•	•	•	•										
Tecogen, Inc.	TGEN	\$82																
United Technologies Corporation	UTX	\$87,589																
Watts Water Technologies, Inc.	WTS	\$1,899																
Xylem Inc.*	XYL	\$7,507	•															

Source: Company reports. • Bold denotes companies under coverage. • \* D.A. Davidson &amp; Co. makes a market in these securities.

Table 6: Industrial Infrastructure Equipment – Participating Equity Matrix

			Industrial Infrastructure Equipment																							
			Flow Control Products						Utility T&D Equipment			Industrial Process & Power Equipment														
			Industrial			Municipal																				
Company	TKR	Mkt. Cap (US\$M)	Process Pumps	Valves & Related	Energy Recovery Devices	Treatment Systems	Instrumentation/Analytics	Pumps (Transport/Treatment)	Valves & Related	Hydrants	Utility Tower Hardware	Utility Cable	Utility Trans. Tech./Devices	Substations	Wireless Site Hardware	Turbines	Transformers	Heat Tracing	Heat Exchangers	Switchgear Systems	Bus Systems	Power Control Enclosures	Industrial/Misc. Cable	Small-scale Power Plants	Emissions Control Equip.	Turbine Auxiliary Products
ABB Ltd.	ABB	\$43,653																								
Advanced Emissions Solutions, Inc.	ADES	\$140																								
ACIPCO	-	-																								
American Electric Technologies, Inc.	AETI	\$18																								
Amphenol Corporation	APH	\$18,077																								
<b>AZZ, Inc.*</b>	<b>AZZ</b>	<b>\$1,457</b>																								
Balon Corporation	-	-																								
CECO Environmental Corporation	CECE	\$213																								
Chart Industries, Inc.*	GTLS	\$715																								
Chromalox, Inc.	-	-																								
Circor International, Inc.	CIR	\$766																								
Colfax	CFX	\$3,856																								
CommScope Holding Company, Inc.	COMM	\$5,295																								
Crane Co.	CR	\$3,264																								
CUI Global, Inc.	CUI	\$167																								
Danaher Corporation	DHR	\$64,715																								
Eaton Corporation	ETN	\$28,664																								
Ebara Corporation	EBCOY	\$2,209																								
Emerson Electric Co.	EMR	\$35,416																								
Energy Recovery, Inc.*	ERII	\$591																								
FuelCell Energy, Inc.	FCEL	\$206																								
Fuel-Tech, Inc.	FTEK	\$39																								
<b>Flowerserve Corp.*</b>	<b>FLS</b>	<b>\$5,787</b>																								
Franklin Electric Co. Inc.	FELE	\$1,513																								
<b>General Cable Corporation*</b>	<b>BGC</b>	<b>\$650</b>																								
General Electric Co.	GE	\$288,025																								
Global Power Equipment Group, Inc.	GLPW	\$38																								
Gorman-Rupp Company	GRC	\$690																								
Graham Corporation	GHM	\$188																								
Grundfos Holding A/G	-	-																								
Hitachi	HTHIY	\$23,084																								
<b>Hubbell, Inc.*</b>	<b>HUB.B</b>	<b>\$6,092</b>																								
Ideal Power, Inc.	IPWR	\$43																								
IDEX Corporation	IEX	\$6,333																								
Ingersoll-Rand Plc	IR	\$16,356																								
Itron, Inc.	ITRI	\$1,535																								
ITT Corporation	ITT	\$3,430																								
KSB Aktiengesellschaft	KSB-F	\$632																								
Mitsubishi Heavy Industries, Ltd.	MHVF	\$13,157																								
MacLean-Fogg Company	-	-																								
McWane, Inc.	-	-																								
<b>Mueller Water Products, Inc.*</b>	<b>MWA</b>	<b>\$1,626</b>																								
National Oilwell Varco, Inc.	NOV	\$10,863																								
Nexans SA	NEX-FR	\$1,982																								
Pentair Ltd.	PNR	\$9,994																								
Pioneer Power Solutions, Inc.	PPSI	\$40																								
<b>Powell Industries, Inc.*</b>	<b>POWL</b>	<b>\$343</b>																								
PowerSecure International, Inc.	POWR	\$422																								
Prysman S.p.A.	PRY-IT	\$4,954																								
Pure Technologies Ltd.	PUR-TO	\$188																								
QS Energy, Inc.	QSEP	\$26																								
Regal Beloit Corporation	RBC	\$3,012																								
Roper Technologies, Inc.	ROP	\$17,878																								
Schneider Electric SA	SU-PR	\$36,970																								
Siemens	SIE-DB	\$84,543																								
Smiths Group plc	SMGZY	\$6,130																								
Southwire Company	-	-																								
SPX Corporation	SPXC	\$694																								
SPX FLOW, Inc.	FLOW	\$1,105																								
Sulzer, Ltd.	SULZF	\$2,789																								
TE Connectivity Ltd.	TEL	\$23,412																								
The Weir Group PLC	WEIR-L	\$3,420																								
Thermon Group Holdings, Inc.	THR	\$591																								
Torishima Pump Manufacturing Co., Ltd.	TSPPF	\$261																								
Vestas Wind Systems A/S	VVDRY	\$14,932																								
<b>Xylem Inc.*</b>	<b>XYL</b>	<b>\$7,507</b>																								

Source: Company reports. • Bold denotes companies under coverage. • \* D.A. Davidson & Co. makes a market in these securities.

