

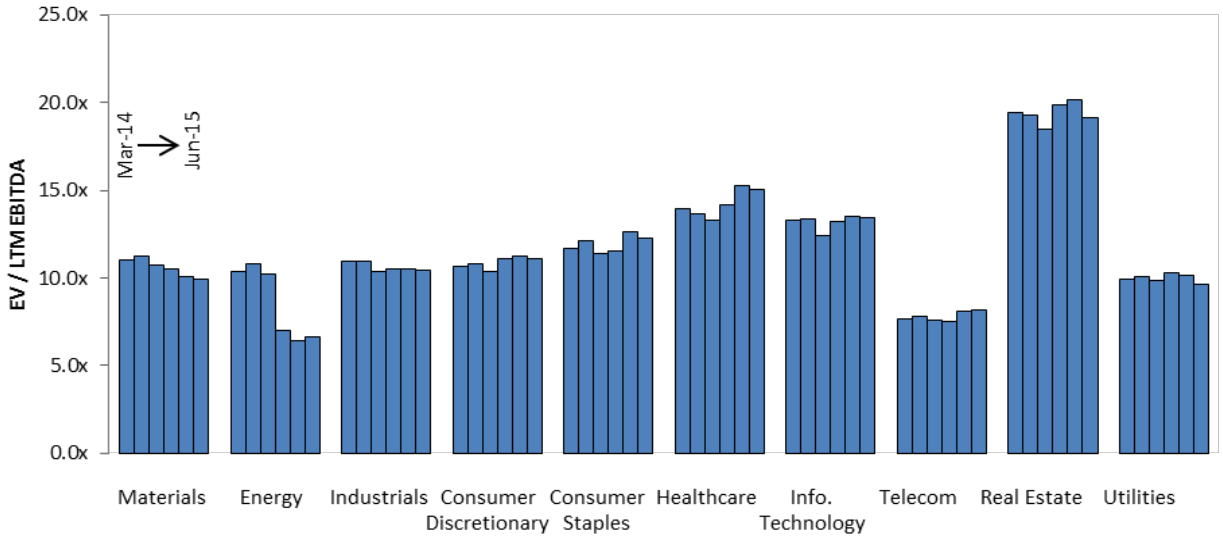


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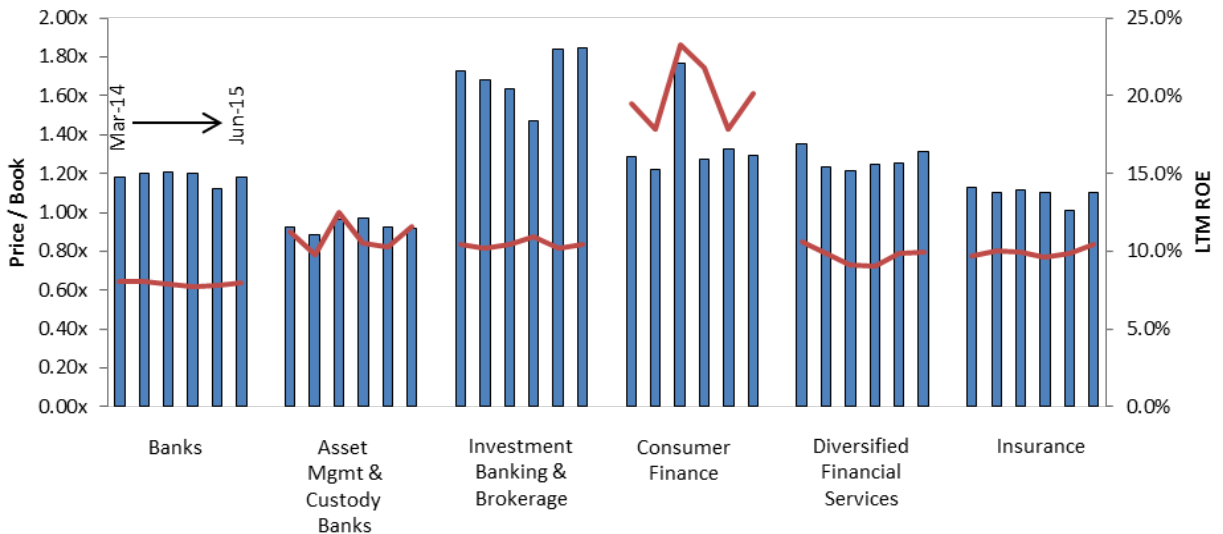
INDUSTRY VALUATION MULTIPLES
JUNE 2015

