



Test & Measurement Newsletter - Q4 2018

KPMG Corporate Finance LLC

Test & Measurement M&A Newsletter

Q4 2018

Test & Measurement Market Commentary

Trading multiples for the Test & Measurement (T&M) industry decreased slightly in Q4'18, in line with the broader market performance, however, remained high relative to other industries. Life Sciences Instrument companies recorded a mean EV/LTM EBITDA of 18.6x; Testing, Inspection, and Certification (TIC) - 12.5x; and Industrial Instruments - 14.9x. Announced deal volume and value increased 9.1% and 139.9% (to \$7.5 billion), respectively, in Q4'18, as compared to Q4'17. Strategic buyers continued to dominate in Q4'18, participating in approximately 92% of announced deals, led by Eurofins and AMETEK with four and three transactions each, respectively.

Total of **72 announced deals** in Q4'18, an increase of **9.1% versus Q4'17**



9.1%
Deal Volume

Q4'18 total **announced deal value** was **\$7.5 billion**, up **139.9%** from Q4'17

139.9%
Deal Value

Cross-border deals represented **40.3% of total volume** for Q4'18, down from **51.5% in Q4'17**

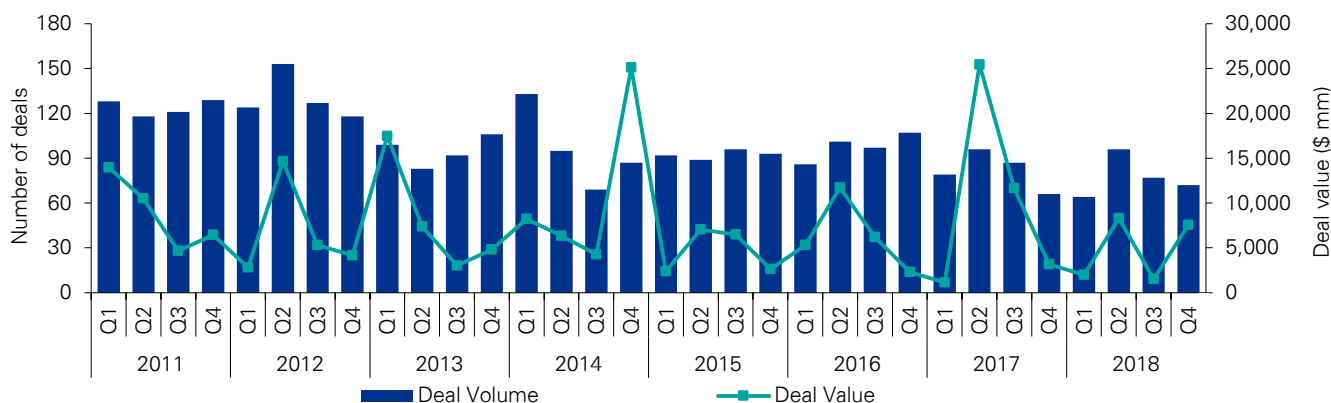
Q4'17 **51.5%**
Q4'18 **40.3%**

Deal volume for the **Instruments, Equipment, and Supplies (IES) subsector** increased **16.7%**, while **Testing, Inspection, and Certification (TIC) subsector** deal volume decreased **40.0%** in Q4'18 versus Q4'17



Q4'18 Deal Volume
IES **16.7%** **TIC** **40.0%**

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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TEST & MEASUREMENT M&A NEWSLETTER – Q4 2018

Notable Recent Deals

Q4 2018

Bureau Veritas partners with AsureQuality to form Food Testing Company

January 03, 2019 (Pending)

Bureau Veritas SA, a global leader in providing laboratory testing, inspection and certification services, announced the formation of BVAQ, a food testing company based in Singapore, through a partnership with AsureQuality Ltd., the New Zealand state-owned business providing food safety and biosecurity services. BVAQ represents the combination of Bureau Veritas' food testing laboratories in Vietnam, Indonesia, and Thailand, with AsureQuality's existing food testing facility in Singapore that was established in 2010. Bureau Veritas will also contribute its majority interest in Permublab, a Malaysia-based laboratory providing testing analysis of food, water, pharmaceutical, and environmental monitoring activities. Didier Michaud-Daniel, CEO of Bureau Veritas, commented on the partnership: "This move solidifies our successful partnership with AsureQuality in Asia-Pacific. By combining our existing capabilities, BVAQ quickly strengthens our footprint in Agri-food in the fast-growing market of South East Asia." Bureau Veritas will hold a 51% interest in BVAQ, with AsureQuality owning the remaining 49% stake. Financial terms of the transaction were not disclosed.

Battery Ventures portfolio company Process Sensing Technologies acquires NTRON

December 31, 2018

Process Sensing Technologies Ltd. ("PST Group"), owned by Battery Ventures, a global, technology-focused investment firm, acquired NTRON Ltd., an Ireland-based global provider of gas-measurement sensors and process-oxygen analyzers. NTRON was founded in 1987 and provides its products and services in 50 countries to nearly 1,300 customers, including OEMs and end-users across the additive manufacturing, pharmaceutical, and high-purity gas industries. Adam Markin, PST Group CEO said: "NTRON's expertise in oxygen measurement and analysis is highly complementary to the other businesses in PST's portfolio, and will broaden PST's existing product portfolio." NTRON represents the sixth acquisition for the Battery Venture's PST platform. Terms of the transaction were not disclosed.

