CLAIRFIELD REVIEW

H1 2017

2016 IN REVIEW: A RECORD YEAR FOR CLAIRFIELD

2016 was a strong year for Clairfield. Building on our work of previous years, we have consolidated our position as worldwide midmarket leaders in M&A. We have expanded in key territories and opened new paths to collaboration in Turkey and China. With 110 closed transactions with a total value over EUR 2.8 billion, Clairfield International ranked as one of the top independent firms worldwide in league tables evaluating the track record of advisory firms.

DEALS

Transactions closed this year highlight Clairfield's crossborder reach: the acquisition by Tournus Equipement, a French manufacturer of stainless-steel equipment, of CED Fabrications, a UK-based commercial-catering equipment manufacturer; Samiro Group S.p.A. and other minority shareholders' sale of Ravaglioli Group to the American Dover Corporation (NYSE:DOV), a global company with a business unit that is active in the production of vehicle service equipment; the sale of iParts, a Polish online car spare parts distributor, to Hella, one of the top 40 automotive suppliers and aftermarket distribution organizations for spare car parts in the world, headquartered in Germany; and the acquisition by Trescal, the French specialist in calibration services of Metrosul, a leading Brazilian calibration services provider, are just a few examples.

CLAIRFIELD INTERNATIONAL



OUTLOOK FOR 2017

2016 was a year of upheavals, from Brexit to surprising "no"s in referendums in Colombia and Italy, to the US presidential election results. Markets crave stability, and indeed last year's M&A transaction volume was down 23% from 2015. Even so 2016 was the third best year on record for deals according to mergermarket, with acceleration in deal volume as the year came to a close. And despite uncertainty, the business community and Clairfield experts agree that there are several factors indicating that this momentum will continue and 2017 could be a banner year for M&A. Companies will



be looking to invest the cash on their balance sheets and we expect private equity interest to continue as a result of significant undeployed capital and a continued desire to invest in high growth and specialist sectors. The tech sector will be of interest, even to non-tech companies.

Political considerations will be affecting the world's largest economies: uncertainties about the new U.S. administration, jitters around Brexit, and the French and German elections. "M&A is still in good shape though I do not believe we will surpass the level of 2015," says Filippo Guicciardi of Clairfield Italy. "Political uncertainty in both Europe and the United States could slow down the market."

Deal activity remained resilient in the UK last year despite the uncertainty created by the EU referendum and the subsequent Brexit vote. Clairfield UK saw a "business as usual" approach during 2016 with business owners and large corporates continuing to drive deal volumes in the UK. "We believe there will be continued activity in the UK M&A market during 2017, driven by both domestic and overseas acquirors," says partner Chris Gregory.

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AWARDS

Several Clairfield partners were recognized with awards this year. Clairfield Mexico was named a winner of the Corporate and Strategic Acquisition of the Year at the 8th Annual International M&A Awards sponsored by The M&A Advisor.



Clairfield won the award for its advisory role in the acquisition by First Cash (NYSE:FCFS) of Maxi Prenda, the operator of 211 full-service pawn stores in Mexico, Guatemala, and El Salvador. The acquisition was First Cash's largest and most significant acquisition in Latin America.

Across the globe, Clairfield Finland was shortlisted for mergermarket's European M&A Awards 2016 in the Financial Advisor of the Year in Finland category. Clairfield Finland was the only independent boutique advisor firm nominated in this category.

For the tenth year running, Thomson Reuters ranked Clairfield among the top advisory firms worldwide. Clairfield International is one of an elite number of boutique M&A firms to achieve such high results in the 2016 league tables, placing 13th in the small-cap segment worldwide and 11th in Europe alongside large investment banks. Clairfield International was among the top 10 advisors in the Nordics, Australia, and France. Clairfield also achieved top placements in both small and mid-cap league tables in Latin America, the UK, Germany, Italy, Benelux, and Eastern Europe.

EXPANSION

In 2016 we expanded our team in all reaches of the globe:

Our new team in Austria and Hungary has closed more than 60 transactions with an exclusive focus on M&A transactions and capital raisings in Central and Eastern Europe. The team has special expertise in technology, media & telecom. It joins forces with the team in Germany as part of the extended Clairfield footprint in the key DACH region.

The new Clairfield Israel, based in Tel Aviv, also has particular strength in technology, media, and telecom, as well as medical devices and industrials. The firm began its activities in 2004 advising Israeli companies on IPOs on London AIM and later became a full-service advisory firm, advising on private placements, M&A, and IPOs for AIM and NASDAQ listings. The firm's with new offices in Brazil and Chile. The additional corporate finance team in Brazil strengthens Clairfield's current offices in Sao Paulo and Curitiba and adds a location in Rio de Janeiro. The new Brazilian team offers advice on all transaction-related issues in this complex and crucial region with sector expertise in areas such as retail, telecom, aerospace, and general manufacturing. A new office in Santiago de Chile, together with the Miami office, offers unrivalled knowledge-based transaction advisory services in the food sector. The Chile office expands Clairfield's presence in Latin America, joining existing teams in Mexico and Brazil that are also strong in the food and agribusiness industry, as well as in sectors such as natural resources, financial institutions, business services and industrial engineering, with a focus on crossborder transactions.



clients include many venture-backed and private equity companies.

