

INDUSTRIALS MONTHLY

SEPTEMBER 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

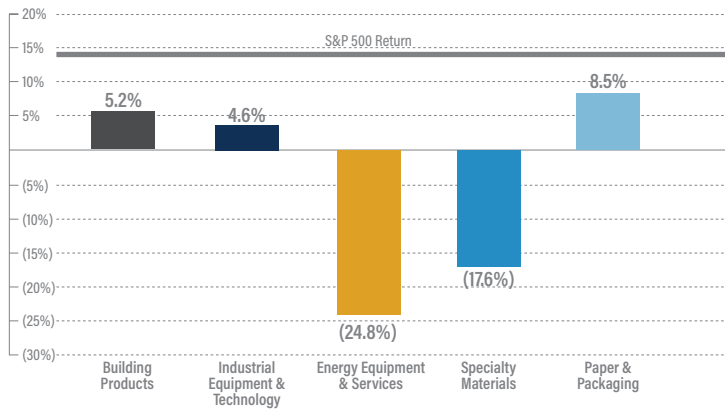
Paper & Packaging

HEADLINE TRANSACTIONS

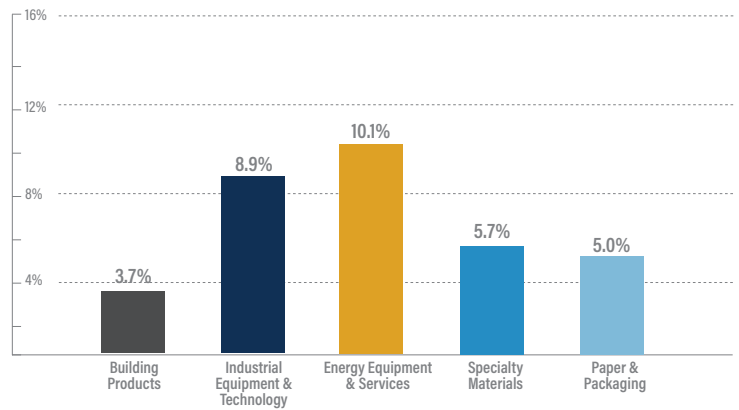
	TARGET	ACQUIROR	ACQUISITION SYNOPSISIS
Building Products			<ul style="list-style-type: none"> Advanced Drainage Systems, a manufacturer of corrugated pipes and drainage solutions for underground construction and infrastructure, entered into an agreement to acquire Infiltrator Water Technologies for \$1.1 billion Infiltrator Water Technologies is a manufacturer of various products for the onsite waste water and water industry Implied Enterprise Value Multiple: Revenue: 3.7x
Industrial Equip.			<ul style="list-style-type: none"> Estun Automation Co., a China-based manufacturer of CNC, motion control and smart manufacturing systems, acquired Carl Cloos Schweißtechnik GmbH for \$216.5 million Carl Cloos Schweißtechnik GmbH is a Germany-based developer and manufacturer of automated welding and cutting machines
Energy Equip.			<ul style="list-style-type: none"> WSP Global Inc., an infrastructure and environmental consultancy, entered into a definitive agreement to acquire Ecology & Environment, Inc. for \$65 million Ecology & Environment, Inc. is an environmental consulting firm Implied Enterprise Value Multiple: Revenue: 0.6x
Specialty Materials	 <p>We create chemistry</p> 		<ul style="list-style-type: none"> DIC Corporation, a Japan-based manufacturer of inks and pigments, entered into a definitive agreement to acquire the Colors & Effects business of BASF SE for \$1.3 billion BASF Colors & Effects is the pigment manufacturing division of Germany-based diversified chemicals manufacturer BASF SE Implied Enterprise Value Multiple: Revenue: 1.2x
Paper & Packaging			<ul style="list-style-type: none"> Sappi, a South Africa-based producer of wood pulp, packaging and paper, announced the acquisition of a pulp mill in Matane, Quebec from Rayonier Advanced Materials for an enterprise value of \$175 million Rayonier Advanced Materials is a diversified producer of forest products, pulp and paper Implied Enterprise Value Multiple: EBIT: 3.5x

