

# Industry update Test & Measurement Q4 2020

## Selected M&A highlights

- Dec-20 **DiscoverIE** to acquire **Limitor**, designer and manufacturer of thermal safety components and sensors for €14.5m
- Dec-20 Spectris divests of **Brüel & Kjær Vibro** and **Millbrook** businesses for €180m (20x EV/EBITDA) and £133m (12x EV/EBITDA), respectively
- Dec-20 **Applus** acquires **QPS Evaluation Services**, a Canada-based provider of electrical product certification services for €42m (9x EV/EBITDA)
- Dec-20 **CTS Corporation** acquires **Sensor Scientific**, manufacturer of high-quality thermistors and temperature assemblies
- Dec-20 **Luna Innovations** acquires **OptaSense**, a distributor of fibre optic sensing solutions for £29m (~13.0x EV/EBITDA)
- Dec-20 **AEA Investors**, acquires **Process Sensing Technologies**, a provider of instruments, analysers and sensors for precision measurements, for an undisclosed sum
- Dec-20 **Amphenol** to acquire **MTS Systems**, a supplier of high-performance test, simulation and measurement systems and sensors for \$1.7bn (~14x EV/EBITDA)
- Dec-20 **Molex** acquires **Fiberguide Industries** (subsidiary of Halma plc), a manufacturer of optical fiber solutions
- Nov-20 **Eurofins** acquires **Taiyo Techni Research**, Japanese provider of asbestos testing
- Nov-20 **SGS** to acquire **SYNLAB Analytics & Services**, TIC services provider, for EV/EBITDA 16.2x
- Oct-20 **Applus+** acquires Swedish vehicle inspection chain **Besikta Bilprovning** for an estimated SEK 1.05bn (11.5x EV/EBITDA)
- Oct-20 **Judges Scientific plc** acquired **Korvus Technology Ltd**, a maker of vapour deposition systems, for £3m
- Oct 20: **Arch Sciences Group** has acquired Ireland-based **Apex Scientific**, a provider of chromatography, sample preparation and liquid handling products and services, for an undisclosed sum
- Oct-20: **DiscoverIE** acquires **Phoenix America Inc**, designer and manufacturer of magnetically actuated sensors, encoders and related products for industrial customers in the US, for \$11.0m

