

# INDUSTRIALS MONTHLY

JULY 2023

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

Building Products



Industrial Equipment & Technology

Equipment Rental & Distribution

Specialty Chemicals & Materials

Paper & Packaging

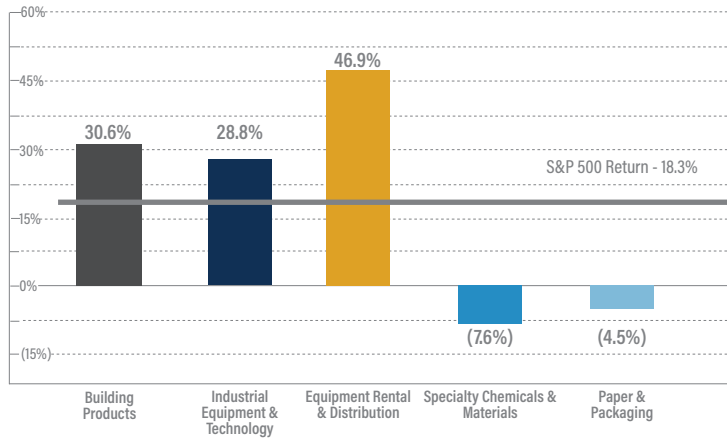
## HEADLINE TRANSACTIONS

	TARGET	ACQUIROR	ACQUISITION SYNOPSIS
Building Products	 <p><b>SILVER STATE</b> BUILDING MATERIALS, INC. <small>Granville, OH</small></p>	 <p><b>BEACON</b></p>	<ul style="list-style-type: none"> <li>Beacon Roofing Supply (NSDQ:BECN), a leading distributor of roofing materials and other complementary building materials including siding and waterproofing products, has acquired Silver State Building Materials</li> <li>Silver State Building Materials is a Nevada-based distributor of residential roofing materials and other complementary building products</li> <li>The acquisition expands Beacon Roofing Supply's vast branch footprint</li> </ul>
Industrial Equipment & Technology	 <p><b>CIRCOR</b></p>	 <p><b>KKR</b></p>	<ul style="list-style-type: none"> <li>KKR (NYSE:KKR), a New York-based private equity firm, has agreed to acquire CIRCOR (NYSE:CIR), for \$1.6 billion</li> <li>CIRCOR is a global provider of mission critical flow control products and services for the industrial and aerospace &amp; defense end markets</li> <li>Implied Enterprise Value Multiple (FY2023E) EBITDA: 12.2x</li> </ul>
Equipment Rental & Distribution	 <p><b>FORMTECH</b> concrete forms, inc. a portfolio company of</p>  <p><b>KCP</b> KIRTLAND CAPITAL PARTNERS</p>	 <p><b>WHITE CAP</b> a portfolio company of</p>  <p>CLAYTON DUBILIER &amp; RICE THE STERLING GROUP</p>	<ul style="list-style-type: none"> <li>TM Capital served as exclusive financial advisor to Form Tech Concrete Forms, a portfolio company of Kirtland Capital Partners, in its sale to White Cap, a portfolio company of Clayton, Dubilier &amp; Rice and The Sterling Group</li> <li>Founded in 1976 and headquartered in Walled Lake, Michigan, Form Tech is a leading independent provider of concrete forming and shoring rental equipment and related consumables</li> <li>White Cap serves as a one-stop distributor of specialty concrete accessories and chemicals, tools and equipment, building materials and fasteners, erosion and waterproofing products and safety products</li> </ul>
Specialty Chemicals & Materials	 <p><b>Celanese</b> and <b>nutrinova</b></p>	 <p><b>MITSUI &amp; CO.</b></p>	<ul style="list-style-type: none"> <li>Mitsui (TSE:8031), a manufacturer of specialty chemicals and Celanese (NYSE:CE), a global chemical manufacturer, have agreed to form a food ingredients joint venture under the name Nutrinova</li> <li>Celanese will contribute the assets, employees and technology of its Food Ingredients business and retain 30% equity</li> <li>Mitsui will acquire the remaining 70% stake for \$472.5 million (Implied Enterprise Value Multiple (FY2022) EBITDA: 15x)</li> </ul>
Paper & Packaging	 <p><b>PolyFlex</b> Products</p>	 <p><b>NEFAB</b></p>	<ul style="list-style-type: none"> <li>Nefab, a Swedish manufacturer of industrial packaging solutions, has acquired PolyFlex</li> <li>PolyFlex is a leading manufacturer of reusable packaging and material handling solutions for the battery, e-mobility and automotive markets</li> <li>The acquisition strengthens Nefab's presence in North America, as well as its position in the lithium-ion battery and e-mobility segments</li> </ul>

