

## INDUSTRIAL NEWSLETTER SECOND QUARTER 2023



### INTRODUCTION

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

The primary focus in the private markets for the second quarter was on the Federal Reserve's monetary policy decisions, the debt ceiling crisis, and looming recession fears.

M&A markets in the second quarter were affected by uncertainty, but buyer appetite picked up as smaller deals became a greater investment focus. Despite a tight labor market and positive economic growth, markets were pricing in a future recession as the capital markets remain volatile due to higher interest rates.

Next, we will turn to macroeconomic indicators to provide more context on the health of the economy. This quarter could be a turning point as the data show signs of continuing strength and potential market momentum.

### 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

#### Industrial Team Contacts

**Gene Bazemore** | *Head of Industrials*  
ebazemore@foundersib.com

**Dennis Coker** | *Managing Director*  
dcoker@foundersib.com

**John Sullivan** | *Managing Director*  
jsullivan@foundersib.com

**Evan Klisares** | *Director*  
eklisares@foundersib.com

**Vaughn McCrary** | *Director*  
vmccrary@foundersib.com

**Katherine Davis** | *Vice President*  
kdavis@foundersib.com

**Miller Williams** | *Vice President*  
mwilliams@foundersib.com

**Karoline Johnson** | *Senior Analyst*  
kjohnson@foundersib.com

**Brian Garcia** | *Analyst*  
bgarcia@foundersib.com

**Jack Gutshall** | *Analyst*  
jgutshall@foundersib.com

**John Jenkins** | *Analyst*  
jjenkens@foundersib.com

**Oliver Robinson** | *Analyst*  
orobinson@foundersib.com

**Peter Schwarz** | *Analyst*  
pschwarz@foundersib.com

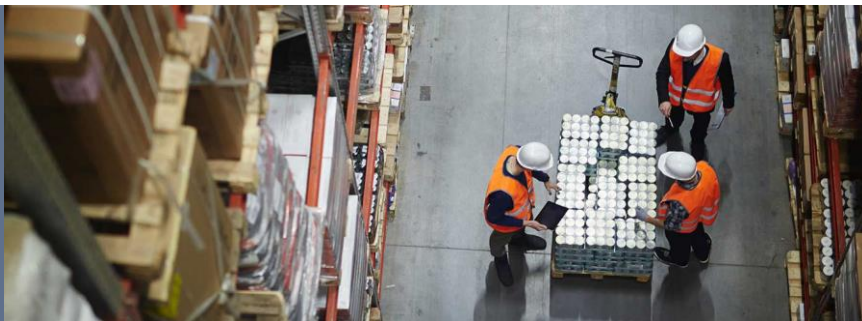
**Will Weathington** | *Analyst*  
wweathington@foundersib.com

**Collier Wilson** | *Analyst*  
cwilson@foundersib.com

#### Table of Contents

Introduction	1
Macro Economic Landscape	2
M&A Activity & Public Comps	3-7
Founders' Industrial Group Recent Deal Experience	8

# INDUSTRIAL NEWSLETTER SECOND QUARTER 2023



## MACROECONOMIC LANDSCAPE

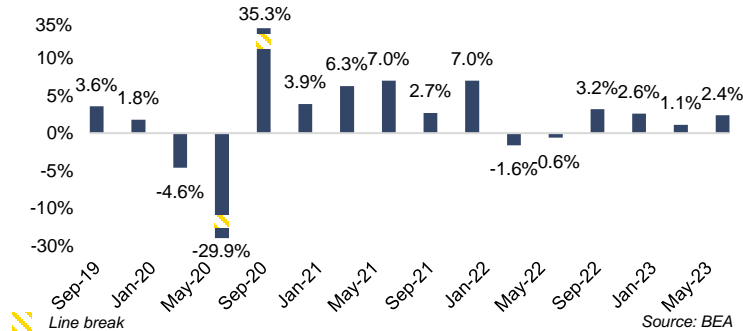
In the second quarter, the annualized growth rate for real GDP expanded to 2.4% well above the 1.8% expectations. Higher-than-expected growth supports the idea that the economy can endure the higher interest rate environment long enough to bring inflation under control.

The yield curve inversion we noted last quarter still exists, maintaining the fear of a potential recession due to higher borrowing costs. Despite the higher costs, consumer confidence stayed high proven by the expansion of annualized real GDP.

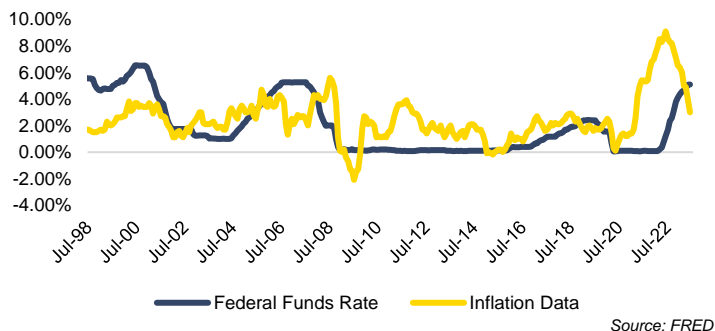
Manufacturers' New Orders data is a further sign of the economy's stable health showing an upward trend due to nationwide reshoring efforts. M&A deal volume and value have rebounded in H1 '23 from H2 '22. While there were fewer "Mega Deals" in H1 '23, private equity went after smaller acquisitions to add value to their portfolio. As the credit markets and inflation stabilizes, buyer deal appetite should increase.

