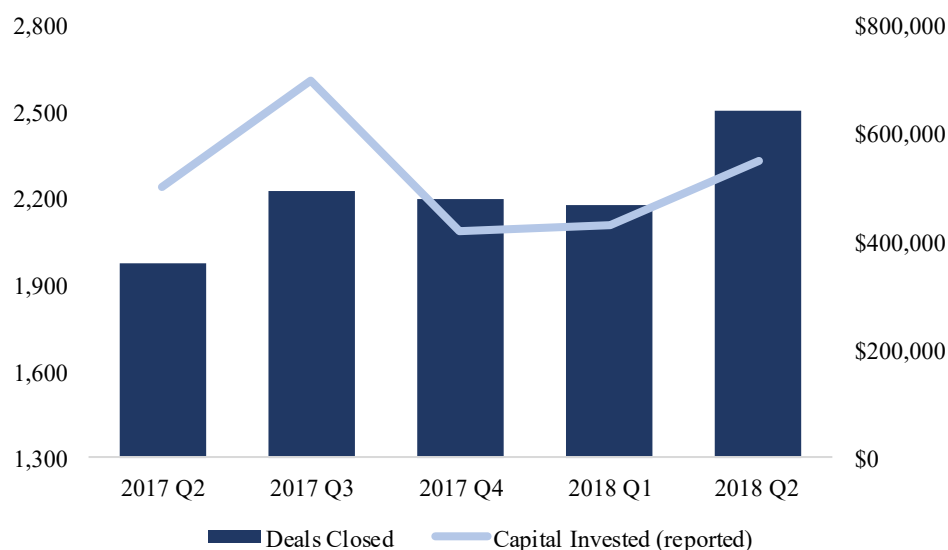


MIDDLE MARKET MANUFACTURING M&A

2018 FIRST HALF REVIEW

M&A activity among manufacturing companies remains strong, with almost 9 out of 10 businesses reporting growing confidence in the M&A market. However, the sector is changing fast. Companies are heading toward a services-led business model and M&A is a key component to their transformational growth strategy. This shift is leading industrial companies, especially in manufacturing, to make strategic acquisitions outside of their norm. The acquisitive focus is shifting from cost-cutting to adding adjacent, new service or product offerings with the potential to grow revenue. *(Ernst & Young)*

OVERALL U.S. MANUFACTURING M&A ACTIVITY BY QUARTER



Source: FactSet financial data and analytics

M&A ADVISORY TEAM:

Paul H. Carleton
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FIRM OVERVIEW:

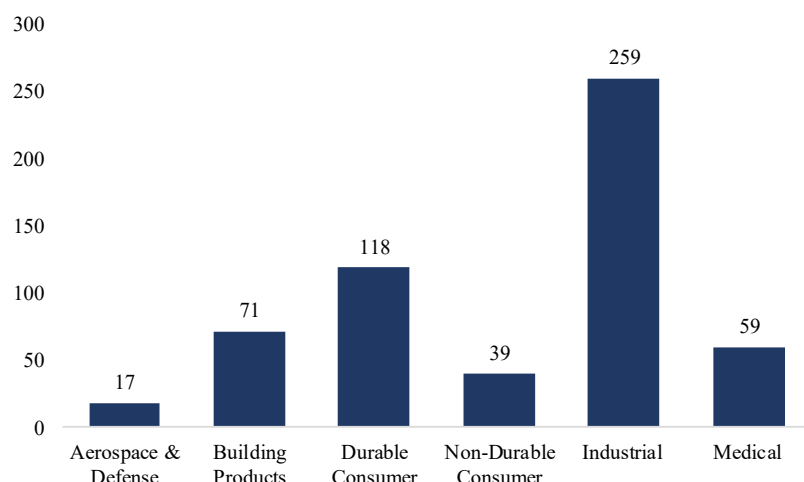
Carleton McKenna & Co. is a boutique, independent investment banking firm providing M&A Advisory, Capital Raising, and Valuation Advisory services. Our experienced professionals maintain a client-focused and entrepreneurial outlook which enables us to be creative for our clients, unencumbered by the bureaucracies inherent in larger investment banks. Our professionals have over three decades of experience partnering with companies led by strong, entrepreneurial management teams.

Using this expertise, Carleton McKenna & Co. specializes in providing sell-side and buy-side M&A Advisory services to small- to mid-cap clients which have closely-held businesses, portfolio companies of financial sponsor firms, and divisions or subsidiaries of public companies.

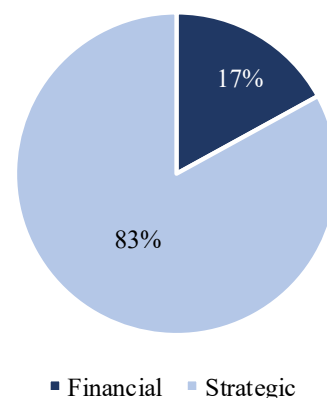
Carleton McKenna & Co. has deep experience in the niche manufacturing, specialty chemicals and materials, business services, consumer products and healthcare markets.

