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Harris Williams & Co. Ltd Niederlassung Frankfurt (German branch) is registered in the Commercial Register (Handelsregister) of the Local Court (Amtsgericht) of Frankfurt am Main, Germany, under registration number HRB 96687, having its business address at Bockenheimer Landstrasse 33-35, 60325 Frankfurt am Main, Germany. Permanent Representative (Ständiger Vertreter) of the Branch Niederlassung: Mr. Jeffery H. Perkins.

## SUMMARY

### HW&CO. SPOTLIGHT



Harris Williams & Co. announces the sale of Dorner Manufacturing Corporation (Dorner), a portfolio company of Incline Equity Partners (Incline), to the EQT Mid Market U.S. fund. Dorner engages in the design, manufacturing and integration of precision unit conveyor solutions for process automation applications.

[Read More](#)



Harris Williams & Co. recently released a whitepaper on the Automation Market, providing an overview of the continuing market developments that are increasing utilization of automation technology across applications and industries.

[Read More](#)

### M&A | SELECT RECENT ACTIVITY<sup>1,2,3</sup>

AMETEK, Inc. and MOCON, Inc. announced that they have entered into a definitive merger agreement under which AMETEK will acquire all of the outstanding shares of common stock of MOCON at a price of \$30 per share in cash, which represents a premium of 39% to MOCON's closing share price on April 13, 2017.

[Source](#)

French waste and water group Suez has boosted its industrial water treatment business with the €3.2 billion (\$3.4 billion) acquisition of GE Water from General Electric. The deal will give Suez access to most major industries globally and will make it a supplier to blue-chip companies such as Exxon-Mobil, Total, Shell, BASF, Nestle, Cargill, Intel, Samsung and Pfizer.

[Source](#)

Exova, the British materials testing company, has accepted a £620 million cash offer from Element Materials Technology Group. The transaction will increase Element's global reach across North America, Europe and Asia, and develop even deeper technical expertise, enabling Element to better serve clients and drive enhanced growth.

[Source](#)

### PUBLIC MARKETS | KEY TRADING STATISTICS<sup>4</sup>

As of April 25, 2017

| Sub-Sector Median                      | Stock Price % Change |          | TEV / EBITDA |       | TEV / LTM EBITDA |        | LTM Margins |        |
|--|----------------------|----------|--------------|-------|------------------|--------|-------------|--------|
|  | 1 Month              | 12 Month | LTM          | NTM   | Apr-16           | Oct-16 | Gross       | EBITDA |
| <b>Test and Measurement</b>            |                      |          |              |       |                  |        |             |        |
| Sensors and Instrumentation            | 5.5%                 | 13.0%    | 14.9x        | 13.0x | 12.9x            | 11.9x  | 37.4%       | 17.3%  |
| Condition Monitoring                   | 10.0%                | (6.4%)   | 16.2x        | 9.7x  | 14.9x            | 16.5x  | 27.5%       | 11.2%  |
| <b>Flow Control</b>                    |                      |          |              |       |                  |        |             |        |
| Pumps and Filtration                   | 6.7%                 | 24.3%    | 14.8x        | 13.4x | 12.4x            | 12.5x  | 33.7%       | 15.7%  |
| Valves and Fittings                    | 6.0%                 | 22.7%    | 12.7x        | 11.6x | 10.8x            | 11.4x  | 31.8%       | 13.9%  |
| <b>Process / Motion Control</b>        |                      |          |              |       |                  |        |             |        |
| Motion and Drives                      | 4.5%                 | 22.2%    | 12.4x        | 11.3x | 11.6x            | 12.0x  | 32.4%       | 16.7%  |
| Automation and Robotics                | 5.5%                 | 18.5%    | 15.4x        | 13.1x | 12.2x            | 12.2x  | 28.5%       | 11.1%  |
| <b>Test Services</b>                   |                      |          |              |       |                  |        |             |        |
| Testing, Inspection, and Certification | 6.1%                 | 7.7%     | 13.2x        | 12.3x | 11.2x            | 11.6x  | 26.7%       | 17.8%  |
| Engineering and Consulting             | 6.1%                 | 8.4%     | 9.5x         | 10.2x | 9.2x             | 9.9x   | 14.8%       | 7.7%   |

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## WHAT WE'RE READING

### INDUSTRIAL IOT ALL SET TO TURBOCHARGE LEAN MANUFACTURING<sup>5</sup>

#### ReadWrite

Within the context of building IoT-based manufacturing solutions, IoT opens up all kinds of possibilities, such as the ability to monitor the performance of products after they have been purchased to ensure adequate maintenance and customer satisfaction, optimizing supply chain logistics and streamlining the distribution chain. Information about product usage can be fed back to companies so that they can analyze the data to make improvements in design and production. With this constant exchange of data, combined with the new automation technologies that are emerging and advancement in data analytics, manufacturers can achieve the dream of the truly "smart factory."

Read more [here](#).

### AUTONOMOUS INSTRUMENTS: BEYOND SMART CONTROLS<sup>6</sup>

#### Automation World

Moving beyond smart instrumentation, autonomous instruments are the next big thing on the horizon. Control vendors are already working to make equipment not only intelligent, but actually autonomous, self-monitoring and auto-diagnosing—ready, willing and able to take steps to fix problems as they arise. The idea is to take humans out of the decision-making process as much as possible, saving (theoretically) vast amounts of time and money. In this future state, everyone from operators on the shop floor up to executives on the top floor will know everything is running properly because the instruments will take care of themselves.

Read the full article [here](#).

### THINKING THROUGH HOW AUTOMATION WILL AFFECT YOUR WORKFORCE<sup>7</sup>

#### Harvard Business Review

Today, executives have to cut through a lot of hype around automation. Leaders need a clear-eyed way to think about how these technologies will specifically affect their organizations. The right question isn't which jobs are going to be replaced, but rather, what work will be redefined, and how? Based on our work with a number of organizations grappling with these issues, we've found that the following four-step approach can help: i) start with the work, not the "job" or technology, ii) understand the different work automation opportunities, iii) manage the decoupling of work from the organization, and iv) re-envision the organization.