### Macro Data

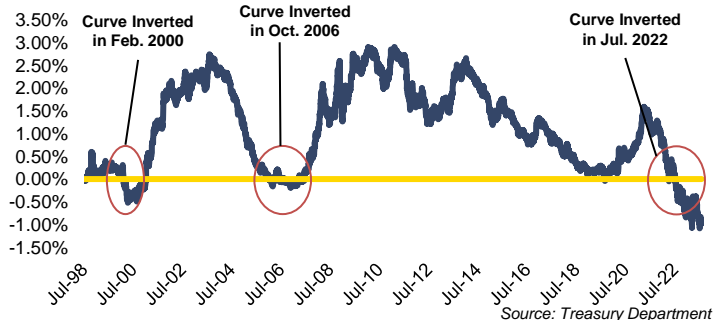
Annualized Real GDP Growth Rate



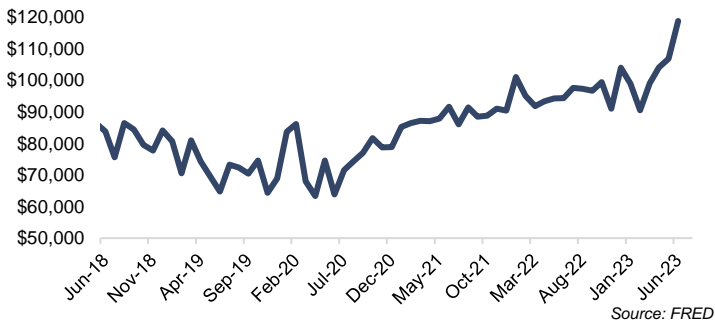
25yr Fed Fund Rate & Monthly Changes in US Inflation



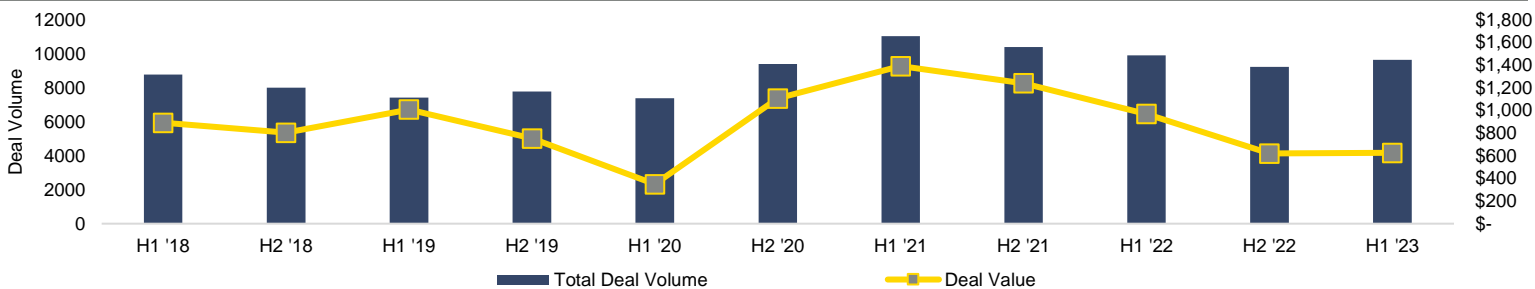
25yr Yield Curve (10yr - 2yr Treasuries)



