

Trading Multiples For Business Valuations

70 Industries and 190 Sub-industries

Denomination of industry

Geographic Zone: Global

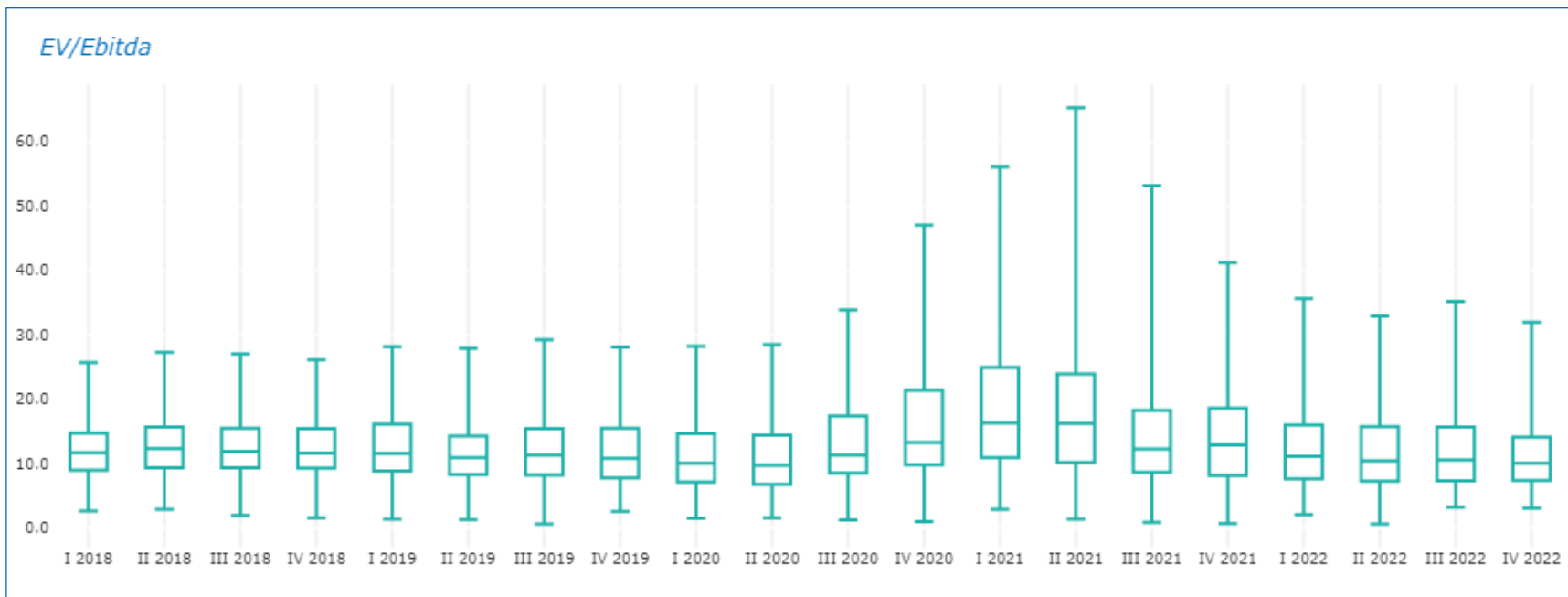
Definition of industry constituents.

An example of data that you can find in the ebook:

- on top, a box and whiskers chart and a table that present the value of the industry multiple over time

- bottom left: multiples (pertaining to companies that are aggregated in aforementioned industry) distributed by expected two years average growth of underlying denominators

- bottom right: multiples distribution by market capitalization of companies



Quarters	I 2018	II 2018	III 2018	IV 2018	I 2019	II 2019	III 2019	IV 2019	I 2020	II 2020	III 2020	IV 2020	I 2021	II 2021	III 2021	IV 2021	I 2022	II 2022	III 2022	IV 2022	Mean
Maximum	25.68	27.25	27.00	26.11	28.14	27.89	29.24	28.12	28.24	28.48	33.90	47.04	56.15	65.36	53.24	41.25	35.62	32.91	35.21	31.98	35.44
Quartile 3	14.73	15.70	15.44	15.44	16.13	14.25	15.40	15.48	14.66	14.41	17.33	21.36	24.85	23.86	18.02	18.49	15.91	15.75	15.62	14.07	16.84
Median	11.70	12.33	11.90	11.62	11.58	10.94	11.28	10.82	10.06	9.70	11.31	13.26	16.29	16.27	12.89	11.13	10.41	10.52	10.01	11.82	11.82
2Y Average of Median	10.86	11.06	11.21	11.34	11.48	11.53	11.58	11.52	11.32	10.99	10.92	11.12	11.71	12.38	12.50	12.76	12.89	12.98	12.88	12.47	11.77
Quartile 1	8.94	9.36	9.32	9.26	8.82	8.32	8.20	7.74	7.14	6.76	8.49	9.85	10.94	10.14	8.69	8.18	7.64	7.24	7.37	7.35	8.49
Minimum	2.59	2.85	1.89	1.52	1.34	1.27	0.60	2.53	1.48	1.55	1.21	0.98	2.89	1.37	0.87	0.68	2.02	0.60	3.17	3.03	1.72
Mean	12.18	12.81	12.54	12.52	12.70	11.90	12.20	11.91	11.49	11.37	13.04	16.64	19.46	20.11	15.11	14.36	12.96	12.12	12.40	11.86	13.48
Companies	180	192	191	188	187	180	188	182	155	167	146	137	129	130	133	138	135	138	150	158	160

EV/Ebitda - 2Y average expected growth rate

>	<=	Companies	Average	Minimum	Quartile 1	Median	Quartile 3	Maximum
	(50%)	0						
(50%)	(25%)	2	4.38	3.25	3.82	4.38	4.95	5.52
(25%)	(10%)	13	6.92	3.03	5.08	6.78	8.61	11.21
(10%)	0%	13	10.59	4.84	8.21	10.04	13.18	16.75
0%	10%	25	11.13	3.38	7.83	9.62	12.86	23.73
10%	25%	30	13.19	6.63	8.73	11.90	17.33	31.98
25%	50%	14	12.98	5.50	9.54	10.97	16.63	23.56
50%	100%	4	16.92	8.97	12.23	17.11	21.80	24.49
100%	200%	3	25.21	18.26	22.65	27.03	28.68	30.34
200%		0						

EV/Ebitda - distribution by 3m average of market capitalization of company (millions of Euros)

>	<=	Companies	Average	Minimum	Quartile 1	Median	Quartile 3	Maximum
50	100	23	8.69	3.25	4.72	7.34	10.46	26.45
100	200	30	11.45	3.03	7.23	9.43	12.99	29.13
200	400	27	10.93	3.38	6.25	8.62	11.92	30.34
400	800	21	11.53	4.35	8.26	9.97	13.21	31.62
800	1,600	22	12.78	4.73	7.44	11.01	17.61	26.66
1,600	3,200	15	12.71	5.72	8.82	11.69	13.65	27.03
3,200	6,400	8	16.66	8.13	13.12	15.13	17.98	31.98
6,400	12,800	3	16.31	8.21	14.26	20.31	20.36	20.42
12,800	25,600	4	11.97	8.91	10.60	11.89	13.26	15.19
25,600	51,200	3	20.22	17.71	18.46	19.21	21.47	23.73
51,200	102,400	0						
102,400		2	15.42	14.09	14.75	15.42	16.08	16.75

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Introduction to Multiples presented in this Report

Introduction to multiples presented in this report

1. Who we are

This quarterly research report on industry and sub-industry multiples has been prepared by:

salvidio & partners

Salvidio & Partners is a firm of chartered accountants and auditors specialized in valuation of business, business interests, intangible assets, rights and damages.

