

July 23, 2020

### Industrial Equipment & Services

#### Companies mentioned:

|                    |             |
|--------------------|-------------|
| <b>ABM</b>         | <b>Hold</b> |
| Target Price:      | NA          |
| Closing Price:     | \$35.59     |
| Market Cap (M):    | 2,372.6     |
| Avg. Daily Volume: | 508.3       |
| <b>AEGN</b>        | <b>Hold</b> |
| Target Price:      | NA          |
| Closing Price:     | \$16.06     |
| Market Cap (M):    | 492.8       |
| Avg. Daily Volume: | 121.4       |
| <b>BMI</b>         | <b>Hold</b> |
| Target Price:      | NA          |
| Closing Price:     | \$63.30     |
| Market Cap (M):    | 1,843.1     |
| Avg. Daily Volume: | 155.7       |
| <b>BWXT</b>        | <b>Buy</b>  |
| Target Price:      | \$72.00     |
| Closing Price:     | \$54.21     |
| Market Cap (M):    | 5,162.3     |
| Avg. Daily Volume: | 572.1       |
| <b>EME</b>         | <b>Hold</b> |
| Target Price:      | \$60.00     |
| Closing Price:     | \$63.53     |
| Market Cap (M):    | 3,484.4     |
| Avg. Daily Volume: | 413.5       |
| <b>NVEE</b>        | <b>Hold</b> |
| Target Price:      | NA          |
| Closing Price:     | \$55.98     |
| Market Cap (M):    | 729.6       |
| Avg. Daily Volume: | 91.8        |
| <b>TTEK</b>        | <b>Buy</b>  |
| Target Price:      | \$94.00     |
| Closing Price:     | \$84.01     |
| Market Cap (M):    | 4,538.7     |
| Avg. Daily Volume: | 312.9       |

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## We Continue to Expect BWXT & TTEK to Outperform on Federal Exposure – Reduce 3Q20 Forecasts Ahead of Rebound in Orders

### Summary

- We maintain our outlook for BWX Technologies (BWXT - Buy) and Tetra Tech (TTEK - Buy) to outperform based on higher federal exposure, our outlook for unchanged 2020 guidance, and potential repurchases.
- With limited catalysts this earnings season (in our view), we believe unchanged guidance and indications of resuming repurchases will also help BWXT and TTEK outperform Hold-rated industrial companies under our coverage.
- While we expect most industrial share prices will anticipate an order rebound, we reduce our 3Q20 forecasts to account for the risk of an extended recovery amid COVID-19.
- We continue to expect a longer-term negative impact on customer demand for industrials with more commercial and local government exposure.

### Details

**Some companies we cover offer essential services that will rebound faster, in our view.** We expect most industrial end markets will generate lower orders versus prior year levels through 1Q21. Some companies, however, will have more deferred orders versus permanent demand destruction (i.e. orders previously expected in business plans that do not materialize). For instance, BWXT's nuclear power plant customers in Canada will need to replace old equipment and TTEK works on essential water infrastructure projects.

**BWXT and TTEK are the only companies in this report that issue 2020 guidance.** We believe higher federal exposure as a percent of revenue, unchanged guidance, and indications of resuming share repurchases will also help BWXT and TTEK outperform the Hold-rated names in this report. With the general market's focus on sustainability and technology amid COVID-19, TTEK remains our top environmental, social, and corporate governance (ESG) recommendation based on water infrastructure work.

**Revenue from US federal government agencies can increase due to stimulus bills.** Based on the ability of the U.S. federal government to print money, we anticipate less pressure on revenue for companies that already have a meaningful amount of projects from the U.S. federal government. For BWXT, we expect ~85% of 2020 revenue to be from U.S. federal government clients. Separately, manufacturing nuclear radioisotopes (<5% of revenue) for medical diagnostic and therapeutic purposes is a longer-term opportunity. We highlight that about 40%-50% of TTEK's revenue next year will likely come from U.S. (federal), Australian, Canadian, and United Kingdom countrywide government agencies. In comparison, we believe ABM, AEGN, BMI, and NVEE average less than 10% of revenue from federal government work.

**Demand will be lower-for-longer for some industrial customers, in our view.** While we have not identified an industrial that announced canceled orders yet this earnings season, we believe lower economic growth amid COVID-19 will continue to decrease spending by commercial and local government customers from average levels over the last five years. While most share prices already reflect this expectation, in our view, we continue to recommend buying shares of BWXT and TTEK based on more federal exposure compared to Hold-rated ABM Industries (ABM), Badger Meter (BMI), EMCOR (EME), and NV5 Global (NVEE).

**We decrease 3Q20 forecasts ahead of 2Q20 earnings reports to reflect larger y/y declines.** We expect most industrials we cover will comment on the potential for an extended recovery versus a rapid one. In fact, many companies that already reported 2Q20 results in multiple sectors used the word "protracted" to describe the pace of a potential recovery, including BMI and JP Morgan (JPM - Not Rated), among others. We reduce our 3Q20 forecasts to account for the likelihood of a longer recovery and to factor in larger y/y declines due to a lasting impact on customer spending in most end markets.

*see Full Report for more detail.*

## Buy-Rated Company Overview

**BWX Technologies (BWXT):** We maintain our Buy rating based on consistent and sustainable EPS growth that should not be sensitive to the economic cycle or temporary fluctuations in defense budgets. We maintain our Buy rating as BWXT is well-positioned to take advantage of the development of larger U.S. submarines, more nuclear work in old power plants, and other growth opportunities, including manufacturing more isotopes for medical imaging and cancer treatment. We expect BWXT will continue to make progress introducing a new North American supply of the "Mo-99" isotope, as well as launching other isotopes. BWXT's nuclear medicine business already has higher margins compared to BWXT's other businesses and can represent a meaningful portion of future EPS growth, in our view. Designing and eventually manufacturing microreactors for space and remote military outposts is another growth opportunity for BWXT.

In early July 2020, BWXT accompanied positive news that it expanded production of a specific design of uranium nuclear reactor fuel called TRISO with an announcement of a management change in the company's "Nuclear Medicine Business." BWXT hired Martyn Coombs from Predict, a nuclear medicine and life sciences consulting company, to replace Tom Burnett, who retired.

- **2Q20 outlook:** BWXT previously indicated it will generate slightly more than 50% of its earnings in 2020 in the second half of the year. Based on this consideration, we forecast 2Q20 revenue of \$454M, down 4% y/y, and 2Q20 EPS of \$0.55, down 11% y/y.
- **3Q20 estimate change:** We slightly reduce our 3Q20 margins for BWXT's Nuclear Power business to account for the potential for unpredictable work schedules at nuclear power plants in Canada. As a result, we reduce our 3Q20 EPS forecast to \$0.70, from \$0.71, and our 2020 EPS forecast to \$2.80, from \$2.81. We estimate Nuclear Power generated 15% of BWXT's operating income in 2019.
- **Balance sheet review:** On 3/24/20, BWXT increased the size of its credit facility by \$250M, to \$750M, and extended the maturity date to 3/24/25 from 2023. Last month, BWXT sold \$400 million of 4.125% senior notes due in 2028 to repay outstanding term loans of \$254.1M (as of 3/31/20) and a portion of the \$280M outstanding (as of 3/31/20) under its revolving credit facility. BWXT ended 3/31/20 with total debt of \$924.6M. In addition, total debt includes \$400M of 5.375% senior notes due in 2026 that BWXT may be able to refinance next year. In our model, we fund BWXT's operations and capital expenditures with FCF. The company's trailing leverage ratio on 3/31/20 was 2.2x, in-line with our peer average.
- **Dividend outlook:** BWXT increased its dividend to \$0.19 in February 2020, up 12% y/y. We forecast BWXT maintains this \$0.19 quarterly dividend before a 5% increase in 1Q22.
- **International exposure review:** All of BWXT's international exposure is in its Nuclear Power segment (about 15% of operating income in 2019), which we believe is mostly from customers in Canada with 3%-4% from customers in other countries outside Canada and the US.

**Company overview:** BWXT designs and manufactures nuclear reactors that power U.S. submarines and aircraft carriers. The company also provides equipment and services to NASA and nuclear power plants, helps manage nuclear facilities, and makes nuclear material for medical imaging and cancer treatment. U.S. government contracts, primarily from the U.S. Navy, represented approximately 77% of BWXT's revenue in 2019.

**Tetra Tech (TTEK):** TTEK reinstated FY20 revenue and EPS guidance last month due in part to limited project disruptions from COVID-19. We maintain our Buy rating

as we expect TTEK will continue to have multiple sources of project opportunities, including long-term disaster recovery projects and more international water projects. We believe TTEK has a long-term international growth opportunity based on a competitive advantage related to the company's U.S. track record and project library from working on water engineering projects since 1966. Furthermore, TTEK remains one of the only companies in our 26-company coverage universe that simultaneously (on an annual basis) increases the dividend, repurchases shares, reduces debt and completes complementary acquisitions.

- **F3Q20 outlook:** Guidance is for net revenue of \$540M-\$560M compared to our \$542M forecast, and EPS of \$0.72-\$0.75 versus our \$0.72 estimate.
- **F4Q20 (Sep) estimate change:** We reduce our F3Q20 (June) order forecast to \$550M, from \$570M, to account for the potential for some order delays from state and local customers for water projects. Since we model revenue contribution from orders in previous quarters, we now forecast F4Q20 EPS of \$0.77, down from \$0.78.
- **Balance sheet review:** TTEK ended F2Q20 with \$135M of cash and \$345.6M of debt for a net debt-to-EBITDA ratio of 0.8x. TTEK announced last month that it had \$50M of cash flow from operations in April and May 2020. Besides reducing headcount and other variable costs, TTEK also reduced days sales outstanding from its second quarter results.
- **Dividend outlook:** In April 2020, TTEK increased its quarterly dividend by 13% to \$0.17, from \$0.15, after a 25% increase the prior year. Based on our forecast for EPS growth in FY21, we expect TTEK will increase its quarterly dividend by 18% in May 2021.
- **International exposure review:** We estimate TTEK generates 30% of revenue from customers outside the US in FY20 after an acquisition of a UK-based company in July 2019, up from 28% in FY19.