**Table 7: Construction Products Capital Structure Comparison**

Sector	Company	Symbol	Period Ending	Shares Outstanding	Cash & Equivalents		Net Cash/Share	Net Receivables	Current Debt	Long-term Debt	Debt/Cap	Net Debt/Cap	Shareholders' Equity	Intangibles	Book Value	Tangible Book Value	Price/Book	Price/Tang. Book	Trailing 12-month		5-year avg		10-year avg				
					Cash/Share	Equivalents													Cash/Share	Net Cash/Share	Net Receivables	Current Debt	Long-term Debt	Debt/Cap	Net Debt/Cap	Shareholders' Equity	Intangibles
Basic Materials	<b>Heavy Building Materials (\$ millions)</b>																										
		GEMEX S.A.B. DE C.V.	CX	Dec-15	1,224.3	\$886.9	\$0.72	(\$11.99)	\$1,883.1	\$917.4	\$14,649.7	62.1%	60.7%	\$9,505.6	\$12,788.0	\$7.76	(\$2.68)	0.9x	n.m.	0.0%	5.3%	-8.6%	1.2%	2.3%	5.6%		
		CRH, plc	CRH	Dec-15	824.0	2,744.5	3.33	(8.85)	3,613.4	841.7	9,199.0	40.6%	33.2%	14,708.7	8,493.1	17.85	7.54	1.6	3.8	6.2%	5.6%	3.6%	4.8%	9.5%	7.8%		
		Eagle Materials, Inc.*	EXP	Dec-15	49.3	15.8	0.32	(8.84)	103.9	8.0	492.7	32.3%	31.6%	1,049.3	174.9	21.28	17.73	3.4	4.0	19.0%	12.8%	11.0%	8.0%	16.6%	13.2%		
		Headwaters, Inc.	HW	Dec-15	74.0	115.6	1.56	(6.03)	94.3	4.3	557.6	68.0%	62.8%	263.8	366.2	3.56	1.38	5.6	n.m.	75.5%	26.0%	-70.1%	-0.8%	-42.3%	-2.7%		
		HeidelbergCement AG	HEI:DB	Dec-15	187.9	1,494.9	7.95	(30.83)	1,870.8	2,037.5	5,251.6	29.6%	25.0%	17,351.4	11,337.2	92.34	32.00	0.9	2.7	5.7%	5.9%	3.6%	5.0%	10.5%	8.0%		
		Lafarge S.A.	LG-FR	Dec-15	606.9	4,387.7	7.23	(28.63)	4,216.9	6,857.7	14,907.0	37.9%	32.8%	35,678.8	17,884.4	58.79	29.32	0.9	1.7	-6.0%	-2.0%	5.4%	5.0%	10.0%	7.3%		
		Marin Materials Inc.*	MLM	Dec-15	65.7	168.4	2.56	(21.08)	410.9	0.0	1,553.6	27.7%	25.5%	4,057.3	2,068.2	61.75	30.27	2.7	5.4	6.9%	6.3%	6.1%	5.0%	11.1%	8.6%		
		MDU Resources Group, Inc.*	SUM	Dec-15	195.8	84.6	0.43	(9.36)	590.1	289.3	1,627.4	44.6%	43.5%	2,381.5	642.5	12.16	8.86	1.6	2.2	-9.6%	-3.6%	8.1%	6.8%	9.5%	7.8%		
		Summit Materials, Inc.*	MDU	Jan-16	100.1	186.4	1.86	(10.93)	145.5	6.5	1,273.7	62.6%	58.8%	767.9	611.4	7.67	1.56	2.7	13.0	5.3%	6.6%	n.a.	n.a.	n.a.	n.a.		
