



INDUSTRIALS: PRECISION MANUFACTURING

- M&A activity in the precision manufacturing subsector further accelerated during the first five months of 2021, driven primarily by strategic and financial-backed strategic acquirers seeking to gain market share.
- Publicly traded companies focused on precision manufacturing demonstrated strong performance compared to the S&P 500 in April and May, furthering a trend that first emerged in early 2020.
- Economic indicators suggest that this strength will continue into late 2020.
- We believe the strong M&A activity within the Precision Manufacturing subsector will continue through the end of the year, driven by industry performance and motivated lower-middle market sellers seeking to avoid potential tax increases.

RECENT SELECT TRANSACTIONS

Target	Date	Buyers / Investors	Region	Strategic / Financial
AGCO-Amity JV, LLC	May 26	Väderstad AB	EMEA	Strategic
Culligan International Company	May 25	BDT Capital Partners, LLC	USA	Financial
Infinitum Electric Inc.	May 25	Rockwell Automation, Inc.	USA	Strategic
Precision Die Cutting, LLC	May 24	Team Technologies, Inc.	USA	Financial Backed Strategic
JSI Store Fixtures Inc.	May 21	LSI Industries Inc.	USA	Strategic
H A Helgesen & S+Nner As	May 20	Lindab International AB	EMEA	Strategic
R.A.K. Ceramics P.J.S.C.	May 19	Falcone Investments LLC	EMEA	Financial
HDT Global, Inc.	May 18	Nexus Capital Management LP	USA	Financial
Libra-Plast AS	May 14	Lagercrantz Group AB	EMEA	Strategic
US Hybrid Corporation	May 13	Ideanomics, Inc.	USA	Strategic
Quantum Automation Pte. Ltd.	May 11	Totech Corporation	APAC	Strategic
Kwatani (Pty) Ltd	Mar 30	Sandvik AB	EMEA	Strategic
Neeltran, Inc.	May 6	American Superconductor Corporation	USA	Strategic
Beranek, Inc.	Apr 30	J&E Precision Tool, Inc.	USA	Financial Backed Strategic
Alloy Specialties Inc.	Apr 30	J&E Precision Tool, Inc.	USA	Financial Backed Strategic
Steel City Bolt & Screw, LLC	Apr 23	Birmingham Fastener & Supply, Inc.	USA	Strategic
Dorner Mfg. Corp.	Apr 7	Columbus McKinnon Corporation	USA	Strategic
Dry Link, Inc.	Mar 31	Control Devices, LLC	USA	Financial Backed Strategic
Digital Charging Solutions GmbH	Mar 30	BP p.l.c.	EMEA	Strategic
Cameron Wire & Cable, Inc.	Mar 30	Kinderhook Industries, LLC	USA	Financial
Hydro Group Limited	Mar 29	TPC Wire & Cable Corp.	USA	Financial Backed Strategic
Green Motion SA	Mar 22	Eaton Industries Manufacturing GmbH	EMEA	Strategic
Kdi Technologies, Inc.	Mar 19	Excelsior, Inc.	USA	Strategic
Toshiba Corporation	Mar 4	BlackRock, Inc.	APAC	Financial

For more information and insight please contact members of the EdgePoint Industrials team:

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M&A
Advisory
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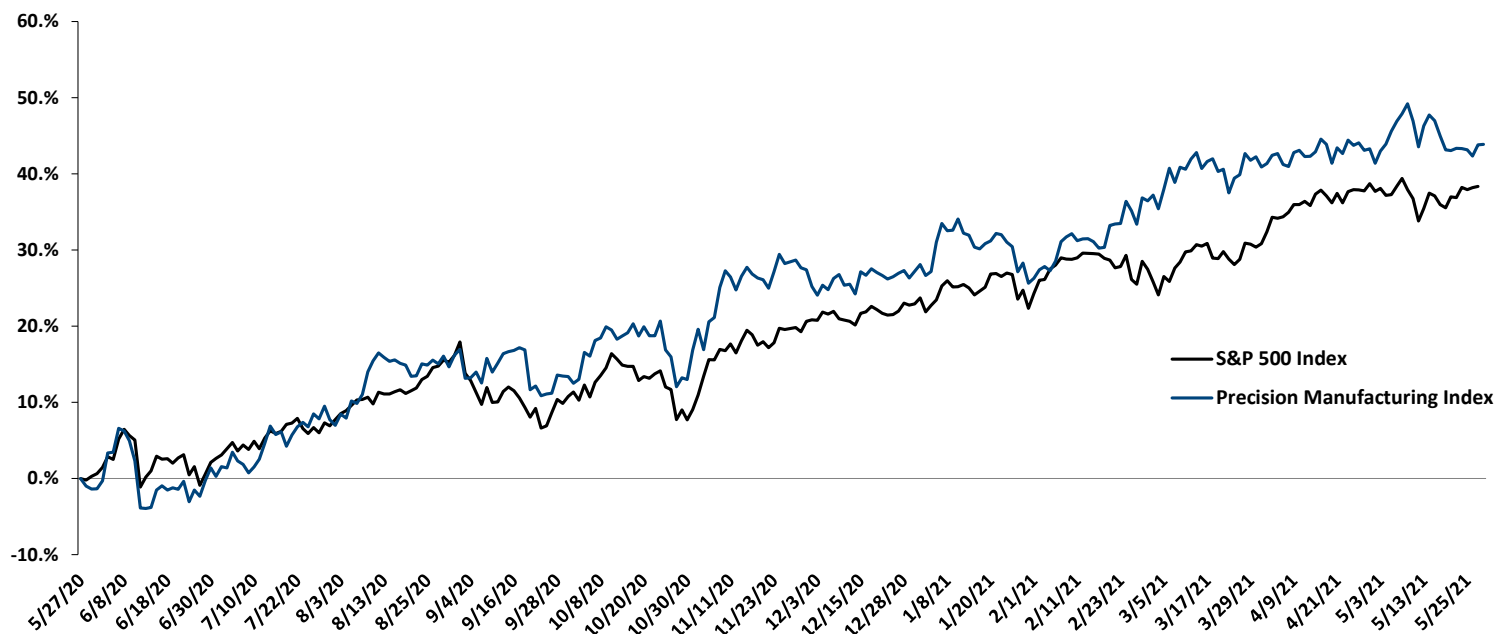
EdgePoint Public Comparable Index Constituents

Precision Manufacturing Index

Company Name	Enterprise Value (EV)	LTM Margins		EBITDA		EV/EBITDA		Revenue	Revenue Growth		Stock Price	% of 52 Wk High
		Gross	EBITDA	LTM	2020E	LTM	2020E	LTM	LTM	3-Yr. CAGR		
AMETEK, Inc.	\$32,431	35.0%	29.1%	\$1,323	\$1,537	23.6x	21.1x	\$4,554	-10.2%	0.7%	\$134.38	96.6%
Celestica Inc.	1,232	7.5%	3.8%	218	295	4.8x	4.2x	5,664	-1.9%	-2.8%	8.68	87.5%
Colfax Corporation	7,702	42.0%	14.9%	466	608	15.0x	12.7x	3,134	-9.4%	0.4%	44.52	88.6%
Cummins Inc.	40,022	24.3%	13.1%	2,730	3,848	11.7x	10.4x	20,892	-7.5%	-0.8%	259.20	93.5%
Illinois Tool Works Inc.	78,373	41.5%	26.9%	3,465	4,115	22.3x	19.0x	12,890	-6.5%	-4.0%	230.80	95.3%
Lincoln Electric Holdings, Inc.	8,202	32.8%	14.5%	393	533	19.7x	15.4x	2,710	-8.0%	-1.1%	129.06	94.9%
Sandvik AB (publ)	25,372	38.0%	21.1%	2,287	2,888	14.6x	11.5x	10,056	-17.0%	-3.1%	26.54	90.1%
Median		35.0%	14.9%	1,323	1,537	15.0x	12.7x	5,664	-8.0%	-1.1%	129.1	93.5%
Mean		31.6%	17.6%	1,554	1,975	16.0x	13.5x	8,557	-8.7%	-1.5%	119.0	92.4%

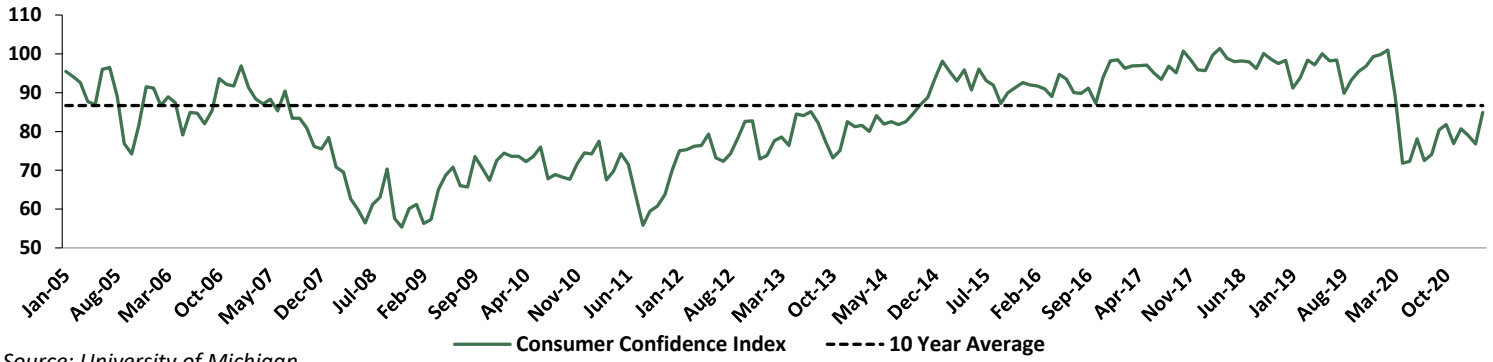
Source: S&P CapIQ (As of May 27, 2021)