**Company overview:** TTEK can work on a variety of infrastructure consulting projects, including engineering solutions to limit flood damage or improve drinking water systems, among other types of projects.

### Hold-Rated Company Overview

**ABM Industries (ABM):** We maintain our Hold rating based on low visibility (ABM withdrew guidance earlier this year) and the potential for lower growth in some of ABM's end markets. We believe lower occupancy rates in commercial office buildings and closed schools will limit ABM's EPS growth potential as we forecast slightly lower EPS in FY22 compared to FY20.

- **Estimate change review:** ABM's current quarter ends in July and results are usually reported in early September. For both ABM's F3Q20 (July) and F4Q20 (October), we reduce our revenue forecasts for ABM's Education segment. After changing these estimates, we anticipate Education will account for 13% of ABM's revenue in FY20. While ABM can generate more revenue from customers that demand emergency cleanings to re-open and/or more frequent cleanings, we believe some schools will remain closed in the U.S in the Fall. We now forecast a 20% y/y revenue decline in ABM's Education segment in F3Q20, down from our previous forecast for a 10% decline, which leads to our F3Q20 EPS forecast of \$0.40, down from \$0.43. In F4Q20, we now forecast a 7% y/y decline in Education, down from our previous forecast for a 1% decline, leading to our F4Q20 EPS forecast of \$0.52, down from \$0.53.
- **Balance sheet review:** After drawing cash from its credit facility to increase liquidity, ABM ended F2Q20 with \$555.9M of cash and total debt of \$1.2 billion. ABM's net debt-to-equity was 45.7% in F2Q20, down from 50.6% the prior quarter. After generating \$154.6M of free cash flow in F2Q20 (well above

our \$25.4M forecast), we forecast ABM continues to generate free cash flow to reduce debt.

- **Dividend outlook:** We forecast ABM continues to increase its quarterly dividend by 3% after a 3% increase in December 2019 based on consistent free cash flow generation and exposure to multiple end markets.
- **International exposure review:** Similar to previous years, we expect ABM will generate 7% of its FY20 revenue from customers outside the US.

**Company overview:** *In addition to providing janitorial services, ABM manages, updates, and installs electric and HVAC (heating, ventilation and air conditioning) systems, among other facility management services.*

**Aegion (AEGN):** While most of AEGN's customers need to continue working on old infrastructure, we maintain our Hold rating on the potential for order delays from energy-related end markets, which we estimate accounted for about 19% of AEGN's operating profit in 2019.

- **2Q20 outlook:** AEGN previously indicated a y/y revenue decline of 20%-30% in 2Q20 due to COVID-19 project delays along with EPS of about \$0.20. We forecast a decrease in AEGN's operating income margin in 2Q20 to 5%, from 6%, due to costs from project disruptions. Altogether, we forecast 2Q20 operating EPS of \$0.22, down 41% y/y.
- **3Q20 estimate change:** Based on the potential for order delays in AEGN's largest business segment (Infrastructure Solutions, which we forecast will account for 49% of AEGN's 2020 revenue and 87% of operating income, due to higher margins), we now forecast a 10% y/y decline in revenue in this segment in 3Q20, down from our previous forecast for a 1% y/y increase. As a result of this change, we reduce our 3Q20 EPS estimate to \$0.26, from \$0.31.
- **Balance sheet review:** AEGN ended 1Q20 with \$73M in cash and \$302M in debt. We forecast \$75M of free cash flow generation over the next four quarters to fund capital expenditures and reduce debt to \$212M by the end of 1Q21.
- **Dividend outlook:** AEGN does not currently pay a quarterly dividend; we forecast the company will use FCF to reduce debt and repurchase shares.
- **International exposure review:** After a restructuring effort that included exiting some operations outside the U.S., we forecast AEGN's international exposure declines to 18% of revenue in 2020, from 25% in 2019.

**Company overview:** *AEGN is an energy and infrastructure industrial company that sells products and services to extend the useful life of drinking and sewage water pipes, refineries, and oil and natural gas pipelines.*

**Badger Meter (BMI):** We maintain our Hold rating based on the potential for order delays amid COVID-19 and the potential for more competition in the U.S. selling ultrasonic meters. As the first company in our industrial coverage to report 2Q20 results last week, we believe BMI's financial report and earnings conference call set expectations for other industrials that sell products and services to local government agencies and commercial customers. BMI last week indicated the potential for a "protracted recovery" as coronavirus related disruption and uncertainty can lead to a decrease in demand for water meters and lower municipal budgets. In 2Q20, BMI's water meter sales to government clients declined 9% y/y, while meter sales to commercial customers declined 22% y/y. In general, we believe companies that derive a meaningful portion of their business from local government clients have a lack of positive potential catalysts; sustaining and increasing dividends will probably not be meaningful catalysts, in our view.

- **2Q20 results summary:** 2Q20 revenue of \$91.1M declined 12% y/y primarily due to disruptions from COVID-19. BMI's water meter sales to municipal water agencies declined 9% y/y, while flow instrumentation sales to commercial

customers declined 22% y/y. BMI offset lower revenue in 2Q20 with employee furloughs and lower executive salaries. As a result, BMI maintained a gross profit margin of ~39% in 2Q20 compared to the prior year, but below 1Q20 gross profit margin of 40%. Also, BMI reduced selling, engineering and administration expenses by 15% q/q and 8% y/y.

- **3Q20 outlook:** While BMI indicated a recovery in orders and sales over the course of 2Q20, the company also indicated a slow recovery in flow instrumentation sales. Based on disruptions to BMI's normal sales process in 2Q20 and cautious commentary from management about the scale of a recovery in demand, we now forecast a more severe y/y revenue decline in 3Q20, of down 8% y/y, from our previous forecast for a 7% y/y drop.
- **Balance sheet summary:** We expect continued free cash flow to fund capital expenditures and dividend increases, even with the likelihood for a decline in orders in 2020. BMI ended 2Q20 with \$85M of cash and \$5M of debt.
- **Dividend outlook:** We maintain our forecast for BMI to increase its dividend by 6% next month. BMI increased its dividend last year in August 2019 by 13%. We factor in a lower dividend increase based on lower order growth during COVID-19.
- **International exposure review:** We forecast BMI generates 12% of its revenue from customers outside the U.S. in 2020, down from 13% in 2019.

**Company overview:** BMI develops and manufactures various types of water meters, mostly for water utilities in the U.S.

**EMCOR Group (EME):** We maintain our Hold rating based on the potential for order delays from commercial customers, which we estimate represent about 55% of revenue.

- **2Q20 outlook:** Based on delays finishing projects due to COVID-19 related work stoppages, we forecast revenue declines 19% y/y to \$1.9 billion. At least in the first quarter, we believe EME may have incurred higher costs during project disruptions. As a result, we forecast a 42% y/y decline in EPS to \$0.87.
- **3Q20 estimate change:** We reduce our 2Q20 order forecasts by 10% for EME's electrical and mechanical construction and facilities segments (64% of total orders in 1Q20) due to COVID-19 related delays. We also factor in a slightly longer timeline to execute these orders. Since we factor in revenue from orders in the following quarters, this order estimate change for 1Q20 reduces our 2Q20 EPS forecast to \$1.07, from \$1.12.
- **Balance sheet summary:** EME ended 1Q20 with \$347.1M of cash and \$504.5M of debt. We expect EME will generate free cash flow in 2Q-4Q20 despite temporary disruptions to work schedules based on cost-cutting and generating profits on ongoing projects. As a result, we forecast EME increases cash to \$587M by the end of the year compared to \$493.9M of debt.
- **Dividend outlook:** We forecast EME maintains its current \$0.08 quarterly dividend.
- **International exposure review:** We estimate 4% of EME's revenue in 2020 will be from the United Kingdom, with the rest from customers in the U.S.

**Company overview:** EME installs and maintains the infrastructure inside large commercial buildings, data centers, factories and government facilities, among others. This infrastructure includes systems that distribute air conditioning, electricity, heat, and water.

**NV5 Global (NVEE):** We maintain our Hold rating based on NVEE completing the largest acquisition in its history at the end of 2019 before COVID-19 potentially disrupted corporate order forecasts in the first half of 2020. In general, we believe state and local government agencies and commercial customers may delay orders

amid COVID-19. We note we have not identified a consulting company or an industrial that announced canceled orders yet this earnings season.

- **2Q20 outlook:** Since NVEE completed its acquisition of Quantum Spatial in December 2020, we do not believe y/y comparisons are meaningful for NVEE in 2Q20. Based on this consideration, as a point of comparison we expect NVEE's net revenue in 2Q20 to decline 6% q/q to \$155M. We also factor in lower margins due to COVID-19 costs, and forecast 2Q20 EBITDA (including share-based compensation) \$16M, down 34% q/q.
- **3Q20 estimate change:** We reduce our 2Q20 order estimate by 5% based on potential COVID-19 delays. Since we factor in revenue from orders in the following quarter, we reduce our 3Q20 EBITDA estimate to \$18M, from \$22M.
- **Balance sheet review:** NVEE's cash flow from operations in 1Q20 was \$13.6M compared to EBITDA of \$24.1M based in part on a reduction in accrued liabilities. Also, NVEE's capital expenditures totaled \$4.5M in 1Q20, up from \$0.8M the prior quarter, as NVEE previously indicated a higher ratio of capital expenditures to revenue for Quantum Spatial. After these cash flow changes, NVEE's total debt in 1Q20 was \$356.3M, down slightly from \$358.2M the prior quarter. We forecast NVEE uses free cash flow to reduce debt. We note NVEE previously disclosed higher leverage ratio covenants to account for unforeseen impact from COVID-19. We forecast meaningful 'cushion' on the leverage ratio covenants based on our forecasts for 2020 and 2021.
- **Dividend outlook:** NVEE does not currently pay a dividend; we forecast the company will use free cash flow to reduce debt.
- **International exposure review:** NVEE's international revenue declined to 1% of revenue in 2019 from 3% in 2018.

