



BAIRD

AUTOMATION SECTOR UPDATE

Summer 2023

LEADING AUTOMATION FRANCHISE

Significant transaction activity across the Automation sector

BAIRD'S GLOBAL TEST,
MEASUREMENT AND
AUTOMATION (TMA)
DEAL VELOCITY

\$40B+

Completed M&A
Transaction Value

100+

Completed M&A Transactions

35+

Deals Completed with
International Parties

\$17B+

Equity Capital Raised

35+

Equity Capital Market Transactions

 STORAGE SOLUTIONS Simple smart strategic A Portfolio Company of MERIT CAPITAL PARTNERS / MFG Sale to JUNGHEINRICH	 HITACHI Acquisition of FLEXWARE innovation	 AEA Acquisition of BURKE PORTER GROUP From 光大控股 EVERBRIGHT LIMITED	 symbotic® Merger with SVFC	 Parata A Portfolio Company of FRAZIER HEALTHCARE PARTNERS Sale to BD
 FORTNA A Portfolio Company Of THL Partners Sale to MHS With Minority Investment From ADIA	 ARROWHEAD SYSTEMS, INC. Sale to RegalRexnord	 USNR A Portfolio Company of ENDEAVOUR Sale to One Equity Partners	 BETTCHER® Industries, Inc. A Portfolio Company of MPE PARTNERS Sale to KKR	 SARCOS® Merger with ROTOR
 BIODOT A Portfolio Company of ARTEMIS Sale to ATP	 DORNIER A Portfolio Company of IEQT Sale to CAYCO COLUMBUS MCKENNON	 BMT A Portfolio Company of HEXAGON Sale to HEXAGON	 SONNY'S® The CarWash Factory A Portfolio Company of Sentinel Sale to GENSTAR	 Steptic Solutions Inc. THE HEART OF EXCELLENCE A Portfolio Company of MERIT CAPITAL PARTNERS Sale to WELLSPRING CAPITAL MANAGEMENT LLC
 Schneider Electric Sale of PELCO to TRANSOM CAPITAL GROUP	 ATOP A Portfolio Company of Charme Capital Partners Sale to IMA	 Temptime® Improving Global Health A Portfolio Company of WATER STREET Sale to ZEBRA	 MAXCESS® A Portfolio Company of BERTRAM CAPITAL Sale to BERWIND	 OMRON Acquisition of MICROSCAN. from spectris
 OptiConnect A Subsidiary of GRANT VICTOR A Portfolio Company of ENDEAVOUR Sale to C	 VANRIET A Portfolio Company of AVEDON Sale to MHS A Portfolio Company of THL Thomas H. Lee Partners	 KEY Technology Sale to DURAVANT A Portfolio Company of WARBURG PINCUS	 TELULAR A Portfolio Company of AVISTA CAPITAL PARTNERS Sale to AMETEK®	 Permira Sale of Intelligrated® to Honeywell

BAIRD'S GLOBAL AUTOMATION TEAM

Over 20 years of dedicated sector coverage with extensive M&A experience

SENIOR GLOBAL AUTOMATION TEAM



Alex Lourn
Director



Joel Cohen
Chairman of Global Industrial Group and Managing Director



David Steinkeler
Managing Director



Thomas Fetzer
Managing Director



Philipp Widmann
Director



Mantas Wachendorfer
Vice President



Tyler Nelson
Vice President



Chase Sanders
Managing Director, Industrial Software



Ryan Mausehund
Managing Director, Life Sciences



Satoshi Matsumoto
Managing Director

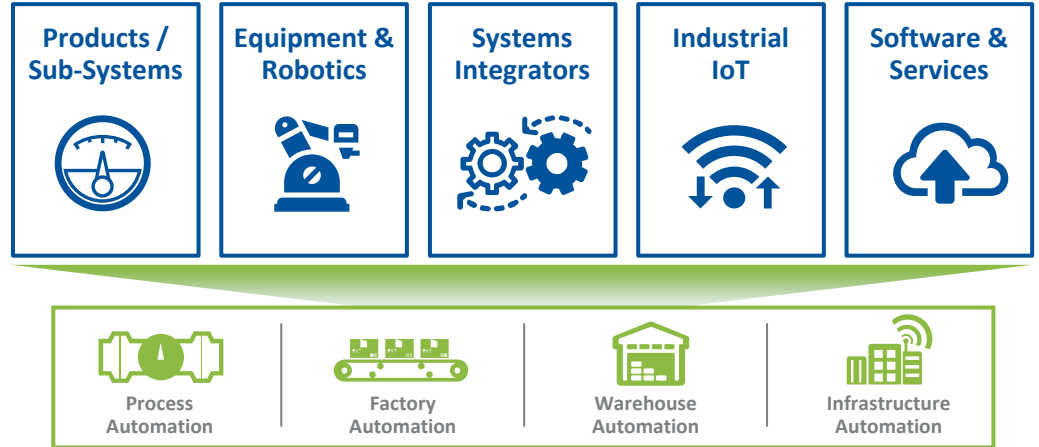


Kevin Zhou
Director



Justin Holsen
Managing Director, Equity Capital Markets

SECTOR COVERAGE OVERVIEW



SELECT AUTOMATION RESEARCH COVERAGE

BAIRD **40+**
Automation Companies
Under Research Coverage





MARKET UPDATE

SUMMARY OVERVIEW

Automation companies remain well-positioned for continued growth, with significant upside potential from long-term tailwinds

AUTOMATION UPDATE

■ Macroeconomic Environment

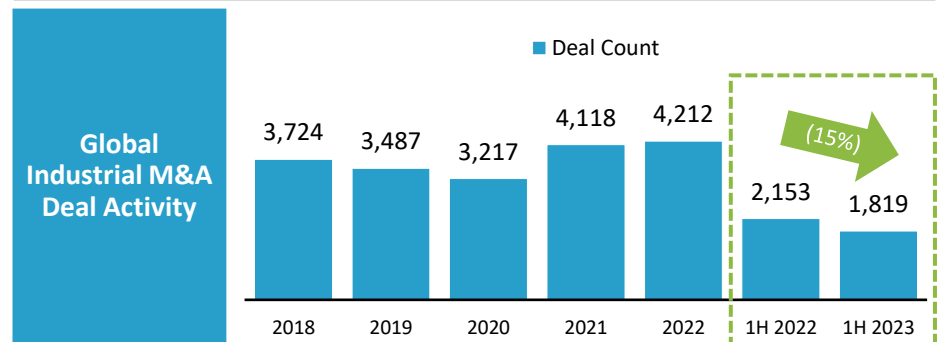
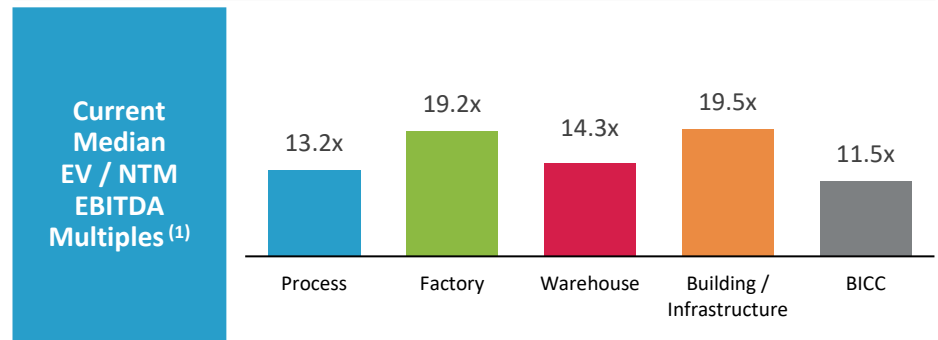
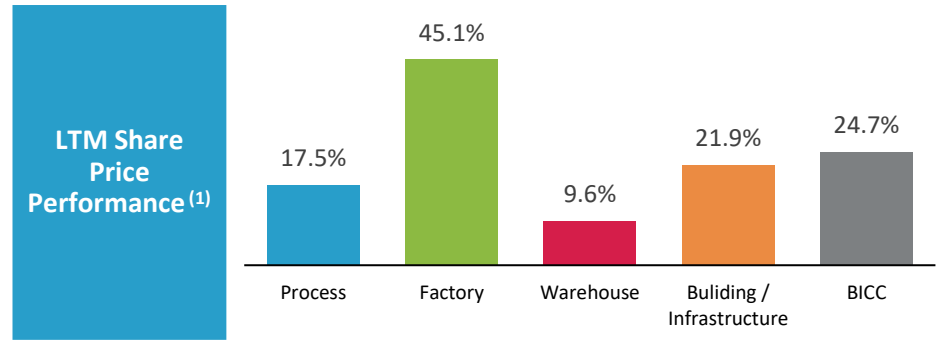
- Recent data showing signs of improvement after a material slowdown in US and global GDP growth
- Performance continues to be uneven across industrial end markets however, underlying demand drivers for automation remain strong

■ Public Markets Update

- Many automation companies are seeing continued demand, rising backlog and easing headwinds from supply chain challenges
- Share price performance across automation peer groups remains strong with warehouse automation peers temporarily impacted by normalized Amazon capex and modest project delays
- Automation valuation multiples have moderated since all-time highs in 2021 however, remain above long-term averages and the broader industrial index

■ Deal Activity Update

- M&A environment remains active in 1H 2023 however, relatively soft compared to 1H 2022 with an expected resurgence in 2024
- Private credit markets have remained open while, despite being slow, are seeing signs of continued improvement



Source: S&P Capital IQ as of June 30, 2023 and Baird Investment Banking.

