



Industry Update
Steel
Q2 2021

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Financial Performance

Size Profile, LTM Financials, Forward Estimates

(USD in millions, except per share data)

Company Name	Ticker	Size Profile			LTM Operating Data		Forward Estimates		
		Price at 06/30/21	% of 52 Week High	TEV	Total Assets	LTM Revenue	LTM EBITDA	2020 Est. Revenue	2020 Est. EBITDA
Steel Industry									
Nucor Corporation	NUE	\$95.93	86.5%	\$33,273	\$21,172	\$21,532	\$3,276	\$33,760	\$8,807
Cleveland-Cliffs Inc.	CLF	\$21.56	87.0%	\$18,834	\$17,746	\$12,996	\$2,422	\$20,061	\$5,318
Steel Dynamics, Inc.	STLD	\$59.60	89.1%	\$15,162	\$10,687	\$12,942	\$2,325	\$16,981	\$4,024
Reliance Steel & Aluminum Co.	RS	\$150.90	83.3%	\$11,113	\$8,930	\$10,477	\$1,404	\$13,169	\$1,906
United States Steel Corporation	X	\$24.00	80.1%	\$11,683	\$16,084	\$13,591	\$1,894	\$18,869	\$4,787
Commercial Metals Company	CMC	\$30.72	90.3%	\$4,712	\$4,391	\$6,108	\$656	\$7,065	\$833
Allegheny Technologies Incorporated	ATI	\$20.85	83.3%	\$3,813	\$4,069	\$2,719	\$140	\$2,672	\$217
Worthington Industries, Inc.	WOR	\$61.18	81.1%	\$3,575	\$3,373	\$3,171	\$376	\$3,218	\$396
Sims Limited	SGM	\$16.60	93.8%	\$3,353	\$3,148	\$4,662	\$47	\$7,168	\$509
Carpenter Technology Corporation	CRS	\$40.22	81.7%	\$2,240	\$2,971	\$1,476	-\$51	\$1,629	\$73
Ryerson Holding Corporation	RYI	\$14.60	75.0%	\$1,450	\$1,986	\$3,604	\$110	\$5,036	\$215
Schnitzer Steel Industries, Inc.	SCHN	\$49.05	82.7%	\$1,720	\$1,486	\$2,378	\$230	\$2,978	\$290
SunCoke Energy, Inc.	SXC	\$7.14	87.7%	\$1,280	\$1,598	\$1,337	\$221	\$1,529	\$261
TimkenSteel Corporation	TMST	\$14.15	85.4%	\$598	\$1,048	\$845	\$54	\$1,209	\$184
Haynes International, Inc.	HAYN	\$35.38	92.2%	\$407	\$564	\$322	\$1	\$0	\$13
Universal Stainless & Alloy Products, Inc.	USAP	\$10.12	81.2%	\$154	\$310	\$144	\$4	\$164	\$9

