



## ENERGY, POWER & INFRASTRUCTURE

INDUSTRY UPDATE | NOVEMBER 2015



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## SUMMARY

## M&amp;A | SELECT RECENT ACTIVITY

Team, Inc. (NYSE:TISI) has acquired Furmanite Corporation (NYSE:FRM) in a stock-for-stock transaction valued at approximately \$335 million. The combined company will be a premier global industrial services company, offering NDT and specialty mechanical services across all major continents. The transaction is estimated to produce \$20-\$25 million in annual cost synergies.

[Source](#) | [Instapaper](#)

Aclara Technologies, a portfolio company of Sun Capital Partners, has acquired GE's electricity meters business ("GE Meters"). GE Meters, operating under GE Energy Management's Grid Solutions subdivision, serves customers globally through a range of residential, commercial, and industrial meters.

[Source](#) | [Instapaper](#)

Juno Lighting, a unit of Schneider Electric (ENXTPA:SU), has been acquired by Acuity Brands (NYSE:AYI) for approximately \$385 million. Juno Lighting is a leading North American provider of downlighting and track lighting fixtures for both residential and commercial applications. In 2014, Juno generated revenues of \$230 million and EBITDA of \$32 million.

[Source](#) | [Instapaper](#)

ITG (NYSE:ITG), a leading research broker and financial technology provider, has sold its Calgary-based energy research group to Warburg Pincus for \$120 million. The acquisition is the latest investment for Warburg's 2014 Energy Fund, a \$4 billion fund raised to exploit attractive valuations across the broader energy landscape.

[Source](#) | [Instapaper](#)

## PUBLIC MARKETS | KEY TRADING STATISTICS

	Stock Price % Change		TEV / LTM EBITDA as of			TEV / EBITDA	
	1 Month	12 Month	Nov-14	May-15	Current	2015E	2016P
<b>Energy Services and Equipment</b>							
Large Cap Service	(0.4%)	(25.1%)	8.2x	7.7x	8.5x	10.5x	10.4x
Equipment	(3.5%)	(40.2%)	9.3x	7.0x	6.1x	7.9x	9.6x
Small-Cap Service	(17.7%)	(65.1%)	6.5x	7.7x	5.6x	10.5x	10.2x
OCTG	(7.4%)	(43.8%)	6.4x	5.8x	5.9x	7.0x	7.2x
Distribution	4.0%	(36.9%)	10.9x	13.7x	16.8x	10.5x	10.1x
Logistics	(13.3%)	(65.0%)	7.0x	6.3x	6.8x	5.6x	7.5x
Offshore Drillers	2.4%	(42.6%)	6.6x	5.7x	4.4x	4.6x	6.0x
Land Drillers	(5.6%)	(41.4%)	4.9x	4.5x	4.2x	5.8x	9.7x
E&C	(6.0%)	(20.3%)	7.5x	8.5x	7.2x	8.9x	7.0x
<b>Power Services and Equipment</b>							
Large Cap PS&E	3.9%	(9.1%)	11.1x	11.7x	10.1x	9.7x	9.3x
Small-Cap PS&E	2.3%	(9.2%)	11.0x	11.5x	10.7x	11.0x	9.7x
EE and Cleantech	(3.3%)	(34.6%)	9.8x	10.3x	15.4x	11.3x	8.5x
<b>Industrial &amp; Infrastructure Services</b>							
Large Cap	(0.7%)	(14.2%)	7.7x	6.8x	5.7x	6.1x	5.5x
Small-Cap	0.7%	(39.3%)	9.5x	10.4x	8.9x	7.1x	5.8x
Utility Services	(14.0%)	(28.4%)	7.5x	7.6x	6.2x	5.8x	4.9x
Industrial Services	12.3%	7.8%	8.1x	10.3x	9.7x	9.4x	7.0x
Engineering Services	(1.5%)	(2.6%)	12.7x	12.7x	11.4x	7.9x	7.6x

## CONTENTS

- [WHAT WE'RE READING](#)
- [M&A TRANSACTIONS](#)
- [PUBLIC MARKETS INDUSTRY](#)
- [PUBLIC COMPARABLES](#)

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## WHAT WE'RE READING

## OIL &amp; GAS | OVER THE HEDGE

"Stockpiles of oil at a record 3 billion barrels are providing world markets with a degree of comfort. This massive cushion has inflated even as the global oil market adjusts to \$50/bbl oil. Demand growth has risen to a five-year high of nearly 2 mb/d, with India galloping to its fastest pace in more than a decade. But gains in demand have been outpaced by vigorous production from OPEC and resilient non-OPEC supply - with Russian output at a post-Soviet record and likely to remain robust in 2016 as well. The net result is brimming crude oil stocks that offer an unprecedented buffer against geopolitical shocks or unexpected supply disruptions."

[IEA](#) | [Instapaper](#)

## OIL &amp; GAS | ONE BARREL OF CRUDE, PLEASE

"'Don't buy a barrel of oil,' the broker said. 'It'll kill you.'"

A fortuitous meeting between a gas trader and his broker at a bar in downtown New York was not going the way I had hoped. After revealing a long-held plan to try to buy a barrel of crude, I was now receiving a disappointingly stern lecture on the dangers of hydrogen sulfides. The wine tasted vaguely sulfuric, too."

[Bloomberg](#) | [Instapaper](#)

## POWER | LOWER DEMAND, MORE MERGERS

USA Today reports on increasing M&A in the power sector, notably the move towards natural gas from some of the country's largest electric utilities. "Stagnant demand for electricity in the USA is forcing utilities to look elsewhere for revenue and earnings, prompting a surge in mergers and acquisitions."

[USA Today](#) | [Instapaper](#)

## ENERGY | "ALL WE NEED IS A MIRACLE"

The Atlantic featured an interview with Bill Gates on the topic of energy. "Gates is on a solo global lobbying campaign to press his species to accomplish something on a scale it has never attempted before. He wants human beings to invent their way out of the coming collision with planetary climate change, accelerating a transition to new forms of energy that might normally take a century or more."

[The Atlantic](#) | [Instapaper](#)

## ENERGY EFFICIENCY | BEYOND THE LOW-HANGING FRUIT

A new ACEEE study examines the increasing complexity of, and significant opportunity for, energy efficiency programs as they move beyond low-hanging fruit. "In meeting future energy savings targets, it is unlikely that program administrators will be able to rely on just one or two energy efficiency measures with the homerun savings potential of CFLs and other efficient fluorescent lights. Instead, analyses of energy efficiency potential suggest a future in which a larger set of measures contribute the majority of savings, not only through conventional program approaches and delivery channels, but also through new and innovative ones."

[ACEEE](#) | [Instapaper](#)

## DEMAND RESPONSE | THE FUTURE OF DR

Greentech Media featured a discussion between Eric Gimon and Mike O'Boyle of America's Power Plan on the future of demand response for wholesale markets pending outcome of the Supreme Court's decision on FERC 745. "Since the Supreme Court has held oral arguments in the case's appeal and final resolution is imminent, we must contemplate how DR will fare and how the market might evolve."

[Greentech Media](#) | [Instapaper](#)

## POWER | YIELD, DON'T SURRENDER

Bloomberg featured a look at the swift change in fortunes for YieldCos over the past several months. "Two years ago, yield companies like TerraForm Power Inc. and NRG Yield Inc. were the newest, hottest thing for energy investors -- a way to make steady returns off the booming clean energy sector. Share values soared after they were spun off by parent companies eager to cash in. Today, those same parent entities have put as much as \$26 billion worth of sales to their affiliates on hold after the market value cratered."

[Bloomberg](#) | [Instapaper](#)

## WHAT WE'RE READING

## OIL &amp; GAS | THEY SAID IT...SELECTIONS FROM 3Q EARNINGS CALLS

## On near-term visibility

"Looking ahead, visibility is murky at best. Based on current feedback, we believe most operators have exhausted their 2015 budgets and will take extended breaks starting as early as Thanksgiving. Therefore, activity levels could drop substantially in the last five weeks of the year. In my 22 years in this business, I've never seen a market where we've had less near-term visibility."

*David Lesar, Halliburton*

"We also see a downward trajectory in the rig count as we enter 2016. Don't really know what the timing of that's going to look like or certainly when we're -- get to any inflection point. So that's really about all the visibility we have today."

*Andy Hendricks, Halliburton*

"But we just think it's a reasonable assumption that a lot of people are going to stop at Thanksgiving and just not work during December. I mean, we've got some good working relationships on some projects with people. But in the current environment, they could just send everybody home in mid- to late November and take December off."

*Richard Hubbell, RPC*

"We also expect rig activity in North America land to be down in Q4 due to the financial stress on many of our customers there...I will also say that Q1, in spite of Q4 not having this seasonal uptick in year-end sales, we also see Q1 being below Q4."

*Paal Kibsgaard, Schlumberger*

"Industry participants do seem to agree that activity in the U.S., which trended down in the third quarter, will continue to trend down during Q4...Our visibility on overall E&P spend remains murky at best."

*David Dunlap, Superior Energy Services*

"Visibility is limited, but we believe most producers will further reduce for 2016 CapEx plans after cutting spending significantly in 2015."

*Clay Williams, National Oilwell Varco*

"Looking into the fourth quarter of 2015, many of our North American customers are bracing for a further fall-off in activity during what they anticipate will be a prolonged year-end holiday slowdown."

*Jose Bayardo, National Oilwell Varco*

"And we've got several customers that have said that Q1 is going to look a lot better for them and that they're actually deferring some of their CapEx here in the fourth quarter that they had, money they had to spend, and pushing it off to first quarter. So we hope that all happens exactly like they say. We'll see if they deliver on what they say when we get there. But we've definitely had some pretty happy talk around first quarter."

*Roe Patterson, Basic Energy Services*

"Q4 outlook. The overall market will be weaker in Q4 than Q3 in both NAM and international markets. Our assessment of the near term is not that dissimilar to what has been shared by our peers. We also agree somewhere between Q4 and Q1 will be the low for this cyclical depression."

*Bernard Duroc-Danner, Weatherford*

## WHAT WE'RE READING

## OIL &amp; GAS | THEY SAID IT...SELECTIONS FROM 3Q EARNINGS CALLS

## On a potential recovery and longer-term outlook

"I'm not confident enough yet to call the exact shape of this recovery, but we do expect that the longer it takes, the sharper it will be."

*David Lesar, Halliburton*

"We see 2 clear trends emerging. First, as we enter the last quarter of the year, the global oil market is still weighed down by fears of reduced growth in China and the timing and magnitude of additional Iranian exports. However, the fundamental balance of supply and demand continues to tighten, driven by both solid global GDP growth and by weakening supply as the dramatic cuts in E&P investments start to take full effect. We expect this trend to continue, and as the oil markets further recognize this, the magnitude of the industry's annual production replacement challenge, this will gradually translate into improvements in oil prices going forward.

Second, in spite of the expected improvements in oil prices, the market outlook for oil field services looks challenging for the coming quarters as we expect additional reductions in activity and further pressure on service pricing. This is driven by the financial pressure on many of our customers where a year of very low oil prices is now exhausting available cash flow and corresponding capital spending and also leading them to take a very conservative view on 2016 E&P budget...Based on this industry outlook, we expect E&P investments to fall for a second successive year in 2016, which is the first time since the 1986 downturn when the spare capacity cushion was more than 10 million barrels per day. In spite of the need for the industry to increase investment levels to mitigate the pending impact on global supply, we instead see an increasing likelihood of a timing gap between the expected improvement in oil prices and the subsequent increase in E&P investments and oil field services activity...So while our macro view has not changed in terms of a tightening supply-and-demand balance and an expected improvement in oil prices, we have to factor in that the likely recovery in our activity levels now seems to be a 2017 event."

*Paal Kibsgaard, Schlumberger*

"I'm not very optimistic on any turnaround in service and product pricing for Oilfield Services in North America land. I think, yes, many of the small companies or most of the small companies are free cash flow negative. They are under significant financial stress, and maybe some of them will go bankrupt in the coming quarters or in the coming year, but there is still massive overcapacity. And even the small companies that go bankrupt will likely be picked up by other investors, and their assets will be returned back into the market. So no, I think the overcapacity is going to be with the industry for quite a considerable amount of time. So I don't expect any real improvement in service and product pricing in the coming year in North America land...I think the market is probably overestimating how quickly the industry can respond, whether it's in North America or internationally."

"One observation I have from this earnings season is the pent-up desire for industry to declare a bottom to this downturn. I don't believe we will know when we have bottomed until that period is well behind us."

*David Dunlap, Superior Energy Services*

"We believe many, if not most, North American producers in OPEC countries are producing existing fields close to maximum levels, trying to offset lower revenues due to oil price declines with higher volumes while sharply reducing drilling activity. OPEC and non-OPEC production are up year-over-year. This is not sustainable. Production will begin to decline naturally as it has begun to in the United States, and therein lies the seeds for a recovery."

*Clay Williams, National Oilwell Varco*

"The oil industry is at this point unsustainably underfunded and underinvested. Pessimism is everywhere. It is neither reasonable nor realistic. If current oil pricing and related oil selectivity endure, let alone deteriorate further, we do not believe the industry will be able to manage the required oil supplies as early as 2017. This means oil demand will not be met by existing oil capacity. Inventory overhang will help. That isn't a sustainable solution for long. We're quite sure of this."

*Bernard Duroc-Danner, Weatherford*



## WHAT WE'RE READING

## OIL &amp; GAS | THEY SAID IT...SELECTIONS FROM 3Q EARNINGS CALLS

## On equipment

"If we look at the amount of horsepower that's idle right now, just on the sidelines, about of it's on the sidelines today in terms of stacked equipment and that's equipment that's not getting any maintenance and it's being cannibalized for parts...So if we look at what's stacked today, we think about half of that equipment stacked today will not be ultimately serviceable."

*Jeffrey Allen Miller, Halliburton*

"With the equipment we've stacked, we've just parked it, we've preserved it, we're not touching it, and we're still maintaining equipment through maintenance capital and through OpEx."

