

## INDUSTRIAL NEWSLETTER FIRST QUARTER 2023



### INTRODUCTION

Thank you for tuning into this edition of Founders' Industrial newsletter. Much has occurred since our last installment in November, so we will hit the highlights and discuss their impact on the private markets and expectations for middle market valuations.

The primary focus in the private markets for the First Quarter of 2023 was on banking strains across the U.S. and Europe, and the Federal Reserve increasing interest rates to curb inflation.

JP Morgan's acquisition of First Republic on May 1<sup>st</sup> has kept tensions up yet most believe the worse has passed in the banking sector. The Fed has noted the effects of higher rates on the banking system, but the Fed still elected to raise rates by 25bps on May 3<sup>rd</sup>. Higher-than-expected job numbers bind the Fed by forcing them to choose between raising rates yet again or risk allowing higher-than-average inflation to persist.

Next, we will turn to macroeconomic data indicators to provide more context on the health of the economy. We will also show that despite the presence of negative data, there are signs of continuing strength.

### Industrials Coverage Universe

**Advanced Mfg. & Process  
Equipment**

**Facility & Industrial Services**

**Advanced Materials**

**Plastics & Packaging**

**Automation & IIoT**

**Power & Infrastructure**

**Connectors & Electronics**

**Specialty Distribution**

**Construction & Building  
Materials**

**Test & Measurement**

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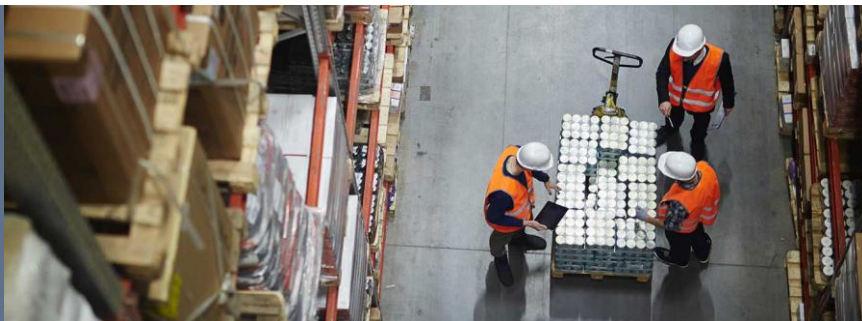
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### MACROECONOMIC LANDSCAPE

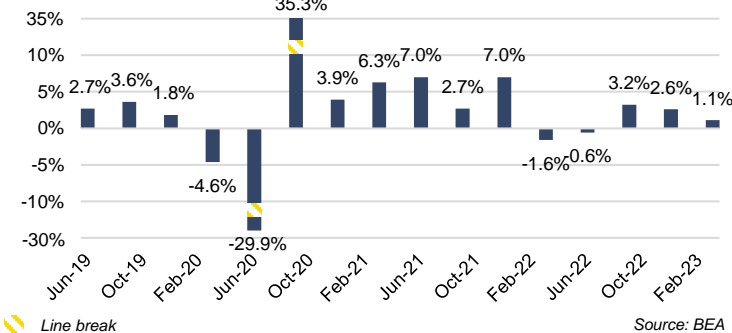
The annual real GDP growth rate slowed to 1.1% below the 2% expectations. This has created fears of a stagflation economic environment with lower, but still high inflation.

The Fed's fight with inflation has caused an inversion of the yield curve. This is an indicator of a potential recession due to less demand from higher business and consumer borrowing costs. The curve similarly inverted in 2000 and 2006.

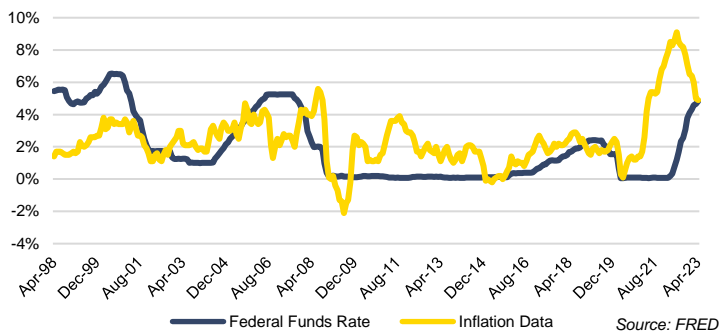
Even with economic concerns, Manufacturers' New Orders remain strong as the lessons from the recent supply chain saga support reshoring efforts. M&A deal volume remains above 2019 levels. Private equity is still looking to make deals with small add-on transactions accounting for 71.9% of buyout deals in 2022. Strategics are also pursuing acquisitions with the goal of securing long-term growth opportunities.

