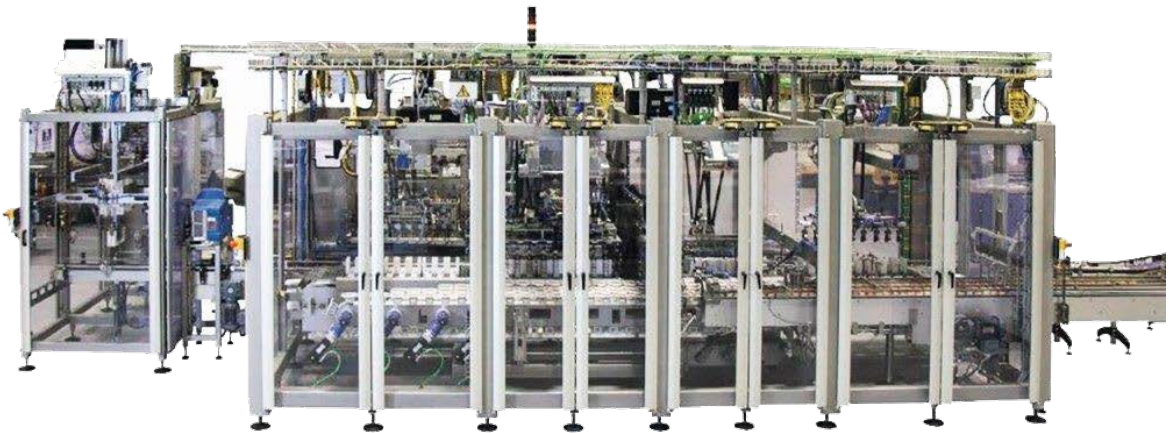




HOULIHAN LOKEY

PACKAGING & PROCESSING MACHINERY

INDUSTRY UPDATE | WINTER 2018



Houlihan Lokey Packaging & Processing Machinery Industry Update

Dear Clients and Friends,

Houlihan Lokey is pleased to present its Packaging & Processing Machinery Industry Update for winter 2018.

We have included important news stories, transaction announcements, public trading comparables, and industry insights to help you stay well briefed on developments and M&A trends in this dynamic and constantly evolving industry. We are also thankful that Mr. Robert Roiger, Managing Director of A+F Packaging Solutions, took the time for an interview to discuss his view on recent market developments and overall sector trends. The period since our last newsletter in spring 2018 has mainly been characterized by the ongoing tariff conflict and political uncertainty. Nevertheless, the overall market sentiment in the packaging machinery sector remains positive. This year's Pack Expo was the largest since its inception. On the M&A side, several transactions occurred over the past months as well. Looking ahead, the announcement by Bosch to divest its Packaging Technology business unit will certainly keep the industry in motion until a new owner is determined.

We hope you will find this newsletter to be informative and that it serves as a valuable resource to you in staying abreast of the market. If there is additional content you would find useful for future updates, please don't hesitate to call or email us with your suggestions. We look forward to staying in touch with you.

On our own behalf, we are also pleased to announce that Houlihan Lokey's European Industrials Group is keeping its pace and is significantly growing. Recent Managing Director hires include David Brock, covering Building Materials out of London, and Martin Bastian covering Chemicals out of Frankfurt.

Lastly, the entire Houlihan Lokey Industrials Group wishes you and your beloved ones a peaceful holiday season and a great start into 2019.

Regards,



Steffen Leckert
Openturm
Bockenheimer Landstraße 2–4
60306 Frankfurt am Main
Germany
SLeckert@HL.com
+49 (0) 69 170 099 22



Scott Alford
111 South Wacker Drive
Chicago, IL 60606
USA
SAlford@HL.com
+1 312 456 4757

Industry Verticals Covered

Packaging Machinery

- Primary packaging
- Secondary packaging
- End-of-line packaging

Food & Pharma Processing Machinery

- Milling equipment
- Dryers & granulators
- Blenders
- Filling machines

Plastic Processing Machinery

- Extrusion machines
- Blow molding machines
- Injection molding & other processing machines



Houlihan Lokey is the trusted advisor to more top decision makers than any other independent global investment bank.

Corporate Finance

Advisor	Deals
1 Houlihan Lokey	174
2 Goldman Sachs & Co	173
3 JP Morgan	164
4 Morgan Stanley	132
5 Barclays	106

Source: Thomson Reuters

No. 1 US M&A Advisor

Top 10 Global M&A Advisor

Leading Capital Markets Advisor

Financial Restructuring

Advisor	Deals
1 Houlihan Lokey	63
2 Rothschild & Co.	48
3 Lazard	36
4 PJT Partners LP	35
5 Moelis & Co.	22

Source: Thomson Reuters

No. 1 Global Investment Banking Restructuring Advisor

1,000+ Transactions Completed Valued at More Than \$2.5 Trillion Collectively

Financial Advisory

Advisor	Deals
1 Houlihan Lokey	1,001
2 JP Morgan	959
3 Bank of America Merrill Lynch	699
4 Duff & Phelps	672
5 Morgan Stanley	660

Source: Thomson Reuters. Announced or completed transactions.

No. 1 Global M&A Fairness Opinion Advisor Over the Past 20 Years

1,000+ Annual Valuation Engagements

Select Recent European Industrials Transactions

Interview – Status of the Packaging Machinery Industry

We are delighted to present an interview with Mr. Robert Roiger on recent developments and trends in the packaging machinery industry. The packaging equipment industry recently met in Chicago at the Pack Expo, the biggest trade show since its inception. Driven by favorable end-market developments and mega-trends, such as e-commerce, the industry as a whole continues to do well, order books are well filled and there is reasonable optimism for a positive medium-term outlook. With regard to the M&A activity in the sector we have also seen a busy deal period at high valuation levels in the recent past, most likely as a reflection of such positive market trends. Looking ahead, the announcement by Bosch to divest its packaging technology business unit will certainly keep the industry in motion until a new owner is determined. Against this background, we spoke with Mr. Roiger to get insight into his views on the industry, relevant trends, and potential challenges or risks.



