

METALSQUARTERLY



METALS COVERAGE TEAM

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KEY THEMES AND INDUSTRY COMMENTARY

End Market Update

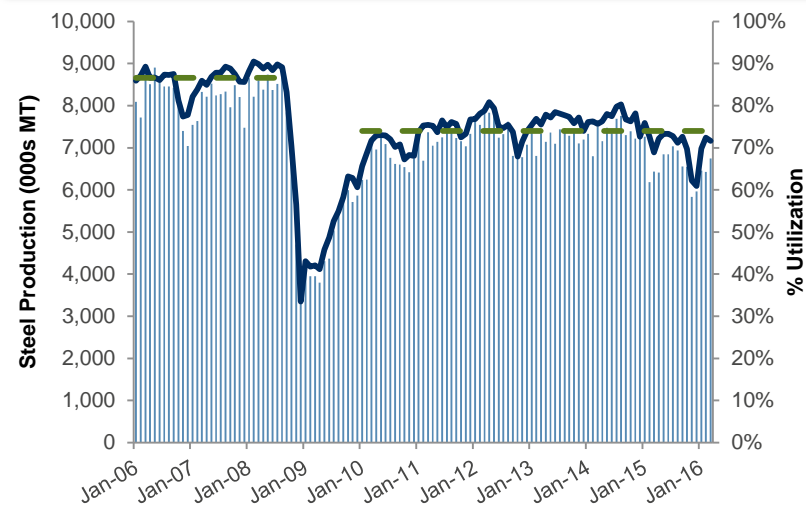
- Housing starts rose 6.6% from March of 2016 to a SAAR of 1.17 million units in April, beating consensus estimates of 1.13 million units for the period
- Housing permits were up 3.6% from March of 2016 to a 1.12 million unit SAAR in April, but slid 5.3% below the 1.18 million unit mark set in April of 2015
- Following two months of growth, U.S. auto sales declined in April booking sales of 1.497 million units, however SAAR rose to 17.3 million units, up from the March level of 16.5 million
- North American tractor and combine shipments reached 26,649 units in April jumping 32.5% from March but were down slightly, 2.5%, year-over-year from April of 2015
- Oil prices appear to be in the midst of a sustained recovery nearing the \$50 per barrel mark, up from February's 13-year low
- U.S. rig count continues to plummet, falling to 408 rigs in the second week of May – a new all time low

Trade Update

- The U.S. Commerce Department has found dumping of corrosion resistant steel imports and issued anti-dumping duties on China, India, Italy, Korea and Taiwan. Additionally, anti-subsidy duties have been levied on China, India, Italy and Korea. The ITC is set to make its final determination on the case on July 8th.

Final Margins & Rates		
Country	Dumping Margin	Subsidy Rate
China	209.97%	39.05% to 241.07%
India	3.05% to 4.44%	8.00% to 29.46%
Italy	12.63% to 92.12%	0.07% to 38.51%
Korea	8.75% to 47.80%	0.72% to 1.19%
Taiwan	3.77%	N/A

U.S. Steel Production & Capacity Utilization



Heard on the Street

“Another important trade issue in 2016 is China's expected bid to gain recognition as a market economy under the terms of its agreement to join the World Trade Organization in 2001. Over the past 15 years, China has failed to implement the reforms necessary to become a market economy. China remains a government-run, nonmarket economy today. Therefore, the U.S. has no reason to change its treatment of China as a nonmarket economy.”

- John Ferriola – CEO & President, Nucor

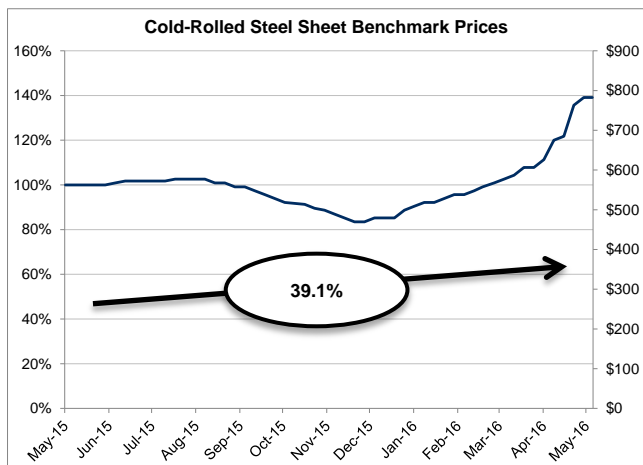
“We filed a complaint with the U.S. International Trade Commission to initiate an investigation under Section 337 of the Tariff Act of 1930 against the largest Chinese steel producers and their distributors. Their 337 complaint alleges illegal, unfair methods of competition and seeks the exclusion of all unfairly-traded Chinese steel products from the U.S. market. I would like to emphasize that the remedy under Section 337 is not a tariff. It is an exclusion of the products from the U.S. market.”

- Mario Longhi – CEO & President, U.S. Steel

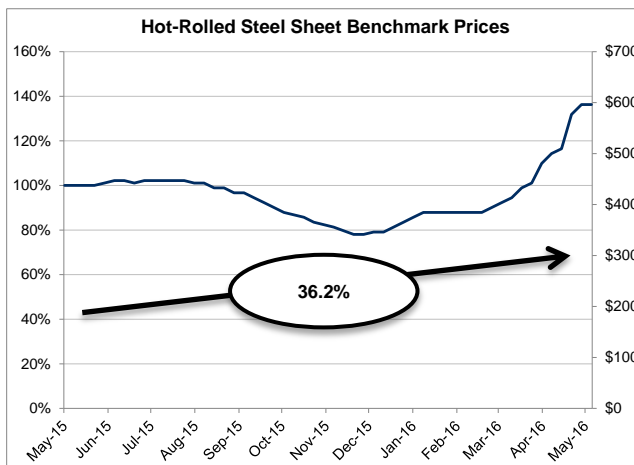
“Relative to the macro environment, the steel-consuming sectors that were weak in 2015, such as energy, heavy equipment and agriculture, will likely remain so in 2016. However, those that have been strong or recovering are also expected to continue this path, such as automotive and construction.”

- Mark Millet – CEO & President, Steel Dynamics

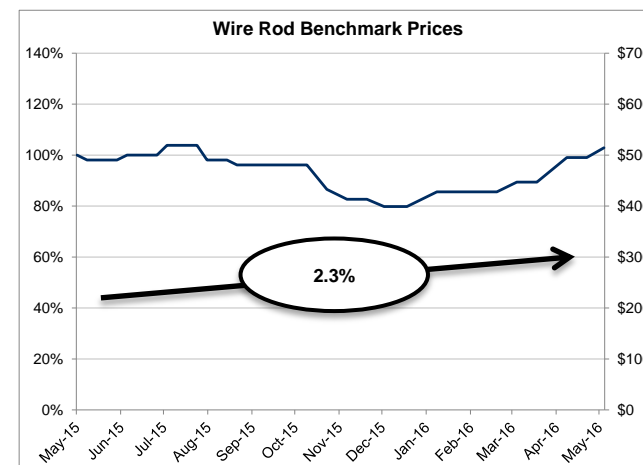
PRICES ON THE RISE... COMMODITIES REMAIN WEAK...