*Andy Hendricks, Patterson-UTI*

"I'd like to enter 2016 with a very, very low spend rate. And when I say very, very low, as close as we can get to 0. I'm sure we'll spend -- there will be some capital spending in Q1, but I'd like to start the year at a very low pace, so we've got flexibility as the year evolves and see what the market brings us."

*David Dunlap, Superior Energy Services*

"Our view is that we are currently in a cyclical pause...During such a cyclical pause, our biggest competitor becomes the overhang products and consumables and equipment that our customers cannibalize extremely effectively in their Darwinian quest to preserve cash. The idled rigs and pressure-pumping fleets and wireline units and a myriad of other items we sell are being systematically stripped of spare parts and components to keep the much smaller fleet of units that remain under contract, working."

*Clay Williams, National Oilwell Varco*

"This remains a highly capital equipment-consumptive industry. The life expectancy of mechanical equipment is tied to the footage it drills or the volume of profit it pumps. The ability of the industry to increase borehole created per year or stages fracked per year means that the physical consumption of mechanical equipment per year has also risen sharply, probably linearly."

*Clay Williams, National Oilwell Varco*

"We're seeing customers be far more aggressive, I think, in this downturn with regards to cannibalizing their equipment, about repositioning it...And we're seeing customers go to more extraordinary length, I think, in this downturn than we have in the preceding couple of downturns with regards to cannibalization. So there's a very, very Darwinian -- very Draconian move to preserve cash and use what's on hand, and so that we're -- we're seeing that. We do know it will turn around and when it does, one day the phones will light up and people will also need it yesterday. And so that's the other side of this. But we just -- at this point, we don't know when that's going to occur."

*Clay Williams, National Oilwell Varco*

"A popular saying is, 'The cure for low prices is low prices.' This axiom refers to economic theory and the law of supply and demand, but it is also Darwinian. The rebalancing process and, more specifically, the required rationalization for low prices to cure low prices, is a painful process whereby the weak may not survive. Across the industry, evidence of this has already started to appear, with some companies reporting financial distress and others having thrown in the towel and shut the doors. The level of maximum pain has not yet been felt as we believe industry activity in both drilling and pressure pumping will fall further into year-end and continue to fall into 2016, absent a recovery in commodity pricing -- prices. Pricing in pressure pumping has already reached a point that we believe is not sustainable. At current price -- pricing levels, we believe many companies are not generating sufficient cash flow to cover maintenance capital. Under these circumstances, we believe some companies are deferring maintenance and some equipment is being cannibalized. While we are not immune to the evolutionary changes being forced on the industry, we are well positioned in a market being driven by survival of the fittest. We have demonstrated our strength in terms of quality equipment, superior execution and, importantly, financial stability."

*Mark Siegel, Patterson-UTI*

## WHAT WE'RE READING

## OIL &amp; GAS | THEY SAID IT...SELECTIONS FROM 3Q EARNINGS CALLS

## On E&amp;P customers

"I think a different way you need to think about the customer base in North America, especially the independent customer base, and that's essentially with the high decline curves that exist on these unconventional plays. They really are in drill or die mode. So if you go a year without drilling a well and your production starts to turn over, you're going to have to start drilling or you're going to have to take your infrastructure apart that you've built up as a company."

*David Lesar, Halliburton*

"I think the fact that now 4 quarters into very low oil prices, the financial strength of many of our customers is significantly weakened, and their appetite to invest is also a bit down. Any, I think -- any improvement in oil prices, I think will be to initially -- is going to go towards strengthening the balance sheet. And then the oil companies will likely assess how sustainable are these increases in oil prices before they start investing."

*Paal Kibsgaard, Schlumberger*

"In the U.S., oil and gas exploration and production companies are facing increasing levels of financial stress and collectively are more focused today on their liquidity and cash flow preservation than production growth. We expect this focus to be maintained through the end of 2015 and into 2016. To the extent that oil and gas drilling and completion activity does pick up, we suspect it will be driven by increasing crude oil prices with the belief that prices will need to improve and remain higher for some time to inspire additional E&P spending."

*David Dunlap, Superior Energy Services*

"I think it really depends on what their bankers are going to let them do or whether their stock price has reasonably well held up in this market...Some of them are talking about getting back to work as early as January, coming off a Q4 lull, and some I think are going to take a bit of a wait and see, but I think very, very few of them, and certainly, I don't think I've had a single discussion with a customer, are going to let themselves get into a position of a meaningful decline in production before they figure out a way to start drilling again...the reality is that the strong customers are going to survive, they're going to have money and they're going to drill at some point next year."

*David Lesar, Halliburton*

"The customers that have indicated to us that they want to pick up, if you will, during the first quarter, have indicated they want to do it very early in the first quarter. I do think, as I said, in my prior comments, there'll be other customers that get slow during the fourth quarter that stays slow in January and February. So I described it as being murky at best, and it's murky at best."

*David Dunlap, Superior Energy Services*

"We'll just have to see how hungry they are and quick they are to deploy that capital. I'll say that I can't tell you what the customers are going to do until they start telling us. And right now, there's just not a lot of visibility out there on 2016 budgets. So there's a lot of mixed messages that we're hearing. So we'll just have to wait until we hear some more firm commitments from them about what they plan to do."

*Roe Patterson, Basic Energy Services*

## On drilled but uncompleted wells

"It's arguably deferred revenue and it makes sense to do when rigs are under contract and a company is trying to conserve cash. Nevertheless, those are there in the ground, and they are a ready source of cash flow, and so I think they may end up a bit uncoupled from the rig count per se just because it's there and needs to be done."

*David Lesar, Halliburton*

"And does pressure pumping go back to work quickly based on those DUCs. And I think it really depends on the operator, I think. Certainly for us, we will be fracking some of these drilled but uncompleted wells that are in inventory when we come out. But I think at the same time, you'll see our rig count start to inch up as well."

*Andy Hendricks, Patterson-UTI*

## WHAT WE'RE READING

## OIL &amp; GAS | THEY SAID IT...SELECTIONS FROM 3Q EARNINGS CALLS

## On M&amp;A

"Our plan is to manage what we can, namely costs, through the downturn while continuing to position and strengthen our franchise for the inevitable upturn. We expect to accomplish this through a combination of organic investment in new technologies and capabilities as well as extraordinary acquisition opportunities that we expect to emerge...As we move into 2016, we believe sellers are likely to reduce their expectations and better capital returns on M&A will follow. Consequently, our capital deployment strategy is shifting from share buybacks to an external focus on potential acquisitions. This is a sound capital deployment strategy that we will continue to execute in a disciplined way."

*Clay Williams, National Oilwell Varco*

"We're taking a very extensive view...really all parts of oilfield services and manufacturing under stress in the current environment and landscape shifting, and so at the low points in the cycle's where we frequently see the best opportunities...If we feel like we're not going to get bids and asks to converge, then we can go back to buying back shares. But I would say here, I think we're going to see more attractive opportunities emerge in the M&A space."

*Clay Williams, National Oilwell Varco*

"In terms of M&A, our main focus in recent months has been the proposed acquisition of Cameron announced on August 26, which will open up a significant growth opportunity for us as we look to establish the industry's first complete drilling and production systems, spanning both the surface and the subsurface. In addition, we also completed the acquisition of Houston-based T&T Engineering, which specializes in design of land rig systems as well as Utah-based Novatek, which is the leader in the field of synthetic diamond innovation."

*Paal Kibsgaard, Schlumberger*

"And obviously, in this type of market, companies that can generate significant free cash has a broad range of opportunities, and I think we've shown so far in the downturn that we will be opportunistic. What opportunities are there and which one we will convert, we will report back to you when we have converted them. But as of now, we will continue to be opportunistic."

*Paal Kibsgaard, Schlumberger*

"So if there's one thing that down cycles teach us is that you should always be cognizant of where your balance sheet is, and what kind of balance sheet risk that you're taking. I mean, I feel very good about the way we positioned our balance sheet, and particularly, the cash balance on that balance sheet for this downturn...I think the reality of this is that the cash on the balance sheet is a really important asset for us right now. The undrawn nature of our current revolver is a tremendous asset for us now, and we'd like to hold onto it for as long as we can...I think that M&A has not been progressing at a very high pace because there's not very many people out there that can pull the trigger as buyers. And we're one of the few companies that you point to that does have flexibility with our balance sheet to potentially be a buyer. But at the same time, that good balance sheet is part of what gives us confidence that we're going to come out of this downturn as a strong survivor. And so I'm not perfectly answering your question, I know, but I mean ideally, you begin to look at M&A and execute on M&A as you get to the end of this cycle. I'm not sure we're there yet."

*David Dunlap, Superior Energy Services*

"We're not sitting around waiting for books to arrive. We're trying to be proactive, anticipate these things, not only troubled situations but strategic things that we might want to look at. And so we're beating the bushes heavily around here to try to find ways to grow the top line. I am talking to everybody in town, particularly anybody that has kind of a workout practice, to get the same answers you're looking for, which are when are these things going to come to market. What I am hearing is coming to market late first quarter, we'll see more. That does not mean closing, obviously. And so it kind of depends on the framework you're looking for there. We've only seen a handful of what I would call troubled or companies that are really under pressure coming to market. And as you would expect, most of those are weighted to North American activity. Unfortunately, they have debt and they are cash breakeven or worse, bleeding cash right now. So even though they're going to come to market, valuations, I think, are going to be challenged, getting 2 people to agree on what that forward earnings outlook and cash flow outlook looks like."

*Cynthia Taylor, Oil States International*



## WHAT WE'RE READING

## OIL &amp; GAS | THEY SAID IT...SELECTIONS FROM 3Q EARNINGS CALLS

## On M&amp;A

"As we look at the M&A landscape, I guess the way I see it is that there's a number of companies that are in some distress of one kind or another. I suspect those will turn into opportunities. Whether they'll be opportunities for us depends on whether the quality of their equipment is such that we would find it attractive and it would really add to Patterson and whether we could do so in a way that would be positive for our balance sheet. And so as I look at it at, at this moment in time, I don't see it, but that's not to rule it out."

*Mark Siegel, Patterson-UTI*

"Considering M&A activity, there are many distressed deals on the market. We're evaluating these opportunities constantly, and we continue to feel that a broad consolidation movement is somewhere on the horizon. However, high seller expectations, seller debt levels and the overall lack of visibility on the recovery will keep most deals from happening in the near term...Toward the end of the third quarter, we really have just shut down all acquisitions of any kind, we're not picking up any cheap equipment. We're not really going to auctions right now or looking at what's coming out, these distressed assets. We're just not interested in stacking those assets next to ours, and CapEx is coming way down. So we feel like, as far as cash conservation goes, we're fully in that mode from the middle of the quarter on and will be for the foreseeable future here until things turn around."

*Roe Patterson, Basic Energy Services*

"We're still looking at some deals [with Quantum]. We kicked the tires on some things over the quarter. We didn't find anything that we thought was something we had to jump on immediately. Still looking at a JV-type structure, if we'd find anything compelling at all off-balance sheet type of investment. But we're still talking and looking at things together. I think they probably have a similar opinion as we do, that it's probably not time yet. And there's probably more pain to come and probably some better overall values to be found later on."

*Roe Patterson, Basic Energy Services*

"Look, the M&A part of the focus has really -- and the story has really remained the same throughout this year. We've been waiting for, I guess, the spread to narrow. It hasn't quite gotten there yet, but for us, the focus is really on our core markets. So are there companies that complement us from either a customer exposure or a market exposure? Potentially. If they have a land bank, that would be interesting, but it really has to be the strategic focus and the fit with us in order for us to really want to advance those discussions. So we remain focused on it. It could be interesting and, quite frankly, in any of our 3 markets. And so we're looking at opportunities in all 3 at this point, but nothing significantly advanced at this point."

*Bradley Dodson, Civeo*

"As a matter of strategic choice, we'll not participate in any bidding for divested assets. We have abundant opportunities internally to generate high returns through efficiencies, high grading talents and harvesting considerable stock of technology and worldwide setup infrastructure. The absence of any distraction is a tactical advantage for '16 and '17. We made an exception to Sperry. This was a one-off situation for our core. The interest in Sperry was based on a high level of operating efficiencies given the service and infrastructure intensity of the business. Sperry is a hard business to run stand-alone for any nonstrategic owner.

The economics were strong, but they could not overcome the cost of capital. Cost of capital matters and we are disciplined. This is now a closed issue. There'll be no other bidding attempts on any other divested assets."

