



# Flow Control Industry Update

Q3 2020

# Flow Control Sector Overview

The primary global flow control industry participants include manufacturers, distributors, and service providers, that supply equipment, machinery, components, and technologies to support industrial processes across various industries and applications. Key players in each sub-sector are categorized based upon relative revenue of the offering

Sub-sector	Revenue/EBITDA Multiple	Description	Key Players	
Industrial Processing Solutions	2.4x / 16.2x	Diversified providers of products that create (e.g., pumps, compressors, etc.), manage (e.g., actuators, valves, etc.), and measure (e.g., sensors, meters, etc.) flow and other variables (e.g., pressure, temperature, etc.) across a range of industrial processes	<ul style="list-style-type: none"> <li>❖ Badger Meter</li> <li>❖ CIRCOR</li> <li>❖ Crane</li> <li>❖ Curtiss-Wright</li> <li>❖ Emerson Electric</li> <li>❖ Flowserve</li> <li>❖ IMI</li> </ul>	<ul style="list-style-type: none"> <li>❖ Kadant</li> <li>❖ KITZ</li> <li>❖ Neles</li> <li>❖ Mueller Water</li> <li>❖ Rotork</li> <li>❖ SPX FLOW</li> <li>❖ Watts Water</li> </ul>
Pumps & Compressors	1.9x / 13.6x	Flow generating products	<ul style="list-style-type: none"> <li>❖ Ebara</li> <li>❖ Franklin Electric</li> <li>❖ Ingersoll Rand</li> </ul>	<ul style="list-style-type: none"> <li>❖ Interpump Group</li> <li>❖ Sulzer</li> <li>❖ Gorman-Rupp</li> </ul>
Specialty Products	4.8x / 21.7x	Other products and equipment serving niche applications, including heat exchangers, blowers and mixers, and filtration and purification products	<ul style="list-style-type: none"> <li>❖ Alfa Laval</li> <li>❖ AMETEK</li> <li>❖ Dover</li> <li>❖ Halma</li> <li>❖ IDEX</li> <li>❖ Indutrade</li> </ul>	<ul style="list-style-type: none"> <li>❖ ITT</li> <li>❖ Parker-Hannifin</li> <li>❖ Pentair</li> <li>❖ Roper Technologies</li> <li>❖ Spirax-Sarco</li> <li>❖ Xylem</li> </ul>
Automation Technologies	3.4x / 17.4x	Process automation products and technologies	<ul style="list-style-type: none"> <li>❖ ABB</li> <li>❖ Schneider Electric</li> </ul>	<ul style="list-style-type: none"> <li>❖ Siemens</li> <li>❖ SMC</li> </ul>
Seals, Fittings, Pipes & Tubes	1.9x / 13.5x	Key components of flow control equipment and systems	<ul style="list-style-type: none"> <li>❖ Aalberts</li> <li>❖ Mueller Industries</li> </ul>	<ul style="list-style-type: none"> <li>❖ Smiths Group</li> <li>❖ Trelleborg</li> </ul>
Dispensing Equipment	6.5x / 24.0x	Products and systems that dispense, spray, or apply liquids or materials in a controlled manner	<ul style="list-style-type: none"> <li>❖ Graco</li> </ul>	<ul style="list-style-type: none"> <li>❖ Nordson</li> </ul>

Source: Market statistics sourced from Capital IQ and based on 11/10/2020

(1) Valuation Multiples represent Enterprise Value to LTM Revenue and LTM EBITDA

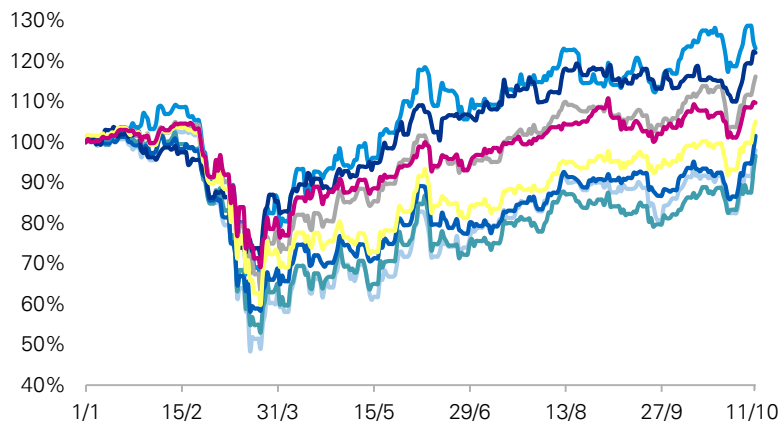
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# Flow Control Public Markets Update