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

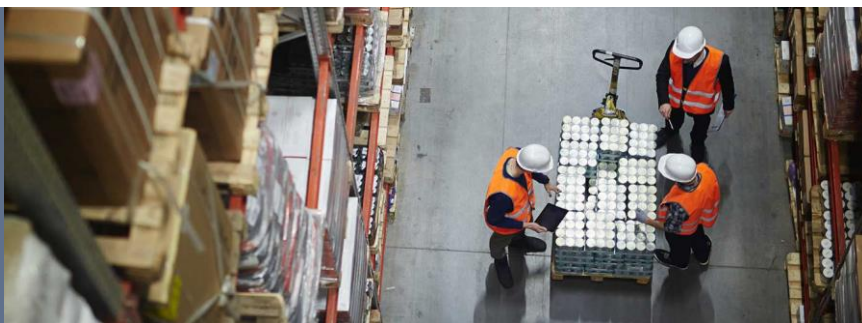


M&A Deal Volume & Value (\$bn), 2018-2022



























# INDUSTRIAL NEWSLETTER

## SECOND QUARTER 2023

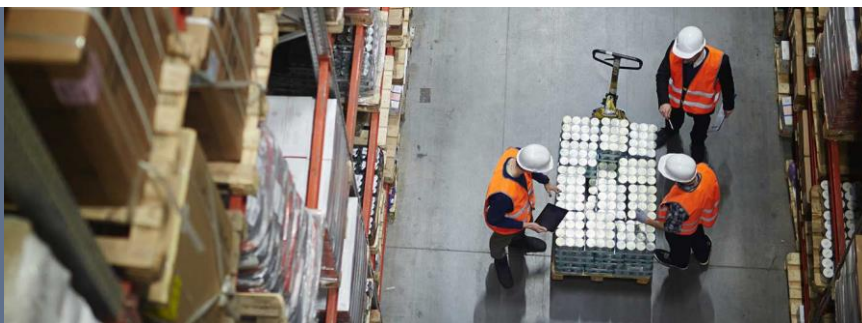


## RECENT TRANSACTIONS

Date	Target	Buyer	Industry	Target Description
21-Jun-2023	 <b>Invenergy</b>	 <b>Blackstone</b>	Power & Infrastructure	Developer and operator of sustainable energy projects across America, Europe and Asia.
20-Jun-2023	 <b>diefenbach</b> <small>A McLanahan Company</small>	 <b>McLanahan</b>	Advanced Manufacturing	Manufacturer of industrial equipment intended to separate liquid and solid.
31-May-2023	 <b>COPELAND</b>	ACE & Company  <b>Blackstone</b>	Advanced Manufacturing	Manufacturer and distributor of compressors around the world.
24-May-2023	 <b>evoqua</b> <small>WATER TECHNOLOGIES</small>	 <b>xylem</b>	Advanced Manufacturing	Manufacturer of wastewater treatment systems intended to support industrial, municipal and recreational customers.
17-May-2023	 <b>WYATT</b> <small>TECHNOLOGY</small>	 <b>Waters™</b>	Test & Measurement	Manufacturer and developer of commercial light scattering instruments intended for the characterization of macromolecules and nanoparticles.
15-May-2023	 <b>TA</b> <small>TravelCenters of America</small>	 <b>bp</b>	Industrial Services	Operator of a network of travel centers intended to serve travelers.
04-May-2023	 <b>ECM</b> <small>INDUSTRIES</small>	 <b>nvent®</b>	Connectors & Electronics	Manufacturer of electrical and consumable products intended for residential repair and maintenance, irrigation and landscape supply and natural gas and cathodic and other industries.
03-May-2023	 <b>MAXAR</b>	Advent International <small>GLOBAL PRIVATE EQUITY</small>  <b>BCI</b>	Advanced Manufacturing	Manufacturer of satellites and spacecraft components for the purpose of communications, earth observation, exploration and on-orbit servicing and assembly.
02-May-2023	 <b>LOTUS</b> <small>MIDSTREAM</small>	 <b>ENERGY TRANSFER</b>	Power & Infrastructure	Operator of an independent energy company focused on the development of midstream infrastructure and services necessary to transport crude oil and condensate from the wellhead to market.
02-May-2023	 <b>SPECTRUM</b> <small>PLASTICS GROUP</small>	 <b>DUPONT</b>	Plastics & Packaging	Manufacturer of polyethylene bags, films and tubing for food and industrial packaging applications.
19-Apr-2023	 <b>ATLAS</b>	 <b>GI PARTNERS</b>	Industrial Services	Provider of infrastructure and environmental services intended for transportation, commercial, water, government, education and industrial markets.
03-Apr-2023	 <b>MARCO</b> <small>A TEREX BRAND</small>	 <b>TEREX®</b>	Advanced Manufacturing	Manufacturer of conveyor machinery based in Mount Vernon, Missouri.