Trailing Twelve Months Stock Performance

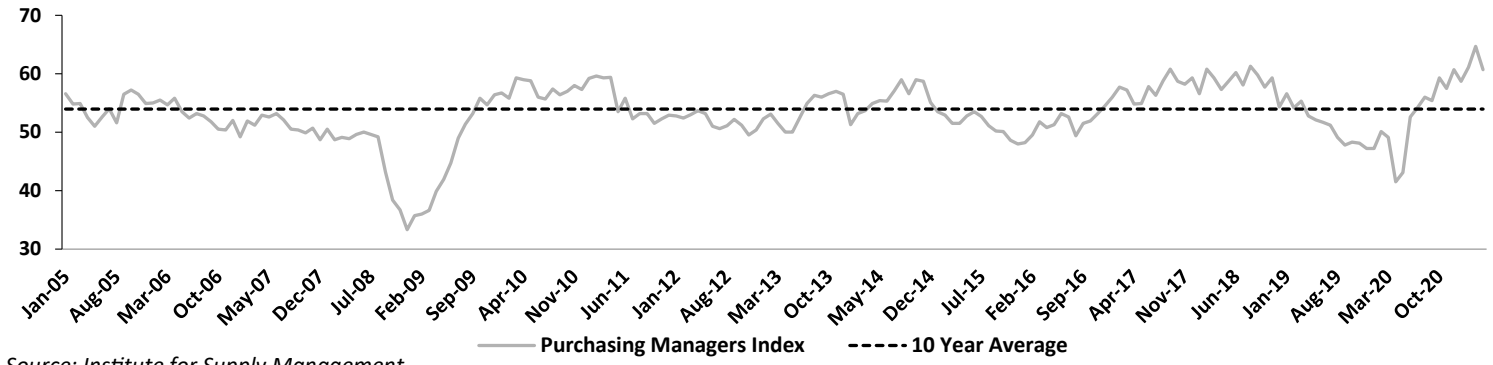


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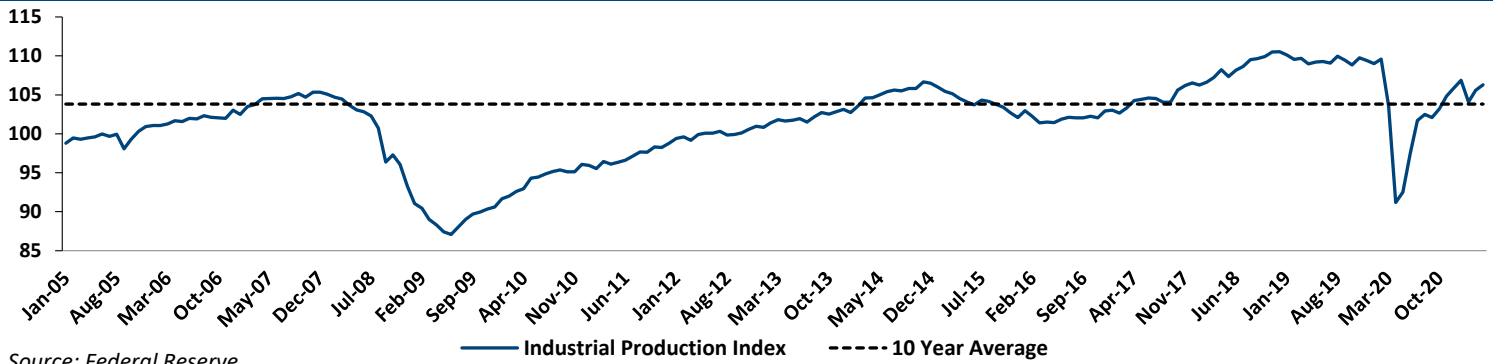
Consumer Confidence Index



Purchasing Managers Index



Industrial Production Index



U.S. Real GDP Growth