Read more [here](#).

### THE FUTURE LIES IN AUTOMATION<sup>8</sup>

#### The Economist

China's supply of cheap labor is running out, which is pushing up wages steeply. China's low birth rate, exacerbated by its one-child policy (now revoked), has meant that the working-age population has already peaked and is set to shrink significantly in the next few decades. The mass migration of poor rural dwellers from interior provinces to the PRD is slowing, and without that influx of labor, growth targets will be harder to hit. As a consequence, China urgently needs to beef up its productivity. Over the two decades to 2016, labor productivity has risen by an average of 8.5% a year, but in the past three years this growth has slowed to less than 7% a year, and the absolute level remains low, at only 15-30% of that in OECD countries. Yet automation should be market-driven, not subsidy-induced, and there are signs of a bubble. Thanks to the official push for "indigenous innovation", Chinese automation firms are often subsidized even if their technology is not up to scratch.

Read the full article [here](#).

## M&A TRANSACTIONS

### RECENT M&A TRANSACTIONS<sup>4</sup>

| Date      | Target                                       | Vertical           | Business Description   | Acquirer                        |
|-----------|--|--------------------|--|---------------------------------|
| Pending   | Exova Group plc                              | Test Service       | Provides testing, calibration, and advisory services   | Element Materials Technology    |
| Pending   | AmeriWater LLC                               | Flow Control       | Designs and manufactures water treatment equipment and services  | Empire Investment Holdings LLC  |
| Pending   | Eurodrip SA                                  | Flow Control       | Provider of dripline and drip irrigation components  | Rivulis Irrigation Ltd.         |
| Pending   | JC Flow Controls Pte Ltd.                    | Flow Control       | Distributes valve products   | JC Fábrica de Válvulas SA       |
| Pending   | Pfeiffer Vacuum Technology AG                | Flow Control       | Develops, manufactures, and markets components and systems for vacuum generation, measurement, and analysis                    | Busch-Holding GmbH              |
| 4/17/2017 | MOCON, Inc.                                  | Test & Measurement | Manufactures and designs measurement and analytical instruments  | AMETEK, Inc.                    |
| 4/10/2017 | 2M Co., Inc.                                 | Flow Control       | Manufactures pumps, sprinklers, and pipes  | Franklin Electric Co., Inc.     |
| 4/10/2017 | Drillers Service, Inc.                       | Flow Control       | Designs, manufactures and distributes water and fuel pumping systems   | Franklin Electric Co., Inc.     |
| 4/10/2017 | Fusion Group Ltd.                            | Flow Control       | Manufactures gas valves  | AVK Holding A/S                 |
| 4/4/2017  | Bernecker + Rainer Industrie-Elektronik GmbH | Process Automation | Provides solutions for machine and process automation, motion control, HMI and integrated safety technology                    | ABB Ltd.                        |
| 4/3/2017  | ATIS SA                                      | Process Automation | Manufactures automated machines for the assembling industry  | VINCI Energies SA               |
| 4/3/2017  | Emilab s.r.l.                                | Test Service       | Provides electrical and electronics testing services   | Applus Services SA              |
| 3/29/2017 | Alyan Pump LLC                               | Flow Control       | Provides pump system manufacturing and installation services   | PumpMan, Inc.                   |
| 3/29/2017 | Pfeiffer Vacuum Technology AG                | Flow Control       | Develops, manufactures and markets components and systems for vacuum generation, measurement and analysis                      | Busch-Holding GmbH; Pangea GmbH |
| 3/21/2017 | Cobots Guide                                 | Process Automation | Provides robotic technology researching services   | Productive Robotics, Inc.       |
| 3/15/2017 | Dorner Holding Corp.                         | Process Automation | Engages in the design, manufacturing, and integration of precision unit conveyor solutions for process automation applications | EQT Mid Market US               |
| 3/10/2017 | Synertec Pty Ltd.                            | Test Service       | Provides engineering consulting services   | SML Corp.                       |
| 3/9/2017  | Toho Industrial Co., Ltd.                    | Process Automation | Manufactures and distributes robotic industrial machines   | Yamazen Corp.                   |
| 3/7/2017  | Ardox Corp.                                  | Flow Control       | Manufactures and supplies water pumps  | Wilo USA LLC                    |

## M&amp;A TRANSACTIONS

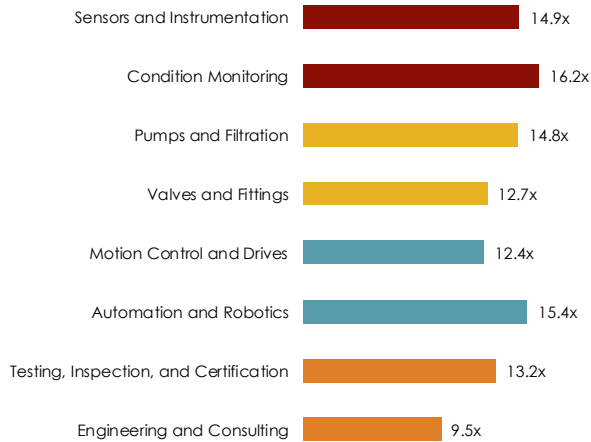
RECENT M&A TRANSACTIONS (CONTINUED)<sup>4</sup>

