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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

DEAL SPOTLIGHT



Harris Williams & Co. announces that Smiths Interconnect's Power business (PDI), a leading provider of customized power distribution and monitoring solutions for global networks and systems, has been acquired by Dunes Point Capital, LLC. HW&Co. acted as exclusive financial advisor to Smiths Group.

[Read More](#)



Harris Williams & Co. announces that Tesla Motors (NASDAQ:TSLA), has agreed to acquire Grohmann Engineering GmbH ("Grohmann"). Harris Williams & Co. acted as the exclusive financial advisor to Grohmann. Grohmann provides highly customized, high yield, multi-process modular industrial automation solutions worldwide.

[Read More](#)

M&A | SELECT RECENT ACTIVITY

Parker-Hannifin (NYSE: PH) has agreed to acquire CLARCOR (NYSE: CLC) for \$4.3 billion, in a transaction that will double the company's filter business and mute the volatility from exposure to oil & gas and mining markets. Management expects to realize annual cost synergies of \$140 million three years post-close, and the transaction is expected to be complete in Q3 2017.

[Source](#)

Midea (SHE: 000333) nears finalization of its \$5 billion acquisition of German robotics maker Kuka (ETR: KU2). While China has historically benefited from low labor costs, companies are making the push towards automated manufacturing, and the Kuka acquisition is a significant step in that direction.

[Source](#)

Busch SE has made an offer to acquire all outstanding shares of Pfeiffer Vacuum Technologies AG (ETR: PFV) for approximately \$1 billion. The Germany-based vacuum parts maker looks to bolster its high vacuum offerings in the analytics and semiconductor industries.

[Source](#)

PUBLIC MARKETS | KEY TRADING STATISTICS

As of January 26, 2017

Sub-Sector Median	Stock Price % Change		TEV / EBITDA		TEV / LTM EBITDA		LTM Margins	
	1 Month	12 Month	LTM	NTM	Jan-16	Jul-16	Gross	EBITDA
Test and Measurement								
Sensors and Instrumentation	2.0%	19.5%	13.4x	11.9x	11.6x	12.0x	36.9%	17.4%
Condition Monitoring	(3.6%)	18.8%	15.7x	9.2x	11.3x	15.5x	27.0%	10.6%
Flow Control								
Pumps and Filtration	6.2%	38.2%	14.7x	12.6x	10.9x	12.9x	33.7%	16.3%
Valves and Fittings	1.9%	61.9%	13.4x	12.2x	9.1x	11.1x	32.9%	14.2%
Process / Motion Control								
Motion and Drives	8.3%	41.1%	12.2x	11.4x	9.4x	12.2x	31.6%	16.9%
Automation and Robotics	9.6%	35.7%	14.0x	12.3x	9.4x	11.9x	29.1%	12.5%
Test Services								
Testing, Inspection, and Certification	5.1%	20.9%	12.2x	11.5x	9.7x	11.1x	27.5%	18.6%
Engineering and Consulting	1.7%	24.2%	11.8x	9.6x	8.0x	10.1x	15.5%	7.7%

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WHAT WE'RE READING

HARNESSING AUTOMATION FOR A FUTURE THAT WORKS

McKinsey & Company

Recent developments in robotics, artificial intelligence, and machine learning have put us on the cusp of a new automation age. Robots and computers can not only perform a range of routine physical work activities better and more cheaply than humans, but they are also increasingly capable of accomplishing activities that include cognitive capabilities once considered too difficult to automate successfully, such as making tacit judgments, sensing emotion, or even driving. Automation will change the daily work activities of everyone, but how quickly these automation technologies become a reality in the workplace is yet to be determined.

Read the full article [here](#).

FOXCONN PLANS TO REPLACE ALMOST EVERY HUMAN WORKER WITH ROBOTS

The Verge

iPhone manufacturer, Foxconn, plans to increase automation capabilities in its factories to replace the vast majority of its employees. The first phase of Foxconn's automation plans involve replacing the work that is either dangerous or involves repetitious labor humans are unwilling to do. The second phase involves improving efficiency by streamlining production lines to reduce the number of excess robots in use. The third and final phase involves automating entire factories. The company has set a goal of 30% automation by 2020, and has already reported automating 60,000 jobs at one of its factories.

Read the full article [here](#).