SECTOR VALUATIONS – MAR'14 through JUN'15

NON-FINANCIALS – TRENDING SIX QUARTERS



FINANCIALS – TRENDING SIX QUARTERS



SECTOR VALUATIONS – As of JUNE 30, 2015

Economic Statistics

6/30/2015

Industry	# of Companies	Median EV / LTM		Median Equity Multiples				LTM	Net Debt/	Aggregate
		Revenue	EBITDA	LTM P/E	Cash-Free	Fwd P/E	PEG	ROE	LTM EBITDA	Cash/Mkt Cap
Materials	207	1.54x	9.9x	21.4x	20.4x	18.0x	1.6x	12.6%	2.1x	6.6%
Chemicals	90	1.81x	11.1x	21.8x	21.1x	18.0x	1.6x	14.3%	1.6x	5.6%
Construction Materials	17	2.17x	17.1x	48.8x	48.5x	25.7x	1.6x	11.1%	3.0x	4.1%
Containers & Packaging	19	1.38x	9.6x	22.9x	21.9x	18.7x	1.9x	15.7%	2.9x	3.9%
Metals & Mining	65	1.17x	8.8x	18.8x	15.7x	18.5x	2.2x	8.2%	1.9x	12.5%
Paper & Forest Products	16	1.39x	8.6x	14.1x	13.1x	13.4x	1.5x	15.2%	2.5x	8.3%
Energy	331	2.70x	6.6x	15.8x	13.6x	21.2x	2.2x	11.3%	2.2x	5.3%
Oil & Gas Drilling, Equipment, Services	61	1.40x	6.2x	17.9x	15.8x	19.9x	1.4x	7.8%	1.5x	9.3%
Coal	21	1.64x	8.5x	6.9x	6.8x	6.4x	2.6x	11.5%	4.8x	25.9%
Integrated Oil & Gas	9	2.52x	7.4x	16.0x	15.6x	31.8x	15.5x	9.1%	0.8x	3.8%
Exploration & Production	136	4.25x	4.9x	7.6x	7.6x	34.8x	3.6x	14.3%	2.0x	5.7%
Refining & Marketing	31	0.45x	6.5x	10.9x	10.2x	10.9x	1.2x	16.5%	0.7x	11.9%
Storage & Transportation	73	5.66x	17.4x	23.5x	21.9x	21.9x	3.2x	9.8%	5.3x	2.5%
Industrials	524	1.29x	10.4x	20.4x	18.9x	17.9x	1.6x	13.1%	1.4x	7.0%
Aerospace and Defense	57	1.43x	10.9x	20.1x	18.3x	17.8x	1.8x	11.8%	1.7x	8.3%
Building Products	26	1.10x	13.3x	27.8x	26.7x	24.0x	1.7x	10.4%	1.5x	7.2%
Construction and Engineering	32	0.58x	8.3x	19.0x	16.7x	16.5x	1.2x	10.1%	0.9x	12.8%
Electrical Equipment	64	1.42x	12.1x	20.2x	18.0x	18.6x	1.6x	13.2%	0.7x	7.3%
Industrial Conglomerates	9	1.73x	11.9x	20.4x	19.8x	19.1x	1.5x	13.4%	0.5x	4.6%
Machinery	117	1.26x	9.5x	18.7x	16.7x	17.2x	1.6x	13.1%	1.2x	7.5%
Trading Companies and Distributors	28	1.59x	10.3x	14.1x	13.1x	15.3x	1.3x	14.4%	4.0x	3.7%
Commercial & Professional Services	112	1.25x	11.0x	22.8x	21.6x	18.7x	1.6x	13.2%	1.4x	5.3%
Transportation	79	1.68x	8.9x	19.8x	18.7x	15.7x	1.4x	15.4%	1.8x	7.6%
Consumer Discretionary	587	1.29x	11.1x	21.9x	20.6x	19.4x	1.5x	14.6%	1.0x	6.9%
Automobiles and Components	41	0.72x	8.8x	16.3x	13.8x	13.9x	1.0x	19.2%	0.6x	20.3%
Consumer Durables and Apparel	128	1.22x	12.9x	20.8x	19.0x	18.2x	1.4x	13.3%	1.0x	6.6%
Consumer Services	155	1.77x	11.5x	27.5x	25.7x	24.8x	1.7x	12.3%	1.3x	5.8%
Media	97	2.41x	11.2x	23.3x	21.0x	22.5x	1.9x	16.5%	2.7x	5.0%
Retailing	166	0.78x	10.4x	20.6x	19.5x	19.6x	1.5x	15.3%	0.4x	5.8%
Consumer Staples	163	1.48x	12.2x	24.0x	22.8x	20.7x	2.3x	14.8%	1.7x	5.0%
Beverages	24	2.28x	13.2x	24.4x	22.3x	23.8x	3.1x	22.9%	1.8x	7.3%
Food and Staples Retailing	34	0.49x	9.9x	21.5x	20.5x	20.3x	1.8x	13.9%	1.4x	5.0%