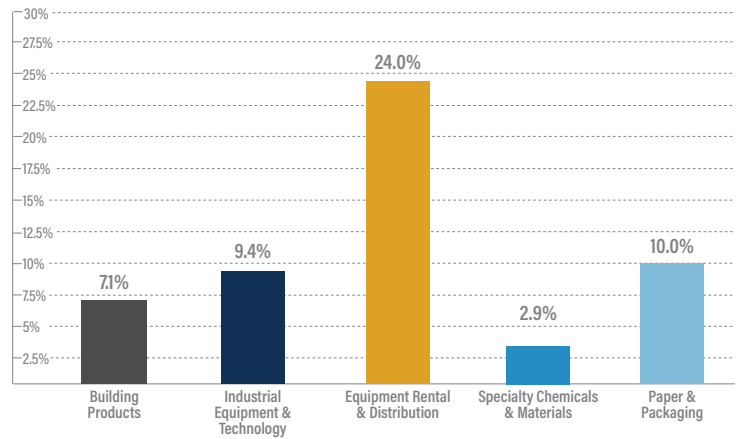
# INDUSTRIALS GROWTH & VALUATION TRENDS

Note: Financial Information as of June 30, 2023

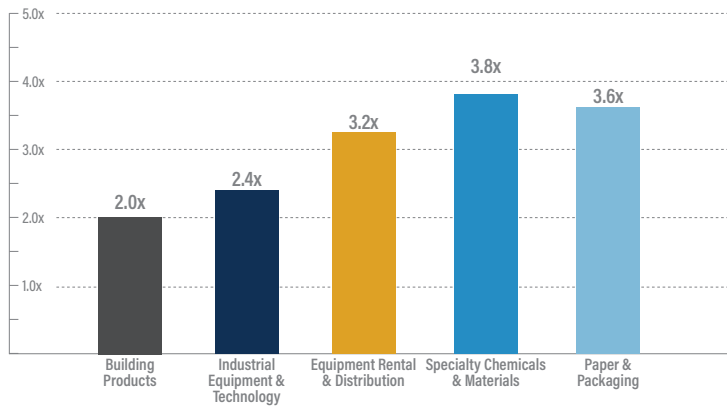
## One-Year Stock Return



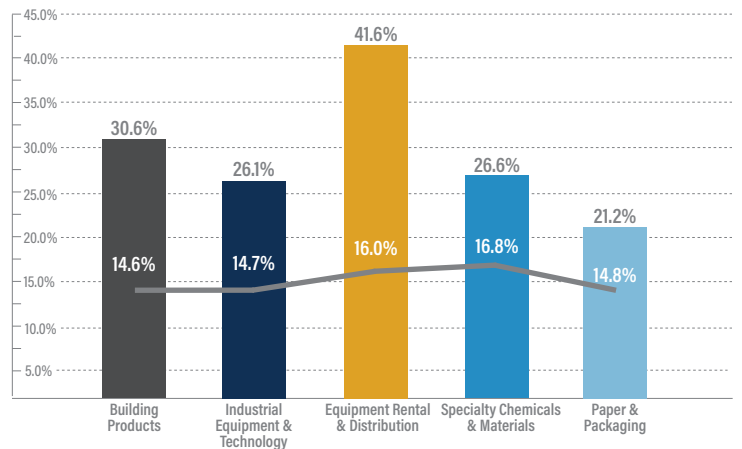
## One-Year Revenue Growth



## LTM Debt/EBITDA

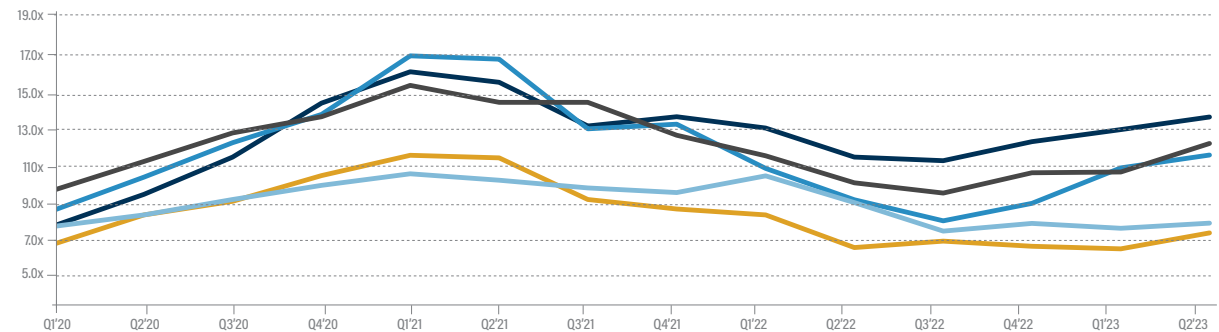


## LTM Gross and EBITDA Margins\*



\*EBITDA Margins shown as the gray line.