**Company description:** NVEE provides various types of infrastructure consulting services, including construction quality assurance, environmental permitting, fire risk mitigation studies, and geospatial data analysis, among others.

Overview of Potential Revenue from Federal Government Agencies

| Ticker                      | Name             | % of rev. from federal gov. agencies* | Summary of potential federal government exposure |
|-----------------------------|------------------|---------------------------------------|--|
| <u>Buy-rated companies</u>  |                  |                                       |  |
| BWXT                        | BWX Technologies | ~85%                                  | US Navy nuclear reactors and other work          |
| TTEK                        | Tetra Tech       | 40-50%                                | US Agency for Int'l Development & others         |
| <u>Hold-rated companies</u> |                  |                                       |  |
| ABM                         | ABM Industries   | <10%                                  | Facility services for federal gov. buildings     |
| AEGN                        | Aegion           | <10%                                  | Infrastructure solutions for gov. facilities     |
| BMI                         | Badger Meter     | <10%                                  | Water meters for federal gov. buildings          |
| EME                         | EMCOR Group      | 15-25%                                | Facility services for federal gov. buildings     |
| NVEE                        | NV5 Global       | 20-25%                                | Quantum Spatial and o/ work fed. government      |

Source: Maxim Group estimates

\*Revenue from federal government agencies reflects our forecast for 2020

ABM INCOME STATEMENT

| (\$s and shares in millions)        | 2018             | Jan.             | Apr.             | Jul.             | Oct.             | 2019             | Jan.             | Apr.             | Jul. E           | Oct. E           | 2020E            | 2021E            | 2022E            |
|-------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| <b>Revenue</b>                      | <b>\$6,442.2</b> | <b>\$1,607.9</b> | <b>\$1,594.7</b> | <b>\$1,647.9</b> | <b>\$1,648.0</b> | <b>\$6,498.5</b> | <b>\$1,612.9</b> | <b>\$1,496.0</b> | <b>\$1,466.2</b> | <b>\$1,551.8</b> | <b>\$6,126.9</b> | <b>\$6,151.2</b> | <b>\$6,225.0</b> |
| Operating expenses                  | 5,747.4          | 1,446.0          | 1,414.2          | 1,454.1          | 1,453.3          | 5,767.6          | 1,433.7          | 1,306.1          | 1,293.7          | 1,368.5          | 5,402.0          | 5,460.4          | 5,525.9          |
| <b>Gross profit</b>                 | <b>694.8</b>     | <b>161.9</b>     | <b>180.5</b>     | <b>193.8</b>     | <b>194.7</b>     | <b>730.9</b>     | <b>179.2</b>     | <b>189.9</b>     | <b>172.4</b>     | <b>183.3</b>     | <b>724.9</b>     | <b>690.8</b>     | <b>699.1</b>     |
| Selling, general and administrative | 438.0            | 112.7            | 108.4            | 119.8            | 112.1            | 453.0            | 117.6            | 119.4            | 107.9            | 105.1            | 449.9            | 418.5            | 434.1            |
| Restructuring and related expenses  | 25.7             | 3.8              | 2.7              | 2.0              | 2.7              | 11.2             | 3.1              | 1.8              | 2.0              | 2.0              | 8.9              | 8.0              | 8.0              |
| Amortization of intangible assets   | 66.0             | 15.2             | 14.8             | 14.9             | 13.6             | 58.5             | 12.6             | 12.5             | 11.5             | 11.0             | 47.7             | 39.5             | 33.0             |
| Other expenses                      | 26.5             | 0.0              | 0.0              | 0.0              | 0.0              | 0.0              | 0.0              | 172.8            | 0.0              | 0.0              | 172.8            | 0.0              | 0.0              |
| <b>Operating income</b>             | <b>138.6</b>     | <b>30.3</b>      | <b>54.6</b>      | <b>57.1</b>      | <b>66.2</b>      | <b>208.2</b>     | <b>45.8</b>      | <b>(116.6)</b>   | <b>51.0</b>      | <b>65.2</b>      | <b>45.5</b>      | <b>224.8</b>     | <b>224.0</b>     |
| Income from unconsolidated entities | (3.2)            | (0.9)            | (0.8)            | (0.7)            | (0.6)            | (3.0)            | (0.9)            | (0.9)            | (0.8)            | (0.8)            | (3.3)            | (3.0)            | (3.0)            |
| Interest expense                    | 54.0             | 13.5             | 12.8             | 12.9             | 11.9             | 51.0             | 10.2             | 10.5             | 15.3             | 15.5             | 51.5             | 58.2             | 50.8             |
| <b>Pretax income</b>                | <b>87.8</b>      | <b>17.7</b>      | <b>42.6</b>      | <b>45.0</b>      | <b>54.9</b>      | <b>160.2</b>     | <b>36.5</b>      | <b>(126.2)</b>   | <b>36.5</b>      | <b>50.5</b>      | <b>(2.8)</b>     | <b>169.6</b>     | <b>176.2</b>     |
| Taxes                               | (8.2)            | 4.7              | 12.6             | 8.5              | 6.8              | 32.6             | 8.6              | 10.6             | 10.9             | 16.7             | 46.8             | 50.4             | 52.4             |
| <i>Tax rate</i>                     | <i>(9.4%)</i>    | <i>26.6%</i>     | <i>29.7%</i>     | <i>18.8%</i>     | <i>12.5%</i>     | <i>20.4%</i>     | <i>23.5%</i>     | <i>(8.4%)</i>    | <i>30.0%</i>     | <i>33.0%</i>     | <i>(1699.8%)</i> | <i>29.7%</i>     | <i>29.7%</i>     |
| Income from discontinued operations | 1.7              | 0.1              | (0.2)            | 0.2              | (0.1)            | (0.1)            | 0.1              | 0.0              | 0.0              | 0.0              | 0.1              | 0.0              | 0.0              |
| <b>Net income</b>                   | <b>97.7</b>      | <b>13.1</b>      | <b>29.7</b>      | <b>36.8</b>      | <b>47.9</b>      | <b>127.5</b>     | <b>28.0</b>      | <b>(136.8)</b>   | <b>25.5</b>      | <b>33.8</b>      | <b>(49.5)</b>    | <b>119.2</b>     | <b>123.8</b>     |
| <b>GAAP EPS</b>                     | <b>\$1.47</b>    | <b>\$0.20</b>    | <b>\$0.44</b>    | <b>\$0.55</b>    | <b>\$0.71</b>    | <b>\$1.90</b>    | <b>\$0.42</b>    | <b>(\$2.05)</b>  | <b>\$0.38</b>    | <b>\$0.50</b>    | <b>(\$0.74)</b>  | <b>\$1.77</b>    | <b>\$1.83</b>    |
| <b>Operating EPS</b>                | <b>\$1.89</b>    | <b>\$0.31</b>    | <b>\$0.47</b>    | <b>\$0.60</b>    | <b>\$0.67</b>    | <b>\$2.05</b>    | <b>\$0.39</b>    | <b>\$0.60</b>    | <b>\$0.40</b>    | <b>\$0.52</b>    | <b>\$1.92</b>    | <b>\$1.85</b>    | <b>\$1.91</b>    |
| Diluted shares outstanding          | 66.4             | 66.7             | 66.8             | 67.0             | 67.2             | 66.9             | 67.2             | 66.9             | 67.0             | 67.1             | 67.1             | 67.4             | 67.8             |
| <b>EBITDA</b>                       | <b>\$326.4</b>   | <b>\$68.8</b>    | <b>\$84.7</b>    | <b>\$93.0</b>    | <b>\$93.0</b>    | <b>\$339.5</b>   | <b>\$68.8</b>    | <b>\$91.0</b>    | <b>\$75.3</b>    | <b>\$89.1</b>    | <b>\$324.2</b>   | <b>\$316.2</b>   | <b>\$309.5</b>   |
| <u>Year-over-year growth</u>        |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| Revenue                             | 18.1%            | 1.2%             | 0.9%             | 1.5%             | 0.0%             | 0.9%             | 0.3%             | -6.2%            | -11.0%           | -5.8%            | -5.7%            | 0.4%             | 1.2%             |
| EBITDA                              | 37.9%            | 5.7%             | 2.0%             | 5.2%             | 3.4%             | 4.0%             | 0.0%             | 7.4%             | -19.0%           | -4.2%            | -4.5%            | -2.5%            | -2.1%            |
| Operating EPS                       | 8.1%             | 18.8%            | 0.1%             | 4.7%             | 14.2%            | 8.5%             | 25.8%            | 27.7%            | -33.3%           | -22.4%           | -6.3%            | -3.6%            | 3.2%             |
| <u>Margins</u>                      |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| Gross profit margin                 | 10.8%            | 10.1%            | 11.3%            | 11.8%            | 11.8%            | 11.2%            | 11.1%            | 12.7%            | 11.8%            | 11.8%            | 11.8%            | 11.2%            | 11.2%            |
| Operating income margin             | 2.2%             | 1.9%             | 3.4%             | 3.5%             | 4.0%             | 3.2%             | 2.8%             | -7.8%            | 3.5%             | 4.2%             | 0.7%             | 3.7%             | 3.6%             |
| Operating net income margin         | 1.9%             | 1.3%             | 2.0%             | 2.4%             | 2.7%             | 2.1%             | 1.6%             | 2.7%             | 1.8%             | 2.3%             | 2.1%             | 2.0%             | 2.1%             |
| EBITDA margin                       | 5.1%             | 4.3%             | 5.3%             | 5.6%             | 5.6%             | 5.2%             | 4.3%             | 6.1%             | 5.1%             | 5.7%             | 5.3%             | 5.1%             | 5.0%             |