| Date      | Target  | Vertical                     | Business Description   | Acquirer   |
|-----------|---|------------------------------|--|--|
| 3/1/2017  | Facility KK                                     | Test & Measurement           | Manufactures and distributes factory automation and inspection equipment for printed circuit boards and solar panel use          | Tazmo Co., Ltd.  |
| 3/1/2017  | H. Müller Fabrique de Moules SA                 | Process Automation           | Manufactures industrial machinery and robots for the food packaging industry   | CGS Management AG  |
| 2/27/2017 | Persimmon Technologies Corp.                    | Communication & Connectivity | Provides vacuum robotics and hybrid-field motor technology   | Sumitomo Heavy Industries, Ltd.                              |
| 2/16/2017 | F J Holdings Ltd. / (5) Subs/                   | Flow Control                 | Manufactures process and flow control, and sewage treatment equipment  | Leumi ABL Ltd.; Alycidon Capital Ltd.; Intrinsic Equity Ltd. |
| 2/15/2017 | ATC, Inc.                                       | Test & Measurement           | Offers test & measurement products   | Pfeiffer Vacuum Technology AG                                |
| 2/13/2017 | Zhuhai Zhonghui Microelectronics Co., Ltd.      | Communication & Connectivity | Manufactures integrated circuits and intelligent communication equipment   | Hunan Weiming Technology Co. Ltd.; Hunan Wasion              |
| 2/12/2017 | Safegard Systems Ltd.                           | Process Automation           | Provides damper control solutions  | Swegon Group AB  |
| 2/10/2017 | Finesse Solutions, Inc.                         | Test & Measurement           | Provides analytical measurement and control system tools for life sciences applications  | Thermo Fisher Scientific, Inc.                               |
| 2/10/2017 | NUB3D SL  | Communication & Connectivity | Provides three-dimensional optical measurement solutions   | ABB Ltd.   |
| 2/9/2017  | G.E.T. Water Solutions Pvt Ltd.                 | Flow Control                 | Provides water management solutions  | Aspirify Energy Pvt Ltd.                                     |
| 2/9/2017  | Servotronix Ltd.                                | Process Automation           | Motor drive and control designer   | Midea Group Co. Ltd.   |
| 2/7/2017  | Rauland-Borg Corp.                              | Communication & Connectivity | Designs and manufactures enterprise telecommunications equipment   | AMETEK, Inc.   |
| 2/7/2017  | Tsubaki Yamakyu Chain Co.                       | Process Automation           | Designs, manufactures and sells chains, automated equipment and machine products   | Tsubakimoto Chain Co.  |
| 2/6/2017  | EONS Global Holdings Pte Ltd.                   | Flow Control                 | Operates water purification and sewage plants  | Macherie Jewellery (S) Pte Ltd.                              |
| 2/1/2017  | Helac Corp.                                     | Process Automation           | Designs and manufactures helical rotary actuators  | Parker-Hannifin Corp.  |
| 1/31/2017 | KSB AMRI, Inc.                                  | Process Automation           | Manufactures butterfly valves, actuators and accessories   | Bray International, Inc.                                     |
| 1/31/2017 | m+p international Mess- und Rechnertechnik GmbH | Test & Measurement           | Provides test and measurement solutions for vibration control, noise and vibration analysis, as well as general data acquisition | INDUS Holding AG   |
| 1/25/2017 | Power Distribution, Inc.                        | Communication & Connectivity | Designs, manufactures, and services mission critical power distribution, static switching, and power monitoring equipment        | Dunes Point Capital  |
| 1/3/2017  | Grohmann Engineering                            | Process Automation           | Designs, engineers, and manufactures automation solutions for various industries   | Tesla Motors, Inc.   |

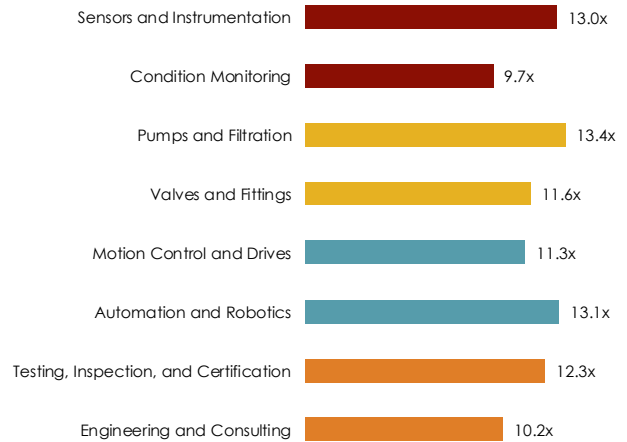
## PUBLIC MARKETS OVERVIEW

■ Test and Measurement   ■ Flow Control   ■ Process / Motion Control   ■ Test Services

