

M&A, INDUSTRY AND CAPITAL MARKETS REVIEW



It's been an interesting start to 2016. 2015 was a strong year for M&A, but the start of 2016 brought many headlines that caused overall confidence to take a hit (equity market decline, oil price slide, strong dollar, political headlines, China, U.S. economic concerns, pace of rate hikes, etc.). The sun seems to be shining a bit again in April with markets rebounding, oil prices up, the dollar weakening and some sense that many of the headwinds faced in January are diminishing. All that said, management teams and investors continue to cite a challenging growth environment due to global economic conditions. In today's slow growth environment, management teams and investors have to keep their heads on a swivel to seize opportunities. M&A remains a key strategic initiative. Strategic buyers are pursuing transformational acquisitions while also divesting non-core assets to maximize shareholder returns. Financial buyers aggressively seek new platform investments and add-on acquisitions to drive growth of existing platforms. The range of strategic alternatives available to both private and public companies is broad. The data in this Review is designed to provide relevant information regarding M&A activity, capital markets conditions and important industry developments with a focus on the following sub-sectors:

- Automation, Sensors & Controls
- Capital Equipment & Machinery
- Connectivity
- Diversified Conglomerates
- Electronic & Electrical Components
- Industrial Power & Energy
- Precision-Engineered Components
- Test & Measurement
- Value-Added Distribution

Summary Observations

- Following a strong 2015, Q1 2016 M&A activity slowed due to various factors (China, oil, economy)
- M&A fundamentals remain strong and strong tone is resurfacing following a "cooling off" in Q1
- Oil has rebounded sharply from its October lows; the dollar has declined significantly
- Recent investor sentiment may suggest that the outlook for 2016 is improving
- Recent activity in the high yield markets suggests a more risk-tolerant atmosphere

SUMMARY MARKET STATISTICS *(as of April 15, 2016)*

Equity Capital Markets	1 Mo. % Chg.	1 Yr. % Chg.	Debt Capital Markets (Sources: St. Louis Fed, S&P)	Current	1 Year Ago	Spot Commodities & Currencies	1 Mo. % Chg.	1 Yr. % Chg.
DJIA	3.7%	(1.2%)	BAML BBB Effective Yield	3.74%	3.38%	Comex Copper	(3.6%)	(22.4%)
S&P 500 Index	3.2%	(1.2%)	BAML BB Effective Yield	5.36%	4.51%	WTI Cushing Crude Oil	9.5%	(28.2%)
Nasdaq Composite Index	4.4%	(1.4%)	BAML B Effective Yield	7.66%	6.23%	Henry Hub Natural Gas	2.7%	(28.3%)
Russell 2000 Index	6.0%	(11.2%)	YTD Leveraged Loan Volume	\$104.8B	\$119.0B	USD / JPY	(3.6%)	(8.7%)
DJ Transportation Average	4.3%	(8.4%)	YTD High Yield Volume	\$50.4B	\$115.1B	EUR / USD	1.6%	5.2%

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Recent Headlines Relevant to the Industrial Technology Sector

Global Economy

April 18th - China's economy grew 6.7% year-on-year in the first quarter of 2016, and 6.9% for the whole of 2015. That is the slowest rate since 2009, but the pace applies to a large economy – approximately \$10 trillion in 2015.

April 15th - U.S. industrial output was weak in Q1 2016, according to Reuters. However, there are signs that industrial activity is improving. "It is likely the inventory correction and stronger dollar continued to weigh on the output data for the first quarter, and we remain hopeful that the worst of the drags from these factors have passed and that activity will pick up shortly," said Daniel Silver, an economist at JPMorgan.

April 1st - The baseline IMF projection for global growth in 2016 is a modest 3.2%, broadly in line with last year, and a 0.2% point downward revision from January 2016. The recovery is projected to strengthen in 2017, driven primarily by emerging market and developing economies, as conditions in stressed economies begin to normalize.

March 29th - Negative rates are now the policy of the ECB, with a deposit rate of minus 0.40%; Switzerland: minus 0.75%; Sweden: minus 0.35%. The Bank of Japan has also announced negative interest rates. More than \$26 trillion of government bonds globally now trade at yields below 1%, approximately \$7 trillion currently yielding less than 0%.

Notable Recent Public Company Commentary

April 19th - **ABB** reported Q1 earnings that were better than consensus. Expectations were relatively negative going into the report. Orders from power utilities helped the grid maker to withstand a slowdown in some emerging markets and the oil and gas industry. Analysts commented that demand is improving and ABB full year estimates are "too low." Ulrich Spiesshofer, CEO, is cutting costs to increase efficiency and counter weakness in China and the oil & gas markets.

April 19th - The public market reaction to two large Industrial negative Q1 pre-announcements (below) in March is noteworthy. Both **Caterpillar** and **Dover** pre-announced earnings shortfalls and each stock has reacted favorably after an initial decline. Reasons cited for favorable stock reactions: i) expectations were low; ii) dollar has peaked; iii) Fed rate hike expectations lessened; iv) commodities have troughed; and v) significant short positions covered. DOV is now up 9.9% YTD and CAT is up 17.0% YTD.

April 18th - **W.W. Grainger** reported Q1 results that beat consensus expectations. Cost-containment at the operating expense level was the main driver. Revenues were largely in-line with expectations. The industrial distributor noted that gross margin continues to be under pressure (U.S. down 280 bps). Business in Canada was weak due to weakness in the energy markets. Grainger has been restructuring to contain costs, with 5 U.S. branches closed in Q1 and 50 more scheduled.

March 17th - **Caterpillar** preannounced negative Q1 results. Commentary: i) demand for new reciprocating engines serving energy markets is down 90% from peak levels (2014) driven by weak oil and natural gas prices; ii) pipeline compression business doing well due to increase in power generation (gas-fired electricity) with low natural gas prices; and iii) mining equipment remains weak (150 trucks expected in 2016 compared to peak of 1,600 in 2012).

March 14th - **Dover** preannounced negative Q1 results. Robert Livingston, Dover's CEO said, "While the end-markets served by our Engineered Systems and Refrigeration & Food Equipment segments have remained very solid in the first quarter, we have seen significant further weakening in the oil & gas related end-markets served by our Energy and Fluids segments. As a result, we expect that our first quarter results will be well below our prior expectations, entirely driven by our businesses with exposure to U.S. oil & gas markets."

Debt Capital Markets

April 19th - The yield to worst and spread on the Bank of America High-Yield Index closed at 7.80%/+646bps, the lowest levels since November. The "risk-on" rally seen in high yield during the month of April follows increases in the broader equity markets and the increase in the price of oil. Money inflows to the high yield market have been strong.

April 18th - With leveraged loan prices surging in the secondary market in March, loan mutual funds' assets under management grew by \$2.54 billion during the month, to \$109.64 billion, according to S&P. This is the first time that loan fund assets under management have grown since July 2015, and it's the largest increase since February 2014.

March 31st - With high purchase price multiples and regulatory pressures regarding highly leveraged credits, financial sponsors are contributing more equity to fund LBO transactions in 2016 relative to prior years (~40% according to S&P).

Commodities & Currencies

April 18th - Oil prices rose as a strike in Kuwait cut output from OPEC's fourth largest member. The tumbling dollar also bolstered investor demand for commodities. Oil prices have surged more than 50% from February 2016 levels.