		US Concrete, Inc.	USCR	Dec-15	15.2	3.9	0.26	(18.29)	179.0	9.4	272.4	63.1%	62.8%	164.9	196.0	10.85	(2.04)	5.9	n.m.	19.1%	12.3%	-4.4%	2.5%	-47.0%	-2.7%		
		Vulcan Materials Company*	VMC	Dec-15	132.7	285.2	2.15	(12.78)	418.0	0.1	1,980.3	30.8%	27.6%	4,454.2	3,861.4	33.58	14.47	3.2	n.m.	6.9%	7.9%	0.0%	4.3%	5.1%	6.2%		
		Sector Median																	2.7x	3.8x	6.2%	6.3%	3.6%	4.8%	9.5%	7.6%	
	Building Products	<b>Metals (\$ millions)</b>																									
			Commercial Metals Company*	CMB	Feb-16	116.5	\$381.7	\$3.28	(\$6.02)	\$656.6	\$10.8	\$1,071.8	44.5%	34.2%	\$1,348.6	\$66.3	\$11.58	\$11.01	1.5x	1.6x	7.4%	6.8%	3.4%	4.6%	12.0%	10.4%	
		Inteel Industries Inc.	IIN	Jan-16	18.6	45.6	2.45	2.45	4.0	0.0	0.0	0.0%	0.0%	17.84	740.2	10.18	(26.61)	3.0	n.m.	12.9%	12.7%	3.7%	4.0%	11.1%	10.7%		
		Nucor Corporation	NUE	Dec-15	137.9	2,039.5	6.41	(7.73)	1,383.8	116.4	4,378.3	36.6%	24.0%	7,866.0	2,782.0	24.49	15.74	2.0	3.1	4.7%	4.4%	7.0%	5.9%	16.1%	13.3%		
		Schnitzer Steel Industries, Inc. *	SCHN	Feb-16	26.8	8.9	0.33	(7.06)	88.3	0.6	197.2	29.3%	28.4%	471.1	171.8	17.83	11.41	1.1	1.7	-9.0%	-4.9%	-6.9%	-3.8%	4.8%	5.8%		
		Steel Dynamics Inc. *	STLD	Dec-15	243.4	727.0	2.99	(7.67)	613.6	16.7	2,578.0	49.3%	41.1%	2,671.5	740.2	10.97	7.93	2.2	3.0	-4.7%	0.4%	8.0%	7.3%	16.1%	12.1%		
		Sector Median																	2.0x	2.4x	4.7%	4.4%	3.7%	4.6%	12.0%	10.7%	
Architectural Products (\$ millions)			Apogee Enterprises, Inc.*	APOG	Feb-16	29.0	\$91.4	\$3.15	(\$2.44)	\$30.0	\$0.0	\$20.4	4.8%	0.0%	\$408.1	\$0.0	\$13.98	\$13.98	3.2x	3.2x	13.5%	15.9%	5.4%	5.4%	9.3%	8.8%	
			Beacon Roofing Supply, Inc.	BEON	Dec-15	59.4	32.2	0.54	(18.33)	489.2	14.3	1,105.5	48.1%	47.3%	1,211.2	1,649.8	20.39	(7.38)	2.2	2.2	n.m.	5.5%	4.8%	9.9%	7.9%	13.4%	9.9%
			CRH, plc	CRH	Dec-15	824.0	2,744.5	3.33	(8.85)	3,613.4	841.7	9,199.0	40.6%	33.2%	14,708.7	8,493.1	17.85	7.54	1.6	3.8	6.2%	5.6%	3.6%	4.6%	9.5%	7.8%	
			Gibraltar Industries, Inc.	ROCK	Dec-15	31.3	68.9	2.20	(4.49)	165.0	0.4	208.9	33.8%	25.5%	410.1	415.4	13.10	(0.17)	2.1	n.m.	5.9%	6.3%	-6.5%	-1.6%	-1.5%	1.4%	
			Headwaters, Inc.	HW	Dec-15	74.0	115.6	1.56	(6.03)	94.3	4.3	557.6	68.0%	62.8%	263.8	366.2	3.56	1.38	5.6	n.m.	75.5%	26.0%	-70.1%	-0.8%	-42.3%	-2.7%	
			NCI Building Systems, Inc. *	NCS	Jan-16	73.3	74.6	1.02	(4.90)	141.7	0.0	434.1	61.2%	56.6%	275.2	312.1	3.75	(0.50)	4.1	n.m.	9.2%	9.5%	-15.6%	-1.6%	-24.5%	-15.7%	
			PGT, Inc.	PGTI	Jan-16	48.9	61.5	1.26	(2.68)	31.8	2.0	190.5	64.3%	55.0%	107.0	146.7	2.19	(0.81)	4.8	n.m.	26.0%	12.5%	8.2%	-8.2%	6.1%	-14.7%	
			Qualex Building Products Corp.	NX	Jan-16	34.2	27.7	0.81	(8.57)	65.8	8.8	312.1	45.7%	43.5%	380.8	412.1	11.13	(0.92)	1.7x	n.m.	3.1%	3.6%	1.6%	1.7%	n.a.	n.a.	