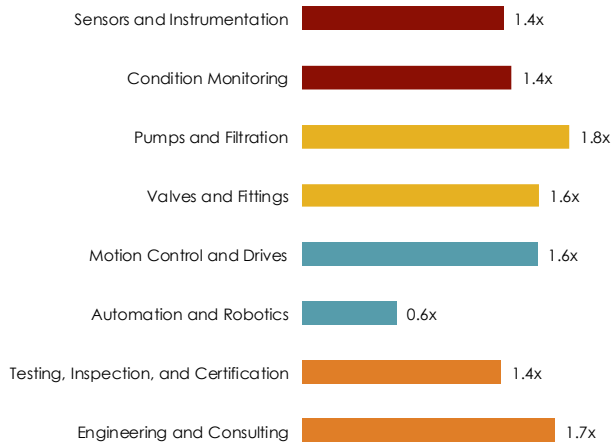
### TEV / LTM EBITDA<sup>4</sup>



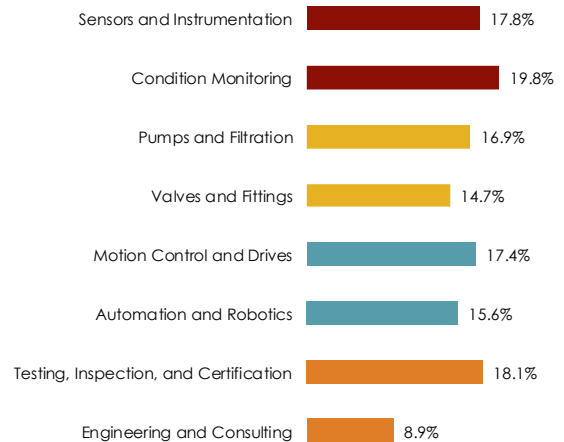
### TEV / NTM EBITDA<sup>4</sup>



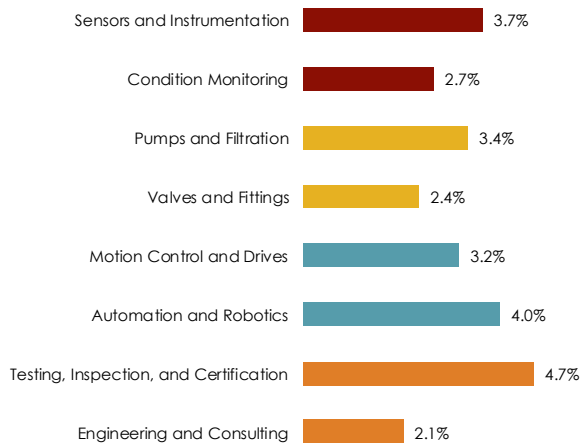
### NET DEBT / LTM EBITDA<sup>4</sup>



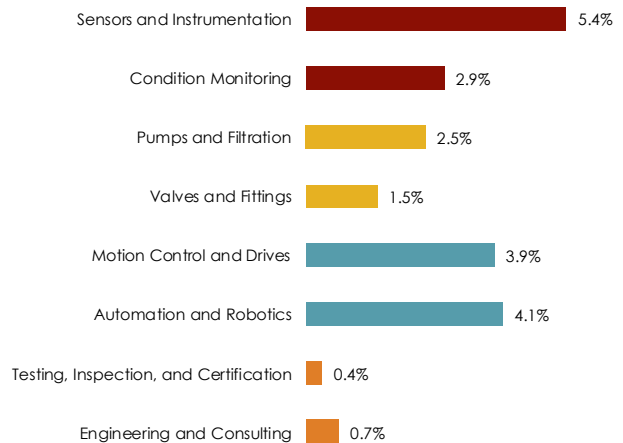
### AVERAGE EBITDA MARGIN (2014 – 2016)<sup>4</sup>



### AVERAGE CAPEX / REVENUE (2014 – 2016)<sup>4</sup>



### RESEARCH & DEVELOPMENT / LTM REVENUE<sup>4</sup>



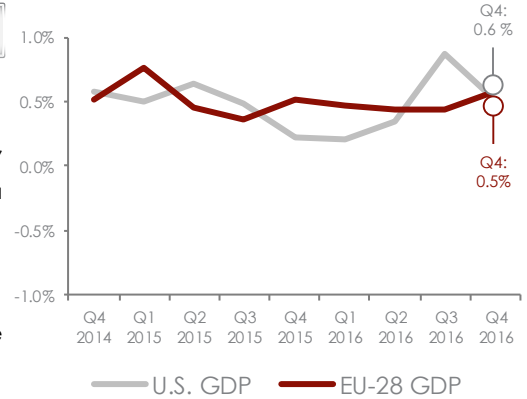
## ECONOMIC UPDATE

### GROSS DOMESTIC PRODUCT<sup>4</sup>

Billions of 2009 dollars

- U.S.**
- Real GDP increased by an annual rate of 0.5% in the fourth quarter of 2016, and has increased 2.1% YoY
  - Current dollar GDP increased 1.0%, or \$225 billion in the fourth quarter to a level of \$18.9 trillion

- EU-28**
- EU-28 GDP grew by 0.6% in the fourth quarter of 2016, and is up 1.9% YoY
  - Consumer confidence registered comparatively negligible gains while services confidence was virtually unchanged

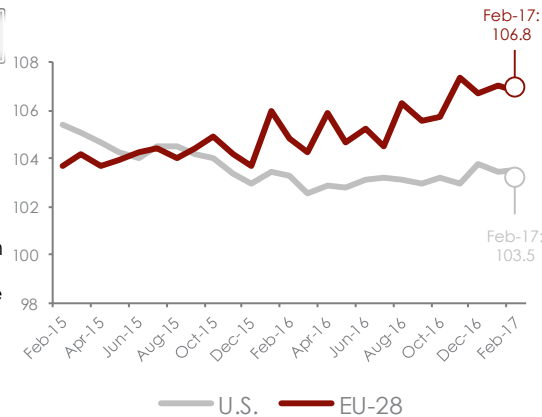


### INDUSTRIAL PRODUCTION<sup>4</sup>

Indexed to 2012

- U.S.**
- Industrial production increased 0.1% in February
  - Capacity utilization for the industrial sector was flat in February

- EU-28**
- Industrial production decreased 0.2% in February, following a 0.3% increase in January
  - European industrial manufacturing capacity utilization increased 0.3% in the first quarter of 2017

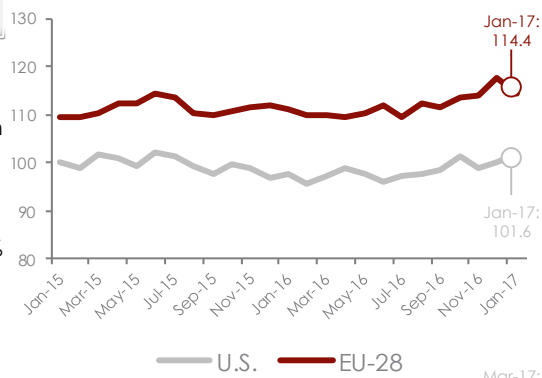


### NEW ORDERS<sup>4</sup>

Indexed to 2012

- U.S.**
- U.S. new orders increased by 1.5% in January, following a 1.3% increase in December
  - New orders have increased 4.2% YoY.