(1) BICC includes ~500 companies Baird views as indicative of the publicly traded industrial company universe; see pages 13, 18 and 19 for Automation index constituents.

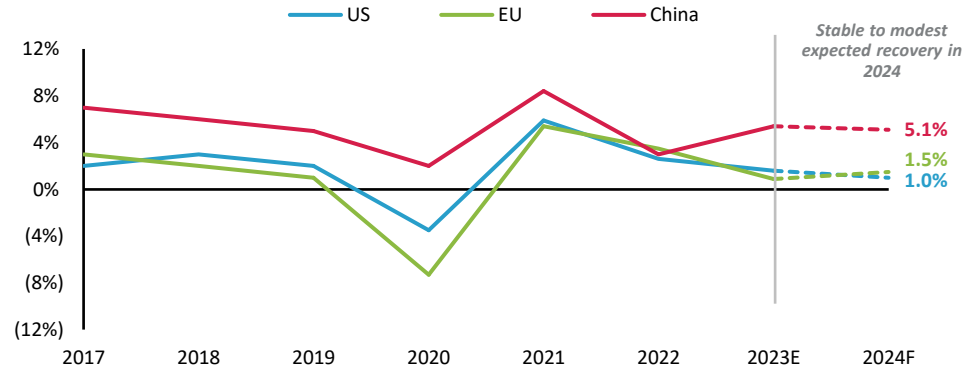
STATE OF THE AUTOMATION SECTOR

LINGERING HEADWINDS HAVE RESULTED IN ONGOING CHALLENGES IN 2023...

<i>Rising Inflation</i>	<i>Supply Chain Issues</i>
<i>Geopolitical Tensions</i>	<i>High Interest Rates</i>
<i>Recessionary Fears</i>	<i>Customer Cash Conversion</i>

Global GDP Growth by Region

(% growth)

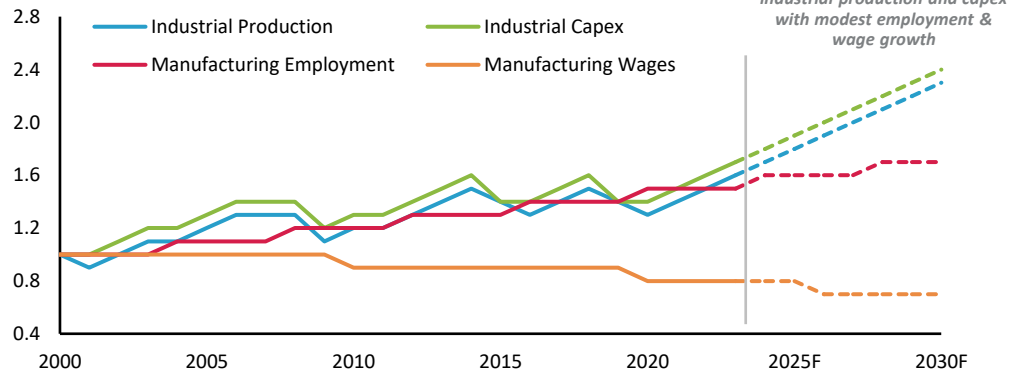


...UNDERLYING MEGATRENDS REMAIN, PROVIDING SUPPORT FOR LONG-TERM GROWTH

<i>Rising Cost of Labor</i>	<i>Rapid Technology Advancements</i>
<i>Environmental, Health and Safety</i>	<i>Need to Improve Efficiency & Reduce Costs</i>
<i>Aging Infrastructure</i>	<i>Re-Shoring of Manufacturing</i>

Manufacturing & Production Indicators

Indicators Index: 2000 = 1.0



Despite lingering headwinds, effects of underlying megatrends provide a long-term benefit to the Automation sector

Automation companies are seeing continued demand, rising backlog and easing headwinds

Products / Sub-Systems



“I’m also encouraged by the sequential improvement in supply chain dynamics. Coupled with moderation in the rate of input cost inflation, value-based pricing and continued SEA leverage, we continue to expect gradual operating margin improvement in 2023.” – April 2023



“As we progressed through the quarter, we saw signals of a broader, more prolonged recalibration within our HST segment, largely centered in our analytical instrumentation, life science, pharma and semiconductor markets. **End-market demand is still positive, but we believe our customers have sufficient inventory of our critical components to support their needs in the near term.**” – April 2023



Equipment & Robotics



“The changes in our supply chain for our hardware services business will continue through the year. Summing up, we delivered sales above the midpoint of our guidance range with earnings above the high guide on improved gross margins. The **auto and industrial Semi Test markets in '23 look incrementally stronger than we expected** earlier this year with softer mobility and compute markets.” – April 2023



“We were really not seeing demand deteriorating. And I will agree, there’s a lot of noise with supply chain challenges and disruptions in the last couple of years, **a growing order book and what our extended lead times have been doing to orders, that’s created some very large orders and a growing backlog for us.**” – June 2023



Systems Integrators



“Initial growth rates are higher due to the current inflationary environment, which we do expect to ease. We will further strengthen and optimize our portfolio through organic investments, targeted bolt-on acquisitions and selected divestments. We are pioneering the development and adoption of the latest technologies. Good examples are AI, industrial metaverse or additive manufacturing.” – May 2023



“Electrical components continue to be a challenge and not only from a standpoint of pricing, but more importantly, lead time. Because when we look at lead time, that often gives us a lot of levers. So, when it’s short lead time, you can move things around, you can maximize or minimize the impact and the lead times have pushed out that which creates a big challenge.” – June 2023



Industrial IoT



“Customer backlogs remain healthy, and technology helps to address the skilled worker shortage. By the numbers, ACV bookings grew double digits in the quarter, while ARR grew in excess of the company growth rate. Our Trimble construction and commercial offering is helping to grow new logo and cross-sell bookings and our next wave of systems automation will be released in the next few weeks.” – May 2023



“While volatility related to component deliveries continues to be present, the overall trend shows improvement. Inflationary cost pressures persist, but with a slowing pace of increase. Semiconductor lead times appear to have plateaued, but have not yet materially retracted as the most constrained portions of the global supply chain are still rebalancing.” – May 2023



Software & Services



“Momentum continues and we feel optimistic about that for the second half of the year. Some softness were down arrows in infrastructure and construction markets. We’ve seen a little bit of a slowdown there, but that’s being offset by very good growth in every region in the surveying business.” – April 2023



“We think that the industry went through a bit of a restructuring and trough during COVID... Now that we see it coming back and two things we think are driving that, which is a strength for us because we sell our engineering suite to the E&Cs and then they use our engineering suite to design their facilities. And we see capex coming through for upstream, O&G and sustainability.” – June 2023



AUTOMATION GROWTH THEMES

Durable and long-term investment themes support increasing adoption of automation with a growing universe of emerging participants

KEY INVESTMENT DRIVERS

- 1 **Rising Cost and Limited Availability of Labor**
- 2 **Advancements in Technology and Shift to Digitalization**
- 3 **Environmental, Health and Workplace Safety**
- 4 **Demand to Improve Efficiency, Quality and Reduce Costs**
- 5 **Aging Infrastructure with Asset Maintenance Requirements**
- 6 **Near and Re-Shoring of Manufacturing**

EMERGING CATEGORIES OF PARTICIPANTS

Systems Integrators	Traditional Players
IT Solutions	Engineering Services

FEATURED AUTOMATION PLAYER: accenture

- Accenture (NYSE: ACN) is a global IT consultancy with ~\$62B revenue in FY2022 and over 732,000 employees worldwide
- Industry X (“IX”) is Accenture’s digital engineering, robotics and manufacturing business expanding its capabilities and technology ecosystem partnerships, combining data and digital with engineering and manufacturing services
- IX operates across the entire production value chain from front end consulting, through systems integration and manufacturing