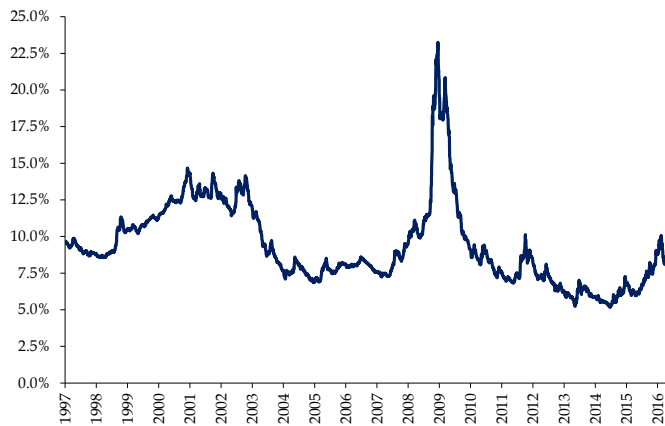
April 18th - The dollar slipped to the lowest level since June against its major peers after a government report showed new-home construction in the U.S. slipped more than projected in March, clouding Federal Reserve plans to boost interest rates. The dollar has weakened as policy makers voice increased concern that global headwinds remain challenging.

Select Recent Industrial Technology M&A Transactions *(by Sub-Sector)*

Date	Target	Acquiror	Sub-Sector	Target Business Description
3/23/16	Superior Controls	DFW Capital	Automation & Control	Mission-critical systems integration and automation services
4/7/16	Interconnect Systems	Molex	Connectivity	Advanced interconnect technologies and silicon packaging
1/5/16	HUB Industrial Supply	Applied Industrial Technologies	Distribution	Distributor of consumable industrial products
4/4/16	Menber's S.p.A. (Italy)	Littelfuse	Electronics	Manufacturer and distributor of electrical connectors
3/29/16	Chauvet and Sons	Cortec Group	Electronics	LED lighting products
3/21/16	Airco Industries (dba Photo Etch)	Firan Technology Group	Electronics	Electronics for various aerospace and defense applications
3/13/16	CTG Advanced Materials (Blue Wolf)	CTS Corporation	Electronics	Piezoelectric single crystals for the medical industry
3/10/16	VM Industries (H.I.G. Capital)	Acto Mezzanine (w mgmt)	Electronics	Connectors for the automotive and rail industry
3/1/16	RSI Video Technologies	Honeywell	Electronics	Wireless and self-powered security solutions
1/25/16	LaBarge Electronics (Ducommon)	Intervala, LLC	Electronics	PCBs and related assemblies to industrial and energy markets
1/19/16	Rogue Engineering	Cimarron Acquisition (Turnbridge)	Electronics	Electronic devices that increase electronics reliability
1/15/16	Cobham Plc Surveillance Business	Marlin Equity	Electronics	Surveillance business of Cobham
3/29/16	Blufon Motor Works (CapitalWorks)	WEG S.A. (Brazil)	Industrial Energy	Manufacture of sub 5hp motors for numerous applications
3/1/16	Power Electronics, Inc.	AZZ	Industrial Energy	Electrical enclosure systems serving utility and industrial mkts.
2/12/16	Warner Power (American Capital)	Grand Transformers (Blackford Cap)	Industrial Energy	Transformers, power supplies and data entry terminals
2/5/16	Electronic Systems Protection (Gridiron)	Ametek	Industrial Energy	Power protection solutions
1/14/16	Power Partners (PPI Inc.)	OpenGate Capital	Industrial Energy	Pole-type distribution transformers
1/12/16	Niagara Thermal Products (ShoreView)	Aavid Thermalloy (Audax)	Industrial Energy	Heat exchangers, heat sinks and heat transfer surfaces
3/2/16	RoadSafe Holdings (Falcon, Aperion)	ORIX	Infrastructure	Traffic control and protection services
12/9/15	SP Industries (Graham Partners)	Harbour Group	Laboratory Products	Laboratory equipment, instruments and specialty glassware
3/21/16	Morbark	Stellex Capital	Manufacturing	Equipment for forestry, recycling, sawmill and other markets
3/15/16	Brass Smith Innovations	Levine Leichtman	Manufacturing	Food merchandising and service equipment
3/14/16	Camus Hydronics	Cleaver-Brooks (Harbour Group)	Manufacturing	Condensing hydronic boilers and water heaters
3/14/16	Thermoforming Tech Grp (Spell Capital)	Tenex Capital	Manufacturing	Thermoforming machines and equipment
3/9/16	Sur-Form Corporation	Big 3 Precision Products (TVV Capital)	Manufacturing	Materials handling equipment for the automotive industry
3/7/16	Werner Co.	CDH Group	Manufacturing	European manuf. and dist. of access products for construction
2/17/16	Texas Hydraulics (Dover Corp.)	Wynnchurch Capital	Manufacturing	Custom-designed hydraulic cylinders, swivels, components
2/16/16	USA Fastener Group	MW Industries (Genstar Capital)	Manufacturing	Manufacturer of nuts, bolts; provides machine services
2/16/16	Industrial Magnetics (River Associates)	DNS Capital	Manufacturing	Manufacturer of magnetic assemblies and separation devices
2/12/16	Nationwide Industries (P&F Industries)	Argosy Private Equity	Manufacturing	Building material hardware and components
2/11/16	Atlas Wire	Spell Capital	Manufacturing	Insulated lead wire
1/28/16	R.W. Lyall	Hubbell	Manufacturing	Components for gas service line applications
10/21/15	Azmark Aero Systems	Imaginetics (Centerfield, Kidd & Co.)	Manufacturing	Hard metal components for aerospace & defense
3/16/16	Maxwell Chase Technologies	CSP Technologies (Wendel)	Packaging	Packaging solutions for the food industry
3/31/16	3Point Machine	Shipston Equity Holdings	Precision Components	Precision machined components as to auto and other markets
3/17/16	Bromford Industries (Darwin Private Eq.)	Liberty Hall Capital Partners	Precision Components	Close tolerance engine components for aerospace & power
3/10/16	Nichols Portland (Parker Hannifin)	Altus Capital	Precision Components	Displacement gears including gerotor gears and smart pumps
2/17/16	Fulton Bellows	United Flexible Group (Arlington Cap)	Precision Components	Precision engineered bellow and bellow assemblies
12/23/15	Metem Corporation	General Electric	Precision Components	Machine and assembled components to industrial markets
12/22/15	Red Valve Company	Hillenbrand	Precision Components	Highly engineered valves for harsh environments
4/6/16	PCB Group Inc.	MTS Systems Corporation	Sensors & Controls	Sensor technologies
2/18/16	SigmaSpace Corporation	Hexagon	Sensors & Controls	Laser imaging and other instrumentation for remote sensing
2/5/16	CenTrak, Inc.	Halma Plc	Sensors & Controls	Sensors and communication technology for healthcare
12/15/15	Stress-Tek	Vishay Precision Group	Sensors & Controls	Custom and high volume measurement sensors
4/6/16	Douglas Scientific (Kingdom Enterprises)	LGC Limited (KKR)	Test & Measurement	Laboratory instrumentation
4/4/16	Nelson Laboratories	Sterigenics (GTCR, Warburg Pincus)	Test & Measurement	Microbiology testing and consulting for med device & pharma
2/12/16	CyberMetrix	SGS SA	Test & Measurement	Test cells and equipment for engines and power systems
2/5/16	Brookfield Engineering Laboratories	Ametek	Test & Measurement	Viscometers and rheometers for labs and process control
1/6/16	DIT-MCO International Corporation	Capital for Business / Sage Capital	Test & Measurement	Wiring analyzers for automated testing applications
12/31/15	Spectrum Technologies	Transcat	Test & Measurement	Industrial equipment calibration
12/23/15	Circuit Check (Tonka Bay)	North Branch Capital	Test & Measurement	In-circuit functional and custom test fixtures

