



ENERGY

Q3 & Q4 | 2018

M&A Activity Remains Strong Across Energy Sub-Sectors, Despite Q4 Slide in Crude Oil Pricing

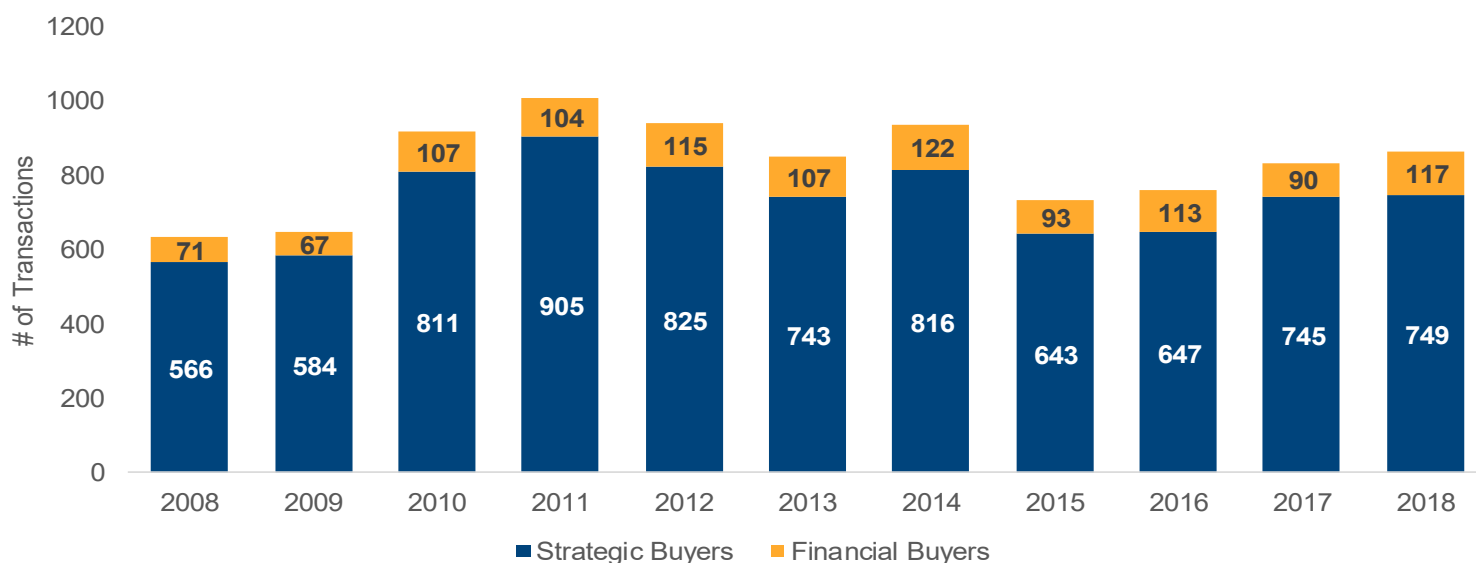
In the **Power & Utility** sector, a handful of mega utility mergers and large renewable platform deals contributed the majority of 2018 announced deal value. Although total value dropped for the second year in a row in 2018, the year was above average by historical standards. A major contributor to the decline in total value was the absence of mega-deals in the sector. Despite the decline in value, activity levels remained elevated, with transaction volume remaining consistent with the past several years. The majority of M&A volume has been on smaller, single-asset, and portfolio deals, particularly in the renewable power segment. As the power generation market continues to evolve, IPPs, utilities, and private equity investors continue to play an active role in the market for natural gas and utility-scale renewable assets and portfolios.

M&A deal value in the **Oil & Gas** sector grew significantly in 2018, buoyed by very large affiliate transactions in the mid-

stream sector which were driven by streamlined corporate structures. Total value was modestly lower when excluding such transactions; however, M&A was still an important tool for upstream players. With the benefits of lessons learned from the past and improved cost structures realized since 2014, the Q4 drop in crude oil pricing did not have the chilling effect it did in Q4 2014. E&P firms made strategic and disciplined use of M&A in 2018, focused on shedding non-core assets, building scale in key basins, and investing in producing assets and new infrastructure.

Energy Equipment and Services has continued to see steady deal volume and strong buyer interest in selected segments, particularly in the middle market and lower middle market. Private equity groups have shown considerable interest in equipment and service companies, which stand to benefit from the long-term energy infrastructure build-out necessary to support

Energy Equipment & Services M&A Activity by Year



Source: EdgePoint Proprietary Database, Company Filings, CapIQ, News Releases.

M&A Activity Remains Strong Across Energy Sub-Sectors, Despite Q4 Slide in Crude Oil Pricing *(continued)*

the evolution of the domestic U.S. energy economy. The energy equipment and services sector provides generalist private equity groups an opportunity to participate in U.S. energy sector growth, without the requisite industry specialist expertise needed to invest in the power and upstream oil & gas sectors.

Deal activity and buyer interest has remained strong for companies with recurring contractual revenues, mission critical/non-

deferable service offerings, and for manufacturers and suppliers of consumable products. Key segments of strength include utility and industrial service and maintenance, inspection and testing, PVF distributors, oil field consumables, and O&M providers. Companies with exposure to commodity price fluctuations, exploration activity, and capital projects or new construction have been more challenged to find buyers despite strong recent performance and large backlogs.

Key Energy Industry Trends and Observations

Power & Renewables

- While many thought the 30% Section 201 tariffs on imported solar cells and modules would crush the U.S. solar market, which relies heavily on Chinese imports, there appears to be a silver lining. According to PV Magazine USA, 3.9 GW of new module manufacturing capacity is currently being added across five new factories in the United States.
- According to Wood Mackenzie, the U.S. energy storage market will reach \$500 million in sales this year. Long considered the critical missing component in making efficient use of intermittent renewable power, the United States tripled energy storage installations in 2018, with residential expanding 10x to be the largest market segment.