*Bernard Duroc-Danner, Weatherford*

## M&amp;A TRANSACTIONS

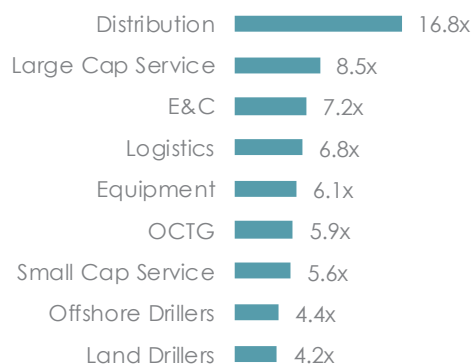
RECENT M&A TRANSACTIONS<sup>1,2</sup>

Date	Target	Business Description	Acquirer
11/13/2015	GridPoint	U.S. based provider of energy management solutions for the commercial, light industrial, and utility markets.	First Century Utilities
11/13/2015	Group Dekko	U.S. based manufacturer of electrical products for applications across workspace power solutions, architectural lighting, and various electrical components.	Graham Holdings Company
11/13/2015	Cardno ATC	U.S. based provider of environmental consulting and management, industrial hygiene, laboratory services, and geotechnical engineering.	Bernhard Capital Partners
11/12/2015	Rouster Wire Rope & Rigging	U.S. based supplier of synthetic rope, wire rope, and chain slings for various oil and gas and industrial applications.	Mazella Companies
11/12/2015	Panoramic Power	Israel based provider of cloud-hosted energy management software enabling organizations to reduce energy expenses.	Direct Energy
11/9/2015	G.E. Meters	U.S. based provider of smart meters for various energy, industrial, and agricultural applications.	Aclara
11/5/2015	Caprock Laboratories	U.S. based provider of hydrocarbon laboratory analysis and measurement services to the oil and gas industry.	Southern Petroleum Laboratories
11/5/2015	Ultrafab Industries	Canada based designer, manufacturer, and supplier of tank products for the oil and gas industry in North America.	Nalco Champion
11/5/2015	ITG Energy Research Group	Canada based provider of detailed technical and financial analysis of the oil and gas industry.	Warburg Pincus
11/4/2015	TECNOR	Mexico based provider of remote communications and SCADA solutions to the oil and gas industry in Latin America.	RigNet
11/3/2015	Ingenu Smart Grid Business	U.S. based provider of connectivity software solutions for machinery.	Trilliant
11/3/2015	Allstate Power Vac, Inc.	U.S. based provider of environmental and industrial services to the Northeast U.S.	Kinderhook
11/2/2015	Kele, Inc.	U.S. based supplier of building automation products, services, and solutions.	Snow Phipps
11/2/2015	Furmanite Corporation	U.S. based provider of technical services and engineering and project solutions to the midstream and downstream oil and gas industry.	Team, Inc.
11/1/2015	UE Compression	U.S. based provider of gas and air compression systems for use in power generation and transmission.	Lion Equity Partners
10/30/2015	Advantec	Norway based supplier of subsea and well control products, as well as various electro and hydraulic control systems.	GE Oil & Gas
10/29/2015	Juno Lighting	U.S. based manufacturer and provider of commercial and residential lighting fixtures and solutions.	Acuity Brands, Inc.

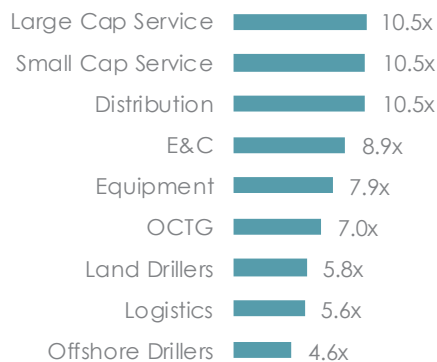
## PUBLIC MARKETS OVERVIEW

## Energy Equipment and Services

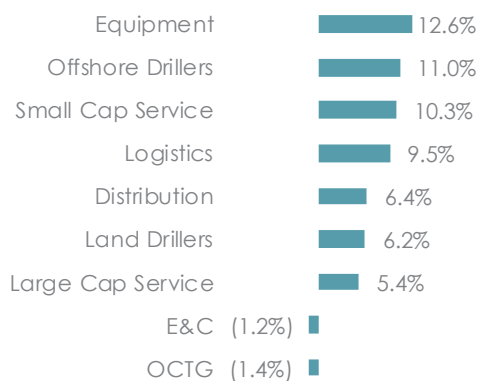
## TEV / LTM EBITDA



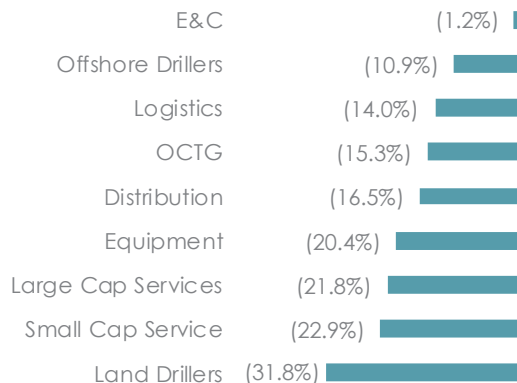
## TEV / 2015E EBITDA



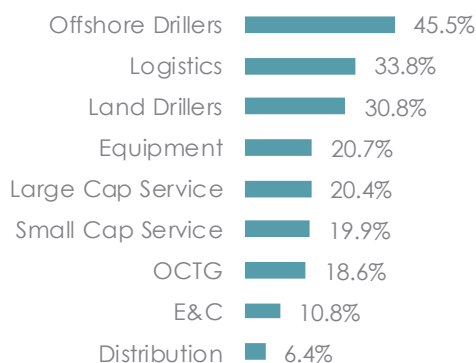
## AVERAGE REVENUE GROWTH (2012 – 2014)



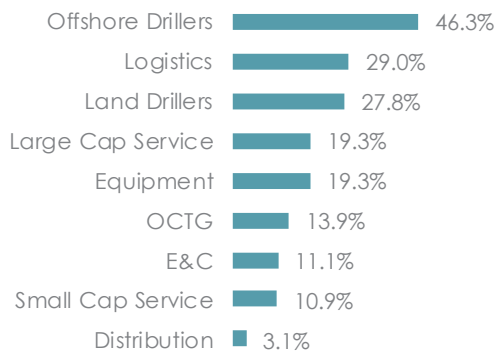
## AVERAGE REVENUE GROWTH (2014 – 2016P)



## AVERAGE EBITDA MARGIN (2012 – 2014)



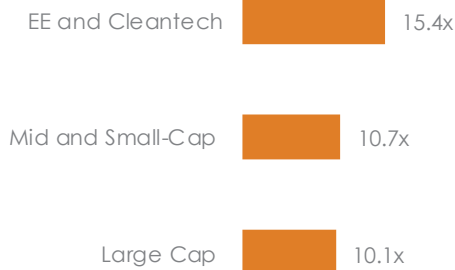
## AVERAGE EBITDA MARGIN (2014 – 2016P)



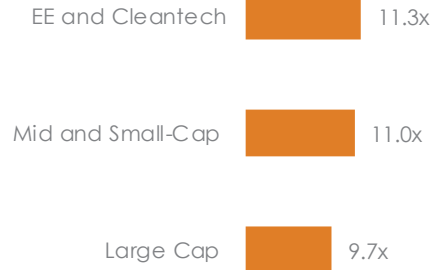
## PUBLIC MARKETS OVERVIEW

## Power Equipment and Services

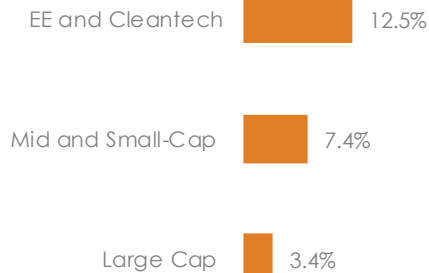
## TEV / LTM EBITDA



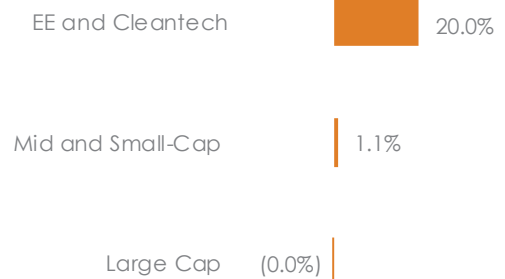
## TEV / 2015E EBITDA



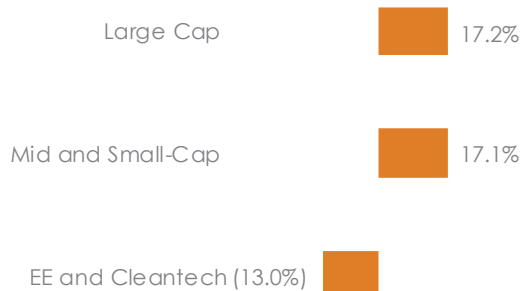
## AVERAGE REVENUE GROWTH (2012 – 2014)



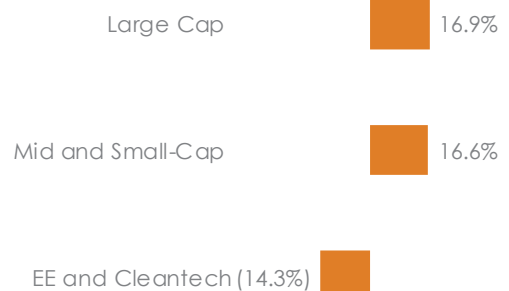
## AVERAGE REVENUE GROWTH (2014 – 2016P)



## AVERAGE EBITDA MARGIN (2012 – 2014)



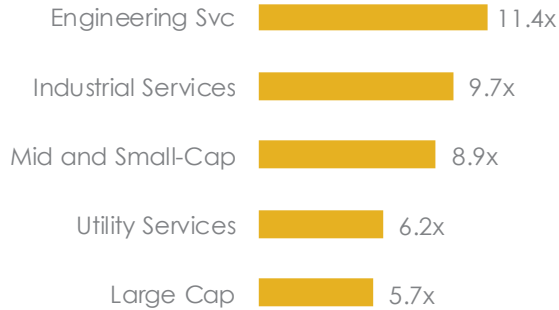
## AVERAGE EBITDA MARGIN (2014 – 2016P)



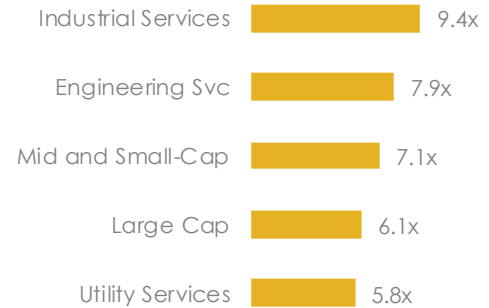
## PUBLIC MARKETS OVERVIEW

## Infrastructure Services

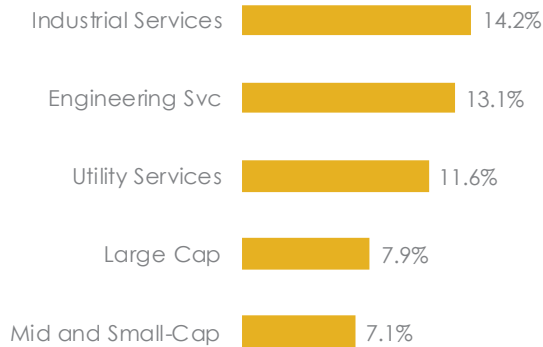
## TEV / LTM EBITDA



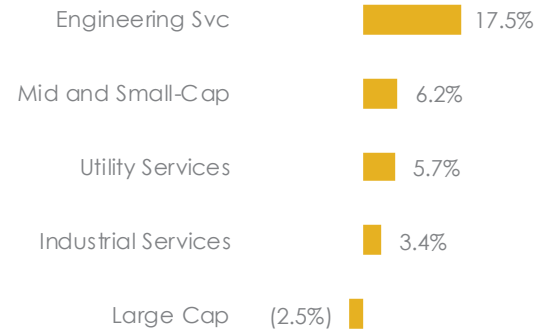
## TEV / 2015E EBITDA



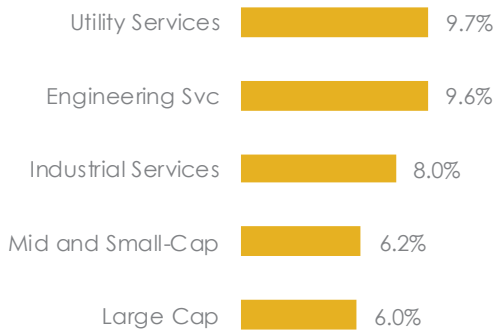
## AVERAGE REVENUE GROWTH (2012 – 2014)



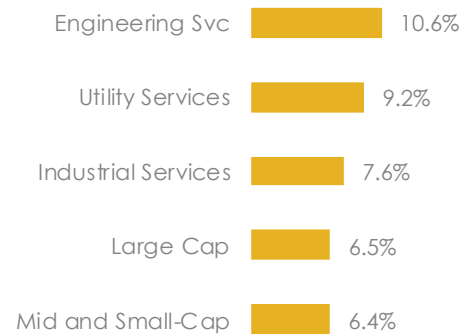
## AVERAGE REVENUE GROWTH (2014 – 2016P)



## AVERAGE EBITDA MARGIN (2012 – 2014)



## AVERAGE EBITDA MARGIN (2014 – 2016P)





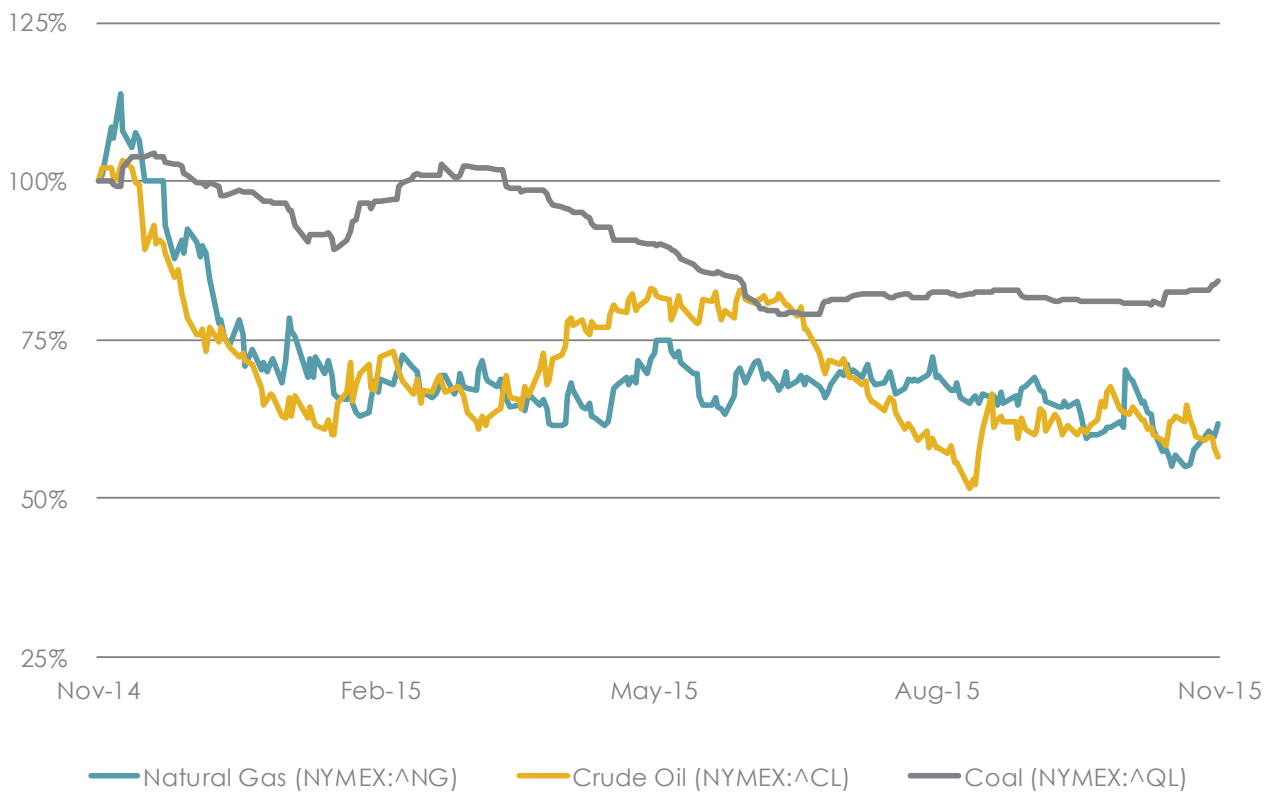
## INDUSTRY STATISTICS

## Commodity Prices

	Price			Change From	
	Current	Prior Month	Prior Year	Prior Month	Prior Year
Natural Gas (\$ per MMBtu)	\$2.53	\$2.50	\$4.09	1.1%	(38.2%)
Crude Oil (\$ per bbl)	42.00	47.15	74.16	(10.9%)	(43.4%)
Coal (CAPP) (\$ per ton)	43.85	41.98	51.95	4.5%	(15.6%)

