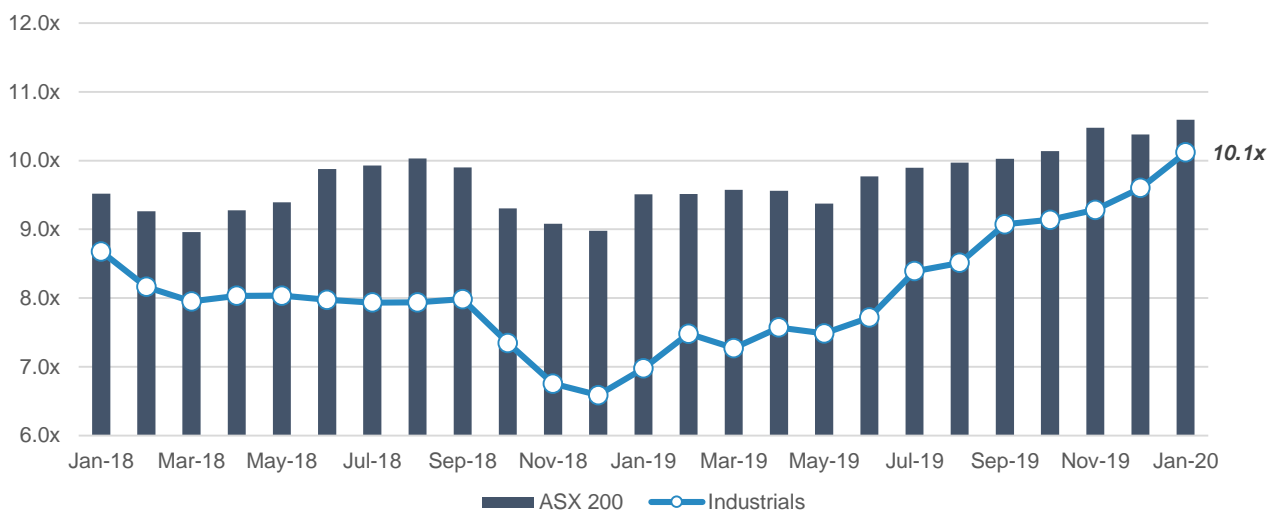


VALUATION MULTIPLES

Forward EV / EBITDA Multiples (monthly to 31/1/2020) Source: FactSet Research Systems Inc.

Multiples in the Industrials sector have increased over the period. At the end of January, the sector traded on a forward EV / EBITDA multiple of 10.1x, compared to the ASX200 on 10.6x.



Average Values and Trading Multiples (as at 25/02/2020) Source: FactSet Research Systems Inc.

Subsector	Enterprise Value (\$ m)	EV/EBITDA FY2020	EV/EBIT FY2020	Price / Earnings FY2020
Chemicals and Plastics	20,881	9.5x	16.1x	27.2x
Construction and Building Materials	61,743	10.8x	14.5x	20.3x
Engineering Services	19,933	5.6x	11.4x	19.0x
Packaging	4,824	11.6x	17.0x	20.8x
Industrials	187,388	12.4x	15.8x	24.6x

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. Composition of companies in Sector Dashboards are updated every 6 months. Most recent update: February 2020.

MERGER & ACQUISITION NEWS...

Schröder
Experts in lightability™

GERARD
LIGHTING

Value: Undisclosed

Schreder Group GIE, a Belgium based manufacturer of lighting products, including road sign and billboard lighting, industrial, tunnel and urban lighting, has acquired the infrastructure lighting divisions of **Gerard Lighting Group**, the Australia-based infrastructure division of **Gerard Lighting Group**, for undisclosed consideration.

manuli
RUBBER INDUSTRIES

RYCO

Value: Undisclosed

Manuli Rubber Industries SpA, an Italy-based designer, manufacturer and distributor of components and systems for automotive, hydraulic and oil & marine applications, has acquired an undisclosed majority stake in **RYCO Hydraulics**, an Australia-based company engaged in the manufacturing hydraulic hose and fittings, for an undisclosed consideration.

algeco
An ALGECO SCOTSMAN Company

NET
MODULAR

Value: Undisclosed

Algeco, an UK-based company engaged in offering modular building and portable storage, has acquired **NET Modular**, an Australia-based company specializing in the manufacture of purpose-designed modular buildings, for an undisclosed consideration

EOS

AUDACY

Value: \$10m

Electro Optic Systems, the ASX-listed company, engaged in design, manufacture and sales of electro-optic applications and systems for aerospace and defense markets, has acquired **Audacy Corporation**, the US-based provider of space communication services for a cash consideration of \$10m. The transaction will be financed through **EOS's** cash holdings. The purchase price includes substantial costs associated with securing mandatory licenses.