Oil & Gas

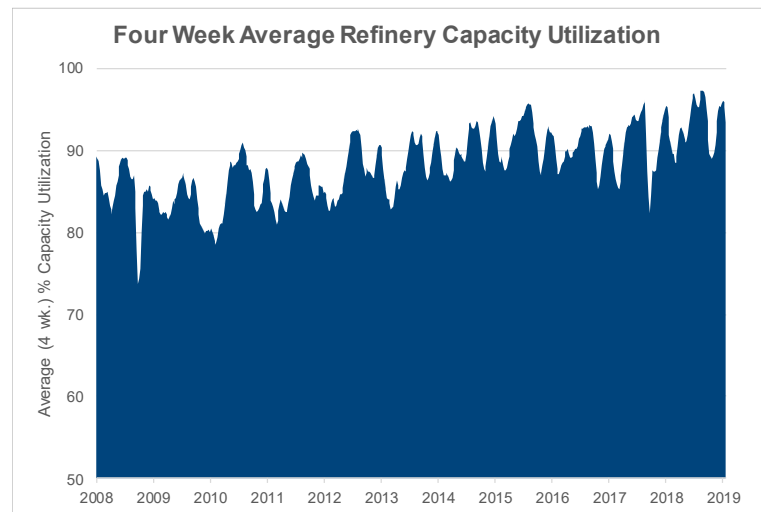
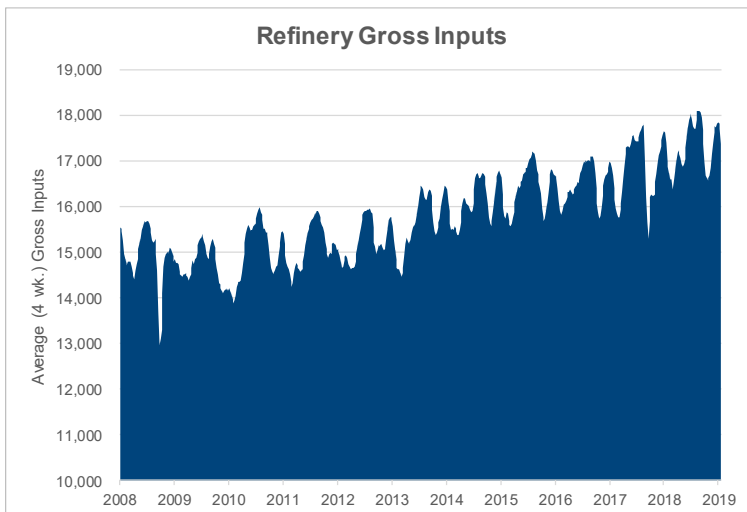
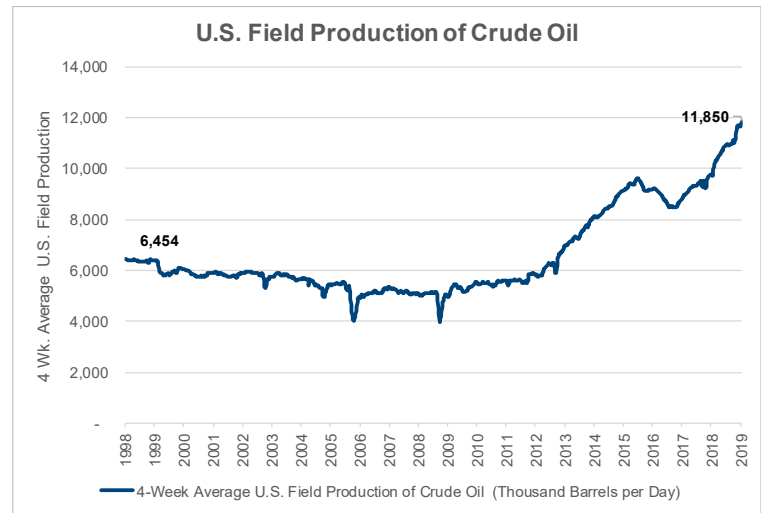
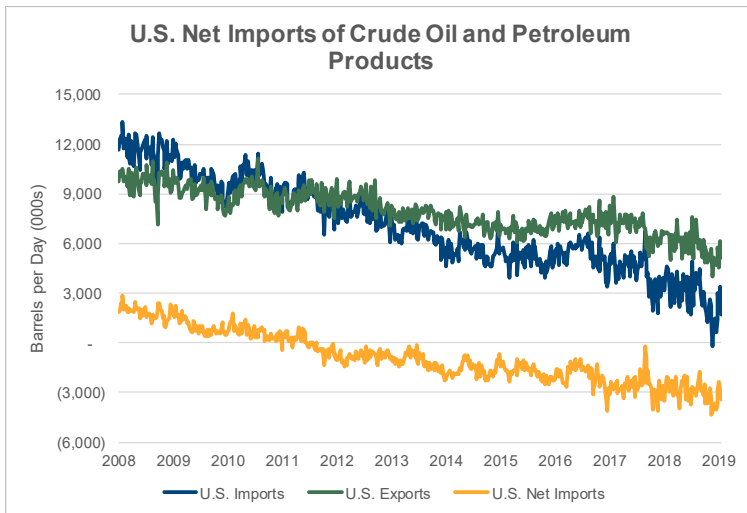
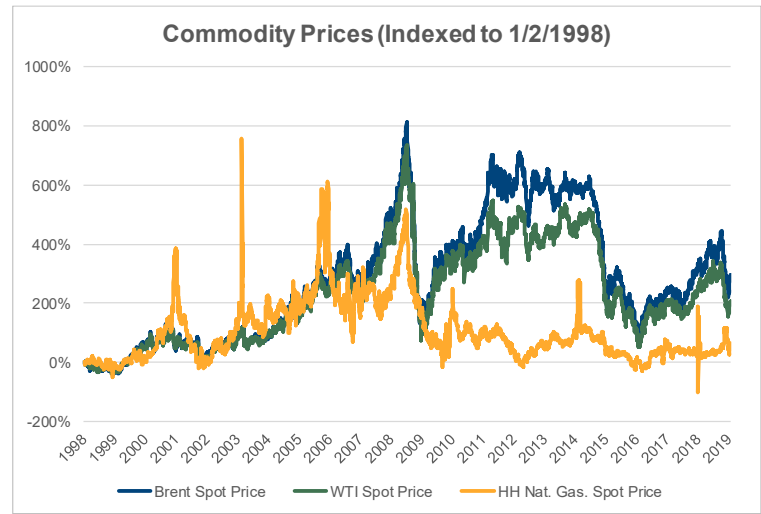
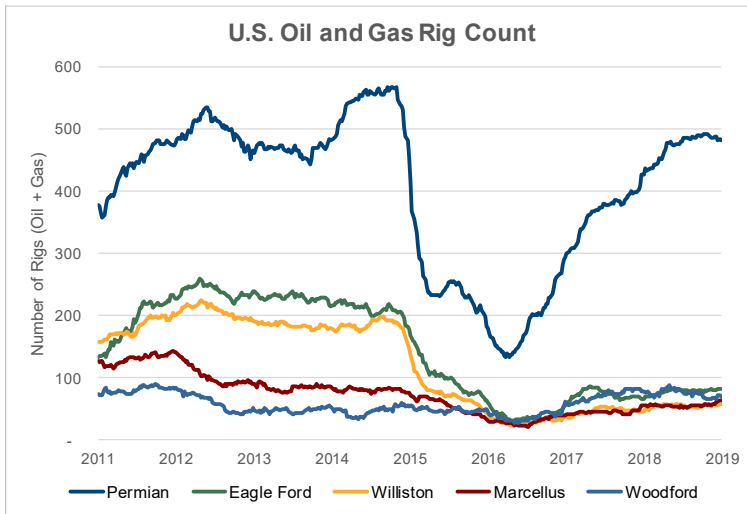
- U.S. rig counts rose slowly throughout 2018 and into 2019 to 1,045 as of February 1, 2019, per Baker Hughes Rig Count Reports. Although crude oil pricing has dropped slightly over the past two months, rig count and drilling activity are likely to remain steady or to increase slightly through 2019, absent a significant price drop.
- In October 2018, crude oil NYMEX futures hit \$76 per