High Yield and Investment Grade Yields: 1997-2016 YTD

BAML US High Yield Master Index



Source: Federal Reserve Bank of St. Louis

BAML US Corporate Bond Index (A Rated)



Source: Federal Reserve Bank of St. Louis

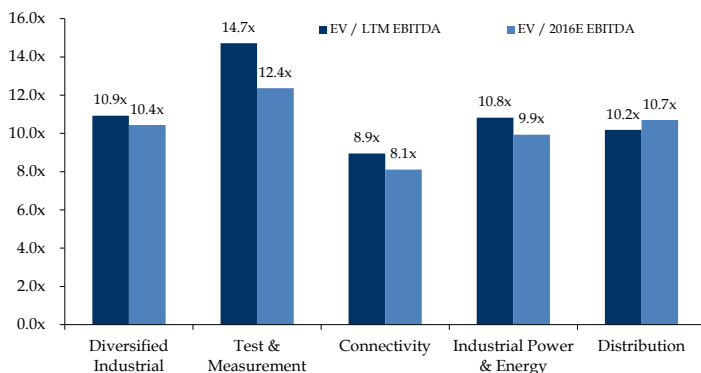
Summary Public Company Valuation Data and Operating Metrics

Diversified Industrial		Test & Measurement		Connectivity		Industrial Power & Energy		Distribution	
EV / LTM EBITDA	10.9x	EV / LTM EBITDA	14.7x	EV / LTM EBITDA	8.9x	EV / LTM EBITDA	10.8x	EV / LTM EBITDA	10.2x
EV / 2016E EBITDA	10.4x	EV / 2016E EBITDA	12.4x	EV / 2016E EBITDA	8.1x	EV / 2016E EBITDA	9.9x	EV / 2016E EBITDA	10.7x
2016E P/E	18.6x	2016E P/E	19.6x	2016E P/E	16.9x	2016E P/E	17.0x	2016E P/E	18.8x
EV / LTM Revenues	1.83x	EV / LTM Revenues	2.81x	EV / LTM Revenues	1.11x	EV / LTM Revenues	1.62x	EV / LTM Revenues	0.66x
3-Yr. Revs CAGR	(1.0%)	3-Yr. Revs CAGR	3.4%	3-Yr. Revs CAGR	0.5%	3-Yr. Revs CAGR	(2.5%)	3-Yr. Revs CAGR	1.6%
Est. 5-Yr. EPS Growth	11.0%	Est. 5-Yr. EPS Growth	12.5%	Est. 5-Yr. EPS Growth	10.9%	Est. 5-Yr. EPS Growth	14.9%	Est. 5-Yr. EPS Growth	12.4%
Gross Margin	33.6%	Gross Margin	51.1%	Gross Margin	31.4%	Gross Margin	29.1%	Gross Margin	24.2%
EBITDA Margin	17.8%	EBITDA Margin	20.4%	EBITDA Margin	15.0%	EBITDA Margin	14.9%	EBITDA Margin	7.2%
YTD Stock Price Change	11.4%	YTD Stock Price Change	1.3%	YTD Stock Price Change	3.4%	YTD Stock Price Change	11.3%	YTD Stock Price Change	13.2%
30 Day Stock Price Change	5.9%	30 Day Stock Price Change	3.1%	30 Day Stock Price Change	7.0%	30 Day Stock Price Change	5.3%	30 Day Stock Price Change	4.1%

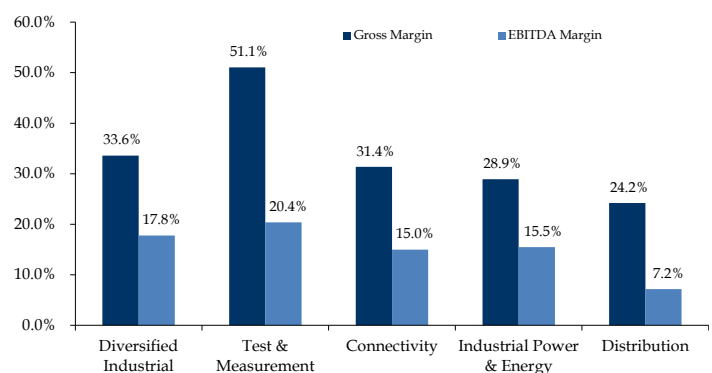
Note: Median statistics for respective metrics. As of close on April 15, 2016. Source for all public company data is Capital IQ.

Summary Public Company Valuation and Operating Metrics: Charts

Median EV / EBITDA by Sub-Sector



Median EBITDA and Gross Margins by Sub-Sector

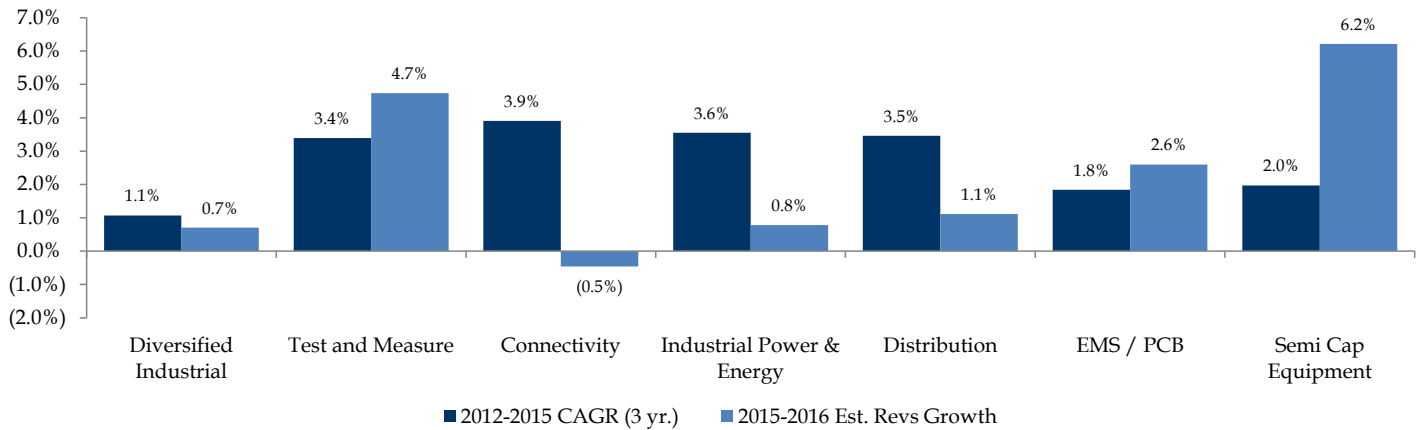


Note: please see comparable company analyses for companies comprising each sub-sector. All public company, commodity and currency data sourced from Capital IQ.

