

# INDUSTRIALS MONTHLY

JUNE 2019

*Our Industrials expertise spans key sectors including building products, industrial equipment & technology, energy equipment & services, specialty materials and paper & packaging.*

Building Products











Industrial Equipment & Technology

Energy Equipment & Services

Specialty Materials

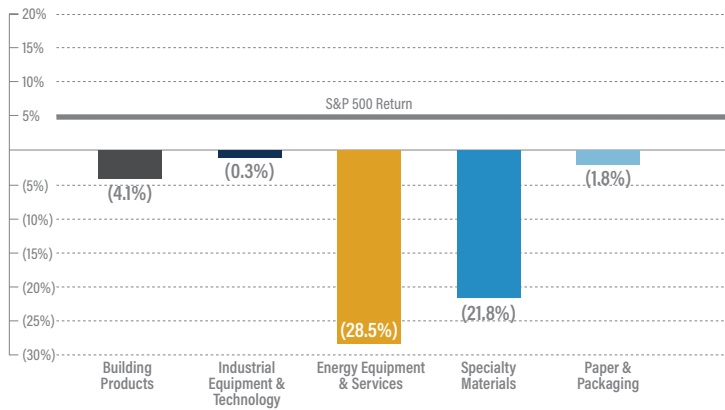
Paper & Packaging

## HEADLINE TRANSACTIONS

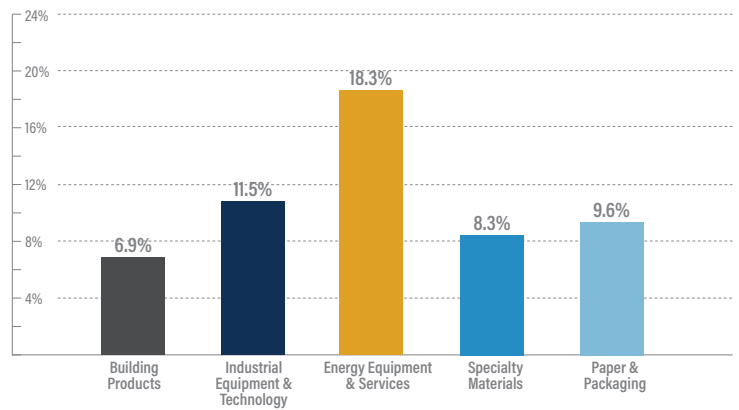
	TARGET	ACQUIROR	ACQUISITION SYNOPSIS
Building Products	 NASG HOLDINGS INC.	 CUSTOM GLASS SOLUTIONS	<ul style="list-style-type: none"> <li>TM Capital served as exclusive financial advisor to SSI Consolidated Holdings, Inc. (dba: Consolidated Glass Holdings), a portfolio company of Grey Mountain Partners, LLC, in the sale of NASG Holdings Inc. to Custom Glass Solutions, LLC, a portfolio company of Stellex Capital Management</li> <li>NASG is a leading glass fabricator of framed assemblies for transportation markets including rail aftermarket and OEMs, armored vehicles, marine and other specialty markets</li> </ul>
Industrial Equip.	 Howden	 KPS CAPITAL PARTNERS, LP	<ul style="list-style-type: none"> <li>KPS Capital Partners, a New York-based private equity firm, entered into a definitive agreement to acquire Howden for \$1.8 billion</li> <li>Howden, a subsidiary of Colfax Corporation, is a Scotland-based provider of mission critical air and gas handling products and services to the industrial, power, oil &amp; gas and mining industries</li> <li>Implied Enterprise Value Multiple: EBITDA: 9.0x</li> </ul>
Energy Equip.	 BUCKEYE PARTNERS, L.P.	 ifm investors	<ul style="list-style-type: none"> <li>IFM Global Infrastructure Fund, an Australia-based investment firm, entered into a definitive agreement to acquire Buckeye Partners for \$10.3 billion enterprise value and \$6.5 billion equity value</li> <li>Buckeye Partners is a limited partnership which owns and operates a diversified global network of integrated assets providing midstream logistics solutions</li> <li>Implied Enterprise Value Multiples: Revenue: 2.5x; EBITDA: 14.8x</li> </ul>
Specialty Materials	 ArrMaz	 ARKEMA INNOVATIVE CHEMISTRY	<ul style="list-style-type: none"> <li>Arkema, a France-based diversified chemicals manufacturer, acquired ArrMaz Custom Chemicals for \$570 million</li> <li>ArrMaz Custom Chemicals, a portfolio company of Golden Gate Capital, is a provider of specialty surfactants for crop nutrition, mining and infrastructure markets</li> <li>Implied Enterprise Value Multiples: Revenue: 2.0x; EBITDA: 10.8x</li> </ul>
Paper & Packaging	 PROACTIVE PACKAGING & DISPLAY Capture the Cart™	 NEW INDY CONTAINERBOARD	<ul style="list-style-type: none"> <li>New Indy Containerboard (joint venture between the Kraft Group and Schwarz Partners), a producer of recycled containerboard, acquired Proactive Packaging and Display</li> <li>Proactive Packaging and Display is a provider of corrugated display packaging and merchandising formats for the retail environment</li> </ul>