Robert Roiger serves as CEO of A+F since 2014. Prior to that he worked in the private equity industry and held management positions in industrial companies.

A+F is a manufacturer of end-of-line packaging machines and equipment. A+F provides integrated solutions for the Dairy, Food, and Beverage industries as well as for the Cosmetics, Pharmaceutical, and other industries. With its production site in Kirchlengern, Germany, A+F generates sales of c.€35 million.

Robert Roiger
Managing Director
A+F Packaging Solutions



HL: Let's start with your general view on the state of the industry. What is your medium-term outlook for the packaging industry as a whole?

RR: We see organic annual growth rates of 5-6% per year. From a long-term perspective the packaging machinery industry will further benefit from key macro trends, such as the growth of the world population, accelerated urbanization, and a further increasing middle class in emerging markets, among others.

HL: Which general trends do you see in the market from a technology, customer, and competition perspective?

RR: From a technology perspective we will see several developments such as the digitisation of the full packaging supply chain, the optimisation of production processes by big data analytics, and predictive and preventive maintenance modules to prevent and lower machinery down times. The next development step within a period of 5–10 years will be systems that optimise themselves, such as machine learning. What we saw in previous years and continue to see now is an increasing demand of packaging machines that provide a higher format flexibility with optimised and user friendly change over time. Mechanical parts will be replaced by more and more software modules, for example Flexpicker solutions combined with 3D scanners or camera technologies will replace guiding and pneumatic modules.

From a customer perspective they will offer a more customized production according to the actual end-market demand. Therefore, highly flexible packaging machines will be necessary such as the assortment packaging machine we recently developed where the assortment configuration can be changed on an hourly basis according to the consumption of the specific retail store. I also expect an ongoing market consolidation, as the market is still fragmented.

HL: How have customer requirements changed over the past years?

RR: Our customers are increasingly under pressure from their customers (mainly big retail chains). They need to produce 24/7 with as less interruptions as possible. In order to avoid downtimes, there is a high focus on using monitoring tools and making production more transparent. Additionally, end-customers request smaller lot sizes with a customized production, as described in the previous paragraph.

In terms of project management and implementation, we see an increasing demand for turnkey projects as customers avoid managing interfaces of every single project step like secondary and tertiary packaging.

Interview to be continued on next page

Sources: A+F Fördertechnik

Interview – Status of the Packaging Machinery Industry

(cont.)

HL: Has the discussion on materials, in particular “the war on plastic”, had an impact on equipment manufacturers?

RR: Yes it has an impact especially on the filling product segment, where we expect the usages of alternative materials to be implemented for items like yoghurt cups. Further downstream we also see other packaging materials with thinner plastic walls. Therefore, more sophisticated machines will be required that are able to handle these demands.

HL: Where do you see the biggest potential and also challenges of Industry 4.0 applications, such as predictive maintenance, remote services, and augmented reality solutions?

RR: The full digitisation of the packaging process is indeed a great challenge. A major driver is different systems that are used for every single production step. Therefore, it is a big challenge to retrieve the data and make it visible along the entire production process. It's important to provide open systems to give customers the chance to process production data. The biggest potential is to optimise the efficiency of the packaging process. As a mechanical engineering company, it's a great chance to learn a lot of customer demands by analyzing the machine data. Based on this, future business models can be developed to include proactive service instead of reactive service.

HL: Can you think of any additional functions that “the perfect packaging line” should offer which does not exist today?

RR: The target must be to reach 100% line efficiency. Unfortunately, this is not realistic. To come as close as possible to 100%, we will see a further shift to integrated systems including predictive and preventive maintenance modules which will also optimise the human factor. A drill down view from a packaging line to a single machine that shows most frequent error messages and weaknesses of components would be a great help. In general, the technology is there. We currently push many developments in this field and expect many new developments in this area over the next years.

HL: Do you see a trend towards an increasing full-line/turnkey approach by leading equipment manufacturers or rather the opposite, i.e. the focus on certain process steps only?

RR: We see a strong trend in the demand of turnkey end-of-line packaging machines. Due to the fact that process and filling technology is different from end-of-line packaging technology we often see that customers separate the suppliers after the filling process. Due to higher market requirements, including speed, format flexibly, complexity of handling a special product, etc., more and more specialisation is required to design end-of-line packaging machines. As an example, A+F is now working together with all major filling companies.

HL: How important is it to customers to have all interfaces managed and controlled by one supplier versus a variety of suppliers?

RR: As mentioned earlier, often customers prefer that all interfaces are managed by one party. However, in terms of technology and machine know-how it makes sense to have specialised companies like A+F that have a clear focus in order to provide the customers with the best technology.

HL: Let's talk more specifically about the end-of-line segment: Where do you see the biggest growth potential for this segment?

RR: Having the capabilities to deliver turnkey projects including erectors, packers and palletizing systems, and digitisation of the complete machine portfolio, including the development of related business models like proactive machine analytics, and offering Flexpicker solutions combined with 3D scanners or camera technology, and high software integration with less mechanical parts.

HL: Historically the end-of-line segment has been viewed as the area with the lowest technology content and hence smallest potential for differentiation. Has this changed and/or do you see competition from Asia in this segment with lower priced equipment penetrating the Western markets?

RR: In many applications, the end-of-line segment became remarkably demanding resulting in highly sophisticated solutions especially on the software side. Due to speed and format requirements we expect that this trend will continue. Currently we do not see competition from Asia in Europe.

Sources: A+F Fördertechnik

Interview – Status of the Packaging Machinery Industry

(cont.)

