

## INDUSTRY INSIGHTS

# INDUSTRIAL TECHNOLOGY

### 3Q 2018 M&A Market Update



#### Inside This Issue...

Despite rising international trade tensions and modest tightening of domestic and global financial conditions, economic instability did little to abate overall market euphoria among middle market businesses in the second quarter. While sentiment has moderated in the aftermath of the federal tax cut, fostering business investment in productivity-enhancing areas such as technology, machinery, and computers—was a primary impetus for the 2017 Tax Cuts and Jobs Act (TCJA). We believe the eventual impact of procyclical fiscal stimulus could supply the underlying current for future deal making in 2018.

This is especially true for the Industrial Technology sector where the Industrial Production Index reached 107.7 in April, its highest level in the past 10 years and M&A deal value increased more than 28% in the first half of 2018 compared to 2017. Automated systems and robotics enable companies to increase productivity at growing rates of return on investment. As a result, automation technology continues to proliferate worldwide markets at a quickening pace. With adoption expanding across an increasing number of verticals, more businesses are incorporating industrial technology into their assembly and production equipment. As usage of the Industrial Internet of Things grows, smart automation is expected to foster cost efficiencies while simultaneously boosting industrial output through predictive maintenance. Notwithstanding these trends, two of the biggest concerns for dealmakers in 2018 continue to be the high-priced environment coupled with a lack of quality targets. Median U.S. Industrial Tech M&A transaction multiples rose to 15.1x through the first half of 2018, the highest level reported over the past six years. We expect strong momentum in M&A activity across the Industrial Technology sector through the remainder of 2018. Robust competition between strategic players seeking to grow market share and private equity (PE) firms looking to deploy pent up stores of capital, coupled with historically high valuation multiples, creates an optimal M&A environment for selling shareholders in this sector.

BDO Capital Advisors, LLC provides counsel in the areas of:

- Mergers & Acquisitions
- Capital Raising
- Board Advisory

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## BDO CAPITAL DEAL CLOSING



BDO Capital Advisors, LLC (“BDO Capital”) is pleased to announce the sale of Neutronics, Inc. (“Neutronics” or the “Company”) to Bacharach, Inc., a portfolio company of FFL Partners.

BDO Capital served as exclusive financial advisor to Neutronics, working closely with its shareholders and management team throughout the sale process. This transaction highlights BDO Capital’s dedicated senior-level approach and continued success advising premier companies in the test & measurement and industrial technology sectors.

Gary Halpern, President of Neutronics, commented, “BDO’s senior-led team worked hand-in-hand with us from start to finish, taking the time to really understand our business and what makes the Company unique, expertly telling the Neutronics story throughout the process, and generating incredible enthusiasm from the marketplace. We are thrilled with the outcome and have found a great partner in FFL and Bacharach as Neutronics enters its next stage of growth.”

Founded in 1976, Neutronics is a world-class provider of refrigerant and gas analysis instrumentation, including complementary non-dispersive infrared (NDIR) sensor technology as well as gas handling technologies. The Company’s three operating divisions, Neutronics Refrigerant Analysis, Gas Analysis Solutions, and Biomarine Inc., provide state-of-the-art test & measurement products and services to the automotive and commercial HVAC markets, high-purity oxygen analyzers to the semiconductor industry, and self-contained breathing units to the safety and rescue industry.

Bacharach is a provider of cleantech solutions for gas and refrigerant leak detection, combustion and emissions analysis instrumentation, and energy management for commercial and industrial applications. Bacharach products make the heating, ventilation, air-conditioning, and refrigeration (HVAC-R) industries safer, cleaner, and more energy efficient, enabling customers to increase productivity, reduce costs, and protect lives and the environment.

FFL is a San Francisco-based private equity firm with over \$4.5 billion under management. For over 15 years, the firm has helped build industry-leading companies, providing capital and advice to exceptional management teams. FFL has deep experience in investing and operations and has brought large-company best practices and professional networks to smaller companies. Business growth has provided over 75 percent of the value created by FFL for its investors. FFL invests in business services, industrials, consumer products and services, financial services, and healthcare services.

Valentina Midura, Senior Managing Director, and Patrick Bisceglia, Director, led the client engagement for BDO Capital.

*“We’re always honored to help family-owned businesses write the last chapter of their success stories. Neutronics was no exception.”*

**Valentina Midura**  
*Senior Managing Director*

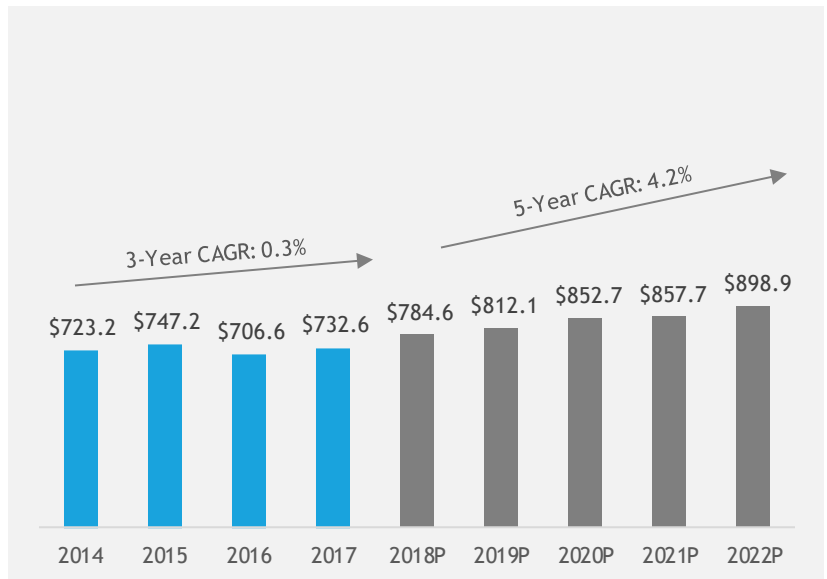
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# SECTOR GROWTH

## COMMENTARY

- Increasing corporate profits coupled with favorable tax reform are likely to continue driving the growth of investment in industrial equipment and machinery.
- After experiencing an anemic 0.3% CAGR between 2014 and 2017, total worldwide private investment in industrial equipment and machinery is expected to increase to 4.2% over the next five years reaching \$898.9 billion by 2022.
- Companies strive to keep pace with a growing economy through automated systems and robotics that enable companies to increase productivity at growing rates of return on investment.