Industry X Key Stats ⁽¹⁾

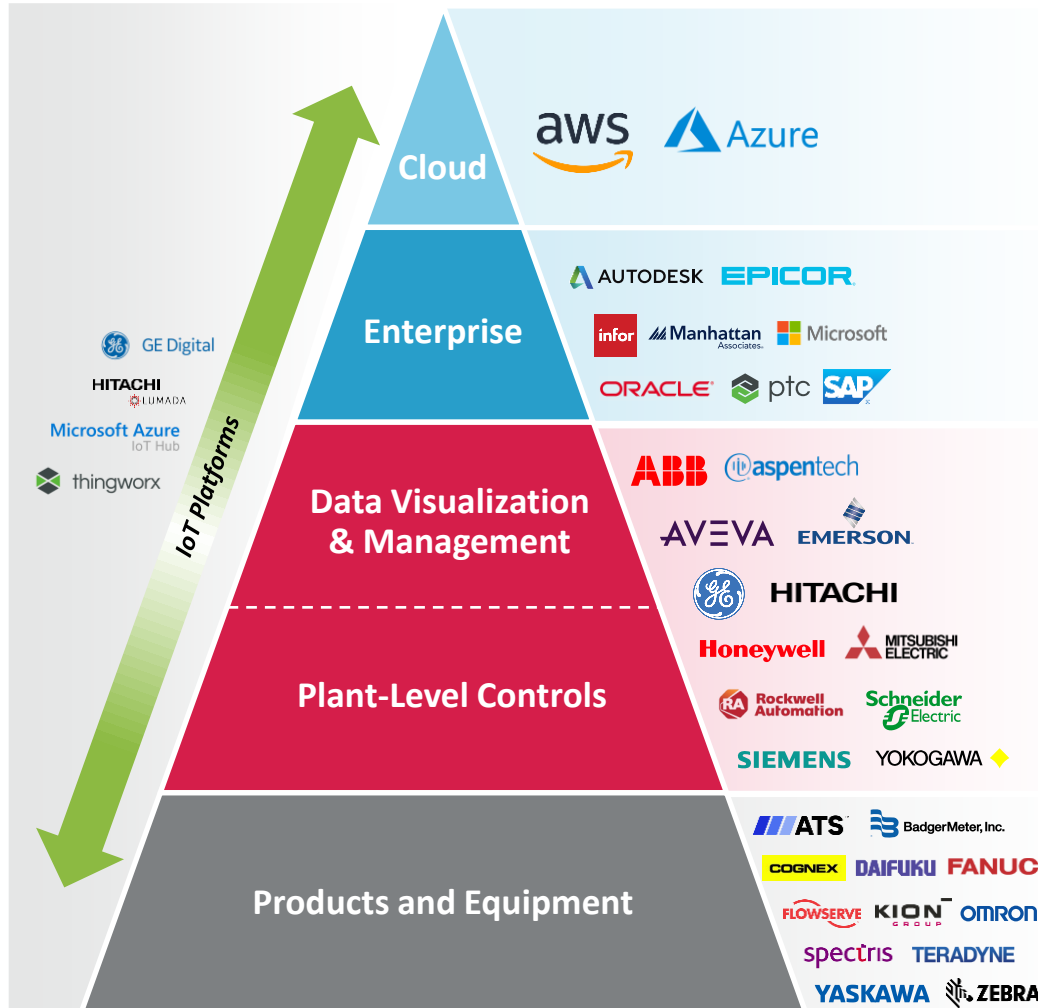
~\$7B IX FY22 Revenue
 35%+ FY21-22 Revenue Growth
 20+ Industry 4.0 Acquisitions

Select IX Acquisitions

(1) Accenture website and public filings.

POTENTIAL INVESTMENT OPPORTUNITIES

Technology advancements and increasing operating environment complexity creates a variety of attractive investment opportunity areas



SELECT AREAS OF OPPORTUNITY

- 1 Scaled IoT Platforms with Software-Enabled Solutions
- 2 Automation / Information Solutions Consulting and Implementation
- 3 Technology Agnostic Systems Integrators with Scale
- 4 Robotics and Lifecycle Services
- 5 Differentiated Hardware Suppliers with Proprietary Technologies
- 6 Life Sciences and Logistics / Supply Chain



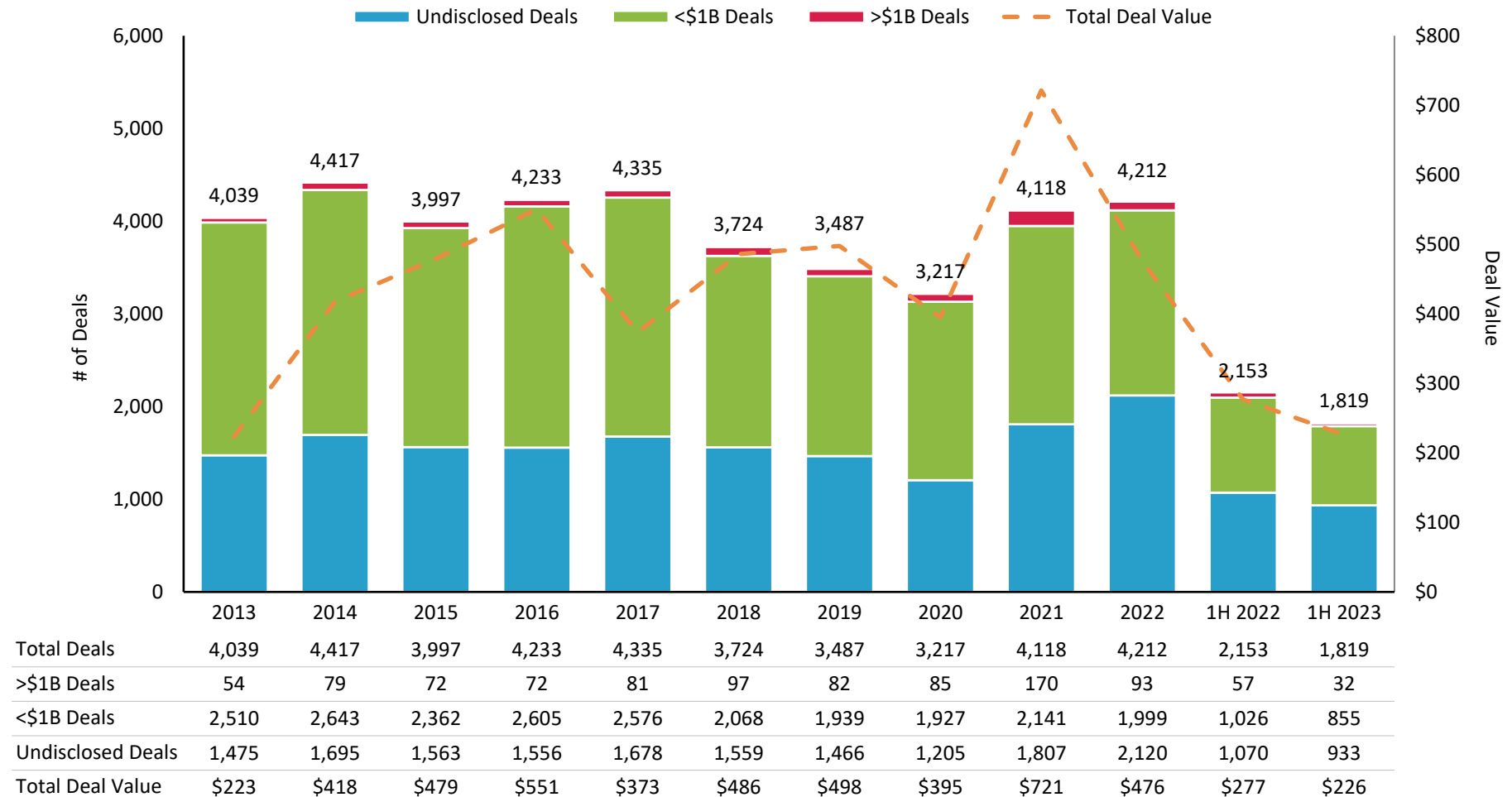
M&A AND FINANCING MARKET

GLOBAL M&A MARKET OVERVIEW

2023 showing signs of potential softness with 1H 2023 deal value and volume down ~15%+ over prior year following healthy activity levels in 2021/22

TOTAL GLOBAL INDUSTRIAL M&A

(\$ in billions)