INDUSTRIALS GROWTH & VALUATION TRENDS

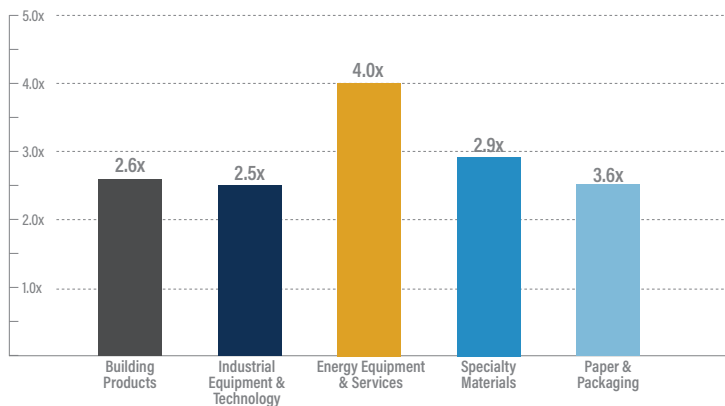
One-Year Stock Return



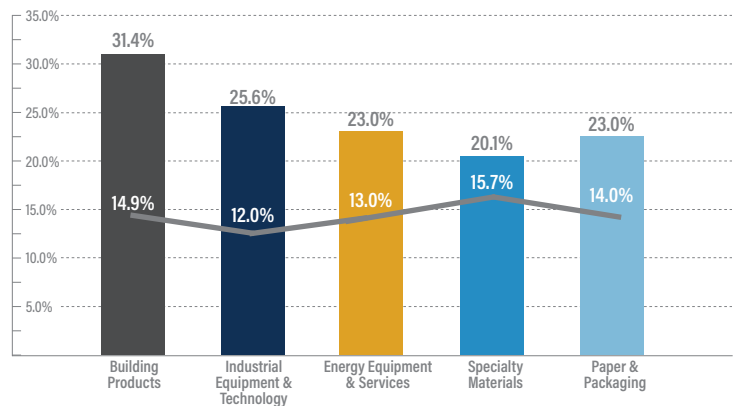
One-Year Revenue Growth



LTM Debt/EBITDA

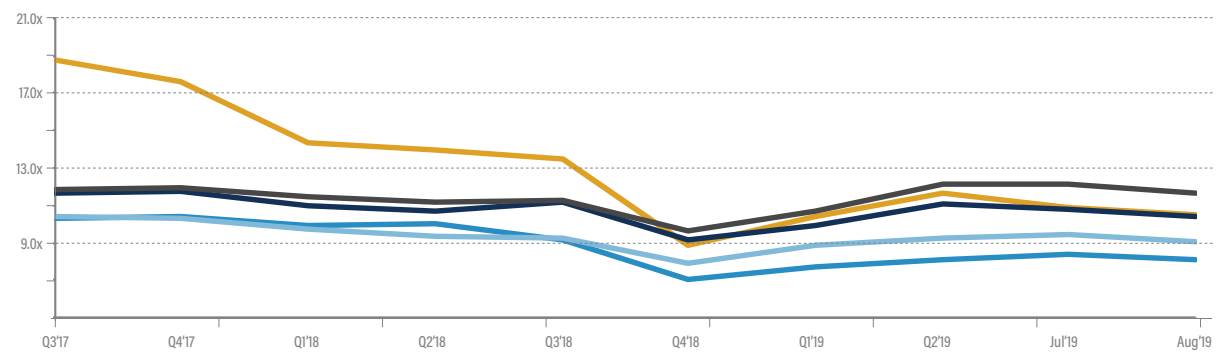


LTM Gross and EBITDA Margins*



*EBITDA Margins shown as the gray line.