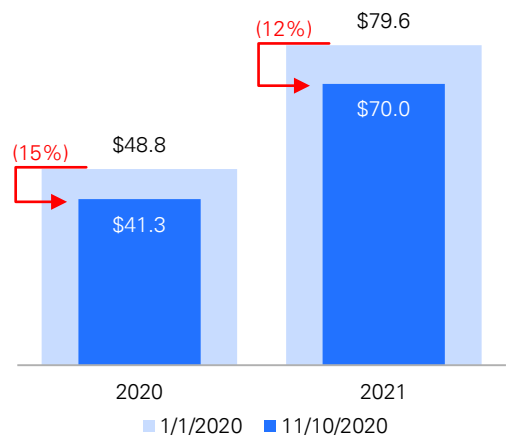
- Stock price performance and EV/LTM EBITDA multiples of the Flow Control<sup>(1)</sup> peer groups have recovered to varying degrees from the lows observed in March with a significant divergence in performance across categories:
  - Companies with attractive end market exposure such as pharmaceutical or food & beverage, technology-oriented (e.g., automation) offerings, and/or with high consumable / aftermarket content have outperformed peers as well as the S&P 500 in YTD 2020
  - Dispensing Equipment (up 23.2% 2020 YTD), Automation Technologies (up 22.1% 2020 YTD), and Specialty Products (up 16.3% 2020 YTD) peer groups are each up year-to-date and outperforming the S&P 500
  - The recovery for the Industrial Processing Solutions (down 3.4% 2020 YTD), Seal, Fittings, Pipes, & Tubes (down 1.9% 2020 YTD), and Pumps & Compressor (up 1.6% 2020 YTD) peer groups has lagged the overall market due to more challenging end market dynamics, primarily in energy
- Aggregate 2020 Adjusted EBITDA estimates for the Flow Control sector have contracted ~15% since the beginning of 2020, while 2021 estimates have experienced smaller declines of ~12%
- Trading multiples for Flow Control on 11/10/2020 recorded an overall mean EV/LTM EBITDA of 17.3x; with the mean EV/LTM EBITDA for Dispensing Equipment companies at 24.0x; Specialty Products at 21.7x; Automation Technologies at 17.4x; Industrial Processing Solutions at 16.2x; Pumps & Compressors at 13.6x; and Seals, Fittings, Pipes & Tubes at 13.5x

(1) Flow Control includes: Industrial Processing Solutions; Pumps & Compressors; Specialty Products; Automation Technologies; Seals, Fittings, Pipes & Tubes; and Dispensing Equipment

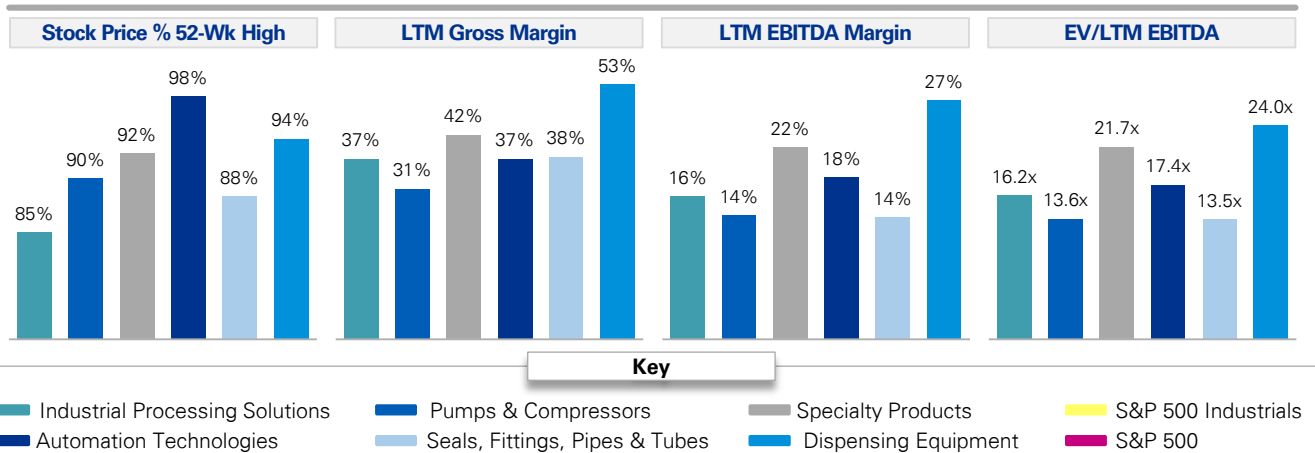
## Indexed Stock Performance (YTD through 11/10/2020)