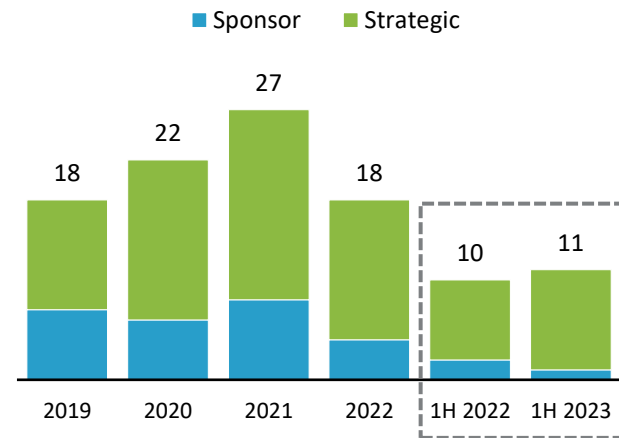
AUTOMATION M&A TRENDS

1H 2023 deal activity was in-line with prior year while average valuation multiples remain strong, albeit slightly below historical long-term sector averages

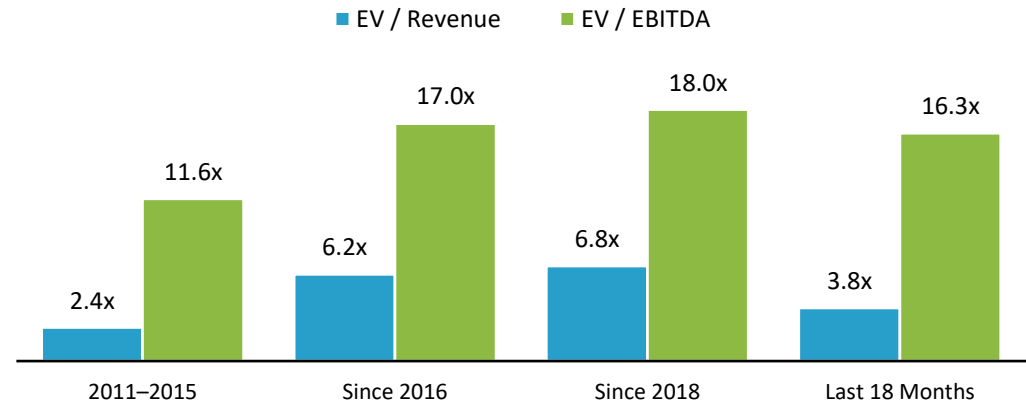
COMMENTARY

- Despite macro challenges, Automation sector activity has continued to experience healthy M&A levels, with valuation multiples remaining robust
- 1H 2023 automation deal activity was in-line with 1H 2022 and continues to be dominated by strategic buyers, including sponsor-backed strategics, amid higher interest rates and economic concerns
- Notably, 1H 2023 exhibited an increase in EU-based and cross-border deal activity relative to prior year
- Current deal backlogs support increased M&A activity in late 2H 2023 and 2024
- Transaction multiples have increased over time, with greater competition for premium assets (as well as the deal mix shifting toward the highest-quality targets following 2021) driving average multiples to 16x+ for Automation companies
- Certain pockets of M&A activity have also emerged as highly attractive, largely centered on non-cyclical and/or mission critical end markets such as food & beverage and life sciences
- Average multiples over the last 18 months have slightly contracted as a result of the overall macroeconomic and M&A deal environment

SELECT AUTOMATION DEAL COUNT (1)




















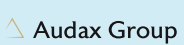


















AVERAGE AUTOMATION MULTIPLES (1)



Source: Capital IQ and Baird Investment Banking.
 (1) Baird's proprietary database of Automation transactions

SELECT AUTOMATION M&A TRANSACTIONS

Announced	Target	Acquiror	Target Description
Jul 2023	 (Quadrige Capital)		Industrial automation and aftermarket services for intralogistics, discrete and process automation markets
Jun 2023	 (EQT Partners)		Provides custom automation design and integration solutions and engineering services
May 2023	 (Process Food and Performance Materials)		Design, manufacturing and service of feeding, filtration, baking and material handling systems
Apr 2023	 (Rantum Capital)	 COLUMBUS MCKINNON	Develops and manufactures intra-logistics solutions for connecting robots and workspaces
Mar 2023			Intelligent robotics company, providing AI-enabled robotic solutions that automate supply chain operations
Feb 2023	 GRAVITY PARTNERS		Manufactures and distributes antennas, advanced IoT components, filters, cables and connectors
Jan 2023	 (Merit Capital and MFG Partners)		Automated material handling systems integration platform focused on warehouse & distribution end markets
Oct 2022			Manufacturer of complex, multi-armed automated welding and material handling systems
Aug 2022		 (Arsenal Capital Partners)	Automation solutions provider which focuses on the medical device and life sciences markets
Aug 2022	 (Connectivity Business; Advent)		Develops wireless technologies, including modules and antennas, integrated sensor and gateway platforms
Aug 2022	 (CEL Global Investment Fund)		Provider of machinery that integrates sensor-based feedback for life sciences and industrial markets
Jul 2022			Provider of customized manufacturing automation and robotics solutions
Jun 2022	 (Frazier Healthcare Partners)		Provider of software, automated systems and other pharmacy efficiency solutions
May 2022	 (Summit Partners)		Develops gloves and wristbands with integrated sensors and scanners for manufacturing and logistics workers
Apr 2022	 (THL Partners)	 (THL Partners)	Global provider of material handling automation technology and systems integration
Mar 2022			Software and solutions for controlling and managing AS/RS and various materials handling equipment
Mar 2022			Designs software and hardware solutions in the fields of graphics, video editing and image processing
Feb 2022	 (Mail & Parcel Sortation Business)		Provides mail and parcel technology and advanced software to leading global logistics providers

BAIRD M&A TRANSACTION SPOTLIGHT

Storage Solutions, a leading warehouse automation solutions provider owned by Merit Capital Partners and MFG Partners, was acquired by Jungheinrich

Target Company Headquarters	Storage Solutions, LLC Westfield, Indiana	
Financial Sponsor Headquarters	Merit Capital Partners Chicago, Illinois	MFG Partners New York, New York
Acquiring Company Headquarters	Jungheinrich AG (XTRA:JUN3) Hamburg, Germany	
Transaction Closing	March 15, 2023	

KEY STATS

~\$300M
2022 Revenue

20%
CAGR Since 2017

12
N.A. Locations

10K+
Customers



Target Company Description

Storage Solutions is a warehouse design, automation and integration solutions provider with 45 years of experience in delivering turnkey solutions to customers in 3PL, retail / eCommerce, industrial, food & beverage and consumer products end markets. Storage Solutions also offers vertically integrated service lines including in-house logistics and installation, ensuring on-time project completion and providing value-added services, including workflow optimization, engineering and permitting.

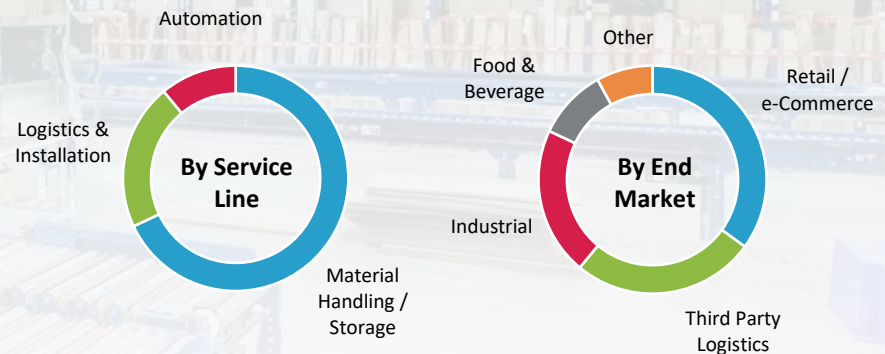
Acquiring Company Description

Jungheinrich AG is a German intralogistics provider that has been advancing the development of innovative and sustainable products and solutions for material flows for 70 years and is committed to creating the warehouse of the future. Jungheinrich has a global operating network, including 11 production plants and 41 service and sales companies. Storage Solutions' complementary footprint will add a strategic foothold for Jungheinrich in the fast-growing U.S. warehouse automation market.

Advisory Role

Baird served as the exclusive financial advisor to Storage Solutions on this transaction.

STORAGE SOLUTIONS 2022A REVENUE MIX



SELECT CUSTOMERS



Source: Jungheinrich public filings.