barrel – the high for the year – and then they hit \$42 in late December – the low for the year. As of late February, crude oil futures had rebounded to \$57 per barrel, less than 10% off the price one year earlier. The price was \$58 per barrel on February 22, 2019 (NYMEX crude oil price) vs. \$63.55 in February 2018.

- The U.S. Energy Information Administration's (EIA) February 2019 update of its short-term energy outlook (STEO) forecasts that U.S. crude oil production will average 12.4 million barrels per day (b/d) in 2019 and 13.2 million b/d in 2020. If realized, both of these forecast levels would surpass the record high of 11.0 million b/d set in 2018, keeping the United States as the world's largest producer of crude oil.
- The EIA estimates that margins for U.S. Gulf Coast refiners have declined to the lowest levels since late 2014, based on recent price trends in certain grades of crude oil and petroleum products. However, EIA estimates that U.S. refiners will be able to find alternative sources of crude oil supply.
- U.S. average regular gasoline and diesel prices have decreased. The U.S. average regular gasoline retail price decreased to \$2.27 per gallon on December 31, 2018, down more than 25 cents per gallon from the same time the previous year.

Sources: EIA

Key Energy Industry Indicators



Sources: Baker Hughes and the U.S. Energy Information Administration (EIA)

High-Profile Failures Put Spotlight on Energy Delivery Infrastructure in 2018

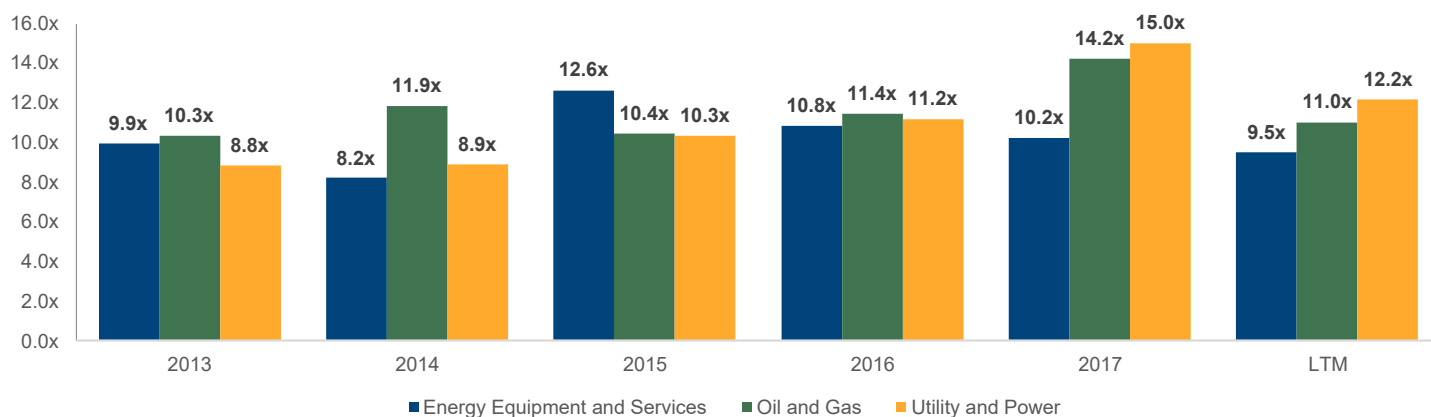
In 2018, on both the West and East coasts, Energy infrastructure was at the center of high-profile disasters that made headlines and that caused massive damage to communities, enormous expense cleanup costs, and tragically, the loss of homes and lives. In the wake of the 2018 California wildfires, the largest utility in the United States was forced to seek bankruptcy protection due to the role the company's T&D infrastructure played in the disaster. In September 2018, a series of explosions and fires in the Boston area that were tied to over-pressurization issues with the underground natural gas utility system caused injury, property damage, and anxiety about public safety.

