

AlixPartners

INDUSTRIALS QUARTERLY M&A REVIEW

Q2 2021



Introduction:

ALIXPARTNERS INDUSTRIALS QUARTERLY M&A REVIEW

Welcome to the AlixPartners Q2 2021 Industrials Quarterly M&A review. A round-up of deal activity across the sector during the quarter.

By contrast with the second quarter of 2020, which saw deal activity in the global industrial sector at record lows as it felt the most significant impact of COVID-19, Q2 2021 brings optimism for a return to pre-crisis activity.

Deal volume remains high while value dipped marginally compared to Q1, albeit within the bounds of typical seasonal variation.

Deal activity is exhibiting an encouraging prolonged return to pre-COVID levels, exemplified by a 286% increase in deal value and a 46% increase in deal volume compared to Q2 2020.

Q2 reveals a marginal decrease in valuation multiples with an average of 9.3x. Whilst this represents a 6% decline on Q1 2021, multiples remain higher than pre-COVID levels.

The nominal variation on Q1 suggests the recovery of the industrial M&A market witnessed near the end of 2020 and in early 2021 is continuing and consolidating. We expect this to perpetuate through the second half of the year despite continuing uncertainty and challenges facing global supply chains.

Corporate carve-outs and increased private equity activity will remain key themes for the year such as we are beginning to see borne out and will lead to a stellar year of deal activity.

We hope you enjoy this quarter's review, as always, please do get in touch should you have any comments or suggestions.

Nick Wood

Industrials M&A Lead

KEY STATISTICS: Q2 2021



£154bn

Total deal value
▲ 286% vs. Q2 2020
▼ 1% vs. Q1 2021



2,482

Total deal volume
▲ 46% vs. Q2 2020
▲ 2% vs. Q1 2021



£167m

Avg. deal value
▲ 198% vs. Q2 2020
▼ 10% vs. Q1 2021



9.3X

Avg. valuation
▲ 4% vs. Q2 2020
▼ 6% vs. Q1 2021



37%

Increase in private equity-backed deals compared to Q2 2020



36%

of Q2 deals took place in North America, the most active geography

Outlook:

RETURN TO NORMALITY EXPECTED IN 2021

Building on the momentum of a strong first quarter, M&A activity and valuations have stabilised in Q2 – PE activity eased slightly but funds remain poised and prepared to make big investments in high-profile corporates with more likely to come in the remainder of the year.

Corporate carve-outs of non-core assets have remained a key theme, as conglomerates continue to evaluate their portfolios and capital allocation strategies. Having paused many transactions in early 2020 at the onset of the global crisis – this trend is expected to continue through 2021.

Driven by fresh waves of lockdowns and unsteady recoveries varying by country, we expect uncertainty to remain in the near term. The impact on the market of factors such as dwindling governmental support is yet to be fully understood and we expect the resulting variation in M&A activity through the remainder of 2021 to be modest.

While **uncertainty remains** and supply chain challenges are looking set to increase in the second half of 2021, the momentum in industrial M&A is significant and all indicators would point to a stellar year of deal activity.

“THE ART OF M&A IS INCREASINGLY BECOMING A SCIENCE”



Abhishek Jain, Schneider Electric's M&A Director, shares his perspectives on Industrials M&A activity since the pandemic began in 2020.



Click [here](#) to watch the full interview

What do you think have been the biggest challenges for M&A activity since the pandemic?

Towards the end of Q1 2020, most deal-making around the world was brought to a standstill. As time progressed, however, new ways of working accelerated the adoption of digital technologies everywhere. Social distancing dramatically reduced digital distances, creating different types of opportunities and challenges in M&A.

The opportunities for companies related to transforming themselves in terms of digital footprint, IoT, more automation, more remote services etc. while challenges included completing due diligences and negotiations remotely, as well as navigating the evolution of COVID during deal timelines. The results are tremendous, though, with Q2 2021 ending as a record period for global M&A.

“Preparation in the pre-launch is vital - it helps in driving momentum as well as in choosing the right buyer pool for the outreach.”

Do you think there is a more cautious approach to due diligence for buyers at the moment?

I do. The art of M&A is increasingly becoming the science of M&A with the difference coming primarily from due diligence. More and more advanced technologies like AI and machine learning are finding application in due diligence to analyse large quantum of data more quickly and cost effectively to validate equity stories. For me, this is driven by the evolution of M&A practice globally.

From a buyer's perspective, what do you look for when assessing potential targets?

There is no 'one-size-fits-all', pandemic or not. All buyers should evaluate the products and solutions of the target company in multiple scenarios and align it with their own growth strategy.

It is still difficult in this pandemic period to accurate forecast from month to month, but intelligent assumptions can still be made regarding a business' general direction of travel.

What guidance would you give to shareholders now considering a sale of their business?

Corporate or portfolio managers should periodically review their portfolio against parameters related to not only financial performance but also strategic alignment and synergy between business units to ensure the sum of parts is greater than the whole.

Preparation in the pre-launch is vital - it helps in driving momentum as well as in choosing the right buyer pool for the outreach. Advisors can add real value here by not just preparing a well-articulated equity story and professional marketing materials, but also providing insights to pre-screen the buyer pool. It was a great outcome for us in our recently announced divestiture of SE Motion USA where AlixPartners helped us with all the above.

Looking ahead, what do you think the second half of 2021 will bring from an M&A perspective?

There is a positive correlation between earnings growth and M&A. As the S&P 500 is expected to grow earnings by >25% this year, I believe **we will continue to see M&A activity sustaining at record levels**, buoyed by low interest rates and generally high liquidity. However, we also have headwinds in the form of high valuations and further uncertainty relating to COVID so while I am very optimistic, I like to play it by ear and be ready to adapt.

In detail:

YEAR-ON-YEAR DEAL VOLUMES AND VALUES UP, AFTER COVID IMPACT PEAKED IN Q2 2020

Significant increases across deal metrics with activity still led by NA and EMEA

- Q2 2020 saw peak deal depression due to global lockdowns and uncertainty but all regions have returned to pre-COVID deal volumes and values in Q2 2021.
- Compared to H2 2019 – the last half-year unaffected by the pandemic – H1 2021 deal volumes averaged 7% higher while deal values averaged 8% higher. Q2 2019 saw 9% lower deal volumes than Q2 2021, although a North American deal boom in Q2 2019 meant the average deal value was significantly higher that quarter.
- The trend of increasing multi-billion deals continued in Q2 with 37 deals, the highest quarterly figure since pre-2019. By the end of H1 2021, 84% of 2020's total number of mega-deals had been completed, as corporates divesting continue to take advantage of strong deal multiples.
- Public-to-private (P2P) transactions led by PE firms have stepped up in 2021. With 23 deals in all of 2019 and 22 in 2020 (12 of those in Q4), 2021 is set to surpass these totals with 16 announced before the end of Q2. The acceleration in these deals reflects PE firms' appetite to deploy significant dry powder, particularly as economies re-open and market confidence returns.
- While the Asia Pacific region proved most resilient to the pandemic with deal volume in Q2 2021 up just 18% on Q2 2020 and value up 45%, NA saw the greatest impact and associated recovery with ten times the total deal value and six times the average deal value in Q2 2021 compared to 2020.
- North America and EMEA continue to lead deal activity, with 903 and 857 deals in Q2 2021 and total deal values at £79bn and £43bn respectively. APAC followed with 624 deals but lags behind in total deal value at £26bn, while South America remains a small M&A market with only 98 deals during the quarter.