AHR EXPO – THE WORLD'S LARGEST HVACR MARKETPLACE

AHR Expo

With approximately 80 percent of exhibitors reporting they will introduce new or recently enhanced products, this year's International Air-Conditioning, Heating, Refrigerating Exposition (AHR Expo) in Las Vegas exemplifies the industry-wide push for greater efficiency and innovation. Innovations being unveiled, January 30th to February 1st in Las Vegas, echo major trends driven by the growing construction market in North America and the world. The AHR Expo is one of the world's largest HVACR and plumbing industry events and is held annually in key markets and major cities across the U.S., hosting close to 2,000 exhibitors and bringing in crowds of 60,000 or more industry professionals.

Read more [here](#).

3D MEASUREMENT: A NEXT GENERATION TOOL FOR MANUFACTURING

Quality Magazine

With the ongoing rush to introduce new product designs at an ever-faster pace, with components growing more elaborate and complicated, it seems certain that the 21st century will see 3D measurement embraced as an essential manufacturing technology. 3D measurement provides an opportunity for excellence that was unavailable to earlier generations of industry. The ability to scan and create a precise, 3D replica of an object, complete with all its complex surface twists and turns, can still seem futuristic. But the technology is here and ready to be used by all manufacturers eager to push their quality standards beyond the next frontier.

Read the full article [here](#).

M&A TRANSACTIONS

RECENT M&A TRANSACTIONS

Date	Target	Vertical	Business Description	Acquirer
Pending	AmeriWater LLC	Flow Control	Designs and manufactures water treatment equipment and services	Empire Investment Holdings LLC
Pending	Eurodrip SA	Flow Control	Provides flow control solutions	Rivulis Irrigation Ltd.
Pending	JC Flow Controls Pte Ltd.	Flow Control	Distributes valve products	JC Fábrica de Válvulas SA
Pending	KUKA	Process Automation	Provides manufacturing robotics technologies	Midea
Pending	Pfeiffer Vacuum Technology AG	Flow Control	Develops, manufactures, and markets components and systems for vacuum generation, measurement, and analysis	Busch-Holding GmbH
1/23/2017	Hydraulics & Transmissions Ltd.	Process Automation	Distributes hydraulics equipment and system components	Flowtech Fluidpower Plc
1/19/2017	Aire Filter Products Tucson LLC	Flow Control	Provides and offers air filtration services and products	Flanders Corp.; American Air Filter
1/19/2017	The Laserflex Corp.	Process Automation	Manufactures metal fabrication products	Ryerson Holding Corp.
1/18/2017	Scinor Water Co., Ltd.	Flow Control	Provides water treatment technology and engineering services	Top Resource Conservation & Environment Corp.
1/18/2017	SIEMIC, Inc.	Test Services	Provides electrical and electronic equipment testing, analysis, and certification services	Bureau Veritas SA
1/13/2017	Beijing Longyuan Environmental Engineering Co., Ltd.	Test Services	Provides engineering services	Shanghai Yingsu Environment & Technology Co., Ltd.
1/12/2017	iAutomation	Process Automation	Manufactures automated equipment	Saw Mill Capital
1/11/2017	Telerobot Labs S.R.L.	Process Automation	Provides engineering services for automation and robotics	Danieli Automation SpA
1/11/2017	Universal Acoustic & Emission Technologies, Inc.	Flow Control	Manufactures air filtration solutions	Babcock & Wilcox Enterprises, Inc.
1/9/2017	Anvil International LLC	Flow Control	Manufactures and distributes pipe fittings, pipe hangers, and piping system	One Equity Partners LLC
1/9/2017	Tulip Diagnostics Pvt Ltd.	Test & Measurement	Manufactures and distributes diagnostic reagents and analytical instruments	PerkinElmer, Inc.
1/4/2017	Fremont Industries, Inc.	Flow Control	Provides water treatment equipment	Kurita Water Industries
1/2/2017	R.R.Robotica SRL	Process Automation	Manufactures industrial robots and automated systems	Shanghai Turin Robot Co.
12/31/2016	New Electric Enterprises, Inc.	Process Automation	Provides electrical contracting services	Spark Power Corp.