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Valuation Metrics

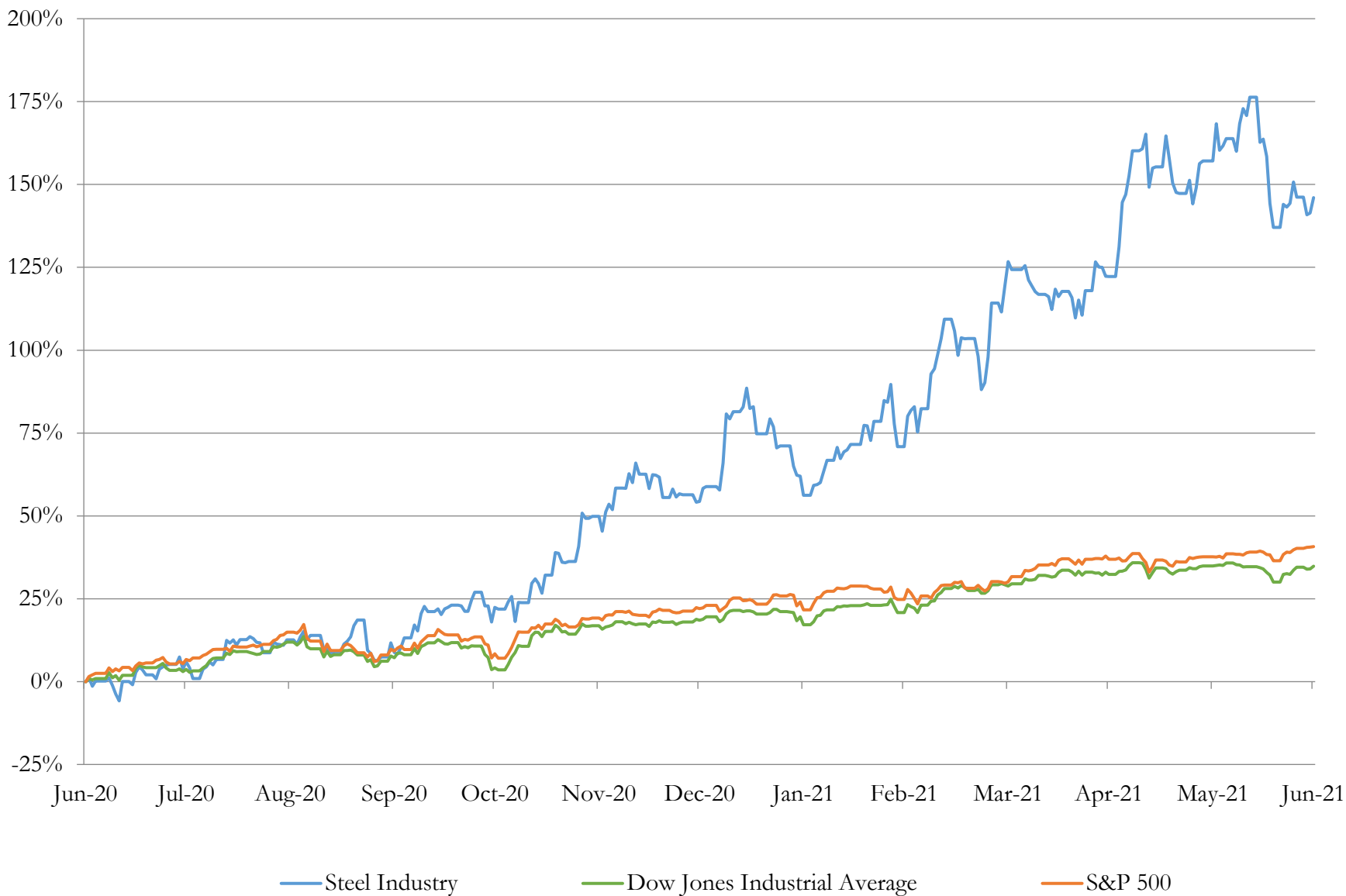
Return Profile, Trading Multiples

Company Name	Ticker	Return Profile					Trading Multiples		
		Return on Assets	Return on Equity	Revenue Growth	EBITDA Margin	EBITDA Growth	5-yr Beta	TEV / LTM Revenue	TEV / LTM EBITDA
Steel Industry									
Nucor Corporation	NUE	7.9%	15.8%	-2.6%	15.2%	32.0%	1.4x	1.5x	10.2x
Cleveland-Cliffs Inc.	CLF	8.6%	34.3%	411.3%	18.6%	1410.9%	2.2x	1.4x	7.8x
Steel Dynamics, Inc.	STLD	12.9%	31.7%	35.6%	18.0%	100.1%	1.4x	1.2x	6.5x
Reliance Steel & Aluminum Co.	RS	8.8%	15.6%	7.7%	13.4%	33.1%	1.1x	1.1x	7.9x
United States Steel Corporation	X	5.1%	19.1%	26.6%	13.9%	N/A	2.1x	0.9x	6.2x
Commercial Metals Company	CMC	7.5%	16.6%	8.9%	10.7%	2.4%	1.3x	0.8x	7.2x
Allegheny Technologies Incorporated	ATI	0.2%	-113.2%	-33.2%	5.2%	-69.0%	1.8x	1.4x	27.2x
Worthington Industries, Inc.	WOR	6.3%	58.9%	3.7%	11.8%	80.7%	1.1x	1.1x	9.5x
Sims Limited	SGM	-1.6%	-5.9%	-22.6%	1.0%	-59.0%	1.3x	0.7x	68.0x
Carpenter Technology Corporation	CRS	-3.5%	-16.2%	-32.3%	-3.5%	N/A	2.2x	1.5x	-43.6x
Ryerson Holding Corporation	RYI	1.7%	-31.2%	-15.8%	3.1%	-50.4%	1.6x	0.4x	13.2x
Schnitzer Steel Industries, Inc.	SCHN	7.3%	17.7%	32.4%	9.7%	191.8%	1.4x	0.7x	7.5x
SunCoke Energy, Inc.	SXC	3.4%	1.1%	-12.2%	16.5%	-7.4%	1.1x	1.0x	5.8x
TimkenSteel Corporation	TMST	-0.6%	-6.1%	-23.0%	6.4%	N/A	2.1x	0.7x	11.1x
Haynes International, Inc.	HAYN	-2.0%	-5.7%	-25.1%	0.2%	-97.7%	1.5x	1.3x	620.4x
Universal Stainless & Alloy Products, Inc.	USAP	-2.5%	-9.3%	-35.2%	2.7%	-71.9%	1.5x	1.1x	38.9x
	Mean	3.7%	1.5%	20.2%	8.9%	115.0%	1.6x	1.0x	50.2x
	Median	4.3%	8.4%	-7.4%	10.2%	2.4%	1.5x	1.1x	8.7x