KEY STATISTICS: Q2 2021 (CONTINUED)



Multi-billion deals completed in Q2 2021



Increase in mega-deals vs. Q1 2021

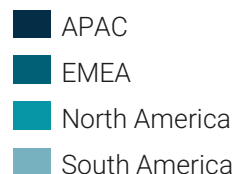
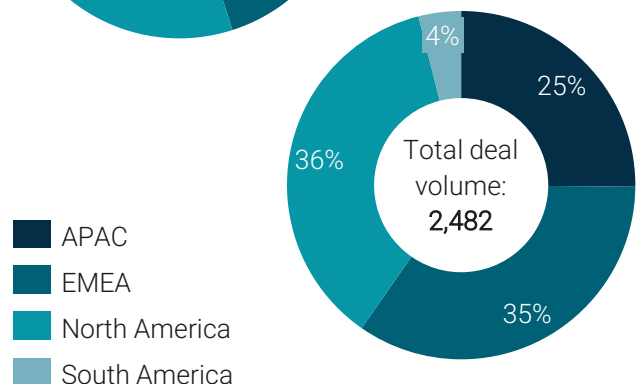
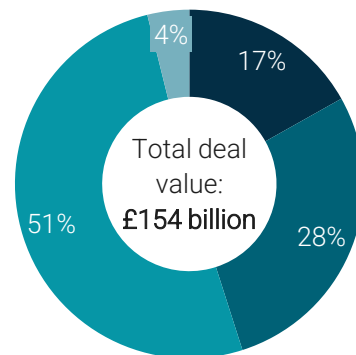


PE-backed public-to-private (P2P) deals completed in Q2 2021



Increase in PE P2P deals vs. Q1 2021

GEOGRAPHICAL TRENDS



In detail:

CONSTRUCTION, ENGINEERING AND BUILDING PRODUCTS GROWS DEAL SHARE TO 22%

Construction, Engineering and Building Products notably grows its share of deals

- With 1,059 deals in Q2, Energy, Utilities and Mining was again the most active sector making up almost 43% of total deal volume and 49% of total value. Although dipping slightly from Q1 2021, the sector continues to demonstrate accelerating renewables activity as the industry shifts to a low-carbon future.
- Three of the five largest Q2 deals were in Oil & Gas, including the £9bn sale of Canada's Inter Pipeline to Pembina Pipeline Corporation and US-based merger of Cimarex Energy Co. with Cabot Oil & Gas Corp, worth £7bn.
- From comprising 17% of total deal volume in Q1, Construction, Engineering and Building Products has increased to a 22% sector share in Q2 with 553 deals, including KKR's take-private of UK-based John Laing Group for £2.2bn.
- Meanwhile, Aerospace & Defence experienced the steepest decline with a fall of 17% in deal volumes compared to Q1 2021, as prolonged distress in the industry and future uncertainty fuelled caution in deal-making.

PE presence decreased, but still key

- PE firms were involved in 9.1% of Q2 2021 deals and remain a key buyer group, despite their lowest share since the start of the crisis – peaking at 11.8% in Q4 2020. Containers & Packaging had the highest PE buyer share at 18.3% including B&C Industrieholding GmbH's £775m acquisition of Schur Flexibles Holding GesmbH.
- The PE deal sector breakdown has remained broadly stable with EUM varying most, falling to 7.4% from 9.8%. EMEA stayed most active PE region with 14.4% of deals involving a PE buyer. Europe saw a further rise in non-European buyers to 12.6% from 10.4% in Q1 – the highest share since Q4 2019.

SUB-SECTOR TRENDS



1,059

Deals in the Energy, Utilities and Mining sector in Q2 2021



17%

Steepest sub-sector decline from Q1 2021 seen in the A&D sector



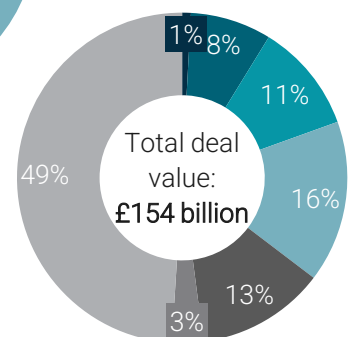
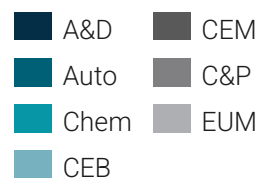
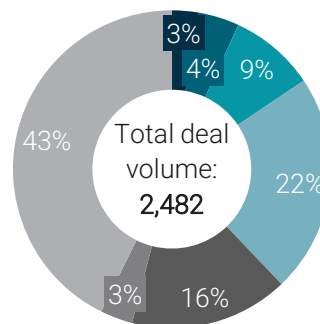
37%

Increase in private equity-backed deals compared to Q2 2020



9.1%

of deals involved a PE buyer in Q2 2021



A&D	Aerospace & Defence
AUTO	Automotive
CHEM	Chemicals
CEB	Construction, Engineering & Building Products
CEM	Conglomerates, Electrical Equipment & Machinery
C&P	Containers & Packaging
EUM	Energy, Utilities & Mining

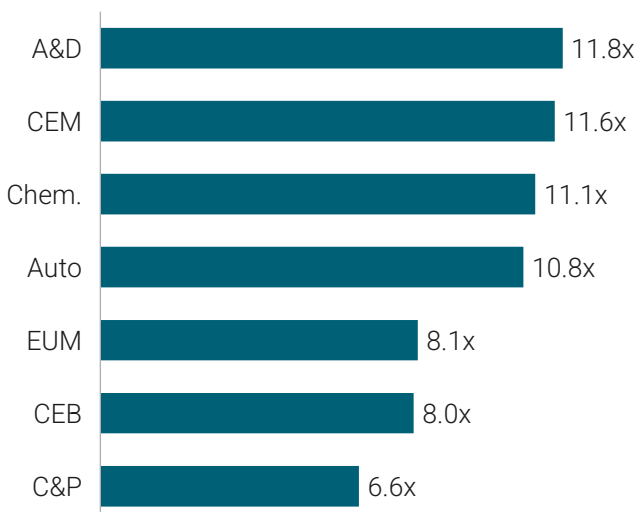
In detail:

MARGINAL DECLINE IN MULTIPLES, BUT AVERAGE DEAL PRICING REMAINS ABOVE 9X

Deal valuations reduce slightly from Q1 but remain stable at record high levels

- Deal pricing multiples have descended slightly from a record high of 9.9x in Q1 to 9.3x in Q2, but this remains strong. North America again experienced the highest valuation multiples, averaging 11.0x while the average in EMEA improved on Q1, rising to 9.5x from 8.8x. APAC's Q2 average of 8.7x is a notable fall from 10.1x in the previous quarter.
- The slight pricing downturn from Q1 is also reflected in public trading multiples, which decreased to 9.1x at the end of Q2 2021 but remains in-line with multiples in H2 2020 across all sub-sectors. A&D has the highest multiple at 12.0x, followed by Conglomerates, Electrical equipment & Machinery at 10.9x and Containers & Packaging at 9.3x.
- Quarter-to-quarter variation in average sub-sector valuations has stabilised after volatility in 2020. We expect this to lead to confidence in the market and more typical pre-COVID activity in the second half of the year.