### Macro Data

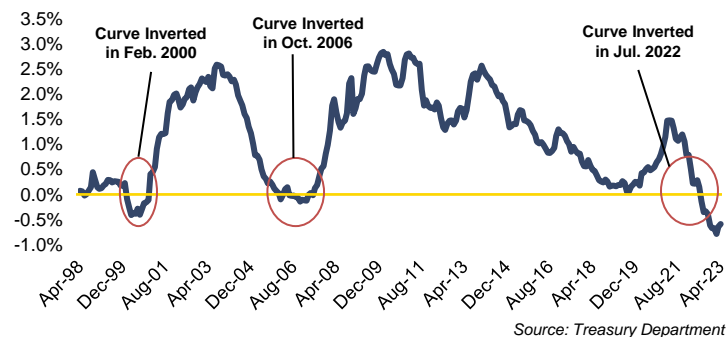
Annualized Real GDP Growth Rate



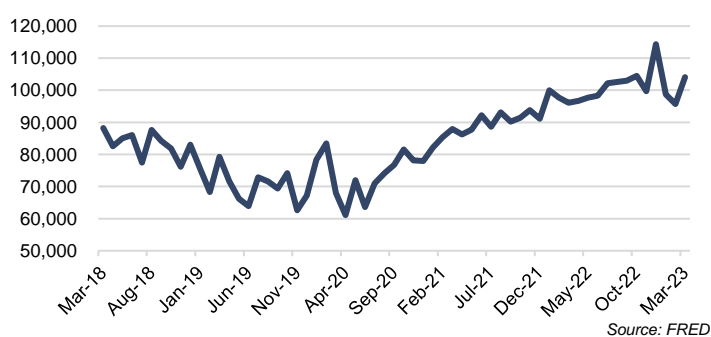
25yr Fed Fund Rate & Monthly Changes in US Inflation



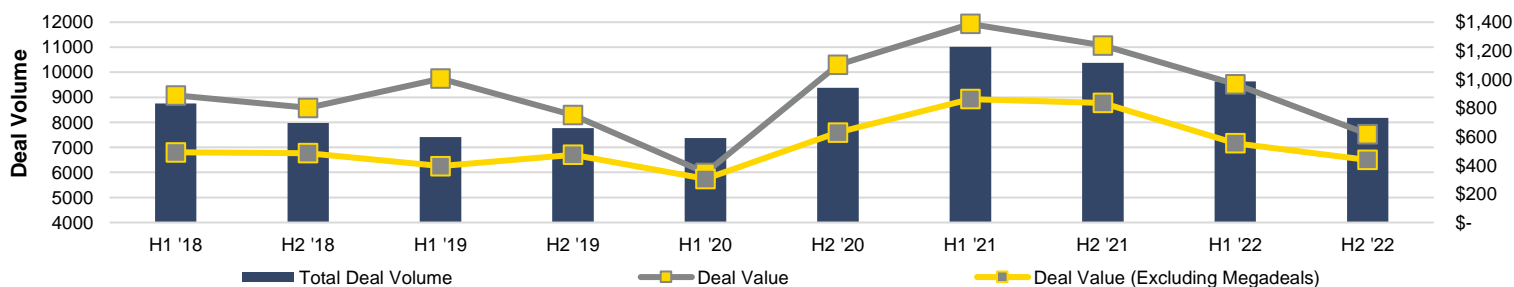
25yr Yield Curve (10yr - 2yr Treasuries)



Manufacturers' New Orders: Capital Goods (\$MM)

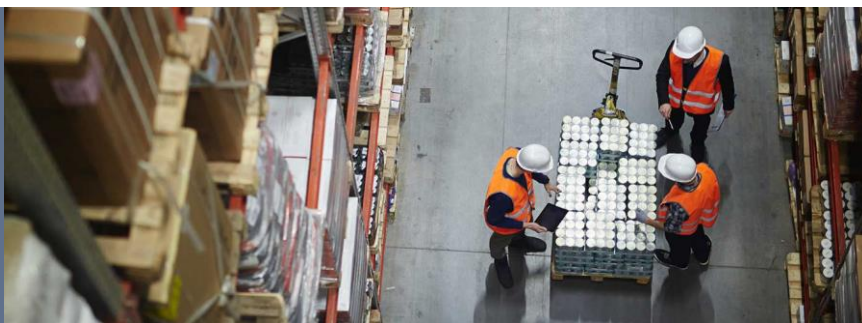


M&A Deal Volume & Value (\$Bn), 2018-2022



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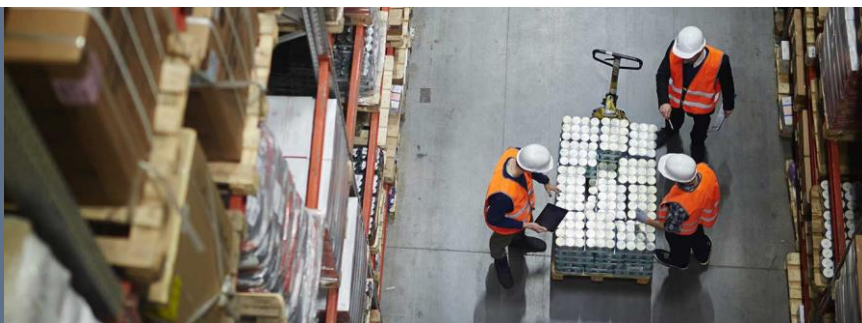