- EU-28**
- The EU-28 saw new orders decrease by 3.2% in January, following a 3.6% increase in December

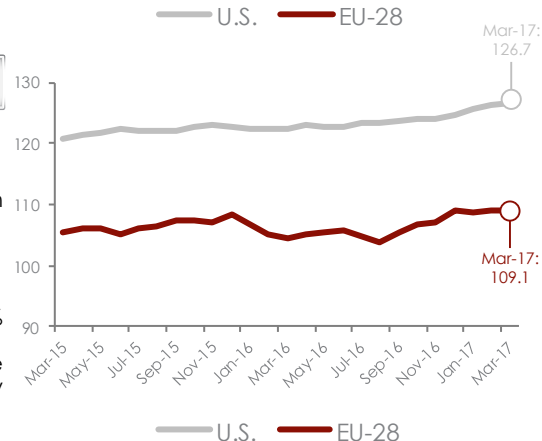


### ECONOMIC SENTIMENT<sup>4</sup>

Indexed to 2012

- U.S.**
- U.S. economic sentiment increased 0.4% in March, following a 0.5% increase in February
  - While uncertainty remains, post-election sentiment has been primarily positive

- EU-28**
- Economic sentiment in the EU-28 increased by 0.2% in March, following a 0.3% increase in February
  - While industry, services, and consumer confidence improved in line with the euro area, EU confidence in construction and retail trade remained broadly unchanged



## OUR FIRM

Harris Williams & Co. has a broad range of industry expertise, which creates powerful opportunities. Our clients benefit from our deep-sector experience, integrated industry intelligence and collaboration across the firm, and our commitment to learning what makes them unique. For more information, visit our website.

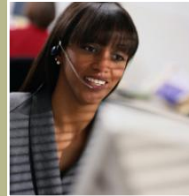
Aerospace, Defense  
& Government  
Services



Building Products  
& Materials



Business  
Services



Consumer



Energy, Power  
& Infrastructure



Healthcare  
& Life Sciences



**Industrials**  
*Industrial Technology*



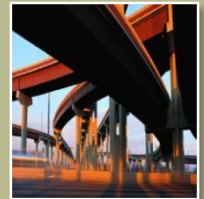
Specialty  
Distribution



Technology,  
Media & Telecom



Transportation  
& Logistics



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**Mumbai**

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**Shanghai**



## PUBLIC COMPARABLES

### TEST AND MEASUREMENT<sup>4</sup>

As of April 25, 2017 (\$ in Millions, except per share amounts)

#### Test and Measurement Public Comparables

|                                    | LTM Margins  |              | TEV       | Stock Performance |                |               |               | TEV /        |
|------------------------------------|--------------|--------------|-----------|-------------------|----------------|---------------|---------------|--------------|
|                                    | EBITDA       | Gross        |           | Current Price     | 1-Month Change | 1-Year Change | % of LTM High | LTM          |
|                                    |              |              |           |                   |                |               |               | EBITDA       |
| <b>Sensors and Instrumentation</b> |              |              |           |                   |                |               |               |              |
| Honeywell International Inc.       | 21.6%        | 38.3%        | \$106,492 | \$129.30          | 3.6%           | 14.2%         | 98.4%         | 12.5x        |
| Danaher Corporation                | 24.5%        | 56.4%        | \$69,937  | \$83.30           | (3.2%)         | (13.6%)       | 81.0%         | 18.2x        |
| AMETEK, Inc.                       | 26.2%        | 36.5%        | \$14,954  | \$57.03           | 6.8%           | 11.7%         | 99.5%         | 14.8x        |
| Sensata Technologies Holding NV    | 25.2%        | 28.6%        | \$9,947   | \$41.14           | (2.5%)         | 8.8%          | 90.8%         | 12.3x        |
| Meggitt PLC                        | 24.6%        | 34.1%        | \$6,147   | \$5.97            | 8.5%           | (1.0%)        | 91.7%         | 9.3x         |
| Teledyne Technologies Incorporated | 16.1%        | 38.8%        | \$5,264   | \$133.67          | 7.0%           | 45.9%         | 98.4%         | 15.2x        |
| FLIR Systems, Inc.                 | 21.3%        | 46.2%        | \$5,351   | \$37.51           | 4.0%           | 10.6%         | 99.4%         | 15.1x        |
| National Instruments Corporation   | 16.1%        | 74.4%        | \$4,130   | \$34.60           | 8.0%           | 23.6%         | 99.5%         | 20.9x        |
| Spectris plc                       | 16.9%        | 53.4%        | \$4,353   | \$34.83           | 12.0%          | 28.8%         | 98.9%         | 14.2x        |
| Itron, Inc.                        | 10.6%        | 32.2%        | \$2,682   | \$64.50           | 2.5%           | 55.3%         | 97.1%         | 12.6x        |
| ESCO Technologies Inc.             | 17.7%        | 36.6%        | \$1,671   | \$59.40           | 4.2%           | 55.1%         | 99.2%         | 16.5x        |
| Badger Meter, Inc.                 | 18.8%        | 39.0%        | \$1,206   | \$40.55           | 13.4%          | 15.1%         | 97.2%         | 16.2x        |
| JENOPTIK AG                        | 13.2%        | 33.8%        | \$1,494   | \$26.45           | 7.9%           | 66.3%         | 96.8%         | 14.9x        |
| MTS Systems Corporation            | 10.6%        | 35.8%        | \$1,259   | \$46.80           | (12.8%)        | (17.1%)       | 79.3%         | 18.3x        |
| Oxford Instruments plc             | 15.9%        | 44.5%        | \$805     | \$10.87           | 11.0%          | 11.0%         | 94.1%         | 9.7x         |
| First Sensor AG                    | 11.4%        | 16.5%        | \$159     | \$13.00           | (7.6%)         | 9.0%          | 80.3%         | 8.4x         |
| <b>Median</b>                      | <b>17.3%</b> | <b>37.4%</b> |           |                   | <b>5.5%</b>    | <b>13.0%</b>  | <b>97.2%</b>  | <b>14.9x</b> |
| <b>Mean</b>                        | <b>18.2%</b> | <b>40.3%</b> |           |                   | <b>3.9%</b>    | <b>20.2%</b>  | <b>93.9%</b>  | <b>14.3x</b> |
| <b>Condition Monitoring</b>        |              |              |           |                   |                |               |               |              |
| Hexagon AB                         | 30.1%        | 54.0%        | \$17,003  | \$42.89           | 5.9%           | 6.2%          | 96.9%         | 16.2x        |
| Team, Inc.                         | 5.4%         | 27.5%        | \$1,110   | \$28.10           | 10.6%          | (6.4%)        | 70.8%         | 17.2x        |
| Mistras Group, Inc.                | 11.2%        | 26.7%        | \$750     | \$22.18           | 10.0%          | (9.4%)        | 83.8%         | 9.3x         |
| <b>Median</b>                      | <b>11.2%</b> | <b>27.5%</b> |           |                   | <b>10.0%</b>   | <b>(6.4%)</b> | <b>83.8%</b>  | <b>16.2x</b> |
| <b>Mean</b>                        | <b>15.6%</b> | <b>36.0%</b> |           |                   | <b>8.8%</b>    | <b>(3.2%)</b> | <b>83.9%</b>  | <b>14.2x</b> |
| <b>Overall Median</b>              | <b>16.9%</b> | <b>36.6%</b> |           |                   | <b>6.8%</b>    | <b>11.0%</b>  | <b>96.9%</b>  | <b>14.9x</b> |
| <b>Overall Mean</b>                | <b>17.8%</b> | <b>39.6%</b> |           |                   | <b>4.7%</b>    | <b>16.5%</b>  | <b>92.3%</b>  | <b>14.3x</b> |