We act as counsel to entrepreneurs, corporations and law firms, as well as to other auditors and accountants.

To exemplify, we provide valuation services in case of:

- sales, acquisitions, mergers
- buy/sell agreements
- shareholder and partnership buyouts
- disputes and litigations
- successions and marital dissolutions
- impairment tests and purchase price allocations
- crisis management and insolvency procedures
- transfer pricing and other taxation-related estimates of business and assets.

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Before accessing charts and tables in Section 3 of this report, please carefully read Disclaimer as well as the guide and the explanatory notes that you will find on the next pages.

Introduction to multiples presented in this report

2. Disclaimer

Salvidio & Partners has estimated the industry and sub-industry multiples presented in this report by using information, obtained through third-party sources, consisting of market, financial and industry classification data relating to thousands of public companies. Salvidio & Partners has not verified such data to ensure that they are true, complete and otherwise error-free.

Information contained in this report and in our website pages is provided by Salvidio & Partners “as is” and is offered without any claim to being complete, exhaustive, theoretically correct, free from calculation errors (errors are always possible and not infrequent when a large body of data is being processed).

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Valuation of business and business interests, of shares, of tangible and of intangible assets, of any other economic asset or liability constitutes a difficult and complex activity, for which it is necessary to have in-depth and specialized knowledge of a wide range of disciplines (such as accounting, finance, taxation, planning, business organization, etc.) as well as to have a broad set of information about the valuation target,

considered in its current and prospective, operational, financial, and market context.

The mere use of industry and sub-industry multiples cannot in any case be considered sufficient in itself for the purposes of a valuation. The use of such multiples can, at most, provide broad brush indications, that shall be considered of provisional and preliminary nature, and which must be verified by diligently investigating the risk and return profile of the valuation target.

Such an in-depth valuation study must be conducted professionally, by an accredited expert in valuations, who refers to scientific literature and to the «valuation standards» issued by the organizations and bodies in charge to set them.

By way of example, valuation standards are issued by the International Valuation Standard Council (IVSC) or by The Appraisal Foundation (TAF) as well as by many other entities and professional associations worldwide.

Salvidio & Partners is under no circumstances required to provide the market, financial and industry classification data of the individual public companies underlying the multiples presented in this report or otherwise accessible on its web pages.

This report is published quarterly. Salvidio & Partners reserves the right, at any time and without prior notice, to end publication, to modify or supplement the contents of the quarterly reports, as well as to modify the criteria for estimating and presenting the industry and sub-industry multiples.

* * *

Introduction to multiples presented in this report

3. Quarterly industry and sub-industry trading multiples

In the charts and tables in Section 3 of this report, we exhibit historical time series of quarterly industry and sub-industry¹ *trading*² *multiples*. We present their *medians*, *quartiles*, *means*, *highs* and *lows*, estimated over a five years time period at the end of the most recent quarter³.

We also indicate how quarterly industry trading multiples are distributed by the expected growth of underlying denominators and by the market capitalization size of underlying companies.

Featured industry multiple categories in the charts and tables in Section 3 are:

- Enterprise value to Sales (EV/Sales)
- Enterprise value to Ebitda (EV/Ebitda)
- Enterprise value to Ebit (EV/Ebit)
- Market Value of Equity to Earning before Taxes (P/Ebt)
- Market Value of Equity to Book Value (P/Bv)
- Market Value of Equity to Tangible Book Value (P/Tbv),

With appropriate caution industry multiples may be used as empirical indicators to derive a first, rough estimate⁴ of the value of business and business interests.

4. More multiples data on our website

We estimate industry multiples reported in this report on the basis of individual *trailing*⁵ *multiples* that we calculate for thousands of companies quoted on stock exchanges worldwide. We also estimate *leading*⁶ *multiples* and multiples differentiated by geographical area. A comprehensive report of all industry multiples that we estimate (trailing, leading, by zone) would, however, extend over several thousands of pages, making it difficult to download and cumbersome to print.

For a broader analysis of multiples that includes also leading ones and the possibility to differentiate them by geographical zone, we recommend you to access our website's interactive data pages at www.salvidio.com.

By accessing our website you will be able to display and download both *trailing* and *leading* industry and sub-industry multiples, as well as to filter them by *country* or by *geographical zone*.

You will also have the possibility to exclude or include *negative*⁷ *multiples*.

Most multiple series on our website extend far more back in time than the five years period featured in this report's charts and tables in Section 3.

5. Sources of raw data

In calculating individual company multiples and for their subsequent aggregation by industry and by sub-industry, we rely mainly on individual company stock prices and financials, market and industry classification data provided by *Standard & Poor's Capital IQ*[®] database⁸.

6. Industries and sub-industries

You will find a list of industries and sub-industries as well as their definitions in Section 2 of this research report⁹.

While sub-industry multiples, being more granular, allow us to make a more targeted selection when using them to value businesses, they may sometimes be based on a too limited set of underlying individual company multiples data.

In such cases, industry multiples, although less granular and therefore also less specific-to-target, may offer a better alternative to sub-industry ones¹⁰.

Introduction to multiples presented in this report

7. Multiples in case of unusual trading activity affecting share prices

At the end of each quarter, we gather market and financial information of several thousand quoted companies to calculate multiples. This large amount of data exceeds by far the possibility to verify collected items one by one. We therefore cannot filter out or adjust multiples whose values may be temporarily distorted by unusual trading activity affecting their underlying companies' share prices. Anomalous trading activity may typically depend on the announcement of an acquisition, of a merger, of a takeover bid or on other non-recurrent events that may temporarily sharply inflate or deflate the trading prices of involved companies' shares.

Such unusual trading activity will affect individual company share prices and multiples for a limited time and will not have a relevant impact on industry multiples aggregates. Industry multiples presented in this research are the result of the aggregation of many individual company multiples observed over a prolonged period of time. The effect of temporary unusual trading activity of shares of one company is therefore, in our opinion, diluted by the aggregation with the multiples of other companies as well as by the length of observation time period and, finally, by the filtering of outliers (see later below).

8. Filtering out multiples in case of «thin trading» of shares

Some trading multiples may resent of *thin trading*¹⁰ of underlying company's shares. Differently than occasional activity and price high/low spikes arising from announcements (see above) and other temporary trading anomalies, thin trading may last over a long period of time. Consequently, multiples may resent of illiquidity of underlying shares and be less responsive to changes in a company's fundamentals.

We try to mitigate the negative impact on data quality of prolonged illiquidity of shares, by excluding from our estimates of industry and sub-industry multiples all multiples of companies that do not meet following requirements:

- average market capitalization in the twelve months prior to last quarter's end not less than Euro 50 million;
- pricing history of shares of at least twelve months prior to last quarter's end and no "zero-value" trading days;
- average daily traded value not less than 1/10.000 of average market capitalization over the last twelve months prior to last quarter's end.

While filtering rules above are discretionary, they constitute, in our view, a reasonable compromise between the need, on one side, to eliminate data that may resent of illiquidity of underlying companies shares, and, on the other side, to aggregate the highest possible number of individual company multiples in industries and sub-industries statistics.

