



Test & Measurement Newsletter - Summer 2018

KPMG Corporate Finance LLC

Test and Measurement M&A Newsletter

Summer 2018

Test and Measurement Market Commentary

Trading multiples of companies within the Test & Measurement (T&M) industry decreased in the first half of 2018¹⁾ but remained at a high level, with a mean EV/LTM EBITDA of 20.1x for Life Sciences Instrument companies; 14.7x for Testing, Inspection, and Certification (TIC) companies, and 17.3x for Industrial Instrument companies. Announced deal volume declined by 19.0% in Q1'18 as compared to Q1'17, however, announced deal value of \$1.9 billion was up 79.6% in Q1'18 as compared to Q1'17, driven by the following acquisitions: MPI Research, Inc. by Charles River Laboratories (\$800 million transaction value); Cobham's AvComm and Wireless Test & Measurement businesses by VIAVI Solutions (\$455 million); and Spectris' acquisition of Concept Life Sciences (\$231 million). Strategic buyers continued to dominate in Q1'18, participating in an overwhelming 95.3% of announced deals, led by Eurofins and SGS with 11 and 4 transactions, respectively.

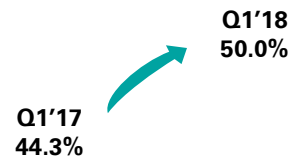
Total of **64 announced deals** in Q1'18, a decline of **19.0% versus Q1'17**



Q1'18 total **announced deal value was \$1.9 billion**, up **79.6%** from Q1'17



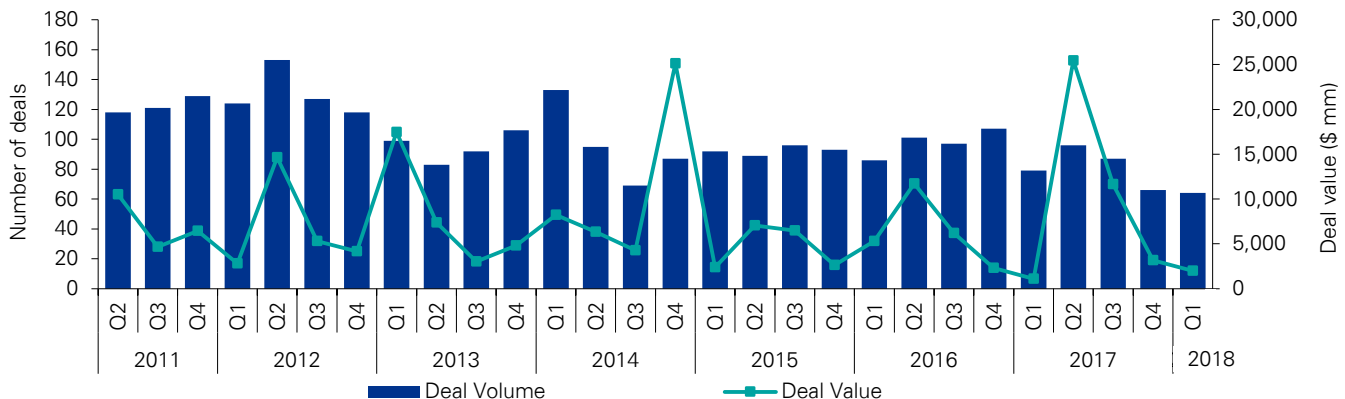
Cross-border deals represented **50.0% of total volume for Q1'18**, up from **44.3% in Q1'17**



Deal volume for the **Testing, Inspection, and Certification subsector** increased 21.1%, while the **Instruments, Equipment, and Supplies (IES) subsector** deal volume decreased **34.1%** in Q1'18 versus Q1'17



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. 1) Based on data through to June 18, 2018.

Featured Recent KPMG Corporate Finance Deals

Warburg Pincus completes the acquisition of Labstat International ULC

June 2018



has been acquired by

WARBURG PINCUS

June 2018

KPMG Corporate Finance LLC ("KPMG CF") acted as the exclusive financial advisor to Labstat International ULC ("Labstat" or the "Company"), a leading third-party testing company, on its sale to Warburg Pincus, a leading global private equity firm.

Established in 1976, Labstat is the leading global provider of analytical chemistry and in-vitro toxicology testing services for nicotine containing products. Labstat is a full service contract laboratory dedicated to regulatory and non-regulatory testing. The Company tests all forms of nicotine containing products, including next-generation products such as e-cigarettes and Heat-Not-Burn products. "Labstat continues to expand its capacity and infrastructure in response to the changing global regulatory environment. As a company, we searched for a partner that could help us realize the full potential of the Labstat approach to testing. We believe that we have found the perfect partner in Warburg Pincus and look forward to working with the firm to our mutual benefit," said Dr. Bill Rickert, Executive Chairman of Labstat.

AMETEK, Inc. completes the acquisition of Arizona Instrument LLC

December 2017



has been acquired by

AMETEK

December 2017

KPMG Corporate Finance LLC ("KPMG CF") acted as the exclusive financial advisor to Arizona Instrument LLC ("AZI" or the "Company"), a provider of differentiated, high-precision moisture and gas measurement instruments for use in mission-critical applications, on its sale to AMETEK, Inc., a leading global manufacturer of electronic instruments and electromechanical devices.

AZI focuses on applications with complex customer requirements, providing easy-to-use instruments and high-touch customer service to solve challenges not addressed by other market players. The Company's instruments are utilized by a diverse set of blue-chip customers that includes Fortune 500 companies and large governmental agencies globally. "Arizona Instrument is an exciting addition to AMETEK's growing presence in the food, pharmaceutical and environmental markets and nicely complements our Brookfield viscosity measurement business," said David A. Zapico, AMETEK Chairman and Chief Executive Officer. "Its high-quality products are supporting customers' increasingly complex production processes and more stringent environmental and safety standards."