## TRAILING TWELVE MONTHS

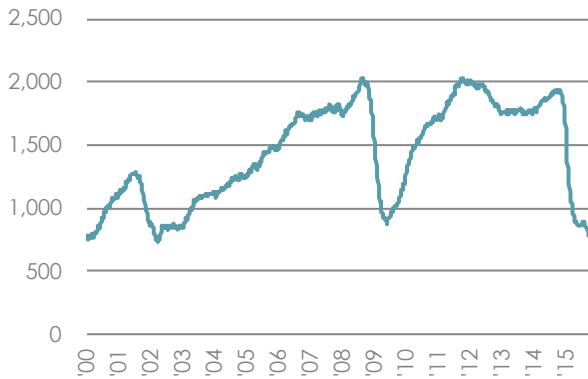
(Indexed to 100%)



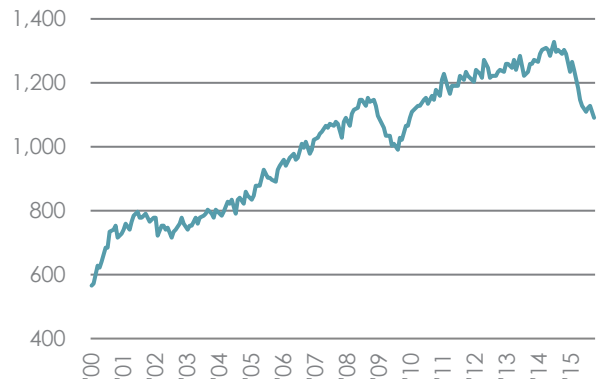
## INDUSTRY STATISTICS

### Rig Counts<sup>3</sup>

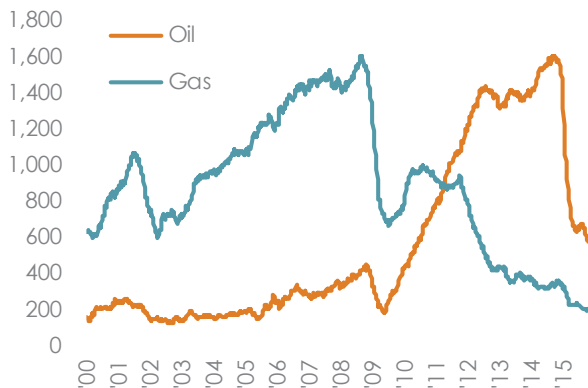
#### U.S. RIG COUNTS



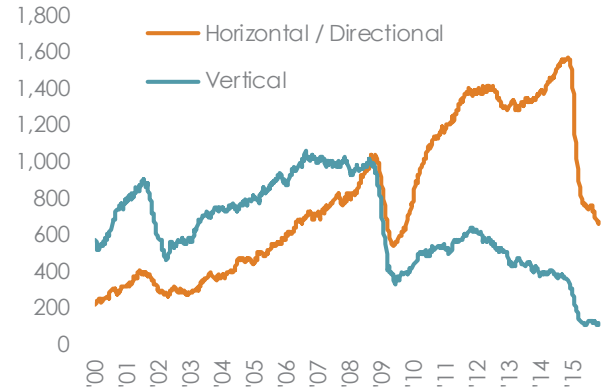
#### INTERNATIONAL RIG COUNTS



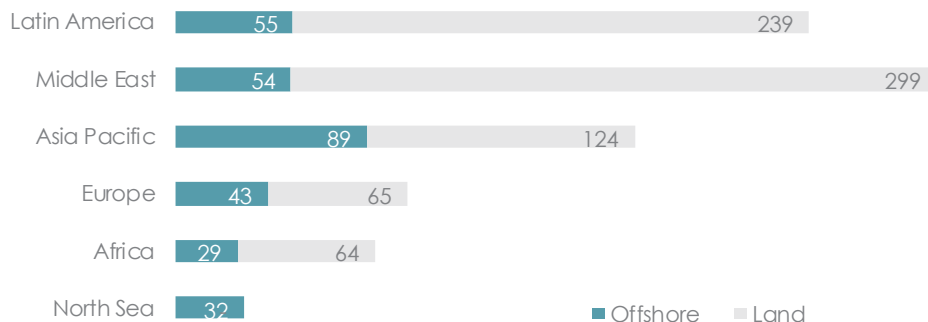
#### U.S. OIL VS. GAS RIG COUNT



#### U.S. HORIZONTAL/DIRECTIONAL VS. VERTICAL RIG COUNT



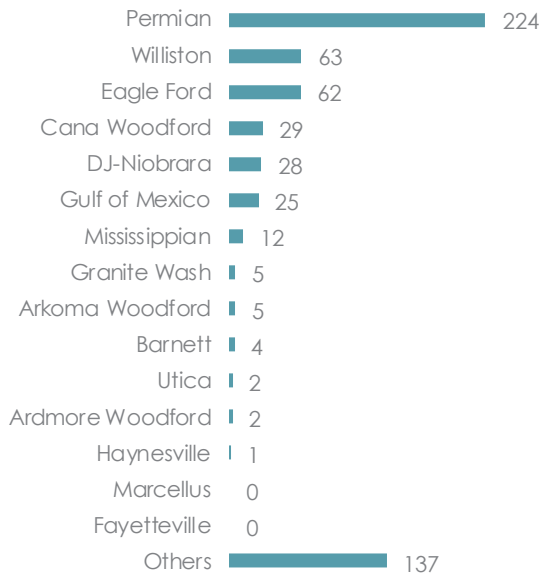
#### INTERNATIONAL RIG COUNT BY COUNTRY



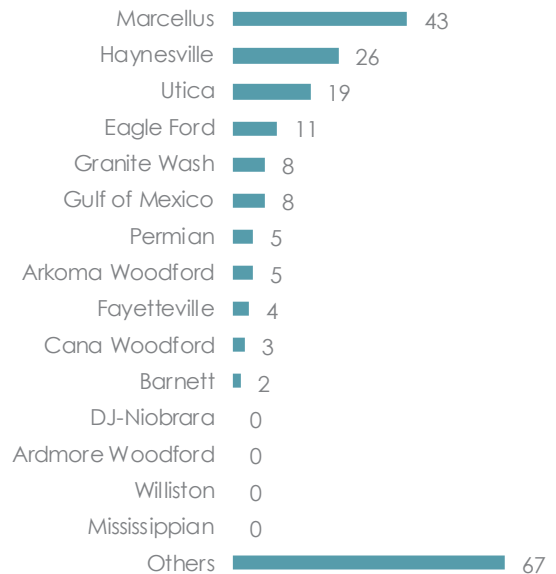
## INDUSTRY STATISTICS

Rig Counts<sup>3</sup>

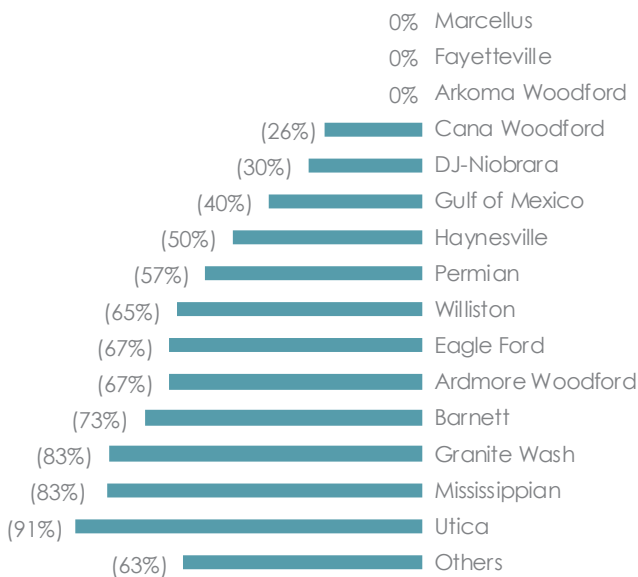
## U.S. OIL RIG COUNT BY REGION



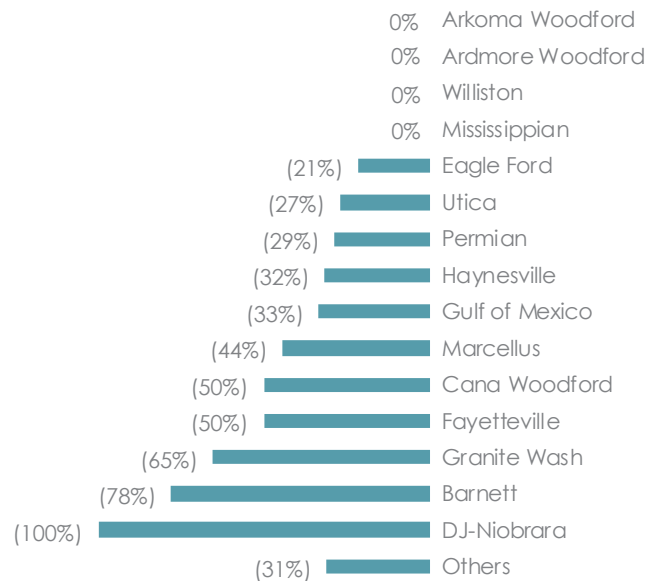
## U.S. GAS RIG COUNT BY REGION



## % YTD CHANGE IN U.S. OIL RIG COUNT BY REGION



## % YTD CHANGE IN U.S. GAS RIG COUNT BY REGION



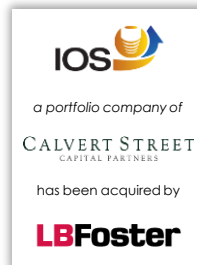
## OUR GROUP

Harris Williams & Co. is a leading advisor to the energy, power, and infrastructure M&A market. Our Energy, Power & Infrastructure Group has experience across a broad range of sectors, including services, products, and technologies that support or enhance energy and power infrastructure.

## Energy

- Oil & Gas Equipment and Services
- Coal Products and Services

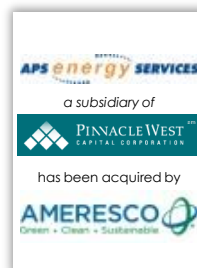
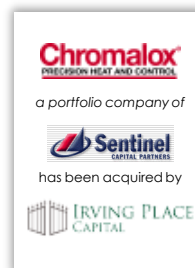
### SELECT RELEVANT EXPERIENCE



## Power

- Power Products and Technology
- Electric and Natural Gas Transmission and Distribution
- Energy Efficiency and Clean Technology
- Renewable Energy Services and Equipment

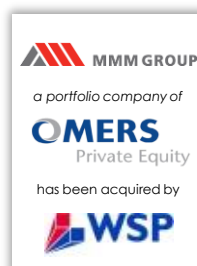
### SELECT RELEVANT EXPERIENCE



## Infrastructure

- Industrial and Infrastructure Services
- Engineering and Construction
- Environmental Services

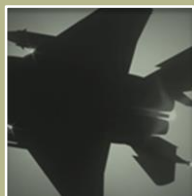
### SELECT RELEVANT EXPERIENCE



## OUR FIRM

Harris Williams & Co. has a broad range of industry expertise, which creates powerful opportunities. Our clients benefit from our deep-sector experience, integrated industry intelligence and collaboration across the firm, and our commitment to learning what makes them unique. For more information, visit our website at [www.harriswilliams.com/industries](http://www.harriswilliams.com/industries).