M&A TRANSACTIONS

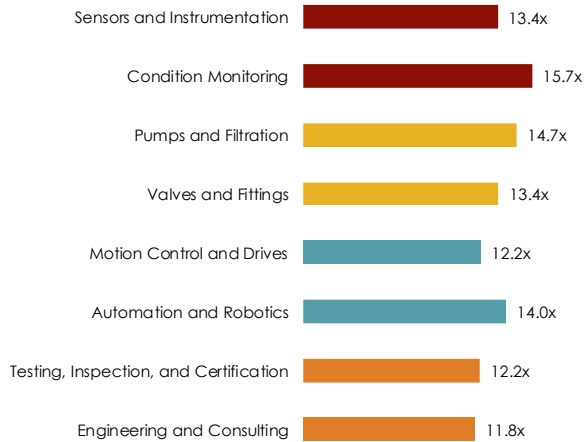
RECENT M&A TRANSACTIONS (CONTINUED)

Date	Target	Vertical	Business Description	Acquirer
12/22/2016	Air Power of Nebraska, Inc.	Flow Control	Manufactures and offers industrial compressed air systems	Atlas Copco AB
12/22/2016	Alectia A/S	Test Services	Provides engineering consulting services	NIRAS Gruppen AS
12/20/2016	Fuji Press Corp.	Process Automation	Manufactures and distributes valves, brackets, dampers, and moulds	ALCONIX Corp.
12/20/2016	Panasonic Industrial Devices SUNX Co., Ltd.	Test & Measurement	Manufactures and sells sensing and controlling equipment	Panasonic Corp.
12/19/2016	Acquavit Com e Ind de Sist de Tratamento de Água Ltda.	Flow Control	Provides water treatment, wastewater treatment, and waste-to-energy solutions	RWL Water LLC
12/19/2016	Pennar Enviro Ltd.	Flow Control	Provides water treatment and sewage treatment services	Pennar Industries Ltd.
12/16/2016	Durecom Co. Ltd.	Test & Measurement	Manufactures meter products	DRTECH Corp.
12/15/2016	Franz Wittmann Bäder und Wärme GmbH & Co. KG	Flow Control	Provides heating and ventilation systems services	Penzkofer Bau GmbH
12/15/2016	OT Industries Zrt	Test Services	Provides engineering consulting services	MOL Hungarian Oil & Gas Plc
12/15/2016	Sensor Control Nordic Holding AB	Process Automation	Supplies industrial automation products	Addtech AB
12/14/2016	Utility Funding Ltd.	Test & Measurement	Provides metering equipment	Foresight Metering Ltd.
12/13/2016	Zhuzhou Engineering Research	Process Automation	Provides motion control solutions	Zhuzhou CRRC Times Electric Co., Ltd.; Government of China
12/12/2016	Sacemi-Gamar SRL	Flow Control	Manufactures pumps and electric motors	Mezzalana Investment Group SpA
12/6/2016	Halm Pumpen + Motoren GmbH	Flow Control	Manufactures pumps and pumping equipment	AUMA Riester GmbH & Co. KG
12/6/2016	Insight (NDT) Ltd.	Test & Measurement	Develops non-destructive testing inspection equipment	Exova Group
12/6/2016	Seko Middle East Fze	Flow Control	Manufactures and assembles metering pumps and dosing systems	LEWA GmbH
12/5/2016	Vaccon Co., Inc.	Flow Control	Manufactures vacuum pumps	Bimba Manufacturing Co., Inc.
12/1/2016	CLARCOR, Inc.	Flow Control	Manufactures filtration products	Parker-Hannifin Corp.

