

# INDUSTRIAL DISTRIBUTOR M&A PULSE

THIRD QUARTER 2019



# Q3'19

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# Industrial Distribution Coverage Team

## ABOUT PMCF

P&M Corporate Finance ("PMCF"), a U.S. registered broker/dealer, is an investment bank focused exclusively on middle market transactions with professionals in Chicago, Detroit, Denver, and across the globe through Corporate Finance International™ affiliates. Offering a depth of advisory services, PMCF helps clients worldwide meet their sale, acquisition, financing, and strategic growth objectives. Additional information on PMCF can be found by visiting our website, [www.pmcf.com](http://www.pmcf.com).

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- Strategic Assessments
- Transaction Readiness Planning
- Capital Raising



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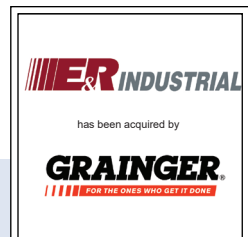


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## SELECT PMCF DISTRIBUTION TRANSACTIONS



# What We're Discussing with Clients



1

Selling a business can be a deeply emotional experience with multiple competing objectives – maximizing value, cultural fit, synergies, continued employment for personnel, name legacy, etc. Defining and ranking shareholder objectives prior to undertaking a transaction can remove some of the emotion and help ensure the selected buyer meets those objectives.

2

Uncertainty in the U.S. economic outlook creates headaches for buyers and sellers when developing and diligencing near-term forecasts. Communicating the anticipated effects of an economic downturn, augmented with mitigating strategies in the event of a downturn and performance metrics through the last recession, focuses buyers on a realistic conservative case versus defaulting to a “worst case scenario.”

3

Competitors in a transaction process offer risk and reward. While competitors can often realize the best synergies (and associated benefit to valuation), releasing information on customers, suppliers, and operations is potentially harmful if a transaction is not consummated. Tailoring a sale process to meter out competitively-sensitive information as the process unfolds limits risk and protects sellers; sensitivities with individual buyers and process strategies should be discussed with trusted advisors.

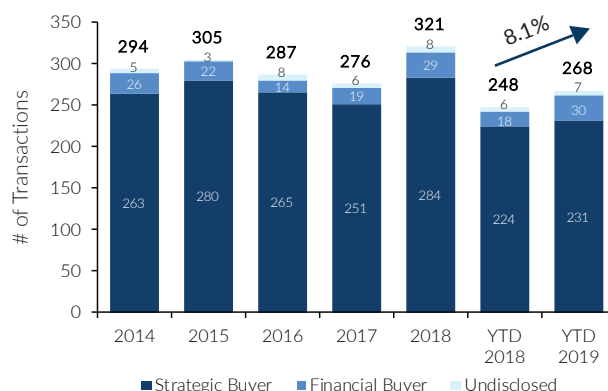
# Q3 2019 Market Summary & Outlook

## Q3 2019 - MIXED MACROECONOMIC SIGNALS

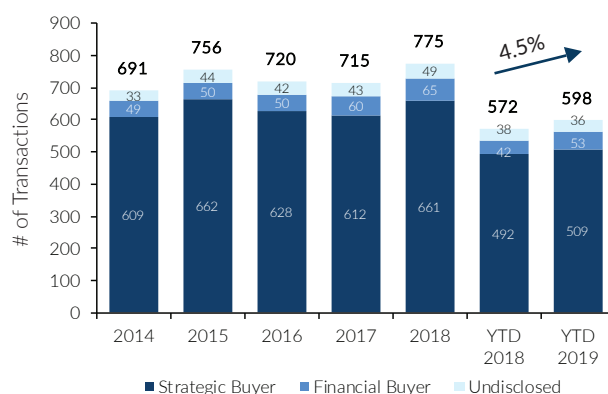
Industrial distribution M&A activity for Q3 2019 exceeded equivalent 2018 levels both domestically and globally. Year-to-date (“YTD”) US volumes continued to outperform 2018, increasing 8.1% to 268 transactions. YTD global volumes followed suit, increasing 4.5% to 598 transactions. M&A volumes remain at record levels, with the current run-rate implying 797 global and 357 domestic transactions by year-end. Despite strong M&A activity, public equity valuations remain at depressed levels. S&P 500 valuation multiples were in-line with the prior year at a mean 13.0x EV/EBITDA (Q3 2018 mean of 13.1x), while the mean industrial distribution EV/EBITDA declined to 11.3x compared to 13.0x in Q3 2018. The ongoing trade war fueled these depressed metrics, as a conclusion is yet to be reached despite multiple meetings between the US and China.