## Public company valuations

### Sensors

Company	Country	Year End Date	Market Cap (GBPm)	Net Debt / (Cash)	EV (GBPm)	Net debt / EBITDA (2020)	EV/Revenue			EV/EBITDA			EV/EBIT			2 Year CAGR 2019-2021	
							2019	2020	2021	2019	2020	2021	2019	2020	2021		
Amphenol Corporation		Dec-19	28,653	1,824	30,528	1.3x	4.9x 6,211 (3%)	5.0x 6,147 (1%)	4.6x 6,639 (8%)	19.7x 1,547 25%	22.1x 1,382 22%	19.4x 1,572 24%	25.7x 1,189 19%	23.4x 1,303 21%	21.3x 1,435 22%	3% 1%	
ams AG		Dec-19	4,396	2,243	7,608	3.4x	4.8x 1,597 25%	2.5x 3,057 91%	1.6x 4,792 57%	15.7x 485 30%	11.6x 658 22%	7.5x 1,015 21%	42.3x 180 11%	24.4x 312 10%	14.3x 531 11%	nmf nmf	
CTS Corporation		31-Dec	811	3	814	0.1x	2.3x 354 (4%)	2.7x 304 (14%)	2.4x 337 (11%)	11.8x 69 19%	14.5x 56 18%	12.2x 67 20%	22.3x 36 10%	20.1x 41 13%	16.6x 49 15%	nmf nmf	
discoverIEGroup plc		31-Mar	603	62	665	1.4x	1.4x 460 8%	1.5x 452 (2%)	1.4x 476 (5%)	14.8x 45 5%	14.9x 45 10%	14.0x 48 10%	24.7x 27 10%	21.4x 31 6%	18.3x 36 7%	2% 3%	
Keyence Corporation		20-Mar	99,828	(7,754)	92,074	n/a	21.5x 4,277 7%	24.8x 3,717 (13%)	21.5x 4,281 (15%)	41.0x 2,247 15%	48.3x 1,904 53%	40.1x 2,296 51%	47.9x 1,922 54%	49.6x 1,856 45%	41.6x 2,215 50%	0% 1%	
Littelfuse, Inc.		28-Dec	4,547	73	4,620	0.3x	4.0x 1,148 (15%)	4.4x 1,038 (10%)	4.0x 1,162 12%	19.5x 237 21%	21.2x 218 21%	17.7x 261 22%	31.9x 145 13%	27.3x 169 16%	23.5x 197 17%	1% 5%	
Methode Electronics, Inc.		2-May	1,052	101	1,153	0.7x	1.4x 810 10%	1.5x 761 (6%)	1.4x 801 (5%)	7.2x 160 20%	7.7x 150 20%	7.6x 152 19%	10.5x 110 14%	11.2x 103 13%	10.5x 110 14%	nmf nmf	
Murata Manufacturing Co., Ltd.		31-Mar	42,319	(1,052)	41,272	n/a	3.6x 11,527 10%	3.8x 10,821 (6%)	3.6x 11,554 (7%)	14.1x 2,933 25%	14.2x 2,909 27%	12.3x 3,559 29%	24.0x 1,721 25%	22.2x 1,857 15%	19.0x 2,174 17%	0% 7%	
Sensata Technologies Holding plc		31-Dec	6,077	1,847	7,924	3.8x	3.0x 2,605 (6%)	3.6x 2,179 (16%)	3.2x 2,510 (15%)	12.0x 661 25%	16.4x 484 22%	12.8x 617 25%	19.3x 410 16%	15.9x 498 23%	13.5x 569 23%	nmf nmf	
Sensirion Holding AG		31-Dec	735	(48)	686	n/a	5.1x 133 (4%)	3.5x 194 (45%)	4.0x 172 (11%)	nmf 14 10%	15.7x 44 10%	25.3x 27 23%	34.7x 20 16%	38.1x 27 15%	29.8x 18 9%	13% nmf	
TE Connectivity Ltd.		25-Sep	29,329	2,947	33,507	1.5x	3.2x 10,320 (8%)	3.7x 9,127 (12%)	3.4x 9,968 8%	14.9x 2,252 22%	16.7x 2,002 22%	14.6x 2,300 23%	23.6x 1,421 14%	22.1x 1,518 17%	19.2x 1,743 18%	nmf 1%	
TT Electronics plc		31-Dec	356	89	447	2.1x	0.9x 478 11%	1.0x 431 (10%)	1.0x 464 (8%)	12.6x 36 7%	10.4x 43 10%	8.6x 52 11%	18.6x 24 5%	13.9x 32 7%	11.0x 41 9%	nmf 21%	
Mn							0.9x 0.9x 0.9x 0.9x 0.9x	1.0x 4.8x 3.6x 2.1x 1.0x	1.0x 4.3x 3.3x 2.1x 1.0x	7.2x 16.7x 14.8x 11.7x 7.7x	7.7x 17.8x 13.4x 16.0x 7.5x	7.5x 16.0x 13.4x 11.2x 7.5x	10.5x 27.1x 24.3x 19.9x 10.5x	11.2x 24.1x 22.2x 19.9x 11.2x	10.5x 19.9x 18.6x 18.6x 10.5x	0% 6% 1% 3% 21%	
Mean							4.7x 3.4x	4.8x 3.6x	4.3x 3.3x	16.7x 14.8x	17.8x 13.4x	16.0x 13.4x	27.1x 40.1x	24.1x 47.9x	19.9x 49.6x	18.6x 41.6x	18.6x 13% 21%
Median							2.1x	2.48x	2.15x	41.0x	48.3x	40.1x	47.9x	49.6x	41.6x	13% 21%	
Max							21.5x	24.8x	21.5x	41.0x	48.3x	40.1x	47.9x	49.6x	41.6x	13% 21%	

Note: Multiples are based on enterprise value as of 31-December-2020 and historical and forecast sales, EBITDA and EBIT, calendarised to 31 December. "nmf": not meaningful; "n/a": not available. Enterprise Value is adjusted for minority interest, preference equity, pension deficit and investments in associates.