## Private Investment in Industrial Equipment and Machinery (\$B)



Source: IBISWorld Industry Reports

## COMMENTARY

- The Industrial Production Index measures real output of United States facilities including manufacturing, mining, and electric & gas utilities.
- Industrial production rose 0.6% to 107.4 in June after the index reached 107.7 in April, its highest level in the past 10 years.
- As industrial production continues to rise at a rapid pace, manufacturers are seeking to harness the operational benefits derived from industrial technology solutions, including increased output, enhanced maintenance capabilities, and lower costs.

## Industrial Production Index



Source: Board of Governors of the Federal Reserve System (U.S.)

# SECTOR EQUITY PERFORMANCE

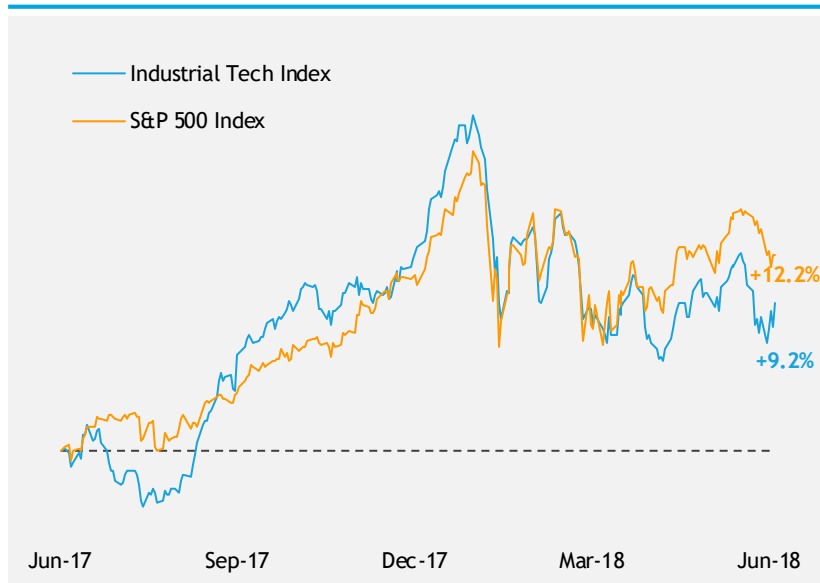
## COMMENTARY

- Industrial Tech stocks experienced a decline in momentum during 1H18 as industry participants began to show concerns over the potential impact of a trade war and the effects of tariffs on relevant imports.
- Despite the drop following 2017, the index increased 9.2% over the last 12 months as demand for connectivity, smart-enabled equipment, and industrial automation drove the industry's growth.
- YASKAWA Electric Corporation was the best performing stock in the Industrial Tech Index, increasing 66.6% over the last 12 months.

## COMMENTARY

- While the subsectors contributing to the Industrial Tech Index experienced varying results in 1H18, each group produced positive growth over the last 12 months.
- The Test and Measurement Index increased substantially, posting the highest gain of 17.6%.
- The Flow Control Index experienced the worst performance among the groups, yet still gained 5.1%.

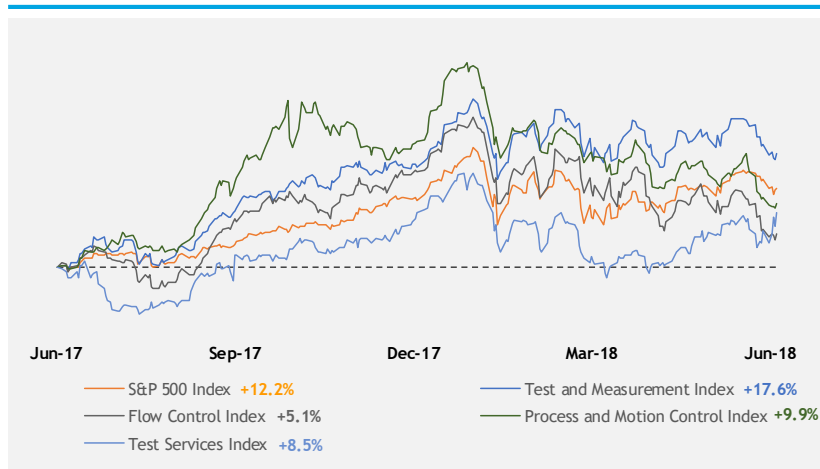
## Industrial Tech Equity Market Performance v. S&P 500 Index



Note: Industrial Tech Index represented by test and measurement, flow control, process & motion control, and test services companies highlighted on pages 7 & 8 herein