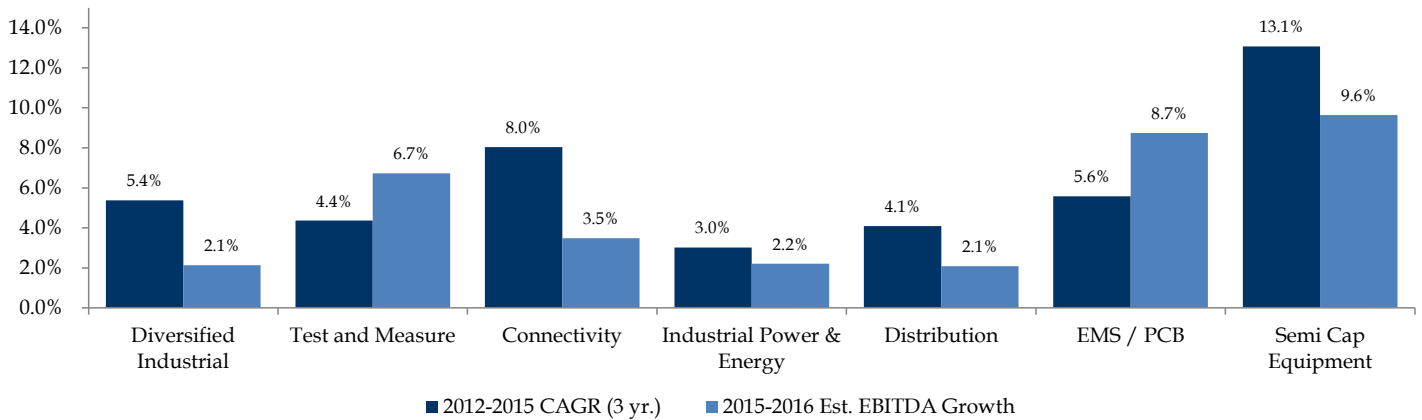
Average Revenue and EBITDA Growth: 3-Year Look-Back and 2016 Estimates

- The following data presents historical (2012 – 2015 3-year CAGR) and estimated (2016E) revenue and EBITDA growth for public companies within the Industrial Technology sector
- The EMS/Printed Circuit Board and Semi Capital Equipment sectors are also included to capture the growth trends of these sectors through the cycle

Average Revenue Growth by Sub-Sector: Historical and Projected



Average EBITDA Growth by Sub-Sector: Historical and Projected



Top 10 Companies by 2012 – 2015 3-year Revenue CAGR

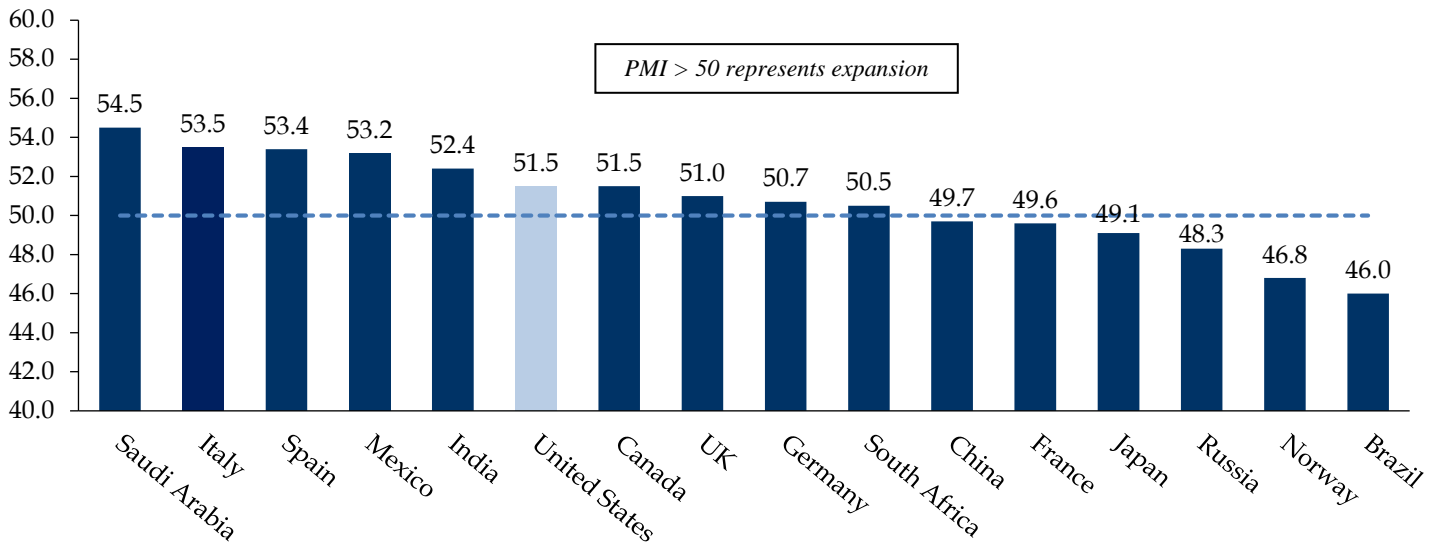
Top 10 Companies by 2015 – 2016E 1-year Revenue Growth

Company	Sector	%	Company	Sector	%
Bel Fuse Inc. (BELF.B)	Connectivity	26.1%	Anixter International Inc. (AXE)	Distribution	20.5%
Methode Electronics, Inc. (MEI)	Connectivity	18.5%	Amphenol Corporation (APH)	Connectivity	11.6%
AZZ incorporated (AZZ)	Industrial Power & Energy	16.5%	Generac Holdings Inc. (GNRC)	Industrial Power & Energy	11.5%
Pentair plc (PNR)	Diversified Industrial	14.4%	FEI Company (FEIC)	Test & Measurement	10.9%
Cognex Corporation (CGNX)	Test & Measurement	11.6%	ESCO Technologies Inc. (ESE)	Test & Measurement	10.3%
Thermo Fisher Scientific, Inc. (TMO)	Test & Measurement	10.5%	Dätwyler Holding Inc. (DAE)	Distribution	10.1%
Barnes Group Inc. (B)	Diversified Industrial	8.7%	Danaher Corp. (DHR)	Diversified Industrial	9.6%
Eaton Corporation plc (ETN)	Diversified Industrial	8.6%	Badger Meter Inc. (BMI)	Test & Measurement	8.9%
Amphenol Corporation (APH)	Connectivity	8.5%	AZZ incorporated (AZZ)	Industrial Power & Energy	8.7%
Belden Inc. (BDC)	Connectivity	8.3%	Hexagon AB (HEXA B)	Test & Measurement	8.7%

(1) EMS / PCB includes: Celestica Inc., Flextronics International Ltd., Jabil Circuit Inc., Plexus Corp., Sanmina Corporation and TTM Technologies Inc.

(2) Semi Capital Equipment includes: Applied Materials, Inc., Brooks Automation, Inc., KLA-Tencor Corporation, Lam Research Corporation, Rudolph Technologies Inc. and Teradyne Inc.

Manufacturing PMI: Countries, March 2016 (Source: www.tradingeconomics.com)



- The Manufacturing PMI is an indicator of the economic health of the manufacturing sector. The PMI index is based on five major indicators: new orders, inventory levels, production, supplier deliveries and the employment environment.
- A PMI of more than 50 represents expansion of the manufacturing sector, compared to the previous month.

