



Test and
measurement
newsletter

Q3 2016

Test and Measurement M&A Newsletter

Q3 2016

Test and Measurement Market Commentary

Companies within the Test & Measurement (T&M) industry continued to maintain strong trading multiples in Q3'16, with a mean EV/LTM EBITDA of 17.2x for Life Sciences Instruments companies, 12.9x for Testing, Inspection, and Certification (TIC) companies, and 13.1x for Industrial Instruments companies. Although financial buyers comprised approximately 25.8% of total announced deals in Q3'16, strategic buyers remained aggressive, participating in 74.2% of announced deals, led by SGS SA and Eurofins with five and four announced transactions, respectively.

Global M&A activity in the T&M industry increased 22.4% in Q3'16 with 120 announced deals versus Q3'15. Deal value declined slightly by 3.6% with \$6.3 billion in Q3'16 versus Q3'15, largely anchored by one meaningful acquisition: the \$4.4 billion announced acquisition of Cepheid, a molecular diagnostics company, by Danaher Corp.

Total of **121 announced deals** in Q3'16, an increase of **23.5% versus Q3'15**



Q3'16 total **announced deal value was \$6.4 billion**, down 1.1% from Q3'15



Cross-border deals represented **29.8% of total volume for Q3'16**, down from **36.7% in Q3'15**

Q3'15
36.7%

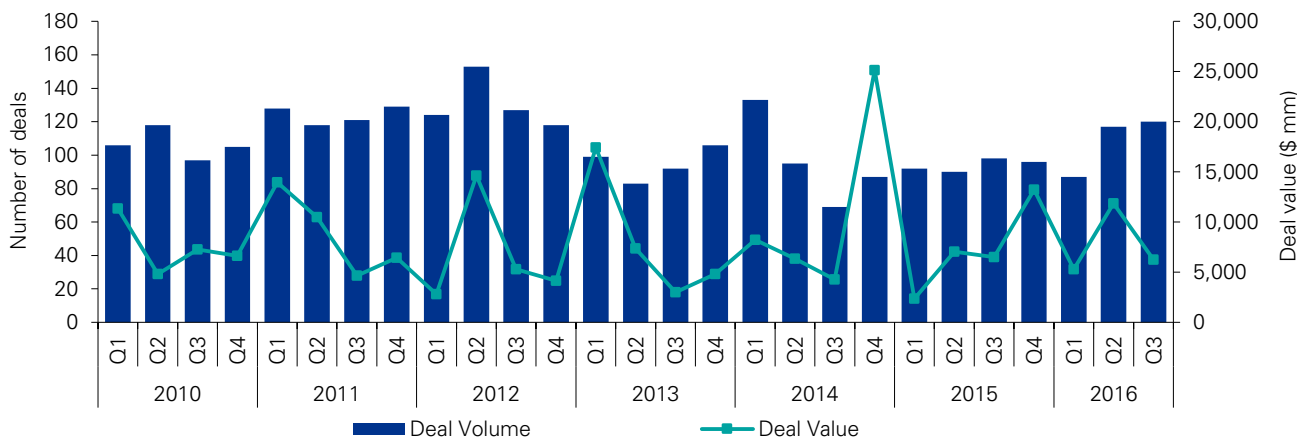


Q3'16
29.8%

Deal volume for the **Testing, Inspection, and Certification Services (TIC) subsector** was **down 27.5%**, while **Instruments, Equipment, and Supplies (IES) subsector** volume was **up 86.7%** in Q3'16 versus Q3'15



Global T&M Industry Announced Deal Volume and Value



Source: Capital IQ, Mergermarket, press releases

Notes: M&A analysis based on deals announced and/or closed during the respective periods. Deal value represents aggregate deal value for disclosed transactions for the time periods noted on the above graph

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Topic of Interest

Food Safety Testing

The global Food Safety Testing market, as defined by Contaminant (Pathogens, Pesticides, GMOs, and Toxins), Food Tested (Meat & Poultry, Dairy Product, Processed Food, and Fruits & Vegetables), Technology (Traditional and Rapid), is projected to reach a value of \$17.16 billion by 2021, representing a CAGR of 7.4% from 2016. The growth is driven in part by the U.S. government spending to reduce the impact of foodborne pathogens and developing regions such as Central and South America, Asia-Pacific, Africa and the Middle East increasingly embracing food testing. Asia-Pacific, particularly China, is projected to be the fastest-growing region in the food safety testing market, driven by rising prosperity (and income) and growing populations that demand safer, better-scrutinized foods. Japan has made great strides in implementing stringent regulations around food safety testing and has been consistently registering patents for developing technologies to detect contaminants.

Due to rising concerns regarding health issues due to contaminants, advancement of testing technologies, and increasing demand from food manufacturers, laboratories have been adopting rapid testing technologies to obtain faster results. Testing for pathogens in food dominated, namely meat, poultry and dairy products with Salmonella accounting for the largest share. In the U.S. alone, there are an estimated 47.8 million illnesses, over 127,000 hospitalizations and 3,000-plus deaths attributed to foodborne illness each year. Traditional means for microbial detection are no longer matching the pace of today's food processing and global distribution networks. The rapid technology segment is forecasted to grow at the highest rate from 2016 to 2021 with emerging rapid sensor and detection platforms are providing timely and actionable information needed to combat the human and economic burdens resulting from foodborne disease.

Notable Recent Deals

Paine & Partners, LLC announces the acquisition of The Global ID Group

Paine & Partners, LLC, a global private equity investment firm dedicated to investing in food and agribusiness, announced on September 26, 2016 that it has entered into a definitive agreement to acquire The Global ID Group ("Global ID"), a market leading platform dedicated to providing food safety and food quality solutions in the rapidly evolving food industry. Mr. Ken Ross, Chief Executive Officer of Global ID, commented "Since our founding, Global ID has been at the forefront of the rapidly evolving and demanding food safety industry. As we look toward the future, we see significant opportunities for us to build on our strong foundation, as demand for food safety and quality continues to increase. In Paine & Partners, we have a partner whose experience in the agribusiness industry and resources can help us achieve our growth plans as we enter the next phase of our development." Financial terms of the transaction were not disclosed.