Macroeconomic indicators in Q3 2019 shifted into contractionary territory as overall market conditions steadily declined. The Institute for Supply Management (“ISM”) New Orders Index declined to 47.3 (indicating economic contraction) in September 2019 after 42 consecutive months of increasing. The ISM Purchasing Managers’ Index closed at 47.8, down from 51.7 in June 2019. The Chicago Fed Midwest Economy Index, which measures non-farm economic indicators, did not change at -0.3 in September 2019, indicating below-average growth for the Midwest economy. The ISM Production Index finished September 2019 at 47.3, decreasing from 54.1 in June 2019. The Consumer Price Index, a measure of inflation, rose to 256.3 in September 2019 (0.5% growth over Q2 2019).

## US INDUSTRIAL DISTRIBUTION M&A ACTIVITY



## GLOBAL INDUSTRIAL DISTRIBUTION M&A ACTIVITY



Sources: Capital IQ, PMCF proprietary research

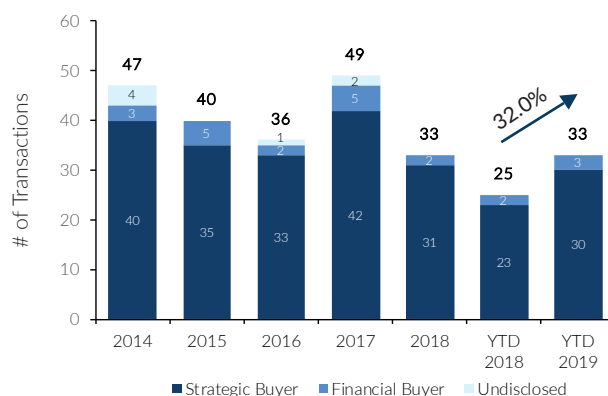
## FOOD DISTRIBUTION: CONSUMER PREFERENCES FUELING CHANGE

M&A activity in US food distribution flourished in the YTD period ending September 30, 2019 compared to equivalent YTD 2018 levels. US M&A volume in the sector registered 33 deals in YTD 2019 compared to 25 deals for the equivalent period in 2018. Though not at peak volumes experienced in 2016 (49 deals) this represents an active M&A market. Recent key deals include Performance Food Group’s acquisition of Reinhart Foodservice and H.I.G. Capital’s acquisition of Lipari Foods. Both acquisitions illustrate common trends in the sector: 1) strategic buyers expanding geographic reach/scale and enhancing their customer base and product offerings; and 2) financial buyers’ interest in the industry’s stable cash flows and growth prospects.

US food distribution M&A activity will remain strong due to the fragmented landscape, as companies continue to seek targets that provide specialty offerings, distribute specialty products, or have access to attractive end markets.

Food distribution companies looking to sell their business need to adjust with changing consumer preferences to maximize value in a highly active and competitive M&A food distribution market. As consumer preferences shift towards specialty products and customers seek to meet the desires of consumers, food distributors need to evolve product offerings to meet these demands. Companies with effective key vendor relationships, combined with inventory management process investments, can support a diverse food distribution platform for shifting consumer demands. Companies with diverse product offerings and the supporting business structure are often viewed as more attractive targets, able to achieve premium market multiples.