Foreign Currencies

USD / JPY



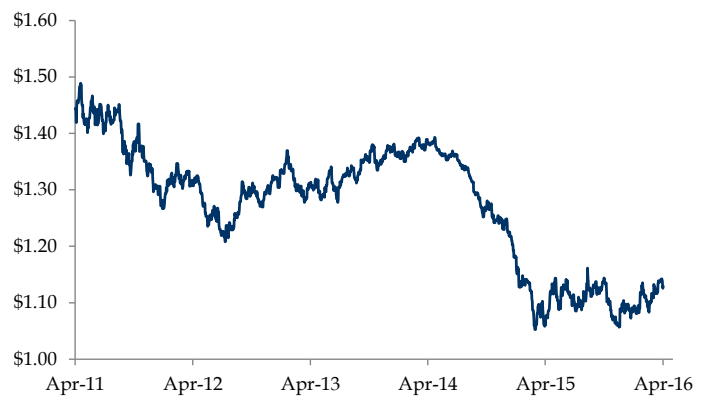
USD / China RMB



USD / CAD



EUR / USD



Source Data: S&P Capital IQ.

Precious and Base Metals / Commodities

Gold



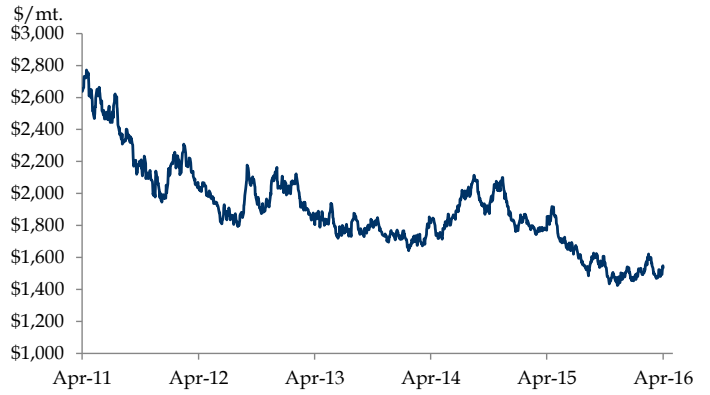
Silver



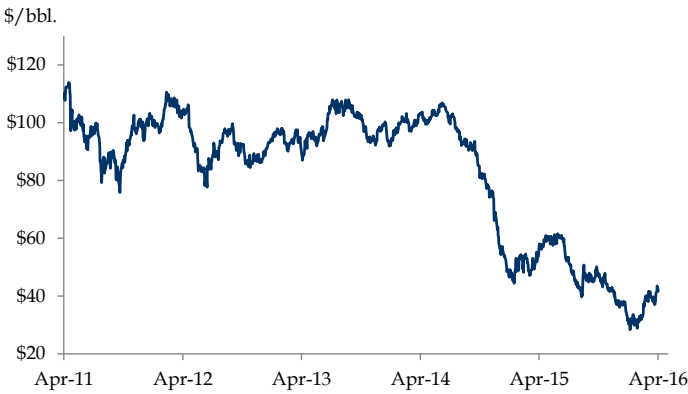
Copper



Aluminum



Crude Oil



Natural Gas



Source Data: S&P Capital IQ.

Comparable Company Analysis: Diversified Industrial Technology

COMPANY	STOCK PERFORMANCE AND COMPANY DATA					MARGINS		GROWTH		VALUATION DATA			
	4/15/2016	30 Day % Change	YTD % Change	Market Value (\$mm)	Enterprise Value (\$mm)	Gross Profit % Margin	EBITDA LTM % Margin	5-Year EPS % Growth	3-Year Revs CAGR	EV / Revs LTM	EV / EBITDA LTM	2016	P / E 2016
3M Company (MMM)	\$168.78	3.6%	12.0%	\$102,248.0	\$111,215.0	49.3%	28.1%	10.0%	(0.6%)	3.67x	13.1x	12.6x	20.5x
Actuant Corporation (ATU)	25.33	8.6%	5.7%	1,491.4	1,924.8	35.7%	14.4%	12.0%	(4.6%)	1.62x	11.3x	11.8x	20.7x
Barnes Group Inc. (B)	37.14	8.4%	4.9%	1,993.7	2,420.0	34.4%	21.2%	11.0%	4.1%	2.03x	9.5x	8.5x	14.9x
Carlisle Companies Incorporated (CSL)	102.00	7.3%	15.0%	6,546.9	6,884.8	28.7%	18.1%	14.0%	8.0%	1.94x	10.7x	10.0x	19.0x
CIRCOR International, Inc. (CIR)	47.00	14.4%	11.5%	770.9	806.8	31.8%	11.6%	15.0%	(12.4%)	1.23x	10.6x	11.1x	22.4x
Crane Co. (CR)	56.52	6.5%	18.1%	3,294.2	3,741.0	34.8%	37.3%	6.4%	1.3%	1.37x	3.7x	8.4x	14.1x
Curtiss-Wright Corporation (CW)	76.67	7.8%	11.9%	3,414.0	4,079.6	35.5%	18.7%	11.2%	1.3%	1.85x	9.9x	9.8x	18.7x
Danaher Corp. (DHR)	94.12	3.1%	1.3%	64,763.0	76,916.3	52.6%	22.9%	13.5%	7.6%	3.74x	16.3x	14.3x	19.3x
Dover Corporation (DOV)	65.98	3.5%	7.6%	10,234.8	12,641.1	37.2%	18.7%	12.2%	(1.3%)	1.82x	9.7x	10.3x	18.3x
Eaton Corporation plc (ETN)	62.83	3.4%	20.7%	28,778.3	36,829.3	31.7%	15.9%	10.5%	(3.5%)	1.77x	11.1x	10.9x	14.8x
General Electric Company (GE)	31.03	2.9%	(0.4%)	288,117.6	480,863.6	30.9%	14.0%	9.3%	3.9%	4.14x	29.6x *	19.9x *	20.7x
Harsco Corporation (HSC)	6.36	25.2%	(19.3%)	509.4	1,379.9	21.3%	16.0%	5.0%	(20.8%)	0.80x	5.0x	6.0x	26.0x
Honeywell International Inc. (HON)	114.63	4.9%	10.7%	87,271.9	92,229.9	30.7%	20.0%	9.5%	1.3%	2.39x	12.0x	10.9x	17.4x
IDEX Corporation (IEX)	83.47	5.2%	9.0%	6,337.8	6,850.6	44.9%	25.2%	13.5%	0.2%	3.39x	13.5x	13.4x	23.0x
Illinois Tool Works Inc. (ITW)	104.88	6.7%	13.2%	37,846.6	42,182.6	41.2%	24.9%	9.9%	(1.8%)	3.15x	12.6x	12.2x	19.2x
Ingersoll-Rand Plc (IR)	63.77	7.7%	15.3%	16,379.2	19,943.9	30.2%	13.6%	9.1%	2.8%	1.50x	11.0x	10.3x	16.4x
ITT Corporation (ITI)	38.52	7.0%	6.1%	3,460.3	3,228.7	32.6%	16.3%	12.0%	(0.7%)	1.30x	8.0x	8.0x	15.4x
Johnson Controls Inc. (JCI)	39.17	2.4%	(0.8%)	25,391.4	32,971.4	17.7%	8.3%	12.3%	(2.7%)	0.90x	11.1x	8.4x	10.1x
Kennametal Inc. (KMTI)	23.68	3.5%	23.3%	1,886.6	2,483.7	29.2%	11.8%	1.8%	(9.0%)	1.05x	9.0x	10.6x	25.2x
Nordson Corporation (NDSN)	78.05	3.8%	21.7%	4,448.1	5,528.4	53.6%	22.9%	15.6%	3.9%	3.29x	14.3x	13.3x	19.6x
Parker-Hannifin Corporation (PHI)	113.72	3.4%	17.3%	15,363.9	16,798.2	23.5%	14.1%	10.9%	(4.7%)	1.41x	10.0x	10.4x	18.6x
Pentair plc (PNR)	55.11	6.5%	11.3%	9,957.8	14,541.5	34.4%	17.8%	11.0%	(2.0%)	2.25x	12.7x	11.9x	13.6x
Rockwell Automation Inc. (ROK)	116.86	6.7%	13.9%	15,358.1	14,792.2	42.7%	20.5%	9.2%	(3.3%)	2.40x	11.7x	12.0x	20.1x
Roper Technologies, Inc. (ROP)	177.15	(0.2%)	(6.7%)	17,903.6	20,396.3	60.4%	34.6%	12.5%	6.0%	5.69x	16.5x	15.0x	25.2x
Siemens Aktiengesellschaft (SIE)	104.32	2.8%	6.8%	84,354.3	100,598.6	29.1%	10.8%	7.2%	(3.5%)	1.20x	11.1x	8.9x	14.1x
Smiths Group plc (SMIN)	15.51	4.7%	12.0%	6,129.7	7,541.1	46.1%	17.6%	7.8%	(6.6%)	1.80x	10.6x	10.0x	14.2x
SPX Corporation (SPXC)	16.91	26.2%	81.2%	707.8	943.1	17.0%	N.M.	N.A.	(5.5%)	0.55x	N.M.	7.7x	15.1x
Standex International Corporation (SXI)	78.77	6.6%	(5.3%)	1,010.8	1,016.1	32.8%	13.4%	11.6%	5.5%	1.33x	10.0x	9.3x	15.3x
Overall Group Mean		6.9%	11.4%	\$30,213.2	\$40,062.4	35.4%	18.8%	10.5%	(1.3%)	2.13x	10.9x	10.6x	18.3x
Overall Group Median		5.9%	11.4%	8,252.3	10,091.1	33.6%	17.8%	11.0%	(1.0%)	1.83x	10.9x	10.4x	18.6x
Overall Group Max		26.2%	81.2%	288,117.6	480,863.6	60.4%	37.3%	15.6%	8.0%	5.69x	16.5x	15.0x	26.0x
Overall Group Min		(0.2%)	(19.3%)	509.4	806.8	17.0%	8.3%	1.8%	(20.8%)	0.55x	3.7x	6.0x	10.1x

