



HOULIHAN LOKEY

SECURITY AND SAFETY SOLUTIONS

INDUSTRY UPDATE | Spring 2020



Houlihan Lokey Security and Safety Solutions Update

Dear Clients and Friends,

Houlihan Lokey is pleased to present its Security and Safety Solutions Spring 2020 Industry Update.

We have included important news stories, transaction announcements, a public markets overview, and industry insights to help you stay ahead in our dynamic and constantly evolving industry. We hope you find this quarterly update 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 and addressing any questions you and/or your colleagues may have.

Sincerely,



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Security and Safety Solutions Subverticals Covered



Access Control



Authentication and Identification



Building Tech. and Automation



CBRNE and Testing



Connected Home



Fire and Life Safety



Industrial Cyber



Physical Security



Public Safety Technology



Risk Mitigation



Safety Products and Services



Security Monitoring



Systems Integration



Track and Trace



Video Surveillance



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

Corporate Finance

2019 M&A Advisory Rankings All U.S. Transactions

	Advisor	Deals
1	Houlihan Lokey	184
2	Goldman Sachs & Co	167
3	JP Morgan	141
4	Morgan Stanley	122
5	Evercore Partners	112

Source: Refinitiv (formerly known as Thomson Reuters)

No. 1 U.S. M&A Advisor

Top 10 Global M&A Advisor

Leading Capital Markets
Advisor

Financial Restructuring

2019 Global Distressed Debt & Bankruptcy Restructuring Rankings

	Advisor	Deals
1	Houlihan Lokey	76
2	PJT Partners Inc	43
3	Moelis & Co	36
4	Lazard	29
5	AlixPartners	19

Source: Refinitiv (formerly known as Thomson Reuters)

No. 1 Global Restructuring
Advisor

1,000+ Transactions Valued
Over \$2.5 Trillion

Financial and Valuation Advisory

1999 to 2018 Global M&A Fairness Advisory Rankings

	Advisor	Deals
1	Houlihan Lokey	1,073
2	JP Morgan	971
3	Duff & Phelps	728
4	Bank of America Merrill Lynch	660
5	Morgan Stanley	659

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

Selected Transactions

<p>S2 SECURITY</p> <p>has been acquired by</p> <p>United Technologies</p> <p>Sellside Advisor</p>	<p>EQUISTONE</p> <p>has acquired</p> <p>HERAS</p> <p>a portfolio company of</p> <p>CRH</p> <p>Buy-side & Financing Advisor</p>	<p>ENVIANCE</p> <p>a portfolio company of</p> <p>Battery</p> <p>has been acquired by</p> <p>cority</p> <p>Sellside Advisor</p>	<p>3M</p> <p>Gas & Flame Detection</p> <p>has been acquired by</p> <p>TELEDYNE TECHNOLOGIES</p> <p>Sellside Advisor</p>	<p>GRYPHON INVESTORS</p> <p>has acquired</p> <p>MECHANIX WEAR</p> <p>Buy-side Advisor</p>	<p>NTT Security</p> <p>has acquired</p> <p>WhiteHat SECURITY</p> <p>Buy-side Advisor</p>	<p>MERCURY SECURITY</p> <p>a portfolio company of</p> <p>LLRpartners</p> <p>has been acquired by</p> <p>HID</p> <p>Sellside Advisor</p>
<p>Kele</p> <p>a portfolio company of</p> <p>SNOW PHIPPS</p> <p>has been acquired by</p> <p>THE STEPHENS GROUP</p> <p>Sellside Advisor</p>	<p>TRANSOM CAPITAL GROUP</p> <p>has acquired</p> <p>PELCO</p> <p>Financial & Tax Due Diligence</p>	<p>NC4</p> <p>has been acquired by</p> <p>everbridge</p> <p>Sellside Advisor</p>	<p>Bridgepoint</p> <p>has acquired</p> <p>SAFETY TECHNOLOGY</p> <p>a portfolio company of</p> <p>GOLDEN GATE CAPITAL</p> <p>Buy-side Advisor</p>	<p>AVTEC</p> <p>has been acquired by</p> <p>MOTOROLA SOLUTIONS</p> <p>Sellside Advisor</p>	<p>AirBoss</p> <p>a division of</p> <p>AirBoss</p> <p>has merged with</p> <p>Sentinel</p> <p>a portfolio company of</p> <p>Sellside Advisor</p>	<p>MY ALARM CENTER</p> <p>has been acquired by a group of investors led by</p> <p>OAKTREE</p> <p>We provided financial advisory services on behalf of the first lien creditors of My Alarm Center</p> <p>First Lien Creditor Advisor</p>

Security and Safety Solutions Market Coverage

Access Control

Hardware and software-based solutions to manage entry into, access to, and use of physical and digital sites.



Building Technology and Automation

Fully integrated solutions offering energy efficiency, quality control, and systems control for commercial use.



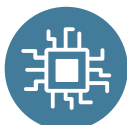
Connected Home

Technology allowing for complete automation of the home, including lights, doors, systems, and temperature.



Industrial Cyber

Software and hardware to provide security to industrials sector for IoT and operational technology applications.



Public Safety Technology

Hardware and software technologies to manage retrieval, analysis, and storage of data as part of public safety operations.



Safety Products and Services

Products, technology, and services designed to protect people and property in life threatening or harsh conditions.



Systems Integration

Services comprised of installation and maintenance of intrusion, fire, and other critical security systems.



Video Surveillance

Hardware and software technologies that capture, record, and analyze real time images.



Authentication and Identification

Technologies used to address counterfeiting activities, and solutions used to identify individuals based on biological factors.



CBRNE and Testing

Sensor technologies that screen and detect for Chemical, Biological, Radiological, Nuclear, and Explosives.



Fire and Life Safety

Fire systems solutions include fire alarms, sprinklers, wet and dry agent suppression systems, and extinguishers.



Physical Security

Threat protection products for people, vehicles, and buildings, including armor and blast protection technologies.



Risk Mitigation

Disaster recovery, emergency procedures, investigations, business intelligence, consulting, and employee screening services.



Security Monitoring

Intrusion, fire and video system design, installation and monitoring for residential and commercial customers.



Track and Trace

Hardware and software that enables asset tracking, field personnel communications, and supply-chain management.