Dynacare Inc. completes the acquisition of Unicity Laboratory Services

December 2017



has been acquired by

Dynacare

a subsidiary of
LabCorp

December 2017

KPMG Corporate Finance LLC ("KPMG CF") acted as the financial advisor to Unicity Laboratory Services ("Unicity"), a provider of medical laboratory testing and diagnostic imaging services in the Greater Winnipeg Area, on its sale to Dynacare Inc. ("Dynacare"), a wholly-owned subsidiary of LabCorp, a medical laboratory services and health solutions company.

Unicity operates 63 diagnostic labs across the Greater Winnipeg Areas. Dynacare provides clinical laboratory testing services out of 26 central laboratories, 115 rapid response laboratories, and over 300 patient service centers across the United States and Canada. LabCorp, headquartered in Burlington, North Carolina, is a leading global life sciences company providing comprehensive clinical laboratory and end-to-end drug development services and employing nearly 60,000 employees worldwide.

Source: Capital IQ, Business Wire, Globe Newswire, company websites, press releases

Notable Recent Deals

Eurofins announces the acquisition of Covance Food Solutions

April 30, 2018 (pending)

Eurofins, a global scientific leader in bioanalytical testing, announced the acquisition of Covance Food Solutions, a provider of product integrity, product safety, and consulting solutions for end-use segments that span the entire food supply chain, from LabCorp, a leading global life sciences company. Covance Food Solutions operates an integrated network of 12 facilities across the globe and is expected to generate approximately \$160 million of revenue in 2018. Covance Food Solutions' and Eurofins' geographic footprint and service offering are complementary, resulting in expected synergistic top line effects. LabCorp had acquired the business with the acquisition of Covance in 2015. David P. King, chairman and CEO of LabCorp said: "The sale of Covance Food Solutions to Eurofins allows us to focus on our core mission of improving health and improving lives, and at the same time better positions Covance Food Solutions to serve the global food supply industry." The transaction is expected to close in the third quarter of 2018.

Emerson announces the acquisition of Textron's Tools and Test Equipment Business

April 18, 2018 (pending)

Emerson, a global technology and engineering company, announced the acquisition of Textron's Tools and Test Equipment Business ("Tools & Test"), a leading manufacturer of electrical and utility tools, diagnostics, and test & measurement instruments. The acquisition includes Textron's Greenlee, Greenlee Communications, Greenlee Utility, HD Electric, Klauke, Sherman+Reilly, and Endura businesses and brands. The Tools & Test business will join Emerson's Ridge Tool Company, creating a global professional tools business serving mechanical, electrical, and plumbing contractors. "This acquisition significantly contributes to Emerson's investment strategy of adding complementary businesses that broaden our served markets and add key capabilities to meet the evolving needs of our customers and drive premium growth," said Emerson Chairman and Chief Executive Officer David N. Farr. "The strong strategic fit with Ridge Tool provides a meaningful value creation opportunity for Emerson." The purchase price for the acquisition is \$810 million, representing multiples of 1.7x and 15.7x 2017 revenue and EBIT, respectively. The transaction is expected to close during the third quarter of 2018.

Bertram Capital completes the acquisition of Registrar Corp, LLC

June 5, 2018

Bertram Capital, a U.S. private equity firm, announced the acquisition of Registrar, a leading Software as a Service ("SaaS") assisted provider of U.S. Food and Drug Administration ("FDA") compliance services to domestic and foreign food, medical device, drugs, and cosmetic customers. Tom Beerle, Principal at Bertram Capital said: "We have pursued a thesis in the food safety and compliance market for the past four years. The confluence of our thesis and Bertram Labs' software proficiency made Registrar a compelling target. The Registrar team's objectives aligned perfectly with our strength and drive to bring IT excellence to our companies, and we are delighted to partner with Registrar's management to deliver that objective. We believe the Company's growth and market position are representative of Registrar's superior expertise in regulatory matters, innovative technology-first mentality, and proven commitment to customer service." Terms of the transaction were not disclosed.

Spectris completes the acquisition of Revolutionary Engineering, Inc.

April 3, 2018

Spectris plc, a provider of highly specialized measurement instruments and controls, announced the acquisition of Revolutionary Engineering, Inc., an automotive test system and service provider. This acquisition complements the existing test capabilities of Spectris' Millbrook division, one of Europe's leading test, validation and engineering service providers primarily for the automotive and related markets. The acquisition is an important step in Millbrook's strategy to extend its reach into new geographies, and further expands its capacity and capabilities in testing propulsion systems, including the testing of batteries, inverters and e-motors. Eoghan O'Lionaird, Business Group Director of Spectris, said: "Revolutionary Engineering provides high-quality testing services and expertise and is highly complementary to the services offered by Millbrook. This acquisition broadens Millbrook's automotive testing services offering and establishes a presence in the important U.S. market where the demand for driveline testing and test systems is growing strongly." Revolutionary Engineering, Inc. was acquired for a transaction value of \$19 million.

Source: Capital IQ, Business Wire, Globe Newswire, company websites, press releases

Notable Recent Deals

(continued)

Alliance Source Testing completes the acquisition of Air Pollution Testing, Inc.