AVG. IMPLIED EV/EBITDA (Q2 2021 DEALS)



11.8X

Highest sector avg. deal multiple for Aerospace & Defence (based on four deals)



12.0X

Highest avg. public company valuation multiple also for Aerospace & Defence

SUB-SECTOR ¹	AVERAGE				
	REV. CAGR (2018-2020)	EBITDA %	EV/ Q2 2021 LTM REV.	EV/ Q2 2021 LTM EBITDA	REV. CAGR (2021-2023)
Aerospace & Defence	3.6%	10.9%	2.4x	12.0x	9.7%
Automotive	0.1%	8.7%	1.6x	8.0x	11.4%
Chemicals	(0.1%)	14.8%	2.2x	9.2x	6.7%
Conglomerates, Electrical Equipment & Machinery	3.2%	11.4%	2.1x	10.9x	8.7%
Construction, Engineering & Building Products	4.8%	11.4%	1.4x	7.9x	7.2%
Containers & Packaging	2.3%	14.9%	1.6x	9.3x	5.1%
Energy, Utilities & Mining	0.1%	22.5%	2.4x	8.8x	4.5%

1. Includes companies with revenue in excess of £500 million per annum

In detail:

A 29% UPTICK IN PRIVATE EQUITY-LED P2P TRANSACTIONS IN Q2 2021

COUNTRY	TARGET	SECTOR	ACQUIRER	DEAL VALUE (£M) ¹	EV/ EBITDA	RATIONALE
EMEA						
Italy	Automobili Lamborghini S.p.A.	Automotive	Centricus Asset Management Limited; Quantum Group AG	6,497	Not disclosed	Acquisition by asset managers to lead and grow Lamborghini's innovation efforts
United Kingdom	John Laing Group plc	Construction & Engineering	KKR & Co. Inc.	2,152	Not disclosed	Take-private deal; KKR buys JLG to inject long-term capital and global expertise into strategy
Sweden	ÅR Packaging Group AB	Packaging	Graphic Packaging International Europe Holdings B.V.	1,029	9.1x	Graphic Packaging buys ÅR to strengthen global positioning and expand scale in European markets
Austria	Schur Flexibles Holding GesmbH	Packaging	B & C Industrieholding GmbH	775	10.0x	80% stake in Schur acquired by B & C to take advantage of role in high-barrier products
United Kingdom	Farrow & Ball Ltd	Chemicals	Hempel A/S	500	Not disclosed	Hempel aims to double revenue and continue to grow with Farrow & Ball acquisition after recent PE activity around asset
North America and APAC						
Canada	Inter Pipeline Ltd.	Oil and Gas	Pembina Pipeline Corporation	9,052	15.4x	Merger to create Canada's largest infrastructure company, friendly deal beats out hostile Brookfield bid
United States	W. R. Grace & Co.	Chemicals	Standard Industries Inc.	4,844	15.3x	Take-private deal intended to realise immediate value and seize growth prospects
United States	Welbilt, Inc.	Machinery	Ali Group S.r.l.	3,394	22.8x	All-cash take-private deal agreed after fierce competition from rival Middleby Corp
Japan	Hitachi Metals, Ltd.	Metals & Mining	Bain Capital PE; Japan Industrial Partners; JIS Japan Industrial Solutions	2,871	1.4x	Bain-led consortium acquires remaining 47% shares of Hitachi Metals in take-private deal
United States	Tesla, Inc.	Automotive	Not disclosed	2,596	Not disclosed	Unknown buyer purchased unknown stake from Panasonic Corporation

1. Reflects total gross transaction value

Trendspot – Industrial Electronics:

INDUSTRIAL ELECTRONICS HAS SEEN MULTIPLE MAJOR DEALS IN H1 2021, AND IS SET FOR MORE

APAC leads the way in number of industrial electronics deals in Q2 2021¹

- All sub-sectors of industrial electronics have seen modest but steadily rising deal activity since the start of 2019 with 401 deals in Electronic Equipment and Instruments making up 37% of all industrial electronics deals in Q2 2021.
- The sector proved resilient to COVID-19 in 2020 with only minor reductions in deal numbers and total value before recovering by year-end, demonstrating the market's confidence in the criticality of the industry to the future economy.
- Software is playing an increasingly vital role in integrated industrial electronics solutions, a trend explored in more detail in this *Trendspot* article (cont'd overleaf).
- Total and average deal value spiked in Q1 2021 with 9 deals worth over £2bn including FLIR Systems' sale to Teledyne Technologies for £6bn, these returned to more typical levels in Q2.
- Although most deals in Q2 were in Asia Pacific (46%), 52% of deal value was generated in North America. This contrasts with 2020 where APAC led both metrics with 44% and 43% shares respectively, indicative of increased high-value activity in the US and Canada.



1,090

Deals¹ in industrial electronics in Q2 2021



£48bn

Total value of industrial electronics deals¹ in Q2



43%

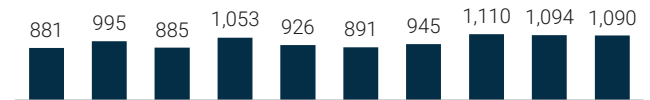
2020's total deal¹ value in industrial electronics from APAC region



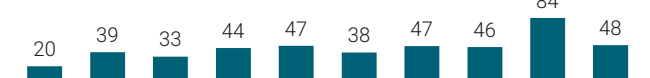
22.1%

Industrial electronics deals¹ involved PE-buyers in Q2 2021

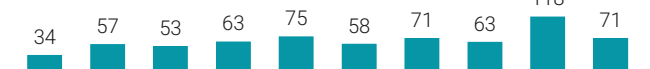
DEAL VOLUME



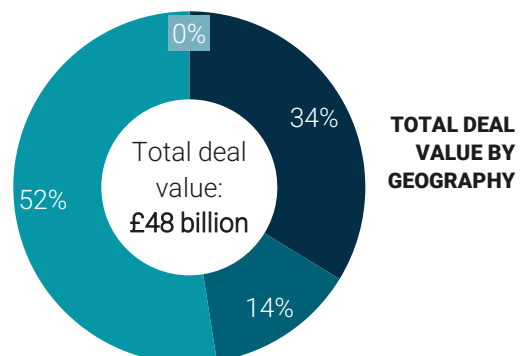
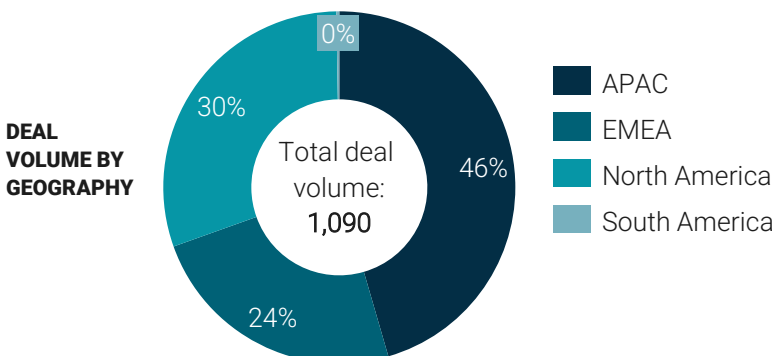
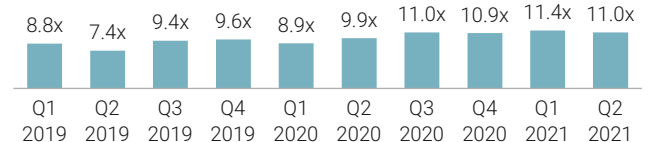
TOTAL DEAL VALUE (£bn)



AVG. DEAL VALUE (£mn)



AVG. EV/EBITDA MULTIPLE



¹ Unlike previously presented summary industrials data, sector deep-dive includes transactions involving information technology companies working in industrial electronics as well as transactions involving companies for whom industrials is not their primary industry but who maintain a significant presence in it.