Significant News Stories

SAFETY PRODUCTS AND SERVICES



Honeywell Further Expands N95 Face Mask Production by Adding Manufacturing Capabilities in Phoenix

(Honeywell, March 30, 2020)

"Honeywell (NYSE:HON) today announced that it is adding manufacturing capabilities in Phoenix to produce N95 face masks in support of the U.S. government's response to the novel coronavirus (COVID-19). The company's Phoenix expansion, coupled with previously announced new production in Rhode Island, will allow Honeywell to produce more than 20 million N95 disposable masks monthly to combat COVID-19 in the U.S. New manufacturing equipment to support the effort will arrive in Phoenix beginning this week". [\(Link to article\)](#)

Ansell Urges Global Priority for Supply of Personal Protective Equipment

(Ansell, April 2, 2020)

"In this challenging global crisis, Ansell has expanded production capacity of protective products critical to healthcare workers and other essential industries, and with the necessary support of local authorities we are striving to operate these facilities at their maximum potential. However, we have serious concerns that suppliers of raw materials and components are impacted, threatening continued output of our protective products crucial to managing the pandemic and keeping workers safe. We are also concerned that certain countries (even within the EU) have imposed controls on exports or shipments across borders." [\(Link to article\)](#)

BUILDING TECHNOLOGY AND AUTOMATION



ABB Adds Cylon Controls to Its Smart Buildings Portfolio

(ABB, March 3, 2020)

"Speaking about the portfolio additions to the smart building business, Oliver Iltisberger, ABB's Head of Smart Buildings, said: 'The acquisition will further enhance our portfolio of solutions for the commercial buildings segment, with a particular focus on delivering new innovations in energy-optimization and comfort.'" [\(Link to article\)](#)

UTC Merges with Raytheon, Completes Spin-Offs of Carrier and Otis

(SDM Magazine, April 6, 2020)

"As an independent company, Carrier says it will have a greater focus and enhanced agility based on its own distinct operating priorities and strategies for long-term growth and profitability, including strengthening and growing its core businesses, extending its product range and geographical coverage and expanding service and digital offerings." [\(Link to article\)](#)

CONNECTED HOME



Vivint Smart Home Q1 Earnings

(Vivint Smart Home, May 7, 2020)

"Even prior to the current health and economic crisis, we already had the industry-leading engagement on our smart home operating system, with over 13 interactions a day on average and over 1.4 billion daily events being processed on our cloud platform. During the current pandemic, our platform has continued to seamlessly handle all daily interactions as our customers have relied even more on their smart home systems for various and often evolving use cases. ... For first quarter 2020, revenue grew by 9.8% to \$303.2 million. The growth in revenue is attributable to a 7.1% increase in total subscribers as well as a 2.3% increase in the average monthly revenue per user."

[\(Link to article\)](#)

Significant News Stories (cont.)

SECURITY PRODUCTS AND SOLUTIONS



Allegion Ventures Invests in Openpath to Deliver Access Seamlessly

(Forbes, March 2, 2020)

“As one of the leading brands in the physical security industry, Allegion brings tremendous value as both a partner and investor to Openpath. Their investment and partnership represent validation of Openpath as both an industry disruptor and the future of access control technology.” [\(Link to article\)](#)

Alex Houston Joins dormakaba Americas as COO

(dormakaba, April 9, 2020)

“Effective April 1, Alex Houston has joined dormakaba as the designated new Chief Operating Officer for Access Solutions AMER, which includes businesses in the USA, Canada, Mexico and South America. As such, he will serve as a member of the dormakaba Group Executive Committee. Houston will be based in the company’s Americas headquarters in Indianapolis.” [\(Link to article\)](#)

ASSA ABLOY Acquires Biosite in the UK

(ASSA ABLOY, February 10, 2020)

“I am very pleased to welcome Biosite and their employees into the ASSA ABLOY Group. Biosite is a strategic technological addition to the ASSA ABLOY Group. The company will reinforce our current offering within solutions for access control and will provide complementary growth opportunities,’ says Nico Delvaux, President and CEO of ASSA ABLOY.” [\(Link to article\)](#)

IDENTIFICATION SOLUTIONS



Why Proxy Acquired Smart Ring Startup Motiv

(Proxy, April 27, 2020)

“With this acquisition, Proxy plans to bring digital identity signals to smart rings for the first time and revolutionize the way people use technology to interact with the world around them. We believe it’s possible to ignite a paradigm shift in how people use wearables to interface with the physical world, so they can do and experience things they never have before.” [\(Link to article\)](#)

SYSTEMS INTEGRATION



A Letter from CEO Ken Lochiatto to Convergent Colleagues

(Convergent Technologies, Spring 2020)

“It is clear to us that this crisis will get worse before it gets better and will likely continue for months, if not longer. Unfortunately, the coronavirus has also created huge disruptions to Convergent’s ability to conduct business. We could withstand a decline in bookings, an increase in customers not paying us, colleagues not having projects or services to work on, or some customers cancelling business. Unfortunately, all are happening at the same time.” [\(Link to article\)](#)

America’s Largest Managed Security Services Provider Launches Comprehensive, Integrated Covid-19 Safety Program for Office Buildings and Suites

(Kastle Systems, May 11, 2020)

“As American companies and employees grapple with when and how to return safely to their workplaces, Kastle Systems, the largest managed security services provider to commercial businesses, has developed an integrated, building-wide plan to safeguard the health and safety of workers returning to the workplace. The comprehensive system will enable office buildings to play a significant role in screening and contact tracing.” [\(Link to article\)](#)

Significant News Stories (cont.)

VIDEO SURVEILLANCE



Rush for Thermal Cameras Boosts Flir Before Factories Reopen

(Bloomberg, April 20, 2020)

“When the virus moved in to Europe and North America, it was more Fortune 500 companies, hospital and health-care networks and immediate needs from essential business that were required to operate,’ Flir Chief Executive Officer Jim Cannon said in an interview. Now, talks with customers have transitioned to what will be required to keep workers safe when they’re allowed to return to work.” [\(Link to article\)](#)

Verkada Raises \$80M at \$1.6B Valuation, Enters \$7B Access Control Market

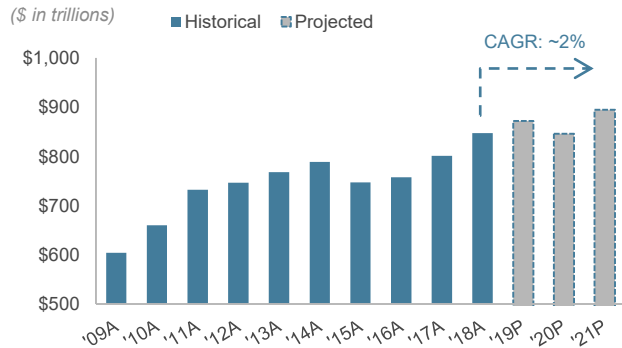
(Verkada, January 29, 2020)

“Verkada, the leader in cloud-based enterprise video security, secured \$80M in Series C financing at a \$1.6B valuation, raising its valuation by over \$1B just nine months after their Series B. The funding comes from existing investors Next47, Sequoia Capital, Meritech Capital, and new investor Felicis Ventures. Verkada will use the capital to accelerate its growth in three key areas: expanding its product suite, accelerating global expansion, and growing its engineering team.” [\(Link to article\)](#)