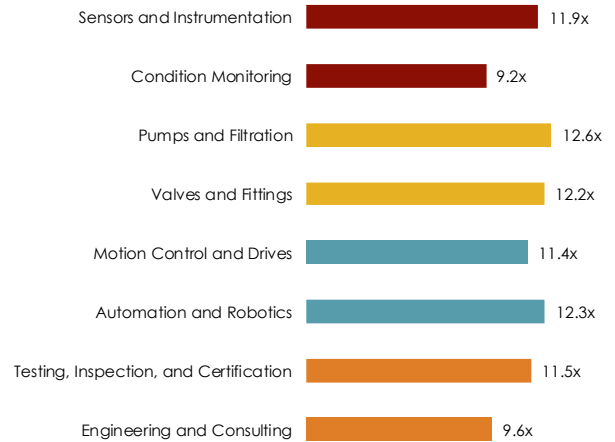
PUBLIC MARKETS OVERVIEW

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

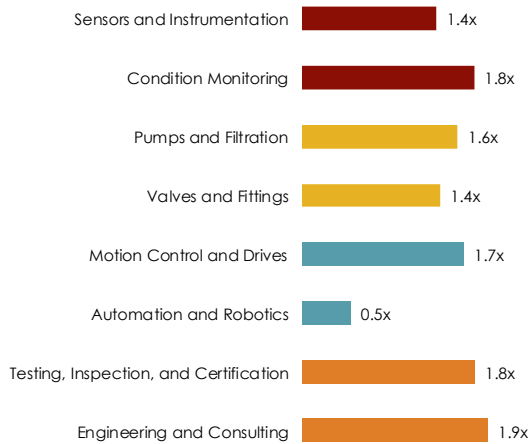
TEV / LTM EBITDA



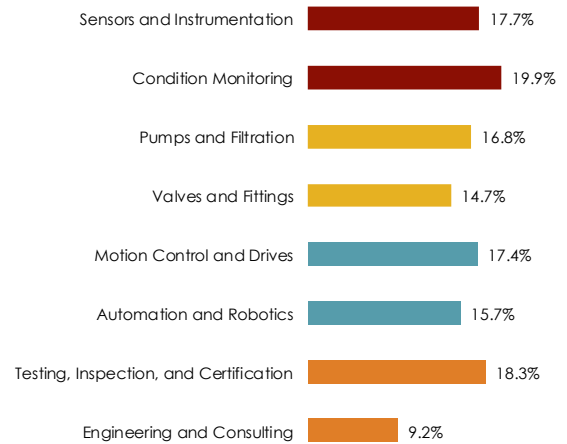
TEV / NTM EBITDA



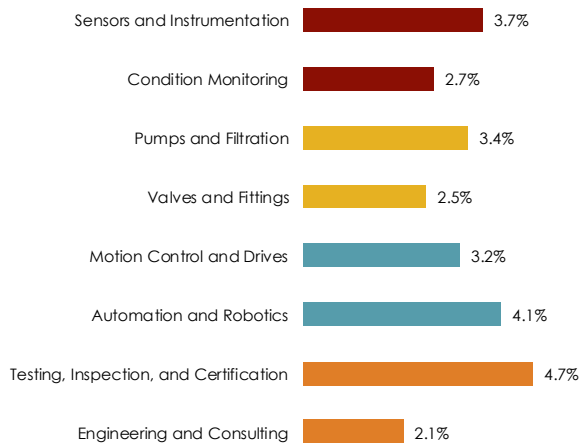
NET DEBT / LTM EBITDA



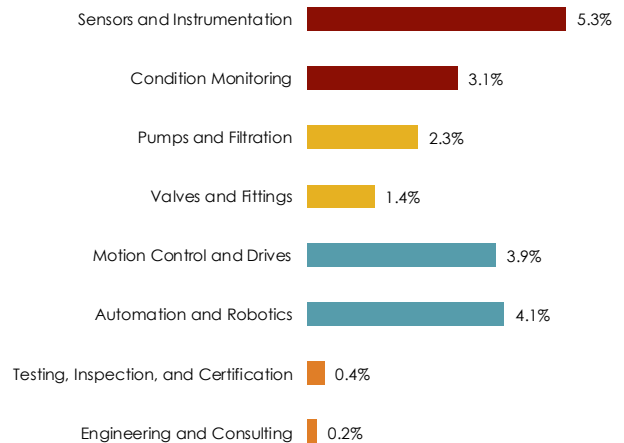
AVERAGE EBITDA MARGIN (2014 – 2016)



AVERAGE CAPEX / REVENUE (2014 – 2016)



RESEARCH & DEVELOPMENT / LTM REVENUE



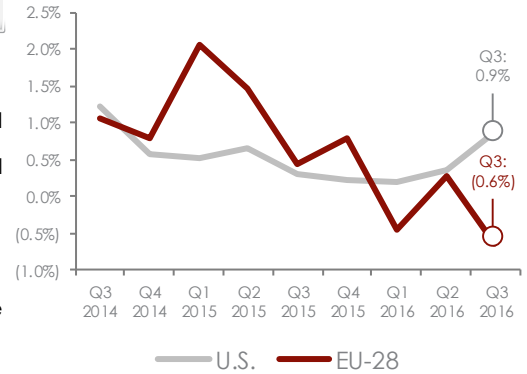
ECONOMIC UPDATE

GROSS DOMESTIC PRODUCT

Billions of 2009 dollars

- U.S.**
- Real GDP increased by an annual rate of 0.9% in the third quarter of 2016, and has increased 1.7% YoY
 - Current dollar GDP increased 1.2%, or \$225 billion in the third quarter to a level of \$18.7 trillion

- EU-28**
- EU-28 GDP fell by 0.6% in the third quarter of 2016, and is down 0.02% YoY
 - Consumer confidence registered comparatively negligible gains while services confidence was virtually unchanged