U.S. MANUFACTURING TRANSACTIONS BY MARKET SEGMENT AND TYPE

TRANSACTIONS BY MARKET SEGMENT (# OF DEALS)



TRANSACTIONS BY TYPE (%)



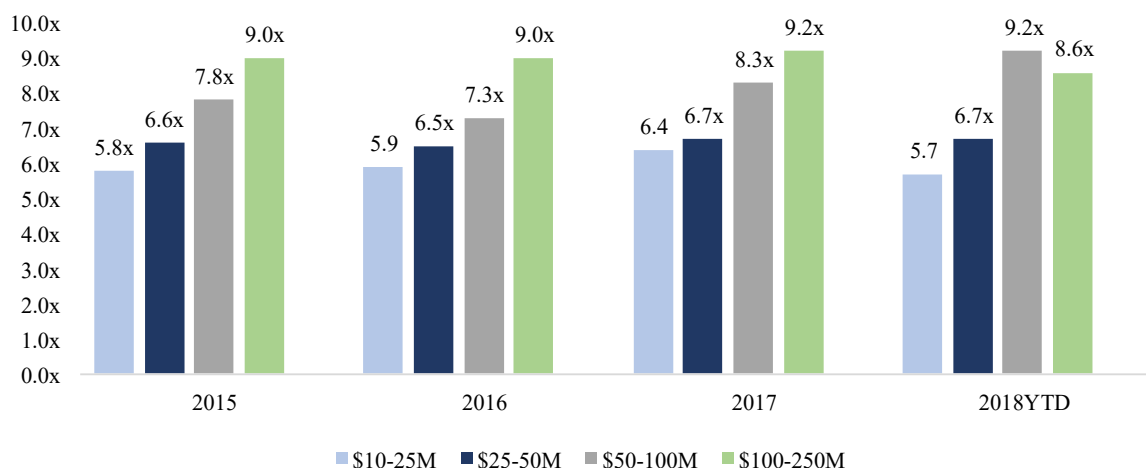
Source: FactSet financial data and analytics

SELECTED ACTIVE STRATEGIC BUYERS

Strategic Buyer	Inv. Date	Select Corporate Acquisitions
Patrick Industries, Inc.	6/11/2018	• Marine Accessories Corp.
	4/30/2018	• Dehco, Inc.
	3/5/2018	• IMP Holdings LLC
	2/26/2018	• Aluminum Metals Co., Inc.
	2/20/2018	• Metal Moulding Corp.
	12/11/2017	• Nickell Moulding Co., Inc.
	11/30/2017	• Larry Methvin Installations, Inc.
	9/5/2017	• Baymont, Inc.
The Middleby Corp.	5/18/2018	• Taylor Co.
	4/16/2018	• JoeTap, Inc.
	11/17/2017	• L2F, Inc.
	10/18/2017	• Globe Food Equipment Co.
	8/31/2017	• QualServ Corp.
	6/30/2017	• CVP Systems, Inc.
U.S. Concrete, Inc.	3/5/2018	• Golden Spread Redi-Mix, Inc.
	1/10/2018	• On Time Ready Mix, Inc.
	12/20/2017	• Cherokee Bridge & Road, Inc.
	10/2/2017	• Harbor Ready-Mix, Inc.
WestRock Company	1/29/2018	• KapStone Paper & Packaging Corp.
	12/12/2017	• Plymouth Packaging, Inc.
	6/21/2017	• Island Container Corp.
	6/21/2017	• Combined Container Industries LLC
	5/24/2017	• US Corrugated Inc (S Corrugated Converting Facilities)

Source: FactSet financial data and analytics

PRIVATE EQUITY TRANSACTION MULTIPLES IN MANUFACTURING (TEV/EBITDA)



Note: YTD as of June 30, 2018

Source: GF Data

SELECT SPONSORS WITH ACTIVE PORTFOLIO HOLDINGS

Financial Sponsor	Inv. Date	Select Corporate Acquisitions
AEA Investors LP	5/24/2018	• Fermatex Vascular Technologies LLC
	5/7/2018	• Vornado Air LLC
	4/24/2018	• Springs Window Fashions LLC
	2/13/2018	• Apex Resource Technologies, Inc.
	1/31/2018	• Spectrum Plastics Group
	10/18/2017	• Excelitas Technologies Corp.
Riverside Partners	5/17/2018	• Clarus Glassboards LLC
	12/31/2017	• Hoskin & Muir, Inc.
	10/2/2017	• Parker Products, Inc.
	7/31/2017	• Paragon Windows & Doors LLC
	7/17/2017	• Dreamlight, Inc.
Kohlberg & Co. LLC	5/14/2018	• Senneca Holdings, Inc.
	4/18/2018	• Cadence, Inc.
	5/26/2017	• Newell Brands, Inc. (Winter Sports Business)
	4/13/2017	• Spinal Elements, Inc.
	2/27/2017	• Pexco LLC
Cerberus Capital Management LP	4/26/2018	• Electrical Components International, Inc.
	2/7/2018	• Cyanco Holding Corp.
	1/4/2018	• Isola Group Ltd.
Clayton Dubilier & Rice LLC	1/31/2018	• Ply Gem Holdings, Inc.
	1/31/2018	• Atrium Corp. (New)
	3/20/2017	• Safeway Group Holding LLC
	1/3/2017	• Dr. Fresh LLC

Source: FactSet financial data and analytics