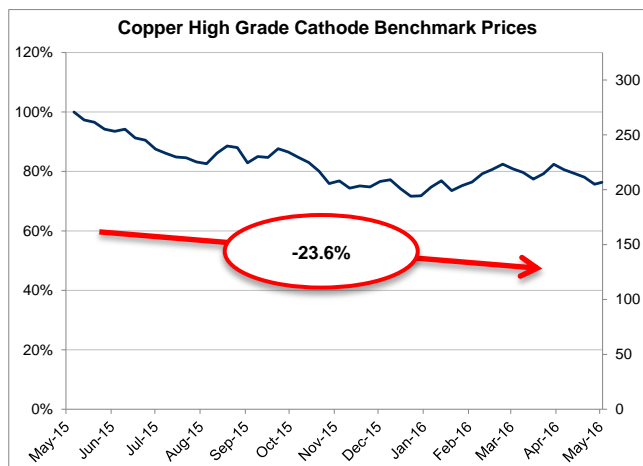
Source: Bloomberg (\$/Ton)



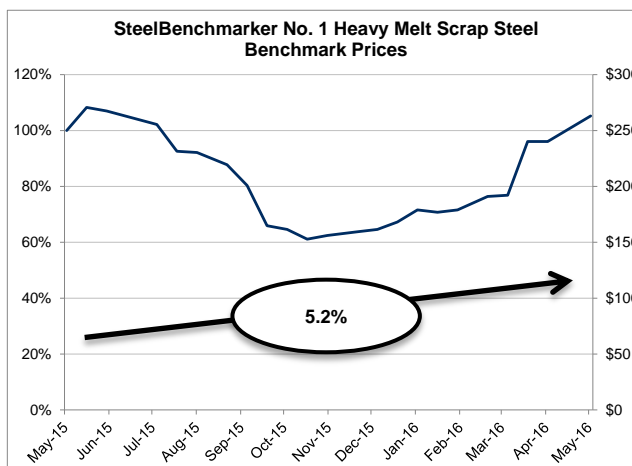
Source: Bloomberg (\$/Ton)



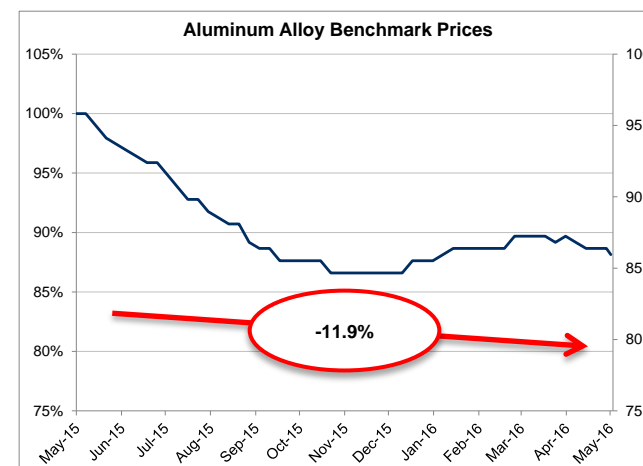
Source: Bloomberg (\$/Ton)



Source: Bloomberg (US Cents/Pound)



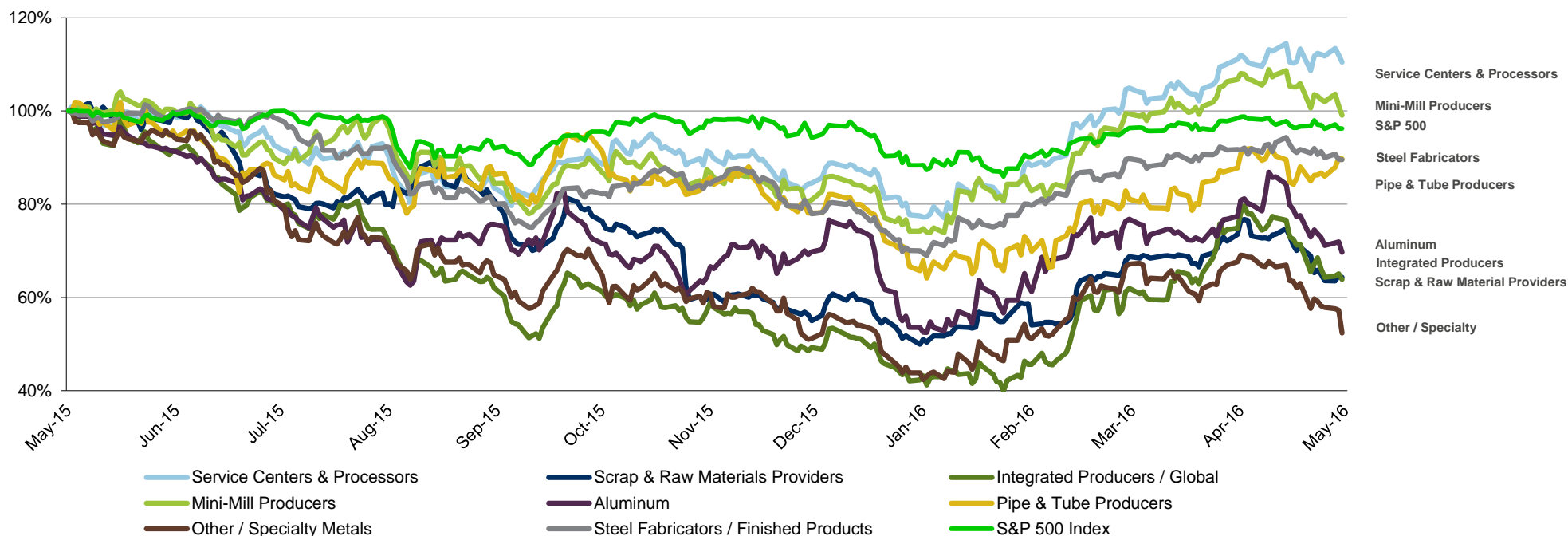
Source: Bloomberg (\$/Gross Ton)



Source: Bloomberg (US Cents/Pound)

INDUSTRIAL SECTOR STOCK PERFORMANCE

Through May of 2016, Service Centers & Processors and Mini-Mill Producers have led the way in the metals equity markets over the last 12 months, up 12.6% and 1.4% respectively, and lead the S&P 500 (down 2.5%) over the same period. The remaining segments continue to trail the S&P and are down for the year, led by Other & Specialty producers, off 38.4%. Core end market performance continues to remain strong – will this be enough to drive growth in the public names or will the broader industry continue to struggle with investors?



SELECT METALS EQUITY OFFERINGS

(2016 YTD Activity Shaded Blue)

Date Filing	Date Pricing	Issuer	Ticker	Transaction Type	Sector	Offer Price	Gross Offering (\$MMs)	Price Change From Offering to:			
								1 Day	1 Week	1 Month	Current
4/28/2016	4/28/2016	AK Steel Holding Corporation	AKS	Follow-On	Blast furnaces and steel mills	\$ 4.40	\$ 228.8	6.4%	(5.9%)	(21.4%)	N/A
6/22/2015	6/25/2015	NN Inc.	NNBR	Follow-On	Ball and roller bearings	24.00	158.4	7.5%	8.3%	1.2%	(35.9%)
1/20/2015	1/22/2015	Horsehead Holding Corp.	ZINC.Q	Follow-On	Secondary nonferrous metals	12.75	63.8	8.5%	6.9%	6.9%	(98.2%)
9/8/2014	9/11/2014	AK Steel Holding Corporation	AKS	Follow-On	Blast furnaces and steel mills	9.00	315.0	1.2%	8.2%	(29.6%)	(61.6%)
1/22/2010	8/7/2014	Ryerson Holding Corporation	RYI	IPO	Metals service centers and offices	11.00	121.0	(6.4%)	(5.9%)	(4.0%)	13.5%
4/23/2014	4/24/2014	SunCoke Energy Partners, L.P.	SXCP	Follow-On	Blast furnaces and steel mills	29.03	81.3	0.4%	1.1%	(1.3%)	(63.8%)

Source: S&P Capital IQ.

