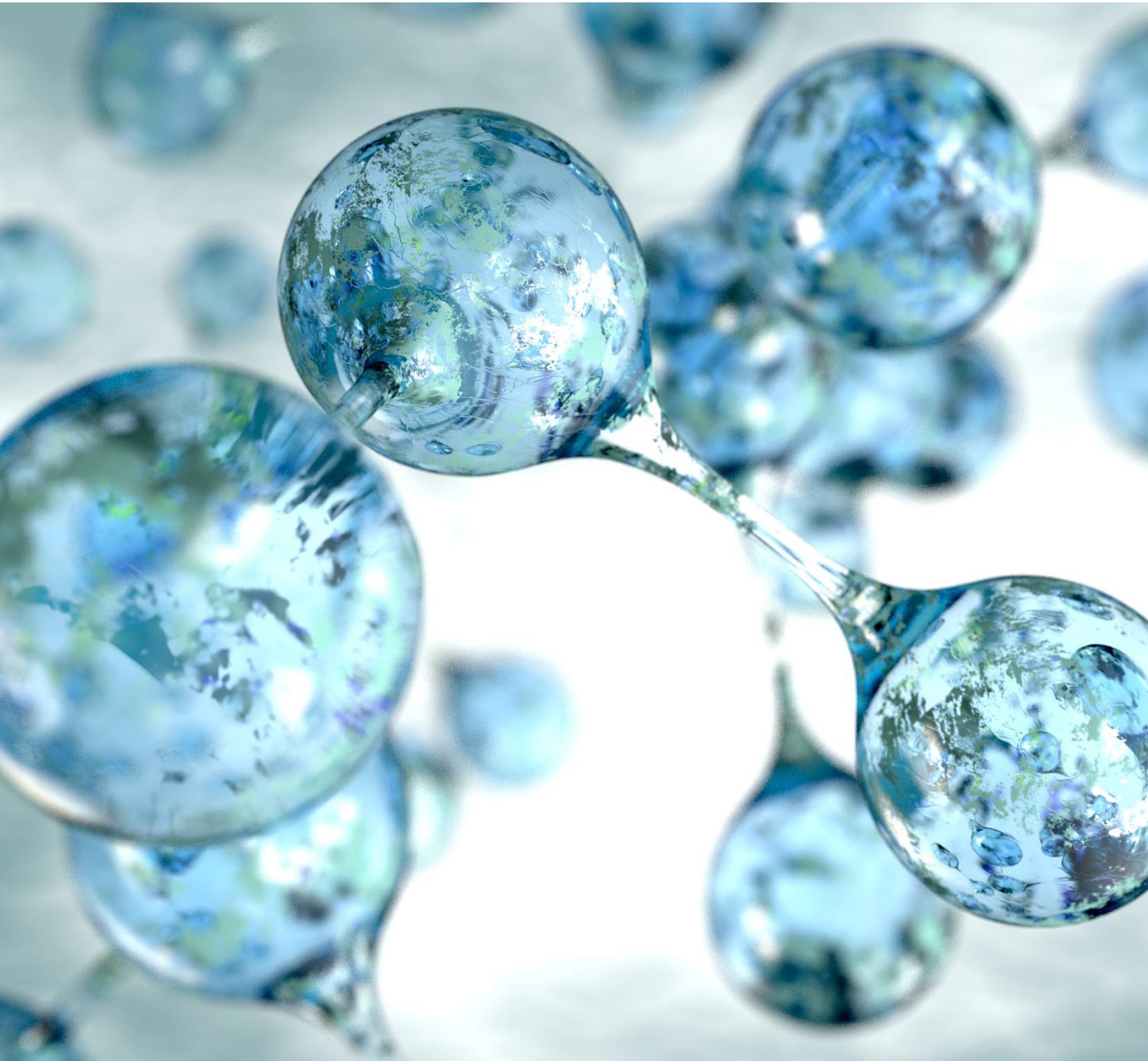




HOULIHAN LOKEY

CHEMICALS UPDATE

Summer 2019



Introduction

Dear Clients and Friends,

Houlihan Lokey is pleased to present its Chemicals Summer 2019 Industry Update.

In this issue, we have included relevant news stories, recent M&A transaction announcements, a public markets overview, and other industry insights to help you stay ahead in this evolving industry. We hope you find this quarterly update to be informative and that it serves as a valuable resource to you in staying abreast of the market. If there is additional content you would find useful for future updates, please don't hesitate to call or email us with your suggestions. We look forward to staying in touch with you.

Regards,

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Houlihan Lokey is the trusted advisor to more top decision-makers than any other independent global investment bank.

Corporate Finance

2018 M&A Advisory Rankings All U.S. Transactions		
	Advisor	Deals
1	Houlihan Lokey	207
2	Goldman Sachs & Co	197
3	JP Morgan	154
4	Morgan Stanley	135
5	Jefferies LLC	117

Source: Thomson Reuters

No. 1 U.S. M&A Advisor

Top 10 Global M&A Advisor

Leading Capital Markets Advisor

Financial Restructuring

2018 Global Distressed Debt & Bankruptcy Restructuring Rankings		
	Advisor	Deals
1	Houlihan Lokey	63
2	PJT Partners Inc.	45
3*	Moelis & Co.	36
3*	Lazard	36
3*	Rothschild & Co.	36

Source: Thomson Reuters
* Denotes tie

No. 1 Global Restructuring Advisor

1,000+ Transactions Completed

Valued at More Than \$2.5 Trillion Collectively

Financial Advisory

1999 to 2018 Global M&A Fairness Advisory Rankings		
	Advisor	Deals
1	Houlihan Lokey	1,073
2	JP Morgan	971
3	Duff & Phelps	728
4	Bank of America Merrill Lynch	660
5	Morgan Stanley	659

Source: Thomson Reuters. Announced or completed transactions.