TEV/EBITDA



11.7x Building Products 10.4x Industrial Equipment & Technology 10.5x Energy Equipment & Services 8.1x Specialty Materials 9.1x Paper & Packaging

SELECTED INDUSTRIALS TRANSACTIONS

Target	Acquiror	Building Products Transactions
Iberoalcorense S.L.U.	Victoria plc	Victoria plc, a U.K.-based manufacturer and distributor of flooring products, acquired Iberoalcorense S.L.U, a Spain-based manufacturer of ceramic tiles
Therm-Con, LLC	Installed Building Products, Inc.	Installed Building Products, Inc., an installer of insulation and complementary building products, acquired Therm-Con, LLC, a provider of insulation, fireplace, shower doors, closet shelving and mirror installation services in the Southeastern U.S.
The Royal Ceramic Industry Public Company Limited	Dynasty Ceramic Public Company Limited	Dynasty Ceramic Public Company Limited, a Thailand-based distributor of ceramic tile, agreed to acquire The Royal Ceramic Industry Public Company Limited, a Thailand based distributor of ceramic tile, for an enterprise value of \$78 million

Target	Acquiror	Energy Equipment & Services Transactions
RTI Energy Systems Inc.	Hunting plc	Hunting plc, a U.K.-based manufacturer and distributor of tools for the upstream energy industry, acquired the assets of RTI Energy Systems, a manufacturer of production riser technologies for deep water oil drilling, for \$12.5 million
Electrical Manufacturing and Distributors	Shermco Industries (Portfolio Company of Gryphon Investors)	Shermco Industries, a provider of testing, maintenance and training services for electrical infrastructure, has acquired Electrical Manufacturing and Distributors, a leading provider of process controls services to the upstream energy market
Midflow Services, LLC	Profire Energy, Inc.	Profire Energy, Inc, a provider of burner- and chemical-management products and services for the oil and gas industry, has acquired Midflow Services, LLC, a manufacturer of products for oil and gas production, processing and transportation

Target	Acquiror	Paper & Packaging Transactions
TRICOR Packaging & Logistics AG	Rengo Co., Ltd.	Rengo Co., Ltd., a Japan-based packaging manufacturer, agreed to acquire TRICOR Packaging & Logistics GmbH, a Germany-based manufacturer of industrial corrugated board packaging, for an enterprise value of \$300 million
Sepac Serrados E Pasta De Celulose LTDA	Empresas CMPC S.A.	Empresas CMPC S.A., a Chile-based manufacturer of pulp, paper, wood and tissue products, agreed to acquire Sepac Serrados E Pasta De Celulose LTDA, a Brazil-based tissue paper manufacturer, for \$322 million
All4Labels Group GmbH (Portfolio Company of GENJI GmbH)	Triton	Triton, a London-based private equity firm, acquired All4Labels Group GmbH, a manufacturer of self-adhesive labels, flexible packaging and security technology solutions

Target	Acquiror	Industrial Equipment & Tech. Transactions
PBM, Inc.	IMI plc	IMI plc, a designer and manufacturer of flow control, heating and cooling products, agreed to acquire PBM, Inc., a manufacturer of valves for a variety of applications, for an \$85 million enterprise value
ABC Industries, Inc. (Portfolio Company of CID Capital)	Branford Castle Partners	Branford Castle Partners, a New York-based private equity firm, acquired ABC Industries, Inc., a manufacturer of industrial ventilation products and textile fabrics
Pride Engineering (Portfolio Company of May River)	Arcline Investment Management	Arcline Investment Management, a San Francisco-based private equity firm, acquired Pride Engineering, LLC, a designer and manufacturer of specialty equipment for can manufacturers

Target	Acquiror	Specialty Materials Transactions
Specialty Chemicals Division of Norman Hay plc	Quaker Chemical Corporation	Quaker Chemical Corporation, a producer of formulated chemical specialty products for heavy manufacturing, agreed to acquire the Specialty Chemicals Manufacturing Division of Norman Hay plc for \$975 million
Dubois Chemicals (Portfolio Company of the Jordan Company)	Altas Partners	Altas Partners, a Toronto-based investment firm, agreed to acquire DuBois Chemicals, a leading provider of specialty chemicals for various industrial applications
Epoxies, Etc.	Meridian Adhesives Group (Portfolio Company of Arsenal Capital)	Meridian Adhesives Group, a manufacturer of high value adhesives and sealants, acquired Epoxies, Etc., a resin formulator of epoxies, urethanes and silicones

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Selected TM Capital Industrials Experience