April 2, 2018

Alliance Source Testing (“Alliance”), a leading provider of source emissions testing solutions, announced the acquisition of Air Pollution Testing, Inc. (“APT”). APT provides source emission testing (stack testing) and oil & gas laboratory services to customers in the western United States. Alliance is a portfolio company of Align Capital Partners (“ACP”), which is pursuing a strategy to build a national, best-in-class stack testing platform. The acquisition is Alliance’s third add-on acquisition since being acquired by ACP in October 2016. “The APT team is a great complement to our expanding national platform,” noted Alliance CEO Chris LeMay. “The opportunity to partner with their experienced test teams to deepen customer relationships with greater proximity to additional customer facilities is a big win.” Alliance will continue to seek add-on targets following the integration of APT. Rob Langley, Managing Partner of ACP said: “We are encouraged by what we are building with Alliance and continue to find compelling opportunities in the attractive stack testing space.” Terms of the transaction were not disclosed.

Thompson Street Capital Partners completes the acquisition of Transnetyx, Inc.

March 27, 2018

Thompson Street Capital Partners, a private equity firm focused on investing in middle market businesses, completed the acquisition of Transnetyx, Inc., a leading independent genetic diagnostic laboratory. Headquartered in Memphis, TN, Transnetyx specializes in automated genotyping for the pharmaceutical and academic research communities. Transnetyx launched the world’s first fully-automated genotyping system for detecting transgenic, knock-out, and knock-in mutations. Since inception, the company has genotyped more than 16 million samples worldwide in 24 or 72 hours with 99.97% accuracy. The company maintains a genetic database of more than 20,000 assays. Jim Cooper, Managing Partner at Thompson Street Capital Partners said: “We are excited to be partnering with the management of Transnetyx. The Company is highly respected in the industry and enjoys a well-deserved reputation for excellence, innovation and customer service.” Terms of the transaction were not disclosed.

Bridgepoint completes the acquisition of Safety Technology Holdings

March 21, 2018

Bridgepoint, an international private equity firm, announced the acquisition of Safety Technology Holdings (“STH”), a leading supplier of critical safety related test and measurement systems, from U.S. private equity firm Golden Gate Capital. STH’s products are used for the development and certification of occupant safety protection technologies across a variety of end markets. Andrew Sweet, Partner at Bridgepoint commented: “STH is a pioneer in saving lives. Its technology is uniquely positioned to address the opportunities presented by disruptive developments such as driverless and electric cars and increased regulatory requirements. We look forward to working with the company to pursue its many avenues of growth.” Rajeev Amara, Managing Director at Golden Gate Capital commented: “We have enjoyed an amazing partnership with Chris O’Connor. Under Chris’ leadership, the company has successfully executed on its growth strategy, which has resulted in the doubling of its size in just four years, by expanding into adjacent markets across a variety of product lines.” Terms of the transaction were not disclosed.

Pace Analytical completes the acquisition of REIC Laboratories

March 1, 2018

Pace Analytical, a leading U.S. based environmental and life sciences testing firm, announced the acquisition of REIC Laboratories, Inc., a full-service environmental testing laboratory with multiple locations throughout Virginia and West Virginia. REIC is a leading testing source for a myriad of environmental programs in the state of West Virginia and the surrounding region. Pace Analytical was acquired by Aurora Capital Partners as a platform investment in September 2016. The acquisition of REIC follows the acquisitions of Wolfe Laboratories (December 2017) and Environmental Science Group (June 2017). Steve Vanderboom, the CEO of Pace Analytical, commented: “We have long admired the reputation for quality and service that REIC has built in the market place. We believe that their laboratory team will significantly enhance the service offerings of Pace in this region of the U.S.” Terms of the transaction were not disclosed.

Source: Capital IQ, Business Wire, Globe Newswire, company websites, press releases

Notable Recent Deals

(continued)

TSI completes the acquisition of 3M's Monitoring Products

February 6, 2018

TSI Incorporated, a leading designer and producer of precision instruments, announced the acquisition of certain 3M Personal Safety Division offerings, primarily focused on noise, environmental, and heat stress monitoring, including the respective manufacturing facility in Oconomowoc, WI. "We are excited about adding noise, environmental, and heat stress monitoring capabilities to our portfolio. These products, which include noise indicators, noise dosimeters, sound level meters, heat stress monitors, and indoor air quality monitors, are a natural fit with our Health and Safety product line that already includes industry leading PortaCount Fit Testers and DustTrak Monitors," stated Tom Kennedy, President of TSI. "This acquisition is an example of our ongoing efforts to enhance the value TSI provides to our customers." Terms of the transaction were not disclosed.

SPL completes the acquisition of Alcor Petrolab

January 31, 2018

SPL, a leading independent provider of critical outsourced hydrocarbon measurement, analysis and reporting services for oil and gas production and transport, acquired Alcor Petrolab ("Alcor"), an independent laboratory offering a wide range of testing services for liquid fuels, lubricants, petroleum products and plastics. Ian Milne, President & CEO of SPL said: "The acquisition of Alcor adds significant engineering and laboratory talent, as well as unique and proprietary test protocols and equipment, to the SPL family." SPL is owned by Industrial Growth Partners, a private equity firm focused on acquiring middle-market industrial manufacturing and niche services businesses. Industrial Growth Partners, in partnership with management, acquired SPL in September 2016 and has since completed two add-on acquisitions. SPL and IGP continue to seek add-on acquisitions that can enhance SPL's position as a leading provider of critical outsourced hydrocarbon measurement, analysis and reporting services.