Trendspot – Industrial Electronics:

WHY THE PURSUIT OF TRULY INTEGRATED SOLUTIONS IS DRIVING INDUSTRIAL M&A

Industrial automation, Industry 4.0, increasing connectivity, and the internet of things are all contributing to a rapidly evolving business environment. These accelerating technological trends are giving industrial electronics players food for thought as they look to realign their businesses to profit from the opportunities presented.

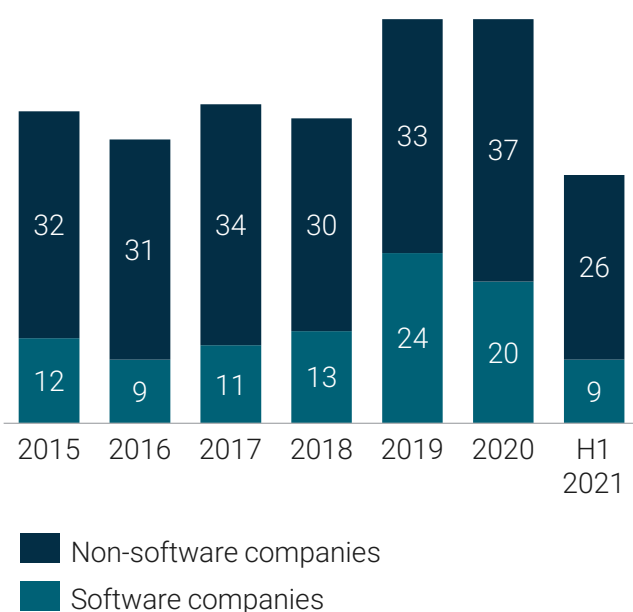
Corporates are also looking to emerge from the pandemic with increased manufacturing efficiency, reduced costs and increasing margin to ease liquidity pressures, as well as maximising operating efficiency from an environmental perspective.

Given the power-heavy requirements in the industry, this is a sizeable challenge, requiring power management systems that not only deliver on efficiency but also data, in order to provide insight for further efficiency improvements.

Evolving hardware and software needs

Industrial electronics players are responding by broadening their breadth of capabilities to meet the growing demands of their clients as well as being the solution provider for all their clients' power management needs.

NUMBER OF ACQUISITIONS BY MAJOR INDUSTRIAL ELECTRONIC COMPANIES



ABB's strategy announcement in 2019 proves this point, articulating that ABB is seeking to be a pioneering technology leader providing an end-to-end offering of advanced digital solutions.

It is a bold and intelligent response to the technological disruption at play but will require access to highly efficient and reliable hardware, plus intelligent software, to seamlessly stitch an elegant, integrated solution that is attractive to clients.

For many players, the required software and digital expertise is not currently within their capabilities. Therefore, they are turning to M&A to fill in gaps in their offering. This can be seen in Rockwell Automation's acquisition of Fiix Inc which brought in leading AI maintenance solution capabilities.

Activity across the value chain

With this emerging trend in mind, we have analysed the M&A activity of the top 25 global industrial electronics players over the last five years and identified significant activity across the value chain. Even COVID has not affected this trend with the pace and scale of transactions continuing across 2020 and into H1 2021.

NOTABLE TRANSACTIONS IN THE INDUSTRIAL ELECTRONICS SEGMENT

Date	Target	Buyer	Value (\$m)	Deal Rationale
Nov-2020	Fiix Inc	Rockwell Automation	287	Fiix's AI enabled computerised maintenance management services enhances Rockwell's software capabilities
Feb-2020	RIB Software SE	Schneider Electric	1,434	Positions Schneider as the go-to solution-provider for Smart Buildings
Jan-2020	Eaton Corporation (Hydraulics business)	Danfoss A/S	3,329	Part of transformation into a higher growth company with improved earnings consistency
Oct-2019	Eaton Corporation (Cooper Lighting)	Signify N.V.	1,400	Ongoing management of the group's portfolio to generate shareholder value

Trendspot – Industrial Electronics:

WHY THE PURSUIT OF TRULY INTEGRATED SOLUTIONS IS DRIVING INDUSTRIAL M&A (CONT'D)

INDUSTRIAL ELECTRONIC SEGMENT SNAPSHOT

Low profitability

High profitability



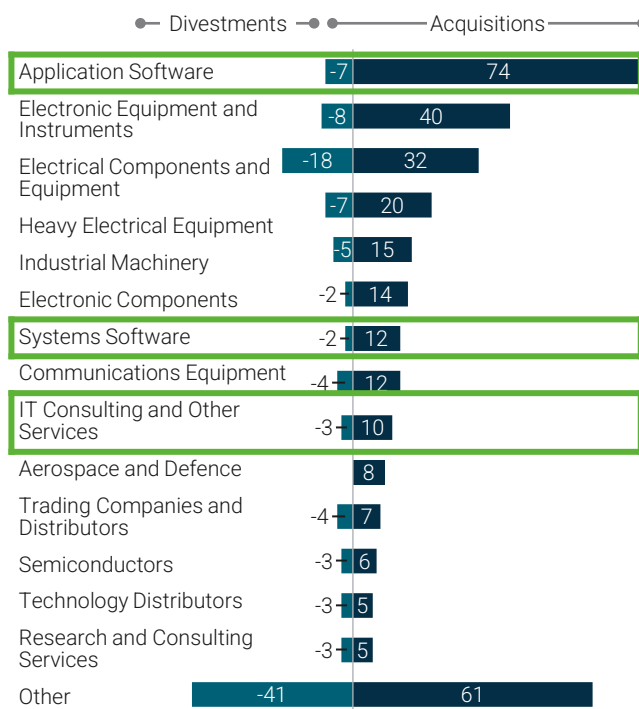
There has been significant and increasing activity in the software and services segments of the value chain, with these segments accounting for around 30% of transactions, and demand for businesses of this kind is driving multiples to record highs above 20x EV/EBITDA.

For example, Schneider Electric purchased RIB Software, a Germany-based company that provides cloud software solutions for construction projects, for a reported EV/EBITDA multiple of 30.7x in February 2020.

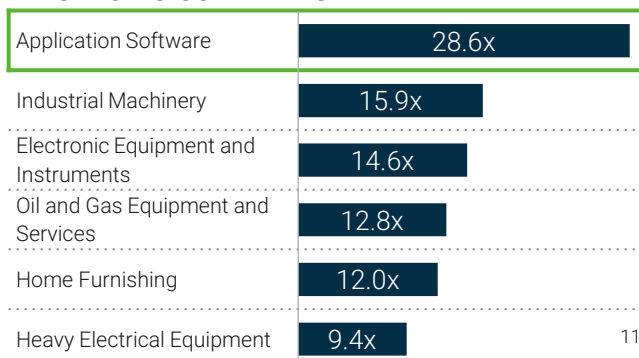
Interestingly, for some players, the integrated solutions business model is a key focus of M&A strategy with a particular aim of obtaining access to customised, integrated products. For others, standardised components are increasingly becoming a commodity and there is an increasing trend of divestment of product-only businesses. This is evident in the electrical equipment segments accounting for around 30% of divestments in the five-year period.