Harbour Group portfolio company ONICON acquires Pulsar Process Measurement

December 20, 2018

ONICON Inc., a leading provider of flow and energy management products backed by Harbour Group, a St. Louis based private equity fund, announced the acquisition of Pulsar Process Measurement Ltd., a UK-based manufacturer of ultrasonic- and radar-based non-contact level and flow measurement instruments. Pulsar's product offering includes level, volume, open channel flow, sludge interface measurement, and pump control measurement for a variety of industries and applications. "Pulsar has a very strong brand, entrenched market position within water and wastewater, and extraordinary ultrasonic and radar measurement capabilities," commented John Norris, President and CEO of ONICON. "We are excited to work with the Pulsar team and see tremendous growth opportunities for the combined business." Keith Beard, Pulsar's Co-founder and Managing Director said: "We believe our engineering, market presence, and product suite will further complement the ONICON business, specifically in water and wastewater markets. We are also excited to leverage Onicon's presence in North America to grow our business." Terms of the transaction were not disclosed.

Teledyne Technologies acquires Scientific Imaging from Roper Technologies

December 19, 2018 (Pending)

Teledyne Technologies announced the acquisition of the Scientific Imaging businesses of Roper Technologies, including, Princeton Instruments, Photometrics, and Lumenera, in addition to other brands. Princeton Instruments and Photometrics manufacture high end microscopes and imaging solutions for end markets such as laboratories, pharmaceutical applications, and life sciences research. Lumenera manufactures high performance digital cameras and OEM imaging solutions for industrial, scientific, surveillance and astro applications. Robert Mehrabian, Teledyne's Chairman and CEO commented: "Princeton Instruments and Photometrics will provide Teledyne new products serving life sciences customers and markets, while Teledyne will offer Lumenera greater opportunities in the industrial domain." Teledyne acquired the businesses for cash consideration of \$225 million, representing an estimated EBITDA multiple of approximately 11.0x. The transaction is expected to close in Q1 2019.

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

Notable Recent Deals

Q4 2018 (continued)

Bruker Corporation acquires Alicona Imaging from Quadriga Capital

December 18, 2018

Bruker Corporation, a manufacturer and distributor of high-performance scientific instruments and high-value analytical and diagnostic solutions, acquired Alicona Imaging GmbH, a provider of optical-based metrology products, from Quadriga Capital, a private equity firm that invests in mid-size businesses in Germany, Austria, Switzerland and adjacent countries. Based in Graz, Austria, Alicona provides optical 3D surface measurement solutions for quality assurance in laboratory and product applications, measuring surface form and roughness in complex, miniaturized geometries. The combined product offering provides a more comprehensive selection of metrology solutions to serve customers' materials research, engineering and high-precision quality assurance needs, while helping to accelerate Alicona's International expansion. Dr. Stefan Shere, co-CEO of Alicon commented on the transaction, "We are very pleased to join Bruker. We have built a strong company that delivers superior measurement solutions in laboratory and production environments, and we are looking forward to leveraging Bruker's global reach to serve an even wider customer base and help expand the Bruker portfolio to a wider set of manufacturing solutions." Terms of the transaction were not disclosed.

Merck acquires Antelliq Group from BC Partners

December 14, 2018

Merck & Co. Inc. announced the acquisition of Antelliq Group, a global leader in digital animal identification, traceability and monitoring solutions, from BC Partners, an international investment firm with offices in London, Hamburg, and New York. Antelliq offers a diverse range of technology solutions through its three primary business units of Livestock, Pet Care, and Fish & Aquaculture to assist farmers, pet owners, and research communities in improving animal care and management. Kenneth C. Frazier, Chairman & CEO of Merck commented: "Antelliq's people and products complement our portfolio by adding market-leading digital products, extending the range of solutions we can provide our customers and further driving the growth of our business. This acquisition is well aligned with our strategy to generate long-term growth and sustainable value for our customers and shareholders." Stefan Weiskopf, CEO of Antilliq added: "Merck has a strong and growing animal health business, and we are delighted that our superior offering of technology, products and services, as well as our global relationships, together with Merck, will bring additional value to our customers. With more than 60 years of experience, we are constantly re-imagining animal care to improve the quality of life for animals and for the people who care for them." Merck acquired the Company for cash consideration of €2.1 billion, in addition to the assumption of €1.15 billion in debt, representing an implied valuation multiple of 9.0x LTM revenue as of September 30, 2018. The transaction is expected to close in Q2 2019.

Mistras Group acquires Onstream Pipeline Inspection from Novacap Investments

December 13, 2018

Mistras Group Inc., a global provider of technology-enabled asset protection solutions used to evaluate the structural integrity of critical energy, industrial and public infrastructure acquired Onstream Pipeline Inspection Ltd., which provides proprietary, technology-enabled inline inspection and data analytics services, from Novacap, a Canada-based private equity firm. Headquartered in Calgary, Alberta, Onstream offers a range of inspection tools and services to identify and record all pertinent pipeline data for oil & gas producers and pipeline operators, serving a broad range of upstream and midstream customers in the energy sector. Mistras acquired the Company for \$143 million in cash consideration.