## PUBLIC COMPARABLES

FLOW CONTROL<sup>4</sup>

As of April 25, 2017 (\$ in Millions, except per share amounts)

## Flow Control Public Comparables

|                                | LTM Margins  |              | TEV      | Stock Performance |             |              |              | TEV /        |
|--------------------------------|--------------|--------------|----------|-------------------|-------------|--------------|--------------|--------------|
|                                | EBITDA       | Gross        |          | Current           | 1-Month     | 1-Year       | % of         | LTM          |
|                                |              |              |          | Price             | Change      | Change       | LTM High     | EBITDA       |
| <b>Pumps and Filtration</b>    |              |              |          |                   |             |              |              |              |
| Pentair plc                    | 19.6%        | 38.2%        | \$16,189 | \$64.66           | 6.5%        | 15.2%        | 96.5%        | 18.4x        |
| Xylem Inc.                     | 16.3%        | 37.0%        | \$11,405 | \$51.81           | 5.3%        | 22.7%        | 94.2%        | 18.6x        |
| IDEX Corporation               | 25.4%        | 46.7%        | \$8,691  | \$103.47          | 13.1%       | 25.2%        | 99.1%        | 15.8x        |
| Flowserve Corporation          | 13.6%        | 32.5%        | \$7,852  | \$50.60           | 10.8%       | 9.6%         | 96.4%        | 14.5x        |
| Trelleborg AB                  | 16.1%        | 32.5%        | \$7,807  | \$23.49           | 8.6%        | 28.2%        | 100.0%       | 15.3x        |
| Colfax Corporation             | 12.5%        | 30.3%        | \$6,264  | \$40.56           | 8.4%        | 26.8%        | 96.6%        | 13.7x        |
| Donaldson Company, Inc.        | 17.4%        | 34.8%        | \$6,585  | \$46.89           | 4.5%        | 42.7%        | 98.3%        | 16.7x        |
| Graco Inc.                     | 26.6%        | 53.3%        | \$5,855  | \$98.35           | 5.1%        | 23.5%        | 99.7%        | 16.5x        |
| IMI plc                        | 16.6%        | 42.7%        | \$4,777  | \$16.21           | 5.1%        | 16.3%        | 99.6%        | 12.9x        |
| Sulzer AG                      | 10.1%        | 30.6%        | \$4,113  | \$118.49          | 10.3%       | 31.8%        | 100.0%       | 13.9x        |
| ITT, Inc.                      | 15.2%        | 31.5%        | \$3,534  | \$42.01           | 7.0%        | 8.7%         | 95.5%        | 9.7x         |
| Essentra plc                   | 14.0%        | 7.9%         | \$2,228  | \$6.68            | 5.1%        | (46.0%)      | 52.3%        | 11.9x        |
| SPX Flow, Inc.                 | 10.1%        | 30.3%        | \$2,429  | \$36.60           | 12.6%       | 30.4%        | 98.5%        | 12.0x        |
| Franklin Electric Co., Inc.    | 15.1%        | 34.9%        | \$2,173  | \$44.50           | 8.0%        | 38.8%        | 98.6%        | 15.1x        |
| ESCO Technologies Inc.         | 17.7%        | 36.6%        | \$1,671  | \$59.40           | 4.2%        | 55.1%        | 99.2%        | 16.5x        |
| Gorman-Rupp Company            | 14.1%        | 24.8%        | \$731    | \$30.23           | 1.0%        | 6.4%         | 87.8%        | 13.6x        |
| <b>Median</b>                  | <b>15.7%</b> | <b>33.7%</b> |          |                   | <b>6.7%</b> | <b>24.3%</b> | <b>98.4%</b> | <b>14.8x</b> |
| <b>Mean</b>                    | <b>16.3%</b> | <b>34.0%</b> |          |                   | <b>7.2%</b> | <b>21.0%</b> | <b>94.5%</b> | <b>14.7x</b> |
| <b>Valves and Fittings</b>     |              |              |          |                   |             |              |              |              |
| Parker-Hannifin Corporation    | 13.9%        | 23.0%        | \$23,472 | \$165.22          | 5.4%        | 45.7%        | 99.8%        | 14.8x        |
| Weir Group PLC                 | 13.9%        | 31.4%        | \$6,798  | \$26.68           | 12.9%       | 55.0%        | 99.4%        | 19.6x        |
| Curtiss-Wright Corporation     | 19.3%        | 35.6%        | \$4,623  | \$93.48           | 2.5%        | 22.3%        | 86.9%        | 11.4x        |
| Crane Co.                      | 17.3%        | 36.7%        | \$5,088  | \$80.39           | 11.1%       | 42.0%        | 97.6%        | 10.7x        |
| Aalberts Industries N.V.       | 14.6%        | 18.3%        | \$5,115  | \$39.25           | 3.7%        | 16.1%        | 99.7%        | 12.6x        |
| Indutrade AB                   | 12.6%        | 32.7%        | \$2,986  | \$21.76           | 12.9%       | 10.8%        | 96.0%        | 15.7x        |
| Watts Water Technologies, Inc. | 13.9%        | 40.4%        | \$2,481  | \$62.75           | 3.4%        | 12.4%        | 88.3%        | 12.7x        |
| Mueller Water Products, Inc.   | 17.4%        | 32.0%        | \$2,383  | \$12.58           | 6.5%        | 23.1%        | 88.6%        | 12.0x        |
| Mueller Industries, Inc.       | 9.3%         | 14.3%        | \$1,902  | \$34.78           | 4.4%        | 10.6%        | 79.1%        | 9.9x         |
| CIRCOR International, Inc.     | 9.8%         | 31.7%        | \$1,267  | \$64.93           | 15.4%       | 36.3%        | 89.0%        | 21.9x        |
| <b>Median</b>                  | <b>13.9%</b> | <b>31.8%</b> |          |                   | <b>6.0%</b> | <b>22.7%</b> | <b>92.5%</b> | <b>12.7x</b> |
| <b>Mean</b>                    | <b>14.2%</b> | <b>29.6%</b> |          |                   | <b>7.8%</b> | <b>27.4%</b> | <b>92.4%</b> | <b>14.1x</b> |
| <b>Overall Median</b>          | <b>14.9%</b> | <b>32.5%</b> |          |                   | <b>6.5%</b> | <b>23.3%</b> | <b>97.1%</b> | <b>14.2x</b> |
| <b>Overall Mean</b>            | <b>15.5%</b> | <b>32.3%</b> |          |                   | <b>7.5%</b> | <b>23.4%</b> | <b>93.7%</b> | <b>14.5x</b> |