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LTM Equity Performance

Major Indexes



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Recent M&A Activity

Last Twelve (12) Months as of June 30, 2021

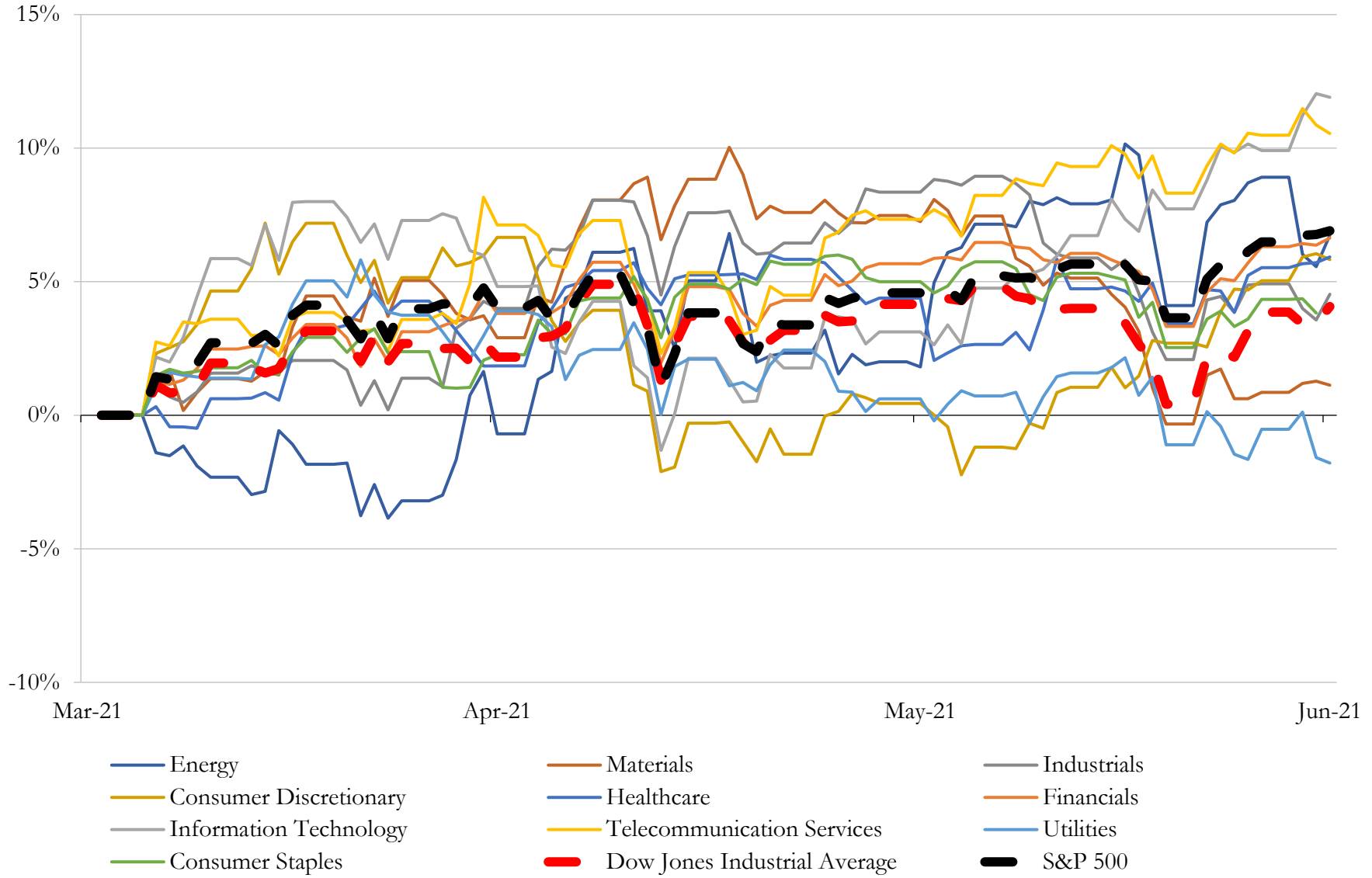
(USD in millions)