No. 1 Global M&A Fairness Opinion Advisor Over the Past 20 Years

1,000+ Annual Valuation Engagements

Selected Transactions

<p>has acquired</p> <p>Buy-side Advisor</p>	<p>a portfolio company of</p> <p>has been acquired by</p> <p>Sell-side Advisor</p>	<p>has completed the spin-off of</p> <p>Financial Opinion</p>	<p>has sold certain assets to</p> <p>Fairness Opinion</p>	<p>Phosgene Chemistry – Custom Chemicals a portfolio company of</p> <p>has been acquired by</p> <p>Sell-side Advisor</p>
<p>has been acquired by</p> <p>Sell-side Advisor</p>	<p>a portfolio company of</p> <p>has been acquired by</p> <p>Sell-side Advisor</p>	<p>has been acquired by</p> <p>Financial Opinion</p>	<p>has acquired</p> <p>from</p> <p>Arsenal Capital Partners</p> <p>Buy-side Advisor</p>	<p>has completed a merger with the chemicals business of PPG in a Reverse Morris Trust transaction</p> <p>Financial Advisor</p>

Tombstones included herein represent transactions closed from 2012 forward.

Houlihan Lokey Media Mentions



Below are excerpts from Leland Harris, Global Head of Chemicals at Houlihan Lokey, from the article *'M&A Fights Through Headwinds'* in *ICIS Chemical Business* (ICIS.com, June 20, 2019)

Capital Markets Have Roared Back Through June

“Spreads on high yield widened in December and January as there was concern about a major correction but the market came back stronger,” said Leland Harris, Managing Director of investment bank Houlihan Lokey. “Markets are healthy and specialty chemical transaction multiples are robust, supported by debt availability. There’s a lot of money looking for a home on the financial deal sponsor side. It’s often a jump ball whether private equity or strategics will prevail on a deal,” he added.”

European Players Looking for Growth

“European corporates such as Evonik and BASF are selling assets, and most, such as Arkema, are also looking for growth on the buy-side to stimulate their trading multiples,” said Harris from Houlihan Lokey.”

Specialty Chemical Sector Still Seeing High Valuations

“In certain specialty chemical sectors, valuations have not come down at all—they are still in the 11-14x range,” said Harris from Houlihan Lokey.”

Chinese Companies Are Experiencing Deal Difficulty

“It is just too difficult for Chinese companies to get deals done because of CFIUS issues and restrictions on taking capital out of the country,” said Harris from Houlihan Lokey.

CFIUS (Committee on Foreign Investment in the United States) reviews have become more prevalent as U.S. deals involving foreign buyers have undergone more scrutiny.

“But it’s not an Asia issue. Japanese buyers are very active in the US—at home they are in a low growth environment and a 0% debt market,” he added.”

The High Yield Debt Market Is a Key Indicator for Downturn

“But the financial market reaction in December and January was a false indication and so many things are supporting the U.S. economy such as its advantaged position as a raw material supplier,” said Harris from Houlihan Lokey. “The U.S. upturn should last and the U.S. is being seen as a more attractive place to invest,” he added. “The key indicator to watch for any real downturn is the high yield debt market,” the banker said. “Some of the volatility in public equity markets can be explained by geopolitics. If this backs into the high yield market, then liquidity dries up and it becomes more real,” said Harris.”

To read the full article, please click [here](#).

Selected Recent M&A News

Arkema to Acquire ArrMaz, a U.S.-based Leader in Specialty Surfactants (*Arkema.com, May 15, 2019*)

“ArrMaz is a global leader in specialty surfactants for crop nutrition, mining, and infrastructure markets with sales of \$290 million and 18% EBITDA margin.

The acquisition reinforces [Arkema’s] Performance Additives, one of the three strong pillars within the High Performance Materials division, along with Adhesives and Technical Polymers.

ArrMaz specializes in tailored and sustainable solutions for attractive markets driven by mega-trends and fast-growing countries.

The transaction will combine Arkema’s and ArrMaz’s complementary expertise in differentiated formulations, technologies, and geographic reach for specialty surfactants.

The purchase price is based on an enterprise value of \$570 million, which corresponds to an EV/EBITDA multiple of 10.8x (~7x EBITDA 2023 including synergies).

This acquisition of a profitable, resilient, and low capital intensive business is another milestone in Arkema’s growth journey towards specialties.”

Parker Hannifin to Buy LORD Corp for About \$3.68 Billion (*Reuters.com, April 29, 2019*)

“U.S. industrial conglomerate Parker Hannifin Corp said on Monday it would buy privately held adhesives and coatings maker LORD Corp for about \$3.68 billion in cash, in a move to strengthen its aerospace and defense businesses.

Lord also provides vibration and motion control technologies used in the aerospace, automotive, and industrial markets.

Cary, North Carolina-based LORD, which has annual sales of about \$1.1 billion, will expand Parker Hannifin’s engineered materials business, which makes sealing devices for markets including aerospace, defense, and automotive.