9. How do we calculate multiples of companies

As already explained, industry multiples presented in this report are based on the aggregation of multiples of quoted companies. The criteria of estimation of such individual company multiples are explained below.

We calculate *Enterprise Value* (EV), which is the *numerator* of *asset side* multiples featured in this research report, as the sum of:

- a quoted company's *Market Value of Equity* (P)¹¹, and
- of its *Net Financial Position*.

We estimate the *Market Value of Equity*, which is the *numerator* of *equity side* multiples, as the sum of:

- average of a company's market capitalization in the three months period before each quarter's end,
- last reported value of preferred shares as of the quarter's end date,
- last reported value of minorities as of the quarter's end date.

Introduction to multiples presented in this report

We estimate *Net Financial Position* as the sum of:

- last reported *Net Debt* as of the quarter's end date, which is the sum of Total Debt of company less cash and equivalents¹²;
- last reported *Pension Provision* as of the quarter's end date.

Denominators of asset size multiples are *Sales*¹³, *Ebitda* and *Ebit* of quoted companies.

We refer to their *last twelve months* (LTM) reported values as of the quarter's end date.

Earnings Before Taxes (Ebt), *Book Value* (Bv) and *Tangible Book Value* (Tbv) are the *denominators* of *equity side* multiples.

We refer to *last twelve months* (LTM) reported value of Ebt as of the quarter's end date.

With respect to Bv and Tbv we refer to their last reported values as of quarter's end date.

Tbv is calculated as Bv less Goodwill and Intangible Assets.

10. How do we filter outliers when estimating industry multiples

Industry and sub-industry multiple values featured in box plot charts and in tables of Section 3 have been estimated after eliminating outliers from multiples of companies.

To detect outliers, we first calculate the interquartile range (IQR = Quartile 3 – Quartile 1) of unfiltered company multiples. We then multiply IQR by $\pm 1,5$ and we add/subtract the result to Quartile 3 and to Quartile 1 respectively, determining a «relevance range». Any multiple that falls above or below such range is considered an outlier. We do not include outliers in the calculation of industry and sub-industry multiples aggregates like means, medians, and quartiles.

We do not plot outliers in the charts or present them in the tables.

11. Industry and sub-industry multiples in Section 3

In Section 3 we present the values of industry and sub-industry multiples from three different viewpoints:

- trend of multiples over time*: we report *means*, *medians*, *quartiles*, *maximum* and *minimum* values of multiples estimated for companies classified in industries and sub-industries. Company multiples have been calculated, as explained before, on the basis of the raw data collected at the end of each quarter. Statistics are presented by means of box and whiskers charts and of tables over a period of five years ending on the most recent quarter;
- multiples distribution by growth*: company multiples have been arranged to show their distribution by the average expected growth rate of their underlying denominators. The average expected growth rate of multiples denominators is calculated on consensus estimates for the two years after each quarter. Multiples distribution is presented by growth intervals or ranges by means of tables. It is worth noticing that:
 - distribution by growth data are reported considering company multiples calculated on the most recent quarter;
 - for each expected average two years growth range, we report the *number of companies*, and their multiples' *means*, *medians*, *quartiles*, *minimum* and *maximum* values. The total number of company multiples considered in the distribution by growth may be significantly lower than the total number of last quarter's multiples presented in the box and whiskers charts that show the trend of multiples values over time. This discrepancy is explained by the fact that consensus estimates are available only for a limited number of quoted companies;

Introduction to multiples presented in this report

- c. *multiples distribution by the size of companies as measured by their market capitalization*: company multiples have been arranged to show their distribution by the size of underlying companies as measured by their market capitalization. It is worth noticing that:
- distribution by market capitalization data are reported considering company multiples calculated on the most recent quarter;
 - for each market capitalization range, we report the *number of companies* and their multiples *means, medians, quartiles, minimum* and *maximum values*.

* * *

12. Explanatory notes

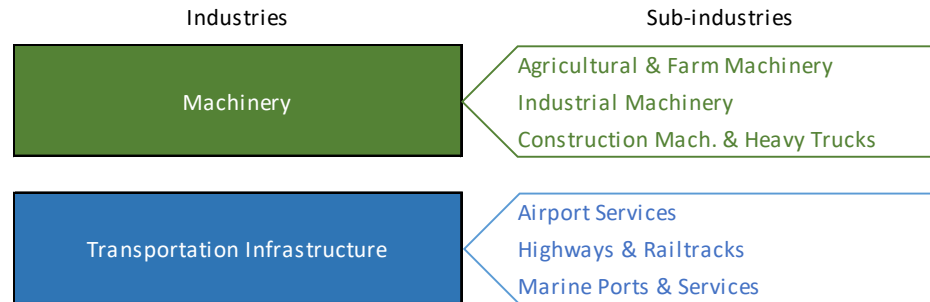
1. For a plain reading of this report, we may, hereinafter recall both industry and sub-industry multiples collectively as «industry multiples», unless a distinct reference to sub-industry multiples is required for a better understanding of methodology and content of this research.
2. For the purpose of this report, the expression *trading multiples* refers to ratios (like EV/Ebitda, P/Bv, etc.) calculated on publicly traded companies, using market data (share prices, market capitalization) at the numerator and financial information derived from financial statements or consensus estimates (like Ebitda, Book Value, Expected Earnings, etc.). Trading multiples differ from *transaction multiples*. The latter's ratios calculation relies mainly on acquisition prices of a whole company or of a significant portion of interests in it.
3. We update our industry multiples at the end of each Quarter. Historical quarterly series of industry multiples go back in time for several years (most of them start before year 2000). To access data older than the five-year period featured in this report, you can either download an older report or make us a specific request at supportmultiples@salvidio.com. Or, you can access to our online data pages and autonomously select historical periods of your interests [<http://salvidio.com/multiples>].

Introduction to multiples presented in this report

4. Any company valuation based on industry or on sub-industry multiples is affected by large approximation. This depends on the very nature of industry and sub-industry multiples: they represent aggregated values of individual multiples derived of companies that, despite sharing the same industry classification, may possess diversified characteristics that make them not comparable in the same degree among themselves and/or with respect to the «target company». It is therefore highly advisable to consider any valuation based solely on industry or on sub-industry multiples as of provisional and preliminary nature, which must be verified by diligently investigating the risk and return profile of the valuation target and that has to prudently be confronted with an in-depth valuation based on one or more different approaches, as recommended by scientific literature and valuation principles issued by standard setters. See please also Disclaimer.
5. For the purpose of this report, the expression *trailing multiple* refers to ratios (EV/Sales, EV/Ebitda, EV/Ebit, P/Ebt, P/Bv, P/Tbv) where the numerator (EV or P) is estimated on the basis of current data (like Market Capitalization average Net Debt on a Quarter's end date) and the denominator (Ebitda, Bv, etc.) also refers to current data. In case the denominator is an Income Statement line item, we refer to its last twelve months figures (LTM) reported or estimated on Quarter's end date). In case the denominator is a balance sheet item, we refer to the last reported or estimated figures on Quarter's end.
6. For the purpose of this report, the expression *leading multiple* refers to EV/Ebitda, EV/Ebit and P/Ebt ratios, where the numerator (EV, or P) is estimated on the basis of current data (like Market Capitalization average Net Debt on a Quarter's end date) and the denominator (Ebitda, Ebit and Ebt) refers to consensus estimates data for future periods.
7. A negative company multiple is, generally, the result of a ratio where the denominator is negative. As an example, a bad performing listed company may show a pre-tax loss. In such a case, its Ebt will be negative. Consequently, its trading P/Ebt multiple will be negative too. When valuing a company (target company) with the multiple method, business valuation practitioners generally tend to exclude negative ratios (multiples) derived from comparable companies. The exclusion of negative ratios implies, however, the assumption that the relevant figures (Ebitda, Ebt, etc.) of the target company to be multiplied by the selected ratios (Ebitda x EV/Ebitda, Ebt x P/Ebt, etc.) reflect the target company's steady positive performance. The inclusion of negatives individual company multiples in aggregating an industry or sub-industry multiple may be useful to get a general sense of the market. Inclusion or exclusion of negative multiples is therefore a function of the purpose of the analysis. Please note that the industry and sub-industry multiples featured in this report are by default estimated excluding negative individual company multiples.
8. Since this would lead to the dissemination of copyright protected intellectual property, we will not disclose individual company raw data that we gather to estimate the industry and sub-industry multiples. Furthermore, we will neither disclose individual company multiples.