HL: Do you expect any further integration of end-of-line packing equipment into broader logistics concepts, such as truck loading and material handling?

RR: Yes, we see a deep integration in many projects. We have our own experts especially on the software side that are able to design the mandatory concepts and interfaces for this integration.

HL: We have seen a huge variety in the margin profile of various end-of-line equipment manufacturers. In your view, what are critical success factors in this segment in order to be able to demand premium margins?

RR: We see different capabilities which support a higher margin:

- Offering of high-end machines with high speeds, a high format flexibility, and short change over time;
- A machine portfolio with standardized and proven system modules;
- A digitised machine portfolio enabling the customers to track line efficiencies and avoid downtimes;
- High-quality project management that enables customers to quickly go into production.

HL: How relevant is an end-market focus in the end-of-line segment or can the end-of-line equipment be employed across a variety of end-markets?

RR: A clear focus is necessary in order to fulfill the specific industry related customer demands. Customer demands vary from industry to industry.

HL: The packaging equipment industry is still characterized by a fragmented landscape with a large number of small-to-medium size companies. Do you see any notable consolidation trends? And if so, what would be the benefits, and maybe also shortfalls, of a greater consolidation of the industry?

RR: One trend you can see is a handful of larger corporations are acquiring various smaller companies without a real portfolio fit and integration. These larger corporations just provide an umbrella under their brand. In order to serve international clients and manage major projects, it is important to have a certain size including a global footprint. However, being too big is often harmful in terms of reacting flexibly and dynamically to customer demands. Therefore, you need to find the right size level for the corporation.

HL: Do you believe that the Bosch Packaging Technology transaction will have an overall impact on the packaging machinery manufacturer landscape? And if so, which outcome do you expect?

RR: This highly depends on who the buyer will be. If a strategic buyer acquires Bosch, the landscape will change depending on the existing structure and portfolio of the acquirer and the resulting portfolio adjustment. The envisaged portfolio adjustment will then certainly lead to a change in today's landscape.

HL: What would an ideal acquisition target look like for A+F Packaging Solutions?

RR: Revenues of €15–€30 million, a clear focus on end-of-line packaging machines (no process or filling technology), complementary within market, business segment and technology.

Significant News Stories: M&A/Financing

Krones Strengthens Its PET Capabilities - Acquisition of MHT (*Press Release, 08 November 2018*)

“Krones, a leading manufacturer of filling and packaging solutions, has acquired MHT Holding AG (MHT). MHT, based in Hochheim, Germany, together with its subsidiaries, is providing injecting molding tools and services to the PET industry. The company generates approximately €25 million revenues with 125 employees. The acquisition of MHT closes a gap in the Krones PET value chain and represents an upstream extension of the Krones portfolio into tooling for PET preform manufacturing. Customers increasingly demand such integrated solutions. Together with MHT, Krones can now offer a broader portfolio for PET solutions..”

SIG Combibloc Prices IPO at CHF 11.25 Per Share, for CHF 3.6BN Market Cap (*mergermarket, 28 September 2018*)

“SIG Combibloc Group (‘SIG’ or the ‘Company’), a leading provider of aseptic carton packaging solutions for the food and beverage industry, announced today the successful pricing of the initial public offering of its ordinary shares (the ‘IPO’) at a price of CHF 11.25 per share.

The free float is expected to amount to approximately 41% before exercise of the overallotment option and approximately 47% if the overallotment option is exercised in full. Commenting on today’s announcement, Rolf Stangl, CEO of SIG said: ‘We are delighted to be relisting on SIX Swiss Exchange following strong investor demand. The IPO provides SIG with an excellent platform to continue our strategy of profitable growth, strong cash generation, and attractive returns on capital employed. I would like to thank our new shareholders for the confidence they have shown in us.’

The underwriting syndicate placed 105,000,000 new shares and 27,000,000 existing shares for a total base offering of CHF 1,485 million. The net proceeds from the primary offering are expected to be approximately CHF 1,144 million. SIG expects to use the net proceeds primarily to repay existing debt, following which it expects to have a leverage ratio of approximately 3.25x net debt to adjusted EBITDA (for the 12-month period to June 30, 2018), with the aim of delivering over the midterm towards approximately 2x.”

Bobst Group SA Successfully Completes the Placement of 1.125% Straight Bonds With a Term of 6 Years (*Press release, 12 September 2018*)

“Bobst Group SA successfully completes the placement of 1.125% straight bonds and a term of six years with Credit Suisse AG, UBS Investment Bank AG and Zürcher Kantonalbank acting as joint lead managers. The price has been fixed at 100.318% and the issue amount is CHF 135 million. The payment date is 27 September 2018.”

Significant News Stories: Management

Bobst Group Continues Its Transformation and Investments for the Future, and Announces Changes in the Group Executive Committee (*Press release, 07 November 2018*)

“Bobst Group is continuing on its path of transformation and growth for its flexible and label business. The Business Unit Web-fed faces various challenges linked to its strategy implementation, market penetration, and profitability improvement and the Group is therefore implementing changes in this Business Unit.

Erik Bothorel will lead the BU Web-fed until the end of 2018 and then effective January 1, 2019, Stephan März will take over the responsibility. Erik Bothorel will take on an internal mandate for the Group and therefore will be leaving the Group Executive Committee. ‘We warmly thank Erik Bothorel for the important contribution he brought to the Group since 2004, first heading Italy operations and since 2009 as Group Executive Committee Member. He devoted all these years to the business with passion, high professionalism, and deep machinery business expertise.’

Effective January 1, 2019, the Board of Directors of Bobst Group has appointed Julien Laran, a French national, born in 1977, as Head of Business Unit Services and member of the Group Executive Committee. Julien Laran has been with the Group since 2013 in various managerial positions within the Business Unit Services. He is currently in charge of Supply Chain and Operations.”