## RECENT TRANSACTIONS

Date	Target	Buyer	Industry	Target Description
3/31/2023	 YAMANA GOLD	 PAN AMERICAN — SILVER —	Construction & Building Materials	A precious metals producer with gold and silver production, development stage properties, exploration properties, and land positions throughout the world.
3/31/2023	 DURO-LAST THE WORLD'S BEST ROOF®	 HOLCIM	Construction & Building Materials	Manufacturer of prefabricated roofing systems intended for flat or low-sloped applications.
3/27/2023	 Altra Industrial Motion	 Regal Rexnord	Advanced Manufacturing	Designer, manufacturer, and seller of a wide range of electromechanical power transmission motion control.
3/14/2023	 Univar Solutions	 APOLLO	Specialty Distribution	Distributor of commodity and specialty chemicals and ingredients, as well as a provider of value-added services, to customers across a wide range of diverse industries.
3/13/2023	 PerkinElmer	 NMC NEW MOUNTAIN CAPITAL	Test & Measurement	Provider of laboratory and field services catering to biopharma, food, environmental and safety and applied end markets.
3/8/2023	 Diversey	 SOLENIS	Facility Services	Provides high-performance cleaning, sanitation, and hygiene products for food safety and service, food and beverage plant operations, healthcare, floor care, housekeeping and room care, laundry, and hand care markets.
3/2/2023	 Valvoline	 aramco	Advanced Manufacturing	Manufacturer of petroleum products intended to serve the global transportation industry.
3/1/2023	 resolute Forest Products	 Domtar	Packaging	Manufacturer in the forest products industry with a range of products, including market pulp, tissue, wood products, newsprint, and specialty papers.
2/27/2023	 UNI-SELECT	 LKQ Corporation	Specialty Distribution	Distributor of automotive products and paint and related products for motor vehicles.
2/16/2023	 TA TravelCenters of America	 bp	Industrial Services	Operator of travel centers and standalone restaurants. It operated or franchised several travel centers, a few standalone truck service facilities, and some standalone restaurants.
1/31/2023	 PILOT COMPANY	 BERKSHIRE HATHAWAY INC.	Industrial Services	Owner and operator of travel centers intended to serve the trucking industry, professional drivers, local communities and interstate travelers across North America.
1/31/2023	 liquibox	 Sealed Air	Packaging	Producer of bag-in-box flexible packaging and related filling equipment systems intended for the beverage, processed foods, dairy, and wine sectors.
1/23/2023	 EVOQUA	 xylem	Test & Measurement	Provider of critical water treatment solutions, offering services, systems, and technologies to support its customers' full water lifecycle needs.

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## PUBLIC TRADING STATISTICS

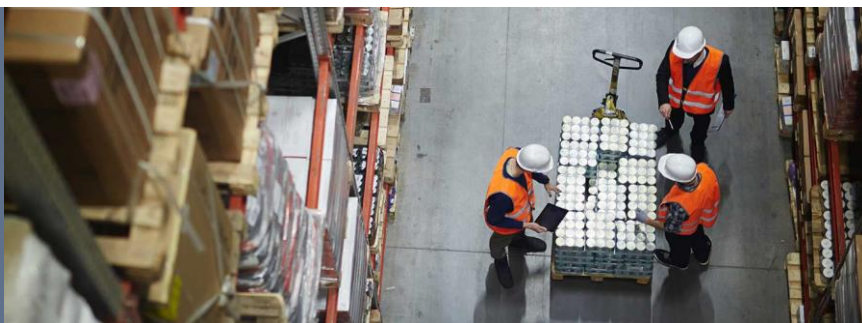
(\$ in millions, except per share data)