Parker Hannifin’s engineered materials business is part of its larger diversified industrial unit, which reported sales of \$11.98 billion in 2018, constituting about 84% of the company’s overall revenue.

The deal is expected to close within the next four to six months, Parker Hannifin said.”

Selected Recent M&A News (cont.)

Chevron Phillips Chemical Offers \$15 Billion for Calgary's Nova Chemicals, Sources Say

(FinancialPost.com, June 21, 2019)

“Chevron Phillips Chemical Co.’s potential stake in Calgary-based Nova Chemicals could signal the return of oil majors in Alberta’s energy sector, according to analysts.

Reuters reported Thursday that a joint venture between Chevron Corp. and Phillips 66 Co. made a \$15 billion bid to acquire Nova Chemicals, quoting people familiar with the matter.

‘Nova’s been spending a lot of money lately, but none of it in Canada other than the Sarnia plant so it might mean we’ve seen the multinationals exit Alberta on the oilsand side,’ said Bill Rawlusk, Executive Director of Natural Gas Liquids at IHS Inc. ‘It means a multinational with big pockets coming back to Alberta, which would be a good thing in my opinion.’

Nova is run by the UAE state-owned Mubadala Investment Co., while Chevron Phillips is headquartered in Texas with 31 facilities in the U.S., Singapore, Belgium, Saudi Arabia, and Qatar.

Chevron has offloaded some of its Canadian assets, including the 57,000-bpd Burnaby refinery in British Columbia, to Parkland Fuel Corp. in 2017. It maintains a 20% interest in the Athabasca Oil Sands Project, operated by Canadian Natural Resources; a 60% operating interest in its Ells River heavy oil leases; and is investing in its shale resources in the Duvernay in west-central Alberta, apart from other oil and gas interests.

Chevron did not immediately respond to request for comment.

If the deal proceeds, Chevron Phillips will become the third-largest producer of polyethylene in North America, behind ExxonMobil Corp. and Dow Chemical Co. It will also become the largest producer of high-density polyethylene (HDPE) on the continent, ahead of LyondellBasell Industries N.V.

Another buyer may yet emerge for Nova, and Mubadala could also decide to keep a stake in Nova in any deal that arises, Reuters reported.

HDPEs are used in plastic water bottles, corrosion-resistant piping and plastic lumber. The global market for HDPEs is expected to hit \$85.19 billion this year.

‘The Nova acquisition would increase ethylene merchant exposure for Chevron Phillips. After the recent ethylene capacity increase at Cedar Bayou, Tex., Chevron Phillips was exposed to 500 thousand tonnes of ethylene to the merchant market, while Nova, post its acquisition of Williams Geismar (a Louisiana cracker) is exposed to approximately one million tonnes of ethylene,’ said Ashish Chitalia, Wood Mackenzie Chemicals Principal Analyst. ‘Together, the companies would have ethylene volumes equivalent of a world-scale cracker size of 1.5 million tonnes.’

Nova is proceeding with a \$2 billion expansion plan for its Sarnia polyethylene plant in Ontario this year. It’s backed by \$100 million through Ontario’s Jobs and Prosperity Fund and \$35 million through Ottawa’s Strategic Investment Fund.

The potential acquisition comes as the country’s petrochemicals industry is in the midst of a rebound, boosted by dirt-cheap natural gas prices...”

Selected Recent M&A News (cont.)

Evonik Agrees to Sell Its Methacrylates Business to Advent International for €3 Billion (*Evonik Press Release, March 4, 2019*)

“Evonik has today signed an agreement to sell its Methacrylates business to Advent International for €3 billion. The selling price (enterprise value) is 8.5 times the business’ EBITDA. The transaction is subject to approval by the authorities in several countries and is expected to close in the third quarter of this year.

The Methacrylates business has 18 production sites and 3,900 employees worldwide. From 2016 to 2018, the business generated an average annual EBITDA of about €350 million and sales of about €1.8 billion per year. For 2019 Evonik expects sales and EBITDA at a similar level.

The transaction comprises the Methacrylates, Acrylic Products, and CyPlus business lines, and some of the methacrylate resins’ activities. Evonik put these operations on the market as part of its systematic strategy of sharpening its focus on specialty chemicals, which are less cyclical. Private equity company Advent International is one of the most experienced financial investors in the chemical industry in the world, with more than 30 investments over three decades.

The net purchase price (equity value) can be calculated after deductions, made up primarily of pension obligations of around €500 million. Evonik will use the sale proceeds to strengthen its balance sheet and, above all, for targeted growth projects. That includes funding the purchase price of the U.S. company PeroxyChem, which Evonik plans to close this year. In addition, some funds will be used to strengthen the present specialty chemicals portfolio, for example, by building a new polyamide 12 plant in Marl, Germany. These businesses generate an attractive margin and an above-average cash flow. Also in 2019 and even without the contribution from the Methacrylates business, Evonik will be able to cover the dividend payment out of its strong, free cash flow.”

Merck KGaA Clinches \$6.5 Billion Versum Takeover in Bet on Electrochemicals (*Reuters.com, April 12, 2019*)

“Germany’s Merck KGaA sealed a \$6.5 billion takeover deal with Versum Materials after overturning a deal it had agreed with rival bidder Entegris.