Source: S&P Capital IQ

## Industrial Tech Subsector Equity Performance



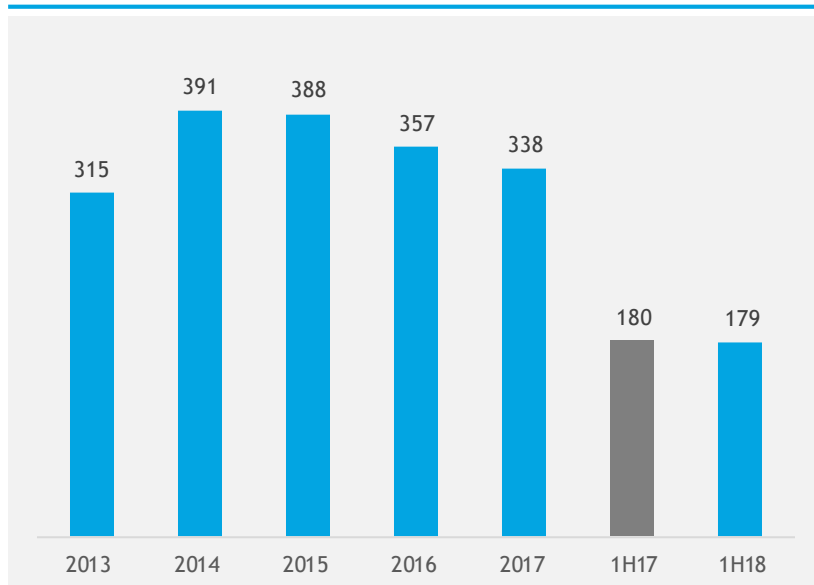
Source: S&P Capital IQ

# SECTOR M&A ACTIVITY

## COMMENTARY

- Activity in the U.S. Industrial Tech M&A market continued at a robust pace through the first half of 2018.
- There were 179 announced deals in the Industrial Tech sector involving U.S. targets in 1H18, down 0.6% when compared to the first half of last year.
- Both strategic and private equity buyers have remained active as capital availability, economic strength, and corporation-friendly tax reform continue to fuel M&A activity across the Industrial Tech sector.

## M&A Transactions: U.S. Industrial Tech Industry

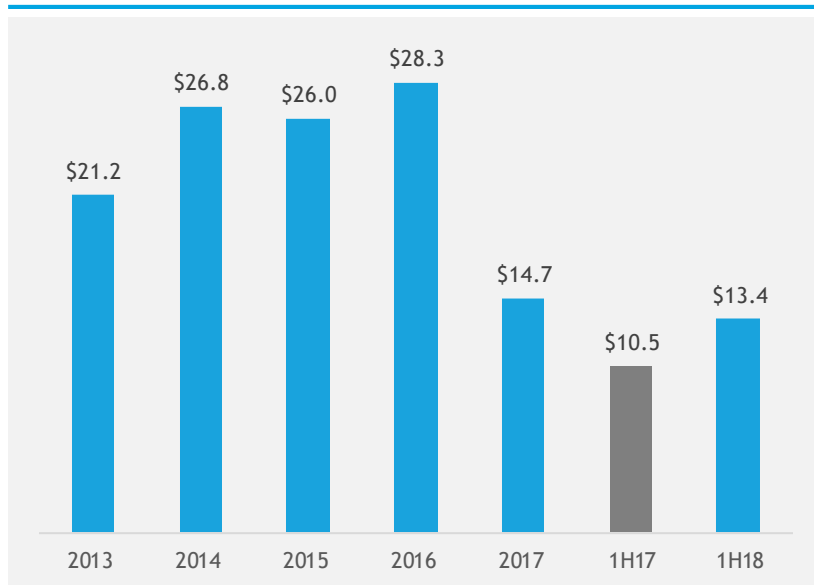


Source: S&P Capital IQ

## COMMENTARY

- Total reported deal value increased more than 28% in the first half of 2018 compared to the first half of 2017.
- Francisco Partners Management and British Columbia Investment Management Corporation's \$3.6 billion acquisition of VeriFone Systems Inc. was the largest announced deal in 1H18, and one of two deals with a reported value over \$1.0 billion.
- Median announced transaction value in 1H18 was \$37.0 million, as the majority of deals occurred in the middle market.

## M&A Transaction Value (\$B): U.S. Industrial Tech Industry



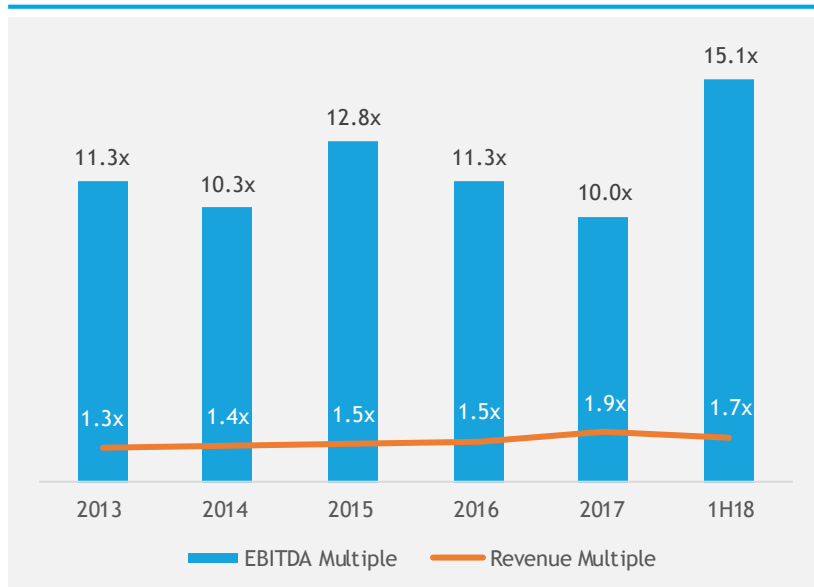
Source: S&P Capital IQ

## SECTOR VALUATION TRENDS

### COMMENTARY

- A competitive environment kept acquisition multiples elevated as buyers continue to look for opportunities in the emerging Industrial Internet of Things.
- The median reported EV/EBITDA multiple rose to 15.1x in 1H18, a 51.5% increase from 2017 levels, while the median reported EV/Revenue multiple decreased minimally to 1.7x.
- Transaction multiples are expected to remain steady as strategic and private equity buyers continue to seek lucrative opportunities in improving productivity and manufacturing capabilities through industrial technology.