Mettler-Toledo announces the acquisition of Henry Troemner, LLC

Mettler-Toledo International Inc. entered into an agreement to acquire Henry Troemner LLC, a leading supplier of lab equipment, weights and weight calibration, for approximately \$96 million in May 2016. Mettler-Toledo stated that the acquisition will expand the offering of basic lab products which are sold through indirect distribution under its secondary brand, Ohaus. In addition, Mettler-Toledo will become a global leader in weights and weight calibration through the combination of Troemner's U.S.-based business with its European business. The transaction is expected to close in third quarter of 2016.

Source: *Markets and Markets, Capital IQ, Mergermarket, press releases*

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Notable Recent Deals

Warburg Pincus to acquire Hygiena LLC

Warburg Pincus, a global private equity firm, announced on July 20, 2016 that it has entered into a definitive agreement whereby one of its affiliates will invest in Hygiena LLC ("Hygiena"), a leader in rapid-results environmental testing. Hygiena is a leading microbiology and life sciences company that serves industrial food processors, healthcare institutions, life science researchers and the general public in more than 50 countries. Hygiena manufactures and sells a broad range of rapid hygiene monitoring systems, environmental collection systems and rapid dilution services. Financial terms of the transaction were not disclosed.

Smiths Group to acquire Morpho Detection from Safran S.A.

Smiths Group plc entered into an agreement to acquire Morpho Detection, Inc., a California-based detection and security solutions company, from Safran S.A. for approximately \$710 million on April 21, 2016. The consideration will be funded from a combination of Smiths Group's existing cash resources and available committed bank facilities. Post-acquisition, Morpho Detection will be merged with Smiths Group's Detection division. With reported revenue of \$320 million and EBITDA of \$70 million for the year ended December 31, 2015, Morpho Detection was acquired for an implied enterprise value multiple of 2.2x revenue and 10.2x EBITDA. The deal is conditional upon regulatory clearances in the U.S., Europe and certain other territories, as well as other customary closing conditions, and is expected to take place in early 2017.

Marlin Equity Partners completes the acquisition of QualiTest Group

On September 28, 2016, Marlin Equity Partners completed the acquisition of QualiTest Group ("QualiTest"), the second largest pure-play software testing and business assurance company globally. QualiTest combines industry-leading tools and methodologies to deliver a wide range of high-quality testing and business assurance solutions to large global enterprises across the technology, telecom, healthcare, finance, defense, media, utilities and retail industries. "Our success has been a result of combining customer-centric business models and innovative thinking with a deep focus on addressing the challenges and goals of our customers," said Ayal Zylberman, co-founder and CEO of QualiTest. "Marlin has a long and proven history of growing technology businesses and we are pleased to have a partner that shares our vision and strategy to accelerate growth both organically and through acquisitions." Financial terms of the transaction were not disclosed.

Thermo Fisher completes the acquisition of FEI Company

Thermo Fisher Scientific Inc. completed its acquisition of FEI Company, Inc., the leader in high-performance electron microscopy, for \$107.50 per share in cash, or a total purchase price of approximately \$4.2 billion. The completion of the transaction follows the receipt of all required regulatory approvals. The business will become part of Thermo Fisher's Analytical Instruments Segment. Marc N. Casper, President and Chief Executive Officer of Thermo Fisher Scientific, stated "With FEI's leading electron microscopy platform, we're now in an even stronger position to help our life sciences customers accelerate advancements in structural biology. FEI's products also create new opportunities for us to serve customers in materials science markets that increasingly rely on nanotechnologies. FEI is an outstanding strategic fit with our Analytical Instruments business and we will create significant value for our customers by leveraging our global scale and commercial reach to extend the use of these technologies." The transaction closed on September 19, 2016, with an implied valuation of approximately 20.1x EBITDA.

Source: Capital IQ, Mergermarket, press releases

Notable Recent Deals

OSI Systems completes the acquisition of American Science and Engineering

OSI Systems, Inc., a manufacturer of x-ray systems for security purposes, patient monitoring equipment, and light-sensing electrical components, acquired American Science & Engineering Inc., a technology provider to homeland security and other markets, for approximately \$260 million in cash on September 12, 2016. Under the terms of the agreement, OSI Systems, Inc. will acquire American Science & Engineering Inc. for \$37 per share in cash. "We are pleased to complete our acquisition of AS&E," said Deepak Chopra, OSI Systems' chief executive, "and look forward to continue delivering compelling value and service to our customers worldwide with an expanded portfolio of screening solutions for port, border, aviation and critical infrastructure security." The acquisition deepens OSI Systems' reach in the x-ray systems industry, especially for security and military applications.

Spectris completes the acquisition of Millbrook Group Limited from Rutland Partners LLP

Spectris plc, the productivity-enhancing instrumentation and controls company, acquired Millbrook Group Limited from Rutland Partners LLP for approximately £120 million (of which £3.4 million is deferred for 24 months) on September 1, 2016. Millbrook is one of Europe's leading test, validation and engineering service providers primarily for the automotive and related markets. Millbrook Group reported 2015 revenue of £48 million and EBITDA of £5.4 million. Alex Burns, Chief Executive Officer of Millbrook and the majority of the senior management team of Millbrook will remain with the business and help to grow Spectris in its target markets. John O'Higgins, Chief Executive Officer of Spectris, said "Millbrook represents our largest purchase to date of a pure testing services business. It is closely related to our existing instrumentation businesses and, as such, the acquisition is an important step forward in the realization of the Group's strategy to provide our customers with differentiated solutions that incorporate a combination of hardware, software and services.

MTS Systems acquires PCB Group

MTS Systems Corporation announced that it has completed the acquisition of PCB Group, Inc. ("PCB") for \$580 million. PCB is a manufacturer of piezoelectric sensors and components used for vibration, pressure and force measurement. "The completion of the PCB acquisition marks a major milestone for MTS Systems and we are very excited about welcoming them into the MTS organization," said Dr. Jeffrey Graves, President and Chief Executive Officer of MTS Systems. "The addition of PCB, with their strong brand and proven leadership, under the direction of PCB President, Dave Hore, positions MTS as a sustainable, technology-leading 'Test and Measurement' solutions provider with a broad product portfolio, positioned to service customers in every major market around the world. The combination brings scale to our current Sensors' business with highly complementary sensor products and strong channels to market, balancing the revenue mix between our Test and Sensors segments, while enhancing the margin profile of the company and creating significant cross-selling opportunities across the combined portfolio." The transaction closed on July 5, 2016, with an implied valuation of approximately 13.5x EBITDA.