## Aggregate Adjusted EBITDA Estimates<sup>(2)</sup>



## Financial Metrics for Flow Control Peer Groups (11/10/2020)



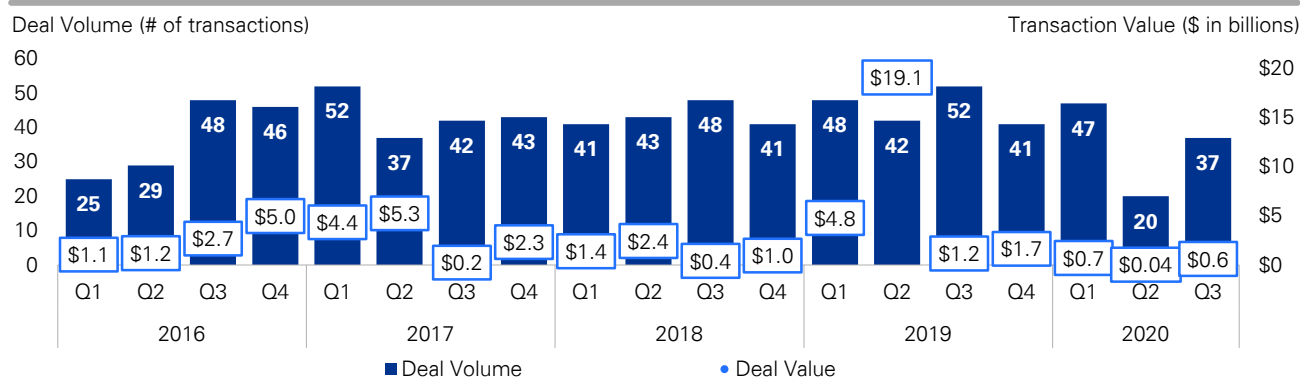
Source: Market statistics sourced from Capital IQ. (2) Aggregate 2020 and 2021 Adjusted EBITDA estimates represent sum of EBITDA for all covered public companies in the Flow Control sector at a specific point in time (i.e., on 1/1/2020, the Aggregate 2020 Adjusted EBITDA all companies in Flow Control totaled \$48.8 billion, while on 11/10/2020, the Aggregate 2020 Adjusted EBITDA of all companies in the Flow Control totaled \$41.3 billion, representing a 15% contraction

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# Flow Control M&A Market Commentary

- Announced transaction volume decreased by 28.8% in Q3 2020 compared to Q3 2019, while announced transaction value decreased 46.8% over the same period
- An uptick in activity was observed from Q2 2020 to Q3 2020 as announced transaction volume increased by 85.0%, while announced transaction value increased approximately 14 times from \$43.5 million to \$630.8 million

## Global Flow Control Industry Announced Deal Volume and Value<sup>(1)</sup>



## Recent Notable Flow Control Deals

November 6, 2020

### Sunbelt Supply (Clearlake Capital) / Oliver Equipment Company

Sunbelt Supply, the Houston, TX-based and private-equity owned specialty provider of industrial flow control products and solutions for industrial markets acquired OEC, the Houston, TX-based provider of specialty rotating equipment, onsite services, and custom packaged systems for industrial applications

October 1, 2020

### Evergreen Capital / Wärtsilä Valves (Wärtsilä)

Evergreen Capital, the Sunny Isles Beach, FL-based private investment firm acquired Wärtsilä Valves, the UK-based provider of engineering, assembly, testing, sales, and delivery of nickel aluminum bronze NAB and duplex valves (includes the Shipham, John Mills, and Robert Cort brands) for marine and energy markets, from Wärtsilä, the Finland-based technology group

September 17, 2020

### Indutrade / UK Gas Technologies

Indutrade, the Sweden-based provider of components, systems, and services to various industries worldwide acquired UK Gas Technologies, a UK-based manufacturer of turnkey delivery solutions for medical gases, laboratory gases, water and steam systems, process installations, and specialist systems. UK Gas Technologies reported annual revenue of ~\$14.4 million

September 9, 2020

### ILC Dover (New Mountain Capital) / Solo Containment

ILC Dover, the Frederica, DE-based, and private equity-owned, leading provider of single-use flexible solutions for pharmaceutical and biopharmaceutical manufacturing acquired Solo Containment, a UK-based specialist manufacturer of flexible film isolators for pharmaceutical and biopharmaceutical applications

September 1, 2020

### Ingersoll Rand / Albin Pump

IR, Davidson, NC-based provider of mission-critical flow creation and industrial solutions acquired Albin Pump, the France-based manufacturer of electric peristaltic pumps used in water, chemical processing, food & beverage, and mining end markets

August 19, 2020

### CELLINK / Scienion

CELLINK, a Sweden-based life science company, acquired the German-based Scienion, a provider of precision dispensing technologies for human, veterinary, environmental, food and feed diagnostics, and life sciences applications. Total transaction consideration of \$100.8 million, representing 3.9x 2019 revenue and 16.7x 2019 EBITDA

July 28, 2020

### 3i Group / Sani-Tech West

3i Group, the UK-based private equity firm acquired Sani-Tech West, the Camarillo, CA-based manufacturer of single-use bioprocessing systems and components, including customized bottle assemblies, aseptic transfer systems, caps, flasks, tubes, and clamps