		Sector Median																	2.7x	3.5x	7.7%	7.9%	2.6%	4.0%	6.1%	1.4%	
	Light Building Materials (\$ millions)		Armstrong World Industries, Inc.	AWI	Dec-15	55.5	\$244.8	\$4.41	(\$13.86)	\$155.4	\$52.1	\$961.5	56.9%	50.0%	\$708.8	\$489.7	\$13.86	\$5.03	3.1x	8.4x	13.5%	9.0%	9.6%	7.0%	37.6%	18.9%	
			Continental Building Products, Inc.	CBXP	Dec-15	41.8	14.7	0.35	(6.72)	35.8	0.0	294.6	48.2%	49.9%	300.8	214.8	7.22	(0.27)	2.7	9.3	5.5%	5.3%	n.a.	n.a.	9.3%	9.0%	
			Eagle Materials, Inc.*	EXP	Dec-15	49.3	15.8	0.32	(8.84)	103.9	8.0	492.7	32.3%	31.6%	1,049.3	174.9	21.28	17.73	3.4	4.0	19.0%	12.8%	11.0%	8.8%	16.6%	13.2%	
			USG Corporation	USG	Dec-15	145.8	636.0	4.36	(10.55)	396.0	500.0	1,675.0	60.2%	51.7%	1,436.0	740.2	9.85	4.77	2.8	5.7	10.7%	37.1%	-57.4%	1.2%	-72.0%	-8.9%	
			Sector Median																	2.9x	7.0x	16.1%	10.4%	9.6%	7.0%	16.6%	13.2%
		HVAC Equipment (\$ millions)		AAON, Inc.*	AAON	Dec-15	54.0	\$7.9	\$0.15	\$0.15	\$50.0	\$0.0	\$0.0	0.0%	0.0%	\$178.9	\$0.0	\$3.31	\$3.31	8.3x	8.3x	25.9%	25.9%	21.4%	21.3%	22.2%	22.1%
			Ingersoll-Rand Public Limited Company	IR	Dec-15	256.8	736.8	2.87	(13.64)	2,201.9	504.2	3,734.8	41.9%	37.3%	5,879.2	9,666.3	22.89	(14.71)	8.2x	n.m.	11.3%	8.8%	10.1%	9.1%	11.8%	10.9%	
			Lennox International, Inc.	LII	Dec-15	43.6	38.9	0.89	(16.17)	422.8	235.3	508.6	88.0%	87.4%	101.6	205.6	2.33	(2.39)	60.1	n.m.	340.5%	23.8%	34.7%	16.9%	26.8%	16.4%	
			Sector Median																	8.3x	8.3x	25.9%	23.8%	21.4%	16.9%	22.2%	16.4%
Building Lighting Solutions (\$ millions)				Acuity Brands, Inc. *	AYI	Feb-16	43.5	\$224.3	\$5.15	(\$2.97)	\$458.8	\$0.2	\$353.5	19.1%	8.0%	\$1,493.4	\$1,336.5	\$34.32	\$3.61	7.4x	n.m.	18.8%	16.8%	14.8%	13.2%	16.4%	13.9%
				Daktronics, Inc.	DAK	Jan-16	44.0	56.1	1.28	1.28	87.6	0.0	0.0	0.0%	0.0%	206.0	7.0	4.68	4.52	1.8	1.9	4.2%	4.4%	8.9%	9.0%	10.6%	10.5%
				Energy Focus, Inc.	EFOI	Dec-15	11.6	34.6	2.97	2.97	10.1	0.0	0.0	0.0%	0.0%	45.3	0.0	3.89	3.89	2.1	2.1	31.9%	31.9%	-191.8%	-67.7%	-120.8%	-56.0%
				Hubbell, Inc.	HUBB	Dec-15	57.9	355.7	6.15	(4.98)	466.6	48.2	595.9	27.0%	14.2%	1,740.6	1,300.7	30.08	7.60	3.6	14.3	15.1%	12.5%	17.3%	14.0%	17.6%	14.6%
				LSI Industries, Inc.	LYTS	Dec-15	24.7	28.8	1.17	1.17	43.7	0.0	0.0	0.0%	0.0%	153.3	16.3	6.21	5.55	2.1	2.4	6.5%	6.5%	2.2%	2.3%	2.6%	2.6%
				OSRAM LIGHT AG	OSRAM	Dec-15	104.6	1,263.1	12.07	(11.19)	1,050.2	38.0	54.3	2.9%	0.0%	3,068.2	223.7	29.32	27.18	1.8	1.9	21.2%	20.6%	2.2%	2.3%	n.a.	n.a.