Relevant Sector Trend: Slowing Global Growth

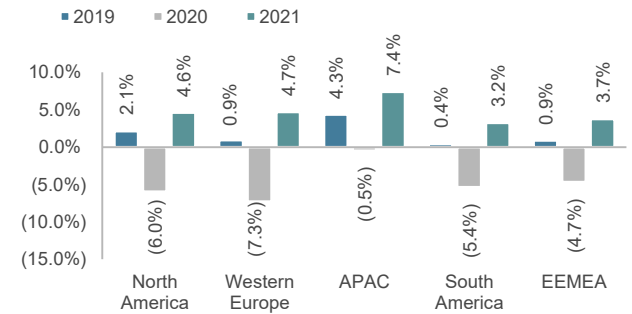
Global Real GDP Growth (Annual % Change)

Global Annual Real GDP⁽¹⁾



Source: International Monetary Fund as of April 7, 2020

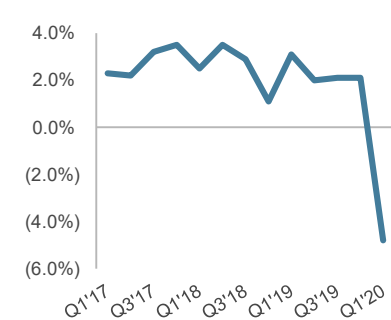
G20 Weighted Avg. Real GDP Growth Outlook⁽²⁾



Source: International Monetary Fund as of April 7, 2020

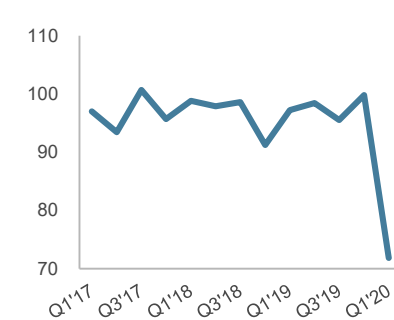
Key U.S. Economic Indicators

Real GDP Growth⁽¹⁾⁽³⁾



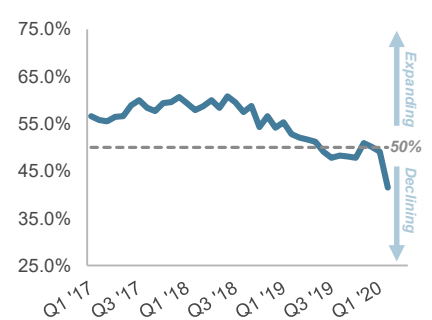
Source: Bureau of Economic Analysis as of March 31, 2020

U of M Consumer Confidence



Source: University of Michigan, S&P Capital IQ as of April 1, 2020

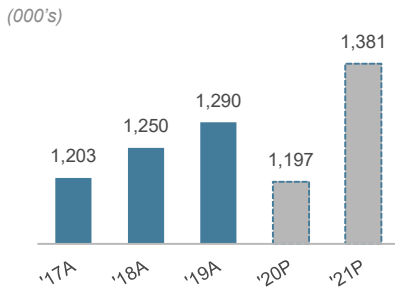
ISM Manufacturing Index⁽¹⁾



Source: Institute for Supply Management as of April 1, 2020

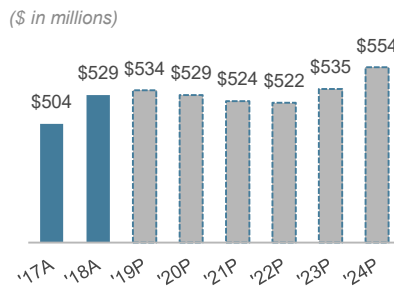
Key U.S. Construction Trends

Housing Starts⁽¹⁾⁽³⁾



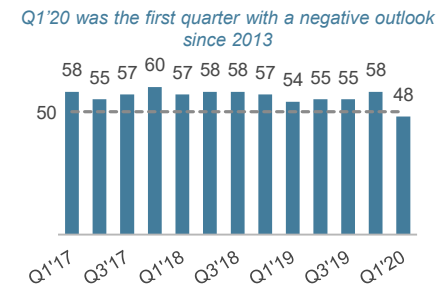
Source: United States Census Bureau, Fannie Mae, National Association of Realtors, Mortgage Bankers Associations as of April 2020

Non-Residential Construction Put-in-Place



Source: United States Census Bureau, FMI U.S. Construction Outlook as of April 2020

Remodeling Market Index (RMI)



Source: Joint Center for Housing Studies of Harvard University as of April 14, 2020

(1) Seasonally adjusted.

(2) North America includes: Canada, Mexico and the United States. Western Europe consists of: France, Germany, Italy and the United Kingdom. APAC consists of: Australia, China, India, Indonesia, Japan and South Korea. South America consists of: Argentina and Brazil. EEMEA consists of Russia, Saudi Arabia, South Africa and Turkey.

(3) Annualized.

Sector Snapshot

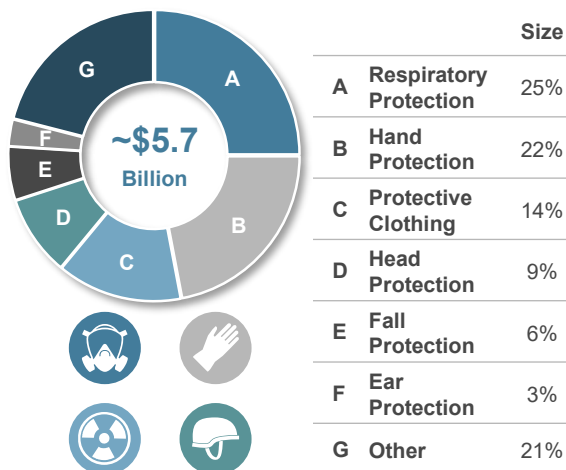
Personal Protective Equipment and Clothing

The COVID-19 pandemic has caught the world by surprise, and a shortage of personal protective equipment (PPE) has exposed the vulnerability of our healthcare and emergency response systems driving long-term demand tailwinds for PPE-related companies.

Sector Overview

- Demand for U.S. PPE products grew at ~4% annually from '15-'20, which reflects a ~15% increase in 2020 alone as the industry responds to the COVID-19 pandemic.
 - Additional growth driven by improving industrial production and construction activity, Occupational Safety and Health Administration (OSHA) regulations and innovation demand to compete against low-cost imports and alternatives.
- Over the next five years to 2025, industry revenue is expected to increase at an annualized rate of 2.2% to \$6.4 billion.
- Demand for PPE is expected to remain heightened through 2021 as virus mitigation efforts continue and global stockpiling efforts continue among governments, institutions, and organizations.
- The industry's trade deficit is anticipated to lessen as greater emphasis is placed on domestic production.