Source: CapIQ

# Test & Measurement - Q4 2020 Industry update

## Instrumentation – Industrials

Company	Country	Year End Date	Market Cap (GBPm)	Net Debt / (Cash)	EV (GBPm)	Net debt / EBITDA (2020)	EV/Revenue			EV/EBITDA			EV/EBIT			2 Year CAGR 2019-2021	
							Revenue	Revenue growth	2019	2020	2021	EBITDA	EBITDA (GBPm)	EBITDA %	2019	2020	2021
AMETEK, Inc.	USA	31-Dec	20,379	1,290	21,670	1.3x	5.6x	6.5x	6.0x	20.1x	21.6x	19.5x	27.3x	25.8x	23.8x	nmf	1%
							3,895	3,326	3,696	1,081	1,002	1,110	795	840	910		
Fortive Corporation	USA	31-Dec	17,491	3,491	20,992	3.1x	3.8x	4.4x	5.7x	16.7x	18.4x	21.2x	29.5x	31.5x	29.1x	nmf	nmf
							5,527	4,746	3,661	1,258	1,142	969	711	667	721		
Halma plc	UK	31-Mar	9,291	315	9,601	1.0x	7.3x	7.3x	6.9x	31.5x	30.3x	28.3x	40.9x	36.6x	33.0x	3%	6%
							1,307	1,323	1,389	305	317	340	235	262	291		
HORIBA, Ltd.	Japan	31-Dec	1,812	(260)	1,552	n/a	1.1x	1.2x	1.1x	7.5x	8.2x	6.6x	13.0x	10.4x	8.0x	2%	7%
							1,391	1,337	1,437	206	190	236	119	149	193		
Keysight Technologies, Inc.	USA	31-Oct	18,004	177	18,183	0.2x	5.5x	5.8x	5.2x	21.5x	20.6x	17.4x	30.4x	22.2x	19.0x	2%	11%
							3,311	3,150	3,475	846	884	1,044	598	819	959		
MTS Systems Corporation	USA	30-Sep	823	398	1,237	3.4x	1.8x	2.0x	1.9x	12.4x	10.6x	12.7x	15.5x	20.0x	n/a	nmf	nmf
							678	612	634	100	117	98	80	62	n/a		
MKS Instruments, Inc.	USA	31-Dec	6,076	244	6,320	0.6x	4.4x	3.8x	3.5x	20.2x	14.3x	12.8x	19.5x	15.7x	13.8x	13%	26%
							4,434	1,664	1,821	312	443	496	324	403	457		
National Instruments Corporation	USA	31-Dec	4,224	(115)	4,109	n/a	4.0x	4.4x	4.1x	22.2x	23.2x	25.3x	31.0x	26.3x	23.6x	nmf	nmf
							4,022	930	998	185	177	162	133	156	174		
Oxford Instruments plc	UK	31-Mar	1,143	(74)	1,069	n/a	3.4x	3.5x	3.4x	19.1x	18.7x	17.9x	26.1x	22.9x	21.2x	nmf	3%
							317	304	310	56	57	60	41	47	50		
Renishaw plc	UK	30-Jun	4,192	(96)	4,133	n/a	7.6x	7.9x	7.4x	38.1x	36.4x	28.5x	56.1x	49.4x	36.1x	2%	16%
							542	521	560	108	114	145	74	84	115		
Roper Technologies, Inc.	USA	31-Dec	33,113	7,270	40,384	5.0x	10.0x	9.9x	8.8x	27.0x	28.0x	24.5x	37.0x	33.6x	31.1x	6%	5%
							4,052	4,070	4,595	1,495	1,444	1,650	1,091	1,202	1,299		
Shimadzu Corporation	Japan	31-Mar	8,385	(574)	7,811	n/a	2.7x	3.0x	2.9x	18.9x	21.1x	19.5x	27.4x	28.8x	26.3x	nmf	nmf
							2,888	2,631	2,723	413	370	400	265	272	296		
Spectris plc	UK	31-Dec	3,275	(35)	3,240	n/a	2.0x	2.5x	2.3x	17.5x	14.6x	12.7x	22.7x	17.4x	15.2x	nmf	17%
							1,632	1,321	1,393	186	221	255	142	186	213		
Min							1.1x	1.2x	1.1x	7.5x	8.2x	6.6x	13.0x	10.4x	8.0x	2%	1%
Mean							4.6x	4.8x	4.6x	21.0x	20.4x	19.0x	29.0x	26.2x	23.4x	5%	10%
Median							4.0x	4.4x	4.1x	20.1x	20.6x	19.5x	27.4x	25.8x	23.7x	3%	7%
Max							10.0x	9.9x	8.8x	38.1x	36.4x	28.5x	56.1x	49.4x	36.1x	13%	26%

Note: Multiples are based on enterprise value as of 31-December-2020 and historical and forecast sales, EBITDA and EBIT, calendarised to 31 December. "nmf": not meaningful; "n/a": not available. Enterprise Value is adjusted for minority interest, preference equity, pension deficit and investments in associates.