			Sector Median																	2.1x	2.1x	15.1%	12.5%	8.9%	9.0%	10.6%	10.5%
	Diversified Electrical & Electronic (\$ millions)			ABB Ltd.	ABB:SWX	Dec-15	2,191.5	\$6,204.0	\$2.83	(\$3.56)	\$10,061.0	\$1,454.0	\$5,986.0	33.2%	7.6%	\$14,986.0	\$11,964.0	\$6.84	\$1.20	2.8x	14.4x	12.6%	10.9%	17.1%	15.2%	23.2%	13.4%
				Amphenol Corporation	APH	Dec-15	307.6	1,760.4	5.72	(8.42)	1,104.6	0.3	2,813.2	46.2%	24.3%	3,278.4	2,999.3	10.66	(1.20)	5.5	n.m.	24.8%	14.3%	-24.1%	16.5%	27.3%	18.0%
				CommScope Holding Company, Inc.	COMM	Dec-15	191.8	562.9	2.93	(24.41)	833.0	12.5	5,231.1	81.1%	79.3%	1,222.7	4,838.1	6.38	(18.85)	4.3	n.m.	5.6%	3.1%	-0.2%	4.7%	3.6%	5.9%
				Eaton Corporation	ETN	Dec-15	448.0	445.0	0.97	(17.48)	3,479.0	668.0	7,783.0	35.7%	34.5%	15,231.0	19,493.0	33.25	(9.30)	1.9	n.m.	12.8%	9.1%	13.0%	9.4%	15.6%	11.2%
			Emerson Electric Co.	EMR	Dec-15	653.1	3,109.0	4.83	(6.75)	3,842.0	3,409.0	4,043.0	49.8%	36.7%	7,497.0	8,068.0	11.66	(0.89)	4.8	n.m.	29.9%	17.5%	21.4%	15.6%	22.2%	16.5%	
			Hubbell, Inc.	HUBB	Dec-15	57.9	355.7	6.15	(4.98)	466.6	48.2	595.9	27.0%	14.2%	1,740.6	1,300.7	30.08	7.60	3.6	14.3	15.1%	12.5%	17.3%	14.0%	17.6%	14.6%	
			Legrand SA	LR-FR	Dec-15	266.8	1,182.1	4.43	(3.27)	779.0	73.7	1,980.1	3														

Table 8: Construction Products Valuation Comparison

Category	Company	Symbol	Rating	Price 4/15/16	Mkt. Cap. (USD M)	Revenue TTM (USD M)	Revenue 2016e (USD M)	Price/Revenue	EV/Revenue	CY 2014	CY 2015	CY 2016e	CY 2017e	P/E Multiple 2014	P/E Multiple 2015	P/E Multiple 2016e	P/E Multiple 2017e	EV/EBITDA (net of cash) 2014	EV/EBITDA (net of cash) 2015	EV/EBITDA (net of cash) 2016e	EV/EBITDA (net of cash) 2017e		
Basic Materials	Heavy Building Materials (USD millions)																						
	CEMEX, S.A.B. de C.V.	CX	Not Rated	\$7.24	\$8,980.2	13,102.8	14,585.3	0.6x	1.6x	(\$0.33)	(\$0.07)	\$0.17	\$0.32	2014	2015	2016e	2017e	2014	2015	2016e	2017e		
	CRH, plc	CRH	Not Rated	\$28.78	23,715.0	25,669.3	31,335.0	0.8	1.0	0.98	1.22	1.94	2.49	29.4	23.6	14.8	11.5	15.6	13.2	8.9	8.0		
	Eagle Materials Inc.*	EXP	Buy	\$71.82	3,541.1	1,115.1	1,189.2	3.0	3.4	3.26	3.38	4.06	4.32	22.0	21.3	17.7	16.6	12.3	11.2	9.6	9.2		
	Headwaters, Inc.	HW	Not Rated	\$20.01	1,481.3	914.2	1,022.3	1.4	1.9	0.34	0.56	1.35	1.59	n.m.	35.8	14.8	12.6	13.5	11.3	9.6	8.7		
	HeidelbergCement AG	HEI:DB	Not Rated	\$87.20	16,385.6	14,633.3	16,123.1	1.0	1.4	4.56	4.63	5.69	7.01	19.1	18.9	15.3	12.4	7.6	7.9	7.0	6.0		