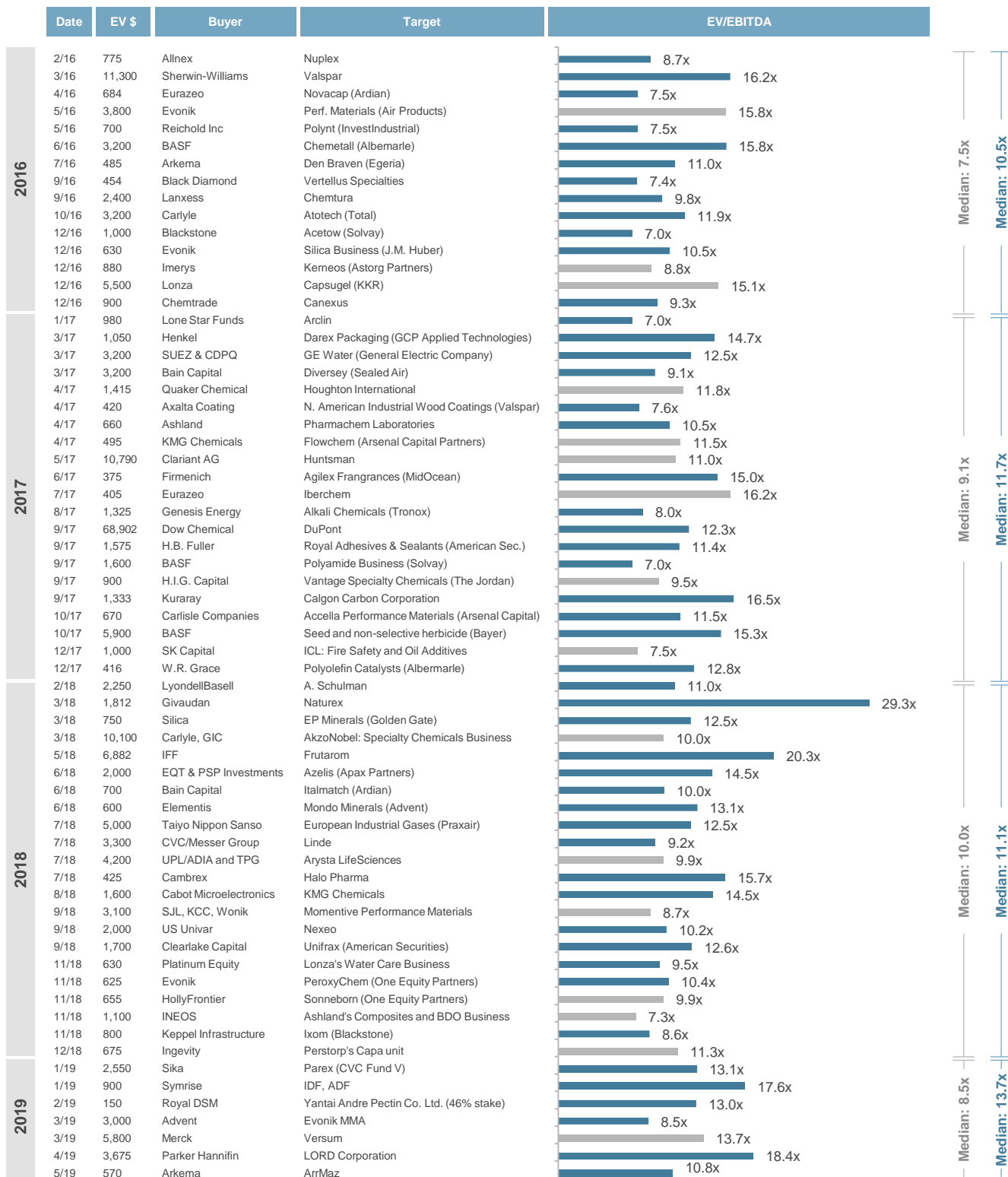
A bet on a recovery in electronic materials markets for semiconductor makers, the transaction will boost the share of profit that diversified Merck derives from high-tech chemicals to 27% from 19% previously.

Merck, also maker of pharmaceuticals and biotech production gear, this week won the backing of Versum’s board for its \$53-per-share offer, lifted from \$48 previously, having been spurned for weeks.

‘The business combination is expected to significantly strengthen Merck’s Performance Materials business sector, creating a leading electronic materials player focused on the semiconductor and display industries,’ it said in a statement...”