Olympus Partners acquires AmSpec from Incline Equity Partners

Stamford, Connecticut-based Olympus Partners has acquired AmSpec Holding Corp. ("AmSpec"), a leading provider of testing, inspection, and certification ("TIC") services for petroleum traders and refiners, from Incline Equity Partners. AmSpec operates a network of more than 50 laboratories and inspection facilities in North America, South America, Europe, and Asia. "AmSpec has a unique business model that has led to significant organic growth, with customer service, turnaround time and lab capabilities serving as key differentiators. The company has an established presence in attractive markets with a broad, blue chip customer base," said Manu Bettengowda, Partner at Olympus. "We look forward to working with CEO Matt Corr and the rest of the AmSpec management team to help support the growth of the company through acquisitions and continued investment in the company's facility network to expand to new customers and untapped geographies," added Jason Miller, Partner at Olympus. Financial terms of the transaction were not disclosed.

Source: Capital IQ, Mergermarket, press releases

Testing, Inspection, and Certification (TIC) Services

The broader Test and Measurement Industry comprises services and instruments. The services side of the T&M industry includes Testing, Inspection, and Certification (TIC) services that are provided to assist in determining and certifying the compliance of products and processes. The products side of the T&M industry comprises analytical instruments and equipment (IES) that detect and measure physical properties, electrical signals, or biological interactions.

Testing, Inspection, and Certification (TIC)

The Testing, Inspection and Certification (TIC) market comprises companies whose services help manufacturers meet global standards and enhance the quality of the products. These services assure consumers and end-users that manufacturers have followed international standards and regulations. TIC is an industry where the people, flexibility, workflow, and IT systems play a major role, therefore, not capital intensive. The globalization of trade has led to a complex supply chain which can impact product quality; therefore, TIC services are required at every stage of the supply chain to maintain product quality.

The TIC market is expected to reach \$50.6 billion by 2020, growing at a CAGR of 5.0% between 2015 and 2020. Factors such as new regulations and standards, outsourcing of the testing, inspection, and certification services, concern about product quality and safety, and globalization of trade are driving the testing, inspection, and certification market. Different regulations and standards across various regions have resulted in regulatory bodies becoming involved in developing and publishing the new standards to meet international quality criteria as well as to meet end-users' needs regarding product quality. Food and healthcare are highly regulated sectors due to the higher concern about product quality and hygiene; therefore, these sectors require the manufacturers to follow stringent standards. Likewise, manufacturers in the medical devices industry also need to comply with mandated quality and safety standards.

The global TIC market is highly fragmented, with some of the key players driving consolidation in the market including ALS Global (Australia), Bureau Veritas SA (France), Dekra Certification GmbH (Germany), Intertek Group PLC (U.K.), SGS Group (Switzerland), TÜV SÜD Group (Germany), and UL LLC (U.S.). Eurofins Scientific SE (Luxembourg), provider of analytical testing services to customers primarily in pharmaceutical, food, and environmental sectors, is another market player leading the acquisition tables in the sector.

Test and Measurement Instruments and Equipment (IES)

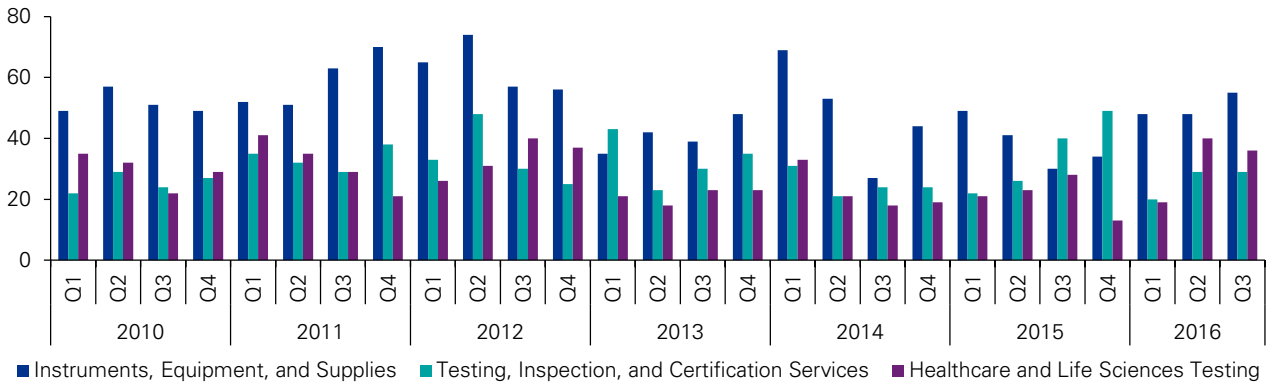
The Instruments, Equipment, and Supplies (IES) subsector includes analytical instruments and equipment that detect and measure physical properties, electrical signals, and/or biological interactions. Examples of T&M equipment include sensors and data acquisition instruments, product simulation systems, diagnostic equipment, and analytical laboratory instruments. Companies that provide TIC services routinely use T&M instruments and equipment in serving their customers.

The end markets for T&M products are diverse and include such industries as: telecommunications; healthcare; computer hardware; aerospace/defense; pharmaceuticals; life sciences/biotechnology; and automotive, among many others. The T&M instruments and equipment market is more concentrated than the TIC market, with large companies such as Danaher Corp. (U.S.), Thermo Fisher Scientific, Inc. (U.S.), and Ametek Inc. (U.S.) maintaining a leading position within their chosen segments. Consolidation among industry participants is occurring as the larger industry players continue to seek out acquisitions of smaller companies with newer technology and niche market leadership positions. Further, consolidation is happening among the larger companies in the industry as the more established players seek inorganic growth to reach leadership positions within desired end markets.

