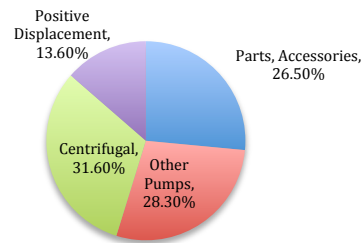


Pumps

The pump and pumping equipment industry continues to be compelling to us. Though large, publicly-held, diversified conglomerates like Dover, ITT, Pentair and IDEX (to name a few) have acquired a number of large pump manufacturers, we still see an attractive industry with fragmented markets, attractive end market diversification, and interesting product characteristics.

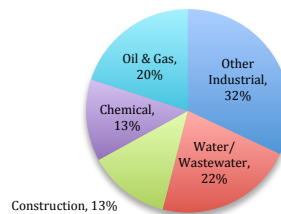
Fragmented Market

- \$7.9B U.S. market
- Over 500 lower middle-market pump manufacturers in U.S.



End Market Diversification & Growth

- Chemical market CAGR of 4.9% and 8.0% through 2018 for centrifugal pumps and positive displacement pumps, respectively
- 4.6% CAGR through 2017 in oil and gas
- 3.1% CAGR through 2017 in mining/construction



Attractive Product Characteristics

- Engineered products often customized to specific installations
- Mission-critical applications
- Commonly replaced or inventoried parts:
 - Seals
 - Wear rings
 - Impellers
 - Gaskets

We are currently in open dialogue with lower middle market pump manufacturers that have demonstrated defensibility in the types of pumps they offer, niche applications, and value-driven sales processes. We believe the opportunity exists to leverage Schilling's operating capabilities to expand product development, refocus end market concentrations, and improve margin profiles.