Company Name	Stock Price	% of 52-Week	Market	Enterprise	LTM	LTM	LTM	Enterprise Value / LTM		Enterprise Value / FWD		Earnings
	6/5/23	High	Cap	Value	Revenue	EBITDA	EBITDA	Revenue	EBITDA	Revenue	EBITDA	Date
3D Systems	\$9.28	68.6%	\$1,093	\$1,080	\$526	(\$15)	-2.9%	2.1x	-	1.9x	N/A	5/10/23
Alfa Laval	\$36.72	94.7%	\$14,895	\$16,121	\$5,337	\$949	17.8%	3.0x	17.0x	2.7x	13.8x	4/25/23
Atlas Copco	\$14.78	98.6%	\$67,477	\$69,577	\$14,497	\$3,726	25.7%	4.8x	18.7x	4.5x	17.3x	4/27/23
Desktop Metal	\$2.03	55.6%	\$611	\$598	\$207	(\$101)	-49.0%	2.9x	-	2.6x	N/A	5/10/23
Graco	\$79.80	98.6%	\$12,994	\$12,747	\$2,179	\$701	32.2%	5.9x	18.2x	5.6x	18.6x	4/26/23
Hillenbrand (US)	\$51.50	96.2%	\$3,428	\$4,542	\$2,817	\$470	16.7%	1.6x	9.7x	1.5x	8.6x	5/8/23
Kadant	\$202.34	91.4%	\$2,244	\$2,346	\$908	\$192	21.1%	2.6x	12.2x	2.5x	12.3x	5/10/23
Nordson	\$227.22	90.4%	\$12,639	\$13,663	\$2,592	\$805	31.1%	5.3x	17.0x	5.1x	16.8x	2/23/23
Proto Labs	\$32.98	62.2%	\$823	\$759	\$490	\$79	16.1%	1.5x	9.6x	1.5x	10.1x	5/5/23
Teradyne	\$103.22	92.1%	\$15,984	\$15,363	\$3,017	\$915	30.3%	5.1x	16.8x	5.6x	21.2x	5/5/23
The Lincoln Electric Company	\$181.80	99.7%	\$10,090	\$11,051	\$3,875	\$741	19.1%	2.9x	14.9x	2.6x	13.5x	4/27/23
<b>Median</b>	<b>\$51.50</b>	<b>92.1%</b>	<b>\$10,090</b>	<b>\$11,051</b>	<b>\$2,592</b>	<b>\$701</b>	<b>19.1%</b>	<b>2.9x</b>	<b>16.8x</b>	<b>2.6x</b>	<b>13.7x</b>	
<b>Average</b>	<b>\$85.61</b>	<b>86.2%</b>	<b>\$12,934</b>	<b>\$13,441</b>	<b>\$3,313</b>	<b>\$769</b>	<b>14.4%</b>	<b>3.4x</b>	<b>14.9x</b>	<b>3.3x</b>	<b>11.1x</b>	
AGC (Tokyo)	\$7.31	93.6%	\$7,998	\$12,848	\$15,492	\$2,779	17.9%	0.8x	4.6x	0.8x	4.7x	3/30/23
Corning	\$31.51	83.5%	\$26,244	\$33,177	\$13,687	\$2,867	20.9%	2.4x	11.6x	2.3x	8.1x	4/28/23
H.B. Fuller	\$67.10	82.4%	\$3,408	\$5,157	\$3,702	\$527	14.2%	1.4x	9.8x	1.3x	8.1x	3/30/23
Hexcel	\$73.16	96.9%	\$5,951	\$6,614	\$1,645	\$366	22.2%	4.0x	18.1x	3.6x	-	4/24/23
Materion (Industrial Supplies and Parts)	\$109.04	89.9%	\$2,121	\$2,610	\$1,751	\$205	11.7%	1.5x	12.7x	1.4x	11.9x	5/3/23
Morgan Advanced Materials	\$3.64	88.6%	\$1,027	\$1,324	\$1,371	\$233	17.0%	1.0x	5.7x	1.0x	6.7x	4/28/23
Rogers	\$156.90	57.9%	\$2,873	\$2,871	\$967	\$120	12.4%	3.0x	23.9x	2.9x	-	4/28/23
Saint-Gobain	\$58.82	94.6%	\$28,422	\$37,376	\$53,829	\$7,579	14.1%	0.7x	4.9x	0.7x	5.2x	3/29/23
Seven West Media	\$0.26	69.1%	\$389	\$648	\$1,044	\$302	29.0%	0.6x	2.1x	0.7x	3.8x	12/31/22
Victrex	\$20.11	84.7%	\$1,673	\$1,683	\$400	\$121	30.3%	4.2x	13.9x	3.9x	10.7x	5/9/23
<b>Median</b>	<b>\$45.16</b>	<b>86.6%</b>	<b>\$3,141</b>	<b>\$4,014</b>	<b>\$1,698</b>	<b>\$334</b>	<b>17.5%</b>	<b>1.4x</b>	<b>10.7x</b>	<b>1.4x</b>	<b>7.4x</b>	
<b>Average</b>	<b>\$52.79</b>	<b>84.1%</b>	<b>\$8,011</b>	<b>\$10,431</b>	<b>\$9,389</b>	<b>\$1,510</b>	<b>19.0%</b>	<b>2.0x</b>	<b>10.7x</b>	<b>1.9x</b>	<b>7.4x</b>	
ABB Group	\$37.47	99.4%	\$68,436	\$73,868	\$30,340	\$4,170	13.7%	2.4x	17.7x	2.3x	12.6x	4/25/23
Alteryx	\$42.35	60.0%	\$3,033	\$3,607	\$897	\$29	3.3%	4.0x	N/A	3.6x	N/A	4/28/23
Aspen Technology	\$165.50	62.8%	\$10,701	\$10,485	\$441	\$180	40.8%	23.8x	55.4x	9.2x	22.9x	5/2/23
ATS Automation Tooling Systems	\$44.76	95.9%	\$4,353	\$5,168	\$1,947	\$307	15.8%	2.7x	16.9x	2.4x	15.3x	5/18/23
Emerson Electric	\$82.81	83.1%	\$45,349	\$59,860	\$17,494	\$4,662	26.6%	3.4x	13.2x	3.9x	14.9x	5/3/23
Honeywell	\$198.85	90.0%	-	-	\$35,954	\$8,711	24.2%	-	-	-	-	4/27/23
PTC	\$137.93	98.6%	\$15,986	\$17,785	\$1,978	\$798	40.3%	9.0x	22.2x	7.8x	-	5/3/23
Rockwell Automation	\$292.84	94.7%	\$32,219	\$36,372	\$8,351	\$1,814	21.7%	4.4x	20.1x	3.9x	18.0x	4/27/23
Schneider Electric	\$178.19	99.5%	\$96,792	\$104,440	\$35,933	\$7,362	20.5%	2.9x	14.2x	2.7x	13.0x	3/29/23
Siemens	\$171.37	98.8%	\$132,780	\$172,413	\$79,003	\$10,372	13.1%	2.2x	16.6x	2.0x	-	5/16/23
<b>Median</b>	<b>\$151.72</b>	<b>95.3%</b>	<b>\$32,219</b>	<b>\$36,372</b>	<b>\$12,923</b>	<b>\$2,992</b>	<b>21.1%</b>	<b>3.4x</b>	<b>17.3x</b>	<b>3.6x</b>	<b>15.1x</b>	
<b>Average</b>	<b>\$135.21</b>	<b>88.3%</b>	<b>\$45,516</b>	<b>\$53,777</b>	<b>\$21,234</b>	<b>\$3,840</b>	<b>22.0%</b>	<b>6.1x</b>	<b>22.0x</b>	<b>4.2x</b>	<b>16.1x</b>	