# INDUSTRIAL NEWSLETTER

## SECOND 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
	8/23/23	High	Cap	Value	Revenue	EBITDA	EBITDA	Revenue	EBITDA	Revenue	EBITDA	Date
3D Systems	\$6.24	49.3%	\$833	\$869	\$514	(\$22)	-4.3%	1.7x	-	1.6x	-	8/9/23
Alfa Laval	\$33.43	85.9%	\$13,818	\$15,207	\$5,635	\$1,015	18.0%	2.7x	15.0x	2.3x	12.5x	7/20/23
Atlas Copco	\$13.11	85.1%	\$61,195	\$63,915	\$15,240	\$3,885	25.5%	4.2x	16.4x	4.0x	15.8x	7/19/23
Desktop Metal	\$1.50	41.1%	\$485	\$499	\$202	(\$89)	-43.9%	2.5x	-	2.1x	-	8/3/23
Graco	\$75.71	86.1%	\$12,794	\$12,427	\$2,190	\$719	32.8%	5.7x	17.3x	5.5x	17.5x	7/26/23
Hillenbrand (US)	\$45.31	84.3%	\$3,168	\$4,331	\$3,293	\$573	17.4%	1.3x	9.2x	1.4x	8.0x	8/2/23
Kadant	\$211.24	91.9%	\$2,473	\$2,565	\$931	\$197	21.2%	2.8x	13.0x	2.7x	13.3x	8/9/23
Nordson	\$235.70	93.0%	\$13,433	\$14,128	\$2,606	\$799	30.7%	5.4x	17.8x	5.2x	16.2x	5/25/23
Proto Labs	\$28.83	68.5%	\$752	\$686	\$485	\$73	15.1%	1.4x	9.3x	1.4x	9.3x	8/4/23
Teradyne	\$102.75	86.2%	\$15,825	\$15,235	\$2,861	\$822	28.7%	5.3x	18.5x	5.2x	18.9x	8/4/23
The Lincoln Electric Company	\$185.40	87.9%	\$10,644	\$11,538	\$3,966	\$765	19.3%	2.9x	15.1x	2.7x	13.9x	7/27/23
<b>Median</b>	<b>\$45.31</b>	<b>85.9%</b>	<b>\$10,644</b>	<b>\$11,538</b>	<b>\$2,606</b>	<b>\$719</b>	<b>19.3%</b>	<b>2.8x</b>	<b>15.1x</b>	<b>2.7x</b>	<b>13.6x</b>	
<b>Average</b>	<b>\$85.38</b>	<b>78.1%</b>	<b>\$12,311</b>	<b>\$12,855</b>	<b>\$3,448</b>	<b>\$794</b>	<b>14.6%</b>	<b>3.3x</b>	<b>14.6x</b>	<b>3.1x</b>	<b>10.2x</b>	
AGC (Tokyo)	\$6.61	86.0%	\$7,175	\$12,307	\$14,879	\$2,254	15.2%	0.8x	5.5x	0.8x	4.9x	8/4/23
Corning	\$31.96	86.1%	\$27,261	\$34,575	\$13,315	\$2,794	21.0%	2.6x	13.3x	2.4x	9.0x	7/27/23
H.B. Fuller	\$68.64	84.3%	\$3,698	\$5,477	\$3,607	\$531	14.7%	1.5x	10.3x	1.4x	8.4x	6/29/23
Hexcel	\$72.29	91.4%	\$6,106	\$6,781	\$1,706	\$363	21.3%	4.0x	18.7x	3.5x	16.6x	7/24/23
Materion (Industrial Supplies and Parts)	\$107.00	86.7%	\$2,208	\$2,702	\$1,704	\$213	12.5%	1.6x	12.7x	1.5x	11.3x	8/2/23
Morgan Advanced Materials	\$3.24	80.8%	\$907	\$1,282	\$1,366	\$208	15.2%	0.9x	6.2x	0.9x	5.7x	8/4/23
Rogers	\$136.05	52.6%	\$2,533	\$2,523	\$946	\$313	33.1%	2.7x	8.1x	2.6x	-	8/4/23
Saint-Gobain	\$64.61	93.9%	\$32,721	\$42,400	\$53,019	\$7,106	13.4%	0.8x	6.0x	0.8x	5.6x	7/26/23
Seven West Media	\$0.21	57.6%	\$319	\$610	\$980	\$188	19.2%	0.6x	3.2x	0.6x	4.2x	6/30/23
Victrex	\$18.23	76.8%	\$1,559	\$1,569	\$400	\$121	30.3%	3.9x	12.9x	3.7x	10.9x	5/9/23
<b>Median</b>	<b>\$48.29</b>	<b>85.1%</b>	<b>\$3,115</b>	<b>\$4,089</b>	<b>\$1,705</b>	<b>\$338</b>	<b>17.2%</b>	<b>1.6x</b>	<b>9.2x</b>	<b>1.5x</b>	<b>8.4x</b>	
<b>Average</b>	<b>\$50.88</b>	<b>79.6%</b>	<b>\$8,449</b>	<b>\$11,023</b>	<b>\$9,192</b>	<b>\$1,409</b>	<b>19.6%</b>	<b>1.9x</b>	<b>9.7x</b>	<b>1.8x</b>	<b>8.5x</b>	
ABB Group	\$37.26	90.3%	\$69,198	\$74,890	\$31,252	\$4,715	15.1%	2.4x	15.9x	2.2x	12.4x	7/20/23
Alteryx	\$28.40	40.2%	\$2,018	\$2,615	\$904	\$81	9.0%	2.9x	-	2.7x	-	8/8/23
Aspen Technology	\$193.80	73.5%	\$12,477	\$12,305	\$1,044	\$394	37.7%	11.8x	31.2x	10.8x	27.1x	8/21/23
ATS Automation Tooling Systems	\$41.34	84.0%	\$4,088	\$4,737	\$2,029	\$328	16.2%	2.3x	14.5x	2.2x	13.7x	8/9/23
Emerson Electric	\$96.08	96.4%	\$54,910	\$59,717	\$20,792	\$5,456	26.2%	2.9x	13.5x	3.8x	14.0x	8/2/23
Honeywell	\$186.01	84.2%	\$123,503	\$136,709	\$36,147	\$8,867	24.5%	3.8x	15.4x	3.6x	14.2x	7/27/23
PTC	\$141.52	93.1%	\$16,817	\$18,469	\$2,058	\$804	39.1%	9.0x	23.0x	8.0x	-	8/4/23
Rockwell Automation	\$292.64	84.0%	\$33,613	\$37,542	\$8,621	\$1,864	21.6%	4.4x	20.1x	4.0x	17.8x	8/1/23
Schneider Electric	\$169.98	92.8%	\$94,453	\$108,955	\$37,389	\$7,970	21.3%	2.9x	13.7x	2.7x	13.2x	7/27/23
Siemens	\$149.19	81.6%	\$118,181	\$155,310	\$80,516	\$13,401	16.6%	1.9x	11.6x	1.7x	-	8/10/23
<b>Median</b>	<b>\$145.35</b>	<b>84.1%</b>	<b>\$44,261</b>	<b>\$48,629</b>	<b>\$14,707</b>	<b>\$3,290</b>	<b>21.5%</b>	<b>2.9x</b>	<b>15.4x</b>	<b>3.2x</b>	<b>14.0x</b>	
<b>Average</b>	<b>\$133.62</b>	<b>82.0%</b>	<b>\$52,926</b>	<b>\$61,125</b>	<b>\$22,075</b>	<b>\$4,388</b>	<b>22.7%</b>	<b>4.4x</b>	<b>17.7x</b>	<b>4.2x</b>	<b>16.1x</b>	