Spectris completes the acquisition of Concept Life Sciences

January 26, 2018

Spectris plc ("Spectris"), a leading supplier of productivity-enhancing instrumentation and controls, announced the completion of the acquisition of Concept Life Sciences from Equistone Partners Europe. Concept Life Sciences is a UK-based provider of integrated drug discovery, development, analytical testing and environmental consultancy in the pharmaceutical, biotechnology, agrochemical and environmental sectors. This acquisition adds test service capabilities to Spectris' Materials Analysis segment, where it has strong synergies with the activities of Malvern Panalytical. John O'Higgins, Chief Executive Officer, Spectris, said: "Concept Life Sciences is a high-quality services business which further strengthens our portfolio and enhances our ability to provide customers within the pharmaceutical, life sciences and advanced materials sectors with a combined product and service proposition." The purchase consideration for the transaction was \$231 million on a debt and cash-free basis. Pro-forma revenue (including the full-year impact of acquisitions) in the year ended December 2017 was \$70.0 million and pro-forma EBITDA was \$13.2 million, representing multiples of 3.3x and 17.5x LTM revenue and EBITDA, respectively.

Entegris completes the acquisition of Particle Sizing Systems, LLC

January 22, 2018

Entegris, Inc., a leader in specialty chemicals and advanced materials solutions for the microelectronics industry, announced the completion of the acquisition of Particle Sizing Systems, LLC ("PSS"), a provider of particle sizing instrumentation for liquid applications in both the semiconductor and life science industries. PSS was previously owned by Agilent Technologies Inc., an analytical laboratory instrument manufacturing company, which acquired PSS in 2008. With the technology from PSS, Entegris is enabling customers to perform particle size analysis online and in real time, directly in the fluid stream process. "To stay competitive, our advanced-node customers need tools that allow them to shorten process times while maintaining accuracy and consistency in order to meet the high-quality standards of the manufacturers they partner with," says Todd Edlund, Chief Operating Officer, Entegris. This acquisition reflects Entegris' value creation strategy by leveraging its global technology platform and customer relationships. The total purchase price of the acquisition was approximately \$37 million in cash, subject to customary working capital adjustments.

Source: Capital IQ, Business Wire, Globe Newswire, company websites, press releases

Notable Recent Deals

(continued)

SGS completes the acquisition of Vanguard Sciences Inc.

January 9, 2018

SGS, a global leading inspection, verification, testing and certification company, announced the acquisition of Vanguard Sciences Inc., a leading provider of food safety testing services headquartered in South Dakota. “This acquisition provides immediate growth opportunities in the attractive food safety testing market in the U.S.,” said Frankie Ng, CEO of SGS. “It expands on our existing testing capabilities in our new Brookings facility, and further positions SGS as a global brand leader in food testing and related services.” The acquisition is in line with SGS’ capital allocation priorities to pursue bolt-on acquisition with attractive business synergies. Between 2012 and 2017, SGS has deployed ~\$700 million on acquisitions.

Nordson completes the acquisition of Sonoscan, Inc.

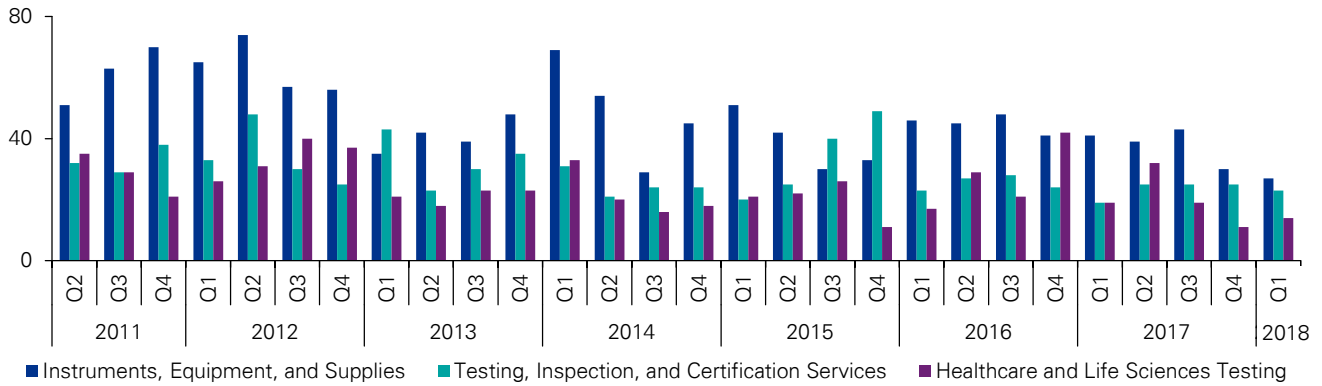
January 4, 2018

Nordson Corporation, a designer and manufacturer of differentiated products and systems used to dispense, apply and control industrial adhesives, sealants, and coatings, completed the acquisition of Sonoscan, Inc., an Illinois-based designer and manufacturer of acoustic microscopes and sophisticated acoustic micro imaging systems. The company’s products are widely used for nondestructive analysis of defects in industrial products and semiconductor devices. Sonoscan also operates application testing laboratories to assist customers globally through its SonoLab division. “The Sonoscan acquisition broadens the offering to our customers within our Test and Inspection range of products and solutions,” said Joseph Stockunas, Vice President for Nordson’s Advanced Technology Systems segment. “Sonoscan’s acoustic imaging solutions are adjacent and highly complementary to Nordson’s existing bond testing, X-ray, and automated optical inspection solutions and are sold to the same set of customers.” This acquisition builds on Nordson’s strategic objective to grow its Electronics Systems business in the advanced semi-conductor packaging and automotive electronics markets. Terms of the transaction were not disclosed.