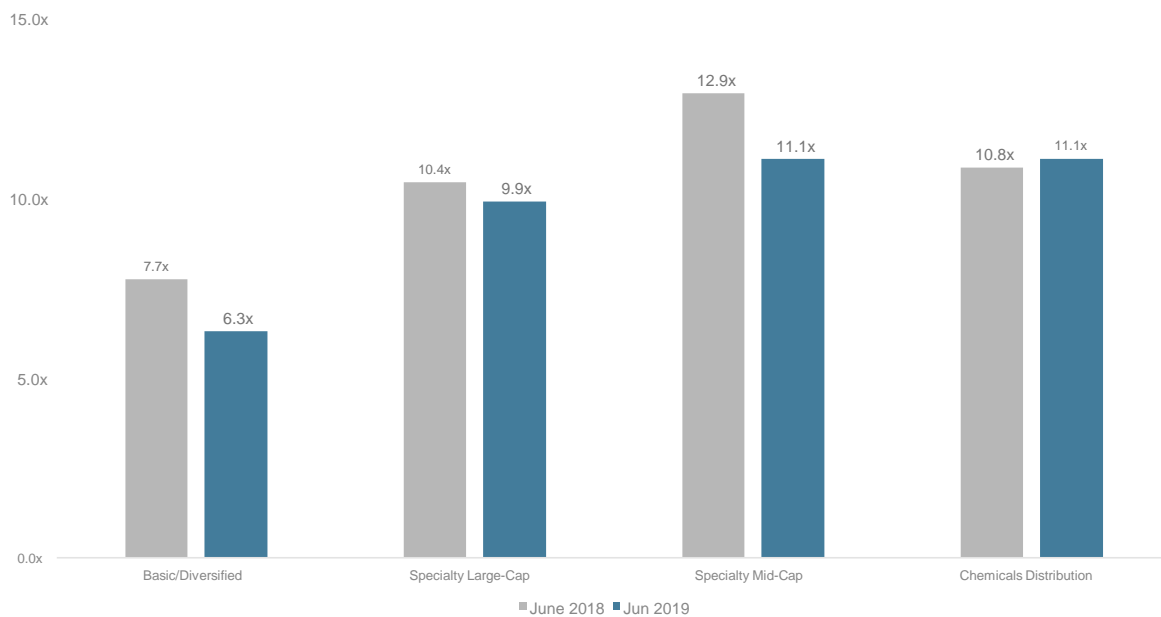
Chemical M&A Activity Continues to Be High

■ Strategic Buyer Median Strategic Buyer 12.4x
■ Financial Buyer Median Financial Buyer 9.8x



Public Markets Overview

Median TEV/EBITDA Multiples



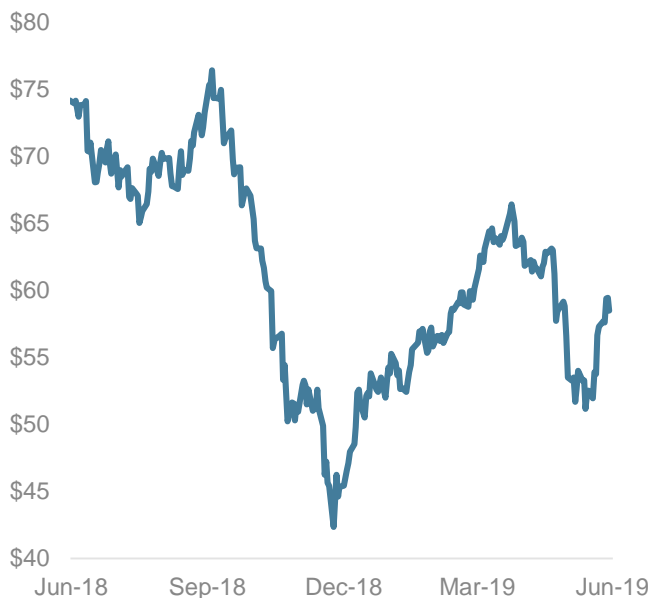
Stock Price Index



Selected Chemical Inputs (weekly index prices)

Cushing Crude Oil (WTI)

(\$ per barrel)



U.S. Gulf Ethylene (FD)

(\$ per pound)



U.S. Gulf Propylene (FD)

(\$ per pound)



U.S. Gulf Butadiene (CIF)

(\$ per pound)



Selected Chemical Inputs (weekly index prices, cont.)

U.S. Gulf Benzene (FOB)

(\$ per gallon)



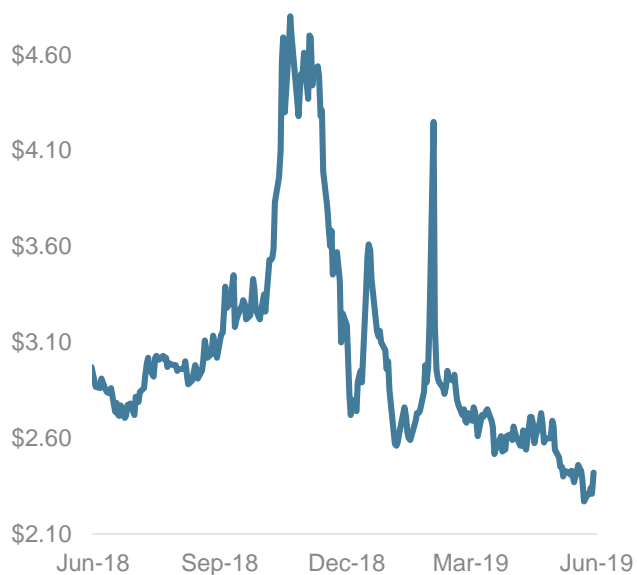
U.S. Mixed Xylene (FOB)

(\$ per gallon)



Natural Gas (Henry Hub)

(\$ per million BTU)



U.S. Toluene

(\$ per gallon)



Selected Macroeconomic Data

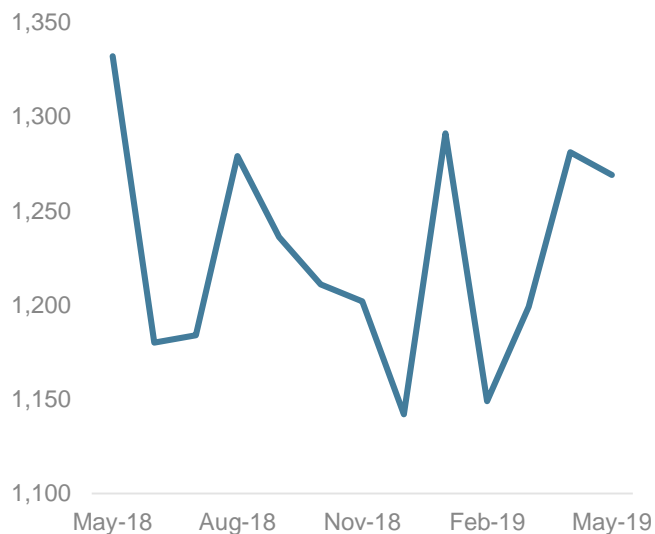
U.S. Total Monthly Automotive Sales

(millions)