High-profile failures like these (e.g., the August 2003 East coast blackout) tend to shine a spotlight on U.S. energy infrastructure, often spurring new reliability and safety standards and increased capital maintenance budgets. Irrespective of the details and specifics of the 2018 incidents, the broad theme is clear:

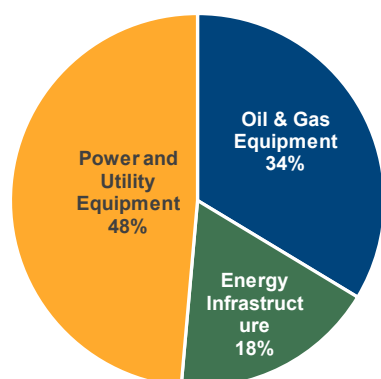
U.S. energy infrastructure requires significantly greater investment in maintenance, upgrade, and replacement of its existing assets in addition to the need to build new infrastructure to gather, process, store, transport, and deliver energy in all of its forms safely and reliably to end users in the growing and increasingly independent U.S. domestic energy market.

There has long been broad recognition of these key demand drivers among the people and companies performing this vital work on U.S. energy infrastructure. Interest from public equity markets, institutional investors, private equity groups, financiers, and deal-makers has just begun to accelerate over the past five years. Several noteworthy M&A transactions from 2018, such as PowerTeam/CD&R and PrimeLine/Vinci highlight key themes, trends, and characteristics that are indicative of the current era of M&A activity in the sector.

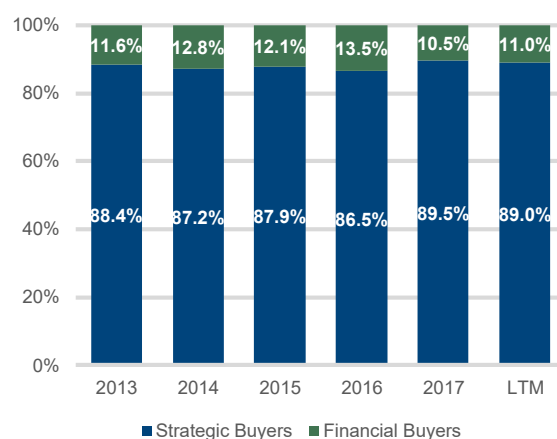
Historical Average Transaction Multiples (EV/EBITDA)



Transactions by Sub-Sector (LTM)











Share of Transactions by Buyer Type



Source: EdgePoint Proprietary Database, Company Filings, CapIQ, News Releases

Notable Announced and Closed Transactions

Date: 11/05/18 (Closed)	Overview / Strategic Rationale:	Infrastructure Services
<div>Target:<div></div></div> <div>Acquirer:<div></div></div> <div>Key Metrics:<div><div>Implied Enterprise Value (mm USD)</div><div>EV/LTM EBITDA</div><div>EV/LTM Revenue</div></div><div><div>\$55</div><div>1.0x</div><div></div></div></div>	<p>CHI provides engineering, procurement and construction management services to the liquefied natural gas (LNG), liquefied petroleum gas (LPG), and natural gas (NG) industries with extensive experience in plant startup, operations, and maintenance. CHI’s client base includes the majority of LNG facility owner/operators in the United States.</p> <ul style="list-style-type: none"><i>The acquisition serves to meet NV5’s energy clients’ rapidly growing needs, particularly in the LNG space, specifically engineering, permitting, and construction services.</i><i>The acquisition also significantly increases NV5’s presence in the western United States as well as within the LNG and LPG markets.</i>	
Date: 10/28/18 (Announced)	Overview / Strategic Rationale:	Oil and Gas
<div>Target:<div></div></div> <div>Acquirer:<div></div></div> <div>Key Metrics:<div><div>Implied Enterprise Value (mm USD)</div><div>EV/LTM EBITDA</div><div>EV/LTM Revenue</div></div><div><div>\$1,234</div><div>12.5x</div><div></div></div></div>	<p>Penn Virginia is a pure-play independent oil and gas company engaged in the development and production of oil, NGLs, and natural gas, operating in the Eagle Ford shale in south Texas.</p> <ul style="list-style-type: none"><i>Denbury gains a new core position in the oil window of the Eagle Ford in close proximity to Denbury’s existing Gulf Coast operations.</i><i>It adds a significant amount of short-cycle unconventional development opportunities to Denbury’s medium cycle enhanced oil recovery project portfolio.</i><i>In addition to strong strategic rationale, the acquisition also has strong financial rationale. The acquisition enhances scale positively and impacts credit metrics, reducing the long-term cost of capital.</i>	
Date: 11/16/18 (Closed)	Overview / Strategic Rationale:	Oilfield Services
<div>Target:<div></div></div> <div>Acquirer:<div></div></div> <div>Key Metrics:<div><div>Implied Enterprise Value (mm USD)</div><div>EV/LTM EBITDA</div><div>EV/LTM Revenue</div></div><div><div>\$68</div><div>1.5x</div><div></div></div></div>	<p>Cretic provides large-diameter, extended-reach, coiled tubing services to oil and gas producers predominantly in the Permian Basin. Cretic was an early mover in high-capacity coil tubing units, and it was able to address specific demands associated with completing long lateral wells.</p> <ul style="list-style-type: none"><i>The acquisition positions Forbes as a leading completions service provider by adding seven large-diameter coiled tubing spreads and other critical equipment to its fleet.</i><i>Forbes increases its existing presence in the Permian Basin.</i>	
Date: 10/26/2018 (Closed)	Overview / Strategic Rationale:	Oilfield Services
<div>Target:<div></div></div> <div>Acquirer:<div></div></div> <div>Key Metrics:<div><div>Implied Enterprise Value (mm USD)</div><div>EV/LTM EBITDA</div><div>EV/LTM Revenue</div></div><div><div>\$13</div><div>4.5x</div><div></div></div></div>	<p>Adler Hot Oil Service provides oilfield services for the hot oil and water heating industry. Services offered include pressure washing, frac water heating service with natural gas, hot oil treatment service for gas and oil wells, pit and bond heating, and several other complementary services.</p> <ul style="list-style-type: none"><i>Expands ENSERVCO’s market share in the Bakken, DJ Basin, Green River, and Marcellus/Utica Basins.</i><i>Adler brings a blue-chip customer base of top tier oil and gas E&P companies, a valuable IP portfolio including three issued patents and three pending patents, and a fleet of 28 frac water heaters and 16 hot oilers.</i><i>The acquisition also bolsters ENSERVCO’s earnings capacity and improves ENSERVCO’s debt to EBITDA ratio on a pro forma basis.</i>	