Food Products	68	1.58x	13.4x	25.0x	23.8x	21.6x	2.4x	12.4%	2.5x	3.8%
Household Products	12	2.23x	12.2x	26.3x	25.6x	22.7x	2.8x	19.9%	1.2x	4.6%
Personal Products	25	1.43x	9.8x	18.1x	15.8x	18.3x	1.8x	19.9%	-0.1x	8.4%
Tobacco	7	4.06x	12.6x	19.7x	18.9x	18.6x	2.1x	88.9%	1.2x	2.8%
Healthcare	547	3.87x	15.0x	31.8x	29.4x	24.0x	1.8x	13.1%	0.5x	9.1%
Biotechnology	195	18.37x	25.5x	41.4x	37.5x	26.1x	1.6x	20.5%	-1.1x	9.4%
Health Care Technology	18	2.83x	18.0x	46.1x	42.5x	28.8x	1.9x	9.4%	-0.8x	4.3%
Healthcare Equipment and Supplies	130	3.24x	15.4x	29.8x	27.4x	25.4x	1.9x	10.8%	-0.3x	10.0%
Healthcare Providers and Services	90	1.25x	12.1x	29.8x	26.5x	21.0x	1.6x	10.8%	1.8x	9.2%
Life Sciences Tools and Services	41	3.04x	15.6x	27.7x	24.8x	24.2x	2.0x	13.4%	-0.1x	6.5%
Pharmaceuticals	73	5.64x	20.2x	40.7x	34.9x	24.0x	2.0x	14.2%	0.6x	9.0%
Information Technology	575	1.76x	13.4x	25.3x	22.5x	20.2x	1.5x	11.5%	-0.7x	14.0%
Communications Equipment	83	1.14x	12.8x	22.4x	17.2x	19.5x	1.5x	6.7%	-1.5x	25.7%
Computers and Peripherals	50	1.11x	10.8x	22.7x	18.4x	14.6x	1.1x	15.0%	-0.9x	8.1%
Electronic Equipment, Instruments and Compor	124	0.91x	9.8x	21.5x	18.2x	16.8x	1.3x	9.9%	-0.6x	13.5%
Internet Software and Services	124	2.22x	18.3x	33.7x	28.8x	29.2x	1.6x	12.3%	-1.6x	21.6%
IT Services	84	2.10x	13.4x	26.2x	24.6x	20.1x	1.5x	16.4%	0.5x	5.6%
Office Electronics	2	2.42x	16.1x	12.6x	11.6x	15.0x	1.2x	8.9%	5.3x	6.9%
Software	108	3.08x	17.5x	33.9x	28.6x	24.6x	1.8x	12.4%	-1.4x	19.0%
Telecommunications	52	2.27x	8.2x	23.6x	21.4x	31.5x	3.5x	7.8%	3.0x	4.7%
Broadband Telecommunications Services	8	3.74x	13.8x	44.5x	42.0x	31.8x	2.8x	7.3%	2.9x	7.8%
Integrated Telecommunication Services	26	2.10x	7.9x	21.8x	20.4x	28.3x	6.9x	8.2%	3.0x	3.1%
Satellite Communication Services	1	4.13x	8.7x	13.5x	5.8x	12.1x	1.1x	7.2%	4.3x	56.8%
Wireless Telecommunication Services	17	1.78x	7.7x	28.0x	25.2x	48.7x	4.3x	11.2%	2.9x	9.4%
Real Estate	222	11.01x	19.1x	28.8x	27.9x	31.1x	5.5x	6.9%	6.6x	4.0%
Real Estate Investment Trusts (REITs)	188	11.77x	19.1x	29.5x	28.2x	31.2x	5.8x	7.2%	6.6x	3.7%
Real Estate Management and Development	34	6.15x	19.8x	24.2x	20.1x	23.9x	2.7x	4.5%	6.2x	7.7%
Utilities	115	2.71x	9.6x	17.6x	17.1x	16.9x	2.9x	9.9%	3.8x	5.7%
Electric Utilities	41	2.70x	9.6x	16.0x	15.6x	15.4x	2.9x	9.3%	3.8x	6.2%
Gas Utilities	23	2.09x	9.3x	19.5x	19.4x	18.9x	3.6x	10.3%	3.0x	2.6%
Independent Power Producers	13	4.01x	9.6x	10.7x	10.2x	21.4x	1.6x	13.0%	5.6x	11.9%
Muti-Utilities	24	2.71x	9.5x	16.7x	16.6x	15.6x	2.9x	10.2%	3.8x	4.1%
Water Utilities	14	4.38x	10.3x	19.7x	19.2x	18.8x	2.6x	10.0%	3.1x	3.5%
Non-Financial Universe (Major U.S. Exchanges)	3323	1.96x	11.6x	22.4x	20.6x	19.8x	1.7x	11.9%	1.6x	8.0%