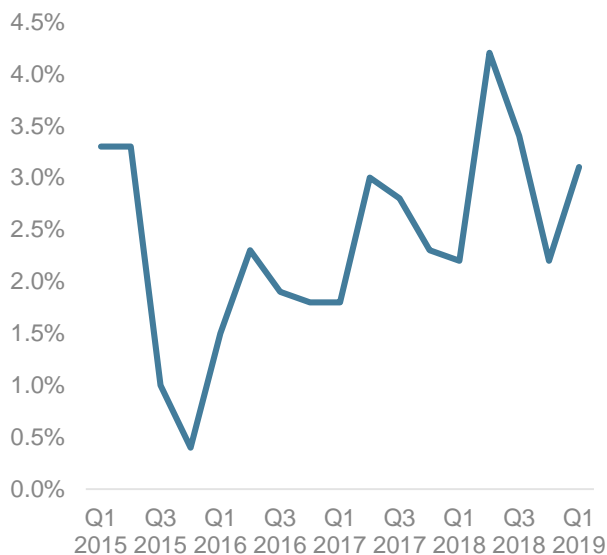
U.S. Privately Owned Housing Units Started

(thousands)



U.S. QoQ Real GDP Growth

(% Change From Preceding Period)



U.S. Consumer Price Index

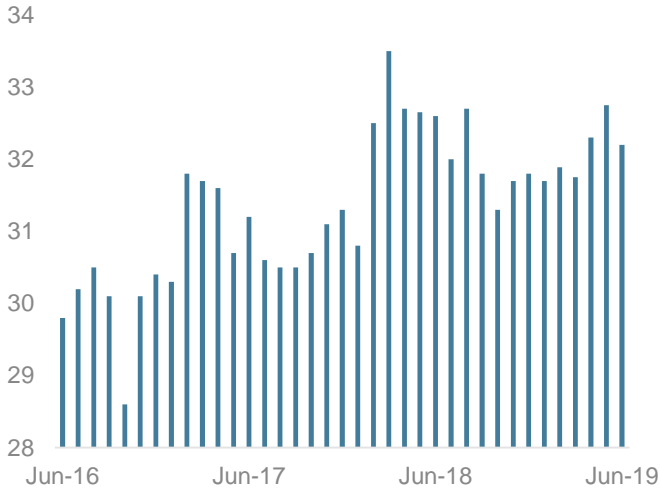
(Index)



Selected Macroeconomic Data (cont.)

U.S. Average Weekly Chemical Railcar Loadings

(thousands)



Source: Association of American Railroads

U.S. Chemicals Activity Barometer Index



Source: American Chemistry Council, Bloomberg

Selected Public Comparables

Basic/Diversified

(as of 6/30/2019, \$ in millions, except per-share prices)

Company Name	Ticker	Stock Price	Stock Performance (% Change)			Equity Value	Enterprise Value	LTM 6/30/2019				Enterprise Value /	
			1 Month	3 Month	1 Year			Revenue	Margin	EBITDA	Margin	Revenue	EBITDA
BASF SE	DB:BAS	\$72.76	9.0%	-2.9%	-23.9%	\$66,827.0	\$90,233.9	\$70,877.7	28.6%	\$9,116.7	12.9%	1.27x	9.9x
Bayer Aktiengesellschaft	DB:BAYN	\$69.36	14.4%	5.7%	-37.3%	\$64,678.0	\$107,229.2	\$48,780.0	59.3%	\$8,730.6	17.9%	2.20x	12.3x
Celanese Corporation	NYSE:CE	\$107.80	9.3%	6.5%	-2.9%	\$13,648.8	\$17,494.8	\$6,991.0	27.3%	\$1,556.0	22.3%	2.50x	11.2x
Covestro AG	DB:1COV	\$50.94	13.4%	-10.6%	-43.0%	\$9,307.8	\$10,520.8	\$15,726.2	28.8%	\$2,796.9	17.8%	0.67x	3.8x
Dow Inc.	NYSE:DOW	\$49.31	1.7%	NA	NA	\$36,921.9	\$52,833.9	\$49,697.0	17.2%	\$5,938.0	11.9%	1.06x	8.9x*
Huntsman Corporation	NYSE:HUN	\$20.44	12.1%	-11.7%	-30.0%	\$4,766.4	\$7,649.4	\$9,118.0	20.6%	\$1,214.0	13.3%	0.84x	6.3x
LANXESS Aktiengesellschaft	XTRA:ixs	\$59.47	16.9%	8.5%	-23.7%	\$5,200.3	\$7,055.1	\$8,084.2	25.4%	\$1,125.7	13.9%	0.87x	6.3x
LyondellBasell Industries N.V.	NYSE:LYB	\$86.13	11.3%	-1.2%	-21.6%	\$31,896.2	\$42,799.2	\$38,015.0	15.9%	\$6,073.0	16.0%	1.13x	7.0x
Methanex Corporation	TSX:MX	\$45.45	4.9%	-22.3%	-35.7%	\$3,499.8	\$5,651.9	\$3,702.7	25.0%	\$925.1	25.0%	1.53x	6.1x
Olin Corporation	NYSE:OLN	\$21.91	8.0%	-7.3%	-23.7%	\$3,612.1	\$6,995.0	\$6,789.2	15.3%	\$1,228.6	18.1%	1.03x	5.7x
The Chemours Company	NYSE:CC	\$24.00	8.0%	-36.1%	-45.9%	\$3,935.1	\$7,563.1	\$6,284.0	27.5%	\$1,235.0	19.7%	1.20x	6.1x
Westlake Chemical Corporation	NYSE:WLK	\$69.46	17.9%	-0.5%	-35.5%	\$8,932.1	\$12,135.1	\$8,510.0	20.5%	\$1,817.0	21.4%	1.43x	6.7x
Median			10.3%	-2.9%	-30.0%			\$8,814.0	25.2%	\$1,686.5	17.8%	1.2x	6.3x
Mean			10.6%	-6.5%	-29.4%			\$22,714.6	25.9%	\$3,479.7	17.5%	1.3x	7.4x