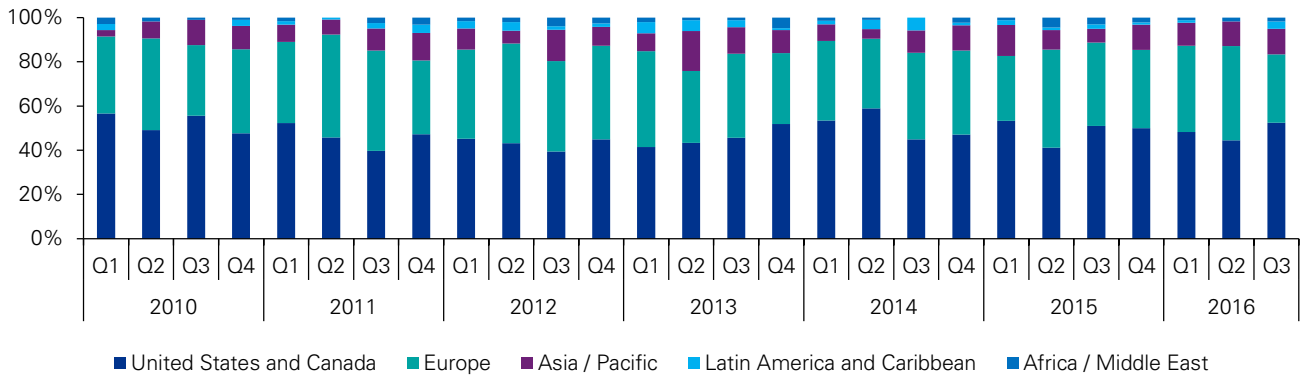
Source: Morgan Stanley, IBISWorld, Research and Markets

Global T&M Deal Volume

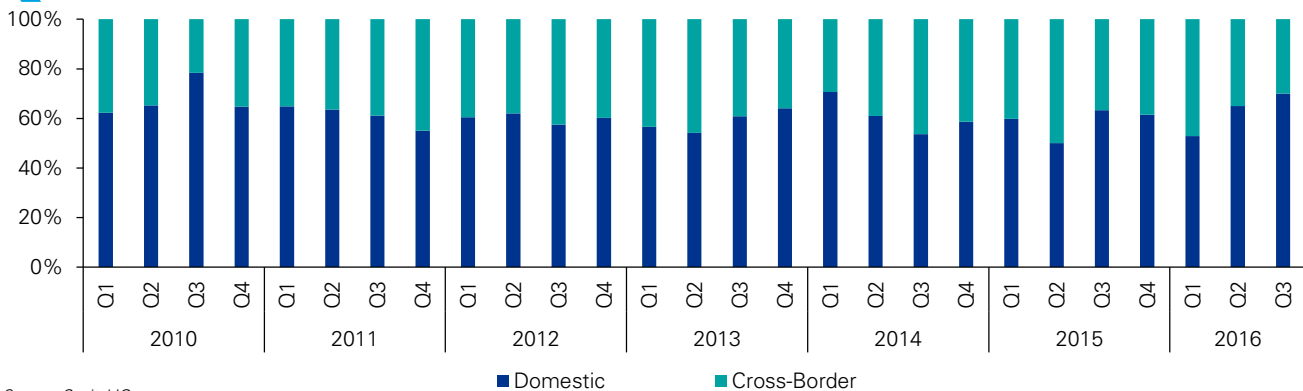
Global T&M Industry Announced M&A Deal Volume By Subsector



Global T&M Industry Announced Deal Volume By Target Region



Global T&M Industry Announced Cross-border Deal Volume



Source: Capital IQ

Notes: Includes deals for which geographic information was available. M&A analysis based on deals announced and/or closed during the respective periods. Deal value represents aggregate deal value for disclosed transactions for the time periods noted on the above graphs

Selected T&M Industry Recent M&A Transactions

Date Closed	Target	Buyer	Implied Enterprise Value (\$ mm)	Implied EV/ LTM Revenue	Implied EV/LTM EBITDA
Pending	GN Otometrics A/S	Natus Medical Inc.	145.0	1.3x	-
Pending	Kimble Chase Life Science and Research Products LLC	DURAN Group GmbH	131.0	1.2x	-
Pending	Cepheid	Danaher Corp.	4,088.5	7.2x	NM
Pending	ISP Optics Corp.	LightPath Technologies, Inc.	18.0	1.5x	5.8x
Pending	Bosch Rexroth Monitoring Systems GmbH	Weidmüller Holding AG & Co. KGaA	-	-	-
Pending	Melles Griot KK	KYOCERA Optec Co., Ltd.	19.0	1.0x	-
Pending	Aeromao Inc.	Alta Vista Ventures Ltd.	1.5	2.4x	-
Pending	Eastwin Scientific Equipments Inc.	3G Biotech (China) Company	3.0	2.9x	-
Pending	Quality Assurance Business Unit	TRIGO, S.A.	-	-	-
Pending	Atherotech, Inc.	Ningbo Alabama Llc	19.6	-	-
Pending	Hermes Microvision, Inc.	ASML Holding NV	2,749.1	17.2x	45.8x
Pending	Wayne Fueling Systems LLC	Dover Corporation	780.0	-	-
Pending	Meci S.A.S.	Secauto SA	-	-	-
Pending	FIGARO Engineering Inc.	New Cosmos Electric Co., Ltd.	59.8	1.1x	-
Pending	Expertise Vision, SARL	Mont-Blanc Industries	-	-	-
Pending	EAC Corporation	Eurofins Scientific SE	-	-	-
Pending	Quantum Data, Inc.	Teledyne LeCroy, Inc.	-	-	-
Pending	CPT Engineering Srl	Tesmec S.p.A.	1.2	0.8x	NM
9/30/2016	Megalab SA	Eurofins Scientific SE	45.0	-	-
9/30/2016	SPEware Corporation	Tecan Group Ltd.	60.0	-	-
9/29/2016	Southern Petroleum Laboratories, Inc.	Industrial Growth Partners	-	-	-
9/22/2016	John R. McCreia Agency, Inc.	SGS SA	-	-	-
9/21/2016	ALPHR Technology Ltd.	Indutrade AB (publ)	-	-	-
9/19/2016	G2 Electrical Testing & Consulting LLC	Power Testing And Energization, Inc	-	-	-
9/19/2016	Senscient, Inc.	MSA Advanced Detection, LLC	-	-	-
9/16/2016	IDX Co. Ltd.	Universal Forest Products Inc.	68.0	0.2x	-
9/16/2016	Laborie Medical Technologies, Inc.	Patricia Industries AB	659.8	5.6x	-
9/15/2016	Embryotech Laboratories, Inc.	Hamilton Thorne Ltd.	7.2	-	-
9/13/2016	Source BioScience Plc	Harwood Capital LLP; Continental Investment Partners SA	96.7	2.5x	13.0x
9/12/2016	OV Scale & Instruments	Kanawha Scales & Systems, Inc.	-	-	-
9/8/2016	Ellipsiz Ltd	Bevrian Pte. Ltd.	20.6	0.2x	2.2x
9/7/2016	Accuratus Lab Services, Inc.	Microbiology Research Associates, Inc.	-	-	-

Source: CapitalIQ, Mergermarket, and press releases

Selected T&M Industry Recent M&A Transactions (continued)