SELECT METALS M&A TRANSACTIONS

(2015 Q4 & 2016 YTD Activity Shaded Blue)

Date		Target	Buyers / Investors	Enterprise Value (\$MMs)	EV / LTM	
Announced	Closed				Revenue	EBITDA
4/26/2016	Pending	Kaydon Corporation	Stabilus S.A.	\$ 339.0	2.8x	-
4/15/2016	4/15/2016	United States Pipe and Foundry Company, LLC	Forterra Building Products	-	-	-
1/5/2016	Pending	Metalico Inc.	Yechiu Metal Recycling (China) Ltd.	154.8	0.4x	-
12/1/2015	1/5/2016	Tubular Steel, Inc.	Reliance Steel & Aluminum Co.	-	-	-
11/2/2015	11/2/2015	Standard Locknut, LLC	Industrial Group Holdings, LLC	-	-	-
10/26/2015	11/2/2015	North Star BlueScope Steel, LLC	BlueScope Steel Limited	1,481.0	1.3x	8.0x
9/22/2015	9/21/2015	Northwest Aluminum Specialties, Inc.	Sapa Extrusion Denmark A/S	-	-	-
9/14/2015	9/14/2015	Consolidated Systems, Inc., Certain Steel Decking Facilities	New Millennium Building Systems, LLC	45.0	-	-
9/8/2015	8/31/2015	A & E Custom Manufacturing Technologies, Inc.	Bennett Tool & Die Co., Inc.	-	-	-
9/8/2015	Pending	Amsco Steel LLC	DFW Steel, LLC	2.8	-	-
9/2/2015	7/31/2015	Rex Forge, Inc.	Heritage Holding Group, LLC	-	-	-
9/1/2015	9/1/2015	Porter's Group, LLC	Resilience Capital Partners LLC	-	-	-
8/17/2015	10/19/2015	Precision Engineered Products LLC	NN Inc.	615.0	2.5x	-
8/17/2015	8/14/2015	Canfield Technologies, Inc.	Gen Cap America, Inc.	23.0	1.4x	-
8/10/2015	8/10/2015	Custom Fab, Inc. (nka:US-Custom Fab)	U.S. Pipe Fabrication, LLC	-	-	-
8/4/2015	8/3/2015	Southern Tool Steel, Inc.	Ryerson Holding Corporation	7.7	-	-
7/21/2015	8/12/2015	Gateway Energy & Coke Company, LLC	SunCoke Energy Partners, L.P.	289.6	1.3x	7.1x
7/20/2015	7/17/2015	Berman Bros. Iron & Metal Co., Inc.	Toyota Tsusho America, Inc.	-	-	-
7/16/2015	5/31/2015	Abby Manufacturing Company, Inc.	Anchor Fabrication LLC	-	-	-
6/16/2015	9/11/2015	Metalico Inc.	Total Merchant Limited	105.2	0.2x	14.5x
6/5/2015	6/5/2015	U.S. Galvanizing, LLC	AZZ incorporated	51.3	1.5x	-
6/2/2015	3/23/2015	Mason Corporation	Superior Metal Products Co., Inc.	-	-	-
5/1/2015	5/1/2015	Postle Aluminum Company, LLC	Thor Industries Inc.	140.0	0.6x	-
3/9/2015	7/23/2015	RTI International Metals, Inc.	Alcoa Inc.	1,490.6	1.9x	12.9x
2/23/2015	12/23/2015	Globe Specialty Metals, Inc.	Grupo FerroAtlántica, S.A. (nka:Ferroglobe PLC)	-	-	-
2/2/2015	2/2/2015	Fluker Enterprises, Inc.	Ryan Herco Flow Solutions, Inc.	-	-	-
1/30/2015	2/4/2015	Wausau Scrap and Recycling Corporation	Alter Trading Corporation	-	-	-
1/29/2015	2/28/2015	Northern Precision Casting Co. Inc.	Wisconsin Precision Casting Corporation	-	-	-
1/5/2015	12/31/2014	Fay Industries, Inc.	Ryerson Holding Corporation	-	-	-
10/27/2014	3/9/2015	Chemalloy Company, Inc.	Nizi International (US) Inc.	-	-	-
10/1/2014	9/30/2014	Radar Industries, Inc.	Shiloh Industries Inc.	57.9	-	-
9/25/2014	9/23/2014	Blue Alloys, LLC (nka:Stainless Steel Midwest, LLC)	Allied Alloys, LP	-	-	-
9/15/2014	10/8/2014	Gallatin Steel Company (nka:Nucor Steel Gallatin, LLC)	Nucor Corporation	770.0	-	-
8/19/2014	11/10/2014	Waupaca Foundry, Inc.	Hitachi Metals, Ltd.	1,337.8	0.8x	-
8/1/2014	8/1/2014	Northern Illinois Steel Supply Co., Inc.	Reliance Steel & Aluminum Co.	-	-	-

Source: S&P Capital IQ.

PUBLICLY TRADED METALS UNIVERSE⁽¹⁾

(\$ In U.S. Millions, except per share data)

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Scrap & Raw Materials Providers	Market Price	Change in Stock Price		% of 52-Week High	Enterprise Value	Market Cap	LTM		EBITDA Margin	EV / Revenue		EV / EBITDA	
	5/20/16	3-Month ⁽²⁾	12-Month ⁽²⁾				Revenue	EBITDA		LTM	2016E	LTM	2016E
ALBA SE	\$57.68	(2.9%)	(3.0%)	90.9%	\$520.9	\$567.6	\$1,482.6	\$20.3	1.4%	0.4x	-	25.7x	-
Horsehead Holding Corp.	0.13	(93.8%)	(99.0%)	0.9%	400.0	7.6	438.6	(15.4)	NM	0.9x	1.0x	NM	13.6x
Industrial Services of America, Inc.	2.82	64.9%	(39.6%)	59.4%	29.7	22.6	35.9	(4.1)	NM	0.8x	-	NM	-
Schnitzer Steel Industries, Inc.	18.79	23.5%	19.5%	91.0%	690.7	502.5	1,534.6	63.4	4.1%	0.5x	0.5x	10.9x	7.4x
Sims Metal Management Limited	6.70	25.8%	(30.0%)	68.2%	1,050.7	1,344.3	3,914.3	72.2	1.8%	0.3x	0.3x	14.6x	6.7x
Median				68.2%	\$520.9	\$502.5	\$1,482.6	\$20.3	1.8%	0.5x	0.5x	14.6x	7.4x
Mean				62.1%	538.4	488.9	1,481.2	27.2	2.4%	0.6x	0.6x	17.1x	9.2x