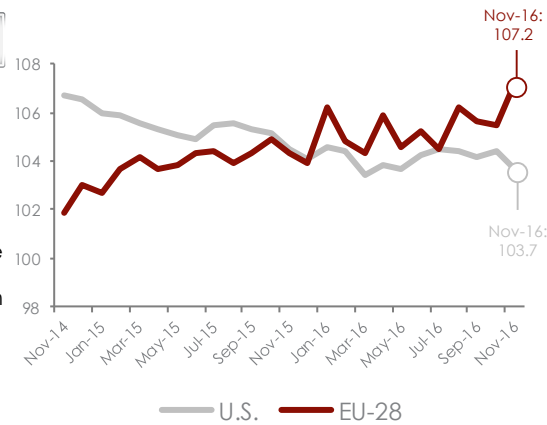


INDUSTRIAL PRODUCTION

Indexed to 2012

- U.S.**
- Industrial production decreased 0.7% in November
 - Capacity utilization for the industrial sector decreased 0.5% in November

- EU-28**
- Industrial production increased 1.6% in November, following a 0.1% decrease in October
 - European industrial manufacturing capacity utilization increased 0.1% in November

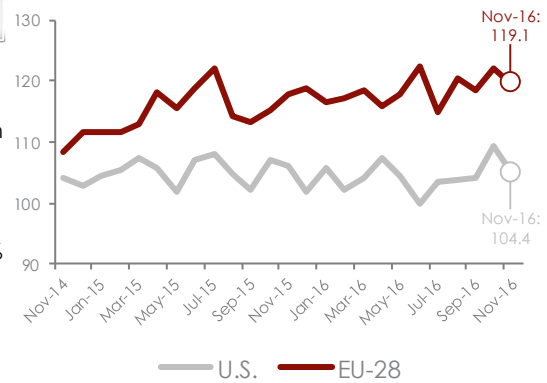


NEW ORDERS

Indexed to 2012

- U.S.**
- U.S. new orders decreased by 4.5% in November, following a 5.0% increase in October
 - Through the first eleven months of 2016, new orders decreased by 1.3%.

- EU-28**
- The EU-28 saw new orders decrease by 2.5% in November, following a 3.2% increase in October

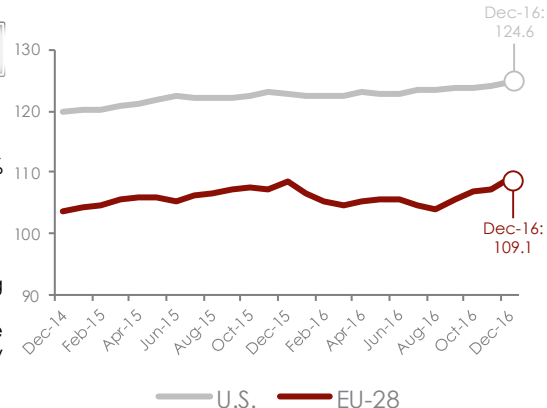


ECONOMIC SENTIMENT

Indexed to 2012

- U.S.**
- U.S. economic sentiment increased 0.5% in December, following a 0.1% decline in November
 - While uncertainty remains, post-election sentiment has been primarily positive

- EU-28**
- Economic sentiment in the EU-28 increased by 1.7% in December, increasing for the fourth consecutive month
 - 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.

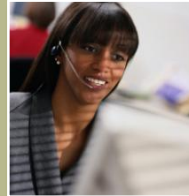
Aerospace, Defense
& Government
Services



Building Products
& Materials



Business
Services



Consumer



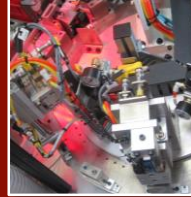
Energy, Power
& Infrastructure



Healthcare
& Life Sciences



Industrials
Industrial Technology



Specialty
Distribution



Technology,
Media & Telecom



Transportation
& Logistics



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NETWORK OFFICES

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Hong Kong

Mumbai

New Delhi

Shanghai

PUBLIC COMPARABLES

TEST AND MEASUREMENT

As of January 26, 2017 (\$ in Millions, except per share amounts)