### Median U.S. Industrial Tech M&A Transaction Multiples

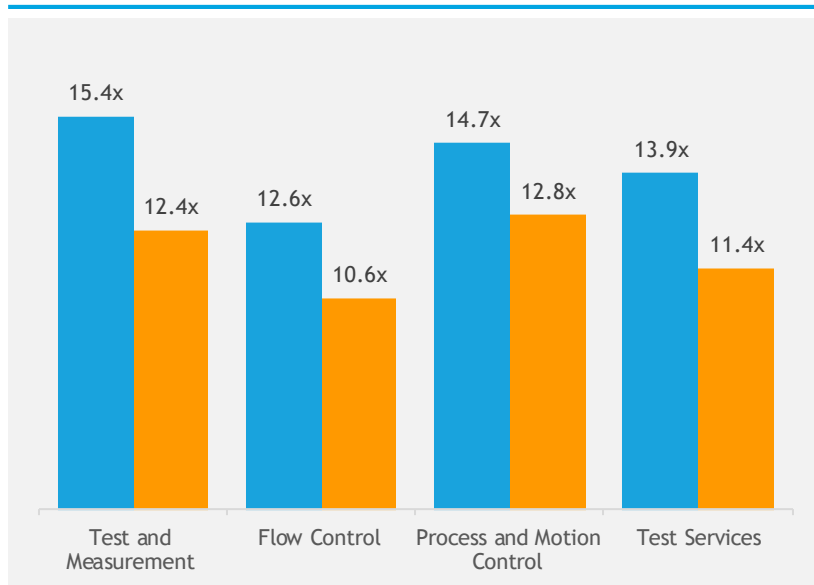


Source: S&P Capital IQ

### COMMENTARY

- Public company multiples suggest that investors expect continued sales and EBITDA growth in 2018.
- Average company trading is at 84.9% of the 52-week high.
- Recent tax reform supports investment in new industrial equipment by allowing businesses to expense the cost of a depreciable asset in the year of purchase. As a result, company profits are expected to rise and support higher multiples.

### Median U.S. Industrial Tech TEV/EBITDA Multiples



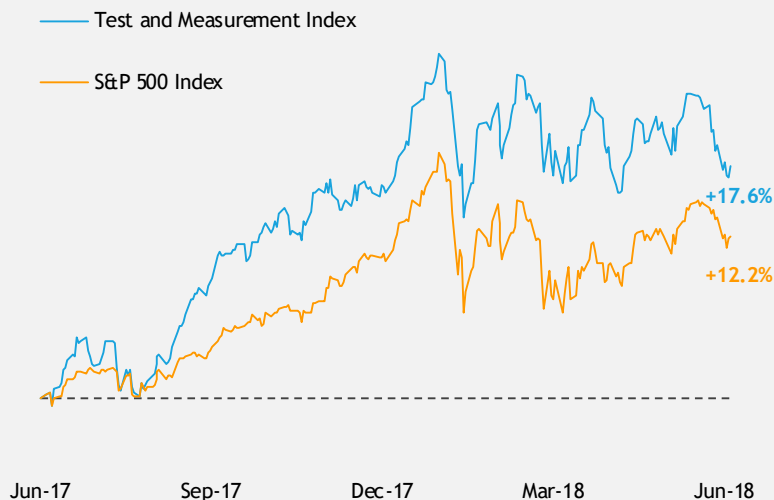
Source: S&P Capital IQ

## Spotlight: Test and Measurement

### COMMENTARY

- The Test and Measurement Index recorded substantial growth over the past 12 months, increasing 17.6%.
- Increases in compliance and regulation, industrial automation, and advances in the Internet of Things drove strong performance for the subsector.
- Teledyne Technologies Incorporated was the best performing stock in the Test and Measurement Index, increasing 55.9% over the last 12 months.

### Test and Measurement Equity Performance

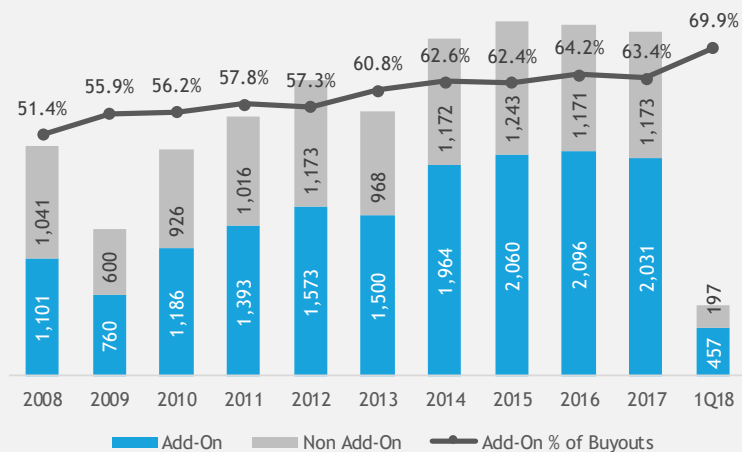


Source: S&P Capital IQ

### COMMENTARY

- A strong start to 2018 puts private equity deal activity on pace to match last year's record levels as the PE industry continues to grow and attract capital.
- Competitive pressures do not appear to be abating as fundraising levels continue to push dry powder to record levels. Add-on acquisitions have remained popular in 2018, with nearly 70% of PE buyouts centered on a buy and build model.
- BDO Capital's latest deal closing in the Industrial Technology space, the sale of Neutronics Inc. to FFL Partners-backed Bacharach, Inc., is a prime example of this trend.