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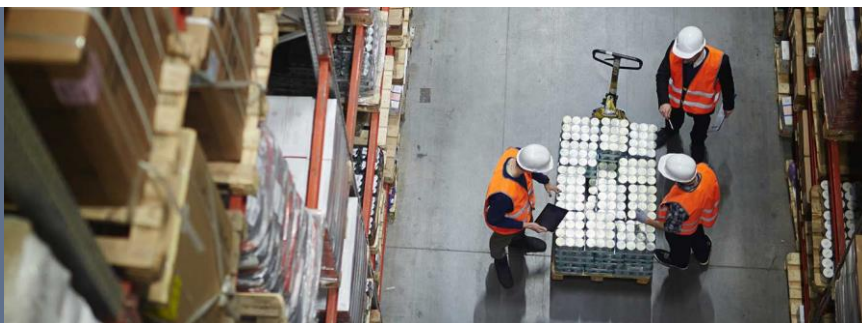
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	6/5/23	High	Cap	Value	Revenue	EBITDA	EBITDA Margin	Revenue	EBITDA	Revenue	EBITDA	Date	
Connectors and Electronics	Amphenol	\$77.57	93.6%	\$45,137	\$48,281	\$12,645	\$3,117	24.6%	3.8x	15.5x	3.9x	17.5x	4/28/23
	Belden	\$90.15	97.6%	\$3,694	\$4,346	\$2,638	\$456	17.3%	1.6x	9.5x	1.6x	-	5/8/23
	Eaton	\$186.48	99.5%	\$71,365	\$80,139	\$21,392	\$4,163	19.5%	3.7x	19.3x	3.5x	16.9x	5/2/23
	Powell Industries	\$61.65	100.0%	\$685	\$524	\$596	\$38	6.4%	0.9x	13.7x	0.8x	-	5/3/23
	Schneider Electric	\$178.19	99.5%	\$96,792	\$104,440	\$35,933	\$7,362	20.5%	2.9x	14.2x	2.7x	13.0x	3/29/23
	Sensata Technologies	\$42.94	79.0%	\$6,396	\$9,353	\$4,052	\$954	23.6%	2.3x	9.8x	2.2x	9.7x	5/2/23
	TE Connectivity	\$126.27	91.3%	\$38,617	\$42,020	\$16,457	\$3,698	22.5%	2.6x	11.4x	2.6x	11.6x	4/28/23
	<b>Median Average</b>	<b>\$90.15</b> <b>\$109.04</b>	<b>97.6%</b> <b>94.4%</b>	<b>\$38,617</b> <b>\$37,527</b>	<b>\$42,020</b> <b>\$41,300</b>	<b>\$12,645</b> <b>\$13,388</b>	<b>\$3,117</b> <b>\$2,827</b>	<b>20.5%</b> <b>19.2%</b>	<b>2.6x</b> <b>2.6x</b>	<b>13.7x</b> <b>13.3x</b>	<b>2.6x</b> <b>2.5x</b>	<b>13.0x</b> <b>13.7x</b>	
Construction & Building Materials	Arcosa	\$70.11	98.7%	\$3,225	\$3,626	\$2,256	\$360	15.9%	1.6x	10.1x	1.6x	10.8x	4/28/23
	Cemex	\$6.37	93.0%	\$8,700	\$9,827	\$15,940	\$1,967	12.3%	0.6x	5.0x	0.6x	-	5/2/23
	CRH	\$48.98	85.5%	\$34,688	\$40,354	\$32,723	\$5,615	17.2%	1.2x	7.2x	1.2x	7.0x	3/14/23
	Eagle Materials	\$169.07	99.9%	\$5,771	\$6,876	\$2,148	\$779	36.3%	3.2x	8.8x	3.1x	8.8x	5/19/23
	Heidelberg Materials	\$75.18	96.5%	\$13,586	\$20,349	\$22,179	\$3,646	16.4%	0.9x	5.6x	0.9x	4.9x	3/22/23
	Holcim (LafargeHolcim)	\$63.20	93.2%	\$34,708	\$41,201	\$30,570	\$7,239	23.7%	1.3x	5.7x	1.3x	5.6x	2/24/23
	Martin Marietta	\$415.08	99.6%	\$25,060	\$30,265	\$6,284	\$1,727	27.5%	4.8x	17.5x	4.5x	15.9x	5/4/23