Industry	# of Companies	Median EV / LTM		Median Equity Multiples			LTM	
		Revenue	EBITDA	LTM P/E	P/B	Fwd P/E	PEG	ROE
Financials	1307	8.40x	12.0x	14.0x	0.97x	15.1x	1.6x	8.9%
Banks	458	NM	NM	16.4x	1.20x	15.9x	1.9x	8.0%
Asset Management and Custody Banks	653	NM	NM	9.7x	0.89x	12.6x	1.6x	9.8%
Investment Banking and Brokerage	28	NM	NM	25.0x	1.68x	15.7x	1.2x	10.2%
Consumer Finance	21	3.18x	6.2x	11.5x	1.22x	12.6x	1.3x	17.9%
Diversified Financial Services	33	6.05x	14.3x	22.2x	1.23x	17.2x	1.6x	9.8%
Insurance	114	NM	NM	12.7x	1.10x	13.7x	1.4x	10.0%
U.S. Major Exchange Universe	4630	2.12x	11.6x	19.4x	1.76x	18.7x	1.7x	10.4%



ABOUT COGNIENT

Cognient Advisors consists of a group of experienced and highly regarded financial professionals dedicated to providing the highest level of financial expertise and service to corporate and institutional clients. Leveraging decades of experience across a multitude of industries, our firm includes experts in:

FAIRNESS AND SOLVENCY OPINIONS

As experts in the areas of fairness and solvency, we have advised on some of the most sophisticated and complex transactions, and have a wealth of knowledge with which to serve corporate clients, boards of directors, independent fiduciaries, and their professional advisors. We provide comprehensive analysis and unbiased opinions supported with thorough research, detailed financial analyses and the necessary documentation to make confident decisions.

MERGERS & ACQUISITIONS and CAPITAL RAISING

Our experienced team of investment banking professionals work closely with owners and management teams to clearly understand and identify the overall objectives of a transaction and ensure the ultimate result is favorable for all parties involved. Our clients are primarily middle-market-focused across a multitude of industries and include private equity portfolio companies, family-owned businesses and subsidiaries of large corporations.

BUSINESS VALUATIONS

Our industry-leading valuation professionals have worked together for over 25 years to assist clients in understanding and evaluating the going-concern value of business enterprises and non-publicly traded securities.

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