TM CAPITAL
SUCCESS. REALIZED.

INDUSTRIALS MONTHLY

JULY 2019

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

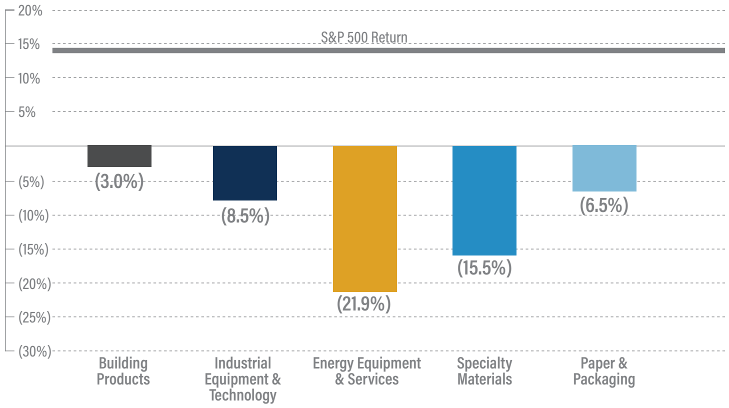
Building Products | Industrial Equipment & Technology | Energy Equipment & Services | Specialty Materials | Paper & Packaging

HEADLINE TRANSACTIONS

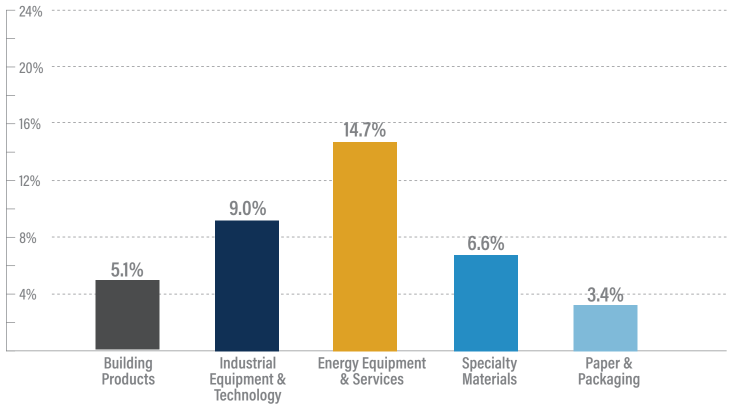
	TARGET	ACQUIROR	ACQUISITION SYNOPSIS
Building Products	MPL Company	WC Wynnchurch | Capital	• **TM Capital** served as exclusive financial advisor to MPL Company in its sale to Wynnchurch Capital, a Chicago-based private equity firm • MPL Company is a premier U.S. build-to-order manufacturer of cultured marble bath products, including shower panels/surrounds, shower pans and accessories to the hospitality, student housing and multi-family housing markets
Industrial Equip.	EDAC Technologies	Hanwha	• Hanwha Aerospace, a South Korea-based diversified aerospace manufacturer, entered into a definitive agreement to acquire EDAC Technologies for $295 million • EDAC Technologies, a portfolio company of Greenbriar Equity, is a manufacturer of tooling, molds and precision components for the aerospace, industrial, semiconductor and medical device markets • Implied Enterprise Value Multiples: Revenue: 2.0x; EBITDA: 10.0x
Energy Equip.	NRC Group	US ecology	• US Ecology, a hazardous waste services provider, entered into a definitive agreement to acquire NRC Group for an enterprise value of $955 million • NRC Group, a portfolio company of J.F Lehman and Co., is a provider of environmental, compliance, and waste management services to the oil and gas, chemical, industrial and marine transportation markets • Implied Enterprise Value Multiples: Revenue: 2.4x; EBITDA: 15.7x
Specialty Materials	Milliken Milliken Infrastructure Solutions, LLC	Clock Spring | NRI Wind Point Partners	• ClockSpring|NRI, a provider of infrastructure construction and repair products owned by Wind Point Partners, acquired Milliken Infrastructure Solutions • Milliken Infrastructure Solutions, a subsidiary of Milliken & Company, is a manufacturer of composite solutions for industrial process and transmission pipelines as well as water infrastructure repair
Paper & Packaging	Pregis	Warburg Pincus	• Warburg Pincus, a New York-based private equity firm, agreed to acquire Pregis Corporation for $1.3 billion • Pregis Corporation, a portfolio company of Olympus Partners, is a manufacturer of protective and specialty packaging solutions • Implied Enterprise Value Multiple: EBITDA: 11.5x