	Summit Materials (Building Products)	\$33.59	97.6%	\$3,827	\$4,999	\$2,427	\$509	21.0%	2.1x	9.8x	2.2x	9.6x	5/4/23
	Titan Cement	\$17.60	97.0%	\$1,322	\$2,209	\$2,400	\$348	14.5%	0.9x	6.3x	0.9x	5.6x	4/5/23
	Vulcan Materials Company	\$202.73	100.0%	\$26,452	\$30,760	\$7,424	\$1,670	22.5%	4.1x	18.4x	4.0x	15.9x	5/5/23
<b>Median Average</b>	<b>\$66.65</b> <b>\$110.19</b>	<b>97.3%</b> <b>96.1%</b>	<b>\$11,143</b> <b>\$15,734</b>	<b>\$15,088</b> <b>\$19,047</b>	<b>\$6,854</b> <b>\$12,435</b>	<b>\$1,698</b> <b>\$2,386</b>	<b>19.1%</b> <b>20.7%</b>	<b>1.5x</b> <b>2.1x</b>	<b>8.0x</b> <b>9.4x</b>	<b>1.5x</b> <b>2.0x</b>	<b>8.8x</b> <b>9.3x</b>		
Facility & Industrial Services	ABM Industries	\$46.22	91.6%	\$2,917	\$4,346	\$7,862	\$498	6.3%	0.6x	8.7x	0.5x	8.2x	3/8/23
	Aramark	\$39.70	86.8%	\$10,177	\$18,278	\$17,721	\$1,349	7.6%	1.0x	13.5x	1.0x	11.2x	5/9/23
	BrightView Landscapes	\$7.18	52.3%	\$638	\$2,072	\$2,777	\$281	10.1%	0.7x	7.4x	0.7x	6.8x	5/4/23
	Cintas	\$481.56	99.9%	\$48,410	\$51,239	\$8,606	\$2,244	26.1%	6.0x	22.8x	5.5x	21.4x	4/6/23
	Comfort Systems USA	\$154.86	99.1%	\$5,307	\$5,583	\$4,430	\$368	8.3%	1.3x	15.2x	1.1x	13.3x	4/26/23
	Emcor Group	\$173.19	99.5%	\$7,867	\$8,089	\$11,374	\$745	6.6%	0.7x	10.9x	0.7x	-	4/27/23
	GDI Integrated Facility Services	\$32.15	80.1%	\$747	\$1,050	\$1,713	\$114	6.7%	0.6x	9.2x	0.6x	9.1x	5/11/23
	ISS World Services	\$19.42	82.6%	\$3,534	\$5,297	\$10,818	\$617	5.7%	0.5x	8.6x	0.5x	6.7x	2/23/23
	Johnson Controls International	\$62.39	89.6%	\$41,138	\$50,842	\$26,093	\$3,711	14.2%	1.9x	13.7x	1.8x	11.9x	5/5/23
	Mitie Group	\$1.17	94.4%	\$1,496	\$1,597	\$4,985	\$238	4.8%	0.3x	5.2x	0.3x	5.9x	11/17/22
	<b>Median Average</b>	<b>\$42.96</b> <b>\$101.78</b>	<b>90.6%</b> <b>87.6%</b>	<b>\$4,421</b> <b>\$12,223</b>	<b>\$5,440</b> <b>\$14,839</b>	<b>\$8,234</b> <b>\$9,638</b>	<b>\$557</b> <b>\$1,017</b>	<b>7.1%</b> <b>9.6%</b>	<b>0.7x</b> <b>1.4x</b>	<b>10.0x</b> <b>11.5x</b>	<b>0.7x</b> <b>1.3x</b>	<b>9.1x</b> <b>10.5x</b>	