# INDUSTRIAL NEWSLETTER

## SECOND QUARTER 2023



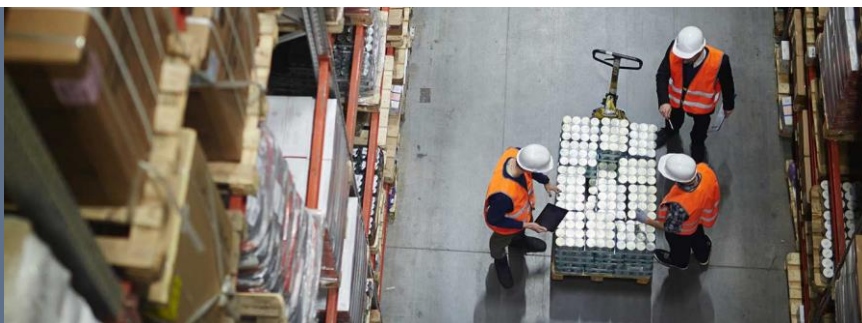
## PUBLIC TRADING STATISTICS

(\$ 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	
	8/23/23	High	Cap	Value	Revenue	EBITDA	EBITDA	Revenue	EBITDA	Revenue	EBITDA	Date	
Connectors and Electronics	Amphenol	\$85.80	95.0%	\$51,176	\$54,071	\$12,562	\$3,101	24.7%	4.3x	17.4x	4.3x	18.5x	7/28/23
	Belden	\$87.02	87.8%	\$3,681	\$4,414	\$2,664	\$468	17.6%	1.7x	9.4x	1.6x	-	8/3/23
	Eaton	\$217.29	96.2%	\$86,699	\$95,187	\$22,046	\$4,344	19.7%	4.3x	21.9x	4.0x	18.9x	8/1/23
	Powell Industries	\$78.19	86.9%	\$927	\$719	\$653	\$57	8.8%	1.1x	12.5x	1.0x	-	8/2/23
	Schneider Electric	\$169.98	92.8%	\$94,453	\$108,955	\$37,389	\$7,970	21.3%	2.9x	13.7x	2.7x	13.2x	7/27/23
	Sensata Technologies	\$37.40	68.8%	\$5,701	\$8,639	\$4,093	\$509	12.4%	2.1x	17.0x	2.1x	9.0x	8/1/23
	TE Connectivity	\$127.77	87.2%	\$40,112	\$43,294	\$16,358	\$3,635	22.2%	2.6x	11.9x	2.6x	11.9x	7/28/23
	<b>Median Average</b>	<b>\$87.02</b> <b>\$114.78</b>	<b>87.8%</b> <b>87.8%</b>	<b>\$40,112</b> <b>\$40,393</b>	<b>\$43,294</b> <b>\$45,040</b>	<b>\$12,562</b> <b>\$13,681</b>	<b>\$3,101</b> <b>\$2,869</b>	<b>19.7%</b> <b>18.1%</b>	<b>2.6x</b> <b>2.7x</b>	<b>13.7x</b> <b>14.8x</b>	<b>2.6x</b> <b>2.6x</b>	<b>13.2x</b> <b>14.3x</b>	
Construction & Building Materials	Arcosa	\$75.77	96.2%	\$3,695	\$4,043	\$2,238	\$346	15.5%	1.8x	11.7x	1.7x	11.3x	8/4/23
	Cemex	\$8.06	98.4%	\$11,493	\$11,342	\$16,426	\$2,199	13.4%	0.7x	5.2x	0.6x	-	7/27/23
	CRH	\$57.24	91.7%	\$40,355	\$46,021	\$32,723	\$5,615	17.2%	1.4x	8.2x	1.3x	7.4x	3/14/23
	Eagle Materials	\$178.12	91.8%	\$6,311	\$7,445	\$2,188	\$812	37.1%	3.4x	9.2x	3.3x	9.0x	7/27/23
	Heidelberg Materials	\$83.19	98.0%	\$15,489	\$24,063	\$22,620	\$3,982	17.6%	1.1x	6.0x	1.0x	5.5x	7/27/23
	Holcim (LafargeHolcim)	\$67.02	92.0%	\$38,281	\$36,747	\$29,366	\$7,066	24.1%	1.3x	5.2x	1.2x	4.8x	7/27/23
	Martin Marietta	\$436.32	94.2%	\$26,966	\$31,981	\$6,463	\$1,845	28.5%	4.9x	17.3x	4.5x	14.9x	7/27/23