U.S. PPE Composition



COVID-19 Potential Impact on Personnel Protective Equipment

Manufacturers	Cases of COVID-19 are being reported in numerous countries around the world. Given decreases in exports from select countries (e.g., China, India, Taiwan) and increases in demand due to the global outbreak, manufacturers of select types of PPE are reporting increased volume of orders and challenges in meeting order demands. Specific challenges are being reported for N95 respirators and facemasks. Orders received are up to 10-fold normal demand for these items. Plans for surge manufacturing globally are underway. – CDC
Distributors	Distributors of select types of PPE are reporting an increased volume of orders from customers and challenges in meeting order demands for personal protective equipment, specifically for N95 respirators and facemasks. Due to decreased exports from overseas by manufacturers, distributors are reporting that these items are being placed on allocation, and orders are being filled based on historical demands for existing customers. At present, shortfalls may be anticipated to continue for the next 3–4 months. – CDC

Select PPE Perspectives



"3M is working around the clock to get much-needed personal protective equipment to the nation's frontline healthcare workers. Being selected for these contracts will allow us to increase our manufacturing capability even more. We thank the Trump Administration and the Department of Defense for their close collaboration on this effort and share their goal of protecting the American public."

Mike Roman,
3M CEO (May-20)



"MSA recognizes the critical need for personal protective equipment (PPE) as we work together in the effort to mitigate the spread of COVID-19. As a leader in safety, MSA is an essential business and intends to continue operating its manufacturing facilities during times of lockdown or crisis, to the extent practicable, while protecting the health and safety of our workforce."

MSA Safety (March-20)



AMERICAN SOCIETY OF
SAFETY PROFESSIONALS

"Occupational safety and health professionals are dealing with significant challenges right now in an environment that is changing rapidly," Roy said. "It's important to separate facts from fiction while understanding best practices in evaluating and managing specific risks."

Deb Roy,
ASSP President-Elect (March-20)

Note: All data as of May 2020.

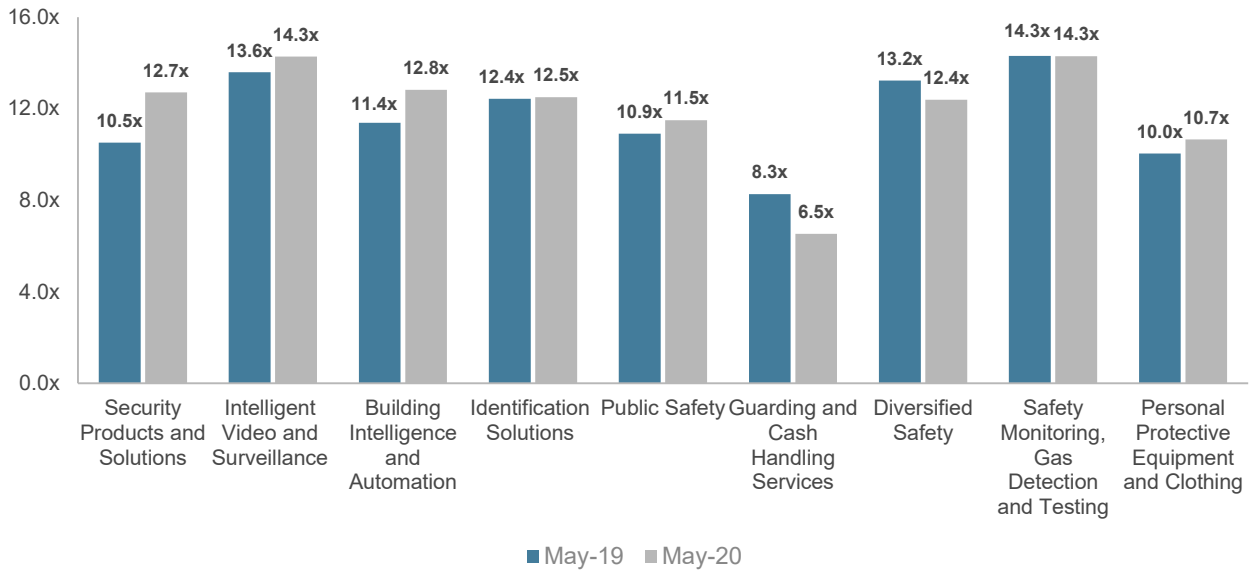
Source: IBIS World Report, 2020; Company Websites.

2020 Select Industry Events

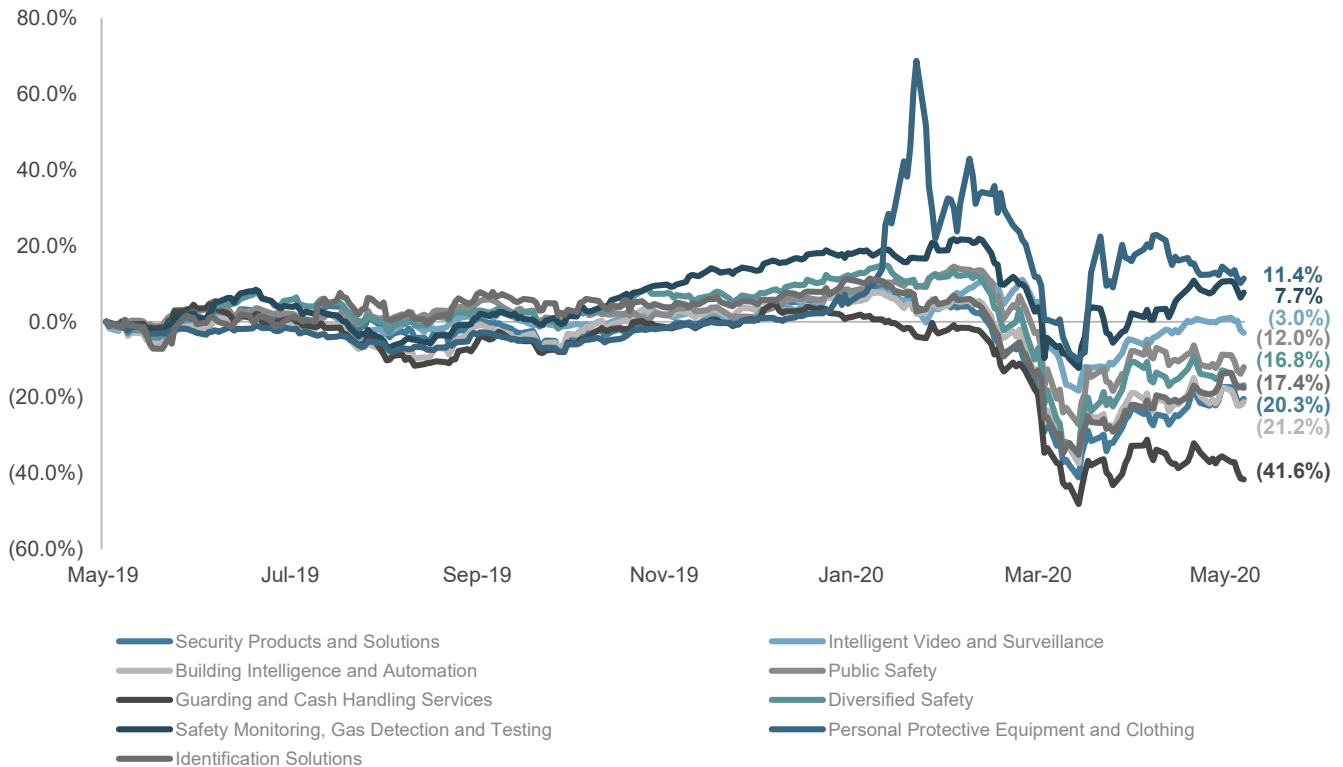
Show	Location	Date
	Las Vegas, NV	March 17-20, 2020 POSTPONED
 HOULIHAN LOKEY 15th Annual Global Industrials Conference	New York, NY	May 21, 2020 POSTPONED
 CONFERENCE & EXPO	Orlando, FL	June 23-25, 2020 CANCELLED
 SAFETY 2020	Orlando, FL	June 23-25, 2020 VIRTUAL
	London, UK	September 8–10, 2020
 GLOBAL SECURITY EXCHANGE	Atlanta, GA	September 21–23, 2020
 Congress & Expo	Indianapolis, IN	October 5–7, 2020
	Essen, Germany	October 26-29, 2020 CANCELLED
 SECURING NEW GROUND	New York, NY	October 27–28, 2020
 FALL CONFERENCE & EXPO	National Harbor, MD	November 16–19, 2020
	New York, NY	November 18–19, 2020