## US FOOD DISTRIBUTION M&A ACTIVITY

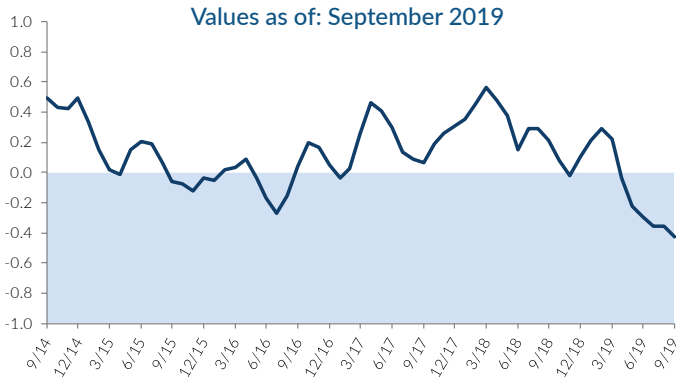


Sources: Capital IQ, PMCF proprietary research

Sources: Capital IQ, Refrigerated & Frozen Foods, PMCF research

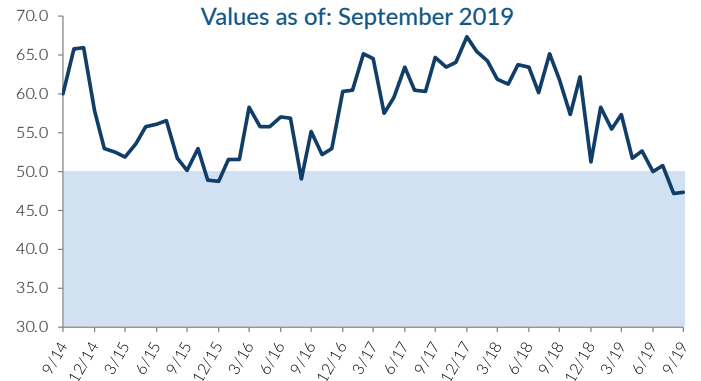
# Macroeconomic Trends & Signals

## CHICAGO FED MIDWEST ECONOMY INDEX



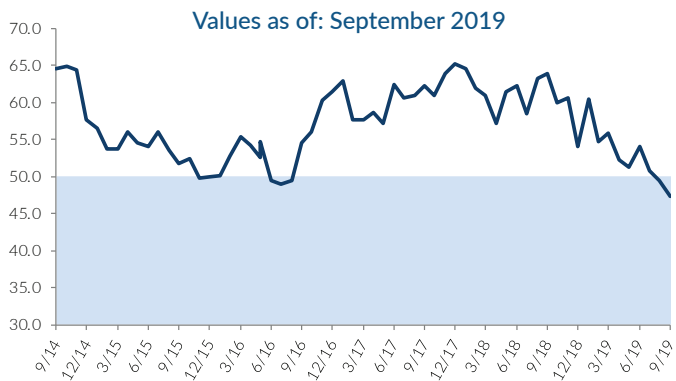
Source: Federal Reserve Bank of Chicago

## ISM NEW ORDERS INDEX



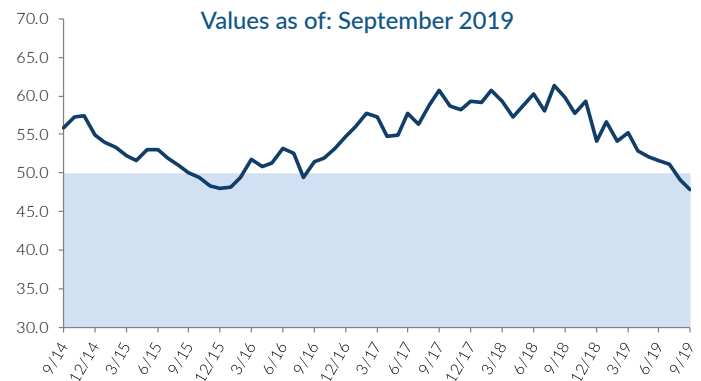
Source: Institute for Supply Management

## ISM PRODUCTION INDEX



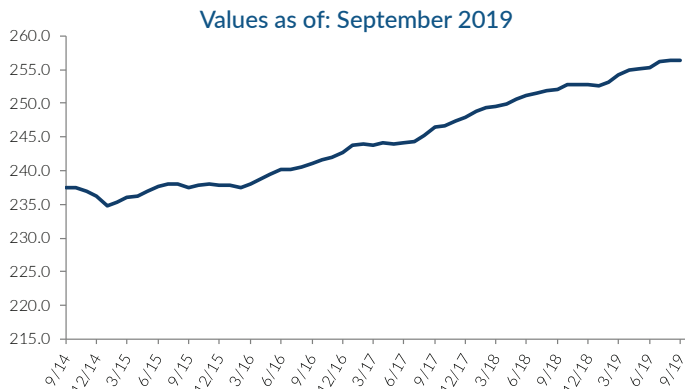
Source: Institute for Supply Management

## PURCHASING MANAGERS' INDEX



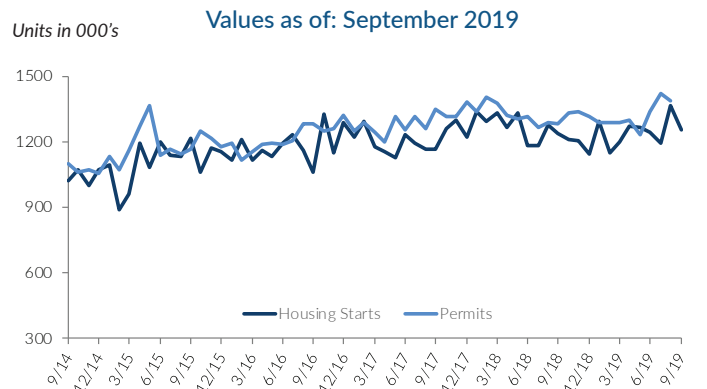
Source: Institute for Supply Management

## CONSUMER PRICE INDEX



Source: Federal Reserve Bank of St. Louis

## HOUSING STARTS



Source: Federal Reserve Bank of St. Louis

# PMCF Industrial Distributor Index

Company Name	Headquarters Location	Market Cap.	Enterprise Value	TTM Revenue	TTM Gross Profit	Adjusted EBITDA	TTM Gross Margin	TTM EBITDA Margin	Net Debt/ EBITDA	EV/ Revenue	EV/EBITDA <sup>(1)</sup> Q3 '19	Q3 '18
<i>\$ in Millions</i>												
<b>Industrial/MRO/Safety</b>												
Fastenal Company	United States	\$18,734	\$19,295	\$5,288	\$2,505	\$1,198	47.4%	22.6%	0.4x	3.7x	16.4x	15.9x
W.W. Grainger, Inc.	United States	16,216	18,506	11,402	4,381	1,646	38.4%	14.4%	1.3x	1.6x	11.3x	14.7x
HD Supply Holdings, Inc.	United States	6,498	9,002	6,175	2,419	827	39.2%	13.4%	3.0x	1.5x	10.9x	13.0x
MSC Industrial Direct Co., Inc.	United States	4,004	4,501	3,364	1,432	497	42.6%	14.8%	0.8x	1.3x	8.5x	11.0x
Applied Industrial Technologies, Inc.	United States	2,195	3,045	3,465	1,008	326	29.1%	9.4%	2.9x	0.9x	9.2x	14.0x
MRC Global Inc.	United States	1,008	2,267	3,905	693	211	17.7%	5.4%	3.8x	0.6x	11.2x	15.6x
Kaman Corporation	United States	1,657	1,973	1,884	560	170	29.7%	9.0%	(1.8x)	1.1x	12.3x	12.8x
NOW Inc.	United States	1,248	1,305	3,076	618	116	20.1%	3.8%	(0.3x)	0.4x	10.3x	NM
Bossard Holding AG	Switzerland	1,050	1,241	897	279	119	31.0%	13.2%	1.6x	1.4x	10.7x	13.5x
DXP Enterprises, Inc.	United States	611	896	1,283	355	105	27.7%	8.2%	2.6x	0.7x	8.9x	12.7x
<b>Median</b>							<b>30.4%</b>	<b>11.3%</b>	<b>1.5x</b>	<b>1.2x</b>	<b>10.8x</b>	<b>13.5x</b>
<b>Electrical Products</b>												
Arrow Electronics, Inc.	United States	\$6,201	\$9,794	\$29,497	\$3,474	\$1,157	11.8%	3.9%	2.9x	0.3x	8.0x	7.6x
Rexel S.A.	France	3,234	6,674	15,486	3,830	718	24.7%	4.6%	5.0x	0.4x	9.7x	10.1x
Avnet, Inc.	United States	4,534	5,709	19,059	2,393	714	12.6%	3.7%	2.1x	0.3x	7.2x	8.6x
Anixter International Inc.	United States	2,331	3,817	8,712	1,745	429	20.0%	4.9%	2.9x	0.4x	9.1x	9.3x
Electrocomponents plc	United Kingdom	3,526	3,679	2,400	1,060	263	44.2%	11.0%	1.0x	1.6x	13.7x	17.7x
