



M&A MARKET MONITOR

INDUSTRIAL MACHINERY

April 2021

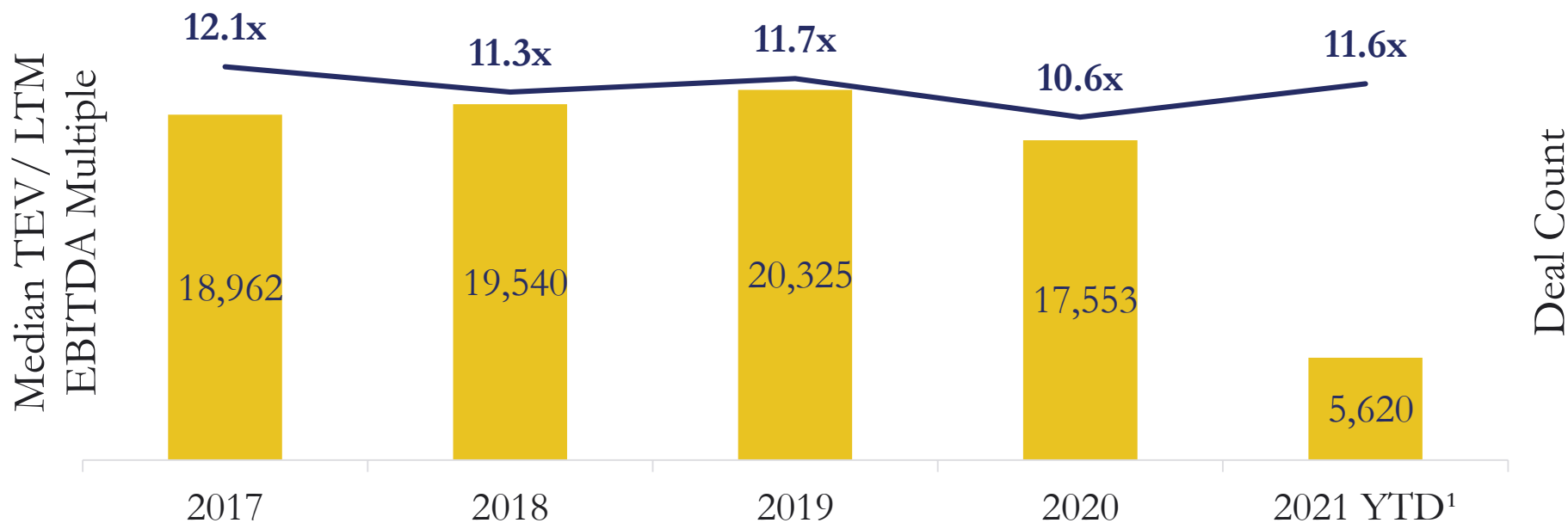
U.S. & Canada M&A Market Overview



Overall Market Transactions

Quick Highlights

- The M&A market surged during the first quarter demonstrated by strong deal count and recovering valuation multiples
 - Annualized 2021 deal count was 118% of the previous 4-year (2017-2020) average
 - Q1 2021 median TEV/LTM EBITDA multiple was in line with the previous 4-year (2017-2020) average



Source: S&P Capital IQ; ArkMalibu; Other publicly available sources

¹YTD as of 03/31/2021

About the Data

The information presented in this report is an analysis of deals in the United States or Canada. A deal is described as any closed or announced M&A transaction where the target is headquartered in the United States or Canada, financial terms of the transaction have been disclosed, and the target has an industry classification that falls into the subject industry group and as such may not be representative of your company's market valuation. Past performance is not indicative of future results. Certain adjustments have been made to the information to exclude transactions which are not specific to the industry or incorporate relevant transactions for which an industry classification was omitted.