Service Centers & Processors	Market Price	Change in Stock Price		% of 52-Week High	Enterprise Value	Market Cap	LTM		EBITDA Margin	EV / Revenue		EV / EBITDA	
	5/20/16	3-Month ⁽²⁾	12-Month ⁽²⁾				Revenue	EBITDA		LTM	2016E	LTM	2016E
A. M. Castle & Co.	\$2.49	21.5%	(34.6%)	35.5%	\$369.9	\$59.2	\$746.1	(\$36.9)	NM	0.5x	-	NM	-
Friedman Industries, Incorporated	5.88	4.8%	(6.8%)	84.6%	35.5	40.0	91.0	1.8	2.0%	0.4x	-	19.8x	-
Gibraltar Industries, Inc.	27.25	9.0%	75.4%	97.7%	993.2	852.8	1,073.9	103.3	9.6%	0.9x	0.9x	9.6x	8.7x
Olympic Steel Inc.	16.31	42.6%	11.2%	77.9%	325.6	178.7	1,088.0	12.8	1.2%	0.3x	0.3x	25.4x	11.3x
Reliance Steel & Aluminum Co.	69.16	17.6%	14.9%	96.9%	6,823.2	4,970.2	8,898.8	771.1	8.7%	0.8x	0.8x	8.8x	9.2x
Russel Metals Inc.	14.63	20.0%	(25.1%)	69.4%	1,091.6	902.8	2,213.0	101.6	4.6%	0.5x	0.5x	10.7x	9.9x
Ryerson Holding Corporation	4.64	1.5%	(32.9%)	48.3%	1,118.8	148.9	3,001.8	165.1	5.5%	0.4x	0.4x	6.8x	7.5x
Shiloh Industries Inc.	5.50	(7.9%)	(61.2%)	38.2%	372.4	95.4	1,114.4	51.9	4.7%	0.3x	-	7.2x	-
Worthington Industries, Inc.	36.17	16.3%	26.9%	97.2%	2,966.7	2,287.0	2,951.1	214.6	7.3%	1.0x	1.1x	13.8x	10.9x
Median				77.9%	\$993.2	\$178.7	\$1,114.4	\$101.6	5.1%	0.5x	0.6x	10.2x	9.5x
Mean				71.8%	1,566.3	1,059.4	2,353.1	153.9	5.4%	0.6x	0.7x	12.8x	9.6x

Source: S&P Capital IQ.

1. Financial information, market values, and market multiples as of 5/20/2016; revenue multiples in excess of 6x and EBITDA multiples in excess of 50x excluded.
2. Stock price performance (3-month and 12-month) is based on price as of 5/20/2016.

PUBLICLY TRADED METALS UNIVERSE⁽¹⁾

(\$ In U.S. Millions, except per share data)

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Integrated Producers / Global	Market Price 5/20/16	Change in Stock Price		% of 52-Week High	Enterprise Value	Market Cap	LTM		EBITDA Margin	EV / Revenue		EV / EBITDA	
		3-Month ⁽²⁾	12-Month ⁽²⁾				Revenue	EBITDA		LTM	2016E	LTM	2016E
AK Steel Holding Corporation	\$4.35	95.9%	6.4%	73.4%	\$3,455.3	\$775.8	\$6,460.8	\$493.5	7.6%	0.5x	0.6x	7.0x	8.7x
ArcelorMittal	4.26	(8.8%)	(59.0%)	35.9%	26,311.3	7,647.5	59,859.0	2,958.0	4.9%	0.4x	0.4x	8.9x	5.7x
Companhia Siderúrgica Nacional	2.26	88.0%	37.5%	88.1%	13,270.8	3,107.8	4,272.8	686.1	16.1%	3.1x	2.9x	19.3x	14.1x
Gerdaul S.A.	1.73	28.8%	(43.8%)	57.0%	8,425.6	2,915.5	12,176.6	1,155.3	9.5%	0.7x	0.6x	7.3x	6.6x
PAO Severstal	10.40	21.8%	(9.7%)	81.7%	9,239.5	8,430.2	5,961.9	1,760.8	29.5%	1.5x	1.7x	5.2x	6.4x
SSAB AB	3.42	23.9%	(35.9%)	52.1%	4,707.5	1,738.0	6,709.2	311.8	4.6%	0.7x	0.7x	15.1x	10.0x
Tata Steel Limited	4.64	17.3%	(6.5%)	80.7%	14,448.8	4,504.9	18,319.1	1,598.5	8.7%	0.8x	0.7x	9.0x	10.9x
Ternium S.A.	18.12	39.7%	(3.8%)	83.1%	5,460.4	3,557.1	7,406.9	1,025.2	13.8%	0.7x	0.8x	5.3x	4.7x
ThyssenKrupp AG	19.38	(8.0%)	(29.1%)	65.7%	15,566.5	10,969.2	46,852.7	2,472.5	5.3%	0.3x	0.3x	6.3x	5.0x
United States Steel Corp.	15.59	80.0%	(35.6%)	56.3%	4,689.7	2,282.7	10,643.0	(249.0)	NM	0.4x	0.5x	NM	26.4x
Median				69.5%	\$8,832.6	\$3,332.5	\$9,024.9	\$1,090.3	8.7%	0.7x	0.7x	7.3x	7.7x
Mean				67.4%	10,557.5	4,592.9	17,866.2	1,221.3	11.1%	0.9x	0.9x	9.3x	9.9x

Mini-Mill Producers	Market Price 5/20/16	Change in Stock Price		% of 52-Week High	Enterprise Value	Market Cap	LTM		EBITDA Margin	EV / Revenue		EV / EBITDA	
		3-Month ⁽²⁾	12-Month ⁽²⁾				Revenue	EBITDA		LTM	2016E	LTM	2016E
Commercial Metals Company	\$16.70	13.4%	10.0%	94.0%	\$2,621.8	\$1,941.2	\$5,092.1	\$454.1	8.9%	0.5x	0.6x	5.8x	6.5x
Nucor Corporation	46.59	13.5%	(2.2%)	91.9%	17,637.5	14,812.1	15,755.4	1,829.5	11.6%	1.1x	1.1x	9.6x	9.3x
Steel Dynamics Inc.	22.16	22.3%	8.7%	95.7%	7,248.4	5,389.1	7,288.3	683.7	9.4%	1.0x	1.0x	10.6x	7.7x
Median				94.0%	\$7,248.4	\$5,389.1	\$7,288.3	\$683.7	9.4%	1.0x	1.0x	9.6x	7.7x
Mean				93.9%	9,169.2	7,380.8	9,378.6	989.1	10.0%	0.9x	0.9x	8.7x	7.8x

Aluminum	Market Price 5/20/16	Change in Stock Price		% of 52-Week High	Enterprise Value	Market Cap	LTM		EBITDA Margin	EV / Revenue		EV / EBITDA	
		3-Month ⁽²⁾	12-Month ⁽²⁾				Revenue	EBITDA		LTM	2016E	LTM	2016E
Alcoa Inc.	\$9.85	(3.3%)	(24.2%)	69.0%	\$22,278.2	\$12,951.2	\$21,662.0	\$2,665.0	12.3%	1.0x	1.1x	8.4x	8.5x
Century Aluminum Co.	7.26	54.1%	(49.2%)	48.5%	771.6	631.9	1,680.8	1.6	NM	0.5x	0.6x	NM	NM
Kaiser Aluminum Corporation	84.09	(0.6%)	9.6%	94.6%	1,609.1	1,513.6	1,363.4	191.8	14.1%	1.2x	1.2x	8.4x	8.1x
Noranda Aluminum Holding Corp.	0.06	(82.7%)	(99.7%)	0.2%	675.0	0.6	1,228.1	(17.7)	NM	0.5x	-	NM	-
Median				58.7%	\$1,190.4	\$1,072.8	\$1,522.1	\$96.7	13.2%	0.8x	1.1x	8.4x	8.3x
Mean				53.1%	6,333.5	3,774.3	6,483.6	710.2	13.2%	0.8x	0.9x	8.4x	8.3x

Source: S&P Capital IQ.