WESCO International, Inc.	United States	2,029	3,634	8,271	1,582	406	19.1%	4.9%	3.7x	0.4x	8.9x	10.5x
Houston Wire & Cable Company	United States	79	164	344	82	15	23.9%	4.2%	NM	0.5x	10.7x	14.1x
<b>Median</b>							<b>20.0%</b>	<b>4.6%</b>	<b>2.9x</b>	<b>0.4x</b>	<b>9.1x</b>	<b>10.1x</b>
<b>Building Products</b>												
CRH plc	Ireland	\$27,340	\$39,179	\$31,933	\$10,373	\$4,081	32.5%	12.8%	2.9x	1.3x	9.9x	10.0x
Ferguson plc	United Kingdom	16,670	18,444	22,010	6,460	1,758	29.4%	8.0%	0.7x	0.9x	11.5x	13.3x
Pool Corporation	United States	8,052	8,859	3,160	923	369	29.2%	11.7%	1.9x	2.9x	24.8x	22.9x
Watsco, Inc.	United States	6,408	7,042	4,689	1,146	388	24.4%	8.3%	0.9x	1.5x	17.9x	16.6x
Beacon Roofing Supply, Inc.	United States	2,297	5,613	7,105	1,737	453	24.4%	6.4%	5.6x	0.8x	12.1x	14.3x
Builders FirstSource, Inc.	United States	2,377	4,078	7,333	1,993	505	27.2%	6.9%	3.2x	0.5x	8.2x	9.0x
Universal Forest Products, Inc.	United States	2,447	2,709	4,406	666	306	15.1%	6.9%	0.5x	0.6x	9.4x	9.9x
<b>Median</b>							<b>27.2%</b>	<b>8.0%</b>	<b>1.9x</b>	<b>0.9x</b>	<b>11.5x</b>	<b>13.3x</b>
<b>Chemicals &amp; Gases</b>												
Air Liquide S.A.	France	\$60,813	\$77,689	\$24,807	\$15,070	\$6,075	60.7%	24.5%	2.8x	3.3x	13.3x	13.1x
Brenntag AG	Germany	7,480	10,057	13,989	2,973	956	21.3%	6.8%	2.5x	0.7x	10.1x	13.3x
Univar Solutions Inc.	United States	3,501	6,734	9,103	2,080	633	22.8%	7.0%	4.8x	0.8x	11.1x	11.1x
IMCD N.V.	Netherlands	3,880	4,625	3,000	678	255	22.6%	8.5%	3.1x	1.6x	19.0x	21.6x
<b>Median</b>							<b>22.7%</b>	<b>7.7%</b>	<b>2.9x</b>	<b>1.2x</b>	<b>12.2x</b>	<b>13.2x</b>
<b>Transportation / Logistics</b>												
XPO Logistics, Inc.	United States	\$6,597	\$14,173	\$16,901	\$2,633	\$1,600	15.6%	9.5%	4.3x	0.8x	9.1x	13.7x
Old Dominion Freight Line, Inc.	United States	13,599	13,483	4,127	1,413	1,107	34.2%	26.8%	(0.2x)	3.3x	12.2x	14.7x
J.B. Hunt Transport Services, Inc.	United States	11,814	13,303	9,033	1,535	1,156	17.0%	12.8%	1.2x	1.5x	11.6x	12.6x
C.H. Robinson Worldwide, Inc.	United States	11,477	12,647	15,654	1,382	993	8.8%	6.3%	1.1x	0.8x	12.2x	16.2x
Expeditors International of Washington, Inc.	United States	12,683	11,979	8,366	1,086	855	13.0%	10.2%	(1.0x)	1.4x	14.1x	14.5x
Ryder System, Inc.	United States	2,761	10,550	8,905	1,754	2,414	19.7%	27.1%	3.3x	1.2x	4.9x	5.3x
Knight-Swift Transportation Holdings Inc.	United States	6,190	7,269	5,042	1,359	973	27.0%	19.3%	1.1x	1.4x	7.3x	9.3x
<b>Median</b>							<b>17.0%</b>	<b>12.8%</b>	<b>1.1x</b>	<b>1.4x</b>	<b>11.6x</b>	<b>13.7x</b>
<b>Median</b>							<b>24.4%</b>	<b>8.5%</b>	<b>2.3x</b>	<b>0.9x</b>	<b>10.7x</b>	<b>13.2x</b>
<b>Mean</b>							<b>26.4%</b>	<b>10.6%</b>	<b>2.1x</b>	<b>1.2x</b>	<b>11.3x</b>	<b>13.0x</b>