Stefan Klebert Set to Become GEA’s New CEO (*Press release, 19 September 2018*)

“At today’s meeting, the Supervisory Board of GEA Group Aktiengesellschaft has appointed Stefan Klebert (53) to the company’s Executive Board with effect from November 15, 2018. On February 18, 2019, he will succeed the long-serving CEO, Jürg Oleas (60), who is going to leave the company after completion of the fiscal year and after handing over the reins in February 2019. Previously, Stefan Klebert worked for the industrial group Schuler AG, where he was in charge of the company’s growth strategy in his capacity as CEO over the past eight years. He left the company upon expiry of his service contract in April 2018.

Dr. Helmut Perlet, Chairman of GEA’s Supervisory Board, comments: ‘We are delighted to welcome Stefan Klebert, a very successful manager with international experience, on board of the company. Mr. Klebert has a great deal of experience in the strategic development of global groups. For this reason, we are convinced that he is the right person capable of giving fresh momentum to GEA while leading it into the future as a profitable and sustainable enterprise.’”

Marel – Changes in the Organizational Structure and Executive Team (*Press release, 21 June 2018*)

“Marel announces an organizational change where the Commercial function is split into two new functions, Service and Global Markets.

- New appointments to Marel’s Executive Team, Ulrika Lindberg to the position of Executive Vice President of Service, and Einar Einarsson to the position of Executive Vice President of Global Markets.
- Petur Gudjonsson to step down as Executive Vice President of Commercial and take on a new role within Marel.
- The objective of the changes is to drive continued growth and success by further enhancing customer experience and synchronize the way of working within the company globally.
- This new structure will allow for closer proximity to customers and better scalability to support Marel’s ambitious growth strategy going forward.

As of today, June 21, 2018, Ulrika Lindberg has been appointed as the Executive Vice President of Service, and Einar Einarsson has been appointed as the Executive Vice President of Global Markets. They will both become members of Marel’s executive team and report to Arni Oddur Thordarson, CEO of Marel. Petur Gudjonsson, former Executive Vice President of Commercial will take on a new role within Marel.”

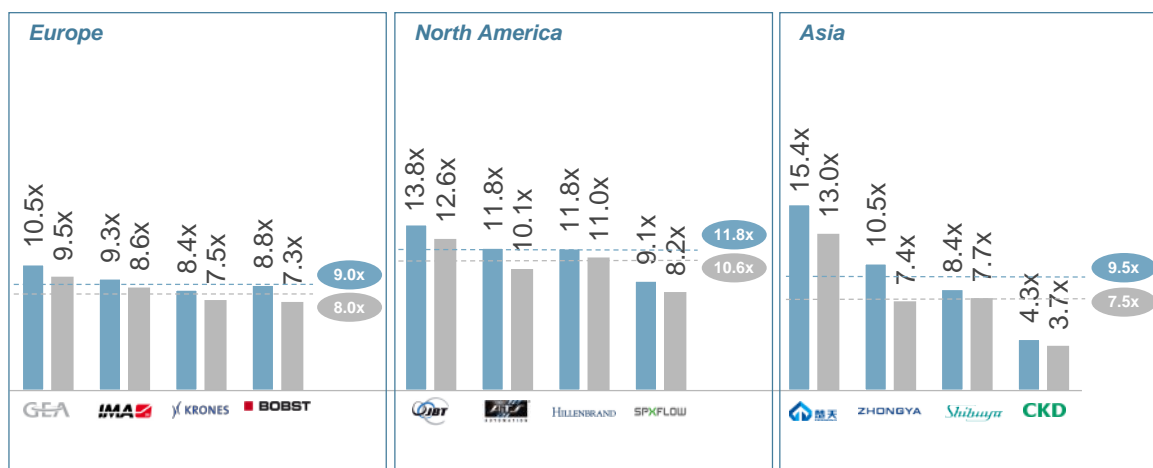
Recent M&A Transactions (2018 YTD)

Ann. Date	Acquirer	Target	Target Description	EV (€M)
Oct-18	Carsoe	Holmek Palletering (57% Stake)	Norway-based provider of tailors solutions for packaging, internal transport, and other automation	n/a
Oct-18	Solix Group	Carsoe (60% Stake)	Denmark-based designer and manufacturer of stainless steel products for food processing and retail industry businesses	n/a
Oct-18	Krones	W.M. Sprinkman	US-based company engaged in providing engineered food and beverage processing equipment	n/a
Oct-18	An investor group led by Hans ENG Corp.	Hwashin Tech Co. (47.39% Stake)	South Korea-based manufacturer of machinery and equipment	60
Oct-18	The Middleby Corporation	M-TEK	U.S.-based manufacturer of modified atmosphere packaging systems	n/a
Sep-18	LINC Systems	Packaging Systems Design	U.S.-based distributor of industrial packaging equipment and related products, specialising in end-of-line automatic packaging equipment	n/a
Sep-18	Heilongjiang Realgoal Technology Co.	Shanghai Yuzhuang Machinery Technology Co.	China-based packaging machine maker	10
Jul-18	Coesia	System Ceramics (60% Stake)	Italy-based manufacturer of technologies for ceramics	n/a
Jul-18	Coesia	Comas Tobacco Machinery (70% Stake)	Italy-based company specialised in the production of machines for the Tobacco industry	n/a
Jul-18	Andritz	Diatec SRL (70% Stake)	Italy-based manufacturer of converting machines for the hygiene and food packaging industries	n/a
Jun-18	HQ Equita	FAWEMA; HDG	Germany-based company specialising in the development and manufacturing of packaging machines	n/a
Jun-18	Marchesini Group	Schmucker	Italy-based manufacturer of stickpack packaging machinery for the food industry	n/a
May-18	IMA	Ciemme (70% Stake)	Italy-based designer and manufacturer of carton packaging machines and automatic systems	n/a
Apr-18	GIMA TT	Petroncini Impianti (31% Stake)	Italy-based company that designs, manufactures, and installs machinery for the production of coffee	n/a
Mar-18	Premier Tech	Kockums Bulk Systems	Australia-based engineering company specialising in the design, supply and support of equipment to the Bulk Materials Handling industries related to powders and granules	n/a
Mar-18	Premier Tech	Swabo Machinebouw & Toelevering	Netherlands-based manufacturer of steel and stainless steel parts for OEMs	4
Mar-18	Duravant	QC Industries	U.S.-based manufacturer of conveyor systems	n/a
Mar-18	Fette Compacting	EuroPharma Machinery	UK-based supplier of processing and packaging equipment	n/a
Jan-18	Leonard Green & Partners	Pro Mach	U.S.-based manufacturer of packaging and processing machinery for various industries	1,775