July 1, 2020

### Mogas Industries / Valve Assets of Watson Valve

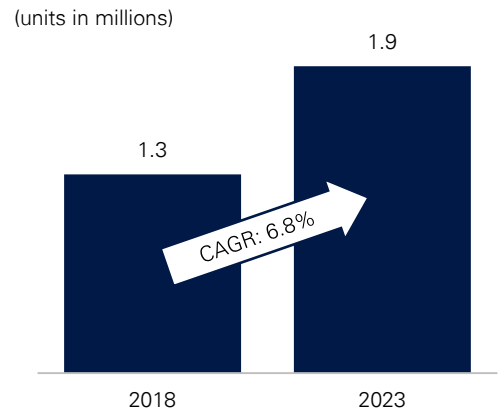
Mogas Industries, the Houston, TX-based provider of severe service ball valves for extreme industrial applications used in power, mining, and process industries, acquired Watson Valve, a Houston, TX-based manufacturer of severe service valves. The acquisition includes Watson's repair and coating services

(1) Market statistics sourced from Capital IQ, Merger Market, press releases. Notes: M&A analysis based on deals announced during respective periods. Deal value represents aggregate deal value for disclosed transactions for time periods noted above.

# Industry Spotlight: Virtual & Remote Process Monitoring

- ❑ Demand for virtual and remote monitoring technologies enabling users to collect and analyze process data to manage facilities and optimize processes is forecasted to increase at a 6% CAGR through 2023<sup>(1)</sup>
- ❑ Growth within the industry has been further catalyzed by COVID-19 as health and safety precautions have restricted and/or prevented employees from entering facilities in certain cases (creating demand for remote services) and resulting in companies to more increasingly focus on resource management and operational efficiencies
- ❑ Despite challenges faced in the current economic environment, the oil & gas industry has been at the forefront in adapting to virtual monitoring with common applications in tank monitoring and industrial equipment utilized across midstream and downstream applications

Wireless Device Installed Base – Oil & Gas Industry<sup>(1)</sup>



## Trends Impacting Companies Across the Industry<sup>(2)</sup>

### Notable Organic Initiatives

#### ABB

**July 2020:** Launched the ABB Ability™ Genix Industrial Analytics and AI Suite, an analytics software and services platform that help industries improve operations, optimize asset management, and streamline business processes safely and sustainably

#### Dover

**May 2020:** Introduced the industry's first air-operated double-diaphragm ("AOD") pump with IoT-enabled remote monitoring and alert system that tracks, records and alerts customers of key performance indicators, such as leak detection, stroke rate, and total stroke count of AODD pumps during operation

#### Emerson

**September 2019:** Established a new Digital Transformation business, a \$650+ million dedicated organization focused on digital transformation technologies and programs, combining expertise in consulting, project execution, smart sensor technologies, data management, and analytics

### Notable Acquisitions and Commentary

#### Badger Meter

acquires

**s::can**

November 2020

Real-time water quality parameters enhances the scope of actionable data for municipalities to improve operational security, awareness, and efficiency

#### Emerson

acquires

**Progea**

October 2020

Complements Emerson's portfolio and helps customers in discrete and hybrid end markets accelerate digital transformation

#### Dover

acquires

**XanTec**

September 2020

Enhances Dover's automation solutions offering with an IoT-enabled technology and positions Company to grow presence in aftermarket, remote service and monitoring solutions for the polymer processing and related markets

#### Flotek

acquires

**JP3**

May 2020

Real-time data in the modern age of oil & gas digitalization represents \$1 billion of annual recurring revenue addressable market in the U.S.

#### Halma

acquires

**Sensit**

February 2020

The growth for the natural gas leak detection market is supported by tightening safety and environmental regulatory standards, protecting workers from hazards, and minimizing climate change impacts

(1) Research and Markets, IIoT Applications in the Oil and Gas Industry - 4th Edition (2019)

(2) Information sourced from company press releases

# Select Public Flow Control Companies

## Public Markets Key Trading Statistics (11/10/2020)

Sub-sectors	Indexed Share Price % Change	LTM Financials		Valuation Multiples Enterprise Value To:	
	YTD	Gross Margin	EBITDA Margin	LTM Revenue	LTM EBITDA
Industrial Processing Solutions	(3.4%)	37.2%	16.0%	2.4x	16.2x
Pumps & Compressors	1.6%	31.0%	13.9%	1.9x	13.6x
Specialty Products	16.3%	42.1%	21.6%	4.8x	21.7x
Automation Technologies	22.1%	37.1%	18.2%	3.4x	17.4x
Seals, Fittings, Pipes & Tubes	(1.9%)	37.6%	13.7%	1.9x	13.5x
Dispensing Equipment	23.2%	52.6%	26.9%	6.5x	24.0x
<b>Flow Control Sector Mean</b>	<b>9.7%</b>	<b>39.6%</b>	<b>18.4%</b>	<b>3.5x</b>	<b>17.3x</b>