Introduction to multiples presented in this report

9. Following scheme exemplifies the relationship between industries and sub-industries:



10. Thin trading is a common expression to indicate lower trading frequency of shares of less known companies listed on stock exchanges.
11. We do not calculate individual company multiples on a per shares basis. Instead, individual company multiples are calculated on the basis of market capitalization and financials. However, we still prefer using “P” (price) as symbol for numerator of equity side multiples, since it is frequently used.
12. Amount of liquidity has been adjusted to properly reflect so called “working cash”. See T. Coller, M. Goedhart, D.Wessels Valuation, Wiley, 2010, pag. 143.
13. It should be noted that we utilize a quoted company’s Total Revenues figures as denominator in the EV/Sales multiple.

2

Industry Definitions

2. Industry Definitions

3.1 Fossil Fuels

3.1.1 Fossil Fuels

3.1.1.1 Energy Equipment & Services

3.1.1.1.1 Oil & Gas Drilling

Drilling contractors or owners of drilling rigs that contract their services for drilling wells

3.1.1.1.1 Oil & Gas Equipment & Services

Manufacturers of equipment, including drilling rigs and equipment, and providers of supplies and services to companies involved in the drilling, evaluation and completion of oil and gas wells.

3.1.1.2 Oil, Gas & Consumable Fuels

3.1.1.2.1 Integrated Oil & Gas

Integrated oil companies engaged in the exploration & production of oil and gas, as well as at least one other significant activity in either refining, marketing and transportation, or chemicals.

3.1.1.2.1 Oil & Gas Exploration & Production

Companies engaged in the exploration and production of oil and gas not classified elsewhere.

3.1.1.2.1 Oil & Gas Refining & Marketing

Companies engaged in the refining and marketing of oil, gas and/or refined products not classified in the Integrated Oil & Gas or Independent Power Producers & Energy Traders Sub-Industries.

3.1.1.2.1 Oil & Gas Storage & Transportation

Companies engaged in the storage and/or transportation of oil, gas and/or refined products. Includes diversified midstream natural gas companies, oil and refined product pipelines, coal slurry pipelines and oil & gas shipping companies.

3.1.1.2 Coal & Consumable Fuels

Companies primarily involved in the production and mining of coal, related products and other consumable fuels related to the generation of energy. Excludes companies primarily producing gases classified in the Industrial Gases sub-industry and companies primarily mining for metallurgical (coking) coal used for steel production.

3.2 Materials

3.2.1 Materials

3.2.1.1 Chemicals

3.2.1.1.1 Commodity Chemicals

Companies that primarily produce industrial chemicals and basic chemicals. Including but not limited to plastics, synthetic fibers, films, commodity-based paints & pigments, explosives and petrochemicals. Excludes chemical companies classified in the Diversified Chemicals, Fertilizers & Agricultural Chemicals, Industrial Gases, or Specialty Chemicals Sub-Industries.

3.2.1.1.1 Diversified Chemicals

Manufacturers of a diversified range of chemical products not classified in the Industrial Gases, Commodity Chemicals, Specialty Chemicals or Fertilizers & Agricultural Chemicals Sub-Industries.

3.2.1.1.1 Fertilizers & Agricultural Chemicals

Producers of fertilizers, pesticides, potash or other agriculture-related chemicals not classified elsewhere.

3.2.1.1.1 Industrial Gases

Manufacturers of industrial gases.

3.2.1.1 Specialty Chemicals

Companies that primarily produce high value-added chemicals used in the manufacture of a wide variety of products, including but not limited to fine chemicals, additives, advanced polymers, adhesives, sealants and specialty paints, pigments and coatings.

3.2.1.2 Construction Materials

3.2.1.2 Construction Materials

Manufacturers of construction materials including sand, clay, gypsum, lime, aggregates, cement, concrete and bricks. Other finished or semi-finished building materials are classified in the Building Products Sub-Industry.

3.2.1.3 Containers & Packaging

3.2.1.3 Metal & Glass Containers

Manufacturers of metal, glass or plastic containers. Includes corks and caps.

3.2.1.3 Paper Packaging

Manufacturers of paper and cardboard containers and packaging.

3.2.1.4 Metals & Mining

3.2.1.4 Aluminum

Producers of aluminum and related products, including companies that mine or process bauxite and companies that recycle aluminum to produce finished or semi-finished products. Excludes companies that primarily produce aluminum building materials classified in the Building Products Sub-Industry.

3.2.1.4 Diversified Metals & Mining

Companies engaged in the diversified production or extraction of metals and minerals not classified elsewhere. Including, but not limited to, nonferrous metal mining (except bauxite), salt and borate mining, phosphate rock mining, and diversified mining operations. Excludes iron ore mining, classified in the Steel Sub-Industry, bauxite mining, classified in the Aluminum Sub-Industry, and coal mining, classified in either the Steel or Coal & Consumable Fuels Sub-Industries.

3.2.1.4 Copper

Companies involved primarily in copper ore mining.

3.2.1.4 Gold

Producers of gold and related products, including companies that mine or process gold and the South African finance houses which primarily invest in, but do not operate, gold mines.

3.2.1.4 Precious Metals & Minerals

Companies mining precious metals and minerals not classified in the Gold Sub-Industry. Includes companies primarily mining platinum.

3.2.1.4 Silver

Companies primarily mining silver. Excludes companies classified in the Gold or Precious Metals & Minerals Sub-Industries.

3.2.1.4 Steel

Producers of iron and steel and related products, including metallurgical (coking) coal mining used for steel production.

3.2.1.5 Paper & Forest Products

3.2.1.5 Forest Products

Manufacturers of timber and related wood products. Includes lumber for the building industry.

3.2.1.5 Paper Products

Manufacturers of all grades of paper. Excludes companies specializing in paper packaging classified in the Paper Packaging Sub-Industry.

3.3 Industrials

3.3.1 Capital Goods

3.3.1.1 Aerospace & Defense

3.3.1.1 Aerospace & Defense

Manufacturers of civil or military aerospace and defense equipment, parts or products. Includes defense electronics and space equipment.