INDUSTRIALS GROWTH & VALUATION TRENDS

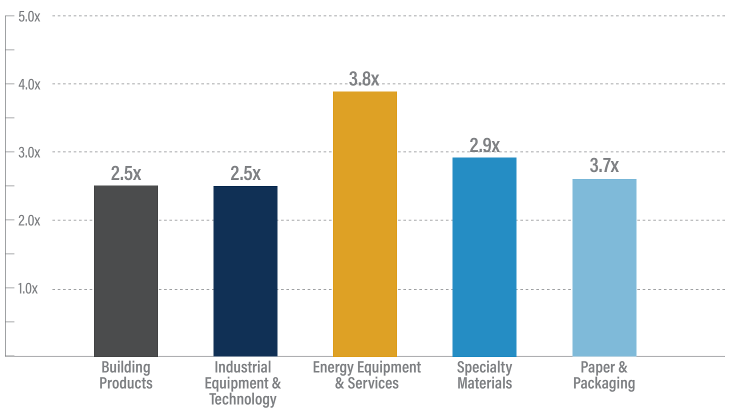
One-Year Stock Return



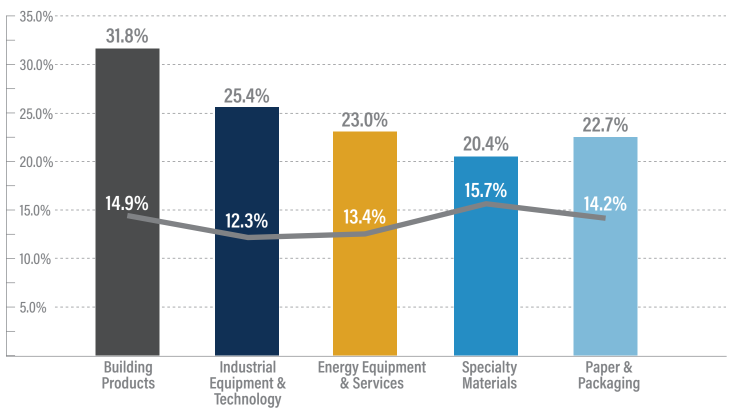
One-Year Revenue Growth



LTM Debt/EBITDA

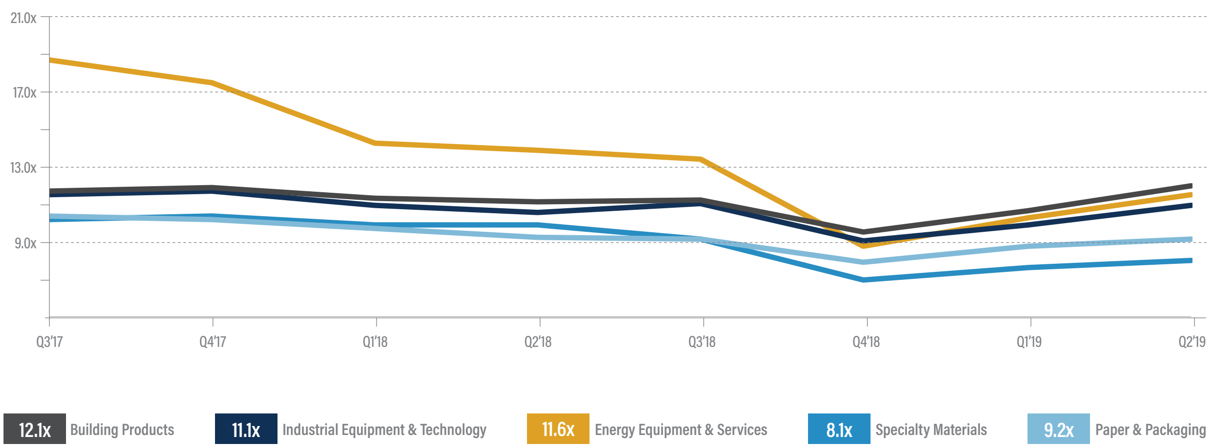


LTM Gross Margin*



*EBITDA Margins shown as the gray line.