Public Markets Overview

Median TEV/NTM EBITDA



12-Month Indexed Stock Price Performance



Note: All data as of May 15, 2020.

Source: S&P Capital IQ.

Public Comparables

Security and Safety Solutions

Security Products and Solutions

(\$ in millions, except per-share prices)

Company Name	Stock Price	% of 52 Week High	Equity Value	Enterprise Value	LTM			Net Debt/ EBITDA	TEV/			
					Revenue	EBITDA	Margin		LTM Revenue	NTM Revenue	LTM EBITDA	NTM EBITDA
Danaher Corporation	\$163.85	96.0%	\$115,845	\$139,920	\$18,034	\$4,459	24.7%	6.0x	7.8x	6.5x	31.4x	24.8x
Siemens Aktiengesellschaft	\$93.87	71.8%	\$74,580	\$116,522	\$95,145	\$10,766	11.3%	4.5x	1.2x	2.0x	10.8x	13.4x
Honeywell International Inc.	\$125.41	68.1%	\$88,019	\$96,312	\$36,288	\$8,677	23.9%	1.9x	2.7x	3.0x	11.1x	12.8x
Schneider Electric S.E.	\$85.15	74.1%	\$46,863	\$53,926	\$29,594	\$5,307	17.9%	1.8x	1.8x	1.9x	10.2x	11.3x
Roper Technologies, Inc.	\$361.50	91.5%	\$37,739	\$42,016	\$5,430	\$1,937	35.7%	2.7x	7.7x	7.7x	21.7x	21.7x
Johnson Controls International	\$28.46	63.5%	\$21,170	\$29,331	\$23,745	\$2,728	11.5%	3.0x	1.2x	1.4x	10.8x	10.3x
Carrier Global Corporation	\$16.71	89.1%	\$14,474	\$25,990	\$18,173	\$2,821	15.5%	4.2x	1.4x	1.7x	9.2x	12.0x
Stanley Black & Decker, Inc.	\$107.84	62.1%	\$16,621	\$24,122	\$14,238	\$2,202	15.5%	3.2x	1.7x	2.0x	11.0x	13.2x
ASSA ABLOY AB (publ)	\$17.96	70.4%	\$19,950	\$23,370	\$9,719	\$1,656	17.0%	2.1x	2.4x	2.4x	14.1x	12.9x
Allegion plc	\$92.94	66.7%	\$8,571	\$9,811	\$2,874	\$654	22.8%	2.3x	3.4x	3.7x	15.0x	17.1x
Fortune Brands	\$53.56	73.1%	\$7,388	\$9,599	\$5,839	\$925	15.8%	2.8x	1.6x	1.8x	10.4x	12.5x
Smiths Group plc	\$14.79	68.1%	\$5,857	\$7,458	\$3,168	\$621	19.6%	3.2x	2.4x	2.5x	12.0x	12.7x
dormakaba Holding AG	\$484.45	63.2%	\$2,008	\$2,854	\$2,898	\$453	15.6%	2.1x	1.0x	1.0x	6.3x	6.7x
Diebold Nixdorf, Incorporated	\$4.52	30.8%	\$351	\$2,501	\$4,291	\$308	7.2%	8.6x	0.6x	0.6x	8.1x	6.6x
Resideo Technologies, Inc.	\$5.51	24.1%	\$679	\$2,009	\$4,951	\$402	8.1%	4.1x	0.4x	0.4x	5.0x	5.5x
Rosenbauer International AG	\$34.43	69.6%	\$234	\$645	\$1,074	\$76	7.1%	5.8x	0.6x	0.6x	8.5x	8.1x
Napco Security Technologies	\$22.00	63.0%	\$404	\$400	\$108	\$18	16.6%	0.4x	3.7x	3.7x	22.3x	19.6x
Grounebo AB (publ)	\$1.96	66.0%	\$187	\$335	\$562	\$32	5.8%	6.7x	0.6x	N/A	10.3x	N/A
GROUPE SFPI SA	\$1.23	48.3%	\$120	\$105	\$613	\$51	8.4%	2.3x	0.2x	0.2x	2.1x	2.3x
Identiv, Inc.	\$3.90	55.4%	\$69	\$82	\$82	\$3	3.1%	8.7x	1.0x	0.9x	32.6x	13.8x
Mean:					\$13,841	\$2,205	15.2%	3.8x	2.2x	2.3x	13.1x	12.5x
Median:					\$5,191	\$790	15.6%	3.1x	1.5x	1.9x	10.8x	12.7x

Intelligent Video and Surveillance

(\$ in millions, except per-share prices)