## Public Markets Detail (11/10/2020)

Company	Country	Market Data			LTM Financials			Valuation Multiples Enterprise Value To:			
		Share Price	% 52-Wk High	Market Cap <sup>(1)</sup>	Enterprise Value <sup>(2)</sup>	Revenue	Gross Margin	EBITDA Margin	LTM EBITDA	CY 2020 Revenue	CY 2020 EBITDA
<b>Industrial Processing Solutions</b>											
Badger Meter, Inc.	US	\$76.87	92.7%	\$2,238	\$2,152	\$421	39.3%	21.2%	24.1x	5.2x	23.7x
CIRCOR International, Inc.	US	\$35.28	75.4%	\$706	\$1,172	\$808	31.3%	12.0%	12.1x	1.5x	11.4x
Crane Co.	US	\$62.75	70.1%	\$3,646	\$4,392	\$3,048	34.8%	15.9%	9.1x	1.5x	9.8x
Curtiss-Wright Corporation	US	\$108.17	72.2%	\$4,489	\$5,255	\$2,379	35.9%	20.0%	11.0x	2.2x	10.4x
Emerson Electric Co.	US	\$77.44	98.8%	\$46,278	\$50,449	\$16,785	41.8%	19.9%	15.1x	3.0x	14.6x
Flowserve Corporation	US	\$32.98	64.4%	\$4,285	\$5,272	\$3,816	32.0%	11.9%	11.7x	1.4x	11.2x
IMI plc	GB	\$14.48	90.2%	\$3,923	\$4,474	\$2,266	43.7%	17.7%	11.2x	1.9x	10.1x
Kadant Inc.	US	\$133.56	99.1%	\$1,537	\$1,747	\$649	42.8%	17.8%	15.1x	2.8x	15.3x
KITZ Corporation	JP	\$5.68	75.0%	\$509	\$706	\$1,159	26.7%	11.4%	5.3x	0.9x	6.5x
Mueller Water Products, Inc.	US	\$11.72	92.2%	\$1,853	\$2,091	\$964	34.0%	19.8%	11.0x	2.2x	10.9x
Neles Oyj	FI	\$11.98	NM	\$1,800	\$1,942	\$690	33.5%	5.6%	50.1x	2.9x	16.4x
Rotork plc	GB	\$3.97	87.0%	\$3,457	\$3,267	\$785	47.1%	25.6%	16.2x	4.1x	16.6x
SPX FLOW, Inc.	US	\$52.15	89.1%	\$2,201	\$2,311	\$1,319	35.8%	10.2%	17.1x	1.8x	16.5x
Watts Water Technologies, Inc.	US	\$117.13	99.2%	\$3,941	\$4,001	\$1,506	41.6%	15.5%	17.1x	2.7x	17.0x
<b>Mean</b>							<b>37.2%</b>	<b>16.0%</b>	<b>16.2x</b>	<b>2.4x</b>	<b>13.6x</b>
<b>Median</b>							<b>35.8%</b>	<b>16.8%</b>	<b>13.6x</b>	<b>2.2x</b>	<b>13.0x</b>

Source: Market statistics sourced from Capital IQ

All figures in USD and in millions (except share price data), where applicable, converted at rates as of 11/10/2020

(1) Market Capitalization based on closing share prices as of 11/10/2020

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

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# Select Public Flow Control Companies (continued)

