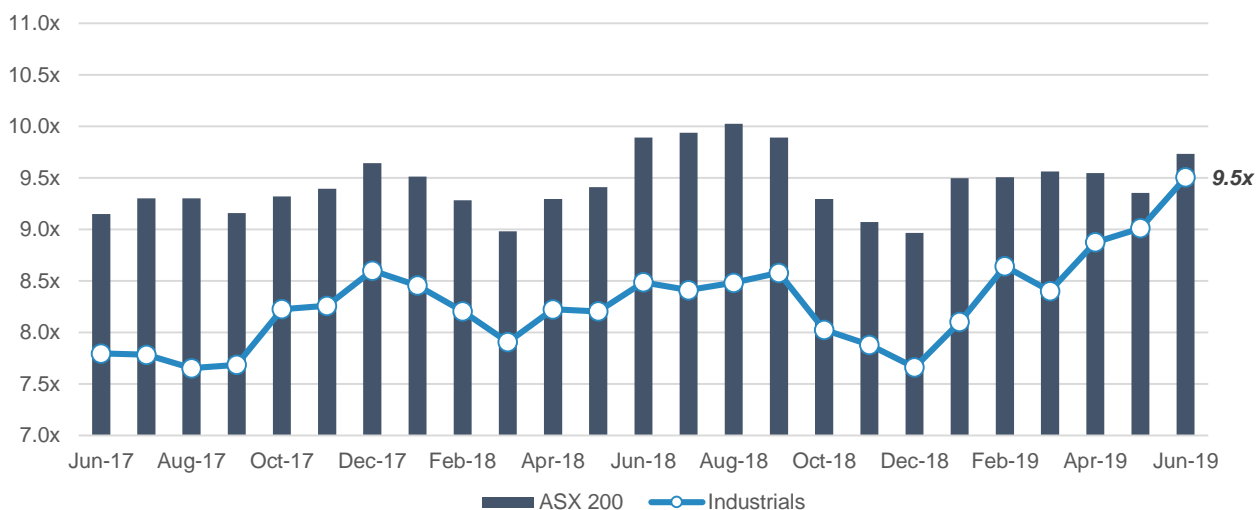


VALUATION MULTIPLES

Forward EV / EBITDA Multiples (monthly to 30/06/2019) Source: FactSet Research Systems Inc.

Multiples in the Industrials sector have increased over the period. At the end of June, the sector traded on a forward EV / EBITDA multiple of 9.5x, compared to the ASX200 on 9.7x.



Average Values and Trading Multiples (as at 18/07/2019) Source: FactSet Research Systems Inc.

Subsector	Enterprise Value (\$ m)	EV/EBITDA FY2019	EV/EBIT FY2019	Price / Earnings FY2019
Chemicals and Plastics	20,136	9.5x	15.3x	21.0x
Construction and Building Materials	63,727	9.4x	12.1x	16.5x
Engineering Services	14,888	6.7x	10.2x	15.7x
Packaging	30,626	9.6x	13.3x	16.0x
Industrials	181,537	9.1x	13.0x	19.2x

Note: Multiples are based on the forward year of the unreported period, which for the majority of companies in the sector is FY2019. Difference in forward EV/EBITDA multiples between Figure and Table are representative of the timing difference between month-end result, and current day result.

MERGER & ACQUISITION NEWS...

Value: \$8.1m



Energy retailer and energy solutions provider **ERM Power** has made a 50% investment in industrial automation and electrical engineering company **Alliance Automation** for \$8.1m. **Alliance Automation** is one of the largest independent electrical engineering and automation solution providers in Australia, with a team of more than 190 people and offices in Queensland, New South Wales, Victoria and South Australia.

InterFinancial served as the buy side advisor to ERM Power.



Value: Not disclosed

Delta Agribusiness announced today that it has completed the acquisition of leading independent rural services business **North West Ag Services** and **AGRivision Consultants**. The terms of the deal were not disclosed.



Value: AUD 137m (equity raising)



Elders Ltd. has entered into a scheme implementation deed with **Australian Independent Rural Retailers** to acquire 100% of the company's shares on issue by way of a scheme of arrangement for AUD 10.85 per share. The Acquisition values **Australian Independent Rural Retailers** at AUD 157m (USD 110.1m) on an equity value basis and AUD 187m (USD 131.2m) on an enterprise value basis.



Value: Not disclosed

Ricardo, a UK-based engineering, environmental and strategic consultancy announced that it has signed a share purchase deed to acquire the entire share capital of **PLC Consulting Pty Ltd**, a Melbourne, Australia-based environment, planning and infrastructure advisory consultants. The total maximum consideration is AUD 9.64m (GBP 5.36m), to be paid in cash and subject to adjustments.

SCUTTLEBUTT...

- **Questas Group**, an Australia-based hydraulic, irrigation, pump and engine solutions business, is set to receive an investment from **Allegro Funds**. **Questas** is anticipated to use Allegro's investment to help pursue acquisitions.
- **DDH1 Drilling**, an Australia-based drilling business, is looking to list the business on the ASX.
- **BGC (Australia) Pty Ltd.** is considering options to divest **BGC Fibre Cement** and **BGC Plasterboard**, accelerating the pace of the asset sale process.
- **Wattle Health** Australia has proposed the acquisition of an additional 13.5% stake in **Blend and Pack Pty Ltd.** from the original founding shareholders of **Blend and Pack**.

CONTACT DETAILS

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DISCLAIMER

This information has been sourced from the ASX, Mergermarket.com and various other public information sources. Forecasts are consensus forecasts sourced from FactSet Research Systems Inc.

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