Recent Announced & Closed Transactions *(select transactions, not intended to be all-inclusive)*

Date	Acquirer	Target	Target Description	Price (\$MM)	Revenue Multiple	EBITDA Multiple
OIL & GAS EQUIPMENT AND SERVICES						
10/22/2018	KLX Energy Services	Motley Services LLC	Provides well completion and intervention services in the Permian Basin	\$ 148	1.5x	5.6x
11/16/2018	Forbes Energy Services	Cretic Energy Services, LLC	Provides coiled tubing services for oil and gas producers in Texas	68	1.5x	-
10/26/2018	Enservco Corporation	Adler Hot Oil Service, LLC.	Provides oilfield services for the hot oil and water heating industry	13	0.7x	4.5x
10/21/2018	WorleyParsons Limited	Energy, Chemicals and Resources Business of Jacobs Engineering Group Inc.	Energy, Chemicals and Resources Business construction, engineering, design, and consulting	3,197	-	11.2x
11/5/2018	NV5 Global, Inc.	CHI Engineering Services Inc.	Provides engineering, procurement, and construction management services for the LNG, natural gas, and LPG industries	55	1.0x	-
7/17/2018	Centerbridge Partners	Seitel, Inc.	Provides onshore and offshore seismic data to the oil and gas industry in North America	237	3.1x	4.1x
10/12/2018	IEA Energy Services	William Charles Construction Company, LLC	Provides construction services to customers in the United States and internationally	90	-	-
11/12/2018	ProPetro Holding Corp.	Pumping Services Assets of Pioneer Natural Resources Pumping and Pioneer Natural	Provides fracture stimulation, coil tubing, and support services for oil and gas exploration	315	-	-
7/18/2018	Independence Contract Drilling, Inc.	Sidewinder Drilling, LLC	Operates a fleet of land drilling rigs	325	2.9x	-
OIL & GAS						
10/28/2018	Chesapeake Energy Corporation	WildHorse Resource Development Corporation	independent oil and natural gas company, focuses on the acquisition, exploitation, development, and production of oil, natural gas, and natural gas liquid resources	4,102	4.6x	7.2x
8/14/2018	Diamondback Energy, Inc.	Energen Corporation	Engages in the exploration, development, and production of oil, natural gas liquids, and natural gas	7,942	5.7x	10.2x
8/20/2018	Alinda Capital Partners	Maurepas Pipeline, LLC	Operates as a pipeline system that provides three separate transportation pipes serving refineries	714	-	13.0x
10/28/2018	Denbury Resources Inc.	Penn Virginia Corporation	Independent oil and gas company, engages in the onshore exploration, development, and production of crude oil, natural gas liquids, and natural gas in the United States	1,280	3.6x	9.4x
10/31/2018	Encana Oil & Gas (USA) Inc.	Newfield Exploration Company	Independent energy company, engages in the exploration, development, and production of crude oil, natural gas, and natural gas liquids in the United States	5,515	2.2x	4.7x
7/11/2018	Eclipse Resources Corporation	Blue Ridge Mountain Resources, Inc.	Independent oil and gas company, explores for, exploits, acquires, develops, and produces natural gas, and natural gas liquids (NGLs) and oils in the United States	191	1.5x	4.2x
7/30/2018	KKR & Co. Inc.; The Williams Companies, Inc.	Discovery Midstream Partners LLC	Operates natural gas and crude oil gathering pipelines, cryogenic gas-processing facilities, liquids-handling plants, and crude oil-storage facilities	1,173	-	-
ENERGY & POWER						
10/22/2018	Aqua America, Inc.	Peoples Natural Gas Co. and Delta Natural Gas Co.	Gas utility provider	4,275	-	-
9/20/2018	Consolidated Edison Development, Inc.	Sempra Solar Holdings, LLC	Owns and operates renewable and solar electric projects	2,116	-	-
1/2/2018	Dominion Energy, Inc.	SCANA Corporation	Engages in the generation, transmission, distribution, and sale of electricity to retail and wholesale customers in the United States	13,584	3.3x	10.7x
5/20/2018	Nextera Energy	Gulf Power Company	Engages in the generation, purchase, transmission, distribution, and sale of electricity to retail customers in northwest Florida and to wholesale customers in the Southeast Florida.	5,648	3.8x	12.8x
9/6/2018	Capital Power Corporation	Arlington Valley, LLC	Owns and operates a natural gas-fired combined cycle electric generating plant located on a site in Maricopa County, Arizona	305	-	-