Source: CapIQ

## Instrumentation – Life Sciences

Company	Country	Year End Date	Market Cap (GBPm)	Net Debt / (Cash)	EV (GBPm)	Net debt / EBITDA (2020)	EV/Revenue			EV/EBITDA			EV/EBIT			2 Year CAGR 2019-2021	
							Revenue	Revenue growth	2019	2020	2021	EBITDA	EBITDA (GBPm)	EBITDA %	2019	2020	2021
Agilent Technologies, Inc.	USA	31-Oct	26,630	846	27,646	0.6x	6.9x	7.0x	6.5x	27.5x	26.2x	23.5x	34.4x	29.0x	25.2x	3%	8%
							4,008	3,960	4,249	1,006	1,055	1,177	804	954	1,098		
Bio-Rad Laboratories, Inc.	USA	31-Dec	12,704	(394)	12,310	n/a	7.1x	6.9x	6.8x	37.4x	29.5x	29.3x	45.4x	43.0x	40.2x	2%	13%
							1,745	1,780	1,819	329	418	420	271	287	307		
Bruker Corporation	USA	31-Dec	6,070	220	6,298	0.8x	4.0x	4.4x	4.0x	20.4x	23.4x	19.2x	28.7x	24.4x	21.1x	0%	3%
							1,565	1,425	1,577	309	269	327	219	258	299		
Danaher Corporation	USA	31-Dec	115,581	13,192	131,307	2.8x	9.7x	8.2x	7.1x	36.9x	28.3x	23.1x	44.0x	34.8x	31.3x	17%	26%
							13,524	16,082	18,474	3,558	4,646	5,675	2,986	3,768	4,196		
Judges Scientific plc	USA	31-Dec	402	8	411	0.6x	5.0x	5.4x	4.9x	21.9x	29.9x	24.1x	31.7x	27.6x	24.2x	1%	nmf
							82	76	84	19	14	17	13	15	17		
Mettler-Toledo International Inc.	USA	31-Dec	19,862	830	20,693	1.3x	9.1x	9.3x	8.7x	33.2x	32.3x	29.6x	34.6x	31.6x	29.5x	3%	6%
							2,272	2,229	2,392	624	641	699	595	650	702		
PerkinElmer, Inc.	Germany	31-Dec	11,769	1,368	13,137	1.6x	6.0x	5.0x	4.4x	25.4x	15.3x	13.8x	20.1x	15.7x	18.4x	16%	nmf
							2,205	2,640	2,985	518	859	954	652	834	715		
Sartorius AG	USA	31-Dec	21,096	1,427	22,824	2.4x	nmf	nmf	9.3x	nmf	38.1x	31.5x	55.2x	42.8x	36.8x	26%	nmf
							1,548	2,065	2,445	417	599	725	414	533	621		
Thermo Fisher Scientific Inc.	USA	31-Dec	135,212	10,680	145,893	1.5x	7.6x	6.5x	6.0x	28.5x	20.5x	19.3x	25.2x	21.1x	21.3x	13%	21%
							19,285	22,618	24,433	5,125	7,125	7,564	5,799	6,912	6,652		
Waters Corporation	USA	31-Dec	11,244	1,007	12,251	1.7x	6.7x	7.3x	6.8x	18.9x	20.9x	19.5x	25.1x	24.4x	22.8x	nmf	nmf
							1,817	1,676	1,789	648	585	628	488	501	538		
Min							4.0x	4.4x	4.0x	18.9x	15.3x	13.8x	20.1x	15.7x	18.4x	0%	3%
Mean							6.9x	6.7x	6.4x	27.8x	26.4x	23.3x	34.5x	29.5x	27.1x	9%	13%
Median							6.9x	6.9x	6.6x	27.5x	27.2x	23.3x	33.0x	28.3x	24.7x	3%	11%
Max							9.7x	9.3x	9.3x	37.4x	38.1x	31.5x	55.2x	43.0x	40.2x	26%	26%

Note: Multiples are based on enterprise value as of 31-December-2020 and historical and forecast sales, EBITDA and EBIT, calendarised to 31 December. "nmf": not meaningful; "n/a": not available. Enterprise Value is adjusted for minority interest, preference equity, pension deficit and investments in associates.