3.3.1.2 Building Products

3.3.1.2 Building Products

Manufacturers of building components and home improvement products and equipment. Excludes lumber and plywood classified under Forest Products and cement and other materials classified in the Construction Materials Sub-Industry.

3.3.1.3 Construction & Engineering

3.3.1.3 Construction & Engineering

Companies engaged in primarily non-residential construction. Includes civil engineering companies and large-scale contractors. Excludes companies classified in the Homebuilding Sub-Industry.

3.3.1.4 Electrical Equipment

3.3.1.4 Electrical Components & Equipment

Companies that produce electric cables and wires, electrical components or equipment not classified in the Heavy Electrical Equipment Sub-Industry.

3.3.1.4 Heavy Electrical Equipment

Manufacturers of power-generating equipment and other heavy electrical equipment, including power turbines, heavy electrical machinery intended for fixed-use and large electrical systems. Excludes cables and wires, classified in the Electrical Components & Equipment Sub-Industry.

3.3.1.5 Machinery

3.3.1.5 Construction Machinery & Heavy Trucks

Manufacturers of heavy duty trucks, rolling machinery, earth-moving and construction equipment, and manufacturers of related parts. Includes non-military shipbuilding.

3.3.1.5 Agricultural & Farm Machinery

Companies manufacturing agricultural machinery, farm machinery, and their related parts. Includes machinery used for the production of crops and agricultural livestock, agricultural tractors, planting and fertilizing machinery, fertilizer and chemical application equipment, and grain dryers and blowers.

3.3.1.5 Industrial Machinery

Manufacturers of industrial machinery and industrial components. Includes companies that manufacture presses, machine tools, compressors, pollution control equipment, elevators, escalators, insulators, pumps, roller bearings and other metal fabrications.

3.3.1.6 Trading Companies & Distributors

3.3.1.6 Trading Companies & Distributors

Trading companies and other distributors of industrial equipment and products.

3.3.2 Commercial Services & Supplies

3.3.2.1 Commercial Services & Supplies

3.3.2.1 Commercial Printing

Companies providing commercial printing services. Includes printers primarily serving the media industry.

3.3.2.1 Environmental & Facilities Services

Companies providing environmental and facilities maintenance services. Includes waste management, facilities management and pollution control services. Excludes large-scale water treatment systems classified in the Water Utilities Sub-Industry.

3.3.2.1 Office Services & Supplies

Providers of office services and manufacturers of office supplies and equipment not classified elsewhere.

3.3.2.1 Diversified Support Services

Companies primarily providing labor oriented support services to businesses and governments. Includes commercial cleaning services, dining & catering services, equipment repair services, industrial maintenance services, industrial auctioneers, storage & warehousing, transaction services, uniform rental services, and other business support services.

3.3.2.1 Security & Alarm Services

Companies providing security and protection services to business and governments. Includes companies providing services such as correctional facilities, security & alarm services, armored transportation & guarding. Excludes companies providing security software classified under the Systems Software Sub-Industry and home security services classified under the Specialized Consumer Services Sub-Industry. Also excludes companies manufacturing security system equipment classified under the Electronic Equipment & Instruments Sub-Industry.

3.3.2.2 Professional Services

3.3.2.2 Human Resource & Employment Services

Companies providing business support services relating to human capital management. Includes employment agencies, employee training, payroll & benefit support services, retirement support services and temporary agencies.

3.3.2.2 Research & Consulting Services

Companies primarily providing research and consulting services to businesses and governments not classified elsewhere. Includes companies involved in management consulting services, architectural design, business information or scientific research, marketing, and testing & certification services. Excludes companies providing information technology consulting services classified in the IT Consulting & Other Services Sub-Industry.

3.3.3 Transportation

3.3.3.1 Air Freight & Logistics

3.3.3.1 Air Freight & Logistics

Companies providing air freight transportation, courier and logistics services, including package and mail delivery and customs agents. Excludes those companies classified in the Airlines, Marine or Trucking Sub-Industries.

3.3.3.2 Airlines

3.3.3.2 Airlines

Companies providing primarily passenger air transportation.

3.3.3.3 Marine

3.3.3.3 Marine

Companies providing goods or passenger maritime transportation. Excludes cruise-ships classified in the Hotels, Resorts & Cruise Lines Sub-Industry.

3.3.3.4 Road & Rail

3.3.3.4 Railroads

Companies providing primarily goods and passenger rail transportation.

3.3.3.4 Trucking

Companies providing primarily goods and passenger land transportation. Includes vehicle rental and taxi companies.

3.3.3.5 Transportation Infrastructure

3.3.3.5 Airport Services

Operators of airports and companies providing related services.

3.3.3.5 Highways & Railtracks

Owners and operators of roads, tunnels and railtracks.

3.3.3.5 Marine Ports & Services

Owners and operators of marine ports and related services.

3.4 Consumer Discretionary

3.4.1 Automobiles & Components

3.4.1.1 Auto Components

3.4.1.1 Auto Parts & Equipment

Manufacturers of parts and accessories for automobiles and motorcycles. Excludes companies classified in the Tires & Rubber Sub-Industry.

3.4.1.1 Tires & Rubber

Manufacturers of tires and rubber.

3.4.1.2 Automobiles

3.4.1.2 Automobile Manufacturers

Companies that produce mainly passenger automobiles and light trucks. Excludes companies producing mainly motorcycles and three-wheelers classified in the Motorcycle Manufacturers Sub-Industry and heavy duty trucks classified in the Construction Machinery & Heavy Trucks Sub-Industry.

3.4.1.2 Motorcycle Manufacturers

Companies that produce motorcycles, scooters or three-wheelers. Excludes bicycles classified in the Leisure Products Sub-Industry.

3.4.2 Consumer Durables & Apparel

3.4.2.1 Household Durables

3.4.2.1 Consumer Electronics

Manufacturers of consumer electronics products including TVs, home audio equipment, game consoles, digital cameras, and related products. Excludes personal home computer manufacturers classified in the Technology Hardware, Storage & Peripherals Sub-Industry, and electric household appliances classified in the Household Appliances Sub-Industry.

3.4.2.1 Home Furnishings

Manufacturers of soft home furnishings or furniture, including upholstery, carpets and wall-coverings.

3.4.2.1 Homebuilding

Residential construction companies. Includes manufacturers of prefabricated houses and semi-fixed manufactured homes.

3.4.2.1 Household Appliances

Manufacturers of electric household appliances and related products. Includes manufacturers of power and hand tools, including garden improvement tools. Excludes TVs and other audio and video products classified in the Consumer Electronics Sub-Industry and personal computers classified in the Technology Hardware, Storage & Peripherals Sub-Industry.

3.4.2.1 Housewares & Specialties

Manufacturers of durable household products, including cutlery, cookware, glassware, crystal, silverware, utensils, kitchenware and consumer specialties not classified elsewhere.

3.4.2.2 Leisure Equipment & Products

3.4.2.2 Leisure Products

Manufacturers of leisure products and equipment including sports equipment, bicycles and toys.

3.4.2.3 Textiles, Apparel & Luxury Goods

3.4.2.3 Apparel, Accessories & Luxury Goods

Manufacturers of apparel, accessories & luxury goods. Includes companies primarily producing designer handbags, wallets, luggage, jewelry and watches. Excludes shoes classified in the Footwear Sub-Industry.

3.4.2.3 Footwear

Manufacturers of footwear. Includes sport and leather shoes.