Date Closed	Target	Buyer	Implied Enterprise Value (\$ mm)	Implied EV/LTM Revenue	Implied EV/LTM EBITDA
9/7/2016	Sequenom Inc.	Laboratory Corp. of America Holdings	352.7	3.1x	NM
9/6/2016	Fox Thermal Instruments, Inc.	ONICON Incorporated	-	-	-
9/6/2016	Westland Technologies, Inc.	ESCO Technologies Inc.	-	-	-
9/1/2016	Millbrook Group Limited	Spectris plc	162.2	2.5x	22.6x
9/1/2016	Precision Metrology, Inc.	Trescal SA	-	-	-
8/30/2016	Seametrics Inc.	ONICON Incorporated	-	-	-
8/26/2016	Laser Projection Technologies, Inc.	FARO Technologies Inc.	17.0	-	-
8/25/2016	EecoLab Ltda.	SGS SA	-	-	-
8/17/2016	Paragon Services, Inc., Testing Division (nka:Paragon NDT, LLC)	ERI Solutions Inc.	-	-	-
8/12/2016	Lausitzer Analytik GmbH	SYNLAB Holding Deutschland GmbH	-	-	-
8/8/2016	Scandinavian Micro Biodevices ApS	Zoetis Inc.	80.0	-	-
8/4/2016	Nu Instruments Limited and HS Foils	Ametek Inc.	-	-	-
8/4/2016	Mayes Testing Engineers, Inc.	Terracon Consultants, Inc.	-	-	-
8/3/2016	Kanawha Scales & Systems, Inc.	Grand Rapids Metrology Inc.	-	-	-
8/1/2016	Visicon Technologies, Inc.	Electro Scientific Industries Inc.	8.8	-	-
8/1/2016	SERVO2000 S.r.l.	Link Engineering Company	-	-	-
8/1/2016	iLab Solutions, LLC	Agilent Technologies, Inc.	-	-	-
8/1/2016	Shenzhen Star Instrument Co., Ltd.	Shenzhen Star Hi-tech Investment Co., Ltd	21.9	0.5x	-
7/27/2016	Nortest Ltd.	British Engineering Services Limited	-	-	-
7/21/2016	CHEK Diagnostics	Sinocare Inc.	200.0	-	-
7/13/2016	SpecHub Inc.	SGS SA	-	-	-
7/13/2016	RDS Australia Pty Ltd	Position Partners Pty Ltd.	-	-	-
7/11/2016	3Scan, Inc.	Lux Capital Management; Data Collective; Dolby Family Ventures; Dolby Family Ventures; OS Fund, LLC; OS Fund; Comet Labs; Breakout Ventures	-	-	-
7/7/2016	Laboratorios Contecon Urbar S.A.S.	SGS SA	-	-	-
7/5/2016	PAW BioScience Products, Inc.	VWR Corporation	-	-	-
7/4/2016	Jones Environmental Forensics Ltd.	Exova Group plc	-	-	-

Source: CapitalIQ, Mergermarket, and press releases

Selected T&M Industry Recent M&A Transactions (continued)

Date Closed	Target	Buyer	Implied Enterprise Value (\$ mm)	Implied EV/ LTM Revenue	Implied EV/LTM EBITDA
7/4/2016	Compliance Certification Services Inc.	SGS Taiwan Limited	10.3	0.4x	-
7/1/2016	Sound & Vibration Technology Ltd.	Brüel & Kjær Sound & Vibration Measurement A/S	-	-	-
7/1/2016	Wyle Inc.	KBR Holdings, LLC	600.0	-	-
7/1/2016	Exova Group plc, UK and Ireland Food, Water and Pharmaceutical Business	Eurofins Scientific SE	26.3	0.9x	-
7/1/2016	Fumouze Diagnostics SAS	Biosynex S.A.	-	-	-
6/30/2016	Nexjen Systems, LLC	Averna Technologies Inc.	-	-	-
6/30/2016	CHOPIN Technologies SAS	KPM Analytics, Inc.	-	-	-
6/28/2016	IntelliCyt Corporation	Sartorius AG	90.0	6.7x	-
6/17/2016	Bureau De Wit BV	Eurofins Scientific SE	-	-	-
6/17/2016	Electro Optical Industries, Inc.	HGH Systèmes Infrarouges SAS	-	-	-
6/13/2016	Gazomat S.à.r.l.	ECOTEC Solutions, Inc.	-	-	-
6/8/2016	Integrated Paper Services, Inc.	SGS North America Inc.	-	-	-
6/3/2016	Omega Calibration Laboratories Ltd	CET Structures Ltd.	-	-	-
6/1/2016	Walshire Labs, LLC and Product Safety Engineering, Inc.	TÜV SÜD America Inc.	-	-	-
6/1/2016	Walshire Labs, LLC and Product Safety Engineering, Inc.	TÜV SÜD America Inc.	-	-	-
6/1/2016	Agro-Analyses SAS	Eurofins Scientific SE	-	-	-
6/1/2016	Summit Inspection Services, Inc.	Bureau Veritas SA	-	-	-
5/31/2016	Electronic Control Concepts Company	US Nuclear Corp	0.3	-	-
5/31/2016	Dairy Technical Services Limited	Bureau Veritas SA; AsureQuality Limited	-	-	-
5/25/2016	Recombine, Inc.	CooperSurgical Inc.	85.0	4.3x	-
5/20/2016	Jaquet AG	TE Connectivity Ltd.	-	-	-
5/18/2016	Analytical Bio-Chemistry Laboratories, Inc.	EAG Inc.	-	-	-
5/17/2016	Apical Limited	ARM Holdings plc	350.0	-	-
5/17/2016	Dyne Systems, Inc.	Taylor Dynamometer, Inc.	-	-	-
5/16/2016	Chesapeake Testing Services, Inc.	National Technical Systems Inc.	-	-	-
5/12/2016	SCHATZ AG	Kistler Instrumente AG	-	-	-
5/11/2016	PerkinElmer Health Sciences, Inc., LABWORKS LIMS	LABWORKS LLC	-	-	-

Source: CapitalIQ, Mergermarket, and press releases

Selected T&M Industry Recent M&A Transactions (continued)