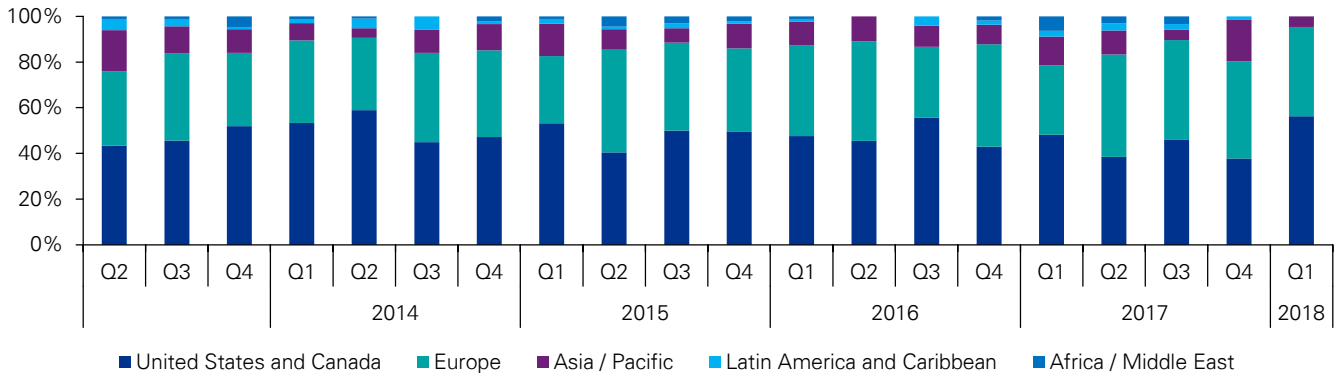
Source: Capital IQ, Business Wire, Globe Newswire, company websites, press releases

Global T&M Deal Volume

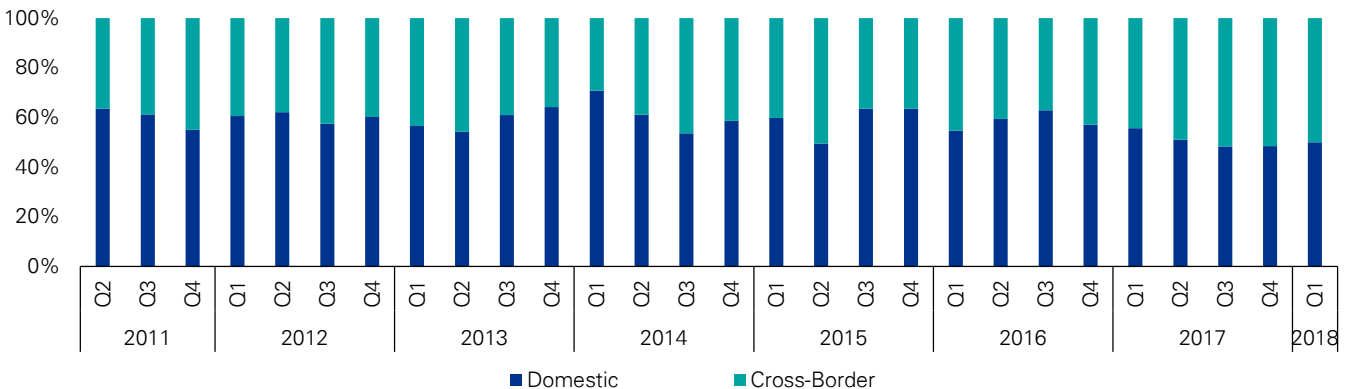
Global T&M Industry Announced M&A Deal Volume By Subsector



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	Covance Food Solutions Division of LabCorp	Eurofins Scientific SE	\$670.0	4.5x	-
Pending	vohtec Qualitätssicherung GmbH	Element Materials Technology Group Limited	-	-	-
Pending	Tools & Test Business of Textron Inc.	Emerson Electric Co.	\$810.0	1.7x	-
6/25/2018	Labstat	Warburg Pincus, LLC	-	-	-
6/11/2018	Advanced Metrology Solutions S.L.	SGS SA	-	-	-
5/24/2018	RS Calibration Services, Inc.	Trescal SA	-	-	-
5/18/2018	HGH Systèmes Infrarouges SAS	The Carlyle Group L.P.	-	-	-
5/9/2018	KARCO Engineering, LLC	Applus Services, S.A.	-	-	-
5/7/2018	LaserGen, Inc.	Agilent Technologies, Inc.	\$201.9	-	-
4/30/2018	STAT-Dx Life S.L.	QIAGEN N.V.	\$191.0	-	-
4/16/2018	Tips, S.L.	Applus Services, S.A.	-	-	-
4/12/2018	Dickson, Inc.	May River Capital, LLC	-	-	-
4/5/2018	Oleotest NV	SGS SA	-	-	-
4/4/2018	Astute Medical, Inc.	bioMérieux S.A.	\$90.0	-	-
4/3/2018	Revolutionary Engineering Inc.	Spectris plc	\$19.0	-	-
4/3/2018	MPI Research Inc.	Charles River Laboratories International, Inc.	\$800.0	3.3x	-
4/2/2018	Air Pollution Testing, Inc.	Alliance Source Testing, LLC	-	-	-
3/21/2018	Safety Technology Holdings	Bridgepoint	-	-	-
3/16/2018	AvComm and Wireless Test and Measurement (Cobham plc)	Viavi Solutions Inc.	\$455.0	2.3x	-
3/12/2018	Aldo Abela Surveys (AAS) Ltd.	Intertek Group plc	-	-	-
3/1/2018	REI Consultants, Inc.	Pace Analytical Services, Inc.	-	-	-
2/12/2018	Safety Technology Holdings, Inc	Bridgepoint Advisers Limited	-	-	-
2/6/2018	Noise, Environmental and Heat Stress Monitoring Products of 3M Company	TSI Incorporated	-	-	-
1/31/2018	Semelec SAS	Sofimae SA	-	-	-
1/26/2018	Concept Life Sciences Limited	Spectris plc	\$230.8	3.3x	17.5x
1/22/2018	Particle Sizing Systems, LLC	Entegris, Inc.	\$37.0	-	-