# INDUSTRIALS GROWTH & VALUATION TRENDS

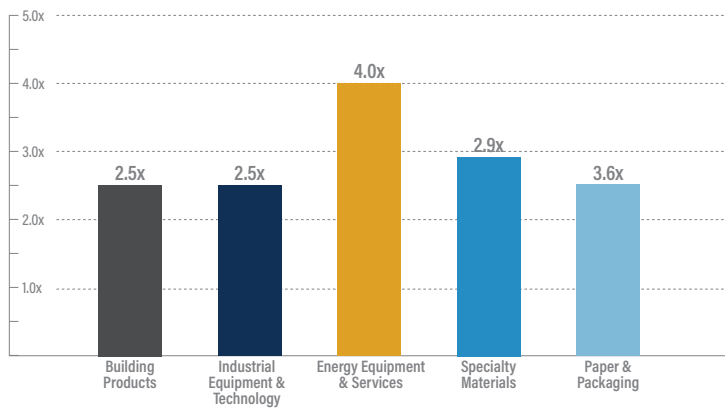
### One-Year Stock Return



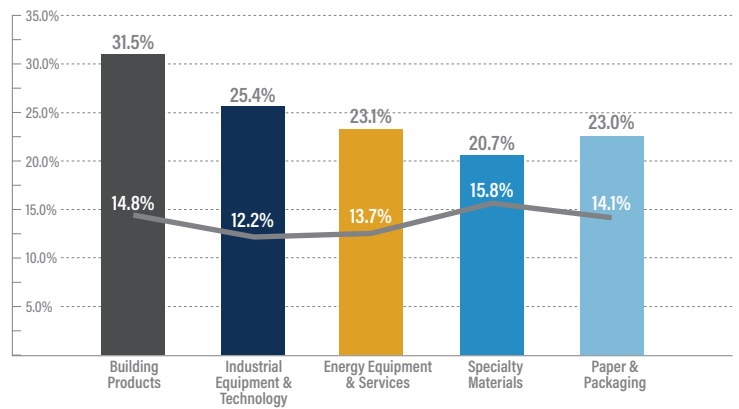
### One-Year Revenue Growth



### LTM Debt/EBITDA

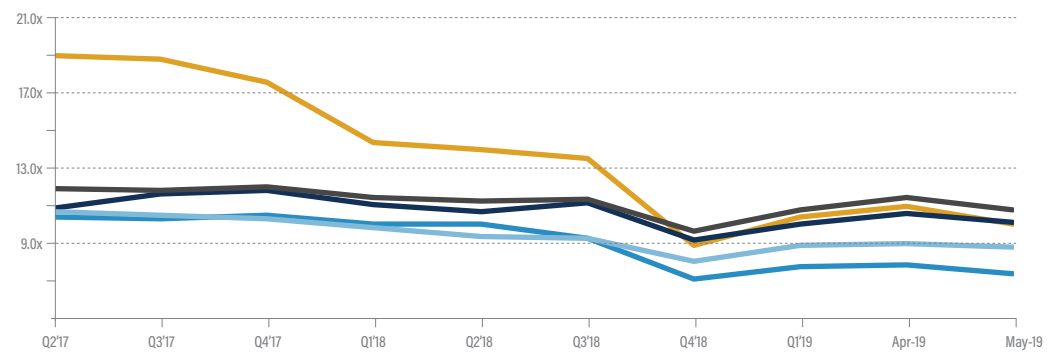


### LTM Gross Margin\*



\*EBITDA Margins shown as the gray line.