Test and Measurement Public Comparables

	LTM Margins		TEV	Stock Performance				TEV /
	EBITDA	Gross		Price	1-Month Change	1-Year Change	% of LTM High	LTM
								EBITDA
Sensors and Instrumentation								
Honeywell International Inc.	21.3%	36.6%	\$100,896	\$117.88	0.8%	19.7%	98.2%	12.1x
Danaher Corporation	24.3%	55.0%	\$64,240	\$81.03	2.6%	(4.3%)	78.8%	14.5x
AMETEK, Inc.	26.5%	37.1%	\$13,904	\$52.40	6.0%	12.4%	99.6%	13.6x
Sensata Technologies Holding NV	26.5%	28.0%	\$10,335	\$42.76	6.8%	16.8%	97.9%	12.5x
Meggitt PLC	24.3%	34.2%	\$6,024	\$5.49	(3.9%)	6.5%	84.3%	9.6x
Teledyne Technologies Incorporated	16.4%	38.4%	\$4,914	\$124.15	0.1%	58.4%	96.0%	13.7x
FLIR Systems, Inc.	21.7%	46.7%	\$4,694	\$35.20	(3.7%)	19.3%	94.7%	13.3x
National Instruments Corporation	15.7%	74.0%	\$3,798	\$31.97	3.6%	12.0%	99.9%	19.7x
Spectris plc	17.1%	54.1%	\$3,756	\$30.32	9.7%	34.9%	98.1%	12.3x
Itron, Inc.	9.6%	34.0%	\$2,604	\$62.55	(2.4%)	98.4%	94.6%	13.4x
ESCO Technologies Inc.	17.7%	36.6%	\$1,534	\$56.90	(2.1%)	70.3%	96.9%	15.2x
Badger Meter, Inc.	18.5%	38.2%	\$1,174	\$39.05	1.4%	44.1%	98.0%	16.0x
JENOPTIK AG	14.4%	33.0%	\$1,105	\$19.03	11.2%	31.7%	98.4%	10.3x
MTS Systems Corporation	10.5%	36.1%	\$728	\$58.60	3.9%	9.6%	94.1%	11.9x
Oxford Instruments plc	15.9%	40.2%	\$713	\$9.26	4.9%	(12.7%)	80.9%	8.6x
First Sensor AG	8.4%	12.0%	\$187	\$14.82	(0.9%)	27.4%	91.6%	14.6x
Median	17.4%	36.9%			2.0%	19.5%	96.4%	13.4x
Mean	18.0%	39.6%			2.4%	27.8%	93.9%	13.2x
Condition Monitoring								
Hexagon AB	29.8%	54.7%	\$16,199	\$39.72	11.4%	18.8%	89.8%	15.7x
Team, Inc.	6.2%	27.0%	\$1,408	\$36.00	(3.6%)	50.6%	90.7%	19.2x
Mistras Group, Inc.	10.6%	27.0%	\$789	\$23.49	(8.7%)	14.5%	88.7%	10.8x
Median	10.6%	27.0%			(3.6%)	18.8%	89.8%	15.7x
Mean	15.5%	36.3%			(0.3%)	28.0%	89.7%	15.2x
Overall Median	17.1%	36.6%			1.4%	19.3%	94.7%	13.4x
Overall Mean	17.7%	39.1%			1.9%	27.8%	93.2%	13.5x

PUBLIC COMPARABLES

FLOW CONTROL

As of January 26, 2017 (\$ in Millions, except per share amounts)