January 2015 - June 2021

NUMBER OF M&A TRANSACTIONS BY MAJOR INDUSTRIAL ELECTRONIC COMPANIES



EV/EBITDA MULTIPLES OF M&A TRANSACTIONS UNDERTAKEN BY MAJOR INDUSTRIAL ELECTRONIC COMPANIES



What does this mean for the sector?

For high-growth, high-margin software and related services businesses, demand and valuations will remain high, as large industrial electronic players continue to respond to an ultra-connected and increasingly environmentally aware sector.

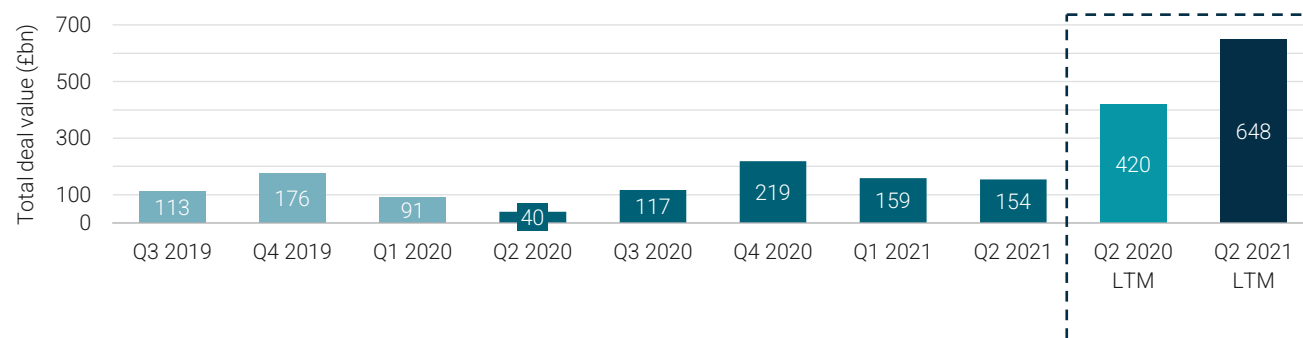
We also expect increasing commoditisation in the product-focused arena to drive consolidation in the market in order to retain margins.

Appendix A

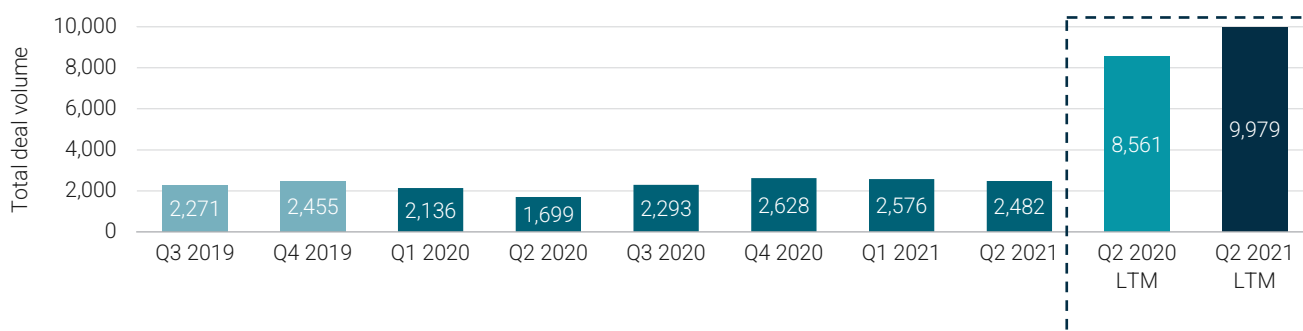
DEAL VALUE, VOLUME AND VALUATION

INDUSTRIALS M&A – VALUE, VOLUME AND VALUATIONS

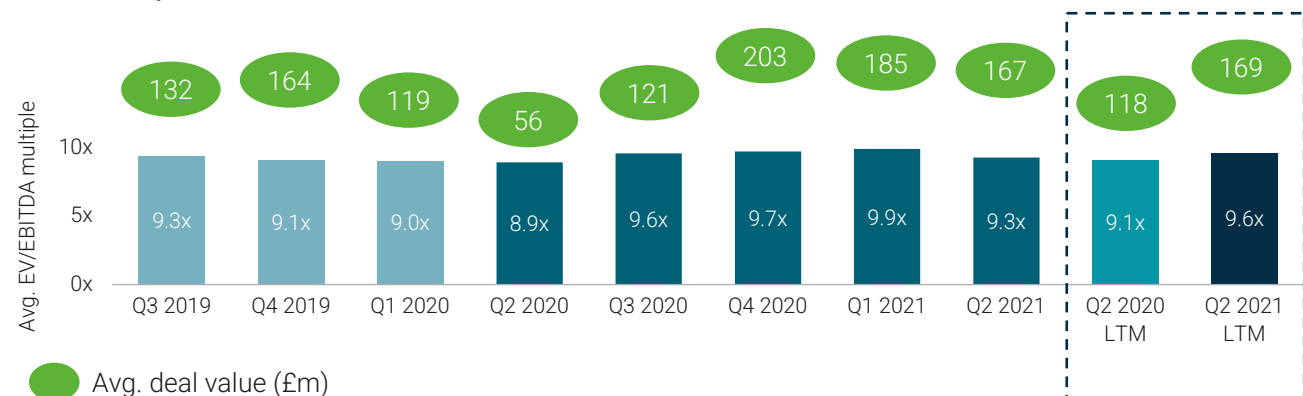
TOTAL DEAL VALUE



TOTAL DEAL VOLUME



AVERAGE EV/EBITDA VALUATION



Note on avg. deal value: Calculated from available deals with disclosed target valuations, which is not exhaustive of all deals reported in deal volume.

Note on data collection: Deal statistics screened from S&P Capital IQ on 5 July 2021, deals backdated into quarter announced after this date may not be included and will be updated in subsequent quarterly reviews.

GEOGRAPHICAL TRENDS

INDUSTRIAL M&A – VALUE, VOLUME AND VALUATIONS BY GEOGRAPHY

NORTH AMERICA			
	Deal volume	Deal value (£bn)	Avg. deal value (£m)
Q2 2021	903	79	255
Vs. Q2 2020	▲64%	▲933%	▲579%
Q2 2021 LTM	3,438	248	214
Vs. Q2 2020 LTM	▲23%	▲83%	▲56%

EMEA			
	Deal volume	Deal value (£bn)	Avg. deal value (£m)
Q2 2021	857	44	222
Vs. Q2 2020	▲57%	▲227%	▲153%
Q2 2021 LTM	3,375	180	220
Vs. Q2 2020 LTM	▲10%	▲7%	▲4%



SOUTH AMERICA			
	Deal volume	Deal value (£bn)	Avg. deal value (£m)
Q2 2021	98	6	142
Vs. Q2 2020	▲32%	▲435%	▲320%
Q2 2021 LTM	408	31	155
Vs. Q2 2020 LTM	▲18%	▲52%	▲17%