Close Date	Target	Acquirer	Implied TEV
Jan-21	Big River Steel LLC	United States Steel Corporation	\$1,395
May-21	Banker Steel Company, LLC	DBM Global Inc.	\$145
Dec-20	Assets of Bayou Steel BD Holdings, LLC	LIBERTY Steel Group	\$28
Dec-20	Assets of Action Stainless & Alloys, Inc.	Olympic Steel, Inc.	\$24
Feb-21	Buena Vista Magnetite iron ore project in Nevada	Magnum Mining and Exploration Limited	\$5
Mar-21	All assets of The NanoSteel Company, Inc.	N/A	\$2
Dec-20	Xterra Trench Shields, LLC	Pacific Shoring, LLC	NA
Dec-20	Fencing Tube Manufacturing Business of Midwest Tube Mills Inc	US Premier Tube Mills LLC	NA
Dec-20	Fencing Tube Manufacturing Business of Midwest Tube Mills Inc	US Premier Tube Mills LLC	NA
Jun-21	Maass Flange Corporation	Ameriforge LLC	NA
Jun-21	Maass Flange Corporation	Ameriforge LLC	NA
Jun-21	Rolled Steel Products, Inc.	Maas-Hansen Steel Corporation	NA
Jun-21	Rolled Steel Products, Inc.	Maas-Hansen Steel Corporation	NA
Jul-20	Substantially All the Assets of GalvaBar	CMC Steel Oklahoma, LLC	NA
Jul-20	Substantially All the Assets of GalvaBar	CMC Steel Oklahoma, LLC	NA
Jan-21	Ben's Creek Carbon Mine in West Virginia	MBU Capital (UK) LLP	NA
Jan-21	All assets of Elyria Foundry Company, LLC	Speyside Equity LLC	NA
Jan-21	Attala Steel Industries, LLC	EDSCO Fasteners, LLC	NA
Dec-20	Business and Assets of Stein, Inc.	TMS International	NA
Dec-20	Business Assets of EPH, Inc.	Majestic Steel USA, Inc.	NA
Dec-20	ArcelorMittal USA LLC	Cleveland-Cliffs Inc.	NA
Nov-20	Steel Fabricators Of Monroe, LLC	Lexicon, Inc.	NA
Oct-20	MMGC Acquisition LLC	Auxo Investment Partners; Auxo Growth Holdings I, LLC	NA
Sep-20	Welded Tubes, Inc.	Lock Joint Tube LLC	NA
Aug-20	Structural Steel of Carolina, LLC	Division 5, Inc.	NA