### Aerospace, Defense & Government Services



### Building Products & Materials



### Business Services



### Consumer



### Energy, Power & Infrastructure



### Healthcare & Life Sciences



### Industrials



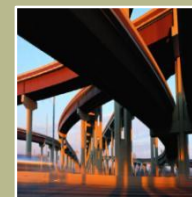
### Specialty Distribution



### Technology, Media & Telecom



### Transportation & Logistics



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### NETWORK OFFICES

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#### **Hong Kong**

#### **Mumbai**

#### **New Delhi**

#### **Shanghai**



## PUBLIC COMPARABLES

	TEV	Stock Performance						TEV / LTM EBITDA as of			TEV / EBITDA	
		Stock Price		Change from		52-Week		Nov-14	May-15	Current	2015E	2016P
		Nov-15	Oct-15	Prior Month	Prior Year	High	% of High					
Energy Services and Equipment												
Large Cap Service												
Schlumberger Limited	\$101,925	\$76.14	\$74.64	2.0%	(19.7%)	\$99.21	76.7%	9.7x	9.3x	9.1x	10.3x	11.1x
Halliburton Company	37,619	37.39	38.47	(2.8%)	(30.5%)	56.26	66.5%	7.3x	6.8x	13.2x	8.9x	8.4x
Baker Hughes Incorporated	22,884	47.66	55.02	(13.4%)	(18.9%)	70.45	67.7%	6.9x	7.5x	6.7x	12.6x	11.2x
Weatherford International plc	15,201	10.20	9.73	4.8%	(37.5%)	16.90	60.4%	9.0x	7.9x	8.0x	10.7x	9.7x
Median				(0.4%)	(25.1%)		67.1%	8.2x	7.7x	8.5x	10.5x	10.4x
Equipment												
National Oilwell Varco, Inc.	\$16,244	\$37.33	\$38.67	(3.5%)	(47.8%)	\$74.20	50.3%	6.8x	5.0x	4.3x	6.5x	8.6x
Cameron International Corporation	14,449	66.70	65.75	1.4%	15.6%	71.22	93.7%	9.2x	7.0x	8.7x	10.1x	11.7x
FMC Technologies, Inc.	7,959	32.27	33.63	(4.0%)	(40.2%)	57.55	56.1%	10.3x	8.0x	6.4x	7.9x	9.6x
Oceaneering International, Inc.	4,766	43.33	45.78	(5.4%)	(37.4%)	70.95	61.1%	8.9x	6.8x	6.0x	7.0x	7.5x
Dril-Quip, Inc.	1,884	59.48	64.91	(8.4%)	(31.1%)	93.54	63.6%	10.5x	8.1x	6.1x	6.8x	9.1x
Oil States International Inc.	1,586	29.75	29.61	0.5%	(46.7%)	57.95	51.3%	10.2x	5.7x	4.4x	8.7x	10.6x
Forum Energy Technologies, Inc.	1,565	13.69	13.22	3.6%	(48.6%)	27.89	49.1%	9.3x	8.1x	6.2x	9.3x	10.3x
Median				(3.5%)	(40.2%)		56.1%	9.3x	7.0x	6.1x	7.9x	9.6x
Mid and Small-Cap Service												
Superior Energy Services, Inc.	\$3,356	\$14.91	\$16.12	(7.5%)	(37.7%)	\$26.95	55.3%	4.3x	4.3x	3.6x	6.9x	7.3x
TETRA Technologies, Inc.	1,964	8.71	6.95	25.3%	3.8%	8.86	98.3%	20.3x	12.7x	8.7x	8.3x	8.2x
Ensign Energy Services Inc.	1,831	7.04	9.04	(22.1%)	(46.7%)	13.22	53.3%	5.3x	5.1x	4.6x	5.9x	7.1x
C&J Energy Services, Ltd.	1,634	4.50	4.80	(6.3%)	(77.4%)	20.49	22.0%	6.5x	13.3x	8.7x	33.3x	23.5x
U.S. Silica Holdings, Inc.	1,173	18.32	17.25	6.2%	(55.9%)	47.04	38.9%	11.9x	9.0x	6.0x	10.5x	10.2x
Calfrac Well Services Ltd.	1,010	2.01	3.55	(43.4%)	(85.2%)	14.50	13.9%	6.6x	5.0x	3.8x	37.8x	9.6x
Basic Energy Services, Inc.	987	3.61	4.28	(15.7%)	(67.2%)	12.20	29.6%	4.5x	4.4x	4.9x	29.9x	30.8x
Key Energy Services Inc.	844	0.50	0.70	(28.5%)	(79.6%)	2.79	17.9%	6.3x	16.6x	31.2x	NM	16.6x
Trican Well Service Ltd.	815	0.89	1.17	(23.9%)	(90.6%)	9.96	8.9%	11.9x	6.4x	5.2x	NM	12.1x
CARBO Ceramics Inc.	412	17.80	22.18	(19.7%)	(63.0%)	51.66	34.5%	6.5x	10.4x	10.4x	NM	NM
Median				(17.7%)	(65.1%)		32.0%	6.5x	7.7x	5.6x	10.5x	10.2x
OCTG												
Tenaris S.A.	\$11,986	\$11.43	\$12.35	(7.4%)	(21.4%)	\$15.34	74.5%	5.9x	5.8x	5.9x	8.2x	7.2x
PAO TMK	3,796	3.60	3.19	13.0%	(43.8%)	6.57	54.8%	6.4x	5.1x	4.9x	5.7x	5.6x
Vallourec SA	3,224	9.11	10.32	(11.7%)	(69.1%)	30.72	29.7%	6.9x	7.3x	6.9x	NM	13.9x
Median				(7.4%)	(43.8%)		54.8%	6.4x	5.8x	5.9x	7.0x	7.2x
Distribution												
MRC Global Inc.	\$2,403	\$13.86	\$12.78	8.5%	(35.7%)	\$22.81	60.8%	9.2x	7.4x	6.3x	10.5x	10.1x
NOW Inc.	1,851	17.32	17.39	(0.4%)	(38.1%)	29.23	59.3%	12.6x	19.9x	27.2x	NM	NM
Median				4.0%	(36.9%)		60.0%	10.9x	13.7x	16.8x	10.5x	10.1x

## PUBLIC COMPARABLES

	Revenue					Revenue Growth		EBITDA					EBITDA Margin					Avg. Margin	
	2012	2013	2014	2015E	2016P	'12-14	'14-16P	2012	2013	2014	2015E	2016P	2012	2013	2014	2015E	2016P	'12-14	'14-16P
<b>Energy Services and Equipment</b>																			
Large Cap Service																			
Schlumberger Limited	\$41,731	\$45,266	\$48,580	\$35,627	\$32,198	7.9%	(18.6%)	\$10,935	\$12,224	\$13,584	\$9,877	\$8,880	26.2%	27.0%	28.0%	27.7%	27.6%	27.1%	27.8%
Halliburton Company	28,503	29,402	32,870	23,669	21,067	7.4%	(19.9%)	6,087	6,038	7,028	4,107	3,717	21.4%	20.5%	21.4%	17.4%	17.6%	21.1%	18.8%
Baker Hughes Incorporated	21,361	22,364	24,551	15,826	14,142	7.2%	(24.1%)	3,803	3,647	4,847	1,901	1,836	17.8%	16.3%	19.7%	12.0%	13.0%	18.0%	14.9%
Weatherford International plc	15,215	15,263	14,911	9,524	8,482	(1.0%)	(24.6%)	2,445	2,054	2,514	1,368	1,337	16.1%	13.5%	16.9%	14.4%	15.8%	15.5%	15.7%
<b>Total</b>	<b>\$106,810</b>	<b>\$112,295</b>	<b>\$120,912</b>	<b>\$84,647</b>	<b>\$75,889</b>	<b>5.4%</b>	<b>(21.8%)</b>	<b>\$23,270</b>	<b>\$23,963</b>	<b>\$27,973</b>	<b>\$17,253</b>	<b>\$15,769</b>	<b>21.8%</b>	<b>21.3%</b>	<b>23.1%</b>	<b>20.4%</b>	<b>20.8%</b>	<b>20.4%</b>	<b>19.3%</b>
Equipment																			
National Oilwell Varco, Inc.	\$17,194	\$19,221	\$21,440	\$15,094	\$10,675	11.7%	(29.4%)	\$4,005	\$3,937	\$4,495	\$2,457	\$1,618	23.3%	20.5%	21.0%	16.3%	15.2%	21.6%	17.5%
Cameron International Corporation	7,795	9,138	10,381	8,752	7,656	15.4%	(14.1%)	1,220	1,362	1,642	1,494	1,220	15.7%	14.9%	15.8%	17.1%	15.9%	15.5%	16.3%
FMC Technologies, Inc.	6,151	7,126	7,943	6,515	5,808	13.6%	(14.5%)	793	986	1,305	982	794	12.9%	13.8%	16.4%	15.1%	13.7%	14.4%	15.1%
Oceaneering International, Inc.	2,783	3,287	3,660	3,040	2,776	14.7%	(12.9%)	605	747	858	669	591	21.7%	22.7%	23.4%	22.0%	21.3%	22.6%	22.3%
Dril-Quip, Inc.	733	872	931	842	663	12.7%	(15.6%)	188	253	310	272	185	25.6%	29.0%	33.3%	32.3%	27.9%	29.3%	31.2%
Oil States International Inc.	1,518	1,629	1,820	1,115	964	9.5%	(27.2%)	339	367	438	183	123	22.3%	22.5%	24.1%	16.4%	12.8%	23.0%	17.7%
Forum Energy Technologies, Inc.	1,415	1,525	1,740	1,082	884	10.9%	(28.7%)	290	267	313	153	109	20.5%	17.5%	18.0%	14.1%	12.3%	18.6%	14.8%
<b>Total</b>	<b>\$37,589</b>	<b>\$42,799</b>	<b>\$47,914</b>	<b>\$36,441</b>	<b>\$29,425</b>	<b>12.6%</b>	<b>(20.4%)</b>	<b>\$7,439</b>	<b>\$7,919</b>	<b>\$9,361</b>	<b>\$6,209</b>	<b>\$4,640</b>	<b>19.8%</b>	<b>18.5%</b>	<b>19.5%</b>	<b>17.0%</b>	<b>15.8%</b>	<b>20.7%</b>	<b>19.3%</b>
Mid and Small-Cap Service																			
Superior Energy Services, Inc.	\$4,293	\$4,350	\$4,557	\$2,786	\$2,311	3.0%	(28.8%)	\$1,254	\$1,140	\$1,199	\$420	\$300	29.2%	26.2%	26.3%	15.1%	13.0%	27.2%	18.1%
Ensign Energy Services Inc.	2,197	2,098	2,322	1,411	1,232	2.8%	(27.2%)	564	484	551	309	248	25.7%	23.1%	23.7%	21.9%	20.1%	24.2%	21.9%
TETRA Technologies, Inc.	881	909	1,078	1,141	1,144	10.6%	3.0%	123	96	111	242	233	13.9%	10.6%	10.3%	21.2%	20.4%	11.6%	17.3%
C&J Energy Services, Ltd.	1,112	1,070	1,608	1,734	1,676	20.3%	2.1%	336	202	232	36	69	30.2%	18.8%	14.4%	2.1%	4.1%	21.2%	6.9%
U.S. Silica Holdings, Inc.	442	546	877	641	605	40.9%	(16.9%)	141	153	222	109	80	31.8%	28.0%	25.3%	17.1%	13.2%	28.4%	18.5%
Calfrac Well Services Ltd.	1,595	1,564	2,497	1,479	1,180	25.1%	(31.3%)	257	188	357	28	56	16.1%	12.0%	14.3%	1.9%	4.8%	14.1%	7.0%
Basic Energy Services, Inc.	1,375	1,263	1,491	811	723	4.1%	(30.4%)	297	231	313	24	11	21.6%	18.3%	21.0%	3.0%	1.5%	20.3%	8.5%
Key Energy Services Inc.	1,960	1,592	1,427	797	718	(14.7%)	(29.1%)	421	269	118	6	48	21.5%	16.9%	8.3%	0.8%	6.6%	15.5%	5.2%
Trican Well Service Ltd.	2,213	2,115	2,704	1,327	1,182	10.5%	(33.9%)	242	165	262	(26)	74	10.9%	7.8%	9.7%	(1.9%)	6.3%	9.5%	4.7%
CARBO Ceramics Inc.	646	667	648	268	263	0.2%	(36.3%)	204	172	159	(35)	(19)	31.6%	25.8%	24.5%	(13.1%)	(7.4%)	27.3%	1.4%
<b>Total</b>	<b>\$16,714</b>	<b>\$16,175</b>	<b>\$19,208</b>	<b>\$12,394</b>	<b>\$11,034</b>	<b>10.3%</b>	<b>(22.9%)</b>	<b>\$3,839</b>	<b>\$3,100</b>	<b>\$3,523</b>	<b>\$1,113</b>	<b>\$1,099</b>	<b>23.0%</b>	<b>19.2%</b>	<b>18.3%</b>	<b>9.0%</b>	<b>10.0%</b>	<b>19.9%</b>	<b>10.9%</b>
OCTG																			
Tenaris S.A.	\$10,834	\$10,597	\$10,338	\$7,259	\$7,195	(2.3%)	(16.6%)	\$2,874	\$2,764	\$2,679	\$1,384	\$1,426	26.5%	26.1%	25.9%	19.1%	19.8%	26.2%	21.6%
PAO IMK	6,688	6,432	6,009	4,421	4,710	(5.2%)	(11.5%)	1,006	929	782	683	679	15.0%	14.4%	13.0%	15.4%	14.4%	14.2%	14.3%
Vallourec SA	5,326	5,578	5,701	3,777	3,840	3.5%	(17.9%)	826	914	846	(74)	191	15.5%	16.4%	14.8%	(1.9%)	5.0%	15.6%	6.0%
<b>Total</b>	<b>\$22,848</b>	<b>\$22,607</b>	<b>\$22,047</b>	<b>\$15,457</b>	<b>\$15,745</b>	<b>(1.4%)</b>	<b>(15.3%)</b>	<b>\$4,706</b>	<b>\$4,607</b>	<b>\$4,307</b>	<b>\$1,994</b>	<b>\$2,295</b>	<b>20.6%</b>	<b>20.4%</b>	<b>19.5%</b>	<b>12.9%</b>	<b>14.6%</b>	<b>18.6%</b>	<b>13.9%</b>
Distribution																			
MRC Global Inc.	\$5,571	\$5,231	\$5,933	\$4,529	\$4,136	3.2%	(16.5%)	\$475	\$389	\$400	\$237	\$208	8.5%	7.4%	6.7%	5.2%	5.0%	7.6%	5.7%
NOW Inc.	3,414	4,296	4,105	3,058	2,859	9.7%	(16.5%)	180	241	202	(58)	(34)	5.3%	5.6%	4.9%	(1.9%)	(1.2%)	5.3%	0.6%
<b>Total</b>	<b>\$8,985</b>	<b>\$9,527</b>	<b>\$10,038</b>	<b>\$7,587</b>	<b>\$6,995</b>	<b>6.4%</b>	<b>(16.5%)</b>	<b>\$655</b>	<b>\$630</b>	<b>\$602</b>	<b>\$179</b>	<b>\$174</b>	<b>7.3%</b>	<b>6.6%</b>	<b>6.0%</b>	<b>2.4%</b>	<b>2.5%</b>	<b>6.4%</b>	<b>3.1%</b>