Axel Johnson acquires AMC Instruments

December 04, 2018

Axel Johnson International AB, a diversified industrial group with over 100 operating companies, acquired AMC Instruments S.r.l., a provider of products and services for the non-destructive testing of steel wire ropes. Based in Italy and founded in 2007 by a team of professors and researchers, AMC uses advanced sensor technologies for testing steel ropes in various industrial settings, such as elevators, cranes, heavy lifting equipment, and oil & gas applications. Ralf Wiberg, Managing Director of Lifting Solutions, Axel Johnson International commented: "AMC's know-how will further increase the sophistication of our service offering. Their competence in remote monitoring and advanced sensor technology is highly relevant to our existing business." Terms of the transaction were not disclosed.

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

Notable Recent Deals

Q4 2018 (continued)

AMETEK acquires Spectro Scientific from SFW Capital Partners

November 27, 2018

AMETEK Inc., a leading global provider of electronic instruments and electromechanical devices, acquired Spectro Scientific Inc., a provider of predictive analytics for maintenance of mission-critical assets serving a range of industrial and military customers, from SFW Capital Partners. Based in Chelmsford, MA, Spectro provides both lab-based and onsite instrumentation, consumables and cloud-based software analytics and is one of the largest suppliers of oil, fuel, and fluid analysis instruments globally, with over 8,000 instruments sold. "Spectro is an excellent acquisition for AMETEK. Their differentiated solutions serve an increasing need for predictive maintenance in a broad and growing set of end markets, including military and defense, process, power generation and transportation," commented David A. Zapico, AMETEK Chairman & CEO. "Spectro's solutions nicely complement our strategy to integrate instrumentation data with cloud-based software and analytics." AMETEK acquired Spectro for approximately \$190 million in consideration, approximately 3.8x revenue.

bioMérieux acquires a majority stake in Suzhou Hybiome Biomedical Engineering

November 09, 2018

bioMérieux S.A., a provider of vitro diagnostic solutions systems for laboratories, acquired Suzhou Hybiome Biomedical Engineering Co. Ltd., a manufacturer of diagnostic solutions. Founded in 2009 and based in China, Hybiome develops, manufactures, and markets a complete range of diagnostic solutions (reagents, instruments and software) cleared by the China Food and Drug Administration (CFDA). The acquisition strengthens bioMérieux's presence in China, where it has been making diagnostic solutions for more than 25 years. "bioMérieux has forged solid ties with China for over 25 years and we are delighted to enter into this agreement with Hybiome, a company with a remarkable expertise in the field of immunoassays. This new important step is fully in line with our international development strategy, which consists in locating research and production as close as possible to patients' and healthcare needs", said Alexandre Mérieux, Chairman and CEO of bioMérieux. The acquisition of 54% of the shares of Hybiome resulted in a valuation of €165 million. Hybiome expects to exceed €20 million in sales in 2018.

Vitrek, a portfolio company of Branford Castle, acquires XiTRON Technologies

November 08, 2018

Vitrek Corporation, a leading provider of high voltage test and measurement equipment, acquired XiTRON Technologies Inc. brand and product lines, a provider of precision power test and measurement solutions for industrial and consumer product development and manufacturing. The XiTRON product line includes a range of single, dual and 3 channel power analyzers, portable calibration equipment, programmable DC electronic loads, power quality analyzers, digital milliohmmeters and phase angle voltmeters. The acquisition broadens and diversifies Vitrek's product offering, expands its customer base with limited overlap, and adds domestic and international representation and distribution channels. Don Millstein, Vitrek's President commented, "Acquisition of the XiTRON Technologies brand and its products is a vital component of our expansion strategy. The two companies, each founded in 1990 here in San Diego County, share a heritage of excellence in power measurement and analysis. The addition of XiTRON's products and brand recognition, market access and distribution channel all create exceptional synergies for Vitrek's continued growth." Terms of the transaction were not disclosed.

PerkinElmer acquires Dani Analitica S.r.l.

November 07, 2018

PerkinElmer Inc., a provider of products, services, and solutions to the diagnostics, research, environmental, industrial, food, and laboratory services markets, acquired Dani Analitica S.r.l., a manufacturer of gas chromatography and mass spectrometry instrumentation. Based in Milan, Italy, Dani Analitica is comprised of Gas Chromatography and Mass Spectrometry business division of Dani Instruments. The acquisition brings advanced capabilities in gas chromatography to help accelerate PerkinElmer's workflow solutions in food, pharmaceutical and environmental end markets. Dani Analitica was acquired for total consideration of €43.1 million in cash. Annual revenue for Dani Analitica is estimated at \$10 million.

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

Notable Recent Deals

Q4 2018 (continued)

Battery Ventures acquires Audio Precision

November 05, 2018

Battery Ventures, a global, technology-focused investment firm, has acquired Audio Precision Inc., a provider of high-performance instrumentation and software for audio testing and analysis. Founded in 1984 and based in Portland, OR, Audio Precision provides high-end audio analyzers and audio measurement software to help engineers design, test and manufacture audio components, products and systems. The product applications range from semiconductors to consumer devices such as headphones, speakers, and smartphones, as well as professional audio products. Jesse Feldman, General Partner at Battery Ventures commented, "Audio Precision has built an extremely strong business in this segment of the test and measurement technology market, and we are excited to partner with the company as it begins its next chapter of growth." Terms of the transaction were not disclosed.