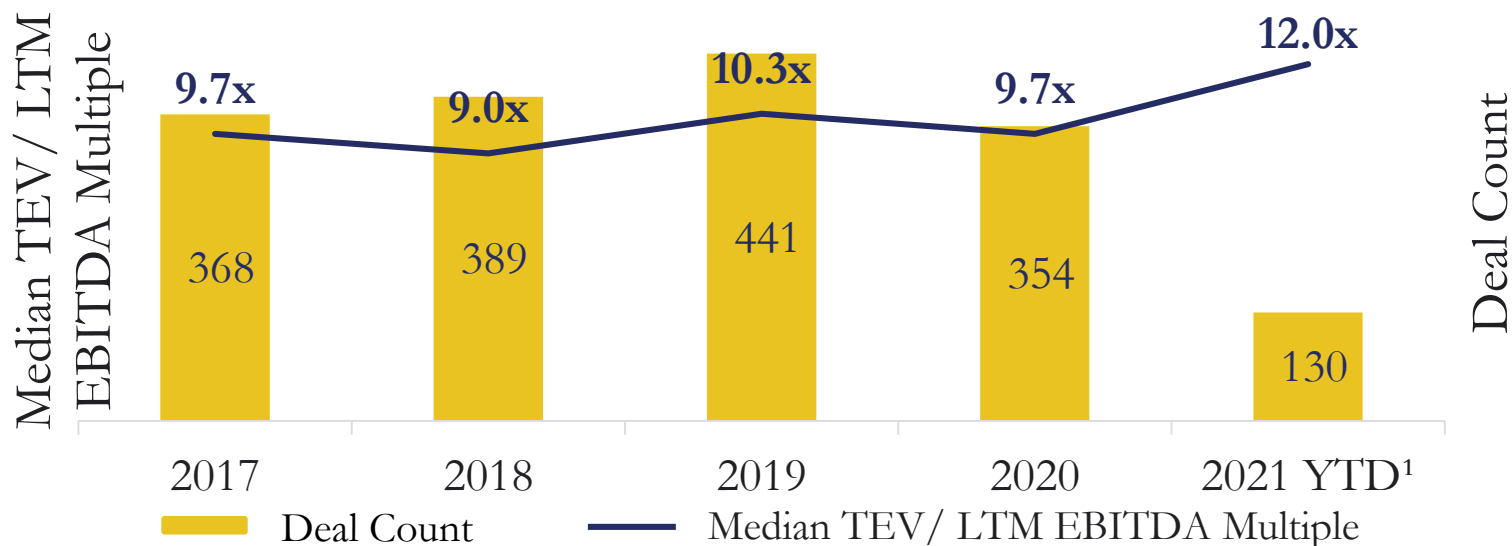
U.S. & Canada M&A Market Overview

Industrial Machinery Transactions



Quick Highlights

- The Industrial Machinery industry Q1 2021 deal count and multiples exceeded historical averages
 - Annualized 2021 deal count was 134% of the previous 4-year (2017-2020) average
 - Q1 2021 median TEV/LTM EBITDA multiple was 124% of the previous 4-year (2017-2020) average



Source: S&P Capital IQ; ArkMalibu; Other publicly available sources

¹YTD as of 03/31/2021

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Public Companies' Trading Metrics | Industrial Machinery

As of: 3/31/2021

Category / Company	Valuation Statistics				Multiples Data					
	Last Price	Equity Value	Enterprise Value	EBITDA Margin	EV / Revenue (x)			EV / EBITDA (x)		
					2020A	LTM	NTM	2020A	LTM	NTM
USD in millions except per share price										
Construction Machinery and Heavy Trucks										
Alamo Group Inc.	\$156.15	\$1,858	\$2,107	12.4%	1.6	1.8	1.7	12.7	14.0	12.8
Allison Transmission Holdings, Inc.	\$40.83	\$4,537	\$6,821	34.1%	3.3	3.3	2.9	9.6	9.5	8.2
Astec Industries, Inc.	\$75.42	\$1,705	\$1,552	7.7%	1.1	1.5	1.4	30.5	19.1	14.1
Blue Bird Corporation	\$25.03	\$679	\$836	4.7%	0.7	1.0	1.0	13.7	18.2	14.6
Caterpillar Inc.	\$231.87	\$126,440	\$155,453	17.5%	2.9	3.7	3.4	17.1	20.6	19.4
Cummins Inc.	\$259.11	\$37,971	\$39,694	13.0%	1.8	2.0	1.8	11.5	12.3	11.5
Navistar International Corporation	\$44.03	\$4,390	\$8,408	0.3%	1.1	1.1	0.9	NM	156.4	12.4
NFI Group Inc.	\$22.24	\$1,579	\$2,861	0.1%	0.9	1.2	1.0	24.0	110.8	12.4
Oshkosh Corporation	\$118.66	\$8,114	\$8,197	8.5%	0.9	1.2	1.1	9.1	11.9	12.3
PACCAR Inc	\$92.92	\$32,256	\$38,432	10.8%	1.9	2.1	1.7	16.4	18.9	14.9
REV Group, Inc.	\$19.16	\$1,236	\$1,580	2.5%	0.4	0.7	0.6	19.2	23.0	11.5
Terex Corporation	\$46.07	\$3,212	\$3,833	4.0%	1.0	1.2	1.1	27.2	23.2	12.8
The Manitowoc Company, Inc.	\$20.62	\$715	\$936	5.6%	0.5	0.6	0.6	7.6	9.7	10.5
Median	\$46.07	\$3,212	\$3,833	7.7%	1.1	1.2	1.1	15.0	18.9	12.4