# PUBLIC COMPARABLES

	TEV	Stock Performance						TEV / LTM EBITDA as of			TEV / EBITDA	
		Stock Price		Change from		52-Week		Nov-14	May-15	Current	2015E	2016P
		Nov-15	Oct-15	Prior Month	Prior Year	High	% of High					
Energy Services and Equipment												
Logistics												
ATCO Ltd.	\$14,687	\$37.00	\$40.01	(7.5%)	(19.8%)	\$50.40	73.4%	8.8x	9.6x	9.4x	8.3x	7.3x
Bristow Group, Inc.	1,945	29.83	32.12	(7.1%)	(58.1%)	72.37	41.2%	9.6x	9.1x	7.4x	5.6x	7.6x
Tidewater Inc.	1,912	10.56	16.26	(35.1%)	(71.7%)	39.24	26.9%	7.2x	6.6x	6.1x	4.4x	8.6x
Hornbeck Offshore Services, Inc.	1,237	12.79	15.81	(19.1%)	(58.2%)	32.87	38.9%	6.8x	5.5x	5.1x	5.6x	7.0x
Gulfmark Offshore, Inc.	619	4.92	8.14	(39.6%)	(83.0%)	32.37	15.2%	6.6x	5.9x	9.0x	12.9x	18.0x
Civeo Corporation	612	1.94	2.09	(7.2%)	(81.5%)	10.94	17.7%	4.5x	3.3x	3.4x	4.7x	6.6x
Median				(13.3%)	(65.0%)		32.9%	7.0x	6.3x	6.8x	5.6x	7.5x
Offshore Drillers												
Transocean Ltd.	\$12,020	\$14.24	\$15.59	(8.7%)	(45.8%)	26.98	52.8%	4.6x	4.1x	3.7x	3.7x	7.0x
Ensco plc	8,949	17.50	16.22	7.9%	(54.9%)	40.23	43.5%	6.1x	4.3x	3.9x	4.4x	5.9x
Noble Corporation plc	8,149	12.82	12.07	6.2%	(39.3%)	21.68	59.1%	7.1x	6.4x	5.2x	4.8x	6.1x
Diamond Offshore Drilling, Inc.	5,300	21.63	19.39	11.6%	(38.7%)	40.00	54.1%	5.4x	6.1x	4.9x	5.3x	7.5x
Rowan Companies plc	4,964	19.61	19.88	(1.4%)	(17.5%)	25.13	78.0%	8.5x	6.7x	5.0x	5.0x	5.5x
Atwood Oceanics, Inc.	2,595	15.78	16.83	(6.2%)	(55.1%)	38.84	40.6%	7.0x	5.3x	3.3x	3.4x	4.8x
Median				2.4%	(42.6%)		53.4%	6.6x	5.7x	4.4x	4.6x	6.0x
Land Drillers												
Nabors Industries Ltd.	\$6,537	\$9.25	\$11.02	(16.1%)	(44.3%)	17.33	53.4%	4.9x	4.5x	4.8x	5.8x	7.8x
Helmerich & Payne, Inc.	5,568	54.19	57.41	(5.6%)	(32.1%)	84.12	64.4%	5.3x	4.7x	4.2x	4.7x	9.9x
Precision Drilling Corporation	3,182	5.14	6.21	(17.2%)	(41.4%)	9.43	54.5%	5.0x	7.2x	7.2x	6.7x	7.9x
Patterson-UTI Energy Inc.	3,009	15.09	15.91	(5.2%)	(28.4%)	23.11	65.3%	4.4x	3.9x	3.9x	5.8x	10.2x
Pioneer Energy Services Corp.	555	2.80	2.92	(4.1%)	(64.6%)	8.69	32.2%	3.7x	3.6x	3.4x	5.2x	9.7x
Median				(5.6%)	(41.4%)		54.5%	4.9x	4.5x	4.2x	5.8x	9.7x
Engineering & Construction												
Subsea 7 SA	\$20,292	\$66.05	\$70.25	(6.0%)	(11.9%)	90.55	72.9%	19.3x	22.3x	16.8x	18.4x	30.3x
Saipem SpA	9,248	7.93	8.61	(7.8%)	(35.6%)	13.48	58.8%	9.0x	8.5x	27.5x	19.4x	7.0x
Technip SA	4,193	47.12	46.67	1.0%	(20.3%)	66.36	71.0%	5.9x	4.9x	4.1x	3.4x	3.8x
Petrofac Limited	3,781	7.45	9.07	(17.9%)	(33.7%)	12.03	61.9%	4.9x	5.8x	7.2x	6.4x	4.0x
McDermott International Inc.	1,646	5.72	4.95	15.6%	38.2%	6.00	95.3%	NM	10.4x	6.0x	8.9x	7.1x
Median				(6.0%)	(20.3%)		71.0%	7.5x	8.5x	7.2x	8.9x	7.0x

# PUBLIC COMPARABLES

	Revenue					Revenue Growth		EBITDA					EBITDA Margin					Avg. Margin	
	2012	2013	2014	2015E	2016P	'12-14	'14-16P	2012	2013	2014	2015E	2016P	2012	2013	2014	2015E	2016P	'12-14	'14-16P
<b>Energy Services and Equipment</b>																			
Logistics																			
ATCO Ltd.	\$4,012	\$4,359	\$4,554	\$4,615	\$4,998	6.5%	4.8%	\$1,532	\$1,678	\$1,664	\$1,774	\$1,964	38.2%	38.5%	36.5%	38.4%	39.3%	37.7%	38.1%
Bristow Group, Inc.	1,199	1,344	1,516	1,881	1,783	12.4%	8.4%	263	291	291	330	253	22.0%	21.7%	19.2%	17.6%	14.2%	20.9%	17.0%
Tidewater Inc.	1,060	1,230	1,418	1,526	1,071	15.7%	(13.1%)	265	347	417	437	217	25.0%	28.2%	29.4%	28.6%	20.3%	27.5%	26.1%
Hornbeck Offshore Services, Inc.	463	548	635	490	425	17.1%	(18.2%)	192	255	284	216	178	41.4%	46.6%	44.7%	44.1%	42.0%	44.2%	43.6%
Gulfmark Offshore, Inc.	389	455	496	273	214	12.9%	(34.3%)	103	159	172	46	32	26.5%	34.9%	34.7%	16.8%	14.8%	32.0%	22.1%
Civeo Corporation	1,109	1,041	943	520	444	(7.8%)	(31.4%)	492	427	331	136	92	44.4%	41.0%	35.1%	26.2%	20.8%	40.2%	27.3%
<b>Total</b>	<b>\$8,233</b>	<b>\$8,977</b>	<b>\$9,562</b>	<b>\$9,305</b>	<b>\$8,934</b>	<b>9.5%</b>	<b>(14.0%)</b>	<b>\$2,847</b>	<b>\$3,157</b>	<b>\$3,159</b>	<b>\$2,939</b>	<b>\$2,736</b>	<b>34.6%</b>	<b>35.2%</b>	<b>33.0%</b>	<b>31.6%</b>	<b>30.6%</b>	<b>33.8%</b>	<b>29.0%</b>
Offshore Drillers																			
Transocean Ltd.	\$8,773	\$9,070	\$8,952	\$6,947	\$4,662	1.0%	(27.8%)	\$3,518	\$3,505	\$3,796	\$3,079	\$1,668	40.1%	38.6%	42.4%	44.3%	35.8%	40.4%	40.8%
Ensco plc	3,639	4,323	4,565	3,996	3,341	12.0%	(14.4%)	1,814	2,201	2,348	2,001	1,519	49.8%	50.9%	51.4%	50.1%	45.5%	50.7%	49.0%
Noble Corporation plc	2,135	2,472	3,148	3,110	2,722	21.4%	(7.0%)	1,053	1,189	1,559	1,697	1,322	49.3%	48.1%	49.5%	54.6%	48.6%	49.0%	50.9%
Diamond Offshore Drilling, Inc.	2,936	2,844	2,737	2,371	1,728	(3.4%)	(20.6%)	1,337	1,186	1,133	1,005	716	45.5%	41.7%	41.4%	42.4%	41.5%	42.9%	41.7%
Rowan Companies plc	1,393	1,579	1,824	2,130	2,005	14.5%	4.8%	526	587	707	1,002	908	37.8%	37.2%	38.8%	47.1%	45.3%	37.9%	43.7%
Atwood Oceanics, Inc.	756	1,018	1,103	1,381	1,095	20.8%	(0.4%)	390	548	561	757	533	51.7%	53.8%	50.8%	54.8%	48.6%	52.1%	51.4%
<b>Total</b>	<b>\$19,631</b>	<b>\$21,306</b>	<b>\$22,329</b>	<b>\$19,934</b>	<b>\$15,552</b>	<b>11.0%</b>	<b>(10.9%)</b>	<b>\$8,639</b>	<b>\$9,216</b>	<b>\$10,104</b>	<b>\$9,542</b>	<b>\$6,666</b>	<b>44.0%</b>	<b>43.3%</b>	<b>45.2%</b>	<b>47.9%</b>	<b>42.9%</b>	<b>45.5%</b>	<b>46.3%</b>
Land Drillers																			
Nabors Industries Ltd.	\$6,843	\$6,152	\$6,804	\$3,841	\$2,928	(0.3%)	(34.4%)	\$1,966	\$1,680	\$1,753	\$1,124	\$820	28.7%	27.3%	25.8%	29.3%	28.0%	27.3%	27.7%
Helmerich & Payne, Inc.	3,138	3,374	3,706	2,955	1,870	8.7%	(29.0%)	1,278	1,400	1,559	1,126	564	40.7%	41.5%	42.1%	38.1%	30.1%	41.4%	36.8%
Precision Drilling Corporation	2,041	2,030	2,351	1,563	1,401	7.3%	(22.8%)	477	637	631	474	392	23.4%	31.4%	26.8%	30.3%	28.0%	27.2%	28.4%
Patterson-UTI Energy Inc.	2,723	2,716	3,182	1,844	1,346	8.1%	(35.0%)	990	841	986	512	283	36.4%	31.0%	31.0%	27.7%	21.0%	32.8%	26.6%
Pioneer Energy Services Corp.	919	960	1,055	537	405	7.1%	(38.0%)	248	236	266	107	57	26.9%	24.6%	25.2%	19.9%	14.1%	25.6%	19.7%
<b>Total</b>	<b>\$15,664</b>	<b>\$15,232</b>	<b>\$17,099</b>	<b>\$10,741</b>	<b>\$7,951</b>	<b>6.2%</b>	<b>(31.8%)</b>	<b>\$4,959</b>	<b>\$4,794</b>	<b>\$5,194</b>	<b>\$3,342</b>	<b>\$2,116</b>	<b>31.7%</b>	<b>31.5%</b>	<b>30.4%</b>	<b>31.1%</b>	<b>26.6%</b>	<b>30.8%</b>	<b>27.8%</b>
Engineering & Construction																			
Subsea 7 SA	\$6,297	\$6,297	\$6,870	\$4,883	\$3,987	4.5%	(23.8%)	\$1,044	\$858	\$1,345	\$1,099	\$659	16.6%	13.6%	19.6%	22.5%	16.5%	16.6%	19.5%
Saipem SpA	13,124	11,841	12,873	11,880	10,871	(1.0%)	(8.1%)	1,947	696	1,204	481	1,331	14.8%	5.9%	9.4%	4.0%	12.2%	10.0%	8.5%
Technip SA	8,204	8,848	10,074	11,980	10,375	10.8%	1.5%	1,002	1,001	984	1,254	1,100	12.2%	11.3%	9.8%	10.5%	10.6%	11.1%	10.3%
Petrofac Limited	6,240	6,329	6,241	7,028	7,879	0.0%	12.4%	842	1,013	887	562	984	13.5%	16.0%	14.2%	8.0%	12.5%	14.6%	11.6%
McDermott International Inc.	3,642	2,659	2,301	3,151	2,886	(20.5%)	12.0%	410	(251)	72	176	235	11.3%	(9.4%)	3.2%	5.6%	8.1%	1.7%	5.6%
<b>Total</b>	<b>\$37,506</b>	<b>\$35,974</b>	<b>\$38,359</b>	<b>\$38,921</b>	<b>\$35,998</b>	<b>(1.2%)</b>	<b>(1.2%)</b>	<b>\$5,245</b>	<b>\$3,317</b>	<b>\$4,492</b>	<b>\$3,572</b>	<b>\$4,308</b>	<b>14.0%</b>	<b>9.2%</b>	<b>11.7%</b>	<b>9.2%</b>	<b>12.0%</b>	<b>10.8%</b>	<b>11.1%</b>