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## FIRST QUARTER 2023



## PUBLIC TRADING STATISTICS

(\$ in millions, except per share data)

Company Name	Stock Price	% of 52-Week	Market	Enterprise	LTM	LTM	LTM EBITDA	Enterprise Value /		Enterprise Value /		Earnings
	6/5/23	High	Cap	Value	Revenue	EBITDA	Margin	Revenue	EBITDA	Revenue	EBITDA	Date
Amcor	\$9.97	73.3%	\$14,302	\$21,277	\$14,930	\$1,672	11.2%	1.4x	12.7x	1.4x	10.4x	5/3/23
Berry Global	\$59.94	90.5%	\$6,892	\$15,917	\$13,495	\$2,073	15.4%	1.2x	7.7x	1.2x	7.4x	5/4/23
Dow	\$51.61	76.1%	\$34,658	\$48,448	\$53,489	\$7,533	14.1%	0.9x	6.4x	1.0x	7.1x	4/26/23
DS Smith	\$3.95	87.6%	\$5,192	\$6,567	\$10,267	\$1,325	12.9%	0.6x	5.0x	0.7x	4.8x	12/8/22
Graphic Packaging	\$25.00	95.6%	\$7,421	\$12,830	\$9,633	\$1,734	18.0%	1.3x	7.4x	1.3x	6.6x	5/2/23
International Paper	\$30.38	63.3%	\$10,124	\$15,612	\$20,944	\$2,864	13.7%	0.7x	5.5x	0.8x	7.0x	4/28/23
Mondi	\$16.17	77.1%	\$7,502	\$9,069	\$9,360	\$1,943	20.8%	1.0x	4.7x	1.1x	6.0x	3/20/23
Packaging Corporation of America	\$128.08	78.6%	\$11,226	\$13,547	\$8,318	\$1,823	21.9%	1.6x	7.4x	1.7x	9.2x	5/3/23
Sealed Air	\$39.72	62.0%	\$5,474	\$10,086	\$5,573	\$1,151	20.6%	1.8x	8.8x	1.7x	7.8x	5/4/23
Sonoco	\$61.68	93.5%	\$5,803	\$9,010	\$7,209	\$1,038	14.4%	1.2x	8.7x	1.2x	7.8x	5/3/23
<b>Median</b>	<b>\$35.05</b>	<b>77.9%</b>	<b>\$7,461</b>	<b>\$13,188</b>	<b>\$9,950</b>	<b>\$1,779</b>	<b>14.9%</b>	<b>1.2x</b>	<b>7.4x</b>	<b>1.2x</b>	<b>7.3x</b>	
<b>Average</b>	<b>\$42.65</b>	<b>79.8%</b>	<b>\$10,859</b>	<b>\$16,236</b>	<b>\$15,322</b>	<b>\$2,316</b>	<b>16.3%</b>	<b>1.2x</b>	<b>7.4x</b>	<b>1.2x</b>	<b>7.4x</b>	
Baker Hughes	\$29.58	76.5%	\$28,964	\$33,343	\$22,037	\$2,524	11.5%	1.5x	13.5x	1.3x	8.6x	4/19/23
Dycor Industries	\$106.31	87.1%	\$3,023	\$3,691	\$3,808	\$366	9.6%	1.0x	10.1x	0.9x	8.1x	3/3/23
Emcor Group	\$173.19	99.5%	\$7,867	\$8,089	\$11,374	\$745	6.6%	0.7x	10.9x	0.7x	-	4/27/23
Eaton	\$186.48	99.5%	\$71,365	\$80,139	\$21,392	\$4,163	19.5%	3.7x	19.3x	3.5x	16.9x	5/2/23
Hubbell	\$294.49	99.4%	\$15,393	\$16,518	\$5,077	\$964	19.0%	3.3x	17.1x	3.1x	15.2x	4/28/23
KBR	\$61.63	99.6%	\$8,069	\$9,639	\$6,553	\$696	10.6%	1.5x	13.8x	1.3x	12.7x	5/1/23
Matrix Service Company	\$5.64	59.2%	\$148	\$142	\$790	(\$32)	-4.0%	0.2x	-	0.2x	-	5/9/23
MasTec	\$105.63	99.6%	\$8,033	\$11,392	\$10,408	\$682	6.6%	1.1x	16.7x	0.8x	9.8x	5/4/23
MYR Group	\$134.29	96.8%	\$2,136	\$2,147	\$3,184	\$183	5.7%	0.7x	11.7x	0.6x	-	4/26/23
Preformed Line Products	\$152.20	95.5%	\$719	\$782	\$681	\$120	17.6%	1.1x	6.5x	-	-	5/4/23
Primoris Services	\$27.85	98.8%	\$1,438	\$2,674	\$4,893	\$314	6.4%	0.5x	8.5x	0.5x	7.5x	5/10/23
Quanta Services	\$180.08	99.0%	\$25,558	\$29,732	\$17,537	\$1,672	9.5%	1.7x	17.8x	1.5x	15.5x	5/4/23
Schneider Electric	\$35.44	98.9%	\$96,792	\$104,440	\$35,933	\$7,362	20.5%	2.9x	14.2x	2.6x	12.7x	3/29/23
<b>Median</b>	<b>\$106.31</b>	<b>98.9%</b>	<b>\$8,033</b>	<b>\$9,639</b>	<b>\$6,553</b>	<b>\$696</b>	<b>9.6%</b>	<b>1.1x</b>	<b>13.7x</b>	<b>1.1x</b>	<b>12.7x</b>	
<b>Average</b>	<b>\$114.83</b>	<b>93.0%</b>	<b>\$20,731</b>	<b>\$23,287</b>	<b>\$11,051</b>	<b>\$1,520</b>	<b>10.7%</b>	<b>1.5x</b>	<b>13.3x</b>	<b>1.4x</b>	<b>11.9x</b>	

# INDUSTRIAL NEWSLETTER

## FIRST QUARTER 2023

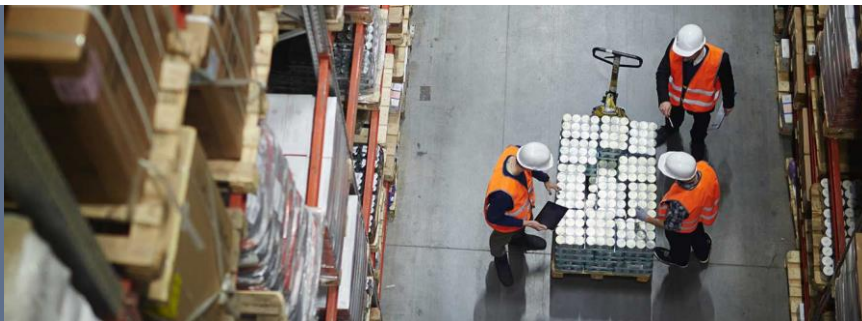


## PUBLIC TRADING STATISTICS

(\$ in millions, except per share data)