### Add-On Acquisitions Dominate PE Activity



Source: PitchBook

# PUBLIC COMPANY TRADING STATISTICS

USD millions, except per share data

	Stock Price	% of 52 Week High	Market Cap	Enterprise Value	Gross Margin	EBITDA Margin	2-Yr Rev Growth	Enterprise Value/		Enterprise Value/	
	6/30/18							LTM Revenue	LTM EBITDA	2018E Revenue	2018E EBITDA
<u>Test and Measurement</u>											
Honeywell International Inc.	144.05	87.2%	107,595	115,786	31.8%	20.5%	6.5%	2.8 x	13.6 x	2.7 x	12.5 x
Danaher Corporation	98.68	94.1%	68,935	78,411	56.0%	24.2%	(11.5%)	4.2 x	17.2 x	3.8 x	15.4 x
Hexagon AB (publ)	55.74	93.6%	20,092	22,302	61.8%	30.0%	23.7%	5.5 x	18.5 x	5.2 x	16.1 x
AMETEK, Inc.	72.16	91.0%	16,711	18,360	34.1%	26.0%	13.5%	4.1 x	15.8 x	3.9 x	15.0 x
FLIR Systems, Inc.	51.97	93.3%	7,131	7,137	48.3%	21.3%	15.2%	3.9 x	18.2 x	4.0 x	17.0 x
Teledyne Technologies Incorporated	199.06	92.9%	7,119	8,067	38.3%	18.2%	20.8%	3.0 x	16.2 x	2.9 x	16.5 x
National Instruments Corporation	41.98	78.4%	5,508	5,093	75.0%	16.7%	6.4%	3.9 x	23.5 x	3.8 x	23.0 x
Meggitt PLC	6.51	93.1%	5,027	6,299	38.6%	26.1%	12.8%	2.4 x	9.0 x	2.5 x	10.6 x
Spectris plc	34.44	88.3%	4,077	4,144	56.9%	16.3%	17.5%	2.1 x	12.6 x	2.0 x	11.2 x
Itron, Inc.	60.05	75.1%	2,354	3,349	32.1%	10.1%	14.0%	1.6 x	15.5 x	1.3 x	9.5 x
Jenoptik AG	39.18	84.9%	2,243	2,149	35.2%	15.5%	23.0%	2.4 x	15.3 x	2.3 x	14.9 x
ESCO Technologies Inc.	57.70	86.4%	1,495	1,742	36.3%	16.5%	29.8%	2.4 x	14.6 x	2.2 x	12.3 x
Badger Meter, Inc.	44.70	85.8%	1,301	1,336	37.9%	19.2%	2.9%	3.3 x	17.1 x	3.1 x	16.2 x
MTS Systems Corporation	52.65	91.6%	939	1,257	39.2%	12.7%	40.7%	1.6 x	12.7 x	1.6 x	9.9 x
Oxford Instruments plc	13.20	85.2%	755	781	50.8%	15.4%	(20.0%)	2.0 x	13.0 x	2.0 x	10.6 x
Team, Inc.	23.10	93.1%	693	1,057	25.6%	1.2%	17.1%	0.9 x	70.4 x	0.8 x	12.2 x
Mistras Group, Inc.	18.88	79.2%	535	690	29.5%	7.8%	2.2%	1.0 x	12.2 x	0.9 x	8.8 x
First Sensor AG	21.47	57.9%	219	249	51.6%	11.2%	13.3%	1.4 x	12.7 x	1.3 x	9.4 x
<b>Mean</b>		<b>86.2%</b>			<b>43.3%</b>	<b>17.2%</b>	<b>12.7%</b>	<b>2.7 x</b>	<b>18.2 x</b>	<b>2.6 x</b>	<b>13.4 x</b>
<b>Median</b>		<b>87.7%</b>			<b>38.5%</b>	<b>16.6%</b>	<b>13.8%</b>	<b>2.4 x</b>	<b>15.4 x</b>	<b>2.4 x</b>	<b>12.4 x</b>
<u>Flow Control</u>											
Parker-Hannifin Corporation	155.85	73.2%	20,722	25,411	24.6%	16.9%	21.1%	1.8 x	10.8 x	1.7 x	9.5 x
Xylem Inc.	67.38	84.4%	12,123	14,441	39.1%	17.6%	32.5%	3.0 x	16.9 x	2.6 x	13.1 x
IDEX Corporation	136.48	90.6%	10,471	10,918	44.9%	25.8%	16.1%	4.7 x	18.0 x	4.4 x	16.7 x
Graco Inc.	45.22	91.0%	7,579	7,762	53.9%	28.1%	19.9%	5.0 x	17.9 x	4.7 x	15.7 x
Pentair plc	42.08	56.2%	7,506	9,272	37.2%	20.1%	(23.3%)	1.8 x	9.2 x	3.0 x	14.8 x
The Weir Group PLC	26.39	85.7%	6,392	7,506	31.3%	14.2%	12.6%	2.4 x	16.9 x	1.9 x	10.1 x
Donaldson Company, Inc.	45.12	86.4%	5,819	6,199	34.2%	16.7%	19.3%	2.3 x	13.9 x	2.3 x	13.4 x
Trelleborg AB	21.35	88.9%	5,787	6,945	32.3%	17.2%	26.1%	2.0 x	11.3 x	1.7 x	9.2 x
Aalberts Industries N.V.	47.86	91.1%	5,292	5,984	62.3%	15.8%	20.3%	1.9 x	12.1 x	1.8 x	10.6 x
Flowserve Corporation	40.40	84.0%	5,286	6,341	30.5%	10.9%	(17.3%)	1.7 x	15.6 x	1.6 x	13.4 x
Curtiss-Wright Corporation	119.02	83.0%	5,262	5,680	36.3%	19.9%	6.1%	2.5 x	12.5 x	2.3 x	12.3 x
Crane Co.	80.13	78.1%	4,784	5,556	36.0%	17.6%	7.0%	1.9 x	10.8 x	1.6 x	9.3 x
ITT Inc.	52.27	90.7%	4,569	4,388	31.6%	16.5%	5.7%	1.7 x	10.0 x	1.6 x	9.2 x
IMI plc	14.94	77.9%	4,023	4,355	44.0%	17.5%	2.4%	1.9 x	10.8 x	1.7 x	9.7 x
Colfax Corporation	30.65	70.8%	3,785	4,746	30.8%	12.4%	(12.3%)	1.4 x	11.1 x	1.2 x	9.2 x
Sulzer Ltd	121.39	86.2%	3,525	3,774	31.0%	9.6%	5.4%	1.2 x	12.8 x	1.1 x	8.6 x
Indutrade AB (publ)	23.88	85.5%	2,886	3,343	33.6%	12.7%	20.7%	2.0 x	15.5 x	1.8 x	13.7 x
Watts Water Technologies, Inc.	78.40	93.1%	2,677	2,939	41.4%	15.5%	2.2%	2.0 x	12.7 x	1.8 x	11.5 x
Franklin Electric Co., Inc.	45.10	92.4%	2,098	2,312	33.3%	13.1%	30.8%	1.9 x	14.7 x	1.8 x	13.1 x
SPX FLOW, Inc.	43.77	79.7%	1,861	2,489	31.5%	10.7%	(13.5%)	1.2 x	11.5 x	1.2 x	8.7 x
Mueller Water Products, Inc.	11.72	90.2%	1,853	2,010	33.7%	19.5%	(23.5%)	2.3 x	11.9 x	2.1 x	9.5 x
Mueller Industries, Inc.	29.51	78.5%	1,699	2,109	14.2%	7.8%	11.1%	0.9 x	11.6 x	0.8 x	n/a
Essentra plc	6.34	82.9%	1,659	1,955	8.2%	11.7%	(14.3%)	1.4 x	12.4 x	1.4 x	10.3 x
ESCO Technologies Inc.	57.70	86.4%	1,495	1,742	36.3%	16.5%	29.8%	2.4 x	14.6 x	2.2 x	12.3 x
The Gorman-Rupp Company	35.00	97.5%	914	825	26.8%	16.0%	(5.8%)	2.2 x	13.4 x	2.1 x	12.5 x
CIRCOR International, Inc.	36.96	60.4%	733	1,425	30.0%	9.7%	23.5%	1.8 x	18.5 x	1.2 x	8.8 x
<b>Mean</b>		<b>83.3%</b>			<b>34.2%</b>	<b>15.8%</b>	<b>7.8%</b>	<b>2.1 x</b>	<b>13.4 x</b>	<b>2.0 x</b>	<b>11.4 x</b>
<b>Median</b>		<b>85.6%</b>			<b>33.5%</b>	<b>16.2%</b>	<b>9.0%</b>	<b>1.9 x</b>	<b>12.6 x</b>	<b>1.8 x</b>	<b>10.6 x</b>