1. Financial information, market values, and market multiples as of 5/20/2016; revenue multiples in excess of 6x and EBITDA multiples in excess of 50x excluded.
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PUBLICLY TRADED METALS UNIVERSE⁽¹⁾

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Pipe & Tube Producers	Market Price	Change in Stock Price		% of	Enterprise Value	Market Cap	LTM		EBITDA Margin	EV / Revenue		EV / EBITDA	
	5/20/16	3-Month ⁽²⁾	12-Month ⁽²⁾	52-Week High			Revenue	EBITDA		LTM	2016E	LTM	2016E
Northwest Pipe Co.	\$9.88	(11.6%)	(58.0%)	38.2%	\$85.3	\$94.6	\$185.7	(\$32.4)	NM	0.5x	0.4x	NM	NM
Synalloy Corporation	9.23	36.7%	(39.0%)	61.3%	107.4	79.7	160.1	5.5	3.5%	0.7x	0.6x	19.4x	12.8x
Tenaris S.A.	12.23	(3.2%)	(16.5%)	71.4%	13,093.2	14,438.3	6,104.5	873.5	14.3%	2.1x	1.8x	15.0x	14.7x
Median				61.3%	\$107.4	\$94.6	\$185.7	\$5.5	8.9%	0.7x	0.6x	17.2x	13.7x
Mean				57.0%	4,428.6	4,870.9	2,150.1	282.2	8.9%	1.1x	0.9x	17.2x	13.7x

Other / Specialty Metals	Market Price	Change in Stock Price		% of	Enterprise Value	Market Cap	LTM		EBITDA Margin	EV / Revenue		EV / EBITDA	
	5/20/16	3-Month ⁽²⁾	12-Month ⁽²⁾	52-Week High			Revenue	EBITDA		LTM	2016E	LTM	2016E
Allegheny Technologies Inc.	\$17.57	42.0%	(44.2%)	46.5%	\$3,373.2	\$1,913.6	\$3,351.6	(\$132.3)	NM	1.0x	1.0x	NM	12.9x
Carpenter Technology Corp.	35.22	13.3%	(6.8%)	77.5%	2,275.1	1,649.5	1,913.6	243.5	12.7%	1.2x	1.2x	9.3x	8.2x
Global Brass and Copper Holdings, Inc.	25.31	13.2%	60.6%	98.9%	807.8	543.9	1,434.9	108.3	7.5%	0.6x	0.6x	7.5x	6.7x
Haynes International, Inc.	37.78	4.2%	(14.8%)	73.1%	428.3	471.6	435.9	40.8	9.4%	1.0x	1.0x	10.5x	8.0x
Materion Corporation	26.91	(5.9%)	(30.4%)	64.3%	527.8	538.4	970.8	70.6	7.3%	0.5x	0.6x	7.5x	6.6x
Universal Stainless & Alloy Products Inc.	10.29	19.4%	(62.7%)	38.0%	154.0	76.9	164.3	3.3	2.0%	0.9x	1.0x	46.0x	10.3x
Median				68.7%	\$667.8	\$541.1	\$1,202.8	\$55.7	7.5%	1.0x	1.0x	9.3x	8.1x
Mean				66.4%	1,261.0	865.6	1,378.5	55.7	7.8%	0.9x	0.9x	16.1x	8.8x

Steel Fabricators / Finished Products	Market Price	Change in Stock Price		% of	Enterprise Value	Market Cap	LTM		EBITDA Margin	EV / Revenue		EV / EBITDA	
	5/20/16	3-Month ⁽²⁾	12-Month ⁽²⁾	52-Week High			Revenue	EBITDA		LTM	2016E	LTM	2016E
Canam Group Inc.	\$10.02	(5.4%)	4.2%	86.6%	\$630.3	\$476.3	\$1,337.8	\$87.0	6.5%	0.5x	0.5x	7.2x	6.2x
Insteel Industries Inc.	29.52	37.8%	34.7%	98.7%	503.5	549.1	434.9	56.2	12.9%	1.2x	1.2x	9.0x	7.7x
LB Foster Co.	17.32	14.3%	(62.3%)	36.1%	312.7	177.2	612.9	50.9	8.3%	0.5x	0.5x	6.1x	6.1x
Leggett & Platt, Incorporated	47.45	10.7%	2.5%	92.5%	7,146.4	6,438.7	3,889.4	596.6	15.3%	1.8x	1.8x	12.0x	11.3x
RBC Bearings Inc.	73.08	10.8%	14.3%	93.9%	2,049.8	1,709.2	548.6	134.0	24.4%	3.7x	3.3x	15.3x	12.5x
The Timken Company	33.40	15.8%	(19.7%)	77.6%	3,189.9	2,651.4	2,833.8	424.5	15.0%	1.1x	1.2x	7.5x	8.1x
Median				89.6%	\$1,340.1	\$1,129.1	\$975.4	\$110.5	14.0%	1.1x	1.2x	8.2x	7.9x
Mean				80.9%	2,305.4	2,000.3	1,609.6	224.9	13.7%	1.5x	1.4x	9.5x	8.6x

Source: S&P Capital IQ.

1. Financial information, market values, and market multiples as of 5/20/2016; revenue multiples in excess of 6x and EBITDA multiples in excess of 50x excluded.
2. Stock price performance (3-month and 12-month) is based on price as of 5/20/2016.

CREDIT STATISTICS BY SECTOR

(\$ In U.S. Millions)

Scrap & Raw Materials Providers	Ticker	S&P Rating	Total Debt	Net Debt	Total Debt / EBITDA	Net Debt / EBITDA	Debt / Total Cap (Mkt)	EBITDA / Interest
ALBA SE	ABA	NA	\$29.7	\$23.2	1.5x	NM	5.2%	0.9x
Horsehead Holding Corp.	ZINC.Q	NR	423.4	388.5	NM	NM	NM	NM
Industrial Services of America, Inc.	IDSA	NA	3.2	2.7	NM	NM	14.0%	NM
Schnitzer Steel Industries, Inc.	SCHN	NA	197.8	188.9	3.1x	3.0x	39.4%	6.9x
Sims Metal Management Limited	SGM	NA	5.8	(280.5)	0.1x	NM	0.4%	8.8x
Sector Median					1.5x	3.0x	9.6%	6.9x

Service Centers & Processors	Ticker	S&P Rating	Total Debt	Net Debt	Total Debt / EBITDA	Net Debt / EBITDA	Debt / Total Cap (Mkt)	EBITDA / Interest
A. M. Castle & Co.	CAS	NR	\$275.5	\$264.8	NM	NM	NM	NM
Friedman Industries, Incorporated	FRD	NA	-	(4.5)	NM	NM	NM	NM
Gibraltar Industries, Inc.	ROCK	BB-	209.4	126.8	2.0x	1.2x	24.6%	6.0x
Olympic Steel Inc.	ZEUS	NA	147.9	145.5	11.5x	11.4x	82.8%	2.8x
Reliance Steel & Aluminum Co.	RS	BBB	2,134.1	2,013.6	2.8x	2.6x	42.9%	9.6x
Russel Metals Inc.	RUS	NR	287.0	178.5	2.8x	1.8x	31.8%	3.8x
Ryerson Holding Corporation	RYI	B-	976.6	902.3	5.9x	5.5x	NM	1.7x
Shiloh Industries Inc.	SHLO	NR	283.9	277.0	5.5x	5.3x	NM	4.2x
Worthington Industries, Inc.	WOR	BBB	611.5	586.0	2.8x	2.7x	26.7%	6.7x
Sector Median					2.8x	2.7x	31.8%	4.2x

Source: S&P Capital IQ as of 5/20/2016.