Market capitalizations and total enterprise values as of September 30, 2019; income statement and balance sheet data as of last period reported

(1) Multiple of EBITDA based on EBITDA inclusive of equity income from affiliates. Reflects stock market valuations

Currency conversions assume historical rate

Source: Capital IQ

# Public Company Equity Performance & Trends

## VALUATION TRENDS:

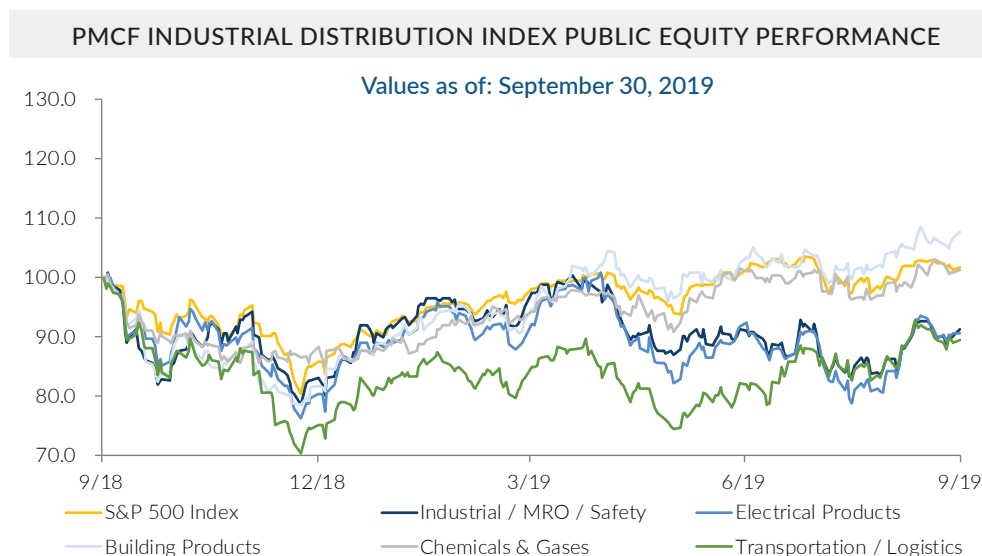
- Median public equity EV/EBITDA multiples decreased for the Q3 2019 Industrial Distributor Index compared to Q3 2018, as investor uncertainty persisted and macroeconomic factors shifted into contractionary territory. Multiples for the S&P 500 remained consistent year-over-year, while mean EV/EBITDA multiples of industrial distribution companies decreased 1.7x. Multiples declined across all Industrial Distribution sectors, with the Industrial / MRO / Safety sector decreasing the most at 2.7x.