Source: CapIQ

# Test & Measurement - Q4 2020 Industry update

## Test, Inspection & Certification services

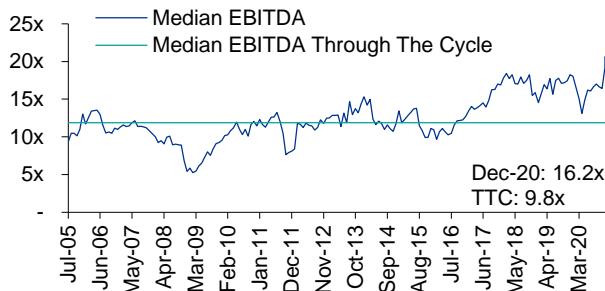
Company	Country	Year End Date	Market Cap (GBPm)	Net Debt / (Cash) (GBPm)	EV (GBPm)	Net debt / EBITDA (2020)	EV/Revenue			EV/EBITDA			EV/EBIT			2 Year CAGR 2019-2021	
							2019	2020	2021	2019	2020	2021	2019	2020	2021	Sales	EBITDA
ALS Limited	UK	31-Mar	2,619	485	3,099	2.0x	3.5x	3.1x	2.9x	15.4x	13.0x	12.0x	19.5x	18.6x	16.9x	10%	13%
Applus Services, S.A.	Spain	31-Dec	1,155	537	1,736	2.8x	1.2x	1.2x	1.1x	7.1x	8.9x	7.1x	15.9x	11.9x	9.5x	1%	0%
Bureau Veritas SA	France	31-Dec	8,753	1,815	10,614	2.5x	2.8x	2.6x	2.4x	12.2x	14.5x	12.5x	19.0x	17.2x	15.2x	0%	nmf
Eurofins Scientific SE	Germany	31-Dec	11,729	2,349	14,117	2.2x	3.7x	3.0x	2.8x	18.2x	12.9x	12.2x	23.3x	20.1x	19.8x	14%	22%
Exponent, Inc.	USA	3-Jan	3,405	(144)	3,260	n/a	nmf	nmf	nmf	36.1x	32.1x	52.4x	46.2x	40.1x	8%	13%	
Intertek Group plc	UK	31-Dec	9,090	896	10,023	1.6x	3.4x	3.6x	3.5x	14.5x	17.8x	15.4x	23.8x	22.3x	20.0x	nmf	nmf
Mistras Group, Inc.	USA	31-Dec	166	214	380	4.9x	0.7x	0.9x	0.8x	6.6x	8.7x	7.0x	nmf	41.3x	10.3x	nmf	nmf
SGS SA	Switzerland	31-Dec	16,693	1,611	18,348	1.5x	3.6x	3.9x	3.6x	17.7x	17.3x	15.6x	28.0x	23.0x	21.1x	nmf	6%
Team, Inc.	USA	31-Dec	245	303	548	4.8x	0.6x	0.9x	0.7x	7.9x	8.7x	6.5x	nmf	49.9x	18.4x	nmf	10%
Min							0.6x	0.9x	0.7x	6.6x	8.7x	6.5x	(6)	11	30		
Mean							2.4x	2.4x	3.1x	12.5x	15.3x	13.4x	26.0x	27.8x	19.0x	7%	11%
Median							2.9x	2.8x	2.8x	13.3x	13.0x	12.2x	23.3x	22.3x	18.4x	8%	12%
Max							3.7x	3.9x	9.8x	18.2x	36.1x	32.1x	52.4x	49.9x	40.1x	14%	22%

Note: Multiples are based on enterprise value as of 31-December-2020 and historical and forecast sales, EBITDA and EBIT, calendarised to 31 December. "nmf": not meaningful; "n/a": not available. Enterprise Value is adjusted for minority interest, preference equity, pension deficit and investments in associates.

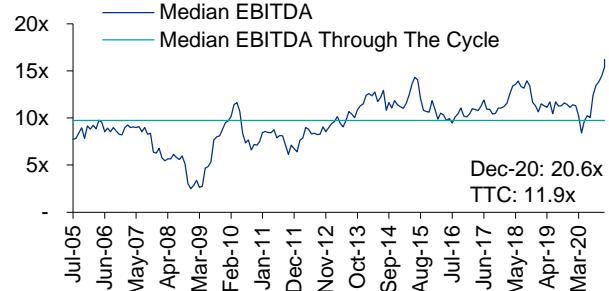
Source: CapIQ

## Public company valuations – Through the cycle (EV/LTM EBITDA)

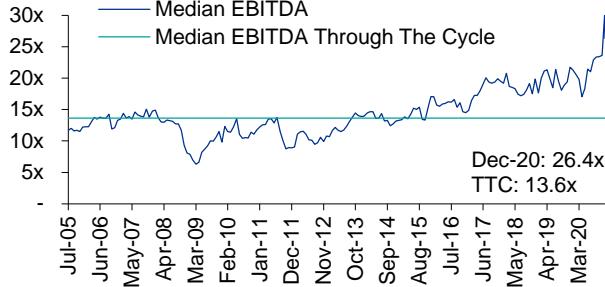
### Sensors



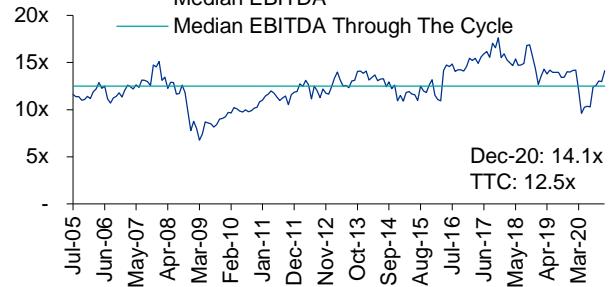
### Instrumentation – Industrials



### Instrumentation – Life Sciences



### Test, Inspection & Certification services



Note: The companies used in the public company valuations make up the constituents of the TTC analysis. Multiples are based on LTM basis. Enterprise Value is adjusted for minority interest, preference equity, pension deficit and investments in associates.