CREDIT STATISTICS BY SECTOR

(\$ In U.S. Millions)

Integrated Producers / Global	Ticker	S&P Rating	Total Debt	Net Debt	Total Debt / EBITDA	Net Debt / EBITDA	Debt / Total Cap (Mkt)	EBITDA / Interest
AK Steel Holding Corporation	AKS	B-	\$2,336.4	\$2,223.4	4.7x	4.5x	NM	2.8x
ArcelorMittal	MT	BB	20,192.0	17,329.0	6.8x	5.9x	NM	2.5x
Companhia Siderúrgica Nacional	CSNA3	B	9,033.0	7,468.8	13.2x	10.9x	NM	0.8x
Gerdau S.A.	GGBR4	BBB-	6,679.1	5,122.4	5.8x	4.4x	NM	2.9x
PAO Severstal	SVST	NA	2,434.0	837.0	1.4x	0.5x	28.9%	10.2x
SSAB AB	SSAB A	NA	3,336.6	3,012.1	10.7x	9.7x	NM	4.6x
Tata Steel Limited	500470	NA	10,842.4	9,764.4	6.8x	6.1x	NM	2.7x
Ternium S.A.	TX	NA	1,429.0	1,010.7	1.4x	1.0x	40.2%	11.6x
ThyssenKrupp AG	TKA	NA	9,522.2	4,971.2	3.9x	2.0x	86.8%	3.6x
United States Steel Corp.	X	B	3,121.0	2,416.0	NM	NM	NM	0.1x
Sector Median					5.8x	4.5x	40.2%	2.9x

Mini-Mill Producers	Ticker	S&P Rating	Total Debt	Net Debt	Total Debt / EBITDA	Net Debt / EBITDA	Debt / Total Cap (Mkt)	EBITDA / Interest
Commercial Metals Company	CMC	BB+	\$1,098.3	\$716.7	2.4x	1.6x	56.6%	6.1x
Nucor Corporation	NUE	A-	4,374.5	2,046.0	2.4x	1.1x	29.5%	10.3x
Steel Dynamics Inc.	STLD	BB+	2,598.3	1,621.3	3.8x	2.4x	48.2%	4.2x
Sector Median					2.4x	1.6x	48.2%	6.1x

Aluminum	Ticker	S&P Rating	Total Debt	Net Debt	Total Debt / EBITDA	Net Debt / EBITDA	Debt / Total Cap (Mkt)	EBITDA / Interest
Alcoa Inc.	AA	BBB-	\$9,069.0	\$7,685.0	3.4x	2.9x	70.0%	6.3x
Century Aluminum Co.	CENX	B	255.2	128.7	162.5x	82.0x	40.4%	4.2x
Kaiser Aluminum Corporation	KALU	BB	195.0	114.3	1.0x	0.6x	12.9%	7.5x
Noranda Aluminum Holding Corp.	NORN.Q	NR	742.3	686.2	(41.9x)	(38.8x)	NM	0.9x
Sector Median					2.2x	1.7x	40.4%	5.3x

Source: S&P Capital IQ as of 5/20/2016.

CREDIT STATISTICS BY SECTOR

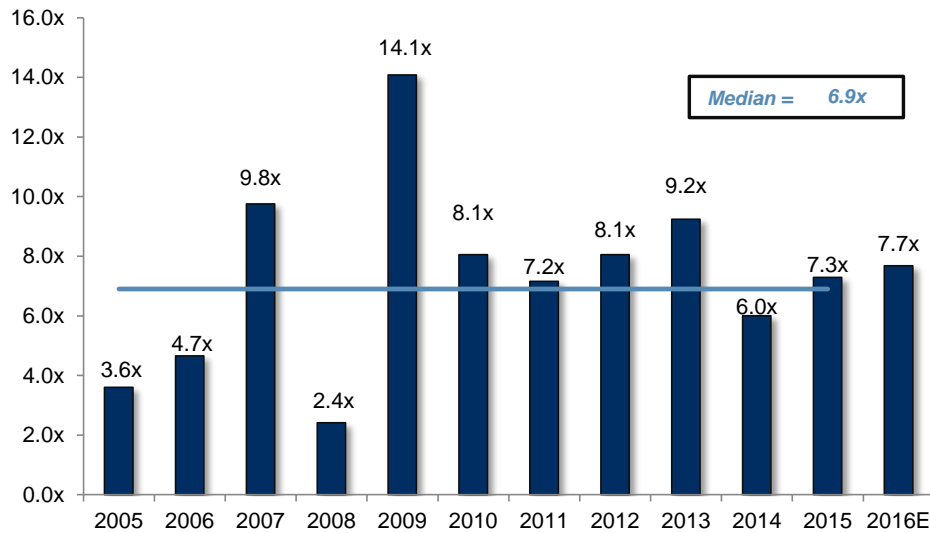
(\$ In U.S. Millions)

Pipe & Tube Producers	Ticker	S&P Rating	Total Debt	Net Debt	Total Debt / EBITDA	Net Debt / EBITDA	Debt / Total Cap (Mkt)	EBITDA / Interest
Northwest Pipe Co.	NWPX	NA	\$1.0	(\$8.4)	NM	NM	1.1%	NM
Synalloy Corporation	SYNL	NA	30.9	30.7	5.6x	5.5x	38.8%	9.1x
Tenaris S.A.	TEN	NA	999.6	(1,568.3)	1.1x	NM	6.9%	NM
Sector Median					3.4x	5.5x	6.9%	9.1x
Other / Specialty Metals	Ticker	S&P Rating	Total Debt	Net Debt	Total Debt / EBITDA	Net Debt / EBITDA	Debt / Total Cap (Mkt)	EBITDA / Interest
Allegheny Technologies Inc.	ATI	B+	\$1,649.2	\$1,492.3	(12.5x)	(11.3x)	86.2%	0.1x
Carpenter Technology Corp.	CRS	BBB	637.9	614.0	2.6x	2.5x	38.7%	8.8x
Global Brass and Copper Holdings, Inc.	BRSS	NA	308.4	259.7	2.8x	2.4x	56.7%	2.6x
Haynes International, Inc.	HAYN	NR	4.6	(43.2)	0.1x	NM	1.0%	NM
Materion Corporation	MTRN	NR	37.2	18.3	0.5x	0.3x	6.9%	29.5x
Universal Stainless & Alloy Products Inc.	USAP	NA	76.7	75.8	22.9x	22.6x	NM	2.4x
Sector Median					1.6x	2.4x	38.7%	2.6x
Steel Fabricators / Finished Products	Ticker	S&P Rating	Total Debt	Net Debt	Total Debt / EBITDA	Net Debt / EBITDA	Debt / Total Cap (Mkt)	EBITDA / Interest
Canam Group Inc.	CAM	NA	\$158.7	\$150.2	1.8x	1.7x	33.3%	7.5x
Insteel Industries Inc.	IIN	NA	-	(36.4)	NM	NM	NM	NM
LB Foster Co.	FSTR	NA	176.7	145.8	3.5x	2.9x	NM	12.8x
Leggett & Platt, Incorporated	LEG	BBB+	1,035.5	785.3	1.7x	1.3x	16.1%	14.4x
RBC Bearings Inc.	ROLL	NA	385.0	340.6	2.9x	2.5x	22.5%	20.8x
The Timken Company	TKR	BBB-	688.7	551.4	1.6x	1.3x	26.0%	13.1x
Sector Median					1.8x	1.7x	24.2%	13.1x