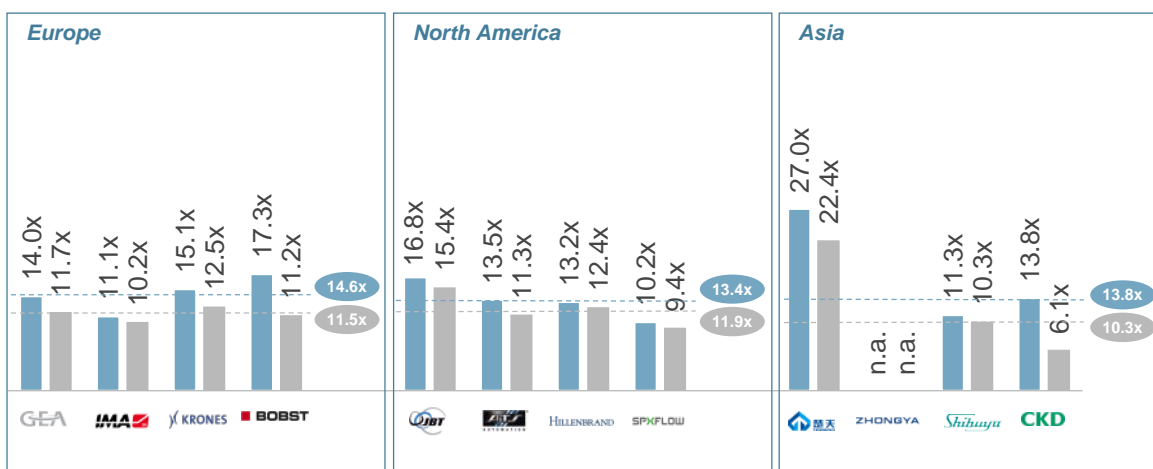
Source: Company information, Mergermarket, Capital IQ, press

Trading Comparables – Market Update

EV/EBITDA Multiple



EV/(EBITDA Less Capex) Multiple

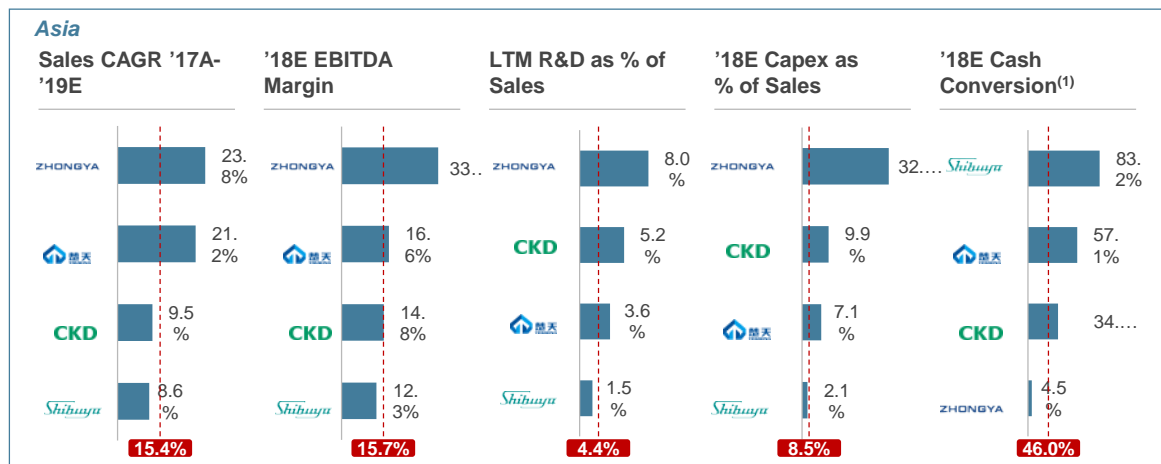
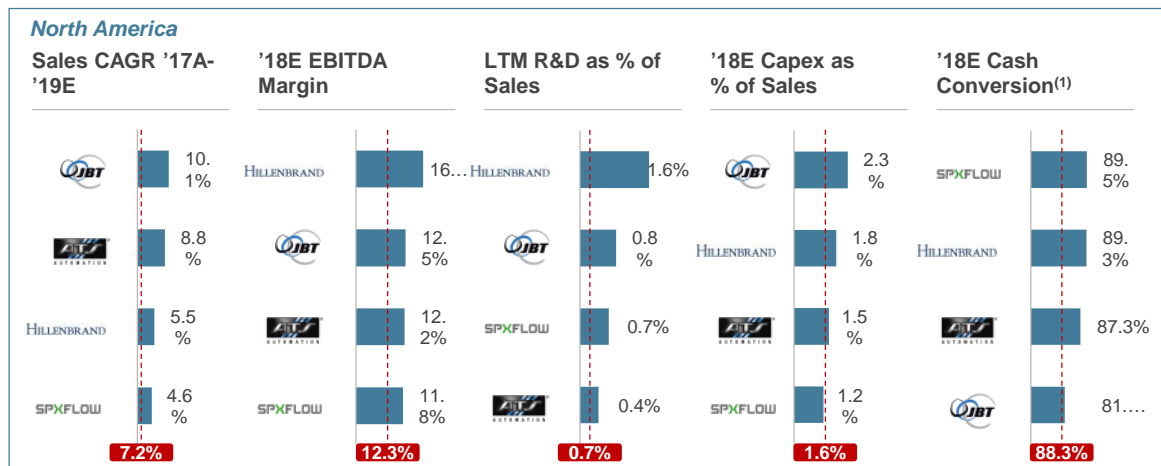
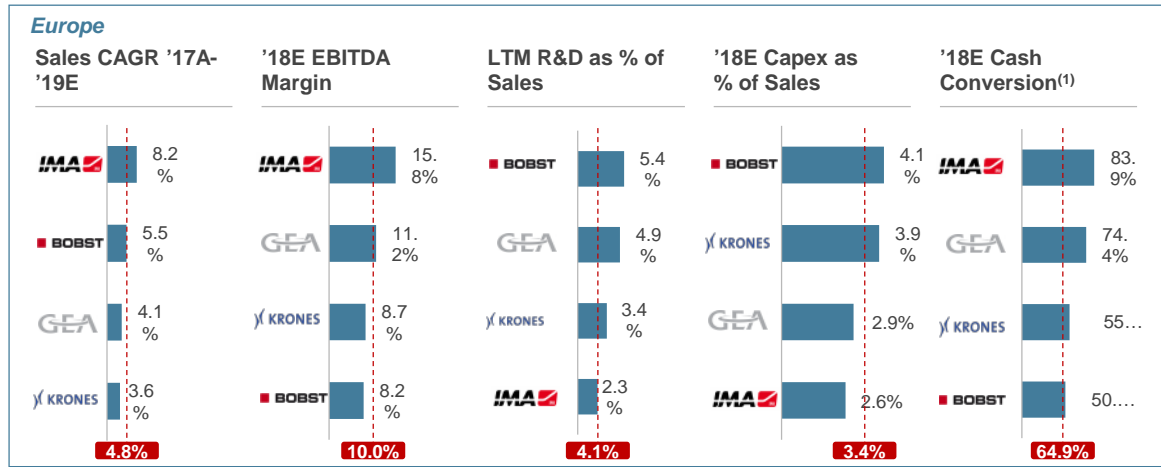