Eurofins Scientific acquires EnvironeX Group from Persistence Capital Partners

October 31, 2018

Eurofins Scientific SE, a global provider of analytical testing services, acquired EnvironeX Laboratories, a provider of testing services to the environmental, agriculture, food, health, and pharmaceutical sectors in Quebec, Canada, from Persistence Capital Partners. Founded in 2005, EnvironeX operates three laboratories and one service point in Canada. The Company employs 275 employees and is expected to generate approximately CAD 30 million in revenue in 2018. Marc Hamilton, EnvironeX CEO, commented, "Today is an important step for EnvironeX. We are pleased and proud to benefit from Eurofins' expertise to continue to grow in the Canadian market. I am personally excited to join our forces and competencies with the Eurofins team and provide our customers with diversified and high quality analytical services."

Indutrade acquires Thermo Electric Instrumentation

October 25, 2018

Indutrade AB, an international industrial group that sells high-tech products, acquired Thermo Electric Instrumentation B.V., a developer and manufacturer of temperature sensors. Established in 1968 and headquartered in the Netherlands, Thermo Electric develops, manufactures, markets and calibrates temperature sensors. The Company has developed a wide range of temperature sensors that are customized to customers' specific needs and requirements. Thermo Electric will reside in Indutrade's Measurement & Sensor Technology business area. "We feel very positive about this opportunity to use the knowledge and expertise that exist in the Group to leverage further growth and development opportunities," commented Bo Annvik, President and CEO of Indutrade. Thermo Electric has 55 employees and annual revenue of approximately €11 million. Terms of the transaction were not disclosed.

SGS acquires Inter-Base Resources (IBR)

October 18, 2018

SGS SA, a leading inspection, verification, testing, and certification company, acquired IBR Inc., a provider of state-of-the-art testing and verifications for air and fluid filtration performance. Founded in 1984 and based in Grass Lake, MI and Milton Keynes, United Kingdom, IBR offers comprehensive testing services throughout the entire spectrum of filtration services. Fankie Ng, CEO of SGS said, "This acquisition broadens our services within non-woven materials, particularly filtration performance, allowing further expansion of value-added services to our customers and core industries." IBR employs approximately 25 people and generated \$3.5 million of revenue in 2017. Terms of the transaction were not disclosed.

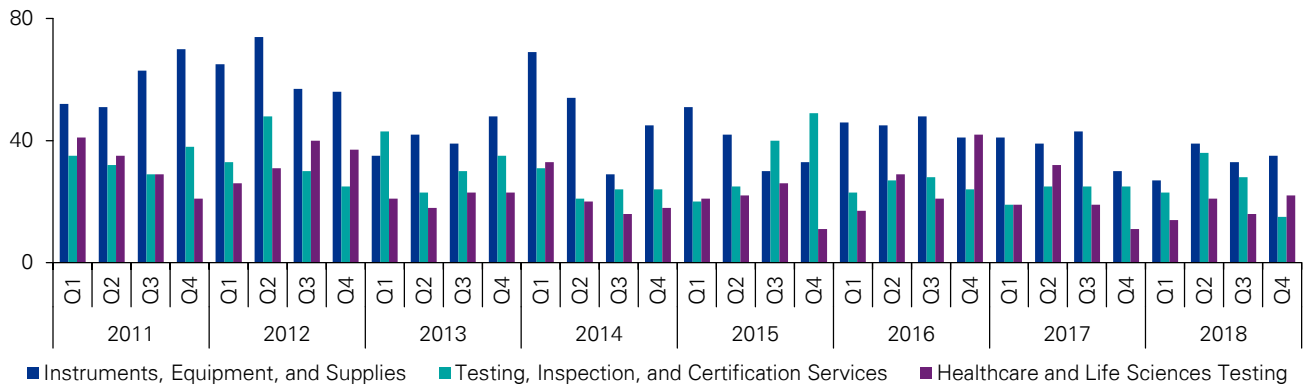
Source: Capital IQ, Business Wire, Globe Newswire, company websites, press releases