Source: CapIQ

# Test & Measurement - Q4 2020 Industry update

## M&A transaction history

### Sensors

Target	Country	Target Description	Acquirer	Country	Date	EV	EV/EBITDA
MTS Systems Corporation	USA	Supplier of advanced test systems, motion simulators and precision sensors	Amphenol Corporation	USA	Dec-20	USD 1.7b	14.0x
OptaSense Holdings, Ltd	UK	Fiber optic distributed monitoring solutions	Luna Innovations Incorporated	USA	Dec-20	GBP 29m	13.0x
Sens-Tech Ltd	UK	Manufacturer of x-ray and light detector modules	discoverIE Group plc	UK	Oct-19	GBP 58m	5.9x
Sensys Networks, Inc.	USA	Provides integrated wireless traffic data systems and traffic management solutions	TagMaster AB	Sweden	Jun-19	USD 16m	9.4x
First Sensor AG	Germany	Manufacturer of sensors, detectors and emitters	TE Connectivity Ltd.	Switzerland	Jun-19	EUR 308m	14.5x
Positek Limited	UK	Designer and manufacturer of linear, rotary, tilt and submersible sensors	discoverIE Group plc	UK	Apr-19	GBP 4.6m	7.7x
Variohm Holdings Limited	UK	Manufacturer of position, pressure and temperature sensors	discoverIE Group plc	UK	Jan-17	GBP 13.9m	7.0x
Resideo Technologies, Inc.	USA	Home comfort and security solutions and wholesale distributor of security and low-voltage products	Spin off from Honeywell International Inc.	USA	Oct-18	USD 3,259m	14.0x
Custom Sensors & Technologies, Inc. (Sensing Portfolio)	USA	Sensing portfolio of CST, engaged in the manufacture and distribution of sensing equipment	Sensata Technologies Holding Plc	USA	Dec-15	USD 1,000m	12.0x
Measurement Specialties Inc	USA	Designer and manufacturer of sensors and sensor based systems	TE Connectivity Ltd.	Switzerland	Oct-14	USD 1,449m	20.6x
Min							5.9x
Mean							11.8x
Median							12.5x
Max							20.6x

Source: MergerMarket and KPMG intel

### Instrumentation – Industrials

Target	Country	Target Description	Acquirer	Country	Date	EV	EV/EBITDA
Briel & Kjær Vibro (Spectris Subsidiary)	Germany	Supplier of machinery protection and condition monitoring systems for rotating and reciprocating industrial machinery	NSK Ltd	Japan	Dec-20	€180m	20.0x
Sensit Technologies	USA	Manufacturer of gas leak detection instruments for natural gas, fire service, and industrial applications	Halma	UK	Feb-20	USD 51.5m	11.7x
L3Harris Technologies, Inc. (Security & Detection Systems)	USA	Provides airport and critical infrastructure screening products, automated tray return systems and other industrial automation products	Leidos Holdings, Inc	USA	Feb-20	USD 1bn	13.3x
BTG Group Limited (Spectris Subsidiary)	Switzerland	Provider of integrated, highly specialized process measuring instruments for the paper industry	Voith GmbH	Germany	Dec-19	EUR 319m	11.5x
Gatan, Inc.	USA	Manufacturer of instrumentation used to enhance the operation and performance of electron microscopes	AMETEK, Inc.	USA	Oct-19	USD 925m	14.9x
Rudolph Technologies	USA	Manufacturer of process control metrology and defect inspection systems used by semiconductor manufacturers	Naometrics	USA	Oct-19	USD 769m	13.4x
3M Gas and Flame Detection	France	Manufacturer of gas and flame detection products	Teledyne Technologies	USA	Aug-19	USD 230m	11.0x
Spectro Scientific	USA	Supplier of oil, fuel and fluid analysis instruments to industry, military and laboratories	AMETEK, Inc.	USA	Nov-18	USD 190m	16.5x
Oxford Instruments (Industrial Analysis business)	UK	Industrial analysis business of Oxford Instruments Plc	Hitachi High-Technologies Corp	Japan	Jul-17	GBP 80m	9.8x
MOCON, Inc.	USA	Manufactures test & measurement instruments and systems used to analyse gases and chemical compounds	AMETEK, Inc.	USA	Jun-17	USD 182m	17.8x
Advanced Vision Technology	Israel	Provider of automatic inspection solutions, process control, quality assurance and color control for printing applications	Danaher Corporation	USA	May-17	EUR 101m	17.4x
Morpho Detection Inc.	USA	Provides solutions for detecting and identifying chemical, biological, radiological, nuclear and explosive threats	Smiths Group Plc	UK	Apr-17	USD 710m	10.1x
e2v technologies plc	UK	Designs and manufactures radio frequency, microwave, switching, sensing and imaging components and subsystems	Teledyne Technologies	USA	Mar-17	GBP 637m	12.3x
PCB Group Inc.	USA	Manufactures sensors and instrumentation for measuring static and dynamic pressure, force, load, torque, shock and vibration	MTS Systems Corporation	USA	Jul-16	USD 580m	13.5x
Min							9.8x
Mean							14.2x
Median							13.4x
Max							20.0x