Comparable Company Analysis: Industrial Power & Energy

COMPANY	STOCK PERFORMANCE AND COMPANY DATA					MARGINS		GROWTH		VALUATION DATA			
	4/15/2016	30 Day % Change	YTD % Change	Market Value (\$mm)	Enterprise Value (\$mm)	Gross Profit % Margin	EBITDA LTM % Margin	5-Year EPS % Growth	3-Year Revs CAGR	EV / Revs LTM	EV / EBITDA LTM	2016	P / E 2016
ABB Ltd. (ABBN)	\$19.92	6.5%	11.0%	\$43,652.6	\$45,812.6	29.0%	12.8%	9.8%	(5.8%)	1.32x	10.3x	9.9x	20.6x
AZZ incorporated (AZZ)	57.10	2.1%	2.8%	1,475.3	1,762.1	25.5%	18.8%	14.2%	10.2%	1.95x	10.4x	9.5x	17.0x
Caterpillar Inc. (CAT)	79.17	6.5%	16.5%	46,102.4	78,935.4	28.2%	15.5%	10.8%	(9.6%)	1.68x	10.9x	16.2x	22.0x
Daikin Industries Ltd. (6367)	81.09	12.5%	9.5%	23,679.9	26,524.1	34.2%	14.4%	14.4%	5.6%	1.57x	10.9x	9.6x	18.2x
Eaton Corporation plc (ETN)	62.83	3.4%	20.7%	28,778.3	36,829.3	31.7%	15.9%	10.5%	(3.4%)	1.77x	11.1x	10.9x	14.8x
Emerson Electric Co. (EMR)	55.32	7.5%	15.7%	35,577.2	39,961.2	40.4%	18.8%	10.0%	(5.9%)	1.86x	9.9x	10.4x	17.9x
Generac Holdings Inc. (GNRC)	38.22	4.2%	28.4%	2,536.5	3,482.7	34.9%	19.8%	10.5%	(0.6%)	2.64x	13.4x	12.0x	12.6x
Global Power Equipment Group Inc. (GLPW)	2.27	(31.2%)	(34.8%)	39.0	75.2	16.9%	5.0%	N.A.	N.A.	0.14x	2.8x	N.A.	N.A.
Hubbell Inc. (HUBB)	108.98	7.6%	7.9%	6,134.1	6,430.9	32.9%	17.5%	7.9%	2.8%	1.90x	10.8x	11.2x	20.6x
Johnson Controls Inc. (JCI)	39.17	2.4%	(0.8%)	25,391.4	33,194.4	18.2%	8.4%	11.8%	(2.5%)	0.91x	10.9x	8.2x	10.0x
Lennox International, Inc. (LII)	140.84	6.4%	12.8%	6,140.5	7,199.8	27.8%	12.6%	21.3%	4.5%	2.06x	16.3x	13.8x	21.4x
Regal Beloit Corporation (RBC)	67.19	13.7%	14.8%	3,001.3	4,523.6	27.4%	15.5%	9.7%	2.8%	1.29x	8.3x	8.7x	13.5x
Schneider Electric SE (SU)	63.65	4.2%	11.5%	36,969.9	42,433.9	37.0%	14.3%	5.2%	(3.5%)	1.47x	10.3x	9.4x	15.2x
Siemens Aktiengesellschaft (SIE)	104.32	2.8%	6.8%	84,354.3	100,598.6	29.1%	10.8%	7.0%	(3.0%)	1.20x	11.1x	8.9x	14.2x
Overall Group Mean		3.5%	8.8%	\$24,559.5	\$30,554.5	29.5%	14.3%	11.0%	(0.7%)	1.55x	10.5x	10.7x	16.8x
Overall Group Median		5.3%	11.3%	24,535.6	29,859.2	29.1%	14.9%	10.5%	(2.5%)	1.62x	10.8x	9.9x	17.0x
Overall Group Max		13.7%	28.4%	84,354.3	100,598.6	40.4%	19.8%	21.3%	10.2%	2.64x	16.3x	16.2x	22.0x
Overall Group Min		(31.2%)	(34.8%)	39.0	75.2	16.9%	5.0%	5.2%	(9.6%)	0.14x	2.8x	8.2x	10.0x

Note: Data marked with “*” is excluded from summary calculations.