Sources: Company reports and Maxim Group estimates



## AEGN INCOME STATEMENT

| <i>(\$s and shares in millions)</i>     | 2018             | Mar.            | Jun.            | Sep.           | Dec.            | 2019             | Mar.            | Jun. E         | Sep. E         | Dec. E         | 2020E            | 2021E            | 2022E            |
|---|------------------|-----------------|-----------------|----------------|-----------------|------------------|-----------------|----------------|----------------|----------------|------------------|------------------|------------------|
| <b>Revenue</b>                          | <b>\$1,333.6</b> | <b>\$276.9</b>  | <b>\$318.7</b>  | <b>\$308.8</b> | <b>\$309.5</b>  | <b>\$1,213.9</b> | <b>\$287.4</b>  | <b>\$234.2</b> | <b>\$289.4</b> | <b>\$316.6</b> | <b>\$1,127.5</b> | <b>\$1,147.3</b> | <b>\$1,167.4</b> |
| Cost of sales                           | 1,066.6          | 228.6           | 251.3           | 242.0          | 245.8           | 967.7            | 237.5           | 175.0          | 228.4          | 249.0          | 889.9            | 892.9            | 906.0            |
| <b>Gross profit</b>                     | <b>266.9</b>     | <b>48.3</b>     | <b>67.4</b>     | <b>66.8</b>    | <b>63.7</b>     | <b>246.2</b>     | <b>49.9</b>     | <b>59.2</b>    | <b>61.0</b>    | <b>67.5</b>    | <b>237.7</b>     | <b>254.4</b>     | <b>261.4</b>     |
| Operating expenses                      | 219.8            | 47.9            | 51.3            | 48.9           | 51.4            | 199.4            | 46.3            | 46.8           | 47.3           | 47.8           | 188.2            | 195.8            | 203.8            |
| Other expenses                          | 17.5             | 1.2             | 15.7            | 3.3            | 15.6            | 35.8             | 2.1             | 1.0            | 1.0            | 0.0            | 4.1              | 0.0              | 0.0              |
| <b>Operating income</b>                 | <b>29.6</b>      | <b>(0.8)</b>    | <b>0.5</b>      | <b>14.6</b>    | <b>(3.4)</b>    | <b>11.0</b>      | <b>1.4</b>      | <b>11.4</b>    | <b>12.8</b>    | <b>19.8</b>    | <b>45.3</b>      | <b>58.5</b>      | <b>57.7</b>      |
| Net interest expense and other expenses | (26.7)           | (4.0)           | (4.3)           | (8.4)          | (7.1)           | (23.9)           | (2.5)           | (3.4)          | (3.0)          | (2.3)          | (11.2)           | (7.6)            | (5.9)            |
| <b>Pretax income</b>                    | <b>3.0</b>       | <b>(4.8)</b>    | <b>(3.9)</b>    | <b>6.2</b>     | <b>(10.5)</b>   | <b>(12.9)</b>    | <b>(1.1)</b>    | <b>8.0</b>     | <b>9.8</b>     | <b>17.5</b>    | <b>34.1</b>      | <b>50.9</b>      | <b>51.7</b>      |
| Taxes                                   | 0.1              | 0.8             | (4.3)           | 0.1            | (3.2)           | (6.6)            | (0.2)           | (1.9)          | (2.3)          | (4.2)          | (8.6)            | (12.2)           | (12.4)           |
| <i>Tax rate</i>                         | <i>-4.5%</i>     | <i>16.0%</i>    | <i>-111.0%</i>  | <i>-1.8%</i>   | <i>-30.0%</i>   | <i>-50.9%</i>    | <i>-13.6%</i>   | <i>24.0%</i>   | <i>24.0%</i>   | <i>24.0%</i>   | <i>25.3%</i>     | <i>24.0%</i>     | <i>24.0%</i>     |
| Non-controlling interests and other     | (0.2)            | (0.0)           | (0.2)           | 0.1            | (0.9)           | (1.0)            | (0.3)           | 0.1            | 0.1            | 0.1            | (0.0)            | 0.4              | 0.4              |
| <b>Net income</b>                       | <b>2.9</b>       | <b>(4.0)</b>    | <b>(8.4)</b>    | <b>6.4</b>     | <b>(14.6)</b>   | <b>(20.5)</b>    | <b>(1.6)</b>    | <b>6.2</b>     | <b>7.5</b>     | <b>13.4</b>    | <b>25.5</b>      | <b>39.1</b>      | <b>39.7</b>      |
| <b>Pro forma operating income</b>       | <b>65.0</b>      | <b>6.5</b>      | <b>18.8</b>     | <b>19.8</b>    | <b>19.3</b>     | <b>64.4</b>      | <b>5.2</b>      | <b>12.4</b>    | <b>13.8</b>    | <b>19.8</b>    | <b>51.2</b>      | <b>58.5</b>      | <b>0.0</b>       |
| <b>GAAP EPS</b>                         | <b>\$0.09</b>    | <b>(\$0.13)</b> | <b>(\$0.27)</b> | <b>\$0.21</b>  | <b>(\$0.47)</b> | <b>(\$0.66)</b>  | <b>(\$0.05)</b> | <b>\$0.20</b>  | <b>\$0.24</b>  | <b>\$0.42</b>  | <b>\$0.81</b>    | <b>\$1.25</b>    | <b>\$1.29</b>    |
| <b>Operating EPS</b>                    | <b>\$1.19</b>    | <b>\$0.06</b>   | <b>\$0.37</b>   | <b>\$0.40</b>  | <b>\$0.39</b>   | <b>\$1.23</b>    | <b>\$0.06</b>   | <b>\$0.22</b>  | <b>\$0.26</b>  | <b>\$0.42</b>  | <b>\$0.91</b>    | <b>\$1.25</b>    | <b>\$1.29</b>    |
| Diluted shares outstanding              | 32.5             | 31.7            | 31.2            | 31.4           | 30.7            | 31.3             | 30.7            | 31.7           | 31.8           | 31.8           | 31.5             | 31.3             | 30.7             |
| <b>EBITDA</b>                           | <b>120.5</b>     | <b>15.4</b>     | <b>30.0</b>     | <b>35.2</b>    | <b>34.2</b>     | <b>114.8</b>     | <b>14.2</b>     | <b>22.4</b>    | <b>23.7</b>    | <b>30.1</b>    | <b>90.4</b>      | <b>99.5</b>      | <b>0.0</b>       |
| <u>Margins</u>                          |                  |                 |                 |                |                 |                  |                 |                |                |                |                  |                  |                  |
| Gross profit margin                     | 20.0%            | 17.4%           | 21.2%           | 21.6%          | 20.6%           | 20.3%            | 17.4%           | 25.3%          | 21.1%          | 21.3%          | 21.1%            | 22.2%            | 22.4%            |
| EBITDA margin                           | 9.0%             | 5.6%            | 9.4%            | 11.4%          | 11.1%           | 9.5%             | 5.0%            | 9.6%           | 8.2%           | 9.5%           | 8.0%             | 8.7%             | 0.0%             |
| Adjusted operating income margin        | 4.9%             | 2.3%            | 5.9%            | 6.4%           | 6.2%            | 5.3%             | 1.8%            | 5.3%           | 4.8%           | 6.2%           | 4.5%             | 5.1%             | 0.0%             |
| Adjusted net income margin              | 2.9%             | 0.7%            | 3.6%            | 4.1%           | 3.9%            | 3.2%             | 0.6%            | 3.0%           | 2.9%           | 4.2%           | 2.5%             | 3.4%             | 3.4%             |
| <u>Year-over-year growth</u>            |                  |                 |                 |                |                 |                  |                 |                |                |                |                  |                  |                  |
| Revenue                                 | -1.6%            | -14.7%          | -4.9%           | -9.1%          | -7.3%           | -9.0%            | 3.8%            | -26.5%         | -6.3%          | 2.3%           | -7.1%            | 1.7%             | 1.8%             |
| Operating EPS                           | 15.2%            | -51.7%          | 11.4%           | -13.7%         | 42.5%           | 3.4%             | 0.0%            | -40.5%         | -35.0%         | 7.7%           | -26.0%           | 37.4%            | 3.2%             |