Date Closed	Target	Buyer	Implied Enterprise Value (\$ mm)	Implied EV/LTM Revenue	Implied EV/LTM EBITDA
5/4/2016	Construction Testing Solutions Ltd.	CET Structures Ltd.	4.3	-	-
5/3/2016	TRIGO, S.A.	Ardian; AXA LBO Fund V	-	-	-
4/28/2016	LF Technologies, SARL	Groupe FIDEIP	-	-	-
4/25/2016	PerkinElmer Labs, Inc.	Eurofins Scientific SE	-	-	-
4/15/2016	Tensitron Inc.	Main Line Equity Partners, LLC	-	-	-
4/6/2016	Vector Laboratories, Inc.	GTCR, LLC; GTCR Fund XI LP	-	-	-
4/6/2016	Adavium Medical, Inc.	Venrock; Aberdare Ventures; Arboretum Ventures LLC; CVF, LLC	-	-	-
4/6/2016	Douglas Scientific LLC	LGC Limited	-	-	-
4/6/2016	Solace Systems, Inc.	Bridge Growth Partners, LLC	-	-	-
4/5/2016	Food and Drug Analytical Services Limited	Tentamus QTS Analytical Ltd.	-	-	-
4/5/2016	LEAP Technologies, Inc.	Trajan Scientific & Medical Pty Ltd.	-	-	-
4/4/2016	Nelson Laboratories, Inc.	Sterigenics International, Inc.	-	-	-
4/1/2016	Dia-Stron Limited	Judges Scientific plc	3.9	-	-
4/1/2016	Excalibur Engineering, Inc.	Transcat Inc.	7.4	0.9x	-

Source: CapitalIQ, Mergermarket, and press releases

Selected Public T&M Companies

Selected Public T&M Companies												
Company	HQ Country	Market Data				LTM Financials				Valuation Multiples - Enterprise Value To:		
		Market Cap (\$mm) ⁽¹⁾⁽²⁾	Enterprise Value (\$mm) ⁽⁴⁾	Share Price ⁽²⁾	% 52 Wk High ⁽³⁾	Revenue	Revenue Growth	Gross Margin %	EBITDA % ⁽⁵⁾	LTM EBITDA	CY 2017 Revenue	CY 2017 EBITDA
Testing, Inspection, and Certification												
ALS Limited	AU	2,334	2,684	4.63	96.9%	1,049	0.9%	90.0%	18.5%	13.8x	2.4x	11.8x
Applus Services, S.A.	ES	1,249	2,005	9.63	89.0%	1,804	(6.7%)	34.0%	11.1%	10.0x	1.1x	9.5x
Bureau Veritas SA	FR	8,879	11,257	20.35	88.0%	5,039	(0.2%)	31.9%	19.0%	11.7x	2.1x	11.0x
Eurofins Scientific SE	LU	7,749	8,790	459.31	99.5%	2,573	29.2%	18.8%	18.5%	18.5x	2.8x	14.9x
Exova Group plc	GB	626	827	2.50	95.3%	419	10.7%	37.0%	19.1%	10.3x	2.0x	10.0x
Intertek Group plc	GB	7,088	8,216	44.06	95.0%	3,071	17.1%	53.3%	18.3%	14.6x	2.5x	12.5x
Mistras Group, Inc.	US	592	666	20.27	76.6%	708	(3.3%)	31.5%	11.2%	8.4x	0.9x	7.4x
SAI Global Limited	AU	757	913	3.56	97.7%	425	2.5%	35.0%	20.8%	10.3x	2.0x	8.5x
SGS SA	CH	16,290	16,871	2,141.88	91.5%	6,010	5.9%	44.4%	20.5%	13.7x	2.6x	12.7x
Team, Inc.	US	927	1,288	31.62	80.0%	1,140	0.0%	27.5%	7.0%	16.1x	1.0x	11.0x
Testing, Inspection, and Certification Mean					90.9%	5.6%	40.3%	16.4%	12.8x	2.0x	11.3x	
Testing, Inspection, and Certification Median					93.2%	1.7%	34.5%	18.5%	12.7x	2.1x	11.2x	
Life Sciences Instruments												
Agilent Technologies, Inc.	US	14,649	14,354	45.16	92.9%	4,126	3.0%	51.9%	20.5%	17.0x	3.3x	13.3x
bioMérieux S.A.	FR	5,934	6,235	150.41	96.5%	2,257	6.9%	50.9%	21.5%	12.8x	2.5x	11.9x
Bio-Rad Laboratories, Inc.	US	4,747	4,390	161.01	97.6%	2,028	1.6%	55.1%	14.4%	15.0x	2.1x	15.1x
Bruker Corporation	US	3,409	3,339	21.11	70.7%	1,621	(0.0%)	45.7%	14.8%	13.9x	2.0x	11.3x
IDEXX Laboratories, Inc.	US	9,915	10,701	111.10	94.3%	1,690	10.6%	55.0%	23.6%	NM	5.6x	23.8x
Mettler-Toledo International Inc	US	10,746	11,346	407.95	96.2%	2,426	3.2%	56.8%	22.8%	20.5x	4.4x	17.3x
Neogen Corp.	US	2,015	1,886	53.44	87.3%	330	12.0%	47.2%	21.1%	NM	5.0x	21.9x
PerkinElmer Inc.	US	5,695	6,505	52.06	90.9%	2,283	2.3%	46.1%	18.9%	15.1x	2.7x	13.2x
Qiagen NV	NL	6,044	6,716	25.82	92.1%	1,296	5.1%	63.6%	27.5%	18.8x	4.7x	14.5x
Sartorius AG	DE	5,893	6,556	85.57	87.7%	1,338	16.9%	49.1%	24.5%	20.0x	4.1x	16.1x
Thermo Fisher Scientific, Inc.	US	59,940	73,424	152.03	94.6%	17,606	6.9%	45.8%	24.4%	17.1x	3.7x	14.2x
Waters Corporation	US	12,474	11,632	154.82	95.3%	2,099	6.5%	58.7%	32.6%	17.0x	5.1x	15.0x
Life Sciences Instruments Mean					91.3%	6.2%	52.2%	22.2%	16.7x	3.8x	15.6x	
Life Sciences Instruments Median					93.6%	5.8%	51.4%	22.2%	17.0x	3.9x	14.7x	
Industrial Instruments												
Ametek Inc.	US	10,622	12,308	45.70	80.2%	3,909	(2.8%)	36.4%	26.9%	11.7x	3.1x	11.7x
Badger Meter Inc.	US	953	999	32.74	83.2%	400	9.6%	37.3%	18.2%	13.8x	2.3x	12.9x
Danaher Corp.	US	52,626	63,256	76.21	74.1%	22,080	(17.3%)	53.1%	23.1%	12.4x	3.6x	14.9x
Itron, Inc.	US	2,125	2,360	55.57	97.1%	1,977	5.4%	33.5%	10.1%	11.9x	1.1x	10.1x
Keysight Technologies, Inc.	US	5,322	5,758	31.32	93.5%	2,917	1.9%	55.7%	20.3%	9.7x	2.0x	9.1x
MITS Systems Corporation	US	739	593	44.33	64.9%	579	12.6%	36.1%	11.3%	9.1x	0.7x	4.5x
National Instruments Corp.	US	3,550	3,249	27.60	87.0%	1,227	1.0%	74.2%	15.0%	17.7x	2.5x	12.4x
Oxford Instruments plc	GB	501	657	8.77	86.4%	521	3.9%	44.6%	13.1%	9.6x	1.4x	9.0x
Roper Technologies, Inc.	US	17,621	20,091	173.88	88.7%	3,662	6.0%	61.2%	34.4%	16.0x	5.0x	14.2x
Spectris plc	GB	3,146	3,272	26.40	99.0%	1,606	8.8%	57.0%	16.7%	12.2x	1.9x	11.5x
Industrial Instruments Mean					85.4%	2.9%	48.9%	18.9%	12.4x	2.4x	11.0x	
Industrial Instruments Median					86.7%	4.6%	48.8%	17.4%	12.0x	2.1x	11.6x	
Selected Public T&M Companies Mean					89.4%	5.0%	47.5%	19.4%	14.0x	2.8x	12.7x	
Selected Public T&M Companies Median					91.8%	4.5%	46.7%	19.1%	13.8x	2.5x	12.5x	