Source: MergerMarket and KPMG intel

# Test & Measurement - Q4 2020 Industry update

## M&A transaction history

### Instrumentation – Life Sciences

Target	Country	Target Description	Acquirer	Country	Date	EV	EV/EBITDA
Advanced Instruments	USA	Provider of scientific and analytical instruments	Patricia Industries	USA	Sep-20	GBP 608m	24.1x
Danaher Corporation (Life Sciences business)	USA	Life Sciences business of Danaher Corporation (FortéBio, Pall-Chromatography and SoloHill)	Sartorius AG	Sweden	Oct-19	USD 750m	20.0x
BioTek Instruments Inc	USA	Design, manufacture and distribution of innovative life science instrumentation	Agilent Technologies	USA	Aug-19	USD 1.17bn	22.0x
Roper Technologies (Scientific Imaging businesses)	USA	Scientific Imaging businesses (analytical and scientific instrumentation) of Roper Technologies, Inc.	Teledyne Technologies	USA	Feb-19	USD 225m	11.0x
GE Biopharma	USA	Provider of instruments, consumables, and software that support the workflows of drug manufacturers	Danaher	USA	Feb-19	USD 21.4bn	17.0x
EUROIMMUN Medical Laboratory	Germany	Develops, produces and distributes devices, software and consumables for human and veterinary medical diagnostics	PerkinElmer, Inc.	USA	Dec-17	EUR 1.2bn	19.2x
FEI Company	USA	Supplier of instruments for nanoscale imaging, analysis and prototyping	Thermo Fisher Scientific	USA	Sep-16	USD 4.4bn	19.3x
Newport Corporation	USA	Supplier of technology products to scientific research, microelectronics, life and health sciences industries	MKS Instruments	USA	Apr-16	USD 980m	17.5x
Affymetrix Inc.	USA	Producer of technology used to analyze complex genetic information	Thermo Fisher Scientific	USA	Mar-16	USD 1.38bn	31.0x
Min							11.0x
Mean							19.6x
Median							19.3x
Max							31.0x