Comparable Company Analysis: Test & Measurement

COMPANY	STOCK PERFORMANCE AND COMPANY DATA				MARGINS		GROWTH		VALUATION DATA				
	Company	4/15/2016	30 Day % Change	YTD % Change	Market Value (\$mm)	Enterprise Value (\$mm)	Gross Profit % Margin	EBITDA LTM % Margin	5-Year EPS % Growth	3-Year Revs CAGR	EV / Revs LTM	EV / EBITDA LTM	2016
Agilent Technologies, Inc. (A)	\$40.91	5.0%	(2.2%)	\$13,409.1	\$13,214.1	51.1%	20.4%	11.6%	(11.9%)	3.27x	16.1x	14.0x	21.3x
Ametek Inc. (AME)	50.53	3.6%	(5.7%)	11,840.1	13,401.2	36.8%	27.5%	10.7%	3.8%	3.37x	12.3x	12.3x	19.7x
Badger Meter Inc. (BMI)	65.84	(2.6%)	12.4%	956.1	1,019.3	35.9%	16.7%	N.A.	6.8%	2.70x	16.2x	15.4x	29.3x
Cognex Corporation (CGNX)	38.38	(1.4%)	13.7%	3,261.9	2,913.5	77.2%	30.1%	N.A.	14.5%	6.47x	21.5x *	21.1x *	33.9x *
Danaher Corp. (DHR)	94.12	3.1%	1.3%	64,763.0	76,916.3	52.6%	22.9%	13.5%	7.6%	3.74x	16.3x	14.3x	19.3x
ESCO Technologies Inc. (ESE)	38.37	4.5%	6.2%	990.9	1,021.0	37.5%	15.7%	13.5%	6.1%	1.86x	11.8x	9.6x	19.1x
FARO Technologies Inc. (FARO)	30.38	(5.8%)	2.9%	505.9	355.5	52.8%	7.7%	N.A.	4.2%	1.12x	14.5x	10.1x	26.8x
FEI Company (FEIC)	89.99	6.5%	12.8%	3,677.9	3,377.0	50.6%	24.3%	13.4%	3.4%	3.63x	14.9x	14.3x	24.5x
FLIR Systems, Inc. (FLIR)	32.68	2.1%	16.4%	4,495.4	4,381.3	48.4%	22.9%	15.0%	3.0%	2.81x	12.3x	11.5x	19.6x
Hexagon AB (HEXA B)	40.23	14.2%	7.9%	14,500.9	16,265.5	59.9%	28.8%	10.4%	2.3%	4.92x	17.1x	15.0x	22.3x
Ixia (XXIA)	10.19	(10.3%)	(18.0%)	826.4	796.9	78.0%	15.9%	12.3%	5.1%	1.54x	9.7x	7.2x	13.6x
Viavi Solutions Inc. (VIAV)	6.60	-	8.4%	1,529.5	1,219.0	48.0%	7.4%	12.5%	(19.2%)	0.70x	9.6x	7.5x	17.0x
Mettler-Toledo International Inc. (MTD)	360.29	7.0%	6.2%	9,681.0	10,173.6	56.4%	22.6%	12.9%	0.5%	4.25x	18.8x	16.9x	25.4x
MTS Systems Corporation (MTSC)	54.54	(4.6%)	(14.0%)	805.1	786.8	38.3%	13.8%	16.0%	1.5%	1.40x	10.1x	8.9x	16.9x
National Instruments Corporation (NATI)	28.06	(5.8%)	(2.2%)	3,586.7	3,290.8	74.2%	15.9%	N.A.	3.3%	2.69x	16.9x	12.4x	21.7x
Oxford Instruments plc (OXIG)	9.79	1.1%	(13.4%)	559.4	770.5	45.0%	12.3%	N.A.	(3.6%)	1.36x	11.0x	9.4x	13.5x
Roper Technologies, Inc. (ROP)	177.15	(0.2%)	(6.7%)	17,903.6	20,396.3	60.4%	34.6%	12.5%	6.0%	5.69x	16.5x	15.0x	25.2x
Spectris plc (SXS)	26.13	4.3%	(1.7%)	3,112.6	3,258.0	57.4%	16.7%	4.8%	(4.3%)	1.86x	11.1x	11.1x	16.0x
Teledyne Technologies Inc. (TDY)	89.81	5.7%	1.3%	3,095.6	3,792.5	37.9%	16.2%	N.A.	(0.8%)	1.65x	10.2x	10.3x	17.6x
Thermo Fisher Scientific, Inc. (TMO)	145.34	4.5%	2.5%	57,187.3	69,278.3	45.8%	24.5%	11.7%	10.2%	4.08x	16.7x	15.6x	18.3x
Waters Corporation (WAT)	135.81	4.5%	0.9%	10,998.6	10,267.7	58.7%	32.7%	8.9%	3.8%	5.03x	15.4x	14.5x	21.7x
Overall Group Mean		1.7%	1.4%	\$10,842.2	\$12,233.1	52.5%	20.5%	12.0%	2.0%	3.05x	13.9x	12.3x	20.4x
Overall Group Median		3.1%	1.3%	3,586.7	3,377.0	51.1%	20.4%	12.5%	3.4%	2.81x	14.7x	12.4x	19.6x
Overall Group Max		14.2%	16.4%	64,763.0	76,916.3	78.0%	34.6%	16.0%	14.5%	6.47x	18.8x	16.9x	29.3x
Overall Group Min		(10.3%)	(18.0%)	505.9	355.5	35.9%	7.4%	4.8%	(19.2%)	0.70x	9.6x	7.2x	13.5x

