

INDUSTRIALS MONTHLY

JUNE 2020

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

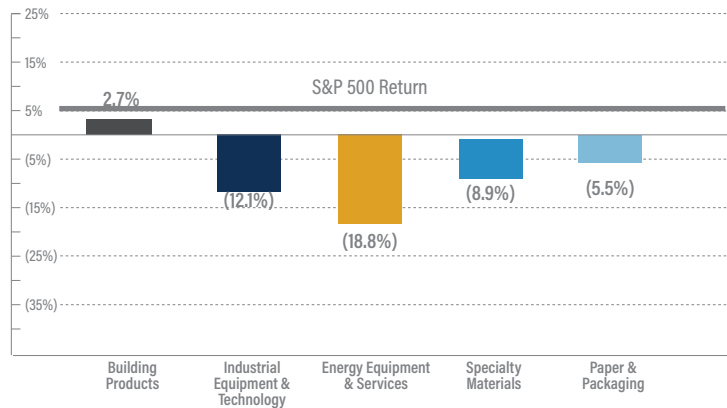
HEADLINE TRANSACTIONS

	TARGET	ACQUIROR	ACQUISITION SYNOPSIS
Building Products	 PERMASTEELISA GROUP Subsidiary of LIXIL Corporation	 ATLAS HOLDINGS	<ul style="list-style-type: none"> Atlas Holdings, a New York-based private equity firm, agreed to acquire Permasteelisa Permasteelisa, an Italy-based subsidiary of LIXIL Corporation, manufactures and installs architectural components and interior systems
Industrial Equipment	 KIVOLT TRUSTED POWER Portfolio Company of 3i Group	 Rolls-Royce Rolls-Royce Power Systems AG	<ul style="list-style-type: none"> Rolls-Royce Power Systems, a Germany-based manufacturer of engines, propulsion systems, drive systems, industrial drives and onsite energy systems, agreed to acquire KINOLT SA KINOLT SA, a Belgium-based portfolio company of 3i Group, manufactures diesel rotary uninterruptable power supply systems
Energy Equipment	 QES QUINTANA ENERGY SERVICES	 KLX Energy Services	<ul style="list-style-type: none"> KLX Energy Services, a provider of completion, intervention and production services and products to the onshore oil and gas industry, agreed to acquire Quintana Energy Services for \$73 million Quintana Energy Services provides oilfield services to onshore oil and natural gas exploration and production companies
Specialty Materials	 HOLCHEM Leaders in Hygiene Technologies Subsidiary of Ecolab	 kersia INVENTING A FOOD SAFE WORLD Portfolio Company of Ardian	<ul style="list-style-type: none"> Kersia Group, a France-based provider of food safety, bio-security and disinfection solutions, acquired Holchem Laboratories for \$110 million Holchem Laboratories is a UK-based supplier of hygiene and cleaning products and services Implied Enterprise Value Multiples: Revenue: 1.8x
Paper & Packaging	 Hankuk Paper	 HAESUNG DS	<ul style="list-style-type: none"> Haesung Industrial Co., a South Korea-based industrial conglomerate, agreed to acquire Hankuk Paper Mfg. Co. for \$307 million Hankuk Paper Mfg. Co. is a South Korea-based producer of various paper products Implied Enterprise Value Multiples: Revenue: 0.4x; Adjusted EBITDA: 7.4x