Company Name	Stock Price	% of 52 Week High	Equity Value	Enterprise Value	LTM			Net Debt/ EBITDA	TEV/			
					Revenue	EBITDA	Margin		LTM Revenue	NTM Revenue	LTM EBITDA	NTM EBITDA
Hangzhou Hikvision Digital Tech.	\$4.34	77.0%	\$40,592	\$38,566	\$8,038	\$1,840	22.9%	0.7x	4.8x	4.5x	21.0x	20.5x
Canon Inc.	\$20.03	65.6%	\$20,942	\$24,861	\$32,696	\$3,832	11.7%	1.6x	0.8x	0.8x	6.5x	7.3x
Zhejiang Dahua Technology	\$2.39	74.5%	\$7,141	\$7,040	\$3,559	\$515	14.5%	0.5x	2.0x	1.8x	13.7x	15.6x
FLIR Systems, Inc.	\$44.24	74.4%	\$5,788	\$6,356	\$1,893	\$392	20.7%	2.2x	3.4x	3.3x	16.2x	14.3x
Verint Systems Inc.	\$42.27	67.3%	\$2,727	\$3,315	\$1,304	\$159	12.2%	6.1x	2.5x	2.4x	20.8x	10.3x
Shenzhen Infinova Limited	\$0.63	68.7%	\$759	\$827	\$624	\$8	1.3%	19.5x	1.3x	N/A	N/M	N/A
Sercomm Corporation	\$2.41	84.3%	\$505	\$489	\$1,072	\$46	4.3%	3.0x	0.5x	0.4x	10.6x	8.3x
Taiwan Shin Kong Security Co.	\$1.21	92.7%	\$459	\$347	\$237	\$45	19.1%	1.3x	1.5x	N/A	7.7x	N/A
Vivotek Inc.	\$2.25	50.7%	\$196	\$179	\$215	\$14	6.4%	1.1x	0.8x	0.8x	12.9x	N/A
Mobotix AG	\$6.54	62.2%	\$86	\$103	\$77	\$5	6.0%	4.1x	1.3x	1.3x	22.4x	17.7x
DynaColor, Inc.	\$1.07	76.6%	\$108	\$74	\$58	\$8	14.3%	2.3x	1.3x	N/A	8.9x	N/A
AVer Information Inc.	\$1.02	82.2%	\$95	\$68	\$72	\$7	10.0%	0.4x	0.9x	N/A	9.5x	N/A
Mean:					\$4,154	\$573	11.9%	3.6x	1.8x	1.9x	13.6x	13.4x
Median:					\$848	\$46	12.0%	1.9x	1.3x	1.5x	12.9x	14.3x

Building Intelligence and Automation

(\$ in millions, except per-share prices)

Company Name	Stock Price	% of 52 Week High	Equity Value	Enterprise Value	LTM			Net Debt/ EBITDA	TEV/			
					Revenue	EBITDA	Margin		LTM Revenue	NTM Revenue	LTM EBITDA	NTM EBITDA
Siemens Aktiengesellschaft	\$93.87	71.8%	\$74,580	\$116,522	\$95,145	\$10,766	11.3%	4.5x	1.2x	2.0x	10.8x	13.4x
Honeywell International Inc.	\$125.41	68.1%	\$88,019	\$96,312	\$36,288	\$8,677	23.9%	1.9x	2.7x	3.0x	11.1x	12.8x
Schneider Electric S.E.	\$85.15	74.1%	\$46,863	\$53,926	\$29,594	\$5,307	17.9%	1.8x	1.8x	1.9x	10.2x	11.3x
ABB Ltd	\$17.63	69.2%	\$37,621	\$45,222	\$27,347	\$3,422	12.5%	4.0x	1.7x	1.9x	13.2x	18.6x
Emerson Electric Co.	\$52.94	67.5%	\$31,630	\$37,295	\$17,968	\$3,740	20.8%	2.2x	2.1x	2.3x	10.0x	11.6x
Johnson Controls International	\$28.46	63.5%	\$21,170	\$29,331	\$23,745	\$2,728	11.5%	3.0x	1.2x	1.4x	10.8x	10.3x
Otis Worldwide Corporation	\$48.89	90.3%	\$21,173	\$27,302	\$12,983	\$2,028	15.6%	3.3x	2.1x	2.2x	13.5x	14.3x
Carrier Global Corporation	\$16.71	89.1%	\$14,474	\$25,990	\$18,173	\$2,821	15.5%	4.2x	1.4x	1.7x	9.2x	12.0x
Stanley Black & Decker, Inc.	\$107.84	62.1%	\$16,621	\$24,122	\$14,238	\$2,202	15.5%	3.2x	1.7x	2.0x	11.0x	13.2x
Legrand SA	\$62.96	74.1%	\$16,800	\$19,938	\$7,179	\$1,590	22.1%	3.2x	2.8x	3.0x	12.5x	13.6x
Hubbell Incorporated	\$113.59	73.3%	\$6,157	\$7,660	\$4,594	\$763	16.6%	2.4x	1.7x	1.8x	10.0x	11.6x
Alarm.com Holdings, Inc.	\$50.33	81.2%	\$2,453	\$2,454	\$542	\$87	16.0%	1.9x	4.5x	4.6x	28.3x	24.3x
Resideo Technologies, Inc.	\$5.51	24.1%	\$679	\$2,009	\$4,951	\$402	8.1%	4.1x	0.4x	0.4x	5.0x	5.5x
Mean:					\$22,519	\$3,426	16.0%	3.1x	1.9x	2.2x	12.0x	13.3x
Median:					\$17,968	\$2,728	15.6%	3.2x	1.7x	2.0x	10.8x	12.8x

Note: Trading multiples are based on share price, other market data, and broker consensus future earnings estimates from S&P Capital IQ as of May 15, 2020.

Public Comparables

Security and Safety Solutions (cont.)

Identification Solutions

(\$ in millions, except per-share prices)