Sources: Company reports and Maxim Group estimates

## BMI INCOME STATEMENT

| (\$s and shares in millions) | 2018           | Mar.           | Jun.           | Sep.           | Dec.           | 2019           | Mar.           | Jun.          | Sep. E        | Dec. E         | 2020E          | 2021E          | 2022E          |
|------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|---------------|---------------|----------------|----------------|----------------|----------------|
| <b>Revenue</b>               | <b>\$433.7</b> | <b>\$104.9</b> | <b>\$103.5</b> | <b>\$108.6</b> | <b>\$107.6</b> | <b>\$424.6</b> | <b>\$108.5</b> | <b>\$91.1</b> | <b>\$99.8</b> | <b>\$108.0</b> | <b>\$407.3</b> | <b>\$426.9</b> | <b>\$441.5</b> |
| Cost of sales                | 271.4          | 64.4           | 63.3           | 67.0           | 66.4           | 261.1          | 65.2           | 55.3          | 61.8          | 68.0           | 250.3          | 261.2          | 270.1          |
| <b>Gross profit</b>          | <b>162.3</b>   | <b>40.5</b>    | <b>40.3</b>    | <b>41.7</b>    | <b>41.1</b>    | <b>163.5</b>   | <b>43.3</b>    | <b>35.9</b>   | <b>37.9</b>   | <b>39.9</b>    | <b>157.0</b>   | <b>165.7</b>   | <b>171.4</b>   |
| SG&A expenses                | 105.5          | 26.1           | 25.2           | 25.2           | 24.8           | 101.4          | 27.3           | 23.2          | 24.0          | 24.9           | 99.4           | 100.1          | 100.6          |
| <b>Operating income</b>      | <b>56.9</b>    | <b>14.3</b>    | <b>15.0</b>    | <b>16.4</b>    | <b>16.3</b>    | <b>62.1</b>    | <b>16.0</b>    | <b>12.7</b>   | <b>13.9</b>   | <b>15.0</b>    | <b>57.6</b>    | <b>65.6</b>    | <b>70.7</b>    |
| Interest expense             | 1.2            | 0.1            | 0.1            | 0.1            | (0.0)          | 0.3            | 0.0            | 0.0           | 0.0           | 0.0            | 0.1            | 0.1            | 0.0            |
| Other expenses               | 19.9           | 0.0            | 0.0            | 0.0            | 0.2            | 0.3            | 0.0            | 0.0           | 0.0           | 0.0            | 0.1            | 0.0            | 0.0            |
| <b>Pretax income</b>         | <b>35.9</b>    | <b>14.2</b>    | <b>14.9</b>    | <b>16.3</b>    | <b>16.2</b>    | <b>61.6</b>    | <b>15.9</b>    | <b>12.6</b>   | <b>13.9</b>   | <b>15.0</b>    | <b>57.4</b>    | <b>65.5</b>    | <b>70.7</b>    |
| Taxes                        | 8.1            | 3.3            | 3.6            | 3.6            | 3.9            | 14.4           | 4.1            | 3.1           | 3.5           | 3.8            | 14.4           | 15.7           | 19.8           |
| <i>Tax rate</i>              | 22%            | 24%            | 24%            | 22%            | 24%            | 23%            | 26%            | 24%           | 25%           | 25%            | 25%            | 24%            | 28%            |
| <b>Net income</b>            | <b>27.8</b>    | <b>10.8</b>    | <b>11.4</b>    | <b>12.7</b>    | <b>12.3</b>    | <b>47.2</b>    | <b>11.9</b>    | <b>9.5</b>    | <b>10.4</b>   | <b>11.3</b>    | <b>43.1</b>    | <b>49.8</b>    | <b>50.9</b>    |
| Diluted shares outstanding   | 29.2           | 29.2           | 29.2           | 29.2           | 29.2           | 29.2           | 29.2           | 29.3          | 29.4          | 29.5           | 29.3           | 29.7           | 30.1           |
| <b>GAAP EPS</b>              | <b>\$0.95</b>  | <b>\$0.37</b>  | <b>\$0.39</b>  | <b>\$0.44</b>  | <b>\$0.42</b>  | <b>\$1.61</b>  | <b>\$0.41</b>  | <b>\$0.33</b> | <b>\$0.35</b> | <b>\$0.38</b>  | <b>\$1.47</b>  | <b>\$1.68</b>  | <b>\$1.69</b>  |
| <b>Operating EPS</b>         | <b>\$1.54</b>  | <b>\$0.37</b>  | <b>\$0.39</b>  | <b>\$0.44</b>  | <b>\$0.42</b>  | <b>\$1.61</b>  | <b>\$0.41</b>  | <b>\$0.33</b> | <b>\$0.35</b> | <b>\$0.38</b>  | <b>\$1.47</b>  | <b>\$1.68</b>  | <b>\$1.69</b>  |
| <b>EBITDA</b>                | <b>81.2</b>    | <b>20.6</b>    | <b>21.2</b>    | <b>22.1</b>    | <b>22.5</b>    | <b>86.3</b>    | <b>22.2</b>    | <b>18.9</b>   | <b>19.9</b>   | <b>21.2</b>    | <b>82.3</b>    | <b>90.0</b>    | <b>94.9</b>    |
| <b>Dividend per share</b>    | <b>\$0.56</b>  | <b>\$0.15</b>  | <b>\$0.15</b>  | <b>\$0.17</b>  | <b>\$0.17</b>  | <b>\$0.64</b>  | <b>\$0.17</b>  | <b>\$0.17</b> | <b>\$0.18</b> | <b>\$0.18</b>  | <b>\$0.70</b>  | <b>\$0.76</b>  | <b>\$0.80</b>  |
| <u>Year-over-year growth</u> |                |                |                |                |                |                |                |               |               |                |                |                |                |
| Revenue                      | 7.8%           | -0.2%          | -8.9%          | -1.8%          | 3.0%           | -2.1%          | 3.4%           | -12.0%        | -8.1%         | 0.4%           | -4.1%          | 4.8%           | 3.4%           |
| EBITDA                       | 1.3%           | 23.3%          | -4.2%          | 1.5%           | 8.8%           | 6.3%           | 7.8%           | -10.8%        | -10.0%        | -5.8%          | -4.6%          | 9.4%           | 5.4%           |
| Operating EPS                | 30.6%          | 43.0%          | -7.8%          | -5.8%          | 5.7%           | 4.5%           | 10.8%          | -15.4%        | -20.5%        | -9.5%          | -8.7%          | 14.3%          | 0.6%           |
| <u>Margins</u>               |                |                |                |                |                |                |                |               |               |                |                |                |                |
| Gross profit margin          | 37.4%          | 38.6%          | 38.9%          | 38.4%          | 38.2%          | 38.5%          | 39.9%          | 39.3%         | 38.0%         | 37.0%          | 38.5%          | 38.8%          | 38.8%          |
| Operating income             | 13.1%          | 13.7%          | 14.5%          | 15.1%          | 15.2%          | 14.6%          | 14.8%          | 13.9%         | 13.9%         | 13.9%          | 14.1%          | 15.4%          | 16.0%          |
| EBITDA                       | 18.7%          | 19.6%          | 20.4%          | 20.3%          | 20.9%          | 20.3%          | 20.5%          | 20.7%         | 20.0%         | 19.7%          | 20.2%          | 21.1%          | 21.5%          |
| Operating net income         | 10.4%          | 10.3%          | 11.0%          | 11.7%          | 11.4%          | 11.1%          | 10.9%          | 10.5%         | 10.4%         | 10.4%          | 10.6%          | 11.7%          | 11.5%          |