Emeco

PNP
PIT N PORTAL

Value: \$72m

Emeco Holdings, the ASX-listed company engaged in sales, renting and maintaining heavy earthmoving equipment to customers in the mining industry, has agreed to acquire **Pit N Portal Group**, an Australia-based underground mining services company which offers equipment rental as well as mining services and maintenance solutions.

PACIFIC TURBINE BRISBANE
A MEMBER OF THE GROUP

PRIME TURBINES

Value: \$31m

Pacific Turbine Brisbane, the Brisbane-based company engaged in supplying aircraft and aircraft spare parts, and rental and leasing of aircraft/spare part, has agreed to acquire **Prime Turbines**, the US-based company engaged in turboprop engine repair, maintenance, and overhaul, from **VSE Corporation**, a US-based provider of engineering and technical services to the government.

RIVER STONE

C

LUCAS

Value: Undisclosed

Riverstone Holdings, a US-based private equity firm, through its fund Riverstone/Carlyle Global Energy and Power Fund IV, has agreed to sell 45.4% stake in **Cuadrilla Resources Limited**, an UK-based company engaged in oil and gas exploration and production, to **AJ Lucas Group Limited**, Australia-based ASX-listed company engaged in directional drilling, pipeline construction, gas management and recovery of coal seam gas.

FLUIDRA

Fabtronics

Value: \$18.75m

Fluidra S.A., the Spanish residential and commercial water equipment firm, has agreed to acquire 80% stake in, **Fabtronics**, an Australia-based manufacturer of electronic components, for a cash consideration of \$15m. The implicit price of transaction is \$18.75m and it also includes earn outs which will take place in three years.

NET
MODULAR

algeco

Value: Undisclosed

Algeco Global, a UK-based provider of modular space and storage solutions, has acquired **Net Modular**, an Australian premium modular buildings firm. Financial terms of the deal were not disclosed. **NET Modular** employs around 70 staff and recorded 2019 revenues of \$75m.

SCUTTLEBUTT...

- **Pact Group's** contract manufacturing division is expected to sell for around \$200m.
- Ireland-based building materials business **CRH** is thought to be interested in **Boral**, an Australian building products business. Boral has a market cap of \$5,840m.
- **Pacific Equity Partners (PEP)** and **Blackstone** are considered the most likely buyer for **Owens-Illinois'** Asia-Pacific business. **PEP** has experience in the manufacturing space and could pay around \$1bn for the Owens-Illinois business.
- **Marubeni Corp.** is interested in acquiring Australian tissue paper maker **ABC Tissue Products**.
- **Perenti**, an Australian mining services contractor, is interested in buying **Downer Mining**.
- **Duratec**, an Australia-based asset remediation and refurbishment business, is considering listing on the ASX in May. The business is expected to raise around \$50m and list with an indicative market capitalisation greater than \$120m.
- **CIMIC** and its owners are believed to have decided to sell **Thiess Indonesia**.
- Canada's **Nutrien** is believed to have withdrawn from the auction for **Incitec Pivot's** fertiliser division.
- China's **Jangho** is anticipated to sell its 15.9% stake in **Healius** after deciding not to pursue a takeover of the company.
- **Amppcontrol**, an Australia-based engineering services business, is thought to be on the verge of launching a sale process. The business has a possible value of \$186m.
- **HL Landscapes**, a privately held civil landscape construction firm, is evaluating various options to inject fresh capital for its next stage growth and to support succession planning.
- **Vaughan Constructions**, a family-owned industrial construction and development business, is seeking joint venture or capital partners.

CONTACT DETAILS

If you are interested in specific information regarding mergers and acquisitions in the Industrials sector, please contact Mark Steinhardt or Brad Shaw.

Name	Position	Phone	Email
Sharon Doyle	Managing Director	(07) 3218 9122	sdoyle@interfinancial.com.au
Paul Keehan	Chairman	(07) 3218 9100	pkeehan@interfinancial.com.au
Mark Steinhardt	Head of M&A	(07) 3218 9105	msteinhardt@interfinancial.com.au
Brad Shaw	Chief Operating Officer	(07) 3218 9100	bshaw@interfinancial.com.au
David Hassum	Director	(07) 3218 9108	dhassum@interfinancial.com.au
Andrew Wheeler	Director	(07) 3218 9107	awheeler@interfinancial.com.au
Ted Marchant	Director	(07) 3218 9100	tmarchant@interfinancial.com.au
Brent Wall	Associate Director	(07) 3218 9102	bwall@interfinancial.com.au
Michael Kakanis	Associate	(07) 3218 9106	mkakanis@interfinancial.com.au
Lachlan O'Rourke	Analyst	(07) 3218 9104	lorourke@interfinancial.com.au

DISCLAIMER

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InterFinancial
Corporate Finance Limited
ABN: 49 136 962 966
AFSL: 341675
Level 2, 201 Charlotte Street
GPO Box 975
Brisbane Queensland 4001
(07) 3218 9100
admin@interfinancial.com.au
www.interfinancial.com.au