	LafargeHolcim Ltd.	LHN	Not Rated	\$50.58	30,695.4	23,555.5	29,978.4	1.0	1.6	3.61	1.85	2.54	3.15	14.0	27.3	19.9	16.1	12.7	8.8	8.0	7.2		
	Martin Marietta Materials Inc.*	MLM	Neutral	\$164.08	10,779.8	3,268.1	3,578.3	3.0	3.4	3.74	4.48	6.66	9.20	43.9	36.6	24.6	17.8	22.6	16.4	12.8	10.5		
	MDU Resources Group, Inc.*	MDU	Neutral	\$19.68	3,853.4	4,391.7	4,509.0	0.9	1.3	1.07	0.90	1.12	1.32	18.4	21.9	17.6	14.9	6.4	11.2	9.5	8.1		
	Summit Materials Inc.*	SUM	Buy	\$20.34	2,035.1	1,432.3	1,213.4	1.7	2.6	n.a.	1.30	1.10	1.67	n.m.	15.6	18.5	12.2	19.8	11.1	9.1	7.4		
	US Concrete, Inc.	USCR	Not Rated	\$63.95	971.6	974.7	1,150.7	0.8	13.8	2.03	4.16	3.45	4.39	31.6	15.4	18.5	14.6	17.0	9.9	7.9	6.7		
	Vulcan Materials Company*	VMC	Neutral	\$106.57	14,137.6	3,945.9	3,903.3	3.6	4.1	0.88	2.14	3.20	4.50	n.m.	49.8	33.3	23.7	19.3	19.2	14.8	11.9		
	Sector Median								1.0x	1.9x					22.0x	22.7x	18.5x	14.9x	13.5x	11.2x	9.1x	8.0x	
Metals	Commercial Metals Company*	CMC	Buy	\$17.92	\$2,087.2	\$5,092.1	\$4,661.4	0.4x	0.6x	\$0.91	\$1.21	\$1.24	\$1.60	2014	2015	2016e	2017e	2014	2015	2016e	2017e		
	Insteel Industries Inc.	IIN	Not Rated	\$30.98	576.2	429.3	419.0	1.4	1.3	0.96	1.32	1.81	n.a.	32.4	23.5	17.1	n.m.	13.7	10.9	8.1	n.m.		
	Nucor Corporation	NUE	Not Rated	\$49.50	15,737.3	16,439.3	15,677.0	1.0	1.2	2.19	1.51	1.84	2.76	22.6	32.7	26.8	17.9	9.0	10.7	9.6	7.8		
	Schnitzer Steel Industries, Inc.*	SCHN	Neutral	\$19.96	533.9	1,534.6	1,389.9	0.4	0.5	0.73	(0.15)	0.28	0.70	27.3	n.m.	n.m.	28.5	7.0	n.m.	9.7	7.1		
	Steel Dynamics Inc.*	STLD	Not Rated	\$23.89	5,815.5	7,594.4	7,432.5	0.8	1.0	1.33	0.70	1.37	1.78	18.0	34.3	17.4	13.4	8.9	11.3	8.0	6.7		
	Sector Median							0.8x	1.0x					22.6x	28.1x	17.3x	15.7x	8.9x	10.8x	8.1x	6.9x		
	Architectural Products	Apogee Enterprises, Inc.*	APOG	Buy	\$44.99	\$1,306.9	\$981.2	\$1,050.2	1.2x	1.2x	\$1.53	\$2.01	\$2.62	\$3.00	2014	2015	2016e	2017e	2014	2015	2016e	2017e	
		Beacon Roofing Supply, Inc.	BEON	Not Rated	\$44.54	2,645.8	2,895.6	4,100.4	0.6	0.9	1.06	1.47	2.19	2.64	42.2	30.4	20.3	16.9	26.2	19.3	10.7	9.9	
		CRH, plc	CRH	Not Rated	\$28.78	23,715.0	25,669.3	31,335.0	0.8	1.0	0.98	1.22	1.94	2.49	29.4	23.6	14.8	11.5	15.6	13.2	8.9	8.0	
		Gibraltar Industries, Inc.	ROCK	Not Rated	\$27.48	860.3	1,040.9	1,069.5	0.8	0.9	0.46	0.93	1.33	1.54	n.m.	29.5	20.7	12.8	15.4	11.2	9.0	8.2	