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
1/18/2018	EUROFINS Food Analytica Kft.	Eurofins Scientific SE	-	-	-
1/16/2018	Craft Technologies, Inc.	Eurofins Scientific, Inc.	-	-	-
1/16/2018	Toxicology Holdings Corp.	ACM Medical Laboratory, Inc.	-	-	-
1/15/2018	Tsing Hua Testing & Analysis Co., Ltd.	Eurofins Scientific SE	-	-	-
1/11/2018	MET Laboratories, Inc.	Eurofins Scientific SE	-	-	-
1/11/2018	Laboratoire de Controle & d'Analyse S.A.	SGS SA	-	-	-
1/10/2018	Tunnel Safety Testing, S.A.	Applus Services, S.A.	-	-	-
1/9/2018	Vanguard Sciences Inc.	SGS SA	-	-	-
1/6/2018	VTT Expert Services Oy	Eurofins Product Testing LUX	-	-	-
1/4/2018	Alternative Biomedical Solutions LLC	Centre Lane Partners, LLC	-	-	-
1/4/2018	Sonoscan, Inc.	Nordson Corporation	-	-	-
1/4/2018	Lubrication Management SL	Bureau Veritas SA	-	-	-
1/4/2018	Industrial Hygiene and Asbestos Laboratory Division of Pace Analytical Services, Inc.	EMSL Analytical, Inc.	-	-	-

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 2018 Revenue	CY 2018 EBITDA
Testing, Inspection, and Certification												
ALS Limited	AU	2,857	3,245	5.85	92.4%	1,113	14.7%	27.5%	19.9%	14.6x	NM	NM
Applus Services, S.A.	ES	1,923	2,533	13.46	95.4%	1,955	0.9%	34.3%	11.3%	11.5x	NM	NM
Bureau Veritas SA	FR	11,777	14,244	26.98	95.6%	5,631	3.1%	30.5%	17.2%	14.7x	NM	NM
Eurofins Scientific SE	LU	8,497	10,164	480.47	73.8%	3,568	17.1%	18.7%	18.4%	15.5x	NM	NM
Intertek Group plc	GB	12,375	13,144	76.93	98.6%	3,743	7.9%	55.9%	19.8%	17.7x	NM	NM
Mistras Group, Inc.	US	532	687	18.77	78.8%	725	5.3%	29.5%	7.8%	12.2x	0.9x	9.0x
SGS SA	CH	19,950	20,738	2,641.92	98.4%	6,515	6.1%	43.5%	19.0%	16.8x	NM	NM
Team, Inc.	US	637	1,002	21.25	81.3%	1,216	(1.3%)	25.6%	1.2%	NM	0.8x	11.5x
Testing, Inspection, and Certification Mean					89.3%		6.7%	33.2%	14.3%	14.7x	0.9x	10.3x
Testing, Inspection, and Certification Median					93.9%		5.7%	30.0%	17.8%	14.7x	0.9x	10.3x
Life Sciences Instruments												
Agilent Technologies, Inc.	US	21,158	20,266	66.13	88.2%	4,720	9.2%	54.2%	24.2%	17.8x	4.1x	16.9x
bioMérieux S.A.	FR	11,077	11,257	93.79	98.2%	2,748	8.8%	53.0%	20.8%	19.7x	NM	NM
Bio-Rad Laboratories, Inc.	US	9,018	8,690	303.88	99.8%	2,212	5.5%	55.2%	14.2%	NM	3.8x	22.8x
Bruker Corporation	US	5,034	4,979	32.25	88.3%	1,813	11.8%	46.5%	16.8%	16.3x	2.6x	14.1x
IDEXX Laboratories, Inc.	US	19,796	20,654	226.25	98.8%	2,045	12.4%	55.9%	25.3%	NM	NM	NM
Mettler-Toledo International Inc.	US	14,956	15,851	585.31	83.9%	2,791	8.9%	57.5%	24.1%	23.6x	5.3x	20.4x
Neogen Corporation	US	4,224	4,032	81.88	99.3%	392	11.0%	47.9%	22.0%	NM	NM	NM
PerkinElmer, Inc.	US	8,612	10,508	77.84	92.1%	2,387	12.0%	47.7%	19.3%	22.8x	3.7x	17.8x
QIAGEN N.V.	NL	8,438	9,238	37.15	98.8%	1,453	7.9%	66.1%	32.7%	19.4x	6.0x	17.5x
Sartorius Aktiengesellschaft	DE	9,411	10,644	130.75	85.6%	1,757	6.3%	50.8%	24.9%	24.3x	NM	NM
Thermo Fisher Scientific Inc.	US	86,821	106,969	215.80	95.3%	22,006	17.4%	45.0%	25.0%	19.4x	4.5x	17.5x
Waters Corporation	US	15,766	14,463	201.25	91.4%	2,342	6.9%	59.1%	34.7%	17.8x	5.9x	16.6x
Life Sciences Instruments Mean					93.3%		9.8%	53.2%	23.7%	20.1x	4.5x	17.9x
Life Sciences Instruments Median					93.7%		9.0%	53.6%	24.1%	19.4x	4.3x	17.5x
Industrial Instruments												
AMETEK, Inc.	US	17,389	19,038	75.09	94.7%	4,465	14.4%	34.1%	26.0%	16.4x	4.0x	15.6x
Badger Meter, Inc.	US	1,355	1,390	46.55	89.3%	406	2.8%	37.9%	19.2%	17.8x	3.3x	16.9x
Danaher Corporation	US	71,471	80,947	102.31	97.6%	18,819	9.6%	56.0%	24.2%	17.8x	4.1x	17.1x
Itron, Inc.	US	2,295	3,290	58.55	73.2%	2,148	7.8%	32.1%	10.1%	15.2x	1.4x	12.5x
Keysight Technologies, Inc.	US	11,506	12,511	61.23	98.1%	3,537	20.1%	52.9%	17.1%	20.7x	3.2x	13.1x
MTS Systems Corporation	US	973	1,292	54.60	95.0%	781	2.0%	39.2%	12.7%	13.0x	1.6x	9.9x
National Instruments Corp.	US	5,806	5,391	44.25	82.6%	1,301	4.8%	75.0%	16.7%	24.8x	4.0x	24.4x
Oxford Instruments plc	GB	817	843	14.28	91.5%	417	(14.8%)	50.8%	16.0%	12.6x	NM	NM
Roper Technologies, Inc.	US	29,298	33,553	284.00	96.9%	4,724	18.9%	62.4%	33.9%	21.0x	NM	19.5x
Spectris plc	GB	4,483	4,550	37.83	96.2%	2,062	13.4%	56.9%	16.3%	13.5x	NM	NM
Industrial Instruments Mean					91.5%		7.9%	49.7%	19.2%	17.3x	3.1x	16.1x
Industrial Instruments Median					94.8%		8.7%	51.9%	16.9%	17.1x	3.3x	16.2x
Selected Public T&M Companies Mean					91.6%		8.4%	46.7%	19.7%	17.6x	3.5x	16.3x
Selected Public T&M Companies Median					94.8%		8.3%	49.3%	19.3%	17.7x	3.8x	16.9x