## PUBLIC COMPARABLES

	TEV	Stock Performance						TEV / LTM EBITDA as of			TEV / EBITDA	
		Stock Price		Change from		52-Week		Nov-14	May-15	Current	2015E	2016P
		Nov-15	Oct-15	Prior Month	Prior Year	High	% of High					
Power Services and Equipment												
Large Cap Equipment and Services												
General Electric Company	\$589,473	\$30.28	\$27.87	8.6%	14.6%	\$30.90	98.0%	25.3x	22.2x	20.7x	23.4x	24.3x
Siemens	91,566	92.98	85.11	9.2%	5.7%	106.31	87.5%	10.2x	11.1x	10.7x	9.6x	9.2x
Honeywell International Inc.	78,543	101.08	99.82	1.3%	4.1%	107.41	94.1%	11.1x	12.1x	10.9x	10.0x	9.4x
ABB Ltd.	43,730	18.50	17.80	3.9%	(14.5%)	22.31	82.9%	10.6x	8.7x	8.1x	9.2x	8.7x
Schneider Electric SE	38,945	55.86	51.81	7.8%	(9.1%)	75.29	74.2%	11.5x	11.7x	10.1x	9.7x	9.3x
Emerson Electric Co.	35,127	47.69	46.49	2.6%	(24.9%)	65.94	72.3%	9.7x	9.1x	8.1x	8.4x	9.1x
Eaton Corporation plc	33,193	54.11	53.50	1.1%	(18.6%)	73.82	73.3%	11.5x	12.1x	9.8x	9.8x	9.6x
	Median			3.9%	(9.1%)		82.9%	11.1x	11.7x	10.1x	9.7x	9.3x
Mid and Small-Cap Equipment and Services												
Ametek Inc.	\$14,378	\$53.76	\$54.93	(2.1%)	6.8%	\$57.67	93.2%	13.2x	14.1x	13.4x	13.3x	12.6x
Hubbell Inc.	5,847	95.42	89.33	6.8%	(14.3%)	117.03	81.5%	11.1x	11.1x	9.7x	10.6x	9.7x
Valmont Industries, Inc.	3,114	113.45	103.21	9.9%	(17.6%)	138.77	81.8%	7.8x	8.5x	8.5x	9.6x	8.7x
Littelfuse Inc.	2,280	108.13	94.82	14.0%	11.9%	114.90	94.1%	11.1x	11.9x	12.8x	12.7x	11.0x
AZZ incorporated	1,802	56.67	51.88	9.2%	24.2%	58.97	96.1%	10.9x	10.0x	10.9x	11.6x	10.3x
ESCO Technologies Inc.	946	35.86	37.05	(3.2%)	(4.1%)	39.73	90.3%	12.1x	12.4x	11.5x	11.0x	9.6x
Badger Meter Inc.	908	58.18	60.39	(3.7%)	2.1%	65.87	88.3%	13.7x	16.2x	15.1x	15.3x	13.6x
Thermon Group Holdings, Inc.	624	17.87	21.58	(17.2%)	(29.1%)	25.83	69.2%	10.9x	9.5x	8.5x	7.3x	9.3x
Powell Industries, Inc.	328	33.16	33.04	0.4%	(24.9%)	51.33	64.6%	10.8x	17.5x	10.5x	8.5x	7.3x
Global Power Equipment Group Inc.	108	4.19	4.02	4.2%	(70.4%)	14.19	29.5%	7.7x	6.3x	4.0x	NM	NM
	Median			2.3%	(9.2%)		85.0%	11.0x	11.5x	10.7x	11.0x	9.7x
Energy Efficiency and Clean Technology												
SolarCity Corporation	\$5,362	\$25.85	\$47.03	(45.0%)	(49.2%)	\$63.79	40.5%	NM	NM	NM	NM	NM
Itron, Inc.	1,577	33.67	34.38	(2.1%)	(17.7%)	43.67	77.1%	9.8x	10.3x	13.7x	11.3x	8.1x
Silver Spring Networks, Inc.	537	13.08	14.74	(11.3%)	65.6%	15.20	86.1%	NM	NM	18.8x	NM	19.8x
Ameresco, Inc.	483	6.37	6.37	0.0%	(20.4%)	8.38	76.0%	16.7x	12.5x	11.3x	11.0x	9.0x
OPOWER, Inc.	382	8.72	9.13	(4.5%)	(48.9%)	16.94	51.5%	NM	NM	NM	NM	NM
PowerSecure International, Inc.	296	13.47	12.14	11.0%	29.6%	16.94	79.5%	NM	NM	17.1x	12.5x	7.2x
EnerNOC, Inc.	121	4.29	9.36	(54.2%)	(71.0%)	19.04	22.5%	6.5x	8.1x	NM	NM	NM
Echelon Corporation	6	0.71	0.59	20.8%	(63.2%)	1.95	36.2%	NM	NM	NM	NM	NM
	Median			(3.3%)	(34.6%)		63.7%	9.8x	10.3x	15.4x	11.3x	8.5x



## PUBLIC COMPARABLES

	Revenue					Revenue Growth		EBITDA					EBITDA Margin					Avg. Margin	
	2012	2013	2014	2015E	2016P	'12-14	'14-16P	2012	2013	2014	2015E	2016P	2012	2013	2014	2015E	2016P	'12-14	'14-16P
<b>Power Services and Equipment</b>																			
Large Cap Equipment and Services																			
General Electric Company	\$100,149	\$100,542	\$106,758	\$122,064	\$126,740	3.2%	9.0%	\$29,728	\$30,936	\$31,492	\$22,587	\$26,025	29.7%	30.8%	29.5%	18.5%	20.5%	30.0%	22.8%
Siemens	77,395	73,445	71,920	76,153	79,424	(3.6%)	5.1%	8,921	7,377	8,135	9,553	10,016	11.5%	10.0%	11.3%	12.5%	12.6%	11.0%	12.2%
Honeywell International Inc.	37,665	39,055	40,306	38,674	40,188	3.4%	(0.1%)	5,082	6,490	6,755	7,847	8,336	13.5%	16.6%	16.8%	20.3%	20.7%	15.6%	19.3%
ABB Ltd.	39,336	41,848	39,830	35,614	35,864	0.6%	(5.1%)	5,240	5,705	5,483	4,747	4,931	13.3%	13.6%	13.8%	13.3%	13.7%	13.6%	13.6%
Schneider Electric SE	23,946	23,392	24,939	26,539	26,755	2.1%	3.6%	3,933	3,640	3,726	3,975	4,107	16.4%	15.6%	14.9%	15.0%	15.4%	15.6%	15.1%
Emerson Electric Co.	24,412	24,669	24,537	22,309	20,706	0.3%	(8.1%)	4,751	4,766	4,885	4,154	3,871	19.5%	19.3%	19.9%	18.6%	18.7%	19.6%	19.1%
Eaton Corporation plc	16,311	22,046	22,552	20,901	20,536	17.6%	(4.6%)	2,350	3,307	3,586	3,314	3,354	14.4%	15.0%	15.9%	15.9%	16.3%	15.1%	16.0%
<b>Total</b>	<b>\$319,214</b>	<b>\$324,997</b>	<b>\$330,842</b>	<b>\$342,256</b>	<b>\$350,212</b>	<b>3.4%</b>	<b>(0.0%)</b>	<b>\$60,005</b>	<b>\$62,221</b>	<b>\$64,062</b>	<b>\$56,176</b>	<b>\$60,640</b>	<b>18.8%</b>	<b>19.1%</b>	<b>19.4%</b>	<b>16.4%</b>	<b>17.3%</b>	<b>17.2%</b>	<b>16.9%</b>
Mid and Small-Cap Equipment and Services																			
Ametek Inc.	\$3,334	\$3,594	\$4,022	\$3,997	\$4,090	9.8%	0.8%	\$851	\$934	\$1,037	\$1,093	\$1,142	25.5%	26.0%	25.8%	27.3%	27.9%	25.8%	27.0%
Hubbell Inc.	3,044	3,184	3,359	3,401	3,510	5.0%	2.2%	535	574	592	555	606	17.6%	18.0%	17.6%	16.3%	17.3%	17.7%	17.1%
Valmont Industries, Inc.	3,030	3,304	3,123	2,656	2,627	1.5%	(8.3%)	451	563	447	337	356	14.9%	17.0%	14.3%	12.7%	13.5%	15.4%	13.5%
Littelfuse Inc.	668	758	852	864	901	12.9%	2.8%	141	168	183	189	201	21.1%	22.1%	21.4%	21.9%	22.3%	21.5%	21.9%
AZZ incorporated	469	571	752	821	913	26.6%	10.2%	98	127	143	157	174	21.0%	22.3%	19.1%	19.2%	19.0%	20.8%	19.1%
ESCO Technologies Inc.	479	490	531	541	568	5.3%	3.4%	65	73	82	85	99	13.5%	14.9%	15.4%	15.8%	17.4%	14.6%	16.2%
Badger Meter Inc.	320	334	365	374	398	6.8%	4.4%	58	53	62	60	70	18.0%	15.8%	17.0%	16.0%	17.6%	16.9%	16.9%
Thermon Group Holdings, Inc.	272	284	277	305	284	0.9%	1.3%	58	71	72	85	66	21.4%	24.8%	26.1%	27.9%	23.2%	24.1%	25.7%
Powell Industries, Inc.	691	641	648	655	576	(3.2%)	(5.7%)	60	60	41	38	44	8.7%	9.3%	6.4%	5.9%	7.7%	8.1%	6.7%
Global Power Equipment Group Inc.	463	484	539	538	534	7.9%	(0.4%)	26	29	27	0	0	5.6%	6.0%	5.0%	0.0%	0.0%	5.5%	1.7%
<b>Total</b>	<b>\$12,769</b>	<b>\$13,644</b>	<b>\$14,468</b>	<b>\$14,152</b>	<b>\$14,399</b>	<b>7.4%</b>	<b>1.1%</b>	<b>\$2,342</b>	<b>\$2,650</b>	<b>\$2,687</b>	<b>\$2,601</b>	<b>\$2,758</b>	<b>18.3%</b>	<b>19.4%</b>	<b>18.6%</b>	<b>18.4%</b>	<b>19.2%</b>	<b>17.1%</b>	<b>16.6%</b>
Energy Efficiency and Clean Technology																			
SolarCity Corporation	\$127	\$164	\$255	\$389	\$628	41.8%	56.9%	(\$70)	(\$107)	(\$237)	(\$497)	(\$382)	(55.3%)	(65.3%)	(92.9%)	(127.7%)	(60.8%)	(71.2%)	(93.8%)
Itron, Inc.	2,178	1,949	1,971	1,878	1,993	(4.9%)	0.6%	265	178	169	137	197	12.2%	9.1%	8.6%	7.3%	9.9%	10.0%	8.6%
Silver Spring Networks, Inc.	197	327	191	282	320	(1.4%)	29.2%	(82)	(35)	(80)	10	27	(41.5%)	(10.7%)	(41.9%)	3.7%	8.6%	(31.4%)	(9.9%)
Ameresco, Inc.	631	574	593	635	662	(3.1%)	5.6%	49	28	38	44	54	7.8%	4.9%	6.4%	6.9%	8.1%	6.4%	7.2%
OPower, Inc.	52	89	128	148	176	57.5%	17.1%	(11)	(12)	(38)	(10)	(10)	(21.8%)	(13.1%)	(29.7%)	(6.6%)	(5.6%)	(21.5%)	(14.0%)
PowerSecure International, Inc.	162	270	257	422	524	25.9%	42.8%	9	21	(0)	24	42	5.8%	7.9%	(0.1%)	5.6%	7.9%	4.5%	4.5%
EnerNOC, Inc.	278	383	472	395	364	30.3%	(12.2%)	2	50	47	(23)	(46)	0.6%	12.9%	10.0%	(5.9%)	(12.7%)	7.9%	(2.8%)
Echelon Corporation	134	46	39	38	NM	(46.2%)	NM	(3)	(3)	(7)	(6)	NM	(2.6%)	(6.0%)	(18.4%)	(14.4%)	NM	(9.0%)	NM
<b>Total</b>	<b>\$3,759</b>	<b>\$3,802</b>	<b>\$3,906</b>	<b>\$4,187</b>	<b>\$4,667</b>	<b>12.5%</b>	<b>20.0%</b>	<b>\$159</b>	<b>\$121</b>	<b>(\$109)</b>	<b>(\$321)</b>	<b>(\$118)</b>	<b>4.2%</b>	<b>3.2%</b>	<b>(2.8%)</b>	<b>(7.7%)</b>	<b>(2.5%)</b>	<b>(13.0%)</b>	<b>(14.3%)</b>