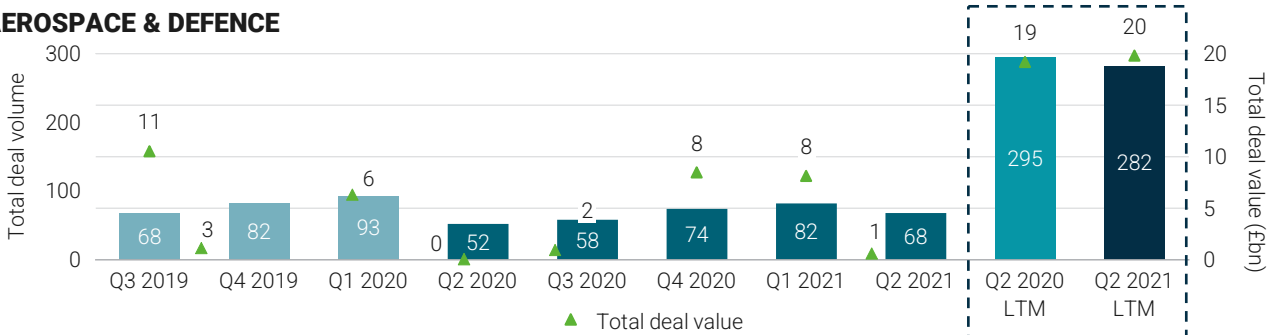
APAC			
	Deal volume	Deal value (£bn)	Avg. deal value (£m)
Q2 2021	624	26	67
Vs. Q2 2020	▲18%	▲45%	▲34%
Q2 2021 LTM	2,713	189	105
Vs. Q2 2020 LTM	▲17%	▲96%	▲73%

Appendix C

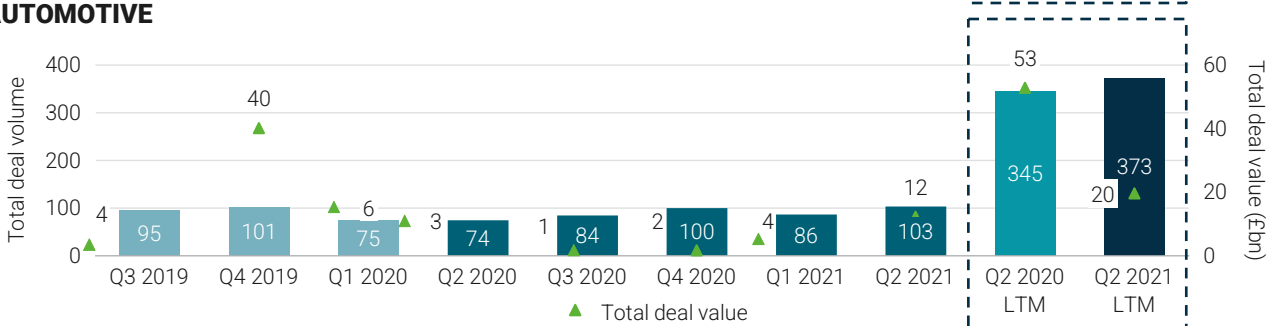
SUB-SECTOR ACTIVITY

DEAL ACTIVITY BY SUB-SECTOR

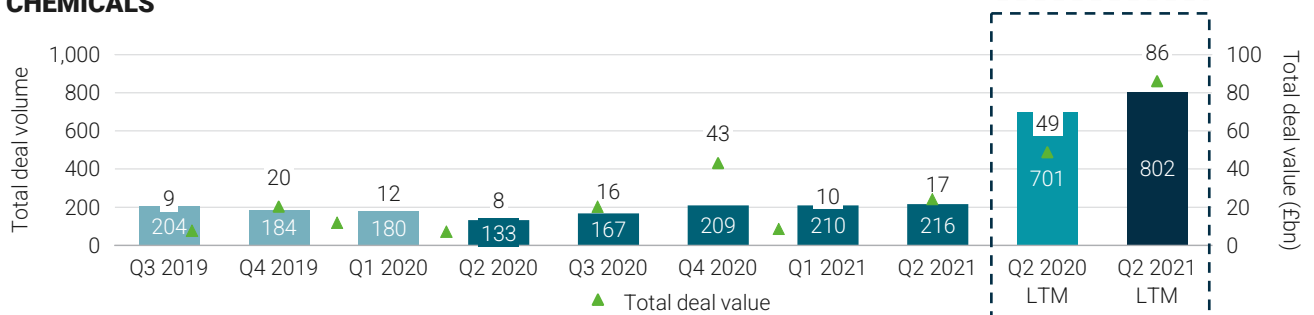
AEROSPACE & DEFENCE



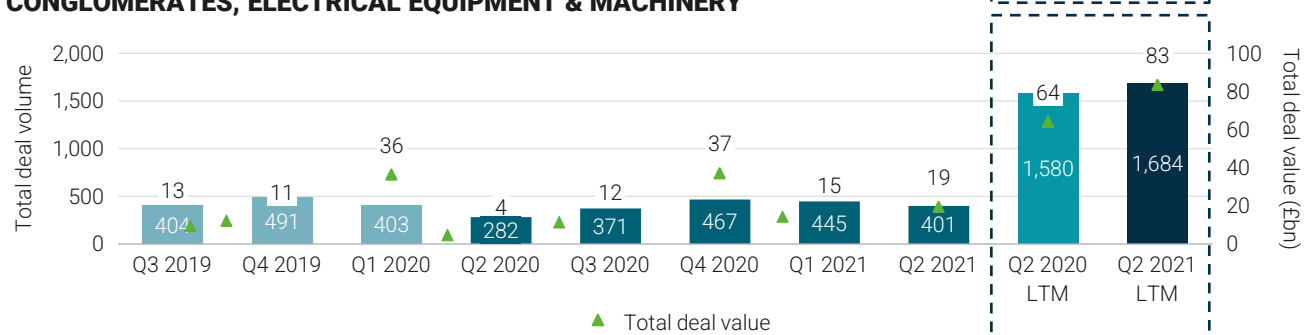
AUTOMOTIVE



CHEMICALS



CONGLOMERATES, ELECTRICAL EQUIPMENT & MACHINERY

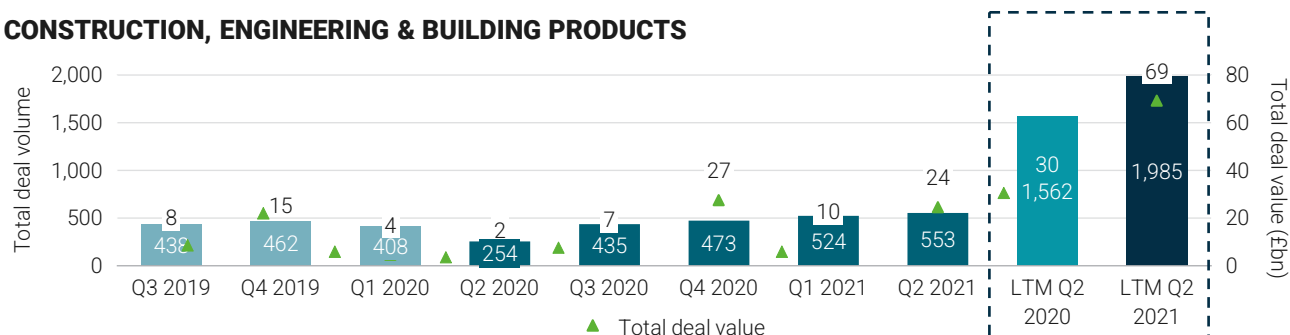


Note on avg. deal value: Calculated from available deals with disclosed target valuations, which is not exhaustive of all deals reported in deal volume.