STATE OF CREDIT MARKETS

Private credit markets have remained open while, despite being slow, are seeing signs of improvement

COMMENTARY

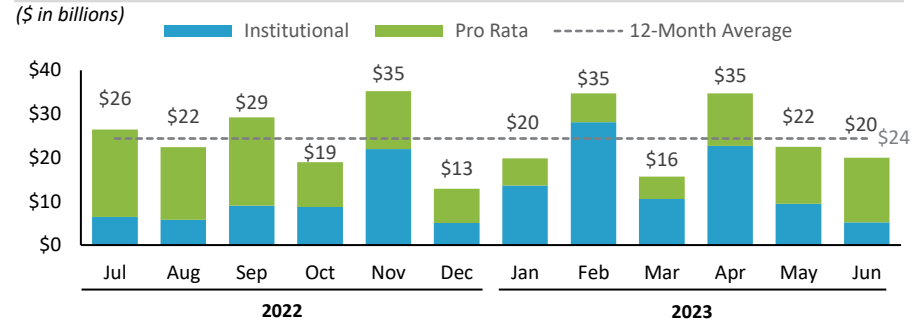
■ **Global leveraged loan volume slowed dramatically during 2022, this trend continued into 2023 but has started to see pent-up demand and signs of improvement**

- Total Leveraged Loan Volume stands at \$147 billion YTD end of June 2023, down from the \$302 billion seen by this time last year
- This represents a 52% drop-off in new issuances
- Loan issuance of \$20 billion in June fell short of the monthly averages of the past three quarters

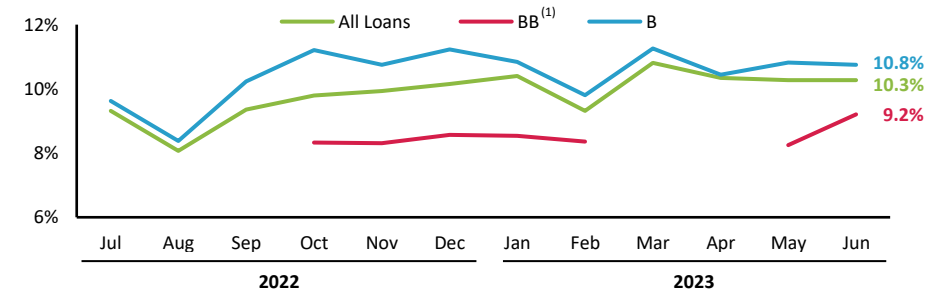
■ **Private Credit markets remain open**

- Direct lending in June 2023 (estimated 120 deals) tracked under the monthly averages of 130+ for both Q1 2023 and Q4 2022
- Lenders are supportive of LBOs and modest dividend recaps for top quality credits; market participants should view the higher pricing and lower leverage seen in the direct lending market in recent months as the new normal
- Direct lenders are also prompting borrowers to think through hedging strategies to mitigate the risk of rising liabilities; foreign currency exposure to the topline, cost of debt, and cross-border M&A remain relevant with the risks of a recession elevated

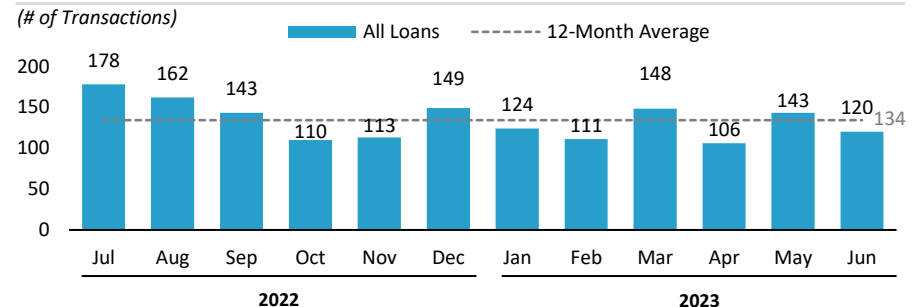
MONTHLY NEW-ISSUE LEVERAGED LOAN VOLUME



NEW-ISSUE FIRST LIEN LEVERAGED LOAN YIELDS



MONTHLY PRIVATE CREDIT TRANSACTIONS



Source: LCD and LoanConnector. As of June 30, 2023

(1) Due to a lack of issuance data points, BB-rated, new-issue yields unavailable for July through September 2022 and March through April 2023.




















































PUBLIC EQUITIES PERFORMANCE

AUTOMATION SECTOR OVERVIEW

Automation market includes three primary types of automation, each large and serving a wide array of end markets

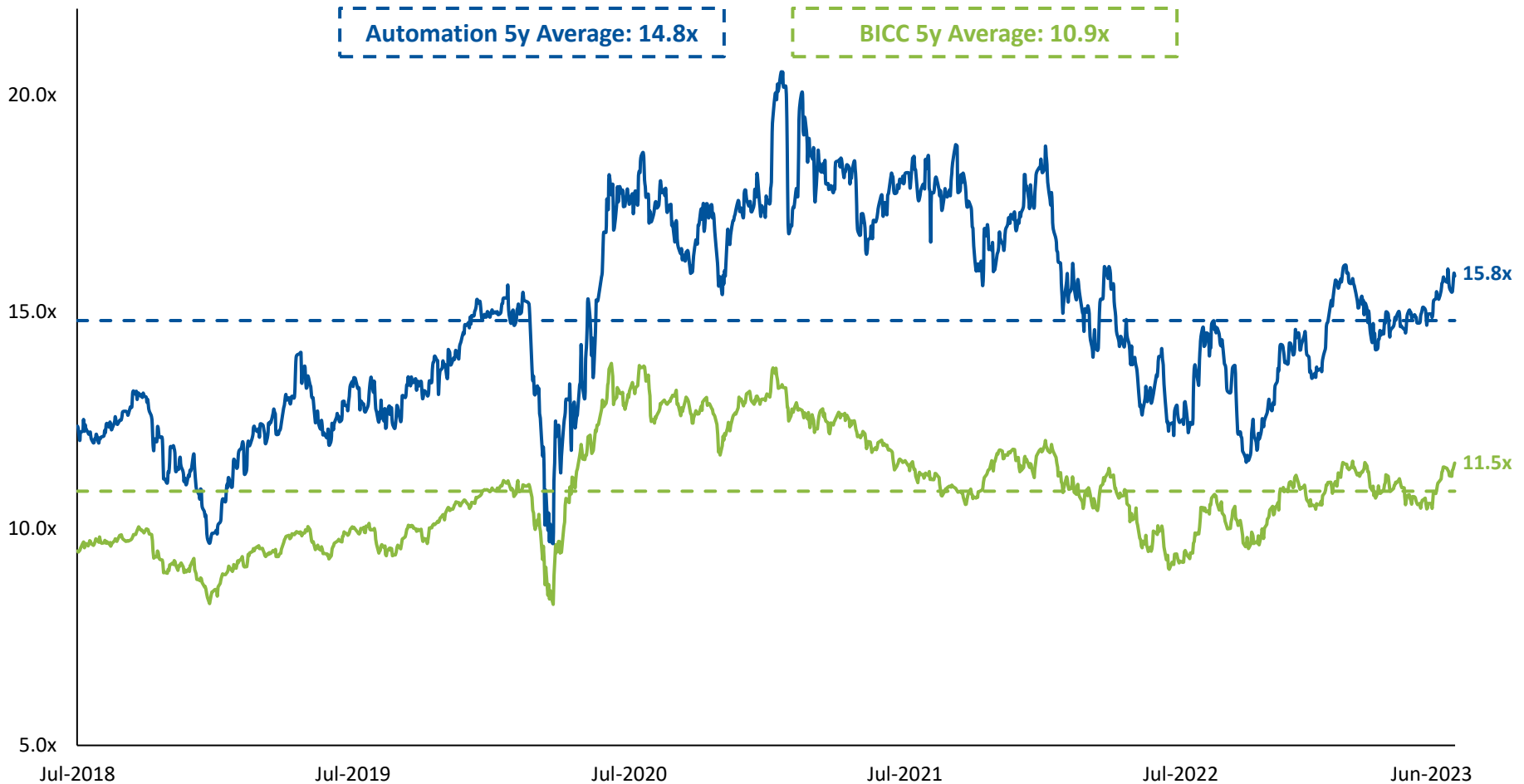
AUTOMATION SECTOR FRAMEWORK

Process Automation	Discrete Automation		Building / Infrastructure Automation
	Factory	Warehouse	
\$80B+ / 5%+ CAGR	\$100B+ / 7%+ CAGR	\$20B+ / 10%+ CAGR	\$40B+ / 10%+ CAGR
Key End Markets	Key End Markets	Key End Markets	Key End Markets
 Chemicals  Energy  Life Sciences  Metals & Mining  Food & Beverage  Power and Water	 Auto / Transport  Electronics  Healthcare / Medical  Machinery  Aerospace  Packaging	 Retail / eCommerce  Grocery  Industrial  Parcel  Third-Party Logistics	 Commercial Buildings  Engineering & Construction  Environmental  Utilities  Transport / Safety  Smart Cities
Select Participants	Select Participants	Select Participants	Select Participants
 EMERSON  FLOWERVE  INX  rotork  Valmet  YOKOGAWA	 ABB  ATS  COGNEX  FANUC  Rockwell Automation  Schneider Electric  TERADYNE  YASKAWA	 CACO  DAIFUKU  kardex  KION GROUP  symbotic  ZEBRA	 BadgerMeter, Inc.  DIGI  Halma  HEXAGON  Itron  Trimble