3.4.2.3 Textiles

Manufacturers of textile and related products not classified in the Apparel, Accessories & Luxury Goods, Footwear or Home Furnishings Sub-Industries.

3.4.3 Consumer Services

3.4.3.1 Hotels, Restaurants & Leisure

3.4.3.1 Casinos & Gaming

Owners and operators of casinos and gaming facilities. Includes companies providing lottery and betting services.

3.4.3.1 Hotels, Resorts & Cruise Lines

Owners and operators of hotels, resorts and cruise-ships. Includes travel agencies, tour operators and related services not classified elsewhere. Excludes casino-hotels classified in the Casinos & Gaming Sub-Industry.

3.4.3.1 Leisure Facilities

Owners and operators of leisure facilities, including sport and fitness centers, stadiums, golf courses and amusement parks not classified in the Movies & Entertainment Sub-Industry.

3.4.3.1 Restaurants

Owners and operators of restaurants, bars, pubs, fast-food or take-out facilities. Includes companies that provide food catering services.

3.4.3.2 Diversified Consumer Services

3.4.3.2 Education Services

Companies providing educational services, either on-line or through conventional teaching methods. Includes, private universities, correspondence teaching, providers of educational seminars, educational materials and technical education. Excludes companies providing employee education programs classified in the Human Resources & Employment Services Sub-Industry

3.4.3.2 Specialized Consumer Services

Companies providing consumer services not classified elsewhere. Includes residential services, home security, legal services, personal services, renovation & interior design services, consumer auctions and wedding & funeral services.

3.4.4 Media

3.4.4.1 Media

3.4.4.1 Advertising (Ends 2018-09-30)

Companies providing advertising, marketing or public relations services.

3.4.4.1 Broadcasting (Ends 2018-09-30)

Owners and operators of television or radio broadcasting systems, including programming. Includes, radio and television broadcasting, radio networks, and radio stations.

3.4.4.1 Cable & Satellite (Ends 2018-09-30)

Providers of cable or satellite television services. Includes cable networks and program distribution.

3.4.4.1 Movies & Entertainment (Ends 2018-09-30)

Companies that engage in producing and selling entertainment products and services, including companies engaged in the production, distribution and screening of movies and television shows, producers and distributors of music, entertainment theaters and sports teams.

3.4.4.1 Publishing (Ends 2018-09-30)

Publishers of newspapers, magazines and books, and providers of information in print or electronic formats.

3.4.5 Retailing

3.4.5.1 Distributors

3.4.5.1 Distributors

Distributors and wholesalers of general merchandise not classified elsewhere. Includes vehicle distributors.

3.4.5.2 Internet & Catalog Retail

3.4.5.2 Internet & Direct Marketing Retail

Companies providing retail services primarily on the Internet, through mail order, and TV home shopping retailers. Also includes companies providing online marketplaces for consumer products and services.

3.4.5.3 Multiline Retail

3.4.5.3 Department Stores

Owners and operators of department stores.

3.4.5.3 General Merchandise Stores

Owners and operators of stores offering diversified general merchandise. Excludes hypermarkets and large-scale super centers classified in the Hypermarkets & Super Centers Sub-Industry.

3.4.5.4 Specialty Retail

3.4.5.4 Apparel Retail

Retailers specialized mainly in apparel and accessories.

3.4.5.4 Computer & Electronics Retail

Owners and operators of consumer electronics, computers, video and related products retail stores.

3.4.5.4 Home Improvement Retail

Owners and operators of home and garden improvement retail stores. Includes stores offering building materials and supplies.

3.4.5.4 Specialty Stores

Owners and operators of specialty retail stores not classified elsewhere. Includes jewelry stores, toy stores, office supply stores, health & vision care stores, and book & entertainment stores.

3.4.5.4 Automotive Retail

Owners and operators of stores specializing in automotive retail. Includes auto dealers, gas stations, and retailers of auto accessories, motorcycles & parts, automotive glass, and automotive equipment & parts.

3.4.5.4 Homefurnishing Retail

Owners and operators of furniture and home furnishings retail stores. Includes residential furniture, homefurnishings, housewares, and interior design. Excludes home and garden improvement stores, classified in the Home Improvement Retail Sub-Industry.

3.5 Consumer Staples

3.5.1 Food & Staples Retailing

3.5.1.1 Food & Staples Retailing

3.5.1.1 Drug Retail

Owners and operators of primarily drug retail stores and pharmacies.

3.5.1.1 Food Distributors

Distributors of food products to other companies and not directly to the consumer.

3.5.1.1 Food Retail

Owners and operators of primarily food retail stores.

3.5.1.1 Hypermarkets & Super Centers

Owners and operators of hypermarkets and super centers selling food and a wide-range of consumer staple products. Excludes Food and Drug Retailers classified in the Food Retail and Drug Retail Sub-Industries, respectively.

3.5.2 Food Beverage & Tobacco

3.5.2.1 Beverages

3.5.2.1 Brewers

Producers of beer and malt liquors. Includes breweries not classified in the Restaurants Sub-Industry.

3.5.2.1 Distillers & Vintners

Distillers, vintners and producers of alcoholic beverages not classified in the Brewers Sub-Industry.

3.5.2.1 Soft Drinks

Producers of non-alcoholic beverages including mineral waters. Excludes producers of milk classified in the Packaged Foods Sub-Industry.

3.5.2.2 Food Products

3.5.2.2 Agricultural Products

Producers of agricultural products. Includes crop growers, owners of plantations and companies that produce and process foods but do not package and market them. Excludes companies classified in the Forest Products Sub-Industry and those that package and market the food products classified in the Packaged Foods Sub-Industry.

3.5.2.2 Packaged Foods & Meats

Producers of packaged foods including dairy products, fruit juices, meats, poultry, fish and pet foods.

3.5.2.3 Tobacco

3.5.2.3 Tobacco

Manufacturers of cigarettes and other tobacco products.

3.5.3 Household & Personal Products

3.5.3.1 Household Products

3.5.3.1 Household Products

Producers of non-durable household products, including detergents, soaps, diapers and other tissue and household paper products not classified in the Paper Products Sub-Industry.

3.5.3.2 Personal Products

3.5.3.2 Personal Products

Manufacturers of personal and beauty care products, including cosmetics and perfumes.

3.6 Health Care

3.6.1 Health Care Equipment & Services

3.6.1.1 Health Care Equipment & Supplies

3.6.1.1 Health Care Equipment

Manufacturers of health care equipment and devices. Includes medical instruments, drug delivery systems, cardiovascular & orthopedic devices, and diagnostic equipment.

3.6.1.1 Health Care Supplies

Manufacturers of health care supplies and medical products not classified elsewhere. Includes eye care products, hospital supplies, and safety needle & syringe devices.

3.6.1.2 Health Care Providers & Services

3.6.1.2 Health Care Distributors

Distributors and wholesalers of health care products not classified elsewhere.

3.6.1.2 Health Care Services

Providers of patient health care services not classified elsewhere. Includes dialysis centers, lab testing services, and pharmacy management services. Also includes companies providing business support services to health care providers, such as clerical support services, collection agency services, staffing services and outsourced sales & marketing services

3.6.1.2 Health Care Facilities

Owners and operators of health care facilities, including hospitals, nursing homes, rehabilitation centers and animal hospitals.

