ADVAN
Research through Technology

THE ADVAN BUYSIDER
Machinery & Industrials Earnings Review

July 31st, 2026

TICKER | SYNOPSIS + LATEST UPDATE

*These are commercial-billed businesses and sales volume is based on facility activity; as such, Advan's observed activity (shifts / hours worked) provides a superior indicator to other AltData types. (Importantly, **we don't** measure price, mix, and delivery issues.) The following is based upon all observable US facilities; we can also provide activity for individual sites. Advan delivers daily activity with a T+1 latency on over 2K tickers. Advan has also aggregated activity for over 800 NAICS codes. We sell **our data** by the ticker, sector, and in bulk.*

Our machinery coverage includes: CAT, CMI, DCI, EMR, GGG, ITW, MTW, PNR, ROK, TKR, URI, and WAB

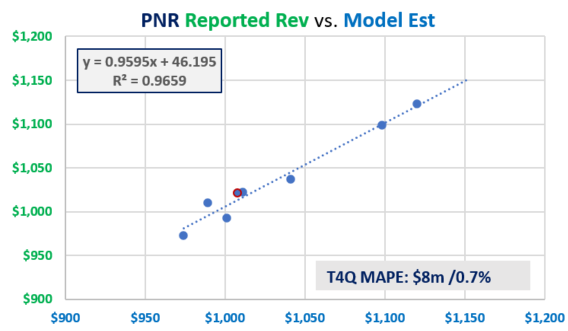
Our industrials coverage includes: ETN, IR, JCI, PH, TDG, and TT (we don't sell research, only data).

PNR

Situation remains unclear

49 US facilities are observed; they have the closest fit to the North American Power & Energy segment. This segment dominates its US manufacturing base. Advan is ranked #1 of AltD vendors on the KPI.

PNR's results and commentary, plus the results from POOL and HAYW, somewhat support our view that PNR Pool division lost market share due to inventory adjustments (they pushed pricing too hard) and vendor adjustments at LESL (and likely elsewhere). Management said the adjustments were above its expectations. Additionally, management implied that there was pre-buying from customers ahead of PNR' price hikes (+7-8%), and that led to an air pocket. Thus, where were their controls? They also had +2-3% vol sell-through expectations for 2026, in what is now to be a "flat" market. How that? Pool segment revenue declined -42% for Q2, and Q3 sales are to be down -25%. Net-net, 2026 EBIT will be -$140M (14pts) less.



URI

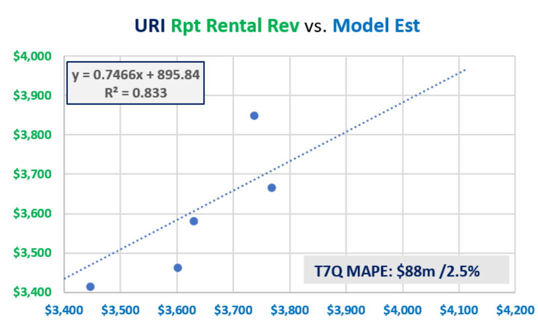
Better than Advan & Consensus expected

1438 facilities are observed vs. 1498 in the 10-K. We have mapped to global revenue, where the US is 91%. Last quarter, our data accurately pointed to the top-line beat.

We expected in-line, but results were BTE. CEO Matt Flanery, "When we spoke in April, we said the year was playing out better than we had initially expected. As we started to progress through our busy season, demand outpaced even our revised expectations. The large projects drove this demand in the first half of the year, and we expect that will continue through the second half."

The largest driver of upside was OEC, which accelerated 140bps to +7.1%. Utilization accelerated +110bps as well. Rental revenue increased +12.7%, or +390bps to our preview's figure. Our preview noted that the quarter's momentum and July were strong, thus the guidance raise should have been expected.

Rental Revenue $-millions	CQ2'26		
Adj MC+Advan Model	$3,637 -	$3,795	8.8%
Consensus (FactSet)		$3,610	
Rental Revenue		$3,849	12.7%
Prior-qtr Rental Revenue			**8.7%**
QoQ Ch to Advan's #			**400 bps**
QoQ observed activity			**10 bps**



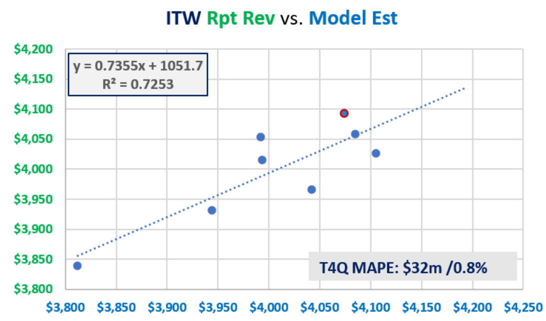
ITW

Beat as Expected

51 US facilities are observed vs. 130 in the 10-K. We have mapped to global revenue, where the US is 45%; given that the majority is OUS, the MAPE and R-sq are going to be larger. That said, Advan is ranked #2 of AltD vendors on the name.