■ 2018FC ■ 2019FC ● Median 2018FC ● Median 2019FC

Financials are calendarised as of 31 December. Trading multiples are based on share price and market data listed as at 12 November 2018, and broker consensus future earnings estimates from S&P Capital IQ as at 12 November 2018.

Trading Comparables – Market Update (cont.)

Benchmarking



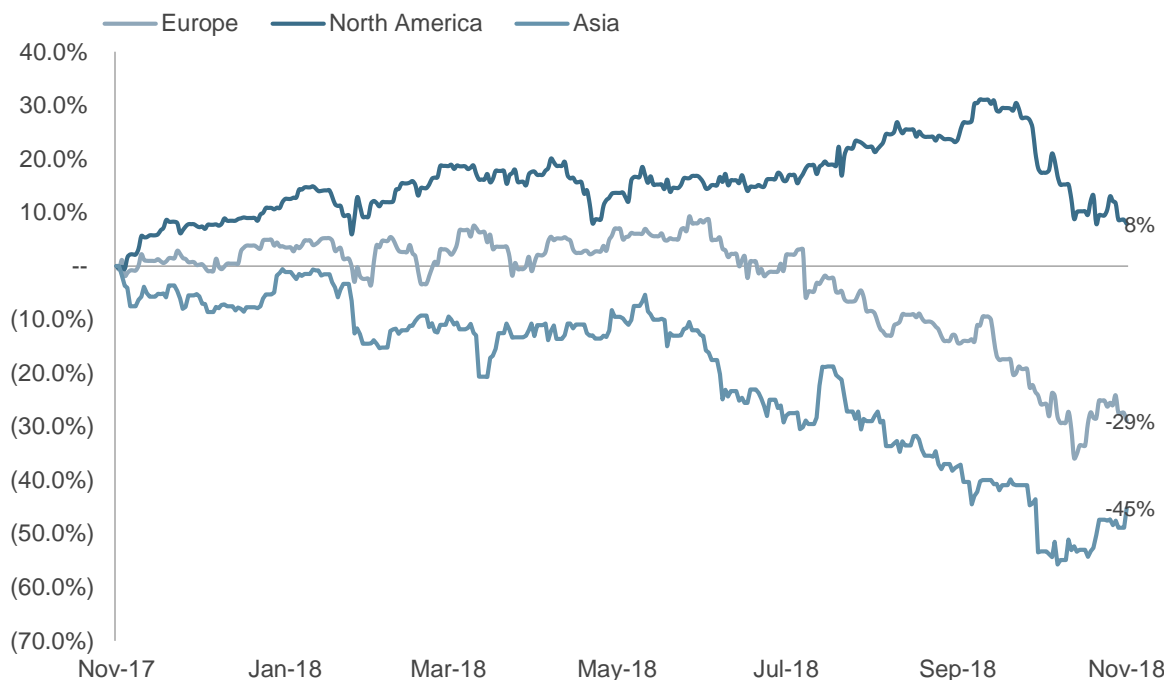
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(1) (EBITDA-Capex)/ EBITDA

Financials are calendarised as of 31 December. Based on market data listed as at 12 November 2018 and broker consensus future earnings estimates from S&P Capital IQ as at 12 November 2018.