PUBLIC VALUATION DYNAMICS

Multiples have moderated since all-time highs in 2021 however, remain close to long-term averages

AUTOMATION NTM EBITDA MULTIPLES

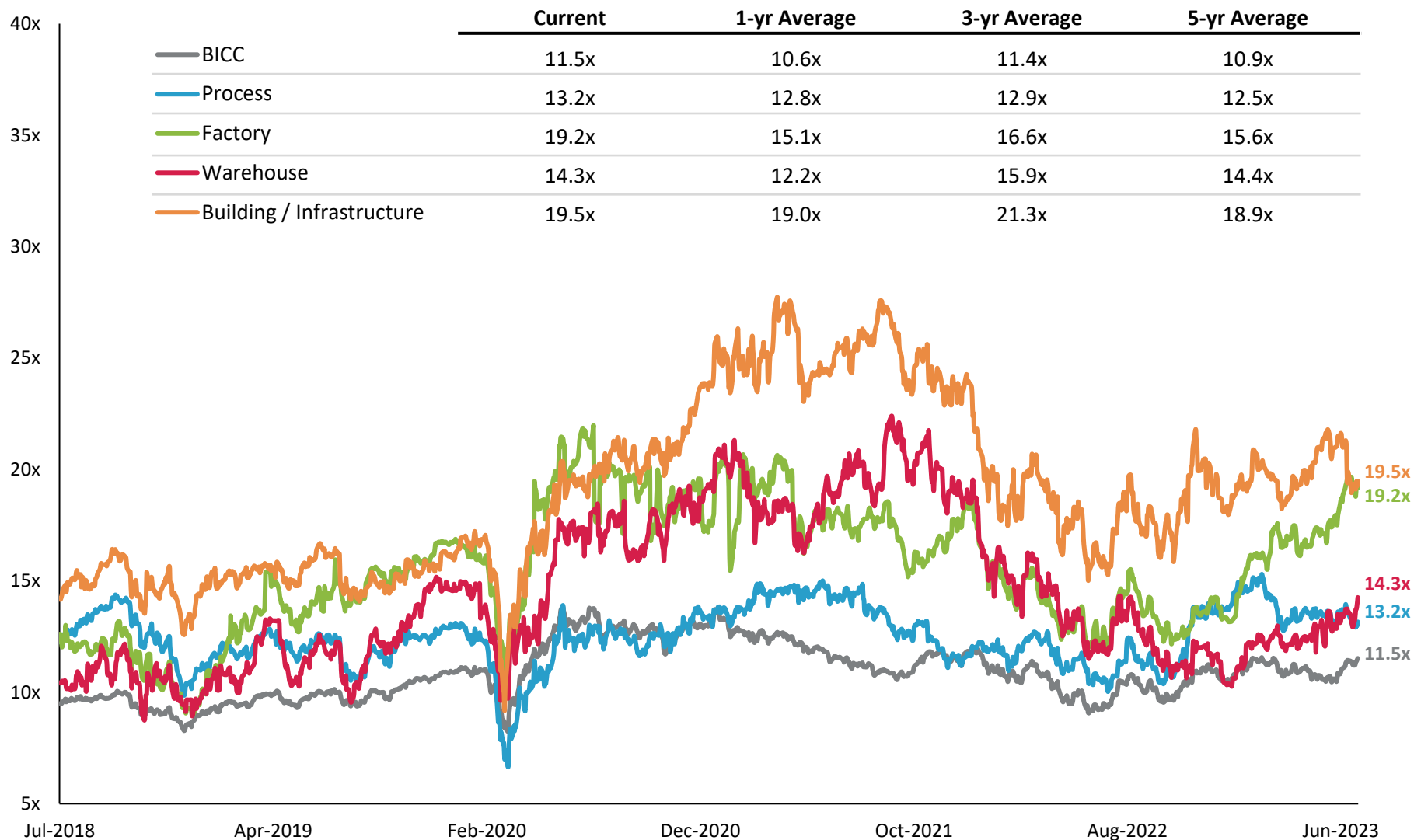


Source: Capital IQ as of June 30, 2023.

Note: BICC includes ~500 companies Baird views as indicative of the publicly traded industrial company universe; see pages 13, 18 and 19 for Automation index constituents.

PUBLIC VALUATION DYNAMICS (CONT'D)

AUTOMATION NTM EBITDA MULTIPLES

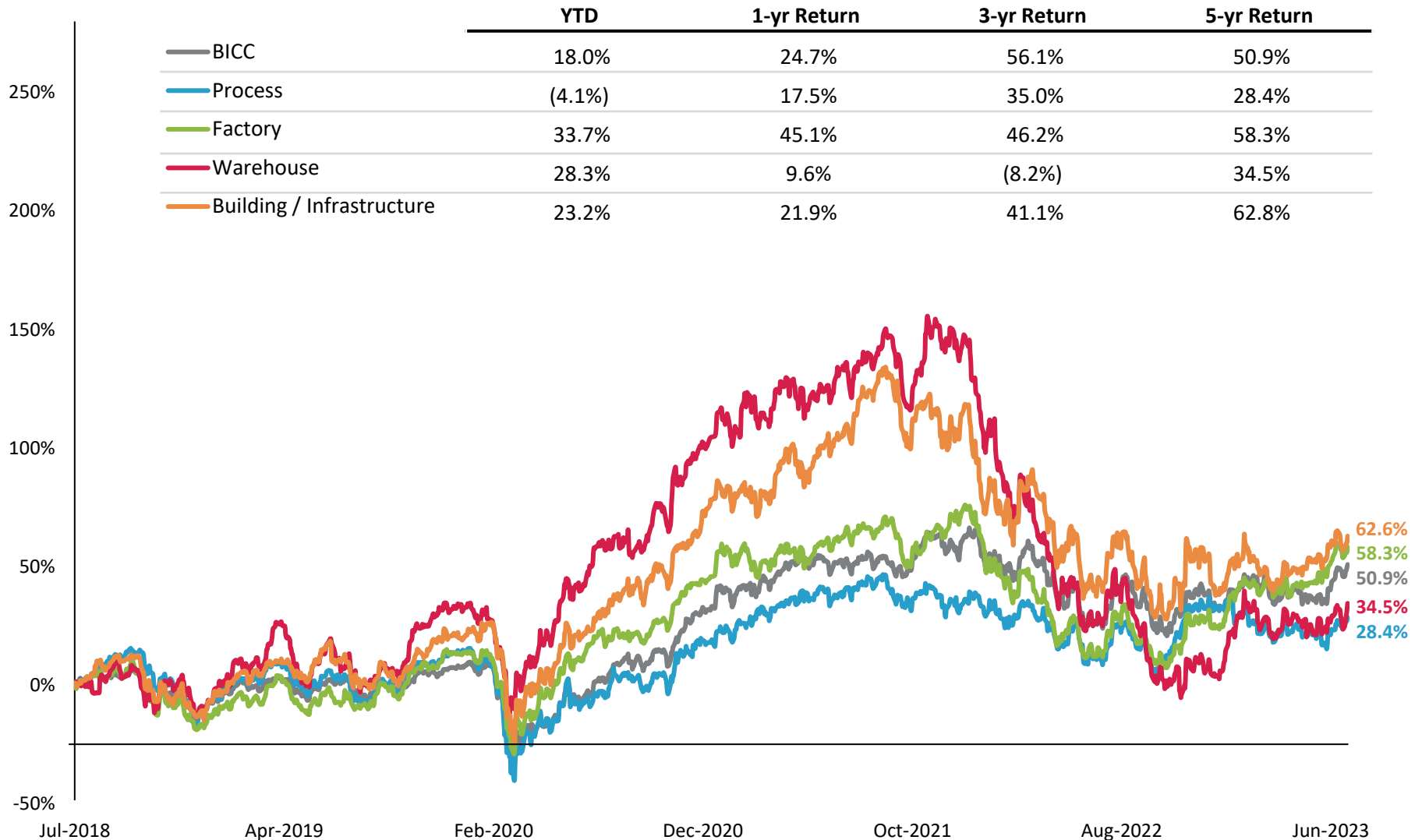


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PUBLIC EQUITIES PERFORMANCE

AUTOMATION EQUITY INDEX RETURNS

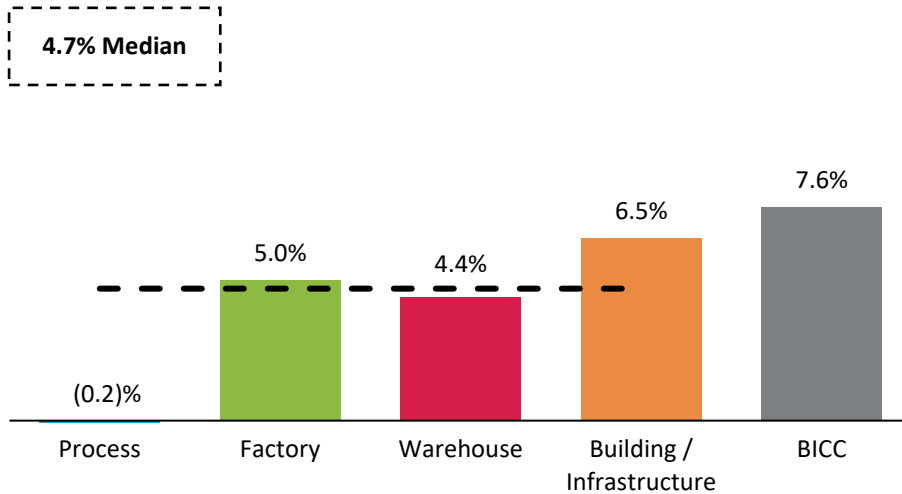


Source: Capital IQ as of June 30, 2023.