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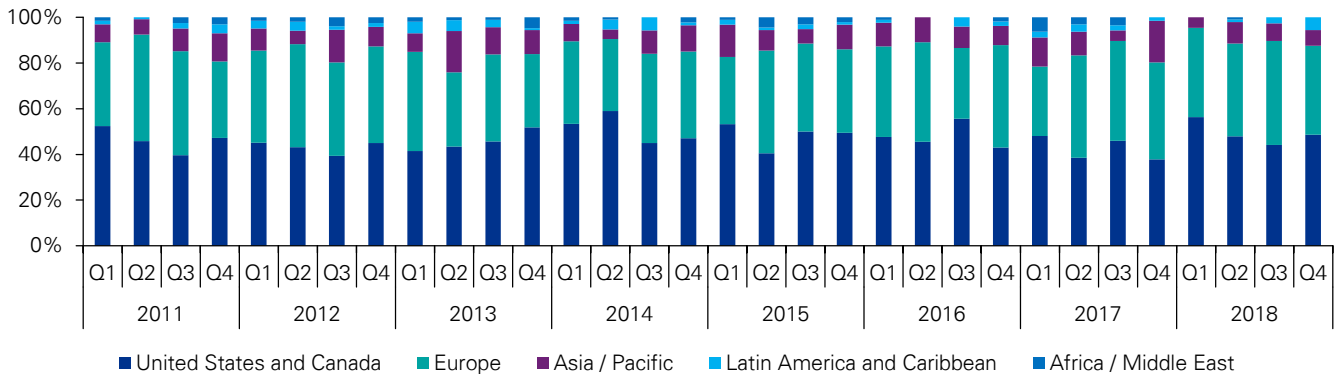
TEST & MEASUREMENT M&A NEWSLETTER – Q4 2018

Global T&M Deal Volume

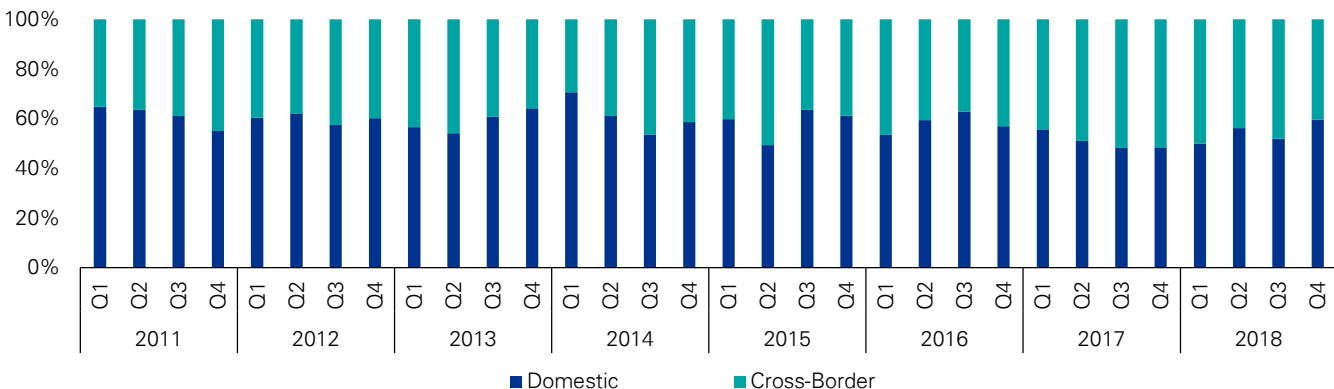
Global T&M Industry Announced M&A Deal Volume By Subsector



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	Scientific Instruments Businesses of Roper Technologies	Teledyne Technologies Incorporated	\$225.0	2.5x	11.0x
Pending	Antelliq	Merck Animal Health	\$3,670.7	9.0x	-
Pending	Semiconductor System Level Test Business of Astronics Test Systems Inc.	Advantest America, Inc.	\$215.0	-	-
Pending	Pacific Biosciences of California, Inc.	Illumina, Inc.	\$1,165.6	13.9x	NM
Pending	Thermo Electric Instrumentation B.V.	Indutrade AB	-	-	-
Pending	Leosphere, Inc.	Vaisala Oyj	\$43.8	1.4x	-
1/2/2019	Axsun Technologies, LLC	Excelitas Technologies Corp.	-	-	-
12/20/2018	Kypha Inc.	Arsenal Capital Partners	-	-	-
12/20/2018	Pulsar Process Measurement Limited	ONICON Incorporated	-	-	-
12/18/2018	Alicona Imaging GmbH	Bruker Corporation	-	-	-
12/13/2018	Onstream Pipeline Inspection Ltd.	Mistras Group, Inc.	\$143.0	5.3x	8.9x
12/12/2018	Imprint Analytics GmbH	SGS SA	-	-	-
12/10/2018	Genoptix, Inc.	NeoGenomics Laboratories, Inc.	\$138.7	-	-
12/6/2018	MATsolutions/NorthLab	Trescal SA	-	-	-
12/6/2018	Palas GmbH	Brockhaus Capital Management Ag	-	-	-
12/4/2018	AMC Instruments srl	Axel Johnson International AB	-	-	-
11/30/2018	Digital Wave Corporation	Hexagon Composites ASA	-	-	-
11/27/2018	Spectro Scientific, Inc.	AMETEK, Inc.	\$190.0	3.8x	-
11/26/2018	Vinci Technologies SA	NextStage - S.C.A.	-	-	-
11/26/2018	SeraCare Life Sciences, Inc.	LGC Standards Ltd.	-	-	-
11/21/2018	E2M Technologies B.V.	MTS Systems Corporation	\$80.0	-	-
11/19/2018	Emerald Star Holdings, LLC	Néomed-Labs Inc	-	-	-
11/15/2018	4D Technology Corporation	Nanometrics Incorporated	\$39.9	-	-
11/9/2018	SuZhou Hybiome Biomedical Engineering Co.Ltd.	bioMérieux S.A.	\$212.0	-	-
11/7/2018	Gas Chromatography and Mass Spectrometry business division of Dani Instruments	PerkinElmer, Inc.	-	-	-
11/6/2018	DNA Laboratories Sdn. Bhd.	PerkinElmer, Inc.	\$18.0	-	-
11/5/2018	Audio Precision, Inc.	Battery Ventures	-	-	-
11/1/2018	IntraGrain Technologies Inc.	Calian Group Ltd.	-	-	-