Source: Capital IQ

5 Change in Market Capitalization by Sector

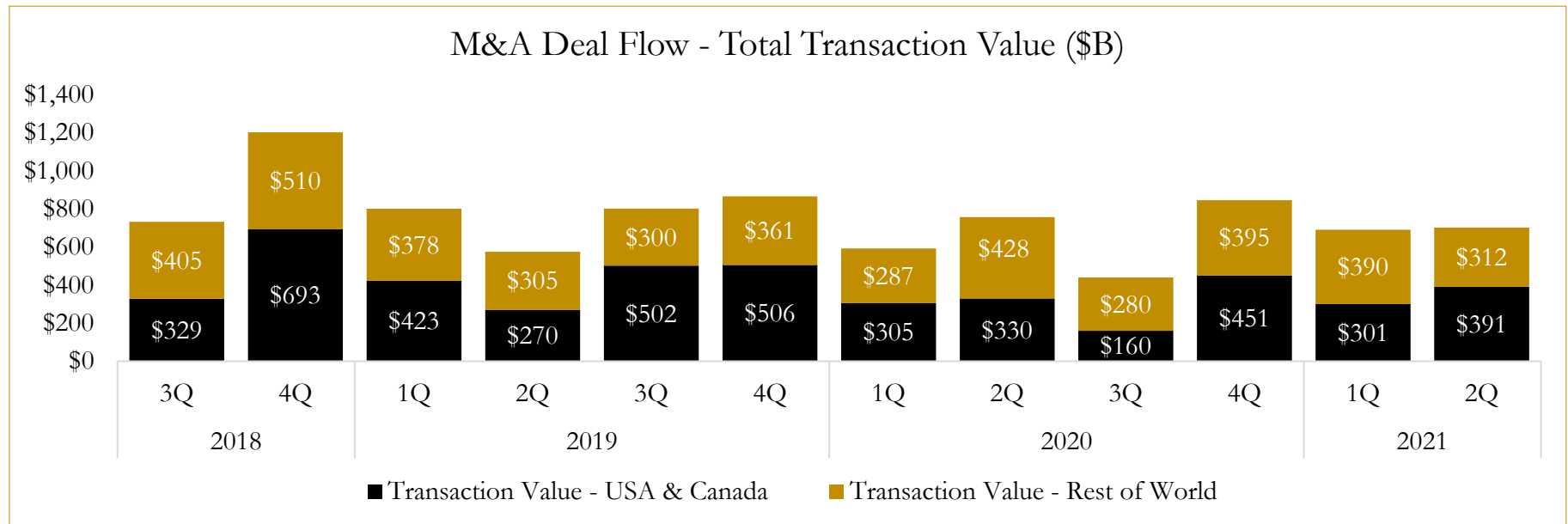
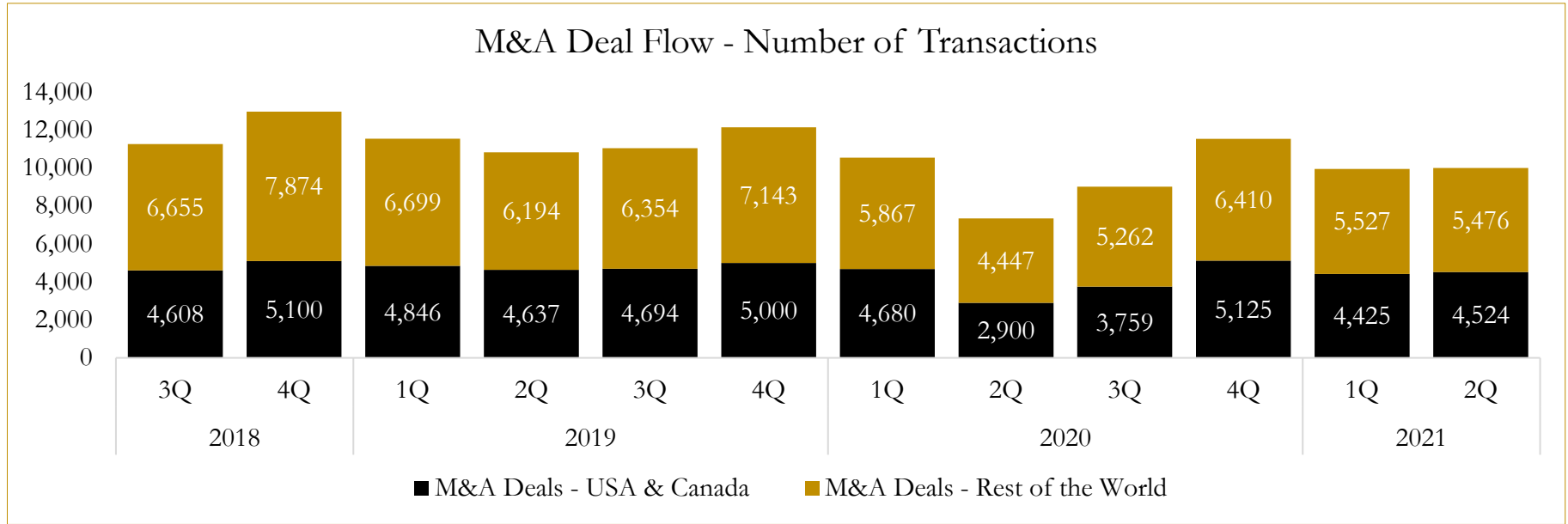
Last Three (3) Months as of June 30, 2021



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M&A Deal Flow Statistics

Last Three (3) Years as of June 30, 2021



About Houlihan Capital

Houlihan Capital is a leading, solutions-driven valuation, financial advisory and boutique investment banking firm. We pride ourselves on being thought leaders in an ever-changing landscape.

Houlihan Capital is SOC-compliant, a FINRA and SIPC member and committed to the highest levels of professional ethics and standards.

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We provide an array of services that include enterprise valuations, portfolio valuation, valuation of carried interest, transaction opinions, tax and financial reporting compliance, purchase price allocations, and a wide variety of consulting services through our Financial Advisory Group.

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Through our Investment Banking Group, we offer sell-side/buy-side advisory and capital raises. Through our Special Situations desk, we provide services that fit outside the archetypal verticals, including liquidity solutions, transactional advisory, and secondary market advisory and trading.

Litigation Support

Our team provides support for a wide variety of situations including commercial and shareholder disputes, derivatives and structured finance litigation, and fraudulent conveyance.

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