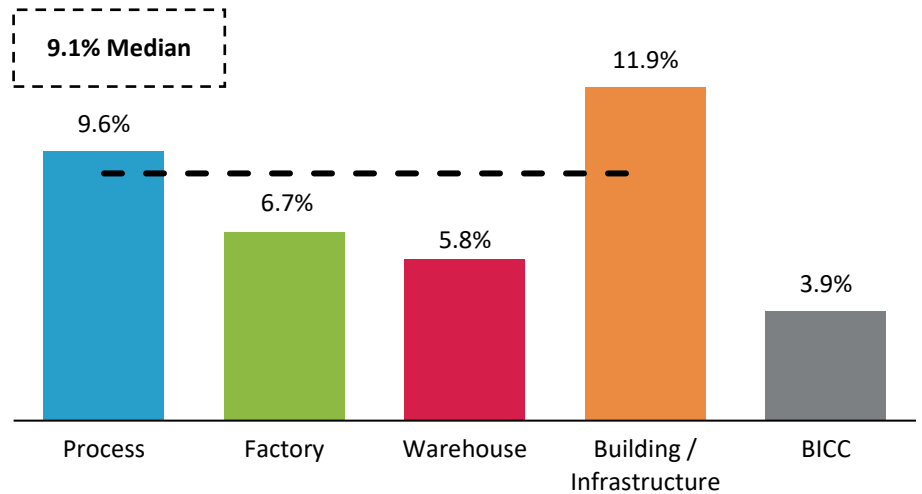
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AUTOMATION PEER GROUP BENCHMARKING

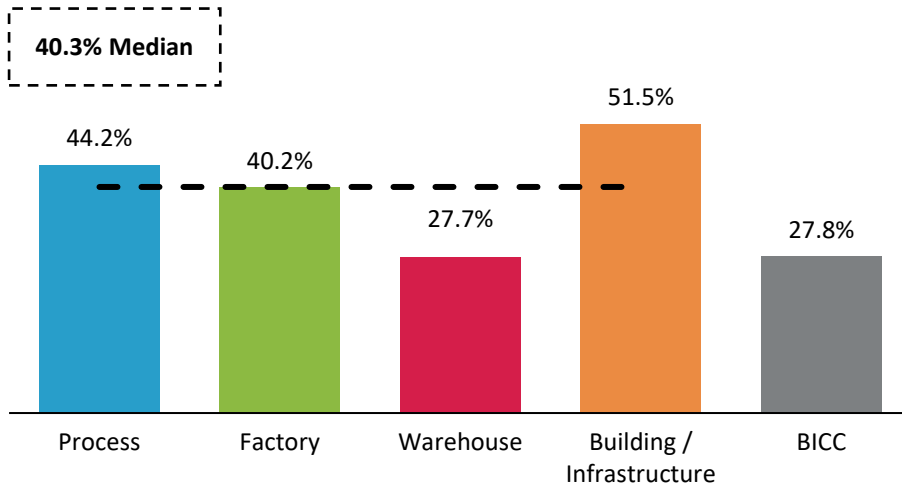
2018-2022 REVENUE CAGR



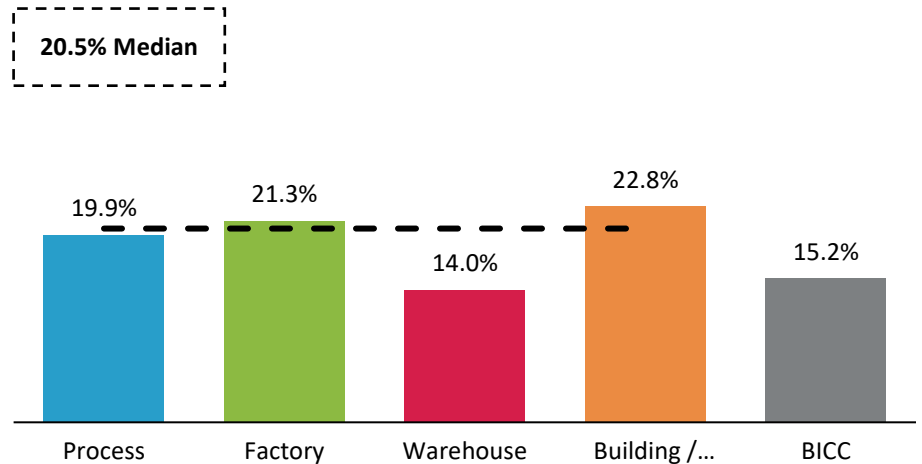
2023E REVENUE GROWTH



2023E GROSS MARGIN



2023E EBITDA MARGIN



Source: Capital IQ as of June 30, 2023.

Note: BICC includes ~500 companies Baird views as indicative of the publicly traded industrial company universe; see pages 13, 18 and 19 for Automation index constituents.

PUBLIC COMPANIES – OPERATING STATISTICS

(\$ in million)

Company Name	LTM	LTM Margins			Revenue Growth			EBITDA Growth			LTM OCF
	Revenue	Gross	EBITDA	EBIT	2021	2022	2023E	2021	2022	2023E	Conversion
Process Automation											
Emerson Electric	\$20,311	42.9%	24.1%	18.6%	5.3%	7.1%	8.6%	2.3%	23.5%	(15.5%)	89.6%
Flowserve Corporation	3,774	28.9%	10.0%	7.6%	(5.0%)	1.5%	12.7%	9.7%	(18.7%)	46.4%	79.4%
IDEX Corporation	3,276	45.0%	28.2%	24.2%	17.6%	13.4%	7.9%	21.8%	20.0%	2.9%	91.5%
Rotork	773	45.5%	22.7%	20.0%	(6.6%)	(0.6%)	17.6%	(9.3%)	(1.9%)	30.2%	94.3%
Valmet	5,905	25.3%	11.6%	8.4%	(2.2%)	21.5%	10.6%	12.5%	11.0%	29.2%	87.2%
Yokogawa Electric	3,434	44.8%	14.0%	9.7%	(8.3%)	(3.5%)	2.6%	(18.8%)	(4.0%)	21.9%	86.5%
Process Median	\$3,604	43.9%	18.4%	14.2%	(3.6%)	4.3%	9.6%	6.0%	4.6%	25.5%	88.4%
Factory Automation											
ABB	\$30,340	33.5%	15.7%	13.2%	10.8%	1.3%	9.7%	74.0%	(3.5%)	24.1%	84.8%
ATS Corporation	1,905	28.6%	13.4%	10.2%	40.8%	16.2%	20.5%	73.9%	23.0%	36.1%	83.8%
Cognex Corporation	925	71.6%	24.2%	22.1%	27.9%	(2.5%)	(8.5%)	44.2%	(14.0%)	(20.4%)	90.8%
Fanuc Corporation	6,409	38.2%	28.2%	22.5%	29.2%	(1.3%)	(4.2%)	53.2%	(9.9%)	(11.4%)	80.4%
Rockwell Automation	8,351	41.1%	20.6%	17.9%	17.4%	7.3%	16.7%	13.9%	16.1%	25.2%	93.3%
Schneider Electric	36,525	40.6%	18.7%	16.2%	6.8%	8.9%	10.1%	16.8%	12.3%	18.6%	88.9%
Teradyne	3,017	58.6%	29.0%	25.4%	18.6%	(15.3%)	(15.0%)	30.4%	(26.5%)	(33.5%)	81.7%
YASKAWA Electric	4,084	34.5%	15.0%	11.4%	12.8%	(8.4%)	3.7%	30.9%	3.1%	7.8%	73.6%
Factory Median	\$5,247	39.4%	19.6%	17.0%	18.0%	(0.0%)	6.7%	37.6%	(0.2%)	13.2%	84.3%
Warehouse Automation											
Columbus McKinnon	\$936	36.5%	14.7%	10.5%	28.6%	11.3%	6.0%	36.0%	35.6%	17.5%	90.8%
Daifuku	4,528	18.2%	11.0%	9.4%	(5.6%)	0.4%	(2.2%)	(7.0%)	7.5%	(8.3%)	79.2%
Kardex Holding	604	31.4%	11.1%	10.0%	2.6%	11.4%	18.2%	(2.2%)	(9.5%)	43.4%	77.4%
KION Group	12,149	19.3%	9.0%	1.2%	14.7%	(0.0%)	5.5%	21.6%	(39.6%)	59.6%	62.6%
Symbotic	893	17.0%	(22.6%)	(23.4%)	N/A	123.5%	65.0%	N/A	58.1%	N/M	N/M
Zebra Technologies	5,754	46.1%	20.0%	16.6%	26.5%	1.9%	(3.9%)	44.2%	(4.8%)	5.0%	93.3%
Warehouse Median	\$2,732	25.4%	11.0%	9.7%	14.7%	6.6%	5.8%	21.6%	1.3%	17.5%	79.2%
Building / Infrastructure Automation											
Badger Meter	\$592	39.2%	20.2%	15.8%	18.7%	11.4%	13.9%	18.0%	6.5%	16.1%	92.5%
Digi	430	57.1%	19.7%	11.5%	10.2%	27.3%	9.9%	31.1%	77.1%	16.7%	96.3%
Halma	2,292	50.0%	21.8%	17.8%	12.1%	(1.9%)	25.0%	12.5%	7.3%	17.3%	92.8%
Hexagon AB	5,743	65.8%	34.0%	29.8%	7.2%	11.4%	6.6%	8.5%	9.7%	21.0%	90.6%
Itron	1,815	29.9%	5.8%	2.3%	(8.8%)	(11.1%)	15.0%	(32.7%)	(30.1%)	56.0%	79.9%
Trimble	3,598	61.2%	20.2%	15.4%	16.2%	1.0%	4.6%	16.1%	(3.3%)	32.6%	95.2%
Building / Infrastructure Median	\$2,054	53.6%	20.2%	15.6%	11.1%	6.2%	11.9%	14.3%	6.9%	19.2%	92.6%
Consolidated Median	\$3,516	39.9%	19.2%	14.3%	12.1%	1.7%	9.1%	16.8%	4.8%	18.6%	88.9%