Source: CapitalIQ, Mergermarket, and press releases

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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
11/1/2018	Telular Corporation	AMETEK, Inc.	-	-	-
11/1/2018	Forza Silicon Corporation	AMETEK, Inc.	-	-	-
10/31/2018	EnvironeX Laboratories	Eurofins Scientific SE	-	-	-
10/31/2018	Test America Environmental Services, LLC	Eurofins Scientific SE	\$175.0	0.8x	-
10/29/2018	Laboratoire DermScan S.A.	Eurofins Scientific SE	-	3.3x	-
10/18/2018	YORK Analytical Laboratories, Inc.	TerraNova Partners LP	-	-	-
10/18/2018	IBR Inc.	SGS SA	-	-	-
10/12/2018	XiTRON Technologies, Inc.	VitreK Corporation	-	-	-
10/9/2018	Cooper Instruments & Systems	Group Four Transducers Inc	-	-	-
10/4/2018	Tersus Consultancy Limited	Marlowe plc	\$4.8	0.5x	4.1x
10/2/2018	Enertechnix, Inc.	Valmet Oyj	-	-	-

Source: CapitalIQ, Mergermarket, and press releases

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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) <small>(1)(2)</small>	Enterprise Value (\$mm) <small>(4)</small>	Share Price <small>(2)</small>	% 52 Wk High <small>(3)</small>	Revenue	Revenue Growth	Gross Margin %	EBITDA % <small>(5)</small>	LTM EBITDA	CY 2019 Revenue	CY 2019 EBITDA
Testing, Inspection, and Certification												
ALS Limited	AU	2,451	2,881	5.04	74.6%	1,126	15.4%	27.6%	20.6%	12.4x	2.4x	10.7x
Applus Services, S.A.	ES	1,621	2,237	11.34	76.5%	1,909	3.6%	36.6%	11.7%	10.0x	1.1x	8.3x
Bureau Veritas SA	FR	9,079	11,902	20.85	75.4%	5,446	(0.4%)	30.1%	17.0%	12.8x	2.1x	11.3x
Eurofins Scientific SE	LU	6,679	8,591	376.25	60.5%	3,871	21.7%	18.9%	17.7%	12.5x	1.7x	8.9x
Intertek Group plc	GB	10,078	10,852	62.65	80.7%	3,622	0.4%	56.4%	19.9%	15.1x	2.9x	13.6x
Mistras Group, Inc.	US	437	584	15.31	64.9%	749	8.3%	30.4%	8.4%	9.3x	0.7x	6.3x
SGS SA	CH	17,477	18,731	2,314.38	85.3%	6,651	7.8%	43.4%	18.3%	15.4x	2.6x	12.8x
Team, Inc.	US	460	821	15.31	59.9%	1,253	4.1%	25.9%	2.5%	NM	0.6x	7.4x
Testing, Inspection, and Certification Mean					72.2%		7.6%	33.7%	14.5%	12.5x	1.8x	9.9x
Testing, Inspection, and Certification Median					75.0%		6.0%	30.2%	17.4%	12.5x	1.9x	9.8x
Life Sciences Instruments												
Agilent Technologies, Inc.	US	22,488	22,044	70.60	94.0%	4,914	9.9%	54.7%	24.1%	18.6x	4.2x	16.5x
bioMérieux S.A.	FR	7,849	8,147	66.66	70.8%	2,710	3.9%	53.4%	20.6%	14.6x	2.8x	12.9x
Bio-Rad Laboratories, Inc.	US	7,129	6,709	237.90	68.9%	2,294	8.7%	54.0%	15.1%	19.4x	2.7x	16.5x
Bruker Corporation	US	5,378	5,357	34.36	94.4%	1,873	9.8%	47.3%	17.5%	16.3x	2.7x	14.0x
IDEXX Laboratories, Inc.	US	16,903	17,773	196.01	76.5%	2,170	13.9%	55.9%	25.7%	NM	NM	NM
Mettler-Toledo International Inc.	US	14,579	15,486	582.11	83.5%	2,896	9.0%	57.3%	24.8%	21.6x	5.1x	18.8x
Neogen Corporation	US	3,061	2,820	58.78	60.4%	414	8.4%	46.8%	21.2%	NM	NM	NM
PerkinElmer, Inc.	US	9,162	10,915	82.36	83.8%	2,663	22.0%	48.5%	20.0%	20.5x	3.7x	17.2x
QIAGEN N.V.	NL	8,206	9,078	36.27	91.9%	1,496	7.8%	67.3%	32.9%	18.5x	5.5x	15.9x
Sartorius Aktiengesellschaft	DE	8,361	9,642	115.66	72.8%	1,764	10.3%	51.6%	25.7%	21.3x	4.9x	19.0x
Thermo Fisher Scientific Inc.	US	94,795	112,651	235.47	92.7%	23,898	20.6%	44.4%	24.9%	19.0x	4.5x	17.0x
Waters Corporation	US	14,970	14,034	197.64	89.8%	2,392	6.3%	59.2%	34.9%	16.8x	5.6x	16.0x
Life Sciences Instruments Mean					81.6%		10.9%	53.4%	23.9%	18.6x	4.2x	16.4x
Life Sciences Instruments Median					83.6%		9.4%	53.7%	24.4%	18.8x	4.4x	16.5x
Industrial Instruments												
AMETEK, Inc.	US	16,220	17,603	69.88	85.3%	4,718	14.2%	34.4%	26.3%	14.2x	3.4x	12.8x
Badger Meter, Inc.	US	1,503	1,528	51.62	90.4%	426	6.8%	37.8%	14.3%	NM	3.4x	16.7x
Danaher Corporation	US	73,623	83,476	105.04	94.8%	19,615	10.0%	56.2%	24.8%	17.2x	4.1x	16.4x
Itron, Inc.	US	2,050	2,989	52.02	67.2%	2,340	19.2%	31.1%	10.2%	12.5x	1.2x	9.9x
Keysight Technologies, Inc.	US	12,855	13,737	68.51	97.3%	3,878	21.6%	54.8%	18.8%	18.9x	3.2x	12.7x
MTS Systems Corporation	US	815	1,124	45.57	79.9%	778	(1.3%)	39.5%	13.2%	11.0x	1.3x	9.0x
National Instruments Corp.	US	6,231	5,749	47.05	87.8%	1,349	6.4%	75.6%	17.4%	24.6x	3.9x	20.4x
Oxford Instruments plc	GB	643	672	11.24	78.9%	407	4.0%	51.9%	16.6%	10.0x	1.6x	9.0x
Roper Technologies, Inc.	US	27,957	32,810	270.30	86.5%	5,041	14.8%	62.9%	34.5%	18.9x	NM	17.5x
Spectris plc	GB	3,584	3,879	31.01	82.2%	2,037	4.7%	56.8%	16.5%	11.6x	1.8x	10.3x
Transcat, Inc.	US	152	177	21.09	83.2%	158	6.7%	24.5%	10.4%	10.7x	1.0x	9.3x
Industrial Instruments Mean					84.9%		9.7%	47.8%	18.4%	14.9x	2.5x	13.1x
Industrial Instruments Median					85.3%		6.8%	51.9%	16.6%	13.4x	2.5x	12.7x
Selected Public T&M Companies Mean					80.3%		9.6%	46.3%	19.6%	15.7x	2.9x	13.4x
Selected Public T&M Companies Median					82.2%		8.4%	48.5%	18.8%	15.4x	2.8x	12.9x