## PUBLIC COMPARABLES

### PROCESS AUTOMATION<sup>4</sup>

As of April 25, 2017 (\$ in Millions, except per share amounts)

#### Process / Motion Control Public Comparables

|                                 | LTM Margins  |              | TEV       | Stock Performance |                |               |               | TEV /        |
|---------------------------------|--------------|--------------|-----------|-------------------|----------------|---------------|---------------|--------------|
|                                 | EBITDA       | Gross        |           | Current Price     | 1-Month Change | 1-Year Change | % of LTM High | LTM          |
|                                 |              |              |           |                   |                |               |               | EBITDA       |
| <b>Automation and Robotics</b>  |              |              |           |                   |                |               |               |              |
| ABB Ltd.                        | 13.4%        | 29.4%        | \$52,493  | \$24.12           | 3.1%           | 16.6%         | 99.8%         | 11.6x        |
| Fanuc Corporation               | 33.9%        | 44.2%        | \$33,317  | \$205.94          | (0.8%)         | 20.4%         | 97.9%         | 20.4x        |
| Rockwell Automation, Inc.       | 19.7%        | 47.1%        | \$20,187  | \$160.14          | 4.5%           | 39.5%         | 99.6%         | 17.4x        |
| Metso Oyj                       | 12.3%        | 27.5%        | \$5,081   | \$8.47            | 10.3%          | 42.4%         | 100.0%        | 14.5x        |
| KUKA Aktiengesellschaft         | 8.2%         | 24.5%        | \$4,488   | \$116.36          | 8.7%           | 11.3%         | 94.5%         | 16.8x        |
| Krones AG                       | 9.5%         | 22.4%        | \$3,365   | \$118.87          | 9.6%           | 1.0%          | 97.4%         | 9.5x         |
| Automation Tooling Systems Inc. | 10.0%        | 20.9%        | \$964     | \$9.37            | (5.2%)         | 7.6%          | 88.5%         | 12.9x        |
| FARO Technologies, Inc.         | 8.6%         | 50.4%        | \$459     | \$36.45           | 6.6%           | 21.7%         | 90.8%         | 16.3x        |
| <b>Median</b>                   | <b>11.1%</b> | <b>28.5%</b> |           |                   | <b>5.5%</b>    | <b>18.5%</b>  | <b>97.7%</b>  | <b>15.4x</b> |
| <b>Mean</b>                     | <b>14.4%</b> | <b>33.3%</b> |           |                   | <b>4.6%</b>    | <b>20.1%</b>  | <b>96.1%</b>  | <b>14.9x</b> |
| <b>Motion and Drives</b>        |              |              |           |                   |                |               |               |              |
| Siemens AG                      | 12.8%        | 29.9%        | \$140,555 | \$144.99          | 7.9%           | 34.8%         | 99.7%         | 12.4x        |
| Danaher Corporation             | 24.5%        | 56.4%        | \$69,937  | \$83.30           | (3.2%)         | (13.6%)       | 81.0%         | 18.2x        |
| ABB Ltd.                        | 13.4%        | 29.4%        | \$52,493  | \$24.12           | 3.1%           | 16.6%         | 99.8%         | 11.6x        |
| Schneider Electric SE           | 16.7%        | 36.9%        | \$50,934  | \$80.76           | 11.0%          | 22.2%         | 99.4%         | 11.1x        |
| Nidec Corporation               | 16.7%        | 23.9%        | \$28,557  | \$93.25           | (0.4%)         | 31.8%         | 94.7%         | 15.5x        |
| Rockwell Automation, Inc.       | 19.7%        | 47.1%        | \$20,187  | \$160.14          | 4.5%           | 39.5%         | 99.6%         | 17.4x        |
| AMETEK Inc.                     | 26.2%        | 36.5%        | \$14,954  | \$57.03           | 6.8%           | 11.7%         | 99.5%         | 14.8x        |
| Yaskawa Electric Corporation    | 11.5%        | 29.7%        | \$5,070   | \$18.66           | (8.9%)         | 51.3%         | 90.0%         | 12.4x        |
| Rexnord Corporation             | 15.8%        | 32.4%        | \$3,701   | \$23.94           | 5.3%           | 9.6%          | 97.5%         | 12.3x        |
| <b>Median</b>                   | <b>16.7%</b> | <b>32.4%</b> |           |                   | <b>4.5%</b>    | <b>22.2%</b>  | <b>99.4%</b>  | <b>12.4x</b> |
| <b>Mean</b>                     | <b>17.7%</b> | <b>36.2%</b> |           |                   | <b>2.6%</b>    | <b>24.3%</b>  | <b>95.5%</b>  | <b>14.2x</b> |
| <b>Overall Median</b>           | <b>13.4%</b> | <b>29.9%</b> |           |                   | <b>4.5%</b>    | <b>20.4%</b>  | <b>97.9%</b>  | <b>14.5x</b> |
| <b>Overall Mean</b>             | <b>16.0%</b> | <b>34.6%</b> |           |                   | <b>3.7%</b>    | <b>21.4%</b>  | <b>95.9%</b>  | <b>14.4x</b> |