## TEV/EBITDA



12.2x Building Products 13.6x Industrial Equipment & Technology 7.5x Equipment Rental & Distribution 11.6x Specialty Chemicals & Materials 8.0x Paper & Packaging

# SELECTED INDUSTRIALS TRANSACTIONS

Target	Acquiror	Building Products Transactions
Syracuse Glass (Port. Co. of Lineage Capital)	Oldcastle BuildingEnvelope	Oldcastle BuildingEnvelope, a premier supplier of glazing-focused interior and exterior products, has acquired Syracuse Glass, a leading glass fabricator offering custom fabricated glass and metal products for both commercial and residential applications
Washoe Building Supply	SRS Distribution (Port. Co. of Leonard Green)	SRS Distribution, a distributor of residential roofing materials and supplies, has acquired Washoe Building Supply, a distributor of commercial and residential roofing products
American Olean Midwest	Louisville Tile	Louisville Tile, a leading distributor of ceramic, porcelain and natural stone tile, has acquired American Olean Midwest, a wholesale provider of ceramic tiles and installation services

Target	Acquiror	Equipment Rental & Distribution Transactions
ChaseCo Rentals	United Rentals (NYSE:URI)	United Rentals, the world's largest equipment rental company, has acquired ChaseCo Rentals, a Missouri-based independent general rental equipment provider that operates four locations in central and eastern Missouri
Aim High	Rental Equipment Investment Corp. ("REIC") (Port. Co. of Kinderhook Industries)	REIC, an equipment rental provider that offers a variety of general and specialty equipment, has acquired Aim High, a leading full-service aerial rental provider of forklifts, boom lifts, scissor lifts and knuckle booms based in Denver
R&R Rentals	Sunbelt Rentals (Sub. of Ashtead Group (LSE:AHT))	Sunbelt Rentals, the second largest rental equipment company in the world, has acquired R&R Rentals, a three-location general equipment and tool rental company in the greater Seattle area

Target	Acquiror	Paper & Packaging Transactions
The Standard Group	PaperWorks	PaperWorks, a leading producer of 100% recycled paperboard and specialized folding cartons, has acquired The Standard Group, a converter of custom printed paperboard packaging
White Distribution & Supply (Port. Co. of Slate Capital)	AFC Industries (Port. Co. of Bertram Capital)	AFC Industries, a leading distributor and provider of custom packaging solutions, has acquired White Distribution & Supply, a distributor of packaging supplies and print labels
Murphy Supply	RKCA	RKCA, a Ohio-based financial services firm, has acquired Murphy Supply, a leading distributor of paper-based janitorial supplies

## Selected TM Capital Industrials Experience



Target	Acquiror	Industrial Equipment & Tech. Transactions
Howden Roots (Sub. of Chart Industries (NYSE:GTL))	Ingersoll Rand (NYSE:IR)	Ingersoll Rand, a global provider of mission-critical flow creation and industrial solutions, has agreed to acquire Howden Roots, a leading manufacturer of air and gas handling equipment, for \$300 million
Tom Barrow	Ardian	Ardian, a Paris-based private equity firm, has acquired Tom Barrow, a leading North American provider of commercial HVAC solutions
ERA Industries	L Squared Capital Partners	L Squared, a Newport Beach-based private equity firm, has acquired ERA industries, a contract manufacturer of precision machining and assemblies for the aerospace, military, medical, semiconductor and transportation end markets

Target	Acquiror	Specialty Chemicals & Materials
JSR (TSE:4185)	Japan Investment Corp ("JIC")	JIC, a Japanese sovereign wealth fund, has agreed to acquire JSR, a leading Tokyo-based manufacturer of critical materials used in semiconductors, for \$6.4 billion
The Glycolic Acid Business of The Chemours Company (NYSE:CC)	PureTech Scientific (Port. Co. of Iron Path Capital)	PureTech Scientific, a manufacturer of ultra-high purity alpha hydroxy acids, has agreed to acquire the Glycolic Acid business of the Chemours Company, a distributor of performance chemicals to a variety of end markets, for \$137 million
HCS Group (Port. Co. of H.I.G. Capital)	International Chemical Investors Group ("ICIG")	ICIG, a Luxembourg-based holding company that focuses on chemical and pharmaceutical businesses, has agreed to acquire HCS Group, a leading manufacturer of high-end hydrocarbons and specialty chemicals

## TM Capital's Industrials Contacts

<b>Paul Smolevitz</b> Managing Director psmolevitz@tmcapital.com 212.809.1416	<b>Jonathan Mishkin</b> Managing Director jmishkin@tmcapital.com 212.809.1413	<b>David Felts</b> Managing Director dfelts@tmcapital.com 404.995.6252
<b>Anthony Giorgio</b> Managing Director, Specialty Chemicals & Materials agiorgio@tmcapital.com 212.809.1428	<b>Jerome Romano</b> Managing Director jromano@tmcapital.com 617.259.2206	<b>Allan Cruickshanks</b> Managing Director acruickshanks@tmcapital.com 804.387.4485
<b>Andy Krna</b> Managing Director akrna@tmcapital.com 212.809.1442	<b>Vidur Kapur</b> Principal vkapur@tmcapital.com 212.809.1422	<b>Steve Hunter</b> Managing Director, Sponsor Coverage shunter@tmcapital.com 404.995.6232