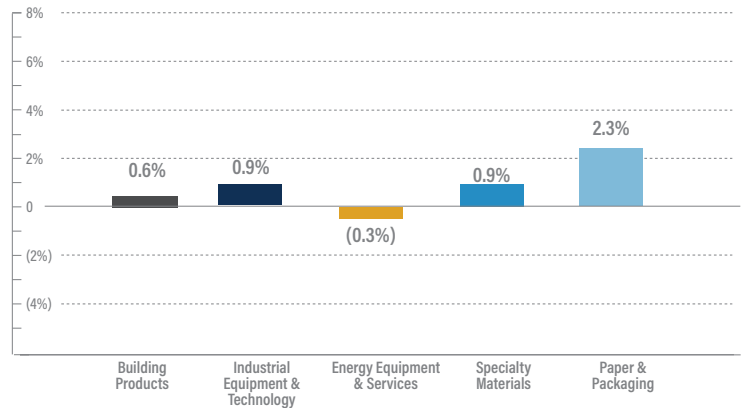
INDUSTRIALS GROWTH & VALUATION TRENDS

Note: Financial Information as of May 31, 2020

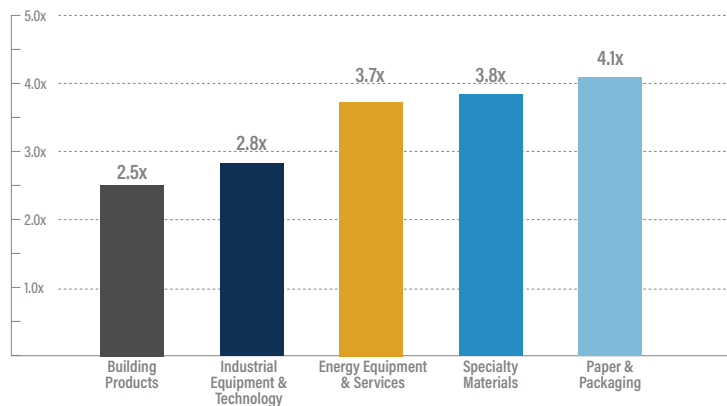
One-Year Stock Return



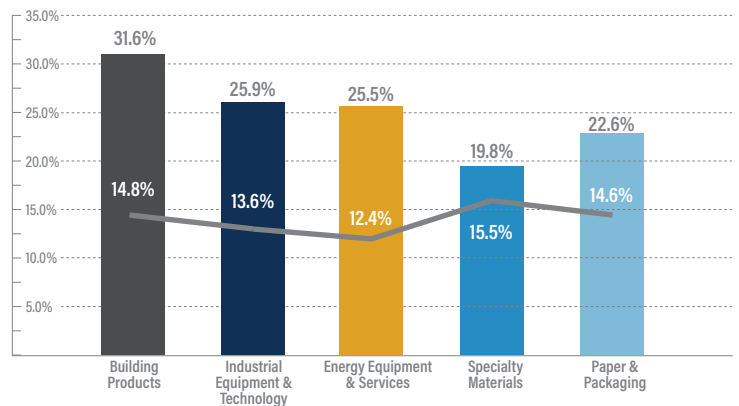
One-Year Revenue Growth



LTM Debt/EBITDA

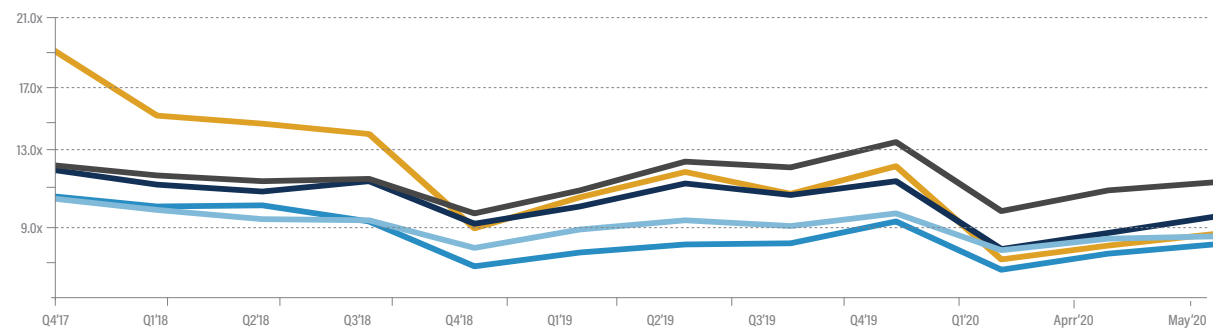


LTM Gross and EBITDA Margins*



*EBITDA Margins shown as the gray line.