Company Name	Stock Price	% of 52-Week	Market	Enterprise	LTM	LTM	LTM	Enterprise Value / LTM		Enterprise Value / FWD		Earnings	
	6/5/23	High	Cap	Value	Revenue	EBITDA	EBITDA Margin	Revenue	EBITDA	Revenue	EBITDA	Date	
Specialty Distribution	Air Liquide	\$171.48	94.7%	\$87,715	\$101,072	\$31,473	\$7,704	24.5%	3.2x	13.1x	3.1x	11.9x	3/3/23
	Applied Industrial Technologies	\$132.70	88.8%	\$4,791	\$5,231	\$4,316	\$504	11.7%	1.2x	10.4x	1.2x	9.7x	4/28/23
	Boise Cascade	\$75.51	88.7%	\$2,851	\$2,370	\$7,605	\$990	13.0%	0.3x	2.4x	0.4x	4.5x	5/4/23
	Builders Firstsource	\$118.97	96.7%	\$14,830	\$18,389	\$20,929	\$4,008	19.1%	0.9x	4.6x	1.1x	9.4x	5/3/23
	Dorman Products	\$84.87	71.3%	\$2,603	\$3,374	\$1,799	\$201	11.2%	1.9x	16.7x	1.7x	10.5x	5/2/23
	DXP Enterprises	\$33.75	97.2%	\$555	\$966	\$1,586	\$142	8.9%	0.6x	6.8x	0.5x	5.3x	5/15/23
	Fastenal	\$55.37	97.7%	\$30,779	\$31,187	\$7,136	\$1,668	23.4%	4.4x	18.7x	4.2x	18.1x	4/18/23
	Ferguson (UK)	\$147.76	97.9%	\$29,815	\$34,506	\$30,011	\$3,233	10.8%	1.1x	10.7x	1.2x	12.1x	3/8/23
	W.W. Grainger	\$677.77	95.6%	\$32,875	\$35,444	\$15,672	\$2,652	16.9%	2.3x	13.4x	2.1x	12.7x	4/27/23
	Watsco	\$340.76	95.6%	\$12,702	\$13,481	\$7,301	\$885	12.1%	1.8x	15.2x	1.8x	15.1x	5/5/23
<b>Median</b>	<b>\$125.84</b>	<b>95.6%</b>	<b>\$13,766</b>	<b>\$15,935</b>	<b>\$7,453</b>	<b>\$1,329</b>	<b>12.6%</b>	<b>1.5x</b>	<b>11.9x</b>	<b>1.4x</b>	<b>11.2x</b>		
<b>Average</b>	<b>\$183.89</b>	<b>92.4%</b>	<b>\$21,952</b>	<b>\$24,602</b>	<b>\$12,783</b>	<b>\$2,199</b>	<b>15.2%</b>	<b>1.8x</b>	<b>11.2x</b>	<b>1.7x</b>	<b>10.9x</b>		
Test & Measurement	AMETEK	\$150.68	99.7%	\$33,868	\$35,714	\$6,289	\$1,928	30.7%	5.7x	18.5x	5.3x	17.9x	5/2/23
	FARO Technologies	\$15.81	39.8%	\$289	\$291	\$354	\$9	2.4%	0.8x	33.7x	0.8x	178.7x	5/8/23
	Fortive	\$67.27	96.4%	\$23,147	\$25,574	\$5,910	\$1,579	26.7%	4.3x	16.2x	4.2x	15.4x	4/26/23
	Mks Instruments	\$96.60	77.9%	\$6,620	\$10,911	\$3,599	\$900	25.0%	3.0x	12.1x	2.8x	13.4x	5/5/23
	National Instruments	\$57.80	99.1%	\$7,672	\$8,102	\$1,709	\$316	18.5%	4.7x	25.6x	4.5x	-	4/28/23
	PerkinElmer	\$25.58	81.3%	\$4,349	\$9,027	\$27,199	\$1,230	4.5%	0.3x	7.3x	0.4x	6.6x	5/3/23
	Teledyne Technologies	\$397.42	88.6%	\$18,414	\$21,573	\$5,521	\$1,364	24.7%	3.9x	15.8x	3.7x	15.3x	4/28/23
	Thermo Fisher Scientific	\$520.14	85.1%	\$200,336	\$232,287	\$43,807	\$11,058	25.2%	5.3x	21.0x	5.0x	19.1x	5/5/23
	<b>Median</b>	<b>\$81.94</b>	<b>86.8%</b>	<b>\$13,043</b>	<b>\$16,242</b>	<b>\$5,715</b>	<b>\$1,297</b>	<b>24.9%</b>	<b>4.1x</b>	<b>17.4x</b>	<b>3.9x</b>	<b>15.4x</b>	
<b>Average</b>	<b>\$166.41</b>	<b>83.5%</b>	<b>\$36,837</b>	<b>\$42,935</b>	<b>\$11,798</b>	<b>\$2,298</b>	<b>19.7%</b>	<b>3.5x</b>	<b>18.8x</b>	<b>3.4x</b>	<b>38.1x</b>		

**INDUSTRIAL NEWSLETTER**  
*FIRST QUARTER 2023*



**FOUNDERS' INDUSTRIALS GROUP & RECENT TRANSACTIONS**



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**Construction & Building Materials**  
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**John Sullivan**, Managing Director  
**Facility & Industrial Services**  
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**Evan Klisares**, Director  
**Power & Infrastructure Services**  
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**Vaughn McCrary**, Director  
**Specialty Distribution**  
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**Katherine Davis**, Vice President  
**Facility & Industrial Services**  
(Dallas, TX)  
kdavis@foundersib.com

**Recent Transactions**



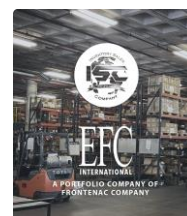
March 2023



March 2023



March 2023



March 2023



February 2023



September 2022



July 2022

**BIRMINGHAM**

**DALLAS**

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