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					2020A	LTM	NTM	2020A	LTM	NTM
USD in millions except per share price										
Agricultural and Farm Machinery										
AGCO Corporation	\$143.65	\$10,816	\$11,533	9.9%	1.0	1.3	1.1	10.1	11.3	10.6
Deere & Company	\$374.14	\$117,270	\$156,999	17.5%	3.5	4.2	4.0	22.2	23.7	20.3
Lindsay Corporation	\$166.62	\$1,810	\$1,810	15.2%	3.0	3.8	3.5	17.5	23.9	24.3
The Toro Company	\$103.14	\$11,100	\$11,447	16.1%	3.1	3.3	3.1	19.0	19.4	19.1
Titan International, Inc.	\$9.28	\$570	\$966	3.0%	0.6	0.8	0.6	29.2	25.4	10.7
Median	\$143.65	\$10,816	\$11,447	15.2%	3.0	3.3	3.1	19.0	23.7	19.1
Chemical Processing Machinery and Equipment										
Standex International Corporation	\$95.57	\$1,181	\$1,313	16.0%	1.9	2.2	2.0	10.2	12.3	11.7
Median	\$95.57	\$1,181	\$1,313	16.0%	1.9	2.2	2.0	10.2	12.3	11.7
Food and Beverage Machinery										
Illinois Tool Works Inc.	\$221.52	\$70,107	\$75,854	26.4%	5.6	6.0	5.4	21.5	22.5	19.4
Dover Corporation	\$137.13	\$19,727	\$22,517	18.9%	3.1	3.4	3.1	16.6	16.8	15.7
The Middleby Corporation	\$165.75	\$9,222	\$10,834	19.8%	3.4	4.3	3.7	16.2	20.5	17.2
SPX FLOW, Inc.	\$63.33	\$2,669	\$2,687	10.3%	1.9	2.0	1.8	16.3	16.7	13.9
John Bean Technologies Corporation	\$133.34	\$4,231	\$4,739	14.6%	2.3	2.7	2.6	15.2	17.6	16.7
Welbilt, Inc.	\$16.25	\$2,301	\$3,633	15.7%	2.7	3.1	2.8	16.9	18.3	15.9
Standex International Corporation	\$95.57	\$1,181	\$1,313	16.0%	1.9	2.2	2.0	10.2	12.3	11.7
Median	\$133.34	\$4,231	\$4,739	16.0%	2.7	3.1	2.8	16.3	17.6	15.9

Public Companies' Trading Metrics | Industrial Machinery

As of: 3/31/2021

Category / Company	Valuation Statistics				Multiples Data					
USD in millions except per share price										
	Last Price	Equity Value	Enterprise Value	EBITDA Margin	EV / Revenue (x)			EV / EBITDA (x)		
					2020A	LTM	NTM	2020A	LTM	NTM
Fluid/Material Handling and Processing										
Columbus McKinnon Corporation	\$52.76	\$1,265	\$1,380	8.2%	1.5	2.1	1.9	14.5	22.1	13.8
Crane Co.	\$93.91	\$5,475	\$6,225	15.3%	1.7	2.1	2.0	10.2	12.7	11.4
Dover Corporation	\$137.13	\$19,727	\$22,517	18.9%	3.1	3.4	3.1	16.6	16.8	15.7
Flowserve Corporation	\$38.81	\$5,056	\$5,947	12.6%	1.5	1.6	1.7	11.1	10.9	13.7
Graco Inc.	\$71.62	\$12,097	\$11,931	28.9%	7.6	7.2	6.6	26.2	24.4	21.6
Hillenbrand, Inc.	\$47.71	\$3,581	\$4,883	19.2%	1.8	1.8	1.8	8.9	8.9	9.7
IDEX Corporation	\$209.32	\$15,885	\$16,015	26.4%	6.6	6.8	6.2	23.8	24.5	22.4
ITT Inc.	\$90.91	\$7,864	\$7,217	12.8%	2.5	2.9	2.7	12.9	21.0	13.8
Parker-Hannifin Corporation	\$315.43	\$40,716	\$47,338	19.6%	3.1	3.5	3.2	16.0	17.5	15.7
Rexnord Corporation	\$47.09	\$5,633	\$6,572	17.7%	2.9	3.3	3.1	14.4	18.8	13.9
Xylem Inc.	\$105.18	\$18,933	\$20,429	15.2%	4.1	4.2	3.9	21.1	24.2	22.6
Median	\$90.91	\$7,864	\$7,217	17.7%	2.9	3.3	3.1	14.5	18.8	13.9
Packaging Machinery										
Graphic Packaging Holding Company	\$18.16	\$4,862	\$8,961	13.9%	1.3	1.4	1.3	10.1	8.9	8.1
Illinois Tool Works Inc.	\$221.52	\$70,107	\$75,854	26.4%	5.6	6.0	5.4	21.5	22.5	19.4
Nordson Corporation	\$198.68	\$11,545	\$12,483	26.6%	6.0	5.8	5.6	22.5	20.9	19.4
Sealed Air Corporation	\$45.82	\$7,098	\$10,388	19.9%	2.2	2.1	2.0	9.8	10.2	9.4
The Middleby Corporation	\$165.75	\$9,222	\$10,834	19.8%	3.4	4.3	3.7	16.2	20.5	17.2
Wipak Ltd.	\$35.83	\$2,329	\$1,871	22.5%	1.9	2.1	2.1	8.5	9.5	9.5
Median	\$105.79	\$8,160	\$10,611	21.2%	2.8	3.2	2.9	13.1	15.3	13.3