A new team in Madrid and Lisbon has joined colleagues in Barcelona as part of the enlarged Clairfield footprint in Iberia. The team has special expertise in crossborder deals and has advised clients in a wide range of sectors including chemicals, food and beverages, tourism and leisure, TV and media, new technologies, packaging, renewable energy, retail and consumer, and telecommunications, and is connected with an extensive global network of independent investment banks, funds, and consulting firms.

In South America, Clairfield partnered

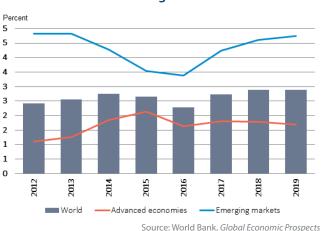
Clairfield also opened access to collaboration partners in China and Turkey.

"Successful execution of crossborder M&A requires a broad international partner base. Our new offices significantly strengthen and expand our firm's capabilities in the key Central European and South American regions," says Albert Schander, head of expansion for Clairfield International. "The addition of sector experts in our core industries brings further depth of knowledge to local markets and international partners."

Our focus remains on what we do best: advising midmarket transactions.

OUTLOOK FOR 2017

"This reflects our view that quality businesses with strong fundamentals will continue to attract interest and also the view that individuals and corporates are unwilling to put strategic decisions on hold while the uncertainty of Brexit unfolds." Chris expects overseas interest to remain strong in 2017 with many UK sectors remaining attractive as a result of their level of sophistication, friendly regulatory environments, and established links with international corporates. The fall in the value of sterling will also allow some overseas acquirors to take advantage of comparably cheaper deals on UK assets.



Global growth

According to Bertrand Hermez, partner in France, less activity from UK buyers due to Brexit and the sterling exchange rate will leave room for buyers from other countries. Outbound from France he believes Italy and Germany will be key target countries for French groups in defense, media, and energy in order to consolidate European positions. The midmarket is included in this trend with attractive multiples (8.7x was the average multiple for French transactions under EUR 250 million in 2016).

Dirk Middelhoff notes that Germany had a strong 2016 with the highest annual value since 2007 and 27.2% higher than 2015, unlike the wordwide figures that show a drop. More than 59% of all transactions were inbound. The trend is likely to continue in 2017. Looking specifically at the TMT sector, Dirk believes that faster mobile networks, dedicated Internet of Things networks, cybersecurity, and software-as-a-service solutions will drive the industry. In general the software segment is expected to grow by more than 6% and IT services by close to 3% in 2017.

The CEE region is one of the fastest growing regions in the world. Both Poland and Hungary are predicted to grow by about 3.5% according to the World Bank, far above the EU average. "The economic outlook for Hungary is positive and M&A activity is expected to remain strong," says Oliver

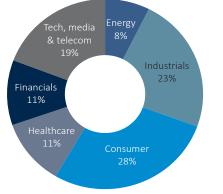
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Nemes of Clairfield Hungary. "Many international companies choose to invest in Hungary due to good infrastructure, skilled labor, competitive wages, and low taxes." Peter Chudy of Poland agrees: "The M&A market looks promising with many experts predicting that the total value of transactions is likely to surpass EUR 10 billion in Poland with half of that coming from small and medium size transactions." Both countries enjoy strong foreign direct investments. Growth in Hungary stems significantly from strong industrial output while Peter identifies Polish growth as driven by the strong FDI and continued flow of EU funds earmarked for innovation and R&D as well as infrastructure projects.

In the Nordic region, the Finnish M&A market has been at fairly high levels despite tepid economic metrics and these metrics are forecast to improve this year. "We believe that the M&A market will be even more active due to the improved economic situation especially in the industrial sectors. The services and tech sectors have been active and will continue to be so, especially healthcare services due to an anticipated change in Finnish legislation," says partner Ari Leppänen.

Anders Eriknauer of Clairfield Denmark agrees, and identifies the tech sector as key. "The outlook for 2017 looks very promising. 2016 was a very active year in Denmark and 2017 continues in that direction. There are many interesting opportunities and plenty of buyer interest, both from strategic and financial buyers. Growth in the M&A market is driven by the abundance of available investment funds and a race for market shares and opportunities that tap into the digitalization trend that is now really making a change in the market. Copenhagen is a the heart of digital convergence and with a relatively large percentage of unicorns in the tech sector, international blue chip investors are stepping up their interest in our market. With 12 signed mandates, among which we find at least three market leaders, we have another very busy year ahead of us."

Midmarket transactions by sector, 2016



Source: Capital IQ

In spite of geopolitical uncertainty in the year ahead, the M&A market offers many reasons for optimism.

SELECTED TRANSACTIONS



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