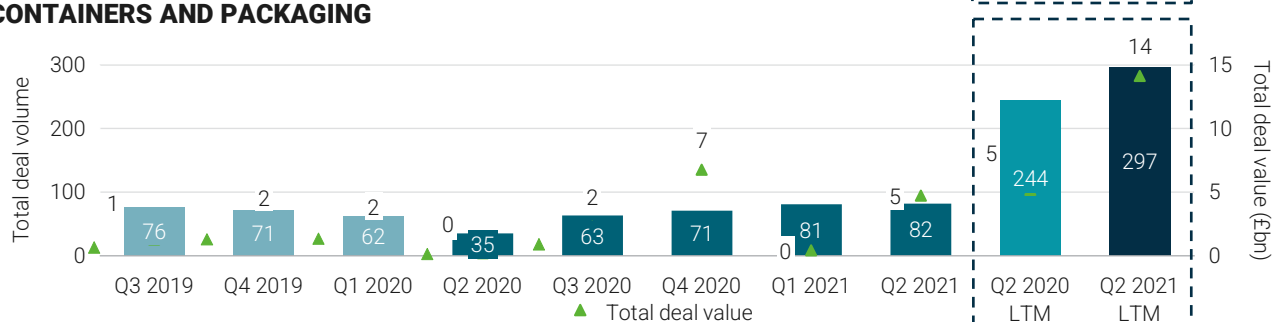
SUB-SECTOR ACTIVITY

DEAL ACTIVITY BY SUB-SECTOR

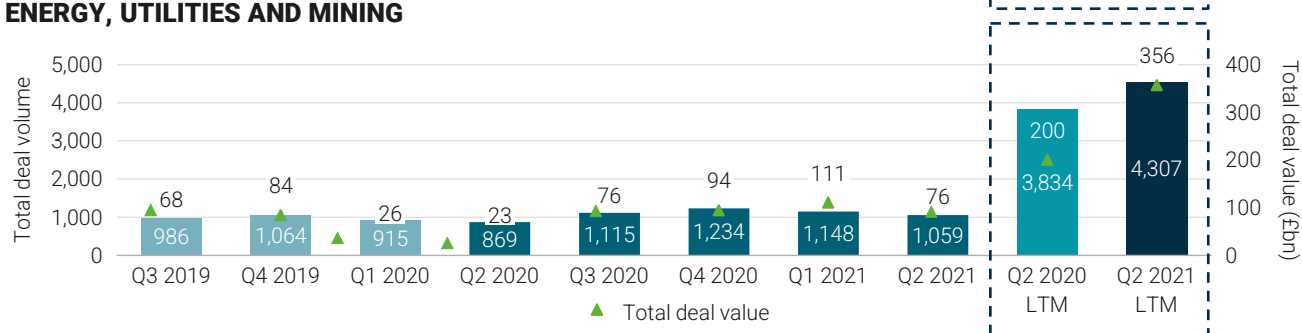
CONSTRUCTION, ENGINEERING & BUILDING PRODUCTS



CONTAINERS AND PACKAGING



ENERGY, UTILITIES AND MINING



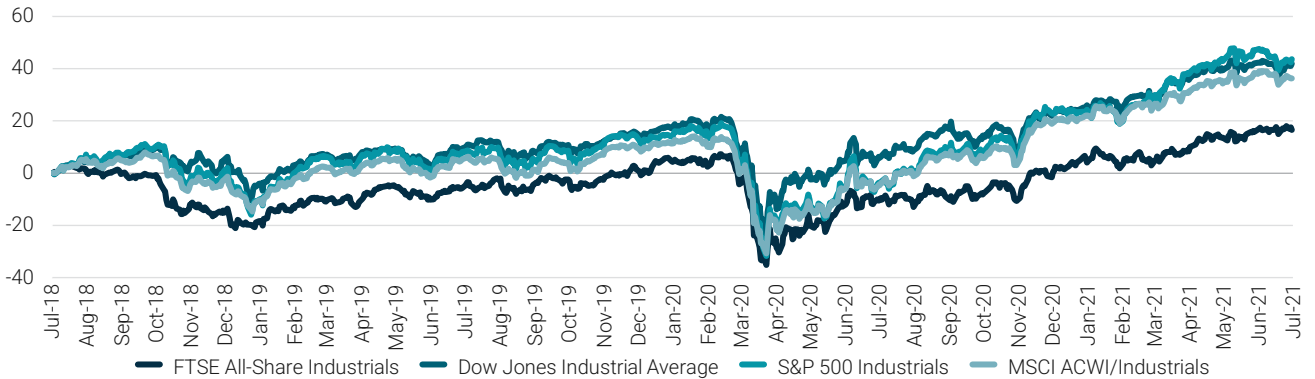
SUB-SECTOR (Q2 2021 LTM)	DEAL VOLUME	DEAL VALUE (€BN)	AVG. DEAL VALUE (€M)	AVG. EV/EBITDA VALUATION
Aerospace & Defence	282	20	723	8.0x
Automotive	373	20	503	10.7x
Chemicals	802	86	965	10.2x
Conglomerates, Electrical Equipment & Machinery	1,684	83	569	9.6x
Construction, Engineering & Building Products	1,985	69	549	9.4x
Containers & Packaging	297	14	629	8.2x
Energy, Utilities & Mining	4,556	356	644	8.9x

Note on avg. deal value: Calculated from available deals with disclosed target valuations, which is not exhaustive of all deals reported in deal volume.