Sources: Company reports and Maxim Group estimates

## BWXT INCOME STATEMENT

| (\$s and shares in millions)        | 2017             | 2018             | Mar.           | Jun.           | Sep.           | Dec.           | 2019             | Mar. A         | Jun. E         | Sep. E         | Dec. E         | 2020E            | 2021E            | 2022E            | 2023E            |
|-------------------------------------|------------------|------------------|----------------|----------------|----------------|----------------|------------------|----------------|----------------|----------------|----------------|------------------|------------------|------------------|------------------|
| <b>Revenue</b>                      | <b>\$1,687.7</b> | <b>\$1,799.9</b> | <b>\$416.5</b> | <b>\$471.2</b> | <b>\$506.0</b> | <b>\$501.2</b> | <b>\$1,894.9</b> | <b>\$542.2</b> | <b>\$453.5</b> | <b>\$488.7</b> | <b>\$507.1</b> | <b>\$1,991.5</b> | <b>\$2,123.0</b> | <b>\$2,274.6</b> | <b>\$2,380.2</b> |
| Cost of operations                  | 1,171.1          | 1,295.9          | 303.6          | 338.0          | 357.7          | 361.7          | 1,361.1          | 392.4          | 331.8          | 351.3          | 357.7          | 1,433.3          | 1,528.8          | 1,599.1          | 1,683.5          |
| <b>Gross profit</b>                 | <b>516.7</b>     | <b>504.0</b>     | <b>112.8</b>   | <b>133.2</b>   | <b>148.3</b>   | <b>139.6</b>   | <b>533.9</b>     | <b>149.8</b>   | <b>121.7</b>   | <b>137.4</b>   | <b>149.4</b>   | <b>558.2</b>     | <b>594.2</b>     | <b>675.4</b>     | <b>696.7</b>     |
| Selling, general and administrative | 210.3            | 214.1            | 51.7           | 54.1           | 52.6           | 58.5           | 216.8            | 53.0           | 54.4           | 51.3           | 59.7           | 218.3            | 232.9            | 261.3            | 275.8            |
| Other                               | (6.6)            | (15.1)           | (2.5)          | (1.4)          | (2.8)          | (1.8)          | (8.5)            | (1.5)          | (1.9)          | (0.9)          | (4.1)          | (8.3)            | (8.0)            | (8.8)            | (9.7)            |
| <b>Operating income</b>             | <b>313.0</b>     | <b>305.0</b>     | <b>63.6</b>    | <b>80.6</b>    | <b>98.5</b>    | <b>82.9</b>    | <b>325.6</b>     | <b>98.3</b>    | <b>69.1</b>    | <b>87.0</b>    | <b>93.8</b>    | <b>348.2</b>     | <b>369.3</b>     | <b>423.0</b>     | <b>430.6</b>     |
| Interest expense                    | (14.9)           | (27.8)           | (8.7)          | (9.5)          | (8.9)          | (8.2)          | (35.3)           | (8.0)          | (8.9)          | (8.8)          | (8.7)          | (34.4)           | (32.1)           | (27.6)           | (19.5)           |
| Other                               | 32.1             | 52.7             | 9.5            | 12.3           | 12.8           | 12.5           | 47.1             | 7.8            | 8.3            | 8.0            | 7.9            | 31.9             | 25.3             | 15.5             | (1.6)            |
| <b>Pre-tax income</b>               | <b>295.8</b>     | <b>280.1</b>     | <b>62.9</b>    | <b>77.8</b>    | <b>94.5</b>    | <b>78.6</b>    | <b>313.8</b>     | <b>98.4</b>    | <b>69.8</b>    | <b>87.8</b>    | <b>94.7</b>    | <b>350.7</b>     | <b>376.2</b>     | <b>435.2</b>     | <b>451.7</b>     |
| Taxes                               | 147.4            | 52.8             | 13.8           | 18.7           | 19.5           | 17.1           | 69.1             | 22.8           | 16.7           | 20.2           | 21.8           | 81.5             | 86.5             | 100.1            | 103.9            |
| <i>Tax rate</i>                     | <i>49.8%</i>     | <i>18.9%</i>     | <i>21.9%</i>   | <i>24.1%</i>   | <i>20.6%</i>   | <i>21.7%</i>   | <i>22.0%</i>     | <i>23.2%</i>   | <i>24.0%</i>   | <i>23.0%</i>   | <i>23.0%</i>   | <i>23.3%</i>     | <i>23.0%</i>     | <i>23.0%</i>     | <i>23.0%</i>     |
| Noncontrolling interest             | (0.5)            | (0.4)            | (0.1)          | (0.1)          | (0.2)          | (0.1)          | (0.6)            | (0.1)          | (0.1)          | (0.1)          | (0.1)          | (0.4)            | (0.4)            | (0.4)            | (0.4)            |
| <b>Net income</b>                   | <b>147.8</b>     | <b>226.9</b>     | <b>49.0</b>    | <b>58.9</b>    | <b>74.8</b>    | <b>61.4</b>    | <b>244.1</b>     | <b>75.5</b>    | <b>52.9</b>    | <b>67.5</b>    | <b>72.8</b>    | <b>268.7</b>     | <b>289.3</b>     | <b>334.7</b>     | <b>347.4</b>     |
| <b>GAAP EPS</b>                     | <b>\$1.47</b>    | <b>\$2.27</b>    | <b>\$0.51</b>  | <b>\$0.62</b>  | <b>\$0.78</b>  | <b>\$0.64</b>  | <b>\$2.55</b>    | <b>\$0.79</b>  | <b>\$0.55</b>  | <b>\$0.70</b>  | <b>\$0.76</b>  | <b>\$2.80</b>    | <b>\$3.00</b>    | <b>\$3.46</b>    | <b>\$3.58</b>    |
| Operating net income                | 205.6            | 238.7            | 49.0           | 58.9           | 75.3           | 67.9           | 251.1            | 75.5           | 52.9           | 67.5           | 72.8           | 268.7            | 289.3            | 334.7            | 347.4            |
| <b>Operating EPS</b>                | <b>\$2.05</b>    | <b>\$2.39</b>    | <b>\$0.51</b>  | <b>\$0.62</b>  | <b>\$0.79</b>  | <b>\$0.71</b>  | <b>\$2.62</b>    | <b>\$0.79</b>  | <b>\$0.55</b>  | <b>\$0.70</b>  | <b>\$0.76</b>  | <b>\$2.80</b>    | <b>\$3.00</b>    | <b>\$3.46</b>    | <b>\$3.58</b>    |
| Diluted shares out.                 | 100.4            | 100.0            | 95.8           | 95.7           | 95.8           | 95.9           | 95.8             | 95.8           | 95.9           | 96.0           | 96.1           | 95.9             | 96.3             | 96.7             | 97.1             |
| <b>Dividend</b>                     | <b>\$0.42</b>    | <b>\$0.64</b>    | <b>\$0.17</b>  | <b>\$0.17</b>  | <b>\$0.17</b>  | <b>\$0.17</b>  | <b>\$0.68</b>    | <b>\$0.19</b>  | <b>\$0.19</b>  | <b>\$0.19</b>  | <b>\$0.19</b>  | <b>\$0.76</b>    | <b>\$0.80</b>    | <b>\$0.84</b>    | <b>\$0.94</b>    |
| <b>EBITDA</b>                       | <b>365.2</b>     | <b>352.2</b>     | <b>76.5</b>    | <b>94.0</b>    | <b>111.4</b>   | <b>96.9</b>    | <b>378.7</b>     | <b>111.3</b>   | <b>82.4</b>    | <b>101.5</b>   | <b>109.6</b>   | <b>404.8</b>     | <b>443.4</b>     | <b>509.1</b>     | <b>510.3</b>     |
| <u>Year-over-year growth</u>        |                  |                  |                |                |                |                |                  |                |                |                |                |                  |                  |                  |                  |
| Revenue                             | 8.3%             | 6.6%             | -9.0%          | 7.4%           | 18.9%          | 4.9%           | 5.3%             | 30.2%          | -3.8%          | -3.4%          | 1.2%           | 5.1%             | 6.6%             | 7.1%             | 4.6%             |
| Operating EPS                       | 16.5%            | 16.6%            | -24.0%         | 6.8%           | 96.8%          | -4.4%          | 9.6%             | 54.9%          | -11.3%         | -11.4%         | 7.0%           | 6.9%             | 7.1%             | 15.3%            | 3.5%             |
| <u>Margins</u>                      |                  |                  |                |                |                |                |                  |                |                |                |                |                  |                  |                  |                  |
| Gross profit margin                 | 30.6%            | 28.0%            | 27.1%          | 28.3%          | 29.3%          | 27.8%          | 28.2%            | 27.6%          | 26.8%          | 28.1%          | 29.5%          | 28.0%            | 28.0%            | 29.7%            | 29.3%            |
| Operating income margin             | 18.5%            | 16.9%            | 15.3%          | 17.1%          | 19.5%          | 16.5%          | 17.2%            | 18.1%          | 15.2%          | 17.8%          | 18.5%          | 17.5%            | 17.4%            | 18.6%            | 18.1%            |
| EBITDA margin                       | 21.6%            | 19.6%            | 18.4%          | 19.9%          | 22.0%          | 19.3%          | 20.0%            | 20.5%          | 18.2%          | 20.8%          | 21.6%          | 20.3%            | 20.9%            | 22.4%            | 21.4%            |
| Operating net income margin         | 12.2%            | 13.3%            | 11.8%          | 12.5%          | 14.9%          | 13.5%          | 13.3%            | 13.9%          | 11.7%          | 13.8%          | 14.4%          | 13.5%            | 13.6%            | 14.7%            | 14.6%            |

Sources: Company reports and Maxim Group estimates

## EME INCOME STATEMENT

| (\$ in millions)                             | 2018             | Mar.             | Jun.             | Sep.             | Dec.             | 2019             | Mar.             | Jun. E           | Sep. E           | Dec. E           | 2020E            | 2021E            |
|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| <b>Revenue</b>                               | <b>\$8,130.6</b> | <b>\$2,158.7</b> | <b>\$2,324.2</b> | <b>\$2,287.7</b> | <b>\$2,403.9</b> | <b>\$9,174.6</b> | <b>\$2,299.8</b> | <b>\$1,878.2</b> | <b>\$2,033.9</b> | <b>\$2,258.5</b> | <b>\$8,470.4</b> | <b>\$8,554.0</b> |
| Cost of sales                                | 6,925.2          | 1,850.0          | 1,977.8          | 1,951.8          | 2,039.2          | 7,818.7          | 1,966.8          | 1,559.1          | 1,681.7          | 1,884.9          | 7,092.5          | 7,174.2          |
| <b>Gross profit</b>                          | <b>1,205.5</b>   | <b>308.8</b>     | <b>346.4</b>     | <b>336.0</b>     | <b>364.7</b>     | <b>1,355.9</b>   | <b>333.1</b>     | <b>319.1</b>     | <b>352.1</b>     | <b>373.6</b>     | <b>1,377.9</b>   | <b>1,379.8</b>   |
| Selling, general and administrative          | 798.4            | 206.2            | 226.2            | 220.1            | 240.9            | 893.5            | 227.0            | 248.8            | 266.3            | 263.7            | 1,005.8          | 980.0            |
| Other expenses                               | 3.2              | 0.3              | 0.2              | 0.1              | 1.0              | 1.5              | 0.1              | 0.0              | 0.0              | 0.0              | 0.1              | 0.0              |
| <b>Operating income</b>                      | <b>403.8</b>     | <b>102.3</b>     | <b>120.0</b>     | <b>115.7</b>     | <b>122.9</b>     | <b>460.9</b>     | <b>106.0</b>     | <b>70.3</b>      | <b>85.8</b>      | <b>109.9</b>     | <b>372.0</b>     | <b>399.8</b>     |
| Interest expense, net                        | (8.8)            | (2.4)            | (2.8)            | (2.3)            | (2.5)            | (10.0)           | (1.7)            | (3.3)            | (3.2)            | (2.9)            | (11.1)           | (11.0)           |
| <b>Pretax income</b>                         | <b>395.0</b>     | <b>99.9</b>      | <b>117.1</b>     | <b>113.5</b>     | <b>120.4</b>     | <b>450.9</b>     | <b>104.2</b>     | <b>67.0</b>      | <b>82.6</b>      | <b>107.0</b>     | <b>360.9</b>     | <b>388.7</b>     |
| Taxes  | 109.1            | 27.5             | 33.2             | 31.6             | 33.5             | 125.7            | 28.6             | 18.8             | 23.1             | 30.0             | 100.4            | 108.8            |
| <i>Tax rate</i>                              | <i>27.6%</i>     | <i>27.5%</i>     | <i>28.3%</i>     | <i>27.9%</i>     | <i>27.8%</i>     | <i>27.9%</i>     | <i>27.4%</i>     | <i>28.0%</i>     | <i>28.0%</i>     | <i>28.0%</i>     | <i>27.8%</i>     | <i>28.0%</i>     |
| Noncontrolling interests                     | 0.0              | 0.0              | 0.0              | 0.0              | 0.0              | 0.0              | 0.0              | 0.0              | 0.0              | 0.0              | 0.0              | 0.0              |
| <b>Net income from continuing operations</b> | <b>285.9</b>     | <b>72.4</b>      | <b>84.0</b>      | <b>81.8</b>      | <b>86.9</b>      | <b>325.1</b>     | <b>75.7</b>      | <b>48.3</b>      | <b>59.5</b>      | <b>77.0</b>      | <b>260.5</b>     | <b>279.9</b>     |
| Discontinued operations                      | (2.3)            | 0.0              | 0.0              | 0.0              | 0.0              | 0.0              | 0.0              | 0.0              | 0.0              | 0.0              | 0.0              | 0.0              |
| <b>GAAP net income</b>                       | <b>283.5</b>     | <b>72.4</b>      | <b>84.0</b>      | <b>81.8</b>      | <b>86.9</b>      | <b>325.1</b>     | <b>75.7</b>      | <b>48.3</b>      | <b>59.5</b>      | <b>77.0</b>      | <b>260.5</b>     | <b>279.9</b>     |
| <b>GAAP EPS</b>                              | <b>\$4.85</b>    | <b>\$1.28</b>    | <b>\$1.49</b>    | <b>\$1.45</b>    | <b>\$1.54</b>    | <b>\$5.75</b>    | <b>\$1.35</b>    | <b>\$0.87</b>    | <b>\$1.07</b>    | <b>\$1.40</b>    | <b>\$4.69</b>    | <b>\$5.18</b>    |
| <b>Operating EPS</b>                         | <b>\$4.91</b>    | <b>\$1.28</b>    | <b>\$1.49</b>    | <b>\$1.45</b>    | <b>\$1.54</b>    | <b>\$5.75</b>    | <b>\$1.35</b>    | <b>\$0.87</b>    | <b>\$1.07</b>    | <b>\$1.40</b>    | <b>\$4.69</b>    | <b>\$5.18</b>    |
| Diluted shares outstanding                   | 58.4             | 56.4             | 56.5             | 56.6             | 56.6             | 56.5             | 56.2             | 55.4             | 55.4             | 55.2             | 55.5             | 54.0             |
| <b>Dividend per share</b>                    | <b>\$0.32</b>    | <b>\$0.08</b>    | <b>\$0.08</b>    | <b>\$0.08</b>    | <b>\$0.08</b>    | <b>\$0.32</b>    | <b>\$0.08</b>    | <b>\$0.08</b>    | <b>\$0.08</b>    | <b>\$0.08</b>    | <b>\$0.32</b>    | <b>\$0.32</b>    |
| <b>EBITDA</b>                                | <b>487.9</b>     | <b>124.8</b>     | <b>142.5</b>     | <b>138.2</b>     | <b>149.0</b>     | <b>554.5</b>     | <b>132.6</b>     | <b>96.6</b>      | <b>111.5</b>     | <b>135.2</b>     | <b>475.9</b>     | <b>497.3</b>     |
| <u>Margins</u>                               |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| Gross profit margin                          | 14.8%            | 14.3%            | 14.9%            | 14.7%            | 15.2%            | 14.8%            | 14.5%            | 17.0%            | 17.3%            | 16.5%            | 16.3%            | 16.1%            |
| Operating income margin                      | 5.0%             | 4.7%             | 5.2%             | 5.1%             | 5.1%             | 5.0%             | 4.6%             | 3.7%             | 4.2%             | 4.9%             | 4.4%             | 4.7%             |
| EBITDA margin                                | 6.0%             | 5.8%             | 6.1%             | 6.0%             | 6.2%             | 6.0%             | 5.8%             | 5.1%             | 5.5%             | 6.0%             | 5.6%             | 5.8%             |
| Operating net income margin                  | 3.5%             | 3.3%             | 3.6%             | 3.6%             | 3.6%             | 3.5%             | 3.3%             | 2.6%             | 2.9%             | 3.4%             | 3.1%             | 3.3%             |
| <u>y/y growth</u>                            |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| Revenue                                      | 5.8%             | 13.6%            | 19.0%            | 11.8%            | 7.8%             | 12.8%            | 6.5%             | -19.2%           | -11.1%           | -6.0%            | -7.7%            | 1.0%             |
| EBITDA                                       | 2.2%             | 25.8%            | 17.6%            | 5.0%             | 9.6%             | 13.6%            | 6.2%             | -32.2%           | -19.4%           | -9.3%            | -14.2%           | 4.5%             |
| Operating EPS                                | 21.0%            | 34.1%            | 26.0%            | 8.2%             | 15.7%            | 17.1%            | 5.5%             | -41.6%           | -26.2%           | -9.1%            | -18.4%           | 10.4%            |