Trading Comparables – Trading Over Time

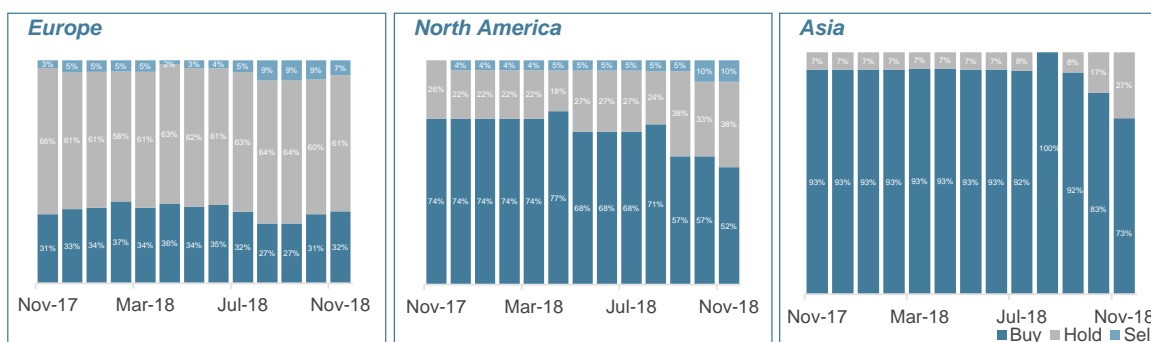
12 Months Indexed Stock Price Performance



While valuation levels are still high, the peer groups have experienced a significant drop in share prices. With indexed losses of 45% and 29% compared to last year, China and Europe have experienced significant losses. Valuation of the U.S. peer group is still 8% about last years value, however, over the past months the U.S. peer group has also faced significant valuation decreases. Recent share price losses are mainly effected by international tariff conflicts and political uncertainty. The decrease of Chinese valuation levels is further accelerated by a more restrictive, monetary policy.

Despite the drop in share prices, most of the European and North American peers have recently published a positive outlook and strong order intake which is in line with the growth rates shown on the previous pages. However, due to increasing material and labor costs, margins are partially under pressure. For the Asian peers, the picture is somewhat different while the growth rate is still higher than in the other regions, outlooks have recently been reduced, mainly due to decelerating capex programs for factory automation in Asia.

Development of Broker Recommendations Past 12 Months



Financials are calendarised as of 31 December. Trading multiples are based on share price and market data listed from S&P Capital IQ as at 12 November 2018.

Appendix

Trading Statistics

Company	Country	Y/E	Mcap (EURm)	EV (EURm)	Sales Multiple			EBITDA Multiple			EBIT Multiple			EBITDA-Capex Multiple		
					LTM	2018	2019	LTM	2018	2019	LTM	2018	2019	LTM	2018	2019
Europe																
GEA	DE	Dez	4,776	5,646	1.18x	1.17x	1.13x	14.9x	10.5x	9.5x	21.6x	12.6x	11.1x	21.5x	14.0x	11.7x
I.M.A.	IT	Dez	2,104	2,364	1.53x	1.47x	1.37x	13.0x	9.3x	8.6x	13.3x	11.4x	10.1x	15.1x	11.1x	10.2x
Krones	DE	Dez	2,546	2,801	0.71x	0.73x	0.70x	9.9x	8.4x	7.5x	13.8x	12.2x	10.6x	14.8x	15.1x	12.5x
Bobst	CH	Dez	1,081	1,040	0.72x	0.72x	0.69x	8.0x	8.8x	7.3x	10.5x	12.5x	9.8x	10.5x	17.3x	11.2x
Average					1.03x	1.02x	0.97x	11.5x	9.2x	8.2x	14.8x	12.2x	10.4x	15.5x	14.4x	11.4x
Median					0.95x	0.95x	0.91x	11.5x	9.0x	8.0x	13.5x	12.4x	10.3x	14.9x	14.6x	11.5x
High					1.53x	1.47x	1.37x	14.9x	10.5x	9.5x	21.6x	12.6x	11.1x	21.5x	17.3x	12.5x
Low					0.71x	0.72x	0.69x	8.0x	8.4x	7.3x	10.5x	11.4x	9.8x	10.5x	11.1x	10.2x
North America																
JBT	US	Dez	2,456	2,928	1.77x	1.72x	1.66x	14.5x	13.8x	12.6x	19.4x	18.2x	16.0x	17.5x	16.8x	15.4x
ATS	CA	Mrz	1,135	1,142	1.46x	1.44x	1.34x	12.9x	11.8x	10.1x	17.3x	16.6x	12.0x	15.5x	13.5x	11.3x
Hillenbrand	US	Sep	2,665	3,101	2.01x	1.98x	1.92x	11.6x	11.8x	11.0x	14.3x	14.5x	13.6x	12.6x	13.2x	12.4x
SPX Flow	US	Dez	1,392	2,000	1.08x	1.08x	1.05x	9.2x	9.1x	8.2x	12.2x	12.0x	10.5x	10.2x	10.2x	9.4x
Average					1.58x	1.55x	1.50x	12.1x	11.6x	10.5x	15.8x	15.3x	13.0x	14.0x	13.4x	12.1x
Median					1.61x	1.58x	1.50x	12.3x	11.8x	10.6x	15.8x	15.6x	12.8x	14.1x	13.4x	11.9x
High					2.01x	1.98x	1.92x	14.5x	13.8x	12.6x	19.4x	18.2x	16.0x	17.5x	16.8x	15.4x
Low					1.08x	1.08x	1.05x	9.2x	9.1x	8.2x	12.2x	12.0x	10.5x	10.2x	10.2x	9.4x
Asia																
CKD	JP	Mrz	609	608	0.64x	0.63x	0.59x	4.6x	4.3x	3.7x	6.2x	5.6x	4.9x	6.8x	13.8x	6.1x
Shibuya	JP	Jun	911	832	1.11x	1.03x	0.95x	9.0x	8.4x	7.7x	11.1x	10.6x	9.5x	9.0x	11.3x	10.3x
Zhongya	CN	Dez	439	374	4.19x	3.56x	2.78x	16.3x	10.5x	7.4x	17.5x	11.5x	8.4x	59.5x	n.a.	n.a.
Truking	CN	Dez	504	514	2.58x	2.57x	2.14x	20.7x	15.4x	13.0x	51.2x	19.2x	15.7x	49.1x	27.0x	22.4x
Average					2.13x	1.95x	1.62x	12.6x	9.7x	7.9x	21.5x	11.7x	9.6x	31.1x	17.4x	12.9x
Median					1.84x	1.80x	1.55x	12.6x	9.5x	7.5x	14.3x	11.1x	9.0x	29.0x	13.8x	10.3x
High					4.19x	3.56x	2.78x	20.7x	15.4x	13.0x	51.2x	19.2x	15.7x	59.5x	27.0x	22.4x
Low					0.64x	0.63x	0.59x	4.6x	4.3x	3.7x	6.2x	5.6x	4.9x	6.8x	11.3x	6.1x