Source: Capital IQ

(1) Market Capitalization based on closing share prices as of June 18, 2018

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

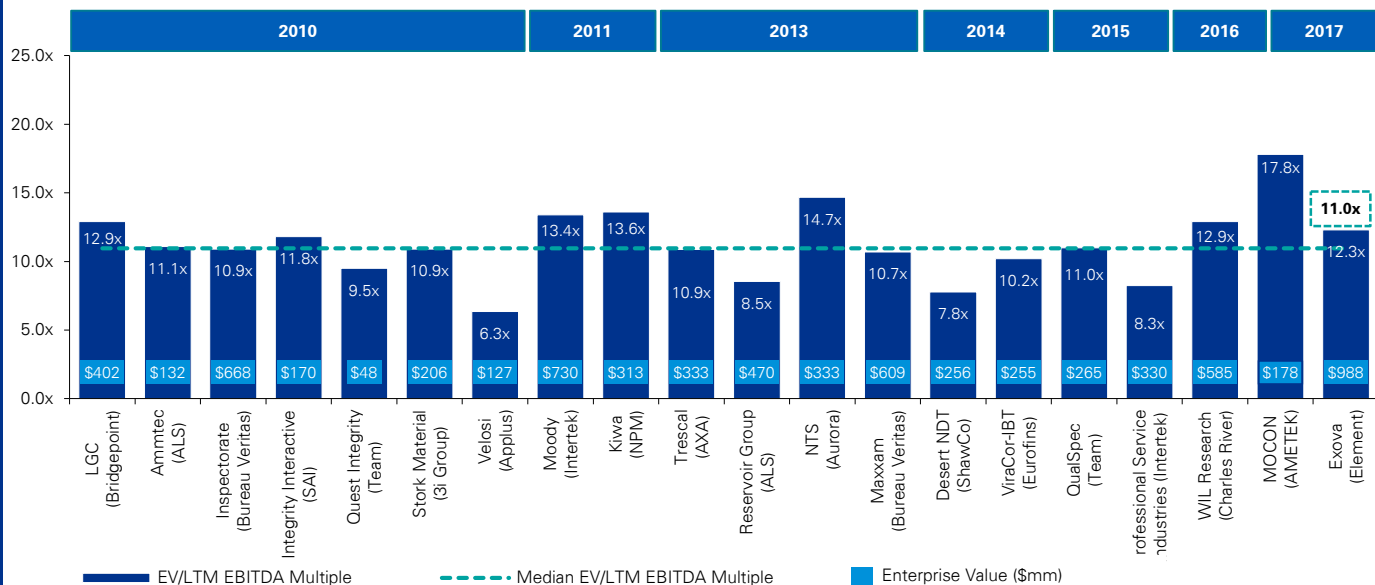
(3) Indicates percentage of current stock price compared to its 52 week high. Closing share prices as of June 18, 2018