Source: S&P Capital IQ; ArkMalibu

EV = enterprise value; LTM = last twelve months; NTM = next twelve months; NM = not meaningful

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As of: 3/31/2021

Category / Company	Valuation Statistics				Multiples Data					
	Last Price	Equity Value	Enterprise Value	EBITDA Margin	EV / Revenue (x)			EV / EBITDA (x)		
					2020A	LTM	NTM	2020A	LTM	NTM
USD in millions except per share price										
Paper and Forest Products Machinery										
Kadant Inc.	\$185.01	\$2,135	\$2,332	18.2%	2.8	3.7	3.3	15.8	19.1	17.9
SpartanNash Company	\$19.63	\$709	\$1,501	2.3%	0.2	0.2	0.2	5.4	5.4	7.4
Sysco Corporation	\$78.74	\$40,190	\$48,834	3.4%	0.9	1.1	0.9	20.8	29.1	16.6
United Natural Foods, Inc.	\$32.94	\$1,854	\$5,491	2.7%	0.2	0.2	0.2	4.4	4.7	7.9
US Foods Holding Corp.	\$38.12	\$8,428	\$14,310	2.4%	0.6	0.6	0.5	18.0	23.5	13.5
Median	\$38.12	\$2,135	\$5,491	2.7%	0.6	0.6	0.5	15.8	19.1	13.5
Diversified Industrial Machinery										
Archer-Daniels-Midland Company	\$57.00	\$31,835	\$42,272	4.3%	0.6	0.7	0.6	10.1	11.2	11.1
Colfax Corporation	\$43.81	\$5,899	\$8,256	14.8%	2.2	2.7	2.3	12.8	16.6	13.7
Donaldson Company, Inc.	\$58.16	\$7,335	\$7,644	17.1%	2.9	3.0	2.7	17.1	17.4	15.0
ITT Inc.	\$90.91	\$7,864	\$7,217	12.8%	2.5	2.9	2.7	12.9	21.0	13.8
Kadant Inc.	\$185.01	\$2,135	\$2,332	18.2%	2.8	3.7	3.3	15.8	19.1	17.9
Tennant Company	\$79.89	\$1,485	\$1,699	11.9%	1.5	1.7	1.6	8.7	11.8	12.6
Watts Water Technologies, Inc.	\$118.81	\$4,002	\$4,042	16.0%	2.8	2.7	2.7	17.8	15.8	17.3
Median	\$79.89	\$5,899	\$7,217	14.8%	2.5	2.7	2.7	12.9	16.6	13.8



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Unconflicted. Loyalty to You is our Livelihood

- We only represent sellers; we're not incentivized to encourage you to accept less than your company's true maximum value.
- We pursue the highest possible value because we're unconflicted.



Unorthodox. Senior-Level Service is Our Standard

- All of ArkMalibu's clients receive care and attention from our senior-level advisors and principals.
- From analysts to principals, our team remains present and available throughout the process.



Unrelenting. Our Unrivaled Strategy Sells Your Story

- Our approach: understand, capture, and communicate your company's culture – the asset that can't be duplicated – and work to identify buyers whose goals and values align with yours, negotiating tirelessly on your behalf in order to complete the deal with the best partner.
- Our proprietary Four Boxes Analysis delivers prospective buyers a compelling investment story with undeniable upside.



We are Anchored to Increasing Your Value

- ArkMalibu is tied to your destiny; we are anchored to the goal of bringing you unparalleled value while navigating the personalities and interests of the people involved.
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