### TEV/EBITDA



10.8x Building Products    10.0x Industrial Equipment & Technology    9.9x Energy Equipment & Services    7.3x Specialty Materials    8.7x Paper & Packaging

# SELECTED INDUSTRIALS TRANSACTIONS

Target	Acquiror	Building Products Transactions
Kodiak Building Partners (Portfolio Company of Court Square Capital)	Christensen Lumber	Kodiak Building Partners, a building products distribution platform, acquired Christensen Lumber, a provider of lumber building products including sheathings, sidings, engineered products and millwork products
Agnora	Kensington Capital Partners	Kensington Capital Partners, an Ontario-based private equity firm, led a recapitalization of Agnora, an Ontario-based fabricator of oversized architectural glass
Select Acoustics Supply	Foundation Building Materials	Foundation Building Materials, a distributor of building products including wallboard, ceiling systems and metal framing products, acquired Select Acoustics Supply, an Ontario-based distributor of suspended ceiling systems

Target	Acquiror	Energy Equipment & Services Transactions
Schlumberger (Certain Businesses and Assets)	Wellbore Integrity Solutions (Portfolio Company of Rhone Capital)	Wellbore Integrity Solutions, a provider of wellbore integrity products and services, entered into an agreement to acquire Schlumberger's drilling tubular assets and businesses for \$400 million
Cobalt Envir. (Portfolio Company of Blue Sage Capital)	Bison Oilfield Services	Bison Oilfield Services, a provider of water infrastructure, logistics and solutions, acquired Cobalt Environmental, a provider of wastewater disposal services for the oil & gas industry
Lineal Star Holdings	Camber Energy	Camber Energy, an oil & gas company engaged in the acquisition, development and sale of crude oil and natural gas, signed a non-binding letter of intent to acquire Lineal Star Holdings, a provider of oil & gas services

Target	Acquiror	Paper & Packaging Transactions
PT Fajar Surya Wisesa	Siam Cement Group	Siam Cement Group, a Thailand-based supplier and distributor of building materials, acquired a 55% stake in PT Fajar, an Indonesia-based manufacturer of packaging paper for \$665 million
Corenso Holdings (Portfolio Company of Madison Dearborn Partners)	Sonoco	Sonoco, a global diversified provider of packaging solutions, entered into a definitive agreement to acquire Corenso Holdings, a producer of high-performance cores and board for \$110 million
International Paper (India Paper Business)	West Coast Paper Mills	West Coast Paper Mills, an India-based producer of paper for printing, writing and packaging, entered into an agreement to acquire International Paper's India-based paper business, which manufactures paper and pulp

Target	Acquiror	Industrial Equipment & Tech. Transactions
Forgital	The Carlyle Group	The Carlyle Group, a Washington D.C.-based private equity firm, agreed to acquire Forgital, an Italy-based manufacturer of machine-finished forged and laminated rolled rings for industrial applications for \$1.1 billion
Harsco Corporation (Harsco AXC Business)	Chart Industries	Chart Industries, a manufacturer of liquefied natural gas and industrial gas systems, entered into a definitive asset purchase to acquire Harsco's AXC business, which manufactures air cooled heat exchangers for \$592 million
ATG UV Technology Limited	Evoqua Water Technologies	Evoqua Water Technologies, a provider of water and wastewater treatment solutions, acquired ATG UV Tech, a U.K.-based manufacturer of UV light disinfection systems used in industrial, municipal and aquatics applications

Target	Acquiror	Specialty Materials Transactions
Avista Technologies (U.S. and U.K. Operations)	Kurita Water Technologies	Kurita Water Technologies, a Japan-based manufacturer of water treatment chemicals, agreed to acquire Avista Technologies' U.S. and U.K. operations, which provide reverse osmosis chemicals and related services
Marlin Company	Brenntag AG	Brenntag, a Germany-based distributor of industrial and specialty chemicals, acquired Marlin Company, a provider of custom chemical blending, manufacturing and packaging services for liquid and powder products
Environmental Technology	Polytek (Portfolio Company of Arsenal Capital Partners)	Polytek, a manufacturer of specialty polymers for mold making and casting applications, acquired Environmental Technology, a provider of innovative coating, casting and molding products for consumer applications

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## Selected TM Capital Industrials Experience