Sources: EdgePoint Proprietary Database, Company Filings, CapIQ, News Releases

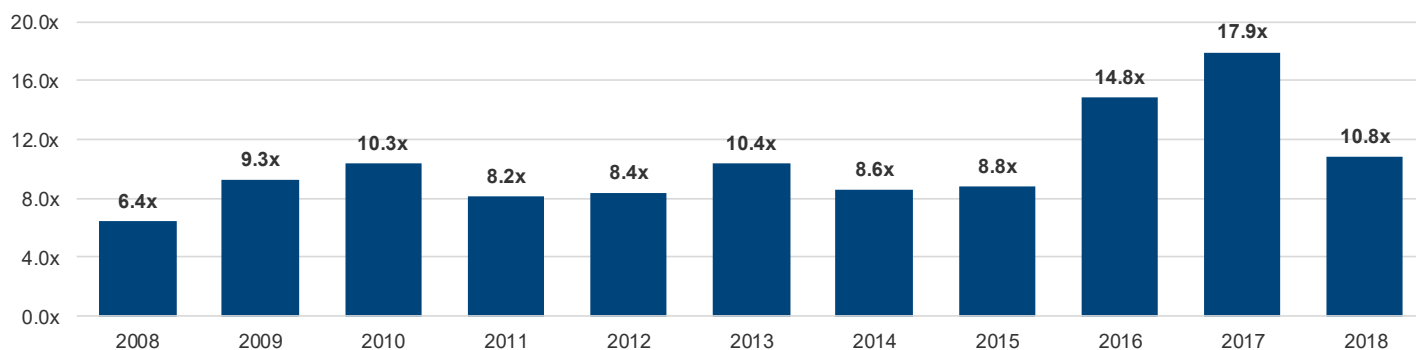
Public Company Data: Energy Equipment & Services