PMCF INDUSTRIAL DISTRIBUTION INDEX PUBLIC VALUATIONS								
	Q4 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019
<b>Revenue Multiple</b>								
Median	1.1x	1.2x	1.2x	1.2x	0.9x	0.9x	0.9x	0.9x
Mean	1.5x	1.4x	1.3x	1.3x	1.1x	1.2x	1.2x	1.2x
<b>EBITDA Multiple<sup>(1)</sup></b>								
Median	12.8x	13.1x	13.2x	13.2x	10.0x	10.6x	10.5x	10.7x
Mean	14.0x	13.5x	13.1x	13.0x	10.3x	10.9x	11.4x	11.3x

(1) Multiple of EBITDA based on EBITDA inclusive of equity income from affiliates  
 Quarterly figures based on the last trading day of each quarter shown  
 Source: Capital IQ

## EQUITY PERFORMANCE:

- Industrial distributor market capitalization decreased 4.0% from Q3 2018 to Q3 2019, most impacted by negative performance in the Transportation / Logistics, Electrical Products, and Industrial / MRO / Safety sectors. Conversely, the S&P 500 posted a slight increase of 1.8% over the same period, supported by strong performances from the Utilities, Real Estate, and Consumer Staples sectors.
- Despite poor year-over-year performance for industrial distribution market capitalization, 2019 year-to-date metrics continue to post impressive results, increasing 18.4% from Q4 2018.
- The Building Products and Chemical & Gases sectors were the only sectors to perform positively during Q3 2019. Building Products increased 7.6% while Chemicals & Gases increased in-line with the S&P 500 at 1.3%.
- Market capitalization for the Industrial / MRO / Safety and Electrical Products sectors decreased 8.8% and 9.5%, respectively, over Q3 2018 to Q3 2019. Weakening manufacturing sentiment is a major contributor to both sectors' decreasing market capitalizations, as manufacturing trends receded into contractionary territory in the third quarter and overall business confidence followed suit.



Market capitalization indices with mixed currencies are converted into USD using historical spot rates  
 Local currency quotes converted to USD using historical spot rates  
 Source: Capital IQ

# Market Commentary

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*In conjunction with mixed macroeconomic indicators, industry leaders expressed varying economic outlooks for the remainder of 2019 and for full-year 2020. Despite job growth and consumer confidence remaining strong, contractionary macroeconomic trends forewarn a possible softening in the markets.*

**October 2019:** “Benchmark industrial production was up just 0.3% in the July-August period. The cautious tone is reflected in the feedback of our regional leaders and in the trends of our end markets. Manufacturing was up 7.7% and heavy equipment was up 4.4%. Oil and gas and industrial end markets are also softening, while transportation and consumer-linked customers are stable. Construction was up 2.9% in the third quarter with larger customers outperforming smaller ones.”

**Holden Lewis**, Executive VP & CFO, Fastenal Company

**August 2019:** “Taking a step back, I want to discuss the near-term market conditions we’re facing as we work to deliver on our long-term goals. While forward indicators are mixed, we’re encouraged that our design activity is held up well and is consistent with last year’s levels. This suggests that customers are continuing to design next generation products, despite the difficult market conditions. So far, this correction has been contained to a lower number of new orders and some push-outs. Both factors suggest, we will see a quick recovery when conditions improve.”

**Mike Long**, Chairman, President, & CEO, Arrow Electronics, Inc.

**August 2019:** “Market demand for chemicals ingredients remains choppy and has progressively declined in the first half of this year, decelerating particularly in the second quarter. Many of our supplier partners and peers have significantly reduced their forecast for the second half of this year to reflect expected slower macroeconomic activity. Based on these and recent trends, we also believe it’s prudent to change our demand outlook from flat to lower than last year.”

**Carl J. Lukach**, EVP & CFO, Univar Solutions Inc.

**August 2019:** “We continue to experience positive underlying momentum in construction activity across our main markets in North America and in Continental Europe while in the U.K., construction activity continues to be impacted by ongoing political and Brexit-related uncertainty. In North America, despite a slower start to the year due to affordability and supplier-side constraints across the residential construction industry, underlying demand remains solid and we’ve seen good growth in our more residentially-focused businesses. And on the nonresidential side, here, too, we are seeing good underlying demand and our order books are strong.”

**Albert Jude Manifold**, CEO & Executive Director, CRH plc

Sources: Company SEC Filings and conference call transcripts



# Key Deal Highlights

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## Geographic Expansion

France Air Group Acquires SIG Air Handling Division

On October 7, France Air Group, a leading manufacturer and distributor of refrigeration and heating equipment in France, announced that it has entered into an agreement to acquire SIG plc's Air Handling Division for an enterprise value of \$245 million (representing 8.6x TTM EBITDA). The Air Handling Division of SIG plc is a leading distribution-led provider of air handling and ventilation products, systems, and solutions for non-residential and residential buildings in Europe. The acquisition will further accelerate the international strategy of France Air Group, providing additional coverage in France, Belgium, Netherlands, Central Europe, Eastern Europe, and the United Kingdom.