Source: S&P Capital IQ

 Read more



# PUBLIC COMPANY TRADING STATISTICS

USD millions, except per share data

	Stock Price	% of 52 Week High	Market Cap	Enterprise Value	Gross Margin	EBITDA Margin	2-Yr Rev Growth	Enterprise Value/		Enterprise Value/	
	6/30/18							LTM Revenue	LTM EBITDA	2018E Revenue	2018E EBITDA
<b>Process and Motion Control</b>											
Siemens Aktiengesellschaft	132.07	90.0%	110,005	136,368	29.5%	11.4%	15.9%	1.4 x	12.2 x	1.4 x	10.8 x
Danaher Corporation	98.68	94.1%	68,935	78,411	56.0%	24.2%	(11.5%)	4.2 x	17.2 x	3.9 x	16.6 x
ABB Ltd	21.85	79.7%	46,516	49,798	30.4%	12.9%	0.7%	1.5 x	11.5 x	1.3 x	9.0 x
Schneider Electric S.E.	83.33	90.9%	46,464	51,608	38.4%	16.3%	2.7%	1.8 x	11.0 x	1.7 x	10.1 x
Nidec Corporation	149.99	89.7%	44,364	45,158	24.0%	15.6%	33.6%	3.4 x	21.5 x	3.1 x	17.9 x
Fanuc Corporation	198.53	65.8%	38,482	31,794	45.2%	38.5%	23.3%	4.9 x	12.6 x	5.2 x	15.1 x
Rockwell Automation Inc.	166.23	78.9%	20,875	20,366	41.9%	20.0%	7.5%	3.1 x	15.6 x	3.0 x	13.6 x
AMETEK, Inc.	72.16	91.0%	16,711	18,360	34.1%	26.0%	13.5%	4.1 x	15.8 x	3.9 x	15.0 x
YASKAWA Electric Corporation	35.32	64.0%	9,348	9,276	34.4%	15.6%	14.0%	2.3 x	14.7 x	2.1 x	13.4 x
Metso Corporation	33.49	89.6%	5,023	5,051	27.3%	10.5%	7.5%	1.6 x	14.8 x	1.5 x	11.1 x
KUKA Aktiengesellschaft	106.52	35.7%	4,237	4,465	21.6%	4.3%	29.2%	1.1 x	25.9 x	1.1 x	12.8 x
Krones AG	129.16	90.1%	4,080	3,913	48.4%	8.1%	24.4%	0.9 x	11.1 x	0.9 x	9.2 x
Rexnord Corporation	29.06	92.4%	3,032	4,171	36.7%	17.8%	7.4%	2.0 x	11.4 x	2.0 x	9.6 x
ATS Automation Tooling Systems Inc.	14.86	92.6%	1,398	1,412	25.8%	11.4%	7.8%	1.7 x	14.6 x	1.5 x	11.5 x
FARO Technologies, Inc.	54.35	83.2%	922	772	57.7%	6.8%	15.1%	2.1 x	30.6 x	1.9 x	20.8 x
<b>Mean</b>		81.8%			36.8%	16.0%	12.7%	2.4 x	16.0 x	2.3 x	13.1 x
<b>Median</b>		89.7%			34.4%	15.6%	13.5%	2.0 x	14.7 x	1.9 x	12.8 x
<b>Test Services</b>											
SGS SA	2,659.21	98.9%	20,081	20,870	43.5%	19.0%	14.2%	3.3 x	17.2 x	3.1 x	15.0 x
Intertek Group plc	75.42	97.4%	12,132	12,895	55.9%	19.8%	17.2%	3.5 x	17.8 x	3.5 x	16.8 x
Bureau Veritas SA	26.67	94.2%	11,644	14,120	30.5%	17.3%	11.9%	2.6 x	15.0 x	2.5 x	13.7 x
Eurofins Scientific SE	555.83	85.1%	9,829	11,503	18.7%	18.4%	68.5%	3.3 x	18.0 x	2.6 x	14.0 x
Jacobs Engineering Group Inc.	63.49	88.0%	9,002	10,773	18.6%	6.8%	1.7%	0.9 x	13.4 x	0.7 x	10.4 x
WSP Global Inc.	52.63	91.8%	5,464	6,280	17.8%	7.3%	20.9%	1.1 x	15.6 x	1.4 x	12.6 x
Fomento de Construcciones y Contratas, S.A.	12.60	96.6%	4,771	9,217	63.3%	14.7%	(2.0%)	1.3 x	9.0 x	1.3 x	9.2 x
ALS Limited	5.58	88.7%	2,724	3,109	27.5%	20.0%	6.1%	2.9 x	14.5 x	2.7 x	12.4 x
Applus Services, S.A.	13.34	94.2%	1,906	2,517	34.3%	11.3%	5.8%	1.4 x	12.0 x	1.3 x	10.0 x
Arcadis NV	18.04	77.1%	1,579	2,076	17.7%	6.0%	4.1%	0.6 x	9.2 x	0.6 x	7.6 x
TETRA Technologies, Inc.	4.45	91.8%	559	1,472	27.5%	12.9%	(17.9%)	1.7 x	13.2 x	1.5 x	8.5 x
Mistras Group, Inc.	18.88	79.2%	535	690	29.5%	7.8%	2.2%	1.0 x	12.2 x	0.9 x	8.8 x
<b>Mean</b>		90.2%			32.1%	13.4%	11.0%	2.0 x	13.9 x	1.8 x	11.6 x
<b>Median</b>		91.8%			28.5%	13.8%	5.9%	1.5 x	13.9 x	1.5 x	11.4 x