Comparable Company Analysis: Connectivity

COMPANY	STOCK PERFORMANCE AND COMPANY DATA				MARGINS		GROWTH		VALUATION DATA				
	Company	4/15/2016	30 Day % Change	YTD % Change	Market Value (\$mm)	Enterprise Value (\$mm)	Gross Profit % Margin	EBITDA LTM % Margin	5-Year EPS % Growth	3-Year Revs CAGR	EV / Revs LTM	EV / EBITDA LTM	2016
Ametek Inc. (AME)	\$50.53	3.6%	(5.7%)	\$11,840.1	\$13,401.2	36.8%	27.5%	10.7%	3.8%	3.37x	12.3x	12.3x	19.7x
Amphenol Corporation (APH)	58.74	4.1%	12.5%	18,067.7	19,160.7	32.0%	23.0%	7.9%	9.9%	3.44x	14.9x	13.9x	22.7x
Beijer Electronics AB (BELE)	6.31	(3.3%)	(2.3%)	120.3	107.2	8.2%	8.2%	67.6%	(8.9%)	0.66x	8.0x	8.4x	21.7x
Belden Inc. (BDC)	63.50	13.3%	33.2%	2,670.8	4,208.5	40.2%	15.0%	12.3%	3.9%	1.82x	12.2x	10.0x	12.0x
Bel Fuse Inc. (BELF.B)	15.64	13.1%	(9.5%)	185.8	287.9	20.7%	9.6%	N.A.	16.6%	0.51x	5.3x	N.A.	10.9x
Black Box Corporation (BBOX)	13.70	4.4%	43.8%	210.7	322.5	30.8%	5.1%	5.0%	(3.1%)	0.35x	6.7x	8.0x	12.1x
Carlisle Companies Incorporated (CSL)	102.00	7.3%	15.0%	6,546.9	6,884.8	28.7%	18.1%	14.0%	8.0%	1.94x	10.7x	10.0x	19.0x
Corning Inc. (GLW)	20.92	7.6%	14.4%	23,006.6	25,305.6	40.1%	27.3%	4.3%	7.4%	2.78x	10.2x	8.1x	14.9x
Digi International Inc. (DGII)	8.92	5.1%	(21.6%)	230.2	127.8	46.2%	7.4%	24.0%	2.8%	0.59x	8.0x	6.8x	28.2x
Encore Wire Corp. (WIRE)	40.07	10.8%	8.0%	829.0	749.8	13.4%	8.7%	11.0%	(4.8%)	0.74x	8.5x	7.3x	14.8x
General Cable Corporation (BGC)	13.41	32.1%	(0.1%)	661.0	1,693.0	11.1%	5.2%	10.0%	(15.3%)	0.40x	7.8x	6.9x	17.3x
Hirose Electric Co. Ltd. (6806)	125.06	10.2%	1.8%	4,373.3	2,853.2	45.8%	34.1%	2.0%	(2.7%)	2.77x	8.1x	8.0x	27.4x
Hubbell Inc. (HUBB)	108.98	7.6%	7.9%	6,134.1	6,430.9	32.9%	17.5%	9.8%	2.7%	1.90x	10.8x	11.2x	20.6x
Huber+Suhner AG (HUBN)	48.63	(0.7%)	5.1%	946.0	786.2	34.6%	11.9%	N.A.	(2.1%)	1.11x	9.4x	8.0x	20.3x
Methode Electronics, Inc. (MEI)	28.72	3.8%	(9.8%)	1,060.1	912.8	24.9%	15.6%	15.0%	6.0%	1.11x	7.1x	6.6x	12.7x
Nexans Société Anonyme (ENXTPA:NEX)	46.53	8.1%	27.1%	1,982.0	2,258.9	12.6%	4.5%	94.7%	(17.7%)	0.33x	7.5x	5.4x	16.5x
Optical Cable Corp. (OCC)	2.72	23.1%	(3.9%)	19.2	31.0	28.2%	N.M.	N.A.	N.A.	0.44x	N.M.	N.A.	N.A.
Smiths Group plc (SMIN)	15.51	4.7%	12.0%	6,129.7	7,541.1	46.1%	17.6%	7.8%	(6.6%)	1.87x	10.6x	10.0x	14.2x
TE Connectivity Ltd. (TEL)	63.48	6.7%	(1.7%)	23,467.1	25,114.1	33.5%	21.1%	13.0%	(1.7%)	2.09x	9.9x	9.5x	15.4x
Volex plc (VLX)	0.48	(7.5%)	(38.4%)	42.9	48.4	16.4%	0.7%	N.A.	N.A.	0.12x	18.3x *	N.A.	N.A.
Overall Group Mean		7.7%	4.4%	\$5,426.2	\$5,911.3	29.2%	14.6%	19.3%	(0.1%)	1.42x	9.3x	8.8x	17.8x
Overall Group Median		7.0%	3.4%	1,521.0	1,976.0	31.4%	15.0%	10.9%	0.5%	1.11x	8.9x	8.1x	16.9x
Overall Group Max		32.1%	43.8%	23,467.1	25,305.6	46.2%	34.1%	94.7%	16.6%	3.44x	14.9x	13.9x	28.2x
Overall Group Min		(7.5%)	(38.4%)	19.2	31.0	8.2%	0.7%	2.0%	(17.7%)	0.12x	5.3x	5.4x	10.9x

Note: Data marked with "*" is excluded from summary calculations.

Comparable Company Analysis: Distribution

COMPANY	STOCK PERFORMANCE AND COMPANY DATA					MARGINS		GROWTH		VALUATION DATA			
	4/15/2016	30 Day % Change	YTD % Change	Market Value (\$mm)	Enterprise Value (\$mm)	Gross Profit % Margin	EBITDA LTM % Margin	5-Year EPS % Growth	3-Year Revs CAGR	EV / Revs LTM	EV / EBITDA LTM	2016	P / E 2016
Applied Industrial Technologies, Inc. (AIT)	\$44.88	9.5%	10.8%	\$1,761.8	\$2,073.2	28.1%	8.2%	8.6%	0.7%	0.79x	9.7x	10.2x	17.6x
Anixter International Inc. (AXE)	53.41	10.4%	(11.6%)	1,760.9	3,252.5	21.7%	5.7%	-6.0%	12.4%	0.53x	9.3x	8.6x	12.9x
Arrow Electronics, Inc. (ARW)	64.22	4.1%	18.5%	5,884.3	8,088.2	13.0%	4.5%	N.A.	4.0%	0.35x	7.7x	7.4x	9.7x
Avnet, Inc. (AVI)	44.67	3.4%	4.3%	5,863.6	7,156.0	11.4%	3.8%	N.A.	(0.4%)	0.26x	6.9x	6.8x	10.0x
Dätwyler Holding Inc. (DAE)	148.64	3.6%	3.8%	2,445.0	2,316.0	24.8%	14.9%	N.A.	(2.5%)	1.99x	13.3x	10.5x	20.1x
Genuine Parts Company (GPC)	99.40	4.0%	15.7%	14,861.9	15,325.5	29.8%	8.3%	4.4%	3.3%	1.00x	12.1x	11.5x	20.9x
W.W. Grainger, Inc. (GWW)	235.05	6.5%	16.0%	14,473.0	16,258.8	42.4%	15.3%	13.3%	2.7%	1.63x	10.7x	10.9x	20.1x
Houston Wire & Cable Company (HWCC)	7.13	3.9%	35.0%	118.4	161.3	21.4%	4.0%	12.5%	(8.3%)	0.52x	13.1x	16.9x	40.2x *
MRC Global Inc. (MRC)	13.75	(0.1%)	6.6%	1,392.9	2,203.1	16.5%	6.2%	15.0%	(15.0%)	0.49x	7.9x	29.3x *	N.M.
MSC Industrial Direct Co. Inc. (MSM)	74.85	3.7%	33.0%	4,594.0	4,909.8	45.2%	15.5%	12.4%	4.7%	1.70x	10.9x	10.9x	20.2x
TESSCO Technologies Inc. (TESS)	16.75	(4.7%)	(14.0%)	138.6	133.1	23.9%	3.1%	13.0%	(7.1%)	0.25x	8.1x	N.A.	26.6x
VWR Corporation (VWR)	26.53	8.9%	(6.3%)	3,486.6	5,339.3	27.7%	10.4%	8.9%	2.5%	1.24x	11.8x	11.2x	15.8x
Watsco Inc. (WSO)	135.42	5.4%	15.6%	4,401.0	4,858.2	24.5%	8.6%	13.3%	4.9%	1.18x	13.8x	12.8x	24.6x
WESCO International Inc. (WCC)	55.41	5.7%	26.9%	2,338.3	3,710.5	19.9%	5.7%	11.3%	(0.9%)	0.49x	8.7x	9.3x	14.4x
Overall Group Mean		4.6%	11.0%	\$4,537.2	\$5,413.2	25.0%	8.2%	9.7%	0.1%	0.89x	10.3x	10.6x	17.7x
Overall Group Median		4.1%	13.2%	2,965.8	4,284.3	24.2%	7.2%	12.4%	1.6%	0.66x	10.2x	10.7x	18.8x
Overall Group Max		10.4%	35.0%	14,861.9	16,258.8	45.2%	15.5%	15.0%	12.4%	1.99x	13.8x	16.9x	26.6x
Overall Group Min		(4.7%)	(14.0%)	118.4	133.1	11.4%	3.1%	(6.0%)	(15.0%)	0.25x	6.9x	6.8x	9.7x



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