Revenue and OSG were better (as previewed); NA OSG accelerated a meaningful +520bps to +6.4% (and the ME wasn't a large drag). OSG was led by Test & Measurement and Electronics. NA Auto moved to flat. Guidance was lifted, aligned with activity being strong in June & July.

Michael Larsen, "As we went through Q2, April was off to a really good start, sustained that in May, and June was even better than that. And we're off to a good start here to Q3 right on track with where we want to be and consistent with the updated guidance that we're providing today, which implies that we can sustain the growth here in the back half of the year at 4.5% organic. So I'd say that was kind of the big new news, the acceleration in demand that we also talked about on the last earnings call, it really continued throughout the second quarter and into the third quarter."



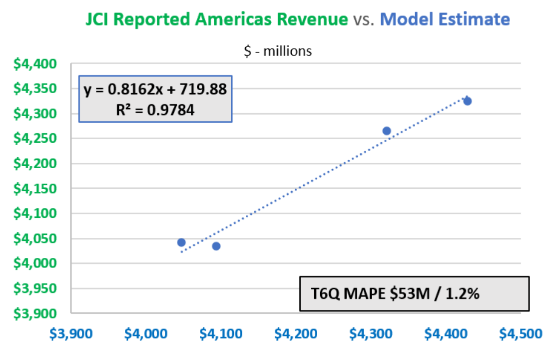
Global Revenue $-millions	FQ2'26		Org %
Adj MC+Advan Model	$4,163 -	$4,227	2.0%
Consensus (FactSet)		$4,190	1.9%
Reported		$4,301	4.5%
Prior-qtr Organic Sales			**0.4%**
QoQ Ch to Advan's #			**410 bps**
QoQ observed activity			**384 bps**

JCI

Beat as expected

42 facilities are observed vs. 92 US-based in the 10-K. Advan is ranked #3 of AltD vendors on the KPI. (We are investing to cover all 92.)

Q2 Americas OSG was stronger, as previewed, with a sequential contribution of more pricing. That drove the upside to our estimate. The increase in top-line guidance also aligned with the very strong activity that we are observing for July.



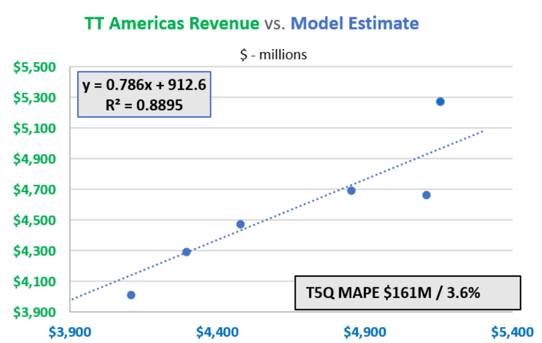
Americas Revenue $-millions	CQ2'26		Org %
Adj MC+Advan Model	$4,344 -	$4,446	8.1%
Consensus (FactSet)		$4,378	7.7%
Reported		$4,504	11.4%
Prior-qtr Organic Sales			**6.8%**
QoQ Ch			**133 bps**
QoQ observed activity			**400 bps**

TT

OSG Accel as expected

20 US facilities used; the 10-K lists 19 locations. Given the extreme downcycle for US residential, the MAPE and Maiden Century rankings for TT and CARR are underwhelming. However, the R2 is strong; in deeply cyclical industries, getting the turn correct is what matters.

The lift for M&A and FX was only +100bps vs. our assumed +380bps. Consequently, OSG was even stronger than our estimate. Residential HVAC swung to the positive, which is what we wrote that we'd capture. Commercial HVAC also accelerated 2-3 ppts.



Americas's Revenue $-millions	CQ2'26		Org %
Adj MC+Advan Model	$5,043 -	$5,365	9.9%
Consensus (FactSet)		$5,111	7.9%
Reported		$5,271	11.0%
Prior-qtr Organic Sales			**4%**
QoQ Ch			**591 bps**
QoQ observed activity			**370 bps**

The MC+Advan model is Maiden Century's ML model that maps reported KPIs such as revenue, volume, admissions, nights, rentals, etc. to observed activity in the US. Advan also has CN and EU data. **OSG** stands for Organic Sales Growth

We generally use FactSet as our measure of "consensus." To create the FactSet US revenue estimate, we take the ratio of US to total revenue and apply that to the FactSet total revenue estimate.

The Buysider is produced by Advan's Head of Market Insights**, Thomas Paulson**. Previously, he served as Director of Research and Business Development at Placer.ai, prior to that was two decades as a buysider at AllianceBernstein, Cornerstone, and others