Source: S&P Capital IQ

## Highlighted Transactions

Announced Date	Target	Acquirer	Sector
6/29/2018	Boilerroom Equipment, Inc.	Thermal Energy International Inc. (TSXV:TMG)	Industrial Machinery
6/29/2018	Echelon Corporation	Adesto Technologies Corporation (NasdaqCM:IOTS)	Electronic Equipment, Instruments and Components
6/28/2018	Gatan, Inc.	Thermo Fisher Scientific Inc. (NYSE:TMO)	Electronic Equipment and Instruments
6/28/2018	ISONAS Security Systems Inc.	Allegion plc (NYSE:ALLE)	Electronic Equipment and Instruments
6/27/2018	Zyklus Heat Transfer, Inc.	LU-VE S.p.A. (BIT:LUVE)	Industrial Machinery
6/22/2018	Prisma Integration	Prisma Impianti S.p.A.	Industrial Machinery
6/15/2018	Ace Pump Corporation	Annovi Reverberi S.p.A.	Fluid Power Pumps and Motors
6/15/2018	Tiger Optics, LLC	Union Park Capital	Electronic Equipment and Instruments
6/12/2018	Rochester Gauges, Inc.	Renovo Capital, LLC	Electronic Equipment and Instruments
6/8/2018	Esys Corporation	JR Automation Technologies, LLC	Electronic Equipment and Instruments
6/7/2018	RedZone Robotics, Inc.	Milestone Partners	Electronic Equipment and Instruments
6/6/2018	SAES Pure Gas, Inc./SAES Getters (Nanjing) Co., Ltd	Entegris, Inc. (NasdaqGS:ENTG); Entegris Microelectronics Trading Co., Ltd.	Industrial Machinery
5/22/2018	Pulse Electronics Corporation	Yageo Corporation (TSEC:2327)	Electronic Equipment, Instruments and Components
5/17/2018	E Instruments International, LLC	The Sauermann Group	Electronic Equipment and Instruments
5/3/2018	Vixar Inc.	OSRAM Licht AG (XTRA:OSR)	Electronic Components
4/24/2018	Genmark Automation, Inc.	Nidec Sankyo Corporation	Electronic Equipment and Instruments
4/23/2018	ELXSI Corporation	SPX Corporation (NYSE:SPXC)	Electronic Equipment and Instruments
4/18/2018	Century Tool Group	Tooling Technology Group, LLC	Industrial Machinery
4/17/2018	Anasys Instruments Corporation	Bruker Corporation (NasdaqGS:BRKR)	Electronic Equipment and Instruments
4/12/2018	Dickson, Inc.	May River Capital, LLC	Electronic Equipment and Instruments
4/10/2018	Conrad Machine Inc.	Conkright Enterprises	Industrial Machinery
4/9/2018	VeriFone Systems, Inc.	Francisco Partners Management LLC; British Columbia Investment Management Corporation	Electronic Equipment and Instruments
4/3/2018	Assets of Biological Controls, Inc.	RGF Environmental Group, Inc.	Air and Gas Compressors
4/3/2018	The Oilgear Company	Texas Hydraulics, Inc.	Industrial Machinery
4/2/2018	Strobic Air Corporation	Cincinnati Fan and Ventilator Company, Inc.	Industrial Machinery