## PUBLIC COMPARABLES

### TEST SERVICES<sup>4</sup>

As of April 25, 2017 (\$ in Millions, except per share amounts)

#### Test Services

|   | LTM Margins  |              |          | Stock Performance |               |              |              | TEV /        |
|---|--------------|--------------|----------|-------------------|---------------|--------------|--------------|--------------|
|   | EBITDA       | Gross        | TEV      | Current           | 1-Month       | 1-Year       | % of         | LTM          |
|   |              |              |          | Price             | Change        | Change       | LTM High     | EBITDA       |
| <b>Testing, Inspection, and Certification</b> |              |              |          |                   |               |              |              |              |
| SGS SA  | 25.2%        | 38.5%        | \$17,723 | \$2,228.93        | 5.2%          | 0.8%         | 94.6%        | 11.6x        |
| Bureau Veritas SA                             | 18.2%        | 15.1%        | \$12,135 | \$22.72           | 13.4%         | (3.0%)       | 94.2%        | 13.2x        |
| Eurofins Scientific                           | 17.8%        | 11.0%        | \$9,450  | \$480.74          | 10.4%         | 29.1%        | 100.0%       | 18.9x        |
| Intertek Group plc                            | 19.4%        | 15.4%        | \$9,410  | \$51.96           | 6.1%          | 7.7%         | 99.8%        | 14.0x        |
| ALS Ltd.                                      | 17.7%        | 29.4%        | \$2,720  | \$4.70            | 0.6%          | 27.3%        | 95.4%        | 15.8x        |
| APPLUS S.A.                                   | 11.1%        | 27.4%        | \$2,269  | \$12.29           | 5.4%          | 37.4%        | 100.0%       | 11.6x        |
| Mistras Group, Inc.                           | 11.2%        | 26.7%        | \$750    | \$22.18           | 10.0%         | (9.4%)       | 83.8%        | 9.3x         |
| <b>Median</b>                                 | <b>17.8%</b> | <b>26.7%</b> |          |                   | <b>6.1%</b>   | <b>7.7%</b>  | <b>95.4%</b> | <b>13.2x</b> |
| <b>Mean</b>                                   | <b>17.2%</b> | <b>23.4%</b> |          |                   | <b>7.3%</b>   | <b>12.9%</b> | <b>95.4%</b> | <b>13.5x</b> |
| <b>Engineering and Consulting</b>             |              |              |          |                   |               |              |              |              |
| Abengoa S.A. Class A                          | -15.1%       | -123.0%      | \$10,408 | \$0.03            | (96.5%)       | (95.6%)      | 3.1%         | NM           |
| FCC, S.A.                                     | 13.7%        | 27.6%        | \$7,608  | \$9.29            | 0.2%          | 8.4%         | 88.9%        | 8.4x         |
| Jacobs Engineering Group Inc.                 | 6.0%         | 16.1%        | \$6,434  | \$55.11           | 1.8%          | 26.4%        | 86.9%        | 9.8x         |
| WSP Global Inc.                               | 7.7%         | 16.2%        | \$4,360  | \$36.94           | 6.1%          | 14.6%        | 99.8%        | 11.7x        |
| Amec Foster Wheeler plc                       | 6.0%         | 8.4%         | \$4,070  | \$7.20            | 9.4%          | 2.3%         | 90.5%        | 9.2x         |
| Tetra Tech, Inc.                              | 8.3%         | 12.7%        | \$2,788  | \$43.45           | 8.5%          | 42.4%        | 96.9%        | 13.0x        |
| Arcadis NV                                    | 7.9%         | 14.8%        | \$1,985  | \$17.30           | 11.2%         | 4.8%         | 98.3%        | 6.8x         |
| <b>Median</b>                                 | <b>7.7%</b>  | <b>14.8%</b> |          |                   | <b>6.1%</b>   | <b>8.4%</b>  | <b>90.5%</b> | <b>9.5x</b>  |
| <b>Mean</b>                                   | <b>4.9%</b>  | <b>-3.9%</b> |          |                   | <b>(8.5%)</b> | <b>0.5%</b>  | <b>80.6%</b> | <b>9.8x</b>  |
| <b>Overall Median</b>                         | <b>11.2%</b> | <b>15.8%</b> |          |                   | <b>6.1%</b>   | <b>8.1%</b>  | <b>95.0%</b> | <b>11.6x</b> |
| <b>Overall Mean</b>                           | <b>11.1%</b> | <b>9.7%</b>  |          |                   | <b>(0.6%)</b> | <b>6.7%</b>  | <b>88.0%</b> | <b>11.8x</b> |

## HARRIS WILLIAMS &amp; Co.

## SOURCES

1. Yahoo Finance
2. Reuters
3. Element Materials Technology Website
4. FactSet
5. ReadWrite
6. Automation World
7. Harvard Business School
8. The Economist

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