

Results of ASPI Performance Benchmark Survey

For the Financial Period of January – July 2015

Executive Summary

North American bookings (orders) in Chemicals for the North American market was the only category that indicated significant increases for the most recent six months (compared to previous six months), as compared to the same six-month period one year ago, and forecasted for the same six-month period next year. For all other product and service categories, both globally and in the North American market, only slight increases in bookings were noted for all time periods. Forecasts for all categories except Spare Parts indicate significant increases for next year.

Net Contribution margin (NCM) is a general term used to represent product line profitability. The North American market for Chemicals is the only product and service category to show significant increases across the board. NCM for all periods, including forecasts for 2015, are weak, with only very slight increases forecasted. For the Consulting & Field Services North American market, a decrease in NCM was noted for the recent six-month period.

Detailed Financial Results

The current bookings and net contribution margins are shown below, compared within the most recent six months and forecasted for the same six months next year. The comparison is made for all products and services, and is separated geographically by North American and global market performance.

North American Market							Global Market						
	Bookings			Net Contribution Margin				Bookings			Net Contribution Margin		
	Recent	Year	Forecast	Recent	Year	Forecast		Recent	Year	Forecast	Recent	Year	Forecast
Capital Equipment	2.23	2.42	2.42	2.17	2.25	2.50	Capital Equipment	2.27	2.27	2.55	2.20	2.20	2.50
Spare Parts	2.22	1.89	2.25	2.13	2.13	2.25	Spare Parts	2.13	2.13	2.13	2.14	2.14	2.14
Consumables	2.20	2.40	2.60	2.25	2.25	2.25	Consumables	2.17	2.33	2.50	2.00	2.20	2.40
Chemicals	3.00	3.00	3.00	3.00	3.00	3.00	Chemicals	2.67	2.67	3.00	2.00	2.00	2.33
Eng & Constrn. Svc	2.25	2.33	2.67	2.33	2.33	2.33	Eng & Constrn. Svc	2.50	2.50	2.50	2.33	2.33	2.33
Consulting & Field Svc	2.10	1.90	2.56	1.88	2.00	2.50	Consulting & Field Svc	2.29	2.29	2.57	2.17	2.17	2.50
Average	2.33	2.32	2.58	2.29	2.33	2.47	Average	2.34	2.36	2.54	2.14	2.17	2.37

Scale: 1 = decreased, 2 = no change, 3 = increased

Recent: compare recent 6 months to previous 6 months

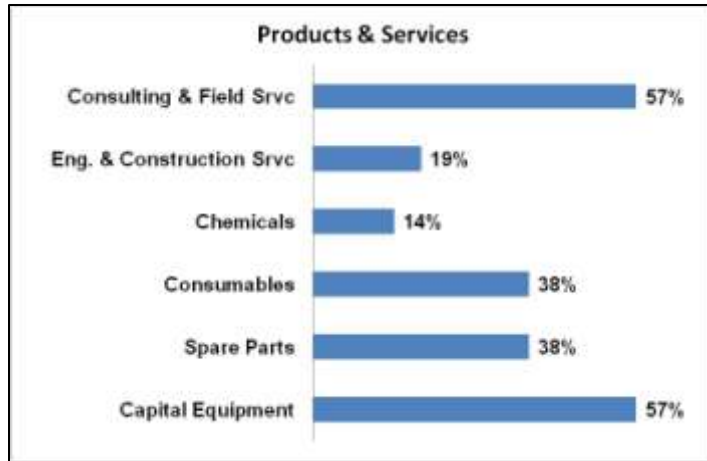
Year ago: compare recent 6 months to same period last year

Forecast: compare recent 6 months to forecast for the same period next year

November 11, 2015

Demographics

Regarding products and services, the majority of the ASPI member respondents are involved in the selling of consulting / field services, capital equipment, spare parts, and consumables to the pulp & paper industry.



Consulting and/or Field Services: training, inspection, field repair

Eng. & Construction Srvc: engineering and construction services

Chemicals: specialty or commodity chemicals

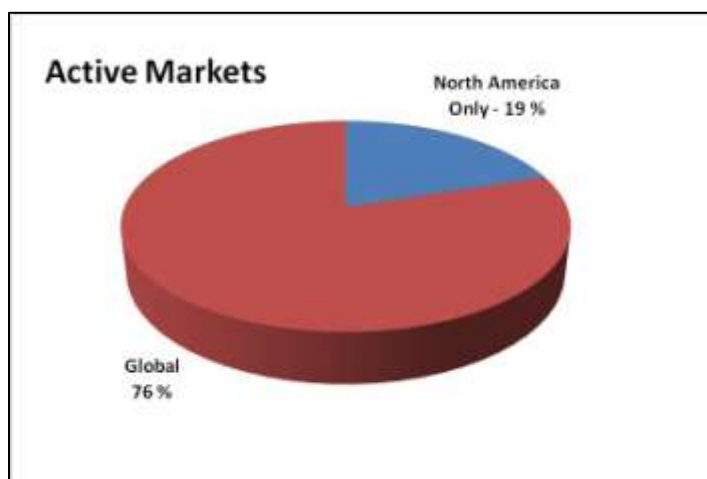
Consumables: blades, clothing, seals, etc

Spare Parts: proprietary or commodity (non-consumable)

Capital Equipment: new, used equipment or rebuilt equipment



The primary job function area of ASPI member respondents are Management.



ASPI member respondents are active in North America and globally, with the majority active in global markets.

The ASPI Performance Benchmarking Survey is administered by ASPI and conducted at ASPI meetings.