3.6.1.2 Managed Health Care

Owners and operators of Health Maintenance Organizations (HMOs) and other managed plans.

3.6.1.3 Health Care Technology

3.6.1.3 Health Care Technology

Companies providing information technology services primarily to health care providers. Includes companies providing application, systems and/or data processing software, internet-based tools, and IT consulting services to doctors, hospitals or businesses operating primarily in the Health Care Sector

3.6.2 Pharmaceuticals, Biotechnology & Life Sciences

3.6.2.1 Biotechnology

3.6.2.1 Biotechnology

Companies primarily engaged in the research, development, manufacturing and/or marketing of products based on genetic analysis and genetic engineering. Includes companies specializing in protein-based therapeutics to treat human diseases. Excludes companies manufacturing products using biotechnology but without a health care application.

3.6.2.2 Pharmaceuticals

3.6.2.2 Pharmaceuticals

Companies engaged in the research, development or production of pharmaceuticals. Includes veterinary drugs.

3.6.2.3 Life Sciences Tools & Services

3.6.2.3 Life Sciences Tools & Services

Companies enabling the drug discovery, development and production continuum by providing analytical tools, instruments, consumables & supplies, clinical trial services and contract research services. Includes firms primarily servicing the pharmaceutical and biotechnology industries.

3.7 Financials

3.7.1 Banks

3.7.1.1 Banks

3.7.1.1 Diversified Banks

Large, geographically diverse banks with a national footprint whose revenues are derived primarily from conventional banking operations, have significant business activity in retail banking and small and medium corporate lending, and provide a diverse range of financial services. Excludes banks classified in the Regional Banks and Thrifts & Mortgage Finance Sub-Industries. Also excludes investment banks classified in the Investment Banking & Brokerage Sub-Industry.

3.7.1.1 Regional Banks

Commercial banks whose businesses are derived primarily from conventional banking operations and have significant business activity in retail banking and small and medium corporate lending. Regional banks tend to operate in limited geographic regions. Excludes companies classified in the Diversified Banks and Thrifts & Mortgage Banks sub-industries. Also excludes investment banks classified in the Investment Banking & Brokerage Sub-Industry.

3.7.1.2 Thrifts & Mortgage Finance

3.7.1.2 Thrifts & Mortgage Finance

Financial institutions providing mortgage and mortgage related services. These include financial institutions whose assets are primarily mortgage related, savings & loans, mortgage lending institutions, building societies and companies providing insurance to mortgage banks.

3.7.2 Diversified Financials

3.7.2.1 Diversified Financials

3.7.2.1 Other Diversified Financial Services

Providers of a diverse range of financial services and/or with some interest in a wide range of financial services including banking, insurance and capital markets, but with no dominant business line. Excludes companies classified in the Regional Banks and Diversified Banks Sub-Industries.

3.7.2.1 Specialized Finance

Providers of specialized financial services not classified elsewhere. Companies in this sub-industry derive a majority of revenue from one specialized line of business. Includes, but not limited to, commercial financing companies, central banks, leasing institutions, factoring services, and specialty boutiques. Excludes companies classified in the Financial Exchanges & Data sub-industry.

3.7.2.2 Consumer Finance

3.7.2.2 Consumer Finance

Providers of consumer finance services, including personal credit, credit cards, lease financing, travel-related money services and pawn shops. Excludes mortgage lenders classified in the Thrifts & Mortgage Finance Sub-Industry.

3.7.2.3 Capital Markets

3.7.2.3 Asset Management & Custody Banks

Financial institutions primarily engaged in investment management and/or related custody and securities fee-based services. Includes companies operating mutual funds, closed-end funds and unit investment trusts. Excludes banks and other financial institutions primarily involved in commercial lending, investment banking, brokerage and other specialized financial activities.

3.7.2.3 Investment Banking & Brokerage

Financial institutions primarily engaged in investment banking & brokerage services, including equity and debt underwriting, mergers and acquisitions, securities lending and advisory services. Excludes banks and other financial institutions primarily involved in commercial lending, asset management and specialized financial activities.

3.7.2.3 Financial Exchanges & Data

Financial exchanges for securities, commodities, derivatives and other financial instruments, and providers of financial decision support tools and products including ratings agencies

3.7.2.4 Mortgage Real Estate Investment Trusts (REITs)

3.7.2.4 Mortgage REITs

Companies or Trusts that service, originate, purchase and/or securitize residential and/or commercial mortgage loans. Includes trusts that invest in mortgage-backed securities and other mortgage related assets.

3.7.3 Insurance

3.7.3.1 Insurance

3.7.3.1 Insurance Brokers

Insurance and reinsurance brokerage firms.

3.7.3.1 Life & Health Insurance

Companies providing primarily life, disability, indemnity or supplemental health insurance. Excludes managed care companies classified in the Managed Health Care Sub-Industry.

3.7.3.1 Multi-line Insurance

Insurance companies with diversified interests in life, health and property and casualty insurance.

3.7.3.1 Property & Casualty Insurance

Companies providing primarily property and casualty insurance.

3.7.3.1 Reinsurance

Companies providing primarily reinsurance.

3.8 Information Technology

3.8.1 Software & Services

3.8.1.1 Internet Software & Services

3.8.1.1 Internet Software & Services (Ends 2018-09-30)

Companies developing and marketing internet software and/or providing internet services including online databases and interactive services, as well as companies deriving a majority of their revenues from online advertising. Excludes companies classified in the Internet Retail Sub-Industry.

3.8.1.2 IT Services

3.8.1.2 IT Consulting & Other Services

Providers of information technology and systems integration services not classified in the Data Processing & Outsourced Services Sub-Industry. Includes information technology consulting and information management services.

3.8.1.2 Data Processing & Outsourced Services

Providers of commercial electronic data processing and/or business process outsourcing services. Includes companies that provide services for back-office automation.

3.8.1.2 Internet Services & Infrastructure (Starts 2018-12-31)

Companies providing services and infrastructure for the internet industry including data centers and cloud networking and storage infrastructure. Also includes companies providing web hosting services. Excludes companies classified in the Software Industry.

3.8.1.3 Software

3.8.1.3 Application Software

Companies engaged in developing and producing software designed for specialized applications for the business or consumer market. Includes enterprise and technical software, as well as cloud-based software. Excludes companies classified in the Interactive Home Entertainment Sub-Industry. Also excludes companies producing systems or database management software classified in the Systems Software Sub-Industry.

3.8.1.3 Systems Software

Companies engaged in developing and producing systems and database management software.

3.8.1.3 Home Entertainment Software (Ends 2018-09-30)

Manufacturers of home entertainment software and educational software used primarily in the home.

3.8.2 Technology Hardware & Equipment

3.8.2.1 Communications Equipment

3.8.2.1 Communications Equipment

Manufacturers of communication equipment and products, including LANs, WANs, routers, telephones, switchboards and exchanges. Excludes cellular phone manufacturers classified in the Technology Hardware, Storage & Peripherals Sub-Industry.

3.8.2.2 Computers & Peripherals

3.8.2.2 Technology Hardware, Storage & Peripherals

Manufacturers of cellular phones, personal computers, servers, electronic computer components and peripherals. Includes data storage components, motherboards, audio and video cards, monitors, keyboards, printers, and other peripherals. Excludes semiconductors classified in the Semiconductors Sub-Industry.