Source: Capital IQ

(1) Market Capitalization based on closing share prices as of October 14, 2016

(2) Market Capitalization and Share Prices may be based on foreign exchange listed securities and converted to \$USD

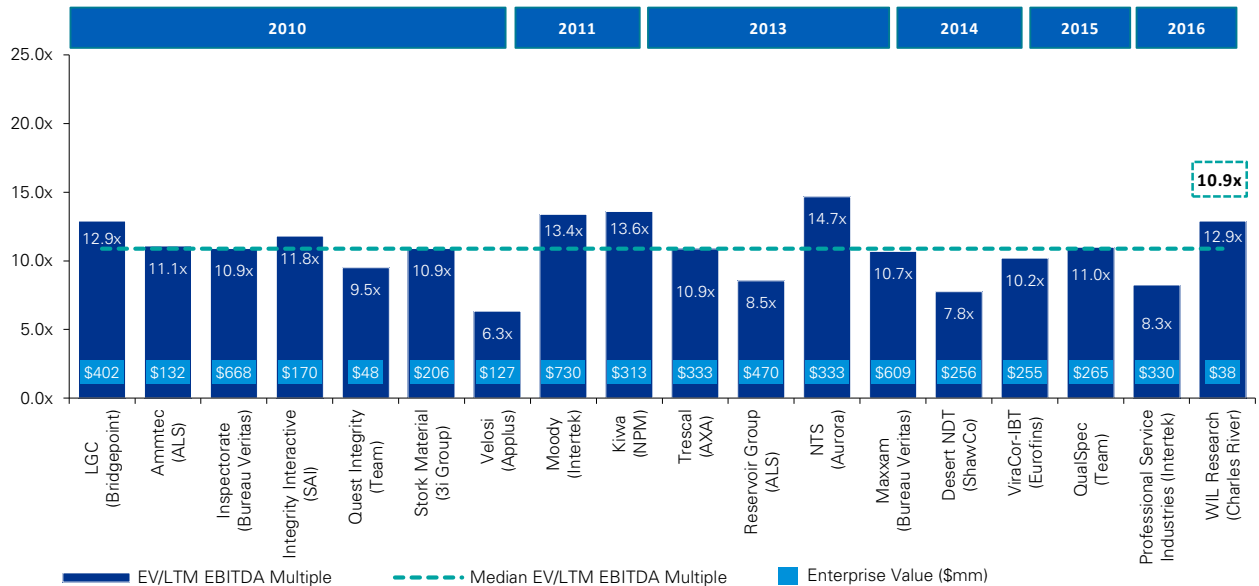
(3) Indicates percentage of current stock price compared to its 52 week high. Closing share prices as of October 14, 2016

(4) Enterprise Value (EV) equals Market Capitalization plus Debt, Preferred Equity, and Minority Interest, minus Cash and Cash Equivalents

(5) EBITDA equals Earnings before Interest Expense, Income Taxes, Depreciation and Amortization

TIC Transaction History & Multiples

TIC Industry Historical EV/LTM EBITDA Transaction Multiples (Selected Transactions)



Note: Certain multiples are based on estimated or current year figures if LTM data was not available
 Source: Capital IQ, Mergermarket, company filings and presentations, and press releases

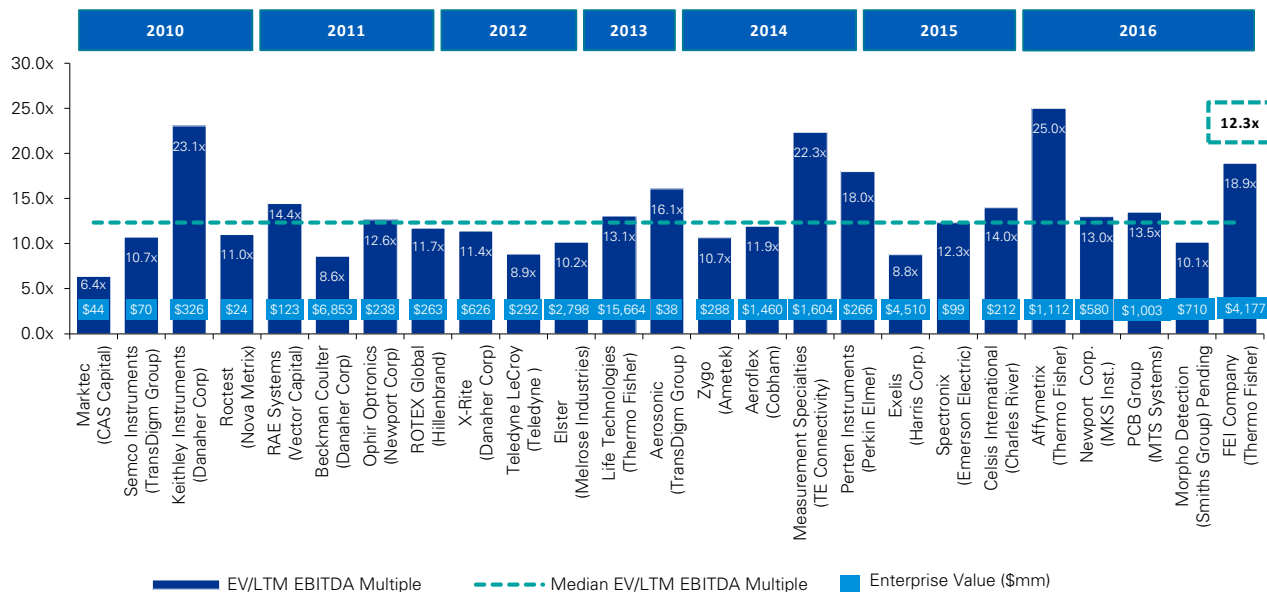
Three Year Acquisition History for Selected Players in the TIC Industry