Company	Country	Market Data				LTM Financials			Valuation Multiples Enterprise Value To:		
		Share Price	% 52-Wk High	Market Cap <sup>(1)</sup>	Enterprise Value <sup>(2)</sup>	Revenue	Gross Margin	EBITDA Margin	LTM EBITDA	CY 2020 Revenue	CY 2020 EBITDA
<b>Pumps &amp; Compressors</b>											
Ebara Corporation	JP	\$28.47	84.0%	\$2,744	\$2,221	\$4,822	26.9%	9.9%	4.6x	0.5x	5.4x
Franklin Electric Co., Inc.	US	\$67.40	96.3%	\$3,114	\$3,120	\$1,246	33.9%	12.9%	19.4x	2.5x	19.1x
Ingersoll Rand Inc.	US	\$42.75	93.9%	\$17,855	\$20,639	\$4,005	32.8%	15.9%	NM	3.9x	20.3x
Interpump Group S.p.A.	IT	\$42.48	97.9%	\$4,541	\$4,958	\$1,469	36.3%	21.7%	15.5x	3.2x	15.1x
Sulzer Ltd	CH	\$92.57	76.5%	\$3,146	\$3,686	\$3,752	30.0%	10.4%	9.5x	1.0x	9.4x
The Gorman-Rupp Company	US	\$36.38	91.9%	\$950	\$856	\$360	26.0%	12.6%	18.8x	2.4x	16.9x
<b>Mean</b>							<b>31.0%</b>	<b>13.9%</b>	<b>13.6x</b>	<b>2.2x</b>	<b>14.4x</b>
<b>Median</b>							<b>31.4%</b>	<b>12.8%</b>	<b>15.5x</b>	<b>2.5x</b>	<b>16.0x</b>
<b>Specialty Products</b>											
Alfa Laval AB (publ)	SE	\$22.87	75.6%	\$9,594	\$10,457	\$4,883	34.0%	18.8%	11.4x	2.2x	11.0x
AMETEK, Inc.	US	\$116.45	97.9%	\$26,791	\$28,460	\$4,646	34.5%	28.0%	21.9x	6.3x	21.7x
Dover Corporation	US	\$119.81	94.0%	\$17,265	\$19,975	\$6,679	37.3%	18.8%	15.9x	3.0x	16.1x
Halma plc	GB	\$32.41	93.9%	\$12,278	\$12,774	\$1,666	50.0%	22.5%	34.0x	7.3x	30.5x
IDEX Corporation	US	\$195.96	99.2%	\$14,835	\$15,111	\$2,343	43.9%	26.4%	24.5x	6.5x	25.0x
Indutrade AB (publ)	SE	\$52.27	87.4%	\$6,318	\$6,865	\$2,127	33.9%	13.6%	23.8x	3.1x	18.6x
ITT Inc.	US	\$71.36	94.4%	\$6,166	\$5,611	\$2,488	31.8%	18.0%	12.6x	2.3x	12.4x
Parker-Hannifin Corporation	US	\$261.16	97.0%	\$33,637	\$40,819	\$13,592	26.0%	19.0%	15.8x	3.1x	16.1x
Pentair plc	GB	\$53.78	91.4%	\$8,946	\$9,751	\$2,977	35.4%	18.0%	18.2x	3.3x	17.8x
Roper Technologies, Inc.	US	\$400.98	88.0%	\$42,052	\$51,454	\$5,417	64.0%	35.8%	26.6x	9.3x	26.1x
Spirax-Sarco Engineering plc	GB	\$150.85	94.2%	\$11,111	\$11,593	\$1,512	76.9%	24.9%	30.8x	7.4x	28.6x
Xylem Inc.	US	\$95.11	96.0%	\$17,142	\$18,702	\$4,874	37.9%	15.6%	24.6x	3.9x	24.6x
<b>Mean</b>							<b>42.1%</b>	<b>21.6%</b>	<b>21.7x</b>	<b>4.8x</b>	<b>20.7x</b>
<b>Median</b>							<b>36.4%</b>	<b>18.9%</b>	<b>22.9x</b>	<b>3.6x</b>	<b>20.2x</b>
<b>Automation Technologies</b>											
ABB Ltd	CH	\$27.21	98.6%	\$56,023	\$57,544	\$26,020	30.7%	12.9%	17.1x	2.2x	20.2x
Schneider Electric S.E.	FR	\$140.62	97.7%	\$75,285	\$83,900	\$28,732	39.8%	17.8%	16.4x	2.8x	16.6x
Siemens Aktiengesellschaft	DE	\$139.85	98.1%	\$111,113	\$154,233	\$97,422	29.4%	11.5%	13.8x	2.1x	16.0x
SMC Corporation	JP	\$570.43	96.6%	\$38,096	\$32,662	\$4,812	48.8%	30.6%	22.2x	6.7x	21.7x
<b>Mean</b>							<b>37.1%</b>	<b>18.2%</b>	<b>17.4x</b>	<b>3.5x</b>	<b>18.6x</b>
<b>Median</b>							<b>35.2%</b>	<b>15.4%</b>	<b>16.8x</b>	<b>2.5x</b>	<b>18.4x</b>

Source: Market statistics sourced from Capital IQ

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# Select Public Flow Control Companies (continued)

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<b>Seals, Fittings, Pipes &amp; Tubes</b>											
Aalberts N.V.	NL	\$40.35	79.2%	\$4,462	\$5,449	\$3,030	62.3%	12.5%	14.4x	1.8x	11.1x
Mueller Industries, Inc.	US	\$33.43	91.2%	\$1,908	\$2,189	\$2,266	17.8%	11.1%	8.7x	N/A	NM
Smiths Group plc	GB	\$20.40	86.7%	\$8,084	\$9,692	\$3,348	38.8%	14.7%	19.7x	3.0x	13.7x
Trelleborg AB (publ)	SE	\$20.38	96.4%	\$5,524	\$6,877	\$3,766	31.6%	16.5%	11.1x	1.8x	10.1x
<b>Mean</b>							<b>37.6%</b>	<b>13.7%</b>	<b>13.5x</b>	<b>2.2x</b>	<b>11.6x</b>
<b>Median</b>							<b>35.2%</b>	<b>13.6%</b>	<b>12.7x</b>	<b>1.8x</b>	<b>11.1x</b>
<b>Dispensing Equipment</b>											
Graco Inc.	US	\$67.53	96.6%	\$11,314	\$11,239	\$1,592	51.5%	28.1%	25.1x	7.0x	24.6x
Nordson Corporation	US	\$197.18	90.9%	\$11,443	\$12,640	\$2,148	53.7%	25.6%	23.0x	5.9x	22.4x
<b>Mean</b>							<b>52.6%</b>	<b>26.9%</b>	<b>24.0x</b>	<b>6.5x</b>	<b>23.5x</b>
<b>Median</b>							<b>52.6%</b>	<b>26.9%</b>	<b>24.0x</b>	<b>6.5x</b>	<b>23.5x</b>

Source: Market statistics sourced from Capital IQ

All figures in USD and in millions (except share price data), where applicable, converted at rates as of 11/10/2020