*Excluded from mean and median data.

NA refers to not available.

Specialty Large-Cap (>\$5 billion EV)

(as of 6/30/2019, \$ in millions, except per-share prices)

Company Name	Ticker	Stock Price	Stock Performance (% Change)			Equity Value	Enterprise Value	LTM 6/30/2019				Enterprise Value /	
			1 Month	3 Month	1 Year			Revenue	Margin	EBITDA	Margin	Revenue	EBITDA
Albemarle Corporation	NYSE:ALB	\$70.41	7.4%	-16.4%	-25.4%	\$7,460.4	\$9,137.8	\$3,385.4	35.8%	\$928.6	27.4%	2.70x	9.8x
Arkema S.A.	ENXTPA:AKE	\$93.06	10.2%	-5.0%	-21.3%	\$7,082.2	\$8,427.2	\$9,942.8	22.0%	\$1,607.2	16.2%	0.85x	5.2x
Ashland Global Holdings Inc.	NYSE:ASH	\$79.97	5.3%	1.8%	2.3%	\$5,016.3	\$7,388.3	\$3,733.0	28.7%	\$606.0	16.2%	1.98x	12.2x
Clariant AG	SWX:CLN	\$20.34	12.0%	-5.0%	-15.2%	\$6,704.9	\$8,228.8	\$6,731.0	29.4%	\$832.4	12.4%	1.22x	9.9x
Eastman Chemical Company	NYSE:EMN	\$77.83	15.4%	-0.9%	-22.1%	\$10,785.6	\$17,340.6	\$9,924.0	23.9%	\$2,035.0	20.5%	1.75x	8.5x
Ecolab Inc.	NYSE:ECL	\$197.44	7.7%	10.5%	40.7%	\$56,910.5	\$64,589.5	\$14,702.7	41.3%	\$3,141.5	21.4%	4.39x	20.6x
Evonik Industries AG	DB:EVK	\$29.13	10.7%	3.3%	-15.0%	\$13,554.2	\$17,453.8	\$16,906.8	30.4%	\$2,790.1	16.5%	1.03x	6.3x
FMC Corporation	NYSE:FMC	\$82.95	13.1%	5.1%	-7.0%	\$10,921.0	\$14,195.5	\$4,812.0	45.1%	\$1,302.1	27.1%	2.95x	10.9x
Johnson Matthey Plc	LSE:JMAT	\$42.30	10.2%	0.7%	-11.4%	\$8,126.3	\$9,215.3	\$13,992.9	9.5%	\$925.9	6.6%	0.66x	10.0x
Koninklijke DSM N.V.	ENXTAM:DSM	\$123.69	9.9%	11.5%	23.1%	\$21,436.1	\$21,943.6	\$10,240.2	35.8%	\$1,745.2	17.0%	2.14x	12.6x
Solvay SA	ENXTBR:SOLB	\$103.66	9.9%	-7.0%	-17.8%	\$10,693.3	\$14,590.7	\$12,737.4	27.0%	\$2,411.9	18.9%	1.15x	6.0x
W. R. Grace & Co.	NYSE:GRA	\$76.11	7.0%	-3.2%	3.8%	\$5,092.8	\$6,911.1	\$1,970.1	40.2%	\$470.7	23.9%	3.51x	14.7x
Wacker Chemie AG	XTRA:WCH	\$79.18	-0.2%	-8.9%	-39.5%	\$3,933.3	\$5,000.8	\$5,608.2	15.6%	\$743.2	13.3%	0.89x	6.7x
Median			9.9%	-0.9%	-15.0%			\$9,924.0	29.4%	\$1,302.1	17.0%	1.7x	9.9x
Mean			9.1%	-1.0%	-8.1%			\$8,822.0	29.6%	\$1,503.1	18.3%	1.9x	10.3x

EV refers to Enterprise Value.

Source: S&P Capital IQ

Selected Public Comparables (cont.)