Operating Statistics

Company	Country	Sales LTM	EBITDA LTM	EBIT LTM	Sales Growth			EBITDA Margin			EBIT Margin		
					LTM	2018	2019	LTM	2018	2019	LTM	2018	2019
Europe													
GEA	DE	4,787	378	261	4.8%	4.6%	3.6%	7.9%	11.2%	12.0%	5.5%	9.3%	10.2%
I.M.A.	IT	1,549	182	178	9.4%	9.4%	7.1%	11.7%	15.8%	16.1%	11.5%	13.0%	13.5%
Krones	DE	3,923	283	203	10.1%	2.7%	4.6%	7.2%	8.7%	9.3%	5.2%	6.0%	6.6%
Bobst	CH	1,453	130	99	10.6%	7.0%	4.0%	8.9%	8.2%	9.4%	6.8%	5.6%	7.1%
Average					8.8%	5.9%	4.8%	8.9%	11.0%	11.7%	7.2%	8.5%	9.4%
Median					9.8%	5.8%	4.3%	8.4%	10.0%	10.7%	6.1%	7.6%	8.7%
High					10.6%	9.4%	7.1%	11.7%	15.8%	16.1%	11.5%	13.0%	13.5%
Low					4.8%	2.7%	3.6%	7.2%	8.2%	9.3%	5.2%	5.8%	6.6%
North America													
JBT	US	1,659	202	151	19.9%	17.2%	3.4%	12.2%	12.5%	13.2%	9.1%	9.4%	10.4%
ATS	CA	780	88	66	11.3%	7.3%	11.3%	11.3%	12.2%	13.3%	8.5%	8.7%	11.2%
Hillenbrand	US	1,545	267	217	10.3%	9.8%	2.9%	17.3%	16.9%	17.4%	14.0%	13.6%	14.2%
SPX Flow	US	1,850	217	164	8.5%	7.2%	2.0%	11.7%	11.8%	12.9%	8.9%	9.0%	10.1%
Average					12.5%	10.4%	4.9%	13.1%	13.3%	14.2%	10.1%	10.2%	11.5%
Median					10.8%	8.5%	3.2%	12.0%	12.3%	13.3%	9.0%	9.2%	10.8%
High					19.9%	17.2%	11.3%	17.3%	16.9%	17.4%	14.0%	13.6%	14.2%
Low					8.5%	7.2%	2.0%	11.3%	11.8%	12.9%	8.5%	8.7%	10.1%
Asia													
CKD	JP	946	132	98	22.6%	22.3%	9.6%	13.9%	14.8%	15.9%	10.4%	11.2%	12.1%
Shibuya	JP	748	93	75	(1.8%)	6.4%	11.3%	12.4%	12.3%	12.5%	10.0%	9.7%	10.0%
Zhongya	CN	89	23	21	5.1%	19.7%	28.1%	25.8%	33.9%	37.5%	23.9%	31.0%	32.9%
Truking	CN	200	25	10	37.3%	22.5%	20.0%	12.5%	16.6%	16.5%	5.0%	13.4%	13.7%
Average					12.5%	11.2%	8.1%	12.9%	14.3%	15.2%	10.0%	11.4%	12.4%
Median					10.2%	8.4%	5.8%	12.0%	12.4%	13.3%	9.0%	9.6%	10.8%
High					37.3%	22.5%	28.1%	25.8%	33.9%	37.5%	23.9%	31.0%	32.9%
Low					(1.8%)	2.7%	2.0%	7.2%	8.2%	9.3%	5.0%	5.8%	6.6%

Financials are calendarised as of 31 December. Trading multiples are based on share price and market data listed as at 12 November 2018 and broker consensus future earnings estimates from S&P Capital IQ as at 12 November 2018.

Appendix: About Houlihan Lokey

Houlihan Lokey (NYSE:HLI) is a global investment bank with expertise in [mergers and acquisitions](#), [capital markets](#), [financial restructuring](#), [valuation](#), and [strategic consulting](#). The firm serves corporations, institutions, and governments worldwide with offices in the United States, Europe, the Middle East, and the Asia-Pacific region. Independent advice and intellectual rigor are hallmarks of the firm's commitment to client success across its advisory services. Houlihan Lokey is ranked as the No. 1 M&A advisor for all US transactions, the No. 1 global restructuring advisor, and the No. 1 global M&A fairness opinion advisor over the past 20 years, according to Thomson Reuters. For more information, please visit www.HL.com.

Locations



Houlihan Lokey holds an indirect minority stake in Leonardo & Co. S.p.A., an investment bank with an office in Milan.

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 Financial Restructuring
 Financial Advisory
 Strategic Consulting

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