(\$ in millions, except per share data)	Share	% of 52	Market	Enterprise	Debt /	LTM	Enterprise Value / LTM	Enterprise Value / NTM			
Company	Price	Week High	Cap.	Value	EBITDA	Revenue	EBITDA	Revenue	EBITDA	Revenue	EBITDA
Oil & Gas Equipment & Services											
Land Drillers											
Helmerich & Payne, Inc. (NYSE:HP)	\$ 54.27	73.0%	\$ 5,937.4	\$ 6,158.7	0.7x	\$ 2,670.7	\$ 674.2	2.3x	9.1x	2.1x	7.2x
Patterson-UTI Energy, Inc. (NasdaqGS:PTEN)	13.19	55.0%	2,812.3	3,686.5	1.4x	3,327.0	791.7	1.1x	4.7x	1.3x	5.2x
Nabors Industries Ltd. (NYSE:NBR)	3.28	37.0%	1,176.8	4,735.8	4.7x	3,057.6	760.3	1.5x	6.2x	1.5x	5.5x
Precision Drilling Corporation (TSX:PD)	3.14	58.9%	922.5	2,532.1	4.8x	1,541.2	356.0	1.6x	7.1x	1.6x	6.5x
Pioneer Energy Services Corp. (NYSE:PES)	1.63	25.7%	126.5	537.5	5.4x	590.1	85.8	0.9x	6.3x	0.9x	6.2x
Median		55.0%	\$ 1,176.8	\$ 3,686.5	4.7x	\$ 2,670.7	\$ 674.2	1.5x	6.3x	1.5x	6.2x
Oilfield Services											
Tetra Tech, Inc. (NasdaqGS:TTEK)	\$ 58.54	80.7%	\$ 3,232.2	\$ 3,428.8	1.1x	\$ 2,209.3	\$ 241.6	1.6x	14.2x	1.4x	12.4x
Ensign Energy Services Inc. (TSX:ESI)	5.44	75.6%	854.5	2,568.4	6.8x	1,156.4	254.9	2.2x	10.1x	1.5x	6.4x
Superior Energy Services, Inc. (NYSE:SPN)	4.24	33.3%	661.2	1,786.0	3.8x	2,130.3	338.9	0.8x	5.3x	0.9x	5.9x
Calfrac Well Services Ltd. (TSX:CFW)	3.29	39.4%	475.7	1,414.1	3.3x	2,256.4	304.7	0.6x	4.6x	0.7x	5.9x
Trican Well Service Ltd. (TSX:TCW)	1.40	36.9%	422.1	463.2	0.5x	900.6	93.4	0.5x	5.0x	0.6x	12.0x
Basic Energy Services, Inc. (NYSE:BAS)	3.85	21.0%	103.0	362.4	6.3x	964.7	55.1	0.4x	6.6x	0.4x	5.2x
Median		38.2%	\$ 568.4	\$ 1,600.1	3.5x	\$ 1,643.3	\$ 248.2	0.7x	5.9x	0.8x	6.1x
Oil & Gas Equipment											
Baker Hughes, a GE company (NYSE:BHGE)	\$ 26.50	70.2%	\$ 13,604.8	\$ 34,656.8	2.6x	\$ 22,877.0	\$ 2,829.0	1.5x	12.9x	1.4x	11.2x
National Oilwell Varco, Inc. (NYSE:NOV)	26.50	54.0%	10,161.0	11,515.0	3.0x	8,453.0	901.0	1.4x	12.8x	1.3x	13.2x
Weatherford International plc (NYSE:WFT)	0.64	17.0%	638.0	8,063.0	12.0x	5,744.0	666.0	1.4x	12.1x	1.4x	8.5x
Oil States International, Inc. (NYSE:OIS)	15.27	39.2%	923.8	1,236.2	2.8x	1,088.1	117.5	1.1x	10.5x	1.1x	NA
Cactus, Inc. (NYSE:WHD)	37.46	91.4%	1,410.5	1,355.8	0.1x	544.1	207.9	2.5x	6.5x	2.2x	5.8x
Forum Energy Technologies, Inc. (NYSE:FET)	5.31	33.1%	582.5	1,054.0	11.8x	1,064.2	43.9	1.0x	23.9x	1.0x	11.4x
Dril-Quip, Inc. (NYSE:DRQ)	40.18	68.2%	1,462.1	1,044.0	-	384.6	5.0	2.7x	208.0x	2.7x	26.8x
Median		54.0%	\$ 1,410.5	\$ 1,355.8	2.9x	\$ 1,088.1	\$ 207.9	1.4x	12.8x	1.4x	11.3x
Oil & Gas Equipment & Services Median		46.7%	\$ 923.1	\$ 2,159.1	3.3x	\$ 1,835.7	\$ 279.8	1.4x	8.1x	1.4x	6.5x
Energy Infrastructure Services											
Utility Services											
Quanta Services, Inc. (NYSE:PWR)	\$ 35.89	95.9%	\$ 5,074.6	\$ 6,103.4	1.3x	\$ 11,171.4	\$ 837.2	0.5x	7.8x	0.6x	6.7x
MasTec, Inc. (NYSE:MTZ)	46.76	85.5%	3,496.5	4,878.1	2.0x	6,909.4	694.8	0.7x	6.8x	0.6x	6.3x
Dycor Industries, Inc. (NYSE:DY)	48.83	41.6%	1,535.3	2,265.4	2.9x	3,127.7	296.2	0.7x	7.6x	0.7x	6.8x
MYR Group Inc. (NasdaqGS:MYRG)	37.35	91.5%	620.0	706.4	1.1x	1,531.2	82.8	0.5x	8.5x	0.4x	7.0x
Median		88.5%	\$ 2,515.9	\$ 3,571.7	1.7x	\$ 5,018.6	\$ 495.5	0.6x	7.7x	0.6x	6.7x
Industrial Petrochem Services											
EMCOR Group, Inc. (NYSE:EME)	\$ 71.90	87.6%	\$ 4,026.2	\$ 3,959.0	0.6x	\$ 8,130.6	\$ 490.0	0.5x	8.1x	0.5x	7.8x
Team, Inc. (NYSE:TISI)	16.66	65.2%	501.0	862.0	12.2x	1,246.9	29.3	0.7x	27.8x	0.7x	7.7x
Aegion Corporation (NasdaqGS:AEGN)	17.02	63.5%	540.5	777.7	3.1x	1,333.6	99.9	0.6x	7.8x	0.6x	7.0x
Mistras Group, Inc. (NYSE:MG)	15.50	65.7%	442.7	721.0	5.0x	742.4	60.7	1.0x	11.9x	0.9x	8.0x
Matrix Service Company (NasdaqGS:MTRX)	20.50	79.6%	549.1	477.6	-	1,197.8	21.3	0.4x	22.4x	0.3x	6.5x
Median		65.7%	\$ 540.5	\$ 777.7	4.1x	\$ 1,246.9	\$ 60.7	0.6x	11.9x	0.6x	7.7x
Infrastructure Services											
KBR, Inc. (NYSE:KBR)	\$ 19.02	85.6%	\$ 2,682.0	\$ 3,238.0	3.6x	\$ 4,913.0	\$ 353.0	0.7x	7.5x	0.6x	7.4x
Primoris Services Corporation (NasdaqGS:PRIM)	22.40	77.5%	1,136.0	1,358.7	1.7x	2,939.5	223.0	0.5x	6.1x	0.4x	5.9x
Aecon Group Inc. (TSX:ARE)	18.24	92.2%	1,103.1	1,117.9	3.6x	3,266.3	178.6	0.3x	5.8x	0.3x	5.3x
Argan, Inc. (NYSE:AGX)	47.95	97.8%	746.6	431.7	-	564.1	57.6	0.8x	7.5x	1.1x	19.1x
Infrastructure and Energy Alternatives, Inc. (NasdaqCM:IEA)	5.75	51.0%	124.1	378.0	NM	779.3	(24.0)	0.5x	10.7x	0.3x	3.6x
Median		85.6%	\$ 1,103.1	\$ 1,117.9	3.6x	\$ 2,939.5	\$ 178.6	0.5x	7.5x	0.4x	5.9x
Engineering & Construction Services											
Jacobs Engineering Group Inc. (NYSE:JEC)	\$ 73.04	88.8%	\$ 10,190.3	\$ 12,063.7	2.8x	\$ 16,284.4	\$ 960.0	0.7x	12.6x	1.0x	12.0x
SNC-Lavalin Group Inc. (TSX:SNC)	35.52	57.7%	6,235.7	9,184.9	6.6x	10,084.0	557.9	0.9x	16.5x	0.9x	8.4x
Fluor Corporation (NYSE:FLR)	37.18	59.9%	5,190.6	5,054.4	2.3x	19,166.6	748.6	0.3x	6.8x	0.2x	5.9x
John Wood Group PLC (LSE:WG.)	5.51	68.8%	3,706.9	4,917.6	7.9x	8,366.6	416.7	0.6x	14.4x	0.4x	6.7x
WorleyParsons Limited (ASX:WOR)	13.77	65.2%	6,359.4	4,313.4	1.8x	5,058.9	350.7	0.9x	12.0x	0.5x	5.9x
Median		65.2%	\$ 6,235.7	\$ 5,054.4	2.8x	\$ 10,084.0	\$ 557.9	0.7x	12.6x	0.5x	6.7x
Energy Infrastructure Services Median		77.5%	\$ 1,535.3	\$ 2,265.4	2.9x	\$ 3,266.3	\$ 296.2	0.6x	8.1x	0.6x	6.8x
Power & Utility Equipment											
Large Cap Diversified											
General Electric Company (NYSE:GE)	\$ 9.90	63.5%	\$ 86,180.3	\$ 196,957.3	6.9x	\$ 121,615.0	\$ 15,881.0	1.6x	12.6x	1.7x	13.5x
Honeywell International Inc. (NYSE:HON)	153.19	91.3%	111,688.7	117,177.7	1.8x	41,802.0	8,961.0	2.8x	13.0x	3.2x	13.4x
Siemens Aktiengesellschaft (DB:SIE)	95.53	78.7%	76,640.0	102,474.0	4.0x	83,337.0	8,828.0	1.2x	11.6x	1.1x	9.3x
Emerson Electric Co. (NYSE:EMR)	67.44	84.6%	41,450.0	46,203.0	1.6x	17,739.0	3,641.0	2.6x	12.7x	2.4x	11.3x
ABB Ltd (SWX:ABB)	19.14	77.8%	40,795.1	45,758.2	2.6x	27,662.0	3,318.0	1.7x	14.0x	1.6x	12.8x
Schneider Electric S.E. (ENXTPA:SU)	68.76	87.5%	37,464.6	44,052.6	1.8x	25,720.0	4,199.0	1.7x	10.3x	1.6x	9.4x
Eaton Corporation plc (NYSE:ETN)	80.31	89.8%	34,019.3	41,165.3	1.9x	21,609.0	3,875.0	1.9x	10.6x	1.8x	10.0x
Median		84.6%	\$ 41,450.0	\$ 46,203.0	1.9x	\$ 27,662.0	\$ 4,199.0	1.7x	12.6x	1.7x	11.3x
Power & Utility Products and Technology											
AMETEK, Inc. (NYSE:AME)	\$ 80.09	97.8%	\$ 18,191.0	\$ 20,469.7	2.0x	\$ 4,845.9	\$ 1,296.6	4.2x	15.8x	3.9x	14.6x
Xylem Inc. (NYSE:XYL)	76.89	93.3%	13,805.8	15,831.8	2.4x	5,207.0	953.0	3.0x	16.5x	2.9x	14.6x
Hubbell Incorporated (NYSE:HUBB)	118.98	86.4%	6,496.5	8,109.8	2.5x	4,481.7	720.4	1.8x	11.3x	1.7x	10.1x
Littelfuse, Inc. (NasdaqGS:LFUS)	191.03	80.2%	4,719.7	4,924.7	1.9x	1,718.5	364.6	2.9x	13.5x	2.8x	12.3x
Valmont Industries, Inc. (NYSE:VMI)	136.08	86.6%	2,985.8	3,501.6	2.2x	2,757.1	336.5	1.3x	10.4x	1.2x	9.2x
Itron, Inc. (NasdaqGS:ITRI)	49.72	64.2%	1,965.7	2,883.3	4.3x	2,376.1	238.7	1.2x	12.1x	1.2x	11.6x
ESCO Technologies Inc. (NYSE:ESE)	68.33	95.6%	1,771.1	1,949.7	1.5x	780.7	141.3	2.5x	13.8x	2.4x	12.3x
Badger Meter, Inc. (NYSE:BMI)	58.01	94.2%	1,688.8	1,693.8	0.3x	433.7	61.3	3.9x	27.6x	3.7x	18.2x
AZZ Inc. (NYSE:AZZ)	43.99	78.5%	1,147.6	1,402.9	2.4x	925.2	113.7	1.5x	12.3x	1.4x	9.9x
Median		86.6%	\$ 2,985.8	\$ 3,501.6	2.2x	\$ 2,376.1	\$ 336.5	2.5x	13.5x	2.4x	12.3x
Power & Utility Products and Technology Median		86.5%	\$ 15,998.4	\$ 18,150.8	2.1x	\$ 5,026.4	\$ 1,124.8	1.9x	12.7x	1.8x	12.0x