		Headwaters, Inc.	HW	Not Rated	\$20.01	1,481.3	914.2	1,022.3	1.4	1.9	0.34	0.56	1.35	1.59	n.m.	35.8	14.8	12.6	13.5	11.3	9.6	8.7	
		NCI Building Systems, Inc.*	NCS	Buy	\$15.33	1,124.3	1,610.8	1,655.0	0.7	0.9	0.15	0.24	0.59	0.80	n.m.	n.m.	25.9	19.2	24.3	13.7	10.3	8.8	
		PGT, Inc.	PGTI	Not Rated	\$10.41	509.0	389.8	467.3	1.1	1.4	0.44	0.57	0.57	0.79	23.6	18.1	18.3	13.2	13.7	9.6	7.7	6.1	
Quanex Building Products Corp.		NX	Not Rated	\$18.42	630.3	719.1	1,002.7	0.6	0.9	0.13	0.57	0.87	1.25	n.m.	32.4	21.1	14.7	22.0	12.4	7.9	6.9		
Sector Median								0.8x	1.0x					29.4x	29.5x	19.3x	14.9x	15.5x	11.9x	8.9x	8.1x		
Light Building Materials		Armstrong World Industries, Inc.	AWI	Not Rated	\$42.27	\$2,345.0	2,420.0	1,269.5	1.8x	2.5x	\$2.12	\$2.29	\$2.23	\$2.66	19.6x	18.4x	19.0x	15.9x	8.5x	8.1x	9.6x	8.7x	
		Continental Building Products, Inc.	CBPX	Not Rated	\$19.21	799.8	421.7	443.1	1.8	2.4	0.53	0.81	1.08	1.38	36.4	23.9	17.8	14.0	9.5	8.7	8.1	7.3	
		Eagle Materials Inc.*	EXP	Buy	\$71.82	3,541.1	1,115.1	1,189.2	3.0	3.4	3.26	3.38	4.06	4.32	22.0	21.3	17.7	16.6	12.3	11.2	9.6	9.2	
		USG Corporation	USG	Not Rated	\$27.08	3,949.5	3,776.0	3,932.2	1.0	1.4	1.29	1.61	1.52	1.96	21.0	16.8	17.8	13.8	10.6	9.8	8.9	7.9	
	Sector Median							1.8x	2.4x					21.5x	19.8x	17.8x	14.9x	10.1x	9.2x	9.2x	8.3x		
	HVAC Equipment	AAON, Inc.*	AAON	Neutral	\$27.51	\$1,486.5	\$358.7	\$398.0	3.7x	3.7x	\$0.80	\$0.84	\$1.01	\$1.09	34.5x	32.8x	27.1x	25.3x	18.4x	17.8x	15.1x	14.2x	
		Ingersoll-Rand Public Limited Company	IR	Not Rated	\$63.69	16,338.6	13,300.7	13,440.0	1.2	1.5	3.21	3.70	3.91	4.31	19.8	17.2	16.3	14.8	11.6	10.6	10.2	9.7	
		Lennox International Inc.	LII	Not Rated	\$139.97	6,102.3	3,467.4	3,657.8	1.7	1.9	4.36	5.27	6.33	7.24	32.1	26.6	22.1	19.3	17.0	15.4	13.1	11.9	
		Sector Median							1.7x	1.9x					32.1x	26.6x	22.1x	19.3x	17.0x	15.4x	13.1x	11.9x	
		Building Lighting Solutions	Acuity Brands, Inc.*	AYI	Neutral	\$253.93	\$11,050.0	\$2,957.6	\$3,385.0	3.3x	3.3x	\$4.22	\$5.73	\$7.44	\$8.10	n.m.	n.m.	34.1x	31.3x	n.m.	24.8x	18.7x	17.5x
			Daktronics, Inc.	DAKT	Not Rated	\$8.46	372.1	589.8	615.6	0.6	0.5	0.59	0.29	0.41	0.66	14.3	n.m.	22.9	12.8	6.4	9.9	8.6	7.1
			Energy Focus, Inc.	EFOI	Not Rated	\$8.00	93.2	64.4	65.7	1.4	0.9	(0.40)	0.93	0.10	0.76	n.m.	8.6	n.m.	10.6	n.m.	5.2	n.m.	5.7