## Highlighted Transactions

Announced Date	Target	Acquirer	Sector
3/28/2018	Auburn FilterSense LLC	Nederman Holding AB (publ) (OM:NMAN)	Electronic Equipment and Instruments
3/28/2018	Northern Star Industries, Inc.	Comvest Partners	Electrical Components and Equipment
3/22/2018	Allnet Distributing, Inc.	Wirepath LLC	Electronic Equipment, Instruments and Components
3/22/2018	Positech Corporation	Forward Technologies	Automation and Robotics
3/14/2018	Airxcel, Inc.	L Catterton; Constitution Capital Partners, LLC	Industrial Machinery
3/13/2018	Fluid Vision Technologies, LLC	Fuchs Petrolub SE (DB:FPE3)	Electronic Equipment and Instruments
3/8/2018	QC Industries, LLC	Duravant LLC	Industrial Machinery
3/1/2018	Keystone Filter Business of CECO Environmental Corp.	Porvair plc (LSE:PRV)	Industrial Machinery
2/28/2018	Chirp Microsystems, Inc.	TDK Corporation (TSE:6762)	Electronic Equipment and Instruments
2/27/2018	Business and Assets of Sensor Technology	Santa Barbara Infrared, Inc.	Electronic Equipment and Instruments
2/22/2018	Flexicell, Inc.	Pearson Packaging Systems, Inc.	Industrial Machinery
2/20/2018	Corfin Industries LLC	Behrman Capital	Electronic Equipment, Instruments and Components
2/9/2018	Quantachrome Corporation	Anton Paar GmbH	Electronic Equipment and Instruments
2/6/2018	Noise, Environmental and Heat Stress Monitoring Products of 3M Company	TSI Incorporated	Electronic Equipment and Instruments
2/2/2018	RoboVent, Inc.	Air Filtration Holdings, LLC	Industrial Machinery
2/1/2018	Arizona Instrument LLC	AMETEK, Inc. (NYSE:AME)	Electronic Equipment and Instruments
2/1/2018	EmNet, LLC	Xylem Inc. (NYSE:XYL)	Electronic Equipment and Instruments
1/26/2018	Gordon-Darby, Inc.	Opus Inspection, Inc.	Electronic Equipment and Instruments
1/22/2018	Particle Sizing Systems, LLC	Entegris, Inc. (NasdaqGS:ENTG)	Electronic Equipment and Instruments
1/19/2018	THG Corporation	KLX Inc. (NasdaqGS:KLXI)	Industrial Machinery
1/16/2018	Royer Technologies, Inc.	Paradigm Industrial Technologies, Inc.	Industrial Machinery
1/15/2018	Briskheat Corporation	NIBE Industrier AB (publ) (OM:NIBE B)	Industrial Machinery
1/14/2018	Innovative Photonic Solutions, Inc.	Metrohm AG	Electronic Equipment and Instruments
1/9/2018	Vitretek Corporation	Branford Castle Partners, L.P.	Electronic Equipment and Instruments
1/3/2018	Optical Design Manufacturing Inc.	Ripley Tools, LLC	Electronic Equipment and Instruments

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## One of the Most Active Advisory Networks in the World

*6<sup>th</sup> Most Active Middle-Market Advisor*

**1,200**

DEALS IN 2017

**\$55B**

TRANSACTION VALUE

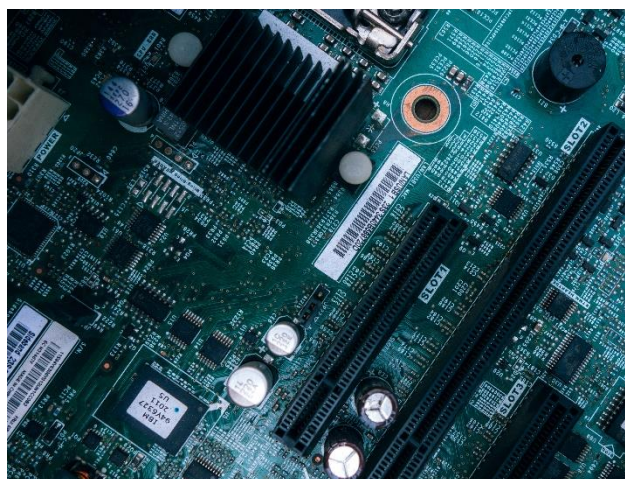
**100**

COUNTRIES



BDO's global M&A and Transaction Services teams completed 1,200 deals in 2017, generating a combined value of USD \$54.5 billion. This represents a growth in value of 53 percent when compared to the results in 2016. BDO also performed strongly in the 2017 financial advisor league tables:

- ▶ **Top 5 mid-market M&A advisor in the world**  
Global small-cap table (deals up to USD \$50M), Thomson Reuters rankings
- ▶ **Top 10 mid-market M&A advisor in the world**  
Global mid-cap table (deals up to USD \$500M), Thomson Reuters rankings
- ▶ **Private Equity - 5th most active advisor for PE deals in the world**  
PitchBook 2017 Global League Tables
- ▶ **Buyout deals - 6th most active advisor for buyout deals in the world**  
PitchBook 2017 Global League Tables



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- ▶ Public Company Sales
- ▶ Corporate Divestitures
- ▶ Leveraged Recapitalizations / Private Equity
- ▶ Buy-Side Advisory

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- ▶ Subordinated Debt / Mezzanine
- ▶ Senior Debt
- ▶ Private Investments in Public Equity

### BOARD ADVISORY

- ▶ Fairness Opinions
- ▶ Valuation Advisory
- ▶ Share Repurchase Programs
- ▶ Dividend Recapitalizations



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