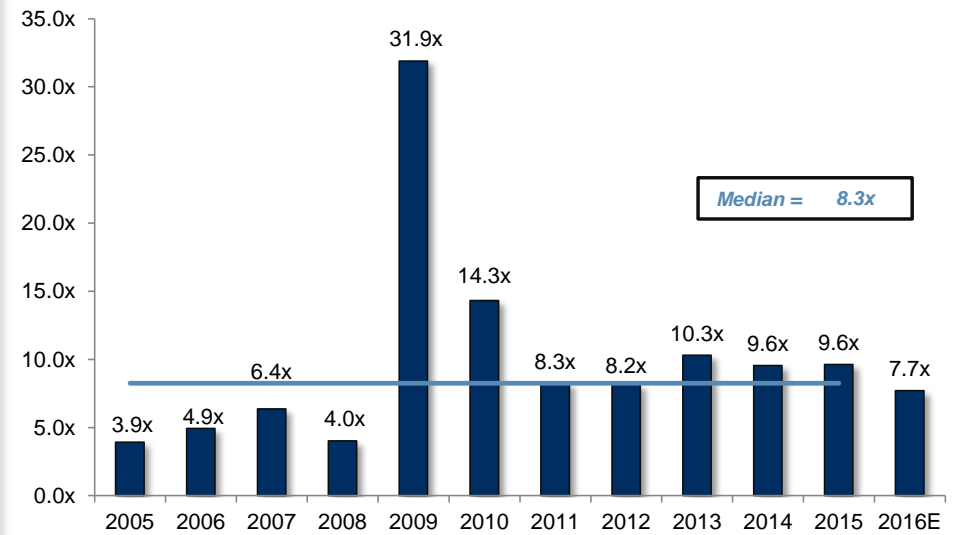
Source: S&P Capital IQ as of 5/20/2016.