Aggregate EV (\$mm)	Average EV (\$mm)	Company	Number of Deals
1,100.0	110.0	Eurofins	45
10.3	10.3	SGS	32
609.0	609.0	Bureau Veritas	19
65.4	21.8	Exova	12
574.1	95.7	Intertek Group	11
1.7	1.7	DEKRA	10
18.2	9.1	Applus Services	8
N/A	N/A	DNV GL Group	8
6,030.1	3,015.0	Laboratory Corp. of America	7
198.9	198.9	TÜV SÜD	7
N/A	N/A	National Technical Systems	6
N/A	N/A	Institut Mérieux	6
N/A	N/A	UL LLC	6
2.0	2.0	Trescal	6
11.2	11.2	ALS	5

Note: Three years ended September 30, 2016; Aggregate and Average EV figures include transactions where data is available
 Source: Capital IQ

T&M Transaction History & Multiples

T&M Equipment Industry Historical EV/LTM EBITDA Transaction Multiples (Selected Transactions)



Note: Certain multiples are based on estimated or current year figures if LTM data was not available
 Source: Capital IQ, Mergermarket, company filings and presentations, and press releases

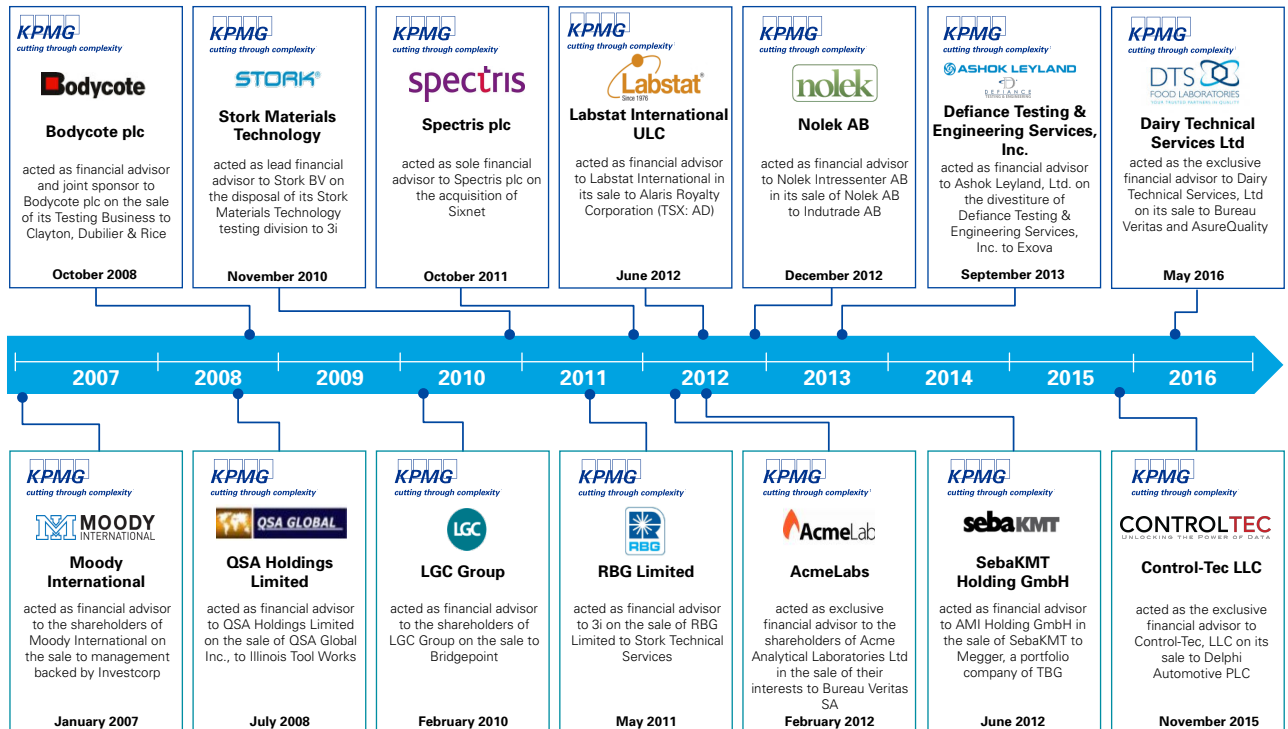
Three Year Acquisition History for Selected Players in the T&M Equipment Industry

Aggregate EV (\$mm)	Average EV (\$mm)	Company	Number of Deals
6,273.6	2,091.2	Danaher Corp	18
1,158.9	144.9	Ametek	12
155.4	31.1	Spectris	12
54.9	54.9	Roper Industries	8
12,747.7	3,186.9	Becton, Dickinson and Company	7
236.0	78.7	Emerson Electric	6
5,589.1	1,863.0	Thermo Fisher Scientific	5
266.0	266.0	PerkinElmer	5
26.5	13.3	Teledyne Technologies	5
201.8	40.4	Ultra Electronics Holdings	5
17.0	17.0	FARO Technologies	5
N/A	N/A	Hexagon AB	5
1,716.7	858.3	TE Connectivity	4
597.4	199.1	MTS Systems Corporation	3
235.0	235.0	Agilent Technologies	3

Note: Three years ended September 30, 2016; Aggregate and Average EV figures include transactions where data is available
 Source: Capital IQ

KPMG Corporate Finance

Leading Advisor to the Test and Measurement Sector ⁽¹⁾



(1) Represents the Corporate Finance practices of KPMG International's network of independent member firms

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