Source: MergerMarket and KPMG intel

### Test, Inspection & Certification services

Target	Country	Target Description	Acquirer	Country	Date	EV	EV/EBITDA
SYNLAB Analytics & Services B.V.	Germany	Provides inspection, verification, testing and certification and other laboratory services for Environmental, Food, Chemical and other industries	SGS SA	Switzerland	Dec-20	GBP 491	16.2x
Millbrook (Spectris Subsidiary)	UK	Provides vehicle test, validation and engineering services to customers in the automotive, transport, tyre and petrochemical industries	UTAC CERAM	France	Dec-20	£133m	12.0x
QPS Evaluation Services	Canada	Product certification company for a wide range of industrial, medical and electrical and electronic (E&E) products	Applus Services S.A	Spain	Dec-20	EUR 42m	9.0x
LGC Group	UK	Provider of proficiency testing schemes, genomics reagents and instrumentation, research and measurement services	Cinven Partners LLP and Astorg Partners	France	Apr-20	GBP 3.0bn	17.5x
Onstream Pipeline Inspection	Canada	Provider of pipeline inspection and data analytics services	MISTRAS Group	USA	Feb-19	USD 190m	11.9x
Covance Inc.	USA	Provider of innovative product design and product integrity services	Eurofins Scientific	Germany	Aug-18	USD 670m	23.6x
Alchemy Systems	USA	Provider of web-based training, coaching and communication platform focusing on workplace injuries and food safety	Intertek Group Plc	UK	Aug-18	USD 480m	21.8x
CLS	UK	Provider of scientific laboratory and consultancy services	Spectris	UK	Jan-18	GBP 163m	18.0x
Trescal SAS	France	Engaged in providing verification, calibration and measurement services	Omers Private Equity	Canada	Jan-18	EUR 670m	14.9x
EAG Laboratories	USA	Surface analysis and materials characterization provider delivering innovative analytical services and solutions	Eurofins Scientific	Germany	Dec-17	USD 780m	11.8x
Exova Group plc	UK	Provider of testing, calibration and consulting services	Element Materials Technology	UK	Jun-17	USD 1.06bn	12.5x
Millbrook Group	UK	Vehicle test, validation and engineering service provider for the automotive and markets such as tyres, defence and security	Spectris Plc	UK	Sep-16	GBP 122m	12.5x
WIL Research Laboratories	USA	Provider of safety assessment and manufacturing services to biopharmaceutical and agricultural companies	Charles River Laboratories	USA	Apr-16	USD 585m	12.9x
Professional Service Industries	USA	Provider of engineering, consulting, environmental consulting and testing services	Intertek Group Plc	UK	Nov-15	USD 330m	7.6x
QualSpec Group	USA	Provider of inspection, nondestructive examination and specialty services to the petrochemical industry	Team, Inc.	USA	Jul-15	USD 265	11.0x
Min							7.6x
Mean							14.2x
Median							12.5x
Max							23.6x

Source: MergerMarket and KPMG intel

# Test & Measurement - Q4 2020 Industry update

## Longstanding KPMG global network test & measurement credentials

 portfolio company of <b>Apax</b> acquired by <b>API Group</b> Oct 2020	 acquired by <b>BUNZL</b> Nov 2019	 acquired by <b>VPG</b> Nov 2019	 portfolio company of <b>SK AeroSafety Group</b> <b>Apax</b> acquired by <b>LEVINE LECHITMAN CAPITAL PARTNERS</b> Jan 2019	 acquired by <b>Labstat</b> <b>WARBURG PINCUS</b> Jun 2018	 acquired by <b>AMETEK</b> Dec 2017
 acquired by <b>Dynacare</b> Dec 2017	 Analytics laboratory business in Finland & Estonia acquired by <b>eurofins</b> Apr 2017	 acquired by <b>vwr</b> Mar 2017	 acquired by <b>TMC</b> May 2016	 acquired by <b>DTS FOOD ASSURANCE</b> <b>RUREAU VERITAS</b> <b>AsureQuality</b> May 2016	 acquired by <b>DELPHI</b> Nov 2015
 acquired by <b>Exova</b> Sep 2013	 acquired by <b>Indutrade</b> Dec 2012	 acquired by <b>ALARIS ROYALTY CORP</b> Jun 2012	 acquired by <b>Megger</b> Jun 2012	 acquired by <b>AcmeLabs</b> <b>SUREAU VERITAS</b> Feb 2012	 acquired by <b>Sixnet</b> Oct 2011
 portfolio company of <b>3T</b> acquired by <b>STORK</b> May 2011	 Materials Testing subsidiary acquired by <b>3T</b> May 2011	 acquired by <b>LGC</b> <b>Bridgepoint</b> Feb 2010	 Testing division acquired by <b>CLAYTON DURILIER &amp; RICE</b> Oct 2008	 acquired by <b>QSA GLOBAL</b> <b>ITW</b> Jul 2008	 acquired by <b>MOODY INTERNATIONAL</b> <b>INVESTCORP</b> Jan 2007

## UK Test & Measurement Team



**Simon Davis**  
Managing Director  
Tel: +44 (0)7798 877478  
Email: [Simon.davis@kpmg.co.uk](mailto:Simon.davis@kpmg.co.uk)



**Patrick Palicica**  
Associate Director  
Tel: +44 (0)7464 510458  
Email: [Patrick.palicica@kpmg.co.uk](mailto:Patrick.palicica@kpmg.co.uk)



**Georgia Drake-Brockman**  
Manager  
Tel: +44 (0)203 0783535  
Email: [Georgia.drake-brockman@kpmg.co.uk](mailto:Georgia.drake-brockman@kpmg.co.uk)



**Albert Thornton**  
Analyst  
Tel: +44 (0)7776 631908  
Email: [Albert.thornton@kpmg.co.uk](mailto:Albert.thornton@kpmg.co.uk)



The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavour to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

© 2021 KPMG LLP, a UK limited liability partnership and a member firm of the KPMG global organisation of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved. The KPMG name and logo are trademarks used under license by the independent member firms of the KPMG global organisation.