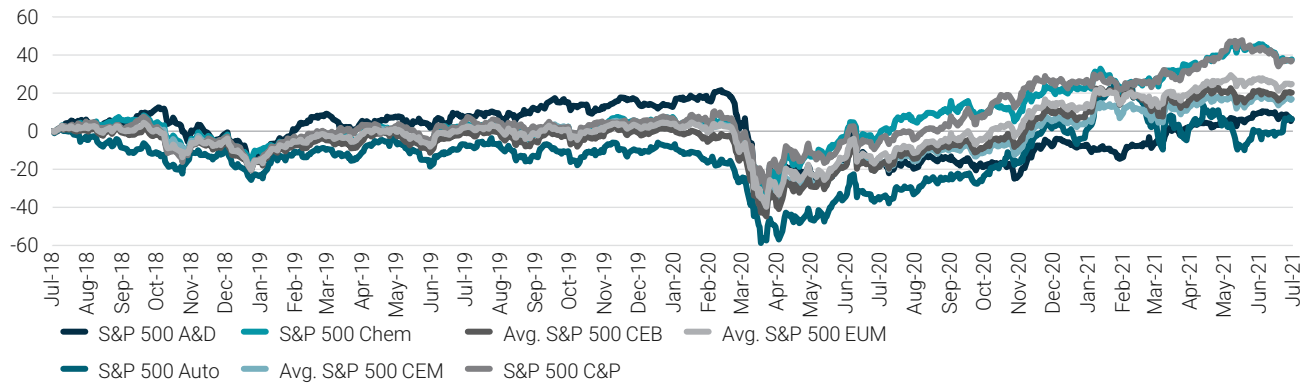
Appendix D

SUB-SECTOR PERFORMANCE

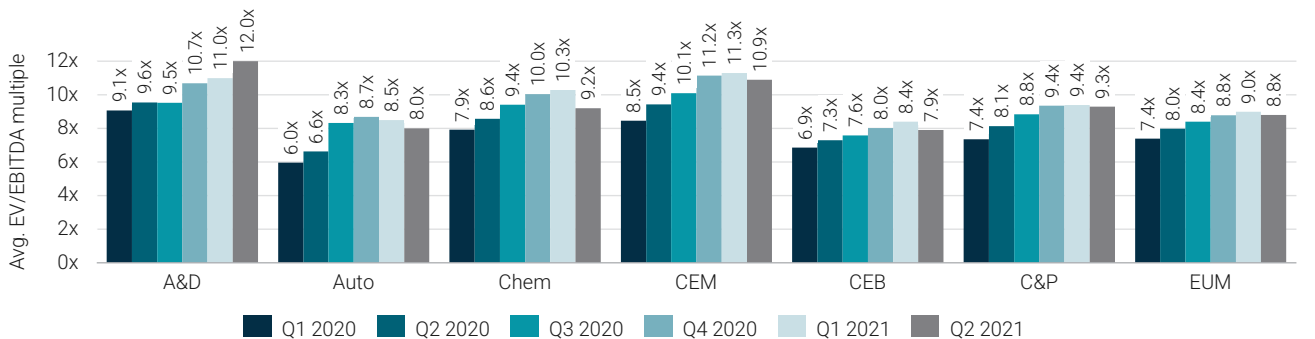
INDUSTRIALS – SECTOR INDEX PERFORMANCE



INDUSTRIALS – SUB-SECTOR PERFORMANCE



INDUSTRIALS – PUBLIC EV/EBITDA (LTM) VALUATION¹



SUB-SECTOR KEY

A&D	Aerospace & Defence	CEM	Conglomerates, Electrical Equipment & Machinery
AUTO	Automotive	C&P	Containers & Packaging
CHEM	Chemicals	EUM	Energy, Utilities & Mining
CEB	Construction, Engineering & Building Products		

1. Includes companies with revenue in excess of £500m per annum

A global practice

M&A EXPERTS WITH EXPERIENCE ACROSS EVERY ELEMENT OF THE DEAL LIFECYCLE

INTEGRATED APPROACH THROUGHOUT DEAL CYCLE

We offer market leading, integrated M&A services and develop long term relationships with clients

Delivering value creation and M&A solutions for corporates and investors...



...in 'when it really matters' M&A situations...



...leveraging the AlixPartners' unparalleled skill-set combining...



...M&A, operational & sector expertise in small, senior expert teams.



Integrated M&A Advisory

- We have a unique capability of drawing upon our sector and operational experts to provide a fully integrated offering across the deal life cycle.
- Our transactional expertise is recognized through our market leading results in both growth M&A as well as complexed and distressed M&A.



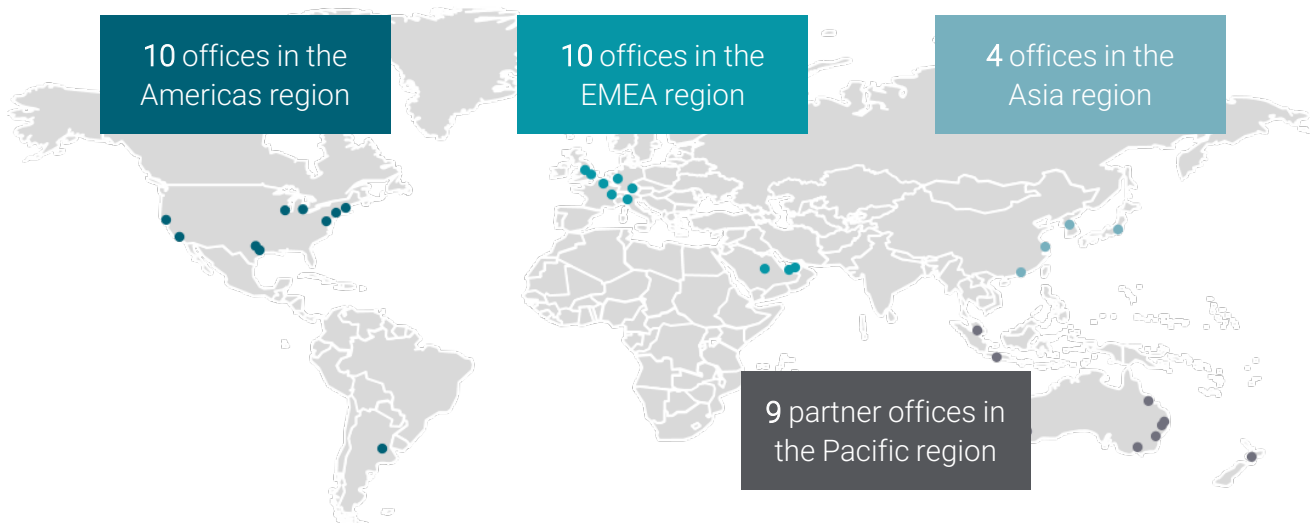
Operational and digital expertise

- Our operational experts are focused on identifying and implementing value creation opportunities to drive profit growth and improve cash generation.
- Similarly, by leveraging our IT and digital capabilities, we are very quickly able to assess the complexity of large/complex IT carve outs and implement IT separation and integration programmes to ensure a smooth transition.

Sector experience

- We have the ability to draw on experienced, hands-on consultants who have direct relevant expertise in specific sectors.
- Working closely with our transactional experts, our sector experts help you understand the industrial logic for a potential acquisition or exit and can assist in quantifying potential performance improvement measures.

GLOBAL REACH



ALIXPARTNERS INDUSTRIALS TEAM

M&A SERVICES ACROSS THE INVESTMENT CYCLE



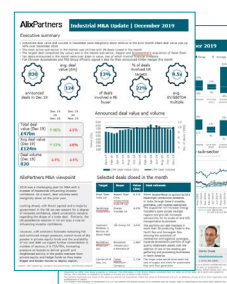
OUR EXPERTISE

Manufacturing			Energy & Resources	
Chemicals	Packaging	Automotive	Oil & Gas	Metals & Mining
Aerospace	Industrial Electronics	Diversified Industrials	Waste & Water	Power

Global Automotive Study



Industrials M&A Newsletter



Global Aerospace & Defence Study



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ABOUT US

For more than forty years, AlixPartners has helped businesses around the world respond quickly and decisively to their most critical challenges – circumstances as diverse as urgent performance improvement, accelerated transformation, complex restructuring and risk mitigation.

These are the moments when everything is on the line – a sudden shift in the market, an unexpected performance decline, a time-sensitive deal, a fork-in-the-road decision. But it's not what we do that makes a difference, it's how we do it.

Tackling situations when time is of the essence is part of our DNA – so we adopt an action-oriented approach at all times. We work in small, highly qualified teams with specific industry and functional expertise, and we operate at pace, moving quickly from analysis to implementation. We stand shoulder to shoulder with our clients until the job is done, and only measure our success in terms of the results we deliver.

Our approach enables us to help our clients confront and overcome truly future-defining challenges. We partner with you to make the right decisions and take the right actions. And we are right by your side. When it really matters.

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