Flow Control Public Comparables

	LTM Margins		TEV	Stock Performance				TEV /
	EBITDA	Gross		Price	1-Month Change	1-Year Change	% of LTM High	LTM
								EBITDA
Pumps and Filtration								
Pentair plc	18.4%	33.9%	\$15,532	\$61.50	8.2%	35.7%	91.8%	15.5x
Xylem Inc.	16.0%	38.0%	\$9,594	\$50.15	(1.7%)	45.2%	91.2%	16.3x
IDEX Corporation	25.9%	46.5%	\$8,009	\$92.97	2.4%	32.3%	97.1%	14.9x
Flowserve Corporation	12.3%	33.5%	\$8,125	\$51.85	6.2%	38.8%	98.8%	15.7x
Trelleborg AB	16.6%	33.1%	\$7,146	\$20.91	7.9%	19.0%	100.0%	14.3x
Colfax Corporation	13.2%	30.9%	\$6,313	\$40.00	10.0%	90.7%	99.9%	12.6x
Donaldson Company, Inc.	16.8%	34.7%	\$6,149	\$43.37	1.4%	56.2%	93.7%	16.3x
Graco Inc.	26.4%	53.2%	\$5,351	\$88.63	5.5%	27.0%	99.7%	15.5x
IMI plc	16.9%	42.0%	\$4,311	\$14.19	13.1%	26.0%	94.2%	11.1x
Sulzer AG	11.4%	30.4%	\$3,794	\$112.20	9.4%	28.2%	99.6%	11.1x
ITT, Inc.	15.7%	31.6%	\$3,613	\$42.90	9.0%	38.6%	99.3%	9.3x
Essentra plc	17.1%	26.3%	\$1,976	\$5.27	(5.5%)	(49.3%)	41.1%	7.1x
SPX Flow, Inc.	10.1%	30.5%	\$2,418	\$36.49	12.3%	62.6%	100.0%	11.4x
Franklin Electric Co., Inc.	15.3%	34.4%	\$2,060	\$41.35	6.2%	59.4%	92.8%	14.5x
ESCO Technologies Inc.	17.7%	36.6%	\$1,534	\$56.90	(2.1%)	70.3%	96.9%	15.2x
Gorman-Rupp Company	13.2%	24.1%	\$781	\$32.38	(4.1%)	37.7%	94.0%	15.3x
Median	16.3%	33.7%			6.2%	38.2%	97.0%	14.7x
Mean	16.4%	35.0%			4.9%	38.7%	93.1%	13.5x
Valves and Fittings								
Parker-Hannifin Corporation	13.9%	23.0%	\$21,420	\$149.52	4.7%	62.9%	99.8%	13.5x
Weir Group PLC	15.3%	33.0%	\$6,568	\$25.40	10.5%	107.5%	98.9%	16.2x
Curtiss-Wright Corporation	20.0%	35.9%	\$4,933	\$98.19	(2.9%)	41.5%	91.2%	11.6x
Crane Co.	16.9%	36.1%	\$4,825	\$75.25	2.9%	61.8%	95.3%	10.4x
Aalberts Industries N.V.	14.5%	18.1%	\$4,819	\$34.92	8.7%	11.1%	95.8%	12.0x
Indutrade AB	13.0%	33.1%	\$2,929	\$20.47	3.4%	17.0%	90.3%	15.1x
Watts Water Technologies, Inc.	13.2%	39.8%	\$2,488	\$64.45	(2.8%)	34.9%	90.7%	13.3x
Mueller Water Products, Inc.	15.2%	32.0%	\$2,515	\$13.61	0.8%	67.8%	95.8%	14.5x
Mueller Industries, Inc.	9.0%	13.7%	\$2,291	\$40.49	0.3%	62.0%	96.8%	12.4x
CIRCOR International, Inc.	12.1%	32.9%	\$1,064	\$63.51	(3.6%)	87.1%	91.3%	14.7x
Median	14.2%	32.9%			1.9%	61.9%	95.6%	13.4x
Mean	14.3%	29.8%			2.2%	55.4%	94.6%	13.4x
Overall Median	15.3%	33.1%			4.1%	40.2%	95.8%	14.4x
Overall Mean	15.6%	33.0%			3.9%	45.1%	93.7%	13.5x

PUBLIC COMPARABLES

PROCESS AUTOMATION

As of January 26, 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
Automation and Robotics								
ABB Ltd.	14.1%	29.8%	\$53,098	\$23.50	11.3%	41.1%	99.8%	11.2x
Fanuc Corporation	38.0%	47.6%	\$29,751	\$192.90	12.4%	26.5%	99.3%	15.1x
Rockwell Automation, Inc.	19.9%	47.3%	\$19,262	\$153.01	12.5%	62.0%	98.4%	16.3x
Metso Oyj	12.6%	28.5%	\$4,743	\$7.74	8.4%	48.9%	100.0%	12.8x
KUKA Aktiengesellschaft	7.8%	24.7%	\$3,722	\$97.94	7.9%	26.4%	79.5%	15.3x
Krones AG	7.0%	22.5%	\$3,099	\$102.26	10.8%	(4.9%)	83.8%	12.2x
Automation Tooling Systems Inc.	12.4%	22.5%	\$974	\$9.72	5.4%	30.2%	98.3%	9.9x
FARO Technologies, Inc.	9.2%	50.7%	\$480	\$37.90	3.8%	52.8%	94.4%	16.0x
Median	12.5%	29.1%			9.6%	35.7%	98.3%	14.0x
Mean	15.1%	34.2%			9.1%	35.4%	94.2%	13.6x
Motion and Drives								
Siemens AG	12.8%	29.9%	\$126,685	\$128.58	6.6%	30.8%	99.8%	11.2x
Danaher Corporation	24.3%	55.0%	\$64,240	\$81.03	2.6%	(4.3%)	78.8%	14.5x
ABB Ltd.	14.1%	29.8%	\$53,098	\$23.50	11.3%	41.1%	99.8%	11.2x
Schneider Electric SE	16.9%	35.9%	\$49,812	\$73.82	8.3%	40.2%	99.7%	10.4x
Nidec Corporation	16.2%	23.0%	\$27,734	\$94.34	8.0%	44.3%	95.8%	17.5x
Rockwell Automation, Inc.	19.9%	47.3%	\$19,262	\$153.01	12.5%	62.0%	98.4%	16.3x
AMETEK Inc.	26.5%	37.1%	\$13,904	\$52.40	6.0%	12.4%	99.6%	13.6x
Yaskawa Electric Corporation	11.5%	29.7%	\$4,780	\$17.57	11.9%	57.5%	100.0%	11.7x
Rexnord Corporation	16.9%	31.6%	\$3,965	\$22.47	15.1%	44.0%	97.8%	12.2x
Median	16.9%	31.6%			8.3%	41.1%	99.6%	12.2x
Mean	17.8%	36.0%			8.4%	35.5%	96.5%	13.3x
Overall Median	14.1%	29.9%			8.4%	41.1%	98.4%	12.8x
Overall Mean	16.5%	34.9%			9.1%	35.9%	95.5%	13.4x