	Summit Materials (Building Products)	\$35.97	90.9%	\$4,278	\$5,598	\$2,470	\$537	21.7%	2.3x	10.4x	2.3x	9.7x	8/3/23
	Titan Cement	\$19.38	90.4%	\$1,426	\$2,282	\$2,591	\$456	17.6%	0.9x	5.0x	0.8x	4.8x	7/27/23
	Vulcan Materials Company	\$214.58	93.4%	\$28,510	\$32,779	\$7,582	\$1,815	23.9%	4.3x	18.1x	4.1x	15.8x	8/4/23
<b>Median Average</b>	<b>\$71.39</b> <b>\$117.56</b>	<b>92.7%</b> <b>93.7%</b>	<b>\$13,491</b> <b>\$17,680</b>	<b>\$17,702</b> <b>\$20,230</b>	<b>\$7,023</b> <b>\$12,467</b>	<b>\$1,830</b> <b>\$2,467</b>	<b>19.7%</b> <b>21.7%</b>	<b>1.6x</b> <b>2.2x</b>	<b>8.7x</b> <b>9.6x</b>	<b>1.5x</b> <b>2.1x</b>	<b>9.0x</b> <b>9.2x</b>		
Facility & Industrial Services	ABM Industries	\$44.74	90.2%	\$2,959	\$4,403	\$7,948	\$516	6.5%	0.6x	8.5x	0.5x	8.2x	6/7/23
	Aramark	\$37.09	81.1%	\$9,682	\$17,309	\$18,343	\$1,404	7.7%	0.9x	12.3x	0.9x	10.4x	8/8/23
	BrightView Landscapes	\$8.30	76.0%	\$775	\$2,205	\$2,796	\$288	10.3%	0.8x	7.6x	0.8x	6.9x	8/3/23
	Cintas	\$485.61	93.6%	\$49,407	\$51,951	\$8,816	\$2,315	26.3%	5.9x	22.4x	5.5x	21.4x	7/27/23
	Comfort Systems USA	\$178.60	97.6%	\$6,388	\$6,591	\$4,708	\$403	8.6%	1.4x	16.4x	1.3x	14.5x	7/26/23
	Emcor Group	\$217.11	97.1%	\$10,233	\$10,300	\$11,712	\$807	6.9%	0.9x	12.8x	0.8x	-	7/27/23
	GDI Integrated Facility Services	\$30.88	80.5%	\$723	\$1,039	\$1,753	\$110	6.3%	0.6x	9.4x	0.6x	9.1x	8/8/23
	ISS World Services	\$17.84	75.9%	\$3,307	\$5,293	\$11,138	\$601	5.4%	0.5x	8.8x	0.4x	6.5x	8/9/23
	Johnson Controls International	\$58.65	83.3%	\$39,901	\$49,747	\$26,612	\$3,997	15.0%	1.9x	12.4x	1.8x	11.2x	8/2/23
	Mitie Group	\$1.17	86.8%	\$1,577	\$1,632	\$4,750	\$234	4.9%	0.3x	7.0x	0.3x	5.5x	6/23/23
<b>Median Average</b>	<b>\$40.92</b> <b>\$108.00</b>	<b>85.0%</b> <b>86.2%</b>	<b>\$4,847</b> <b>\$12,495</b>	<b>\$5,942</b> <b>\$15,047</b>	<b>\$8,382</b> <b>\$9,858</b>	<b>\$559</b> <b>\$1,068</b>	<b>7.3%</b> <b>9.8%</b>	<b>0.8x</b> <b>1.4x</b>	<b>10.9x</b> <b>11.8x</b>	<b>0.8x</b> <b>1.3x</b>	<b>9.1x</b> <b>10.4x</b>		