## PUBLIC COMPARABLES

	TEV	Stock Performance						TEV / LTM EBITDA as of			TEV / EBITDA	
		Stock Price		Change from		52-Week		Nov-14	May-15	Current	2015E	2016P
		Nov-15	Oct-15	Prior Month	Prior Year	High	% of High					
Infrastructure Services												
Large Cap Infrastructure Services												
Chicago Bridge & Iron Company N.V.	\$6,677	\$42.16	\$42.47	(0.7%)	(21.2%)	\$59.45	70.9%	7.1x	6.4x	5.3x	5.4x	5.3x
Fluor Corporation	5,694	46.71	46.58	0.3%	(28.2%)	69.69	67.0%	6.4x	5.7x	4.7x	4.9x	5.2x
Jacobs Engineering Group Inc.	5,219	40.72	40.88	(0.4%)	(14.2%)	49.90	81.6%	8.3x	7.1x	6.2x	7.3x	6.8x
SNC-Lavalin Group Inc.	4,977	40.32	42.49	(5.1%)	(7.8%)	47.40	85.1%	10.1x	10.3x	10.9x	8.0x	7.5x
KBR, Inc.	1,843	17.70	19.11	(7.4%)	(5.5%)	20.77	85.2%	NM	NM	NM	6.1x	5.5x
Median				(0.7%)	(14.2%)		81.6%	7.7x	6.8x	5.7x	6.1x	5.5x
Mid and Small-Cap Infrastructure Services												
Amec Foster Wheeler plc	\$2,827	\$4.77	\$8.02	(40.5%)	(54.9%)	\$11.20	42.6%	10.4x	13.8x	9.4x	6.2x	5.8x
Tutor Perini Corporation	1,594	16.47	16.63	(1.0%)	(36.6%)	26.71	61.7%	6.8x	6.9x	5.9x	5.7x	4.8x
Granite Construction Incorporated	1,329	37.88	32.58	16.3%	4.4%	39.69	95.4%	14.4x	10.2x	9.1x	8.8x	6.9x
Primoris Services Corporation	1,269	21.35	20.41	4.6%	(17.2%)	27.77	76.9%	7.7x	7.2x	9.7x	9.3x	6.5x
Aecon Group Inc.	1,241	14.65	14.30	2.4%	22.6%	15.69	93.4%	9.9x	11.2x	8.7x	7.1x	7.2x
Great Lakes Dredge & Dock Corp.	602	4.12	5.70	(27.7%)	(42.1%)	8.73	47.2%	9.1x	10.5x	7.1x	7.2x	5.9x
Willbros Group Inc.	321	2.47	2.40	2.9%	(46.0%)	7.04	35.1%	7.2x	13.1x	12.9x	10.6x	4.8x
Orion Marine Group, Inc	232	3.71	5.19	(28.5%)	(68.8%)	11.97	31.0%	10.7x	6.6x	7.0x	6.4x	5.2x
Median				0.7%	(39.3%)		54.4%	9.5x	10.4x	8.9x	7.1x	5.8x
Utility Services												
Quanta Services, Inc.	\$3,623	\$20.70	\$25.88	(20.0%)	(38.5%)	\$33.97	60.9%	11.2x	9.1x	5.2x	4.2x	3.8x
Dycom Industries Inc.	3,159	81.82	74.68	9.6%	208.3%	85.76	95.4%	7.4x	9.1x	12.5x	12.4x	9.2x
MasTec, Inc.	2,517	16.81	18.28	(8.0%)	(30.1%)	26.63	63.1%	7.5x	6.2x	7.2x	7.3x	5.9x
MYR Group, Inc.	374	19.62	27.06	(27.5%)	(26.6%)	32.24	60.9%	5.8x	6.0x	4.0x	4.0x	3.6x
Median				(14.0%)	(28.4%)		62.0%	7.5x	7.6x	6.2x	5.8x	4.9x
Industrial Services												
EMCOR Group Inc.	\$2,911	\$48.32	\$46.38	4.2%	7.8%	\$49.98	96.7%	7.9x	8.4x	8.6x	7.8x	7.0x
Bilfinger SE	2,150	41.73	37.04	12.7%	(9.9%)	60.11	69.4%	7.4x	6.6x	7.8x	8.0x	6.3x
Team, Inc.	1,123	37.90	33.66	12.6%	(12.2%)	47.55	79.7%	12.2x	10.3x	12.9x	11.7x	9.6x
Aegion Corporation	959	20.77	18.50	12.3%	8.7%	21.97	94.5%	8.1x	6.9x	7.3x	7.9x	7.0x
Mistras Group, Inc.	660	18.98	18.32	3.6%	12.9%	21.60	87.9%	10.4x	10.3x	10.4x	9.4x	8.5x
Matrix Service Company	543	22.73	24.08	(5.6%)	(3.4%)	26.22	86.7%	7.1x	13.3x	18.4x	23.6x	5.7x
Furmanite Corporation	324	7.92	6.72	17.9%	26.5%	9.28	85.3%	8.3x	11.0x	9.7x	9.7x	6.1x
Median				12.3%	7.8%		86.7%	8.1x	10.3x	9.7x	9.4x	7.0x
Engineering Services												
AECOM	\$8,956	\$29.96	\$29.31	2.2%	(6.8%)	\$35.40	84.6%	13.4x	13.0x	12.1x	7.7x	7.6x
WSP Global Inc.	4,839	43.93	46.83	(6.2%)	22.8%	49.18	89.3%	18.2x	18.7x	18.5x	11.6x	10.2x
Stantec Inc.	3,380	32.58	32.23	1.1%	(6.1%)	38.09	85.5%	12.7x	12.7x	11.4x	9.8x	8.8x
Tetra Tech Inc.	1,628	26.44	26.83	(1.5%)	(2.3%)	27.84	95.0%	12.0x	11.6x	10.9x	7.9x	7.2x
RPS Group plc	561	2.26	2.42	(6.6%)	(2.6%)	2.71	83.3%	7.3x	7.3x	7.2x	7.1x	6.5x
Median				(1.5%)	(2.6%)		85.5%	12.7x	12.7x	11.4x	7.9x	7.6x

## PUBLIC COMPARABLES

	Revenue					Revenue Growth		EBITDA					EBITDA Margin					Avg. Margin	
	2012	2013	2014	2015E	2016P	'12-14	'14-16P	2012	2013	2014	2015E	2016P	2012	2013	2014	2015E	2016P	'12-14	'14-16P
<b>Infrastructure Services</b>																			
Large Cap Infrastructure Services																			
Chicago Bridge & Iron Company N.V.	\$5,485	\$11,095	\$12,975	\$13,111	\$12,444	53.8%	(2.1%)	\$515	\$934	\$1,176	\$1,228	\$1,145	9.4%	8.4%	9.1%	9.4%	9.2%	9.0%	9.2%
Fluor Corporation	27,577	27,352	21,532	18,241	18,646	(11.6%)	(6.9%)	946	1,397	1,409	1,147	1,081	3.4%	5.1%	6.5%	6.3%	5.8%	5.0%	6.2%
Jacobs Engineering Group Inc.	10,894	11,818	12,695	12,001	12,100	8.0%	(2.4%)	695	766	774	731	771	6.4%	6.5%	6.1%	6.1%	6.4%	6.3%	6.2%
SNC-Lavalin Group Inc.	7,526	7,149	7,335	9,321	9,405	(1.3%)	13.2%	660	480	667	596	670	8.8%	6.7%	9.1%	6.4%	7.1%	8.2%	7.5%
KBR, Inc.	7,770	7,214	6,366	5,160	4,664	(9.5%)	(14.4%)	361	237	(232)	335	311	4.6%	3.3%	(3.6%)	6.5%	6.7%	1.4%	3.2%
<b>Total</b>	<b>\$59,252</b>	<b>\$64,628</b>	<b>\$60,902</b>	<b>\$57,836</b>	<b>\$57,258</b>	<b>7.9%</b>	<b>(2.5%)</b>	<b>\$3,178</b>	<b>\$3,815</b>	<b>\$3,794</b>	<b>\$4,036</b>	<b>\$3,979</b>	<b>5.4%</b>	<b>5.9%</b>	<b>6.2%</b>	<b>7.0%</b>	<b>6.9%</b>	<b>6.0%</b>	<b>6.5%</b>
Mid and Small-Cap Infrastructure Services																			
Amec Foster Wheeler plc	\$4,088	\$3,974	\$3,993	\$5,478	\$5,595	(1.2%)	18.4%	\$319	\$318	\$302	\$396	\$372	7.8%	8.0%	7.6%	7.2%	6.6%	7.8%	7.1%
Tutor Perini Corporation	4,111	4,176	4,492	5,201	5,572	4.5%	11.4%	214	260	295	242	278	5.2%	6.2%	6.6%	4.7%	5.0%	6.0%	5.4%
Granite Construction Incorporated	2,083	2,267	2,275	2,376	2,567	4.5%	6.2%	110	61	115	154	190	5.3%	2.7%	5.0%	6.5%	7.4%	4.3%	6.3%
Primoris Services Corporation	1,542	1,944	2,086	1,952	2,281	16.3%	4.6%	129	176	163	136	194	8.4%	9.1%	7.8%	7.0%	8.5%	8.4%	7.8%
Aecon Group Inc.	2,887	3,069	2,614	2,804	2,912	(4.8%)	5.5%	121	122	104	173	172	4.2%	4.0%	4.0%	6.2%	5.9%	4.1%	5.4%
Great Lakes Dredge & Dock Corporati	588	731	807	857	882	17.1%	4.5%	70	79	74	85	99	11.9%	10.8%	9.1%	9.9%	11.3%	10.6%	10.1%
Great Lakes Dredge & Dock Corp.	1,834	1,891	2,027	1,154	969	5.1%	(30.9%)	62	71	40	1	47	3.4%	3.7%	2.0%	0.1%	4.8%	3.0%	2.3%
Orion Marine Group, Inc	292	355	386	470	651	14.9%	29.8%	7	21	33	20	55	2.5%	6.0%	8.6%	4.2%	8.4%	5.7%	7.1%
<b>Total</b>	<b>\$17,426</b>	<b>\$18,406</b>	<b>\$18,680</b>	<b>\$20,291</b>	<b>\$21,428</b>	<b>7.1%</b>	<b>6.2%</b>	<b>\$1,032</b>	<b>\$1,109</b>	<b>\$1,126</b>	<b>\$1,208</b>	<b>\$1,406</b>	<b>5.9%</b>	<b>6.0%</b>	<b>6.0%</b>	<b>6.0%</b>	<b>6.6%</b>	<b>6.2%</b>	<b>6.4%</b>
Utility Services																			
Quanta Services, Inc.	\$5,920	\$6,523	\$7,851	\$7,472	\$7,607	15.2%	(1.6%)	\$623	\$689	\$681	\$529	\$626	10.5%	10.6%	8.7%	7.1%	8.2%	9.9%	8.0%
Dycom Industries Inc.	1,201	1,609	1,812	2,010	2,445	22.8%	16.2%	128	175	180	256	342	10.7%	10.9%	9.9%	12.7%	14.0%	10.5%	12.2%
MasTec, Inc.	3,727	4,325	4,612	4,139	4,597	11.2%	(0.2%)	331	429	404	298	405	8.9%	9.9%	8.8%	7.2%	8.8%	9.2%	8.3%
MYR Group, Inc.	999	903	944	1,067	1,113	(2.8%)	8.6%	80	88	92	83	86	8.0%	9.7%	9.7%	7.7%	7.7%	9.1%	8.4%
<b>Total</b>	<b>\$11,847</b>	<b>\$13,359</b>	<b>\$15,219</b>	<b>\$14,688</b>	<b>\$15,761</b>	<b>11.6%</b>	<b>5.7%</b>	<b>\$1,162</b>	<b>\$1,380</b>	<b>\$1,356</b>	<b>\$1,166</b>	<b>\$1,459</b>	<b>9.8%</b>	<b>10.3%</b>	<b>8.9%</b>	<b>7.9%</b>	<b>9.3%</b>	<b>9.7%</b>	<b>9.2%</b>
Industrial Services																			
EMCOR Group Inc.	\$6,195	\$6,334	\$6,425	\$6,669	\$6,905	1.8%	3.7%	\$315	\$305	\$355	\$358	\$390	5.1%	4.8%	5.5%	5.4%	5.7%	5.1%	5.5%
Bilfinger SE	8,344	7,561	7,697	6,233	6,305	(4.0%)	(9.5%)	455	444	297	263	315	5.5%	5.9%	3.9%	4.2%	5.0%	5.1%	4.4%
Team, Inc.	624	714	750	840	1,059	9.6%	18.9%	73	74	72	96	123	11.7%	10.4%	9.6%	11.4%	11.6%	10.6%	10.9%
Aegion Corporation	1,017	1,091	1,331	1,354	1,396	14.4%	2.4%	113	109	133	116	132	11.1%	10.0%	10.0%	8.5%	9.5%	10.3%	9.3%
Mistras Group, Inc.	437	529	623	721	719	19.5%	7.4%	60	61	63	69	75	13.7%	11.6%	10.1%	9.6%	10.4%	11.8%	10.0%
Matrix Service Company	739	893	1,263	1,355	1,430	30.7%	6.4%	43	49	79	25	91	5.8%	5.5%	6.3%	1.9%	6.3%	5.9%	4.8%
Furmanite Corporation	326	427	529	471	471	27.3%	(5.7%)	22	37	34	35	50	6.7%	8.6%	6.4%	7.5%	10.6%	7.2%	8.1%
<b>Total</b>	<b>\$17,682</b>	<b>\$17,549</b>	<b>\$18,619</b>	<b>\$17,644</b>	<b>\$18,285</b>	<b>14.2%</b>	<b>3.4%</b>	<b>\$1,081</b>	<b>\$1,080</b>	<b>\$1,032</b>	<b>\$963</b>	<b>\$1,175</b>	<b>6.1%</b>	<b>6.2%</b>	<b>5.5%</b>	<b>5.5%</b>	<b>6.4%</b>	<b>8.0%</b>	<b>7.6%</b>
Engineering Services																			
AECOM	\$8,218	\$8,153	\$8,357	\$18,155	\$18,450	0.8%	48.6%	\$434	\$460	\$410	\$1,046	\$1,109	5.3%	5.6%	4.9%	5.8%	6.0%	5.3%	5.6%
WSP Global Inc.	1,258	2,016	2,902	4,424	4,936	51.9%	30.4%	109	151	221	435	522	8.7%	7.5%	7.6%	9.8%	10.6%	7.9%	9.3%
Stantec Inc.	1,554	1,832	2,075	2,407	2,595	15.6%	11.8%	216	247	282	329	367	13.9%	13.5%	13.6%	13.7%	14.2%	13.6%	13.8%
Tetra Tech Inc.	2,022	2,025	1,860	1,733	1,790	(4.1%)	(1.9%)	208	129	152	199	212	10.3%	6.4%	8.2%	11.5%	11.8%	8.3%	10.5%
RPS Group plc	556	568	572	536	557	1.5%	(1.3%)	70	74	78	74	75	12.6%	13.1%	13.7%	13.8%	13.5%	13.1%	13.7%
<b>Total</b>	<b>\$13,607</b>	<b>\$14,594</b>	<b>\$15,767</b>	<b>\$27,256</b>	<b>\$28,328</b>	<b>13.1%</b>	<b>17.5%</b>	<b>\$1,036</b>	<b>\$1,061</b>	<b>\$1,143</b>	<b>\$2,084</b>	<b>\$2,286</b>	<b>7.6%</b>	<b>7.3%</b>	<b>7.3%</b>	<b>7.6%</b>	<b>8.1%</b>	<b>9.6%</b>	<b>10.6%</b>

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