(1) Market Capitalization based on closing share prices as of 11/10/2020

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

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# Flow Control Transaction History

Closed Date	Target Company	Buyer	Enterprise Value (\$mm)	EV / LTM EBITDA	EBITDA Margin
Pending	Doosan Corporation Mottrol	Well to Sea Investment; Socius Advisors	380	9.1x	9%
Sep-20	Scienion	CELLINK	101	16.7x	24%
Jul-20	Enerphase Industrial Solutions	Xebec Holding USA	6	5.9x	10%
Jul-20	Cogent Industrial Technologies	Kadant	7	4.5x	22%
Mar-20	Power and Energy Business of SPX FLOW	Apollo Global Management	475	6.5x	NA
Feb-20	Gardner Denver	Ingersoll-Rand	15,400	9.6x	26%
Feb-20	Flow Management Devices	IDEX Corporation	125	10.4x	20%
Feb-20	SENSIT Technologies	Halma	52	11.7x	17%
Jan-20	Instrumentation & Sampling Business of CIRCOR	Crane	172	10.4x	20%
Jan-20	Bal Seal Engineering	Kaman Aerospace Group	330	12.5x	28%
Sep-19	Howden Group	KPS Capital Partners	1,800	9.0x	NA
Sep-19	PBM	IMI	85	12.5x	19%
Sep-19	Zhejiang Innuovo Machinery	Innuovo Technology	40	11.8x	20%
Aug-19	Spence and Leslie Product Lines of CIRCOR	Emerson	85	12.3x	33%
Aug-19	Kaman Industrial Technologies	Littlejohn & Co.	700	10.6x	6%
Jul-19	Velcora	IDEX Corporation	137	17.5x	21%
Jun-19	Weir Flow Control	First Reserve Corporation	349	8.6x	21%
May-19	Precision Flow Systems Business of Accudyne	Ingersoll-Rand	1,450	13.0x	28%
May-19	Rheinhalte Pumpen	ITT	88	9.0x	NA
Dec-18	Nippon Oil Pump (Wendel)	CITIC Capital	97	11.1x	16%
Aug-18	AWC Frac Valves	LBO	35	9.7x	11%
Aug-18	Custom Fluidpower	Helios Technologies	26	6.5x	9%
Jul-18	Aventics (Triton Partners)	Emerson	622	12.0x	NA
Jul-18	Kimplas Piping Systems	NORMA Group	83	14.5x	22%
Apr-18	Cephas Pipelines	KITZ Corporation	35	18.9x	10%
Apr-18	Faster (Capvis Equity Partners)	Sun Hydraulics	531	14.9x	28%
Mar-18	CEME (Investcorp Bank)	InvestIndustrial	323	15.1x	13%
Jan-18	FCX Performance (Harvest Partners)	Applied Industrial Technologies	784	11.5x	12%

Indicates Q3 2020 transaction

Source: Press releases, public filings, Capital IQ, Merger Market

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# Flow Control Transaction History (continued)

Closed Date	Target Company	Buyer	Enterprise Value (\$mm)	EV / LTM EBITDA	EBITDA Margin
Jan-18	Bimba Manufacturing	IMI	198	14.9x	12%
Jan-18	Pure Technologies	Xylem	397	18.9x	17%
Jan-18	JWC Environmental (Windjammer)	Sulzer Pumps Equipment	216	12.7x	NA
Dec-17	Colfax's Fluid Handling Business	CIRCOR	843	8.3x	15%
Sep-17	GE Osmonics (General Electric Company)	Suez SA	3,379	9.9x	16%
Sep-17	FG Inox	Thermador Groupe	26	11.2x	14%
Jul-17	Chromalox (Irving Place Capital)	Spirax-Sarco	415	11.0x	21%
May-17	GESTRA (Flowserve)	Spirax-Sarco	198	11.2x	16%
Apr-17	Valves & Controls Business of Pentair	Emerson	3,150	14.1x	13%
Feb-17	CLARCOR	Parker-Hannifin	4,300	20.0x	NA
Feb-17	INOXPA	Interpump Group	82	6.6x	19%
Jan-17	Anvil International	One Equity Partners	315	7.5x	12%
Dec-16	Fjords Processing	National Oilwell Varco	145	12.3x	NA
Nov-16	Aflex Hose	Watson-Marlow (Spirax-Sarco)	77	10.2x	26%
Oct-16	Sensus Worldwide (Goldman Sachs)	Xylem	1,700	14.1x	19%
Oct-16	Critical Flow Solutions (Sun Capital Partners)	CIRCOR	210	8.5x	21%
Jun-16	Mastergear Worldwide (Regal Beloit Corporation)	Rotork	25	6.8x	17%
May-16	TUBIFLEX	Interpump Group	26	5.6x	23%
Apr-16	Jung Woo Metal	Mueller Industries	60	15.7x	10%
Apr-16	Cameron International Corporation	Schlumberger	13,763	9.6x	14%
Mar-16	Akron Brass Company	IDEX Corporation	225	8.8x	21%
Feb-16	Red Valve	Hillenbrand	132	10.9x	31%
Dec-15	Elster Group	Honeywell International	5,100	12.6x	22%
Dec-15	STEICO Industries	Senior plc	90	13.6x	18%
Oct-15	ABEL (Roper Technologies)	Hillenbrand	106	11.9x	27%
Aug-15	Pall Corporation	Danaher Corporation	13,800	23.6x	21%
Aug-15	Bifold Group (Lloyds Development Capital)	Rotork	193	12.3x	25%