Sources: Company reports and Maxim Group estimates

## NVEE INCOME STATEMENT

| (\$s and shares in millions)  | 2018           | Mar.           | Jun.           | Sep.           | Dec.           | 2019           | Mar.           | Jun. E         | Sep. E         | Dec. E         | 2020E          | 2021E          |
|-------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| <b>Revenue</b>                | <b>\$418.1</b> | <b>\$117.3</b> | <b>\$128.0</b> | <b>\$131.0</b> | <b>\$132.6</b> | <b>\$508.9</b> | <b>\$165.5</b> | <b>\$155.0</b> | <b>\$157.7</b> | <b>\$177.9</b> | <b>\$656.0</b> | <b>\$681.6</b> |
| Subcontractor costs           | 83.7           | 26.6           | 28.5           | 27.1           | 28.3           | 110.5          | 35.9           | 33.3           | 33.9           | 38.2           | 141.4          | 143.1          |
| <b>Net revenue</b>            | <b>334.3</b>   | <b>90.7</b>    | <b>99.5</b>    | <b>103.9</b>   | <b>104.3</b>   | <b>398.4</b>   | <b>129.6</b>   | <b>121.7</b>   | <b>123.8</b>   | <b>139.6</b>   | <b>514.7</b>   | <b>538.5</b>   |
| Other costs of revenue        | 132.9          | 35.3           | 38.1           | 40.4           | 39.3           | 153.0          | 45.0           | 44.0           | 43.8           | 48.0           | 180.9          | 194.2          |
| <b>Gross profit</b>           | <b>201.4</b>   | <b>55.4</b>    | <b>61.4</b>    | <b>63.5</b>    | <b>65.0</b>    | <b>245.4</b>   | <b>84.5</b>    | <b>77.6</b>    | <b>79.9</b>    | <b>91.6</b>    | <b>333.7</b>   | <b>344.3</b>   |
| Operating expenses            | 165.7          | 48.0           | 51.8           | 55.7           | 58.6           | 214.2          | 75.2           | 75.1           | 74.7           | 75.4           | 300.4          | 304.3          |
| <b>Operating income</b>       | <b>35.7</b>    | <b>7.4</b>     | <b>9.6</b>     | <b>7.8</b>     | <b>6.4</b>     | <b>31.2</b>    | <b>9.4</b>     | <b>2.6</b>     | <b>5.2</b>     | <b>16.2</b>    | <b>33.4</b>    | <b>40.0</b>    |
| Interest expense              | 2.0            | 0.4            | 0.5            | 0.4            | 1.0            | 2.3            | 3.8            | 3.8            | 3.7            | 3.6            | 14.9           | 13.4           |
| <b>Pretax income</b>          | <b>33.7</b>    | <b>7.1</b>     | <b>9.1</b>     | <b>7.4</b>     | <b>5.3</b>     | <b>28.9</b>    | <b>5.6</b>     | <b>(1.2)</b>   | <b>1.5</b>     | <b>12.6</b>    | <b>18.5</b>    | <b>26.6</b>    |
| Taxes                         | 6.9            | 1.5            | 0.3            | 1.6            | 1.8            | 5.2            | 1.4            | 0.0            | 0.3            | 3.1            | 4.9            | 6.7            |
| <i>Tax rate</i>               | <i>20.4%</i>   | <i>21.5%</i>   | <i>3.8%</i>    | <i>21.1%</i>   | <i>32.9%</i>   | <i>17.9%</i>   | <i>25.1%</i>   | <i>0.0%</i>    | <i>20.0%</i>   | <i>25.0%</i>   | <i>26.3%</i>   | <i>25.0%</i>   |
| <b>Net income</b>             | <b>26.9</b>    | <b>5.5</b>     | <b>8.8</b>     | <b>5.8</b>     | <b>3.6</b>     | <b>23.8</b>    | <b>4.2</b>     | <b>(1.2)</b>   | <b>1.2</b>     | <b>9.4</b>     | <b>13.6</b>    | <b>20.0</b>    |
| GAAP EPS                      | \$2.33         | \$0.44         | \$0.70         | \$0.46         | \$0.28         | \$1.90         | \$0.33         | (\$0.09)       | \$0.09         | \$0.72         | \$1.05         | \$1.51         |
| NVEE's operating EPS*         | \$3.24         | \$0.76         | \$1.00         | \$0.78         | \$0.64         | \$3.10         | \$0.84         | \$0.40         | \$0.55         | \$1.16         | \$2.96         | \$3.10         |
| Diluted shares outstanding    | 11.5           | 12.5           | 12.5           | 12.6           | 12.6           | 12.5           | 12.6           | 13.0           | 13.0           | 13.1           | 12.9           | 13.2           |
| <b>EBITDA</b>                 | <b>59.8</b>    | <b>15.3</b>    | <b>18.2</b>    | <b>17.2</b>    | <b>17.9</b>    | <b>68.6</b>    | <b>24.1</b>    | <b>15.9</b>    | <b>18.2</b>    | <b>29.1</b>    | <b>87.3</b>    | <b>89.2</b>    |
| Backlog                       | 390.0          | 441.0          | 441.0          | 463.0          | 567.4          | 567.4          | 574.0          | 584.0          | 593.0          | 588.4          | 588.4          | 617.6          |
| <u>Margins on net revenue</u> |                |                |                |                |                |                |                |                |                |                |                |                |
| Gross profit margin           | 60.2%          | 61.1%          | 61.7%          | 61.1%          | 62.3%          | 61.6%          | 65.2%          | 63.8%          | 64.6%          | 65.6%          | 64.8%          | 63.9%          |
| EBITDA margin                 | 17.9%          | 16.9%          | 18.3%          | 16.5%          | 17.1%          | 17.2%          | 18.6%          | 13.0%          | 14.7%          | 20.8%          | 17.0%          | 16.6%          |
| <u>y/y % growth</u>           |                |                |                |                |                |                |                |                |                |                |                |                |
| Net revenue                   | 25.5%          | 24.1%          | 23.0%          | 25.8%          | 15.0%          | 19.2%          | 42.9%          | 22.3%          | 19.2%          | 33.8%          | 29.2%          | 4.6%           |
| EBITDA                        | 33.7%          | 33.9%          | 20.4%          | 2.5%           | -15.9%         | 14.7%          | 57.5%          | -12.6%         | 5.8%           | 62.6%          | 27.3%          | 2.2%           |
| GAAP EPS                      | 4.7%           | 13.1%          | 1.4%           | -25.3%         | -54.0%         | -18.5%         | -25.0%         | -112.9%        | -80.4%         | 157.1%         | -44.7%         | 43.8%          |