Specialty Mid-Cap (<\$5 billion EV)

(as of 6/30/2019, \$ in millions, except per-share prices)

Company Name	Ticker	Stock Price	Stock Performance (% Change)			Equity Value	Enterprise Value	LTM 6/30/2019			Enterprise Value /		
			1 Month	3 Month	1 Year			Revenue	Margin	EBITDA	Margin	Revenue	EBITDA
Balchem Corporation	NasdaqGS:BCPC	\$99.97	9.1%	6.6%	1.9%	\$3,232.4	\$3,341.4	\$639.3	31.6%	\$152.3	23.8%	5.23x	21.9x
Elementis plc	LSE:ELM	\$1.80	-4.0%	-17.4%	-46.1%	\$1,042.1	\$1,538.7	\$822.2	37.2%	\$175.1	21.3%	1.87x	8.8x
Ferro Corporation	NYSE:FOE	\$15.80	13.0%	-12.2%	-24.2%	\$1,294.5	\$2,153.4	\$1,594.4	27.5%	\$199.7	12.5%	1.35x	10.8x
Fuchs Petrolub SE	DB:FPE3	\$39.49	2.1%	-6.1%	-20.3%	\$5,227.5	\$5,004.5	\$2,881.0	34.4%	\$452.3	15.7%	1.74x	11.1x
GCP Applied Technologies Inc.	NYSE:GCP	\$22.64	-10.7%	-23.7%	-21.8%	\$1,642.6	\$1,741.7	\$1,101.3	36.8%	\$143.5	13.0%	1.58x	12.1x
H.B. Fuller Company	NYSE:FUL	\$46.40	13.9%	-6.3%	-13.6%	\$2,361.1	\$4,463.1	\$2,971.1	28.1%	\$408.1	13.7%	1.50x	10.9x
Ingevity Corporation	NYSE:NGVT	\$105.17	18.4%	-4.1%	30.1%	\$4,400.9	\$5,843.2	\$1,175.2	37.3%	\$334.3	28.4%	4.97x	17.5x
Innophos Holdings, Inc.	NasdaqGS:IPHS	\$29.11	8.8%	-6.2%	-38.8%	\$568.3	\$930.5	\$787.8	18.7%	\$108.1	13.7%	1.18x	8.6x
Innospec Inc.	NasdaqGS:IOSP	\$91.24	11.4%	8.9%	19.2%	\$2,233.5	\$2,358.3	\$1,504.5	30.2%	\$201.8	13.4%	1.57x	11.7x
Koppers Holdings Inc.	NYSE:KOP	\$29.36	7.0%	9.0%	-23.4%	\$606.2	\$1,709.9	\$1,739.0	18.5%	\$164.6	9.5%	0.98x	10.4x
NewMarket Corporation	NYSE:NEU	\$400.94	0.5%	-6.7%	-0.9%	\$4,485.8	\$5,257.6	\$2,237.0	26.0%	\$389.9	17.4%	2.35x	13.5x
OMNOVA Solutions Inc.	NYSE:OMN	\$6.23	6.5%	-14.1%	-40.1%	\$279.4	\$566.6	\$759.4	23.5%	\$70.9	9.3%	0.75x	8.0x
PQ Group Holdings Inc.	NYSE:PQG	\$15.85	3.6%	3.3%	-11.9%	\$2,151.4	\$4,276.5	\$1,601.2	24.0%	\$358.4	22.4%	2.67x	11.9x
Quaker Chemical Corporation	NYSE:KWR	\$202.88	9.4%	-0.6%	31.0%	\$2,705.1	\$2,672.4	\$866.7	36.1%	\$120.2	13.9%	3.08x	22.2x
Stepan Company	NYSE:SCL	\$91.91	7.4%	4.2%	17.8%	\$2,078.4	\$2,122.0	\$1,983.7	16.9%	\$223.4	11.3%	1.07x	9.5x
Median			7.4%	-6.1%	-13.6%			\$1,504.5	28.1%	\$199.7	13.7%	1.6x	11.1x
Mean			6.4%	-4.4%	-9.4%			\$1,510.9	28.4%	\$233.5	16.0%	2.1x	12.6x

Chemicals Distribution

(as of 6/30/2019, \$ in millions, except per-share prices)

Company Name	Ticker	Stock Price	Stock Performance (% Change)			Equity Value	Enterprise Value	LTM 6/30/2019			Enterprise Value /		
			1 Month	3 Month	1 Year			Revenue	Margin	EBITDA	Margin	Revenue	EBITDA
Brenntag AG	XTRA:BNR	\$49.28	4.2%	4.2%	4.2%	\$7,614.2	\$10,031.6	\$14,317.7	20.7%	\$952.1	6.6%	0.70x	10.5x
Hawkins, Inc.	NasdaqGS:HWKN	\$43.41	17.5%	17.5%	17.5%	\$464.2	\$539.6	\$556.3	17.2%	\$58.6	10.5%	0.97x	9.2x
IMCD N.V.	ENXTAM:IMCD	\$91.72	11.4%	11.4%	11.4%	\$4,810.1	\$5,505.0	\$2,734.8	22.8%	\$237.1	8.7%	2.01x	23.2x
Univar Inc.	NYSE:UNVR	\$22.04	5.7%	-0.5%	-16.0%	\$3,740.7	\$6,865.1	\$8,634.5	22.2%	\$590.8	6.8%	0.80x	11.6x
Median			8.5%	7.8%	7.8%			\$5,684.7	21.4%	\$414.0	7.8%	0.9x	11.1x
Mean			9.7%	8.1%	4.3%			\$6,560.9	20.7%	\$459.6	8.2%	1.1x	13.6x

EV refers to Enterprise Value.

Source: S&P Capital IQ

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