PUBLIC COMPARABLES

TEST SERVICES

As of January 26, 2017 (\$ in Millions, except per share amounts)

Test Services

	LTM Margins			Stock Performance				TEV / LTM EBITDA
	EBITDA	Gross	TEV	Current	1-Month	1-Year	% of	
				Price	Change	Change	LTM High	
Testing, Inspection, and Certification								
SGS SA	19.2%	38.9%	\$16,735	\$2,098.89	4.3%	9.8%	89.1%	14.3x
Bureau Veritas SA	18.6%	15.8%	\$11,099	\$19.76	2.6%	3.8%	82.0%	11.9x
Eurofins Scientific	18.7%	12.3%	\$8,972	\$446.87	6.5%	36.7%	95.1%	18.7x
Intertek Group plc	19.5%	15.1%	\$8,340	\$43.71	5.0%	10.9%	88.8%	12.5x
ALS Ltd.	17.7%	29.4%	\$2,706	\$4.68	13.4%	81.6%	94.8%	15.7x
APPLUS S.A.	11.6%	28.1%	\$2,250	\$11.42	16.3%	42.8%	98.8%	10.6x
SAI Global Limited	27.5%	27.9%	\$912	\$3.58	5.3%	27.3%	98.1%	8.0x
Mistras Group, Inc.	10.6%	27.0%	\$789	\$23.49	(8.7%)	14.5%	88.7%	10.8x
Median	18.6%	27.5%			5.1%	20.9%	91.9%	12.2x
Mean	17.9%	24.3%			5.6%	28.4%	91.9%	12.8x
Engineering and Consulting								
Abengoa S.A. Class A	3.2%	2.8%	\$11,278	\$0.47	(1.0%)	(28.2%)	41.8%	65.8x
FCC, S.A.	9.2%	25.9%	\$8,327	\$8.47	6.5%	24.2%	81.1%	12.9x
Jacobs Engineering Group Inc.	6.0%	16.1%	\$7,313	\$61.87	6.3%	65.2%	97.6%	11.1x
WSP Global Inc.	7.7%	16.1%	\$4,246	\$35.34	5.3%	26.6%	97.6%	11.8x
Amec Foster Wheeler plc	6.3%	9.4%	\$3,641	\$5.72	(0.0%)	4.8%	71.9%	6.9x
Tetra Tech, Inc.	8.3%	12.7%	\$2,799	\$44.35	1.7%	81.4%	98.9%	13.1x
Arcadis NV	14.1%	15.5%	\$1,831	\$14.02	0.6%	(6.0%)	72.5%	3.4x
Median	7.7%	15.5%			1.7%	24.2%	81.1%	11.8x
Mean	7.8%	14.1%			2.8%	24.0%	80.2%	17.9x
Overall Median	11.6%	16.1%			5.0%	24.2%	89.1%	11.9x
Overall Mean	13.2%	19.5%			4.3%	26.3%	86.4%	15.2x

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SOURCES

Bloomberg	PNC Economic Outlook
Eurostat	Quality Magazine
FactSet	Reuters
McKinsey	S&P Leveraged Commentary & Data
Mergermarket	The Verge
Pitchbook	Wall Street Journal

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