PUBLIC COMPANIES – VALUATION STATISTICS

(\$ in million ex share price)

Company Name	Share Price	Market Cap.	Enterprise Value	EV / Revenue		EV / EBITDA		EV / EBIT		Net Debt / LTM EBITDA
				LTM	2023E	LTM	2023E	LTM	2023E	
Process Automation										
Emerson Electric	\$90.39	\$44,800	\$66,169	3.3x	4.3x	13.5x	16.8x	17.5x	21.4x	1.7x
Flowserve Corporation	37.15	4,872	5,947	1.6	1.5	15.8	13.0	20.7	16.1	2.8
IDEX Corporation	215.26	16,269	17,347	5.3	5.1	18.8	18.6	21.8	22.0	1.2
Rotork	3.87	3,327	3,195	4.1	3.5	18.2	14.0	20.6	15.4	N/M
Valmet	27.82	5,123	5,506	0.9	0.9	8.0	6.9	11.1	9.3	0.5
Yokogawa Electric	18.33	4,881	4,486	1.3	1.4	9.3	9.5	13.4	12.8	N/M
Process Median		\$5,002	\$5,726	2.4x	2.5x	14.7x	13.5x	19.1x	15.7x	1.5x
Factory Automation										
ABB	\$39.31	\$75,616	\$81,493	2.7x	2.5x	17.1x	14.7x	20.3x	17.1x	1.1x
ATS Corporation	46.03	4,550	5,390	2.8	2.5	21.1	15.5	27.8	18.4	3.2
Cognex Corporation	56.02	9,669	9,328	10.1	10.1	41.7	40.7	45.7	46.6	N/M
Fanuc Corporation	34.80	32,939	29,363	4.6	5.0	16.2	18.3	20.4	23.9	N/M
Rockwell Automation	329.45	37,846	41,998	5.0	4.6	24.4	20.8	28.1	23.5	2.2
Schneider Electric	181.72	101,605	115,787	3.2	2.9	17.0	14.3	19.6	17.3	1.9
Teradyne	111.33	17,260	16,522	5.5	6.2	18.9	25.3	21.6	31.2	N/M
YASKAWA Electric	45.53	11,905	12,322	3.0	3.1	20.2	20.0	26.4	26.2	0.6
Factory Median		\$25,100	\$22,942	3.9x	3.9x	19.5x	19.1x	24.0x	23.7x	1.9x
Warehouse Automation										
Columbus McKinnon	\$40.65	\$1,167	\$1,544	1.6x	1.6x	11.2x	9.9x	15.8x	13.9x	2.9x
Daifuku	20.35	7,694	7,065	1.6	1.7	14.2	15.3	16.5	17.2	N/M
Kardex Holding	224.06	1,728	1,616	2.7	2.4	24.1	16.8	26.6	19.1	N/M
KION Group	40.24	5,276	11,878	1.0	1.0	10.9	6.9	84.4	17.8	6.1
Symbotic	42.81	2,631	2,187	2.4	1.9	N/M	N/M	N/M	N/M	2.6
Zebra Technologies	295.83	15,215	17,394	3.0	3.2	15.1	14.5	18.2	15.3	1.9
Warehouse Median		\$3,954	\$4,626	2.0x	1.8x	14.2x	14.5x	18.2x	17.2x	2.7x
Building / Infrastructure Automation										
Badger Meter	\$147.56	\$4,326	\$4,204	7.1x	6.6x	35.1x	31.9x	45.0x	40.6x	N/M
Digi	39.39	1,413	1,630	3.8	3.6	19.3	16.8	32.9	32.0	2.6
Halma	28.94	10,930	11,689	5.1	4.8	23.4	19.9	28.6	22.7	1.5
Hexagon AB	12.30	33,096	36,714	6.4	6.3	18.8	16.8	21.5	22.2	2.1
Itron	72.10	3,275	3,595	2.0	1.8	34.0	27.2	86.6	106.8	3.5
Trimble	52.94	13,116	14,264	4.0	3.7	19.6	14.4	25.7	15.7	1.5
Building / Infrastructure Median		\$7,628	\$7,946	4.5x	4.2x	21.5x	18.3x	30.8x	27.3x	2.1x
Consolidated Median		\$8,682	\$10,508	3.1x	3.2x	18.8x	16.8x	21.6x	19.1x	2.0x



Appendix



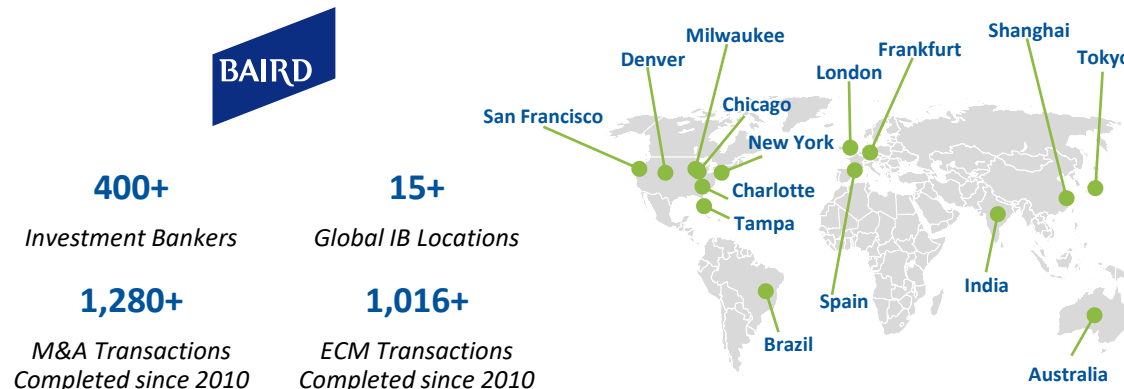
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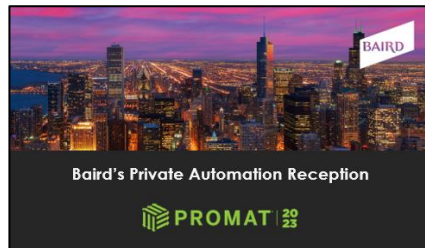


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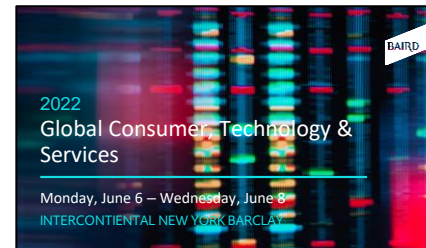
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