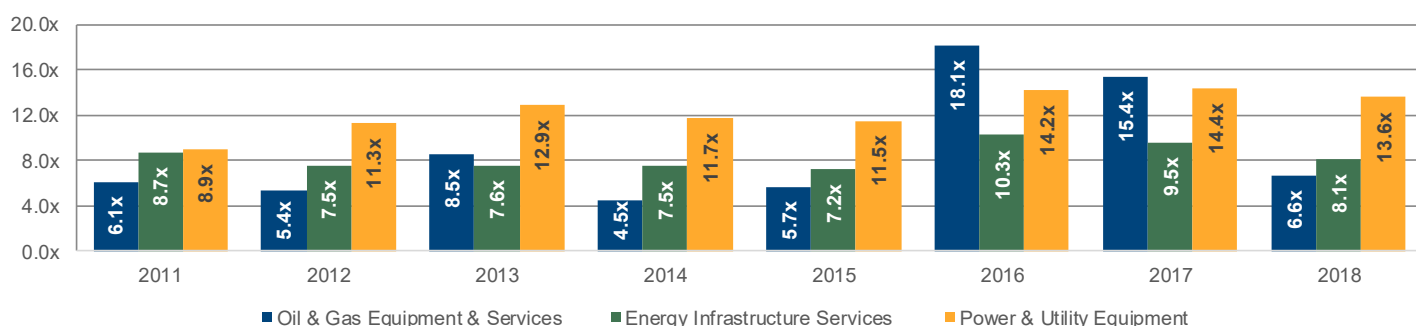
Sources: Company Filings, CapIQ (as of 3/11/2019)

Public Company Comparisons Trading Multiples

Energy Equipment and Services Annual Public EV/EBITDAMultiples



Energy Equipment & Services Public EV/EBITDAMultiples by Sector



Representative EdgePoint Energy Equipment & Services Transactions

Sell-Side Advisory



Environmental Management Specialists, Inc.
has sold to
HEPACO, LLC

Sell-Side Advisory



Quality Valve, Inc.
has been recapitalized by
Pfingsten Partners, LLC

Sell-Side Advisory



Geneva Pipeline
has sold to
A Private Equity Group

Sell-Side Advisory



National Heat Exchange Cleaning Corporation
has sold to
Dorilton Capital

Sell-Side Advisory



Tank Services Company & Midwest Tank Services
has sold to
A Private Equity Group

Sell-Side Advisory



OSI Environmental
has sold to
Members of Management



EdgePoint is an **independent, advisory-focused, investment banking** firm serving the **middle market**.

M&A
Advisory
RESULTS *with*
INTEGRITY™