# INDUSTRIAL NEWSLETTER

## SECOND QUARTER 2023



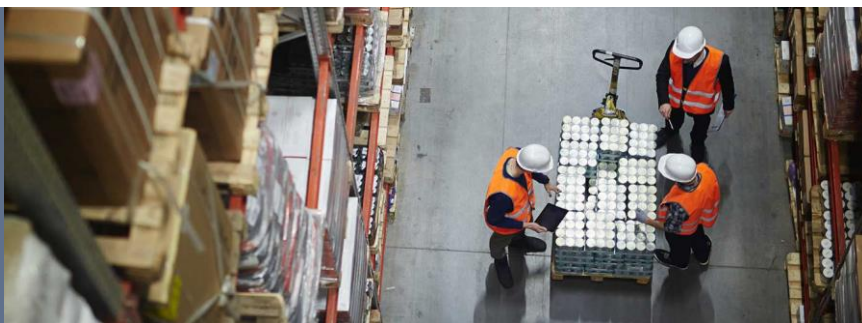
## PUBLIC TRADING STATISTICS

(\$ 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
	8/23/23	High	Cap	Value	Revenue	EBITDA	EBITDA	Revenue	EBITDA	Revenue	EBITDA	Date
<b>Plastics &amp; Packaging</b>												
Amcor	\$9.31	71.7%	\$13,485	\$20,069	\$14,694	\$2,018	13.7%	1.4x	9.9x	1.4x	10.0x	8/17/23
Berry Global	\$62.60	92.0%	\$7,393	\$16,484	\$12,998	\$2,045	15.7%	1.3x	8.1x	1.3x	7.8x	8/9/23
Dow	\$53.79	88.4%	\$37,818	\$51,703	\$49,245	\$6,008	12.2%	1.0x	8.6x	1.2x	8.3x	7/26/23
DS Smith	\$3.71	82.2%	\$5,035	\$7,140	\$9,867	\$1,408	14.3%	0.7x	5.1x	0.7x	5.2x	7/11/23
Graphic Packaging	\$21.64	78.5%	\$6,648	\$12,033	\$9,667	\$1,791	18.5%	1.2x	6.7x	1.2x	6.3x	8/1/23
International Paper	\$33.77	76.6%	\$11,684	\$17,062	\$20,237	\$2,570	12.7%	0.8x	6.6x	0.9x	9.6x	7/28/23
Mondi	\$16.29	82.9%	\$7,835	\$9,598	\$8,662	\$1,660	19.2%	1.1x	5.8x	1.2x	7.0x	8/3/23
Packaging Corporation of America	\$145.07	91.4%	\$13,044	\$15,248	\$8,033	\$1,708	21.3%	1.9x	8.9x	1.9x	11.1x	8/4/23
Sealed Air	\$34.16	59.0%	\$4,953	\$9,734	\$5,536	\$1,137	20.5%	1.8x	8.6x	1.7x	8.7x	8/8/23
Sonoco	\$56.02	85.1%	\$5,488	\$8,571	\$7,001	\$1,019	14.6%	1.2x	8.4x	1.2x	8.0x	8/2/23
<b>Median</b>	<b>\$33.97</b>	<b>82.5%</b>	<b>\$7,614</b>	<b>\$13,641</b>	<b>\$9,767</b>	<b>\$1,750</b>	<b>15.1%</b>	<b>1.2x</b>	<b>8.2x</b>	<b>1.2x</b>	<b>8.2x</b>	
<b>Average</b>	<b>\$43.64</b>	<b>80.8%</b>	<b>\$11,338</b>	<b>\$16,764</b>	<b>\$14,594</b>	<b>\$2,136</b>	<b>16.3%</b>	<b>1.2x</b>	<b>7.7x</b>	<b>1.3x</b>	<b>8.2x</b>	
<b>Power &amp; Infrastructure</b>												
Baker Hughes	\$35.18	96.4%	\$35,520	\$39,496	\$23,304	\$3,237	13.9%	1.7x	12.2x	1.5x	9.7x	7/19/23
Dycom Industries	\$98.14	80.4%	\$2,878	\$3,700	\$3,978	\$416	10.5%	0.9x	8.9x	0.9x	7.9x	5/25/23
Emcor Group	\$217.11	97.1%	\$10,233	\$10,300	\$11,712	\$807	6.9%	0.9x	12.8x	0.8x	-	7/27/23
Eaton	\$217.29	96.2%	\$86,699	\$95,187	\$22,046	\$4,344	19.7%	4.3x	21.9x	4.0x	18.9x	8/1/23
Hubbell	\$307.18	90.3%	\$16,474	\$17,531	\$5,187	\$1,064	20.5%	3.4x	16.5x	3.2x	14.1x	7/26/23
KBR	\$60.61	92.0%	\$8,177	\$9,622	\$6,690	\$701	10.5%	1.4x	13.7x	1.3x	12.2x	7/27/23
Matrix Service Company	\$7.87	82.7%	\$213	\$206	\$790	(\$32)	-4.0%	0.3x	-	0.2x	-	5/9/23
MasTec	\$97.01	78.7%	\$7,650	\$11,217	\$10,981	\$861	7.8%	1.0x	13.0x	0.8x	9.7x	8/3/23
MYR Group	\$142.10	90.7%	\$2,374	\$2,428	\$3,364	\$186	5.5%	0.7x	13.1x	0.7x	-	7/26/23
Preformed Line Products	\$161.61	87.4%	\$794	\$849	\$699	\$131	18.7%	1.2x	6.5x	-	-	8/3/23
Primoris Services	\$34.41	97.0%	\$1,835	\$3,078	\$5,284	\$360	6.8%	0.6x	8.6x	0.5x	8.3x	8/8/23
Schneider Electric	\$33.73	91.4%	\$94,453	\$108,955	\$37,389	\$7,970	21.3%	2.9x	13.7x	2.7x	13.1x	7/27/23
Quanta Services	\$206.63	99.5%	\$30,002	\$34,165	\$17,537	\$1,672	9.5%	1.9x	19.8x	1.7x	16.8x	5/4/23
<b>Median</b>	<b>\$98.14</b>	<b>91.4%</b>	<b>\$8,177</b>	<b>\$10,300</b>	<b>\$6,690</b>	<b>\$807</b>	<b>10.5%</b>	<b>1.2x</b>	<b>13.0x</b>	<b>1.1x</b>	<b>12.2x</b>	
<b>Average</b>	<b>\$124.53</b>	<b>90.8%</b>	<b>\$22,870</b>	<b>\$25,903</b>	<b>\$11,458</b>	<b>\$1,670</b>	<b>11.4%</b>	<b>1.6x</b>	<b>13.4x</b>	<b>1.5x</b>	<b>12.3x</b>	

