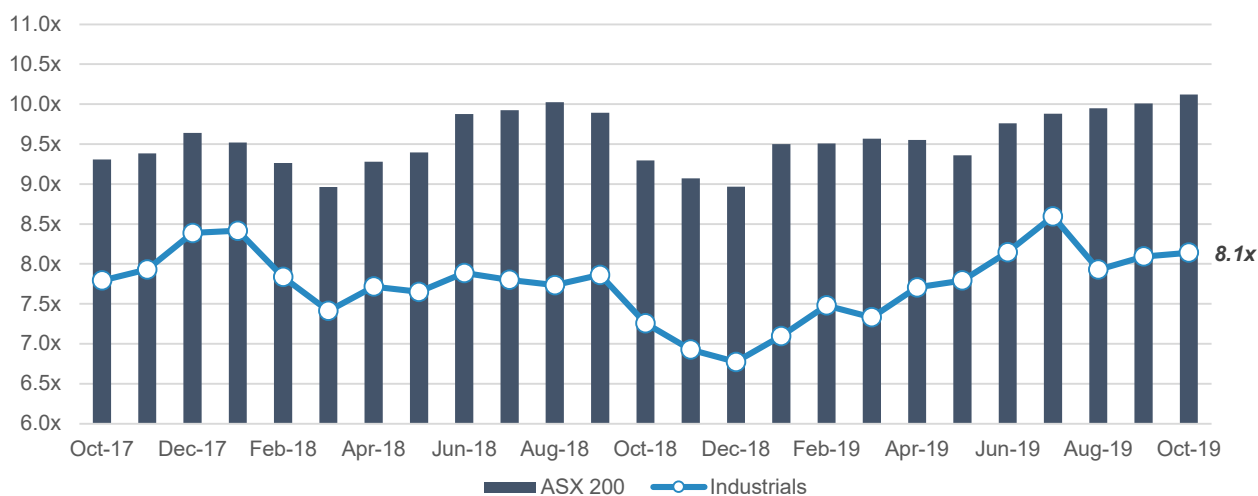


VALUATION MULTIPLES

Forward EV / EBITDA Multiples (monthly to 31/10/2019) Source: FactSet Research Systems Inc.

Multiples in the Industrials sector have remained steady over the period. At the end of October, the sector traded on a forward EV / EBITDA multiple of 8.1x, compared to the ASX200 on 10.1x.














Average Values and Trading Multiples (as at 26/11/2019) Source: FactSet Research Systems Inc.

Subsector	Enterprise Value (\$ m)	EV/EBITDA FY2020	EV/EBIT FY2020	Price / Earnings FY2020
Chemicals and Plastics	21,964	9.3x	14.5x	20.2x
Construction and Building Materials	59,790	9.1x	12.4x	16.8x
Engineering Services	20,500	5.8x	8.9x	12.4x
Packaging	31,891	8.7x	12.1x	15.6x
Industrials	190,980	8.5x	12.4x	17.9x

Note: Multiples are based on the forward year of the unreported period, which for the majority of companies in the sector is FY2020. 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...

		<p>Value: \$10m</p> <p>Regional Express Holdings Limited, an Australian ASX-listed company engaging in aircraft charter operation has agreed to acquire ST Aerospace Academy (Australia), Australia-based company engaged in pilot training business, previously owned by Singaporean engineering firm ST Engineering Aerospace. The deal was funded with full cash consideration.</p>
ASSA ABLOY		<p>Value: Undisclosed</p> <p>ASSA ABLOY AB, a listed Sweden-based company engaged in developing, manufacturing and supplying locks and security systems for residential, industrial and institutional customers, has agreed to acquire AM Group, the Australia-based manufacturer of roller shutters, for an undisclosed consideration.</p>
		<p>Value: \$70m</p> <p>SIG Combibloc Group AG, the listed Switzerland-based provider of aseptic carton sleeves and closures for beverages and liquid food, has agreed to acquire Visy Cartons, an Australia-based company engaged in production and supply of aseptic and milk cartons, from Visy Group, the Australia-based manufacturer of packaging and recycling products.</p>
		<p>Value: \$10m</p> <p>WestStar Industrial Limited, a listed Australian conglomerate holding company with significant interests in mining and construction, has agreed to acquire Alltype Engineering, an Australian provider of construction and maintenance services.</p>
		<p>Value: Undisclosed</p> <p>Hardy Spicer Company, an Australia-based operator of driveline components to service the automotive industry, has acquired Advanced Industrial Products, an Australia-based supplier of industrial hoses, valves, fittings and associated products, for an undisclosed consideration.</p>
		<p>Value: Undisclosed</p> <p>Private equity firm CPE Capital backed defence and advanced manufacturing company, ASDAM has agreed to acquire Levett Engineering.</p>

SCUTTLEBUTT...

- Private equity players are believed to be lining up to buy **Owens-Illinois'** Australia and New Zealand business. **Owens-Illinois'** Asia-Pacific assets are believed to bring in annual EBITDA of AUD 140m on revenue of AUD 750m. The group could sell for around AUD 1bn.
- **M8 Sustainable**, an Australian waste management business, has released a prospectus for its ASX listing to raise AUD 19.5m, through the issuance of 97.5m shares at AUD 20c per share.
- Several buyers are already believed to be interested in **Incitec Pivot's** fertiliser business, including **Wesfarmers**, **Yara International**, a Norwegian fertiliser operation, **Elders**, and **Landmark**, which is owned by Canada's **Nutrien**. **Incitec's** fertiliser unit could be valued at AUD 700m.
- Managing director of **Sigra**, an Australian engineering service provider, is considering selling up to 100% in the company. The company generated USD 10m in revenues in 2018 and is interested in all types of suitors.
- **Amaero International**, an Australian manufacturer of metal components using additive manufacturing (3D printing), is seeking to raise as much as AUD 8m through an initial public offering (IPO) of its ordinary shares on the ASX, through issuance of up to 40m shares at AUD 0.20 per share.
- **Adelaide Brighton**, an Australian construction materials and lime producer, is on the lookout for acquisition opportunities, and is especially interested in targets that enable vertical integration.
- **MILCast** is seeking expressions of interest. The company is a manufacturer of concrete products used primarily in water infrastructure for agricultural and commercial applications.
- **O'Leary Civil Group**, a Queensland-based civil contracting business, collapsed last week, with debts of AUD 6.5m owed to around 250 unsecured creditors and the Australian Tax Office (ATO) is seeking another AUD 1m.
- **Waratah Group**, an Australia-based printing business, has entered voluntary administration.

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