(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

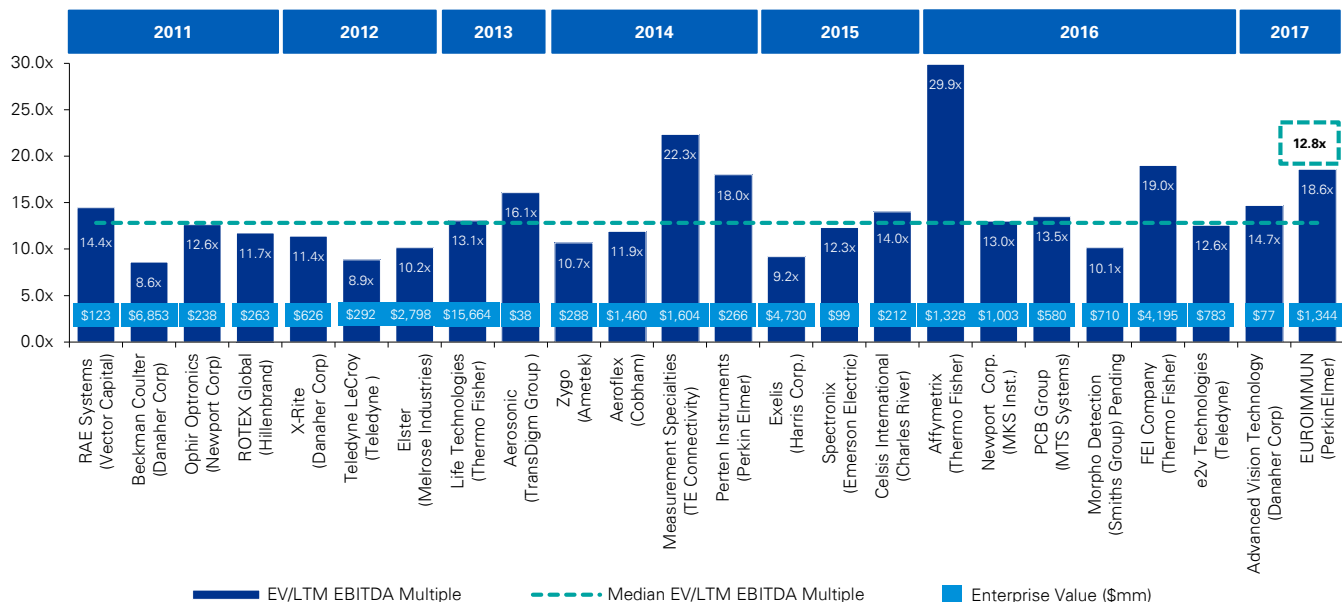
Three Year Acquisition History for Selected Players in the TIC Industry

Aggregate EV (\$mm)	Average EV (\$mm)	Company	Number of Deals
1,215.4	173.6	Eurofins	49
10.3	10.3	SGS	33
NA	NA	Bureau Veritas	15
330.0	330.0	Intertek Group	8
34.6	34.6	Exova	7
130.7	130.7	Applus Services	7
NA	NA	UL LLC	6
NA	NA	DEKRA	6
198.9	198.9	TÜV SÜD	6
49.8	49.8	ALS	5
NA	NA	National Technical Systems	5
259.8	129.9	Spectris	4
NA	NA	Trescal	3
2.4	0.8	Premier Technical Services Group	3
74.0	74.0	Mistras Group	3

Note: Three years ended March 31, 2018; 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
31.3	1,402.3	Bruker Corporation	8
1,402.3	151.3	Danaher Corp	8
134.5	31.3	AMETEK	6
20.0	783.0	Spectris	5
783.0	20.0	Teledyne Technologies	5
4,176.9	4,176.9	Thermo Fisher Scientific	5
659.8	NA	PerkinElmer	4
NA	52.0	ESCO Technologies	4
127.5	NA	Agilent Technologies	3
NA	NA	Indutrade AB	3
NA	40.5	Hexagon AB	3
62.0	1,300.0	Keysight Technologies	3
52.0	62.0	Emerson Electric	3
40.5	290.4	Xylem Inc.	3
63.0	0.9	Mettler-Toledo International Inc.	2

Note: Three years ended March 31, 2018; 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⁾

 <p>has been acquired by</p>  <p>June 2018</p>	 <p>has been acquired by</p>  <p>December 2017</p>	 <p>has been acquired by</p>  <p>a subsidiary of LabCorp</p> <p>December 2017</p>	 <p>divested its analytics laboratory business in Finland and Estonia to</p>  <p>April 2017</p>	 <p>has been acquired by</p>  <p>March 2017</p>
 <p>has been acquired by</p>  <p>May 2016</p>	 <p>has been acquired by</p>  <p>November 2015</p>	 <p>has divested</p>  <p>to</p>  <p>September 2013</p>	 <p>has been acquired by</p>  <p>December 2012</p>	 <p>has been acquired by</p>  <p>June 2012</p>
 <p>has been acquired by</p>  <p>June 2012</p>	 <p>has been acquired by</p>  <p>February 2012</p>	 <p>has acquired</p>  <p>October 2011</p>	 <p>has divested</p>  <p>to</p>  <p>May 2011</p>	 <p>divested its Stork Materials Technology testing division to</p>  <p>November 2010</p>
 <p>has been acquired by</p>  <p>February 2010</p>	 <p>divested its Testing Business to</p>  <p>October 2008</p>	 <p>has been acquired by</p>  <p>July 2008</p>	 <p>has been acquired by</p>  <p>January 2007</p>	 <p>has acquired</p>  <p>November 2006</p>

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

Global coverage. Industry knowledge. Middle-market focus.

The global Corporate Finance practices of KPMG International's network of independent member firms was ranked #1 as the top M&A middle-market adviser globally by Thomson Reuters SDC, and Mergermarket based on number of completed transactions, for 2017. KPMG Corporate Finance LLC was recently named Transaction Advisory Firm of the Year by The Global M&A Network, and previously named Investment Bank of the Year by The M&A Advisor. KPMG Corporate Finance LLC provides a broad range of investment banking and advisory services to its domestic and international clients. Our professionals have the experience and depth of knowledge to advise clients on global mergers and acquisitions, sales and divestitures, buyouts, financings, debt restructurings, equity recapitalizations, infrastructure project finance, capital advisory, portfolio solutions, fairness opinions, and other advisory needs.

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