Company Name	Stock Price	% of 52 Week High	Equity Value	Enterprise Value	LTM			Net Debt/ EBITDA	TEV/			
					Revenue	EBITDA	Margin		LTM Revenue	NTM Revenue	LTM EBITDA	NTM EBITDA
3M Company	\$138.69	73.9%	\$79,774	\$98,701	\$32,348	\$8,760	27.1%	2.7x	3.1x	3.2x	11.3x	12.1x
Illinois Tool Works Inc.	\$155.68	81.6%	\$49,184	\$55,449	\$13,785	\$3,765	27.3%	2.0x	4.0x	4.9x	14.7x	20.5x
Safran SA	\$79.55	47.9%	\$33,782	\$39,106	\$27,530	\$5,502	20.0%	1.5x	1.4x	2.0x	7.1x	11.0x
ASSA ABLOY AB (publ)	\$17.96	70.4%	\$19,950	\$23,370	\$9,719	\$1,656	17.0%	2.1x	2.4x	2.4x	14.1x	12.9x
Zebra Technologies Corporation	\$217.80	83.6%	\$11,563	\$13,079	\$4,471	\$878	19.6%	1.8x	2.9x	3.1x	14.9x	14.9x
Brady Corporation	\$41.22	69.7%	\$2,199	\$2,011	\$1,149	\$191	16.7%	0.5x	1.8x	1.9x	10.5x	10.6x
Fingerprint Cards AB (publ)	\$1.64	71.2%	\$515	\$468	\$146	\$2	1.2%	1.5x	3.2x	3.3x	N/M	N/A
De La Rue plc	\$0.54	9.6%	\$56	\$300	\$659	\$78	11.9%	3.1x	0.5x	0.6x	3.8x	5.8x
Net 1 UEPS Technologies, Inc.	\$3.21	72.1%	\$180	\$239	\$275	(\$45)	N/M	N/M	0.9x	1.0x	N/M	N/M
Verimatrix Société anonyme	\$2.04	77.8%	\$173	\$192	\$98	\$21	20.9%	3.6x	2.0x	1.7x	9.3x	7.5x
Digimarc Corporation	\$15.61	23.5%	\$189	\$161	\$24	(\$32)	N/M	N/M	6.8x	5.7x	N/M	N/A
Precia SA	\$184.16	79.0%	\$100	\$94	\$145	\$16	11.2%	1.6x	0.6x	N/A	5.8x	N/A
Identiv, Inc.	\$3.90	55.4%	\$69	\$82	\$82	\$3	3.1%	8.7x	1.0x	0.9x	32.6x	13.8x
Precise Biometrics AB (publ)	\$0.16	75.9%	\$57	\$49	\$11	\$1	9.5%	0.0x	4.6x	4.5x	N/M	27.9x
Mean:					\$6,460	\$1,485	15.5%	2.4x	2.5x	2.7x	12.4x	13.7x
Median:					\$467	\$49	16.9%	1.9x	2.2x	2.4x	10.9x	12.5x

Guarding and Cash Handling

(\$ in millions, except per-share prices)

Company Name	Stock Price	% of 52 Week High	Equity Value	Enterprise Value	LTM			Net Debt/ EBITDA	TEV/			
					Revenue	EBITDA	Margin		LTM Revenue	NTM Revenue	LTM EBITDA	NTM EBITDA
SECOM CO., LTD.	\$83.38	88.7%	\$18,199	\$14,665	\$9,871	\$1,937	19.6%	0.3x	1.5x	1.5x	7.6x	7.6x
Securitas AB	\$11.27	64.6%	\$4,114	\$6,168	\$11,554	\$718	6.2%	3.5x	0.5x	0.5x	8.6x	8.3x
G4S plc	\$1.05	38.6%	\$1,627	\$4,297	\$9,472	\$724	7.6%	5.4x	0.5x	0.5x	5.9x	6.5x
The GEO Group, Inc.	\$10.36	43.1%	\$1,235	\$4,003	\$2,472	\$414	16.7%	6.8x	1.6x	N/A	9.7x	N/A
The Brink's Company	\$37.45	38.6%	\$1,891	\$3,723	\$3,651	\$367	10.1%	5.7x	1.0x	1.1x	10.1x	N/A
Loomis AB (publ)	\$21.94	51.3%	\$1,651	\$2,193	\$2,193	\$399	18.2%	2.5x	1.0x	1.0x	5.5x	5.1x
Prosegur Compañía de Seguridad	\$1.95	40.9%	\$1,112	\$2,175	\$4,575	\$535	11.7%	3.7x	0.5x	0.5x	4.1x	4.4x
Mean:					\$6,255	\$728	12.9%	4.0x	0.9x	0.9x	7.4x	6.4x
Median:					\$4,575	\$535	11.7%	3.7x	1.0x	0.8x	7.6x	6.5x

Public Safety

(\$ in millions, except per-share prices)

Company Name	Stock Price	% of 52 Week High	Equity Value	Enterprise Value	LTM			Net Debt/ EBITDA	TEV/			
					Revenue	EBITDA	Margin		LTM Revenue	NTM Revenue	LTM EBITDA	NTM EBITDA
L3Harris Technologies, Inc.	\$176.78	76.5%	\$38,162	\$45,549	\$21,424	\$4,018	18.8%	2.0x	2.1x	2.4x	11.3x	11.5x
Motorola Solutions, Inc.	\$129.07	68.8%	\$21,951	\$26,799	\$7,885	\$2,123	26.9%	3.1x	3.4x	3.6x	12.6x	12.3x
Constellation Software Inc.	\$1,044.70	95.8%	\$22,139	\$22,368	\$3,624	\$638	17.6%	0.9x	6.2x	5.4x	35.1x	19.7x
Thales S.A.	\$69.19	56.7%	\$14,722	\$18,633	\$20,051	\$2,396	11.9%	2.9x	0.9x	1.0x	7.8x	8.0x
Tyler Technologies, Inc.	\$354.75	99.9%	\$14,105	\$13,787	\$1,116	\$204	18.3%	0.1x	12.4x	11.7x	N/M	N/M
Smiths Group plc	\$14.79	68.1%	\$5,857	\$7,458	\$3,168	\$621	19.6%	3.2x	2.4x	2.5x	12.0x	12.7x
The GEO Group, Inc.	\$10.36	43.1%	\$1,235	\$4,003	\$2,472	\$414	16.7%	6.8x	1.6x	N/A	9.7x	N/A
CoreCivic, Inc.	\$10.24	42.0%	\$1,225	\$3,184	\$1,988	\$426	21.4%	5.3x	1.6x	1.6x	7.5x	8.0x
Kratos Defense & Security	\$15.64	62.4%	\$1,673	\$1,909	\$726	\$62	8.5%	6.2x	2.6x	2.5x	31.0x	23.9x
QinetiQ Group plc	\$3.68	76.4%	\$2,066	\$1,857	\$1,193	\$207	17.3%	0.2x	1.6x	1.4x	9.0x	9.0x
Federal Signal Corporation	\$26.40	73.8%	\$1,590	\$1,823	\$1,234	\$198	16.1%	1.5x	1.5x	1.6x	9.2x	10.8x
Mean:					\$5,898	\$1,028	17.6%	2.9x	3.3x	3.4x	14.5x	12.9x
Median:					\$2,472	\$426	17.6%	2.9x	2.1x	2.5x	10.5x	11.5x

Note: Trading multiples are based on share price, other market data, and broker consensus future earnings estimates from S&P Capital IQ as of May 15, 2020.

Public Comparables

Security and Safety Solutions (cont.)