TEV/EBITDA



11.1x Building Products 9.5x Industrial Equipment & Technology 8.6x Energy Equipment & Services 8.1x Specialty Materials 8.5x Paper & Packaging

SELECTED INDUSTRIALS TRANSACTIONS

Target	Acquiror	Building Products Transactions
Blu Homes, Inc. (Portfolio Company of Brightpath Capital Partners)	Dvele, Inc.	Dvele, a manufacturer of prefabricated and modular homes, acquired Blu Homes, a builder of prefabricated homes
Southend Exteriors, Inc.	Professional Builders Supply, LLC	Professional Builders Supply, a distributor of building materials in the Southeastern U.S., acquired Southend Exteriors, a provider of exterior home siding and roofing installation services
Lisi Automotive Mohr + Friedrich GmbH Mutterm + Pressteile (Subsidiary of Lisi S.A.)	ZerobaseInvest Holding GmbH	ZerobaseInvest, a Germany-based holding company, acquired Lisi Automotive's Mohr + Friedrich GmbH Mutterm + Pressteile Business, a producer of large diameter nuts, spacers, washers and components

Target	Acquiror	Energy Equipment & Services Transactions
Certain Upstream and Midstream Assets of EQT Corporation	Diversified Gas & Oil	Diversified Gas & Oil, an independent owner and operator of producing natural gas and oil wells in the U.S., acquired wells and midstream infrastructure from EQT Corporation for \$145 million
Lufkin Industries, Rod Lift Solutions Business	KPS Capital Partners	KPS Capital Partners, a New York-based private equity firm, agreed to acquire the Rod Lift Solutions Business of Lufkin Industries, which produces automated control and optimization equipment for the oil and gas industry
Aereon Inc.	Cimarron Energy, Inc. (Portfolio Company of Turnbridge Capital)	Cimarron Energy, a manufacturer of engineered production, process, and environmental equipment, acquired Aereon, a provider of gas and vapor handling, combustion, and recovery technologies and services

Target	Acquiror	Paper & Packaging Transactions
Grigg Box Co.	Spell Capital Partners	Spell Capital, a Minnesota-based private equity firm, acquired Grigg Box Co., a manufacturer of wood packaging products
Ideon Packaging	Great Little Box Company	Great Little Box Company, a Canada-based provider of custom and stock packaging solutions, acquired Ideon Packaging, a Canada-based manufacturer of corrugated paper packaging products
Graphicsleader Packaging SA	Rafael Hinojosa S.A.	Rafael Hinojosa, a Spain-based manufacturer of corrugated cardboard packaging solutions, agreed to acquire Graphicsleader Packaging, a Portugal-based manufacturer of solid boards and corrugated packaging

Target	Acquiror	Industrial Equipment & Tech. Transactions
Robomotive BV	Kardex Holding AG	Kardex Holding AG, a Switzerland-based automated storage and material handling system manufacturer, acquired Robomotive BV, a manufacturer of robotic mechanical equipment
Novares Group SA	AKWEL	AKWEL, a France-based manufacturer of tooling equipment and parts for automotive manufacturers, acquired Novares Group, a France-based manufacturer of plastic parts and systems for the automobile industry
Kalt Maschienbau AG	CGS Management	CGS Management, a Switzerland-based private equity firm, acquired Kalt Maschienbau, a manufacturer of machines and systems for milk processing and the production of cheese

Target	Acquiror	Specialty Materials Transactions
Rheogistics	The International Group, Inc.	The International Group, a Canada-based manufacturer of wax and related products, acquired Rheogistics, a manufacturer of lubricants and mechanical stabilizers for the rigid PVC industry
Gelast, Inc. (Portfolio Company of New Mountain Capital)	Mitsubishi Chemical Holdings Corporation	Mitsubishi Chemical Holdings Corporation, a Japan-based specialty chemical conglomerate, acquired Gelast, a manufacturer of silane, silicone, organosilicon and metal-organic compounds for commercial production
KMCO, LLC	ALTIVIA Corporation	ALTIVIA Corporation, a manufacturer of chemicals for water treatment, agreed to acquire KMCO, a provider of specialty chemicals and custom and toll chemicals processing products and services

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Selected TM Capital Industrials Experience



A PORTFOLIO COMPANY OF



HAS SOLD



TO



A PORTFOLIO COMPANY OF



HAS BEEN ACQUIRED BY







HAS COMPLETED A STRATEGIC RECAPITALIZATION WITH




CAPITAL PARTNERS



A PORTFOLIO COMPANY OF



HAS BEEN ACQUIRED BY



Equity Partners



VALLEY PROTEINS, INC.

HAS COMPLETED AN AMENDMENT TO ITS \$250 MILLION SENIOR REVOLVING CREDIT FACILITY



A PORTFOLIO COMPANY OF



EQUITY PARTNERS

HAS RECEIVED AN INVESTMENT FROM



CAPITAL