3.8.2.3 Electronic Equipment, Instruments & Components

3.8.2.3 Electronic Equipment & Instruments

Manufacturers of electronic equipment and instruments including analytical, electronic test and measurement instruments, scanner/barcode products, lasers, display screens, point-of-sales machines, and security system equipment.

3.8.2.3 Electronic Components

Manufacturers of electronic components. Includes electronic components, connection devices, electron tubes, electronic capacitors and resistors, electronic coil, printed circuit board, transformer and other inductors, signal processing technology/components.

3.8.2.3 Electronic Manufacturing Services

Producers of electronic equipment mainly for the OEM (Original Equipment Manufacturers) markets.

3.8.2.3 Technology Distributors

Distributors of technology hardware and equipment. Includes distributors of communications equipment, computers & peripherals, semiconductors, and electronic equipment and components.

3.8.3 Semiconductors & Semiconductor Equipment

3.8.3.1 Semiconductors & Semiconductor Equipment

3.8.3.1 Semiconductor Equipment

Manufacturers of semiconductor equipment, including manufacturers of the raw material and equipment used in the solar power industry.

3.8.3.1 Semiconductors

Manufacturers of semiconductors and related products, including manufacturers of solar modules and cells.

3.9 Communication Services

3.9.1 Telecommunication Services

3.9.1.1 Diversified Telecommunication Services

3.9.1.1 Alternative Carriers

Providers of communications and high-density data transmission services primarily through a high bandwidth/fiber-optic cable network.

3.9.1.1 Integrated Telecommunication Services

Operators of primarily fixed-line telecommunications networks and companies providing both wireless and fixed-line telecommunications services not classified elsewhere. Also includes internet service providers offering internet access to end users.

3.9.1.2 Wireless Telecommunication Services

3.9.1.2 Wireless Telecommunication Services

Providers of primarily cellular or wireless telecommunication services.

3.9.2 Media & Entertainment

3.9.2.1 Media

3.9.2.1 Advertising (Starts 2018-12-31)

Companies providing advertising, marketing or public relations services.

3.9.2.1 Broadcasting (Starts 2018-12-31)

Owners and operators of television or radio broadcasting systems, including programming. Includes radio and television broadcasting, radio networks, and radio stations.

3.9.2.1 Cable & Satellite (Starts 2018-12-31)

Providers of cable or satellite television services. Includes cable networks and program distribution.

3.9.2.1 Publishing (Starts 2018-12-31)

Publishers of newspapers, magazines and books in print or electronic formats.

3.9.2.2 Entertainment

3.9.2.2 Movies & Entertainment (Starts 2018-12-31)

Companies that engage in producing and selling entertainment products and services, including companies engaged in the production, distribution and screening of movies and television shows, producers and distributors of music, entertainment theaters and sports teams. Also includes companies offering and/or producing entertainment content streamed online.

3.9.2.2 Interactive Home Entertainment (Starts 2018-12-31)

Producers of interactive gaming products, including mobile gaming applications. Also includes educational software used primarily in the home. Excludes online gambling companies classified in the Casinos & Gaming Sub-Industry.

3.9.2.3 Interactive Media & Services

3.9.2.3 Interactive Media & Services (Starts 2018-12-31)

Companies engaging in content and information creation or distribution through proprietary platforms, where revenues are derived primarily through pay-per-click advertisements. Includes search engines, social media and networking platforms, online classifieds, and online review companies. Excludes companies operating online marketplaces classified in Internet & Direct Marketing Retail.

3.10 Utilities

3.10.1 Utilities

3.10.1.1 Electric Utilities

3.10.1.1 Electric Utilities

Companies that produce or distribute electricity. Includes both nuclear and non-nuclear facilities.

3.10.1.2 Gas Utilities

3.10.1.2 Gas Utilities

Companies whose main charter is to distribute and transmit natural and manufactured gas. Excludes companies primarily involved in gas exploration or production classified in the Oil & Gas Exploration & Production Sub-Industry. Also excludes companies engaged in the storage and/or transportation of oil, gas, and/or refined products classified in the Oil & Gas Storage & Transportation Sub-Industry.

3.10.1.3 Multi-Utilities

3.10.1.3 Multi-Utilities

Utility companies with significantly diversified activities in addition to core Electric Utility, Gas Utility and/or Water Utility operations.

3.10.1.4 Water Utilities

3.10.1.4 Water Utilities

Companies that purchase and redistribute water to the end-consumer. Includes large-scale water treatment systems.

3.10.1.5 Independent Power and Renewable Electricity Producers

3.10.1.5 Independent Power Producers & Energy Traders

Companies that operate as Independent Power Producers (IPPs), Gas & Power Marketing & Trading Specialists and/or Integrated Energy Merchants. Excludes producers of electricity using renewable sources, such as solar power, hydropower, and wind power. Also excludes electric transmission companies and utility distribution companies classified in the Electric Utilities Sub-Industry.

3.10.1.5 Renewable Electricity

Companies that engage in the generation and distribution of electricity using renewable sources, including, but not limited to, companies that produce electricity using biomass, geothermal energy, solar energy, hydropower, and wind power. Excludes companies manufacturing capital equipment used to generate electricity using renewable sources, such as manufacturers of solar power systems, installers of photovoltaic cells, and companies involved in the provision of technology, components, and services mainly to this market.

3.11 Real Estate

3.11.1 Real Estate

3.11.1.1 Equity Real Estate Investment Trusts (REITs)

3.11.1.1 Diversified REITs

A company or Trust with significantly diversified operations across two or more property types.

3.11.1.1 Industrial REITs

Companies or Trusts engaged in the acquisition, development, ownership, leasing, management and operation of industrial properties. Includes companies operating industrial warehouses and distribution properties.

3.11.1.1 Hotel & Resort REITs

Companies or Trusts engaged in the acquisition, development, ownership, leasing, management and operation of hotel and resort properties.

3.11.1.1 Office REITs

Companies or Trusts engaged in the acquisition, development, ownership, leasing, management and operation of office properties.

3.11.1.1 Health Care REITs

Companies or Trusts engaged in the acquisition, development, ownership, leasing, management and operation of properties serving the health care industry, including hospitals, nursing homes, and assisted living properties.

3.11.1.1 Residential REITs

Companies or Trusts engaged in the acquisition, development, ownership, leasing, management and operation of residential properties including multifamily homes, apartments, manufactured homes and student housing properties

3.11.1.1 Retail REITs

Companies or Trusts engaged in the acquisition, development, ownership, leasing, management and operation of shopping malls, outlet malls, neighborhood and community shopping centers.

3.11.1.1 Specialized REITs

Companies or Trusts engaged in the acquisition, development, ownership, leasing, management and operation of properties not classified elsewhere. Includes trusts that operate and invest in storage properties. It also includes REITs that do not generate a majority of their revenues and income from real estate rental and leasing operations.

3.11.1.2 Real Estate Management & Development

3.11.1.2 Diversified Real Estate Activities

Companies engaged in a diverse spectrum of real estate activities including real estate development & sales, real estate management, or real estate services, but with no dominant business line.

3.11.1.2 Real Estate Operating Companies

Companies engaged in operating real estate properties for the purpose of leasing & management.

3.11.1.2 Real Estate Development

Companies that develop real estate and sell the properties after development. Excludes companies classified in the Homebuilding Sub-Industry.

3.11.1.2 Real Estate Services

Real estate service providers such as real estate agents, brokers & real estate appraisers.