Diversified Safety

(\$ in millions, except per-share prices)

Company Name	Stock Price	% of 52 Week High	Equity Value	Enterprise Value	LTM			Net Debt/ EBITDA	TEV/			
					Revenue	EBITDA	Margin		LTM Revenue	NTM Revenue	LTM EBITDA	NTM EBITDA
3M Company	\$138.69	73.9%	\$79,774	\$98,701	\$32,348	\$8,760	27.1%	2.7x	3.1x	3.2x	11.3x	12.1x
Honeywell International Inc.	\$125.41	68.1%	\$88,019	\$96,312	\$36,288	\$8,677	23.9%	1.9x	2.7x	3.0x	11.1x	12.8x
Johnson Controls International	\$28.46	63.5%	\$21,170	\$29,331	\$23,745	\$2,728	11.5%	3.0x	1.2x	1.4x	10.8x	10.3x
Fortive Corporation	\$55.25	66.4%	\$18,611	\$23,866	\$7,441	\$1,629	21.9%	3.9x	3.2x	3.6x	14.6x	15.7x
Teledyne Technologies Inc.	\$315.07	79.0%	\$11,552	\$12,308	\$3,203	\$625	19.5%	1.6x	3.8x	3.9x	19.7x	20.6x
Smiths Group plc	\$14.79	68.1%	\$5,857	\$7,458	\$3,168	\$621	19.6%	3.2x	2.4x	2.5x	12.0x	12.7x
Rosenbauer International AG	\$34.43	69.6%	\$234	\$645	\$1,074	\$76	7.1%	5.8x	0.6x	0.6x	8.5x	8.1x
Groupe Gorgé SA	\$14.30	69.1%	\$193	\$308	\$309	\$18	5.8%	6.4x	1.0x	1.1x	17.2x	10.8x
Mean:					\$13,447	\$2,892	17.0%	3.6x	2.2x	2.4x	13.1x	12.9x
Median:					\$5,322	\$1,127	19.6%	3.1x	2.5x	2.8x	11.6x	12.4x

Safety Monitoring, Gas Detection, and Testing

(\$ in millions, except per-share prices)

Company Name	Stock Price	% of 52 Week High	Equity Value	Enterprise Value	LTM			Net Debt/ EBITDA	TEV/			
					Revenue	EBITDA	Margin		LTM Revenue	NTM Revenue	LTM EBITDA	NTM EBITDA
AMETEK, Inc.	\$79.59	77.8%	\$18,261	\$20,434	\$5,073	\$1,379	27.2%	2.5x	4.0x	4.6x	14.8x	16.0x
Halma plc	\$26.16	94.2%	\$9,923	\$10,302	\$1,562	\$362	23.2%	1.3x	6.6x	6.2x	28.4x	26.0x
FLIR Systems, Inc.	\$44.24	74.4%	\$5,788	\$6,356	\$1,893	\$392	20.7%	2.2x	3.4x	3.3x	16.2x	14.3x
Spectris plc	\$31.13	83.0%	\$3,612	\$3,645	\$1,993	\$199	10.0%	1.6x	1.8x	2.2x	18.3x	12.4x
Drägerwerk AG & Co. KGaA	\$77.59	65.6%	\$1,283	\$1,611	\$3,072	\$186	6.0%	3.3x	0.5x	0.5x	8.7x	5.1x
INFICON Holding AG	\$673.94	80.7%	\$1,643	\$1,593	\$382	\$81	21.2%	0.1x	4.2x	4.1x	19.7x	20.3x
Riken Keiki Co., Ltd.	\$19.81	85.7%	\$461	\$346	\$300	\$67	22.4%	0.4x	1.2x	N/A	5.2x	N/A
Blackline Safety Corp.	\$3.93	74.2%	\$189	\$172	\$26	(\$6)	N/M	N/M	6.7x	5.1x	N/M	N/M
Envea Société anonyme	\$108.10	89.8%	\$177	\$168	\$111	\$19	17.4%	0.5x	1.5x	1.6x	8.7x	9.4x
Mean:					\$1,601	\$298	18.5%	1.5x	3.3x	3.4x	15.0x	14.8x
Median:					\$1,562	\$186	21.0%	1.5x	3.4x	3.7x	15.5x	14.3x

Personal Protective Equipment and Clothing

(\$ in millions, except per-share prices)

Company Name	Stock Price	% of 52 Week High	Equity Value	Enterprise Value	LTM			Net Debt/ EBITDA	TEV/			
					Revenue	EBITDA	Margin		LTM Revenue	NTM Revenue	LTM EBITDA	NTM EBITDA
Bunzl plc	\$20.88	77.8%	\$6,961	\$9,082	\$11,387	\$825	7.2%	3.8x	0.8x	0.8x	11.0x	11.2x
MSA Safety Incorporated	\$114.84	80.7%	\$4,462	\$4,691	\$1,417	\$303	21.4%	1.4x	3.3x	3.4x	15.5x	16.2x
Ansell Limited	\$21.28	97.8%	\$2,736	\$2,971	\$1,527	\$241	15.8%	2.6x	1.9x	1.8x	12.3x	10.7x
Delta Plus Group	\$40.43	66.2%	\$289	\$389	\$287	\$42	14.6%	2.9x	1.4x	1.4x	9.3x	N/A
Bergman & Beving AB (publ)	\$5.78	48.6%	\$154	\$274	\$419	\$24	5.7%	5.2x	0.7x	0.7x	11.4x	7.1x
Koken Ltd.	\$21.29	52.2%	\$107	\$145	\$85	\$13	15.5%	4.6x	1.7x	N/A	11.1x	N/A
Lakeland Industries, Inc.	\$13.80	49.3%	\$110	\$99	\$108	\$8	7.0%	0.5x	0.9x	0.9x	13.1x	8.6x
Shigematsu Works Co., Ltd.	\$10.49	40.3%	\$75	\$88	\$108	\$7	6.9%	3.7x	0.8x	N/A	11.8x	N/A
Mean:					\$1,917	\$183	11.8%	3.1x	1.4x	1.5x	11.9x	10.8x
Median:					\$353	\$33	10.9%	3.3x	1.1x	1.1x	11.6x	10.7x

Note: Trading multiples are based on share price, other market data, and broker consensus future earnings estimates from S&P Capital IQ as of May 15, 2020.

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Locations



Industry Expertise

Product Expertise	Dedicated Industry Groups	Financial Sponsors
Mergers and Acquisitions	Business Services	Active Dialogue
Capital Markets	Consumer, Food, and Retail	With a Diverse Group of 1,000+ Sponsors
Financial Restructuring	Data and Analytics	Private Equity Firms
Financial and Valuation Advisory	Energy	Hedge Funds
	Financial Institutions	Capital Alliances
	Healthcare	
	Industrials	
	Real Estate, Lodging, and Leisure	
	Technology, Media, and Telecom	

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