Source: Capital IQ

(1) Market Capitalization based on closing share prices as of January 15, 2019

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

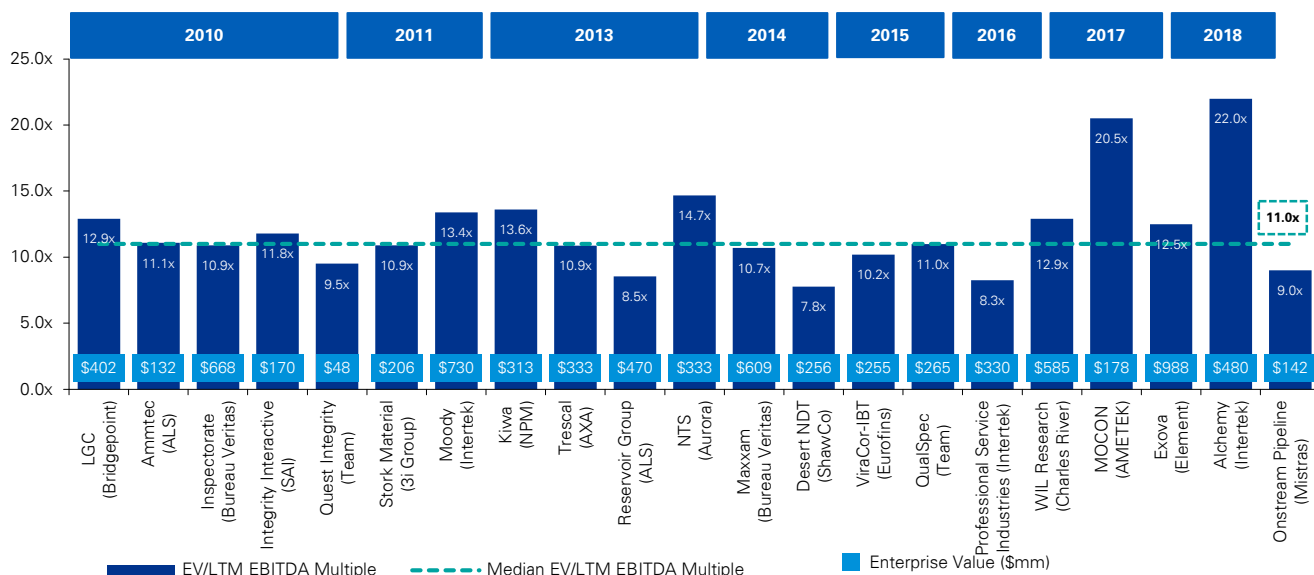
(3) Indicates percentage of current stock price compared to its 52 week high. Closing share prices as of January 15, 2019