HISTORICAL TRAILING EBITDA MULTIPLES

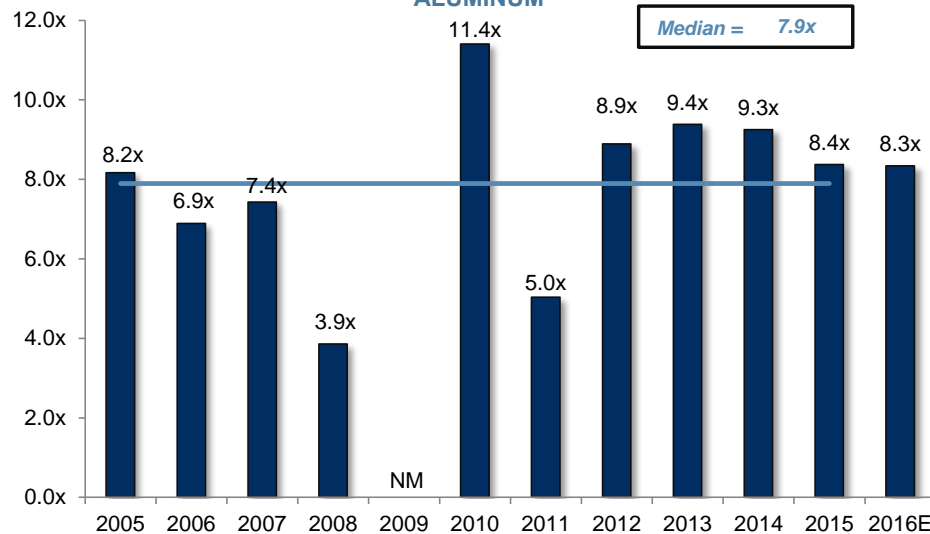
INTEGRATED PRODUCERS / GLOBAL



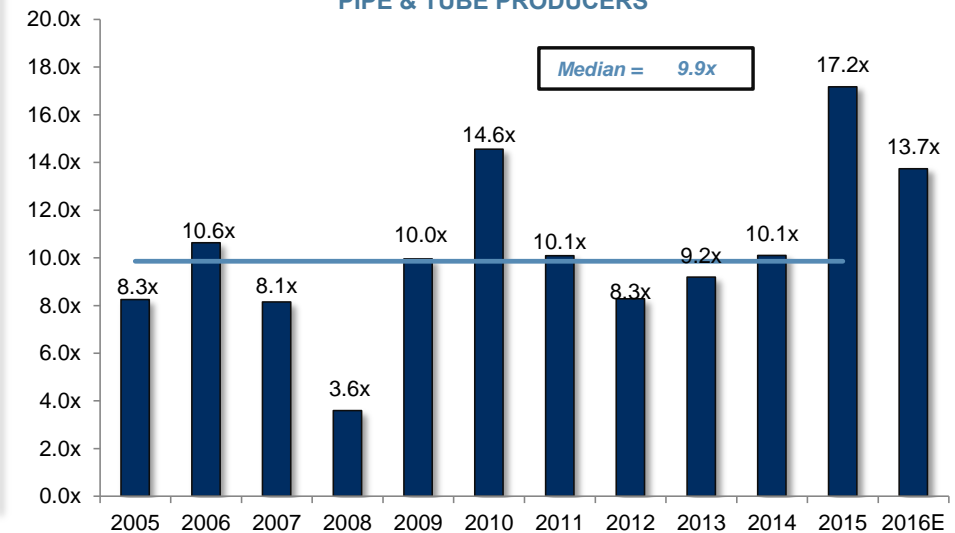
MINI-MILL PRODUCERS



ALUMINUM



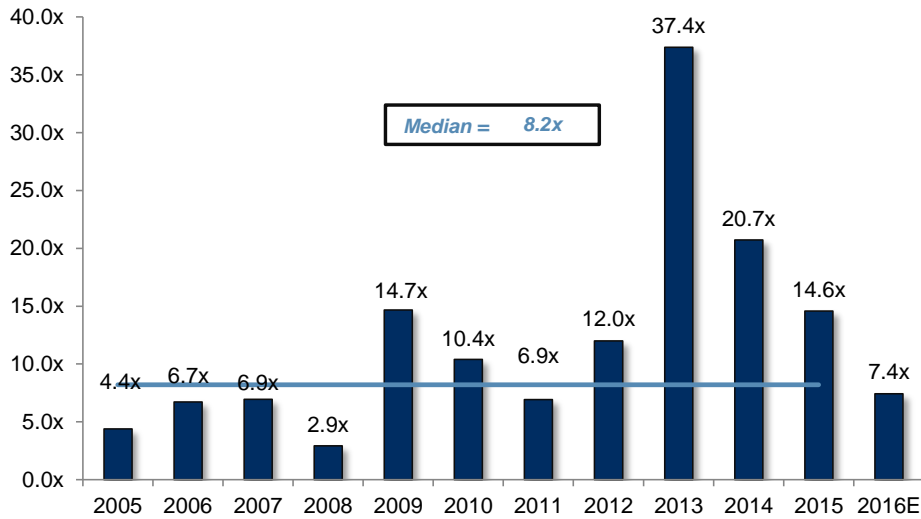
PIPE & TUBE PRODUCERS



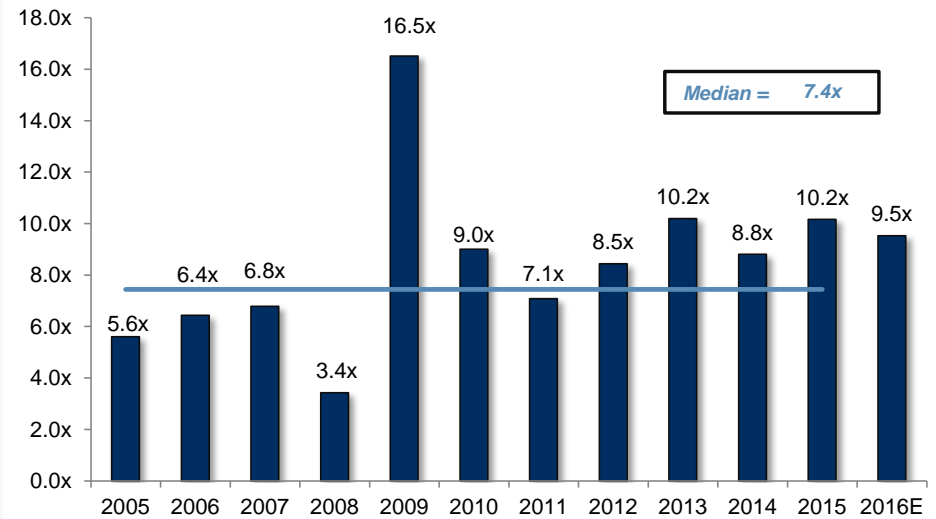
Source: S&P Capital IQ. As of 5/20/2016; see publicly traded Metals comp groups on pages 6 – 11 for companies within each sector.

HISTORICAL TRAILING EBITDA MULTIPLES

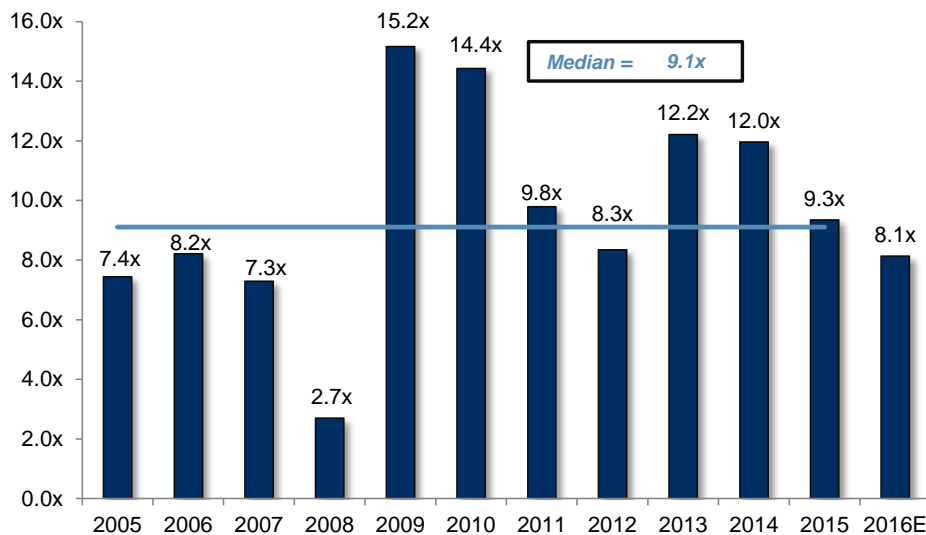
SCRAP & RAW MATERIALS



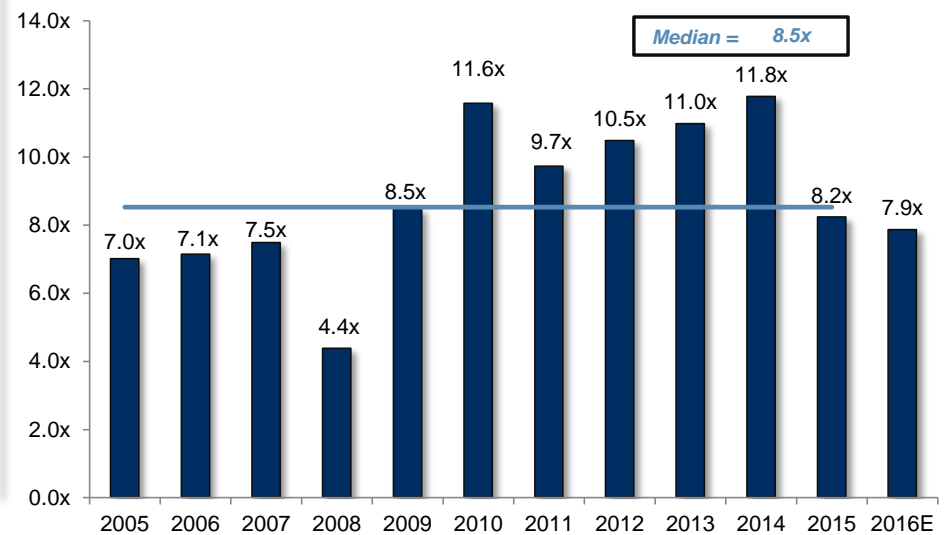
SERVICE CENTERS & PROCESSORS



OTHER / SPECIALTY METALS



STEEL FABRICATORS / FINISHED PRODUCTS



Source: S&P Capital IQ. As of 5/20/2016; see publicly traded Metals comp groups on pages 6 – 11 for companies within each sector.

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- Ten dedicated investment bankers with a combined 160 years of banking and capital markets expertise
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INDUSTRIAL SECTOR EXPERTISE

Building Products & Infrastructure		Water Infrastructure	
Building Products <ul style="list-style-type: none"> • Stone, Concrete, Aggregates • Lumber • Walls, Ceilings, Floors, Decking • Framing, Roofing, Insulation • Sheet Goods 	Metals & Infrastructure <ul style="list-style-type: none"> • Service Centers & Processors • Metal Stamping • Steel Fabricators • Integrated Producers • Mini Mill Producers • Storm Water Products • Pipe & Tube Producers • Aluminum • Scrap & Raw Materials • Recycling Services • Metal, Concrete and Plastic Pipe 	Equipment <ul style="list-style-type: none"> • Filtration / Separation • Distribution & Collection • Specialty Chemicals • Water & Wastewater Treatment Equipment • Treating Boiler Water • Manufactured / On-site Tanks • Irrigation • Pump Stations • Pool Supplies • Disinfection 	Services <ul style="list-style-type: none"> • Facility Management • Site Development • Billing & Meter Reading • Energy Management • Maintenance • Pipeline Repair • Logistics • Procurement • Support Services • Well Water Drilling • Installation & Tunneling • Marine Construction • Water and Wastewater Plant Construction
Industrial Technology		Distribution	
Automation & Process Control <ul style="list-style-type: none"> • Automation • Robotics • Motion Control • Photonics • Building Controls 	Global Connectivity <ul style="list-style-type: none"> • Wire & Cable • Interconnect Systems • Connectors • Instrumentation & Control Products • Transmission & Distribution (Services & Products) • Switchgear & Signal Conditioning Products 	Basic <ul style="list-style-type: none"> • Roofing • HVAC • Insulation • Engineered Wood • Pipe, Valve & Fitting • Process Flow Control • Motion Control & Fluid Power • MRO 	Specialty <ul style="list-style-type: none"> • Automotive • Tires • Linens • Fiberglass • Diversified • Technology • Heavy Equipment
Environmental Equipment & Controls <ul style="list-style-type: none"> • Air Handling • Filtration • HVAC Components 	Intelligent Transportation <ul style="list-style-type: none"> • Bike Rentals • Smart Traffic • On-Demand 		