Sources: Company reports and Maxim Group estimates

\*NVEE issues guidance for adjusted EPS excluding the amortization of intangibles

## TTEK INCOME STATEMENT

| <i>(\$ and shares in millions)</i>  | 2018             | Dec.           | Mar.           | Jun.           | Sep.           | 2019             | Dec.           | Mar.           | Jun. E         | Sep. E         | 2020E            | 2021E            | 2022E            |
|-------------------------------------|------------------|----------------|----------------|----------------|----------------|------------------|----------------|----------------|----------------|----------------|------------------|------------------|------------------|
| <b>Revenue</b>                      | <b>\$2,964.1</b> | <b>\$717.4</b> | <b>\$722.6</b> | <b>\$825.8</b> | <b>\$841.5</b> | <b>\$3,107.3</b> | <b>\$797.6</b> | <b>\$734.1</b> | <b>\$730.8</b> | <b>\$786.3</b> | <b>\$3,048.9</b> | <b>\$3,253.4</b> | <b>\$3,439.2</b> |
| Subcontractor costs                 | (763.4)          | (164.1)        | (137.2)        | (202.6)        | (213.8)        | (717.7)          | (183.6)        | (149.7)        | (188.7)        | (206.4)        | (728.3)          | (797.6)          | (842.6)          |
| <b>Net revenue</b>                  | <b>2,200.7</b>   | <b>553.4</b>   | <b>585.4</b>   | <b>623.2</b>   | <b>627.7</b>   | <b>2,389.6</b>   | <b>614.0</b>   | <b>584.5</b>   | <b>542.2</b>   | <b>579.9</b>   | <b>2,320.6</b>   | <b>2,455.8</b>   | <b>2,596.6</b>   |
| Other costs of revenue              | (1,816.3)        | (454.7)        | (488.9)        | (505.2)        | (532.7)        | (1,981.5)        | (504.3)        | (487.5)        | (429.1)        | (462.2)        | (1,883.1)        | (1,976.8)        | (2,103.2)        |
| Selling, general and administrative | (190.1)          | (43.0)         | (48.9)         | (53.1)         | (55.2)         | (200.2)          | (46.4)         | (51.0)         | (55.5)         | (57.6)         | (210.6)          | (219.8)          | (229.4)          |
| Other expenses                      | (4.3)            | 0.0            | (0.0)          | 0.0            | (19.2)         | (19.2)           | 0.0            | 1.6            | 0.0            | 0.0            | 1.6              | 0.0              | 0.0              |
| <b>Operating income</b>             | <b>190.1</b>     | <b>55.7</b>    | <b>47.5</b>    | <b>64.8</b>    | <b>20.7</b>    | <b>188.8</b>     | <b>63.3</b>    | <b>47.5</b>    | <b>57.6</b>    | <b>60.1</b>    | <b>228.5</b>     | <b>259.2</b>     | <b>264.0</b>     |
| Interest expense                    | (15.5)           | (2.9)          | (3.2)          | (3.5)          | (4.0)          | (13.6)           | (3.3)          | (3.5)          | (3.6)          | (2.6)          | (13.0)           | (7.6)            | (6.1)            |
| <b>Pretax income</b>                | <b>174.6</b>     | <b>52.8</b>    | <b>44.4</b>    | <b>61.3</b>    | <b>16.6</b>    | <b>175.1</b>     | <b>60.0</b>    | <b>44.0</b>    | <b>54.0</b>    | <b>57.5</b>    | <b>215.4</b>     | <b>251.6</b>     | <b>257.8</b>     |
| Taxes                               | (37.6)           | (10.8)         | 11.6           | (12.0)         | (5.1)          | (16.4)           | (12.6)         | (7.6)          | (14.0)         | (15.0)         | (49.2)           | (65.4)           | (67.0)           |
| <i>Tax rate</i>                     | <i>21.5%</i>     | <i>20.4%</i>   | <i>(26.1%)</i> | <i>19.6%</i>   | <i>30.7%</i>   | <i>9.3%</i>      | <i>21.1%</i>   | <i>17.3%</i>   | <i>26.0%</i>   | <i>26.0%</i>   | <i>22.9%</i>     | <i>26.0%</i>     | <i>26.0%</i>     |
| Noncontrolling interests            | (0.1)            | (0.0)          | (0.0)          | (0.0)          | (0.0)          | (0.1)            | (0.0)          | (0.0)          | 0.0            | 0.0            | (0.0)            | 0.0              | 0.0              |
| <b>Net income</b>                   | <b>136.9</b>     | <b>42.0</b>    | <b>55.9</b>    | <b>49.2</b>    | <b>11.5</b>    | <b>158.7</b>     | <b>47.3</b>    | <b>36.4</b>    | <b>39.9</b>    | <b>42.6</b>    | <b>166.2</b>     | <b>186.2</b>     | <b>190.8</b>     |
| <b>GAAP EPS</b>                     | <b>\$2.42</b>    | <b>\$0.75</b>  | <b>\$1.00</b>  | <b>\$0.88</b>  | <b>\$0.21</b>  | <b>\$2.84</b>    | <b>\$0.85</b>  | <b>\$0.66</b>  | <b>\$0.72</b>  | <b>\$0.77</b>  | <b>\$3.00</b>    | <b>\$3.41</b>    | <b>\$3.55</b>    |
| <b>Operating EPS</b>                | <b>\$2.65</b>    | <b>\$0.70</b>  | <b>\$0.70</b>  | <b>\$0.89</b>  | <b>\$0.88</b>  | <b>\$3.17</b>    | <b>\$0.84</b>  | <b>\$0.73</b>  | <b>\$0.72</b>  | <b>\$0.77</b>  | <b>\$3.06</b>    | <b>\$3.41</b>    | <b>\$3.55</b>    |
| Diluted shares outstanding          | 56.6             | 56.4           | 56.0           | 55.8           | 55.6           | 55.9             | 55.4           | 55.5           | 55.3           | 55.1           | 55.3             | 54.6             | 53.7             |
| <b>EBITDA</b>                       | <b>253.9</b>     | <b>63.9</b>    | <b>60.9</b>    | <b>71.9</b>    | <b>72.5</b>    | <b>269.2</b>     | <b>68.7</b>    | <b>59.2</b>    | <b>63.6</b>    | <b>65.8</b>    | <b>257.3</b>     | <b>279.3</b>     | <b>281.4</b>     |
| <b>Backlog</b>                      | <b>2,549.4</b>   | <b>2,793.1</b> | <b>2,814.1</b> | <b>2,834.0</b> | <b>3,091.9</b> | <b>3,091.9</b>   | <b>3,165.8</b> | <b>2,989.1</b> | <b>2,808.3</b> | <b>2,646.9</b> | <b>2,646.9</b>   | <b>2,946.4</b>   | <b>3,204.3</b>   |
| <b>Dividend per share</b>           | <b>\$0.44</b>    | <b>\$0.12</b>  | <b>\$0.12</b>  | <b>\$0.15</b>  | <b>\$0.15</b>  | <b>\$0.54</b>    | <b>\$0.15</b>  | <b>\$0.15</b>  | <b>\$0.17</b>  | <b>\$0.17</b>  | <b>\$0.64</b>    | <b>\$0.74</b>    | <b>\$0.80</b>    |
| <u>Margins on net revenue</u>       |                  |                |                |                |                |                  |                |                |                |                |                  |                  |                  |
| GAAP operating income margin        | 8.6%             | 10.1%          | 8.1%           | 10.4%          | 3.3%           | 7.9%             | 10.3%          | 8.1%           | 10.6%          | 10.4%          | 9.8%             | 10.6%            | 10.2%            |
| EBITDA margin                       | 11.5%            | 11.6%          | 10.4%          | 11.5%          | 11.5%          | 11.3%            | 11.2%          | 10.1%          | 11.7%          | 11.3%          | 11.1%            | 11.4%            | 10.8%            |
| Operating net income margin         | 6.8%             | 7.1%           | 6.7%           | 8.0%           | 7.8%           | 7.4%             | 7.6%           | 6.9%           | 7.4%           | 7.3%           | 7.3%             | 7.6%             | 7.3%             |
| <u>Year-over-year growth</u>        |                  |                |                |                |                |                  |                |                |                |                |                  |                  |                  |
| Revenue                             | 7.7%             | -5.6%          | 3.2%           | 8.0%           | 13.8%          | 4.8%             | 11.2%          | 1.6%           | -11.5%         | -6.6%          | -1.9%            | 6.7%             | 348.0%           |
| Net revenue                         | 8.2%             | 1.6%           | 9.9%           | 9.3%           | 13.6%          | 8.6%             | 11.0%          | -0.2%          | -13.0%         | -7.6%          | -2.9%            | 5.8%             | 346.5%           |
| Operating costs                     | 8.0%             | 0.3%           | 10.2%          | 8.5%           | 15.9%          | 8.7%             | 10.7%          | 0.1%           | -13.2%         | -11.6%         | -4.0%            | 4.9%             | 345.6%           |
| Operating EPS                       | 24.7%            | 7.0%           | 30.1%          | 25.6%          | 16.8%          | 19.6%            | 20.0%          | 4.3%           | -19.1%         | -12.5%         | -3.5%            | 11.4%            | 373.3%           |

Sources: Company reports and Maxim Group LLC estimates

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