(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

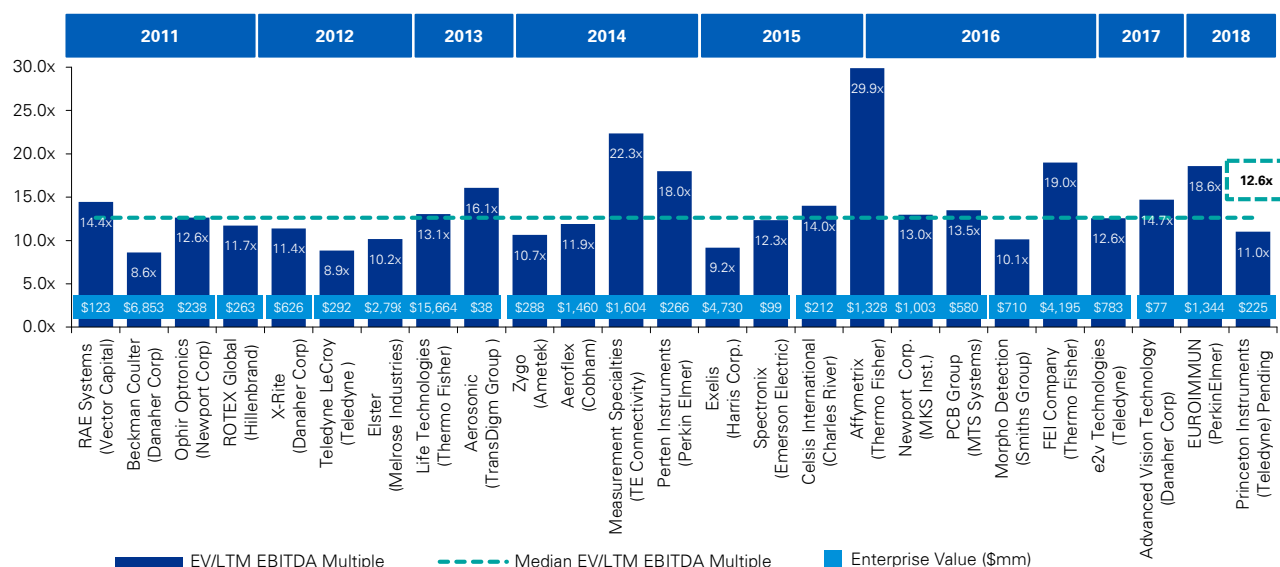
Three Year Acquisition History for Selected Players in the TIC Industry

Aggregate EV (\$mm)	Average EV (\$mm)	Company	Number of Deals
1,184.0	197.3	Eurofins	54
10.3	10.3	SGS	28
NA	NA	Bureau Veritas	16
130.7	130.7	Applus Services	11
480.0	480.0	Intertek Group	7
NA	NA	DEKRA	7
49.8	49.8	ALS	6
NA	NA	UL LLC	5
198.9	198.9	TÜV SÜD	5
NA	NA	Exova	5
17.0	17.0	Synlab Holding GmbH	4
278.8	92.9	Spectris	4
NA	NA	Trescal	4
216.1	108.1	Mistras Group	4
NA	NA	TRIGO, S.A.	3

Note: Three years ended December 31, 2018; Aggregate and Average EV figures include transactions where data is available
Source: Capital IQ

T&M Equipment 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
82.6	20.7	Bruker Corporation	13
1,267.6	181.1	AMETEK	8
1,319.6	659.8	PerkinElmer	6
5,101.9	2,550.9	Thermo Fisher Scientific	6
202.2	67.4	Spectris	5
1,008.0	504.0	Teledyne Technologies	5
4,168.0	2,084.0	Danaher Corp	5
504.9	168.3	Agilent Technologies	4
NA	NA	Indutrade AB	4
NA	NA	ESCO Technologies	4
NA	NA	Hexagon AB	4
NA	NA	Trescal	3
NA	NA	TSI Incorporated	3
23.0	23.0	Badger Meter	3
NA	NA	ONICON Incorporated	3

Note: Three years ended December 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⁾

 has been acquired by WARBURG PINCUS June 2018	 has been acquired by AMETEK December 2017	 has been acquired by Dynacare a subsidiary of LabCorp December 2017	 divested its analytics laboratory business in Finland and Estonia to eurofins April 2017	 has been acquired by VWR March 2017
 has been acquired by  May 2016	 has been acquired by DELPHI November 2015	 has divested  to Exova September 2013	 has been acquired by Indutrade December 2012	 has been acquired by ALARIS ROYALTY CORP. June 2012
 has been acquired by Megger June 2012	 has been acquired by  February 2012	 has acquired Sixnet October 2011	 has divested  to STORK TECHNICAL SERVICES May 2011	 divested its Stork Materials Technology testing division to  November 2010
 has been acquired by  February 2010	 divested its Testing Business to  October 2008	 has been acquired by  July 2008	 has been acquired by INVESTCORP January 2007	 has acquired  November 2006

(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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