## Market Consolidation

Reece Group, Parent Company of MORSCO, Acquires Todd Pipe & Supply

On September 12, Reece Group (parent company of Dallas, TX-based MORSCO Inc.), a leading distributor of plumbing, waterworks, and HVAC-R products, acquired Todd Pipe & Supply for \$160 million (representing 9.8x TTM EBITDA). Headquartered in Anaheim, CA, Todd Pipe & Supply provides plumbing products to the commercial, residential, and industrial sectors. Peter Wilson, CEO and Managing Director of Reece Group, stated, "Todd Pipe is an example of us acting on opportunities to consolidate the fragmented plumbing market in the U.S. Sun-Belt region. We acquired MORSCO last year to create a growth platform for the group, and we will do this through organic and considered inorganic opportunities as they arise."

## Market Share Capture

Watsco, Inc. Completes Peirce-Phelps Acquisition

On August 2, Watsco, Inc., the largest distribution network of HVAC-R products in North America, announced that it entered into a definitive agreement to acquire the HVAC business of Peirce-Phelps for \$86.1 million. Philadelphia, PA-based Peirce-Phelps is one of the nation's largest HVAC distributors with locations throughout the Midwest and Eastern US. The acquisition will significantly increase Watsco's product offerings and geographic footprint in North America. Albert Nahmad, Chairman and CEO of Watsco, commented, "Peirce-Phelps has one of the most long-standing family legacies in our industry as evidenced by the four third-generation Peirce brothers who operate the business. They will continue to lead the company moving forward in what will be a new market for our company."

## Platform Investment

CRH plc Divests its Europe Distribution Arm to Blackstone Group Inc.

On July 16, CRH plc, a leading global manufacturer and distributor of building materials, announced the divestiture of its Europe Distribution arm to Blackstone Group Inc. for \$1.9 billion. Blackstone Group Inc. is a global buyout firm focused on a variety of investment strategies. The divestiture is meant to simplify CRH's global operations and bolster profits while providing Blackstone a potential platform in the building-materials sector. Lionel Assant, European Head of Private Equity for Blackstone, said, "We are delighted to invest in CRH ED. With its leading market position and strong management team it is well positioned to continue growing both organically and through M&A."