TEV/EBITDA



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SELECTED INDUSTRIALS TRANSACTIONS

Target	Acquiror	Building Products Transactions
Silvercote (Subsidiary of Knauf Insulation)	Distribution International (Port. Co. of Advent International)	Distribution International, a mechanical insulation distributor, acquired Silvercote, a laminator and distributor of metal building insulation to metal building manufacturers, specialty contractors and metal building brokers
United Poly Systems	Industrial Opportunity Partners	Industrial Opportunity Partners, a Chicago-based private equity firm, acquired United Poly Systems, a manufacturer of high density polyethylene (HDPE) pipe
Soho Studio Corp. (dba: TileBar)	LongueVue Capital	LongueVue Capital, a New Orleans-based private equity firm, acquired Soho Studio Corp. (dba: TileBar), a leading provider of high quality and price-competitive mosaic, tile and specialty interior products

Target	Acquiror	Energy Equipment & Services Transactions
C&J Energy Services, Inc.	Keane Group, Inc.	Keane Group, a provider of hydraulic fracturing services, entered into a definitive agreement to merge with C&J Energy Services, a provider of hydraulic fracturing and other oilfield services, creating an entity with a combined value of $1.8 billion
Floatel International Ltd.	Prosafe SE	Prosafe SE, a provider of offshore oil field services, signed an agreement to merge with Floatel International, a Bermuda-based provider of offshore oilfield services, valuing the combined company at $960 million
CSV Midstream Solutions Corp. (Portfolio Company of Apollo Global)	Northleaf Capital Partners	Northleaf Capital Partners, a Toronto-based private equity firm, acquired CSV Midstream Solutions, an operator of midstream natural gas facilities for upstream and downstream clients in Western Canada

Target	Acquiror	Paper & Packaging Transactions
Amcor plc (Three Flexible Packaging Plants in the UK and Ireland)	Kohlberg & Co.	Kohlberg & Co., a New York-based private equity firm, agreed to acquire three flexible packaging plants in the U.K. and Ireland from Amcor plc, a U.K.-based packaging manufacturer, for $394 million
Solidus Solutions (Portfolio Company of Aurelius Equity Opportunities)	Centerbridge Partners	Centerbridge Partners, a New York-based private equity firm, entered into a definitive agreement to acquire Solidus Solutions, a Netherlands-based solid board packaging products maker, for $375 million
Orchids Paper Products Co. (Certain Assets)	Cascades Inc.	Cascades, a producer of packaging and tissue products, entered into an agreement to acquire Orchids Paper Products' packaging and tissue production operations in South Carolina and Oklahoma for $216 million

Target	Acquiror	Industrial Equipment & Tech. Transactions
AutoStore AS (Portfolio Company of EQT Partners)	Thomas H. Lee Partners	Thomas H. Lee Partners, a Boston-based private equity group, agreed to acquire a majority stake in AutoStore, a Norway-based manufacturer of automated warehousing and storage systems
Intergas Verwarming B.V. (Port. Co. of Bregal Freshstream)	Rheem Manufacturing Company Inc.	Rheem Manufacturing Company, a manufacturer of HVAC, water heating and commercial refrigeration products, acquired Intergas Verwarming B.V., a Netherlands-based manufacturer of heating boilers
Stock America Inc.	ProMach Inc. (Portfolio Company of Leonard Green & Partners)	ProMach, a manufacturer of end-to-end packaging and filling equipment, acquired Stock America Inc., a manufacturer of sterilization solutions

Target	Acquiror	Specialty Materials Transactions
Duraco Specialty Tapes (Subsidiary of Essentra plc)	OpenGate Capital	OpenGate Capital, a Los Angeles-based private equity firm, agreed to acquire Duraco Specialty Tapes, the specialty tapes manufacturing division of Essentra plc, for $77 million
H.B. Fuller Co. (Surfactants, Thickeners and Dispersants)	Textile Rubber & Chemical Company Inc.	Textile Rubber & Chemical Company Inc., a manufacturer of latex and other chemicals, acquired the Surfactants, Thickeners and Dispersants business of H.B. Fuller Company for $71 million
Covestro AG (European Polyurethane Systems Business)	H.I.G. Capital	H.I.G. Capital, a private equity firm, signed a definitive agreement to acquire Covestro's European Polyurethane Systems Business, the polymer manufacturing business which generates ~$250 million in annual revenues

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Selected TM Capital Industrials Experience

MPL Company
HAS BEEN ACQUIRED BY
WYNNCHURCH | CAPITAL

Walpole Outdoors
HAS BEEN ACQUIRED BY
ARGOSY PRIVATE EQUITY

CG+
A PORTFOLIO COMPANY OF
Grey Mountain PARTNERS
HAS SOLD
NASG
TO
Custom Glass Solutions stellex

resolute Forest Products
HAS DIVESTED ITS CATAWBA, SOUTH CAROLINA PAPER AND PULP MILL TO
NEW INDY CONTAINERBOARD

Oldcastle BuildingEnvelope
HAS SOLD
ANTAMEX
TO
O3 Industries

ArranIsle
HAS SOLD
LaSalleBristol
TO
PATRICK INDUSTRIES, INC.