# INDUSTRIAL NEWSLETTER

## SECOND QUARTER 2023

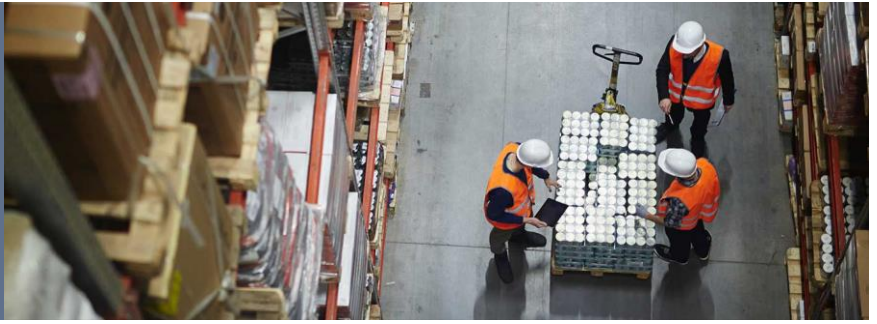


## PUBLIC TRADING STATISTICS

(\$ 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
	8/23/23	High	Cap	Value	Revenue	EBITDA	EBITDA	Revenue	EBITDA	Revenue	EBITDA	Date
Air Liquide	\$175.32	95.4%	\$90,846	\$104,488	\$31,085	\$7,914	25.5%	3.4x	13.2x	3.2x	12.1x	7/28/23
Applied Industrial Technologies	\$148.92	95.1%	\$5,757	\$6,035	\$4,413	\$534	12.1%	1.4x	11.3x	1.3x	11.2x	8/11/23
Boise Cascade	\$106.85	95.2%	\$4,230	\$3,670	\$7,143	\$894	12.5%	0.5x	4.1x	0.5x	5.3x	7/31/23
Builders Firstsource	\$131.81	84.0%	\$16,481	\$20,575	\$18,531	\$3,269	17.6%	1.1x	6.3x	1.2x	7.9x	8/2/23
Dorman Products	\$80.56	78.8%	\$2,537	\$3,249	\$1,862	\$212	11.4%	1.7x	15.3x	1.6x	9.5x	8/1/23
DXP Enterprises	\$33.97	85.2%	\$568	\$1,020	\$1,646	\$154	9.4%	0.6x	6.6x	0.6x	5.7x	8/9/23
Fastenal	\$56.85	95.7%	\$32,480	\$32,855	\$7,240	\$1,682	23.2%	4.5x	19.5x	4.4x	19.1x	7/18/23
Ferguson (UK)	\$155.07	94.6%	\$31,651	\$36,258	\$29,867	\$3,143	10.5%	1.2x	11.5x	1.2x	12.9x	6/7/23
W.W. Grainger	\$698.87	86.1%	\$34,944	\$37,478	\$16,017	\$2,767	17.3%	2.3x	13.5x	2.2x	13.4x	7/27/23
Watsco	\$349.08	90.9%	\$13,737	\$14,684	\$7,171	\$864	12.1%	2.0x	17.0x	2.0x	16.4x	8/3/23
<b>Median</b>	<b>\$140.37</b>	<b>92.8%</b>	<b>\$15,109</b>	<b>\$17,630</b>	<b>\$7,205</b>	<b>\$1,288</b>	<b>12.3%</b>	<b>1.6x</b>	<b>12.4x</b>	<b>1.5x</b>	<b>11.6x</b>	
<b>Average</b>	<b>\$193.73</b>	<b>90.1%</b>	<b>\$23,323</b>	<b>\$26,031</b>	<b>\$12,497</b>	<b>\$2,143</b>	<b>15.2%</b>	<b>1.9x</b>	<b>11.8x</b>	<b>1.8x</b>	<b>11.3x</b>	
AMETEK	\$154.69	93.9%	\$35,689	\$37,275	\$6,421	\$1,980	30.8%	5.8x	18.8x	5.5x	18.2x	8/1/23
FARO Technologies	\$16.78	45.1%	\$318	\$320	\$362	\$9	2.5%	0.9x	35.2x	0.9x	25.3x	8/2/23
Fortive	\$76.52	95.8%	\$26,937	\$29,208	\$5,973	\$1,619	27.1%	4.9x	18.0x	4.7x	17.2x	7/26/23
Mks Instruments	\$94.59	82.9%	\$6,325	\$10,719	\$3,837	\$945	24.6%	2.8x	11.3x	2.8x	12.6x	8/4/23
National Instruments	\$58.96	99.3%	\$7,830	\$8,333	\$1,730	\$332	19.2%	4.8x	25.1x	5.0x	-	7/28/23
PerkinElmer	\$26.47	94.2%	\$4,653	\$9,337	\$25,443	\$1,229	4.8%	0.4x	7.6x	0.4x	6.8x	8/4/23
Teledyne Technologies	\$406.26	90.5%	\$19,125	\$22,118	\$5,590	\$1,386	24.8%	4.0x	16.0x	3.8x	15.6x	7/31/23
Thermo Fisher Scientific	\$527.05	86.4%	\$203,415	\$234,453	\$43,524	\$10,782	24.8%	5.4x	21.7x	5.2x	20.0x	8/4/23
<b>Median</b>	<b>\$85.56</b>	<b>92.2%</b>	<b>\$13,477</b>	<b>\$16,418</b>	<b>\$5,781</b>	<b>\$1,307</b>	<b>24.7%</b>	<b>4.4x</b>	<b>18.4x</b>	<b>4.2x</b>	<b>17.2x</b>	
<b>Average</b>	<b>\$170.16</b>	<b>86.0%</b>	<b>\$38,036</b>	<b>\$43,970</b>	<b>\$11,610</b>	<b>\$2,285</b>	<b>19.8%</b>	<b>3.6x</b>	<b>19.2x</b>	<b>3.5x</b>	<b>16.5x</b>	

**INDUSTRIAL NEWSLETTER**  
*SECOND QUARTER 2023*



**FOUNDERS' INDUSTRIALS GROUP & RECENT TRANSACTIONS**



**Gene Bazemore**, Managing Director  
**Head of Industrials**  
(Dallas, TX)  
ebazemore@foundersib.com



**Dennis Coker**, Managing Director  
**Construction & Building Materials**  
(Dallas, TX)  
dcoker@foundersib.com



**John Sullivan**, Managing Director  
**Facility & Industrial Services**  
(Birmingham, AL)  
jsullivan@foundersib.com



**Evan Klisares**, Director  
**Power & Infrastructure Services**  
(Birmingham, AL)  
eklisares@foundersib.com



**Vaughn McCrary**, Director  
**Specialty Distribution**  
(Birmingham, AL)  
vmccrary@foundersib.com



**Katherine Davis**, Vice President  
**Facility & Industrial Services**  
(Birmingham, AL)  
kdavis@foundersib.com



**Miller Williams**, Vice President  
**Facility & Industrial Services**  
(Birmingham, AL)  
mwilliams@foundersib.com

**Recent Transactions**



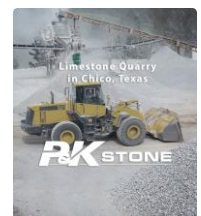
August 2023



July 2023



March 2023



March 2023



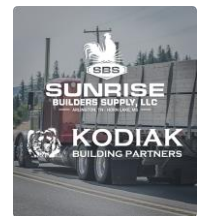
March 2023



March 2023



February 2023



September 2022

**BIRMINGHAM**

**DALLAS**

*In order to provide securities-related services discussed herein, certain principals of Founders Advisors are licensed Founders M&A Advisory, LLC, member of FINRA & SIPC. Founders M&A Advisory is a wholly-owned subsidiary of Founders Advisors. Neither Founders M&A Advisory nor Founders Advisors provide investment advice.*