<b>Mean</b>	<b>\$1,336</b>	<b>11.6x</b>	<b>19%</b>
<b>Median</b>	<b>\$198</b>	<b>11.2x</b>	<b>19%</b>

Source: Press releases, public filings, Capital IQ, Merger Market

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# Recent Flow Control Transaction History (without multiple data)

Closed Date	Target Company	Buyer	Enterprise Value (\$mm)
Nov-20	Oliver Equipment Company	Sunbelt Supply (Clearlake Capital)	NA
Nov-20	s::can	Badger Meter	32
Oct-20	Progea	Emerson	NA
Oct-20	Codian Robotics	ABB	NA
Oct-20	Wärtsilä Valves (Wärtsilä)	Evergreen Capital	NA
Sep-20	Construction Forms	H.I.G. Capital	NA
Sep-20	UK Gas Technologies	Indutrade	NA
Sep-20*	Precision Products Group (Long Point Capital)	Auxo Investment Partners	NA
Sep-20	Solo Containment	ILC Dover (New Mountain Capital)	NA
Sep-20	Albin Pump	Ingersoll Rand	NA
Sep-20	XanTec	Dover	NA
Aug-20*	Fluidcontrol	Addtech Components	NA
Aug-20	ValTek Industries	Serva Group	NA
Aug-20	Molecor Tecnologia	MCH Private Equity	76
Aug-20	Total Containment Solutions	Evair (ONFAB / Foresight Group)	3
Aug-20	Huba Control (Siemens)	Wise Road Capital	NA
Jul-20	Posi Lock Puller	SPX FLOW	NA
Jul-20	Sani-Tech West	3i Group	NA
Jul-20	Aetna Plastics Corporation	Harrington Industrial Plastics	NA
Jul-20	W.E.S.	Ross-Shire Engineering	NA
Jul-20*	Hydraulic filtration business of Bosch Rexroth	Hengst	NA
Jul-20	FlameFighter Corporation	South Park Corporation	NA
Jul-20	Australian Valve Group	Watts Water	NA
Jul-20*	Valve Assets of Watson Valve	Mogas Industries	NA

Source: Press releases, public filings, Capital IQ, Merger Market

\* Indicates transaction pending

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# KPMG Corporate Finance\* Flow Control Expertise

<p><b>KPMG</b></p> <p><b>TW</b> has divested</p> <p><b>TW INSULATION SYSTEMS</b></p> <p>to</p> <p><b>Johns Manville</b> A Berkshire Hathaway Company</p> <p>December 2019</p>	<p><b>KPMG</b></p> <p><b>RICHARDS INDUSTRIES</b></p> <p>has been acquired by</p> <p><b>ASTOR PLACE HOLDINGS</b></p> <p>July 2019</p>	<p><b>KPMG</b></p> <p><b>SIGNUM TECHNOLOGY</b></p> <p>has been acquired by</p> <p><b>TRELLEBORG</b></p> <p>July 2019</p>	<p><b>KPMG</b></p> <p><b>700</b> 100 VALVE SUPPLY EST. 2014</p> <p>has been recapitalized by</p> <p><b>BROWN BROTHERS HARRIMAN</b></p> <p>May 2019</p>	<p><b>KPMG</b></p> <p><b>SKF</b></p> <p>has divested its Motion Technologies Business Unit to</p> <p><b>Triton</b></p> <p>December 2018</p>
<p><b>KPMG</b></p> <p><b>ROTEX</b> Engineering for The Future</p> <p>has divested Rotex Manufacturers and Engineers Pvt. Ltd to</p> <p><b>metso</b></p> <p>November 2018</p>	<p><b>KPMG</b></p> <p><b>BEE FILTRATION</b></p> <p>has been acquired by</p> <p><b>SIGNUM TECHNOLOGY</b></p> <p>March 2017</p>	<p><b>KPMG</b></p> <p><b>COORSTEK</b></p> <p>has divested its Precision Seals Business to</p> <p><b>TRELLEBORG</b></p> <p>November 2016</p>	<p><b>KPMG</b></p> <p><b>PEGL</b> President Engineering Group Ltd</p> <p>has been acquired by</p> <p><b>Parker</b></p> <p>July 2015</p>	<p><b>KPMG</b></p> <p><b>Alco Valves</b> Industrial Valve Manufacturers</p> <p>has been acquired by</p> <p><b>GRACO</b></p> <p>September 2014</p>

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