# Industrial Distribution M&A Activity

## SELECT INDUSTRIAL DISTRIBUTION TRANSACTIONS

\$ in Millions

Closed Date	Target	Buyer	Industry Segment	Implied EV	EV/TTM Revenue	EV/TTM EBITDA
Pending	Cosmetics Business of AMSilk GmbH	Givaudan SA	Chemicals & Gases	-	-	-
Pending	SouthernCarlson, Inc.	Kyocera Corporation	Building Products	\$827.7	1.5x	-
Pending	Baier + Köppel GmbH + Co. KG	The Timken Company	Industrial / MRO / Safety	165.0	-	-
Pending	Thames Valley Controls Ltd	Wynnchurch Capital, LLC	Industrial / MRO / Safety	10.3	0.9x	-
Pending	Air Handling Division of SIG plc	France Air Management SA	Industrial / MRO / Safety	245.0	-	8.6x
Pending	Distribution de Matériaux pour les Travaux Publics	SAS Frans Bonhomme	Industrial / MRO / Safety	77.4	-	-
Pending	Europe Distribution Business of CRH plc	The Blackstone Group Inc.	Building Products	1,869.7	-	-
Pending	Olympus Controls Corp.	Applied Industrial Technologies, Inc.	Industrial / MRO / Safety	-	-	-
Oct-19	Todd Pipe & Supply, LLC	MORSCO Inc.	Fluid Control Products	160.0	-	9.8x
Oct-19	Omni Cable Corporation	Dot Family Holdings	Industrial / MRO / Safety	-	-	-
Oct-19	City Pipe & Supply Corp.	Russel Metals Inc.	Industrial / MRO / Safety	120.9	0.6x	-
Sep-19	EIS, Inc.	Audax Group, Inc.	Electric Products	-	-	-
Sep-19	Gough, Gough & Hamer Limited	Sime Darby Berhad	Industrial / MRO / Safety	132.1	-	-
Sep-19	Saint-Gobain Building Distribution Deutschland GmbH	Stark Group A/S	Industrial / MRO / Safety	365.3	0.2x	7.0x
Sep-19	All Pro Horticulture, Inc.	nVent Electric plc	Industrial / MRO / Safety	128.0	1.4x	-
Sep-19	Presto Maintenance Supply, Inc	HD Supply Holdings, Inc.	Industrial / MRO / Safety	-	-	-
Aug-19	Rikengreen Co., Ltd.	Kumiai Chemical Industry Co., Ltd.	Chemicals & Gases	24.0	0.2x	4.4x
Aug-19	Kaman Industrial Technologies Corporation	Littlejohn & Co. LLC	Industrial / MRO / Safety	700.0	0.6x	10.6x
Aug-19	BestTransport.com, Inc.	The Descartes Systems Group Inc	Transportation & Logistics	11.2	-	-
Aug-19	Blackstone / Truform Building Products Inc.	Schaublin SA	Industrial / MRO / Safety	33.8	3.0x	-
Aug-19	Commercial Laundry Products, Inc.	EVI Industries, Inc.	Building Products	-	-	-
Aug-19	Peirce-Phelps, Inc.	Watsco, Inc.	Building Products	86.1	0.4x	-
Jul-19	Distribution Business of SACS Boysen Aerospace Group	Bossard Holding AG	Industrial / MRO / Safety	-	-	-
Jul-19	Slover Roofing Supply Corp.	SRS Distribution Inc.	Building Products	-	-	-
Jul-19	VSP Technologies, Inc.	Diploma PLC	Industrial / MRO / Safety	80.0	1.8x	-
Jul-19	Inenco Group Pty Limited	Genuine Parts Company	Industrial / MRO / Safety	-	-	-
Jul-19	Long Island Pipe Supply, Inc.	Core & Main LP	Industrial / MRO / Safety	225.0	-	-
Jul-19	Unified Door And Hardware Group Incorporated	Dunes Point Capital, LLC	Building Products	-	-	-
Jun-19	Grupo Electro Stocks, S.L.	Würth Group	Electrical Products	-	-	-
May-19	Nashville Machine Elevator Co., Inc.	ThyssenKrupp Elevator AG	Chemicals & Gases	-	-	-
May-19	Chemogas NV	Balchem Corporation	Chemicals & Gases	96.8	-	-
May-19	GlobalTranz Enterprises, Inc.	Providence Equity Partners L.L.C.	Transportation & Logistics	-	-	-
May-19	HEPAC	Solar A/S	Building Products	-	-	-
May-19	Select Acoustics Supply Inc.	Foundation Building Materials, Inc.	Building Products	-	-	-
Apr-19	American Lumber Distributors & Brokers, Inc.	Boise Cascade Company	Building Products	-	-	-
Apr-19	Ulusoy Elektrik Imalat Taahhüt ve Ticaret A.S.	Eaton Capital Unlimited Company	Electrical Products	241.8	2.5x	7.7x
Apr-19	Stenentreprenader i Hesselholm AB/Mundus Maskin AB	S:T Eriks AB.; Tornum AB	Industrial / MRO / Safety	8.0	0.6x	4.6x
Apr-19	The Drake Group, LLC	Affiliated Distributors, Inc.	Industrial / MRO / Safety	-	-	-
Apr-19	Dunphey & Associates Supply Co., Inc.	Watsco, Inc.	Building Products	24.2	0.4x	-
Mar-19	Security Seed & Chemical, Inc.	Nutrien Ltd.	Chemicals & Gases	-	-	-
Mar-19	Mill-Log Equipment Co., Inc.	Palmer Johnson Power Systems, LLC	Industrial / MRO / Safety	7.7	-	-
Mar-19	Woodward Compressor Sales, Inc.	Atlas Copco Compressors, LLC	Industrial / MRO / Safety	-	-	-
Mar-19	United Steel Supply, LLC	Steel Dynamics, Inc.	Industrial / MRO / Safety	165.5	-	5.0x
Feb-19	Florida Lifts LLC	Savaria Corporation	Industrial / MRO / Safety	5.6	0.9x	3.7x
Feb-19	Joseph Cory Warehouses, Inc.	J.B. Hunt Transport, Inc.	Transportation & Logistics	100.0	-	-
Feb-19	Aquion, Inc.	Pentair plc	Fluid Control Products	163.4	-	-
Feb-19	Enviro Water Solutions, Inc.	Pentair plc	Fluid Control Products	120.0	-	-
Feb-19	PAC Industries, Inc.	EVI Industries, Inc.	Electrical Products	13.1	-	-
Feb-19	Maskell Pipe and Supply, Inc.	Core & Main LP	Industrial / MRO / Safety	-	-	-
Feb-19	Kitchen Art Design Center	Ferguson Enterprises, Inc.	Building Products	-	-	-
Feb-19	DCL Fabrication & Supply Inc.	Core & Main LP	Industrial / MRO / Safety	-	-	-
Feb-19	United Pipe & Steel Corp.	Merfish Pipe & Supply, L.P.	Building Products	-	-	-
Jan-19	Ready Bearing Supply, Inc.	Purvis Industries Ltd.	Industrial / MRO / Safety	-	-	-
<b>Median</b>				<b>\$120.0</b>	<b>0.8x</b>	<b>7.0x</b>
<b>Mean</b>				<b>\$214.1</b>	<b>1.1x</b>	<b>6.8x</b>

Sources: Capital IQ, company websites, and PMCF proprietary research

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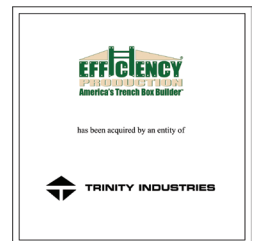


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2017 USA BOUTIQUE INVESTMENT BANK OF THE YEAR

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AND

CROSS-BORDER CORPORATE AND STRATEGIC  
ACQUISITION DEAL OF THE YEAR  
(\$10MM - \$25MM)



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