			Hubbell Inc.	HUBB	Neutral	\$108.65	6,287.7	3,390.4	3,419.0	1.8	1.9	5.48	5.52	5.31	5.65	19.8	19.7	20.5	19.2	11.0	11.7	11.4	10.9
LSI Industries, Inc.			LYTS	Not Rated	\$13.23	326.6	315.3	331.1	1.0	0.9	0.08	0.34	0.43	0.56	n.m.	38.9	30.8	23.6	21.0	26.6	12.4	10.3	
OSRAM Licht AG			OSR:DE	Not Rated	\$52.56	5,500.1	6,145.2	6,419.6	0.9	0.7	2.32	3.55	2.73	3.03	22.7	14.8	19.3	17.3	8.5	5.8	6.6	5.0	
Sector Median									1.2x	0.9x					19.8x	19.7x	20.9x	18.3x	9.8x	10.8x	11.4x	8.7x	
Diversified Electrical & Electronic			ABB Ltd.	ABBN:SWX	Not Rated	\$19.84	\$43,477.4	\$35,481.0	\$34,817.8	1.2x	1.3x	\$1.16	\$0.94	\$0.97	\$1.17	17.0x	21.2x	20.6x	17.0x	8.1x	9.6x	9.8x	8.8x
			Amphenol Corporation	APH	Not Rated	\$58.72	18,061.5	5,568.7	6,125.1	2.9	3.1	2.21	2.38	2.59	2.88	26.6	24.6	22.6	20.4	16.0	15.2	13.9	12.8
	CommScope Holding Company, Inc.		COMM	Not Rated	\$27.17	5,211.0	3,807.8	4,938.6	1.1	2.0	2.21	1.87	2.29	2.74	12.3	14.6	11.9	9.9	11.2	11.8	8.9	8.3	
	Eaton Corporation		ETN	Not Rated	\$63.15	28,924.9	20,855.0	19,853.9	1.5	1.9	4.61	4.23	4.25	4.56	13.7	14.9	14.8	13.8	10.3	11.2	10.9	10.5	
	Emerson Electric Co.		EMR	Not Rated	\$55.39	35,619.0	21,430.0	20,611.2	1.7	1.9	3.85	2.93	3.09	3.30	14.4	18.9	17.9	16.8	7.9	10.5	10.4	10.1	
	Hubbell Inc.		HUBB	Neutral	\$108.65	6,287.7	3,390.4	3,419.0	1.8	1.9	5.48	5.52	5.31	5.65	19.8	19.7	20.5	19.2	11.0	11.7	11.4	10.9	
	Legrand SA	LR-PR	Not Rated	\$56.24	15,006.7	5,223.9	5,541.1	2.7	2.9	2.53	2.41	2.54	2.71	22.3	23.4	22.1	20.7	12.8	13.7	12.8	12.1		
	Schneider Electric S.A.	SU:FR	Not Rated	\$63.68	38,984.1	28,932.9	28,805.9	1.3	1.5	4.67	3.87	4.19	4.53	13.6	16.4	15.2	14.1	8.9	9.8	9.3	8.8		
	TE Connectivity Ltd.	TEL	Not Rated	\$63.22	23,371.0	12,017.0	12,399.8	1.9	2.0	3.87	3.47	4.14	4.55	16.3	18.2	15.3	13.9	8.9	9.9	9.4	8.9		
	Sector Median							1.7x	1.9x					16.3x	18.9x	17.9x	16.8x	10.3x	11.2x	10.4x	10.1x		
	Wire & Cable	Encore Wire Corp.*	WIRE	Neutral	\$40.27	\$832.3	\$1,032.1	\$985.3	0.8x	0.8x	\$1.78	\$2.29	\$2.38	\$3.10	22.6x	17.6x	16.9x	13.0x	10.5x	8.5x	8.2x	6.6x	
		General Cable Corp.*	BGC	Neutral	\$13.32	651.5	4,316.3	3,525.0	0.2	0.5	0.69	1.02	0.65	0.73	19.3	13.1	20.4	18.2	24.2	15.6	12.6	8.0	
		Nexans SA	NEX:FR																				

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Rating Distribution (as of 3/31/2016)	Coverage Universe Distribution			Investment Banking Distribution		
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